TITLE 42—THE PUBLIC HEALTH AND WELFARE

1. The Public Health Service [Mostly Repealed or Omitted, See Chapter 6A] ........................................ 1
2. Sanitation and Quarantine .................................. 81
3. Leprosy [Repealed] ............................................ 121
3A. Cancer [Repealed] ............................................. 137
4. Viruses, Serums, Toxins, Antitoxins, etc. [Repealed] ................ 141
5. Maternity and Infancy Welfare and Hygiene [Repealed] ........... 161
6. The Children's Bureau ......................................... 191
6A. Public Health Service ....................................... 201
7. Social Security .................................................. 301
7A. Temporary Unemployment Compensation Program [Omitted] ..... 1400
8. Low-Income Housing ......................................... 1401
8A. Slum Clearance, Urban Renewal, and Farm Housing .......... 1441
8B. Public Works or Facilities [Omitted] .......................... 1491
8C. Open-Space Land [Omitted or Repealed] ........................ 1500
9. Housing of Persons Engaged in National Defense ................. 1501
10. Federal Security Agency [Transferred or Omitted] .............. 1601
11. Compensation for Disability or Death to Persons Employed at Military, Air, and Naval Bases Outside United States .......... 1701
12. Compensation for Injury, Death, or Detention of Employees of Contractors with United States Outside United States ............ 1751
13. School Lunch Programs ....................................... 1771
15. Disaster Relief [Repealed] .................................... 1851
15A. Reciprocal Fire Protection Agreements .......................... 1856
15B. Air Pollution Control [Transferred or Repealed] ............. 1857
16. National Science Foundation ................................... 1861
16A. Grants for Support of Scientific Research [Repealed] ........ 1891
16B. Contracts for Scientific and Technological Research .......... 1900
18. Youth Medals .................................................. 1921
19. Saline and Salt Waters [Repealed, Omitted, or Transferred] .... 1951
19A. Water Resources Research Program [Repealed] ................. 1961
19B. Water Resources Planning .................................... 1962
20. Elective Franchise [Transferred, Repealed, or Omitted] ........ 1971
20A. Civil Rights Commission .................................... 1975
21A. Privacy Protection ............................................ 2000aa
21B. Religious Freedom Restoration .............................. 2000bb
21C. Protection of Religious Exercise in Land Use and by Institutionalized Persons .................................... 2000cc
21D. Detainee Treatment .......................................... 2000dd
21E. Privacy and Civil Liberties Protection and Oversight ............. 2000ee
22. Indian Hospitals and Health Facilities ........................ 2001
24. Disposal of Atomic Energy Communities ......................... 2301
25. Federal Flood Insurance ........................................ 2401
26. National Space Program [Repealed, Omitted, or Transferred] .... 2451
26A. National Space Grant College and Fellowship Program [Repealed or Transferred] ................................ 2486
26B. Biomedical Research in Space [Repealed or Transferred] ....... 2487
27. Loan Service of Captioned Films and Educational Media for Handicapped ........................................ 2491
28. Area Redevelopment Program [Omitted or Repealed] ............ 2501
29. Juvenile Delinquency and Youth Offenses Control [Omitted] ........ 2541
31. Public Works Acceleration Program ................................ 2641
32. Third Party Liability for Hospital and Medical Care ............ 2651
33. Community Mental Health Centers [Omitted, Transferred, or Repealed] ........................................ 2661
34. Economic Opportunity Program ................................ 2701
35. Programs for Older Americans ................................ 3001
36. Compensation of Condemnees in Development Programs [Repealed] ........................................ 3061
37. Community Facilities and Advance Land Acquisition ............ 3101
<table>
<thead>
<tr>
<th>Chap.</th>
<th>Title</th>
<th>Sec.</th>
<th>Chap.</th>
<th>Title</th>
<th>Sec.</th>
</tr>
</thead>
<tbody>
<tr>
<td>40.</td>
<td>Soil Information Assistance for Community Planning and Resource Development</td>
<td>3271</td>
<td>73.</td>
<td>Development of Energy Sources</td>
<td>5801</td>
</tr>
<tr>
<td>41.</td>
<td>Demonstration Cities and Metropolitan Development Program ............</td>
<td>3301</td>
<td>74.</td>
<td>Nonnuclear Energy Research and Development</td>
<td>5901</td>
</tr>
<tr>
<td>42.</td>
<td>Narcotic Addict Rehabilitation</td>
<td>3401</td>
<td>75.</td>
<td>Programs for Individuals With Developmental Disabilities [Repealed]</td>
<td>6000</td>
</tr>
<tr>
<td>43.</td>
<td>Department of Health and Human Services</td>
<td>3501</td>
<td>76.</td>
<td>Age Discrimination in Federally Assisted Programs</td>
<td>6101</td>
</tr>
<tr>
<td>44.</td>
<td>Department of Housing and Urban Development</td>
<td>3531</td>
<td>77.</td>
<td>Energy Conservation</td>
<td>6201</td>
</tr>
<tr>
<td>45.</td>
<td>Fair Housing</td>
<td>3801</td>
<td>78.</td>
<td>National Petroleum Reserve in Alaska</td>
<td>6501</td>
</tr>
<tr>
<td>46.</td>
<td>Justice System Improvement [Repealed, Transferred, or Omitted]</td>
<td>3701</td>
<td>79.</td>
<td>Science and Technology Policy, Organization and Priorities</td>
<td>6601</td>
</tr>
<tr>
<td>49.</td>
<td>National Housing Partnerships</td>
<td>3931</td>
<td>82.</td>
<td>Solid Waste Disposal</td>
<td>6901</td>
</tr>
<tr>
<td>51.</td>
<td>Design and Construction of Public Buildings To Accommodate Physically Handicapped</td>
<td>4151</td>
<td>84.</td>
<td>Department of Energy</td>
<td>7101</td>
</tr>
<tr>
<td>52.</td>
<td>Intergovernmental Cooperation [Repealed, See Chapter 65 of Title 31]</td>
<td>4201</td>
<td>85.</td>
<td>Air Pollution Prevention and Control</td>
<td>7401</td>
</tr>
<tr>
<td>52A.</td>
<td>Joint Funding Simplification [Repealed]</td>
<td>4251</td>
<td>86.</td>
<td>Earthquake Hazards Research</td>
<td>7701</td>
</tr>
<tr>
<td>53.</td>
<td>Advisory Commission on Intergovernmental Relations</td>
<td>4271</td>
<td>87.</td>
<td>Water Research and Development</td>
<td>7801</td>
</tr>
<tr>
<td>54.</td>
<td>Cabinet Committee on Opportunities for Spanish-Speaking People [Omitted]</td>
<td>4301</td>
<td>88.</td>
<td>Uranium Mill Tailings Radiation Control</td>
<td>7901</td>
</tr>
<tr>
<td>55.</td>
<td>National Environmental Policy</td>
<td>4321</td>
<td>89.</td>
<td>Congregate Housing Services</td>
<td>8001</td>
</tr>
<tr>
<td>56.</td>
<td>Environmental Quality Improvement</td>
<td>4371</td>
<td>90.</td>
<td>Neighborhood and City Reinvestment, Self-Help and Revitalization</td>
<td>8101</td>
</tr>
<tr>
<td>57.</td>
<td>Environmental Pollution Study</td>
<td>4391</td>
<td>91.</td>
<td>National Energy Conservation Policy</td>
<td>8201</td>
</tr>
<tr>
<td>58.</td>
<td>Disaster Relief [Repealed or Transferred]</td>
<td>4401</td>
<td>92.</td>
<td>Powerplant and Industrial Fuel Use</td>
<td>8301</td>
</tr>
<tr>
<td>60.</td>
<td>Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Program</td>
<td>4531</td>
<td>94.</td>
<td>Low-Income Energy Assistance</td>
<td>8601</td>
</tr>
<tr>
<td>62.</td>
<td>Intergovernmental Personnel Program</td>
<td>4701</td>
<td>96.</td>
<td>Biomass Energy and Alcohol Fuels</td>
<td>8801</td>
</tr>
<tr>
<td>63.</td>
<td>Lead-Based Paint Poisoning Prevention</td>
<td>4801</td>
<td>97.</td>
<td>Acid Precipitation Program and Carbon Dioxyde Study</td>
<td>8901</td>
</tr>
<tr>
<td>63A.</td>
<td>Residential Lead-Based Paint Hazard Reduction</td>
<td>4851</td>
<td>98.</td>
<td>Ocean Thermal Energy Conversion Research and Development</td>
<td>9001</td>
</tr>
<tr>
<td>65.</td>
<td>Noise Control</td>
<td>4901</td>
<td>100.</td>
<td>Wind Energy Systems</td>
<td>9201</td>
</tr>
<tr>
<td>67.</td>
<td>Child Abuse Prevention and Treatment and Adoption Reform</td>
<td>5011</td>
<td>102.</td>
<td>Mental Health Systems</td>
<td>9401</td>
</tr>
<tr>
<td>68.</td>
<td>Disaster Relief</td>
<td>5121</td>
<td>103.</td>
<td>Comprehensive Environmental Response, Compensation, and Liability</td>
<td>9501</td>
</tr>
<tr>
<td>69.</td>
<td>Community Development</td>
<td>5301</td>
<td>104.</td>
<td>Nuclear Safety Research, Development, and Demonstration</td>
<td>9601</td>
</tr>
<tr>
<td>70.</td>
<td>Manufactured Home Construction and Safety Standards</td>
<td>5401</td>
<td>105.</td>
<td>Community Services Programs</td>
<td>9701</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>106.</td>
<td>Community Services Block Grant Program</td>
<td>9801</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>107.</td>
<td>Consumer-Patient Radiation Health and Safety</td>
<td>9901</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>108.</td>
<td>Nuclear Waste Policy</td>
<td>10001</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>109.</td>
<td>Water Resources Research</td>
<td>10101</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>109A.</td>
<td>Membrane Processes Research</td>
<td>10301</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>109B.</td>
<td>Secure Water</td>
<td>10341</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>110.</td>
<td>Family Violence Prevention and Services</td>
<td>10381</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>111.</td>
<td>Emergency Federal Law Enforcement Assistance [Repealed or Transferred]</td>
<td>10401</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>10501</td>
</tr>
</tbody>
</table>
CHAPTER 1—THE PUBLIC HEALTH SERVICE

SUBCHAPTER I—GENERALLY

§§ 1 to 1j. Repealed. July 1, 1944, ch. 373, title XIII, § 1313, 58 Stat. 714

Sec. 1 to 25e. Repealed or Omitted.
26. Isolation of civilians for protection of military, air and naval forces.
27. Definitions.
28 to 46. Repealed or Omitted.

SUBCHAPTER II—PAY

61 to 70a. Omitted or Repealed.

SUBCHAPTER I—GENERALLY
§ 2 TITILE 42—THE PUBLIC HEALTH AND WELFARE

Page 4

Section 1g, act Nov. 11, 1943, ch. 298, §7, 57 Stat. 588, provided for death and disability benefits of commissioned officers during war and for transfer of Service to military forces. See sections 213 and 317 of this title.

Section 1h, act Nov. 11, 1943, ch. 298, §8, 57 Stat. 589, provided for commissioned officers' benefits as civil officers and employees of United States and election of benefits. See Title 5, Government Organization and Employees.

Section 1i, act Nov. 11, 1943, ch. 298, §9, 57 Stat. 589, provided for transfer of appropriations to continue transferred functions. See note set out under section 201 of this title.

RENUMBERING AND GEARING OF REPEALING ACT


§ 5. Omitted

CODIFICATION

Section, act Mar. 4, 1915, ch. 167, §4, 38 Stat. 1191, provided for appointment to higher grade of officers of Public Health Service detailed with the former Isthmian Canal Commission.

§6 to 15a. Repealed. July 1, 1944, ch. 373, title XIII, §1313, 58 Stat. 714

Section 6, acts July 1, 1902, ch. 1370, §1, 32 Stat. 712; Aug. 14, 1912, ch. 298, §1, 37 Stat. 309, provided for care of sick and disabled seamen. See section 249 of this title.

Section 6a, act Mar. 31, 1936, ch. 161, 49 Stat. 1185, provided for care of seamen on Government vessels not in Military or Naval Establishments and of cadets on State school ships. See section 249 of this title.

Section 7, act Aug. 14, 1912, ch. 298, §1, 37 Stat. 309, provided for investigations by Service into diseases, etc., and publications relating thereto. See section 241 of this title.

Section 8, acts July 1, 1902, ch. 1370, §4, 32 Stat. 713; Aug. 14, 1912, ch. 298, §1, 37 Stat. 309, provided for use of Service in time of war. See section 217 of this title.

Section 8a, act Apr. 9, 1938, ch. 125, §2(a), 46 Stat. 150, provided for extension of facilities of Service to health officials and scientists. See section 211 of this title.

Section 9, act Oct. 1, 1913, ch. 179, §3, 37 Stat. 1008, provided for suppression of Spanish influenza and other communicable diseases. See section 264 of this title.

Section 9a, act Apr. 9, 1938, ch. 125, §3, 46 Stat. 150, provided that administrative office and bureau divisions in District of Columbia be a part of departmental organization and scientific offices and research laboratories as part of field services. See section 203 of this title.


Section 11a, act Apr. 9, 1930, ch. 125, §10(b), 46 Stat. 152, provided for pay and allowances of Surgeon General and for reversion in grade on expiration of term. See sections 205 and 207 of this title.

Section 11b, act Aug. 9, 1939, ch. 606, 53 Stat. 1266, provided for rank and pay of Assistant to Surgeon General. See sections 206 and 207 of this title.


Section 13, act Jan. 4, 1899, ch. 19, §2, 25 Stat. 639, provided for original appointments as assistant surgeons and promotion of passed assistant surgeon. See sections 209 and 211 of this title.

Section 14, act Aug. 14, 1912, ch. 298, §3, 37 Stat. 309, provided for help as provided by Congress. See section 209 of this title.


Section 15a, acts Mar. 2, 1890, ch. 177, §1, 26 Stat. 780; July 1, 1902, ch. 1370, §1, 32 Stat. 712; Aug. 14, 1912, ch. 298, §3, 37 Stat. 309, provided for details for duty in two hospital attendants for duty in laboratory. See section 215 of this title.
TITLE 42—THE PUBLIC HEALTH AND WELFARE

$17 to 25e

Section 17a, act Apr. 9, 1930, ch. 125, § 1, 46 Stat. 150, provided for a detail for duty with executive and independent departments carrying on public health activities. See section 215 of this title.

Section 17b, act Apr. 9, 1930, ch. 125, § 2(a), 46 Stat. 150, provided for a detail for duty with educational and research institutions. See section 215 of this title.

Section 17c, act Apr. 28, 1939, ch. 92, § 1, 53 Stat. 620, provided for a detail for duty on vessels of Coast and Geodetic Survey. See section 215 of this title.

Section 18, act Oct. 27, 1918, ch. 196, 40 Stat. 1017, provided for a Reserve of the Public Health Service. See sections 204, 207, 209, and 210 of this title.

Section 18a, act Apr. 9, 1930, ch. 125, § 6, 46 Stat. 151, provided for assignment of Reserve officers to active duty and for such service counting for promotion credits. See section 204 of this title.

Section 18b, act Mar. 18, 1943, ch. 17, title I, 57 Stat. 24, provided for distribution of Reserve officers among the several grades. See section 209 of this title.


Section 20, act July 9, 1917, ch. 37, 40 Stat. 242, provided for pensions to officers detailed for service with Coast Guard, Army, or Navy. See section 213 of this title.


Section 22, acts July 1, 1902, ch. 1370, § 6, 32 Stat. 713; Aug. 14, 1912, ch. 266, § 1, 37 Stat. 309; May 28, 1939, ch. 320, § 1, 46 Stat. 379, provided for appointment of chiefs of divisions and director of institute, and their pay and allowances. See sections 206 and 210 of this title.

Section 23, act Mar. 4, 1913, ch. 149, 37 Stat. 915, provided for pay of director of Hygienic Laboratory which is now known as the National Institute of Health. See section 210 of this title.

Section 23a, act May 26, 1930, ch. 320, § 1, 46 Stat. 379, provided that Hygienic Laboratory should be succeeded by the National Institute of Health and that all laws, authorizations, and appropriations of Hygienic Laboratory should become applicable to its successor.


Section 23c, act May 26, 1930, ch. 320, § 3, 46 Stat. 380, provided for detailing to duty of scientists receiving fellowships. See sections 209 and 241 of this title.


Section 23e, act May 26, 1930, ch. 320, § 5, 46 Stat. 380, provided that facilities of the National Institute of Health be available to States, counties, and municipalities. See section 241 of this title.

Section 23f, act May 26, 1930, ch. 320, § 6, 46 Stat. 380, provided for rank, pay, and allowances of Director of the Institute. See sections 206, 207, and 210 of this title.

Section 23g, acts Apr. 9, 1930, ch. 125, § 2(b), 46 Stat. 150; May 26, 1930, ch. 320, § 1, 46 Stat. 379, provided for additional divisions in Institute as authorized by Administrator. See section 203 of this title.

Section 24, act July 8, 1918, ch. 145, ch. XV, § 4, 40 Stat. 886, provided for establishment of a Division of Venereal Diseases.

Section 25, act July 9, 1918, ch. 145, ch. XV, § 4, 40 Stat. 886, provided for duties of Division of Venereal Diseases.

Section 25a, act July 9, 1918, ch. 143, ch. XV, § 4a, as added May 24, 1938, ch. 267, 52 Stat. 439, provided for ap-
provisions to assist political subdivisions in venereal disease work. See sections 241 and 246 of this title.

Section 25b, act July 9, 1918, ch. 143, ch. XV, §4b, as added May 24, 1938, ch. 267, 52 Stat. 439, provided for allotments to political subdivisions for venereal disease work. See section 246 of this title.

Section 25c, act July 9, 1918, ch. 143, ch. XV, §4c, as added May 24, 1938, ch. 267, 52 Stat. 439, provided for payments from allotments to political subdivisions. See section 246 of this title.

Section 25d, act July 9, 1918, ch. 143, ch. XV, §4d, as added May 24, 1938, ch. 267, 52 Stat. 439, provided for rules and regulations governing the Division of Venereal Diseases, is covered by section 216 of this title.

Section 25e, act July 9, 1918, ch. 143, ch. XV, §4e, as added May 24, 1938, ch. 267, 52 Stat. 439, provided for construction of sections 25a to 25e of this title.

RENUMBERING AND REPEAL OF REPEALING ACT


§26. Isolation of civilians for protection of military, air and naval forces

The Secretary of the Army, the Secretary of the Air Force and the Secretary of the Navy are authorized and directed to adopt measures for the purpose of assisting the various States in care of civilians affected by venereal disease, or caring for civilian persons whose detention, isolation, quarantine, or commitment to institutions may be found necessary for the protection of the military, air and naval forces of the United States against venereal diseases.

(July 9, 1918, ch. 143, ch. XV, §2, 40 Stat. 866.)

CODIFICATION

The Secretary of the Army was inserted in text under the authority of section 207(a), (f) of act July 26, 1947, ch. 343, title II, 61 Stat. 501, and Secretary of Defense Transfer Order No. 40 [App. A(73)], July 22, 1949.

The Department of War was designated the Department of the Army and the title of the Secretary of War was changed to Secretary of the Army by section 205(a) of act July 26, 1947. Sections 205(a) and 207(a), (f) of act July 26, 1947, were repealed by section 53 of act Aug. 10, 1956, ch. 1014, 70A Stat. 641. Section 1 of act Aug. 10, 1956, enacted “Title 10, Armed Forces”, which in sections 2610 to 2613 and 2610 to 2613 continued the Departments of the Army and Air Force under the administrative supervision of a Secretary of the Army and a Secretary of the Air Force, respectively.

TRANSFER OF FUNCTIONS

For transfer of certain functions insofar as they pertain to the Air Force, and to the extent that they were not previously transferred to the Secretary of the Air Force from the Secretary of the Army, see Secretary of Defense Transfer Order No. 40 [App. A(73)], July 22, 1949.

§ 27. Definitions

The terms “State” and “States,” as used in this chapter, shall be held to include the District of Columbia.

(July 9, 1918, ch. 143, ch. XV, §8, 40 Stat. 887.)

REFERENCES IN TEXT

This chapter, referred to in text, means chapter XV of act July 9, 1918, ch. 143, 40 Stat. 887, which, insofar as classified to the Code, enacted sections 241 to 27 of this title and amended section 28 of this title. For complete classification of this Act to the Code, see Tables.

§28 to 43. Repealed. July 1, 1944, ch. 373, title XIII, §1313, 58 Stat. 714


Section 28a, act Apr. 9, 1930, ch. 125, §10(a), 46 Stat. 152, provided for a chief of the narcotics division. See section 206 of this title.


Section 30, acts July 1, 1902, ch. 1370, §§8, 32 Stat. 714; Aug. 14, 1912, ch. 288, §§1, 37 Stat. 309, provided for compilation of mortality, morbidity, and vital statistics. See section 242k(g) of this title.

Section 31, act June 5, 1920, ch. 235, §1, 41 Stat. 883, provided that officers of Service could make allotments of their pay. See section 704 of Title 37, Pay and Allowances of the Uniformed Services.

Section 32, act Mar. 6, 1920, ch. 94, §1, 41 Stat. 507, provided for purchase of quartermaster supplies by officers of Service. See section 210 of this title.

Section 33, act Mar. 4, 1921, ch. 161, §1, 41 Stat. 1378, provided for liquidations on expenditure of appropriations. See section 227 of this title.

Section 33a, act May 14, 1935, ch. 110, 49 Stat. 229, provided for covering into Treasury moneys collected for treatment of foreign seamen and other pay patients. See section 221 of this title.

Section 34, acts July 1, 1902, ch. 1370, §1, 32 Stat. 712; Aug. 14, 1912, ch. 288, §§2, 37 Stat. 309; Apr. 9, 1930, ch. 125, §10(a), 46 Stat. 152, provided for titles for officers of the Service. See section 207 of this title.

Section 35, act Apr. 9, 1930, ch. 125, §10(a), 46 Stat. 152, provided titles for officers other than medical officers of Service. See section 207 of this title.

Section 36, act Apr. 9, 1930, ch. 125, §10(a), 46 Stat. 152, provided titles for officers in grade of Assistant Surgeons General. See section 206 of this title.

Section 37, acts Apr. 9, 1930, ch. 125, §§6, 46 Stat. 151; Nov. 11, 1943, ch. 298, §§7, 57 Stat. 540, provided for promotions, pay and allowances, and severance from Service of commissioned officers. See sections 209 et seq. of this title.

Section 38, act Apr. 9, 1930, ch. 125, §§4, 46 Stat. 150, provided for appointment and grades of medical, dental, sanitary engineer, and pharmacist officers. See section 209 of this title.

Section 39, Apr. 9, 1930, ch. 125, §§3, 46 Stat. 150, provided for number, pay and allowances, and service credits for pay purposes of medical, dental, sanitary engineer, and pharmacist officers. See sections 209 et seq. of this title.

Section 40, act Apr. 9, 1930, ch. 125, §§11, 46 Stat. 152, provided for appointment and qualifications of employees other than commissioned officers. See section 209 of this title.

Section 41, act Apr. 9, 1930, ch. 125, §§7, 46 Stat. 151, provided for appointment of persons other than commissioned officers for scientific research. See section 209 of this title.

Section 42, act Apr. 9, 1930, ch. 125, §§12, 46 Stat. 152, provided for medical and hospital services to officers disabled by sickness or injury. See sections 213 and 246 of this title.

Section 43, act Mar. 3, 1919, ch. 98, §§3, 40 Stat. 1303, related to transfer of property and equipment to Service.
Act Mar. 4, 1921, ch. 156, 41 Stat. 1369, formerly cited to section 43, was repealed by act Aug. 10, 1956, ch. 1041, §3, 70A Stat. 641.

RENUMBERING AND REPEAL OF REPEALING ACT


$64a to 64c. Omitted

C O N F I R M A T I O N

Section 64a, act Feb. 21, 1929, ch. 288, 45 Stat. 1254, defined child and children as used in section 64 of this title, and was superseded by section 401 of Title 37, Pay and Allowances of the Uniformed Services.

Section 64b, act June 24, 1935, ch. 291, §3, 49 Stat. 421, defined permanent change in station as used in section 64 of this title and was superseded by section 411 of Title 37.

Provisions of section 64c, which related to use of government automobiles to transport school children at isolated stations, were enacted as permanent legislation by the 1948 amendment to section 227 of this title. Section 64c was based upon the following prior appropriation acts:

July 26, 1946, ch. 672, title II, 60 Stat. 690.
July 12, 1943, ch. 221, title II, 57 Stat. 507.
July 2, 1942, ch. 473, title II, 56 Stat. 582.
July 1, 1941, ch. 269, title II, 55 Stat. 483.


Section 66, act Apr. 9, 1930, ch. 125, §4, 46 Stat. 151, provided for settlement of accounts of deceased officers and men and was superseded by section 411 of Title 37, Pay and Allowances of the Uniformed Services.

Section 68, acts June 26, 1940, ch. 428, title II, 54 Stat. 584; July 1, 1941, ch. 269, title II, 55 Stat. 480, provided transportation funds for shipment of deceased officers and men and was superseded by section 227 of Title 37, Pay and Allowances of the Uniformed Services.

Section 69, acts May 27, 1908, ch. 200, 35 Stat. 373; May 13, 1938, ch. 213, 52 Stat. 352; Oct. 28, 1943, ch. 289, 57 Stat. 583, provided for compensation of field employees rendering part-time and call services. See section 212 of this title.

SUBCHAPTER II—PAY

$61. Omitted

CODIFICATION

Section, which related to relocation of physicians and dentists, was from the First Supplemental National Defense Appropriation Act, 1944, act Dec. 23, 1943, and was repealed by section 401 of Title 37, Pay and Allowances of the Uniformed Services.

SUBCHAPTER III—LEGENDARY PAY


Section, act May 18, 1920, ch. 190, §11 (proviso), 41 Stat. 604, related to longevity pay and credit for service in other branches. See section 517 of Title 10, Armed Forces, and sections 201 and 203 to 205 of Title 37, Pay and Allowances of the Uniformed Services.

$63. Omitted

CODIFICATION

Section, acts Jan. 22, 1925, ch. 87, title I, 43 Stat. 774; Mar. 2, 1926, ch. 43, title I, §1, 44 Stat. 147, related to travel expenses for travel on Government owned vessels and was superseded by section 401 et seq. of Title 37, Pay and Allowances of the Uniformed Services.


Section, act May 18, 1920, ch. 190, §12, 41 Stat. 604, related to transportation of dependents.


Section, act June 30, 1949, ch. 286, title I, 63 Stat. 365, provided for a per diem allowance of officers detailed to the Coast Guard.

transferred to section 21 of this title.

CHAPTER 2—SANITATION AND QUARANTINE

Sec. 81 to 87. Repealed.

88. Discharge of cargo of vessel in quarantine.

89. Quarantine warehouses; erection.

90. Deposit of goods in warehouses.

91. Extending time for entry of vessels subject to quarantine.

92 to 96. Repealed.

97. State health laws observed by United States officers.

98. Vessels for quarantine officers.

99 to 111. Repealed.

112. Removal of revenue officers from port during epidemic.

113, 114. Repealed.

§§ 81 to 87. Repealed. July 1, 1944, ch. 373, title XIII, §1313, 58 Stat. 714


Section 87, act Apr. 17, 1917, ch. 3, 40 Stat. 6, provided for payment of cost of fumigation and disinfection of foreign vessels.

Renumbering and Repeal of Repealing Act


§ 89. Quarantine warehouses; erection

There shall be purchased or erected, under the orders of the President, suitable warehouses, with wharves and inclosures, where merchandise may be unladen and deposited, from any vessel which shall be subject to a quarantine, or other restraint, pursuant to the health laws of any State, at such convenient places therein as the safety of the public revenue and the observance of such health laws may require.

(R.S. § 4794.)

Codification

R.S. § 4794 derived from act Feb. 23, 1799, ch. 12, § 1, 1 Stat. 629.

§ 90. Deposit of goods in warehouses

Whenever the cargo of a vessel is unladen at some other place than the port of entry under sections 88 and 89 of this title, all the articles of such cargo shall be deposited, at the risk of the parties concerned therein, in such public or other warehouses or inclosures as the collector shall direct, there to remain under the joint custody of such collector and of the owner, or master, or other person having charge of such vessel, until the same are entirely unladen or discharged, and until the articles so deposited may be safely removed without contravening such health laws. And when such removal is allowed, the collector having charge of such articles may grant permits to the respective owners or consignees, their factors or agents, to receive all merchandise which has been entered, and the duties accruing upon which have been paid, upon the payment by them of a reasonable rate of storage; which shall be fixed by the Secretary of Health and Human Services, or which such collector may, for the time, deem expedient for the security of the public revenue.


Codification

Words “or delivery” after “port of entry” which were included in this section as originally enacted were omitted as ports of delivery were abolished pursuant to the President’s Message to Congress on Mar. 3, 1913, set out in Codification note under section 1 of Title 19, Customs Duties.

R.S. § 4793 derived from act Feb. 23, 1799, ch. 12, § 1, 1 Stat. 619.

Transfer of Functions

Functions of Federal Security Administrator transferred to Secretary of Health, Education, and Welfare and all agencies of Federal Security Agency transferred to Department of Health, Education, and Welfare by section 5 of Reorg. Plan No. 1 of 1953, set out as a note under section 3501 of this title. Federal Security Agency and office of Administrator abolished by section 8 of Reorg. Plan No. 1 of 1953. Secretary and Department of Health, Education, and Welfare redesignated Secretary and Department of Health and Human Services by section 509(b) of Pub. L. 96–88 which is classified to section 3508(b) of Title 20, Education.

Functions of Department of the Treasury relating to public health transferred to Federal Security Agency pursuant to Reorg. Plan No. 1 of 1939, set out in the Appendix to Title 5, Government Organization and Employees.

$ 91. Extending time for entry of vessels subject to quarantine

The Secretary of Health and Human Services is authorized, whenever a conformity to such
quarantines and health laws requires it, and in respect to vessels subject thereto, to prolong the terms limited for the entry of the same, and the report or entry of their cargoes, and to vary or dispense with any other regulations applicable to such reports or entries. No part of the cargo of any vessel shall, however, in any case, be taken out or unladen therefrom, otherwise than is allowed by law, or according to the regulations established by sections 88 and 90 of this title.


CODIFICATION
R.S. § 4796 derived from act Feb. 23, 1799, ch. 12, § 1, 1 Stat. 619.

TRANSFER OF FUNCTIONS

Functions of Department of the Treasury relating to public health transferred to Federal Security Agency pursuant to Reorg. Plan No. I of 1939, set out in the Appendix to Title 5, Government Organization and Employees.

§§ 92 to 96. Repealed. July 1, 1944, ch. 373, title XIII, § 1313, 58 Stat. 714


Section 94, act Feb. 15, 1893, ch. 114, § 5, 27 Stat. 451, provided for regulations to secure sanitary conditions of vessels. See section 269 of this title.

Section 94a, act Feb. 15, 1893, ch. 114, § 14, as added Mar. 3, 1931, ch. 409, § 1, 46 Stat. 1492, provided for hours of inspection at quarantine stations. See section 267 of this title.

Section 94b, act Feb. 15, 1893, ch. 114, § 16, as added Mar. 3, 1931, ch. 409, § 1, 46 Stat. 1492, provided for schedule of charges and payment of them. See section 269 of this title.

Section 94c, act Feb. 15, 1893, ch. 114, § 15, as added Mar. 3, 1931, ch. 409, § 1, 46 Stat. 1492, provided for procurement of health certificates. See section 269 of this title.

Section 94d, act Feb. 15, 1893, ch. 114, § 17, as added Mar. 3, 1931, ch. 409, § 1, 46 Stat. 1492, provided medical and hospital benefits to officers and employees of national quarantine service. See section 253 of this title.

Section 94e, act Mar. 3, 1931, ch. 409, § 13, 46 Stat. 1492, provided for extended quarantine service. See section 267 of this title.

Section 95, acts Mar. 27, 1890, ch. 51, § 1, 26 Stat. 31; July 1, 1902, ch. 1370, § 1, 32 Stat. 712; Aug. 14, 1912, ch. 288, § 1, 37 Stat. 309, related to regulations to prevent spread of communicable diseases. See section 264 of this title.

Section 96, act June 19, 1906, ch. 3433, § 4, 34 Stat. 301, provided that jurisdiction over established station acquired by the United States be ceded before payment of compensation.

RENUMERATION AND REPEAL OF REPEALING ACT

§ 97. State health laws observed by United States officers

The quarantines and other restraints established by the health laws of any State, respecting any vessel arriving in, or bound to, any port or district thereof, shall be duly observed by the officers of the customs revenue of the United States, by the masters and crews of the several Coast Guard vessels, and by the military officers commanding in any fort or station upon the sea-coast; and all such officers of the United States shall faithfully aid in the execution of such quarantines and health laws, according to their respective powers and within their respective precincts, and as they shall be directed, from time to time, by the Secretary of Health and Human Services. But nothing in title 58 of the Revised Statutes shall enable any State to collect a duty of tonnage or impost without the consent of Congress.


REFERENCES IN TEXT
Title 58 of the Revised Statutes, referred to in text, was in the original "this Title" meaning title 58 of the Revised Statutes, consisting of R.S. §§ 4792 to 4800, which were classified to sections 88 to 97, 112 to 114 of this title and section 8 of former Title 4, Flag and Seal, Seat of Government, and the States. Such section 8 of former Title 4 was repealed by act July 30, 1947, ch. 399, § 2, 61 Stat. 645, and reenacted by the first section thereof as section 73 of Title 4. For complete classification of R.S. §§ 4792 to 4800 to the Code, see Tables.

CODIFICATION
R.S. § 4792 derived from act Feb. 23, 1799, ch. 12, § 1, 1 Stat. 619.

TRANSFER OF FUNCTIONS
Functions of Federal Security Administrator transferred to Secretary of Health, Education, and Welfare and all agencies of Federal Security Agency transferred to Department of Health, Education, and Welfare by
section 5 of Reorg. Plan No. 1 of 1953, set out as a note under section 3001 of this title. Federal Security Agency and office of Administrator abolished by section 8 of Reorg. Plan No. 1 of 1953. Secretary and Department of Health, Education, and Welfare redesignated Secretary and Department of Health and Human Services by section 508(b) of Pub. L. 96–88 which is classified to section 3001(b) of Title 20, Education.

Functions of Department of the Treasury relating to public health transferred to Federal Security Agency pursuant to Reorg. Plan No. 1 of 1939, set out in the Appendix to Title 5, Government Organization and Employees.

For transfer of authorities, functions, personnel, and assets of the Coast Guard, including the authorities of the Secretary of Transportation for its use and control, to the Department of Homeland Security, and for treatment of related references, see sections 468(b), 551(d), 552(d), and 557 of Title 6, Domestic Security, and the Department of Homeland Security Reorganization Plan of November 25, 2002, as modified, set out as a note under section 542 of Title 6.

"Coast Guard vessels" substituted in text for "revenue-cutters". Revenue Cutter Service and Life-Saving Service having been combined to form Coast Guard by section 1 of act Jan. 28, 1915. That act was repealed by section 46 of Reorg. Plan No. 1 of 1939, set out as a note under section 3001 of this title. Federal Security Agency and office of Administrator abolished by section 8 of Reorg. Plan No. 1 of 1953. Secretary and Department of Health, Education, and Welfare redesignated Secretary and Department of Health and Human Services by section 508(b) of Pub. L. 96–88 which is classified to section 508(b) of Title 20, Education.

Public Health Service and its functions and personnel transferred from Department of the Treasury to Federal Security Agency pursuant to Reorg. Plan No. 1 of 1939, set out in the Appendix to Title 5, Government Organization and Employees.

Marine Hospital Service was redesignated Public Health and Marine Hospital Service by act July 1, 1902, ch. 1370, § 1, 32 Stat. 712, which in turn was redesignated Public Health Service by act Aug. 14, 1912, ch. 238, § 1, 37 Stat. 309.

National Board of Health was abolished and all duties relating to quarantines and quarantine regulations were placed in Marine Hospital Service by act Feb. 15, 1893, ch. 114, 27 Stat. 449.


Section 100, act Feb. 15, 1893, ch. 114, §8, 27 Stat. 452, provided compensation for use of State buildings for quarantine purposes.


Section 102, act Feb. 15, 1893, ch. 114, §10, as added Mar. 3, 1901, ch. 836, 31 Stat. 1086; amended July 1, 1902, ch. 1370, §1, 32 Stat. 712, provided for establishment of quarantine grounds. See sections 267 and 271 of this title.

Section 103, act June 19, 1906, ch. 3433, §1, 34 Stat. 299, provided for control and management of quarantine grounds. See section 267 of this title.


Section 105, act June 19, 1906, ch. 3433, §3, 34 Stat. 300, provided for notice of selection of places for quarantine stations and anchorages.


Section 107, act Mar. 27, 1890, ch. 51, §2, 26 Stat. 31, provided penalties for the violation of quarantine laws by officers of Service. See section 271 of this title.

Section 108, act Mar. 27, 1890, ch. 51, §3, 26 Stat. 32, provided penalties for the violation of quarantine laws by common carriers. See section 271 of this title.


Section, acts June 12, 1917, ch. 27, 40 Stat. 121; June 12, 1917, ch. 28, 40 Stat. 122; Federal Security Agency and office of Administrator abolished by section 8 of Reorg. Plan No. 1 of 1953. Secretary and Department of Health, Education, and Welfare redesignated Secretary and Department of Health and Human Services by section 508(b) of Pub. L. 96–88 which is classified to section 508(b) of Title 20, Education.

Functions of Federal Security Administrator transferred to Secretary of Health, Education, and Welfare and all agencies of Federal Security Agency transferred to Department of Health, Education, and Welfare by

§§ 110.111. Repealed. July 1, 1944, ch. 373, title XIII, § 1313, 58 Stat. 714


RENUMBERING AND REPEAL OF REPEALING ACT


§ 112. Removal of revenue officers from port during epidemic

Whenever, by the prevalence of any contagious or epidemic disease in or near the place by law established as the port of entry for any collection district, it becomes dangerous or inconvenient for the officers of the revenue employed therein to continue the discharge of their respective offices at such port, the Secretary of the Treasury, or, in his absence, the Undersecretary of the Treasury, may direct the removal of the officers of the revenue from such port to any other more convenient place, within, or as near as may be to, such collection district. And at such place such officers may exercise the same powers, and shall be liable to the same duties, as may be to, such collection district. And at said home. See section 210 of this title.

Section 125, acts Mar. 3, 1905, ch. 1443, § 3(b), 33 Stat. 873, provided for regulations governing the home. See section 134 of this title.

§§ 110 to 125. Repealed. July 1, 1944, ch. 373, title XIII, § 1313, 58 Stat. 714


RENUMBERING AND REPEAL OF REPEALING ACT


§§ 131 to 135. Repealed. July 1, 1944, ch. 373, title XIII, § 1313, 58 Stat. 714


Section 135, act Feb. 13, 1917, ch. 26, § 5, 39 Stat. 873, provided for additional pay of officers detailed to duty at said home. See section 210 of this title.

RENUMBERING AND REPEAL OF REPEALING ACT


CHAPTER 3A—CANCER

§§ 137 to 137g. Repealed. July 1, 1944, ch. 373, title XIII, § 1313, 58 Stat. 714

Section 137, act Aug. 5, 1937, ch. 565, § 1, 50 Stat. 559, provided for establishment of National Cancer Institute. See section 281 of this title.


Section 137e, act Aug. 5, 1937, ch. 565, §6, 50 Stat. 561, provided for acceptance of gifts. See section 283 of this title.


Section 137g, act Aug. 5, 1937, ch. 565, §8, 50 Stat. 562, related to appointment of officers, functions under other provisions, regulations, reports, effective date, and citation. See sections 209, 216, 229, and 286 of this title.

RENUMERATING AND REPEAL OF REPETING ACT


CHAPTER 5—MATERNITY AND INFANCY

WELFARE AND HYGIENE


Section 161, act Nov. 23, 1921, ch. 135, §3, 42 Stat. 224, related to creation of Board of Maternity and Infant Hygiene and administration of this chapter by Children’s Bureau.

Section 162, act Nov. 23, 1921, ch. 135, §1, 42 Stat. 224, related to authorization of appropriations.


Section 164, act Nov. 23, 1921, ch. 135, §4, 42 Stat. 225, related to acceptance of provisions of this chapter by the States.

Section 165, act Nov. 23, 1921, ch. 135, §5, 42 Stat. 225, related to deduction of administrative expenses from appropriation.

Section 166, act Nov. 23, 1921, ch. 135, §6, 42 Stat. 225, related to clerical assistants for Children’s Bureau.

Section 167, act Nov. 23, 1921, ch. 135, §7, 42 Stat. 225, related to apportionment of appropriation to States.

Section 168, act Nov. 23, 1921, ch. 135, §8, 42 Stat. 225, related to submission and approval of plans by States.

Section 169, act Nov. 23, 1921, ch. 135, §9, 42 Stat. 225, related to power of representative of Children’s Bureau to enter homes and to take charge of children.

Section 170, act Nov. 23, 1921, ch. 135, §10, 42 Stat. 225, related to certification of amounts apportioned to States.

Section 171, act Nov. 23, 1921, ch. 135, §11, 42 Stat. 226, related to reports by States.

Section 172, act Nov. 23, 1921, ch. 135, §12, 42 Stat. 226, related to limitation on expenditure of amounts apportioned to States.

Section 173, act Nov. 23, 1921, ch. 135, §13, 42 Stat. 226, related to requirement that Children’s Bureau perform duties assigned to it by this chapter.

Section 174, act Nov. 23, 1921, ch. 135, §14, 42 Stat. 226, related to construction of this chapter.

Section 175, act Mar. 10, 1924, ch. 46, §3, 43 Stat. 17, related to extension of this chapter to Hawaii.

CHAPTER 6—THE CHILDREN’S BUREAU

Sec. 191. Bureau established.

192. Chief of bureau; investigations and reports.

193. Assistant chief.

194. Quarterers for bureau.

§191. Bureau established

There shall be established in the Department of Health and Human Services a bureau to be known as the Children’s Bureau.


Classification

Sec. was formerly classified to section 18 of “Title 29, Labor.

TRANSFER OF FUNCTIONS

Functions of Federal Security Administrator transferred to Secretary of Health, Education, and Welfare
and all agencies of Federal Security Agency transferred to Department of Health, Education, and Welfare by section 5 of Reorg. Plan No. 1 of 1953, set out as a note under section 3508(b) of Title 20, Education, and all agencies of Federal Security Agency transferred to Department of Health, Education, and Welfare by section 5 of Reorg. Plan No. 1 of 1953, set out as a note under section 3508(b) of Title 20, Education.

"Federal Security Agency" substituted for "Department of Labor" pursuant to Reorg. Plan No. 2 of 1946, set out in the Appendix to Title 5, Government Organization and Employee, which transferred Children's Bureau, exclusive of its Industrial Division, from Department of Labor to Federal Security Agency. Functions of Bureau, its Chief, and of Secretary of Labor relating to such functions transferred to Federal Security Administrator.

Functions authorized by section 192 of this title and such other functions of Federal Security Agency as Administrator might designate were to be administered through Children's Bureau under his direction and control.

Functions of Children's Bureau under sections 201 to 216, 217 to 219 of Title 29, Labor, transferred to Secretary of Labor.

For transfer of personnel, property, records and funds, see section 12 of Reorg. Plan No. 2 of 1946.

Act Apr. 9, 1912, established Children's Bureau in Department of Commerce and Labor. Act Mar. 4, 1913, transferred Children's Bureau to Department of Labor, which was created by that act, and was authority for substitution of "Department of Labor" for "Department of Commerce and Labor".

§ 192. Chief of bureau; investigations and reports

The Children's Bureau shall be under the direction of a chief, to be appointed by the President, by and with the advice and consent of the Senate. The said bureau shall investigate and report to the Secretary of Health and Human Services, upon all matters pertaining to the welfare of children and child life among all classes of our people, and shall especially investigate the questions of infant mortality, the birth rate, orphanage, juvenile courts, desertion, dangerous occupations, accidents and diseases of children, employment, legislation affecting children in the several States and Territories. But no official, or agent, or representative of said bureau shall, over the objection of the head of the family, enter any house used exclusively as a family residence. The chief of said bureau may from time to time publish the results of these investigations in such manner and to such extent as may be prescribed by the Secretary.


CODIFICATION

In the first sentence of this section, provisions which specified an annual compensation of $5,000 for the chief of the Children's Bureau have been omitted superseded. Following enactment of the Classification Act of 1923, the compensation was fixed in accordance with that Act. See act Feb. 27, 1925, title IV, 43 Stat. 1050. Sections 1202 and 1204 of the Classification Act of 1948, 60 Stat. 972, 973, repealed the Classification Act of 1923 and all other laws or parts of laws inconsistent with the 1949 Act. The Classification Act of 1949 was repealed by Pub. L. 89–554, Sept. 6, 1966, § 8(a), 80 Stat. 632, and reenacted as chapter 51 and subchapter III of chapter 53 of Title 5, Government Organization and Employees. Section 5102 of Title 5 now contains the applicability provisions of the 1949 Act, and section 5105 of Title 5 authorizes the Office of Personnel Management to determine the applicability to specific positions and employees.

Section was formerly classified to section 191a of Title 29, Labor.

TRANSFER OF FUNCTIONS

Functions of Federal Security Administrator transferred to Secretary of Health, Education, and Welfare and all agencies of Federal Security Agency transferred to Department of Health, Education, and Welfare by section 5 of Reorg. Plan No. 1 of 1953, set out as a note under section 3501 of this title. Federal Security Agency and office of Administrator abolished by section 8 of Reorg. Plan No. 1 of 1953. Secretary and Department of Health, Education, and Welfare redesignated Secretary and Department of Health and Human Services by section 509(b) of Pub. L. 96–88 which is classified to section 3508(b) of Title 20, Education.

"Federal Security Administrator" substituted for "said department" and for "Secretary of Labor" pursuant to Reorg. Plan No. 2 of 1946. See note set out under section 191 of this title.

"Secretary of Labor" substituted for "Secretary of Commerce and Labor" pursuant to act Mar. 4, 1913. See note set out under section 191 of this title.

§ 193. Assistant chief

There shall be in the Children's Bureau, until otherwise provided for by law, an assistant chief, to be appointed by the Secretary of Health and Human Services.


CODIFICATION

Section 3 of act Apr. 9, 1912, also provided for compensation of assistant chief and for appointment and compensation of other employees of the bureau.

Section was formerly classified to section 191 of Title 29, Labor.

TRANSFER OF FUNCTIONS

Functions of Federal Security Administrator transferred to Secretary of Health, Education, and Welfare and all agencies of Federal Security Agency transferred to Department of Health, Education, and Welfare by section 5 of Reorg. Plan No. 1 of 1953, set out in as a note under section 3501 of this title. Federal Security Agency and office of Administrator abolished by section 8 of Reorg. Plan No. 1 of 1953. Secretary and Department of Health, Education, and Welfare redesignated Secretary and Department of Health and Human Services by section 509(b) of Pub. L. 96–88 which is classified to section 3508(b) of Title 20, Education.


"Secretary of Labor" substituted for "Secretary of Commerce and Labor" pursuant to act Mar. 4, 1913. See note set out under section 191 of this title.

§ 194. Quarters for bureau

The Secretary of Health and Human Services is directed to furnish sufficient quarters for the work of this bureau at an annual rental not to exceed $2,000.

(Apr. 9, 1912, ch. 73, § 4, 37 Stat. 80; Mar. 4, 1913, ch. 141, § 3, 37 Stat. 737; 1946 Reorg. Plan No. 2,

Codification

Section was formerly classified to section 18c of Title 29, Labor.

Transfer of Functions


CHAPTER 6A—PUBLIC HEALTH SERVICE

SUBCHAPTER I—ADMINISTRATION AND MISCELLANEOUS PROVISIONS

Sec. 201. Definitions.

PART A—ADMINISTRATION

202. Administration and supervision of Service.

203. Organization of Service.

204. Commissioned Corps and Ready Reserve Corps.

204a. Deployment readiness.

205. Appointment and tenure of office of Surgeon General; reversion in rank.

206. Assignment of officers.

207. Grades, ranks, and titles of commissioned corps.

208. Repealed.

209. Appointment of personnel.

209a to 209c. Omitted or Repealed.

209d. Appointment of osteopaths as commissioned officers.

210. Pay and allowances.

210-1. Annual and sick leave.

210a. Repealed.

210b. Professional categories.

211. Promotion of commissioned officers.

211a, 211b. Repealed.

211c. Promotion credit for medical officers in assistant grade.

212. Retirement of commissioned officers.

212a, 212b. Repealed.

213. Military benefits.

213a. Rights, benefits, privileges, and immunities for commissioned officers or beneficiaries; exercise of authority by Secretary or designee.

214. Presentation of United States flag upon retirement.

214a. Repealed.

215. Detail of Service personnel.

216. Regulations.

217. Use of Service in time of war or emergency.

217a. Advisory councils or committees.

217a-1. Advisory committees; prohibition of consideration of political affiliations.

Sec. 217b. Volunteer services.


218a. Training of officers.

219 to 230. Transferred, Repealed, or Omitted.

231. Service and supply fund; uses; reimbursement.

232. National Institute of Mental Health; authorization of appropriation; construction; location.

233. Civil actions or proceedings against commissioned officers or employees.

234. Health care professionals assisting during a public health emergency.

235. Administration of grants in multigrant projects; promulgation of regulations.

236. Orphan Products Board.

237. Silvio O. Conte Senior Biomedical Research and Biomedical Product Assessment Service.

237a. Health and Human Services Office on Women's Health.

PART B—MISCELLANEOUS PROVISIONS

238. Gifts for benefit of Service.

238a. Use of immigration station hospitals.

238b. Disposition of money collected for care of patients.

238c. Transportation of remains of officers.

238d. Availability of appropriations for grants to Federal institutions.

238e. Transfer of funds.

238f. Availability of appropriations.

238g. Wearing of uniforms.

238h. Biennial report.

238i. Memorials and other acknowledgments for contributions to health of Nation.

238j. Evaluation of programs.

238k. Contract authority.

238l. Recovery.

238m. Use of fiscal agents.

238n. Abortion-related discrimination in governmental activities regarding training and licensing of physicians.

238o. Restriction on use of funds for assisted suicide, euthanasia, and mercy killing.


238q. Liability regarding emergency use of automated external defibrillators.

PART C—SMALLPOX EMERGENCY PERSONNEL PROTECTION

239. General provisions.

239a. Determination of eligibility and benefits.

239b. Smallpox vaccine injury table.

239c. Medical benefits.

239d. Compensation for lost employment income.

239e. Payment for death.

239f. Administration.

239g. Authorization of appropriations.

239h. Relationship to other laws.

PART D—UNITED STATES PUBLIC HEALTH SCIENCES TRACK

240. Establishment.

240-1. Administration.

240-2. Students; selection; obligation.

240-3. Funding.

SUBCHAPTER II—GENERAL POWERS AND DUTIES

PART A—RESEARCH AND INVESTIGATIONS

241. Research and investigations generally.

242. Studies and investigations on use and misuse of narcotic drugs and other drugs; annual report to Attorney General; cooperation with States.
Sec. 242a. Repealed.

242b. General authority respecting research, evaluations, and demonstrations in health statistics, health services, and health care technology.

242c to 242j. Repealed or Transferred.

242k. National Center for Health Statistics.

242. General grant of authority for cooperation projects.

242b–1, 244a. Repealed.

242q–1. Membership.

242n. Repealed.


242s. Centers for Disease Control and Prevention.

242q–2. Administrative staff and support.

242. Health conferences; publication of health educational information.


242t. CDC surveillance and data collection for infectious diseases.


242. Grants and services to States.


242. International cooperation.

242q–6. Improvement and publication of data on food-related allergic responses.

242. National health statistics, health services, and health care technology.

242q–7. Health conferences; publication of health educational information.

242. Membership.

242q–8. Task Force on Aging Research; establishment and duties.

242. Repealed.


242. Administrative staff and support.


242. Definitions.


242. Membership.

242q–12. Improvements in education and training.

242. Public access defibrillation programs.


242. National health statistics, health services, and health care technology.


242. Repealed.


242. Health conferences; publication of health educational information.


242. National health statistics, health services, and health care technology.


242. Administrative staff and support.

242q–18. Repealed.

242. Definitions.


242. Membership.


242. National health statistics, health services, and health care technology.


242. Repealed.


242. Administrative staff and support.


242. Definitions.


242. Membership.


242. National health statistics, health services, and health care technology.


242. Administrative staff and support.


242. Definitions.


242. Membership.


242. National health statistics, health services, and health care technology.


242. Administrative staff and support.


242. Definitions.

242q–32. Repealed.

242. Membership.

242q–33. Membership.

242. Administrative staff and support.

242q–34. Repealed.

242. Definitions.

242q–35. Repealed.

242. Membership.


242. Administrative staff and support.


242. Definitions.

242q–38. Repealed.

242. Membership.


242. Administrative staff and support.


242. Definitions.

242q–41. Repealed.

242. Membership.

242q–42. Membership.

242. Administrative staff and support.

242q–43. Repealed.

242. Definitions.

242q–44. Repealed.

242. Membership.

242q–45. Membership.

242. Administrative staff and support.

242q–46. Repealed.

242. Definitions.

242q–47. Repealed.

242. Membership.


242. Administrative staff and support.

242q–49. Repealed.

242. Definitions.


242. Membership.

242q–51. Membership.

242. Administrative staff and support.

242q–52. Repealed.

242. Definitions.

242q–53. Repealed.

242. Membership.

242q–54. Membership.

242. Administrative staff and support.


242. Definitions.


242. Membership.

242q–57. Membership.

242. Administrative staff and support.

242q–58. Repealed.

242. Definitions.


242. Membership.

242q–60. Membership.

242. Administrative staff and support.

242q–61. Repealed.

242. Definitions.


242. Membership.

242q–63. Membership.

242. Administrative staff and support.

242q–64. Repealed.

242. Definitions.


242. Membership.


242. Administrative staff and support.


242. Definitions.

242q–68. Repealed.

242. Membership.

242q–69. Membership.

242. Administrative staff and support.

242q–70. Repealed.

242. Definitions.
Coordinated program to improve pediatric oral health.

Dental education for parents of newborns.

Pilot program for public health laboratories to detect fentanyl and other synthetic opioids.

Part C—Hospitals, Medical Examinations, and Medical Care

National Hansen’s Disease Programs Center.

Control and management of hospitals; furnishing prosthetic and orthopedic devices; transfer of patients; disposal of articles produced by patients; disposal of money and effects of deceased patients; payment of burial expenses.

Closing or transfer of hospitals; reduction of services; Congressional authorization required.

Transfer or financial self-sufficiency of public health service hospitals and clinics.

Repealed.

Medical care and treatment of quarantined and detained persons.

Medical care and treatment of Federal prisoners.

Transfer of appropriations.

Medical examination and treatment of Federal employees; medical care at remote stations.

Medical examination of aliens.

Medical services to Coast Guard, National Oceanic and Atmospheric Administration, and Public Health Service.

Medical services to retired personnel of National Oceanic and Atmospheric Administration.

Former Lighthouse Service employees; medical service eligibility.

Interdepartmental work.

Sharing of medical care facilities and resources.

Part D—Primary Health Care

Subpart I—Health Centers

Health centers.

State grants to health care providers who provide services to a high percentage of medically underserved populations or other special populations.

Community health centers and the National Health Service Corps Fund.

Rural health care services outreach, rural health network development, and small health care provider quality improvement grant programs.

Grants for health services for Pacific Islanders.

Grants to nurse-managed health clinics.

Special diabetes programs for type 1 diabetics.

Special diabetes programs for Indians.

Centers for strategies on facilitating utilization of preventive health services among various populations.

Epilepsy; seizure disorder.

Certain services for pregnant women.

Special needs adoption programs; public awareness campaign and other activities.

Healthy start for infants.

Establishment of program of grants.

Certain requirements.

Technical assistance.

Subpart II—National Health Service Corps Program

National Health Service Corps.

Health professional shortage areas.

Corps personnel.

Priorities in assignment of Corps personnel.

Charges for services by entities using Corps members.

Provision of health services by Corps members.

Facilitation of effective provision of Corps services.

Annual report to Congress; contents.

United States Advisory Council on National Health Service Corps.

Authorization of appropriations.

Subpart III—Scholarship Program and Loan Repayment Program

National Health Service Corps Scholarship Program.

National Health Service Corps Loan Repayment Program.

Obligated service under contract.

Private practice.

Breach of scholarship contract or loan repayment contract.

Fund regarding use of amounts recovered for contract breach to replace services lost as result of breach.

Special loans for former Corps members to enter private practice.

Authorization of appropriations.

Grants to States for loan repayment programs.

Grants to State Offices of Rural Health.

Native Hawaiian Health Scholarships.

Demonstration project.

Public health departments.

Clarification regarding service in schools and other community-based settings.

Subpart IV—Home Health Services

Home health services.

Subpart V—Healthy Communities Access Program

Grants to strengthen the effectiveness, efficiency, and coordination of services for the uninsured and underinsured.

Patient navigator grants.

Establishing community health teams to support the patient-centered medical home.

Limitation on prices of drugs purchased by covered entities.

Bulk purchases of vaccines for certain programs.

Bulk purchases of vaccines for certain programs.
256h. Program of payments to children’s hospitals that operate graduate medical education programs.

SUBPART X—PRIMARY DENTAL PROGRAMS

256i. Designated dental health professional shortage area.

256g. Grants for innovative programs.

256g–1. Demonstration program to increase access to dental health care services.

SUBPART XI—SUPPORT OF GRADUATE MEDICAL EDUCATION IN QUALIFIED TEACHING HEALTH CENTERS

256h. Program of payments to teaching health centers that operate graduate medical education programs.

SUBPART XII—COMMUNITY-BASED COLLABORATIVE CARE NETWORK PROGRAM

256i. Community-based collaborative care network program.

PART E—NARCOTIC ADDICTS AND OTHER DRUG ABUSERS

257 to 261a. Repealed or Transferred.

PART F—LICENSED BIOLOGICAL PRODUCTS AND CLINICAL LABORATORIES

SUBPART I—BIOLOGICAL PRODUCTS

262. Regulation of biological products.

262a. Enhanced control of dangerous biological agents and toxins.

263. Preparation of biological products by Service.

SUBPART II—CLINICAL LABORATORIES

263a. Certification of laboratories.

263a–1. Assisted reproductive technology programs.

263a–2. Certification of embryonic laboratories.

263a–3. Accreditation organizations.

263a–4. Certification revocation and suspension.

263a–5. Publication.

263a–6. Fees.


SUBPART III—MAMMOGRAPHY FACILITIES

263b. Certification of mammography facilities.

PART G—QUARANTINE AND INSPECTION

264. Regulations to control communicable diseases.

265. Suspension of entries and imports from designated places to prevent spread of communicable diseases.

266. Special quarantine powers in time of war.

267. Quarantine stations, grounds, and anchorage.

268. Quarantine duties of consular and other officers.

269. Bills of health.

270. Quarantine regulations governing civil air navigation and civil aircraft.

271. Penalties for violation of quarantine laws.

272. Administration of oaths by quarantine officers.

PART H—ORGAN TRANSPLANTS

273. Organ procurement organizations.


274. Organ procurement and transplantation network.

274a. Scientific registry.

274b. General provisions respecting grants and contracts.

274c. Administration.

274d. Report.

274e. Prohibition of organ purchases.

274f. Reimbursement of travel and subsistence expenses incurred toward living organ donation.

274f–1. Public awareness; studies and demonstrations.


274f–3. Studies relating to organ donation and the recovery, preservation, and transportation of organs.

274f–4. Report relating to organ donation and the recovery, preservation, and transportation of organs.

274f–5. Criteria, standards, and regulations with respect to organs infected with HIV.

274g. Authorization of appropriations.

PART I—STEPHANIE TUBBS JONES GIFT OF LIFE MEDAL

274k. National Program.

274l. Stem cell therapeutic outcomes database.

274m. Authorization of appropriations.

275 to 280a–1. Repealed.

PART J—PREVENTION AND CONTROL OF INJURIES

280b. Research.

280b–0. Prevention and control activities.

280b–1. Preventing overdoses of controlled substances.

280b–1a. Interventions to prevent injuries among acquaintances.

280b–1b. Use of allotments for rape prevention education.


280b–1e. Prevention of falls among older adults.

280b–2. General provisions.


280b–4. Study conducted by the Centers for Disease Control and Prevention.

PART K—HEALTH CARE SERVICES IN THE HOME AND PUBLIC HEALTH PROGRAMS FOR DEMENTIA

SUBPART I—GRANTS FOR DEMONSTRATION PROJECTS

280c. Establishment of program.

280c–1. Limitation on duration of grant and requirement of matching funds.

280c–2. General provisions.

SUBPART II—PROGRAMS WITH RESPECT TO ALZHEIMER’S DISEASE AND RELATED DEMENTIAS

Sec. 280c–4. Promotion of public health knowledge and awareness of Alzheimer’s disease and related dementias.

Sec. 280c–5. General provisions.

SUBPART III—GRANTS FOR HOME VISITING SERVICES FOR AT-RISK FAMILIES

280c–6. Projects to improve maternal, infant, and child health.

PART L—[REPEALED]

280d. Transferred.

280d–11. Transferred.

PART M—NATIONAL PROGRAM OF CANCER REGISTRIES

280e. National program of cancer registries.

280e–1. Planning grants regarding registries.

280e–2. Technical assistance in operations of statewide cancer registries.

280e–3. Study in certain States to determine factors contributing to elevated breast cancer mortality rates.


PART N—NATIONAL FOUNDATION FOR THE CENTERS FOR DISEASE CONTROL AND PREVENTION

280e–11. Establishment and duties of Foundation.

PART O—FETAL ALCOHOL SYNDROME PREVENTION AND SERVICES PROGRAM

280f to 280f–3. Omitted.

PART P—ADDITIONAL PROGRAMS

280g. Children’s asthma treatment grants program.

280g–1. Early detection, diagnosis, and treatment regarding deaf and hard-of-hearing newborns, infants, and young children.

280g–2. Childhood malignancies.

280g–3. Prescription drug monitoring program.

280g–4. Grants to strengthen the healthcare system’s response to domestic violence, dating violence, sexual assault, and stalking.

280g–5. Public and health care provider education and support services.

280g–6. Chronic kidney disease initiatives.

280g–7. Amyotrophic lateral sclerosis registry.

280g–7a. Surveillance of neurological diseases.

280g–8. Support for patients receiving a positive diagnosis of Down syndrome or other prenatally or postnatally diagnosed conditions.

280g–9. Programs to improve quality of life for persons with paralysis and other physical disabilities.


280g–11. Grants to promote positive health behaviors and outcomes.

280g–12. Primary Care Extension Program.


280g–15. State demonstration programs to evaluate alternatives to current medical tort litigation.


280g–17. Designation and investigation of potential cancer clusters.

PART Q—PROGRAMS TO IMPROVE THE HEALTH OF CHILDREN

280h. Grants to promote childhood nutrition and physical activity.
282. Triennial reports of Director of NIH.
283. Annual reporting to increase interagency collaboration and coordination.
283a. National Cancer Program.
283a–1. Annual reporting to prevent fraud and abuse.
283a–2. Annual reporting regarding training of graduate students for doctoral degrees.
283a–3. Establishment of program regarding DES.
283a–4. President’s Cancer Panel; establishment, function.
284. Directors of national research institutes.
284a. Advisory councils.
284b. Repealed.
284c. Certain uses of funds.
284d. Definitions.
284e. Expansion, intensification, and coordination of activities of National Institutes of Health with respect to research on autism spectrum disorder.
284f. Pediatric Research Initiative.
284g. Muscular dystrophy; initiative through Director of National Institutes of Health.
284h. Muscular dystrophy; research and demonstration projects.
284i. Muscular dystrophy; program.
284j. Muscular dystrophy; clinical research.
284k. Muscular dystrophy; clinical research.
284l. Muscular dystrophy; clinical research.
284m. Sanctuary system for surplus chimpanzees.
284n. Shared Instrumentation Grant Program.
284o. Population focused research.
284p. Eureka prize competitions.

PART B—GENERAL PROVISIONS RESPECTING NATIONAL RESEARCH INSTITUTES

284. Directors of national research institutes.
284a. Advisory councils.
284b. Repealed.
284c. Certain uses of funds.
284d. Definitions.
284e. Research on osteoporosis, Paget’s disease, and related bone disorders.
284f. Parkinson’s disease.
284g. Expansion, intensification, and coordination of activities of National Institutes of Health with respect to research on autism spectrum disorder.
284h. Pediatric Research Initiative.
284i. Autoimmune diseases.
284j. Muscular dystrophy research.
284k. Clinical research.
284l. Enhancement awards.
284m. Program for pediatric studies of drugs.
284n. Pediatric Advisory Committee.
284o. Certain demonstration projects.
284p. Activities of the National Institutes of Health with respect to research on paralysis.
284q. Activities of the National Institutes of Health with respect to research with implications for enhancing daily function for persons with paralysis.
284r. Pain research.
284s. Pain research.
284t. NIH opioid research.
284u. Basic research.
284v. Tick-borne diseases.

PART C—SPECIFIC PROVISIONS RESPECTING NATIONAL RESEARCH INSTITUTES

SUBPART 1—NATIONAL CANCER INSTITUTE

285. Purpose of Institute.
285a–1. Cancer control programs.
285a–2. Special authorities of Director.
285a–4. President’s Cancer Panel; establishment, membership, etc., functions.

SUBPART 2—NATIONAL HEART, LUNG, AND BLOOD INSTITUTE

285b. Purpose of Institute.
285b–2. Information and education.
285b–6. Associate Director for Prevention; appointment; function.
285b–7b. Coordination of Federal asthma activities.

SUBPART 3—NATIONAL INSTITUTE OF DIABETES AND DIGESTIVE AND KIDNEY DISEases

285c. Purpose of Institute.
285c–1. Data systems and information clearinghouses.
285c–5. Research and training centers; development or expansion.
285c–6. Advisory council subcommittees.

SUBPART 4—NATIONAL INSTITUTE OF ARTHRITIS AND MUSCULOSKELETAL AND SKIN DISEASES

285d. Purpose of Institute.
285d–1. National arthritis and musculoskeletal and skin diseases program.
285d–2. Research and training.
285d–3. Data system and information clearinghouse.
Juvenile arthritis and related conditions.

Purpose of Institute.

Research centers regarding chronic fatigue syndrome.

Research and research training regarding tuberculosis.

Sexually transmitted disease clinical research and training awards.

Microbiocide research and development.

Purpose of Institute.

Sudden infant death syndrome research.

Research and research training regarding Alzheimer’s Disease.

Sexually transmitted disease clinical research and training awards.

Microbiocide research and development.

Purpose of Institute.

Sudden infant death syndrome research.

Research and research training regarding tuberculosis.

Sexually transmitted disease clinical research and training awards.

Microbiocide research and development.

Purpose of Institute.

Sudden infant death syndrome research.

Research and research training regarding tuberculosis.

Sexually transmitted disease clinical research and training awards.

Microbiocide research and development.

Purpose of Institute.

Sudden infant death syndrome research.

Research and research training regarding tuberculosis.

Sexually transmitted disease clinical research and training awards.

Microbiocide research and development.

Purpose of Institute.

Sudden infant death syndrome research.

Research and research training regarding tuberculosis.

Sexually transmitted disease clinical research and training awards.

Microbiocide research and development.

Purpose of Institute.

Sudden infant death syndrome research.

Research and research training regarding tuberculosis.

Sexually transmitted disease clinical research and training awards.

Microbiocide research and development.

Purpose of Institute.

Sudden infant death syndrome research.

Research and research training regarding tuberculosis.

Sexually transmitted disease clinical research and training awards.

Microbiocide research and development.

Purpose of Institute.

Sudden infant death syndrome research.

Research and research training regarding tuberculosis.

Sexually transmitted disease clinical research and training awards.

Microbiocide research and development.

Purpose of Institute.

Sudden infant death syndrome research.

Research and research training regarding tuberculosis.

Sexually transmitted disease clinical research and training awards.

Microbiocide research and development.

Purpose of Institute.

Sudden infant death syndrome research.

Research and research training regarding tuberculosis.

Sexually transmitted disease clinical research and training awards.

Microbiocide research and development.

Purpose of Institute.

Sudden infant death syndrome research.

Research and research training regarding tuberculosis.

Sexually transmitted disease clinical research and training awards.

Microbiocide research and development.

Purpose of Institute.

Sudden infant death syndrome research.

Research and research training regarding tuberculosis.

Sexually transmitted disease clinical research and training awards.

Microbiocide research and development.

Purpose of Institute.

Sudden infant death syndrome research.

Research and research training regarding tuberculosis.

Sexually transmitted disease clinical research and training awards.

Microbiocide research and development.

Purpose of Institute.

Sudden infant death syndrome research.

Research and research training regarding tuberculosis.

Sexually transmitted disease clinical research and training awards.

Microbiocide research and development.

Purpose of Institute.

Sudden infant death syndrome research.

Research and research training regarding tuberculosis.

Sexually transmitted disease clinical research and training awards.

Microbiocide research and development.

Purpose of Institute.

Sudden infant death syndrome research.

Research and research training regarding tuberculosis.

Sexually transmitted disease clinical research and training awards.

Microbiocide research and development.

Purpose of Institute.

Sudden infant death syndrome research.

Research and research training regarding tuberculosis.

Sexually transmitted disease clinical research and training awards.

Microbiocide research and development.

Purpose of Institute.

Sudden infant death syndrome research.

Research and research training regarding tuberculosis.

Sexually transmitted disease clinical research and training awards.

Microbiocide research and development.

Purpose of Institute.

Sudden infant death syndrome research.

Research and research training regarding tuberculosis.

Sexually transmitted disease clinical research and training awards.

Microbiocide research and development.

Purpose of Institute.

Sudden infant death syndrome research.

Research and research training regarding tuberculosis.

Sexually transmitted disease clinical research and training awards.

Microbiocide research and development.

Purpose of Institute.

Sudden infant death syndrome research.

Research and research training regarding tuberculosis.

Sexually transmitted disease clinical research and training awards.

Microbiocide research and development.

Purpose of Institute.

Sudden infant death syndrome research.

Research and research training regarding tuberculosis.

Sexually transmitted disease clinical research and training awards.

Microbiocide research and development.

Purpose of Institute.

Sudden infant death syndrome research.

Research and research training regarding tuberculosis.

Sexually transmitted disease clinical research and training awards.

Microbiocide research and development.

Purpose of Institute.

Sudden infant death syndrome research.

Research and research training regarding tuberculosis.

Sexually transmitted disease clinical research and training awards.

Microbiocide research and development.

Purpose of Institute.

Sudden infant death syndrome research.

Research and research training regarding tuberculosis.

Sexually transmitted disease clinical research and training awards.

Microbiocide research and development.

Purpose of Institute.

Sudden infant death syndrome research.

Research and research training regarding tuberculosis.

Sexually transmitted disease clinical research and training awards.

Microbiocide research and development.

Purpose of Institute.

Sudden infant death syndrome research.

Research and research training regarding tuberculosis.

Sexually transmitted disease clinical research and training awards.

Microbiocide research and development.

Purpose of Institute.

Sudden infant death syndrome research.

Research and research training regarding tuberculosis.

Sexually transmitted disease clinical research and training awards.

Microbiocide research and development.

Purpose of Institute.

Sudden infant death syndrome research.

Research and research training regarding tuberculosis.

Sexually transmitted disease clinical research and training awards.

Microbiocide research and development.

Purpose of Institute.

Sudden infant death syndrome research.

Research and research training regarding tuberculosis.

Sexually transmitted disease clinical research and training awards.

Microbiocide research and development.

Purpose of Institute.

Sudden infant death syndrome research.

Research and research training regarding tuberculosis.

Sexually transmitted disease clinical research and training awards.

Microbiocide research and development.

Purpose of Institute.
SERVICES RESEARCH AND HEALTH CARE TECHNOLOGY

SUBPART 4—NATIONAL INFORMATION CENTER ON HEALTH SERVICES RESEARCH AND HEALTH CARE TECHNOLOGY


PART E—OTHER AGENCIES OF NIH

SUBPART 1—NATIONAL CENTER FOR ADVANCING TRANSLATIONAL SCIENCES

287. National Center for Advancing Translational Sciences.

287a. Cures Acceleration Network.

287a–1. Office of Rare Diseases.

287a–2. Rare disease regional centers of excellence.

287a–3. General clinical research centers.

SUBPART 2—JOHN E. FOGARTY INTERNATIONAL CENTER FOR ADVANCED STUDY IN HEALTH SCIENCES

287b. General purpose.

SUBPART 3—NATIONAL CENTER FOR HUMAN GENOME RESEARCH

287c. Transferred.

SUBPART 4—OFFICE OF DIETARY SUPPLEMENTS

287c–11. Dietary supplements.

SUBPART 5—NATIONAL CENTER FOR COMPLEMENTARY AND INTEGRATIVE HEALTH

287c–21. Purpose of Center.

SUBPART 6—TRANSFERRED

287c–31 to 287c–34. Transferred.

PART F—RESEARCH ON WOMEN’S HEALTH

287d. Office of Research on Women’s Health.

287d–1. National data system and clearinghouse on research on women’s health.


PART G—AWARDS AND TRAINING


288–1. Intramural loan repayment program.

288–2. Extramural loan repayment program.


288–4. Undergraduate scholarship program regarding professions needed by National Research Institutes.

288–5 to 288–6. Repealed.

288a. Visiting Scientist Awards.

288b. Studies respecting biomedical and behavioral research personnel.

PART H—GENERAL PROVISIONS

289. Institutional review boards; ethics guidance program.

289a. Peer review requirements.

289a–1. Certain provisions regarding review and approval of proposals for research.

289a–2. Inclusion of women and minorities in clinical research.

289b. Office of Research Integrity.

289b–1. Protection against financial conflicts of interest in certain projects of research.

289b–2. Collaborative use of certain health services research funds.

289d. Animals in research.

289e. Use of appropriations.

289f. Gifts and donations; memorials.

289g. Fetal research.

289g–1. Research on transplantation of fetal tissue.

289g–2. Prohibitions regarding human fetal tissue.

289g–3. Breast implant research.

289g–4. Support for emergency medicine research.

289g–5. Precision medicine initiative.

289h. Repealed.

289i. National Institutes of Health Management Fund; establishment; advances; availability; final adjustments of advance.

289j. Victims of fire.

PART I—FOUNDATION FOR THE NATIONAL INSTITUTES OF HEALTH

290. Establishment and duties of Foundation.

SUBCHAPTER III—SUBSTANCE ABUSE AND MENTAL HEALTH SERVICES ADMINISTRATION

PART A—ORGANIZATION AND GENERAL AUTHORITIES

290aa. Substance Abuse and Mental Health Services Administration.

290aa–0. National Mental Health and Substance Use Policy Laboratory.

290aa–1. Advisory councils.

290aa–2. Omitted.


290aa–3a. Transferred.


290aa–5. Grants for the benefit of homeless individuals.

290aa–5a. Alcohol and drug prevention or treatment services for Indians and Native Alaskans.

290aa–5b to 290aa–14. Transferred or Repealed.


PART B—CENTERS AND PROGRAMS

SUBPART 1—CENTER FOR SUBSTANCE ABUSE TREATMENT

290bb. Center for Substance Abuse Treatment.

290bb–1. Residential treatment programs for pregnant and postpartum women.

290bb–1a. Transferred.

290bb–2. Priority substance abuse treatment needs of regional and national significance.
Title 42—The Public Health and Welfare

Section 290bb–2a. Medical treatment of narcotics addiction; report to Congress.

Section 290bb–3 to 290bb–5. Repealed.

Section 290bb–6. Action by Center for Substance Abuse Treatment and States concerning military facilities.

Section 290bb–7. Substance use disorder treatment and early intervention services for children, adolescents, and young adults.

Section 290bb–7a. Youth prevention and recovery.


Section 290bb–10. Evidence-based prescription opioid and heroin treatment and interventions demonstration.


Subpart 2—Center for Substance Abuse Prevention

Section 290bb–21. Center for Substance Abuse Prevention.


Section 290bb–25a. Repealed.

Section 290bb–25b. Programs to reduce underage drinking.

Section 290bb–25c. Repealed.

Section 290bb–25d. Centers of excellence on services for individuals with fetal alcohol syndrome and alcohol-related birth defects and treatment for individuals with such conditions and their families.

Section 290bb–25e. Repealed.

Section 290bb–25f. Prevention and education programs.

Section 290bb–25g. Awareness campaigns.

Subpart 3—Center for Mental Health Services

Section 290bb–31. Center for Mental Health Services.

Section 290bb–32. Priority mental health needs of regional and national significance.

Section 290bb–33. Repealed.

Section 290bb–34. Suicide prevention technical assistance center.

Section 290bb–35. Repealed.


Section 290bb–36a. Suicide prevention for youth.

Section 290bb–36b. Mental health and substance use disorder services on campus.

Section 290bb–36c. National Suicide Prevention Lifeline program.

Section 290bb–36d. Treatment Referral Routing Service.

Section 290bb–37. Strengthening community crisis response systems.

Section 290bb–38. Grants for jail diversion programs.


Section 290bb–41. Mental health awareness training grants.

Section 290bb–42. Integration incentive grants and cooperative agreements.

Section 290bb–43. Adult suicide prevention.

Section 290bb–44. Assertive community treatment grant program.

Sections 290cc to 290cc–13. Repealed or Transferred.

Part C—Projects for Assistance in Transition From Homelessness

Section 290cc–21. Formula grants to States.

Section 290cc–22. Purpose of grants.

Section 290cc–23. Repealed.

Section 290cc–24. Repealed.

Section 290cc–25. Repealed.

Section 290cc–26. Provision of certain information from State.

Section 290cc–27. Description of intended expenditures of grant.


Section 290cc–29. Requirement of application.

Section 290cc–30. Technical assistance.

Section 290cc–31. Failure to comply with agreements.

Section 290cc–32. Prohibition against certain false statements.

Section 290cc–33. Nondiscrimination.

Section 290cc–34. Definitions.

Section 290cc–35. Funding.

Part D—Miscellaneous Provisions Relating to Substance Abuse and Mental Health

Section 290dd. Substance abuse among government and other employees.

Section 290dd–1. Admission of substance abusers to private and public hospitals and outpatient facilities.

Section 290dd–2. Confidentiality of records.

Section 290dd–2a. Promoting access to information on evidence-based programs and practices.


Section 290dd–4. Program to support coordination and continuation of care for drug overdose patients.

Section 290ee. Opioid overdose reversal medication access and education programs.

Section 290ee–1. First responder training.

Section 290ee–2. Building communities of recovery.

Section 290ee–2a. Peer support technical assistance center.


Section 290ee–4. Mental and behavioral health outreach and education on college campuses.


Section 290ee–6. Regional Centers of Excellence in Substance Use Disorder Education.

Section 290ee–7. Comprehensive opioid recovery centers.


Section 290ee–9. Services for families and patients in crisis.

Section 290ee–10. Sobriety treatment and recovery teams.

Part E—Children With Serious Emotional Disturbances

Section 290ff. Comprehensive community mental health services for children with serious emotional disturbances.

Section 290ff–1. Requirements with respect to carrying out purpose of grants.

Section 290ff–2. Individualized plan for services.

Section 290ff–3. Additional provisions.


Part F—Model Comprehensive Program for Treatment of Substance Abuse

Section 290gg. Repealed.

Part G—Projects for Children and Violence

Section 290hh. Children and violence.

Section 290hh–1. Grants to address the problems of persons who experience violence related stress.

Part H—Requirement Relating to the Rights of Residents of Certain Facilities

Section 290i. Requirement relating to the rights of residents of certain facilities.

Section 290i–1. Reporting requirement.

Section 290i–2. Regulations and enforcement.

Part I—Requirement Relating to the Rights of Residents of Certain Non-Medical, Community-Based Facilities for Children and Youth

Section 290j. Requirement relating to the rights of residents of certain non-medical, community-based facilities for children and youth.
Sec. 294c. Education and training relating to geriatrics.
294d. Quentin N. Burdick program for rural interdisciplinary training.
294e. Allied health and other disciplines.
294e-1. Mental and behavioral health education and training grants.
294f. Advisory Committee on Interdisciplinary, Community-Based Linkages.
294g. Repealed.
294h. Loan repayment program for substance abuse disorder treatment workforce.
294i. Program for education and training in pain care.
294j. Demonstration program to integrate quality improvement and patient safety training into clinical education of health professionals.
294k. Training demonstration program.

PART E—HEALTH PROFESSIONS AND PUBLIC HEALTH WORKFORCE

SUBPART 1—HEALTH PROFESSIONS WORKFORCE INFORMATION AND ANALYSIS
294n. Health professions workforce information and analysis.
294o. Advisory Council on Graduate Medical Education.
294p. Pediatric rheumatology.
294q. National Health Care Workforce Commission.
294r. State health care workforce development grants.

SUBPART 2—PUBLIC HEALTH WORKFORCE
295. General provisions.
295a. Public health training centers.
295b. Public health traineeships.
295c. Preventive medicine and public health training grant program.
295d. Health administration traineeships and special projects.
295e. Authorization of appropriations.

SUBPART 3—RECRUITMENT AND RETENTION PROGRAMS
295f. Investment in tomorrow's pediatric health care workforce.
295f-1. Public Health Workforce Loan Repayment Program.
295f-2. Training for mid-career public and allied health professionals.
295f-3. Fellowship training in applied public health epidemiology, public health laboratory science, public health informatics, and expansion of the Epidemic Intelligence Service.

PART F—SUBSTANCE USE DISORDER TREATMENT WORKFORCE
295h. Loan repayment program for substance use disorder treatment workforce.

PART G—GENERAL PROVISIONS
295i. Preferences and required information in certain programs.
295j. Health professions data.
295k. Repealed.
295m. Prohibition against discrimination on basis of sex.
295n. Repealed.
295n-1. Application.
295n-2. Use of funds.
295o. Matching requirement.

SUBCHAPTER VI—NURSING WORKFORCE DEVELOPMENT

PART A—GENERAL PROVISIONS
296. Definitions.
Sec. 299b–4a. Studies on preventive interventions in primary care for older Americans.

299b–5. Health care practice and technology innovation.


PART C—PATIENT SAFETY IMPROVEMENT


PART D—HEALTH CARE QUALITY IMPROVEMENT

SUBPART 1—QUALITY MEASURE DEVELOPMENT


SUBPART 2—HEALTH CARE QUALITY IMPROVEMENT PROGRAMS

299b–33. Health care delivery system research.

299b–34. Quality improvement technical assistance and implementation.

299b–35. Grants or contracts to implement medication management services in treatment of chronic diseases.

299b–36. Program to facilitate shared decision making.

299b–37. Dissemination and building capacity for research.

PART E—GENERAL PROVISIONS


299c–1. Peer review with respect to grants and contracts.

299c–2. Certain provisions with respect to development, collection, and dissemination of data.


299c–4. Additional provisions with respect to grants and contracts.

299c–5. Certain administrative authorities.

299c–6. Funding.


SUBCHAPTER VIII—POPULATION RESEARCH AND VOLUNTARY FAMILY PLANNING PROGRAMS

SUBCHAPTER VIII—A—ADOLESCENT PREGNANCIES

PART A—GRANT PROGRAM

300a–21 to 300a–29. Repealed or Omitted.

PART B—IMPROVING COORDINATION OF FEDERAL AND STATE PROGRAMS

300a–41. Repealed.

SUBCHAPTER IX—GENETIC DISEASES, HEMOPHILIA PROGRAMS, AND SUDDEN INFANT DEATH SYNDROME

PART A—GENETIC DISEASES

300b. Repealed.

300b–1. Research project grants and contracts.

300b–2. Voluntary participation by individuals.

300b–3. Application; special consideration to prior sickle cell anemia grant recipients.


300b–6. Applied technology.


300b–8. Improved newborn and child screening for heritable disorders.

300b–9. Evaluating the effectiveness of newborn and child screening and followup programs.

300b–10. Advisory Committee on Heritable Disorders in Newborns and Children.


300b–12. Laboratory quality and surveillance.

300b–13. Interagency Coordinating Committee on Newborn and Child Screening.


300b–16. Authorization of appropriations for newborn screening programs and activities.

300b–17. Report by Secretary.

PART B—SUDDEN INFANT DEATH SYNDROME

300c–11. Repealed.

300c–12. Sudden infant death syndrome research.

300c–13. Continuing activities related to stillbirth, sudden unexpected infant death and sudden unexplained death in childhood.

PART C—HEMOPHILIA PROGRAMS

300d–21. Repealed.


SUBCHAPTER X—TRAUMA CARE

PART A—GENERAL AUTHORITY AND DUTIES OF SECRETARY

300d. Establishment.

300d–1. 300d–2. Repealed.

300d–3. Establishment of programs for improving trauma care in rural areas.

300d–4. Emergency medical services.

300d–5. Competitive grants for trauma systems for the improvement of trauma care.

300d–6. Competitive grants for regionalized systems for emergency care response.

PART B—FORMULA GRANTS WITH RESPECT TO MODIFICATIONS OF STATE PLANS

300d–11. Establishment of program.

300d–12. Requirement of matching funds for fiscal years subsequent to first fiscal year of payments.
Sec. 300j–23. Drinking water coolers containing lead.

300j–24. Lead contamination in school drinking water.

300j–25. Drinking water fountain replacement for Indian Tribes.

300j–3a. Grants to public sector agencies.

300j–3b. Contaminant standards or treatment technique guidelines.

300j–3c. National assistance program for water infrastructure and watersheds.

300j–3d. Water supply cost savings.

300j–4. Records and inspections.


300j–6. Federal agencies.


300j–8. Citizen’s civil action.


300j–10. Appointment of scientific, etc., personnel by Administrator of Environmental Protection Agency for implementation of responsibilities; compensation.

300j–11. Indian Tribes.

300j–12. State revolving loan funds.


300j–16. Assistance to colonias.

300j–17. Estrogenic substances screening program.

300j–18. Drinking water studies.

300j–19a. Algal toxin risk assessment and management.

300j–19b. Assistance for small and disadvantaged communities.

300j–19c. Reducing lead in drinking water.

300j–19d. Study on intractable water systems.

300j–19e. Review of technologies.

300j–19f. Water infrastructure and workforce investment.

PART F—ADDITIONAL REQUIREMENTS TO REGULATE SAFETY OF DRINKING WATER


300j–22. Recall of drinking water coolers with lead-lined tanks.

300j–23. Drinking water coolers containing lead.

300j–24. Lead contamination in school drinking water.


300j–27. Registry for lead exposure and Advisory Committee.

SUBCHAPTER XIII—PREVENTIVE HEALTH MEASURES WITH RESPECT TO BREAST AND CERVICAL CANCERS

300k. Establishment of program of grants to States.

300l. Requirement of matching funds.

300m. Requirement regarding Medicaid.

300n. Requirements with respect to type and quality of services.

300o. Additional required agreements.

300p. Requirement of description of intended use of grant.

300q. Requirement of submission of application.

300r. Technical assistance and provision of supplies and services in lieu of grant funds.

300s. Evaluations and reports.

300t. Supplemental grants for additional preventive health services.

300u. Funding for general program.

SUBCHAPTER XIV—HEALTH RESOURCES DEVELOPMENT

300v. to 300p-3. Repealed.

PART A—LOANS AND LOAN GUARANTEES

300q. Loan and loan guarantee authority.

300r. Grants for construction or modernization projects.

PART C—GENERAL PROVISIONS

300s. General regulations.

300t. Medical facility project applications.

300u. Recovery of expenditures under certain conditions.

300v. State supervision or control of operations of facilities receiving funds.

300w. Definitions.

300x. Reporting and audit requirements for recipients.

300y. Availability of technical and other non-financial assistance to eligible applicants.

300z. Enforcement of assurances.

PART D—AREA HEALTH SERVICES DEVELOPMENT FUNDS

300aa. Development grants for health systems agencies.

PART E—PROGRAM TO ASSIST AND ENCOURAGE VOLUNTARY DISCONTINUANCE OF UNNEEDED HOSPITAL SERVICES AND CONVERSION OF UNNEEDED HOSPITAL SERVICES TO OTHER HEALTH SERVICES NEEDED BY COMMUNITY

300ab. Grants and assistance for establishment of program.

300ac. Grants for discontinuance and conversion.

300ad. Grants to States for reduction of excess hospital capacity.

300ae. Authorization of appropriations.

SUBCHAPTER XV—HEALTH INFORMATION AND HEATH PROMOTION

300af. General authority of Secretary.

300ag. Grants and contracts for research programs; authority of Secretary; review of applications; additional functions; periodic public survey.

300ah. Grants and contracts for community health programs.

300ai. Grants and contracts for information programs; authority of Secretary; particular activities.

300aj. Status reports to President and Congress; study of health education and preventive health services with respect to insurance coverage.

300ak. Centers for research and demonstration of health promotion and disease prevention.

300al. Office of Minority Health.

300am. Individual offices of minority health within the Department.

300an. Office of Adolescent Health.

300ao. Biennial report regarding nutrition and health.

300ap. Education regarding DES.


300ar. Prevention and Public Health Fund.

300as. Education and outreach campaign regarding preventive benefits.

300at. Community transformation grants.

300au. Healthy aging, living well; evaluation of community-based prevention and wellness programs for Medicare beneficiaries.

300av. Research on optimizing the delivery of public health services.
300w. Authorization of appropriations.
300w–1. Allotments.
300w–2. Payments under allotments to States.
300w–3. Use of allotments.
300w–4. Application for payments; State plan.
300w–5. Reports, data, and audits.
300w–6. Withholding of funds.
300w–8. Criminal penalty for false statements.
300w–10. Repealed.

PART B—BLOCK GRANTS REGARDING MENTAL HEALTH
AND SUBSTANCE ABUSE

SUBPART I—BLOCK GRANTS FOR COMMUNITY MENTAL
HEALTH SERVICES

300x. Formula grants to States.
300x–1. State plan for comprehensive community mental health services for certain individuals.
300x–2. Certain agreements.
300x–3. State mental health planning council.
300x–4. Additional provisions.
300x–5. Restrictions on use of payments.
300x–6. Application for grant.
300x–7. Determination of amount of allotment.
300x–9. Funding.

SUBPART II—BLOCK GRANTS FOR PREVENTION AND TREATMENT OF SUBSTANCE ABUSE

300x–21. Formula grants to States.
300x–22. Certain allocations.
300x–23. Intravenous substance abuse.
300x–24. Requirements regarding tuberculosis and human immunodeficiency virus.
300x–25. Group homes for persons in recovery from substance use disorders.
300x–26a. Repealed.
300x–27. Treatment services for pregnant women.
300x–29. Repealed.
300x–31. Restrictions on expenditure of grant.
300x–32. Application for grant; approval of State plan.
300x–33. Determination of amount of allotment.
300x–34. Definitions.
300x–35. Funding.

SUBPART III—GENERAL PROVISIONS

300x–36. Opportunity for public comment on State plans.
300x–52. Requirement of reports and audits by States.
300x–53. Additional requirements.
300x–54. Disposition of certain funds appropriated for allotments.
300x–55. Failure to comply with agreements.
300x–56. Prohibitions regarding receipt of funds.
300x–57. Nondiscrimination.
300x–58. Technical assistance and provision of supplies and services in lieu of grant funds.
300x–60. Rule of construction regarding delegation of authority to States.
300x–61. Solicitation of views of certain entities.
300x–62. Availability to States of grant payments.
300x–63. Continuation of certain programs.
300x–64. Definitions.
300x–65. Services provided by nongovernmental organizations.
300x–66. Services for individuals with co-occurring disorders.
300x–68. Joint applications.

PART C—CERTAIN PROGRAMS REGARDING MENTAL HEALTH AND SUBSTANCE ABUSE

SUBPART I—DATA INFRASTRUCTURE DEVELOPMENT

300y. Data infrastructure development.

SUBPART II—INTERIM MAINTENANCE TREATMENT OF NARCOTICS DEPENDENCE


SUBCHAPTER XVIII—ADOLESCENT FAMILY LIFE DEMONSTRATION PROJECTS

300z. Findings and purposes.
300z–1. Definitions; regulations applicable.
300z–2. Demonstration projects; grant authorization, etc.
300z–3. Use of grants for demonstration projects for services.
300z–4. Grants for demonstration projects for services.
300z–5. Requirements for applications.
300z–6. Coordination of programs.
300z–7. Research.
300z–8. Evaluation and administration.

SUBCHAPTER XIX—VACCINES

PART 1—NATIONAL VACCINE PROGRAM

300aa–1. Establishment.
300aa–2. Program responsibilities.
300aa–4. Repealed.
300aa–6. Authorization of appropriations.

PART 2—NATIONAL VACCINE INJURY COMPENSATION PROGRAM

SUBPART A—PROGRAM REQUIREMENTS

300aa–10. Establishment of program.
300aa–11. Petitions for compensation.
300aa–12. Court jurisdiction.
300aa–14. Vaccine Injury Table.
300aa–16. Limitations of actions.
300aa–17. Subrogation.
300aa–18. Repealed.
300aa–19. Advisory Commission on Childhood Vaccines.

SUBPART B—ADDITIONAL REMEDIES

SUBPART C—ASSURING A SAFER CHILDHOOD VACCINATION PROGRAM IN UNITED STATES

300aa–25. Recording and reporting of information.
Part E—General Provisions

300cc. Definitions.

SUBCHAPTER XXII—Health Services with Respect to Acquired Immune Deficiency Syndrome

Part A—Formula Grants to States for Home and Community-Based Health Services

300dd to 300dd–14. Repealed.

Part B—Subacute Care

300dd–21. Demonstration projects.

Part C—Other Health Services


300dd–32. Requirement of provision of certain counseling services.

300dd–33. Funding.

300dd–41. Transferred.

SUBCHAPTER XXIII—Prevention of Acquired Immune Deficiency Syndrome

300ee. Use of funds.

300ee–1. Establishment of office with respect to minority health and acquired immune deficiency syndrome.

300ee–2. Information for health and public safety workers.

300ee–3. Continuing education for health care providers.

300ee–4. Technical assistance.

300ee–5. Use of funds to supply hypodermic needles or syringes for illegal drug use; prohibition.

300ee–6. Transferred.

Part A—Formula Grants to States

300ee–11. Establishment of program.

300ee–12. Provisions with respect to carrying out purpose of grants.

300ee–13. Requirement of submission of application containing certain agreements and assurances.

300ee–14. Restrictions on use of grant.


300ee–16. Additional required agreements.

300ee–17. Determination of amount of allotments for States.

300ee–18. Failure to comply with agreements.

300ee–19. Prohibition against certain false statements.

300ee–20. Technical assistance and provision by Secretary of supplies and services in lieu of grant funds.

300ee–21. Evaluations.

300ee–22. Report by Secretary.

300ee–23. Definition.

300ee–24. Funding.

Part B—National Information Programs

300ee–31. Availability of information to general public.

300ee–32. Public information campaigns.

300ee–33. Provision of information to underserved populations.


SUBCHAPTER XXIV—HIV Health Care Services Program

300ff. Purpose.

300ff–1. Prohibition on use of funds.

Part A—Emergency Relief for Areas With Substantial Need for Services

SUBPART I—General Grant Provisions

300ff–11. Establishment of program of grants.
Sec. 300ff–12. Administration and planning council.
300ff–13. Type and distribution of grants.
300ff–14. Use of amounts.
300ff–18. Repealed.

SUBPART II—TRANSITIONAL GRANTS
300ff–19. Establishment of program.

SUBPART III—GENERAL PROVISIONS

PART B—CARE GRANT PROGRAM
SUBPART I—GENERAL GRANT PROVISIONS
300ff–22. General use of grants.
300ff–25. Continuum of health insurance coverage.
300ff–27. State application.
300ff–27a. Spousal notification.
300ff–29a. Supplemental grants.
300ff–31a. Timeframe for obligation and expenditure of grant funds.

SUBPART II—PROVISIONS CONCERNING PREGNANCY AND PERINATAL TRANSMISSION OF HIV
300ff–33. Early diagnosis grant program.
300ff–34. Perinatal transmission of HIV/AIDS; contingent requirement regarding State grants under this part.
300ff–37. State HIV testing programs established prior to or after May 20, 1996.

SUBPART III—CERTAIN PARTNER NOTIFICATION PROGRAMS
300ff–38. Grants for partner notification programs.

PART C—EARLY INTERVENTION SERVICES
300ff–41 to 300ff–50. Repealed.

SUBPART I—CATEGORICAL GRANTS
300ff–51. Establishment of a program.
300ff–52. Minimum qualifications of grantees.
300ff–53. Preferences in making grants.
300ff–54. Miscellaneous provisions.

SUBPART II—GENERAL PROVISIONS
300ff–56. Confidentiality and informed consent.
300ff–57. Provision of certain counseling services.
300ff–58. Applicability of requirements regarding confidentiality, informed consent, and counseling.
300ff–60. Requirement of submission of application containing certain agreements and assurances.
300ff–61. Provision by Secretary of supplies and services in lieu of grant funds.
300ff–62. Use of funds.

PART D—WOMEN, INFANTS, CHILDREN, AND YOUTH
300ff–63. Grants for coordinated services and access to research for women, infants, children, and youth.
Sec. 300jj–36. Information technology professionals in health care.
300jj–37. General grant and loan provisions.

PART C—OTHER PROVISIONS
300jj–51. Health information technology enrollment standards and protocols.

SUBCHAPTER XXIX—DATA COLLECTION, ANALYSIS, AND QUALITY
300lk. Data collection, analysis, and quality.

SUBCHAPTER XXX—COMMUNITY LIVING ASSISTANCE SERVICES AND SUPPORTS
300Jh to 300Jj–9. Repealed.

SUBCHAPTER XXXI—WORLD TRADE CENTER HEALTH PROGRAM

PART A—ESTABLISHMENT OF PROGRAM; ADVISORY COMMITTEE
300mm. Establishment of World Trade Center Health Program.
300mm–1. WTC Health Program Scientific/Technical Advisory Committee; WTC Health Program Steering Committees.
300mm–2. Education and outreach.
300mm–3. Uniform data collection and analysis.
300mm–4. Clinical Centers of Excellence and Data Centers.
300mm–5. Definitions.

PART B—PROGRAM OF MONITORING, INITIAL HEALTH EVALUATIONS, AND TREATMENT
SUBPART 1—WTC RESPONDERS
300mm–21. Identification of WTC responders and provision of WTC-related monitoring services.
300mm–22. Treatment of enrolled WTC responders for WTC-related health conditions.

SUBPART 2—WTC SURVIVORS
300mm–31. Identification and initial health evaluation of screening-eligible and certified-eligible WTC survivors.
300mm–32. Followup monitoring and treatment of certified-eligible WTC survivors for WTC-related health conditions.
300mm–33. Followup monitoring and treatment of other individuals with WTC-related health conditions.

SUBPART 3—PAID AND MUNICIPAL SERVICES
300mm–41. Payment of claims.
300mm–42. Administrative arrangement authority.

PART C—RESEARCH INTO CONDITIONS
300mm–51. Research regarding certain health conditions related to September 11 terrorist attacks.
300mm–52. World Trade Center Health Registry.

PART D—FUNDING
300mm–61. World Trade Center Health Program Fund.

SUBCHAPTER I—ADMINISTRATION AND MISCELLANEOUS PROVISIONS
§ 201. Definitions

When used in this chapter—
(a) The term “Service” means the Public Health Service;
(b) The term “Surgeon General” means the Surgeon General of the Public Health Service;
(c) Unless the context otherwise requires, the term “Secretary” means the Secretary of Health and Human Services;
(d) The term “regulations”, except when otherwise specified, means rules and regulations made by the Surgeon General with the approval of the Secretary;
(e) The term “executive department” means any executive department, agency, or independent establishment of the United States or any corporation wholly owned by the United States;
(f) Except as provided in sections 246(g)(4)(B), 247(c)(1), 254(d)(3), 263(c)(5), 264(d), 292a(9), 300a(c), 300f(13), and 300a(c), the term “State” includes, in addition to the several States, only the District of Columbia, Guam, the Commonwealth of Puerto Rico, the Northern Mariana Islands, the Virgin Islands, American Samoa, and the Trust Territory of the Pacific Islands.
(g) The term “possession” includes, among other possessions, Puerto Rico and the Virgin Islands;
(i) The term “vessel” includes every description of watercraft or other artificial contrivance used, or capable of being used, as a means of transportation on water, exclusive of aircraft and amphibious contrivances;
(j) The term “habit-forming narcotic drug” or “narcotic” means opium and coca leaves and the several alkaloids derived therefrom, the best known of these alkaloids being morphine, heroin, and codeine, obtained from opium, and cocaine derived from the coca plant; all compounds, salts, preparations, or other derivatives, obtained either from the raw material or from the various alkaloids; Indian hemp and its various derivatives, compounds, and preparations, and peyote in its various forms; isonipecaine and its derivatives, compounds, salts, and preparations; opiates (as defined in section 473(f)(1) of title 26);
(k) The term “addict” means any person who habitually uses any habit-forming narcotic drugs so as to endanger the public morals, health, safety, or welfare, or who is or has been so far addicted to their use of such habit-forming narcotic drugs as to have lost the power of self-control with reference to his addiction;
(l) The term “psychiatric disorders” includes diseases of the nervous system which affect mental health;
(m) The term “State mental health authority” means the State health authority, except that, in the case of any State in which there is a single State agency, other than the State health authority, charged with responsibility for administering the mental health program of the State, it means such other State agency;
(n) The term “heart diseases” means diseases of the heart and circulation;
(o) The term “dental diseases and conditions” means diseases and conditions affecting teeth and their supporting structures, and other related diseases of the mouth; and
(p) The term “uniformed service” means the Army, Navy, Air Force, Marine Corps, Coast

1See References in Text note below.
Guard, Public Health Service, or National Oceanic and Atmospheric Administration.

(q) The term “drug dependent person” means a person who is using a controlled substance (as defined in section 802 of title 21) and who is in a state of psychic or physical dependence, or both, arising from the use of that substance on a continuous basis. Drug dependence is characterized by behavioral and other responses which include a strong compulsion to take the substance on a continuous basis in order to experience its psychic effects or to avoid the discomfort caused by its absence.


REFERENCES IN TEXT

Section 246(g) of this title, referred to in subsec. (f), was repealed by Pub. L. 96–398, title I, § 107(d), Oct. 7, 1980, 94 Stat. 1571.


Section 473(c) of title 26, referred to in subsec. (j), was repealed by Pub. L. 91–513, title III, § 1101(b)(3)(A), Oct. 27, 1970, 84 Stat. 1292. A definition of “opioid” is contained in section 102 of Pub. L. 91–513, which is classified to section 802 of Title 21, Food and Drugs. Reference to section 473(c) of title 26 was substituted for “section 3228(f) of title 26” on authority of section 7922(b) of Title 26, Internal Revenue Code, which provides that a reference in other laws to the Internal Revenue Code of 1939 is deemed a reference to the corresponding provision of the Internal Revenue Code of 1986.

Codification

Section was enacted as part of title I of act July 1, 1944, ch. 373, 58 Stat. 682, and not as part of title II of such Act which comprises this subchapter.

AMENDMENTS

1983—Subsec. (c). Pub. L. 100–177, title II, § 203(f), title III, § 301(1), June 10, 1983, 97 Stat. 314, provided that: “This division [see Tables for classification] and the amendments made by this division take effect October 1, 2000, or upon the date of the enactment of this Act (Oct. 17, 2000), whichever occurs later.”


Effective Date of 2000 Amendment

Pub. L. 106–310, div. A, title XXIX, § 2001, Oct. 17, 2000, 114 Stat. 1168, provided that: “This division [see Tables for classification] and the amendments made by this division take effect October 1, 2000, or upon the date of the enactment of this Act (Oct. 17, 2000), whichever occurs later.”

Effective Date of 1993 Amendment

Pub. L. 100–177, title XXI, § 2101, June 10, 1993, 107 Stat. 219, provided that: “Subject to section 203(c) [enacting...
provisions set out as a note under section 283c of this title, this Act [see Short Title of 1983 Amendment note below] and the amendments made by this Act take effect on the date of the enactment of this Act [June 10, 1983]."

**Effective Date of 1981 Amendment**


**Effective Date of 1979 Amendment**

Amendment by Pub. L. 96–79 effective Oct. 1, 1979, see section 204 of Pub. L. 96–79, set out as a note under section 300q of this title.

**Effective Date of 1979 Amendment**

Pub. L. 91–212, §12(b), Mar. 16, 1970, 84 Stat. 67, provided that: "The amendments made by sections 10(d) and 11 (amending this section and sections 276, 277, 278, 280, 280–1, 280–2 to 280–9, and 280–11 of this title) shall take effect on the date of enactment of this Act [Mar. 13, 1970]."

**Effective Date of 1960 Amendment**

Pub. L. 86–624, §47(f), July 12, 1960, 74 Stat. 423, provided that: "The amendments made by subsection (c), paragraphs (3) and (4) of subsection (b), and paragraph (4) of subsection (d) of section 14 [amending sections 15i, 15j, 15gg, 241, and 645 of Title 20, Education], by section 20(a) [amending section 41 of Title 29, Labor], by section 23(b) [amending section 466 of Title 33, Navigation and Navigable Waters], by subsections (a), (b), and (c), and paragraph (4) of subsection (d), of section 29 [amending this section and sections 255, 264, and 2911 of this title], and by subsection (d), and paragraph (2) of subsection (c), of section 30 [amending sections 410 and 1301 of this title] shall become effective on August 21, 1959."

**Effective Date of 1959 Amendment**

Amendment by Pub. L. 86–70 effective Jan. 3, 1959, see section 47(d) of Pub. L. 86–70.

**Short Title of 2019 Amendment**


Pub. L. 116–49, §1, Aug. 22, 2019, 133 Stat. 1072, provided that: "This Act [amending section 300a–9 of this title] may be cited as the ‘Emergency Medical Services for Children Program Reauthorization Act of 2019’."

Pub. L. 116–22, §1(a), June 24, 2019, 133 Stat. 905, provided that: "This Act [see Tables for classification] may be cited as the ‘Patient Right to Know Drug Prices Act’."

**Short Title of 2018 Amendment**

Pub. L. 115–408, §1, Dec. 31, 2018, 132 Stat. 5384, provided that: "This Act [amending section 249 of this title] may be cited as the ‘State Offices of Rural Health Reauthorization Act of 2018’."

Pub. L. 115–408, §1, Dec. 31, 2018, 132 Stat. 5362, provided that: "This Act [enacting section 280c–4 of this title, amending sections 280c–3 and 280c–5 of this title, and repealing section 280c–4 of this title] may be cited as the ‘Building Our Last Dementia Infrastructure for Alzheimer’s Act’ or the ‘BOLD Infrastructure for Alzheimer’s Act’."


Pub. L. 115–342, §1, Dec. 21, 2018, 132 Stat. 5040, provided that: "This Act [amending section 280p–13 of this title] may be cited as the ‘Congenital Heart Futures Reauthorization Act of 2017’."


Pub. L. 115–327, §1, Dec. 18, 2018, 132 Stat. 4468, provided that: "This Act [amending and enacting section 300b–5 of this title and amending provisions set out as a note under section 300b–1 of this title] may be cited as the ‘Improving Access to Maternity Care Act’."


Pub. L. 115–320, §1, Oct. 10, 2018, 132 Stat. 3672, provided that: "This Act [amending section 300g–1b of this title and amending provisions set out as a note under section 305 of Title 21, Food and Drugs] may be cited as the ‘Patient Right to Know Drug Prices Act’."

Pub. L. 115–241, §1, Sept. 18, 2018, 132 Stat. 2892, provided that: "This Act [amending section 256c of this title] may be cited as the ‘Dr. Benjy Frances Brooks Children’s Hospital GME Support Reauthorization Act of 2018’."


Pub. L. 115–180, §1(a), June 5, 2018, 132 Stat. 1382, provided that: "This Act [amending sections 254c–5 and 256h, 300u–11, and 1397dd of this title and section 3014 of Title 18, Crimes and Criminal Procedure, and enacting provisions set out as notes under section 1397dd of this title] may be cited as the ‘Children’s Hospital Survivorship, Treatment, Access, and Research Act of 2018’ or the ‘Childhood Cancer STAR Act’."

**Short Title of 2017 Amendment**


**Short Title of 2016 Amendment**

§ 201

TITLE 42—THE PUBLIC HEALTH AND WELFARE

300j–3d, 300j–19a, 300j–19b, and 300j–27 of this title, repealing section 300j–25 of this title, amending sections
300f, 300g–3, 300g–6, 300j–1, 300j–12, 300j–24, and 6945 of
this title, and enacting provisions set out as notes
under sections 300j–1, 300j–3d, and 300j–12 of this title]
may be cited as the ‘Water and Waste Act of 2016’.’’
Pub. L. 114–255, § 1(a), Dec. 13, 2016, 130 Stat. 1033, provided that: ‘‘This Act [see Tables for classification]
may be cited as the ‘21st Century Cures Act’.’’
1039, provided that: ‘‘This Division [see Tables for classification] may be cited as the ‘21st Century Cures
Act’.’’
1202, provided that: ‘‘This division [see Tables for classification] may be cited as the ‘Helping Families in
Mental Health Crisis Reform Act of 2016’.’’
Pub. L. 114–198, § 1(a), July 22, 2016, 130 Stat. 695, provided that: ‘‘This Act [see Tables for classification]
may be cited as the ‘Comprehensive Addiction and Recovery Act of 2016’.’’
SHORT TITLE OF 2015 AMENDMENT
Stat. 2996, provided that: ‘‘This title [amending sections 300mm, 300mm–4, 300mm–21, 300mm–22, 300mm–31,
300mm–41, 300mm–52, and 300mm–61 of this title] may be
cited as the ‘James Zadroga 9/11 Health and Compensation Reauthorization Act’.’’
Pub. L. 114–104, § 1, Dec. 18, 2015, 129 Stat. 2216, provided that: ‘‘This Act [amending sections 274k and 274m
of this title, enacting provisions set out as a note under
section 274e of this title and amending provisions set
out as a note under section 274k of this title] may be
cited as the ‘Stem Cell Therapeutic and Research Reauthorization Act of 2015’.’’
that: ‘‘This Act [amending section 300j–1 of this title
and enacting provisions set out as a note under section
300j–1 of this title] may be cited as the ‘Grassroots
Rural and Small Community Water Systems Assistance
Act’.’’
Pub. L. 114–91, § 1, Nov. 25, 2015, 129 Stat. 723, provided
that: ‘‘This Act [enacting provisions set out as a note
under section 247b–13 of this title] may be cited as the
‘Protecting Our Infants Act of 2015’.’’
that: ‘‘This Act [amending sections 300gg–91, 1395iii,
and 18024 of this title] may be cited as the ‘Protecting
Affordable Coverage for Employees Act’.’’
that: ‘‘This Act [enacting section 300j–19 of this title]
may be cited as the ‘Drinking Water Protection Act’.’’
SHORT TITLE OF 2014 AMENDMENT
Pub. L. 113–265, § 1, Dec. 18, 2014, 128 Stat. 2942, provided that: ‘‘This Act [amending section 280m of this
title] may be cited as the ‘EARLY Act Reauthorization
of 2014’.’’
Pub. L. 113–240, § 1(a), Dec. 18, 2014, 128 Stat. 2851, provided that: ‘‘This Act [enacting sections 300b–16 and
300b–17 of this title, amending sections 300b–8 to 300b–15
of this title, and enacting provisions set out as a note
under section 289 of this title] may be cited as the
‘Newborn Screening Saves Lives Reauthorization Act
of 2014’.’’
Pub. L. 113–236, § 1, Dec. 18, 2014, 128 Stat. 2831, provided that: ‘‘This Act [enacting section 300c–13 of this
title] may be cited as the ‘Sudden Unexpected Death
Data Enhancement and Awareness Act’.’’
Pub. L. 113–196, § 1, Nov. 26, 2014, 128 Stat. 2052, provided that: ‘‘This Act [amending sections 280b–1c,
280b–3, 300d–52, and 300d–53 of this title] may be cited as
the ‘Traumatic Brain Injury Reauthorization Act of
2014’.’’
Pub. L. 113–180, § 1, Sept. 26, 2014, 128 Stat. 1915, provided that: ‘‘This Act [amending section 300w–9 of this
title] may be cited as the ‘Emergency Medical Services
for Children Reauthorization Act of 2014’.’’

Page 36

Pub. L. 113–166, § 1, Sept. 26, 2014, 128 Stat. 1879, provided that: ‘‘This Act [amending sections 247b–18,
247b–19, and 283g of this title] may be cited as the ‘Paul
D. Wellstone Muscular Dystrophy Community Assistance, Research and Education Amendments of 2014’.’’
Pub. L. 113–157, § 1, Aug. 8, 2014, 128 Stat. 1831, provided that: ‘‘This Act [amending sections 280i to 280i–4
of this title and enacting provisions set out as a note
under section 280i of this title] may be cited as the ‘Autism Collaboration, Accountability, Research, Education, and Support Act of 2014’ or the ‘Autism CARES
Act of 2014’.’’
Pub. L. 113–152, § 1, Aug. 8, 2014, 128 Stat. 1825, provided that: ‘‘This Act [amending sections 300d–31 and
300d–61 of this title] may be cited as the ‘Improving
Trauma Care Act of 2014’.’’
that: ‘‘This Act [amending section 256e of this title]
may be cited as the ‘Children’s Hospital GME Support
Reauthorization Act of 2013’.’’
that: ‘‘This Act [amending sections 300d–71 to 300d–73 of
this title and enacting provisions set out as a note
under section 300d–73 of this title] may be cited as the
‘Poison Center Network Act’.’’
SHORT TITLE OF 2013 AMENDMENT
that: ‘‘This Act [amending section 300g–6 of this title
and enacting provisions set out as a note under section
300g–6 of this title] may be cited as the ‘Community
Fire Safety Act of 2013’.’’
provided that: ‘‘This title [amending sections 247b–4f,
254c–14, and 280g–5 of this title, repealing section
247b–4g of this title, and enacting provisions set out as
a note under section 247b–4f of this title] may be cited
as the ‘Prematurity Research Expansion and Education
for Mothers who deliver Infants Early Reauthorization
Act’ or the ‘PREEMIE Reauthorization Act’.’’
provided that: ‘‘This title [amending section 284h of
this title] may be cited as the ‘National Pediatric Research Network Act of 2013’.’’
646, provided that: ‘‘This title [amending section 283m
of this title] may be cited as the ‘CHIMP Act Amendments of 2013’.’’
Pub. L. 113–51, § 1, Nov. 21, 2013, 127 Stat. 579, provided
that: ‘‘This Act [enacting section 274f–5 of this title and
amending sections 273 and 274 of this title and section
1122 of Title 18, Crimes and Criminal Procedure] may be
cited as the ‘HIV Organ Policy Equity Act’.’’
that: ‘‘This Act [amending section 280g of this title]
may be cited as the ‘School Access to Emergency Epinephrine Act’.’’
Pub. L. 113–5, § 1(a), Mar. 13, 2013, 127 Stat. 161, provided that: ‘‘This Act [enacting section 300hh–10a of
this title and sections 360bbb–3a and 360bbb–3b of Title
21, Food and Drugs, amending sections 247d, 247d–1,
247d–3a to 247d–4, 247d–6 to 247d–6b, 247d–6d, 247d–7b,
247d–7e, 247d–7f, 284m, 284m–1, 300hh–1, 300hh–10,
300hh–11, 300hh–15, and 300hh–16 of this title, sections
355, 355–1, 355a, 360bbb–3, and 360bbb–4 of Title 21, and
section 8117 of Title 38, Veterans’ Benefits, repealing
section 247d–6c of this title, enacting provisions set out
as notes under sections 247d–6a and 300hh–10 of this
title, and amending provisions set out as a note under
section 247d–6a of this title] may be cited as the ‘Pandemic and All-Hazards Preparedness Reauthorization
Act of 2013’.’’
SHORT TITLE OF 2012 AMENDMENT
that: ‘‘This Act [amending section 263a of this title]
may be cited as the ‘Taking Essential Steps for Testing
Act of 2012’.’’
SHORT TITLE OF 2011 AMENDMENT
that: ‘‘This Act [amending sections 280i to 280i–4 of this


title] may be cited as the ‘Combating Autism Reau-

thorization Act of 2011.’”

Pub. L. 111–380, § 1, Jan. 4, 2011, 124 Stat. 3131, provided that: “This Act [amending sections 300f–1 to 300f–11 of this title and enacting provisions set out as a note under section 300g–6 of this title] may be cited as the ‘Reduction of

Lead in Drinking Water Act’.”


Pub. L. 111–11, title XIV, §14001, Mar. 30, 2009, 123 Stat. 1452, provided that: “This Act [enacting sections 280q–9, 284q, and 284p of this title] may be cited as the ‘Christopher and Dana Reeve Paralysis Act.’”


SHORT TITLE OF 2010 AMENDMENT


Pub. L. 111–264, §1, Oct. 8, 2010, 124 Stat. 2789, provided that: “This Act [amending sections 274k and 274m of this title and amending provisions set out as notes under section 1101 of Title 8, Aliens and Nationality, and section 40101 of Title 49, Transportation] may be cited as the ‘James Zadroga 9/11 Health and Compensation Act of 2010.’”

SHORT TITLE OF 2008 AMENDMENT


Pub. L. 110–511, title XXXII, §301, Dec. 22, 2008, 122 Stat. 4074, provided that: “This Act [enacting sections 300g–7 and 300g–8 of this title, and provisions set out as a note under section 300g–6 of this title] may be cited as the ‘Comprehensive Tuberculosis Elimination Act of 2008.’”


Pub. L. 110–374, §1, Oct. 8, 2008, 122 Stat. 4047, provided that: “This Act [enacting section 280q–7 of this title, amending provisions set out as notes under sections 280q–7 to 280q–8 of this title] may be cited as the ‘ALS Registry Act.’”


Pub. L. 110–355, §1, Oct. 8, 2008, 122 Stat. 3988, provided that: “This Act [amending section 300hh–17 of this title, amending sections 254b, 254c, 254e, 254h–1, 254k, 254q, 254q–1, 256g, and 1395x of this title, and enacting provisions set out as notes under sections 254h and 1395x of this title] may be cited as the ‘Health Care Safety Net Act of 2008.’”


Internal Revenue Code, and section 1185a of Title 29, Labor, and enacting provisions set out as notes under section 306gg–5 of this title] may be cited as the ‘Paul Wellstone and Pete Domenici Mental Health Parity and Addiction Equity Act of 2008’.


**Short Title of 2007 Amendment**

Pub. L. 110–170, § 1, Dec. 26, 2007, 121 Stat. 2465, provided that: ‘‘This Act [amending sections 287a–3a and 287a–4 of this title] may be cited as the ‘Chimp Haven is Home Act’.’’

Pub. L. 110–114, § 1, Dec. 21, 2007, 121 Stat. 1813, provided that: ‘‘This Act [enacting section 273b of this title, amending section 274e of this title, and enacting provisions set out as a note under section 274e of this title] may be cited as the ‘Charlie W. Norwood Living Organ Donation Act’.’’


Pub. L. 110–18, § 1, Apr. 30, 2007, 121 Stat. 80, provided that: ‘‘This Act [amending sections 300k, 300m, 300n–4, and 300m–5 of this title] may be cited as the ‘National Breast and Cervical Cancer Early Detection Program Reauthorization Act of 2007’.’’

Pub. L. 110–482, § 1, Jan. 15, 2007, 121 Stat. 3675, provided that: ‘‘This Act [see Tables for classification] may be cited as the ‘National Institutes of Health Reform Act of 2007’.’’


**Short Title of 2006 Amendment**

Pub. L. 109–450, § 1, Dec. 22, 2006, 120 Stat. 3341, provided that: ‘‘This Act [enacting sections 247f–4, 247b–4, and 280g–5 of this title, amending sections 241l and 280g–4 of this title, and enacting provisions set out as a note under section 247f–4 of this title] may be cited as the ‘Prematurity Research Expansion and Education for Mothers who Deliver Infants Early Act’ or the ‘PREEMIE Act’.’’

Pub. L. 109–442, § 1, Dec. 21, 2006, 120 Stat. 3291, provided that: ‘‘This Act [enacting sections 300l to 300l–1 of this title] may be cited as the ‘Lifespan Respite Care Act of 2006’.’’

Pub. L. 109–442, § 1, Dec. 20, 2006, 120 Stat. 2890, provided that: ‘‘This Act [amending section 290b–25 of this title] may be cited as the ‘Sober Truth on Preventing Underage Drinking Act’ or the ‘STOP Act’.’’

Pub. L. 109–397, § 1, Oct. 6, 2006, 120 Stat. 2721, provided that: ‘‘This Act [amending section 306g of this title] may be cited as the ‘Children’s Hospital GME Support Reauthorization Act of 2006’.’’

Pub. L. 109–242, § 1, July 19, 2006, 120 Stat. 570, provided that: ‘‘This Act [amending section 290g–2 of this title] may be cited as the ‘Fetus Farming Prohibition Act of 2006’.’’

Pub. L. 109–172, § 1, Feb. 10, 2006, 120 Stat. 185, provided that: ‘‘This Act [enacting section 306g–45 of this title] may be cited as the ‘State High Risk Pool Funding Extension Act of 2006’.’’

**Short Title of 2005 Amendments**


Pub. L. 109–129, § 1, Dec. 20, 2005, 119 Stat. 2550, provided that: ‘‘This Act [enacting section 274f–1 of this title, amending sections 274k, 274i, and 274m of this title, and enacting provisions set out as a note under section 274k of this title] may be cited as the ‘Stem Cell Therapeutic and Research Act of 2005’.’’

Pub. L. 109–60, § 1, Aug. 11, 2005, 119 Stat. 1979, provided that: ‘‘This Act [enacting section 280g–3 of this title and provisions set out as a note under section 280g–3 of this title] may be cited as the ‘National All Schedules Prescription Electronic Reporting Act of 2005’.’’

Pub. L. 109–41, § 1(a), July 29, 2005, 119 Stat. 424, provided that: ‘‘This Act [enacting part C (§ 299–21 et seq.) of subchapter VII of this chapter, redesignating former part C (§ 299 et seq.) as part D of subchapter VII of this chapter, and amending sections 299–6 and 299–7 of this title] may be cited as the ‘Patient Safety and Quality Improvement Act of 2005’.’’

Pub. L. 109–16, § 1, June 29, 2005, 119 Stat. 340, provided that: ‘‘This Act [enacting section 256a of this title] may be cited as the ‘Patient Navigator Outreach and Chronic Disease Prevention Act of 2005’.’’

**Short Title of 2004 Amendments**

Pub. L. 108–377, § 1, Oct. 30, 2004, 118 Stat. 2202, provided that: ‘‘This Act [amending section 280g of this title and enacting provisions set out as notes under section 280g of this title] may be cited as the ‘Asthmatic Schoolchildren’s Treatment and Health Management Act of 2004’.’’
of this title] may be cited as the 'ICCVAM Authorization Act of 2000'."

Pub. L. 106–505, § 1(a), Nov. 23, 2000, 114 Stat. 2485, provided that: "This Act [enacting sections 273c–31 to 273g–4, 273h, 273i, and 273j of this title, amending sections 273a, 273b, and 273c of this title, and enacting provisions set out as notes under section 273 of this title] may be cited as the 'Minority Health and Health Disparities Research and Education Act of 2000'."

Pub. L. 106–505, § 1(a), Nov. 23, 2000, 114 Stat. 2314, provided that: "This Act [enacting sections 238p, 238q, 237d to 247d–7, 247d–9 to 258d–13, 258e–1a, 258e–3, 258f–3, 258f–4, 258g–4, 258g–5a of this title, amending sections 273, 274b–5, 284d, 284a–5, 288e–11, 288f–3, 288g–3, and 287a–3 of this title, repealing former section 247d of this title, enacting provisions set out as notes under this section and sections 238p, 254c, 284k, 285a–6a, 287, 287a–2 and 289 of this title, and amending provisions set out as a note under section 239 of this title] may be cited as the 'Public Health Improvement Act'."

Pub. L. 106–505, title I, § 101, Nov. 13, 2000, 114 Stat. 2315, provided that: "This title [enacting sections 247d to 260d–7 of this title and repealing former section 247d of this title] may be cited as the 'Public Health and Emergencies Act'.''

Pub. L. 106–505, title II, § 201, Nov. 13, 2000, 114 Stat. 2325, provided that: "This title [enacting sections 284k, 284l, 286a–4 and 288a–5 of this title, amending section 284d of this title, and enacting provisions set out as notes under section 284b of this title] may be cited as the 'Clinical Research Enhancement Act of 2000'."

Pub. L. 106–505, title III, § 301, Nov. 13, 2000, 114 Stat. 2330, provided that: "This title [enacting section 287a–2 of this title, amending section 287a–3 of this title, and enacting provisions set out as notes under sections 287 and 287a–2 of this title] may be cited as the 'Twenty-First Century Research Laboratories Act'."

Pub. L. 106–505, title IV, § 401, Nov. 13, 2000, 114 Stat. 2336, provided that: "This title [enacting sections 284a–2 and 288a–5 of this title, amending section 284d of this title, and enacting provisions set out as notes under section 284b of this title] may be cited as the 'Cardiac Arrest Survival Act of 2000'."

Pub. L. 106–505, title V, § 501, Nov. 13, 2000, 114 Stat. 2346, provided that: "This title [enacting section 241, 2325, provided that: "This title [enacting sections 2325, 284k, 284l, 285a–8, 285e–11, 285f–3, 287a–2 and 288a–5 of this title, amending sections 278a, 278b, 278c, 278d, 278e, 278f, 278g, 278h, 278i, 278j, 278k, 278l, 278m, 278n, 278o, 278p, 278q, and 278r of this title, and amending provisions set out as notes under sections 278 and 278a–2 of this title] may be cited as the 'Nursing Education and Practice Improvement Act of 1998'."

Pub. L. 105–392, title IV, § 419(a), Nov. 13, 1998, 112 Stat. 3582, provided that: "This section [enacting sections 280 to 286–3 of this title and provisions set out as note under section 280 of this title] may be cited as the 'Fetal Alcohol Syndrome and Fetal Alcohol Effect Prevention and Services Act'."

Pub. L. 105–349, § 101. Oct. 31, 1998, 112 Stat. 3191, provided that: "This Act [enacting sections 2850–7a and 300–9 of this title and amending sections 242k, 282e–4, 282e–6, 283a, 283b, 283c, 283d–4, 283e–4, 283f, 283g, 283h, 283i, 283j, 283k, 283l, 283m, and 300–5 of this title] may be cited as the 'Women’s Health and Research Amendments of 1998'."


Pub. L. 105–196, § 1, July 16, 1998, 112 Stat. 631, provided that: "This Act [amending sections 274 and 274m of this title, repealing former section 274 of this title, and enacting provisions set out as notes under section 274k of this title] may be cited as the 'National Bone Marrow Registry Reauthorization Act of 1998'."

Pub. L. 105–168, § 1(a), Apr. 21, 1998, 112 Stat. 43, provided that: "This Act [amending section 247h–4 of this title and enacting provisions set out as a note under section 247h–4 of this title] may be cited as the 'Birth Defects Prevention Act of 1998'."

Pub. L. 105–17, 114 Stat. 1519, provided that: "This section [enacting section 284f of this title] may be cited as the 'Lupus Research and Care Amendments of 1998'."


Pub. L. 105–126, div. B, title XXXVI, § 3661, Oct. 17, 2000, 114 Stat. 1241, provided that: "This title [enacting provisions set out as notes under sections 299a–5 of this title and section 994c of Title 28, Judiciary and Judicial Procedure] may be cited as the 'Ecstasy Anti-Proliferation Act of 2000'."
of this title and provisions set out as a note under section 284f of this title] may be cited as the "Morris K. Udall Parkinson's Disease Research Act of 1997.'"
Title, and enacting provisions set out as notes under sections 296k and 297b of this title] may be referred to as the ‘Disadvantaged Minority Health Promotion, and Vaccine Injury Compensation Act of 1990’.

Pub. L. 101–381, § 1, Aug. 18, 1990, 104 Stat. 576, provided that: ‘‘This Act [enacting section 300aa–1 of this title] may be cited as the ‘Health Information, Education, and Vaccine Injury Compensation Act of 1990’.’’

Pub. L. 101–374, § 1, Aug. 15, 1990, 104 Stat. 456, provided that: ‘‘This Act [enacting sections 290aa–12, 290cc–2, and 300x–4 of this title, enacting provisions set out as notes under sections 273 and 274 of this title, and enacting provisions set out as notes under sections 290aa–1 to 290aa–13 of this title] may be cited as the ‘Mental Health Amendments of 1990’.’’

Pub. L. 101–368, § 1, Aug. 15, 1990, 104 Stat. 446, provided that: ‘‘This Act [enacting section 300aa–1 of this title] may be cited as the ‘Vaccine and Immunization Amendments of 1990’.’’


Short Title of 1989 Amendment


Short Title of 1988 Amendments

Pub. L. 100–690, § 111, Nov. 18, 1988, 102 Stat. 4193, provided that: ‘‘This subtitle [subtitle A (§§ 201–2081) of title II of Pub. L. 100–690, enacting sections 290aa–11 to 290aa–14, 290cc–11 to 290cc–13, 290ff, 300x–1a, 300x–4a, 300x–9a, and 300x–9b of this title, amending sections 242a, 290aa, 290aa–3, 290aa–4, 290bb–2, 290cc to 290cc–2, 300x, 300x–1a to 300x–4, 300x–5, 300x–9, and 300x–10 to 300x–12 of this title and section 484 of former Title 42, Public Buildings, Property, and Works, repealing sections 300y to 300y–2 of this title, and enacting provisions set out as notes under sections 290aa, 290cc–11, 300x–9a, and 300x–11 of this title, and amending provisions set out as a note under section 801 of Title 21, Food and Drugs] may be cited as the ‘Comprehensive Alcohol Abuse, Drug Abuse, and Mental Health Amendments Act of 1988’.’’

Pub. L. 100–607, § 1(a), Nov. 4, 1988, 102 Stat. 3048, provided that: ‘‘This Act [see Tables for classification] may be cited as the ‘Health Omnibus Programs Extension of 1988’.’’

Pub. L. 100–607, title I, § 100(a), Nov. 4, 1988, 102 Stat. 3048, provided that: ‘‘This title [see Tables for classi-
Page 43

TITLE 42—THE PUBLIC HEALTH AND WELFARE

§ 201

fication] may be cited as the 'National Institute on Deafness and Other Communication Disorders and Health Research Extension Act of 1986'.

Pub. L. 100–607, title II, § 200, Nov. 4, 1988, 102 Stat. 3062, provided that: "This title [see Tables for classification] may be cited as the 'AIDS Amendments of 1987'."

Pub. L. 100–607, title IV, § 401(a), Nov. 4, 1988, 102 Stat. 3114, provided that: "This title [enacting sections 300y–21 to 300y–27 of this title, amending sections 273 to 274e of this title, and enacting provisions set out as notes under sections 273 and 300y–21 of this title] may be cited as the 'Organ Transplant Amendments Act of 1988'."


Pub. L. 100–607, title VII, § 700(a), Nov. 4, 1988, 102 Stat. 3153, provided that: '"This title [enacting sections 296r, 297c–1, 297f, 297n, and 298b–6 of this title, amending sections 210, 294a, 296x, 296l, 296n, 297, 297c–1, 297a, 297b, 297d, 297e, 298, and 298b–3 of this title, and enacting provisions set out as a note under section 297d of this title] may be cited as the 'Nursing Shortage Reduction and Extension Act of 1988'."

Pub. L. 100–607, title IX, § 901, Nov. 4, 1988, 102 Stat. 3171, provided that: '"This title [enacting section 300e–6 of this title and provisions set out as notes under such section] may be cited as the 'Prison Testing Act of 1988'."'

Pub. L. 100–678, § 1, Oct. 31, 1988, 102 Stat. 2903, provided that: '"This Act [amending section 263a of this title and enacting provisions set out as notes under section 263a of this title] may be cited as the 'Clinical Laboratory Improvement Amendments of 1988'."

Pub. L. 100–572, § 1, Oct. 31, 1988, 102 Stat. 2884, provided that: '"This Act [enacting sections 247h–1 and 300–21 to 300–26 of this title, and amending section 300–4 of this title] may be cited as the 'Lead Contamination Control Act of 1988'."

Pub. L. 100–553, § 1, Oct. 28, 1988, 102 Stat. 2769, provided that: '"This Act [enacting sections 285m to 285m–6 of this title, amending sections 281 and 285j of this title, and enacting provisions set out as a note under section 285m of this title] shall be cited as the 'National Deafness and Other Communication Disorders Act of 1988'."'

Pub. L. 100–517, § 1(a), Oct. 24, 1988, 102 Stat. 2578, provided that: '"This Act [amending sections 290a–3, 290a–5 to 290a–15 of this title, amending provisions set out as notes under sections 290a–1 and 290a–4 of this title] may be cited as the 'State Comprehensive Mental Health Services Plan Act of 1988'."


Pub. L. 99–660, title VIII, § 801, Nov. 14, 1986, 100 Stat. 3799, provided that: '"This title [amending sections 300–1, 300–4, 300–5 to 300–10, 300–16, and 300–17 of this title, repealing sections 300–2, 300–3, and 300–4 of this title, and enacting provisions set out as notes under sections 300–1, 300–4, and 300–5 of this title] may be cited as the 'State Comprehensive Mental Health Services Plan Act of 1986'."

Pub. L. 99–649, § 1, Nov. 10, 1986, 100 Stat. 3633, provided that: '"That this Act [enacting sections 280 to 283b of this title and provisions set out as a note under section 280b of this title] may be cited as the 'Injury Prevention Act of 1986'."'

Pub. L. 99–570, title IV, § 4001(a), Oct. 27, 1986, 100 Stat. 3207–103, provided that: '"This subtitle [subtitle A (§§ 4001–4022) of title IV of Pub. L. 99–570, enacting sections 290a to 290aa–3, 290a–4 to 290a–10, and 300y to 300y–2 of this title, amending sections 218, 241, 290a to 290aa–3, 290aa–4, 290aa–5, 290bb–1, 290bb–2, 290cc, and 290ccc–2 of this title and sections 331 and 350 of Title 21, Food and Drugs, and enacting provisions set out as notes under sections 290aa–3, 290aa–3a, and 290bb of this title] may be cited as the 'Alcohol and Drug Abuse Amendments of 1986'."

Pub. L. 99–339, § 1, June 19, 1986, 100 Stat. 642, provided that: '"This Act [enacting sections 300g–6, 300h–5 to 300h–7, 300l–1, and 300–11 of this title, amending sections 300f, 300g–1 to 300g–5, 300h to 300h–2, 300h–4, 300h–6, 300h–7, 300l, 300h to 300h–4, 300–7, and 6979a of this title and sections 1261 and 1283 of Title 15, Commerce and Trade, transferring section 6979b to 6979a of this title, and enacting provisions set out as notes under sections 300g–6 and 300–1 of this title and section 1261 of Title 15] may be cited as the 'Safe Drinking Water Act Amendments of 1986'."

Pub. L. 99–290, § 1(a), Apr. 24, 1986, 100 Stat. 399, provided that: '"This Act [amending sections 254b and 254c of this title and repealing sections 300y to 300y–11 of this title] may be cited as the 'Health Services Amendments Act of 1986'."

Pub. L. 99–158, § 1(a), Nov. 20, 1985, 99 Stat. 820, provided that: '"This Act [enacting sections 275, 281 to 283, 294 to 294a, 294b to 294d, 295 to 295a, 295b to 295f, 295g to 295m–2, 295n to 295p–1, 295q, 295r to 295w, 295x to 295z, 295aa to 295aa–7, 295ab to 295ad, 295ae to 295am, 295an to 295ao, 295ap to 295aq, 295ar to 295as, and 295at–295z of this title, amending sections 217a, 218, 241, 290a–3, and 300–12 of this title, repealing sections 275 to 280a–1, 280b to 280b–2, 280b–4, 280b–5, and 280b–7 to
Pub. L. 98-24, §1(a), Apr. 26, 1983, 97 Stat. 175, provided that: "This Act [enacting sections 290aa–4 and 290aa–5 of this title, transferring sections 219 to 224, 225a to 227, 229 to 229d, 289–1, 351, 4531, 4532, 4537, 4571, 4581, and 4582 of this title to sections 300aa to 300aa–5, 300aa–6 to 300aa–8, 300aa–9 to 300aa–14, 290aa–3, 290aa–1, 290bb, 290bh–b, 290bd–2, 290dd, 290dd–1, 290dd–2, and 290dd–3 of this title, respectively, and sections 1173(a), 1174, 1175, 1180, 1191, 1192, and 1193 of Title 21, Food and Drugs, to sections 290aa–2(e), 290ee–2, 290ee–3, 290ee–1, 290ee–2, 290ee–3, and 290cc of this title, respectively, amending sections 218, 278, 299a, 299a–2, 290bb–2, 290cc, 290dd–2, 290ee to 290ee–3, and 4577 of this title and sections 1163, 1173, and 1177 of Title 21, repealing sections 4532, 4533, and 4586 of this title and sections 1117, 1172, and 1194 of Title 21, enacting provisions set out as a note under section 290aa of this title, amending provisions set out as a note under section 4541 of this title, and enacting provisions set out as a note under section 242 of this title] may be cited as the ‘Alcohol and Drug Abuse Amendments of 1983’.

SHORT TITLE OF 1981 AMENDMENT


SHORT TITLE OF 1980 AMENDMENTS

Pub. L. 96–338, §1(a), Dec. 17, 1980, 94 Stat. 3183, provided that: “This Act [enacting sections 299g–3, 299h–4, 299j–7 of this title, amending sections 296e, 297g, 297h, 298a, 298g–1, 298h–2, 298g–3, 298h–4, 298j, 298k, 299e, 299f–1, 299gg, 299hh, 299j, and 299k of this title, and enacting provisions set out as notes under sections 299g and 299h of this title, and enacting provisions set out as notes under sections 290m–6 and 300g–6 of this title] may be cited as the ’Health Programs Extension Act of 1980’.

SHORT TITLE OF 1979 AMENDMENTS

Pub. L. 96–142, title I, §101, Dec. 12, 1979, 93 Stat. 1067, provided that: “This title [amending sections 299g–9, 300d–1, 300d–3, 300d–6, 300d–8, and 300d–21 of this title and enacting provisions set out as a note under section 290g–9 of this title, and enacting provisions set out as notes under sections 300e–9 and 300m–6 of this title] may be cited as the ’Alcohol and Drug Abuse Amendments of 1979’.

Pub. L. 96–142, title II, §201, Dec. 12, 1979, 93 Stat. 1070, provided that: “This title [enacting section 300c–12 and amending section 300c–11 of this title] may be cited as the ’Sudden Infant Death Syndrome Amendments of 1979’.

Pub. L. 96–79, §1(a), Oct. 4, 1979, 93 Stat. 592, provided that: “This Act [enacting sections 300g–4, 300h–1, 300h–6, and 300t–11 to 300t–14 of this title, amending this title and sections 246, 299k–1 to 299k–3, 300l to 300l–5, 300m to 300m–5, 300n–1 to 300n–5, 300o, 300p–2, 299q–2, 300r, 300s–3, 300u–1, 300v, 300w–11 to 300w–25, 299x–5 to 299x–8, 299x–1, 299x–5, 299x–9, 300p–1, 300q–1–2, 300r–1, 300s–1, 300t–11 to 300t–14 of this title] may be cited as the ’Health Planning and Resources Development Amendments of 1979’.

Pub. L. 96–76, title I, §101(a), Sept. 29, 1979, 93 Stat. 579, provided that: “This title [enacting section 297f–1 of this title, amending provisions set out as notes under section 296, 296m, 297 to 297e, and 297f of this title, and enacting provisions set out as notes under sections 296 and
Page 45

TITLE 42—THE PUBLIC HEALTH AND WELFARE

297j of this title] may be cited as the ‘Nurse Training
Amendments of 1979’.’’
Pub. L. 96–76, title III, § 301, Sept. 29, 1979, 93 Stat. 584,
provided that: ‘‘This title [amending sections 204, 206,
207, 209, 210–1, 210b, 211, 212, 213a, 215, and 218a of this
title and sections 201, 415, and 1006 of Title 37, Pay and
Allowances of the Uniformed Services, and enacting
provisions set out as a note under section 206 of this
title] may be cited as the ‘Public Health Service Administrative Amendments of 1979’.’’
SHORT TITLE OF 1978 AMENDMENTS
Pub. L. 95–626, § 1(a), Nov. 10, 1978, 92 Stat. 3551, provided that: ‘‘This Act [enacting sections 242p, 247, 247a,
247b–1, 254a–1, 255, 256, 256a, 300a–21 to 300a–29, 300a–41,
300b–6, and 300u–6 to 300u–9 of this title, amending sections 218, 246, 247b, 247c, 247e, 254a, 254b, 254c, 254k, 294t,
294u, 295h–1, 300b, 300b–3, 300c–21, 300c–22, 300d–2, 300d–3,
300d–5, 300d–6, 300e–12, 300e–14a, 300u–5, 1396b, and 4846 of
this title, repealing sections 256, 4801, 4811, 4844, and
4845 of this title, enacting provisions set out as notes
under this section and sections 246, 247a, 247c, 254a–1,
254b to 254d, 256, 256a, 289b, 289d, 300a–21, 300d–2, and
300d–3 of this title, and amending provisions set out as
notes under sections 300b and 1395x of this title] may be
cited as the ‘Health Services and Centers Amendments
of 1978’.’’
provided that: ‘‘This part [part A (§§ 101–107) of title I of
Pub. L. 95–626, enacting section 256a of this title,
amending sections 218, 247e, 254b, 254c, 255, 300e–12,
300e–14a, and 1396b of this title, repealing section 256 of
this title, and enacting provisions set out as notes
under sections 254b, 254c, and 256a of this title] may be
cited as the ‘Migrant and Community Health Centers
Amendments of 1978’.’’
provided that: ‘‘This part [part B (§§ 111–116) of title I of
Pub. L. 95–626, enacting sections 254a–1 and 256 of this
title, amending sections 294t and 294u of this title, and
enacting provisions set out as notes under sections
254a–1, 254d, and 256 of this title] may be cited as the
‘Primary Health Care Act of 1978’.’’
provided that: ‘‘This title [enacting sections 247, 247a,
255, and 300b–6 of this title, amending sections 246, 247b,
247c, 300b, 300b–3, 300c–21, 300c–22, 300d–2, 300d–3, 300d–5,
300d–6, and 4846 of this title, repealing sections 4801,
4811, 4844, and 4845 of this title, enacting provisions set
out as notes under sections 246, 247a, 247c, 289d, 300d–2,
and 300d–3 of this title, and amending provisions set out
as notes under sections 300b and 1395x of this title] may
be cited as the ‘Health Services Extension Act of 1978’.’’
Pub. L. 95–623, § 1(a), Nov. 9, 1978, 92 Stat. 3443, provided that: ‘‘This Act [enacting sections 229c, 242n, and
4362a of this title, amending sections 210, 242b, 242c,
242k, 242m, 242o, 289k, 289l–1, 292e, 292h, 292i, 294t, 295f–1,
295f–2, 295g–2, 295g–8, 295h–2, 7411, 7412, 7417, and 7617 of
this title, repealing section 280c of this title, enacting
provisions set out as a note under section 242m of this
title, and amending provisions set out as notes under
sections 292h, 295h–4, and 296 of this title] may be cited
as the ‘Health Services Research, Health Statistics,
and Health Care Technology Act of 1978’.’’
3420, provided that: ‘‘This title [enacting sections 289l–6
to 289l–8 of this title, amending sections, 241, 248, 277,
280b, 281 to 286g, 287a to 287d, 287g, 287i, 289c–6, 289l to
289l–2, 289l–4, 4541, 4573, and 4585 of this title, and enacting provisions set out as notes under sections 241, 286b,
286f, 289a, and 289l–1 of this title] may be cited as the
‘Biomedical Research and Research Training Amendments of 1978’.’’
Pub. L. 95–559, § 1(a), Nov. 1, 1978, 92 Stat. 2131, provided that: ‘‘This Act [enacting sections 300e–4a,
300e–16, and 300e–17 of this title, amending sections
300e, 300e–1, 300e–3, 300e–4, 300e–5, 300e–7, 300e–8, 300e–9,
300e–11 to 300e–13, 1320a–1, 1396a, and 1396b of this title,
and enacting provisions set out as notes under sections
300e–3, 300e–4, 300e–16, and 1396a of this title] may be

§ 201

cited as the ‘Health Maintenance Organization Amendments of 1978’.’’
SHORT TITLE OF 1977 AMENDMENTS
Pub. L. 95–190, § 1, Nov. 16, 1977, 91 Stat. 1393, provided
that: ‘‘This Act [enacting sections 300j–10 and 7625a of
this title, amending sections 300f, 300g–1, 300g–3, 300g–5,
300h, 300h–1, 300j to 300j–2, 300j–4, 300j–6, 300j–8, 7410, 7411,
7413, 7414, 7416, 7419, 7420, 7426, 7472 to 7475, 7478, 7479,
7502, 7503, 7506, 7521, 7522, 7525, 7541, 7545, 7549, 7602, 7604,
7607, 7623, and 7626 of this title, enacting provisions set
out as notes under section 300f of this title, and section
5108 of Title 5, Government Organization and Employees, and amending provisions set out as notes under
sections 300f, 7401, and 7502 of this title] may be cited
as the ‘Safe Drinking Water Amendments of 1977’.’’
provided that: ‘‘This title [amending this section and
sections 242m, 300e–8, 300k–3, 300l to 300l–5, 300m, 300m–2,
300m–4, 300m–5, 300n–3, 300n–5, 300o–1 to 300o–3, 300p,
300p–3, 300q, 300q–2, 300r, 300s–3, 300t, and 1396b of this
title, and enacting provisions set out as a note under
section 1396b of this title] may be cited as the ‘Health
Planning and Health Services Research and Statistics
Extension Act of 1977’.’’
provided that: ‘‘This title [amending sections 280b, 286b,
286c, 286d, 286f, 286g, 287c, 287d, 287f, 287h, 287i, and 289l–1
of this title] may be cited as the ‘Biomedical Research
Extension Act of 1977’.’’
provided that: ‘‘This title [enacting section 294y–1 of
this title, amending sections 210, 246, 247d, 254c, 292g,
292h, 293a, 294d, 294e, 294h, 294i, 294j, 294n, 294r, 294s,
294w, 294z, 295f–1, 295g–1, 295g–9, 295h–5, 295h–5c, 296e,
296m, 297, 300, 300a–1, 300a–2, 300a–3, 300c–11, 300c–21,
300c–22, 701, 2689a to 2689e, 2689h, 2689p, 2689q, 4572, 4573,
and 4577 of this title, sections 1101 and 1182 of Title 8,
Aliens and Nationality, sections 1112 and 1176 of Title
21, Food and Drugs, and section 1614 of Title 25, Indians,
enacting provisions set out as notes under sections
242b, 242l, 294d, 294i, 294n, 294r, 294t, 294y–1, 294z, 295f–1,
295g–1, 295h–5, and 296m of this title and sections 1101
and 1182 of Title 8, and amending provisions set out as
notes under sections 289k–2, 1395x, and 1396b of this
title] may be cited as the ‘Health Services Extension
Act of 1977’.’’
SHORT TITLE OF 1976 AMENDMENTS
Pub. L. 94–573, § 1(a), Oct. 21, 1976, 90 Stat. 2709, provided that: ‘‘This Act [enacting section 300d–21 of this
title, amending sections 295f–6 and 300d to 300d–9 of this
title, enacting provisions set out as notes under sections 242b, 300d, 300d–7, and 300d–9 of this title, and
amending provisions set out as notes under sections
218, 289c–1, and 289l–1 of this title] may be cited as the
‘Emergency Medical Services Amendments of 1976’.’’
Pub. L. 94–562, § 1(a), Oct. 19, 1976, 90 Stat. 2645, provided that: ‘‘This Act [enacting sections 289c–3a, 289c–7,
and 289c–8 of this title, amending sections 289c–2,
289c–5, and 289c–6 of this title, and enacting provisions
set out as notes under sections 289a, 289c–3a, and 289c–7
of this title] may be cited as the ‘Arthritis, Diabetes,
and Digestive Disease Amendments of 1976’.’’
Pub. L. 94–484, § 1(a), Oct. 12, 1976, 90 Stat. 2243, provided that: ‘‘This Act [enacting sections 254 to 254k, 292,
292e to 292k, 294 to 294l, 294r to 294z, 294aa, 295f–1, 295g
to 295g–8, 295g–10, 295h to 295h–2, and 295h–4 to 295h–7 of
this title; renumbering sections 293d as 292a, 293e as
292b, 295h–8 as 292c, 295h–9 as 292d, 293g to 293i as 293d
to 293f, 294 to 294c as 294m to 294p, 294e as 294q, 295f–5
as 295f–2, and 295f–6 as 295g–9 of this title; amending
this section and sections 234, 244–1, 245a, 246, 247c, 254b,
263c, 292a to 292c, 293 to 293d, 293f, 294g, 294m to 294p,
295e–1 to 295e–4, 295f to 295f–4, 295g, 295g–11, 295g–23,
295h–1 to 295h–3, 297, 300a, 300d, 300d–7, 300f, 300l–1, 300n,
and 300s–3 of this title and sections 1101 and 1182 of
Title 8, Aliens and Nationality; repealing sections 234,
244–1, 245a, 254b, 292 to 292j, 293f, 294d, 294f, 294g, 295f–1,


Pub. L. 93–296, § 1, May 31, 1974, 88 Stat. 184, provided that: “This Act [enacting part H of subchapter III of this chapter and provisions set out as notes under sections 289d to 289k of this title] may be cited as the ‘Research on Aging Act of 1974.’”

Pub. L. 93–270, § 1, Apr. 22, 1974, 88 Stat. 90, provided that: “This Act [enacting part B of subchapter IX of this chapter and enacting provisions set out as notes under sections 289g of this title, and enacting provisions set out as a note under section 289h of this title] may be cited as the ‘Sudden Infant Death Syndrome Act of 1974.’”

**SHORT TITLE OF 1974 AMENDMENTS**

Pub. L. 93–222, § 1, Dec. 29, 1973, 87 Stat. 914, provided in part that Pub. L. 93–222 [enacting subchapter XI of this chapter and section 280a of this title] amending section 2001 of this title and section 172 of Title 12, Bank and Banking, repealing section 78C of Title 33, Navigation and Navigable Waters, enacting provisions set out as notes under sections 300c and 300e–1 of this title, amending provisions set out as notes under this section, and repealing provisions set out as notes under this section and sections 211a, 212a, and 222 of this title] shall be cited as the “Health Maintenance Organization Act of 1973.”

Pub. L. 93–154, § 1, Nov. 16, 1973, 87 Stat. 594, provided that: “This Act [enacting subchapter X of this chapter and provisions set out as notes under sections 268g and 289g of this title, and enacting provisions set out as a note under this section] may be cited as the ‘Emergency Medical Services Systems Act of 1973.’”

Pub. L. 93–45, § 1, June 18, 1973, 87 Stat. 91, provided that: “This Act [enacting section 300a–7 of this title, amending sections 242b, 242c, 242d, 242e, 242f, 242g of this title, and enacting provisions set out as notes under section 242h of this title] may be cited as the ‘Emergency Medical Personnel Act of 1973.’”


Pub. L. 92–449, § 1, Sept. 30, 1972, 86 Stat. 748, provided that: “This Act [enacting section 274c of this title, amending sections 274b and 300–1 of this title, and enacting provisions set out as notes under section 274d of this title] may be cited as the ‘Communicable Disease Control Amendments of 1972.’”

Pub. L. 92–449, title II, § 201, Sept. 30, 1972, 86 Stat. 750, provided that: “This title [enacting section 274c of this title and provisions set out as notes under section 274d of this title] may be cited as the ‘National Venereal Disease Prevention and Control Act’.”

Pub. L. 92–413, § 1, Sept. 19, 1972, 86 Stat. 679, provided that: “This Act [enacting sections 287b to 287f and 287i of this title, amending sections 218, 241, 267, 277a, 278g, and 279 of this title, and enacting provisions set out as notes under section 287 of this title] may be cited as the ‘National Heart, Blood Vessel, Lung, and Blood Act of 1972.’”

**SHORT TITLE OF 1971 AMENDMENTS**


Pub. L. 92–121, § 1, Mar. 13, 1970, 84 Stat. 63, provided that: “This Act [enacting section 280b–12 of this title and amending this section and sections 276 to 278, 290a–1, 290b, 290b–2 to 290b–9, and 290b–11 of this title] may be cited as the ‘Medical Library Assistance Extension Act of 1970.’”

**SHORT TITLE OF 1968 AMENDMENTS**

Pub. L. 90–574, title IV, § 401, Oct. 15, 1968, 82 Stat. 1011, provided that: “This title [amending sections 291 to 291h of this title] may be cited as the ‘Hospital and Medical Facilities Construction and Modernization Assistance Amendments of 1968.’”

Pub. L. 90–190. § 1, Aug. 16, 1968, 82 Stat. 773, provided that: “This Act [enacting sections 294b to 295g, 295h–6, 295h–7, 295i, 295j, 295l, 295m, and 295n of this title, amending sections 224, 242, 242a to 242e, 254, 264, 294a, 294b, 295, 295a, 295b, and 295c of this title] may be cited as the ‘Medical Facilities Construction and Modernization Amendments of 1968.’”

Pub. L. 90–211, § 1, Aug. 2, 1968, 82 Stat. 611, provided that: “This title [amending sections 299 to 300b of this title] may be cited as the ‘Health Insurance and Family Planning Services and Population Assistance Amendments of 1968.’”

Pub. L. 90–490, § 1, Aug. 16, 1968, 82 Stat. 773, provided that: “This Act [enacting sections 293i, 293j, 293k, and 293l of this title] may be cited as the ‘Hospital and Medical Facilities Construction and Modernization Amendments of 1968.’”

Pub. L. 90–190, § 1, Aug. 16, 1968, 82 Stat. 773, provided that: “This title [amending sections 291 to 291h of this title] may be cited as the ‘Hospital and Medical Facilities Construction and Modernization Assistance Amendments of 1968.’”

Pub. L. 90–91–1, Aug. 16, 1968, 82 Stat. 773, provided that: “This title [amending sections 294b to 295g, 295h–6, 295h–7, 295i, 295j, 295l, 295m, and 295n of this title, amending sections 224, 242, 242a to 242e, 254, 264, 294a, 294b, 295, 295a, 295b, and 295c of this title] may be cited as the ‘Medical Facilities Construction and Modernization Amendments of 1968.’”

Pub. L. 90–190, § 1, Aug. 16, 1968, 82 Stat. 773, provided that: “This title [amending sections 299 to 300b of this title] may be cited as the ‘Health Insurance and Family Planning Services and Population Assistance Amendments of 1968.’”

Pub. L. 90–490, § 1, Aug. 16, 1968, 82 Stat. 773, provided that: “This Act [enacting sections 293i, 293j, 293k, and 293l of this title] may be cited as the ‘Hospital and Medical Facilities Construction and Modernization Amendments of 1968.’”

Pub. L. 90–190, § 1, Aug. 16, 1968, 82 Stat. 773, provided that: “This title [amending sections 291 to 291h of this title] may be cited as the ‘Hospital and Medical Facilities Construction and Modernization Assistance Amendments of 1968.’"
sions set out as notes under sections 292b, 292e, 293 to 293c, 294f, 295f-2, 295g, 296, 296d, 296f, and 297a of this title may be cited as the 'Health Manpower Act of 1965'."

**Short Title of 1967 Amendments**

Pub. L. 90-174, § 1, Dec. 5, 1967, 81 Stat. 533, provided:

"That this Act [enacting sections 217b, 254a, 263a, and 291m-1 of this title, amending sections 291, 292b, 294, 294f, 295f, 295f-2, 295g, 296, 296d, 296f, and 297a of this title] may be cited as the 'Health Amendments of 1967'."

Pub. L. 90-174, § 5(c), Dec. 5, 1967, 81 Stat. 539, provided that:

"This section [enacting section 263a of this title and provisions set out as notes under section 293a of this title] may be cited as the 'Clinical Laboratories Act of 1967'."

Pub. L. 90-31, § 1, June 24, 1967, 81 Stat. 79, provided:

"That this Act [enacting section 225a of this title and amending sections 281, 2884, 2887, 2888a, and 2891 of this title] may be cited as the 'Mental Health Amendments of 1967'."

**Short Title of 1968 Amendments**

Pub. L. 89-751, § 1, Nov. 3, 1968, 81 Stat. 1222, provided:

"That this Act [enacting sections 295h to 295h-2 and 296c to 298g of this title, amending sections 294d, 294n to 294p, 296, 297c to 297g, and 298 of this title and section 1717 of Title 12, Banks and Banking, and enacting provisions set out as notes under sections 294f, 294h, 297c, and 297g of this title] may be cited as the 'Allied Health Professions Personnel Training Act of 1968'."

Pub. L. 89-749, § 1, Nov. 3, 1968, 81 Stat. 1180, provided:

"That this Act [amending sections 243, 245a, and 246 of this title, repealing sections 247a and 247c of this title, and enacting provisions set out as notes under section 243 and sections 244 and 245a of this title] may be cited as the 'Comprehensive Health Planning and Public Health Services Amendments of 1968'."

Pub. L. 89-709, § 1, Nov. 2, 1968, 81 Stat. 1103, provided:

"That this Act [amending sections 293, 293a, 293d, 293e, 294, 294a, and 294b of this title] may be cited as the 'Veterinary Medical Education Act of 1968'."

**Short Title of 1969 Amendments**


"This Act [amending sections 211a and 212a of this title and Part J of subchapter II of this chapter and amending section 277 of this title] may be cited as the 'Medical Library Assistance Act of 1969'."

Pub. L. 89-290, § 1, Oct. 22, 1965, 79 Stat. 1052, provided that:

"This Act [enacting sections 295i to 295j-2 and 296g of this title and amending sections 293, 293a, 293d, 294 to 294d, 297b, and 288h of this title] may be cited as the 'Health Professions Educational Assistance Amendments of 1969'."

Pub. L. 89-239, § 1, Oct. 6, 1965, 79 Stat. 926, provided:

"That this Act [enacting sections 299 to 299l of this title, amending sections 292 and 293b of this title, sections 737, 790, 800 of former Title 5, Executive Departments and Government Officers and Employees, and section 763c of Title 33, Navigation and Navigable Waters, and enacting provisions set out as notes under sections 201, 214, 222, and 249 of this title] may be cited as the 'Health Research Facilities Amendments of 1969'."

Pub. L. 89-115, § 1, Aug. 9, 1965, 79 Stat. 488, provided:

"That this Act [amending sections 241, 292c, and 292d of this title and section 221 of former Title 5, Executive Departments and Government Officers and Employees, and enacting section 623h of former Title 5 and provisions set out as a note thereunder] may be cited as the 'Health Research Facilities Amendments of 1965'."

Pub. L. 89-109, § 1, Aug. 5, 1965, 79 Stat. 435, provided:

"That this Act [amending sections 246, 247a, 247b, and 247d of this title] may be cited as the 'Community Health Services Extension Amendments of 1965'."

**Short Title of 1967 Amendments**

Pub. L. 88-581, § 1, Sept. 4, 1964, 78 Stat. 908, provided:

"That this Act [enacting subchapter VI of this chapter, amending sections 291c, 291d, 293a, 293e, and 293f of this title, and enacting provisions set out as notes under sections 201, 212, 221, 223, 226c, 291c, 293c, and 293h of this title, sections 757, 790, and 800 of former Title 5, Executive Departments and Government Officers and Employees, and section 763c of Title 33, Navigation and Navigable Waters] may be cited as the 'Nurse Training Act of 1964'."

Pub. L. 88-487, § 1, Aug. 27, 1964, 78 Stat. 613, provided that:

"This Act [amending sections 241, 246, and 245a of this title] may be cited as the 'Graduate Public Health Training Amendments of 1964'."

Pub. L. 88-443, § 1, Aug. 18, 1964, 78 Stat. 447, provided that:

"This Act [enacting sections 242c, 291a, 291k to 291m, 291n, and 291o of this title and enacting provisions set out as notes under section 291i of this title] may be cited as the 'Hospital and Medical Facilities Amendments of 1964'."

**Short Title of 1968 Amendments**


"That this Act [enacting sections 282, 283, and 293h and 294 to 294n and amending sections 292 to 292d of this title] may be cited as the 'Health Professions Educational Assistance Act of 1968'."

**Short Title of 1962 Amendment**

Pub. L. 87-968, § 1, Oct. 23, 1962, 76 Stat. 1155, provided that:

"This Act [enacting section 247b of this title] may be cited as the 'Vaccination Assistance Act of 1962'."

**Short Title of 1961 Amendment**

Pub. L. 87-395, § 1, Oct. 5, 1961, 75 Stat. 824, provided:

"That this Act [enacting section 247a of this title, amending sections 246, 289c, 291n, 291s, 291w, and 292c to 292z of this title, and enacting provisions set out as a note under section 291a of this title] may be cited as the 'Community Health Services and Facilities Act of 1961'."

**Short Title of 1960 Amendment**

Pub. L. 86-415, § 1, Apr. 8, 1960, 74 Stat. 32, provided:

"That this Act [amending this section and sections 209, 210, 211, 212, 253, and 415 of this title] may be cited as the 'National Library of Medicine Act'."

Act July 3, 1956, ch. 510, § 1, 70 Stat. 489, provided that:

"This Act [enacting section 246 of this title, amending section 241 of this title, and enacting provisions set out as a note under section 246 of this title] may be cited as the 'Mental Health Survey Act'."

**Short Title of 1955 Amendment**

Joint Res. July 28, 1955, ch. 417, § 1, 69 Stat. 382, provided that:

"This joint resolution [enacting section 242b of this title and provisions set out as a note under section 242b of this title] may be cited as the 'Mental Health Study Act of 1955'."

**Short Title of 1948 Amendments**

Act June 24, 1948, ch. 621, § 1, 62 Stat. 598, provided that:

"This Act [amending part C of subchapter II of this chapter and amending this section and sections 210, 218, and 241 of this title] may be cited as the 'National Dental Research Act'."
Act June 16, 1948, § 1, 62 Stat. 464, provided that: “This Act [enacting sections 287 to 287c of this title, amending and section sections 203, 206, 210, 218, 219, 241, 243, and 286 of this title] may be cited as the ‘National Heart Act.’”

**SHORT TITLE OF 1946 AMENDMENT**

Act July 3, 1946, ch. 358, § 1, 60 Stat. 421, provided: “That this Act [enacting sections 232 and 242a of this title, amending this section and sections 209, 210, 215, 218, 219, 241, 244, and 246 of this title, and enacting provisions set out as a note under this section] may be cited as the ‘National Mental Health Act.’”

**SHORT TITLE**


Act July 1, 1944, ch. 373, title XIV, §1400, as added Aug. 6, 1966, Pub. L. 90–104–182, title V, §501(e), 110 Stat. 691, provided that: “This title [enacting subchapter XII of this chapter] may be cited as the ‘Safe Drinking Water Act.’”

**RENUMBERING AND REPEAL OF REPEALING ACT**


**SAVINGS PROVISION**


**TRANSFER OF FUNCTIONS**

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

Functions of Public Health Service, Surgeon General of Public Health Service, and all other officers and employees of Public Health Service, and functions of all agencies of or in Public Health Service transferred to Secretary of Health, Education, and Welfare by Reorg. Plan No. 3 of 1966, eff. June 25, 1966, 31 F.R. 8855, 80 Stat. 1610, set out as a note under section 202 of this title. Secretary of Health, Education, and Welfare re Designated Secretary of Health and Human Services by section 509(b) of Pub. L. 96–88 which is classified to section 3508(b) of Title 20.

**TERMINATION OF TRUST TERRITORY OF THE PACIFIC ISLANDS**

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

**CONGRESSIONAL DECLARATION OF PURPOSE FOR COMPREHENSIVE ALCOHOL ABUSE, DRUG ABUSE, AND MENTAL HEALTH AMENDMENTS ACT OF 1986**

Pub. L. 100–690, title II, § 2102, Nov. 18, 1988, 102 Stat. 4193, provided that: “The purposes of this subtitle [subsection A] of title II of Pub. L. 100–690, see ‘Tables for classification’ with respect to substance abuse are—

“(1) to prevent the transmission of the etiologic agent for acquired immune deficiency syndrome by ensuring that treatment services for intravenous drug abuse are available to intravenous drug abuse patients;

“(2) to continue the Federal Government’s partnership with the States in the development, maintenance, and improvement of community-based alcohol and drug abuse programs;

“(3) to provide financial and technical assistance to the States and communities in their efforts to develop and maintain a core of prevention services for the purpose of reducing the incidence of substance abuse and the demand for alcohol and drug abuse treatment;

“(4) to assist and encourage States in the initiation and expansion of prevention and treatment services to underserved populations;

“(5) to increase, to the greatest extent possible, the availability and quality of treatment services so that treatment on request may be provided to all individuals desiring to rid themselves of their substance abuse problem; and

“(6) to increase understanding about the extent of alcohol abuse and other forms of drug abuse by expanding data collection activities and supporting research on the comparative cost and efficacy of substance abuse prevention and treatment services.”

**PURPOSE OF ACT JULY 3, 1946**

Act July 3, 1946, ch. 358, §2, 60 Stat. 421, provided: “The purpose of this Act [see Short Title of 1946 Amendment note above] is the improvement of the mental health of the people of the United States through the conducting of research, investigations, and activities related thereto.”
experiments, and demonstrations relating to the cause, diagnosis, and treatment of psychiatric disorders; assisting and fostering such research activities by public and private agencies, and promoting the coordination of all such researches and activities and the useful application of their results; training personnel in matters relating to mental health; and developing, and assisting in the use of, the most effective methods of prevention, diagnosis, and treatment of psychiatric disorders."

**EXISTING POSITIONS, PROCEDURES, REGULATIONS, FUNDS, APPROPRIATIONS, AND PROPERTY**


**APPROPRIATIONS FOR EMERGENCY HEALTH AND SANITATION ACTIVITIES**


**DEFINITION OF “SECRETARY”**

Pub. L. 90–574, title V, §507, Oct. 15, 1968, 82 Stat. 1013, as amended by Pub. L. 96–88, title V, §509(b), 93 Stat. 695, provided that: "As used in the amendments made by this Act [enacting sections 229a, 299, 2688e to 2688q, and 2697a of this title, amending sections 212h, 291a, 291b, 299a to 299e, 2939, and 3259 of this title, repealing section 3442 of this title, and enacting provisions set out as notes under sections 291a, 2688e, 3442 of this title, section 273 of Title 22, Foreign Relations and Intercourse, and section 3681 of Title 38, Veterans' Benefits], the term ‘Secretary’ means the Secretary of Health and Human Services." Pub. L. 90–174, §15, Dec. 5, 1967, 81 Stat. 542, as amended by Pub. L. 96–88, title V, §509(b), Oct. 17, 1979, 93 Stat. 695, provided that: "As used in the amendments made by this Act [enacting sections 217b, 243(c), 251(b), 294a, 263a, and 291m–1 and amending sections 242(c), 246(d)(1), (e), and 296c(c)(1) of this title] the term ‘Secretary’ means the Secretary of Health and Human Services.''

**EXECUTIVE ORDER NO. 13507**


**PART A—ADMINISTRATION**

§ 202. Administration and supervision of Service

The Public Health Service in the Department of Health and Human Services shall be administered by the Assistant Secretary for Health under the supervision and direction of the Secretary.


**AMENDMENTS**


**TRANSFER OF FUNCTIONS**

Functions of Federal Security Administrator transferred to Secretary of Health, Education, and Welfare and all agencies of Federal Security Agency transferred to Department of Health, Education, and Welfare by section 5 of Reorg. Plan No. 1 of 1953, set out as a note under section 3001 of this title, Federal Security Ageny and office of Administrator abolished by section 8 of Reorg. Plan No. 1 of 1953, Secretary and Department of Health, Education, and Welfare redesignated Secretary and Department of Health and Human Services by section 509(b) of Pub. L. 96–88 which is classified to section 3508(b) of Title 20, Education.

**INTERNATIONAL HEALTH ADMINISTRATION**


**REORGANIZATION PLAN NO. 3 OF 1966**

PUBLIC HEALTH SERVICE

SECTION 1. TRANSFER OF FUNCTIONS

(a) Except as otherwise provided in subsection (b) of this section, there are hereby transferred to the Secretary of Health, Education, and Welfare (hereinafter referred to as the Secretary) all functions of the Public Health Service, of the Surgeon General of the Public Health Service, and of all other officers and employees of the Public Health Service, and all functions of all agencies of or in the Public Health Service.

(b) This section shall not apply to the functions vested by law in any advisory council, board, or committee of or in the Public Health Service which is established by law or is required by law to be established.

SEC. 2. PERFORMANCE OF TRANSFERRED FUNCTIONS

The Secretary may from time to time make such provisions as he shall deem appropriate authorizing the performance of any of the functions transferred to him by the provisions of this reorganization plan by any officer, employee, or agency of the Public Health Service or of the Department of Health, Education, and Welfare.

SEC. 3. ABOLITIONS

(a) The following agencies of the Public Health Service are hereby abolished:

(1) The Bureau of Medical Services, including the office of Chief of the Bureau of Medical Services.

(2) The Bureau of State Services, including the office of Chief of the Bureau of State Services.

(3) The agency designated as the National Institutes of Health (42 U.S.C. 203), including the office of Director of the National Institutes of Health (42 U.S.C. 206(b)) but excluding the several research Institutes in the agency designated as the National Institutes of Health.

(4) The agency designated as the Office of the Surgeon General (42 U.S.C. 203(i)), together with the office held by the Deputy Surgeon General (42 U.S.C. 206(a)).

(b) The Secretary shall make such provisions as he shall deem necessary respecting the winding up of any outstanding affairs of the agencies abolished by the provisions of this section.

SEC. 4. INCIDENTAL TRANSFERS

As he may deem necessary in order to carry out the provisions of this reorganization plan, the Secretary may from time to time effect transfers within the Department of Health, Education, and Welfare of any of the records, property, personnel and unexpended balances (available or to be made available) of appropriations, allocations, and other funds of the Department which relate to functions affected by this reorganization plan.

The Secretary and Department of Health, Education, and Welfare were redesignated the Secretary and Department of Health and Human Services, respectively, by 20 U.S.C. 5008.

MESSAGE OF THE PRESIDENT

To the Congress of the United States:


Today we face new challenges and unparalleled opportunities in the field of health. Building on the progress of the past several years, we have truly begun to match the achievements of our medicine to the needs of our people.

The task ahead is immense. As a nation, we will unceasingly pursue our research and learning, our training and building, our testing and treatment. But now our concern must also turn to the organization of our Federal health programs.

As citizens we are entitled to the very best health services our resources can provide. As taxpayers, we demand the most efficient and economic health organizations that can be devised.

I ask the Congress to approve a reorganization plan to bring new strength to the administration of Federal health programs.

I propose a series of changes in the organization of the Public Health Service that will bring to all Americans a structure modern in design, more efficient in operation and better prepared to meet the great and growing needs of the future. Through such improvements we can achieve the full promise of the landmark health legislation enacted by the 89th Congress.

I do not propose these changes lightly. They follow a period of careful deliberation. For many months the Secretary of Health, Education, and Welfare, and the Surgeon General have consulted leading experts in the Nation—physicians, administrators, scientists, and public health specialists. They have confirmed my belief that modernization and reorganization of the Public Health Service are urgently required and long overdue.

II

The Public Health Service is an operating agency of the Department of Health, Education, and Welfare. It is the principal arm of the Federal Government in the field of health. Its programs are among those most vital to our well-being.

Since 1933 more than 50 new programs have been placed in the Public Health Service. Its budget over the past 12 years has increased tenfold—from $250 million to $2.4 billion.

Today the organization of the Public Health Service is clearly obsolete. The requirement that new and expanding programs be administered through an organizational structure established by law more than two decades ago stands as a major obstacle to the fulfillment of our Nation's health goals.

As presently constituted, the Public Health Service is composed of four major components:

National Institutes of Health;

Bureau of State Services;

Bureau of Medical Services;

Office of the Surgeon General.

Under present law, Public Health Service functions must be assigned only to these four components.

This structure was designed to provide separate administrative arrangements for health research, programs of State and local aid, health services, and executive staff resources. At a time when these functions could be neatly compartmentalized, the structure was adequate. But today the situation is different.

Under recent legislation many new programs provide for an integrated attack on specific disease problems or health hazards in the environment by combining health services, State and local aid, and research. Each new program of this type necessarily is assigned to one of the three operating components of the Public Health Service. Yet none of these components is intended to administer programs involving such a variety of approaches.

Our health problems are difficult enough without having them complicated by outmoded organizational arrangements.

But if we merely take the step of integrating the four agencies within the Public Health Service we will not go far enough. More is required.

III

The Department of Health, Education, and Welfare performs major health or health-related functions which are not carried out through the Public Health Service, although they are closely related to its functions. Among these are:

Health insurance for the aged, administered through the Social Security Administration;

Medical assistance for the needy, administered through the Welfare Administration;
§ 202

**TITLE 42—THE PUBLIC HEALTH AND WELFARE**

Page 52

Regulation of the manufacture, labeling, and distribution of drugs, carried out through the Food and Drug Administration; and

Grants-in-aid to States for vocational rehabilitation of the handicapped, administered by the Vocational Rehabilitation Administration.

Expenditures for health and health-related programs of the Department administered outside the Public Health Service have increased from $44 million in 1953 to an estimated $5.4 billion in 1967.

As the head of the Department, the Secretary of Health, Education, and Welfare is responsible for the Administration and coordination of all the Department's health functions. He has clear authority over the programs I have just mentioned.

But today he lacks this essential authority over the Public Health Service. The functions of that agency are vested in the Surgeon General and not in the Secretary.

This diffusion of responsibility is unsound and unwise.

To secure the highest possible level of health services for the American people the Secretary of Health, Education, and Welfare must be given the authority to establish—and modify as necessary—the organizational structure for Public Health Service programs.

He must also have the authority to coordinate health functions throughout the Department. The reorganization plan I propose will accomplish these purposes. It will provide the Secretary with the flexibility to create new and responsive organizational arrangements to keep pace with the changing and dynamic nature of our health programs.

My views in this respect follow a basic principle of good government set by the Hoover Commission in 1949 when it recommended that "the Department head should be given authority to determine the organization within his Department."

**IV**

In summary, the reorganization plan would:

Transfer to the Secretary of Health, Education, and Welfare the functions now vested in the Surgeon General of the Public Health Service and in its various subordinate units (this transfer will not affect certain statutory advisory bodies such as the National Advisory Council and Heart Councils);

Abolish the four principal statutory components of the Public Health Service, including the offices held by their heads (the Bureau of Medical Services, the Bureau of State Services, the National Institutes of Health exclusive of its several research institutes such as the National Cancer and Heart Institutes, and the Office of the Surgeon General); and

Authorize the Secretary to assign the functions transferred to him by the plan to officials and entities of the Public Health Service and to other agencies of the Department as he deems appropriate.

Thus, the Secretary would be—

Enabled to assure that all health functions of the Department are carried out as effectively and economically as possible;

Given authority commensurate with his responsibility; and

Made responsible in fact for matters for which he is now, in any case, held accountable by the President, the Congress, and the people.

**V**

I have found, after investigation, that each reorganization included in the accompanying reorganization plan is necessary to accomplish one or more of the purposes set forth in section 2(a) of the Reorganization Act of 1949 as amended.

Should the reorganizations in the accompanying reorganization plan take effect, they will make possible more effective and efficient administration of the affected health programs. It is, however, not practicable at this time to itemize the reductions in expenditures which may result.

I strongly recommend that the Congress allow the reorganization plan to become effective.

LYNDON B. JOHNSON.

THE WHITE HOUSE, April 25, 1966.

**EXECUTIVE ORDER NO. 10506**


**EX. ORD. NO. 11140, DELEGATION OF FUNCTIONS**


By virtue of the authority vested in me by Section 301 of Title 3 of the United States Code, and as President of the United States, it is ordered as follows:

**SECTION 1.** The Secretary of Health and Human Services is hereby authorized and empowered, without the approval, ratification, or other action of the President, to perform the following-described functions vested in the President under the Public Health Service Act (58 Stat. 682), as amended [42 U.S.C. 201 et seq.]:

(a) The authority under Section 203 (42 U.S.C. 204): to appoint commissioned officers of the Reserve Corps.

(b) The authority under Section 206(b) (42 U.S.C. 207(b)) to prescribe titles, appropriate to the several grades, for commissioned officers of the Public Health Service other than medical officers.

(c) The authority under Section 207(a)(2) (42 U.S.C. 209(a)(2)) to terminate commissions of officers of the Reserve Corps without the consent of the officers concerned.

(d) The authority under Section 210(a), (k), and (l) (42 U.S.C. 211(a), (k), and (l)) to make or terminate temporary promotions of commissioned officers of the Regular Corps and Reserve Corps.

(e) The authority under Section 211(a)(5) (42 U.S.C. 212(a)(5)) to approve voluntary retirements under that section.

(f) The authority to prescribe regulations under the following-designated Sections: 207(a), 207(b), 208(e), 210(a), 210(b), 210(d)(1), 210(h), 210(i), 210(j)(i), 210(k), 215(a), 218(a), 219(a), and 510 (42 U.S.C. 209(a), 209(b), 210(e), 211(a), 211(b), 211(d)(1), 211(h), 211(i), 211(j)(1), 211(k), 216(a), 218(a), 218(l)(1-a), and 228).

(g) The authority under Sections 321(a) and 369(a) (42 U.S.C. 248(a) and 267(a)) to approve the selection of suitable sites for and the establishment of additional institutions, hospitals, stations, grounds, and anchorages; subject, however, to the approval of the Director of the Office of Management and Budget, except as he may otherwise provide.

**SNC. 2.** The Surgeon General is hereby authorized and empowered, without the approval, ratification, or other action of the President, to terminate commissions of officers of the Public Health Service other than medical officers.

**SNC. 3.** The Secretary of Health and Human Services is hereby authorized and empowered, without the approval, ratification, or other action of the President, to exercise the authority vested in the President by Section 794 of Title 37 of the United States Code to prescribe regulations.

**SNC. 4.** The Secretary of Health and Human Services is hereby authorized to redelegate all or any part of the functions set forth under (a), (b), (c), and (d) of Section 1 hereof to the Surgeon General of the Public Health Service or other official of that Service who is required to be appointed by and with the advice and consent of the Senate.

**SNC. 5.** All actions heretofore taken by appropriate authority with respect to the matters affected by this order and in force at the time of the issuance of this order, including any regulations prescribed or approved
with respect to such matters, shall, except as they may be inconsistent with the provisions of this order, remain in effect until amended, modified, or revoked pursuant to the authority conferred by this order.

Sec. 6. As used in this order, the term “functions” embraces duties, powers, responsibilities, authority, or discretion, and the term “perform” may be construed to mean “exercise”.

Sec. 7. (a) Executive Order No. 10506 of December 10, 1953, entitled “Delegating Certain Functions of the President under the Public Health Service Act” is hereby superseded.

(b) Executive Orders Nos. 9999 of August 31, 1948, 10031 of January 26, 1949, 10280 of August 16, 1951, 10354 of May 26, 1952, and 10497 of October 27, 1955, which prescribed regulations relating to commissioned officers and employees of the Public Health Service, are hereby revoked. Nothing in this subsection shall be deemed to alter or otherwise affect the regulations prescribed by the Surgeon General (42 CFR Parts 21 and 22) to replace the regulations prescribed by the orders described in the preceding sentence.

§ 203. Organization of Service

The Service shall consist of (1) the Office of the Surgeon General, (2) the National Institutes of Health, (3) the Bureau of Medical Services, and (4) the Bureau of State Services, and the Agency for Healthcare Research and Quality. The Secretary is authorized and directed to assign to the Office of the Surgeon General, to the National Institutes of Health, to the Bureau of Medical Services, and to the Bureau of State Services, respectively, the several functions of the Service, and to establish within them such divisions, sections, and other units as he may find necessary; and from time to time abolish, transfer, and consolidate divisions, sections, and other units and assign their functions and personnel in such manner as he may find necessary for efficient operation of the Service. No division shall be established, abolished, or transferred, and no divisions shall be consolidated, except with the approval of the Secretary. The National Institutes of Health shall be administered as a part of the field service. The Secretary may delegate to any officer or employee of the Service such of his powers and duties under this chapter, except the making of regulations, as he may deem necessary or expedient.


AMENDMENTS


Pub. L. 103–43, §2008(g)(1), which directed the amendment of this section by striking “Surgeon General” and substituting “Secretary” in the substituted text, was executed by making the changes in the phrase “assign to the Office of the Surgeon General” in second sentence, to reflect the probable intent of Congress.


Transfer of Functions

The Secretary for Health, Education, and Welfare redesignated Secretary of Health and Human Services by section 1 of Reorg. Plan No. 1 of 1953, set out as a note under section 3901 of this title. Federal Security Agency abolished by section 8 of Reorg. Plan No. 1 of 1953, Secretary and Department of Education, and Welfare redesignated Secretary of Health and Human Services by section 509(b) of Pub. L. 96–88 which is classified to section 3508(b) of Title 20.

§ 204. Commissioned Corps and Ready Reserve Corps

(a) Establishment

There shall be in the Service a commissioned Regular Corps and a Ready Reserve Corps for service in time of national emergency.

(2) Requirement

All commissioned officers shall be citizens of the United States and shall be appointed without regard to the civil-service laws and compensated without regard to the Classification Act of 1923, as amended.

(3) Appointment

Commissioned officers of the Ready Reserve Corps shall be appointed by the President and commissioned officers of the Regular Corps shall be appointed by the President.

(4) Active duty

Commissioned officers of the Ready Reserve Corps shall at all times be subject to call to active duty by the Surgeon General, including active duty for the purpose of training.

(5) Warrant officers

Warrant officers may be appointed to the Service for the purpose of providing support to the health and delivery systems maintained by the Service and any warrant officer appointed to the Service shall be considered for purposes of this chapter and title 37 to be a commissioned officer within the Commissioned Corps of the Service.
(b) Assimilating Reserve Corps officers into the Regular Corps

Effective on March 23, 2010, all individuals classified as officers in the Reserve Corps under this section (as such section existed on the day before March 23, 2010) and serving on active duty shall be deemed to be commissioned officers of the Regular Corps.

(c) Purpose and use of Ready Reserve

(1) Purpose

The purpose of the Ready Reserve Corps is to fulfill the need to have additional Commissioned Corps personnel available on short notice (similar to the uniformed service’s reserve program) to assist regular Commissioned Corps personnel to meet both routine public health and emergency response missions.

(2) Uses

The Ready Reserve Corps shall—

(A) participate in routine training to meet the general and specific needs of the Commissioned Corps;

(B) be available and ready for involuntary calls to active duty during national emergencies and public health crises, similar to the uniformed service reserve personnel;

(C) be available for backfilling critical positions left vacant during deployment of active duty Commissioned Corps members, as well as for deployment to respond to public health emergencies, both foreign and domestic; and

(D) be available for service assignment in isolated, hardship, and medically underserved communities (as defined in section 295p of this title) to improve access to health services.

(d) Funding

For the purpose of carrying out the duties and responsibilities of the Commissioned Corps under this section, there are authorized to be appropriated $5,000,000 for each of fiscal years 2010 through 2014 for recruitment and training and $12,500,000 for each of fiscal years 2010 through 2014 for the Ready Reserve Corps.

Effective on March 23, 2010, all individuals classified to section 661 et seq. of former Title 5, Executive Departments and Government Officers and Employees, and was repealed by act Oct. 28, 1949, ch. 782, title XII, § 1202, 63 Stat. 972.

1979—Pub. L. 96-76 inserted provisions relating to appointment and status of warrant officers.


1948—Act Feb. 28, 1948, struck out provision that all active service in Reserve Corps, as well as service in Regular Corps, shall be credited for purpose of promotion in Regular Corps.

Effective Date of 2012 Amendment

Amendment by Pub. L. 112-166 effective 60 days after Aug. 10, 2012, and applicable to appointments made on and after that effective date, including any nomination pending in the Senate on that date, see section 6(a) of Pub. L. 112-166, set out as an note under section 113 of Title 6, Domestic Security.

Reports


“(a) REPORTS BY SECRETARY OF HEALTH AND HUMAN SERVICES.—On an annual basis, the Secretary of Health and Human Services shall submit to the appropriate Committees of Congress a report on the activities carried out under the amendments made by this title [see tables for classification], and the effectiveness of such activities.

“(b) REPORTS BY RECIPIENTS OF FUNDS.—The Secretary of Health and Human Services may require, as a condition of receiving funds under the amendments made by this title, that the entity receiving such award submit to such Secretary such reports as the such Secretary may require on activities carried out with such award, and the effectiveness of such activities.”

OSTEOPATHS AS RESERVE OFFICERS

Section 709 of act July 1, 1944, formerly § 609, renumbered §709 by act Aug. 13, 1946, ch. 958, § 5, 60 Stat. 1049, which provided for appointment of osteopaths as reserve officers until six months after World War II, was repealed by Joint Res. July 25, 1947, ch. 327, § 1, 61 Stat. 449.

Delegation of Authority to Appoint Commissioned Officers of the Ready Reserve Corps of the Public Health Service

Memorandum of President of the United States, June 1, 2010, 75 F.R. 32245, provided:

Memorandum for the Secretary of Health and Human Services.

By virtue of the authority vested in me as President by the Constitution and the laws of the United States, including section 301 of title 3, United States Code, I...
hereby assign to you the functions of the President under section 203 of the Public Health Service Act, as amended by Public Law 111–148, to appoint commissioned officers of the Ready Reserve Corps. The exercise of this authority is limited to appointments of individuals who were extended offers of employment for appointment and call to active duty in the Reserve Corps of the Public Health Service with an appointment date subsequent to March 23, 2010, the date of enactment of Public Law 111–148, but who were not on active duty on that date, and those individuals who are selected for the 2010 Commissioned Officer Student Training and Extern Program. This authority may not be re-delegated.

You are authorized and directed to publish this memorandum in the Federal Register.

BARACK OBAMA.

Memorandum of President of the United States, May 31, 2011, 76 F.R. 33117, which delegated functions of the President under section 203 of the Public Health Service Act to the Secretary of Health and Human Services, was revoked by Memorandum of President of the United States, Mar. 29, 2013, 78 F.R. 20225, set out below.

Memorandum for the Secretary of Health and Human Services

By virtue of the authority vested in me as President by the Constitution and the laws of the United States, including section 301 of title 3, United States Code, I hereby assign to you the functions of the President under section 203 of the Public Health Service Act, as amended by Public Law 111–148, to appoint commissioned officers of the Ready Reserve Corps of the Public Health Service. Commissions issued under this delegation of authority may not be for a term longer than 2 years. Officers appointed pursuant to this delegation may not be appointed to the Ready Reserve Corps of the Public Health Service for a term greater than those outlined in this memorandum other than by the President. This authority may not be re-delegated.

My memorandum of May 31, 2011 (Delegation of Authority to Appoint Commissioned Officers of the Ready Reserve Corps of the Public Health Service), is hereby revoked.

You are authorized and directed to publish this memorandum in the Federal Register.

BARACK OBAMA.

§ 204a. Deployment readiness

(a) Readiness requirements for Commissioned Corps officers

(1) In general

The Secretary, with respect to members of the following Corps components, shall establish requirements, including training and medical examinations, to ensure the readiness of such officers of the Ready Reserve Corps that cannot otherwise be met at the Federal, State, and local levels:

(A) Active duty Regular Corps.

(B) Active Reserves.

(2) Annual assessment of members

The Secretary shall annually determine whether each member of the Corps meets the applicable readiness requirements established under paragraph (1).

(3) Failure to meet requirements

A member of the Corps who fails to meet or maintain the readiness requirements established under paragraph (1) or who fails to comply with orders to respond to an urgent or emergency public health care need shall, except as provided in paragraph (4), in accordance with procedures established by the Secretary, be subject to disciplinary action as prescribed by the Secretary.

(4) Waiver of requirements

(A) In general

The Secretary may waive one or more of the requirements established under paragraph (1) for an individual who is not able to meet such requirements because of—

(i) a disability;

(ii) a temporary medical condition; or

(iii) any other extraordinary limitation as determined by the Secretary.

(B) Regulations

The Secretary shall promulgate regulations under which a waiver described in subparagraph (A) may be granted.

(5) Urgent or emergency public health care need

For purposes of this section and section 215 of this title, the term “urgent or emergency public health care need” means a health care need, as determined by the Secretary, arising as the result of—

(A) a national emergency declared by the President under the National Emergencies Act (50 U.S.C. 1601 et seq.);

(B) an emergency or major disaster declared by the President under the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.);

(C) a public health emergency declared by the Secretary under section 247d of this title; or

(D) any emergency that, in the judgment of the Secretary, is appropriate for the deployment of members of the Corps.

(b) Corps management for deployment

The Secretary shall—

(1) organize members of the Corps into units for rapid deployment by the Secretary to respond to urgent or emergency public health care needs;

(2) establish appropriate procedures for the command and control of units or individual members of the Corps that are deployed at the direction of the President or the Secretary in response to an urgent or emergency public health care need of national, State or local significance;

(3) ensure that members of the Corps are trained, equipped and otherwise prepared to fulfill their public health and emergency response roles; and

(4) ensure that deployment planning takes into account—

(A) any deployment exemptions that may be granted by the Secretary based on the
unique requirements of an agency and an individual’s functional role in such agency; and
(B) the nature of the urgent or emergency public health care need.

(c) Deployment of detailed or assigned officers

For purposes of pay, allowances, and benefits of a Commissioned Corps officer who is detailed or assigned to a Federal entity, the deployment of such officer by the Secretary in response to an urgent or emergency public health care need shall be deemed to be an authorized activity of the Federal entity to which the officer is detailed or assigned.

(July 1, 1944, ch. 373, title II, §203A, as added Pub. L. 91–414, title II, §206(b), Dec. 19, 1969, 80 Stat. 2851.)

References in Text


AMENDMENTS

1981—Pub. L. 97–35 inserted reference to Reserve Corps and substituted provisions relating to appointment of an individual from the Regular Corps and with specialized training and significant experience, for provisions relating to appointment of an individual sixty-four years of age or older.

Pub. L. 97–25 inserted provision that the President may appoint to office of Surgeon General an individual who is sixty-four years of age or older.

Transfer of Functions


§ 206. Assignment of officers

(a) Deputy Surgeon General

The Surgeon General shall assign one commissioned officer from the Regular Corps to administer the Office of the Surgeon General, to act as Surgeon General during the absence or disability of the Surgeon General or in the event of a vacancy in that office, and to perform such other duties as the Surgeon General may prescribe, and while so assigned he shall have the title of Deputy Surgeon General.

(b) Assistant Surgeons General

The Surgeon General shall assign eight commissioned officers from the Regular Corps to be, respectively, the Director of the National Institutes of Health, the Chief of the Bureau of State Services, the Chief of the Bureau of Medical Services, the Chief Medical Officer of the United States Coast Guard, the Chief Dental Officer of the Service, the Chief Nurse Officer of the Service, the Chief Pharmacist Officer of the Service, and the Chief Sanitary Engineering Officer of the Service, and while so serving they shall each have the title of Assistant Surgeon General.

(c) Creation of temporary positions as Assistant Surgeons General

(1) The Surgeon General, with the approval of the Secretary, is authorized to create special temporary positions in the grade of Assistant Surgeons General when necessary for the proper staffing of the Service. The Surgeon General may assign officers of either the Regular Corps or the Reserve Corps to any such temporary position, and while so serving they shall each have the title of Assistant Surgeon General.

(2) Except as provided in this paragraph, the number of special temporary positions created by the Surgeon General under paragraph (1) shall not on any day exceed 1 per centum of the highest number, during the ninety days preceding such day, of officers of the Regular Corps on active duty and officers of the Reserve Corps on active duty for more than thirty days. If on any day the number of such special temporary posi-
tions exceeds such 1 per centum limitation, for a period of not more than one year after such day, the number of such special temporary positions shall be reduced for purposes of complying with such 1 per centum limitation only by the resignation, retirement, death, or transfer to a position of a lower grade, of any officer holding any such temporary position.

(d) Designation of Assistant Surgeon General with respect to absence, disability, or vacancy in offices of Surgeon General and Deputy Surgeon General

The Surgeon General shall designate the Assistant Surgeon General who shall serve as Surgeon General in case of absence or disability, or vacancy in the offices of both the Surgeon General and the Deputy Surgeon General.


AMENDMENTS

1979—Subsec. (b). Pub. L. 96–76, §302(b), inserted provisions relating to assignment of Chief Nurse Officer and Chief Pharmacist Officer, and substituted “eight” for “six”.

Subsec. (c). Pub. L. 96–76, §303, designated existing provisions as par. (1), struck out provisions relating to maximum number of special temporary positions, and added par. (2).

1948—Subsec. (b). Act June 16, 1948, substituted “National Institutes of Health” for “National Institute of Health”.

Subsecs. (c), (d). Act Feb. 28, 1948, added subsec. (c) and redesignated former subsec. (c) as (d).

EFFECTIVE DATE OF 1979 AMENDMENT

Pub. L. 96–76, title III, §314, Sept. 29, 1979, 93 Stat. 587, provided that: “The amendments made by sections 303, 304, 305, 306, 307, and 313 (amending this section, sections 207, 208, 210b, and 211 of this title, and sections 201, 415, and 1006 of Title 37, Pay and Allowances of the Uniformed Services) shall take effect on October 1, 1979.”

TRANSFER OF FUNCTIONS

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

Office of Surgeon General, together with office held by Deputy Surgeon General, Bureau of Medical Services, including office of Chief of Bureau of Medical Services, Bureau of State Services, including office of Chief of Bureau of State Services, and National Institutes of Health, including office of Director of National Institutes of Health, abolished by section 3 of Reorg. Plan No. 3 of 1966, eff. June 25, 1966, 31 F.R. 8855, 80 Stat. 1010, and functions thereof transferred to Secretary of Health, Education, and Welfare by section 1 of Reorg. Plan No. 3 of 1966, set out as a note under section 202 of this title. Secretary of Health, Education, and Welfare redesignated Secretary of Health and Human Services by section 508(b) of Pub. L. 96–88 which is classified to section 358(b) of Title 20, Education.


§ 207. Grades, ranks, and titles of commissioned corps

(a) Grades of commissioned officers

The Surgeon General, during the period of his appointment as such, shall be of the same grade as the Surgeon General of the Army; the Deputy Surgeon General and the Chief Medical Officer of the United States Coast Guard, while assigned as such, shall have the grade corresponding with the grade of major general; and the Chief Dental Officer, while assigned as such, shall have the grade as is prescribed by law for the officer of the Dental Corps selected and appointed as Assistant Surgeon General of the Army. During the period of appointment to the position of Assistant Secretary for Health, a commissioned officer of the Public Health Service shall have the grade corresponding to the grade of General of the Army. Assistant Surgeons General, while assigned as such, shall have the grade corresponding with either the grade of brigadier general or the grade of major general, as may be determined by the Secretary after considering the importance of the duties to be performed: Provided, That the number of Assistant Surgeons General having a grade higher than that corresponding to the grade of brigadier general shall at no time exceed one-half of the number of positions created by subsection (b) of section 206 of this title or pursuant to subsection (c) of section 206 of this title. The grades of commissioned officers of the Service shall correspond with grades of officers of the Army as follows:

(1) Officers of the director grade—colonel;
(2) Officers of the senior grade—lieutenant colonel;
(3) Officers of the full grade—major;
(4) Officers of the senior assistant grade—captain;
(5) Officers of the assistant grade—first lieutenant;
(6) Officers of the junior assistant grade—second lieutenant;
(7) Chief warrant officers of (W–4) grade—chief warrant officer (W–4);
(8) Chief warrant officers of (W–3) grade—chief warrant officer (W–3);
(9) Chief warrant officers of (W–2) grade—chief warrant officer (W–2); and
(10) Warrant officers of (W–1) grade—warrant officer (W–1).

(b) Titles of medical officers

The titles of medical officers of the foregoing grades shall be respectively (1) medical director, (2) senior surgeon, (3) surgeon, (4) senior assistant surgeon, (5) assistant surgeon, and (6) junior assistant surgeon. The President is authorized to prescribe titles, appropriate to the several grades, for commissioned officers of the Service other than medical officers. All titles of the offi-
bers of the Reserve Corps shall have the suffix "Reserve".

(c) Repealed. Pub. L. 96–76, title III, § 304(b), Sept. 29, 1979, 93 Stat. 584

(d) Maximum number in grade for each fiscal year
Within the total number of officers of the Regular Corps authorized by the appropriation Act or Acts for each fiscal year to be on active duty, the Secretary shall by regulation prescribe the maximum number of officers authorized to be in each of the grades from the warrant officer (W-1) grade to the director grade, inclusive. Such numbers shall be determined after considering the anticipated needs of the Service during the fiscal year, the funds available, the number of officers in each grade at the beginning of the fiscal year, and the anticipated appointments, the anticipated promotions based on years of service, and the anticipated retirements during the fiscal year. The number so determined for any grade for a fiscal year may not exceed the number limitation (if any) contained in the appropriation Act or Acts for such year. Such regulations for each fiscal year shall be prescribed as promptly as possible after the appropriation Act fixing the authorized strength of the corps for that year, and shall be subject to amendment only if such authorized strength or such number limitation is thereafter changed. The maxima established by such regulations shall not require (apart from action pursuant to other provisions of this chapter) any officer to be separated from the Service or reduced in grade.

(e) Exception to grade limitations for officers assigned to Department of Defense
In computing the maximum number of commissioned officers of the Public Health Service authorized by law to hold a grade which corresponds to the grade of brigadier general or major general, there may be excluded from such computation not more than three officers who hold such a grade so long as such officers are assigned to duty and are serving in a policy-making position in the Department of Defense.

(f) Exception to maximum number limitations for officers assigned to Department of Defense
In computing the maximum number of commissioned officers of the Public Health Service authorized by law or administrative determination to serve on active duty, there may be excluded from such computation officers who are assigned to duty in the Department of Defense.

(1940—Subsec. (a). Pub. L. 101–502 inserted after first sentence "During the period of appointment to the position of Assistant Secretary for Health, a commissioned officer of the Public Health Service shall have the grade corresponding to the grade of General of the Army."

1969—Subsec. (e), Pub. L. 96–76, title III, § 304(b), which directed the substitution of "the Department of Defense" for "the office of Assistant Secretary of Defense for Health Affairs", was executed by making the substitution for the office of the Assistant Secretary of Defense for Health Affairs" as the probable intent of Congress.


Subsec. (c). Pub. L. 96–76, § 304(b), struck out subsec. (c) setting forth the grade and pay and allowances as director for a commissioned officer below the grade of director assigned to serve as chief of a division.

Subsec. (d). Pub. L. 96–76, § 304(c), substituted "warrant officer (W-1)" for "junior assistant".

1976—Subsec. (b)(6), Pub. L. 95–215 substituted "junior assistant" for "senior assistant".


1952—Subsec. (a). Act July 17, 1952, provided that the Chief Medical Officer of the Coast Guard should have the grade, pay, and allowances of a major general.

1951—Subsec. (a). Act Oct. 31, 1951, provided equality of grade, pay, and allowances between the Chief Dental Officer and the comparable officer in the Army.

1948—Subsec. (a). Act Feb. 28, 1948, increased grade of Deputy Surgeon General from brigadier general to major general and increased grade of certain Assistant Surgeons General from brigadier general to major general as the Federal Security Administrator might determine.

Subsecs. (c), (d). Act Feb. 28, 1948, added subsecs. (c) and (d).

Effective Date of 1990 Amendment

Effective Date of 1979 Amendment

Effective Date of 1962 Amendment

Transfer of Functions
For transfer of authorities, functions, personnel, and assets of the Coast Guard, including the authorities and functions of the Secretary of Transportation relating thereto, to the Department of Homeland Security, and for treatment of related references, see sections 408(b), 535(d), 552(d), and 557 of Title 6, Domestic Security, and the Department of Homeland Security Reorganization Plan of November 22, 2002, as modified, set out as a note under section 542 of Title 6.

Office of Surgeon General, together with office held by Deputy Surgeon General, abolished by section 3 of Reorg. Plan No. 3 of 1966, eff. June 23, 1966, 31 F.R. 8855, 80 Stat. 1810, and functions thereof transferred to Secretary of Health, Education, and Welfare by section 1 of Reorg. Plan No. 3 of 1966, set out as a note under section 202 of this title. Secretary of Health, Education, and Welfare redesignated Secretary of Health and Human Services by section 508(b) of Pub. L. 98–232 which is classified to section 300 of Title 29, Education. Office of Surgeon General reestablished within the Office of the Assistant Secretary for Health, see Notice of De-
DELEGATION OF FUNCTIONS

Functions of President delegated to Secretary of Health and Human Services, see Ex. Ord. No. 11196, Jan. 30, 1964, 29 F.R. 1637, as amended, set out as a note under section 202 of this title.

§ 208. Repealed. Feb. 28, 1948, ch. 83, §5(a), 62 Stat. 685, related to establishment of special temporary provisions. See sections 206(c) and 207(c) of this title.

§ 209. Appointment of personnel

(a) Original appointments to Regular and Reserve Corps; limitation on appointment and call to active duty

(1) Except as provided in subsections (b) and (e) of this section, original appointments to the Regular Corps may be made only in the warrant officer (W–1), chief warrant officer (W–2), chief warrant officer (W–3), chief warrant officer (W–4), junior assistant, assistant, and senior assistant grades and original appointments to a grade above junior assistant shall be made only after passage of an examination, given in accordance with regulations of the President, in one or more of the several branches of medicine, dentistry, hygiene, sanitary engineering, pharmacy, psychology, nursing, or related scientific specialties in the field of public health.

(2) Original appointments to the Reserve Corps may be made to any grade up to and including the director grade but only after passage of an examination given in accordance with regulations of the President. Reserve commissions shall be for an indefinite period and may be terminated at any time, as the President may direct.

(3) No individual who has attained the age of forty-four shall be appointed to the Regular Corps, or called to active duty in the Regular Corps for a period in excess of one year, unless (A) he has had a number of years of active service (as defined in section 212(d) of this title) equal to the number of years by which his age exceeds forty-four, or (B) the Surgeon General determines that he possesses exceptional qualifications, not readily available elsewhere in the Commissioned Corps of the Public Health Service, for the performance of special duties with the Service, or (C) in the case of an officer of the Reserve Corps, the Commissioned Corps of the Service has been declared by the President to be a military service.

(b) Grade and number of original appointments

(1) Not more than 10 per cent of the original appointments to the Regular Corps authorized to be made during any fiscal year may be made to grades above that of senior assistant, but no such appointment (other than an appointment under section 205 of this title) may be made to a grade above that of director. For the purpose of this subsection the number of original appointments authorized to be made during a fiscal year shall be (1) the excess of the number of officers of the Regular Corps authorized by the appropriation Act or Acts for such year over the number of officers on active duty in the Regular Corps on the first day of such year, plus (2) the number of such officers of the Regular Corps who, during such fiscal year, have been or will be retired upon attainment of age sixty-four or have for any other reason ceased to be on active duty. In determining the number of appointments authorized by this subsection an appointment shall be deemed to be made in the fiscal year in which the nomination is transmitted by the President to the Senate.

(2) In addition to the number of original appointments to the Regular Corps authorized by paragraph (1) to be made to grades above that of senior assistant, original appointments authorized to be made to the Regular Corps in any year may be made to grades above that of senior assistant, but not above that of director, in the case of any individual who—

(A)(i) was on active duty in the Reserve Corps on July 1, 1960; (ii) was on such active duty continuously for not less than one year immediately prior to such date, and (iii) applies for appointment to the Regular Corps prior to July 1, 1962; or

(B) does not come within clause (A)(i) and (ii) but was on active duty in the Reserve Corps continuously for not less than one year immediately prior to his appointment to the Regular Corps and has not served on active duty continuously for a period, occurring after June 30, 1960, of more than three and one-half years prior to applying for such appointment.

(3) No person shall be appointed pursuant to this subsection unless he meets standards established in accordance with regulations of the President.

(c) Issuance of commissions

Commissions evidencing the appointment by the President of officers of the Regular or Reserve Corps shall be issued by the Secretary under the seal of the Department of Health and Human Services.

(d) Date of appointment; credit for service

(1) For purposes of basic pay and for purposes of promotion, any person appointed under subsection (a) to the grade of senior assistant in the Regular Corps, and any person appointed under subsection (b), shall, except as provided in paragraphs (2) and (3) of this subsection, be considered as having had on the date of appointment the following length of service: Three years if appointed to the senior assistant grade, ten years if appointed to the full grade, seventeen years if appointed to the senior grade, and eighteen years if appointed to the director grade.

(2) For purposes of basic pay, any person appointed under subsection (a) to the grade of senior assistant in the Regular Corps, and any per-
son appointed under subsection (b), shall, in lieu of the credit provided in paragraph (1) of this subsection, be credited with the service for which he is entitled to credit under any other provision of law if such service exceeds that to which he would be entitled under such paragraph.

(3) For purposes of promotion, any person originally appointed in the Regular Corps to the senior assistant grade or above who has had active service in the Reserve Corps shall be considered as having had on the date of appointment the length of service provided for in paragraph (1) of this subsection, plus whichever of the following is greater: (A) The excess of his total active service in the Reserve Corps (above the grade of junior assistant) over the length of service provided in such paragraph, to the extent that such excess is on account of service in the Reserve Corps in or above the grade to which he is appointed in the Regular Corps or (B) his active service in the same or any higher grade in the Reserve Corps after the first day on which, under regulations in effect on the date of his appointment to the Regular Corps, he would have had the training and experience necessary for such appointment.

(4) For purposes of promotion, any person whose original appointment is to the assistant grade in the Regular Corps shall be considered as having had on the date of appointment service equal to his total active service in the Reserve Corps in and above the assistant grade.

(e) Reappointment; credit for service

(1) A former officer of the Regular Corps may, if application for appointment is made within two years after the date of the termination of his prior commission in the Regular Corps, be reappointed to the Regular Corps without examination, except as the Surgeon General may otherwise prescribe, and without regard to the numerical limitations of subsection (b).

(2) Reappointments pursuant to this subsection may be made to the permanent grade held by the former officer at the time of the termination of his prior commission, or to the next higher grade if such officer meets the eligibility requirements prescribed by regulation for original appointment to such higher grade. For purposes of pay, promotion, and seniority in grade, such reappointed officer shall receive the credits for service to which he would be entitled if such appointment were an original appointment, but in no event less than the credits he held at the time his prior commission was terminated, except that if such officer is reappointed to the next higher grade he shall receive no credit for seniority in grade.

(3) No former officer shall be reappointed pursuant to this subsection unless he shall meet such standards as the Secretary may prescribe.

(f) Special consultants

In accordance with regulations, special consultants may be employed to assist and advise in the operations of the Service. Such consultants may be appointed without regard to the civil-service laws.

(g) Designation for fellowships; duties; pay

In accordance with regulations, individual scientists, other than commissioned officers of the Service, may be designated by the Surgeon General to receive fellowships, appointed for duty with the Service without regard to the civil-service laws, may hold their fellowships under conditions prescribed therein, and may be assigned for studies or investigations either in this country or abroad during the terms of their fellowships.

(h) Aliens

Persons who are not citizens may be employed as consultants pursuant to subsection (f) and may be appointed to fellowships pursuant to subsection (g). Unless otherwise specifically provided, any prohibition in any other Act against the employment of aliens, or against the payment of compensation to them, shall not be applicable in the case of persons employed or appointed pursuant to such subsections.

(i) Civil service appointments by Secretary

The appointment of any officer or employee of the Service made in accordance with the civil-service laws shall be made by the Secretary, and may be made effective as of the date on which such officer or employee enters upon duty.

(1) A prior section 207 of act July 1, 1944, was classified to section 208 of this title, prior to repeal by act Feb. 28, 1948, ch. 83, § 5(a), 62 Stat. 40.
AMENDMENTS


1979—Subsec. (a)(1). Pub. L. 96–76 inserted applicable

1979—Subsec. (a)(2). Pub. L. 96–76 inserted applicable


1969—Subsec. (b)(3). Pub. L. 96–415, § 3, designated first, second and third sentences as par. (1), fourth sentence as par. (3), and added par. (2).

1956—Subsec. (a)(1). Act Apr. 27, 1956, § 3(a), inserted reference to subsection (e) of this section.

Subsec. (a)(2). Act Apr. 27, 1956, § 3(c)(1), substituted “an indefinite period” for “a period of not more than five years”.


Subsec. (a)(2). Act Feb. 28, 1948, struck out “any such commission” before “may be terminated”, and “in his discretion” after “at any time”.

Subsec. (b). Act Feb. 28, 1948, provided for grade and number of original appointments.

Subsecs. (c) to (f). Act Feb. 28, 1948, added subsecs. (c) and (d) and redesignated former subsecs. (c) and (d) as (e) and (f), respectively. Former subsecs. (e) and (f) redesignated (g) and (h).

Subsec. (g). Act Feb. 28, 1948, redesignated former subsec. (e) as (g) and changed reference in text from “subsection (c)” to “subsection (e)”, and “subsection (c) to “subsection (g)’”.

Subsec. (h). Act Feb. 28, 1948, redesignated former subsec. (f) as (h).

1946—Subsec. (b). Act July 3, 1946, authorized appointment of additional officers to grades above that of senior assistant but not above that of director, and limits the number so appointed to 20.


EFFECTIVE DATE OF 1979 AMENDMENT


EFFECTIVE DATE OF 1960 AMENDMENT

Pub. L. 86–415, § 8(a). Apr. 8, 1960, 74 Stat. 36, provided that: “The amendments made by sections 2 and 5(b) [amending this section and section 210 of this title] shall become effective July 1, 1960.”

EFFECTIVE DATE OF 1949 AMENDMENT

Amendment by act Oct. 12, 1949, effective Oct. 1, 1949, see section 533(a) of act Oct. 12, 1949, set out as a note under section 854a of Title 33, Navigation and Navigable Waters.

TRANSFER OF FUNCTIONS


Secretary of Health, Education, and Welfare redesignated Secretary of Health and Human Services by section 509(b) of Pub. L. 96–88 which is classified to section 3508(b) of Title 20, Education.


DELEGATION OF FUNCTIONS

Functions of President delegated to Secretary of Health and Human Services and Surgeon General, see Ex. Ord. No. 11140, Jan. 30, 1964, 29 F.R. 1677, as amended, set out as a note under section 202 of this title.

PERSONAL SERVICES CONTRACTING


SIMILAR PROVISIONS

Similar provisions were contained in the following prior appropriation acts:


TERM OF RESERVE COMMISSIONS IN EFFECT ON APRIL 27, 1956

Act Apr. 27, 1956, ch. 211, § 3(c)(2), 70 Stat. 117, provided that: “The enactment of paragraph (1) of this subsection [amending this section] shall not affect the term of the commission of any officer in the Reserve Corps in effect on the date of such enactment [Apr. 27, 1956] unless such officer consents in writing to the extension of his commission for an indefinite period, in which event his commission shall be so extended without the necessity of a new appointment.”

§§ 209a, 209b. Omitted

CODIFICATION

Section 209a, act Dec. 22, 1944, ch. 660, title I, 58 Stat. 856, which related to number of regular commissioned nurses to be appointed, their grades, and their length of service for purposes of pay and pay periods, was not repeated in subsequent appropriation acts.

Section 209b, act Dec. 22, 1944, ch. 660, title I, 58 Stat. 857, which authorized appointment of fifty additional regular commissioned officers of which twenty-four were to be in grades above that of senior assistant, was not repeated in subsequent appropriation acts.


Section, act July 3, 1945, ch. 283, title II, 59 Stat. 370, provided that for purposes of pay and pay period effi-
cbers appointed to grades above that of senior assistant pursuant to section 209b of this title shall be considered as having had on date of appointment service equal to that of junior officer of grade to which appointed.

§ 209d. Appointment of osteopaths as commissioned officers

Graduates of colleges of osteopathy whose graduates are eligible for licensure to practice medicine or osteopathy in a majority of the States of the United States, or approved by a body or bodies acceptable to the Secretary, shall be eligible, subject to the other provisions of this Act, for appointment as commissioned medical officers in the Public Health Service.


REFERENCES IN TEXT

This Act, referred to in text, is act Feb. 28, 1948, ch. 83, 62 Stat. 38. For complete classification of this Act to the Code, see Tables.

CODIFICATION

Section was not enacted as a part of the Public Health Service Act which comprises this chapter.

TRANSFER OF FUNCTIONS

Functions of Public Health Service, Surgeon General of Public Health Service, and all other officers and employees of Public Health Service, and functions of all agencies of or in Public Health Service transferred to Secretary of Health, Education, and Welfare by Reorg. Plan No. 3 of 1966, eff. June 25, 1966, 31 F.R. 8855, 80 Stat. 1610, set out as a note under section 202 of this title, Secretary of Health, Education, and Welfare redesignated Secretary of Health and Human Services by section 509(b) of Pub. L. 96–88 which is classified to section 3503 of Title 20, Education.


§ 210. Pay and allowances

(a) Commissioned officers of Regular and Reserve Corps; special pay for active duty; incentive special pay for Public Health Service nurses

(1) Commissioned officers of the Regular and Reserve Corps shall be entitled to receive such pay and allowances as are now or may hereafter be authorized by law.

(2) For provisions relating to the receipt of special pay by commissioned officers of the Regular and Reserve Corps while on active duty, see section 303a(b) or 373 of title 37.

(b) Purchase of supplies

Commissioned officers on active duty and retired officers entitled to retired pay pursuant to section 211(g)(3), 212, or 213a(a) of this title, shall be permitted to purchase supplies from the Army, Navy, Air Force, and Marine Corps at the same price as is charged officers thereof.

(c) Members of national advisory or review councils or committees

Members of the National Advisory Health Council and members of other national advisory or review councils or committees established under this chapter, including members of the Technical Electronic Product Radiation Safety Standards Committee and the Board of Regents of the National Library of Medicine, but excluding ex officio members, while attending conferences or meetings of their respective councils or committees or while otherwise serving at the request of the Secretary, shall be entitled to receive compensation at rates to be fixed by the Secretary, but at rates not exceeding the daily equivalent of the rate specified at the time of such service for grade GS–18 of the General Schedule, including traveltime; and while away from their homes or regular places of business they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 3503 of title 5 for persons in the Government service employed intermittently.

(d) Field employees

Field employees of the Service, except those employed on a per diem or fee basis, who render part-time duty and are also subject to call at any time for services not contemplated in their regular part-time employment, may be paid annual compensation for such part-time duty and, in addition, such fees for such other services as the Surgeon General may determine; but in no case shall the total paid to any such employee for any fiscal year exceed the amount of the minimum annual salary rate of the classification grade of the employment.

(e) Additional pay for service at Gillis W. Long Hansen’s Disease Center

Any civilian employee of the Service who is employed at the Gillis W. Long Hansen’s Disease Center on April 7, 1986, shall be entitled to receive, in addition to any compensation to which the employee may otherwise be entitled and for so long as the employee remains employed at the Center, an amount equal to one-fourth of such compensation.

(f) Allowances included in fellowships

Individuals appointed under section 209(g) of this title shall have included in their fellowships such stipends or allowances, including travel and subsistence expenses, as the Surgeon General may deem necessary to procure qualified fellows.

(g) Positions in professional, scientific and executive service; compensation; appointment

The Secretary is authorized to establish and fix the compensation for, within the Public Health Service, not more than one hundred and seventy-nine positions, of which not less than one hundred and fifteen shall be for the National Institutes of Health, not less than five shall be for the National Institute on Alcohol Abuse and Alcoholism for individuals engaged in research on alcohol abuse and alcoholism, not less than ten shall be for the National Center for Health Services Research, not less than twelve shall be for the National Center for Health Statistics, and not less than seven shall be for the National
Center for Health Care Technology, in the professional, scientific, and executive service, each such position being established to effectuate those research and development activities of the Public Health Service which require the services of specially qualified scientific, professional and administrative personnel: Provided, That the rates of compensation for positions established pursuant to the provisions of this subsection shall not be less than the minimum rate of grade 16 of the General Schedule nor more than (1) the highest rate of grade 18 of the General Schedule, or (2) in the case of two such positions, the rate specified, at the time the service in the position is performed, for level II of the Executive Schedule (5 U.S.C. 5313); and such rates of compensation for all positions included in this proviso shall be subject to the approval of the Director of the Office of Personnel Management. Positions created pursuant to this subsection shall be included in the classified civil service of the United States, but appointments to such positions shall be made without competitive examination upon approval of the proper appointee's qualifications by the Director of the Office of Personnel Management or such officers or agents as it may designate for this purpose.


REFERENCES IN TEXT

Classified civil service, referred to in subsec. (g), as meaning "competitive service", see section 2102(c) of Title 5, Government Organization and Employees.

**PRIORITY PROVISIONS**

A prior section 208 of act July 1, 1944, was renumbered section 207 and is classified to section 209 of this title.

**AMENDMENTS**

2017—Subsec. (a)(2). Pub. L. 115–91 inserted "or 373 after "section 303(a)(b)".

2000—Subsec. (a)(2). Pub. L. 106–398 added par. (2) and struck out former par. (2) which read as follows: "(2)(A) Except as provided in subparagraph (B), commissioned medical and dental officers in the Regular and Reserve Corps shall while on active duty be paid special pay in the same amounts as, and under the same terms and conditions which apply to, the special pay now or hereafter paid to commissioned medical and dental officers of the Armed Forces under chapter 5 of title 37.

(B) A commissioned medical officer in the Regular or Reserve Corps (other than an officer serving in the Indian Health Service) may not receive additional special pay under section 302(a)(4) of title 37 for any period during which the officer is providing obligated service under (i) section 224m of this title, (ii) section 234(e) of this title (as such section was in effect prior to October 1, 1977), or (iii) section 294u of this title (as such section was in effect between October 1, 1977, and August 13, 1981)."

Subsec. (a)(3). Pub. L. 106–398, § 1 [title VI, §634(b)(1)], struck out par. (3) which read as follows: "Commissioned nurse officers in the Regular and Reserve Corps shall, while in active duty, be paid incentive special pay in the same amounts as, and under the same terms and conditions which apply to, the incentive special pay now or hereafter paid to commissioned nurse officers of the Armed Forces under chapter 5 of title 37."


Subsec. (e), Pub. L. 99–272, § 17002(b), amended subsec. (e) generally. Prior to amendment, subsec. (e) read as follows: "Whenever any noncommissioned officer or other employee of the Service is assigned for duty which the Surgeon General finds requires intimate contact with persons afflicted with leprosy, he may be entitled to receive, as provided by regulations of the President, in addition to any pay or compensation to which he may otherwise be entitled, not more than one-half of such pay or compensation."


1980—Subsec. (a). Pub. L. 96–398 redesignated existing provisions as par. (1) and added par. (2).

1979—Subsec. (c). Pub. L. 96–32 substituted "section 5703 of title 5" for "section 5703(b) of title 5."

1978—Subsec. (g). Pub. L. 95–623 increased limitation on establishment of positions to one hundred and seventy-nine from one hundred and fifty-five and required minimum number of positions for certain National Centers: ten, National Center for Health Services Research; twelve, National Center for Health Statistics; and seven, National Center for Health Care Technology.

1977—Subsec. (g). Pub. L. 95–83 increased limitation on establishment of positions to one hundred and fifty-five from one hundred and fifty and required not less than five for the National Institute on Alcohol Abuse and Alcoholism for individuals engaged in research on alcohol abuse and alcoholism.

1971—Subsec. (f). Pub. L. 92–157, which directed that "subsection (g) be substituted for "section 209(f)" be executed by substituting "section 209(g) of this title" for "section 209(f) of this title", to reflect the probable intent of Congress.

1970—Subsec. (c). Pub. L. 91–515 extended coverage to encompass members of other national review councils or national advisory or review committees established under this chapter, including members of the Technical
Electronic Product Radiation Safety Standards Committee and the Board of Regents of the National Library of Medicine, authorized service to be at the request of the Secretary in place of the Surgeon General, and revised rates of compensation and travel allowances.

1968—Subsec. (g). Pub. L. 90–574 inserted "(1)" after "nor more than" and added cl. (2).

1962—Subsec. (b). Pub. L. 87–649 struck out sentence which permitted commissioned officers on active duty to make allotments from their pay, and substituted "Commissioned officers on active duty and retired officers" for "Such officers, and retired officers." See section 704 of Title 37, Pay and Allowances of the Uniformed Services.

Subsec. (g). Pub. L. 87–793 substituted provisions requiring the rates of compensation to be not less than the minimum rate of grade 18 nor more than the highest rate of grade 18 of the General Schedule, for provisions which prescribed annual rates of compensation of not less than $12,500 nor more than $19,000.

1960—Subsec. (b). Pub. L. 86–415 authorized retired officers entitled to retired pay pursuant to section 211(g)(3), 212, or 213a(a) of this title, to purchase supplies from the Air Force.

Subsec. (g). Pub. L. 86–703 substituted "one hundred and fifty" for "eighty-five" and "one hundred and fifteen" for "seventy-three".

1958—Subsec. (g). Pub. L. 85–929 substituted "in the professional, scientific, and executive service" for "in the professional and scientific service", and substituted "of specially qualified scientific, professional, and administrative personnel" for "of specially qualified scientific or professional personnel".

Pub. L. 85–462, substituted eighty-five positions, of which not less than seventy-three shall be for the National Institutes of Health for sixtieth positions.

1956—Subsec. (g). Act June 29, 1956, substituted "$20,000" for "$15,000".

1955—Subsec. (g). Act Aug. 1, 1955, increased from thirty to sixty the number of positions which the Administrator may establish in the professional and scientific service.

1950—Subsec. (b). Act Aug. 9, 1950, struck out "and may be granted leaves of absence without any deduction from their pay" after "allotments from their pay" in first sentence.

Subsec. (c). Act Aug. 15, 1950, §3(e), made provisions applicable to members of all national advisory councils.

Subsec. (g). Act Aug. 15, 1950, §4(b), added subsec. (g).


Subsec. (b). Act Oct. 12, 1949, redesignated subsec. (c) as (b) and repealed former subsec. (b) relating to Reserve officers.

Subsec. (c). Act Oct. 12, 1949, redesignated subsec. (e) as (c), Former subsec. (c) redesignated (b).

Subsec. (d). Act Oct. 12, 1949, redesignated subsec. (f) as (d) and repealed former subsec. (d) relating to female commissioned officers and defining "dependents".

Subsec. (g). Act Oct. 12, 1949, redesignated subsec. (g) as (e) and struck out references to allowances. Former subsec. (e) redesignated (c).

Subsec. (f). Act Oct. 12, 1949, redesignated subsec. (h) as (f), Former subsec. (f) redesignated (d).

Subsec. (g). Act Oct. 12, 1949, redesignated subsecs. (g) and (h) as (e) and (f), respectively.

1948—Subsec. (b). Act Feb. 28, 1948, inserted "except as otherwise provided by law".

Subsec. (e). Acts June 16, 1948, §4(d), and June 24, 1948, §4(d), made section applicable to the National Advisory Heart Council and increased the per diem of all members from $20 to $30, and added section applicable to the National Advisory Dental Research Council, respectively.

Subsec. (b). Act Feb. 28, 1948, substituted "section 209(c) of this title" for "section 209(d) of this title".

CHARGE OF NAME

Reference to the Gillis W. Long Hansen’s Disease Center deemed to refer to the National Hansen’s Disease Programs Center, pursuant to section 2 of Pub. L. 107–220, set out as a note under section 247e of this title.

EFFECTIVE DATE OF 1986 AMENDMENT


EFFECTIVE DATE OF 1985 AMENDMENT

Pub. L. 99–117, §3(b), Oct. 7, 1985, 99 Stat. 492, provided that: "The amendment made by subsection (a) [amending this section] shall not diminish any benefits under an agreement entered into before the date of enactment of this Act (Oct. 7, 1985) by a commissioned medical officer in the Regular Corps or the Reserve Corps of the Public Health Service."

EFFECTIVE DATE OF 1982 AMENDMENTS


EFFECTIVE DATE OF 1960 AMENDMENT

Amendment by Pub. L. 86–415 effective July 1, 1960, see section 8(a) of Pub. L. 86–415, set out as a note under section 209 of this title.

EFFECTIVE DATE OF 1958 AMENDMENTS

Amendment by Pub. L. 85–929 effective Sept. 6, 1958, see section 6(a) of Pub. L. 85–929, set out as a note under section 342 of Title 21, Food and Drugs.

Amendment by Pub. L. 85–462 effective June 20, 1958, see section 17(b) of Pub. L. 85–462.

EFFECTIVE DATE OF 1956 AMENDMENT

Amendment by act July 31, 1956, effective at beginning of first pay period commencing after June 30, 1956, see section 120 of act July 31, 1956.

EFFECTIVE DATE OF 1950 AMENDMENT

Amendment by act Aug. 9, 1950, ch. 654, §3(a), 64 Stat. 426, provided that: "Sections 1 and 2 of this Act [amending this section and enacting section 210–1 of this title] shall become effective on July 1, 1950."

EFFECTIVE DATE OF 1949 AMENDMENT

Amendment by act Oct. 12, 1949, effective Oct. 1, 1949, see section 533(a) of act Oct. 12, 1949, set out as a note under section 854a of Title 33, Navigation and Navigable Waters.

EFFECTIVE DATE OF 1948 AMENDMENT

Amendment by Pub. L. 88–426, set out as a note under section 247e of this title.

Functions of Public Health Service, Surgeon General of Public Health Service, and all other officers and employees of Public Health Service, and functions of all agencies of or in Public Health Service transferred to Secretary of Health, Education, and Welfare by Reorg. Plan No. 3 of 1966, eff. June 25, 1966, 31 F.R. 8855, 80 Stat. 1610, set out as a note under section 202 of this title. Secretary of Health, Education, and Welfare redesignated Secretary of Health and Human Services by section 508(b) of Pub. L. 96–88 which is classified to section 3508(b) of Title 20, Education.


DELEGATION OF FUNCTIONS

Functions of President delegated to Secretary of Health and Human Services, see Ex. Ord. No. 11140, eff. Jan. 30, 1964, 29 F.R. 1637, as amended, set out as a note under section 202 of this title.

TERMINATION OF ADVISORY COMMITTEES

Pub. L. 93–441, § 6, Jan. 4, 1975, 88 Stat. 2275, set out as a note under section 217a of this title, provided that an advisory committee established pursuant to the Public Health Service Act shall terminate at such time as may be specifically prescribed by an Act of Congress enacted after Jan. 4, 1975.

REFERENCES IN OTHER LAWS TO GS–16, 17, OR 18 PAY RATES

References in laws to the rates of pay for GS–16, 17, or 18, or to maximum rates of pay under the General Schedule, to be considered references to rates payable under specified sections of Title 5, Government Organization and Employees, see section 529 [title I, §101(c)(1)] of Pub. L. 101–509, set out in a note under section 5376 of Title 5.

MAXIMUM PAY AND ALLOWANCES FOR SPECIFIC FISCAL YEARS

Pub. L. 100–436, title II, §208, Sept. 20, 1988, 102 Stat. 1699, provided in part that: “No funds appropriated for the fiscal year ending September 30, 1989, by this or any other Act, may be used to pay basic pay, special pays, basic allowances for subsistence and basic allowances for quarters of the commissioned corps of the Public Health Service described in section 204 of title 42, United States Code, at a level that exceeds 110 percent of the Executive Level 1 [5 U.S.C. 5312] annual rate of basic pay”.

Similar provisions were contained in the following prior appropriation acts:


NURSES AND ALLIED HEALTH PROFESSIONALS

Pub. L. 100–436, title II, §214, Sept. 20, 1988, 102 Stat. 1700, provided that: “Funds made available for fiscal year 1989 and hereafter to the National Institutes of Health shall be available for payment of nurses and allied health professionals using pay, schedule options, benefits, and other authorities as provided for the nurses of the Veterans’ Administration under 38 U.S.C. chapter 73.”

§210–1. Annual and sick leave

(a) Regulations

In accordance with regulations of the President, commissioned officers of the Regular Corps and officers of the Reserve Corps on active duty may be granted annual leave and sick leave without any deductions from their pay and allowances: Provided, That such regulations shall not authorize annual leave to be accumulated in excess of sixty days.


(d) Definitions

For purposes of this section the term “accumulated annual leave” means unused accrued annual leave carried forward from one leave year into a succeeding leave year, and the term “accrued annual leave” means the annual leave accruing to an officer during one leave year.


1979—Subsec. (c). Pub. L. 96–76, repealed subsec. (c) which set forth limitations on granting of annual leave under subsec. (a) of this section.

1962—Subsec. (b). Pub. L. 87–649 repealed subsec. (b) which required forfeiture of all pay and allowances of an officer absent without leave. See section 503 of Title 37, Pay and Allowances of the Uniformed Services.

Subsec. (c). Pub. L. 87–649 repealed last sentence which authorized a lump-sum payment for unused accumulated and accrued annual leave on date of separation, retirement, or release from active duty. See section 501 of Title 37, Pay and Allowances of the Uniformed Services.

Subsec. (d). Pub. L. 87–649 repealed subsec. (d) insofar as it was applicable to the last sentence of subsec. (c). See Amendment note above.

EFFECTIVE DATE OF 1962 AMENDMENT


EFFECTIVE DATE

Section effective July 1, 1950, see section 3(a) of act Aug. 9, 1950, set out as an Effective Date of 1950 Amendment note under section 210 of this title.

TRANSFER OF FUNCTIONS

Functions of Public Health Service, of Surgeon General of Public Health Service, and all other officers and employees of Public Health Service, and functions of all agencies of or in Public Health Service transferred to Secretary of Health, Education, and Welfare by Reorg. Plan No. 3 of 1966, eff. June 25, 1966, 31 F.R. 8855, 80 Stat. 1610, set out as a note under section 202 of this title. Secretary of Health, Education, and Welfare redesignated Secretary of Health and Human Services by...
section 509(b) of Pub. L. 96–88 which is classified to section 3508(b) of Title 20, Education.

DELEGATION OF FUNCTIONS

Functions of President delegated to Secretary of Health and Human Services, see Ex. Ord. No. 11140, Jan. 30, 1964, 29 F.R. 1637, as amended, set out as a note under section 202 of this title.

COMPENSATION FOR PRIOR ACCUMULATED AND ACCRUED LEAVE: LIMITATION: INAPPLICABILITY TO OFFICERS ON TERMINAL LEAVE PRIOR TO JULY 1, 1950

Section 3(b), (c) of act Aug. 9, 1950, provided that any officer credited with more than sixty days of accumulated and accrued leave on June 30, 1949, be compensated for so much of such leave as exceeds sixty days, that such compensation be due and payable on July 1, 1950, and that the provisions of this Act not apply to any officer on terminal leave preceding separation, retirement, or release from active duty.

AVAILABILITY OF FUNDS

Section 4 of act Aug. 9, 1950, provided for the availability of funds for payment of compensation for prior accumulated and accrued leave for any officer under section 3 of this Act.

LEAVE REGULATIONS

Act Aug. 9, 1950, ch. 654, § 5, 64 Stat. 427, provided that: “Except as so far as the provisions of this Act [enacting this section, amending section 210 of this title, and enacting provisions set out as notes under this section and section 210 of this title] are inconsistent therewith, leave regulations adopted prior to the enactment of this Act [Aug. 9, 1950], pursuant to the Public Health Service Act [42 U.S.C. 201 et seq.], shall remain in effect until repealed, amended, or superseded.”


Section, act Feb. 28, 1948, ch. 83, § 5(e), (f), 62 Stat. 41, related to service credit for commissioned officers on active duty Feb. 28, 1948, and to service credit for pay and promotion purposes of certain appointees during period Feb. 28, 1948, to July 1, 1948.

§ 210b. Professional categories

(a) Division of corps; basis of categories

For the purpose of establishing eligibility of officers of the Regular Corps for promotions, the Surgeon General shall by regulation divide the corps into professional categories. Each category shall, as far as practicable, be based upon one of the subjects of examination set forth in section 209(a)(1) of this title and upon a subdivision of such subject, and the categories shall be designed to group officers by fields of training in such manner that officers in any one grade in any one category will be available for similar duty in the discharge of the several functions of the Service.

(b) Assignment of officers

Each officer of the Regular Corps on active duty shall, on the basis of his training and experience, be assigned by the Surgeon General to one of the categories established by regulations under subsection (a). Except upon amendment of such regulations, no assignment so made shall be changed unless the Surgeon General finds (1) that the original assignment was erroneous, or (2) that the officer is equally well qualified to serve in another category to which he has requested to be transferred, and that such transfer is in the interests of the Service.

(c) Maximum number of officers in each category

Within the limits fixed by the Secretary in regulations under section 207(d) of this title for any fiscal year, the Surgeon General shall determine for each category in the Regular Corps the maximum number of officers authorized to be in each of the grades from the warrant officer (W–1) grade to the director grade, inclusive.

(d) Vacancies in grade for purposes of promotion

The excess of the number so fixed for any grade in any category over the number of officers of the Regular Corps on active duty in such grade in such category (including in the case of the director grade, officers holding such grade in accordance with section 207(c) of this title) shall for the purpose of promotions constitute vacancies in such grade in such category. For purposes of this subsection, an officer who has been temporarily promoted or who is temporarily holding the grade of director in accordance with section 207(c) of this title shall be deemed to hold the grade to which so promoted or which he is temporarily holding; but while he holds such promotion or grade, and while any officer is temporarily assigned to a position pursuant to section 206(c) of this title, the number fixed under subsection (c) of this section for the grade of his permanent rank shall be reduced by one.

(e) Absence of vacancy in grade as affecting promotion

The absence of a vacancy in a grade in a category shall not prevent an appointment to such grade pursuant to section 209 of this title, a permanent length of service promotion, or the recall of a retired officer to active duty; but the making of such an appointment, promotion, or recall shall be deemed to fill a vacancy if one exists.

(f) Vacancy in grade as affecting maximum number for each category

Whenever a vacancy exists in any grade in a category the Surgeon General may increase by one the number fixed by him under subsection (c) for the next lower grade in the same category, without regard to the numbers fixed in regulations under section 207(d) of this title; and in that event the vacancy in the higher grade shall not be filled except by a permanent promotion, and upon the making of such promotion the number for the next lower grade shall be reduced by one.


PRIOR PROVISIONS

A prior section 209 of act July 1, 1944, was renumbered section 298 and is classified to section 210 of this title.

AMENDMENTS

1979—Subsec. (c). Pub. L. 96–76 substituted “warrant officer (W–1)” for “assistant”.

EFFECTIVE DATE OF 1979 AMENDMENT

§ 211. Promotion of commissioned officers

(a) Permanent or temporary promotions; examination

Promotions of officers of the Regular Corps to any grade up to and including the director grade shall be either permanent promotions based on length of service, other permanent promotions to fill vacancies, or temporary promotions. Permanent promotions shall be made by the President, and temporary promotions shall be made by the President. Each permanent promotion shall be to the next higher grade, and shall be made only after examination given in accordance with regulations of the President.

(b) Promotion to certain grades only to fill vacancies; regulations; "restricted grade" defined

The President may by regulation provide that in a specified professional category permanent promotions to the senior grade, or to both the full grade and the senior grade, shall be made only if there are vacancies in such grade. A grade in any category with respect to which such regulations have been issued is referred to in this section as a "restricted grade".

(c) Examinations

Examinations to determine qualification for permanent promotions may be either non-competitive or competitive, as the Surgeon General shall in each case determine; except that examinations for promotions to the assistant or senior assistant grade shall in all cases be non-competitive. The officers to be examined shall be selected by the Surgeon General from the professional category, and in the order of seniority in the grade, from which promotion is to be recommended. In the case of a competitive examination the Surgeon General shall determine in advance of the examination the number (which may be one or more) of officers who, after passing the examination, will be recommended to the President for promotion; but if the examination is one for promotions based on length of service, or is one for promotions to fill vacancies other than vacancies in the director grade or in a restricted grade, such number shall not be less than 80 per centum of the number of officers to be examined.

(d) Permanent promotions to qualified officers on length of service

Officers of the Regular Corps, found pursuant to subsection (c) to be qualified, shall be given permanent promotions based on length of service, as follows:

(1) Officers in the warrant officer (W–1) grade, chief warrant officer (W–2) grade, chief warrant officer (W–3) grade, chief warrant officer (W–4) grade, and junior assistant grade shall be promoted at such times as may be prescribed in regulations of the President.

(2) Officers with permanent rank in the assistant grade, the senior assistant grade, and the full grade shall (except as provided in regulations under subsection (b)) be promoted after completion of three, ten, and seventeen years, respectively, of service in grades above the junior assistant grade; and such promotions, when made, shall be effective, for purposes of pay and seniority in grade, as of the day following the completion of such years of service. An officer with permanent rank in the assistant, senior assistant, or full grade who has not completed such years of service shall be promoted at the same time, and his promotion shall be effective as of the same day, as any officer junior to him in the same grade in the professional category who is promoted under this paragraph.

(e) Promotion of professional category officers to fill certain vacancies

Officers in a professional category of the Regular Corps, found pursuant to subsection (c) to be qualified, may be given permanent promotions to fill any or all vacancies in such category in the senior assistant grade, the full grade, the senior grade, or the director grade; but no officer who has not had one year of service with permanent rank in any grade above the next lower grade shall be promoted to any restricted grade or to the director grade.

(f) Reexamination upon failure of promotion; effective date of promotion

If an officer who has completed the years of service required for promotion to a grade under paragraph (2) of subsection (d) fails to receive such promotion, he shall (unless he has already been twice examined for promotion to such grade) be once reexamined for promotion to such grade. If he is thereupon promoted (otherwise than under subsection (e)), the effective date of such promotion shall be one year later than it would have been but for such failure. Upon the effective date of any permanent promotion of such officer to such grade, he shall be considered as having had only the length of service required for such promotion which he previously failed to receive.

(g) Separation from service upon failure of promotion

If, for reasons other than physical disability, an officer of the Regular Corps in the warrant officer (W–1) grade or junior assistant grade is
found pursuant to subsection (c) not to be qualified for promotion he shall be separated from the Service. If, for reasons other than physical disability, an officer of the Regular Corps in the chief warrant officer (W–2), chief warrant officer (W–3), assistant, senior assistant, or full grade, after having been twice examined for promotion (other than promotion to a restricted grade), fails to be promoted—

1. If in the chief warrant officer (W–2) or assistant grade he shall be separated from the Service and paid six months' basic pay and allowances;
2. If in the chief warrant officer (W–3) or senior assistant grade he shall be separated from the Service and paid one year's basic pay and allowances;
3. If in the full grade he shall be considered as not in line for promotion and shall, at such time thereafter as the Surgeon General may determine, be retired from the Service with retired pay (unless he is entitled to a greater amount by reason of another provision of law).

(A) In the case of an officer who first became a member of a uniformed service before September 8, 1980, at the rate of 2½ percent of the retired pay base determined under section 1406(h) of title 10 for each year, not in excess of 30, of his active commissioned service in the Service; or
(B) In the case of an officer who first became a member of a uniformed service on or after September 8, 1980, at the rate determined by multiplying—
1. The retired pay base determined under section 1407 of title 10; by
2. The retired pay multiplier determined under section 1409 of such title for the number of years of his active commissioned service in the Service.

(h) Separation from service upon refusal to stand examination

If an officer of the Regular Corps, eligible to take an examination for promotion, refuses to take such examination, he may be separated from the Service in accordance with regulations of the President.

(i) Review of record; separation from service

At the end of his first three years of service, the record of each officer of the Regular Corps originally appointed to the senior assistant grade or above, shall be reviewed in accordance with regulations of the President and, if found not qualified for further service, he shall be separated from the Service and paid six months' pay and allowances.

(j) Determination of order of seniority

1. The order of seniority of officers in a grade in the Regular Corps shall be determined, subject to the provisions of paragraph (2) of this subsection, by the relative length of time spent in active service after the effective date of each such officer's original appointment or permanent promotion to that grade. When permanent promotions of two or more officers to the same grade are effective on the same day, their relative seniority shall be the same as it was in the grade from which promoted. In all other cases of original appointments or permanent promotions (or both) to the same grade effective on the same day, relative seniority shall be determined in accordance with regulations of the President.
2. In the case of an officer originally appointed in the Regular Corps to the grade of assistant or above, his seniority in the grade to which appointed shall be determined after inclusion, as service in such grade, of any active service in such grade or in any higher grade in the Reserve Corps, but (if the appointment is to the grade of senior assistant or above) only to the extent of whichever of the following is greater:
   (A) His active service in such grade or any higher grade in the Reserve Corps after the first day on which, under regulations in effect on the date of his appointment to the Regular Corps, he had the training and experience necessary for such appointment, or (B) the excess of his total active service in the Reserve Corps (above the grade of junior assistant) over three years if his appointment in the Regular Corps is to the senior assistant grade, over ten years if the appointment is to the full grade, or over seven years if the appointment is to the senior grade.

(k) Temporary promotions; fill vacancy in higher grade; war or national emergency; selection of officers; termination of appointment

Any commissioned officer of the Regular Corps in any grade in any professional category may be recommended to the President for temporary promotion to fill a vacancy in any higher grade in such category, up to and including the director grade. In time of war, or of national emergency proclaimed by the President, any commissioned officer of the Regular Corps in any grade in any professional category may be recommended to the President for promotion to any higher grade in such category, up to and including the director grade, whether or not a vacancy exists in such grade. The selection of officers to be recommended for temporary promotions shall be made in accordance with regulations of the President. Promotion of an officer recommended pursuant to this subsection may be made without regard to length of service, without examination, and without vacating his permanent appointment, and shall carry with it the pay and allowances of the grade to which promoted. Such promotions may be terminated at any time, as may be directed by the President.

(l) Determination of requirements of Service by Secretary; assignment of Reserve Officers to professional categories; temporary promotions; termination of temporary promotions

Whenever the number of officers of the Regular Corps on active duty, plus the number of officers of the Reserve Corps who have been on active duty for thirty days or more, exceeds the authorized strength of the Regular Corps, the Secretary shall determine the requirements of the Service in each grade in each category, based upon the total number of officers so serving on active duty and the tasks being performed by the Service; and the Surgeon General shall thereupon assign each officer of the Reserve Corps on active duty to a professional category. If the Secretary finds that the number of
officers fixed under section 210b(c) of this title for any grade and category (or the number of officers, including officers of the Reserve Corps, on active duty in such grade in such category, if such number is greater than the number fixed under section 210b(c) of this title) is insufficient to meet such requirements of the Service, officers of either the Regular Corps or the Reserve Corps may be recommended for temporary promotion to such grade in such category. Any such promotion may be terminated at any time, as may be directed by the President.

(m) Acceptance of promotion; oath and affidavit


CODIFICATION


AMENDMENTS

2012—Subsec. (a). Pub. L. 112–166 struck out “, and with the advice and consent of the Senate” after “Permanent promotions shall be made by the President”.

1986—Subsec. (g)(3). Pub. L. 99–348 added subpars. (A) and (B) and struck out former subpars. (A) and (B) which read as follows: “(A) in the case of an officer who first became a member of a uniformed service before September 8, 1980, at the rate of 2½ percent of basic pay of the permanent grade held by him at the time of retirement for each year, in excess of thirty, of his active commissioned service in the Service; or “(B) in the case of an officer who first became a member of a uniformed service on or after September 8, 1980, 2½ percent of the monthly retired pay base computed under section 1407(b) of title 10, for each year, in excess of thirty, of his active commissioned service in the Service.”

1980—Subsec. (g)(3). Pub. L. 96–342 revised provisions into subpars. (A) and (B) and substituted provisions respecting computation of retired pay for officers who became members of the uniformed service before Sept. 8, 1980, and for officers who became members of the uniformed service on or after Sept. 8, 1980, for provisions respecting computation of retired pay for officers.


Subsec. (g). Pub. L. 96–76, §307(b), in provision before par. (1), inserted applicability to separation from Service of warrant officers and chief warrant officers subsequent to one examination or two examinations, respectively, in par. (1), inserted applicability to a chief warrant officer (W–2), and in par. (2), inserted applicability to a chief warrant officer (W–3).

1962—Subsec. (g). Pub. L. 86–415 substituted “basic pay” for “pay” in cls. (1) and (2).

1960—Subsec. (g). Pub. L. 86–415 substituted “of the basic pay of the permanent grade held by him at the time of retirement for each year” for “of his active duty pay at the time of retirement for each complete year” in cl. (3).

1956—Subsec. (d)(2). Apr. 27, 1956, struck out “pay period and for purposes of” before “seniority in grade”.

1949—Subsec. (g). Oct. 12, 1949, struck out “incurred in line of duty” wherever appearing.

1948—Act Feb. 28, 1948, amended subsecs. (a) to (c) generally and added subsecs. (d) to (m).

EFFECTIVE DATE OF 2012 AMENDMENT

Amendment by Pub. L. 112–166 effective 60 days after Aug. 10, 2012, and applicable to appointments made on and after that effective date, including any nomination pending in the Senate on that date, see section 6(a) of Pub. L. 112–166, set out as a note under section 113 of Title 6, Domestic Security.

EFFECTIVE DATE OF 1979 AMENDMENT


EFFECTIVE DATE OF 1962 AMENDMENT


EFFECTIVE DATE OF 1949 AMENDMENT

Amendment by act Oct. 12, 1949, effective Oct. 1, 1949, see section 53(a) of act Oct. 12, 1949, set out as a note under section 854a of Title 33, Navigation and Navigable Waters.

TRANSFER OF FUNCTIONS


Functions of Secretary of Health, Education, and Welfare redesignated Secretary of Health and Human Services by section 509(b) of Pub. L. 96–88 which is classified to section 3508(b) of Title 20, Education.

Functions of Federal Security Administrator transferred to Secretary of Health, Education, and Welfare and all agencies of Federal Security Agency transferred to Department of Health, Education, and Welfare by section 5 of Reorg. Plan No. 1 of 1953, set out as a note under section 3501 this title, Federal Security Agency and office of Administrator abolished by section 8 of Reorg. Plan No. 1 of 1953, Secretary and Department of Health, Education, and Welfare redesignated Secretary and Department of Health and Human Services by section 509(b) of Pub. L. 96–88 which is classified to section 3508(b) of Title 20.

DELEGATION OF FUNCTIONS

Functions of President delegated to Secretary of Health and Human Services, see Ex. Ord. No. 11140, Jan. 30, 1946, 29 F.R. 1637, as amended, set out as a note under section 853 this title, Federal Security Agency and office of Administrator abolished by section 8 of Reorg. Plan No. 1 of 1953.


Section, act Feb. 28, 1948, ch. 83, §6(b)–(f), 62 Stat. 45, dealt with promotion of Public Health Service officers.

SAVINGS PROVISION
Repeal not to affect any action taken or proceeding pending at the time of repeal, see section 501(h) of Pub. L. 94–412, set out as a note under section 1601 of Title 50, War and National Defense.

§211c. Promotion credit for medical officers in assistant grade

Any medical officer of the Regular Corps of the Public Health Service who—

(1)(A) was appointed to the assistant grade in the Regular Corps and whose service in such Corps has been continuous from the date of appointment or (B) may hereafter be appointed to the assistant grade in the Regular Corps, and

(2) had or will have completed a medical internship on the date of such appointment,

shall be credited with one year for purposes of promotion and seniority in grade, except that no such credit shall be authorized if the officer has received or will receive similar credit for his internship under other provisions of law. In the case of an officer on active duty on the effective date of this section who is entitled to the credit with which he is credited on such date.

(July 1, 1944, ch. 373, title II, §220, as added Apr. 30, 1956, ch. 223, §3, 70 Stat. 121.)

REFERENCES IN TEXT
For “the effective date of this section”. referred to in text, see section 7 of act Apr. 30, 1956, which provided in part that this section shall become effective the first day of the month following the day of enactment, Apr. 30, 1956.

TRANSFER OF FUNCTIONS
Functions of Public Health Service, Surgeon General of Public Health Service, and all other officers and employees of Public Health Service, and functions of all agencies of or in Public Health Service transferred to Secretary of Health, Education, and Welfare by Reorg. Plan No. 3 of 1966, eff. June 25, 1966, 31 F.R. 8855, 80 Stat. 1610, set out as a note under section 202 of this title. Secretary of Health, Education, and Welfare redesignated Secretary of Health and Human Services by section 509(b) of Pub. L. 96–88 which is classified to section 3508(b) of Title 20, Education.

§212. Retirement of commissioned officers

(a) Age; voluntariness; length of service; computation of retired pay

(1) A commissioned officer of the Service shall, if he applies for retirement, be retired on or after the first day of the month following the month in which he attains the age of sixty-four years. This paragraph does not permit or require the involuntary retirement of any individual because of the age of the individual.

(2) A commissioned officer of the Service may be retired by the Secretary, and shall be retired if he applies for retirement, on the first day of any month after completion of thirty years of active service.

(3) Any commissioned officer of the Service who has had less than thirty years of active service may be retired by the Secretary, with or without application by the officer, on the first day of any month after completion of twenty or more years of active service of which not less than ten are years of active commissioned service in any of the uniformed services.

(4) Except as provided in paragraph (6), a commissioned officer retired pursuant to paragraph (1), (2), or (3) who was (in the case of an officer in the Reserve Corps) on active duty with the Service on the date preceding such retirement shall be entitled to receive retired pay calculated by multiplying the retired pay base determined under section 1406 of title 10 by the retired pay multiplier determined under section 1409 of such title and the numbers of years of service credited to the officer under this paragraph and in which, in the case of a temporary promotion to such grade, he has performed active duty for not less than six months, (A) for each year of active service, or (B) if it results in higher retired pay, for each of the following years:

(i) his years of active service (determined without regard to subsection (d)) as a member of a uniformed service; plus

(ii) in the case of a medical or dental officer, four years and, in the case of a medical officer, who has completed one year of medical internship or the equivalent thereof, one additional year, the four years and the one year to be reduced by the period of active service performed during such officer’s attendance at medical school or dental school or during his medical internship; plus

(iii) the number of years of service with which he was entitled to be credited for purposes of basic pay on May 31, 1958, or (if higher) on any date prior thereto, reduced by any such year included under clause (1) and further reduced by any such year with which he was entitled to be credited under paragraphs (7) and (8) of section 205(a) of title 37 on any date before June 1, 1958;

except that (C) in the case of any officer whose retired pay, so computed, is less than 50 per centum of such basic pay, who retires pursuant to paragraph (1) of this subsection, who has not less than twelve whole years of active service (computed without the application of subsection (e)), and who does not use, for purposes of a retirement annuity under subchapter III of chapter 83 of title 5, any service which is also creditable in computing his retired pay from the Service, it shall, instead, be 50 per centum of such pay, (D) the retired pay of an officer shall in no case be more than 75 per centum of such basic pay, and (E) in the case of any officer who participates in the modernized retirement sys-
tem by reason of section 1409(b) of title 10 (including pursuant to an election under subparagraph (B) of that section), subparagraph (C) shall be applied by substituting “40 per centum” for “50 per centum” each place the term appears.

(5) With the approval of the President, a commissioned officer whose service as Surgeon General, Deputy Surgeon General, or Assistant Surgeon General has totaled four years or more and who has not had less than twenty-five years of active service in the Service may retire voluntarily at any time; and except as provided in paragraph (6), his retired pay shall be at the rate of 75 per centum of the basic pay of the highest grade held by him as such officer.

(6) The retired pay of a commissioned officer retired under this subsection who first became a member of a uniformed service after September 7, 1980, is determined by multiplying—

(A) the retired pay base determined under section 1407 of title 10; by

(B) the retired pay multiplier determined under section 1408 of such title for the number of years of service credited to the officer under paragraph (4).

(7) Retired pay computed under section 211(g)(3) of this title or under paragraph (4) or (5) of this subsection, if not a multiple of $1, shall be rounded to the next lower multiple of $1.

(b) Basic pay of highest temporary grade

For purposes of subsection (a), the basic pay of the highest grade to which a commissioned officer has received a temporary promotion means the basic pay to which he would be entitled if serving on active duty in such grade on the date of his retirement.

(c) Recall to active duty

A commissioned officer, retired for reasons other than for failure of promotion to the senior grade, may (1) if an officer of the Regular Corps or an officer of the Reserve Corps entitled to retired pay under subsection (a), be involuntarily recalled to active duty during such times as the Surgeon General determines is comparable to service performed by commissioned officers of the Service, except that, if there are more than five years of such service, only the last five years thereof may be so credited. For such purposes, such section 1208(a)(2) shall be applicable to officers of the Regular or Reserve Corps of the Service.

(d) “Active service” defined

The term “active service”, as used in subsection (a), includes:

(1) all active service in any of the uniformed services;

(2) active service with the Public Health Service, other than as a commissioned officer, which the Surgeon General determines is comparable to service performed by commissioned officers of the Service, except that, if there are more than five years of such service only the last five years thereof may be included;

(3) all active service (other than service included under the preceding provisions of this subsection) which is creditable for retirement purposes under laws governing the retirement of members of any of the uniformed services; and

(4) service performed as a member of the Senior Biomedical Research Service established by section 237 of this title, except that, if there are more than 5 years of such service, only the last 5 years thereof may be included.

(e) Crediting of part of year

For the purpose of determining the number of years by which a percentage of the basic pay of an officer is to be multiplied in computing the amount of his retired pay pursuant to section 211(g)(3) of this title or paragraph (4) of subsection (a) of this section, each full month of service that is in addition to the number of full years of service credited to an officer is counted as one-twelfth of a year and any remaining fractional part of a month is disregarded.

(f) Retirement or separation for physical disability

For purposes of retirement or separation for physical disability under chapter 61 of title 10, a commissioned officer of the Service shall be credited, in addition to the service described in section 1208(a)(2) of that title, with active service with the Public Health Service, other than as a commissioned officer, which the Surgeon General determines is comparable to service performed by commissioned officers of the Service, except that, if there are more than five years of such service, only the last five years thereof may be so credited. For such purposes, such section 1208(a)(2) shall be applicable to officers of the Regular or Reserve Corps of the Service.


Codification

In subsec. (a)(4), “subchapter III of chapter 83 of title 5” substituted for “the Civil Service Retirement Act” on authority of Pub. L. 89–554, §7(b), Sept. 6, 1966, 80 Stat. 631, the first section of which enacted Title 5, Government Organization and Employees.

Amendments

2015—Subsec. (a)(4). Pub. L. 114–92, §631(c)(4)(A), substituted “calculated by multiplying the retired pay base determined under section 1406 of title 10 by the retired pay multiplier determined under section 1409 of such title for the numbers of years of service credited to the officer under this paragraph” for “at the rate of 2½ per centum of the basic pay of the highest grade held by him as such officer”.


1980—Subsec. (a)(6). Pub. L. 99–348 amended par. (6) generally. Prior to amendment, par. (6) read as follows:
“In computing retired pay under paragraph (4) or (5) in the case of any commissioned officer who first became a member of a uniformed service on or after September 8, 1980, the monthly retired pay base computed under section 1407(h) of title 10 shall be used in lieu of using the basic pay of the highest grade held by him as such officer.”


Subsec. (e). Pub. L. 98–94, § 223(f), substituted “‘his’” for “‘A’”.

1982—Substituted “Except as provided in paragraph (6), a” for “shall be retired on”.

“provisions relating to inapplicability to the Surgeon General for involuntary retirement as a result of age, for ‘‘shall be retired on’’, and substituted provisions relating to involuntary retirement as a result of age, for provisions relating to inapplicability to the Surgeon General.”

Pub. L. 97–25 inserted provision that this paragraph does not apply to Surgeon General.


1979—Subsec. (e). Pub. L. 96–76 struck out requirement respecting active service for purposes of credit.


1960—Pub. L. 86–415 amended section generally, and among other changes, authorized retirement of commissioned officers who have had less than 30 years of active service any time after the completion of 20 years of active service, permitted persons who have served as Deputy Surgeons General or Assistant Surgeons General for four or more years and who have had at least 25 years of active service to retire voluntarily at any time, provided for the recall to active duty of officers of the Reserve Corps entitled to retired pay under subsection (a) of this section during such times as the Corps constitutes a branch of the land or naval forces of the United States, authorized credit, for retirement purposes, of active service in the uniformed services and limited to five years the crediting of active service with the Public Health Service other than as a commissioned officer, and established the methods for computation of retired pay for active duty officers retiring for age or length of service.

1956—Subsec. (a). Act Apr. 27, 1966, § 3(a), authorized crediting of noncommissioned service for purposes of retirement.

Subsec. (b)(1). Act Apr. 27, 1956, § 5(b), authorized crediting of noncommissioned service in the Service for purposes of retirement.

Subsec. (c). Act Apr. 27, 1956, § 5(c), permitted recall of retired officers of the Regular Corps without their consent whenever the Regular Corps has military status, and authorized recall of retired officers of the Regular or Reserve Corps with their consent at any time.

1949—Subsec. (a). Act Oct. 12, 1949, redesignated subsection as (a), substituted “subsection (b)” for “subsection (c)” and repealed former subsection (a) relating to retirement for disability or disease.

Subsec. (b). Act Oct. 12, 1949, redesignated subsection (c) as (b) and struck out reference to retirement for disability or disease. Former subsection (b) redesignated (a).

Subsec. (c). Act Oct. 12, 1949, redesignated subsection (d) as (c) and struck out reference to recovery from a disability. Former subsection (c) redesignated (b).

Subsecs. (d) to (f). Act Oct. 12, 1949, redesignated subsections (e) to (g) as (d) to (f), respectively. Former subsection (d) redesignated (c).


Subsec. (c)(2). Act Feb. 28, 1948, made subdivision applicable to grade of Assistant Surgeon General.

Subsec. (d). Act Feb. 28, 1948, substituted “under the provisions of subsection (b) of this section” for “for age”.

Subsecs. (g), (h). Act Feb. 28, 1948, added subsections (g) and (h).

CHANGE OF NAME

Senior Biomedical Research Service changed to Silvio O. Conte Senior Biomedical Research Service by Act Nov. 5, 1990.

Amendment by Pub. L. 98–94 effective Jan. 1, 2018, with certain implementation requirements, see section 635 of Pub. L. 114–92, set out as a note under section 8432 of Title 5, Government Organization and Employees.

EFFECTIVE DATE OF 1990 AMENDMENT

Section 529 [title III, §304(c)] ofPub. L. 101–509 provided that: “Except as otherwise provided, the provisions of this section [enacting section 237 of this title and amending this section] shall be effective on the 90th day following the date of the enactment of this Act [Nov. 5, 1990].”

EFFECTIVE DATE OF 1983 AMENDMENT

Amendment by section 922(d) of Pub. L. 98–94 effective Oct. 1, 1983, see section 922(e) of Pub. L. 98–94, set out as a note under section 1401 of Title 10, Armed Forces.

Amendment by section 923(f) of Pub. L. 98–94 applicable with respect to the computation of retired or re- tainer pay of any individual who becomes entitled to that pay after Sept. 30, 1983, see section 923(g) of Pub. L. 98–94, set out as a note under section 1174 of Title 10.

EFFECTIVE DATE OF 1970 AMENDMENT


EFFECTIVE DATE OF 1960 AMENDMENT


EFFECTIVE DATE OF 1949 AMENDMENT

Amendment by act Oct. 12, 1949, effective Oct. 1, 1949, see section 533(a) of act Oct. 12, 1949, set out as a note under section 854a of Title 33, Navigation and Navigable Waters.

SAVINGS PROVISION

Pub. L. 86–415, § 8(c), (d), Apr. 8, 1960, 74 Stat. 36, provided that: “(c) An officer in the Regular Corps on active duty on the date of enactment of this Act [Apr. 8, 1960] may be retired and have his retired pay computed under section 211 of the Public Health Service Act [42 U.S.C. 212],...
as amended by this Act, or, if he so elects, under such section as in effect prior to the date of enactment of this Act [Apr. 8, 1960]."

"(b) The limitation under subsection (f) of section 211 of the Public Health Service Act [42 U.S.C. 212(f)], as amended by this Act, on the amount of active service with the Public Health Service, other than as a commissioned officer, which may be counted for purposes of retirement or separation for physical disability, shall not apply in the case of any officer of the Reserve Corps of the Public Health Service on active duty on June 30, 1960.""

TRANSFER OF FUNCTIONS

Functions of Public Health Service, Surgeon General of Public Health Service, and all other officers and employees of Public Health Service, and functions of all agencies of or in Public Health Service transferred to Secretary of Health, Education, and Welfare by Reorg. Plan No. 3 of 1966, eff. June 25, 1966, 31 F.R. 8855, 80 Stat. 1610, set out as a note under section 202 of this title. Secretary of Health, Education, and Welfare redesignated Secretary of Health and Human Services by section 509(b) of Pub. L. 96–88 which is classified to section 3508(b) of Title 20, Education.


DELEGATION OF FUNCTIONS

Functions of President delegated to Secretary of Health and Human Services, see Ex. Ord. No. 11140, eff. Jan. 30, 1964, 29 F.R. 1637, as amended, set out as a note under section 202 of this title.

COVERAGE UNDER CIVIL SERVICE RETIREMENT ACT

Creditable service for purposes of the Civil Service Retirement Act for certain commissioned officers of the Regular or Reserve Corps of the Public Health Service, see section 6(a), (b) of Pub. L. 86–415, set out as a note under section 8332 of Title 5, Government Organization and Employee.


§ 212b. Repealed. Apr. 27, 1956, ch. 211, § 5(d), 70 Stat. 117

Section, act July 31, 1953, ch. 296, title II, §201, 67 Stat. 254, authorized recall of retired officers of the Service. See section 212(c) of this title.

§ 213. Military benefits

(a) Rights, privileges, immunities, and benefits accorded to commissioned officers or their survivors

Except as provided in subsection (b), commissioned officers of the Service and their surviving beneficiaries shall, with respect to active service performed by such officers—

(1) in time of war;

(2) on detail for duty with the Army, Navy, Air Force, Marine Corps, or Coast Guard; or

(3) while the Service is part of the military forces of the United States pursuant to Executive order of the President;

be entitled to all rights, privileges, immunities, and benefits now or hereafter provided under any law of the United States in the case of commissioned officers of the Army or their surviving beneficiaries on account of active military service, except retired pay and uniform allowances.

(b) Award of decorations

The President may prescribe the conditions under which commissioned officers of the Service may be awarded military ribbons, medals, and decorations.

(c) Authority of Surgeon General

The authority vested by law in the Department of the Army, the Secretary of the Army, or other officers of the Department of the Army with respect to rights, privileges, immunities, and benefits referred to in subsection (a) shall be exercised, with respect to commissioned officers of the Service, by the Surgeon General.

(d) Active service deemed active military service with respect to laws administered by Secretary of Veterans Affairs

Active service of commissioned officers of the Service shall be deemed to be active military service in the Armed Forces of the United States for the purposes of all laws administered by the Secretary of Veterans Affairs (except the Servicemen’s Indemnity Act of 1951) and section 417 of this title.

(e) Active service deemed active military service with respect to Servicemembers Civil Relief Act

Active service of commissioned officers of the Service shall be deemed to be active military service in the Armed Forces of the United States for the purposes of all laws for the purposes of all laws administered by the Secretary of Veterans Affairs (except the Servicemen’s Indemnity Act of 1951) and section 417 of this title.

(f) Active service deemed active military service with respect to anti-discrimination laws

Active service of commissioned officers of the Service shall be deemed to be active military service in the Armed Forces of the United States for purposes of all laws related to discrimination on the basis of race, color, sex, ethnicity, age, religion, and disability.

The Servicemen’s Indemnity Act of 1951, referred to in subsec. (d), is act Apr. 25, 1951, ch. 9, pt. I, 65 Stat. 33, which was classified generally to subchapter II (§ 451 et seq.) of chapter 13 of former Title 38, Pensions, Bonuses, and Veterans’ Relief, and was repealed by act Aug. 1, 1956, ch. 837, title V, § 502(b), 70 Stat. 882.

The Servicemen’s Civil Relief Act, referred to in subsec. (e), is act Oct. 17, 1940, ch. 888, 54 Stat. 1178, which was classified to section 501 et seq. of the former Appendix to Title 50, War and National Defense, prior to the redesignation and renumbering as chapter 50 (§ 3901 et seq.) of Title 50. For complete classification of this Act to the Code, see Tables.

AMENDMENTS

2003—Subsec. (e). Pub. L. 108–189 substituted “Servicemembers Civil Relief Act” for “Soldiers’ and Sailors’ Civil Relief Act of 1940”.


1956—Subsec. (a)(1). Aug. 1, 1956, amended section generally to extend all rights, privileges, immunities, and benefits provided for commissioned officers of the Army or their surviving beneficiaries to commissioned officers of the Service, with the exception of retired pay and uniform allowances, when performing duty under certain circumstances, and to provide that active service of commissioned officers shall be deemed to be active military service in the Armed Forces for the purposes of all laws administered by the Veterans’ Administration (except the Servicemen’s Indemnity Act of 1951) and section 417 of this title.

1953—Subsec. (a)(1). Act July 15, 1953, struck out “burial payments in the event of death,” after “limited to,”.

EFFECTIVE DATE OF 1956 AMENDMENT; APPLICABILITY

Act Aug. 1, 1956, ch. 837, title V, § 501(b)(3), 70 Stat. 882, provided that: “The amendment made by this subsection [amending this section] (A) shall apply only with respect to service performed on or after July 4, 1952, (B) shall not be construed to affect the entitlement of any person to benefits under the Veterans’ Readjustment Assistance Act of 1952 [act July 16, 1952, ch. 875, 66 Stat. 693] (C) shall not be construed to authorize any payment under section 202(i) of the Social Security Act [42 U.S.C. 402(i)], or under Veterans Regulation Numbered 9(a), for any death occurring prior to January 1, 1957, and (D) shall not be construed to authorize payment of any benefits for any period prior to January 1, 1957.”

TRANSFER OF FUNCTIONS

For transfer of authorities, functions, personnel, and assets of the Coast Guard, including the authorities and functions of the Secretary of Transportation relating thereto, to the Department of Homeland Security, and for treatment of related references, see sections 468(b), 551(d), 552(d), and 557 of Title 6, Domestic Security, and the Department of Homeland Security Reorganization Plan of November 25, 2002, as modified, set out as a note under section 246 of Title 6.

Functions of Public Health Service, Surgeon General of Public Health Service, and all other officers and employees of Public Health Service and functions of all agencies of or for the Public Health Service transferred to the Secretary of Health, Education, and Welfare by Reorg. Plan No. 3 of 1966, eff. June 25, 1966, 31 F.R. 8855, 80 Stat. 1610, set out as a note under section 202 of this title. Secretary of Health, Education, and Welfare redesignated Secretary of Health and Human Services by section 509(b) of Pub. L. 98–424 which is classified to section 3508(b) of Title 20, Education.

RECOMPUTATION OF SOCIAL SECURITY BENEFITS FOR OFFICERS ENTITLED TO OLD-AGE INSURANCE BENEFITS PRIOR TO JANUARY 1, 1957, OR FOR SURVIVORS OF OFFICERS WHO DIED PRIOR TO JANUARY 1, 1957


(A) who performed active service (i) as a commissioned officer of the Public Health Service at any time during the period beginning July 4, 1952, and ending December 31, 1956, or (ii) as a commissioned officer of the Coast and Geodetic Survey at any time during the period beginning July 29, 1945, and ending December 31, 1956; and

(B)(i) who became entitled to old-age insurance benefits under section 202(a) of the Social Security Act [42 U.S.C. 402(a)] prior to January 1, 1957, or

(ii) who died prior to January 1, 1957, and whose widow, child, or parent is entitled for the month of January 1957, on the basis of his wages and self-employment income, to a monthly survivor’s benefit under section 202 of such act (42 U.S.C. 402); and

(C) any part of whose service described in paragraph (A) was not included in the computation of his primary insurance amount under section 215 of such act (42 U.S.C. 415) but would have been included in such computation if the amendment made by paragraph (1) of this subsection or paragraph (1) of subsection (d) had been effective prior to the date of such computation,

the Secretary of Health, Education, and Welfare [now Health and Human Services] shall, notwithstanding the provisions of section 215(f)(1) of the Social Security Act [42 U.S.C. 415(f)(1)], recompute the primary insurance amount of such individual upon the filing of an application, after December 1956, by him or (if he dies without filing such an application) by any person entitled to monthly survivor’s benefits under section 202 of such act (42 U.S.C. 402) on the basis of his wages and self-employment income. Such recomputation shall be made only in the manner, provided in title II of the Social Security Act [42 U.S.C. 401 et seq.] as in effect at the time of the last previous computation or recomputation of such individual’s primary insurance amount, and as though application therefor was filed in the month in which application for such last previous computation or recomputation was filed. No recomputation made under this paragraph shall be regarded as a recomputation under section 215(f) of the Social Security Act [42 U.S.C. 415(f)]. Any such recomputation shall be effective for and after the twelfth month in which the application was filed, but in no case for any month before January 1957.”

DISPOSITION OF REMAINS OF DECEASED PERSONNEL

Recovery, care, and disposition of the remains of deceased members of the uniformed services and other deceased personnel, see section 1481 et seq. of Title 10, Armed Forces.

BURIAL OF CERTAIN COMMISSIONED OFFICERS

Act Apr. 30, 1956, ch. 227, 70 Stat. 124, provided: “That burial in national cemeteries of the remains of commissioned officers of the United States Public Health Service who were detailed for duty with the Army or Navy during World War I pursuant to the act of July 1, 1902 (32 Stat. 712, 713), as amended, and Executive Order Numbered 2971 dated April 3, 1917, and of the wife, widow, minor child and, in the discretion of the Secretary of the Army, unmarried adult child of these officers is authorized; Provided, That the remains of the wife, widow, and children may, in the discretion of the Secretary of the Army, be removed from a national cemetery proper and interred in the post section of a
national cemetery if, upon death, the related officer is not buried in the same or an adjoining grave site."

DELegATION OF AUTHORITY

Memorandum of President of the United States, Dec. 30, 1992, 58 F.R. 3485, provided:

Memorandum for the Secretary of Defense, the Secretary of Health and Human Services

The authority of the President under section 212(b) of the Public Health Service Act (42 U.S.C. 213(b)) is hereby delegated to the Secretary of Defense. In the exercise of that authority, the Secretary of Defense shall ensure that no military ribbon, medal, or decoration is awarded to an officer of the Public Health Service without the approval of the Secretary of Health and Human Services.

The Secretary of Defense shall ensure the publication of this memorandum in the Federal Register.

GEORGE BUSH.

§ 213a. Rights, benefits, privileges, and immunities for commissioned officers or beneficiaries; exercise of authority by Secretary or designee

(a) Commissioned officers of the Service or their surviving beneficiaries are entitled to all the rights, benefits, privileges, and immunities now or hereafter provided for commissioned officers of the Army or their surviving beneficiaries under the following provisions of title 10:

(1) Section 1036, Escorts for dependents of members: transportation and travel allowances.

(2) Chapter 61, Retirement or Separation for Physical Disability, except sections 1201, 1202, and 1203 do not apply to commissioned officers of the Public Health Service who have been ordered to active duty for training for a period of more than 30 days.

(3) Chapter 69, Retired Grade, except sections 1370, 1374, and 1376(a).

(4) Chapter 71, Computation of Retired Pay, except formula No. 3 of section 1401.

(5) Chapter 73, Retired Serviceman’s Family Protection Plan; Survivor Benefit Plan.

(6) Chapter 75, Death Benefits.

(7) Section 2771, Final settlement of accounts: deceased members.

(8) Chapter 163, Military Claims, but only when commissioned officers of the Service are entitled to military benefits under section 213 of this title.

(9) Section 2603, Acceptance of fellowships, scholarships, or grants.

(10) Section 2634, Motor vehicles: for members on permanent change of station.

(11) Section 1035, Deposits of Savings.

(12) Section 1552, Correction of military records: claims incident thereto.

(13) Section 1553, Review of discharge or dismissal.

(14) Section 1554, Review of retirement or separation without pay for physical disability.

(15) Section 1124, Cash awards for suggestions, inventions, or scientific achievements.

(16) Section 1052, Reimbursement for adoption expenses.

(17) Section 1059, Transitional compensation and commissary and exchange benefits for dependents of members separated for dependent abuse.

See References in Text note below.
by “adding the following new clause at the end there- 
of”, the amendment was executed to subsec. (a) to re- 
fect the probable intent of Congress since the “new 
clause was numbered “(9)” and subsec. (a) contained 
cls. (1) to (8).

1959—Subsec. (a). Pub. L. 86–160 added cl. (1) and re-
numbered former cls. (1) to (7) as (2) to (8).

1958—Subsec. (a). Pub. L. 85–861 substituted “provi-
sions” for “chapters” in opening clause, struck out 
former cl. (1) which related to chapter 55 of title 10, re-
numbered former cls. (2) to (6) as (1) to (5), amended cl.
(1), as renumbered, to make sections 1201 to 1203 of title 
10, inapplicable to commissioned officers of the Public 
Health Service who have been ordered to active duty 
for training for a period of more than 30 days, inserted 
a reference to section 1274 of title 10 in cl. (2), as re-
numbered, struck out “Care of the Dead” after “ Bene-
fits” in cl. (5), as renumbered, and added cl. (6).

Effective Date of 1997 Amendment
Pub. L. 105–85, div. A, title VI, §653(c), Nov. 18, 1997, 
111 Stat. 1804, provided that: “The amendments made 
by this section [amending this section and former sec-
tion 837a of Title 33, Navigation and Navigable Waters] 
shall apply only to adoptions that are completed on or 
after the date of the enactment of this Act [Nov. 18, 
1997].”

Effective Date of 1980 Amendment
Amendment by Pub. L. 96–513 effective Sept. 15, 1981, 
see section 701 of Pub. L. 96–513, set out as a note under 
section 101 of Title 10, Armed Forces.

Effective Date of 1963 Amendment
Amendment by Pub. L. 88–132 effective Oct. 1, 1963, 
see section 14 of Pub. L. 88–132, set out as an Effective 
Date note under section 37 of Title 37, Pay and Allow-
ances of the Uniformed Services.

Transfer of Functions
Functions of Public Health Service, Surgeon General 
of Public Health Service, and all other officers and em-
ployees of Public Health Service, and functions of all 
agencies of or in Public Health Service transferred to 
Secretary of Health, Education, and Welfare by Reorg. 
1610, set out as a note under section 202 of this title. 
Secretary of Health, Education, and Welfare redesign-
ated Secretary of Health and Human Services by sec-
tion 509(b) of Pub. L. 96–88 which is classified to section 
3509(b) of Title 20, Education.

Rules and Regulations; Savings Deposit Benefits
Regulations prescribed by the Secretary of Health, 
Education, and Welfare (now Health and Human Serv-
ices) concerning savings deposit benefits for Public 
Health Service personnel to be prescribed jointly with 
regulations prescribed by the Secretaries concerned 
under section 1035 of Title 10, Armed Forces, see section 
3(c)(1) of Pub. L. 89–538, set out as a note under section 
1035 of Title 10.

Designation of Beneficiary Made Before 
January 1, 1956
Designation of beneficiary made before Jan. 1, 1956, 
considered as the designation of a beneficiary for the 
purposes of section 4 of Pub. L. 85–861, which amended 
this section, see section 31 of Pub. L. 85–861, set out as 
a note under section 2771 of Title 10, Armed Forces.

§ 214. Presentation of United States flag upon re-
irement

(a) Presentation of flag

Upon the release of an officer of the commis-
sioned corps of the Service from active com-
missioned service for retirement, the Secretary of 
Health and Human Services shall present a 
United States flag to the officer. 

(b) Multiple presentations not authorized

An officer is not eligible for presentation of a 
flag under subsection (a) if the officer has pre-
viously been presented a flag under this section 
or any other provision of law providing for the 
presentation of a United States flag incident to 
release from active service for retirement.

(c) No cost to recipient

The presentation of a flag under this section 
shall be at no cost to the recipient.


Prior Provisions
A prior section 214, acts July 1, 1944, ch. 373, title II, 
§213, 58 Stat. 689; Apr. 27, 1956, ch. 211, §2(a), 70 Stat. 
116, authorized allowances for uniforms, prior to repeal 
section 415 of Title 37, Pay and Allowances of the Uni-
formed Services.

Effective Date
Section applicable with respect to releases from serv-
cice described in section on or after Oct. 1, 1999, see sec-
tion 652(d) of Pub. L. 106–65, set out as a note under sec-
tion 12605 of Title 10, Armed Forces.


Section, act July 31, 1953, ch. 296, title II, §204, 67 Stat. 237, related to allowances for use of taxicabs, etc., 
around duty posts.

§ 215. Detail of Service personnel

(a) Other Government departments

The Secretary is authorized, upon the request 
of the head of an executive department, to detail 
officers or employees of the Service to such de-
partment for duty as agreed upon by the Sec-
retary and the head of such department in order 
to cooperate in, or conduct work related to, 
the functions of such department or of the Service. 
When officers or employees are so detailed their 
salaries and allowances may be paid from 
working funds established as provided by law or may 
be paid by the Service from applicable approp-
riations and reimbursement may be made as 
agreed upon by the Secretary and the head of 
the executive department concerned. Officers 
detailed for duty with the Army, Air Force, 
Navy, or Coast Guard shall be subject to the 
laws for the government of the service to which 
detailed.

(b) State health or mental health authorities

Upon the request of any State health author-
ity or, in the case of work relating to mental 
health, any State mental health authority, per-
sonnel of the Service may be detailed by the 
Surgeon General for the purpose of assisting 
such State or a political subdivision thereof in 
work related to the functions of the Service.

(c) Congressional committees and nonprofit edu-
cational, research, or other institutions en-
gaged in health activities for special studies 
and dissemination of information

The Surgeon General may detail personnel of 
the Service to any appropriate committee of the 
Congress or to nonprofit educational, research 

1 So in original. Probably should be followed by a comma.
or other institutions engaged in health activities for special studies of scientific problems and for the dissemination of information relating to public health.

(d) Availability of funds; reimbursement by State; detailed services deemed service for computation of pay, promotion, etc.

Personnel detailed under subsections (b) and (c) shall be paid from applicable appropriations of the Service, except that, in accordance with regulations such personnel may be placed on leave without pay and paid by the State, subdivision, or institution to which they are detailed. In the case of detail of personnel under subsections (b) or (c) to be paid from applicable Service appropriations, the services of personnel while detailed pursuant to this section shall be considered as having been performed in the Service for purposes of the computation of basic pay, promotion, retirement, compensation for injury or death, and the benefits provided by section 213 of this title.

(e) Commissioned Corps officers; urgent or emergency public health care needs

Except with respect to the United States Coast Guard and the Department of Defense, and except as provided in agreements negotiated with officials at agencies where officers of the Commissioned Corps may be assigned, the Secretary shall have the sole authority to deploy any Commissioned Corps officer assigned under this section to an entity outside of the Department of Health and Human Services for service under the Secretary’s direction in response to an urgent or emergency public health care need (as defined in section 204(a)(5) of this title).


CODIFICATION

In subsec. (a), Air Force was inserted on the authority of section 207(a), (f) of act July 26, 1947, ch. 343, title II, 61 Stat. 502, which established a separate Department of the Air Force, and Secretary of Defense Transfer Order No. 40 (App. A(74)), July 22, 1949, which transferred certain functions, insofar as they pertain to the Air Force, which were not previously transferred to the Department of the Air Force and Secretary of the Air Force. Section 207(a), (f) of act July 26, 1947, was repealed by section 53 of act Aug. 10, 1956, ch. 1941, 70 A Stat. 641. Section 1 of act Aug. 10, 1956, enacted “Title 10, Armed Forces”, which in sections 8010 to 8013 continued the Department of the Air Force under the administrative supervision of a Secretary of the Air Force.

AMENDMENTS


1979—Subsec. (c). Pub. L. 96–76, § 309(a), inserted provisions authorizing detail of personnel to appropriate committees of Congress.
subsection referred to as the ‘Secretary’ to be materially related to the functions so transferred, may, if authorized by agreement between the Secretary and the Administrator, and if such officer so elects, acquire such status and be so transferred.

“(2) An election pursuant to paragraph (1) shall be effective only if made in accordance with such procedures as may be prescribed by the Civil Service Commission (A) before the close of the 24th month after the effective date of the plan [Dec. 2, 1970], or (B) in the case of a commissioned officer who would be liable for training and service under the Military Selective Service Act of 1967 [50 U.S.C. 3801 et seq.] but for the operation of section 6(b)(3) thereof [50 U.S.C. App. 456(b)(3)] [now 50 U.S.C. 3806(b)(3)], before (if it occurs later than the close of such 24th month) the close of the 90th day after the day upon which he has completed his 24th month of service as such officer.

“(3)(A) Except as provided in subparagraph (B), any commissioned officer of the Public Health Service who, pursuant to paragraphs (1) and (2), elects to transfer to a position in the Agency which is subject to chapter 51 and subchapter III of chapter 53 of title 5, United States Code, hereinafter referred to as the ‘transferring officer’, shall receive a pay rate of the General Schedule grade of such position which is not less than the sum of the following amounts computed as of the day preceding the date of such election:

(i) the basic pay, the special pay, the continuation pay, and the subsistence and quarters allowances, to which he is annually entitled as a commissioned officer of the Public Health Service pursuant to title 37, United States Code;

(ii) the amount of Federal income tax, as determined by the estimate of the Secretary, which the transferring officer, had he remained a commissioned officer, would have been required to pay on his subsistence and quarters allowances for the taxable year then current if they had not been tax free; and

(iii) an amount equal to the biweekly average cost of the coverages designated ‘high option, self and family’ under the Government-wide Federal employee health benefits programs plans, multiplied by twenty-six; and

(iv) an amount equal to 7 percent of the sum of the amounts determined under clauses (i) through (iii), inclusive.

“(B) A transferring officer shall in no event receive, pursuant to subparagraph (A), a pay rate in excess of the maximum rate applicable under the General Schedule applicable to the class of position, as established under chapter 51 of title 5, United States Code, to which such officer is transferred pursuant to subparagraph (A).

“(4) A transferring officer shall be credited, on the day of his transfer pursuant to his election under paragraphs (1) and (2), with one hour of sick leave for each week of active service, as defined by section 211(d) of the Public Health Service Act [42 U.S.C. 212(d)].

“(B) The annual leave to the credit of a transferring officer on the day before the day of his transfer, shall, on such day, be transferred to his credit in the Agency on an adjusted basis under regulations prescribed by the Civil Service Commission. The portion of such leave, if any, that is in excess of the sum of (1) 240 hours, and (ii) the number of hours that have accrued to the credit of the transferring officer during the calendar year then current and which remain unused, shall thereafter remain to his credit until used, and shall be reduced in the manner described by subsection (c) of section 6304 of title 5, United States Code.

“(S) A transferring officer who is required to change his official station as a result of his transfer under this subsection shall be paid such travel, transportation, and related expenses and allowances, as would be provided pursuant to subchapter II of chapter 57 of title 5, United States Code, in the case of a civilian employee so transferred in the interest of the Government. Such officer shall not (either at the time of such transfer or upon a subsequent separation from the competitive service) be deemed to have separated from, or changed permanent station within, a uniformed service for purposes of section 474 of title 37, United States Code.

“(6) Each transferring officer who prior to January 1, 1958, was insured pursuant to the Federal Employees’ Group Life Insurance Act of 1954, and who subsequently waived such insurance, shall be entitled to become insured under chapter 83 of title 5, United States Code, upon his transfer to the Agency regardless of age and insurability.

“(7)(A) Effective as of the date a transferring officer acquires competitive status as an employee of the Agency, there shall be considered as the civilian service of such officer for all purposes of chapter 83, title 5, United States Code, (i) his active service as defined by section 211(d) of the Public Health Service Act [42 U.S.C. 212(d)], or (ii) any period for which he would have been entitled, upon his retirement as a commissioned officer of the Public Health Service, to a position that is at any time subject to chapter 83 of title 5, United States Code, the amounts due under this subparagraph with respect to any transfer of such officer, shall be paid pursuant to section 211(a)(4)(B) of such Act [42 U.S.C. 212(a)(4)(B)]; however, no transferring officer may become entitled to benefits under both subchapter III of such chapter and title II of the Social Security Act (42 U.S.C. 401 et seq.) based on service as such a commissioned officer performed after 1956, but the individual (or his survivors) may irrevocably elect to waive credit for the service under one such law to secure credit under the other.

“(B) A transferring officer on whose behalf a deposit is required to be made pursuant to subparagraph (C), after transfer to a competitive position in the Agency under paragraphs (1) and (2), is separated from Federal service or transfers to a position not covered by subchapter III of chapter 83 of title 5, United States Code, shall not be entitled, nor shall his survivors be entitled, to a refund of any amount deposited on his behalf in accordance with this section. In the event he transfers, after transfer under paragraphs (1) and (2), to a position covered by another Government staff requirement system under which credit is allowable for service with respect to which a deposit is required under subparagraph (C), no credit shall be allowed under such subchapter III with respect to such service.

“(C) The Secretary shall deposit in the Treasury of the United States to the credit of the Health and Retirement and Disability Fund, on behalf of and to the credit of such transferring officer, an amount equal to that which such individual would be required to deposit in such fund to cover the years of service credited to him for purposes of his retirement under subparagraph (A), had such service been service as an employee as defined in section 8331(1) of title 5, United States Code.

“(8)(A) A commissioned officer of the Public Health Service who, upon the day before the effective date of the plan, is on active service therewith primarily assigned to the performance of functions described in paragraph (1)(A), shall, while he remains in active service, as defined by section 211(d) of the Public Health Service Act [42 U.S.C. 212(d)], be assigned to the performance of duties with the Agency, except as the Secretary and the Administrator may jointly otherwise provide.

§ 216. Regulations

(a) Prescription by President: appointments, retirement, etc.

The President shall from time to time prescribe regulations with respect to the appoint-
§ 217. Use of Service in time of war or emergency

In time of war, or of emergency proclaimed by the President, he may utilize the Service to such extent and in such manner as shall in his judgment promote the public interest. In time of war, or of emergency involving the national defense proclaimed by the President, he may by Executive order declare the commissioned corps of the Service to be a military service. Upon such declaration, and during the period of such war or such emergency or such part thereof as the President shall prescribe, the commissioned corps (a) shall constitute a branch of the land and naval forces of the United States, (b) shall, to the extent prescribed by regulations of the President, be subject to the Uniform Code of Military Justice [10 U.S.C. 801 et seq.], and (c) shall continue to operate as part of the Service except to the extent that the President may direct as Commander in Chief.

(July 1, 1944, ch. 373, title II, §216, 58 Stat. 690; Apr. 27, 1956, ch. 211, §1, 70 Stat. 116.)

REFERENCES IN TEXT

The Uniform Code of Military Justice, referred to in text, is classified to chapter 47 (§801 et seq.) of Title 10, Armed Forces.

AMENDMENTS

1956—Act Apr. 27, 1956, empowered President to declare commissioned corps of the Service to be a military service in time of emergency involving national defense, and substituted “the Uniform Code of Military Justice” for “the Articles of War and to the Articles for the Government of the Navy”.

REPEAL OF PRIOR ACTS CONTINUING SECTION


TRANSFER OF FUNCTIONS

Functions of Public Health Service, Surgeon General of Public Health Service, and all other officers and employees of Public Health Service, and functions of all agencies of or in Public Health Service transferred to Secretary of Health, Education, and Welfare by Reorg. Plan No. 3 of 1966, eff. June 25, 1966, 31 F.R. 8855, 80 Stat. 1610, to section 508(b) of Pub. L. 96–88 which is classified to section 3508(b) of Title 20, Education.

Functions of Federal Security Administrator transferred to Secretary of Health, Education, and Welfare and all agencies of Federal Security Agency transferred to Department of Health, Education, and Welfare by section 5 of Reorg. Plan No. 1 of 1953, set out as a note under section 3501 of this title, Federal Security Agency and office of Administrator abolished by section 8 of Reorg. Plan No. 1 of 1953, Secretary and Department of Health, Education, and Welfare redesignated Secretary and Department of Health and Human Services by section 508(b) of Pub. L. 96–88 which is classified to section 3508(b) of Title 20.

§ 217. Use of Service in time of war or emergency

In time of war, or of emergency proclaimed by the President, he may utilize the Service to such extent and in such manner as shall in his judgment promote the public interest. In time of war, or of emergency involving the national defense proclaimed by the President, he may by Executive order declare the commissioned corps of the Service to be a military service. Upon such declaration, and during the period of such war or such emergency or such part thereof as the President shall prescribe, the commissioned corps (a) shall constitute a branch of the land and naval forces of the United States, (b) shall, to the extent prescribed by regulations of the President, be subject to the Uniform Code of Military Justice [10 U.S.C. 801 et seq.], and (c) shall continue to operate as part of the Service except to the extent that the President may direct as Commander in Chief.

(July 1, 1944, ch. 373, title II, §216, 58 Stat. 690; Apr. 27, 1956, ch. 211, §1, 70 Stat. 116.)

REFERENCES IN TEXT

The Uniform Code of Military Justice, referred to in text, is classified to chapter 47 (§801 et seq.) of Title 10, Armed Forces.

AMENDMENTS

1956—Act Apr. 27, 1956, empowered President to declare commissioned corps of the Service to be a military service in time of emergency involving national defense, and substituted “the Uniform Code of Military Justice” for “the Articles of War and to the Articles for the Government of the Navy”.

REPEAL OF PRIOR ACTS CONTINUING SECTION


TRANSFER OF FUNCTIONS

Functions of Public Health Service, Surgeon General of Public Health Service, and all other officers and employees of Public Health Service, and functions of all agencies of or in Public Health Service transferred to Secretary of Health, Education, and Welfare by Reorg. Plan No. 3 of 1966, eff. June 25, 1966, 31 F.R. 8855, 80 Stat. 1610, to section 508(b) of Pub. L. 96–88 which is classified to section 3508(b) of Title 20, Education.

Functions of Federal Security Administrator transferred to Secretary of Health, Education, and Welfare and all agencies of Federal Security Agency transferred to Department of Health, Education, and Welfare by section 5 of Reorg. Plan No. 1 of 1953, set out as a note under section 3501 of this title, Federal Security Agency and office of Administrator abolished by section 8 of Reorg. Plan No. 1 of 1953, Secretary and Department of Health, Education, and Welfare redesignated Secretary and Department of Health and Human Services by section 508(b) of Pub. L. 96–88 which is classified to section 3508(b) of Title 20, Education.

EXECUTIVE ORDER No. 9575

Ex. Ord. No. 9575, eff. June 28, 1945, 10 F.R. 7895, which declared the Commissioned Corps of the Public Health Service to be a military service subject to the Articles for the Government of the Navy as therein prescribed, was superseded by Ex. Ord. No. 10349, eff. Apr. 28, 1952, 17 F.R. 3769.

EXECUTIVE ORDER No. 10349

Ex. Ord. No. 10349, eff. Apr. 28, 1952, 17 F.R. 3769, superseded Ex. Ord. No. 9575, and subjected the Commissioned Corps of the Public Health Service to the provisions of the Uniform Code of Military Justice until June 1, 1952.

EXECUTIVE ORDER No. 10356

Ex. Ord. No. 10356, eff. June 2, 1952, 17 F.R. 4967, amended Ex. Ord. No. 10349, and extended from June 1, 1952, to June 15, 1952, the period during which the Commissioned Corps of the Public Health Service was subject to the provisions of the Uniform Code of Military justice.

EXECUTIVE ORDER No. 10362

Ex. Ord. No. 10362, eff. June 14, 1952, 17 F.R. 5413, amended Ex. Ord. No. 10356, and extended from June 15,
§ 217a

Advisory councils or committees

(a) Appointment; purpose

The Secretary may, without regard to the provisions of title 5 governing appointments in the competitive service, and without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates, from time to time, appoint such advisory councils or committees (in addition to those authorized to be established under other provisions of law), for such periods of time, as he deems desirable with such period commencing on a date specified by the Secretary for the purpose of advising him in connection with any of his functions.

(b) Compensation and allowances of members not full-time employees of the United States

Members of any advisory council or committee appointed under this section who are not regular full-time employees of the United States shall, while attending meetings or conferences of such council or committee or otherwise engaged on business of such council or committee receive compensation and allowances as provided in section 210(c) of this title for members of national advisory councils established under this chapter.

(c) Delegation of functions

Upon appointment of any such council or committee, the Secretary may delegate to such council or committee such advisory functions relating to grants-in-aid for research or training projects or programs, in the areas or fields with which such council or committee is concerned, as the Secretary determines to be appropriate.

References in Text

The General Schedule, referred to in subsec. (a), is set out under section 5332 of Title 5.

Amendments

1952—Subsec. (c). Pub. L. 99–151 amended subsec. (c) generally. Prior to amendment, subsec. (c) read as follows: "Upon appointment of any such council or committee, the Surgeon General, with the approval of the Secretary, may transfer such of the functions of the National Advisory Health Council relating to grants-in-aid for research or training projects or programs in the areas or fields with which such council or committee is concerned as he determines to be appropriate."

1970—Subsec. (a). Pub. L. 91–515, §601(a)(3), (c), substituted provisions authorizing the Secretary to appoint advisory councils or committees without regard to specified provisions governing appointments in the competitive service and relating to classification and general schedule pay rates, for provisions authorizing the Surgeon General to appoint advisory committees without regard to the civil service laws and subject to the Secretary's approval in such cases as he prescribed.

Subsec. (b). Pub. L. 91–515, §601(a)(3), (c), inserted "council or" before "committee" wherever appearing.

Subsec. (c). Pub. L. 91–515, §601(a)(3), (c)(2), inserted "council or" before "committee" wherever appearing, and "or programs" after "projects".

Transfer of Functions


Termination of Advisory Committees; Report by Secretary to Congressional Committees Relating to Termination

Pub. L. 93–641, §6, Jan. 4, 1975, 88 Stat. 2275, provided that:

"(a) An advisory committee established by or pursuant to the Public Health Service Act [42 U.S.C. 201 et seq.], the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963 [former 42 U.S.C. 2689 et seq., 6001 et seq.], or the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970 [42 U.S.C. 4541 et seq.] shall terminate at such time as may be specifically prescribed by an Act of Congress enacted after the date of the enactment of this Act [Jan. 4, 1975].

"(b) The Secretary of Health, Education, and Welfare shall report, within one year after the date of the enactment of the Act [Jan. 4, 1975], to the Committee on Interstate and Foreign Commerce of the House of Representatives (1) the purpose and use of each advisory committee established by or pursuant to the Public Health Service Act, the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963, or the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970 and (2) his recommendations respecting the termination of each such advisory committee."

§ 217a–1. Advisory committees; prohibition of consideration of political affiliations

All appointments to advisory committees established to assist in implementing the Public Health Service Act [42 U.S.C. 201 et seq.], and the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970 [42 U.S.C. 4541 et seq.], shall be made without regard to political affiliation.

References in Text

The Public Health Service Act, referred to in text, is act July 1, 1944, ch. 373, 58 Stat. 682, which is classified generally to this chapter (4201 et seq.). For complete text, see section 201 of this title.
classification of this Act to the Code, see Short Title note set out under section 201 of this title and Tables.

The Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970, referred to in text, is Pub. L. 91–616, Dec. 31, 1970, 84 Stat. 1848, as amended, which is classified principally to chapter 60 (§ 4541 et seq.) of this title. For complete classification of this Act to the Code, see Short Title note set out under section 4541 of this title and Tables.

**Codification**

Section was not enacted as a part of the Public Health Service Act which comprises this chapter.

**Amendments**


§ 217b. Volunteer services

Subject to regulations, volunteer and uncompensated services may be accepted by the Secretary, or by any other officer or employee of the Department of Health and Human Services designated by him, for use in the operation of any health care facility or in the provision of health care.


**Amendments**


§ 218. National Advisory Councils on Migrant Health

(a) Appointment; duties

Within 120 days of July 29, 1975, the Secretary shall appoint and organize a National Advisory Council on Migrant Health (hereinafter in this subsection referred to as the “Council”) which shall advise, consult with, and make recommendations to the Secretary on matters concerning the organization, operation, selection, and funding of migrant health centers and other entities under grants and contracts under section 254b 1 of this title.

(b) Membership

The Council shall consist of fifteen members, at least twelve of whom shall be members of the governing boards of migrant health centers or other entities assisted under section 254b 1 of this title. Of such twelve members who are members of such governing boards, at least nine shall be chosen from among those members of such governing boards who are being served by such centers or grantees and who are familiar with the delivery of health care to migratory agricultural workers and seasonal agricultural workers. The remaining three Council members shall be individuals qualified by training and experience in the medical sciences or in the administration of health programs.

(c) Terms of office

Each member of the Council shall hold office for a term of four years, except that (1) any member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed for the remainder of such term; and (2) the terms of the members first taking office after July 29, 1975, shall expire as follows: four shall expire four years after such date, four shall expire three years after such date, four shall expire two years after such date, and three shall expire one year after such date, as designated by the Secretary at the time of appointment.

(d) Applicability of section 14(a) of Federal Advisory Committee Act

Section 14(a) of the Federal Advisory Committee Act shall not apply to the Council.


**References in Text**

Section 254b of this title, referred to in subsecs. (a) and (b), was in the original a reference to section 329 of the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970, which was omitted in the general amendment of subpart I (§ 254b et seq.) of part D of subchapter II of this chapter by Pub. L. 101–253, § 2, Oct. 11, 1986, 100 Stat. 3626. Section 2 of Pub. L. 101–253 enacted a new section 329 of act July 1, 1944, which is classified to section 254b of this title.

Section 14(a) of the Federal Advisory Committee Act, referred to in subsec. (d), is section 14(a) of Pub. L. 91–616, as amended, which is set out in the Appendix to Title 5, Government Organization and Employees.

**Amendments**

1986—Pub. L. 99–570 redesignated former subsec. (e)(1) to (4) as subsecs. (a) to (d), respectively, in subsec. (c), further redesignated former cls. (A) and (B) as (1) and (2), respectively, and struck out former subsec. (a) to (d), which related, respectively, to composition, qualifications, appointment and tenure of the National Advisory Mental Health Council and the National Advisory Council on Alcohol Abuse and Alcoholism; duties of the National Advisory Mental Health Council; duties of the National Advisory Council on Alcohol Abuse and Alcoholism; and the composition, qualifications, and duties of the National Advisory Council on Drug Abuse.

Subsec. (c), Pub. L. 99–660 which directed that “section 300cc of this title’’ be substituted for “section 300aa of this title’’ could not be executed because the

---

1 See References in Text note below.
reference in question appeared in former subsec. (c) which was repealed by Pub. L. 99–570.

1985—Subsec. (a), Pub. L. 99–158, § 3(a)(2)(A), in first sentence substituted “the National Advisory Council on Alcohol Abuse and Alcoholism” for “National Advisory Mental Health Council and the National Advisory Council on Alcohol Abuse and Alcoholism” for “National Advisory Health Council, the National Advisory Mental Health Council, and the National Advisory Council on Alcohol Abuse and Alcoholism,” and the National Advisory Dental Research Council”, and substituted “by the Secretary” for “by the Surgeon General with the approval of the Secretary of Health, Education, and Welfare”.

Pub. L. 99–158, § 3(a)(2)(B)(i), in second sentence struck out “in the case of the National Advisory Health Council, are skilled in the sciences related to health, and” after “scientific authorities who.”

Pub. L. 99–158, § 3(a)(2)(B)(ii), which directed the substitution in second sentence of “the National Advisory Mental Health Council and the National Advisory Council on Alcohol Abuse and Alcoholism” for “‘the National Advisory Mental Health Council, the National Advisory Council on Alcohol Abuse and Alcoholism, and the National Advisory Dental Research Council’” was executed by making the substitution for “‘the National Advisory Mental Health Council, the National Advisory Council on Alcohol Abuse and Alcoholism, and the National Advisory Dental Research Council’” and the probable intent of Congress in view of the prior deletion of “the National Advisory Heart Council,” by Pub. L. 92–423. See 1972 Amendment note below.

Pub. L. 99–158, § 3(a)(2)(C), struck out third sentence which provided that in the case of the National Advisory Dental Research Council, four of the six members selected from among the leading medical or scientific authorities be dentists.

Subsec. (b), Pub. L. 99–158, § 3(a)(3), redesignated subsec. (c) as (b) and struck out former subsec. (b) which related to the duties of the National Advisory Health Council.

Subsecs. (c) to (e), (g), Pub. L. 99–158, § 3(a)(3), redesignated subsecs. (d), (e), and (g) as (c), (d), and (e), respectively.

1984—Subsec. (a), Pub. L. 98–509 inserted provision requiring the Secretary to assure that the membership of the National Advisory Council on Alcohol Abuse and Alcoholism is broadly representative of experts in the fields of prevention, research, and treatment of alcoholism.

Subsec. (b), Pub. L. 99–158, § 3(a)(3), redesignated subsec. (c) as (b) and struck out former subsec. (b) which related to the duties of the National Advisory Health Council.

Subsecs. (c) to (e), (g), Pub. L. 99–158, § 3(a)(3), redesignated subsecs. (d), (e), and (g) as (c), (d), and (e), respectively.

1983—Subsecs. (c), (d), Pub. L. 98–24 substituted “section 300aa-1 of this title” for “section 219 of this title”.

1980—Subsec. (a), Pub. L. 96–180 authorized appointees to serve after the expiration of their terms until their successors have taken office.

Subsec. (c)(1), Pub. L. 96–181, in provisions relating to the eligibility for selection of members, inserted officers or employees of State and local drug abuse agencies, and inserted provision that appointed members may serve after the expiration of their terms until their successors have taken office.

1976—Subsec. (d), Pub. L. 94–622 struck out subsec. (f) which related to the establishment of a National Advisory Council for the Protection of Subjects of Biomedical and Behavioral Research.

Subsec. (g)(1), (2), Pub. L. 95–626 substituted “section 254b” for “section 247d”.

1975—Subsec. (g), Pub. L. 94–63 added subsec. (g).


1972—Subsec. (a), Pub. L. 92–423, § 7(a)(1), (2), struck out “the National Advisory Heart Council,” after “the National Advisory Council on Alcohol Abuse and Alcoholism” in two places and “heart diseases,” after “alcohol abuse and alcoholism,” respectively.


Subsec. (e), Pub. L. 92–255 added subsec. (e).


1970—Subsec. (a), Pub. L. 91–616, § 401(a), made subsection applicable to National Advisory Council on Alcohol Abuse and Alcoholism, and inserted alcohol abuse and alcoholism to enumeration of diseases concerning which members of such Council must be skilled, and prescribed manner in which terms of members of Council would expire.

Subsec. (b), Pub. L. 91–616, § 401(b), inserted reference to National Advisory Council on Alcohol Abuse and Alcoholism authorizing the Surgeon General to utilize the services of members of such Council for additional periods.

Pub. L. 91–515 inserted “or committees” after “councils”.

Subsec. (d), Pub. L. 91–616, § 401(c), added subsec. (d).

1950—Act Aug. 15, 1950, § 3(d), amended section catchline to reflect addition of new advisory councils.

Subsec. (a), Act Aug. 15, 1950, § 3(a), applied provisions to all of the advisory councils with regard to composition, qualifications, and appointment and tenure of members.

Subsec. (b), Act Aug. 15, 1950, § 3(b), made subsection also applicable to new advisory councils.

Subsec. (c), Act Aug. 15, 1950, § 3(c), redesignated subsec. (e) as (c) and repealed former subsec. (c).

Subsecs. (d), (f), (g), Act Aug. 15, 1950, § 3(c), repealed subsecs. (d), (f), and (g).

1948—Acts June 16, 1948, § 4(c), and June 24, 1948, § 4(c), included in section catchline the National Advisory Heart and Dental Research Councils, respectively.

Subsec. (a), Act June 16, 1948, § 6(b), substituted “National Institutes of Health” for “National Institute of Health” in second sentence.

Subsec. (b), Acts June 16, 1948, § 4(b), and June 24, 1948, § 4(b), made subsection applicable to the National Advisory Heart Council and the National Advisory Dental Research Council, respectively.

Subsec. (f), Act June 16, 1948, § 4(a), added subsec. (f) which established the National Advisory Heart Council.

Subsec. (g), Act June 24, 1948, § 4(a), added subsec. (g) which established the National Advisory Dental Research Council.


Subsec. (b), Act July 3, 1946, inserted “or of the National Advisory Mental Health Council”.

Subsecs. (d), (e), Act July 3, 1946, added subsecs. (d) and (e).

EFFECTIVE DATE OF 1978 AMENDMENT
Pub. L. 95–622, title III, § 302(b), Nov. 9, 1978, 92 Stat. 3442, provided that the amendment made by that section is effective Nov. 1, 1978.

EFFECTIVE DATE OF 1975 AMENDMENT
Amendment by Pub. L. 94–63 effective July 1, 1975, see section 608 of Pub. L. 94–63, set out as a note under section 247b of this title.

EFFECTIVE DATE OF 1974 AMENDMENT
provided that: ‘‘The amendment made by subsection (a) (amending this section) shall take effect November 1, 1978.’’

Effective Date of 1972 Amendment
Pub. L. 92–423, § 9, Sept. 19, 1972, 86 Stat. 687, provided that: ‘‘This Act and the amendments made by this Act (see Short Title of 1972 Amendment note under section 201 of this title) shall take effect sixty days after the date of enactment of this Act [Sept. 19, 1972] or on such prior date after the date of enactment of this Act as the President shall prescribe and publish in the Federal Register.’’

Effective Date of 1971 Amendment

‘‘(a) This Act and the amendments made by this Act (enacting sections 284a to 284g of this title, amending this section and sections 241, 282, 283, and 284 of this title, and enacting provisions set out as notes under sections 281 and 286 of this title) shall take effect sixty days after the date of enactment of this Act [Dec. 23, 1971] or on such prior date after the date of enactment of this Act as the President shall prescribe and publish in the Federal Register.’’

‘‘(b) The first sentence of section 454 of the Public Health Service Act [former 42 U.S.C. 286f] (added by section 5 of this Act) shall apply only with respect to appointments made after the effective date of this Act (as prescribed by subsection (a)).’’

‘‘(c) Notwithstanding the provisions of subsection (a), members of the National Cancer Advisory Board (authorized under section 410B of the Public Health Service Act, as added by this Act) (former 42 U.S.C. 286f) may be appointed, in the manner provided for in such section, at any time after the date of enactment of this Act [Dec. 23, 1971]. Such officers shall be compensated from the date they first take office, at the rates provided for in such section 410B.’’

Effective Date of 1950 Amendment
Act Aug. 15, 1950, ch. 714, § 3(a), (c), 64 Stat. 446, provided that the amendments and repeals made by section 3(a) and (c) are effective Oct. 1, 1950.

Transfer of Functions
Functions of Public Health Service, Surgeon General of Public Health Service, and all other officers and employees of Public Health Service, and functions of all agencies of or in Public Health Service transferred to Secretary of Health, Education, and Welfare by Reorg. Plan No. 3 of 1966, eff. Jan. 25, 1966, 31 F.R. 8855, 80 Stat. 1610, set out as a note under section 202 of this title. Secretary of Health, Education, and Welfare redesignated Secretary of Health and Human Services by section 509(b) of Pub. L. 98–28 which is classified to section 3508(b) of Title 20, Education.


For transfer of certain membership functions, insofar as they pertain to the Air Force, which functions were not previously transferred from Secretary of the Army to Secretary of the Air Force and from Department of the Army to Department of the Air Force, see Secretary of Defense Transfer Order No. 46 [App. C(7)], July 22, 1949.

Reference to Community, Migrant, Public Housing, or Homeless Health Center Considered Reference to Health Center
Reference to community health center, migrant health center, public housing health center, or homeless health center considered reference to health center, see section 4(c) of Pub. L. 104–299, set out as a note under section 254b of this title.

Expiration of Terms of Office on September 30, 1950
Act Aug. 15, 1950, ch. 714, § 3(c), 64 Stat. 446, provided in part that terms of office as members of national advisory councils pursuant to this section subsisting on Sept. 30, 1950, shall expire at the close of business on such day.

Termination of National Advisory Health Council

Termination of Advisory Committees
Pub. L. 93–641, § 6, Jan. 4, 1974, 88 Stat. 2275, set out as a note under section 217a of this title, provided that an advisory committee established pursuant to the Public Health Service Act shall terminate at such time as may be specifically prescribed by an Act of Congress enacted after Jan. 4, 1975.

§ 218a. Training of officers
(a) In general
Appropriations available for the pay and allowances of commissioned officers of the Service shall also be available for the pay and allowances of any such officer on active duty while attending any Federal or non-Federal educational institution or training program and, subject to regulations of the President and to the limitation prescribed in such appropriations, for payment of his tuition, fees, and other necessary expenses incident to such attendance.

(b) Voluntary separation within period subsequent to attendance
Any officer whose tuition, fees, and other necessary expenses are paid pursuant to subsection (a) while attending an educational institution or training program for a period in excess of thirty days shall be obligated to pay to the Service an amount equal to two times the total amount of such tuition, fees, and other necessary expenses received by such officer during such period, and two times the total amount of any compensation received by, and any allowance paid to, such officer during such period, if after return to active service such officer voluntarily leaves the Service within (1) six months, or (2) twice the period of such attendance, whichever is greater. Such subsequent period of service shall commence upon the cessation of such attendance and of any further continuous period of training duty for which no tuition and fees are paid by the Service and which is part of the officer’s prescribed formal training program, provided such further training is at a Service facility or otherwise. The Surgeon General may waive, in whole or in part, any payment which may be required by this subsection upon a determination that
such payment would be inequitable or would not be in the public interest.

(c) Training in leave without pay status

A commissioned officer may be placed in leave without pay status while attending an educational institution or training program whenever the Secretary determines that such status is in the best interest of the Service. For purposes of computation of basic pay, promotion, retirement, compensation for injury or death, and the benefits provided by sections 213 and 233 of this title, an officer in such status pursuant to the preceding sentence shall be considered as performing service in the Service and shall have an active service obligation as set forth in subsection (b) of this section.


AMENDMENTS


1979—Subsec. (a). Pub. L. 96–126 substituted provisions relating to payment by an officer to the Service upon voluntary separation of two times the total amount of tuition, fees, and other necessary expenses received by such officer and two times the total amount of any compensation received by, and any allowance paid to, such officer, for provisions relating to reimbursement by the officer to the Service upon voluntary separation of tuition and fees and in last sentence substituted ‘‘payment’’ for ‘‘reimbursement’’ wherever appearing.

1956—Subsec. (a). Act Apr. 27, 1956, § 6(a), authorized training of all officers of the Service, and substituted ‘‘any Federal or non-Federal educational institution or training program’’ for ‘‘any educational institution’’.

1946—Subsec. (b). Act Apr. 27, 1946, § 6(b), required reimbursement of tuition and fees by officers who receive training in excess of 30 days and who voluntarily leave the Service within a period of time which is equal to twice the period of such training, with a minimum period of six months of service, and a maximum period of two years, and permitted the Surgeon General to waive any reimbursement.

TRANSFER OF FUNCTIONS

Functions of Public Health Service, Surgeon General of Public Health Service, and all other officers and employees of Public Health Service, and functions of all agencies of or in Public Health Service transferred to Secretary of Health, Education, and Welfare by Reorg. Plan No. 3 of 1966, eff. June 25, 1966, 31 F.R. 8855, 80 Stat. 1610, set out as a note under section 202 of this title. Secretary of Health, Education, and Welfare redesignated Secretary of Health and Human Services by section 506(b) of Pub. L. 96–641, which is classified to section 358(b) of Title 20, Education.

DELTERATION OF FUNCTIONS

Functions of President delegated to Secretary of Health and Human Services, see Ex. Ord. No. 11140, Jan. 30, 1969, 24 F.R. 1637, as amended, set out as a note under section 202 of this title.

§§ 219 to 224. Transferred

CODIFICATION


Section 220, act July 1, 1944, ch. 373, title V, § 502, 58 Stat. 710, which related to use of immigration station hospitals, was successively renumbered by subsequent acts and transferred, see section 230a of this title.

Section 221, act July 1, 1944, ch. 373, title V, § 503, 58 Stat. 710, which related to disposition of money collected for care of patients, was successively renumbered by subsequent acts and transferred, see section 238b of this title.

Section 222, acts July 1, 1944, ch. 373, title V, § 504, 58 Stat. 710, June 25, 1948, ch. 654, § 6, 62 Stat. 1018, 1953 Reorg. Plan No. 1, §§ 5, 8, eff. Apr. 11, 1953, 18 F.R. 2053, 67 Stat. 631, which related to care of Service patients at Saint Elizabeths Hospital, was successively renumbered section 2104 of act July 1, 1944, by Pub. L. 98–24 and transferred to section 300aa–3 of this title, renumbered section 2304 of act July 1, 1944, by Pub. L. 99–660 and transferred to section 300cc–3 of this title, and was repealed by Pub. L. 98–621, § 10(s), Nov. 8, 1984, 98 Stat. 3381.


Section 224, acts July 1, 1944, ch. 373, title V, § 506, 58 Stat. 710; July 15, 1944, ch. 507, § 14(b), 60 Stat. 461, which related to transportation of remains of officers, was successively renumbered by subsequent acts and transferred, see section 238c of this title.

A new title V (§ 501 et seq.) of the Public Health Service Act was added by Pub. L. 98–24, § 2(b), Apr. 26, 1983, 97 Stat. 177, and is classified to subchapter III–A (§ 290aa et seq. of this title).


Section, acts July 1, 1944, ch. 373, title V, § 507, 58 Stat. 711; Feb. 25, 1946, ch. 35, § 2, 60 Stat. 30, provided for settlement of accounts of deceased officers. See section 2771 of Title 10, Armed Forces, and section 714 of Title 32, National Guard.

Effective Date of Repeal

Repeal effective as of effective date of payment provisions of sections 361 to 365 of former Title 37, Pay and Allowances, except with respect to the deaths of members, see section 5 of act July 12, 1955.

§§ 225a to 227. Transferred

CODIFICATION


A prior section 507 of act July 1, 1944, ch. 373, title V, providing for settlement of accounts of deceased officers, was classified to section 225 of this title and subsequently repealed.

Section 226, act July 1, 1944, ch. 373, title V, § 508, 58 Stat. 711; 1953 Reorg. Plan No. 1, §§ 5, 8, eff. Apr. 11, 1953, 18 F.R. 2053, 67 Stat. 631; 1970 Reorg. Plan No. 2, § 102, eff. July 1, 1970, 35 F.R. 7859, 84 Stat. 2365, which related to transfer of funds between appropriations, was successively renumbered by subsequent acts and transferred, see section 238e of this title.
Section 227, acts July 1, 1944, ch. 373, title V, §509 58 Stat. 711; June 16, 1948, ch. 481, §6(b), 62 Stat. 469; June 25, 1948, ch. 654, §7, 62 Stat. 1018; Reorg. Plan No. 1 of 1949 § 401, 63 Stat. 631, which related to availability of appropriations for carrying out purposes of this chapter, was successively renumbered by subsequent acts and transferred, see section 238f of this title.

§ 227a. Omitted

CODIFICATION

Section, Pub. L. 90–132, title II, §204, Nov. 8, 1967, 81 Stat. 407, which provided that appropriations to the Public Health Service be available for research grants to hospitals of the Service, the Bureau of Prisons, Department of Justice, and to Saint Elizabeth Hospital, on the same terms and conditions as grants to non-Federal institutions, was enacted part of the Department of Health, Education, and Welfare Appropriation Act, 1968, and not as part of the Public Health Service Act which comprises this chapter, and was not repealed in subsequent appropriation acts. See section 300cc–6 of this title. Similar provisions were contained in the following prior appropriation acts:


§§ 228 to 229d. Transferred

CODIFICATION

Section 228, acts July 1, 1944, ch. 373, title V, §510, 58 Stat. 711; June 25, 1948, ch. 481, §5, 62 Stat. 459, which related to wearing of uniforms, was successively renumbered by subsequent acts and transferred, see section 238g of this title.

Section 229, act July 1, 1944, ch. 373, title V, §511, 58 Stat. 711; 1953 Reorg. Plan No. 1, §§5, 8, eff. Apr. 11, 1953, 18 F.R. 2053, 67 Stat. 631, which related to an annual report by Surgeon General, was successively renumbered by subsequent acts and transferred, see section 238h of this title.

Section 229a, act July 1, 1944, ch. 373, title V, §512, as added Oct. 15, 1958, Pub. L. 90–574, title V, §503(a), 82 Stat. 1012, which related to memorials and other acts and transferred, see section 238j of this title.


Section 229c, act July 1, 1944, ch. 373, title V, §514, as added Nov. 9, 1978, Pub. L. 95–623, §11(e), 92 Stat. 3456, which related to contract authority of Secretary, was successively renumbered by subsequent acts and transferred, see section 238h of this title.


§ 230. Repealed. Apr. 27, 1956, ch. 211, §5(e), 70 Stat. 117


§ 231. Service and supply fund; uses; reimbursement

A service and supply fund of $230,000 is established, without fiscal year limitation, for the payment of salaries, travel, and other expenses necessary to the maintenance and operation of (1) a service supply for the purchase, storage, handling, issuance, packing, or shipping of stationery, supplies, materials, equipment, and blank forms, for which stocks may be maintained to meet, in whole or in part, requirements of the Public Health Service and requisitions of other Government Offices, and (2) such other services as the Surgeon General, with the approval of the Secretary of Health and Human Services, determines may be performed more advantageously as central services; said fund to be reimbursed from applicable appropriations or funds available when services are performed or stock furnished, or in advance, on a basis of rates which shall include estimated or actual charges for personal services, materials, equipment (including maintenance, repairs, and depreciation), and other expenses.


CODIFICATION

Section is from the Federal Security Appropriation Act, 1946, act July 3, 1945, and was not enacted as part of the Public Health Service Act which comprises this chapter.

AMENDMENTS


TRANSFER OF FUNCTIONS

Functions of Public Health Service, Surgeon General of Public Health Service, and all other officers and employees of Public Health Service, and functions of all agencies of or in Public Health Service transferred to Secretary of Health, Education, and Welfare by Reorg. Plan No. 3 of 1966, eff. June 25, 1966, 31 F.R. 8855, 80 Stat. 1610, set out as a note under section 202 of this title. Secretary of Health, Education, and Welfare redesignated Secretary of Health and Human Services by section 509(b) of Pub. L. 96–88 which is classified to section 358(b) of Title 20, Education.


§ 232. National Institute of Mental Health; authorization of appropriation; construction; location

There is authorized to be appropriated a sum not to exceed $7,500,000 for the erection and
equipment, for the use of the Public Health Service in carrying out the provisions of this Act, of suitable and adequate hospital buildings and facilities, including necessary living quarters for personnel, and of suitable and adequate laboratory buildings and facilities, and such buildings and facilities shall be known as the National Institute of Mental Health. The Administrator of General Services is authorized to acquire, by purchase, condemnation, donation, or otherwise, a suitable and adequate site or sites, selected on the advice of the Surgeon General of the Public Health Service, in or near the District of Columbia for such buildings and facilities, and to erect thereon, furnish, and equip such buildings and facilities. The amount authorized to be appropriated in this section shall include the cost of preparation of drawings and specifications, supervision of construction, and other administrative expenses incident to the work: Provided, That the Administrator of General Services shall prepare the plans and specifications, make all necessary contracts, and supervise construction.


REFERENCES IN TEXT

This Act, referred to in text, is act July 3, 1946, ch. 538, 60 Stat. 421, as amended, known as the National Mental Health Act, which enacted sections 232 and 242a of this title, amended sections 201, 209, 210, 215, 218, 219, 241, 244, and 246 of this title, and enacted provisions set out as notes under section 201 of this title. For complete classification of this Act to the Code, see Short Title of 1946 Amendment note set out under section 201 of this title and Tables.

CODIFICATION

Section was enacted as a part of the National Mental Health Act, and not as a part of the Public Health Service Act which comprises this chapter.

TRANSFER OF FUNCTIONS

Functions of Public Health Service, Surgeon General of Public Health Service, and all other officers and employees of Public Health Service, and functions of all agencies of or in Public Health Service transferred to Secretary of Health, Education, and Welfare by Reorg. Plan No. 3 of 1966, eff. June 25, 1966, 31 F.R. 8855, 80 Stat. 1610, set out as a note under section 202 of this title. Secretary of Health, Education, and Welfare redesignated Secretary of Health and Human Services by section 509(b) of Pub. L. 96–88 which is classified to section 3508(b) of Title 20, Education.

Functions of Federal Works Agency and of all agencies thereof, together with functions of Federal Works Administrator transferred to Administrator of General Services by section 103(a) of act June 30, 1949. Both Federal Works Agency and office of Federal Works Administrator abolished by section 103(b) of that act. See Historical and Revision Notes under section 303(b) of Title 40, Public Buildings, Property, and Works. Section 303(b) of Title 40 was amended generally by Pub. L. 109–313, § 2(a)(1), Oct. 6, 2006, 120 Stat. 1734, and, as so amended, no longer relates to the Federal Works Agency and Commissioner of Public Buildings. See 2006 Amendment note under section 303 of Title 40.

EFFECTIVE DATE OF TRANSFER OF FUNCTIONS

Transfer of functions by act June 30, 1949, effective July 1, 1949, see section 605, formerly section 505, of act June 30, 1949, ch. 288, 63 Stat. 493; renumbered by act Sept. 5, 1950, ch. 489, § 6(a), (b), 64 Stat. 583.

§ 233. Civil actions or proceedings against commissioned officers or employees

(a) Exclusiveness of remedy

The remedy against the United States provided by sections 1346(b) and 2672 of title 28, or by alternative benefits provided by the United States where the availability of such benefits precludes a remedy under section 1346(b) of title 28, for damage for personal injury, including death, resulting from the performance of medical, surgical, dental, or related functions, including the conduct of clinical studies or investigation, by any commissioned officer or employee of the Public Health Service while acting within the scope of his office or employment, shall be exclusive of any other civil action or proceeding by reason of the same subject-matter against the officer or employee (or his estate) whose act or omission gave rise to the claim.

(b) Attorney General to defend action or proceeding; delivery of process to designated official; furnishing of copies of pleading and process to United States attorney, Attorney General, and Secretary

The Attorney General shall defend any civil action or proceeding brought in any court against any person referred to in subsection (a) of this section (or his estate) for any such damage or injury. Any such person against whom such civil action or proceeding is brought shall deliver within such time after date of service or knowledge of service as determined by the Attorney General, all process served upon him or an attested true copy thereof to his immediate superior or to whomver was designated by the Secretary to receive such papers and such person shall promptly furnish copies of the pleading and process therein to the United States attorney for the district embracing the place wherein the proceeding is brought, to the Attorney General, and to the Secretary.

(c) Removal to United States district court; procedure; proceeding upon removal deemed a tort action against United States; hearing on motion to remand to determine availability of remedy against United States; remand to State court or dismissal

Upon a certification by the Attorney General that the defendant was acting in the scope of his employment at the time of the incident out of which the suit arose, any such civil action or proceeding commenced in a State court shall be removed without bond at any time before trial by the Attorney General to the district court of the United States of the district and division embracing the place wherein it is pending and the proceeding deemed a tort action brought against the United States under the provisions of title 28 and all references thereto. Should a United States district court determine on a hearing on a motion to remand held before a trial on the merit that the case so removed is one in which a remedy by suit within the meaning of subsection (a) of this section is not available against the United States, the case shall be remanded to the State Court: Provided, That where such a remedy is precluded because of the availability of a remedy through proceedings for compensation or other benefits from the United States, the remedy against the United States so precluded shall be exclusive of any other civil action or proceeding for such compensation or other benefits.
States as provided by any other law, the case shall be dismissed, but in the event the running of any limitation of time for commencing, or filing an application or claim in, such proceedings for compensation or other benefits shall be deemed to have been suspended during the pendency of the civil action or proceeding under this section.

(d) Compromise or settlement of claim by Attorney General

The Attorney General may compromise or settle any claim asserted in such civil action or proceeding in the manner provided in section 2677 of title 28 and with the same effect.

(e) Assault or battery

For purposes of this section, the provisions of section 2680(h) of title 28 shall not apply to assault or battery arising out of negligence in the performance of medical, surgical, dental, or related functions, including the conduct of clinical studies or investigations.

(f) Authority of Secretary or designee to hold harmless or provide liability insurance for assigned or detailed employees

The Secretary or his designee may, to the extent that he deems appropriate, hold harmless or provide liability insurance for any officer or employee of the Public Health Service for damage for personal injury, including death, negligently caused by such officer or employee while acting within the scope of his office or employment and as a result of the performance of medical, surgical, dental, or related functions, including the conduct of clinical studies or investigations, if such employee is assigned to a foreign country or detailed to a State or political subdivision thereof or to a non-profit institution, and if the circumstances are such as are likely to preclude the remedies of third persons against the United States described in section 2679(b) of title 28, for such damage or injury.

(g) Exclusivity of remedy against United States for entities deemed Public Health Service employees; coverage for services furnished to individuals other than center patients; application process; subrogation of medical malpractice claims; applicable period; entity and contractor defined

(1)(A) For purposes of this section and subject to the approval by the Secretary of an application under subparagraph (D), an entity described in paragraph (4), and any officer, governing board member, or employee of such an entity, and any contractor of such an entity who is a physician or other licensed or certified health care practitioner (subject to paragraph (5)), shall be deemed to be an employee of the Public Health Service for a calendar year that begins during a fiscal year for which a transfer was made under subsection (k)(3)(subject to paragraph (3)). The remedy against the United States for an entity described in paragraph (4) and any officer, governing board member, employee, or contractor (subject to paragraph (3)) of such an entity who is deemed to be an employee of the Public Health Service pursuant to this paragraph shall be exclusive of any other civil action or proceeding to the same extent as the remedy against the United States is exclusive pursuant to subsection (a).

(B) The deeming of any entity or officer, governing board member, employee, or contractor of the entity to be an employee of the Public Health Service for purposes of this section shall apply with respect to services provided—

(i) to all patients of the entity, and

(ii) subject to subparagraph (C), to individuals who are not patients of the entity.

(C) Subparagraph (B)(ii) applies to services provided to individuals who are not patients of an entity if the Secretary determines, after reviewing an application submitted under subparagraph (D), that the provision of the services to such individuals—

(i) benefits patients of the entity and general populations that could be served by the entity through community-wide intervention efforts within the communities served by such entity;

(ii) facilitates the provision of services to patients of the entity; or

(iii) are otherwise required under an employment contract (or similar arrangement) between the entity and an officer, governing board member, employee, or contractor of the entity.

(D) The Secretary may not under subparagraph (A) deem an entity or an officer, governing board member, employee, or contractor of the entity to be an employee of the Public Health Service for purposes of this section, and may not apply such deeming to services described in subparagraph (B)(ii), unless the entity has submitted an application for such deeming to the Secretary in such form and such manner as the Secretary shall prescribe. The application shall contain detailed information, along with supporting documentation, to verify that the entity, and the officer, governing board member, employee, or contractor of the entity, as the case may be, meets the requirements of subparagraphs (B) and (C) of this paragraph and that the entity meet the requirements of paragraphs (1) through (4) of subsection (h).

(E) The Secretary shall make a determination of whether an entity or an officer, governing board member, employee, or contractor of the entity is deemed to be an employee of the Public Health Service for purposes of this section within 30 days after the receipt of an application under subparagraph (D). The determination of the Secretary that an entity or an officer, governing board member, employee, or contractor of the entity is deemed to be an employee of the Public Health Service for purposes of this section shall apply for the period specified by the Secretary under subparagraph (A).

(F) Once the Secretary makes a determination that an entity or an officer, governing board member, employee, or contractor of an entity is deemed to be an employee of the Public Health Service for purposes of this section, the determination shall be final and binding upon the Secretary and the Attorney General and other parties to any civil action or proceeding. Except as provided in subsection (l), the Secretary and the Attorney General may not determine that the provision of services which are the subject of
such a determination are not covered under this section.

(G) In the case of an entity described in paragraph (4) that has not submitted an application under subparagraph (D):

(i) The Secretary may not consider the entity in making estimates under subsection (k)(1).

(ii) This section does not affect any authority of the entity to purchase medical malpractice liability insurance coverage with Federal funds provided to the entity under section 254b, 254b, or 256a of this title.\(^2\)

(H) In the case of an entity described in paragraph (4) for which an application under subparagraph (D) is in effect, the entity may, through notifying the Secretary in writing, elect to terminate the applicability of this subsection to the entity. With respect to such election by the entity:

(i) The election is effective upon the expiration of the 30-day period beginning on the date on which the entity submits such notification.

(ii) Upon taking effect, the election terminates the applicability of this subsection to the entity and each officer, governing board member, employee, and contractor of the entity.

(iii) Upon the effective date for the election, clauses (i) and (ii) of subparagraph (G) apply to the entity to the same extent and in the same manner as such clauses apply to an entity that has not submitted an application under subparagraph (D).

(iv) If after making the election the entity submits an application under subparagraph (D), the election does not preclude the Secretary from approving the application (and thereby restoring the applicability of this subsection to the entity and each officer, governing board member, employee, and contractor of the entity, subject to the provisions of this subsection and the subsequent provisions of this section).

(2) If, with respect to an entity or person deemed to be an employee for purposes of paragraph (1), a cause of action is instituted against the United States pursuant to this section, any claim of the entity or person for benefits under an insurance policy with respect to medical malpractice relating to such cause of action shall be subrogated to the United States.

(3) This subsection shall apply with respect to a cause of action arising from an act or omission which occurs on or after January 1, 1993.

(4) An entity described in this paragraph is a public or non-profit private entity receiving Federal funds under section 254b of this title.

(5) For purposes of paragraph (1), an individual may be considered a contractor of an entity described in paragraph (4) only if—

(A) the individual normally performs on average at least 32½ hours of service per week for the entity for the period of the contract, the individual is a licensed or certified provider of services in the fields of family practice, general internal medicine, general pediatrics, obstetrics and gynecology.

(b) Qualifications for designation as Public Health Service employee

The Secretary may not approve an application under subsection (g)(1)(D) unless the Secretary determines that the entity—

(1) has implemented appropriate policies and procedures to reduce the risk of malpractice and the risk of lawsuits arising out of any health or health-related functions performed by the entity;

(2) has reviewed and verified the professional credentials, references, claims history, fitness, professional review organization findings, and license status of its physicians and other licensed or certified health care practitioners, and, where necessary, has obtained the permission from these individuals to gain access to this information;

(3) has no history of claims having been filed against the United States as a result of the application of this section to the entity or its officers, employees, or contractors as provided for under this section, or, if such a history exists, has fully cooperated with the Attorney General in defending against any such claims and either has taken, or will take, any necessary corrective steps to assure against such claims in the future; and

(4) will fully cooperate with the Attorney General in providing information relating to an estimate described under subsection (k).

(i) Authority of Attorney General to exclude health care professionals from coverage

(1) Notwithstanding subsection (g)(1), the Attorney General, in consultation with the Secretary, may on the record determine, after notice and opportunity for a full and fair hearing, that an individual physician or other licensed or certified health care practitioner who is an officer, employee, or contractor of an entity described in subsection (g)(4) shall not be deemed to be an employee of the Public Health Service for purposes of this section, if treating such individual as such an employee would expose the Government to an unreasonably high degree of risk of loss because such individual—

(A) does not comply with the policies and procedures that the entity has implemented pursuant to subsection (b)(1);

(B) has a history of claims filed against him or her as provided for under this section that is outside the norm for licensed or certified health care practitioners within the same specialty;

(C) refused to reasonably cooperate with the Attorney General in defending against any such claim;

(D) provided false information relevant to the individual’s performance of his or her duties to the Secretary, the Attorney General, or an applicant for or recipient of funds under this chapter; or

(E) was the subject of disciplinary action taken by a State medical licensing authority or a State or national professional society.

\(^1\) See References in text notes below.

\(^2\) So in original. There is no closing parenthesis.
(2) A final determination by the Attorney General under this subsection that an individual physician or other licensed or certified health care professional shall not be deemed to be an employee of the Public Health Service shall be effective upon receipt by the entity employing such individual of notice of such determination, and shall apply only to acts or omissions occurring after the date such notice is received.

(j) Remedy for denial of hospital admitting privileges to certain health care providers

In the case of a health care provider who is an officer, employee, or contractor of an entity described in subsection (g)(4), section 254h(e) of this title shall apply with respect to the provider to the same extent and in the same manner as such section applies to any member of the National Health Service Corps.

(k) Estimate of annual claims by Attorney General; criteria; establishment of fund; transfer of funds to Treasury accounts

(1)(A) For each fiscal year, the Attorney General, in consultation with the Secretary, shall estimate by the beginning of the year the amount of all claims which are expected to arise under this section (together with related fees and expenses of witnesses) for which payment is expected to be made in accordance with section 1346 and chapter 171 of title 28 from the acts or omissions, during the calendar year that begins during that fiscal year, of entities described in subsection (g)(4) and of officers, employees, or contractors (subject to subsection (g)(5)) of such entities.

(B) The estimate under subparagraph (A) shall take into account—

(i) the value and frequency of all claims for damage for personal injury, including death, resulting from the performance of medical, surgical, dental, or related functions by entities described in subsection (g)(4) or by officers, employees, or contractors (subject to subsection (g)(5)) of such entities who are deemed to be employees of the Public Health Service under subsection (g)(1) that, during the preceding 5-year period, are filed under this section or, with respect to years occurring before this subsection takes effect, are filed against persons other than the United States, regardless of when such claims were filed, adjusted to reflect payments which would not be permitted under section 1346 and chapter 171 of title 28, and

(ii) amounts in the fund established under paragraph (2) but unspent from prior fiscal years.

(2) Subject to appropriations, for each fiscal year, the Secretary shall establish a fund of an amount equal to the amount estimated under paragraph (1), upon petition of any entity or officer, governing board member, employee, or contractor of the entity named, the civil action or proceeding shall be removed to the appropriate United States district court. The civil action or proceeding shall be stayed in such court until such court conducts a hearing, and makes a determination, as to the appropriate forum or procedure for the assertion of the claim for damages described in subsection (a) and issues an order consistent with such determination.

(m) Application of coverage to managed care plans

(1) An entity or officer, governing board member, employee, or contractor of an entity described in subsection (g)(1) shall, for purposes of this section, be deemed to be an employee of the Public Health Service with respect to services provided to individuals who are enrollees of a managed care plan if the entity contracts with such managed care plan for the provision of services.

(2) Each managed care plan which enters into a contract with an entity described in subsection (g)(4) shall deem the entity and any officer, governing board member, employee, or contractor of the entity as meeting whatever malpractice coverage requirements such plan may require of contracting providers for a calendar
year if such entity or officer, governing board member, employee, or contractor of the entity has been deemed to be an employee of the Public Health Service for purposes of this section for such calendar year. Any plan which is found by the Secretary on the record, after notice and an opportunity for a full and fair hearing, to have violated this subsection shall upon such finding cease, for a period to be determined by the Secretary, to receive and to be eligible to receive any Federal funds under titles XVIII or XIX of the Social Security Act [42 U.S.C. 1395 et seq., 1396 et seq.].

(3) For purposes of this subsection, the term "managed care plan" shall mean health maintenance organizations and similar entities that contract at-risk with payors for the provision of health services or plan enrollees and which contract with providers (such as entities described in subsection (g)(4)) for the delivery of such services to plan enrollees.

(n) Report on risk exposure of covered entities

(1) Not later than one year after December 26, 1995, the Comptroller General of the United States shall submit to the Congress a report on the following:

(A) The medical malpractice liability claims experience of entities that have been deemed to be employees for purposes of this section.

(B) The risk exposure of such entities.

(C) The value of private sector risk-management services, and the value of risk-management services and procedures required as a condition of receiving a grant under section 254b, 254b, or 256a of this title.

(D) A comparison of the costs of premiums paid by such entities for private medical malpractice liability insurance with the cost of coverage pursuant to this section, taking into account:

(i) a comparison of the costs of premiums paid by such entities for private medical malpractice liability insurance with the cost of coverage pursuant to this section; and

(ii) an analysis of whether the cost of premiums for private medical malpractice liability insurance coverage is consistent with the liability claims experience of such entities.

(2) The report under paragraph (1) shall include the following:

(A) A comparison of—

(i) an estimate of the aggregate amounts that such entities (together with the officers, governing board members, employees, and contractors of such entities who have been deemed to be employees for purposes of this section) would have directly or indirectly paid in premiums to obtain medical malpractice liability insurance coverage if this section were not in effect; with

(ii) the aggregate amounts by which the grants received by such entities under this chapter were reduced pursuant to subsection (k)(2).

(B) A comparison of—

(i) an estimate of the amount of privately offered such insurance that such entities (together with the officers, governing board members, employees, and contractors of such entities who have been deemed to be employees for purposes of this section) purchased during the three-year period beginning on January 1, 1993, with

(ii) an estimate of the amount of such insurance that such entities (together with the officers, governing board members, employees, and contractors of such entities who have been deemed to be employees for purposes of this section) will purchase after December 26, 1996.

(C) An estimate of the medical malpractice liability loss history of such entities for the 10-year period preceding October 1, 1996, including but not limited to the following:

(i) Claims that have been paid and that are estimated to be paid, and legal expenses to handle such claims that have been paid and that are estimated to be paid, by the Federal Government pursuant to deeming entities as employees for purposes of this section.

(ii) Claims that have been paid and that are estimated to be paid, and legal expenses to handle such claims that have been paid and that are estimated to be paid, by private medical malpractice liability insurance.

(3) In preparing the report under paragraph (1), the Comptroller General of the United States shall consult with public and private entities with expertise on the matters with which the report is concerned.

(o) Volunteer services provided by health professionals at free clinics

(1) For purposes of this section, a free clinic health professional shall in providing a qualifying health service to an individual, or an officer, governing board member, employee, or contractor of a free clinic shall in providing services for the free clinic, be deemed to be an employee of the Public Health Service for a calendar year that begins during a fiscal year for which a transfer was made under paragraph (6)(D). The preceding sentence is subject to the provisions of this subsection.

(2) In providing a health service to an individual, a health care practitioner shall for purposes of this subsection be considered to be a free clinic health professional if the following conditions are met:

(A) The service is provided to the individual at a free clinic, or through offsite programs or events carried out by the free clinic.

(B) The free clinic is sponsoring the health care practitioner pursuant to paragraph (5)(C).

(C) The service is a qualifying health service (as defined in paragraph (4)).

(D) Neither the health care practitioner nor the free clinic receives any compensation for the service from the individual or from any third-party payor (including reimbursement under any insurance policy or health plan, or under any Federal or State health benefits
program). With respect to compliance with such condition:

(i) The health care practitioner may receive repayment from the free clinic for reasonable expenses incurred by the health care practitioner in the provision of the service to the individual.

(ii) The free clinic may accept voluntary donations for the provision of the service by the health care practitioner to the individual.

(E) Before the service is provided, the health care practitioner or the free clinic provides written notice to the individual of the extent to which the legal liability of the health care practitioner is limited pursuant to this subsection (or in the case of an emergency, the written notice is provided to the individual as soon after the emergency as is practicable). If the individual is a minor or is otherwise legally incompetent, the condition under this subparagraph is that the written notice be provided to a legal guardian or other person with legal responsibility for the care of the individual.

(F) At the time the service is provided, the health care practitioner is licensed or certified in accordance with applicable law regarding the provision of the service.

(3)(A) For purposes of this subsection, the term “free clinic” means a health care facility operated by a nonprofit private entity meeting the following requirements:

(i) The health care practitioner may receive reimbursement from any third-party payor (including reimbursement under any insurance policy or health plan, or under any Federal or State health benefits program).

(ii) The entity, in providing health services through the facility, accept reimbursement from any third-party payor (including reimbursement under any insurance policy or health plan, or under any Federal or State health benefits program).

(iii) The entity is licensed or certified in accordance with applicable law regarding the provision of health services.

(B) With respect to compliance with the conditions under subparagraph (A), the entity involved may accept voluntary donations for the provision of services.

(4) For purposes of this subsection, the term “qualifying health service” means any medical assistance required or authorized to be provided in the program under title XIX of the Social Security Act [42 U.S.C. 1396 et seq.], without regard to whether the medical assistance is included in the plan submitted under such program by the State in which the health care practitioner involved provides the medical assistance. References in the preceding sentence to such program shall as applicable be considered to be references to any successor to such program.

(E) Before the service is provided, the health care practitioner or the free clinic provides written notice to the individual of the extent to which the legal liability of the health care practitioner is limited pursuant to this subsection (or in the case of an emergency, the written notice is provided to the individual as soon after the emergency as is practicable). If the individual is a minor or is otherwise legally incompetent, the condition under this subparagraph is that the written notice be provided to a legal guardian or other person with legal responsibility for the care of the individual.

(F) At the time the service is provided, the health care practitioner is licensed or certified in accordance with applicable law regarding the provision of the service.

(3)(A) For purposes of this subsection, the term “free clinic” means a health care facility operated by a nonprofit private entity meeting the following requirements:

(i) The health care practitioner provides the medical assistance required or authorized to be provided under the Social Security Act [42 U.S.C. 1396 et seq.], without regard to whether the medical assistance is included in the plan submitted under such program by the State in which the health care practitioner involved provides the medical assistance. References in the preceding sentence to such program shall as applicable be considered to be references to any successor to such program.

(B) The Secretary shall establish a fund for purposes of this subsection. Each fiscal year amounts appropriated under subparagraph (A) shall be deposited in such fund.

(C) Not later than May 1 of each fiscal year, the Attorney General, in consultation with the Secretary, shall submit to the Congress a report providing an estimate of the amount of claims (together with related fees and expenses of witnesses) that, by reason of the acts or omissions of free clinic health professionals, will be paid pursuant to this section during the calendar year that begins in the following fiscal year. Subsection (k)(1)(B) applies to the estimate under the preceding sentence regarding free clinic health professionals to the same extent and in the same manner as such subsection applies to the estimate under such subsection regarding officers, governing board members, employees, and contractors of entities described in subsection (g)(4).
(D) Not later than December 31 of each fiscal year, the Secretary shall transfer from the fund under subparagraph (B) to the appropriate accounts in the Treasury an amount equal to the estimate made under subparagraph (C) for the calendar year beginning in such fiscal year, subject to the extent of amounts in the fund.

(7)(A) This subsection takes effect on the date of the enactment of the first appropriations Act that makes an appropriation under paragraph (6)(A), except as provided in subparagraph (B)(i).

(B)(i) Effective on August 21, 1996—

(I) the Secretary may issue regulations for carrying out this subsection, and the Secretary may accept and consider applications submitted pursuant to paragraph (5)(C); and

(II) reports under paragraph (6)(C) may be submitted to the Congress.

(ii) For the first fiscal year for which an appropriation is made under subparagraph (A) of such paragraph has not been made for the calendar year beginning in such fiscal year, the transfer under subparagraph (D) of such paragraph shall be made notwithstanding the lack of the estimate, and the transfer shall be made in an amount equal to the amount of such appropriation.

(p) Administration of smallpox countermeasures by health professionals

(1) In general

For purposes of this section, and subject to other provisions of this subsection, a covered person shall be deemed to be an employee of the Public Health Service with respect to liability arising out of administration of a covered countermeasure against smallpox that an actual or potential bioterrorist incident or other actual or potential public health emergency makes advisable the administration of a covered countermeasure against smallpox to an individual during the effective period of a declaration by the Secretary under paragraph (2)(A).

(2) Declaration by Secretary concerning countermeasure against smallpox

(A) Authority to issue declaration

(i) In general

The Secretary may issue a declaration, pursuant to this paragraph, concluding that an actual or potential bioterrorist incident or other actual or potential public health emergency makes advisable the administration of a covered countermeasure against smallpox to a category or categories of individuals.

(ii) Covered countermeasure

The Secretary shall specify in such declaration the substance or substances that shall be considered covered countermeasures (as defined in paragraph (7)(A)) for purposes of administration to individuals during the effective period of the declaration.

(iii) Effective period

The Secretary shall specify in such declaration the beginning and ending dates of the effective period of the declaration, and may subsequently amend such declaration to shorten or extend such effective period, provided that the new closing date is after the date when the declaration is amended.

(iv) Publication

The Secretary shall promptly publish each such declaration and amendment in the Federal Register.

(B) Liability of United States only for administrations within scope of declaration

Except as provided in paragraph (5)(B)(ii), the United States shall be liable under this subsection with respect to a claim arising out of the administration of a covered countermeasure to an individual only if—

(i) the countermeasure was administered by a qualified person, for a purpose stated in paragraph (7)(A)(i), and during the effective period of a declaration by the Secretary under subparagraph (A) with respect to such countermeasure; and

(ii)(I) the individual was within a category of individuals covered by the declaration; or

(II) the qualified person administering the countermeasure had reasonable grounds to believe that such individual was within such category.

(C) Presumption of administration within scope of declaration in case of accidental vaccinia inoculation

(i) In general

If vaccinia vaccine is a covered countermeasure specified in a declaration under subparagraph (A), and an individual to whom the vaccinia vaccine is not administered contracts vaccinia, then, under the circumstances specified in clause (ii), the individual—

(I) shall be rebuttably presumed to have contracted vaccinia from an individual to whom such vaccine was administered as provided by clauses (i) and (ii) of subparagraph (B); and

(II) shall (unless such presumption is rebutted) be deemed for purposes of this subsection to be an individual to whom a covered countermeasure was administered by a qualified person in accordance with the terms of such declaration and as described by subparagraph (B).

(ii) Circumstances in which presumption applies

The presumption and deeming stated in clause (i) shall apply if—

(I) the individual contracts vaccinia during the effective period of a declaration under subparagraph (A) or by the date 30 days after the close of such period; or

(II) the individual has resided with, or has had contact with, an individual to whom such vaccine was administered as provided by clauses (i) and (ii) of subparagraph (B) and contracts vaccinia after such date.

(D) Acts and omissions deemed to be within scope of employment

(i) In general

In the case of a claim arising out of alleged transmission of vaccinia from an in-
individual described in clause (ii), acts or omissions by such individual shall be deemed to have been taken within the scope of such individual’s office or employment for purposes of—
(I) subsection (a); and
(II) section 1346(b) and chapter 171 of title 28.

(ii) Individuals to whom deeming applies

An individual is described by this clause if—
(I) vaccinia vaccine was administered to such individual as provided by subparagraph (B); and
(II) such individual was within a category of individuals covered by a declaration under subparagraph (A)(i).

(3) Exhaustion; exclusivity; offset

(A) Exhaustion

(i) In general

A person may not bring a claim under this subsection unless such person has exhausted such remedies as are available under part C of this subchapter, except that if the Secretary fails to make a final determination on a request for benefits or compensation filed in accordance with the requirements of such part within 240 days after such request was filed, the individual may seek any remedy that may be available under this section.

(ii) Tolling of statute of limitations

The time limit for filing a claim under this subsection, or for filing an action based on such claim, shall be tolled during the pendency of a request for benefits or compensation under part C of this subchapter.

(iii) Construction

This subsection shall not be construed as superseding or otherwise affecting the application of a requirement, under chapter 171 of title 28, to exhaust administrative remedies.

(B) Exclusivity

The remedy provided by subsection (a) shall be exclusive of any other civil action or proceeding for any claim or suit this subsection encompasses, except for a proceeding under part C of this subchapter.

(C) Offset

The value of all compensation and benefits provided under part C of this subchapter for an incident or series of incidents shall be offset against the amount of an award, compromise, or settlement of money damages in a claim or suit under this subsection based on the same incident or series of incidents.

(4) Certification of action by Attorney General

Subsection (c) applies to actions under this subsection, subject to the following provisions:

(A) Nature of certification

The certification by the Attorney General that is the basis for deeming an action or proceeding to be against the United States, and for removing an action or proceeding from a State court, is a certification that the action or proceeding is against a covered person and is based upon a claim alleging personal injury or death arising out of the administration of a covered countermeasure.

(B) Certification of Attorney General conclusive

The certification of the Attorney General of the facts specified in subparagraph (A) shall conclusively establish such facts for purposes of jurisdiction pursuant to this subsection.

(5) Covered person to cooperate with United States

(A) In general

A covered person shall cooperate with the United States in the processing and defense of a claim or action under this subsection based upon alleged acts or omissions of such person.

(B) Consequences of failure to cooperate

Upon the motion of the United States or any other party and upon finding that such person has failed to so cooperate—

(i) the court shall substitute such person as the party defendant in place of the United States and, upon motion, shall remand any such suit to the court in which it was instituted if it appears that the court lacks subject matter jurisdiction;

(ii) the United States shall not be liable for the acts or omissions of such person; and

(iii) the Attorney General shall not be obligated to defend such action.

(6) Recourse against covered person in case of gross misconduct or contract violation

(A) In general

Should payment be made by the United States to any claimant bringing a claim under this subsection, either by way of administrative determination, settlement, or court judgment, the United States shall have, notwithstanding any provision of State law, the right to recover for that portion of the damages so awarded or paid, as well as interest and any costs of litigation, resulting from the failure of any covered person to carry out any obligation or responsibility assumed by such person under a contract with the United States or from any grossly negligent, reckless, or illegal conduct or willful misconduct on the part of such person.

(B) Venue

The United States may maintain an action under this paragraph against such person in the district court of the United States in which such person resides or has its principal place of business.

(7) Definitions

As used in this subsection, terms have the following meanings:
(A) Covered countermeasure
The term "covered countermeasure" or "covered countermeasure against smallpox", means a substance that is—
   (i)(I) used to prevent or treat smallpox (including the vaccinia or another vaccine); or
   (II) used to control or treat the adverse effects of vaccinia inoculation or of administration of another covered countermeasure; and
   (ii) specified in a declaration under paragraph (2).

(B) Covered person
The term "covered person", when used with respect to the administration of a covered countermeasure, means a person who is—
   (i) a manufacturer or distributor of such countermeasure;
   (ii) a health care entity under whose auspices—
      (I) such countermeasure was administered;
      (II) a determination was made as to whether, or under what circumstances, an individual should receive a covered countermeasure;
      (III) the immediate site of administration on the body of a covered countermeasure was monitored, managed, or cared for; or
      (IV) an evaluation was made of whether the administration of a countermeasure was effective;
   (iii) a qualified person who administered such countermeasure;
   (iv) a State, a political subdivision of a State, or an agency or official of a State or of such a political subdivision, if such State, subdivision, agency, or official has established requirements, provided policy guidance, supplied technical or scientific advice or assistance, or otherwise supervised or administered a program with respect to administration of such countermeasures;
   (v) in the case of a claim arising out of alleged transmission of vaccinia from an individual—
      (I) the individual who allegedly transmitted the vaccinia, if vaccinia vaccine was administered to such individual as provided by paragraph (2)(B) and such individual was within a category of individuals covered by a declaration under paragraph (2)(A)(i); or
      (II) an entity that employs an individual described by clause (I)\(^4\) or where such individual has privileges or is otherwise authorized to provide health care;
   (vi) an official, agent, or employee of a person described in clause (i), (ii), (iii), or (iv);
   (vii) a contractor of, or a volunteer working for, a person described in clause

\(^4\)So in original. Probably should be "subclause".

(C) Qualified person
The term "qualified person", when used with respect to the administration of a covered countermeasure, means a licensed health professional or other individual who—
   (i) is authorized to administer such countermeasure under the law of the State in which the countermeasure was administered;
   (ii) is otherwise authorized by the Secretary to administer such countermeasure.

(D) Arising out of administration of a covered countermeasure
The term "arising out of administration of a covered countermeasure", when used with respect to a claim or liability, includes a claim or liability arising out of—
   (i) determining whether, or under what conditions, an individual should receive a covered countermeasure;
   (ii) obtaining informed consent of an individual to the administration of a covered countermeasure;
   (iii) monitoring, management, or care of an immediate site of administration on the body of a covered countermeasure, or evaluation of whether the administration of the countermeasure has been effective; or
   (iv) transmission of vaccinia virus by an individual to whom vaccinia vaccine was administered as provided by paragraph (2)(B).

(q) Health professional volunteers at public or non-profit private entities
(1) For purposes of this section, a health professional volunteer at a deemed entity described in subsection (g)(4) shall, in providing a health professional service eligible for funding under section 254b of this title to an individual, be deemed to be an employee of the Public Health Service for a calendar year that begins during a fiscal year for which a transfer was made under paragraph (4)(C). The preceding sentence is subject to the provisions of this subsection.

(2) In providing a health service to an individual, a health care practitioner shall for purposes of this subsection be considered to be a health professional volunteer at an entity described in subsection (g)(4) if the following conditions are met:
   (A) The service is provided to the individual at the facilities of an entity described in subsection (g)(4), or through offsite programs or events carried out by the entity.
   (B) The entity is sponsoring the health care practitioner pursuant to paragraph (3)(B).
   (C) The health care practitioner does not receive any compensation for the service from the individual, the entity described in sub-
section (g)(4), or any third-party payer (including reimbursement under any insurance policy or health plan, or under any Federal or State health benefits program), except that the health care practitioner may receive reimbursement from the entity described in subsection (g)(4) for reasonable expenses incurred by the health care practitioner in the provision of the service to the individual, which may include travel expenses to or from the site of services.

(D) Before the service is provided, the health care practitioner or the entity described in subsection (g)(4) posts a clear and conspicuous notice at the site where the service is provided of the extent to which the legal liability of the health care practitioner is limited pursuant to this subsection.

(E) At the time the service is provided, the health care practitioner is licensed or certified in accordance with applicable Federal and State laws regarding the provision of the service.

(F) At the time the service is provided, the entity described in subsection (g)(4) maintains relevant documentation certifying that the health care practitioner meets the requirements of this subsection.

(3) Subsection (g) (other than paragraphs (3) and (5)) and subsections (h), (i), and (l) apply to a health care practitioner for purposes of this subsection to the same extent and in the same manner as such subsections apply to an officer, governing board member, employee, or contractor of an entity described in subsection (g)(4), subject to paragraph (4), and subject to the following:

(A) The first sentence of paragraph (1) applies in lieu of the first sentence of subsection (g)(1)(A).

(B) With respect to an entity described in subsection (g)(4), a health care practitioner is not a health professional volunteer at such entity unless the entity sponsors the health care practitioner. For purposes of this subsection, the entity shall be considered to be sponsoring the health care practitioner if—

(i) with respect to the health care practitioner, the entity submits to the Secretary an application meeting the requirements of subsection (g)(1)(D); and

(ii) the Secretary, pursuant to subsection (g)(1)(E), determines that the health care practitioner is deemed to be an employee of the Public Health Service.

(C) In the case of a health care practitioner who is determined by the Secretary pursuant to subsection (g)(1)(E) to be a health professional volunteer at such entity, this subsection applies to the health care practitioner (with respect to services performed on behalf of the entity sponsoring the health care practitioner pursuant to subparagraph (B)) for any cause of action arising from an act or omission of the health care practitioner occurring on or after the date on which the Secretary makes such determination.

(D) Subsection (g)(1)(F) applies to a health care practitioner for purposes of this subsection only to the extent that, in providing health services to an individual, each of the conditions specified in paragraph (2) is met.

(4)(A) Amounts in the fund established under subsection (k)(2) shall be available for transfer under subparagraph (C) for purposes of carrying out this subsection.

(B) Not later than May 1 of each fiscal year, the Attorney General, in consultation with the Secretary, shall submit to the Congress a report providing an estimate of the amount of claims (together with related fees and expenses of witnesses) that, by reason of the acts or omissions of health professional volunteers, will be paid pursuant to this section during the calendar year that begins in the following fiscal year.

(ii) Subsection (k)(1)(B) applies to the estimate under clause (i) regarding health professional volunteers to the same extent and in the same manner as such subsection applies to the estimate under such subsection regarding officers, governing board members, employees, and contractors of entities described in subsection (g)(4).

(iii) The report shall include a summary of the data relied upon for the estimate in clause (i), including the number of claims filed and paid from the previous calendar year.

(C) Not later than December 31 of each fiscal year, the Secretary shall transfer from the fund under subsection (k)(2) to the appropriate accounts in the Treasury an amount equal to the estimate made under paragraph (B) for the calendar year beginning in such fiscal year, subject to the extent of amounts in the fund.

(5)(A) This subsection shall take effect on October 1, 2017, except as provided in subparagraph (B) and paragraph (6).

(B) Effective on December 13, 2016—

(i) the Secretary may issue regulations for carrying out this subsection, and the Secretary may accept and consider applications submitted pursuant to paragraph (3)(B); and

(ii) reports under paragraph (4)(B) may be submitted to Congress.

(6) Beginning on October 1, 2022, this subsection shall cease to have any force or effect.


REFERENCES IN TEXT

The references to section 234b of this title the first place appearing in subsections (g)(1)(G)(ii), (k)(2), and (n)(1)(C), were in the original references to section 329, meaning section 329 of act July 1, 1944, which was omit-
1993—Subsec. (k)(2). Pub. L. 103–183 inserted at end  
"Appropriations for purposes of this paragraph shall be 
made separate from appropriations made for purposes 
of sections 254b, 254c, 256 and 256a of this title.

1992—Subsecs. (g) to (k). Pub. L. 102–501 added sub- 
secs. (g) to (k).

**Effective Date of 2010 Amendment**  
Stat. 1014, provided that: "The amendment made by 
this section [amending this section] shall take effect on 
the enactment of this Act [Mar. 23, 2010] and 
apply to any act or omission which occurs on or after 
that date."

**Effective Date of 2003 Amendments**  
that: "This Act [see Short Title of 2003 Amendments 
note set out under section 101 of Title 6, Do-
mestic Security."

**Effective Date of 2002 Amendment**  
Amendment by Pub. L. 108–176 effective 60 days after 
Nov. 25, 2002, see section 4 of Pub. L. 108–176, set out as 
an Effective date note under section 101 of Title 6, Do-
mestic Security."

**Effective Date of 1996 Amendment**  
amended by Pub. L. 104–208, div. A, title I, §101(e) [title 
that: "This Act [enacting sections 254b and 254c of 
this title, amending this section and sections 256c, 
1299cc and 1299dd of this title, and repealing sections 256 and 
256a of this title, and enacting provisions set out as 
notes under sections 201 and 254b of this title] and the 
amendments made by this Act shall become effective on 
October 1, 1996."

**Effective Date of 1995 Amendment**  
that: "If, on the day before the date of the enact-
ment of this Act [Dec. 26, 1995], an entity was 
deemed to be an employee of the Public Health Service for 
purposes of section 224(g) of the Public Health Service Act 
[42 U.S.C. 233(g)], the condition under paragraph (1)(D) 
of such section (as added by subsection (a) of this sec-
tion) that an application be approved with respect to 
the entity does not apply until the expiration of the 180-
day period beginning on such date."

**Effective Date of 1992 Amendment**  
vided that: "The amendments made by this Act 
[amending this section] shall take effect on the date of 
the enactment of this Act [Oct. 24, 1992]."

**Report on Risk Exposure of Covered Entities**  
vided that:  
"(a) IN GENERAL.—Not later than April 1, 1995, the At-
torney General, in consultation with the Secretary of 
Health and Human Services (hereafter referred to as 
the 'Secretary'), shall submit a report to Congress on 
the medical malpractice liability claims experience of 
entities subject to section 224(g) of the Public Health Service 
Act (42 U.S.C. 233(g)) (as added by section 2(a)) 
and the risk exposure associated with such entities.  
"(b) EFFECT OF LIABILITY PROTECTIONS ON COSTS IN-
CURRED BY COVERED ENTITIES.—The Attorney General's 
report under subsection (a) shall include an analysis by the 
Secretary comparing—  
(1) the Secretary's estimate of the aggregate amounts 
that such entities (together with their offi-
cers, employees, and contractors of such entities who 
are subject to section 224(g) of such Act) would have 
directly or indirectly paid to obtain medical mal-
practice liability insurance coverage had section 
224(g) of the Public Health Service Act not been en-
acted into law, with  
(2) the aggregate amounts by which the grants re-
cived by such entities under the Public Health Serv-
ice Act [42 U.S.C. 201 et seq.] were reduced as a result 
of the enactment of section 224(k)(2) of such Act [42 
U.S.C. 233(k)(2)]."

§ 234. Health care professionals assisting during a public health emergency

(a) Limitation on liability  
Notwithstanding any other provision of law, a health care professional who is a member of the Medical Reserve Corps under section 300hh–15 of this title or who is included in the Emergency System for Advance Registration of Volunteer Health Professionals under section 247d–7b of this title and who—  
(1) is responding—  
(A) to a public health emergency determined under section 244a of this title, during the initial period of not more than 90 days (as determined by the Secretary) of the public health emergency determination (excluding any period covered by a renewal of such determination); or  
(B) to a major disaster or an emergency as declared by the President under section 5170 of this title or under section 1621 of title 50 during the initial period of such declaration;  
(2) is alleged to be liable for an act or omission—  
(A) during the initial period of a determination or declaration described in paragraph (1) and related to the treatment of individuals in need of health care services due to such public health emergency, major dis-
aster, or emergency;  
(B) in the State or States for which such determination or declaration is made;  
(C) in the health care professional's capac-
ity as a member of the Medical Reserve Corps or a professional included in the Emergency System for Advance Registration of Volunteer Health Professionals under section 247d–7b of this title; and  
(D) in the course of providing services that are within the scope of the license, registra-
tion, or certification of the professional, as defined by the State of licensure, registra-
tion, or certification; and  
(3) prior to the rendering of such act or omission, was authorized by the State's au-
thorization of deploying such State's Emer-
gency System for Advance Registration of Volunteer Health Professionals described in section 247d–7b of this title or the Medical Re-
serve Corps established under section 300hh–15 of this title, to provide health care services, 
shall be subject only to the State liability laws of the State in which such act or omission oc-
curred, in the same manner and to the same ex-
tent as a similar health care professional who is
a resident of such State would be subject to such State laws, except with respect to the licensure, registration, and certification of such individual.

(b) Volunteer Protection Act

Nothing in this section shall be construed to affect an individual’s right to protections under the Volunteer Protection Act of 1997 [42 U.S.C. 14501 et seq.].

(c) Preemption

This section shall supersede the laws of any State that would subject a health care professional described in subsection (a) to the liability laws of any State other than the State liability laws to which such individual is subject pursuant to such subsection.

(d) Definitions

In this section:

(1) The term “health care professional” means an individual licensed, registered, or certified under Federal or State laws or regulations to provide health care services.

(2) The term “health care services” means any services provided by a health care professional, or by any individual working under the supervision of a health care professional, that relate to—

(A) the diagnosis, prevention, or treatment of any human disease or impairment; or

(B) the assessment or care of the health of human beings.

(e) Effective date

(1) In general

This section shall take effect 90 days after June 24, 2019.

(2) Application

This section shall apply to a claim for harm only if the act or omission that caused such harm occurred on or after the effective date described in paragraph (1).

(July 1, 1944, ch. 373, title II, § 225, as added Pub. L. 116–22, title II, § 208(a), June 24, 2019, 133 Stat. 927.)

REFERENCES IN TEXT

The Volunteer Protection Act of 1997, referred to in subsec. (b), is Pub. L. 106–19, June 18, 1997, 111 Stat. 218, which is classified generally to chapter 139 (§ 14501 et seq.) of this title. For complete classification of this Act to the Code, see Short Title note set out under section 14501 of this title and Tables.

PRIOR PROVISIONS


§ 235. Administration of grants in multigrant projects; promulgation of regulations

For the purpose of facilitating the administration of, and expediting the carrying out of the purposes of, the programs established by subchapters V, VI, and VII, and sections 242b, 240(a), 240(b), 240(c), 240(d), and 240(e) of this title in situations in which grants are sought or made under two or more of such programs with respect to a single project, the Secretary is authorized to promulgate regulations—

(1) under which the administrative functions under such programs with respect to such project will be performed by a single administrative unit which is the administrative unit charged with the administration of any of such programs or is the administrative unit charged with the supervision of two or more of such programs;

(2) designed to reduce the number of applications, reports, and other materials required under such programs to be submitted with respect to such project, and otherwise to simplify, consolidate, and make uniform (to the extent feasible), the data and information required to be contained in such applications, reports, and other materials; and

(3) under which inconsistent or duplicative requirements imposed by such programs will be revised and made uniform with respect to such project;

except that nothing in this section shall be construed to authorize the Secretary to waive or suspend, with respect to any such project, any requirement with respect to any of such programs if such requirement is imposed by law or by any regulation required by law.


REFERENCES IN TEXT

Subchapters V and VI, referred to in text, are classified to sections 292 et seq. and 296 et seq., respectively, of this title.

Subchapter VII, referred to in text, which was classified to section 299 et seq. of this title, was repealed by Pub. L. 99–117, § 12(d), Oct. 7, 1985, 99 Stat. 495.

Section 246(d) of this title, referred to in text, was repealed by Pub. L. 97–35, title IX, § 902(b), Aug. 13, 1981, 95 Stat. 559.

Section 246(e) of this title, referred to in text, was repealed by Pub. L. 94–63, title V, § 501(b), July 29, 1975, 89 Stat. 346.

CODIFICATION

Section was formerly classified to section 2421 of this title.

AMENDMENTS

1971—Pub. L. 92–157 provided for administration of programs established under subchapters V and VI of this chapter.

§ 236. Orphan Products Board

(a) Establishment; composition; chairman

There is established in the Department of Health and Human Services a board for the development of drugs (including biologics) and devices (including diagnostic products) for rare
diseases or conditions to be known as the Orphan Products Board. The Board shall be comprised of the Assistant Secretary for Health of the Department of Health and Human Services and representatives, selected by the Secretary, of the Food and Drug Administration, the National Institutes of Health, the Centers for Disease Control and Prevention, and any other Federal department or agency which the Secretary determines has activities relating to drugs and devices for rare diseases or conditions. The Assistant Secretary for Health shall chair the Board.

(b) Function

The function of the Board shall be to promote the development of drugs and devices for rare diseases or conditions and the coordination among Federal, other public, and private agencies in carrying out their respective functions relating to the development of such articles for such diseases or conditions.

c) Duties with respect to drugs for rare diseases or conditions

In the case of drugs for rare diseases or conditions the Board shall—

(1) evaluate—

(A) the effect of subchapter B of the Federal Food, Drug, and Cosmetic Act [21 U.S.C. 360aa et seq.] on the development of such drugs, and

(B) the implementation of such subchapter;

(2) evaluate the activities of the National Institutes of Health for the development of drugs for such diseases or conditions,

(3) assure appropriate coordination among the Food and Drug Administration, the National Institutes of Health and the Centers for Disease Control and Prevention in the carrying out of their respective functions relating to the development of drugs for such diseases or conditions to assure that the activities of each agency are complementary,

(4) assure appropriate coordination among all interested Federal agencies, manufacturers, and organizations representing patients, in their activities relating to such drugs,

(5) with the consent of the sponsor of a drug for a rare disease or condition exempt under section 506(f) of the Federal Food, Drug, and Cosmetic Act [21 U.S.C. 356(f)] or regulations issued under such section, inform physicians and the public respecting the availability of such drug for such disease or condition and inform physicians and the public respecting the availability of drugs approved under section 505(c) of such Act [21 U.S.C. 355(c)] or licensed under section 362 of this title for rare diseases or conditions,

(6) seek business entities and others to undertake the sponsorship of drugs for rare diseases or conditions, seek investigators to facilitate the development of such drugs, and seek business entities to participate in the distribution of such drugs, and

(7) recognize the efforts of public and private entities and individuals in seeking the development of drugs for rare diseases or conditions and in developing such drugs.

(d) Consultation

The Board shall consult with interested persons respecting the activities of the Board under this section and as part of such consultation shall provide the opportunity for the submission of oral views.

e) Annual report; contents

The Board shall submit to the Committee on Labor and Human Resources of the Senate and the Committee on Energy and Commerce of the House of Representatives an annual report—

(1) identifying the drugs which have been designated under section 526 of the Federal Food, Drug, and Cosmetic Act [21 U.S.C. 360bb] for a rare disease or condition,

(2) describing the activities of the Board, and

(3) containing the results of the evaluations carried out by the Board.

The Director of the National Institutes of Health shall submit to the Board for inclusion in the annual report a report on the rare disease and condition research activities of the Institutes of the National Institutes of Health; the Secretary of the Treasury shall submit to the Board for inclusion in the annual report a report on the use of the credit against tax provided by section 4H(4) of title 26; and the Secretary of Health and Human Services shall submit to the Board for inclusion in the annual report a report on the program of assistance under section 360ee of title 21 for the development of drugs for rare diseases and conditions. Each annual report shall be submitted by June 1 of each year for the preceding calendar year.


REFERENCES IN TEXT


PRIOR PROVISIONS


1See References in Text note below.

AMENDMENTS

Subsec. (d). Pub. L. 102–321, § 163(b)(1)(A), struck out “, and the Alcohol, Drug Abuse, and Mental Health Administration”, was executed by striking “, and the Alcohol, Drug Abuse, and Mental Health Administration” after “National Institutes of Health” to reflect the probable intent of Congress.

Subsec. (c)(3), Pub. L. 102–331 substituted “Centers for Disease Control and Prevention” for “Centers for Disease Control”.

Pub. L. 102–321, § 163(b)(1)(B), struck out “, the Alcohol, Drug Abuse, and Mental Health Administration,” after “National Institutes of Health”.

Subsec. (e), Pub. L. 102–321, 116(b)(1)(C), (D), in concluding provisions, struck out “and the Administrator of the Alcohol, Drug Abuse, and Mental Health Administration” after “National Institutes of Health” the first place appearing and “and the Alcohol, Drug Abuse, and Mental Health Administration” after “National Institutes of Health” the second place appearing.

1990—Subsec. (e), Pub. L. 99–661, substituted “Internal Revenue Code of 1986” for “Internal Revenue Code of 1954”, which for purposes of codification was translated as “title 26” thus requiring no change in text.

CHANGE OF NAME
Committee on Labor and Human Resources of Senate changed to Committee on Health, Education, Labor, and Pensions of Senate by Senate Resolution No. 20, 441, provided that:

jurisdiction over matters relating to securities and exchanges and insurance generally transferred to Committee on Financial Services of House of Representatives by House Resolution No. 5, One Hundred Seventh Congress, Jan. 19, 1999.


NATIONAL COMMISSION ON ORPHAN DISEASES

“(a) ESTABLISHMENT.—There is established the National Commission on Orphan Diseases (hereinafter referred to as the ‘Commission’).

“(b) DUTY.—The Commission shall assess the activities of the National Institutes of Health, the Food and Drug Administration, other public agencies, and private entities in connection with—

“(1) basic research conducted on rare diseases;
“(2) the use in research on rare diseases of knowledge developed in other research;
“(3) applied and clinical research on the prevention, diagnosis, and treatment of rare diseases; and
“(4) the dissemination to the public, health care professionals, researchers, and drug and medical device manufacturers of knowledge developed in research on rare diseases and other diseases which can be used in the prevention, diagnosis, and treatment of rare diseases.

“(c) REVIEW REQUIREMENTS.—In assessing the activities of the National Institutes of Health, the Food and Drug Administration in connection with research on rare diseases, the Commission shall review—

“(1) the appropriateness of the priorities currently placed on research on rare diseases;
“(2) the relative effectiveness of grants and contracts when used to fund research on rare diseases;
“(3) the appropriateness of specific requirements applicable to applications for funding for research on rare diseases taking into consideration the reasonable capacity of applicants to meet such requirements;
“(4) the adequacy of the scientific basis for such research, including the adequacy of the research facilities and research resources used in such research and the appropriateness of the scientific training of the personnel engaged in such research;
“(5) the effectiveness of activities undertaken to encourage such research; and conditions upon which such awards were made, notwithstanding the amendments made by this Act.

“(B) Subparagraph (A) does not apply with respect to the amendments made by this Act to part B of title XIX of the Public Health Service Act [42 U.S.C. 300x et seq.]. Section 205(a) [42 U.S.C. 300x note] applies with respect to the program established in such part.”

TERMINATION OF REPORTING REQUIREMENTS
For termination, effective May 15, 2000, of provisions in subsec. (e) of this section relating to the requirement to submit an annual report to certain committees of Congress, see section 3003 of Pub. L. 104–66, as amended, set out as a note under section 1113 of Title 31, Money and Finance, and page 191 of House Document No. 103–7.

USE OF “CDC” AS ACRONYM FOR CENTERS FOR DISEASE CONTROL AND PREVENTION

TITLE 42—THE PUBLIC HEALTH AND WELFARE

PART B—PUBLIC HEALTH SUSTAINABILITY ACT
"(6) the organization of the peer review process applicable to applications for funds for such research to determine if the organization of the peer review process could be revised to improve the effectiveness of the review provided to proposals for research on rare diseases;

"(7) the effectiveness of the coordination between the National Institutes of Health, the Food and Drug Administration, and private entities in supporting such research; and

"(8) the effectiveness of activities undertaken to assure that knowledge developed in research on nonrare diseases is, when appropriate, used in research on rare diseases.

"(d) Composition.—The Commission shall be composed of twenty members appointed by the Secretary of Health and Human Services as follows:

"(1) Ten members shall be appointed from individuals who are not officers or employees of the Government and who by virtue of their training or experience in research on rare diseases or in the treatment of rare diseases are qualified to serve on the Commission.

"(2) Five members shall be appointed from individuals who are not officers or employees of the Government and who have a rare disease or are employed to represent or are members of an organization concerned about rare disease.

"(3) Four nonvoting members shall be appointed for the directors of the National Institutes of Health which the Secretary determines are involved with rare diseases.

"(4) One nonvoting member shall be appointed from officers or employees of the Food and Drug Administration who the Secretary determines are involved with rare diseases.

A vacancy in the Commission shall be filled in the manner in which the original appointment was made. If any member of the Commission who was appointed to the Commission as a director of a national research institute of the National Institutes of Health, the Food and Drug Administration leaves that office or position, or if any member of the Commission who was appointed from persons who are not officers or employees of the Government becomes an officer or employee of the Government, such member may continue as a member of the Commission for not longer than the ninety-day period beginning on the date such member leaves that office or position or becomes such an officer or employee, as the case may be.

"(e) Term.—Members shall be appointed for the life of the Commission.

"(f) Compensation.—

"(1) Except as provided in paragraph (2), members of the Commission shall each be entitled to receive compensation at a rate not to exceed the daily equivalent of the annual rate of basic pay in effect for grade GS–15 of the General Schedule for each day (including traveltime) during which they are engaged in the actual performance of duties as members of the Commission.

"(2) Members of the Commission who are full-time officers or employees of the Government shall receive no additional pay by reason of their service on the Commission.

"(g) Chairman.—The Chairman of the Commission shall be designated by the members of the Commission.

"(h) Staff.—Subject to such rules as may be prescribed by the Commission, the Commission may appoint and fix the pay of such personnel as necessary to enable the Commission to carry out its functions. Personnel shall be appointed subject to the provisions of title 5, United States Code, governing appointments in the competitive service, and shall be paid in accordance with the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates.

"(i) Experts and Consultants.—Subject to such rules as may be prescribed by the Commission, the Commission may procure temporary and intermittent services under section 3109(b) of title 5 of the United States Code, but at rates for individuals not to exceed the daily equivalent of the basic pay payable for grade GS–15 of the General Schedule.

"(j) Detail of Personnel.—Upon request of the Commission, the head of any Federal agency is authorized to detail, on a reimbursable basis, any of the personnel of such agency to the Commission to assist the Commission in carrying out its functions.

"(k) Administrative Support Services.—The Administrator of General Services shall provide to the Commission on a reimbursable basis such administrative support services as the Commission may request.

"(l) General Authority.—The Commission may, for the purpose of carrying out this section, hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence, as the Commission considers appropriate.

"(m) Information.—The Commission may secure directly from any department or agency of the United States information necessary to enable it to carry out this section. Upon request of the Chairman, the head of such department or agency shall furnish such information to the Commission.

"(n) Report.—The Commission shall transmit to the Secretary and to each House of the Congress a report not later than February 1, 1989, on the activities of the Commission. The report shall contain a detailed statement of the findings and conclusions of the Commission, together with its recommendations for—

"(1) a long range plan for the use of public and private resources to improve research into rare diseases and to assist in the prevention, diagnosis, and treatment of rare diseases; and

"(2) such legislation or administrative actions as it considers appropriate.

"(o) Termination.—The Commission shall terminate 90 days after the date of the submittal of its report under subsection (n).

"(p) Funds.—The Director of the National Institutes of Health shall make available $1,000,000 to the Commission from appropriations for fiscal year 1986 for the National Institutes of Health.

§ 237. Silvio O. Conte Senior Biomedical Research and Biomedical Product Assessment Service

(a) Creation; number of members

(1) There shall be in the Public Health Service a Silvio O. Conte Senior Biomedical Research and Biomedical Product Assessment Service (in this section referred to as the "Service"), not to exceed 2,000 members, the purpose of which is to recruit and retain outstanding and qualified scientific and technical experts in the fields of biomedical research, clinical research evaluation, and biomedical product assessment.

(2) The authority established in paragraph (1) may not be construed to require the Secretary to reduce the number of employees serving under any other employment system in order to offset the number of members serving in the Service.

(3) The Secretary shall assign experts under this section to agencies within the Department of Health and Human Services taking into account the need for the expertise of such expert.

(b) Appointments; qualifications; provisions inapplicable to members

The Service shall be appointed by the Secretary without regard to the provisions of title 5 regarding appointment, and shall consist of individuals outstanding in the field of biomedical research, clinical research evaluation, or bio-
medical product assessment. No individual may be appointed to the Service unless such individual (1) has earned a doctoral level degree in biomedicine or a related field, or a doctoral or master’s level degree in engineering, bioinformatics, or a related or emerging field, and (2) meets the qualification standards prescribed by the Office of Personnel Management for appointment to a position at GS–15 of the General Schedule. Notwithstanding any previous applicability to an individual who is a member of the Service, the provisions of subchapter I of chapter 35 (relating to retention preference), chapter 43 (relating to performance appraisal and performance actions), chapter 51 (relating to classification), subchapter III of chapter 53 (relating to General Schedule pay rates), and chapter 75 (relating to adverse actions) of title 5 shall not apply to any member of the Service.

c) Performance appraisal system

The Secretary shall develop a performance appraisal system designed to—
(1) provide for the systematic appraisal of the performance of members, and
(2) encourage excellence in performance by members.

d) Pay of members

(1) The Secretary shall determine, subject to the provisions of this subsection, the pay of members of the Service.

(2) The pay of a member of the Service shall not be less than the minimum rate payable for GS–15 of the General Schedule and shall not exceed the amount of annual compensation (excluding expenses) specified in section 102 of title 3.

e) Career and noncareer appointment of certain individuals

Subject to the following sentence, the Secretary may, notwithstanding the provisions of title 5 regarding appointment, appoint an individual who is separated from the Service involuntarily and without cause to a position in the competitive civil service at GS–15 of the General Schedule, and such appointment shall be a career appointment. In the case of such an individual who immediately prior to his appointment to the Service was not a career appointee in the civil service or the Senior Executive Service, such appointment shall be in the excepted civil service and may not exceed a period of 2 years.

f) Rules and regulations

The Secretary shall promulgate such rules and regulations, not inconsistent with this section, as may be necessary for the efficient administration of the Service.

(Amendments)


Subsec. (a)(1). Pub. L. 114–255, §3071(a)(2)(A), substituted “Silvio O. Conte Senior Biomedical Research and Biomedical Product Assessment Service (in this section referred to as the ‘Service’), not to exceed 2,000 members, the purpose of which is to recruit and retain outstanding and qualified scientific and technical experts in the fields of biomedical research, clinical research evaluation, and biomedical product assessment” for “Silvio O. Conte Senior Biomedical Research Service, not to exceed 600 members”.

Subsec. (a)(2). Pub. L. 114–255, §3071(a)(2)(B), amended par. (2) generally. Prior to amendment, par. (2) read as follows: “The authority established in paragraph (1) regarding the number of members in the Silvio O. Conte Senior Biomedical Research Service is in addition to any authority established regarding the number of members in the commissioned Regular Corps, in the Reserve Corps, or in the Senior Executive Service be reduced to offset the number of members serving in the Silvio O. Conte Senior Biomedical Research Service (in this section referred to as the ‘Service’).”


Subsec. (b)(1). Pub. L. 114–255, §3071(a)(3)(B), inserted “or a doctoral or master’s level degree in engineering, bioinformatics, or a related or emerging field,” after “related field.”

Subsec. (d)(2). Pub. L. 114–255, §3071(a)(4), substituted “and shall not exceed the amount of annual compensation (excluding expenses) specified in section 102 of title 3” for “and shall not exceed the rate payable for level I of the Executive Schedule unless approved by the President under section 5377(d)(2) of title 5”.

Subsecs. (e) to (g). Pub. L. 114–255, §3071(a)(5), (6), redesignated subsecs. (f) and (g) as (e) and (f), respectively, and struck out former subsec. (e). Prior to amendment, text of subsec. (e) read as follows: “The Secretary may, upon the request of a member who—
“(1) performed service in the employ of an institution of higher education immediately prior to his appointment as a member of the Service, and
“(2) retains the right to continue to make contributions to the retirement system of such institution,”
“contribute an amount not to exceed 10 percent per annum of the member’s basic pay to such institution’s retirement system on behalf of such member. A member who requests that such contribution be made shall not be covered by, or earn service credit under, any retirement system established for employees of the United States under title 5, but such service shall be creditable for determining years of service under section 6303(a) of such title.”


Subsec. (a). Pub. L. 103–43, §2001(a), amended subsec. (a) generally. Prior to amendment, subsec. (a) read as follows: “There shall be in the Public Health Service a Senior Biomedical Research Service (hereinafter in this section referred to as the ‘Service’), not to exceed 350 members at any time.”

Effective Date

Section effective on the 90th day following Nov. 5, 1990, see section 529 (title III, §394(c)) of Pub. L. 101–509, set out as an Effective Date of 1990 Amendment note under section 212 of this title.
§ 237a. Health and Human Services Office on Women’s Health

(a) Establishment of Office

There is established within the Office of the Secretary, an Office on Women’s Health (referred to in this section as the “Office”). The Office shall be headed by a Deputy Assistant Secretary for Women’s Health who may report to the Secretary.

(b) Duties

The Secretary, acting through the Office, with respect to the health concerns of women, shall—

(1) establish short-range and long-range goals and objectives within the Department of Health and Human Services and, as relevant and appropriate, coordinate with other appropriate offices on activities within the Department that relate to disease prevention, health promotion, service delivery, research, and public and health care professional education, for issues of particular concern to women throughout their lifespan;

(2) provide expert advice and consultation to the Secretary concerning scientific, legal, ethical, and policy issues relating to women’s health;

(3) monitor the Department of Health and Human Services’ offices, agencies, and regional activities regarding women’s health and identify needs regarding the coordination of activities, including intramural and extramural multidisciplinary activities;

(4) establish a Department of Health and Human Services Coordinating Committee on Women’s Health, which shall be chaired by the Deputy Assistant Secretary for Women’s Health and composed of senior level representatives from each of the agencies and offices of the Department of Health and Human Services;

(5) establish a National Women’s Health Information Center to—

(A) facilitate the exchange of information regarding matters relating to health information, health promotion, preventive health services, research advances, and education in the appropriate use of health care;

(B) facilitate access to such information;

(C) assist in the analysis of issues and problems relating to the matters described in this paragraph; and

(D) provide technical assistance with respect to the exchange of information (including facilitating the development of materials for such technical assistance);

(6) coordinate efforts to promote women’s health programs and policies with the private sector; and

(7) through publications and any other means appropriate, provide for the exchange of information between the Office and recipients of grants, contracts, and agreements under subsection (c), and between the Office and health professionals and the general public.

(c) Grants and contracts regarding duties

(1) Authority

In carrying out subsection (b), the Secretary may make grants to, and enter into cooperation agreements, contracts, and interagency agreements with, public and private entities, agencies, and organizations.

(2) Evaluation and dissemination

The Secretary shall directly or through contracts with public and private entities, agencies, and organizations, provide for evaluations of projects carried out with financial assistance provided under paragraph (1) and for the dissemination of information developed as a result of such projects.

(d) Reports

Not later than 1 year after March 23, 2010, and every second year thereafter, the Secretary shall prepare and submit to the appropriate committees of Congress a report describing the activities carried out under this section during the period for which the report is being prepared.

(e) Authorization of appropriations

For the purpose of carrying out this section, there are authorized to be appropriated such sums as may be necessary for each of the fiscal years 2010 through 2014.


CONSTRUCTION

Pub. L. 111–148, title III, § 3509(j), Mar. 23, 2010, 124 Stat. 537, provided that: “Nothing in this section [enacting this section, sections 242a, 299b–24a, and 914 of this title and section 399b of Title 21, Food and Drugs, amending sections 287d, 290aa, 299b–23, and 299b–28 of this title, and enacting provisions set out as notes under this section] (or the amendments made by this section) shall be construed to limit the authority of the Secretary of Health and Human Services with respect to women’s health, or with respect to activities carried out through the Department of Health and Human Services on the date of enactment of this section [Mar. 23, 2010].”

TRANSFER OF FUNCTIONS

Pub. L. 111–148, title III, § 3509(a)(2), Mar. 23, 2010, 124 Stat. 533, provided that: “There are transferred to the Office on Women’s Health (established under section 229 of the Public Health Service Act [42 U.S.C. 237a], as added by this section), all functions exercised by the Office on Women’s Health of the Public Health Service prior to the date of enactment of this section [Mar. 23, 2010], including all personnel and compensation authority, all delegation and assignment authority, and all remaining appropriations. All orders, determinations, rules, regulations, permits, agreements, grants, contracts, certificates, licenses, registrations, privileges, and other administrative actions that—

(A) have been issued, made, granted, or allowed to become effective by the President, any Federal agency or official thereof, or by a court of competent jurisdiction, in the performance of functions transferred under this paragraph; and

(B) are in effect at the time this section takes effect, or were final before the date of enactment of this section and are to become effective on or after such date, shall continue in effect according to their terms until modified, terminated, superseded, set aside, or revoked in accordance with law by the President, the Secretary, or other authorized official, a court of competent jurisdiction, or by operation of law.”

INFORMATION AND AWARENESS ON EATING DISORDERS


---

1 So in original. Probably should be “lifespans.”
“(a) INFORMATION.—The Secretary of Health and Human Services, acting through the Director of the Office on Women's Health, may—

“(1) update information, related fact sheets, and resource lists related to eating disorders that are available on the public Internet website of the National Women’s Health Information Center sponsored by the Office on Women’s Health, to include—

“(A) updated findings and current research related to eating disorders, as appropriate; and

“(B) information about eating disorders, including information related to males and females;

“(2) incorporate, as appropriate, and in coordination with the Secretary of Education, information from publicly available resources into appropriate obesity prevention programs developed by the Office on Women’s Health; and

“(3) make publicly available (through a public Internet website or other method) information, related fact sheets, and resource lists, as updated under paragraph (1), and the information incorporated into appropriate obesity prevention programs under paragraph (2).

“(b) AWARENESS.—The Secretary of Health and Human Services may advance public awareness on—

“(1) the types of eating disorders;

“(2) the seriousness of eating disorders, including prevalence, comorbidities, and physical and mental health consequences;

“(3) methods to identify, intervene, refer for treatment, and prevent behaviors that may lead to the development of eating disorders;

“(4) discrimination and bullying based on body size;

“(5) the effects of media on self-esteem and body image; and

“(6) the signs and symptoms of eating disorders.”

NO NEW REGULATORY AUTHORITY

Pub. L. 111–148, title III, §3509(h), Mar. 23, 2010, 124 Stat. 537, provided that: “Nothing in this section [enacting this section, sections 212a, 299b–24a, and 914 of this title and section 399b of Title 21, Food and Drugs, amending sections 287d, 290aa, 299b–25, and 299b–26 of this title, and enacting provisions set out as notes under this section] and the amendments made by this section may be construed as establishing regulatory authority or modifying any existing regulatory authority.”

LIMITATION ON TERMINATION

Pub. L. 111–148, title III, §3509(i), Mar. 23, 2010, 124 Stat. 537, provided that: “Notwithstanding any other provision of law, a Federal office of women’s health (including the Office of Research on Women’s Health of the National Institutes of Health) or Federal appointive position with primary responsibility over women’s health issues (including the Associate Administrator for Women’s Services under the Substance Abuse and Mental Health Services Administration) that is in existence on the date of enactment of this section [Mar. 23, 2010] shall not be terminated, reorganized, or have any of its [sic] powers or duties transferred unless such termination, reorganization, or transfer is approved by Congress through the adoption of a concurrent resolution of approval.”

PART B—MISCELLANEOUS PROVISIONS

CODIFICATION

This part was classified to subchapter XXV (§300aaa et seq.) of this chapter prior to its renumbering by Pub. L. 103–43, title XX, §2010(a)(1)–(3), June 10, 1993, 107 Stat. 213.

§ 238. Gifts for benefit of Service

(a) Acceptance by Secretary

The Secretary of Health and Human Services is authorized to accept on behalf of the United States gifts made unconditionally by will or otherwise for the benefit of the Service or for the carrying out of any of its functions. Conditional gifts may be so accepted if recommended by the Surgeon General, and the principal of and income from any such conditional gift shall be held, invested, reinvested, and used in accordance with its conditions, but no gift shall be accepted which is conditioned upon any expenditure not to be met therefrom or from the income thereof unless such expenditure has been approved by Act of Congress.

(b) Depository of funds; availability for expenditure

Any unconditional gift of money accepted pursuant to the authority granted in subsection (a) of this section, the net proceeds from the liquidation (pursuant to subsection (c) or subsection (d) of this section) of any other property so accepted, and the proceeds of insurance on any such gift property not used for its restoration, shall be deposited in the Treasury of the United States and are hereby appropriated and shall be held in trust by the Secretary of the Treasury for the benefit of the Service, and he may invest and reinvest such funds in interest-bearing obligations of the United States or in obligations guaranteed as to both principal and interest by the United States. Such gifts and the income from such investments shall be available for expenditure in the operation of the Service and the performance of its functions, subject to the same examination and audit as is provided for appropriations made for the Service by Congress.

(c) Evidences of unconditional gifts of intangible property

The evidences of any unconditional gift of intangible personal property, other than money, accepted pursuant to the authority granted in subsection (a) of this section shall be deposited with the Secretary of the Treasury and he, in his discretion, may hold them, or liquidate them except that they shall be liquidated upon the request of the Secretary of Health and Human Services, whenever necessary to meet payments required in the operation of the Service or the performance of its functions. The proceeds and income from any such property held by the Secretary of the Treasury shall be available for expenditure as is provided in subsection (b) of this section.

(d) Real property or tangible personal property

The Secretary of Health and Human Services shall hold any real property or any tangible personal property accepted unconditionally pursuant to the authority granted in subsection (a) of this section and he shall permit such property to be used for the operation of the Service and the performance of its functions or he may lease or hire such property, and may insure such property, and deposit the income thereof with the Secretary of the Treasury to be available for expenditure as provided in subsection (b) of this section: Provided, That the income from such real property or tangible personal property shall be available for expenditure in the discretion of the Secretary of Health and Human Services for the maintenance, preservation, or repair
and insurance of such property and that any proceeds from insurance may be used to restore the property insured. Any such property when not required for the operation of the Service or the performance of its functions may be liquidated by the Secretary of Health and Human Services, and the proceeds thereof deposited with the Secretary of the Treasury, whenever in his judgment the purposes of the gifts will be served thereby.


Codification

Section was formerly classified to section 300aaa of this title prior to renumbering by Pub. L. 103–43, to section 300cc of this title prior to renumbering by Pub. L. 100–607, to section 300aa–1 of this title prior to renumbering by Pub. L. 99–660, and to section 219 of this title prior to renumbering by Pub. L. 96–24.

Amendments

1968—Subsec. (e). Pub. L. 90–574 struck out subsec. (e) which provided for acknowledgment of donations of $50,000 or more in aid of research by the establishment of suitable memorials within the National Institutes of Health and the National Institute of Mental Health.


Transfer of Functions

Functions of Public Health Service, Surgeon General of Public Health Service, and all other officers and employees of Public Health Service, and functions of all agencies of or in Public Health Service transferred to Secretary of Health, Education, and Welfare by Reorg. Plan No. 3 of 1966, set out as a note under section 202 of this title. Secretary of Health, Education, and Welfare redesignated Secretary of Health and Human Services by section 509(b) of Pub. L. 96–88 which is classified to section 3508(b) of Title 20, Education.


§ 238a. Use of immigration station hospitals

The Immigration and Naturalization Service may, by agreement of the heads of the departments concerned, permit the Public Health Service to use hospitals at immigration stations for the care of Public Health Service patients. The Surgeon General shall reimburse the Immigration and Naturalization Service for the actual cost of furnishing fuel, light, water, telephone, and similar supplies and services, which reimbursement shall be covered into the proper Immigration and Naturalization Service appropriation, or such costs may be paid from working funds established as provided by law, but no charge shall be made for the expense of physical upkeep of the hospitals. The Immigration and Naturalization Service shall reimburse the Surgeon General for the care and treatment of persons detained in hospitals of the Public Health Service at the request of the Immigration and Naturalization Service unless such persons are entitled to care and treatment under section 249(a) of this title.


References in Text

Subsec. (a) of section 249 of this title, referred to in text, which related to persons entitled to care and treatment without charge, was repealed, and subsec. (c) of section 249 of this title was redesignated as subsec. (a), by Pub. L. 97–35, title IX, § 868(a), (b)(2), Aug. 13, 1981, 95 Stat. 693.

Codification

Section was formerly classified to section 300aaa–1 of this title prior to renumbering by Pub. L. 103–43, to section 300cc–1 of this title prior to renumbering by Pub. L. 100–607, to section 300aa–1 of this title prior to renumbering by Pub. L. 99–660, and to section 220 of this title prior to renumbering by Pub. L. 96–24.

Transfer of Functions

Functions of Public Health Service, Surgeon General of Public Health Service, and all other officers and employees of Public Health Service, and functions all agencies of or in Public Health Service transferred to Secretary of Health, Education, and Welfare by Reorg. Plan No. 3 of 1966, set out as a note under section 202 of this title. Secretary of Health, Education, and Welfare redesignated Secretary of Health and Human Services by section 509(b) of Pub. L. 96–88 which is classified to section 3508(b) of Title 20, Education.

Functions of all other officers of Department of Justice and functions of all agencies and employees of such Department, with a few exceptions, transferred to Attorney General, with power vested in him to authorize their performance or performance of any of his functions by any of such officers, agencies, and employees,

1 See References in Text note below.
§ 238b. Disposition of money collected for care of patients

Money collected as provided by law for expenses incurred in the care and treatment of foreign seamen, and money received for the care and treatment of pay patients, including any amounts received from any executive department on account of care and treatment of pay patients, shall be covered into the appropriation from which the expenses of such care and treatment were paid.


Codification

Section was formerly classified to section 300aa–3 of this title prior to renumbering by Pub. L. 103–43, to section 300cc–5 of this title prior to renumbering by Pub. L. 100–607, to section 300aa–5 this title prior to renumbering by Pub. L. 99–660, and to section 221 of this title prior to renumbering by Pub. L. 98–24.

Amendments

1954—Act July 15, 1954, inserted sentence at end relating to availability of appropriations for paying expenses relating to recovery, care, and disposition of the remains of personnel or their dependents.

§ 238c. Transportation of remains of officers

Appropriations available for traveling expenses of the Service shall be available for meeting the cost of preparation for burial and of transportation to the place of burial of remains of commissioned officers, and of personnel specified in regulations, who die in line of duty. Appropriations available for carrying out the provisions of this chapter shall also be available for the payment of such expenses relating to the recovery, care and disposition of the remains of personnel or their dependents as may be authorized under other provisions of law.


Codification

Section was formerly classified to section 300aa–3 of this title prior to renumbering by Pub. L. 103–43, to section 300cc–5 of this title prior to renumbering by Pub. L. 100–607, to section 300aa–5 this title prior to renumbering by Pub. L. 99–660, and to section 221 of this title prior to renumbering by Pub. L. 98–24.

References in Text

Title VI of the Mental Health Systems Act is classified generally to subchapter V (§3051 et seq.) of chapter 102 of this title. For complete classification of this Act to the Code, see Short Title note set out under section 9401 of this title and Tables.

Codification
Section was formerly classified to section 300aaa–4 of this title prior to renumbering by Pub. L. 103–43, to section 300cc–6 of this title prior to renumbering by Pub. L. 100–607, to section 300aa–6 of this title prior to renumbering by Pub. L. 99–660, and to section 226a of this title prior to renumbering by Pub. L. 98–24.

Amendments
1981—Pub. L. 97–35 struck out provisions relating to appropriations available under Community Mental Health Centers Act for construction, etc.


1976—Pub. L. 94–278 substituted “Federal institutions, except that grants to” for “hospitals of the Service, of the Veterans’ Administration, or of the Bureau of Prisons of the Department of Justice, and to Saint Elizabeths Hospital, except grants to such”.

1970—Pub. L. 91–913 inserted references to appropriations available for grants to expand existing treatment and research programs and facilities for alcoholism, narcotic addiction, drug abuse, and drug dependence, and appropriations available under Community Mental Health Centers Act for construction and staffing of community mental health centers and alcoholism and narcotic addiction, drug abuse, and drug dependence facilities, and inserted provision that grants to specified Federal institutions may be funded at 100 per centum of the costs.

Effective Date of 1981 Amendment

Effective Date
Pub. L. 90–31, §5, June 24, 1967, 81 Stat. 79, provided that this section is effective July 1, 1968.

§ 238f. Transfer of funds
For the purpose of any reorganization under section 203 of this title, the Secretary, with the approval of the Director of the Office of Management and Budget, is authorized to make such transfers of funds between appropriations as may be necessary for the continuance of transferred functions.


Codification
Section was formerly classified to section 300aaa–5 of this title prior to renumbering by Pub. L. 103–43, to section 300cc–7 of this title prior to renumbering by Pub. L. 100–607, to section 300aa–7 of this title prior to renumbering by Pub. L. 99–660, and to section 226 of this title prior to renumbering by Pub. L. 98–24.

Transfer of Functions

Functions of Federal Security Administrator transferred to Secretary of Health, Education, and Welfare and all agencies of Federal Security Agency transferred to Department of Health, Education, and Welfare by section 5 of Reorg. Plan No. 1 of 1953, set out as a note under section 3301 of this title. Federal Security Agency and office of Administrator abolished by section 8 of Reorg. Plan No. 1 of 1953. Secretary and Department of Health, Education, and Welfare redesignated Secretary and Department of Health and Human Services by section 508(b) of Pub. L. 98–48 which is classified to section 3508(b) of Title 20, Education.

§ 238f. Availability of appropriations
Appropriations for carrying out the purposes of this chapter shall be available for expenditure for personal services and rent at the seat of Government; books of reference, periodicals, and exhibits; printing and binding; transporting in Government-owned automotive equipment, to and from school, children of personnel who have quarters for themselves and their families at stations determined by the Surgeon General to be isolated stations; expenses incurred in pursuing, identifying, and returning prisoners who escape from any hospital, institution, or station of the Service or from the custody of any officer or employee of the Service, including rewards for the capture of such prisoners; furnishing, repairing, and cleaning such wearing apparel as may be prescribed by the Surgeon General for use by employees in the performance of their official duties; reimbursing officers and employees, subject to regulations of the Secretary, for the cost of repairing or replacing their personal belongings damaged or destroyed by patients while such officers or employees are engaged in the performance of their official duties; and maintenance of buildings of the National Institutes of Health.

CODIFICATION
Section was formerly classified to section 300aaa-6 of this title prior to renumbering by Pub. L. 103–43, to section 300cc-8 of this title prior to renumbering by Pub. L. 100–607, to section 300aaa-6 of this title prior to renumbering by Pub. L. 99–666, and to section 227 of this title prior to renumbering by Pub. L. 98–24.

AMENDMENTS
1948—Act June 23, 1948, amended section generally to make it apply to all appropriations to carry out the purposes of the Service instead of merely to appropriations to carry out the research functions of the Service. Act June 16, 1944, substituted “National Institutes of Health” for “National Institute of Health”.

TRANSFER OF FUNCTIONS

BUY AMERICAN PROVISIONS

“(a) Sense of Congress Regarding Purchase of American-Made Equipment and Products.—In the case of any equipment or product that may be authorized to be purchased with financial assistance provided pursuant to this Act for any of the fiscal years 1994 through 1998, it is the sense of the Congress that entities receiving such assistance should, in expending the assistance, purchase only American-made equipment and products.

“(b) Notice to Recipients of Assistance.—In providing financial assistance pursuant to this Act, the Secretary of Health and Human Services shall provide to each recipient of the assistance a notice describing the statement made in subsection (a) by the Congress.”


AVAILABILITY OF APPROPRIATIONS FOR ACTIVE COMMISSIONED OFFICERS AND OTHER EXPENSES
Pub. L. 102–394, title II, § 202, Oct. 6, 1992, 106 Stat. 1810, as amended by Pub. L. 111–8, div. F, title II, § 222, Mar. 11, 2009, 123 Stat. 784; Pub. L. 111–148, title V, § 5209, Mar. 23, 2010, 124 Stat. 613, provided that: “Appropriations in this or any other Act or subsequent Act of the Public Health Service, Labor, Health and Human Services, and Education and Related Agencies Appropriations Acts shall be available for expenses for active commissioned officers in the Public Health Service Reserve Corps and for commissioned officers in the Regular Corps; expenses incident to the dissemination of health information in foreign countries through exhibits and other appropriate means; advances of funds for compensation, travel, and subsistence expenses (or per diem in lieu thereof) for persons coming from abroad to participate in health or scientific activities of the Department pursuant to law; expenses of primary and secondary schooling of dependents in foreign countries, of Public Health Service commissioned officers stationed in foreign countries, at costs for any given area not in excess of those of the Department of Defense for the same area, when it is determined by the Secretary that the schools available in the locality are unable to provide adequately for the education of such dependents, and for the transportation of such dependents, between such schools and their places of residence when the schools are not accessible to such dependents by regular means of transportation; expenses for medical care for civilian and commissioned employees of the Public Health Service and their dependents assigned abroad on a permanent basis in accordance with such regulations as the Secretary may provide; rental or lease of living quarters (for periods not exceeding five years), and provision of heat, light and maintenance, improvement, and repair of such quarters, and advance payments therefor, for civilian officers and employees of the Public Health Service who are United States citizens and who have a permanent station in a foreign country; purchase, erection, and maintenance of temporary or portable structures; and for the payment of compensation to consultants or individual scientists appointed for limited periods of time pursuant to section 207(f) or section 207(g) of the Public Health Service Act (42 U.S.C. 209(f), (g)), at rates established by the Assistant Secretary for Health, or the Secretary where such action is required by statute, not to exceed the per diem rate equivalent to the maximum rate payable for senior-level positions under 5 U.S.C. 5370.”

[Pub. L. 111–148, § 5209, which directed amendment of Pub. L. 102–394, § 202, set out above, by striking out “not to exceed 2,800”, was executed by striking out “not to exceed 4,000” before “commissioned officers in the Regular Corps”, to reflect the probable intent of Congress.]

[For reference to maximum rate under section 5376 of Title 5, Government Organization and Employees, see section 2(d)(3) of Pub. L. 110–372, set out as an Effective Date of 2008 Amendment note under section 5376 of Title 5.]

Similar provisions were contained in the following prior appropriation acts:


CREDITING OF PAYMENTS FOR ROOM AND BOARD TO APPROPRIATION ACCOUNTS
Pub. L. 102–384, title II, § 206, Oct. 6, 1992, 106 Stat. 1811, provided that: “Hereafter amounts received from employees of the Department in payment for room and board may be credited to the appropriation accounts which finance the activities of the Public Health Service.”

Similar provisions were contained in the following prior appropriation acts:


§ 238g. Wearing of uniforms

Except as may be authorized by regulations of the President, the insignia and uniform of commissioned officers of the Service, or any distinctive part of such insignia or uniform, or any insignia or uniform any part of which is similar to a distinctive part thereof, shall not be worn, after the promulgation of such regulations, by any person other than a commissioned officer of the Service.


CODIFICATION

Section was formerly classified to section 300aaa–7 of this title prior to renumbering by Pub. L. 103–43, to section 300cc–9 of this title prior to renumbering by Pub. L. 100–607, to section 300aa–9 of this title prior to renumbering by Pub. L. 99–660, and to section 229 of this title prior to renumbering by Pub. L. 98–24.

AMENDMENTS


EFFECTIVE DATE OF 1948 AMENDMENT

Amendment effective Sept. 1, 1948, see section 20 of act June 25, 1948.

TRANSFER OF FUNCTIONS

Functions of Public Health Service, Surgeon General of Public Health Service, and all other officers and employees of Public Health Service, and functions of all agencies of or in Public Health Service transferred to Secretary of Health, Education, and Welfare by Reorg. Plan No. 3 of 1966, eff. June 25, 1966, 31 F.R. 8855, 80 Stat. 1610, set out as a note under section 202 of this title. Secretary of Health, Education, and Welfare redesignated Secretary of Health and Human Services by section 509(b) of Pub. L. 96–88 which is classified to section 5308(b) of Title 20, Education.

DEDICATION OF FUNCTIONS

Functions of President delegated to Secretary of Health and Human Services, see Ex. Ord. No. 11140, Jan. 30, 1964, 29 F.R. 1637, as amended, set out as a note under section 202 of this title.

§ 238h. Biennial report

The Surgeon General shall transmit to the Secretary, for submission to the Congress, on January 1, every 2 years thereafter, a full report of the administration of the functions of the Service under this chapter, including a detailed statement of receipts and disbursements.


CODIFICATION

Section was formerly classified to section 300aaa–8 of this title prior to renumbering by Pub. L. 103–43, to section 300cc–10 of this title prior to renumbering by Pub. L. 100–607, to section 300aa–10 of this title prior to renumbering by Pub. L. 99–660, and to section 229 of this title prior to renumbering by Pub. L. 98–24.

TERMINATION OF REPORTING REQUIREMENTS

For termination, effective May 15, 2000, of provisions of law requiring submittal to Congress of any annual, semiannual, or other regular periodic report listed in House Document No. 103–7 (in which item 3 on page 101 identifies a reporting provision which, as subsequently amended, is contained in this section), see section 306 of Pub. L. 101–351, as amended, and section 1(a)(4) [div. A. §142(1)] of Pub. L. 106–554, set out as notes under title 1113 of Title 31, Money and Finance.

TRANSFER OF FUNCTIONS


AGENCY REPORTING REQUIREMENTS: REPORT BY SECRETARY OF HEALTH, EDUCATION, AND WELFARE TO CONGRESSIONAL COMMITTEES RELATING TO REQUIREMENTS, TERMINATION, ETC.

Pub. L. 93–641, §7, Jan. 4, 1975, 88 Stat. 2275, provided that by Jan. 4, 1976, the Secretary of Health, Education,
§ 238i. Memorials and other acknowledgments for contributions to health of Nation

The Secretary may provide for suitably acknowledging, within the Department (whether by memorials, designations, or other suitable acknowledgments), (1) efforts of persons who have contributed substantially to the health of the Nation and (2) gifts for use in activities of the Department related to health.


Codification

Section was formerly classified to section 300aaa–10 of this title prior to renumbering by Pub. L. 103–43, to section 300cc–12 of this title prior to renumbering by Pub. L. 100–607, to section 300aa–12 of this title prior to renumbering by Pub. L. 99–660, and to section 229b of this title prior to renumbering by Pub. L. 96–24.

AMENDMENTS

1993—Pub. L. 103–183 amended section generally. Prior to amendment, section read as follows: "Such portion as the Secretary may determine, but not more than 1 per centum of any appropriation for grants, contracts, or other payments under any provision of this chapter, shall be available for evaluation (directly, or by grants or contracts) of any program authorized by this chapter or any of such other Acts, and, in the case of allotments from any such appropriation, the amount available for allotment shall be reduced accordingly."


CHANGE OF NAME

Committee on Labor and Human Resources of Senate changed to Committee on Health, Education, Labor, and Pensions of Senate by Senate Resolution No. 20, One Hundred Sixth Congress, Jan. 19, 1999.


Effective Date of 1993 Amendment


Effective Date of 1981 Amendment


§ 238j. Evaluation of programs

(a) In general

Such portion as the Secretary shall determine, but not less than 0.2 percent nor more than 1 percent, of any amounts appropriated for programs authorized under this chapter shall be made available for the evaluation (directly, or by grants of contracts) of the implementation and effectiveness of such programs.

(b) Report on evaluations

Not later than February 1 of each year, the Secretary shall prepare and submit to the Committee on Labor and Human Resources of the Senate and the Committee on Energy and Commerce of the House of Representatives a report summarizing the findings of the evaluations conducted under subsection (a).

CODIFICATION


OBLEIGATIONS RELATED TO AGREEMENT WITH PRIVATE ENTITIES


§ 238l. Recovery

(a) Right of United States to recover base amount plus interest

If any facility with respect to which funds have been paid under the Community Mental Health Centers Act [42 U.S.C. 2689 et seq.] (as such Act was in effect prior to October 1, 1981) is, at any time within twenty years after the completion of remodeling, construction, or expansion or after the date of its acquisition—

(1) sold or transferred to any entity (A) which would not have been qualified to file an application under section 222 of such Act [42 U.S.C. 2689j] (as such section was in effect prior to October 1, 1981) or (B) which is disapproved as a transferee by the State mental health agency or by another entity designated by the chief executive officer of the State, or

(2) ceases to be used by a community mental health service, the United States shall be entitled to recover from the transferee, transferee, or owner of the facility, the base amount prescribed by subsection (c)(1) plus the interest (if any) prescribed by subsection (c)(2).

(b) Notice of sale, transfer, or change

The transferee and transferee of a facility that is sold or transferred as described in subsection (a)(1), or the owner of a facility the use of which changes as described in subsection (a)(2), shall provide the Secretary written notice of such sale, transfer, or change within 10 days after the date on which such sale, transfer, or cessation of use occurs or within 30 days after October 22, 1985, whichever is later.

(c) Base amount; interest

(1) The base amount that the United States is entitled to recover under subsection (a) is the amount bearing the same ratio to the then value (as determined by the agreement of the parties or in an action brought in the district court of the United States for the district in which the facility is situated) of so much of the facility as constituted an approved project or projects as the amount of the Federal participation bore to the cost of the remodeling, construction, expansion, or acquisition of the project or projects.

(2)(A) The interest that the United States is entitled to recover under subsection (a) is the interest for the period (if any) described in subparagraph (B) at a rate (determined by the Secretary) based on the average of the bond equivalent rates of ninety-one-day Treasury bills auctioned during that period.

(B) The period referred to in subparagraph (A) is the period beginning—

(i) if notice is provided as prescribed by subsection (b), 191 days after the date on which such sale, transfer, or cessation of use occurs, or

(ii) if notice is not provided as prescribed by subsection (b), 11 days after such sale, transfer, or cessation of use occurs, and ending on the date the amount the United States is entitled to recover is collected.

(d) Waiver of recovery rights

The Secretary may waive the recovery rights of the United States under subsection (a) with respect to a facility (under such conditions as the Secretary may establish by regulation) if the Secretary determines that there is good cause for waiving such rights.

(e) Pre-judgment lien

The right of recovery of the United States under subsection (a) shall not, prior to judgment, constitute a lien on any facility.


REFERENCES IN TEXT


CODIFICATION

Section was classified to section 300aaa–12 of this title prior to renumbering by Pub. L. 103–43, to section
300cc–14 of this title prior to renumbering by Pub. L. 100–407, to section 300aa–14 of this title prior to renumbering by Pub. L. 99–669, to section 228d of this title prior to renumbering by Pub. L. 98–24, and to section 2689m of this title prior to renumbering by Pub. L. 97–35.

**AMENDMENTS**


1985—Pub. L. 99–129 amended section generally. Prior to amendment, section read as follows: “If any facility of a community mental health center acquired, remodeled, or expanded with funds provided under the Community Mental Health Centers Act is, at any time within twenty years after the completion of such remodeling, construction, or expansion or after the date of the transfer of such facility, the value (as determined by the agreement of the parties or by action brought in the United States district court for the district in which the center is situated) of the facility, or any part thereof, shall not constitute a lien upon such facility or center prior to judgment.”

1981—Pub. L. 97–35 substituted “the Community Mental Health Centers Act” for “this subchapter” and “the Community Mental Health Centers Act” for “section 2689” of this title.

1978—Pub. L. 95–622 substituted “this subchapter” for “this part”.

**EFFECTIVE DATE OF 1985 AMENDMENT**

Pub. L. 99–129, title II, § 226(c), Oct. 22, 1985, 99 Stat. 547, provided that “The amendments made by subsection (a) of this section (amending this section) shall not adversely affect other legal rights of the United States.”

§ 238m. Use of fiscal agents

(a) Contracting authority

The Secretary may enter into contracts with fiscal agents—

1(A) to determine the amounts payable to persons who, on behalf of the Indian Health Service, furnish health services to eligible Indians,

(B) to determine the amounts payable to persons who, on behalf of the Public Health Service, furnish health services to individuals pursuant to section 247d or 249 of this title,

(2) to receive, disburse, and account for funds in making payments described in paragraph (1),

(3) to make such audits of records as may be necessary to assure that these payments are proper, and

(4) to perform such additional functions as may be necessary to carry out the functions described in paragraphs (1) through (3).

(b) Contracting prerequisites

(1) Contracts under subsection (a) may be entered into without regard to section 6101 of title 41 or any other provision of law requiring competition.

(2) No such contract shall be entered into with an entity unless the Secretary finds that the entity will perform its obligations under the contract efficiently and effectively and will meet such requirements as to financial responsibility, legal authority, and other matters as he finds pertinent.

(c) Advances under contracts

A contract under subsection (a) may provide for advances of funds to enable entities to make payments under the contract.

(d) Applicable statutory provisions

Subsections (d) and (e) of section 1395u of this title shall apply to contracts with entities under subsection (a) in the same manner as they apply to contracts with carriers under that section.

(e) “Fiscal agent” defined

In this section, the term “fiscal agent” means a carrier described in section 1395u(f)(1) of this title and includes, with respect to contracts under subsection (a)(1)(A), an Indian tribe or tribal organization acting under contract with the Secretary under the Indian Self-Determination Act (Public Law 93–638) [25 U.S.C. 5321 et seq.].

(July 1, 1944, ch. 373, title II, § 244, formerly title XXI, § 2116, as added Pub. L. 99–272, title XVII, 1See References in Text note below.

CODIFICATION


REFERENCES IN TEXT

References to the Indian Self-Determination Act, referred to in this section, are to Pub. L. 105–12, Apr. 30, 1997, 111 Stat. 27. For complete classification of this Act to the Code, see Title I note set out under section 5301 of Title 25, and Tables.

§ 238n. Abortion-related discrimination in governmental activities regarding training and licensing of physicians

(a) In general

The Federal Government, and any State or local government that receives Federal financial assistance, may not subject any health care entity to discrimination on the basis that—

(1) the entity refuses to undergo training in the performance of induced abortions, to require or provide such training, to perform such abortions, or to provide referrals for such training or such abortions;

(2) the entity refuses to make arrangements for any of the activities specified in paragraph (1); or

(3) the entity attends (or attended) a postgraduate physician training program, or any other program of training in the health professions, that does not (or did not) perform induced abortions or require, provide or refer for training in the performance of induced abortions, or make arrangements for the provision of such training.

(b) Accreditation of postgraduate physician training programs

(1) In general

In determining whether to grant a legal status to a health care entity (including a license or certificate), or to provide such entity with financial assistance, services or other benefits, the Federal Government, or any State or local government that receives Federal financial assistance, shall deem accredited any postgraduate physician training program that would be accredited but for the accrediting agency’s reliance upon an accreditation standard that requires an entity to perform an induced abortion or require, provide, or refer for training in the performance of induced abortions, regardless of whether such standard provides exceptions or exemptions. The government involved shall formulate such regulations or other mechanisms, or enter into such agreements with accrediting agencies, as are necessary to comply with this subsection.

(2) Rules of construction

(A) In general

With respect to subsections (d) and (e) of section 292d(a) of the Public Health Service Act, the requirements in such subsections regarding accredited internship or residency programs are subject to paragraph (1) of this subsection.

(B) Exceptions

This section shall not—

(i) prevent any health care entity from voluntarily electing to be trained, to train, or to arrange for training in the performance of, to perform, or to make referrals for induced abortions; or

(ii) prevent an accrediting agency or a Federal, State or local government from establishing standards of medical competence applicable only to those individuals who have voluntarily elected to perform abortions.

(c) Definitions

For purposes of this section:

(1) the term “financial assistance”, with respect to a government program, includes governmental payments provided as reimbursement for carrying out health-related activities.

(2) The term “health care entity” includes an individual physician, a postgraduate physician training program, and a participant in a program of training in the health professions.

(3) The term “postgraduate physician training program” includes a residency training program.

§ 238o. Restriction on use of funds for assisted suicide, euthanasia, and mercy killing

Appropriations for carrying out the purposes of this chapter shall not be used in a manner inconsistent with the Assisted Suicide Funding Restriction Act of 1997 [42 U.S.C. 14401 et seq.].

References in Text

§ 238p. Recommendations and guidelines regarding automated external defibrillators for Federal buildings

(a) Guidelines on placement

The Secretary shall establish guidelines with respect to placing automated external defibrillator devices in Federal buildings. Such guidelines shall take into account the extent to which such devices may be used by lay persons, the typical number of employees and visitors in the buildings, the extent of the need for security measures regarding the buildings, buildings or portions of buildings in which there are special circumstances such as high electrical voltage or extreme heat or cold, and such other factors as the Secretary determines to be appropriate.

(b) Related recommendations

The Secretary shall publish in the Federal Register the recommendations of the Secretary on the appropriate implementation of the placement of automated external defibrillator devices under subsection (a), including procedures for the following:

1. Implementing appropriate training courses in the use of such devices, including the role of cardiopulmonary resuscitation.
2. Proper maintenance and testing of the devices.
3. Ensuring coordination with appropriate licensed professionals in the oversight of training of the devices.
4. Ensuring coordination with local emergency medical systems regarding the placement and incidents of use of the devices.

(c) Consultations; consideration of certain recommendations

In carrying out this section, the Secretary shall:

1. Consult with appropriate public and private entities;
2. Consider the recommendations of national and local public-health organizations for improving the survival rates of individuals who experience cardiac arrest in nonhospital settings by minimizing the time elapsing between the onset of cardiac arrest and the initial medical response, including defibrillation as necessary; and
3. Consult with and counsel other Federal agencies where such devices are to be used.

(d) Date certain for establishing guidelines and recommendations

The Secretary shall comply with this section not later than 180 days after November 13, 2000.
§ 238q. Liability regarding emergency use of automated external defibrillators

(a) Good Samaritan protections regarding AEDs

Except as provided in subsection (b), any person who uses or attempts to use an automated external defibrillator device on a victim of a perceived medical emergency is immune from civil liability for any harm resulting from the use or attempted use of such device; and in addition, any person who acquired the device is immune from such liability, if the harm was not due to the failure of such acquirer of the device—

(1) to notify local emergency response personnel or other appropriate entities of the most recent placement of the device within a reasonable period of time after the device was placed;
(2) to properly maintain and test the device; or
(3) to provide appropriate training in the use of the device to an employee or agent of the acquirer when the employee or agent was the person who used the device on the victim, except that such requirement of training does not apply if—
(A) the employee or agent was not an employee or agent who would have been reasonably expected to use the device; or
(B) the period of time elapsing between the engagement of the person as an employee or agent and the occurrence of the harm (or between the acquisition of the device and the occurrence of the harm, in any case in which the device was acquired after such engagement of the person) was not a reasonably sufficient period in which to provide the training.

(b) Inapplicability of immunity

Immunity under subsection (a) does not apply to a person if—

(1) the harm involved was caused by willful or criminal misconduct, gross negligence, reckless misconduct, or a conscious, flagrant indifference to the rights or safety of the victim who was harmed;
(2) the person is a licensed or certified health professional who used the automated external defibrillator device while acting within the scope of the license or certification of the professional and within the scope of the employment or agency of the professional;
(3) the person is a hospital, clinic, or other entity whose purpose is providing health care directly to patients, and the harm was caused by an employee or agent of the entity who used the device while acting within the scope of the employment or agency of the employee or agent; or
(4) the person is an acquirer of the device who leased the device to a health care entity (or who otherwise provided the device to such entity for compensation without selling the device to the entity), and the harm was caused by an employee or agent of the entity who used the device while acting within the scope of the employment or agency of the employee or agent.

(c) Rules of construction

(1) In general

The following applies with respect to this section:

(A) This section does not establish any cause of action, or require that a automated external defibrillator device be placed at any building or other location.
(B) With respect to a class of persons for which this section provides immunity from civil liability, this section supersedes the law of a State only to the extent that the State has no statute or regulations that provide persons in such class with immunity for civil liability arising from the use by such persons of automated external defibrillator devices in emergency situations (within the meaning of the State law or regulation involved).

(C) This section does not waive any protection from liability for Federal officers or employees under—
(1) section 233 of this title; or
(2) sections 1346(b), 2672, and 2679 of title 28 or under alternative benefits provided by the United States where the availability of such benefits precludes a remedy under section 1346(b) of title 28.

(2) Civil actions under Federal law

(A) In general

The applicability of subsections (a) and (b) includes applicability to any action for civil liability described in subsection (a) that arises under Federal law.

(B) Federal areas adopting State law

If a geographic area is under Federal jurisdiction and is located within a State but out of the jurisdiction of the State, and if, pursuant to Federal law, the law of the State applies in such area regarding matters for which there is no applicable Federal law, then an action for civil liability described in subsection (a) that in such area arises under the law of the State is subject to subsections (a) through (c) in lieu of any related State law that would apply in such area in the absence of this subparagraph.

(d) Federal jurisdiction

In any civil action arising under State law, the courts of the United States have jurisdiction to apply the provisions of this section exclusive of the jurisdiction of the courts of the United States.

(e) Definitions

(1) Perceived medical emergency

For purposes of this section, the term “perceived medical emergency” means circumstances in which the behavior of an individual leads a reasonable person to believe that the individual is experiencing a life-threatening medical condition that requires an immediate medical response regarding the heart or other cardiopulmonary functioning of the individual.

(2) Other definitions

For purposes of this section:
(A) The term “automated external defibrillator device” means a defibrillator device that—
   (i) is commercially distributed in accordance with the Federal Food, Drug, and Cosmetic Act [21 U.S.C. 301 et seq.];
   (ii) is capable of recognizing the presence or absence of ventricular fibrillation, and is capable of determining without inter-
       vention by the user of the device whether defibrillation should be performed;
   (iii) upon determining that defibrillation should be performed, is able to deliver an electrical shock to an individual; and
   (iv) in the case of a defibrillator device that may be operated in either an au-
       tomatized or a manual mode, is set to operate in the automated mode.

(B)(i) The term “harm” includes physical, nonphysical, economic, and noneconomic losses.
   (ii) The term “economic loss” means any pecuniary loss resulting from harm (includ-
       ing the loss of earnings or other benefits related to employment, medical expense loss,
       replacement services loss, loss due to death, burial costs, and loss of business or employ-
       ment opportunities) to the extent recovery for such loss is allowed under applicable
       State law.
   (iii) The term “noneconomic losses” means losses for physical and emotional pain,
       suffering, inconvenience, physical impairment, mental anguish, disfigurement,
       loss of enjoyment of life, loss of society and companionship, loss of consortium (other
       than loss of domestic service), hedonic damages, injury to reputation and all other non-
       pecuniary losses of any kind or nature.

(3) Covered injury
The term “covered injury” means an injury, disability, illness, condition, or death (other than a minor injury such as minor scarring or
minor local reaction) determined, pursuant to the procedures established under section 239a of this title, to have been sustained by an indi-
vidual as the direct result of—
(A) administration to the individual of a covered countermeasure during the effective period of the Declaration; or
(B) accidental vaccinia inoculation of the individual in circumstances in which—
   (i) the vaccinia is contracted during the effective period of the Declaration or within
       30 days after the end of such period;
   (ii) smallpox vaccine has not been admin-
      istered to the individual; and
   (iii) the individual has been in contact
       with an individual who is (or who was accident-
       ally inoculated by) a covered individu-
       al.

(4) Declaration
The term “Declaration” means the Declara-
tion Regarding Administration of Smallpox Countermeasures issued by the Secretary on January 24, 2003, and published in the Federal

(5) Effective period of the Declaration
The term “effective period of the Declara-
tion” means the effective period specified in
the Declaration, unless extended by the Sec-
   retary.

(6) Eligible individual
The term “eligible individual” means an indi-
vidual who is (as determined in accordance
with section 239a of this title)—
(A) a covered individual who sustains a
covered injury in the manner described in
paragraph (3)(A); or
(B) an individual who sustains a covered
injury in the manner described in paragraph
(3)(B).

(7) Smallpox emergency response plan
The term “smallpox emergency response plan” or “plan” means a response plan detailing
actions to be taken in preparation for a

---

1 So in original. Probably should be “specialties”. 

---
possible smallpox-related emergency during the period prior to the identification of an active case of smallpox either within or outside the United States.

(b) Voluntary program

The Secretary shall ensure that a State, local, or Department of Health and Human Services plan to vaccinate individuals that is approved by the Secretary establishes procedures to ensure, consistent with the Declaration and any applicable guidelines of the Centers for Disease Control and Prevention, that—

(1) potential participants are educated with respect to contraindications, the voluntary nature of the program, and the availability of potential benefits and compensation under this part;

(2) there is voluntary screening provided to potential participants that can identify health conditions relevant to contraindications; and

(3) there is appropriate post-inoculation medical surveillance that includes an evaluation of adverse health effects that may reasonably appear to be due to such vaccine and prompt referral of, or the provision of appropriate information to, any individual requiring health care as a result of such adverse health event.


§ 239a. Determination of eligibility and benefits

(a) In general

The Secretary shall establish procedures for determining, as applicable with respect to an individual—

(1) whether the individual is an eligible individual;

(2) whether an eligible individual has sustained a covered injury or injuries for which medical benefits or compensation may be available under sections 239c and 239d of this title, and the amount of such benefits or compensation; and

(3) whether the covered injury or injuries of an eligible individual caused the individual's death for purposes of benefits under section 239e of this title.

(b) Covered individuals

The Secretary may accept a certification, by a Federal, State, or local government entity or private health care entity participating in the administration of covered countermeasures under the Declaration, that an individual is a covered individual.

(c) Criteria for reimbursement

(1) Injuries specified in injury table

In any case where an injury or other adverse effect specified in the injury table established under section 239b of this title as a known effect of a vaccine manifests in an individual within the time period specified in such table, such injury or other effect shall be presumed to have resulted from administration of such vaccine.

(2) Other determinations

In making determinations other than those described in paragraph (1) as to the causation or severity of an injury, the Secretary shall employ a preponderance of the evidence standard and take into consideration all relevant medical and scientific evidence presented for consideration, and may obtain and consider the views of qualified medical experts.

(d) Deadline for filing request

The Secretary shall not consider any request for a benefit under this part with respect to an individual, unless—

(1) in the case of a request based on the administration of the vaccine to the individual, the individual files with the Secretary an initial request for benefits or compensation under this part not later than one year after the date of administration of the vaccine; or

(2) in the case of a request based on accidental vaccinia inoculation, the individual files with the Secretary an initial request for benefits or compensation under this part not later than two years after the date of the first symptom or manifestation of onset of the adverse effect.

(e) Structured settlements at Secretary's option

In any case in which there is a reasonable likelihood that compensation or payment under section 239c, 239d, or 239e(b) of this title will be required for a period in excess of one year from the date an individual is determined eligible for such compensation or payment, the Secretary shall have the discretion to make a lump-sum payment, purchase an annuity or medical insurance policy, or execute an appropriate structured settlement agreement, provided that such payment, annuity, policy, or agreement is actuarially determined to have a value equal to the present value of the projected total amount of benefits or compensation that the individual is eligible to receive under such section or sections.

(f) Review of determination

(1) Secretary's review authority

The Secretary may review a determination under this section at any time on the Secretary's own motion or on application, and may affirm, vacate, or modify such determination in any manner the Secretary deems appropriate. The Secretary shall develop a process by which an individual may file a request for reconsideration of any determination made by the Secretary under this section.

(2) Judicial and administrative review

No court of the United States, or of any State, District, territory or possession thereof, shall have subject matter jurisdiction to review, whether by mandamus or otherwise, any action by the Secretary under this section. No officer or employee of the United States shall review any action by the Secretary under this section (unless the President specifically directs otherwise).

§ 239b. Smallpox vaccine injury table

(a) Smallpox vaccine injury table

(1) Establishment required

The Secretary shall establish by interim final regulation a table identifying adverse effects (including injuries, disabilities, illnesses, conditions, and deaths) that shall be presumed to result from the administration of (or exposure to) a smallpox vaccine, and the time period in which the first symptom or manifestation of onset of each such adverse effect must manifest in order for such presumption to apply.

(2) Amendments

The Secretary may by regulation amend the table established under paragraph (1). An amendment to the table takes effect on the date of the promulgation of the final rule that makes the amendment, and applies to all requests for benefits or compensation under this part that are filed on or after such date or are pending as of such date. In addition, the amendment applies retroactively to an individual who was not with respect to the injury involved an eligible individual under the table as in effect before the amendment but who with respect to such injury is an eligible individual under the table as amended. With respect to a request for benefits or compensation under this part by an individual who becomes an eligible individual as described in the preceding sentence, the Secretary may not provide such benefits or compensation unless the request (or amendment to a request, as applicable) is filed before the expiration of one year after the effective date of the amendment to the table in the case of an individual to whom the vaccine was administered and before the expiration of two years after such effective date in the case of a request based on accidental smallpox inoculation.

(b) Benefits secondary to other coverage

Subject to the succeeding provisions of this section, the Secretary shall provide compensation to an eligible individual for loss of employment income (based on such income at the time of injury) incurred as a result of a covered injury, at the rate specified in subsection (b).

(c) Limitations

(1) Benefits secondary to other coverage

Payment or reimbursement for services or benefits under subsection (a) shall be secondary to any obligation of the United States or any third party (including any State or local governmental entity, private insurance carrier, or employer) under any other provision of law or contractual agreement, to pay or provide such services or benefits.

§ 239d. Compensation for lost employment income

(a) In general

Subject to the succeeding provisions of this section, the Secretary shall provide compensation to an eligible individual for loss of employment income (based on such income at the time of injury) incurred as a result of a covered injury, at the rate specified in subsection (b).

(b) Amount of compensation

(1) In general

Compensation under subsection (a) shall be at the rate of 66⅔ percent of the relevant pay period (weekly, monthly, or otherwise), except as provided in paragraph (2).

(2) Augmented compensation for dependents

If an eligible individual has one or more dependents, the basic compensation for loss of employment income as described in paragraph (1) shall be augmented at the rate of 8⅓ percent.

(3) Consideration of other programs

(A) In general

The Secretary may consider the provisions of sections 8114, 8115, and 8146a of title 5, and any implementing regulations, in determining the amount of payment under subsection (a) and the circumstances under which such payments are reasonable and necessary.

(B) Minors

With respect to an eligible individual who is a minor, the Secretary may consider the provisions of section 8113 of title 5, and any implementing regulations, in determining the amount of payment under subsection (a) and the circumstances under which such payments are reasonable and necessary.

(4) Treatment of self-employment income

For purposes of this section, the term “employment income” includes income from self-employment.

(c) Limitations

(1) Benefits secondary to other coverage

(A) In general

Any compensation under subsection (a) shall be secondary to the obligation of the United States or any third party (including any State or local governmental entity, private insurance carrier, or employer) under any other law or contractual agreement, to pay compensation for loss of employment income or to provide disability or retirement benefits.

(B) Relation to other obligations

Compensation under subsection (a) shall not be made to an eligible individual to the extent that the total of amounts paid to the individual under such subsection and under the other obligations referred to in subparagraph (A) is an amount that exceeds the rate specified in subsection (b)(1). If under any
such other obligation a lump-sum payment is made, such payment shall, for purposes of this paragraph, be deemed to be received over multiple years rather than received in a single year. The Secretary may, in the discretion of the Secretary, determine how to apportion such payment over multiple years.

(2) No benefits in case of death

No payment shall be made under subsection (a) in compensation for loss of employment income subsequent to the receipt, by the survivor or survivors of an eligible individual, of benefits under section 239e of this title for death.

(3) Limit on total benefits

(A) In general

Except as provided in subparagraph (B)—

(i) total compensation paid to an individual under subsection (a) shall not exceed $50,000 for any year; and

(ii) the lifetime total of such compensation for the individual may not exceed an amount equal to the amount authorized to be paid under section 239e of this title.

(B) Permanent and total disability

The limitation under subparagraph (A)(ii) does not apply in the case of an eligible individual who is determined to have a covered injury or injuries meeting the definition of disability in section 116(i) of this title.

(4) Waiting period

(A) In general

Except as provided in subparagraph (B), an eligible individual shall not be provided compensation under this section for the first 5 work days of loss of employment income.

(B) Exception

Subparagraph (A) does not apply if the period of loss of employment income of an eligible individual is 10 or more work days.

(5) Termination of benefits

No payment shall be made under subsection (a) in compensation for loss of employment income once the eligible individual involves reaches the age of 65.

(d) Benefit in addition to medical benefits

A benefit under subsection (a) shall be in addition to any amounts received by an eligible individual under section 239c of this title.


§ 239e. Payment for death

(a) Death benefit

(1) In general

The Secretary shall pay, in the case of an eligible individual whose death is determined to have resulted from a covered injury or injuries, a death benefit in the amount determined under paragraph (2) to the survivor or survivors in the same manner as death benefits are paid pursuant to the Public Safety Officers’ Benefits Program under subpart 1 of part L of title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3796 et seq.) with respect to an eligible deceased (except that in the case of an eligible individual who is a minor with no living parent, the legal guardian shall be considered the survivor in the place of the parent).

(2) Benefit amount

(A) In general

The amount of the death benefit under paragraph (1) in a fiscal year shall equal the amount of the comparable benefit calculated under the Public Safety Officers’ Benefits Program under subpart 1 of part L of title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3796 et seq.) in such fiscal year, without regard to any reduction attributable to a limitation on appropriations, but subject to subparagraph (B).

(B) Reduction for payments for lost employment income

The amount of the benefit as determined under subparagraph (A) shall be reduced by the total amount of any benefits paid under section 239d of this title with respect to lost employment income.

(3) Limitations

(A) In general

No benefit is payable under paragraph (1) with respect to the death of an eligible individual if—

(i) a disability benefit is paid with respect to such individual under the Public Safety Officers’ Benefits Program under subpart 1 of part L of title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3796 et seq.); or

(ii) a death benefit is paid or payable with respect to such individual under the Public Safety Officers’ Benefits Program under subpart 1 of part L of title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3796 et seq.).

(B) Exception in the case of a limitation on appropriations for disability benefits under PSOB

In the event that disability benefits available to an eligible individual under the Public Safety Officers’ Benefits Program under subpart 1 of part L of title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3796 et seq.) are reduced because of a limitation on appropriations, and such reduction would affect the amount that would be payable under subparagraph (A) without regard to this subparagraph, benefits shall be available under paragraph (1) to the extent necessary to ensure that the survivor or survivors of such individual receive a total amount equal to the amount described in paragraph (2).

(b) Election in case of dependents

(1) In general

In the case of an eligible individual whose death is determined to have resulted from a

1See References in Text note below.
covered injury or injuries, if the individual had one or more dependents under the age of 18, the legal guardian of the dependents may, in lieu of the death benefit under subsection (a), elect to receive on behalf of the aggregate of such dependents payments in accordance with this subsection. An election under the preceding sentence is effective in lieu of a request under subsection (a) by an individual who is not the legal guardian of such dependents.

(2) Amount of payments

Payments under paragraph (1) with respect to an eligible individual described in such paragraph shall be made as if such individual were an eligible individual to whom compensation would be paid under subsection (a) of section 238d of this title, with the rate augmented in accordance with subsection (b)(2) of such section and with such individual considered to be an eligible individual described in subsection (c)(3)(B) of such section.

(3) Limitations

(A) Age of dependents

No payments may be made under paragraph (1) once the youngest of the dependents involved reaches the age of 18.

(B) Benefits secondary to other coverage

(i) In general

Any payment under paragraph (1) shall be secondary to the obligation of the United States or any third party (including any State or local governmental entity, private insurance carrier, or employer), under any other law or contractual agreement, to pay compensation for loss of employment income or to provide disability benefits, retirement benefits, life insurance benefits on behalf of dependents under the age of 18, or death benefits.

(ii) Relation to other obligations

Payments under paragraph (1) shall not be made to with respect to an eligible individual to the extent that the total of amounts paid with respect to the individual under such paragraph and under the other obligations referred to in clause (i) is an amount that exceeds the rate of payment that applies under paragraph (2). If under any such other obligation a lump-sum payment is made, such payment shall, for purposes of this subparagraph, be deemed to be received over multiple years rather than received in a single year. The Secretary may, in the discretion of the Secretary, determine how to apportion such payment over multiple years.

(c) Benefit in addition to medical benefits

A benefit under subsection (a) or (b) shall be in addition to any amounts received by an eligible individual under section 238c of this title.


REFERENCES IN TEXT


§239f. Administration

(a) Administration by agreement with other agency or agencies

The Secretary may administer any or all of the provisions of this part through Memorandum of Agreement with the head of any appropriate Federal agency.

(b) Regulations

The head of the agency administering this part or provisions thereof (including any agency head administering such Act\(^1\) or provisions through a Memorandum of Agreement under subsection (a)) may promulgate such implementing regulations as may be found necessary and appropriate. Initial implementing regulations may be interim final regulations.


§239g. Authorization of appropriations

For the purpose of carrying out this part, there are authorized to be appropriated such sums as may be necessary for each of the fiscal years 2003 through 2007, to remain available until expended, including administrative costs and costs of provision and payment of benefits. The Secretary’s payment of any benefit under section 238c, 238d, or 238e of this title shall be subject to the availability of appropriations under this section.


§239h. Relationship to other laws

Except as explicitly provided herein, nothing in this part shall be construed to override or limit any rights an individual may have to seek compensation, benefits, or redress under any other provision of Federal or State law.


PART D—UNITED STATES PUBLIC HEALTH SCIENCES TRACK

§239f. Establishment

(a) United States Public Health Services Track

(1) In general

There is hereby authorized to be established a United States Public Health Sciences Track (referred to in this part as the “Track”), at sites to be selected by the Secretary, with authority to grant appropriate advanced degrees in a manner that uniquely emphasizes team-based service, public health, epidemiology, and emergency preparedness and response. It shall be so organized as to graduate not less than—

\(^2\)So in original.

\(^1\)So in original. Probably should be “part”.
(A) 150 medical students annually, 10 of whom shall be awarded studentships to the Uniformed Services University of Health Sciences;

(B) 100 dental students annually;

(C) 250 nursing students annually;

(D) 100 public health students annually;

(E) 100 behavioral and mental health professional students annually;

(F) 100 physician assistant or nurse practitioner students annually; and

(G) 50 pharmacy students annually.

(2) Locations

The Track shall be located at existing and accredited, affiliated health professions education training programs at academic health centers located in regions of the United States determined appropriate by the Surgeon General, in consultation with the National Health Care Workforce Commission established in section 294q of this title.

(b) Number of graduates

Except as provided in subsection (a), the number of persons to be graduated from the Track shall be prescribed by the Secretary. In so prescribing the number of persons to be graduated from the Track, the Secretary shall institute actions necessary to ensure the maximum number of first-year enrollments in the Track consistent with the academic capacity of the affiliated sites and the needs of the United States for medical, dental, and nursing personnel.

(c) Development

The development of the Track may be by such phases as the Secretary may prescribe subject to the requirements of subsection (a).

(d) Integrated longitudinal plan

The Surgeon General shall develop an integrated longitudinal plan for health professions continuing education throughout the continuum of health-related education, training, and practice. Training under such plan shall emphasize patient-centered, interdisciplinary, and care coordination skills. Experience with deployment of emergency response teams shall be included during the clinical experiences.

(e) Faculty development

The Surgeon General shall develop faculty development programs and curricula in decentralized venues of health care, to balance urban, tertiary, and inpatient venues.


§239f–1. Administration

(a) In general

The business of the Track shall be conducted by the Surgeon General with funds appropriated for and provided by the Department of Health and Human Services. The National Health Care Workforce Commission shall assist the Surgeon General in an advisory capacity.

(b) Faculty

(1) In general

The Surgeon General, after considering the recommendations of the National Health Care Workforce Commission, shall obtain the services of such professors, instructors, and administrative and other employees as may be necessary to operate the Track, but utilize when possible, existing affiliated health professions training institutions. Members of the faculty and staff shall be employed under salary schedules and granted retirement and other related benefits prescribed by the Secretary so as to place the employees of the Track faculty on a comparable basis with the employees of fully accredited schools of the health professions within the United States.

(2) Titles

The Surgeon General may confer academic titles, as appropriate, upon the members of the faculty.

(3) Nonapplication of provisions

The limitations in section 5373 of title 5 shall not apply to the authority of the Surgeon General under paragraph (1) to prescribe salary schedules and other related benefits.

(c) Agreements

The Surgeon General may negotiate agreements with agencies of the Federal Government to utilize on a reimbursable basis appropriate existing Federal medical resources located in the United States (or locations selected in accordance with section 239f(a)(2) of this title). Under such agreements the facilities concerned will retain their identities and basic missions. The Surgeon General may negotiate affiliation agreements with accredited universities and health professions training institutions in the United States. Such agreements may include provisions for payments for educational services provided students participating in Department of Health and Human Services educational programs.

(d) Programs

The Surgeon General may establish the following educational programs for Track students:

(1) Postdoctoral, postgraduate, and technological programs.

(2) A cooperative program for medical, dental, physician assistant, pharmacy, behavioral and mental health, public health, and nursing students.

(3) Other programs that the Surgeon General determines necessary in order to operate the Track in a cost-effective manner.

(e) Continuing medical education

The Surgeon General shall establish programs in continuing medical education for members of the health professions to the end that high standards of health care may be maintained within the United States.

(f) Authority of the Surgeon General

(1) In general

The Surgeon General is authorized—

(A) to enter into contracts with, accept grants from, and make grants to any nonprofit entity for the purpose of carrying out cooperative enterprises in medical, dental, physician assistant, pharmacy, behavioral and mental health, public health, and nursing research, consultation, and education;
§ 239f–2  Students; selection; obligation

(a) Student selection

(1) In general

Medical, dental, physician assistant, pharmacy, behavioral and mental health, public health, and nursing students at the Track shall be selected under procedures prescribed by the Surgeon General. In so prescribing, the Surgeon General shall consider the recommendations of the National Health Care Workforce Commission.

(2) Priority

In developing admissions procedures under paragraph (1), the Surgeon General shall ensure that such procedures give priority to applicant medical, dental, physician assistant, pharmacy, behavioral and mental health, public health, and nursing students from rural communities and underrepresented minorities.

(b) Contract and service obligation

(1) Contract

Upon being admitted to the Track, a medical, dental, physician assistant, pharmacy, behavioral and mental health, public health, or nursing student shall enter into a written contract with the Surgeon General that shall contain—

(A) an agreement under which—

(i) subject to subparagraph (B), the Surgeon General agrees to provide the student with tuition (or tuition remission) and a student stipend (described in paragraph (2)) in each school year for a period of years (not to exceed 4 school years) determined by the student, during which period the student is enrolled in the Track at an affiliated or other participating health professions institution pursuant to an agreement between the Track and such institution; and

(ii) subject to subparagraph (B), the student agrees—

(I) to accept the provision of such tuition and student stipend to the student;

(II) to maintain enrollment at the Track until the student completes the course of study involved;

(III) while enrolled in such course of study, to maintain an acceptable level of academic standing (as determined by the Surgeon General);

(IV) if pursuing a degree from a school of medicine or osteopathic medicine, dental, public health, or nursing school or a physician assistant, pharmacy, or behavioral and mental health professional program, to complete a residency or internship in a specialty that the Surgeon General determines is appropriate; and

(V) to serve for a period of time (referred to in this part as the "period of obligated service") within the Commissioned Corps of the Public Health Service equal to 2 years for each school year during which such individual was enrolled at the College, reduced as provided for in paragraph (3);

(B) a provision that any financial obligation of the United States arising out of a contract entered into under this part and any obligation of the student which is conditioned thereon, is contingent upon funds being appropriated to carry out this part;

(C) a statement of the damages to which the United States is entitled for the student’s breach of the contract; and

(D) such other statements of the rights and liabilities of the Secretary and of the individual, not inconsistent with the provisions of this part.

(2) Tuition and student stipend

(A) Tuition remission rates

The Surgeon General, based on the recommendations of the National Health Care
Workforce Commission, shall establish Federal tuition remission rates to be used by the Track to provide reimbursement to affiliated and other participating health professions institutions for the cost of educational services provided by such institutions to Track students. The agreement entered into by such participating institutions under paragraph (1)(A)(i) shall contain an agreement to accept as payment in full the established remission rate under this subparagraph.

(B) Stipend

The Surgeon General, based on the recommendations of the National Health Care Workforce Commission, shall establish and update Federal stipend rates for payment to students under this part.

(3) Reductions in the period of obligated service

The period of obligated service under paragraph (1)(A)(ii)(V) shall be reduced—

(A) in the case of a student who elects to participate in a high-needs specialty residency (as determined by the National Health Care Workforce Commission), by 3 months for each year of such participation (not to exceed a total of 12 months); and

(B) in the case of a student who, upon completion of their residency, elects to practice in a Federal medical facility (as defined in section 254e of this title), by 3 months for year 2 of full-time practice in such a facility (not to exceed a total of 12 months).

(c) Second 2 years of service

During the third and fourth years in which a medical, dental, physician assistant, pharmacy, behavioral and mental health, public health, or nursing student is enrolled in the Track, training should be designed to prioritize clinical rotations in Federal medical facilities in health professional shortage areas, and emphasize a balance of hospital and community-based experiences, and training within interdisciplinary teams.

(d) Dentist, physician assistant, pharmacist, behavioral and mental health professional, public health professional, and nurse training

The Surgeon General shall establish provisions applicable with respect to dental, physician assistant, pharmacy, behavioral and mental health, public health, and nursing students that are comparable to those for medical students under this section, including service obligations, tuition support, and stipend support. The Surgeon General shall give priority to health professions training institutions that train medical, dental, physician assistant, pharmacy, behavioral and mental health, public health, and nursing students for some significant period of time together, but at a minimum have a discrete and shared core curriculum.

(e) Elite Federal disaster teams

The Surgeon General, in consultation with the Secretary, the Director of the Centers for Disease Control and Prevention, and other appropriate military and Federal government agencies, shall develop criteria for the appointment of highly qualified Track faculty, medical, dental, physician assistant, pharmacy, behavioral and mental health, public health, and nursing students, and graduates to elite Federal disaster preparedness teams to train and to respond to public health emergencies, natural disasters, bioterrorism events, and other emergencies.

(f) Student dropped from Track in affiliate school

A medical, dental, physician assistant, pharmacy, behavioral and mental health, public health, or nursing student who, under regulations prescribed by the Surgeon General, is dropped from the Track in an affiliated school for deficiency in conduct or studies, or for other reasons, shall be liable to the United States for all tuition and stipend support provided to the student.

$239f–3. Funding

Beginning with fiscal year 2010, the Secretary shall transfer from the Public Health and Social Services Emergency Fund such sums as may be necessary to carry out this part.

Transfer of Appropriated Funds


SUBCHAPTER II—GENERAL POWERS AND DUTIES

PART A—RESEARCH AND INVESTIGATIONS

§ 241. Research and investigations generally

(a) Authority of Secretary

The Secretary shall conduct in the Service, and encourage, cooperate with, and render assistance to other appropriate public authorities, scientific institutions, and scientists in the conduct of, and promote the coordination of, research, investigations, experiments, demonstrations, and studies relating to the causes, diagnosis, treatment, control, and prevention of physical and mental diseases and impairments of man, including water purification, sewage treatment, and pollution of lakes and streams. In carrying out the foregoing the Secretary is authorized to—

(1) collect and make available through publications and other appropriate means, information as to, and the practical application of, such research and other activities;
(2) make available research facilities of the Service to appropriate public authorities, and to health officials and scientists engaged in special study;

(3) make grants-in-aid to universities, hospitals, laboratories, and other public or private institutions, and to individuals for such research projects as are recommended by the advisory council to the entity of the Department supporting such projects and make, upon recommendation of the advisory council to the appropriate entity of the Department, grants-in-aid to public or nonprofit universities, hospitals, laboratories, and other institutions for the general support of their research;

(b) Testing for carcinogenicity, teratogenicity, and other harmful biological effects; consultation

(1) The Secretary shall conduct and may support through grants and contracts studies and testing of substances for carcinogenicity, teratogenicity, mutagenicity, and other harmful biological effects. In carrying out this paragraph, the Secretary shall consult with entities of the Federal Government, outside of the Department of Health and Human Services and shall consult with entities of the Federal Government, outside of the Department of Health and Human Services, engaged in comparable activities. The Secretary, upon request of such an entity and under appropriate arrangements for the payment of expenses, may conduct and support such activities for such entity.

(4) The Secretary shall publish a biennial report which contains—

(A) a list of all substances (i) which either are known to be carcinogens or may reasonably be anticipated to be carcinogens and (ii) to which a significant number of persons residing in the United States are exposed;

(B) information concerning the nature of such exposure and the estimated number of persons exposed to such substances;

(C) a statement identifying (i) each substance contained in the list under subparagraph (A) for which no effluent, ambient, or exposure standard has been established by a Federal agency, and (ii) for each effluent, ambient, or exposure standard established by a Federal agency with respect to a substance contained in the list under subparagraph (A), the extent to which, on the basis of available medical, scientific, or other data, such standard, and the implementation of such standard by the agency, decreases the risk to public health from exposure to the substance; and

(D) a description of (i) each request received during the year involved—

(I) from a Federal agency outside the Department of Health and Human Services for the Secretary, or

(II) from an entity within the Department of Health and Human Services to any other entity within the Department, to conduct research into, or testing for, the carcinogenicity of substances or to provide information described in clause (ii) of subparagraph (C), and (ii) how the Secretary and each such other entity, respectively, have responded to each such request.

(5) The authority of the Secretary to enter into any contract for the conduct of any study, testing, program, research, or review, or assessment under this subsection shall be effective for any fiscal year only to such extent or in such amounts as are provided in advance in appropriation Acts.

(c) Diseases not significantly occurring in United States

The Secretary may conduct biomedical research, directly or through grants or contracts, for the identification, control, treatment, and
prevention of diseases (including tropical diseases) which do not occur to a significant extent in the United States.

(d) Protection of privacy of individuals who are research subjects

(1)(A) If a person is engaged in biomedical, behavioral, clinical, or other research, in which identifiable, sensitive information is collected (including research on mental health and research on the use and effect of alcohol and other psychoactive drugs), the Secretary, in coordination with other agencies, as applicable—

(i) shall issue to such person a certificate of confidentiality to protect the privacy of individuals who are the subjects of such research if the research is funded wholly or in part by the Federal Government; and

(ii) may, upon application by a person engaged in research, issue to such person a certificate of confidentiality to protect the privacy of such individuals if the research is not so funded.

(B) Except as provided in subparagraph (C), any person to whom a certificate is issued under subparagraph (A) to protect the privacy of individuals described in such subparagraph shall not disclose or provide to any other person not connected with the research the name of such an individual or any information, document, or biospecimen that contains identifiable, sensitive information about such an individual and that was created or compiled for purposes of the research.

(C) The disclosure prohibition in subparagraph (B) shall not apply to disclosure or use that is—

(i) required by Federal, State, or local laws, excluding instances described in subparagraph (D);

(ii) necessary for the medical treatment of the individual to whom the information, document, or biospecimen pertains and made with the consent of such individual;

(iii) made with the consent of the individual to whom the information, document, or biospecimen pertains; or

(iv) made for the purposes of other scientific research that is in compliance with applicable Federal regulations governing the protection of human subjects in research.

(D) Any person to whom a certificate is issued under subparagraph (A) to protect the privacy of an individual described in such subparagraph shall not, in any Federal, State, or local civil, criminal, administrative, legislative, or other proceeding, disclose or provide the name of such individual or any such information, document, or biospecimen that contains identifiable, sensitive information about the individual and that was created or compiled for purposes of the research, except in the circumstance described in subparagraph (C)(iii).

(E) Identifiable, sensitive information protected under subparagraph (A), and all copies thereof, shall be immune from the legal process, and shall not, without the consent of the individual to whom the information pertains, be admissible as evidence or used for any purpose in any action, suit, or other judicial, legislative, or administrative proceeding.

(F) Identifiable, sensitive information collected by a person to whom a certificate has been issued under subparagraph (A), and all copies thereof, shall be subject to the protections afforded by this section for perpetuity.

(G) The Secretary shall take steps to minimize the burden to researchers, streamline the process, and reduce the time it takes to comply with the requirements of this subsection.

(2) The Secretary shall coordinate with the heads of other applicable Federal agencies to ensure that such departments have policies in place with respect to the issuance of a certificate of confidentiality pursuant to paragraph (1) and other requirements of this subsection.

(3) Nothing in this subsection shall be construed to limit the access of an individual who is a subject of research to information about himself or herself collected during such individual's participation in the research.

(4) For purposes of this subsection, the term "identifiable, sensitive information" means information that is about an individual and that is gathered or used during the course of research described in paragraph (1)(A) and—

(A) through which an individual is identified; or

(B) for which there is at least a very small risk, as determined by current scientific practices or statistical methods, that some combination of the information, a request for the information, and other available data sources could be used to deduce the identity of an individual.

(e) Preterm labor and delivery and infant mortality

The Secretary, acting through the Director of the Centers for Disease Control and Prevention, shall expand, intensify, and coordinate the activities of the Centers for Disease Control and Prevention with respect to preterm labor and delivery and infant mortality.

(f) Exemption of certain biomedical information from disclosure

(1) The Secretary may exempt from disclosure under section 552(b)(3) of title 5 biomedical information that is about an individual and that is gathered or used during the course of biomedical research if—

(A) an individual is identified; or

(B) there is at least a very small risk, as determined by current scientific practices or statistical methods, that some combination of the information, the request, and other available data sources could be used to deduce the identity of an individual.

(2)(A) Each determination of the Secretary under paragraph (1) to exempt information from disclosure shall be made in writing and accompanied by a statement of the basis for the determination.

(B) Each such determination and statement of basis shall be available to the public, upon request, through the Office of the Chief FOIA Officer of the Department of Health and Human Services.

(3) Nothing in this subsection shall be construed to limit a research participant's access to information about such participant collected
during the participant’s participation in the research.

(g) Inapplicability of Federal information policy

Subchapter I of chapter 35 of title 44 shall not apply to the voluntary collection of information during the conduct of research by the National Institutes of Health.

(h) Availability of substances and living organisms for biomedical and behavioral research

(1) The Secretary may make available to individuals and entities, for biomedical and behavioral research, substances and living organisms. Such substances and organisms shall be made available under such terms and conditions (including payment for them) as the Secretary determines appropriate.

(2) Where research substances and living organisms are made available under paragraph (1) through contractors, the Secretary may direct such contractors to collect payments on behalf of the Secretary for the costs incurred to make available such substances and organisms and to forward amounts so collected to the Secretary, in the time and manner specified by the Secretary.

(3) Amounts collected under paragraph (2) shall be credited to the appropriations accounts that incurred the costs to make available the research substances and living organisms involved, and shall remain available until expended for carrying out activities under such accounts.

Amendments

2016—Subsec. (a). Pub. L. 114–255, §2043(1), redesignated concluding provisions of subsec. (a) as par. (1) of subsec. (f). Subsec. (f). Pub. L. 114–255, §2043, redesignated concluding provisions of subsec. (a) as par. (1) of subsec. (b) and added pars. (2) and (3).


1986—Subsec. (d). Pub. L. 100–607 redesignated concluding provisions of subsec. (a) of section 242a of this title as subsec. (d) of this section, substituted “biomedical, behavioral, clinical, or other research (including research on mental health, including”, and substituted “drugs)” for “drugs’.

1985—Subsec. (a)(3). Pub. L. 99–570 struck out “or, in the case of mental health projects, by the National Advisory Mental Health Council” after “Department supporting such projects” and struck out “or the National Advisory Mental Health Council” after “appropriate entity of the Department”.


1984—Subsec. (a)(3). Pub. L. 99–158, §3(a)(5)(A), substituted “as are recommended by the advisory council to the entity of the Department supporting such projects or, in the case of mental health projects, by the National Advisory Mental Health Council;” after “Department supporting such projects” and struck out “or the National Advisory Mental Health Council” after “appropriate entity of the Department”.


respect to heart, blood vessel, lung, and blood diseases and blood resources, upon recommendation of the National Heart, Lung and Blood Advisory Council, or, with respect to dental disorders and conditions, upon recommendation of the National Advisory Dental Research Council, such additional means as he deems.

1978—Pub. L. 95–622 designated existing provisions as subsec. (d), redesignated former par. (a) to (h) as (1) to (8), respectively, substituted “Secretary” for “Surgeon General” wherever appearing, and inserted following par. (8) provisions relating to authority of Secretary to make available to individuals and entities substances and living organisms, and added subsec. (b).

1976—Subsecs. (c), (h). Pub. L. 94–278 substituted “heart, blood vessel, lung, and blood diseases and blood resources” for “heart diseases” and “National Heart, Lung and Blood Advisory Council” for “National Heart and Lung Advisory Council”.

1974—Subsec. (c). Pub. L. 93–348, §104(a)(1), redesignated subsec. (d) as (c) and substituted “research projects” for “research or research training projects” in two places, “general support of their research” for “general support of their research and research training programs” and “research grants-in-aid” for “research and research training program grants-in-aid”. Former subsec. (c), designating National Heart Council and the National Advisory Dental Research Council and the National Advisory Heart Council and the National Advisory Dental Research Council, respectively, substituted “Secretary of Health and Human Services” for “Secretary of Health, Education, and Welfare” in subsec. (a) (7), and “Department of Health and Human Services” substituted for “Department of Health, Education, and Welfare” in subsec. (b)(1), (3), and (4)(D)(I), (II), pursuant to section 500(b) of Pub. L. 96–88 which is classified to section 350(b) of Title 20, Education.

Effective Date of 1978 Amendment
Sections 261 and 262 of Pub. L. 95–622 provided that the amendments made by those sections are effective Oct. 1, 1978.

Effective Date of 1974 Amendment
Section 104(b) of Pub. L. 93–348 provided that: “The amendments made by subsection (a) [amending this section and sections 242a, 289c, 289c–1, 289g, 289k, and heading preceding section 288a, 289c, 289c–1, 289c–2, 289c, and heading preceding section 289f] of this title shall not apply with respect to commitments made before the date of the enactment of this Act [July 12, 1974] by the Secretary of Health, Education, and Welfare for research training under the provisions of the Public Health Service Act amended or repealed by subsection (a).”

Effective Date of 1972 Amendment
Amendment by Pub. L. 92–423 effective 60 days after Sept. 19, 1972, or on such prior date after Sept. 19, 1972, as the President shall prescribe and publish in the Federal Register, see section 9 of Pub. L. 92–423, set out as a note under section 218 of this title.

Effective Date of 1971 Amendment
Amendment by Pub. L. 92–218 effective 60 days after Dec. 23, 1971, or on such prior date after Dec. 23, 1971, as the President shall prescribe and publish in the Federal Register, see section 7 of Pub. L. 92–218, set out as a note under section 218 of this title.

Applicability of 2016 Amendment
Pub. L. 114–255, div. A, title II, §205(b), Dec. 13, 2016, 130 Stat. 1656, provided that: “Beginning 180 days after the date of enactment of this Act (Dec. 13, 2016), all persons engaged in research and authorized by the Secretary of Health and Human Services to protect information under section 301(d) of the Public Health Service Act (42 U.S.C. 241(d)) prior to the date of enactment of this Act shall be subject to the requirements of such section (as amended by this Act).”

Coordination of Data Surveys and Reports
Pub. L. 106–113, div. B, §1000(a)(6) [title VII, §705(e)], Nov. 29, 1999, 113 Stat. 1536, 1501A–402, provided that: “The Secretary of Health and Human Services, through the appropriate programs with respect to...”
the Assistant Secretary for Planning and Evaluation, shall establish a clearinghouse for the consolidation and coordination of all Federal databases and reports regarding children’s health.”

FEMALE GENITAL MUTILATION

“(a) Congress finds that—

“(1) the practice of female genital mutilation is carried out by members of certain cultural and religious groups within the United States; and

“(2) the practice of female genital mutilation often results in the occurrence of physical and psychological health effects that harm the women involved.

“(b) The Secretary of Health and Human Services shall do the following:

“(1) Compile data on the number of females living in the United States who have been subjected to female genital mutilation (whether in the United States or in their countries of origin), including a specification of the number of girls under the age of 18 who have been subjected to such mutilation.

“(2) Identify communities in the United States that practice female genital mutilation, and design and carry out outreach activities to educate individuals in the communities on the physical and psychological health effects of such practice. Such outreach activities shall be designed and implemented in collaboration with representatives of the ethnic groups practicing such mutilation and with representatives of organizations with expertise in preventing such practice.

“(3) Develop recommendations for the education of students of schools of medicine and osteopathic medicine regarding female genital mutilation and complications arising from such mutilation. Such recommendations shall be disseminated to such schools.

“(c) For purposes of this section the term ‘female genital mutilation’ means the removal or infibulation (or both) of the whole or part of the clitoris, the labia minor, or the labia major.

“(d) The Secretary of Health and Human Services shall commence carrying out this section not later than 90 days after the date of enactment of this Act [Apr. 26, 1996].”

SENTINEL DISEASE CONCEPT STUDY
Pub. L. 103–43, title XIX, §1910, June 10, 1993, 107 Stat. 208, directed Secretary of Health and Human Services, in cooperation with Agency for Toxic Substances and Disease Registry and Centers for Disease Control and Prevention, to design and implement a pilot sentinel disease surveillance system for identifying relationships between occupation of household members and incidence of subsequent conditions or diseases in other members of household, and required Director of the National Institutes of Health to prepare and submit to Congress, not later than 4 years after June 10, 1993, a report concerning this project.

STUDY OF THYROID MORBIDITY FOR HANFORD, WASHINGTON
Pub. L. 100–607, title I, §161, Nov. 4, 1988, 102 Stat. 3147, provided that with respect to any program of research pursuant to this chapter, any such program carried out in fiscal year 1987 by an agency other than the National Institute on Drug Abuse (or appropriate to be carried out by such an agency) could not, for each of fiscal years 1989 through 1991, be carried out by such Administration.

CONTINUING CARE FOR PSYCHIATRIC PATIENTS IN FORMER CLINICAL RESEARCH CENTER AT NATIONAL INSTITUTE ON DRUG ABUSE
Pub. L. 99–117, §10, Oct. 7, 1985, 99 Stat. 494, provided that: “In any fiscal year beginning after September 30, 1981, from funds appropriated for carrying out section 301 of the Public Health Service Act [42 U.S.C. 241] with respect to mental health, the Secretary of Health and Human Services may provide, by contract or otherwise, for the continuing care of psychiatric patients who were under active and continuous treatment at the National Institute on Drug Abuse Clinical Research Center on the date such Clinical Research Center ceased operations.”

ANALYSIS OF THYROID CANCER: CREATION AND PUBLICATION OF RADIOEpidemiological Tables

“(a) In carrying out section 301 of the Public Health Service Act [42 U.S.C. 241], the Secretary of Health and Human Services shall—

“(1) conduct scientific research and prepare analyses necessary to develop valid and credible assessments of the risks of thyroid cancer that are associated with thyroid doses of Iodine 131;

“(2) conduct scientific research and prepare analyses necessary to develop valid and credible methods to estimate the thyroid doses of Iodine 131 that are received by individuals from nuclear bomb fallout; and

“(3) conduct scientific research and prepare analyses necessary to develop valid and credible assessments of the exposure to Iodine 131 that the American people received from the Nevada atmospheric nuclear bomb tests.

“(b)(1) Within one year after the date of enactment of this Act [Jan. 4, 1983], the Secretary of Health and Human Services shall devise and publish radioepidemiological tables that estimate the likelihood that persons who have or have had any of the radiation related cancers and who have received specific doses prior to the onset of such disease developed cancer as a result of these doses. These tables shall show a probability of causation of developing each radiation relat-
ed cancer associated with receipt of doses ranging from 1 millirad to 1,000 rads in terms of sex, age at time of exposure, time from exposure to the onset of the cancer in question, and such other categories as the Secretary, after consulting with appropriate scientific experts, determines to be relevant. Each probability of causation shall be calculated and displayed as a single percentage figure.

“(2) At the time the Secretary of Health and Human Services publishes the tables pursuant to paragraph (1), such Secretary shall also publish:

“(A) for the tables of each radiation related cancer, an evaluation which will assess the credibility, validity, and degree of certainty associated with such tables; and

“(B) a compilation of the formulas that yielded the probabilities of causation listed in such tables. Such formulas shall be published in such a manner and together with information necessary to determine the probability of causation of any individual who has or has had a radiation related cancer and has received any given dose.

“(3) The tables specified in paragraph (1) and the formulas specified in paragraph (2) shall be devised from the best available data that are most applicable to the United States, and shall be devised in accordance with the best available scientific procedures and expertise.

**TERMINATION OF ADVISORY COMMITTEES**

Pub. L. 93–641, § 6, Jan. 4, 1975, 88 Stat. 2275, set out as a note under section 217a of this title, provided that an advisory committee established pursuant to the Public Health Service Act shall terminate at such time as may be specifically prescribed by an Act of Congress enacted after Jan. 4, 1975.

**EXECUTIVE ORDER NO. 13435**

Ex. Ord. No. 13435, June 20, 2007, 72 F.R. 34591, which directed research with stem cells not derived from the creation or destruction of a human embryo or fetus, was revoked by Ex. Ord. No. 13505, § 5(b), Mar. 9, 2009, 74 F.R. 10668, set out below.

Ex. Ord. No. 13505, May 9, 2009, 74 F.R. 10667, provided:

By the authority vested in me as President by the Constitution and the laws of the United States of America, it is hereby ordered as follows:

**SECTION 1. Policy.** Research involving human embryonic stem cells and human non-embryonic stem cells has the potential to lead to better understanding and treatment of many disabling diseases and conditions. Advances over the past decade in this promising scientific field have been encouraging, leading to broad agreement in the scientific community that the research should be supported by Federal funds.

For the past 8 years, the authority of the Department of Health and Human Services, including the National Institutes of Health (NIH), to fund and conduct human embryonic stem cell research has been limited by Presidential actions. The purpose of this order is to remove these limitations on scientific inquiry, to expand NIH support for the exploration of human stem cell research, and to do so in a way that enhances the contribution of America’s scientists to important new discoveries and new therapies for the benefit of humankind.

Sec. 2. Research. The Secretary of Health and Human Services (Secretary), through the Director of NIH, may support and conduct responsible, scientifically worthy human stem cell research, including human embryonic stem cell research, to the extent permitted by law.

Sec. 3. Guidance. Within 120 days from the date of this order, the Secretary, through the Director of NIH, shall review existing NIH guidance and other widely recognized guidelines on human stem cell research, including provisions establishing appropriate safeguards, and issue new NIH guidance on such research that is consistent with this order. The Secretary, through NIH, shall review and update such guidance periodically, as appropriate.

**SIC. 4. General Provisions.** (a) This order shall be implemented consistent with applicable law and subject to the availability of appropriations.

(b) Nothing in this order shall be construed to impair or otherwise affect:

(i) authority granted by law to an executive department, agency, or the head thereof; or

(ii) functions of the Director of the Office of Management and Budget relating to budgetary, administrative, or legislative proposals.

(c) This order is not intended to, and does not, create any right or benefit, substantive or procedural, enforceable at law or in equity, by any party against the United States, its departments, agencies, or entities, its officers, employees, or agents, or any other person.

**SIC. 5. Revocations.** (a) The Presidential statement of August 9, 2001, limiting Federal funding for research involving human embryonic stem cell research, is revoked.

(b) Executive Order 13435 of June 20, 2007, which supplements the August 9, 2001, statement on human embryonic stem cell research, is revoked.

BARACK OBAMA.

**GUIDELINES FOR HUMAN STEM CELL RESEARCH**

Memorandum of President of the United States, July 30, 2009, 74 F.R. 38885, provided:

Memorandum for the Heads of Executive Departments and Agencies

As outlined in Executive Order 13435 of March 9, 2009, my Administration is committed to supporting and conducting ethically responsible, scientifically worthy human stem cell research, including human embryonic stem cell research, to the extent permitted by law. Pursuant to that order, the National Institutes of Health (NIH) published final “National Institutes of Health Guidelines for Human Stem Cell Research” (Guidelines), effective July 7, 2009. These Guidelines apply to the expenditure of NIH funds for research using human embryonic stem cells and certain uses of human induced pluripotent stem cells. The Guidelines are based on the principles that responsible research with human embryonic stem cells has the potential to improve our understanding of human biology and aid in the discovery of new ways to prevent and treat illness, and that individuals donating embryos for research purposes should do so freely, with voluntary and informed consent. These Guidelines will ensure that NIH-funded research adheres to the highest ethical standards.

In order to ensure that all federally funded human stem cell research is conducted according to these same principles and to promote a uniform Federal policy across the executive branch, I hereby direct the Heads of executive departments and agencies that support and conduct stem cell research to adopt these Guidelines, to the fullest extent practicable in light of legal authorities and obligations. I also direct those departments and agencies to submit to the Director of the Office of Management and Budget (OMB), within 90 days, proposed additions or revisions to any other guidance, policies, or procedures related to human stem cell research, consistent with Executive Order 13385 and this memorandum. The Director of the OMB shall, in coordination with the Director of NIH, review these proposals to ensure consistent implementation of Executive Order 13385 and this memorandum.

This memorandum is not intended to, and does not, create any right or benefit, substantive or procedural, enforceable at law or in equity by any party against the United States, its departments, agencies, or entities, its officers, employees, or agents, or any other person. Executive departments and agencies shall carry out the provisions of this memorandum to the extent permitted by law and consistent with their statutory and regulatory authorities and their enforcement mechanisms.
The Director of the OMB is hereby authorized and directed to publish this memorandum in the Federal Register.

Barack Obama.

Memorandum of President of the United States, Jan. 16, 2013, 78 F.R. 4295, provided that:

Memorandum for the Secretary of Health and Human Services

In addition to being a law enforcement challenge, gun violence is also a serious public health issue that affects thousands of individuals, families, and communities across the Nation. Each year in the United States there are approximately 30,000 firearm-related deaths, and approximately 11,000 of those deaths result from homicides. Addressing this critical issue requires a comprehensive, multifaceted approach.

Recent research suggests that, in developing such an approach, a broader public health perspective is imperative. Significant strides can be made by assessing the causes of gun violence and the successful efforts in place for preventing the misuse of firearms. Taking these steps will improve our understanding of the gun violence epidemic and will aid in the continued development of gun violence prevention strategies.

Therefore, by the authority vested in me as President by the Constitution and the laws of the United States of America, I hereby direct the following:

Section 1. Research. The Secretary of Health and Human Services (Secretary), through the Director of the Centers for Disease Control and Prevention and other scientific agencies within the Department of Health and Human Services, shall conduct or sponsor research into the causes of gun violence and the ways to prevent it. The Secretary shall begin by identifying the most pressing research questions with the greatest potential public health impact, and by assessing existing public health interventions being implemented across the Nation to prevent gun violence.

Section 2. General Provisions. (a) Nothing in this memorandum shall be construed to impair or otherwise affect:

(i) the authority granted by law to an executive department or agency, or the head thereof; or

(ii) the functions of the Director of the Office of Management and Budget relating to budgetary, administrative, or legislative proposals.

(b) This memorandum shall be implemented consistent with applicable law and subject to the availability of appropriations.

(c) This memorandum is not intended to, and does not, create any right or benefit, substantive or procedural, enforceable at law or in equity by any party.

Section 3. Publication. You are hereby authorized and directed to publish this memorandum in the Federal Register.

Barack Obama.

§ 242. Studies and investigations on use and misuse of narcotic drugs and other drugs; annual report to Attorney General; cooperation with States

(a) In carrying out the purposes of section 241 of this title with respect to drugs the use or misuse of which might result in drug abuse or dependency, the studies and investigations authorized therein shall include the use and misuse of narcotic drugs and other drugs. Such studies and investigations shall further include the quantities of crude opium, coca leaves, and their salts, derivatives, and preparations, and other drugs subject to control under the Controlled Substances Act [21 U.S.C. 801 et seq.] and Controlled Substances Import and Export Act [21 U.S.C. 951 et seq.], together with reserves thereof, necessary to supply the normal and emergency medicinal and scientific requirements of the United States. The results of studies and investigations of the quantities of narcotic drugs or other drugs subject to control under such Acts, together with reserves of such drugs, that are necessary to supply the normal and emergency medicinal and scientific requirements of the United States, shall be reported not later than the first day of April of each year to the Attorney General, to be used at his discretion in determining manufacturing quotas or importation requirements under such Acts.

(b) The Surgeon General shall cooperate with States for the purpose of aiding them to solve their narcotic drug problems and shall give authorized representatives of the States the benefit of his experience in the care, treatment, and rehabilitation of narcotic addicts to the end that each State may be encouraged to provide adequate facilities and methods for the care and treatment of its narcotic addicts.


References in Text

The Controlled Substances Act, referred to in subsec. (a), is title II of Pub. L. 91–513, Oct. 27, 1970, 84 Stat. 1232, as amended, which is classified principally to subchapter I (§801 et seq.) of chapter 13 of Title 21, Food and Drugs. For complete classification of this Act to the Code, see Short Title note set out under section 801 of Title 21 and Tables.

The Controlled Substances Import and Export Act, referred to in subsec. (a), is title III of Pub. L. 91–513, Oct. 27, 1970, 84 Stat. 1286, as amended, which is classified principally to subchapter II (§951 et seq.) of chapter 13 of Title 21. For complete classification of this Act to the Code, see Short Title note set out under section 951 of Title 21 and Tables.

Amendments

1979—Subsec. (a). Pub. L. 91–513 inserted references to drug dependency, drugs other than narcotic drugs, and substances subject to control under the Controlled Substances Act and the Controlled Substances Import and Export Act, substituted the first day of April for each year for the first day of September of each year as the date by which the study results must be submitted, substituted the Attorney General for the Secretary of the Treasury as the officer to whom the report is to be submitted, and struck out references to the Narcotic Drugs Import and Export Act.

Effective Date of 1970 Amendment

Amendment by Pub. L. 91–513 effective on first day of seventh calendar month that begins after Oct. 26, 1970, see section 704 of Pub. L. 91–513, set out as an Effective Date note under section 801 of Title 21, Food and Drugs.

Savings Provision

Amendment by Pub. L. 91–513 not to affect or abate any prosecutions for violation of law or any civil seizures or forfeitures and injunctive proceedings commenced prior to the effective date of such amendment, and all administrative proceedings pending before the Bureau of Narcotics and Dangerous Drugs on Oct. 27, 1970, to be continued and brought to final determination in accordance with laws and regulations in effect prior to Oct. 27, 1970, see section 702 of Pub. L. 91–513, set out as a note under section 321 of Title 21, Food and Drugs.
TRANSFER OF FUNCTIONS

MARIHUANA AND HEALTH REPORTING


§242b. General authority respecting research, evaluations, and demonstrations in health statistics, health services, and health care technology
(a) Scope of activities. The Secretary may, through the Agency for Healthcare Research and Quality and the National Center for Health Statistics, or using the services of not more than fifteen experts or the period of service) for each of the centers, enter into contracts with public and nonprofit private entities and individuals. and, when appropriate, enter into contracts with public and private entities and individuals.
(2) Admit and treat at hospitals and other facilities of the Service persons not otherwise eligible for admission and treatment at such facilities.
(3) Secure, from time to time and for such periods as the Secretary deems advisable but in accordance with section 3109 of title 5, the assistance and advice of consultants from the United States or abroad. The Secretary may for the purpose of carrying out the functions set forth in sections 242c, 242k, and 242n of this title, obtain (in accordance with section 3109 of title 5, but without regard to the limitation in such section on the number of days or the period of service) for each of the centers the services of not more than fifteen experts who have appropriate scientific or professional qualifications.
(4) Acquire, construct, improve, repair, operate, and maintain laboratory, research, and other necessary facilities and equipment, and such other real or personal property (including patents) as the Secretary deems necessary; and acquire, without regard to section 8141 of title 40, by lease or otherwise, through the Administrator of General Services, buildings or parts of buildings in the District of Columbia or communities located adjacent to the District of Columbia.
(c) Coordination of activities through units of Department
(1) The Secretary shall coordinate all health services research, evaluations, and demonstrations, all health statistical and epidemiological activities, and all research, evaluations, and demonstrations respecting the assessment of health care technology undertaken and supported through units of the Department of Health and Human Services. To the maximum extent feasible such coordination shall be carried out through the Agency for Healthcare Research and Quality and the National Center for Health Statistics.
(2) The Secretary shall coordinate the health services research, evaluations, and demonstrations, the health statistical and (where appropriate) epidemiological activities, and the research, evaluations, and demonstrations respecting the assessment of health care technology authorized by this chapter through the Agency for Healthcare Research and Quality and the National Center for Health Statistics.

1 See References in Text note below.

(1) Utilize personnel and equipment, facilities, and other physical resources of the Department of Health and Human Services, permit appropriate (as determined by the Secretary) entities and individuals to utilize the physical resources of such Department, provide technical assistance and advice, make grants to public and nonprofit private entities and individuals, and, when appropriate, enter into contracts with public and private entities and individuals.

(2) Admit and treat at hospitals and other facilities of the Service persons not otherwise eligible for admission and treatment at such facilities.

(3) Secure, from time to time and for such periods as the Secretary deems advisable but in accordance with section 3109 of title 5, the assistance and advice of consultants from the United States or abroad. The Secretary may for the purpose of carrying out the functions set forth in sections 242c, 242k, and 242n of this title, obtain (in accordance with section 3109 of title 5, but without regard to the limitation in such section on the number of days or the period of service) for each of the centers the services of not more than fifteen experts who have appropriate scientific or professional qualifications.

(4) Acquire, construct, improve, repair, operate, and maintain laboratory, research, and other necessary facilities and equipment, and such other real or personal property (including patents) as the Secretary deems necessary; and acquire, without regard to section 8141 of title 40, by lease or otherwise, through the Administrator of General Services, buildings or parts of buildings in the District of Columbia or communities located adjacent to the District of Columbia.

**References in Text**


**Codification**


**Amendments**


1993—Subsec. (d), Pub. L. 103–183 struck out subsec. (d) which directed Secretary to conduct an ongoing study of present and projected future health costs of pollution and environmental conditions resulting from human activity and to submit to Congress reports on the study.

1989—Subsec. (a), Pub. L. 101–239, §6103(e)(1)(B), substituted “the Agency for Health Care Policy and Research” for “the National Center for Health Services Research and Health Care Technology Assessment” and “in section 242k of this title and in subchapter VII” for “in sections 242c, 242k, and 242n of this title”.

Pub. L. 101–239, §6103(e)(1)(A), redesignated par. (3) as entire subsec. (a) and struck out pars. (1) and (2) which required Secretary to conduct and support research, demonstrations, evaluations, and statistical and epidemiological activities respecting the improvement of health services in the United States, and which specified types of activities Secretary was to emphasize in carrying out par. (1).

Subsec. (b), Pub. L. 101–239, §6103(e)(1)(C), substituted “subsection (a) and section 242k of this title” for “subsection (a)”.

Subsec. (c)(1), (2), Pub. L. 101–239, §6103(e)(1)(D), substituted “the National Center for Health Services Research and Health Care Technology Assessment” for “the National Center for Health Services Research and Health Care Technology Assessment and the National Center for Health Statistics” for “the National Center for Health Services Research, the National Center for Health Statistics, and the National Center for Health Care Technology”.

1984—Subsec. (a)(1). Pub. L. 98–551, §5(c)(1), (3), substituted “the National Center for Health Services Research and Health Care Technology Assessment or the National Center for Health Statistics for “the National Center for Health Services Research, the National Center for Health Statistics, or the National Center for Health Care Technology”.

Subsec. (c)(1), (2), Pub. L. 98–551, §5(c)(1), (2), substituted “the National Center for Health Services Research and Health Care Technology Assessment and the National Center for Health Statistics for “the National Center for Health Services Research, the National Center for Health Statistics, and the National Center for Health Care Technology”.

1981—Subsec. (a)(3). Pub. L. 97–35, §191(a)(1), substituted “may” for “shall”, “or the” for “and”, “or” for “and using”, and “or other” for “and other”.


Subsec. (d)(1). Pub. L. 97–35, §191(b)(1), (2), substituted provisions relating to advice and assistance of the National Academy of Sciences, for provisions relating to joint authority of the National Academy of Sciences, and struck out definition of “Academy” as meaning the National Academy of Sciences.

Subsec. (d)(3). Pub. L. 97–35, §191(b)(3), (c), (d)(2), substituted “every three years” for “every two years”, and “Energy and” for “Interstate and Foreign”, and struck out references to the Academy.

1979—Subsec. (b)(1), (3). Pub. L. 96–32, §5(a), (b), amended directory language of Pub. L. 95–623, §3(b), (d), and required no change in text. See 1978 Amendment note below.


1978—Subsec. (a)(1). Pub. L. 95–623, §3(a), substituted provision for the Secretary acting through the National Center for Health Care Technology for such action through other units of the Department of Health, Education, and Welfare and “conduct” for “undertake”, included epidemiological activities, and declared as an objective the improvement of the effectiveness, efficiency, and quality of Federal health services.

Subsec. (a)(2). Pub. L. 95–623, §3(a), provided for emphasis to demonstrations, evaluations, and epidemiological activities; redesignated as subparagraph (A) former subparagraph (b), and struck out former subparagraphs (A) and (B). (c) struck out “technology” and “quality” after “organization”, and “utilization,”, respectively, and added clause “including systems for the delivery of preventive, personal, and mental health care”.

Subsec. (a)(3). Pub. L. 95–623, §3(a), redesignated as subparagraph (B) former subparagraph (c), substituted “individual and community knowledge of individual health and the systems for the delivery of health care” for “individual and community knowledge of individual health and the systems for the delivery of health care”, added subparagraphs (E) through (D); struck out former subparagraph (D) activities respecting “individual and community knowledge of individual health and the systems for the delivery of health care”; added subparagraphs (E) through (H); redesignated as subparagraph (J) former subparagraph (D), and redesignated as subparagraphs (E) through (J) former subparagraphs (E) through (J).

Subsec. (b)(1). Pub. L. 95–623, §3(b), as amended by Pub. L. 96–32, §5(a), substituted “when, appropriate, enter into contracts with public and private entities and individuals for (A) health services research, evaluation, and demonstrations, and (B) health services and health statistics training, and (C) health statistical activities”.

Subsec. (b)(2). Pub. L. 95–623, §3(d), as amended by Pub. L. 96–32, §5(b), substituted “advisable but in accordance with section 3109 of title 3” for “advisable”, struck out “experts and” before “consultants”, and authorized the Secretary to obtain for the centers the services of experts with appropriate scientific or professional qualifications.

Subsec. (c). Pub. L. 95–623, §3(c), designated existing text as paragraph (1), substituted “evaluations, and demonstrations, all health statistical and epidemiological activities, and all research, evaluations, and demonstrations respecting the assessment of health care technology” for “evaluation, demonstrations, and health statistical activities” before “undertaken and supported”, required coordination of activities to also be carried out through the National Center for Health Care Technology, and added paragraph (2).


1974—Pub. L. 93–353, in revising generally provisions of subsections (a) to (c), provided for general authority re-
specting health statistics and health services research, evaluation, and demonstrations, subsec. (a) relating to scope of activities, subsec. (b) relating to additional authorizations, and subsec. (c) relating to coordination of activities through units of the Department. Former provisions related to research and demonstrations relating to health facilities and services, subsec. (d) relating to grants and contracts for projects for research, experiments, or demonstrations and related training, cost limitation, wage rates, labor standards, and other conditions, and payments of (former subsec. (b)) (2) now being covered by section 242m(h) and (e), respectively, subsec. (b) relating to systems analysis of national health care plans, and cost and coverage report on existing legislative proposals, and subsec. (c) relating to authorization of appropriations.


1970—Subsec. (a)(1). Pub. L. 91–515, §§ 201(a)(1), 203, redesignated subsec. (a) as (a)(1), substituted “(A)” and “(B)” for “(1)” and “(2)”, and “(i) to (iii)” for “(A) to (C)”, and added cls. (iv) and (v).

Subsec. (a)(2). Pub. L. 91–515, § 201(a)(2), redesignated subsec. (b) as (a)(2), and substituted “subsection” for “section” wherever appearing.


Subsecs. (c), (d), Pub. L. 91–515, §§ 201(a)(3)(A), (c), 202(1), redesignated subsec. (d) as (c), and substituted provisions authorizing appropriations for the fiscal years ending June 30, 1970, June 30, 1972, and June 30, 1973, and authorizing to be appropriated such additional sums for each fiscal year as may be necessary to carry out the provisions of subsec. (b), for provisions authorizing appropriations of $20,000,000 for the fiscal year ending June 30, 1968, $40,000,000 for the fiscal year ending June 30, 1969, and $60,000,000 for the fiscal year ending June 30, 1970. Former subsec. (c) redesignated (a)(3)(A).

Pub. L. 91–296 struck out provisions authorizing use of appropriated funds for evaluation of program authorized by this section. See section 229b of this title.

1967—Pub. L. 90–174 substituted provisions of subsecs. (a) to (d) for research and demonstrations relating to health facilities (incorporated from former section 291n of this title) for provisions of subsec. (a) to (d) of this section for mental health study including grants for special projects and coordination projects entered into in 1972 and 1973 under this section (as in effect at the time the contracts were entered into), and by contractors with the United States under such grants or subcontracts under such contracts, in such manner as the Secretary considered appropriate.

1965—Act Aug. 2, 1965, changed heading of section 304 of act July 1, 1944 from “Grants for special projects in mental health” to “Mental health study grants”. Section heading has been changed for purposes of codification.

Effective Date of 1970 Amendments
Pub. L. 91–515, title II, § 201(d), Oct. 30, 1970, 84 Stat. 1383, provided that “the amendments made by this section shall be effective only with respect to fiscal years ending after June 30, 1970.”

Pub. L. 91–296, title IV, § 401(b)(1), June 30, 1970, 84 Stat. 352, provided that the amendment made by that section is effective with respect to appropriations for fiscal years beginning after June 30, 1970.

Effective Date of 1956 Amendment
tating the mentally ill, including research aimed at the prevention of mental illness.

CHILDREN'S EMOTIONAL ILLNESS STUDY; PROGRAM GRANTS; CONDITIONS; DEFINITIONS; APPROPRIATIONS; TERMS OF GRANT

Pub. L. 89–97, title II, § 231, July 30, 1965, 79 Stat. 360, as amended by Pub. L. 90–248, title III, § 303, Jan. 2, 1968, 81 Stat. 929, authorized the Secretary of Health, Education, and Welfare upon the recommendation of the National Advisory Mental Health Council and after securing the advice of experts in pediatrics and child welfare, to make grants to organizations on certain conditions for carrying out a program of research into and study of resources, methods, and practices for diagnosing or preventing emotional illness in children and of treating, caring for, and rehabilitating children with emotional illnesses, defined “organization”, and authorized appropriations for the making of such grants for fiscal years ending June 30, 1966, and June 30, 1967, with such research and study to be completed not later than three years from the date it was inaugurated.


§ 242d. Transferred

CODIFICATION

Section 242d, act July 1, 1944, ch. 373, title III, § 310, as added Aug. 2, 1956, ch. 871, title II, § 201, 70 Stat. 924, as amended July 23, 1959, Pub. L. 86–105, § 2, 73 Stat. 239; Oct. 30, 1970, Pub. L. 91–515, title VI, § 601(b)(2), 84 Stat. 1311, which related to graduate or specialized training for physicians, engineers, nurses, and other professional personnel, was renumbered section 312 of act July 1, 1944, by Pub. L. 93–333 and transferred to section 244–1 of this title, and was subsequently repealed.


§ 242f to 242j. Transferred

CODIFICATION

Section 242f, act July 1, 1944, ch. 373, title III, § 308, as added July 12, 1960, Pub. L. 86–610, § 4; 74 Stat. 364; which related to international cooperation with respect to biomedical research and health services research and statistical activities, was renumbered section 307 of act July 1, 1944, by Pub. L. 93–333 and transferred to section 244 of this title.


Section 242h, act July 1, 1944, ch. 373, title III, § 310, as added Sept. 25, 1962, Pub. L. 88–682, 78 Stat. 592, and amended and renumbered, which related to health services for domestic agricultural migrants, was renumbered section 319 of act July 1, 1944, by Pub. L. 93–333, title I, § 316(c), July 23, 1974, 88 Stat. 362, transferred to section 245d of this title, and subsequently renumbered, which related to graduate or specialized training for physicians, engineers, nurses, and other professional personnel, was renumbered section 326 of act July 1, 1944, by Pub. L. 93–333 and transferred to section 245c of this title, and was subsequently repealed.


Section 242j, act July 1, 1944, ch. 373, title III, § 310B, as added Oct. 30, 1970, Pub. L. 91–915, title II, § 280, 84 Stat. 1307, which provided for and annual report by Secretary on activities related to health facilities and services and expenditure of funds, was renumbered section 227 of act July 1, 1944, by Pub. L. 93–333 and transferred to section 236 of this title, and was subsequently repealed.

§ 242k. National Center for Health Statistics

CODIFICATION

(a) Establishment; appointment of Director; statistical and epidemiological activities

There is established in the Department of Health and Human Services the National Center
for Health Statistics (hereinafter in this section referred to as the “Center”) which shall be under the direction of a Director who shall be appointed by the Secretary. The Secretary, acting through the Center, shall conduct and support statistical and epidemiological activities for the purpose of improving the effectiveness, efficiency, and quality of health services in the United States.

(b) Duties

In carrying out subsection (a), the Secretary, acting through the Center,

(1) shall collect statistics on—

(A) the extent and nature of illness and disability of the population of the United States (or of any groupings of the people included in the population), including life expectancy, the incidence of various acute and chronic illnesses, and infant and maternal morbidity and mortality.

(B) the impact of illness and disability of the population on the economy of the United States and on other aspects of the well-being of its population (or of such groupings).

(C) environmental, social, and other health hazards,

(D) determinants of health,

(E) health resources, including physicians, dentists, nurses, and other health professionals by specialty and type of practice and the supply of services by hospitals, extended care facilities, home health agencies, and other health institutions,

(F) utilization of health care, including utilization of (i) ambulatory health services by specialties and types of practice of the health professionals providing such services, and (ii) services of hospitals, extended care facilities, home health agencies, and other institutions,

(G) health care costs and financing, including the trends in health care prices and cost, the sources of payments for health care services, and Federal, State, and local governmental expenditures for health care services, and

(H) family formation, growth, and dissolution;

(2) shall undertake and support (by grant or contract) research, demonstrations, and evaluations respecting new or improved methods for obtaining current data on the matters referred to in paragraph (1); and

(3) may undertake and support (by grant or contract) epidemiological research, demonstrations, and evaluations on the matters referred to in paragraph (1); and

(4) may collect, furnish, tabulate, and analyze statistics, and prepare studies, on matters referred to in paragraph (1) upon request of public and nonprofit private entities under arrangements under which the entities will pay the cost of the service provided.

Amounts appropriated to the Secretary from payments made under arrangements made under paragraph (4) shall be available to the Secretary for obligation until expended.

(c) Statistical and epidemiological compilations and surveys

The Center shall furnish such special statistical and epidemiological compilations and sur-veys as the Committee on Labor and Human Resources and the Committee on Appropriations of the Senate and the Committee on Energy and Commerce and the Committee on Appropriations of the House of Representatives may request. Such statistical and epidemiological compilations and surveys shall not be made subject to the payment of the actual or estimated cost of the preparation of such compilations and surveys.

(d) Technical aid to States and localities

To insure comparability and reliability of health statistics, the Secretary shall, through the Center, provide adequate technical assistance to assist State and local jurisdictions in the development of model laws dealing with issues of confidentiality and comparability of data.

(e) Cooperative Health Statistics System

For the purpose of producing comparable and uniform health information and statistics, there is established the Cooperative Health Statistics System. The Secretary, acting through the Center, shall—

(1) coordinate the activities of Federal agencies involved in the design and implementation of the System;

(2) undertake and support (by grant or contract) research, development, demonstrations, and evaluations respecting the System;

(3) make grants to and enter into contracts with State and local health agencies to assist them in meeting the costs of data collection and other activities carried out under the System; and

(4) review the statistical activities of the Department of Health and Human Services to assure that they are consistent with the System.

States participating in the System shall designate a State agency to administer or be responsible for the administration of the statistical activities within the State under the System. The Secretary, acting through the Center, shall prescribe guidelines to assure that statistical activities within States participating in the system produce uniform and timely data and assure appropriate access to such data.

(f) Federal-State cooperation

To assist in carrying out this section, the Secretary, acting through the Center, shall cooperate and consult with the Departments of Commerce and Labor and any other interested Federal departments or agencies and with State and local health departments and agencies. For such purpose he shall utilize insofar as possible the services or facilities of any agency of the Federal Government and, without regard to section 601 of title 41, of any appropriate State or other public agency, and may, without regard to such section, utilize the services or facilities of any private agency, organization, group, or individual, in accordance with written agreements between the head of such agency, organization, or group and the Secretary or between such individual and the Secretary. Payment, if any, for such services or facilities shall be made in such amounts as may be provided in such agreement.

1 So in original. Probably should be capitalized.
(g) Collection of health data; data collection forms

To secure uniformity in the registration and collection of mortality, morbidity, and other health data, the Secretary shall prepare and distribute suitable and necessary forms for the collection and compilation of such data.

(h) Registration area records

(1) There shall be an annual collection of data from the records of births, deaths, marriages, and divorces in registration areas. The data shall be obtained only from and restricted to such records of the States and municipalities which the Secretary, in his discretion, determines possess records affording satisfactory data in necessary detail and form. The Secretary shall encourage States and registration areas to obtain detailed data on ethnic and racial populations, including subpopulations of Hispanics, Asian Americans, and Pacific Islanders with significant representation in the State or registration area. Each State or registration area shall be paid by the Secretary the Federal share of its reasonable costs (as determined by the Secretary) for collecting and transcribing (at the request of the Secretary and by whatever method authorized by him) its records for such data.

(2) There shall be an annual collection of data from a statistically valid sample concerning the general health, illness, and disability status of the civilian noninstitutionalized population. Specific topics to be addressed under this paragraph, on an annual or periodic basis, shall include the incidence of illness and accidental injuries, prevalence of chronic diseases and impairments, disability, physician visits, hospitalizations, and the relationship between demographic and socioeconomic characteristics and health characteristics.

(i) Technical assistance in effective use of statistics

The Center may provide to public and nonprofit private entities technical assistance in the effective use in such activities of statistics collected or compiled by the Center.

(j) Coordination of health statistical and epidemiological activities

In carrying out the requirements of section 242h(c) of this title and paragraph (1) of subsection (e) of this section, the Secretary shall coordinate health statistical and epidemiological activities of the Department of Health and Human Services by—

(1) establishing standardized means for the collection of health information and statistics under laws administered by the Secretary;

(2) developing, in consultation with the National Committee on Vital and Health Statistics, and maintaining the minimum sets of data needed on a continuing basis to fulfill the collection requirements of subsection (b)(1);

(3) after consultation with the National Committee on Vital and Health Statistics, establishing standards to assure the quality of health statistical and epidemiological data collection, processing, and analysis;

(4) in the case of proposed health data collections of the Department which are required to be reviewed by the Director of the Office of Management and Budget under section 3508 of title 44, reviewing such proposed collections to determine whether they conform with the minimum sets of data and the standards promulgated pursuant to paragraphs (2) and (3), and if any such proposed collection is found not to be in conformance, by taking such action as may be necessary to assure that it will conform to such sets of data and standards, and

(5) periodically reviewing ongoing health data collections of the Department, subject to review under section 3508 of title 44, to determine if the collections are being conducted in accordance with the minimum sets of data and the standards promulgated pursuant to paragraphs (2) and (3) and, if any such collection is found not to be in conformance, by taking such action as may be necessary to assure that the collection will conform to such sets of data and standards not later than the ninetieth day after the date of the completion of the review of the collection.

(k) National Committee on Vital and Health Statistics; establishment; membership; term of office; compensation; functions; consultations of Secretary with Committee and professional advisory groups

(1) There is established in the Office of the Secretary a committee to be known as the National Committee on Vital and Health Statistics (hereinafter in this subsection referred to as the “Committee”) which shall consist of 18 members.

(2) The members of the Committee shall be appointed from among persons who have distinguished themselves in the fields of health statistics, electronic interchange of health care information, privacy and security of electronic information, population-based public health, purchasing or financing health care services, integrated computerized health information systems, health services research, consumer interests in health information, health data standards, epidemiology, and the provision of health services. Members of the Committee shall be appointed for terms of 4 years.

(3) Of the members of the Committee—

(A) 1 shall be appointed, not later than 60 days after August 21, 1996, by the Speaker of the House of Representatives after consultation with the Minority Leader of the House of Representatives;

(B) 1 shall be appointed, not later than 60 days after August 21, 1996, by the President pro tempore of the Senate after consultation with the Minority Leader of the Senate; and

(C) 16 shall be appointed by the Secretary.

(4) Members of the Committee shall be compensated in accordance with section 210(c) of this title.

(5) The Committee—

(A) shall assist and advise the Secretary—

(i) to delineate statistical problems bearing on health and health services which are of national or international interest;

(ii) to stimulate studies of such problems by other organizations and agencies when-
ever possible or to make investigations of such problems through subcommittees;
(iii) to determine, approve, and revise the terms, definitions, classifications, and guidelines for assessing health status and health services, their distribution and costs, for use (I) within the Department of Health and Human Services, (II) by all programs administered or funded by the Secretary, including the Federal-State-local cooperative health statistics system referred to in subsection (e), and (III) to the extent possible as determined by the head of the agency involved, by the Department of Veterans Affairs, the Department of Defense, and other Federal agencies concerned with health and health services;
(iv) with respect to the design of and approval of health statistical and health information systems concerned with the collection, processing, and tabulation of health statistics within the Department of Health and Human Services, with respect to the Cooperative Health Statistics System established under subsection (e), and with respect to the standardized means for the collection of health information and statistics to be established by the Secretary under subsection (j)(1);
(v) to review and comment on findings and proposals developed by other organizations and agencies and to make recommendations for their adoption or implementation by local, State, national, or international agencies;
(vi) to cooperate with national committees of other countries and with the World Health Organization and other national agencies in the studies of problems of mutual interest;
(vii) to issue an annual report on the state of the Nation’s health, its health services, their costs and distributions, and to make proposals for improvement of the Nation’s health statistics and health information systems; and
(viii) in complying with the requirements imposed on the Secretary under part C of title XI of the Social Security Act [42 U.S.C. 1320d et seq.];
(B) shall study the issues related to the adoption of uniform data standards for patient medical record information and the electronic exchange of such information;
(C) shall report to the Secretary not later than 4 years after August 21, 1996, recommendations and legislative proposals for such standards and electronic exchange; and
(D) shall be responsible generally for advising the Secretary and the Congress on the status of the implementation of part C of title XI of the Social Security Act [42 U.S.C. 1320d et seq.].
(6) In carrying out health statistical activities under this part, the Secretary shall consult with, and seek the advice of, the Committee and other appropriate professional advisory groups.
(7) Not later than 1 year after August 21, 1996, and annually thereafter, the Committee shall submit to the Congress, and make public, a report regarding the implementation of part C of title XI of the Social Security Act [42 U.S.C. 1320d et seq.]. Such report shall address the following subjects, to the extent that the Committee determines appropriate:
(A) The extent to which persons required to comply with part C of title XI of the Social Security Act are cooperating in implementing the standards adopted under such part.
(B) The extent to which such entities are meeting the security standards adopted under such part and the types of penalties assessed for noncompliance with such standards.
(C) Whether the Federal and State Governments are receiving information of sufficient quality to meet their responsibilities under such part.
(D) Any problems that exist with respect to implementation of such part.
(E) The extent to which timetables under such part are being met.
(f) Data specific to particular ethnic and racial populations
In carrying out this section, the Secretary, acting through the Center, shall collect and analyze adequate health data that is specific to particular ethnic and racial populations, including data collected under national health surveys. Activities carried out under this subsection shall be in addition to any activities carried out under subsection (m).
(m) Grants for assembly and analysis of data on ethnic and racial populations
(1) The Secretary, acting through the Center, may make grants to public and nonprofit private entities for—
(A) the conduct of special surveys or studies on the health of ethnic and racial populations or subpopulations;
(B) analysis of data on ethnic and racial populations and subpopulations; and
(C) research on improving methods for developing statistics on ethnic and racial populations and subpopulations.
(2) The Secretary, acting through the Center, may provide technical assistance, standards, and methodologies to grantees supported by this subsection in order to maximize the data quality and comparability with other studies.
(3) Provisions of section 242m(d) of this title do not apply to surveys or studies conducted by grantees under this subsection unless the Secretary, in accordance with regulations the Secretary may issue, determines that such provisions are necessary for the conduct of the survey or study and receives adequate assurance that the grantee will enforce such provisions.
(4)(A) Subject to subparagraph (B), the Secretary, acting through the Center, shall collect data on Hispanics and major Hispanic subpopulation groups and American Indians, and for developing special area population studies on major Asian American and Pacific Islander populations.
(B) The provisions of subparagraph (A) shall be effective with respect to a fiscal year only to the extent that funds are appropriated pursuant to paragraph (3) of subsection (n), and only if the amounts appropriated for such fiscal year pursuant to each of paragraphs (1) and (2) of sub-
section (n) equal or exceed the amounts so appropriated for fiscal year 1997.

(n) Authorization of appropriations

(1) For health statistical and epidemiological activities undertaken or supported under subsections (a) through (l), there are authorized to be appropriated such sums as may be necessary for each of the fiscal years 1991 through 2003.

(2) For activities authorized in paragraphs (1) through (3) of subsection (m), there are authorized to be appropriated such sums as may be necessary for each of the fiscal years 1999 through 2002.


REFERENCES IN TEXT

Section 3509 of title 44, referred to in subsections (j)(4), (5), which required submission of certain statistics to the Director of the Office of Management and Budget for approval, was omitted in the general amendment of chapter 35 of Title 44, Public Printing and Documents, by Pub. L. 96–511, § 13(q)(1)(A)(i), Dec. 19, 1989, 103 Stat. 2206, and subsequently enacted a new section 3509 of Title 44 relating to designation of a central collection agency. Provisions appearing in former section 3509 are contained in section 3507 of Title 44.


Codification


Prior Provisions

Provisions similar to those comprising subsection (g) of this section were contained in section 313 of act July 1, 1944, ch. 373, title III, 58 Stat. 693; Oct. 30, 1970, Pub. L. 91–916, title II, § 262, 84 Stat. 1308 (formerly classified to section 245 of this title), prior to repeal by Pub. L. 93–353, 97 Stat. 1362.

Provisions similar to those comprising subsection (h) of this section were contained in section 312a of act July 1, 1944, ch. 373, title III, as added Aug. 31, 1954, ch. 1158, § 2, 68 Stat. 1025 (formerly classified to section 244a of this title), prior to repeal by Pub. L. 93–353, 97 Stat. 1362.

Amendments


Subsec. (n)(2). Pub. L. 105–392, § 201(b)(3)(A), in first sentence, substituted “paragraphs (1) through (3) of subsection (m)” for “subsection (m)” and substituted “such sums as may be necessary for each of the fiscal years 1999 through 2003.” for “$5,000,000 for each fiscal year 1999 through 2003.”


Subsec. (k)(2). Pub. L. 104–191, § 263(2), amended par. (2) generally. Prior to amendment, par. (2) read as follows: “The members of the Committee shall be appointed by the Secretary from among persons who have distinguished themselves in the fields of health statistics, health planning, epidemiology, and the provision of health services. Members of the Committee shall be appointed for terms of 4 years.”

Subsec. (k)(3), (4). Pub. L. 104–191, § 263(3), added par. (3) and redesignated former par. (3) as (4). Former par. (4) redesignated (5).

Subsec. (k)(5). Pub. L. 104–191, § 263(4), amended par. (5) generally. Prior to amendment, par. (5) consisted of subpars. (A) to (G) relating to Committee functions in assisting and advising the Secretary.


Subsec. (g). Pub. L. 103–183, § 501(a)(2), substituted “data” for “data which shall be published as a part of the health reports published by the Secretary”.

Subsec. (l). Pub. L. 103–183, § 501(a)(4), struck out subpart (A) designation, substituted “Members” for “except as provided in subparagraph (B)” and struck out subpart (B). (B) which related to extensions of membership terms of members of National Committee on Vital and Health Statistics whose terms were to expire in calendar years 1988, 1989, and 1990.

Subsec. (l). Pub. L. 103–183, § 501(a)(5)(A)–(C), redesignated subsec. (m) as (l), substituted “subsection (m)” for “subsection (m)” and struck out former subsec. (l) which related to development of plan for collection and coordination of statistical and epidemiological data on effects of environment on health and establishment of guidelines for compilation, analysis, and distribution of statistics and information necessary for coordinated determination of effects of conditions of employment and indoor and outdoor environmental conditions on public health.


Subsecs. (n), (o). Pub. L. 103–183, § 501(a)(5)(B), (D), (d), redesignated subsec. (o) as (n), in par. (1) substituted “(i)” for “(m)” and “1998” for “1993”, and in par. (2) substituted “(m)” for “(n)” struck out “and” after “1992.”, inserted “, and $10,000,000 for each of the fiscal years 1994 through 1998.” and substituted “(m)(2)” for “(n)(2).” Former subsec. (n) redesignated (m).


1990—Subsec. (h). Pub. L. 101–327, §7(a), designated existing text as par. (1), inserted after second sentence “The Secretary shall encourage States and registration areas to obtain detailed data on ethnic and racial populations, including subpopulations of Hispanic, Asian Americans, and Pacific Islanders with significant representation in the State or registration area.” and added par. (2).

Subsecs. (m) to (o). Pub. L. 101–327, §7(b)(1), (c), added subsecs. (m) and (n) and redesignated former subsec. (m) as (o) and amended it generally. Prior to amendment by subsec. (o) as read as follows: “For health statistical and epidemiological activities undertaken or supported under this section, there are authorized to be appropriated $55,000,000 for fiscal year 1988 and such sums as may be necessary for each of the fiscal years 1989 and 1990.”

1989—Subsec. (a). Pub. L. 101–239, §6103(e)(2)(A), inserted after “The Secretary, acting through the Center,” shall conduct and support statistical and epidemiological activities for the purpose of improving the effectiveness, efficiency, and quality of health services in the United States.”

Subsec. (b). Pub. L. 101–239, §6103(e)(2)(B), substituted “section 223(a) of this title” for “section 222(1) of this title.”


1987—Subsec. (a). Pub. L. 100–177, §104, struck out “and supervised by the Assistant Secretary for Health (designated by the Secretary as the principal adviser to him for health programs)”.

Subsec. (k)(1). Pub. L. 100–177, §105(a)(1), substituted “16 members” for “fifteen members”.

Subsec. (k)(2)(A). Pub. L. 100–177, §105(a)(2), struck out former cl. (4) provision for the Federal share of the data collection costs under the system; enacted in par. (3) provisions almost identical to former cl. (5); and required State designation of a State administrative agency to be responsible for the statistical activities within the State under the System and Federal guidelines for production of uniform and timely data and appropriate access to the data.

Subsec. (k)(2)(B). Pub. L. 100–177, §105(a)(3), added subpar. (B) and struck out former subpar. (B) which read as follows: “Of the members first appointed—(1) five shall be appointed for terms of one year, and (2) five shall be appointed for terms of two years, and (3) five shall be appointed for terms of three years, as designated by the Secretary at the time of appointment. Any member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed only for the remainder of such term. A member may serve after the expiration of his term until his successor has taken office.”

1985—Subsec. (j)(2)(D). Pub. L. 97–414 redesignated subpar. (E) as (D) and struck out former subpar. (D) which provided that the Center would serve as a clearinghouse for statistics and information with respect to which guidelines had been established under subpar. (A).

Subsec. (l)(2)(E) to (G). Pub. L. 97–414 redesignated subpars. (F) and (G) as (E) and (F), respectively.


1978—Subsec. (b). Pub. L. 95–623, §8(a), struck out “may” after “through the Center,” substituted in pars. (1) and (2) “shall collect” and “shall undertake” for “collect” and “undertake”, respectively, and added pars. (3) and (4) and provision for availability of certain appropriated funds from par. (4) payments until expended.

Subsec. (c). Pub. L. 95–623, §5(b), substituted “statistical and epidemiological complications” for “statistical complications” in two places and “Committee on Human Resources” for “Committee on Labor and Public Welfare” of the Senate.

Sub. (e). Pub. L. 95–623, §5(c)(1), incorporated in introductory text prior cl. (1) provision requiring the Secretary to assist State and local health agencies and Federal agencies involved in health matters in the design and implementation of a cooperative system for producing comparable and uniform health information and statistics at the Federal, State, and local levels; enacted in pars. (1) and (2) provisions almost identical to prior cls. (2) and (3); enacted par. (3); struck out former cl. (4) provision for the Federal share of the data collection costs under the system; enacted in par. (4) provisions almost identical to former cl. (5); and required State designation of a State administrative agency to be responsible for the statistical activities within the State under the System and Federal guidelines for production of uniform and timely data and appropriate access to the data.

Subsec. (f). Pub. L. 95–623, §5(d), substituted “the Secretary, acting through the Center, shall cooperate and consult” for “the Secretary shall cooperate and consult”.

Subsecs. (i), (j), Pub. L. 95–623, §5(e), added subsec. (i) and (j). Former subsec. (i) redesignated (k).

Subsec. (k). Pub. L. 95–623, §5(c)(2), (e), (f), struck from par. (1) “United States” before “National Committee on Vital and Health Statistics”; authorized in par. (2)(A) the appointment of Committee members from distinguished persons in field of health planning; required the Committee to assist and advise the Secretary with respect to the Cooperative Health Statistics System and the standardized means for the collection of health information and statistics to be established by the Secretary; and redesignated such amended subsec. (i) as (k).


CHANGE OF NAME

Panel on Committee on Labor and Human Resources of Senate changed to Committee on Health, Employment, Labor, and Pensions of Senate by section 1(a) of Pub. L. 101–606, Nov. 6, 1990, 104 Stat. 3052.


Effective Date of 1990 Amendment

Pub. L. 101–527 §12, Nov. 6, 1990, 104 Stat. 2335, provided that: “This Act and the amendments made by this Act [enacting sections 254–1, 254t, 256a, 295bb, 295cc, and 300u–6 of this title, amending this section and sections 242m, 242o, 243m, 249m, and 256g–2 of this title, enacting provisions set out as notes under sections 201 and 300u–6 of this title, and repealing provisions set out as a note under section 292h of this title] shall take effect October 1, 1990, or upon the date of the enactment of this Act [Nov. 6, 1990], whichever occurs later.”

Effective Date of 1987 Amendment

Pub. L. 100–177, title I, §105(b), Dec. 1, 1987, 101 Stat. 988, provided that: “The amendments made by this sec-
tion [amending this section] shall become effective on January 1, 1988."

Money received by center from reimbursements, interagency agreements, and sale of data tapes to remain available until expended

Pub. L. 103-333, title II, Sept. 30, 1994, 108 Stat. 2550, provided in part: "That for fiscal year 1995 and subsequent fiscal years amounts received by the National Center for Health Statistics from reimbursements and interagency agreements and the sale of data tapes may be credited to this appropriation and shall remain available until expended."

§ 242. International cooperation

(a) Cooperative endeavors

The Secretary may participate with other countries in cooperative endeavors in—

(1) biomedical research, health care technology, and the health services research and statistical analysis authorized under section 242k of this title and subchapter VII; and

(2) biomedical research, health care services, health care research, or other related activities in furtherance of the activities, objectives or goals authorized under the Tom Lantos and Henry J. Hyde United States Global Leadership Against HIV/AIDS, Tuberculosis, and Malaria Reauthorization Act of 2008.

(b) Authority of Secretary; building construction prohibition

In connection with the cooperative endeavors authorized by subsection (a), the Secretary may—

(1) make such use of resources offered by participating foreign countries as he may find necessary and appropriate;

(2) establish and maintain fellowships in the United States and in participating foreign countries;

(3) make grants to public institutions or agencies and to nonprofit private institutions or agencies in the United States and in participating foreign countries for the purpose of establishing and maintaining the fellowships authorized by paragraph (2);

(4) make grants or loans of equipment and materials, for use by public or nonprofit private institutions or agencies, or by individuals, in participating foreign countries;

(5) participate and otherwise cooperate in any international meetings, conferences, or other activities concerned with biomedical research, health services research, health statistics, or health care technology;

(6) facilitate the interchange between the United States and participating foreign countries, and among participating foreign countries, of research scientists and experts who are engaged in experiments or programs of biomedical research, health services research, health statistical activities, or health care technology activities, and in carrying out such purpose may pay per diem compensation, subsistence, and travel for such scientists and experts when away from their places of residence at rates not to exceed those provided in section 5703(b)1 of title 5 for persons in the Government service employed intermittently;

(7) procure, in accordance with section 3109 of title 5, the temporary or intermittent services of experts or consultants;

(8) enter into contracts with individuals for the provision of services (as defined in section 104 of part 37 of title 48, Code of Federal Regulations (48 CFR 37.104)) in participating foreign countries, which individuals may not be deemed employees of the United States for the purpose of any law administered by the Office of Personnel Management;

(9) provide such funds or advance or reimbursement to the Secretary of State, as may be necessary, to pay the costs of acquisition, lease, construction, alteration, equipping, furnishing or management of facilities outside of the United States; and

(10) in consultation with the Secretary of State, through grant or cooperative agreement, make funds available to public or nonprofit private institutions or agencies in foreign countries in which the Secretary is participating in activities described under subsection (a) to acquire, lease, construct, alter, or renovate facilities in those countries.

(c) Benefits for overseas assignees

The Secretary may provide to personnel appointed or assigned by the Secretary to serve abroad, allowances and benefits similar to those provided under chapter 9 of title I of the Foreign Service Act of 1980 (22 U.S.C. 4081 et seq.). Leaves of absence for personnel under this subsection shall be on the same basis as that provided under subchapter I of chapter 63 of title 5 or section 903 of the Foreign Service Act of 1980 (22 U.S.C. 4083) to individuals serving in the Foreign Service.

(d) Strategies to improve injection safety

In carrying out immunization programs and other programs in developing countries for the prevention, treatment, and control of infectious diseases, including HIV/AIDS, tuberculosis, and malaria, the Director of the Centers for Disease Control and Prevention, in coordination with the Coordinator of United States Government Activities to Combat HIV/AIDS Globally, the National Institutes of Health, national and local government, and other organizations, such as the World Health Organization and the United Nations Children’s Fund, shall develop and implement effective strategies to improve injection safety, including eliminating unnecessary injections, promoting sterile injection practices and technologies, strengthening the procedures for proper needle and syringe disposal, and improving the education and information provided to the public and to health professionals.


1 See References in Text note below.
REFERENCES IN TEXT

Section 5706 of title 5, referred to in subsec. (b)(6), was amended generally by Pub. L. 94–22, § 4, May 19, 1975, 89 Stat. 85, and, as so amended, does not contain a subsec. (b).


CODIFICATION
Section was formerly classified to section 2342 of this title.

PRIOR PROVISIONS
A prior section 307 of act July 1, 1944, was classified to section 242e of this title, prior to repeal by Pub. L. 93–353, title I, §102(a), July 23, 1974, 88 Stat. 362.

AMENDMENTS
2008—Subsec. (a). Pub. L. 110–293, §205(1), amended subsec. (a) generally. Prior to amendment, text read as follows: “For the purpose of advancing the status of the health sciences in the United States (and thereby the health of the American people), the Secretary may participate with other countries in cooperative endeavors in biomedical research, health care technology, and the health services research and statistical activities authorized by section 242k of this title and by subchapter VII of this chapter.”

Subsec. (b). Pub. L. 110–293, §205(2)(B), struck out conclusion of provision which read as follows: “The Secretary may not, in the exercise of his authority under this section, provide financial assistance for the construction of any facility in any foreign country.”


Subsec. (b)(9), (10). Pub. L. 110–293, §205(2)(A), (D), added pars. (9) and (10).


1992—Subsec. (b)(8). Pub. L. 102–531, which directed amendment of subsec. (b) by adding par. (8) at the end thereof, was executed by adding par. (8) after par. (7) to reflect the probable intent of Congress.

1989—Subsec. (a). Pub. L. 101–239 substituted “section 242k of this title and by subchapter VII of this chapter” for “sections 242b, 242k, and 242k of this title”.


INTERNATIONAL HEALTH STUDY
Pub. L. 95–48, title III, §315, Aug. 1, 1977, 91 Stat. 398, provided that the Secretary of Health, Education, and Welfare arrange through the National Academy of Sciences or other nonprofit private groups or associations, for a study to determine opportunities for broadened Federal program activities in areas of international health, which study was to consider biomedical and behavioral research, health services research, health professions education, immunization and public health activities, and other areas that might improve our and other nations’ capacities to prevent, diagnose, control, or cure disease, and to organize and deliver effective and efficient health services, with an interim report on such study completed no later than Oct. 1, 1977, and a final report completed no later than Jan. 1, 1978 and both reports submitted to the Secretary, the Committee on Human Resources of the Senate, and the Committee on Interstate and Foreign Commerce of the House of Representatives.

§242m. General provisions respecting effectiveness, efficiency, and quality of health services
(a) Reports to Congress and President; preparation; review by Office of Management and Budget

(1) Not later than March 15 of each year, the Secretary shall submit to the President and Congress the following reports:

(A) A report on health care costs and financing. Such report shall include a description and analysis of the statistics collected under section 242k(b)(1)(G) of this title.

(B) A report on health resources. Such report shall include a description and analysis, by geographical area, of the statistics collected under section 242k(b)(1)(E) of this title.

(C) A report on the utilization of health resources. Such report shall include a description and analysis, by age, sex, income, and geographic area, of the statistics collected under section 242k(b)(1)(F) of this title.

(D) A report on the health of the Nation’s people. Such report shall include a description and analysis, by age, sex, income, and geographic area, of the statistics collected under section 242k(b)(1)(A) of this title.

(2) The reports required in paragraph (1) shall be prepared through the National Center for Health Statistics.

(3) The Office of Management and Budget may review any report required by paragraph (1) of this subsection before its submission to Congress, but the Office may not revise any such report or delay its submission beyond the date prescribed for its submission, and may submit to Congress its comments respecting any such report.

(b) Grants or contracts; applications, submittal; application peer review group; findings and recommendations; necessity of favorable recommendation; appointments

(1) No grant or contract may be made under section 242b, 242k, or 242f of this title unless an application therefor has been submitted to the Secretary in such form and manner, and containing such information, as the Secretary may by regulation prescribe and unless a peer review group referred to in paragraph (2) has recommended the application for approval.

(2)(A) Each application submitted for a grant or contract under section 242k of this title in an amount exceeding $50,000 of direct costs and for a health services research, evaluation, or demonstration project, or for a grant under section 242k(m) of this title, shall be submitted to a peer review group for an evaluation of the technical
and scientific merits of the proposals made in each such application. The Director of the National Center for Health Statistics shall establish such peer review groups as may be necessary to provide for such an evaluation of each such application.

(B) A peer review group to which an application is submitted pursuant to subparagraph (A) shall report its finding and recommendations respecting the application to the Secretary, acting through the Director of the National Center for Health Statistics, in such form and manner as the Secretary shall by regulation prescribe. The Secretary may not approve an application described in such subparagraph unless a peer review group has recommended the application for approval.

(C) The Secretary, acting through the Director of the National Center for Health Statistics, shall make appointments to the peer review groups required in subparagraph (A) from among persons who are not officers or employees of the United States and who possess appropriate technical and scientific qualifications, except that peer review groups regarding grants under section 242k(m) of this title may include appropriately qualified such officers and employees.

(c) Development and dissemination of statistics

The Secretary shall take such action as may be necessary to assure that statistics developed under sections 242b and 242k of this title are of high quality, timely, comprehensive as well as specific, standardized, and adequately analyzed and indexed, and shall publish, make available, and disseminate such statistics on as wide a basis as is practicable.

(d) Information; publication restrictions

No information, if an establishment or person supplying the information or described in it is identifiable, obtained in the course of activities undertaken or supported under section 242b, 242k, or 242/ of this title may be used for any purpose other than the purpose for which it was supplied unless such establishment or person has consented (as determined under regulations of the Secretary) to its use for such other purpose; and in the case of information obtained in the course of health statistical or epidemiological activities under section 242b or 242k of this title, such information may not be published or released in other form if the particular establishment or person supplying the information or described in it is identifiable unless such establishment or person has consented (as determined under regulations of the Secretary) to its publication or release in other form.

(e) Payment procedures; advances or reimbursement; installments; conditions; reductions

(1) Payments of any grant or under any contract made under section 242b, 242k, or 242/ of this title may be made in advance or by way of reimbursement, and in such installments and on such conditions, as the Secretary deems necessary to carry out the purposes of such section.

(2) The amounts otherwise payable to any person under a grant or contract made under section 242b, 242k, or 242/ of this title shall be reduced by—

(A) amounts equal to the fair market value of any equipment or supplies furnished to such person by the Secretary for the purpose of carrying out the project with respect to which such grant or contract is made, and

(B) amounts equal to the pay, allowances, traveling expenses, and related personnel expenses attributable to the performance of services by an officer or employee of the Government in connection with such project, if such officer or employee was assigned or detailed by the Secretary to perform such services, but only if such person requested the Secretary to furnish such equipment or supplies, or such services, as the case may be.

(f) Contracts without regard to section 3324 of title 31 and section 6101 of title 41

Contracts may be entered into under section 242b or 242k of this title without regard to section 3324 of title 31 and section 6101 of title 41.

(1) Payments of any grant or contract made under section 242b, 242k, or 242/ of this title shall be made in advance or by way of reimbursement, and in such installments and on such conditions, as the Secretary deems necessary to carry out the project with respect to which such grant or contract is made, and

(A) amounts equal to the fair market value of any equipment or supplies furnished to such person by the Secretary for the purpose of carrying out the project with respect to which such grant or contract is made, and

(B) amounts equal to the pay, allowances, traveling expenses, and related personnel expenses attributable to the performance of services by an officer or employee of the Government in connection with such project, if such officer or employee was assigned or detailed by the Secretary to perform such services, but only if such person requested the Secretary to furnish such equipment or supplies, or such services, as the case may be.

(g) Payment procedures; advances or reimbursement; installments; conditions; reductions

(1) Payments of any grant or under any contract made under section 242b, 242k, or 242/ of this title may be made in advance or by way of reimbursement, and in such installments and on such conditions, as the Secretary deems necessary to carry out the purposes of such section.

(2) The amounts otherwise payable to any person under a grant or contract made under section 242b, 242k, or 242/ of this title shall be reduced by—

(A) amounts equal to the fair market value of any equipment or supplies furnished to such person by the Secretary for the purpose of carrying out the project with respect to which such grant or contract is made, and

(B) amounts equal to the pay, allowances, traveling expenses, and related personnel expenses attributable to the performance of services by an officer or employee of the Government in connection with such project, if such officer or employee was assigned or detailed by the Secretary to perform such services, but only if such person requested the Secretary to furnish such equipment or supplies, or such services, as the case may be.

(h) Contracts without regard to section 3324 of title 31 and section 6101 of title 41

Contracts may be entered into under section 242b or 242k of this title without regard to section 3324 of title 31 and section 6101 of title 41.
"shall take" for "shall (A) take" and "and shall publish" for "(and B) publish", and struck out former subsec. (c) which read as follows: "The aggregate number of grants and contracts made or entered into under sections 242b and 242c of this title for any fiscal year respecting a particular means of delivery of health services or another particular aspect of health services may not exceed twenty; and the aggregate amount of funds obligated under grants and contracts under such sections for any fiscal year respecting a particular means of delivery of health services or another particular aspect of health services may not exceed $5,000,000." "sections 3648 and 3709 of the Revised Statutes (31 U.S.C. 529; 41 U.S.C. 5)."

Subsec. (f). Pub. L. 103–183, §501(c)(4), substituted "section 3242 of title 31 and section 5 of title 41" for "section 3324 of title 31 and section 5 of title 41" for obligations under grants and contracts under such sections for any fiscal year respecting a particular means of delivery of health services or another particular aspect of health services may not exceed $5,000,000." Subsec. (g). Pub. L. 103–183, §501(c)(2)(B), (C), (E), redesignated par. (2) as subsec. (c) and struck out par. (1) which read as follows: "The Secretary shall—" "(A) publish, make available and disseminate, promptly in understandable form and on as broad a basis as practicable, the results of health services research, demonstrations, and evaluations undertaken and supported under sections 242b and 242c of this title;" "(B) make available to the public data developed in such research, demonstrations, and evaluations; and" "(C) provide indexing, abstracting, translating, publishing, and other services leading to a more effective and timely dissemination of information on health services research, demonstrations, and evaluations in health care delivery to public and private entities and individuals engaged in the improvement of health care delivery and the general public; and undertake programs to develop new or improved methods for making such information available." Subsec. (h). Pub. L. 103–183, §501(c)(5), struck out subsec. (h) which read as follows: (1) Except where the Secretary determines that unusual circumstances make a larger percentage necessary in order to effectuate the purposes of section 242k of this title, a grant or contract under any of such sections of this title with respect to any project for construction of a facility or for acquisition of equipment may not provide for payment of more than 50 percent of so much of the cost of the facility or equipment as the Secretary determines is reasonably attributable to research, evaluation, or demonstration purposes. (2) Laborers and mechanics employed by contractors and subcontractors in the construction of such a facility shall be paid wages at rates not less than those prevailing on similar work in the locality, as determined by the Secretary of Labor in accordance with the Act of March 3, 1931 (40 U.S.C. 267a–267a–5, known as the Davis-Bacon Act); and the Secretary of Labor shall have with respect to any labor standards specified in such agreement in an amount exceeding $5,000,000." "(1) Except where the Secretary determines that such an evaluation of an application described in any research, evaluation, or demonstration project as may be necessary to provide for such an evaluation of an application described in the first two sentences of this subparagraph." Subsec. (b)(2)(B). Pub. L. 101–239, §6103(e)(4)(C)(iii), substituted "the Director of the National Center for Health Services Research and Health Care Technology Assessment (or, as appropriate, through the Director of the National Center for Health Statistics), shall establish such peer review groups as may be necessary to provide for such an evaluation of an application described in the first two sentences of this paragraph." Subsec. (b)(2)(C). Pub. L. 101–239, §6103(e)(4)(C)(iv), substituted "the Director of the National Center for Health Services Research and Health Care Technology Assessment (or, as appropriate, through the Director of the National Center for Health Statistics), shall establish such peer review groups as may be necessary to provide for such an evaluation of an application described in the first two sentences of this paragraph." Subsec. (b)(3). Pub. L. 101–239, §6103(e)(4)(C)(v), substituted "approved under any of such sections" for "approved under sections 242b, 242c, 242k, and 242n of this title", and amended last sentence generally. Prior to amendment, the last sentence read as follows: "(B) publish, make available and disseminate, promptly in understandable form and on as broad a basis as practicable, the results of health services research, demonstrations, and evaluations undertaken and supported under sections 242b and 242c of this title for any fiscal year respecting a particular means of delivery of health services or another particular aspect of health services may not exceed $5,000,000." "(1) Except where the Secretary determines that unusual circumstances make a larger percentage necessary in order to effectuate the purposes of section 242k of this title, a grant or contract under any of such sections of this title with respect to any project for construction of a facility or for acquisition of equipment may not provide for payment of more than 50 percent of so much of the cost of the facility or equipment as the Secretary determines is reasonably attributable to research, evaluation, or demonstration purposes. (2) Laborers and mechanics employed by contractors and subcontractors in the construction of such a facility shall be paid wages at rates not less than those prevailing on similar work in the locality, as determined by the Secretary of Labor in accordance with the Act of March 3, 1931 (40 U.S.C. 267a–267a–5, known as the Davis-Bacon Act); and the Secretary of Labor shall have with respect to any labor standards specified in such agreement in an amount exceeding $5,000,000."
242k, or 242n of this title” and “contract under any of such sections” for “contract under section 242b, 242c, 242k, or 242n of this title”.


1988—Subsec. (b)(2)(A). Pub. L. 100–690 inserted after first sentence “Each application for a grant, contract, or cooperative agreement in an amount exceeding $50,000 for direct costs for the dissemination of research findings or the development of research agendas (including conferences, workshops, and meetings) shall be submitted to a standing peer review group with persons with appropriate expertise and shall not be submitted to any peer review group established to review applications for research, evaluation, or demonstration projects,” and substituted “an application described in the first two sentences of this subparagraph” for “each such application” in last sentence.

1987—Subsec. (a)(1), (2), Pub. L. 100–177, § 106(a)(1), added pars. (1) and (2) and struck out former pars. (1) and (2) which read as follows:

“(1) Not later than December 1 of each year, the Secretary shall make a report to Congress respecting (A) the administration of sections 242b, 242c, 242k, and 242n of this title during the preceding fiscal year, and (B) the current state and progress of health services research and, health statistics, and health care technology.

“(2) The Secretary, acting through the National Center for Health Services Research and the National Center for Health Services Research and the National Center for Health Technology Assessment, shall submit to the President and the Congress not later than December 1 of each year the following reports:

(A) A report on health care costs and financing. Such report shall include a description and analysis of the statistics collected under section 242k(b)(1)(F) of this title.

(B) A report on health resources. Such report shall include a description and analysis, by geographic area, of the statistics collected under section 242k(b)(1)(E) of this title.

(C) A report on the utilization of health resources. Such report shall include a description and analysis, by age, sex, income, and geographic area, of the statistics collected under section 242k(b)(1)(D) of this title.

(D) A report on the health of the Nation’s people. Such report shall include a description and analysis, by age, sex, income, and geographic area, of the statistics collected under section 242k(b)(1)(C) of this title.”

Subsec. (a)(3). Pub. L. 100–177, § 106(a)(2), struck out “or (2)” after paragraph (1) and inserted “and unless a peer review group referred to in paragraph (2) has recommended the application for approval” before period at end.

Subsec. (b)(2). Pub. L. 100–177, § 107(b), added par. (2) and struck out former par. (2) which read as follows:

“Each application submitted for a grant or contract under section 242b or 242c of this title, in an amount exceeding $50,000 of direct costs and for a health services research, evaluation, or demonstration project, shall be submitted by the Secretary for review for scientific merit to a panel of experts appointed by him from persons who are not officers or employees of the United States and who possess qualifications relevant to the project for which the application was made. A panel to which an application is submitted under this paragraph shall report its findings and recommendations respecting the application to the Secretary in such form and manner as the Secretary shall by regulation prescribe.”

Subsec. (1), (2), Pub. L. 100–177, § 108, amended subsec. (1) generally, substituting provisions authorizing appropriations for fiscal years 1975 to 1987 for carrying out activities under those sections.

1984—Subsec. (i)(1), Pub. L. 98–551, § 7(a), inserted provisions authorizing appropriations for fiscal years ending Sept. 30, 1986, 1987, and 1988, inserted “and Health Care Technology Assessment” after “Research”, substituted “and at least 10 per centum of such amount or $1,500,000, whichever is less, shall be available only for the user liaison program and the technical assistance program referred to in section 242k(o)(2) of this title” and for dissemination activities directly undertaken through such Center” for “and at least 5 per centum of such amount or $1,000,000, whichever is less, shall be available only for dissemination activities directly undertaken through such Center”, inserted “For health care technology assessment activities undertaken under subsections (b)(5), (e), (f), and (g) of section 242c of this title the Secretary shall obligate from funds appropriated under this paragraph not less than $3,000,000 for the fiscal year ending September 30, 1985, $3,500,000 for the fiscal year ending September 30, 1986, and $4,000,000 for the fiscal year ending September 30, 1987. For grants under section 242n of this title the Secretary shall obligate from funds appropriated under this paragraph not less than $500,000 for the fiscal year ending September 30, 1986, and $750,000 for the fiscal year ending September 30, 1987,”, and in last sentence substituted “for any fiscal year” for “for each of the fiscal years ending September 30, 1982, September 30, 1983, and September 30, 1984.”.


1983—Subsec. (d), Pub. L. 97–414 inserted “, if an establishment or person supplying the information or described in it is identifiable,” after “No information”, and substituted “such establishment or person has consented (as determined under regulations of the Secretary) to its use for such other purpose” for “authorized by guidelines in effect under section 242k(b)(2) of this title or under regulations of the Secretary”.


Subsec. (b)(2). Pub. L. 97–35, § 922(b), substituted “$50,000” for “$35,000”.

Subsec. (d)(2). Pub. L. 97–35, § 922(c), inserted applicability to health care technology activities under section 242n of this title.


1978—Subsec. (a)(1). Pub. L. 95–623, § 6(d)(1), required the report to cover the administration of section 242n of this title and the current state and progress of health care technology.


Subsec. (d). Pub. L. 95–623, §§ 6(d)(3), 8(b), inserted reference to section 242n of this title and substituted in cl. (1) “statistical or epidemiological activities” for “statistical activities”, and authorized use of information for purposes other than for which supplied when authorized by guidelines in effect under section 242k(b)(2) of this title.

Subsec. (e), (f), (g)(2), (h)(1). Pub. L. 95–623, § 6(d)(4)–(7), inserted references to section 242n of this title.

Subsec. (i)(1), (2). Pub. L. 95–623, § 2(a), authorized appropriation of $35,000,000; $40,000,000; and $45,000,000 for fiscal years ending Sept. 30, 1979, through 1981, and substituted minimum amounts of the lesser of 20 per centum of appropriated funds or $6,000,000 for health services research, evaluation, and demonstration activities of the National Center for Health Services Research and 5 per centum of such funds or $1,000,000 for dissemi-
nation activities of such Center for prior similar requirement of 25 per centum of appropriated funds for the applicable fiscal years for health services research, evaluation, and demonstration activities of the Secretary.

Subsec. (i)(2). Pub. L. 95–623, §2(b), authorized appropriation of $30,000,000; $65,000,000; and $70,000,000 for fiscal years ending Sept. 30, 1979, through 1981.


**Effective Date of 1998 Amendment**


**Effective Date of 1988 Amendment**

Pub. L. 100–980, title II, §2600, 102 Stat. 2333, provided that: “Except as provided in section 2613(b)(1) [42 U.S.C. 242n note], the amendments made by this subtitle [subtitle G (§§2600–2691) of title II of Pub. L. 100–177, title I, § 106(c), Dec. 1, 1987, 101 Stat. 1385, 1393], Senator of public health care technology established under this section is deemed to have taken effect immediately after the enactment of Pub. L. 100–177 (Dec. 1, 1987).”

**Effective Date of 1987 Amendment**

Pub. L. 100–177, title I, §106(c), Dec. 1, 1987, 101 Stat. 989, provided that: “The amendments made by subsection (a) and (b) [amending this section and section 242p of this title] shall apply to reports and profiles required to be submitted after November 1, 1987.”

MINE WORKERS STUDY: REPORT COMPLETED AND SUBMITTED NO LATER THAN 30 MONTHS AFTER NOVEMBER 9, 1978

Pub. L. 95–623, §10, Nov. 9, 1978, 92 Stat. 3453, as amended by S. Res. 30, Mar. 7, 1979; H. Res. 499, Mar. 25, 1980, required the Secretary, acting through the National Center for Health Services Research, to arrange for the conduct of a study to evaluate the impact upon the utilization of health services by and the health status of members of the United Mine Workers and their dependents as a result of changes in the United Mine Workers’ collective-bargaining agreements of Mar. 1978 with a report to be submitted to the Secretary and specific committees of the Senate and House of Representatives within 30 months after Nov. 9, 1978.

**Authorization of Appropriations for Fiscal Year Ending June 30, 1977**

Pub. L. 93–353, title I, §107(b), July 23, 1974, 88 Stat. 371, provided that: “The authorizations of appropriations provided by section 300b(1) of the Public Health Service Act [42 U.S.C. 242m(1)] is extended for the fiscal year ending June 30, 1977, in the amounts authorized for the preceding fiscal year unless before June 30, 1976, Congress has passed legislation repealing this subsection.”


**Termination of Council on Health Care Technology**

Pub. L. 101–239, title VI, §6103(d)(1)(B), Dec. 19, 1989, 103 Stat. 2205, provided in part that the council on health care technology established under this section is terminated.

**Transitional and Savings Provisions for Pub. L. 101–239**

For provision transferring personnel of Department of Health and Human Services employed on Dec. 19, 1989, in connection with functions vested in Administrator for Health Care Policy and Research pursuant to amendments made by section 6103 of Pub. L. 101–239, and assets, liabilities, etc., of Department arising from or employed, held, used, owned, or controlled by such functions, to Administrator for appropriate allocation, and for provisions for continued effectiveness of actions, orders, rules, official documents, etc., of Department that have been issued, made, granted, or allowed to become effective in performance of those functions, and that were effective on Dec. 19, 1989, see section 6103(d) of Pub. L. 101–239, set out as a note under section 299 of this title.

**§242o. Health conferences; publication of health educational information**

(a) A conference of the health authorities in and among the several States shall be called annually by the Secretary. Whenever in his opinion the interests of the public health would be promoted by a conference, the Secretary may invite as many of such health authorities and officials of other State or local public or private agencies, institutions, or organizations to confer as he deems necessary or proper. Upon the application of health authorities of five or more States it shall be the duty of the Secretary to call a conference of all State health authorities joining in the request. Each State represented at any conference shall be entitled to a single vote. Whenever at any such conference matters relating to mental health are to be discussed, the mental health authorities of the respective States shall be invited to attend.

(b) From time to time the Secretary shall issue information related to public health, in the form of publications or otherwise, for the use of the public, and shall publish weekly reports of health conditions in the United States and other countries and other pertinent health information for the use of persons and institutions concerned with health services.

(July 1, 1944, ch. 373, title III, §310, formerly §§309, 310, as added Pub. L. 93–353, title I, §107(a), July 23, 1974, 88 Stat. 371; renumbered §310, Pub. L. 95–623, §6(a), (b), Nov. 9, 1978, 92 Stat. 3447.)
§ 242p
TITLE 42—THE PUBLIC HEALTH AND WELFARE

CODIFICATION
Subsec. (a) of this section consists of former section 309 of act July 1, 1944, prior to the renumbering of that section as section 310(a) by Pub. L. 95–623. Subsec. (b) of this section consists of former section 310 of act July 1, 1944, prior to the renumbering of that section as section 310(b) by Pub. L. 95–623.

PRIOR PROVISIONS
A prior section 310 of act July 1, 1944, was renumbered section 329, and was classified to section 224b of this title prior to the general amendment of subpart I (§254b et seq.) of part D of this subchapter by Pub. L. 104–299. Provisions similar to those comprising subsec. (a) of this section were contained in section 312 of act July 1, 1944, ch. 373, title III, 58 Stat. 693, as amended (formerly classified to section 244 of this title), prior to repeal by Pub. L. 93–353, §102(a).

Provisions similar to those comprising subsec. (b) of this section were contained in section 315 of act July 1, 1944, ch. 373, title III, 58 Stat. 695; Oct. 30, 1970, Pub. L. 91–515, title II, §282, 84 Stat. 1308 (formerly classified to section 247 of this title), prior to repeal by Pub. L. 93–353, §102(a).

§ 242p. National disease prevention data profile

(a) The Secretary, acting through the National Center for Health Statistics, shall submit to Congress on March 15, 1990, and on March 15 of every third year thereafter, a national disease prevention data profile in order to provide a data base for the effective implementation of this Act and to increase public awareness of the prevalence, incidence, and any trends in the preventable causes of death and disability in the United States. Such profile shall include at a minimum—

(1) mortality rates for preventable diseases;
(2) morbidity rates associated with preventable diseases;
(3) the physical determinants of health of the population of the United States and the relationship between these determinants of health and the incidence and prevalence of preventable causes of death and disability; and
(4) the behavioral determinants of health of the population of the United States including, but not limited to, smoking, nutritional and dietary habits, exercise, and alcohol consumption, and the relationship between these determinants of health and the incidence and prevalence of preventable causes of death and disability.

(b) In preparing the profile required by subsection (a), the Secretary, acting through the National Center for Health Statistics, shall comply with all relevant provisions of sections 224k and 242m of this title.


REFERENCES IN TEXT

CODIFICATION
Section was enacted as part of the Health Services and Centers Amendments of 1978, and not as part of the Public Health Service Act which comprises this chapter.

AMENDMENTS
1987—Subsec. (a). Pub. L. 100–177 substituted “on March 15, 1990, and on March 15 of every third year thereafter” for “on December 1, 1980, and on December 1 of every third year thereafter” in first sentence.

EFFECTIVE DATE OF 1987 AMENDMENT
Amendment by Pub. L. 100–177 applicable to reports and profiles required to be submitted after Nov. 1, 1987, see section 106(c) of Pub. L. 100–177, set out as a note under section 242m of this title.

§ 242q. Task Force on Aging Research; establishment and duties

(a) Establishment

The Secretary of Health and Human Services shall establish a Task Force on Aging Research.

(b) Duties

With respect to aging research (as defined in section 242q–1 of this title), the Task Force each fiscal year shall—

(1) make recommendations to the Secretary specifying the particular projects of research, or the particular categories of research, that should be conducted or supported by the Secretary;
(2) of the projects specified under paragraph (1), make recommendations to the Secretary of the projects that should be given priority in the provision of funds; and
(3) make recommendations to the Secretary of the amount of funds that should be appropriated for such research.

(c) Provision of information to public

The Task Force may make available to health professionals, and to other members of the public, information regarding the research described in subsection (b).


REFERENCES IN TEXT
Section 242q–4 of this title, referred to in subsection (b), was in the original “section 305”, meaning section 305 of Pub. L. 101–557. Section 305 was renumbered section 301 by Pub. L. 100–177, title I, §104(b)(3)(B), Jan. 15, 2007, 120 Stat. 3594.

CODIFICATION
Section was enacted as part of the Home Health Care and Alzheimer’s Disease Amendments of 1990, and not as part of the Public Health Service Act which comprises this chapter.

§ 242q–1. Membership

(a) Composition

The Task Force shall be composed of—
(1) the Assistant Secretary for Health;
(2) the Surgeon General of the Public Health Service;
(3) the Assistant Secretary for Planning and Evaluation;
(4) the Director of the National Institute on Aging, and the Directors of such other agencies of the National Institutes of Health as the Secretary determines to be appropriate;

1 See References in Text note below.
§ 242q–2. Administrative staff and support

The Secretary, acting through the Assistant Secretary for Health or the Director of the National Institute on Aging, shall appoint an Executive Secretary for the Task Force and shall provide the Task Force with such administrative staff and support as may be necessary to enable the Task Force to carry out subsections (b) and (c) of this section.


Repeal applicable only with respect to amounts appropriated for fiscal year 2007 or subsequent fiscal years.
§ 242q–4. Definitions
For purposes of sections 242q to 242q–5 of this title:

(1) Aging research

(A) The term “aging research” means research on the aging process and on the diagnosis and treatment of diseases, disorders, and complications related to aging, including menopause. Such research includes research on such treatments, and on medical devices and other medical interventions regarding such diseases, disorders, and complications, that can assist individuals in avoiding institutionalization and prolonged hospitalization and in otherwise increasing the independence of the individuals.

(B) For purposes of subparagraph (A), the term “independence”, with respect to diseases, disorders, and complications of aging, means the functional ability of individuals to perform activities of daily living or instrumental activities of daily living without assistance or supervision.

(2) Secretary

The term “Secretary” means the Secretary of Health and Human Services.

(3) Task Force

The term “Task Force” means the Task Force on Aging Research established under section 242q(a) of this title.

(§ 242q. Improvement and publication of data on food-related allergic responses)

(a) In general

The Secretary of Health and Human Services, acting through the Director of the Centers for Disease Control and Prevention and in consultation with the Commissioner of Food and Drugs, shall improve (including by educating physicians and other health care providers) the collection of, and publish as it becomes available, national data on—

(1) the prevalence of food allergies;

(2) the incidence of clinically significant or serious adverse events related to food allergies; and

(3) the use of different modes of treatment for and prevention of allergic responses to foods.

(b) Authorization of appropriations

For the purpose of carrying out this section, there are authorized to be appropriated such sums as may be necessary.

(§ 242s. Centers for Disease Control and Prevention Office of Women's Health)

(a) Establishment

There is established within the Office of the Director of the Centers for Disease Control and Prevention, an office to be known as the Office of Women's Health (referred to in this section as the “Office”). The Office shall be headed by a director who shall be appointed by the Director of such Centers.

(b) Purpose

The Director of the Office shall—

(1) report to the Director of the Centers for Disease Control and Prevention on the current level of the Centers’ activity regarding women’s health conditions across, where appropriate, age, biological, and sociocultural contexts, in all aspects of the Centers’ work, including prevention programs, public and professional education, services, and treatment;

(2) establish short-range and long-range goals and objectives within the Centers for women’s health and, as relevant and appropriate, coordinate with other appropriate offices on activities within the Centers that relate to prevention, research, education and training, service delivery, and policy development, for issues of particular concern to women;

(3) identify projects in women’s health that should be conducted or supported by the Centers;

(4) consult with health professionals, nongovernmental organizations, consumer organizations, women’s health professionals, and other individuals and groups, as appropriate, on the policy of the Centers with regard to women; and

CODIFICATION

Section was enacted as part of the Home Health Care and Alzheimer’s Disease Amendments of 1990, and not as part of the Public Health Service Act which comprises this chapter.

PRIOR PROVISIONS

A prior section 304 of Pub. L. 101–557 was classified to section 242q–3 of this title, prior to repeal by Pub. L. 109–482.

§ 242q–5. Authorization of appropriations

For the purpose of carrying out sections 242q to 242q–5 of this title, there are authorized to be appropriated such sums as may be necessary for each of the fiscal years 1991 through 1993.

CODIFICATION

Section was enacted as part of the Home Health Care and Alzheimer’s Disease Amendments of 1990, and not as part of the Public Health Service Act which comprises this chapter.

PRIOR PROVISIONS

A prior section 305 of Pub. L. 101–557 was renumbered section 304 and is classified to section 242q–4 of this title.
(a) Data collection
States, collect and report data on adverse child-behavior Surveillance System, and other relevant Risk Factor Surveillance System, the Youth Risk Behavior experiences through the Behavioral Risk Control and Prevention (referred to in this section as the “Director”) may, in cooperation with the Director of the Centers for Disease Control and Prevention (established under section 237a(b)(4) of this title).

(c) Definition
As used in this section, the term “women’s health conditions”, with respect to women of all age, ethnic, and racial groups, means diseases, disorders, and conditions—

(1) unique to, significantly more serious for, or significantly more prevalent in women; and

(2) for which the factors of medical risk or type of medical intervention are different for women, or for which there is reasonable evidence that indicates that such factors or types may be different for women.

(d) Authorization of appropriations
For the purpose of carrying out this section, there are authorized to be appropriated such sums as may be necessary for each of the fiscal years 2019 through 2024.

(b) Timing
The collection of data under subsection (a) may occur biennially.

(c) Data from rural areas
The Director shall encourage each State that participates in collecting and reporting data under subsection (a) to collect and report data from rural areas within such State, in order to generate a statistically reliable representation of such areas.

(d) Data from tribal areas
The Director may, in cooperation with Indian Tribes (as defined in section 5304 of title 25) and pursuant to a written request from an Indian Tribe, provide technical assistance to such Indian Tribe to collect and report data on adverse childhood experiences through the Behavioral Risk Factor Surveillance System, the Youth Risk Behavior Surveillance System, or another relevant public health survey or questionnaire.

(e) Authorization of appropriations
To carry out this section, there is authorized to be appropriated $2,000,000 for each of fiscal years 2019 through 2023.

Service for the year in which such reimbursement is received.


AMENDMENTS

1985—Subsec. (c)(1). Pub. L. 99-117 struck out “referred to in section 247(b)(1) of this title” after “epidemics of any disease or condition”, “involving or resulting from disasters or any such disease” after “health emergencies or problems” in first sentence, and struck out “resulting from disasters or any disease or condition referred to in section 247(b)(1) of this title” after “(including epidemics and health emergencies)” in second sentence.

1983—Subsec. (c)(2). Pub. L. 97-414 substituted “six months” for “forty-five days” after “not in excess of”.


Subsec. (b). Pub. L. 97-35, § 902(c)(2), substituted “public health activities” for “the purposes of section 246 of this title”.

1976—Subsec. (b). Pub. L. 94-317, § 202(c), inserted provision authorizing Secretary to charge only private entities reasonable fees for training of their personnel.

Subsec. (c). Pub. L. 94-317, § 202(b), made changes in phraseology and restructured provisions into pars. (1) and (2) and, in par. (1), as so restructured, inserted provisions authorizing Secretary to develop a plan utilizing Public Health Service personnel, equipment, medical supplies and other resources to control epidemics of any disease referred to in section 247(b) of this title.


1966—Pub. L. 89-749 designated existing provisions as subsec. (a), added subsec. (b), and amended subsec. (b) to permit Surgeon General to train personnel for State and local health work.

EFFECTIVE DATE OF 1961 AMENDMENT


EFFECTIVE DATE OF 1966 AMENDMENT

Pub. L. 89-749, § 5(a), Nov. 3, 1966, 80 Stat. 1190, provided that subsec. (b) of this section is effective July 1, 1966.

Pub. L. 89-749, § 5(b), Nov. 3, 1966, 80 Stat. 1190, provided that the amendment of subsec. (b) of this section, permitting the Surgeon General to train personnel for State and local health work, is effective July 1, 1967.

FOOD ALLERGENS IN THE FOOD CODE

Pub. L. 106-282, title II, § 209, Aug. 2, 2004, 118 Stat. 910, provided that: “The Secretary of Health and Human Services shall, in the Conference for Food Protection, as part of its efforts to encourage cooperative activities between the States under section 311 of the Public Health Service Act (42 U.S.C. 243), pursue revision of the Food Code to provide guidelines for preparing allergen-free foods in food establishments, including in restaurants, grocery store delicatessens and bakeries, and elementary and secondary school cafeterias. The Secretary shall consider guidelines and recommendations developed by public and private entities for public and private food establishments for preparing allergen-free foods in pursuance of this revision.”

TRAINING OF PRIVATE PERSONS SUBJECT TO REIMBURSEMENT OR ADVANCES TO APPROPRIATIONS

Pub. L. 103-333, title II, Sept. 30, 1994, 108 Stat. 2550, provided in part: “That for fiscal year 1995 and subsequent fiscal years training of private persons shall be made subject to reimbursement or advances to this appropriation for not in excess of the full cost of such training”.

§ 244. Public access defibrillation programs

(a) In general

The Secretary shall award grants to States, political subdivisions of States, Indian tribes, and tribal organizations to develop and implement public access defibrillation programs—

(1) by training and equipping local emergency medical services personnel, including firefighters, police officers, paramedics, emergency medical technicians, and other first responders, to administer immediate care, including cardiopulmonary resuscitation and automated external defibrillation, to cardiac arrest victims;

(2) by purchasing automated external defibrillators, placing the defibrillators in public places where cardiac arrests are likely to occur, and training personnel in such places to administer cardiopulmonary resuscitation and automated external defibrillation to cardiac arrest victims;

(3) by setting procedures for proper maintenance and testing of such devices, according to the guidelines of the manufacturers of the devices;

(4) by providing training to members of the public in cardiopulmonary resuscitation and automated external defibrillation;

(5) by integrating the emergency medical services system with the public access defibrillation programs so that emergency medical services personnel, including dispatchers, are informed about the location of automated external defibrillators in their community; and

(6) by encouraging private companies, including small businesses, to purchase automated external defibrillators and provide training for their employees to administer cardiopulmonary resuscitation and external automated defibrillation to cardiac arrest victims in their community.

(b) Preference

In awarding grants under subsection (a), the Secretary shall give a preference to a State, political subdivision of a State, Indian tribe, or tribal organization that—

(1) has a particularly low local survival rate for cardiac arrests, or a particularly low local response rate for cardiac arrest victims; or

(2) demonstrates in its application the greatest commitment to establishing and maintaining a public access defibrillation program.

(c) Use of funds

A State, political subdivision of a State, Indian tribe, or tribal organization that receives a grant under subsection (a) may use funds received through such grant to—

(1) purchase automated external defibrillators that have been approved, or cleared for...
marketing, by the Food and Drug Administration;
(2) provide automated external defibrillation and basic life support training in automated external defibrillator usage through nationally recognized courses;
(3) provide information to community members about the public access defibrillation program to be funded with the grant;
(4) provide information to the local emergency medical services system regarding the placement of automated external defibrillators in public places;
(5) produce materials to encourage private companies, including small businesses, to purchase automated external defibrillators;
(6) establish an information clearinghouse, that shall be administered by an organization that has substantial expertise in pediatric education, pediatric medicine, and electrophysiology and sudden death, that provides information to increase public access to defibrillation in schools; and
(7) further develop strategies to improve access to automated external defibrillators in public places.

(d) Application

(1) In general

To be eligible to receive a grant under subsection (a), a State, political subdivision of a State, Indian tribe, or tribal organization shall prepare and submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may reasonably require.

(2) Contents

An application submitted under paragraph (1) shall—
(A) describe the comprehensive public access defibrillation program to be funded with the grant and demonstrate how such program would make automated external defibrillation accessible and available to cardiac arrest victims in the community;
(B) contain procedures for implementing appropriate nationally recognized training courses in performing cardiopulmonary resuscitation and the use of automated external defibrillators;
(C) contain procedures for ensuring direct involvement of a licensed medical professional and coordination with the local emergency medical services system in the oversight of training and notification of incidents of the use of the automated external defibrillators;
(D) contain procedures for proper maintenance and testing of the automated external defibrillators, according to the labeling of the manufacturer;
(E) contain procedures for ensuring notification of local emergency medical services system personnel, including dispatchers, of the location and type of devices used in the public access defibrillation program; and
(F) provide for the collection of data regarding the effectiveness of the public access defibrillation program to be funded with the grant in affecting the out-of-hospital cardiac arrest survival rate.

(e) Authorization of appropriations

For the purpose of carrying out this section, there are authorized to be appropriated $25,000,000 for each of fiscal years 2003 through 2014. Not more than 10 percent of amounts received under a grant awarded under this section may be used for administrative expenses.


Prior Provisions


A prior section 312 of act July 1, 1944, was classified to section 244–1 of this title prior to repeal by Pub. L. 94–484.
§ 245. Public access defibrillation demonstration projects

(a) In general

The Secretary shall award grants to political subdivisions of States, Indian tribes, and tribal organizations to develop and implement innovative, comprehensive, community-based public access defibrillation demonstration projects that—

(1) provide cardiopulmonary resuscitation and automated external defibrillation to cardiac arrest victims in unique settings;

(2) provide training to community members in cardiopulmonary resuscitation and automated external defibrillation; and

(3) maximize community access to automated external defibrillators.

(b) Use of funds

A recipient of a grant under subsection (a) shall use the funds provided through the grant to—

(1) purchase automated external defibrillators that have been approved, or cleared for marketing, by the Food and Drug Administration;

(2) provide basic life training in automated external defibrillator usage through nationally recognized courses;

(3) provide information to community members about the public access defibrillation demonstration project to be funded with the grant;

(4) provide information to the local emergency medical services system regarding the placement of automated external defibrillators in the unique settings; and

(5) further develop strategies to improve access to automated external defibrillators in public places.

(c) Application

(1) In general

To be eligible to receive a grant under subsection (a), a political subdivision of a State, Indian tribe, or tribal organization shall prepare and submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may reasonably require.

(2) Contents

An application submitted under paragraph (1) may—

(A) describe the innovative, comprehensive, community-based public access defibrillation demonstration project to be funded with the grant;

(B) explain how such public access defibrillation demonstration project represents innovation in providing public access to automated external defibrillation; and

(C) provide for the collection of data regarding the effectiveness of the demonstration project to be funded with the grant in—

(i) providing emergency cardiopulmonary resuscitation and automated external defibrillation to cardiac arrest victims in the setting served by the demonstration project; and

(ii) affecting the cardiac arrest survival rate in the setting served by the demonstration project.

(d) Authorization of appropriations

There is authorized to be appropriated to carry out this section $5,000,000 for each of fiscal years 2002 through 2006. Not more than 10 percent of amounts received under a grant awarded under this section may be used for administrative expenses.

PRIORITY PROVISIONS


EFFECTIVE DATE OF REPEAL

Repeal effective Oct. 1, 1977, see section 503(c) of Pub. L. 94–484, set out as a note under section 244–1 of this title.

§ 246. Grants and services to States

(a) Comprehensive health planning and services

(1) In order to assist the States in comprehensive and continuing planning for their current
and future health needs, the Secretary is authorized during the period beginning July 1, 1966, and ending June 30, 1973, to make grants to States which have submitted, and had approved by the Secretary, State plans for comprehensive State health planning. For the purposes of carrying out this subsection, there are hereby authorized to be appropriated $2,500,000 for the fiscal year ending June 30, 1967, $7,000,000 for the fiscal year ending June 30, 1968, $10,000,000 for the fiscal year ending June 30, 1969, $15,000,000 for the fiscal year ending June 30, 1970, $15,000,000 for the fiscal year ending June 30, 1971, $17,000,000 for the fiscal year ending June 30, 1972, $20,000,000 for the fiscal year ending June 30, 1973, and $10,000,000 for the fiscal year ending June 30, 1974.

(2) In order to be approved for purposes of this subsection, a State plan for comprehensive State health planning must—

(A) designate, or provide for the establishment of, a single State agency, which may be an interdepartmental agency, as the sole agency for administering or supervising the administration of the State's health planning functions under the plan;

(B) provide for the establishment of a State health planning council, which shall include representatives of Federal, State, and local agencies (including as an ex officio member, if there is located in such State one or more hospitals or other health care facilities of the Department of Veterans Affairs, the individual whom the Secretary of Veterans Affairs shall have designated to serve on such council as the representative of the hospitals or other health care facilities of such Department which are located in such State) and governmental and non-governmental organizations and groups concerned with health (including representation of the regional medical program or programs included in whole or in part within the State), and of consumers of health services, to advise such State agency in carrying out its functions under the plan, and a majority of the membership of such council shall consist of representatives of consumers of health services;

(C) set forth policies and procedures for the expenditure of funds under the plan, which, in the judgment of the Secretary, are designed to provide for comprehensive State planning for health services (both public and private and including home health care), including the facilities and persons required for the provision of such services, to meet the health needs of the people of the State and including environmental considerations as they relate to public health;

(D) provide for encouraging cooperative efforts among governmental or nongovernmental agencies, organizations and groups concerned with health services, facilities, or manpower, and for cooperative efforts between such agencies, organizations, and groups and similar agencies, organizations, and groups in the fields of education, welfare, and rehabilitation;

(E) contain or be supported by assurances satisfactory to the Secretary that the funds paid under this subsection will be used to supplement and, to the extent practicable, to increase the level of funds that would otherwise be made available by the State for the purpose of comprehensive health planning and not to supplant such non-Federal funds;

(F) provide such methods of administration (including methods relating to the establishment and maintenance of personnel standards on a merit basis, except that the Secretary shall exercise no authority with respect to the selection, tenure of office, and compensation of any individual employed in accordance with such methods) as are found by the Secretary to be necessary for the proper and efficient operation of the plan;

(G) provide that the State agency will make such reports, in such form and containing such information, as the Secretary may from time to time reasonably require, and will keep such records and afford such access thereto as the Secretary finds necessary to assure the correctness and verification of such reports;

(H) provide that the State agency will from time to time, but not less often than annually, review its State plan approved under this subsection and submit to the Secretary appropriate modifications thereof;

(I) effective July 1, 1966, (i) provide for assisting each health care facility in the State to develop a program for capital expenditures for replacement, modernization, and expansion which is consistent with an overall State plan developed in accordance with criteria established by the Secretary after consultation with the State which will meet the needs of the State for health care facilities, equipment, and services without duplication and otherwise in the most efficient and economical manner, and (ii) provide that the State agency furnishing such assistance will periodically review the program (developed pursuant to clause (i)) of each health care facility in the State and recommend appropriate modification thereof;

(J) provide for such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of and accounting for funds paid to the State under this subsection; and

(K) contain such additional information and assurances as the Secretary may find necessary to carry out the purposes of this subsection.

(3)(A) From the sums appropriated for such purpose for each fiscal year, the several States shall be entitled to allotments determined, in accordance with regulations, on the basis of the population and the per capita income of the respective States; except that no such allotment to any State for any fiscal year shall be less than 1 per centum of the sum appropriated for such fiscal year pursuant to paragraph (1). Any such allotment to a State for a fiscal year shall remain available for obligation by the State, in accordance with the provisions of this subsection and the State’s plan approved thereunder, until the close of the succeeding fiscal year.

(B) The amount of any allotment to a State under subparagraph (A) for any fiscal year which the Secretary determines will not be required by
the State, during the period for which it is available, for the purposes for which allotted shall be available for reallocation by the Secretary from time to time, on such date or dates as he may fix, to other States with respect to which such a determination has not been made, in proportion to the original allotments to such States under subparagraph (A) for such fiscal year, but with such proportionate amount for any of such other States being reduced to the extent it exceeds the sum the Secretary estimates such State needs and will be able to use during such period; and the total of such reductions shall be similarly reallocated among the States whose proportionate amounts were not so reduced. Any amount so reallocated to a State from funds appropriated pursuant to this subsection for a fiscal year shall be deemed part of its allotment under subparagraph (A) for such fiscal year.

(4) From each State’s allotment for a fiscal year under this subsection, the State shall from time to time be paid the Federal share of the expenditures incurred during that year or the succeeding year pursuant to its State plan approved under this subsection. Such payments shall be made on the basis of estimates by the Secretary of the sums the State will need in order to perform the planning under its approved State plan under this subsection, but with such adjustment as may be necessary to take account of previously made underpayments or overpayments. The “Federal share” for any State for purposes of this subsection shall be all, or such part as the Secretary may determine, of the costs of such planning, except that in the case of the allotments for the fiscal year ending June 30, 1970, it shall not exceed 75 per cent of such cost.

(b) Project grants for areawide health planning; authorization of appropriations; pre-requisites for grants; application; contents

(1)(A) The Secretary is authorized, during the period beginning July 1, 1966, and ending June 30, 1974, to make, with the approval of the State agency administering or supervising the administration of the State plan approved under subsection (a), project grants to any other public or nonprofit private agency or organization (but with appropriate representation of the interests of local government where the recipient of the grant is not a local government or combination thereof or an agency of such government or combination) to cover not to exceed 75 per cent of the costs of projects for developing (and from time to time revising) comprehensive regional, metropolitan area, or other local area plans for coordination of existing and planned health services, including the facilities and personnel required for provision of such services; and including the provision of such services through home health care; except that in the case of project grants made in any State prior to July 1, 1968, approval of such State agency shall be required only if such State has such a State plan in effect at the time of such grants. No grant may be made under this subsection after June 30, 1970, to any agency or organization to develop or revise health plans for an area unless the Secretary determines that such agency or organization provides means for appropriate representation of the interests of the hospitals, other health care facilities, and practicing physicians serving such area, and the general public.

For the purposes of carrying out this subsection, there are hereby authorized to be appropriated $5,000,000 for the fiscal year ending June 30, 1967, $7,500,000 for the fiscal year ending June 30, 1968, $10,000,000 for the fiscal year ending June 30, 1969, $15,000,000 for the fiscal year ending June 30, 1970, $20,000,000 for the fiscal year ending June 30, 1971, $30,000,000 for the fiscal year ending June 30, 1972, $40,000,000 for the fiscal year ending June 30, 1973, and $25,100,000 for the fiscal year ending June 30, 1974.

(B) Project grants may be made by the Secretary under subparagraph (A) to the State agency administering or supervising the administration of the State plan approved under subsection (a) with respect to a particular region or area, but only if (i) no application for such a grant with respect to such region or area has been filed by any other agency or organization qualified to receive such a grant, and (ii) such State agency certifies, and the Secretary finds, that ample opportunity has been afforded to qualified agencies and organizations to file application for such a grant with respect to such region or area and that it is improbable that, in the foreseeable future, any agency or organization which is qualified for such a grant will file application therefor.

(2)(A) In order to be approved under this subsection, an application for a grant under this subsection must contain or be supported by reasonable assurances that there has been or will be established, in or for the area with respect to which such grant is sought, an areawide health planning council. The membership of such council shall include representatives of public, voluntary, and nonprofit private agencies, institutions, and organizations concerned with health (including representatives of the interests of local government of the regional medical program for such area, and of consumers of health services). A majority of the members of such council shall consist of representatives of consumers of health services.

(B) In addition, an application for a grant under this subsection must contain or be supported by reasonable assurances that the area-wide health planning agency has made provision for assisting health care facilities in its area to develop a program for capital expenditures for replacement, modernization, and expansion which is consistent with an overall State plan which will meet the needs of the State and the area for health care facilities, equipment, and services without duplication and otherwise in the most efficient and economical manner.

(c) Project grants for training, studies, and demonstrations; authorization of appropriations

The Secretary is also authorized, during the period beginning July 1, 1966, and ending June 30, 1974, to make grants to any public or nonprofit private agency, institution, or other organization to cover all or any part of the cost of projects for training, studies, or demonstrations looking toward the development of improved or more effective comprehensive health planning
throughout the Nation. For the purposes of carrying out this subsection, there are hereby authorized to be appropriated $1,500,000 for the fiscal year ending June 30, 1967, $2,500,000 for the fiscal year ending June 30, 1968, $5,000,000 for the fiscal year ending June 30, 1969, $7,500,000 for the fiscal year ending June 30, 1970, $8,000,000 for the fiscal year ending June 30, 1971, $10,000,000 for the fiscal year ending June 30, 1972, $12,000,000 for the fiscal year ending June 30, 1973, and $14,000,000 for the fiscal year ending June 30, 1974.

(3) The provisions of subsection (c) shall apply to such grants made under subsection (a) as the Secretary of Health and Human Services determines.

(4) The Secretary shall ensure that, after all other Federal, State, and local programs have been considered, the amount appropriated under this section is equal to or less than the amount appropriated for fiscal year 1969 for each of the fiscal years 1970, 1971, 1972, 1973, and 1974.

(b) Repealed. Previously, subsec. (g) was repealed by Pub. L. 96-354, § 1, July 22, 1980. Pub. L. 96-398, title I, § 109(d), Oct. 7, 1980, 94 Stat. 1308, provided that in the case of applications submitted by States for fiscal year 1981, the amount appropriated for fiscal year 1981 would be $12,000,000.

(c) If, in the fiscal year ending June 30, 1975, the total amount of grants for a State health authority shall be an amount which bears the same ratio to the amount appropriated for the fiscal year ending June 30, 1974, as the total amount of amounts appropriated for fiscal year ending June 30, 1974, bears to the amount appropriated for that fiscal year.

Subsec. (g)(2)(D)(iv). Pub. L. 96-79 subtituted "a plan which is consistent with the State health plan in effect for the State under section 300m-3(c) of this title and for "a plan". 1979—Subsec. (d). Pub. L. 96-626, § 201(b)(2), completely revised subsec. (d) under which the Secretary is authorized to make grants to State health authorities to assist in meeting the costs of providing comprehensive public health services by including requirements that the States submit an application outlining how funds will be used to supplement non-Federal support for the provision of public health services in the State, by setting out formulae under which funds will be made available to States including definitions of "applicable grant computation percentage" and "State and local expenditures for comprehensive public health services", by requiring implementation of a national health program reporting system to assure accountability for the expenditure of funds, and by authorizing appropriations of $150,000,000 for fiscal year ending Sept. 30, 1980, and $170,000,000 for fiscal year ending Sept. 30, 1981.


Subsec. (f). Pub. L. 97-35, subtituted existing provisons relating to grants for State mental health programs for provisions regulating to regulations and amendments with respect to grants to States under subsecs. (a) and (d) and reduction and suspension of subsec. (a) and (d) grant payments.


1975—Subsec. (d). Pub. L. 94-63, § 102, 701(a), substituted provisions relating to grants made pursuant to allotments to State health and mental health authorities for meeting the costs of providing comprehensive public health services, for provisions relating to grants made pursuant to appropriations for fiscal year ending June 30, 1968 to fiscal year ending June 30, 1975, to State health or mental health authorities to aid in the establishment and maintenance of adequate public health services, including the training of personnel for State and local health work.

Subsec. (e). Pub. L. 94-63, §§ 501(b), 701(b), struck out subsec. (e) which authorized appropriations from fiscal year ending June 30, 1968 through fiscal year ending June 30, 1975 for project grants for health services and related training, set forth criteria for making such grants, and prohibited grants after the fiscal year ending June 30, 1975, for provisions of this chapter amended...
by title VII of the Health Revenue Sharing and Health Services Act of 1975.


Subsec. (e). Pub. L. 93–151 prohibited use of appropriated funds for lead based paint poisoning control.

Pub. L. 93–45, §106(a)(5), authorized appropriations of $230,700,000 for fiscal year ending June 30, 1974, and prohibited any grant for such fiscal year to cover cost of services described in cl. (1) or (2) of the first sentence if a grant or contract to cover cost of such services may be made or entered into from funds authorized to be appropriated for such fiscal year under an appropriations authorization in any provision of this chapter (other than this subsection) amended by title 1 of the Health Programs Extension Act of 1973.


1971—Subsec. (f). Pub. L. 91–648, §403(a), as amended by Pub. L. 94–454, §602(c), repealed subsec. (f) which authorized the Secretary to arrange for the interchange of personnel with States to aid in discharge of responsibilities in field of health care, except as subsec. (b) applied to commissioned officers of the Public Health Service. See 1978 Amendment note above.

1970—Pub. L. 91–515, §282, substituted “Secretary” for “Surgeon General” in subsecs. (a)(1), (a)(2)(C), (E) to (H), (K), (a)(d)(B), (a)(4), (b)(1)(A), (c), (d)(1), (d)(2)(C), (F) to (H), (J), (d)(4)(A), (d)(6), and (g)(1) to (3).


Subsec. (a)(2)(B). Pub. L. 91–515, §220(b), (c), inserted provisions authorizing appointment of an ex officio member from representation of Federal, State, and local agencies involved, and requiring representation of the regional medical program or programs included in whole or in part within the State.

Subsec. (a)(2)(C). Pub. L. 90–296, §220(d), inserted “and including home health care” after “private” and “including environmental considerations as they relate to public health” after “people of the State”.

Subsec. (b). Pub. L. 91–515, §230, redesignated existing provisions as subsec. (b)(1)(A), and, as so redesignated, extended period for making project grants from June 30, 1970 to June 30, 1973, inserted “and including the provision of such services through home health care” after “such services”, and authorized appropriations for the fiscal years ending June 30, 1971, June 30, 1972, and June 30, 1973, and added subsec. (b)(1)(B) and (b)(2).

Pub. L. 91–296, §111(b), inserted provisions requiring that before grants be made to agencies or organizations to develop or revise health plans for an area the Secretary determine that the agency or organization provided assurances for appropriate representation of the interests of the hospitals, practicing physicians, and the general public.


Pub. L. 91–296, §401(b)(1)(C), struck out except which provided for use of up to 1 per centum by Secretary for evaluation.

Subsec. (d)(2)(C). Pub. L. 91–515, §250(b), inserted provisions requiring State plan to contain assurance that the plan is compatible with total health program of the State.


Subsec. (e). Pub. L. 91–515, §250(a), (b), (c)(1), inserted provisions authorizing appropriations for fiscal years ending June 30, 1971, June 30, 1972, and June 30, 1973, provisions authorizing grants to cover part of cost of equity requirements and amortization of loans on facilities acquired from the Office of Economic Opportunity or construction in connection with any program or project transferred from the Office of Economic Opportunity, and provisions requiring the application for any grant made under this subsection to be referred for review and comment to the appropriate area-wide health planning agency, or, if no such agency is in the area, then to such other public or non-profit private agency or organization (if any) which performs similar functions.

Pub. L. 91–296, §401(b)(1)(D), struck out provision for use of up to 1 per centum of appropriation for grants under subsec. (e) by the Secretary for evaluation.

1967—Subsec. (a)(1). Pub. L. 90–524, §240(a), extended period for making grants to States from June 30, 1968, to June 30, 1970, increased appropriations authorization for fiscal year ending June 30, 1968, from $5,000,000 to $7,000,000, and authorized appropriations of $10,000,000 and $15,000,000 for fiscal years ending June 30, 1969, and 1970, respectively.

Subsec. (a)(2)(I) to (K). Pub. L. 90–174, §2(a)(2), added subpar. (I) and redesignated former subpars. (I) and (J) as (J) and (K), respectively.


Subsec. (b). Pub. L. 90–174, §2(b)(1), (2), extended period for making grants to public or nonprofit private organizations from June 30, 1968, to June 30, 1970, and authorized appropriations of $10,000,000 and $15,000,000 for fiscal years ending June 30, 1969, and 1970, respectively, and provided for appropriate representation of interests of local government where recipient of grant is not a local government or combination thereof or an agency of such government or combination, respectively.

Subsec. (c). Pub. L. 90–174, §2(c), extended period for making grants to public or nonprofit private organizations from June 30, 1968, to June 30, 1970, and authorized appropriations of $5,000,000 and $7,500,000 for fiscal years ending June 30, 1969, and 1970, respectively.

Subsec. (d)(1). Pub. L. 90–174, §§2(d)(1), (8a), increased appropriations authorization for fiscal year ending June 30, 1968, from $62,500,000 to $70,000,000, and authorized appropriations of $90,000,000 and $100,000,000 for fiscal years ending June 30, 1969, and 1970, respectively, and made program evaluation funds available for any fiscal year ending after June 30, 1968, respectively.


Subsec. (d)(7). Pub. L. 90–174, §2(d)(3), provided for an allocation of 70 per centum of funds for provision under the State plan of services in communities of the State.

Subsec. (e). Pub. L. 90–174, §§2(e), (b)(2)(C), (8b), increased appropriations authorization for fiscal year ending June 30, 1968, from $62,500,000 to $90,000,000, authorized appropriations of $95,000,000 and $80,000,000 for fiscal years ending June 30, 1969, and 1970, respectively, inserted “(including related training)” after “health services” in cl. (1), substituted “developing” for “stimulating” and inserted “(including related training)”
after "health services" in cl. (2), struck out cl. (3) which authorized grants to cover part of cost of undertaking studies, demonstrations, or training designed to develop new methods or improve existing methods of providing health services, and made program evaluation funds available for any fiscal year ending after June 30, 1968.


Subsec. (b). Pub. L. 90–174, § 12(d)(2), substituted "Department" for "Service".

Subsec. (c)(4)(B). Pub. L. 90–174, § 2(f), defined "State" to include the Trust Territory of the Pacific Islands.

1966—Subsec. (a). Pub. L. 89–749 substituted provisions authorizing the Surgeon General to make grants to States to assist in comprehensive and continuing planning for their current and future health needs, authorizing appropriations therefor, setting out the requirements for an acceptable State plan for comprehensive State health planning, covering the allotting of the appropriated sums to the States, and the payment of such sums to the States, and the determination of the Federal share for such purposes.

Subsec. (b). Pub. L. 89–749 substituted provisions for project grants by the Surgeon General covering the development of comprehensive regional, metropolitan, or local coordination of existing and planned health facilities and persons required for providing services and the authorization of appropriations of $5,000,000 for fiscal 1967 and $7,500,000 for fiscal 1968 for provisions authorizing the appropriation of funds to enable the Surgeon General to aid in the development of measures for the local prevention, treatment, and control of tuberculosis.

Subsec. (c). Pub. L. 89–749 substituted provisions for project grants for the development of improved or more effective comprehensive health planning throughout the United States and the authorization of appropriations of $1,500,000 for fiscal 1967 and $2,500,000 for fiscal 1968 for provisions authorizing the Surgeon General to assist, through grants and otherwise, in the establishment and maintenance of adequate public health services by States, counties, health districts, and other political subdivisions, authorizing appropriations therefor, and covering the allotment, payment, and allocation of the appropriated funds.

Subsec. (d). Pub. L. 89–749 substituted provisions authorizing grants by the Surgeon General to State health or mental health authorities to assist in establishing and maintaining adequate public health services, setting out the requirements for an acceptable State plan for the supplying of public health services, authorizing an appropriation of $62,500,000 for fiscal 1958 for the allotment of appropriated funds, payments to States, and the determination of the Federal share for provisions covering the allotment of appropriated funds among the several States on the basis of population, incidence of venereal disease, tuberculosis, mental health problems, and the financial needs of the various States.

Subsec. (e). Pub. L. 89–749 substituted provisions for project grants for health services development to public or private nonprofit agencies and for the authorization of an appropriation of $62,500,000 for fiscal 1968 for provisions covering the establishment and maintenance of community programs of heart disease control and the allotments and appropriations therefor.

Subsec. (f). Pub. L. 89–749 substituted provisions covering the interchange of personnel with States, the application of statutes covering Federal employees to interchanged personnel, and the coverage of State officers and employees, for provisions for the determination and certification of amounts paid to each State from allotments thereto.

Subsec. (g). Pub. L. 89–749 substituted provisions for consultation with State health planning agencies concerning regulations and amendments with respect to grants to States, the reduction of payments, cessation of payments for non-compliance, and definitions, for provisions limiting the expenditure of grant funds for purposes specified by statute and by the agency, organization, or institution to which payment was made.

Subsec. (h) to (m) which dealt, respectively, with requirement that State funds be provided for same purpose as that for which allotted funds are spent, cessation of Federal aid and procedures in connection therewith, promulgation of rules and regulations and consultation with State health authorities precedent thereto, availability of appropriated funds for administrative expenses including printing and travel expenses, applicability of section to Guam and Samoa, and reduction of payments commensurate to expense of detailing of Public Health Service personnel to States.

1965—Subsec. (c). Pub. L. 89–109 substituted "first six fiscal years ending after June 30, 1961" for "first five fiscal years ending after June 30, 1961" and "$5,000,000" for "$2,500,000".


1961—Subsec. (c). Pub. L. 87–395, § 3(a)–(c), substituted "of the first five fiscal years ending after June 30, 1961, the sum of $50,000,000" for "fiscal year a sum not to exceed $30,000,000" such amount as may be necessary for "an amount, not to exceed $3,000,000", "$2,500,000" for "$1,000,000", and provided that when an appropriating act provides that the amounts it specifies are available for payments for services and activities under this subsection as specified in such act, the requirements of subsec. (h) shall apply to such allotments and payments.


1958—Subsec. (c). Pub. L. 85–544 designated existing provisions of second sentence as cl. (1) and added cl. (2).


1948—Subsec. (e). Act June 16, 1948, § 5(a), added subsec. (e) to provide for community programs of heart disease control. Former subsec. (e) redesignated (f).

Subsec. (f). Act June 16, 1948, § 5(a), (b), redesignated former subsec. (e) as (f) and inserted proviso relating to determination and certification of amounts to be paid under subsec. (e). Former subsec. (f) redesignated (g).

Subsec. (g). Act June 16, 1948, § 5(a), (c), redesignated former subsec. (f) as (g) and brought subsecs. (e) and (f)(1) within the provisions of this subsection. Former subsec. (g) redesignated (h).

Subsec. (h). Act June 16, 1948, § 5(a), (d), redesignated former subsec. (g) as (h) and made subsection applicable to agencies, institutions or other organizations for which allotted funds are spent, cessation of Federal aid and procedures in connection therewith, promulgation of rules and regulations and consultation with State health authorities precedent thereto, availability of appropriated funds for administrative expenses including printing and travel expenses, applicability of section to Guam and Samoa, and reduction of payments commensurate to expense of detailing of Public Health Service personnel to States.

Subsec. (i). Act June 16, 1948, § 5(a), (e), redesignated former subsec. (h) as (i), made subsection applicable to subsec. (e), and made technical changes as a result of the renumbering of subsections. Former subsec. (i) redesignated (j).

Subsecs. (j), (k). Act June 16, 1948, § 5(a), redesignated former subsecs. (i) and (j) as (j) and (k), respectively.

1946—Subsec. (c). Act July 3, 1946, increased annual appropriation from $20,000,000 to $30,000,000, and increased annual amount available to provide demonstrations and to train personnel for State and local health work from $2,000,000 to $3,000,000.

Subsec. (d). Act July 3, 1946, prescribed that Surgeon General shall give special consideration to the extent of the mental health problem as well as other special problems.

Subsecs. (f), (k). Act July 3, 1946, provided that in matters relating to work in field of mental health Surgeon General shall deal with State mental health authorities where they differ from general health authorities.

EFFECTIVE DATE OF 1981 AMENDMENT
Effective Date of 1980 Amendment
Section 107(d) of Pub. L. 96–398 provided that the amendment made by that section is effective Sept. 30, 1981. See Repeals note below.

Effective Date of 1979 Amendment
Amendment by Pub. L. 96–79 effective one year after Oct. 4, 1979, see section 129(a) of Pub. L. 96–79.

Effective Date of 1978 Amendments
Pub. L. 91–648, title IV, §403(b), as added by Pub. L. 95–454, title VI, §602(c), Oct. 13, 1978, 92 Stat. 1189, provided that the repeal of subsec. (f) of this section (as applicable to commissioned officers of the Public Health Service) is effective beginning on the effective date of the Civil Service Reform Act of 1978, i.e., 90 days after Oct. 13, 1978.

Effective Date of 1975 Amendment
Pub. L. 94–63, title I, §102, July 29, 1975, 89 Stat. 304, provided that the amendment made by that section is effective with respect to grants made under subsec. (d) of this section from appropriations under such subsection for fiscal years beginning after June 30, 1975.
Amendment by section 501(b) of Pub. L. 94–63 effective July 1, 1975, see section 608 of Pub. L. 94–63, set out as a note under section 247b of this title.

Effective Date of 1971 Amendment
Repeal of subsec. (f) of this section (less applicability to commissioned officers of the Public Health Service) by section 403(a) of Pub. L. 91–648, as amended by Pub. L. 94–454, §602(c), effective sixty days after Jan. 5, 1971, see section 404 of Pub. L. 91–648, set out as an Effective Date note under section 3371 of Title 5, Government Organization and Employees.

Effective Date of 1970 Amendments
Pub. L. 91–515, title II, §209(c)(2), Oct. 30, 1970, 84 Stat. 1366, provided that: "The amendment made by paragraph (1) (amending this section) shall be effective with respect to grants under section 314(c) of the Public Health Service Act (42 U.S.C. 246(e)) which are made after the date of enactment of this Act (Oct. 30, 1970)."
Pub. L. 91–296, title IV, §401(b)(1), June 30, 1970, 84 Stat. 322, provided that the amendment made by that section is effective with respect to appropriations for fiscal years beginning after June 30, 1970.

Effective Date of 1967 Amendment
Pub. L. 90–174, §2(d)(2), (f), Dec. 5, 1967, 81 Stat. 534, provided that the amendments made by that section are effective July 1, 1968.
Pub. L. 90–174, §9(b), Dec. 5, 1967, 81 Stat. 535, provided that the amendment of this section, the repeal of section 291n of this title, and the enactment of provisions set out as a note under section 242b of Title 20, Education, is effective with respect to appropriations for fiscal years ending after June 30, 1967.

Effective Date of 1966 Amendment
Pub. L. 89–749, §6, Nov. 3, 1966, 80 Stat. 1190, provided in part that: "The amendments made by section 3 [amending this section] shall become effective as of July 1, 1966, except that the provisions of section 314 of the Public Health Service Act [42 U.S.C. 246] as in effect prior to the enactment of this Act shall be effective until July 1, 1967, in lieu of the provisions of subsections (d) and (e), and the provisions of subsections (g) insofar as they relate to such subsections (d) and (e), of section 314 of the Public Health Service Act as amended by this Act."

Effective Date of 1962 Amendment
Pub. L. 87–888, §4(b), Sept. 25, 1962, 76 Stat. 587, provided that: "The amendments made by this section [amending this section and sections 291g, 291i, and 291t of this title] shall become effective July 1, 1962."

Effective and Termination Date of 1958 Amendment
Pub. L. 85–544, §2, July 22, 1958, 72 Stat. 401, provided that: "The amendment made by the first section of this Act [amending this section] shall be applicable only to the fiscal years beginning July 1, 1958, and July 1, 1959."

Effective Date of 1956 Amendment
Act Aug. 1, 1956, ch. 562, §18, 70 Stat. 910, provided that the amendment made by that section is effective July 1, 1956.

Repeals
The directory language of, but not the amendment made by, Pub. L. 96–398, title I, §107(d), cited as a credit to this section and set out as an Effective Date of 1980 Amendment note above, which provided for repeal of subsec. (g) of this section, effective Sept. 30, 1981, was repealed by section 902(e)(1) of Pub. L. 97–35, title IX, Aug. 13, 1981, 95 Stat. 560, effective Oct. 1, 1981.

Transfer of Functions
Functions, powers, and duties of Secretary of Health and Human Services under subsections (a)(2)(F) and (d)(2)(F) of this section, insofar as relates to the prescription of personnel standards on a merit basis, transferred to Office of Personnel Management, see section 4728(a)(3)(C) of this title.
Functions of Federal Security Administrator transferred to Secretary of Health, Education, and Welfare and all agencies of Federal Security Agency transferred to Department of Health, Education, and Welfare by section 5 of Reorg. Plan No. 1 of 1953, set out as a note under section 3001 of this title, Federal Security Agency and office of Administrator abolished by section 8 of Reorg. Plan No. 1 of 1953, Secretary and Department of Health, Education, and Welfare redesignated Secretary and Department of Health and Human Services by section 509(b) of Pub. L. 96–88 which is classified to section 3508(b) of Title 20, Education.

Year 2000 Health Objectives Planning

Congressional Findings and Declaration

(A) individual health status can be effectively and economically improved through an adequate investment in community public health programs and services;

(B) the Federal Government and the States and their communities share in the financial responsibility for funding public health programs;

(C) the Federal contribution to funds for public health programs should serve as an incentive to an additional investment by State and local governments;

(D) existing categorical programs of Federal financial assistance to combat specific public health problems should be supplemented by a national program of stable generic support for such public health activities as the prevention and control of environmental health hazards, prevention and control of diseases, prevention and control of health problems of particularly vulnerable population groups, and development and regulation of health care facilities and health services delivery systems; and

(E) the States and their communities, not the Federal Government, should have primary respon-
sibility for identifying and measuring the impact of public health problems and the allocation of resources for their amelioration.”

Pub. L. 89-749, §2, Nov. 3, 1966, 80 Stat. 1180, provided that:

“(a) The Congress declares that fulfillment of our national purpose depends on promoting and assuring the highest level of health attainable for every person, in an environment which contributes positively to healthful individual and family living; that attainment of this goal depends on an effective partnership, involving close intergovernmental collaboration, official and voluntary efforts, and participation of individuals and organizations; that Federal financial assistance must be directed to support the marshaling of all health resources—national, State, and local—to assure comprehensive health services of high quality for every person, but without interference with existing patterns of private professional practice of medicine, dentistry, and related healing arts.

“(b) To carry out such purpose, and recognizing the changing character of health problems, the Congress finds that comprehensive planning for health services, health manpower, and health facilities is essential at every level of government; that desirable administration requires strengthening the leadership and capacities of State health agencies; and that support of health services provided people in their communities should be broadened and made more flexible.”

Act July 3, 1956, ch. 582, §2, 70 Stat. 908, provided that:

“(a) The Congress hereby finds and declares—

“(1) that the latest information on the number and relevant characteristics of persons in the country suffering from heart disease, cancer, diabetes, arthritis and rheumatism, and other diseases, injuries, and handicapping conditions is now seriously out of date and;

“(2) that periodic inventories providing reasonably current information on these matters are urgently needed for purposes such as (A) appraisal of the true state of health of our population (including both adults and children), (B) adequate planning of any programs to improve their health, (C) research in the field of chronic diseases, and (D) measurement of the numbers of persons in the working ages so disabled as to be unable to perform gainful work.

“(b) It is, therefore, the purpose of this Act (see Short Title of 1956 Amendment note set out under section 201 of this title) to provide (1) for a continuing survey and special studies to secure on a non-compulsory basis accurate and current statistical information on the amount, distribution, and effects of illness and disability in the United States and the services received for or because of such conditions; and (2) for studying methods and survey techniques for securing such statistical information, with a view toward their continuing improvement.”

LIMITATION ON GRANTS-IN-AID TO SCHOOLS OF PUBLIC HEALTH

Pub. L. 86-544, §2, July 22, 1958, 72 Stat. 401, which had limited the authority of the Surgeon General to make grants-in-aid totaling not to exceed $1,000,000 annually to schools of public health for fiscal year beginning July 1, 1958, and July 1, 1959, was repealed by section 2 of Pub. L. 88-720, Sept. 3, 1963, 77 Stat. 620.

GRANTS TO STATES TO PROVIDE FOR VACCINATION AGAINST POLIOMYELITIS


APPlicability of Reorganization Plan No. 3 of 1966


§246a. Bureau of State Services management fund; establishment; advancements; availability

For the purpose of facilitating the economical and efficient conduct of operations in the Bureau of State Services which are financed by two or more appropriations where the costs of operation are not readily susceptible of distribution as charges to such appropriations, there is established the Bureau of State Services management fund. Such amounts as the Secretary may determine to represent a reasonable distribution of estimated costs among the various appropriations involved may be advanced each year to this fund and shall be available for expenditure for such costs under such regulations as may be prescribed by the Secretary: Provided, That funds advanced to this fund shall be advanced only in the fiscal year in which they are advanced: Provided further. That final adjustments of advances in accordance with actual costs shall be effected wherever practicable with the appropriations from which such funds are advanced.


Codification

Section was not enacted as part of the Public Health Service Act which comprises this chapter.

Amendments


§247. Assisting veterans with military emergency medical training to meet requirements for becoming civilian health care professionals

(a) Program

(1) In general

The Secretary may establish a program, in consultation with the Secretary of Labor, consisting of awarding demonstration grants to States to streamline State requirements and procedures in order to assist veterans who held certain military occupational specialties related to medical care or who have completed certain medical training while serving in the Armed Forces of the United States to meet certification, licensure, and other requirements applicable to civilian health care professions (such as emergency medical technician, paramedic, licensed practical nurse, registered nurse, physical therapy assistant, or physician assistant professions) in the State.

(2) Consultation and collaboration

In determining the eligible military occupational specialties or training courses and the assistance required as described in paragraph (1), the Secretary shall consult with the Secretary of Defense, the Secretary of Veterans
§ 247a. Family support groups for Alzheimer's disease patients

(a) Establishment; priorities

Subject to available appropriations, the Secretary, acting through the National Institute of Mental Health, the National Institutes of Health, and the Administration on Aging, shall promote the establishment of family support groups to provide, without charge, educational, emotional, and practical support to assist individuals with Alzheimer's disease or a related memory disorder and members of the families of such individuals. In promoting the establishment of such groups, the Secretary shall give priority to—

(1) university medical centers and other appropriate health care facilities which receive Federal funds from the Secretary and which conduct research on Alzheimer's disease or provide services to individuals with such disease; and

(2) community-based programs which receive funds from the Secretary, acting through the Administration on Aging.

(b) National network to coordinate groups

The Secretary shall promote the establishment of a national network to coordinate the family support groups described in subsection (a).

(Prior Provisions)


Prior Provisions


Amendments

1993—Subsec. (c). Pub. L. 103–43 struck out subsec. (c) which read as follows: "The Secretary shall report to Congress, not later than one year after May 23, 1986, on family support groups and the network of such groups established pursuant to this section."

§ 247b. Project grants for preventive health services

(a) Grant authority

The Secretary may make grants to States, and in consultation with State health authorities, to political subdivisions of States and to other public entities to assist them in meeting the costs of establishing and maintaining preventive health service programs.
(b) Application

No grant may be made under section (a) unless an application therefor has been submitted to, and approved by, the Secretary. Such an application shall be in such form and be submitted in such manner as the Secretary shall by regulations prescribe and shall provide—

(1) a complete description of the type and extent of the program for which the applicant is seeking a grant under subsection (a);

(2) with respect to each such program (A) the amount of Federal, State, and other funds obligated by the applicant in its latest annual accounting period for the provision of such program, (B) a description of the services provided by the applicant in such program in such period, (C) the amount of Federal funds needed by the applicant to continue providing such services in such program, and (D) if the applicant proposes changes in the provision of the services in such program, the priorities of such proposed changes, reasons for such changes, and the amount of Federal funds needed by the applicant to make such changes;

(3) assurances satisfactory to the Secretary that the program which will be provided with funds under a grant under subsection (a) will be provided in a manner consistent with the State health plan in effect under section 300m-3(c) of this title and in those cases where the applicant is a State, that such program will be provided, where appropriate, in a manner consistent with any plans in effect under an application approved under section 247 of this title;

(4) assurances satisfactory to the Secretary that the applicant will provide for such fiscal control and fund accounting procedures as the Secretary by regulation prescribes to assure the proper disbursement of and accounting for funds received under grants under subsection (a);

(5) assurances satisfactory to the Secretary that the applicant will provide for periodic evaluation of its program or programs;

(6) assurances satisfactory to the Secretary that the applicant will make such reports (in such form and containing such information as the Secretary may by regulation prescribe) as the Secretary may reasonably require and keep such records and afford such access thereto as the Secretary may find necessary to assure the correctness of, and to verify, such reports;

(7) assurances satisfactory to the Secretary that the applicant will comply with any other conditions imposed by this section with respect to grants; and

(8) such other information as the Secretary may by regulation prescribe.

(c) Approval; annual project review

(1) The Secretary shall not approve an application submitted under subsection (b) for a grant for a program for which a grant was previously made under subsection (a) unless the Secretary determines—

(A) the program for which the application was submitted is operating effectively to achieve its stated purpose;

(B) the applicant complied with the assurances provided the Secretary when applying for such previous grant, and

(C) the applicant will comply with the assurances provided with the application.

(2) The Secretary shall review annually the activities undertaken by each recipient of a grant under subsection (a) to determine if the program assisted by such grant is operating effectively to achieve its stated purposes and if the recipient is in compliance with the assurances provided the Secretary when applying for such grant.

(d) Amount of grant; payment

The amount of a grant under subsection (a) shall be determined by the Secretary. Payments under such grants may be made in advance on the basis of estimates or by the way of reimbursement, with necessary adjustments on account of underpayments or overpayments, and in such installments and on such terms and conditions as the Secretary finds necessary to carry out the purposes of such grants.

(e) Reduction

The Secretary, at the request of a recipient of a grant under subsection (a), may reduce the amount of such grant by—

(1) the fair market value of any supplies (including vaccines and other preventive agents) or equipment furnished the grant recipient, and

(2) the amount of the pay, allowances, and travel expenses of any officer or employee of the Government when detailed to the grant recipient and the amount of any other costs incurred in connection with the detail of such officer or employee.

when the furnishing of such supplies or equipment or the detail of such an officer or employee is for the convenience of and at the request of such grant recipient and for the purpose of carrying out a program with respect to which the grant under subsection (a) is made. The amount by which any such grant is so reduced shall be available for payment by the Secretary of the costs incurred in furnishing the supplies or equipment, or in detailing the personnel, on which the reduction of such grant is based, and such amount shall be deemed to be part of the grant and shall be deemed to have been paid to the grant recipient.

(f) Recordkeeping; audit authority

(1) Each recipient of a grant under subsection (a) shall keep such records as the Secretary shall by regulation prescribe, including records which fully disclose the amount and disposition by such recipient of the proceeds of such grant, the total cost of the undertaking in connection with which such grant was made, and the amount of that portion of the cost of the undertaking supplied by other sources, and such other records as will facilitate an effective audit.

(2) The Secretary and the Comptroller General of the United States, or any of their duly authorized representatives, shall have access for the purpose of audit and examination to any books, documents, papers, and records of the recipient of grants under subsection (a) that are pertinent to such grants.
Use of grant funds; mandatory treatment prohibited  
(1) Nothing in this section shall limit or otherwise restrict the use of funds which are granted to a State or to an agency or a political subdivision of a State under provisions of Federal law (other than this section) and which are available for the conduct of preventive health service programs from being used in connection with programs assisted through grants under subsection (a).  
(2) Nothing in this section shall be construed to require any State or any agency or political subdivision of a State to have a preventive health service program which would require any person, who objects to any treatment provided under such a program, to be treated or to have any child or ward treated under such program.

Reports  
The Secretary shall include, as part of the report required by section 300u–4 of this title, a report on the extent of the problems presented by the diseases and conditions referred to in subsection (j); on the amount of funds obligated under grants under subsection (a) in the preceding fiscal year for each of the programs listed in subsection (j); and on the effectiveness of the activities assisted under grants under subsection (a) in controlling such diseases and conditions.

Technical assistance  
The Secretary may provide technical assistance to States, State health authorities, and other public entities in connection with the operation of their preventive health service programs.

Authorization of appropriations  
(1) Except for grants for immunization programs the authorization of appropriations for which are established in paragraph (2), for grants under subsections (a) and (k)(1) for preventive health service programs to immunize without charge children, adolescents, and adults against vaccine-preventable diseases, there are authorized to be appropriated such sums as may be necessary. Not more than 10 percent of the total amount appropriated under the preceding sentence for any fiscal year shall be available for grants under subsection (k)(1) for such fiscal year.

(2) For grants under subsection (a) for preventive health service programs for the provision without charge of immunizations with vaccines approved for use, and recommended for routine use, there are authorized to be appropriated such sums as may be necessary.

Additional grants to States, political subdivisions, and other public and nonprofit private entities  
(1) The Secretary may make grants to States, political subdivisions of States, and other public and nonprofit private entities for—  
(A) research into the prevention and control of diseases that may be prevented through vaccination;  
(B) demonstration projects for the prevention and control of such diseases;  
(C) public information and education programs for the prevention and control of such diseases; and

(D) education, training, and clinical skills improvement activities in the prevention and control of such diseases for health professionals (including allied health personnel).

(2) The Secretary may make grants to States, political subdivisions of States, and other public and nonprofit private entities for—  
(A) research into the prevention and control of diseases and conditions;  
(B) demonstration projects for the prevention and control of such diseases and conditions;  
(C) public information and education programs for the prevention and control of such diseases and conditions; and

(D) education, training, and clinical skills improvement activities in the prevention and control of such diseases and conditions for health professionals (including allied health personnel).

(3) No grant may be made under this subsection unless an application therefor is submitted to the Secretary in such form, at such time, and containing such information as the Secretary may by regulation prescribe.

Authority to purchase recommended vaccines for adults  
(1) In general  
The Secretary may negotiate and enter into contracts with manufacturers of vaccines for the purchase and delivery of vaccines for adults as provided for under subsection (e).

(2) State purchase  
A State may obtain additional quantities of such adult vaccines (subject to amounts specified to the Secretary by the State in advance of negotiations) through the purchase of vaccines from manufacturers at the applicable price negotiated by the Secretary under this subsection.

Demonstration program to improve immunization coverage  
(1) In general  
The Secretary, acting through the Director of the Centers for Disease Control and Prevention, shall establish a demonstration program to award grants to States to improve the provision of recommended immunizations for children, adolescents, and adults through the use of evidence-based, population-based interventions for high-risk populations.

(2) State plan  
To be eligible for a grant under paragraph (1), a State shall submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require, including a State plan that describes the interventions to be implemented under the grant and how such interventions match with local needs and capabilities, as determined through consultation with local authorities.

(3) Use of funds  
Funds received under a grant under this subsection shall be used to implement interven-
tions that are recommended by the Task Force on Community Preventive Services (as established by the Secretary, acting through the Director of the Centers for Disease Control and Prevention) or other evidence-based interven-
tions, including—

(A) providing immunization reminders or recalls for target populations of clients, pa-
tients, and consumers;

(B) educating targeted populations and health care providers concerning immuniza-
tions in combination with one or more other interventions;

(C) reducing out-of-pocket costs for families for vaccines and their administration;

(D) carrying out immunization-promoting strategies for participants or clients of pub-
lic programs, including assessments of immunization status, referrals to health care
providers, education, provision of on-site immunizations, or incentives for immuniza-
tion;

(E) providing for home visits that promote immunization through education, assess-
ments of need, referrals, provision of immunizations, or other services;

(F) providing reminders or recalls for immunization providers;

(G) conducting assessments of, and providing feedback to, immunization providers;

(H) any combination of one or more interventions described in this paragraph; or

(I) immunization information systems to allow all States to have electronic databases
for immunization records.

(4) Consideration

In awarding grants under this subsection, the Secretary shall consider any reviews or
recommendations of the Task Force on Community Preventive Services.

(5) Evaluation

Not later than 3 years after the date on which a State receives a grant under this sub-
section, the State shall submit to the Secretary an evaluation of progress made toward
improving immunization coverage rates among high-risk populations within the State.

(6) Report to Congress

Not later than 4 years after March 23, 2010, the Secretary shall submit to Congress a re-
port concerning the effectiveness of the demonstration program established under this sub-
section together with recommendations on whether to continue and expand such program.

(7) Authorization of appropriations

There is authorized to be appropriated to carry out this subsection, such sums as may be
necessary for each of fiscal years 2010 through 2014.

research concerning cases of tuberculosis that affect certain populations;

(2) demonstration projects for the prevention, control, and elimination of tuberculosis;

(3) public information and education programs for prevention, control, and elimination of tuberculosis; and

(4) education, training, and clinical skills improvement activities in the prevention, control, and elimination of tuberculosis for health professionals, including allied health personnel."


Subsec. (g). Pub. L. 92–449 incorporated former subsec. (f) provisions in introductory text and cl. (3), prescribed a January 1 submission date, and inserted provisions of cls. (1), (2), and (4). Former subsec. (g) consent of individuals provision respecting communicable disease control and vaccination assistance were covered in subsec. (b)(3) of this section and section 247c(h) of this title.

Subsec. (h). Pub. L. 92–449 redesignated former subsec. (b) as (h), substituted in introductory text “this section” for “this subsection”, and in par. (1) struck out “venereal disease” after “tuberculosis,”, inserted “‘other than venereal disease’” after “‘other communicable diseases’”, and included in definition of “communicable disease control program” vaccination programs, laboratory services, and control studies.

Subsec. (i). Pub. L. 92–449 redesignated former subsec. (e) as (i), inserted reference to agency of a State, and substituted “under provisions of Federal law (other than this chapter)” for “under provisions of this chapter or other Federal law.

1970—Subsec. (a). Pub. L. 91–464 authorized appropriation of $75,000,000 for fiscal year ending June 30, 1971, and $80,000,000 for fiscal year ending June 30, 1972, and made award of grants dependant upon extent of communicable disease and success of programs and permitted use of grants for meeting cost of programs and studies to control communicable diseases and struck out reference to purchase of vaccines and use of grants for salaries and expenses of personnel and to authority of the Surgeon General.

Subsec. (b). Pub. L. 91–464 substituted definitions of ‘communicable disease control program’ and ‘State’ for definition of ‘immunization program’.

Subsec. (c). Pub. L. 91–464 substituted reference to Secretary for reference to Surgeon General and struck out provisions relating to purchasing and furnishing of vaccines and requirement of obtaining assurances from recipients of grants.


Subsec. (e). Pub. L. 91–464 struck out reference to title V of the Social Security Act and substituted provisions for the use of funds for the conduct of communicable disease control programs for provisions for the purchase of vaccine or for organizing, promoting, conducting, or participating in immunization programs.

Subsecs. (f), (g). Pub. L. 91–464 added subsecs. (f) and (g).

1965—Subsec. (a). Pub. L. 89–109, §2(a), (b), (d)(1), inserted “and each of the next three fiscal years”, substituted “any fiscal year ending prior to July 1, 1968”, for “the fiscal years ending June 30, 1963, and June 30, 1964”, “tuberculosis, and measles” for “and tuberculosis”, “of preschool age” for “under the age of five years”, and “immunization for intensive community vaccination”, and permitted grants to be used to pay costs in connection with immunization of other infectious diseases.

Subsec. (b). Pub. L. 89–109, §2(c), (d)(1), substituted “against the diseases referred to in subsection (a) of this section” for “against poliomyelitis, diphtheria, whooping cough, and tetanus”, “who are under the age of five years” and “immunization for intensive community vaccination” in two places.

Subsec. (c). Pub. L. 89–109, §2(d)(1), (e), inserted “on the basis of estimates” and “(with necessary adjustments on account of underpayments or overpayments)” in par. (1), and substituted “immunization for intensive community vaccination” in pars. (2) and (3).

Effective Date of 1978 Amendment


Effective Date of 1976 Amendment

Pub. L. 94–317, title II, §202(a), Nov. 10, 1978, 92 Stat. 3574, provided that the amendment made by that section is effective with respect to grants under this section for fiscal years beginning after June 30, 1975.

Effective Date of 1975 Amendment

Pub. L. 94–63, title VI, §688, July 29, 1975, 89 Stat. 352, provided that: “Except as may otherwise be specifically provided, the amendments made by this title [amending sections 300–21 and 300–22 of this title, amending this section, and enacting provisions set out as notes under sections 289, 289k–2, and 1395x of this title] and by titles I [amending section 216 of this title and enacting provisions set out as notes under section 246 of this title], II [amending sections 308a–6a and 308a–8 of this title, amending sections 300 and 300a–1 to 300–4 of this title, repealing section 356a of this title, and enacting provision set out as a note under section 300 of this title], III [amending sections 2689a to 2689a of this title, amending sections 2901 and 2901 to 2904 of this title, and enacting provisions set out as notes under section 2689 of this title], IV [amending sections 218 and 254 of this title and enacting provision set out as a note under section 257b of this title], and V [amending section 296 of this title and amending section 246 of this title] of this Act shall take effect July 1, 1975. The amendments made by this title and by such titles to the provisions of law amended by this title and by such titles are made to such provisions as amended by title VII of this Act [amending sections 246, 254b, 300, 300a–1 to 300a–3 of this title and sections 2681, 2687, 2688a, 2688d, 2688j–1, 2688j–2, 2688k, 2688m–1, 2688o, and 2688u of this title].”

Effective Date of 1972 Amendment

Pub. L. 92–449, title I, §102, Sept. 30, 1972, 86 Stat. 750, provided that: “The amendment made by section 101 of this title [amending this section] shall apply to grants made under section 317 of the Public Health Service Act [42 U.S.C. 247b] after June 30, 1972, except that subsection (d) of such section as amended by section 101 shall take effect on the date of enactment of this Act [Sept. 30, 1972].”

Rule of Construction Regarding Access to Immunizations

Pub. L. 111–148, title IV, §4204(d), Mar. 23, 2010, 124 Stat. 572, provided that: “Nothing in this section [amending this section] (including the amendments made by this section), or any other provision of this Act [see Tables for classification] (including any amendments made by this Act) shall be construed to decrease children’s access to immunizations.”

Assistance of Administrator of Veterans’ Affairs in Administration of National Swine Flu Immunization Program of 1976; Claims for Damages

Pub. L. 94–420, §3, Sept. 23, 1976, 90 Stat. 1301, provided that, in order to assist Secretary of Health, Education, and Welfare in carrying out National Swine Flu Immunization Program of 1976 pursuant to 42 U.S.C. 247b(c), as added by Pub. L. 94–360, Administrator of Veterans’ Affairs, in accordance with 42 U.S.C. 247b(c), could authorize administration of vaccine, procured under such program and provided by Administrator at no cost to Veterans’ Administration, to eligible veterans (voluntarily requesting such vaccine) in connection with provision of care for a disability under chapter 17 of title 38, in any health care facility under jurisdiction of Adminis-
trator, and provided for consideration and processing of claims and suits for damages for personal injury or death, in connection with administration of vaccine.

Study by Secretary of Scope and Extent of Liability Arising Out of Immunization Program; Alternative Protective Approaches; Report to Congress

Pub. L. 94–380, §3, Aug. 12, 1976, 90 Stat. 1118, directed Secretary to conduct a study of liability for personal injuries or death arising out of immunization programs and of alternative approaches to provide protection against such liability and report to Congress on findings of such study by Aug. 12, 1977.

§ 247b–1. Screenings, referrals, and education regarding lead poisoning

(a) Authority for grants

(1) In general

Subject to paragraph (2), the Secretary, acting through the Director of the Centers for Disease Control and Prevention, may make grants to States and political subdivisions of States for the initiation and expansion of community programs designed—

(A) to provide, for infants and children—

(i) screening for elevated blood lead levels;

(ii) referral for treatment of such levels; and

(iii) referral for environmental intervention associated with such levels; and

(B) to provide education about childhood lead poisoning.

(2) Authority regarding certain entities

With respect to a geographic area with a need for activities authorized in paragraph (1), in any case in which neither the State nor the political subdivision in such area is located has applied for a grant under paragraph (1), the Secretary may make a grant under such paragraph to any grantee under section 254b, 254b, or 256a of this title for carrying out such activities in the area.

(3) Provision of all services and activities through each grantee

In making grants under paragraph (1), the Secretary shall ensure that each of the activities described in such paragraph is provided through each grantee under such paragraph. The Secretary may authorize such a grantee to provide the services and activities directly, or through arrangements with other providers.

(b) Status as medicaid provider

(1) In general

Subject to paragraph (2), the Secretary may not make a grant under subsection (a) unless, in the case of any service described in such subsection that is made available pursuant to the State plan approved under title XIX of the Social Security Act [42 U.S.C. 1396 et seq.] for the State involved—

(A) the applicant for the grant will provide the service directly, and the applicant has entered into a participation agreement under the State plan and is qualified to receive payments under such plan; or

(B) the applicant will enter into an agreement with a provider under which the provider will provide the service, and the provider has entered into such a participation agreement and is qualified to receive such payments.

(2) Waiver regarding certain secondary agreements

(A) In the case of a provider making an agreement pursuant to paragraph (1)(B) regarding the provision of services, the requirement established in such paragraph regarding a participation agreement shall be waived by the Secretary if the provider does not, in providing health care services, impose a charge or accept reimbursement available from any third-party payor, including reimbursement under any insurance policy or under any Federal or State health benefits plan.

(B) A determination by the Secretary of whether a provider referred to in subparagraph (A) meets the criteria for a waiver under such subparagraph shall be made without regard to whether the provider accepts voluntary donations regarding the provision of services to the public.

(c) Priority in making grants

In making grants under subsection (a), the Secretary shall give priority to applications for programs that will serve areas with a high incidence of elevated blood lead levels in infants and children.

(d) Grant application

No grant may be made under subsection (a), unless an application therefor has been submitted to, and approved by, the Secretary. Such an application shall be in such form and shall be submitted in such manner as the Secretary shall prescribe and shall include each of the following:

(1) A complete description of the program which is to be provided by or through the applicant.

(2) Assurances satisfactory to the Secretary that the program to be provided under the grant applied for will include educational programs designed to—

(A) communicate to parents, educators, and local health officials the significance and prevalence of lead poisoning in infants and children (including the sources of lead exposure, the importance of screening young children for lead, and the preventive steps that parents can take in reducing the risk of lead poisoning) which the program is designed to detect and prevent; and

(B) communicate to health professionals and paraprofessionals updated knowledge concerning lead poisoning and research (including the health consequences, if any, of low-level lead burden; the prevalence of lead poisoning among all socioeconomic groupings; the benefits of expanded lead screening; and the therapeutic and other interventions available to prevent and combat lead poisoning in affected children and families).

(3) Assurances satisfactory to the Secretary that the applicant will report on a quarterly basis the number of infants and children screened for elevated blood lead levels, the
number of infants and children who were found to have elevated blood lead levels, the number and type of medical referrals made for such infants and children, the outcome of such referrals, and other information to measure program effectiveness.

(4) Assurances satisfactory to the Secretary that the applicant will make such reports respecting the program involved as the Secretary may require.

(5) Assurances satisfactory to the Secretary that Federal funds made available under such a grant for any period will be so used as to supplement and, to the extent practical, increase the level of State, local, and other non-Federal funds that would, in the absence of such Federal funds, be made available for the program for which the grant is to be made and will in no event supplant such State, local, and other non-Federal funds.

(6) Assurances satisfactory to the Secretary that the applicant will ensure complete and consistent reporting of all blood lead test results from laboratories and health care providers to State and local health departments in accordance with guidelines of the Centers for Disease Control and Prevention for standardized reporting as described in subsection (m).

(7) Assurances satisfactory to the Secretary that the applicant will ensure complete and consistent reporting of all blood lead test results from laboratories and health care providers to State and local health departments in accordance with guidelines of the Centers for Disease Control and Prevention for standardized reporting as described in subsection (m).

(8) Such other information as the Secretary may prescribe.

(e) Relationship to services and activities under other programs

(1) In general

A recipient of a grant under subsection (a) may not make payments from the grant for any service or activity to the extent that payment has been made, or can reasonably be expected to be made, with respect to such service or activity—

(A) under any State compensation program, under an insurance policy, or under any Federal or State health benefits program; or

(B) by an entity that provides health services on a prepaid basis.

(2) Applicability to certain secondary agreements for provision of services

Paragraph (1) shall not apply in the case of a provider through which a grantee under subsection (a) provides services under such subsection if the Secretary has provided a waiver under subsection (b)(2) regarding the provider.

(f) Method and amount of payment

The Secretary shall determine the amount of a grant made under subsection (a). Payments under such grants may be made in advance on the basis of estimates or by way of reimbursement, with necessary adjustments on account of underpayments or overpayments, and in such installments and on such terms and conditions as the Secretary finds necessary to carry out the purposes of such grants. Not more than 10 percent of any grant may be obligated for administrative costs.

(g) Supplies, equipment, and employee detail

The Secretary, at the request of a recipient of a grant under subsection (a), may reduce the amount of such grant by—

(1) the fair market value of any supplies or equipment furnished the grant recipient; and

(2) the amount of the pay, allowances, and travel expenses of any officer or employee of the Government when detailed to the grant recipient and the amount of any other costs incurred in connection with the detail of such officer or employee;

when the furnishing of such supplies or equipment or the detail of such an officer or employee is for the convenience of and at the request of such grant recipient and for the purpose of carrying out a program with respect to which the grant under subsection (a) is made. The amount by which any such grant is so reduced shall be available for payment by the Secretary of the costs incurred in furnishing the supplies or equipment, or in detailing the personnel, on which the reduction of such grant is based, and such amount shall be deemed as part of the grant and shall be deemed to have been paid to the grant recipient.

(h) Records

Each recipient of a grant under subsection (a) shall keep such records as the Secretary shall prescribe, including records which fully disclose the amount and disposition by such recipient of the proceeds of such grant, the total cost of the undertaking in connection with which such grant was made, and the amount of that portion of the cost of the undertaking supplied by other sources, and such other records as will facilitate an effective audit.

(i) Audit and examination of records

The Secretary and the Comptroller General of the United States, or any of their duly authorized representatives, shall have access for the purpose of audit and examination to any books, documents, papers, and records of the recipient of a grant under subsection (a), that are pertinent to such grant.

(j) Annual report

(1) In general

Not later than May 1 of each year, the Secretary shall submit to the Congress a report on the effectiveness during the preceding fiscal year of programs carried out with grants under subsection (a) and of any programs that are carried out by the Secretary pursuant to subsection (d)(2).

(2) Certain requirements

Each report under paragraph (1) shall include, in addition to any other information that the Secretary may require, the following information:

(A) The number of infants and children screened.

(B) Demographic information on the population of infants and children screened, including the age and racial or ethnic status of such population.
(C) The number of screening sites.
(D) A description of the severity of the extent of the blood lead levels of the infants and children screened, expressed in categories of severity.
(E) The sources of payment for the screenings.
(F) The number of grantees that have established systems to ensure mandatory reporting of all blood lead tests from laboratories and health care providers to State and local health departments.
(G) A comparison of the data provided pursuant to subparagraphs (A) through (F) with the equivalent data, if any, provided in the report under paragraph (1) preceding the report involved.

(k) Indian tribes

For purposes of this section, the term “political subdivision” includes Indian tribes.

(f) Funding

(1) Authorization of appropriations

For the purpose of carrying out this section, there are authorized to be appropriated $40,000,000 for fiscal year 1993, and such sums as may be necessary for each of the fiscal years 1994 through 2005.

(2) Allocation for other programs

Of the amounts appropriated under paragraph (1) for any fiscal year, the Secretary may reserve not more than 20 percent for carrying out programs regarding the activities described in subsection (a) in addition to the program of grants established in such subsection.

(m) Guidelines for standardized reporting

The Secretary, acting through the Director of the Centers for Disease Control and Prevention, shall develop national guidelines for the uniform reporting of all blood lead test results to State and local health departments.

(Prior to enactment of Pub. L. 106–310, see section 3 of Pub. L. 106–310, set out as a note under section 2501(b) of this title.)

REMARKS IN TEXT

The reference to section 254b of this title the first place appearing, referred to in subsec. (a)(2), was in the original a reference to section 329A, meaning section 329 of act July 1, 1944, which was omitted in the general amendment of subpart I (§254b et seq.) of part D of this subchapter by Pub. L. 104–209, §2, Oct. 11, 1996, 110 Stat. 3626.


The Social Security Act, referred to in subsecs. (b)(1) and (d)(5), is act Aug. 14, 1935, ch. 531, 49 Stat. 620, as amended, Titles V and XIX of the Act are classified generally to subchapters V (§701 et seq.) and XIX (§1396 et seq.), respectively, of chapter 7 of this title. For complete classification of this Act to the Code, see section 1305 of this title and Tables.

PRIORITY PROVISIONS


AMENDMENTS

2003—Subsec. (a)(2). Pub. L. 108–183 substituted “254b” for “254c, 254b(h)” before “,” or “.”


2000—Subsec. (d)(7), (8). Pub. L. 106–310, §2501(a)(1), added par. (7) and redesignated former par. (7) as (8).

Subsec. (j)(2)-(F), (G). Pub. L. 106–310, §2501(a)(2), added subpar. (F) and redesignated former subpar. (F) as (G) and substituted “(F)” for “(E)”.


Subsec. (m). Pub. L. 106–310, §2501(b), added subsec. (m).


1992—Pub. L. 102–531 amended section generally, substituting present provisions for provisions relating to grants to States for lead poisoning prevention, grant applications, conditions for approval, method and amount of payment, reduction of amount, record-keeping and audits, inclusion of Indian tribes as grant recipients, and authorization of appropriations.

EFFECTIVE DATE OF 2003 AMENDMENT

Amendment by Pub. L. 108–183 deemed to have taken effect immediately after the enactment of Pub. L. 107–251, see section 3 of Pub. L. 108–183, set out as a note under section 2501(b) of this title.

DEVELOPMENT AND IMPLEMENTATION OF EFFECTIVE DATA MANAGEMENT BY THE CENTERS FOR DISEASE CONTROL AND PREVENTION

Pub. L. 106–310, div. A, title XXV, §2501(c), Oct. 17, 2000, 114 Stat. 1161, provided that:

“(1) IN GENERAL.—The Director of the Centers for Disease Control and Prevention shall

“(A) assist with the improvement of data linkages between State and local health departments and between State health departments and the Centers for Disease Control and Prevention;

“(B) assist States with the development of flexible, comprehensive State-based data management systems for the surveillance of children with lead poisoning that have the capacity to contribute to a national data set;

“(C) assist with the improvement of the ability of State-based data management systems and federally-funded means-tested public benefit programs (including the special supplemental food program for women, infants and children (WIC) under section 17 of the Child Nutrition Act of 1966 (42 U.S.C. 1786) and the early head start program under section 645A of the Head Start Act (42 U.S.C. 9804a(h)) to respond to ad hoc inquiries and generate progress reports regarding the lead blood level screening of children enrolled in those programs;

“(D) assist States with the establishment of a capacity for assessing how many children enrolled in the Medicaid, WIC, early head start, and other federally-funded means-tested public benefit programs are being screened for lead poisoning at age-appropriate intervals;
"(E) use data obtained as result of activities under this section to formulate or revise existing lead blood screening and case management policies; and

"(F) establish performance measures for evaluating State and local implementation of the requirements and improvements described in subparagraphs (A) through (E).

"(2) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this subsection such sums as may be necessary for each [sic] the fiscal years 2001 through 2005.

"(3) EFFECTIVE DATE.—This subsection takes effect on the date of the enactment of this Act [Oct. 17, 2000]."


EFFECTIVE DATE OF REPEAL


§ 247b–3. Education, technology assessment, and epidemiology regarding lead poisoning

(a) Prevention

(1) Public education

The Secretary, acting through the Director of the Centers for Disease Control and Prevention, shall carry out a program to educate health professionals and paraprofessionals and the general public on the prevention of lead poisoning in infants and children. In carrying out the program, the Secretary shall make available information concerning the health effects of low-level lead toxicity, the causes of lead poisoning, and the primary and secondary preventive measures that may be taken to prevent such poisoning.

(2) Interagency Task Force

(A) Not later than 6 months after October 27, 1992, the Secretary shall establish a council to be known as the Interagency Task Force on the Prevention of Lead Poisoning (in this paragraph referred to as the ‘‘Task Force’’). The Task Force shall coordinate the efforts of Federal agencies to prevent lead poisoning.

(B) The Task Force shall be composed of—

(i) the Secretary, who shall serve as the chair of the Task Force;

(ii) the Secretary of Housing and Urban Development;

(iii) the Administrator of the Environmental Protection Agency; and

(iv) senior staff of each of the officials specified in clauses (i) through (iii), as selected by the officials respectively.

(C) The Task Force shall—

(i) review, evaluate, and coordinate current strategies and plans formulated by the officials serving as members of the Task Force, including—

(I) the plan of the Secretary of Health and Human Services entitled ‘‘Strategic Plan for the Elimination of Lead Poisoning’’, dated February 21, 1991;

(II) the plan of the Secretary of Housing and Urban Development entitled ‘‘Comprehensive and Workable Plan for the Abatement of Lead-Based Paint in Privately Owned Housing’’, dated December 7, 1990; and

(III) the strategy of the Administrator of the Environmental Protection Agency entitled ‘‘Strategy for Reducing Lead Exposures’’, dated February 21, 1991;

(ii) develop a unified implementation plan for programs that receive Federal financial assistance for activities related to the prevention of lead poisoning;

(iii) establish a mechanism for sharing and disseminating information among the agencies represented on the Task Force;

(iv) identify the most promising areas of research and education concerning lead poisoning;

(v) identify the practical and technological constraints to expanding lead poisoning prevention;

(vi) annually carry out a comprehensive review of Federal programs providing assistance to prevent lead poisoning, and not later than May 1 of each year, submit to the Committee on Labor and Human Resources of the Senate and the Committee on the Environment and Public Works of the Senate, and to the Committee on Energy and Commerce of the House of Representatives, a report that summarizes the findings made as a result of such review and that contains the recommendations of the Task Force on the programs and policies with respect to which the Task Force is established, including related budgetary recommendations; and

(vii) annually review and coordinate departmental and agency budgetary requests with respect to all lead poisoning prevention activities of the Federal Government.

(b) Technology assessment and epidemiology

The Secretary, acting through the Director of the Centers for Disease Control and Prevention, shall, through grants or contracts—

(1) provide for the development of improved, more cost-effective testing measures for detecting lead toxicity in children;

(2) provide for the development of improved methods of assessing the prevalence of lead poisoning, including such methods as may be necessary to conduct individual assessments for each State;

(3) provide for the collection of data on the incidence and prevalence of lead poisoning of infants and children, on the demographic characteristics of infants and children with such poisoning (including racial and ethnic status), and on the source of payment for treatment for such poisoning (including the extent to which insurance has paid for such treatment); and

(4) provide for any applied research necessary to improve the effectiveness of programs for the prevention of lead poisoning in infants and children.

§ 247b–3a. Training and reports by the Health Resources and Services Administration

(a) Training

The Secretary of Health and Human Services, acting through the Administrator of the Health Resources and Services Administration and in collaboration with the Administrator of the Centers for Medicare & Medicaid Services and the Director of the Centers for Disease Control and Prevention, shall conduct education and training programs for physicians and other health care providers regarding childhood lead poisoning, current screening and treatment recommendations and requirements, and the scientific, medical, and public health basis for those policies.

(b) Report

The Secretary of Health and Human Services, acting through the Administrator of the Health Resources and Services Administration, annually shall report to Congress on the number of children who received services through health centers established under section 254b of this title and received a blood lead screening test during the prior fiscal year, noting the percentage that such children represent as compared to all children who received services through such health centers.

(c) Authorization of appropriations

There are authorized to be appropriated to carry out this section such sums as may be necessary for each of the fiscal years 2001 through 2005.


(a) In general

(1) National Center

There is established within the Centers for Disease Control and Prevention a center to be known as the National Center on Birth Defects and Developmental Disabilities (referred to in this section as the “Center”), which shall be headed by a director appointed by the Director of the Centers for Disease Control and Prevention.

(2) General duties

The Secretary shall carry out programs—

(A) to collect, analyze, and make available data on birth defects, developmental disabilities, and disabilities and health (in a manner that facilitates compliance with subsection (c)(2)), including data on the causes of such defects and disabilities and on the incidence and prevalence of such defects and disabilities;

(B) to operate regional centers for the conduct of applied epidemiological research on the prevention of such defects and disabilities;

(C) to provide information and education to the public on the prevention of such defects and disabilities;

(D) to conduct research on and to promote the prevention of such defects and disabilities, and secondary health conditions among individuals with disabilities; and

(E) to support a National Spina Bifida Program to prevent and reduce suffering from the Nation’s most common permanently disabling birth defect.

(3) Folic acid

The Secretary shall carry out section 247b–11 of this title through the Center.

(4) Certain programs

(A) Transfers

All programs and functions described in subparagraph (B) are transferred to the Center, effective upon the expiration of the 180-day period beginning on October 17, 2000.

(B) Relevant programs

The programs and functions described in this subparagraph are all programs and functions that—

(i) relate to birth defects; folic acid; cerebral palsy; intellectual disabilities; child development; newborn screening; autism; fragile X syndrome; fetal alcohol syndrome; pediatric genetic disorders; disability prevention; or other relevant diseases, disorders, or conditions as determined by the Secretary; and

(ii) were carried out through the National Center for Environmental Health as of the day before October 17, 2000.

(C) Related transfers

Personnel employed in connection with the programs and functions specified in sub-

1 So in original. Probably should be followed by the word “by”.

2 So in original. Probably should be followed by “of”.

AMENDMENTS


CHANGE OF NAME

Committee on Labor and Human Resources of Senate changed to Committee on Energy and Commerce of House of Representatives treated as referring to Committee on Commerce of House of Representatives by section 1(a) of Pub. L. 104–14, set out as a note preceding section 21 of Title 2, The Congress. Committee on Commerce of House of Representatives changed to Committee on Energy and Commerce of House of Representatives, and jurisdiction over matters relating to securities and exchanges and insurance generally transferred to Committee on Financial Services of House of Representatives by House Resolution No. 5, One Hundred Seventh Congress, Jan. 3, 2001.

AMENDMENTS


AMENDMENTS


AMENDMENTS


AMENDMENTS

(b) Grants and contracts

(1) In general

In carrying out subsection (a), the Secretary may make grants to and enter into contracts with public and nonprofit private entities.

(2) Supplies and services in lieu of award funds

(A) Upon the request of a recipient of an award of a grant or contract under paragraph (1), the Secretary may, subject to subparagraph (B), provide supplies, equipment, and services for the purpose of aiding the recipient in carrying out the purposes for which the award is made and, for such purposes, may detail to the recipient any officer or employee of the Department of Health and Human Services.

(B) With respect to a request described in subparagraph (A), the Secretary shall reduce the amount of payments under the award involved by an amount equal to the costs of detailing personnel and the fair market value of any supplies, equipment, or services provided by the Secretary.

The Secretary shall, for the payment of expenses incurred in complying with such request, expend the amounts withheld.

(3) Application for award

The Secretary may make an award of a grant or contract under paragraph (1) only if an application for the award is submitted to the Secretary and the application is in such form, is held to be complete, is made in such manner, and contains such agreements, assurances, and information as the Secretary determines to be necessary to carry out the purposes for which the award is to be made.

(c) Biennial report

Not later than February 1 of fiscal year 1999 and of every second such year thereafter, the Secretary shall submit to the Committee on Commerce of the House of Representatives, and the Committee on Labor and Human Resources of the Senate, a report that, with respect to the preceding 2 fiscal years—

(1) contains information regarding the incidence and prevalence of birth defects, developmental disabilities, and secondary health conditions among individuals with disabilities that have been effective;

(2) describes the activities carried out under this section;

(3) contains information on the incidence and prevalence of individuals living with birth defects and disabilities or developmental disabilities, information on the health status of individuals with disabilities, information on any health disparities experienced by such individuals, and recommendations for improving the health and wellness and quality of life of such individuals;

(4) contains a summary of recommendations from all birth defects research conferences sponsored by the Centers for Disease Control and Prevention, including conferences related to spina bifida; and

(5) contains any recommendations of the Secretary regarding this section.

(d) Applicability of privacy laws

The provisions of this section shall be subject to the requirements of section 552a of title 5. All Federal laws relating to the privacy of information shall apply to the data and information that is collected under this section.

(e) Advisory committee

Notwithstanding any other provision of law, the members of the advisory committee appointed by the Director of the National Center for Environmental Health that have expertise in birth defects, developmental disabilities, and disabilities and health shall be transferred to and shall advise the National Center on Birth Defects and Developmental Disabilities effective on December 3, 2003.

(f) Authorization of appropriations

For the purpose of carrying out this section, there are authorized to be appropriated such sums as may be necessary for each of fiscal years 2003 through 2007.
prevalence of birth defects and the extent to which birth defects have contributed to the incidence and prevalence of infant mortality;’’.


Subsec. (d)(5) to (7). Pub. L. 108–154, § 2(3)(C)–(E), added pars. (5) and (6) and redesignated former par. (5) as (7).


Subsec. (f). Pub. L. 108–154, § 2(6) substituted ‘‘such sums as may be necessary for each of fiscal years 2003 through 2007.’’ for ‘‘$30,000,000 for fiscal year 1999, $40,000,000 for fiscal year 2000, and such sums as may be necessary for each of the fiscal years 2001 and 2002.’’


Subsec. (a). Pub. L. 106–310, § 611(2), added subsec. (a) relating to Secretary’s responsibility, acting through the Centers for Disease Control and Prevention, to carry out programs regarding birth defects.

Subsec. (b)(1). Pub. L. 106–310, § 611(3), substituted ‘‘subsection (a)(2)(A) of this section’’ for ‘‘subsection (a)(1) of this section’’ in introductory provisions.


CHANGE OF NAME

Committee on Commerce of House of Representatives changed to Committee on Energy and Commerce of House of Representatives, and jurisdiction over matters relating to securities and exchanges and insurance generally transferred to Committee on Financial Services of House of Representatives by House Resolution No. 5, One Hundred Seventh Congress, Jan. 3, 2003.

Committee on Labor and Human Resources of Senate changed to Committee on Health, Education, Labor, and Pensions of Senate by Senate Resolution No. 20, One Hundred Sixth Congress, Jan. 19, 1999.

CONGRESSIONAL FINDINGS

Pub. L. 105–168, § 1(b), Apr. 21, 1998, 112 Stat. 43, provided that: ‘‘Congress makes the following findings:

‘‘(1) Birth defects are the leading cause of infant mortality, directly responsible for one out of every five infant deaths.

‘‘(2) Thousands of the 150,000 infants born with a serious birth defect annually face a lifetime of chronic disability and illness.

‘‘(3) Birth defects threaten the lives of infants of all racial and ethnic backgrounds. However, some conditions pose excess risks for certain populations. For example, compared to all infants born in the United States, Hispanic-American infants are more likely to be born with anencephaly, spina bifida and other neural tube defects and African-American infants are more likely to be born with sickle-cell anemia.

‘‘(4) Birth defects can be caused by exposure to environmental hazards, adverse health conditions during pregnancy, or genetic mutations. Prevention efforts are slowed by lack of information about the number and causes of birth defects. Outbreaks of birth defects may go undetected because surveillance and research efforts are underdeveloped and poorly coordinated.

‘‘(5) Public awareness strategies, such as programs using folic acid vitamin supplements to prevent spina bifida and alcohol avoidance programs to prevent Fetal Alcohol Syndrome, are essential to prevent the heartache and costs associated with birth defects.’’

DEFINITIONS

For meaning of references to an intellectual disability and to individuals with intellectual disabilities in provisions amended by section 2 of Pub. L. 111–256, see section 2(k) of Pub. L. 111–256, set out as a note under section 1400 of Title 20, Education.

§ 247b–4a. Early detection, diagnosis, and interventions for newborns and infants with hearing loss

(a) Definitions

For the purposes of this section only, the following terms in this section are defined as follows:

(1) Hearing screening

Newborn and infant hearing screening consists of objective physiologic procedures to detect possible hearing loss and to identify newborns and infants who, after rescreening, require further audiology and medical evaluations.

(2) Audiologic evaluation

Audiologic evaluation consists of procedures to assess the status of the auditory system; to establish the site of the auditory disorder; the type and degree of hearing loss, and the potential effects of hearing loss on communication; and to identify appropriate treatment and referral options. Referral options should include linkage to State IDEA part C coordinating agencies or other appropriate agencies, medical evaluation, hearing aid/sensory aid assessment, audiology rehabilitation treatment, national and local consumer, self-help, parent, and education organizations, and other family-centered services.

(3) Medical evaluation

Medical evaluation by a physician consists of key components including history, examination, and medical decision making focused on symptomatic and related body systems for the purpose of diagnosing the etiology of hearing loss and related physical conditions, and for identifying appropriate treatment and referral options.

(4) Medical intervention

Medical intervention is the process by which a physician provides medical diagnosis and direction for medical and/or surgical treatment options of hearing loss and/or related medical disorder associated with hearing loss.

(5) Audiologic rehabilitation

Audiologic rehabilitation (intervention) consists of procedures, techniques, and technologies to facilitate the receptive and expressive communication abilities of a child with hearing loss.

(6) Early intervention

Early intervention (e.g., nonmedical) means providing appropriate services for the child with hearing loss and ensuring that families of
the child are provided comprehensive, consumer-oriented information about the full range of family support, training, information services, communication options and are given the opportunity to consider the full range of educational and program placements and options for their child.

(b) Purposes

The purposes of this section are to clarify the authority within the Public Health Service Act [42 U.S.C. 201 et seq.] to authorize statewide newborn and infant hearing screening, evaluation and intervention programs and systems, technical assistance, a national applied research program, and interagency and private sector collaboration for policy development, in order to assist the States in making progress toward the following goals:

(1) All babies born in hospitals in the United States and its territories should have a hearing screening before leaving the birthing facility. Babies born in other countries and residing in the United States via immigration or adoption should have a hearing screening as early as possible.

(2) All babies who are not born in hospitals in the United States and its territories should have a hearing screening within the first 3 months of life.

(3) Appropriate audiologic and medical evaluations should be conducted by 3 months for all newborns and infants suspected of having hearing loss to allow appropriate referral and provisions for audiologic rehabilitation, medical and early intervention before the age of 6 months.

(4) All newborn and infant hearing screening programs and systems should include a component for audiologic rehabilitation, medical and early intervention options that ensures linkage to any new and existing statewide systems of intervention and rehabilitative services for newborns and infants with hearing loss.

(5) Public policy in regard to newborn and infant hearing screening and intervention should be based on applied research and the recognition that newborns, infants, toddlers, and children who are deaf or hard-of-hearing have unique language, learning, and communication needs, and should be the result of consultation with pertinent public and private sectors.

c) Statewide newborn and infant hearing screening, evaluation and intervention programs and systems

Under the existing authority of the Public Health Service Act [42 U.S.C. 201 et seq.], the Secretary of Health and Human Services (in this section referred to as the “Secretary”), acting through the Administrator of the Health Resources and Services Administration, shall make awards of grants or cooperative agreements to develop statewide newborn and infant hearing screening, evaluation and intervention programs and systems for the following purposes:

(1) To develop and monitor the efficacy of statewide newborn and infant hearing screening, evaluation and intervention programs and systems. Early intervention includes referral to schools and agencies, including community, consumer, and parent-based agencies and organizations and other programs mandated by part C of the Individuals with Disabilities Education Act [20 U.S.C. 1431 et seq.], which offer programs specifically designed to meet the unique language and communication needs of deaf and hard-of-hearing newborns, infants, toddlers, and children.

(2) To collect data on statewide newborn and infant hearing screening, evaluation and intervention programs and systems that can be used for applied research, program evaluation and policy development.

d) Technical assistance, data management, and applied research

(1) Centers for Disease Control and Prevention

Under the existing authority of the Public Health Service Act [42 U.S.C. 201 et seq.], the Secretary, acting through the Director of the Centers for Disease Control and Prevention, shall make awards of grants or cooperative agreements to provide technical assistance to State agencies to complement an intramural program and to conduct applied research related to newborn and infant hearing screening, evaluation and intervention programs and systems. The program shall develop standardized procedures for data management and program effectiveness and costs, such as—

(A) to ensure quality monitoring of newborn and infant hearing loss screening, evaluation, and intervention programs and systems;

(B) to provide technical assistance on data collection and management;

(C) to study the costs and effectiveness of newborn and infant hearing screening, evaluation and intervention programs and systems conducted by State-based programs in order to answer issues of importance to State and national policymakers;

(D) to identify the causes and risk factors for congenital hearing loss;

(E) to study the effectiveness of newborn and infant hearing screening, audiologic and medical evaluations and intervention programs and systems by assessing the health, intellectual and social developmental, cognitive, and language status of these children at school age; and

(F) to promote the sharing of data regarding early hearing loss with State-based birth defects and developmental disabilities monitoring programs for the purpose of identifying previously unknown causes of hearing loss.

(2) National Institutes of Health

Under the existing authority of the Public Health Service Act, the Director of the National Institutes of Health, acting through the Director of the National Institute on Deafness and Other Communication Disorders, shall for purposes of this section, continue a program of research and development on the efficacy of new screening techniques and technology, including clinical studies of screening methods, studies on efficacy of intervention, and related research.
§§ 247b–4b to 247b–4d

(1) In general

Under the existing authority of the Public Health Service Act [42 U.S.C. 201 et seq.], in carrying out programs under this section, the Administrator of the Health Resources and Services Administration, the Director of the Centers for Disease Control and Prevention, and the Director of the National Institutes of Health shall coordinate and consult with other Federal agencies; State and local agencies, including those responsible for early intervention services pursuant to title XIX of the Social Security Act [42 U.S.C. 1396 et seq.] (Medicaid Early and Periodic Screening, Diagnosis and Treatment Program); title XXI of the Social Security Act [42 U.S.C. 1397aa et seq.], (State Children's Health Insurance Program); title V of the Social Security Act [42 U.S.C. 701 et seq.] (Maternal and Child Health Block Grant Program); and part C of the Individuals with Disabilities Education Act [20 U.S.C. 1431 et seq.]; consumer groups of and that serve individuals who are deaf and hard-of-hearing and their families; appropriate national medical and other health and education specialty organizations; persons who are deaf and hard-of-hearing and their families; other qualified professional personnel who are proficient in deaf or hard-of-hearing children's language and who possess the specialized knowledge, skills, and attributes needed to serve deaf and hard-of-hearing newborns, infants, toddlers, children, and their families; third-party payers and managed care organizations; and related commercial industries.

(2) Policy development

Under the existing authority of the Public Health Service Act, the Administrator of the Health Resources and Services Administration, the Director of the Centers for Disease Control and Prevention, and the Director of the National Institutes of Health shall coordinate and collaborate on recommendations for policy development at the Federal and State levels and with the private sector, including consumer, medical and other health and education professional-based organizations, with respect to newborn and infant hearing screening, evaluation and intervention programs and systems.

(3) State early detection, diagnosis, and intervention programs and systems; data collection

Under the existing authority of the Public Health Service Act, the Administrator of the Health Resources and Services Administration and the Director of the Centers for Disease Control and Prevention shall coordinate and collaborate in assisting States to establish newborn and infant hearing screening, evaluation and intervention programs and systems under subsection (c) and to develop a data collection system under subsection (d).

(4) Rule of construction

Nothing in this section shall be construed to preempt any State law.

(g) Authorization of appropriations

(1) Statewide newborn and infant hearing screening, evaluation and intervention programs and systems

For the purpose of carrying out subsection (c) under the existing authority of the Public Health Service Act [42 U.S.C. 201 et seq.], there are authorized to the Health Resources and Services Administration appropriations in the amount of $5,000,000 for fiscal year 2001, and such sums as may be necessary for fiscal year 2002.

(2) Technical assistance, data management, and applied research; Centers for Disease Control and Prevention

For the purpose of carrying out subsection (d)(1) under the existing authority of the Public Health Service Act, there are authorized to the Centers for Disease Control and Prevention, appropriations in the amount of $5,000,000 for fiscal year 2000, $7,000,000 for fiscal year 2001, and such sums as may be necessary for fiscal year 2002.

(3) Technical assistance, data management, and applied research; National Institute on Deafness and Other Communication Disorders

For the purpose of carrying out subsection (d)(2) under the existing authority of the Public Health Service Act, there are authorized to the National Institute on Deafness and Other Communication Disorders appropriations for such sums as may be necessary for each of the fiscal years 2000 through 2002.

References in Text

The Public Health Service Act, referred to in subsecs. (b) to (e) and (g), is act July 1, 1944, ch. 373, 58 Stat. 682, as amended, which is classified generally to this chapter (§201 et seq.). For complete classification of this Act to the Code, see Short Title note set out under section 201 of this title and Tables.

The Individuals with Disabilities Education Act, referred to in subsecs. (c)(1) and (e)(1), is title VI of Pub. L. 91–230, Apr. 13, 1970, 84 Stat. 175, as amended. Part C of the Act is classified generally to subchapter III (§1431 et seq.) of chapter 33 of Title 20, Education. For complete classification of this Act to the Code, see section 1400 of Title 20 and Tables.

The Social Security Act, referred to in subsec. (e)(1), is act Aug. 14, 1935, ch. 531, 49 Stat. 620, as amended. Titles V, XIX, and XXI of the Act are classified generally to subchapters V (§701 et seq.), XIX (§1396 et seq.), and XXI (§1397aa et seq.), respectively, of chapter 7 of this title. For complete classification of this Act to the Code, see section 1385 of this title and Tables.

Codification

Section was enacted as part of the Departments of Labor, Health, and Human Services, and Education, and Related Agencies Appropriations Act, 2000, and not as part of the Public Health Service Act which comprises this chapter.


§ 247b–4f. Research relating to preterm labor and delivery and the care, treatment, and outcomes of preterm and low birthweight infants

(a) Omitted

(b) Studies and activities on preterm birth

(1) In general

The Secretary of Health and Human Services, acting through the Director of the Centers for Disease Control and Prevention, may, subject to the availability of appropriations—

(A) conduct epidemiological studies on the factors relating to prematurity, such as clinical, biological, social, environmental, genetic, and behavioral factors, and other determinants that contribute to health disparities and are related to prematurity, as appropriate;

(B) conduct activities to improve national data to facilitate tracking the burden of preterm birth; and

(C) continue efforts to prevent preterm birth, including late preterm birth, through the identification of opportunities for prevention and the assessment of the impact of such efforts.

(2) Report

Not later than 2 years after November 27, 2013, and every 2 years thereafter, the Secretary of Health and Human Services, acting through the Director of the Centers for Disease Control and Prevention, shall submit to the appropriate committees of Congress reports regarding activities and studies conducted under paragraph (1), including any applicable analyses of preterm birth. Such report shall be posted on the Internet website of the Department of Health and Human Services.1

(c) Pregnancy risk assessment monitoring survey

The Secretary of Health and Human Services, acting through the Director of the Centers for Disease Control and Prevention, shall—

(1) continue systems for the collection of maternal-infant clinical and biomedical information, including electronic health records, electronic databases, and biobanks, to link with the Pregnancy Risk Assessment Monitoring System (PRAMS) and other epidemiological studies of prematurity in order to track, to the extent practicable, all pregnancy outcomes and prevent preterm birth; and

(2) provide technical assistance, as appropriate, to support States in improving the collection of information pursuant to this subsection.

(d) Evaluation of existing tools and measures

The Secretary of Health and Human Services shall review existing tools and measures to ensure that such tools and measures include information related to the known risk factors of low birthweight and preterm birth.

(e) Authorization of appropriations

There is authorized to be appropriated to carry out this section, $2,000,000 for each of fiscal years 2019 through 2023.


Codification

Section 2 of Pub. L. 115–328, which directed the amendment of section 2 of the Prematurity Research Expansion and Education for Mothers who Deliver Infants Early Act (Pub. L. 109–450), was executed to this section, which is section 3 of Pub. L. 109–450, to reflect the probable intent of Congress. See 2018 Amendment note below.

Section is comprised of section 3 of Pub. L. 109–450. Subsec. (a) of section 3 of Pub. L. 109–450 amended section 241 of this title.

Section was enacted as part of the Prematurity Research Expansion and Education for Mothers who deliver Infants Early Act or the PREEMIE Act, and not as part of the Public Health Service Act which comprises this chapter.

Amendments

2018—Subsec. (b)(1)(A). Pub. L. 115–328, § 2(1)(A), substituted “factors relating to prematurity, such as clinical, biological, social, environmental, genetic, and behavioral factors, and other determinants that contribute to health disparities and are related” for “clinical, biological, social, environmental, genetic, and behavioral factors relating”. See Codification note above.

Subsec. (b)(2). Pub. L. 115–328, § 2(1)(B), substituted “regarding activities and studies conducted under paragraph (1), including any applicable analyses of preterm birth. Such report shall be posted on the Internet website of the Department of Health and Human Services.” for “concerning the progress and any results of studies conducted under paragraph (1)”. See Codification note above.

Subsec. (c). Pub. L. 115–328, § 2(2), added subsec. (c) and struck out former subsec. (c) which established a pregnancy risk assessment monitoring survey and authorized appropriations. See Codification note above.

Subsec. (e). Pub. L. 115–328, § 2(3), substituted “$2,000,000 for each of fiscal years 2019 through 2023” for “except for subsection (c), $1,880,000 for each of fiscal years 2014 through 2018”. See Codification note above.

2013—Subsec. (b). Pub. L. 113–55, § 102(a), added subsec. (b) and struck out former subsec. (b) which related to studies and reports on the relationship between prematurity and birth defects.

Subsec. (e). Pub. L. 113–55, § 102(b), substituted “$1,880,000 for each of fiscal years 2014 through 2018.” for “$5,000,000 for each of fiscal years 2007 through 2011.”

1 So in original.
ADVISORY COMMITTEE ON INFANT MORTALITY


(1) ESTABLISHMENT.—The Secretary of Health and Human Services (referred to in this section [enacting this note and repealing section 247b–4g of this title] as the "Secretary") may establish an advisory committee known as the "Advisory Committee on Infant Mortality" (referred to in this section as the "Advisory Committee").

(2) DUTIES.—The Advisory Committee shall provide advice, recommendations, or information to the Secretary as may be necessary to improve activities and programs to reduce severe maternal morbidity, maternal mortality, infant mortality, and preterm birth, which may include recommendations, advice, or information related to the following:

(A) Programs of the Department of Health and Human Services that are directed at reducing infant mortality, preterm birth, and improving the health status of pregnant women and infants, and information on cost-effectiveness and outcomes of such programs.

(B) Strategies to coordinate the various Federal programs and activities with State, local, and private programs and efforts that address factors that affect infant mortality.

(C) The Healthy Start program under section 330H of the Public Health Service Act (42 U.S.C. 254c–8) and Healthy People 2020 infant mortality objectives.

(D) Implementation of Healthy People objectives related to maternal and infant health.

(E) Strategies to reduce racial, ethnic, geographic, and other health disparities in birth outcomes, including by increasing awareness of Federal programs related to appropriate access to, or information regarding, prenatal care to address risk factors for preterm labor and delivery.

(F) Strategies, including the implementation of such strategies, to address gaps in Federal research, programs, and education efforts related to the prevention of severe maternal morbidity, maternal mortality, infant mortality, and other adverse birth outcomes.

(3) MEMBERSHIP.—The Secretary shall ensure that the membership of the Advisory Committee includes the following:

(A) Representatives provided for in the original charter of the Advisory Committee.

(B) A representative of the National Center for Health Statistics.

(4) BIENNIAL REPORT.—Not later than 1 year after the date of enactment of the PREEMIE Reauthorization Act of 2018 [Dec. 18, 2018] and every 2 years thereafter, the Advisory Committee shall—

(A) publish a report summarizing activities and recommendations of the Advisory Committee since the publication of the previous report; and

(B) submit such report to the Secretary and the appropriate Committees of Congress; and

(C) post such report on the Internet website of the Department of Health and Human Services.

PURPOSE

Pub. L. 109–450, §2, Dec. 22, 2006, 120 Stat. 3341, provided that: "It is the purpose of this Act [enacting this section and sections 247b–4g and 280g–5 of this title and amending sections 241 and 280g–4 of this title] to—

(1) reduce rates of preterm labor and delivery; and

(2) work toward an evidence-based standard of care for pregnant women at risk of preterm labor or other serious complications, and for infants born preterm and at a low birthweight; and

(3) reduce infant mortality and disabilities caused by prematurity.


§ 247b–5. Preventive health measures with respect to prostate cancer

(a) In general

The Secretary, acting through the Director of the Centers for Disease Control and Prevention, may make grants to States and local health departments for the purpose of enabling such States and departments to carry out programs that may include the following:

(1) To identify factors that influence the attitudes or levels of awareness of men and health care practitioners regarding screening for prostate cancer.

(2) To evaluate, in consultation with the Agency for Health Care Policy and Research and the National Institutes of Health, the effectiveness of screening strategies for prostate cancer.

(3) To identify, in consultation with the Agency for Health Care Policy and Research, issues related to the quality of life for men after prostate cancer screening and follow-up.

(4) To develop and disseminate public information and education programs for prostate cancer, including appropriate messages about the risks and benefits of prostate cancer screening for the general public, health care providers, policy makers and other appropriate individuals.

(5) To improve surveillance for prostate cancer.

(6) To address the needs of underserved and minority populations regarding prostate cancer.

(7) Upon a determination by the Secretary, who shall take into consideration recommendations by the United States Preventive Services Task Force and shall seek input, where appropriate, from professional societies and other private and public entities, that there is sufficient consensus on the effectiveness of prostate cancer screening—

(A) to screen men for prostate cancer as a preventive health measure;

(B) to provide appropriate referrals for the medical treatment of men who have been screened under subparagraph (A) and to ensure, to the extent practicable, the provision of appropriate followup services and support services such as case management;

(C) to establish mechanisms through which State and local health departments can monitor the quality of screening procedures for prostate cancer, including the interpretation of such procedures; and

(D) to improve, in consultation with the Health Resources and Services Administration, the education, training, and skills of health practitioners (including appropriate allied health professionals) in the detection and control of prostate cancer.

(8) To evaluate activities conducted under paragraphs (1) through (7) through appropriate surveillance or program monitoring activities.

1 So in original. Probably should be ‘prostate’.

Interagency Coordinating Council on Prematurity and Low Birthweight.
(b) Requirement of matching funds

(1) In general

The Secretary may not make a grant under subsection (a) unless the applicant involved agrees, with respect to the costs to be incurred by the applicant in carrying out the purpose described in such section, to make available non-Federal contributions (in cash or in kind under paragraph (2)) toward such costs in an amount equal to not less than $1 for each $3 of Federal funds provided in the grant. Such contributions may be made directly or through donations from public or private entities.

(2) Determination of amount of non-Federal contribution

(A) Non-Federal contributions required in paragraph (1) may be in cash or in kind, fairly evaluated, including equipment or services (and excluding indirect or overhead costs). Amounts provided by the Federal Government, or services assisted or subsidized to any significant extent by the Federal Government, may not be included in determining the amount of such non-Federal contributions.

(B) In making a determination of the amount of non-Federal contributions for purposes of paragraph (1), the Secretary may include only non-Federal contributions in excess of the average amount of non-Federal contributions made by the applicant involved toward the purpose described in subsection (a) for the 2-year period preceding the fiscal year for which the applicant involved is applying to receive a grant under such subsection.

(C) In making a determination of the amount of non-Federal contributions for purposes of paragraph (1), the Secretary shall, subject to subparagraphs (A) and (B) of this paragraph, include any non-Federal amounts expended pursuant to title XIX of the Social Security Act [42 U.S.C. 1396 et seq.] by the applicant involved toward the purpose described in paragraphs (1) and (2) of subsection (a).

(c) Education on significance of early detection

The Secretary may not make a grant under subsection (a) unless the applicant involved agrees that, in carrying out subsection (a)(3), the applicant will carry out education programs to communicate to men, and to local health officials, the significance of the early detection of prostate cancer.

(d) Requirement of provision of all services by date certain

The Secretary may not make a grant under subsection (a) unless the applicant involved agrees—

(1) to ensure that, initially and throughout the period during which amounts are received pursuant to the grant, not less than 60 percent of the grant is expended to provide each of the services or activities described in paragraphs (1) and (2) of such subsection;

(2) to ensure that, by the end of any second fiscal year of payments pursuant to the grant, each of the services or activities described in such subsection is provided; and

(3) to ensure that not more than 40 percent of the grant is expended to provide the services or activities described in paragraphs (3) through (6) of such section.²

(e) Additional required agreements

(1) Priority for low-income men

The Secretary may not make a grant under subsection (a) unless the applicant involved agrees that low-income men, and men at risk of prostate cancer, will be given priority in the provision of services and activities pursuant to paragraphs (1) and (2) of such subsection.

(2) Limitation on imposition of fees for services

The Secretary may not make a grant under subsection (a) unless the applicant involved agrees that, if a charge is imposed for the provision of services or activities under the grant, such charge—

(A) will be made according to a schedule of charges that is made available to the public; and

(B) will be adjusted to reflect the income of the man involved; and

(C) will not be imposed on any man with an income of less than 100 percent of the official poverty line, as established by the Director of the Office of Management and Budget and revised by the Secretary in accordance with section 9902(2) of this title.

(3) Relationship to items and services under other programs

The Secretary may not make a grant under subsection (a) unless the applicant involved agrees that the services and activities funded through the grant will be coordinated with other Federal, State, and local prostate cancer programs.

(4) Coordination with other prostate cancer programs

The Secretary may not make a grant under subsection (a) unless the applicant involved agrees that the services and activities funded through the grant will be coordinated with other Federal, State, and local prostate cancer programs.

(5) Limitation on administrative expenses

The Secretary may not make a grant under subsection (a) unless the applicant involved agrees that not more than 10 percent of the grant will be expended for administrative expenses with respect to the grant.

(6) Restrictions on use of grant

The Secretary may not make a grant under subsection (a) unless the applicant involved agrees that the grant will not be expended to provide inpatient hospital services for any individual.

(7) Records and audits

The Secretary may not make a grant under subsection (a) unless the applicant involved agrees that—

²So in original. Probably should be “subsection.”
(A) the applicant will establish such fiscal control and fund accounting procedures as may be necessary to ensure the proper disbursement of, and accounting for, amounts received by the applicant under such section; and

(B) upon request, the applicant will provide records maintained pursuant to paragraph (1) to the Secretary or the Comptroller of the United States for purposes of auditing the expenditures by the applicant of the grant.

(f) Reports to Secretary

The Secretary may not make a grant under subsection (a) unless the applicant involved agrees to submit to the Secretary such reports as the Secretary may require with respect to the grant.

(g) Description of intended uses of grant

The Secretary may not make a grant under subsection (a) unless—

(1) the applicant involved submits to the Secretary a description of the purposes for which the applicant intends to expend the grant;

(2) the description identifies the populations, areas, and localities in the applicant with a need for the services or activities described in subsection (a);

(3) the description provides information relating to the services and activities to be provided, including a description of the manner in which the services and activities will be coordinated with any similar services or activities of public or nonprivate entities; and

(4) the description provides assurances that the grant funds will be used in the most cost-effective manner.

(h) Requirement of submission of application

The Secretary may not make a grant under subsection (a) unless the application submitted to the Secretary contains such agreements, assurances, and information as the Secretary determines to be necessary to carry out this section.

(i) Method and amount of payment

The Secretary shall determine the amount of a grant made under subsection (a). Payments under such grants may be made in advance on the basis of estimates or by way of reimbursement, with necessary adjustments on account of the underpayments or overpayments, and in such installments and on such terms and conditions as the Secretary finds necessary to carry out the purposes of such grants.

(j) Technical assistance and provision of supplies and services in lieu of grant funds

(1) Technical assistance

The Secretary may provide training and technical assistance with respect to the planning, development, and operation of any program or service carried out pursuant to subsection (a). The Secretary may provide such technical assistance directly or through grants to, or contracts with, public and private entities.

(2) Provision of supplies and services in lieu of grant funds

(A) Upon the request of an applicant receiving a grant under subsection (a), the Secretary may, subject to subparagraph (B), provide supplies, equipment, and services for the purpose of aiding the applicant in carrying out such section and, for such purpose, may detail to the applicant any officer or employee of the Department of Health and Human Services.

(B) With respect to a request described in subparagraph (A), the Secretary shall reduce the amount of payments under the grant under subsection (a) to the applicant involved by an amount equal to the costs of detailing personnel (including pay, allowances, and travel expenses) and the fair market value of any supplies, equipment, or services provided by the Secretary. The Secretary shall, for the payment of expenses incurred in complying with such request, expend the amounts withheld.

(k) “Units of local government” defined

For purposes of this section, the term “units of local government” includes Indian tribes.

(f) Authorization of appropriations

(1) In general

For the purpose of carrying out this section, there are authorized to be appropriated $20,000,000 for fiscal year 1993, and such sums as may be necessary for each of the fiscal years 1994 through 2004.

(2) Allocation for technical assistance

Of the amounts appropriated under paragraph (1) for a fiscal year, the Secretary shall reserve not more than 20 percent for carrying out subsection (j)(1).

(3) Reserve

[Section text continues...]

References in Text


Amendments

2000—Subsec. (a). Pub. L. 106–505, §602(a)(1), added subsec. (a) and struck out heading and text of former subsec. (a). Text read as follows: “The Secretary, acting through the Director of the Centers for Disease Control and Prevention, may make grants to States and local health departments for the purpose of enabling such States and departments to carry out programs—

“(1) to screen men for prostate cancer as a preventive health measure;
(a) In general

The Secretary, acting through the Director of the Centers for Disease Control and Prevention, may make grants to States, political subdivisions, and other public entities for preventive health service programs for the prevention, control, and elimination of tuberculosis.

(b) Research and development; demonstration projects; education and training

With respect to the prevention, treatment, control, and elimination of tuberculosis, the Secretary may, directly or through grants to public or nonprofit private entities, carry out the following:

(1) Research, with priority given to research and development concerning latent tuberculosis infection, strains of tuberculosis resistant to drugs, and research concerning cases of tuberculosis that affect certain populations at risk for tuberculosis.

(2) Research and development and related activities to develop new tools for the elimination of tuberculosis, including drugs, diagnostics, vaccines, and public health interventions, such as directly observed therapy and non-pharmaceutical intervention, and methods to enhance detection and response to outbreaks of tuberculosis, including multidrug resistant tuberculosis. The Secretary is encouraged to give priority to programmatically relevant research so that new tools can be utilized in public health practice.

(3) Demonstration projects for—

(A) the development of regional capabilities to prevent, control, and eliminate tuberculosis and prevent multidrug resistant and extensively drug resistant strains of tuberculosis;

(B) the intensification of efforts to reduce health disparities in the incidence of tuberculosis;

(C) the intensification of efforts to control tuberculosis along the United States-Mexico border and among United States-Mexico binational populations, including through expansion of the scope and number of programs that—

(i) detect and treat binational cases of tuberculosis; and

(ii) treat high-risk cases of tuberculosis referred from Mexican health departments;

(D) the intensification of efforts to prevent, detect, and treat tuberculosis among foreign-born persons who are in the United States;

(E) the intensification of efforts to prevent, detect, and treat tuberculosis among populations and settings documented as having a high risk for tuberculosis; and

(F) tuberculosis detection, control, and prevention.

(4) Public information and education activities.

(5) Education, training, clinical skills improvement activities, and workplace exposure prevention for health professionals, including allied health personnel and emergency response employees.

(6) Support of Centers to carry out activities under paragraphs (1) through (4).

(7) Collaboration with international organizations and foreign countries in carrying out such activities.

(8) Develop, enhance, and expand information technologies that support tuberculosis control including surveillance and database management systems with cross-jurisdictional capabilities, which shall conform to the standards and implementation specifications for such information technologies as recommended by the Secretary.

(c) Cooperation with providers of primary health services

The Secretary may make a grant under subsection (a) or (b) only if the applicant for the grant agrees that, in carrying out activities under the grant, the applicant will cooperate with public and nonprofit private providers of primary health services or substance abuse services, including entities receiving assistance under section 254b, 254b, or 256a of this title or under subchapter III–A or XVII.

(d) Application for grant

(1) In general

The Secretary may make a grant under subsection (a) or (b) only if an application for the grant is submitted to the Secretary and the application, subject to paragraph (2), is in such form, is made in such manner, and contains such agreements, assurances, and information as the Secretary determines to be necessary to carry out the subsection involved.

1 See References in Text notes below.
§ 247b–6  TITLE 42—THE PUBLIC HEALTH AND WELFARE  Page 180

(2) Plan for prevention, control, and elimination
The Secretary may make a grant under subsection (a) only if the application under paragraph (1) contains a plan regarding the prevention, control, and elimination of tuberculosis in the geographic area with respect to which the grant is sought.

(3) Determination of amount of nonfederal contributions

(A) Priority
In awarding grants under subsection (a) or (b), the Secretary shall give highest priority to an applicant that provides assurances that the applicant will contribute non-Federal funds to carry out activities under this section, which may be provided directly or through donations from public or private entities and may be in cash or in kind, including equipment or services.

(B) Federal amounts not to be included as contributions
Amounts provided by the Federal Government, or services assisted or subsidized to any significant extent by the Federal Government, may not be included in determining the amount of non-Federal contributions as described in subparagraph (A).

(e) Supplies and services in lieu of grant funds

(1) In general
Upon the request of a grantee under subsection (a) or (b), the Secretary may, subject to paragraph (2), provide supplies, equipment, and services for the purpose of aiding the grantee in carrying out the subsection involved and, for such purpose, may detail to the State any officer or employee of the Department of Health and Human Services.

(2) Corresponding reduction in payments
With respect to a request described in paragraph (1), the Secretary shall reduce the amount of payments under the grant involved by an amount equal to the costs of detailing personnel and the fair market value of any supplies, equipment, or services provided by the Secretary. The Secretary shall, for the payment of expenses incurred in complying with such request, expend the amounts withheld.

(f) Advisory Council

(1) In general
The Secretary shall establish an advisory council to be known as the Advisory Council for the Elimination of Tuberculosis (in this subsection referred to as the “Council”).

(2) Duties
The Council shall provide advice and recommendations regarding the elimination of tuberculosis to the Secretary. In addition, the Council shall, with respect to eliminating such disease, provide to the Secretary and other appropriate Federal officials advice on—
(A) coordinating the activities of the Department of Health and Human Services and other Federal agencies that relate to the disease, including activities under subsection (b);
(B) responding rapidly and effectively to emerging issues in tuberculosis; and
(C) efficiently utilizing the Federal resources involved.

(3) Comprehensive plan

(A) In general
In carrying out paragraph (2), the Council shall make or update recommendations on the development, revision, and implementation of a comprehensive plan to eliminate tuberculosis in the United States.

(B) Consultation
In carrying out subparagraph (A), the Council may consult with appropriate public and private entities, which may, subject to the direction or discretion of the Secretary, include—
(i) individuals who are scientists, physicians, laboratorians, and other health professionals, who are not officers or employees of the Federal Government and who represent the disciplines relevant to tuberculosis elimination;
(ii) members of public-private partnerships or private entities established to address the elimination of tuberculosis;
(iii) members of national and international nongovernmental organizations whose purpose is to eliminate tuberculosis;
(iv) members from the general public who are knowledgeable with respect to tuberculosis elimination, individuals who have or have had tuberculosis; and
(v) scientists, physicians, laboratorians, and other health professionals who reside in a foreign country with a substantial incidence or prevalence of tuberculosis, and who represent the specialties and disciplines relevant to the research under consideration.

(C) Certain components of plan
In carrying out subparagraph (A), the Council shall, subject to the direction or discretion of the Secretary—
(i) consider recommendations for the involvement of the United States in continuing global and cross-border tuberculosis control activities in countries where a high incidence of tuberculosis directly affects the United States; and
(ii) review the extent to which progress has been made toward eliminating tuberculosis.

(4) Biennial report

(A) In general
The Council shall submit a biennial report to the Secretary, as determined necessary by the Secretary, on the activities carried under this section. Each such report shall include the opinion of the Council on the extent to which its recommendations regarding the elimination of tuberculosis have been implemented, including with respect to—
(i) activities under subsection (b); and
(ii) the national plan referred to in paragraph (3).
(B) Public
The Secretary shall make a report submitted under subparagraph (A) public.

(5) Composition
The Council shall be composed of—
(A) ex officio representatives from the Centers for Disease Control and Prevention, the National Institutes of Health, the United States Agency for International Development, the Agency for Healthcare Research and Quality, the Health Resources and Services Administration, the United States-Mexico Border Health Commission, and other Federal departments and agencies that carry out significant activities related to tuberculosis;
(B) State and local tuberculosis control and public health officials;
(C) individuals who are scientists, physicians, laboratorians, and other health professionals who represent disciplines relevant to tuberculosis elimination; and
(D) members of national and international nongovernmental organizations established to address the elimination of tuberculosis.

(6) Staff, information, and other assistance
The Secretary shall provide to the Council such staff, information, and other assistance as may be necessary to carry out the duties of the Council.

(g) Federal Tuberculosis Task Force

(1) Duties
The Federal Tuberculosis Task Force (in this subsection referred to as the “Task Force”) shall provide to the Secretary and other appropriate Federal officials advice on research into new tools under subsection (b)(2), including advice regarding the efficient utilization of the Federal resources involved.

(2) Comprehensive plan for new tools development
In carrying out paragraph (1), the Task Force shall make recommendations on the development of a comprehensive plan for the creation of new tools for the elimination of tuberculosis, including drugs, diagnostics, and vaccines.

(3) Consultation
In developing the comprehensive plan under paragraph (1), the Task Force shall consult with external parties including representatives from groups such as—
(A) scientists, physicians, laboratorians, and other health professionals who represent the specialties and disciplines relevant to the research under consideration;
(B) members from public-private partnerships, private entities, or foundations (or both) engaged in activities relevant to research under consideration;
(C) members of national and international nongovernmental organizations established to address tuberculosis elimination;
(D) members from the general public who are knowledgeable with respect to tuberculosis including individuals who have or have had tuberculosis; and
(E) scientists, physicians, laboratorians, and other health professionals who reside in a foreign country with a substantial incidence or prevalence of tuberculosis, and who represent the specialties and disciplines relevant to the research under consideration.

(h) Authorization of appropriations

(1) General program
(A) In general
For the purpose of carrying out this section, there are authorized to be appropriated

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Appropriation</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009</td>
<td>$200,000,000</td>
</tr>
<tr>
<td>2010</td>
<td>$210,000,000</td>
</tr>
<tr>
<td>2011</td>
<td>$220,500,000</td>
</tr>
<tr>
<td>2012</td>
<td>$231,525,000</td>
</tr>
<tr>
<td>2013</td>
<td>$243,101,250</td>
</tr>
</tbody>
</table>

(B) Reservation for emergency grants
Of the amounts appropriated under subparagraph (A) for a fiscal year, the Secretary may reserve not more than 25 percent for emergency grants under subsection (a) for any geographic area, State, political subdivision of a State, or other public entity in which there is, relative to other areas, a substantial number of cases of tuberculosis, multidrug resistant tuberculosis, or extensively drug resistant tuberculosis or a substantial rate of increase in such cases.

(C) Priority
In allocating amounts appropriated under subparagraph (A), the Secretary shall give priority to allocating such amounts for grants under subsection (a).

(D) Allocation of funds

(i) Requirement of formula
Of the amounts appropriated under subparagraph (A), not reserved under subparagraph (B), and allocated by the Secretary for grants under subsection (a), the Secretary shall distribute a portion of such amounts to grantees under subsection (a) on the basis of a formula.

(ii) Relevant factors
The formula developed by the Secretary under clause (i) shall take into account the level of tuberculosis morbidity and case complexity in the respective geographic area and may consider other factors relevant to tuberculosis in such area.

(iii) No change to formula required
This subparagraph does not require the Secretary to modify the formula that was used by the Secretary to distribute funds to grantees under subsection (a) for fiscal year 2009.

(2) Limitation
The authorization of appropriations established in paragraph (1) for a fiscal year is effective only if the amount appropriated under such paragraph for such year equals or exceeds the amount appropriated to carry out this section for fiscal year 2009.

(July 1, 1944, ch. 373, title III, § 317E, as added Pub. L. 103–183, title III, § 301(a), Dec. 14, 1993, 107
§ 247b-7  TITLE 42—THE PUBLIC HEALTH AND WELFARE  Page 182


REFERENCES IN TEXT

The reference to section 254b of this title the first place appearing, referred to in subsec. (c), was in the original a reference to section 239, meaning section 239 of act July 1, 1944, which was omitted in the general amendment of subpart I (§ 254 et seq.) of part D of this subchapter by Pub. L. 104–299, § 2, Oct. 11, 1996, 110 Stat. 3626.


AMENDMENTS


Subsec. (b), Pub. L. 110–392, § 101(2), amended subsec. (b) generally. Prior to amendment, subsec. (b) related to research, demonstration projects, education, and training for the purpose of prevention, control, and elimination of tuberculosis.


Subsec. (f)(2) to (6), Pub. L. 110–392, § 111(a), added pars. (2) to (5), redesignated former par. (5) as (6), and struck out former pars. (2) to (4) which related to general duties, certain activities, and composition of the Council, respectively.

Subsec. (g), Pub. L. 110–392, § 111(c)(2), added subsec. (g).

Former subsec. (g) redesignated (h).

Subsec. (h), Pub. L. 110–392, § 131, added subsec. (h) and struck out former subsec. (h) which authorized appropriations for grants, research, demonstration projects, education, and training for fiscal years 1994 to 2002.

Pub. L. 110–392, § 111(c)(1), redesignated subsec. (g) as (h).

2003—Subsec. (c), Pub. L. 108–163 substituted “254b” for “254c, 254b(h)” before “, or”.


Subsec. (g)(1)(B). Pub. L. 105–392, § 405(1)(B), substituted “25 percent” for “$50,000,000”.


Pub. L. 105–392, § 401(b)(1), substituted “carrying out subsection (b)” for “making grants under subsection (b)”.

EFFECTIVE DATE OF 2003 AMENDMENT


EFFECTIVE DATE OF 1998 AMENDMENT

Amendment by section 401(b)(1) of Pub. L. 105–392 deemed to have taken effect immediately after enactment of Pub. L. 103–183, see section 401(e) of Pub. L. 103–183, set out as a note under section 242m of this title.

CONSTRUCTION OF 2008 AMENDMENT

Pub. L. 110–392, title I, §§ 111(b), Oct. 13, 2008, 122 Stat. 4199, provided that: “With respect to the advisory council under section 317E(f) of the Public Health Service Act [42 U.S.C. 247b–6(f)], the amendments made by subsection (a) (amending this section) may not be construed as terminating the membership on such council of any individual serving as such a member as of the day before the date of the enactment of this Act [Oct. 13, 2008].”

TERMINATION OF ADVISORY COUNCILS

Advisory councils established after Jan. 5, 1973, to terminate not later than the expiration of the 2-year period beginning on the date of their establishment, unless, in the case of a council established by the President or an officer of the Federal Government, such council is renewed by appropriate action prior to the expiration of such 2-year period, or in the case of a council established by Congress, its duration is otherwise provided by law. See sections 3(2) and 14 of Pub. L. 92–463, Oct. 6, 1972, 86 Stat. 770, 776, set out in the Appendix to Title 5, Government Organization and Employees.

Pub. L. 93–641, § 6, Jan. 4, 1975, 88 Stat. 2275, set out as a note under section 217a of this title, provided that an advisory committee established pursuant to the Public Health Service Act shall terminate at such time as may be specifically prescribed by an Act of Congress enacted after Jan. 4, 1975.

§ 247b–7. Loan repayment program

(a) In general

(1) Authority

Subject to paragraph (2), the Secretary may carry out a program of entering into contracts with appropriately qualified health professionals under which such health professionals agree to conduct prevention activities or preparedness and response activities, including rapid response to public health emergencies and significant public health threats, as employees of the Centers for Disease Control and Prevention and the Agency for Toxic Substances and Disease Registry, in consideration of the Federal Government agreeing to repay, for each year of such service, not more than $50,000 of the principal and interest of the educational loans of such health professionals.

(2) Limitation

The Secretary may not enter into an agreement with a health professional pursuant to paragraph (1) unless such professional—

(A) has a substantial amount of educational loans relative to income; and

(B) agrees to serve as an employee of the Centers for Disease Control and Prevention or the Agency for Toxic Substances and Disease Registry for purposes of paragraph (1) for a period of not less than 2 years.

(b) Applicability of certain provisions

With respect to the National Health Service Corps Loan Repayment Program established in subpart III of part D of this subchapter, the provisions of such subpart shall, except as inconsistent with subsection (a), apply to the program established in this section in the same manner and to the same extent as such provisions apply to the National Health Service Corps Loan Repayment Program.

(c) Authorization of appropriations

(1) In general

For the purpose of carrying out this section, except as described in paragraph (2), there are authorized to be appropriated $500,000 for fiscal year 1994, and such sums as may be nec-
necessary for each of the fiscal years 1995 through 2002.

(2) Epidemic Intelligence Service program

For purposes of carrying out this section with respect to qualified health professionals serving in the Epidemic Intelligence Service, as authorized under section 247b–8 of this title, there is authorized to be appropriated $1,000,000 for each of fiscal years 2019 through 2023.

(d) Availability of appropriations

Amounts appropriated for a fiscal year for contracts under subsection (a) shall remain available until the expiration of the second fiscal year taking effect after the fiscal year for which the amounts were appropriated.


AMENDMENTS

2019—Subsec. (a)(1). Pub. L. 116–22, §301(c)(1)(A), inserted “or preparedness and response activities, including rapid response to public health emergencies and significant public health threats” after “conduct prevention activities” and substituted “$50,000” for “$35,000”.

Subsec. (a)(2)(B). Pub. L. 116–22, §301(c)(1)(B), substituted “2 years” for “3 years”.

Subsec. (c). Pub. L. 116–22, §301(c)(2), designated existing provisions as par. (1), inserted heading, substituted “For the purpose of carrying out this section, except as described in paragraph (2)” for “For the purpose of carrying out this section”, and added par. (2).


§247b–8. Fellowship and training programs

The Secretary, acting through the Director of the Centers for Disease Control and Prevention, shall establish fellowship and training programs to be conducted by such Centers to train individuals to develop skills in epidemiology, surveillance, laboratory analysis, and other disease detection and prevention methods. Such programs shall be designed to enable health professionals and health personnel trained under such programs to work, after receiving such training, in local, State, national, and international efforts toward the prevention and control of diseases, injuries, and disabilities. Such fellowships and training may be administered through the use of either appointment or nonappointment procedures.


EFFECTIVE DATE

Pub. L. 105–115, title IV, §408(b)(2), Nov. 21, 1997, 111 Stat. 2371, provided that: “The amendment made by this subsection [enacting this section] is deemed to have taken effect July 1, 1995.”

§247b–9. Diabetes in children and youth

(a) Surveillance on juvenile diabetes

The Secretary, acting through the Director of the Centers for Disease Control and Prevention, shall develop a sentinel system to collect data on juvenile diabetes, including with respect to incidence and prevalence, and shall establish a national database for such data.

(b) Type 2 diabetes in youth

The Secretary shall implement a national public health effort to address type 2 diabetes in youth, including—

(1) enhancing surveillance systems and expanding research to better assess the prevalence and incidence of type 2 diabetes in youth and determine the extent to which type 2 diabetes is incorrectly diagnosed as type 1 diabetes among children; and

(2) developing and improving laboratory methods to assist in diagnosis, treatment, and prevention of diabetes including, but not limited to, developing noninvasive ways to monitor blood glucose to prevent hypoglycemia and improving existing glucometers that measure blood glucose.

(c) Authorization of appropriations

For the purpose of carrying out this section, there are authorized to be appropriated such sums as may be necessary for each of the fiscal years 2001 through 2005.


§247b–9a. Better diabetes care

(a) Short title

This section may be cited as the “Catalyst to Better Diabetes Care Act of 2009”.

(b) National diabetes report card

(1) In general

The Secretary, in collaboration with the Director of the Centers for Disease Control and Prevention (referred to in this section as the “Director”), shall prepare on a biennial basis a national diabetes report card (referred to in this section as a “Report Card”) and, to the extent possible, for each State.1

(2) Contents

(A) In general

Each Report Card shall include aggregate health outcomes related to individuals diagnosed with diabetes and prediabetes including—

(i) preventative care practices and quality of care;

(ii) risk factors; and

(iii) outcomes.

(B) Updated reports

Each Report Card that is prepared after the initial Report Card shall include trend analysis for the Nation and, to the extent possible, for each State, for the purpose of—

(i) tracking progress in meeting established national goals and objectives for improving diabetes care, costs, and prevalence (including Healthy People 2010); and

(ii) informing policy and program development.

1 So in original.
(3) Availability

The Secretary, in collaboration with the Director, shall make each Report Card publicly available, including by posting the Report Card on the Internet.

(c) Improvement of vital statistics collection

(1) In general

The Secretary, acting through the Director of the Centers for Disease Control and Prevention and in collaboration with appropriate agencies and States, shall—

(A) promote the education and training of physicians on the importance of birth and death certificate data and how to properly complete these documents, including the collection of such data for diabetes and other chronic diseases;

(B) encourage State adoption of the latest standard revisions of birth and death certificates; and

(C) work with States to re-engineer their vital statistics systems in order to provide cost-effective, timely, and accurate vital systems data.

(2) Death certificate additional language

In carrying out this subsection, the Secretary may promote improvements to the collection of diabetes mortality data, including the addition of a question for the individual certifying the cause of death regarding whether the deceased had diabetes.

(d) Study on appropriate level of diabetes medical education

(1) In general

The Secretary shall, in collaboration with the Institute of Medicine and appropriate associations and councils, conduct a study of the impact of diabetes on the practice of medicine in the United States and the appropriateness of the level of diabetes medical education that should be required prior to licensure, board certification, and board recertification.

(2) Report

Not later than 2 years after March 23, 2010, the Secretary shall submit a report on the study under paragraph (1) to the Committees on Ways and Means and Energy and Commerce of the House of Representatives and the Committees on Finance and Health, Education, Labor, and Pensions of the Senate.

(e) Authorization of appropriations

There are authorized to be appropriated to carry out this section such sums as may be necessary.


Codification

Section was enacted as part of the Patient Protection and Affordable Care Act, and not as part of the Public Health Service Act which comprises this chapter.

§ 247b–10. Compilation of data on asthma

(a) In general

The Secretary, acting through the Director of the Centers for Disease Control and Prevention, shall—

(1) conduct local asthma surveillance activities to collect data on the prevalence and severity of asthma and the quality of asthma management;

(2) compile and annually publish data on the prevalence of children suffering from asthma in each State; and

(3) to the extent practicable, compile and publish data on the childhood mortality rate associated with asthma nationally.

(b) Surveillance activities

The Director of the Centers for Disease Control and Prevention, acting through the representative of the Director on the National Asthma Education Prevention Program Coordinating Committee, shall, in carrying out subsection (a), provide an update on surveillance activities at each Committee meeting.

(c) Collaborative efforts

The activities described in subsection (a) may be conducted in collaboration with eligible entities awarded a grant under section 280g of this title.

(d) Authorization of appropriations

For the purpose of carrying out this section, there are authorized to be appropriated such sums as may be necessary for each of the fiscal years 2001 through 2005.


§ 247b–11. Effects of folic acid in prevention of birth defects

(a) In general

The Secretary, acting through the Director of the Centers for Disease Control and Prevention, shall expand and intensify programs (directly or through grants or contracts) for the following purposes:

(1) To provide education and training for health professionals and the general public for purposes of explaining the effects of folic acid in preventing birth defects and for purposes of encouraging each woman of reproductive capacity (whether or not planning a pregnancy) to consume on a daily basis a dietary supplement that provides an appropriate level of folic acid.

(2) To conduct research with respect to such education and training, including identifying effective strategies for increasing the rate of consumption of folic acid by women of reproductive capacity.

(3) To conduct research to increase the understanding of the effects of folic acid in preventing birth defects, including understanding with respect to cleft lip, cleft palate, and heart defects.

(4) To provide for appropriate epidemiological activities regarding folic acid and birth defects, including epidemiological activities regarding neural tube defects.

(b) Consultations with States and private entities

In carrying out subsection (a), the Secretary shall consult with the States and with other ap-
propriate public or private entities, including national nonprofit private organizations, health professionals, and providers of health insurance and health plans.

(c) Technical assistance

The Secretary may (directly or through grants or contracts) provide technical assistance to public and nonprofit private entities in carrying out the activities described in subsection (a).

(d) Evaluations

The Secretary shall (directly or through grants or contracts) provide for the evaluation of activities under subsection (a) in order to determine the extent to which such activities have been effective in carrying out the purposes of the program under such subsection, including the effects on various demographic populations. Methods of evaluation under the preceding sentence may include surveys of knowledge and attitudes on the consumption of folic acid and on blood folate levels. Such methods may include complete and timely monitoring of infants who are born with neural tube defects.

(e) Authorization of appropriations

For the purpose of carrying out this section, there are authorized to be appropriated such sums as may be necessary for each of the fiscal years 2001 through 2005.


§ 247b–12. Safe motherhood

(a) Surveillance

(1) Purpose

The purposes of this subsection are to establish or continue a Federal initiative to support State and tribal maternal mortality review committees, to improve data collection and reporting around maternal mortality, and to develop or support surveillance systems at the local, State, and national level to better understand the burden of maternal complications and mortality and to decrease the disparities among populations at risk of death and severe complications from pregnancy.

(2) Activities

For the purpose described in paragraph (1), the Secretary, acting through the Director of the Centers for Disease Control and Prevention, may carry out the following activities:

(A) The Secretary may continue and improve activities related to a national maternal mortality data collection and surveillance program to identify and support the review of pregnancy-associated deaths and pregnancy-related deaths that occur during, or within 1 year following, pregnancy.

(B) The Secretary may expand the Pregnancy Risk Assessment Monitoring System to provide surveillance and collect data in each State.

(C) The Secretary may expand the Maternal and Child Health Epidemiology Program to provide technical support, financial assistance, or the time-limited assignment of senior epidemiologists to maternal and child health programs in each State.

(D) The Secretary may, in cooperation with States, Indian tribes, and tribal organizations, develop a program to support States, Indian tribes, and tribal organizations in establishing or operating maternal mortality review committees, in accordance with subsection (d).

(b) Prevention research

(1) Purpose

The purpose of this subsection is to provide the Secretary with the authority to further expand research concerning risk factors, prevention strategies, and the roles of the family, health care providers and the community in safe motherhood.

(2) Research

The Secretary may carry out activities to expand research relating to—

(A) prepregnancy counseling, especially for at risk populations such as women with diabetes and women with substance use disorder;

(B) the identification of critical components of prenatal delivery and postpartum care;

(C) the identification of outreach and support services, such as folic acid education, that are available for pregnant women;

(D) the identification of women who are at high risk for complications;

(E) preventing preterm delivery;

(F) preventing urinary tract infections;

(G) preventing unnecessary cesarean sections;

(H) the identification of the determinants of disparities in maternal care, health risks, and health outcomes, including an examination of the higher rates of maternal mortality among African American women and other groups of women with disproportionately high rates of maternal mortality;

(I) activities to reduce disparities in maternity services and outcomes;

(J) an examination of the relationship between interpersonal violence and maternal complications and mortality;

(K) preventing and reducing adverse health consequences that may result from smoking and substance abuse and misuse before, during and after pregnancy;

(L) preventing infections that cause maternal and infant complications; and

(M) other areas determined appropriate by the Secretary.

(c) Prevention programs

The Secretary may carry out activities to promote safe motherhood, including—

(1) public education campaigns on healthy pregnancies;

(2) education programs for physicians, nurses and other health care providers;

(3) activities to promote community support services for pregnant women; and

(4) activities to promote physical, mental, and behavioral health during, and up to 1 year following, pregnancy, with an emphasis on prevention of, and treatment for, mental health disorders and substance use disorder.
Maternal mortality review committees

(1) In general

In order to participate in the program under subsection (a)(2)(D), the applicable maternal mortality review committee of the State, Indian tribe, or tribal organization shall—

(A) include multidisciplinary and diverse membership that represents a variety of clinical specialties, State, tribal, or local public health officials, epidemiologists, statisticians, community organizations, geographic regions within the area covered by such committee, and individuals or organizations that represent the populations in the area covered by such committee that are most affected by pregnancy-related deaths or pregnancy-associated deaths and lack of access to maternal health care services; and

(B) demonstrate to the Centers for Disease Control and Prevention that such maternal mortality review committee’s methods and processes for data collection and review, as required under paragraph (3), use best practices to reliably determine and include all pregnancy-associated deaths and pregnancy-related deaths, regardless of the outcome of the pregnancy.

(2) Process for confidential reporting

States, Indian tribes, and tribal organizations that participate in the program described in this subsection shall, through the State maternal mortality review committee, develop a process that—

(A) provides for confidential case reporting of pregnancy-associated and pregnancy-related deaths to the appropriate State or tribal health agency, including such reporting by—

(i) health care professionals;

(ii) health care facilities;

(iii) any individual responsible for completing death records, including medical examiners and medical coroners; and

(iv) other appropriate individuals or entities; and

(B) provides for voluntary and confidential case reporting of pregnancy-associated deaths and pregnancy-related deaths to the appropriate State or tribal health agency by family members of the deceased, and other appropriate individuals, for purposes of review by the applicable maternal mortality review committee; and

(C) shall include—

(i) making publicly available contact information of the committee for use in such reporting; and

(ii) conducting outreach to local professional organizations, community organizations, and social services agencies regarding the availability of the review committee.

(3) Data collection and review

States, Indian tribes, and tribal organizations that participate in the program described in this subsection shall—

(A) annually identify pregnancy-associated deaths and pregnancy-related deaths—

(i) through the appropriate vital statistics unit by—

(I) matching each death record related to a pregnancy-associated death or pregnancy-related death in the State or tribal area in the applicable year to a birth certificate of an infant or fetal death record, as applicable;

(II) to the extent practicable, identifying an underlying or contributing cause of each pregnancy-associated death and each pregnancy-related death in the State or tribal area in the applicable year; and

(III) collecting data from medical examiner and coroner reports, as appropriate;

(ii) using other appropriate methods or information to identify pregnancy-associated deaths and pregnancy-related deaths, including deaths from pregnancy outcomes not identified through clause (i)(I);

(B) through the maternal mortality review committee, review data and information to identify adverse outcomes that may contribute to pregnancy-associated death and pregnancy-related death, and to identify trends, patterns, and disparities in such adverse outcomes to allow the State, Indian tribe, or tribal organization to make recommendations to individuals and entities described in paragraph (2)(A), as appropriate, to improve maternal care and reduce pregnancy-associated death and pregnancy-related death;

(C) identify training available to the individuals and entities described in paragraph (2)(A) for accurate identification and reporting of pregnancy-associated and pregnancy-related deaths;

(D) ensure that, to the extent practicable, the data collected and reported under this paragraph is in a format that allows for analysis by the Centers for Disease Control and Prevention; and

(E) publicly identify the methods used to identify pregnancy-associated deaths and pregnancy-related deaths in accordance with this section.

(4) Confidentiality

States, Indian tribes, and tribal organizations participating in the program described in this subsection shall establish confidentiality protections to ensure, at a minimum, that—

(A) there is no disclosure by the maternal mortality review committee, including any individual members of the committee, to any person, including any government official, of any identifying information about any specific maternal mortality case; and

(B) no information from committee proceedings, including deliberation or records, is made public unless specifically authorized under State and Federal law.

(5) Reports to CDC

For fiscal year 2019, and each subsequent fiscal year, each maternal mortality review committee participating in the program described in this subsection shall submit to the Director of the Centers for Disease Control and Prevention a report that includes—
(A) data, findings, and any recommendations of such committee; and
(B) as applicable, information on the implementation during such year of any recommendations submitted by the committee in a previous year.

(6) State partnerships
States may partner with one or more neighboring States to carry out the activities under this subparagraph. With respect to the States in such a partnership, any requirement under this subparagraph relating to the reporting of information related to such activities shall be deemed to be fulfilled by each such State if a single such report is submitted for the partnership.

(7) Appropriate mechanisms for Indian tribes and tribal organizations
The Secretary, in consultation with Indian tribes, shall identify and establish appropriate mechanisms for Indian tribes and tribal organizations to demonstrate, report data, and conduct the activities required for participation in the program described in this subsection. Such mechanisms may include technical assistance with respect to grant application and submission procedures, and award management activities.

(8) Research availability
The Secretary shall develop a process to ensure that data collected under paragraph (5) is made available, as appropriate and practicable, for research purposes, in a manner that protects individually identifiable or potentially identifiable information and that is consistent with State and Federal privacy law.

(e) Definitions
In this section—

(1) the terms “Indian tribe” and “tribal organization” have the meanings given such terms in section 5304 of title 25;
(2) the term “pregnancy-associated death” means a death of a woman, by any cause, that occurs during, or within 1 year following, her pregnancy, regardless of the outcome, duration, or site of the pregnancy; and
(3) the term “pregnancy-related death” means a death of a woman that occurs during, or within 1 year following, her pregnancy, regardless of the outcome, duration, or site of the pregnancy—
   (A) from any cause related to, or aggravated by, the pregnancy or its management; and
   (B) not from accidental or incidental causes.

(f) Authorization of appropriations
For the purpose of carrying out this section, there are authorized to be appropriated $58,000,000 for each of fiscal years 2019 through 2023.

(July 1, 1944, ch. 373, title III, § 317K, as added Pub. L. 106–310, div. A, title IX, § 901, Oct. 17, 2000, 114 Stat. 1125; amended Pub. L. 115–344, § 2(1)(A), amended subpar. (A) generally. Prior to amendment, subpar. (A) read as follows: “The Secretary may establish and implement a national surveillance program to identify and promote the investigation of deaths and severe complications that occur during pregnancy.”

Subsec. (a)(2)(A). Pub. L. 115–344, § 2(1)(A), substituted “purposes of this subsection are to establish or continue a Federal initiative to support State and tribal maternal mortality review committees, to improve data collection and reporting around maternal mortality, and to develop or support” for “purpose of this subsection is to develop” and “populations at risk of death and severe” for “population at risk of death and”.


Subsec. (c). Pub. L. 115–344, § 2(3)(A), (B), struck out par. (1) designation and heading “In general” before “The Secretary” and redesignated subpars. (A) to (C) of former par. (1) as pars. (1) to (3), respectively. Amendment was executed to reflect the probable intent of Congress notwithstanding minor error in quoted par. (1) heading in original text directed to be struck out.


Subsecs. (d), (e). Pub. L. 115–344, § 2(5), added subsecs. (d) and (e). Former subsec. (d) redesignated (f).

Subsec. (f). Pub. L. 115–344, § 2(6), redesignated subsec. (d) as (f) and substituted “$58,000,000 for each of fiscal years 2019 through 2023” for “such sums as may be necessary for each of the fiscal years 2001 through 2003”.

§ 247b–13. Prenatal and postnatal health

(a) In general
The Secretary, acting through the Director of the Centers for Disease Control and Prevention, shall carry out programs—

(1) to collect, analyze, and make available data on prenatal smoking and alcohol and other substance abuse and misuse, including—
   (A) data on the incidence, prevalence, and implications of such activities; and
   (B) additional information or data, as appropriate, on family health history, medica-
(1) tion exposures during pregnancy, demographic information, such as race, ethnicity, geographic location, and family history, and other relevant information, to inform such analysis;

(2) to conduct applied epidemiological research on the prevention and long-term outcomes associated with prenatal and postnatal smoking, alcohol and other substance abuse and misuse;

(3) to support, conduct, and evaluate the effectiveness of educational, treatment, and cessation programs;

(4) to provide information and education to the public on the prevention and implications of prenatal and postnatal smoking, alcohol and other substance abuse and misuse; and

(5) to issue public reports on the analysis of data described in paragraph (1), including analysis of—

(A) long-term outcomes of children affected by neonatal abstinence syndrome;

(B) health outcomes associated with prenatal smoking, alcohol, and substance abuse and misuse; and

(C) relevant studies, evaluations, or information the Secretary determines to be appropriate.

(b) Grants

In carrying out subsection (a), the Secretary may award grants to and enter into contracts with States, local governments, tribal entities, scientific and academic institutions, federally qualified health centers, and other public and nonprofit entities, and may provide technical and consultative assistance to such entities.

(c) Coordinating activities

To carry out this section, the Secretary may—

(1) provide technical and consultative assistance to entities receiving grants under subsection (b);

(2) ensure a pathway for data sharing between States, tribal entities, and the Centers for Disease Control and Prevention;

(3) ensure data collection under this section is consistent with applicable State, Federal, and Tribal privacy laws; and

(4) coordinate with the National Coordinator for Health Information Technology, as appropriate, to assist States and Tribes in implementing effective public health measures, such as disseminating information to educate the public, health care providers, and other stakeholders on prenatal opioid use and neonatal abstinence syndrome.

(d) Authorization of appropriations

For the purpose of carrying out this section, there are authorized to be appropriated such sums as may be necessary for each of the fiscal years 2019 through 2023.

(1) read as follows: “to collect, analyze, and make available data on prenatal smoking, alcohol and illegal drug use, including data on the implications of such activities on the incidence and prevalence of such activities and their implications;”;

Subsec. (a)(2). Pub. L. 115–271, §7064(1)(B), substituted “prevention and long-term outcomes associated with for “prevention of” and “other substance abuse and misuse” for “illegal drug use”.

Subsec. (a)(3). Pub. L. 115–271, §7064(1)(C), substituted “treatment, and cessation programs;” for “and cessation programs; and”.

Subsec. (a)(4). Pub. L. 115–271, §7064(1)(D), substituted “other substance abuse and misuse; and” for “illegal drug use.”.


Subsec. (d). Pub. L. 115–271, §7064(5), redesignated subsec. (c) as (d) and substituted “2019 through 2023” for “2001 through 2005”.

IMPETING DATA AND THE PUBLIC HEALTH RESPONSE

Pub. L. 114–91, §4, Nov. 25, 2015, 129 Stat. 725, provided that: “The Secretary [of Health and Human Services] may continue activities, as appropriate, related to—

“(1) providing technical assistance to support States and Federally recognized Indian Tribes in collecting information on neonatal abstinence syndrome through the utilization of existing surveillance systems and collaborating with States and Federally recognized Indian Tribes to improve the quality, consistency, and collection of such data; and

“(2) providing technical assistance to support States in implementing effective public health measures, such as disseminating information to educate the public, health care providers, and other stakeholders on prenatal opioid use and neonatal abstinence syndrome.”

§ 247b–13a. Screening and treatment for maternal depression

(a) Grants

The Secretary shall make grants to States to establish, improve, or maintain programs for screening, assessment, and treatment services, including culturally and linguistically appropriate services, as appropriate, for women who are pregnant, or who have given birth within the preceding 12 months, for maternal depression.

(b) Application

To seek a grant under this section, a State shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require. At a minimum, any such application shall include explanations of—

(1) how a program, or programs, will increase the percentage of women screened and treated, as appropriate, for maternal depression in 1 or more communities; and

(2) how a program, or programs, if expanded, would increase access to screening and treatment services for maternal depression.

(c) Priority

In awarding grants under this section, the Secretary may give priority to States proposing to improve or enhance access to screening services for maternal depression in primary care settings.
(d) Use of funds

The activities eligible for funding through a grant under subsection (a)—

(1) shall include—

(A) providing appropriate training to health care providers; and

(B) providing information to health care providers, including information on maternal depression screening, treatment, and followup support services, and linkages to community-based resources; and

(2) may include—

(A) enabling health care providers (including obstetrician-gynecologists, pediatricians, psychiatrists, mental health care providers, and adult primary care clinicians) to provide or receive real-time psychiatric consultation (in-person or remotely) to aid in the treatment of pregnant and parenting women;

(B) establishing linkages with and among community-based resources, including mental health resources, primary care resources, and support groups; and

(C) utilizing telehealth services for rural areas and medically underserved areas (as defined in section 254c-14(a) of this title).

(e) Authorization of appropriations

To carry out this section, there are authorized to be appropriated $5,000,000 for each of fiscal years 2018 through 2022.

(§ 247b–14. Oral health promotion and disease prevention

(a) Grants to increase resources for community water fluoridation

(1) In general

The Secretary, acting through the Director of the Centers for Disease Control and Prevention, may make grants to States and Indian tribes for the purpose of increasing the resources available for community water fluoridation.

(2) Use of funds

A State shall use amounts provided under a grant under paragraph (1)—

(A) to purchase fluoridation equipment;

(B) to train fluoridation engineers;

(C) to develop educational materials on the benefits of fluoridation; or

(D) to support the infrastructure necessary to monitor and maintain the quality of water fluoridation.

(b) Community water fluoridation

(1) In general

The Secretary, acting through the Director of the Centers for Disease Control and Prevention and in collaboration with the Director of the Indian Health Service, shall establish a demonstration project that is designed to assist rural water systems in successfully implementing the water fluoridation guidelines of the Centers for Disease Control and Prevention that are entitled “Engineering and Administrative Recommendations for Water Fluoridation, 1995” (referred to in this subsection as the “EARWF”).

(2) Requirements

(A) Collaboration

In collaborating under paragraph (1), the Directors referred to in such paragraph shall ensure that technical assistance and training are provided to tribal programs located in each of the 12 areas of the Indian Health Service. The Director of the Indian Health Service shall provide coordination and administrative support to tribes under this section.

(B) General use of funds

Amounts made available under paragraph (1) shall be used to assist small water systems in improving the effectiveness of water fluoridation and to meet the recommendations of the EARWF.

(C) Fluoridation specialists

(i) In general

In carrying out this subsection, the Secretary shall provide for the establishment of fluoridation specialist engineering positions in each of the Dental Clinical and Preventive Support Centers through which technical assistance and training will be provided to tribal water operators, tribal utility operators and other Indian Health Service personnel working directly with fluoridation projects.

(ii) Liaison

A fluoridation specialist shall serve as the principal technical liaison between the Indian Health Service and the Centers for Disease Control and Prevention with respect to engineering and fluoridation issues.

(iii) CDC

The Director of the Centers for Disease Control and Prevention shall appoint individuals to serve as the fluoridation specialists.

(D) Implementation

The project established under this subsection shall be planned, implemented and evaluated over the 5-year period beginning on the date on which funds are appropriated under this section and shall be designed to serve as a model for improving the effectiveness of water fluoridation systems of small rural communities.

(3) Evaluation

In conducting the ongoing evaluation as provided for in paragraph (2)(D), the Secretary shall ensure that such evaluation includes—

(A) the measurement of changes in water fluoridation compliance levels resulting from assistance provided under this section;

(B) the identification of the administrative, technical and operational challenges that are unique to the fluoridation of small water systems;

(C) the development of a practical model that may be easily utilized by other tribal,
§ 247b–14a  TITLE 42—THE PUBLIC HEALTH AND WELFARE  Page 190

State, county or local governments in improving the quality of water fluoridation with emphasis on small water systems; and  

(D) the measurement of any increased percentage of Native Americans or Alaskan Natives who receive the benefits of optimally fluoridated water.

(c) School-based dental sealant program  
   (1) In general  
   The Secretary, acting through the Director of the Centers for Disease Control and Prevention and in collaboration with the Administrator of the Health Resources and Services Administration, shall award a grant to each of the 50 States and territories and to Indians, Indian tribes, tribal organizations and urban Indian organizations (as such terms are defined in section 1603 of title 25) to provide for the development of school-based dental sealant programs to improve the access of children to sealants.

(2) Use of funds  
   A State shall use amounts received under a grant under paragraph (1) to provide funds to eligible school-based entities or to public elementary or secondary schools to enable such entities or schools to provide children with access to dental care and dental sealant services. Such services shall be provided by licensed dental health professionals in accordance with State practice licensing laws.

(3) Eligibility  
   To be eligible to receive funds under paragraph (1), an entity shall—  
   (A) prepare and submit to the State an application at such time, in such manner and containing such information as the State may require; and  
   (B) be a public elementary or secondary school—  
   (i) that is located in an urban area in which and more than 50 percent of the student population is participating in Federal or State free or reduced meal programs; or  
   (ii) that is located in a rural area and, with respect to the school district in which the school is located, the district involved has a median income that is at or below 235 percent of the poverty line, as defined in section 9902(2) of this title.

(d) Oral health infrastructure  
   (1) Cooperative agreements  
   The Secretary, acting through the Director of the Centers for Disease Control and Prevention, shall enter into cooperative agreements with State, territorial, and Indian tribes or tribal organizations (as those terms are defined in section 1603 of title 25) to establish oral health leadership and program guidance, oral health data collection and interpretation, (including determinants of poor oral health among vulnerable populations), a multi-dimensional delivery system for oral health, and to implement science-based programs (including dental sealants and community water fluoridation) to improve oral health.

(2) Authorization of appropriations  
   There is authorized to be appropriated such sums as necessary to carry out this subsection for fiscal years 2010 through 2014.

(e) Definitions  
   For purposes of this section, the term “Indian tribe” means an Indian tribe or tribal organization as defined in section 5304(b) and section 5304(c) of title 25.

(f) Authorization of appropriations  
   For the purpose of carrying out this section, there are authorized to be appropriated such sums as may be necessary for each of the fiscal years 2001 through 2005.

(1) support community-based research that is designed to improve understanding of the etiology, pathogenesis, diagnosis, prevention, and treatment of pediatric oral, dental, craniofacial diseases and conditions and their sequelae in high risk populations;  

(2) support demonstrations of preventive interventions in high risk populations including nutrition, parenting, and feeding techniques; and  

(3) develop clinical approaches to assess individual patients for the risk of pediatric dental disease.

(b) Compliance with State practice laws  
   Treatment and other services shall be provided pursuant to this section by licensed dental professionals.  

See References in Text note below.
health professionals in accordance with State practice and licensing laws.

(c) Authorization of appropriations

There are authorized to be appropriated such sums as may be necessary to carry out this section for each fiscal year 2001 through 2005.


CODIFICATION

Section was enacted as part of the Children’s Health Act of 2000, and not as part of the Public Health Service Act which comprises this chapter.

§ 247b–15. Surveillance and education regarding infections associated with illicit drug use and other risk factors

(a) In general

The Secretary, acting through the Director of the Centers for Disease Control and Prevention, may (directly or through grants to public and nonprofit private entities) provide for programs for the following:

(1) To cooperate with States and Indian tribes in implementing or maintaining a national system to determine the incidence of infections commonly associated with illicit drug use, such as viral hepatitis, human immunodeficiency virus, and infective endocarditis, and to assist the States in determining the prevalence of such infections, which may include the reporting of cases of such infections.

(2) To identify, counsel, and offer testing to individuals who are at risk of infections described in paragraph (1) resulting from illicit drug use, receiving blood transfusions prior to July 1992, or other risk factors.

(3) To provide appropriate referrals for counseling, testing, and medical treatment of individuals identified under paragraph (2) and to ensure, to the extent practicable, the provision of appropriate follow-up services.

(4) To develop and disseminate public information and education programs for the detection and control of infections described in paragraph (1), with priority given to high-risk populations as determined by the Secretary.

(5) To improve the education, training, and skills of health professionals in the detection and control of infections described in paragraph (1), including to improve coordination of treatment of substance use disorders and infectious diseases, with priority given to substance use disorder treatment providers, pediatricians and other primary care providers, obstetrician-gynecologists, and infectious disease clinicians, including HIV clinicians.

(b) Laboratory procedures

The Secretary may (directly or through grants to public and nonprofit private entities) carry out programs to provide for improvements in the quality of clinical-laboratory procedures regarding infections described in subsection (a)(1).

(c) Definition

In this section, the term “Indian tribe” has the meaning given that term in section 5304 of title 25.

(d) Authorization of appropriations

For the purpose of carrying out this section, there are authorized to be appropriated $40,000,000 for each of the fiscal years 2019 through 2023.


AMENDMENTS


STUDY AND DEMONSTRATION PROJECTS REGARDING CASES OF HEPATITIS C AMONG CERTAIN EMERGENCY RESPONSE EMPLOYEES


“(a) STUDY REGARDING PREVALENCE AMONG CERTAIN EMERGENCY RESPONSE EMPLOYEES.—

“(1) IN GENERAL.—The Secretary of Health and Human Services (referred to in this section as the ‘Secretary’), in consultation with the Secretary of Labor, shall conduct a study to determine—

“(A) an estimate of the prevalence of hepatitis C among designated emergency response employees in the United States; and

“(B) the likely means through which such employees become infected with such disease in the course of performing their duties as such employees.

“(2) DESIGNATED EMERGENCY RESPONSE EMPLOYEES.—For purposes of this section, the term ‘designated emergency response employees’ means firefighters, paramedics, and emergency medical technicians who are employees or volunteers of units of local government.

“(3) DATE CERTAIN FOR COMPLETION; REPORT TO CONGRESS.—The Secretary shall commence the study under paragraph (1) not later than 90 days after the date of the enactment of this Act (Oct. 30, 2000). Not later than one year after such date, the Secretary shall complete the study and submit to the Congress a report describing the findings of the study.

“(b) DEMONSTRATION PROJECTS REGARDING TRAINING AND TREATMENT.—

“(1) IN GENERAL.—The Secretary, in consultation with the Secretary of Labor, shall make grants to qualifying local governments for the purpose of carrying out demonstration projects that (directly or through arrangements with nonprofit private entities) carry out each of the following activities:

“(A) Training designated emergency response employees in minimizing the risk of infection with hepatitis C in performing their duties as such employees.

“(B) Testing such employees for infection with the disease.

“(C) Treating the employees for the disease.

“(2) QUALIFYING LOCAL GOVERNMENTS.—For purposes of this section, the term ‘qualifying local government’ means a unit of local government whose population of designated emergency response employees has a prevalence of hepatitis C that is not less than 200 percent of the national average for the prevalence of such disease in such populations.

“(3) CONFIDENTIALITY.—A grant may be made under paragraph (1) only if the qualifying local government involved agrees to ensure that information regarding the testing or treatment of designated emergency response employees pursuant to the grant is maintained confidentially in a manner not inconsistent with applicable law.

“(4) EVALUATIONS.—The Secretary shall provide for an evaluation of each demonstration project under...
paragraph (1) in order to determine the extent to which the project has been effective in carry [sic] out the activities described in such paragraph.

"(5) REPORT TO CONGRESS.—Not later than 180 days after the date on which all grants under paragraph (1) have been expended, the Secretary shall submit to Congress a report providing—

"(A) a summary of evaluations under paragraph (4); and

"(B) the recommendations of the Secretary for administrative or legislative initiatives regarding the activities described in paragraph (1).

"(c) AUTHORIZATION OF Appropriations.—For the purpose of carrying out this section, there is authorized to be appropriated to the Department of Health and Human Services and the Department of Labor $10,000,000 for fiscal year 2001."

§ 247b–16. Grants for lead poisoning related activities

(a) Authority to make grants

(1) In general

The Secretary shall make grants to States to support public health activities in States and localities where data suggests that at least 5 percent of preschool-age children have an elevated blood lead level through—

(A) effective, ongoing outreach and community education targeted to families most likely to be at risk for lead poisoning;

(B) individual family education activities that are designed to reduce ongoing exposures to lead for children with elevated blood lead levels, including through home visits and coordination with other programs designed to identify and treat children at risk for lead poisoning; and

(C) the coordination and implementation of community-based approaches for comprehensive lead poisoning prevention from surveillance to lead hazard control.

(2) State match

A State is not eligible for a grant under this section unless the State agrees to expend (through State or local funds) $1 for every $2 provided under the grant to carry out the activities described in paragraph (1).

(3) Application

To be eligible to receive a grant under this section, a State shall submit an application to the Secretary in such form and manner and containing such information as the Secretary may require.

(b) Coordination with other children's programs

A State shall identify in the application for a grant under this section how the State will coordinate and activities under the grant with—

(1) other programs operated in the State that serve children with elevated blood lead levels, including any such programs operated under title V, XIX, or XXI of the Social Security Act [42 U.S.C. 701 et seq., 1396 et seq., 1397aa et seq.]; and

(2) one or more of the following—

(A) the child welfare and foster care and adoption assistance programs under parts B and E of title IV of such Act [42 U.S.C. 620 et seq., 670 et seq.];

(B) the Head Start program established under the Head Start Act [42 U.S.C. 9831 et seq.];

(C) the program of assistance under the special supplemental nutrition program for women, infants and children (WIC) under section 1786 of this title;

(D) local public and private elementary or secondary schools; or

(E) public housing agencies, as defined in section 1457a of this title.

(c) Performance measures

The Secretary shall establish needs indicators and performance measures to evaluate the activities carried out under grants awarded under this section. Such indicators shall be commensurate with national measures of maternal and child health programs and shall be developed in consultation with the Director of the Centers for Disease Control and Prevention.

(d) Authorization of appropriations

There are authorized to be appropriated to carry out this section such sums as may be necessary for each of the fiscal years 2001 through 2005.


REFERENCES IN TEXT

The Social Security Act, referred to in subsec. (b)(1), (2)(A), is act Aug. 14, 1935, ch. 531, 49 Stat. 620, as amended. Parts B and E of title IV of the Act are classified generally to parts B (§620 et seq.) and E (§670 et seq.), respectively, of subchapter IV of chapter 7 of this title. Titles V, XIX, and XXI of the Act are classified generally to subchapters V (§701 et seq.), XIX (§1396 et seq.), and XXI (§1397aa et seq.), respectively, of chapter 7 of this title. For complete classification of this Act to the Code, see section 1395 of this title and Tables.


§ 247b–17. Human papillomavirus (Johanna's Law)

(a) Surveillance

(1) In general

The Secretary, acting through the Centers for Disease Control and Prevention, shall—

(A) enter into cooperative agreements with States and other entities to conduct sentinel surveillance or other special studies that would determine the prevalence in various age groups and populations of specific types of human papillomavirus (referred to in this section as "HPV") in different sites in various regions of the United States, through collection of special specimens for HPV using a variety of laboratory-based testing and diagnostic tools; and

(B) develop and analyze data from the HPV sentinel surveillance system described in subparagraph (A).

(2) Report

The Secretary shall make a progress report to the Congress with respect to paragraph (1)
no later than 1 year after the effective date of this section.

(b) Prevention activities; education program

(1) In general
The Secretary, acting through the Centers for Disease Control and Prevention, shall conduct prevention research on HPV, including—
(A) behavioral and other research on the impact of HPV-related diagnosis on individuals;
(B) formative research to assist with the development of educational messages and information for the public, for patients, and for their partners about HPV;
(C) surveys of physician and public knowledge, attitudes, and practices about genital HPV infection; and
(D) upon the completion of and based on the findings under subparagraphs (A) through (C), develop and disseminate educational materials for the public and health care providers regarding HPV and its impact and prevention.

(2) Report; final proposal
The Secretary shall make a progress report to the Congress with respect to paragraph (1) not later than 1 year after the effective date of this section, and shall develop a final report not later than 3 years after such effective date, including a detailed summary of the significant findings and problems and the best strategies to prevent future infections, based on available science.

(c) HPV education and prevention

(1) In general
The Secretary shall prepare and distribute educational materials for health care providers and the public that include information on HPV. Such materials shall address—
(A) modes of transmission;
(B) consequences of infection, including the link between HPV and cervical cancer;
(C) the available scientific evidence on the effectiveness or lack of effectiveness of condoms in preventing infection with HPV; and
(D) the importance of regular Pap smears, and other diagnostics for early intervention and prevention of cervical cancer purposes

(2) Medically accurate information
Educational material under paragraph (1), and all other relevant educational and prevention materials prepared and printed from this date forward for the public and health care providers by the Secretary (including materials prepared through the Food and Drug Administration, the Centers for Disease Control and Prevention, and the Health Resources and Services Administration), or by contractors, grantees, or subgrantees thereof, that are specifically designed to address STDs including HPV shall contain medically accurate information regarding the effectiveness or lack of effectiveness of condoms in preventing the STD the materials are designed to address. Such requirement only applies to materials mass produced for the public and health care providers, and not to routine communications.  

(d) Johanna’s Law

(1) National public awareness campaign

(A) In general
The Secretary shall carry out a national campaign to increase the awareness and knowledge of health care providers and women with respect to gynecologic cancers.

(B) Written materials
Activities under the national campaign under subparagraph (A) shall include—
(i) maintaining a supply of written materials that provide information to the public on gynecologic cancers; and
(ii) distributing the materials to members of the public upon request.

(C) Public service announcements
Activities under the national campaign under subparagraph (A) shall, in accordance with applicable law and regulations, include developing and placing, in telecommunications media, public service announcements intended to encourage women to discuss with their physicians their risks of gynecologic cancers. Such announcements shall inform the public on the manner in which the written materials referred to in subparagraph (B) can be obtained upon request, and shall call attention to early warning signs and risk factors based on the best available medical information.

(2) Report and strategy

(A) Report
Not later than 6 months after January 12, 2007, the Secretary shall submit to the Congress a report including the following:
(i) A description of the past and present activities of the Department of Health and Human Services to increase awareness and knowledge of the public with respect to different types of cancer, including gynecologic cancers.
(ii) A description of the past and present activities of the Department of Health and Human Services to increase awareness and knowledge of health care providers with respect to different types of cancer, including gynecologic cancers.
(iii) For each activity described pursuant to clause (i) or (ii), a description of the following:
(I) The funding for such activity for fiscal year 2006 and the cumulative funding for such activity for previous fiscal years.
(II) The background and history of such activity, including—
(aa) the goals of such activity;
(bb) the communications objectives of such activity;
(cc) the identity of each agency within the Department of Health and Human Services responsible for any aspect of the activity; and
(dd) how such activity is or was expected to result in change.
(III) How long the activity lasted or is expected to last.
(IV) The outcomes observed and the evaluation methods, if any, that have been, are being, or will be used with respect to such activity.

(V) For each such outcome or evaluation method, a description of the associated results, analyses, and conclusions.

(B) Strategy

(i) Development; submission to Congress

Not later than 3 months after submitting the report required by subparagraph (A), the Secretary shall develop and submit to the Congress a strategy for improving efforts to increase awareness and knowledge of the public and health care providers with respect to different types of cancer, including gynecological cancers.

(ii) Consultation

In developing the strategy under clause (i), the Secretary should consult with qualified private sector groups, including nonprofit organizations.

(3) Full compliance

(A) In general.—Not later than March 1, 2008, the Secretary shall ensure that all provisions of this section, including activities directed to be carried out by the Centers for Disease Control and Prevention and the Food and Drug Administration, are fully implemented and being complied with. Not later than April 30, 2008, the Secretary shall submit to Congress a report that certifies compliance with the preceding sentence and that contains a description of all activities undertaken to achieve such compliance.

(B) If the Secretary fails to submit the certification as provided for under subparagraph (A), the Secretary shall, not later than 3 months after the date on which the report is to be submitted under subparagraph (A), and every 3 months thereafter, submit to Congress an explanation as to why the Secretary has not yet complied with the first sentence of subparagraph (A), a detailed description of all actions undertaken within the month for which the report is being submitted to bring the Secretary into compliance with such sentence, and the anticipated date the Secretary expects to be in full compliance with such sentence.

(4) Consultation with nonprofit gynecologic cancer organizations

In carrying out the national campaign under this subsection, the Secretary shall consult with nonprofit gynecologic cancer organizations, with a mission both to conquer ovarian or other gynecologic cancer and to provide outreach to State and local governments and communities, for the purpose of determining the best practices for providing gynecologic cancer information and outreach services to varied populations.

(6) Authorization of appropriations

For the purpose of carrying out this subsection, there is authorized to be appropriated $16,500,000 for the period of fiscal years 2007 through 2009 and $18,000,000 for the period of fiscal years 2012 through 2014.


REFERENCES IN TEXT

Johanna’s Law, referred to in section catchline and subsec. (d), is Pub. L. 109–475, Jan. 12, 2007, 120 Stat. 3565, also known as the Gynecologic Cancer Education and Awareness Act of 2005, which amended this section. For complete classification of this Act to the Code, see Short Title of 2007 Amendment note set out under section 201 of this title and Tables.

The effective date of this section, referred to in subsecs. (a)(4) and (b)(2), is the date of enactment of Pub. L. 106–554, which was approved Dec. 21, 2000.

AMENDMENTS


Pub. L. 111–324, §1(a)(1), inserted “and $18,000,000 for the period of fiscal years 2012 through 2014” after “2009”.


§247b–18. Surveillance and research regarding muscular dystrophy

(a) In general

The Secretary, acting through the Director of the Centers for Disease Control and Prevention, may award grants and cooperative agreements to public or nonprofit private entities (including health departments of States and political subdivisions of States, and including universities and other educational entities) for the collection, analysis, and reporting of data on Duchenne and other forms of muscular dystrophy. In making such awards, the Secretary may provide direct technical assistance in lieu of cash.

(b) National muscular dystrophy epidemiology program

The Secretary, acting through the Director of the Centers for Disease Control and Prevention, may award grants to public or nonprofit private entities (including health departments of States and political subdivisions of States, and including universities and other educational entities) for the purpose of carrying out epidemiological activities regarding Duchenne and other forms of muscular dystrophy, including collecting and analyzing information on the number, incidence, correlates, and symptoms of cases. In carrying out the preceding sentence, the Secretary shall provide for a national surveillance program and, to the extent possible, ensure that data be representative of all affected populations and shared in a timely manner. In making awards under this subsection, the Secretary may provide direct technical assistance in lieu of cash.

(c) Coordination with centers of excellence

The Secretary shall ensure that epidemiological information under subsections (a) and (b) is
made available to centers of excellence supported under section 233(g)(b) of this title by the Director of the National Institutes of Health.

(d) Data

In carrying out this section, the Secretary may ensure that any data on patients that is collected as part of the Muscular Dystrophy STARnet (under a grant under this section) is regularly updated to reflect changes in patient condition over time.

(e) Reports and study

(1) Annual report

Not later than 18 months after October 8, 2008, and annually thereafter, the Director of the Centers for Disease Control and Prevention shall submit to the appropriate committees of the Congress a report—

(A) concerning the activities carried out by MD STARnet site 1 funded under this section during the year for which the report is prepared;

(B) containing the data collected and findings derived from the MD STARnet sites each fiscal year (as funded under a grant under this section during fiscal years 2008 through 2012); and

(C) that every 2 years outlines prospective data collection objectives and strategies.

(2) Tracking health outcomes

The Secretary may provide health outcome data on the health and survival of people with muscular dystrophy.

(f) Authorization of appropriations

There are authorized to be appropriated such sums as may be necessary to carry out this section.

(7) Myotonic muscular dystrophy (also known as Steinert’s disease and dystrophia myotonica) is the second most prominent form of muscular dystrophy and the type most commonly found in adults. Unlike any of the other muscular dystrophies, the muscle weakness is accompanied by myotonia (delayed relaxation of muscles after contraction) and by a variety of abnormalities in addition to those of muscle.

(8) Facioscapulohumeral muscular dystrophy (referred to in this section as ‘FSHD’) is a neuromuscular disorder that is inherited genetically and has an estimated frequency of 1 in 20,000. FSHD, affecting between 15,000 to 40,000 persons, causes a progressive and severe (sic) loss of skeletal muscle gradually bringing weakness and reduced mobility. Many persons with FSHD become severely physically disabled and spend many decades in a wheelchair.

(9) FSHD is regarded as a novel genetic phenomenon resulting from a crossover of subtelomeric DNA and may be the only human disease caused by a deletion-mutation.

(10) Each of the muscular dystrophies, though distinct in progressivity and severity of symptoms, have a devastating impact on tens of thousands of children and adults throughout the United States and worldwide and impose severe physical and economic burdens on those affected.

(11) Muscular dystrophies have a significant impact on quality of life—not only for the individual who experiences its painful symptoms and resulting disability, but also for family members and caregivers.

(12) Development of therapies for these disorders, while realistic with recent advances in research, is likely to require costly investments and infrastructure to support gene and other therapies.

(13) There is a shortage of qualified researchers in the field of neuromuscular research.

(14) Many family physicians and health care professionals lack the knowledge and resources to detect and properly diagnose the disease as early as possible, thus exacerbating the progressiveness of symptoms in cases that go undetected or misdiagnosed.

(15) There is a need for efficient mechanisms to translate clinically relevant findings in muscular dystrophy research from basic science to applied work.

(16) Educating the public and health care community throughout the country about this devastating disease is of paramount importance and is in every respect in the public interest and to the benefit of all communities.

REPORT TO CONGRESS


§247b–19. Information and education

(a) In general

The Secretary of Health and Human Services (referred to in this Act as the “Secretary”) shall establish and implement a program to provide information and education on muscular dys-

---

1 So in original. Probably should be plural.
trophies to health professionals and the general public, including information and education on advances in the diagnosis and treatment of muscular dystrophy and training and continuing education through programs for scientists, physicians, medical students, and other health professionals who provide care for patients with muscular dystrophy.

(b) Stipends

The Secretary may use amounts made available under this section provided stipends for health professionals who are enrolled in training programs under this section.

(c) Requirements

In carrying out this section, the Secretary may—

(1) partner with leaders in the muscular dystrophy patient community;

(2) cooperate with professional organizations and the patient community in the development and issuance of care considerations for pediatric and adult patients, including acute care considerations, for Duchenne-Becker muscular dystrophy, and various other forms of muscular dystrophy, and in periodic review and updates, as appropriate;

(3) in developing and updating care considerations under paragraph (2), incorporate strategies specifically responding to the findings of the national transitions survey of minority, young adult, and adult communities of muscular dystrophy patients; and

(4) widely disseminate the Duchenne-Becker muscular dystrophy and various other forms of muscular dystrophy care considerations as broadly as possible, including through partnership opportunities with the muscular dystrophy patient community.

(d) Authorization of appropriations

There are authorized to be appropriated such sums as may be necessary to carry out this section.

(1) In general


# § 247b–20. Food safety grants

(a) In general

The Secretary may award grants to States and Indian tribes (as defined in section 5304(e) of title 25) to expand participation in networks to enhance Federal, State, and local food safety efforts, including meeting the costs of establishing and maintaining the food safety surveillance, technical, and laboratory capacity needed for such participation.

(b) Authorization of appropriations

For the purpose of carrying out this section, there are authorized to be appropriated $19,500,000 for fiscal year 2010, and such sums as may be necessary for each of the fiscal years 2011 through 2015.

# § 247b–21. Mosquito-borne diseases; coordination grants to States; assessment and control grants to political subdivisions

(a) Coordination grants to States; assessment grants to political subdivisions

(1) In general

With respect to mosquito control programs to prevent and control mosquito-borne diseases (referred to in this section as “control programs”), the Secretary, acting through the Director of the Centers for Disease Control and Prevention, may make grants to States for the purpose of—

(A) coordinating control programs in the State involved; and

(B) assisting such State in making grants to political subdivisions of the State to conduct assessments to determine the immediate needs in such subdivisions for control programs, including programs to address emerging infectious mosquito-borne diseases, and to develop, on the basis of such assessments, plans for carrying out control programs in the subdivisions or improving existing control programs.

(2) Preference in making grants

In making grants under paragraph (1), the Secretary shall give preference to States that have one or more political subdivisions with an incidence, prevalence, or high risk of mosquito-borne disease, or a population of infected mosquitoes, that is substantial relative to political subdivisions in other States.
(3) Certain requirements
A grant may be made under paragraph (1) only if—
(A) the State involved has developed, or agrees to develop, a plan for coordinating control programs in the State, and the plan takes into account any assessments or plans described in subsection (b)(3) that have been conducted or developed, respectively, by political subdivisions in the State;
(B) in developing such plan, the State consulted or will consult (as the case may be under subparagraph (A)) with political subdivisions in the State that are carrying out or planning to carry out control programs;
(C) the State agrees to monitor control programs in the State in order to ensure that the programs are carried out in accordance with such plan, with priority given to coordination of control programs in political subdivisions described in paragraph (2) that are contiguous;
(D) the State agrees that the State will make grants to political subdivisions as described in paragraph (1)(B), and that such a grant will not exceed $10,000; and
(E) the State agrees that the grant will be used to supplement, and not supplant, State and local funds available for the purpose described in paragraph (1).

(4) Reports to Secretary
A grant may be made under paragraph (1) only if the State involved agrees that, promptly after the end of the fiscal year for which the grant is made, the State will submit to the Secretary a report that—
(A) describes the activities of the State under the grant; and
(B) contains an evaluation of whether the control programs of political subdivisions in the State were effectively coordinated with each other, which evaluation takes into account any reports that the State received under subsection (b)(5) from such subdivisions.

(5) Number of grants
A State may not receive more than one grant under paragraph (1).

(b) Prevention and control grants to political subdivisions

(1) In general
The Secretary, acting through the Director of the Centers for Disease Control and Prevention, may make grants to political subdivisions of States or consortia of political subdivisions of States, for the operation, including improvement, of control programs.

(2) Preference in making grants
In making grants under paragraph (1), the Secretary shall give preference to a political subdivision or consortium of political subdivisions that—
(A) has—
(i) a history of elevated incidence or prevalence of mosquito-borne disease; 
(ii) a population of infected mosquitoes; 
(iii) met criteria determined by the Secretary to suggest an increased risk of elevated incidence or prevalence of mosquito-borne disease in the pending fiscal year, including an emerging infectious mosquito-borne disease that presents a serious public health threat; or
(iv) a public health emergency due to the incidence or prevalence of a mosquito-borne disease that presents a serious public health threat;
(B) demonstrates to the Secretary that such political subdivision or consortium of political subdivisions will, if appropriate to the mosquito circumstances involved, effectively coordinate the activities of the control programs with contiguous political subdivisions;
(C) demonstrates to the Secretary (directly or through State officials) that the State in which such a political subdivision or consortium of political subdivisions is located has identified or will identify geographic areas in such State that have a significant need for control programs and will effectively coordinate such programs in such areas; and
(D) is located in a State that has received a grant under subsection (a); or
(ii) that\(^1\) demonstrates to the Secretary that the control program is consistent with existing State mosquito control plans or policies, or other applicable State preparedness plans.

(3) Requirement of assessment and plan
A grant may be made under paragraph (1) only if the political subdivision or consortium of political subdivisions involved—
(A) describes the activities of the State under the grant; and
(B) contains an evaluation of whether the control programs of political subdivisions in the State were effectively coordinated with each other, which evaluation takes into account any reports that the State received under subsection (b)(5) from such subdivisions.

(4) Requirement of matching funds
(A) In general
With respect to the costs of a control program to be carried out under paragraph (1) by a political subdivision or consortium of political subdivisions, a grant under such paragraph may be made only if the subdivision or consortium agrees to make available (directly or through donations from public or private entities) non-Federal contributions toward such costs in an amount that is not less than 1⁄3 of such costs ($1 for each $2 of Federal funds provided in the grant).

(B) Determination of amount contributed
Non-Federal contributions required in subparagraph (A) may be in cash or in kind, fairly evaluated, including plant, equipment, or services. Amounts provided by the Federal Government, or services assisted or subsidized to any significant extent by the Federal Government, may not be included in determining the amount of such non-Federal contributions.

\(^1\) So in original.
§ 247b–22  TITLE 42—THE PUBLIC HEALTH AND WELFARE  Page 198

(C) Waiver
The Secretary may waive the requirement established in subparagraph (A) if the Secretary determines that—
(i) extraordinary economic conditions in the political subdivision or consortium of political subdivisions involved justify the waiver; or
(ii) the geographical area covered by a political subdivision or consortium for a grant under paragraph (1) has an extreme mosquito control need due to—
(I) the size or density of the potentially impacted human population;
(II) the size or density of a mosquito population that requires heightened control; or
(III) the severity of the mosquito-borne disease, such that expected serious adverse health outcomes for the human population justify the waiver.

(5) Reports to Secretary
A grant may be made under paragraph (1) only if the political subdivision or consortium of political subdivisions involved agrees that, promptly after the end of the fiscal year for which the grant is made, the subdivision or consortium will submit to the Secretary, and to the State within which the subdivision or consortium is located, a report that describes the control program and contains an evaluation of whether the program was effective.

(6) Number of grants
A political subdivision or a consortium of political subdivisions may not receive more than one grant under paragraph (1).

(e) Applications for grants
A grant may be made under subsection (a) or (b) only if an application for the grant is submitted to the Secretary and the application is in such form, is made in such manner, and contains such agreements, assurances, and information as the Secretary determines to be necessary to carry out this section.

(d) Technical assistance
Amounts appropriated under subsection (f) may be used by the Secretary to provide training and technical assistance with respect to the planning, development, and operation of assessments and plans under subsection (a) and control programs under subsection (b). The Secretary may provide such technical assistance directly or through awards of grants or contracts to public and private entities.

(e) Definition of political subdivision
In this section, the term “political subdivision” means the local political jurisdiction immediately below the level of State government, including counties, parishes, and boroughs. If State law recognizes an entity of general government that functions in lieu of, and is not within, a county, parish, or borough, the Secretary may recognize an area under the jurisdiction of such other entities of general government as a political subdivision for purposes of this section.

(f) Authorization of appropriations

(1) In general
For the purpose of carrying out this section, there are authorized to be appropriated $100,000,000 for each of fiscal years 2019 through 2023.

(2) Public health emergencies
In the case of control programs carried out in response to a mosquito-borne disease that constitutes a public health emergency, the authorization of appropriations under paragraph (1) is in addition to applicable authorizations of appropriations under this chapter and other medical and public health preparedness and response laws.

(3) Fiscal year 2019 appropriations
For fiscal year 2019, 50 percent or more of the funds appropriated under paragraph (1) shall be used to award grants to political subdivisions or consortia of political subdivisions under subsection (b).

(7) Amendment
2019—Subsec. (a)(1)(B). Pub. L. 116–22, § 607(a)(1), inserted “including programs to address emerging infectious mosquito-borne diseases,” after “subdivisions for control programs,” and “or improving existing control programs” after “in the subdivisions”.
Subsec. (b)(2)(D). Pub. L. 116–22, § 607(a)(2)(B)(ii), amended subpar. (D) generally. Prior to amendment, subpar. (D) read as follows: “is located in a State that has received a grant under subsection (a).”
Subsec. (b)(4)(C). Pub. L. 116–22, § 607(a)(2)(C), substituted “that—” for “that extraordinary economic conditions in the political subdivision or consortium of political subdivisions involved justify the waiver.” and added cls. (i) and (ii).
Subsec. (d)(1). Pub. L. 116–22, § 607(a)(3)(A), substituted “for each of fiscal years 2019 through 2023” for “for fiscal year 2003, and such sums as may be necessary for each of fiscal years 2004 through 2007”.

§ 247b–22. Microbicide research

(a) In general
The Director of the Centers for Disease Control and Prevention is strongly encouraged to fully implement the Centers' microbicide agenda to support research and development of microbicides for use to prevent the transmission of the human immunodeficiency virus.
(b) Authorization of appropriations

There are authorized to be appropriated such sums as may be necessary for each of fiscal years 2009 through 2013 to carry out this section.

(July 1, 1944, ch. 373, title III, §317T, as added Pub. L. 110–293, title II, § 203(d), July 30, 2008, 122 Stat. 2941.)

§ 247b–23. National strategy and regional centers of excellence in vector-borne diseases

(a) In general

The Secretary shall—

(1)(A) ensure the development and implementation of a national strategy to address vector-borne diseases, including tick-borne diseases, that—

(i) identifies and assesses gaps and any unnecessary duplication in federally-funded programs; and

(ii) identifies strategic goals to address such diseases and appropriate benchmarks to measure progress toward achieving such goals; and

(B) update such strategy, as appropriate; and

(2) coordinate programs and activities, including related to data collection, research, and the development of diagnostics, treatments, vaccines, and other related activities, to address vector-borne diseases, including tick-borne diseases, across the Department of Health and Human Services and with other Federal agencies or departments, as appropriate.

(b) Consultation

In carrying out subsection (a)(1), the Secretary shall consult with the Tick-Borne Disease Working Group established under section 284s of this title and other individuals, as appropriate, such as—

(1) epidemiologists with experience in vector-borne diseases;

(2) representatives of patient advocacy and research organizations that focus on vector-borne diseases, including such organizations that have demonstrated experience in related research, public health, data collection, or patient access to care;

(3) health information technology experts or other information management specialists;

(4) clinicians, entomologists, vector management professionals, public health professionals, and others with expertise in vector-borne diseases; and

(5) researchers, including researchers with experience conducting translational research.

(c) Centers of excellence

The Secretary, in coordination with the Director of the Centers for Disease Control and Prevention, shall award grants, contracts, or cooperative agreements to institutions of higher education for the establishment or continued support of regional centers of excellence in vector-borne diseases to address vector-borne diseases, including tick-borne diseases, by—

(1) facilitating collaboration between academia and public health organizations for public health surveillance, prevention, and response activities related to vector-borne diseases, including tick-borne diseases;

(2) providing training for public health entomologists and other health care professionals, as appropriate, to address vector-borne diseases, including tick-borne diseases;

(3) conducting research to develop and validate prevention and control tools and methods, including evidence-based and innovative, evidence-informed tools and methods to anticipate and respond to disease outbreaks; or

(4) preparing for and responding to outbreaks of vector-borne diseases, including tick-borne diseases.

(d) Eligibility

To be eligible to receive a grant, contract, or cooperative agreement under subsection (c), an entity shall submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require, including a description of how the entity will conduct the activities described in such subsection.

(e) Reports

(1) Program summary

An entity receiving an award under subsection (c) shall, not later than one year after receiving such award, and annually thereafter, submit to the Secretary a summary of programs and activities funded under the award.

(2) Progress report

Not later than 4 years after December 20, 2019, the Secretary shall submit to the Committee on Health, Education, Labor, and Pensions of the Senate and the Committee on Energy and Commerce of the House of Representatatives, a report on the progress made in addressing vector-borne diseases, including tick-borne diseases, through activities carried out under this section.

(f) Authorization of appropriations

For the purpose of carrying out this section, there are authorized to be appropriated $10,000,000 for each of fiscal years 2021 through 2025.


§ 247c. Sexually transmitted diseases; prevention and control projects and programs

(a) Technical assistance to public and nonprofit private entities and scientific institutions

The Secretary may provide technical assistance to appropriate public and nonprofit private entities and to scientific institutions for their research in, and training and public health programs for, the prevention and control of sexually transmitted diseases.

(b) Research, demonstration, and public information and education projects

The Secretary may make grants to States, political subdivisions of States, and any other public and nonprofit private entity for—

(1) research into the prevention and control of sexually transmitted diseases;

(2) demonstration projects for the prevention and control of sexually transmitted diseases;
§ 247c

The State health authority, to political subdivisions of States, for—

(d) Grants for innovative, interdisciplinary approaches to the prevention, implementation, and evaluation of innovative, interdisciplinary approaches to the prevention, implementation, and evaluation of sexually transmitted diseases; and

(e) Authorization of appropriations; terms and conditions; payments; recordkeeping; audit; grant reduction; information disclosure

(1) For the purpose of making grants under subsections (b) through (d), there are authorized to be appropriated $85,000,000 for fiscal year 1994, and such sums as may be necessary for each of the fiscal years 1995 through 1998.

(2) Each recipient of a grant under this section shall keep such records as the Secretary shall prescribe, including records which fully disclose the amount and disposition by such recipient of the proceeds of such grant, the total cost of the project or undertaking in connection with which such grant was given or used, and the amount of that portion of the cost of the project or undertaking supplied by other sources, and such other records as will facilitate an effective audit.

(3) The Secretary and the Comptroller General of the United States, or any of their duly authorized representatives, shall have access for the purpose of audit and examination to any books, documents, papers, and records of the recipients of grants under this section that are pertinent to such grants.

The Secretary, at the request of a recipient of a grant under this section, may reduce such grant by the fair market value of any supplies or equipment furnished to such recipient and by the amount of pay, allowances, travel expenses, and any other costs in connection with the detail of an officer or employee of the United States to the recipient when the furnishing of such supplies or equipment or the detail of such an officer or employee is for the convenience of and at the request of such recipient and for the purpose of carrying out the program with respect to which the grant under this section is made.

(5) All information obtained in connection with the examination, care, or treatment of any individual under any program which is being carried out with a grant made under this section shall not, without such individual's consent, be disclosed except as may be necessary to provide service to him or as may be required by a law of a state or political subdivision of a State. Information derived from any such program may be disclosed—

(A) in summary, statistical, or other form; or

(B) for clinical or research purposes; but only if the identity of the individuals diagnosed or provided care or treatment under such program is not disclosed.

(f) Consent of individuals

Nothing in this section shall be construed to require any State or any political subdivision of a State to have a sexually transmitted diseases program which require any person, who objects to any treatment provided under such a program, to be treated under such a program.

Prior Provisions


Amendments


Subsec. (f). Pub. L. 105–392, §401(b)(2), redesignated subsec. (e), relating to consent of individuals, as (f).

1993—Subsec. (b)(3). Pub. L. 103–183, §401(c)(1), substituted “; and” for “; and”.

Subsec. (c)(3). Pub. L. 103–183, §401(c)(2), which directed the substitution of “; and” for “; and”, could not be executed because “; and” did not appear.

Subsec. (e). Pub. L. 103–183, § 401(a)(1), redesignated subsec. (d) relating to authorization of appropriations, etc., as (e).

Subsec. (f)(1). Pub. L. 103–183, § 401(b), amended par. (1) generally. Prior to amendment, par. (1) read as follows: “For the purpose of making grants under subsections (b) and (c) of this section there are authorized to be appropriated $45,000,000 for the fiscal year ending September 30, 1980, $50,000,000 for the fiscal year ending September 30, 1981, $40,000,000 for the fiscal year ending September 30, 1982, $46,500,000 for the fiscal year ending September 30, 1983, $50,000,000 for the fiscal year ending September 30, 1984, $57,000,000 for the fiscal year ending September 30, 1985, $62,500,000 for the fiscal year ending September 30, 1986, $68,000,000 for the fiscal year ending September 30, 1987, $75,000,000 for fiscal year 1988, and such sums as may be necessary for each of the fiscal years 1990 and 1991. For grants under subsection (b) of this section in any fiscal year, the Secretary shall obligate not less than 10 percent of the amount appropriated for such fiscal year under the preceding sentence. Grants made under subsection (b) or (c) of this section shall be made on such terms and conditions as the Secretary finds necessary to carry out the purposes of such subsection, and payments under any such grants shall be made in advance or by way of reimbursement and in such installments as the Secretary finds necessary.”


Subsec. (f)(3). Pub. L. 98–555, § 3(b)(5)(A), (6)(A), (C), redesignated subsec. (e) and (f) as (f) and (g), respectively, in subsecs. (f) and (g) as so redesignated, substituted “sexually transmitted diseases” for “venereal disease”, and struck out former subsec. (g) which defined venereal disease.

Subsec. (g). Pub. L. 103–183, § 401(b)(3)(B)(ii), struck out former subsec. (g) which had authorized grants from funds available for the prevention and control of venereal disease, education, and training. The amendment was executed by making the substitution in the third sentence of subsec. (e)(1) to reflect the probable intent of Congress because “(b) or (c)” did not appear in second sentence. Former subsec. (e) redesignated (f).

Subsecs. (f), (g). Pub. L. 98–555, § 3(b)(5)(A), (6)(A), (C), redesignated subsecs. (e) and (f) as (f) and (g), respectively, in subsecs. (f) and (g) as so redesignated, substituted “sexually transmitted diseases” for “venereal disease”, and struck out former subsec. (g) which defined venereal disease.

Subsec. (e)(1). Pub. L. 98–555, § 3(b)(5)(B)(ii), directed the substitution of “(b), (c), or (d)” for “(b) or (c)” in second sentence of subsec. (e)(1), the amendment was executed by making the substitution in third sentence of subsec. (e)(1) to reflect the probable intent of Congress because “(b) or (c)” did not appear in second sentence. Former subsec. (e) redesignated (f).


Subsec. (d). Pub. L. 95–626, § 204(c)(2), as amended by Pub. L. 96–32, substituted “research, demonstration, and public information and education for the prevention and control of venereal disease” for “research, demonstrations, education, and training for the prevention and control of venereal disease”, struck out “(1)” preceding provisions thus amended, and struck out par. (2) which authorized appropriation of $5,000,000 for fiscal year 1976, $6,600,000 for fiscal year 1977, and $7,600,000 for fiscal year 1978 for purpose of carrying out this subsection.

Subsec. (b). Pub. L. 95–626, § 204(d), struck out “(1)” after “(c)” at beginning of existing provisions, changed designations at beginning of each of the five clauses from “(A)”, “(B)”, “(C)”, “(D)”, and “(E)” to “(1)”, “(2)”, “(3)”, “(4)”, and “(5)”, respectively, substituted “The Secretary is also authorized” for “The Secretary is authorized” in provisions preceding cl. (1) as redesignated, substituted “professional (including appropriate allied health personnel) venereal disease education, training and clinical skills improvement activities” for “professional and public information and education activities” in cl. (4) as redesignated, and struck out former par. (2) which had authorized appropriations of $32,000,000 for fiscal year 1976, $41,500,000 for fiscal year 1977, and $43,500,000 for fiscal year 1978.

Subsec. (d)(1). Pub. L. 95–626, § 204(c)(1), inserted provisions authorizing appropriations of $45,000,000 for fiscal year ending Sept. 30, 1979, $51,500,000 for fiscal year ending Sept. 30, 1980, and $50,000,000 for fiscal year ending Sept. 30, 1981, for purpose of making grants under subsecs. (b) and (c) of this section, and inserted provisions directing Secretary to obligate not less than 5 percent of amount appropriated for any fiscal year.

Subsec. (f). Pub. L. 95–626, § 204(b)(1), redesignated subsec. (g) as (f). Former subsec. (f), requiring that not to exceed 50 percent of amounts appropriated for any fiscal year under subsecs. (b) and (c) of this section could be used by Secretary for grants for such fiscal year under section 270B of this title, was stricken out.

Subsec. (b)(1). Pub. L. 94–317, § 203(c), substituted “public and nonprofit private entities and to” for “public authorities and”.

Subsec. (b)(2). Pub. L. 94–317, § 203(b)(1), substituted provisions authorizing appropriations of $5,000,000 for fiscal year 1976, $6,600,000 for fiscal year 1977, and $7,600,000 for fiscal year 1978, for provisions authorizing
appropriations of $7,500,000 for fiscal year ending June 30, 1973, and for each of the next two fiscal years.

Subsec. (c). Pub. L. 94–424, purported to amend former subsec. (c)(1) by striking out reference to dark-field microscope techniques for diagnosis of both gonorrhea and syphilis, and as so amended, was repealed.

Subsec. (d). Pub. L. 94–317, §203(f)(2), (4), (5), (8), redesignated subsec. (e) as (d), struck out in par. (1) “or (c)” for “and (d)”, struck out in par. (4) provisions relating to the amount of reduction of a grant under former subsec. (c) whereby such amount shall be deemed a part of the grant to the recipient of the grant and shall be deemed to have been paid to such recipient, and inserted in par. (5) reference to requirement by law of a State or political subdivision of a State. Former subsec. (d) redesignated (c).

Subsec. (e). Pub. L. 94–317, §203(f)(8), redesignated subsec. (f) as (e) and substituted “247b(g)(2) of this title” for “247b(d)(4) of this title”. Former subsec. (e) redesignated (d).

Subsec. (f). Pub. L. 94–317, §203(f)(6), (8), redesignated subsec. (g) as (f) and substituted “and (c)” for “, (c), and (d)”. Former subsec. (f) redesignated (e). Subsec. (g). Pub. L. 94–317, §203(f)(7), redesignated subsec. (h) as (g) and struck out “treated or to have any child or ward of his” after “a program, to be”. Former subsec. (g) redesignated (c).


dated 1998 Amendment

Amendment by Pub. L. 100–392 deemed to have taken effect immediately after enactment of Pub. L. 100–183, see section 401(e) of Pub. L. 100–392, set out as a note under section 242m of this title.

Distribution of Information on Acquired Immune Deficiency Syndrome by Director of Centers for Disease Control to Every American Householder

Pub. L. 100–202, §101(h) [title II], Dec. 22, 1987, 101 Stat. 1329–256, 1329–365, provided: “That the Director shall cause to be distributed without necessary clearance of the content by any official, organization or office, an AIDS mailer to every American household by June 30, 1988, as approved and funded by the Congress in Public Law 100–71 [July 11, 1987, 101 Stat. 391].”

Congressional Findings and Declarations


“(1) the number of reported cases of venereal disease persists in epidemic proportions in the United States;

“(2) the number of persons affected by venereal disease and reported to public health authorities is only a fraction of those actually affected;

“(3) the incidence of venereal disease continues to be particularly high among American youth, ages fifteen to twenty-nine, and among populations in metropolitan areas;

“(4) venereal disease accounts for severe permanent disabilities and sometimes death in newborns and causes reproductive dysfunction in women of childbearing age;

“(5) it is conservatively estimated that the public cost of health care for persons suffering from complications of venereal disease exceeds one-half billion dollars annually;

“(6) the number of trained Federal venereal disease prevention and control personnel has fallen to a dangerously inadequate level;

“(7) no vaccine for syphilis, gonorrhea, or any other venereal disease has yet been developed, nor does a blood test for the detection of asymptomatic gonorrhea in women exist, nor are safe and effective therapeutic agents available for some other venereal diseases;

“(8) school health education programs, public information and awareness campaigns, mass diagnostic screening and case followup have all been found to be effective venereal disease prevention and control methodologies;

“(9) skilled and knowledgeable health care providers, informed and concerned individuals and active, well-coordinated voluntary groups are fundamental to venereal disease prevention and control;

“(10) biomedical research toward improved diagnostic and therapeutic tools is of singular importance to the elimination of venereal disease; and

“(11) an increasing number of sexually transmissible diseases besides syphilis and gonorrhea have become a public health hazard.”


“(1) the number of reported cases of venereal disease continues in epidemic proportions in the United States;

“(2) the number of patients with venereal disease reported to public health authorities is only a fraction of those actually infected;

“(3) the incidence of venereal disease is particularly high in the 15-29-year age group, and in metropolitan areas;

“(4) venereal disease accounts for needless deaths and leads to such severe disabilities as sterility, insanity, blindness, and crippling conditions;

“(5) the number of cases of congenital syphilis, a preventable disease, tends to parallel the incidence of syphilis in adults;

“(6) it is conservatively estimated that the public cost of care for persons suffering the complications of venereal disease exceed $80,000,000 annually;

“(7) medical researchers have no successful vaccine for syphilis or gonorrhea, and have no blood test for the detection of gonorrhea among the large reservoir of asymptomatic females;

“(8) school health education programs, public information and awareness campaigns, mass diagnostic screening and case followup activities have all been found to be effective disease intervention methodologies;

“(9) knowledgeable health providers and concerned individuals and groups are fundamental to venereal disease prevention and control;

“(10) biomedical research leading to the development of vaccines for syphilis and gonorrhea is of singular importance for the eventual eradication of these dreaded diseases; and

“(11) a variety of other sexually transmitted diseases, in addition to syphilis and gonorrhea, have become of public health significance.”


“(1) the number of reported cases of venereal disease has reached epidemic proportions in the United States;

“(2) the number of patients with venereal disease reported to public health authorities is only a fraction of those treated by physicians;
§ 247c–1. Infertility and sexually transmitted diseases

(a) In general

The Secretary, acting through the Director of the Centers for Disease Control and Prevention, may make grants to States, political subdivisions of States, and other public or nonprofit private entities for the purpose of carrying out the activities described in subsection (c) regarding any treatable sexually transmitted disease that can cause infertility in women if treatment is not received for the disease.

(b) Authority regarding individual diseases

With respect to diseases described in subsection (a), the Secretary shall, in making a grant under such subsection, specify the particular disease or diseases with respect to which the grant is to be made. The Secretary may not make the grant unless the applicant involved agrees to carry out this section only with respect to the disease or diseases so specified.

(c) Authorized activities

With respect to any sexually transmitted disease described in subsection (a), the activities referred to in such subsection are:

(1) screening women for the disease and for secondary conditions resulting from the disease, subject to compliance with criteria issued under subsection (f);

(2) providing treatment to women for the disease;

(3) providing counseling to women on the prevention and control of the disease (including, in the case of a woman with the disease, counseling on the benefits of locating and providing such counseling to any individual from whom the woman may have contracted the disease and any individual whom the woman may have exposed to the disease);

(4) providing follow-up services;

(5) referrals for necessary medical services for women screened pursuant to paragraph (1), including referrals for evaluation and treatment with respect to acquired immune deficiency syndrome and other sexually transmitted diseases;

(6) in the case of any woman receiving services pursuant to any of paragraphs (1) through (5), providing to the partner of the woman the services described in such paragraphs, as appropriate;

(7) providing outreach services to inform women of the availability of the services described in paragraphs (1) through (6);

(8) providing to the public information and education on the prevention and control of the disease, including disseminating such information;

(9) providing training to health care providers in carrying out the screenings and counseling described in paragraphs (1) and (3).

(d) Requirement of availability of all services through each grantee

The Secretary may make a grant under subsection (a) only if the applicant involved agrees that each activity authorized in subsection (c) will be available through the grantee. With respect to compliance with such agreement, the applicant may expend the grant to carry out any of the activities directly, and may expend the grant to enter into agreements with other public or nonprofit private entities under which the entities carry out the activities.

(e) Required providers regarding certain services

The Secretary may make a grant under subsection (a) only if the applicant involved agrees that, in expending the grant to carry out activities authorized in subsection (c), the services described in paragraphs (1) through (7) of such subsection will be provided only through entities that are State or local health departments, grantees under section 254b, 254b, 256a, or 300 of this title, or are other public or nonprofit private entities that provide health services to a significant number of low-income women.

(f) Quality assurance regarding screening for diseases

For purposes of this section, the Secretary shall establish criteria for ensuring the quality of screening procedures for diseases described in subsection (a).

(g) Confidentiality

The Secretary may make a grant under subsection (a) only if the applicant involved agrees that, in maintaining the confidentiality of information on individuals with respect to activities carried out under subsection (c), the applicant may expend the grant to carry out any of the activities directly, and may expend the grant to enter into agreements with other public or nonprofit private entities under which the entities carry out the activities.

(h) Limitation on imposition of fees for services

The Secretary may make a grant under subsection (a) only if the applicant involved agrees that, if a charge is imposed for the provision of services or activities under the grant, such charge—

(1) will be made according to a schedule of charges that is made available to the public;

(2) will be adjusted to reflect the income of the individual involved; and

(3) will not be imposed on any individual with an income of less than 150 percent of the official poverty line, as established by the Director of the Office of Management and Budget and revised by the Secretary in accordance with section 9902(2) of this title.

1 See References in Text notes below.
(i) Limitations on certain expenditures

The Secretary may make a grant under subsection (a) only if the applicant involved agrees that not less than 80 percent of the grant will be expended for the purpose of carrying out paragraphs (1) through (7) of subsection (c).

(j) Reports to Secretary

(1) Collection of data

The Secretary may make a grant under subsection (a) only if the applicant involved agrees, with respect to any disease selected under subsection (b) for the applicant, to submit to the Secretary, for each fiscal year for which the applicant receives such a grant, a report providing—

(A) the incidence of the disease among the population of individuals served by the applicant;

(B) the number and demographic characteristics of individuals in such population;

(C) the types of interventions and treatments provided by the applicant, and the health conditions with respect to which referrals have been made pursuant to subsection (c)(5);

(D) an assessment of the extent to which the activities carried pursuant to subsection (a) have reduced the incidence of infertility in the geographic area involved; and

(E) such other information as the Secretary may require with respect to the project carried out with the grant.

(2) Utility and comparability of data

The Secretary shall carry out activities for the purpose of ensuring the utility and comparability of data collected pursuant to paragraph (1).

(k) Maintenance of effort

With respect to activities for which a grant under subsection (a) is authorized to be expended, the Secretary may make such a grant only if the applicant involved agrees to maintain expenditures of non-Federal amounts for such activities at a level that is not less than the average level of such expenditures maintained by the applicant for the 2-year period preceding the fiscal year for which the applicant is applying to receive such a grant.

(l) Requirement of application

(1) In general

The Secretary may make a grant under subsection (a) only if an application for the grant is submitted to the Secretary, the application contains the plan required in paragraph (2), and the application is in such form, is made in such manner, and contains such agreements, assurances, and information as the Secretary determines to be necessary to carry out this section.

(2) Submission of plan for program of grantee

(A) In general

The Secretary may make a grant under subsection (a) only if the applicant involved submits to the Secretary a plan describing the manner in which the applicant will comply with the agreements required as a condition of receiving such a grant, including a specification of the entities through which activities authorized in subsection (c) will be provided.

(B) Participation of certain entities

The Secretary may make a grant under subsection (a) only if the applicant provides assurances satisfactory to the Secretary that the plan submitted under subparagraph (A) has been prepared in consultation with an appropriate number and variety of—

(i) representatives of entities in the geographic area involved that provide services for the prevention and control of sexually transmitted diseases, including programs to provide to the public information and education regarding such diseases; and

(ii) representatives of entities in such area that provide family planning services.

(m) Duration of grant

The period during which payments are made to an entity from a grant under subsection (a) may not exceed 3 years. The provision of such payments shall be subject to annual approval by the Secretary of the payments and subject to the availability of appropriations for the fiscal year involved to make the payments in such year. The preceding sentence may not be construed to establish a limitation on the number of grants under such subsection that may be made to an entity.

(n) Technical assistance, and supplies and services in lieu of grant funds

(1) Technical assistance

The Secretary may provide training and technical assistance to grantees under subsection (a) with respect to the planning, development, and operation of any program or service carried out under such subsection. The Secretary may provide such technical assistance directly or through grants or contracts.

(2) Supplies, equipment, and employee detail

The Secretary, at the request of a recipient of a grant under subsection (a), may reduce the amount of such grant by—

(A) the fair market value of any supplies or equipment furnished the grant recipient; and

(B) the amount of the pay, allowances, and travel expenses of any officer or employee of the Government when detailed to the grant recipient and the amount of any other costs incurred in connection with the detail of such officer or employee;

when the furnishing of such supplies or equipment or the detail of such an officer or employee is for the convenience of and at the request of such grant recipient and for the purpose of carrying out a program with respect to which the grant under subsection (a) is made. The amount by which any such grant is so reduced shall be available for payment by the Secretary of the costs incurred in furnishing the supplies or equipment, or in detailing the personnel, on which the reduction of such grant is based, and such amount shall be deemed as part of the grant and shall be deemed to have been paid to the grant recipient.
(o) Evaluations and reports by Secretary

(1) Evaluations

The Secretary shall, directly or through contracts with public or private entities, provide for annual evaluations of programs carried out pursuant to subsection (a) in order to determine the quality and effectiveness of the programs.

(2) Report to Congress

Not later than 1 year after the date on which amounts are first appropriated pursuant to subsection (q), and biennially thereafter, the Secretary shall submit to the Committee on Energy and Commerce of the House of Representatives, and to the Committee on Labor and Human Resources of the Senate, a report—

(A) summarizing the information provided to the Secretary in reports made pursuant to subsection (j)(1), including information on the incidence of sexually transmitted diseases described in subsection (a); and

(B) summarizing evaluations carried out pursuant to paragraph (1) during the preceding fiscal year.

(p) Coordination of Federal programs

The Secretary shall coordinate the program carried out under this section with any similar programs administered by the Secretary (including coordination between the Director of the Centers for Disease Control and Prevention and the Director of the National Institutes of Health).

(q) Authorization of appropriations

For the purpose of carrying out this section, other than subsections (o) and (r), there are authorized to be appropriated $25,000,000 for fiscal year 1993, and such sums as may be necessary for each of the fiscal years 1994 through 1998.

(r) Separate grants for research on delivery of services

(1) In general

The Secretary may make grants for the purpose of conducting research on the manner in which the delivery of services under subsection (a) may be improved. The Secretary may make such grants only to grantees under such subsection and to public and nonprofit private entities that are carrying out programs substantially similar to programs carried out under such subsection.

(2) Authorization of appropriations

For the purpose of carrying out paragraph (1), there are authorized to be appropriated such sums as may be necessary for each of the fiscal years 1993 through 1998.

References in Text

The reference to section 254b of this title the first place appearing, referred to in subsec. (e), was in the original a reference to section 329, meaning section 329 of act July 1, 1944, which was omitted in the general amendment of subpart I (§254b et seq.) of part D of this subchapter by Pub. L. 104–299, §2, Oct. 11, 1996, 110 Stat. 3626.


Amendments

2003—Subsec. (e). Pub. L. 108–163 substituted “254b” for “254c, 254b(h)” before “; 256a”.


Subsec. (o)(2). Pub. L. 103–183, §402(a), substituted “subsection (q)” for “subsection (s)”.

Subsec. (q). Pub. L. 103–183, §402(b)(1), substituted “subsection (r) for “subsection (q)”.


Change of Name

Committee on Labor and Human Resources of Senate changed to Committee on Health, Education, Labor, and Pensions of Senate by Senate Resolution No. 20, One Hundred Sixth Congress, Jan. 19, 1999.


Effective Date of 2003 Amendment


§ 247d. Public health emergencies

(a) Emergencies

If the Secretary determines, after consultation with such public health officials as may be necessary, that—

(1) a disease or disorder presents a public health emergency; or

(2) a public health emergency, including significant outbreaks of infectious diseases or bioterrorist attacks, otherwise exists,
the Secretary may take such action as may be appropriate to respond to the public health emergency, including making grants, providing awards for expenses, and entering into contracts and conducting and supporting investigations into the cause, treatment, or prevention of a disease or disorder as described in paragraphs (1) and (2). Any such determination of a public health emergency terminates upon the Secretary declaring that the emergency no longer exists, or upon the expiration of the 90-day period beginning on the date on which the determination is made by the Secretary, whichever occurs first. Determinations that terminate under the preceding sentence may be renewed by the Secretary (on the basis of the same or additional facts), and the preceding sentence applies to each such renewal. Not later than 48 hours after making a determination under this subsection of a public health emergency (including a renewal), the Secretary shall submit to the Congress written notification of the determination.

(b) Public Health Emergency Fund

(1) In general

There is established in the Treasury a fund to be designated as the “Public Health Emergency Fund” to be made available to the Secretary without fiscal year limitation to carry out subsection (a) only if a public health emergency has been declared by the Secretary under such subsection or if the Secretary determines there is the significant potential for a public health emergency, to allow the Secretary to rapidly respond to the immediate needs resulting from such public health emergency or potential public health emergency. The Secretary shall plan for the expedited distribution of funds to appropriate agencies and entities. There is authorized to be appropriated to the Fund such sums as may be necessary.

(2) Uses

The Secretary may use amounts in the Fund established under paragraph (1), to—
(A) facilitate coordination between and among Federal, State, local, Tribal, and territorial entities and public and private health care entities that the Secretary determines may be affected by a public health emergency or potential public health emergency referred to in paragraph (1) (including communication of such entities with relevant international entities, as applicable);
(B) make grants, provide for awards, enter into contracts, and conduct supportive investigations pertaining to a public health emergency or potential public health emergency, including further supporting programs under section 247d–3a, 247d–3b, or 247d–3c of this title;
(C) facilitate and accelerate, as applicable, advanced research and development of security countermeasures (as defined in section 247d–6b of this title), qualified countermeasures (as defined in section 247d–6a of this title), or qualified pandemic or epidemic products (as defined in section 247d–6d of this title), that are applicable to the public health emergency or potential public health emergency under paragraph (1);
(D) strengthen biosurveillance capabilities and laboratory capacity to identify, collect, and analyze information regarding such public health emergency or potential public health emergency, including the systems under section 247d–4 of this title;
(E) support initial emergency operations and assets related to preparation and deployment of intermittent disaster response personnel under section 300hh–11 of this title and the Medical Reserve Corps under section 300hh–15 of this title; and
(F) carry out other activities, as the Secretary determines applicable and appropriate.

(3) Report

Not later than 90 days after the end of each fiscal year, the Secretary shall prepare and submit to the Committee on Health, Education, Labor, and Pensions and the Committee on Appropriations of the Senate and the Committee on Commerce and the Committee on Appropriations of the House of Representatives a report describing—
(A) the expenditures made from the Public Health Emergency Fund in such fiscal year; and
(B) each public health emergency for which the expenditures were made and the activities undertaken with respect to each emergency which was conducted or supported by expenditures from the Fund.

(4) Review

Not later than 2 years after June 24, 2019, the Secretary, in coordination with the Assistant Secretary for Preparedness and Response, shall conduct a review of the Fund under this section and provide recommendations to the Committee on Health, Education, Labor, and Pensions and the Committee on Appropriations of the Senate and the Committee on Energy and Commerce and the Committee on Appropriations of the House of Representatives on policies to improve such Fund for the uses described in paragraph (2).

(5) GAO report

Not later than 4 years after June 24, 2019, the Comptroller General of the United States shall—
(A) conduct a review of the Fund under this section, including its uses and the resources available in the Fund; and
(B) submit to the Committee on Health, Education, Labor, and Pensions of the Senate and the Committee on Energy and Commerce of the House of Representatives a report on such review, including recommendations related to such review, as applicable.

(c) Supplement not supplant

Funds appropriated under this section shall be used to rapidly respond to public health emergencies or potential public health emergencies and supplement and not supplant other Federal, State, and local public funds provided for activities under this chapter or funds otherwise provided for emergency response.
(d) Data submittal and reporting deadlines

In any case in which the Secretary determines that, wholly or partially as a result of a public health emergency that has been determined pursuant to subsection (a), individuals or public or private entities are unable to comply with deadlines for the submission of data or reports required under any law administered by the Secretary, the Secretary may, notwithstanding any other provision of law, grant such extensions of such deadlines as the circumstances reasonably require, and may waive, wholly or partially, any sanctions otherwise applicable to such failure to comply. Before or promptly after granting such an extension or waiver, the Secretary shall notify the Congress of such action and publish in the Federal Register a notice of the extension or waiver.

(e) Temporary reassignment of State and local personnel during a public health emergency

(1) Emergency reassignment of federally funded personnel

Notwithstanding any other provision of law, and subject to paragraph (2), upon request by the Governor of a State or a tribal organization or such Governor or tribal organization’s designee, the Secretary may authorize the requesting State or Indian tribe to temporarily reassign, for purposes of immediately addressing a public health emergency in the State or Indian tribe, State and local public health department or agency personnel funded in whole or in part through programs authorized under this title, as appropriate.

(2) Activation of emergency reassignment

(A) Public health emergency

The Secretary may authorize a temporary reassignment of personnel under paragraph (1) only during the period of a public health emergency determined pursuant to subsection (a).

(B) Contents of request

To seek authority for a temporary reassignment of personnel under paragraph (1), the Governor of a State or a tribal organization shall submit to the Secretary a request for such reassignment flexibility and shall include in the request each of the following:

(i) An assurance that the public health emergency in the geographic area of the requesting State or Indian tribe cannot be adequately and appropriately addressed by the public health workforce otherwise available.

(ii) An assurance that the public health emergency would be addressed more efficiently and effectively through the requested temporary reassignment of State and local personnel described in paragraph (1).

(iii) An assurance that the requested temporary reassignment of personnel is consistent with any applicable All-Hazards Public Health Emergency Preparedness and Response Plan under section 247d-3a of this title.

(iv) An identification of—

(I) each Federal program from which personnel would be temporarily reassigned pursuant to the requested authority; and

(II) the number of personnel who would be so reassigned from each such program.

(v) Such other information and assurances upon which the Secretary and Governor of a State or tribal organization agree.

(C) Consideration

In reviewing a request for temporary reassignment under paragraph (1), the Secretary shall consider the degree to which the program or programs funded in whole or in part by programs authorized under this chapter would be adversely affected by the reassignment.

(D) Termination and extension

(i) Termination

A State or Indian tribe’s temporary reassignment of personnel under paragraph (1) shall terminate upon the earlier of the following:

(I) The Secretary’s determination that the public health emergency no longer exists.

(II) Subject to clause (i), the expiration of the 30-day period following the date on which the Secretary approved the State or Indian tribe’s request for such reassignment flexibility.

(ii) Extension of reassignment flexibility

The Secretary may extend reassignment flexibility of personnel under paragraph (1) beyond the date otherwise applicable under clause (i)(II) if the public health emergency still exists as of such date, but only if—

(I) the State or Indian tribe that submitted the initial request for a temporary reassignment of personnel submits a request for an extension of such temporary reassignment;

(II) the request for an extension contains the same information and assurances necessary for the approval of an initial request for such temporary reassignment pursuant to subparagraph (B).

(3) Voluntary nature of temporary reassignment of State and local personnel

(A) In general

Unless otherwise provided under the law or regulation of the State or Indian tribe that receives authorization for temporary reassignment of personnel under paragraph (1), personnel eligible for reassignment pursuant to such authorization—

(I) shall have the opportunity to volunteer for temporary reassignment; and

(ii) shall not be required to agree to a temporary reassignment.

(B) Prohibition on conditioning Federal awards

The Secretary may not condition the award of a grant, contract, or cooperative agreement under this chapter on the requirement that a State or Indian tribe re-
quire that personnel eligible for reassignment pursuant to an authorization under paragraph (1) agree to such reassignment.

(4) Notice to Congress
The Secretary shall give notice to the Congress in conjunction with the approval under this subsection of—
(A) any initial request for temporary reassignment of personnel; and
(B) any request for an extension of such temporary reassignment.

(5) Guidance
The Secretary shall—
(A) not later than 6 months after March 13, 2013, issue proposed guidance on the temporary reassignment of personnel under this subsection; and
(B) after providing notice and a 60-day period for public comment, finalize such guidance.

(6) Report to Congress
Not later than 4 years after March 13, 2013, the Comptroller General of the United States shall conduct an independent evaluation, and submit to the appropriate committees of the Congress a report, on temporary reassignment under this subsection, including—
(A) a description of how, and under what circumstances, such temporary reassignment has been used by States and Indian tribes;
(B) an analysis of how such temporary reassignment has assisted States and Indian tribes in responding to public health emergencies;
(C) an evaluation of how such temporary reassignment has improved operational efficiencies in responding to public health emergencies;
(D) an analysis of the extent to which, if any, Federal programs from which personnel have been temporarily reassigned have been adversely affected by the reassignment; and
(E) recommendations on how medical surge capacity could be improved in responding to public health emergencies and the impact of the reassignment flexibility under this section on such surge capacity.

(7) Definitions
In this subsection—
(A) the terms ``Indian tribe'' and ``tribal organization'' have the meanings given such terms in section 5304 of title 25; and
(B) the term ``State'' includes, in addition to the entities listed in the definition of such term in section 201 of this title, the Freely Associated States.

(8) Sunset
This subsection shall terminate on September 30, 2023.

(f) Determination with respect to Paperwork Reduction Act waiver during a public health emergency
(1) Determination
If the Secretary determines, after consultation with such public health officials as may be necessary, that—
(A)(i) the criteria set forth for a public health emergency under paragraph (1) or (2) of subsection (a) has been met; or
(ii) a disease or disorder, including a novel and emerging public health emergency, is significantly likely to become a public health emergency; and
(B) the circumstances of such public health emergency, or potential for such significantly likely public health emergency, including the specific preparation for and response to such public health emergency or threat, necessitate a waiver from the requirements of subchapter I of chapter 35 of title 44 (commonly referred to as the Paperwork Reduction Act),
then the requirements of such subchapter I with respect to voluntary collection of information shall not be applicable during the immediate investigation of, and response to, such public health emergency during the period of such public health emergency or the period of time necessary to determine if a disease or disorder, including a novel and emerging public health threat, will become a public health emergency as provided for in this paragraph. The requirements of such subchapter I with respect to voluntary collection of information shall not be applicable during the immediate postresponse review regarding such public health emergency if such immediate postresponse review does not exceed a reasonable length of time.

(2) Transparency
If the Secretary determines that a waiver is necessary under paragraph (1), the Secretary shall promptly post on the Internet website of the Department of Health and Human Services a brief justification for such waiver, the anticipated period of time such waiver will be in effect, and the agencies and offices within the Department of Health and Human Services to which such waiver shall apply, and update such information posted on the Internet website of the Department of Health and Human Services, as applicable.

(3) Effectiveness of waiver
Any waiver under this subsection shall take effect on the date on which the Secretary posts information on the Internet website as provided for in this subsection.

(4) Termination of waiver
Upon determining that the circumstances necessitating a waiver under paragraph (1) no longer exist, the Secretary shall promptly update the Internet website of the Department of Health and Human Services to reflect the termination of such waiver.

(5) Limitations
(A) Period of waiver
The period of a waiver under paragraph (1) shall not exceed the period of time for the related public health emergency, including a public health emergency declared pursuant to subsection (a), and any immediate postresponse review regarding the public health emergency consistent with the requirements of this subsection.
(B) Subsequent compliance

An initiative subject to a waiver under paragraph (1) that is ongoing after the date on which the waiver expires, shall be subject to the requirements of subchapter I of chapter 35 of title 44 and the Secretary shall ensure that compliance with such requirements occurs in a timely manner as possible based on the applicable circumstances, but not to exceed 30 calendar days after the expiration of the applicable waiver.


PRIORITY PROVISIONS


AMENDMENTS

2019—Subsec. (b)(1). Pub. L. 116–22, §206(1)(A), substituted “under such subsection if the Secretary determines there is the potential significant for a public health emergency, to allow the Secretary to rapidly respond to the immediate needs resulting from such public health emergency or potential public health emergency. The Secretary shall plan for the expedited distribution of funds to appropriate agencies and entities.” for “under such subsection.”

Subsec. (b)(2), (3). Pub. L. 116–22, §206(1)(B), (C), added par. (2) and redesignated former par. (2) as (3).

Subsec. (b)(4), (5). Pub. L. 116–22, §206(1)(D), added pars. (4) and (5).

Subsec. (c). Pub. L. 116–22, §206(2), inserted “rapidly respond to public health emergencies or potential public health emergencies and” after “used to” and substituted “activities under this chapter or funds otherwise provided for emergency response.” for “activities under this section.”

Subsec. (e)(8). Pub. L. 116–22, §701(c), substituted “2023” for “2018”.


2002—Subsec. (a). Pub. L. 107–188, §144(a), inserted at end of concluding provisions “Any such determination of a public health emergency terminates upon the Secretary declaring that the emergency no longer exists, or upon the expiration of the 90-day period beginning on the date upon which the determination is made by the Secretary, whichever occurs first. Determinations that terminate under the preceding sentence may be renewed by the Secretary (on the basis of the same or additional facts), and the preceding sentence applies to each such renewal. Not later than 48 hours after making a determination under this subsection of a public health emergency (including a renewal), the Secretary shall submit to the Congress written notification of the determination.”


CHANGE OF NAME

Committee on Commerce of House of Representatives changed to Committee on Energy and Commerce of House of Representatives, and jurisdiction over matters relating to securities and exchanges and insurance generally transferred to Committee on Financial Services of House of Representatives by House Resolution No. 5, One Hundred Seventh Congress, Jan. 3, 2001.

Effective Date of 2002 Amendment

Pub. L. 107–188, title I, §144(b), June 12, 2002, 116 Stat. 630, provided that “The amendment made by subsection (a) (amending this section) applies to any public health emergency under section 319(a) of the Public Health Service Act (42 U.S.C. 247d(a), including any such emergency that was in effect as of the date of the enactment of this Act (June 12, 2002). In the case of such an emergency that was in effect as of such day, the 90-day period described in such section with respect to the termination of the emergency is deemed to begin on such date of enactment.”

§247d–1. Vaccine tracking and distribution

(a) Tracking

The Secretary, together with relevant manufacturers, wholesalers, and distributors as may agree to cooperate, may track the initial distribution of federally purchased influenza vaccine in an influenza pandemic. Such tracking information shall be used to inform Federal, State, local, and tribal decision makers during an influenza pandemic.

(b) Distribution

The Secretary shall promote communication between State, local, and tribal public health officials and such manufacturers, wholesalers, and distributors as agree to participate, regarding the effective distribution of seasonal influenza vaccine. Such communication shall include estimates of high priority populations, as determined by the Secretary, in State, local, and tribal jurisdictions in order to inform Federal, State, local, and tribal decision makers during vaccine shortages and supply disruptions.

(c) Confidentiality

The information submitted to the Secretary or its contractors, if any, under this section or under any other section of this chapter related to vaccine distribution information shall remain confidential in accordance with the exception from the public disclosure of trade secrets, commercial or financial information, and information obtained from an individual that is privileged and confidential, as provided for in section 552(b)(4) of title 5, and subject to the penalties and exceptions under sections 1832 and 1833 of title 18 relating to the protection and theft of trade secrets, and subject to privacy protections that are consistent with the regulations promulgated under section 264(c) of the Health Insurance Portability and Accountability Act of 1996.

None of such information provided by a manu-
facturer, wholesaler, or distributor shall be disclosed without its consent to another manufacturer, wholesaler, or distributor, or shall be used in any manner to give a manufacturer, wholesaler, or distributor a proprietary advantage.

(d) Guidelines

The Secretary, in order to maintain the confidentiality of relevant information and ensure that none of the information contained in the systems involved may be used to provide proprietary advantage within the vaccine market, while allowing State, local, and tribal health officials access to such information to maximize the delivery and availability of vaccines to high priority populations, during times of influenza pandemics, vaccine shortages, and supply disruptions, in consultation with manufacturers, distributors, wholesalers and State, local, and tribal health departments, shall develop guidelines for subsections (a) and (b).

(e) Authorization of appropriations

There are authorized to be appropriated to carry out this section, $30,800,000 for each of fiscal years 2019 through 2023.

(f) Report to Congress

As part of the National Health Security Strategy described in section 300hh–1 of this title, the Secretary shall provide an update on the implementation of subsections (a) through (d).

(1) In general—


§247d-3a. Improving State and local public health security

(a) In general

To enhance the security of the United States with respect to public health emergencies, the Secretary, acting through the Director of the Centers for Disease Control and Prevention, shall award cooperative agreements to eligible entities to enable such entities to conduct the activities described in subsection (d).

(b) Eligible entities

To be eligible to receive an award under subsection (a), an entity shall—

(1) (A) be a State;
(B) be a political subdivision determined by the Secretary to be eligible for an award under this section (based on criteria described in subsection (h)(4)); or
(C) be a consortium of States; and

(2) prepare and submit to the Secretary an application at such time, and in such manner, and containing such information as the Secretary may require, including—

(A) an All-Hazards Public Health Emergency Preparedness and Response Plan which shall include—

(i) a description of the activities such entity will carry out under the agreement to meet the goals identified under section 300hh–1 of this title, including with respect to chemical, biological, radiological, or nuclear threats, whether naturally occurring, unintentional, or deliberate;
(ii) a description of the activities such entity will carry out with respect to pandemic influenza, as a component of the activities carried out under clause (i), and consistent with the requirements of paragraphs (2) and (5) of subsection (g);

(B) preparedness and response strategies and capabilities that take into account the medical and public health needs of at-risk individuals in the event of a public health emergency;
(C) a description of the mechanism the entity will implement to utilize the Emergency Management Assistance Compact, or other mutual aid agreement, for medical and public health mutual aid, and, as appropriate, the activities such entity will implement pursuant to section 247d–7b of this title to improve enrollment and coordination of volunteer health care professionals seeking to provide medical services during a public health emergency, which may include—

(I) providing a public method of communication for purposes of volunteer coordination (such as a phone number);
(II) providing for optional registration to participate in volunteer services during processes related to State medical licensing, registration, or certification or renewal of such licensing, registration, or certification; or
(III) other mechanisms as the State determines appropriate;

(3) a description of how the entity will include the State Unit on Aging in public health emergency preparedness;
(vi) a description of how, as appropriate, the entity may partner with relevant public and private stakeholders, including public health agencies with specific expertise that may be relevant to public health security, such as environmental health agencies, in public health emergency preparedness and response;

(vii) a description of how, as applicable, such entity may integrate information to account for individuals with behavioral health needs following a public health emergency;

(viii) a description of how the entity, as applicable and appropriate, will coordinate with State emergency preparedness and response plans in public health emergency preparedness, including State educational agencies (as defined in section 7801 of title 20) and State child care lead agencies (designated under section 9853b of this title);

(ix) in the case of entities that operate on the United States-Mexico border or the United States-Canada border, a description of the activities such entity will carry out under the agreement that are specific to the border area including disease detection, identification, investigation, and preparedness and response activities related to emerging diseases and infectious disease outbreaks whether naturally occurring or due to bioterrorism, consistent with the requirements of this section;

(x) a description of any activities that such entity will use to analyze real-time clinical specimens for pathogens of public health or bioterrorism significance, including any utilization of poison control centers;

(xi) a description of how the entity will partner with health care facilities, including hospitals and nursing homes and other long-term care facilities, to promote and improve public health preparedness and response; and

(xii) a description of how, as appropriate and practicable, the entity will include critical infrastructure partners, such as utility companies within the entity’s jurisdiction, in planning pursuant to this subparagraph to help ensure that critical infrastructure will remain functioning during, or return to function as soon as practicable after, a public health emergency;

(B) an assurance that the entity will report to the Secretary on an annual basis (or more frequently as determined by the Secretary) on the evidence-based benchmarks and objective standards established by the Secretary to evaluate the preparedness and response capabilities of such entity under subsection (g);

(C) an assurance that the entity will conduct, on at least an annual basis, an exercise or drill that meets any criteria established by the Secretary to test the preparedness and response capabilities of such entity, including addressing the needs of at-risk individuals, and that the entity will report back to the Secretary within the application of the following year on the strengths and weaknesses identified through such exercise or drill, and corrective actions taken to address material weaknesses;

(D) an assurance that the entity will provide to the Secretary the data described under section 247d–4(c)(3) of this title as determined feasible by the Secretary;

(E) an assurance that the entity will conduct activities to inform and educate the hospitals within the jurisdiction of such entity on the role of such hospitals in the plan required under subparagraph (A);

(F) an assurance that the entity, with respect to the plan described under subparagraph (A), has developed and will implement an accountability system to ensure that such entity makes satisfactory annual improvement and describes such system in the plan under subparagraph (A);

(G) a description of the means by which to obtain public comment and input on the plan described in subparagraph (A) and on the implementation of such plan, that shall include an advisory committee or other similar mechanism for obtaining comment from the public and from other State, local, and tribal stakeholders; and

(H) as relevant, a description of the process used by the entity to consult with local departments of public health to reach consensus, approval, or concurrence on the relative distribution of amounts received under this section.

(c) Limitation

Beginning in fiscal year 2009, the Secretary may not award a cooperative agreement to a State unless such State is a participant in the Emergency System for Advance Registration of Volunteer Health Professionals described in section 247d–7b of this title.

(d) Use of funds

(1) In general

An award under subsection (a) shall be expended for activities to achieve the preparedness goals described under paragraphs (1), (2), (4), (5), and (6) of section 300hh–4(b) of this title.

(2) Effect of section

Nothing in this subsection may be construed as establishing new regulatory authority or as modifying any existing regulatory authority.

(e) Coordination with local response capabilities

An entity shall, to the extent practicable, ensure that activities carried out under an award under subsection (a) are coordinated with activities of relevant Metropolitan Medical Response Systems, local public health departments, the Cities Readiness Initiative, local emergency plans, and any regional health care emergency preparedness and response system established pursuant to the applicable guidelines under section 247d–3c of this title.

(f) Consultation with Homeland Security

In making awards under subsection (a), the Secretary shall consult with the Secretary of Homeland Security to—
§ 247d–3a

(1) ensure maximum coordination of public health and medical preparedness and response activities with the Metropolitan Medical Response System, and other relevant activities;

(2) minimize duplicative funding of programs and activities; and

(3) analyze activities, including exercises and drills, conducted under this section to develop recommendations and guidance on best practices for such activities.

(g) Achievement of measurable evidence-based benchmarks and objective standards

(1) In general

Not later than 180 days after December 19, 2006, the Secretary shall develop or where appropriate adopt, and require the application of, measurable evidence-based benchmarks and objective standards that measure levels of preparedness with respect to the activities described in this section and with respect to activities described in section 247d–3b of this title. In developing such benchmarks and standards, the Secretary shall consult with and seek comments from State, local, and tribal officials and private entities, as appropriate. Where appropriate, the Secretary shall incorporate existing objective standards. Such benchmarks and standards shall—

(A) include outcome goals representing operational achievements of the National Preparedness Goals developed under section 300hh–1(b) of this title with respect to all-hazards, including chemical, biological, radiological, or nuclear threats; and

(B) at a minimum, require entities to—

(i) measure progress toward achieving the outcome goals; and

(ii) at least annually, test, exercise, and rigorously evaluate the public health and medical emergency preparedness and response capabilities of the entity, and report to the Secretary on such measured and tested capabilities and measured and tested progress toward achieving outcome goals, based on criteria established by the Secretary.

(2) Criteria for pandemic influenza plans

(A) In general

Not later than 180 days after December 19, 2006, the Secretary shall develop and disseminate to the chief executive officer of each State criteria for an effective State plan for responding to pandemic influenza. The Secretary shall periodically update, as necessary and appropriate, such pandemic influenza plan criteria and shall require the integration of such criteria into the benchmarks and standards described in paragraph (1).

(B) Rule of construction

Nothing in this section shall be construed to require the duplication of Federal efforts with respect to the development of criteria or standards, without regard to whether such efforts were carried out prior to or after December 19, 2006.1

(3) Technical assistance

The Secretary shall, as determined appropriate by the Secretary, provide to a State, upon request, technical assistance in meeting the requirements of this section, including the provision of advice by experts in the development of high-quality assessments, the setting of State objectives and assessment methods, the development of measures of satisfactory annual improvement that are valid and reliable, and other relevant areas.

(4) Notification of failures

The Secretary shall develop and implement a process to notify entities that are determined by the Secretary to have failed to meet the requirements of paragraph (1) or (2). Such process shall provide such entities with the opportunity to correct such noncompliance. An entity that fails to correct such noncompliance shall be subject to paragraph (5).

(5) Withholding of amounts from entities that fail to achieve benchmarks or submit influenza plan

Beginning with fiscal year 2019, and in each succeeding fiscal year, the Secretary shall—

(A) withhold from each entity that has failed substantially to meet the benchmarks and performance measures described in paragraph (1) for either of the 2 immediately preceding fiscal years (beginning with fiscal year 2018), pursuant to the process developed under paragraph (4), the amount described in paragraph (6); and

(B) withhold from each entity that has failed to submit to the Secretary a plan for responding to pandemic influenza that meets the criteria developed under paragraph (2), the amount described in paragraph (6).

(6) Amounts described

(A) In general

The amounts described in this paragraph are the following amounts that are payable to an entity for activities described in this section or section 247d–3b of this title:

(i) For no more than one of each of the first 2 fiscal years immediately following a fiscal year in which an entity experienced a failure described in subparagraph (A) or (B) of paragraph (5), an amount equal to 10 percent of the amount the entity was eligible to receive for the respective fiscal year.

(ii) For no more than one of the first 2 fiscal years immediately following the third consecutive fiscal year in which an entity experienced such a failure, in lieu of applying clause (i), an amount equal to 15 percent of the amount the entity was eligible to receive for the respective fiscal year.

(B) Separate accounting

Each failure described in subparagraph (A) or (B) of paragraph (5) shall be treated as a separate failure for purposes of calculating amounts withheld under subparagraph (A).

(7) Reallocation of amounts withheld

(A) In general

The Secretary shall make amounts withheld under paragraph (6) available for mak-

---

1 See Codification note below.
ing awards under section 247d-3b of this title to entities described in subsection (b)(1) of such section.

(B) Preference in reallocation

In making awards under section 247d-3b of this title with amounts described in subparagraph (A), the Secretary shall give preference to eligible entities (as described in section 247d-3b(b)(1) of this title) that are located in whole or in part in States from which amounts have been withheld under paragraph (6).

(8) Waive or reduce withholding

The Secretary may waive or reduce the withholding described in paragraph (6), for a single entity or for all entities in a fiscal year, if the Secretary determines that mitigating conditions exist that justify the waiver or reduction.

(h) Funding

(1) Authorization of appropriations

(A) In general

For the purpose of carrying out this section, there is authorized to be appropriated $685,000,000 for each of fiscal years 2019 through 2023 for awards pursuant to paragraph (3) (subject to the authority of the Secretary to make awards pursuant to paragraphs (4) and (5)).

(B) Requirement for State matching funds

Beginning in fiscal year 2009, in the case of any State or consortium of two or more States, the Secretary may not award a cooperative agreement under this section unless the State or consortium of States agree that, with respect to the amount of the cooperative agreement awarded by the Secretary, the State or consortium of States will make available (directly or through donations from public or private entities) non-Federal contributions in an amount equal to—

(i) for the first fiscal year of the cooperative agreement, not less than 5 percent of such costs ($1 for each $20 of Federal funds provided in the cooperative agreement); and

(ii) for any second fiscal year of the cooperative agreement, and for any subsequent fiscal year of such cooperative agreement, not less than 10 percent of such costs ($1 for each $10 of Federal funds provided in the cooperative agreement).

(C) Determination of amount of non-Federal contributions

As determined by the Secretary, non-Federal contributions required in subparagraph (B) may be provided directly or through donations from public or private entities and may be in cash or in kind, fairly evaluated, including plant, equipment or services. Amounts provided by the Federal government, or services assisted or subsidized to any significant extent by the Federal government, may not be included in determining the amount of such non-Federal contributions.

(2) Maintaining State funding

(A) In general

An entity that receives an award under this section shall maintain expenditures for public health security at a level that is not less than the average level of such expenditures maintained by the entity for the preceding 2 year period.

(B) Rule of construction

Nothing in this section shall be construed to prohibit the use of awards under this section to pay salary and related expenses of public health and other professionals employed by State, local, or tribal public health agencies who are carrying out activities supported by such awards (regardless of whether the primary assignment of such personnel is to carry out such activities).

(3) Determination of amount

(A) In general

The Secretary shall award cooperative agreements under subsection (a) to each State or consortium of 2 or more States that submits to the Secretary an application that meets the criteria of the Secretary for the receipt of such an award and that meets other implementation conditions established by the Secretary for such awards.

(B) Base amount

In determining the amount of an award pursuant to subparagraph (A) for a State, the Secretary shall first determine an amount the Secretary considers appropriate for the State (referred to in this paragraph as the “base amount”), except that such amount may not be greater than the minimum amount determined under subparagraph (D).

(C) Increase on basis of population

After determining the base amount for a State under subparagraph (B), the Secretary shall increase the base amount by an amount equal to the product of—

(i) the amount appropriated under paragraph (1)(A) for the fiscal year, less an amount equal to the sum of all base amounts determined for the States under subparagraph (B), and less the amount, if any, reserved by the Secretary under paragraphs (4) and (5); and

(ii) subject to paragraph (4)(C), the percentage constituted by the ratio of an amount equal to the population of the State over an amount equal to the total population of the States (as indicated by the most recent data collected by the Bureau of the Census).

(D) Minimum amount

Subject to the amount appropriated under paragraph (1)(A), an award pursuant to subparagraph (A) for a State shall be the greater of the base amount as increased under subparagraph (C), or the minimum amount under this subparagraph. The minimum amount under this subparagraph is—

(i) in the case of each of the several States, the District of Columbia, and the
Commonwealth of Puerto Rico, an amount equal to the lesser of—
(I) $5,000,000; or
(II) if the amount appropriated under paragraph (1)(A) is less than $667,000,000, an amount equal to 0.75 percent of the amount appropriated under such paragraph, less the amount, if any, reserved by the Secretary under paragraphs (4) and (5); or
(ii) in the case of each of American Samoa, Guam, the Commonwealth of the Northern Mariana Islands, and the Virgin Islands, an amount determined by the Secretary to be appropriate, except that such amount may not exceed the amount determined under clause (i).

(4) Certain political subdivisions

(A) In general

For fiscal year 2007, the Secretary may, before making awards pursuant to paragraph (3) for such year, reserve from the amount appropriated under paragraph (1) for the year an amount determined necessary by the Secretary to make awards under subsection (a) to political subdivisions that have a substantial number of residents, have a substantial local infrastructure for responding to public health emergencies, and face a high degree of risk from bioterrorist attacks or other public health emergencies. Not more than three political subdivisions may receive awards pursuant to this subparagraph.

(B) Coordination with Statewide plans

An award pursuant to subparagraph (A) may not be made unless the application of the political subdivision involved is in coordination with, and consistent with, applicable Statewide plans described in subsection (b).

(C) Relationship to formula grants

In the case of a State that will receive an award pursuant to paragraph (3), and in which there is located a political subdivision that will receive an award pursuant to subparagraph (A), the Secretary shall, in determining the amount under paragraph (3)(C) for the State, subtract from the population of the State an amount equal to the population of such political subdivision.

(D) Continuity of funding

In determining whether to make an award pursuant to subparagraph (A) to a political subdivision, the Secretary may consider, as a factor indicating that the award should be made, that the political subdivision received public health funding from the Secretary for fiscal year 2006.

(5) Significant unmet needs; degree of risk

(A) In general

For fiscal year 2007, the Secretary may, before making awards pursuant to paragraph (3) for such year, reserve from the amount appropriated under paragraph (1) for the year an amount determined necessary by the Secretary to make awards under subsection (a) to eligible entities that—
(i) have a significant need for funds to build capacity to identify, detect, monitor, and respond to a bioterrorist or other threat to the public health, which need will not be met by awards pursuant to paragraph (3); and
(ii) face a particularly high degree of risk of such a threat.

(B) Recipients of grants

Awards pursuant to subparagraph (A) may be supplemental awards to States that receive awards pursuant to paragraph (3), or may be awards to eligible entities described in subsection (b)(1)(B) within such States.

(C) Finding with respect to District of Columbia

The Secretary shall consider the District of Columbia to have a significant unmet need for purposes of subparagraph (A), and to face a particularly high degree of risk for such purposes, on the basis of the concentration of entities of national significance located within the District.

(6) Funding of local entities

The Secretary shall, in making awards under this section, ensure that with respect to the cooperative agreement awarded, the entity make available appropriate portions of such award to political subdivisions and local departments of public health through a process involving the consensus, approval or concurrence with such local entities.

(7) Availability of cooperative agreement funds

(A) In general

Amounts provided to an eligible entity under a cooperative agreement under subsection (a) for a fiscal year and remaining unobligated at the end of such year shall remain available to such entity for the next fiscal year for the purposes for which such funds were provided.

(B) Funds contingent on achieving benchmarks

The continued availability of funds under subparagraph (A) with respect to an entity shall be contingent upon such entity achieving the benchmarks and submitting the pandemic influenza plan as described in subsection (g).

(8) Administrative and fiscal responsibility

(1) Annual reporting requirements

Each entity shall prepare and submit to the Secretary annual reports on its activities under this section and section 247d–3b of this title. Each such report shall be prepared by, or in consultation with, the health department. In order to properly evaluate and compare the performance of different entities assisted under this section and section 247d–3b of this title and to assure the proper expenditure of funds under this section and section 247d–3b of this title, such reports shall be in such standardized form and contain such information as the Secretary determines and describes within 180 days of December 19, 2006 (after consultation with the States) to be necessary to—
(A) secure an accurate description of those activities;
(B) secure a complete record of the purposes for which funds were spent, and of the recipients of such funds;
(C) describe the extent to which the entity has met the goals and objectives it set forth under this section or section 247d–3b of this title;
(D) determine the extent to which funds were expended consistent with the entity’s application transmitted under this section or section 247d–3b of this title; and
(E) publish such information on a Federal Internet website consistent with subsection (j).

(2) Audits; implementation

(A) In general

Each entity receiving funds under this section or section 247d–3b of this title shall, not less often than once every 2 years, audit its expenditures from amounts received under this section or section 247d–3b of this title. Such audits shall be conducted by an entity independent of the agency administering a program funded under this section or section 247d–3b of this title in accordance with the Comptroller General’s standards for auditing governmental organizations, programs, activities, and functions and generally accepted auditing standards. Within 30 days following the completion of each audit report, the entity shall submit a copy of that audit report to the Secretary.

(B) Repayment

Each entity shall repay to the United States amounts found by the Secretary, after notice and opportunity for a hearing to the entity, not to have been expended in accordance with this section or section 247d–3b of this title and, if such repayment is not made, the Secretary may offset such amounts against the amount of any allotment to which the entity is or may become entitled under this section or section 247d–3b of this title or may otherwise recover such amounts.

(C) Withholding of payment

The Secretary may, after notice and opportunity for a hearing, withhold payment of funds to any entity which is not using its allotment under this section or section 247d–3b of this title in accordance with such section. The Secretary may withhold such funds until the Secretary finds that the reason for the withholding has been removed and there is reasonable assurance that it will not recur.

(j) Compilation and availability of data

The Secretary shall compile the data submitted under this section and make such data available in a timely manner on an appropriate Internet website in a format that is useful to the public and to other entities and that provides information on what activities are best contributing to the achievement of the outcome goals described in subsection (g).

(k) Evaluation

(1) In general

Not later than 2 years after June 24, 2019, and every 2 years thereafter, the Secretary shall conduct an evaluation of the evidence-based benchmarks and objective standards required under subsection (g). Such evaluation shall be submitted to the congressional committees of jurisdiction together with the National Health Security Strategy under section 300hh–1 of this title, at such time as such strategy is submitted.

(2) Content

The evaluation under this paragraph shall include—

(A) a review of evidence-based benchmarks and objective standards, and associated metrics and targets;
(B) a discussion of changes to any evidence-based benchmarks and objective standards, and the effect of such changes on the ability to track whether entities are meeting or making progress toward the goals under this section and, to the extent practicable, the applicable goals of the National Health Security Strategy under section 300hh–1 of this title;
(C) a description of amounts received by eligible entities described in subsection (b) and section 247d–3b(b) of this title, and amounts received by subrecipients and the effect of such funding on meeting evidence-based benchmarks and objective standards; and
(D) recommendations, as applicable and appropriate, to improve evidence-based benchmarks and objective standards to more accurately assess the ability of entities receiving awards under this section and section 300hh–1 of this title.


Amendments

2019—Subsec. (a). Pub. L. 116–22, §202(a)(1), inserted “, acting through the Director of the Centers for Disease Control and Prevention,” after “the Secretary”.  
Subsec. (b)(2)(A)(iv). Pub. L. 116–22, §207(b), amended cl. (iv) generally. Prior to amendment, cl. (iv) read as follows: “a description of the mechanism the entity will implement to utilize the Emergency Management Assistance Compact or other mutual aid agreements for medical and public health mutual aid:”.

expertise that may be relevant to public health security, such as environmental health agencies,” after “stakeholders”.

Subsec. (b)(2)(A)(vii) to (x). Pub. L. 116–22, § 202(a)(2)(B), (C), added cl. (vii) and redesignated former cl. (vii) to (ix) as (viii) to (x), respectively.


Subsec. (b)(2)(P). Pub. L. 116–22, §705(b)(2), substituted “makes satisfactory annual improvement and describes” for “make satisfactory annual improvement and describe.”

Subsec. (e). Pub. L. 116–22, §203(e)(1), substituted “local emergency plans, and any regional health care emergency preparedness and response system established pursuant to the applicable guidelines under section 274d–3c of this title,” for “local emergency plans.”


Subsec. (g)(5)(A). Pub. L. 116–22, §202(b)(1)(B), amended subpar. (A) generally. Prior to amendment, subpar. (A) consisted of cls. (i) to (iv) describing amounts available to an entity for the fiscal year immediately following one to four fiscal years in which the entity experienced a failure described in subsec. (g)(5)(A) or (B).

Subsec. (b)(1)(A). Pub. L. 116–22, §202(d), substituted “$855,000,000 for each of fiscal years 2019 through 2023 for awards pursuant to paragraph (3) (subject to the authority of the Secretary to make awards pursuant to paragraphs (4) and (5))” for “$641,900,000 for fiscal year 2014 for awards pursuant to paragraph (3) (subject to the authority of the Secretary to make awards pursuant to paragraphs (4) and (5)), and $641,900,000 for each of fiscal years 2015 through 2018”.


Subsec. (b)(2)(A)(i). Pub. L. 113–5, §202(a)(2)(A)(i), added cls. (i) and (ii) and struck out former cls. (i) and (ii) which read as follows:

“(i) a description of the activities such entity will carry out under the agreement to meet the goals identified under section 300hh–1 of this title;

“(ii) a pandemic influenza plan consistent with the requirements of paragraphs (2) and (5) of subsection (g);”.

Subsec. (b)(2)(A)(vi) to (ix). Pub. L. 113–5, §202(a)(2)(A)(ii), (iii), added cls. (vii) to (x) (and redesignated former cls. (vii) to (ix) as (viii) to (x), respectively).

Subsec. (b)(2)(C). Pub. L. 113–5, §202(a)(2)(B), inserted “including addressing the needs of at-risk individuals”, after “capabilities of such entity”.


Subsec. (j)(2) to (4). Pub. L. 113–5, §202(a)(3), inserted “at the end of par. (3), and struck out par. (4)”.


Subsec. (j)(5). Pub. L. 113–5, §204(d), in introductory provisions, substituted “fiscal year 2007” for “fiscal year 2003” and struck out “(A)(ii)” after “paragraph (1)”.

Subsec. (j)(6). Pub. L. 113–5, §204(e), added par. (6) and struck out heading and text of former par. (6). Text read as follows: “For fiscal year 2003, the Secretary shall in making awards under this section ensure that...”
appropriate portions of such awards are made available to political subdivisions, local departments of public health, hospitals (including children’s hospitals), clinics, health centers, or primary care facilities, or consortia of such entities.”


**Effective Date of 2019 Amendment**

Pub. L. 116–22, title II, §202(b)(2), June 24, 2019, 133 Stat. 909, provided that: “The amendments made by paragraph (1) [amending this section] shall apply with respect to cooperative agreements awarded on or after the date of enactment of this Act [June 24, 2019].”

**Effective Date of 2015 Amendment**

Amendment by Pub. L. 114–95 effective Dec. 10, 2015, except with respect to certain noncompetitive programs and competitive programs, see section 5 of Pub. L. 114–95, set out as a note under section 6301 of Title 20, Education.

**EMERGENCY MEDICAL AND PUBLIC HEALTH COMMUNICATIONS PILOT PROJECTS**

Pub. L. 110–53, title XXII, §2201(d), Aug. 3, 2007, 121 Stat. 541, provided that:

“(1) IN GENERAL.—The Assistant Secretary of Commerce for Communications and Information may establish not more than 10 geographically dispersed project grants to emergency medical and public health care facilities to improve the capabilities of emergency communications systems in emergency medical care facilities.

“(2) MAXIMUM AMOUNT.—The Assistant Secretary may not provide more than $2,000,000 in Federal assistance under the pilot program to any applicant.

“(3) COST SHARING.—The Assistant Secretary may not provide more than 20 percent of the cost, incurred during the period of the grant, of any project under the pilot program.

“(4) MAXIMUM PERIOD OF GRANTS.—The Assistant Secretary may not fund any applicant under the pilot program for more than 3 years.

“(5) DEPLOYMENT AND DISTRIBUTION.—The Assistant Secretary shall seek to the maximum extent practicable to ensure a broad geographic distribution of project sites.

“(6) TRANSFER OF INFORMATION AND KNOWLEDGE.—The Assistant Secretary shall establish mechanisms to ensure that the information and knowledge gained by participants in the pilot program are transferred among the pilot program participants and to other interested parties, including other applicants that submitted applications.”

§247d–3b. Partnerships for State and regional hospital preparedness to improve surge capacity

(a) In general

The Secretary, acting through the Assistant Secretary for Preparedness and Response, shall award noncompetitive grants or cooperative agreements to eligible entities to enable such entities to improve surge capacity and enhance community and hospital preparedness for, and response to, public health emergencies in accordance with subsection (c), including, as appropriate, capacity and preparedness to address the needs of children and other at-risk individuals.

(b) Eligibility

To be eligible for an award under subsection (a), an entity shall—

(1) (A) be a coalition that includes—

(i) one or more hospitals, at least one of which shall be a designated trauma center, consistent with section 300d–13(c) of this title;

(ii) one or more other local health care facilities, including clinics, health centers, community health centers, primary care facilities, mental health centers, mobile medical assets, or nursing homes;

(iii) (K) one or more political subdivisions;

(II) one or more States; or

(III) one or more States and one or more political subdivisions; and

(iv) one or more emergency medical service organizations or emergency management organizations; and

(B) prepare, in consultation with the Chief Executive Officer and the lead health officials of the State, District, or territory in which the hospital and health care facilities described in subparagraph (A) are located, and submit to the Secretary, an application at such time, in such manner, and containing such information as the Secretary may require; or

(2) (A) be an entity described in section 247d–3a(b)(1) of this title; and

(B) submit an application at such time, in such manner, and containing such information as the Secretary may require, including the information or assurances required under section 247d–3a(b)(2) of this title and an assurance that the State will adhere to any applicable guidelines established by the Secretary.

(c) Use of funds

An award under subsection (a) shall be expended for activities to achieve the preparedness goals described under paragraphs (1), (3), (4), (5), and (6) of section 300h–1(b) of this title with respect to all-hazards, including chemical, biological, radiological, or nuclear threats.

(d) Preferences

(1) Regional coordination

In making awards under subsection (a), the Secretary shall give preference to eligible entities that submit applications that, in the determination of the Secretary—

(A) will enhance coordination—

(i) among the entities described in subsection (b)(1)(A)(i); and

(ii) among one or more facilities in a regional health care emergency system under section 247d–3c of this title; and

(iii) between such entities and the entities described in subsection (b)(1)(A)(ii); and

(B) include, in the coalition described in subsection (b)(1)(A), a significant percentage of the hospitals and health care facilities within the geographic area served by such coalition.

(2) Other preferences

In making awards under subsection (a), the Secretary shall give preference to eligible entities that, in the determination of the Secretary—

(A) include one or more hospitals that are participants in the National Disaster Medical System;

(B) are located in a geographic area that faces a high degree of risk, as determined by
§ 247d–3b

the Secretary in consultation with the Secretary of Homeland Security; or

(C) have a significant need for funds to achieve the preparedness and response goals described in section 300hh–1(b)(3) of this title.

(e) Consistency of planned activities

The Secretary may not award a cooperative agreement to an eligible entity described in subsection (b)(1) unless the application submitted by the entity is coordinated and consistent with an applicable State All-Hazards Public Health Emergency Preparedness and Response Plan and relevant local plans, as determined by the Secretary in consultation with relevant State health officials.

(f) Limitation on awards

A political subdivision shall not participate in more than one coalition described in subsection (b)(1).

(g) Coordination

(1) Local response capabilities

An eligible entity shall, to the extent practicable, ensure that activities carried out under an award under subsection (a) are coordinated with activities of relevant local Metropolitan Medical Response Systems, local Medical Reserve Corps, the local Cities Readiness Initiative, and local emergency plans.

(2) National collaboration

Coalitions consisting of one or more eligible entities under this section may, to the extent practicable, collaborate with other coalitions consisting of one or more eligible entities under this section for purposes of national coordination and collaboration with respect to activities to achieve the preparedness and response goals described under paragraphs (1), (3), (4), (5), and (6) of section 300hh–1(b) of this title.

(h) Maintenance of funding

(1) In general

An entity that receives an award under this section shall maintain expenditures for health care preparedness at a level that is not less than the average level of such expenditures maintained by the entity for the preceding 2 year period.

(2) Rule of construction

Nothing in this section shall be construed to prohibit the use of awards under this section to pay salary and related expenses of public health and other professionals employed by State, local, or tribal agencies who are carrying out activities supported by such awards (regardless of whether the primary assignment of such personnel is to carry out such activities).

(i) Performance and accountability

(1) In general

The requirements of section 247d–3a(g), (i), (j), and (k) of this title shall apply to entities receiving awards under this section (regardless of whether such entities are described under subsection (b)(1)(A) or (b)(2)(A)) in the same manner as such requirements apply to entities under section 247d–3a of this title. In submitting reports under this paragraph, a coalition shall include information on the progress that the coalition has made toward the implementation of section 247d–3c of this title (or barriers to progress, if any). A coalition described in subsection (b)(1)(A) shall make such reports available to the lead health official of the State in which such coalition is located.

(2) Meeting goals of National Health Security Strategy

The Secretary shall implement objective, evidence-based metrics to ensure that entities receiving awards under this section are meeting, to the extent practicable, the applicable goals of the National Health Security Strategy under section 300hh–1 of this title.

(j) Authorization of appropriations

(1) In general

(A) Authorization of appropriations

For purposes of carrying out this section and section 247d–3c of this title, in accordance with subparagraph (B), there is authorized to be appropriated $385,000,000 for each of fiscal years 2019 through 2023.

(B) Reservation of amounts for regional systems

(i) In general

Subject to clause (ii), of the amount appropriated under subparagraph (A) for a fiscal year, the Secretary may reserve up to 5 percent for the purpose of carrying out section 247d–3c of this title.

(ii) Reservation contingent on continued appropriations for this section

If for fiscal year 2019 or a subsequent fiscal year, the amount appropriated under subparagraph (A) is such that, after application of clause (i), the amount remaining for the purpose of carrying out this section would be less than the amount available for such purpose for the previous fiscal year, the amount that may be reserved under clause (i) shall be reduced such that the amount remaining for the purpose of carrying out this section is not less than the amount available for such purpose for the previous fiscal year.

(iii) Sunset

The authority to reserve amounts under clause (i) shall expire on September 30, 2023.

(2) Reservation of amounts for partnerships

Prior to making awards described in paragraph (3), the Secretary may reserve from the amount appropriated under paragraph (1)(A) for a fiscal year and not reserved for the purpose described in paragraph (1)(B)(i), an amount determined appropriate by the Secretary for making awards to entities described in subsection (b)(1)(A).

(3) Awards to States and political subdivisions

(A) In general

From amounts appropriated for a fiscal year under paragraph (1)(A) and not reserved
under paragraph (1)(B)(i) or (2), the Secretary shall make awards to entities described in subsection (b)(2)(A) that have completed an application as described in subsection (b)(2)(B).

(B) Amount

The Secretary shall determine the amount of an award to each entity described in subparagraph (A) in the same manner as such amounts are determined under section 247d–3a(h) of this title.

(4) Availability of cooperative agreement funds

(A) In general

Amounts provided to an eligible entity under a cooperative agreement under subsection (a) for a fiscal year and remaining unobligated at the end of such year shall remain available to such entity for the next fiscal year for the purposes for which such funds were provided.

(B) Funds contingent on achieving benchmarks

The continued availability of funds under subparagraph (A) with respect to an entity shall be contingent upon such entity achieving the benchmarks and submitting the pandemic influenza plan as required under subsection (i).


AMENDMENTS

2019—Subsec. (a). Pub. L. 116–22, § 202(c)(1), inserted ‘‘... acting through the Assistant Secretary for Preparedness and Response...’’ after ‘‘The Secretary’’ and substituted ‘‘preparedness for, and response to, public health emergencies in accordance with subsection (c)’’ for ‘‘preparedness for public health emergencies...’’.


Subsec. (g)(2). Pub. L. 116–22, § 202(c)(5), substituted ‘‘coalitions for ‘‘partnerships’’’ and ‘‘coalitions for ‘‘partnerships’’’ and inserted ‘‘and response after’’ ‘‘preparedness’’.

Subsec. (i)(1). Pub. L. 116–22, § 203(c), inserted ‘‘... in submitting reports under this paragraph, a coalition shall include information on the progress that the coalition has made toward the implementation of section 247d–3c of this title (or barriers to progress, if any)’’ after ‘‘... under section 247d–3a of this title...’’.

Pub. L. 116–22, § 202(c)(6), substituted ‘‘A coalition for’’ ‘‘An entity’’ and ‘‘such coalition for’’ ‘‘such partnership’’.

Pub. L. 116–22, § 201(b), substituted ‘‘section 247d–3a(g), (i), (j), and (k)’’ for ‘‘section 247d–3a(g), (i), and (j)’’.

Subsec. (j)(1). Pub. L. 116–22, § 202(e)(1), amended par. (1) generally. Prior to amendment, text read as follows: ‘‘For purposes of carrying out this section, there is authorized to be appropriated $374,700,000 for each of fiscal years 2014 through 2018.’’

Subsec. (j)(2). Pub. L. 116–22, § 202(e)(2), substituted ‘‘paragraph (1)(A) for a fiscal year and not reserved for the purpose described in paragraph (1)(B)(i)’’ for ‘‘paragraph (1) for a fiscal year’’.

Subsec. (j)(3)(A). Pub. L. 116–22, § 202(e)(3), substituted ‘‘paragraph (1) and not reserved under paragraph (1)(B)(i) or (2)’’ for ‘‘paragraph (1) and not reserved under paragraph (2)’’.

2013—Subsec. (a). Pub. L. 113–5, § 203(c)(1), inserted ‘‘... including, as appropriate, capacity and preparedness to address the needs of children and other at-risk individuals...’’ before period at end.

Subsec. (b)(1)(A)(ii). Pub. L. 113–5, § 203(c)(2), substituted ‘‘centers, community health centers, primary...’’ for ‘‘centers, primary...’’.

Subsec. (c). Pub. L. 113–5, § 203(c)(3), added subsec. (c) and struck out former subsec. (c). Prior to amendment, text read as follows: ‘‘An eligible entity shall, to the extent practicable, ensure that activities carried out under an award subsection (a) are coordinated with activities of relevant local Metropolitan Medical Response Systems, the Cities Readiness Initiative, and local emergency plans...’’


Pub. L. 113–5, § 202(c)(2)(A), substituted ‘‘(i), and (j)’’ for ‘‘(j), and (k)’’.

Subsec. (j)(1). Pub. L. 113–5, § 203(c)(6)(A), amended par. (1) generally. Prior to amendment, text read as follows: ‘‘For the purpose of carrying out this section, there is authorized to be appropriated $474,000,000 for fiscal year 2007, and such sums as may be necessary for each of fiscal years 2008 through 2011.’’


2006—Pub. L. 109–417 amended section catchline and text generally. Prior to amendment, section consisted of subsecs. (a) to (i) relating to partnerships for community and hospital preparedness.

§ 247d–3c. Guidelines for regional health care emergency preparedness and response systems

(a) Purpose

It is the purpose of this section to identify and provide guidelines for regional systems of hospitals, health care facilities, and other public and private sector entities, with varying levels of capability to treat patients and increase medical surge capacity during, in advance of, and immediately following a public health emergency, including threats posed by one or more chemical, biological, radiological, or nuclear agents, including emerging infectious diseases.

(b) Guidelines

The Assistant Secretary for Preparedness and Response, in consultation with the Director of

Page 219 TITLE 42—THE PUBLIC HEALTH AND WELFARE

§ 247d–3c
the Centers for Disease Control and Prevention, the Administrator of the Centers for Medicare & Medicaid Services, the Administrator of the Health Resources and Services Administration, the Commissioner of Food and Drugs, the Assistant Secretary for Mental Health and Substance Use, the Assistant Secretary of Labor for Occupational Safety and Health, the Secretary of Veterans Affairs, the heads of such other Federal agencies as the Secretary determines to be appropriate, and State, local, Tribal, and territorial public health officials, shall, not later than 2 years after June 24, 2019—

(1) identify and develop a set of guidelines relating to practices and protocols for all-hazards public health emergency preparedness and response for hospitals and health care facilities to provide appropriate patient care during, in advance of, or immediately following, a public health emergency, resulting from one or more chemical, biological, radiological, or nuclear agents, including emerging infectious diseases (which may include existing practices, such as trauma care and medical surge capacity and capabilities), with respect to—

(A) a regional approach to identifying hospitals and health care facilities based on varying capabilities and capacity to treat patients affected by such emergency, including—

(i) the manner in which the system will coordinate with and integrate the partnerships and health care coalitions established under section 247d–3b(b) of this title; and

(ii) informing and educating appropriate first responders and health care supply chain partners of the regional emergency preparedness and response capabilities and medical surge capacity of such hospitals and health care facilities in the community;

(B) physical and technological infrastructure, laboratory capacity, staffing, blood supply, and other supply chain needs, taking into account resiliency, geographic considerations, and rural considerations;

(C) protocols or best practices for the safety and personal protection of workers who handle human remains and health care workers (including with respect to protective equipment and supplies, waste management processes, and decontamination), sharing of specialized experience among the health care workforce, behavioral health, psychological resilience, and training of the workforce, as applicable;

(D) in a manner that allows for disease containment (within the meaning of section 300hh–1(b)(2)(B) of this title), coordinated medical triage, treatment, and transportation of patients, based on patient medical need (including patients in rural areas), to the appropriate hospitals or health care facilities within the regional system or, as applicable and appropriate, between systems in different States or regions; and

(E) the needs of children and other at-risk individuals;

(2) make such guidelines available on the internet website of the Department of Health and Human Services in a manner that does not compromise national security; and

(3) update such guidelines as appropriate, including based on input received pursuant to subsections (c) and (e) and information resulting from applicable reports required under the Pandemic and All-Hazards Preparedness and Advancing Innovation Act of 2019 (including any amendments made by such Act), to address new and emerging public health threats.

c) Considerations

In identifying, developing, and updating guidelines under subsection (b), the Assistant Secretary for Preparedness and Response shall—

(1) include input from hospitals and health care facilities (including health care coalitions under section 247d-3b of this title), State, local, Tribal, and territorial public health departments, and health care or subject matter experts (including experts with relevant expertise in chemical, biological, radiological, or nuclear threats, including emerging infectious diseases), as the Assistant Secretary determines appropriate, to meet the goals under section 300hh–1(b)(3) of this title;

(2) consult and engage with appropriate health care providers and professionals, including physicians, nurses, first responders, health care facilities (including hospitals, primary care clinics, community health centers, mental health facilities, ambulatory care facilities, and dental health facilities), pharmacies, emergency medical providers, trauma care providers, environmental health agencies, public health laboratories, poison control centers, blood banks, tissue banks, and other experts that the Assistant Secretary determines appropriate, to meet the goals under section 300hh–1(b)(3) of this title;

(3) consider feedback related to financial implications for hospitals, health care facilities, public health agencies, laboratories, blood banks, tissue banks, and other entities engaged in regional preparedness planning to implement and follow such guidelines, as applicable; and

(4) consider financial requirements and potential incentives for entities to prepare for, and respond to, public health emergencies as part of the regional health care emergency preparedness and response system.

d) Technical assistance

The Assistant Secretary for Preparedness and Response, in consultation with the Director of the Centers for Disease Control and Prevention and the Assistant Secretary of Labor for Occupational Safety and Health, may provide technical assistance and consultation toward meeting the guidelines described in subsection (b).

e) Demonstration project for regional health care preparedness and response systems

(1) In general

The Assistant Secretary for Preparedness and Response may establish a demonstration project pursuant to the development and implementation of guidelines under subsection (b) to award grants to improve medical surge
capacity for all hazards, build and integrate regional medical response capabilities, improve specialty care expertise for all-hazards response, and coordinate medical preparedness and response across State, local, Tribal, territorial, and regional jurisdictions.

(2) Sunset

The authority under this subsection shall expire on September 30, 2023.


Not later than June 1, 2022, the Comptroller General of the United States shall conduct a study on Federal spending in fiscal years 2013 through 2018 for activities authorized under this subsection. Such study shall include a review and assessment of obligations and expenditures directly related to each activity under paragraphs (2) and (3), including a specific accounting of, and delineation between, obligations and expenditures incurred for the construction, renovation, equipping, and security upgrades of facilities and associated contracts under this subsection, and the obligations and expenditures incurred to establish and improve the situational awareness and biosurveillance network under subsection (b), and shall identify the agency or agencies incurring such obligations and expenditures.

(4) Study of resources for facilities and capacities


For any project of designing, constructing, equipping, or renovating any facility under subparagraph (A), the Director of the Centers for Disease Control and Prevention may enter into a single contract or related contracts that collectively include the full scope of the project, and the solicitation and contract shall contain the clause ‘‘availability of funds’’ found at section 52.232–18 of title 48, Code of Federal Regulations.

The Secretary shall expand, improve, enhance, and appropriately maintain the capabilities of the Centers for Disease Control and Prevention relating to preparedness for and responding effectively to bioterrorism and other public health emergencies. Activities that may be carried out under the preceding sentence include—

(A) expanding or enhancing the training of personnel;

(B) improving communications facilities and networks, including delivery of necessary information to rural areas;

(C) improving capabilities for public health surveillance and reporting activities, taking into account the integrated system or systems of public health alert communications and surveillance networks under subsection (b); and

(D) improving laboratory facilities related to bioterrorism and other public health emergencies, including increasing the security of such facilities.

§ 247d–4. Facilities and capacities of the Centers for Disease Control and Prevention

(a) In general

(1) Findings

Congress finds that the Centers for Disease Control and Prevention has an essential role in defending against and combatting public health threats domestically and abroad and requires secure and modern facilities, and expanded, improved, and appropriately maintained capabilities related to bioterrorism and other public health emergencies, sufficient to enable such Centers to conduct this important mission.

(2) Facilities

(A) In general

The Director of the Centers for Disease Control and Prevention may design, construct, and equip new facilities, renovate existing facilities (including laboratories, laboratory support buildings, scientific communication facilities, transshipment complexes, secured and isolated parking structures, office buildings, and other facilities and infrastructure), and upgrade security of such facilities, in order to better conduct the capacities described in section 247d–1 of this title, and for supporting public health activities.

(B) Multiyear contracting authority

For any project of designing, constructing, equipping, or renovating any facility under subparagraph (A), the Director of the Centers for Disease Control and Prevention may enter into a single contract or related contracts that collectively include the full scope of the project, and the solicitation and contract shall contain the clause ‘‘availability of funds’’ found at section 52.232–18 of title 48, Code of Federal Regulations.

(3) Improving the capacities of the Centers for Disease Control and Prevention

The Secretary shall develop a plan to, and provide for the establishment of an integrated system or systems of public health alert communications and surveillance networks between and among—

(A) Federal, State, and local public health officials;

(B) public and private health-related laboratories, hospitals, poison control centers, immunization information systems, and other health care facilities; and

(C) any other entities determined appropriate by the Secretary.

(2) Requirements

The Secretary shall develop a plan to, and ensure that networks under paragraph (1) allow for the timely sharing and discussion, in a secure manner and in a form readily usable for analytical approaches, of essential information concerning bioterrorism or another public health emergency, or recommended methods for responding to such an attack or emergency, allowing for coordination to maximize all-hazards medical and public health preparedness and response and to minimize duplication of effort.
§ 247d–4

TITLE 42—THE PUBLIC HEALTH AND WELFARE

Page 222

(3) Standards

(A) In general

Not later than 1 year after June 24, 2019, the Secretary, in cooperation with health care providers, State, local, Tribal, and territorial public health officials, and relevant Federal agencies (including the Office of the National Coordinator for Health Information Technology and the National Institute of Standards and Technology), shall, as necessary, adopt technical and reporting standards, including standards for interoperability as defined by section 300jj of this title, for networks under paragraph (1) and update such standards as necessary. Such standards shall be made available on the Internet website of the Department of Health and Human Services, in a manner that does not compromise national security.

(B) Deference to standards development organizations

In adopting and implementing standards under this subsection and subsection (c), the Secretary shall give deference to standards published by standards development organizations and voluntary consensus-based standards entities.

(c) Modernizing public health situational awareness and biosurveillance

(1) In general

The Secretary, in collaboration with State, local, and tribal public health officials, shall establish, and improve as applicable and appropriate, a near-real-time electronic nation-wide public health situational awareness capability through an interoperable network of systems to share data and information to enhance early detection of, rapid response to, and management of, potentially catastrophic infectious disease outbreaks, novel emerging threats, and other public health emergencies that originate domestically or abroad. Such network shall be built on existing State situational awareness systems or enhanced systems to enable such interoperability.

(2) Coordination and consultation

In establishing and improving the network under paragraph (1), the Secretary shall—

(A) facilitate coordination among agencies within the Department of Health and Human Services that provide, or have the potential to provide, information and data to, and analyses for, the situational awareness and biosurveillance network under paragraph (1), including coordination among relevant agencies related to health care services, the facilitation of health information exchange (including the Office of the National Coordinator for Health Information Technology), and public health emergency preparedness and response; and

(B) consult with the Secretary of Agriculture, the Secretary of Commerce (and the Director of the National Institute of Standards and Technology), the Secretary of Defense, the Secretary of Homeland Security, the Secretary of Veterans Affairs, and the heads of other Federal agencies, as the Secretary determines appropriate.

(3) Elements

(A) In general

The network described in paragraph (1) shall include data and information transmitted in a standardized format from—

(i) State, local, and tribal public health entities, including public health laboratories;

(ii) Federal health agencies;

(iii) zoonotic disease monitoring systems;

(iv) public and private sector health care entities, hospitals, pharmacies, poison control centers or professional organizations in the field of poison control, immunization information systems, community health centers, health centers, clinical laboratories, and public environmental health agencies, to the extent practicable and provided that such data are voluntarily provided simultaneously to the Secretary and appropriate State, local, and tribal public health agencies; and

(v) such other sources as the Secretary may deem appropriate.

(B) Review

Not later than 2 years after June 24, 2019, and every 6 years thereafter, the Secretary shall conduct a review of the elements described in subparagraph (A). Such review shall include a discussion of the addition of any elements pursuant to clause (v), including elements added to advancing new technologies, and identify any challenges in the incorporation of elements under subparagraph (A). The Secretary shall provide such review to the congressional committees of jurisdiction.

(4) Rule of construction

Paragraph (3) shall not be construed as requiring separate reporting of data and information from each source listed.

(5) Required activities

(A) In general

In establishing and operating the network described in paragraph (1), the Secretary shall—

(i) utilize applicable interoperability standards as adopted by the Secretary, and in consultation with the Office of the National Coordinator for Health Information Technology and the National Institute of Standards and Technology, through a joint public and private sector process;

(ii) define minimal data elements for such network;

(iii) in collaboration with State, local, and tribal public health officials, integrate and build upon existing State, local, and tribal capabilities, ensuring simultaneous sharing of data, information, and analyses from the network described in paragraph (1) with State, local, and tribal public health agencies;

(iv) in collaboration with State, local, and tribal public health officials, develop procedures and standards for the collection, analysis, and interpretation of data
that States, regions, or other entities collect and report to the network described in paragraph (1); and
(v) pilot test standards and implementation specifications, consistent with the process described in section 300j–12(b)(3)(C) of this title, which State, local, Tribal, and territorial public health entities may utilize, on a voluntary basis, as a part of the network.

(B) Public meeting

(i) In general
Not later than 180 days after June 24, 2019, the Secretary shall convene a public meeting for purposes of discussing and providing input on the potential goals, functions, and uses of the network described in paragraph (1) and incorporating the elements described in paragraph (3)(A).

(ii) Experts
The public meeting shall include representatives of relevant Federal agencies (including representatives from the Office of the National Coordinator for Health Information Technology and the National Institute of Standards and Technology); State, local, Tribal, and territorial public health officials; stakeholders with expertise in biosurveillance and situational awareness; stakeholders with expertise in capabilities relevant to biosurveillance and situational awareness, such as experts in informatics and data analytics (including experts in prediction, modeling, or forecasting); and other representatives as the Secretary determines appropriate.

(iii) Topics
Such public meeting shall include a discussion of—
(I) data elements, including minimal or essential data elements, that are voluntarily provided for such network, which may include elements from public health and public and private health care entities, to the extent practicable;
(II) standards and implementation specifications that may improve the collection, analysis, and interpretation of data during a public health emergency;
(III) strategies to encourage the access, exchange, and use of information;
(IV) considerations for State, local, Tribal, and territorial capabilities and infrastructure related to data exchange and interoperability;
(V) privacy and security protections provided at the Federal, State, local, Tribal, and territorial levels, and by non-governmental stakeholders; and
(VI) opportunities for the incorporation of innovative technologies to improve the network.

(6) Strategy and implementation plan

(A) In general
Not later than 18 months after June 24, 2019, the Secretary shall submit to the congressional committees of jurisdiction a coordinated strategy and an accompanying implementation plan that—

(i) is informed by the public meeting under paragraph (5)(B);
(ii) includes a review and assessment of existing capabilities of the network and related infrastructure, including input provided by the public meeting under paragraph (5)(B);
(iii) identifies and demonstrates the measurable steps the Secretary will carry out to—
(I) develop, implement, and evaluate the network described in paragraph (1), utilizing elements described in paragraph (3)(A);
(II) modernize and enhance biosurveillance activities, including strategies to include innovative technologies and analytical approaches (including prediction and forecasting for pandemics and all-hazards) from public and private entities;
(III) improve information sharing, coordination, and communication among disparate biosurveillance systems supported by the Department of Health and Human Services, including the identification of methods to improve accountability, better utilize resources and workforce capabilities, and incorporate innovative technologies within and across agencies; and
(IV) test and evaluate capabilities of the interoperable network of systems to improve situational awareness and biosurveillance capabilities;
(iv) includes performance measures and the metrics by which performance measures will be assessed with respect to the measurable steps under clause (iii); and
(v) establishes dates by which each measurable step under clause (iii) will be implemented.

(B) Annual budget plan
Not later than 2 years after June 24, 2019, and on an annual basis thereafter, in accordance with the strategy and implementation plan under this paragraph, the Secretary shall, taking into account recommendations provided by the National Biodefense Science Board, develop a budget plan based on the strategy and implementation plan under this section. Such budget plan shall include—

(i) a summary of resources previously expended to establish, improve, and utilize the nationwide public health situational awareness and biosurveillance network under paragraph (1);
(ii) estimates of costs and resources needed to establish and improve the network under paragraph (1) according to the strategy and implementation plan under subparagraph (A);
(iii) the identification of gaps and inefficiencies in nationwide public health situational awareness and biosurveillance capabilities, resources, and authorities needed to address such gaps; and
(iv) a strategy to minimize and address such gaps and improve inefficiencies.
(7) Consultation with the National Biodefense Science Board

In carrying out this section and consistent with section 247d–7g of this title, the National Biodefense Science Board shall provide expert advice and guidance, including recommendations, regarding the measurable steps the Secretary should take to modernize and enhance biosurveillance activities pursuant to the efforts of the Department of Health and Human Services to ensure comprehensive, real-time, all-hazards biosurveillance capabilities. In complying with the preceding sentence, the National Biodefense Science Board shall—

(A) identify the steps necessary to achieve a national biosurveillance system for human health (taking into account zoonotic disease, including gaps in scientific understanding of the interactions between human, animal, and environmental health), with international connectivity, where appropriate, that is predicated on State, regional, and community level capabilities and creates a networked system to allow for two-way information flow between and among Federal, State, and local government public health authorities and clinical health care providers;

(B) identify any duplicative surveillance programs and gaps in surveillance programs under the authority of the Secretary, or changes that are necessary to existing programs, in order to enhance and modernize such activities, minimize duplication, strengthen and streamline such activities under the authority of the Secretary, and achieve real-time and appropriate data that relate to disease activity, both human and zoonotic;

(C) coordinate with applicable existing advisory committees of the Director of the Centers for Disease Control and Prevention, including such advisory committees consisting of representatives from State, local, and tribal public health authorities and appropriate public and private sector health care entities, animal health organizations related to zoonotic disease, and academic institutions, in order to provide guidance on public health surveillance activities; and

(D) provide recommendations to the Secretary on policies and procedures to complete the steps described in this paragraph in a manner that is consistent with section 300hh–1 of this title.

(8) Situational awareness and biosurveillance as a national security priority

The Secretary, on a periodic basis as applicable and appropriate, shall meet with the Director of National Intelligence to inform the development and capabilities of the nationwide public health situational awareness and biosurveillance network.

d State and regional systems to enhance situational awareness in public health emergencies

(1) In general

To implement the network described in subsection (c), the Secretary may award grants to States or consortia of States to enhance the ability of such States or consortia of States to establish or operate a coordinated public health situational awareness system for regional or Statewide early detection of, rapid response to, and management of potentially catastrophic infectious disease outbreaks and public health emergencies, in collaboration with appropriate public health agencies, environmental health agencies, sentinel hospitals, clinical laboratories, pharmacies, poison control centers, immunization programs, other health care organizations, and animal health organizations within such States.

(2) Eligibility

To be eligible to receive a grant under paragraph (1), the State or consortium of States shall submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require, including an assurance that the State or consortium of States will submit to the Secretary—

(A) reports of such data, information, and metrics as the Secretary may require;

(B) a report on the effectiveness of the systems funded under the grant;

(C) a description of the manner in which grant funds will be used to enhance the timelines and comprehensiveness of efforts to detect, respond to, and manage potentially catastrophic infectious disease outbreaks and public health emergencies; and

(D) an implementation plan that may include measurable steps to achieve the purposes described in paragraph (1).

(3) Use of funds

A State or consortium of States that receives an award under this subsection—

(A) shall establish, enhance, or operate a coordinated public health situational awareness system for regional or Statewide early detection of, rapid response to, and management of potentially catastrophic infectious disease outbreaks and public health emergencies;

(B) may award grants or contracts to entities described in paragraph (1) within or serving such State to assist such entities in improving the operation of information technology systems, facilitating the secure exchange of data and information, and training personnel to enhance the operation of the system described in subparagraph (A); and

(C) may conduct a pilot program for the development of multi-State telehealth network test beds that build on, enhance, and securely link existing State and local telehealth programs to prepare for, monitor, respond to, and manage the events of public health emergencies, facilitate coordination and communication among medical, public health, and emergency response agencies, and provide medical services through telehealth initiatives within the States that are involved in such a multi-State telehealth network test bed.
(4) Limitation
Information technology systems acquired or implemented using grants awarded under this section must be compliant with—
(A) interoperability and other technological standards, as determined by the Secretary; and
(B) data collection and reporting requirements for the network described in subsection (c).

(5) Technical assistance
The Secretary may provide technical assistance to States, localities, Tribes, and territories or a consortium of States, localities, Tribes, and territories receiving an award under this subsection regarding interoperability and the technical standards set forth by the Secretary.

(e) Telehealth enhancements for emergency response

(1) Evaluation
The Secretary, in consultation with the Federal Communications Commission and other relevant Federal agencies, shall—
(A) conduct an inventory of telehealth initiatives in existence on December 19, 2006, including—
(i) the specific location of network components;
(ii) the medical, technological, and communications capabilities of such components;
(iii) the functionality of such components; and
(iv) the capacity and ability of such components to handle increased volume during the response to a public health emergency;
(B) identify methods to expand and interconnect the regional health information networks funded by the Secretary, the State and regional broadband networks funded through the rural health care support mechanisms, telehealth networks; and other telehealth networks;
(C) evaluate ways to prepare for, monitor, respond rapidly to, or manage the events of, a public health emergency through the enhanced use of telehealth technologies, including mechanisms for payment or reimbursement for use of such technologies and personnel during public health emergencies;
(D) identify methods for reducing legal barriers that deter health care professionals from providing telemedicine services, such as by utilizing State emergency health care professional credentialing verification systems, encouraging States to establish and implement mechanisms to improve interstate medical licensure cooperation, facilitating the exchange of information among States regarding investigations and adverse actions, and encouraging States to waive the application of licensing requirements during a public health emergency;
(E) evaluate ways to integrate the practice of telemedicine within the National Disaster Medical System; and
(F) promote greater coordination among existing Federal interagency telemedicine and health information technology initiatives.

(2) Report
Not later than 12 months after December 19, 2006, the Secretary shall prepare and submit a report to the Committee on Health, Education, Labor, and Pensions of the Senate and the Committee on Energy and Commerce of the House of Representatives regarding the findings and recommendations pursuant to subparagraphs (A) through (F) of paragraph (1).

(f) Personnel authorities

(1) Specially qualified personnel
In addition to any other personnel authorities, to carry out subsections (b) and (c), the Secretary may—
(A) appoint highly qualified individuals to scientific or professional positions at the Centers for Disease Control and Prevention, not to exceed 30 such employees at any time (specific to positions authorized by this subsection), with expertise in capabilities relevant to biosurveillance and situational awareness, such as experts in informatics and data analytics (including experts in prediction, modeling, or forecasting), and other related scientific or technical fields; and
(B) compensate individuals appointed under subparagraph (A) in the same manner and subject to the same terms and conditions in which individuals appointed under 99031 of title 5 are compensated, without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates.

(2) Limitations
The Secretary shall exercise the authority under paragraph (1) in a manner that is consistent with the limitations described in section 247d-6(a)(2) of this title.

(g) Timeline
The Secretary shall accomplish the purposes under subsections (b) and (c) no later than September 30, 2023, and shall provide a justification to the congressional committees of jurisdiction for any missed or delayed implementation of measurable steps identified under subsection (c)(6)(A)(iii).

(h) Independent evaluation
Not later than 3 years after June 24, 2019, the Comptroller General of the United States shall conduct an independent evaluation and submit to the Secretary and the congressional committees of jurisdiction a report concerning the activities conducted under subsections (b) and (c), and provide recommendations, as applicable and appropriate, on necessary improvements to the biosurveillance and situational awareness network.

(i) Authorization of appropriations
There are authorized to be appropriated to carry out this section, $161,800,000 for each of fiscal years 2019 through 2023.

1 So in original. Probably should be preceded by “section”. 
(j) Definition

For purposes of this section the term “bio-surveillance” means the process of gathering near real-time biological data that relates to human and zoonotic disease activity and threats to human or animal health, in order to achieve early warning and identification of such health threats, early detection, and prompt ongoing tracking of health events, and overall situational awareness of disease activity.


AMENDMENTS


Subsec. (b)(2). Pub. L. 116–22, §205(a)(3)(C), inserted “develop a plan to, and” after “The Secretary shall” and “and in a form readily usable for analytical approaches” after “in a secure manner”.

Subsec. (b)(3). Pub. L. 116–22, §205(a)(3)(D), amended par. (3) generally. Prior to amendment, text read as follows: “Not later than one year after June 12, 2002, the Secretary, in cooperation with health care providers and State and local public health officials, shall establish any additional technical and reporting standards (including standards for interoperability) for networks under paragraph (1) and update such standards as necessary.”

Subsec. (c)(1). Pub. L. 116–22, §205(a)(4)(A), substituted “The Secretary” for “Not later than 2 years after March 13, 2013, the Secretary” and “such interoperability for such connectivity” and inserted “and improve as applicable and appropriate,” after “shall establish and a comma after “detection of”.

Subsec. (c)(2). Pub. L. 116–22, §205(a)(4)(B), amended par. (2) generally. Prior to amendment, par. (2) related to a coordinated strategy and an accompanying implementation plan.

Subsec. (c)(5). Pub. L. 116–22, §205(a)(4)(C), designated existing provisions as subpar. (A) and inserted heading; redesignated former subpars. (A) to (E) as cl. (1) to (v), respectively, of subpar. (A) and realigned margins; in cl. (1) inserted “immunization information systems,” after “poison control,” and substituted “, clinical laboratories, and public environmental health agencies” for “and clinical laboratories”; and added subpar. (B).

Subsec. (c)(5)(A). Pub. L. 116–22, §205(a)(4)(D)(i), (ii), designated existing provisions as subpar. (A), (inserted heading), redesignated former subpars. (A) to (D) as (1) to (iv), respectively, of subpar. (A) and realigned margins.


Subsec. (c)(7)(A). Pub. L. 116–22, §205(a)(4)(G)(i), inserted “taking into account zoonotic disease, including gaps in scientific understanding of the interactions between human, animal, and environmental health” after “human health”.

Subsec. (c)(7)(B). Pub. L. 116–22, §205(a)(4)(G)(ii), inserted “and gaps in surveillance programs” after “surveillance programs” and substituted “zoonotic;” for “zoonotic; and”,


Subsec. (f) to (h), Pub. L. 116–22, §205(a)(7), added subsecs. (f) to (h). Former subsecs. (f) and (g) redesignated (i) and (j), respectively.

Subsec. (i). Pub. L. 116–22, §205(a)(6)(A), (b), redesignated subsec. (f) as (i) and substituted “$161,800,000 for each of fiscal years 2019 through 2023” for “$138,300,000 for each of fiscal years 2014 through 2018”.


Subsec. (b)(2). Pub. L. 113–5, §204(a)(1)(B), inserted “for coordination to maximize all-badzars medical and public health preparedness and response and to minimize duplication of effort” before period at end.

Subsec. (b)(3). Pub. L. 113–5, §204(a)(1)(C), inserted “and update such standards as necessary” before period at end.


Pub. L. 113–5, §204(a)(2), (3), redesignated subsec. (d) as (c) and struck out former subsec. (c) which related to authorization of appropriations for fiscal years 2002 through 2006.


Subsec. (c)(2). Pub. L. 113–5, §204(a)(4)(C), added par. (2) and struck out former par. (2). Prior to amendment, text read as follows: “Not later than 180 days after December 19, 2006, the Secretary shall submit to the appropriate committees of Congress, a strategic plan that demonstrates the steps the Secretary will undertake to develop, implement, and evaluate the network described in paragraph (1), utilizing the elements described in paragraph (3).”

Subsec. (c)(3)(D). Pub. L. 113–5, §204(a)(4)(D), inserted “community health centers, health centers” after “of poison control,”.”
Subsec. (c)(5)(A). Pub. L. 113–5, § 204(a)(4)(E), added subpar. (A) and struck out former subpar. (A) which read as follows: “utilize applicable interoperability standards as determined by the Secretary through a joint public and private sector process.”


Subsec. (d). Pub. L. 113–5, § 204(a)(3), redesignated subsec. (e) as (d), Former subsec. (d) redesignated (c).

Subsec. (d)(1), (4)(B). Pub. L. 113–5, § 204(a)(5)(A), (B), substituted “subsection (c)” for “subsection (d)”.

Subsec. (d)(5). Pub. L. 113–5, § 204(a)(5)(C), substituted “3 years after March 13, 2013” for “4 years after December 19, 2006” and “subsection (c)” for “subsection (d)”.

Subsec. (e). Pub. L. 113–5, § 204(a)(3), redesignated subsec. (f) as (e), Former subsec. (e) redesignated (d).

Subsec. (f). Pub. L. 113–5, § 204(a)(3)(B), redesignated subsec. (g) as (f) and substituted “$138,300,000 for each of fiscal years 2014 through 2018” for “such sums as may be needed or for”.

Subsec. (g). Pub. L. 113–5, § 204(a)(7), added subsec. (g). Former subsec. (g) redesignated (f).


Subsec. (d) to (g). Pub. L. 109–117, § 202(3), added subsec. (d) to (g).

2002—Pub. L. 107–188 reenacted section catchline without change and amended text generally, substituting provisions relating to facilities, capacities, and national communications and surveillance networks for provisions relating to findings of need for secure and modern facilities.

WORKING CAPITAL FUND

Pub. L. 113–76, div. H, title II, Jan. 17, 2014, 128 Stat. 368, provided in part: “That to facilitate the implementation of the permanent Working Capital Fund (‘WCF’) authorized under this heading [CDC-WIDE ACTIVITIES AND PROGRAM SUPPORT] in division F of Public Law 112–74 [see note below], on or after enactment of this Act [Jan. 17, 2014], unobligated balances of amounts appropriated for business services for fiscal year 2013 shall be transferred to the WCF: Provided further, That on or after enactment of this Act, CDC shall transfer amounts available for business services to other CDC appropriations consistent with the benefit each appropriation received from the business services appropriation in fiscal year 2013: Provided further, That the WCF, as defined by this section: Provided further, That the Comptroller General of the United States may establish a Working Capital Fund, with the authorities equivalent to those provided in 42 U.S.C. 231, to improve the provision of supplies and service.”

§ 247d–4a. Infectious Diseases Rapid Response Reserve Fund

There is established in the Treasury a reserve fund to be known as the “Infectious Diseases Rapid Response Reserve Fund” (the “Reserve Fund”); Provided, That the funds provided under the heading “CDC-Wide Activities and Program Support” [328 Stat. 3073], $50,000,000, to remain available until expended, shall be available to the Director of the CDC for deposit in the Reserve Fund: Provided further, That amounts in the Reserve Fund shall be for carrying out titles II, III, and XVII of the PHS Act [42 U.S.C. 201 et seq., 241 et seq., 300u et seq.] to prevent, prepare for, or respond to an infectious disease emergency, including, in connection with such activities, to purchase or lease and provide for the insurance of passenger motor vehicles for official use in foreign countries: Provided further, That amounts in the Reserve Fund may only be provided for an infectious disease emergency if the infectious disease emergency (1) is declared by the Secretary of Health and Human Services under section 319 of the PHS Act [42 U.S.C. 247d] to be a public health emergency; or (2) as determined by the Secretary, has significant potential to imminently occur and potential, on occurrence, to affect national security or the health and security of United States citizens, domestically or internationally: Provided further, That amounts in the Reserve Fund may be transferred by the Director of the CDC to other accounts of the CDC, to accounts of the NIH, or to the Public Health and Social Services Emergency Fund, to be merged with such accounts or Fund for the purposes provided in this section: Provided further, That the Committees on Appropriations of the House of Representatives and the Senate shall be notified in advance of any transfer or obligation made under the authority provided in this section, including notification on the anticipated uses of such funds by program, project, or activity: Provided further, That not later than 15 days after notification of the planned use of the Reserve Fund, the Director shall provide a detailed plan for the anticipated uses of funds, including estimated personnel and administrative costs, to the Committees on Appropriations of the House of Representatives and the Senate: Provided further, That the WCF shall be updated and submitted every 90 days thereafter until funds have been fully expended which should include the unobligated balances in the Reserve Fund and all the actual obligations incurred to date: Provided further, That amounts in the Reserve Fund shall be in addition to amounts otherwise available to the Department of Health and Human Services for the purposes provided in this section: Provided further, That the transfer authorities in this section are in addition to any transfer authority otherwise available to the Department of Health and Human Services: Provided further, That products purchased using amounts in the Reserve Fund may, at the discretion of the Secretary of Health and Human Services, be deposited in the Strategic National Stockpile under section 319F–2 of the PHS Act [42 U.S.C. 247d–6b]: Provided further, That this section shall be in effect as of September 28, 2018, through each fiscal year hereafter.”
References in Text
CDC and NIH, referred to in text, mean the Centers for Disease Control and Prevention and the National Institutes of Health, respectively.

The PHS Act, referred to in text, means the Public Health Service Act, act July 1, 1944, ch. 373, 58 Stat. 682. Titles II, III, and XVII of the Act are classified generally to subchapters I (§201 et seq.), II (§241 et seq.), and XV (§300a et seq.), respectively, of this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 201 of this title and Tables.

Codification
Section was enacted as part of the Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 2019, and not as part of the Public Health Service Act which comprises this chapter.

§ 247d–4b. Children’s Preparedness Unit

(a) Enhancing emergency preparedness for children

The Secretary, acting through the Director of the Centers for Disease Control and Prevention (referred to in this subsection as the “Director”), shall maintain an internal team of experts, to be known as the Children’s Preparedness Unit (referred to in this subsection as the “Unit”), to work collaboratively to provide guidance on the considerations for, and the specific needs of, children before, during, and after public health emergencies. The Unit shall inform the Director regarding emergency preparedness and response efforts pertaining to children at the Centers for Disease Control and Prevention.

(b) Expertise

The team described in subsection (a) shall include one or more pediatricians, which may be a developmental-behavioral pediatrician, and may also include behavioral scientists, child psychologists, epidemiologists, biostatisticians, health communications staff, and individuals with other areas of expertise, as the Secretary determines appropriate.

(c) Duties

The team described in subsection (a) may—
(1) assist State, local, Tribal, and territorial emergency planning and response activities related to children, which may include developing, identifying, and sharing best practices;
(2) provide technical assistance, training, and consultation to Federal, State, local, Tribal, and territorial public health officials to improve preparedness and response capabilities with respect to the needs of children, including providing such technical assistance, training, and consultation to eligible entities in order to support the achievement of measurable evidence-based benchmarks and objective standards applicable to sections 247d–3a and 247d–3b of this title;
(3) improve the utilization of methods to incorporate the needs of children in planning for and responding to a public health emergency, including public awareness of such methods;
(4) coordinate with, and improve, public-private partnerships, such as health care coalitions pursuant to sections 247d–3b and 247d–3c of this title, to address gaps and inefficiencies in emergency preparedness and response efforts for children;
(5) provide expertise and input during the development of guidance and clinical recommendations to address the needs of children when preparing for, and responding to, public health emergencies, including pursuant to section 247d–3c of this title; and
(6) carry out other duties related to preparedness and response activities for children, as the Secretary determines appropriate.

(July 1, 1944, ch. 373, title III, §319D–1, as added Pub. L. 116–22, title III, §304, June 24, 2019, 133 Stat. 596.)

§ 247d–5. Combating antimicrobial resistance

(a) Task force

(1) In general

The Secretary shall establish an Anti-microbial Resistance Task Force to provide advice and recommendations to the Secretary and coordinate Federal programs relating to antimicrobial resistance. The Secretary may appoint or select a committee, or other organization in existence as of November 13, 2000, to serve as such a task force, if such committee, or other organization meets the requirements of this section.

(2) Members of task force

The task force described in paragraph (1) shall be composed of representatives from such Federal agencies, and shall seek input from public health constituencies, manufacturers, veterinary and medical professional societies and others, as determined to be necessary by the Secretary, to develop and implement a comprehensive plan to address the public health threat of antimicrobial resistance.

(3) Agenda

(A) In general

The task force described in paragraph (1) shall consider factors the Secretary considers appropriate, including—
(1) public health factors contributing to increasing antimicrobial resistance;
(2) public health needs to detect and monitor antimicrobial resistance;
(3) detection, prevention, and control strategies for resistant pathogens;
(4) the need for improved information and data collection;
(5) the assessment of the risk imposed by pathogens presenting a threat to the public health; and
(6) any other issues which the Secretary determines are relevant to antimicrobial resistance.

(B) Detection and control

The Secretary, in consultation with the task force described in paragraph (1) and State and local public health officials, shall—
(1) develop, improve, coordinate or enhance participation in a surveillance plan to detect and monitor emerging antimicrobial resistance; and
(ii) develop, improve, coordinate or enhance participation in an integrated information system to assimilate, analyze, and exchange antimicrobial resistance data between public health departments.

(4) Meetings

The task force described under paragraph (1) shall convene not less than twice a year, or more frequently as the Secretary determines to be appropriate.

(b) Research and development of new antimicrobial drugs and diagnostics

The Secretary and the Director of Agricultural Research Services, consistent with the recommendations of the task force established under subsection (a), shall directly or through awards of grants or cooperative agreements to public or private entities provide for the conduct of research, investigations, experiments, demonstrations, and studies in the health sciences that are related to—

1. the development of new therapeutics, including vaccines and antimicrobials, against resistant pathogens;
2. the development or testing of medical diagnostics to detect pathogens resistant to antimicrobials;
3. the epidemiology, mechanisms, and pathogenesis of antimicrobial resistance;
4. the sequencing of the genomes, or other DNA analysis, or other comparative analysis, of priority pathogens (as determined by the Director of the National Institutes of Health in consultation with the task force established under subsection (a)), in collaboration and coordination with the activities of the Department of Defense and the Joint Genome Institute of the Department of Energy; and
5. other relevant research areas.

(c) Education of medical and public health personnel

The Secretary, after consultation with the Assistant Secretary for Health, the Surgeon General, the Director of the Centers for Disease Control and Prevention, the Administrator of the Health Resources and Services Administration, the Director of the Agency for Healthcare Research and Quality, members of the task force described in subsection (a), professional organizations and societies, and such other public health officials as may be necessary, shall—

1. develop and implement educational programs to increase the awareness of the general public with respect to the public health threat of antimicrobial resistance and the appropriate use of antibiotics;
2. develop and implement educational programs to instruct health care professionals in the prudent use of antibiotics;
3. develop and implement programs to train laboratory personnel in the recognition or identification of resistance in pathogens.

(d) Grants

(1) In general

The Secretary shall award competitive grants to eligible entities to enable such entities to increase the capacity to detect, monitor, and combat antimicrobial resistance.

(2) Eligible entities

Eligible entities for grants under paragraph (1) shall be State or local public health agencies, Indian tribes or tribal organizations, or other public or private nonprofit entities.

(3) Use of funds

An eligible entity receiving a grant under paragraph (1) shall use funds from such grant for activities that are consistent with the factors identified by the task force under subsection (a)(8), which may include activities that—

A. provide training to enable such entity to identify patterns of resistance rapidly and accurately;
B. develop, improve, coordinate or enhance participation in information systems by which data on resistant infections can be shared rapidly among relevant national, State, and local health agencies and health care providers; and
C. develop and implement policies to control the spread of antimicrobial resistance.

(e) Grants for demonstration programs

(1) In general

The Secretary shall award competitive grants to eligible entities to establish demonstration programs to promote judicious use of antimicrobial drugs or control the spread of antimicrobial-resistant pathogens.

(2) Eligible entities

Eligible entities for grants under paragraph (1) may include hospitals, clinics, institutions of long-term care, professional medical societies, schools or programs that train medical laboratory personnel, or other public or private nonprofit entities.

(3) Technical assistance

The Secretary shall provide appropriate technical assistance to eligible entities that receive grants under paragraph (1).

(f) Monitoring at Federal health care facilities

The Secretary shall encourage reporting on aggregate antimicrobial drug use and antimicrobial resistance to antimicrobial drugs and the implementation of antimicrobial stewardship programs by health care facilities of the Department of Veterans Affairs, and the Indian Health Service and shall provide technical assistance to the Secretary of Defense and the Secretary of Veterans Affairs, as appropriate and upon request.

(g) Report on antimicrobial resistance in humans and use of antimicrobial drugs

Not later than 1 year after December 13, 2016, and annually thereafter, the Secretary shall prepare and make publicly available data and information concerning—

1. aggregate national and regional trends of antimicrobial resistance in humans to antimicrobial drugs, including such drugs approved under section 356(h) of title 21;
2. antimicrobial stewardship, which may include summaries of State efforts to address antimicrobial resistance in humans to antimicrobial drugs and antimicrobial stewardship; and
ment and implementation of evidence-based microbial resistance. Such efforts may include statewide or regional programs related to antimicrobial stewardship programs or practices at health care facilities, such as nursing homes and other long-term care facilities, ambulatory surgical centers, dialysis centers, outpatient clinics, and hospitals, including community and rural hospitals.

(i) Supporting State-based activities to combat antimicrobial resistance
The Secretary shall continue to work with State and local public health departments on statewide or regional programs related to antimicrobial resistance. Such efforts may include activities to related to—
(1) identifying patterns of bacterial and fungal resistance in humans to antimicrobial drugs;
(2) preventing the spread of bacterial and fungal infections that are resistant to antimicrobial drugs; and
(3) promoting antimicrobial stewardship.

(j) Antimicrobial resistance and stewardship activities

(1) In general
For the purposes of supporting stewardship activities, examining changes in antimicrobial resistance, and evaluating the effectiveness of section 356(h) of title 21, the Secretary shall—
(A) provide a mechanism for facilities to report data related to their antimicrobial stewardship activities (including analyzing the outcomes of such activities); and
(B) evaluate—
(i) antimicrobial resistance data using a standardized approach; and
(ii) trends in the utilization of drugs approved under section 356(h) of title 21 with respect to patient populations.

(2) Use of systems
The Secretary shall use available systems, including the National Healthcare Safety Network or other systems identified by the Secretary, to fulfill the requirements or conduct activities under this section.

(k) Antimicrobial
For purposes of subsections (f) through (j), the term “antimicrobial” includes any antibacterial or antifungal drugs, and may include drugs that eliminate or inhibit the growth of other microorganisms, as appropriate.

(l) Supplement not supplant
Funds appropriated under this section shall be used to supplement and not supplant other Federal, State, and local public funds provided for activities under this section.

(m) Authorization of appropriations
There are authorized to be appropriated to carry out this section, $40,000,000 for fiscal year 2001, $25,000,000 for each of the fiscal years 2002 and 2003, and such sums as may be necessary for each of the fiscal years 2004 through 2006.


AMENDMENTS
2016—Subsecs. (i) to (m). Pub. L. 114–255 added subsec. (f) to (k) and redesignated former subsec. (f) and (g) as (l) and (m), respectively.
2002—Subsec. (b). Pub. L. 107–188, §109(1)(A), in introductory provisions, substituted “shall directly or through awards of grants or cooperative agreements to public or private entities provide for the conduct of” for “shall conduct and support”.
Subsec. (b)(4). Pub. L. 107–188, §109(1)(B), amended par. (4) generally. Prior to amendment, par. (4) read as follows: “the sequencing of the genomes of priority pathogens as determined by the Director of the National Institutes of Health in consultation with the task force established under subsection (a) of this section; and”.
Subsec. (e)(2). Pub. L. 107–188, §109(2), inserted “schools or programs that train medical laboratory personnel,” after “professional medical societies.”
Subsec. (g). Pub. L. 107–188, §109(3), substituted “$25,000,000 for each of the fiscal years 2002 and 2003, and such sums as may be necessary for each of the fiscal years 2004 through 2006 for “and such sums as may be necessary for each subsequent fiscal year through 2006”.

CONSTRUCTION OF 2016 AMENDMENT
Nothing in amendment by Pub. L. 114–255 to be construed to restrict the prescribing of antimicrobial drugs or other products, including drugs approved under section 356(h) of Title 21, Food and Drugs, by health care professionals, or to limit the practice of health care, see section 3043 of Pub. L. 114–255, set out as a note under section 356 of Title 21.

ADDITIONAL STRATEGIES FOR COMBATING ANTIBIOTIC RESISTANCE
Pub. L. 116–22, title V, §505, June 24, 2019, 133 Stat. 951, provided that:
“(a) ADVISORY COUNCIL.—The Secretary of Health and Human Services (referred to in this section as the ‘Secretary’) may continue the Presidential Advisory Council on Combating Antibiotic-Resistant Bacteria, referred to in this section as the ‘Advisory Council’.
“(b) DUTIES.—The Advisory Council shall advise and provide information and recommendations to the Secretary regarding programs and policies intended to reduce or combat antibiotic-resistant bacteria that may present a public health threat and improve capabilities to prevent, diagnose, mitigate, or treat such resistance. Such advice, information, and recommendations may be related to improving—
“(1) the effectiveness of antibiotics;
“(2) research and advanced research on, and the development of, improved and innovative methods for combating or reducing antibiotic resistance, including new treatments, rapid point-of-care diagnostics, alternatives to antibiotics, including alternatives to animal antibiotics, and antimicrobial stewardship activities;
“(3) surveillance of antibiotic-resistant bacterial infections, including publicly available and up-to-date information on resistance to antibiotics;
“(4) education for health care providers and the public with respect to up-to-date information on anti-
biotic resistance and ways to reduce or combat such resistance to antibiotics related to humans and animals; (6) methods to prevent or reduce the transmission of antibiotic-resistant bacterial infections, including stewardship programs; and (7) coordination with respect to international efforts in order to inform all aspects of United States capabilities to combat antibiotic resistance.

"(c) MEETINGS AND COORDINATION.—

(1) MEETINGS.—The Advisory Council shall meet not less than biannually and, to the extent practicable, in coordination with meetings of the Antimicrobial Resistance Task Force established in section 319E(a) of the Public Health Service Act (42 U.S.C. 247d-5(a)).

(2) COORDINATION.—The Advisory Council shall, to the greatest extent practicable, coordinate activities carried out by the Council with the Antimicrobial Resistance Task Force established under section 319E(a) of the Public Health Service Act (42 U.S.C. 247d-5(a)).

"(d) FACA.—The Federal Advisory Committee Act (5 U.S.C. App.) shall apply to the activities and duties of the Advisory Council.

"(e) EXTENSION OF ADVISORY COUNCIL.—Not later than October 1, 2022, the Secretary shall submit to the Committee on Health, Education, Labor, and Pensions of the Senate and the Committee on Energy and Commerce of the House of Representatives a recommendation on whether the Advisory Council should be extended, and in addition, identify whether there are overlapping or similar duties to that of the Advisory Council, and whether such committees, councils, or task forces that have overlapping or similar duties to that of the Advisory Council, and whether such committees, councils, or task forces should be combined, including with respect to section 319E(a) of the Public Health Service Act (42 U.S.C. 247d-5(a))."

AVAILABILITY OF DATA

Pub. L. 114–255, div. A, title III, §304(b), Dec. 13, 2016, 130 Stat. 1112, provided that: "The Secretary shall make the data collected pursuant to this subsection (probably refers to the amendments made to this section by section 304(a) of Pub. L. 114–255) public. Nothing in this subsection shall be construed as authorizing the Secretary to disclose any information that is a trade secret or confidential information subject to section 552(b)(4) of title 5, United States Code, or section 1005 of title 18, United States Code."

EX. ORD. NO. 13676, COMBATING ANTIBIOTIC-RESISTANT BACTERIA

Ex. Ord. No. 13676, Sept. 18, 2014, 79 F.R. 56931, provided:

By the authority vested in me as President by the Constitution and the laws of the United States of America, I hereby order as follows:

SECTION 1. Policy. The discovery of antibiotics in the early 20th century fundamentally transformed human and veterinary medicine. Antibiotics save millions of lives each year in the United States and around the world. The rise of antibiotic-resistant bacteria, however, represents a serious threat to public health and the economy. The Centers for Disease Control and Prevention (CDC) in the Department of Health and Human Services (HHS) estimates that annually at least two million illnesses and 23,000 deaths are caused by antibiotic-resistant bacteria in the United States alone. Detecting, preventing, and controlling antibiotic resistance requires a strategic, coordinated, and sustained effort. It also depends on the engagement of governments, academia, industry, healthcare providers, the general public, and the agricultural community, as well as international partners. Success in this effort will require significant efforts to: minimize the emergence of antibiotic-resistant bacteria; preserve the efficacy of new and existing antibacterial drugs; advance research to develop improved methods for combating antibiotic resistance and conducting antibiotic stewardship; strengthen surveillance efforts in public health and agriculture; develop and promote the use of new, rapid diagnostic technologies; accelerate scientific research and facilitate the development of new antibacterial drugs, vaccines, diagnostics, and other novel therapeutics; maximize the dissemination of the latest up-to-date information on the appropriate and proper use of antibiotics to the general public and healthcare providers; work with the pharmaceutical industry to include information on the proper use of over-the-counter and prescription antibiotic medications for humans and animals; and improve international collaboration and capabilities for prevention, surveillance, stewardship, basic research, and drug and diagnostics development.

The Federal Government will work domestically and internationally to detect, prevent, and control illness and death related to antibiotic-resistant infections by implementing measures that reduce the emergence and spread of antibiotic-resistant bacteria and help ensure the continued availability of effective therapeutics for the treatment of bacterial infections.

SEC. 2. Oversight and Coordination. Combating antibiotic-resistant bacteria is a national security priority. The National Security Council staff, in collaboration with the Office of Science and Technology Policy, the National Security Council staff, and the Office of Management and Budget, shall coordinate the development and implementation of Federal Government policies to combat antibiotic-resistant bacteria, including the activities, reports, and recommendations of the Task Force for Combating Antibiotic-Resistant Bacteria established in section 3 of this order.

SEC. 3. Task Force for Combating Antibiotic-Resistant Bacteria. There is hereby established the Task Force for Combating Antibiotic-Resistant Bacteria (Task Force), to be co-chaired by the Secretaries of Defense, Agriculture, and HHS.

(a) Membership. In addition to the Co-Chairs, the Task Force shall consist of representatives from:

(i) the Department of State;
(ii) the Department of Justice;
(iii) the Department of Veterans Affairs;
(iv) the Department of Homeland Security;
(v) the Environmental Protection Agency;
(vi) the United States Agency for International Development;
(vii) the Office of Management and Budget;
(viii) the Domestic Policy Council;
(ix) the National Security Council staff; and
(x) the Office of Science and Technology Policy.

(b) Mission. The Task Force shall identify actions that will provide for the facilitation and monitoring of implementation of this order and the National Strategy for Combating Antibiotic-Resistant Bacteria (Strategy).

(c) Functions.

(i) By February 15, 2015, the Task Force shall submit a 5-year National Action Plan (Action Plan) to the President that outlines specific actions to be taken to implement the Strategy. The Action Plan shall include goals, milestones, and metrics for measuring progress, as well as associated timelines for implementation. The Action Plan shall include recommendations made by the President’s Council of Advisors on Science and Technology regarding combating antibiotic resistance.

(ii) Within 180 days of the release of the Action Plan and each year thereafter, the Task Force shall provide the President with an update on Federal Government actions to combat antibiotic resistance consistent with

"§ 247d-5
this order, including progress made in implementing the Strategy and Action Plan, plans for addressing any barriers preventing full implementation of the Strategy and Action Plan, and recommendations for new or modified actions. Annual updates shall include specific goals, milestones, and metrics for all proposed actions and recommendations, The Task Force shall take Federal Government resources into consideration when developing these proposed actions and recommendations.

(iii) In performing its functions, the Task Force shall review relevant statutes, regulations, policies, and programs, and shall consult with relevant domestic and international organizations and experts, as necessary.

(iv) The Task Force shall conduct an assessment of progress made towards achieving the milestones and goals outlined in the Strategy in conjunction with the Advisory Council established pursuant to section 4 of this order.

Scc. 4. Presidential Advisory Council on Combating Antibiotic-Resistant Bacteria. (a) The Secretary of HHS (Secretary), in consultation with the Secretaries of Defense and Agriculture, shall establish the Presidential Advisory Council on Combating Antibiotic-Resistant Bacteria (Advisory Council). The Advisory Council shall be composed of not more than 30 members to be appointed or designated by the Secretary.

(b) The Secretary shall designate a chairperson from among the members of the Advisory Council.

(c) The Advisory Council shall provide advice, information, and recommendations to the Secretary regarding programs and policies intended to: preserve the effectiveness of antibiotics by optimizing their use; advance research to develop improved methods for combating antibiotic resistance and conducting antibiotic stewardship; strengthen surveillance of antibiotic-resistant bacterial infections; prevent the transmission of antibiotic-resistant bacterial infections; advance the development of rapid point-of-care and agricultural diagnostics; further research on new treatments for bacterial infections; develop alternatives to antibiotics for agricultural purposes; maximize the dissemination of up-to-date information on the appropriate and proper use of antibiotics to the general public and human and animal healthcare providers; and improve international coordination of efforts to combat antibiotic resistance. The Secretary shall provide the President with all written reports created by the Advisory Council.

(d) Task Force agencies shall, to the extent permitted by law, provide the Advisory Council with such information as it may require for purposes of carrying out its functions.

(e) To the extent permitted by law, and subject to the availability of appropriations, HHS shall provide the Advisory Council with such funds and support as may be necessary for the performance of its functions.

Scc. 5. Improved Antibiotic Stewardship. (a) By the end of calendar year 2018, HHS shall review existing regulations and propose new regulations or other actions, as appropriate, that require hospitals and other inpatient healthcare delivery facilities to implement robust antibiotic stewardship programs that adhere to best practices, such as those identified by the CDC. HHS shall also take steps to encourage other healthcare facilities, such as ambulatory surgery centers and dialysis facilities, to adopt antibiotic stewardship programs.

(b) Task Force agencies shall, as appropriate, define, promulgate, and implement stewardship programs in other healthcare settings, including office-based practices, patient settings, emergency departments, and institutional and long-term care facilities such as nursing homes, pharmacies, and correctional facilities.

(c) By the end of calendar year 2018, the Department of Defense (DoD) and the Department of Veterans Affairs (VA) shall review their existing regulations and, as appropriate, propose new regulations and other actions that require their hospitals and long-term care facilities to implement robust antibiotic stewardship programs that adhere to best practices, such as those defined by the CDC. DoD and the VA shall also take steps to encourage their other healthcare facilities, such as ambulatory surgery centers and outpatient clinics, to adopt antibiotic stewardship programs.

(d) Task Force agencies shall, as appropriate, monitor improvements in antibiotic use through the National Healthcare Safety Network and other systems.

(e) The Food and Drug Administration (FDA) in HHS, in coordination with the Department of Agriculture (USDA), shall continue taking steps to eliminate the use of medically important classes of antibiotics for growth promotion purposes in food-producing animals.

(f) USDA, the Environmental Protection Agency (EPA), and FDA shall strengthen coordination in common program areas, such as surveillance of antibiotic use and resistance patterns in food-producing animals, inter-species disease transmissibility, and research findings.

(g) DoD, HHS, and the VA shall review existing regulations and propose new regulations and other actions, as appropriate, to standardize the collection and sharing of antibiotic resistance data across all their healthcare settings.

Scc. 6. Strengthening National Surveillance Efforts for Resistant Bacteria. (a) The Task Force shall ensure that the Action Plan includes procedures for creating and integrating surveillance systems and laboratory networks to provide timely, high-quality data from healthcare and agricultural settings, including detailed genomic and other information, adequate to track resistant bacteria across diverse settings. The network-integrated surveillance systems and laboratory networks shall include common information requirements, repositories for bacteria isolates and other samples, a curated genomic database, rules for access to samples and scientific data, standards for electronic health record-based reporting, data transparency, budget coordination, and international coordination.

(b) Task Force agencies shall, as appropriate, link data from Federal Government sample isolate repositories for bacteria strains to an integrated surveillance system, and, where feasible, the repositories shall enhance their sample collections and further interoperable data systems with national surveillance efforts.

(c) USDA, EPA, and FDA shall work together with stakeholders to monitor and report on changes in antibiotic use in agriculture and their impact on the environment.

(d) Task Force agencies shall, as appropriate, monitor antibiotic resistance in healthcare settings through the National Healthcare Safety Network and related systems.

Scc. 7. Preventing and Responding to Infections and Outbreaks with Antibiotic-Resistant Organisms. (a) Task Force agencies shall, as appropriate, utilize enhanced surveillance activities described in section 6 of this order to prevent antibiotic-resistant infections by: actively identifying and responding to antibiotic-resistant outbreaks; preventing outbreaks and transmission of antibiotic-resistant infections in healthcare, community, and agricultural settings through early detection and tracking of resistant organisms; and identifying and evaluating additional strategies in the healthcare and community settings for the effective prevention and control of antibiotic-resistant infections.

(b) Task Force agencies shall take steps to implement the measures and achieve the milestones outlined in the Strategy and Action Plan.

(c) DoD, HHS, and the VA shall review and, as appropriate, update their hospital and long-term care infectious diseases protocols for identifying, isolating, and treating antibiotic-resistant bacterial infection cases.

Scc. 8. Promoting New and Next Generation Antibiotics and Diagnostics. (a) As part of the Action Plan, the Task Force shall describe steps that agencies can take to encourage the development of new and next-generation antibacterial drugs, diagnostics, vaccines, and novel therapeutics for both the public and agricultural sectors, including steps to develop infrastructure for clinical trials and options for attracting greater pri-
vate investment in the development of new antibiotics and rapid point-of-care diagnostics. Task Force agency efforts shall focus on addressing areas of unmet medical need for individuals, including those antibiotic-resistant bacteria CDC has identified as public and agricultural health threats.

(b) Together with the countermeasures it develops for biodefense threats, the Biomedical Advanced Research Development Authority in HHS shall develop new and next-generation countermeasures that target antibiotic-resistant bacteria that present a serious or urgent threat to public health.

(c) The Public Health Emergency Medical Countermeasures Enterprise in HHS shall, as appropriate, coordinate with Task Force agencies' efforts to promote new and next-generation countermeasures to target antibiotic-resistant bacteria that present a serious or urgent threat to public health.

Sect. 9. International Cooperation. Within 30 days of the date of this order, the Secretaries of State, USDA, and HHS shall designate representatives to engage in international action to combat antibiotic-resistant bacteria, including the development of the World Health Organization (WHO) Global Action Plan for Antimicrobial Resistance with the WHO, Member States, and other relevant organizations. The Secretaries of State, USDA, and HHS shall conduct a review of international collaboration activities and partnerships, and identify and pursue opportunities for enhanced prevention, surveillance, research and development, and policy engagement. All Task Force agencies with research and development activities related to antibiotic resistance shall, as appropriate, expand existing bilateral and multilateral scientific cooperation and research pursuant to the Action Plan.

Sect. 10. General Provisions. (a) This order shall be implemented consistent with applicable law and subject to the availability of appropriations.

(b) Nothing in this order shall be construed to impair or otherwise affect:
(i) the authority granted by law to an executive department or agency, or the head thereof; or
(ii) the functions of the Director of the Office of Management and Budget relating to budgetary, administrative, or legislative proposals.

(c) This order is not intended to, and does not, create any right or benefit, substantive or procedural, enforceable at law or in equity by any party against the United States, its departments, agencies, or entities, its officers, employees, or agents, or any other person.

(d) Inconsistent with the Federal Advisory Committee Act, as amended (5 U.S.C. App.) (the "Act"), may apply to the Advisory Council, any functions of the President under the Act, except for that of reporting to the Congress, shall be performed by the Secretary in accordance with the guidelines issued by the Administrator of General Services.

BARACK OBAMA.

EXTENSION OF TERM OF PRESIDENTIAL ADVISORY COUNCIL ON COMBATING ANTIMICROBIAL-RESISTANT BACTERIA

Term of Presidential Advisory Council on Combating Antibiotic-Resistant Bacteria extended until Sept. 30, 2019, by Ex. Ord. No. 13811, Sept. 29, 2017, 82 F.R. 46363, set out as a note under section 14 of the Federal Advisory Committee Act in the Appendix to Title 5, Government Organization and Employees. Previous extension of term of Presidential Advisory Council on Combating Antibiotic-Resistant Bacteria was contained in the following prior Executive Order:


§ 247d-6. Public health countermeasures to a bioterrorist attack

(a) All-hazards public health and medical response curricula and training

(1) In general

The Secretary, in collaboration with the Secretary of Defense, and in consultation with relevant public and private entities, shall develop core health and medical response curricula and trainings by adapting applicable existing curricula and training programs to improve responses to public health emergencies.

(2) Curriculum

The public health and medical response training program may include course work related to—
(A) medical management of casualties, taking into account the needs of at-risk individuals;
(B) public health aspects of public health emergencies;
(C) mental health aspects of public health emergencies;
(D) national incident management, including coordination among Federal, State, local, tribal, international agencies, and other entities; and
(E) protecting health care workers and health care first responders from workplace exposures during a public health emergency.

(3) Peer review

On a periodic basis, products prepared as part of the program shall be rigorously tested and peer-reviewed by experts in the relevant fields.

(4) Credit

The Secretary and the Secretary of Defense shall—
(A) take into account continuing professional education requirements of public health and healthcare professions; and
(B) cooperate with State, local, and tribal accrediting agencies and with professional associations in arranging for students enrolled in the program to obtain continuing professional education credit for program courses.

(5) Dissemination and training

(A) In general

The Secretary may provide for the dissemination and teaching of the materials described in paragraphs (1) and (2) by appropriate means, as determined by the Secretary.

(B) Certain entities

The education and training activities described in subparagraph (A) may be carried out by Federal public health, medical, or dental entities, appropriate educational entities, professional organizations and societies, private accrediting organizations, and other nonprofit institutions or entities meeting criteria established by the Secretary.

(C) Grants and contracts

In carrying out this subsection, the Secretary may carry out activities directly or
through the award of grants and contracts, and may enter into interagency agreements with other Federal agencies.

(b) Advice to the Federal Government

(1) Required advisory committees

In coordination with the working group under subsection (a), the Secretary shall establish advisory committees in accordance with paragraphs (2) and (3) to provide expert recommendations to assist such working groups in carrying out their respective responsibilities under subsections (a) and (b).

(2) National Advisory Committee on At-Risk Individuals and Public Health Emergencies

(A) In general

For purposes of paragraph (1), the Secretary shall establish an advisory committee to be known as the National Advisory Committee on At-Risk Individuals and Public Health Emergencies (referred to in this paragraph as the "Advisory Committee").

(B) Duties

The Advisory Committee shall provide recommendations regarding—

(i) the preparedness of the health care (including mental health care) system to respond to public health emergencies as they relate to at-risk individuals;
(ii) needed changes to the health care and emergency medical service systems and emergency medical services protocols to meet the special needs of at-risk individuals; and
(iii) changes, if necessary, to the national stockpile under section 300hh–12 of this title to meet the emergency health security of at-risk individuals.

(C) Composition

The Advisory Committee shall be composed of such Federal officials as may be appropriate to address the special needs of the diverse population groups of at-risk populations.

(D) Termination

The Advisory Committee terminates six years after June 12, 2002.

(3) Emergency Public Information and Communications Advisory Committee

(A) In general

For purposes of paragraph (1), the Secretary shall establish an advisory committee to be known as the Emergency Public Information and Communications Advisory Committee (referred to in this paragraph as the "EPIC Advisory Committee").

(B) Duties

The EPIC Advisory Committee shall make recommendations to the Secretary and report on appropriate ways to communicate public health information regarding bioterrorism and other public health emergencies to the public.

(C) Composition

The EPIC Advisory Committee shall be composed of individuals representing a diverse group of experts in public health, medicine, communications, behavioral psychology, and other areas determined appropriate by the Secretary.

(D) Dissemination

The Secretary shall review the recommendations of the EPIC Advisory Committee and ensure that appropriate information is disseminated to the public.

(E) Termination

The EPIC Advisory Committee terminates one year after June 12, 2002.

(c) Expansion of Epidemic Intelligence Service Program

The Secretary may establish 20 officer positions in the Epidemic Intelligence Service Program, in addition to the number of the officer positions offered under such Program in 2006, for individuals who agree to participate, for a period of not less than 2 years, in the Career Epidemiology Field Officer program in a State, local, or tribal health department that serves a health professional shortage area (as defined under section 254e(a) of this title), a medically underserved population (as defined under section 254b(b)(3) of this title), or a medically underserved area or area at high risk of a public health emergency as designated by the Secretary.

(d) Centers for Public Health Preparedness; core curricula and training

(1) In general

The Secretary may establish at accredited schools of public health, Centers for Public Health Preparedness (hereafter referred to in this section as the "Centers").

(2) Eligibility

To be eligible to receive an award under this subsection to establish a Center, an accredited school of public health shall agree to conduct activities consistent with the requirements of this subsection.

(3) Core curricula

The Secretary, in collaboration with the Centers and other public or private entities shall establish core curricula based on established competencies leading to a 4-year bachelor's degree, a graduate degree, a combined bachelor and master's degree, or a certificate program, for use by each Center. The Secretary shall disseminate such curricula to other accredited schools of public health and other health professions schools determined appropriate by the Secretary, for voluntary use by such schools.

(4) Core competency-based training program

The Secretary, in collaboration with the Centers and other public or private entities shall facilitate the development of a competency-based training program to train public health practitioners. The Centers shall use such training program to train public health practitioners. The Secretary shall disseminate such training program to other accredited schools of public health, health professions schools, and other public or private entities as
determined by the Secretary, for voluntary use by such entities.

(5) Content of core curricula and training program

The Secretary shall ensure that the core curricula and training program established pursuant to this subsection respond to the needs of State, local, and tribal public health authorities and integrate and emphasize essential public health security capabilities consistent with section 300hh-1(b)(2) of this title.

(6) Academic-workforce communication

As a condition of receiving funding from the Secretary under this subsection, a Center shall collaborate with a State, local, or tribal public health department to—

(A) define the public health preparedness and response needs of the community involved;

(B) assess the extent to which such needs are fulfilled by existing preparedness and response activities of such school or health department, and how such activities may be improved;

(C) prior to developing new materials or trainings, evaluate and utilize relevant materials and trainings developed by others Centers; and

(D) evaluate community impact and the effectiveness of any newly developed materials or trainings.

(7) Public health systems research

In consultation with relevant public and private entities, the Secretary shall define the existing knowledge base for public health preparedness and response systems, and establish a research agenda based on Federal, State, local, and tribal public health preparedness priorities. As a condition of receiving funding from the Secretary under this subsection, a Center shall conduct public health systems research that is consistent with the agenda described under this paragraph.

(e) Accelerated research and development on priority pathogens and countermeasures

(1) In general

With respect to pathogens of potential use in a bioterrorist attack, and other agents that may cause a public health emergency, the Secretary, taking into consideration any recommendations of the working group under subsection (a), shall conduct, and award grants, contracts, or cooperative agreements for, research, investigations, experiments, demonstrations, and studies in the health sciences relating to—

(A) the epidemiology and pathogenesis of such pathogens;

(B) the sequencing of the genomes, or other DNA analysis, or other comparative analysis, of priority pathogens (as determined by the Director of the National Institutes of Health in consultation with the working group established in subsection (a)), in collaboration and coordination with the activities of the Department of Defense and the Joint Genome Institute of the Department of Energy;

(C) the development of priority countermeasures; and

(D) other relevant areas of research; with consideration given to the needs of children and other vulnerable populations.

(2) Priority

The Secretary shall give priority under this section to the funding of research and other studies related to priority countermeasures.

(3) Role of Department of Veterans Affairs

In carrying out paragraph (1), the Secretary shall consider using the biomedical research and development capabilities of the Department of Veterans Affairs, in conjunction with that Department’s affiliations with health professions universities. When advantageous to the Government in furtherance of the purposes of such paragraph, the Secretary may enter into cooperative agreements with the Secretary of Veterans Affairs to achieve such purposes.

(4) Priority countermeasures

For purposes of this section, the term “priority countermeasure” means a drug, biological product, device, vaccine, vaccine adjuvant, antiviral, or diagnostic test that the Secretary determines to be—

(A) a priority to treat, identify, or prevent infection by a biological agent or toxin listed pursuant to section 262a(a)(1) of this title, or harm from any other agent that may cause a public health emergency; or

(B) a priority to treat, identify, or prevent conditions that may result in adverse health consequences or death and may be caused by the administering of a drug, biological product, device, vaccine, vaccine adjuvant, antiviral, or diagnostic test that is a priority under subparagraph (A).

(f) Authorization of appropriations

(1) Fiscal year 2007

There are authorized to be appropriated to carry out this section for fiscal year 2007—

(A) to carry out subsection (a)—

(i) $5,000,000 to carry out paragraphs (1) through (4); and

(ii) $7,000,000 to carry out paragraph (5);

(B) to carry out subsection (c), $3,000,000; and

(C) to carry out subsection (d), $31,000,000, of which $5,000,000 shall be used to carry out paragraphs (3) through (5) of such subsection.

(2) Subsequent fiscal years

There are authorized to be appropriated such sums as may be necessary to carry out this section for fiscal year 2008 and each subsequent fiscal year.
§ 247d–6

TITLe 42—The Puhlic Health And Welfare

Page 236

AMENDMENTS

2013—Subsec. (a)(5)(B). Pub. L. 113–5 substituted “public health, medical, or dental” for “public health or medical”.

2006—Subsec. (a). Pub. L. 109–417, § 304(1), added subsec. (a) and struck out heading and text of former subsec. (a) which established a working group on bioterrorism and other public health emergencies.


Subsec. (b)(2)(B)(i). Pub. L. 109–417, § 301(d)(3)(A), (B), substituted “public health emergencies as they relate to at-risk individuals” for “bioterrorism as it relates to children”.


Subsec. (b)(2)(D). Pub. L. 109–417, § 301(d)(5), substituted “six years” for “one year”.

Subsec. (b)(3)(B). Pub. L. 109–417, § 301(e), struck out “and the working group under subsection (a) of this section” after “Secretary”.

Subsecs. (c) to (h). Pub. L. 109–417, § 304(2)–(4), added subsec. (c), (d), (f), redesignated subsec. (h) as (e), and struck out former subsec. (c) to (g), which related to: in subsec. (c), development of communication strategy; in subsec. (d), Federal Internet site on bioterrorism; in subsec. (e), grants to increase capacity to detect, diagnose, and respond to acts of bioterrorism; in subsec. (f), assistance to State and local health agencies to enable effective response to attacks; and, in subsec. (g), education and training activities.

Subsecs. (i), (j). Pub. L. 109–417, § 304(5), struck out subsecs. (i) and (j) which related to report to congressional committees on public health and medical consequences of a bioterrorist attack and the supplementary nature of funds appropriated under this section, respectively.


Subsec. (h)(4)(B). Pub. L. 108–276, § 2(d)(2), substituted “to identify, or prevent conditions” for “to diagnose conditions”.

Subsec. (a). Pub. L. 107–188, § 108, added subsec. (a) and struck out heading and text of former subsec. (a). Text read as follows: “The Secretary, in coordination with the Secretary of Defense, shall establish a joint interdepartmental working group on preparedness and readiness for the medical and public health effects of a bioterrorist attack on the civilian population. Such joint working group shall:

‘‘(1) coordinate research on pathogens likely to be used in a bioterrorist attack on the civilian population as well as therapies to treat such pathogens;

‘‘(2) coordinate research and development into equipment to detect pathogens likely to be used in a bioterrorist attack on the civilian population and protect against infection from such pathogens;

‘‘(3) develop shared standards for equipment to detect and to protect against infection from pathogens likely to be used in a bioterrorist attack on the civilian population; and

2006—coordinate the development, maintenance, and procedures for the release of strategic reserves of vaccines, drugs, and medical supplies which may be needed rapidly after a bioterrorist attack upon the civilian population.’’

Subsec. (b). Pub. L. 107–188, § 104(a)(1), (3), added subsec. (b) and struck out former subsec. (b) which related to establishment, functions, membership, and coordination of a working group on the public health and medical consequences of bioterrorism.

Subsecs. (c), (d). Pub. L. 107–188, § 104(a)(3), added subsecs. (c) and (d). Former subsecs. (c) and (d) redesignated (e) and (f), respectively.

Subsec. (e). Pub. L. 107–188, § 104(a)(2), redesignated subsec. (c) as (e). Former subsec. (e) redesignated (g).

Subsec. (e)(2). Pub. L. 107–188, § 111(b), which directed the amendment of section 391(f)(e)(2) of the Public Health Service Act by striking out “or” after “clinic,” and inserting before period “; professional organization of society, school or program that trains medical laboratory personnel, private accrediting organization, or other nonprofit private institution or entity meeting criteria established by the Secretary,” was executed to subsec. (e)(2) of this section, which is section 391(f)(e)(2) of the Act, to reflect the probable intent of Congress.


Subsec. (g). Pub. L. 107–188, § 105, amended heading and text of subsec. (g) generally. Prior to amendment, text read as follows: ‘‘The Secretary, in collaboration with members of the working group described in subsection (b) of this section, and professional organizations and societies, shall—

‘‘(1) develop and implement educational programs to instruct public health officials, medical professionals, and other personnel working in health care facilities in the recognition and care of victims of a bioterrorist attack; and

‘‘(2) develop and implement programs to train laboratory personnel in the recognition and identification of a potential bioweapon.’’

Pub. L. 107–188, § 104(a)(2), redesignated subsec. (e) as (g). Former subsec. (g) redesignated (i).

Subsec. (h). Pub. L. 107–188, § 125, amended heading and text of subsec. (h) generally. Prior to amendment, text read as follows: ‘‘The Secretary shall consult with the working group described in subsection (a) of this section, to develop priorities for and conduct research, investigations, experiments, demonstrations, and studies in the health sciences related to—

‘‘(1) the epidemiology and pathogenesis of potential bioweapons;

‘‘(2) the development of new vaccines or other therapeutics against pathogens likely to be used in a bioterrorist attack;

‘‘(3) the development of medical diagnostics to detect potential bioweapons; and

‘‘(4) other relevant research areas.’’


Subsec. (i). Pub. L. 107–188, § 104(a)(1), (2), redesignated subsec. (g) as (i) and struck out heading and text of former subsec. (i). Text read as follows: ‘‘There are authorized to be appropriated to carry out this section $215,000,000 for fiscal year 2001, and such sums as may be necessary for each subsequent fiscal year through 2006.’’


OTHER REPORTS


‘‘(1) IN GENERAL.—Not later than one year after the date of the enactment of this Act [June 12, 2002], the Secretary of Health and Human Services (referred to in this subsection as the ‘Secretary’) shall submit to the Committee on Energy and Commerce of the House of Representatives, and the Committee on Health, Education, Labor, and Pensions of the Senate, a report concerning—

‘‘(A) the recommendations and findings of the National Advisory Committee on Children and Terrorism under section 319F(c)(2) of the Public Health Service Act [probably means section 319F(b)(2), 42 U.S.C. 247d–6(b)(2)];

‘‘(B) the recommendations and findings of the EPIC Advisory Committee under section 319F(c)(3) of such
Act [probably means section 319F(b)(3), 42 U.S.C. 247d-6(b)(3)];

“(C) the characteristics that may render a rural community uniquely vulnerable to a biological attack, including distance, lack of emergency transport, hospital or laboratory capacity, lack of integration of Federal or State public health networks, workforce deficits, or other relevant characteristics;

“(D) the characteristics that may render areas or populations designated as medically underserved populations (as defined in section 330 of such Act (42 U.S.C. 254b)) uniquely vulnerable to a biological attack, including significant numbers of low-income or uninsured individuals, lack of affordable and accessible health care services, insufficient public and primary health care resources, lack of integration of Federal or State public health networks, workforce deficits, or other relevant characteristics;

“(E) the recommendations of the Secretary with respect to additional legislative authority that the Secretary determines is necessary to effectively strengthen rural communities, or medically underserved populations (as defined in section 330 of such Act); and

“(F) the need for and benefits of a National Disaster Response Medical Volunteer Service that would be a private-sector, community-based rapid response corps of medical volunteers.”

STUDY REGARDING COMMUNICATIONS ABILITIES OF PUBLIC HEALTH AGENCIES

Pub. L. 107–188, title I, § 104(b), June 12, 2002, 116 Stat. 606, provided that: “The Secretary of Health and Human Services, in consultation with the Federal Communications Commission, the National Telecommunications and Information Administration, and other appropriate Federal agencies, shall conduct a study to determine whether local public health entities have the ability to maintain communications in the event of a bioterrorist attack or other public health emergency. The study shall examine whether redundancies are required in the telecommunications system, particularly with respect to mobile communications, for public health entities to maintain systems operability and connectivity during such emergencies. The study shall also include recommendations to industry and public health entities about how to implement such redundancies if necessary.”

§ 247d-6a. Authority for use of certain procedures regarding qualified countermeasure research and development activities

(a) In general

(1) Authority

In carrying out activities under this section, the Secretary is authorized, subject to subparagraph (B), to enter into interagency agreements and other collaborative undertakings with other agencies of the United States Government.

(B) Limitation

An agreement or undertaking under this paragraph shall not authorize another agency to exercise the authorities provided by this section.

(4) Availability of facilities to the Secretary

In any grant, contract, or cooperative agreement entered into under the authority provided in this section with respect to a containment laboratory or other related or ancillary specialized research facility that the Secretary determines necessary for the purpose of performing, administering, or supporting qualified countermeasure research and development, the Secretary may provide that the facility that is the object of such grant, contract, or cooperative agreement shall be available as needed to the Secretary to respond to public health emergencies affecting national security.

(5) Transfers of qualified countermeasures

Each agreement for an award of a grant, contract, or cooperative agreement entered into under the authority provided in this section with respect to a containment laboratory or other related or ancillary specialized research facility that the Secretary determines necessary for the purpose of performing, administering, or supporting qualified countermeasure research and development shall provide that the recipient of the award will comply with all applicable export-related controls with respect to such countermeasure.

(b) Expedited procurement authority

(1) Increased simplified acquisition threshold for qualified countermeasure procurements

(A) In general

For any procurement by the Secretary of property or services for use (as determined
by the Secretary) in performing, administering, or supporting qualified countermeasure research or development activities under this section that the Secretary determines necessary to respond to pressing research and development needs under this section, the amount specified in section 134 of title 41, as applicable pursuant to section 3101(b)(1)(A) of title 41, shall be deemed to be $25,000,000 in the administration, with respect to such procurement, of—

(i) section 3305(a)(1) of title 41 and its implementing regulations; and

(ii) section 3101(b)(1)(B) of title 41 and its implementing regulations.

(B) Application of certain provisions

Notwithstanding subparagraph (A) and the provision of law and regulations referred to in such subparagraph, each of the following provisions shall apply to procurements described in this paragraph to the same extent that such provisions would apply to such procurements in the absence of subparagraph (A):

(i) Chapter 37 of title 40 (relating to contract work hours and safety standards).

(ii) Section 6703(a) of title 41.

(iii) Section 4706 of title 41 (relating to the examination of contractor records).

(iv) Section 3131 of title 40 (relating to bonds of contractors of public buildings or works).

(v) Section 3901 of title 41 (relating to contingent fees to middlemen).

(vi) Section 6962 of this title.

(vii) Section 1354 of title 31 (relating to the limitation on the use of appropriated funds for contracts with entities not meeting veterans employment reporting requirements).

(C) Internal controls to be instituted

The Secretary shall institute appropriate internal controls for procurements that are under this paragraph and that are greater than $2,500.

The Secretary shall institute appropriate internal controls for purchases that are greater than $2,500.

The Secretary shall institute appropriate internal controls for purchases that are under this paragraph and that are greater than $2,500.

No provision of law establishing a preference for using a Government purchase card method for purchases shall apply to purchases that are under this paragraph and that are greater than $2,500.

(4) Review

(A) Review allowed

Notwithstanding subsection (f), section 1491 of title 28, and section 3556 of title 31, review of a contracting agency decision relating to a procurement described in paragraph (1) may be had only by filing a protest—

(i) with a contracting agency; or

(ii) with the Comptroller General under subchapter V of chapter 35 of title 31.

(B) Override of stay of contract award or performance committed to agency discretion

Notwithstanding section 1491 of title 28 and section 3553 of title 31, the following authorizations by the head of a procuring activity are committed to agency discretion:

(i) An authorization under section 3553(c)(2) of title 31 to award a contract for a procurement described in paragraph (1) of this subsection.
(ii) An authorization under section 3553(d)(3)(C) of such title to perform a contract for a procurement described in paragraph (1) of this subsection.

(c) Authority to expedite peer review

(1) In general

The Secretary may, as the Secretary determines necessary to respond to pressing qualified countermeasure research and development needs under this section, employ such expedited peer review procedures (including consultation with appropriate scientific experts) as the Secretary, in consultation with the Director of NIH, deems appropriate to obtain assessment of scientific and technical merit and likely contribution to the field of qualified countermeasure research, in place of the peer review and advisory council review procedures that would be required under sections 241(a)(3), 284(b)(1)(B), 284(b)(2), 284a(a)(3)(A), 289a, and 289c of this title, as applicable to a grant, contract, or cooperative agreement—

(A) that is for performing, administering, or supporting qualified countermeasure research and development activities; and

(B) the amount of which is not greater than $1,500,000.

(2) Subsequent phases of research

The Secretary’s determination of whether to employ expedited peer review with respect to any subsequent phases of a research grant, contract, or cooperative agreement under this section shall be determined without regard to the peer review procedures used for any prior peer review of that same grant, contract, or cooperative agreement. Nothing in the preceding sentence may be construed to impose any requirement with respect to peer review not otherwise required under any other law or regulation.

(d) Authority for personal services contracts

(1) In general

For the purpose of performing, administering, or supporting qualified countermeasure research and development activities, the Secretary may, as the Secretary determines necessary to respond to pressing qualified countermeasure research and development needs under this section, obtain by contract (in accordance with section 3109 of title 5, but without regard to the limitations in such section on the period of service and on pay) the personal services of experts or consultants who have scientific or other professional qualifications, except that in no case shall the compensation provided to any such expert or consultant exceed the daily equivalent of the annual rate of compensation for the President.

(2) Federal Tort Claims Act coverage

(A) In general

A person carrying out a contract under paragraph (1), and an officer, employee, or governing board member of such person, shall, subject to a determination by the Secretary, be deemed to be an employee of the Department of Health and Human Services for purposes of claims under sections 1346(b) and 2672 of title 28 for money damages for personal injury, including death, resulting from performance of functions under such contract.

(B) Exclusivity of remedy

The remedy provided by subparagraph (A) shall be exclusive of any other civil action or proceeding by reason of the same subject matter against the entity involved (person, officer, employee, or governing board member) for any act or omission within the scope of the Federal Tort Claims Act.

(C) Recourse in case of gross misconduct or contract violation

(i) In general

Should payment be made by the United States to any claimant bringing a claim under this paragraph, either by way of administrative determination, settlement, or court judgment, the United States shall have, notwithstanding any provision of State law, the right to recover against any entity identified in subparagraph (B) for that portion of the damages so awarded or paid, as well as interest and any costs of litigation, resulting from the failure of any such entity to carry out any obligation or responsibility assumed by such entity under a contract with the United States or from any grossly negligent or reckless conduct or intentional or willful misconduct on the part of such entity.

(ii) Venue

The United States may maintain an action under this subparagraph against such entity in the district court of the United States in which such entity resides or has its principal place of business.

(3) Internal controls to be instituted

(A) In general

The Secretary shall institute appropriate internal controls for contracts under this subsection, including procedures for the Secretary to make a determination of whether a person, or an officer, employee, or governing board member of a person, is deemed to be an employee of the Department of Health and Human Services pursuant to paragraph (2).

(B) Determination of employee status to be final

A determination by the Secretary under subparagraph (A) that a person, or an officer, employee, or governing board member of a person, is or is not deemed to be an employee of the Department of Health and Human Services shall be final and binding on the Secretary and the Attorney General and other parties to any civil action or proceeding.

(4) Number of personal services contracts limited

The number of experts and consultants whose personal services are obtained under paragraph (1) shall not exceed 30 at any time.
§ 247d-6a  TITLE 42—THE PUBLIC HEALTH AND WELFARE  Page 240

(e) Streamlined personnel authority

(1) In general

In addition to any other personnel authorities, the Secretary may, as the Secretary determines necessary to respond to pressing qualified countermeasure research and development needs under this section, without regard to those provisions of title 5 governing appointments in the competitive service, and without regard to classification and General Schedule pay rates, appoint professional and technical employees, not to exceed 30 such employees at any time, to positions in the National Institutes of Health to perform, administer, or support qualified countermeasure research and development activities in carrying out this section.

(2) Limitations

The authority provided for under paragraph (1) shall be exercised in a manner that—

(A) recruits and appoints individuals based solely on their abilities, knowledge, and skills;

(B) does not discriminate for or against any applicant for employment on any basis described in section 2302(b)(1) of title 5;

(C) does not allow an official to appoint an individual who is a relative (as defined in section 3110(a)(3) of such title) of such official;

(D) does not discriminate for or against an individual because of the exercise of any activity described in paragraph (9) or (10) of section 2302(b) of such title; and

(E) accords a preference, among equally qualified persons, to persons who are preference eligibles (as defined in section 2108(3) of such title).

(3) Internal controls to be instituted

The Secretary shall institute appropriate internal controls for appointments under this subsection.

(f) Actions committed to agency discretion

Actions by the Secretary under the authority of this section are committed to agency discretion.


REFERENCES IN TEXT


The Federal Tort Claims Act, referred to in subsection (d)(2), is title IV of act Aug. 2, 1946, ch. 535, 60 Stat. 842, which was classified principally to chapter 20 (§§921, 922, 931–934, 941–946) of former Title 28, Judicial Code and Judiciary. Title IV of act Aug. 2, 1946, was substantially repealed and reenacted as sections 1346(b) and 2671 et seq. of Title 28, Judiciary and Judicial Procedure, by act June 25, 1948, ch. 464, 62 Stat. 992, the first section of which enacted Title 28. The Federal Tort Claims Act is also commonly used to refer to chapter 171 of Title 28, Judiciary and Judicial Procedure. For complete classification of title IV to the Code, see Tables. For distribution of former sections of Title 28 into the revised Title 28, see Table at the beginning of Title 28.

AMENDMENTS

2019—Subsec. (a)(1), (5). Pub. L. 116–22 substituted “section 247d–6(e) of this title” for “section 247d–6(h) of this title”.

2013—Subsec. (a)(2)(A). Pub. L. 113–5 struck out “to” before dash at end of introductory provisions, inserted “to” before “diagnose” in cls. (i) and (ii), and added cl. (iii).

2006—Subsec. (a)(2). Pub. L. 109–417 added par. (2) and struck out heading and text of former par. (2). Text read as follows: “For purposes of this section, the term ‘qualified countermeasure’ means a drug (as that term is defined by section 262(1) of title 21), biological product (as that term is defined by section 262(1) of this title), or device (as that term is defined by section
§ 247d-6b. Strategic National Stockpile and security countermeasure procurements

(a) Strategic National Stockpile

(1) In general

The Secretary, in collaboration with the Assistant Secretary for Preparedness and Response and the Director of the Centers for Disease Control and Prevention, and in coordination with the Secretary of Homeland Security (referred to in this section as the “Homeland Security Secretary”), shall maintain a stockpile or stockpiles of drugs, vaccines and other biological products, medical devices, and other supplies in such numbers, types, and amounts as are determined consistent with section 300h-10 of this title by the Secretary to be appropriate and practicable, taking into account other available sources, to provide for and optimize the emergency health security of the United States, including the emergency health security of children and other vulnerable populations, in the event of a bioterrorist attack or other public health emergency and, as informed by existing recommendations of, or consultations with, the Public Health Emergency Medical Countermeasure Enterprise established under section 300h–10a of this title, make necessary additions or modifications to the contents of such stockpile or stockpiles based on the review conducted under paragraph (2).
§ 247d–6b

(2) Threat-based review

(A) In general

The Secretary shall conduct an annual threat-based review (taking into account at-risk individuals) of the contents of the stockpile under paragraph (1), including non-pharmaceutical supplies, and, in consultation with the Public Health Emergency Medical Countermeasures Enterprise established under section 300hh–10a of this title, review contents within the stockpile and assess whether such contents are consistent with the recommendations made pursuant to section 300hh–10a(1)(A) of this title. Such review shall be submitted on June 15, 2019, and on March 15 of each year thereafter, to the Committee on Health, Education, Labor, and Pensions and the Committee on Appropriations of the Senate and the Committee on Appropriations of the House of Representatives, in a manner that does not compromise national security.

(B) Additions, modifications, and replenishments

Each annual threat-based review under subparagraph (A) shall, for each new or modified countermeasure procurement or replenishment, provide—

(i) information regarding—

(I) the quantities of the additional or modified countermeasure procured for, or contracted to be procured for, the stockpile;

(II) planning considerations for appropriate manufacturing capacity and capability to meet the goals of such additions or modifications (without disclosing proprietary information), including consideration of the effect such additions or modifications may have on the availability of such products and ancillary medical supplies in the health care system;

(III) the presence or lack of a commercial market for the countermeasure at the time of procurement;

(IV) the emergency health security threat or threats such countermeasure procurement is intended to address, including whether such procurement is consistent with meeting emergency health security needs associated with such threat or threats;

(V) an assessment of whether the emergency health security threat or threats described in subclause (IV) could be addressed in a manner that better utilizes the resources of the stockpile and permits the greatest possible increase in the level of emergency preparedness to address such threats;

(VI) whether such countermeasure is replenishing an expiring or expired countermeasure, is a different countermeasure with the same indication that is replacing an expiring or expired countermeasure, or is a new addition to the stockpile;

(VII) a description of how such additions or modifications align with projected investments under previous countermeasures budget plans under section 300hh–10(b)(7) of this title, including expected life-cycle costs, expenditures related to countermeasure procurement to address the threat or threats described in subclause (IV), replenishment dates (including the ability to extend the maximum shelf life of a countermeasure), and the manufacturing capacity required to replenish such countermeasure; and

(VIII) appropriate protocols and processes for the deployment, distribution, or dispensing of the countermeasure at the State and local level, including plans for relevant capabilities of State and local entities to dispense, distribute, and administer the countermeasure; and

(ii) an assurance, which need not be provided in advance of procurement, that for each countermeasure procured or replenished under this subsection, the Secretary completed a review addressing each item listed under this subsection in advance of such procurement or replenishment.

(3) Procedures

The Secretary, in managing the stockpile under paragraph (1), shall—

(A) consult with the working group under section 247d–6(a) of this title and the Public Health Emergency Medical Countermeasures Enterprise established under section 300hh–10a of this title;

(B) ensure that adequate procedures are followed with respect to such stockpile for inventory management and accounting, and for the physical security of the stockpile;

(C) in consultation with Federal, State, and local officials, take into consideration the timing and location of special events, and the availability, deployment, dispensing, and administration of countermeasures;

(D) review and revise, as appropriate, the contents of the stockpile on a regular basis to ensure that emerging threats, advanced technologies, and new countermeasures are adequately considered and that the potential depletion of countermeasures currently in the stockpile is identified and appropriately addressed, including through necessary replenishment;

(E) devise plans for effective and timely supply-chain management of the stockpile, in consultation with the Director of the Centers for Disease Control and Prevention, the Assistant Secretary for Preparedness and Response, the Secretary of Transportation, the Secretary of Homeland Security, the Secretary of Veterans Affairs, and the heads of other appropriate Federal agencies; State, local, Tribal, and territorial agencies; and the public and private health care infrastructure, as applicable, taking into account the manufacturing capacity and other available sources of products and appropriate alternatives to supplies in the stockpile;

(F) deploy the stockpile as required by the Secretary of Homeland Security to respond to an actual or potential emergency;

(G) deploy the stockpile at the discretion of the Secretary to respond to an actual or
(4) Utilization guidelines

The Secretary shall ensure timely and accurate recommended utilization guidelines for qualified countermeasures (as defined in section 247d–6a of this title), qualified pandemic and epidemic products (as defined in section 247d–6 of this title), and security countermeasures (as defined in subsection (c)), including for such products in the stockpile.

(5) GAO report

(A) In general

Not later than 3 years after June 24, 2019, and every 5 years thereafter, the Comptroller General of the United States shall conduct a review of any changes to the contents or management of the stockpile since January 1, 2015. Such review shall include—

(i) an assessment of the comprehensiveness and completeness of each annual threat-based review under paragraph (2), including whether all newly procured or replenished countermeasures within the stockpile were described in each annual review, and whether, consistent with paragraph (2)(B), the Secretary conducted the necessary internal review in advance of such procurement or replenishment;

(ii) an assessment of whether the Secretary established health security and science-based justifications, and a description of such justifications for procurement decisions related to health security needs with respect to the identified threat, for additions or modifications to the stockpile based on the information provided in such reviews under paragraph (2)(B), including whether such review was conducted prior to procurement, modification, or replenishment;

(iii) an assessment of the plans developed by the Secretary for the deployment, distribution, and dispensing of countermeasures procured, modified, or replenished under paragraph (1), including whether such plans were developed prior to procurement, modification, or replenishment;

(iv) an accounting of countermeasures procured, modified, or replenished under paragraph (1) that received advanced research and development funding from the Biomedical Advanced Research and Development Authority;

(v) an analysis of how such procurement decisions made progress toward meeting emergency health security needs related to the identified threats for countermeasures added, modified, or replenished under paragraph (1);

(vi) a description of the resources expended related to the procurement of countermeasures (including additions, modifications, and replenishments) in the stockpile, and how such expenditures relate to the ability of the stockpile to meet emergency health security needs;

(vii) an assessment of the extent to which additions, modifications, and replenishments reviewed under paragraph (2) align with previous relevant reports or reviews by the Secretary or the Comptroller General;

(viii) with respect to any change in the Federal organizational management of the stockpile, an assessment and comparison of the processes affected by such change, including planning for potential countermeasure deployment, distribution, or dispensing capabilities and processes related to procurement decisions, use of stockpiled countermeasures, and use of resources for such activities; and

(ix) an assessment of whether the processes and procedures described by the Secretary pursuant to section 403(b) of the Pandemic and All-Hazards Preparedness and Advancing Innovation Act of 2019 are sufficient to ensure countermeasures and products under consideration for procurement pursuant to subsection (a) receive the same consideration regardless of whether such countermeasures and products receive or had received funding under section 247d–7e of this title, including with respect to whether such countermeasures and products are most appropriate to meet the emergency health security needs of the United States.

(B) Submission

Not later than 6 months after completing a classified version of the review under subparagraph (A), the Comptroller General shall submit an unclassified version of the review to the congressional committees of jurisdiction.

(b) Smallpox vaccine development

(1) In general

The Secretary shall award contracts, enter into cooperative agreements, or carry out other activities as may reasonably be required in order to ensure that the stockpile under subsection (a) includes an amount of vaccine against smallpox as determined by such Secretary to be sufficient to meet the health security needs of the United States.
(2) Rule of construction

Nothing in this section shall be construed to limit the private distribution, purchase, or sale of vaccines from sources other than the stockpile described in subsection (a).

c) Additional authority regarding procurement of certain countermeasures; availability of special reserve fund

(1) In general

(A) Use of fund

A security countermeasure may, in accordance with this subsection, be procured with amounts in the special reserve fund as defined in subsection (h).

(B) Security countermeasure

For purposes of this subsection, the term “security countermeasure” means a drug (as that term is defined by section 201(g)(1) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 321(g)(1))), biological product (as that term is defined by section 262(i) of this title), or device (as that term is defined by section 201(h) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 321(h))) that—

(i) the Secretary determines to be a priority (consistent with sections 182(2) and 184(a) of title 6) to diagnose, mitigate, prevent, or treat harm from any biological, chemical, radiological, or nuclear agent identified as a material threat under paragraph (5); or

(ii) the Secretary, tend to reveal public health vulnerabilities; or


(2) Determination of material threats

(A) Material threat

The Homeland Security Secretary, in consultation with the Secretary and the heads of other agencies as appropriate, shall on an ongoing basis—

(i) assess current and emerging threats of chemical, biological, radiological, and nuclear agents; and

(ii) determine which of such agents present a material threat against the United States population sufficient to affect national security.

(B) Public health impact; necessary countermeasures

The Secretary shall on an ongoing basis—

(i) assess the potential public health consequences for the United States population of exposure to agents identified under subparagraph (A)(ii); and

(ii) determine, on the basis of such assessment, the agents identified under subparagraph (A)(ii) for which countermeasures are necessary to protect the public health.

(C) Notice to Congress

The Secretary and the Secretary of Homeland Security shall send to Congress, on an annual basis, all current material threat determinations and shall promptly notify the Committee on Health, Education, Labor, and Pensions and the Committee on Homeland Security and Governmental Affairs of the Senate and the Committee on Energy and Commerce and the Committee on Homeland Security of the House of Representatives that a determination has been made pursuant to subparagraph (A) or (B).

(D) Assuring access to threat information

In making the assessment and determination required under subparagraph (A), the Homeland Security Secretary shall use all relevant information to which such Secretary is entitled under section 122 of title 6, including but not limited to information, regardless of its level of classification, relating to current and emerging threats of chemical, biological, radiological, and nuclear agents.

(3) Assessment of availability and appropriateness of countermeasures

(A) In general

The Secretary, in consultation with the Homeland Security Secretary, shall assess on an ongoing basis the availability and appropriateness of specific countermeasures to address specific threats identified under paragraph (2).

(B) Information

The Secretary shall institute a process for making publicly available the results of assessments under subparagraph (A) while withholding such information as—

(i) would, in the judgment of the Secretary, tend to reveal public health vulnerabilities; or

(ii) would otherwise be exempt from disclosure under section 552 of title 5.

(4) Call for development of countermeasures; commitment for recommendation for procurement

(A) Proposal to the President

If, pursuant to an assessment under paragraph (3), the Homeland Security Secretary and the Secretary make a determination that a countermeasure would be appropriate but is either currently not developed or unavailable for procurement as a security countermeasure or is approved, licensed, or cleared only for alternative uses, such Sec-
Secretary’s determination of countermeasures may jointly submit to the President a proposal to—

(i) issue a call for the development of such countermeasure; and

(ii) make a commitment that, upon the first development of such countermeasure that meets the conditions for procurement under paragraph (5), the Secretaries will, based in part on information obtained pursuant to such call, and subject to the availability of appropriations, make available the special reserve fund as defined in subsection (h) for procurement of such countermeasure, as applicable.

(B) Countermeasure specifications

The Homeland Security Secretary and the Secretary shall, to the extent practicable, include in the proposal under subparagraph (A)—

(i) estimated quantity of purchase (in the form of number of doses or number of effective courses of treatments regardless of dosage form);

(ii) necessary measures of minimum safety and effectiveness;

(iii) estimated price for each dose or effective course of treatment regardless of dosage form; and

(iv) other information that may be necessary to encourage and facilitate research, development, and manufacture of the countermeasure or to provide specifications for the countermeasure.

(C) Presidential approval

If the President approves a proposal under subparagraph (A), the Homeland Security Secretary and the Secretary shall make known to persons who may respond to a call for the countermeasure involved—

(i) the call for the countermeasure;

(ii) specifications for the countermeasure under subparagraph (B); and

(iii) the commitment described in subparagraph (A)(ii).

(5) Secretary’s determination of countermeasures appropriate for funding from special reserve fund

(A) In general

The Secretary, in accordance with the provisions of this paragraph, shall identify specific security countermeasures that the Secretary determines, in consultation with the Homeland Security Secretary, to be appropriate for inclusion in the stockpile under subsection (a) pursuant to procurements made with amounts in the special reserve fund as defined in subsection (h) (referred to in this subsection individually as a “procurement under this subsection”).

(B) Requirements

In making a determination under subparagraph (A) with respect to a security countermeasure, the Secretary shall determine and consider the following:

(i) The quantities of the product that will be needed to meet the stockpile needs.

(ii) The feasibility of production and delivery within 10 years of sufficient quantities of the product.

(iii) Whether there is a lack of a significant commercial market for the product at the time of procurement, other than as a security countermeasure.

(6) Recommendations for procurement

(A) Notice to appropriate congressional committees

The Secretary shall notify the Committee on Appropriations and the Committee on Health, Education, Labor, and Pensions of the Senate and the Committee on Appropriations and the Committee on Energy and Commerce of the House of Representatives of each decision to make available the special reserve fund as defined in subsection (h) for procurement of a security countermeasure, including, where available, the number of, the nature of, and other information concerning potential suppliers of such countermeasure, and whether other potential suppliers of the same or similar countermeasures were considered and rejected for procurement under this section and the reasons for each such rejection.

(B) Subsequent specific countermeasures

Procurement under this subsection of a security countermeasure for a particular purpose does not preclude the subsequent procurement under this subsection of any other security countermeasure for such purpose if the Secretary has determined under paragraph (5)(A) that such countermeasure is appropriate for inclusion in the stockpile and if, as determined by the Secretary, such countermeasure provides improved safety or effectiveness, or for other reasons enhances preparedness to respond to threats of use of a biological, chemical, radiological, or nuclear agent. Such a determination by the Secretary is committed to agency discretion.

(7) Procurement

(A) Payments from special reserve fund

The special reserve fund as defined in subsection (h) shall be available for payments made by the Secretary to a vendor for procurement of a security countermeasure in accordance with the provisions of this paragraph.

(B) Procurement

(i) In general

The Secretary shall be responsible for—

(I) arranging for procurement of a security countermeasure, including negotiating terms (including quantity, production schedule, and price) of, and entering into, contracts and cooperative agreements, and for carrying out such other activities as may reasonably be required, including advanced research and development, in accordance with the provisions of this subparagraph; and

(II) promulgating such regulations as the Secretary determines necessary to implement the provisions of this subsection.
(ii) Contract terms
A contract for procurements under this subsection shall (or, as specified below, may) include the following terms:

(I) Payment conditioned on delivery
The contract shall provide that no payment may be made until delivery of a portion, acceptable to the Secretary, of the total number of units contracted for, except that, notwithstanding any other provision of law, the contract may provide that, if the Secretary determines (in the Secretary’s discretion) that an advance payment, partial payment for significant milestones, or payment to increase manufacturing capacity is necessary to ensure success of a project, the Secretary shall pay an amount, not to exceed 10 percent of the contract amount, in advance of delivery. The Secretary shall, to the extent practicable, make the determination of advance payment at the same time as the issuance of a solicitation. The contract shall provide that such advance payment is required to be repaid if there is a failure to perform by the vendor under the contract. The contract may also provide for additional payments of up to 5 percent of the total contract amount if such payments are required to be repaid. Nothing in this subclause shall be construed as affecting the rights of vendors under provisions of law or regulation (including the Federal Acquisition Regulation) relating to the termination of contracts for the convenience of the Government.

(II) Discounted payment
The contract may provide for a discounted price per unit of a product that is not licensed, cleared, or approved as described in paragraph (1)(B)(II)(III)(aa) at the time of delivery, and may provide for payment of an additional amount per unit if the product becomes licensed, cleared, or approved before the expiration date of the contract (including an additional amount per unit of product delivered before the effective date of such licensing, clearance, or approval).

(III) Contract duration
The contract shall be for a period not to exceed five years, except that, in first awarding the contract, the Secretary may provide for a longer duration, not exceeding 10 years, if the Secretary determines that complexities or other difficulties in performance under the contract justify such a period. The contract shall be renewable for additional periods, none of which shall exceed five years. The Secretary shall notify the vendor within 90 days of a determination by the Secretary to renew, extend, or terminate such contract.

(IV) Storage by vendor
The contract may provide that the vendor will provide storage for stocks of a product delivered to the ownership of the Federal Government under the contract, for such period and under such terms and conditions as the Secretary may specify, and in such case amounts from the special reserve fund as defined in subsection (h) shall be available for costs of shipping, handling, storage, and related costs for such product.

(V) Product approval
The contract shall provide that the vendor seek approval, clearance, or licensing of the product from the Secretary; for a timetable for the development of data and other information to support such approval, clearance, or licensing; and that the Secretary may waive part or all of this contract term on request of the vendor or on the initiative of the Secretary.

(VI) Non-stockpile transfers of security countermeasures
The contract shall provide that the vendor will comply with all applicable export-related controls with respect to such countermeasure.

(VII) Sales exclusivity
The contract may provide that the vendor is the exclusive supplier of the product to the Federal Government for a specified period of time, not to exceed the term of the contract, on the condition that the vendor is able to satisfy the needs of the Government under provisions of law or regulation (including the Federal Acquisition Regulation) relating to the termination of contracts for the convenience of the Government.

(VIII) Warm based surge capacity
The contract may provide that the vendor establish domestic manufacturing capacity of the product to ensure that additional production of the product is available in the event that the Secretary determines that there is a need to quickly purchase additional quantities of the product. Such contract may provide a fee to the vendor for establishing and maintaining such capacity in excess of the initial requirement for the purchase of the product. Additionally, the cost of maintaining the domestic manufacturing capacity shall be an allowable and allocable direct cost of the contract.

(IX) Contract terms
The Secretary, in any contract for procurement under this section—

(aa) may specify—

(AA) the dosing and administration requirements for the countermeasure to be developed and procured;
(BB) the amount of funding that will be dedicated by the Secretary for advanced research, development, and procurement of the countermeasure; and
(CC) the specifications the countermeasure must meet to qualify for procurement under a contract under this section; and

(bb) shall provide a clear statement of defined Government purpose limited to uses related to a security countermeasure, as defined in paragraph (1)(B).

(iii) Availability of simplified acquisition procedures

(I) In general

If the Secretary determines that there is a pressing need for a procurement of a specific countermeasure, the amount of the procurement under this subsection shall be deemed to be below the threshold amount specified in section 334 of title 41, for purposes of application to such procurement, pursuant to section 3101(b)(1)(A) of title 41, of—

(aa) section 3305(a)(1) of title 41 and its implementing regulations; and
(bb) section 3101(b)(1)(B) of title 41 and its implementing regulations.

(II) Application of certain provisions

Notwithstanding subclause (I) and the provision of law and regulations referred to in such clause, each of the following provisions shall apply to procurements described in this clause to the same extent that such provisions would apply to such procurements in the absence of subclause (I):

(aa) Chapter 37 of title 40 (relating to contract work hours and safety standards).
(bb) Section 8703(a) of title 41.
(cc) Section 4706 of title 41 (relating to the examination of contractor records).
(dd) Section 3131 of title 40 (relating to bonds of contractors of public buildings or works).
(ee) Section 3901 of title 41 (relating to contingent fees to middlemen).
(ff) Section 6962 of this title.
(gg) Section 1354 of title 31 (relating to the limitation on the use of appropriated funds for contracts with entities not meeting veterans employment reporting requirements).

(III) Internal controls to be established

The Secretary shall establish appropriate internal controls for procurements made under this clause, including requirements with respect to documentation of the justification for the use of the authority provided under this paragraph with respect to the procurement involved.

(IV) Authority to limit competition

In conducting a procurement under this subparagraph, the Secretary may not use the authority provided for under subclause (I) to conduct a procurement on a basis other than full and open competition unless the Secretary determines that the mission of the BioShield Program under the Project BioShield Act of 2004 would be seriously impaired without such a limitation.

(iv) Procedures other than full and open competition

(I) In general

In using the authority provided in section 3304(a)(1) of title 41 to use procedures other than competitive procedures in the case of a procurement under this subsection, the phrase “available from only one responsible source” in such section 3304(a)(1) shall be deemed to mean “available from only one responsible source or only from a limited number of responsible sources”.

(II) Relation to other authorities

The authority under subclause (I) is in addition to any other authority to use procedures other than competitive procedures.

(III) Applicable government-wide regulations

The Secretary shall implement this clause in accordance with government-wide regulations implementing such section 3304(a)(1) (including requirements that offers be solicited from as many potential sources as is practicable under the circumstances, that required notices be published, and that submitted offers be considered), as such regulations apply to procurements for which an agency has authority to use procedures other than competitive procedures when the property or services needed by the agency are available from only one responsible source or only from a limited number of responsible sources and no other type of property or services will satisfy the needs of the agency.

(v) Premium provision in multiple award contracts

(I) In general

If, under this subsection, the Secretary enters into contracts with more than one vendor to procure a security countermeasure, such Secretary may, notwithstanding any other provision of law, include in each of such contracts a provision that—

(aa) identifies an increment of the total quantity of security countermeasure required, whether by percentage or by numbers of units; and

(bb) promises to pay one or more specified premiums based on the priority of such vendors’ production and delivery of the increment identified under item (aa), in accordance with the terms and conditions of the contract.
(II) Determination of Government’s requirement not reviewable
If the Secretary includes in each of a set of contracts a provision as described in subclause (I), such Secretary’s determination of the total quantity of security countermeasure required, and any amendment of such determination, is committed to agency discretion.

(vi) Extension of closing date for receipt of proposals not reviewable
A decision by the Secretary to extend the closing date for receipt of proposals for a procurement under this subsection is committed to agency discretion.

(vii) Limiting competition to sources responding to request for information
In conducting a procurement under this subsection, the Secretary may exclude a source that has not responded to a request for information under section 3306(a)(1)(B) of title 41 if such request has given notice that the Secretary may so exclude such a source.

(viii) Flexibility
In carrying out this section, the Secretary may, consistent with the applicable provisions of this section, enter into contracts and other agreements that are in the best interest of the Government in meeting identified security countermeasure needs, including with respect to reimbursement of the cost of advanced research and development as a reasonable, allowable, and allocable direct cost of the contract involved.

(8) Interagency cooperation
(A) In general
In carrying out activities under this section, the Homeland Security Secretary and the Secretary are authorized, subject to subparagraph (B), to enter into interagency agreements and other collaborative undertakings with other agencies of the United States Government. Such agreements may allow other executive agencies to order qualified and security countermeasures under procurement contracts or other agreements established by the Secretary. Such ordering process (including transfers of appropriated funds between an agency and the Department of Health and Human Services as reimbursements for such orders for countermeasures) may be conducted under the authority of section 1535 of title 31, except that all such orders shall be processed under the terms established under this subsection for the procurement of countermeasures.

(B) Limitation
An agreement or undertaking under this paragraph shall not authorize another agency to exercise the authorities provided by this section to the Homeland Security Secretary or to the Secretary.

(d) Disclosures
No Federal agency may disclose under section 552 of title 5 any information identifying the location at which materials in the stockpile described in subsection (a) are stored, or other information regarding the contents or deployment capability of the stockpile that could compromise national security.

(e) Definition
For purposes of subsection (a), the term “stockpile” includes—

(1) a physical accumulation (at one or more locations) of the supplies described in subsection (a); or

(2) a contractual agreement between the Secretary and a vendor or vendors under which such vendor or vendors agree to provide to such Secretary supplies described in subsection (a).

(f) Authorization of appropriations

(1) Strategic National Stockpile
For the purpose of carrying out subsection (a), there are authorized to be appropriated $610,000,000 for each of fiscal years 2019 through 2023, to remain available until expended. Such authorization is in addition to amounts in the special reserve fund referred to in subsection (b).

(2) Smallpox vaccine development
For the purpose of carrying out subsection (b), there are authorized to be appropriated $509,000,000 for fiscal year 2002, and such sums as may be necessary for each of fiscal years 2003 through 2006.

(g) Special reserve fund

(1) Authorization of appropriations
In addition to amounts appropriated to the special reserve fund prior to March 13, 2013, there is authorized to be appropriated, for the procurement of security countermeasures under subsection (c) and for carrying out section 247d–7e of this title (relating to the Biomedical Advanced Research and Development Authority), $7,100,000,000 for the period of fiscal years 2019 through 2028, to remain available until expended.

(2) Use of special reserve fund for advanced research and development
The Secretary may utilize not more than 50 percent of the amounts authorized to be appropriated under paragraph (1) to carry out section 247d–7e of this title (relating to the Biomedical Advanced Research and Development Authority). Amounts authorized to be appropriated under this subsection to carry out section 247d–7e of this title are in addition to amounts otherwise authorized to be appropriated to carry out such section.

(3) Restrictions on use of funds
Amounts in the special reserve fund shall not be used to pay costs other than payments made by the Secretary to a vendor for advanced development (under section 247d–7e of this title) or for procurement of a security countermeasure under subsection (c)(7).

(4) Report on security countermeasure procurement
Not later than March 1 of each year in which the Secretary determines that the amount of
funds available for procurement of security countermeasures is less than $1,500,000,000, the Secretary shall submit to the Committee on Appropriations and the Committee on Health, Education, Labor, and Pensions of the Senate and the Committee on Appropriations and the Committee on Energy and Commerce of the House of Representatives a report detailing the amount of such funds available for procurement and the impact such amount of funding will have—
(A) in meeting the security countermeasure needs identified under this section; and
(B) on the annual Public Health Emergency Medical Countermeasures Enterprise and Strategy Implementation Plan (pursuant to section 300hh–10(d) of this title).

(5) Clarification on contracting authority

The Secretary, acting through the Director of the Biomedical Advanced Research and Development Authority, shall carry out the programs funded by the special reserve fund (for the procurement of security countermeasures under subsection (c) and for carrying out section 247d–7e of this title), including the execution of procurement contracts, grants, and cooperative agreements pursuant to this section and section 247d–7e of this title.

(h) Definitions

In this section:

(1) The term “advanced research and development” has the meaning given such term in section 247d–7e(a) of this title.

(2) The term “special reserve fund” means the “Biodefense Countermeasures” appropriations account, any appropriation made available pursuant to section 321(a) of title 6, and any appropriation made available pursuant to subsection (g)(1).


REFERENCES IN TEXT

Section 403(b) of the Pandemic and All-Hazards Preparedness and Advancing Innovation Act of 2019, referred to in subsec. (a)(5)(A)(i)(x), is section 403(b) of Pub. L. 116–22, title IV, §403(a), Dec. 23, 2019, 133 Stat. 947, which is classified to this Code, see Short Title of 2004 Amendments note set out under section 201 of this title and Tables.

AMENDMENTS

2019—Subsec. (a)(1). Pub. L. 116–22, §403(a)(2), inserted “the Assistant Secretary for Preparedness and Response” after “collaboration with”, “and optimize” after “provide for” and “and, as informed by existing recommendations of, or consultations with, the Public Health Emergency Medical Countermeasure Enterprise established under section 300hh–10a of this title, make necessary additions or modifications to the contents of such stockpile or stockpiles based on the recommendations conducted under paragraph (2)” after “public health emergency”, and struck out at end “The Secretary shall
conduct an annual review (taking into account at-risk individuals) of the contents of the stockpile, including non-pharmaceutical supplies, and make necessary additional modifications to the contents based on such review and shall submit such review annually to the appropriate congressional committees of jurisdiction to the extent that disclosure of such information does not compromise national security.


Subsec. (a)(3)(C). Pub. L. 116–22, § 403(a)(4)(B), inserted before semicolon at end “, and the availability, deployment, dispensing, and administration of countermeasures”.


Subsec. (c)(2)(C). Pub. L. 116–22, § 502(a), substituted “The Secretary and the Secretary of Homeland Security shall send to Congress, on an annual basis, all current material threat determinations and shall promptly notify the Committee on Health, Education, Labor, and Pensions and the Committee on Homeland Security and Governmental Affairs of the Senate and the Committee on Energy and Commerce and the Committee on Homeland Security of the House of Representatives” for “The Secretary and the Homeland Security Secretary shall promptly notify the appropriate committees of Congress”.

Subsec. (c)(7)(B)(ii)(III). Pub. L. 116–22, § 502(b), inserted at end “The Secretary shall notify the vendor within 90 days of a determination by the Secretary to renew, extend, or terminate such contract.”

Subsec. (d). Pub. L. 116–22, § 702, amended subsec. (d) generally. Prior to amendment, text read as follows: “A Federal agency shall disclose under section 552 of title 5 any information identifying the location at which materials in the stockpile under subsection (a) are stored.”

Subsec. (f)(1). Pub. L. 116–22, § 403(c), substituted “$610,000,000 for each of fiscal years 2019 through 2023, to remain available until expended” for “$333,800,000 for each of fiscal years 2014 through 2018”.

Subsec. (g)(1). Pub. L. 116–22, § 504(a), substituted “$71,100,000 for the period of fiscal years 2019 through 2023, to remain available until expended” for “$2,800,000,000 for the period of fiscal years 2014 through 2018” and struck out at end “Amounts appropriated pursuant to the preceding sentence are authorized to remain available until September 30, 2019.”


Subsec. (c)(4)(A)(ii). Pub. L. 114–255, § 3085(1), substituted “and subject to the availability of appropriations, make available the special reserve fund as defined in subsection (h) for procurement of such countermeasure, as applicable” for “subject to the availability of appropriations, make available the special reserve fund as defined in subsection (h) for procurement of such countermeasure, as applicable”.

Subsec. (c)(6). Pub. L. 114–255, § 3085(2)(D), substituted “Recommendations for procurement” for “Recommenda-

2013—Subsec. (a)(1). Pub. L. 113–5, § 403(1)(A), inserted “consistent with section 300hh–10 of this title” after “amounts as are determined” and “and shall submit follows: “The Secretary and the Homeland Security Secretary shall notify the appropriate congressional committees of each decision of the President to approve a recommendation under subparagraph (A). Such notice shall include an explanation of the decision to make available the special reserve fund as defined in subsection (h) for procurement of such countermeasure, including, where applicable, the nature of, and other information concerning potential suppliers of such countermeasure, and whether other potential suppliers of the same or similar countermeasures were considered and rejected for procurement under this section and the reasons therefor.”

Pub. L. 114–255, § 3085(2)(A), (B), redesignated subpar. (C) as (A) and struck out former subpar. (A). Text of former subpar. (A) read as follows: “In the case of a security countermeasure that the Secretary has, in accordance with paragraphs (3) and (5), determined to be appropriate for procurement under this subsection, the Homeland Security Secretary and the Secretary shall jointly submit to the President, in coordination with the Director of the Office of Management and Budget, a recommendation that the special reserve fund as defined in subsection (h) be made available for the procurement of such countermeasure.”

Subsec. (c)(6)(B). Pub. L. 114–255, § 3085(2)(A), (B), redesignated subpar. (D) as (B) and struck out former subpar. (B). Text of former subpar. (B) read as follows: “The special reserve fund as defined in subsection (h) is available for a procurement of a security countermeasure only if the President has approved a recommendation under subparagraph (A) regarding the countermeasure.”

Subsec. (c)(6)(C), (D). Pub. L. 114–255, § 3085(2)(B), redesignated subpars. (C) and (D) as (A) and (B), respectively.

Subsec. (c)(6)(E). Pub. L. 114–255, § 3085(2)(A), struck out subpar. (E). Text read as follows: “Recommendations and approvals under this paragraph apply solely to determinations that the special reserve fund as defined in subsection (h) will be made available for a procurement of a security countermeasure, and not to the substance of contracts for such procurement or other matters relating to awards of such contracts.”

Subsec. (c)(7)(A). Pub. L. 114–255, § 3085(3)(A), added subpar. (A) and struck out former subpar. (A). Text of former subpar. (A) read as follows: “For purposes of a procurement under this subsection that is approved by the President under paragraph (6), the Homeland Security Secretary and the Secretary shall have responsibilities analogous to those of the Secretary of Defense under subparagraphs (B) and (C)”.

Subsec. (c)(7)(B), (C). Pub. L. 114–255, § 3085(3), redesignated subpar. (C) as (B) and struck out former subpar. (B). Text of former subpar. (B) read as follows: “The Homeland Security Secretary shall enter into an agreement with the Secretary for procurement of a security countermeasure in accordance with the provisions of this paragraph. The special reserve fund as defined in subsection (h) shall be available for payments made by the Secretary to a vendor for such procurement.”

Subsec. (g)(4). Pub. L. 114–255, § 3081(2), amended par. (4) generally. Prior to amendment, text read as follows: “Not later than 30 days after any date on which the Secretary determines that the amount of funds in the special reserve fund available for procurement is less than $1,500,000,000, the Secretary shall submit to the appropriate committees of Congress a report detailing the amount of such funds available for procurement and the impact such reduction in funding will have—

(A) in meeting the security countermeasure needs identified under this section; and

(B) on the annual Public Health Emergency Medical Countermeasures Enterprise and Strategy Implementation Plan (pursuant to section 300hh–10(d) of this title).”

Subsec. (g)(5). Pub. L. 114–255, § 3082(a), added par. (5).
such review annually to the appropriate congressional committees of jurisdiction to the extent that disclosure of such information does not compromise national security after "based on such review".

Subsec. (a)(2)(D). Pub. L. 113–5, § 401(b)(1)(B), inserted "and that the potential depletion of countermeasures currently in the stockpile is identified and appropriately addressed, including through necessary replenishment" before semicolon at end.

Subsec. (c). Pub. L. 113–5, § 401(b)(1)(A), substituted "special reserve fund as defined in subsection (b)" for "special reserve fund under paragraph (10)" wherever appearing.


Subsec. (c)(2)(C). Pub. L. 113–5, § 401(a)(2), substituted "the appropriate committees of Congress" for "the designated congressional committees" in heading and text.

Subsec. (c)(5)(B)(i)(II). Pub. L. 113–5, § 401(a)(3), substituted "10 years" for "eight years".

Subsec. (c)(6)(C). Pub. L. 113–5, § 401(a)(4), substituted "appropriate congressional committees" for "designated congressional committees" in heading and text.

Subsec. (c)(7)(C)(i)(I). Pub. L. 113–5, § 401(a)(5)(A), inserted "including advanced research and development," after "as may reasonably be required.".


Prior to amendment, text read as follows: "The Secretary, in any contract for procurement under this section, may specify—" "(aa) the dosing and administration requirements for countermeasures to be developed and procured;" "(bb) the amount of funding that will be dedicated by the Secretary for development and acquisition of the countermeasure; and" "(cc) the specifications the countermeasure must meet to qualify for procurement under a contract under this section." Subsec. (c)(7)(C)(viii). Pub. L. 113–5, § 401(a)(5)(C), added cl. (viii).

Subsec. (c)(9)(B). Pub. L. 113–5, § 401(b)(1)(B), struck out part (a) and (b) which described restrictions on the use of funds and defined "special reserve fund" and "designated congressional committees".

Subsec. (d)(1). Pub. L. 113–5, § 401(b), substituted "$533,800,000 for each of fiscal years 2014 through 2018." Such authorization is in addition to amounts in the special reserve fund referred to in subsection (h)." for "$900,000,000 for fiscal year 2002, and such sums as may be necessary for each of fiscal years 2003 through 2006." Such authorization is in addition to amounts in the special reserve fund referred to in subsection (c)(10)(A) of this section.

Subsecs. (g), (h). Pub. L. 113–5, § 401(b)(2), added subsecs. (g) and (h).

2006—Pub. L. 109–197, § 406(1), inserted "and security countermeasure procurements" after "Stockpile" in section catchline. Subsec. (a)(1). Pub. L. 109–197, § 102(c), inserted "in collaboration with the Director of the Centers for Disease Control and Prevention, and" after "The Secretary," and inserted at end "The Secretary shall conduct an annual review (taking into account at-risk individuals) of the contents of the stockpile, including non-pharmaceutical supplies, and make necessary additions or modifications to the contents based on such review." Subsec. (o). Pub. L. 109–197, § 406(2)(A), struck out "biomedical" before "countermeasures" in heading.

Subsec. (c)(1)(B)(1)(i). Pub. L. 109–197, § 403(b), which directed amendment of section 319F–2 of the Public Health Service Act, to reflect the probable intent of Congress.


Subsec. (c)(5)(B)(i). Pub. L. 109–197, § 406(2)(D), substituted "to meet the needs of the stockpile" for "to meet the needs of the stockpile".

Subsec. (c)(7)(B). Pub. L. 109–197, § 406(2)(E), substituted "cost" for "costs" in subpar. heading, struck out cl. (i) designation and heading before "The Homeland", and struck out heading and text of cl. (ii). Text read as follows: "The actual costs to the Secretary under this section, other than the costs described in clause (i), shall be paid from the appropriation provided for under subsection (f)(1) of this section."

Subsec. (c)(7)(C)(i)(I). Pub. L. 109–197, § 406(2)(F)(i), amended heading and text of subcl. (I) generally. Prior to amendment, text read as follows: "The contract shall provide that no payment may be made until delivery has been made of a portion, acceptable to the Secretary, of the total number of units contracted for, except that, notwithstanding any other provision of law, the contract may provide that, if the Secretary determines (in the Secretary's discretion) that an advance payment is necessary to ensure success of a project, the Secretary may pay an amount, not to exceed 10 percent of the contract amount, in advance of delivery. The contract shall provide that such advance payment is required to be repaid if there is a failure to perform by the vendor under the contract. Nothing in this subclause may be construed as affecting rights of vendors under provisions of law or regulation (including the Federal Acquisition Regulation) relating to termination of contracts for the convenience of the Government."


Subsec. (c)(8)(A). Pub. L. 109–197, § 406(2)(G), inserted at end "Such agreements may allow other executive agencies to order qualified and security countermeasures under procurement contracts or other agreements established by the Secretary. Such ordering process (including transfers of appropriated funds between an agency and the Department of Health and Human Services as reimbursements for such orders for countermeasures) may be conducted under the authority of section 1555 of title 31, except that all such orders shall be processed under the terms established under this subsection for the procurement of countermeasures." 2004—Pub. L. 108–276, § 3(a)(2), amended section generally. Prior to amendment, text related in subsec. (a) to Strategic National Stockpile, in subsec. (b) to smallpox vaccine development, in subsec. (c) to disclosures, in subsec. (d) to definition of "stockpile", and in subsec. (e) to authorization of appropriations.

2002—Subsec. (a)(1). Pub. L. 107–296, § 1705(a)(1), substituted "The Secretary of Homeland Security" for "The Secretary of Health and Human Services and" after "in coordination with" and "of Health and Human Services" after "as are determined by the Secretary".

FIRST RESPONDER ANTHRAX PREPAREDNESS Pub. L. 114–268, Dec. 14, 2016, 130 Stat. 1387, provided that:
SECTION 1. SHORT TITLE.

This Act may be cited as the "First Responder Anthrax Preparedness Act".

SEC. 2. VOLUNTARY PRE-EVENT ANTHRAX VACCINATION PILOT PROGRAM FOR EMERGENCY RESPONSE PROVIDERS.

(a) PILOT PROGRAM.—

(1) ESTABLISHMENT.—The Secretary of Homeland Security, in coordination with the Secretary of Health and Human Services, shall carry out a pilot program to provide eligible anthrax vaccines from the Strategic National Stockpile under section 319F-2a of the Public Health Service Act (42 U.S.C. 247d-6(a)) that will be nearing the end of their labeled dates of use at the time such vaccines are made available to States for administration to emergency response providers who would be at high risk of exposure to anthrax if such an attack should occur and who voluntarily consent to such administration.

(2) DETERMINATION.—The Secretary of Health and Human Services shall determine whether an anthrax vaccine is eligible to be provided to the Secretary of Homeland Security for the pilot program described in paragraph (1) based on—

(A) a determination that the vaccine is not otherwise allotted for other purposes;

(B) a determination that the provision of the vaccine will not reduce, or otherwise adversely affect, the capability to meet projected requirements for this product during a public health emergency, including a significant reduction of available quantities of vaccine in the Strategic National Stockpile; and

(C) such other considerations as determined appropriate by the Secretary of Health and Human Services.

(3) PRELIMINARY REQUIREMENTS.—Before implementing the pilot program required under this subsection, the Secretary of Homeland Security, in coordination with the Secretary of Health and Human Services, shall—

(A) establish a communication platform for the pilot program;

(B) develop and deliver education and training for the pilot program;

(C) conduct economic analysis of the pilot program, including a preliminary estimate of total costs and expected benefits;

(D) create a logistical platform for the anthrax vaccine request process under the pilot program;

(E) establish goals and desired outcomes for the pilot program; and

(F) establish a mechanism to reimburse the Secretary of Health and Human Services for—

(i) the costs of shipment and transportation of such vaccines provided to the Secretary of Homeland Security from the Strategic National Stockpile under such pilot program, including staff time directly supporting such shipment and transportation; and

(ii) the amount, if any, by which the warehousing costs of the Strategic National Stockpile are increased in order to operate such pilot program.

(4) LOCATION.—

(A) IN GENERAL.—In carrying out the pilot program required under this subsection, the Secretary of Homeland Security shall select not fewer than 2 nor more than 5 States for voluntary participation in the pilot program.

(B) REQUIREMENT.—Each State that participates in the pilot program under this subsection shall ensure that such participation is consistent with the All-Hazards Public Health Emergency Preparedness and Response Plan of the State developed under section 319C-1 of the Public Health Service Act (42 U.S.C. 247d-3a).

(5) GUIDANCE FOR SELECTION.—To ensure that participation in the pilot program under this subsection strategically increases State and local response readiness in the event of an anthrax release, the Secretary of Homeland Security, in coordination with the Secretary of Health and Human Services, shall provide guidance to participating States and units of local government on identifying emergency response providers who are at high risk of exposure to anthrax.

(6) DISTRIBUTION OF INFORMATION.—The Secretary of Homeland Security shall require that each State that participates in the pilot program under this subsection submit a written certification to the Secretary of Homeland Security stating that emergency response provider within the State that participates in the pilot program is provided with disclosures and educational materials designated by the Secretary of Health and Human Services, which may include—

(A) materials regarding the associated benefits and risks of any vaccine provided under the pilot program, and of exposure to anthrax;

(B) additional material consistent with the Centers for Disease Control and Prevention’s clinical guidance; and

(C) notice that the Federal Government is not obligated to continue providing anthrax vaccine after the date on which the pilot program ends.

(7) MEMORANDUM OF UNDERSTANDING.—Before implementing the pilot program under this subsection, the Secretary of Homeland Security shall enter into a memorandum of understanding with the Secretary of Health and Human Services to—

(A) define the roles and responsibilities of each Department for the pilot program; and

(B) establish other performance metrics and policies for the pilot program, as appropriate.

(8) REPORT.—

(A) IN GENERAL.—Notwithstanding subsection (c), not later than 1 year after the date on which the initial vaccines are administered under this section, and annually thereafter until 1 year after the completion of the pilot program under this section, the Secretary of Homeland Security, in coordination with the Secretary of Health and Human Services, shall submit to the Committee on Homeland Security and the Committee on Energy and Commerce of the House of Representatives and the Committee on Homeland Security and Governmental Affairs and the Committee on Health, Education, Labor, and Pensions of the Senate a report on the progress and results of the pilot program, including—

(i) a detailed tabulation of the costs to administer the program, including—

(I) total costs for management and administration;

(II) total costs to ship vaccines;

(III) total number of full-time equivalents allocated to the program; and

(IV) total costs to the Strategic National Stockpile;

(ii) the number and percentage of eligible emergency response providers, as determined by each pilot location, that volunteer to participate;

(iii) the degree to which participants complete the vaccine regimen;

(iv) the total number of doses of vaccine administered; and

(v) recommendations to improve initial and recurrent participation in the pilot program.

(B) FINAL REPORT.—The final report required under subparagraph (A) shall—

(i) consider whether the pilot program required under this subsection should continue after the date described in subsection (c); and

(ii) include—

(I) an analysis of the costs and benefits of continuing the program to provide anthrax vaccines to emergency response providers;

(II) an explanation of the economic, health, and other risks and benefits of administering...
vaccines through the pilot program rather than post-event treatment; and

(III) in the case of a recommendation under clause (I) to continue the pilot program after the date described in subsection (c), a plan under which the pilot program could be continued.

(b) DEADLINE FOR IMPLEMENTATION.—Not later than 1 year after the date of enactment of this Act [Dec. 14, 2016], the Secretary of Homeland Security shall begin implementing the pilot program under this section.

(c) Sunsets.—The authority to carry out the pilot program under this section shall expire on the date that is 5 years after the date of enactment of this Act [Dec. 14, 2016].

STOCKPILE FUNCTIONS TRANSFERRED


"(1) IN GENERAL.—Except as provided in paragraph (2), there shall be transferred to the Secretary of Health and Human Services the functions, personnel, assets, unexpended balances, and liabilities of the Strategic National Stockpile, including the functions of the Secretary of Homeland Security relating thereto.

"(2) EXCEPTIONS.—

"(A) FUNCTIONS.—The transfer of functions pursuant to paragraph (1) shall not include such functions as are explicitly assigned to the Secretary of Homeland Security by this Act [see Short Title of 2004 Amendments note set out under section 201 of this title] (including the amendments made by this Act).

"(B) ASSETS AND UNEXPENDED BALANCES.—The transfer of assets and unexpended balances pursuant to paragraph (1) shall not include the funds appropriated under the heading ‘BIODEFENSE COUNTERMEASURES’ in the Department of Homeland Security Appropriations Act, 2004 (Public Law 108–90 [117 Stat. 1148])."

POTASSIUM IODIDE


"(a) IN GENERAL.—(A) Through the national stockpile under section 121 [now section 319F–2 of act July 1, 1944, 42 U.S.C. 247d–6b], the President, subject to subsections (b) and (c), shall make available to State and local governments potassium iodide tablets for stockpiling and for distribution as appropriate to public facilities, such as schools and hospitals, in quantities sufficient to provide adequate protection for the population within 20 miles of a nuclear power plant.

"(B) A plan for the stockpiling of potassium iodide tablets, and for the distribution and utilization of potassium iodide tablets in the event of a nuclear incident. Such tablets may not be made available under subsection (a) until such guidelines have been established.

"(b) GUIDELINES.—Not later than one year after the date of the enactment of this Act [June 12, 2002], the President shall establish guidelines for the stockpiling of potassium iodide tablets, and for the distribution and utilization of potassium iodide tablets in the event of a nuclear incident. Such tablets may not be made available under subsection (a) until such guidelines have been established.

"(c) REPORTS.—

"(1) IN GENERAL.—The President shall submit to the Congress a report—

"(A) on whether potassium iodide tablets have been made available under subsection (a) to other Federal, State, or local governments, and the extent to which State and local governments have established stockpiles of such tablets; and

"(B) the measures taken by the President to implement this section.

"(2) NATIONAL ACADEMY OF SCIENCES.—

"(A) IN GENERAL.—The President shall request the National Academy of Sciences to enter into an agreement with the President under which the Academy conducts a study to determine what is the most effective and safe way to distribute and administer potassium iodide tablets on a mass scale. If the Academy declines to conduct the study, the President shall enter into an agreement with another appropriate public or nonprofit private entity to conduct the study.

"(B) REPORT.—The President shall ensure that, not later than six months after the date of the enactment of this Act [June 12, 2002], the study required in subparagraph (A) is completed and a report describing the findings made in the study is submitted to the Congress.

"(c) APPLICABILITY.—Subsections (a) and (d) cease to apply as requirements if the President determines that there is an alternative and more effective prophylaxis or preventive measures for adverse thyroid conditions that may result from the release of radionuclides from nuclear power plants."

[Memorandum of President of the United States, July 3, 2007, 72 P.R. 37627, provided:]

[Memorandum for the Secretary of Health and Human Services[,] the Secretary of Energy[,] the Secretary of Homeland Security[,] the Chairman of the Nuclear Regulatory Commission[,] and the Director of the Office of Science and Technology Policy

[By the authority vested in me as President by the Constitution and the laws of the United States, including section 301 of title 3, United States Code, and section 204(b) of the National Science and Technology Policy, Organization, and Priorities Act of 1976, as amended (42 U.S.C. 6634(b)), the functions of the President under section 127 of the Public Health Security and Bioterrorism Preparedness and Response Act of 2002 (Public Law 107–188) (42 U.S.C. 247d–6b) note are assigned as follows:]

(1) the function of making a determination under subsection 127(c) of Public Law 107–188 is assigned to the Director of the Office of Science and Technology Policy; and

(2) the functions of the President under section 127 of Public Law 107–188 other than that assigned under sub-
section 127(f) are assigned to the Chairman of the Nuclear Regulatory Commission.

[In the performance of such functions the Chairman and the Director should consult each other and the Secretaries of Health and Human Services, Energy, and Homeland Security, as appropriate.

[The Director is authorized and directed to publish this memorandum in the Federal Register.]

Designation and Authorization to Perform Functions Under Section 319F-2 of the Public Health Service Act

Memorandum of President of the United States, Oct. 21, 2004, 69 F.R. 70349, provided:

Memorandum for the Director of the Office of Management and Budget

By the authority vested in me by the Constitution and the laws of the United States of America, including section 301 of title 3, United States Code, I hereby direct you to perform the functions vested in the President under section 319F-2(c)(6) of the Public Health Service Act, 42 U.S.C. 247d-6b(c)(6).

Any reference in this memorandum to the provision of any Act shall be deemed to include references to any hereafter-enacted provision of law that is the same or substantially the same as such provision.

You are authorized and directed to publish this memorandum in the Federal Register.

GEORGE W. BUSH.


§ 247d-6d. Targeted liability protections for pandemic and epidemic products and security countermeasures

(a) Liability protections

(1) In general

Subject to the other provisions of this section, a covered person shall be immune from suit and liability under Federal and State law with respect to all claims for loss caused by, arising out of, relating to, or resulting from the administration to or the use by an individual of a covered countermeasure if a declaration under subsection (b) has been issued with respect to such countermeasure.

(2) Scope of claims for loss

(A) Loss

For purposes of this section, the term “loss” means any type of loss, including—

(i) death;

(ii) physical, mental, or emotional injury, illness, disability, or condition;

(iii) fear of physical, mental, or emotional injury, illness, disability, or condition, including any need for medical monitoring; and

(iv) loss of or damage to property, including business interruption loss.

Each of clauses (i) through (iv) applies without regard to the date of the occurrence, presentation, or discovery of the loss described in the clause.

(B) Scope

The immunity under paragraph (1) applies to any claim for loss that has a causal relationship with the administration to or use by an individual of a covered countermeasure, including a causal relationship with the design, development, clinical testing or investigation, manufacture, labeling, distribution, formulation, packaging, marketing, promotion, sale, purchase, donation, dispensing, prescribing, administration, licensing, or use of such countermeasure.

(3) Certain conditions

Subject to the other provisions of this section, immunity under paragraph (1) with respect to a covered countermeasure applies only if—

(A) the countermeasure was administered or used during the effective period of the declaration that was issued under subsection (b) with respect to the countermeasure;

(B) the countermeasure was administered or used for the category or categories of diseases, health conditions, or threats to health specified in the declaration; and

(C) in addition, in the case of a covered person who is a program planner or qualified person with respect to the administration or use of the countermeasure, the countermeasure was administered to or used by an individual who—

(i) was in a population specified by the declaration; and

(ii) was at the time of administration physically present in a geographic area specified by the declaration or had a connection to such area specified in the declaration.

(4) Applicability of certain conditions

With respect to immunity under paragraph (1) and subject to the other provisions of this section:

(A) In the case of a covered person who is a manufacturer or distributor of the covered countermeasure involved, the immunity applies without regard to whether such countermeasure was administered to or used by an individual in accordance with the conditions described in paragraph (3)(C).

(B) In the case of a covered person who is a program planner or qualified person—

(i) with respect to the administration or use of the covered countermeasure, the scope of immunity includes circumstances in which the countermeasure was administered to or used by an individual in circumstances in which the covered person reasonably could have believed that the countermeasure was administered or used in accordance with the conditions described in paragraph (3)(C).

(5) Effect of distribution method

The provisions of this section apply to a covered countermeasure regardless of whether such countermeasure is obtained by donation, commercial sale, or any other means of distribution, except to the extent that, under paragraph (2)(B) of subsection (b), the declaration under such subsection provides that subsection (a) applies only to covered countermeasures obtained through a particular means of distribution.

(6) Rebuttable presumption

For purposes of paragraph (1), there shall be a rebuttable presumption that any adminis-
tration or use, during the effective period of the emergency declaration by the Secretary under subsection (b), of a covered countermeasure shall have been for the category or categories of diseases, health conditions, or threats to health with respect to which such declaration was issued.

(b) Declaration by Secretary

(1) Authority to issue declaration
Subject to paragraph (2), if the Secretary makes a determination that a disease or other health condition or other threat to health constitutes a public health emergency, or that there is a credible risk that the disease, condition, or threat may in the future constitute such an emergency, the Secretary may make a declaration, through publication in the Federal Register, recommending, under conditions as the Secretary may specify, the manufacture, testing, development, distribution, administration, or use of one or more covered countermeasures, and stating that subsection (a) is in effect with respect to the activities so recommended.

(2) Contents
In issuing a declaration under paragraph (1), the Secretary shall identify, for each covered countermeasure specified in the declaration—
(A) the category or categories of diseases, health conditions, or threats to health for which the Secretary recommends the administration or use of the countermeasure;
(B) the period or periods during which, including as modified by paragraph (3), subsection (a) is in effect, which period or periods may be designated by dates, or by milestones or other description of events, including factors specified in paragraph (6);
(C) the population or populations of individuals for which subsection (a) is in effect with respect to the administration or use of the countermeasure (which may be a specification that such subsection applies without geographic limitation to all individuals);
(D) the geographic area or areas for which subsection (a) is in effect with respect to the administration or use of the countermeasure (which may be a specification that such subsection applies without geographic limitation to all individuals);
(E) the period or periods during which the administration, licensing, and use of such countermeasure, including the return of such product to the manufacturer; and
(F) whether subsection (a) is effective only to a particular means of distribution as provided in subsection (a)(5) for obtaining the countermeasure, and if so, the particular means to which such subsection is effective.

(3) Effective period of declaration

(A) Flexibility of period
The Secretary may, in describing periods under paragraph (2)(B), have different periods for different covered persons to address different logistical, practical or other differences in responsibilities.

(B) Additional time to be specified
In each declaration under paragraph (1), the Secretary, after consulting, to the extent the Secretary deems appropriate, with the manufacturer of the covered countermeasure, shall also specify a date that is after the ending date specified under paragraph (2)(B) and that allows what the Secretary determines is—
(i) a reasonable period for the manufacturer to arrange for disposition of the covered countermeasure, including the return of such product to the manufacturer; and
(ii) a reasonable period for covered persons to take such other actions as may be appropriate to limit administration or use of the covered countermeasure.

(C) Additional period for certain strategic national stockpile countermeasures
With respect to a covered countermeasure that is in the stockpile under section 247d–6b of this title, if such countermeasure was the subject of a declaration under paragraph (1) at the time that it was obtained for the stockpile, the effective period of such declaration shall include a period when the countermeasure is administered or used pursuant to a distribution or release from the stockpile.

(4) Amendments to declaration

The Secretary may through publication in the Federal Register amend any portion of a declaration under paragraph (1). Such an amendment shall not retroactively limit the applicability of subsection (a) with respect to the administration or use of the covered countermeasure involved.

(5) Certain disclosures
In publishing a declaration under paragraph (1) in the Federal Register, the Secretary is not required to disclose any matter described in section 552(b) of title 5.

(6) Factors to be considered

In deciding whether and under what circumstances or conditions to issue a declaration under paragraph (1) with respect to a covered countermeasure, the Secretary shall consider the desirability of encouraging the design, development, clinical testing or investigation, manufacture, labeling, distribution, formulation, packaging, marketing, promotion, sale, purchase, donation, dispensing, prescribing, administration, licensing, and use of such countermeasure.

(7) Judicial review
No court of the United States, or of any State, shall have subject matter jurisdiction to review, whether by mandamus or otherwise, any action by the Secretary under this subsection.

(8) Preemption of State law
During the effective period of a declaration under subsection (b), or at any time with re-
(c) Definition of willful misconduct

(1) Definition

(A) In general

Except as the meaning of such term is further restricted pursuant to paragraph (2), the term “willful misconduct” shall, for purposes of subsection (d), denote an act or omission that is taken—

(i) intentionally to achieve a wrongful purpose;
(ii) knowingly without legal or factual justification; and
(iii) in disregard of a known or obvious risk that is so great as to make it highly probable that the harm will outweigh the benefit.

(B) Rule of construction

The criterion stated in subparagraph (A) shall be construed as establishing a standard for liability that is more stringent than a standard of negligence in any form or recklessness.

(2) Authority to promulgate regulatory definition

(A) In general

The Secretary, in consultation with the Attorney General, shall promulgate regulations which may be promulgated through interim final rules, that further restrict the scope of actions or omissions by a covered person that may qualify as “willful misconduct” for purposes of subsection (d).

(B) Factors to be considered

In promulgating the regulations under this paragraph, the Secretary, in consultation with the Attorney General, shall consider the need to define the scope of permissible civil actions under subsection (d) in a way that will not adversely affect the public health.

(C) Temporal scope of regulations

The regulations under this paragraph may specify the temporal effect that they shall be given for purposes of subsection (d).

(D) Initial rulemaking

Within 180 days after December 30, 2005, the Secretary, in consultation with the Attorney General, shall commence and complete an initial rulemaking process under this paragraph.

(3) Proof of willful misconduct

In an action under subsection (d), the plaintiff shall have the burden of proving by clear and convincing evidence willful misconduct by each covered person sued and that such willful misconduct caused death or serious physical injury.

(4) Defense for acts or omissions taken pursuant to Secretary’s declaration

Notwithstanding any other provision of law, a program planner or qualified person shall not have engaged in “willful misconduct” as a matter of law where such program planner or qualified person acted consistent with applicable directions, guidelines, or recommendations by the Secretary regarding the administration or use of a covered countermeasure that is specified in the declaration under subsection (b), provided either the Secretary, or a State or local health authority, was provided with notice of information regarding serious physical injury or death from the administration or use of a covered countermeasure that is material to the plaintiff’s alleged loss within 7 days of the actual discovery of such information by such program planner or qualified person.

(5) Exclusion for regulated activity of manufacturer or distributor

(A) In general

If an act or omission by a manufacturer or distributor with respect to a covered countermeasure, which act or omission is alleged under subsection (e)(3)(A) to constitute willful misconduct, is subject to regulation by this chapter or by the Federal Food, Drug, and Cosmetic Act [21 U.S.C. 301 et seq.], such act or omission shall not constitute “willful misconduct” for purposes of subsection (d) if—

(i) neither the Secretary nor the Attorney General has initiated an enforcement action with respect to such act or omission; or
(ii) such an enforcement action has been initiated and the action has been terminated or finally resolved without a covered remedy.

Any action or proceeding under subsection (d) shall be stayed during the pendency of such an enforcement action.
(B) Definitions
For purposes of this paragraph, the following terms have the following meanings:

(i) Enforcement action
The term “enforcement action” means a criminal prosecution, an action seeking an injunction, a seizure action, a civil monetary proceeding based on willful misconduct, a mandatory recall of a product because voluntary recall was refused, a proceeding to compel repair or replacement of a product, a termination of an exemption under section 506(1) or 520(g) of the Federal Food, Drug, and Cosmetic Act [21 U.S.C. 355(1), 360(g)], a debarment proceeding, an investigator disqualification proceeding where an investigator is an employee or agent of the manufacturer, a revocation, based on willful misconduct, of an authorization under section 564 of such Act [21 U.S.C. 355(i), 360j(g)], a debarment, an investigator disqualification, a revocation of an authorization under section 564 of such Act [21 U.S.C. 360bbb–3], or a suspension or withdrawal, based on willful misconduct, of an approval or clearance under chapter V of such Act [21 U.S.C. 351 et seq.] or of a licensure under section 262 of this title.

(ii) Covered remedy
The term “covered remedy” means an outcome—
(I) that is a criminal conviction, an injunction, or a condemnation, a civil monetary payment, a product recall, a repair or replacement of a product, a termination of an exemption under section 506(1) or 520(g) of the Federal Food, Drug, and Cosmetic Act [21 U.S.C. 355(1), 360(g)], a debarment, an investigator disqualification, a revocation of an authorization under section 564 of such Act [21 U.S.C. 360bbb–3], or a suspension or withdrawal of an approval or clearance under chapter 51 of such Act or of a licensure under section 262 of this title; and
(II) that results from a final determination by a court or from a final agency action.

(iii) Final
The terms “final” and “finally”—
(I) with respect to a court determination, or to a final resolution of an enforcement action that is a court determination, mean a judgment from which an appeal of right cannot be taken or a voluntary or stipulated dismissal; and
(II) with respect to an agency action, or to a final resolution of an enforcement action that is an agency action, mean an order that is not subject to further review within the agency and that has not been reversed, vacated, enjoined, or otherwise nullified by a final court determination or a voluntary or stipulated dismissal.

(C) Rules of construction
(i) In general
Nothing in this paragraph shall be construed—

(d) Exception to immunity of covered persons

(1) In general
Subject to subsection (f), the sole exception to the immunity from suit and liability of covered persons set forth in subsection (a) shall be for an exclusive Federal cause of action against a covered person for death or serious physical injury proximately caused by willful misconduct, as defined pursuant to subsection (c), by such covered person. For purposes of section 2679(b)(2)(B) of title 28, such a cause of action is otherwise authorized.

(2) Persons who can sue
An action under this subsection may be brought for wrongful death or serious physical injury by any person who suffers such injury or by any representative of such a person.

(e) Procedures for suit

(1) Exclusive Federal jurisdiction
Any action under subsection (d) shall be filed and maintained only in the United States District Court for the District of Columbia.

(2) Governing law
The substantive law for decision in an action under subsection (d) shall be for an exclusive Federal cause of action against a covered person for death or serious physical injury proximately caused by willful misconduct, as defined pursuant to subsection (c), by such covered person. For purposes of section 2679(b)(2)(B) of title 28, such a cause of action is otherwise authorized.

(3) Pleading with particularity
In an action under subsection (d), the complaint shall plead with particularity each element of the plaintiff’s claim, including—

(A) each act or omission, by each covered person sued, that is alleged to constitute willful misconduct relating to the covered countermeasure administered to or used by the person on whose behalf the complaint was filed;

(B) facts supporting the allegation that such alleged willful misconduct proximately caused the injury claimed; and

(C) facts supporting the allegation that the person on whose behalf the complaint

1 So in original. Probably should be chapter “V”.
§ 247d–6d  TITLE 42—THE PUBLIC HEALTH AND WELFARE  Page 258

was filed suffered death or serious physical injury.

(4) Verification, certification, and medical records

(A) In general

In an action under subsection (d), the plaintiff shall verify the complaint in the manner stated in subparagraph (B) and shall file with the complaint the materials described in subparagraph (C). A complaint that does not substantially comply with subparagraphs (B) and (C) shall not be accepted for filing and shall not stop the running of the statute of limitations.

(B) Verification requirement

(i) In general

The complaint shall include a verification, made by affidavit of the plaintiff under oath, stating that the pleading is true to the knowledge of the deponent, except as to matters specifically identified as being alleged on information and belief, and that as to those matters the plaintiff believes it to be true.

(ii) Identification of matters alleged upon information and belief

Any matter that is not specifically identified as being alleged upon the information and belief of the plaintiff, shall be regarded for all purposes, including a criminal prosecution, as having been made upon the knowledge of the plaintiff.

(C) Materials required

In an action under subsection (d), the plaintiff shall file with the complaint—

(i) an affidavit, by a physician who did not treat the person on whose behalf the complaint was filed, certifying, and explaining the basis for such physician’s belief, that such person suffered the serious physical injury or death alleged in the complaint and that such injury or death was proximately caused by the administration or use of a covered countermeasure; and

(ii) certified medical records documenting such injury or death and such proximate causal connection.

(5) Three-judge court

Any action under subsection (d) shall be assigned initially to a panel of three judges. Such panel shall have jurisdiction over such action for purposes of considering motions to dismiss, motions for summary judgment, and matters related thereto. If such panel has denied such motions, or if the time for filing such motions has expired, such panel shall refer the action to the chief judge for assignment for further proceedings, including any trial. Section 1253 of title 28 and paragraph (3) of subsection (b) of section 2284 of title 28 shall not apply to actions under subsection (d).

(6) Civil discovery

(A) Timing

In an action under subsection (d), no discovery shall be allowed—

(i) before each covered person sued has had a reasonable opportunity to file a motion to dismiss;

(ii) in the event such a motion is filed, before the court has ruled on such motion; and

(iii) in the event a covered person files an interlocutory appeal from the denial of such a motion, before the court of appeals has ruled on such appeal.

(B) Standard

Notwithstanding any other provision of law, the court in an action under subsection (d) shall permit discovery only with respect to matters directly related to material issues contested in such action, and the court shall compel a response to a discovery request (including a request for admission, an interrogatory, a request for production of documents, or any other form of discovery request) under Rule 37, Federal Rules of Civil Procedure, only if the court finds that the requesting party needs the information sought to prove or defend as to a material issue contested in such action and that the likely benefits of a response to such request equal or exceed the burden or cost for the responding party of providing such response.

(7) Reduction in award of damages for collateral source benefits

(A) In general

In an action under subsection (d), the amount of an award of damages that would otherwise be made to a plaintiff shall be reduced by the amount of collateral source benefits to such plaintiff.

(B) Provider of collateral source benefits not to have lien or subrogation

No provider of collateral source benefits shall recover any amount against the plaintiff or receive any lien or credit against the plaintiff’s recovery or be equitably or legally subrogated to the right of the plaintiff in an action under subsection (d).

(C) Collateral source benefit defined

For purposes of this paragraph, the term “collateral source benefit” means any amount paid or to be paid in the future to or on behalf of the plaintiff, or any service, product, or other benefit provided or to be provided in the future to or on behalf of the plaintiff, as a result of the injury or wrongful death, pursuant to—

(i) any State or Federal health, sickness, income-disability, accident, or workers’ compensation law;

(ii) any health, sickness, income-disability, or accident insurance that provides health benefits or income-disability coverage;

(iii) any contract or agreement of any group, organization, partnership, or corporation to provide, pay for, or reimburse the cost of medical, hospital, dental, or income disability benefits; or

(iv) any other publicly or privately funded program.

(8) Noneconomic damages

In an action under subsection (d), any noneconomic damages may be awarded only in an
amount directly proportional to the percentage of responsibility of a defendant for the harm to the plaintiff. For purposes of this paragraph, the term “noneconomic damages” means damages for losses for physical and emotional pain, suffering, inconvenience, physical impairment, mental anguish, disfigurement, loss of enjoyment of life, loss of society and companionship, loss of consortium, hedonic damages, injury to reputation, and any other nonpecuniary losses.

(9) Rule 11 sanctions
Whenever a district court of the United States determines that there has been a violation of Rule 11 of the Federal Rules of Civil Procedure in an action under subsection (d), the court shall impose upon the attorney, law firm, or parties that have violated Rule 11 or are responsible for the violation, an appropriate sanction, which may include an order to pay the other party or parties for the reasonable expenses incurred as a direct result of the filing of the pleading, motion, or other paper that is the subject of the violation, including a reasonable attorney’s fee. Such sanction shall be sufficient to deter repetition of such conduct or comparable conduct by others similarly situated, and to compensate the party or parties injured by such conduct.

(10) Interlocutory appeal
The United States Court of Appeals for the District of Columbia Circuit shall have jurisdiction of an interlocutory appeal by a covered person taken within 30 days of an order denying a motion to dismiss or a motion for summary judgment based on an assertion of the immunity from suit conferred by subsection (a) or based on an assertion of the exclusion under subsection (c)(5).

(f) Actions by and against the United States
Nothing in this section shall be construed to abrogate or limit any right, remedy, or authority that the United States or any agency thereof may possess under any other provision of law or to waive sovereign immunity or to abrogate or limit any defense or protection available to the United States or its agencies, instrumentalities, officers, or employees under any other law, including any provision of chapter 171 of title 28 (relating to tort claims procedure).

(g) Severability
If any provision of this section, or the application of such provision to any person or circumstance, is held to be unconstitutional, the remainder of this section and the application of such remainder to any person or circumstance shall not be affected thereby.

(h) Rule of construction concerning National Vaccine Injury Compensation Program
Nothing in this section, or any amendment made by the Public Readiness and Emergency Preparedness Act, shall be construed to affect the National Vaccine Injury Compensation Program under subchapter XIX of this chapter.

(i) Definitions
In this section:

(1) Covered countermeasure
The term “covered countermeasure” means—
(A) a qualified pandemic or epidemic product (as defined in paragraph (7));
(B) a security countermeasure (as defined in section 247d–6b(c)(1)(B) of this title); or
(C) a drug (as such term is defined in section 201(g)(1) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 321(g)(1)), biological product (as such term is defined by section 262(i) of this title), or device (as such term is defined by section 201(h) of the Federal Food, Drug and Cosmetic Act (21 U.S.C. 321(h))) that is authorized for emergency use in accordance with section 564, 564A, or 564B of the Federal Food, Drug, and Cosmetic Act [21 U.S.C. 360bbb–3, 360bbb–3a, 360bbb–3b].

(2) Covered person
The term “covered person”, when used with respect to the administration or use of a covered countermeasure, means—
(A) the United States; or
(B) a person or entity that is—
(i) a manufacturer of such countermeasure;
(ii) a distributor of such countermeasure;
(iii) a program planner of such countermeasure;
(iv) a qualified person who prescribed, administered, or dispensed such countermeasure; or
(v) an official, agent, or employee of a person or entity described in clause (i), (ii), (iii), or (iv).

(3) Distributor
The term “distributor” means a person or entity engaged in the distribution of drugs, biologics, or devices, including but not limited to manufacturers; repackers; common carriers; contract carriers; air carriers; own-label distributors; private-label distributors; jobbers; brokers; warehouses, and wholesale drug warehouses; independent wholesale drug traders; and retail pharmacies.

(4) Manufacturer
The term “manufacturer” includes—
(A) a contractor or subcontractor of a manufacturer;
(B) a supplier or licenser of any product, intellectual property, service, research tool, or component or other article used in the design, development, clinical testing, investigation, or manufacturing of a covered countermeasure; and
(C) any or all of the parents, subsidiaries, affiliates, successors, and assigns of a manufacturer.

(5) Person
The term “person” includes an individual, partnership, corporation, association, entity, or public or private corporation, including a Federal, State, or local government agency or department.

(6) Program planner
The term “program planner” means a State or local government, including an Indian
tribe, a person employed by the State or local government, or other person who supervised or administered a program with respect to the administration, dispensing, distribution, provision, or use of a security countermeasure or a qualified pandemic or epidemic product, including a person who has established requirements, provided policy guidance, or supplied technical or scientific advice or assistance or provides a facility to administer or use a covered countermeasure in accordance with a declaration under subsection (b).

(7) Qualified pandemic or epidemic product

The term “qualified pandemic or epidemic product” means a drug (as such term is defined in section 201(g)(1) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 321(g)(1)), a biological product (as such term is defined by section 262(i) of this title), or device (as such term is defined by section 201(h) of the Federal Food, Drug and Cosmetic Act (21 U.S.C. 321(h))) that is—

(A) a product manufactured, used, designed, developed, modified, licensed, or procured—

(i) to diagnose, mitigate, prevent, treat, or cure a pandemic or epidemic; or

(ii) to limit the harm such pandemic or epidemic might otherwise cause;

(B) a product manufactured, used, designed, developed, modified, licensed, or procured to diagnose, mitigate, prevent, treat, or cure a serious or life-threatening disease or condition caused by a product described in clause (i); or

(iii) a product or technology intended to enhance the use or effect of a drug, biological product, or device described in clause (i) or (ii); and

(C) authorized for emergency use in accordance with section 351(i), 360j(g), or 520(g) of the Federal Food, Drug, and Cosmetic Act [21 U.S.C. 351(i), 360j(g), or 520(g)] as described by subparagraph (A) and is the subject of an exemption under section 505(i) of the Federal Food, Drug, and Cosmetic Act [21 U.S.C. 355(i), 360b-3a, 360b-3b].

(8) Qualified person

The term “qualified person”, when used with respect to the administration or use of a covered countermeasure, means—

(A) a licensed health professional or other individual who is authorized to prescribe, administer, or dispense such countermeasures under the law of the State in which the countermeasure was prescribed, administered, or dispensed; or

(B) a person within a category of persons so identified in a declaration by the Secretary under subsection (b).

(9) Security countermeasure

The term “security countermeasure” has the meaning given such term in section 247d–6b(c)(1)(B) of this title.

(10) Serious physical injury

The term “serious physical injury” means an injury that—

(A) is life threatening;

(B) results in permanent impairment of a body function or permanent damage to a body structure; or

(C) necessitates medical or surgical intervention to preclude permanent impairment of a body function or permanent damage to a body structure.


REFERENCES IN TEXT

The Federal Food, Drug, and Cosmetic Act, referred to in subs. (b)(8)(B), (c)(5)(A), (C)(i), and (I)(7)(B)(ii), is act June 25, 1938, ch. 675, 52 Stat. 1040, as amended, which is classified generally to chapter 9 of title 21, Food and Drugs. Chapter V of the Act is classified generally to subchapter V (§351 et seq.) of chapter 9 of title 21. For complete classification of this Act to the Code, see section 301 of Title 21 and Tables.


AMENDMENTS


§ 247d–6e. Covered countermeasure process

(a) Establishment of Fund

Upon the issuance by the Secretary of a declaration under section 247d–6d(b) of this title, there is hereby established in the Treasury an emergency fund designated as the “Covered Countermeasure Process Fund” for purposes of providing timely, uniform, and adequate compensation to eligible individuals for covered injuries directly caused by the administration or use of a covered countermeasure pursuant to such declaration, which Fund shall consist of such amounts designated as emergency appropriations under section 402 of H. Con. Res. 95 of the 109th Congress, this emergency designation shall remain in effect through October 1, 2006.

(b) Payment of compensation

(1) In general

If the Secretary issues a declaration under 247d–6d(b) of this title, the Secretary shall, after amounts have by law been provided for

So in original. A third closing parenthesis probably should appear.
the Fund under subsection (a), provide compensation to an eligible individual for a covered injury directly caused by the administration or use of a covered countermeasure pursuant to such declaration.

(2) Elements of compensation

The compensation that shall be provided pursuant to paragraph (1) shall have the same elements, and be in the same amount, as is prescribed by sections 239c, 239d, and 239e of this title in the case of certain individuals injured as a result of administration of certain countermeasures against smallpox, except that section 239e(a)(2)(B) of this title shall not apply.

(3) Rule of construction

Neither reasonable and necessary medical benefits nor lifetime total benefits for lost employment income due to permanent and total disability shall be limited by section 239e of this title.

(4) Determination of eligibility and compensation

Except as provided in this section, the procedures for determining, and for reviewing a determination of, whether an individual is an eligible individual, whether such individual has sustained a covered injury, whether compensation may be available under this section, and the amount of such compensation shall be those stated in section 239a of this title (other than in subsection (d)(2) of such section), in regulations issued pursuant to that section, and in such additional or alternate regulations as the Secretary may promulgate for purposes of this section. In making determinations under this section, other than those described in paragraph (5)(A) as to the direct causation of a covered injury, the Secretary may only make such determination based on compelling, reliable, valid, medical and scientific evidence.

(5) Covered countermeasure injury table

(A) In general

The Secretary shall by regulation establish a table identifying covered injuries that shall be presumed to be directly caused by the administration or use of a covered countermeasure and the time period in which the first symptom or manifestation of onset of each such adverse effect must manifest in order for such presumption to apply. The Secretary may only identify such covered injuries, for purpose of inclusion on the table, where the Secretary determines, based on compelling, reliable, valid, medical and scientific evidence that administration or use of the covered countermeasure directly caused such covered injury.

(B) Amendments

The provisions of section 239b of this title (other than a provision of subsection (a)(2) of such section that relates to accidental vaccinia inoculation) shall apply to the table established under this section.

(C) Judicial review

No court of the United States, or of any State, shall have subject matter jurisdiction to review, whether by mandamus or otherwise, any action by the Secretary under this paragraph.

(6) Meanings of terms

In applying sections 239a, 239b, 239c, 239d, and 239e of this title for purposes of this section—

(A) the terms "vaccine" and "smallpox vaccine" shall be deemed to mean a covered countermeasure;

(B) the terms "smallpox vaccine injury table" and "table established under section 239b of this title" shall be deemed to refer to the table established under paragraph (4); and

(C) other terms used in those sections shall have the meanings given to such terms by this section.

(c) Voluntary program

The Secretary shall ensure that a State, local, or Department of Health and Human Services plan to administer or use a covered countermeasure is consistent with any declaration under 247d–6d of this title and any applicable guidelines of the Centers for Disease Control and Prevention and that potential participants are educated with respect to contraindications, the voluntary nature of the program, and the availability of potential benefits and compensation under this part.

(d) Exhaustion; exclusivity; election

(1) Exhaustion

Subject to paragraph (5), a covered individual may not bring a civil action under section 247d–6d(d) of this title against a covered person (as such term is defined in section 247d–6d(i)(2) of this title) unless such individual has exhausted such remedies as are available under subsection (a), except that if amounts have not by law been provided for the Fund under subsection (a), or if the Secretary fails to make a final determination on a request for benefits or compensation filed in accordance with the requirements of this section within 240 days after such request was filed, the individual may seek any remedy that may be available under section 247d–6d(d) of this title.

(2) Tolling of statute of limitations

The time limit for filing a civil action under section 247d–6d(d) of this title for an injury or death shall be tolled during the pendency of a claim for compensation under subsection (a).

(3) Rule of construction

This section shall not be construed as superseding or otherwise affecting the application of a requirement, under chapter 171 of title 29, to exhaust administrative remedies.

(4) Exclusivity

The remedy provided by subsection (a) shall be exclusive of any other civil action or proceeding for any claim or suit this section encompasses, except for a proceeding under section 247d–6d of this title.

(5) Election

If under subsection (a) the Secretary determines that a covered individual qualifies for
§ 247d–7  TITLE 42—THE PUBLIC HEALTH AND WELFARE  Page 262

compensation, the individual has an election to accept the compensation or to bring an action under section 247d–6d(d) of this title. If such individual elects to accept the compensation, the individual may not bring such an action.

(e) Definitions

For purposes of this section, the following terms shall have the following meanings:

(1) Covered countermeasure

The term "covered countermeasure" has the meaning given such term in section 247d–6d of this title.

(2) Covered individual

The term "covered individual", with respect to administration or use of a covered countermeasure pursuant to a declaration, means an individual—

(A) who is in a population specified in such declaration, and with respect to whom the administration or use of the covered countermeasure satisfies the other specifications of such declaration; or

(B) who uses the covered countermeasure, or to whom the covered countermeasure is administered, in a good faith belief that the individual is in the category described by subparagraph (A).

(3) Covered injury

The term "covered injury" means serious physical injury or death.

(4) Declaration

The term "declaration" means a declaration under section 247d–6d(b) of this title.

(5) Eligible individual

The term "eligible individual" means an individual who is determined, in accordance with subsection (b), to be a covered individual who sustains a covered injury.

(74) In general

The Secretary shall make grants to not more than three eligible entities to carry out demonstration programs to improve the detection of pathogens likely to be used in a bioterrorist attack, the development of plans and measures to respond to bioterrorist attacks, and the training of personnel involved with the various responsibilities and capabilities needed to respond to acts of bioterrorism upon the civilian population. Such awards shall be made on a competitive basis and pursuant to scientific and technical review.

(b) Eligible entities

Eligible entities for grants under subsection (a) are States, political subdivisions of States, or public or private non-profit organizations.

(c) Specific criteria

In making grants under subsection (a), the Secretary shall take into account the following factors:

(1) Whether the eligible entity involved is proximate to, and collaborates with, a major research university with expertise in scientific training, identification of biological agents, medicine, and life sciences.

(2) Whether the entity is proximate to, and collaborates with, a laboratory that has expertise in the identification of biological agents.

(3) Whether the entity demonstrates, in the application for the program, support and participation of State and local governments and research institutions in the conduct of the program.

(4) Whether the entity is proximate to, and collaborates with, or is, an academic medical center that has the capacity to serve an uninsured or underserved population, and is equipped to educate medical personnel.

(5) Such other factors as the Secretary determines to be appropriate.

(d) Duration of award

The period during which payments are made under a grant under subsection (a) may not exceed 5 years. The provision of such payments shall be subject to annual approval by the Secretary of the payments and subject to the availability of appropriations for the fiscal year involved to make the payments.

(e) Supplement not supplant

Grants under subsection (a) shall be used to supplement, and not supplant, other Federal, State, or local public funds provided for the activities described in such subsection.

(f) Government Accountability Office report

Not later than 180 days after the conclusion of the demonstration programs carried out under subsection (a), the Comptroller General of the United States shall submit to the Committee on Appropriations of the Senate, and the Committee on Appropriations of the House of Representatives, a report that describes the ability of grantees under such subsection to detect pathogens likely to be used in a bioterrorist attack, develop plans and measures for dealing with such threats, and train personnel involved with the various responsibilities and capabilities needed to deal with bioterrorist threats.

(g) Authorization of appropriations

There is authorized to be appropriated to carry out this section $6,000,000 for fiscal year 2001, and such sums as may be necessary through fiscal year 2006.

(Amendments)

§ 247d–7a. Grants regarding training and education of certain health professionals

(a) In general

The Secretary may make awards of grants and cooperative agreements to appropriate public and nonprofit private health or educational entities, including health professions schools and programs as defined in section 295p of this title, for the purpose of providing low-interest loans, partial scholarships, partial fellowships, revolving loan funds, or other cost-sharing forms of assistance for the education and training of individuals in any category of health professions for which there is a shortage that the Secretary determines should be alleviated in order to prepare for or respond effectively to bioterrorism and other public health emergencies.

(b) Authority regarding non-Federal contributions

The Secretary may require as a condition of an award under subsection (a) that a grantee under such subsection provide non-Federal contributions toward the purpose described in such subsection.

(c) Authorization of appropriations

For the purpose of carrying out this section, there are authorized to be appropriated such sums as may be necessary for each of the fiscal years 2002 through 2006.


§ 247d–7b. Emergency system for advance registration of volunteer health professional

(a) In general

Not later than 12 months after December 19, 2006, the Secretary shall link existing State verification systems to maintain a single national interoperable network of systems, each system being maintained by a State or group of States, for the purpose of verifying the credentials and licenses of health care professionals who volunteer to provide health services during a public health emergency. Such health care professionals may include members of the National Disaster Medical System, members of the Medical Reserve Corps, and individual health care professionals.

(b) Requirements

The interoperable network of systems established under subsection (a) (referred to in this section as the “verification network”) shall include—

(1) with respect to each volunteer health professional included in the verification network—

(A) information necessary for the rapid identification of, and communication with, such professionals; and

(B) the credentials, certifications, licenses, and relevant training of such individuals; and

(2) the name of each member of the Medical Reserve Corps, the National Disaster Medical System, and any other relevant federally-sponsored or administered programs determined necessary by the Secretary.

(c) Other assistance

The Secretary may make grants and provide technical assistance to States and other public or nonprofit private entities for activities relating to the verification network developed under subsection (a).

(d) Accessibility

The Secretary shall ensure that the verification network is electronically accessible by State, local, and tribal health departments and can be linked with the identification cards under section 300hh–15 of this title.

(e) Confidentiality

The Secretary shall establish and require the application of and compliance with measures to ensure the effective security of, integrity of, and access to the data included in the verification network.

(f) Coordination

The Secretary shall coordinate with the Secretary of Veterans Affairs and the Secretary of Homeland Security to assess the feasibility of integrating the verification network under this section with the VetPro system of the Department of Veterans Affairs and the National Emergency Responder Credentialing System of the Department of Homeland Security. The Secretary shall, if feasible, integrate the verification network under this section with such VetPro system and the National Emergency Responder Credentialing System.

(g) Updating of information

The States that are participants in the verification network shall, on at least a quarterly basis, work with the Director to provide for the updating of the information contained in the verification network.

(h) Clarification

Inclusion of a health professional in the verification network shall not constitute appointment of such individual as a Federal employee for any purpose, either under section 300hh–11(c) of this title or otherwise. Such appointment may only be made under section 300hh–11 or 300hh–15 of this title.

(i) Health care provider licenses

The Secretary shall encourage States to establish and implement mechanisms to waive the application of licensing requirements applicable to health professionals, who are seeking to provide medical services (within their scope of practice), during a national, State, local, or tribal public health emergency upon verification that such health professionals are licensed and in good standing in another State and have not been disciplined by any State health licensing or disciplinary board. In order to inform the development of such mechanisms by States, the Sec-
Secretary shall make available information and material provided by States that have developed mechanisms to waive the application of licensing requirements to applicable health professionals seeking to provide medical services during a public health emergency. Such information shall be made publicly available in a manner that does not compromise national security.

(j) Rule of construction

This section may not be construed as authorizing the Secretary to issue requirements regarding the provision by the States of credentials, licenses, accreditations, or hospital privileges.

(k) Authorization of appropriations

For the purpose of carrying out this section, there are authorized to be appropriated $5,000,000 for each of fiscal years 2019 through 2023.

(AMENDMENTS)


Subsec. (a). Pub. L. 116–22, § 207(a)(2), inserted at end "Such health care professionals may include members of the National Disaster Medical System, members of the Medical Reserve Corps, and individual health care professionals."

Subsec. (i). Pub. L. 116–22, § 207(a)(3), inserted at end "In order to inform the development of such mechanisms by States, the Secretary shall make available information and material provided by States that have developed mechanisms to waive the application of licensing requirements to applicable health professionals seeking to provide medical services during a public health emergency. Such information shall be made publicly available in a manner that does not compromise national security.".


2013—Subsec. (k). Pub. L. 113–5 substituted "$5,000,000 for each of fiscal years 2014 through 2018" for "$2,000,000 for fiscal year 2002, and such sums as may be necessary for each of the fiscal years 2003 through 2011".

2006—Subsecs. (a), (b), Pub. L. 109–417, § 303(b)(2), added subsecs. (a) and (b) and struck out former subsecs. (a) and (b) which related to establishment of a verification system and provisions regarding its promptness and efficiency.

Subsec. (c). Pub. L. 109–417, § 303(b)(3), substituted "network" for "system".

Subsecs. (d) to (k). Pub. L. 109–417, § 303(b)(4), (5), added subsecs. (d) to (l), redesignated former subsec. (e) and (f) as (j) and (k), respectively, substituted "2011" for "2006" in subsec. (k), and struck out heading and text of former subsec. (d).

Text read as follows: "The Secretary may encourage each State to provide legal authority during a public health emergency for health professionals authorized in another State to provide certain health services to provide such health services in the State."

§ 247d–7c. Security for countermeasure development and production

(a) In general

The Secretary, in consultation with the Attorney General and the Secretary of Defense, may provide technical or other assistance to provide security to persons or facilities that conduct development, production, distribution, or storage of priority countermeasures (as defined in section 247d–6(e)(4) of this title).

(b) Guidelines

The Secretary may develop guidelines to enable entities eligible to receive assistance under subsection (a) to secure their facilities against potential terrorist attack.

(AMENDMENTS)


§ 247d–7e. Biomedical Advanced Research and Development Authority

(a) Definitions

In this section:

(1) BARDA

The term "BARDA" means the Biomedical Advanced Research and Development Authority.

(2) Fund

The term "Fund" means the Biodefense Medical Countermeasure Development Fund established under subsection (d).

(3) Other transactions

The term "other transactions" means transactions, other than procurement contracts, grants, and cooperative agreements.

(4) Qualified countermeasure

The term "qualified countermeasure" has the meaning given such term in section 247d–6a of this title.
(5) Qualified pandemic or epidemic product

The term “qualified pandemic or epidemic product” has the meaning given the term in section 247d-6d of this title.

(6) Advanced research and development

(A) In general

The term “advanced research and development” means, with respect to a product that is or may become a qualified countermeasure or a qualified pandemic or epidemic product, activities that predominantly—

(i) are conducted after basic research and preclinical development of the product; and

(ii) are related to manufacturing the product on a commercial scale and in a form that satisfies the regulatory requirements under the Federal Food, Drug, and Cosmetic Act [21 U.S.C. 301 et seq.] or under section 262 of this title.

(B) Activities included

The term under subparagraph (A) includes—

(i) testing of the product to determine whether the product may be approved, cleared, or licensed under the Federal Food, Drug, and Cosmetic Act [21 U.S.C. 301 et seq.] or under section 262 of this title for a use that is or may be the basis for such product becoming a qualified countermeasure or qualified pandemic or epidemic product, or to help obtain such approval, clearance, or license;

(ii) design and development of tests or models, including animal models, for such testing;

(iii) activities to facilitate manufacture of the product on a commercial scale with consistently high quality, as well as to improve and make available new technologies to increase manufacturing surge capacity;

(iv) activities to improve the shelf-life of the product or technologies for administering the product; and

(v) such other activities as are part of the advanced stages of testing, refinement, improvement, or preparation of the product for such use and as are specified by the Secretary.

(7) Security countermeasure

The term “security countermeasure” has the meaning given such term in section 247d-6b of this title.

(8) Research tool

The term “research tool” means a device, technology, biological material (including a cell line or an antibody), reagent, animal model, computer system, computer software, or analytical technique that is developed to assist in the discovery, development, or manufacture of qualified countermeasures or qualified pandemic or epidemic products.

(9) Program manager

The term “program manager” means an individual appointed to carry out functions under this section and authorized to provide project oversight and management of strategic initiatives.

(10) Person

The term “person” includes an individual, partnership, corporation, association, entity, or public or private corporation, and a Federal, State, or local government agency or department.

(b) Strategic plan for countermeasure research, development, and procurement

(1) In general

Not later than 6 months after December 19, 2006, the Secretary shall develop and make public a strategic plan to integrate biodefense and emerging infectious disease requirements with the advanced research and development, strategic initiatives for innovation, and the procurement of qualified countermeasures and qualified pandemic or epidemic products. The Secretary shall carry out such activities as may be practicable to disseminate the information contained in such plan to persons who may have the capacity to substantially contribute to the activities described in such strategic plan. The Secretary shall update and incorporate such plan as part of the National Health Security Strategy described in section 300hh-1 of this title.

(2) Content

The strategic plan under paragraph (1) shall guide—

(A) research and development, conducted or supported by the Department of Health and Human Services, of qualified countermeasures and qualified pandemic or epidemic products against possible biological, chemical, radiological, and nuclear agents and to emerging infectious diseases;

(B) innovation in technologies that may assist advanced research and development of qualified countermeasures and qualified pandemic or epidemic products (such research and development referred to in this section as “countermeasure and product advanced research and development”); and

(C) procurement of such qualified countermeasures and qualified pandemic or epidemic products by such Department.

(c) Biomedical Advanced Research and Development Authority

(1) Establishment

There is established within the Department of Health and Human Services the Biomedical Advanced Research and Development Authority.

(2) In general

Based upon the strategic plan described in subsection (b), the Secretary shall coordinate the acceleration of countermeasure and product advanced research and development by—

(A) facilitating collaboration between the Department of Health and Human Services and other Federal agencies, relevant industries, academia, and other persons, with respect to such advanced research and development;

(B) promoting countermeasure and product advanced research and development;
(C) facilitating contacts between interested persons and the offices or employees authorized by the Secretary to advise such persons regarding requirements under the Federal Food, Drug, and Cosmetic Act [21 U.S.C. 301 et seq.] and under section 262 of this title; and

(D) promoting innovation to reduce the time and cost of countermeasure and product advanced research and development.

(3) Director

The BARDA shall be headed by a Director (referred to in this section as the "Director") who shall be appointed by the Secretary to whom the Secretary shall delegate such functions and authorities as necessary to implement this section, including the execution of procurement contracts, grants, and cooperative agreements pursuant to this section.

(4) Duties

(A) Collaboration

To carry out the purpose described in paragraph (2)(A), the Secretary shall—

(i) facilitate and increase the expeditious and direct communication between the Department of Health and Human Services and relevant persons with respect to countermeasure and product advanced research and development, including by—

(I) facilitating such communication regarding the processes for procuring such advanced research and development with respect to qualified countermeasures and qualified pandemic or epidemic products of interest; and

(II) soliciting information about and data from research on potential qualified countermeasures and qualified pandemic or epidemic products and related technologies;

(ii) at least annually—

(I) convene meetings with representatives from relevant industries, academia, other Federal agencies, international agencies as appropriate, and other interested persons;

(II) sponsor opportunities to demonstrate the operation and effectiveness of relevant biodefense countermeasure technologies; and

(III) convene such working groups on countermeasure and product advanced research and development as the Secretary may determine are necessary to carry out this section; and

(iii) carry out the activities described in section 247d–7f of this title.

(B) Support advanced research and development

To carry out the purpose described in paragraph (2)(B), the Secretary shall—

(i) conduct ongoing searches for, and support calls for, potential qualified countermeasures and qualified pandemic or epidemic products;

(ii) direct and coordinate the countermeasure and product advanced research and development activities of the Department of Health and Human Services;

(iii) establish strategic initiatives to accelerate countermeasure and product advanced research and development (which may include advanced research and development for purposes of fulfilling requirements under the Federal Food, Drug, and Cosmetic Act [21 U.S.C. 301 et seq.] or section 262 of this title) and innovation in such areas as the Secretary may identify as priority unmet need areas; and

(iv) award contracts, grants, cooperative agreements, and enter into other transactions, for countermeasure and product advanced research and development.

(C) Facilitating advice

To carry out the purpose described in paragraph (2)(C) the Secretary shall—

(i) connect interested persons with the offices or employees authorized by the Secretary to advise such persons regarding the regulatory requirements under the Federal Food, Drug, and Cosmetic Act [21 U.S.C. 301 et seq.] and under section 262 of this title related to the approval, clearance, or licensure of qualified countermeasures or qualified pandemic or epidemic products; and

(ii) with respect to persons performing countermeasure and product advanced research and development funded under this section, enable such offices or employees to provide to the extent practicable such advice in a manner that is ongoing and that is otherwise designed to facilitate expeditious development of qualified countermeasures and qualified pandemic or epidemic products that may achieve such approval, clearance, or licensure.

(D) Supporting innovation

To carry out the purpose described in paragraph (2)(D), the Secretary may award contracts, grants, and cooperative agreements, or enter into other transactions, such as prize payments, to promote—

(i) innovation in technologies that may assist countermeasure and product advanced research and development;

(ii) research on and development of research tools and other devices and technologies; and

(iii) research to promote strategic initiatives, such as rapid diagnostics, broad spectrum antimicrobials, vaccine-manufacturing technologies, dose-sparing technologies, efficacy-increasing technologies, platform technologies, technologies to administer countermeasures, and technologies to improve storage and transportation of countermeasures.

(E) Medical countermeasures innovation partner

(i) In general

To support the purposes described in paragraph (2), the Secretary, acting through the Director of BARDA, may enter into an agreement (including through the use of grants, contracts, cooperative agreements, or other transactions as described in paragraph (5)) with an independent, nonprofit entity to—
(I) foster and accelerate the development and innovation of medical countermeasures and technologies that may assist advanced research and the development of qualified countermeasures and qualified pandemic or epidemic products, including through the use of strategic venture capital practices and methods;
(II) promote the development of new and promising technologies that address urgent medical countermeasure needs, as identified by the Secretary;
(III) address unmet public health needs that are directly related to medical countermeasure requirements, such as novel antimicrobials for multidrug resistant organisms and multiuse platform technologies for diagnostics, prophylaxis, vaccines, and therapeutics; and
(IV) provide expert consultation and advice to foster viable medical countermeasure innovators, including helping qualified countermeasure innovators navigate unique industry challenges with respect to developing chemical, biological, radiological, and nuclear countermeasure products.

(ii) Eligibility

(I) In general

To be eligible to enter into an agreement under clause (i) an entity shall—
(aa) be an independent, nonprofit entity;
(bb) have a demonstrated record of being able to create linkages between innovators and investors and leverage such partnerships and resources for the purpose of addressing identified strategic needs of the Federal Government;
(cc) have experience in promoting novel technology innovation;
(dd) be problem-driven and solution-focused based on the needs, requirements, and problems identified by the Secretary under clause (iv);
(ee) demonstrate the ability, or the potential ability, to promote the development of medical countermeasure products;
(ff) demonstrate expertise, or the capacity to develop or acquire expertise, related to technical and regulatory considerations with respect to medical countermeasures; and
(gg) not be within the Department of Health and Human Services.

(II) Partnering experience

In selecting an entity with which to enter into an agreement under clause (i), the Secretary shall place a high value on the demonstrated experience of the entity in partnering with the Federal Government to meet identified strategic needs.

(iii) Not agency

An entity that enters into an agreement under clause (i) shall not be deemed to be a Federal agency for any purpose, including for any purpose under title 5.

(iv) Direction

Pursuant to an agreement entered into under this subparagraph, the Secretary, acting through the Director of BARDA, shall provide direction to the entity that enters into an agreement under clause (i). As part of this agreement the Director of BARDA shall—
(I) communicate the medical countermeasure needs, requirements, and problems to be addressed by the entity under the agreement;
(II) develop a description of work to be performed by the entity under the agreement;
(III) provide technical feedback and appropriate oversight over work carried out by the entity under the agreement, including subsequent development and partnerships consistent with the needs and requirements set forth in this subparagraph;
(IV) ensure fair consideration of products developed under the agreement in order to maintain competition to the maximum practical extent, as applicable and appropriate under applicable provisions of this section; and
(V) ensure, as a condition of the agreement that the entity—
(aa) has in place a comprehensive set of policies that demonstrate a commitment to transparency and accountability;
(bb) protects against conflicts of interest through a comprehensive set of policies that address potential conflicts of interest, ethics, disclosure, and reporting requirements;
(cc) provides monthly accounting on the use of funds provided under such agreement; and
(dd) provides on a quarterly basis, reports regarding the progress made toward meeting the identified needs set forth in the agreement.

(v) Supplement not supplant

Activities carried out under this subparagraph shall supplement, and not supplant, other activities carried out under this section.

(vi) No establishment of entity

To prevent unnecessary duplication and target resources effectively, nothing in this subparagraph shall be construed to authorize the Secretary to establish within the Department of Health and Human Services an entity for the purposes of carrying out this subparagraph.

(vii) Transparency and oversight

Upon request, the Secretary shall provide to Congress the information provided to the Secretary under clause (iv)(V)(dd).

(viii) Independent evaluation

Not later than 4 years after December 13, 2016, the Comptroller General of the United States shall conduct an independent evaluation, and submit to the Sec-
retary and the appropriate committees of Congress a report, concerning the activities conducted under this subparagraph. Such report shall include recommendations with respect to any agreement or activities carried out pursuant to this subparagraph.

(ix) Sunset

This subparagraph shall have no force or effect after September 30, 2023.

(F) Strategic initiatives

The Secretary, acting through the Director of BARDA, may implement strategic initiatives, including by building on existing programs and by awarding contracts, grants, and cooperative agreements, or entering into other transactions, to support innovative candidate products in preclinical and clinical development that address priority, naturally occurring and man-made threats that, as determined by the Secretary, pose a significant level of risk to national security based on the characteristics of a chemical, biological, radiological or nuclear threat, or existing capabilities to respond to such a threat (including medical response and treatment capabilities and manufacturing infrastructure). Such initiatives shall accelerate and support the advanced research, development, and procurement of countermeasures and products, as applicable, to address areas including—

(i) chemical, biological, radiological, or nuclear threats, including emerging infectious diseases, for which insufficient approved, licensed, or authorized countermeasures exist, or for which such threat, or the result of an exposure to such threat, may become resistant to countermeasures or existing countermeasures may be rendered ineffective;

(ii) threats that consistently exist or continually circulate and have a significant potential to become a pandemic, such as pandemic influenza, which may include the advanced research and development, manufacturing, and appropriate stockpiling of qualified pandemic or epidemic products, and products, technologies, or processes to support the advanced research and development of such countermeasures (including multiuse platform technologies for diagnostics, vaccines, and therapeutics; virus seeds; clinical trial lots; novel virus strains; and antigen and adjuvant material); and

(iii) threats that may result primarily or secondarily from a chemical, biological, radiological, or nuclear agent, or emerging infectious diseases, and which may present increased treatment complications such as the occurrence of resistance to available countermeasures or potential countermeasures, including antimicrobial resistant pathogens.

(5) Transaction authorities

(A) Other transactions

(i) In general

The Secretary shall have the authority to enter into other transactions (as defined in subsection (a)(3)) under this subsection.

(ii) Limitations on authority

(I) In general

To the maximum extent practicable, competitive procedures shall be used when entering into transactions to carry out projects under this subsection.

(II) Written determinations required

The authority of this subparagraph may be exercised for a project that is expected to cost the Department of Health and Human Services in excess of $100,000,000 only upon a written determination by the Assistant Secretary for Financial Resources, that the use of such authority is essential to promoting the success of the project. The authority of the Assistant Secretary for Financial Resources under this subclause may not be delegated.

(iii) Guidelines

The Secretary shall establish guidelines regarding the use of the authority under clause (i). Such guidelines shall include auditing requirements.

(B) Expedited authorities

(i) In general

In awarding contracts, grants, and cooperative agreements, and in entering into other transactions under subparagraph (B) or (D) of paragraph (4), the Secretary shall have the expedited procurement authorities, the authority to expedite peer review, and the authority for personal services contracts, supplied by subsections (b), (c), and (d) of section 247d–6a of this title.

(ii) Application of provisions

Provisions in such section 247d–6a of this title that apply to such authorities and that require institution of internal controls, limit review, provide for Federal Tort Claims Act coverage of personal services contractors, and commit decisions to the discretion of the Secretary shall apply to the authorities as exercised pursuant to this paragraph.

(iii) Authority to limit competition

For purposes of applying section 247d–6a(b)(1)(D) of this title to this paragraph, the phrase “BioShield Program under the Project BioShield Act of 2004” shall be deemed to mean the countermeasure and product advanced research and development program under this section.

(iv) Availability of data

The Secretary shall require that, as a condition of being awarded a contract, grant, cooperative agreement, or other transaction under subparagraph (B) or (D)
of paragraph (4), a person make available to the Secretary on an ongoing basis, and submit upon request to the Secretary, all data related to or resulting from countermeasure and product advanced research and development carried out pursuant to this section.

(C) Advance payments; advertising
The Secretary may waive the requirements of section 3234(a) of title 31 or section 6101 of title 41 upon the determination by the Secretary that such waiver is necessary to obtain countermeasures or products under this section.

(D) Milestone-based payments allowed
In awarding contracts, grants, and cooperative agreements, and in entering into other transactions, under this section, the Secretary may use milestone-based awards and payments.

(E) Foreign nationals eligible
The Secretary may under this section award contracts, grants, and cooperative agreements to, and may enter into other transactions with, highly qualified foreign national persons outside the United States, alone or in collaboration with American participants, when such transactions may inure to the benefit of the American people.

(F) Establishment of research centers
The Secretary may assess the feasibility and appropriateness of establishing, through contract, grant, cooperative agreement, or other transaction, an arrangement with an existing research center in order to achieve the goals of this section. If such an agreement is not feasible and appropriate, the Secretary may establish one or more federally-funded research and development centers, or university-affiliated research centers, in accordance with section 3304(a)(3) of title 41.

(G) Government purpose
In awarding contracts, grants, and cooperative agreements under this section, the Secretary shall provide a clear statement of defined Government purpose related to activities included in subsection (a)(6)(B) for a qualified countermeasure or qualified pandemic or epidemic product.

(6) At-risk individuals
In carrying out the functions under this section, the Secretary may give priority to the advanced research and development of qualified countermeasures and qualified pandemic or epidemic products that are likely to be safe and effective with respect to children, pregnant women, older adults, and other at-risk individuals with relevant characteristics that warrant consideration during the process of researching and developing such countermeasures and products.

(7) Personnel authorities

(A) Specially qualified scientific and professional personnel
(i) In general
In addition to any other personnel authorities, the Secretary may—(I) without regard to those provisions of title 5 governing appointments in the competitive service, appoint highly qualified individuals to scientific or professional positions in BARDA, such as program managers, to carry out this section; and
(II) compensate them in the same manner and subject to the same terms and conditions in which individuals appointed under section 9003 of such title are compensated, without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates.

(ii) Manner of exercise of authority
The authority provided for in this subparagraph shall be exercised subject to the same limitations described in section 247d-6a(e)(2) of this title.

(iii) Term of appointment
The term limitations described in section 9003(c) of title 5 shall apply to appointments under this subparagraph, except that the references to the “Secretary” and to the “Department of Defense’s national security missions” shall be deemed to be to the Secretary of Health and Human Services and to the mission of the Department of Health and Human Services under this section.

(B) Special consultants
In carrying out this section, the Secretary may appoint special consultants pursuant to section 209(f) of this title.

(C) Limitation
(i) In general
The Secretary may hire up to 100 highly qualified individuals, or up to 50 percent of the total number of employees, whichever is less, under the authorities provided for in subparagraphs (A) and (B).

(ii) Report
The Secretary shall report to Congress on a biennial basis on the implementation of this subparagraph.

(d) Fund

(1) Establishment
There is established the Biodefense Medical Countermeasure Development Fund, which shall be available to carry out this section in addition to such amounts as are otherwise available for this purpose.

(2) Funding
To carry out the purposes of this section, there is authorized to be appropriated to the Fund $611,700,000 for each of fiscal years 2019 through 2023, such amounts to remain available until expended.

(e) Inapplicability of certain provisions

(1) Disclosure

(A) Nondisclosure of information
(i) In general
Information described in clause (ii) shall be deemed to be information described in section 552(b)(3) of title 5.
(ii) Information described

The information described in this clause is information relevant to programs of the Department of Health and Human Services that could compromise national security and reveal significant and not otherwise publicly known vulnerabilities of existing medical or public health defenses against chemical, biological, radiological, or nuclear threats, and is comprised of—

(I) specific technical data or scientific information that is created or obtained during the countermeasure and product advanced research and development carried out under subsection (c);

(II) information pertaining to the location security, personnel, and research materials and methods of high-containment laboratories conducting research with select agents, toxins, or other agents with a material threat determination under section 247d–6b(c)(2) of this title; or

(III) security and vulnerability assessments.

(B) Review

Information subject to nondisclosure under subparagraph (A) shall be reviewed by the Secretary every 5 years, or more frequently as determined necessary by the Secretary, to determine the relevance or necessity of continued nondisclosure.

(C) Reporting

One year after June 24, 2019, and annually thereafter, the Secretary shall report to the Committee on Health, Education, Labor, and Pensions of the Senate and the Committee on Energy and Commerce of the House of Representatives on the number of instances in which the Secretary has used the authority under this subsection to withhold information from disclosure, as well as the nature of any request under section 552 of title 5 that was denied using such authority.

(D) Sunset

This paragraph shall cease to have force or effect on the date that is 17 years after December 19, 2006.

(2) Report

Not later than 1 year after March 13, 2013, the Comptroller General of the United States shall submit to the appropriate committees of Congress a report concerning the results of the evaluation conducted under paragraph (1). Such report shall review and assess—

(A) the extent to which flexible manufacturing capacity under this section is dedicated to chemical, biological, radiological, and nuclear threats;

(B) the activities supported by flexible manufacturing initiatives; and

(C) the ability of flexible manufacturing activities carried out under this section to—

(i) secure and leverage leading technical expertise with respect to countermeasure advanced research, development, and manufacturing processes; and

(ii) meet the surge manufacturing capacity needs presented by novel and emerging threats, including chemical, biological, radiological, and nuclear agents.

(References in Text)

The Federal Food, Drug, and Cosmetic Act, referred to in subsec. (a)(6)(A)(ii), (B)(i) and (c)(2)(C), (4)(B)(ii), is act June 25, 1938, ch. 675, 52 Stat. 1040, as amended, which is classified generally to chapter 9 (§301 et seq.) of Title 21, Food and Drugs. For complete classification of this Act to the Code, see section 301 of Title 21 and Tables.

The Federal Tort Claims Act, referred to in subsec. (c)(5)(B)(ii), is title IV of act Aug. 2, 1946, ch. 733, 60 Stat. 842, which was classified principally to chapter 20 (§§921, 922, 923, 924, 941, 944, 945, 946) of former Title 28, Judicial Code and Judiciary. Title IV of act Aug. 2, 1946, was substantially repealed and reenacted as sections 1346(b) and 2671 et seq. of Title 28, Judiciary and Judicial Procedure, by act June 24, 1948, ch. 484, 62 Stat. 992, the first section of which enacted Title 28. The Federal Tort Claims Act is also commonly used to refer to chapter 171 of Title 26, Judiciary and Judicial Procedure. For complete classification of title IV to the Code, see Tables. For distribution of former sections of Title 28 into the revised Title 28, see Table at the beginning of Title 28.

Section 14 of the Federal Advisory Committee Act, referred to in subsec. (c)(2), is section 14 of Pub. L. 92–463, which is set out in the Appendix to Title 5, Government Organization and Employees.

Codification


Subsec. (d)(2). Pub. L. 113–5, § 402(c), amended par. (2) generally. Prior to amendment, text read as follows: “To carry out the purposes of this section, there are authorized to be appropriated to the Fund—

“(A) $1,070,000,000 for fiscal years 2006 through 2008, the amounts to remain available until expended; and

“(B) such sums as may be necessary for subsequent fiscal years, the amounts to remain available until expended.”

Subsec. (e)(1)(C). Pub. L. 113–5, § 402(d), substituted “12 years” for “7 years”.


EX. ORD. No. 13887. MODERNIZING INFLUENZA VACCINES IN THE UNITED STATES TO PROMOTE NATIONAL SECURITY AND PUBLIC HEALTH

EX. ORD. No. 13887. Sept. 19, 2019, 84 F.R. 49935, provided:

By the authority vested in me as President by the Constitution and the laws of the United States of America, including section 301 of title 3, United States Code, it is hereby ordered as follows:

SECTION 1. Findings. (a) Influenza viruses are constantly changing as they circulate globally in humans and animals. Relatively minor changes in these viruses cause annual seasonal influenza outbreaks, which result in millions of illnesses, hundreds of thousands of hospitalizations, and tens of thousands of deaths each year in the United States. Periodically, new influenza viruses emerge from animals, including birds and pigs, that can spread efficiently and have sustained transmission among humans. This situation is called an influenza pandemic (pandemic). Unlike seasonal influenza, a pandemic has the potential to spread rapidly around the globe, infect higher numbers of people, and cause high rates of illness and death in populations that lack prior immunity. While it is not possible to predict when or how frequently a pandemic may occur, there have been 4 pandemics in the last 100 years. The most devastating pandemic occurred in 1918–1919 and is estimated to have killed more than 50 million people worldwide, including 675,000 Americans.

(b) Vaccination is the most effective defense against influenza. Despite recommendations by the Centers for Disease Control and Prevention (CDC) that nearly every American should receive the influenza vaccine annually, however, seasonal influenza vaccination levels in the United States have currently reached only about 45 percent of CDC goals.

(c) All influenza vaccines presently in use have been developed for circulating or anticipated influenza viruses. These vaccines must be reformulated for each influenza season as well as in the event of a pandemic. Additional research is needed to develop influenza vaccines that provide more effective and longer-lasting protection against any or all influenza viruses.

(d) The current domestic enterprise for manufacturing influenza vaccines has critical shortcomings. Most influenza vaccines are made in chicken eggs, using a 70-year-old process that requires months-long production timelines, limiting their utility for pandemic control; rely on a potentially vulnerable supply chain of eggs; require the use of vaccine viruses adapted for growth in eggs, which could introduce mutations of the influenza vaccine virus that may render the final product less effective; and are unsuitable for efficient and scalable continuous manufacturing platforms.

(e) The seasonal influenza vaccine market rewards manufacturers that deliver vaccines in time for the influenza season, without consideration of the speed or scale of these manufacturers’ production processes. This approach is insufficient to meet the response needs in the event of a pandemic, which can emerge rapidly and with little warning. Because the market does not sufficiently reward speed, and because a pandemic has the potential to overwhelm or compromise essential government functions, including defense and homeland security, the Government must take action to promote faster and more scalable manufacturing platforms.
SISC. 2. Policy. It is the policy of the United States to modernize the domestic influenza vaccine enterprise to be highly responsive, flexible, scalable, and more effective at preventing the spread of influenza viruses. This is a public health and national security priority, as influenza has the potential to significantly harm the United States and our interests, including through large-scale illness and death, disruption to military operations, and damage to the economy. This order directs actions to reduce the United States’ reliance on egg-based influenza vaccine production; to expand domestic capacity of alternative methods that allow more agile and rapid responses to emerging influenza viruses; to advance the development of new, broadly protective vaccine candidates that provide more effective and longer lasting immunities; and to support the promotion of increased influenza vaccine immunization across recommended populations.

SISC. 3. National Influenza Vaccine Task Force. (a) There is hereby established a National Influenza Vaccine Task Force (Task Force). The Task Force shall identify actions to achieve the objectives identified in section 2 of this order and monitor and report on the implementation and results of those actions. The Task Force shall be co-chaired by the Secretary of Defense and the Secretary of Health and Human Services, or their designees. (b) In addition to the Co-Chairs, the Task Force shall consist of a senior official from the following executive branch departments, agencies, and offices: (i) the Department of Defense (DOD); (ii) the Department of Justice; (iii) the Department of Agriculture; (iv) the Department of Veterans Affairs (VA); (v) the Department of Homeland Security; (vi) the United States Food and Drug Administration; (vii) the Centers for Disease Control and Prevention; (viii) the National Institutes of Health (NIH); (ix) the Centers for Medicare and Medicaid Services (CMS); and (x) the Biomedical Advanced Research and Development Authority (BARDA). (c) The Co-Chairs may jointly invite additional Federal Government representatives, with the consent of the applicable executive department, agency, or office head, to attend meetings of the Task Force or to become members of the Task Force, as appropriate. (d) The staffs of the Department of State, the Office of Management and Budget (OMB), the National Security Council, the Council of Economic Advisers, the Domestic Policy Council, the National Economic Council, and the Office of Science and Technology Policy (OSTP) may attend and participate in any Task Force meetings or discussions. (e) The Task Force may consult with State, local, tribal, and territorial government officials and private sector representatives, as appropriate and consistent with applicable law. (f) Within 120 days of the date of this order [Sept. 19, 2019], the Task Force shall submit a report to the President, through the Assistant to the President for Domestic Policy, the Director of the Office of Management and Budget, and the Director of the Office of Science and Technology Policy. The report shall include: (i) a 5-year national plan (Plan) to promote the use of more agile and scalable vaccine manufacturing technologies and to accelerate development of vaccines that protect against many or all influenza viruses; (ii) recommendations for encouraging non-profit, academic, and private-sector influenza vaccine innovation; and (iii) recommendations for increasing influenza vaccination among the populations recommended by the CDC and for improving public understanding of influenza risk and informed influenza vaccine decision-making. (g) Not later than June 1 of each of the 5 years following submission of the report described in subsection (f) of this section, the Task Force shall submit an update on implementation of the Plan and, as appropriate, new recommendations for achieving the policy objectives set forth in section 2 of this order. SISC. 4. Agency Implementation. The heads of executive departments and agencies shall also implement the policy objectives defined in section 2 of this order, consistent with existing authorities and appropriations, as follows: (a) The Secretary of HHS shall: (i) through the Assistant Secretary for Preparedness and Response and BARDA: (A) estimate the cost of expanding and diversifying domestic vaccine-manufacturing capacity to use innovative, faster, and more scalable technologies, including cell-based and recombinant vaccine manufacturing, through cost-sharing agreements with the private sector, which shall include an agreed-upon pricing strategy during a pandemic; (B) estimate the cost of expanding domestic production capacity of adjuvants in order to combine such adjuvants with both seasonal and pandemic influenza vaccines; (C) estimate the cost of expanding domestic fill-and-finish capacity to rapidly fulfill antigen and adjuvant needs for pandemic response; (D) estimate the cost of developing, evaluating, and implementing delivery systems to augment limited supplies of needles and syringes to enable the rapid and large-scale administration of pandemic influenza vaccines; (E) evaluate incentives for the development and production of vaccines by private manufacturers and public-private partnerships, including, in emergency situations, the transfer of technology to public-private partnerships—such as the HHS Centers for Innovation and Advanced Development and Manufacturing or other domestic manufacturing facilities—in advance of a pandemic, in order to be able to ensure adequate domestic pandemic manufacturing capacity and capability; (F) support, in coordination with the DOD, NIH, and VA, a suite of clinical studies featuring different adjuvants to support development of improved vaccines and further expand vaccine supply by reducing the dose of antigen required; and (G) update, in coordination with other relevant public health agencies, the research agenda to dramatically improve the effectiveness, efficiency, and reliability of influenza vaccine production; (ii) through the Director of NIH, provide to the Task Force estimated timelines for implementing NIH’s strategic plan and research agenda for developing influenza vaccines that can protect individuals over many years against multiple types of influenza viruses; (iii) through the Commissioner of Food and Drugs: (A) further implement vaccine production process improvements to reduce the time required for vaccine production (e.g., through the use of novel technologies for vaccine seed virus development and through implementation of improved potency and sterility assays); (B) develop, in conjunction with the CDC, proposed alternatives for the timing of vaccine virus selection to account for potentially shorter timeframes associated with non-egg based manufacturing and to facilitate vaccines optimally matched to the circulating strains; (C) further support the conduct, in collaboration with the DOD, BARDA, and CDC, of applied scientific research regarding developing cell lines and expression systems that markedly increase the yield of cell-based and recombinant influenza vaccine manufacturing processes; and (D) assess, in coordination with BARDA and relevant vaccine manufacturers, the use and potential effects of using advanced manufacturing platforms for influenza vaccines; (iv) through the Director of the CDC: (A) expand vaccine effectiveness studies to more rapidly evaluate the effectiveness of cell-based and
recombinant influenza vaccines relative to egg-based vaccines;
(B) explore options to expand the production capacity of cell-based vaccine candidates used by industry;
(C) develop a plan to expand domestic capacity for whole genome characterization of influenza viruses;
(D) increase influenza vaccine use through enhanced communication and by removing barriers to vaccination; and
(E) enhance communication to healthcare providers about the performance of influenza vaccines, in order to assist them in promoting the most effective vaccines for their patient populations; and
(v) through the Administrator of CMS, examine the current legal, regulatory, and policy framework surrounding payment for influenza vaccines and assess adoption of domestically manufactured vaccines that have positive attributes for pandemic response (such as scalability and speed of manufacturing).

(b) The Secretary of Defense shall:
(i) provide OMB with a cost estimate for transitioning DOD’s annual procurement of influenza vaccines to vaccines manufactured both domestically and through faster, more scalable, and innovative technologies;
(ii) direct, in coordination with the VA, CDC, and other components of HHS, the conduct of epidemiological studies of vaccine effectiveness to improve knowledge of the clinical effect of the currently licensed influenza vaccines;
(iii) use DOD’s network of clinical research sites to evaluate the effectiveness of licensed influenza vaccines, including methods of boosting their effectiveness;
(iv) identify opportunities to use DOD’s vaccine research and development enterprise, in collaboration with HHS, to include both early discovery and design of influenza vaccines as well as later-stage evaluation of candidate influenza vaccines;
(v) investigate, in collaboration with HHS, alternative correlates of immune protection that could facilitate development of next-generation influenza vaccines;
(vi) direct the conduct of a study to assess the feasibility of using DOD’s advanced manufacturing facility for manufacturing cell-based or recombinant influenza vaccines during a pandemic; and
(vii) accelerate, in collaboration with HHS, research regarding rapidly scalable prophylactic influenza antibody approaches to complement a universal vaccine initiative and address gaps in current vaccine coverage.

(c) The Secretary of VA shall provide OMB with a cost estimate for transitioning DOD’s annual procurement of influenza vaccines to vaccines manufactured both domestically and with faster, more scalable, and innovative technologies.

Scc. 5. Termination. The Task Force shall terminate upon direction from the President or, with the approval of the President, upon direction from the Task Force Co-Chairs.

Scc. 6. General Provisions. (a) Nothing in this order shall be construed to impair or otherwise affect:
(i) the authority granted by law to an executive department or agency, or the head thereof; or
(ii) the functions of the Director of the Office of Management and Budget relating to budgetary, administrative, or legislative proposals.
(b) This order shall be implemented consistent with applicable law and subject to the availability of appropriations.
(c) This order is not intended to, and does not, create any right or benefit, substantive or procedural, enforceable at law or in equity by any party against the United States, its departments, agencies, or entities, its officers, employees, or agents, or any other person.

DONALD J. TRUMP.

§ 247d–7f. Collaboration and coordination

(a) Limited antitrust exemption

(1) Meetings and consultations to discuss security countermeasures, qualified countermeasures, or qualified pandemic or epidemic product development

(A) Authority to conduct meetings and consultations

The Secretary, in coordination with the Attorney General and the Secretary of Homeland Security, may conduct meetings and consultations with persons engaged in the development of a security countermeasure (as defined in section 247d–6b of this title), a qualified countermeasure (as defined in section 247d–6a of this title), or a qualified pandemic or epidemic product (as defined in section 247d–6d of this title) for the purpose of the development, manufacture, distribution, purchase, or storage of a countermeasure or product. The Secretary may convene such meeting or consultation at the request of the Secretary of Homeland Security, the Attorney General, the Chairman of the Federal Trade Commission (referred to in this section as the “Chairman”), or any interested person, or upon initiation by the Secretary. The Secretary shall give prior notice of any such meeting or consultation, and the topics to be discussed, to the Attorney General, the Chairman, and the Secretary of Homeland Security.

(B) Meeting and consultation conditions

A meeting or consultation conducted under subparagraph (A) shall—
(i) be chaired or, in the case of a consultation, facilitated by the Secretary;
(ii) be open to persons involved in the development, manufacture, distribution, purchase, or storage of a countermeasure or product, as determined by the Secretary;
(iii) be open to the Attorney General, the Secretary of Homeland Security, and the Chairman;
(iv) be limited to discussions involving covered activities; and
(v) be conducted in such manner as to ensure that no national security, confidential commercial, or proprietary information is disclosed outside the meeting or consultation.

(C) Limitation

The Secretary may not require participants to disclose confidential commercial or proprietary information.

(D) Transcript

The Secretary shall maintain a complete verbatim transcript of each meeting or consultation conducted under this subsection. Such transcript (or a portion thereof) shall not be disclosed under section 552 of title 5 to the extent that the Secretary, in consultation with the Attorney General and the Secretary of Homeland Security, determines that disclosure of such transcript (or portion thereof) would pose a threat to national security. The transcript (or portion thereof)
§ 247d–7f

(2) Submission of written agreements

The Secretary shall submit each written agreement regarding covered activities that is made pursuant to meetings or consultations conducted under paragraph (1) to the Attorney General and the Chairman for consideration. In addition to the proposed agreement itself, any submission shall include—

(A) an explanation of the intended purpose of the agreement;
(B) a specific statement of the substance of the agreement;
(C) a description of the methods that will be utilized to achieve the objectives of the agreement;
(D) an explanation of the necessity for a cooperative effort among the particular participating persons to achieve the objectives of the agreement; and
(E) any other relevant information determined necessary by the Attorney General, in consultation with the Chairman and the Secretary.

(3) Exemption for conduct under approved agreement

It shall not be a violation of the antitrust laws for a person to engage in conduct in accordance with a written agreement to the extent that such agreement has been granted an exemption under paragraph (4), during the period for which the exemption is in effect.

(4) Action on written agreements

(A) In general

The Attorney General, in consultation with the Chairman, shall grant, deny, grant in part and deny in part, or propose modifications to an exemption request regarding a written agreement submitted under paragraph (2), in a written statement to the Secretary, within 15 business days of the receipt of such request. An exemption granted under this paragraph shall take effect immediately.

(B) Extension

The Attorney General may extend the 15-day period referred to in subparagraph (A) for an additional period of not to exceed 10 business days.

(C) Determination

An exemption shall be granted regarding a written agreement submitted in accordance with paragraph (2) only to the extent that the Attorney General, in consultation with the Chairman and the Secretary, finds that the conduct that will be exempted will not have any substantial anticompetitive effect that is not reasonably necessary for ensuring the availability of the countermeasure or product involved.

(5) Limitation on and renewal of exemptions

An exemption granted under paragraph (4) shall be limited to covered activities, and such exemption shall be renewed (with modifications, as appropriate, consistent with the finding described in paragraph (4)(C)), on the date that is 3 years after the date on which the exemption is granted unless the Attorney General in consultation with the Chairman determines that the exemption should not be renewed (with modifications, as appropriate) considering the factors described in paragraph (4).

(6) Authority to obtain information

Consideration by the Attorney General for granting or renewing an exemption submitted under this section shall be considered an antitrust investigation for purposes of the Antitrust Civil Process Act (15 U.S.C. 1311 et seq.).

(7) Limitation on parties

The use of any information acquired under an agreement for which an exemption has been granted under paragraph (4), for any purpose other than specified in the exemption, shall be subject to the antitrust laws and any other applicable laws.

(8) Report

Not later than one year after the date of enactment of this Act and biannually thereafter, the Attorney General and the Chairman shall report to Congress on the use of the exemption from the antitrust laws provided by this subsection.

(b) Sunset

The applicability of this section shall expire at the end of the 17-year period that begins on the date of enactment of this Act. 1

(c) Definitions

In this section:

(1) Antitrust laws

The term “antitrust laws”—

(A) has the meaning given such term in subsection (a) of section 12 of title 15, except that such term includes section 45 of title 15 to the extent such section 45 of title 15 applies to unfair methods of competition; and
(B) includes any State law similar to the laws referred to in subparagraph (A).

(2) Countermeasure or product

The term “countermeasure or product” refers to a security countermeasure, qualified countermeasure, or qualified pandemic or epidemic product (as those terms are defined in subsection (a)(1)).

1 See References in Text note below.
(3) Covered activities

(A) In general

Except as provided in subparagraph (B), the term “covered activities” includes any activity relating to the development, manufacture, distribution, purchase, or storage of a countermeasure or product.

(B) Exception

The term “covered activities” shall not include, with respect to a meeting or consultation conducted under subsection (a)(4), the following activities involving 2 or more persons:

(i) Exchanging information among competitors relating to costs, profitability, or distribution of any product, process, or service if such information is not reasonably necessary to carry out covered activities—

(I) with respect to a countermeasure or product regarding which such meeting or consultation is being conducted; or

(II) that are described in the agreement as exempted.

(ii) Entering into any agreement or engaging in any other conduct—

(I) to restrict or require the sale, licensing, or sharing of inventions, developments, products, processes, or services not developed through, produced by, or distributed or sold through such covered activities; or

(II) to restrict or require participation, by any person participating in such covered activities, in other research and development activities, except as reasonably necessary to prevent the misappropriation of proprietary information contributed by any person participating in such covered activities or of the results of such covered activities.

(iii) Entering into any agreement or engaging in any other conduct allocating a market with a competitor that is not expressly exempted from the antitrust laws under subsection (a)(4).

(iv) Exchanging information among competitors relating to production (other than production by such covered activities) of a product, process, or service if such information is not reasonably necessary to carry out such covered activities.

(v) Entering into any agreement or engaging in any other conduct restricting, requiring, or otherwise involving the production of a product, process, or service that is not expressly exempted from the antitrust laws under subsection (a)(4).

(vi) Except as otherwise provided in this subsection, entering into any agreement or engaging in any other conduct to restrict or require participation by any person participating in such covered activities, in any unilateral or joint activity that is not reasonably necessary to carry out such covered activities.

(vii) Entering into any agreement or engaging in any other conduct restricting or setting the price at which a countermeasure or product is offered for sale, whether by bid or otherwise.

(July 1, 1944, ch. 373, title III, §319L–1, as added Pub. L. 116–22, title VII, §701(e)(1)(C), (D), June 24, 2019, 133 Stat. 961.)

REFERENCES IN TEXT

The Antitrust Civil Process Act, referred to in subsec. (a)(6), is Pub. L. 87–764, Sept. 19, 1962, 76 Stat. 548, which is classified principally to chapter 34 (§1311 et seq.) of Title 15, Commerce and Trade. For complete classification of this Act to the Code, see Short Title note set out under section 1311 of Title 15 and Tables.

The date of enactment of this Act, referred to in subsecs. (a)(8) and (b), probably means the date of enactment of Pub. L. 109–417, which was approved Dec. 19, 2006. This section was originally enacted as section 405 of Pub. L. 109–417, prior to redesignation as section 319L–1 of act July 1, 1944, ch. 373. See Codification note below.

CODIFICATION


PRIOR PROVISIONS


AMENDMENTS


EFFECTIVE DATE OF 2013 AMENDMENT


§247d–7g. National Biodefense Science Board and working groups

(a) In general

(1) Establishment and function

The Secretary shall establish the National Biodefense Science Board (referred to in this section as the “Board”) to provide expert advice and guidance to the Secretary on scientific, technical and other matters of special interest to the Department of Health and Human Services regarding current and future chemical, biological, nuclear, and radiological agents, whether naturally occurring, accidental, or deliberate.

(2) Membership

The membership of the Board shall be comprised of individuals who represent the Nation’s preeminent scientific, public health, and medical experts, as follows—

(A) such Federal officials as the Secretary may determine are necessary to support the functions of the Board;

(B) four individuals representing the pharmaceutical, biotechnology, and device industries;
(C) four individuals representing academia; and
(D) five other members as determined appropriate by the Secretary, of whom—
   (i) one such member shall be a practicing healthcare professional;
   (ii) one such member shall be an individual from an organization representing healthcare consumers;
   (iii) one such member shall be an individual with pediatric subject matter expertise; and
   (iv) one such member shall be a State, tribal, territorial, or local public health official.

Nothing in this paragraph shall preclude a member of the Board from satisfying two or more of the requirements described in subparagraph (D).

(3) Term of appointment
A member of the Board described in subparagraph (B), (C), or (D) of paragraph (2) shall serve for a term of 3 years, except that the Secretary may adjust the terms of the initial Board appointees in order to provide for a staggered term of appointment for all members.

(4) Consecutive appointments; maximum terms
A member may be appointed to serve not more than 3 terms on the Board and may serve not more than 2 consecutive terms.

(5) Duties
The Board shall—
   (A) advise the Secretary on current and future trends, challenges, and opportunities presented by advances in biological and life sciences, biotechnology, and genetic engineering with respect to threats posed by naturally occurring infectious diseases and chemical, biological, radiological, and nuclear agents;
   (B) at the request of the Secretary, review and consider any information and findings received from the working groups established under subsection (b);
   (C) at the request of the Secretary, provide recommendations and findings for expanded, intensified, and coordinated biodefense research and development activities; and
   (D) provide any recommendation, finding, or report provided to the Secretary under this paragraph to the appropriate committees of Congress.

(6) Meetings
   (A) Initial meeting
   Not later than one year after December 19, 2006, the Secretary shall hold the first meeting of the Board.
   (B) Subsequent meetings
   The Board shall meet at the call of the Secretary, but in no case less than twice annually.

(7) Vacancies
Any vacancy in the Board shall not affect its powers, but shall be filled in the same manner as the original appointment.

(8) Chairperson
The Secretary shall appoint a chairperson from among the members of the Board.

(9) Powers
   (A) Hearings
   The Board may hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence as the Board considers advisable to carry out this subsection.
   (B) Postal services
   The Board may use the United States mails in the same manner and under the same conditions as other departments and agencies of the Federal Government.

(10) Personnel
   (A) Employees of the Federal Government
   A member of the Board that is an employee of the Federal Government may not receive additional pay, allowances, or benefits by reason of the member’s service on the Board.
   (B) Other members
   A member of the Board that is not an employee of the Federal Government may be compensated at a rate not to exceed the daily equivalent of the annual rate of basic pay prescribed for level IV of the Executive Schedule under section 5315 of title 5 for each day (including travel time) during which the member is engaged in the actual performance of duties as a member of the Board.

   (C) Travel expenses
   Each member of the Board shall receive travel expenses, including per diem in lieu of subsistence, in accordance with applicable provisions under subchapter I of chapter 57 of title 5.

   (D) Detail of Government employees
   Any Federal Government employee may be detailed to the Board with the approval for the contributing agency without reimbursement, and such detail shall be without interruption or loss of civil service status or privilege.

(b) Other working groups
The Secretary may establish a working group of experts, or may use an existing working group or advisory committee, to—
   (1) identify innovative research with the potential to be developed as a qualified countermeasure or a qualified pandemic or epidemic product;
   (2) identify accepted animal models for particular diseases and conditions associated with any biological, chemical, radiological, or nuclear agent, any toxin, or any potential pandemic infectious disease, and identify strategies to accelerate animal model and research tool development and validation; and
   (3) obtain advice regarding supporting and facilitating advanced research and development related to qualified countermeasures and qualified pandemic or epidemic products that
are likely to be safe and effective with respect to children, pregnant women, and other vulnerable populations, and other issues regarding activities under this section that affect such populations.

(c) Definitions

Any term that is defined in section 247d–7e of this title and that is used in this section shall have the same meaning in this section as such term is given in section 247d–7e of this title.

(d) Authorization of appropriations

There are authorized to be appropriated $1,000,000 to carry out this section for fiscal year 2007 and each fiscal year thereafter.


§ 247d–8. Coordinated program to improve pediatric oral health

(a) In general

The Secretary, acting through the Administrator of the Health Resources and Services Administration, shall establish a program to fund innovative oral health activities that improve the oral health of children under 6 years of age who are eligible for services provided under a Federal health program, to increase the utilization of dental services by such children, and to decrease the incidence of early childhood and baby bottle tooth decay.

(b) Grants

The Secretary shall award grants to or enter into contracts with public or private nonprofit schools of dentistry or accredited dental training institutions or programs, community dental programs, and programs operated by the Indian Health Service (including federally recognized Indian tribes that receive medical services from the Indian Health Service, urban Indian health programs funded under title V of the Indian Health Care Improvement Act [25 U.S.C. 1651 et seq.], and tribes that contract with the Indian Health Service pursuant to the Indian Self-Determination and Education Assistance Act [25 U.S.C. 3301 et seq.]) to enable such schools, institutions, and programs to develop programs of oral health promotion, to increase training of oral health services providers in accordance with State practice laws, or to increase the utilization of dental services by eligible children.

(c) Distribution

In awarding grants under this section, the Secretary shall, to the extent practicable, ensure an equitable national geographic distribution of the grants, including areas of the United States where the incidence of early childhood caries is highest.

(d) Authorization of appropriations

There is authorized to be appropriated to carry out this section $10,000,000 for each fiscal years 2001 through 2005.


REFERENCES IN TEXT

The Indian Health Care Improvement Act, referred to in subsec. (b), is Pub. L. 94–437, Sept. 30, 1976, 90 Stat. 1409, as amended. Title V of the Act is classified generally to subchapter IV (§1651 et seq.) of chapter 18 of Title 25, Indians. For complete classification of this Act to the Code, see Short Title note set out under section 1601 of Title 25 and Tables.

The Indian Self-Determination and Education Assistance Act, referred to in subsec. (b), is Pub. L. 93–638, Jan. 4, 1975, 88 Stat. 2203, which is classified principally to chapter 46 (§1301 et seq.) of Title 25, Indians. For complete classification of this Act to the Code, see Short Title note set out under section 5301 of Title 25 and Tables.

§ 247d–9. Dental education for parents of newborns

The Secretary shall develop and implement, through entities that fund or provide perinatal care services to targeted low-income children under a State child health plan under title XXI of the Social Security Act [42 U.S.C. 1397aa et seq.], a program to deliver oral health educational materials that inform new parents about risks for, and prevention of, early childhood caries and the need for a dental visit within their newborn’s first year of life.


REFERENCES IN TEXT

The Social Security Act, referred to in text, is act Aug. 14, 1935, ch. 531, 49 Stat. 620. Title XXI of the Act is classified generally to subchapter XXI (§1397aa et seq.) of chapter 7 of this title. For complete classification of this Act to the Code, see section 1305 of this title and Tables.

CODIFICATION

Section was enacted as part of the Children’s Health Insurance Program Reauthorization Act of 2009, and not as part of the Public Health Service Act which comprises this chapter.

EFFECTIVE DATE

Section effective Apr. 1, 2009, and applicable to child health assistance and medical assistance provided on or after that date, with certain exceptions, see section 3 of 1So in original. Probably should be followed by "of".
§ 247d–10. Pilot program for public health laboratories to detect fentanyl and other synthetic opioids

(a) Grants

The Secretary of Health and Human Services (referred to in this section as the “Secretary”) shall award grants to, or enter into cooperative agreements with, Federal, State, and local agencies to improve coordination between public health laboratories and laboratories operated by law enforcement agencies, such as Customs and Border Protection and the Drug Enforcement Administration, to improve detection of synthetic opioids, including fentanyl and its analogues, as described in subsection (b).

(b) Detection activities

The Secretary, in consultation with the Director of the National Institute of Standards and Technology, the Director of the Centers for Disease Control and Prevention, the Attorney General of the United States, and the Administrator of the Drug Enforcement Administration, shall, for purposes of this section, develop or identify—

1. best practices for safely handling and testing synthetic opioids, including fentanyl and its analogues, including with respect to reference materials, instrument calibration, and quality control protocols;

2. reference materials and quality control standards related to synthetic opioids, including fentanyl and its analogues, to enhance—
   (A) clinical diagnostics;
   (B) postmortem data collection; and
   (C) portable testing equipment utilized by law enforcement and public health officials; and

3. procedures for the identification of new and emerging synthetic opioid formulations and procedures for reporting those findings to Federal, State, and local public health laboratories and health departments, as appropriate.

(c) Laboratories

The Secretary shall require recipients of grants or cooperative agreements under subsection (a) to—

1. follow the best practices established under subsection (b) and have the appropriate capabilities to provide laboratory testing of controlled substances, such as synthetic fentanyl, and biospecimens for the purposes of aggregating and reporting public health information to Federal, State, and local public health officials, laboratories, and other entities the Secretary deems appropriate;

2. work with law enforcement agencies and public health authorities, as practicable;

3. provide early warning information to Federal, State, and local law enforcement agencies and public health authorities regarding trends or other data related to the supply of synthetic opioids, including fentanyl and its analogues;

4. provide biosurveillance capabilities with respect to identifying trends in adverse health outcomes associated with non-fatal exposures; and

5. provide diagnostic testing, as appropriate and practicable, for non-fatal exposures of emergency personnel, first responders, and other individuals.

(d) Authorization of appropriations

To carry out this section, there is authorized to be appropriated $15,000,000 for each of fiscal years 2019 through 2023.


Codification

Section was enacted as part of the Substance Use-Disorder Prevention that Promotes Opioid Recovery and Treatment for Patients and Communities Act, also known as the SUPPORT for Patients and Communities Act, and not as part of the Public Health Service Act which comprises this chapter.

PART C—HOSPITALS, MEDICAL EXAMINATIONS, AND MEDICAL CARE

Codification


§ 247e. National Hansen’s Disease Programs Center

(a) Care and treatment

1. At or through the National Hansen’s Disease Programs Center (located in the State of Louisiana), the Secretary shall without charge provide short-term care and treatment, including outpatient care for Hansen’s disease and related complications to any person determined by the Secretary to be in need of such care and treatment. The Secretary may not at or through such Center provide long-term care for any such disease or complication.

2. The Center referred to in paragraph (1) shall conduct training in the diagnosis and management of Hansen’s disease and related complications, and shall conduct and promote the coordination of research (including clinical research), investigations, demonstrations, and studies relating to the causes, diagnosis, treatment, control, and prevention of Hansen’s disease and other mycobacterial diseases and complications related to such diseases.

3. Paragraph (1) is subject to section 211 of the Department of Health and Human Services Appropriations Act, 1996.

(b) Additional sites authorized

In addition to the Center referred to in subsection (a), the Secretary may establish sites for the outpatient care and treatment for Hansen’s disease and related complications to any person determined by the Secretary to be in need of such care and treatment.
(c) Agency designated by Secretary

The Secretary shall carry out subsections (a) and (b) acting through an agency of the Service. For purposes of the preceding sentence, the agency designated by the Secretary shall carry out both activities relating to the provision of health services and activities relating to the conduct of research.

(d) Payments to Board of Health of Hawaii

The Secretary shall make payments to the Board of Health of the State of Hawaii for the care and treatment (including outpatient care) in its facilities of persons suffering from Hansen’s disease at a rate determined by the Secretary. The rate shall be approximately equal to the operating cost per patient of such facilities, except that the rate may not exceed the comparable costs per patient with Hansen’s disease for care and treatment provided by the Center referred to in subsection (a). Payments under this subsection are subject to the availability of appropriations for such purpose.


REFERENCES IN TEXT

Section 211 of the Department of Health and Human Services Appropriations Act, 1998, referred to in subsec. (a)(3), is section 211 of Pub. L. 105–78, which enacted this section and provisions set out as notes below.

CODIFICATION

Section was classified to section 255 of this title prior to its renumbering by Pub. L. 95–626.

AMENDMENTS


1997—Pub. L. 105–78 amended section catchline and text generally, substituting present provisions for former provisions which related to: in subsec. (a), care and treatment; and in subsec. (b), payments to Board of Health of Hawaii.


Subsec. (a). Pub. L. 99–117 amended subsec. (a) generally. Prior to amendment, subsec. (a) read as follows: “The Service shall, in accordance with regulations, receive into any hospital of the Service suitable for his accommodation any person afflicted with leprosy who presents himself for care, detention, or treatment, or who may be apprehended under subsection (b) of this section or section 264 of this title, and any person afflicted with leprosy duly consigned to the care of the Service by the proper health authority of any State. The Surgeon General is authorized, upon the request of any health authority, to send for any person within the jurisdiction of such authority who is afflicted with leprosy and (b) acting through an agency of the Service, the Surgeon General is authorized and directed to make payments to the Board of Health of Hawaii for the care and treatment in its facilities of persons afflicted with leprosy at a per diem rate, determined from time to time by the Surgeon General, which shall, subject to the availability of appropriations, be approximately equal to the per diem operating cost per patient of such facilities, except that such per diem rate shall not be greater than the comparable per diem operating cost per patient at the National Leprosarium, Carville, Louisiana.”

Subsec. (b). Pub. L. 99–117 amended subsec. (b) generally. Prior to amendment, subsec. (b) read as follows: “The Surgeon General may provide by regulation for the apprehension, detention, treatment, and release of persons being treated by the Service for leprosy.”

1979—Subsec. (a). Pub. L. 96–32 substituted “apprehended under subsection (b) of this section or section 264 of this title” for “apprehended under section 256 or 264 of this title”.

1978—Pub. L. 95–626 designated existing provisions as subsec. (a) and added subsec. (b).

1960—Pub. L. 86–624 struck out “, Territory, or the District of Columbia” after “proper health authority of any State”, and substituted “Board of Health of Hawaii” for “Board of Health of the Territory of Hawaii”.

1952—Act June 25, 1952, provided for payments to Hawaiian Board of Health for expenditures made by them in care and treatment of patients.

1948—Act June 25, 1948, authorized payment of travel expenses of indigent leper patients.

CHANGE OF NAME


“(b) PUBLIC LAW 105–78—References in section 211 of Public Law 105–78 [amending this section and enacting provisions set out as a note under this section], and in deeds, agreements, or other documents under such section, to the Gillis W. Long Hansen’s Disease Center shall be deemed to be references to the National Hansen’s Disease Programs Center.

“SEC. 2. OTHER REFERENCES.

“Any reference in a law, map, regulation, document, paper, or other record of the United States to the Gillis W. Long Hansen’s Disease Center shall be deemed to be a reference to the ‘National Hansen’s Disease Programs Center’.”

EFFECTIVE DATE OF 1960 AMENDMENT

Amendment by Pub. L. 86–624 effective Aug. 21, 1959, see section 47(f) of Pub. L. 86–624, set out as a note under section 201 of this title.

RELOCATION OF NATIONAL HANSEN’S DISEASE PROGRAMS CENTER


“(a) The Secretary of Health and Human Services may in accordance with this section provide for the relocation of the Federal facility known as the National Hansen’s Disease Programs Center (located in the vicinity of Carville, in the State of Louisiana), including the relocation of the patients of the Center.

“(b) Subject to paragraph (2), in relocating the Center the Secretary may on behalf of the United States transfer to the State of Louisiana, without charge, title to the real property and improvements that as of the date of the enactment of this Act [Nov.
(c) With respect to Federal equipment and other items of Federal personal property that are in use at the Center as of the date of the enactment of this Act [Nov. 13, 1997], the Secretary may, subject to paragraph (2), transfer to the State such items as the Secretary determines to be appropriate, if the Secretary makes the transfer under subsection (b).

(2) A transfer of equipment or other items may be made under paragraph (1) only if the State agrees that, during the 30-year period beginning on the date on which the transfer under subsection (b) is made, the items will be used exclusively for purposes that promote the health or education of the public, except that the Secretary may authorize such exceptions as the Secretary determines to be appropriate.

(d) For purposes of subsection (b)(2), the conditions specified in this subsection with respect to a transfer of title to and responsibility for the products, and the transfer of the property and improvements involved revert to the United States at the election of the Secretary.

(1) During the 30-year period beginning on the date on which the transfer is made, the real property and improvements referred to in subsection (b)(1) (referred to in this subsection as the ‘transferred property’) will be used exclusively for purposes that promote the health or education of the public, except that the Secretary may authorize such exceptions as the Secretary determines to be necessary, and the Secretary may require the advance approval of the Secretary for such contracts, conveyances of real or personal property, or other transactions as the Secretary determines to be necessary.

(3) The relocation of patients from the transferred property will be completed not later than 3 years after the date on which the transfer is made, except to the extent the Secretary determines that relocating particular patients is not feasible. During the period of relocation, the Secretary will have unrestricted access to the transferred property, and after such period will have such access as may be necessary with respect to the patients who pursuant to the preceding sentence are not relocated.

(4) With respect to repair and energy-related improvements at the transferred property, the Secretary will provide for the completion of all such projects for which contracts have been awarded and appropriations have been made as of the date on which the transfer is made.

(B) If upon completion of the projects referred to in subparagraph (A) there are any unobligated balances of amounts appropriated for the projects, and the sum of such balances is in excess of $100,000—

(i) the Secretary will transfer the amount of such excess to the State; and

(ii) the State will expend such amount for the purposes referred to in paragraph (1), which may include the renovation of facilities at the transferred property.

(5)(A) The State will maintain the cemetery located on the transferred property, will permit individuals who were long-term-care patients of the Center to be buried at the cemetery, and will permit members of the public to visit the cemetery.

(B) The State will permit the Center to maintain a museum on the transferred property, and will permit members of the public to visit the museum.

(C) In the case of any waste products stored at the transferred property as of the date of the transfer, the Federal Government will after the transfer retain title to and responsibility for the products, and the State will not require that the Federal Government remove the products from the transferred property.

(6) In the case of each individual who as of the date of the enactment of this Act [Nov. 13, 1997] was a Federal employee at the transferred property with facilities management or dietary duties: (A) The State will offer the individual an employment position with the State, the position with the State will have duties similar to the duties the individual performed in his or her most recent position at the transferred property, and the position with the State will provide compensation and benefits that are similar to the compensation and benefits provided for such most recent position, subject to the concurrence of the Governor of the State.

(B) If the individual becomes an employee of the State pursuant to subparagraph (A), the State will make payments in accordance with subsection (e)(2)(B) (relating to disability), as applicable with respect to the individual.

(7) The Federal Government may, consistent with the intended uses by the State of the transferred property, carry out at such property activities regarding at-risk youth.

(8) Such additional conditions as the Secretary determines to be necessary to protect the interests of the United States.
receiving the pay differential under section 208(e) of the Public Health Service Act (42 U.S.C. 210(e)) or under section 5545(d) of title 5, United States Code:

“(A) If as of the date of the transfer under subsection (b) the individual is eligible for an annuity under section 8336 or 8412 of title 5, United States Code, then once the individual separates from the service and thereby becomes entitled to receive the annuity, the pay differential shall be included in the computation of the annuity if the individual separated from the service not later than the expiration of the 90-day period beginning on the date of the transfer.

“(B) If the individual is not eligible for such an annuity as of the date of the transfer under subsection (b) but subsequently does become eligible, then once the individual separates from the service and thereby becomes entitled to receive the annuity, the pay differential shall be included in the computation of the annuity if the individual separated from the service not later than the expiration of the 90-day period beginning on the date on which the individual first became eligible for the annuity.

“(C) For purposes of this paragraph, the individual is eligible for the annuity if the individual meets all conditions under such section 8336 or 8412 to be entitled to the annuity, except the condition that the individual be separated from the service.

“(4) With respect to individuals who as of the date of the enactment of this Act are Federal employees with positions at the Center and are not, for duty at the center, receiving the pay differential under section 208(e) of the Public Health Service Act [42 U.S.C. 210(e)] or under section 5545(d) of title 5, United States Code:

“(A) During the calendar years 1997 and 1998, the Secretary may in accordance with this paragraph provide to any such individual a voluntary separation incentive payment. The purpose of such payments is to avoid or minimize the need for involuntary separations under a reduction in force with respect to the Center.

“(B) During calendar year 1997, any payment under subparagraph (A) shall be made under section 663 of the Treasury, Postal Service, and General Government Appropriations Act, 1997 (as contained in section 101(i) of division A of Public Law 104–208) [5 U.S.C. 5597 note], except that, for purposes of this subparagraph, subsection (b) of such section 663 does not apply.

“(C) During calendar year 1998, such section 663 applies with respect to payments under subparagraph (A) to the same extent and in the same manner as such section applied with respect to the payments during fiscal year 1997, and for purposes of this subparagraph, the reference in subsection (c)(2)(D) of such section 663 to December 31, 1997, is deemed to be a reference to December 31, 1998.

“(D) For purposes of this section:

"(i) For the remainder of his or her life, the patient may reside at the Center.

"(ii) For the remainder of his or her life, the patient may receive payments each year at an annual rate of $35,000 (adjusted in accordance with subparagraphs (C) and (D)), and may not reside at the Center. Payments under this clause are in complete discharge of the obligation of the Federal Government under paragraph (4) for support and maintenance and other nonmedical expenses of the patient.

"(B) The choice by an eligible patient of the option under clause (i) of subparagraph (A) may at any time be revoked by the patient, and the patient may instead choose the option under clause (ii) of such subparagraph. The choice by an eligible patient of the option under such clause (ii) is irrevocable.

"(C) Payments under subparagraph (A)(ii) shall be made on a monthly basis, and shall be pro rated as applicable. In 1999 and each subsequent year, the monthly amount of such payments shall be increased by a percentage equal to any percentage increase taking effect under section 215(i) of the Social Security Act [42 U.S.C. 415(i)] (relating to a cost-of-living increase) for benefits under title II of such Act [42 U.S.C. 401 et seq.] (relating to Federal old-age, survivors, and disability insurance benefits). Any such percentage increase in monthly payments under subparagraph (A)(ii) shall take effect in the same month as the percentage increase under such section 215(i) takes effect.

"(D) With respect to the provision of outpatient and inpatient medical care for Hansen's disease and related complications to an eligible patient:

"(i) The choice the patient makes under subparagraph (A) does not affect the responsibility of the Secretary for providing to the patient such care at or through the Center.

"(ii) If the patient chooses the option under subparagraph (A)(i) and receives inpatient care at or through the Center, the Secretary may reduce the amount of payments under such subparagraph, except to the extent that reimbursement for the expenses of such care is available to the provider of the care through the program under title XVIII of the Social Security Act [42 U.S.C. 1395 et seq.], and the program under title XIX of such Act [42 U.S.C. 1396 et seq.]. Any such reduction shall be made on the basis of the number of days for which the patient received the inpatient care.

"(E) The Secretary shall provide to each eligible patient such information as may be necessary for the patient to make an informed decision regarding the options under paragraph (5)(A).

"(F) After the date of enactment of this Act [Nov. 13, 1997], the Center may not provide long-term care for any individual who as of such date was not receiving such care as a patient of the Center.

"(G) If upon completion of the projects referred to in subsection (d)(4)(A) there are unobligated balances of amounts appropriated for the projects, such balances are available to the Secretary for expenses relating to the relocation of the Center, except that, if the sum of such balances is in excess of $100,000, such excess is available to the State in accordance with subsection (d)(4)(B). The amounts available to the Secretary pursuant to the preceding sentence are available until expended.

"(H) For purposes of this section:

"(1) The term ‘Center’ means the National Hansen’s Disease Programs Center.

"(2) The term ‘Secretary’ means the Secretary of Health and Human Services.

"(3) The term ‘State’ means the State of Louisiana.”
§ 248. Control and management of hospitals; furnishing prosthetic and orthopedic devices; transfer of patients; disposal of articles produced by patients; disposal of money and effects of deceased patients; payment of burial expenses

The Surgeon General, pursuant to regulations, shall—

(a) Control, manage, and operate all institutions, hospitals, and stations of the Service, including minor repairs and maintenance, and provide for the care, treatment, and hospitalization of patients, including the furnishing of prosthetic and orthopedic devices; and from time to time, with the approval of the President, select suitable sites for and establish such additional institutions, hospitals, and stations in the States and possessions of the United States as in his judgment are necessary to enable the Service to discharge its functions and duties;

(b) Provide for the transfer of Public Health Service patients, in the care of attendants where necessary, between hospitals and stations operated by the Service or between such hospitals and stations and other hospitals and stations in which Public Health Service patients may be received, and the payment of expenses of such transfer;

(c) Provide for the disposal of articles produced by patients in the course of their curative treatment, either by allowing the patient to retain such articles or by selling them and depositing the money received therefor to the credit of the appropriation from which the materials for making the articles were purchased;

(d) Provide for the disposal of money and effects, in the custody of the hospitals or stations, of deceased patients; and

(e) Provide, to the extent the Surgeon General determines that other public or private funds are not available therefor, for the payment of expenses of preparing and transporting the remains of, or the payment of reasonable burial expenses for, any patient dying in a hospital or station.


AMENDMENTS


1948—Subsec. (a). Act June 25, 1948, § 2(a), amended subsec. (a) generally, continuing authority of Service to furnish tobacco to patients being treated by it.


TRANSFER OF FUNCTIONS


DELEGATION OF FUNCTIONS

Functions of President delegated to Secretary of Health and Human Services, see Ex. Ord. No. 11140, Jan. 30, 1964, 29 F.R. 1637, as amended, set out as a note under section 202 of this title.

§ 248a. Closing or transfer of hospitals; reduction of services; Congressional authorization required

(a) Except as provided in subsection (b), the Secretary of Health and Human Services shall take such action as may be necessary to assure that the hospitals of the Public Health Service, located in Seattle, Washington, Boston, Massachusetts, San Francisco, California, Galveston, Texas, New Orleans, Louisiana, Baltimore, Maryland, Staten Island, New York, and Norfolk, Virginia, shall continue—

(1) in operation as hospitals of the Public Health Service;

(2) to provide for all categories of individuals entitled or authorized to receive care and treatment at hospitals or other stations of the Public Health Service inpatient, outpatient, and other health care services in like manner as such services were provided on January 1, 1973, to such categories of individuals at the hospitals of the Public Health Service referred to in the matter preceding paragraph (1) and at a level and range at least as great as the level and range of such services which were provided (or authorized to be provided) by such hospitals on such date, and

(3) to conduct at such hospitals a level and range of other health-related activities (including training and research activities) which is not less than the level and range of such activities which were being conducted on January 1, 1973, at such hospitals.

(b) (1) The Secretary may—

(A) close or transfer control of a hospital of the Public Health Service to which subsection (a) applies,

(B) reduce the level and range of health care services provided at such a hospital from the level and range required by subsection (a)(2) or change the manner in which such services are provided at such a hospital from the manner required by such subsection, or

(C) reduce the level and range of the other health-related activities conducted at such hospital from the level and range required by subsection (a)(3), if Congress by law (enacted after November 16, 1973) specifically authorizes such action.

(2) Any recommendation submitted to the Congress for legislation to authorize an action described in paragraph (1) with respect to a hospital of the Public Health Service shall be accompanied by a copy of the written, unqualified approval of the proposed action submitted to the Secretary by each (A) section 314(a) State health planning agency whose section 314(a) plan covers (in whole or in part) the area in which such hospital is located or which is served by such hospital, and (B) section 314(b) areawide health planning agency whose section 314(b) plan covers (in whole or in part) such area.

(3) For purposes of this subsection, the term “section 314(a) State health planning agency” means the agency of a State which administers or supervises the administration of a State’s health planning functions under a State plan ap-
proved under section 314(a) of the Public Health Service Act (referred to in paragraph (2) as a "section 314(a) plan"); and the term "section 314(b) area-wide health planning agency" means a public or nonprofit private agency or organization which has developed a comprehensive regional, metropolitan, or other local area plan or plans referred to in section 314(b) of that Act (referred to in paragraph (2) as a "section 314(b) plan").


REFERENCES IN TEXT
Section 314 of the Public Health Service Act, referred to in subsec. (b)(2), (3), is classified to section 246 of this title.

CODIFICATION
Section was enacted as part of the Department of Defense Appropriation Authorization Act, 1974, and not as part of the Public Health Service Act which comprises this chapter.

PRIOR PROVISIONS
Provisions similar to those comprising this section were contained in Pub. L. 92–585, §3, Oct. 27, 1972, 86 Stat. 1292, setting out procedure to be followed in closing or transferring control of hospitals or other health care delivery facilities of Public Health Service, prior to repeal by Pub. L. 93–155, §818(c).

CHANGE OF NAME
"Secretary of Health and Human Services" substituted for "Secretary of Health, Education, and Welfare" in subsec. (a) pursuant to section 509(b) of Pub. L. 96–88 which is classified to section 3509(b) of Title 20, Education.

§248b. Transfer or financial self-sufficiency of public health service hospitals and clinics

(a) Deadline for closure, transfer, or financial self-sufficiency
The Secretary of Health and Human Services (hereinafter in this subtitle referred to as the "Secretary") shall, in accordance with this section and notwithstanding section 248a of this title, provide for the closure, transfer, or financial self-sufficiency of all hospitals and other stations of the Public Health Service (hereinafter in this subtitle referred to as the "Service") not later than September 30, 1982.

(b) Proposals for transfer or financial self-sufficiency
Not later than July 1, 1981, the Secretary shall notify each Service hospital and other station, and the chief executive officer of each State and of each locality in which such a hospital or other station is located, that the Secretary will accept proposals for the transfer of such hospital and station from the Service to a public (including Federal) or nonprofit private entity, or for the achievement of financial self-sufficiency of each such hospital and station not later than September 30, 1982. No such proposal shall be considered by the Secretary if it is submitted later than September 1, 1981.

(c) Evaluation of proposals
The Secretary shall evaluate promptly each proposal submitted under subsection (b) with respect to a hospital or other station and determine, not later than September 30, 1981, whether or not under such proposal the hospital or station—

(1) will be maintained as a general health care facility providing a range of services to the population within its service area,

(2) will continue to make services available to existing patient populations, and

(3) has a reasonable expectation of financial viability and, in the case of a hospital or station that is not proposed to be transferred, of financial self-sufficiency.

Paragraph (1) shall not apply in the case of a proposal for the transfer of a discrete, minor, freestanding part of a hospital or station to a local public entity for the purpose of continuing the provision of services to refugees.

(d) Rejection or approval of proposal
(1) If the Secretary determines that a proposal for a hospital or other station does not meet the standards of subsection (c) or if there is no proposal submitted under subsection (b) with respect to a hospital or other station, the Secretary shall provide for the closure of the hospital or station by not later than October 31, 1981.

(2) If the Secretary determines that a proposal for a hospital or other station meets the standards of subsection (c), the Secretary shall take such steps, within the amounts available through appropriations, as may be necessary and proper—

(A) to operate (or participate or assist in the operation of) the hospital or station by the Service until the transfer is accomplished or financial self-sufficiency is achieved, (B) to bring the hospital or station into compliance with applicable licensure, accreditation, and local medical practice standards, and (C) to provide for such other legal, administrative, personnel, and financial arrangements (including allowing payments made with respect to services provided by the hospital or station to be made directly to that hospital or station) as may be necessary to effect a timely and orderly transfer of such hospital or station (including the land, building, and equipment thereof) from the Service, or for the financial self-sufficiency of the hospital or station, not later than September 30, 1982.

(e) Establishment of identifiable administrative unit
There is established, within the Office of the Assistant Secretary for Health of the Department of Health and Human Services, an identifiable administrative unit which shall have direct responsibility and authority for overseeing the activities under this section.

(f) Finding of financial self-sufficiency
For purposes of this section, a hospital or station cannot be found to be financially self-sufficient if the hospital or station is relying, in whole or in part, on direct appropriated funds for its continued operations.

REFERENCES IN TEXT
This subtitle, referred to in subsec. (a), is subtitle J of title IX of Pub. L. 97–35, §985 to 988, Aug. 13, 1981, 95 Stat. 602, which enacted this section, amended sections 201, 249, and 294 of this title, and enacted provisions set out as notes under this section and section 249 of this title. For complete classification of this subtitle to the Code, see Tables.


CODIFICATION
Section was enacted as part of the Omnibus Budget Reconciliation Act of 1981, and not as part of the Public Health Service Act which comprises this chapter.

CONGRESSIONAL FINDINGS AND DECLARATION OF PURPOSE

“(a) Congress finds that—

“(1) because of national budgetary considerations, it has become necessary to terminate Federal appropriations for Public Health Service hospitals and clinics,

“(2) the operation and maintenance of these hospitals and clinics could be transferred to State, local, or private control or become financially self-sufficient and continue to provide effective and efficient health care to individuals in the areas in which they are located,

“(3) a precipitous closure of these hospitals and clinics will preclude the possibility of such orderly transfer to entities which are willing and able to take over operations at such facilities and will cause unnecessary and costly hardships on the patients and staffs at such facilities and on the communities in which the facilities are located, and

“(4) it is in the national interest, consistent with sound budgetary considerations, to assist in the orderly and prompt transfer of such operations to State, local, or private operation or in the achievement of financial self-sufficiency where feasible.

“(b) The purposes of this subtitle (enacting this section, amending sections 201, 249, and 294 of this title, and enacting provisions set out as notes under section 249 of this title) are—

“(1) to provide for the prompt and orderly closure by October 31, 1981, of Public Health Service hospitals and clinics which cannot reasonably be transferred to State, local, or private operation or become financially self-sufficient and for the transfer or achievement of financial self-sufficiency by September 30, 1982, of those hospitals and clinics which can be so transferred or which can achieve such financial self-sufficiency, and

“(2) to provide for transitional assistance for merchant seamen whose entitlement to receive free care through Public Health Service hospitals and clinics is terminated and who are hospitalized at the end of fiscal year 1981 and require continuing hospitalization.


§ 249. Medical care and treatment of quarantined and detained persons

(a) Persons entitled to treatment

Any person when detained in accordance with quarantine laws, or, at the request of the Immigration and Naturalization Service, any person detained by that Service, may be treated and cared for by the Public Health Service.

(b) Temporary treatment in emergency cases

Persons not entitled to treatment and care at institutions, hospitals, and stations of the Service may, in accordance with regulations of the Surgeon General, be admitted thereto for temporary treatment and care in case of emergency.

(c) Authorization for outside treatment

Persons whose care and treatment is authorized by subsection (a) may, in accordance with regulations, receive such care and treatment at the expense of the Service from public or private medical or hospital facilities other than those of the Service, when authorized by the officer in charge of the station at which the application is made.


AMENDMENTS
1981—Subsec. (a). Pub. L. 97–35, §866(a), (b)(2), redesignated subsec. (c) as (a). Former subsec. (a), which related to persons entitled to medical, etc., treatment and hospitalization, was struck out.
Subsec. (b). Pub. L. 97–35, §866(a), (b)(2), redesignated subsec. (d) as (b). Former subsec. (b), which related to treatment for seamen on foreign-flag vessels, was struck out.
Subsec. (c). Pub. L. 97–35, §866(b)(1), (2), redesignated subsec. (e) as (c), substituted "subsection (a)" for "subsection (c)" and struck out entitled "to care and treatment under subsection (a) of this section and persons after "Persons". Former subsec. (c) redesignated (a).
Subsecs. (d), (e). Pub. L. 97–35, §866(b)(2), redesignated subsecs. (d) and (e) as (b) and (c), respectively.
1948—Subsec. (e). Act June 25, 1948, permitted Service to provide for care and treatment of individuals detained in accordance with our quarantine laws.

EFFECTIVE DATE OF 1961 AMENDMENT
Pub. L. 97–35, title IX, §866(c), Aug. 13, 1981, 95 Stat. 603, provided that: "The amendments and repeals made by this section [amending this section and sections 201 and 254e of this title] shall take effect on October 1, 1981."

TRANSFER OF FUNCTIONS
Functions of Public Health Service, Surgeon General of Public Health Service, and all other officers and employees of Public Health Service, and functions of all agencies of or in Public Health Service transferred to Secretary of Health, Education, and Welfare by Reorg. Plan No. 3 of 1966, eff. June 25, 1966, 31 F.R. 8855, 80 Stat. 1610, set out as a note under section 202 of this title. Secretary of Health, Education, and Welfare redesignated Secretary of Health and Human Services by section 509(b) of Pub. L. 96–88 which is classified to section 3508(b) of Title 20, Education.
Functions of all other officers of Department of Justice transferred, with a few exceptions, to Attorney General, with power vested in him to authorize their performance or the performance of any of his functions by any of such officers, agencies, and employees, by sections 1 and 2 of Reorg. Plan No. 2 of 1950, eff. May 24, 1950, 15 F.R. 3713, 64 Stat. 1261, which were repealed by Pub. L. 89–554, §8(a), Sept. 6, 1966, 80 Stat. 662. Immigration and Naturalization Service, referred to in this section, was a bureau in Department of Justice.

ABOLITION OF IMMIGRATION AND NATURALIZATION SERVICE AND TRANSFER OF FUNCTIONS
For abolition of Immigration and Naturalization Service, transfer of functions, and treatment of related references, see note set out under section 1551 of Title 8, Aliens and Nationality.

CONTINUED CARE FOR MERCHANT SEAMEN HOSPITALIZED IN PUBLIC HEALTH SERVICE HOSPITALS
Pub. L. 97–35, title IX, §866, Aug. 13, 1981, 95 Stat. 604, provided that: "(a) The Secretary shall provide, by contract or other arrangement with a Federal entity and without charge but subject to subsection (b), for the continuation of inpatient hospital services (and outpatient services related to the condition of hospitalization) to any individual who—
"(1) on September 30, 1981, is receiving inpatient hospital services at a Public Health Service hospital on the basis of the entitlement contained in section 322(a) of the Public Health Service Act (42 U.S.C. 249a), as such section was in effect on such date, for treatment of a condition,
"(2) requires continued hospitalization after such date for treatment of that condition (or requires outpatient services related to that condition), and
"(3) the Secretary determines has no other source of inpatient hospital services available for continued treatment of that condition.
"(b) Services may not be provided under subsection (a) to an individual after the earlier of—
"(1) September 30, 1982,
"(2) the end of the first 60-day consecutive period (beginning after September 30, 1981) during the entire period of which the individual is not an inpatient of a hospital.
"(c) Notwithstanding any other provision of law, the head of any Federal department or agency which provides, under other authority of law and through federal facilities, inpatient hospital services or outpatient services, or both, is authorized to provide hospital services (and related outpatient services) to individuals under contract or other arrangement with the Secretary pursuant to this section."

FOREIGN SEAMEN
Section 810(c), formerly §710(c), of act July 1, 1944, as renumbered by acts Aug. 13, 1946, ch. 958, §5, 50 Stat. 1349; July 30, 1956, ch. 779, §3(b), 70 Stat. 721, which gave foreign seamen the same benefits as accorded seamen employed on United States vessels under subsec. (a)(1) of this section, was repealed effective Jan. 25, 1948, by Joint Res. July 25, 1947, ch. 327, §2(b), 61 Stat. 451.

§ 250. Medical care and treatment of Federal prisoners
The Service shall supervise and furnish medical treatment and other necessary medical, psychiatric, and related technical and scientific services, authorized by section 4005 of title 18, in penal and correctional institutions of the United States.

(July 1, 1944, ch. 373, title III, §323, 58 Stat. 697.)

CONDIFICATION

TRANSFER OF FUNCTIONS

§ 250a. Transfer of appropriations
The Attorney General may transfer to the Department of Health and Human Services such amounts as may be necessary for direct expenditures by that Department for medical relief for
inmates of Federal penal and correctional institutions.


**CODIFICATION**

Section was enacted as part of the appropriation act cited as the credit to this section, and not as part of the Public Health Service Act which comprises this chapter.

Section was formerly classified to section 341h of Title 5 prior to the general revision and enactment of Title 5, Government Organization and Employees, by Pub. L. 93–57, § 1(a), May 2, 1996, 110 Stat. 1327.

**PRIOR PROVISIONS**

Provisions similar to those in this section were contained in the following prior appropriation acts:


**§ 251. Medical examination and treatment of Federal employees; medical care at remote stations**

(a) The Surgeon General is authorized to provide at institutions, hospitals, and station of the Service medical, surgical, and hospital services and supplies for persons entitled to treatment under subchapter I of Chapter 81 of title 5 and extensions thereof. The Surgeon General may also provide for making medical examinations of—

1. employees of the Federal Government for retirement purposes;
2. employees in the Federal classified service, and applicants for appointment, as requested by the Director of the Office of Personnel Management for the purpose of promoting health and efficiency;
3. seamen for purposes of qualifying for certificates of service; and
4. employees eligible for benefits under the Longshore and Harbor Workers’ Compensation Act, as amended [33 U.S.C. 901 et seq.], as requested by any deputy commissioner thereunder.

(b) The Secretary is authorized to provide medical, surgical, and dental treatment and hospitalization and optometric care for Federal employees (as defined in section 8901(1) of title 5) and their dependents at remote medical facilities of the Public Health Service where such care and treatment are not otherwise available. Such employees and their dependents who are not entitled to this care and treatment under any other provision of law shall be charged for it at rates established by the Secretary to reflect the reasonable cost of providing the care and treatment. Any payments pursuant to the preceding sentence shall be credited to the applicable appropriation to the Public Health Service for the year in which such payments are received.


REFERENCES IN TEXT
The Longshore and Harbor Workers' Compensation Act, as amended, referred to in subsec. (a)(4), is act Mar. 4, 1927, ch. 509, 44 Stat. 1424, as amended, which is classified generally to chapter 81 of Title 5, Government Organization and Employees.

AMENDMENTS


1967—Subsec. (a). Pub. L. 90–197, §10(a), designated existing provisions as subsec. (a) and redesignated cls. (a) to (d) as cls. (1) to (4), respectively.

Subsec. (b). Pub. L. 90–197, §10(b), added subsec. (b).

EFFECTIVE DATE OF 1984 AMENDMENT

EFFECTIVE DATE OF 1983 AMENDMENT
Amendment by Pub. L. 97–468 effective on date of transfer of Alaska Railroad to the State [Jan. 5, 1985], pursuant to section 1203 of Title 45, Railroads, see section 2604(b) of Pub. L. 97–468.

TRANSFER OF FUNCTIONS

ABOLITION OF IMMIGRATION AND NATURALIZATION SERVICE AND TRANSFER OF FUNCTIONS
For abolition of Immigration and Naturalization Service, transfer of functions, and treatment of related references, see note set out under section 1551 of Title 8.

§ 253. Medical services to Coast Guard, National Oceanic and Atmospheric Administration, and Public Health Service

(a) Persons entitled to medical services

Subject to regulations of the President—

(1) commissioned officers, chief warrant officers, warrant officers, cadets, and enlisted personnel of the Regular Coast Guard on active duty, including those on shore duty and those on detached duty; and Regular, and temporary members of the United States Coast Guard Reserve when on active duty;

(2) commissioned officers, ships’ officers, and members of the crews of vessels of the National Oceanic and Atmospheric Administration on active duty, including those on shore duty and those on detached duty; and

(3) commissioned officers of the Regular or Reserve Corps of the Public Health Service on active duty;

shall be entitled to medical, surgical, and dental treatment and hospitalization by the Service. The Surgeon General may detail commissioned officers for duty aboard vessels of the Coast Guard or the National Oceanic and Atmospheric Administration.

(b) Health care for involuntarily separated officers and dependents

(1) The Secretary may provide health care for an officer of the Regular or Reserve Corps involuntarily separated from the Service, and for any dependent of such officer, if—

(A) the officer or dependent was receiving health care at the expense of the Service at the time of separation; and

(July 1, 1944, ch. 373, title III, §325, 58 Stat. 697; 1953 Reorg. Plan No. 1, §§5, 8, eff. Apr. 11, 1953, 18 F.R. 2053, 67 Stat. 631.)
(B) the Secretary finds that the officer or dependent is unable to obtain appropriate insurance for the conditions for which the officer or dependent was receiving health care.

(2) Health care may be provided under paragraph (1) for a period of not more than one year from the date of separation of the officer from the Service.

d) Examination of personnel of Service assigned to Coast Guard or National Oceanic and Atmospheric Administration

The Service shall provide all services referred to in subsection (a) required by the Coast Guard or National Oceanic and Atmospheric Administration and shall perform all duties prescribed by statute in connection with the examinations to determine physical or mental condition for purposes of appointment, enlistment, and reenlistment, promotion and retirement, and officers of the Service assigned to duty on Coast Guard or National Oceanic and Atmospheric Administration vessels may extend aid to the crews of American vessels engaged in deep-sea fishing.


AMENDMENTS

1963—Subsec. (b). Pub. L. 88–71, §2(a), repealed subsec. (b) which provided for treatment of dependents of personnel. See section 253a(b) of this title.
Subsec. (c). Pub. L. 88–71, §2(b), inserted "or Coast and Geodetic Survey" after "Coast Guard" in two places.
1956—Subsec. (b). Act June 7, 1956, repealed subsec. (b) except insofar as it related to dependent members of families of ships' officers and members of crews of vessels of Coast and Geodetic Survey.

CHANGE OF NAME


EFFECTIVE DATE OF 1965 AMENDMENT

Amendment by act June 7, 1956, effective six months after June 7, 1956, see section 307 of act June 7, 1956.

TRANSFER OF FUNCTIONS

For transfer of authorities, functions, personnel, and assets of the Coast Guard, including the authorities and functions of the Secretary of Transportation relating thereto, to the Department of Homeland Security, and for treatment of related references, see sections 609(b), 551(d), 552(d), and 557 of Title 6, Domestic Security, and the Department of Homeland Security Reorganization Plan of November 25, 2002, as modified, set out as a note under section 542 of Title 6.


Secretary of Health, Education, and Welfare redesignated Secretary of Health and Human Services by section 509(b) of Pub. L. 96–88 which is classified to section 3508(b) of Title 20, Education.

§ 253a. Medical services to retired personnel of National Oceanic and Atmospheric Administration

(a) Eligibility

Subject to regulations of the President, retired ships' officers and retired members of the crews of vessels of the National Oceanic and Atmospheric Administration shall be entitled to medical, surgical, and dental treatment and hospitalization by the Public Health Service if the ships' officer or crew member, (1) was on active duty as a vessel employee of the National Oceanic and Atmospheric Administration on July 1, 1963, or on July 19, 1963, whichever is later, and his employment as a vessel employee was continuous from that date until retirement, or (2) was retired as a vessel employee of the National Oceanic and Atmospheric Administration or on before July 1, 1963, or on July 19, 1963, whichever is later.

(b) Treatment of dependents of personnel

Subject to regulations of the President, dependent members of families (as defined in such regulations) of ships' officers and members of crews of vessels of the National Oceanic and Atmospheric Administration, whether such, ships' officers and members of crew are on active duty or retired, shall be furnished medical advice and outpatient treatment by the Public Health Service and, if suitable accommodations are available, they shall also be furnished hospitalization by the Public Health Service if the ships' officer or crew member (1) was on active duty as a vessel employee of the National Oceanic and Atmospheric Administration on July 1, 1963, or on July 19, 1963, whichever is later, and his employment as a vessel employee has been continuous from that time, or (2) was on active duty as a vessel employee of the National Oceanic and Atmospheric Administration on July 1, 1963, or on July 19, 1963, whichever is later, and his employment as a vessel employee was continuous from that date until retirement, or (3) was retired as a vessel employee of the National Oceanic and Atmospheric Administration or on or before July 1, 1963, or on July 19, 1963, whichever is later. When dependent members of families are hospitalized, a per diem charge, at such uniform rate as may be prescribed from time to time for the hospitalization of dependents of members of the uniformed services at hospitals of the uniformed services pursuant to section 1078(a) of title 10 shall be made.
(c) Identification

The National Oceanic and Atmospheric Administration shall furnish proper identification to those persons entitled to medical treatment under the provisions of this section.


CODIFICATION

Section was not enacted as part of the Public Health Service Act which comprises this chapter.

AMENDMENTS

1984—Subsec. (a). Pub. L. 98–498, §310(b), substituted "by the Public Health Service if" for "at facilities of the Public Health Service: Provided, That".

Subsec. (b). Pub. L. 98–498, §310(c), struck out "at its hospitals and relief stations" before "and, if suitable accommodations" and substituted "by the Public Health Service if" for "at facilities of the Public Health Service: Provided, That".

CHANGE OF NAME

Coast and Geodetic Survey consolidated with Weather Bureau to form a new agency in Department of Commerce to be known as Environmental Science Services Administration, and commissioned officers of Survey transferred to ESSA, by Reorg. Plan No. 2 of 1965, eff. July 13, 1965, 30 F.R. 8819, 79 Stat. 1318, set out in the Appendix to Title 5, Government Organization and Employees. Reorg. Plan No. 4 of 1970, eff. Oct. 3, 1970, 35 F.R. 15627, 84 Stat. 2090, abolished Environmental Science Services Administration, established National Oceanic and Atmospheric Administration, and redesignated Commissioner Officer Corps of ESSA as Commissioner Officer Corps of NOAA. For further details, see Transfer of Functions note set out under section 509(b) of Pub. L. 96–88 which is classified to section 509(b) of Title 19, Commerce and Navigation.

TRANSFER OF FUNCTIONS

Functions of Public Health Service, Surgeon General of Public Health Service, and all other officers and employees of Public Health Service, and functions of all agencies of or in Public Health Service transferred to Secretary of Health, Education, and Welfare by Reorg. Plan No. 3 of 1966, eff. June 25, 1966, 31 F.R. 8855, 80 Stat. 1610, set out as a note under section 202 of this title. Secretary of Health, Education, and Welfare redesignated Secretary of Health and Human Services by section 509(b) of Pub. L. 96–88 which is classified to section 3508(b) of Title 20, Education.

EX. ORD. NO. 11160. REGULATIONS RELATING TO MEDICAL CARE FOR RETIRED PERSONNEL OF COAST AND GEODETIC SURVEY [NOW NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION] AND THEIR DEPENDENTS

Ex. Ord. No. 11160, July 6, 1964, 29 F.R. 9315, provided: By virtue of the authority vested in me by the first section of the Act of July 19, 1963 (Public Law 88–71, 77 Stat. 83, 42 U.S.C. 233a), and as President of the United States, I hereby prescribe the following regulations relating to the medical care of certain retired personnel of the Coast and Geodetic Survey [now National Oceanic and Atmospheric Administration] and dependents of Coast and Geodetic Survey [now National Oceanic and Atmospheric Administration] ships' officers and crew members, both active and retired.

SECTION 1. Definitions. As used in these regulations, there:

(1) "Retired ships' officer and retired crew member" means a noncommissioned ships' officer or crew member of a vessel of the Coast and Geodetic Survey [now National Oceanic and Atmospheric Administration] who either was on active duty as a vessel employee on July 19, 1963, and whose employment as such vessel employee was continuous from that date until the date of his retirement, or who had retired as a vessel employee on or before July 19, 1963.

(2) "Active duty ships' officer and active duty crew member" means a noncommissioned ships' officer or crew member on active duty as a vessel employee of the Coast and Geodetic Survey [now National Oceanic and Atmospheric Administration] on July 19, 1963, and whose employment as such vessel employee has been continuous from that time.

(3) "Dependent members of families", with respect to active duty or retired ships' officers or crew members, means:

(A) the lawful wife;

(B) the unmarried legitimate child, including an adopted child or stepchild, who has not passed his twenty-first birthday;

(C) the father or mother, if in fact dependent upon such active duty or retired ships' officer or crew member for over one-half of his or her support.

(4) "Relief stations" means Public Health Service outpatient clinics and outpatient offices.

(5) "Outpatient clinic" means a full-time outpatient medical facility, operated Federally owned or leased space under the supervision of a commissioned medical officer or a full-time civil service medical officer (formerly known as a Second-Class Relief Station).

(6) "Outpatient office" means a part-time outpatient facility serving all classes of legal beneficiaries, located in other than Federal space, and in the charge of a local private physician under contract to the Service to provide medical care on an annual or fee basis (formerly known as a Third-Class Relief Station).

SIC. 2. Persons entitled to treatment. The following persons shall be entitled to medical care under these regulations:

(1) Retired ships' officers and retired crew members of the Coast and Geodetic Survey [now National Oceanic and Atmospheric Administration];

(2) Dependent members of families of persons described in paragraph (1) of this section;

(3) Dependent members of families of active duty ships' officers and crew members of the Coast and Geodetic Survey [now National Oceanic and Atmospheric Administration].

SIC. 3. Application for treatment; evidence of eligibility. Persons entitled to medical care under Section 2 of these regulations, when applying to Public Health Service medical care facilities for medical care, shall produce proper identification, as issued to them by the Coast and Geodetic Survey [now National Oceanic and Atmospheric Administration], and such identification shall be accepted as evidence of eligibility for such medical care by the Service.

SIC. 4. Extent of treatment; retired ships' officers and crew members. Subject to the limitation imposed by paragraph (2) of this section, retired ships' officers and crew members entitled to medical care under these regulations shall be furnished:

(1) Medical, surgical, and dental treatment at hospitals, outpatient clinics, and outpatient offices of the Service, and hospitalization at hospitals of the Service. The Service will not be responsible for defraying the cost of hospitalization, medical services, and supplies procured elsewhere.

(2) Dental treatment shall be furnished to the extent that facilities and services at hospitals and outpatient clinics of the Service having full-time dental officers on duty are available to provide such treatment. At other Service facilities, dental treatment shall be limited to emergency measures necessary to relieve pain.

SIC. 5. Extent of treatment; dependent members of families; charges. (a) Dependent members of families shall be furnished medical advice and outpatient treatment at hospitals, outpatient clinics, and outpatient offices of the Service and, if suitable accommodations are available, shall be furnished hospitalization at hospitals of
§ 253b. Former Lighthouse Service employees; medical service eligibility

Subject to regulations of the President, lightkeepers, assistant lightkeepers, officers and crews of vessels of the former Lighthouse Service, including any such persons who subsequent to June 30, 1939, were involuntarily assigned to other civilian duty in the Coast Guard, who were entitled to medical relief at hospitals and other stations of the Public Health Service prior to July 1, 1944, and who retired under the provisions of section 763 of title 33, shall be entitled to medical, surgical, and dental treatment and hospitalization at hospitals and other stations of the Public Health Service.


CODIFICATION

Section was enacted as a part of Health Services Research, Health Statistics, and Medical Libraries Act of 1974, and also as a part of Health Services Research and Evaluation and Health Statistics Act of 1974, and not as a part of the Public Health Service Act which comprises this chapter.

Effective Date


Transfer of Functions

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

§ 254. Interdepartmental work

Nothing contained in this part shall affect the authority of the Service to furnish any materials, supplies, or equipment, or perform any work of services, requested in accordance with sections 1535 and 1536 of title 31, or the authority of any other executive department to furnish any materials, supplies, or equipment, or perform any work or services, requested by the Department of Health and Human Services for the Service in accordance with that section.


CODIFICATION


§ 254a. Sharing of medical care facilities and resources

(a) Definitions

For purposes of this section—

(1) the term “specialized health resources” means health care resources (whether equipment, space, or personnel) which, because of cost, limited availability, or unusual nature, are either unique in the health care community or are subject to maximum utilization only through mutual use;

(2) the term “hospital”, unless otherwise specified, includes (in addition to other hospitals) any Federal hospital.

(b) Statement of purpose; agreements or arrangements; reciprocity; reimbursement; credits

For the purpose of maintaining or improving the quality of care in Public Health Service facilities and to provide a professional environment therein which will help to attract and retain highly qualified and talented health personnel, to encourage mutually beneficial relation-
ships between Public Health Service facilities and hospitals and other health facilities in the health care community, and to promote the full utilization of hospitals and other health facilities and resources, the Secretary may—

(1) enter into agreements or arrangements with schools of medicine, schools of osteopathic medicine, and with other health professions schools, agencies, or institutions, for such interchange or cooperative use of facilities and services on a reciprocal or reimbursable basis, as will be of benefit to the training or research programs of the participating agencies; and

(2) enter into agreements or arrangements with hospitals and other health care facilities for the mutual use or the exchange of use of specialized health resources, and providing for reciprocal reimbursement.

Any reimbursement pursuant to any such agreement or arrangement shall be based on charges covering the reasonable cost of such utilization, including normal depreciation and amortization costs of equipment. Any proceeds to the Government under this subsection shall be credited to the applicable appropriation of the Public Health Service for the year in which such proceeds are received.


AMENDMENTS


AVAILABILITY OF APPROPRIATIONS FOR EXPENSES OF SHARING MEDICAL CARE FACILITIES AND RESOURCES

Pub. L. 102–394, title II, § 204, Oct. 6, 1992, 106 Stat. 1811, provided that: “Funds advanced to the National Institutes of Health Management Fund from appropriations in this Act or subsequent Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Acts shall be available for the expenses of sharing medical care facilities and resources pursuant to section 327A of the Public Health Service Act (42 U.S.C. 254a).”

Similar provisions were contained in the following prior appropriation acts:


For purposes of this section:

(1) Required primary health services

(A) In general

For purposes of this section, the term “health center” means an entity that serves a population that is medically underserved, or a special medically underserved population comprised of migratory and seasonal agricultural workers, the homeless, and residents of public housing, by providing, either through the staff and supporting resources of the center or through contracts or cooperative arrangements—

(A) required primary health services (as defined in subsection (b)(1)); and

(B) as may be appropriate for particular centers, additional health services (as defined in subsection (b)(2)) necessary for the adequate support of the primary health services required under subparagraph (A);

for all residents of the area served by the center (hereafter referred to in this section as the “catchment area”).

(2) Limitation

The requirement in paragraph (1) to provide services for all residents within a catchment area shall not apply in the case of a health center receiving a grant only under subsection (g), (h), or (i).

(b) Definitions

For purposes of this section:

(1) Required primary health services

(A) In general

The term “required primary health services” means—

(i) basic health services which, for purposes of this section, shall consist of—

(I) health services related to family medicine, internal medicine, pediatrics, obstetrics, or gynecology that are furnished by physicians and where appropriate, physician assistants, nurse practitioners, and nurse midwives;

(II) diagnostic laboratory and radiologic services;

(III) preventive health services, including—

(aa) prenatal and perinatal services;

(bb) appropriate cancer screening;

(cc) well-child services;

(dd) immunizations against vaccine-preventable diseases;

(ee) screenings for elevated blood lead levels, communicable diseases, and cholesterol;

(ff) pediatric eye, ear, and dental screenings to determine the need for vision and hearing correction and dental care;
§ 254b

(2) Additional health services

Such term may include—

(a) public health services (including specialty referral when medically indicated) and other health-related services (including substance use disorder and mental health services);

(b) patient case management services (including counseling, referral, and follow-up services) and other services designed to assist health center patients in establishing eligibility for and gaining access to Federal, State, and local programs that provide or financially support the provision of medical, social, housing, educational, or other related services;

(c) services that enable individuals to use the services of the health center (including outreach and transportation services) and, if a substantial number of the individuals in the population served by a center are of limited English-speaking ability, the services of appropriate personnel fluent in the language spoken by a predominant number of such individuals; and

(d) education of patients and the general population served by the health center regarding the availability and proper use of health services.

(B) Exception

With respect to a health center that receives a grant only under subsection (g), the Secretary, upon a showing of good cause, shall—

(i) waive the requirement that the center provide all required primary health services under this paragraph; and

(ii) approve, as appropriate, the provision of certain required primary health services only during certain periods of the year.

(2) Additional health services

The term “additional health services” means services that are not included as required primary health services and that are appropriate to meet the health needs of the population served by the health center involved. Such term may include—

(A) behavioral and mental health and substance use disorder services;

(B) recuperative care services;

(C) environmental health services, including—

(i) the detection and alleviation of unhealthy conditions associated with—

(I) water supply;

(II) chemical and pesticide exposures;

(III) air quality; or

(IV) exposure to lead;

(ii) sewage treatment;

(iii) solid waste disposal;

(iv) rodent and parasitic infestation;

(v) field sanitation;

(vi) housing; and

(vii) other environmental factors related to health; and

(D) in the case of health centers receiving grants under subsection (g), special occupation-related health services for migratory and seasonal agricultural workers, including—

(i) screening for and control of infectious diseases, including parasitic diseases; and

(ii) injury prevention programs, including prevention of exposure to unsafe levels of agricultural chemicals including pesticides.

(3) Medically underserved populations

(A) In general

The term “medically underserved population” means the population of an urban or rural area designated by the Secretary as an area with a shortage of personal health services or a population group designated by the Secretary as having a shortage of such services.

(B) Criteria

In carrying out subparagraph (A), the Secretary shall prescribe criteria for determining the specific shortages of personal health services of an area or population group. Such criteria shall—

(i) take into account comments received by the Secretary from the chief executive officer of a State and local officials in a State; and

(ii) include factors indicative of the health status of a population group or residents of an area, the ability of the residents of an area or of a population group to pay for health services and their accessibility to them, and the availability of health professionals to residents of an area or to a population group.

(C) Limitation

The Secretary may not designate a medically underserved population in a State or terminate the designation of such a population unless, prior to such designation or termination, the Secretary provides reasonable notice and opportunity for comment and consults with—

(i) the chief executive officer of such State;

(ii) local officials in such State; and

(iii) the organization, if any, which represents a majority of health centers in such State.

(D) Permissible designation

The Secretary may designate a medically underserved population that does not meet the criteria established under subparagraph (B) if the chief executive officer of the State in which such population is located and local officials of such State recommend the designation of such population based on unusual local conditions which are a barrier to access to or the availability of personal health services.

(c) Planning grants

(1) Centers

The Secretary may make grants to public and nonprofit private entities for projects to
plan and develop health centers which will serve medically underserved populations. A project for which a grant may be made under this subsection may include the cost of the acquisition and lease of buildings and equipment (including the costs of amortizing the principal of, and paying the interest on, loans) and shall include—

(A) an assessment of the need that the population proposed to be served by the health center for which the project is undertaken has for required primary health services and additional health services;

(B) the design of a health center program for such population based on such assessment;

(C) efforts to secure, within the proposed catchment area of such center, financial and professional assistance and support for the project;

(D) initiation and encouragement of continuing community involvement in the development and operation of the project; and

(E) proposed linkages between the center and other appropriate provider entities, such as health departments, local hospitals, and rural health clinics, to provide better coordinated, higher quality, and more cost-effective health care services.

(2) Limitation

Not more than two grants may be made under this subsection for the same project, except that upon a showing of good cause, the Secretary may make additional grant awards.

(3) Recognition of high poverty

(A) In general

In making grants under this subsection, the Secretary may recognize the unique needs of high poverty areas.

(B) High poverty area defined

For purposes of subparagraph (A), the term “high poverty area” means a catchment area which is established in a manner that is consistent with the factors in subsection (k)(3)(J), and the poverty rate of which is greater than the national average poverty rate as determined by the Bureau of the Census.

(d) Improving quality of care

(1) Supplemental awards

The Secretary may award supplemental grant funds to health centers funded under this section to implement evidence-based models for increasing access to high-quality primary care services, which may include models related to—

(A) improving the delivery of care for individuals with multiple chronic conditions;

(B) workforce configuration;

(C) reducing the cost of care;

(D) enhancing care coordination;

(E) expanding the use of telehealth and technology-enabled collaborative learning and capacity building models;

(F) care integration, including integration of behavioral health, mental health, or substance use disorder services; and

(G) addressing emerging public health or substance use disorder issues to meet the health needs of the population served by the health center.

(2) Sustainability

In making supplemental awards under this subsection, the Secretary may consider whether the health center involved has submitted a plan for continuing the activities funded under this subsection after supplemental funding is expended.

(3) Special consideration

The Secretary may give special consideration to applications for supplemental funding under this subsection that seek to address significant barriers to access to care in areas with a greater shortage of health care providers and health services relative to the national average.

(e) Operating grants

(1) Authority

(A) In general

The Secretary may make grants for the costs of the operation of public and nonprofit private health centers that provide health services to medically underserved populations.

(B) Entities that fail to meet certain requirements

The Secretary may make grants, for a period of not to exceed 1 year, for the costs of the operation of public and nonprofit private entities which provide health services to medically underserved populations but with respect to which the Secretary is unable to make each of the determinations required by subsection (k)(3). The Secretary shall not make a grant under this paragraph unless the applicant provides assurances to the Secretary that within 120 days of receiving grant funding for the operation of the health center, the applicant will submit, for approval by the Secretary, an implementation plan to meet the requirements of subsection (k)(3). The Secretary may extend such 120-day period for achieving compliance upon a demonstration of good cause by the health center.

(C) Operation of networks

The Secretary may make grants to health centers that receive assistance under this section, or at the request of the health centers, directly to a network that is at least majority controlled and, as applicable, at least majority owned by such health centers receiving assistance under this section, for the costs associated with the operation of such network including—

(i) the purchase or lease of equipment, which may include data and information systems (including the costs of amortizing the principal of, and paying the interest on, loans for equipment); (ii) the provision of training and technical assistance; and

(iii) other activities that—

(I) reduce costs associated with the provision of health services; (II) improve access to, and availability of, health services provided to individuals served by the centers;
§ 254b

(III) enhance the quality and coordination of health services; or

(IV) improve the health status of communities.

(2) Use of funds

The costs for which a grant may be made under subparagraph (A) or (B) of paragraph (1) may include the costs of acquiring and leasing buildings and equipment (including the costs of amortizing the principal of, and paying interest on, loans), and the costs of providing training related to the provision of required primary health services and additional health services and to the management of health center programs.

(3) Construction

The Secretary may award grants which may be used to pay the costs associated with expanding and modernizing existing buildings or constructing new buildings (including the costs of amortizing the principal of, and paying the interest on, loans) for projects approved prior to October 1, 1996.

(4) Limitation

Not more than two grants may be made under subparagraph (B) of paragraph (1) for the same entity.

(5) Amount

(A) In general

The amount of any grant made in any fiscal year under subparagraphs (A) and (B) of paragraph (1) to a health center shall be determined by the Secretary, but may not exceed the amount by which the costs of operation of the center in such fiscal year exceed the total of—

(i) State, local, and other operational funding provided to the center; and

(ii) the fees, premiums, and third-party reimbursements, which the center may reasonably be expected to receive for its operations in such fiscal year.

(B) Networks

The total amount of grant funds made available under subparagraphs (A) and (B) of paragraph (1) to a health center or to a network shall be determined by the Secretary, but may not exceed 2 percent of the total amount appropriated under this section for such fiscal year.

(C) Payments

Payments under grants under subparagraph (A) or (B) of paragraph (1) shall be made in advance or by way of reimbursement and in such installments as the Secretary finds necessary and adjustments may be made for overpayments or underpayments.

(D) Use of nongrant funds

Nongrant funds described in clauses (i) and (ii) of subparagraph (A), including any such funds in excess of those originally expected, shall be used as permitted under this section, and may be used for such other purposes as are not specifically prohibited under this section if such use furthers the objectives of the project.

(6) New access points and expanded services

(A) Approval of new access points

(i) In general

The Secretary may approve applications for grants under subparagraph (A) or (B) of paragraph (1) to establish new delivery sites.

(ii) Special consideration

In carrying out clause (i), the Secretary may give special consideration to applicants that have demonstrated the new delivery site will be located within a sparsely populated area, or an area which has a level of unmet need that is higher relative to other applicants.

(iii) Consideration of applications

In carrying out clause (i), the Secretary shall approve applications for grants in such a manner that the ratio of the medically underserved populations in rural areas which may be expected to use the services provided by the applicants involved to the medically underserved populations in urban areas which may be expected to use the services provided by the applicants is not less than two to three or greater than three to two.

(iv) Service area overlap

If in carrying out clause (i) the applicant proposes to serve an area that is currently served by another health center funded under this section, the Secretary may consider whether the award of funding to an additional health center in the area can be justified based on the unmet need for additional services within the catchment area.

(B) Approval of expanded service applications

(i) In general

The Secretary may approve applications for grants under subparagraph (A) or (B) of paragraph (1) to expand the capacity of the applicant to provide required primary health services described in subsection (b)(1) or additional health services described in subsection (b)(2).

(ii) Priority expansion projects

In carrying out clause (i), the Secretary may give special consideration to expanded service applications that seek to address emerging public health or behavioral health, mental health, or substance abuse issues through increasing the availability of additional health services described in subsection (b)(2) in an area in which there are significant barriers to accessing care.

(iii) Consideration of applications

In carrying out clause (i), the Secretary shall approve applications for grants in such a manner that the ratio of the medically underserved populations in rural areas which may be expected to use the services provided by the applicants involved to the medically underserved populations in urban areas which may be ex-
expected to use the services provided by such applicants is not less than two to three or greater than three to two.

(f) Infant mortality grants

(1) In general

The Secretary may make grants to health centers for the purpose of assisting such centers in—

(A) providing comprehensive health care and support services for the reduction of—
   (i) the incidence of infant mortality; and
   (ii) morbidity among children who are less than 3 years of age; and

(B) developing and coordinating service and referral arrangements between health centers and other entities for the health management of pregnant women and children described in subparagraph (A).

(2) Priority

In making grants under this subsection the Secretary shall give priority to health centers providing services to any medically underserved population among which there is a significant increase in the incidence of infant mortality.

(3) Requirements

The Secretary may make a grant under this subsection only if the health center involved agrees that—

(A) the center will coordinate the provision of services under the grant to each of the recipients of the services;

(B) such services will be continuous for each such recipient;

(C) the center will provide follow-up services for individuals who are referred by the center for services described in paragraph (1);

(D) the grant will be expended to supplement, and not supplant, the expenditures of the center for primary health services (including prenatal care) with respect to the purpose described in this subsection; and

(E) the center will coordinate the provision of services with other maternal and child health providers operating in the catchment area.

(g) Migratory and seasonal agricultural workers

(1) In general

The Secretary may award grants for the purposes described in subsections (c), (e), and (f) for the planning and delivery of services to a special medically underserved population comprised of—

(A) migratory agricultural workers, seasonal agricultural workers, and members of the families of such migratory and seasonal agricultural workers who are within a designated catchment area; and

(B) individuals who have previously been migratory agricultural workers but who no longer meet the requirements of subparagraph (A) of paragraph (3) because of age or disability and members of the families of such individuals who are within such catchment area.

(2) Environmental concerns

The Secretary may enter into grants or contracts under this subsection with public and private entities to—

(A) assist the States in the implementation and enforcement of acceptable environmental health standards, including enforcement of standards for sanitation in migratory agricultural worker and seasonal agricultural worker labor camps, and applicable Federal and State pesticide control standards; and

(B) conduct projects and studies to assist the several States and entities which have received grants or contracts under this section in the assessment of problems related to camp and field sanitation, exposure to unsafe levels of agricultural chemicals including pesticides, and other environmental health hazards to which migratory agricultural workers and seasonal agricultural workers, and members of their families, are exposed.

(3) Definitions

For purposes of this subsection:

(A) Migratory agricultural worker

The term "migratory agricultural worker" means an individual whose principal employment is in agriculture, who has been so employed within the last 24 months, and who establishes for the purposes of such employment a temporary abode.

(B) Seasonal agricultural worker

The term "seasonal agricultural worker" means an individual whose principal employment is in agriculture on a seasonal basis and who is not a migratory agricultural worker.

(C) Agriculture

The term "agriculture" means farming in all its branches, including—

(i) cultivation and tillage of the soil;

(ii) the production, cultivation, growing, and harvesting of any commodity grown on, in, or as an adjunct to or part of a commodity grown in or on, the land; and

(iii) any practice (including preparation and processing for market and delivery to storage or to market or to carriers for transportation to market) performed by a farmer or on a farm incident to or in conjunction with an activity described in clause (ii).

(h) Homeless population

(1) In general

The Secretary may award grants for the purposes described in subsections (c), (e), and (f) for the planning and delivery of services to a special medically underserved population comprised of homeless individuals, including grants for innovative programs that provide outreach and comprehensive primary health services to homeless children and youth, children and youth at risk of homelessness, homeless veterans, and veterans at risk of homelessness.

(2) Required services

In addition to required primary health services (as defined in subsection (b)(1)), an entity
that receives a grant under this subsection shall be required to provide substance abuse services as a condition of such grant.

(3) Supplement not supplant requirement

A grant awarded under this subsection shall be expended to supplement, and not supplant, the expenditures of the health center and the value of in kind contributions for the delivery of services to the population described in paragraph (1).

(4) Temporary continued provision of services to certain former homeless individuals

If any grantee under this subsection has provided services described in this section under the grant to a homeless individual, such grantee may, notwithstanding that the individual is no longer homeless as a result of becoming a resident in permanent housing, expend the grant to continue to provide such services to the individual for not more than 12 months.

(5) Definitions

For purposes of this section:

(A) Homeless individual

The term “homeless individual” means an individual who lacks housing (without regard to whether the individual is a member of a family), including an individual whose primary residence during the night is a supervised public or private facility that provides temporary living accommodations and an individual who is a resident in transitional housing.

(B) Substance use disorder services

The term “substance use disorder services” includes detoxification, risk reduction, outpatient treatment, residential treatment, and rehabilitation for substance abuse provided in settings other than hospitals.

(i) Residents of public housing

(1) In general

The Secretary may award grants for the purposes described in subsections (c), (e), and (f) for the planning and delivery of services to a special medically underserved population comprised of residents of public housing (such term, for purposes of this subsection, shall have the same meaning given such term in section 1437a(b)(1) of this title) and individuals living in areas immediately accessible to such public housing.

(2) Supplement not supplan

A grant awarded under this subsection shall be expended to supplement, and not supplant, the expenditures of the health center and the value of in kind contributions for the delivery of services to the population described in paragraph (1).

(3) Consultation with residents

The Secretary may not make a grant under paragraph (1) unless, with respect to the residents of the public housing involved, the applicant for the grant—

(A) has consulted with the residents in the preparation of the application for the grant; and

(B) agrees to provide for ongoing consultation with the residents regarding the planning and administration of the program carried out with the grant.

(j) Access grants

(1) In general

The Secretary may award grants to eligible health centers with a substantial number of clients with limited English speaking proficiency to provide translation, interpretation, and other such services for such clients with limited English speaking proficiency.

(2) Eligible health center

In this subsection, the term “eligible health center” means an entity that—

(A) is a health center as defined under subsection (a);

(B) provides health care services for clients for whom English is a second language; and

(C) has exceptional needs with respect to linguistic access or faces exceptional challenges with respect to linguistic access.

(3) Grant amount

The amount of a grant awarded to a center under this subsection shall be determined by the Administrator. Such determination of such amount shall be based on the number of clients for whom English is a second language, including hiring professional translation and interpretation services; and

(B) compensates bilingual or multilingual staff for language assistance services provided by the staff for such clients.

(5) Application

An eligible health center desiring a grant under this subsection may use funds received through such grant to—

(A) provide translation, interpretation, and other such services for clients for whom English is a second language, including hiring professional translation and interpretation services; and

(B) compensates bilingual or multilingual staff for language assistance services provided by the staff for such clients.

(6) Authorization of appropriations

There are authorized to be appropriated to carry out this subsection, in addition to any
funds authorized to be appropriated or appropriated for health centers under any other subsection of this section, such sums as may be necessary for each of fiscal years 2002 through 2006.

(k) Applications

(1) Submission

No grant may be made under this section unless an application therefor is submitted to, and approved by, the Secretary. Such an application shall be submitted in such form and manner and shall contain such information as the Secretary shall prescribe.

(2) Description of unmet need

An application for a grant under subparagraph (A) or (B) of subsection (e)(1) or subsection (e)(6) for a health center shall include—

(A) a description of the unmet need for health services in the catchment area of the center;

(B) a demonstration by the applicant that the area or the population group to be served by the applicant has a shortage of personal health services;

(C) a demonstration that the center will be located so that it will provide services to the greatest number of individuals residing in the catchment area or included in such population group; and

(D) in the case of an application for a grant pursuant to subsection (e)(6), a demonstration that the applicant has consulted with appropriate State and local government agencies, and health care providers regarding the need for the health services to be provided at the proposed delivery site.

Such a demonstration shall be made on the basis of the criteria prescribed by the Secretary under subsection (b)(3) or on any other criteria which the Secretary may prescribe to determine if the area or population group to be served by the applicant has a shortage of personal health services. In considering an application for a grant under subparagraph (A) or (B) of subsection (e)(1), the Secretary may require as a condition to the approval of such application an assurance that the applicant will provide any health service defined under paragraphs (1) and (2) of subsection (b) that the Secretary finds is needed to meet specific health needs of the area to be served by the applicant.

Such a finding shall be made in writing and a copy shall be provided to the applicant. Such a finding shall be made in writing and a copy shall be provided to the applicant.

(3) Requirements

Except as provided in subsection (e)(1)(B) or subsection (e)(6), the Secretary may not approve an application for a grant under subparagraph (A) or (B) of subsection (e)(1) unless the Secretary determines that the entity for which the application is submitted is a health center (within the meaning of subsection (a)) and that—

(A) the required primary health services of the center will be available and accessible in the catchment area of the center promptly, as appropriate, and in a manner which assures continuity;

(B) the center has made and will continue to make every reasonable effort to establish and maintain collaborative relationships with other health care providers, including other health care providers that provide care within the catchment area, local hospitals, and specialty providers in the catchment area of the center, to provide access to services not available through the health center and to reduce the non-urgent use of hospital emergency departments;

(C) the center will have an ongoing quality improvement system that includes clinical services and management, and that maintains the confidentiality of patient records;

(D) the center will demonstrate its financial responsibility by the use of such accounting procedures and other requirements as may be prescribed by the Secretary;

(E) the center—

(i) has or will have a contractual or other arrangement with the agency of the State, in which it provides services, which administers or supervises the administration of a State plan approved under title XIX of the Social Security Act [42 U.S.C. 1396 et seq.] for the payment of all or a part of the center's costs in providing health services to persons who are eligible for medical assistance under such a State plan; and

(ii) has or will have a contractual or other arrangement with the State agency administering the program under title XIX of such Act (42 U.S.C. 1397aa et seq.) with respect to individuals who are State children's health insurance program beneficiaries;

(F) the center has made or will make and will continue to make every reasonable effort to enter into arrangements described in subclauses (I) and (II) of clause (1);

(G) the center—

(i) has prepared a schedule of fees or payments for the provision of its services consistent with locally prevailing rates or charges and designed to cover its reasonable costs of operation and has prepared a corresponding schedule of discounts to be applied to the payment of such fees or payments, which discounts are adjusted on the basis of the patient's ability to pay;

(ii) to collect reimbursement for health services to persons described in subclauses (I) and (II) of clause (1); and

(H) to secure from patients payment for services in accordance with such schedules; and

(I) to collect reimbursement for health services to persons described in
paragraph (F) on the basis of the full amount of fees and payments for such services without application of any discount;

(iii)(I) will assure that no patient will be denied health care services due to an individual’s inability to pay for such services; and

(ii) will assure that any fees or payments required by the center for such services will be reduced or waived to enable the center to fulfill the assurance described in subclause (i); and

(iv) has submitted to the Secretary such reports as the Secretary may require to determine compliance with this subparagraph;

(H) the center has established a governing board which except in the case of an entity operated by an Indian tribe or tribal or Indian organization under the Indian Self-Determination Act [25 U.S.C. 5321 et seq.] or an urban Indian organization under the Indian Health Care Improvement Act (25 U.S.C. 1651 et seq.)—

(i) is composed of individuals, a majority of whom are being served by the center and who, as a group, represent the individuals being served by the center;

(ii) meets at least once a month, selects the services to be provided by the center, schedules the hours during which such services will be provided, approves the center’s annual budget, approves the selection of a director for the center who shall be directly employed by the center; and, except in the case of a governing board of a public center (as defined in the second sentence of this paragraph), establishes general policies for the center; and

(iii) in the case of an application for a second or subsequent grant for a public center, has approved the application or if the governing body has not approved the application, the failure of the governing body to approve the application was unreasonable;

except that, upon a showing of good cause the Secretary shall waive, for the length of the project period, all or part of the requirements of this subparagraph in the case of a health center that receives a grant pursuant to subsection (g), (h), (i), or (p);

(I) the center has developed—

(i) an overall plan and budget that meets the requirements of the Secretary; and

(ii) an effective procedure for compiling and reporting to the Secretary such statistics and other information as the Secretary may require relating to—

(I) the costs of its operations;

(II) the patterns of use of its services;

(III) the availability, accessibility, and acceptability of its services; and

(IV) such other matters relating to operations of the applicant as the Secretary may require;

(J) the center will review periodically its catchment area to—

(i) ensure that the size of such area is such that the services to be provided through the center (including any satellite) are available and accessible to the residents of the area promptly and as appropriate;

(ii) ensure that the boundaries of such area conform, to the extent practicable, to relevant boundaries of political subdivisions, school districts, and Federal and State health and social service programs; and

(iii) ensure that the boundaries of such area eliminate, to the extent possible, barriers to access to the services of the center, including barriers resulting from the area’s physical characteristics, its residential patterns, its economic and social grouping, and available transportation;

(K) in the case of a center which serves a population including a substantial proportion of individuals of limited English-speaking ability, the center has—

(i) developed a plan and made arrangements responsive to the needs of such population for providing services to the extent practicable in the language and cultural context most appropriate to such individuals; and

(ii) identified an individual on its staff who is fluent in both that language and in English and whose responsibilities shall include providing guidance to such individuals and to appropriate staff members with respect to cultural sensitivities and bridging linguistic and cultural differences;

(L) the center, has developed an ongoing referral relationship with one or more hospitals;

(M) the center encourages persons receiving or seeking health services from the center to participate in any public or private (including employer-offered) health programs or plans for which the persons are eligible, so long as the center, in complying with this subparagraph, does not violate the requirements of subparagraph (G)(iii)(I); and

(N) the center has written policies and procedures in place to ensure the appropriate use of Federal funds in compliance with applicable Federal statutes, regulations, and the terms and conditions of the Federal award.

For purposes of subparagraph (H), the term “public center” means a health center funded (or to be funded) through a grant under this section to a public agency.

(1) Technical assistance

The Secretary shall establish a program through which the Secretary shall provide (either through the Department of Health and Human Services or by grant or contract) technical and other assistance to eligible entities to assist such entities to meet the requirements of subsection (k)(3). Services provided through the program may include necessary technical and nonfinancial assistance, including fiscal and program management assistance, training in fiscal and program management, operational and
administrative support, and the provision of information to the entities of the variety of resources available under this subchapter and how those resources can be best used to meet the health needs of the communities served by the entities. Funds expended to carry out activities under this subsection and operational support activities under subsection (m) shall not exceed 3 percent of the amount appropriated for this section for the fiscal year involved.

(m) Memorandum of agreement

In carrying out this section, the Secretary may enter into a memorandum of agreement with a State. Such memorandum may include, where appropriate, provisions permitting such State to—

(1) analyze the need for primary health services for medically underserved populations within such State;
(2) assist in the planning and development of new health centers;
(3) review and comment upon annual program plans and budgets of health centers, including comments upon allocations of health care resources in the State;
(4) assist health centers in the development of clinical practices and fiscal and administrative systems through a technical assistance plan which is responsive to the requests of health centers; and
(5) share information and data relevant to the operation of new and existing health centers.

(n) Records

(1) In general

Each entity which receives a grant under subsection (e) shall establish and maintain such records as the Secretary shall require.

(2) Availability

Each entity which is required to establish and maintain records under this subsection shall make such books, documents, papers, and records available to the Secretary or the Comptroller General of the United States, or any of their duly authorized representatives, for examination, copying or mechanical reproduction on or off the premises of such entity upon a reasonable request therefore. The Secretary and the Comptroller General of the United States, or any of their duly authorized representatives, shall have the authority to conduct such examination, copying, and reproduction.

(o) Delegation of authority

The Secretary may delegate the authority to administer the programs authorized by this section to any office, except that the authority to enter into, modify, or issue approvals with respect to grants or contracts may be delegated only within the central office of the Health Resources and Services Administration.

(p) Special consideration

In making grants under this section, the Secretary shall give special consideration to the unique needs of sparsely populated rural areas, including giving priority in the awarding of grants for new health centers under subsections (c) and (e), and the granting of waivers as appropriate and permitted under subsections (b)(1)(B)(1) and (k)(3)(G).

(q) Audits

(1) In general

Each entity which receives a grant under this section shall provide for an independent annual financial audit of any books, accounts, financial records, files, and other papers and property which relate to the disposition or use of the funds received under such grant and such other funds received by or allocated to the project for which such grant was made. For purposes of assuring accurate, current, and complete disclosure of the disposition or use of the funds received, each such audit shall be conducted in accordance with generally accepted accounting principles. Each audit shall evaluate—

(A) the entity’s implementation of the guidelines established by the Secretary respecting cost accounting,
(B) the processes used by the entity to meet the financial and program reporting requirements of the Secretary, and
(C) the billing and collection procedures of the entity and the relation of the procedures to its fee schedule and schedule of discounts and to the availability of health insurance and public programs to pay for the health services it provides.

A report of each such audit shall be filed with the Secretary at such time and in such manner as the Secretary may require.

(2) Records

Each entity which receives a grant under this section shall establish and maintain such records as the Secretary shall require to facilitate the audit required by paragraph (1). The Secretary may specify by regulation the form and manner in which such records shall be established and maintained.

(3) Availability of records

Each entity which is required to establish and maintain records or to provide for and audit under this subsection shall make such books, documents, papers, and records available to the Secretary or the Comptroller General of the United States, or any of their duly authorized representatives, for examination, copying or mechanical reproduction on or off the premises of such entity upon a reasonable request therefore. The Secretary and the Comptroller General of the United States, or any of their duly authorized representatives, shall have the authority to conduct such examination, copying, and reproduction.

(4) Waiver

The Secretary may, under appropriate circumstances, waive the application of all or part of the requirements of this subsection with respect to an entity. A waiver provided by the Secretary under this paragraph may not remain in effect for more than 1 year and may not be extended after such period. An en-
(r) Authorization of appropriations

(1) General amounts for grants

For the purpose of carrying out this section, in addition to the amounts authorized to be appropriated under subsection (d), there is authorized to be appropriated the following:

(A) For fiscal year 2010, $2,998,821,592.
(B) For fiscal year 2011, $3,962,107,440.
(C) For fiscal year 2012, $4,990,553,440.
(D) For fiscal year 2013, $6,448,713,307.
(E) For fiscal year 2014, $7,332,924,155.
(F) For fiscal year 2015, $8,332,924,155.

(G) For fiscal year 2016, and each subsequent fiscal year, the amount appropriated for the preceding fiscal year adjusted by the product of—

(i) one plus the average percentage increase in costs incurred per patient served; and

(ii) one plus the average percentage increase in the total number of patients served.

(2) Special provisions

(A) Public centers

The Secretary may not expend in any fiscal year, for grants under this section to public centers (as defined in the second sentence of subsection (k)(3)) the governing boards of which (as described in subsection (k)(3)(H)) do not establish general policies for such centers, an amount which exceeds 5 percent of the amounts appropriated under this section for that fiscal year. For purposes of applying the preceding sentence, the term “public centers” shall not include health centers that receive grants pursuant to subsection (b) or (i).

(B) Distribution of grants

For fiscal year 2002 and each of the following fiscal years, the Secretary, in awarding grants under this section, shall ensure that the proportion of the amount made available under each of subsections (g), (h), and (i), relative to the total amount appropriated to carry out this section for that fiscal year, is equal to the proportion of the amount made available under that subsection for fiscal year 2001, relative to the total amount appropriated to carry out this section for fiscal year 2001.

(3) Funding report

The Secretary shall annually prepare and submit to the Committee on Health, Education, Labor, and Pensions of the Senate, and the Committee on Energy and Commerce of the House of Representatives, a report including, at a minimum—

(A) the distribution of funds for carrying out this section that are provided to meet the health care needs of medically underserved populations, including the homeless, residents of public housing, and migratory and seasonal agricultural workers, and the appropriateness of the delivery systems involved in responding to the needs of the particular populations;

(B) an assessment of the relative health care access needs of the targeted populations;

(C) the distribution of awards and funding for new or expanded services in each of rural areas and urban areas;

(D) the distribution of awards and funding for establishing new access points, and the number of new access points created;

(E) the amount of unexpended funding for loan guarantees and loan guarantee authority under subchapter XIV;

(F) the rationale for any substantial changes in the distribution of funds;

(G) the rate of closures for health centers and access points;

(H) the number and reason for any grants awarded pursuant to subsection (e)(1)(B); and

(I) the number and reason for any waivers provided pursuant to subsection (q)(4).

(4) Rule of construction with respect to rural health clinics

(A) In general

Nothing in this section shall be construed to prevent a community health center from contracting with a Federally certified rural health clinic (as defined in section 1861(aa)(2) of the Social Security Act [42 U.S.C. 1395x(aa)(2)]), a low-volume hospital (as defined for purposes of section 1886 of such Act [42 U.S.C. 1395xx]), a critical access hospital, a sole community hospital (as defined for purposes of section 1886 of such Act), or a medicare-dependent share hospital (as defined for purposes of section 1886(d)(5)(D)(iii) of such Act), or a medicare-dependent share hospital (as defined for purposes of section 1886(d)(5)(D)(iii) of such Act), or a medicare-dependent share hospital (as defined for purposes of section 1886(d)(5)(D)(iii) of such Act) for the delivery of primary health care services that are available at the clinic or hospital to individuals who would otherwise be eligible for free or reduced cost care if that individual were able to obtain that care at the community health center. Such services may be limited in scope to those primary health care services available in that clinic or hospitals.\(^2\)

(B) Assurances

In order for a clinic or hospital to receive funds under this section through a contract with a community health center under subparagraph (A), such clinic or hospital shall establish policies to ensure—

(i) nondiscrimination based on the ability of a patient to pay; and

(ii) the establishment of a sliding fee scale for low-income patients.

(5) Funding for participation of health centers in All of Us Research Program

In addition to any amounts made available pursuant to paragraph (1) of this subsection, section 282a of this title, or section 254b–2 of this title, there is authorized to be appropriated, and there is appropriated, out of any monies in the Treasury not otherwise appropriated, to the Secretary $25,000,000 for fiscal year 2018 to support the participation of health centers in the All of Us Research Program under the Precision Medicine Initiative under section 289g–5 of this title.

\(^2\) So in original. Probably should be “hospital”.\(^2\)
ployed by the center" after "approves the selection of a director for the center".


Subsec. (s). Pub. L. 115–123, §50901(b)(14), struck out subsec. (s) which related to demonstration program for individualized wellness plans.

2010—Subsec. (r)(1). Pub. L. 111–118, §50601(a), added par. (1) and struck out former par. (1). Prior to amendment, text read as follows: "For the purpose of carrying out this section, in addition to the amounts authorized to be appropriated under subsection (d), there are authorized to be appropriated—"

(A) $2,085,000,000 for fiscal year 2008;

(B) $2,315,000,000 for fiscal year 2009;

(C) $2,076,000,000 for fiscal year 2010;

(D) $2,940,000,000 for fiscal year 2011; and

(E) $3,337,000,000 for fiscal year 2012.


Subsec. (r)(1). Pub. L. 110–355, §2(a), amended par. (1) generally. Prior to amendment, text read as follows: "For the purpose of carrying out this section, in addition to the amounts authorized to be appropriated under subsection (d) of this section, there are authorized to be appropriated $1,340,000,000 for fiscal year 2002 and such sums as may be necessary for each of the fiscal years 2003 through 2006.


Subsec. (e)(3) to (5). Pub. L. 108–163, §2(a)(1)(A), amended pars. (3) to (5) to read as if subpar. (C) of the second par. (4) of section 101 of Pub. L. 107–251 had not been enacted. See 2002 Amendment note below.


Effective Date of 2008 Amendment
Pub. L. 110–355, §2(c)(2), Oct. 8, 2008, 122 Stat. 3992, provided that: ‘‘The amendment made by paragraph (1) [amending this section] shall apply to grants made on or after January 1, 2009.’’

Effective Date of 2003 Amendment

Effective Date
Section effective Oct. 1, 1996, see section 5 of Pub. L. 104–299, as amended, set out as an Effective Date of 1996 Amendment note under section 233 of this title.

Savings Provision for Current Grants, Contracts, and Cooperative Agreements
Pub. L. 104–299, §3(b), Oct. 11, 1996, 110 Stat. 3644, provided that: ‘‘The Secretary of Health and Human Services shall ensure the continued funding of grants made, or contracts or cooperative agreements entered into, under subpart I of part D of title III of the Public Health Service Act (42 U.S.C. 254b et seq.) (as such subpart existed on the day prior to the date of enactment of this Act [Oct. 11, 1996]), until the expiration of the grant period or the term of the contract or cooperative agreement. Such funding shall be continued under the same terms and conditions as were in effect on the date on which the grant, contract or cooperative agreement was awarded, subject to the availability of appropriations.’’

Negotiated Rulemaking for Development of Methodology and Criteria for Designating Medically Underserved Populations and Health Professional Shortage Areas
‘‘(a) Establishment.—
‘‘(1) In general.—The Secretary of Health and Human Services (in this section referred to as the ‘Secretary’) shall establish, through a negotiated rulemaking process under subchapter 3 [III] of chapter 5 of title 5, United States Code, a comprehensive methodology and criteria for designation of—
‘‘(A) medically underserved populations in accordance with section 330(b)(3) of the Public Health Service Act (42 U.S.C. 254b(b)(3));
‘‘(B) health professions shortage areas under section 332 of the Public Health Service Act (42 U.S.C. 254e).

‘‘(2) Factors to consider.—In establishing the methodology and criteria under paragraph (1), the Secretary—
‘‘(A) shall consult with relevant stakeholders who will be significantly affected by a rule (such as national, State and regional organizations representing affected entities), State health offices, community organizations, health centers and other affected entities, and other interested parties; and
‘‘(B) shall take into account—
‘‘(i) the timely availability and appropriateness of data used to determine a designation to potential applicants for such designations;
‘‘(ii) the impact of the methodology and criteria on communities of various types and on health centers and other safety net providers;
‘‘(iii) the degree of ease or difficulty that will face potential applicants for such designations in securing the necessary data; and
‘‘(iv) the extent to which the methodology accurately measures various barriers that confront individuals and population groups in seeking health care services.

‘‘(b) Publication of Notice.—In carrying out the rulemaking process under this subsection, the Secretary shall publish the notice provided for under section 564(a) of title 5, United States Code, by not later than 45 days after the date of the enactment of this Act [Mar. 23, 2010].

‘‘(c) Target Date for Publication of Rule.—As part of the notice under subsection (b), and for purposes of this subsection, the ‘target date for publication’, as referred to in section 564(a)(5) of title 5, United States [sic] Code, shall be July 1, 2010.

‘‘(d) Appointment of Negotiated Rulemaking Committee and Facilitator.—The Secretary shall provide for—
‘‘(1) the appointment of a negotiated rulemaking committee under section 565(a) of title 5, United States Code, by not later than 30 days after the end of the comment period provided for under section 564(c) of such title; and
‘‘(2) the nomination of a facilitator under section 565(c) of such title 5 by not later than 10 days after the date of appointment of the committee.

‘‘(e) Preliminary Committee Report.—The negotiated rulemaking committee appointed under subsection (d) shall report to the Secretary, by not later than April 1, 2010, regarding the committee’s progress on achieving a consensus with regard to the rulemaking proceeding and whether such consensus is likely to occur before one month before the target date for publication of the rule. If the committee reports that the committee has failed to make significant progress toward such consensus or is unlikely to reach such consensus by the target date, the Secretary may terminate such process and provide for the publication of a rule under this section through such other methods as the Secretary may provide.

‘‘(f) Final Committee Report.—If the committee is not terminated under subsection (e), the rulemaking committee shall submit a report containing a proposed rule by not later than one month before the target publication date.

‘‘(g) Interim Final Effect.—The Secretary shall publish a rule under this section in the Federal Register by not later than the target publication date. Such rule shall be effective and final immediately on an interim basis, but is subject to change and revision after public notice and opportunity for a period (of not less than 90 days) for public comment. In connection with such rule, the Secretary shall specify the process for the timely review and approval of applications for such designations pursuant to such rules and consistent with this section.

‘‘(h) Publication of Rule After Public Comment.—The Secretary shall provide for consideration of such comments and republication of such rule by not later than 1 year after the target publication date.

Studies Relating to Community Health Centers
‘‘(1) Definitions.—For purposes of this subsection—
‘‘(A) the term ‘community health center’ means a health center receiving assistance under section 330 of the Public Health Service Act (42 U.S.C. 254b); and
‘‘(B) the term ‘medically underserved population’ has the meaning given that term in such section 330.

‘‘(2) School-Based Health Center Study.—
‘‘(A) In general.—Not later than 2 years after the date of enactment of this Act [Oct. 8, 2008], the Comptroller General of the United States shall issue a study of the economic costs and benefits of school-based health centers and the impact on the health of students of these centers.

‘‘(B) Content.—In conducting the study under subparagraph (A), the Comptroller General of the United States shall analyze—
‘‘(i) the impact that Federal funding could have on the operation of school-based health centers;

‘‘(ii) any cost savings to other Federal programs derived from providing health services in school-based health centers;

‘‘(iii) the effect on the Federal Budget and the health of students of providing Federal funds to...
school-based health centers and clinics, including the result of providing disease prevention and nutrition information;

(v) the impact of access to health care from school-based health centers in rural or underserved areas; and

(vi) other sources of Federal funding for school-based health centers.

(3) HEALTH CARE QUALITY STUDY.—

(A) IN GENERAL.—Not later than 1 year after the date of enactment of this Act [Oct. 8, 2008], the Secretary of Health and Human Services (referred to in this Act [see Short Title of 2008 Amendment note set out under section 201 of this title] as the ‘Secretary’), acting through the Administrator of the Health Resources and Services Administration, and in collaboration with the Agency for Healthcare Research and Quality, shall prepare and submit to the Committee on Health, Education, Labor, and Pensions of the Senate and the Committee on Energy and Commerce of the House of Representatives a report that describes agency efforts to expand and accelerate quality improvement activities in community health centers.

(B) CONTENT.—The report under subparagraph (A) shall focus on—

(1) Federal efforts, as of the date of enactment of this Act, regarding health care quality in community health centers, including quality data collection, analysis, and reporting requirements;

(2) identification of effective models for quality improvement in community health centers, which may include models that—

(A) incorporate care coordination, disease management, and other services demonstrated to improve care;

(B) are designed to address multiple, co-occurring diseases and conditions;

(C) improve access to providers through nontraditional means, such as the use of remote monitoring equipment;

(D) target various medically underserved populations, including uninsured patient populations;

(E) increase access to specialty care, including regulars and diagnostic testing; and

(F) enhance the use of electronic health records to improve quality;

(G) efforts to determine how effective quality improvement models may be adapted for implementation by community health centers that vary by size, budget, staffing, services offered, populations served, and other characteristics determined appropriate by the Secretary;

(H) types of technical assistance and resources provided to community health centers that may facilitate the implementation of quality improvement interventions;

(I) proposed or adopted methodologies for community health center evaluations of quality improvement interventions, including any development of new measures that are tailored to safety-net, community-based providers;

(J) successful strategies for sustaining quality improvement interventions in the long-term, and partnerships with other Federal agencies and private organizations or networks as appropriate, to enhance health care quality in community health centers.

(C) DISSEMINATION.—The Administrator of the Health Resources and Services Administration shall establish a formal mechanism or mechanisms for the ongoing dissemination of agency initiatives, best practices, and other information that may assist health care quality improvement efforts in community health centers.’’

Guarantee Study


REFERENCE TO COMMUNITY, MIGRANT, PUBLIC HOUSING, OR HOMELESS HEALTH CENTER CONSIDERED REFERENCE TO HEALTH CENTER

Pub. L. 104–299, §4(c), Oct. 11, 1996, 110 Stat. 3645, provided that: ‘‘Whenever any reference is made in any provision of law, regulation, rule, record, or document to a community health center, migrant health center, public housing health center, or homeless health center, such reference shall be considered a reference to a health center.’’

LEGISLATIVE PROPOSAL FOR CHANGES CONFORMING TO

Pub. L. 104–299, §4(c), Oct. 11, 1996, 110 Stat. 3645, provided that: ‘‘After consultation with the appropriate committees of the Congress, the Secretary of Health and Human Services shall prepare and submit to the Congress a legislative proposal in the form of an implementing bill containing technical and conforming amendments to reflect the changes made by this Act [see Short Title of 1996 Amendments note set out under section 201 of this title].’’

MEDICARE DEMONSTRATION TO TEST MEDICAL HOMES IN FEDERALLY QUALIFIED HEALTH CENTERS

Memorandum of President of the United States, Dec. 9, 2009, 74 F.R. 68207, provided:

Memorandum for the Secretary of Health And Human Services

My Administration is committed to building a high-quality, efficient health care system and improving access to health care for all Americans. Health centers are a vital part of the health care delivery system. For more than 40 years, health centers have served populations with limited access to health care, treating all patients regardless of ability to pay. These include low-income populations, the uninsured, individuals with limited English proficiency, migrant and seasonal farm workers, individuals and families experiencing homelessness, and individuals living in public housing. There are over 1,100 health centers across the country, delivering care at over 7,500 sites. These centers served more than 17 million patients in 2008 and are estimated to serve more than 20 million patients in 2010.

The American Recovery and Reinvestment Act of 2009 (Recovery Act) provided $2 billion for health centers, including $500 million to expand health centers’ services to over 2 million new patients by opening new health center sites, adding new providers, and improving hours of operations. An additional $1.5 billion is supporting much-needed capital improvements, including funding to buy equipment, modernize clinic facilities, expand into new facilities, and adopt or expand the use of health information technology and electronic health records.

One of the key benefits health centers provide to the communities they serve is quality primary health care services. Health centers use interdisciplinary teams to treat the ‘‘whole patient’’ and focus on chronic disease management to reduce the use of costlier providers of care, such as emergency rooms and hospitals. Federally qualified health centers provide an excellent environment to demonstrate the further improvements to health care that may be offered by the medical homes approach. In general, this approach emphasizes the patient’s relationship with a primary care
§ 254b-1. State grants to health care providers who provide services to a high percentage of medically underserved populations or other special populations

(a) In general

A State may award grants to health care providers who treat a high percentage, as determined by such State, of medically underserved populations or other special populations in such State.

(b) Source of funds

A grant program established by a State under subsection (a) may not be established within a department, agency, or other entity of such State that administers the Medicaid program under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.), and no Federal or State funds allocated to such Medicaid program, the Medicare program under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.), or the Health and Human Services Act which comprises this chapter.

This memorandum is not intended to, and does not, create any right or benefit, substantive or procedural, enforceable at law or in equity by any party against the United States, its departments, agencies, or entities, its officers, employees, or agents, or any other person.

You are authorized and directed to publish this memorandum in the Federal Register.

BARACK OBAMA.

§ 254b-2. Community health centers and the National Health Service Corps Fund

(a) Purpose

It is the purpose of this section to establish a Community Health Center Fund (referred to in this section as the “CHC Fund”), to be administered through the Office of the Secretary of the Department of Health and Human Services to provide for expanded and sustained national investment in community health centers under section 254b of this title and the National Health Service Corps.

(b) Funding

There is authorized to be appropriated, and there is appropriated, out of any monies in the Treasury not otherwise appropriated, to the CHC Fund—

(1) to be transferred to the Secretary of Health and Human Services to provide enhanced funding for the community health center program under section 254b of this title—

   (A) $1,000,000,000 for fiscal year 2011;
   (B) $1,200,000,000 for fiscal year 2012;
   (C) $1,300,000,000 for fiscal year 2013;
   (D) $1,300,000,000 for each of fiscal years 2014 and 2015;
   (E) $1,600,000,000 for each of fiscal years 2016 and 2017; and
   (F) $3,600,000,000 for each of fiscal years 2018 and 2019; and

(2) to be transferred to the Secretary of Health and Human Services to provide enhanced funding for the National Health Service Corps—

   (A) $290,000,000 for fiscal year 2011;
   (B) $295,000,000 for fiscal year 2012;
   (C) $300,000,000 for fiscal year 2013;
   (D) $305,000,000 for fiscal year 2014;
   (E) $310,000,000 for each of fiscal years 2015 through 2017; and
   (F) $310,000,000 for each of fiscal years 2018 and 2019; and

(c) Construction

There is authorized to be appropriated, and there is appropriated, out of any monies in the Treasury not otherwise appropriated, $1,500,000,000 to be available for fiscal years 2011 through 2015 to be used by the Secretary of Health and Human Services for the construction and renovation of community health centers.

(d) Use of fund

The Secretary of Health and Human Services shall transfer amounts in the CHC Fund to accounts within the Department of Health and Human Services to increase funding, over the fiscal year 2008 level, for community health centers and the National Health Service Corps.

(e) Availability

Amounts appropriated under subsections (b) and (c) shall remain available until expended.

REFERENCES IN TEXT

The Social Security Act, referred to in subsec. (b), is act Aug. 14, 1935, ch. 531, 49 Stat. 620. Titles XVIII and XIX of the Act are classified generally to subchapters XVIII (§1395 et seq.) and XIX (§1396 et seq.), respectively, of chapter 7 of this title. For complete classification of this Act to the Code, see section 1395 of this title and Tables.

CODIFICATION

Section was enacted as part of the Patient Protection and Affordable Care Act, and not as part of the Public Health Service Act which comprises this chapter.
(b) Definitions

(1) Director

The term “Director” means the Director specified in subsection (d).

(2) Federally qualified health center; rural health clinic

The terms “Federally qualified health center” and “rural health clinic” have the meanings given in the terms in section 1395x(aa) of this title.

(3) Health professional shortage area

The term “health professional shortage area” means a health professional shortage area designated under section 354e of this title.

(4) Medically underserved community

The term “medically underserved community” has the meaning given the term in section 295bb(6) of this title.

(5) Medically underserved population

The term “medically underserved population” has the meaning given the term in section 251b(b)(3) of this title.

(c) Program

The Secretary shall establish, under section 241 of this title, a small health care provider quality improvement grant program.

(d) Administration

(1) Programs

The rural health care services outreach, rural health network development, and small health care provider quality improvement grant programs established under section 241 of this title shall be administered by the Director of the Office of Rural Health Policy of the Health Resources and Services Administration, in consultation with State offices of rural health or other appropriate State government entities.

(2) Grants

(A) In general

In carrying out the programs described in paragraph (1), the Director may award grants under subsections (e), (f), and (g) to expand access to, coordinate, and improve the quality of essential health care services, and enhance the delivery of health care in rural areas.

(B) Types of grants

The Director may award the grants—

(i) to promote expanded delivery of health care services in rural areas under subsection (e);

(ii) to provide for the planning and implementation of integrated health care networks in rural areas under subsection (f); and

(iii) to provide for the planning and implementation of small health care provider quality improvement activities under subsection (g).

(e) Rural health care services outreach grants

(1) Grants

The Director may award grants to eligible entities to promote rural health care services outreach by expanding the delivery of health care services to include new and enhanced services in rural areas. The Director may
§ 254c

(2) Eligibility

To be eligible to receive a grant under this subsection for a project, an entity—
(A) shall be a rural public or rural nonprofit private entity; 
(B) shall represent a consortium composed of members—
(i) that include 3 or more health care providers; and 
(ii) that may be nonprofit or for-profit entities; and 
(C) shall not previously have received a grant under this subsection for the same or a similar project, unless the entity is proposing to expand the scope of the project or the area that will be served through the project.

(3) Applications

To be eligible to receive a grant under this subsection, an eligible entity, in consultation with the appropriate State office of rural health or another appropriate State entity, shall prepare and submit to the Secretary an application, at such time, in such manner, and containing such information as the Secretary may require, including—
(A) a description of the project that the eligible entity will carry out using the funds provided under the grant; 
(B) a description of the manner in which the project funded under the grant will meet the health care needs of rural underserved populations in the local community or region to be served; 
(C) a description of how the local community or region to be served will be involved in the development and ongoing operations of the project; 
(D) a plan for sustaining the project after Federal support for the project has ended; 
(E) a description of how the project will be evaluated; and 
(F) other such information as the Secretary determines to be appropriate.

(f) Rural health network development grants

(1) Grants

(A) In general

The Director may award rural health network development grants to eligible entities to promote, through planning and implementation, the development of integrated health care networks that have combined the functions of the entities participating in the networks in order to—
(i) achieve efficiencies; 
(ii) expand access to, coordinate, and improve the quality of essential health care services; and 
(iii) strengthen the rural health care system as a whole.

(B) Grant periods

The Director may award such a rural health network development grant for implementation activities for a period of 3 years. The Director may also award such a rural health network development grant for planning activities for a period of 1 year, to assist in the development of an integrated health care network, if the proposed participants in the network do not have a history of collaborative efforts and a 3-year grant would be inappropriate.

(2) Eligibility

To be eligible to receive a grant under this subsection, an entity—
(A) shall be a rural public or rural nonprofit private entity; 
(B) shall represent a network composed of participants—
(i) that include 3 or more health care providers; and 
(ii) that may be nonprofit or for-profit entities; and 
(C) shall not previously have received a grant under this subsection (other than a grant for planning activities) for the same or a similar project.

(3) Applications

To be eligible to receive a grant under this subsection, an eligible entity, in consultation with the appropriate State office of rural health or another appropriate State entity, shall prepare and submit to the Secretary an application, at such time, in such manner, and containing such information as the Secretary may require, including—
(A) a description of the project that the eligible entity will carry out using the funds provided under the grant; 
(B) an explanation of the reasons why Federal assistance is required to carry out the project; 
(C) a description of—
(i) the history of collaborative activities carried out by the participants in the network; 
(ii) the degree to which the participants are ready to integrate their functions; and 
(iii) how the local community or region to be served will benefit from and be involved in the activities carried out by the network; 
(D) a description of how the local community or region to be served will experience increased access to quality health care services across the continuum of care as a result of the integration activities carried out by the network; 
(E) a plan for sustaining the project after Federal support for the project has ended; 
(F) a description of how the project will be evaluated; and 
(G) other such information as the Secretary determines to be appropriate.

(g) Small health care provider quality improvement grants

(1) Grants

The Director may award grants to provide for the planning and implementation of small health care provider quality improvement activities. The Director may award the grants for periods of 1 to 3 years.

(2) Eligibility

To be eligible for a grant under this subsection, an entity—
(A)(i) shall be a rural public or rural non-profit private health care provider or provider of health care services, such as a critical access hospital or a rural health clinic; or
(ii) shall be another rural provider or network of small rural providers identified by the Secretary as a key source of local care; and
(B) shall not previously have received a grant under this subsection for the same or a similar project.

(3) Applications

To be eligible to receive a grant under this subsection, an eligible entity, in consultation with the appropriate State office of rural health or another appropriate State entity shall prepare and submit to the Secretary an application, at such time, in such manner, and shall prepare and submit to the Secretary an application, at such time, in such manner, and containing such information as the Secretary may require, including—

(A) a description of the project that the eligible entity will carry out using the funds provided under the grant;

(B) an explanation of the reasons why Federal assistance is required to carry out the project;

(C) a description of the manner in which the project funded under the grant will assure continuous quality improvement in the provision of services by the entity;

(D) a description of how the local community or region to be served will experience increased access to quality health care services across the continuum of care as a result of the activities carried out by the entity;

(E) a plan for sustaining the project after Federal support for the project has ended;

(F) a description of how the project will be evaluated; and

(G) other such information as the Secretary determines to be appropriate.

(4) Expenditures for small health care provider quality improvement grants

In awarding a grant under this subsection, the Director shall ensure that the funds made available through the grant will be used to provide services to residents of rural areas. The Director shall award not less than 50 percent of the funds made available under this subsection to providers located in and serving rural areas.

(h) General requirements

(1) Prohibited uses of funds

An entity that receives a grant under this section may not use funds provided through the grant—

(A) to build or acquire real property; or

(B) for construction.

(2) Coordination with other agencies

The Secretary shall coordinate activities carried out under grant programs described in this section, to the extent practicable, with Federal and State agencies and nonprofit organizations that are operating similar grant programs, to maximize the effect of public dollars in funding meritorious proposals.

(3) Preference

In awarding grants under this section, the Secretary shall give preference to entities that—

(A) are located in health professional shortage areas or medically underserved communities, or serve medically underserved populations; or

(B) propose to develop projects with a focus on primary care, and wellness and prevention strategies.

(i) Report

Not later than September 30, 2005, the Secretary shall prepare and submit to the appropriate committees of Congress a report on the progress and accomplishments of the grant programs described in subsections (e), (f), and (g).

(j) Authorization of appropriations

There are authorized to be appropriated to carry out this section $45,000,000 for each of fiscal years 2008 through 2012.

(7) Provisions


PRIOR PROVISIONS


AMENDMENTS

2008—Subsec. (j). Pub. L. 110–355 substituted ‘‘$45,000,000 for each of fiscal years 2008 through 2012.’’ for ‘‘$40,000,000 for fiscal year 2002, and such sums as may be necessary for each of fiscal years 2003 through 2006.’’


2002—Pub. L. 107–251 amended section generally. Prior to amendment, section related to a rural health outreach, network development, and telemedicine grant program, and in subsec. (a), provided for administration by the Office of Rural Health Policy; in subsec. (b), set out the objectives of grants; in subsec. (c), set out eligibility requirements; in subsec. (d), described preferred characteristics of applicant networks; in subsec. (e), specified permitted uses of grant funds; in subsec. (f), limited the duration of grants; and in subsec. (g), authorized appropriations.

EFFECTIVE DATE OF 2003 AMENDMENT

Amendment by Pub. L. 108–163 deemed to have taken effect immediately after the enactment of Pub. L.
107-251, see section 3 of Pub. L. 108-163, set out as a note under section 233 of this title.

**Effective Date**

Section effective Oct. 1, 1996, see section 5 of Pub. L. 104-299, as amended, set out as an Effective Date of 1996 Amendment note under section 233 of this title.

**Rural Access to Emergency Devices**

Pub. L. 106-505, title IV, subtitle B, Nov. 13, 2000, 114 Stat. 2340, provided that:

```
SEC. 411. SHORT TITLE.

'This subtitle may be cited as the ‘Rural Access to Emergency Devices Act’ or the ‘Rural AED Act’.
```

```
SEC. 412. FINDINGS.

Congress makes the following findings:

(a) Heart disease is the leading cause of death in the United States.

(b) The American Heart Association estimates that 250,000 Americans die from sudden cardiac arrest each year.

(c) A cardiac arrest victim’s chance of survival drops 10 percent for every minute that passes before his or her heart is returned to normal rhythm.

(d) Because most cardiac arrest victims are initially in ventricular fibrillation, and the only treatment for ventricular fibrillation is defibrillation, prompt access to defibrillation to return the heart to normal rhythm is essential.

(e) Lifesaving technology, the automated external defibrillator, has been developed to allow trained lay rescuers to respond to cardiac arrest by using this simple device to shock the heart into normal rhythm.

(f) Those people who are likely to be first on the scene of a cardiac arrest situation in many communities, particularly smaller and rural communities, lack sufficient numbers of automated external defibrillators to respond to cardiac arrest in a timely manner.

(g) The American Heart Association estimates that more than 50,000 deaths could be prevented each year if defibrillators were more widely available to designated responders.

(h) Legislation should be enacted to encourage greater public access to automated external defibrillators in communities across the United States.

SEC. 413. GRANTS.

(a) IN GENERAL.—The Secretary of Health and Human Services, acting through the Rural Health Outreach Office of the Health Resources and Services Administration, shall award grants to community partnerships that meet the requirements of subsection (b) to enable such partnerships to purchase equipment and provide training as provided for in subsection (c).

(b) COMMUNITY PARTNERSHIPS.—A community partnership meets the requirements of this subsection if such partnership—

(1) is composed of local emergency response entities such as community training facilities, local emergency responders, fire and rescue departments, police, community hospitals, and local non-profit entities and for-profit entities concerned about cardiac arrest survival rates;

(2) evaluates the local community emergency response times to assess whether they meet the standards established by national public health organizations such as the American Heart Association and the American Red Cross; and

(3) submits to the Secretary of Health and Human Services an application at such time, in such manner, and containing such information as the Secretary may require.

(c) USE OF FUNDS.—Amounts provided under a grant under this section shall be used—

(1) to purchase automated external defibrillators that have been approved, or cleared for marketing, by the Food and Drug Administration; and

(2) to provide defibrillator and basic life support training in automated external defibrillator usage through the American Heart Association, the American Red Cross, or other nationally recognized training courses.

(d) REPORT.—Not later than 4 years after the date of the enactment of this Act (Nov. 13, 2000), the Secretary of Health and Human Services shall prepare and submit to the appropriate committees of Congress a report containing data relating to whether the increased availability of defibrillators has affected survival rates in the communities in which grantees under this section operated. The procedures under which the Secretary obtains data and prepares the report under this subsection shall not impose an undue burden on program participants under this section.

(e) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated $25,000,000 for fiscal years 2001 through 2003 to carry out this section.

REPORT ON TELEMEDICINE

Pub. L. 106-129, §§ 6, Dec. 6, 1999, 113 Stat. 1675, provided that: ‘‘Not later than January 10, 2001, the Secretary of Health and Human Services shall submit to the Congress a report that—

(1) identifies any factors that inhibit the expansion and accessibility of telemedicine services, including factors relating to telemedicine networks;

(2) identifies any factors that, in addition to geographical isolation, should be used to determine which patients need or require access to telemedicine care;

(3) determines the extent to which—

(A) patients receiving telemedicine service have benefited from the services, and are satisfied with the treatment received pursuant to the services; and

(B) the medical outcomes for such patients would have differed if telemedicine services had not been available to the patients;

(4) determines the extent to which physicians involved with telemedicine services have been satisfied with the medical aspects of the services;

(5) determines the extent to which primary care physicians are enhancing their medical knowledge and experience through the interaction with specialists provided by telemedicine consultations; and

(6) identifies legal and medical issues relating to State licensing of health professionals that are presented by telemedicine services, and provides any recommendations of the Secretary for responding to such issues.’’

§ 254c-1. Grants for health services for Pacific Islanders

(a) Grants

The Secretary of Health and Human Services (hereafter in this section referred to as the ‘Secretary’) shall provide grants to, or enter into contracts with, public or private nonprofit agencies that have demonstrated experience in serving the health needs of Pacific Islanders living in the Territory of American Samoa, the Commonwealth of Northern Mariana Islands, the Territory of Guam, the Republic of the Marshall Islands, the Republic of Palau, and the Federated States of Micronesia.

(b) Use of grants or contracts

Grants or contracts made or entered into under subsection (a) shall be used, among other items—

(1) to continue, as a priority, the medical officer training program in Pohnpei, Federated States of Micronesia;

(2) to improve the quality and availability of health and mental health services and sys-
tems, with an emphasis therein on preventive health services and health promotion programs and projects, including improved health data systems;
(3) to improve the quality and availability of health manpower, including programs and projects to train new and upgrade the skills of existing health professionals by—
(A) establishing dental officer, dental assistant, nurse practitioner, or nurse clinical specialist training programs;
(B) providing technical training of new auxiliary health workers;
(C) upgrading the training of currently employed health personnel in special areas of need;
(D) developing long-term plans for meeting health profession needs;
(E) developing or improving programs for faculty enhancement or post-doctoral training; and
(F) providing innovative health professions training initiatives (including scholarships) targeted toward ensuring that residents of the Pacific Basin attend and graduate from recognized health professional programs;
(4) to improve the quality of health services, including laboratory, x-ray, and pharmacy, provided in ambulatory and inpatient settings through quality assurance, standard setting, and other culturally appropriate means;
(5) to improve facility and equipment repair and maintenance systems;
(6) to improve alcohol, drug abuse, and mental health prevention and treatment services and systems;
(7) to improve local and regional health planning systems; and
(8) to improve basic local public health systems, with particular attention to primary care and services to those most in need.

No funds under subsection (b) shall be used for capital construction.

(c) Advisory Council

The Secretary of Health and Human Services shall establish a “Pacific Health Advisory Council” which shall consist of 12 members and shall include—
(1) the Directors of the Health Departments for the entities identified in subsection (a); and
(2) 6 members, including a representative of the Rehabilitation Hospital of the Pacific, representing organizations in the State of Hawaii actively involved in the provision of health services or technical assistance to the entities identified in subsection (a). The Secretary shall solicit the advice of the Governor of the State of Hawaii in appointing the 5 Council members in addition to the representative of the Rehabilitation Hospital of the Pacific from the State of Hawaii.

The Secretary shall be responsible for providing sufficient staff support to the Council.

(d) Advisory Council functions

The Council shall meet at least annually to—
(1) recommend priority areas of need for funding by the Public Health Service under this section; and
(2) review progress in addressing priority areas and make recommendations to the Secretary for needed program modifications.

(e) Omitted

(f) Authorization of appropriation

There is authorized to be appropriated to carry out this section $10,000,000 for each of the fiscal years 1991 through 1993.


CODIFICATION

Section was enacted as part of the Disadvantaged Minority Health Improvement Act of 1990, and not as part of the Public Health Service Act which comprises this chapter.

Subsec. (e) of this section, which required the Secretary, in consultation with the Council, to annually prepare and submit to appropriate committees of Congress a report describing the expenditure of funds authorized to be appropriated under this section, with any recommendations of the Secretary, terminated, effective May 15, 2000, pursuant to section 3003 of Pub. L. 104–66, as amended, set out as a note under section 1113 of Title 31, Money and Finance. See, also, page 95 of House Document No. 103–7.

TERMINATION OF ADVISORY COUNCILS

Advisory councils established after Jan. 5, 1973, to terminate not later than the expiration of the 2-year period beginning on the date of their establishment, unless, in the case of a council established by the President or an officer of the Federal Government, such council is renewed by appropriate action prior to the expiration of such 2-year period, or in the case of a council established by Congress, its duration is otherwise provided by law. See sections 3(2) and 14 of Pub. L. 92–463,Oct. 6, 1972, 86 Stat. 770, 776, set out in the Appendix to Title 5, Government Organization and Employees.

§ 254c–1a. Grants to nurse-managed health clinics

(a) Definitions

(1) Comprehensive primary health care services

In this section, the term “comprehensive primary health care services” means the primary health services described in section 254b(b)(1) of this title.

(2) Nurse-managed health clinic

The term “nurse-managed health clinic” means a nurse-practice arrangement, managed by advanced practice nurses, that provides primary care or wellness services to underserved or vulnerable populations and that is associated with a school, college, university or department of nursing, federally qualified health center, or independent nonprofit health or social services agency.

(b) Authority to award grants

The Secretary shall award grants for the cost of the operation of nurse-managed health clinics that meet the requirements of this section.

(c) Applications

To be eligible to receive a grant under this section, an entity shall—
(1) be an NMHC; and
(2) submit to the Secretary an application at such time, in such manner, and containing—
§ 254c–2. Special diabetes programs for type I diabetes

(a) assurances that nurses are the major providers of services at the NMHC and that at least 1 advanced practice nurse holds an executive management position within the organizational structure of the NMHC;

(b) an assurance that the NMHC will continue providing comprehensive primary health care services or wellness services without regard to income or insurance status of the patient for the duration of the grant period; and

(c) an assurance that, not later than 90 days of receiving a grant under this section, the NMHC will establish a community advisory committee, for which a majority of the members shall be individuals who are served by the NMHC.

(d) Grant amount

The amount of any grant made under this section for any fiscal year shall be determined by the Secretary, taking into account—

(1) the financial need of the NMHC, considering State, local, and other operational funding provided to the NMHC; and

(2) other factors, as the Secretary determines appropriate.

(e) Authorization of appropriations

For the purposes of carrying out this section, there are authorized to be appropriated $50,000,000 for the fiscal year 2010 and such sums as may be necessary for each of the fiscal years 2011 through 2014.


§ 254c–2. Special diabetes programs for type I diabetes

(a) In general

The Secretary, directly or through grants, shall provide for research into the prevention and cure of type 1 diabetes.

(b) Funding

(1) Transferred funds

Notwithstanding section 1397dd(a) of this title, from the amounts appropriated in such section for each of fiscal years 1998 through 2002, $30,000,000 is hereby transferred and made available in such fiscal year for grants under this section.

(2) Appropriations

For the purpose of making grants under this section, there is appropriated, out of any funds in the Treasury not otherwise appropriated—

(A) $70,000,000 for each of fiscal years 2001 and 2002 (which shall be combined with amounts transferred under paragraph (1) for each such fiscal years);

(B) $100,000,000 for fiscal year 2003;

(C) $150,000,000 for each of fiscal years 2004 through 2017; and

(D) $150,000,000 for each of fiscal years 2018 and 2019, and $96,575,342 for the period beginning on October 1, 2019, and ending on May 22, 2020, to remain available until expended.


AMENDMENTS


Pub. L. 116-69 substituted "$33,287,671" for "$21,369,863" and "December 20, 2019" for "November 21, 2019".

Pub. L. 116-59 inserted "and "$21,369,863 for the period beginning on October 1, 2019, and ending on November 21, 2019," before "to remain available until expended."

2018—Subsec. (b)(2)(D). Pub. L. 115-123 amended subpar. (D) generally. Prior to amendment, subpar. (D) read as follows: "$37,500,000 for the period of the first and second quarters of fiscal year 2018, to remain available until expended."


So in original. Probably should not be capitalized.
health centers; State and local health departments; and other appropriate public or nonprofit private entities.”

**Effective Date of 1997 Amendment**


**Report on Diabetes Grant Programs**


**§ 254c–3. Special diabetes programs for Indians**

(a) **In general**

The Secretary shall make grants for providing services for the prevention and treatment of diabetes in accordance with subsection (b).

(b) **Services through Indian health facilities**

For purposes of subsection (a), services under such subsection are provided in accordance with this subsection if the services are provided through any of the following entities:

1. The Indian Health Service.
2. An Indian health program operated by an Indian tribe or tribal organization pursuant to a contract, grant, cooperative agreement, orcompact with the Indian Health Service pursuant to the Indian Self-Determination Act [25 U.S.C. 5321 et seq.].
3. An urban Indian health program operated by an urban Indian organization pursuant to a grant or contract with the Indian Health Service pursuant to title V of the Indian Health Care Improvement Act [25 U.S.C. 1651 et seq.].

(c) **Funding**

(1) **Transferred funds**

Notwithstanding section 1397dd(a) of this title, from the amounts appropriated in such section for each of fiscal years 1998 through 2002, $30,000,000, to remain available until expended, is hereby transferred and made available in such fiscal year for grants under this section.

(2) **Appropriations**

For the purpose of making grants under this section, there is appropriated, out of any money in the Treasury not otherwise appropriated—

(A) $70,000,000 for each of fiscal years 2001 and 2002 (which shall be combined with amounts transferred under paragraph (1) for each such fiscal year);

(B) $100,000,000 for fiscal year 2003;

(C) $150,000,000 for each of fiscal years 2004 through 2017; and

(D) $150,000,000 for each of fiscal years 2018 and 2019, and $56,575,342 for the period beginning on October 1, 2019, and ending on May 22, 2020, to remain available until expended.

References to Indian Self-Determination Act and Indian Health Care Improvement Act are to such Acts as amended through the enactment of the Indian Self-Determination Act, as amended by Pub. L. 106–554, § 1(a)(6) [title IX, amendments made by this subsection [amending this section and provisions set out as a note under section 5701 of Title 26, Internal Revenue Code] shall take effect immediately after the sections referred to in this subsection [sections 4921, 9302, 11104, and 11201 of Pub. L. 105–33] take effect].
(c) Priority regarding infants and children

In carrying out the purpose described in subsection (a), the Secretary shall give priority to various populations of infants, young children, and their mothers.

(d) Authorization of appropriations

For the purpose of carrying out this section, there are authorized to be appropriated such sums as may be necessary for each of the fiscal years 2000 through 2004.

(2) Certain activities

Activities under paragraph (1) shall include—

(A) expanding current surveillance activities through existing monitoring systems and improving registries that maintain data on individuals with epilepsy, including children;

(B) enhancing research activities on the diagnosis, treatment, and management of epilepsy;

(C) implementing public and professional information and education programs regarding epilepsy, including initiatives which promote effective management of the disease through children’s programs which are targeted to parents, schools, daycare providers, patients;

(D) undertaking educational efforts with the media, providers of health care, schools and others regarding stigmas and secondary disabilities related to epilepsy and seizures, and its effects on youth;

(E) utilizing and expanding partnerships with organizations with experience addressing the health and related needs of people with disabilities; and

(F) other activities the Secretary deems appropriate.

(3) Coordination of activities

The Secretary shall ensure that activities under this subsection are coordinated as appropriate with other agencies of the Public Health Service that carry out activities regarding epilepsy and seizure.

(b) Seizure disorder; demonstration projects in medically underserved areas

(1) In general

The Secretary, acting through the Administrator of the Health Resources and Services Administration, may make grants for the purpose of carrying out demonstration projects to improve access to health and other services regarding seizures to encourage early detection and treatment in children and others residing in medically underserved areas.

(2) Application for grant

A grant may not be awarded under paragraph (1) unless an application therefore is submitted to the Secretary and the Secretary approves such application. Such application shall be submitted in such form and manner and shall contain such information as the Secretary may prescribe.

(c) Definitions

For purposes of this section:

(1) The term “epilepsy” refers to a chronic and serious neurological condition characterized by excessive electrical discharges in the brain causing recurring seizures affecting all life activities. The Secretary may revise the definition of such term to the extent the Secretary determines necessary.
(d) Authorization of appropriations

For the purpose of carrying out this section, there are authorized to be appropriated such sums as may be necessary for each of the fiscal years 2001 through 2005.


§ 254c–6. Certain services for pregnant women

(a) Infant adoption awareness

(1) In general

The Secretary shall make grants to national, regional, or local adoption organizations for the purpose of developing and implementing programs to train the designated staff of eligible health centers in providing adoption information and referrals to pregnant women on an equal basis with all other courses of action included in nondirective counseling to pregnant women.

(2) Best-practices guidelines

(A) In general

A condition for the receipt of a grant under paragraph (1) is that the adoption organization involved agree that, in providing training under such paragraph, the organization will follow the guidelines developed under subparagraph (B).

(B) Process for development of guidelines

(i) In general

The Secretary shall establish and supervise a process described in clause (ii) in which the participants are—

(I) an appropriate number and variety of adoption organizations that, as a group, have expertise in all models of adoption practice and that represent all members of the adoption triad (birth mother, infant, and adoptive parent); and

(II) affected public health entities.

(ii) Description of process

The process referred to in clause (i) is a process in which the participants described in such clause collaborate to develop best-practices guidelines on the provision of adoption information and referrals to pregnant women on an equal basis with all other courses of action included in nondirective counseling to pregnant women.

(iii) Date certain for development

The Secretary shall ensure that the guidelines described in clause (ii) are developed not later than 180 days after October 17, 2000.

(C) Relation to authority for grants

The Secretary may not make any grant under paragraph (1) before the date on which the guidelines under subparagraph (B) are developed.

(3) Use of grant

(A) In general

With respect to a grant under paragraph (1)—

(i) an adoption organization may expend the grant to carry out the programs directly or through grants to or contracts with other adoption organizations;

(ii) the purposes for which the adoption organization expends the grant may include the development of a training curriculum, consistent with the guidelines developed under paragraph (2)(B); and

(iii) a condition for the receipt of the grant is that the adoption organization agree that, in providing training for the designated staff of eligible health centers, such organization will make reasonable efforts to ensure that the individuals who provide the training are individuals who are knowledgeable in all elements of the adoption process and are experienced in providing adoption information and referrals in the geographic areas in which the eligible health centers are located, and that the designated staff receive the training in such areas.

(B) Rule of construction regarding training of trainers

With respect to individuals who under a grant under paragraph (1) provide training for the designated staff of eligible health centers (referred to in this subparagraph as "trainers"), subparagraph (A)(iii) may not be construed as establishing any limitation regarding the geographic area in which the trainers receive instruction in being such trainers. A trainer may receive such instruction in a different geographic area than the area in which the trainer trains (or will train) the designated staff of eligible health centers.

(4) Adoption organizations; eligible health centers; other definitions

For purposes of this section:

(A) The term "adoption organization" means a national, regional, or local organization—

(I) among whose primary purposes are adoption;

(ii) that is knowledgeable in all elements of the adoption process and on providing adoption information and referrals to pregnant women; and

(iii) that is a nonprofit private entity.

(B) The term "designated staff", with respect to an eligible health center, means staff of the center who provide pregnancy or adoption information and referrals (or will provide such information and referrals after receiving training under a grant under paragraph (1)).

(C) The term "eligible health centers" means public and nonprofit private entities that provide health services to pregnant women.

(5) Training for certain eligible health centers

A condition for the receipt of a grant under paragraph (1) is that the adoption organization
§ 254c–7  TITLE 42—THE PUBLIC HEALTH AND WELFARE

involved agree to make reasonable efforts to ensure that the eligible health centers with respect to which training under the grant is provided include—

(A) eligible health centers that receive grants under section 300 of this title (relating to voluntary family planning projects);

(B) eligible health centers that receive grants under section 254b of this title (relating to community health centers, migrant health centers, and centers regarding homeless individuals and residents of public housing); and

(C) eligible health centers that receive grants under this chapter for the provision of services in schools.

(6) Participation of certain eligible health clinics

In the case of eligible health centers that receive grants under section 254b or 300 of this title:

(A) Within a reasonable period after the Secretary begins making grants under paragraph (1), the Secretary shall provide eligible health centers with complete information about the training available from organizations receiving grants under such paragraph. The Secretary shall make reasonable efforts to encourage eligible health centers to arrange for designated staff to participate in such training. Such efforts shall affirm Federal requirements, if any, that the eligible health center provide nondirective counseling to pregnant women.

(B) All costs of such centers in obtaining the training shall be reimbursed by the organization that provides the training, using grants under paragraph (1).

(C) Not later than 1 year after October 17, 2000, the Secretary shall submit to the appropriate committees of the Congress a report evaluating the extent to which adoption information and referral, upon request, are provided by eligible health centers. Within a reasonable time after training under this section is initiated, the Secretary shall submit to the appropriate committees of the Congress a report evaluating the extent to which adoption information and referral, upon request, are provided by eligible health centers in order to determine the effectiveness of such training and the extent to which such training complies with subsection (a)(1). In preparing the reports required by this subparagraph, the Secretary shall in no respect interpret the provisions of this section to allow any interference in the provider-patient relationship, any breach of patient confidentiality, or any monitoring or auditing of the counseling process or patient records which breaches patient confidentiality or reveals patient identity. The reports required by this subparagraph shall be conducted by the Secretary acting through the Administrator of the Health Resources and Services Administration and in collaboration with the Director of the Agency for Healthcare Research and Quality.

(b) Application for grant

The Secretary may make a grant under subsection (a) only if an application for the grant is submitted to the Secretary and the application is in such form, is made in such manner, and contains such agreements, assurances, and information as the Secretary determines to be necessary to carry out this section.

(c) Authorization of appropriations

For the purpose of carrying out this section, there are authorized to be appropriated such sums as may be necessary for each of the fiscal years 2001 through 2005.


§ 254c–7. Special needs adoption programs; public awareness campaign and other activities

(a) Special needs adoption awareness campaign

(1) In general

The Secretary shall, through making grants to nonprofit private entities, provide for the planning, development, and carrying out of a national campaign to provide information to the public regarding the adoption of children with special needs.

(2) Input on planning and development

In providing for the planning and development of the national campaign under paragraph (1), the Secretary shall provide for input from a number and variety of adoption organizations throughout the States in order that the full national diversity of interests among adoption organizations is represented in the planning and development of the campaign.

(3) Certain features

With respect to the national campaign under paragraph (1):

(A) The campaign shall be directed at various populations, taking into account as appropriate differences among geographic regions, and shall be carried out in the language and cultural context that is most appropriate to the population involved.

(B) The means through which the campaign may be carried out include—

(i) placing public service announcements on television, radio, and billboards; and

(ii) providing information through means that the Secretary determines will reach individuals who are most likely to adopt children with special needs.

(C) The campaign shall provide information on the subsidies and supports that are available to individuals regarding the adoption of children with special needs.

(D) The Secretary may provide that the placement of public service announcements, and the dissemination of brochures and other materials, is subject to review by the Secretary.

(4) Matching requirement

(A) In general

With respect to the costs of the activities to be carried out by an entity pursuant to
paragraph (1), a condition for the receipt of a grant under such paragraph is that the entity agree to make available (directly or through donations from public or private entities) non-Federal contributions toward such costs in an amount that is not less than 25 percent of such costs.

(B) Determination of amount contributed

Non-Federal contributions under subparagraph (A) may be in cash or in kind, fairly evaluated, including plant, equipment, or services. Amounts provided by the Federal Government, or services assisted or subsidized to any significant extent by the Federal Government, may not be included in determining the amount of such contributions.

(b) National resources program

The Secretary shall (directly or through grant or contract) carry out a program that, through toll-free telecommunications, makes available information concerning children with special needs. Such information shall include the following:

(1) A list of national, State, and regional organizations that provide services regarding such adoptions, including exchanges and other information on communicating with the organizations. The list shall represent the full national diversity of adoption organizations.

(2) Information beneficial to individuals who adopt such children, including lists of support groups for adoptive parents and other postadoptive services.

(c) Other programs

With respect to the adoption of children with special needs, the Secretary shall make grants—

(1) to provide assistance to support groups for adoptive parents, adopted children, and siblings of adopted children; and

(2) to carry out studies to identify—

(A) the barriers to completion of the adoption process; and

(B) those components that lead to favorable long-term outcomes for families that adopt children with special needs.

(d) Application for grant

The Secretary may make an award of a grant or contract under this section only if an application for the award is submitted to the Secretary and the application is in such form, is made in such manner, and contains such agreements, assurances, and information as the Secretary determines to be necessary to carry out this section.

(e) Funding

For the purpose of carrying out this section, there are authorized to be appropriated such sums as may be necessary for each of the fiscal years 2001 through 2005.


§ 254c–8. Healthy start for infants

(a) In general

(1) Continuation and expansion of program

The Secretary, acting through the Administrator of the Health Resources and Services Administration, Maternal and Child Health Bureau, shall under authority of this section continue in effect the Healthy Start Initiative and may, during fiscal year 2001 and subsequent years, carry out such program on a national basis.

(2) Definition

For purposes of paragraph (1), the term “Healthy Start Initiative” is a reference to the program that, as an initiative to reduce the rate of infant mortality and improve perinatal outcomes, makes grants for project areas with high annual rates of infant mortality and that, prior to the effective date of this section, was a demonstration program carried out under section 241 of this title.

(b) Considerations in making grants

(1) Requirements

In making grants under subsection (a), the Secretary shall require that applicants (in addition to meeting all eligibility criteria established by the Secretary) establish, for project areas under such subsection, community-based consortia of individuals and organizations (including agencies responsible for administering block grant programs under title V of the Social Security Act [42 U.S.C. 701 et seq.], consumers of project services, public health departments, hospitals, health centers under section 254b of this title, and other significant sources of health care services) that are appropriate for participation in projects under subsection (a).

(2) Other considerations

In making grants under subsection (a), the Secretary shall take into consideration the following:

(A) Factors that contribute to infant mortality, such as low birthweight.

(B) The extent to which applicants for such grants facilitate—

(i) a community-based approach to the delivery of services; and

(ii) a comprehensive approach to women’s health care to improve perinatal outcomes.

(3) Special projects

Nothing in paragraph (2) shall be construed to prevent the Secretary from awarding grants under subsection (a) for special projects that are intended to address significant disparities in perinatal health indicators in communities along the United States-Mexico border or in Alaska or Hawaii.

(c) Coordination

Recipients of grants under subsection (a) shall coordinate their services and activities with the State agency or agencies that administer block grant programs under title V of the Social Security Act [42 U.S.C. 701 et seq.] in order to promote cooperation, integration, and dissemination of information with Statewide systems and with other community services funded under the Maternal and Child Health Block Grant.

(d) Rule of construction

Except to the extent inconsistent with this section, this section may not be construed as af-
flecting the authority of the Secretary to make modifications in the program carried out under subsection (a).

(e) Funding

(1) Authorization of appropriations

For the purpose of carrying out this section, there are authorized to be appropriated—

(A) $120,000,000 for fiscal year 2008; and

(B) for each of fiscal years 2009 through 2013, the amount authorized for the preceding fiscal year increased by the percentage increase in the Consumer Price Index for all urban consumers for such year.

(2) Allocation

(A) Program administration

Of the amounts appropriated under paragraph (1) for a fiscal year, the Secretary may reserve up to 5 percent for coordination, dissemination, technical assistance, and data activities that are determined by the Secretary to be appropriate for carrying out the program under this section.

(B) Evaluation

Of the amounts appropriated under paragraph (1) for a fiscal year, the Secretary may reserve up to 1 percent for evaluations of projects carried out under subsection (a). Each such evaluation shall include a determination of whether such projects have been effective in reducing the disparity in health status between the general population and individuals who are members of racial or ethnic minority groups.


REFERENCES IN TEXT

The effective date of this section, referred to in subsec. (a)(2), is the date of enactment of Pub. L. 106–310, which was approved Oct. 17, 2000.

The Social Security Act, referred to in subsec. (b)(1) and (c), is act Aug. 14, 1935, ch. 531, 49 Stat. 620. Title V of the Act is classified generally to subchapter V of this title only if the applicant involved makes a successful project proposal.

The following agreements:

(A) Program administration

(A) $120,000,000 for fiscal year 2008; and

(B) for each of fiscal years 2009 through 2013, the amount authorized for the preceding fiscal year increased by the percentage increase in the Consumer Price Index for all urban consumers for such year.

(B) Evaluation

Of the amounts appropriated under paragraph (1) for a fiscal year, the Secretary may reserve up to 5 percent for evaluations of projects carried out under subsection (a). Each such evaluation shall include a determination of whether such projects have been effective in reducing the disparity in health status between the general population and individuals who are members of racial or ethnic minority groups.


REFERENCES IN TEXT

The effective date of this section, referred to in subsec. (a)(2), is the date of enactment of Pub. L. 106–310, which was approved Oct. 17, 2000.

The Social Security Act, referred to in subsec. (b)(1) and (c), is act Aug. 14, 1935, ch. 531, 49 Stat. 620. Title V of the Act is classified generally to subchapter V of this title only if the applicant involved makes a successful project proposal.

The following agreements:

(A) Program administration

(A) $120,000,000 for fiscal year 2008; and

(B) for each of fiscal years 2009 through 2013, the amount authorized for the preceding fiscal year increased by the percentage increase in the Consumer Price Index for all urban consumers for such year.

(B) Evaluation

Of the amounts appropriated under paragraph (1) for a fiscal year, the Secretary may reserve up to 5 percent for evaluations of projects carried out under subsection (a). Each such evaluation shall include a determination of whether such projects have been effective in reducing the disparity in health status between the general population and individuals who are members of racial or ethnic minority groups.


The Secretary of Health and Human Services shall in accordance with sections 254c–9 to 254c–13 of this title make grants to provide for projects for the establishment, operation, and coordination of effective and cost-efficient systems for the delivery of essential services to individuals with lupus and their families.

(b) Recipients of grants

A grant under subsection (a) may be made to an entity only if the entity is a public or nonprofit private entity, which may include a State or local government; a public or nonprofit private hospital, community-based organization, hospice, ambulatory care facility, community health center, migrant health center, or homeless health center; or other appropriate public or nonprofit private entity.

(c) Certain activities

To the extent practicable and appropriate, the Secretary shall ensure that projects under subsection (a) provide services for the diagnosis and disease management of lupus. Activities that the Secretary may authorize for such projects may also include the following:

(1) Delivering or enhancing outpatient, ambulatory, and home-based health and support services, including case management and comprehensive treatment services, for individuals with lupus; and delivering or enhancing support services for their families.

(2) Delivering or enhancing inpatient care management services that prevent unnecessary hospitalization or that expedite discharge, as medically appropriate, from inpatient facilities of individuals with lupus.

(3) Improving the quality, availability, and organization of health care and support services (including transportation services, attendant care, homemaker services, day or respite care, and providing counseling on financial assistance and insurance) for individuals with lupus and support services for their families.

(d) Integration with other programs

To the extent practicable and appropriate, the Secretary shall ensure that the program under sections 254c–9 to 254c–13 of this title with other grant programs carried out by the Secretary, including the program under section 254b of this title.


CODIFICATION

Section was enacted as part of the Lupus Research and Care Amendments of 2000, and also as part of the Public Health Improvement Act, and not as part of the Public Health Service Act which comprises this chapter.

§ 254c–10. Certain requirements

A grant may be made under section 254c–9 of this title only if the applicant involved makes the following agreements:

(1) Not more than 5 percent of the grant will be used for administration, accounting, reporting, and program oversight functions.
(2) The grant will be used to supplement and not supplant funds from other sources related to the treatment of lupus.

(3) The applicant will abide by any limitations deemed appropriate by the Secretary on any charges to individuals receiving services pursuant to the grant. As deemed appropriate by the Secretary, such limitations on charges may vary based on the financial circumstances of the individual receiving services.

(4) The grant will not be expended to make payment for services authorized under section 254c-9(a) of this title to the extent that payment has been made, or can reasonably be expected to be made, with respect to such services—

(A) under any State compensation program, under an insurance policy, or under any Federal or State health benefits program; or

(B) by an entity that provides health services on a prepaid basis.

(5) The applicant will, at each site at which the applicant provides services under section 254c-9(a) of this title, post a conspicuous notice informing individuals who receive the services of any Federal policies that apply to the applicant with respect to the imposition of charges on such individuals.


CODIFICATION
Section was enacted as part of the Lupus Research and Care Amendments of 2000, and also as part of the Public Health Improvement Act, and not as part of the Public Health Service Act which comprises this chapter.

§ 254c-13. Authorization of appropriations

For the purpose of carrying out sections 254c-9 to 254c-13 of this title, there are authorized to be appropriated such sums as may be necessary for each of the fiscal years 2001 through 2003.


CODIFICATION
Section was enacted as part of the Lupus Research and Care Amendments of 2000, and also as part of the Public Health Improvement Act, and not as part of the Public Health Service Act which comprises this chapter.

§ 254c-14. Telehealth network and telehealth resource centers grant programs

(a) Definitions

In this section:

(1) Director; Office

The terms “Director” and “Office” mean the Director and Office specified in subsection (c).

(2) Federally qualified health center and rural health clinic

The term “Federally qualified health center” and “rural health clinic” have the meanings given the terms in section 1395x(aa) of this title.

(3) Frontier community

The term “frontier community” shall have the meaning given the term in regulations issued under subsection (r).

(4) Medically underserved area

The term “medically underserved area” has the meaning given the term “medically underserved community” in section 259b(6) of this title.

(5) Medically underserved population

The term “medically underserved population” has the meaning given the term in section 259b(3) of this title.

(6) Telehealth services

The term “telehealth services” means services provided through telehealth technologies.

(7) Telehealth technologies

The term “telehealth technologies” means technologies relating to the use of electronic information, and telecommunications technologies, to support and promote, at a distance, health care, patient and professional health-related education, health administration, and public health.

(b) Programs

The Secretary shall establish, under section 241 of this title, telehealth network and telehealth resource centers grant programs.

(c) Administration

(1) Establishment

There is established in the Health Resources and Services Administration an Office for the
§ 254c–14

Advancement of Telehealth. The Office shall be headed by a Director.

(2) Duties

The telehealth network and telehealth resource centers grant programs established under section 241 of this title shall be administered by the Director, in consultation with the State offices of rural health, State offices concerning primary care, or other appropriate State government entities.

(d) Grants

(1) Telehealth network grants

The Director may, in carrying out the telehealth network grant program referred to in subsection (b), award grants to eligible entities for projects to demonstrate how telehealth technologies can be used through telehealth networks in rural areas, frontier communities, and medically underserved areas, and for medically underserved populations, to—

(A) expand access to, coordinate, and improve the quality of health care services;

(B) improve and expand the training of health care providers; and

(C) expand and improve the quality of health information available to health care providers, and patients and their families, for decisionmaking.

(2) Telehealth resource centers grants

The Director may, in carrying out the telehealth resource centers grant program referred to in subsection (b), award grants to eligible entities for projects to demonstrate how telehealth technologies can be used in the areas and communities, and for the populations, described in paragraph (1), to establish telehealth resource centers.

(e) Grant periods

The Director may award grants under this section for periods of not more than 4 years.

(f) Eligible entities

(1) Telehealth network grants

(A) Grant recipient

To be eligible to receive a grant under subsection (d)(1), an entity shall be a nonprofit entity.

(B) Telehealth networks

(i) in general

To be eligible to receive a grant under subsection (d)(1), an entity shall demonstrate that the entity will provide services through a telehealth network.

(ii) Nature of entities

Each entity participating in the telehealth network may be a nonprofit or for-profit entity.

(iii) Composition of network

The telehealth network shall include at least 2 of the following entities (at least 1 of which shall be a community-based health care provider):—

(I) Community or migrant health centers or other Federally qualified health centers.

(ii) Health care providers, including pharmacists, in private practice.

(iii) Entities operating clinics, including rural health clinics.

(iv) Local health departments.

(v) Nonprofit hospitals, including community access hospitals.

(vi) Other publicly funded health or social service agencies.

(vii) Long-term care providers.

(viii) Providers of health care services in the home.

(ix) Providers of outpatient mental health services and entities operating outpatient mental health facilities.

(x) Local or regional emergency health care providers.

(xi) Institutions of higher education.

(xii) Entities operating dental clinics.

(g) Applications

To be eligible to receive a grant under subsection (d), an eligible entity, in consultation with the appropriate State office of rural health or another appropriate State entity, shall prepare and submit to the Secretary an application, at such time, in such manner, and containing such information as the Secretary may require, including—

(1) a description of the project that the eligible entity will carry out using the funds provided under the grant;

(2) a description of the manner in which the project funded under the grant will meet the health care needs of rural or other populations to be served through the project, or improve the access to services of, and the quality of the services received by, those populations;

(3) evidence of local support for the project, and a description of how the areas, communities, or populations to be served will be involved in the development and ongoing operations of the project;

(4) a plan for sustaining the project after Federal support for the project has ended;

(5) information on the source and amount of non-Federal funds that the entity will provide for the project;

(6) information demonstrating the long-term viability of the project, and other evidence of institutional commitment of the entity to the project;

(7) in the case of an application for a project involving a telehealth network, information demonstrating how the project will promote the integration of telehealth technologies into the operations of health care providers, to avoid redundancy, and improve access to and the quality of care; and

(8) other such information as the Secretary determines to be appropriate.

(h) Terms; conditions; maximum amount of assistance

The Secretary shall establish the terms and conditions of each grant program described in subsection (b) and the maximum amount of a
grant to be awarded to an individual recipient for each fiscal year under this section. The Secretary shall publish, in a publication of the Health Resources and Services Administration, notice of the application requirements for each grant program described in subsection (b) for each fiscal year.

(i) Preferences
(1) Telehealth networks
In awarding grants under subsection (d)(1) for projects involving telehealth networks, the Secretary shall give preference to an eligible entity that meets at least 1 of the following requirements:

(A) Organization
The eligible entity is a rural community-based organization or another community-based organization.

(B) Services
The eligible entity proposes to use Federal funds made available through such a grant to develop plans for, or to establish, telehealth networks that provide mental health, public health, long-term care, home care, preventive, case management services, or prenatal care for high-risk pregnancies.

(C) Coordination
The eligible entity demonstrates how the project to be carried out under the grant will be coordinated with other relevant federally funded projects in the areas, communities, and populations to be served through the grant.

(D) Network
The eligible entity demonstrates that the project involves a telehealth network that includes an entity that—
(i) provides clinical health care services, or educational services for health care providers and for patients or their families; and
(ii) is—
(I) a public library;
(II) an institution of higher education; or
(III) a local government entity.

(E) Connectivity
The eligible entity proposes a project that promotes local connectivity within areas, communities, or populations to be served through the project.

(F) Integration
The eligible entity demonstrates that health care information has been integrated into the project.

(2) Telehealth resource centers
In awarding grants under subsection (d)(2) for projects involving telehealth resource centers, the Secretary shall give preference to an eligible entity that meets at least 1 of the following requirements:

(A) Provision of services
The eligible entity has a record of success in the provision of telehealth services to medically underserved areas or medically underserved populations.

(B) Collaboration and sharing of expertise
The eligible entity has a demonstrated record of collaborating and sharing expertise with providers of telehealth services at the national, regional, State, and local levels.

(C) Broad range of telehealth services
The eligible entity has a record of providing a broad range of telehealth services, which may include—
(i) a variety of clinical specialty services;
(ii) patient or family education;
(iii) health care professional education; and
(iv) rural residency support programs.

(j) Distribution of funds
(1) In general
In awarding grants under this section, the Director shall ensure, to the greatest extent possible, that such grants are equitably distributed among the geographical regions of the United States.

(2) Telehealth networks
In awarding grants under subsection (d)(1) for a fiscal year, the Director shall ensure that—
(A) not less than 50 percent of the funds awarded shall be awarded for projects in rural areas; and
(B) the total amount of funds awarded for such projects for that fiscal year shall be not less than the total amount of funds awarded for such projects for fiscal year 2001 under section 254c of this title (as in effect on the day before October 26, 2002).

(k) Use of funds
(1) Telehealth network program
The recipient of a grant under subsection (d)(1) may use funds received through such grant for salaries, equipment, and operating or other costs, including the cost of—
(A) developing and delivering clinical telehealth services that enhance access to community-based health care services in rural areas, frontier communities, or medically underserved areas, or for medically underserved populations;
(B) developing and acquiring, through lease or purchase, computer hardware and software, audio and video equipment, computer network equipment, interactive equipment, data terminal equipment, and other equipment that furthers the objectives of the telehealth network grant program;
(C)(i) developing and providing distance education, in a manner that enhances access to care in rural areas, frontier communities, or medically underserved areas, or for medically underserved populations; or
(ii) mentoring, precepting, or supervising health care providers and students seeking to become health care providers, in a manner that enhances access to care in the areas and communities, or for the populations, described in clause (i);
(D) developing and acquiring instructional programming;
(E)(i) providing for transmission of medical data, and maintenance of equipment; and
(ii) providing for compensation (including travel expenses) of specialists, and referring health care providers, who are providing telehealth services through the telehealth network, if no third party payment is available for the telehealth services delivered through the telehealth network;
(F) developing projects to use telehealth technology to facilitate collaboration between health care providers;
(G) collecting and analyzing usage statistics and data to document the cost-effectiveness of the telehealth services; and
(H) carrying out such other activities as are consistent with achieving the objectives of this section, as determined by the Secretary.

(2) Telehealth resource centers
The recipient of a grant under subsection (d)(2) may use funds received through such grant for salaries, equipment, and operating or other costs for—
(A) providing technical assistance, training, and support, and providing for travel expenses, for health care providers and a range of health care entities that provide or will provide telehealth services;
(B) disseminating information and research findings related to telehealth services;
(C) promoting effective collaboration among telehealth resource centers and the Office;
(D) conducting evaluations to determine the best utilization of telehealth technologies to meet health care needs;
(E) promoting the integration of the technologies used in clinical information systems with other telehealth technologies;
(F) fostering the use of telehealth technologies to provide health care information and education for health care providers and consumers in a more effective manner; and
(G) implementing special projects or studies under the direction of the Office.

(i) Prohibited uses of funds
An entity that receives a grant under this section may not use funds made available through the grant—
(1) to acquire real property;
(2) for expenditures to purchase or lease equipment, to the extent that the expenditures would exceed 40 percent of the total grant funds;
(3) in the case of a project involving a telehealth network, to purchase or install transmission equipment (such as laying cable or telephone lines, or purchasing or installing microwave towers, satellite dishes, amplifiers, or digital switching equipment);
(4) to pay for any equipment or transmission costs not directly related to the purposes for which the grant is awarded;
(5) to purchase or install general purpose voice telephone systems;
(6) for construction; or
(7) for expenditures for indirect costs (as determined by the Secretary), to the extent that the expenditures would exceed 15 percent of the total grant funds.

(m) Collaboration
In providing services under this section, an eligible entity shall collaborate, if feasible, with entities that—
(1)(A) are private or public organizations, that receive Federal or State assistance; or
(B) are public or private entities that operate centers, or carry out programs, that receive Federal or State assistance; and
(2) provide telehealth services or related activities.

(n) Coordination with other agencies
The Secretary shall coordinate activities carried out under grant programs described in subsection (b), to the extent practicable, with Federal and State agencies and nonprofit organizations that are operating similar programs, to maximize the effect of public dollars in funding meritorious proposals.

(o) Outreach activities
The Secretary shall establish and implement procedures to carry out outreach activities to advise potential end users of telehealth services in rural areas, frontier communities, medically underserved areas, and medically underserved populations in each State about the grant programs described in subsection (b).

(p) Telehealth
It is the sense of Congress that, for purposes of this section, States should develop reciprocity agreements so that a provider of services under this section who is a licensed or otherwise authorized health care provider under the law of 1 or more States, and who, through telehealth technology, consults with a licensed or otherwise authorized health care provider in another State, is exempt, with respect to such consultation, from any State law of the other State that prohibits such consultation on the basis that the first health care provider is not a licensed or authorized health care provider under the law of that State.

(q) Report
Not later than September 30, 2005, the Secretary shall prepare and submit to the appropriate committees of Congress a report on the progress and accomplishments of the grant programs described in subsection (b).

(r) Regulations
The Secretary shall issue regulations specifying, for purposes of this section, a definition of the term “frontier area”. The definition shall be based on factors that include population density, travel distance in miles to the nearest medical facility, travel time in minutes to the nearest medical facility, and such other factors as the Secretary determines to be appropriate.

The Secretary shall develop the definition in consultation with the Director of the Bureau of the Census and the Administrator of the Economic Research Service of the Department of Agriculture.

(s) Authorization of appropriations
There are authorized to be appropriated to carry out this section—
§ 254c–15. Rural emergency medical service training and equipment assistance program

(a) Grants

The Secretary, acting through the Administrator of the Health Resources and Services Administration (referred to in this section as the "Secretary") shall award grants to eligible entities to enable such entities to provide for improved emergency medical services in rural areas or to residents of rural areas.

(b) Eligibility; application

To be eligible to receive grant under this section, an entity shall:

(1) be (A) an emergency medical services agency operated by a local or tribal government (including fire-based and non-fire based); or

(B) an emergency medical services agency that is described in section 501(c) of title 26 and exempt from tax under section 501(a) of title 26; and

(2) submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require.

(c) Use of funds

An entity—

(1) shall use amounts received through a grant under subsection (a) to—

(A) train emergency medical services personnel as appropriate to obtain and maintain licenses and certifications relevant to service in an emergency medical services agency described in subsection (b)(1);

(B) conduct courses that qualify graduates to serve in an emergency medical services agency described in subsection (b)(1) in accordance with State and local requirements;

(C) fund specific training to meet Federal or State licensing or certification requirements; and

(D) acquire emergency medical services equipment; and

(2) may use amounts received through a grant under subsection (a) to—

(A) recruit and retain emergency medical services personnel, which may include volunteer personnel;

(B) develop new ways to educate emergency health care providers through the use of technology-enhanced educational methods; or

(C) acquire personal protective equipment for emergency medical services personnel as required by the Occupational Safety and Health Administration.

(d) Grant amounts

Each grant awarded under this section shall be in an amount not to exceed $200,000.

(e) Definitions

In this section:

(1) The term "emergency medical services"—

(A) means resources used by a public or private nonprofit licensed entity to deliver medical care outside of a medical facility under emergency conditions that occur as a result of the condition of the patient; and

(B) includes services delivered (either on a compensated or volunteer basis) by an emergency medical services provider or other provider that is licensed or certified by the State involved as an emergency medical technician, a paramedic, or an equivalent professional (as determined by the State).

(2) The term "rural area" means—

(A) a nonmetropolitan statistical area;

(B) an area designated as a rural area by any law or regulation of a State; or

(C) a rural census tract of a metropolitan statistical area (as determined under the most recent rural urban commuting area code as set forth by the Office of Management and Budget).

(f) Matching requirement

The Secretary may not award a grant under this section to an entity unless the entity agrees that the entity will make available (directly or through contributions from other public or private entities) non-Federal contributions toward the activities to be carried out under the grant in an amount equal to 10 percent of the amount received under the grant.

(g) Authorization of appropriations

(1) In general

There are authorized to be appropriated to carry out this section such sums as may be necessary for each of fiscal years 2019 through 2022.

(2) Administrative costs

The Secretary may use not more than 10 percent of the amount appropriated under paragraph (1) for a fiscal year for the administrative expenses of carrying out this section.


AMENDMENTS


EFFECTIVE DATE OF 2003 AMENDMENT

§ 254c-16. Mental health services delivered via telehealth

(a) Definitions

In this section:

(1) Eligible entity

The term “eligible entity” means a public or nonprofit private telehealth provider network that offers services that include mental health services provided by qualified mental health providers.

(2) Qualified mental health professionals

The term “qualified mental health professionals” refers to providers of mental health services reimbursed under the medicare program carried out under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.) who have additional training in the treatment of mental illness in children and adolescents or who have additional training in the treatment of mental illness in the elderly.

(3) Special populations

The term “special populations” refers to the following 2 distinct groups:

(A) Children and adolescents in mental health underserved rural areas or in mental health underserved urban areas.

(B) Elderly individuals located in long-term care facilities in mental health underserved rural or urban areas.

(4) Telehealth

The term “telehealth” means the use of electronic information and telecommunications technologies to support long distance clinical health care, patient and professional health-related education, public health, and health administration.

(b) Program authorized

(1) In general

The Secretary, acting through the Director of the Office for the Advancement of Telehealth of the Health Resources and Services Administration, shall award grants to eligible entities to establish demonstration projects for the provision of mental health services to special populations as delivered remotely by qualified mental health professionals using telehealth and for the provision of education regarding mental illness as delivered remotely by qualified mental health professionals using telehealth.

(2) Populations served

The Secretary shall award the grants under paragraph (1) in a manner that distributes the grants so as to serve equitably the populations described in subparagraphs (A) and (B) of subsection (a)(3).

(c) Use of funds

(1) In general

An eligible entity that receives a grant under this section shall use the grant funds—

(A) for the populations described in subsection (a)(3)(A)—

(i) to provide mental health services, including diagnosis and treatment of mental illness, as delivered remotely by qualified mental health professionals using telehealth; and

(ii) to collaborate with local public health entities to provide the mental health services; and

(B) for the populations described in subsection (a)(3)(B)—

(i) to provide mental health services, including diagnosis and treatment of mental illness, in long-term care facilities as delivered remotely by qualified mental health professionals using telehealth; and

(ii) to collaborate with local public health entities to provide the mental health services.

(2) Other uses

An eligible entity that receives a grant under this section may also use the grant funds to—

(A) pay telecommunications costs; and

(B) pay qualified mental health professionals on a reasonable cost basis as determined by the Secretary for services rendered.

(3) Prohibited uses

An eligible entity that receives a grant under this section shall not use the grant funds to—

(A) purchase or install transmission equipment (other than such equipment used by qualified mental health professionals to deliver mental health services using telehealth under the project involved); or

(B) build upon or acquire real property.

(d) Equitable distribution

In awarding grants under this section, the Secretary shall ensure, to the greatest extent possible, that such grants are equitably distributed among geographical regions of the United States.

(e) Application

An entity that desires a grant under this section shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary determines to be reasonable.

(f) Report

Not later than 4 years after October 26, 2002, the Secretary shall prepare and submit to the appropriate committees of Congress a report that shall evaluate activities funded with grants under this section.

(g) Authorization of appropriations

There are authorized to be appropriated to carry out this section, $20,000,000 for fiscal year 2018...
2002 and such sums as may be necessary for fiscal years 2003 through 2006.


References in Text


Title XVIII of the Act is classified generally to subchapter XVIII (§ 1395 et seq.) of chapter 7 of this title.

For complete classification of this Act to the Code, see section 1305 of this title and Tables.

Amendments


Effective Date of 2003 Amendment


Effective Date of Repeal

Repeal deemed to have taken effect immediately after the enactment of Pub. L. 108–163, set out as an Effective Date of 2003 Amendments note under section 233 of this title.

§ 254c–18. Telemedicine; incentive grants regarding coordination among States

(a) In general

The Secretary may make grants to State professional licensing boards to carry out programs under which such licensing boards of various States cooperate to develop and implement State policies that will reduce statutory and regulatory barriers to telemedicine.

(b) Authorization of appropriations

For the purpose of carrying out subsection (a), there are authorized to be appropriated such sums as may be necessary for each of the fiscal years 2002 through 2006.


Effective Date

Section deemed to have taken effect immediately after the enactment of Pub. L. 107–251, see section 3 of Pub. L. 108–163, set out as an Effective Date of 2003 Amendments note under section 233 of this title.

§ 254c–19. Pediatric mental health care access grants

(a) In general

The Secretary, acting through the Administrator of the Health Resources and Services Ad-
§ 254d. National Health Service Corps

(a) Establishment; composition; purpose; definitions

(1) For the purpose of eliminating health manpower shortages in health professional shortage areas, there is established, within the Service, the National Health Service Corps, which shall consist of—

(A) such officers of the Regular and Reserve Corps of the Service as the Secretary may designate,

(B) such civilian employees of the United States as the Secretary may appoint, and

(C) such other individuals who are not employees of the United States.

(2) The Corps shall be utilized by the Secretary to provide primary health services in health professional shortage areas.

(3) For purposes of this subpart and subpart III:

(A) The term “Corps” means the National Health Service Corps.

(B) The term “Corps member” means each of the officers, employees, and individuals of which the Corps consists pursuant to paragraph (1).

(C) The term “health professional shortage area” has the meaning given such term in section 254e(a) of this title.

(D) The term “primary health services” means health services regarding family medicine, internal medicine, pediatrics, obstetrics and gynecology, dentistry, or mental health, that are provided by physicians or other health professionals.

(E)(i) The term “behavioral and mental health professionals” means health service psychologists, licensed clinical social workers, licensed professional counselors, marriage and family therapists, psychiatric nurse specialists, and psychiatrists.

(ii) The term “graduate program of behavioral and mental health” means a program that trains behavioral and mental health professionals.

(b) Recruitment and fellowship programs

(1) The Secretary may conduct at schools of medicine, osteopathic medicine, dentistry, and, as appropriate, nursing and other schools of the health professions, including schools at which graduate programs of behavioral and mental health are offered, and at entities which train allied health personnel, recruiting programs for the Corps, the Scholarship Program, and the Loan Repayment Program. Such recruiting programs shall include efforts to recruit individuals who will serve in the Corps other than pursuant to obligated service under the Scholarship or Loan Repayment Program.

(2) In the case of physicians, dentists, behavioral and mental health professionals, certified nurse midwives, certified nurse practitioners, nurse anesthetists, physician assistants who have an interest and a commitment to providing primary health care, the Secretary may establish fellowship programs to enable such health professionals to gain exposure to and expertise in the delivery of primary health services in health professional shortage areas. To the maximum extent practicable, the Secretary shall ensure that any such programs are established in conjunction with accredited residency programs, and other training programs, regarding such health professions.

(c) Travel and moving expenses; persons entitled; reimbursement; limitation

(1) The Secretary may reimburse an applicant for a position in the Corps (including an individ-
ual considering entering into a written agreement pursuant to section 254n of this title) for the actual and reasonable expenses incurred in traveling to and from the applicant’s place of residence to an eligible site to which the applicant may be assigned under section 254f of this title for the purpose of evaluating such site with regard to being assigned at such site. The Secretary may establish a maximum total amount that may be paid to an individual as reimbursement for such expenses.

(2) The Secretary may also reimburse the applicant for the actual and reasonable expenses incurred for the travel of 1 family member to accompany the applicant to such site. The Secretary may establish a maximum total amount that may be paid to an individual as reimbursement for such expenses.

(3) In the case of an individual who has entered into a contract for obligated service under the Scholarship Program or under the Loan Repayment Program, the Secretary may reimburse such individual for all or part of the actual and reasonable expenses incurred in transporting the individual, the individual’s family, and the family’s possessions to the site of the individual’s assignment under section 254f of this title. The Secretary may establish a maximum total amount that may be paid to an individual as reimbursement for such expenses.

(d) Monthly pay adjustments of members directly engaged in delivery of health services in health professional shortage area; “monthly pay” defined; monthly pay adjustment of member with service obligation incurred under Scholarship Program or Loan Repayment Program; personnel system applicable

(1) The Secretary may, under regulations promulgated by the Secretary, adjust the monthly pay of each member of the Corps (other than a member described in subsection (a)(1)(C)) who is directly engaged in the delivery of health services in a health professional shortage area as follows:

(A) During the first 36 months in which such a member is so engaged in the delivery of health services, his monthly pay may be increased by an amount which when added to the member’s monthly pay and allowances will provide a monthly income competitive with the average monthly income from a practice of an individual who is a member of the profession of the Corps member, who has equivalent training, and who has been in practice for a period equivalent to the period during which the Corps member has been in practice.

(B) During the period beginning upon the expiration of the 36 months referred to in subparagraph (A) and ending with the month in which the member’s monthly pay and allowances are equal to or exceed the monthly income he received for the last of such 36 months, the member may receive in addition to his monthly pay and allowances an amount which when added to such monthly pay and allowances equals the monthly income he received for such last month.

(C) For each month in which a member is directly engaged in the delivery of health services in a health professional shortage area in accordance with an agreement with the Secretary entered into under section 294n(f)(1)(C) of this title, under which the Secretary is obligated to make payments in accordance with section 294n(f)(2) of this title, the amount of any monthly increase under subparagraph (A) or (B) with respect to such member shall be decreased by an amount equal to one-twelfth of the amount which the Secretary is obligated to pay upon the completion of the year of practice in which such month occurs.

For purposes of subparagraphs (A) and (B), the term “monthly pay” includes special pay received under chapter 5 of title 37.

(2) In the case of a member of the Corps who is directly engaged in the delivery of health services in a health professional shortage area in accordance with a service obligation incurred under the Scholarship Program or the Loan Repayment Program, the adjustment in pay authorized by paragraph (1) may be made for such a member only upon satisfactory completion of such service obligation, and the first 36 months of such member’s being so engaged in the delivery of health services shall, for purposes of paragraph (1)(A), be deemed to begin upon such satisfactory completion.

(3) A member of the Corps described in subparagraph (C) of subsection (a)(1) shall when assigned to an entity under section 254f of this title be subject to the personnel system of such entity, except that such member shall receive during the period of assignment the income that the member would receive if the member was a member of the Corps described in subparagraph (B) of such subsection.

(e) Employment ceiling of Department not affected by Corps members

Corps members assigned under section 254f of this title to provide health services in health professional shortage areas shall not be counted against any employment ceiling affecting the Department.

(f) Assignment of personnel provisions inapplicable to members whose service obligation incurred under Scholarship Program or Loan Repayment Program

Sections 215 and 217 of this title shall not apply to members of the National Health Service Corps during their period of obligated service under the Scholarship Program or the Loan Repayment Program, except when such members are Commissioned Corps officers who entered into a contract with the Secretary under section 294n(f)(1)(A) or 254f–1 of this title after December 31, 2006 and when the Secretary determines that exercising the authority provided under section 215 or 217 of this title with respect to any such officer would not cause unreasonable disruption to health care services provided in the community in which such officer is providing health care services.

1 See References in Text note below.
2 So in original. The word “the” probably should appear.
3 So in original.
§ 254d

conversion from Corps member to commissioned officer; retirement credits

(1) The Secretary shall, by rule, prescribe conversion provisions applicable to any individual who, within a year after completion of service as a member of the Corps described in subsection (a)(1)(C), becomes a commissioned officer in the Regular or Reserve Corps of the Service.

(2) The rules prescribed under paragraph (1) shall provide that in applying the appropriate provisions of this chapter which relate to retirement, any individual who becomes such an officer shall be entitled to have credit for any period of service as a member of the Corps described in subsection (a)(1)(C).

(h) Effective administration of program

The Secretary shall ensure that adequate staff is provided to the Service with respect to effectively administering the program for the Corps.

(i) Demonstration projects; waivers

(1) In carrying out subpart III, the Secretary may, in accordance with this subsection, issue waivers to individuals who have entered into a contract for obligated service under the Scholarship Program or the Loan Repayment Program under which the individuals are authorized to satisfy the requirement of obligated service through providing clinical practice that is half time.

(2) A waiver described in paragraph (1) may be provided by the Secretary only if—

(A) the entity for which the service is to be performed—

(i) has been approved under section 254f-1 of this title for assignment of a Corps member; and

(ii) has requested in writing assignment of a health professional who would serve half time;

(B) the Secretary has determined that assignment of a health professional who would serve half time would be appropriate for the area where the entity is located;

(C) a Corps member who is required to perform obligated service has agreed in writing to be assigned for half-time service to an entity described in subparagraph (A);

(D) the entity and the Corps member agree in writing that the Corps member will perform half-time clinical practice;

(E) the Corps member agrees in writing to fulfill all of the service obligations under section 254m of this title through half-time clinical practice and either—

(i) double the period of obligated service that would otherwise be required; or

(ii) in the case of contracts entered into under section 254f-1 of this title, accept a minimum service obligation of 2 years with an award amount equal to 50 percent of the amount that would otherwise be payable for full-time service; and

(F) the Corps member agrees in writing that if the Corps member begins providing half-time service but fails to begin or complete the period of obligated service, the method stated in 254o(c) of this title for determining the damages for breach of the individual's written contract will be used after converting periods of obligated service or of service performed into their full-time equivalents.

(3) In evaluating waivers issued under paragraph (1), the Secretary shall examine the effect of multidisciplinary teams.

(j) Definitions

For the purposes of this subpart and subpart III:

(1) The term “Department” means the Department of Health and Human Services.

(2) The term “Loan Repayment Program” means the National Health Service Corps Loan Repayment Program established under section 254f-1 of this title.

(3) The term “Scholarship Program” means the National Health Service Corps Scholarship Program established under section 254f of this title.

(4) The term “State” includes, in addition to the several States, only the District of Columbia, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands, the Virgin Islands, Guam, American Samoa, and the Trust Territory of the Pacific Islands.

(5) The terms “full time” and “full-time” mean a minimum of 40 hours per week in a clinical practice, for a minimum of 45 weeks per year.

(6) The terms “half time” and “half-time” mean a minimum of 20 hours per week (not to exceed 39 hours per week) in a clinical practice, for a minimum of 45 weeks per year.


REFERENCES IN TEXT

Section 294n of this title, referred to in subsec. (d)(1)(C), was in the original a reference to section 741 of act July 1, 1944. Section 741 of that Act was omitted in the general revision of subchapter V of this chapter by Pub. L. 102–408, title I, § 102, Oct. 13, 1992, 106 Stat. 1994. Pub. L. 102–408 enacted a new section 776 of act July 1, 1944, relating to acquired immune deficiency syndrome, which was classified to section 294n of this title, and subsequently renumbered section 2692 and transferred to section 300ff–111 of this title.

AMENDMENTS

2010—Subsec. (i)(1). Pub. L. 111–148, § 10501(n)(1)(A), substituted “issue waivers to individuals who have entered into a contract for obligated service under the Scholarship Program or the Loan Repayment Program under which the individuals are authorized to satisfy the requirement of obligated service through providing clinical practice that is half time” for “carry out demonstration projects in which individuals who have entered into a contract for obligated service under the Loan Repayment Program receive waivers under which the individuals are authorized to satisfy the require-
ment of obligated service through providing clinical service that is not full-time”.


Subsec. (i)(2)(C). Pub. L. 111–148, § 10501(n)(1)(B)(ii), substituted “half-time service” for “less than full-time service”.

Subsec. (i)(2)(D), (E). Pub. L. 111–148, § 10501(n)(1)(B)(ii), amended subpars. (D) and (E) generally. Prior to amendment, subpars. (D) and (E) read as follows:

“(D) the entity and the Corps member agree in writing that the less than full-time service provided by the Corps member will not be less than 16 hours of clinical service per week;

“(E) the Corps member agrees in writing that the period of obligated service pursuant to section 254–1 of this title will be extended so that the aggregate amount of less than full-time service performed will equal the amount of service that would be performed through full-time service under section 254m of this title; and”


Subsec. (i)(3). Pub. L. 111–148, § 10501(n)(1)(C), substituted “‘In evaluating a demonstration project described in paragraph (1)’” for “‘In evaluating a demonstration project’”.

§ 254e, TITLES 42—THE PUBLIC HEALTH AND WELFARE

EFFECTIVE DATE OF 1990 AMENDMENT
Pub. L. 101–597, title V, §501, Nov. 16, 1990, 104 Stat. 3036, provided that: “This Act and the amendments made by this Act (enacting sections 254f–1, 254e–1, and 254r of this title, amending this section, sections 252a, 254e to 254r, 254k, 254l to 254q–1, 254q, 254h, 254m, 254n, 254aa, 254g–1, 254l, 1320c–5, 1395f, 1395x, 3505d, and 9840 of this title, and section 2123 of Title 10, Armed Forces, manpower program and as a health services delivery system, composition, and use of the Corps through 1985. meet urban and rural health needs, and the projected health needs, the types of health professions needed to meet urban and rural health needs, and the projected size, composition, and use of the Corps through 1985.

TERMINATION OF TRUST TERRITORY OF THE PACIFIC ISLANDS
For termination of Trust Territory of the Pacific Islands, see note set out preceding section 1681 of Title 48, Territories and Insular Possessions.

SPECIAL REPORT ON PRESENT AND FUTURE DIRECTION OF NATIONAL HEALTH SERVICE CORPS; SUBMISSION TO CONGRESS NOT LATER THAN FEBRUARY 1, 1979
Pub. L. 95–626, title I, §116(c), Nov. 10, 1978, 92 Stat. 3569, directed Secretary, not later than Feb. 1, 1979, in consultation with National Advisory Council of National Health Service Corps and National Advisory Council on Health Professions Education, to submit to Congress a report on the direction of the National Health Service Corps, particularly its role as a health manpower program and as a health services delivery program, the use of members of the Corps in health manpower shortage areas to meet urban and rural health needs, the types of health professions needed to meet urban and rural health needs, and the projected size, composition, and use of the Corps through 1985.

EFFECTIVE DATE; OTHER PROVISIONS: HEALTH MANPOWER SHORTAGE AREA; APPROVAL OF APPLICATIONS FOR ASSIGNMENT OF CORPS PERSONNEL; ASSIGNMENT PERIOD, COMMENCEMENT; CREDIT FOR MONTHS OF PRIOR HEALTH CARE AND SERVICES FOR ADDITIONAL PAY BENEFIT; NATIONAL ADVISORY COUNCIL ON THE NATIONAL HEALTH SERVICE CORPS, CONTINUATION OF COUNCIL AND APPOINTMENT OF MEMBERS
Pub. L. 94–484, title IV, §407(c), Oct. 12, 1976, 90 Stat. 2278, provided that:

“(1) The amendment made by subsections (a) and (b) [enacting this subpart and repealing section 254b of this title] shall apply only with respect to fiscal years beginning after September 30, 1977, except that the Secretary of Health, Education, and Welfare [now Health and Human Services] shall carry out the activities described in section 322 of the Public Health Service Act (as added by such amendment) [42 U.S.C. 254e] after the date of enactment of this Act [Oct. 12, 1976].

“(2) A) Any area for which a designation under section 254b of the Public Health Service Act [as in effect since September 30, 1977] [former 42 U.S.C. 254b(b)] was in effect on such date and in which National Health Service Corps personnel were, on such date, providing, under an assignment made under such section (as so in effect), health care and services for persons residing in such area shall, effective October 1, 1977, be considered under subparagraph II of part C of title III of such Act (as so amended) [42 U.S.C. 254d et seq.] to be designated a health manpower shortage area (as defined by section 322 of such Act (as so added)) [42 U.S.C. 254e], and (ii) have had an application approved under section 333 of such Act (as so added) [42 U.S.C. 254f] for the assignment of Corps personnel unless, as determined under subparagraph (B) of this paragraph, the assignment period applicable to such area (within the meaning of section 334 [as so added]) [former 42 U.S.C. 254g] has expired.

“(B) The assignment period (within the meaning of such section 334) [former 42 U.S.C. 254g] applicable to an area described in subparagraph (A) of this paragraph shall be considered to have begun on the date Corps personnel were, on such date, providing, under an assignment made under such section (as so in effect), health care and services for persons residing in such area.

“(C) In the case of any physician or dentist member of the Corps who was providing health care and services on September 30, 1977, under an assignment made under section 329(b) of such Act (as in effect on September 30, 1977) [former 42 U.S.C. 254b(b)], the number of the months during which such member provided such care and services before October 1, 1977, shall be counted in determining the application of the additional pay provisions of section 331(d) of such Act (as added by subsection (b) of this section) [42 U.S.C. 254i(d)] to such number.

“(D) The amendment made by subsection (b) which established an Advisory Council previously established under section 329 of the Public Health Service Act [former 42 U.S.C. 254b] shall not be construed as requiring the establishment of a new Advisory Council under such section 327 [42 U.S.C. 254j], and the amendment made by such subsection with respect to the composition of such Advisory Council shall apply with respect to appointments made to the Advisory Council after October 1, 1977, and the Secretary of Health, Education, and Welfare [now Health and Human Services] shall make appointments to the Advisory Council after such date in a manner which will bring about, at the earliest feasible time, the Advisory Council composition prescribed by the amendment.”

§ 254e. Health professional shortage areas

(a) Designation by Secretary; removal from areas designated; “medical facility” defined

(1) For purposes of this subpart the term “health professional shortage area” means (A) an area in an urban or rural area (which need not conform to the geographic boundaries of a political subdivision and which is a rational area for the delivery of health services) which the Secretary determines has a health manpower shortage and which is not reasonably accessible to an adequately served area, (B) a population group which the Secretary determines has such a shortage, or (C) a public or nonprofit private medical facility or other public facility which the Secretary determines has such a shortage. All Federally qualified health centers and rural health clinics, as defined in section 1861(aa) of the Social Security Act [42 U.S.C. 1395x(aa)], that meet the requirements of section 254e of this title shall be automatically designated as having such a shortage. The Secretary shall not remove an area from the areas determined to be health professional shortage areas under subparagraph (A) of the preceding sentence until the Secretary has afforded interested persons and groups in such area an opportunity to provide data and information in support of the designation as a health professional shortage area or a population group described in subparagraph (B) of such sentence or a facility described in subparagraph (C) of such sentence, and has made a determination on the basis of the data and information submitted by such persons and groups and other data and information available to the Secretary.

(2) For purposes of this subsection, the term “medical facility” means a facility for the delivery of health services and includes—

(A) a hospital, State mental hospital, public health center, outpatient medical facility, rehabilitation facility, facility for long-term care, community mental health center, migrant health center, facility operated by a city...
The Secretary shall take into consideration the following:

1. The shortage areas. In establishing such criteria, the Secretary shall consider the supply of health services under section 1437a(b)(1) of this title, the number of residents of public housing (as defined in section 1437a(b)(1) of this title), seasonal agricultural workers (as defined in section 1437a(b)(1) of this title), and migratory agricultural workers (as so defined), and residents of public housing (as defined in section 1437a(b)(1) of this title) may be population groups under paragraph (1).

(b) Criteria for designation of health professional shortage areas; promulgation of regulations

The Secretary shall establish by regulation criteria for the designation of areas, population groups, medical facilities, and other public facilities under consideration for designation. In establishing such criteria, the Secretary shall take into consideration the following:

1. The ratio of available health manpower to the number of individuals in an area or population group, or of other public facility under consideration for designation.

2. Indicators of a need, notwithstanding the supply of health manpower, for health services for the individuals in an area or population group, or served by a medical facility or other public facility under consideration for designation.

3. The percentage of physicians serving an area, population group, medical facility, or other public facility under consideration for designation who are employed by hospitals and who are graduates of foreign medical schools.

(c) Considerations in determination of designation

In determining whether to make a designation, the Secretary shall take into consideration the following:

1. The recommendations of the Governor of each State in which the area, population group, medical facility, or other public facility under consideration for designation is in whole or part located.

2. The extent to which individuals who are (A) residents of the area, members of the population group, or patients in the medical facility or other public facility under consideration for designation, and (B) entitled to have payment made for medical services under title XVIII, XIX, or XXI of the Social Security Act [42 U.S.C. 1395 et seq., 1396 et seq., 1397aa et seq.], cannot obtain such services because of suspension of physicians from the programs under such titles.

(d) Designation; publication of descriptive lists

1. In accordance with the criteria established under subsection (b) and the considerations listed in subsection (c), the Secretary shall designate health professional shortage areas in the States, publish a descriptive list of the areas, population groups, medical facilities, and other public facilities so designated, and at least annually review and, as necessary, revise such designations.

2. For purposes of paragraph (1), a complete descriptive list shall be published in the Federal Register not later than July 1 of 1991 and each subsequent year.

(e) Notice of proposed designation of areas and facilities; time for comment

1. Prior to the designation of a public facility, including a Federal medical facility, as a health professional shortage area, the Secretary shall give written notice of such proposed designation to the chief administrative officer of such facility and request comments within 30 days with respect to such designation.

2. Prior to the designation of a health professional shortage area under this section, the Secretary shall, to the extent practicable, give written notice of the proposed designation of such area to appropriate public or private nonprofit entities which are located or have a demonstrated interest in such area and request comments from such entities with respect to the proposed designation of such area.

(f) Notice of designation

The Secretary shall give written notice of the designation of a health professional shortage area, not later than 60 days from the date of such designation, to—

1. The Governor of each State in which the area, population group, medical facility, or other public facility so designated is in whole or part located; and

2. Appropriate public or nonprofit private entities which are located or have a demonstrated interest in the area so designated.

(g) Recommendations to Secretary

Any person may recommend to the Secretary the designation of an area, population group, medical facility, or other public facility as a health professional shortage area.

(h) Public information programs in designated areas

The Secretary may conduct such information programs in areas, among population groups, and in medical facilities and other public facilities designated under this section as health professional shortage areas as may be necessary to inform public and nonprofit private entities which are located or have a demonstrated inter-
est in such areas of the assistance available under this subchapter by virtue of the designation of such areas.

(i) Dissemination

The Administrator of the Health Resources and Services Administration shall disseminate information concerning the designation criteria described in subsection (b) to—

(1) the Governor of each State;
(2) the representative of any area, population group, or facility selected by such Governor to receive such information;
(3) the representative of any area, population group, or facility that requests such information; and
(4) the representative of any area, population group, or facility determined by the Administrator to be likely to meet the criteria described in subsection (b).

(j) Regulations and report

(1) The Secretary shall submit the report described in paragraph (2) if the Secretary, acting through the Administrator of the Health Resources and Services Administration, issues—

(A) a regulation that revises the definition of a health professional shortage area for purposes of this section; or
(B) a regulation that revises the standards concerning priority of such an area under section 254f-1 of this title.

(2) On issuing a regulation described in paragraph (1), the Secretary shall prepare and submit to the Committee on Energy and Commerce of the House of Representatives and the Committee on Health, Education, Labor, and Pensions of the Senate a report that describes the regulation.

(3) Each regulation described in paragraph (1) shall take effect 180 days after the committees described in paragraph (2) receive a report referred to in such paragraph describing the regulation.

(k) Maternity care health professional target areas

(1) The Secretary, acting through the Administrator of the Health Resources and Services Administration, shall identify, based on the data collected under paragraph (3), maternity care health professional target areas that satisfy the criteria described in paragraph (2) for purposes of, in connection with receipt of assistance under this subchapter, assigning to such identified areas maternity care health professionals who, without application of this subsection, would otherwise be eligible for such assistance. The Secretary shall distribute maternity care health professionals within health professional shortage areas using the maternity care health professional target areas so identified.

(2) For purposes of paragraph (1), the Secretary shall establish criteria for maternity care health professional target areas that identify geographic areas within health professional shortage areas that have a shortage of maternity care health professionals.

(3) For purposes of this subsection, the Secretary shall collect and publish in the Federal Register data comparing the availability and need of maternity care health services in health professional shortage areas and in areas within such health professional shortage areas.

(4) In carrying out paragraph (1), the Secretary shall seek input from relevant provider organizations, including medical societies, organizations representing medical facilities, and other organizations with expertise in maternity care.

(5) For purposes of this subsection, the term ‘full scope maternity care health services’ includes during labor care, birthing, prenatal care, and postpartum care.

(6) Nothing in this subsection shall be construed as—

(A) requiring the identification of a maternity care health professional target area in an area not otherwise already designated as a health professional shortage area; or
(B) affecting the types of health professionals, without application of this subsection, otherwise eligible for assistance, including a loan repayment or scholarship, pursuant to the application of this section.

References in Text

The Indian Self-Determination Act, referred to in subsec. (a)(2)(B), is title I of Pub. L. 93–638, Jan. 4, 1975, 88 Stat. 2206, which is classified principally to subchapter 1 (§5321 et seq.) of chapter 46 of Title 25, Indians. For complete classification of this Act to the Code, see Short Title note set out under section 5301 of Title 25 and Tables.

The Social Security Act, referred to in subsec. (c)(2), is act Aug. 14, 1935, ch. 531, 49 Stat. 620, as amended. Titles XVIII, XIX, and XXI of the Act are classified generally to subchapters XVIII (§1395 et seq.), XIX (§1396 et seq.), and XXI (§1397aa et seq.), respectively, of chapter 7 of this title. For complete classification of this Act to the Code, see section 1305 of this title and Tables.

Prior Provisions

A prior section 332 of act July 1, 1944, was renumbered section 340, and was classified to section 256 of this title prior to repeal by Pub. L. 95–626.

Amendments

2008—Subsec. (a)(1). Pub. L. 110–355 struck out “Not earlier than 6 years after such date of designation, and every 6 years thereafter, each such center or clinic shall demonstrate that the center or clinic meets the applicable requirements of the Federal regulations re-
garding the definition of a health professional shortage area for purposes of this section.” before “The Secretary shall not”.

2003—Subsec. (a)(1). Pub. L. 108–163, § 2(f)(1)(A), substituted “such date of designation” for “such date of enactment” and “and” for “or”, inserted after the date of enactment of this Act, that revise.


2002—Subsec. (a)(1). Pub. L. 107–251, § 302(a)(1)(A), inserted first sentence “All Federally qualified health centers and rural health clinics, as defined in section 1861(aa) of the Social Security Act (42 U.S.C. 1395x(aa)), that meet the requirements of section 254g of this title shall be automatically designated as having such a shortage. Not earlier than 6 years after such date of enactment, and every 6 years thereafter, each such center or clinic shall demonstrate that the center or clinic meets the applicable requirements of the Federal regulations, issued after the date of enactment of this Act, that revise the definition of a health professional shortage area for purposes of this section.”


Subsec. (a)(3). Pub. L. 107–251, § 302(a)(1)(B), substituted “254(b)(4)” of this title, seasonal agricultural workers (as defined in section 260g(3) of this title), and migratory agricultural workers (as so defined), and residents of public housing (as defined in section 1437a(b)(1) of this title) may be population groups” for “254(b)(5)” of this title may be a population group”.

Subsec. (b)(2). Pub. L. 107–251, § 302(a)(2), struck out after “designation,” the following: “with special consideration to indicators of—

(A) infant mortality,

(B) access to health services,

(C) health status, and

(D) ability to pay for health services”.


Subsec. (b)(1). Pub. L. 101–597, § 401(b)(a)(ii), substituted reference to health professional shortage area for reference to health manpower shortage area. Pub. L. 101–597, § 401(b)(a)(iii), redesignated par. (3) as (2) and struck out former par. (2) which read as follows: “(A) each health systems agency (designated under section 300–4 of this title) for a health service area which includes all or any part of the area, population group, medical facility, or other public facility so designated; or

(B) the State health planning and development agency of the State (designated under section 300–4 of this title) if there is a part of such area, population group, medical facility, or other public facility within a health service area for which no health systems agency has been designated; and

(C) health systems agencies designated by the Secretary of Health and Human Services.”

Subsecs. (g), (h). Pub. L. 101–597, § 401(b)(a)(iv), substituted reference to health professional shortage area for reference to health manpower shortage area.


1987—Subsec. (a)(1). Pub. L. 100–177, § 302(1), inserted sentence at end relating to removal of an area from areas determined to be health manpower shortage areas.


Subsec. (e). Pub. L. 97–35, § 2702(d), designated existing provisions as par. (1) and added par. (2).

Subsec. (h). Pub. L. 97–35, § 2702(b), substituted “may” for “shall”.

1979—Subsec. (a)(2)(C). Pub. L. 96–32 substituted “section 247e of this title” for “part D of subchapter II of this chapter”.


EFFECTIVE DATE OF 2003 AMENDMENT


EFFECTIVE DATE OF 1988 AMENDMENTS

Pub. L. 100–628, title VI, § 631, Nov. 7, 1988, 102 Stat. 3244, provided that: “The amendments made by subsection (a) of section 601 [amending section 256 of this title] shall take effect in accordance with subsection (b) of such section [formerly set out as a note under section 256 of this title]. The amendments otherwise made by this title [amending this section and sections 256, 290bb–2, 290cc–21, 290cc–22, 290cc–28, 290cc–29, 290cc–35, 290cc–36, 290dd, 290ee, and 290ee–1 of this title and amending provisions set out as a note under section 290aa–3 of this title] shall take effect October 1, 1988, or upon the date of the enactment of this Act [Nov. 7, 1988], whichever comes later.”

Pub. L. 100–670, title VIII, § 831, Nov. 4, 1988, 102 Stat. 3171, provided that: “The amendments made by sub-
section (a) of section 801 [amending section 256 of this title] shall take effect in accordance with subsection (b) of such section [formerly set out as a note under section 256 of this title]. The amendments otherwise made by this title [amending this section and sections 256, 290bb–2, 290cc–21, 290cc–28, 290cc–29, 290cc–35, 290cc–36, 290dd, 290ee, and 290ee–1 of this title and amending provisions set out as a note under section 290aa–3 of this title] shall take effect October 1, 1988, or upon the date of the enactment of this Act [Nov. 4, 1988], whichever occurs later."

**Effective Date of 1981 Amendment**

**Effective Date of 1977 Amendment**
Pub. L. 95–142, §7(e)(1), Oct. 25, 1977, 91 Stat. 1194, provided that: "The amendment made by subsection (d) [amending this section] shall apply with respect to determinations and designations made on and after the date of the enactment of this Act [Oct. 25, 1977]."

**Regulations**
Pub. L. 107–251, title III, §302(b), Oct. 26, 2002, 116 Stat. 1644, which required the Secretary to submit a report to Congress, if the Secretary issued regulations revising the definition of a health professional shortage area under this section and standards concerning priority of such an area under section 254–1 of this title, was repealed by Pub. L. 108–163, §2(f)(2), Dec. 6, 2003, 117 Stat. 1645, provided that: "The Administrator of the Health Resources and Services Administration, in consultation with the Association of State and Territorial Dental Directors, dental societies, and other interested parties, shall revise the criteria on which the designations of dental health professional shortage areas are based so that such criteria provide a more accurate reflection of oral health care need, particularly in rural areas."

**GAO Study**
Pub. L. 107–251, title III, §302(e), Oct. 26, 2002, 116 Stat. 1645, provided that: "Not later than February 1, 2005, the Comptroller General of the United States shall submit to the Congress a report on the appropriateness of the criteria, including but not limited to infant mortality rates, access to health services taking into account the distance to primary health services, the rate of poverty and ability to pay for health services, and low birth rates, established by the Secretary of Health and Human Services for the designation of health professional shortage areas and whether the deeming of federally qualified health centers and rural clinics as such areas is appropriate and necessary."

**Reference to Community, Migrant, Public Housing, or Homeless Health Center Considered Reference to Health Center**
Reference to community health center, migrant health center, public housing health center, or homeless health center, considered reference to health center, see section 4(c) of Pub. L. 104–299, set out as a note under section 254b of this title.

**Evaluation of Criteria Used To Designate Health Manpower Shortage Areas: Report to Congress**
Pub. L. 97–35, title XXVII, §2702(c), Aug. 13, 1981, 95 Stat. 903, directed the Secretary of Health and Human Services, effective Oct. 1, 1981, to evaluate the criteria used under section 254(e)(b) of this title to determine if the use of the criteria resulted in areas which did not have a shortage of health professions personnel being designated as health manpower shortage areas, and to consider different criteria (including the actual use of health professions personnel in an area by the residents, taking into account their health status and indicators of unmet demand and likelihood that such demand would not be met in two years) which might be used to designate health manpower shortage areas. The Secretary was to report the results of his activities to Congress not later than Nov. 30, 1982.

### §254f. Corps personnel

**(a) Conditions necessary for assignment of Corps personnel to area; contents of application for assignment; assignment to particular facility; approval of applications**

(1) The Secretary may assign members of the Corps to provide, under regulations promulgated by the Secretary, health services in or to a health professional shortage area during the assignment period only if—

(A) a public or private entity, which is located or has a demonstrated interest in such area makes application to the Secretary for such assignment;

(B) such application has been approved by the Secretary;

(C) the entity agrees to comply with the requirements of section 254g of this title; and

(D) the Secretary has (i) conducted an evaluation of the need and demand for health manpower for the area, the intended use of Corps members to be assigned to the area, community support for the assignment of Corps members to the area, the area's efforts to secure health manpower for the area, and the fiscal management capability of the entity to which Corps members would be assigned and (ii) on the basis of such evaluation has determined that—

(I) there is a need and demand for health manpower for the area;

(II) there has been appropriate and efficient use of any Corps members assigned to the entity for the area;

(III) there is general community support for the assignment of Corps members to the entity;

(IV) the area has made unsuccessful efforts to secure health manpower for the area;

(V) there is a reasonable prospect of sound fiscal management, including efficient collection of fee-for-service, third-party, and other appropriate funds, by the entity with respect to Corps members assigned to such entity; and

(VI) the entity demonstrates willingness to support or facilitate mentorship, professional development, and training opportunities for Corps members.

An application for assignment of a Corps member to a health professional shortage area shall include a demonstration by the applicant that the area or population group to be served by the applicant has a shortage of personal health services and that the Corps member will be located so that the member will provide services to the greatest number of persons residing in such area or included in such population group. Such a demonstration shall be made on the basis of the criteria prescribed by the Secretary under section 254e(b) of this title and on additional cri-
teria which the Secretary shall prescribe to determine if the area or population group to be served by the applicant has a shortage of personal health services.

(2) Corps members may be assigned to a Federal health care facility, but only upon the request of the head of the department or agency of which such facility is a part.

(3) In approving applications for assignment of members of the Corps the Secretary shall not discriminate against applicants from entities which are not receiving Federal financial assistance under this chapter. In approving such applications, the Secretary shall give preference to applications in which a nonprofit entity or public entity shall provide a site to which Corps members may be assigned.

(b) Corps member income assurances; grants respecting sufficiency of financial resources

(1) The Secretary may not approve an application for the assignment of a member of the Corps described in subparagraph (C) of section 254d(a)(1) of this title to an entity unless the application of the entity contains assurances satisfactory to the Secretary that the entity (A) has sufficient financial resources to provide the member of the Corps with an income of not less than the income to which the member would be entitled if the member was a member described in subparagraph (B) of section 254d(a)(1) of this title, or (B) would have such financial resources if a grant was made to the entity under paragraph (2).

(2)(A) If in approving an application of an entity for the assignment of a member of the Corps described in subparagraph (C) of section 254d(a)(1) of this title the Secretary determines that the entity does not have sufficient financial resources to provide the member of the Corps with an income of not less than the income to which the member would be entitled if the member was a member described in subparagraph (B) of section 254d(a)(1) of this title, or (B) would have such financial resources if a grant was made to the entity under this paragraph (2),

(B) The amount of any grant under subparagraph (A) shall be determined by the Secretary. Payments under such a grant may be made in advance or by way of reimbursement, and at such intervals and on such conditions, as the Secretary finds necessary. No grant may be made unless an application therefor is submitted to and approved by the Secretary. Such an application shall be in such form, submitted in such manner, and contain such information, as the Secretary shall by regulation prescribe.

(c) Assignment of members without regard to ability of area to pay for services

The Secretary shall assign Corps members to entities in health professional shortage areas without regard to the ability of the individuals in such areas, population groups, medical facilities, or other public facilities to pay for such services.

(d) Entities entitled to aid; forms of assistance; coordination of efforts; agreements for assignment of Corps members; qualified entity

(1) The Secretary may provide technical assistance to a public or private entity which is located in a health professional shortage area and which desires to make an application under this section for assignment of a Corps member to such area. Assistance provided under this paragraph may include assistance to an entity in (A) analyzing the potential use of health professionals personnel in defined health services delivery areas by the residents of such areas, (B) determining the need for such personnel in such areas, (C) determining the extent to which such areas will have a financial base to support the practice of such personnel and the extent to which additional financial resources are needed to adequately support the practice, (D) determining the types of inpatient and other health services that should be provided by such personnel in such areas, and (E) developing long-term plans for addressing health professional shortages and improving access to health care. The Secretary shall encourage entities that receive technical assistance under this paragraph to communicate with other communities, State Offices of Rural Health, State Primary Care Associations and Offices, and other entities concerned with site development and community needs assessment.

(2) The Secretary may provide, to public and private entities which are located in a health professional shortage area to which area a Corps member has been assigned, technical assistance to assist in the retention of such member in such area after the completion of such member's assignment to the area.

(3) The Secretary may provide, to health professional shortage areas to which no Corps member has been assigned, (A) technical assistance to assist in the recruitment of health manpower for such areas, and (B) current information on public and private programs which provide assistance in the securing of health manpower.

(4)(A) The Secretary shall undertake to demonstrate the improvements that can be made in the assignment of members of the Corps to health professional shortage areas and in the delivery of health care by Corps members in such areas through coordination with States, political subdivisions of States, agencies of States and political subdivisions, and other public and private entities which have expertise in the planning, development, and operation of centers for the delivery of primary health care. In carrying out this subparagraph, the Secretary shall enter into agreements with qualified entities which provide that if—

(i) the entity places in effect a program for the planning, development, and operation of centers for the delivery of primary health care in health professional shortage areas which reasonably addresses the need for such care in such areas, and

(ii) under the program the entity will perform the functions described in subparagraph (B),

the Secretary will assign under this section members of the Corps in accordance with the program.

(B) For purposes of paragraph (A), the term "qualified entity" means a State, political subdivision of a State, an agency of a State or political subdivision, or other public or private entity operating solely within one State, which the Secretary determines is able—
(i) to analyze the potential use of health professions personnel in defined health services delivery areas by the residents of such areas;
(ii) to determine the need for such personnel in such areas and to recruit, select, and retain health professions personnel (including members of the National Health Service Corps) to meet such need;
(iii) to determine the extent to which such areas will have a financial base to support the practice of such personnel and the extent to which additional financial resources are needed to adequately support the practice;
(iv) to determine the types of inpatient and other health services that should be provided by such personnel in such areas;
(v) to assist such personnel in the development of their clinical practice and fee schedules and in the management of their practice;
(vi) to assist in the planning and development of facilities for the delivery of primary health care; and
(vii) to assist in establishing the governing bodies of centers for the delivery of such care and to assist such bodies in defining and carrying out their responsibilities.

(e) Practice within State by Corps member

Notwithstanding any other law, any member of the Corps licensed to practice medicine, osteopathic medicine, dentistry, or any other health profession in any State shall, while serving in the Corps, be allowed to practice such profession in any State.


§ 254f

§ 254f

AMENDMENTS


2000—Subsec. (d). Pub. L. 106–554, § 2703(d), substituted “‘nonprofit’ before ‘private entity’” for “nonprofit” before “private entity” in introductory provisions of subpar. (A) and before “private entity” in introductory provisions of subpar. (B).

1999—Subsec. (a)(1). Pub. L. 106–554, § 401(b)(a), substituted “has been” and “any Corps” for “will be” and “Corps”, respectively.

Subsec. (b). Pub. L. 106–554, § 401(b)(b), redesignated subsec. (d) as (b) and struck out former subsec. (b) which related to approval of application for assignment of Corps personnel subject to review and comment on application by health service agencies in designated area.

Subsec. (c). Pub. L. 106–554, § 401(b)(c), substituted reference to health professional shortage area for reference to health manpower shortage area.

Pub. L. 106–554, § 401(b)(d), redesignated subsec. (e) as (d) and struck out former subsec. (d) which related to approval of application for assignment of Corps personnel subject to review and comment on application by health service agencies in designated area.

Subsec. (e). Pub. L. 106–554, § 401(b)(e), redesignated subsec. (f) as (e) and struck out former subsec. (e) which related to approval of application for assignment of Corps personnel subject to review and comment on application by health service agencies in designated area.

Subsec. (f). Pub. L. 106–554, § 401(b)(f), redesignated subsec. (g) as (f) which provided for selection of Corps members for assignment upon basis of characteristics.

Subsec. (g). Pub. L. 106–554, § 401(b)(g), redesignated subsec. (h) as (g) as (d).

Subsec. (h). Pub. L. 106–554, § 401(b)(h), redesignated subsec. (i) as (e).

Subsec. (i). Pub. L. 106–554, § 401(b)(i), redesignated subsec. (j) as (i) and struck out former subsec. (i) as (e).

Subsec. (j). Pub. L. 106–554, § 401(b)(j), redesignated subsec. (k) as (j) and (k) which provided for placement of physicians in medically underserved areas and assignment of family physicians, respectively.

1998—Subsec. (i). Pub. L. 106–554, § 2703(d), substituted “osteopathic medicine” for “osteopathy”.


Subsec. (b). Pub. L. 97–35, § 2703(b), struck out par. (2) which related to special considerations, and redesignated par. (3) as (2) and (3), respectively.

Subsec. (c). Pub. L. 97–35, § 2703(c), struck out par. (2) which related to special considerations, and redesignated par. (3) as (2) and (3), respectively.

Subsec. (d). Pub. L. 97–35, § 2703(d), added subsec. (d) and redesignated former subsecs. (d), (e), and (f) as (e), (f), and (g), respectively.

Subsec. (e). Pub. L. 97–35, § 2703(e), redesignated former subsec. (f) as (g) and substituted “may” for “shall” in pars. (1) to (3), inserted provisions respecting health professions personnel in par. (1), added par. (4), and struck out requirement respecting demonstrated interest in par. (1) and (2). Former subsec. (g) redesignated (h).

Subsec. (f). Pub. L. 97–35, § 2703(f), redesignated former subsec. (g) as (h) and directed that “may” be substituted for “shall” which professional was substituted “may” for “shall” in two places preceding par. (1). Former subsec. (h) redesignated (i).
§ 254f-1. Priorities in assignment of Corps personnel

(a) In general

In approving applications made under section 254f of this title for the assignment of Corps members, the Secretary shall—

(1) give priority to any such application that—

(A) is made regarding the provision of primary health services to a health professional shortage area with the greatest such shortage; and

(B) is made by an entity that—

(i) serves a health professional shortage area described in subparagraph (A);

(ii) coordinates the delivery of primary health services with related health and social services;

(iii) has a documented record of sound fiscal management; and

(iv) will experience a negative impact on its capacity to provide primary health services if a Corps member is not assigned to the entity;

(2) with respect to the geographic area in which the health professional shortage area is located, take into consideration the willingness of individuals in the geographic area, and of the appropriate governmental agencies or health entities in the area, to assist and cooperate with the Corps in providing effective primary health services; and

(3) take into consideration comments of medical, osteopathic, dental, or other health professional societies whose members deliver services to the health professional shortage area, or if no such societies exist, comments of physicians, dentists, or other health professionals delivering services to the area.

(b) Establishment of criteria for determining priorities

(1) In general

The Secretary shall establish criteria specifying the manner in which the Secretary makes a determination under subsection (a)(1)(A) of the health professional shortage areas with the greatest such shortages.

(2) Publication of criteria

The criteria required in paragraph (1) shall be published in the Federal Register not later than July 1, 1991. Any revisions made in the criteria by the Secretary shall be effective upon publication in the Federal Register.

(c) Notifications regarding priorities

(1) Proposed list

The Secretary shall prepare and publish a proposed list of health professional shortage areas and entities that would receive priority under subsection (a)(1) in the assignment of Corps members. The list shall contain the information described in paragraph (2), and the relative scores and relative priorities of the entities submitting applications under section 254f of this title, in a proposed format. All such entities shall have 30 days after the date of publication of the list to provide additional data and information in support of inclusion on the list or in support of a higher priority determination and the Secretary shall reasonably consider such data and information in preparing the final list under paragraph (2).

(2) Preparation of list for applicable period

For the purpose of carrying out paragraph (3), the Secretary shall prepare and, as appropriate, update a list of health professional shortage areas and entities that are receiving priority under subsection (a)(1) in the assignment of Corps members. Such list—

(A) shall include a specification, for each such health professional shortage area, of the entities for which the Secretary has provided an authorization to receive assignments of Corps members in the event that Corps members are available for the assignments; and

(B) shall, of the entities for which an authorization described in subparagraph (A) has been provided, specify—

(i) the entities provided such an authorization for the assignment of Corps members who are participating in the Scholarship Program;

(ii) the entities provided such an authorization for the assignment of Corps members who are participating in the Loan Repayment Program; and

(iii) the entities provided such an authorization for the assignment of Corps members who have become Corps members other than pursuant to contractual obligations under the Scholarship or Loan Repayment Programs.

The Secretary may set forth such specifications by medical specialty.

(3) Notification of affected parties

(A) Entities

Not later than 30 days after the Secretary has added to a list under paragraph (2) an entity specified as described in subparagraph (A) of such paragraph, the Secretary shall notify such entity that the entity has been provided an authorization to receive assignments of Corps members in the event that Corps members are available for the assignments.

(B) Individuals

In the case of an individual obligated to provide service under the Scholarship Program, not later than 3 months before the date described in section 254m(b)(5) of this title, the Secretary shall provide to such in-
§ 254g | TITLE 42—THE PUBLIC HEALTH AND WELFARE | Page 338

individual the names of each of the entities specified as described in paragraph (2)(B)(1) that is appropriate for the individual's medical specialty and discipline.

(4) Revisions

If the Secretary proposes to make a revision in the list under paragraph (2), and the revision would adversely alter the status of an entity with respect to the list, the Secretary shall notify the entity of the revision. Any entity adversely affected by such a revision shall be notified in writing by the Secretary of the reasons for the revision and shall have 30 days from such notification to file a written appeal of the determination involved which shall be reasonably considered by the Secretary before the revision to the list becomes final. The revision to the list shall be effective with respect to assignment of Corps members beginning on the date that the revision becomes final.

(d) Limitation on number of entities offered as assignment choices in Scholarship Program

(1) Determination of available Corps members

By April 1 of each calendar year, the Secretary shall determine the number of participants in the Scholarship Program who will be available for assignments under section 254f of this title during the program year beginning on July 1 of that calendar year.

(2) Determination of number of entities

At all times during a program year, the number of entities specified under subsection (c)(2)(B)(1) shall be—

(A) not less than the number of participants determined with respect to that program year under paragraph (1); and

(B) not greater than twice the number of participants determined with respect to that program year under paragraph (1).


AMENDMENTS

2003—Subsec. (c)(4). Pub. L. 108–163 substituted “30 days from such notification” for “30 days”.

2002—Subsec. (a)(1)(A), Pub. L. 107–251, § 304(1), struck out “; as determined in accordance with subsection (b) of this section” after “such shortage”.

Subsec. (b), Pub. L. 107–251, § 304(2), (7), redesignated subsec. (c) as (b) and struck out heading and text of former subsec. (b). Text read as follows: “In making a determination under subsection (a)(1)(A) of this section of the health professional shortage areas with the greatest such shortages, the Secretary may consider only the following factors:

(1) The ratio of available health manpower to the number of individuals in the area or population group involved, or served by the medical facility or other public facility involved.

(2) Indicators of need as follows:

(A) The rate of low birthweight births.

(B) The rate of infant mortality.

(C) The rate of poverty.

(D) Access to primary health services, taking into account the distance to such services.”

Subsec. (c), Pub. L. 107–251, § 304(7), redesignated subsec. (d) as (c), Former subsec. (c) redesignated (b).

Subsec. (c)(1). Pub. L. 107–251, § 304(3), struck out second sentence, which read as follows: “Such criteria shall specify the manner in which the factors described in subsection (b) of this section are implemented regarding such a determination.”

Subsec. (d), Pub. L. 107–251, § 304(7), redesignated subsec. (e) as (d), Former subsec. (d) redesignated (c).


Subsec. (d)(2). Pub. L. 107–251, § 304(4)(C), in introductory provisions, substituted “paragraph (3)” for “paragraph (2)” and “prepare a list of health professional shortage areas and entities” for “prepare a list of health professional shortage areas” and struck out “for the period applicable under subsection (f) of this section” after “Corps members”.

Pub. L. 107–251, § 304(4)(A), redesignated par. (1) as (2). Former par. (2) redesignated (3).

Subsec. (d)(3). Pub. L. 107–251, § 304(4)(D), added par. (3) and struck out heading and text of former par. (3). Text read as follows:

“(A) Not later than 30 days after the preparation of each list under paragraph (1), the Secretary shall notify entities specified for purposes of paragraph (1) of such paragraph of the fact that the entities have been provided an authorization to receive assignments of Corps members in the event that Corps members are available for the assignments.

“(B) In the case of individuals with respect to whom a period of obligated service under the Scholarship Program will begin during the period under subsection (f) of this section for which a list under paragraph (1) is prepared, the Secretary shall, not later than 30 days after the preparation of each such list, provide to such individuals the names of each of the entities specified for purposes of paragraph (1)(B)(1) that is appropriate to the medical specialty of the individuals.”


Subsec. (d)(4). Pub. L. 107–251, § 304(4)(E), added par. (4) and struck out heading and text of former par. (4). Text read as follows: “If the Secretary makes a revision in a list under paragraph (1) during the period under subsection (f) of this section to which the list is applicable, and the revision alters the status of an entity with respect to the list, the Secretary shall notify the entity of the effect on the entity of the revision. Such notification shall be provided not later than 30 days after the date on which the revision is made.”


Pub. L. 107–251, § 304(5), added subsec. (e) and struck out heading and text of former subsec. (e). Text related to limitation on the number of entities offered as assignment choices in the Scholarship Program based on the number of participants available for assignments.

Subsec. (f). Pub. L. 107–251, § 304(6), struck out heading and text of subsec. (f), which related to applicable period regarding priorities in assignment of Corps members.

1990—Pub. L. 101–597, § 401(b)(a), substituted reference to health professional shortage area for reference to health manpower shortage area wherever appearing in subsecs. (a) to (c)(1), (d)(1), and (e)(3).

EFFECTIVE DATE OF 2003 AMENDMENT


§ 254g. Charges for services by entities using Corps members

(a) Availability of services regardless of ability to pay or payment source

An entity to which a Corps member is assigned shall not deny requested health care services,
and shall not discriminate in the provision of services to an individual—

(1) because the individual is unable to pay for the services; or

(2) because payment for the services would be made under—

(A) the medicare program under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.);

(B) the medicaid program under title XIX of such Act (42 U.S.C. 1396 et seq.); or

(C) the State children’s health insurance program under title XXI of such Act (42 U.S.C. 1397aa et seq.).

(b) Charges for services

The following rules shall apply to charges for health care services provided by an entity to which a Corps member is assigned:

(1) In general

(A) Schedule of fees or payments

Except as provided in paragraph (2), the entity shall prepare a schedule of fees or payments for the entity’s services, consistent with locally prevailing rates or charges and designed to cover the entity’s reasonable cost of operation.

(B) Schedule of discounts

Except as provided in paragraph (2), the entity shall prepare a corresponding schedule of discounts (including, in appropriate cases, waivers) to be applied to the payment of such fees or payments. In preparing the schedule, the entity shall adjust the discounts on the basis of a patient’s ability to pay.

(C) Use of schedules

The entity shall make every reasonable effort to secure from patients fees and payments for services in accordance with such schedules, and fees or payments shall be sufficiently discounted in accordance with the schedule described in subparagraph (B).

(2) Services to beneficiaries of Federal and federally assisted programs

In the case of health care services furnished to an individual who is a beneficiary of a program listed in subsection (a)(2), the entity—

(A) shall accept an assignment pursuant to section 1842(b)(3)(B) of the Social Security Act (42 U.S.C. 1395u(b)(3)(B)) with respect to an individual who is a beneficiary under the medicare program; and

(B) shall enter into an appropriate agreement with—

(i) the State agency administering the program under title XIX of such Act (42 U.S.C. 1396 et seq.) with respect to an individual who is a beneficiary under the medicaid program; and

(ii) the State agency administering the program under title XXI of such Act (42 U.S.C. 1397aa et seq.) with respect to an individual who is a beneficiary under the State children’s health insurance program.

(3) Collection of payments

The entity shall take reasonable and appropriate steps to collect all payments due for health care services provided by the entity, including payments from any third party (including a Federal, State, or local government agency and any other third party) that is responsible for part or all of the charge for such services.

he determines are necessary for the use of equipment and supplies of the Service and for the lease or acquisition of other equipment and supplies; and (C) secure the permanent or temporary services of physicians, dentists, nurses, ancillary health workers, and other health personnel. If there are no health facilities in or serving such area, the Secretary may arrange to have Corps members provide health services in the nearest health facilities of the Service or may lease or otherwise provide facilities in or serving such area for the provision of health services.

(2) If the individuals in or served by a health professional shortage area are being served (as determined under regulations of the Secretary) by a hospital or other health care delivery facility of the Service, the Secretary may, in addition to such other arrangements as he may make under paragraph (1), arrange for the utilization of such hospital or facility by Corps members in providing health services, but only to the extent that such utilization will not impair the delivery of health services and treatment through such hospital or facility to individuals who are entitled to health services and treatment through such hospital or facility.

(c) Loan; purposes; limitations

The Secretary may make one loan to any entity with an approved application under section 254f of this title to assist such entity in meeting the costs of (1) establishing medical, dental, or other health profession practices, including the development of medical practice management systems; (2) acquiring equipment for use in providing health services; and (3) renovating buildings to establish health facilities. No loan may be made under this subsection unless an application therefor is submitted to, and approved by, the Secretary. The amount of any such loan shall be determined by the Secretary, except that no such loan may exceed $50,000.

(d) Property and equipment disposal; fair market value; sale at less than full market value

Upon the expiration of the assignment of all Corps members to a health professional shortage area, the Secretary may (notwithstanding any other provision of law) sell, to any appropriate local entity, equipment and other property of the United States utilized by such members in providing health services. Sales made under this subsection shall be made at the fair market value (as determined by the Secretary) of the property. The amount of any such sale shall be determined by the Secretary, except that no such sale may exceed $50,000. As determined by the Secretary of the equipment or such other property; except that the Secretary may make such sales for a lesser value to an appropriate local entity, if he determines that the entity is financially unable to pay the full market value.

(e) Admitting privileges denied to Corps member by hospital; notice and hearing; denial of Federal funds for violation; “hospital” defined

(1)(A) It shall be unlawful for any hospital to deny an authorized Corps member admitting privileges when such Corps member otherwise meets the professional qualifications established by the hospital for granting such privileges and agrees to abide by the published bylaws of the hospital and the published bylaws, rules, and regulations of its medical staff. (B) Any hospital which is found by the Secretary, after notice and an opportunity for a hearing on the record, to have violated this subsection shall upon such finding cease, for a period to be determined by the Secretary, to receive and to be eligible to receive any Federal funds under this chapter or under titles XVIII, XIX, or XXI of the Social Security Act [42 U.S.C. 1395 et seq., 1396 et seq., 1397aa et seq.].

(2) For purposes of this subsection, the term “hospital” includes a State or local public hospital, a private profit hospital, a private non-profit hospital, a general or special hospital, and any other type of hospital (excluding a hospital owned or operated by an agency of the Federal Government), and any related facilities.


REFERENCES IN TEXT


AMENDMENTS


Subsec. (e)(1)(A). Pub. L. 101–597, § 106, substituted “authorized Corps member admitting privileges” for “authorized physician or dentist member of the Corps admitting privileges”.

1981—Subsec. (a)(2). Pub. L. 97–35, § 2705(a), substituted provisions respecting cooperation with other health care providers, for provisions respecting direct health services programs.

Subsec. (c)(4). Pub. L. 97–35, § 2705(b), struck out cl. (4) relating to appropriate continuing education programs.

§ 254h–1. Facilitation of effective provision of Corps services

(a) Consideration of individual characteristics of members in making assignments

In making an assignment of a Corps member to an entity that has had an application approved under section 254f of this title, the Secretary shall, subject to making the assignment in accordance with section 254f–1 of this title, seek to assign to the entity a Corps member who has (and whose spouse, if any, has) characteristics that increase the probability that the member will remain in the health professional shortage area involved after the completion of the period of service in the Corps.

(b) Counseling on service in Corps

(1) In general

The Secretary shall, subject to paragraph (3), offer appropriate counseling on service in the Corps to individuals during the period of
membership in the Corps, particularly during the initial period of each assignment.

(2) Career advisor regarding obligated service

(A) In the case of individuals who have entered into contracts for obligated service under the Scholarship or Loan Repayment Program, counseling under paragraph (1) shall include appropriate counseling on matters particular to such obligated service. The Secretary shall ensure that career advisors for providing such counseling are available to such individuals throughout the period of participation in the Scholarship or Loan Repayment Program.

(B) With respect to the Scholarship Program, counseling under paragraph (1) shall include counseling individuals during the period in which the individuals are pursuing an educational degree in the health profession involved, including counseling to prepare the individual for service in the Corps.

(3) Extent of counseling services

With respect to individuals who have entered into contracts for obligated service under the Scholarship or Loan Repayment Program, this subsection shall be carried out regarding such individuals throughout the period of obligated service (and, additionally, throughout the period specified in paragraph (2)(B), in the case of the Scholarship Program). With respect to Corps members generally, this subsection shall be carried out to the extent practicable.

(c) Grants regarding preparation of students for practice

With respect to individuals who have entered into contracts for obligated service under the Scholarship or Loan Repayment Program, the Secretary may make grants to, and enter into contracts with, public and nonprofit private entities (including health professions schools) for the conduct of programs designed to prepare such individuals for the effective provision of primary health services in the health professional shortage areas to which the individuals are assigned.

(d) Professional development and training

(1) In general

The Secretary shall assist Corps members in establishing and maintaining professional relationships and development opportunities, including by—

(A) establishing appropriate professional relationships between the Corps member involved and the health professions community of the geographic area with respect to which the member is assigned;

(B) establishing professional development, training, and mentorship linkages between the Corps member involved and the larger health professions community, including through distance learning, direct mentorship, and development and implementation of training modules designed to meet the educational needs of offsite Corps members;

(C) establishing professional networks among Corps members; or

(D) engaging in other professional development, mentorship, and training activities for Corps members, at the discretion of the Secretary.

(2) Assistance in establishing professional relationships

In providing such assistance under paragraph (1), the Secretary shall focus on establishing relationships with hospitals, with academic medical centers and health professions schools, with area health education centers under section 294a of this title, with health education and training centers under section 294b of this title, and with border health education and training centers under such section 294b of this title. Such assistance shall include assistance in obtaining faculty appointments at health professions schools.

(3) Supplement not supplant

Such efforts under this subsection shall supplement, not supplant, non-government efforts by professional health provider societies to establish and maintain professional relationships and development opportunities.

(e) Temporary relief from Corps duties

(1) In general

The Secretary shall, subject to paragraph (4), provide assistance to Corps members in establishing arrangements through which Corps members may, as appropriate, be provided temporary relief from duties in the Corps in order to pursue continuing education in the health professions, to participate in exchange programs with teaching centers, to attend professional conferences, or to pursue other interests, including vacations.

(2) Assumption of duties of member

(A) Temporary relief under paragraph (1) may be provided only if the duties of the Corps member involved are assumed by another health professional. With respect to such temporary relief, the duties may be assumed by Corps members or by health professionals who are not Corps members, if the Secretary approves the professionals for such purpose. Any health professional so approved by the Secretary, during the period of providing such temporary relief, be deemed to be a Corps member for purposes of section 233 of this title (including for purposes of the remedy described in such section), section 254(f) of this title, and section 254(e) of this title.

(B) In carrying out paragraph (1), the Secretary shall provide for the formation and continued existence of a group of health professionals to provide temporary relief under such paragraph.

(3) Recruitment from general health professions community

In carrying out paragraph (1), the Secretary shall—

(A) encourage health professionals who are not Corps members to enter into arrangements under which the health professionals temporarily assume the duties of Corps members for purposes of paragraph (1); and

1 See References in Text note below.
(B) with respect to the entities to which Corps members have been assigned under section 254f of this title, encourage the entities to facilitate the development of arrangements described in subparagraph (A).

(4) Limitation

In carrying out paragraph (1), the Secretary may not, except as provided in paragraph (5), obligate any amounts (other than for incidental expenses) for the purpose of—

(A) compensating a health professional who is not a Corps member for assuming the duties of a Corps member; or

(B) paying the costs of a vacation, or other interests that a Corps member may pursue during the period of temporary relief under such paragraph.

(5) Sole providers of health services

In the case of any Corps member who is the sole provider of health services in the geographic area involved, the Secretary may, from amounts appropriated under section 254k of this title, obligate on behalf of the member such sums as the Secretary determines to be necessary for purposes of providing temporary relief under paragraph (1).

(f) Determinations regarding effective service

In carrying out subsection (a) and sections 254(d) and 254l–1(d) of this title, the Secretary shall carry out activities to determine—

(1) the characteristics of physicians, dentists, and other health professionals who are more likely to remain in practice in health professional shortage areas after the completion of the period of service in the Corps;

(2) the characteristics of health manpower shortage areas, and of entities seeking assignments of Corps members that are more likely to retain Corps members after the members have completed the period of service in the Corps; and

(3) the appropriate conditions for the assignment and utilization in health manpower shortage areas of certified nurse practitioners, certified nurse midwives, and physician assistants.


REFERENCES IN TEXT

Section 294b of this title, referred to in subsec. (d)(2), was repealed and a new section 294b enacted by Pub. L. 110–355, title IV, §2706(a), and, as so enacted, no longer relates to health education and training centers.

PRIOR PROVISIONS

A prior section 336 of act July 1, 1944, was renumbered section 336A by Pub. L. 97–35, §2706(a), and is classified to section 254i of this title.

AMENDMENTS

2008—Subsec. (d). Pub. L. 110–355 amended subsec. (d) generally. Prior to amendment, text read as follows:

"The Secretary shall assist Corps members in establishing appropriate professional relationships between the Corps member involved and the health professions community of the geographic area with respect to which the member is assigned, including such relationships with hospitals, with health professions schools, with area health education centers under section 254g–1 of this title, with health education and training centers under such section, and with border health education and training centers under such section. Such assistance shall include assistance in obtaining faculty appointments at health professions schools." 1990—Pub. L. 101–597, §107, amended section generally. Prior to amendment, section read as follows:

"(a) The Secretary may make grants to and enter into contracts with public and private nonprofit entities for the conduct of programs which are designed to prepare individuals subject to a service obligation under the National Health Service Corps Scholarship Program or Loan Repayment Program to effectively provide health services in the health manpower shortage area to which they are assigned.

"(b) No grant may be made or contract entered into under subsection (a) of this section unless an application therefor is submitted to and approved by the Secretary. Such an application shall be in such form, submitted in such manner, and contain such information, as the Secretary shall by regulation prescribe." 2002—Subsecs. (c), (f)(1). Pub. L. 107–251 substituted "health professional shortage areas" for "health manpower shortage areas".

§ 254i. Annual report to Congress; contents

The Secretary shall submit an annual report to Congress, and shall include in such report with respect to the previous calendar year—

(1) the number, identity, and priority of all health professional shortage areas designated in such year and the number of health professional shortage areas which the Secretary estimates will be designated in the subsequent year;

(2) the number of applications filed under section 254f of this title in such year for assignment of Corps members and the action taken on each such application;

(3) the number and types of Corps members assigned in such year to health professional shortage areas, the number and types of additional Corps members which the Secretary estimates will be assigned to such areas in the subsequent year, and the need for additional members for the Corps;

(4) the recruitment efforts engaged in for the Corps in such year and the number of qualified individuals who applied for service in the Corps in such year;

(5) the number of patients seen and the number of patient visits recorded during such year with respect to each health professional shortage area to which a Corps member was assigned during such year;

(6) the number of Corps members who elected, and the number of Corps members who did not elect, to continue to provide health services in health professional shortage areas after termination of their service in the Corps and the reasons (as reported to the Secretary) of members who did not elect for not making such election;
(7) the results of evaluations and determinations made under section 254f(a)(1)(D) of this title during such year; and

(8) the amount charged during such year for health services provided by Corps members, the amount which was collected in such year by entities in accordance with section 254g of this title, and the amount which was paid to the Secretary in such year under such agreements.


1986—Pub. L. 99–577 struck out “on May 1 of each year” after “report to Congress”.

§ 254j. National Advisory Council on National Health Service Corps

(a) Establishment; appointment of members

There is established a council to be known as the National Advisory Council on the National Health Service Corps (hereinafter in this section referred to as the “Council”). The Council shall be composed of not more than 15 members appointed by the Secretary. The Council shall consist of, advise, and make recommendations to, the Secretary with respect to his responsibilities in carrying out this subpart (other than section 254r of this title), and shall review and comment upon regulations promulgated by the Secretary under this subpart.

(b) Term of members; compensation; expenses

(1) Members of the Council shall be appointed for a term of three years, except that any member appointed to fill a vacancy occurring prior to the expiration of the term for which the member’s predecessor was appointed shall be appointed for the remainder of such term. No member shall be removed, except for cause.

(2) Members of the Council (other than members who are officers or employees of the United States), while attending meetings or conferences thereof or otherwise serving on the business of the Council, shall be entitled to receive for each day (including traveltime) in which they are so serving compensation at a rate fixed by the Secretary (but not to exceed the daily equivalent of the annual rate of basic pay in effect for grade GS–18 of the General Schedule); and while so serving away from their homes or regular places of business all members may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5 for persons in the Government Service employed intermittently.

(c) Termination

Section 14 of the Federal Advisory Committee Act shall not apply with respect to the Council.

§ 254k. Authorization of appropriations

(a) For the purpose of carrying out this subpart, there are authorized to be appropriated such sums as may be necessary for each of the fiscal years 2008 through 2012.

(b) An appropriation under an authorization under subsection (a) for any fiscal year may be made at any time before that fiscal year and may be included in an Act making an appropriation under an authorization under subsection (a) for another fiscal year; but no funds may be made available from any appropriation under
such authorization for obligation under sections 254d through 254h, section 254i, and section 254j of this title before the fiscal year for which such appropriation is authorized.


**AMENDMENTS**


2002—Subsec. (a). Pub. L. 107–251 struck out par. (1) designation before “For the purpose”, substituted “2002 through 2006” for “1998 through 2000”, and struck out par. (2) which read as follows: “In the case of individuals who serve in the Corps other than pursuant to obligated service under the Scholarship or Loan Repayment Program, the Secretary each fiscal year shall, to the extent practicable, make assignments under section 254f of this title of such title of such individuals who are certified nurse midwives, certified nurse practitioners, or physician assistants.”

1990—Subsec. (a). Pub. L. 101–597 added subsec. (a) and struck out former subsec. (a) which read as follows: “To carry out this subpart, there are authorized to be appropriated $65,000,000 for fiscal year 1988, $65,000,000 for fiscal year 1989, and $65,000,000 for fiscal year 1990.”

1987—Subsec. (a). Pub. L. 100–177 amended subsec. (a) generally. Prior to amendment, subsec. (a) read as follows: “To carry out the purposes of this subpart, there are authorized to be appropriated $47,000,000 for the fiscal year ending September 30, 1978; $65,000,000 for the fiscal year ending September 30, 1979; $82,000,000 for the fiscal year ending September 30, 1980; $110,000,000 for the fiscal year ending September 30, 1982; $120,000,000 for the fiscal year ending September 30, 1983; and $130,000,000 for the fiscal year ending September 30, 1984.”


Subsec. (b). Pub. L. 97–35, § 2708(b), substituted reference to sections 254d to 254h, 254i, and 254j of this title for reference to this subpart.

1979—Subsec. (a). Pub. L. 96–76 substituted “$82,000,000” for “$70,000,000”.

1978—Subsec. (a). Pub. L. 95–626 substituted “$64,000,000” for “$57,000,000” as amount authorized to be appropriated for fiscal year ending Sept. 30, 1979.

**SUBPART III—SCHOLARSHIP PROGRAM AND LOAN REPAYMENT PROGRAM**

**CODIFICATION**


§ 254i. National Health Service Corps Scholarship Program

(a) Establishment

The Secretary shall establish the National Health Service Corps Scholarship Program to assure, with respect to the provision of primary health services pursuant to section 254d(a)(2) of this title—

(1) an adequate supply of physicians, dentists, behavioral and mental health professionals, certified nurse midwives, certified nurse practitioners, and physician assistants; and

(2) if needed by the Corps, an adequate supply of other health professionals.

(b) Eligibility; application; written contract

To be eligible to participate in the Scholarship Program, an individual must—

(1) be accepted for enrollment, or be enrolled, as a full-time student (A) in an accredited (as determined by the Secretary) educational institution in a State and (B) in a course of study or program, offered by such institution and approved by the Secretary, leading to a degree in medicine, osteopathic medicine, dentistry, or other health profession, or an appropriate degree from a graduate program of behavioral and mental health;

(2) be eligible for, or hold, an appointment as a commissioned officer in the Regular or Reserve Corps of the Service or be eligible for selection for civilian service in the Corps;

(3) submit an application to participate in the Scholarship Program;

(4) sign and submit to the Secretary, at the time of submittal of such application, a written contract (described in subsection (f)) to accept payment of a scholarship and to serve (in accordance with this subpart) for the period of obligated service in a health professional shortage area.

(c) Review and evaluation of information and forms by prospective applicant

(1) In disseminating application forms and contract forms to individuals desiring to participate in the Scholarship Program, the Secretary shall include with such forms—

(A) a fair summary of the rights and liabilities of an individual whose application is approved (and whose contract is accepted) by the Secretary, including in the summary a clear explanation of the damages to which the United States is entitled under section 254e of this title in the case of the individual’s breach of the contract; and

(B) information respecting meeting a service obligation through private practice under an agreement under section 254n of this title and such other information as may be necessary for the individual to understand the individual’s prospective participation in the Scholarship Program and service in the Corps, including a statement of all factors considered in approving applications for participation in the Program and in making assignments for participants in the Program.

(2) The application form, contract form, and all other information furnished by the Secretary under this subpart shall be written in a manner calculated to be understood by the average individual applying to participate in the Scholarship Program. The Secretary shall make such application forms, contract forms, and other information available to individuals desiring to participate in the Scholarship Program on a date sufficiently early to insure that such individuals have adequate time to carefully review and evaluate such forms and information.

(3)(A) The Secretary shall distribute to health professions schools materials providing informa-
courage the schools to disseminate the materials to the students of the schools.

(B)(i) In the case of any health professional whose period of obligated service under the Scholarship Program is nearing completion, the Secretary shall encourage the individual to remain in a health professional shortage area and to continue providing primary health services.

(ii) During the period in which a health professional is planning and making the transition to private practice from obligated service under the Scholarship Program, the Secretary may provide assistance to the professional regarding such transition if the professional is remaining in a health professional shortage area and is continuing to provide primary health services.

(C) In the case of entities to which participants in the Scholarship Program are assigned under section 254f of this title, the Secretary shall encourage the entities to provide options with respect to assisting the participants in remaining in the health professional shortage areas involved, and in continuing to provide primary health services, after the period of obligated service under the Scholarship Program is completed. The options with respect to which the Secretary provides such encouragement may include options regarding the sharing of a single employment position in the health professions by 2 or more health professionals, and options regarding the recruitment of couples where both of the individuals are health professionals.

(d) Factors considered in providing contracts; priorities

(1) Subject to section 254f-1 of this title, in providing contracts under the Scholarship Program—

(A) the Secretary shall consider the extent of the demonstrated interest of the applicants for the contracts in providing primary health services;

(B) the Secretary, in considering applications from individuals accepted for enrollment or enrolled in dental school, shall consider applications from all individuals accepted for enrollment or enrolled in any accredited dental school in the United States;

(C) may ¹ consider such other factors regarding the applicants as the Secretary determines to be relevant to selecting qualified individuals to participate in such Program.

(2) In providing contracts under the Scholarship Program, the Secretary shall give priority—

(A) first, to any application for such a contract submitted by an individual who has previously received a scholarship under this section or under section 254z ² of this title;

(B) second, to any application for such a contract submitted by an individual who has characteristics that increase the probability that the individual will continue to serve in a health professional shortage area after the period of obligated service pursuant to subsection (f) is completed; and

(C) third, subject to subparagraph (B), to any application for such a contract submitted by an individual who is from a disadvantaged background.

(e) Commencement of participation in Scholarship Program; notice

(1) An individual becomes a participant in the Scholarship Program only upon the Secretary's approval of the individual's application submitted under subsection (b)(3) and the Secretary's acceptance of the contract submitted by the individual under subsection (b)(4).

(2) The Secretary shall provide written notice to an individual promptly upon the Secretary's approving, under paragraph (1), of the individual's participation in the Scholarship Program.

(f) Written contract; contents

The written contract (referred to in this subpart) between the Secretary and an individual shall contain—

(1) an agreement that—

(A) subject to paragraph (2), the Secretary agrees (i) to provide the individual with a scholarship (described in subsection (g)) in each such school year or years for a period of years (not to exceed four school years) determined by the individual, during which period the individual is pursuing a course of study described in subsection (b)(1)(B), and (ii) to accept (subject to the availability of appropriated funds for carrying out sections 254d through 254h and section 254j of this title) the individual into the Corps (or for equivalent service as otherwise provided in this subpart); and

(B) subject to paragraph (2), the individual agrees—

(i) to accept provision of such a scholarship to the individual;

(ii) to maintain enrollment in a course of study described in subsection (b)(1)(B) until the individual completes the course of study;

(iii) while enrolled in such course of study, to maintain an acceptable level of academic standing (as determined under regulations of the Secretary by the educational institution offering such course of study);

(iv) if pursuing a degree from a school of medicine or osteopathic medicine, to complete a residency in a specialty that the Secretary determines is consistent with the needs of the Corps; and

(v) to serve for a time period (hereinafter in the subpart referred to as the ‘‘period of obligated service’’) equal to—

(I) one year for each school year for which the individual was provided a scholarship under the Scholarship Program, or

(II) two years,

whichever is greater, as a provider of primary health services in a health professional shortage area (designated under section 254e of this title) to which he is assigned by the Secretary as a member of the Corps, or as otherwise provided in this subpart;

(2) a provision that any financial obligation of the United States arising out of a contract

¹ See in original.
² See References in Text note below.
entered into under this subpart and any obligation of the individual which is conditioned thereon, is contingent upon funds being appropriated for scholarships under this subpart and to carry out the purposes of sections 254d through 254f and sections 254j and 254k of this title:

(3) a statement of the damages to which the United States is entitled, under section 254o of this title, for the individual’s breach of the contract; and

(4) such other statements of the rights and liabilities of the Secretary and of the individual, not inconsistent with the provisions of this subpart.

(g) Scholarship provisions; contract with educational institution; increase in monthly stipend

(1) A scholarship provided to a student for a school year under a written contract under the Scholarship Program shall consist of—

(A) payment to, or (in accordance with paragraph (2) on behalf of, the student of the amount (except as provided in section 292k of this title) of—

(i) the tuition of the student in such school year; and

(ii) all other reasonable educational expenses, including fees, books, and laboratory expenses, incurred by the student in such school year; and

(B) payment to the student of a stipend of $400 per month (adjusted in accordance with paragraph (3)) for each of the 12 consecutive months beginning with the first month of such school year.

(2) The Secretary may contract with an educational institution, in which a participant in the Scholarship Program is enrolled, for the payment to the educational institution of the amounts of tuition and other reasonable educational expenses described in paragraph (1)(A). Payment to such an educational institution may be made without regard to section 3324(a) and (b) of title 31.

(3) The amount of the monthly stipend, specified in paragraph (1)(B) and as previously adjusted (if at all) in accordance with this paragraph, shall be increased by the Secretary for each school year ending in a fiscal year beginning after September 30, 1978, by an amount (rounded to the next highest multiple of $1) equal to the amount of such stipend multiplied by the overall percentage (under section 5303 of title 5) of the adjustment (if such adjustment is an increase) in the rates of pay under the General Schedule made effective in the fiscal year in which such school year ends.

(h) Employment ceiling of Department unaffected

Notwithstanding any other provision of law, individuals who have entered into written contracts with the Secretary under this section, while undergoing academic training, shall not be counted against any employment ceiling affecting the Department.


References in Text


Section 292k of this title, referred to in subsec. (g)(1)(A), was in the original a reference to section 711 of that Act July 1, 1944. Section 711 of that Act was renumbered as section 710 by Pub. L. 97–35, title XXVII, §2709(b), Aug. 13, 1981, 95 Stat. 915, and subsequently omitted in the general revision of subchapter V of this chapter by Pub. L. 102–408, title I, §102, Oct. 13, 1993, 106 Stat. 1994. Pub. L. 102–408 enacted a new section 710 of act July 1, 1944, relating to insurance accounts, a new section 711, relating to powers and responsibilities of the Secretary, and a new section 712, relating to participation by Federal credit unions, which are classified to sections 2921, 2922, and 292k, respectively, of this title.

The General Schedule, referred to in subsec. (g)(3), is set out under section 3322 of Title 5, Government Organization and Employees.

Codification

In subsec. (g)(2), “section 3324(a) and (b) of title 31” substituted for “section 3648 of the Revised Statutes (31 U.S.C. 529)” on authority of Pub. L. 97–258, §4(b), Sept. 13, 1982, 96 Stat. 1067, the first section of which enacted Title 31, Money and Finance.

Section was formerly classified to section 294t of this title prior to its renumbering by Pub. L. 97–35.

Amendments


Subsec. (b)(1)(B). Pub. L. 107–251, §309(2), inserted “... or an appropriate degree from a graduate program of behavioral and mental health” after “other health profession”.

Subsec. (c)(1). Pub. L. 107–251, §309(3), made technical amendment to references in original act which appear in subpar. (A) as reference to section 254e of this title and in subpar. (B) as reference to section 254n of this title.

Subsec. (d)(1)(B), (C). Pub. L. 107–251, §308(4), added subpar. (B) and redesignated former subpar. (B) as (C).


Subsec. (i). Pub. L. 107–251, §306(6), struck out subsec. (i), which required an annual report to Congress on the Scholarship Program.

1990—Subsec. (a). Pub. L. 101–597, §201(a)(1), substituted “Corps Scholarship Program to assure, with respect to the provision of primary health services pur-
suant to section 254d(a)(2) of this title—" and pars. (1) and (2) for "Corps Scholarship Program (hereinafter in this subpart referred to as the "Scholarship Program") to assure an adequate supply of trained physicians, dentists, and nurses for the National Health Service Corps (hereinafter in this subpart referred to as the "Corps") and, if needed by the Corps, podiatrists, optometrists, pharmacists, clinical psychologists, graduates of schools of veterinary medicine, graduates of schools of public health, graduates of programs in health administration, graduates of programs for the training of assistants, expanded function dental auxiliaries, and nurse practitioners (as defined in section 296m of this title), and other health professionals."

Subsec. (b)(4). Pub. L. 101–97, § 201(b)(4), inserted par. (1) designation, redesignated former paras. (1) and (2) as subs paras. (A) and (B), inserted before period at end of subpar. (B) "", including a statement of all factors considered in approving applications for participation in the Program and in making assignments for participants in the Program (B), inserted before period at end of subpar. (B) "", reference to health manpower shortage area for reference to health manpower shortage area in par. (2)(B).


Pub. L. 101–97, § 201(b), inserted par. (1) designation, redesignated former paras. (1) and (2) as subs paras. (A) and (B), inserted before period at end of subpar. (B) "", including a statement of all factors considered in approving applications for participation in the Program and in making assignments for participants in the Program (B), inserted before period at end of subpar. (B) "", reference to health professional shortage area for reference to health manpower shortage area in clos.


Pub. L. 101–97, § 201(c), amended subsec. (d) generally. Prior to amendment, subsec. (d) read as follows: "In determining which applications under the Scholarship Program to approve (and which contracts to accept), the Secretary shall give priority—"

"(1) first, to applications made (and contracts submitted) by individuals who have previously received scholarships under the Scholarship Program or under section 294 of this title; and"

"(2) second, to applications made (and contracts submitted)—"

"(A) for the school year beginning in calendar year 1978, by individuals who are entering their first, second, or third year of study in a course of study or program described in subsection (b)(1)(B) of this section in such school year;

"(B) for the school year beginning in calendar year 1979, by individuals who are entering their first or second year of study in a course of study or program described in subsection (b)(1)(B) of this section in such school year; and"

"(C) for each school year thereafter, by individuals who are entering their first year of study in a course of study or program described in subsection (b)(1)(B) of this section in such school year."


Subsec. (i)(4). Pub. L. 101–97, § 201(d)(2), added paras. (4) and (5) and struck out former par. (4) which read as follows: "the amount of tuition paid in the aggregate and at each educational institution for the school year beginning in such year and for prior school years."


Subsec. (b)(1). Pub. L. 101–607 substituted "osteopathic medicine" for "osteopathy".

Subsec. (g)(1). Pub. L. 99–129 struck out "or under section 294a of this title (relating to scholarships for first-year students of exceptional financial need)," after "Scholarship Program.


Subsec. (c). Pub. L. 97–35, § 201(b)(2), (3), substituted "294a" for "294w" in (par. 1), and inserted provisions relating to information concerning meeting the service obligation in par. (2).

Subsec. (f). Pub. L. 97–35, § 201(b)(4)–(6). In par. (1) substituted reference to sections 254d to 254h and 254j of this title, for reference to subpart II of part D of subchapter II of this chapter, in par. (2) substituted reference to sections 254d to 254h, 254j and 254k of this title, for reference to subpart II of part D of subchapter II of this chapter, and in par. (3) substituted "294a" for "294w".


Subsec. (f). Pub. L. 95–623 substituted "subpart II of part D" for "subpart II of part C" in pars. (1)(a) and (2).

Subsec. (i). Pub. L. 95–623 substituted March 1 for December 1 as the date for Secretary's annual report to Congress.


Subsec. (e). Pub. L. 95–431 substituted March 1 for December 1 as the date of the Secretary's annual report to Congress.
“(4) The provisions of section 746 of the Public Health Service Act (as added by the amendment made by section 208(h)(2) of this Act) [former 42 U.S.C. 294q–2] shall take effect as of June 30, 1984.

“(5) The amendments made by section 208(j) of this Act [amending sections 294m and 297a of this title] shall take effect as of June 30, 1984.

“(6) The amendments made by section 213(a) of this Act [amending section 295g–1 of this title] shall take effect as of October 1, 1985.”

**Effective Date of 1977 Amendment**

**Effective Date**

**Effective Date; Savings Provision; Credit for Period of Internship or Residency Before September 30, 1977, Towards Service Obligation**

“(A) Except as provided in subparagraphs (B) and (C), the amendment made by paragraph (1) of this subsection [enacting this section and sections 254l–1 to 254r of this title and repealing section 254 of this title by Pub. L. 94–484] is effective Oct. 1, 1977.

“(B) The provisions of section 225(f)(1) of the Public Health Service Act (as in effect on September 30, 1977) [former 42 U.S.C. 234(f)(1)] prescribing the financial obligation of a participant in the Public Health and National Health Service Corps Scholarship Program who fails to complete an active duty service obligation incurred under that Program shall apply to any individual who received a scholarship under such Program from appropriations for such Program for fiscal years beginning after September 30, 1977.

“(C) If an individual received a scholarship under the Public Health and National Health Service Corps Scholarship Program for any school year beginning before the date of the enactment of this Act [Oct. 12, 1976], periods of internship or residency served by such individual in a facility of the National Health Service Corps or other facility of the Public Health Service shall be creditable in satisfying such individual’s service obligation incurred under that Program or for any scholarship received under the National Health Service Corps Scholarship Program for any subsequent school year. If an individual received a scholarship under the Public Health and National Health Service Corps Program for the first time from appropriations for such Program for the fiscal year ending September 30, 1977, periods of internship or residency served by such individual in such a facility shall be creditable in satisfying such individual’s service obligation incurred under that Program for such scholarship."

**Scholarship and Loan Repayment Programs**
Pub. L. 107–251, title III, §302(c), Oct. 26, 2002, 116 Stat. 1644, provided that: “The Secretary of Health and Human Services, in consultation with organizations representing individuals in the dental field and organizations representing publicly funded health care providers, shall develop and implement a plan for increasing the participation of dentists and dental hygienists in the National Health Service Corps Scholarship Program under section 338A of the Public Health Service Act (42 U.S.C. 254l) and the Loan Repayment Program under section 338B of such Act (42 U.S.C. 254l–1)."

**§ 254l–1. National Health Service Corps Loan Repayment Program**

(a) Establishment
The Secretary shall establish a program to be known as the National Health Service Corps Loan Repayment Program to assure, with respect to the provision of primary health services pursuant to section 254(a)(2) of this title—

(1) an adequate supply of physicians, dentists, behavioral and mental health professionals, certified nurse midwives, certified nurse practitioners, and physician assistants; and

(2) if needed by the Corps, an adequate supply of other health professionals.

(b) Eligibility
To be eligible to participate in the Loan Repayment Program, an individual must—

(1) have a degree in medicine, osteopathic medicine, dentistry, or another health profession, or an appropriate degree from a graduate program of behavioral and mental health, or be certified as a nurse midwife, nurse practitioner, or physician assistant;

(2) be enrolled in an approved graduate training program in medicine, osteopathic medicine, dentistry, behavioral and mental health, or other health profession; or

(3) be enrolled as a full-time student—

(I) in an accredited (as determined by the Secretary) educational institution in a State; and

(ii) in the final year of a course of a study or program, offered by such institution and approved by the Secretary, leading to a degree in medicine, osteopathic medicine, dentistry, or other health profession;

(2) be eligible for, or hold, an appointment as a commissioned officer in the Regular or Reserve Corps of the Service or be eligible for selection for civilian service in the Corps; and

(3) submits to the Secretary an application for a contract described in subsection (f) (relating to the payment by the Secretary of the educational loans of the individual in consideration of the individual serving for a period of obligated service).

(c) Information to be included with application and contract forms; understandability; availability

(1) Summary and information
In disseminating application forms and contract forms to individuals desiring to participate in the Loan Repayment Program, the Secretary shall include with such forms—

(A) a fair summary of the rights and liabilities of an individual whose application is approved (and whose contract is accepted) by the Secretary, including in the summary a clear explanation of the damages to which the United States is entitled under section 254o of this title in the case of the individual’s breach of the contract; and

(B) information respecting meeting a service obligation through private practice under an agreement under section 254n of this title and such other information as may be necessary for the individual to under-
stand the individual’s prospective participation in the Loan Repayment Program and service in the Corps.

(2) Understandability

The application form, contract form, and all other information furnished by the Secretary under this subpart shall be written in a manner calculated to be understood by the average individual applying to participate in the Loan Repayment Program.

(3) Availability

The Secretary shall make such application forms, contract forms, and other information available to individuals desiring to participate in the Loan Repayment Program on a date sufficiently early to ensure that such individuals have adequate time to carefully review and evaluate such forms and information.

(4) Recruitment and retention

(A) The Secretary shall distribute to health professions schools materials providing information on the Loan Repayment Program and shall encourage the schools to disseminate the materials to the students of the schools.

(B)(i) In the case of any health professional whose period of obligated service under the Loan Repayment Program is nearing completion, the Secretary shall encourage the individual to remain in a health professional shortage area and to continue providing primary health services.

(ii) During the period in which a health professional is planning and making the transition to private practice from obligated service under the Loan Repayment Program, the Secretary may provide assistance to the professional regarding such transition if the professional is remaining in a health professional shortage area and is continuing to provide primary health services.

(C) In the case of entities to which participants in the Loan Repayment Program are assigned under section 254f of this title, the Secretary shall encourage the entities to provide options with respect to assisting the participants in remaining in the health professional shortage areas involved, and in continuing to provide primary health services.

(d) Factors considered in providing contracts; priorities

(1) Subject to section 254f–1 of this title, in providing contracts under the Loan Repayment Program—

(A) the Secretary shall consider the extent of the demonstrated interest of the applicants for the contracts in providing primary health services; and

(B) may consider such other factors regarding the applicants as the Secretary determines to be relevant to selecting qualified individuals to participate in such Program.

(2) In providing contracts under the Loan Repayment Program, the Secretary shall give priority—

(A) to any application for such a contract submitted by an individual whose training is in a health profession or specialty determined by the Secretary to be needed by the Corps;

(B) to any application for such a contract submitted by an individual who has (and whose spouse, if any, has) characteristics that increase the probability that the individual will continue to serve in a health professional shortage area after the period of obligated service pursuant to subsection (f) is completed; and

(C) subject to subparagraph (B), to any application for such a contract submitted by an individual who is from a disadvantaged background.

(e) Approval required for participation

An individual becomes a participant in the Loan Repayment Program only upon the Secretary and the individual entering into a written contract described in subsection (f).

(f) Contents of contracts

The written contract (referred to in this subpart) between the Secretary and an individual shall contain—

(1) an agreement that—

(A) subject to paragraph (3), the Secretary agrees—

(i) to pay on behalf of the individual loans in accordance with subsection (g); and

(ii) to accept (subject to the availability of appropriated funds for carrying out sections 254d through 254h of this title and section 254j of this title) the individual into the Corps (or for equivalent service as otherwise provided in this subpart); and

(B) subject to paragraph (3), the individual agrees—

(i) to accept loan payments on behalf of the individual;

(ii) in the case of an individual described in subsection (b)(1)(C), to maintain enrollment in a course of study or training described in such subsection until the individual completes the course of study or training;

(iii) in the case of an individual described in subsection (b)(1)(C), while enrolled in such course of study or training, to maintain an acceptable level of academic standing (as determined under regulations of the Secretary by the educational institution offering such course of study or training); and

(iv) to serve for a time period (hereinafter in this subpart referred to as the “period of obligated service”) equal to 2 years or such longer period as the individual may agree to, as a provider of primary health services in a health professional shortage area (designated under section 254e of this title) to which such individual is assigned by the Secretary as a member
of the Corps or released under section 254n of this title;

(2) a provision permitting the Secretary to extend for such longer additional periods, as the individual may agree to, the period of obligated service agreed to by the individual under paragraph (1)(B)(iv), including extensions resulting in an aggregate period of obligated service in excess of 4 years;

(3) a provision that any financial obligation of the United States arising out of a contract entered into under this subpart and any obligation of the individual that is conditioned on funds being appropriated for loan repayments under this subpart and to carry out the purposes of sections 254d through 254h of this title and sections 254j and 254k of this title;

(4) a statement of the damages to which the United States is entitled, under section 254d of this title, for the individual's breach of the contract; and

(5) such other statements of the rights and liabilities of the Secretary and of the individual, not inconsistent with this subpart.

(g) Payments

(1) In general

A loan repayment provided for an individual under a written contract under the Loan Repayment Program shall consist of payment, in accordance with paragraph (2), on behalf of the individual of the principal, interest, and related expenses on government and commercial loans received by the individual regarding the undergraduate or graduate education of the individual (or both), which loans were made for—

(A) tuition expenses;

(B) all other reasonable educational expenses, including fees, books, and laboratory expenses, incurred by the individual; or

(C) reasonable living expenses as determined by the Secretary.

(2) Payments for years served

(A) In general

For each year of obligated service that an individual contracts to serve under subsection (f) the Secretary shall pay up to $50,000, plus, beginning with fiscal year 2012, an amount determined by the Secretary on an annual basis to reflect inflation, on behalf of the individual toward reimbursement of—

(i) affected the ability of the Secretary to maximize the number of contracts that can be provided under the Loan Repayment Program from the amounts appropriated for such contracts;

(ii) provides an incentive to serve in health professional shortage areas with the greatest such shortages; and

(iii) provides an incentive with respect to the health professional involved remaining in a health professional shortage area, and continuing to provide primary health services, after the completion of the period of obligated service under the Loan Repayment Program.

(B) Repayment schedule

Any arrangement made by the Secretary for the making of loan repayments in accordance with this subsection shall provide that any repayments for a year of obligated service shall be made no later than the end of the fiscal year in which the individual completes such year of service.

(3) Tax liability

For the purpose of providing reimbursements for tax liability resulting from payments under paragraph (2) on behalf of an individual—

(A) the Secretary shall, in addition to such payments, make payments to the individual in an amount equal to 39 percent of the total amount of loan repayments made for the taxable year involved; and

(B) may make such additional payments as the Secretary determines to be appropriate with respect to such purpose.

(4) Payment schedule

The Secretary may enter into an agreement with the holder of any loan for which payments are made under the Loan Repayment Program to establish a schedule for the making of such payments.

(h) Employment ceiling

Notwithstanding any other provision of law, individuals who have entered into written contracts with the Secretary under this section, while undergoing academic or other training, shall not be counted against any employment ceiling affecting the Department.
as follows: "must have a degree in medicine, osteopathic medicine, dentistry, or other health profession, or be certified as a nurse midwife, nurse practitioner, or physician assistant." Subsec. (e)(1), Pub. L. 107–251, § 310(b), struck out par. (1) designation and heading.

Subsec. (i), Pub. L. 107–251, § 310(d), struck out subsec. (i), which required an annual report to Congress about the Loan Repayment Program.

1998—Subsec. (b)(1)(B), Pub. L. 105–392 substituted "behavioral and mental health, or other health profession" for "other health professions".

1990—Subsec. (a), Pub. L. 101–597, § 202(a)(1), substituted "Corps Loan Repayment Program to assure, with respect to the provision of primary health services pursuant to section 254(d)(2) of this title"—and pars. (1) and (2) for "Corps Loan Repayment Program (hereinafter in this subpart referred to as the 'Loan Repayment Program') in order to assure—

(1) an adequate supply of trained physicians, dentists, and nurses for the Corps; and

(2) if needed by the Corps, an adequate supply of podiatrists, optometrists, pharmacists, clinical psychologists, graduates of schools of veterinary medicine, graduates of schools of public health, graduates of programs in health administration, graduates of programs for the training of physician assistants, expanded function dental auxiliaries, and nurse practitioners (as defined in section 296m of this title), and other health professionals.

Subsec. (b)(1), Pub. L. 101–597, § 202(b)(1)(A), amended par. (1) generally. Prior to amendment, par. (1) read as follows:

"(A) be enrolled—

(i) as a full-time student—

(I) in an accredited (as determined by the Secretary) educational institution in a State; and

(II) in the final year of a course of study or program, offered by such institution and approved by the Secretary, leading to a degree in medicine, osteopathic medicine, dentistry, or other health profession; or

(ii) in an approved graduate training program in medicine, osteopathic medicine, dentistry, or other health profession; or

(B) have—

(i) a degree in medicine, osteopathic medicine, dentistry, or other health profession;

(ii) completed an approved graduate training program in medicine, osteopathic medicine, dentistry, or other health profession in a State, except that the Secretary may waive the completion requirement of this clause for good cause; and

(iii) a license to practice medicine, osteopathic medicine, dentistry, or other health profession in a State;"

Subsec. (b)(2) to (4), Pub. L. 101–597, § 202(b)(2)(A), inserted "at end of par. (2), added par. (3), and struck out former pars. (3) and (4) which read as follows:

"(3) submit an application to participate in the Loan Repayment Program; and

"(4) sign and submit to the Secretary, at the time of the submission of such application, a written contract (described in subsection (f) of this section) to accept repayment of educational loans and to serve in accordance with this subpart for the applicable period of obligated service in a health manpower shortage area."

Subsec. (c)(4), Pub. L. 101–597, § 401(b)(1)(a), substituted reference to health professional shortage area for reference to health manpower shortage area in subpars. (B) and (C).


Subsec. (d), Pub. L. 101–597, § 401(b)(1)(a), substituted reference to health professional shortage area for reference to health manpower shortage area in par. (2)(B).

Pub. L. 101–597, § 202(d), amended subsec. (d) generally. Prior to amendment, subsec. (d) read as follows:

"In determining which applications under the Loan Repayment Program to approve (and which contracts to accept), the Secretary shall give priority to applications made by—

(1) individuals whose training is in a health profession or specialty determined by the Secretary to be needed by the Corps; and

(2) individuals who are committed to serve in medically underserved areas.

Subsec. (e), Pub. L. 101–597, § 202(b)(2)(B), substituted "only upon the Secretary and the individual entering into a written contract described in subsection (f)." for "only on the Secretary's approval of the individual's application submitted under subsection (b)(3) of this section and the Secretary's acceptance of the contract submitted by the individual under subsection (b)(4) of this section." in par. (1) and struck out par. (2) which read as follows: "The Secretary shall provide written notice to an individual promptly on—

(A) the Secretary's approving, under paragraph (1), of the individual's participation in the Loan Repayment Program; or

(B) the Secretary's disapproving an individual's participation in such Program."


Pub. L. 101–597, § 202(e)(2), inserted before semicolon at end "of the amount to pay for a year of such service by an individual, the Secretary shall consider the extent to which such determination—", and added immediately thereafte clrs. (i) to (iii).

Subsec. (g)(2)(A), Pub. L. 101–597, § 401(b)(1)(a), substituted reference to health professional shortage area for reference to health manpower shortage area in cls. (ii) and (iii).

Pub. L. 101–597, § 202(2)(2)(A), substituted "For each year" for "Except as provided in subparagraph (B) and paragraph (3), for each year" and "$35,000" for "$20,000", inserted at end "of the amount to pay for a year of such service by an individual, for loans described in paragraph (1)."

Subsec. (g)(3), Pub. L. 101–597, § 202(g)(1), amended par. (3) generally. Prior to amendment, par. (3) read as follows: "In addition to payments made under paragraph (2), in any case in which payments on behalf of an individual under the Loan Repayment Program result in an increase in Federal, State, or local income tax liability for such individual, the Secretary may, on the request of such individual, make payments to such individual in a reasonable amount, as determined by the Secretary, to reimburse such individual for all or part of the increased tax liability of the individual."
§ 254m  TITLE 42—THE PUBLIC HEALTH AND WELFARE  Page 352

“(2) the educational institution at which such individuals are receiving their training;

“(3) the number of applications filed under this section in the school year beginning in such year and in prior school years; and

“(4) the amount of loan payments made in the year reported.” 1986—Subsec. (b)(1). Pub. L. 100–607 substituted “osteopathic medicine” for “osteopathy” wherever appearing.

Effective Date of 2003 Amendment

Effective Date of 1990 Amendment
Pub. L. 101–177, title II, § 205, Dec. 1, 1987, 101 Stat. 597, provided that: “The amendment made by paragraph (1) [amending this section] shall apply only with respect to contracts under section 338B of the Public Health Service Act (42 U.S.C. 254–1) relating to service in the National Health Service Corps) that are entered into on or after the effective date of this title and repealing former section 254q of this title.”

Regulations
Pub. L. 100–177, title II, § 205, Dec. 1, 1987, 101 Stat. 1003, provided that: “Not later than 180 days after the effective date of the amendments made by this title [Dec. 21, 1987], the Secretary of Health and Human Services shall issue regulations for the loan repayment programs established by the amendments [enacting sections 254q and 254q–1 of this title], amending sections 252a, 254d, 254g, 254h–1, and 254l of this title, and repealing former section 254q of this title.”

Clarification on Current Eligibility for Loan Repayment Programs

§ 254m. Obligated service under contract

(a) Service in full-time clinical practice

Except as provided in section 254m of this title, each individual who has entered into a written contract with the Secretary under section 254l or 254l–1 of this title shall provide service in the full-time clinical practice of such individual’s profession as a member of the Corps for the period of obligated service provided in such contract. The Secretary may treat teaching as clinical practice for up to 20 percent of such period of obligated service. Notwithstanding the preceding sentence, with respect to a member of the Corps participating in the teaching health centers graduate medical education program under section 226h of this title, for the purpose of calculating time spent in full-time clinical practice under this section, up to 50 percent of time spent teaching by such member may be counted toward his or her service obligation.

(b) Notice to individual; information for informed decision; eligibility; notice to Secretary; qualification and appointment as commissioned officer; appointment as civilian member; designation of non-United States employee as member; deferment of obligated service

(1) If an individual is required under subsection (a) to provide service as specified in section 254l(l)(1)(B)(v) or 254l–1(l)(1)(B)(iv) of this title (hereinafter in this subsection referred to as “obligated service”), the Secretary shall, not later than ninety days before the date described in paragraph (5), determine if the individual shall provide such service—

(A) as a member of the Corps who is a commissioned officer in the Regular or Reserve Corps of the Service or who is a civilian employee of the United States, or

(B) as a member of the Corps who is not such an officer or employee, and shall notify such individual of such determination.

(2) If the Secretary determines that an individual shall provide obligated service as a member of the Corps who is a commissioned officer in the Service or a civilian employee of the United States, the Secretary shall, not later than sixty days before the date described in paragraph (5), provide such individual with sufficient information regarding the advantages and disadvantages of service as such a commissioned officer or civilian employee to enable the individual to make a decision on an informed basis.

To be eligible to provide obligated service as a commissioned officer in the Service, an individual shall notify the Secretary, not later than thirty days before the date described in paragraph (5), of the individual’s desire to provide such service as such an officer. If an individual qualifies for an appointment as such an officer, the Secretary shall, as soon as possible after the date described in paragraph (5), appoint the individual as a commissioned officer of the Regular or Reserve Corps of the Service and shall designate the individual as a member of the Corps.

(3) If an individual provided notice by the Secretary under paragraph (2) does not qualify for appointment as a commissioned officer in the Service, the Secretary shall, as soon as possible after the date described in paragraph (5), appoint such individual as a civilian employee of the United States and designate the individual as a member of the Corps.

(4) If the Secretary determines that an individual shall provide obligated service as a member of the Corps who is not an employee of the United States, the Secretary shall, as soon as possible after the date described in paragraph (5), designate such individual as a member of the Corps to provide such service.

(5)(A) In the case of the Scholarship Program, the date referred to in paragraphs (1) through (4) shall be the date on which the individual completes the training required for the degree for which the individual receives the scholarship, except that—

(i) for an individual receiving such a degree after September 30, 2000, from a school of medicine or osteopathic medicine, such date shall
be the date the individual completes a residency in a specialty that the Secretary determines is consistent with the needs of the Corps; and

(ii) at the request of an individual, the Secretary may, consistent with the needs of the Corps, defer such date until the end of a period of time required for the individual to complete advanced training (including an internship or residency).

(b) No period of internship, residency, or other advanced clinical training shall be counted toward satisfying a period of obligated service under this subpart.

(C) In the case of the Loan Repayment Program, if an individual is required to provide obligated service under such Program, the date referred to in paragraphs (1) through (4)—

(i) shall be the date determined under subparagraph (A) in the case of an individual who is enrolled in the final year of a course of study;

(ii) shall, in the case of an individual who is enrolled in an approved graduate training program in medicine, osteopathic medicine, dentistry, or other health profession, be the date the individual completes such training program; and

(iii) shall, in the case of an individual who has a degree in medicine, osteopathic medicine, dentistry, or other health profession and who has completed graduate training, be the date the individual enters into an agreement with the Secretary under section 254l–1 of this title.

(c) Obligated service period; commencement

An individual shall be considered to have begun serving a period of obligated service—

(1) on the date such individual is appointed as an officer in a Regular or Reserve Corps of the Service or is designated as a member of the Corps under subsection (b)(3) or (b)(4), or

(2) in the case of an individual who has entered into an agreement with the Secretary under section 254n of this title, on the date specified in such agreement, whichever is earlier.

(d) Assignment of personnel

The Secretary shall assign individuals performing obligated service in accordance with a written contract under the Scholarship Program to health professional shortage areas in accordance with sections 254d through 254h and sections 254j and 254k of this title. If the Secretary determines that there is no need in a health professional shortage area (designated under section 254e of this title) for a member of the profession in which an individual is obligated to provide service under a written contract and if such individual is an officer in the Service or a civilian employee of the United States, the Secretary may detail such individual to serve his period of obligated service as a full-time member of such profession in such unit of the Department as the Secretary may determine.


Codification

Section was formerly classified to section 294a of this title prior to its renumbering by Pub. L. 97–35.

Prior Provisions

2010—Subsec. (a). Pub. L. 111–148, §10501(n)(5), in second sentence, substituted “The Secretary may treat teaching as clinical practice for up to 20 percent of such period of obligated service” for “For the purpose of calculating time spent in full-time clinical practice under this subsection, up to 50 percent of time spent teaching by a member of the Corps may be counted toward his or her service obligation” and inserted at end “Notwithstanding the preceding sentence, with respect to a member of the Corps participating in the teaching health centers graduate medical education program under section 256h of this title, for the purpose of calculating time spent in full-time clinical practice under this section, up to 50 percent of time spent teaching by such member may be counted toward his or her service obligation.”

Pub. L. 111–148, §5508(b), amended subsec. (a) generally. Prior to amendment, text read as follows: “Except as provided in section 254n of this title, each individual who has entered into a written contract with the Secretary under section 254l or 254l–1 of this title shall provide service in the full-time clinical practice of such individual’s profession as a member of the Corps for the period of obligated service provided in such contract.”


Subsec. (b)(5)(A). Pub. L. 107–251, §311(a)(B)(i), added subpar. (A) and struck out former subpar. (A) which read as follows: “In the case of the Scholarship Program, with respect to an individual receiving a degree from a school of medicine, osteopathic medicine, dentistry, veterinary medicine, optometry, podiatry, or pharmacy, the date referred to in paragraphs (1) through (4) shall be the date on which the individual completes the training required for such degree, except that—

“(i) at the request of such an individual with whom the Secretary has entered into a contract under section 254l of this title prior to October 1, 1985, the Secretary shall defer such date until the end of the period of time (not to exceed the number of years specified in subparagraph (B) or such greater period as the Secretary, consistent with the needs of the Corps, may authorize) required for the individual to complete an internship, residency, or other advanced clinical training; and

“(ii) at the request of such an individual with whom the Secretary has entered into a contract under section 254l of this title on or after October 1, 1985, the Secretary may defer such date in accordance with clause (i).”

Amendments

2010—Subsec. (a). Pub. L. 111–148, §10501(n)(5), in second sentence, substituted “The Secretary may treat teaching as clinical practice for up to 20 percent of such period of obligated service” for “For the purpose of calculating time spent in full-time clinical practice under this subsection, up to 50 percent of time spent teaching by a member of the Corps may be counted toward his or her service obligation” and inserted at end “Notwithstanding the preceding sentence, with respect to a member of the Corps participating in the teaching health centers graduate medical education program under section 256h of this title, for the purpose of calculating time spent in full-time clinical practice under this section, up to 50 percent of time spent teaching by such member may be counted toward his or her service obligation.”

Pub. L. 111–148, §5508(b), amended subsec. (a) generally. Prior to amendment, text read as follows: “Except as provided in section 254n of this title, each individual who has entered into a written contract with the Secretary under section 254l or 254l–1 of this title shall provide service in the full-time clinical practice of such individual’s profession as a member of the Corps for the period of obligated service provided in such contract.”


Subsec. (b)(5)(C)(i). Pub. L. 107–251, § 311(1)(B)(iv), substituted “subparagraph (A)” for “subparagraph (A), (B), or (D)”.

Subsec. (b)(5)(D). Pub. L. 107–251, § 311(1)(B)(ii), struck out subpar. (D) which read as follows: “In the case of the Scholarship Program, with respect to an individual receiving a degree from a school of medicine, osteopathic medicine, or dentistry, the number of years referred to in subparagraph (A)(i) shall be 3 years.

“(ii) In the case of the Scholarship Program, with respect to an individual receiving a degree from a school of veterinary medicine, optometry, podiatry, or pharmacy, the number of years referred to in subparagraph (A)(i) shall be 1 year.”


Subsec. (e). Pub. L. 107–251, § 311(2), struck out subsec. (e) which related to service under National Research Service Award program as credit against obligated service time.


1987—Subsec. (a). Pub. L. 100–177, § 306(1), inserted “or 254–1,” and made technical amendment to reference to section 254m of this title to reflect renumbering of corresponding section of original act.


Subsec. (b)(5). Pub. L. 100–177, § 306(3), substituted par. (5) consisting of subpars. (A) to (E) for former par. (5) consisting of subpars. (A) and (B).

Subsec. (c)(2). Pub. L. 100–177, § 306(4), made technical amendment to reference to section 254m of this title to reflect renumbering of corresponding section of original act.

1983—Subsec. (e). Pub. L. 97–414 inserted “or under section 234 of this title as in effect on September 30, 1977” after “Scholarship Program”.


Subsec. (b). Pub. L. 97–35, § 270(b)(2), substituted provisions relating to notice, information, etc., for individuals required to give obligated service, for provisions relating to notice, information, etc., for individuals required to provide service under the Scholarship Program.

Subsec. (c). Pub. L. 97–35, § 270(c)(3), (4), in par. (1) inserted reference to service under subparagraph (b)(1) or (4) of this section, and in par. (2) substituted “254m” for “254b”.

Subsec. (d). Pub. L. 97–35, § 270(h)(5), inserted provision relating to individuals who are officers in the Service or civilian employees of the United States, and substituted reference to sections 254d to 254h, 254j, and 254k of this title, for reference to subpart II of part D of subchapter II of this chapter.

Subsec. (e). Pub. L. 97–35, § 270(c)(6), substituted provisions respecting mandatory determination of service requirement, for provisions respecting discretionary determination of service requirement.

1979—Subsec. (b)(5)(A). Pub. L. 96–76, § 202(a), (b)(1), (2), inserted provisions authorizing a greater period than three years for individuals receiving degrees from schools of medicine, osteopathy, and dentistry, and provisions respecting individuals receiving degrees from schools of veterinary medicine, optometry, podiatry, and pharmacy, and substituted “No period” for “No such period”.


Effectiveness Date of 1981 Amendment

Pub. L. 97–35, title XXVI, § 2709(h), Aug. 13, 1981, 95 Stat. 912, provided that: “The amendments made by paragraphs (2), (3), and (5)(B) of subsection (c) (amending this section) shall apply with respect to contracts entered into under the National Health Service Corps scholarship program subpart III of part C of title VII of the Public Health Service Act (42 U.S.C. 294v et seq.) after the date of the enactment of this Act [Aug. 13, 1981]. An individual who before such date has entered into such a contract and who has not begun the period of obligated service required under such contract shall be given the opportunity to revise such contract to permit the individual to serve such period as a member of the National Health Service Corps who is not an employee of the United States.”

Effectiveness Date

Section effective Oct. 1, 1977, see section 408(b)(1) of Pub. L. 94–481, set out in part as a note under section 254d of this title.

Effectiveness Date; Savings Provision; Credit for Period of Internship or Residency Before September 30, 1977, Towards Service Obligation

See section 408(b)(2) of Pub. L. 94–481, set out as a note under section 254f of this title.

Special Retention Pay for Regular or Reserve Officers for Period Officer Is Obligated Under This Section

Pub. L. 100–446, title II, Sept. 27, 1986, 102 Stat. 1816, provided that: “the Secretary of Health and Human Services may authorize special retention pay under paragraph (4) of section 3302(a) to any regular or reserve officer for the period during which the officer is obligated under section 3302(b) or (e) of the Public Health Service Act (42 U.S.C. 254m) and assigned and providing direct health services or serving the officer’s obligation as a specialist.”

Similar provisions were contained in the following prior appropriation acts:


§ 254n. Private practice

(a) Application for release of obligations; conditions

The Secretary shall, to the extent permitted by, and consistent with, the requirements of applicable State law, release an individual from all or part of his service obligation under section 254m(a) of this title or under section 234 of this title (as in effect on September 30, 1977) if the individual applies for such a release under this section and enters into a written agreement

1 See References in Text note below.
full-time private clinical practice (including service as a salaried employee in an entity directly providing health services) of his health profession—

(1) in the case of an individual who received a scholarship under the Scholarship Program or a loan repayment under the Loan Repayment Program and who is performing obligated service as a member of the Corps in a health professional shortage area on the date of his application for such a release, in the health professional shortage area in which such individual is serving on such date or in the case of an individual for whom a loan payment was made under the Loan Repayment Program and who is performing obligated service as a member of the Corps in a health professional shortage area on the date of the application of the individual for such a release, in the health professional shortage area selected by the Secretary; or

(2) in the case of any other individual, in a health professional shortage area (designated under section 254e of this title) selected by the Secretary.

(b) Written agreement; actions to ensure compliance

(1) The written agreement described in subsection (a) shall,—

(A) provide that, during the period of private practice by an individual pursuant to the agreement, the individual shall comply with the requirements of section 254g of this title that apply to entities; and

(B) contain such additional provisions as the Secretary may require to carry out the objectives of this section.

(2) The Secretary shall take such action as may be appropriate to ensure that the conditions of the written agreement prescribed by this subsection are adhered to.

(c) Breach of service contract

If an individual breaches the contract entered into under section 254f or 254f–1 of this title by failing (for any reason) to begin his service obligation in accordance with an agreement entered into under subsection (a) or to complete such service obligation, the Secretary may permit such individual to perform such service obligation as a member of the Corps.

(d) Travel expenses

The Secretary may pay an individual who has entered into an agreement with the Secretary under subsection (a) an amount to cover all or part of the individual’s expenses reasonably incurred in transporting himself, his family, and his possessions to the location of his private clinical practice.

(e) Sale of equipment and supplies

Upon the expiration of the written agreement under subsection (a), the Secretary may (notwithstanding any other provision of law) sell to the individual who has entered into an agreement with the Secretary under subsection (a), equipment and other property of the United States utilized by such individual in providing health services. Sales made under this subsection shall be made at the fair market value (as determined by the Secretary) of the equipment or such other property, except that the Secretary may make such sales for a lesser value to the individual if he determines that the individual is financially unable to pay the full market value.

(f) Malpractice insurance

The Secretary may, out of appropriations authorized under section 254k of this title, pay to individuals participating in private practice under this section the cost of such individual’s malpractice insurance and the lesser of—

(1)(A) $10,000 in the first year of obligated service;

(B) $7,500 in the second year of obligated service;

(C) $5,000 in the third year of obligated service; and

(D) $2,500 in the fourth year of obligated service; or

(2) an amount determined by subtracting such individual’s net income before taxes from the income the individual would have received as a member of the Corps for each such year of obligated service.

(g) Technical assistance

The Secretary shall, upon request, provide to each individual released from service obligation under this section technical assistance to assist such individual in fulfilling his or her agreement under this section.

References in Text


Prior Provisions

A prior section 338D of act July 1, 1944, was renumbered section 338E by section 201(2) of Pub. L. 100–177 and is classified to section 254e of this title.

Amendments

2002—Subsec. (b). Pub. L. 107–251 added subsec. (b) and struck out former subsec. (b) which related to written agreements, regulations, and actions to ensure compliance.


1987—Subsec. (a). Pub. L. 100–177, § 307(1)–(3), made technical amendment to reference to section 254m of this title to reflect renumbering of corresponding section of original act, in introductory provisions, in par.
(1) inserted “who received a scholarship under the Scholarship Program or a loan repayment under the Loan Repayment Program and” after “individual” the first time it appeared as the probable intent of Congress, and inserted “or in the case of an individual for whom a loan payment was made under the Loan Repayment Program and who is performing obligated service as a member of the Corps in a health manpower shortage area on the date of the application of the individual for such a release, in the health manpower shortage area selected by the Secretary”, and in par. (2) inserted “selected by the Secretary”.

Subsec. (b). Pub. L. 100–177, §307(4), inserted at end “The Secretary shall take such action as may be appropriate to ensure that the conditions of the written agreement prescribed by this subsection are adhered to.”


Subsec. (e). Pub. L. 100–177, §307(b), designated par. (2) as entire subsection and struck out par. (1) which read as follows: “The Secretary may make such arrangements as he determines are necessary for the individual for the use of equipment and supplies and for the lease or acquisition of other equipment and supplies.”

1981—Subsec. (a). Pub. L. 97–35, §2709(d)(1), inserted provision respecting requirements of applicable State law, substituted references to sections 254m(a) and 254n of this title, for reference to section 294u(a) of this title, and in cl. (2) struck out priority requirement under section 254f(c) of this title.


Subsecs. (c) to (g). Pub. L. 97–35, §2709(d)(3), added subsecs. (c) to (g).

1980—Subsec. (a). Pub. L. 96–638 substituted in par. (2) “which has” for “which (A) has” and struck out subpar. (B) which referred to a health manpower shortage area which has a sufficient financial base to subsume private practice and provide the individual with income of not less than the income of members of the Corps, and struck out provision following par. (2) which provided that in the case of an individual described in par. (1), the Secretary release the individual from his service obligation under this subsection only if the Secretary determines that the area in which the individual is serving meets the requirements of cl. (B) of par. (2).

**Effective Date**

Section effective Oct. 1, 1977, see section 408(b)(1) of Pub. L. 94–481, set out in part as a note under section 254f of this title.

**Effective Date; Savings Provision; Credit for Period of Internship or Residency Before September 30, 1977, Towards Service Obligation**

See section 408(b)(2) of Pub. L. 94–481, set out as a note under section 254f of this title.

§ 254o. Breach of scholarship contract or loan repayment contract

(a) Failure to maintain academic standing; dismissal from institution; voluntary termination; liability; failure to accept payment

(1) An individual who has entered into a written contract with the Secretary under section 254f of this title and who—

(A) fails to maintain an acceptable level of academic standing in the educational institution in which he is enrolled (such level determined by the educational institution under regulations of the Secretary);

(B) is dismissed from such educational institution for disciplinary reasons; or

(C) voluntarily terminates the training in such an educational institution for which he is provided a scholarship under such contract, before the completion of such training,

in lieu of any service obligation arising under such contract, shall be liable to the United States for the amount which has been paid to him, or on his behalf, under the contract.

(2) An individual who has entered into a written contract with the Secretary under section 254f–1 of this title and who—

(A) in the case of an individual who is enrolled in the final year of a course of study, fails to maintain an acceptable level of academic standing in the educational institution in which such individual is enrolled (such level determined by the educational institution under regulations of the Secretary) or voluntarily terminates such enrollment or is dismissed from such educational institution before completion of such course of study; or

(B) in the case of an individual who is enrolled in a graduate training program, fails to complete such training program and does not receive a waiver from the Secretary under section 254f–1(b)(1)(B)(ii) of this title,

in lieu of any service obligation arising under such contract shall be liable to the United States for the amount that has been paid on behalf of the individual under the contract.

(b) Failure to commence or complete service obligations; formula to determine liability; payment to United States; recovery of delinquent damages; disclosure to credit reporting agencies

(1)(A) Except as provided in paragraph (2), if an individual breaches his written contract by failing (for any reason not specified in subsection (a) or section 254d(d) of this title) to begin such individual’s service obligation under section 254f of this title in accordance with section 254m or 254n of this title, to complete such service obligation, or to complete a required residency as specified in section 254f(f)(1)(B)(iv) of this title, the United States shall be entitled to recover from the individual an amount determined in accordance with the formula

\[ A = 3p \left( \frac{1-e^{-ut}}{t} \right) \]

in which “\(A\)” is the amount the United States is entitled to recover, “\(p\)” is the sum of the amounts paid under this subpart to or on behalf of the individual and the interest on such amounts which would be payable if at the time the amounts were paid they were loans bearing interest at the maximum legal prevailing rate, as determined by the Treasurer of the United States; “\(u\)” is the total number of months in the individual’s period of obligated service; and “\(t\)” is the number of months of such period served by him in accordance with section 254m of this title or a written agreement under section 254n of this title.

(B)(i) Any amount of damages that the United States is entitled to recover under this subsection or under subsection (c) shall, within the 1-year period beginning on the date of the breach of the written contract (or such longer period beginning on such date as specified by the Secretary), be paid to the United States.
Amounts not paid within such period shall be subject to collection through deductions in Medicare payments pursuant to section 1395ccc of this title.

(ii) If damages described in clause (i) are delinquent for 3 months, the Secretary shall, for the purpose of recovering such damages—

(I) utilize collection agencies contracted with by the Administrator of the General Services Administration; or

(II) enter into contracts for the recovery of such damages with collection agencies selected by the Secretary.

(iii) Each contract for recovering damages pursuant to this subsection shall provide that the contractor will, not less than once each 6 months, submit to the Secretary a status report on the success of the contractor in collecting such damages. Section 3718 of title 31 shall apply to any such contract to the extent not inconsistent with this subsection.

(iv) To the extent not otherwise prohibited by law, the Secretary shall disclose to all appropriate credit reporting agencies information relating to damages of more than $100 that are entitled to be recovered by the United States under this subsection and that are delinquent by more than 60 days or such longer period as is determined by the Secretary.

(2) If an individual is released under section 254n of this title from a service obligation incurred under section 254n of this title, subsection (f) of such section 254i of this title shall apply to such individual in lieu of paragraph (1) of this subsection.

(3) The Secretary may terminate a contract with an individual under section 254i of this title if, not later than 30 days before the end of the school year to which the contract pertains, the individual—

(A) submits a written request for such termination; and

(B) repays all amounts paid to, or on behalf of, the individual under section 254l(g) of this title.

(c) Failure to commence or complete service obligations for other reasons; determination of liability; payment to United States; waiver of recovery for extreme hardship or good cause shown

(1) If (for any reason not specified in subsection (a) or section 254p(d) of this title) an individual breaches the written contract of the individual under section 254l-1 of this title by failing either to begin such individual’s service obligation in accordance with section 254m or 254n of this title or to complete such service obligation, the United States shall be entitled to recover from the individual an amount equal to the sum of—

(A) the total of the amounts paid by the United States under section 254l-1(g) of this title on behalf of the individual for any period of obligated service not served; and

(B) an amount equal to the product of the number of months of obligated service that were not completed by the individual, multiplied by $7,500; and

(C) the interest on the amounts described in subparagraphs (A) and (B), at the maximum legal prevailing rate, as determined by the Treasurer of the United States, from the date of the breach;

except that the amount the United States is entitled to recover under this paragraph shall not be less than $31,000.

(2) The Secretary may terminate a contract with an individual under section 254l-1 of this title if, not later than 45 days before the end of the fiscal year in which the contract was entered into, the individual—

(A) submits a written request for such termination; and

(B) repays all amounts paid on behalf of the individual under section 254l-1(g) of this title.

(3) Damages that the United States is entitled to recover shall be paid in accordance with subsection (b)(1)(B).

(d) Cancellation of obligation upon death of individual; waiver or suspension of obligation for impossibility, hardship, or unconscionability; release of debt by discharge in bankruptcy; time limitations

(1) Any obligation of an individual under the Scholarship Program (or a contract thereunder) or the Loan Repayment Program (or a contract thereunder) for service or payment of damages shall be canceled upon the death of the individual.

(2) The Secretary shall by regulation provide for the partial or total waiver or suspension of any obligation of service or payment by an individual under the Scholarship Program (or a contract thereunder) or the Loan Repayment Program (or a contract thereunder) whenever compliance by the individual is impossible or would involve extreme hardship to the individual and if enforcement of such obligation with respect to any individual would be unconscionable.

(3)(A) Any obligation of an individual under the Scholarship Program (or a contract thereunder) or the Loan Repayment Program (or a contract thereunder) for payment of damages may be released by a discharge in bankruptcy under title 11 only if such discharge is granted after the expiration of the 7-year period beginning on the first date that payment of such damages is required, and only if the bankruptcy court finds that nondischarge of the obligation would be unconscionable.

(B)(i) Subparagraph (A) shall apply to any financial obligation of an individual under the provision of law specified in clause (ii) to the same extent and in the same manner as such subparagraph applies to any obligation of an individual under the Scholarship or Loan Repayment Program (or contract thereunder) for payment of damages.

(ii) The provision of law referred to in clause (i) is subsection (f) of section 234l of this title, as in effect prior to the repeal of such section by section 408(b)(1) of Public Law 94–484.

(e) Inapplicability of Federal and State statute of limitations on actions for collection

Notwithstanding any other provision of Federal or State law, there shall be no limitation on

---

1 See References in Text note below.
the period within which suit may be filed, a judgment may be enforced, or an action relating to an offset or garnishment, or other action, may be initiated or taken by the Secretary, the Attorney General, or the head of another Federal agency, as the case may be, for the repayment of the amount due from an individual under this section.

(f) Effective date

The amendment made by section 313(a)(4) of the Health Care Safety Net Amendments of 2002 (Public Law 107–251) shall apply to any obligation for which a discharge in bankruptcy has not been granted before the date that is 31 days after October 26, 2002.


REFERENCES IN TEXT

Section 234 of this title, referred to in subsec. (b)(2), in the original referred to section 753 meaning section 753 of the Public Health Service Act, which was classified to section 294w of this title.


(c)(1). Pub. L. 107–251, §313(a)(3)(A)(ii), added subpars. (A) to (C) and concluding provisions and struck out former subpars. (A) to (C) which related, respectively, to amounts to be recovered in the case of a contract for a 2-year period of obligated service in the case of a contract for a period of obligated service of greater than 2 years where the breach occurred before the end of the first 2 years of such period, and in the case of a contract for a period of obligated service of greater than 2 years, where the breach occurred before the first 2 years of such period.

§254a

TITL E42—THE PUBLIC HEALTH AND WELFARE

Page 358

the educational institution in which he is enrolled to not accept payment, in whole or in part, of a scholarship under such contract.


Subsec. (c)(1). Pub. L. 107–251, §313(a)(3)(A)(ii), added subpars. (A) to (C) and concluding provisions and struck out former subpars. (A) to (C) which related, respectively, to amounts to be recovered in the case of a contract for a 2-year period of obligated service in the case of a contract for a period of obligated service of greater than 2 years where the breach occurred before the end of the first 2 years of such period, and in the case of a contract for a period of obligated service of greater than 2 years, where the breach occurred before the first 2 years of such period.


Subsec. (c)(2). Pub. L. 107–251, §313(a)(3)(B), added par. (2) and struck out former par. (2) which read as follows: “For purposes of paragraph (1), the term ‘unserved obligation penalty’ means the amount equal to the product of the number of months of obligated service not completed by an individual, multiplied by $1,000, except that in any case in which the individual fails to serve 1 year, the unserved obligation penalty shall be equal to the full period of obligated service multiplied by $1,000.”

Subsec. (c)(3), (4). Pub. L. 107–251, §313(a)(3)(B), (C), redesignated par. (4) as (3) and struck out former par. (3) which read as follows: “The Secretary may waive, in whole or in part, the rights of the United States to recover amounts under this section in any case of extreme hardship or other good cause shown, as determined by the Secretary.”


1990—Subsec. (d)(3). Pub. L. 101–597 designated existing provision as subpar. (A) and added subpars. (B) and (C).


1987—Pub. L. 100–177, §202(e)(6), inserted “or loan repayment contract” in section catchline.

Subsec. (a). Pub. L. 100–177, §202(e)(1), designated existing provisions as par. (1), and former pars. (1) to (4) as subpar. (A) to (D), respectively, and added par. (2).

Subsec. (b)(1). Pub. L. 100–177, §202(e)(2), designated existing provisions as subpar. (A), made technical amendments to references to sections 254m, 254n, and 254p of this title wherever appearing to reflect renumbering of corresponding sections of original act, inserted “under section 254f of this title” after first reference to “service obligation” as the probable intent of Congress, struck out at end “Any amount of damages which the United States is entitled to recover under this subsection shall, within the one year period beginning on the date of the breach of the written contract (or such longer period beginning on such date as specified by the Secretary for good cause shown), be paid to the United States.”, and added subpar. (B).

Subsec. (b)(1)(B)(i). Pub. L. 100–203, as amended by Pub. L. 100–360, inserted at end “Amounts not paid within such period shall be subject to collection through deductions in Medicare payments pursuant to section 1395ggc of this title.”


(c). Former subsec. (c) redesignated (d).
Subsec. (d). Pub. L. 100-177, §§202(e)(3), (5), 308(a), redesignated subsec. (c) as (d), in pars. (1), (2), and (3), inserted “or the Loan Repayment Program (or a contract therewith)”, and in par. (3) inserted “and only if the bankruptcy court finds that nondischarge of the obligation would be unconscionable”.

1983—Subsec. (b)(1). Pub. L. 97-414 substituted “section 254p(d)” for “section 254q(b)”.

1981—Subsec. (a). Pub. L. 97-35, §2709(e)(1), (2), redesignated subsec. (b) as (a) and, as so redesignated, in introductory text substituted “254” for “294t” and added par. (4). Former subsec. (a), which related to liability of individual upon failure to accept payment, was struck out.

Subsec. (b). Pub. L. 97-35, §2709(e)(1), (3), redesignated subsec. (c) as (b) and, as so redesignated, designated existing provisions as par. (1) and made numerous changes to reflect renumbering of subpart sections, and added par. (2). Former subsec. (b) redesignated (a).

Subsecs. (c), (d). Pub. L. 97-35, §2709(e)(1), (4)(A), redesignated subsec. (d) as (c) and, as so redesignated, in par. (2) inserted reference to partial or total waiver. Former subsec. (c) redesignated (b).

1977—Subsec. (c). Pub. L. 95-83 substituted “is the sum of the amounts paid under this subpart to or on behalf of the individual and the interest on such amounts which would be payable if at the time the amounts were paid they were loans’’ for ‘‘is the sum of the amount paid under this subpart to or on behalf of the individual and the interest on such amount which would be payable if at the time it was paid it was a loan’’.

§ 254o–1. Fund regarding use of amounts recovered for contract breach to replace services lost as result of breach

Effective Date
Section effective Oct. 1, 1977, see section 408(b)(1) of Pub. L. 94–444, set out in part as a note under section 254l of this title.

Effective Date: Savings Provision; Credit for Period of Internship or Residency Before September 30, 1977, Towards Service Obligation
See section 408(b)(2) of Pub. L. 94–444, set out as a note under section 254l of this title.

Special Repayment Provisions
Pub. L. 100–177, title II, §204, Dec. 1, 1987, 101 Stat. 1006, provided that an individual who breached a written contract entered into under section 254l of this title by failing either to begin such individual’s service obligation in accordance with section 254m of this title or to complete such service obligation; or otherwise breached such a contract; and, as of Nov. 1, 1987, was liable to United States under subsec. (b) of this section to be relieved of liability to United States under such section if the individual provided notice to Secretary and service in accordance with a written contract with the Secretary that obligated the individual to provide service in accordance with section and authorized Secretary to exclude an individual from relief from liability under this section for reasons related to the individual’s professional competence or conduct.

Existing Procedings
Pub. L. 100–177, title III, §308(b), Dec. 1, 1987, 101 Stat. 1006, provided that: “The amendment made by subsection (a) [amending this section] applies to any bankruptcy proceeding in which discharge of an obligation under section 308(b)(3) of the Public Health Service Act (42 U.S.C. 254o(d)(3)) (as redesignated by sections 201(2) and 202(e)(3) of this Act) has not been granted before the date that is 31 days after the date of enactment of this Act [Dec. 1, 1987].”

(a) Establishment of Fund
There is established in the Treasury of the United States a fund to be known as the National Health Service Corps Member Replacement Fund (hereafter in this section referred to as the “Fund”). The Fund shall consist of such amounts as may be appropriated under subsection (b) to the Fund. Amounts appropriated for the Fund shall remain available until expended.

(b) Authorization of appropriations to Fund
For each fiscal year, there is authorized to be appropriated to the Fund an amount equal to the sum of—

(1) the amount collected during the preceding fiscal year by the Federal Government pursuant to the liability of individuals under section 254o of this title for the breach of contracts entered into under section 254l or 254l–1 of this title;

(2) the amount by which grants under section 254–1 of this title have, for such preceding fiscal year, been reduced under subsection (g)(2)(B) of such section; and

(3) the aggregate of the amount of interest accruing during the preceding fiscal year on obligations held in the Fund pursuant to subsection (d) and the amount of proceeds from the sale or redemption of such obligations during such fiscal year.
§ 254p. Special loans for former Corps members

(c) Use of Fund

(1) Payments to certain health facilities

Amounts in the Fund and available pursuant to appropriations Act may, subject to paragraph (2), be expended by the Secretary to make payments to any entity—

(A) to which a Corps member has been assigned under section 254f of this title; and

(B) that has a need for a health professional to provide primary health services as a result of the Corps member having breached the contract entered into under section 254f or 254–1 of this title by the individual.

(2) Purpose of payments

An entity receiving payments pursuant to paragraph (1) may expend the payments to recruit and employ a health professional to provide primary health services to patients of the entity, or to enter into a contract with such a professional to provide the services to the patients.

(d) Investment

(1) In general

The Secretary of the Treasury shall invest such amounts of the Fund as such Secretary determines are not required to meet current withdrawals from the Fund. Such investments may be made only in interest-bearing obligations of the United States. For such purpose, such obligations may be acquired on original issue at the issue price, or by purchase of outstanding obligations at the market price.

(2) Sale of obligations

Any obligation acquired by the Fund may be sold by the Secretary of the Treasury at the market price.

(1) Payments to certain health facilities

(2) Purpose of payments

(3) Application for loan; submission and approval; interest rates and repayment terms

The Secretary may not make a loan under this section unless an application therefor has been submitted to, and approved by, the Secretary.

(4) Breach of agreement; notice; determination of liability

If the Secretary determines that an individual has breached a written agreement entered into under subsection (a), he shall, as soon as practicable after making such determination, notify the individual of such determination. If within 60 days after the date of giving such notice, such individual is not practicing his profession in accordance with the agreement under such subsection, and has not provided assurances satisfactory to the Secretary that he will not knowingly violate such agreement again, the United States shall be entitled to recover from such individual—

(1) in the case of an individual who has received a grant under this section (as in effect prior to October 1, 1984), an amount determined under section 254e(b) of this title, except that in applying the formula contained in such section "p" shall be the sum of the amount of the grant made under subsection (a) to such individual and the interest on such amount which would be payable if at the time it was paid it was a loan bearing interest at the maximum legal prevailing rate, "t" shall be the number of months that such individual agreed to practice his profession under such agreement, and "s" shall be the number of months that such individual practices his profession in accordance with such agreement; and

(2) in the case of an individual who has received a loan under this section, the full amount of the principal and interest owed by such individual under this section.

§ 254p. Special loans for former Corps members to enter private practice

(a) Persons entitled; conditions

The Secretary may, out of appropriations authorized under section 254k of this title, make one loan to a Corps member who has agreed in writing—

(1) to engage in the private full-time clinical practice of the profession of the member in a health professional shortage area (designated under section 254e of this title) for a period of not less than 2 years which—

(A) in the case of a Corps member who is required to complete a period of obligated service under this subpart, begins not later than 1 year after the date on which such individual completes such period of obligated service; and

(B) in the case of an individual who is not required to complete a period of obligated service under this subpart, begins at such time as the Secretary considers appropriate; and

(2) to conduct such practice in accordance with section 254n(b)(1) of this title; and

(3) to such additional conditions as the Secretary may require to carry out this section.

Such a loan shall be used to assist such individual in meeting the costs of beginning the practice of such individual’s profession in accordance with such agreement, including the costs of acquiring equipment and renovating facilities for use in providing health services, and of hiring nurses and other personnel to assist in providing health services. Such loan may not be used for the purchase or construction of any building.

(b) Amount of loan; maximum interest rate

(1) The amount of a loan under subsection (a) to an individual shall not exceed $25,000.

(2) The interest rate for any such loan shall not exceed an annual rate of 5 percent.

(c) Application for loan; submission and approval; interest rates and repayment terms

The Secretary may not make a loan under this section unless an application therefor has been submitted to, and approved by, the Secretary.

(1) The Secretary shall, by regulation, set interest rates and repayment terms for loans under this section.

(d) Breach of agreement; notice; determination of liability

If the Secretary determines that an individual has breached a written agreement entered into under subsection (a), he shall, as soon as practicable after making such determination, notify the individual of such determination. If within 60 days after the date of giving such notice, such individual is not practicing his profession in accordance with the agreement under such subsection, the United States shall be entitled to recover from such individual—

(1) in the case of an individual who has received a grant under this section (as in effect prior to October 1, 1984), an amount determined under section 254e(b) of this title, except that in applying the formula contained in such section "p" shall be the sum of the amount of the grant made under subsection (a) to such individual and the interest on such amount which would be payable if at the time it was paid it was a loan bearing interest at the maximum legal prevailing rate, "t" shall be the number of months that such individual agreed to practice his profession under such agreement, and "s" shall be the number of months that such individual practices his profession in accordance with such agreement; and

(2) in the case of an individual who has received a loan under this section, the full amount of the principal and interest owed by such individual under this section.


CODIFICATION
Section was formerly classified to section 294x of this title prior to renumbering by Pub. L. 97–35.

PRIOR PROVISIONS
A prior section 338G of act July 1, 1944, was renumbered section 338H by Pub. L. 101–597 and is classified to section 254q of this title.

Another prior section 338G of act July 1, 1944, was reclassified section 254q of this title prior to renumbering by Pub. L. 101–597, title II, §203, Dec. 1, 1987, 101 Stat. 999.

AMENDMENTS

1987—Subsec. (a). Pub. L. 100–177, §309(1), substituted subsec. (a) consisting of pars. (1) to (3) for former subsec. (a) consisting of pars. (1) and (2).


Another prior section 338G of act July 1, 1944, was reclassified section 254q of this title prior to renumbering by Pub. L. 101–597, title II, §203, Dec. 1, 1987, 101 Stat. 999.

1983—Subsec. (d)(1). Pub. L. 97–414 substituted “section 254q(b)” for “section 254q(e)”.

1981—Subsec. (a). Pub. L. 97–35, §2709(c)(2)–(4), made numerous changes to reflect renumbering of subpart sections, among them inserting references to section 254k of this title and striking out references to section 254h of this title, and added applicability to loans.


Subsec. (c). Pub. L. 97–35, §2709(c)(6), inserted provisions relating to loans and interest rates, etc.

Subsec. (d). Pub. L. 97–35, §2709(c)(7), restructured and revised criteria determining amount of liability of individual within 60 days after the date of notice instead of within 120 days after the date of notice.

EFFECTIVE DATE
Section effective Oct. 1, 1977, see section 408(b)(1) of Pub. L. 94–484, set out in part as a note under section 254f of this title.

EFFECTIVE DATE; SAVINGS PROVISION; CREDIT FOR PERIOD OF INTERNSHIP OR RESIDENCY BEFORE SEPTEMBER 30, 1977, TOWARDS SERVICE OBLIGATION
See section 408(b)(2) of Pub. L. 94–484, set out as a note under section 254f of this title.

§ 254q. Authorization of appropriations
(a) Authorization of appropriations
For the purpose of carrying out this section, there is authorized to be appropriated, out of any funds in the Treasury not otherwise appropriated, the following:

(1) For fiscal year 2010, $320,461,632.
(2) For fiscal year 2011, $414,065,204.
(3) For fiscal year 2012, $355,067,442.
(4) For fiscal year 2013, $691,431,432.
(5) For fiscal year 2014, $893,456,432.
(6) For fiscal year 2015, $1,154,510,336.
(7) For fiscal year 2016, and each subsequent fiscal year, the amount appropriated for the preceding fiscal year adjusted by the product of—
(A) one plus the average percentage increase in the costs of health professions education during the prior fiscal year; and
(B) one plus the average percentage change in the number of individuals residing in health professions shortage areas designated under section 254f of this title during the prior fiscal year, relative to the number of individuals residing in such areas during the previous fiscal year.

(b) Scholarships for new participants
Of the amounts appropriated under subsection (a) for a fiscal year, the Secretary shall obligate not less than 10 percent for the purpose of providing contracts for—

(1) scholarships under this subpart to individuals who have not previously received such scholarships; or

(2) scholarships or loan repayments under the Loan Repayment Program under section 254f–1 of this title to individuals from disadvantaged backgrounds.

(c) Scholarships and loan repayments
With respect to certification as a nurse practitioner, nurse midwife, or physician assistant, the Secretary shall, from amounts appropriated under subsection (a) for a fiscal year, obligate not less than a total of 10 percent for contracts for both scholarships under the Scholarship Program under section 254f of this title and loan repayments under the Loan Repayment Program under section 254f–1 of this title to individuals who are entering the first year of a course of study or program described in section 254f(b)(1)(B) of this title that leads to such a certification or individuals who are eligible for the loan repayment program as specified in section 254f–1(b) of this title for a loan related to such certification.

(1) Scholarship Program

PRIOR PROVISIONS
A prior section 254q, act July 1, 1944, ch. 373, title III, §338G, formerly title VII, §758, as added Oct. 12, 1976.

1 so in original. Probably should be “subpart.”
§ 254q–1  
TITL E 42—THE PUBL IC H EALTH AND WELFARE  

$254q–1  
§ 254q–1. Grants to States for loan repayment programs  

(a) In general  

(1) Authority for grants  

The Secretary, acting through the Administrator of the Health Resources and Services Administration, may make grants to States for the purpose of assisting the States in operating programs described in paragraph (2) in order to provide for the increased availability of primary health care services in health professional shortage areas. The National Advisory Council established under section 254j of this title shall advise the Administrator regarding the program under this section.  

(2) Loan repayment programs  

The programs referred to in paragraph (1) are, subject to subsection (c), programs of entering into contracts under which the State involved agrees to pay all or part of the principal, interest, and related expenses of the educational loans of health professionals in consideration of the professionals agreeing to provide primary health services in health professional shortage areas.  

(3) Direct administration by State agency  

The Secretary may not make a grant under paragraph (1) unless the State involved agrees that the program operated with the grant will be administered directly by a State agency.  

(b) Requirement of matching funds  

(1) In general  

The Secretary may not make a grant under subsection (a) unless the State agrees that, with respect to the costs of making payments on behalf of individuals under contracts made pursuant to paragraph (2) of such subsection, the State will make available (directly or through donations from public or private entities) non-Federal contributions in cash toward such costs in an amount equal to not less than $1 for each $1 of Federal funds provided in the grant.  

(2) Determination of amount of non-Federal contribution  

In determining the amount of non-Federal contributions in cash that a State has provided pursuant to paragraph (1), the Secretary may not include any amounts provided to the State by the Federal Government.  

(c) Coordination with Federal program  

(1) Assignments for health professional shortage areas under Federal program  

The Secretary may not make a grant under subsection (a) unless the State involved agrees that, in carrying out the program operated with the grant, the Secretary will assign health professionals participating in the program only to public and nonprofit private entities located in and providing health services in health professional shortage areas.  

(2) Remedies for breach of contracts  

The Secretary may not make a grant under subsection (a) unless the State involved agrees that the contracts provided by the State pursuant to paragraph (2) of such subsection will provide remedies for any breach of the contracts by the health professionals involved.  

(3) Limitation regarding contract inducements  

(A) Except as provided in subparagraph (B), the Secretary may not make a grant under subsection (a) unless the State involved agrees that the contracts provided by the State pursuant to paragraph (2) of such subsection will not be provided on terms that are more favorable to health professionals than the most favorable terms that the Secretary is authorized to provide for contracts under the Loan Repayment Program under section 254l–1 of this title, including terms regarding—  

(i) the annual amount of payments provided on behalf of the professionals regarding educational loans; and  

(ii) the availability of remedies for any breach of the contracts by the health professionals involved.  

(B) With respect to the limitation established in subparagraph (A) regarding the annual amount of payments that may be provided to a health professional under a contract provided by a State pursuant to subsection (a)(2), such limitation shall not apply with respect to a contract if—  

(i) the excess of such annual payments above the maximum amount authorized in section 254l–1(g)(2)(A) of this title for annual payments regarding contracts is paid solely from non-Federal contributions under subsection (b); and  

(ii) the contract provides that the health professional involved will satisfy the requirement of obligated service under the

contract solely through the provision of primary health services in a health professional shortage area that is receiving priority for purposes of section 254f–1(a)(1) of this title and that is authorized to receive assignments under section 254f–1(b) of this title of individuals who are participating in the Scholarship Program under section 254f of this title.

(d) Restrictions on use of funds

The Secretary may not make a grant under subsection (a) unless the State involved agrees that the grant will not be expended—

(1) to conduct activities for which Federal funds are expended—

(A) within the State to provide technical or other nonfinancial assistance under subsection (f) of section 254c of this title;

(B) under a memorandum of agreement entered into with the State under subsection (h) of such section; or

(C) under a grant under section 254r of this title; or

(2) for any purpose other than making payments on behalf of health professionals under contracts entered into pursuant to subsection (a)(2).

(e) Reports

The Secretary may not make a grant under subsection (a) unless an application for the grant is submitted to the Secretary and the application is in such form, is made in such manner, and contains such agreements, assurances, and information as the Secretary determines to be necessary to carry out such subsection.

(f) Requirement of application

The Secretary may not make a grant under subsection (a) unless an application for the grant is submitted to the Secretary and the application is in such form, is made in such manner, and contains such agreements, assurances, and information as the Secretary determines to be necessary to carry out such subsection.

(g) Noncompliance

(1) In general

The Secretary may not make payments under subsection (a) to a State for any fiscal year subsequent to the first fiscal year of such payments unless the Secretary determines that, for the immediately preceding fiscal year, the State has complied with each of the agreements made by the State under this section.

(2) Reduction in grant relative to number of breached contracts

(A) Before making a grant under subsection (a) to a State for a fiscal year, the Secretary shall determine the number of contracts provided by the State under paragraph (2) of such subsection with respect to which there has been an initial breach by the health professionals involved during the fiscal year preceding the fiscal year for which the State is applying to receive the grant.

(B) Subject to paragraph (3), in the case of a State with 1 or more initial breaches for purposes of subparagraph (A), the Secretary shall reduce the amount of a grant under subsection (a) to the State for the fiscal year involved by an amount equal to the sum of the expenditures of Federal funds made regarding the contracts involved and an amount representing interest on the amount of such expenditures, determined with respect to each contract on the basis of the maximum legal rate prevailing for loans made during the time amounts were paid under the contract, as determined by the Treasurer of the United States.

(3) Waiver regarding reduction in grant

The Secretary may waive the requirement established in paragraph (2)(B) with respect to the initial breach of a contract if the Secretary determines that such breach by the health professional involved was attributable solely to the professional having a serious illness.

(h) “State” defined

For purposes of this section, the term “State” means each of the 50 States, the District of Columbia, the Commonwealth of Puerto Rico, the United States Virgin Islands, Guam, American Samoa, Palau, the Marshall Islands, and the Commonwealth of the Northern Mariana Islands.

(i) Authorization of appropriations

(1) In general

For the purpose of making grants under subsection (a), there are authorized to be appropriated $12,000,000 for fiscal year 2008, and such sums as may be necessary for each of fiscal years 2009 through 2012.

(2) Availability

Amounts appropriated under paragraph (1) shall remain available until expended.

(j) Public health loan repayment

(1) In general

The Secretary may award grants to States for the purpose of assisting such States in operating loan repayment programs under which such States enter into contracts to repay all or part of the eligible loans borrowed by, or on behalf of, individuals who agree to serve in State, local, or tribal health departments that serve health professional shortage areas or other areas at risk of a public health emergency, as designated by the Secretary.

(2) Loans eligible for repayment

To be eligible for repayment under this subsection, a loan shall be a loan made, insured, or guaranteed by the Federal Government that is borrowed by, or on behalf of, an individual to pay the cost of attendance for a program of education leading to a degree appropriate for serving in a State, local, or tribal health department as determined by the Secretary and the chief executive officer of the State in which the grant is administered, at an institution of higher education (as defined in section 1002 of title 20), including principal, interest, and related expenses on such loan.
(3) Applicability of existing requirements

With respect to awards made under paragraph (1)—

(A) the requirements of subsections (b), (f), and (g) shall apply to such awards; and

(B) the requirements of subsection (c) shall apply to such awards except that with respect to paragraph (1) of such subsection, the State involved may assign an individual only to public and nonprofit private entities that serve health professional shortage areas or areas at risk of a public health emergency, as determined by the Secretary.

(4) Authorization of appropriations

There are authorized to be appropriated to carry out this subsection, such sums as may be necessary for each of fiscal years 2007 through 2010.


References in Text

Section 254r of this title, referred to in subsec. (d)(1)(A), was in the original a reference to section 330, meaning section 330 of act July 1, 1944, which was omitted in the general amendment of subpart I (§ 254b et seq.) of this part by Pub. L. 104–299, § 2, Oct. 11, 1996, 110 Stat. 3826. Sections 2 and 3(a) of Pub. L. 104–299 enacted new sections 330 and 330A of title July 1, 1944, which are classified respectively, to sections 254b and 254c of this title.

Prior Provisions

A prior section 338I of act July 1, 1944, was classified to section 254r of this title prior to repeal by Pub. L. 100–713, title I, § 104(b)(1), Nov. 23, 1988, 102 Stat. 4787.

Amendments

2008—Subsec. (b). Pub. L. 110–355, § 3(c)(1), substituted ‘‘50 States, the District of Columbia, the Commonwealth of Puerto Rico, the United States Virgin Islands, Guam, American Samoa, Palau, the Marshall Islands, and the Commonwealth of the Northern Mariana Islands’’ for ‘‘several States’’.

Subsec. (i)(1), Pub. L. 110–355, § 3(e)(2), substituted ‘‘2008, and such sums as may be necessary for each of fiscal years 2009 through 2012.’’ for ‘‘2002 and such sums as may be necessary for each of the fiscal years 1998 through 2002.’’

1998—Subsec. (i)(1). Pub. L. 105–392 inserted ‘‘, and such sums as may be necessary for each of the fiscal years 1998 through 2002’’ before period at end.


Pub. L. 101–597, § 301, amended section generally, substituting present provisions for provisions which related to: in subsec. (a), grants; in subsec. (b), applications; in subsec. (c), Federal share; and in subsec. (d), authorization of appropriations.

§ 254r. Grants to State Offices of Rural Health

(a) In general

The Secretary, acting through the Director of the Federal Office of Rural Health Policy (established under section 912 of this title), shall make grants to each State Office of Rural Health for the purpose of improving health care in rural areas.

(b) Requirement of matching funds

(1) In general

Subject to paragraph (2), the Secretary may not make a grant under subsection (a) unless the State office of rural health involved agrees, with respect to the costs to be incurred in carrying out the purpose described in such subsection, to provide non-Federal contributions toward such costs in an amount equal to $3 for each $1 of Federal funds provided in the grant.

(2) Waiver or reduction

The Secretary may waive or reduce the non-Federal contribution if the Secretary determines that requiring matching funds would limit the State office of rural health's ability to carry out the purpose described in subsection (a).

(3) Determination of amount of non-Federal contribution

Non-Federal contributions required in paragraph (1) may be in cash or in kind, fairly evaluated, including plant, equipment, or services. Amounts provided by the Federal Government, or services assisted or subsidized to any significant extent by the Federal Government, may not be included in determining the amount of such non-Federal contributions.

(c) Certain required activities

Recipients of a grant under subsection (a) shall use the grant funds for purposes of—

(1) maintaining within the State office of rural health a clearinghouse for collecting and disseminating information on—

(A) rural health care issues; and

(B) research findings relating to rural health care; and

(C) innovative approaches to the delivery of health care in rural areas;

(2) coordinating the activities carried out in the State that relate to rural health care, in-
including providing coordination for the purpose of avoiding redundancy in such activities; and
(3) identifying Federal and State programs regarding rural health, and providing technical assistance to public and nonprofit private entities regarding participation in such programs.

(d) Requirement regarding annual budget for office
The Secretary may not make a grant under subsection (a) unless the State involved agrees that, for any fiscal year for which the State office of rural health receives such a grant, the office operated pursuant to subsection (a) of this section will be provided with an annual budget of not less than $150,000.

(e) Certain uses of funds

(1) Restrictions
The Secretary may not make a grant under subsection (a) unless the State office of rural health involved agrees that the grant will not be expended—
(A) to provide health care (including providing cash payments regarding such care);
(B) to conduct activities for which Federal funds are expended—
(i) within the State to provide technical and other nonfinancial assistance under section 254c(f) of this title;
(ii) under a memorandum of agreement entered into with the State office of rural health under section 254c(h) of this title; or
(iii) under a grant under section 254q–1 of this title;
(C) to purchase medical equipment, to purchase ambulances, aircraft, or other vehicles, or to purchase major communications equipment;
(D) to purchase or improve real property; or
(E) to carry out any activity regarding a certificate of need.

(2) Authorities
Activities for which a State office of rural health may expend a grant under subsection (a) include—
(A) paying the costs of maintaining an office of rural health for purposes of subsection (a);
(B) subject to paragraph (1)(B)(iii), paying the costs of any activity carried out with respect to recruiting and retaining health professionals to serve in rural areas of the State; and
(C) providing grants and contracts to public and nonprofit private entities to carry out activities authorized in this section.

(3) Limit on indirect costs
The Secretary may impose a limit of no more than 15 percent on indirect costs claimed by the recipient of the grant.

(f) Reports
The Secretary may not make a grant under subsection (a) unless the State office of rural health involved agrees—
(1) to submit to the Secretary reports or performance data containing such information as the Secretary may require regarding activities carried out under this section; and
(2) to submit such a report or performance data not later than September 30 of each fiscal year immediately following any fiscal year for which the State office of rural health has received such a grant.

(g) Requirement of application
The Secretary may not make a grant under subsection (a) unless an application for the grant is submitted to the Secretary and the application is in such form, is made in such manner, and contains such agreements, assurances, and information as the Secretary determines to be necessary to carry out such subsection.

(h) Noncompliance
The Secretary may not make payments under subsection (a) to a State office of rural health for any fiscal year subsequent to the first fiscal year of such payments unless the Secretary determines that, for the immediately preceding fiscal year, the State office of rural health has complied with each of the agreements made by the State office of rural health under this section.

(i) Authorization of appropriations

(1) In general
For the purpose of making grants under subsection (a), there are authorized to be appropriated $12,500,000 for each of fiscal years 2018 through 2022.

(2) Availability
Amounts appropriated under paragraph (1) shall remain available until expended.

\section*{§ 254s. Native Hawaiian Health Scholarships}

(a) Eligibility

Subject to the availability of funds appropriated under the authority of subsection (d), the Secretary shall provide funds to Papa Ola Lokahi for the purpose of providing scholarship assistance to students who—

(1) meet the requirements of section 254(b) of this title, and

(2) are Native Hawaiians.

(b) Terms and conditions

(1) The scholarship assistance provided under subsection (a) shall be provided under the same terms and subject to the same conditions, regulations, and rules that apply to scholarship assistance provided under section 254(f) of this title.

(2) The Native Hawaiian Health Scholarship program shall not be administered by or through the Indian Health Service.

(c) "Native Hawaiian" defined

For purposes of this section, the term "Native Hawaiian" means any individual who is—

(1) a citizen of the United States,

(2) a resident of the State of Hawaii, and

(3) a descendant of the aboriginal people, who prior to 1778, occupied and exercised sovereignty in the area that now constitutes the State of Hawaii, as evidenced by—

(A) genealogical records,

(B) Kupuna (elders) or Kamaaina (long-term community residents) verification, or

(C) birth records of the State of Hawaii.

(d) Authorization of appropriations

There are authorized to be appropriated $1,800,000 for each of the fiscal years 1990, 1991, and 1992 for the purpose of funding the scholarship assistance provided under subsection (a).

\section*{AMENDMENTS}

2002—Subsec. (a). Pub. L. 107–116, which directed the amendment of subsec. (a) by substituting "Papa Ola Lokahi" for "Kamehameha Schools/Bishop Estate", was executed by making the substitution for "Kamehameha Schools/Bishop Estate" to reflect the probable intent of Congress.

1992—Subsec. (a). Pub. L. 105–392, § 301(3), substituted "$36,000,000" for "$10,000,000".

\section*{COMMUNICATIONS FOR RURAL HEALTH PROVIDERS}


\section*{§ 254t. Demonstration project}

(a) Program authorized

The Secretary shall establish a demonstration project to provide for the participation of individuals who are chiropractic doctors or pharmacists in the Loan Repayment Program described in section 254l–1 of this title.

(b) Procedure

An individual that receives assistance under this section with regard to the program described in section 254l–1 of this title shall comply with all rules and requirements described in such section (other than subparagraphs (A) and (B) of section 254l–1(b)(1) of this title) in order to receive assistance under this section.

(c) Limitations

(1) In general

The demonstration project described in this section shall provide for the participation of individuals who shall provide services in rural and urban areas.

(2) Availability of other health professionals

The Secretary may not assign an individual receiving assistance under this section to provide obligated service at a site unless—

(A) the Secretary has assigned a physician (as defined in section 1395x(r) of this title) or other health professional licensed to prescribe drugs to provide obligated service at such site under section 254m or 254n of this title; and

(B) such physician or other health professional will provide obligated service at such site concurrently with the individual receiving assistance under this section.

(3) Rules of construction

(A) Supervision of individuals

Nothing in this section shall be construed to require or imply that a physician or other health professional licensed to prescribe drugs must supervise an individual receiving assistance under the demonstration project under this section, with respect to such project.

(B) Licensure of health professionals

Nothing in this section shall be construed to supersede State law regarding licensure of health professionals.

(d) Designations

The demonstration project described in this section, and any providers who are selected to participate in such project, shall not be consid-
ered by the Secretary in the designation of a health professional shortage area under section 254e of this title during fiscal years 2002 through 2004.

(e) Rule of construction

This section shall not be construed to require any State to participate in the project described in this section.

(f) Report

(1) In general

The Secretary shall evaluate the participation of individuals in the demonstration projects under this section and prepare and submit a report containing the information described in paragraph (2) to—

(A) the Committee on Health, Education, Labor, and Pensions of the Senate;

(B) the Subcommittee on Labor, Health and Human Services, and Education of the Committee on Appropriations of the Senate;

(C) the Committee on Energy and Commerce of the House of Representatives; and

(D) the Subcommittee on Labor, Health and Human Services, and Education of the Committee on Appropriations of the House of Representatives.

(2) Content

The report described in paragraph (1) shall detail—

(A) the manner in which the demonstration project described in this section has affected access to primary care services, patient satisfaction, quality of care, and health care services provided for traditionally underserved populations;

(B) how the participation of chiropractic doctors and pharmacists in the Loan Repayment Program might affect the designation of health professional shortage areas; and

(C) whether adding chiropractic doctors and pharmacists as permanent members of the National Health Service Corps.

(g) Authorization of appropriations

(1) In general

There are authorized to be appropriated to carry out this section, such sums as may be necessary for fiscal years 2002 through 2004.

(2) Fiscal year 2005

If the Secretary determines and certifies to Congress by not later than September 30, 2004, that the number of individuals participating in the demonstration project established under this section is insufficient for purposes of performing the evaluation described in subsection (f)(1), the authorization of appropriations under paragraph (1) shall be extended to include fiscal year 2005.

§ 254u. Public health departments

(a) In general

To the extent that funds are appropriated under subsection (e), the Secretary shall establish a demonstration project to provide for the participation of individuals who are eligible for the Loan Repayment Program described in section 254f–1 of this title and who agree to complete their service obligation in a State health department that provides a significant amount of service to health professional shortage areas or areas at risk of a public health emergency, as determined by the Secretary, or in a local or tribal health department that serves a health professional shortage area or an area at risk of a public health emergency.

(b) Procedure

To be eligible to receive assistance under subsection (a), with respect to the program described in section 254f–1 of this title, an individual shall—

(1) comply with all rules and requirements described in such section (other than section 254f–1(f)(1)(B)(iv) of this title); and

(2) agree to serve for a time period equal to 2 years, or such longer period as the individual may agree to, in a State, local, or tribal health department, described in subsection (a).

(c) Designations

The demonstration project described in subsection (a), and any healthcare providers who are selected to participate in such project, shall not be considered by the Secretary in the designation of health professional shortage areas under section 254e of this title during fiscal years 2007 through 2010.

(d) Report

Not later than 3 years after December 19, 2006, the Secretary shall submit a report to the relevant committees of Congress that evaluates the participation of individuals in the demonstration project under subsection (a), the impact of such participation on State, local, and tribal health departments, and the benefit and feasibility of permanently allowing such placements in the Loan Repayment Program.

(e) Authorization of appropriations

There are authorized to be appropriated to carry out this section, such sums as may be necessary for each of fiscal years 2007 through 2010.

§ 254v. Clarification regarding service in schools and other community-based settings

(a) Schools and community-based settings

An entity to which a participant in the Scholarship Program or the Loan Repayment Program (referred to in this section as a “participant”) is assigned under section 254f of this title may direct such participant to provide service as a behavioral or mental health professional at
a school or other community-based setting located in a health professional shortage area.

(b) Obligated service

(1) In general
Any service described in subsection (a) that a participant provides may count towards such participant's completion of any obligated service requirements under the Scholarship Program or the Loan Repayment Program, subject to any limitation imposed under paragraph (2).

(2) Limitation
The Secretary may impose a limitation on the number of hours of service described in subsection (a) that a participant may credit towards completing obligated service requirements, provided that the limitation allows a member to credit service described in subsection (a) for not less than 50 percent of the total hours required to complete such obligated service requirements.

(c) Rule of construction
The authorization under subsection (a) shall be notwithstanding any other provision of this subpart or subpart II.

(1) For the purpose of encouraging the establishment and initial operation of home health programs to provide home health services in areas in which such services are inadequate or not readily accessible, the Secretary may, in accordance with the provisions of this section, make grants to public and nonprofit private entities and loans to proprietary entities to meet the initial costs of establishing and operating such home health programs. Such grants and loans may include funds to provide training for paraprofessionals (including homemaker home health aides) to provide home health services.

(2) In making grants and loans under this subsection, the Secretary shall—

(A) consider the relative needs of the several States for home health services;

(B) give preference to areas in which a high percentage of the population proposed to be served is composed of individuals who are elderly, medically indigent, or disabled; and

(C) give special consideration to areas with inadequate means of transportation to obtain necessary home health services.

(3)(A) No loan may be made to a proprietary entity under this section unless the application of such entity for such loan contains assurances satisfactory to the Secretary that—

(i) at the time the application is made the entity is fiscally sound;

(ii) the entity is unable to secure a loan for the project for which the application is submitted from non-Federal lenders at the rate of interest prevailing in the area in which the entity is located; and

(iii) during the period of the loan, such entity will remain fiscally sound.

(B) Loans under this section shall be made at an interest rate comparable to the rate of interest prevailing on the date the loan is made with respect to the marketable obligations of the United States of comparable maturities, adjusted to provide for administrative costs.

(4) Applications for grants and loans under this subsection shall be in such form and contain such information as the Secretary shall prescribe.

(5) There are authorized to be appropriated for grants and loans under this subsection $5,000,000 for each of the fiscal years ending on September 30, 1983, September 30, 1984, September 30, 1985, September 30, 1986, and September 30, 1987.

(b) Grants and contracts for training programs

(1) The Secretary may make grants to and enter into contracts with public and private entities to assist them in developing appropriate training programs for paraprofessionals (including homemaker home health aides) to provide home health services.

(2) Any program established with a grant or contract under this subsection to train homemaker home health aides shall—

(A) extend for at least forty hours, and consist of classroom instruction and at least twenty hours (in the aggregate) of supervised clinical instruction directed toward preparing students to deliver home health services;

(B) be carried out under appropriate professional supervision and be designed to train students to maintain or enhance the personal care of an individual in his home in a manner which promotes the functional independence of the individual; and

(C) include training in—

(i) personal care services designed to assist an individual in the activities of daily living such as bathing, exercising, personal grooming, and getting in and out of bed; and

(ii) household care services such as maintaining a safe living environment, light housekeeping, and assisting in providing good nutrition (by the purchasing and preparation of food).

(3) In making grants and entering into contracts under this subsection, special consideration shall be given to entities which establish or will establish programs to provide training for persons fifty years of age and older who wish to become paraprofessionals (including homemaker home health aides) to provide home health services.
(4) Applications for grants and contracts under this subsection shall be in such form and contain such information as the Secretary shall prescribe.

(5) There are authorized to be appropriated for grants and contracts under this subsection $2,000,000 for each of the fiscal years ending September 30, 1983, September 30, 1984, September 30, 1985, September 30, 1986, and September 30, 1987.

(c) Report to Congress with respect to grants and loans and training of personnel

The Secretary shall report to the Committee on Labor and Human Resources of the Senate and the Committee on Energy and Commerce of the House of Representatives on or before January 1, 1984, with respect to—

(1) the impact of grants made and contracts entered into under subsections (a) and (b) (as such subsections were in effect prior to October 1, 1981); and

(2) the need to continue grants and loans under subsections (a) and (b) (as such subsections are in effect on the day after January 4, 1983); and

(3) the extent to which standards have been applied to the training of personnel who provide home health services.

(d) "Home health services" defined

For purposes of this section, the term "home health services" has the meaning prescribed for the term by section 1395x(m) of this title.


REFERENCES IN TEXT

Subsections (a) and (b) (as such subsections were in effect prior to October 1, 1981), referred to in subsec. (c)(1), mean subsections (a) and (b) of section 255 of this title prior to repeal of section 255 by Pub. L. 97–35, title IX, § 207(a), Aug. 13, 1981, 95 Stat. 559, effective Oct. 1, 1981.

PRIOR PROVISIONS


AMENDMENTS


CHANGE OF NAME

Committee on Labor and Human Resources of Senate changed to Committee on Health, Education, Labor, and Pensions of Senate by Senate Resolution No. 20, One Hundred Sixth Congress, Jan. 19, 1999.


REPORT TO CONGRESS CONCERNING RESULTS OF STUDIES EVALUATING HOME AND COMMUNITY BASED HEALTH SERVICES; STUDIES OF REIMBURSEMENT Methodologies; INVESTIGATION OF FRAUD; DEMONSTRATION PROJECTS; HOME HEALTH SERVICES, DEFINED

Pub. L. 97–414, § 6(b)–(f), Jan. 4, 1983, 96 Stat. 2058, 2059, directed Secretary of Health and Human Services to report results of studies evaluating home and community based health services, and any recommendations for legislative action which might improve the provision of such services, to Congress prior to Jan. 1, 1985, to compile and analyze results of significant public or private studies relating to reimbursement methodologies for home health services and to report recommendations to Congress within 180 days after Jan. 4, 1983, to investigate methods available to stem Medicare and Medicaid fraud and abuse and extent to which such methods are applied and to report results to Congress within 18 months of Jan. 4, 1983, and to develop and carry out demonstration projects commencing no later than Jan. 1, 1984, to test methods for identifying patients at risk of institutionalization who could be treated more cost-effectively with home health services, and to test alternative reimbursement methodologies for home health agencies in order to determine most cost-effective way of providing home health services, and to report to Congress with regard to the demonstrations no later than Jan. 1, 1985, and defined "home health services" for purposes of this section.

SUBPART V—HEALTHY COMMUNITIES ACCESS PROGRAM

PRIOR PROVISIONS


§ 256. Grants to strengthen the effectiveness, efficiency, and coordination of services for the uninsured and underinsured

(a) In general

The Secretary may award grants to eligible entities to assist in the development of integrated health care delivery systems to serve communities of individuals who are uninsured and individuals who are underinsured—

(1) to improve the efficiency of, and coordination among, the providers providing services through such systems;

(2) to assist communities in developing programs targeted toward preventing and managing chronic diseases; and

(3) to expand and enhance the services provided through such systems.

(b) Eligible entities

To be eligible to receive a grant under this section, an entity shall be an entity that—

(1) represents a consortium—

(A) whose principal purpose is to provide a broad range of coordinated health care services for a community defined in the entity's
grant application as described in paragraph (2); and

(B) that includes at least one of each of the following providers that serve the community (unless such provider does not exist within the community, declines or refuses to participate, or places unreasonable conditions on their participation)—

(i) a Federally qualified health center (as defined in section 1383f(aa) of this title);

(ii) a hospital with a low-income utilization rate (as defined in section 1396c–4(b)(3) of this title), that is greater than 25 percent;

(iii) a public health department; and

(iv) an interested public or private sector health care provider or an organization that has traditionally served the medically uninsured and underserved; and

(2) submits to the Secretary an application, in such form and manner as the Secretary shall prescribe, that—

(A) defines a community or geographic area of uninsured and underinsured individuals;

(B) identifies the providers who will participate in the consortium’s program under the grant, and specifies each provider’s contribution to the care of uninsured and underinsured individuals in the community, including the volume of care the provider provides to beneficiaries under the medicare, medicaid, and State child health insurance programs and to patients who pay privately for services;

(C) describes the activities that the applicant and the consortium propose to perform under the grant to further the objectives of this section;

(D) demonstrates the consortium’s ability to build on the current system (as of the date of submission of the application) for serving a community or geographic area of uninsured and underinsured individuals by involving providers who have traditionally provided a significant volume of care for that community;

(E) demonstrates the consortium’s ability to develop coordinated systems of care that either directly provide or ensure the prompt provision of a broad range of high-quality, accessible services, including, as appropriate, primary, secondary, and tertiary services, as well as substance abuse treatment and mental health services in a manner that assures continuity of care in the community or geographic area;

(F) provides evidence of community involvement in the development, implementation, and direction of the program that the entity proposes to operate;

(G) demonstrates the consortium’s ability to ensure that individuals participating in the program are enrolled in public insurance programs for which the individuals are eligible or know of private insurance programs where available;

(H) presents a plan for leveraging other sources of revenue, which may include State and local sources and private grant funds, and integrating current and proposed new funding sources in a way to assure long-term sustainability of the program;

(I) describes a plan for evaluation of the activities carried out under the grant, including measurement of progress toward the goals and objectives of the program and the use of evaluation findings to improve program performance;

(J) demonstrates fiscal responsibility through the use of appropriate accounting procedures and appropriate management systems;

(K) demonstrates the consortium’s commitment to serve the community without regard to the ability of an individual or family to pay by arranging for or providing free or reduced charge care for the poor; and

(L) includes such other information as the Secretary may prescribe.

(c) Limitations

(1) Number of awards

(A) In general

For each of fiscal years 2003, 2004, 2005, and 2006, the Secretary may not make more than 35 new awards under subsection (a) (excluding renewals of such awards).

(B) Rule of construction

This paragraph shall not be construed to affect awards made before fiscal year 2003.

(2) In general

An eligible entity may not receive a grant under this section (including with respect to any such grant made before fiscal year 2003) for more than 3 consecutive fiscal years, except that such entity may receive such a grant award for not more than 1 additional fiscal year if—

(A) the eligible entity submits to the Secretary a request for a grant for such an additional fiscal year;

(B) the Secretary determines that extraordinary circumstances (as defined in paragraph (3)) justify the granting of such request; and

(C) the Secretary determines that granting such request is necessary to further the objectives described in subsection (a).

(3) Extraordinary circumstances

(A) In general

In paragraph (2), the term “extraordinary circumstances” means an event (or events) that is outside of the control of the eligible entity that has prevented the eligible entity from fulfilling the objectives described by such entity in the application submitted under subsection (b)(2).

(B) Examples

Extraordinary circumstances include—

(i) natural disasters or other major disruptions to the security or health of the community or geographic area served by the eligible entity; or

(ii) a significant economic deterioration in the community or geographic area served by such eligible entity, that directly and adversely affects the entity receiving an award under subsection (a).
(d) Priorities

In awarding grants under this section, the Secretary—

(1) shall accord priority to applicants that demonstrate the extent of unmet need in the community involved for a more coordinated system of care; and

(2) may accord priority to applicants that best promote the objectives of this section, taking into consideration the extent to which the application involved—

(A) identifies a community whose geographical area has a high or increasing percentage of individuals who are uninsured;

(B) demonstrates that the applicant has included in its consortium providers, support systems, and programs that have a tradition of serving uninsured individuals and underinsured individuals in the community;

(C) shows evidence that the program would expand utilization of preventive and primary care services for uninsured and underinsured individuals and families in the community, including behavioral and mental health services, oral health services, or substance abuse services;

(D) proposes a program that would improve coordination between health care providers and appropriate social service providers;

(E) demonstrates collaboration with State and local governments;

(F) demonstrates that the applicant makes use of non-Federal contributions to the greatest extent possible; or

(G) demonstrates a likelihood that the proposed program will continue after support under this section ceases.

(e) Use of funds

(1) Use by grantees

(A) In general

Except as provided in paragraphs (2) and (3), a grantee may use amounts provided under this section only for—

(i) direct expenses associated with achieving the greater integration of a health care delivery system so that the system either directly provides or ensures the provision of a broad range of culturally competent services, as appropriate, including primary, secondary, and tertiary services, as well as substance abuse treatment and mental health services; and

(ii) direct patient care and service expansions to fill identified or documented gaps within an integrated delivery system.

(B) Specific uses

The following are examples of purposes for which a grantee may use grant funds under this section, when such use meets the conditions stated in subparagraph (A):

(i) Increases in outreach activities and closing gaps in health care service.

(ii) Improvements to case management.

(iii) Improvements to coordination of transportation to health care facilities.

(iv) Development of provider networks and other innovative models to engage physicians in voluntary efforts to serve the medically underserved within a community.

(v) Recruitment, training, and compensation of necessary personnel.

(vi) Acquisition of technology for the purpose of coordinating care.

(vii) Improvements to provider communication, including implementation of shared information systems or shared clinical systems.

(viii) Development of common processes for determining eligibility for the programs provided through the system, including creating common identification cards and single sliding scale discounts.

(ix) Development of specific prevention and disease management tools and processes.

(x) Translation services.

(xi) Carrying out other activities that may be appropriate to a community and that would increase access by the uninsured to health care, such as access initiatives for which private entities provide non-Federal contributions to supplement the Federal funds provided through the grants for the initiatives.

(2) Direct patient care limitation

Not more than 15 percent of the funds provided under a grant awarded under this section may be used for providing direct patient care and services.

(3) Reservation of funds for national program purposes

The Secretary may use not more than 3 percent of funds appropriated to carry out this section for providing technical assistance to grantees, obtaining assistance of experts and consultants, holding meetings, developing of tools, disseminating of information, evaluation, and carrying out activities that will extend the benefits of programs funded under this section to communities other than the community served by the program funded.

(f) Grantee requirements

(1) Evaluation of effectiveness

A grantee under this section shall—

(A) report to the Secretary annually regarding—

(i) progress in meeting the goals and measurable objectives set forth in the grant application submitted by the grantee under subsection (b); and

(ii) the extent to which activities conducted by such grantee have—

(I) improved the effectiveness, efficiency, and coordination of services for uninsured and underinsured individuals in the communities or geographic areas served by such grantee;

(II) resulted in the provision of better quality health care for such individuals; and

(III) resulted in the provision of health care to such individuals at lower cost than would have been possible in the absence of the activities conducted by such grantee; and

(B) provide for an independent annual financial audit of all records that relate to
the disposition of funds received through the grant.

(2) Progress

The Secretary may not renew an annual grant under this section for an entity for a fiscal year unless the Secretary is satisfied that the consortium represented by the entity has made reasonable and demonstrable progress in meeting the goals and measurable objectives set forth in the entity’s grant application for the preceding fiscal year.

(g) Maintenance of effort

With respect to activities for which a grant under this section is authorized, the Secretary may award such a grant only if the applicant for the grant, and each of the participating providers, agree that the grantee and each such provider will maintain its expenditures of non-Federal funds for such activities at a level that is not less than the level of such expenditures during the fiscal year immediately preceding the fiscal year for which the applicant is applying to receive such grant.

(h) Technical assistance

The Secretary may, either directly or by grant or contract, provide any entity that receives a grant under this section with technical and other nonfinancial assistance necessary to meet the requirements of this section.

(i) Evaluation of program

Not later than September 30, 2005, the Secretary shall prepare and submit to the appropriate committees of Congress a report that describes the extent to which projects funded under this section have been successful in improving the effectiveness, efficiency, and coordination of services for uninsured and underinsured individuals in the communities or geographic areas served by such projects, including whether the projects resulted in the provision of better quality health care for such individuals, and whether such care was provided at lower costs, than would have been provided in the absence of such projects.

(j) Demonstration authority

The Secretary may make demonstration awards under this section to historically black health professions schools for the purposes of—

(1) developing patient-based research infrastructure at historically black health professions schools, which have an affiliation, or affiliations, with any of the providers identified in subsection (b)(1)(B);

(2) establishment of joint and collaborative programs of medical research and data collection between historically black health professions schools and such providers, whose goal is to improve the health status of medically underserved populations; or

(3) supporting the research-related costs of patient care, data collection, and academic training resulting from such affiliations.

(k) Authorization of appropriations

There are authorized to be appropriated to carry out this section such sums as may be necessary for each of fiscal years 2002 through 2006.

(1) Date certain for termination of program

Funds may not be appropriated to carry out this section after September 30, 2006.
§ 256a. Patient navigator grants

(a) Grants

The Secretary, acting through the Administrator of the Health Resources and Services Administration, may make grants to eligible entities for the development and operation of demonstration programs to provide patient navigator services to improve health care outcomes. The Secretary shall coordinate with, and ensure the participation of, the Indian Health Service, the National Cancer Institute, the Office of Rural Health Policy, and such other offices and agencies as deemed appropriate by the Secretary, regarding the design and evaluation of the demonstration programs.

(b) Use of funds

The Secretary shall require each recipient of a grant under this section to use the grant to recruit, assign, train, and employ patient navigators who have direct knowledge of the communities they serve to facilitate the care of individuals, including by performing each of the following duties:

1. Acting as contacts, including by assisting in the coordination of health care services and provider referrals, for individuals who are seeking prevention or early detection services for, or who following a screening or early detection service are found to have a symptom, abnormal finding, or diagnosis of, cancer or other chronic disease.

2. Facilitating the involvement of community organizations in assisting individuals who are at risk for or who have cancer or other chronic diseases to receive better access to high-quality health care services (such as by creating partnerships with patient advocacy groups, charities, health care centers, community hospice centers, other health care providers, or other organizations in the targeted community).

3. Notifying individuals of clinical trials and, on request, facilitating enrollment of eligible individuals in these trials.

4. Anticipating, identifying, and helping patients to overcome barriers within the health care system to ensure prompt diagnostic and treatment resolution of an abnormal finding of cancer or other chronic disease.

5. Coordinating with the relevant health insurance ombudsman programs to provide information to individuals who are at risk for or who have cancer or other chronic diseases about health coverage, including private insurance, health care savings accounts, and other publicly funded programs (such as Medicare, Medicaid, health programs operated by the Department of Veterans Affairs or the Department of Defense, the State children’s health insurance program, and any private or governmental prescription assistance programs).

6. Conducting ongoing outreach to health disparity populations, including the uninsured, rural populations, and other medically underserved populations, in addition to assisting other individuals who are at risk for or who have cancer or other chronic diseases to seek preventative care.

(c) Prohibitions

1. Referral fees

The Secretary shall require each recipient of a grant under this section to prohibit any patient navigator providing services under the grant from accepting any referral fee, kickback, or other thing of value in return for referring an individual to a particular health care provider.

2. Legal fees and costs

The Secretary shall prohibit the use of any grant funds received under this section to pay any fees or costs resulting from any litigation, arbitration, mediation, or other proceeding to resolve a legal dispute.

(d) Grant period

1. In general

Subject to paragraphs (2) and (3), the Secretary may award grants under this section for periods of not more than 3 years.

2. Extensions

Subject to paragraph (3), the Secretary may extend the period of a grant under this section. Each such extension shall be for a period of not more than 1 year.

3. Limitations on grant period

In carrying out this section, the Secretary shall ensure that the total period of a grant does not exceed 4 years.

(e) Application

1. In general

To seek a grant under this section, an eligible entity shall submit an application to the Secretary in such form, in such manner, and containing such information as the Secretary may require.

2. Contents

At a minimum, the Secretary shall require each such application to outline how the eligible entity will establish baseline measures and benchmarks that meet the Secretary’s requirements to evaluate program outcomes.

3. Minimum core proficiencies

The Secretary shall not award a grant to an entity under this section unless such entity provides assurances that patient navigators recruited, assigned, trained, or employed using grant funds meet minimum core proficiencies, as defined by the entity that submits the application, that are tailored for the main focus or intervention of the navigator involved.

(f) Uniform baseline measures

The Secretary shall establish uniform baseline measures in order to properly evaluate the impact of the demonstration projects under this section.

(g) Preference

In making grants under this section, the Secretary shall give preference to eligible entities
that demonstrate in their applications plans to utilize patient navigator services to overcome significant barriers in order to improve health care outcomes in their respective communities.

(h) Duplication of services

An eligible entity that is receiving Federal funds for activities described in subsection (b) on the date on which the entity submits an application under subsection (e) may not receive a grant under this section unless the entity can demonstrate that amounts received under the grant will be utilized to expand services or provide new services to individuals who would not otherwise be served.

(i) Coordination with other programs

The Secretary shall ensure coordination of the demonstration grant program under this section with existing authorized programs in order to facilitate access to high-quality health care services.

(j) Study; reports

(1) Final report by Secretary

Not later than 6 months after the completion of the demonstration grant program under this section, the Secretary shall conduct a study of the results of the program and submit to the Congress a report on such results that includes the following:

(A) An evaluation of the program outcomes, including—

(i) quantitative analysis of baseline and benchmark measures; and

(ii) aggregate information about the patients served and program activities.

(B) Recommendations on whether patient navigator programs could be used to improve patient outcomes in other public health areas.

(2) Interim reports by Secretary

The Secretary may provide interim reports to the Congress on the demonstration grant program under this section at such intervals as the Secretary determines to be appropriate.

(k) Rule of construction

This section shall not be construed to authorize funding for the delivery of health care services (other than the patient navigator duties listed in subsection (b)).

(l) Definitions

In this section:

(1) The term “eligible entity” means a public or nonprofit private health center (including a Federally qualified health center (as that term is defined in section 1385x(aa)(4) of this title)), a health facility operated by or pursuant to a contract with the Indian Health Service, a hospital, a cancer center, a rural health clinic, an academic health center, or a nonprofit entity that enters into a partnership or coordinates referrals with such a center, clinic, facility, or hospital to provide patient navigator services.

(2) The term “health disparity population” means a population that, as determined by the Secretary, has a significant disparity in the overall rate of disease incidence, prevalence, morbidity, mortality, or survival rates as compared to the health status of the general population.

(3) The term “patient navigator” means an individual who has completed a training program approved by the Secretary to perform the duties listed in subsection (b).

(m) Authorization of appropriations

(1) In general

To carry out this section, there are authorized to be appropriated $2,000,000 for fiscal year 2006, $5,000,000 for fiscal year 2007, $8,000,000 for fiscal year 2008, $6,500,000 for fiscal year 2009, $3,500,000 for fiscal year 2010, and such sums as may be necessary for each of fiscal years 2011 through 2015.

(2) Availability

The amounts appropriated pursuant to paragraph (1) shall remain available for obligation through the end of fiscal year 2015.

practices, including obstetrics and gynecology practices, within the hospital service areas served by the eligible entities. Grants or contracts shall be used to—

(1) establish health teams to provide support services to primary care providers; and

(2) provide capitated payments to primary care providers as determined by the Secretary.

(b) Eligible entities

To be eligible to receive a grant or contract under subsection (a), an entity shall—

(1)(A) be a State or State-designated entity; or

(B) be an Indian tribe or tribal organization, as defined in section 1603 of title 25;

(2) submit a plan for achieving long-term financial sustainability within 3 years;

(3) submit a plan for incorporating prevention initiatives and patient education and care management resources into the delivery of health care that is integrated with community-based prevention and treatment resources, where available;

(4) ensure that the health team established by the entity includes an interdisciplinary, interprofessional team of health care providers, as determined by the Secretary; such team may include medical specialists, nurses, pharmacists, nutritionists, dieticians, social workers, behavioral and mental health providers (including substance use disorder prevention and treatment providers), doctors of chiropractic, licensed complementary and alternative medicine practitioners, and physicians’ assistants;

(5) agree to provide services to eligible individuals with chronic conditions, as described in section 1396w–4 of this title (as added by section 2703), in accordance with the payment methodology established under subsection (c) of such section; and

(6) submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require.

c) Requirements for health teams

A health team established pursuant to a grant or contract under subsection (a) shall—

(1) establish contractual agreements with primary care providers to provide support services;

(2) support patient-centered medical homes, defined as a mode of care that includes—

(A) personal physicians or other primary care providers;

(B) whole person orientation;

(C) coordinated and integrated care;

(D) safe and high-quality care through evidence-informed medicine, appropriate use of health information technology, and continuous quality improvements;

(E) expanded access to care; and

(F) payment that recognizes added value from additional components of patient-centered care;

(3) collaborate with local primary care providers and existing State and community based resources to coordinate disease prevention, chronic disease management, transitioning between health care providers and settings and case management for patients, including children, with priority given to those amenable to prevention and with chronic diseases or conditions identified by the Secretary;

(4) in collaboration with local health care providers, develop and implement interdisciplinary, interprofessional care plans that integrate clinical and community preventive and health promotion services for patients, including children, with priority given to those amenable to prevention and with chronic diseases or conditions identified by the Secretary;

(5) incorporate health care providers, patients, caregivers, and authorized representatives in program design and oversight;

(6) provide support necessary for local primary care providers to—

(A) coordinate and provide access to high-quality health care services;

(B) coordinate and provide access to preventive and health promotion services;

(C) provide access to appropriate specialty care and inpatient services;

(D) provide quality-driven, cost-effective, culturally appropriate, and patient- and family-centered health care;

(E) provide access to pharmacist-delivered medication management services, including medication reconciliation;

(F) provide coordination of the appropriate use of complementary and alternative (CAM) services to those who request such services;

(G) promote effective strategies for treatment planning, monitoring health outcomes and resource use, sharing information, treatment decision support, and organizing care to avoid duplication of service and other medical management approaches intended to improve quality and value of health care services;

(H) provide local access to the continuum of health care services in the most appropriate setting, including access to individuals that implement the care plans of patients and coordinate care, such as integrative health care practitioners;

(I) collect and report data that permits evaluation of the success of the collaborative effort on patient outcomes, including collection of data on patient experience of care, and identification of areas for improvement; and

(J) establish a coordinated system of early identification and referral for children at risk for developmental or behavioral problems such as through the use of infolines, health information technology, or other means as determined by the Secretary;

(7) provide 24-hour care management and support during transitions in care settings including—

(A) a transitional care management program that provides onsite visits from the care coordinator,\(^1\) assists with the development of discharge plans and medication reconciliation

\(^1\) So in original. The comma probably should be “and”.

upon admission to and discharge from the hospitals; nursing home, or other institution setting;

(2) discharge planning and counseling support to providers, patients, caregivers, and authorized representatives;

(3) assuring that post-discharge care plans include medication management, as appropriate;

(4) referrals for mental and behavioral health services, which may include the use of infolines; and

(5) transitional health care needs from adolescence to adulthood;

(6) serve as a liaison to community prevention and treatment programs;

(7) demonstrate a capacity to implement and maintain health information technology that meets the requirements of certified EHR technology (as defined in section 300jj of this title) to facilitate coordination among members of the applicable care team and affiliated primary care practices; and

(8) where applicable, report to the Secretary information on quality measures used under section 280j–2 of this title.

(d) Requirement for primary care providers

A provider who contracts with a care team shall—

(1) provide a care plan to the care team for each patient participant;

(2) provide access to participant health records; and

(3) meet regularly with the care team to ensure integration of care.

(e) Reporting to Secretary

An entity that receives a grant or contract under subsection (a) shall submit to the Secretary a report that describes and evaluates, as requested by the Secretary, the activities carried out by the entity under subsection (c).

(f) Definition of primary care

In this section, the term “primary care” means the provision of integrated, accessible health care services by clinicians who are accountable for addressing a large majority of personal health care needs, developing a sustained partnership with patients, and practicing in the context of family and community.


REFERENCES IN TEXT


CODIFICATION

Section was enacted as part of the Patient Protection and Affordable Care Act, and not as part of the Public Health Service Act which comprises this chapter.

AMENDMENTS


So in original. Probably should be “hospital,”.

§ 256b. Limitation on prices of drugs purchased by covered entities

SUBPART VII—DRUG PRICING AGREEMENTS

§ 256b. Limitation on prices of drugs purchased by covered entities

(a) Requirements for agreement with Secretary

(1) In general

The Secretary shall enter into an agreement with each manufacturer of covered outpatient drugs under which the amount required to be paid (taking into account any rebate or discount, as provided by the Secretary) to the manufacturer for covered outpatient drugs (other than drugs described in paragraph (3)) purchased by a covered entity on or after the first day of the first month that begins after November 4, 1992, does not exceed an amount equal to the average manufacturer price for the drug under title XIX of the Social Security Act [42 U.S.C. 1396 et seq.] in the preceding calendar quarter, reduced by the rebate percentage described in paragraph (2). Each such agreement shall require that the manufacturer furnish the Secretary with reports, on a quarterly basis, of the price for each covered outpatient drug subject to the agreement that, according to the manufacturer, represents the maximum price that covered entities may permissibly be required to pay for the drug (referred to in this section as the “ceiling price”), and shall require that the manufacturer offer each covered entity covered outpatient drugs for purchase at or below the applicable ceiling price if such drug is made available to any other purchaser at any price.

(2) “Rebate percentage” defined

(A) In general

For a covered outpatient drug purchased in a calendar quarter, the “rebate percentage” is the amount (expressed as a percentage) equal to—

(i) the average total rebate required under section 1927(c) of the Social Security Act [42 U.S.C. 1396r–8(c)] with respect to the drug (for a unit of the dosage form and strength involved) during the preceding calendar quarter; divided by

(ii) the average manufacturer price for such a unit of the drug during such quarter.

(B) Over the counter drugs

(i) In general

For purposes of subparagraph (A), in the case of over the counter drugs, the “rebate percentage” shall be determined as if the rebate required under section 1927(c) of the Social Security Act [42 U.S.C. 1396r–8(c)] is based on the applicable percentage provided under section 1927(c)(3) of such Act.

(ii) “Over the counter drug” defined

The term “over the counter drug” means a drug that may be sold without a prescription and which is prescribed by a physician (or other persons authorized to prescribe such drug under State law).

(3) Drugs provided under State medicaid plans

Drugs described in this paragraph are drugs purchased by the entity for which payment is
made by the State under the State plan for medical assistance under title XIX of the Social Security Act [42 U.S.C. 1396 et seq.].

(4) “Covered entity” defined

In this section, the term “covered entity” means an entity that meets the requirements described in paragraph (5) and is one of the following:

(A) A Federally-qualified health center (as defined in section 1905(l)(2)(B) of the Social Security Act [42 U.S.C. 1396d(l)(2)(B)]).

(B) An entity receiving a grant under section 256a1 of this title.

(C) A family planning project receiving a grant or contract under section 300 of this title.

(D) An entity receiving a grant under subpart II of part C of subchapter XXIV (relating to categorical grants for outpatient early intervention services for HIV disease).

(E) A State-operated AIDS drug purchasing assistance program receiving financial assistance under subchapter XXIV.

(F) A black lung clinic receiving funds under section 957(a) of title 30.

(G) A comprehensive hemophilia diagnostic treatment center receiving a grant under section 501(a)(2) of the Social Security Act [42 U.S.C. 701(a)(2)].

(H) A Native Hawaiian Health Center receiving funds under the Native Hawaiian Health Care Act of 1988.

(I) An urban Indian organization receiving funds under title V of the Indian Health Care Improvement Act [25 U.S.C. 1651 et seq.].

(J) Any entity receiving assistance under subchapter XXIV (other than a State or unit of local government or an entity described in subparagraph (D)), but only if the entity is certified by the Secretary pursuant to paragraph (7).

(K) An entity receiving funds under section 247c of this title (relating to treatment of sexually transmitted diseases) or section 247h(2)1 of this title (relating to treatment of tuberculosis) through a State or unit of local government, but only if the entity is certified by the Secretary pursuant to paragraph (7).

(L) A subsection (d) hospital (as defined in section 1886(d)(1)(B) of the Social Security Act [42 U.S.C. 1395ww(d)(1)(B)]) that—

(i) is owned or operated by a unit of State or local government, is a public or private non-profit corporation which is formally granted governmental powers by a unit of State or local government, or is a private non-profit hospital which has a contract with a State or local government to provide health care services to low income individuals who are not entitled to benefits under title XVIII of the Social Security Act [42 U.S.C. 1395 et seq.] or eligible for assistance under the State plan under this subchapter;

(ii) for the most recent cost reporting period that ended before the calendar quarter involved, had a disproportionate share adjustment percentage (as determined under section 1886(d)(5)(F) of the Social Security Act [42 U.S.C. 1395ww(d)(5)(F)]) greater than 11.75 percent or was described in section 1886(d)(5)(F)(i)(II) of such Act [42 U.S.C. 1395ww(d)(5)(F)(i)(II)]; and

(iii) does not obtain covered outpatient drugs through a group purchasing organization or other group purchasing arrangement.

(M) A children’s hospital excluded from the Medicare prospective payment system pursuant to section 1886(d)(1)(B)(iii) of the Social Security Act [42 U.S.C. 1395ww(d)(1)(B)(iii)], or a free-standing cancer hospital excluded from the Medicare prospective payment system pursuant to section 1886(d)(1)(B)(v) of the Social Security Act, that would meet the requirements of subparagraph (L), including the disproportionate share adjustment percentage requirement under clause (ii) of such subparagraph, if the hospital were a subsection (d) hospital as defined by section 1886(d)(1)(B) of the Social Security Act.

(N) An entity that is a critical access hospital (as determined under section 1820(c)(2) of the Social Security Act [42 U.S.C. 1395i–4(c)(2)], and that meets the requirements of subparagraph (L)(i).

(O) An entity that is a rural referral center, as defined by section 1886(d)(5)(C)(i) of the Social Security Act [42 U.S.C. 1395ww(d)(5)(C)(i)], or a sole community hospital, as defined by section 1886(d)(5)(C)(ii) of such Act, and that both meets the requirements of subparagraph (L)(i) and has a disproportionate share adjustment percentage equal to or greater than 8 percent.

(5) Requirements for covered entities

(A) Prohibiting duplicate discounts or rebates

(i) In general

A covered entity shall not request payment under title XIX of the Social Security Act [42 U.S.C. 1396 et seq.] for medical assistance described in section 1905(a)(12) of such Act [42 U.S.C. 1396(a)(12)] with respect to a drug that is subject to an agreement under this section if the drug is subject to the payment of a rebate to the State under section 1927 of such Act [42 U.S.C. 1396r–8].

(ii) Establishment of mechanism

The Secretary shall establish a mechanism to ensure that covered entities comply with clause (i). If the Secretary does not establish a mechanism within 12 months under the previous sentence, the requirements of section 1927(a)(5)(C) of the Social Security Act [42 U.S.C. 1396r–8(a)(5)(C)] shall apply.

(B) Prohibiting resale of drugs

With respect to any covered outpatient drug that is subject to an agreement under this subsection, a covered entity shall not resell or otherwise transfer the drug to a person who is not a patient of the entity.
(C) Auditing
A covered entity shall permit the Secretary and the manufacturer of a covered outpatient drug that is subject to an agreement under this subsection with the entity (acting in accordance with procedures established by the Secretary relating to the number, duration, and scope of audits) to audit at the Secretary’s or the manufacturer’s expense the records of the entity that directly pertain to the entity’s compliance with the requirements described in subparagraphs (A) or (B) with respect to drugs of the manufacturer.

(D) Additional sanction for noncompliance
If the Secretary finds, after audit as described in subparagraph (C) and after notice and hearing, that a covered entity is in violation of a requirement described in subparagraphs (A) or (B), the covered entity shall be liable to the manufacturer of the covered outpatient drug that is the subject of the violation in an amount equal to the reduction in the price of the drug (as described in subparagraph (A)) provided under the agreement between the entity and the manufacturer under this paragraph.

(6) Treatment of distinct units of hospitals
In the case of a covered entity that is a distinct part of a hospital, the hospital shall not be considered a covered entity under this paragraph unless the hospital is otherwise a covered entity under this subsection.

(7) Certification of certain covered entities
(A) Development of process
Not later than 60 days after November 4, 1992, the Secretary shall develop and implement a process for the certification of entities described in subparagraphs (J) and (K) of paragraph (4).

(B) Inclusion of purchase information
The process developed under subparagraph (A) shall include a requirement that an entity applying for certification under this paragraph submit information to the Secretary concerning the amount such entity expended for covered outpatient drugs in the preceding year so as to assist the Secretary in evaluating the validity of the entity’s subsequent purchases of covered outpatient drugs at discounted prices.

(C) Criteria
The Secretary shall make available to all manufacturers of covered outpatient drugs a description of the criteria for certification under this paragraph.

(D) List of purchasers and dispensers
The certification process developed by the Secretary under subparagraph (A) shall include procedures under which each State agencies under section 1902(a)(5) of the Social Security Act [42 U.S.C. 1396a(a)(5)] of the identities of covered entities under this paragraph, and of entities that no longer meet the requirements of paragraph (5) or that are no longer certified pursuant to paragraph (7).

(10) No prohibition on larger discount
Nothing in this subsection shall prohibit a manufacturer from charging a price for a drug that is lower than the maximum price that may be charged under paragraph (1).

(b) Other definitions
(1) In general
In this section, the terms “average manufacturer price”, “covered outpatient drug”, and “manufacturer” have the meaning given such terms in section 127(k) of the Social Security Act [42 U.S.C. 1396r-8(k)].

(2) Covered drug
In this section, the term “covered drug”—
(A) means a covered outpatient drug (as defined in section 127(k)(2) of the Social Security Act [42 U.S.C. 1396r-8(k)(2)]); and
(B) includes, notwithstanding paragraph (3)(A) of section 127(k) of such Act [42 U.S.C. 1396r-8(k)(3)(A)], a drug used in connection with an inpatient or outpatient service provided by a hospital described in subparagraph (L), (M), (N), or (O) of subsection (a)(4) that is enrolled to participate in the drug discount program under this section.


(d) Improvements in program integrity
(1) Manufacturer compliance
(A) In general
From amounts appropriated under paragraph (4), the Secretary shall provide for improvements in compliance by manufacturers with the requirements of this section in order to prevent overcharges and other violations of the discounted pricing requirements specified in this section.
(B) Improvements
The improvements described in subparagraph (A) shall include the following:

(i) The development of a system to enable the Secretary to verify the accuracy of ceiling prices calculated by manufacturers under subsection (a)(1) and charged to covered entities, which shall include the following:

(I) Developing and publishing through an appropriate policy or regulatory issuance, precisely defined standards and methodology for the calculation of ceiling prices under such subsection.

(II) Comparing regularly the ceiling prices calculated by the Secretary with the quarterly pricing data that is reported by manufacturers to the Secretary.

(III) Performing spot checks of sales transactions by covered entities.

(IV) Inquiring into the cause of any pricing discrepancies that may be identified and either taking, or requiring manufacturers to take, such corrective action as is appropriate in response to such price discrepancies.

(ii) The establishment of procedures for manufacturers to issue refunds to covered entities in the event that there is an overcharge by the manufacturers, including the following:

(I) Providing the Secretary with an explanation of why and how the overcharge occurred, how the refunds will be calculated, and to whom the refunds will be issued.

(II) Oversight by the Secretary to ensure that the refunds are issued accurately and within a reasonable period of time, both in routine instances of retroactive adjustment to relevant pricing data and exceptional circumstances such as erroneous or intentional overcharging for covered outpatient drugs.

(iii) The provision of access through the Internet website of the Department of Health and Human Services to the applicable ceiling prices for covered outpatient drugs as calculated and verified by the Secretary in accordance with this section, in a manner (such as through the use of password protection) that limits such access to covered entities and adequately assures security and protection of privileged pricing data from unauthorized re-disclosure.

(iv) The development of a mechanism by which—

(I) rebates and other discounts provided by manufacturers to other purchasers subsequent to the sale of covered outpatient drugs to covered entities are reported to the Secretary; and

(II) appropriate credits and refunds are issued to covered entities if such discounts or rebates have the effect of lowering the applicable ceiling price for the relevant quarter for the drugs involved.

(v) Selective auditing of manufacturers and wholesalers to ensure the integrity of the drug discount program under this section.

(vi) The imposition of sanctions in the form of civil monetary penalties, which—

(I) shall be assessed according to standards established in regulations to be promulgated by the Secretary not later than 180 days after March 23, 2010;

(II) shall not exceed $5,000 for each instance of overcharging a covered entity that may have occurred; and

(III) shall apply to any manufacturer with an agreement under this section that knowingly and intentionally charges a covered entity a price for purchase of a drug that exceeds the maximum applicable price under subsection (a)(1).

(2) Covered entity compliance

(A) In general

From amounts appropriated under paragraph (4), the Secretary shall provide for improvements in compliance by covered entities with the requirements of this section in order to prevent diversion and violations of the duplicate discount provision and other requirements specified under subsection (a)(5).

(B) Improvements

The improvements described in subparagraph (A) shall include the following:

(i) The development of procedures to enable and require covered entities to regularly update (at least annually) the information on the Internet website of the Department of Health and Human Services relating to this section.

(ii) The development of a system for the Secretary to verify the accuracy of information regarding covered entities that is listed on the website described in clause (i).

(iii) The development of more detailed guidance describing methodologies and options available to covered entities for billing covered outpatient drugs to State Medicaid agencies in a manner that avoids duplicate discounts pursuant to subsection (a)(5)(A).

(iv) The establishment of a single, universal, and standardized identification system by which each covered entity site can be identified by manufacturers, distributors, covered entities, and the Secretary for purposes of facilitating the ordering, purchasing, and delivery of covered outpatient drugs under this section, including the processing of chargebacks for such drugs.

(v) The imposition of sanctions, in appropriate cases as determined by the Secretary, additional to those to which covered entities are subject under subsection (a)(5)(D), through one or more of the following actions:

(I) Where a covered entity knowingly and intentionally violates subsection (a)(5)(B), the covered entity shall be required to pay a monetary penalty to a
§ 256b
TITLED—THE PUBLIC HEALTH AND WELFARE Page 380

manufacturer or manufacturers in the form of interest on sums for which the covered entity is found liable under subsection (a)(5)(D), such interest to be compounded monthly and equal to the current short term interest rate as determined by the Federal Reserve for the time period for which the covered entity is liable.

(II) Where the Secretary determines a violation of subsection (a)(5)(B) was systematic and egregious as well as knowing and intentional, removing the covered entity from the drug discount program under this section and disqualifying the entity from re-entry into such program for a reasonable period of time to be determined by the Secretary.

(III) Referring matters to appropriate Federal authorities within the Food and Drug Administration, the Office of Inspector General of Department of Health and Human Services, or other Federal agencies for consideration of appropriate action under other Federal statutes, such as the Prescription Drug Marketing Act (21 U.S.C. 353).^3

(3) Administrative dispute resolution process

(A) In general

Not later than 180 days after March 23, 2010, the Secretary shall promulgate regulations to establish and implement an administrative process for the resolution of claims by covered entities that they have been overcharged for drugs purchased under this section, and claims by manufacturers, after the conduct of audits as authorized by subsection (a)(5)(C), of violations of subsections^3 (a)(5)(A) or (a)(5)(B), including appropriate procedures for the provision of remedies and enforcement of determinations made pursuant to such process through mechanisms and sanctions described in paragraphs (1)(B) and (2)(B).

(B) Deadlines and procedures

Regulations promulgated by the Secretary under subparagraph (A) shall—

(i) designate or establish a decision-making official or decision-making body within the Department of Health and Human Services to be responsible for reviewing and finally resolving claims by covered entities that they have been charged prices for covered outpatient drugs in excess of the ceiling price described in subsection (a)(1), and claims by manufacturers that violations of subsection (a)(5)(A) or (a)(5)(B) have occurred;

(ii) establish such deadlines and procedures as may be necessary to ensure that claims shall be resolved fairly, efficiently, and expeditiously;

(iii) establish procedures by which a covered entity may discover and obtain such information and documents from manufacturers and third parties as may be relevant to demonstrate the merits of a claim that charges for a manufacturer’s product have exceeded the applicable ceiling price under this section, and may submit such documents and information to the administrative official or body responsible for adjudicating such claims;

(iv) require that a manufacturer conduct an audit of a covered entity pursuant to subsection (a)(5)(C) as a prerequisite to initiating administrative dispute resolution proceedings against a covered entity;

(v) permit the official or body designated under clause (i), at the request of a manufacturer or manufacturers, to consolidate claims brought by more than one manufacturer against the same covered entity where, in the judgment of such official or body, consolidation is appropriate and consistent with the goals of fairness and economy of resources; and

(vi) include provisions and procedures to permit multiple covered entities to jointly assert claims of overcharges by the same manufacturer for the same drug or drugs in one administrative proceeding, and permit such claims to be asserted on behalf of covered entities by associations or organizations representing the interests of such covered entities and of which the covered entities are members.

(C) Finality of administrative resolution

The administrative resolution of a claim or claims under the regulations promulgated under subparagraph (A) shall be a final agency decision and shall be binding upon the parties involved, unless invalidated by an order of a court of competent jurisdiction.

(4) Authorization of appropriations

There are authorized to be appropriated to carry out this subsection, such sums as may be necessary for fiscal year 2010 and each succeeding fiscal year.

(e) Exclusion of orphan drugs for certain covered entities

For covered entities described in subparagraph (M) (other than a children’s hospital described in subparagraph (M)), (N), or (O) of subsection (a)(4), the term “covered outpatient drug” shall not include a drug designated by the Secretary under section 360bb of title 21 for a rare disease or condition.

(7) References in Text

The Social Security Act, referred to in subsec. (a)(1), (3), (4)(L)(i), (5)(A)(i), is act Aug. 14, 1935, ch. 531, 49 Stat. 620, which is classified generally to chapter 7 (§301 et seq.) of this title. Titles XVIII and XIX of the Act are classified generally to subchapters XVIII (§1395 et seq.) and XIX (§1396 et seq.) of chapter 7 of this title, respectively. For complete classification of this Act to the Code, see section 1395 of this title and Tables.

^3So in original. Probably should be “subsection”.
Section 256a of this title, referred to in subsec. (a)(4)(B), was in the original a reference to section 340A of act July 1, 1944, which was repealed by Pub. L. 111–148, §7101(a), added subpars. (M) to (O).


Section 256a of this title, referred to in subsec. (a)(4)(B), was in the original a reference to section 340A of act July 1, 1944, which was repealed by Pub. L. 104–193, §2302(1)(A), Oct. 11, 1996, 110 Stat. 3655. Subsequently, a new section 340A was added to the act of July 1, 1944, by Pub. L. 109–18–2, June 29, 2005, 111 Stat. 8. This section is classified to section 256b of this title.

The Prescription Drug Marketing Act, referred to in subsec. (a)(4)(K), was repealed and section 247b(j)(2) was redesignated section 247b(j)(1)(B) by Pub. L. 103–183, title III, §1601 of Title 25 and Tables.

The Indian Health Care Improvement Act of 1988, referred to in subsec. (a)(4)(H), was Pub. L. 100–579, Oct. 31, 1988, 102 Stat. 2916, and subtitle D of title II of Pub. L. 100–579, Nov. 18, 1988, 102 Stat. 2222, which were classified generally to chapter 122 (§11701 et seq.) of this title for purposes of section 331, 333, and 381 of Title 25, Indians. For complete classification of this Act to the Code, see Tables.

The Native Hawaiian Health Care Improvement Act by Pub. L. 111–148, §7101(c)(2)(B), added subpar. (C). Former subpar. (C) redesignated (D).


Subsec. (a)(4)(L). Pub. L. 111–152, §2302(1)(B), struck out “and” at end of cl. (i), substituted “and” for “and” at end of cl. (ii), substituted period for “;” and “; and” for period at end of cl. (ii), and added cl. (iii).


Subsec. (a)(9)(D). Pub. L. 111–152, §2302(1)(B), added subpar. (E) as (D) and substituted “subparagraph (C)” for “subparagraph (D)”. Former subpar. (D) redesignated (C).


Pub. L. 111–148, §7101(b)(1), substituted “covered drugs” for “covered outpatient drugs”.

Subsec. (b). Pub. L. 111–148, §7101(b)(2)(A), which directed substitution of “Other definitions” for “Other definition” in subheading “designations of existing provisions as par. (1) and insertion of par. (1) heading, was executed by reenacting subsec. heading without change, designating existing provisions as par. (1), and inserting par. (1) heading, to reflect the probable intent of Congress.


Subsec. (c). Pub. L. 111–152, §2302(2), struck out subsec. (c). Text read as follows: “Not later than 90 days after the date of the hospital’s most recently filed Medicare cost report, the hospital shall issue a report to the Secretary that the manufacturer would comply (and has complied) with the requirements of this section (or the application of this section) after November 4, 1992.”

Pub. L. 111–148, §2501(f)(1)(B), (C), redesignated subsec. (d) as (c) and struck out former subsec. (c). Text of former subsec. (c) read as follows: “Any reference in this section to a provision of the Social Security Act shall be deemed to be a reference to the provision as in effect on November 4, 1992.”


Pub. L. 111–148, §7102(a), which directed general amendment of subsec. (d), was executed by adding subsec. (d) after subsec. (c) to reflect the probable intent of Congress, because no subsec. (d) appeared subsequent to amendment by Pub. L. 111–148, §2501(f)(1)(C). See below.

Pub. L. 111–148, §2501(f)(1)(C), redesignated subsec. (d) as (c).

Subsec. (e). Pub. L. 111–309 substituted “covered entities described in subparagraph (M) (other than a children’s hospital described in subparagraph (M))” for “covered entities described in subparagraph (M)”.


**Effective Date of 2010 Amendment**


Pub. L. 111–148, title VII, §7101(e), Mar. 23, 2010, 124 Stat. 823, provided that:

“(1) IN GENERAL.—The amendments made by this section [amending this section and section 7102 [amending this section]] shall take effect on January 1, 2010, and shall apply to drugs purchased on or after January 1, 2010.

“(2) EFFECTIVENESS.—The amendments made by this section and section 7102 shall be effective and shall be taken into account in determining whether a manufacturer is deemed to meet the requirements of section 340B(a) of the Public Health Service Act (42 U.S.C. 256b(a)), notwithstanding any other provision of law.”

**Study of Treatment of Certain Clinics as Covered Entities for Prescription Drug Discounts**

Pub. L. 102–585, title VI, §602(b), Nov. 4, 1992, 106 Stat. 4970, directed Secretary of Health and Human Services to conduct a study of feasibility and desirability of including specified entities receiving funds from a State as covered entities eligible for limitations on prices of covered outpatient drugs under 42 U.S.C. 256b(a) and, not later than 1 year after Nov. 4, 1992, to submit a report to Congress on the study, including in the report a description of the entities that were the subject of the study, an analysis of the extent to which such entities procured prescription drugs, and an analysis of the impact of the inclusion of such entities as covered entities on the quality of care provided to and the health status of the patients of such entities.

**SUBPART VIII—BULK PURCHASES OF VACCINES FOR CERTAIN PROGRAMS**

**Codification**


§ 256c. Bulk purchases of vaccines for certain programs

(a) Agreements for purchases

(1) In general

Not later than 180 days after October 27, 1992, the Secretary, acting through the Director of the Centers for Disease Control and Prevention and in consultation with the Administrator of the Health Resources and Services Administration, shall enter into negotiations with manufacturers of vaccines for the purpose of establishing and maintaining agreements under which entities described in paragraph (2) may purchase vaccines from the manufacturers at the prices specified in the agreements.

(2) Relevant entities

The entities referred to in paragraph (1) are entities that provide immunizations against vaccine-preventable diseases with assistance provided under section 351b of this title.

(b) Negotiation of prices

In carrying out subsection (a), the Secretary shall, to the extent practicable, ensure that the prices provided for in agreements under such subsection are comparable to the prices provided for in agreements negotiated for on behalf of grantees under section 247f(1)(l) of this title.

(c) Authority of Secretary

In carrying out subsection (a), the Secretary, in the discretion of the Secretary, may enter into the agreements described in such subsection (and may decline to enter into such agreements), may modify such agreements, may extend such agreements, and may terminate such agreements.

(d) Rule of construction

This section may not be construed as requiring any State to reduce or terminate the supply...
of vaccines provided by the State to any of the entities described in subsection (a)(2).


AMENDMENTS

1996—Subsec. (a)(2). Pub. L. 104–299 substituted “with assistance provided under section 254b of this title” for “under the programs established in sections 254b, 254c, 256, and 256a of this title.”

EFFECTIVE DATE OF 1996 AMENDMENT


§ 256d. Breast and cervical cancer information

(a) In general

As a condition of receiving grants, cooperative agreements, or contracts under this chapter, each of the entities specified in subsection (c) shall, to the extent determined to be appropriate by the Secretary, make available information concerning breast and cervical cancer.

(b) Certain authorities

In carrying out subsection (a), an entity specified in subsection (c)—

(1) may make the information involved available to such individuals as the entity determines appropriate;

(2) may, as appropriate, provide information under subsection (a) on the need for self-examination of the breasts and on the skills for such self-examinations;

(3) shall provide information under subsection (a) in the language and cultural context most appropriate to the individuals to whom the information is provided; and

(4) shall refer such clients as the entities determine appropriate for breast and cervical cancer screening, treatment, or other appropriate services.

(c) Relevant entities

The entities specified in this subsection are the following:

(1) Entities receiving assistance under section 247b–7 of this title (relating to tuberculosis).

(2) Entities receiving assistance under section 247c of this title (relating to sexually transmitted diseases).

(3) Migrant health centers receiving assistance under section 254b of this title.

(4) Community health centers receiving assistance under section 254c of this title.

(5) Entities receiving assistance under section 254b(h) of this title (relating to homeless individuals).

(6) Entities receiving assistance under section 256a of this title (relating to health services for residents of public housing).

(7) Entities providing services with assistance under subchapter III–A or subchapter XVII.

(8) Entities receiving assistance under section 300 of this title (relating to family planning).

(9) Entities receiving assistance under subchapter XXIV (relating to services with respect to acquired immune deficiency syndrome).


REFERENCES IN TEXT

Section 247b–7 of this title, referred to in subsec. (c)(1), relates to loan repayment program and not to assistance relating to tuberculosis.

Sections 254b and 254c of this title, referred to in subsec. (c)(3), (4), were in the original references to sections 329 and 330, meaning sections 329 and 330 of act July 1, 1944, which were omitted in the general amendment of subpart I (§ 254b et seq.) of this part by Pub. L. 104–299, § 2, Oct. 11, 1996, 110 Stat. 3636. Sections 2 and 3(a) of Pub. L. 104–299 enacted new sections 330 and 330A of act July 1, 1944, which are classified, respectively, to sections 254b and 254c of this title.


The Indian Self-Determination Act, referred to in subsec. (c)(10), is title I of Pub. L. 89–638, Jan. 4, 1975, 89 Stat. 2296, which is classified principally to subchapter I (§ 5321 et seq.) of chapter 46 of Title 25, Indians. For complete classification of this Act to the Code, see Short Title note set out under section 5301 of Title 25 and Tables.

AMENDMENTS


REFERENCE TO COMMUNITY, MIGRANT, PUBLIC HOUSING, OR HOMELESS HEALTH CENTER CONSIDERED REFERENCE TO HEALTH CENTER

Reference to community health center, migrant health center, public housing health center, or homeless health center, considered reference to health center, see section 4(c) of Pub. L. 104–299, set out as a note under section 254b of this title.

SUBPART IX—SUPPORT OF GRADUATE MEDICAL EDUCATION PROGRAMS IN CHILDREN’S HOSPITALS

§ 256e. Program of payments to children’s hospitals that operate graduate medical education programs

(a) Payments

The Secretary shall make two payments under this section to each children’s hospital for each of fiscal years 2000 through 2005, each of fiscal years 2007 through 2011, each of fiscal years 2014 through 2018, and each of fiscal years 2019 through 2023, one for the direct expenses and the other for indirect expenses associated with operating approved graduate medical residency training programs. The Secretary shall promulgate regulations pursuant to the rulemaking re-
requirements of title 5 which shall govern payments made under this subpart.

(b) Amount of payments

(1) In general

Subject to paragraphs (2) and (3), the amounts payable under this section to a children’s hospital for an approved graduate medical residency training program for a fiscal year are each of the following amounts:

(A) Direct expense amount

The amount determined under subsection (c) for direct expenses associated with operating approved graduate medical residency training programs.

(B) Indirect expense amount

The amount determined under subsection (d) for indirect expenses associated with the treatment of more severely ill patients and the additional costs relating to teaching residents in such programs.

(2) Capped amount

(A) In general

The total of the payments made to children’s hospitals under paragraph (1)(A) or paragraph (1)(B) in a fiscal year shall not exceed the funds appropriated under paragraph (1) or (2), respectively, of subsection (f) for such payments for that fiscal year.

(B) Pro rata reductions of payments for direct expenses

If the Secretary determines that the amount of funds appropriated under subsection (f)(1) for a fiscal year is insufficient to provide the total amount of payments otherwise due for such periods under paragraph (1)(A), the Secretary shall reduce the amounts so payable on a pro rata basis to reflect such shortfall.

(3) Annual reporting required

(A) Reduction in payment for failure to report

(i) In general

The amount payable under this section to a children’s hospital for a fiscal year (beginning with fiscal year 2008 and after taking into account paragraph (2)) shall be reduced by 25 percent if the Secretary determines that—

(I) the hospital has failed to provide the Secretary, as an addendum to the hospital’s application under this section for such fiscal year, the report required under subparagraph (B) for the previous fiscal year; or

(II) such report fails to provide the information required under any clause of such subparagraph.

(ii) Notice and opportunity to provide missing information

Before imposing a reduction under clause (i) on the basis of a hospital’s failure to provide information described in clause (i)(II), the Secretary shall provide notice to the hospital of such failure and the Secretary’s intention to impose such reduction and shall provide the hospital with the opportunity to provide the required information within a period of 30 days beginning on the date of such notice. If the hospital provides such information within such period, no reduction shall be made under clause (i) on the basis of the previous failure to provide such information.

(B) Annual report

The report required under this subparagraph for a children’s hospital for a fiscal year is a report that includes (in a form and manner specified by the Secretary) the following information for the residency academic year completed immediately prior to such fiscal year:

(i) The types of resident training programs that the hospital provided for residents described in subparagraph (C), such as general pediatrics, internal medicine/pediatrics, and pediatric subspecialties, including both medical subspecialties certified by the American Board of Pediatrics (such as pediatric gastroenterology) and non-medical subspecialties approved by other medical certification boards (such as pediatric surgery).

(ii) The number of training positions for residents described in subparagraph (C), the number of such positions recruited to fill, and the number of such positions filled.

(iii) The types of training that the hospital provided for residents described in subparagraph (C) related to the health care needs of different populations, such as children who are underserved for reasons of family income or geographic location, including rural and urban areas.

(iv) The changes in residency training for residents described in subparagraph (C) which the hospital has made during such residency academic year (except that the first report submitted by the hospital under this subparagraph shall be for such changes since the first year in which the hospital received payment under this section), including—

(I) changes in curricula, training experiences, and types of training programs, and benefits that have resulted from such changes; and

(II) changes for purposes of training the residents in the measurement and improvement of the quality and safety of patient care.

(v) The numbers of residents described in subparagraph (C) who completed their residency training at the end of such residency academic year and care for children within the borders of the service area of the hospital or within the borders of the State in which the hospital is located. Such numbers shall be disaggregated with respect to residents who completed residencies in general pediatrics or internal medicine/pediatrics, subspecialty residencies, and dental residencies.
(C) Residents
The residents described in this subparagraph are those who—
(i) are in full-time equivalent resident training positions in any training program sponsored by the hospital; or
(ii) are in a training program sponsored by an entity other than the hospital, but who spend more than 75 percent of their training time at the hospital.

(D) Report to Congress
Not later than the end of fiscal year 2018, and the end of fiscal year 2022, the Secretary, acting through the Administrator of the Health Resources and Services Administration, shall submit a report to the Congress—
(i) summarizing the information submitted in reports to the Secretary under subparagraph (B);
(ii) describing the results of the program carried out under this section; and
(iii) making recommendations for improvements to the program.

(c) Amount of payment for direct graduate medical education

(1) In general
The amount determined under this subsection for payments to a children’s hospital for direct graduate expenses relating to approved graduate medical residency training programs for a fiscal year is equal to the product of—
(A) the updated per resident amount for direct graduate medical education, as determined under paragraph (2); and
(B) the average number of full-time equivalent residents in the hospital’s graduate approved medical residency training programs (as determined under section 1395ww(h)(4) of this title during the fiscal year.

(2) Updated per resident amount for direct graduate medical education
The updated per resident amount for direct graduate medical education for a hospital for a fiscal year is an amount determined as follows:

(A) Determination of hospital single per resident amount
The Secretary shall compute for each hospital operating an approved graduate medical education program (regardless of whether or not it is a children’s hospital) a single per resident amount equal to the average (weighted by number of full-time equivalent residents) of the primary care per resident amount and the non-primary care per resident amount computed under section 1395ww(h)(2) of this title for cost reporting periods ending during fiscal year 1997.

(B) Determination of wage and non-wage-related proportion of the single per resident amount
The Secretary shall estimate the average proportion of the single per resident amounts computed under subparagraph (A) that is attributable to wages and wage-related costs.

(C) Standardizing per resident amounts
The Secretary shall establish a standardized per resident amount for each such hospital—
(i) by dividing the single per resident amount computed under subparagraph (A) into a wage-related portion and a non-wage-related portion by applying the proportion determined under subparagraph (B);
(ii) by dividing the wage-related portion by the factor applied under section 1395ww(d)(3)(E) of this title for discharges occurring during fiscal year 1999 for the hospital’s area; and
(iii) by adding the non-wage-related portion to the amount computed under clause (ii).

(D) Determination of national average
The Secretary shall compute a national average per resident amount equal to the average of the standardized per resident amounts computed under subparagraph (C) for such hospitals, with the amount for each hospital weighted by the average number of full-time equivalent residents at such hospital.

(E) Application to individual hospitals
The Secretary shall compute for each such hospital that is a children’s hospital a per resident amount—
(i) by dividing the national average per resident amount computed under subparagraph (D) into a wage-related portion and a non-wage-related portion by applying the proportion determined under subparagraph (B);
(ii) by multiplying the wage-related portion by the factor applied under section 1395ww(d)(3)(E) of this title for discharges occurring during the preceding fiscal year for the hospital’s area; and
(iii) by adding the non-wage-related portion to the amount computed under clause (ii).

(F) Updating rate
The Secretary shall update such per resident amount for each such children’s hospital by the estimated percentage increase in the consumer price index for all urban consumers during the period beginning October 1997 and ending with the midpoint of the Federal fiscal year for which payments are made.

(d) Amount of payment for indirect medical education

(1) In general
The amount determined under this subsection for payments to a children’s hospital for indirect expenses associated with the treatment of more severely ill patients and the additional costs associated with the teaching of residents for a fiscal year is equal to an amount determined appropriate by the Secretary.

(2) Factors
In determining the amount under paragraph (1), the Secretary shall—
(A) take into account variations in case mix among children’s hospitals and the ratio of the number of full-time equivalent residents in the hospitals’ approved graduate medical residency training programs to beds (but excluding beds or bassinets assigned to healthy newborn infants); and

(B) assure that the aggregate of the payments for indirect expenses associated with the treatment of more severely ill patients and the additional costs related to the teaching of residents under this section in a fiscal year are equal to the amount appropriated for such expenses for the fiscal year involved under subsection (f)(2).

(e) Making of payments

(1) Interim payments

The Secretary shall determine, before the beginning of each fiscal year involved for which payments may be made for a hospital under this section, the amounts of the payments for direct graduate medical education and indirect medical education for such fiscal year and shall (subject to paragraph (2)) make the payments of such amounts in 12 equal interim installments during such period. Such interim payments to each individual hospital shall be based on the number of residents reported in the hospital’s most recently filed Medicare cost report prior to the application date for the Federal fiscal year for which the interim payment amounts are established. In the case of a hospital that does not report residents on a Medicare cost report, such interim payments shall be based on the number of residents trained during the hospital’s most recently completed Medicare cost report filing period.

(2) Withholding

The Secretary shall withhold up to 25 percent from each interim installment for direct and indirect graduate medical education paid under paragraph (1) as necessary to ensure a hospital will not be overpaid on an interim basis.

(3) Reconciliation

Prior to the end of each fiscal year, the Secretary shall determine any changes to the number of residents reported by a hospital in the application of the hospital for the current fiscal year to determine the final amount payable to the hospital for the current fiscal year for both direct expense and indirect expense amounts. Based on such determination, the Secretary shall recoup any overpayments made and pay any balance due to the extent possible. The final amount so determined shall be considered a final intermediary determination for the purposes of section 1395oo of this title and shall be subject to administrative and judicial review under that section in the same manner as the amount of payment under section 1395ww(d)1 of this title is subject to review under such section.

(f) Authorization of appropriations

(1) Direct graduate medical education

(A) In general

There are hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, for payments under subsection (b)(1)(A)—

(i) for fiscal year 2000, $590,000,000;
(ii) for fiscal year 2001, $350,000,000;
(iii) for each of fiscal years 2002 through 2005, such sums as may be necessary;
(iv) for each of fiscal years 2007 through 2011, $110,000,000;
(v) for each of fiscal years 2013 through 2018, $100,000,000; and
(vi) for each of fiscal years 2019 through 2023, $105,000,000.

(B) Carryover of excess

The amounts appropriated under subparagraph (A) for fiscal year 2000 shall remain available for obligation through the end of fiscal year 2001.

(2) Indirect medical education

There are hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, for payments under subsection (b)(1)(B)—

(A) for fiscal year 2000, $190,000,000;
(B) for fiscal year 2001, $190,000,000;
(C) for each of the fiscal years 2002 through 2005, such sums as may be necessary;
(D) for each of fiscal years 2007 through 2011, $220,000,000;
(E) for each of fiscal years 2013 through 2018, $200,000,000; and
(F) for each of fiscal years 2019 through 2023, $220,000,000.

(g) Definitions

In this section:

(1) Approved graduate medical residency training program

The term “approved graduate medical residency training program” has the meaning given the term “approved medical residency training program” in section 1395ww(h)(5)(A) of this title.

(2) Children’s hospital

The term “children’s hospital” means a hospital with a Medicare payment agreement and which is excluded from the Medicare inpatient prospective payment system pursuant to section 1395ww(d)(1)(B)(iii) of this title and its accompanying regulations.

(3) Direct graduate medical education costs

The term “direct graduate medical education costs” has the meaning given such term in section 1395ww(h)(5)(C) of this title.

(h) Additional provisions

(1) In general

The Secretary is authorized to make available up to 25 percent of the total amounts in excess of $245,000,000 appropriated under paragraphs (1) and (2) of subsection (f), but not to exceed $7,000,000, for payments to hospitals

1 See References in Text note below.
qualified as described in paragraph (2), for the direct and indirect expenses associated with operating approved graduate medical residency training programs, as described in subsection (a).

(2) Qualified hospitals

(A) In general
To qualify to receive payments under paragraph (1), a hospital shall be a free-standing hospital—
(i) with a Medicare payment agreement and that is excluded from the Medicare inpatient hospital prospective payment system pursuant to section 1395ww(d)(1)(B) of this title and its accompanying regulations;
(ii) whose inpatients are predominantly individuals under 18 years of age;
(iii) that has an approved medical residency training program as defined in section 1395ww(h)(5)(A) of this title; and
(iv) that is not otherwise qualified to receive payments under this section or section 1395ww(h) of this title.

(B) Establishment of residency cap
In the case of a freestanding children’s hospital that, on April 7, 2014, meets the requirements of subparagraph (A) but for which the Secretary has not determined an average number of full-time equivalent residents under section 1395ww(h)(4) of this title, the Secretary may establish such number of full-time equivalent residents for the purposes of calculating payments under this subsection.

(3) Payments
Payments to hospitals made under this subsection shall be made in the same manner as payments are made to children’s hospitals, as described in subsections (b) through (e).

(4) Payment amounts
The direct and indirect payment amounts under this subsection shall be determined using per resident amounts that are no greater than the per resident amounts used for determining direct and indirect payment amounts under subsection (a).

(5) Reporting
A hospital receiving payments under this subsection shall be subject to the reporting requirements under subsection (b)(3).

(6) Remaining funds

(A) In general
If the payments to qualified hospitals under paragraph (1) for a fiscal year are less than the total amount made available under such paragraph for that fiscal year, any remaining amounts for such fiscal year may be made available to all hospitals participating in the program under this subsection or subsection (a).

(B) Quality bonus system
For purposes of distributing the remaining amounts described in subparagraph (A), the Secretary may establish a quality bonus system, whereby the Secretary distributes bonus payments to hospitals participating in the program under this subsection or subsection (a) that meet standards specified by the Secretary, which may include a focus on quality measurement and improvement, interpersonal and communications skills, delivering patient-centered care, and practicing in integrated health systems, including training in community-based settings. In developing such standards, the Secretary shall collaborate with relevant stakeholders, including program accrediting bodies, certifying boards, training programs, health care organizations, health care purchasers, and patient and consumer groups.


REFERENCES IN TEXT
Section 1395ww(d) of this title, referred to in subsec. (e)(3), was in the original “section 1186(d) of such Act” and was translated as reading “section 1886(d) of such Act”, meaning section 1886(d) of the Social Security Act, to reflect the probable intent of Congress, because the Social Security Act does not contain a section 1186 and section 1395ww(d) of this title relates to review of inpatient hospital service payments.

AMENDMENTS


1999—Subsec. (e)(2). Pub. L. 109–307, § 2(c)(2), struck out first sentence which read as follows: “The Secretary shall withhold up to 25 percent from each interim installment for direct and indirect graduate medical education paid under paragraph (1).”
§ 256f. Designated dental health professional shortage area

In this subpart, the term “designated dental health professional shortage area” means an area, population group, or facility that is designated by the Secretary as a dental health professional shortage area under section 254e of this title or designated by the applicable State as having a dental health professional shortage.

(1) loan forgiveness and repayment programs for dentists who—

(A) agree to practice in designated dental health professional shortage areas;

(B) are dental school graduates who agree to serve as public health dentists for the Federal, State, or local government; and

(C) agree to—

(ii) use a sliding payment scale for patients who are unable to pay the total cost of services;

(2) dental recruitment and retention efforts;

(3) grants and low-interest or no-interest loans to help dentists who participate in the Medicaid program under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.) to establish or expand practices in designated dental health professional shortage areas by equipping dental offices or sharing in the overhead costs of such practices;

(4) the establishment or expansion of dental residency programs in coordination with accredited dental training institutions in States without dental schools;

(5) programs developed in consultation with State and local dental societies to expand or establish oral health services and facilities in designated dental health professional shortage areas, including services and facilities for children with special needs, such as—

(A) the expansion or establishment of a community-based dental facility, free-standing dental clinic, consolidated health center, dental facility, school-linked dental facility, or United States dental school-based facility;

(B) the establishment of a mobile or portable dental clinic;
(C) the establishment or expansion of private dental services to enhance capacity through additional equipment or additional hours of operation;
(D) the establishment or development of models for the provision of dental services to children and adults, such as dental homes, including for the elderly, blind, individuals with disabilities, and individuals living in long-term care facilities; and
(E) the establishment of initiatives to reduce the use of emergency departments by individuals who seek dental services more appropriately delivered in a dental primary care setting;
(6) placement and support of dental students, dental residents, and advanced dentistry trainees;
(7) continuing dental education, including distance-based education;
(8) practice support through teledentistry conducted in accordance with State laws;
(9) community-based prevention services such as water fluoridation and dental sealant programs;
(10) coordination with local educational agencies within the State to foster programs that promote children going into oral health or science professions;
(11) the establishment of faculty recruitment programs at accredited dental training institutions whose mission includes community outreach and service and that have a demonstrated record of serving underserved States;
(12) the development of a State dental officer position or the augmentation of a State dental office to coordinate oral health and access issues in the State; and
(13) any other activities determined to be appropriate by the Secretary.
(e) Application
(1) In general
Each State desiring a grant under this section shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may reasonably require.
(2) Assurances
The application shall include assurances that the State will meet the requirements of subsection (d) and that the State possesses sufficient infrastructure to manage the activities to be funded through the grant and to evaluate and report on the outcomes resulting from such activities.
(d) Matching requirement
The Secretary may not make a grant to a State under this section unless that State agrees that, with respect to the costs to be incurred by the State in carrying out the activities for which the grant was awarded, the State will provide non-Federal contributions in an amount equal to not less than 40 percent of Federal funds provided under the grant. The State may provide the contributions in cash or in kind, fairly evaluated, including plant, equipment, and services and may provide the contributions from State, local, or private sources.
(e) Report
Not later than 5 years after October 26, 2002, the Secretary shall prepare and submit to the appropriate committees of Congress a report containing data relating to whether grants provided under this section have increased access to dental services in designated dental health professional shortage areas.
(f) Authorization of appropriations
There is authorized to be appropriated to carry out this section, $13,903,000 for each of fiscal years 2019 through 2023.

References in Text
The Social Security Act, referred to in subsec. (b)(3), is act Aug. 14, 1935, ch. 451, § 303(g), 49 Stat. 620, as amended. Title XIX of the Act is classified generally to subchapter XIX (§ 1396) of chapter 7 of this title. For complete classification of this Act to the Code, see section 1305 of this title and Tables.

Amendments
2018—Subsec. (b)(5)(D), (E). Pub. L. 115–302, § 3(1), added subpars. (D) and (E).
Subsec. (f). Pub. L. 115–302, § 3(2), substituted “$13,903,000 for each of fiscal years 2019 through 2023” for “$25,000,000 for the 5-fiscal year period beginning with fiscal year 2008”.
2008—Subsec. (f). Pub. L. 110–355 substituted “$25,000,000” for “$30,000,000” for “2008” for “2002”.

§ 256g–1. Demonstration program to increase access to dental health care services

(a) In general

(1) Authorization
The Secretary is authorized to award grants to 15 eligible entities to enable such entities to establish a demonstration program to establish training programs to train, or to employ, alternative dental health care providers in order to increase access to dental health care services in rural and other underserved communities.

(2) Definition
The term “alternative dental health care providers” includes community dental health coordinators, advance practice dental hygienists, independent dental hygienists, supervised dental hygienists, primary care physicians, dental therapists, dental health aides, and any other health professional that the Secretary determines appropriate.

(b) Timeframe
The demonstration projects funded under this section shall begin not later than 2 years after March 23, 2010, and shall conclude not later than 7 years after March 23, 2010.

(c) Eligible entities
To be eligible to receive a grant under subsection (a), an entity shall—
(1) be—
(A) an institution of higher education, including a community college;
§ 256h

T I T L E 4 2—T H E P U B L I C H E A L T H A N D W E L F A R E

P a g e 3 9 0

(B) a public-private partnership;
(C) a federally qualified health center;
(D) an Indian Health Service facility or a tribe or tribal organization (as such terms are defined in section 5304 of title 25);
(E) a State or county public health clinic, a health facility operated by an Indian tribe or tribal organization, or urban Indian organization providing dental services; or
(F) a public hospital or health system;

(2) be within a program accredited by the Commission on Dental Accreditation or within a dental education program in an accredited institution; and

(3) shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require.

(d) Administrative provisions

(1) Amount of grant

Each grant under this section shall be in an amount that is not less than $4,000,000 for the 5-year period during which the demonstration project being conducted.

(2) Disbursement of funds

(A) Preliminary disbursements

Beginning 1 year after March 23, 2010, the Secretary may disperse to any entity receiving a grant under this section, not more than 20 percent of the total funding awarded to such entity under such grant, for the purpose of enabling the entity to plan the demonstration project to be conducted under such grant.

(B) Subsequent disbursements

The remaining amount of grant funds not dispersed under subparagraph (A) shall be dispersed such that not less than 15 percent of such remaining amount is dispersed each subsequent year.

(e) Compliance with State requirements

Each entity receiving a grant under this section shall certify that it is in compliance with all applicable State licensing requirements.

(f) Evaluation

The Secretary shall contract with the Director of the Institute of Medicine to conduct a study of the demonstration programs conducted under this section that shall provide analysis, based upon quantitative and qualitative data, regarding access to dental health care in the United States.

(g) Clarification regarding dental health aide program

Nothing in this section shall prohibit a dental health aide training program approved by the Indian Health Service from being eligible for a grant under this section.

(h) Authorization of appropriations

There is authorized to be appropriated such sums as may be necessary to carry out this section.

(July 1, 1944, ch. 373, title III, §340G–1, as added Pub. L. 111–148, title V, § 5304, Mar. 23, 2010, 124 Stat. 1172, and is classified to subpart XII (§256h) of this part.

§ 256h. Program of payments to teaching health centers that operate graduate medical education programs

(a) Payments

(1) In general

Subject to subsection (h)(2), the Secretary shall make payments under this section for direct expenses and indirect expenses to qualified teaching health centers that are listed as sponsoring institutions by the relevant accrediting body for, as appropriate—

(A) maintenance of filled positions at existing approved graduate medical residency training programs;

(B) expansion of existing approved graduate medical residency training programs; and

(C) establishment of new approved graduate medical residency training programs.

(2) Per resident amount

In making payments under paragraph (1), the Secretary shall consider the cost of training residents at teaching health centers and the implications of the per resident amount on approved graduate medical residency training programs at teaching health centers.

(3) Priority

In making payments under paragraph (1)(C), the Secretary shall give priority to qualified teaching health centers that—

(A) serve a health professional shortage area with a designation in effect under section 254e of this title or a medically underserved community (as defined in section 254p of this title); or

(B) are located in a rural area (as defined in section 1395ww(d)(2)(D) of this title).

(b) Amount of payments

(1) In general

Subject to paragraph (2), the amounts payable under this section to qualified teaching health centers for an approved graduate medical residency training program for a fiscal year are each of the following amounts:

(A) Direct expense amount

The amount determined under subsection (c) for direct expenses associated with sponsoring approved graduate medical residency training programs.

(B) Indirect expense amount

The amount determined under subsection (d) for indirect expenses associated with the additional costs relating to teaching residents in such programs.

1So in original. The word “is” probably should appear.
(2) Capped amount
   (A) In general
   The total of the payments made to qualified teaching health centers under paragraph (1)(A) or paragraph (1)(B) in a fiscal year shall not exceed the amount of funds appropriated under subsection (g) for such payments for that fiscal year.

   (B) Limitation
   The Secretary shall limit the funding of full-time equivalent residents in order to ensure the direct and indirect payments as determined under subsection(c) and (d) do not exceed the total amount of funds appropriated in a fiscal year under subsection(g).

(c) Amount of payment for direct graduate medical education

   (1) In general
   The amount determined under this subsection for payments to qualified teaching health centers for direct graduate expenses relating to approved graduate medical residency training programs for a fiscal year is equal to the product of—
   (A) the updated national per resident amount for direct graduate medical education, as determined under paragraph (2); and
   (B) the average number of full-time equivalent residents in the teaching health center's graduate approved medical residency training programs as determined under section 1395ww(h)(4) of this title (without regard to the limitation under subparagraph (B) of such section) during the fiscal year.

   (2) Updated national per resident amount for direct graduate medical education
   The updated per resident amount for direct graduate medical education for a qualified teaching health center for a fiscal year is an amount determined as follows:
   (A) Determination of qualified teaching health center per resident amount
       The Secretary shall compute for each individual qualified teaching health center a per resident amount—
       (i) by dividing the national average per resident amount computed under section 256e(c)(2)(D) of this title into a wage-related portion and a non-wage related portion by applying the proportion determined under subparagraph (B);
       (ii) by multiplying the wage-related portion by the factor applied under section 1395ww(d)(3)(E) of this title (but without application of section 4110 of the Balanced Budget Act of 1997 (42 U.S.C. 1395ww note)) during the preceding fiscal year for the teaching health center's area; and
       (iii) by adding the non-wage-related portion to the amount computed under clause (ii).
   
   (B) Updating rate
       The Secretary shall update such per resident amount for each such qualified teaching health center as determined appropriate by the Secretary.

   (d) Amount of payment for indirect medical education

   (1) In general
   The amount determined under this subsection for payments to qualified teaching health centers for indirect expenses associated with the additional costs of teaching residents for a fiscal year is equal to an amount determined appropriate by the Secretary.

   (2) Factors
   In determining the amount under paragraph (1), the Secretary shall—
   (A) evaluate indirect training costs relative to supporting a primary care residency program in qualified teaching health centers; and
   (B) based on this evaluation, assure that the aggregate of the payments for indirect expenses under this section and the payments for direct graduate medical education as determined under subsection(c) in a fiscal year do not exceed the amount appropriated for such expenses as determined in subsection(g).

   (3) Interim payment
   Before the Secretary makes a payment under this subsection pursuant to a determination of indirect expenses under paragraph (1), the Secretary may provide to qualified teaching health centers a payment, in addition to any payment made under subsection (c), for expected indirect expenses associated with the additional costs of teaching residents for a fiscal year, based on an estimate by the Secretary.

   (e) Clarification regarding relationship to other payments for graduate medical education
   Payments under this section—
   (1) shall be in addition to any payments—
       (A) for the indirect costs of medical education under section 1395ww(d)(5)(B) of this title;
       (B) for direct graduate medical education costs under section 1395ww(h) of this title; and
       (C) for direct costs of medical education under section 1395ww(k) of this title;
   (2) shall not be taken into account in applying the limitation on the number of total full-time equivalent residents under subparagraphs (F) and (G) of section 1395ww(h)(4) of this title and clauses (v), (vi)(I), and (vi)(II) of section 1395ww(d)(5)(B) of this title for the portion of time that a resident rotates to a hospital; and
   (3) shall not include the time in which a resident is counted toward full-time equivalency by a hospital under paragraph (2) or under section 1395ww(d)(5)(B)(iv) of this title, section 1395ww(h)(4)(E) of this title, or section 256e of this title.

   (f) Reconciliation
   The Secretary shall determine any changes to the number of residents reported by a teaching health center in the application of the teaching health center for the current fiscal year to de-
termine the final amount payable to the teaching health center for the current fiscal year for both direct expense and indirect expense amounts. Based on such determination, the Secretary shall recoup any overpayments made to pay any balance due to the extent possible. The final amount so determined shall be considered a final intermediary determination for the purposes of section 1395ww(d) of this title and shall be subject to administrative and judicial review under that section in the same manner as the amount of payment under section 1395ww(d) of this title is subject to review under such section.

(g) Funding

(1) In general

To carry out this section, there are appropriated such sums as may be necessary, not to exceed $230,000,000, for the period of fiscal years 2011 through 2015, $60,000,000 for each of fiscal years 2016 and 2017, $120,500,000 for each of fiscal years 2018 and 2019, and $81,455,205 for the period beginning on October 1, 2019, and ending on May 22, 2020, to remain available until expended.

(2) Administrative expenses

Of the amount made available to carry out this section for any fiscal year, the Secretary may not use more than 5 percent of such amount for the expenses of administering this section.

(h) Annual reporting required

(1) Annual report

The report required under this paragraph for a qualified teaching health center for a fiscal year is a report that includes (in a form and manner specified by the Secretary) the following information for the residency academic year completed immediately prior to such fiscal year:

(A) The types of primary care resident approved training programs that the qualified teaching health center provided for residents.

(B) The number of approved training positions for residents described in paragraph (4).

(C) The number of residents described in paragraph (4) who completed their residency training at the end of such residency academic year and care for vulnerable populations living in underserved areas.

(D) The number of patients treated by residents described in paragraph (4).

(E) The number of visits by patients treated by residents described in paragraph (4).

(F) Of the number of residents described in paragraph (4) who completed their residency training at the end of such residency academic year, the number and percentage of such residents entering primary care practice (meaning any of the areas of practice listed in the definition of a primary care residency program in section 293l-1 of this title).

(G) Of the number of residents described in paragraph (4) who completed their residency training at the end of such residency academic year, the number and percentage of such residents who entered practice at a health care facility—

(i) primarily serving a health professional shortage area with a designation in effect under section 254e of this title or a medically underserved community (as defined in section 295p of this title); or

(ii) located in a rural area (as defined in section 1395ww(d)(2)(D) of this title).

(H) Other information as deemed appropriate by the Secretary.

(2) Audit authority; limitation on payment

(A) Audit authority

The Secretary may audit a qualified teaching health center to ensure the accuracy and completeness of the information submitted in a report under paragraph (1).

(B) Limitation on payment

A teaching health center may only receive payment in a cost reporting period for a number of such resident positions that is greater than the base level of primary care resident positions, as determined by the Secretary. For purposes of this subparagraph, the “base level of primary care residents” for a teaching health center is the level of such residents as of a base period.

(3) Reduction in payment for failure to report

(A) In general

The amount payable under this section to a qualified teaching health center for a fiscal year shall be reduced by at least 25 percent if the Secretary determines that—

(i) the qualified teaching health center has failed to provide the Secretary, as an addendum to the qualified teaching health center’s application under this section for such fiscal year, the report required under paragraph (1) for the previous fiscal year; or

(ii) such report fails to provide complete and accurate information required under any subparagraph of such paragraph.

(B) Notice and opportunity to provide accurate and missing information

Before imposing a reduction under subparagraph (A) on the basis of a qualified teaching health center’s failure to provide complete and accurate information described in subparagraph (A)(ii), the Secretary shall provide notice to the teaching health center of such failure and the Secretary’s intention to impose such reduction and shall provide the teaching health center with the opportunity to provide the required information within the period of 30 days beginning on the date of such notice. If the teaching health center provides such information within such period, no reduction shall be made under subparagraph (A) on the basis of the previous failure to provide such information.

(4) Residents

The residents described in this paragraph are those who are in part-time or full-time


\(2\) See References in Text note below.
equivalent resident training positions at a qualified teaching health center in any approved graduate medical residency training program.

(i) Regulations

The Secretary shall promulgate regulations to carry out this section.

(j) Definitions

In this section:

(1) Approved graduate medical residency training program

The term “approved graduate medical residency training program” means a residency or other postgraduate medical training program—

(A) participation in which may be counted toward certification in a specialty or subspecialty and includes formal postgraduate training programs in geriatric medicine approved by the Secretary; and

(B) that meets criteria for accreditation (as established by the Accreditation Council for Graduate Medical Education, the American Osteopathic Association, or the American Dental Association).

(2) New approved graduate medical residency training program

The term “new approved graduate medical residency training program” means an approved graduate medical residency training program for which the sponsoring qualified teaching health center has not received a payment under this section for a previous fiscal year (other than pursuant to subsection (a)(3)).

(3) Primary care residency program

The term “primary care residency program” has the meaning given that term in section 293–1 of this title.

(4) Qualified teaching health center

The term “qualified teaching health center” has the meaning given the term “teaching health center” in section 293–1 of this title.

(Payments for Previous Fiscal Years

Pub. L. 115–123, div. E, title IX, § 50901(d)(7), Feb. 9, 2018, 132 Stat. 289, provided that: “The provisions of section 340H of the Public Health Service Act (42 U.S.C. 256h), as in effect on the day before the date of enactment of Public Law 115–96 (Dec. 22, 2017), shall continue to apply with respect to payments under such section for fiscal years before fiscal year 2018.”

Subsec. (g). Pub. L. 115–96 designated existing provisions as par. (1), inserted heading, substituted “$28,072,603” for “$20,072,603”, and added par. (2).

2017—Subsec. (g). Pub. L. 115–96 designated existing provisions as par. (1), inserted heading, substituted “$18,021,918” and “December 20, 2019” for “November 21, 2019”.


Subsec. (e)(1). Pub. L. 116–59 substituted “$442,156,000” for “$405,000,000”.


Subsec. (c). Pub. L. 115–123, § 50901(d)(3), substituted “$28,072,603” for “$20,072,603”.

Subsec. (b). Pub. L. 115–123, § 50901(d)(2), substituted “and $126,500,000 for each of fiscal years 2018 and 2019,” for “and $30,000,000 for the period of the first and second quarters of fiscal year 2018,”.

Subsec. (a). Pub. L. 115–123, § 50901(d)(1), substituted “$18,021,918” and “December 20, 2019” for “November 21, 2019”.

References in Text


Section 1395ww(d) of this title, referred to in subsec. (f), was in the original “section 1186(d) of such Act”, and was translated as meaning section 1886(d) of act Aug. 14, 1935, ch. 531, known as the Social Security Act, to reflect the probable intent of Congress. The Social Security Act does not contain a section 1186.

Codification

Another section 340H of act July 1, 1944, was renumbered section 340I and is classified to section 256i of this title.

Amendments


Pub. L. 116–69 substituted “$28,072,603” for “$18,021,918” and “December 20, 2019” for “November 21, 2019”.

Pub. L. 116–59 struck out “and” before “$126,500,000” and inserted “and $18,021,918 for the period beginning on October 1, 2019, and ending on November 21, 2019,” before “to remain available”.

2018—Subsec. (a). Pub. L. 115–123, § 50901(d)(1), amended subsec. (a) generally. Prior to amendment, text read as follows: “Subject to subsection (b)(2), the Secretary shall make payments under this section for direct expenses and for indirect expenses to qualified teaching health centers that are listed as sponsoring institutions by the relevant accrediting body for expansion of existing or establishment of new approved graduate medical residency training programs.


Subsec. (e)(1). Pub. L. 115–123, § 50901(d)(2), substituted “and $126,500,000 for each of fiscal years 2018 and 2019,” for “and $30,000,000 for the period of the first and second quarters of fiscal year 2018,”.

Subsec. (d)(1)(D) to (H). Pub. L. 115–123, § 50901(d)(3), added subpars. (D) to (G) and redesignated former subpar. (D) as (H).

Subsec. (j)(2) to (4). Pub. L. 115–123, § 50901(d)(5), added par. (2) and redesignated former pars. (2) and (3) as (3) and (4), respectively.

2017—Subsec. (g). Pub. L. 115–96 designated existing provisions as par. (1), inserted heading, substituted “and $30,000,000 for the period of the first and second quarters of fiscal year 2018, to remain available until expended” for “and $15,000,000 for the first quarter of fiscal year 2018”, and added par. (2).

Pub. L. 115–63 substituted “2015, $60,000,000” for “2015 and $60,000,000” and inserted “, and $15,000,000 for the first quarter of fiscal year 2018” before period at end.

2015—Subsec. (g). Pub. L. 114–10 inserted “and $60,000,000 for each of fiscal years 2016 and 2017” before period at end.

Payments for Previous Fiscal Years

Pub. L. 115–123, div. E, title IX, § 50901(d)(7), Feb. 9, 2018, 132 Stat. 289, provided that: “The provisions of section 340H of the Public Health Service Act (42 U.S.C. 256h), as in effect on the day before the date of enactment of Public Law 115–96 (Dec. 22, 2017), shall continue to apply with respect to payments under such section for fiscal years before fiscal year 2018.”

Subpart XII—Community-Based Collaborative Care Network Program

Codification

Pub. L. 115–63, title III, § 301(c)(1), Sept. 29, 2017, 131 Stat. 1172, redesignated this subpart, which was formerly subpart XI of part D of title III of act July 1, 1944, as subpart XII. Another subpart XI of part D of title III of the Act is classified to subpart XI (§256h) of this part.

§ 256i. Community-based collaborative care network program

(a) In general

The Secretary may award grants to eligible entities to support community-based collaborative care networks that meet the requirements of subsection (b).
(b) Community-based collaborative care networks

(1) Description

A community-based collaborative care network (referred to in this section as a "network") shall be a consortium of health care providers with a joint governance structure (including providers within a single entity) that provides comprehensive coordinated and integrated health care services (as defined by the Secretary) for low-income populations.

(2) Required inclusion

A network shall include the following providers (unless such provider does not exist within the community, declines or refuses to participate, or places unreasonable conditions on their participation):

(A) A hospital that meets the criteria in section 1395rr-4(b)(1) of this title; and

(B) All Federally qualified health centers (as defined in section 1395x(aa) of this title) located in the community.

(3) Priority

In awarding grants, the Secretary shall give priority to networks that include—

(A) the capability to provide the broadest range of services to low-income individuals; and

(B) the broadest range of providers that currently serve a high volume of low-income individuals; and

(C) a county or municipal department of health.

e) Application

(1) Application

A network described in subsection (b) shall submit an application to the Secretary.

(2) Renewal

In subsequent years, based on the performance of grantees, the Secretary may provide renewal grants to prior year grant recipients.

d) Use of funds

(1) Use by grantees

Grant funds may be used for the following activities:

(A) Assist low-income individuals to—

(i) access and appropriately use health services; and

(ii) enroll in health coverage programs;

and

(iii) obtain a regular primary care provider or a medical home.

(B) Provide case management and care management.

(C) Perform health outreach using neighborhood health workers or through other means.

(D) Provide transportation.

(E) Expand capacity, including through telehealth, after-hours services or urgent care.

(F) Provide direct patient care services.

(2) Grant funds to HRSA grantees

The Secretary may limit the percent of grant funding that may be spent on direct care services provided by grantees of programs administered by the Health Resources and Services Administration or impose other requirements on such grantees deemed necessary.

f) Authorization of appropriations

There are authorized to be appropriated to carry out this section such sums as may be necessary for each of fiscal years 2011 through 2015.


PART E—NARCOTIC ADDICTS AND OTHER DRUG ABUSERS


Effective Date of 2016 Amendment

Pub. L. 114-198, title I, §110(b), July 22, 2016, 130 Stat. 710, provided that the amendment made by section 110(b) (amending directory language of section 3405(a) of Pub. L. 106-310, which repealed this section) is effective as if included in the enactment of Pub. L. 106-310.

§257a. Transferred

Codification


Effective Date of 2016 Amendment

Pub. L. 114-198, title I, §110(b), July 22, 2016, 130 Stat. 710, provided that the amendment made by section 110(b) (amending directory language of section 3405(a) of Pub. L. 106-310, which repealed this section) is effective as if included in the enactment of Pub. L. 106-310.

§258a. Transferred

Codification

Section, act July 8, 1947, ch. 210, title II, §201, 61 Stat. 259, which related to transfer of balances in working
capital fund, narcotic hospitals, to surplus fund, was transferred and is set out as a note under section 290aa of this title.


Effective Date of 2016 Amendment
Pub. L. 114–198, title I, §110(b), July 22, 2016, 130 Stat. 710, provided that the amendment made by section 110(b) (amending directory language of section 3405(a) of Pub. L. 106–310, which repealed sections 259 to 261a of this title) is effective as if included in the enactment of Pub. L. 106–310.

PART F—LICENSING OF BIOLOGICAL PRODUCTS AND CLINICAL LABORATORIES

SUBPART 1—BIOLOGICAL PRODUCTS

§ 262. Regulation of biological products

(a) Biologics license

(1) No person shall introduce or deliver for introduction into interstate commerce any biological product unless—

(A) a biologics license under this subsection or subsection (k) is in effect for the biological product; and

(B) each package of the biological product is plainly marked with—

(i) the proper name of the biological product contained in the package;

(ii) the name, address, and applicable license number of the manufacturer of the biological product; and

(iii) the expiration date of the biological product.

(2)(A) The Secretary shall establish, by regulation, requirements for the approval, suspension, and revocation of biologics licenses.

(B) PEDICULAR STUDIES.—A person that submits an application for a license under this paragraph shall submit to the Secretary as part of the application any assessments required under section 505B of the Federal Food, Drug, and Cosmetic Act [21 U.S.C. 355c].

(C) The Secretary shall approve a biologics license application—

(i) on the basis of a demonstration that—

(I) the biological product that is the subject of the application is safe, pure, and potent; and

(II) the facility in which the biological product is manufactured, processed, packed, or held meets standards designed to assure that the biological product continues to be safe, pure, and potent; and

(ii) if the applicant (or other appropriate person) consents to the inspection of the facility that is the subject of the application, in accordance with subsection (c).

(D) POSTMARKET STUDIES AND CLINICAL TRIALS; LABELING; RISK EVALUATION AND MITIGATION STRATEGY.—A person that submits an application for a license under this paragraph is subject to sections 505(o), 505(p), and 505–1 of the Federal Food, Drug, and Cosmetic Act [21 U.S.C. 355(o), 355(p), 355–1].

(E)(i) The Secretary may rely upon qualified data summaries to support the approval of a supplemental application, with respect to a qualified indication for a drug, submitted under this subsection, if such supplemental application complies with the requirements of subparagraph (B) of section 505(c)(5) of the Federal Food, Drug, and Cosmetic Act [21 U.S.C. 355(c)(5)].

(ii) In this subparagraph, the terms “qualified indication” and “qualified data summary” have the meanings given such terms in section 505(c)(5) of the Federal Food, Drug, and Cosmetic Act.

(3) The Secretary shall prescribe requirements under which a biological product undergoing investigation shall be exempt from the requirements of paragraph (1).

(b) Falsely labeling or marking package or container; altering label or mark

No person shall falsely label or mark any package or container of any biological product or alter any label or mark on the package or container of the biological product so as to falsify the label or mark.

(c) Inspection of establishment for propagation and preparation

Any officer, agent, or employee of the Department of Health and Human Services, authorized by the Secretary for the purpose, may during all reasonable hours enter and inspect any establishment of Health and Human Services, authorized by the Secretary for the purpose, may during all reasonable hours enter and inspect any establishment for the propagation or manufacture and preparation of any biological product.

(d) Recall of product presenting imminent hazard; violations

(1) Upon a determination that a batch, lot, or other quantity of a product licensed under this section presents an imminent or substantial hazard to the public health, the Secretary shall issue an order immediately ordering the recall of such batch, lot, or other quantity of such product. An order under this paragraph shall be issued in accordance with section 554 of title 5.
(2) Any violation of paragraph (1) shall subject the violator to a civil penalty of up to $100,000 per day of violation. The amount of a civil penalty under this paragraph shall, effective December 1 of each year beginning 1 year after the effective date of this paragraph, be increased by the percent change in the Consumer Price Index for the base quarter of such year over the Consumer Price Index for the base quarter of the preceding year, adjusted to the nearest \( \frac{1}{10} \) of 1 percent. For purposes of this paragraph, the term "base quarter", as used with respect to a year, means the calendar quarter ending on September 30 of such year and the price index for a base quarter is the arithmetical mean of such index for the 3 months comprising such quarter.

(e) Interference with officers

No person shall interfere with any officer, agent, or employee of the Service in the performance of any duty imposed upon him by this section or by regulations made by authority thereof.

(f) Penalties for offenses

Any person who shall violate, or aid or abet in violating, any of the provisions of this section shall be punished upon conviction by a fine not exceeding $500 or by imprisonment not exceeding one year, or by both such fine and imprisonment, in the discretion of the court.

(g) Construction with other laws

Nothing contained in this chapter shall be construed as in any way affecting, modifying, repealing, or superseding the provisions of the Federal Food, Drug, and Cosmetic Act [21 U.S.C. 301 et seq.].

(h) Exportation of partially processed biological products

A partially processed biological product which—

(1) is not in a form applicable to the prevention, treatment, or cure of diseases or injuries of man;

(2) is not intended for sale in the United States; and

(3) is intended for further manufacture into final dosage form outside the United States,

shall be subject to no restriction on the export of the product under this chapter or the Federal Food, Drug, and Cosmetic Act [21 U.S.C. 301 et seq.] if the product is manufactured, processed, packaged, and held in conformity with current good manufacturing practice requirements or meets international manufacturing standards as certified by an international standards organization recognized by the Secretary and meets the requirements of section 801(e)(1) of the Federal Food, Drug, and Cosmetic Act [21 U.S.C. 381(e)].

(i) "Biological product" defined

In this section:

(1) The term "biological product" means a virus, therapeutic serum, toxin, antitoxin, vaccine, blood, blood component or derivative, allergenic product, protein, or analogous product, or arsphenamine or derivative of arsphenamine (or any other trivalent organic arsenic compound), applicable to the prevention, treatment, or cure of a disease or condition of human beings.

(2) The term "biosimilar" or "biosimilarity", in reference to a biological product that is the subject of an application under subsection (k), means—

(A) that the biological product is highly similar to the reference product notwithstanding minor differences in clinically inactive components; and

(B) there are no clinically meaningful differences between the biological product and the reference product in terms of the safety, purity, and potency of the product.

(3) The term "interchangeable" or "interchangeability", in reference to a biological product that is shown to meet the standards described in subsection (k)(4), means that the biological product may be substituted for the reference product without the intervention of the health care provider who prescribed the reference product.

(4) The term "reference product" means the single biological product licensed under subsection (a) against which a biological product is evaluated in an application submitted under subsection (k).

(j) Application of Federal Food, Drug, and Cosmetic Act

The Federal Food, Drug, and Cosmetic Act [21 U.S.C. 301 et seq.], including the requirements under sections 505(o), 505(p), and 505-1 of such Act [21 U.S.C. 355(o), (p), 355-1], applies to a biological product subject to regulation under this section, except that a product for which a license has been approved under subsection (a) shall not be required to have an approved application under section 505 of such Act.

(k) Licensure of biological products as biosimilar or interchangeable

(1) In general

Any person may submit an application for licensure of a biological product under this subsection.

(2) Content

(A) In general

(i) Required information

An application submitted under this subsection shall include information demonstrating that—

(aa) analytical studies that demonstrate that the biological product is highly similar to the reference product notwithstanding minor differences in clinically inactive components;

(bb) animal studies (including the assessment of toxicity); and

(cc) a clinical study or studies (including the assessment of immunogenicity and pharmacokinetics or pharmacodynamics) that are sufficient to demonstrate safety, purity, and potency in 1 or more appropriate conditions of use for which the reference product is licensed and intended to be used and for which licensure is sought for the biological product;
§ 262

(II) the biological product and reference product utilize the same mechanism or mechanisms of action for the condition or conditions of use prescribed, recommended, or suggested in the proposed labeling, but only to the extent the mechanism or mechanisms of action are known for the reference product;

(III) the condition or conditions of use prescribed, recommended, or suggested in the labeling proposed for the biological product have been previously approved for the reference product;

(IV) the route of administration, the dosage form, and the strength of the biological product are the same as those of the reference product; and

(V) the facility in which the biological product is manufactured, processed, packed, or held meets standards designed to assure that the biological product continues to be safe, pure, and potent.

(ii) Determination by Secretary

The Secretary may determine, in the Secretary’s discretion, that an element described in clause (i)(I) is unnecessary in an application submitted under this subsection.

(iii) Additional information

An application submitted under this subsection—

(I) shall include publicly-available information regarding the Secretary’s previous determination that the reference product is safe, pure, and potent; and

(II) may include any additional information in support of the application, including publicly-available information with respect to the reference product or another biological product.

(B) Interchangeability

An application (or a supplement to an application) submitted under this subsection may include information demonstrating that the biological product meets the standards described in paragraph (4).

(3) Evaluation by Secretary

Upon review of an application (or a supplement to an application) submitted under this subsection, the Secretary shall license the biological product under this subsection if—

(A) the Secretary determines that the information submitted in the application (or the supplement) is sufficient to show that the biological product—

(i) is biosimilar to the reference product; or

(ii) meets the standards described in paragraph (4), and therefore is interchangeable with the reference product; and

(B) the applicant (or other appropriate person) consents to the inspection of the facility that is the subject of the application, in accordance with subsection (c).

(4) Safety standards for determining interchangeability

Upon review of an application submitted under this subsection or any supplement to such application, the Secretary shall determine the biological product to be interchangeable with the reference product if the Secretary determines that the information submitted in the application (or a supplement to such application) is sufficient to show that—

(A) the biological product—

(i) is biosimilar to the reference product; and

(ii) can be expected to produce the same clinical result as the reference product in any given patient; and

(B) for a biological product that is administered more than once to an individual, the risk in terms of safety or efficacy of alternating or switching between use of the biological product and the reference product is not greater than the risk of using the reference product without such alternation or switch.

(5) General rules

(A) One reference product per application

A biological product, in an application submitted under this subsection, may not be evaluated against more than one reference product.

(B) Review

An application submitted under this subsection shall be reviewed by the division within the Food and Drug Administration that is responsible for the review and approval of the application under which the reference product is licensed.

(C) Risk evaluation and mitigation strategies

The authority of the Secretary with respect to risk evaluation and mitigation strategies under the Federal Food, Drug, and Cosmetic Act [21 U.S.C. 301 et seq.] shall apply to biological products licensed under this subsection in the same manner as such authority applies to biological products licensed under subsection (a).

(6) Exclusivity for first interchangeable biological product

Upon review of an application submitted under this subsection relying on the same reference product for which a prior biological product has received a determination of interchangeability for any condition of use, the Secretary shall not make a determination under paragraph (4) that the second or subsequent biological product is interchangeable for any condition of use until the earlier of—

(A) 1 year after the first commercial marketing of the first interchangeable biosimilar biological product to be approved as interchangeable for that reference product;

(B) 18 months after—

(i) a final court decision on all patents in suit in an action instituted under subsection (l)(6) against the applicant that submitted the application for the first approved interchangeable biosimilar biological product; or

(ii) the dismissal with or without prejudice of an action instituted under subsection (l)(6) against the applicant that submitted the application for the first ap-
§ 262

For purposes of this paragraph, the term "final court decision" means a final decision for a writ of certiorari) has been or can be petition to the United States Supreme Court of a court from which no appeal (other than a petition to the United States Supreme Court for a writ of certiorari) has been or can be taken.

(7) Exclusivity for reference product

(A) Effective date of biosimilar application approval

Approval of an application under this subsection may not be made effective by the Secretary until the date that is 12 years after the date on which the reference product was first licensed under subsection (a).

(B) Filing period

An application under this subsection may not be submitted to the Secretary until the date that is 4 years after the date on which the reference product was first licensed under subsection (a).

(C) First licensure

Subparagraphs (A) and (B) shall not apply to a license for or approval of—

(i) a supplement for the biological product that is the reference product; or

(ii) a subsequent application filed by the same sponsor or manufacturer of the biological product that is the reference product (or a licensor, predecessor in interest, or other related entity) for—

(I) a change (not including a modification to the structure of the biological product) that results in a new indication, route of administration, dosing schedule, dosage form, delivery system, delivery device, or strength; or

(II) a modification to the structure of the biological product that does not result in a change in safety, purity, or potency.

(D) Deemed licenses

(i) No additional exclusivity through deeming

An approved application that is deemed to be a license for a biological product under this section pursuant to section 7002(e)(4) of the Biologics Price Competition and Innovation Act of 2009 shall not be treated as having been first licensed under subsection (a) for purposes of subparagraphs (A) and (B).

(ii) Application of limitations on exclusivity

Subparagraph (C) shall apply with respect to a reference product referred to in such subparagraph that was the subject of an approved application that was deemed to be a license pursuant to section 7002(e)(4) of the Biologics Price Competition and Innovation Act of 2009.

(ii) Applicability

The exclusivity periods described in section 527, section 505A(b)(1)(A)(i), and section 505A(c)(1)(A)(ii) of the Federal Food, Drug, and Cosmetic Act [21 U.S.C. 355(a) and 355(a)(1)(A)(ii)], shall continue to apply to a biological product after an approved application for the biological product is deemed to be a license for the biological product under subsection (a) pursuant to section 7002(e)(4) of the Biologics Price Competition and Innovation Act of 2009.

(8) Guidance documents

(A) In general

The Secretary may, after opportunity for public comment, issue guidance in accordance, except as provided in subparagraph (B)(i), with section 701(h) of the Federal Food, Drug, and Cosmetic Act [21 U.S.C. 371(h)] with respect to the licensure of a biological product under this subsection. Any such guidance may be general or specific.

(B) Public comment

(i) In general

The Secretary shall provide the public an opportunity to comment on any proposed guidance issued under subparagraph (A) before issuing final guidance.

(ii) Input regarding most valuable guidance

The Secretary shall establish a process through which the public may provide the Secretary with input regarding priorities for issuing guidance.

(C) No requirement for application consideration

The issuance (or non-issuance) of guidance under subparagraph (A) shall not preclude the review of, or action on, an application submitted under this subsection.

(D) Requirement for product class-specific guidance

If the Secretary issues product class-specific guidance under subparagraph (A), such guidance shall include a description of—

(i) the criteria that the Secretary will use to determine whether a biological product is highly similar to a reference product in such product class; and

(ii) the criteria, if available, that the Secretary will use to determine whether a biological product meets the standards described in paragraph (4).

(E) Certain product classes

(i) Guidance

The Secretary may indicate in a guidance document that the science and experience, as of the date of such guidance, with respect to a product or product class.
(not including any recombinant protein) does not allow approval of an application for a license as provided under this subsection for such product or product class.

(ii) Modification or reversal
The Secretary may issue a subsequent guidance document under subparagraph (A) to modify or reverse a guidance document under clause (i).

(iii) No effect on ability to deny license
Clause (i) shall not be construed to require the Secretary to approve a product with respect to which the Secretary has not indicated in a guidance document that the science and experience, as described in clause (i), does not allow approval of such an application.

(f) Patents

(1) Confidential access to subsection (k) application

(A) Application of paragraph
Unless otherwise agreed to by a person that submits an application under subsection (k) (referred to in this subsection as the “subsection (k) applicant”) and the sponsor of the application for the reference product (referred to in this subsection as the “reference product sponsor”), the provisions of this paragraph shall apply to the exchange of information described in this subsection.

(B) In general

(i) Provision of confidential information
When a subsection (k) applicant submits an application under subsection (k), such applicant shall provide to the persons described in clause (ii), subject to the terms of this paragraph, confidential access to the information required to be produced pursuant to paragraph (2) and any other information that the subsection (k) applicant determines, in its sole discretion, to be appropriate (referred to in this subsection as the “confidential information”).

(ii) Recipients of information
The persons described in this clause are the following:

(I) Outside counsel
One or more attorneys designated by the reference product sponsor who are employees of an entity other than the reference product sponsor (referred to in this paragraph as the “outside counsel”), provided that such attorneys do not engage, formally or informally, in patent prosecution relevant or related to the reference product.

(II) In-house counsel
One attorney that represents the reference product sponsor who is an employee of the reference product sponsor, provided that such attorney does not engage, formally or informally, in patent prosecution relevant or related to the reference product.

(iii) Patent owner access
A representative of the owner of a patent exclusively licensed to a reference product sponsor with respect to the reference product and who has retained a right to assert the patent or participate in litigation concerning the patent may be provided the confidential information, provided that the representative informs the reference product sponsor and the subsection (k) applicant of his or her agreement to be subject to the confidentiality provisions set forth in this paragraph, including those under clause (ii).

(C) Limitation on disclosure
No person that receives confidential information pursuant to subparagraph (B) shall disclose any confidential information to any other person or entity, including the reference product sponsor employees, outside scientific consultants, or other outside counsel retained by the reference product sponsor, without the prior written consent of the subsection (k) applicant, which shall not be unreasonably withheld.

(D) Use of confidential information
Confidential information shall be used for the sole and exclusive purpose of determining, with respect to each patent assigned to or exclusively licensed by the reference product sponsor, whether a claim of patent infringement could reasonably be asserted if the subsection (k) applicant engaged in the manufacture, use, offering for sale, sale, or importation into the United States of the biological product that is the subject of the application under subsection (k).

(E) Ownership of confidential information
The confidential information disclosed under this paragraph is, and shall remain, the property of the subsection (k) applicant. By providing the confidential information pursuant to this paragraph, the subsection (k) applicant does not provide the reference product sponsor or the outside counsel any interest in or license to use the confidential information, for purposes other than those specified in subparagraph (D).

(F) Effect of infringement action
In the event that the reference product sponsor files a patent infringement suit, the use of confidential information shall continue to be governed by the terms of this paragraph until such time as a court enters a protective order regarding the information. Upon entry of such order, the subsection (k) applicant may redesignate confidential information pursuant to paragraph (2) and any other information that the subsection (k) applicant determines, in its sole discretion, to be appropriate (referred to in this subsection as the “confidential information”).

(i) Provision of confidential information
When a subsection (k) applicant submits an application under subsection (k), such applicant shall provide to the persons described in clause (ii), subject to the terms of this paragraph, confidential access to the information required to be produced pursuant to paragraph (2) and any other information that the subsection (k) applicant determines, in its sole discretion, to be appropriate (referred to in this subsection as the “confidential information”).

(ii) Recipients of information
The persons described in this clause are the following:

(I) Outside counsel
One or more attorneys designated by the reference product sponsor who are employees of an entity other than the reference product sponsor (referred to in this paragraph as the “outside counsel”), provided that such attorneys do not engage, formally or informally, in patent prosecution relevant or related to the reference product.

(II) In-house counsel
One attorney that represents the reference product sponsor who is an employee of the reference product sponsor, provided that such attorney does not engage, formally or informally, in patent prosecution relevant or related to the reference product.
§ 262

The Secretary shall process or processes used to manufacture the biological product that is the subject of such application; and

(ii) the reference product sponsor shall be prepared to license to the subsection (k) applicant.

(B) List and description by subsection (k) applicant

Not later than 60 days after receipt of the list under subparagraph (A), the subsection (k) applicant—

(i) may provide to the reference product sponsor a list of patents to which the subsection (k) applicant believes a claim of patent infringement could reasonably be asserted by the reference product sponsor if a person not licensed by the reference product sponsor engaged in the making, using, offering to sell, selling, or importing into the United States of the biological product that is the subject of the subsection (k) application;

(ii) shall provide to the reference product sponsor, with respect to each patent listed by the reference product sponsor under subparagraph (A) or listed by the subsection (k) applicant under clause (i)—

(I) a detailed statement that describes, on a claim by claim basis, the factual and legal basis of the opinion of the subsection (k) applicant that such patent is invalid, unenforceable, or will not be infringed by the commercial marketing of the biological product that is the subject of the subsection (k) application; or

(ii) shall provide to the reference product sponsor a response regarding each patent identified by the reference product sponsor under subparagraph (A)(ii).

(C) Description by reference product sponsor

Not later than 60 days after receipt of the list and statement under subparagraph (B), the reference product sponsor shall provide to the subsection (k) applicant a detailed statement that describes, with respect to each patent described in subparagraph (B)(ii)(I), on a claim by claim basis, the factual and legal basis of the opinion of the reference product sponsor that such patent will be infringed by the commercial marketing of the biological product that is the subject of the subsection (k) application and a response to the statement concerning validity and enforceability provided under subparagraph (B)(ii)(I).

(4) Patent resolution negotiations

(A) In general

After receipt by the subsection (k) applicant of the statement under paragraph (3)(C), the reference product sponsor and the subsection (k) applicant shall engage in good faith negotiations to agree on which, if any, patents listed under paragraph (3) by the subsection (k) applicant or the reference product sponsor shall be the subject of an action for patent infringement under paragraph (6).

(B) Failure to reach agreement

If, within 15 days of beginning negotiations under subparagraph (A), the subsection (k) applicant and the reference product sponsor fail to agree on a final and complete list of which, if any, patents listed under paragraph (3) by the subsection (k) applicant or the ref-
(5) **Patent resolution if no agreement**

(A) **Number of patents**

The subsection (k) applicant shall notify the reference product sponsor of the number of patents that such applicant will provide to the reference product sponsor under subparagraph (B)(i)(I).

(B) **Exchange of patent lists**

(i) **In general**

On a date agreed to by the subsection (k) applicant and the reference product sponsor, but in no case later than 5 days after the subsection (k) applicant notifies the reference product sponsor under subparagraph (A), the subsection (k) applicant and the reference product sponsor shall simultaneously exchange—

(I) the list of patents that the subsection (k) applicant believes should be the subject of an action for patent infringement under paragraph (6); and

(II) the list of patents, in accordance with clause (i), that the reference product sponsor believes should be the subject of an action for patent infringement under paragraph (6).

(ii) **Number of patents listed by reference product sponsor**

(I) **In general**

Subject to subclause (II), the number of patents listed by the reference product sponsor under clause (i)(II) may not exceed the number of patents listed by the subsection (k) applicant under clause (i)(I).

(II) **Exception**

If a subsection (k) applicant does not list any patent under clause (i)(I), the reference product sponsor may list 1 patent under clause (i)(II).

(6) **Immediate patent infringement action**

(A) **Action if agreement on patent list**

If the subsection (k) applicant and the reference product sponsor agree on patents as described in paragraph (4), not later than 30 days after such agreement, the reference product sponsor shall bring an action for patent infringement with respect to each such patent.

(B) **Action if no agreement on patent list**

If the provisions of paragraph (5) apply to the parties as described in paragraph (4)(B), not later than 30 days after the exchange of lists under paragraph (5)(B), the reference product sponsor shall bring an action for patent infringement with respect to each patent that is included on such lists.

(C) **Notification and publication of complaint**

(i) **Notification to Secretary**

Not later than 30 days after a complaint is served to a subsection (k) applicant in an action for patent infringement described under this paragraph, the subsection (k) applicant shall provide the Secretary with notice and a copy of such complaint.

(ii) **Publication by Secretary**

The Secretary shall publish in the Federal Register notice of a complaint received under clause (i).

(7) **Newly issued or licensed patents**

In the case of a patent that—

(A) is issued to, or exclusively licensed by, the reference product sponsor after the date that the reference product sponsor provided the list to the subsection (k) applicant under paragraph (3)(A); and

(B) the reference product sponsor reasonably believes that, due to the issuance of such patent, a claim of patent infringement could reasonably be asserted by the reference product sponsor if a person not licensed by the reference product sponsor engaged in the making, using, offering to sell, selling, or importing into the United States of the biological product that is the subject of the subsection (k) application, not later than 30 days after such issuance or licensing, the reference product sponsor shall provide to the subsection (k) applicant a supplement to the list provided by the reference product sponsor under paragraph (3)(A) that includes such patent, not later than 30 days after such supplement is provided, the subsection (k) applicant shall provide a statement to the reference product sponsor in accordance with paragraph (3)(B), and such patent shall be subject to paragraph (8).

(8) **Notice of commercial marketing and preliminary injunction**

(A) **Notice of commercial marketing**

The subsection (k) applicant shall provide notice to the reference product sponsor not later than 180 days before the date of the first commercial marketing of the biological product licensed under subsection (k).

(B) **Preliminary injunction**

After receiving the notice under subparagraph (A) and before such date of the first commercial marketing of such biological product, the reference product sponsor may seek a preliminary injunction prohibiting the subsection (k) applicant from engaging in the commercial manufacture or sale of such biological product until the court decides the issue of patent validity, enforcement, and infringement with respect to any patent that is—

(i) included in the list provided by the reference product sponsor under paragraph (3)(A) or in the list provided by the subsection (k) applicant under paragraph (3)(B); and

(ii) not included, as applicable, on—

(I) the list of patents described in paragraph (4); or

(II) the lists of patents described in paragraph (5)(B).
(C) Reasonable cooperation

If the reference product sponsor has sought a preliminary injunction under subparagraph (B), the reference product sponsor and the subsection (k) applicant shall reasonably cooperate to expedite such further discovery as is needed in connection with the preliminary injunction motion.

(9) Limitation on declaratory judgment action

(A) Subsection (k) application provided

If a subsection (k) applicant provides the application and information required under paragraph (2)(A), neither the reference product sponsor nor the subsection (k) applicant may, prior to the date notice is received under paragraph (8)(A), bring any action under section 2201 of title 28 for a declaration of infringement, validity, or enforceability of any patent that is described in clauses (i) and (ii) of paragraph (8)(B).

(B) Subsequent failure to act by subsection (k) applicant

If a subsection (k) applicant fails to complete an action required of the subsection (k) applicant under paragraph (3)(B)(ii), paragraph (5), paragraph (6)(C)(i), paragraph (7), or paragraph (8)(A), the reference product sponsor, but not the subsection (k) applicant, may bring an action under section 2201 of title 28 for a declaration of infringement, validity, or enforceability of any patent included in the list described in paragraph (3)(A), including as provided under paragraph (7).

(C) Subsection (k) application not provided

If a subsection (k) applicant fails to provide the application and information required under paragraph (2)(A), the reference product sponsor, but not the subsection (k) applicant, may bring an action under section 2201 of title 28 for a declaration of infringement, validity, or enforceability of any patent that claims the biological product or a use of the biological product.

(m) Pediatric studies

(1) Application of certain provisions

The provisions of subsections (a), (d), (e), (f), (h), (i), (j), (k), (l), (n), and (p) of section 505A of the Federal Food, Drug, and Cosmetic Act [21 U.S.C. 355a(a), (d), (e), (f), (h), (i), (j), (k), (l), (n), (p)] shall apply with respect to the extension of a period under paragraphs (2) and (3) to the same extent and in the same manner as such provisions apply with respect to the extension of a period under subsection (b) or (c) of section 505A of the Federal Food, Drug, and Cosmetic Act [21 U.S.C. 355a(b), (c)].

(2) Market exclusivity for new biological products

If, prior to approval of an application that is submitted under subsection (a), the Secretary determines that information relating to the use of a new biological product in the pediatric population may produce health benefits in that population, the Secretary makes a written request for pediatric studies (which shall include a timeframe for completing such studies), the applicant agrees to the request, such studies are completed using appropriate formulations for each age group for which the study is requested within any such timeframe, and the reports thereof are submitted and accepted in accordance with section 526 of the Federal Food, Drug, and Cosmetic Act [21 U.S.C. 355a(d)(4)]—

(A) the periods for such biological product referred to in section 527(a) are deemed to be 7 years and 6 months rather than 7 years; and

(B) if the biological product is designated under section 526 of the Federal Food, Drug, and Cosmetic Act [21 U.S.C. 360cc(a)] is deemed to be 7 years and 6 months rather than 7 years.

(3) Market exclusivity for already-marketed biological products

If the Secretary determines that information relating to the use of a licensed biological product in the pediatric population may produce health benefits in that population and makes a written request to the holder of an approved application under subsection (a) for pediatric studies (which shall include a timeframe for completing such studies), the holder agrees to the request, such studies are completed using appropriate formulations for each age group for which the study is requested within any such timeframe, and the reports thereof are submitted and accepted in accordance with section 505A(d)(4) of the Federal Food, Drug, and Cosmetic Act [21 U.S.C. 355a(d)(4)]—

(A) the periods for such biological product referred to in subsection (k)(7) are deemed to be 4 years and 6 months rather than 4 years and 12 years and 6 months rather than 12 years; and

(B) if the biological product is designated under section 526 of the Federal Food, Drug, and Cosmetic Act [21 U.S.C. 360cc(a)] is deemed to be 7 years and 6 months rather than 7 years.

(4) Exception

The Secretary shall not extend a period referred to in paragraph (2)(A), (2)(B), (3)(A), or (3)(B) if the determination under section 505A(d)(4) of the Federal Food, Drug, and Cosmetic Act [21 U.S.C. 355a(d)(4)] is made later than 9 months prior to the expiration of such period.

(n) Date of approval in the case of recommended controls under the CSA

(1) In general

In the case of an application under subsection (a) with respect to a biological product for which the Secretary provides notice to the sponsor that the Secretary intends to issue a scientific and medical evaluation and recommend controls under the Controlled Substances Act [21 U.S.C. 801 et seq.], approval of such application shall not take effect until the interim final rule controlling the biological

1 See References in Text note below.
product is issued in accordance with section 201(j) of the Controlled Substances Act [21 U.S.C. 811(j)].

(2) Date of approval

For purposes of this section, with respect to an application described in paragraph (1), references to the date of approval of such application, or licensure of the product subject to such application, shall mean the later of:

(A) the date an application is approved under subsection (a); or

(B) the date of issuance of the interim final rule controlling the biological product.


REFERENCES IN TEXT

The effective date of this paragraph, referred to in subsecs. (a)(1), (a)(2), (d)(2), is the effective date of section 315 of Pub. L. 99–660 which added subsec. (d)(2). See Effective Date of 1986 Amendment note set out below.

The Federal Food, Drug, and Cosmetic Act, referred to in subsec. (a)(1)(A), is act June 25, 1938, ch. 675, 52 Stat. 1040, which is classified generally to chapter 9 (§301 et seq.) of Title 21, Food and Drugs.

Section 7002(e)(4) of the Biologics Price Competition and Innovation Act of 2009, referred to in subsec. (a)(1)(H), is section 7002(e)(4) of Pub. L. 111–148, which is set out as a note under this section.


The Controlled Substances Act, as in eff. in Aug. 18, 2007, 121 Stat. 1301, and the products for which a license is desired may be issued only upon a showing that the establishment and the products for which a license is desired meet standards, designed to insure the continued safety, purity, and potency of such products, prescribed in regulations, and licenses for new products may be issued only upon a showing that they meet such standards. All such licenses shall be issued, suspended, and revoked as prescribed by regulations and all licenses issued for the maintenance of establishments for the propagation or manufacture and preparation of products described in subsection (a) of this section may be issued only upon a showing that the establishment and the products for which a license is desired meet standards, designed to insure the continued safety, purity, and potency of such products, prescribed in regulations, and licenses for new products may be issued only upon a showing that they meet such standards. All such licenses shall be issued, suspended, and revoked as prescribed by regulations and all licenses issued for the maintenance of establishments for the propagation or manufacture and preparation, in any foreign country, of any such products for sale, barter, or exchange in any State or possession or in any other State or possession from any foreign country into any State or possession.''

Subsec. (b). Pub. L. 105–105, §122(a)(2), substituted "any violation of paragraph (1)" for "any violation of subparagraph (A)" and substituted "this paragraph" for "this subparagraph" wherever appearing, and struck out former part (1) which read as follows: "No person shall falsely label or mark any package or container of any vaccine, serum, toxin, antitoxin, vaccine, blood, blood component or derivative, allergenic product, or other product aforesaid; nor alter any label or mark on any package or container of any serum, toxin, antitoxin, vaccine, blood, blood component or derivative, allergenic product, or other product aforesaid so as to falsely falsify such label or mark."

Subsec. (c). Pub. L. 105–105, §122(c), substituted "biological product," for "virus, serum, toxin, antitoxin, vaccine, blood, blood component or derivative, allergenic product, or other product aforesaid for sale, barter, or exchange in the District of Columbia, or to be sent, carried, or brought from any State or possession into any other State or possession or into any foreign country, or from any foreign country into any State or possession."
sions, which also related to exportation of partially processed biological products.

Subsec. (h)(1)(A). Pub. L. 104–134, §2102(d)(2), substituted in a country listed under section 802(b)(1)” for “in a country listed under section 802(b)(A)” and “to a country listed under section 802(b)(1)” for “to a country listed under section 802(b)(A)”.

1992—Subsec. (c). Pub. L. 102–300, which directed substitution of “Health and Human Services” for “Health, Education, and Welfare”, could not be executed because the words “Health, Education, and Welfare” did not appear in original statutory text. Previously, references to Department and Secretary of Health and Human Services were substituted for references to Federal Security Agency and its Administrator pursuant to provisions cited in Transfer of Functions note below.


**Effective Date of 2007 Amendment**

Amendment by Pub. L. 110–85 effective 180 days after Sept. 27, 2007, see section 909 of Pub. L. 110–85, set out as an Effective Date note below.

**Effective Date of 2003 Amendment**

Amendment by Pub. L. 108–155 effective Dec. 3, 2003, except as otherwise provided, see section 4 of Pub. L. 108–155, set out as an Effective Date note under section 355c of Title 21, Food and Drugs.

**Effective Date of 1997 Amendment**

Amendment by Pub. L. 105–115 effective 90 days after Nov. 21, 1997, except as otherwise provided, see section 501 of Pub. L. 105–115, set out as a note under section 321 of Title 21, Food and Drugs.

**Effective Date of 1986 Amendment**

Pub. L. 99–660, title I, §195(b), Nov. 14, 1986, 100 Stat. 3752, provided that: “Paragraph (1) of section 351(b) of the Public Health Service Act (42 U.S.C. 262(h)(1)) as added by subsection (a) shall take effect upon the expiration of 90 days after the date of the enactment of this Act [Nov. 14, 1986].”


**Transfer of Functions**


**Products Previously Approved Under the Federal Food, Drug, and Cosmetic Act**


“(1) REQUIREMENT TO PROVIDE A DESCRIPTION—Except as provided in paragraph (2), an application for a biological product shall be submitted under section 351 of the Public Health Service Act (42 U.S.C. 262) (as amended by this Act).

“(2) EXCEPTION.—An application for a biological product may be submitted under section 505 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 355) if—

“(A) such biological product is in a product class for which a biological product in such product class is the subject of an application approved under such section 505 not later than the date of enactment of this Act [Mar. 23, 2010]; and

“(B) such application—

“(i) has been submitted to the Secretary of Health and Human Services (referred to in this sub-subtitle [§7001–7003] of title VII of Pub. L. 111–148, see Short Title of 2010 Amendment note under section 301 of this title (as the ‘Secretary’) before the date of enactment of this Act; or

“(ii) is submitted to the Secretary not later than the date that is 10 years after the date of enactment of this Act.

“(3) LIMITATION.—Notwithstanding paragraph (2), an application for a biological product may not be submitted under section 505 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 355) if there is another biological product approved under subsection (a) of section 351 of the Public Health Service Act (42 U.S.C. 262) that could be a reference product with respect to such application (within the meaning of such section 351) if such application were submitted under subsection (k) of such section 351.

“(4) DEEMED APPROVED UNDER SECTION 351.—

“(A) IN GENERAL.—An approved application for a biological product under section 505 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 355) shall be deemed to be a license for the biological product under such section 351 on the date that is 10 years after the date of enactment of this Act.

“(B) TREATMENT OF CERTAIN APPLICATIONS.—

“(i) IN GENERAL.—With respect to an application for a biological product submitted under subsection (b) or (j) of section 505 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 355) that is filed not later than March 23, 2019, and is not approved as of March 23, 2020, the Secretary shall continue to review such application under such section 505 after March 23, 2020.

“(ii) EFFECT ON LISTED DRUGS.—Only for purposes of carrying out clause (i), with respect to any applicable listed drug with respect to such application, the following shall apply:

“(I) Any drug that is a biological product that has been deemed licensed under section 351 of the Public Health Service Act (42 U.S.C. 262) pursuant to subparagraph (A) and that is referenced in an application described in clause (i), shall continue to be identified as a listed drug on the list published pursuant to section 506(c)(7) of the Federal Food, Drug, and Cosmetic Act, and the information for such drug on such list shall not be revised after March 23, 2020, until—

“(aa) such drug is removed from such list in accordance with subclause (III) or subparagraph (C) of such section 506(c)(7); or

“(bb) this subparagraph no longer has force or effect.

“(II) Any drug that is a biological product that has been deemed licensed under section 351 of the
Public Health Service Act (42 U.S.C. 262) pursuant to subparagraph (A) and that is referenced in an application described in clause (i) shall be subject to requirements applicable to biological products licensed under such section.

“(III) Upon approval under subsection (c) or (j) of section 356 of the Federal Food, Drug, and Cosmetic Act of an application described in clause (i), the Secretary shall remove from the list published pursuant to section 505(j)(7) of the Federal Food, Drug, and Cosmetic Act any listed drug that is a biological product that has been deemed licensed under section 351 of the Public Health Service Act pursuant to subparagraph (A) and that is referenced in such approved application, unless such listed drug is referenced in one or more additional applications described in clause (i).

“(IV) DEEMED LICENSE.—Upon approval of an application described in clause (i), such approved application shall be deemed to be a license for the biological product under section 351 of the Public Health Service Act.

“(v) RULE OF CONSTRUCTION.—

“(AA) PATENT CERTIFICATION OR STATEMENT.—An application described in clause (i) shall contain a patent certification or statement described in, as applicable, section 565(b)(2) of the Federal Food, Drug, and Cosmetic Act or clauses (vii) and (viii) of section 505(g)(2)(A) of such Act and, with respect to any listed drug referenced in such application, comply with related requirements concerning any timely filed patent information listed pursuant to section 505(j)(7) of such Act.

“(BB) DATE OF APPROVAL.—The earliest possible date on which any application described in clause (i) may be approved shall be determined based on—

“(i) the 12-year period described in subsection (k)(7) of the Federal Food, Drug, and Cosmetic Act and references any listed drug, the last applicable date determined under subparagraph (A), (B), or (C) of section 356(c)(2) of the Federal Food, Drug, and Cosmetic Act and references any listed drug, the last applicable date determined under subparagraph (A), (B), or (C) of section 356(c)(3) of such Act, or, if the application was submitted under such section 356(c) of such Act, the last applicable date determined under clause (i), (ii), or (iii) of section 356(c)(3) of such Act.

“(ii) the 12-year period described in subsection (k)(7)(D) of the Public Health Service Act.

“(v) LISTING.—The Secretary may continue to review an application after March 21, 2020, pursuant to clause (i), and continue to identify any applicable listed drug pursuant to clause (ii) on the list published pursuant to section 505(j)(7) of the Federal Food, Drug, and Cosmetic Act, even if such review or listing may reveal the existence of such application and the identity of any listed drug for which the investigations described in section 505(b)(1)(A) of the Federal Food, Drug, and Cosmetic Act are relied upon by the applicant for approval of the pending application. Nothing in this subparagraph shall be construed as authorizing the Secretary to disclose any other information that is a trade secret or confidential information described in section 552(b)(4) of title 5, United States Code.

“(vi) SUNSET.—Beginning on October 1, 2022, this subparagraph shall have no force or effect and any applications described in clause (i) that have not been approved shall be deemed withdrawn.

“(5) DEFINITIONS.—For purposes of this subsection, the term ‘biological product’ has the meaning given such term under section 351 of the Public Health Service Act (42 U.S.C. 262) (as amended by this Act).

COSTS OF REVIEWING BIOSIMILAR BIOLOGICAL PRODUCT APPLICATIONS


“(B) EVALUATION OF COSTS OF REVIEWING BIOSIMILAR BIOLOGICAL PRODUCT APPLICATIONS.—During the period beginning on the date of enactment of this Act [Mar. 23, 2010] and ending on October 1, 2010, the Secretary of Health and Human Services shall collect and evaluate data regarding the costs of reviewing applications for biological products submitted under section 351(k) of the Public Health Service Act (42 U.S.C. 262(k)) (as added by this Act) during such period.

“(C) AUDIT.

“(i) IN GENERAL.—On the date that is 2 years after first receiving a user fee applicable to an application for a biological product under section 351(k) of the Public Health Service Act (42 U.S.C. 262(k)) (as added by this Act), and on a biennial basis thereafter until October 1, 2013, the Secretary shall perform an audit of the costs of reviewing such applications under such section 351(k). Such an audit shall compare—

“(I) the costs of reviewing such applications under such section 351(k) to the amount of the user fee applicable to such applications under such section 351(a).

“(II) (aa) such ratio determined under subclause (I); to

“(bb) the ratio of the costs of reviewing applications for biological products under section 351(a) of such Act (42 U.S.C. 262a(a)) (as amended by this Act) to the amount of the user fee applicable to such applications under such section 351(a).

“(iii) ACCOUNTING STANDARDS.—The Secretary shall perform an audit under clause (i) in conformance with the accounting principles, standards, and requirements prescribed by the Comptroller General of the United States under section 3151 of title 31, United States Code, to ensure the validity of any potential variability.’’

LICENSING OF ORPHAN PRODUCTS

Pub. L. 111–148, title VII, §7092(c), Mar. 23, 2010, 124 Stat. 821, provided that: “If a reference product, as defined in section 351 of the Public Health Service Act (42 U.S.C. 262) (as amended by this Act) has been designated under section 526 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 360bb) for a rare disease or condition, a biological product seeking approval for such reference product may be licensed by the Secretary of Health and Human Services, shall for each fiscal year determine the amount of savings to the Federal Government as a

SAVINGS GENERATED BY 2010 AMENDMENT


“(a) DETERMINATION.—The Secretary of the Treasury, in consultation with the Secretary of Health and Human Services, shall for each fiscal year determine the amount of savings to the Federal Government as a
result of the enactment of this subtitle [subtitle A (§§7001–7003) of title VII of Pub. L. 111–148, see Short Title of 2010 Amendment note under section 201 of this title].

“(b) Use.—Notwithstanding any other provision of this subtitle (or an amendment made by this subtitle), the savings to the Federal Government generated as a result of the enactment of this subtitle shall be used for deficit reduction.”

ENHANCED PENALTIES AND CONTROL OF BIOLOGICAL AGENTS


“(a) FINDINGS.—The Congress finds that—

“(1) certain biological agents have the potential to pose a severe threat to public health and safety;

“(2) such biological agents can be used as weapons by individuals or organizations for the purpose of domestic or international terrorism or for other criminal purposes;

“(3) the transfer and possession of potentially hazardous biological agents should be regulated to protect public health and safety; and

“(4) efforts to protect the public from exposure to such agents should ensure that individuals and groups with legitimate objectives continue to have access to such agents for clinical and research purposes.

“(b) CRIMINAL ENFORCEMENT.—[Amended sections 175, 177, and 178 of Title 18, Crimes and Criminal Procedure.]

“(c) TERRORISM.—[Amended section 2332a of Title 18.]

§ 262a. Enhanced control of dangerous biological agents and toxins

(a) Regulatory control of certain biological agents and toxins

(1) List of biological agents and toxins

(A) In general

The Secretary shall by regulation establish and maintain a list of each biological agent and each toxin that has the potential to pose a severe threat to public health and safety.

(B) Criteria

In determining whether to include an agent or toxin on the list under subparagraph (A), the Secretary shall—

(I) the effect on human health of exposure to the agent or toxin;

(II) the degree of contagiousness of the agent or toxin and the methods by which the agent or toxin is transferred to humans;

(III) the availability and effectiveness of pharmacotherapies and immunizations to treat and prevent any illness resulting from infection by the agent or toxin; and

(IV) any other criteria, including the needs of children and other vulnerable populations, that the Secretary considers appropriate; and

(ii) consult with appropriate Federal departments and agencies and with scientific experts representing appropriate professional groups, including groups with pediatric expertise.

(2) Biennial review

The Secretary shall review and republish the list under paragraph (1) biennially, or more often as needed, and shall by regulation revise the list as necessary in accordance with such paragraph.

(b) Regulation of transfers of listed agents and toxins

The Secretary shall by regulation provide for—

(1) the establishment and enforcement of safety procedures for the transfer of listed agents and toxins, including measures to ensure—

(A) proper training and appropriate skills to handle such agents and toxins; and

(B) proper laboratory facilities to contain and dispose of such agents and toxins;

(2) the establishment and enforcement of safeguard and security measures to prevent access to such agents and toxins for use in domestic or international terrorism or for any other criminal purpose;

(3) the establishment of procedures to protect the public safety in the event of a transfer or potential transfer of such an agent or toxin in violation of the safety procedures established under paragraph (1) or the safeguard and security measures established under paragraph (2); and

(4) appropriate availability of biological agents and toxins for research, education, and other legitimate purposes.

(c) Possession and use of listed agents and toxins

The Secretary shall by regulation provide for the establishment and enforcement of standards and procedures governing the possession and use of listed agents and toxins, including the provisions described in paragraphs (1) through (4) of this subsection, in order to protect the public health and safety.

(d) Registration; identification; database

(1) Registration

Regulations under subsections (b) and (c) shall require registration with the Secretary of the possession, use, and transfer of listed agents and toxins, and shall include provisions to ensure that persons seeking to register under such regulations have a lawful purpose to possess, use, or transfer such agents and toxins, including provisions in accordance with subsection (e)(6).

(2) Identification; database

Regulations under subsections (b) and (c) shall require that registration include (if available to the person registering) information regarding the characterization of listed agents and toxins to facilitate their identification, including their source. The Secretary shall maintain a national database that includes the names and locations of registered persons, the listed agents and toxins such persons are possessing, using, or transferring, and information regarding the characterization of such agents and toxins.

(e) Safeguard and security requirements for registered persons

(1) In general

Regulations under subsections (b) and (c) shall include appropriate safeguard and secu-
rity requirements for persons possessing, using, or transferring a listed agent or toxin commensurate with the risk such agent or toxin poses to public health and safety (including the risk of use in domestic or international terrorism). The Secretary shall establish such requirements in collaboration with the Secretary of Homeland Security and the Attorney General, and shall ensure compliance with such requirements as part of the registration system under such regulations.

(2) Limiting access to listed agents and toxins

Requirements under paragraph (1) shall include provisions to ensure that registered persons—

(A) provide access to listed agents and toxins to only those individuals whom the registered person involved determines have a legitimate need to handle or use such agents and toxins;

(B) submit the names and other identifying information for such individuals to the Secretary and the Attorney General, promptly after first determining that the individuals need access under subparagraph (A), and periodically thereafter while the individuals have such access, not less frequently than once every five years;

(C) deny access to such agents and toxins by individuals whom the Attorney General has identified as restricted persons; and

(D) limit or deny access to such agents and toxins by individuals whom the Attorney General has identified as within any category under paragraph (3)(B)(ii), if limiting or denying such access by the individuals involved is determined appropriate by the Secretary, in consultation with the Attorney General.

(3) Submitted names; use of databases by attorney general

(A) In general

Upon the receipt of names and other identifying information under paragraph (2)(B), the Attorney General shall, for the sole purpose of identifying whether the individuals involved are within any of the categories specified in subparagraph (B), promptly use criminal, immigration, national security, and other electronic databases that are appropriate for such purpose.

(B) Certain individuals

For purposes of subparagraph (A), the categories specified in this subparagraph regarding an individual are that—

(i) the individual is a restricted person; or

(ii) the individual is reasonably suspected by any Federal law enforcement or intelligence agency of—

(I) committing a crime set forth in section 2332b(g)(5) of title 18;

(II) knowing involvement with an organization that engages in domestic or international terrorism (as defined in section 2331 of such title 18) or with any other organization that engages in intentional crimes of violence; or

(III) being an agent of a foreign power (as defined in section 1801 of title 50).

(C) Notification by Attorney General regarding submitted names

After the receipt of a name and other identifying information under paragraph (2)(B), the Attorney General shall promptly notify the Secretary whether the individual is within any of the categories specified in subparagraph (B).

(4) Notifications by Secretary

The Secretary, after receiving notice under paragraph (3) regarding an individual, shall promptly notify the registered person involved of whether the individual is granted or denied access under paragraph (2). If the individual is denied such access, the Secretary shall promptly notify the individual of the denial.

(5) Expedited review

Regulations under subsections (b) and (c) shall provide for a procedure through which, upon request to the Secretary by a registered person who submits names and other identifying information under paragraph (2)(B) and who demonstrates good cause, the Secretary may, as determined appropriate by the Secretary—

(A) request the Attorney General to expedite the process of identification under paragraph (3)(A) and notification of the Secretary under paragraph (3)(C); and

(B) expedite the notification of the registered person by the Secretary under paragraph (4).

(6) Process regarding persons seeking to register

(A) Individuals

Regulations under subsections (b) and (c) shall provide that an individual who seeks to register under either of such subsections is subject to the same processes described in paragraphs (2) through (4) as apply to names and other identifying information submitted to the Attorney General under paragraph (2)(B). Paragraph (5) does not apply for purposes of this subparagraph.

(B) Other persons

Regulations under subsections (b) and (c) shall provide that, in determining whether to deny or revoke registration by a person other than an individual, the Secretary shall submit the name of such person to the Attorney General, who shall use criminal, immigration, national security, and other electronic databases available to the Federal Government, as appropriate for the purpose of promptly notifying the Secretary whether the person, or, where relevant, the individual who owns or controls such person, is a restricted person or is reasonably suspected by any Federal law enforcement or intelligence agency of being within any category specified in paragraph (3)(B)(ii) (as applied to persons, including individuals). Such regulations shall provide that a person who seeks to register under either of such subsections is subject to the same processes de-
scribed in paragraphs (2) and (4) as apply to names and other identifying information submitted to the Attorney General under paragraph (2)(B). Paragraph (5) does not apply for purposes of this subparagraph. The Secretary may exempt Federal, State, or local governmental agencies from the requirements of this subparagraph.

(7) Review

(A) Administrative review

(i) In general

Regulations under subsections (b) and (c) shall provide for an opportunity for a review by the Secretary—

(I) when requested by the individual involved, of a determination under paragraph (2) to deny the individual access to listed agents and toxins; and

(II) when requested by the person involved, of a determination under paragraph (6) to deny or revoke registration for such person.

(ii) Ex parte review

During a review under clause (i), the Secretary may consider information relevant to the review ex parte to the extent that disclosure of the information could compromise national security or an investigation by any law enforcement agency.

(iii) Final agency action

The decision of the Secretary in a review under clause (i) constitutes final agency action for purposes of section 702 of title 5.

(B) Certain procedures

(i) Submission of ex parte materials in judicial proceedings

When reviewing a decision of the Secretary under subparagraph (A), and upon request made ex parte and in writing by the United States, a court, upon a sufficient showing, may review and consider ex parte documents containing information the disclosure of which could compromise national security or an investigation by any law enforcement agency. If the court determines that portions of the documents considered ex parte should be disclosed to the person involved to allow a response, the court shall authorize the United States to delete from such documents specified items of information the disclosure of which could compromise national security or an investigation by any law enforcement agency, or to substitute a summary of the information to which the person may respond. Any order by the court authorizing the disclosure of information that the United States believes could compromise national security or an investigation by any law enforcement agency shall be subject to the processes set forth in subparagraphs (A) and (B)(i) of section 2339B(f)(5) of title 18 (relating to interlocutory appeal and expedited consideration).

(ii) Disclosure of information

In a review under subparagraph (A), and in any judicial proceeding conducted pursuant to such review, neither the Secretary nor the Attorney General may be required to disclose to the public any information that under subsection (h) shall not be disclosed under section 552 of title 5.

(8) Notifications regarding theft or loss of agents

Requirements under paragraph (1) shall include the prompt notification of the Secretary, and appropriate Federal, State, and local law enforcement agencies, of the theft or loss of listed agents and toxins.

(9) Technical assistance for registered persons

The Secretary, in consultation with the Attorney General, may provide technical assistance to registered persons to improve security of the facilities of such persons.

(f) Inspections

The Secretary shall have the authority to inspect persons subject to regulations under subsection (b) or (c) to ensure their compliance with such regulations, including prohibitions on restricted persons and other provisions of subsection (e).

(g) Exemptions

(1) Clinical or diagnostic laboratories

Regulations under subsections (b) and (c) shall exempt clinical or diagnostic laboratories and other persons who possess, use, or transfer listed agents or toxins that are contained in specimens presented for diagnosis, verification, or proficiency testing, provided that—

(A) the identification of such agents or toxins is reported to the Secretary, and when required under Federal, State, or local law, to other appropriate authorities; and

(B) such agents or toxins are transferred or destroyed in a manner set forth by the Secretary by regulation.

(2) Products

(A) In general

Regulations under subsections (b) and (c) shall exempt products that are, bear, or contain listed agents or toxins and are cleared, approved, licensed, or registered under any of the Acts specified in subparagraph (B), unless the Secretary by order determines that applying additional regulation under subsection (b) or (c) to a specific product is necessary to protect public health and safety.

(B) Relevant laws

For purposes of subparagraph (A), the Acts specified in this subparagraph are the following:


(ii) Section 262 of this title.


---

1So in original. Probably should be “judicial”.

2So in original. Probably should be “judicial”.
(C) Investigational use

(i) In general

The Secretary may exempt an investigational product that is, bears, or contains a listed agent or toxin from the applicability of provisions of regulations under subsection (b) or (c) when such product is being used in an investigation authorized under any Federal Act and the Secretary determines that applying additional regulation under subsection (b) or (c) to such product is not necessary to protect public health and safety.

(ii) Certain processes

Regulations under subsections (b) and (c) shall set forth the procedures for applying for an exemption under clause (i). In the case of investigational products authorized under any of the Acts specified in subparagraph (B), the Secretary shall make a determination regarding a request for an exemption not later than 14 days after the first date on which both of the following conditions have been met by the person requesting the exemption:

(I) The person has submitted to the Secretary an application for the exemption meeting the requirements established by the Secretary.

(II) The person has notified the Secretary that the investigation has been authorized under such an Act.

(3) Public health emergencies

The Secretary may temporarily exempt a person from the applicability of the requirements of this section, in whole or in part, if the Secretary determines that such exemption is necessary to provide for the timely participation of the person in a response to a domestic or foreign public health emergency (whether determined under section 247d(a) of this title or otherwise) that involves a listed agent or toxin. With respect to the emergency involved, such exemption for a person may not exceed 30 days, except that the Secretary, after review of whether such exemption remains necessary, may provide one extension of an additional 30 days.

(4) Agricultural emergencies

Upon request of the Secretary of Agriculture, after the granting by such Secretary of an exemption under section 8401(g)(1)(D) of title 7 pursuant to a finding that there is an agricultural emergency, the Secretary of Health and Human Services may temporarily exempt a person from the applicability of the requirements of this section, in whole or in part, to provide for the timely participation of the person in a response to the agricultural emergency. With respect to the emergency involved, the exemption under this paragraph for a person may not exceed 30 days, except that upon request of the Secretary of Agriculture, the Secretary of Health and Human Services may, after review of whether such exemption remains necessary, provide one extension of an additional 30 days.

(h) Disclosure of information

(1) Nondisclosure of certain information

No Federal agency specified in paragraph (2) shall disclose under section 552 of title 5 any of the following:

(A) Any registration or transfer documentation submitted under subsections (b) and (c) for the possession, use, or transfer of a listed agent or toxin; or information derived therefrom to the extent that it identifies the listed agent or toxin possessed, used, or transferred by a specific registered person or discloses the identity or location of a specific registered person.

(B) The national database developed pursuant to subsection (d), or any other compilation of the registration or transfer information submitted under subsections (b) and (c) to the extent that such compilation discloses site-specific registration or transfer information.

(C) Any portion of a record that discloses the site-specific or transfer-specific safeguard and security measures used by a registered person to prevent unauthorized access to listed agents and toxins.

(D) Any notification of a release of a listed agent or toxin submitted under subsections (b) and (c), or any notification of theft or loss submitted under such subsections.

(E) Any portion of an evaluation or report of an inspection of a specific registered person conducted under subsection (f) that identifies the listed agent or toxin possessed by a specific registered person or that discloses the identity or location of a specific registered person if the agency determines that public disclosure of the information would endanger public health or safety.

(2) Covered agencies

For purposes of paragraph (1) only, the Federal agencies specified in this paragraph are the following:

(A) The Department of Health and Human Services, the Department of Justice, the Department of Agriculture, and the Department of Transportation.

(B) Any Federal agency to which information specified in paragraph (1) is transferred by any agency specified in subparagraph (A) of this paragraph.

(C) Any Federal agency that is a registered person, or has a sub-agency component that is a registered person.

(D) Any Federal agency that awards grants or enters into contracts or cooperative agreements involving listed agents and toxins to or with a registered person, and to which information specified in paragraph (1) is transferred by any such registered person.

(3) Other exemptions

This subsection may not be construed as altering the application of any exemptions to public disclosure under section 552 of title 5, except as to subsection 552(b)(3) of such title.

\footnote{So in original. Probably should be “section.”}
(4) Rule of construction
Except as specifically provided in paragraph (1), this subsection may not be construed as altering the authority of any Federal agency to withhold under section 552 of title 5, or the obligation of any Federal agency to disclose under section 552 of title 5, any information, including information relating to—

(A) listed agents and toxins, or individuals seeking access to such agents and toxins;

(B) registered persons, or persons seeking to register their possession, use, or transfer of such agents and toxins;

(C) general safeguard and security policies and requirements under regulations under subsections (b) and (c); or

(D) summary or statistical information concerning registrations, registrants, denials or revocations of registrations, listed agents and toxins, inspection evaluations and reports, or individuals seeking access to such agents and toxins.

(5) Disclosures to Congress; other disclosures
This subsection may not be construed as providing any authority—

(A) to withhold information from the Congress or any committee or subcommittee thereof; or

(B) to withhold information from any person under any other Federal law or treaty.

(i) Civil money penalty

(1) In general
In addition to any other penalties that may apply under law, any person who violates any provision of regulations under subsection (b) or (c) shall be subject to the United States for a civil money penalty in an amount not exceeding $250,000 in the case of an individual and $500,000 in the case of any other person.

(2) Applicability of certain provisions
The provisions of section 1320a–7a of this title (other than subsections (a), (b), (h), and (i), the first sentence of subsection (c), and paragraphs (1) and (2) of subsection (f)) shall apply to a civil money penalty under paragraph (1) in the same manner as such provisions apply to a penalty or proceeding under section 1320a–7a(a) of this title, and such authority shall include all powers as contained in section 6 of the Inspector General Act of 1978 (5 U.S.C. App.).

(j) Notification in event of release
Regulations under subsections (b) and (c) shall require the prompt notification of the Secretary by a registered person whenever a release, meeting criteria established by the Secretary, of a listed agent or toxin has occurred outside of the biocontainment area of a facility of the registered person. Upon receipt of such notification and a finding by the Secretary that the release poses a threat to public health or safety, the Secretary shall take appropriate action to notify relevant State and local public health authorities, other relevant Federal authorities, and, if necessary, other appropriate persons (including the public). If the released listed agent or toxin is an overlap agent or toxin (as defined in subsection (l)), the Secretary shall promptly notify the Secretary of Agriculture upon notification by the registered person.

(k) Reports

(1) In general
The Secretary shall report to the Congress annually on the number and nature of notifications received under subsection (e)(3) (relating to theft or loss) and subsection (j) (relating to releases).

(2) Implementation of recommendations of the Federal Experts Security Advisory Panel and the fast track action committee on select agent regulations

(A) In general
Not later than 1 year after June 24, 2019, the Secretary shall report to the congressional committees of jurisdiction on the implementation of recommendations of the Federal Experts Security Advisory Panel concerning the select agent program.

(B) Continued updates
The Secretary shall report to the congressional committees of jurisdiction annually following the submission of the report under subparagraph (A) until the recommendations described in such subparagraph are fully implemented, or a justification is provided for the delay in, or lack of, implementation.

(l) Definitions
For purposes of this section:

(1) The terms “biological agent” and “toxin” have the meanings given such terms in section 178 of title 18.

(2) The term “listed agents and toxins” means biological agents and toxins listed pursuant to subsection (a)(1).

(3) The term “listed agents or toxins” means biological agents or toxins listed pursuant to subsection (a)(1).

(4) The term “overlap agents and toxins” means biological agents and toxins that—

(A) are listed pursuant to subsection (a)(1); and

(B) are listed pursuant to section 8401(a)(1) of title 7.

(5) The term “overlap agent or toxin” means a biological agent or toxin that—

(A) is listed pursuant to subsection (a)(1); and

(B) is listed pursuant to section 8401(a)(1) of title 7.

(6) The term “person” includes Federal, State, and local governmental entities.

(7) The term “registered person” means a person registered under regulations under subsection (b) or (c).

(8) The term “registered person” has the meaning given such term in section 175b of title 18.

(m) Authorization of appropriations
For the purpose of carrying out this section, there are authorized to be appropriated such
sums as may be necessary for each of the fiscal years 2002 through 2007.


REFERENCES IN TEXT

The Federal Food, Drug, and Cosmetic Act, referred to in subsec.(g)(2)(B)(i), is act June 25, 1938, ch. 675, 52 Stat. 1040, as amended, which is classified generally to chapter 9 (§ 301 et seq.) of Title 21, Food and Drugs. For complete classification of this Act to the Code, see section 301 of Title 21 and Tables.

The Act commonly known as the Virus-Serum-Toxin Act, referred to in subsec. (g)(2)(B)(iii), is the eighth paragraph under the heading “Bureau of Animal Industry” of act Mar. 4, 1913, ch. 145, 37 Stat. 832, as amended, which is classified generally to chapter 5 (§ 151 et seq.) of Title 21, Food and Drugs. For complete classification of this Act to the Code, see Short Title note set out under section 151 of Title 21 and Tables.


The Inspector General Act of 1978, referred to in subsec. (i)(2), is section 6 of Pub. L. 95–452, which is set out in the Appendix to Title 5, Government Organization and Employees.

AMENDMENTS


EFFECTIVE DATE OF 2002 AMENDMENT

Amendment by Pub. L. 107–296 effective 60 days after Nov. 25, 2002, see section 4 of Pub. L. 107–296, set out as an Effective Date note under section 101 of Title 6, Domestic Security.

EFFECTIVE DATE


REGULATIONS

Pub. L. 107–188, title II, § 203(a), June 12, 2002, 116 Stat. 647, provided that: “Regulations promulgated by the Secretary of Health and Human Services under section 511 of the Antiterrorism and Effective Death Penalty Act of 1996 [Pub. L. 104–132, 42 U.S.C. 262 note] are deemed to have been promulgated under section 351A of the Public Health Service Act [42 U.S.C. 262a], as added by section 201 of this Act. Such regulations, including the list under [former] subsection (d)(1) of such section 511, that were in effect on the day before the date of the enactment of this Act [June 12, 2002] remain in effect until modified by the Secretary in accordance with such section 351A and with section 202 of this Act [set out as a note below].”

NATIONAL SCIENCE ADVISORY BOARD FOR BIOSECURITY

Pub. L. 109–417, title II, § 205, Dec. 19, 2006, 120 Stat. 2851, provided that: “The National Science Advisory Board for Biosecurity shall, when requested by the Secretary of Health and Human Services, provide to relevant Federal departments and agencies, advice, guidance, or recommendations concerning—

“(1) a core curriculum and training requirements for workers in maximum containment biological laboratories; and

“(2) periodic evaluations of maximum containment biological laboratory capacity nationwide and assessments of the future need for increased laboratory capacity.”

REPORT TO CONGRESS

Pub. L. 107–188, title II, § 201(b), June 12, 2002, 116 Stat. 646, required the Secretary of Health and Human Services to report to Congress not later than one year after June 12, 2002, on the implementation, compliance, and future plans under this section.

IMPLEMENTATION BY DEPARTMENT OF HEALTH AND HUMAN SERVICES


“(a) DATE CERTAIN FOR NOTICE OF POSSESSION.—Not later than 90 days after the date of the enactment of this Act [June 12, 2002], all persons (unless exempt under subsection (g) of section 351A of the Public Health Service Act [42 U.S.C. 262a(g)], as added by section 201 of this Act) possession of biological agents and toxins listed pursuant to section 351A(a)(1) of the Public Health Service Act [42 U.S.C. 262a] shall notify the Secretary of Health and Human Services of such possession. Not later than 30 days after such date of enactment, the Secretary shall provide written guidance on how such notice is to be provided to the Secretary.

“(b) DATE CERTAIN FOR PROMULGATION, EFFECTIVE DATE REGARDING CRIMINAL AND CIVIL PENALTIES.—Not later than 180 days after the date of the enactment of this Act [June 12, 2002], the Secretary of Health and Human Services shall promulgate an interim final rule for carrying out section 351A of the Public Health Service Act [42 U.S.C. 262a], subject to subsection (c). Such interim final rule shall take effect 60 days after the date on which such rule is promulgated, including for purposes of—

“(1) section 175b(c) of title 18, United States Code (relating to criminal penalties), as added by section 231(a)(5) of this Act; and

“(2) section 351A(i) of the Public Health Service Act [42 U.S.C. 262a(i)] (relating to civil penalties).

“(c) TRANSITIONAL PROVISION REGARDING CURRENT RESEARCH AND EDUCATION.—The interim final rule under subsection (b) shall include time frames for the applicability of the rule that minimize disruption of research or educational projects that involve biological agents and toxins listed pursuant to section 351A(a)(1) of the Public Health Service Act [42 U.S.C. 262a(i)] and that were underway as of the effective date of such rule.”

EX. ORD. NO. 13546. OPTIMIZING THE SECURITY OF BIOLOGICAL SELECT AGENTS AND TOXINS IN THE UNITED STATES

Ex. Ord. No. 13546, July 2, 2010, 75 F.R. 39439, provided: By the authority vested in me as President by the Constitution and the laws of the United States of America, it is hereby ordered as follows:

SECTION 1. Policy. It is the policy of the United States that:

(a) A robust and productive scientific enterprise that utilizes biological select agents and toxins (BSAT) is essential to national security;

(b) BSAT shall be secured in a manner appropriate to their risk of misuse, theft, loss, and accidental release; and

(c) Security measures shall be taken in a coordinated manner that balances their efficacy with the need to minimize the adverse impact on the legitimate use of BSAT.
SISC. 2. Definitions. (a) "Select Agent Program" (SAP) means the regulatory oversight and administrative activities conducted by the Secretaries of Health and Human Services and Agriculture and the Attorney General to implement the Public Health Security and Bioterrorism Preparedness and Response Act of 2002 and the Agricultural Bioterrorism Protection Act of 2002.


(c) "Biological Select Agents and Toxins" means biological agents and toxins with the potential to pose a severe threat to public health and safety, animal and plant health, or animal and plant products and whose possession, use, and transfer are regulated by the Department of Health and Human Services and the Department of Agriculture under the SAR.

SISC. 3. Findings. (a) The use of BSAT presents the risk that BSAT might be lost, stolen, or diverted for malicious purpose. The SAP exists to provide effective regulatory oversight of the possession, use, and transfer of BSAT that reduces the risk of their misuse or mishandling. The absence of clearly defined, risk-based security measures in the SAR/SAP has raised concerns about the need for optimized security and for risk management.

(b) In addition, variations in, and limited coordination of, individual executive departments and agencies' oversight, security practices, and inspections have raised concerns that the cost and complexity of compliance for those who are registered to work with BSAT could discourage research or other legitimate activities.

(c) Understanding that research and laboratory work on BSAT is essential to both public health and national security, it is in the interest of the United States to address these issues.

SISC. 4. Risk-based Tiering of the Select Agent List. To help ensure that BSAT are secured according to level of risk, the Secretaries of Health and Human Services and Agriculture shall, through their ongoing review of the biological select agents and toxins list ("Select Agent List") contained in regulations, and no later than 18 months from the date of this order:

(a) designate a subset of the Select Agent List (Tier 1) that presents the greatest risk of deliberate misuse with most significant potential for mass casualties or devastating effects to the economy, critical infrastructure, or public confidence;

(b) explore options for graded protection of Tier 1 agents and toxins as described in subsection (a) of this section to permit tailored risk management practices based upon relevant contextual factors; and

(c) consider reducing the overall number of agents and toxins on the Select Agent List.

SISC. 5. Establishment, Operation, and Functions of the Federal Experts Security Advisory Panel. (i) There is hereby established, within the Department of Health and Human Services for administrative purposes only, the Federal Experts Security Advisory Panel (Panel), which shall make technical and substantive recommendations on BSAT security concerning the SAR.

(ii) The Panel shall consist of representatives from the following, who may consult with additional experts from their department or agency as required:

1. the Department of State;
2. the Department of Defense;
3. the Department of Justice;
4. the Department of Agriculture (Co-Chair);
5. the Department of Commerce;
6. the Department of Health and Human Services (Co-Chair);
7. the Department of Transportation;
8. the Department of Labor;
9. the Department of Energy;
10. the Department of Veterans Affairs;
11. the Department of Homeland Security;
12. the Environmental Protection Agency;
13. the Office of the Director of National Intelligence;
14. the Office of Science and Technology Policy;
15. the Joint Chiefs of Staff; and
16. any other department or agency designated by the Co-Chairs.

(iii) To assist the Secretaries of Health and Human Services and Agriculture and the Attorney General in implementing the policies set forth in sections 1, 4, 5, and 6 of this order, the Panel shall, no later than 4 months from the date of this order, provide consensus recommendations concerning the SAP on:

1. the designation of Tier 1 agents and toxins;
2. the reduction in the number of agents on the Select Agent List;
3. the establishment of appropriate practices to ensure reliability of personnel with access to Tier 1 agents and toxins at registered facilities;
4. the establishment of appropriate practices for physical security and cyber security for facilities that possess Tier 1 agents. The Department of Homeland Security shall Chair a Working Group of the Panel that develops recommended laboratory critical infrastructure security standards in these areas; and
5. other emerging policy issues relevant to the security of BSAT.

Thereafter, the Panel shall continue to provide technical advice concerning the SAP on request.

(iv) If the Panel is unable to reach consensus on recommendations for an issue within its charge, the matter shall be resolved through the interagency policy committee process led by the National Security Staff.

(v) The Secretaries of Health and Human Services and Agriculture and the Attorney General shall report to the Assistant to the President for Homeland Security and Counterterrorism on the consideration and implementation of Panel recommendations concerning the SAR, including a rationale for failure to implement any recommendations.

(vi) The Panel shall be chartered for a period of 4 years subject to renewal through the interagency pol-
icy committee process led by the National Security Staff.

(b) To further assist the Secretaries of Health and Human Services and Agriculture and the Attorney General in implementing the policy set forth in sections 1, 4, 5, and 6 of this order, the National Science Advisory Board for Biosecurity shall provide technical advice and serve as a conduit for public consultation, as needed, on topics of relevance to the SAP.

§ 263. Preparation of biological products by Service

(a) The Service may prepare for its own use any product described in section 262 of this title and any product necessary to carrying out any of the purposes of section 241 of this title.

(b) The Service may prepare any product described in section 262 of this title for the use of other Federal departments or agencies, and public or private agencies and individuals engaged in work in the field of medicine when such product is not available from establishments licensed under such section.

(7) 1944, ch. 373, title III, § 352, 58 Stat. 703.)

TRANSFER OF FUNCTIONS


Secretary of Health, Education, and Welfare redesignated Secretary of Health and Human Services by section 509(b) of Pub. L. 96–88 which is classified to section 3508(b) of Title 20, Education.

SUBPART 2—CLINICAL LABORATORIES

§ 263a. Certification of laboratories

(a) “Laboratory” or “clinical laboratory” defined

As used in this section, the term “laboratory” or “clinical laboratory” means a facility for the biological, microbiological, serological, chemical, immuno-hematological, hematological, biophysical, cytological, pathological, or other examination of materials derived from the human body for the purpose of providing information for the diagnosis, prevention, or treatment of any disease or impairment of, or the assessment of the health of, human beings.

(b) Certificate requirement

No person may solicit or accept materials derived from the human body for laboratory examination or other procedure unless there is in effect for the laboratory a certificate issued by the Secretary under this section applicable to the category of examinations or procedures which includes such examination or procedure.

(c) Issuance and renewal of certificates

(1) In general

The Secretary may issue or renew a certificate for a laboratory only if the laboratory meets the requirements of subsection (d).

(2) Term

A certificate issued under this section shall be valid for a period of 2 years or such shorter period as the Secretary may establish.

(d) Requirements for certificates

(1) In general

A laboratory may be issued a certificate or have its certificate renewed if—

(A) the laboratory submits (or if the laboratory is accredited, to the accreditation body which accredited it) a description of any change in the information submitted under clause (ii) not later than 6 months after the change was put into effect,
§ 263a

(2) Requirements for certificates of waiver

(A) In general

A laboratory which only performs laboratory examinations and procedures described in paragraph (3) shall be issued a certificate of waiver or have its certificate of waiver renewed if—

(i) the laboratory submits an application—

(I) in such form and manner as the Secretary shall prescribe,

(II) that describes the characteristics of the laboratory examinations and other procedures performed by the laboratory, including the number and types of laboratory examinations and other procedures performed, the methodologies for laboratory examinations and other procedures employed, and the qualifications (educational background, training, and experience) of the personnel directing and supervising the laboratory and performing the laboratory examinations and other procedures, and

(III) that contains such other information as the Secretary may reasonably require to determine compliance with this section, and

(ii) the laboratory agrees to make records available and submit reports to the Secretary as the Secretary may require.

(B) Changes

If a laboratory makes changes in the examinations and other procedures performed by it only with respect to examinations and procedures which are described in paragraph (3), the laboratory shall report such changes to the Secretary not later than 6 months after the change has been put into effect. If a laboratory proposes to make changes in the examinations and procedures performed by it such that the laboratory will perform an examination or procedure not described in paragraph (3), the laboratory shall report such change to the Secretary before the change takes effect.

(C) Effect

Subsections (f) and (g) shall not apply to a laboratory to which has been issued a certificate of waiver.

(3) Examinations and procedures

The examinations and procedures identified in paragraph (2) are laboratory examinations and procedures that have been approved by the Food and Drug Administration for home use or that, as determined by the Secretary, are simple laboratory examinations and procedures that have an insignificant risk of an erroneous result, including those that—

(A) employ methodologies that are so simple and accurate as to render the likelihood of erroneous results by the user negligible, or

(B) the Secretary has determined pose no unreasonable risk of harm to the patient if performed incorrectly.

(4) “Certificate” defined

As used in this section, the term “certificate” includes a certificate of waiver issued under paragraph (2).

(e) Accreditation

(1) In general

A laboratory may be accredited for purposes of obtaining a certificate if the laboratory—

(A) meets the standards of an approved accreditation body, and

(B) authorizes the accreditation body to submit to the Secretary (or such State agency as the Secretary may designate) such records or other information as the Secretary may require.

(2) Approval of accreditation bodies

(A) In general

The Secretary may approve a private nonprofit organization to be an accreditation body for the accreditation of laboratories if—

(i) using inspectors qualified to evaluate the methodologies used by the laboratories in performing laboratory examinations and other procedures, the accreditation body agrees to inspect a laboratory for purposes of accreditation with such frequency as determined by the Secretary,

(ii) the standards applied by the body in determining whether or not to accredit a laboratory are equal to or more stringent than the standards issued by the Secretary under subsection (f),

(iii) there is adequate provision for assuring that the standards of the accreditation body continue to be met by the laboratory,

(iv) in the case of any laboratory accredited by the body which has had its accreditation denied, suspended, withdrawn, or revoked or which has had any other action taken against it by the accrediting body, the accrediting body agrees to submit to

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

1So in original. Probably should be “by the”.
the Secretary the name of such laboratory within 30 days of the action taken,

(v) the accreditation body agrees to notify the Secretary at least 30 days before it changes its standards, and

(vi) if the accreditation body has its approval withdrawn by the Secretary, the body agrees to notify each laboratory accredited by the body of the withdrawal within 10 days of the withdrawal.

(B) Criteria and procedures

The Secretary shall promulgate criteria and procedures for approving an accreditation body and for withdrawing such approval if the Secretary determines that the accreditation body does not meet the requirements of subparagraph (A).

(C) Effect of withdrawal of approval

If the Secretary withdraws the approval of an accreditation body under subparagraph (B), the certificate of any laboratory accredited by the body shall continue in effect for 60 days after the laboratory receives notification of the withdrawal of the approval, except that the Secretary may extend such period for a laboratory if it determines that the laboratory submitted an application for accreditation or a certificate in a timely manner after receipt of the notification of the withdrawal of approval. If an accreditation body withdraws or revokes the accreditation of a laboratory, the certificate of the laboratory shall continue in effect—

(i) for 45 days after the laboratory receives notice of the withdrawal or revocation of the accreditation, or

(ii) until the effective date of any action taken by the Secretary under subsection (i).

(D) Evaluations

The Secretary shall evaluate annually the performance of each approved accreditation body by—

(i) inspecting under subsection (g) a sufficient number of the laboratories accredited by such body to allow a reasonable estimate of the performance of such body, and

(ii) such other means as the Secretary determines appropriate.

(3) Omitted

(f) Standards

(1) In general

The Secretary shall issue standards to assure consistent performance by laboratories issued a certificate under this section of valid and reliable laboratory examinations and other procedures. Such standards shall require each laboratory issued a certificate under this section—

(A) to maintain a quality assurance and quality control program adequate and appropriate for the validity and reliability of the laboratory examinations and other procedures of the laboratory and to meet requirements relating to the proper collection, transportation, and storage of specimens and the reporting of results,

(B) to maintain records, equipment, and facilities necessary for the proper and effective operation of the laboratory,

(C) in performing and carrying out its laboratory examinations and other procedures, to use only personnel meeting such qualifications as the Secretary may establish for the direction, supervision, and performance of examinations and procedures within the laboratory, which qualifications shall take into consideration competency, training, experience, job performance, and education and which qualifications shall, as appropriate, be different on the basis of the type of examinations and procedures being performed by the laboratory and the risks and consequences of erroneous results associated with such examinations and procedures,

(D) to qualify under a proficiency testing program meeting the standards established by the Secretary under paragraph (3), and

(E) to meet such other requirements as the Secretary determines necessary to assure consistent performance by such laboratories of accurate and reliable laboratory examinations and procedures.

(2) Considerations

In developing the standards to be issued under paragraph (1), the Secretary shall, within the flexibility provided under subparagraphs (A) through (E) of paragraph (1), take into consideration—

(A) the examinations and procedures performed and the methodologies employed,

(B) the degree of independent judgment involved,

(C) the amount of interpretation involved,

(D) the difficulty of the calculations involved,

(E) the calibration and quality control requirements of the instruments used,

(F) the type of training required to operate the instruments used in the methodology, and

(G) such other factors as the Secretary considers relevant.

(3) Proficiency testing program

(A) In general

The Secretary shall establish standards for the proficiency testing programs for laboratories issued a certificate under this section which are conducted by the Secretary, conducted by an organization approved under subparagraph (C), or conducted by an approved accrediting body. The standards shall require that a laboratory issued a certificate under this section be tested for each examination and procedure conducted within a category of examinations or procedures for which it has received a certificate, except for examinations and procedures for which the Secretary has determined that a proficiency test cannot reasonably be developed. The testing shall be conducted on a quarterly basis, except where the Secretary determines for technical and scientific reasons that a particular examination or procedure may be tested less frequently (but not less often than twice per year).
§ 263a

(B) Criteria

The standards established under subparagraph (A) shall include uniform criteria for acceptable performance under a proficiency testing program, based on the available technology and the clinical relevance of the laboratory examination or other procedure subject to such program. The criteria shall be established for all examinations and procedures and shall be uniform for each examination and procedure. The standards shall also include a system for grading proficiency testing performance to determine whether a laboratory has performed acceptably for a particular quarter and acceptably for a particular examination or procedure or category of examination or procedure over a period of successive quarters.

(C) Approved proficiency testing programs

For the purpose of administering proficiency testing programs which meet the standards established under subparagraph (A), the Secretary shall approve a proficiency testing program offered by a private nonprofit organization or a State if the program meets the standards established under subparagraph (A) and the organization or State provides technical assistance to laboratories seeking to qualify under the program. The Secretary shall evaluate each program approved under this subparagraph annually to determine if the program continues to meet the standards established under subparagraph (A) and shall withdraw the approval of any program that no longer meets such standards.

(D) Onsite testing

The Secretary shall perform, or shall direct a program approved under subparagraph (C) to perform, onsite proficiency testing to assure compliance with the requirements of subsection (d)(5). The Secretary shall perform, on an onsite or other basis, proficiency testing to evaluate the performance of a proficiency testing program approved under subparagraph (C) and to assure quality performance by a laboratory.

(E) Training, technical assistance, and enhanced proficiency testing

The Secretary may, in lieu of or in addition to actions authorized under subsection (h), (i), or (j), require any laboratory which fails to perform acceptably on an individual examination and procedure or a category of examination and procedures—

(i) to undertake training and to obtain the necessary technical assistance to meet the requirements of the proficiency testing program,

(ii) to enroll in a program of enhanced proficiency testing, or

(iii) to undertake any combination of the training, technical assistance, or testing described in clauses (i) and (ii).

(F) Testing results

The Secretary shall establish a system to make the results of the proficiency testing programs subject to the standards established by the Secretary under subparagraph (A) available, on a reasonable basis, upon request of any person. The Secretary shall include with results made available under this subparagraph such explanatory information as may be appropriate to assist in the interpretation of such results.

(4) National standards for quality assurance in cytology services

(A) Establishment

The Secretary shall establish national standards for quality assurance in cytology services designed to assure consistent performance by laboratories of valid and reliable cytological services.

(B) Standards

The standards established under subparagraph (A) shall include—

(i) the maximum number of cytology slides that any individual may screen in a 24-hour period,

(ii) requirements that a clinical laboratory maintain a record of (I) the number of cytology slides screened during each 24-hour period by each individual who examines cytology slides for the laboratory, and (II) the number of hours devoted during each 24-hour period to screening cytology slides by such individual,

(iii) criteria for requiring rescreening of cytological preparations, such as (I) random rescreening of cytology specimens determined to be in the benign category, (II) focused rescreening of such preparations in high risk groups, and (III) for each abnormal cytological result, rescreening of all prior cytological specimens for the patient, if available,

(iv) periodic confirmation and evaluation of the proficiency of individuals involved in screening or interpreting cytological preparations, including announced and unannounced on-site proficiency testing of such individuals, with such testing to take place, to the extent practicable, under normal working conditions,

(v) procedures for detecting inadequately prepared slides, for assuring that no cytological diagnosis is rendered on such slides, and for notifying referring physicians of such slides,

(vi) requirements that all cytological screening be done on the premises of a laboratory that is certified under this section,

(vii) requirements for the retention of cytology slides by laboratories for such periods of time as the Secretary considers appropriate, and

(viii) standards requiring periodic inspection of cytology services by persons capable of evaluating the quality of cytology services.

(g) Inspections

(1) In general

The Secretary may, on an announced or unannounced basis, enter and inspect, during regular hours of operation, laboratories which...
have been issued a certificate under this section. In conducting such inspections the Secretary shall have access to all facilities, equipment, materials, records, and information that the Secretary determines have a bearing on whether the laboratory is being operated in accordance with this section. As part of such an inspection the Secretary may copy any such material or require it to be submitted to the Secretary. An inspection under this paragraph may be made only upon presenting identification to the owner, operator, or agent in charge of the laboratory being inspected.

(2) Compliance with requirements and standards

The Secretary shall conduct inspections of laboratories under paragraph (1) to determine their compliance with the requirements of subsection (d) and the standards issued under subsection (f). Inspections of laboratories not accredited under subsection (e) shall be conducted on a biennial basis or with such other frequency as the Secretary determines to be necessary to assure compliance with such requirements and standards. Inspections of laboratories accredited under subsection (e) shall be conducted on such basis as the Secretary determines is necessary to assure compliance with such requirements and standards.

(h) Intermediate sanctions

(1) In general

If the Secretary determines that a laboratory which has been issued a certificate under this section no longer substantially meets the requirements for the issuance of a certificate, the Secretary may impose intermediate sanctions in lieu of the actions authorized by subsection (i).

(2) Types of sanctions

The intermediate sanctions which may be imposed under paragraph (1) shall consist of—

(A) directed plans of correction,

(B) civil money penalties in an amount not to exceed $10,000 for each violation listed in subsection (i)(1) or for each day of substantial noncompliance with the requirements of this section,

(C) payment for the costs of onsite monitoring, or

(D) any combination of the actions described in subparagraphs (A), (B), and (C).

(3) Procedures

The Secretary shall develop and implement procedures with respect to when and how each of the intermediate sanctions is to be imposed under paragraph (1). Such procedures shall provide for notice to the laboratory and a reasonable opportunity to respond to the proposed sanction and appropriate procedures for appealing determinations relating to the imposition of intermediate sanctions.

(i) Suspension, revocation, and limitation

(1) In general

Except as provided in paragraph (2), the certificate of a laboratory issued under this section may be suspended, revoked, or limited if the Secretary finds, after reasonable notice and opportunity for hearing to the owner or operator of the laboratory, that such owner or operator or any employee of the laboratory—

(A) has been guilty of misrepresentation in obtaining the certificate,

(B) has performed or represented the laboratory as entitled to perform a laboratory examination or other procedure which is not within a category of laboratory examinations or other procedures authorized in the certificate,

(C) has failed to comply with the requirements of subsection (d) or the standards prescribed by the Secretary under subsection (f),

(D) has failed to comply with reasonable requests of the Secretary for—

(i) any information or materials, or

(ii) work on materials,

that the Secretary concludes is necessary to determine the laboratory’s continued eligibility for its certificate or continued compliance with the Secretary’s standards under subsection (f),

(E) has refused a reasonable request of the Secretary, or any Federal officer or employee duly designated by the Secretary, for permission to inspect the laboratory and its operations and pertinent records during the hours the laboratory is in operation,

(F) has violated or aided and abetted in the violation of any provisions of this section or of any regulation promulgated thereunder, or

(G) has not complied with an intermediate sanction imposed under subsection (h).

(2) Action before a hearing

If the Secretary determines that—

(A) the failure of a laboratory to comply with the standards of the Secretary under subsection (f) presents an imminent and serious risk to human health, or

(B) a laboratory has engaged in an action described in subparagraph (D) or (E) of paragraph (1),

the Secretary may suspend or limit the certificate of the laboratory before holding a hearing under paragraph (1) regarding such failure or refusal. The opportunity for a hearing shall be provided no later than 60 days from the effective date of the suspension or limitation. A suspension or limitation under this paragraph shall stay in effect until the decision of the Secretary made after the hearing under paragraph (1).

(3) Ineligibility to own or operate laboratories after revocation

No person who has owned or operated a laboratory which has had its certificate revoked may, within 2 years of the revocation of the certificate, own or operate a laboratory for which a certificate has been issued under this section, except that if the revocation occurs pursuant to paragraph (4) the Secretary may substitute intermediate sanctions under subsection (h) instead of the 2-year prohibition against ownership or operation which would

---

3So in original. Probably should be “require it to”.
4So in original. Probably should be followed by a period.
§ 263a

(1) Certificate fees

The Secretary shall require payment of fees for the issuance and renewal of certificates, except that the Secretary shall only require a nominal fee for the issuance and renewal of certificates of waiver.

(2) Additional fees

The Secretary shall require the payment of fees for inspections of laboratories which are not accredited and for the cost of performing proficiency testing on laboratories which do not participate in proficiency testing programs approved under subsection (f)(3)(C).

(3) Criteria

(A) Fees under paragraph (1)

Fees imposed under paragraph (1) shall be sufficient to cover the general costs of administering this section, including evaluating and monitoring proficiency testing programs approved under subsection (f) and accrediting bodies and implementing and monitoring compliance with the requirements of this section.

(B) Fees under paragraph (2)

Fees imposed under paragraph (2) shall be sufficient to cover the cost of the Secretary in carrying out the inspections and proficiency testing described in paragraph (2).

(C) Fees imposed under paragraphs (1) and (2)

Fees imposed under paragraphs (1) and (2) shall vary by group or classification of laboratory, based on such considerations as the Secretary determines are relevant, which may include the dollar volume and scope of the testing being performed by the laboratories.
(n) Information
On April 1, 1990 and annually thereafter, the Secretary shall compile and make available to physicians and the general public information, based on the previous calendar year, which the Secretary determines is useful in evaluating the performance of a laboratory, including—
(1) a list of laboratories which have been convicted under Federal or State laws relating to fraud and abuse, false billings, or kickbacks,
(2) a list of laboratories—
   (A) which have had their certificates revoked, suspended, or limited under subsection (i), or
   (B) which have been the subject of a sanction under subsection (j),
   together with a statement of the reasons for the revocation, suspension, limitation, or sanction,
(3) a list of laboratories subject to intermediate sanctions under subsection (h) together with a statement of the reasons for the sanctions,
(4) a list of laboratories whose accreditation has been withdrawn or revoked together with a statement of the reasons for the withdrawal or revocation,
(5) a list of laboratories against which the Secretary has taken action under subsection (j) together with a statement of the reasons for such action, and
(6) a list of laboratories which have been excluded from participation under title XVIII or XIX of the Social Security Act [42 U.S.C. 1395 et seq.],
The information to be compiled under paragraphs (1) through (6) shall be information for the calendar year preceding the date the information is to be made available to the public and shall be accompanied by such explanatory information as may be appropriate to assist in the interpretation of the information compiled under such paragraphs.

(o) Delegation
In carrying out this section, the Secretary may, pursuant to agreement, use the services or facilities of any Federal or State or local public agency or nonprofit private organization, and may pay therefor in advance or by way of reimbursement, and in such installments, as the Secretary may determine.

(p) State laws
(1) Except as provided in paragraph (2), nothing in this section shall be construed as affecting the power of any State to enact and enforce laws relating to the matters covered by this section to the extent that such laws are not inconsistent with this section or with the regulations issued under this section.
(2) If a State enacts laws relating to matters covered by this section which provide for requirements equal to or more stringent than the requirements of this section or than the regulations issued under this section, the Secretary may exempt clinical laboratories in that State from compliance with this section.

(q) Consultations
In carrying out this section, the Secretary shall consult with appropriate private organizations and public agencies.


REFERENCES IN TEXT
The Social Security Act, referred to in subsecs. (i)(3) and (n)(6), is act Aug. 14, 1935, ch. 531, 49 Stat. 620, as amended. Titles XVIII and XIX of the Social Security Act are classified generally to subchapters XVIII (§1395 et seq.) and XIX (§1396 et seq.), respectively, of chapter 7 of this title. For complete classification of this Act to the Code, see section 1305 of this title and Tables.

CODIFICATION
Subsec. (e)(3) of this section, which required the Secretary to annually prepare and submit to certain committees of Congress a report describing the results of the evaluation conducted under subsec. (e)(2)(D) of this section, terminated, effective May 15, 2000, pursuant to section 3003 of Pub. L. 104–66, as amended, set out as a note under section 3131 of Title 31, Money and Finance. See, also, page 96 of House Document No. 103–7.

AMENDMENTS
2012—Subsec. (d)(1)(E), Pub. L. 112–202, § 2(1), inserted "except that if no proficiency testing sample shall be referred to another laboratory for analysis as prohibited under subsection (e)(4)" before period at end.
  Subsec. (i)(3), Pub. L. 112–202, § 2(2)(A), inserted "except that if the revocation occurs pursuant to paragraph (4) the Secretary may substitute intermediate sanctions under subsection (h) instead of the 2-year prohibition against ownership or operation which would otherwise apply under this paragraph" after "issued under this section".
  Subsec. (i)(4), Pub. L. 112–202, § 2(2)(B), substituted "may have its certificate revoked" for "shall have its certificate revoked".
1997—Subsec. (d)(3), Pub. L. 105–115 amended heading and text of par. (3) generally. Prior to amendment, text read as follows: "The examinations and procedures which, as determined by the Secretary, have an insignificant risk of an erroneous result, including those which—
   "(A) have been approved by the Food and Drug Administration for home use,
   "(B) employ methodologies that are so simple and accurate as to render the likelihood of erroneous results negligible, or
   "(C) the Secretary has determined pose no reasonable risk of harm to the patient if performed incorrectly." 1988—Pub. L. 100–578 substituted "Certification of laboratories" for "Licensing of laboratories" in section catchline, and amended text generally, revising and restating as subsec. (a) to (q) provisions of former subsecs. (a) to (l).

EFFECTIVE DATE OF 1997 AMENDMENT
Amendment by Pub. L. 105–115 effective 90 days after Nov. 21, 1997, except as otherwise provided, see section 501 of Pub. L. 105–115, set out as a note under section 321 of Title 21, Food and Drugs.

EFFECTIVE DATE OF 1988 AMENDMENT; EXCEPTIONS; CONTINUING APPLICABILITY
Pub. L. 100–578, § 3, Oct. 31, 1988, 102 Stat. 2914, provided that: "Subsections (g)(1), (h), (i), (j), (k), (l), and
§ 263a-1. Assisted reproductive technology programs

(a) In general

Effective 2 years after October 24, 1992, each assisted reproductive technology (as defined in section 263a–7 of this title) program shall annually report to the Secretary through the Centers for Disease Control—

(1) pregnancy success rates achieved by such program through each assisted reproductive technology, and

(2) the identity of each embryo laboratory (as defined in section 263a–7 of this title) used by such program and whether the laboratory is certified under section 263a–2 of this title or has applied for such certification.

(b) Pregnancy success rates

(1) In general

For purposes of subsection (a)(1), the Secretary shall, in consultation with the organizations referenced in subsection (c), define pregnancy success rates and shall make public any proposed definition in such manner as to facilitate comment from any person (including any Federal or other public agency) during its development.

(2) Definition

In developing the definition of pregnancy success rates, the Secretary shall take into account the effect on success rates of age, diagnosis, and other significant factors and shall include in such rates—

(A) the basic live birth rate calculated for each assisted reproductive technology program by dividing the number of pregnancies which result in live births by the number of ovarian stimulation procedures attempted by such program, and

(B) the live birth rate per successful oocyte retrieval procedure calculated for each assisted reproductive technology performed by an assisted reproductive technology program by dividing the number of pregnancies which result in live births by the number of successful oocyte retrieval procedures performed by such program.

(c) Consultation

In developing the definition under subsection (b), the Secretary shall consult with appropriate consumer and professional organizations with expertise in using, providing, and evaluating professional services and embryo laboratories associated with assisted reproductive technologies.

References in Text

Section 263a–7 of this title, referred to in subsec. (a), was in the original “section 7” meaning section 7 of Pub. L. 102–493, which was translated as reading section 8 to reflect the probable intent of Congress, because definitions are contained in section 8 instead of section 7.

Change of Name


Effective Date


---

*See References in Text note below.*
§ 263a–2. Certification of embryo laboratories

(a) In general

(1) Development

Not later than 2 years after October 24, 1992, the Secretary, through the Centers for Disease Control, shall develop a model program for the certification of embryo laboratories (referred to in this section as a “certification program”) to be carried out by the States.

(2) Consultation

In developing the certification program under paragraph (1), the Secretary shall consult with appropriate consumer and professional organizations with expertise in using, providing, and evaluating professional services and embryo laboratories associated with the assisted reproductive technology programs.

(b) Distribution

The Secretary shall distribute a description of the certification program to—

(1) the Governor of each State,
(2) the presiding officers of each State legislature,
(3) the public health official of each State, and
(4) the official responsible in each State for the operation of the State’s contract with the Secretary under section 1395aa of this title,

and shall encourage such officials to assist in the State adopting such program.

(c) Requirements

The certification program shall include the following requirements:

(1) Administration

The certification program shall be administered by the State and shall provide for the inspection and certification of embryo laboratories in the State by the State or by approved accreditation organizations.

(2) Application requirements

The certification program shall provide for the submission of an application to a State by an embryo laboratory for certification, in such form as may be specified by the State. Such an application shall include—

(A) assurances satisfactory to the State that the embryo laboratory will be operated in accordance with the standards under subsection (d),

(B) a report to the State identifying the assisted reproductive technology programs with which the laboratory is associated, and

(C) such other information as the State finds necessary.

An embryo laboratory which meets the requirements of section 263a of this title shall, for the purposes of subparagraph (A) be considered in compliance with the standards referred to in such subparagraph which are the same as the standards in effect under section 263a of this title.

(d) Standards

The certification program shall include the following standards developed by the Secretary:

(1) A standard to assure consistent performance of procedures by each embryo laboratory certified under the certification program or by an approved accreditation organization in a State which has not adopted the certification program.

(2) A standard for a quality assurance and a quality control program to assure valid, reliable, and reproducible procedures in the laboratory.

(3) A standard for the maintenance of records (on a program by program basis) on laboratory tests and procedures performed, including the scientific basis of, and the methodology used for, the tests, procedures, and preparation of any standards or controls, criteria for acceptable and unacceptable outcomes, criteria for sample rejection, and procedures for safe sample disposal.

(4) A standard for the maintenance of written records on personnel and facilities necessary for proper and effective operation of the laboratory, schedules of preventive maintenance, function verification for equipment, and the release of such records to the State upon demand.

(5) A standard for the use of such personnel who meet such qualifications as the Secretary may develop.

(e) Certification under State programs

A State may qualify to adopt the certification program if the State has submitted an application to the Secretary to adopt such program and the Secretary has approved the application. Such an application shall include—

(1) assurances by the State satisfactory to the Secretary that the certification program within the State meets the requirements of this section,

(2) an agreement to make such reports as the Secretary may require, and

(3) information about any proposed use of accreditation organizations under subsection (g).

(f) Use of accreditation organizations

A State which has adopted the certification program may use accreditation organizations approved under section 263a–3 of this title to inspect and certify embryo laboratories.

(g) Inspections

(1) In general

A State which qualifies to adopt the certification program within the State shall conduct inspections in accordance with paragraph (2) to determine if laboratories in the State meet the requirements of such program. Such inspections shall be carried out by the State or by accreditation organizations used by the State under subsection (g).

(2) Requirements

Inspections carried out under paragraph (1) shall—

(A) be periodic and unannounced, or

(B) be announced in such circumstances as the Secretary determines will not diminish

1 So in original. Probably should be “reproducible”.
2 So in original. Probably should be subsection “(f)”. 
the likelihood of discovering deficiencies in the operations of a laboratory.

Before making a determination under subparagraph (B), the Secretary shall make public, in such manner as to facilitate comment from any person (including any Federal or other public agency), a proposal indicating the circumstances under which announced inspections would be permitted.

(3) Results

The specific findings, including deficiencies, identified in an inspection carried out under paragraph (1) and any subsequent corrections to those deficiencies shall be announced and made available to the public upon request beginning no later than 60 days after the date of the inspection.

(h) Validation inspections

(1) In general

The Secretary may enter and inspect, during regular hours of operation, embryo laboratories—

(A) which have been certified by a State under the certification program, or

(B) which have been certified by an accreditation organization approved by the Secretary under section 263a–3 of this title,

for the purpose of determining whether the laboratory is being operated in accordance with the standards in subsection (d).

(2) Access to facilities and records

In conducting an inspection of an embryo laboratory under paragraph (1), the Secretary shall have access to all facilities, equipment, materials, records, and information which the Secretary determines is necessary to determine if such laboratory is being operated in accordance with the standards in subsection (d). As part of such an inspection, the Secretary may copy any material, record, or information inspected or require it to be submitted to the Secretary. Such an inspection may be made only upon the presentation of identification to the owner, operator, or agent in charge of the laboratory being inspected.

(3) Failure to comply

If the Secretary determines as a result of an inspection under paragraph (1) that the embryo laboratory is not in compliance with the standards in subsection (d), the Secretary shall—

(A) notify the State in which the laboratory is located and, if appropriate, the accreditation organization which certified the laboratory,

(B) make available to the public the results of the inspection,

(C) conduct additional inspections of other embryo laboratories under paragraph (1) to determine if—

(i) such State in carrying out the certification program is reliably identifying the deficiencies of such laboratory, or

(ii) the accreditation organization which certified such laboratories is reliably identifying such deficiencies,³ and

(D) if the Secretary determines—

(i) that such State in carrying out the certification program has not met the requirements applicable to such program, or

(ii) the accreditation organization which certified such laboratory has not met the requirements of section 263a–3 of this title, the Secretary may revoke the approval of the State certification program or revoke the approval of such accreditation organization.

(i) Limitation

(1) Secretary

In developing the certification program, the Secretary may not establish any regulation, standard, or requirement which has the effect of exercising supervision or control over the practice of medicine in assisted reproductive technology programs.

(2) State

In adopting the certification program, a State may not establish any regulation, standard, or requirement which has the effect of exercising supervision or control over the practice of medicine in assisted reproductive technology programs.

(j) Term

The term of a certification issued by a State or an accreditation organization in a State shall be prescribed by the Secretary in the certification program and shall be valid for a period of time to be defined by the Secretary through the public comment process described in subsection (h)(2).⁴ The Secretary shall provide an application for recertification to be submitted at the time of changes in the ownership of a certified laboratory or changes in the administration of such a laboratory.


Codification

Section was enacted as part of the Fertility Clinic Success Rate and Certification Act of 1992, and not as part of the Public Health Service Act which comprises this chapter.

Change of Name


Effective Date

Section effective upon expiration of 2 years after Oct. 24, 1992, see section 9 of Pub. L. 102–493, set out as a note under section 263a–1 of this title.

§ 263a–3. Accreditation organizations

(a) Approval of accreditation organizations

Not later than 2 years after October 24, 1992, the Secretary, through the Centers for Disease Control, shall promulgate criteria and procedures for the approval of accreditation organizations to inspect and certify embryo laboratories. The procedures shall require an application to the Secretary by an accreditation organization for approval. An accreditation organization which has received such an approval—

³So in original. Probably should be “deficiencies,”.

⁴So in original. Probably should be subsection “(g)(2)”.

°
(1) may be used by States in the certification program under section 263a–2 of this title to inspect and certify embryo laboratories, or
(2) may certify embryo laboratories in States which have not adopted such a certification program.

(b) Criteria and procedures
The criteria and procedures promulgated under subsection (a) shall include—
(1) requirements for submission of such reports and the maintenance of such records as the Secretary or a State may require, and
(2) requirements for the conduct of inspections under section 263a–2(h) of this title.

(c) Evaluations
The Secretary shall evaluate annually the performance of each accreditation organization approved by the Secretary by—
(1) inspecting under section 263a–2(i)(3) of this title a sufficient number of embryo laboratories accredited by such an organization to allow a reasonable estimate of the performance of such organization, and
(2) such other means as the Secretary determines to be appropriate.

(d) Transition
If the Secretary revokes approval under section 263a–2(i)(3)(D) of this title of an accreditation organization after an evaluation under subsection (c), the certification of any embryo laboratory accredited by the organization shall continue in effect for 60 days after the laboratory is notified by the Secretary of the withdrawal of approval, except that the Secretary may extend the period during which the certification shall remain in effect if the Secretary determines that the laboratory submitted an application to another approved accreditation organization for certification after receipt of such notice in a timely manner.

§ 263a–5. Publication
The Secretary, through the Centers for Disease Control, shall not later than 3 years after October 24, 1992, and annually thereafter publish and distribute to the States and the public—
(1)(A) pregnancy success rates reported to the Secretary under section 263a–1(a)(1) of this title and, in the case of an assisted reproductive technology program which failed to report one or more success rates as required under such section, the name of each such program and each pregnancy success rate which the program failed to report, and
(B) from information reported under section 263a–1(a)(2) of this title—
(i) the identity of each embryo laboratory in a State which has adopted the certification program under such program and whether such laboratory is certified under subsection 263a–2 of this title,
(ii) the identity of each embryo laboratory in a State which has not adopted such certification program and which has been certified by an accreditation organization approved by the Secretary under section 263a–3 of this title, and
(iii) in the case of an embryo laboratory which is not certified under section 263a–2 of this title or certified by an accreditation organization approved by the Secretary under section 263a–3 of this title, whether the laboratory applied for certification.

1 So in original. No par. (2) has been enacted.

2 So in original. Probably should be section “263a–2(h)”.

3 So in original. Probably should be section “263a–2(h)(3)(D)”.

4 So in original. Probably should be section “263a–2(g)”. 

5 As added by Pub. L. 102–493, set out as a note under section 263a–1 of this title.

6 2012 Pub. L. 112–158, set out as a note under section 263a–1 of this title.
§ 263a–6. Fees

The Secretary may require the payment of fees for the purpose of, and in an amount sufficient to cover the cost of, administering sections 263a–1 to 263a–7 of this title. A State operating a program under section 263a–2 of this title may require the payment of fees for the purpose of, and in an amount sufficient to cover the costs of, administering its program.


References in Text

Sections 263a–1 to 263a–7 of this title, referred to in text, was in the original “this Act”, meaning Pub. L. 102–493, Oct. 24, 1992, 106 Stat. 3146, known as the Fertility Clinic Success Rate and Certification Act of 1992, which enacted sections 263a–1 to 263a–7 of this title and provisions set out as notes under sections 201 and 263a–1 of this title. For complete classification of this Act to the Code, see Short Title note set out under section 201 of this title and Tables.

Codification

Section was enacted as part of the Fertility Clinic Success Rate and Certification Act of 1992, and not as part of the Public Health Service Act which comprises this chapter.

Change of Name


Effective Date

Section effective upon expiration of 2 years after Oct. 24, 1992, see section 9 of Pub. L. 102–493, set out as a note under section 263a–1 of this title.

§ 263a–7. Definitions

For purposes of sections 263a–1 to 263a–7 of this title:

1. Assisted reproductive technology

The term “assisted reproductive technology” means all treatments or procedures which include the handling of human oocytes or embryos, including in vitro fertilization, gamete intrafallopian transfer, zygote intrafallopian transfer, and such other specific technologies as the Secretary may include in this definition, after making public any proposed definition in such manner as to facilitate comment from any person (including any Federal or other public agency).

2. Embryo laboratory

The term “embryo laboratory” means a facility in which human oocytes are subject to assisted reproductive technology treatment or procedures based on manipulation of oocytes or embryos which are subject to implantation.

3. Secretary

The term “Secretary” means the Secretary of Health and Human Services.


References in Text

Sections 263a–1 to 263a–7 of this title, referred to in text, was in the original “this Act”, meaning Pub. L. 102–493, Oct. 24, 1992, 106 Stat. 3146, known as the Fertility Clinic Success Rate and Certification Act of 1992, which enacted sections 263a–1 to 263a–7 of this title and provisions set out as notes under sections 201 and 263a–1 of this title. For complete classification of this Act to the Code, see Short Title note set out under section 201 of this title and Tables.

Codification

Section was enacted as part of the Fertility Clinic Success Rate and Certification Act of 1992, and not as part of the Public Health Service Act which comprises this chapter.

Effective Date

Section effective upon expiration of 2 years after Oct. 24, 1992, see section 9 of Pub. L. 102–493, set out as a note under section 263a–1 of this title.

Subpart 3—Mammography Facilities

Prior Provisions


§ 263b. Certification of mammography facilities

(a) Definitions

As used in this section:

(1) Accreditation body

The term “accreditation body” means a body that has been approved by the Secretary under subsection (a)(4) to accredit mammography facilities.

(2) Certificate

The term “certificate” means the certificate described in subsection (b)(1).

(3) Facility

(A) In general

The term “facility” means a hospital, outpatient department, clinic, radiology practice, or mobile unit, an office of a physician, or other facility as determined by the Secretary, that conducts breast cancer screening or diagnosis through mammography activities. Such term does not include a facility of the Department of Veterans Affairs.

(B) Activities

For the purposes of this section, the activities of a facility include the operation of equipment to produce the mammogram, the processing of the film, the initial interpretation of the mammogram and the viewing conditions for that interpretation. Where procedures such as the film processing, or the interpretation of the mammogram are
performing in a location different from where the mammogram is performed, the facility performing the mammogram shall be responsible for meeting the quality standards described in subsection (f).

(4) Inspection

The term “inspection” means an onsite evaluation of the facility by the Secretary, or State or local agency on behalf of the Secretary.

(5) Mammogram

The term “mammogram” means a radiographic image produced through mammography.

(6) Mammography

The term “mammography” means radiographic for the breast.

(7) Survey

The term “survey” means an onsite physics consultation and evaluation performed by a medical physicist as described in subsection (f)(1)(E).

(8) Review physician

The term “review physician” means a physician as prescribed by the Secretary under subsection (f)(1)(D) who meets such additional requirements as may be established by an accreditation body under subsection (e) and approved by the Secretary to review clinical images under subsection (e)(1)(B)(i) on behalf of the accreditation body.

(b) Certificate requirement

(1) Certificate

No facility may conduct an examination or procedure described in paragraph (2) involving mammography after October 1, 1994, unless the facility obtains—

(A) a certificate or a temporary renewal certificate—

(i) that is issued, and, if applicable, renewed, by the Secretary in accordance with paragraphs 1 (1) or (2) of subsection (c);

(ii) that is applicable to the examination or procedure to be conducted; and

(iii) that is displayed prominently in such facility;

(B) a provisional certificate or a limited provisional certificate—

(i) that is issued by the Secretary in accordance with paragraphs (3) and (4) of subsection (c);

(ii) that is applicable to the examination or procedure to be conducted; and

(iii) that is displayed prominently in such facility.

The reference to a certificate in this section includes a temporary renewal certificate, provisional certificate, or a limited provisional certificate.

(2) Examination or procedure

A facility shall obtain a certificate in order to—

(A) operate radiological equipment that is used to image the breast;

(B) provide for the interpretation of a mammogram produced by such equipment at the facility or under arrangements with a qualified individual at a facility different from where the mammography examination is performed; and

(C) provide for the processing of film produced by such equipment at the facility or under arrangements with a qualified individual at a facility different from where the mammography examination is performed.

(c) Issuance and renewal of certificates

(1) In general

The Secretary may issue or renew a certificate for a facility if the person or agent described in subsection (d)(1)(A) meets the applicable requirements of subsection (d)(1) with respect to the facility. The Secretary may issue or renew a certificate under this paragraph for not more than 3 years.

(2) Temporary renewal certificate

The Secretary may issue a temporary renewal certificate, for a period of not to exceed 45 days, to a facility seeking reaccreditation if the accreditation body has issued an accreditation extension, for a period of not to exceed 45 days, for any of the following:

(A) The facility has submitted the required materials to the accreditation body within the established time frames for the submission of such materials but the accreditation body is unable to complete the reaccreditation process before the certification expires.

(B) The facility has acquired additional or replacement equipment, or has had significant personnel changes or other unforeseen situations that have caused the facility to be unable to meet reaccreditation time frames, but in the opinion of the accreditation body have not compromised the quality of mammography.

(3) Limited provisional certificate

The Secretary may, upon the request of an accreditation body, issue a limited provisional certificate to an entity to enable the entity to conduct examinations for educational purposes while an onsite visit from an accreditation body is in progress. Such certificate shall be valid only during the time the site visit team from the accreditation body is physically in the facility, and in no case shall be valid for longer than 72 hours. The issuance of a certificate under this paragraph, shall not preclude the entity from qualifying for a provisional certificate under paragraph (4).

(4) Provisional certificate

The Secretary may issue a provisional certificate for an entity to enable the entity to qualify as a facility. The applicant for a provisional certificate shall meet the requirements of subsection (d)(1), except providing information required by clauses (iii) and (iv) of subsection (d)(1)(A). A provisional certificate may be in effect no longer than 6 months from the date it is issued, except that it may be extended once for a period of not more than 90
days if the owner, lessor, or agent of the facility demonstrates to the Secretary that without such extension access to mammography in the geographic area served by the facility would be significantly reduced and if the owner, lessor, or agent of the facility will describe in a report to the Secretary steps that will be taken to qualify the facility for certification under subsection (b)(1).

(d) Application for certificate

(1) Submission

The Secretary may issue or renew a certificate for a facility if—

(A) the person who owns or leases the facility or an authorized agent of the person, submits to the Secretary, in such form and manner as the Secretary shall prescribe, an application that contains at a minimum—

(i) a description of the manufacturer, model, and type of each x-ray machine, image receptor, and processor operated in the performance of mammography by the facility;
(ii) a description of the procedures currently used to provide mammography at the facility, including—
(I) the types of procedures performed and the number of such procedures performed in the prior 12 months;
(II) the methodologies for mammography; and
(III) the names and qualifications (educational background, training, and experience) of the personnel performing mammography and the physicians reading and interpreting the results from the procedures;
(iii) proof of on-site survey by a qualified medical physicist as described in subsection (f)(1)(E); and
(B) the person or agent submits to the Secretary—

(i) a satisfactory assurance that the facility will be operated in accordance with standards established by the Secretary under subsection (f) to assure the safety and accuracy of mammography; and
(ii) a satisfactory assurance that the facility will—

(I) permit inspections under subsection (g);
(II) make such records and information available, and submit such reports, to the Secretary as the Secretary may require; and
(III) update the information submitted under subparagraph (A) or assurances submitted under this subparagraph on a timely basis as required by the Secretary; and
(iii) such other information as the Secretary may require.

An applicant shall not be required to provide in an application under subparagraph (A) any information which the applicant has supplied to the accreditation body which accredited the applicant, except as required by the Secretary.

(2) Appeal

If the Secretary denies an application for the certification of a facility submitted under paragraph (1)(A), the Secretary shall provide the owner or lessor of the facility or the agent of the owner or lessor who submitted such application—

(A) a statement of the grounds on which the denial is based, and
(B) an opportunity for an appeal in accordance with the procedures set forth in regulations of the Secretary published at part 498 of title 42, Code of Federal Regulations.

(3) Effect of denial

If the application for the certification of a facility is denied, the facility may not operate unless the denial of the application is overturned at the conclusion of the administrative appeals process provided in the regulations referred to in paragraph (2)(B).

(e) Accreditation

(1) Approval of accreditation bodies

(A) In general

The Secretary shall establish standards for accreditation bodies, including—

(i) standards that require an accreditation body to perform—

(I) a review of clinical images from each facility accredited by such body not less often than every 3 years which review will be made by qualified review physicians; and
(II) a review of a random sample of clinical images from such facilities in each 3-year period beginning October 1, 1994, which review will be made by qualified review physicians;
(ii) standards that prohibit individuals conducting the reviews described in clause (i) from maintaining any relationship to the facility undergoing review which would constitute a conflict of interest;
(iii) standards that limit the imposition of fees for accreditation to reasonable amounts;
(iv) standards that require as a condition of accreditation that each facility undergo a survey at least annually by a medical physicist as described in subsection (f)(1)(E) to ensure that the facility meets the standards described in subparagraphs (A) and (B) of subsection (f)(1);
(v) standards that require monitoring and evaluation of such survey, as prescribed by the Secretary;
(vi) standards that are equal to standards established under subsection (f) which are relevant to accreditation as determined by the Secretary; and
(vii) such additional standards as the Secretary may require.

(C) Assurances

The accrediting body shall provide the Secretary satisfactory assurances that the body will—

(i) comply with the standards described in subparagraph (B);

(ii) comply with the requirements described in paragraph (4);

(iii) submit to the Secretary the name of any facility for which the accreditation body denies, suspends, or revokes accreditation;

(iv) notify the Secretary in a timely manner before the accreditation body changes the standards of the body;

(v) notify each facility accredited by the accreditation body if the Secretary withdraws approval of the accreditation body under paragraph (2) in a timely manner; and

(vi) provide such other additional information as the Secretary may require.

(D) Regulations

Not later than 9 months after October 27, 1992, the Secretary shall promulgate regulations under which the Secretary may approve an accreditation body.

(2) Withdrawal of approval

(A) In general

The Secretary shall promulgate regulations under which the Secretary may withdraw the approval of an accreditation body if the Secretary determines that the accreditation body does not meet the standards described in paragraph (B) of paragraph (1), the requirements of clauses (i) through (vi) of paragraph (C) of paragraph (1), or the requirements of paragraph (4).

(B) Effect of withdrawal

If the Secretary withdraws the approval of an accreditation body under subparagraph (A), the certificate of any facility accredited by the body shall continue in effect until such time as the Secretary determines to be appropriate.

(3) Accreditation

To be accredited by an approved accreditation body a facility shall meet—

(A) the standards described in paragraph (1)(B) which the Secretary determines are applicable to the facility; and

(B) such other standards which the accreditation body may require.

(4) Compliance

To ensure that facilities accredited by an accreditation body will continue to meet the standards of the accreditation body, the accreditation body shall—

(A) make onsite visits on an annual basis of a sufficient number of the facilities accredited by the body to allow a reasonable estimate of the performance of the body; and

(B) take such additional measures as the Secretary determines to be appropriate.

Visits made under subparagraph (A) shall be made after providing such notice as the Secretary may require.

(5) Revocation of accreditation

If an accreditation body revokes the accreditation of a facility, the certificate of the facility shall continue in effect until such time as may be determined by the Secretary.

(6) Evaluation and report

(A) Evaluation

The Secretary shall evaluate annually the performance of each approved accreditation body by—

(i) inspecting under subsection (g)(2) a sufficient number of the facilities accredited by the body to allow a reasonable estimate of the performance of the body; and

(ii) such additional means as the Secretary determines to be appropriate.

(B) Report

The Secretary shall annually prepare and submit to the Committee on Labor and Human Resources of the Senate and the Committee on Energy and Commerce of the House of Representatives a report that describes the results of the evaluation conducted in accordance with subparagraph (A).

(f) Quality standards

(1) In general

The standards referred to in subsection (d)(1)(B)(i) are standards established by the Secretary which include—

(A) standards that require establishment and maintenance of a quality assurance and quality control program at each facility that is adequate and appropriate to ensure the reliability, clarity, and accuracy of interpretation of mammograms and standards for appropriate radiation dose;

(B) standards that require use of radiological equipment specifically designed for mammography, including radiologic standards and standards for other equipment and materials used in conjunction with such equipment;

(C) a requirement that personnel who perform mammography—

(i) be licensed by a State to perform radiological procedures; or

(ii) be certified as qualified to perform radiological procedures by an organization described in paragraph (2)(A); and

(D) a requirement that mammograms be interpreted by a physician who is certified as qualified to interpret radiological procedures, including mammography—

(i) by a board described in paragraph (2)(B); or
§ 263b  TITLE 42—THE PUBLIC HEALTH AND WELFARE  Page 428

(II) by a program that complies with the standards described in paragraph (2)(C); and

(ii) who meets training and continuing medical education requirements as established by the Secretary;

(E) a requirement that individuals who survey mammography facilities be medical physicists—

(i) licensed or approved by a State to perform such surveys, reviews, or inspections for mammography facilities;

(ii) certified in diagnostic radiological physics or certified as qualified to perform such surveys by a board as described in paragraph (2)(D); or

(iii) in the first 5 years after October 27, 1992, who meet other criteria established by the Secretary which are comparable to the criteria described in clause (i) or (ii);

(F) a requirement that a medical physicist who is qualified in mammography as described in subparagraph (E) survey mammography equipment and oversee quality assurance practices at each facility;

(G) a requirement that—

(i) a facility that performs any mammogram—

(I) except as provided in subclause (II), maintain the mammogram in the permanent medical records of the patient for a period of not less than 5 years, or not less than 10 years if no subsequent mammograms of such patient are performed at the facility, or longer if mandated by State law; and

(II) upon the request of or on behalf of the patient, transfer the mammogram to a medical institution, to a physician of the patient, or to the patient directly; and

(ii)(I) a facility must assure the preparation of a written report of the results of any mammography examination signed by the interpreting physician;

(II) such written report shall be provided to the patient’s physicians (if any);

(III) if such a physician is not available or if there is no such physician, the written report shall be sent directly to the patient; and

(IV) whether or not such a physician is available or there is no such physician, a summary of the written report shall be sent directly to the patient in terms easily understood by a lay person; and

(H) standards relating to special techniques for mammography of patients with breast implants.

Subparagraph (G) shall not be construed to limit a patient’s access to the patient’s medical records.

(2) Certification of personnel

The Secretary shall by regulation—

(A) specify organizations eligible to certify individuals to perform radiological procedures as required by paragraph (1)(D); and

(B) specify boards eligible to certify physicians to interpret radiological procedures, including mammography, as required by paragraph (1)(D);

(C) establish standards for a program to certify physicians described in paragraph (1)(D); and

(D) specify boards eligible to certify medical physicists who are qualified to survey mammography equipment and to oversee quality assurance practices at mammography facilities.

(g) Inspections

(1) Annual inspections

(A) In general

The Secretary may enter and inspect facilities to determine compliance with the certification requirements under subsection (b) and the standards established under subsection (f). The Secretary shall, if feasible, delegate to a State or local agency the authority to make such inspections.

(B) Identification

The Secretary, or State or local agency acting on behalf of the Secretary, may conduct inspections only on presenting identification to the owner, operator, or agent in charge of the facility to be inspected.

(C) Scope of inspection

In conducting inspections, the Secretary or State or local agency acting on behalf of the Secretary—

(I) shall have access to all equipment, materials, records, and information that the Secretary or State or local agency considers necessary to determine whether the facility is being operated in accordance with this section; and

(ii) may copy, or require the facility to submit to the Secretary or the State or local agency, any of the materials, records, or information.

(D) Qualifications of inspectors

Qualified individuals, as determined by the Secretary, shall conduct all inspections. The Secretary may request that a State or local agency acting on behalf of the Secretary designate a qualified officer or employee to conduct the inspections, or designate a qualified Federal officer or employee to conduct inspections. The Secretary shall establish minimum qualifications and appropriate training for inspectors and criteria for certification of inspectors in order to inspect facilities for compliance with subsection (f).

(E) Frequency

The Secretary or State or local agency acting on behalf of the Secretary shall conduct inspections under this paragraph of each facility not less often than annually, subject to paragraph (6).

(F) Records and annual reports

The Secretary or a State or local agency acting on behalf of the Secretary which is responsible for inspecting mammography facilities shall maintain records of annual inspections required under this paragraph for a period as prescribed by the Secretary. Such
a State or local agency shall annually prepare and submit to the Secretary a report concerning the inspections carried out under this paragraph. Such reports shall include a description of the facilities inspected and the results of such inspections.

(2) Inspection of accredited facilities

The Secretary shall inspect annually a sufficient number of the facilities accredited by an accreditation body to provide the Secretary with a reasonable estimate of the performance of such body.

(3) Inspection of facilities inspected by State or local agencies

The Secretary shall inspect annually facilities inspected by State or local agencies acting on behalf of the Secretary to assure a reasonable performance by such State or local agencies.

(4) Timing

The Secretary, or State or local agency, may conduct inspections under paragraphs (1), (2), and (3), during regular business hours or at a mutually agreeable time and after providing such notice as the Secretary may prescribe, except that the Secretary may waive such requirements if the continued performance of mammography at such facility threatens the public health.

(5) Limited reinspection

Nothing in this section limits the authority of the Secretary to conduct limited reinspections of facilities found not to be in compliance with this section.

(6) Demonstration program

(A) In general

The Secretary may establish a demonstration program under which inspections under paragraph (1) of selected facilities are conducted less frequently by the Secretary (or as applicable, by State or local agencies acting on behalf of the Secretary) than the interval specified in subparagraph (E) of such paragraph.

(B) Requirements

Any demonstration program under subparagraph (A) shall be carried out in accordance with the following:

(i) The program may not be implemented before April 1, 2001. Preparations for the program may be carried out prior to such date.

(ii) In carrying out the program, the Secretary may not select a facility for inclusion in the program unless the facility is substantially free of incidents of non-compliance with the standards under subsection (f). The Secretary may at any time provide that a facility will no longer be included in the program.

(iii) The number of facilities selected for inclusion in the program shall be sufficient to provide a statistically significant sample, subject to compliance with clause (ii).

(iv) Facilities that are selected for inclusion in the program shall be inspected at such intervals as the Secretary determines will reasonably ensure that the facilities are maintaining compliance with such standards.

(h) Sanctions

(1) In general

In order to promote voluntary compliance with this section, the Secretary may, in lieu of taking the actions authorized by subsection (i), impose one or more of the following sanctions:

(A) Directed plans of correction which afford a facility an opportunity to correct violations in a timely manner.

(B) Payment for the cost of onsite monitoring.

(2) Patient information

If the Secretary determines that the quality of mammography performed by a facility (whether or not certified pursuant to subsection (c)) was so inconsistent with the quality standards established pursuant to subsection (f) as to present a significant risk to individual or public health, the Secretary may require such facility to notify patients who received mammograms at such facility, and their referring physicians, of the deficiencies presenting such risk, the potential harm resulting, appropriate remedial measures, and such other relevant information as the Secretary may require.

(3) Civil money penalties

The Secretary may assess civil money penalties in an amount not to exceed $10,000 for—

(A) failure to obtain a certificate as required by subsection (b),

(B) each failure by a facility to substantially comply with, or each day on which a facility fails to substantially comply with, the standards established under subsection (f) or the requirements described in clauses (I) through (III) of subsection (d)(1)(B)(ii),

(C) each failure to notify a patient of risk as required by the Secretary pursuant to paragraph (2), and

(D) each violation, or for each aiding and abetting in a violation of, any provision of, or regulation promulgated under, this section by an owner, operator, or any employee of a facility required to have a certificate.

(4) Procedures

The Secretary shall develop and implement procedures with respect to when and how each of the sanctions is to be imposed under paragraphs (1) through (3). Such procedures shall provide for notice to the owner or operator of the facility and a reasonable opportunity for the owner or operator to respond to the proposed sanctions and appropriate procedures for appealing determinations relating to the imposition of sanctions.

(i) Suspension and revocation

(1) In general

The certificate of a facility issued under subsection (c) may be suspended or revoked if the Secretary finds, after providing, except as pro-
provisions in paragraph (2), reasonable notice and an opportunity for a hearing to the owner or operator of the facility, that the owner, operator, or any employee of the facility—

(A) has been guilty of misrepresentation in obtaining the certificate;

(B) has failed to comply with the requirements of subsection (d)(1)(B)(ii)(III) or the standards established by the Secretary under subsection (f);

(C) has failed to comply with reasonable requests of the Secretary (or of an accreditation body approved pursuant to subsection (e)) for any record, information, report, or material that the Secretary (or such accreditation body or State carrying out certification program requirements pursuant to subsection (g)) concludes is necessary to determine the continued eligibility of the facility for a certificate or continued compliance with the standards established under subsection (f);

(D) has refused a reasonable request of the Secretary, any Federal officer or employee duly designated by the Secretary, or any State or local officer or employee duly designated by the State or local agency, for permission to inspect the facility or the operations and pertinent records of the facility in accordance with subsection (g);

(E) has violated or aided and abetted in the violation of any provision of, or regulation promulgated under, this section; or

(F) has failed to comply with a sanction imposed under subsection (h).

(2) Action before a hearing

(A) In general

The Secretary may suspend the certificate of the facility before holding a hearing required by paragraph (1) if the Secretary has reason to believe that the circumstances of the case will support one or more of the findings described in paragraph (1) and that—

(i) the failure or violation was intentional; or

(ii) the failure or violation presents a serious risk to human health.

(B) Hearing

If the Secretary suspends a certificate under subparagraph (A), the Secretary shall provide an opportunity for a hearing to the owner or operator of the facility not later than 60 days from the effective date of the suspension. The suspension shall remain in effect until the decision of the Secretary made after the hearing.

(3) Ineligibility to own or operate facilities after revocation

If the Secretary revokes the certificate of a facility on the basis of an act described in paragraph (1), no person who owned or operated the facility at the time of the act may, within 2 years of the revocation of the certificate, own or operate a facility that requires a certificate under this section.

(j) Injunctions

If the Secretary determines that—

(1) continuation of any activity related to the provision of mammography by a facility would constitute a serious risk to human health, the Secretary may bring suit in the district court of the United States for the district in which the facility is situated to enjoin continuation of the activity; and

(2) a facility is operating without a certificate as required by subsection (b), the Secretary may bring suit in the district court of the United States for the district in which the facility is situated to enjoin the operation of the facility.

Upon a proper showing, the district court shall grant a temporary injunction or restraining order against continuation of the activity or against operation of a facility, as the case may be, without requiring the Secretary to post a bond, pending issuance of a final order under this subsection.

(b) Judicial review

(1) Petition

If the Secretary imposes a sanction on a facility under subsection (b) or suspends or revokes the certificate of a facility under subsection (i), the owner or operator of the facility may, not later than 60 days after the date of the action of the Secretary becomes final, file a petition with the United States court of appeals for the circuit in which the facility is situated for judicial review of the action. As soon as practicable after receipt of the petition, the clerk of the court shall transmit a copy of the petition to the Secretary or other officer designated by the Secretary. As soon as practicable after receipt of the copy, the Secretary shall file in the court the record on which the action of the Secretary is based, as provided in section 2112 of title 28.

(2) Additional evidence

If the petitioner applies to the court for leave to adduce additional evidence, and shows to the satisfaction of the court that the additional evidence is material and that there were reasonable grounds for the failure to adduce such evidence in the proceeding before the Secretary, the court may order the additional evidence (and evidence in rebuttal of the additional evidence) to be taken before the Secretary, and to be adduced upon the hearing in such manner and upon such terms and conditions as the court may determine to be proper. The Secretary may modify the findings of the Secretary as to the facts, or make new findings, by reason of the additional evidence so taken, and the Secretary shall file the modified or new findings, and the recommendations of the Secretary, if any, for the modification or setting aside of the original action of the Secretary with the return of the additional evidence.

(3) Judgment of court

Upon the filing of the petition referred to in paragraph (1), the court shall have jurisdiction to affirm the action, or to set the action aside in whole or in part, temporarily or permanently. The findings of the Secretary as to the facts, if supported by substantial evidence, shall be conclusive.
(4) Finality of judgment

The judgment of the court affirming or setting aside, in whole or in part, any action of the Secretary shall be final, subject to review by the Supreme Court of the United States upon certiorari or certification, as provided in section 1254 of title 28.

(l) Information

(1) In general

Not later than October 1, 1996, and annually thereafter, the Secretary shall compile and make available to physicians and the general public information that the Secretary determines is useful in evaluating the performance of facilities, including a list of facilities—
(A) that have been convicted under Federal or State laws relating to fraud and abuse, false billings, or kickbacks;
(B) that have been subject to sanctions under subsection (h), together with a statement of the reasons for the sanctions;
(C) that have had certificates revoked or suspended under subsection (i), together with a statement of the reasons for the revocation or suspension;
(D) against which the Secretary has taken action under subsection (j), together with a statement of the reasons for the action;
(E) whose accreditation has been revoked, together with a statement of the reasons of the revocation;
(F) against which a State has taken adverse action; and
(G) that meets such other measures of performance as the Secretary may develop.

(2) Date

The information to be compiled under paragraph (l) shall be information for the calendar year preceding the date the information is to be made available to the public.

(3) Explanatory information

The information to be compiled under paragraph (l) shall be accompanied by such explanatory information as may be appropriate to assist in the interpretation of the information compiled under such paragraph.

(m) State laws

Nothing in this section shall be construed to limit the authority of any State to enact and enforce laws relating to the matters covered by this section that are at least as stringent as this section or the regulations issued under this section.

(n) National Advisory Committee

(1) Establishment

In carrying out this section, the Secretary shall establish an advisory committee to be known as the National Mammography Quality Assurance Advisory Committee (hereafter in this subsection referred to as the “Advisory Committee”).

(2) Composition

The Advisory Committee shall be composed of not fewer than 13, nor more than 19 individuals, who are not officers or employees of the Federal Government. The Secretary shall make appointments to the Advisory Committee from among—
(A) physicians,
(B) practitioners, and
(C) other health professionals,
whose clinical practice, research specialization, or professional expertise include a significant focus on mammography. The Secretary shall appoint at least 4 individuals from among national breast cancer or consumer health organizations with expertise in mammography, at least 2 industry representatives with expertise in mammography equipment, and at least 2 practicing physicians who provide mammography services.

(3) Functions and duties

The Advisory Committee shall—
(A) advise the Secretary on appropriate quality standards and regulations for mammography facilities;
(B) advise the Secretary on appropriate standards and regulations for accreditation bodies;
(C) advise the Secretary in the development of regulations with respect to sanctions;
(D) assist in developing procedures for monitoring compliance with standards under subsection (f);
(E) make recommendations and assist in the establishment of a mechanism to investigate consumer complaints;
(F) report on new developments concerning breast imaging that should be considered in the oversight of mammography facilities;
(G) determine whether there exists a shortage of mammography facilities in rural and health professional shortage areas and determine the effects of personnel or other requirements of subsection (f) on access to the services of such facilities in such areas;
(H) determine whether there will exist a sufficient number of medical physicists after October 1, 1999, to assure compliance with the requirements of subsection (f)(1)(E);
(I) determine the costs and benefits of compliance with the requirements of this section (including the requirements of regulations promulgated under this section); and
(J) perform other activities that the Secretary may require.

The Advisory Committee shall report the findings made under subparagraphs (G) and (I) to the Secretary and the Congress no later than October 1, 1993.

(4) Meetings

The Advisory Committee shall meet not less than quarterly for the first 3 years of the program and thereafter, at least annually.

(5) Chairperson

The Secretary shall appoint a chairperson of the Advisory Committee.

(o) Consultations

In carrying out this section, the Secretary shall consult with appropriate Federal agencies within the Department of Health and Human Services for the purposes of developing stand-
ards, regulations, evaluations, and procedures for compliance and oversight.

(p) Breast cancer screening surveillance research grants

(1) Research

(A) Grants

The Secretary shall award grants to such entities as the Secretary may determine to be appropriate to establish surveillance systems in selected geographic areas to provide data to evaluate the functioning and effectiveness of breast cancer screening programs in the United States, including assessments of participation rates in screening mammography, diagnostic procedures, incidence of breast cancer, mode of detection (mammography screening or other methods), outcome and follow up information, and such related epidemiologic analyses that may improve early cancer detection and contribute to reduction in breast cancer mortality. Grants may be awarded for further research on breast cancer surveillance systems upon the Secretary’s review of the evaluation of the program.

(B) Use of funds

Grants awarded under subparagraph (A) may be used—

(i) to study—

(I) methods to link mammography and clinical breast examination records with population-based cancer registry data;

(II) methods to provide diagnostic outcome data, or facilitate the communication of diagnostic outcome data, to radiology facilities for purposes of evaluating patterns of mammography interpretation; and

(III) mechanisms for limiting access and maintaining confidentiality of all stored data; and

(ii) to conduct pilot testing of the methods and mechanisms described in subclauses (I), (II), and (III) of clause (i) on a limited basis.

(C) Grant application

To be eligible to receive funds under this paragraph, an entity shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require.

(D) Report

A recipient of a grant under this paragraph shall submit a report to the Secretary containing the results of the study and testing conducted under clauses (i) and (ii) of subparagraph (B), along with recommendations for methods of establishing a breast cancer screening surveillance system.

(2) Establishment

The Secretary shall establish a breast cancer screening surveillance system based on the recommendations contained in the report described in paragraph (1)(D).

(3) Standards and procedures

The Secretary shall establish standards and procedures for the operation of the breast cancer screening surveillance system, including procedures to maintain confidentiality of patient records.

(4) Information

The Secretary shall recruit facilities to provide to the breast cancer screening surveillance system relevant data that could help in the research of the causes, characteristics, and prevalence of, and potential treatments for breast cancer and benign breast conditions, if the information may be disclosed under section 552 of title 5.

(q) State program

(1) In general

The Secretary may, upon application, authorize a State—

(A) to carry out, subject to paragraph (2), the certification program requirements under subsections (b), (c), (d), (g)(1), (h), (i), and (j) (including the requirements under regulations promulgated pursuant to such subsections), and

(B) to implement the standards established by the Secretary under subsection (f), with respect to mammography facilities operating within the State.

(2) Approval

The Secretary may approve an application under paragraph (1) if the Secretary determines that—

(A) the State has enacted laws and issued regulations relating to mammography facilities which are the requirements of this section (including the requirements under regulations promulgated pursuant to such subsections), and

(B) the State has provided satisfactory assurances that the State—

(i) has the legal authority and qualified personnel necessary to enforce the requirements of and the regulations promulgated pursuant to this section (including the requirements under regulations promulgated pursuant to such subsections),

(ii) will devote adequate funds to the administration and enforcement of such requirements, and

(iii) will provide the Secretary with such information and reports as the Secretary may require.

(3) Authority of Secretary

In a State with an approved application—

(A) the Secretary shall carry out the Secretary’s functions under subsections (e) and (f);

(B) the Secretary may take action under subsections (h), (i), and (j); and

(C) the Secretary shall conduct oversight functions under subsections (g)(2) and (g)(3).

(4) Withdrawal of approval

(A) In general

The Secretary may, after providing notice and opportunity for corrective action, withdraw the approval of a State’s authority under paragraph (1) if the Secretary determines that the State does not meet the requirements of such paragraph. The Sec-
The Secretary shall promulgate regulations for the implementation of this subparagraph.

(B) Effect of withdrawal

If the Secretary withdraws the approval of a State under subparagraph (A), the certificate of any facility certified by the State shall continue in effect until the expiration of a reasonable period, as determined by the Secretary, for such facility to obtain certification by the Secretary.

(r) Funding

(1) Fees

(A) In general

The Secretary shall, in accordance with this paragraph assess and collect fees from persons described in subsection (d)(1)(A) (other than persons who are governmental entities, as determined by the Secretary) to cover the costs of inspections conducted under subsection (g)(1) by the Secretary or a State acting under a delegation under subparagraph (A) of such subsection. Fees may be assessed and collected under this paragraph only in such manner as would result in an aggregate amount of fees collected during any fiscal year which equals the aggregate amount of costs for such fiscal year for inspections of facilities of such persons under subsection (g)(1). A person’s liability for fees shall be reasonably based on the proportion of the inspection costs which relate to such person.

(B) Deposit and appropriations

(i) Deposit and availability

Fees collected under subparagraph (A) shall be deposited as an offsetting collection to the appropriations for the Department of Health and Human Services as provided in appropriation Acts and shall remain available without fiscal year limitation.

(ii) Appropriations

Fees collected under subparagraph (A) shall be collected and available only to the extent provided in advance in appropriation Acts.

(2) Authorization of appropriations

There are authorized to be appropriated to carry out this section—

(A) to award research grants under subsection (p), such sums as may be necessary for each of the fiscal years 1993 through 2007; and

(B) for the Secretary to carry out other activities which are not supported by fees authorized to be collected under paragraph (1), such sums as may be necessary for fiscal years 1993 through 2007.


Prior Provisions


Sections 263c to 263h, July 1, 1944, ch. 373, title III, §§355–360F, as added Oct. 18, 1968, Pub. L. 90–602, §2(3), 82 Stat. 1174, and amended, which related to electronic product radiation control, were renumbered sections 531 to 542, respectively, of the Federal Food, Drug, and Cosmetic Act by Pub. L. 101–629, §19(a)(4), Nov. 28, 1990, 104 Stat. 4530, and are classified to sections 360hh to 360ssh, respectively, of Title 21, Food and Drugs.

Amendments


Subsec. (b)(1)(A). Pub. L. 108–365, §2(1)(A), inserted “or a temporary renewal certificate” after “certificate” in introductory provisions and substituted “paragraphs (1) or (2) of subsection (c)” for “subsection (c)(1)” in cl. (1).

Subsec. (b)(1)(B). Pub. L. 108–365, §2(1)(B), inserted “or a limited provisional certificate” after “certificate” in introductory provisions and substituted “paragraphs (3) and (4) of subsection (c)” for “subsection (c)(2)” in cl. (1).

Subsec. (c)(2) to (4). Pub. L. 108–365, §2(2), added pars. (2) and (3) and redesignated former par. (2) as (4).

Subsec. (n)(2). Pub. L. 108–365, §3(1), reenacted subpar. (c) without change, added concluding provisions, and struck out former concluding provisions which read as follows: “whose clinical practice, research specialization, or professional expertise include a significant focus on mammography. The Secretary shall appoint at least 4 individuals from among national breast cancer or consumer health organizations with expertise in mammography and at least 2 practicing physicians who provide mammography services.”


Subsec. (f)(1)(G)(i). Pub. L. 105–248, §5, added cl. (i) and struck out former cl. (i) which read as follows: “a facility that performs any mammogram maintain the mammogram in the permanent medical records of the patient;”.

“(i) for a period of not less than 5 years, or not less than 10 years if no additional mammograms of such patient are performed at the facility, or longer if mandated by State law; or

“(II) until such time as the patient should request that the patient’s medical records be forwarded to a medical institution or a physician of the patient; whichever is longer; and”.

Subsec. (f)(1)(G)(iv). Pub. L. 105–248, §6, added subcl. (IV) and struck out former subcl. (IV) which read as follows: “if such report is sent to the patient, the report shall include a summary written in terms easily understood by a lay person; and”.


Subsec. (g)(1)(A). Pub. L. 105–248, §7, in first sentence, struck out “certified” before “facilities” and inserted “the certification requirements under subsection (b) and” after “compliance with”. 
§ 264. Regulations to control communicable diseases

(a) Promulgation and enforcement by Surgeon General

The Surgeon General, with the approval of the Secretary, is authorized to make and enforce such regulations as in his judgment are necessary to prevent the introduction, transmission, or spread of communicable diseases from foreign countries into the States or possessions, or from one State or possession into any other State or possession. For purposes of carrying out and enforcing such regulations, the Surgeon General may provide for such inspection, fumigation, disinfection, sanitation, pest extermination, destruction of animals or articles found to be so infected or contaminated as to be sources of dangerous infection to human beings, and other measures, as in his judgment may be necessary.

(b) Apprehension, detention, or conditional release of individuals

Regulations prescribed under this section shall not provide for the apprehension, detention, or conditional release of individuals except for the purpose of preventing the introduction, transmission, or spread of such communicable diseases as may be specified from time to time in Executive orders of the President upon the recommendation of the Surgeon General.

(c) Application of regulations to persons entering from foreign countries

Except as provided in subsection (d), regulations prescribed under this section, insofar as they provide for the apprehension, detention, examination, or conditional release of individuals, shall be applicable only to individuals coming into a State or possession from a foreign country or a possession.

1 So in original. The comma probably should not appear.
(d) **Apprehension and examination of persons reasonably believed to be infected**

(1) Regulations prescribed under this section may provide for the apprehension and examination of any individual reasonably believed to be infected with a communicable disease in a qualifying stage or (A) to be moving or about to move from a State to another State; or (B) to be a probable source of infection to individuals who, while infected with such disease in a qualifying stage, will be moving from a State to another State. Such regulations may provide that if upon examination any such individual is found to be infected, he may be detained for such time and in such manner as may be reasonably necessary. For purposes of this subsection, the term “State” includes, in addition to the several States, only the District of Columbia.

(e) **Preemption**

Nothing in this section or section 266 of this title, or the regulations promulgated under such sections, may be construed as superseding any provision under State law (including regulations and including provisions established by political subdivisions of States), except to the extent that such a provision conflicts with an exercise of Federal authority under this section or section 266 of this title.


**AMENDMENTS**

2002—Pub. L. 107–188, §142(a)(1), (2), (b)(1), and (c), which directed certain amendments to section 361 of the Public Health Act, was executed by making the amendments to this section, which is section 361 of the Public Health Service Act, to reflect the probable intent of Congress. See below.

Subsec. (b). Pub. L. 107–188, §142(a)(1), substituted “Executive orders of the President upon the recommendation of the Secretary, in consultation with the Surgeon General,” for “Executive orders of the President upon the recommendation of the National Advisory Health Council and the Surgeon General.”

Subsec. (d). Pub. L. 107–188, §142(a)(2), (b)(1), substituted in first sentence “Regulations” for “On recommendation of the National Advisory Health Council, regulations,” “In a qualifying stage” for “in a communicable stage” in two places, designated existing text as par. (1) and substituted “(A)” and “(B)” for “(1)” and “(2)”, respectively, and added par. (2).


1976—Subsec. (d). Pub. L. 94–317 inserted provision defining “State” to include, in addition to the several States, only the District of Columbia.


**EFFECTIVE DATE OF 1960 AMENDMENT**


**TRANSFER OF FUNCTIONS**


**EVALUATION OF PUBLIC HEALTH AUTHORITIES**


“(a) IN GENERAL.—Not later than 180 days after the date of enactment of the Comprehensive Tuberculosis Elimination Act of 2008 [Oct. 13, 2008], the Secretary of Health and Human Services shall prepare and submit to the appropriate committees of Congress a report that evaluates and provides recommendations concerning the changes needed to Federal and State public health authorities to address current disease containment challenges such as isolation and quarantine.

“(b) CONTENTS OF EVALUATION.—The report described in subsection (a) shall include—

“(1) an evaluation of the effectiveness of current policies to detain patients with active tuberculosis; and

“(2) an evaluation of whether Federal laws should be strengthened to expressly address the movement of individuals with active tuberculosis; and

“(3) specific legislative recommendations for changes to Federal laws, if any.

“(c) UPDATE OF QUARANTINE REGULATIONS.—Not later than 240 days after the date of enactment of this Act [Oct. 13, 2008], the Secretary of Health and Human Services shall promulgate regulations to update the current interstate and foreign quarantine regulations found in parts 70 and 71 of title 42, Code of Federal Regulations.”

**EXECUTIVE ORDER NO. 12452**

Ex. Ord. No. 12452, Dec. 22, 1983, 48 F.R. 56927, which specified certain communicable diseases for regulations providing for the apprehension, detention, or conditional release of individuals to prevent the introduction, transmission, or spread of such diseases, was revoked by Ex. Ord. No. 12395, §5, Apr. 4, 2003, 68 F.R. 17255, set out below.

**EX. ORD. NO. 12395. REVISED LIST OF QUARANTINABLE COMMUNICABLE DISEASES**


By the authority vested in me as President by the Constitution and the laws of the United States of America, including section 361(b) of the Public Health Service Act (42 U.S.C. 264(b)), it is hereby ordered as follows:

**SECTION 1. Based upon the recommendation of the Secretary of Health and Human Services (the “Sec-**
symptoms of pneumonia or other respiratory illness, diseases that are associated with fever and signs and symptoms of pneumonia or other respiratory illness, are capable of being transmitted from person to person, and that either are causing, or have the potential to cause, a pandemic, or, upon infection, are highly likely to cause mortality or serious morbidity if not properly controlled. This subsection does not apply to influenza.

(c) Influenza caused by novel or reemergent influenza viruses that are causing, or have the potential to cause, a pandemic.

S 2. The Secretary, in the Secretary’s discretion, shall determine whether a particular condition constitutes a communicable disease of the type specified in section 1 of this order.

S 3. The functions of the President under sections 362 and 364(a) of the Public Health Service Act (42 U.S.C. 265 and 267(a)) are assigned to the Secretary.

S 4. This order is not intended to, and does not, create any right or benefit enforceable at law or equity by any party against the United States, its departments, agencies, entities, officers, employees or agents, or any other person.

S 5. Executive Order 12452 of December 22, 1983, is hereby revoked.

§ 265. Suspension of entries and imports from designated places to prevent spread of communicable diseases

Whenever the Surgeon General determines that by reason of the existence of any communicable disease in a foreign country there is serious danger of the introduction of such disease into the United States, and that this danger is so increased by the introduction of persons or property from such country that a suspension of the right to introduce such persons and property is required in the interest of the public health, the Surgeon General, in accordance with regulations approved by the President, shall have the power to prohibit, in whole or in part, the introduction of persons or property from such countries or places as he shall designate in order to avert such danger, and for such period of time as he may deem necessary for such purpose.

(July 1, 1944, ch. 373, title III, §362, 58 Stat. 704.)

TRANSFER OF FUNCTIONS


§ 266. Special quarantine powers in time of war

To protect the military and naval forces and war workers of the United States, in time of war, against any communicable disease specified in Executive orders as provided in subsection (b) of section 264 of this title, the Secretary, in consultation with the Surgeon General, is authorized to provide by regulations for the apprehension and examination, in time of war, of any individual reasonably believed (1) to be infected with such disease and (2) to be a probable source of infection to members of the armed forces of the United States or to individuals engaged in the production or transportation of arms, munitions, ships, food, clothing, or other supplies for the armed forces. Such regulations may provide that if upon examination any such individual is found to be so infected, he may be detained for such time and in such manner as may be reasonably necessary.


AMENDMENTS

2002—Pub. L. 107–188, which directed substitution of “the Secretary, in consultation with the Surgeon General,” for “the Surgeon General, on recommendation of the National Advisory Health Council,” and striking out of “in a communicable stage” after “(1) to be infected with such disease”, in section 363 of the Public Health Act, was executed to this section, which is section 363 of the Public Health Service Act, to reflect the probable intent of Congress.

TRANSFER OF FUNCTIONS


TERMINATION OF WAR AND EMERGENCIES

Joint Res. July 25, 1947, ch. 327, §3, 61 Stat. 451, provided that in the interpretation of this section, the date July 25, 1947, shall be deemed to be the date of termination of any state of war theretofore declared by Congress and of the national emergency proclaimed by the President on Sept. 8, 1939, and May 27, 1941.

§ 267. Quarantine stations, grounds, and anchorages

(a) Control and management

Except as provided in title II of the Act of June 15, 1917, as amended, the Surgeon General shall control, direct, and manage all United States quarantine stations, grounds, and anchorages, designate their boundaries, and designate the quarantine officers to be in charge

1 See References in Text note below.
thereof. With the approval of the President he shall from time to time select suitable sites for and establish such additional stations, grounds, and anchorages in the States and possessions of the United States as in his judgment are necessary to prevent the introduction of communicable diseases into the States and possessions of the United States.

(b) Hours of inspection

The Surgeon General shall establish the hours during which quarantine service shall be performed at each quarantine station, and, upon application by any interested party, may establish quarantine inspection during the twenty-four hours of the day, or any part thereof. With the approval of the President, he may restrict the performance of quarantine inspection to hours of daylight for such arriving vessels as cannot, in his opinion, be satisfactorily inspected during hours of darkness. No vessel shall be required to undergo quarantine inspection during the hours of darkness, unless the quarantined officer at such quarantine station shall deem an immediate inspection necessary to protect the public health. Uniformity shall not be required in the hours during which quarantine inspection may be obtained at the various ports of the United States.

(c) Overtime pay for employees of Service

The Surgeon General shall fix a reasonable rate of extra compensation for overtime services of employees of the United States Public Health Service, Foreign Quarantine Division, performing overtime duties including the operation of vessels, in connection with the inspection or quarantine treatment of persons (passengers and crews), conveyances, or goods arriving by land, water, or air in the United States or any place subject to the jurisdiction thereof, hereinafter referred to as "employees of the Public Health Service", when required to be on duty between the hours of 6 o'clock antemeridian and 6 o'clock antemeridian (or between the hours of 7 o'clock postmeridian and 7 o'clock antemeridian at stations which have a declared workday of from 7 o'clock antemeridian to 7 o'clock postmeridian), or on Sundays or holidays, such rate, in lieu of compensation under any other provision of law, to be fixed at two times the basic hourly rate for each hour that the overtime extends beyond 6 o'clock (or 7 o'clock as the case may be) postmeridian, and two times the basic hourly rate for each overtime hour worked on Sundays or holidays. As used in this subsection, the term "basic hourly rate" shall mean the regular basic rate of pay which is applicable to such employees for work performed within their regular scheduled tour of duty.

(d) Payment of extra compensation to United States; bond or deposit to assure payment; deposit of moneys to credit of appropriation

(1) The said extra compensation shall be paid to the United States by the owner, agent, consignee, operator, or master or other person in charge of any conveyance, for whom, at his request, services as described in this subsection (hereinafter referred to as overtime service) are performed. If such employees have been ordered to report for duty and have so reported, and the requested services are not performed by reason of circumstances beyond the control of the employees concerned, such extra compensation shall be paid on the same basis as though the overtime services had actually been performed during the period between the time the employees were ordered to report for duty and did so report, and the time they were notified that their services would not be required, and in any case as though their services had continued for not less than one hour. The Surgeon General with the approval of the Secretary of Health and Human Services may prescribe regulations requiring the owner, agent, consignee, operator, or master or other person for whom the overtime services are performed to file a bond in such amounts and containing such conditions and with such sureties, or in lieu of a bond, to deposit money or obligations of the United States in such amount, as will assure the payment of charges under this subsection, which bond or deposit may cover one or more transactions or all transactions during a specified period: Provided, That no charges shall be made for services performed in connection with the inspection of (1) persons arriving by international highways, ferries, bridges, or tunnels, or the conveyances in which they arrive, or (2) persons arriving by aircraft or railroad trains, the operations of which are covered by published schedules, or the vessels in which they arrive.

(2) Moneys collected under this subsection shall be deposited in the Treasury of the United States to the credit of the appropriation charged with the expense of the services, and the appropriations so credited shall be available for the payment of such compensation to the said employees for services so rendered.


References in Text

Title II of the Act of June 15, 1917, referred to in subsec. (a), is act June 15, 1917, ch. 30, title II, 40 Stat. 220, which was formerly classified to sections 191, 192, 193 and 194 of Title 50, War and National Defense. Sections 191, 192, and 194 of Title 50 were redesignated and transferred to sections 70051 to 70053, respectively, of Title 46, Shipping, by Pub. L. 115–282, title IV, § 407(b)(1), (5), (c)(1), (d)(1), (3), Dec. 4, 2018, 132 Stat. 4267. Section 196 of Title 50 was repealed by act June 25, 1948, ch. 645, § 21, 62 Stat. 862.

Amendments

1958—Subsec. (c). Pub. L. 85–580 increased rate of pay for each hour that overtime extends beyond 6 o'clock (or 7 o'clock as the case may be) postmeridian from one and one-half times the basic hourly rate to two times the basic hourly rate.

1957—Subsecs. (c), (d). Pub. L. 85–58 added subsecs. (c) and (d).

Transfer of Functions

"Secretary of Health and Human Services" substituted for "Secretary of Health, Education, and Wel-
§ 268. Quarantine duties of consular and other officers

(a) Any consular or medical officer of the United States, designated for such purpose by the Secretary, shall make reports to the Surgeon General on such forms and at such intervals as the Surgeon General may prescribe, of the health conditions at the port or place at which such officer is stationed.

(b) It shall be the duty of the customs officers and of Coast Guard officers to aid in the enforcement of quarantine rules and regulations; but no additional compensation, except actual and necessary traveling expenses, shall be allowed any such officer by reason of such services.


Transfer of Functions

For transfer of authorities, functions, personnel, and assets of the Coast Guard, including the authorities and functions of the Secretary of Transportation relating thereto, to the Department of Homeland Security, and for treatment of related references, see sections 468(b), 551(d), 552(d), and 557 of Title 6, Domestic Security, and the Department of Homeland Security Reorganization Plan of November 25, 2002, as modified, set out as a note under section 264 of this title.

§ 268. Bills of health

(a) Detail of medical officer; conditions precedent to issuance; consular officer to receive fees

Except as otherwise prescribed in regulations, any vessel at any foreign port or place clearing or departing for any port or place in a State or possession shall be required to obtain from the consular officer of the United States or from the Public Health Service officer, or other medical officer of the United States designated by the Surgeon General, at the port or place of departure, a bill of health in duplicate, in the form prescribed by the Surgeon General. The President, from time to time, shall specify the ports at which a medical officer shall be stationed for this purpose. Such bill of health shall set forth the sanitary history and condition of said vessel, and shall state that it has in all respects complied with the regulations prescribed pursuant to subsection (c). Before granting such duplicate bill of health, such consular or medical officer shall be satisfied that the matters and things therein stated are true. The consular officer shall be entitled to demand and receive the fees for bills of health and such fees shall be established by regulation.

(b) Collectors of customs to receive originals; duplicate copies as part of ship’s papers

Original bills of health shall be delivered to the collectors of customs at the port of entry. Duplicate copies of such bills of health shall be delivered at the time of inspection to quarantine officers at such port. The bills of health herein prescribed shall be considered as part of the ship’s papers, and when duly certified to by the proper consular or other officer of the United States, over his official signature and seal, shall be accepted as evidence of the statements therein contained in any court of the United States.

(c) Regulations to secure sanitary conditions of vessels

The Surgeon General shall from time to time prescribe regulations, applicable to vessels referred to in subsection (a) of this section for the purpose of preventing the introduction into the States or possessions of the United States of any communicable disease by securing the best sanitary condition of such vessels, their cargoes, passengers, and crews. Such regulations shall be observed by such vessels prior to departure, during the course of the voyage, and also during inspection, disinfection, or other quarantine procedure upon arrival at any United States quarantine station.

(d) Vessels from ports near frontier

The provisions of subsections (a) and (b) of this section shall not apply to vessels plying between such foreign ports on or near the frontiers of the United States and ports of the United States as are designated by treaty.
(e) Compliance with regulations

It shall be unlawful for any vessel to enter any port in any State or possession of the United States to discharge its cargo, or land its passengers, except upon a certificate of the quarantine officer that regulations prescribed under subsection (c) have in all respects been complied with by such officer, the vessel, and its master. The master of every such vessel shall deliver such certificate to the collector of customs at the port of entry, together with the original bill of health and other papers of the vessel. The certificate required by this subsection shall be procurable from the quarantine officer, upon arrival of the vessel at the quarantine station and satisfactory inspection thereof, at any time within which quarantine services are performed at such station.

(July 1, 1944, ch. 373, title III, §366, 58 Stat. 705.)

TRANSFER OF FUNCTIONS

Functions of Public Health Service, Surgeon General of Public Health Service, and all other officers and employees of Public Health Service, and functions of all agencies of or in Public Health Service transferred to Secretary of Health, Education, and Welfare by Reorg. Plan No. 3 of 1966, eff. June 25, 1966, 31 F.R. 8855, 80 Stat. 1610, set out as a note under section 262 of this title. Secretary of Health, Education, and Welfare redesignated Secretary of Health and Human Services by section 509(b) of Pub. L. 96–88 which is classified to section 3508(b) of Title 20, Education.

All offices of collector of customs, comptroller of customs, surveyor of customs, and appraiser of merchandise of Bureau of Customs of Department of the Treasury to which appointments were required to be made by the President with the advice and consent of the Senate ordered abolished, with such offices to be terminated not later than December 31, 1966, by Reorg. Plan No. 1 of 1965, eff. May 25, 1965, 30 F.R. 7035, 79 Stat. 1317, set out in the Appendix to Title 5, Government Organization and Employees. All functions of offices eliminated were already vested in Secretary of the Treasury by Reorg. Plan No. 26 of 1950, eff. July 1, 1950, 15 F.R. 4933, 64 Stat. 1280, set out in the Appendix to Title 5.

§ 270. Quarantine regulations governing civil air navigation and civil aircraft

The Surgeon General is authorized to provide by regulations for the application to air navigation and aircraft of any of the provisions of sections 267 to 269 of this title and regulations prescribed thereunder (including penalties and forfeitures for violations of such sections and regulations), to such extent and upon such conditions as he deems necessary for the safeguarding of the public health.

(July 1, 1944, ch. 373, title III, §367, 58 Stat. 706.)

TRANSFER OF FUNCTIONS


Office of Surgeon General reestablished within the Office of the Assistant Secretary for Health, see Notice of Department of Health and Human Services, Office of the Assistant Secretary for Health, Mar. 30, 1987, 52 F.R. 11754.

§ 271. Penalties for violation of quarantine laws

(a) Penalties for persons violating quarantine laws

Any person who violates any regulation prescribed under sections 264 to 266 of this title, or any provision of section 269 of this title or any regulation prescribed thereunder, or who enters or departs from the limits of any quarantine station, ground, or anchorage in disregard of quarantine rules and regulations or without permission of the quarantine officer in charge, shall be punished by a fine of not more than $1,000 or by imprisonment for not more than one year, or both.

(b) Penalties for vessels violating quarantine laws

Any vessel which violates section 269 of this title, or any regulations thereunder or under section 267 of this title, or which enters within or departs from the limits of any quarantine station, ground, or anchorage in disregard of the quarantine rules and regulations or without permission of the officer in charge, shall forfeit to the United States not more than $5,000, the amount to be determined by the court, which shall be a lien on such vessel, to be recovered by proceedings in the proper district court of the United States. In all such proceedings the United States attorney shall appear on behalf of the United States; and all such proceedings shall be conducted in accordance with the rules and laws governing cases of seizure of vessels for violation of the revenue laws of the United States.

(c) Remittance or mitigation of forfeitures

With the approval of the Secretary, the Surgeon General may, upon application therefor, remit or mitigate any forfeiture provided for under subsection (b) of this section, and he shall have authority to ascertain the facts upon all such applications.


CHANGE OF NAME

Act June 25, 1948, eff. Sept. 1, 1948, substituted “United States attorney” for “United States district attorney”.

TRANSFER OF FUNCTIONS


Office of Surgeon General reestablished within the Office of the Assistant Secretary for Health, see Notice of Department of Health and Human Services, Office of the Assistant Secretary for Health, Mar. 30, 1987, 52 F.R. 11754.

Functions of Federal Security Administrator transferred to Secretary of Health, Education, and Welfare and all agencies of Federal Security Agency transferred to Department of Health, Education, and Welfare by
§ 272. Administration of oaths by quarantine officers

Medical officers of the United States, when performing duties as quarantine officers at any port or place within the United States, are authorized to take declarations and administer oaths in matters pertaining to the administration of the quarantine laws and regulations of the United States.

(July 1, 1944, ch. 373, title III, §369, 58 Stat. 706.)

PART H—ORGAN TRANSPLANTS

PRIOR PROVISIONS


Another prior part H, entitled “National Library of Medicine”, as added by act Aug. 3, 1956, ch. 907, 70 Stat. 960, was redesignated part I and classified to section 273 et seq. of this title, prior to repeal by Pub. L. 99-158.

§ 273. Organ procurement organizations

(a) Grant authority of Secretary

(1) The Secretary may make grants for the planning of qualified organ procurement organizations described in subsection (b).

(2) The Secretary may make grants for the establishment, initial operation, consolidation, and expansion of qualified organ procurement organizations described in subsection (b).

(b) Qualified organizations

(1) A qualified organ procurement organization for which grants may be made under subsection (a) is an organization which, as determined by the Secretary, will carry out the functions described in paragraph (2) and—

(A) is a nonprofit entity,

(B) has accounting and other fiscal procedures (as specified by the Secretary) necessary to assure the fiscal stability of the organization,

(C) has an agreement with the Secretary to be reimbursed under title XVIII of the Social Security Act [42 U.S.C. 1395 et seq.] for the procurement of kidneys,

(D) notwithstanding any other provision of law, has met the other requirements of this section and has been certified or recertified by the Secretary within the previous 4-year period as meeting the performance standards to be a qualified organ procurement organization through a process that either—

(i) granted certification or recertification within such 4-year period with such certification or recertification to the Secretary on substantive and procedural grounds; and

(ii) is defined through regulations that are promulgated by the Secretary by not later than January 1, 2002, that—

(I) require recertifications of qualified organ procurement organizations not more frequently than once every 4 years;

(II) rely on outcome and process performance measures that are based on empirical evidence, obtained through reasonable efforts, of organ donor potential and other related factors in each service area of qualified organ procurement organizations;

(III) use multiple outcome measures as part of the certification process; and

(IV) provide for a qualified organ procurement organization to appeal a decertification to the Secretary on substantive and procedural grounds; and

(E) has a defined service area that is of sufficient size to assure maximum effectiveness in the procurement and equitable distribution of organs, and that either includes an entire metropolitan statistical area (as specified by the Director of the Office of Management and Budget) or does not include any part of the

(F) has a director and such other staff, including the organ donation coordinators and organ procurement specialists necessary to effectively obtain organs from donors in its service area, and

(G) has a board of directors or an advisory board which—

(i) is composed of—

(I) members who represent hospital administrators, intensive care or emergency room personnel, tissue banks, and voluntary health associations in its service area,

(II) members who represent the public residing in such area,

(III) a physician with knowledge, experience, or skill in the field of histocompatibility or an individual with a doctorate degree in a biological science with knowledge, experience, or skill in the field of histocompatibility,

(IV) a physician with knowledge or skill in the field of neurology, and

(V) from each transplant center in its service area which has arrangements described in paragraph (3)(G) with the organization, a member who is a surgeon who has practicing privileges in such center and who performs organ transplant surgery,

(ii) has the authority to recommend policies for the procurement of organs and the other functions described in paragraph (3), and

(iii) has no authority over any other activity of the organization.

(2)(A) Not later than 90 days after November 16, 1990, the Secretary shall publish in the Federal Register a notice of proposed rulemaking to establish criteria for determining whether an

1 See References in Text note below.

2 So in original. The semicolon probably should be a comma.

3 So in original. Probably should be “histocompatibility”.

3508(b) of Title 20. and Department of Health and Human Services by section 509(b) of Pub. L. 96–88 which is classified to section Health, Education, and Welfare redesignated Secretary and office of Administrator abolished by section 8 of under section 3501 of this title. Federal Security Agen -
entity meets the requirement established in paragraph (1)(E),\(^1\)

(B) Not later than 1 year after November 16, 1990, the Secretary shall publish in the Federal Register a final rule to establish the criteria described in subparagraph (A).

(3) An organ procurement organization shall—

(A) have effective agreements, to identify potential organ donors, with a substantial majority of the hospitals and other health care entities in its service area which have facilities for organ donations,

(B) conduct and participate in systematic efforts, including professional education, to acquire all usable organs from potential donors,

(C) arrange for the acquisition and preservation of donated organs and provide quality standards for the acquisition of organs which are consistent with the standards adopted by the Organ Procurement and Transplantation Network under section 274(b)(2)(E) of this title, including arranging for testing with respect to identifying organs that are infected with human immunodeficiency virus (HIV),

(D) arrange for the appropriate tissue typing of donated organs,

(E) have a system to allocate donated organs equitably among transplant patients according to established medical criteria,

(F) provide or arrange for the transportation of donated organs to transplant centers,

(G) have arrangements to coordinate its activities with transplant centers in its service area,

(H) participate in the Organ Procurement Transplantation Network established under section 274 of this title,

(I) have arrangements to cooperate with tissue banks for the retrieval, processing, preservation, storage, and distribution of tissues as may be appropriate to assure that all usable tissues are obtained from potential donors,

(J) evaluate annually the effectiveness of the organization in acquiring potentially available organs, and

(K) assist hospitals in establishing and implementing protocols for making routine inquiries about organ donations by potential donors.

(c) Pancreata islet cell transplantation or research

Pancreata procured by an organ procurement organization and used for islet cell transplantation or research shall be counted for purposes of certification or recertification under subsection (b).


REFERENCES IN TEXT

Paragraph (2), referred to in subsec. (b)(1), meaning paragraph (2) of subsection (b) of this section, was redesignated paragraph (3) by section 201(d)(1) of Pub. L. 101–616. See 1990 Amendment note below.

The Social Security Act, referred to in subsec. (b)(1)(C), is act Aug. 14, 1935, ch. 531, 49 Stat. 522, as amended. Title XVIII of the Social Security Act is classified generally to subchapter XVIII (§1395 et seq.) of chapter 7 of this title. For complete classification of this Act to the Code, see section 1395 of this title and Table of Statutes.

Paragraph (1)(E), referred to in subsec. (b)(2)(A), meaning paragraph (1)(E) of subsec. (b) of this section, was redesignated paragraph (1)(F) by section 701(c)(1) of Pub. L. 106–505 and section 1(a)(1) (title II, §219(b)(1)) of Pub. L. 106–554. See 2000 Amendment note below.

Prior Provisions


Amendments

2013—Subsec. (b)(1)(E), (F). Pub. L. 113–51, §2(a)(3)(A), (B), redesignated subs. (F) and (G) as (E) and (F), respectively, and struck out former subpar. (E) which read as follows: “has procedures to obtain payment for non-renal organs provided to transplant centers,”.

Subsec. (b)(1)(G), Pub. L. 113–51, §2(a)(3)(C), which directed the substitution of “(G) has a director” for “(H) has a director”, was executed by substituting “(G) has a board of directors” for “(H) has a board of directors to reflect the probable intent of Congress. Former subpar. (G) redesignated (F).”

Subsec. (b)(1)(G)(i)(V), (ii). Pub. L. 113–51, §2(a)(3)(D), which directed the amendment of subpar. (H) by substituting “paragraph (3)(G)” for “paragraph (2)(G)” in cl. (i)(V) and “paragraph (3)” for “paragraph (2)” in cl. (ii), was executed by making the substitutions in subpars. (G)(ii)(V) and (G)(ii), respectively, to reflect the probable intent of Congress and the redesignation of subpar. (H) as (G) by Pub. L. 113–51, §2(a)(3)(C). See above.

Subsec. (b)(3)(C), Pub. L. 113–51, §2(a)(3), substituted “including arranging for testing with respect to identifying organs that are infected with human immunodeficiency virus (HIV)” for “including arranging for testing with respect to preventing the acquisition of organs that are infected with the etiologic agent for acquired immune deficiency syndrome”.

2004—Subsec. (a)(3). Pub. L. 108–216 struck out par. (3) which read as follows: “The Secretary may make grants to, and enter into contracts with, qualified organ procurement organizations described in subsection (b) of this section and other nonprofit private entities for the purpose of carrying out special projects designed to increase the number of organ donors.”


2000—Subsec. (b)(1)(D) to (H). Pub. L. 106–505 and Pub. L. 106–554 amended par. (1) identically, adding subpar. (D), redesignating former subs. (D) to (G) as (E) to (H), respectively, and realigning margins of subpar. (F).


Subsec. (a)(3). Pub. L. 101–616, §201(b)(1), substituted “may make grants to, and enter into contracts with, qualified organ procurement organizations described in subsection (b) of this section and other nonprofit private entities for the purpose of carrying out special projects for” for “may make grants for special projects”.

Subsec. (b)(1)(E). Pub. L. 101–616, §201(c)(1), amended subpar. (E) generally. Prior to amendment, subpar. (E) read as follows: “has a defined service area which is a geographical area of sufficient size such that (unless the service area comprises an entire State) the organization can reasonably expect to procure organs from not less than 50 donors each year and which either includes an entire standard metropolitan statistical area (as specified by the Office of Management and Budget) or does not include any part of such an area.”.


Subsec. (b)(2), (3). Pub. L. 101–616, §201(d), added par. (2) and redesignated former par. (2) as (3).

Subsec. (c). Pub. L. 101–616, §206(a), struck out subsec. (c) which authorized appropriations for subsec. (a) grants for fiscal years 1988 through 1990.


Subsec. (b)(1)(E). Pub. L. 100–607, §402(c)(1)(A), substituted “size such that” for “size which”, and “the organization can reasonably expect to procure organs from not less than 50 donors each year” for “will include at least fifty potential organ donors each year”.

1988 Amendment note below.

Pub. L. 101–616, §206(c), redesignated former par. (2) as (3).


1988 Amendment note below.

Subsec. (a)(4). Pub. L. 100–607, §402(c)(1)(C), substituted “organs equivalently among transplant patients” for “organs among transplant centers and patients”.

Subsec. (b)(2)(C), Pub. L. 100–607, §402(c)(1)(B), substituted “274(b)(2)(E) of this title, including arranging for testing with respect to preventing the acquisition of organs that are infected with the etiologic agent for acquired immune deficiency syndrome,” for “274(b)(2)(D) of this title.”

Subsec. (b)(2)(E). Pub. L. 100–607, §402(c)(1)(C), substituted “organs equivalently among transplant patients” for “organs among transplant centers and patients”.


Subsec. (c). Pub. L. 100–607, §402(d), amended subsec. (c) generally. Prior to amendment, subsec. (c) read as follows: “For grants under subsection (a) of this section there are authorized to be appropriated $5,000,000 for fiscal year 1985, $8,000,000 for fiscal year 1986, and $12,000,000 for fiscal year 1987.”

Effective Date of 1990 Amendment

Pub. L. 101–616, title II, §207, Nov. 16, 1990, 104 Stat. 3286, provided that: “Except as otherwise provided in this title, the amendments made by this title (enacting sections 274h and 274g of this title, amending this section and sections 274 and 274h of this title, and repealing provisions set out as a note above), amendment made by this Act, or application of the provision or amendment to any person or circumstance is held to be unconstitutional, the remainder of this Act, the amendments made by this Act, and the application of the provisions or amendments to any person or circumstance shall not be affected.”

Certification of Organ Procurement Organizations


(1) Organ procurement organizations play an important role in the effort to increase organ donation in the United States.

(2) The current process for the certification and recertification of organ procurement organizations conducted by the Department of Health and Human Services has created a level of uncertainty that is interfering with the effectiveness of organ procurement organizations in raising the level of organ donation.

(3) The General Accounting Office [now Government Accountability Office], the Institute of Medicine, and the Harvard School of Public Health have identified substantial limitations in the organ procurement organization certification and recertification process and have recommended changes in that process.

(4) The limitations in the recertification process include:

(A) An exclusive reliance on population-based measures of performance that do not account for the potential in the population for organ donation and do not permit consideration of other outcome and process standards that would more accurately reflect the relative capability and performance of each organ procurement organization.

(B) A lack of due process to appeal to the Secretary of Health and Human Services for recertification on either substantive or procedural grounds.

(5) The Secretary of Health and Human Services has the authority under section 1198(b)(1)(A)(i) of the Social Security Act (42 U.S.C. 1320b–8(b)(1)(A)(i)) to extend the period for recertification of an organ procurement organization from 2 to 4 years on the basis of its past practices in order to avoid the inappropriate disruption of the nation's organ system.

(6) The Secretary of Health and Human Services can use the extended period described in paragraph (5) for recertification of all organ procurement organizations to—

(A) develop improved performance measures that would reflect organ donor potential and interim outcomes, and to test these measures to ensure that they accurately measure performance differences among the organ procurement organizations; and

(B) improve the overall certification process by incorporating process as well as outcome performance measures, and developing equitable processes for appeals.”

Study Regarding Immunosuppressive Drugs


(1) In general.—The Secretary of Health and Human Services (referred to in this subsection as the ‘‘Secretary’’) shall provide for a study to determine the costs of immunosuppressive drugs that are provided to
children pursuant to organ transplants and to determine the extent to which health plans and health insurance cover such costs. The Secretary may carry out the study directly or through a grant to the Institute of Medicine (or other public or nonprofit private entity).

"(2) RECOMMENDATIONS REGARDING CERTAIN ISSUES.—The Secretary shall ensure that, in addition to making determinations under paragraph (1), the study under such paragraph makes recommendations regarding the following issues:

"(A) The costs of immunosuppressive drugs that are provided to children pursuant to organ transplants and to determine the extent to which health plans, health insurance and government programs cover such costs.

"(B) The extent of denial of organs to be released for transplant by coroners and medical examiners.

"(C) The special growth and developmental issues that children have pre- and post-organ transplantation.

"(D) Other issues that are particular to the special health and transplantation needs of children.

"(3) The Secretary shall ensure that, not later than December 31, 2001, the study under paragraph (1) is completed and a report describing the findings of the study is submitted to the Congress.

STUDY ON HOSPITAL AGREEMENTS WITH ORGAN PROCUREMENT AGENCIES

Pub. L. 103–432, title I, § 155(b), Oct. 31, 1994, 108 Stat. 4639, directed Office of Technology Assessment to conduct study to determine efficacy and fairness of requiring a hospital to enter into agreement under subsec. (b)(3)(A) of this section with organ procurement agency for service area in which such hospital is located and impact of such requirement on efficacy and fairness of organ procurement and distribution, and to submit to Congress, not later than 2 years after Oct. 31, 1994, report containing findings of such study and implications of such findings with respect to policies affecting organ procurement and distribution.

TASK FORCE ON ORGAN PROCUREMENT AND TRANSPLANTATION

Pub. L. 98–507, title I, §§ 101–105, Oct. 19, 1984, 98 Stat. 2339–2342, directed Secretary of Health and Human Services, not later than 90 days after Oct. 19, 1984, to establish a Task Force on Organ Transplantation to conduct comprehensive examinations, prepare an assessment and report, and submit advice as to regulation of the medical, legal, ethical, economic, and social issues presented by human organ procurement and transplantation, with the final report due not later than 12 months after the Task Force is established and the Task Force to terminate 3 months thereafter.

BONE MARROW REGISTRY DEMONSTRATION AND STUDY

Pub. L. 98–507, title IV, § 401, Oct. 19, 1984, 98 Stat. 3268, directed Secretary of Health and Human Services to hold a conference on the feasibility of establishing and the effectiveness of a national registry of voluntary bone marrow donors not later than 9 months after Oct. 19, 1984, and if the conference found that it was feasible to establish a national registry of voluntary donors of bone marrow and that such a registry was likely to be effective in matching donors with recipients, the Secretary was to establish a registry of voluntary donors of bone marrow and that such a registry was likely to be effective in matching donors with recipients, the Secretary was to establish a registry of voluntary donors of bone marrow and that such a registry was likely to be effective in matching donors with recipients, the Secretary was to establish a registry of voluntary donors of bone marrow and that such a registry was likely to be effective in matching donors with recipients, the Secretary was to establish a registry of voluntary donors of bone marrow and that such a registry was likely to be effective in matching donors with recipients, the Secretary was to establish a registry of voluntary donors of bone marrow and

$\S 274\text{. Organ procurement and transplantation network}$

(a) Contract authority of Secretary; limitation; available appropriations

The Secretary shall by contract provide for the establishment and operation of an Organ Procurement and Transplantation Network which meets the requirements of subsection (b). The amount provided under such contract in any fiscal year may not exceed $7,000,000. Funds for such contracts shall be made available from funds available to the Public Health Service from appropriations for fiscal years beginning after fiscal year 1984.

(b) Functions

(1) The Organ Procurement and Transplantation Network shall carry out the functions described in paragraph (2) and shall—

(A) be a private nonprofit entity that has an expertise in organ procurement and transplantation, and

(B) have a board of directors—

(i) that includes representatives of organ procurement organizations (including organizations that have received grants under section 273 of this title), transplant centers, voluntary health associations, and the general public; and

(ii) that shall establish an executive committee and other committees, whose chairpersons shall be selected to ensure continuity of leadership for the board.

(2) The Organ Procurement and Transplantation Network shall—

(A) establish in one location or through regional centers—

(i) a national list of individuals who need organs, and

(ii) a national system, through the use of computers and in accordance with estab-
lished medical criteria, to match organs and individuals included in the list, especially individuals whose immune system makes it difficult for them to receive organs,

(B) establish membership criteria and medical criteria for allocating organs and provide to members of the public an opportunity to comment with respect to such criteria,

(C) maintain a twenty-four-hour telephone service to facilitate matching organs with individuals included in the list,

(D) assist organ procurement organizations in the nationwide distribution of organs equitably among transplant patients,

(E) adopt and use standards of quality for the acquisition and transportation of donated organs,

(F) prepare and distribute, on a regionalized basis (and, to the extent practicable, among regions or on a national basis), samples of blood sera from individuals who are included on the list and whose immune system makes it difficult for them to receive organs, in order to facilitate matching the compatibility of such individuals with organ donors,

(G) coordinate, as appropriate, the transportation of organs from organ procurement organizations to transplant centers,

(H) provide information to physicians and other health professionals regarding organ donation,

(I) collect, analyze, and publish data concerning organ donation and transplants,

(J) carry out studies and demonstration projects for the purpose of improving procedures for organ procurement and allocation,

(K) work actively to increase the supply of donated organs,

(L) submit to the Secretary an annual report containing information on the comparative costs and patient outcomes at each transplant center affiliated with the organ procurement and transplantation network,

(M) recognize the differences in health and in organ transplantation issues between children and adults throughout the system and adopt criteria, polices, and procedures that address the unique health care needs of children,

(N) carry out studies and demonstration projects for the purpose of improving procedures for organ donation procurement and allocation, including but not limited to projects to examine and attempt to increase transplantation among populations with special needs, including children and individuals who are members of racial or ethnic minority groups, and among populations with limited access to transportation, and

(O) provide that for purposes of this paragraph, the term “children” refers to individuals who are under the age of 18.

(3) CLARIFICATION.—In adopting and using standards of quality under paragraph (2)(E), the Organ Procurement and Transplantation Network may adopt and use such standards with respect to organs infected with human immunodeficiency virus (in this paragraph referred to as “HIV”), provided that any such standards ensure that organs infected with HIV may be transplanted only into individuals who—

(A) are infected with HIV before receiving such organ; and

(B)(i) are participating in clinical research approved by an institutional review board under the criteria, standards, and regulations described in subsections (a) and (b) of section 274f–5 of this title; or

(ii) if the Secretary has determined under section 274f–5(c) of this title that participation in such clinical research, as a requirement for such transplants, is no longer warranted, are receiving a transplant under the standards and regulations under section 274f–5(c) of this title.

(c) Consideration of critical comments

The Secretary shall establish procedures for—

(1) receiving from interested persons critical comments relating to the manner in which the Organ Procurement and Transplantation Network is carrying out the duties of the Network under subsection (b); and

(2) the consideration by the Secretary of such critical comments.

(Prior Provisions


Another section 372 of act July 1, 1944, added by act Aug. 3, 1956, ch. 941, §1, 70 Stat. 960, which related to functions of National Library of Medicine, was renumbered section 382 and classified to section 276 of this title, prior to repeal by Pub. L. 99–158, §3(b), Nov. 20, 1985, 99 Stat. 979.

Amendments

2013—Subsec. (b)(2)(E). Pub. L. 113–51, §2(a)(1)(A), struck out “, including standards for preventing the acquisition of organs that are infected with the etiologic agent for acquired immune deficiency syndrome’’ after “organs’’.


2008—Subsec. (a). Pub. L. 110–426 substituted “$7,000,000’’ for “$2,000,000’’.


1996—Subsec. (b)(1)(A). Pub. L. 101–616, §202(a)(1), substituted “that has an expertise in organ procurement and transplantation’’ for “which is not engaged in any activity unrelated to organ procurement’’.

Subsec. (b)(1)(B). Pub. L. 101–616, §202(a)(2), amended subpar. (B) generally. Prior to amendment, subpar. (B) read as follows: “have a board of directors which includes representatives of organ procurement organizations (including organizations which have received grants under section 273 of this title), transplant centers, voluntary health associations, and the general public.’’


2008—Subsec. (b)(2)(E). Pub. L. 110–426 substituted “$7,000,000’’ for “$2,000,000’’.


1996—Subsec. (b)(1)(A). Pub. L. 101–616, §202(a)(1), substituted “that has an expertise in organ procurement and transplantation’’ for “which is not engaged in any activity unrelated to organ procurement’’.

Subsec. (b)(1)(B). Pub. L. 101–616, §202(a)(2), amended subpar. (B) generally. Prior to amendment, subpar. (B) read as follows: “have a board of directors which includes representatives of organ procurement organizations (including organizations which have received grants under section 273 of this title), transplant centers, voluntary health associations, and the general public.’’

§ 274a. Scientific registry

The Secretary shall, by grant or contract, develop and maintain a scientific registry of the recipients of organ transplants. The registry shall include such information respecting patients and transplant procedures as the Secretary deems necessary to an ongoing evaluation of the scientific and clinical status of organ transplantation. The Secretary shall prepare for inclusion in the report under section 274d of this title an analysis of information derived from the registry.

(1) The Secretary shall determine the amount of a grant or contract made under section 273 or 274a of this title. Payments under such grants and contracts may be made in advance on the basis of estimates or by the way of reimbursement, with necessary adjustments on account of audits and examination of records.
underpayments or overpayments, and in such installments and on such terms and conditions as the Secretary finds necessary to carry out the purposes of such grants and contracts.

(2)(A) Each recipient of a grant or contract under section 273 or 274a of this title shall keep such records as the Secretary shall prescribe, including records which fully disclose the amount and disposition by such recipient of the proceeds of such grant or contract, the total cost of the undertaking in connection with which such grant or contract was made, and the amount of that portion of the cost of the undertaking supplied by other sources, and such other records as will facilitate an effective audit.

(B) The Secretary and the Comptroller General of the United States, or any of their duly authorized representatives, shall have access for the purpose of audit and examination to any books, documents, papers, and records of the recipient of a grant or contract under section 273 or 274a of this title that are pertinent to such grant or contract.

(d) “Transplant center” and “organ” defined

For purposes of this part:

(1) The term “transplant center” means a health-care facility in which transplants of organs are performed.

(2) The term “organ” means the human kidney, liver, heart, lung, pancreas, and any other human organ (other than corneas and eyes) specified by the Secretary by regulation and for purposes of section 274a of this title, such term includes bone marrow.

Prior Provisions

A prior section 374 of act July 1, 1944, added by act Aug. 3, 1956, ch. 907, §1, 70 Stat. 961, which related to acceptance and administration of gifts to National Library of Medicine and to establishment of memorials to donors, was renumbered section 384 and classified to section 278 of this title, prior to repeal by Pub. L. 99–158, §3(b), Nov. 20, 1985, 99 Stat. 879.

Amendments

1990—Subsec. (a). Pub. L. 101–161, §203(1), substituted “No grant may be made under this part” for “No grant may be made under section 273 or 274a of this title”. Subsec. (b). Pub. L. 101–161, §203(2), redesignated par. (2) as (1) and substituted “‘section 273(a)(1)” for “‘section 273”, struck out former par. (1) which set forth factors in considering applications for section 273 grants, redesignated par. (3) as (2) and substituted “‘section 273(a)(2)” for “‘paragraphs (2) and (3) of section 273(a)”, and added par. (3).

Subsec. (c). Pub. L. 101–161, §203(3), inserted “or contract” after “grant” wherever appearing and “and contracts” after “grants” wherever appearing.

1989—Subsec. (b)(3). Pub. L. 100–607 substituted “paragraphs (2) and (3) of section 273(a)” for “‘paragraphs 273 of this title for the establishment, initial operation, or expansion of organ procurement organizations”.

§ 274c. Administration

The Secretary shall designate and maintain an identifiable administrative unit in the Public Health Service to—

(1) administer this part and coordinate with the organ procurement activities under title XVIII of the Social Security Act [42 U.S.C. 1395 et seq.],

(2) conduct a program of public information to inform the public of the need for organ donations,

(3) provide technical assistance to organ procurement organizations, the Organ Procurement and Transplantation Network established under section 274 of this title, and other entities in the health-care system involved in organ donations, procurement, and transplants, and

(4) provide information—

(i) to patients, their families, and their physicians about transplantation; and

(ii) to patients and their families about the resources available nationally and in each State, and the comparative costs and patient outcomes at each transplant center affiliated with the organ procurement and transplantation network, in order to assist the patients and families with the costs associated with transplantation.

Prior Provisions

A prior section 375 of act July 1, 1944, added by act Aug. 3, 1956, ch. 907, §1, 70 Stat. 962, which related to definitions, was renumbered section 279 and classified to section 279 of this title, prior to repeal by Pub. L. 99–158, §3(b), Nov. 20, 1985, 99 Stat. 879.

Amendments

1990—Pub. L. 101–161, §204(a), struck out “‘during fiscal years 1985 through 1990,” after “‘The Secretary shall”.

Par. (3). Pub. L. 101–161, §204(b)(1), struck out “‘receiving funds under section 273 of this title’” after “‘organ procurement organizations”.

Par. (4). Pub. L. 101–161, §204(b)(2), amended par. (4) generally. Prior to amendment, par. (4) read as follows: “not later than April 1 of each of the years 1989 and 1990, submit to the Congress a report on the status of organ donation and coordination services and include in the report an analysis of the efficiency and effectiveness of the procurement and allocation of organs and a description of problems encountered in the procurement and allocation of organs.”

1988—Pub. L. 100–607, in introductory provisions, substituted “1985 through 1990” for “1985, 1986, 1987, and 1988” and, in par. (4), substituted “not later than April 1 of each of the years 1989 and 1990, submit to the Congress a report for “one year after the date on which the Task Force on Organ Transplantation transmits its final report under section 104(c) of the National Organ Transplant Act, and annually thereafter through fiscal year 1988, submit to Congress an annual report’”.

§ 274d. Report

Not later than February 10 of 1991 and of each second year thereafter, the Secretary shall pub-
lish, and submit to the Committee on Energy and Commerce of the House of Representatives and the Committee on Labor and Human Resources of the Senate.¹ a report on the scientific and clinical status of organ transplantation. The Secretary shall consult with the Director of the National Institutes of Health and the Commissioner of the Food and Drug Administration in the preparation of the report.


PRIOR PROVISIONS
A prior section 376 of act July 1, 1944, added by act Aug. 3, 1956, ch. 807, §1, 70 Stat. 962, which related to Library facilities, was renumbered section 386 and classified to section 280 of this title, prior to repeal by Pub. L. 99–158, §3(b), Nov. 20, 1985, 99 Stat. 879.

AMENDMENTS
1990—Pub. L. 101–616 substituted “Not later than February 10 of 1991 and of each second year thereafter, the Secretary shall publish, and submit to the Committee on Energy and Commerce of the House of Representatives and the Committee on Labor and Human Resources of the Senate.” for “The Secretary shall, not later than October 1 of each year, publish”.

1988—Pub. L. 100–607 substituted “shall, not later than October 1 of each year,” for “shall annually”.

CHANGE OF NAME
Committee on Labor and Human Resources of Senate changed to Committee on Health, Education, Labor, and Pensions of Senate by Senate Resolution No. 20, One Hundred Sixth Congress, Jan. 19, 1999.

Committee on Energy and Commerce of House of Representatives treated as referring to Committee on Commerce of House of Representatives by section 1(a) of Pub. L. 104–14, set out as a note preceding section 21 of Title 2, The Congress. Committee on Energy and Commerce of the House of Representatives changed to Committee on Energy and Commerce of House of Representatives, and jurisdiction over matters relating to securities and energy and Commerce of House of Representatives, was renumbered section 386 and classified to section 280 of this title, prior to repeal by Pub. L. 99–158, §3(b), Nov. 20, 1985, 99 Stat. 879.

§ 274e. Prohibition of organ purchases
(a) Prohibition
It shall be unlawful for any person to knowingly acquire, receive, or otherwise transfer any human organ for valuable consideration for use in human transplantation if the transfer affects interstate commerce. The preceding sentence does not apply with respect to human organ paired donation.

(b) Penalties
Any person who violates subsection (a) shall be fined not more than $50,000 or imprisoned not more than five years, or both.

(c) Definitions
For purposes of subsection (a):
(1) The term “human organ” means the human (including fetal) kidney, liver, heart, lung, pancreas, bone marrow, cornea, eye, bone, and skin or any subpart thereof and any other human organ (or any subpart thereof, including that derived from a fetus) specified by the Secretary of Health and Human Services by regulation.
(2) The term “valuable consideration” does not include the reasonable payments associated with the removal, transportation, implantation, processing, preservation, quality control, and storage of a human organ or the expenses of travel, housing, and lost wages incurred by the donor of a human organ in connection with the donation of the organ.
(3) The term “interstate commerce” has the meaning prescribed for it by section 321(b) of title 21.
(4) The term “human organ paired donation” means the donation and receipt of human organs under the following circumstances:
(A) An individual (referred to in this paragraph as the “first donor”) desires to make a living donation of a human organ specifically to a particular patient (referred to in this paragraph as the “first patient”), but such donor is biologically incompatible as a donor for such patient.
(B) A second individual (referred to in this paragraph as the “second donor”) desires to make a living donation of a human organ specifically to a second particular patient (referred to in this paragraph as the “second patient”), but such donor is biologically incompatible as a donor for such patient.
(C) Subject to subparagraph (D), the first donor is biologically compatible as a donor of a human organ for the second patient, and the second donor is biologically compatible as a donor of a human organ for the first patient.
(D) If there is any additional donor-patient pair as described in subparagraph (A) or (B), each donor in the group of donor-patient pairs is biologically compatible as a donor of a human organ for a patient in such group.
(E) All donors and patients in the group of donor-patient pairs (whether 2 pairs or more than 2 pairs) enter into a single agreement to donate and receive such human organs, respectively, according to such biological compatibility in the group.
(F) Other than as described in subparagraph (E), no valuable consideration is knowingly acquired, received, or otherwise transferred with respect to the human organs referred to in such subparagraph.


CODIFICATION
Section was enacted as part of the National Organ Transplant Act, and not as part of the Public Health Service Act which comprises this chapter.

AMENDMENTS
1988—Subsec. (c)(1). Pub. L. 100–607 amended par. (1) generally. Prior to amendment, par. (1) read as follows: “The term ‘human organ’ means the human kidney,
liver, heart, lung, pancreas, bone marrow, cornea, eye, bone, and skin, and any other human organ specified by the Secretary of Health and Human Services by regulation.”

Determination on the Definition of Human Organ


§ 274f. Reimbursement of travel and subsistence expenses incurred toward living organ donation

(a) In general

The Secretary may award grants to States, transplant centers, qualified organ procurement organizations under section 273 of this title, or other public or private entities for the purpose of—

(1) providing for the reimbursement of travel and subsistence expenses incurred by individuals toward making living donations of their organs (in this section referred to as “donating individuals”); and

(2) providing for the reimbursement of such incidental nonmedical expenses that are so incurred as the Secretary determines by regulation to be appropriate.

(b) Preference

The Secretary shall, in carrying out subsection (a), give preference to those individuals that the Secretary determines are more likely to be otherwise unable to meet such expenses.

(c) Certain circumstances

The Secretary may, in carrying out subsection (a), consider—

(1) the term “donating individuals” as including individuals who in good faith incur qualifying expenses toward the intended donation of an organ but with respect to whom, for such reasons as the Secretary determines to be appropriate, no donation of the organ occurs; and

(2) the term “qualifying expenses” as including the expenses of having relatives or other individuals, not to exceed 2, accompany or assist the donating individual for purposes of subsection (a) (subject to making payment for only those types of expenses that are paid for a donating individual).

(d) Relationship to payments under other programs

An award may be made under subsection (a) only if the applicant involved agrees that the award will not be expended to pay the qualifying expenses of a donating individual to the extent that payment has been made, or can reasonably be expected to be made, with respect to such expenses—

(1) under any State compensation program, under an insurance policy, or under any Federal or State health benefits program;

(2) by an entity that provides health services on a prepaid basis; or

(3) by the recipient of the organ.

(e) Definitions

For purposes of this section:

(1) The term “donating individuals” has the meaning indicated for such term in subsection (a)(1), subject to subsection (c)(1).

(2) The term “qualifying expenses” means the expenses authorized for purposes of subsection (a), subject to subsection (c)(2).

(f) Authorization of appropriations

For the purpose of carrying out this section, there is authorized to be appropriated $5,000,000 for each of the fiscal years 2005 through 2009.

Amendments

2004—Pub. L. 108–216 amended section catchline and text generally, substituting provisions relating to reimbursement of travel and subsistence expenses incurred toward living organ donation for provisions requiring the Comptroller General to study and report on organ procurement and allocation.

§ 274f–1. Public awareness; studies and demonstrations

(a) Organ donation public awareness program

The Secretary shall, directly or through grants or contracts, establish a public education program in cooperation with existing national public awareness campaigns to increase awareness about organ donation and the need to provide for an adequate rate of such donations.

(b) Studies and demonstrations

The Secretary may make peer-reviewed grants to, or enter into peer-reviewed contracts with, public and nonprofit private entities for the purpose of carrying out studies and demonstration projects to increase organ donation and recovery rates, including living donation.

(c) Grants to States

(1) In general

The Secretary may make grants to States for the purpose of assisting States in carrying out organ donor awareness, public education, and outreach activities and programs designed to increase the number of organ donors within the State, including living donors.

(2) Eligibility

To be eligible to receive a grant under this subsection, a State shall—

(A) submit an application to the Department in the form prescribed by the Secretary of this Act; and

(B) establish yearly benchmarks for improvement in organ donation rates in the State; and

(C) report to the Secretary on an annual basis a description and assessment of the
State’s use of funds received under this subsection, accompanied by an assessment of initiatives for potential replication in other States.

(3) Use of funds
Funds received under this subsection may be used by the State, or in partnership with other public agencies or private sector institutions, for education and awareness efforts, information dissemination, activities pertaining to the State donor registry, and other innovative donation specific initiatives, including living donation.

(d) Educational activities
The Secretary, in coordination with the Organ Procurement and Transplantation Network and other appropriate organizations, shall support educational activities, including evidence-based proven methods to approach patients and their families, cultural sensitivities, and other relevant issues.

(e) Authorization of appropriations
For the purpose of carrying out this section, there are authorized to be appropriated $15,000,000 for fiscal year 2005, and such sums as may be necessary for each of the fiscal years 2006 through 2009. Such authorization of appropriations is in addition to any other authorizations of appropriations that are available for such purpose.


§ 274f–3. Studies relating to organ donation and the recovery, preservation, and transportation of organs

(a) Development of supportive information
The Secretary, acting through the Director of the Agency for Healthcare Research and Quality, shall develop scientific evidence in support of efforts to increase organ donation and improve the recovery, preservation, and transportation of organs.

(b) Activities
In carrying out subsection (a), the Secretary shall—
(1) conduct or support evaluation research to determine whether interventions, technologies, or other activities improve the effectiveness, efficiency, or quality of existing organ donation practice; and
(2) undertake or support periodic reviews of the scientific literature to assist efforts of
professional societies to ensure that the clinical practice guidelines that they develop reflect the latest scientific findings;
(3) ensure that scientific evidence of the research and other activities undertaken under this section is readily accessible by the organ procurement workforce; and
(4) work in coordination with the appropriate professional societies as well as the Organ Procurement and Transplantation Network and other organ procurement and transplantation organizations to develop evidence and promote the adoption of such proven practices.

(c) Research and dissemination
The Secretary, acting through the Director of the Agency for Healthcare Research and Quality, as appropriate, shall provide support for research and dissemination of findings, to—
(1) develop a uniform clinical vocabulary for organ recovery;
(2) apply information technology and telecommunications to support the clinical operations of organ procurement organizations;
(3) enhance the skill levels of the organ procurement workforce in undertaking quality improvement activities; and
(4) assess specific organ recovery, preservation, and transportation technologies.

(d) Authorization of appropriations
For the purpose of carrying out this section, there are authorized to be appropriated $2,000,000 for fiscal year 2005, and such sums as may be necessary for each of fiscal years 2006 through 2009.


§ 274f–4. Report relating to organ donation and the recovery, preservation, and transportation of organs

(a) In general
Not later than December 31, 2005, and every 2 years thereafter, the Secretary shall report to the appropriate committees of Congress on the activities of the Department carried out pursuant to this part, including an evaluation describing the extent to which the activities have affected the rate of organ donation and recovery.

(b) Requirements
To the extent practicable, each report submitted under subsection (a) shall—
(1) evaluate the effectiveness of activities, identify effective activities, and disseminate such findings with respect to organ donation and recovery;
(2) assess organ donation and recovery activities that are recently completed, ongoing, or planned; and
(3) evaluate progress on the implementation of the plan required under subsection (c)(5).

(c) Initial report requirements
The initial report under subsection (a) shall include the following:
(1) An evaluation of the organ donation practices of organ procurement organizations,
States, other countries, and other appropriate organizations including an examination across all populations, including those with low organ donation rates, of—
(A) existing barriers to organ donation; and
(B) the most effective donation and recovery practices.

(2) An evaluation of living donation practices and procedures. Such evaluation shall include an assessment of issues relating to informed consent and the health risks associated with living donation (including possible reduction of long-term effects).
(3) An evaluation of—
(A) federally supported or conducted organ donation efforts and policies, as well as federally supported or conducted basic, clinical, and health services research (including research on preservation techniques and organ rejection and compatibility); and
(B) the coordination of such efforts across relevant agencies within the Department and throughout the Federal Government.

(4) An evaluation of the costs and benefits of State donor registries, including the status of existing State donor registries, the effect of State donor registries on organ donation rates, issues relating to consent, and recommendations regarding improving the effectiveness of State donor registries in increasing overall organ donation rates.

(5) A plan to improve federally supported or conducted organ donation and recovery activities, including, when appropriate, the establishment of baselines and benchmarks to measure overall outcomes of these programs. Such plan shall provide for the ongoing coordination of federally supported or conducted organ donation and research activities.


§ 274f–5. Criteria, standards, and regulations with respect to organs infected with HIV

(a) In general
Not later than 2 years after November 21, 2013, the Secretary shall develop and publish criteria for the conduct of research relating to transplantation of organs from donors infected with human immunodeficiency virus (in this section referred to as “HIV”) into individuals who are infected with HIV before receiving such organ.

(b) Corresponding changes to standards and regulations applicable to research
Not later than 2 years after November 21, 2013, to the extent determined by the Secretary to be necessary to allow the conduct of research in accordance with the criteria developed under subsection (a)—
(1) the Organ Procurement and Transplantation Network shall revise the standards of quality adopted under section 274(b)(2)(E) of this title; and
(2) the Secretary shall revise section 121.6 of title 42, Code of Federal Regulations (or any successor regulations).
(c) Revision of standards and regulations generally
Not later than 4 years after November 21, 2013, and annually thereafter, the Secretary, shall—
(1) review the results of scientific research in conjunction with the Organ Procurement and Transplantation Network to determine whether the results warrant revision of the standards of quality adopted under section 274(b)(2)(E) of this title with respect to donated organs infected with HIV and with respect to the safety of transplanting an organ with a particular strain of HIV into a recipient with a different strain of HIV;
(2) if the Secretary determines under paragraph (1) that such results warrant revision of the standards of quality adopted under section 274(b)(2)(E) of this title with respect to donated organs infected with HIV and with respect to transplanting an organ with a particular strain of HIV into a recipient with a different strain of HIV, direct the Organ Procurement and Transplantation Network to revise such standards, consistent with section 274 of this title and in a way that ensures the changes will not reduce the safety of organ transplantation; and
(3) in conjunction with any revision of such standards under paragraph (2), revise section 121.6 of title 42, Code of Federal Regulations (or any successor regulations).

(July 1, 1944, ch. 373, title III, §377E, as added Pub. L. 113–51, §2(b), Nov. 21, 2013, 127 Stat. 580.)

§ 274g. Authorization of appropriations

For the purpose of carrying out this part, there are authorized to be appropriated $8,000,000 for fiscal year 1991, and such sums as may be necessary for each of the fiscal years 1992 and 1993.


AMENDMENTS

PART H—Stephanie Tubbs Jones Gift of Life Medal

CODIFICATION
Part was enacted as part of the Stephanie Tubbs Jones Gift of Life Medal Act of 2006, and not as part of the Public Health Service Act which comprises this chapter.

§ 274i. Eligibility requirements for Stephanie Tubbs Jones Gift of Life Medal

(a) In general
Subject to the provisions of this section and the availability of funds under this part, any organ donor, or the family of any organ donor, shall be eligible for a Stephanie Tubbs Jones Gift of Life Medal (hereafter in this part referred to as a “medal”).

(b) Documentation
The Secretary of Health and Human Services shall direct the entity operating the Organ Procurement and Transplantation Network to—
(1) establish an application procedure requiring the relevant organ procurement organization through which an individual or family of the individual made an organ donation, to submit to such entity documentation supporting the eligibility of the individual or the family, respectively, to receive a medal;
(2) determine through the documentation provided and, if necessary, independent investigation whether the individual or family, respectively, is eligible to receive such a medal; and
(3) arrange for the presentation to the relevant organ procurement organization all medals struck pursuant to section 274i–2 of this title to individuals or families that are determined to be eligible to receive medals.

(c) Limitation
(1) In general
Except as provided in paragraph (2), only 1 medal may be presented to a family under subsection (b). Such medal shall be presented to the donating family member, or in the case of a deceased donor, the family member who signed the consent form authorizing, or who otherwise authorized, the donation of the organ involved.

(2) Exception
In the case of a family in which more than 1 member is an organ donor, a medal may be presented for each such organ donor.


§ 274i–1. Solicitation of donations; prohibition on use of Federal funds

(a) In general
The Organ Procurement and Transplantation Network may collect funds to offset expenditures relating to the issuance of medals authorized under this part.

(b) Payment of funds
(1) In general
Except as provided in paragraph (2), all funds received by the Organ Procurement and Transplantation Network under subsection (a) shall be promptly paid by the Organ Procurement and Transplantation Network to the Secretary of Health and Human Services for purposes of purchasing medals under this part for distribution and paying the administrative costs of the Secretary of Health and Human Services and the Secretary of the Treasury in carrying out this part.

(2) Limitation
Not more than 7 percent of any funds received under subsection (a) may be used to pay administrative costs, and fundraising costs to solicit funds under subsection (a), incurred by the Organ Procurement and Transplantation Network in carrying out this part.

(c) Prohibition on use of Federal funds
No Federal funds (including amounts appropriated for use by the Organ Procurement and
Transplantation Network) may be used for purposes of carrying out this part, including purchasing medals under this part or paying the administrative costs of the Secretary of Health and Human Services or the Secretary of the Treasury in carrying out this part.


§ 274i–2. Design and production of medal

(a) In general

Subject to the provisions of this section, the Secretary of the Treasury shall design and strike the Stephanie Tubbs Jones Gift of Life Medals, each of which shall—

(1) weigh 250 grams;
(2) have a diameter of 3 inches; and
(3) consist of bronze.

(b) Design

(1) In general

The design of the medals shall commemorate the compassion and courage manifested by and the sacrifices made by organ donors and their families, and the medals shall bear suitable emblems, devices, and inscriptions.

(2) Selection

The design of medals struck under this section shall be—

(A) selected by the Secretary of the Treasury, in consultation with the Secretary of Health and Human Services, the Organ Procurement and Transplantation Network, interested members of the family of Stephanie Tubbs Jones, Dr. William H. Frist, and the Commission of Fine Arts; and

(B) reviewed by the Citizens Coin Advisory Committee.

(c) National medals

The medals struck pursuant to this section are national medals for purposes of chapter 51 of title 31.

(d) Striking and delivery of minimum-sized lots

The Secretary of the Treasury shall strike and deliver to the Secretary of Health and Human Services no fewer than 100 medals at any time pursuant to an order by such Secretary.

(e) Cost of medals

Medals struck under this section and sold to the Secretary of Health and Human Services for distribution in accordance with this part shall be sold to the Secretary of Health and Human Services at a price sufficient to cover the cost of designing and striking the medals, including labor, materials, dies, use of machinery, and overhead expenses.

(f) No expenditures in advance of receipt of fund

(1) In general

The Secretary of the Treasury shall not strike or distribute any medals under this part until such time as the Secretary of Health and Human Services certifies that sufficient funds have been received by such Secretary to cover the cost of the medals ordered.

(2) Design in advance of order

Notwithstanding paragraph (1), the Secretary of the Treasury may begin designing the medal at any time after October 14, 2008, and take such other action as may be necessary to be prepared to strike such medals upon receiving the certification described in such paragraph, including preparing dies and striking test pieces.


§ 274i–3. Medals not treated as valuable consideration

A medal under this part shall not be treated as valuable consideration for purposes of section 274e(a) of this title.


§ 274i–4. Definitions

For purposes of this part:

(1) Organ

The term “organ” has the meaning given such term in section 121.2 of title 42, Code of Federal Regulations.

(2) Organ procurement organization

The term “organ procurement organization” means a qualified organ procurement organization described in section 278(b)(1) of this title.

(3) Organ Procurement and Transplantation Network

The term “Organ Procurement and Transplantation Network” means the Organ Procurement and Transplantation Network established under section 274 of this title.

cord blood, and that meets the requirements of this section. The Secretary may award a separate contract to perform each of the major functions of the Program described in paragraphs (1) and (2) of subsection (d) if deemed necessary by the Secretary to operate an effective and efficient system that is in the best interest of patients. The Secretary shall conduct a separate competition for the initial establishment of the cord blood functions of the Program. The Program shall be under the general supervision of the Secretary. The Secretary shall establish an Advisory Council to advise, assist, consult with, and make recommendations to the Secretary on matters related to the activities carried out by the Program. The members of the Advisory Council shall be appointed in accordance with the following:

(1) Each member of the Advisory Council shall serve for a term of 2 years, and each such member may serve as many as 3 consecutive 2-year terms, except that—

(A) such limitations shall not apply to the Chair of the Advisory Council (or the Chair-elect) or to the member of the Advisory Council who most recently served as the Chair; and

(B) one additional consecutive 2-year term may be served by any member of the Advisory Council who has no employment, governance, or financial affiliation with any donor center, recruitment organization, transplant center, or cord blood bank.

(2) A member of the Advisory Council may continue to serve after the expiration of the term of such member until a successor is appointed.

(3) In order to ensure the continuity of the Advisory Council, the Advisory Council shall be appointed so that each year the terms of approximately one-third of the members of the Advisory Council expire.

(4) The membership of the Advisory Council—

(A) shall include as voting members a balanced number of representatives including representatives of marrow donor centers and marrow transplant centers, representatives of cord blood banks and participating birth hospitals, recipients of a bone marrow transplant, recipients of a cord blood transplant, persons who require such transplants, family members of such a recipient or family members of a patient who has requested the assistance of the Program in searching for an unrelated donor of bone marrow or cord blood, persons with expertise in bone marrow and cord blood transplantation, persons with expertise in typing, matching, and transplant outcome data analysis, persons with expertise in the social sciences, basic scientists with expertise in the biology of adult stem cells, and members of the general public; and

(B) shall include as nonvoting members representatives from the Department of Defense Marrow Donor Recruitment and Research Program operated by the Department of the Navy, the Division of Transplantation of the Health Resources and Services Administration, the Food and Drug Administration, and the National Institutes of Health.

(5) Members of the Advisory Council shall be chosen so as to ensure objectivity and balance and reduce the potential for conflicts of interest. The Secretary shall establish bylaws and procedures—

(A) to prohibit any member of the Advisory Council who has an employment, governance, or financial affiliation with a donor center, recruitment organization, transplant center, or cord blood bank from participating in any decision that materially affects the center, recruitment organization, transplant center, or cord blood bank; and

(B) to limit the number of members of the Advisory Council with any such affiliation.

(6) The Secretary, acting through the Administrator of the Health Resources and Services Administration, shall submit to Congress an annual report on the activities carried out under this section.

(b) Accreditation

The Secretary shall, through a public process, recognize one or more accreditation entities for the accreditation of cord blood banks.

(c) Informed consent

The Secretary shall, through a public process, examine issues of informed consent, including—

(1) the appropriate timing of such consent; and

(2) the information provided to the maternal donor regarding all of her medically appropriate cord blood options.

Based on such examination, the Secretary shall require that the standards used by the accreditation entities recognized under subsection (b) ensure that a cord blood unit is acquired with the informed consent of the maternal donor.

(d) Functions

(1) Bone marrow functions

With respect to bone marrow, the Program shall—

(A) operate a system for identifying, matching, and facilitating the distribution of bone marrow that is suitably matched to candidate patients;

(B) consistent with paragraph (3), permit transplant physicians, other appropriate health care professionals, and patients to search by means of electronic access all available bone marrow donors listed in the Program;

(C) carry out a program for the recruitment of bone marrow donors in accordance with subsection (e), including with respect to increasing the representation of racial and ethnic minority groups (including persons of mixed ancestry) in the enrollment of the Program;

(D) maintain and expand medical contingency response capabilities, in coordination with Federal programs, to prepare for and respond effectively to biological, chemical, or radiological attacks, and other public health emergencies that can damage marrow, so that the capability of supporting patients with marrow damage from disease can be used to support casualties with marrow damage;
(E) carry out informational and educational activities in accordance with subsection (e);

(F) at least annually update information to account for changes in the status of individuals as potential donors of bone marrow;

(G) provide for a system of patient advocacy through the office established under subsection (h);

(H) provide case management services for any potential donor of bone marrow to whom the Program has provided a notice that the potential donor may be suitably matched to a particular patient through the office established under subsection (h);

(I) with respect to searches for unrelated donors of bone marrow that are conducted through the system under subparagraph (A), collect, analyze, and publish data in a standardized electronic format on the number and percentage of patients at each of the various stages of the search process, including data regarding the furthest stage reached, the number and percentage of patients who are unable to complete the search process, and the reasons underlying such circumstances;

(J) support studies and demonstration and outreach projects for the purpose of increasing the number of individuals who are willing to be marrow donors to ensure a genetically diverse donor pool; and

(K) facilitate research with the appropriate Federal agencies to improve the availability, efficiency, safety, and cost of transplants from unrelated donors and the effectiveness of Program operations.

(2) Cord blood functions

(A) In general

With respect to cord blood, the Program shall—

(i) operate a system for identifying, matching, and facilitating the distribution of donated cord blood units that are suitably matched to candidate patients and meet all applicable Federal and State regulations (including informed consent and Food and Drug Administration regulations) from a qualified cord blood bank;

(ii) consistent with paragraph (3), allow transplant physicians, other appropriate health care professionals, and patients to search by means of electronic access all available cord blood units made available through the Program;

(iii) allow transplant physicians and other appropriate health care professionals to reserve, as defined by the Secretary, a cord blood unit for transplantation;

(iv) support and expand new and existing studies and demonstration and outreach projects for the purpose of increasing cord blood unit donation and collection from a genetically diverse population and expanding the number of cord blood unit collection sites partnering with cord blood banks receiving a contract under the National Cord Blood Inventory program under section 2 of the Stem Cell Therapeutic and Research Act of 2005, including such studies and projects that focus on—

(I) remote collection of cord blood units, consistent with the requirements under the Program and the National Cord Blood Inventory program described in section 2(a) of the Stem Cell Therapeutic and Research Act of 2005; and

(II) exploring novel approaches or incentives to encourage innovative technological advances that could be used to collect cord blood units, consistent with the requirements under the Program and such National Cord Blood Inventory program goal;

(v) provide for a system of patient advocacy through the office established under subsection (h);

(vi) coordinate with the qualified cord blood banks to support informational and educational activities in accordance with subsection (g);

(vii) maintain and expand medical contingency response capabilities, in coordination with Federal programs, to prepare for and respond effectively to biological, chemical, or radiological attacks, and other public health emergencies that can damage marrow, so that the capability of supporting patients with marrow damage from disease can be used to support casualties with marrow damage; and

(viii) with respect to the system under subparagraph (A), collect, analyze, and publish data in a standardized electronic format, as required by the Secretary, on the number and percentage of patients at each of the various stages of the search process, including data regarding the furthest stage reached, the number and percentage of patients who are unable to complete the search process, and the reasons underlying such circumstances.

(B) Efforts to increase collection of high quality cord blood units

In carrying out subparagraph (A)(iv), not later than 1 year after October 8, 2010, and annually thereafter, the Secretary shall set an annual goal of increasing collections of high quality cord blood units, consistent with the inventory goal described in section 2(a) of the Stem Cell Therapeutic and Research Act of 2005 (referred to in this sub-paragraph as the “inventory goal”), and shall identify at least one project under subparagraph (A)(iv) to replicate and expand nationwide, as appropriate. If the Secretary cannot identify a project as described in the preceding sentence, the Secretary shall submit a plan, not later than 180 days after the date on which the Secretary was required to identify such a project, to the Committee on Health, Education, Labor, and Pensions of the Senate and the Committee on Energy and Commerce of the House of Representatives for expanding collection of high quality cord blood units, including remote collection, consistent with the requirements under the National Cord Blood Inventory

1 See 2015 Amendment note below.
program under section 2 of the Stem Cell Therapeutic and Research Act of 2005 and the inventory goal. Each such plan shall be made available to the public.

(C) Definition
In this paragraph, the term “remote collection” means the collection of cord blood units at locations that do not have written contracts with cord blood banks for collection support.

(3) Single point of access; standard data
(A) Single point of access
The Secretary shall ensure that health care professionals and patients are able to search electronically for and facilitate access to, in the manner and to the extent defined by the Secretary and consistent with the functions described in paragraphs (1)(A) and (2)(A)(i), cells from bone marrow donors and cord blood units through a single point of access.

(B) Standard data
The Secretary shall require all recipients of contracts under this section to make available a standard dataset for purposes of subparagraph (A) in a standardized electronic format that enables transplant physicians to compare among and between bone marrow donors and cord blood units to ensure the best possible match for the patient.

(4) Definition
The term “qualified cord blood bank” means a cord blood bank that—
(A) has obtained all applicable Federal and State licenses, certifications, registrations (including pursuant to the regulations of the Food and Drug Administration), and other authorizations required to operate and maintain a cord blood bank;
(B) has implemented donor screening, cord blood collection practices, and processing methods intended to protect the health and safety of donors and transplant recipients to improve transplant outcomes, including with respect to the transmission of potentially harmful infections and other diseases;
(C) is accredited by an accreditation entity recognized by the Secretary under subsection (b);
(D) has established a system of strict confidentiality to protect the identity and privacy of patients and donors in accordance with existing Federal and State law;
(E) has established a system for encouraging donation by a genetically diverse group of donors; and
(F) has established a system to confidentially maintain linkage between a cord blood unit and a maternal donor.

(e) Bone marrow recruitment; priorities; information and education
(1) Recruitment; priorities
The Program shall carry out activities for the recruitment of bone marrow donors. Such recruitment program shall identify populations that are underrepresented among potential donors enrolled with the Program. In the case of populations that are identified under the preceding sentence:
(A) The Program shall give priority to carrying out activities under this part to increase representation for such populations in order to enable a member of such a population, to the extent practicable, to have a probability of finding a suitable unrelated donor that is comparable to the probability that an individual who is not a member of an underrepresented population would have.
(B) The Program shall consider racial and ethnic minority groups (including persons of mixed ancestry) to be populations that have been identified for purposes of this paragraph, and shall carry out subparagraph (A) with respect to such populations.

(2) Information and education regarding recruitment; testing and enrollment
(A) In general
The Program shall carry out informational and educational activities, in coordination with organ donation public awareness campaigns operated through the Department of Health and Human Services, for purposes of recruiting individuals to serve as donors of bone marrow, and shall test and enroll with the Program potential bone marrow donors. Such information and educational activities shall include the following:
(i) Making information available to the general public, including information describing the needs of patients with respect to donors of bone marrow.
(ii) Educating and providing information to individuals who are willing to serve as potential bone marrow donors.
(iii) Training individuals in requesting individuals to serve as potential bone marrow donors.

(B) Priorities
In carrying out informational and educational activities under subparagraph (A), the Program shall give priority to recruiting individuals to serve as donors of bone marrow for populations that are identified under paragraph (1).

(3) Transplantation as treatment option
In addition to activities regarding recruitment, the recruitment program under paragraph (1) shall provide information to physicians, other health care professionals, and the public regarding bone marrow transplants from unrelated donors as a treatment option.

(4) Implementation of subsection
The requirements of this subsection shall be carried out by the entity that has been awarded a contract by the Secretary under subsection (a) to carry out the functions described in subsection (d)(1).

(f) Bone marrow criteria, standards, and procedures
The Secretary shall enforce, for participating entities, including the Program, individual marrow donor centers, marrow donor registries, marrow collection centers, and marrow transplant centers—
(1) quality standards and standards for tissue typing, obtaining the informed consent of donors, and providing patient advocacy;

(2) donor selection criteria, based on established medical criteria, to protect both the donor and the recipient and to prevent the transmission of potentially harmful infectious diseases such as the viruses that cause hepatitis and the etiologic agent for Acquired Immune Deficiency Syndrome;

(3) procedures to ensure the proper collection and transportation of the marrow;

(4) standards for the system for patient advocacy operated under subsection (h), including standards requiring the provision of appropriate information (at the start of the search process and throughout the process) to patients and their families and physicians;

(5) standards that—
   (A) require the establishment of a system of strict confidentiality to protect the identity and privacy of patients and donors in accordance with Federal and State law; and
   (B) prescribe the purposes for which the records described in subparagraph (A) may be disclosed, and the circumstances and extent of the disclosure; and

(6) in the case of a marrow donor center or marrow donor registry participating in the program, procedures to ensure the establishment of a method for integrating donor files, searches, and general procedures of the center or registry with the Program.

(g) Cord blood recruitment; priorities; information and education

(1) Recruitment; priorities

The Program shall support activities, in cooperation with qualified cord blood banks, for the recruitment of cord blood donors. Such recruitment program shall identify populations that are underrepresented among cord blood donors. In the case of populations that are identified under the preceding sentence:

(A) The Program shall give priority to supporting activities under this part to increase representation for such populations in order to enable a member of such a population, to the extent practicable, to have a probability of finding a suitable cord blood unit that is comparable to the probability that an individual who is not a member of an underrepresented population would have.

(B) The Program shall consider racial and ethnic minority groups (including persons of mixed ancestry) to be populations that have been identified for purposes of this paragraph, and shall support activities under subparagraph (A) with respect to such populations.

(2) Information and education regarding recruitment; testing and donation

(A) In general

In carrying out the recruitment program under paragraph (1), the Program shall support informational and educational activities in coordination with qualified cord blood banks and organ donation public awareness campaigns operated through the Department of Health and Human Services, for purposes of recruiting pregnant women to serve as donors of cord blood. Such information and educational activities shall include the following:

(i) Making information available to the general public, including information describing the needs of patients with respect to cord blood units.

(ii) Educating and providing information to pregnant women who are willing to donate cord blood units.

(iii) Training individuals in requesting pregnant women to serve as cord blood donors.

(B) Priorities

In carrying out informational and educational activities under subparagraph (A), the Program shall give priority to supporting the recruitment of pregnant women to serve as donors of cord blood for populations that are identified under paragraph (1).

(3) Transplantation as treatment option

In addition to activities regarding recruitment, the recruitment program under paragraph (1) shall provide information to physicians, other health care professionals, and the public regarding cord blood transplants from donors as a treatment option.

(4) Implementation of subsection

The requirements of this subsection shall be carried out by the entity that has been awarded a contract by the Secretary under subsection (a) to carry out the functions described in subsection (d)(2).

(h) Patient advocacy and case management for bone marrow and cord blood

(1) In general

The Secretary shall establish and maintain, through a contract or other means determined appropriate by the Secretary, an office of patient advocacy (in this subsection referred to as the “Office”).

(2) General functions

The Office shall meet the following requirements:

(A) The Office shall be headed by a director.

(B) The Office shall be staffed by individuals with expertise in bone marrow and cord blood therapy covered under the Program.

(C) The Office shall operate a system for patient advocacy, which shall be separate from mechanisms for donor advocacy, and which shall serve patients for whom the Program is conducting, or has been requested to conduct, a search for a bone marrow donor or cord blood unit.

(D) In the case of such a patient, the Office shall serve as an advocate for the patient by directly providing to the patient (or family members, physicians, or other individuals acting on behalf of the patient) individualized services with respect to efficiently utilizing the system under paragraphs (1) and (2) of subsection (d) to conduct an ongoing search for a bone marrow donor or cord blood unit and assist with information regarding third party payor matters.
(E) In carrying out subparagraph (D), the Office shall monitor the system under paragraphs (1) and (2) of subsection (d) to determine whether the search needs of the patient involved are being met, including with respect to the following:

(i) Periodically providing to the patient (or an individual acting on behalf of the patient) information regarding bone marrow donors or cord blood units that are suitably matched to the patient, and other information regarding the progress being made in the search.

(ii) Informing the patient (or such other individual) if the search has been interrupted or discontinued.

(iii) Identifying and resolving problems in the search, to the extent practicable.

(F) The Office shall ensure that the following data are made available to patients:

(i) The resources available through the Program.

(ii) A comparison of transplant centers regarding search and other costs that prior to transplantation are charged to patients by transplant centers.

(iii) The post-transplant outcomes for individual transplant centers.

(iv) Information concerning issues that patients may face after a transplant.

(y) Such other information as the Program determines to be appropriate.

(G) The Office shall conduct surveys of patients (or family members, physicians, or other individuals acting on behalf of patients) to determine the extent of satisfaction with the system for patient advocacy under this subsection, and to identify ways in which the system can be improved to best meet the needs of patients.

(3) Case management

(A) In general

In serving as an advocate for a patient under paragraph (2), the Office shall provide individualized case management services directly to the patient (or family members, physicians, or other individuals acting on behalf of patients), including—

(i) individualized case assessment; and

(ii) the functions described in paragraph (2)(D) (relating to progress in the search process).

(B) Postsearch functions

In addition to the case management services described in paragraph (1) for patients, the Office shall, on behalf of patients who have completed the search for a bone marrow donor or cord blood unit, provide information and education on the process of receiving a transplant, including the post-transplant process.

(i) Comment procedures

The Secretary shall establish and provide information to the public on procedures under which the Secretary shall receive and consider comments from interested persons relating to the manner in which the Program is carrying out the duties of the Program. The Secretary may promulgate regulations under this section.

(j) Consultation

In developing policies affecting the Program, the Secretary shall consult with the Advisory Council, the Department of Defense Marrow Donor Recruitment and Research Program operated by the Department of the Navy, and the board of directors of each entity awarded a contract under this section.

(k) Contracts

(1) Application

To be eligible to enter into a contract under this section, an entity shall submit to the Secretary and obtain approval of an application at such time, in such manner, and containing such information as the Secretary shall by regulation prescribe.

(2) Considerations

In awarding contracts under this section, the Secretary shall give consideration to the continued safety of donors and patients and other factors deemed appropriate by the Secretary.

(l) Eligibility

Entities eligible to receive a contract under this section shall include private nonprofit entities.

(m) Records

(1) Recordkeeping

Each recipient of a contract or subcontract under subsection (a) shall keep such records as the Secretary shall prescribe, including records that fully disclose the amount and disposition by the recipient of the proceeds of the contract, the total cost of the undertaking in connection with which the contract was made, and the amount of the portion of the cost of the undertaking supplied by other sources, and such other records as will facilitate an effective audit.

(2) Examination of records

The Secretary and the Comptroller General of the United States shall have access to any books, documents, papers, and records of the recipient of a contract or subcontract entered into under this section that are pertinent to the contract, for the purpose of conducting audits and examinations.

(n) Penalties for disclosure

Any person who discloses the content of any record referred to in subsection (d)(4)(D) or (f)(5)(A) without the prior written consent of the donor or potential donor with respect to whom the record is maintained, or in violation of the standards described in subsection (f)(5)(B), shall be imprisoned for not more than 2 years or fined in accordance with title 18, or both.

(References in Text)


**AMENDMENTS**

2015—Subsec. (d)(2)(B). Pub. L. 114–104, §2(a)(2), which directed insertion of “including remote collection,” after “cord blood units,”, was executed by making the insertion after “cord blood units,”, the second place appearing.

Pub. L. 114–104, §2(a)(1), substituted “expanding collection” for “expanding remote collection”.

2010—Subsec. (a)(16). Pub. L. 111–294, §2(b)(1), added par. (6) and struck out former par. (6) which read as follows: “The Secretary, acting through the Advisory Council, shall submit to the Congress—

“(A) an annual report on the activities carried out under this section; and

“(B) not later than 6 months after December 20, 2005, a plan to monitor on the scientific factors necessary to define a cord blood unit as a high-quality unit.”

Subsec. (d)(2). Pub. L. 111–264, §2(b)(2)(A), designated existing provisions as subpar. (A), inserted heading, redesignated former subpars. (A) to (H) as cls. (i) to (viii), respectively, of subpar. (A), added cl. (iv) and struck out former cl. (iv) which related to studies and demonstration and outreach projects for the purpose of increasing cord blood donation, and added subpars. (B) and (C).


Subsec. (f)(5)(A). Pub. L. 111–264, §2(b)(3), added subpar. (A) and struck out former subpar. (A) which read as follows: “require the establishment of a system of records on the characteristics of bone marrow donors that shall include their tissue type, address, HLA type, and managing marrow donor center as would an individual not in a minority population; that directly assists patients, their families, and their physicians in the search for an unrelated marrow donor; and that relates to the bone marrow registry established under section 373(a) of the Public Health Service Act [42 U.S.C. 276(a)(1)] (as it existed before the amendment made by section 101(b) of this Act).”

2005—Pub. L. 109–129 amended section generally, substituting provisions relating to the C.W. Bill Young Cell Transplantation Program for provisions relating to the National Bone Marrow Donor Registry.

1998—Subsec. (a). Pub. L. 105–196, §2(a), substituted “(referred to in this part as the ‘Registry’)” for “the Regional Marrow Donor Registry” in provisions relating to the number of transplants for recipients suitably matched to biologically unrelated donors of bone marrow, and that meets “standards that require the provision of information to patients, their families, and their physicians at the start of the search process concerning—

“(A) the resources available through the Registry;

“(B) all other marrow donor registries meeting the standards described in this paragraph; and

“(C) in the case of the Registry—

“(i) the comparative costs of all charges by marrow transplant centers incurred by patients prior to transplantation; and

“(ii) the success rates of individual marrow transplant centers.”

Subsec. (f). Pub. L. 105–196, §2(c), (g)(1), redesignated subsec. (d) as (f) and substituted “subsection (e)” for “subsection (c)”.

Former subsec. (f) redesignated (h).

Subsecs. (g) to (i). Pub. L. 105–196, §2(c), redesignated subsecs. (e) to (g) as (g) to (i), respectively.

Former subsecs. (h) and (i) redesignated (j) and (k), respectively.

Subsec. (j). Pub. L. 105–196, §2(c), redesignated subsec. (h) as (j) and struck out heading and text of former subsec. (j).

Text read as follows: “There are authorized to be appropriated to carry out this section $15,000,000 for fiscal year 1991 and such sums as may be necessary for each of fiscal years 1992 and 1993.”

Subsec. (k). Pub. L. 105–196, §2(c), (g)(2), redesignated subsec. (i) as (k) and substituted “subsection (e)(5)(A)” for “subsection (e)(4)(A)” and “subsection (e)(5)(B)” for “subsection (c)(4)(B)”.


**EFFECTIVE DATE OF 1998 AMENDMENT**


**SAVINGS PROVISION**

Pub. L. 101–616, title I, §102, Nov. 16, 1990, 104 Stat. 3282, provided that:

“(a) IN GENERAL.—This title [enacting this section and section 274 of this title and amending section 274a of this title], and the amendments made by this title, shall not affect any legal document, including any order, regulation, grant, or contract, in effect on the date of enactment of this Act [Nov. 16, 1990], or any administrative proceeding or lawsuit pending on the date that relates to the bone marrow registry established under section 373(b) of the Public Health Service Act [42 U.S.C. 276(b)] (as it existed before the amendment made by section 101(b) of this Act).

“(b) CONTINUING EFFECT.—A legal document described in subsection (a) or an order issued in a lawsuit described in subsection (a) shall continue in effect until modified, terminated, or revoked.

“(c) PROCEEDINGS.—In any administrative proceeding or lawsuit described in subsection (a), parties shall take appeals, and officials shall hold proceedings and render judgments, in the same manner and with the same effect as if this title had not been enacted.”

**CORD BLOOD INVENTORY**


“(a) IN GENERAL.—The Secretary of Health and Human Services shall enter into contracts with qualified cord blood banks to assist in the collection and maintenance of the inventory of at least 150,000 new units of high-quality cord blood to be made available for transplantation through the C.W. Bill Young Cell Transplantation Program and to carry out the requirements of subsection (b).

“(b) REQUIREMENTS.—The Secretary shall require each recipient of a contract under this section—

“(1) to acquire, tissue-type, test, cryopreserve, and store donated units of cord blood acquired with the
informed consent of the donor, as determined by the Secretary pursuant to section 379(c) of the Public Health Service Act [42 U.S.C. 274(c)], in a manner that complies with applicable Federal and State regulations.

“(2) to encourage donation from a genetically diverse population;

“(3) to make cord blood units that are collected pursuant to this section or otherwise and meet all applicable Federal standards available to transplant centers for transplantation;

“(4) to make cord blood units that are collected, but not appropriate for clinical use, available for peer-reviewed research;

“(5) to make data available, as required by the Secretary and consistent with section 379(d)(3) of the Public Health Service Act [42 U.S.C. 274(d)(3)], as amended by this Act, in a standardized electronic format, as determined by the Secretary, for the C.W. Bill Young Cell Transplantation Program; and

“(6) to submit data in a standardized electronic format for inclusion in the stem cell therapeutic outcomes database maintained under section 379A of the Public Health Service Act [42 U.S.C. 274(i)], as amended by this Act.

“(c) APPLICATION.—To seek to enter into a contract under this section, a qualified cord blood bank shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may reasonably require. At a minimum, an applicant for a contract under this section shall include a requirement that the applicant—

“(1) will participate in the C.W. Bill Young Cell Transplantation Program for a period of at least 10 years beginning on the last date on which the recipient of a contract under this section receives Federal funds under this section;

“(2) will make cord blood units collected pursuant to this section available through the C.W. Bill Young Cell Transplantation Program in perpetuity or for such time as determined viable by the Secretary;

“(3) will provide a plan to increase cord blood unit collections at collection sites that exist at the time of application, assist with the establishment of new collection sites, or contract with new collection sites;

“(4) will annually provide to the Secretary a plan for, and demonstrate, ongoing measurable progress toward achieving self-sufficiency of cord blood unit collection and banking operations; and

“(5) if the Secretary determines through an assessment, or through petition by the applicant, that a cord blood bank is no longer operational or does not meet the requirements of section 379(d)(4) of the Public Health Service Act [42 U.S.C. 274(d)(4)] (as added by this Act) and as a result may not distribute the units, transfer the units collected pursuant to this section to another qualified cord blood bank approved by the Secretary to ensure continued availability of cord blood units.

“(d) DURATION OF CONTRACTS.—

“(1) IN GENERAL.—Except as provided in paragraph (2), the term of each contract entered into by the Secretary under this section shall be for a period of at least 10 years beginning on the last date on which the recipient of a contract under this section receives Federal funds under this section. The Secretary shall ensure that no Federal funds shall be obligated under any such contract after the date that is 5 years after the date on which the contract is entered into, except as provided in paragraphs (2), (3), and (4).

“(2) EXTENSIONS.—The Secretary may extend the period of funding under a contract under this section to exceed a period of 5 years if—

“(B) the Secretary does not receive an application for a contract under this section meeting the requirements under subsection (c) from any qualified cord blood bank that has not previously entered into a contract under this section; or

“(C) the Secretary determines that the outstanding inventory need cannot be met by the qualified cord blood banks under contract under this section.

“(3) EXTENSION ELIGIBILITY.—A qualified cord blood bank shall be eligible for a 5-year extension of a contract awarded under this section, as described in paragraph (2), provided that the qualified cord blood bank—

“(A) demonstrates a superior ability to satisfy the requirements described in subsection (b) and achieves the overall goals for which the contract was awarded;

“(B) provides a plan for how the qualified cord blood bank will increase cord blood unit collections at collection sites that exist at the time of consideration for such extension of a contract, assist with the establishment of new collection sites, or contract with new collection sites; and

“(C) annually provide to the Secretary a plan for, and demonstrates, ongoing measurable progress toward achieving self-sufficiency of cord blood unit collection and banking operations.

“(4) CONSIDERATION OF BEST SCIENCE.—The Secretary shall take into consideration the best scientific information available in order to maximize the number of cord blood units available for transplant when entering into contracts under this section, or when extending a period of funding under such a contract under paragraph (2).

“(5) CONSIDERATION OF BANKED UNITS OF CORD BLOOD.—In extending contracts pursuant to paragraph (3), and determining new allocation amounts for the next contract period or contract extension for such cord blood bank, the Secretary shall take into account the number of cord blood units banked in the National Cord Blood Inventory by a cord blood bank during the previous contract period, in addition to consideration of the ability of such cord blood bank to increase the collection and maintenance of additional, genetically diverse cord blood units.

“(e) REGULATIONS.—The Secretary may promulgate regulations to carry out this section.

“(1) DEFINITIONS.—In this section:

“(A) The term ‘C.W. Bill Young Cell Transplantation Program’ means the C.W. Bill Young Cell Transplantation Program under section 379 of the Public Health Service Act [42 U.S.C. 274(k)], as amended by this Act.

“(B) The term ‘cord blood donor’ means a mother who has delivered a baby and consents to donate the neonatal blood remaining in the placenta and umbilical cord after separation from the newborn baby.

“(C) The term ‘cord blood unit’ means the neonatal blood collected from the placenta and umbilical cord of a single newborn baby.

“(D) The term ‘qualified cord blood bank’ has the meaning given to that term in section 379(d)(4) of the Public Health Service Act [42 U.S.C. 274(d)(4)], as amended by this Act.

“(E) The term ‘Secretary’ means the Secretary of Health and Human Services.

“(f) AUTHORIZATION OF APPROPRIATIONS.—

“(1) [sic; there is no par. (2)] AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary to carry out the program under this section $20,000,000 for fiscal year 2015 and $25,000,000 for each of fiscal years 2016 through 2020.

“REPORT OF INSPECTOR General: plan regarding relationship between registry and donor centers

Pub. L. 105–196, § 2(b)(2), July 16, 1998, 112 Stat. 632, directed the Secretary of Health and Human Services to ensure that, not later than 1 year after July 16, 1998, the National Bone Marrow Donor Registry (under this section) developed, evaluated, and implemented a plan to effectuate efficiencies in the relationship between such Registry and donor centers.

“STUDY BY GAO

Pub. L. 105–196, § 5, July 16, 1998, 112 Stat. 636, provided that the Comptroller General was to conduct a
study of the National Bone Marrow Donor Registry under this section to determine the extent to which the Registry had increased the representation of racial and ethnic minority groups among potential donors enrolled with the Registry and whether the extent of increase resulted in a level of representation that met the standard established in subsec. (c)(1)(A) of this section, the extent to which patients in need of a transplant of bone marrow from a biologically unrelated donor, and the physicians of such patients, had been utilizing the Registry, the number of patients for whom the Registry began a preliminary but not complete search process and the reasons underlying such circumstances, the extent to which the plan required in section 2(b)(2) of Pub. L. 105–196 (42 U.S.C. 274k note) had been implemented, and the extent to which the Registry, donor centers, donor registries, collection centers, transplant centers, and other appropriate entities had been complying with subsec. (e) of this section; and provided that a report describing the findings of this study was to be submitted to Congress not later than Oct. 1, 2001, and not before Jan. 1, 2001.

**Compliance With New Requirements for Office of Patient Advocacy**

Pub. L. 105–196, § 6, July 16, 1998, 112 Stat. 636, provided that with respect to requirements for the office of patient advocacy under subsec. (d) of this section, the Secretary of Health and Human Services was to ensure that, not later than 180 days after Oct. 1, 1998, such office was in compliance with all requirements that were additional to the requirements under this section in effect with respect to patient advocacy on the day before July 16, 1998.

**§ 274l. Stem cell therapeutic outcomes database**

**(a) Establishment**

The Secretary shall by contract establish and maintain a scientific database of information relating to patients who have been recipients of a stem cell therapies product (including bone marrow, cord blood, or other such product) from a donor.

**(b) Information**

The outcomes database shall include information in a standardized electronic format with respect to patients described in subsection (a), diagnosis, transplant procedures, results, long-term follow-up, and such other information as the Secretary determines to be appropriate, to conduct an ongoing evaluation of the scientific and clinical status of transplantation involving recipients of a stem cell therapeutic product from a donor.

**(c) Annual report on patient outcomes**

The Secretary shall require the entity awarded a contract under this section to submit to the Secretary an annual report concerning patient outcomes with respect to each transplant center, based on data collected and maintained by the entity pursuant to this section.

**(d) Publicly available data**

The outcomes database shall make relevant scientific information not containing individually identifiable information available to the public in the form of summaries and data sets to encourage medical research and to provide information to transplant programs, physicians, patients, entities awarded a contract under section 274k of this title, donor registries, and cord blood banks.

---

*So in original. Probably should be followed by a comma.

**Prior Provisions**


**Amendments**


**Effective Date**


**§ 274l–1. Definitions**

In this part:

(1) The term “Advisory Council” means the advisory council established by the Secretary under section 274k(a)(1) of this title.

(2) The term “bone marrow” means the cells found in adult bone marrow and peripheral blood.

(3) The term “outcomes database” means the database established by the Secretary under section 274l of this title.

(4) The term “Program” means the C.W. Bill Young Cell Transplantation Program established under section 274k of this title.

**§ 274m. Authorization of appropriations**

For the purpose of carrying out this part, there are authorized to be appropriated $33,000,000 for fiscal year 2015 and $30,000,000 for each of fiscal years 2016 through 2020.


**Amendments**

2015—Pub. L. 114–104 struck out “$30,000,000 for each of fiscal years 2011 through 2014 and” after “to be appropriated” and inserted “and $30,000,000 for each of fiscal years 2016 through 2020” after “fiscal year 2015”.

2010—Pub. L. 111–264 substituted “$30,000,000 for each of fiscal years 2011 through 2014 and $33,000,000 for fiscal year 2015.” for “$34,000,000 for fiscal year 2006 and $38,000,000 for each of fiscal years 2007 through 2010.”

2005—Pub. L. 109–129 amended section generally. Prior to amendment, section read as follows: “For the purpose of carrying out this part, there are authorized to be appropriated $18,000,000 for fiscal year 1999, and such sums as may be necessary for each of the fiscal years 2000 through 2003.”

**Effective Date**


PART I—PREVENTION AND CONTROL OF INJURIES

CODIFICATION


§ 280b. Research

(a) The Secretary, through the Director of the Centers for Disease Control and Prevention, shall—

(1) conduct, and give assistance to public and nonprofit private entities, scientific institutions, and individuals engaged in the conduct of research relating to the causes, mechanisms, prevention, diagnosis, treatment of injuries, and rehabilitation from injuries;

(2) make grants to, or enter into cooperative agreements or contracts with, public and nonprofit private entities (including academic institutions, hospitals, and laboratories) and individuals for the conduct of such research; and

(3) make grants to, or enter into cooperative agreements or contracts with, academic institutions for the purpose of providing training on the causes, mechanisms, prevention, diagnosis, treatment of injuries, and rehabilitation from injuries.

(b) The Secretary, through the Director of the Centers for Disease Control and Prevention, shall collect and disseminate, through publications and other appropriate means, information concerning the practical applications of research conducted or assisted under subsection (a). In carrying out the preceding sentence, the Secretary shall disseminate such information to the public, including through elementary and secondary schools.

Prior Provisions


Amendments

1993—Subsec. (b). Pub. L. 103–183 inserted at end “In carrying out the preceding sentence, the Secretary
shall disseminate such information to the public, including through elementary and secondary schools."

1992—Pub. L. 102–531 substituted "Centers for Disease Control and Prevention" for "Centers for Disease Control" in subssecs. (a) and (b).

1990—Subsec. (a)(2). Pub. L. 101–558, §2(a)(1), inserted "or enter into cooperative agreements or contracts with", after "grants to".


FINDINGS AND PURPOSES
Pub. L. 99–649, §2, Nov. 10, 1986, 100 Stat. 3633, provided that:

"(a) The Congress finds and declares that:

"(1) Injury is one of the principal public health problems in America, and causes over 140,000 deaths per year.

"(2) Injury rates are particularly high for children and the elderly.

"(3) Injury causes 50 percent of all deaths for children over the age of one year and two-thirds of all deaths for children over the age of 15 years, and is the leading cause of death for individuals under the age of 44 years. Individuals over the age of 65 years have the highest fatality rates for many injuries.

"(4) Injury control has not been given high priority in the United States, and the research being conducted on injury control and the number of personnel involved in injury control activities are not adequate.

"(b) The purposes of this Act [enacting this part] are—

"(1) to promote research into the causes, diagnosis, treatment, prevention, and control of injuries and rehabilitation from injuries;

"(2) to promote cooperation between specialists in fields involved in injury research; and

"(3) to promote coordination between Federal, State, and local governments and public and private entities in order to achieve a reduction in deaths from injuries."

§ 280b–0. Prevention and control activities
(a) The Secretary, through the Director of the Centers for Disease Control and Prevention, shall—

(1) assist States and political subdivisions of States in activities for the prevention and control of injuries; and

(2) encourage regional activities between States designed to reduce injury rates.

(b) The Secretary, through the Director of the Centers for Disease Control and Prevention, may—

(1) enter into agreements between the Service and public and private community health agencies which provide for cooperative planning of activities to deal with problems relating to the prevention and control of injuries;

(2) work in cooperation with other Federal agencies, and with public and nonprofit private entities, to promote activities regarding the prevention and control of injuries; and

(3) make grants to States and, after consultation with State health agencies, to other public or nonprofit private entities for the purpose of carrying out demonstration projects for the prevention and control of injuries at sites that are not subject to the Occupational Safety and Health Act of 1970 [29 U.S.C. 651 et seq.], including homes, elementary and secondary schools, and public buildings.


REFERENCES IN TEXT

CODIFICATION
Section was formerly classified to section 280b–1 of this title.

PRIOR PROVISIONS

AMENDMENTS


Subsec. (b)(2). Pub. L. 103–183, §203(b)(1), substituted "to promote activities regarding the prevention and control of injuries; and" for "to promote injury control. In carrying out the preceding sentence, the Secretary shall disseminate such information to the public".

1992—Pub. L. 102–531, §312(d)(4), substituted "Centers for Disease Control and Prevention" for "Centers for Disease Control" in introductory provisions of subssecs. (a) and (b).

Subsec. (b)(1). Pub. L. 102–531, §301(1), struck out "and" after semicolon at end.

Subsec. (b)(2). Pub. L. 102–531, §301(2), inserted sentence requiring Secretary to disseminate information on injury control to the public, including through elementary and secondary schools and substituted "; and" for period at end.


1990—Subsec. (b)(2). Pub. L. 101–558 amended par. (2) generally. Prior to amendment, par. (2) read as follows: "work in cooperation with Federal, State, and local agencies to promote injury control."

§ 280b–1. Preventing overdoses of controlled substances
(a) Evidence-based prevention grants
(1) In general

The Director of the Centers for Disease Control and Prevention may—

(A) to the extent practicable, carry out and expand any evidence-based prevention activities described in paragraph (2); and

(B) provide training and technical assistance to States, localities, and Indian tribes for purposes of carrying out such activity; and
Evidence-based prevention activities

An evidence-based prevention activity described in this paragraph is any of the following activities:

(A) Improving the efficiency and use of a new or currently operating prescription drug monitoring program, including by—

(i) encouraging all authorized users (as specified by the State or other entity) to register with and use the program;

(ii) enabling such users to access any updates to information collected by the program in as close to real-time as possible;

(iii) improving the ease of use of such program;

(iv) providing for a mechanism for the program to notify authorized users of any potential misuse or abuse of controlled substances and any detection of inappropriate prescribing or dispensing practices relating to such substances;

(v) encouraging the analysis of prescription drug monitoring data for purposes of providing de-identified, aggregate reports based on such analysis to State public health agencies, State substance abuse agencies, State licensing boards, and other appropriate State agencies, as permitted under applicable Federal and State law and the policies of the prescription drug monitoring program and not containing any protected health information, to prevent inappropriate prescribing, drug diversion, or abuse and misuse of controlled substances, and to facilitate better coordination among agencies;

(vi) enhancing interoperability between the program and any health information technology (including certified health information technology), including by integrating program data into such technology;

(vii) updating program capabilities to respond to technological innovation for purposes of appropriately addressing the occurrence and evolution of controlled substance overdoses;

(viii) facilitating and encouraging data exchange between the program and the prescription drug monitoring programs of other States;

(ix) enhancing data collection and quality, including improving patient matching and proactively monitoring data quality;

(x) providing prescriber and dispenser practice tools, including prescriber practice insight reports for practitioners to review their prescribing patterns in comparison to such patterns of other practitioners in the specialty; and

(xi) meeting the purpose of the program established under section 280g–3 of this title, as described in section 280g–3(a) of this title.

(B) Promoting community or health system interventions.

(C) Evaluating interventions to prevent controlled substance overdoses.

(D) Implementing projects to advance an innovative prevention approach with respect to new and emerging public health crises and opportunities to address such crises, such as enhancing public education and awareness on the risks associated with opioids.

Additional grants

The Director may award grants to States, localities, and Indian Tribes—

(A) to carry out innovative projects for grantees to rapidly respond to controlled substance misuse, abuse, and overdoses, including changes in patterns of controlled substance use; and

(B) for any other evidence-based activity for preventing controlled substance misuse, abuse, and overdoses as the Director determines appropriate.

Research

The Director, in coordination with the Assistant Secretary for Mental Health and Substance Use and the National Mental Health and Substance Use Policy Laboratory established under section 290aa–0 of this title, as appropriate and applicable, may conduct studies and evaluations to address substance use disorders, including preventing substance use disorders or other related topics the Director determines appropriate.

Enhanced controlled substance overdose data collection, analysis, and dissemination grants

In general

The Director of the Centers for Disease Control and Prevention may—

(A) to the extent practicable, carry out any controlled substance overdose data collection activities described in paragraph (2);

(B) provide training and technical assistance to States, localities, and Indian tribes for purposes of carrying out such activity;

(C) award grants to States, localities, and Indian tribes for purposes of carrying out such activity; and

(D) coordinate with the Assistant Secretary for Mental Health and Substance Use to collect data pursuant to section 290aa–4(d)(1)(A) of this title (relating to the number of individuals admitted to emergency departments as a result of the abuse of alcohol or other drugs).

Controlled substance overdose data collection and analysis activities

A controlled substance overdose data collection, analysis, and dissemination activity described in this paragraph is any of the following activities:

(A) Improving the timeliness of reporting data to the public, including data on fatal and nonfatal overdoses of controlled substances.

(B) Enhancing the comprehensiveness of controlled substance overdose data by collecting information on such overdoses from appropriate sources such as toxicology reports, autopsy reports, death scene investigations, and emergency departments.

(C) Modernizing the system for coding causes of death related to controlled sub-
§ 280b–1a. Interpersonal violence within families and among acquaintances

(a) With respect to activities that are authorized in sections 280b and 280b–0 of this title, the Secretary, acting through the Director of the Centers for Disease Control and Prevention, shall carry out such activities with respect to interpersonal violence within families and among acquaintances. Activities authorized in the preceding sentence include the following:

(1) Collecting data relating to the incidence of such violence.

(2) Making grants to public and nonprofit private entities for the evaluation of programs whose purpose is to prevent such violence, including the evaluation of demonstration projects under paragraph (6).

(3) Making grants to public and nonprofit private entities for the conduct of research on identifying effective strategies for preventing such violence.

(4) Providing to the public information and education on such violence, including information and education to increase awareness of the public health consequences of such violence.

(5) Training health care providers as follows:

(A) To identify individuals whose medical conditions or statements indicate that the individuals are victims of such violence.

(B) To routinely determine, in examining patients, whether the medical conditions or statements of the patients so indicate.

(C) To refer individuals so identified to entities that provide services regarding such violence, including referrals for counseling, housing, legal services, and services of community organizations.

(6) Making grants to public and nonprofit private entities for demonstration projects with respect to such violence, including with respect to prevention.

(b) For purposes of this part, the term “interpersonal violence within families and among acquaintances” includes behavior commonly referred to as domestic violence, sexual assault, spousal abuse, woman battering, partner abuse, elder abuse, and acquaintance rape.

§ 280b–1b. Use of allotments for rape prevention education

(a) Permitted use

The Secretary, acting through the National Center for Injury Prevention and Control at the Centers for Disease Control and Prevention, shall award targeted grants to States to be used for rape prevention and education programs conducted by rape crisis centers, State, territorial or tribal sexual assault coalitions, and other public and private nonprofit entities for—

(1) educational seminars;

(2) the operation of hotlines;

(3) training programs for professionals;

(4) the preparation of informational material;

(5) education and training programs for students and campus personnel designed to reduce the incidence of sexual assault at colleges and universities;

(6) education to increase awareness about drugs and alcohol used to facilitate rapes or sexual assaults; and

(7) other efforts to increase awareness of the facts about, or to help prevent, sexual assault.
including efforts to increase awareness in underserved communities and awareness among individuals with disabilities (as defined in section 12102 of this title).

(b) Collection and dissemination of information on sexual assault
The Secretary shall, through the National Resource Center on Sexual Assault established under the National Center for Injury Prevention and Control at the Centers for Disease Control and Prevention, provide resource information, policy, training, and technical assistance to Federal, State, local, and Indian tribal agencies, as well as to State sexual assault coalitions and local sexual assault programs and to other professionals and interested parties on issues relating to sexual assault, including maintenance of a central resource library in order to collect, prepare, analyze, and disseminate information and statistics and analyses thereof relating to the incidence and prevention of sexual assault.

c) Authorization of appropriations

(1) In general
There is authorized to be appropriated to carry out this section $50,000,000 for each of fiscal years 2014 through 2018.

(2) National sexual violence resource center allotment
Of the total amount made available under this subsection in each fiscal year, not less than $1,500,000 shall be available for allotment under subsection (b).

(3) Baseline funding for States, the District of Columbia, and Puerto Rico
A minimum allocation of $150,000 shall be awarded in each fiscal year for each of the States, the District of Columbia, and Puerto Rico. A minimum allocation of $35,000 shall be awarded in each fiscal year for each Territory. Any unused or remaining funds shall be allotted to each State, the District of Columbia, and Puerto Rico on the basis of population.

d) Limitations

(1) Supplement not supplant
Amounts provided to States under this section shall be used to supplement and not supplant other Federal, State, and local public funds expended to provide services of the type described in subsection (a).

(2) Studies
A State may not use more than 2 percent of the amount received by the State under this section for surveillance studies or prevalence studies.

(3) Administration
A State may not use more than 5 percent of the amount received by the State under this section for each fiscal year for administrative expenses.

Prior Provisions
A prior section 393A of act July 1, 1944, was renumbered section 393B and is classified to section 280b-1c of this title.

Amendments

Subsec. (a)(6). Pub. L. 113–4, § 301(1)(B), inserted “and alcohol” after “about drugs”.

Subsec. (c)(1). Pub. L. 113–4, § 301(2)(A), substituted “$50,000,000 for each of fiscal years 2014 through 2018” for “$80,000,000 for each of fiscal years 2007 through 2011”.

Subsec. (c)(3). Pub. L. 113–4, § 301(2)(B), added par. (3).

2006—Subsec. (c). Pub. L. 109–192 reenacted heading without change and amended text generally. Prior to amendment, text contained provisions in par. (1) authorizing appropriations for fiscal years 2001 through 2005 and in par. (2) directing an allotment under subsec. (b) of this section.

Effective Date of 2013 Amendment
Amendment by Pub. L. 113–4 not effective until the beginning of the fiscal year following Mar. 7, 2013, see section 4 of Pub. L. 113–4, set out as a note under section 2261 of Title 18, Crimes and Criminal Procedure.

§ 280b-1c. Prevention of traumatic brain injury

(a) In general
The Secretary, acting through the Director of the Centers for Disease Control and Prevention, may carry out projects to reduce the incidence of traumatic brain injury. Such projects may be carried out by the Secretary directly or through awards of grants or contracts to public or nonprofit private entities. The Secretary may direct or through such awards provide technical assistance with respect to the planning, development, and operation of such projects.

(b) Certain activities
Activities under subsection (a) may include—
(1) the conduct of research into identifying effective strategies for the prevention of traumatic brain injury;
(2) the implementation of public information and education programs for the prevention of such injury and for broadening the awareness of the public concerning the public health consequences of such injury; and
(3) the implementation of a national education and awareness campaign regarding such injury (in conjunction with the program of the Secretary regarding health-status goals for 2020, commonly referred to as Healthy People 2020), including—
§ 280b–1d. National program for traumatic brain injury surveillance and registries

(a) In general

The Secretary, acting through the Director of the Centers for Disease Control and Prevention, may make grants to States or their designees to develop or operate the State’s traumatic brain injury surveillance system or registry to determine the incidence and prevalence of traumatic brain injury and related disability, to ensure the uniformity of reporting under such system or registry, to link individuals with traumatic brain injury to services and supports, and to link such individuals with academic institutions to conduct applied research that will support the development of such surveillance systems and registries as may be necessary. A surveillance system or registry under this section shall provide for the collection of data concerning—

(1) demographic information about each traumatic brain injury;

(2) information about the circumstances surrounding the injury event associated with each traumatic brain injury;

(3) administrative information about the source of the collected information, dates of hospitalization and treatment, and the date of injury; and

(4) information characterizing the clinical aspects of the traumatic brain injury, including the severity of the injury, outcomes of the injury, the types of treatments received, and the types of services utilized.

(b) Report

Not later than 18 months after April 28, 2008, the Secretary, acting through the Director of the Centers for Disease Control and Prevention and the Director of the National Institutes of Health and in consultation with the Secretary of Defense and the Secretary of Veterans Affairs, shall submit to the relevant committees of Congress a report that contains the findings derived from an evaluation concerning activities and procedures that can be implemented by the Centers for Disease Control and Prevention to improve the collection and dissemination of compatible epidemiological studies on the incidence and prevalence of traumatic brain injury in individuals who were formerly in the military. The report shall include recommendations on the manner in which such agencies can further collaborate on the development and improvement of traumatic brain injury diagnostic tools and treatments.

(c) National concussion data collection and analysis

The Secretary, acting through the Director of the Centers for Disease Control and Prevention, may implement concussion data collection and analysis to determine the prevalence and incidence of concussion.


Prior Provisions

Prior sections 393B of act July 1, 1944, were renumbered sections 393A and 393C and are classified to sections 280b–1b and 280b–1d, respectively, of this title.

Amendments


Codification

Section was formerly classified to section 280b–1b of this title.

Amendments


Subsec. (a). Pub. L. 110–206, §3(b)(2), in introductory provisions, substituted “may make grants to States or their designees to develop or operate the State’s traumatic brain injury surveillance system or registry to determine the incidence and prevalence of traumatic brain injury and related disability, to ensure the uniformity of reporting under such system or registry, to link individuals with traumatic brain injury to services and supports, and to link such individuals with academic institutions to conduct applied research that will support the development of such surveillance systems and registries as may be necessary. A surveillance system or registry under this section shall provide for the collection of data concerning—” for “may make grants to States or their designees to develop or operate the State’s traumatic brain injury registry, and to academic institutions to conduct applied research that will support the development of such registries, to collect data concerning—”.

Subsec. (b). Pub. L. 110–206, §3(c), added subsec. (b).


Section, July 1, 1944, ch. 373, title III, §393C–1, as added Pub. L. 110–206, §4, Apr. 28, 2008, 122 Stat. 715, provided that the Secretary, acting with appropriate health officials, could conduct a study on traumatic brain injury.

§ 280b–1f. Prevention of falls among older adults

(a) Public education

The Secretary may—

(1) oversee and support a national education campaign to be carried out by a nonprofit organization with experience in designing and implementing national injury prevention programs, that is directed principally to older adults, their families, and health care providers and that focuses on reducing falls among older adults and preventing repeat falls; and

(2) award grants, contracts, or cooperative agreements to qualified organizations, institutions, or consortia of qualified organizations and institutions, specializing, or demonstrating expertise, in falls or fall prevention, to the adoption of proven interventions with respect to the prevention of falls among older adults; and

(b) Research

(1) In general

The Secretary may—

(A) conduct and support research to—

(i) improve the identification of older adults who have a high risk of falling;

(ii) improve data collection and analysis to identify fall risk and protective factors;

(iii) design, implement, and evaluate the most effective fall prevention interventions;

(iv) improve strategies that are proven to be effective in reducing falls by tailoring these strategies to specific populations of older adults;

(v) conduct research in order to maximize the dissemination of proven, effective fall prevention interventions;

(vi) intensify proven interventions to prevent falls among older adults;

(vii) improve the diagnosis, treatment, and rehabilitation of elderly fall victims and older adults at high risk for falls; and

(viii) assess the risk of falls occurring in various settings;

(B) conduct research concerning barriers to the adoption of proven interventions with respect to the prevention of falls among older adults;

(C) conduct research to develop, implement, and evaluate the most effective approaches to reducing falls among high-risk older adults living in communities and long-term care and assisted living facilities; and

(D) evaluate the effectiveness of community programs designed to prevent falls among older adults.

(2) Educational support

The Secretary, either directly or through awarding grants, contracts, or cooperative agreements to qualified organizations, institutions, or consortia of qualified organizations and institutions, specializing, or demonstrating expertise, in falls or fall prevention, may provide professional education for physicians and allied health professionals, and aging service providers in fall prevention, evaluation, and management.

(c) Demonstration projects

The Secretary may carry out the following:

(1) Oversee and support demonstration and research projects to be carried out by qualified organizations, institutions, or consortia of qualified organizations and institutions, specializing, or demonstrating expertise, in falls or fall prevention, in the following areas:

(A) A multistate demonstration project assessing the utility of targeted fall risk screening and referral programs.

(B) Programs designed for community-dwelling older adults that utilize multi-component fall intervention approaches, including physical activity, medication assessment and reduction when possible, vision enhancement, and home modification strategies.

(C) Programs that are targeted to new fall victims who are at a high risk for second falls and which are designed to maximize independence and quality of life for older adults, particularly those older adults with functional limitations.

(D) Private sector and public-private partnerships to develop technologies to prevent falls among older adults and prevent or reduce injuries if falls occur.

(2)(A) Award grants, contracts, or cooperative agreements to qualified organizations, institutions, or consortia of qualified organizations and institutions, specializing, or demonstrating expertise, in falls or fall prevention, to design, implement, and evaluate fall prevention programs using proven intervention strategies in residential and institutional settings.

(B) Award 1 or more grants, contracts, or cooperative agreements to 1 or more qualified organizations, institutions, or consortia of qualified organizations and institutions, spe-
§ 280b–2

TITLE 42—THE PUBLIC HEALTH AND WELFARE

Page 468

§ 280b–2

The Secretary, acting through the Director of the Centers for Disease Control and Prevention, may provide technical assistance to public and nonprofit private entities with respect to the planning, development, and operation of any program or service carried out pursuant to this part. The Secretary may provide such technical assistance directly or through grants or contracts.

(c) Biennial report

Not later than February 1 of 1995 and of every second year thereafter, the Secretary, acting through the Director of the Centers for Disease Control and Prevention, shall submit to the Congress a report describing the activities carried out under this part during the preceding 2 fiscal years. Such report shall include a description of such activities that were carried out with respect to interpersonal violence within families and among acquaintances and with respect to rural areas.


Prior Provisions


(a) Advisory committee

The Secretary, acting through the Director of the Centers for Disease Control and Prevention, shall establish an advisory committee to advise the Secretary and such Director with respect to the prevention and control of injuries.

(b) Technical assistance

The Secretary, acting through the Director of the Centers for Disease Control and Prevention, may provide technical assistance to public and nonprofit private entities with respect to the planning, development, and operation of any program or service carried out pursuant to this part. The Secretary may provide such technical assistance directly or through grants or contracts.

(e) Study of effects of falls on health care costs

(1) In general

The Secretary may conduct a review of the effects of falls on health care costs, the potential for reducing falls, and the most effective strategies for reducing health care costs associated with falls.

(2) Report

If the Secretary conducts the review under paragraph (1), the Secretary shall, not later than 36 months after April 23, 2008, submit to Congress a report describing the findings of the Secretary in conducting such review.

(3) Award 1 or more grants, contracts, or cooperative agreements under this section, the Secretary may give priority to entities that explore the use of cost-sharing with respect to activities funded under the grant, contract, or agreement to ensure the institutional commitment of the recipients of such assistance to the projects funded under the grant, contract, or agreement.

Such non-Federal cost sharing contributions may be provided directly or through donations from public or private entities and may be in cash or in-kind, fairly evaluated, including plant, equipment, or services.

(4) Study of effects of falls on health care costs

The Secretary may conduct a study of the effects of falls on health care costs, the potential for reducing falls, and the most effective strategies for reducing health care costs associated with falls.

(5) Report

If the Secretary conducts the study under paragraph (4), the Secretary shall, not later than 36 months after April 23, 2008, submit to Congress a report describing the findings of the Secretary in conducting such study.

(6) Biennial report

If the Secretary conducts the study under paragraph (4), the Secretary shall submit to the Congress a report describing the activities carried out under this part during the preceding 2 fiscal years.

(7) Study of effects of falls on health care costs

The Secretary may conduct a study of the effects of falls on health care costs, the potential for reducing falls, and the most effective strategies for reducing health care costs associated with falls.

(8) Report

If the Secretary conducts the study under paragraph (7), the Secretary shall, not later than 36 months after April 23, 2008, submit to Congress a report describing the findings of the Secretary in conducting such study.

(b) Technical assistance

The Secretary, acting through the Director of the Centers for Disease Control and Prevention, may provide technical assistance to public and nonprofit private entities with respect to the planning, development, and operation of any program or service carried out pursuant to this part. The Secretary may provide such technical assistance directly or through grants or contracts.

(e) Study of effects of falls on health care costs

(1) In general

The Secretary may conduct a review of the effects of falls on health care costs, the potential for reducing falls, and the most effective strategies for reducing health care costs associated with falls.

(2) Report

If the Secretary conducts the review under paragraph (1), the Secretary shall, not later than 36 months after April 23, 2008, submit to Congress a report describing the findings of the Secretary in conducting such review.

(3) Award 1 or more grants, contracts, or cooperative agreements under this section, the Secretary may give priority to entities that explore the use of cost-sharing with respect to activities funded under the grant, contract, or agreement to ensure the institutional commitment of the recipients of such assistance to the projects funded under the grant, contract, or agreement.

Such non-Federal cost sharing contributions may be provided directly or through donations from public or private entities and may be in cash or in-kind, fairly evaluated, including plant, equipment, or services.

(4) Study of effects of falls on health care costs

The Secretary may conduct a study of the effects of falls on health care costs, the potential for reducing falls, and the most effective strategies for reducing health care costs associated with falls.

(5) Report

If the Secretary conducts the study under paragraph (4), the Secretary shall, not later than 36 months after April 23, 2008, submit to Congress a report describing the findings of the Secretary in conducting such study.

(6) Biennial report

If the Secretary conducts the study under paragraph (4), the Secretary shall submit to the Congress a report describing the activities carried out under this part during the preceding 2 fiscal years.

(7) Study of effects of falls on health care costs

The Secretary may conduct a study of the effects of falls on health care costs, the potential for reducing falls, and the most effective strategies for reducing health care costs associated with falls.

(8) Report

If the Secretary conducts the study under paragraph (7), the Secretary shall, not later than 36 months after April 23, 2008, submit to Congress a report describing the findings of the Secretary in conducting such study.

(b) Technical assistance

The Secretary, acting through the Director of the Centers for Disease Control and Prevention, may provide technical assistance to public and nonprofit private entities with respect to the planning, development, and operation of any program or service carried out pursuant to this part. The Secretary may provide such technical assistance directly or through grants or contracts.

(e) Study of effects of falls on health care costs

(1) In general

The Secretary may conduct a review of the effects of falls on health care costs, the potential for reducing falls, and the most effective strategies for reducing health care costs associated with falls.

(2) Report

If the Secretary conducts the review under paragraph (1), the Secretary shall, not later than 36 months after April 23, 2008, submit to Congress a report describing the findings of the Secretary in conducting such review.

(3) Award 1 or more grants, contracts, or cooperative agreements under this section, the Secretary may give priority to entities that explore the use of cost-sharing with respect to activities funded under the grant, contract, or agreement to ensure the institutional commitment of the recipients of such assistance to the projects funded under the grant, contract, or agreement.

Such non-Federal cost sharing contributions may be provided directly or through donations from public or private entities and may be in cash or in-kind, fairly evaluated, including plant, equipment, or services.

(4) Study of effects of falls on health care costs

The Secretary may conduct a study of the effects of falls on health care costs, the potential for reducing falls, and the most effective strategies for reducing health care costs associated with falls.

(5) Report

If the Secretary conducts the study under paragraph (4), the Secretary shall, not later than 36 months after April 23, 2008, submit to Congress a report describing the findings of the Secretary in conducting such study.

(6) Biennial report

If the Secretary conducts the study under paragraph (4), the Secretary shall submit to the Congress a report describing the activities carried out under this part during the preceding 2 fiscal years.

(7) Study of effects of falls on health care costs

The Secretary may conduct a study of the effects of falls on health care costs, the potential for reducing falls, and the most effective strategies for reducing health care costs associated with falls.

(8) Report

If the Secretary conducts the study under paragraph (7), the Secretary shall, not later than 36 months after April 23, 2008, submit to Congress a report describing the findings of the Secretary in conducting such study.

(b) Technical assistance

The Secretary, acting through the Director of the Centers for Disease Control and Prevention, may provide technical assistance to public and nonprofit private entities with respect to the planning, development, and operation of any program or service carried out pursuant to this part. The Secretary may provide such technical assistance directly or through grants or contracts.
§ 280b–3. Authorization of appropriations

(a) In general

For the purpose of carrying out this part, there are authorized to be appropriated $50,000,000 for fiscal year 1994, such sums as may be necessary for each of the fiscal years 1995 through 1998, and such sums as may be necessary for each of the fiscal years 2001 through 2003.

(b) Traumatic brain injury

To carry out sections 280b–1c and 280b–1d of this title, there are authorized to be appropriated $11,750,000 for each of fiscal years 2020 through 2024.

§ 280b–4. Study conducted by the Centers for Disease Control and Prevention

(a) Purposes

The Secretary of Health and Human Services acting through the National Center for Injury Prevention and Control at the Centers for Disease Control shall make grants to entities, including domestic and sexual assault coalitions and programs, research organizations, tribal organizations, and academic institutions to support research to examine prevention and intervention programs to further the understanding of sexual and domestic violence by and against adults, youth, and children.

(b) Use of funds

The research conducted under this section shall include evaluation and study of best practices for reducing and preventing violence against women and children addressed by the strategies included in Department of Health and Human Services-related provisions this title, including strategies addressing underserved communities.

(c) Authorization of appropriations

There shall be authorized to be appropriated to carry out this title $1,000,000 for each of the fiscal years 2014 through 2018.

References in Text

1. So in original. Probably should be followed by “and”.
2. So in original. Probably should be followed by “of”.
3. See References in Text note below.
CODIFICATION
Section was enacted as part of the Violence Against Women and Department of Justice Reauthorization Act of 2005, and not as part of the Public Health Service Act which comprises this chapter.

PRIOR PROVISIONS
Prior sections 280b–4 to 280b–11 were repealed by Pub. L. 99–155, §3(b), Nov. 20, 1985, 99 Stat. 879.


AMENDMENTS
2013—Subsec. (c), Pub. L. 113–4 substituted "$1,000,000 for each of the fiscal years 2014 through 2018" for "$2,000,000 for each of the fiscal years 2007 through 2011".

EFFECTIVE DATE OF 2013 AMENDMENT
Amendment by Pub. L. 113–4 not effective until the beginning of the fiscal year following Mar. 7, 2013, see section 4 of Pub. L. 113–4, set out as a note under section 2261 of Title 18, Crimes and Criminal Procedure.

PART K—HEALTH CARE SERVICES IN THE HOME AND PUBLIC HEALTH PROGRAMS FOR DEMENTIA
CODIFICATION


PRIOR PROVISIONS

SUBPART I—GRANTS FOR DEMONSTRATION PROJECTS
§ 280c. Establishment of program
(a) In general
The Secretary, acting through the Administrator of the Health Resources and Services Administration, shall make not less than 5, and not more than 20, grants to States for the purpose of assisting grantees in carrying out demonstration projects—

(1) to identify low-income individuals who can avoid institutionalization or prolonged hospitalization if skilled medical services, skilled nursing care services, homemaker or home health aide services, or personal care services are provided in the homes of the individuals;

(2) to pay the costs of the provision of such services in the homes of such individuals; and

(3) to coordinate the provision by public and private entities of such services, and other long-term care services, in the homes of such individuals.

(b) Requirement with respect to age of recipients of services
The Secretary may not make a grant under subsection (a) to a State unless the State agrees to ensure that—

(1) not less than 25 percent of the grant is expended to provide services under such subsection to individuals who are not less than 65 years of age; and

(2) of the portion of the grant reserved for the State for purposes of complying with paragraph (1), not less than 10 percent is expended to provide such services to individuals who are not less than 85 years of age.
(c) Relationship to items and services under other programs

A State may not make payments from a grant under subsection (a) for any item or service to the extent that payment has been made, or can reasonably be expected to be made, with respect to such item or service—

(1) under any State compensation program, under an insurance policy, or under any Federal or State health benefits program; or

(2) by an entity that provides health services on a prepaid basis.


PRIOR PROVISIONS


AMENDMENTS


1990—Subsec. (a), Pub. L. 101–557, § 101(a), substituted “shall make not less than 5, and not more than 20, grants” for “shall make not less than 3, and not more than 5, grants”.

Subsec. (a)(1), Pub. L. 101–557, § 101(b), substituted “skilled nursing care services, homemaker or home health aide services, or personal care services are provided in the homes of the individuals” for “skilled medical services or related health services (or both) are provided in the homes of the individuals.’’

Subsec. (b), Pub. L. 101–557, § 101(c), substituted “to ensure that—’’ and pars. (1) and (2) for “to ensure that not less than 25 percent of individuals receiving services pursuant to subsection (a) of this section are individuals who are not less than 65 years of age’’.

Section effective Oct. 1, 1987, see section 701(a) of Pub. L. 100–175, set out as an Effective Date of 1987 Amendment note under section 3001 of this title.

SHORT TITLE

For short title of title VI of Pub. L. 100–175, which enacted this part as the “Health Care Services in the Home Act of 1987”, see section 601 of Pub. L. 100–175, set out as a Short Title of 1987 Amendments note under section 201 of this title.

§ 280c–1. Limitation on duration of grant and requirement of matching funds

(a) Limitation on duration of grant

The period during which payments are made to a State from a grant under section 280c(a) of this title may not exceed 3 years. Such payments shall be subject to annual evaluation by the Secretary.

(b) Requirement of matching funds

(1) (A) For the first year of payments to a State from a grant under section 280c(a) of this title, the Secretary may not make such payments in an amount exceeding 75 percent of the costs of services to be provided by the State pursuant to such section.

(B) For the second year of such payments to a State, the Secretary may not make such payments in an amount exceeding 65 percent of the costs of such services.

(C) For the third year of such payments to a State, the Secretary may not make such payments in an amount exceeding 55 percent of the costs of such services.

(2) The Secretary may not make a grant under section 280c(a) of this title to a State unless the State agrees to make available, directly or through donations from public or private entities, non-Federal contributions toward the costs of services to be provided pursuant to such section in an amount equal to—

(A) for the first year of payments to the State from the grant, not less than $25 (in cash or in kind under subsection (c)) for each $75 of Federal funds provided in the grant;

(B) for the second year of such payments to the State, not less than $35 (in cash or in kind under subsection (c)) for each $65 of such Federal funds; and

(C) for the third year of such payments to the State, not less than $45 (in cash or in kind under subsection (c)) for each $55 of such Federal funds.

(c) Determination of amount of non-Federal contribution

Non-Federal contributions required in subsection (b) may be in cash or in kind, fairly evaluated, including plant, equipment, or services. Amounts provided by the Federal Government, or services assisted or subsidized to any significant extent by the Federal Government, may not be included in determining the amount of such non-Federal contributions.

(July 1, 1944, ch. 373, title III, § 396, as added Pub. L. 100–175, title VI, § 602, Nov. 29, 1987, 101 Stat. 979.)

PRIOR PROVISIONS


Section effective Oct. 1, 1987, see section 701(a) of Pub. L. 100–175, set out as an Effective Date of 1987 Amendment note under section 3001 of this title.
§ 280c–2. General provisions

(a) Limitation on administrative expenses

The Secretary may not make a grant under section 280c(a) of this title to a State unless the State agrees that not more than 10 percent of the grant will be expended for administrative expenses with respect to the grant.

(b) Description of intended use of grant

The Secretary may not make a grant under section 280c(a) of this title to a State unless—

(1) the State submits to the Secretary a description of the purposes for which the State intends to expend the grant; and

(2) such description provides information relating to the programs and activities to be supported and services to be provided, including—

(A) the number of individuals who will receive services pursuant to section 280c(a) of this title and the average costs of providing such services to each such individual; and

(B) a description of the manner in which such programs and activities will be coordinated with any similar programs and activities of public and private entities.

(c) Requirement of application

The Secretary may not make a grant under section 280c(a) of this title to a State unless the Secretary has submitted to the Secretary an application for the grant. The application shall—

(1) contain the description of intended expenditures required in subsection (b);

(2) with respect to carrying out the purpose for which the grant is to be made, provide assurance of compliance satisfactory to the Secretary; and

(3) otherwise be in such form, be made in such manner, and contain such information and agreements as the Secretary determines to be necessary to carry out this subpart.

(d) Evaluations and report by Secretary

The Secretary shall—

(1) provide for an evaluation of each demonstration project for which a grant is made under section 280c(a) of this title; and

(2) not later than 6 months after the completion of such evaluations, submit to the Congress a report describing the findings made as a result of the evaluations.

(e) Authorizations of appropriations

For the purpose of carrying out this subpart, there are authorized to be appropriated $5,000,000 for each of the fiscal years 1992 and 1993.

PREAMBLE


AMENDMENTS

1990—Subsec. (e). Pub. L. 101-557 substituted ‘‘there are’’ for ‘‘there is’’ and inserted before period at end $. 7,500,000 for fiscal year 1991, and such sums as may be necessary for each of the fiscal years 1992 and 1993’’.

EFFECTIVE DATE

Section effective Oct. 1, 1987, see section 701(a) of Pub. L. 100-175, set out as an Effective Date of 1987 Amendment note under section 3001 of this title.

SUBPART II—PROGRAMS WITH RESPECT TO ALZHEIMER’S DISEASE AND RELATED DEMENTIAS

CODIFICATION

Pub. L. 115-406, §2(2)(A), Dec. 31, 2018, 132 Stat. 5362, substituted ‘‘PROGRAMS WITH RESPECT TO ALZHEIMER’S DISEASE AND RELATED DEMENTIAS’’ for ‘‘GRANTS FOR DEMONSTRATION PROJECTS WITH RESPECT TO ALZHEIMER’S DISEASE’’ in subpart heading.

§ 280c–3. Cooperative agreements to States and public health departments for Alzheimer’s disease and related dementias

(a) In general

The Secretary, in coordination with the Director of the Centers for Disease Control and Prevention and the heads of other agencies, as appropriate, shall award cooperative agreements to health departments of States, political subdivisions of States, and Indian tribes and tribal organizations, to address Alzheimer’s disease and related dementias, including by reducing cognitive decline, helping meet the needs of caregivers, and addressing unique aspects of Alzheimer’s disease and related dementias to support the development and implementation of evidence-based interventions with respect to—

(1) educating and informing the public, based on evidence-based public health research and data, about Alzheimer’s disease and related dementias;

(2) supporting early detection and diagnosis;

(3) reducing the risk of potentially avoidable hospitalizations for individuals with Alzheimer’s disease and related dementias; and

(4) reducing the risk of cognitive decline and cognitive impairment associated with Alzheimer’s disease and related dementias;

(5) improving support to meet the needs of caregivers of individuals with Alzheimer’s disease and related dementias;

(6) supporting care planning and management for individuals with Alzheimer’s disease and related dementias; and

(7) supporting other relevant activities identified by the Secretary or the Director of the Centers for Disease Control and Prevention, as appropriate.

(b) Preference

In awarding cooperative agreements under this section, the Secretary shall give preference to applications that focus on addressing health

1 So in original. The period probably should be ‘‘; and’’.

2 So in original. Probably should be followed by a period.
disparities, including populations and geographic areas that have the highest prevalence of Alzheimer’s disease and related dementias.

(c) Eligibility

To be eligible to receive a cooperative agreement under this section, an eligible entity (pursuant to subsection (a)) shall prepare and submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require, including a plan that describes—

(1) how the applicant proposes to develop or expand, programs to educate individuals through partnership engagement, workforce development, guidance and support for programmatic efforts, and evaluation with respect to Alzheimer’s disease and related dementias, and in the case of a cooperative agreement under this section, how the applicant proposes to support other relevant activities identified by the Secretary or Director of the Centers for Disease Control and Prevention, as appropriate.

(2) the manner in which the applicant will coordinate with Federal, tribal, and State programs related to Alzheimer’s disease and related dementias, and appropriate State, tribal, and local agencies, as well as other relevant public and private organizations or agencies; and

(3) the manner in which the applicant will evaluate the effectiveness of any program carried out under the cooperative agreement.

(d) Matching requirement

Each health department that is awarded a cooperative agreement under subsection (a) shall provide, from non-Federal sources, an amount equal to 30 percent of the amount provided under such agreement (which may be provided in cash or in-kind) to carry out the activities supported by the cooperative agreement.

(e) Waiver authority

The Secretary may waive all or part of the matching requirement described in subsection (d) for any fiscal year for a health department of a State, political subdivision of a State, or Indian tribe and tribal organization (including those located in a rural area or frontier area), if the Secretary determines that applying such matching requirement would result in serious hardship or an inability to carry out the purposes of the cooperative agreement awarded to such health department of a State, political subdivision of a State, or Indian tribe and tribal organization.

(f) Non-duplication of effort

The Secretary shall ensure that activities under any cooperative agreement awarded under this subpart do not unnecessarily duplicate efforts of other agencies and offices within the Department of Health and Human Services related to—

(1) activities of centers of excellence with respect to Alzheimer’s disease and related dementias described in section 290c–4 of this title; and

(2) activities of public health departments with respect to Alzheimer’s disease and related dementias described in this section.

(g) Relationship to items and services under other programs

A State may not make payments from a cooperative agreement under subsection (a) for any item or service to the extent that payment has been made, or can reasonably be expected to be made, with respect to such item or service—

(1) under any State program, under an insurance policy, or under any Federal or State health benefits program; or

(2) by an entity that provides health services on a prepaid basis.

Prior Provisions


Amendments

2018—Pub. L. 115–406, §3(1), substituted “Cooperative agreements to States and public health departments for Alzheimer’s disease and related dementias” for “Establishment of program” in section catchline. Subsec. (a). Pub. L. 115–406, §3(2), added subsec. (a) and struck out former subsec. (a) which provided that the Secretary would make grants to States for planning, establishing, and operating programs to provide care to Alzheimer’s patients. Subsecs. (b) to (d). Pub. L. 115–406, §3(3), (5), added subsecs. (b) to (d) and struck out former subsec. (b). Prior to amendment, text of subsec. (b) read as follows: “The Secretary may not make a grant under subsection (a) to a State unless the State agrees to expend not less than 50 percent of the grant for the provision of services described in subsection (a)(2).” Former subsec. (c), redesignated (g). Subsec. (f). Pub. L. 115–406, §3(7), which directed adding subsec. (f) at the end of the section, was executed by adding subsec. (f) before subsec. (g) as redesignated by Pub. L. 115–406, §3(4), to reflect the probable intent of Congress. Subsec. (g). Pub. L. 115–406, §3(6), which directed amendment of “subsection (f) (as so redesignated)” by substituting “cooperative agreement” for “grant”, was executed by making the substitution in introductory provisions of subsec. (g) as redesignated, to reflect the probable intent of Congress. See below. Pub. L. 115–406, §3(4), redesignated subsec. (c) as (g).


1990—Subsec. (a). Pub. L. 101–557, §102(a), substituted “shall make not less than 5, and not more than 15, grants” for “shall make not less than 3, and not more than 5, grants”.

Subsec. (a)(1). Pub. L. 101–557, §102(b), substituted “with public and private organizations” for “by public and private organizations”. 
§ 280c–4. Promotion of public health knowledge and awareness of Alzheimer's disease and related dementias

(a) Alzheimer's disease and related dementias

public health centers of excellence

(1) In general

The Secretary, in coordination with the Director of the Centers for Disease Control and Prevention and the heads of other agencies as appropriate, shall award grants, contracts, or cooperative agreements to eligible entities, such as institutions of higher education, State, tribal, and local health departments, Indian tribes, tribal organizations, associations, or other appropriate entities for the establishment or support of regional centers to address Alzheimer’s disease and related dementias by—

(A) advancing the awareness of public health officials, health care professionals, and the public, on the most current information and research related to Alzheimer’s disease and related dementias, including cognitive decline, brain health, and associated health disparities;

(B) identifying and translating promising research findings, such as findings from research and activities conducted or supported by the National Institutes of Health, including Alzheimer’s Disease Research Centers authorized by section 285e–2 of this title, into evidence-based programmatic interventions for populations with Alzheimer’s disease and related dementias and caregivers for such populations; and

(C) expanding activities, including through public-private partnerships related to Alzheimer’s disease and related dementias and associated health disparities.

(2) Requirements

To be eligible to receive a grant, contract, or cooperative agreement under this subsection, an entity shall submit to the Secretary an application containing such agreements and information as the Secretary may require, including a description of how the entity will—

(A) coordinate, as applicable, with existing Federal, State, and tribal programs related to Alzheimer’s disease and related dementias;

(B) examine, evaluate, and promote evidence-based interventions for individuals with Alzheimer’s disease and related dementias, including underserved populations with such conditions, and those who provide care for such individuals; and

(C) prioritize activities relating to—

(1) expanding efforts, as appropriate, to implement evidence-based practices to address Alzheimer’s disease and related dementias, including through the training of State, local, and tribal public health officials and other health professionals on such practices;

(ii) supporting early detection and diagnosis of Alzheimer’s disease and related dementias;

(iii) reducing the risk of potentially avoidable hospitalizations of individuals with Alzheimer’s disease and related dementias;

(iv) reducing the risk of cognitive decline and cognitive impairment associated with Alzheimer’s disease and related dementias;

(v) enhancing support to meet the needs of caregivers of individuals with Alzheimer’s disease and related dementias;

(vi) reducing health disparities related to the care and support of individuals with Alzheimer’s disease and related dementias;

(vii) supporting care planning and management for individuals with Alzheimer’s disease and related dementias; and

(viii) supporting other relevant activities identified by the Secretary or the Director of the Centers for Disease Control and Prevention, as appropriate.

(3) Considerations

In awarding grants, contracts, and cooperative agreements under this subsection, the Secretary shall consider, among other factors, whether the entity—

(A) provides services to rural areas or other underserved populations;

(B) is able to build on an existing infrastructure of services and public health research; and

(C) has experience with providing care or caregiver support, or has experience conducting research related to Alzheimer’s disease and related dementias.

(4) Distribution of awards

In awarding grants, contracts, or cooperative agreements under this subsection, the Secretary, to the extent practicable, shall ensure equitable distribution of awards based on geographic area, including consideration of rural areas, and the burden of the disease within sub-populations.

(5) Data reporting and program oversight

With respect to a grant, contract, or cooperative agreement awarded under this subsection, not later than 90 days after the end of the first year of the period of assistance, and annually thereafter for the duration of the grant, contract, or agreement (including the duration of any renewal period as provided for under paragraph (5)), the entity shall submit data, as appropriate, to the Secretary regarding—

(A) the programs and activities funded under the grant, contract, or agreement; and

(B) outcomes related to such programs and activities.

(b) Improving data on State and national prevalence of Alzheimer’s disease and related dementias

(1) In general

The Secretary shall, as appropriate, improve the analysis and timely reporting of data on the incidence and prevalence of Alzheimer’s
(2) Eligibility

To be eligible to receive a grant, contract, or cooperative agreement under this subsection, an entity shall be a public or nonprofit private entity, including institutions of higher education, State, local, and tribal health departments, and Indian tribes and tribal organizations, and submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require.

(3) Data sources

The analysis, timely public reporting, and dissemination of data under this subsection may be carried out using data sources such as the following:

(A) The Behavioral Risk Factor Surveillance System.

(B) The National Health and Nutrition Examination Survey.

(C) The National Health Interview Survey.

Improved coordination

The Secretary shall ensure that activities and programs related to dementia under this section do not unnecessarily duplicate activities and programs of other agencies and offices within the Department of Health and Human Services.

(a) Limitation on administrative expenses

The Secretary may not make a grant or cooperative agreement under sections 1 280c–3 or 280c–4 of this title to an entity unless the entity agrees that not more than 5 percent of the grant or cooperative agreement will be expended for administrative expenses with respect to the grant or cooperative agreement.

(b) Requirement of application

The Secretary may not make a grant under sections 1 280c–3 or 280c–4 of this title to an entity unless the entity has submitted to the Secretary an application for the grant. The application shall—

(1) contain the description of intended expenditures;

(2) with respect to carrying out the purpose for which the grant is to be made, provide assurances of compliance satisfactory to the Secretary; and

(3) otherwise be in such form, be made in such manner, and contain such information and agreements as the Secretary determines to be necessary to carry out this subpart.

(e) Authorizations of appropriations

For the purpose of carrying out this subpart, there are authorized to be appropriated $20,000,000 for each of fiscal years 2020 through 2024.

Amendments

2018—Subsec. (a). Pub. L. 115–406, § 4(4), inserted “or cooperative agreement” after “grant” wherever appearing and substituted “sections 280c–3 or 280c–4” of this title to an entity unless the entity for “section 280c–3(a)” of this title to a State unless the State and “5 percent” for “10 percent”.

Subsec. (b). Pub. L. 115–406, § 4(4)(A), substituted “sections 280c–3 or 280c–4 of this title to an entity unless the entity” for “section 280c–3(a) of this title to a State unless the State” and “5 percent” for “10 percent”.

Subsec. (c). Pub. L. 115–406, § 4(4)(A), substituted “sections 280c–3 or 280c–4 of this title to an entity unless the entity” for “section 280c–3(a) of this title to a State unless the State”.

Subsec. (d). Pub. L. 115–406, § 4(4)(A), substituted “activities for which an award” for “each demonstration project for which a grant” and “sections 280c–3 or 280c–4 of this title” for “section 280c–3(a) of this title”.

Subsec. (e). Pub. L. 115–406, § 4(4)(A), substituted “$20,000,000 for each of fiscal years 2020 through 2024” for “$5,000,000 for each of the fiscal years 1988 through 1990, $7,500,000 for fiscal year 1991, such sums as may be necessary for each of the fiscal years 1992 and 1993, $8,000,000 for fiscal year 1998, and such sums as may be necessary for each of the fiscal years 1999 through 2002”.

1 So in original. Probably should be “section”.

$280c–5
§ 280c–6. Projects to improve maternal, infant, and child health

(a) In general

(1) Establishment of program

The Secretary, acting through the Administrator of the Health Resources and Services Administration, shall make grants to eligible entities to pay the Federal share of the cost of providing the services specified in subsection (b) to families in which a member is—

(A) a pregnant woman at risk of delivering an infant with a health or developmental complication; or

(B) a child less than 3 years of age—

(i) who is experiencing or is at risk of a health or developmental complication, or of child abuse or neglect; or

(ii) who has been prenatally exposed to maternal substance abuse.

(2) Minimum period of awards; administrative consultations

(A) The Secretary shall award grants under paragraph (1) for periods of at least three years.

(B) The Administrator of the Administration for Children, Youth, and Families and the Director of the National Commission to Prevent Infant Mortality shall be consulted regarding the promulgation of program guidelines and funding priorities under this section.

(3) Requirement of status as medicaid provider

(A) Subject to subparagraph (B), the Secretary may make a grant under paragraph (1) only if, in the case of any service under such paragraph that is covered in the State plan approved under title XIX of the Social Security Act [42 U.S.C. 1396 et seq.] for the State involved—

(i) the entity involved will provide the service directly, and the entity has entered into a participation agreement under the State plan and is qualified to receive payments under such plan; or

(ii) the entity will enter into an agreement with an organization under which the organization will provide the service, and the organization has entered into such a participation agreement and is qualified to receive such payments.

(B)(i) In the case of an organization making an agreement under subparagraph (A)(ii) regarding the provision of services under paragraph (1), the requirement established in such subparagraph regarding a participation agreement shall be waived by the Secretary if the organization does not, in providing health or mental health services, impose a charge or accept reimbursement under any third-party payor, including reimbursement under any insurance policy or under any Federal or State health benefits program.

(ii) A determination by the Secretary of whether an organization referred to in clause (i) meets the criteria for a waiver under such clause shall be made without regard to whether the organization accepts voluntary donations regarding the provision of services to the public.

(b) Home visiting services for eligible families

With respect to an eligible family, each of the following services shall, directly or through arrangement with other public or nonprofit private entities, be available (as applicable to the family member involved) in each project operated with a grant under subsection (a):

(1) Prenatal and postnatal health care.

(2) Primary health care for the children, including developmental assessments.

(3) Education for the parents concerning infant care and child development, including the development and utilization of parent and teacher resource networks and other family resource and support networks where such networks are available.

(4) Upon the request of a parent, providing the education described in paragraph (3) to other individuals who have responsibility for caring for the children.

(5) Education for the parents concerning behaviors that adversely affect health.

(6) Assistance in obtaining necessary health, mental health, developmental, social, housing, and nutrition services and other assistance, including services and other assistance under maternal and child health programs; the special supplemental nutrition program for women, infants, and children; section 1786 of this title; title V of the Social Security Act [42 U.S.C. 1396 et seq.]; title XIX of such Act [42 U.S.C. 1396d et seq.]; (including the program for early and periodic screening, diagnostic, and treatment services described in section 1905(r) of such Act [42 U.S.C. 1396d(r)]; titles IV and XIX of the Social Security Act [42 U.S.C. 601 et seq., 1396 et seq.]; housing programs; other food assistance programs; and appropriate alcohol and drug dependency treatment programs, according to need.

(c) Considerations in making grants

In awarding grants under subsection (a), the Secretary shall take into consideration—

(1) the ability of the entity involved to provide, either directly or through linkages, a broad range of preventive and primary health care services and related social, family support, and developmental services;

(2) different combinations of professional and lay home visitors utilized within programs that are reflective of the identified service needs and characteristics of target populations;

(3) the extent to which the population to be targeted has limited access to health care, and
related social, family support, and developmental services; and
(4) whether such grants are equitably distributed among urban and rural settings and whether entities serving Native American communities are represented among the grantees.

(d) Federal share
With respect to the costs of carrying out a project under subsection (a), a grant under such subsection for the project may not exceed 90 percent of such costs. To be eligible to receive such a grant, an applicant must provide assurances that the applicant will obtain at least 10 percent of such costs from non-Federal funds (and such contributions to such costs may be in cash or in-kind, including facilities and personnel).

(e) Rule of construction regarding at-risk births
For purposes of subsection (a)(1), a pregnant woman shall be considered to be at risk of delivering an infant with a health or developmental complication if during the pregnancy the woman—
(1) lacks appropriate access to, or information concerning, early and routine prenatal care;
(2) lacks the transportation necessary to gain access to the services described in subsection (b);
(3) lacks appropriate child care assistance, which results in impeding the ability of such woman to utilize health and related social services;
(4) is fearful of accessing substance abuse services or child and family support services; or
(5) is a minor with a low income.

(f) Delivery of services and case management
(1) Case management model
Home visiting services provided under this section shall be delivered according to a case management model, and a registered nurse, licensed social worker, or other licensed health care professional with experience and expertise in providing health and related social services in home and community settings shall be assigned as the case manager for individual cases under such model.

(2) Case manager
A case manager assigned under paragraph (1) shall have primary responsibility for coordinating and overseeing the development of a plan for each family that is to receive home visiting services under this section, and for coordinating the delivery of such services provided through appropriate personnel.

(3) Appropriate personnel
In determining which personnel shall be utilized in the delivery of services, the case manager shall consider—
(A) the stated objective of the project to be operated with the grant, as determined after considering identified gaps in the current service delivery system; and
(B) the nature of the needs of the family to be served, as determined at the initial assessment of the family that is conducted by the case manager, and through follow-up contacts by other providers of home visiting services.

(4) Family service plan
A case manager, in consultation with a team established in accordance with paragraph (5) for the family involved, shall develop a plan for the family following the initial visit to the home of the family. Such plan shall reflect—
(A) an assessment of the health and related social service needs of the family;
(B) a structured plan for the delivery of home visiting services to meet the identified needs of the family;
(C) the frequency with which such services are to be provided to the family;
(D) ongoing revisions made as the needs of family members change; and
(E) the continuing voluntary participation of the family in the plan.

(5) Home visiting services team
The team to be consulted under paragraph (4) on behalf of a family shall include, as appropriate, other nursing professionals, physician assistants, social workers, child welfare professionals, infant and early childhood specialists, nutritionists, and laypersons trained as home visitors. The case manager shall ensure that the plan is coordinated with those physician services that may be required by the mother or child.

(g) Outreach
Each grantee under subsection (a) shall provide outreach and casefinding services to inform eligible families of the availability of home visiting services from the project.

(h) Confidentiality
In accordance with applicable State law, an entity receiving a grant under subsection (a) shall maintain confidentiality with respect to services provided to families under this section.

(i) Certain assurances
The Secretary may award a grant under subsection (a) only if the entity involved provides assurances satisfactory to the Secretary that—
(1) the entity will provide home visiting services with reasonable frequency—
(A) to families with pregnant women, as early in the pregnancy as is practicable, and until the infant reaches at least 2 years of age; and
(B) to other eligible families, for at least 2 years; and
(2) the entity will coordinate with public health and related social service agencies to prevent duplication of effort and improve the delivery of comprehensive health and related social services.

(j) Submission to Secretary of certain information
The Secretary may award a grant under subsection (a) only if the entity involved submits to the Secretary—
(1) a description of the population to be targeted for home visiting services and methods of outreach and casefinding for identifying eligible families, including the use of lay home visitors where appropriate;
§ 280c–6

(2) a description of the types and qualifications of home visitors used by the entity and the process by which the entity will provide continuing training and sufficient support to the home visitors; and

(3) such other information as the Secretary determines to be appropriate.

(k) Limitation regarding administrative expenses

Not more than 10 percent of a grant under subsection (a) may be expended for administrative expenses with respect to the grant. The costs of training individuals to serve in the project involved are not subject to the preceding sentence.

(l) Restrictions on use of grant

To be eligible to receive a grant under this section, an entity must agree that the grant will not be expended—

(1) to provide inpatient hospital services;

(2) to make cash payments to intended recipients of services;

(3) to purchase or improve land, purchase, construct, or permanently improve (other than minor remodeling) any building or other facility, or purchase major medical equipment;

(4) to satisfy any requirement for the expenditure of non-Federal funds as a condition for the receipt of Federal funds; or

(5) to provide financial assistance to any entity other than a public or nonprofit private entity.

(m) Reports to Secretary

To be eligible to receive a grant under this section, an entity must agree to submit an annual report on the services provided under this section to the Secretary in such manner and containing such information as the Secretary by regulation requires. At a minimum, the entity shall report information concerning eligible families, including—

(1) the characteristics of the families and children receiving services under this section;

(2) the usage, nature, and location of the provider, of preventive health services, including prenatal, primary infant, and child health care;

(3) the incidence of low birthweight and premature infants;

(4) the length of hospital stays for pre- and post-partum women and their children;

(5) the incidence of substantiated child abuse and neglect for all children within participating families;

(6) the number of emergency room visits for routine health care;

(7) the source of payment for health care services and the extent to which the utilization of health care services, other than routine screening and medical care, available to the individuals under the program established under title XIX of the Social Security Act [42 U.S.C. 1396 et seq.], and under other Federal, State, and local programs, is reduced;

(8) the number and type of referrals made for health and related social services, including alcohol and drug treatment services, and the utilization of such services provided by the grantee; and

(9) the incidence of developmental disabilities.

(n) Requirement of application

The Secretary may make a grant under subsection (a) only if—

(1) an application for the grant is submitted to the Secretary;

(2) the application contains the agreements and assurances required in this section, and the information required in subsection (j);

(3) the application contains evidence that the preparation of the application has been coordinated with the State agencies responsible for maternal and child health and child welfare, and coordinated with services provided under part C of the Individuals with Disabilities Education Act [20 U.S.C. 1431 et seq.]; and

(4) the application is in such form, is made in such manner, and contains such agreements, assurances, and information as the Secretary determines to be necessary to carry out this section.

(o) Peer review

(1) Requirement

In making determinations for awarding grants under subsection (a), the Secretary shall rely on the recommendations of the peer review panel established under paragraph (2).

(2) Composition

The Secretary shall establish a review panel to make recommendations under paragraph (1) that shall be composed of—

(A) national experts in the fields of maternal and child health, child abuse and neglect, and the provision of community-based primary health services; and

(B) representatives of relevant Federal agencies, including the Health Resources and Services Administration, the Substance Abuse and Mental Health Services Administration, the Administration for Children, Youth, and Families, the U.S. Advisory Board on Child Abuse and Neglect, and the National Commission to Prevent Infant Mortality.

(p) Evaluations

(1) In general

The Secretary shall, directly or through contracts with public or private entities—

(A) conduct evaluations to determine the effectiveness of projects under subsection (a) in reducing the incidence of children born with health or developmental complications, the incidence among children less than 3 years of age of such complications, and the incidence of child abuse and neglect; and

(B) not less than once during each 3-year period, prepare and submit to the appropriate committees of Congress a report concerning the results of such evaluations.

(2) Contents

The evaluations conducted under paragraph (1) shall—

(A) include a summary of the data contained in the annual reports submitted under subsection (m); and

(B) assess the relative effectiveness of projects under subsection (a) in urban and
rural areas, and among programs utilizing differing combinations of professionals and trained home visitors recruited from the community to meet the needs of defined target service populations; and
(C) make further recommendations necessary or desirable to increase the effectiveness of such projects.

(q) Definitions
For purposes of this section:
(1) The term "eligible entity" includes public and nonprofit private entities that provide health or related social services, including community-based organizations, visiting nurse organizations, hospitals, local health departments, community health centers, Native Hawaiian health centers, nurse managed clinics, family service agencies, child welfare agencies, developmental service providers, family resource and support programs, and resource mothers projects.
(2) The term "eligible family" means a family described in subsection (a).
(3) The term "health or developmental complication", with respect to a child, means—
(A) being born in an unhealthy or potentially unhealthy condition, including premature birth, low birthweight, and prenatal exposure to maternal substance abuse;
(B) a condition arising from a condition described in subparagraph (A);
(C) a physical disability or delay; and
(D) a developmental disability or delay.
(4) The term "home visiting services" means the services specified in subsection (b), provided at the residence of the eligible family involved or provided pursuant to arrangements made for the family (including arrangements for services in community settings).
(5) The term "home visitors" means providers of home visiting services.

(r) Authorization of appropriations
For the purpose of carrying out this section, there is authorized to be appropriated $30,000,000 for each of the fiscal years 1993 and 1994.

Amendments
1994—Subsec. (b)(6). Pub. L. 103–448 substituted "special supplemental nutrition program" for "special supplemental food program".

Effective Date of 1994 Amendment

Purpose
"(1) to increase the use of, and to provide information on the availability of, early, continuous and comprehensive prenatal care;
"(2) to reduce the incidence of infant mortality and of infants born prematurely, with low birthweight, or with other impairments including those associated with maternal substance abuse;
"(3) for pregnant women and mothers of children below the age of 3 whose children have experienced or are at risk of experiencing a health or developmental complication, to provide assistance in obtaining health and related social services necessary to meet the special needs of the women and their children;
"(4) to assist, when requested, women who are pregnant and at-risk for poor birth outcomes, or who have young children and are abusing alcohol or other drugs, in obtaining appropriate treatment; and
"(5) to reduce the incidence of child abuse and neglect."

Part L—[Repealed]

Codification
§ 280d. Transferred


§ 280d-11. Transferred

Section, act July 1, 1944, ch. 373, title III, §399F, as added Pub. L. 102-531, title II, §201, Oct. 27, 1992, 106 Stat. 419, and amended, which related to grants for services for children of substance abusers, was renumbered section 399A of this title.

Part M—National Program of Cancer Registries

§ 280e. National program of cancer registries

(a) In general

(1) Statewide cancer registries

The Secretary, acting through the Director of the Centers for Disease Control, may make grants to States, or may make grants or enter into contracts with academic or nonprofit organizations designated by the State to operate the State’s cancer registry in lieu of making a grant directly to the State, to support the operation of population-based, statewide registries to collect, for each condition specified in paragraph (2)(A), data concerning—

(A) demographic information about each case of cancer;

(B) information on the industrial or occupational history of the individuals with the cancers, to the extent such information is available from the same record;

(C) administrative information, including date of diagnosis and source of information;

(D) pathological data characterizing the cancer, including the cancer site, stage of disease (pursuant to Staging Guide), incidence, and type of treatment; and

(E) other elements determined appropriate by the Secretary.

(2) Cancer; benign brain-related tumors

(A) In general

For purposes of paragraph (1), the conditions referred to in this paragraph are the following:

(i) Each form of in-situ and invasive cancer (with the exception of basal cell and squamous cell carcinoma of the skin), including malignant brain-related tumors.

(ii) Benign brain-related tumors.

(B) Brain-related tumor

For purposes of subparagraph (A):

(i) The term “brain-related tumor” means a listed primary tumor (whether malignant or benign) occurring in any of the following sites:

(I) The brain, meninges, spinal cord, cauda equina, a cranial nerve or nerves, or any other part of the central nervous system.

(II) The pituitary gland, pineal gland, or craniopharyngeal duct.

(ii) The term “listed”, with respect to a primary tumor, means a primary tumor that is listed in the International Classification of Diseases for Oncology (commonly referred to as the ICD-O).

(iii) The term “International Classification of Diseases for Oncology” means a classification system that includes topography (site) information and histology (cell type information) developed by the World Health Organization, in collaboration with international centers, to promote international comparability in the collection, classification, processing, and presentation of cancer statistics. The ICD-O system is a supplement to the International Statistical Classification of Diseases and Related Health Problems (commonly known as the ICD) and is the standard coding system used by cancer registries worldwide. Such term includes any modification made to such system for purposes of the United States. Such term further includes any published classification system that is internationally recognized as a successor to the classification system referred to in the first sentence of this clause.

(C) Statewide cancer registry

References in this section to cancer registries shall be considered to be references to registries described in this subsection

(b) Matching funds

(1) In general

The Secretary may make a grant under subsection (a) only if the State, or the academic or nonprofit private organization designated by the State to operate the cancer registry of the State, involved agrees, with respect to the costs of the program, to make available (directly or through donations from public or private entities) non-Federal contributions toward such costs in an amount that is not less than 25 percent of such costs or $1 for every $3 of Federal funds provided in the grant.

(2) Determination of amount of non-Federal contribution; maintenance of effort

(A) Non-Federal contributions required in paragraph (1) may be in cash or in kind, fairly evaluated, including plant, equipment, or services. Amounts provided by the Federal Government, or services assisted or subsidized to any significant extent by the Federal Government, may not be included in determining the amount of such non-Federal contributions.

(B) With respect to a State in which the purpose described in subsection (a) is to be carried out, the Secretary, in making a determination of the amount of non-Federal contributions provided under paragraph (1), may include
only such contributions as are in excess of the amount of such contributions made by the State toward the collection of data on cancer for the fiscal year preceding the first year for which a grant under subsection (a) is made with respect to the State. The Secretary may decrease the amount of non-Federal contributions that otherwise would have been required by this subsection in those cases in which the State can demonstrate that decreasing such amount is appropriate because of financial hardship.

(c) Eligibility for grants

(1) In general

No grant shall be made by the Secretary under subsection (a) unless an application has been submitted to, and approved by, the Secretary. Such application shall be in such form, submitted in such a manner, and be accompanied by such information, as the Secretary may specify. No such application may be approved unless it contains assurances that the applicant will use the funds provided only for the purposes specified in the approved application and in accordance with the requirements of this section, that the application will establish such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement and accounting of Federal funds paid to the applicant under subsection (a), and that the applicant will comply with the peer review requirements under sections 289 and 289a of this title.

(2) Assurances

Each applicant, prior to receiving Federal funds under subsection (a), shall provide assurances satisfactory to the Secretary that the applicant will—

(A) provide for the establishment of a registry in accordance with subsection (a);

(B) comply with appropriate standards of completeness, timeliness, and quality of population-based cancer registry data;

(C) provide for the annual publication of reports of cancer data under subsection (a);

and

(D) provide for the authorization under State law of the statewide cancer registry, including promulgation of regulations providing—

(i) a means to assure complete reporting of cancer cases (as described in subsection (a)) to the statewide cancer registry by hospitals or other facilities providing screening, diagnostic or therapeutic services to patients with respect to cancer;

(ii) a means to assure the complete reporting of cancer cases (as defined in subsection (a)) to the statewide cancer registry by physicians, surgeons, and all other health care practitioners diagnosing or providing treatment for cancer patients, except for cases directly referred to or previously admitted to a hospital or other facility providing screening, diagnostic or therapeutic services to patients in that State and reported by those facilities;

(iii) a means for the statewide cancer registry to access all records of physicians and surgeons, hospitals, outpatient clinics, nursing homes, and all other facilities, individuals, or agencies providing such services to patients which would identify cases of cancer or would establish characteristics of the cancer, treatment of the cancer, or medical status of any identified patient;

(iv) for the reporting of cancer case data to the statewide cancer registry in such a format, with such data elements, and in accordance with such standards of quality timeliness and completeness, as may be established by the Secretary;

(v) for the protection of the confidentiality of all cancer case data reported to the statewide cancer registry, including a prohibition on disclosure to any person of information reported to the statewide cancer registry that identifies, or could lead to the identification of, an individual cancer patient, except for disclosure to other State cancer registries and local and State health officers;

(vi) for a means by which confidential cancer case data may in accordance with State law be disclosed to cancer researchers for the purposes of cancer prevention, control and research;

(vii) for the authorization or the conduct, by the statewide cancer registry or other persons and organizations, of studies utilizing statewide cancer registry data, including studies of the sources and causes of cancer, evaluations of the cost, quality, efficacy, and appropriateness of diagnostic, therapeutic, rehabilitative, and preventative services and programs relating to cancer, and any other clinical, epidemiological, or other cancer research; and

(viii) for protection for individuals complying with the law, including provisions specifying that no person shall be held liable in any civil action with respect to a cancer case report provided to the statewide cancer registry, or with respect to access to cancer case information provided to the statewide cancer registry.

(d) Relationship to certain programs

(1) In general

This section may not be construed to act as a replacement for or diminishment of the program carried out by the Director of the National Cancer Institute and designated by such Director as the Surveillance, Epidemiology, and End Results Program (SEER).

(2) Supplanting of activities

In areas where both such programs exist, the Secretary shall ensure that SEER support is not supplanted and that any additional activities are consistent with the guidelines provided for in subsection (c)(2)(C) and (D) and are appropriately coordinated with the existing SEER program.

(3) Transfer of responsibility

The Secretary may not transfer administration responsibility for such SEER program from such Director.
(4) Coordination

To encourage the greatest possible efficiency and effectiveness of Federally supported efforts with respect to the activities described in this subsection, the Secretary shall take steps to assure the appropriate coordination of programs supported under this part with existing Federally supported cancer registry programs.

(e) Requirement regarding certain study on breast cancer

In the case of a grant under subsection (a) to any State specified in subsection (b) of section 280e–3 of this title, the Secretary may establish such conditions regarding the receipt of the grant as the Secretary determines are necessary to facilitate the collection of data for the study carried out under such section.


AMENDMENTS

2002—Subsec. (a). Pub. L. 107–260 designated existing provisions as par. (1), inserted par. (1) heading, substituted “population-based, statewide registries to collect, for each condition specified in paragraph (2)(A), data” for “population-based, statewide cancer registries in order to collect, for each form of in-situ and invasive cancer (with the exception of basal cell and squamous cell carcinoma of the skin), data”. redesignated former pars. (1) to (5) as subpars. (A) to (E) of par. (1), respectively, and added par. (2).

2000—Subsec. (e). Pub. L. 106–310, §502(2)(B), substituted “subsection (b) of section 280e–3 of this title” for “section 280e–3(b)”.

CHANGE OF NAME


EFFECTIVE DATE OF 2002 AMENDMENT

Pub. L. 107–260, §2(b), Oct. 29, 2002, 116 Stat. 1744, provided that: “The amendments made by subsection (a) amending this section] apply to grants under section 399B of the Public Health Service Act [42 U.S.C. 280e] for fiscal year 2002 and subsequent fiscal years, except that, in the case of a State that received such a grant for fiscal year 2000, the Secretary of Health and Human Services may delay the applicability of such amendments to the State for not more than 12 months if the Secretary determines that compliance with such amendments requires the enactment of a statute by the State or the issuance of State regulations.”

CONGRESSIONAL FINDINGS AND PURPOSE


“(a) FINDINGS.—Congress finds that—

“(1) cancer control efforts, including prevention and early detection, are best addressed locally by State health departments that can identify unique needs;

“(2) cancer control programs and existing statewide population-based cancer registries have identified cancer incidence and cancer mortality rates that indicate the burden of cancer for Americans is substantial and varies widely by geographic location and by ethnicity;

“(3) statewide cancer incidence and cancer mortality data, can be used to identify cancer trends, patterns, and variation for directing cancer control intervention;

“(4) the American Association of Central Cancer Registries (AACCR) cites that of the 50 States, approximately 38 have established cancer registries, many are not statewide and 10 have no cancer registry; and

“(5) AACCR also cites that of the 50 States, 39 collect data on less than 100 percent of their population, and less than half have adequate resources for insuring minimum standards for quality and for completeness of case information.

“(b) PURPOSE.—It is the purpose of this Act [enacting this part and provisions set out as a note under section 201 of this title] to establish a national program of cancer registries.”

§280e–1. Planning grants regarding registries

(a) In general

(1) States

The Secretary, acting through the Director of the Centers for Disease Control, may make grants to States for the purpose of developing plans that meet the assurances required by the Secretary under section 280e–2 of this title.

(2) Other entities

For the purpose described in paragraph (1), the Secretary may make grants to public entities other than States and to nonprofit private entities. Such a grant may be made to an entity only if the State in which the purpose is to be carried out has certified that the State approves the entity as qualified to carry out the purpose.

(b) Application

The Secretary may make a grant under subsection (a) only if an application for the grant is submitted to the Secretary, the application contains the certification required in subsection (a)(2) (if the application is for a grant under such subsection), and the application is in such form, is made in such manner, and contains such assurances, assurances, and information as the Secretary determines to be necessary to carry out this section.


CHANGE OF NAME


§280e–2. Technical assistance in operations of statewide cancer registries

The Secretary, acting through the Director of the Centers for Disease Control, may, directly or through grants and contracts, or both, provide technical assistance to the States in the establishment and operation of statewide registries, including assistance in the development of model legislation for statewide cancer registries and assistance in establishing a computerized reporting and data processing system.

(July 1, 1944, ch. 373, title III, §399J, as added Pub. L. 102–515, §3, Oct. 24, 1992,
§ 280e–3. Study in certain States to determine factors contributing to elevated breast cancer mortality rates  

(a) In general  
Subject to subsections (c) and (d), the Secretary, acting through the Director of the National Cancer Institute, shall conduct a study for the purpose of determining the factors contributing to the fact that breast cancer mortality rates in the States specified in subsection (b) are elevated compared to rates in other States.

(b) Relevant States  
The States referred to in subsection (a) are Connecticut, Delaware, Maryland, Massachusetts, New Hampshire, New Jersey, New York, Rhode Island, Vermont, and the District of Columbia.

(c) Cooperation of State  
The Secretary may conduct the study required in subsection (a) in a State only if the State agrees to cooperate with the Secretary in the conduct of the study, including providing information from any registry operated by the State pursuant to section 280e(a) of this title.

(d) Planning, commencement, and duration  
The Secretary shall, during each of the fiscal years 1993 and 1994, develop a plan for conducting the study required in subsection (a). The study shall be initiated by the Secretary not later than September 30, 1999, and the collection of data under the study may continue through fiscal year 1998.

§ 280e–3a. National childhood cancer registry  
(a) In general  
The Secretary, acting through the Director of the Centers for Disease Control and Prevention, may make awards to State cancer registries to enhance and expand infrastructure to collect information to better understand the epidemiology of cancer in children, adolescents, and young adults. Such registries may be updated to include each occurrence of such cancers within a period of time designated by the Secretary.

(b) Activities  
The grants described in subsection (a) may be used for—

(1) identifying, recruiting, and training potential sources for reporting childhood, adolescent, and young adult cancer cases;

(2) developing practices to ensure early inclusion of childhood, adolescent, and young adult cancer cases in State cancer registries through the use of electronic reporting;

(3) collecting and submitting deidentified data to the Centers for Disease Control and Prevention for inclusion in a national database that includes information on childhood, adolescent, and young adult cancers; and

(4) improving State cancer registries and the database described in paragraph (3), as appropriate, including to support the early inclusion of childhood, adolescent, and young adult cancer cases.

(c) Coordination  
To encourage the greatest possible efficiency and effectiveness of federally supported efforts with respect to the activities described in this section, the Secretary shall ensure the appropriate coordination of programs supported under this section with other federally supported cancer registry programs and the activities under section 285a–11(a) of this title, as appropriate.

(d) Informed consent and privacy requirements and coordination with existing programs  
The activities described in this section shall be subject to section 552a of title 5, the regulations promulgated under section 248(c) of the Health Insurance Portability and Accountability Act of 1996, applicable Federal and State informed consent regulations, any other applicable Federal and State laws relating to the privacy of patient information, and section 280e(d)(4) of this title.

Amendments  
2007—Subsec. (e). Pub. L. 109–482 struck out heading and text of subsec. (e). Text read as follows: ‘‘Not later than September 30, 1999, the Secretary shall complete the study required in subsection (a) of this section and submit to the Committee on Energy and Commerce of the House of Representatives, and to the Committee on Labor and Human Resources of the Senate, a report describing the findings and recommendations made as a result of the study.’’

2000—Subsec. (c). Pub. L. 106–310, §502(2)(C), made technical amendment to reference in original act which appears in text as reference to section 280e(a) of this title.

Effective Date of 2007 Amendment  
Amendment by Pub. L. 109–482 applicable only with respect to amounts appropriated for fiscal year 2007 or subsequent fiscal years, see section 109 of Pub. L. 109–482, set out as a note under section 281 of this title.
Accountability Act of 1996, referred to in subsec. (d), is noted under section 1320d–2 of this title.

SEC. 2. FINDINGS

Congress makes the following findings:

(1) Cancer kills more children than any other disease.

(2) Each year cancer kills more children between 1 and 20 years of age than asthma, diabetes, cystic fibrosis, and AIDS, combined.

(3) Every year, over 12,500 young people are diagnosed with cancer.

(4) Each year about 2,300 children and teenagers die from cancer.

(5) One in every 330 Americans develops cancer before age 20.

(6) Some forms of childhood cancer have proven to be very responsive to treatment, but even in spite of the great research strides made, most of those children die. Up to 75 percent of the children with cancer can now be cured.

(7) The causes of most childhood cancers are not yet known.

(8) Childhood cancers are mostly those of the white blood cells (leukemias), brain, bone, the lymphatic system, and tumors of the muscles, kidneys, and nervous system. Each of these behaves differently, but all are characterized by an uncontrolled proliferation of abnormal cells.

(9) Ninety percent of children with a form of pediatric cancer are treated at one of the more than 200 Children's Oncology Group member institutions throughout the United States.

SEC. 3. PURPOSES

It is the purpose of this Act [see Short Title of 2008 Amendment note set out under section 201 of this title] to authorize appropriations to—

(1) encourage the support for pediatric cancer research and other activities related to pediatric cancer;

(2) establish a comprehensive national childhood cancer registry; and

(3) provide informational services to patients and families affected by childhood cancer.

 Amendment

2018—Subsec. (a). Pub. L. 115–180, § 102(a)(11), substituted “may make awards to State cancer registries” for “shall award a grant”, “collect information to better understand the epidemiology of cancer in children, adolescents, and young adults” for “track the epidemiology of pediatric cancer into a comprehensive nationwide registry of actual occurrences of pediatric cancer”, and “Such registries may be updated to include each occurrence of such cancers within a period of time designated by the Secretary.” for “Such registry shall be updated to include an actual occurrence within weeks of the date of such occurrence.”

Subsec. (b). Pub. L. 115–180, § 102(a)(12), (13), redesignated subsec. (b) as (d) and substituted “activities described in this section” for “registry established pursuant to subsection (a)”.

FINDINGS AND PURPOSES


“(1) Cancer kills more children than any other disease.

“(2) Each year cancer kills more children between 1 and 20 years of age than asthma, diabetes, cystic fibrosis, and AIDS, combined.

“(3) Every year, over 12,500 young people are diagnosed with cancer.

“(4) Each year about 2,300 children and teenagers die from cancer.

“(5) One in every 330 Americans develops cancer before age 20.

“(6) Some forms of childhood cancer have proven to be very responsive to treatment, but even in spite of the great research strides made, most of those children die. Up to 75 percent of the children with cancer can now be cured.

“(7) The causes of most childhood cancers are not yet known.

“(8) Childhood cancers are mostly those of the white blood cells (leukemias), brain, bone, the lymphatic system, and tumors of the muscles, kidneys, and nervous system. Each of these behaves differently, but all are characterized by an uncontrolled proliferation of abnormal cells.

“(9) Ninety percent of children who are diagnosed with cancer have disease which has already spread to distant sites in the body.

“(10) Ninety percent of children with a form of pediatric cancer are treated at one of the more than 200 Children’s Oncology Group member institutions throughout the United States.

“(11) Encourage the support for pediatric cancer research and other activities related to pediatric cancer.

“(12) Establish a comprehensive national childhood cancer registry; and

“(13) Provide informational services to patients and families affected by childhood cancer.”

Authorization of appropriations

(a) Registries

For the purpose of carrying out this part (other than section 280e–3a of this title), there are authorized to be appropriated $30,000,000 for fiscal year 1994, and such sums as may be necessary for each of the fiscal years 1995 through 2003. Of the amounts appropriated under the preceding sentence for any such fiscal year, the Secretary may obligate not more than 25 percent for carrying out section 280e–1 of this title, and not more than 10 percent may be expended for assessing the accuracy, completeness and quality of data collected, and not more than 10 percent of which is to be expended under section 280e–2 of this title.

(b) Breast cancer study

Of the amounts appropriated for the National Cancer Institute under subpart 1 of part C of subchapter III for any fiscal year in which the study required in section 280e–3 of this title is being carried out, the Secretary shall expend not less than $1,000,000 for the study.

Prior provisions

A prior section 399F of act July 1, 1944, was redesignated section 399G and is classified to section 280e–11 of this title.

Amendments


Pub. L. 106–310, § 502(2)(D)(i), made technical amendment to reference in original act which appears in text as reference to section 280e–1 of this title.


Pub. L. 103–43 substituted “there are authorized to be appropriated $30,000,000 for fiscal year 1994, and such sums as may be necessary for each of the fiscal years 1995 through 1997” in first sentence and “Of the amounts appropriated under the preceding sentence for “Out of any amounts used” in second sentence.

Voluntary registry for firefighter cancer incidence

(a) In general

The Secretary of Health and Human Services (referred to in this section as the Secretary), acting through the Director of the Centers for Disease Control and Prevention and in coordina-
tion with other agencies as the Secretary determines appropriate, shall develop and maintain, directly or through a grant or cooperative agreement, a voluntary registry of firefighters (referred to in this section as the Firefighter Registry) to collect relevant health and occupational information of such firefighters for purposes of determining cancer incidence.

(b) Use of Firefighter Registry

The Firefighter Registry may be used for the following purposes:

(1) To improve data collection and data coordination activities related to the nationwide monitoring of the incidence of cancer among firefighters.

(2) To collect, consolidate, and maintain, consistent with subsection (g), epidemiological information and analyses related to cancer incidence and trends among firefighters.

(c) Relevant data

(1) Data collection

In carrying out the voluntary data collection for purposes of inclusion under the Firefighter Registry, the Secretary may collect the following:

(A) Information, as determined by the Secretary under subsection (d)(1), of volunteer, paid-on-call, and career firefighters, independent of cancer status or diagnosis.

(B) Individual risk factors and occupational history of firefighters.

(C) Information, if available, related to—

(i) basic demographic information, including—

(I) the age of the firefighter involved during the relevant dates of occupation as a firefighter; and

(II) the age of cancer diagnosis;

(ii) the status of the firefighter as either volunteer, paid-on-call, or career firefighter;

(iii) the total number of years of occupation as a firefighter and a detailing of additional employment experience, whether concurrent, before, or anytime thereafter;

(iv) the approximate number of fire incidents attended, including information related to the type of fire incidents and the role of the firefighter in responding to the incident; or

(v) in the case of a firefighter for whom information on such number and type is unavailable, an estimate of such number and type based on the method developed under subsection (d)(1)(D); and

(vi) other medical information and health history, including additional risk factors, as appropriate, and other information relevant to a cancer incidence study of firefighters.

(2) Information on diagnoses and treatment

In carrying out paragraph (1), with respect to diagnoses and treatment of firefighters with cancer, the Secretary shall, as appropriate, enable the Firefighter Registry to electronically connect to State-based cancer registries, for a purpose described by clause (vi) or (vii) of section 280e(c)(2)(D) of this title, to obtain—

(A) date of diagnoses and source of information; and

(B) pathological data characterizing the cancer, including cancer site, state of disease (pursuant to Staging Guide), incidence, and type of treatment.

(d) Firefighter Registry coordination strategy

(1) Required strategy

The Secretary shall, in consultation with the relevant stakeholders identified in subsection (e), including epidemiologists and pathologists, develop a strategy to coordinate data collection activities, including within existing State registries, for inclusion in the Firefighter Registry established under this Act. The strategy may include the following:

(A) Increasing awareness of the Firefighter Registry and encouraging participation among volunteer, paid-on-call, and career firefighters.

(B) Consideration of unique data collection needs that may arise to generate a statistically reliable representation of minority, female, and volunteer firefighters, including methods, as needed, to encourage participation from such populations.

(C) Information on how the Secretary will store data described in subsection (c)(1) and provide electronic access to relevant health information described in subsection (c)(2).

(D) Working in consultation with the experts described in subsection (e), a reliable and standardized method for estimating the number of fire incidents attended by a firefighter as well as the type of fire incident so attended in the case such firefighter is unable to provide such information.

(2) Report to Congress

The Secretary shall submit the strategy described in paragraph (1) to the Committee on Energy and Commerce of the House of Representatives and the Committee on Health, Education, Labor, and Pensions of the Senate not later than 30 days after the date of the completion of the strategy.

(3) Guidance for inclusion and maintenance of data on firefighters

The Secretary shall develop, in consultation with the stakeholders identified in subsection (e), State health agencies, State departments of homeland security, and volunteer, paid-on-call, combination, and career firefighting agencies, a strategy for inclusion of firefighters in the registry that are representative of the general population of firefighters, that outlines the following:

(A) How new information about firefighters will be submitted to the Firefighter Registry for inclusion.

(B) How information about firefighters will be maintained and updated in the Firefighter Registry over time.

(C) A method for estimating the number of fire incidents attended by a firefighter as well as the type of fire incident so attended in the case such firefighter is unable to provide such information.

1 So in original. Probably should be followed by a period.
(D) Further information, as deemed necessary by the Secretary.

(e) Consultation and report
The Secretary shall consult with non-Federal experts on the Firefighter Registry established under this section, and shall submit to the Committee on Health, Education, Labor, and Pensions of the Senate and the Committee on Energy and Commerce of the House of Representatives a report that includes, as appropriate, information on goals achieved and improvements needed to strengthen the Firefighter Registry. Such non-Federal experts shall include the following:

1. Public health experts with experience in developing and maintaining cancer registries.
2. Epidemiologists with experience in studying cancer incidence.
3. Clinicians with experience in diagnosing and treating cancer incidence.
4. Active and retired volunteer, paid-on-call, and career firefighters as well as relevant national fire and emergency response organizations.

(f) Research availability
Subject to subsection (g), the Secretary shall ensure that information and analysis in the Firefighter Registry are available, as appropriate, to the public, including researchers, firefighters, and national fire service organizations.

(g) Privacy
In carrying out this Act, the Secretary shall ensure that information in and analysis of the Firefighter Registry are made available in a manner that, at a minimum, protects personal privacy to the extent required by applicable Federal and State privacy law.

(h) Authorization of funds
To carry out this section, there are authorized to be appropriated $2,500,000 for each of the fiscal years 2018 through 2022.


REFERENCES IN TEXT
This Act, referred to in subs. (d)(1) and (g), is Pub. L. 115–194, July 7, 2018, 132 Stat. 1506, known as the Firefighter Cancer Registry Act of 2018, which enacted this section and provisions set out as a note under section 201 of this title. For complete classification of this Act to the Code, see Short Title of 2018 Amendment note set out under section 201 of this title and Tables.

CODIFICATION
Section was enacted as part of the Firefighter Cancer Registry Act of 2018, and not as part of the Public Health Service Act which comprises this chapter.

PART N—NATIONAL FOUNDATION FOR THE CENTERS FOR DISEASE CONTROL AND PREVENTION

CODIFICATION
This part was formerly set out preceding part M of this subchapter.

§ 280e–11. Establishment and duties of Foundation

(a) In general
There shall be established in accordance with this section a nonprofit private corporation to be known as the National Foundation for the Centers for Disease Control and Prevention (in this part referred to as the “Foundation”). The Foundation shall not be an agency or instrumentality of the Federal Government, and officers, employees, and members of the board of the Foundation shall not be officers or employees of the Federal Government.

(b) Purpose of Foundation
The purpose of the Foundation shall be to support and carry out activities for the prevention and control of diseases, disorders, injuries, and disabilities, and for promotion of public health.

(c) Endowment fund
(1) In general
In carrying out subsection (b), the Foundation shall establish a fund for providing endowments for positions that are associated with the Centers for Disease Control and Prevention and dedicated to the purpose described in such subsection. Subject to subsection (f)(1)(B), the fund shall consist of such donations as may be provided by non-Federal entities and such non-Federal assets of the Foundation (including earnings of the Foundation and the fund) as the Foundation may elect to transfer to the fund.

(2) Authorized expenditures of fund
The provision of endowments under paragraph (1) shall be the exclusive function of the fund established under such paragraph. Such endowments may be expended only for the compensation of individuals holding the positions, for staff, equipment, quarters, travel, and other expenditures that are appropriate in supporting the positions, and for recruiting individuals to hold the positions endowed by the fund.

(d) Certain activities of Foundation
In carrying out subsection (b), the Foundation may provide for the following with respect to the purpose described in such subsection:

1. Programs of fellowships for State and local public health officials to work and study in association with the Centers for Disease Control and Prevention.

2. Programs of international arrangements to provide opportunities for public health officials of other countries to serve in public health capacities in the United States in association with the Centers for Disease Control and Prevention or elsewhere, or opportunities for employees of such Centers (or other public health officials in the United States) to serve in such capacities in other countries, or both.

3. Studies, projects, and research (which may include applied research on the effectiveness of prevention activities, demonstration projects, and programs and projects involving international, Federal, State, and local governments).

4. Forums for government officials and appropriate private entities to exchange information. Participants in such forums may include institutions of higher education and appropriate international organizations.

5. Meetings, conferences, courses, and training workshops.
(6) Programs to improve the collection and analysis of data on the health status of various populations.

(7) Programs for writing, editing, printing, and publishing of books and other materials.

Other activities to carry out the purpose described in subsection (b).

(e) General structure of Foundation; nonprofit status

(1) Board of directors

The Foundation shall have a board of directors (in this part referred to as the “Board”), which shall be established and conducted in accordance with subsection (f). The Board shall establish the general policies of the Foundation for carrying out subsection (b), including the establishment of the bylaws of the Foundation.

(2) Executive director

The Foundation shall have an executive director (in this part referred to as the “Director”), who shall be appointed by the Board, who shall serve at the pleasure of the Board, and for whom the Board shall establish the rate of compensation. Subject to compliance with the policies and bylaws established by the Board pursuant to paragraph (1), the Director shall be responsible for the daily operations of the Foundation in carrying out subsection (b).

(3) Nonprofit status

In carrying out subsection (b), the Board shall establish such policies and bylaws under paragraph (1), and the Director shall carry out such activities under paragraph (2), as may be necessary to ensure that the Foundation maintains status as an organization that—

(A) is described in subsection (c)(3) of section 501 of title 26; and

(B) is, under subsection (a) of such section, exempt from taxation.

(f) Board of directors

(1) Certain bylaws

(A) In establishing bylaws under subsection (e)(1), the Board shall ensure that the bylaws of the Foundation include bylaws for the following:

(i) Policies for the selection of the officers, employees, agents, and contractors of the Foundation.

(ii) Policies, including ethical standards, for the acceptance and disposition of donations to the Foundation and for the disposition of the assets of the Foundation.

(iii) Policies for the conduct of the general operations of the Foundation.

(iv) Policies for writing, editing, printing, and publishing of books and other materials, and the acquisition of patents and licenses for devices and procedures developed by the Foundation.

(B) In establishing bylaws under subsection (e)(1), the Board shall ensure that the bylaws of the Foundation (and activities carried out under the bylaws) do not—

(i) reflect unfavorably upon the ability of the Foundation, or the Centers for Disease Control and Prevention, to carry out its responsibilities or official duties in a fair and objective manner; or

(ii) compromise, or appear to compromise, the integrity of any governmental program or any officer or employee involved in such program.

(2) Composition

(A) Subject to subparagraph (B), the Board shall be composed of 7 individuals, appointed in accordance with paragraph (4), who collectively possess education or experience appropriate for representing the general field of public health, the general field of international health, and the general public. Each such individual shall be a voting member of the Board.

(B) The Board may, through amendments to the bylaws of the Foundation, provide that the number of members of the Board shall be a greater number than the number specified in subparagraph (A).

(3) Chair

The Board shall, from among the members of the Board, designate an individual to serve as the chair of the Board (in this subsection referred to as the “Chair”).

(4) Appointments, vacancies, and terms

Subject to subsection (i) (regarding the initial membership of the Board), the following shall apply to the Board:

(A) Any vacancy in the membership of the Board shall be filled by appointment by the Board, after consideration of suggestions made by the Chair and the Director regarding the appointments. Any such vacancy shall be filled not later than the expiration of the 180-day period beginning on the date on which the vacancy occurs.

(B) The term of office of each member of the Board appointed under subparagraph (A) shall be 5 years. A member of the Board may continue to serve after the expiration of the term of the member until the expiration of the 180-day period beginning on the date on which the term of the member expires.

(C) A vacancy in the membership of the Board shall not affect the power of the Board to carry out the duties of the Board. If a member of the Board does not serve the full term applicable under subparagraph (B), the individual appointed to fill the resulting vacancy shall be appointed for the remainder of the term of the predecessor of the individual.

(5) Compensation

Members of the Board may not receive compensation for service on the Board. The members may be reimbursed for travel, subsistence, and other necessary expenses incurred in carrying out the duties of the Board.

(g) Certain responsibilities of executive director

In carrying out subsection (e)(2), the Director shall carry out the following functions:

(1) Hire, promote, compensate, and discharge officers and employees of the Foundation, and define the duties of the officers and employees.

(2) Accept and administer donations to the Foundation, and administer the assets of the Foundation.
§ 280e–11

(3) Establish a process for the selection of candidates for holding endowed positions under subsection (c).

(4) Enter into such financial agreements as are appropriate in carrying out the activities of the Foundation.

(5) Take such action as may be necessary to acquire patents and licenses for devices and procedures developed by the Foundation and the employees of the Foundation.

(6) Adopt, alter, and use a corporate seal, which shall be judicially noticed.

(7) Commence and respond to judicial proceedings in the name of the Foundation.

(8) Other functions that are appropriate in the determination of the Director.

(h) General provisions

(1) Authority for accepting funds

The Director of the Centers for Disease Control and Prevention may accept and utilize, on behalf of the Federal Government, any gift, donation, bequest, or devise of real or personal property from the Foundation for the purpose of aiding or facilitating the work of such Centers. Funds may be accepted and utilized by such Director under the preceding sentence without regard to whether the funds are designated as general-purpose funds or special-purpose funds.

(2) Authority for acceptance of voluntary services

(A) The Director of the Centers for Disease Control and Prevention may accept, on behalf of the Federal Government, any voluntary services provided to such Centers by the Foundation for the purpose of aiding or facilitating the work of such Centers. Services may be accepted and utilized by such Director under the preceding sentence without regard to whether the services are designated as general-purpose funds or special-purpose funds.

(B) The limitation established in subparagraph (A) regarding the period of time in which services may be accepted applies to each individual who is not an employee of the Federal Government and who serves in association with the Centers for Disease Control and Prevention pursuant to financial support from the Foundation.

(3) Administrative control

No officer, employee, or member of the Board of the Foundation may exercise any administrative or managerial control over any Federal employee.

(4) Applicability of certain standards to non-Federal employees

In the case of any individual who is not an employee of the Federal Government and who serves in association with the Centers for Disease Control and Prevention pursuant to financial support from the Foundation, the Foundation shall negotiate a memorandum of understanding with the individual and the Director of the Centers for Disease Control and Prevention specifying that the individual—

(A) shall be subject to the ethical and procedural standards regulating Federal employment, scientific investigation, and research findings (including publications and patents) that are required of individuals employed by the Centers for Disease Control and Prevention, including standards under this chapter, the Ethics in Government Act, and the Technology Transfer Act; and

(B) shall be subject to such ethical and procedural standards under chapter 11 of title 18 (relating to conflicts of interest), as the Director of such Centers determines is appropriate, except such memorandum may not provide that the individual shall be subject to the standards of section 209 of title 18.

(5) Financial conflicts of interest

Any individual who is an officer, employee, or member of the Board of the Foundation may not directly or indirectly participate in the consideration or determination by the Foundation of any question affecting—

(A) any direct or indirect financial interest of the individual; or

(B) any direct or indirect financial interest of any business organization or other entity of which the individual is an officer or employee or in which the individual has a direct or indirect financial interest.

(6) Audits; availability of records

The Foundation shall—

(A) provide for biennial audits of the financial condition of the Foundation; and

(B) make such audits, and all other records, documents, and other papers of the Foundation, available to the Secretary and the Comptroller General of the United States for examination or audit.

(7) Reports

(A) Not later than February 1 of each fiscal year, the Foundation shall publish a report describing the activities of the Foundation during the preceding fiscal year. Each such report shall include for the fiscal year involved a comprehensive statement of the operations, activities, financial condition, and accomplishments of the Foundation, including an accounting of the use of amounts provided for under subsection (1).

(B) With respect to the financial condition of the Foundation, each report under subparagraph (A) shall include the source, and a description of, all gifts to the Foundation of real or personal property, and the source and amount of all gifts to the Foundation of money. Each such report shall include a specification of any restrictions on the purposes for which gifts to the Foundation may be used.

(C) The Foundation shall make copies of each report submitted under subparagraph (A) available—

(i) for public inspection, and shall upon request provide a copy of the report to any individual for a charge not to exceed the cost of providing the copy; and

(ii) to the appropriate committees of Congress.

1 See References in Text note below.
(8) Liaison from Centers for Disease Control and Prevention

The Director of the Centers for Disease Control and Prevention shall serve as the liaison representative of such Centers to the Board and the Foundation.

(i) Federal funding

(1) Authority for annual grants

(A) The Secretary, acting through the Director of the Centers for Disease Control and Prevention, shall—

(i) for fiscal year 1993, make a grant to an entity described in subsection (j)(9) (relating to the establishment of a committee to establish the Foundation);

(ii) for fiscal year 1994, make a grant to the committee established under such subsection, or if the Foundation has been established, to the Foundation; and

(iii) for fiscal year 1995 and each subsequent fiscal year, make a grant to the Foundation.

(B) A grant under subparagraph (A) may be expended—

(i) in the case of an entity receiving the grant under subparagraph (A)(i), only for the purpose of carrying out the duties established in subsection (j)(9) for the entity;

(ii) in the case of the committee established under such subsection, only for the purpose of carrying out the duties established in subsection (j) for the committee; and

(iii) in the case of the Foundation, only for the purpose of the administrative expenses of the Foundation.

(C) A grant under subparagraph (A) may not be expended to provide amounts for the fund established under subsection (c).

(D) For the purposes described in subparagraph (B)—

(i) any portion of the grant made under subparagraph (A)(i) for fiscal year 1993 that remains unobligated after the entity receiving the grant completes the duties established in subsection (j)(9) for the entity shall be available to the committee established under such subsection; and

(ii) any portion of a grant under subparagraph (A) made for fiscal year 1993 or 1994 that remains unobligated after such committee completes the duties established in such subsection for the committee shall be available to the Foundation.

(2) Funding for grants

(A) For the purpose of grants under paragraph (1), there is authorized to be appropriated $1,250,000 for each fiscal year.

(B) For the purpose of grants under paragraph (1), the Secretary may for each fiscal year make available not less than $500,000, and not more than $1,250,000 from the amounts appropriated for the fiscal year for the programs of the Department of Health and Human Services. Such amounts may be made available without regard to whether amounts have been appropriated under subparagraph (A).

(3) Certain restriction

If the Foundation receives Federal funds for the purpose of serving as a fiscal intermediary between Federal agencies, the Foundation may not receive such funds for the indirect costs of carrying out such purpose in an amount exceeding 10 percent of the direct costs of carrying out such purpose. The preceding sentence may not be construed as authorizing the expenditure of any grant under paragraph (1) for such purpose.

(4) Support services

The Director of the Centers for Disease Control and Prevention may make grants, without regard to whether amounts have been appropriated under this paragraph, to the extent necessary to provide support services to the Foundation if it is determined by the Director to be advantageous to the programs of such Centers.

(j) Committee for establishment of Foundation

(1) In general

There shall be established in accordance with this subsection a committee to carry out the functions described in paragraph (2) (which committee is referred to in this subsection as the “Committee”).

(2) Functions

The functions referred to in paragraph (1) for the Committee are as follows:

(A) To carry out such activities as may be necessary to incorporate the Foundation under the laws of the State involved, including serving as incorporators for the Foundation. Such activities shall include ensuring that the articles of incorporation for the Foundation require that the Foundation be established and operated in accordance with the applicable provisions of this part (or any successor to this part), including such provisions as may be in effect pursuant to amendments enacted after October 27, 1992.

(B) To ensure that the Foundation qualifies for and maintains the status described in subsection (e)(3) (regarding taxation).

(C) To establish the general policies and initial bylaws of the Foundation, which by-laws shall include the bylaws described in subsections (e)(3) and (f)(1).

(D) To provide for the initial operation of the Foundation, including providing for quarters, equipment, and staff.

(E) To appoint the initial members of the Board in accordance with the requirements established in subsection (f)(2)(A) for the composition of the Board, and in accordance with such other qualifications as the Committee may determine to be appropriate regarding such composition. Of the members so appointed—

(i) 2 shall be appointed to serve for a term of 3 years;

(ii) 2 shall be appointed to serve for a term of 4 years; and

(iii) 3 shall be appointed to serve for a term of 5 years.

(3) Completion of functions of Committee; initial meeting of Board

(A) The Committee shall complete the functions required in paragraph (1) not later than September 30, 1994. The Committee shall terminate upon the expiration of the 30-day period beginning on the date on which the Secretary determines that the functions have been completed.
§ 280e–11  TITLE 42—THE PUBLIC HEALTH AND WELFARE  Page 490

(B) The initial meeting of the Board shall be held not later than November 1, 1994.

(4) Composition

The Committee shall be composed of 5 members, each of whom shall be a voting member. Of the members of the Committee—
(A) no fewer than 2 shall have broad, general experience in public health; and
(B) no fewer than 2 shall have broad, general experience in nonprofit private organizations (without regard to whether the individuals have experience in public health).

(5) Chair

The Committee shall, from among the members of the Committee, designate an individual to serve as the chair of the Committee.

(6) Terms; vacancies

The term of members of the Committee shall be for the duration of the Committee. A vacancy in the membership of the Committee shall not affect the power of the Committee to carry out the duties of the Committee. If a member of the Committee does not serve the remainder of the term of the predecessor of the individual, the Committee, by majority vote, shall fill the resulting vacancy by designating an individual to serve as the chair of the Committee.

(7) Compensation

Members of the Committee may be reimbursed for travel, subsistence, and other necessary expenses incurred in carrying out the duties of the Committee. The Committee may also provide staff and financial support to assist the Committee with carrying out the functions described in paragraph (2). The Director of the Centers for Disease Control and Prevention may both detail employees and provide nonfinancial support to assist the Committee with carrying out subparagraphs (A) and (B) of paragraph (2) of this subsection (other than carrying out subparagraph (B)).

(8) Committee support

The Director of the Centers for Disease Control and Prevention may, from amounts available to the Director for the general administration of such Centers, provide staff and financial support to assist the Committee with carrying out the functions described in paragraph (2). In providing such staff and support, the Director may both detail employees and contract for assistance.

(9) Grant for establishment of Committee

(A) With respect to a grant under paragraph (1)(A)(i) of subsection (i) for fiscal year 1993, an entity described in this paragraph is a private nonprofit entity with significant experience in health. Not later than 180 days after October 27, 1992, the Secretary shall make the grant to an entity (subject to the availability of funds under paragraph (2) of such subsection).

(B) The grant referred to in subparagraph (A) may be made to an entity only if the entity agrees that—
(i) the entity will establish a committee that is composed in accordance with paragraph (4); and
(ii) the entity will not select an individual for membership on the Committee unless the individual agrees that the Committee will operate in accordance with each of the provisions of this subsection that relate to the operation of the Committee.

(C) The Secretary may make a grant referred to in subparagraph (A) only if the applicant for the grant makes an agreement that the grant will not be expended for any purpose other than carrying out subparagraph (B).

Such a grant may be made only if an application for the grant is submitted to the Secretary containing such agreement, and the application is in such form, is made in such manner, and contains such other agreements and such assurances and information as the Secretary determines to be necessary to carry out this paragraph.


REFERENCES IN TEXT


CODIFICATION

Section was formerly classified to section 230d–11 of this title prior to renumbering by Pub. L. 106–310.

PRIOR PROVISIONS

A prior section 389G of act July 1, 1944, was renumbered section 399H and was classified to section 280f of this title, prior to being omitted from the Code.

AMENDMENTS

2006—Subsec. (h)(2)(A). Pub. L. 109–245, § 1(a), substituted “In the case of an individual, such Director may accept the services provided under the preceding sentence by the individual during the period for which the grant makes an agreement that the grant will not be expended for any purpose other than carrying out subparagraph (B).” for “In the case of an individual, such Director may accept the services provided under the preceding sentence by the individual for not more than 2 years.”

Subsec. (h)(7)(A). Pub. L. 109–245, § 1(b)(1), inserted “; including an accounting of the use of amounts provided for under subsection (i)” before period at end of second sentence.

Subsec. (h)(7)(C). Pub. L. 109–245, § 1(b)(2), added subpar. (C) and struck out former subpar. (C) which read as follows: “The Foundation shall make copies of each report submitted under subparagraph (A) available for public inspection, and shall upon request provide a copy of the report to any individual for a charge not exceeding the cost of providing the copy.”

Subsec. (i)(2)(A). Pub. L. 109–245, § 1(c)(1)(A), substituted “$1,250,000” for “$500,000.”

Subsec. (i)(2)(B). Pub. L. 109–245, § 1(c)(1)(B), substituted “Not less than $500,000, and not more than $1,250,000” for “Not more than $500,000.”

PART O—FETAL ALCOHOL SYNDROME PREVENTION AND SERVICES PROGRAM

§§ 280f to 280f–3. Omitted

CODIFICATION

Sections 280f to 280f–3, which provided for the establishment of a Fetal Alcohol Syndrome prevention and services program, were omitted pursuant to section 280f–3 which provided that this part would no longer apply on the date that was 7 years after the date on which all members of the National Task Force on Fetal Alcohol Syndrome and Fetal Alcohol Effect established under section 280f(d)(1) were appointed, which occurred May 17, 2000.


CONGRESSIONAL FINDINGS AND PURPOSE


PART P—ADDITIONAL PROGRAMS

§ 280g. Children’s asthma treatment grants program

(a) Authority to make grants

(1) In general

In addition to any other payments made under this chapter or title V of the Social Security Act (42 U.S.C. 701 et seq.), the Secretary shall award grants to eligible entities to carry out the following purposes:

(A) To provide access to quality medical care for children who live in areas that have a high prevalence of asthma and who lack access to medical care.

(B) To provide on-site education to parents, children, health care providers, and medical teams to recognize the signs and symptoms of asthma, and to train them in the use of medications to treat asthma and prevent its exacerbations.

(C) To decrease preventable trips to the emergency room by making medication available to individuals who have not previously had access to treatment or education in the management of asthma.

(D) To provide other services, such as smoking cessation programs, home modification, and other direct and support services that ameliorate conditions that exacerbate or induce asthma.

(2) Certain projects

In making grants under paragraph (1), the Secretary may make grants designed to develop and expand the following projects:

(A) Projects to provide comprehensive asthma services to children in accordance with the guidelines of the National Asthma Education and Prevention Program (through the National Heart, Lung and Blood Institute), including access to care and treatment for asthma in a community-based setting.

(B) Projects to fully equip mobile health care clinics that provide preventive asthma care including diagnosis, physical examinations, pharmacological therapy, skin testing, peak flow meter testing, and other asthma-related health care services.

(C) Projects to conduct validated asthma management education programs for patients with asthma and their families, including patient education regarding asthma management, family education on asthma management, and the distribution of materials, including displays and videos, to reinforce concepts presented by medical teams.

(1) Award of grants

(A) Application

(i) In general

An eligible entity shall submit an application to the Secretary for a grant under this section in such form and manner as the Secretary may require.

(ii) Required information

An application submitted under this subparagraph shall include a plan for the use of funds awarded under the grant and such other information as the Secretary may require.

(B) Requirement

In awarding grants under this section, the Secretary shall give preference to eligible entities that demonstrate that the activities to be carried out under this section shall be in localities within areas of known or suspected high prevalence of childhood asthma or high asthma-related mortality or high rate of hospitalization or emergency room visits for asthma (relative to the average asthma prevalence rates and associated mortality rates in the United States). Acceptable data sets to demonstrate a high prevalence of childhood asthma or high asthma-related mortality may include data from Federal, State, or local vital statistics, claims data under title XIX or XXI of the

1 So in original. Two pars. (2) have been enacted.
§ 280g

Social Security Act [42 U.S.C. 1396 et seq., 1397aa et seq.], other public health statistics or surveys, or other data that the Secretary, in consultation with the Director of the Centers for Disease Control and Prevention, deems appropriate.

(3) Definition of eligible entity

For purposes of this section, the term ‘eligible entity’ means a public or nonprofit private entity (including a State or political subdivision of a State), or a consortium of any of such entities.

(b) Coordination with other children's programs

An eligible entity shall identify in the plan submitted as part of an application for a grant under this section how the entity will coordinate operations and activities under the grant with—

(1) other programs operated in the State that serve children with asthma, including any such programs operated under title V, XIX, or XXI of the Social Security Act [42 U.S.C. 701 et seq., 1396 et seq., 1397aa et seq.]; and

(2) one or more of the following—

(A) the child welfare and foster care and adoption assistance programs under parts B and E of title IV of such Act [42 U.S.C. 620 et seq., 670 et seq.];

(B) the head start program established under the Head Start Act (42 U.S.C. 9831 et seq.);

(C) the program of assistance under the special supplemental nutrition program for women, infants and children (WIC) under section 1786 of this title;

(D) local public and private elementary or secondary schools; or

(E) public housing agencies, as defined in section 1437a of this title.

(c) Evaluation

An eligible entity that receives a grant under this subsection shall submit to the Secretary an evaluation of the operations and activities carried out under the grant that includes—

(1) a description of the health status outcomes of children assisted under the grant;

(2) an assessment of the utilization of asthma-related health care services as a result of activities carried out under the grant;

(3) the collection, analysis, and reporting of asthma data according to guidelines prescribed by the Director of the Centers for Disease Control and Prevention; and

(4) such other information as the Secretary may require.

(d) Preference for States that allow students to self-administer medication to treat asthma and anaphylaxis

(1) Preference

The Secretary, in making any grant under this section or any other grant that is asthma-related (as determined by the Secretary) to a State, shall give preference to any State that satisfies the following:

(A) In general

The State must require that each public elementary school and secondary school in that State will grant to any student in the school an authorization for the self-administration of medication to treat that student’s asthma or anaphylaxis, if—

(i) a health care practitioner prescribed the medication for use by the student during school hours and instructed the student in the correct and responsible use of the medication;

(ii) the student has demonstrated to the health care practitioner (or such practitioner’s designee) and the school nurse (if available) the skill level necessary to use the medication and any device that is necessary to administer such medication as prescribed;

(iii) the health care practitioner formulates a written treatment plan for managing asthma or anaphylaxis episodes of the student and for medication use by the student during school hours; and

(iv) the student’s parent or guardian has completed and submitted to the school any written documentation required by the school, including the treatment plan formulated under clause (iii) and other documents related to liability.

(B) Scope

An authorization granted under subparagraph (A) must allow the student involved to possess and use his or her medication—

(i) while in school;

(ii) while at a school-sponsored activity, such as a sporting event; and

(iii) in transit to or from school or school-sponsored activities.

(C) Duration of authorization

An authorization granted under subparagraph (A)—

(i) must be effective only for the same school and school year for which it is granted; and

(ii) must be renewed by the parent or guardian each subsequent school year in accordance with this subsection.

(D) Backup medication

The State must require that backup medication, if provided by a student’s parent or guardian, be kept at a student’s school in a location easily accessible in the event of an asthma or anaphylaxis emergency.

(E) Maintenance of information

The State must require that information described in subparagraphs (A)(iii) and (A)(iv) be kept on file at the student’s school in a location easily accessible in the event of an asthma or anaphylaxis emergency.

(F) School personnel administration of epi-nephrine

In determining the preference (if any) to be given to a State under this subsection, the Secretary shall give additional preference to a State that provides to the Secretary the certification described in subparagraph (G) and that requires that each public elementary school and secondary school in the State—
(i) permits trained personnel of the school to administer epinephrine to any student of the school reasonably believed to be having an anaphylactic reaction;
(ii) maintains a supply of epinephrine in a secure location that is easily accessible to trained personnel of the school for the purpose of administration to any student of the school reasonably believed to be having an anaphylactic reaction; and
(iii) has in place a plan for having on the premises of the school during all operating hours of the school one or more individuals who are trained personnel of the school.

(G) Civil liability protection law

The certification required in subparagraph (F) shall be a certification made by the State attorney general that the State has reviewed any applicable civil liability protection law to determine the application of such law with regard to elementary and secondary school trained personnel who may administer epinephrine to a student reasonably believed to be having an anaphylactic reaction and has concluded that such law provides adequate civil liability protection applicable to such trained personnel. For purposes of the previous sentence, the term “civil liability protection law” means a State law offering legal protection to individuals who give aid on a voluntary basis in an emergency to an individual who is ill, in peril, or otherwise incapacitated.

(2) Rule of construction

Nothing in this subsection creates a cause of action or in any other way increases or diminishes the liability of any person under any other law.

(3) Definitions

For purposes of this subsection:
(A) The terms “elementary school” and “secondary school” have the meaning given to those terms in section 7601 of title 20.
(B) The term “health care practitioner” means a person authorized under law to prescribe drugs subject to section 353(b) of title 21.
(C) The term “medication” means a drug as that term is defined in section 321 of title 21 and includes inhaled bronchodilators and auto-injectable epinephrine.
(D) The term “self-administration” means a student’s discretionary use of his or her prescribed asthma or anaphylaxis medication, pursuant to a prescription or written direction from a health care practitioner.
(E) The term “trained personnel” means, with respect to an elementary or secondary school, an individual—
(i) who has been designated by the principal (or other appropriate administrative staff) of the school to administer epinephrine on a voluntary basis outside their scope of employment;
(ii) who has received training in the administration of epinephrine; and
(iii) whose training in the administration of epinephrine meets appropriate medical standards and has been documented by appropriate administrative staff of the school.

(e) Authorization of appropriations

For the purpose of carrying out this section, there are authorized to be appropriated such sums as may be necessary for each of the fiscal years 2001 through 2005.

Caucasian children, and more than 26 percent of all asthma deaths are in the African-American population.

(5) In 2000, there were 1,800,000 asthma-related visits to emergency departments (more than 728,000 of these involved children under 18 years of age).

(6) In 2000, there were 465,000 asthma-related hospitalizations (214,000 of these involved children under 18 years of age).

(7) In 2000, 4,467 people died from asthma, and of these 225 were children.

(8) According to the Centers for Disease Control and Prevention, asthma is a common cause of missed school days, accounting for approximately 14,000,000 missed school days annually.

(9) According to the New England Journal of Medicine, working parents of children with asthma lose an estimated $1,000,000,000 a year in productivity.

(10) At least 30 States have legislation protecting the rights of children to carry and self-administer asthma metered-dose inhalers, and at least 18 States expand this protection to epinephrine auto-injectors.

(11) Tragic refusals of schools to permit students to carry their inhalers and auto-injectable epinephrine have occurred, some resulting in death and spawning litigation.

(12) School district medication policies must be developed with the safety of all students in mind. The immediate and correct use of asthma inhalers and auto-injectable epinephrine are necessary to avoid serious respiratory complications and improve health care outcomes.

(13) No school should interfere with the patient-physician relationship.

(14) Anaphylaxis, or anaphylactic shock, is a systemic allergic reaction that can kill within minutes. Anaphylaxis occurs in some asthma patients. According to the American Academy of Allergy, Asthma, and Immunology, people who have experienced symptoms of anaphylaxis previously are at risk for subsequent reactions and should carry an epinephrine auto-injector with them at all times, if prescribed.

(15) An increasing number of students and school staff have life-threatening allergies. Exposure to the affecting allergen can trigger anaphylaxis. Anaphylaxis requires prompt medical intervention with an injection of epinephrine.

§ 280g-1. Early detection, diagnosis, and treatment regarding deaf and hard-of-hearing newborns, infants, and young children

(a) Statewide newborn, infant, and young child hearing screening, evaluation and intervention programs and systems

The Secretary, acting through the Administrator of the Health Resources and Services Administration, shall make awards of grants or cooperative agreements to develop statewide newborn, infant, and young child hearing screening, evaluation, diagnosis, and intervention programs and systems, and to assist in the recruitment, retention, education, and training of qualified personnel and health care providers (including, as appropriate, education and training of family members), for the following purposes:

(1) To develop and monitor the efficacy of statewide programs and systems for hearing screening of newborns, infants, and young children (referred to in this section as "children"); prompt evaluation and diagnosis of children referred from screening programs; and appropriate educational, audiological, medical, and communication (or language acquisition) interventions (including family support), for children identified as deaf or hard-of-hearing, consistent with the following:

(A) Early intervention includes referral to, and delivery of, information and services by organizations such as schools and agencies (including community, consumer, and family-based agencies), in health care settings (including medical homes for children), and in programs mandated by part C of the Individuals with Disabilities Education Act [20 U.S.C. 1431 et seq.], which offer programs specifically designed to meet the unique language and communication needs of deaf and hard-of-hearing children.

(B) Information provided to families should be accurate, comprehensive, up-to-date, and evidence-based, as appropriate, to allow families to make important decisions for their children in a timely manner, including decisions with respect to the full range of assistive hearing technologies and communications modalities, as appropriate.

(C) Programs and systems under this paragraph shall offer mechanisms that foster family-to-family and deaf and hard-of-hearing consumer-to-family supports.

(2) To continue to provide technical support to States, through one or more technical resource centers, to assist in further developing and enhancing State early hearing detection and intervention programs.

(3) To identify or develop efficient models (educational and medical) to ensure that children who are identified as deaf or hard-of-hearing through screening receive follow-up by qualified early intervention providers or qualified health care providers (including those at medical homes for children), and referrals, as appropriate, including to early intervention services under part C of the Individuals with Disabilities Education Act [20 U.S.C. 1431 et seq.]. State agencies shall be encouraged to effectively increase the rate of such follow-up and referral.

(b) Technical assistance, data management, and applied research

(1) Centers for Disease Control and Prevention

(A) In general

The Secretary, acting through the Director of the Centers for Disease Control and Prevention, shall make awards of grants or cooperative agreements to provide technical assistance to State agencies or designated entities of States—

(i) to develop, maintain, and improve data collection systems related to newborn, infant, and young child hearing screening, evaluation (including audiologic, medical, and language acquisition evaluations), diagnosis, and intervention services;

(ii) to conduct applied research related to newborn, infant, and young child hearing screening, evaluation, and intervention programs and outcomes;

(iii) to ensure quality monitoring of hearing screening, evaluation, and intervention programs and systems for newborns, infants, and young children; and

(iv) to support newborn, infant, and young child hearing screening, evaluation,
and intervention programs, and information systems.

(B) Use of awards

The awards made under subparagraph (A) may be used—
(i) to provide technical assistance on data collection and management, including to coordinate and develop standardized procedures for data management;
(ii) to assess and report on the cost and program effectiveness of newborn, infant, and young child hearing screening, evaluation, and intervention programs and systems;
(iii) to collect data and report on newborn, infant, and young child hearing screening, evaluation, diagnosis, and intervention programs and systems for applied research, program evaluation, and policy improvement;
(iv) to identify the causes and risk factors for congenital hearing loss;
(v) to study the effectiveness of newborn, infant, and young child hearing screening, audiologic and medical evaluations and intervention programs and systems by assessing the health, intellectual and social developmental, cognitive, and hearing status of these children at school age; and
(vi) to promote the integration and interoperability of data regarding early hearing loss across multiple sources to increase the flow of information between clinical care and public health settings, including the ability of States and territories to exchange and share data.

(2) National Institutes of Health

The Director of the National Institutes of Health, acting through the Director of the National Institute on Deafness and Other Communication Disorders, shall, for purposes of this section, continue a program of research and development on the efficacy of new screening techniques and technology, including the ability of States and territories to exchange and share data.

(c) Coordination and collaboration

(1) In general

In carrying out programs under this section, the Administrator of the Health Resources and Services Administration, the Director of the Centers for Disease Control and Prevention, and the Director of the National Institutes of Health shall collaborate and consult with—
(A) other Federal agencies;
(B) State and local agencies, including agencies responsible for early intervention services pursuant to title XIX of the Social Security Act [42 U.S.C. 1396 et seq.] (Medicaid Early and Periodic Screening, Diagnosis and Treatment Program); title XXI of the Social Security Act [42 U.S.C. 1397aa et seq.] (State Children’s Health Insurance Program); title V of the Social Security Act [42 U.S.C. 701 et seq.] (Maternal and Child Health Block Grant Program); and part C of the Individuals with Disabilities Education Act [20 U.S.C. 1431 et seq.];
(C) consumer groups of, and that serve, individuals who are deaf and hard-of-hearing and their families;
(D) appropriate national medical and other health and education specialty organizations;
(E) individuals who are deaf or hard-of-hearing and their families;
(F) other qualified professional personnel who are proficient in deaf or hard-of-hearing children’s language and who possess the specialized knowledge, skills, and attributes needed to serve deaf and hard-of-hearing children, and their families;
(G) third-party payers and managed care organizations; and
(H) related commercial industries.

(2) Policy development

The Administrator of the Health Resources and Services Administration, the Director of the Centers for Disease Control and Prevention, and the Director of the National Institutes of Health shall coordinate and collaborate on recommendations for policy development at the Federal and State levels and with the private sector, including consumer, medical and other health and education professional-based organizations, with respect to newborn and infant hearing screening, evaluation, diagnosis, and intervention programs and systems.

(3) State early detection, diagnosis, and intervention programs and systems; data collection

The Administrator of the Health Resources and Services Administration and the Director of the Centers for Disease Control and Prevention shall coordinate and collaborate in assisting States—
(A) to establish newborn, infant, and young child hearing screening, evaluation, diagnosis, and intervention programs and systems under subsection (a); and
(B) to develop a data collection system under subsection (b).

(d) Rule of construction; religious accommodations

Nothing in this section shall be construed to preempt or prohibit any State law, including State laws that do not require the screening for hearing loss of children of parents who object to the screening on the grounds that such screening conflicts with the parent’s religious beliefs.

(e) Definitions

For purposes of this section:
(1) The term “audiologic”, when used in connection with evaluation, means procedures—
(A) to assess the status of the auditory system;
(B) to establish the site of the auditory disorder, the type and degree of hearing loss, and the potential effects of hearing loss on communication; and
(C) to identify appropriate treatment and referral options, including—
(i) linkage to State coordinating agencies under part C of the Individuals with Disabilities Education Act [20 U.S.C. 1431 et seq.] or other appropriate agencies;
§ 280g–1

(TITLE 42—THE PUBLIC HEALTH AND WELFARE)

(2) The term “early intervention” means—
(A) providing appropriate services for the child who is deaf or hard-of-hearing, including nonmedical services; and
(B) ensuring that the family of the child is—
(i) provided comprehensive, consumer-oriented information about the full range of family support, training, information services, and language acquisition in oral and visual modalities; and
(ii) given the opportunity to consider and obtain the full range of such appropriate services, educational and program placements, and other options for the child from highly qualified providers.

The term “medical evaluation” means key components performed by a physician including history, examination, and medical decisionmaking focused on symptomatic and related body systems for the purpose of diagnosing the etiology of hearing loss and related physical conditions, and for identifying appropriate treatment and referral options.

(4) The term “medical intervention” means the process by which a physician provides medical diagnosis and direction for medical or surgical treatment options for hearing loss or other medical disorders associated with hearing loss.

(5) The term “newborn, infant, and young child hearing screening” means objective audiologic procedures to detect possible hearing loss and to identify newborns, infants, and young children under 3 years of age who require further audiologic and medical evaluations.

(f) Authorization of appropriations

(1) Statewide newborn and infant hearing screening, evaluation and intervention programs and systems

For the purpose of carrying out subsection (a), there are authorized to be appropriated to the Health Resources and Services Administration $17,818,000 for fiscal year 2018, $18,173,800 for fiscal year 2019, $18,628,145 for fiscal year 2020, $19,056,592 for fiscal year 2021, and $19,522,758 for fiscal year 2022.

(2) Technical assistance, data management, and applied research; Centers for Disease Control and Prevention

For the purpose of carrying out subsection (b)(2), there are authorized to be appropriated to the Centers for Disease Control and Prevention $10,800,000 for fiscal year 2018, $11,026,800 for fiscal year 2019, $11,302,470 for fiscal year 2020, $11,562,427 for fiscal year 2021, and $11,851,488 for fiscal year 2022.

(3) Technical assistance, data management, and applied research; National Institute on Deafness and Other Communication Disorders

For the purpose of carrying out subsection (b)(2), there are authorized to be appropriated to the National Institute on Deafness and Other Communication Disorders such sums as may be necessary for fiscal years 2011 through 2015.

References in Text

The Individuals with Disabilities Education Act, referred to in subsec. (a)(1)(A), (3), (c)(1)(B), and (e)(1)(C)(i), is title VI of Pub. L. 91–230, Apr. 13, 1970, 84 Stat. 175. Part C of the Act is classified generally to subchapter III (§1431 et seq.) of chapter 33 of Title 20, Education. For complete classification of this Act to the Code, see section 1400 of Title 20 and Tables.


Amendments


Subsec. (a). Pub. L. 115–71, § 2(b)(2), substituted “newborn, infant, and young child” for “newborn and infant” and “providers (including, as appropriate, educational and program placements)” for “providers.”

Pub. L. 115–71, § 2(b)(1), substituted “newborn, infant, and young child” for “newborn and infant” in heading.

Subsec. (a)(1). Pub. L. 115–71, § 2(b)(3), in first sentence, substituted “newborns, infants, and young children (referred to in this section as ‘children’)” for “newborns and infants” and “medical, and communication (or language acquisition) interventions (including family support)”, for children identified as deaf or hard-of-hearing, consistent with the following:—“for and medical interventions for children identified with hearing loss.”; designated second sentence as subpar. (A) and substituted “and delivery of,” for “and delivery of,” “by organizations such as schools and agencies (including community, consumer, and family-based agencies), in health care settings (including medical homes for children), in programs mandated” for “by schools and agencies, including community, consumer, and parent-based agencies and organizations and other programs mandated”, and “hard-of-hearing children” for “hard of hearing newborns, infants, toddlers, and children.”; struck out third sentence which read “Programs and systems under this paragraph shall establish and foster family-to-family support mechanisms that are critical in the first months after a child is identified with hearing loss.”; and added subpars. (B) and (C).

Subsec. (a)(2). Pub. L. 115–71, § 2(b)(4), substituted “To continue to provide technical support to States, through one or more technical resource centers, to assist in further developing and enhancing State early hearing detection and intervention programs.” for “To...
collect data on statewide newborn and infant hearing screening, evaluation and intervention programs and systems that can be used for applied research, program evaluation and policy development.”

Subsec. (a)(3). Pub. L. 115–71, §2(b)(6), added par. (3) and struck out former par. (3) which read as follows: “Other activities may include developing efficient methods to identify newborns whose hearing is impaired, preparing fact sheets and educational materials, and conducting research related to newborn and infant hearing screening, evaluation and intervention programs and systems. The program shall provide assistance to State agencies to develop models and strategies that effectively increase the rate of occurrence of such follow-up.”

Subsec. (b)(1). Pub. L. 115–71, §2(c), made extensive amendments to text and structure of par. (1). Prior to amendments, text of par. (1) read as follows: “The Secretary, acting through the Director of the Centers for Disease Control and Prevention, shall make awards of grants or cooperative agreements to provide technical assistance to State agencies to complement existing intramural program and to conduct applied research related to newborn and infant hearing screening, evaluation and intervention programs and systems. The program shall provide support for State and local agencies and cooperate with other Federal, State and local agencies, including agencies for the State and local agencies, including those for “‘(A) to ensure quality monitoring of newborn and infant hearing loss screening, evaluation, diagnosis, and intervention programs and systems;”

“(B) to provide technical assistance on data collection and management;”

“(C) to study the costs and effectiveness of newborn and infant hearing screening, evaluation and intervention programs and systems conducted by State-based programs in order to answer issues of importance to State and national policymakers;”

“(D) to identify the causes and risk factors for congenital hearing loss;”

“(E) to study the effectiveness of newborn and infant hearing screening, audiologic and medical evaluations and intervention programs and systems by assessing the health, intellectual and social development, cognitive, and language status of these children at school age; and

“(F) to promote the sharing of data regarding early hearing loss with State-based birth defects and developmental disabilities monitoring programs for the purpose of identifying previously unknown causes of hearing loss.”

Subsec. (c)(1). Pub. L. 115–71, §2(d)(1), substituted “‘States—’” for “‘States’,” “‘(A) to establish newborn, infant, and young child for ‘to establish newborn and infant’,” “‘subsection (a); and’” for “subsection (a) and”, and “‘and (B) to develop’” for “‘and to develop’.”

Subsec. (d). Pub. L. 115–71, §2(e), added paragraph “‘that do not’” for “‘which do not’ and parent’s’ for “‘parents’” and struck out “newborn infants or young” after “‘hearing loss’.”

Subsec. (e)(1). Pub. L. 115–71, §2(f)(1), made extensive amendments to text and structure of par. (1). Prior to amendments, par. (1) read as follows: “The term ‘audiologic evaluation’ refers to procedures to assess the status of the auditory system; to establish the site of the auditory disorder; the type and degree of hearing loss, and the potential effects of hearing loss on communication; and to identify appropriate treatment and referral options. Referral options should include linkage to State coordinating agencies under part C of the Individuals with Disabilities Education Act or other appropriate agencies, medical evaluation, hearing aid/sensory aid assessment, audiologic rehabilitation treatment, national and local consumer, self-help, parent, and education organizations, and other family-centered services.”

Subsec. (e)(2). Pub. L. 115–71, §2(f)(4), made extensive amendments to text and structure of par. (2). Prior to amendments, par. (2) read as follows: “The term ‘intervention’ refers to providing appropriate services for the child with hearing loss, including nonmedical services, and ensuring that families of the child are provided comprehensive, consumer-oriented information about the full range of family support, training, information services, and language and communication options and are given the opportunity to consider and obtain the full range of such appropriate services, educational and program placements, and other options for their child from highly qualified providers.”

Pub. L. 115–71, §2(r)(2), (3), redesignated par. (3) as (2) and struck out former par. (2) which read as follows: “The terms ‘audiologic rehabilitation’ and ‘audiologic intervention’ refer to procedures, techniques, and technologies to facilitate the receptive and expressive communication abilities of a child with hearing loss.”

Subsec. (e)(3). Pub. L. 115–71, §2(f)(5), substituted “The term ‘medical evaluation means key components of the medical evaluation by a physician’ refers to key components, including history, examination, and medical decision making’ for “‘(3) The term ‘medical evaluation by a physician’ refers to key components including history, examination, and medical decision making’.”

Pub. L. 115–71, §2(r)(3), redesignated par. (4) as (3). Former par. (3) redesignated (2).

Subsec. (e)(4). Pub. L. 115–71, §2(f)(6), substituted “‘means for ‘refers to’, ‘or surgical’ for ‘and/or surgical’, and ‘for hearing loss or other medical disorders’ for ‘of hearing loss or related medical disorder’.”


Subsec. (e)(5). Pub. L. 115–71, §2(f)(7), substituted “The term ‘newborn, infant, and young child hearing screening means’ for ‘The term ‘newborn and infant hearing screening refers to’ and ‘infants, and young children under 3 years of age’ for ‘infants’.”


Subsec. (f)(1). Pub. L. 115–71, §2(g)(1), substituted “$17,818,000 for fiscal year 2018, $18,173,800 for fiscal year 2019, $18,628,145 for fiscal year 2020, $19,056,592 for fiscal year 2021, and $19,522,758 for fiscal year 2022,” for “such sums as may be necessary for fiscal years 2018 through 2021.”


the unique language and communication needs of deaf and hard of hearing newborns, infants, toddlers, and children."


Subsec. (e)(3). Pub. L. 111–337, §2(5)(A), substituted "‘ensuring that families of the child are provided comprehensive, consumer-oriented information about the full range of appropriate services, educational and program placement options and intervention programs’ for ‘ensuring that families of the child are provided comprehensive, consumer-oriented information about the full range of appropriate services, educational and program placement options for their child.’


JAMES T. WALSH UNIVERSAL NEWBORN HEARING SCREENING PROGRAM

Pub. L. 111–8, div. F, title II, §224, Mar. 11, 2009, 123 Stat. 784, provided that: ‘‘Hereafter, the activities authorized under section 399M of the Public Health Service Act (42 U.S.C. 280g–1) shall be known as the ‘James T. Walsh Universal Newborn Hearing Screening Program.’ ‘’

PURPOSES

Pub. L. 106–310, div. A, title VII, §1101, Oct. 17, 2000, 114 Stat. 1120, provided that: ‘‘The purposes of this title [enacting this section] are to clarify the authority within the Public Health Service Act (42 U.S.C. 201 et seq.) to authorize statewide newborn and infant hearing screening, evaluation and intervention programs and systems, technical assistance, a national applied research program, and interagency and private sector collaboration for policy development, in order to assist the States in making progress toward the following goals:

‘‘(1) All babies who are not born in hospitals from highly qualified providers.’’ for ‘‘ensuring that families of the child are provided comprehensive, consumer-oriented information about the full range of educational and program placements and options for their child.’’


$280g–2. Childhood malignancies

(a) In general

The Secretary, acting as appropriate through the Director of the Centers for Disease Control and Prevention and the Director of the National Institutes of Health, shall study environmental and other risk factors for childhood cancers (including skeletal malignancies, leukemias, malignant tumors of the central nervous system, lymphomas, soft tissue sarcomas, and other malignant neoplasms) and carry out projects to improve outcomes among children with childhood cancers and resultant secondary conditions, including limb loss, anemia, rehabilitation, and palliative care. Such projects shall be carried out by the Secretary directly and through awards of grants or contracts.

(b) Certain activities

Activities under subsection (a) include—

(1) the expansion of current demographic data collection and population surveillance efforts to include childhood cancers nationally;

(2) the development of a uniform reporting system under which treating physicians, hospitals, clinics, and States report the diagnosis of childhood cancers, including relevant associated epidemiological data; and

(3) support for the National Limb Loss Information Center to address, in part, the primary and secondary needs of persons who experience childhood cancers in order to prevent or minimize the disabling nature of these cancers.

(c) Coordination of activities

The Secretary shall assure that activities under this section are coordinated as appropriate with other agencies of the Public Health Service that carry out activities focused on childhood cancers and limb loss.

(d) Definition

For purposes of this section, the term ‘‘childhood cancer’’ refers to a spectrum of different malignancies that vary by histology, site of disease, origin, race, sex, and age. The Secretary may for purposes of this section revise the definition of such term to the extent determined by the Secretary to be appropriate.

(e) Authorization of appropriations

For the purpose of carrying out this section, there are authorized to be appropriated such sums as may be necessary for each of the fiscal years 2001 through 2005.


$280g–3. Prescription drug monitoring program

(a) Program

(1) In general

Each fiscal year, the Secretary, acting through the Director of the Centers for Disease Control and Prevention, in coordination
with the heads of other departments and agencies as appropriate, shall support States or localities for the purpose of improving the efficiency and use of PDMPs, including—

(A) establishment and implementation of a PDMP;
(B) maintenance of a PDMP;
(C) improvements to a PDMP by—
(1) enhancing functional components to work toward—
(I) universal use of PDMPs among providers and their delegates, to the extent that State laws allow;
(II) more timely inclusion of data within a PDMP;
(III) active management of the PDMP, in part by sending proactive or unsolicited reports to providers to inform prescribing; and
(IV) ensuring the highest level of case in use of and access to PDMPs by providers and their delegates, to the extent that State laws allow;
(ii) in consultation with the Office of the National Coordinator for Health Information Technology, improving the intrastate interoperability of PDMPs by—
(I) making PDMPs more actionable by integrating PDMPs within electronic health records and health information technology infrastructure; and
(II) linking PDMP data to other data systems within the State, including—
(aa) the data of pharmacy benefit managers, medical examiners and coroners, and the State’s Medicaid program;
(bb) workers’ compensation data; and
(cc) prescribing data of providers of the Department of Veterans Affairs and the Indian Health Service within the State;
(iii) in consultation with the Office of the National Coordinator for Health Information Technology, improving the interstate interoperability of PDMPs through—
(I) sharing of dispensing data in near-real time across State lines; and
(II) integration of automated queries for multistate PDMP data and analytics into clinical workflow to improve the use of such data and analytics by practitioners and dispensers; or
(iv) improving the ability to include treatment availability resources and referral capabilities within the PDMP.

(2) Legislation
As a condition on the receipt of support under this section, the Secretary shall require a State or locality to demonstrate that it has enacted legislation or regulations—

(A) to provide for the implementation of the PDMP; and
(B) to permit the imposition of appropriate penalties for the unauthorized use and disclosure of information maintained by the PDMP.

(b) PDMP strategies
The Secretary shall encourage a State or locality, in establishing, improving, or maintaining a PDMP, to implement strategies that improve—

(1) the reporting of dispensing in the State or locality of a controlled substance to an ultimate user so the reporting occurs not later than 24 hours after the dispensing event;
(2) the consultation of the PDMP by each prescribing practitioner, or their designee, in the State or locality before initiating treatment with a controlled substance, or any substance as required by the State to be reported to the PDMP, and over the course of ongoing treatment for each prescribing event;
(3) the consultation of the PDMP before dispensing a controlled substance, or any substance as required by the State to be reported to the PDMP;
(4) the proactive notification to a practitioner when patterns indicative of controlled substance misuse by a patient, including opioid misuse, are detected;
(5) the availability of data in the PDMP to other States, as allowable under State law; and
(6) the availability of nonidentifiable information to the Centers for Disease Control and Prevention for surveillance, epidemiology, statistical research, or educational purposes.

(c) Drug misuse and abuse
In consultation with practitioners, dispensers, and other relevant and interested stakeholders, a State receiving support under this section—

(1) shall establish a program to notify practitioners and dispensers of information that will help to identify and prevent the unlawful diversion or misuse of controlled substances;
(2) may, to the extent permitted under State law, notify the appropriate authorities responsible for carrying out drug diversion investigations if the State determines that information in the PDMP maintained by the State indicates an unlawful diversion or abuse of a controlled substance;
(3) may conduct analyses of controlled substance program data for purposes of providing appropriate State agencies with aggregate reports based on such analyses in as close to real-time as practicable, regarding prescription patterns flagged as potentially presenting a risk of misuse, abuse, addiction, overdose, and other aggregate information, as appropriate and in compliance with applicable Federal and State laws and provided that such reports shall not include protected health information; and
(4) may access information about prescriptions, such as claims data, to ensure that such prescribing and dispensing history is updated in as close to real-time as practicable, in compliance with applicable Federal and State laws and provided that such information shall not include protected health information.

(d) Evaluation and reporting
As a condition on receipt of support under this section, the State shall report on interoperability with PDMPs of other States and Federal agencies, where appropriate, intrastate interoperability with health information technology systems such as electronic health records, health information exchanges, and e-prescrib-
ing, where appropriate, and whether or not the State provides automatic, up-to-date, or daily information about a patient when a practitioner (or the designee of a practitioner, where permitted) requests information about such patient.

(e) Evaluation and reporting

A State receiving support under this section shall provide the Secretary with aggregate non-identifiable information, as permitted by State law, to enable the Secretary—

(1) to evaluate the success of the State’s program in achieving the purpose described in subsection (a); or

(2) to prepare and submit to the Congress the report required by subsection (i)(2).

(f) Education and access to the monitoring system

A State receiving support under this section shall take steps to—

(1) facilitate prescribers and dispensers, and their delegates, as permitted by State law, to use the PDMP, to the extent practicable; and

(2) educate prescribers and dispensers, and their delegates on the benefits of the use of PDMPs.

(g) Electronic format

The Secretary may issue guidelines specifying a uniform electronic format for the reporting, sharing, and disclosure of information pursuant to PDMPs. To the extent possible, such guidelines shall be consistent with standards recognized by the Office of the National Coordinator for Health Information Technology.

(h) Rules of construction

(1) Functions otherwise authorized by law

Nothing in this section shall be construed to restrict the ability of any authority, including any local, State, or Federal law enforcement, narcotics control, licensure, disciplinary, or program authority, to perform functions otherwise authorized by law.

(2) Additional privacy protections

Nothing in this section shall be construed as preempts any State from imposing any additional privacy protections.

(3) Federal privacy requirements

Nothing in this section shall be construed to supersede any Federal privacy or confidentiality requirement, including the regulations promulgated under section 264(c) of the Health Insurance Portability and Accountability Act of 1996 (Public Law 104–119; 110 Stat. 2033) and section 290dd–2 of this title.

(4) No Federal private cause of action

Nothing in this section shall be construed to create a Federal private cause of action.

(i) Progress report

Not later than 3 years after October 24, 2018, the Secretary shall—

(1) complete a study that—

(A) determines the progress of grantees in establishing and implementing PDMPs consistent with this section;

(B) provides an analysis of the extent to which the operation of PDMPs has—

(i) reduced inappropriate use, abuse, diversion of, and overdose with, controlled substances;

(ii) established or strengthened initiatives to ensure linkages to substance use disorder treatment services; or

(iii) affected patient access to appropriate care in States operating PDMPs;

(C) determines the progress of grantees in achieving interstate interoperability and intrastate interoperability of PDMPs, including an assessment of technical, legal, and financial barriers to such progress and recommendations for addressing these barriers;

(D) determines the progress of grantees in implementing near real-time electronic PDMPs;

(E) provides an analysis of the privacy protections in place for the information reported to the PDMP in each State or locality receiving support under this section and any recommendations of the Secretary for additional Federal or State requirements for protection of this information;

(F) determines the progress of States or localities in implementing technological alternatives to centralized data storage, such as peer-to-peer file sharing or data pointer systems, in PDMPs and the potential for such alternatives to enhance the privacy and security of individually identifiable data; and

(G) evaluates the penalties that States or localities have enacted for the unauthorized use and disclosure of information maintained in PDMPs, and the criteria used by the Secretary to determine whether such penalties qualify as appropriate for purposes of subsection (a)(2); and

(2) submit a report to the Congress on the results of the study.

(j) Advisory Council

(1) Establishment

A State or locality may establish an advisory council to assist in the establishment, improvement, or maintenance of a PDMP consistent with this section.

(2) Limitation

A State or locality may not use Federal funds for the operations of an advisory council to assist in the establishment, improvement, or maintenance of a PDMP.

(3) Sense of Congress

It is the sense of the Congress that, in establishing an advisory council to assist in the establishment, improvement, or maintenance of a PDMP, a State or locality should consult with appropriate professional boards and other interested parties.

(k) Definitions

For purposes of this section:

(1) The term ‘‘controlled substance’’ means a controlled substance (as defined in section 802 of title 21) in schedule II, III, or IV of section 812 of such title.

1 So in original. Probably should be “determines”.

§ 280g–3  TITLE 42—THE PUBLIC HEALTH AND WELFARE  Page 500
(2) The term “dispense” means to deliver a controlled substance to an ultimate user by, or pursuant to the lawful order of, a practitioner, irrespective of whether the dispenser uses the Internet or other means to effect such delivery.

(3) The term “dispenser” means a physician, pharmacist, or other person that dispenses a controlled substance to an ultimate user.

(4) The term “interstate interoperability” with respect to a PDMP means the ability of the PDMP to electronically share reported information with another State if the information concerns either the dispensing of a controlled substance to an ultimate user who resides in such other State, or the dispensing of a controlled substance prescribed by a practitioner whose principal place of business is located in such other State.

(5) The term “intraproductory interoperability” with respect to a PDMP means the integration of PDMP data within electronic health records and health information technology infrastructure or linking of a PDMP to other data systems within the State, including the State’s Medicaid program, workers’ compensation programs, and medical examiner or coroner.

(6) The term “nonidentifiable information” means information that does not identify a practitioner, dispenser, or an ultimate user and with respect to which there is no reasonable basis to believe that the information can be used to identify a practitioner, dispenser, or an ultimate user.

(7) The term “PDMP” means a prescription drug monitoring program that is State-controlled.

(8) The term “practitioner” means a physician, dentist, veterinarian, scientific investigator, pharmacy, hospital, or other person licensed, registered, or otherwise permitted, by the United States or the jurisdiction in which the individual practices or does research, to distribute, dispense, conduct research with respect to, administer, or use in teaching or chemical analysis, a controlled substance in the course of professional practice or research.

The term “State” means each of the 50 States, the District of Columbia, and any commonwealth or territory of the United States.

(10) The term “ultimate user” means a person who has obtained from a dispenser, and who possesses, a controlled substance for the person’s own use, for the use of a member of the person’s household, or for the use of an animal owned by the person or by a member of the person’s household.

(11) The term “clinical workflow” means the integration of automated queries for prescription drug monitoring programs data and analytics into health information technologies such as electronic health record systems, health information exchanges, and/or pharmacy dispensing software systems, thus streamlining provider access through automated queries.

(2) The term “PDMP” means a prescription drug monitoring program that is State-controlled.

(3) The term “dispenser” means a physician, pharmacist, or other person that dispenses a controlled substance to an ultimate user.

(4) The term “interstate interoperability” with respect to a PDMP means the ability of the PDMP to electronically share reported information with another State if the information concerns either the dispensing of a controlled substance to an ultimate user who resides in such other State, or the dispensing of a controlled substance prescribed by a practitioner whose principal place of business is located in such other State.

(5) The term “intraproductory interoperability” with respect to a PDMP means the integration of PDMP data within electronic health records and health information technology infrastructure or linking of a PDMP to other data systems within the State, including the State’s Medicaid program, workers’ compensation programs, and medical examiner or coroner.

(6) The term “nonidentifiable information” means information that does not identify a practitioner, dispenser, or an ultimate user and with respect to which there is no reasonable basis to believe that the information can be used to identify a practitioner, dispenser, or an ultimate user.

(7) The term “PDMP” means a prescription drug monitoring program that is State-controlled.

(8) The term “practitioner” means a physician, dentist, veterinarian, scientific investigator, pharmacy, hospital, or other person licensed, registered, or otherwise permitted, by the United States or the jurisdiction in which the individual practices or does research, to distribute, dispense, conduct research with respect to, administer, or use in teaching or chemical analysis, a controlled substance in the course of professional practice or research.

The term “State” means each of the 50 States, the District of Columbia, and any commonwealth or territory of the United States.

(10) The term “ultimate user” means a person who has obtained from a dispenser, and who possesses, a controlled substance for the person’s own use, for the use of a member of the person’s household, or for the use of an animal owned by the person or by a member of the person’s household.

(11) The term “clinical workflow” means the integration of automated queries for prescription drug monitoring programs data and analytics into health information technologies such as electronic health record systems, health information exchanges, and/or pharmacy dispensing software systems, thus streamlining provider access through automated queries.
§ 280g–4
TITLED 42—THE PUBLIC HEALTH AND WELFARE
Page 502

subparagraph (B) or (C) of subsection (a)(1)' for “in implementing or controlling a substance monitoring program under this section, a State shall comply, or with respect to a State that applies for a grant under subsection (a)(1)(B)’’ and “public health or safety” for “public health.”


Subsec. (f)(1)(D). Pub. L. 114–198, § 109(b)(6)(A)(ii), added subsec. (h) and redesignated former subsecs. (i) and (j) as (i) and (j), respectively. Former subsec. (j) redesignated (k).

Subsec. (k). Pub. L. 114–198, § 109(b)(7), (8), redesignated subsec. (j) as (k) and struck out former subsec. (k). Prior to amendment, text of subsec. (k) read as follows: “Beginning 3 years after the date on which funds are first appropriated to carry out this section, the Secretary, in awarding any competitive grant that is related to drug abuse (as determined by the Secretary) and for which only States are eligible to apply, shall give preference to any State with an application approved under this section. The Secretary shall have the discretion to apply such preference to States with existing controlled substance monitoring programs that meet minimum requirements under this section or to States that put forth a good faith effort to meet those requirements (as determined by the Secretary).”

Subsec. (k)(2)(A)(i). Pub. L. 114–198, § 109(b)(8)(A)(i), substituted “established or strengthened initiatives to ensure linkages to substance use disorder services, or affected” for “or affected”.


Subsec. (l)(1). Pub. L. 114–198, § 109(b)(12), substituted “establishment, improvement, or maintenance” for “establishment, implementation, or improvement”.

Subsec. (m)(8). Pub. L. 114–198, § 109(b)(13), substituted “the District of Columbia, and any commonwealth or territory of the United States” for “and the District of Columbia”.


Purpose


(a) In general

The Secretary shall award grants for—

(1) the development or enhancement and implementation of interdisciplinary training for health professionals, public health staff, and allied health professionals;

(2) the development or enhancement and implementation of education programs for medical, nursing, dental, and other health profession students and residents to prevent and respond to domestic violence, dating violence, sexual assault, and stalking; and

(3) the development or enhancement and implementation of comprehensive statewide strategies to improve the response of clinics, public health facilities, hospitals, and other health settings (including behavioral and mental health programs) to domestic violence, dating violence, sexual assault, and stalking.

(b) Use of funds

(1) Required uses

Amounts provided under a grant under this section shall be used to—

(A) fund interdisciplinary training and education programs under paragraphs (1) and (2) of subsection (a) that—

(i) are designed to train medical, psychology, dental, social work, nursing, and other health profession students, interns, residents, fellows, or current health care providers to identify and provide health care services (including mental or behavioral health care services and referrals to appropriate community services) to individuals who are or who have been victims of domestic violence, dating violence, sexual assault, or stalking; and

(ii) plan and develop culturally competent clinical training components for integration into approved internship, residency, and fellowship training or continuing medical or other health education training that address physical, mental, and behavioral health issues, including protective factors, related to domestic violence, dating violence, sexual assault, stalking, and other forms of violence and abuse, focus on reducing health disparities and preventing violence and abuse, and include the primacy of victim safety and confidentiality;

(B) design and implement comprehensive strategies to improve the response of the health care system to domestic or sexual violence in clinical and public health settings, hospitals, clinics, and other health settings (including behavioral and mental health), under subsection (a)(3) through—
(i) the implementation, dissemination, and evaluation of policies and procedures to guide health professionals and public health staff in identifying and responding to domestic violence, dating violence, sexual assault, and stalking, including strategies to ensure that health information is maintained in a manner that protects the patient’s privacy and safety, and safely uses health information technology to improve documentation, identification, assessment, treatment, and follow-up care;

(ii) the development of on-site access to services to address the safety, medical, and mental health needs of patients by increasing the capacity of existing health care professionals and public health staff to address domestic violence, dating violence, sexual assault, and stalking, or by contracting with or hiring domestic or sexual assault advocates to provide such services or to model other services appropriate to the geographic and cultural needs of a site;

(iii) the development of measures and methods for the evaluation of the practice of identification, intervention, and documentation regarding victims of domestic violence, dating violence, sexual assault, and stalking, including the development and testing of quality improvement measurements, in accordance with the multi-stakeholder and quality measurement processes established under paragraphs (7) and (8) of section 1395aaa–1 of this title; and

(iv) the provision of training and follow-up technical assistance to health care professionals, and public health staff, and allied health professionals to identify, assess, treat, and refer clients who are victims of domestic violence, dating violence, sexual assault, or stalking, including using tools and training materials already developed.

(2) Permissible uses

(A) Child and elder abuse

To the extent consistent with the purpose of this section, a grantee may use amounts received under this section to address, as part of a comprehensive programmatic approach implemented under the grant, issues relating to child or elder abuse.

(B) Rural areas

Grants funded under paragraphs (1) and (2) of subsection (a) may be used to offer to rural areas community-based training opportunities, which may include the use of distance learning networks and other available technologies needed to reach isolated rural areas, for medical, nursing, and other health profession students and residents on domestic violence, dating violence, sexual assault, and stalking, including strategies to ensure that health information is maintained in a manner that protects the patient’s privacy and safety, and safely uses health information technology to improve documentation, identification, assessment, treatment, and follow-up care;

(C) Other uses

Grants funded under subsection (a)(3) may be used for—

(i) the development of training modules and policies that address the overlap of child abuse, domestic violence, dating violence, sexual assault, and stalking and elder abuse, as well as childhood exposure to domestic and sexual violence;

(ii) the development, expansion, and implementation of sexual assault forensic medical examination or sexual assault nurse examiner programs;

(iii) the inclusion of the health effects of lifetime exposure to violence and abuse as well as related protective factors and behavioral risk factors in health professional training schools including medical, dental, nursing, social work, and mental and behavioral health curricula, and allied health service training courses; or

(iv) the integration of knowledge of domestic violence, dating violence, sexual assault, and stalking into health care accreditation and professional licensing examinations, such as medical, dental, social work, and nursing boards, and where appropriate, other allied health exams.

(c) Requirements for grantees

(1) Confidentiality and safety

(A) In general

Grantees under this section shall ensure that all programs developed with grant funds address issues of confidentiality and patient safety and comply with applicable confidentiality and nondisclosure requirements under section 12291(b)(2) of title 34 and the Family Violence Prevention and Services Act [42 U.S.C. 10401 et seq.], and that faculty and staff associated with delivering educational components are fully trained in procedures that will protect the immediate and ongoing security and confidentiality of the patients, patient records, and staff. Such grantees shall consult entities with demonstrated expertise in the confidentiality and safety needs of victims of domestic violence, dating violence, sexual assault, and stalking on the development and adequacy of confidentiality and security procedures, and provide documentation of such consultation.

(B) Advance notice of information disclosure

Grantees under this section shall provide to patients advance notice about any circumstances under which information may be disclosed, such as mandatory reporting laws, and shall give patients the option to receive information and referrals without affirmatively disclosing abuse.

(2) Limitation on administrative expenses

A grantee shall use not more than 10 percent of the amounts received under a grant under this section for administrative expenses.

(3) Application

(A) Preference

In selecting grant recipients under this section, the Secretary shall give preference to applicants based on the strength of their evaluation strategies, with priority given to outcome-based evaluations.

(B) Subsection (a)(1) and (2) grantees

Applications for grants under paragraphs (1) and (2) of subsection (a) shall include—
(i) documentation that the applicant represents a team of entities working collaboratively to strengthen the response of the health care system to domestic violence, dating violence, sexual assault, or stalking, and which includes at least one of each of—

(I) an accredited school of allopathic or osteopathic medicine, psychology, nursing, dentistry, social work, or other health field;

(II) a health care facility or system; or

(III) a government or nonprofit entity with a history of effective work in the fields of domestic violence, dating violence, sexual assault, or stalking; and

(ii) strategies for the dissemination and sharing of curricula and other educational materials developed under the grant, if any, with other interested health professions schools and national resource repositories for materials on domestic violence, dating violence, sexual assault, and stalking.

(C) Subsection (a)(3) grantees

An entity desiring a grant under subsection (a)(3) shall submit an application to the Secretary at such time, in such a manner, and containing such information and assurances as the Secretary may require, including—

(i) documentation that all training, education, screening, assessment, services, treatment, and any other approach to patient care will be informed by an understanding of violence and abuse victimization and trauma-specific approaches that will be integrated into prevention, intervention, and treatment activities;

(ii) strategies for the development and implementation of policies to prevent and address domestic violence, dating violence, sexual assault, and stalking over the lifespan in health care settings;

(iii) a plan for consulting with State and tribal domestic violence or sexual assault coalitions, national nonprofit victim advocacy organizations, State or tribal law enforcement task forces (where appropriate), and population specific organizations with demonstrated expertise in domestic violence, dating violence, sexual assault, or stalking;

(iv) with respect to an application for a grant under which the grantee will have contact with patients, a plan, developed in collaboration with local victim service providers, to respond appropriately to and make correct referrals for individuals who disclose that they are victims of domestic violence, dating violence, sexual assault, stalking, or other types of violence, and documentation provided by the grantee of an ongoing collaborative relationship with a local victim service provider; and

(v) with respect to an application for a grant proposing to fund a program described in subsection (b)(2)(C)(ii), a certification that any sexual assault forensic medical examination and sexual assault nurse examiner programs supported with such grant funds will adhere to the guidelines set forth by the Attorney General.

(d) Eligible entities

(1) In general

To be eligible to receive funding under paragraph (1) or (2) of subsection (a), an entity shall be—

(A) a nonprofit organization with a history of effective work in the field of training health professionals with understanding of, and clinical skills pertinent to, domestic violence, dating violence, sexual assault, or stalking, and lifetime exposure to violence and abuse;

(B) an accredited school of allopathic or osteopathic medicine, psychology, nursing, dentistry, social work, or allied health;

(C) a health care provider membership or professional organization, or a health care system; or

(D) a State, tribal, territorial, or local entity.

(2) Subsection (a)(3) grantees

To be eligible to receive funding under subsection (a)(3), an entity shall be—

(A) a State department (or other division) of health, a State, tribal, or territorial domestic violence or sexual assault coalition or victim service provider, or any other nonprofit, nongovernmental organization with a history of effective work in the fields of domestic violence, dating violence, sexual assault, or stalking, and health care, including physical or mental health care; or

(B) a local victim service provider, a local department (or other division) of health, a local health clinic, hospital, or health system, or any other community-based organization with a history of effective work in the field of domestic violence, dating violence, sexual assault, or stalking and health care, including physical or mental health care.

(e) Technical assistance

(1) In general

Of the funds made available to carry out this section for any fiscal year, the Secretary may make grants or enter into contracts to provide technical assistance with respect to the planning, development, and operation of any program, activity or service carried out pursuant to this section. Not more than 8 percent of the funds appropriated under this section in each fiscal year may be used to fund technical assistance under this subsection.

(2) Availability of materials

The Secretary shall make publicly available materials developed by grantees under this section, including materials on training, best practices, and research and evaluation.

(3) Reporting

The Secretary shall publish a biennial report on—

(A) the distribution of funds under this section; and

(B) the programs and activities supported by such funds.
(f) Research and evaluation

(1) In general

Of the funds made available to carry out this section for any fiscal year, the Secretary may use not more than 20 percent to make a grant or enter into a contract for research and evaluation of—

(A) grants awarded under this section; and

(B) other training for health professionals and effective interventions in the health care setting that prevent domestic violence, dating violence, and sexual assault across the lifespan, prevent the health effects of such violence, and improve the safety and health of individuals who are currently being victimized.

(2) Research

Research authorized in paragraph (1) may include—

(A) research on the effects of domestic violence, dating violence, sexual assault, and childhood exposure to domestic, dating or sexual violence on health behaviors, health conditions, and health status of individuals, families, and populations, including underserved populations;

(B) research to determine effective health care interventions to respond to and prevent domestic violence, dating violence, sexual assault, and stalking;

(C) research on the impact of domestic, dating and sexual violence, childhood exposure to such violence, and stalking on the health care system, health care utilization, health care costs, and health status; and

(D) research on the impact of adverse childhood experiences on adult experience with domestic violence, dating violence, sexual assault, stalking, and adult health outcomes, including how to reduce or prevent the impact of adverse childhood experiences through the health care setting.

(g) Authorization of appropriations

There is authorized to be appropriated to carry out this section, $10,000,000 for each of fiscal years 2014 through 2018.

(h) Definitions

Except as otherwise provided herein, the definitions provided for in section 12291 of title 34 shall apply to this section.


REFERENCES IN TEXT


AMENDMENTS

FININDS

Pub. L. 109–162, title V, §501, Jan. 5, 2006, 119 Stat. 3026, provided that: "Congress makes the following findings:

"(1) The health-related costs of intimate partner violence in the United States exceed $5,800,000,000 annually.

"(2) Thirty-seven percent of all women who sought care in hospital emergency rooms for violence-related injuries were injured by a current or former spouse, boyfriend, or girlfriend.

"(3) In addition to injuries sustained during violent episodes, physical and psychological abuse is linked to a number of adverse physical and mental health effects. Women who have been abused are much more likely to suffer from chronic pain, diabetes, depression, unintended pregnancies, substance abuse and sexually transmitted infections, including HIV/AIDS.

"(4) Health plans spend an average of $1,775 more a year on abused women than on general enrollees.

"(5) Each year about 324,000 pregnant women in the United States are battered by the men in their lives. This battering leads to complications of pregnancy, including low weight gain, anemia, infections, and first and second trimester bleeding.

"(6) Pregnant and recently pregnant women are more likely to be victims of homicide than to die of any other pregnancy-related cause, and evidence exists that a significant proportion of all female homicide victims are killed by their intimate partners.

"(7) Children who witness domestic violence are more likely to exhibit behavioral and physical health problems including depression, anxiety, and violence towards peers. They are also more likely to attempt suicide, abuse drugs and alcohol, run away from home, engage in teenage prostitution, and commit sexual assault crimes.

"(8) Recent research suggests that women experiencing domestic violence significantly increase their safety-promoting behaviors over the short- and long-term when health care providers screen for, identify, and provide followup care and information to address the violence.

"(9) Currently, only about 10 percent of primary care physicians routinely screen for intimate partner abuse during new patient visits and 9 percent routinely screen for intimate partner abuse during periodic checkups.

"(10) Recent clinical studies have proven the effectiveness of a 2-minute screening for early detection of abuse of pregnant women. Additional longitudinal studies have tested a 10-minute intervention that was proven highly effective in increasing the safety of pregnant abused women. Comparable research does not yet exist to support the effectiveness of screening men.

"(11) Seventy to 81 percent of the patients studied reported that they would like their healthcare providers to ask them privately about intimate partner violence."

PURPOSE

Pub. L. 109–162, title V, §502, Jan. 5, 2006, 119 Stat. 3024, provided that: "It is the purpose of this title [enacting this section, sections 294h and 13973 of this title, and provisions set out as a note above] to improve the health care system's response to domestic violence, dating violence, sexual assault, and stalking through the training and education of health care providers, developing comprehensive public health responses to violence against women and children, increasing the number of women properly screened, identified, and treated for lifetime exposure to violence, and expanding research on effective interventions in the health care setting."
§ 280g–5. Public and health care provider education and support services

(a) In general

The Secretary, directly or through the awarding of grants to public or private nonprofit entities, may conduct activities, which may include demonstration projects for the purpose of improving the provision of information on prematurity to health professionals and other health care providers and the public and improving the treatment and outcomes of infants born preterm, and infants born preterm, as appropriate.

(b) Activities

Activities to be carried out under subsection (a) may include the establishment of—

(1) programs, including those to test and evaluate strategies, which, in collaboration with States, localities, tribes, and community organizations, support the provision of information and education to health professionals, other health care providers, and the public concerning—

(A) the core risk factors for preterm labor and delivery;

(B) evidence-based strategies to prevent preterm birth and associated outcomes;

(C) medically indicated deliveries before full term, and the risks of non-medically indicated deliveries before full term;

(D) the importance of preconception and prenatal care, including—

(i) smoking cessation;

(ii) weight maintenance and good nutrition, including folic acid intake;

(iii) the screening for and the treatment of infections;

(iv) screening for and treatment of substance use disorders;

(v) screening for and treatment of maternal depression;

(vi) maternal immunization; and

(vii) stress management;

(E) treatments and outcomes for premature infants, including late preterm infants; and

(F) the informational needs of families during the stay of an infant in a neonatal intensive care unit.

(2) programs to increase the availability, awareness, and use of pregnancy and post-term intervention services that provide evidence-based, clinical information through counselors, community outreach efforts, electronic or telephonic communication, or other appropriate means regarding causes associated with prematurity, birth defects, or health risks to a post-term infant, as well as prevention of a future preterm birth;

(3) programs to respond to the informational needs of families during the stay of an infant in a neonatal intensive care unit, during the transition of the infant to the home, and in the event of a newborn death; and

(4) such other programs as the Secretary determines appropriate to achieve the purpose specified in subsection (a).

(c) Authorization of appropriations

There is authorized to be appropriated to carry out this section $1,900,000 for each of fiscal years 2014 through 2018.


AMENDMENTS

2018—Subsec. (a). Pub. L. 115–328, § 3(1), substituted “conduct activities, which may include demonstration projects” for “conduct demonstration projects” and “mothers of infants born preterm, and infants born preterm, as appropriate” for “for babies born preterm”.

Subsec. (b). Pub. L. 115–328, § 3(2), struck out “under the demonstration project” after “to be carried out” in introductory provisions.

Subsec. (b)(1). Pub. L. 115–328, § 3(2)(B)(i), substituted “programs, including those to test and evaluate strategies, which, in collaboration with States, localities, tribes, and community organizations, support the provision of” for “programs to test and evaluate various strategies to provide” in introductory provisions.


Subsec. (b)(1)(C). Pub. L. 115–328, § 3(2)(B)(ii)(B), redesignated subpar. (B) as (C) and inserted “,” and the risks of non-medically indicated deliveries before full term” before semicolon at end. Former subpar. (C) redesignated (D).


Subsec. (b)(1)(G). Pub. L. 115–328, § 3(2)(B)(ii)(F), redesignated subpars. (D) to (F) as (E) to (G), respectively, and struck out subpar. (G), as redesignated, which read as follows: “utilization of evidence-based strategies to prevent birth injuries.”

Subsec. (b)(2). Pub. L. 115–328, § 3(2)(C), inserted “,” as well as prevention of a future preterm birth” before semicolon at end.

2013—Subsec. (b)(1). Pub. L. 113–55, § 103(b)(1)(A), added subpars. (A) to (F) and struck out former subpars. (A) to (F) which read as follows:

“(A) the signs of preterm labor, updated as new research results become available;

“(B) the screening for and the treatment of infections;

“(c) counseling on optimal weight and good nutrition, including folic acid;

“(D) smoking cessation education and counseling;

“(E) stress management; and

“(F) appropriate prenatal care.”

Subsec. (b)(2). Pub. L. 113–55, § 103(b)(1)(B), added par. (2) and struck out former par. (2) which read as follows: “programs to improve the treatment and outcomes for babies born premature, including the use of evidence-based standards of care by health care professionals for pregnant women at risk of preterm labor or other serious complications and for infants born preterm and at a low birthweight.”

Subsec. (c). Pub. L. 113–55, § 103(b)(2), substituted “$1,900,000 for each of fiscal years 2014 through 2018.” for “$5,000,000 for each of fiscal years 2007 through 2011.”

§ 280g–6. Chronic kidney disease initiatives

(a) In general

The Secretary shall establish pilot projects to—
(1) increase public and medical community awareness (particularly of those who treat patients with diabetes and hypertension) regarding chronic kidney disease, focusing on prevention;
(2) increase screening for chronic kidney disease, focusing on Medicare beneficiaries at risk of chronic kidney disease; and
(3) enhance surveillance systems to better assess the prevalence and incidence of chronic kidney disease.

(b) Scope and duration

(1) Scope

The Secretary shall select at least 3 States in which to conduct pilot projects under this section.

(2) Duration

The pilot projects under this section shall be conducted for a period that is not longer than 5 years and shall begin on January 1, 2009.

(c) Evaluation and report

The Comptroller General of the United States shall conduct an evaluation of the pilot projects conducted under this section. Not later than 12 months after the date on which the pilot projects are completed, the Comptroller General shall submit to Congress a report on the evaluation.

(d) Authorization of appropriations

There are authorized to be appropriated such sums as may be necessary for the purpose of carrying out this section.

(1) Scope

The Secretary shall select at least 3 States.

(2) Duration

The Secretary shall select a payment model to test innovative ways to incentivize organ recovery and transplantation.

(3) Evaluation and report

The Secretary shall submit to Congress a report on the evaluation.

(4) Authorization of appropriations

There are authorized to be appropriated such sums as may be necessary for the purpose of carrying out this section.

(1) Scope

The Secretary shall select at least 3 States.

(2) Duration

The Secretary shall select a payment model to test innovative ways to incentivize organ recovery and transplantation.

(3) Evaluation and report

The Secretary shall submit to Congress a report on the evaluation.

(4) Authorization of appropriations

There are authorized to be appropriated such sums as may be necessary for the purpose of carrying out this section.

(1) Scope

The Secretary shall select at least 3 States.

(2) Duration

The Secretary shall select a payment model to test innovative ways to incentivize organ recovery and transplantation.

(3) Evaluation and report

The Secretary shall submit to Congress a report on the evaluation.

(4) Authorization of appropriations

There are authorized to be appropriated such sums as may be necessary for the purpose of carrying out this section.

(1) Scope

The Secretary shall select at least 3 States.

(2) Duration

The Secretary shall select a payment model to test innovative ways to incentivize organ recovery and transplantation.

(3) Evaluation and report

The Secretary shall submit to Congress a report on the evaluation.

(4) Authorization of appropriations

There are authorized to be appropriated such sums as may be necessary for the purpose of carrying out this section.

(1) Scope

The Secretary shall select at least 3 States.

(2) Duration

The Secretary shall select a payment model to test innovative ways to incentivize organ recovery and transplantation.

(3) Evaluation and report

The Secretary shall submit to Congress a report on the evaluation.

(4) Authorization of appropriations

There are authorized to be appropriated such sums as may be necessary for the purpose of carrying out this section.

(1) Scope

The Secretary shall select at least 3 States.

(2) Duration

The Secretary shall select a payment model to test innovative ways to incentivize organ recovery and transplantation.

(3) Evaluation and report

The Secretary shall submit to Congress a report on the evaluation.

(4) Authorization of appropriations

There are authorized to be appropriated such sums as may be necessary for the purpose of carrying out this section.

(1) Scope

The Secretary shall select at least 3 States.

(2) Duration

The Secretary shall select a payment model to test innovative ways to incentivize organ recovery and transplantation.

(3) Evaluation and report

The Secretary shall submit to Congress a report on the evaluation.

(4) Authorization of appropriations

There are authorized to be appropriated such sums as may be necessary for the purpose of carrying out this section.

(1) Scope

The Secretary shall select at least 3 States.

(2) Duration

The Secretary shall select a payment model to test innovative ways to incentivize organ recovery and transplantation.

(3) Evaluation and report

The Secretary shall submit to Congress a report on the evaluation.

(4) Authorization of appropriations

There are authorized to be appropriated such sums as may be necessary for the purpose of carrying out this section.

(1) Scope

The Secretary shall select at least 3 States.

(2) Duration

The Secretary shall select a payment model to test innovative ways to incentivize organ recovery and transplantation.

(3) Evaluation and report

The Secretary shall submit to Congress a report on the evaluation.

(4) Authorization of appropriations

There are authorized to be appropriated such sums as may be necessary for the purpose of carrying out this section.

(1) Scope

The Secretary shall select at least 3 States.

(2) Duration

The Secretary shall select a payment model to test innovative ways to incentivize organ recovery and transplantation.

(3) Evaluation and report

The Secretary shall submit to Congress a report on the evaluation.

(4) Authorization of appropriations

There are authorized to be appropriated such sums as may be necessary for the purpose of carrying out this section.

(1) Scope

The Secretary shall select at least 3 States.

(2) Duration

The Secretary shall select a payment model to test innovative ways to incentivize organ recovery and transplantation.

(3) Evaluation and report

The Secretary shall submit to Congress a report on the evaluation.

(4) Authorization of appropriations

There are authorized to be appropriated such sums as may be necessary for the purpose of carrying out this section.

(1) Scope

The Secretary shall select at least 3 States.

(2) Duration

The Secretary shall select a payment model to test innovative ways to incentivize organ recovery and transplantation.

(3) Evaluation and report

The Secretary shall submit to Congress a report on the evaluation.

(4) Authorization of appropriations

There are authorized to be appropriated such sums as may be necessary for the purpose of carrying out this section.
(b) Within 180 days of the date of this order, the Secretary shall streamline and expedite the process of kidney matching and delivery to reduce the discard rate. Removing process inefficiencies in matching and delivery that result in delayed acceptance by transplant centers will reduce the detrimental effects on organ quality of prolonged time with reduced or cut-off blood supply.

Sec. 8. Supporting Living Organ Donors. Within 90 days of the date of this order, the Secretary shall propose a regulation to remove financial barriers to living organ donation. The regulation should expand the definition of allowable costs that can be reimbursed under the Reimbursement of Travel and Subsistence Expenses Incurred Toward Living Organ Donation program, raise the limit on the income of donors eligible for reimbursement under the program, allow reimbursement for lost-wage expenses, and provide for reimbursement of child-care and elder-care expenses.

Sec. 9. General Provisions. (a) Nothing in this order shall be construed to impair or otherwise affect:
(i) the authority granted by law to an executive department or agency, or the head thereof; or
(ii) the functions of the Director of the Office of Management and Budget relating to budgetary, administrative, or legislative proposals.

(b) This order shall be implemented consistent with applicable law and subject to the availability of appropriations.

(c) This order is not intended to, and does not, create any right or benefit, substantive or procedural, enforceable at law or in equity by any party against the United States, its departments, agencies, or entities, its officers, employees, or agents, or any other person.

DONALD J. TRUMP.

§ 280g–7. Amyotrophic lateral sclerosis registry

(a) Establishment

(1) In general

Not later than 1 year after the receipt of the report described in subsection (b)(2)(A), the Secretary, acting through the Director of the Centers for Disease Control and Prevention, may, if scientifically advisable—

(A) develop a system to collect data on amyotrophic lateral sclerosis (referred to in this section as “ALS”) and other motor neuron disorders that can be confused with ALS, misdiagnosed as ALS, and in some cases progress to ALS, including information with respect to the incidence and prevalence of the disease in the United States; and

(B) establish a national registry for the collection and storage of such data to develop a population-based registry of cases in the United States of ALS and other motor neuron disorders that can be confused with ALS, misdiagnosed as ALS, and in some cases progress to ALS.

(2) Purpose

It is the purpose of the registry established under paragraph (1)(B) to—

(A) better describe the incidence and prevalence of ALS in the United States;

(B) examine appropriate factors, such as environmental and occupational, that may be associated with the disease;

(C) better outline key demographic factors (such as age, race or ethnicity, gender, and family history of individuals who are diagnosed with the disease) associated with the disease;

(D) better examine the connection between ALS and other motor neuron disorders that can be confused with ALS, misdiagnosed as ALS, and in some cases progress to ALS; and

(E) other matters as recommended by the Advisory Committee established under subsection (b).

(b) Advisory Committee

(1) Establishment

Not later than 180 days after October 8, 2008, the Secretary, acting through the Director of the Centers for Disease Control and Prevention, may establish a committee to be known as the Advisory Committee on the National ALS Registry (referred to in this section as the “Advisory Committee”). The Advisory Committee shall be composed of not more than 27 members to be appointed by the Secretary, acting through the Centers for Disease Control and Prevention, of which—

(A) two-thirds of such members shall represent governmental agencies—

(i) including at least one member representing—

(I) the National Institutes of Health, to include, upon the recommendation of the Director of the National Institutes of Health, representatives from the National Institute of Neurological Disorders and Stroke and the National Institute of Environmental Health Sciences;

(II) the Department of Veterans Affairs;

(III) the Agency for Toxic Substances and Disease Registry; and

(IV) the Centers for Disease Control and Prevention; and

(ii) of which at least one such member shall be a clinician with expertise on ALS and related diseases, an epidemiologist with experience in data registries, a statistician, an ethicist, and a privacy expert (relating to the privacy regulations under the Health Insurance Portability and Accountability Act of 1996); and

(B) one-third of such members shall be public members, including at least one member representing—

(i) national and voluntary health associations;1

(ii) patients with ALS or their family members;

(iii) clinicians with expertise on ALS and related diseases;

(iv) epidemiologists with experience in data registries;

(v) geneticists or experts in genetics who have experience with the genetics of ALS or other neurological diseases2 and

(vi) other individuals with an interest in developing and maintaining the National ALS Registry.

(2) Duties

The Advisory Committee may review information and make recommendations to the Secretary concerning—

1So in original. Probably should be "national voluntary health associations".

2So in original. Probably should be followed by a semicolon.
(A) the development and maintenance of the National ALS Registry;
(B) the type of information to be collected and stored in the Registry;
(C) the manner in which such data is to be collected;
(D) the use and availability of such data including guidelines for such use; and
(E) the collection of information about diseases and disorders that primarily affect motor neurons that are considered essential to furthering the study and cure of ALS.

(3) Report

Not later than 270 days after the date on which the Advisory Committee is established, the Advisory Committee may submit a report to the Secretary concerning the review conducted under paragraph (2) that contains the recommendations of the Advisory Committee with respect to the results of such review.

(c) Grants

The Secretary, acting through the Director of the Centers for Disease Control and Prevention, may award grants to, and enter into contracts with, the Centers for Disease Control and Prevention, and cooperative agreements with, public or private nonprofit entities for the collection, analysis, and reporting of data on ALS and other motor neuron disorders that can be confused with ALS, misdiagnosed as ALS, and in some cases progress to ALS after receiving the report under subsection (b)(3).

(d) Coordination with State, local, and Federal registries

(1) In general

In establishing the National ALS Registry under subsection (a), the Secretary, acting through the Director of the Centers for Disease Control and Prevention, may—
(A) identify, build upon, expand, and coordinate among existing data and surveillance systems, surveys, registries, and other Federal public health and environmental infrastructure wherever possible, which may include—
(i) any registry pilot projects previously supported by the Centers for Disease Control and Prevention;
(ii) the Department of Veterans Affairs ALS Registry;
(iii) the DNA and Cell Line Repository of the National Institute of Neurological Disorders and Stroke Human Genetics Resource Center at the National Institutes of Health;
(iv) Agency for Toxic Substances and Disease Registry studies, including studies conducted in Illinois, Missouri, El Paso and San Antonio, Texas, and Massachusetts;
(v) State-based ALS registries;
(vi) the National Vital Statistics System; and
(vii) any other existing or relevant databases that collect or maintain information on those motor neuron diseases recommended by the Advisory Committee established in subsection (b); and
(B) provide for research access to ALS data as recommended by the Advisory Committee established in subsection (b) to the extent permitted by applicable statutes and regulations in a manner that protects personal privacy consistent with applicable privacy statutes and regulations.

(C) Coordination with NIH and Department of Veterans Affairs—Consistent with applicable privacy statutes and regulations, the Secretary may ensure that epidemiological and other types of information obtained under subsection (a) is made available to the National Institutes of Health and the Department of Veterans Affairs.

(e) Definition

For the purposes of this section, the term “national voluntary health association” means a national non-profit organization with chapters or other affiliated organizations in States throughout the United States with experience serving the population of individuals with ALS and have demonstrated experience in ALS research, care, and patient services.

(3) Report

The Secretary, acting through the Director of the Centers for Disease Control and Prevention and in coordination with other agencies as the Secretary determines, shall, as appropriate—
(1) enhance and expand infrastructure and activities to track the epidemiology of neurological diseases; and
(2) incorporate information obtained through such activities into an integrated surveillance system, which may consist of or include a registry, to be known as the National Neurological Conditions Surveillance System.

(b) Research

The Secretary shall ensure that the National Neurological Conditions Surveillance System is designed in a manner that facilitates further research on neurological diseases.

(c) Content

In carrying out subsection (a), the Secretary—
(1) shall provide for the collection and storage of information on the incidence and prevalence of neurological diseases in the United States; and
(2) to the extent practicable, shall provide for the collection and storage of other available information on neurological diseases, including information related to persons living with neurological diseases who choose to participate, such as—

—So in original. No par. (2) has been enacted.
§ 280g–8  TITLE 42—THE PUBLIC HEALTH AND WELFARE  Page 510

(A) demographics, such as age, race, ethnicity, sex, geographic location, family history, and other information, as appropriate;
(B) risk factors that may be associated with neurological diseases, such as genetic and environmental risk factors and other information, as appropriate; and
(C) diagnosis and progression markers;
(3) may provide for the collection and storage of information relevant to analysis on neurological diseases, such as information concerning—
(A) the natural history of the diseases;
(B) the prevention of the diseases;
(C) the detection, management, and treatment approaches for the diseases; and
(D) the development of outcomes measures;
(4) may address issues identified during the consultation process under subsection (d); and
(5) initially may address a limited number of neurological diseases.

(d) Consultation
In carrying out this section, the Secretary shall consult with individuals with appropriate expertise, which may include—
(1) epidemiologists with experience in disease surveillance or registries;
(2) representatives of national voluntary health associations that—
(A) focus on neurological diseases; and
(B) have demonstrated experience in research, care, or patient services;
(3) health information technology experts or other information management specialists;
(4) clinicians with expertise in neurological diseases; and
(5) research scientists with experience conducting translational research or utilizing surveillance systems for scientific research purposes.

(e) Grants
The Secretary may award grants to, or enter into contracts or cooperative agreements with, public or private nonprofit entities to carry out activities under this section.

(f) Coordination with other Federal, State, and local agencies
Subject to subsection (h), the Secretary shall—
(1) make information and analysis in the National Neurological Conditions Surveillance System available, as appropriate—
(A) to Federal departments and agencies, such as the National Institutes of Health and the Department of Veterans Affairs; and
(B) to State and local agencies; and
(2) identify, build upon, leverage, and coordinate among existing data and surveillance systems, surveys, registries, and other Federal public health infrastructure, wherever practicable.

(g) Public access
Subject to subsection (h), the Secretary shall ensure that information and analysis in the National Neurological Conditions Surveillance System are available, as appropriate, to the public, including researchers.

(h) Privacy
The Secretary shall ensure that information and analysis in the National Neurological Conditions Surveillance System are made available only to the extent permitted by applicable Federal and State law, and in a manner that protects personal privacy, to the extent required by applicable Federal and State privacy law, at a minimum.

(i) Reports
(1) Report on information and analyses
Not later than 1 year after the date on which any system is established under this section, the Secretary shall submit an interim report to the Committee on Health, Education, Labor, and Pensions of the Senate and the Committee on Energy and Commerce of the House of Representatives regarding aggregate information collected pursuant to this section and epidemiological analyses, as appropriate. Such report shall be posted on the Internet website of the Department of Health and Human Services and shall be updated biennially.

(2) Implementation report
Not later than 4 years after December 13, 2016, the Secretary shall submit a report to the Congress concerning the implementation of this section. Such report shall include information on—
(A) the development and maintenance of the National Neurological Conditions Surveillance System;
(B) the type of information collected and stored in the surveillance system;
(C) the use and availability of such information, including guidelines for such use; and
(D) the use and coordination of databases that collect or maintain information on neurological diseases.

(j) Definition
In this section, the term “national voluntary health association” means a national nonprofit organization with chapters, other affiliated organizations, or networks in States throughout the United States with experience serving the population of individuals with neurological disease and have demonstrated experience in neurological disease research, care, and patient services.

(k) Authorization of appropriations
To carry out this section, there is authorized to be appropriated $5,000,000 for each of fiscal years 2018 through 2022.


§ 280g–8. Support for patients receiving a positive diagnosis of Down syndrome or other prenatally or postnatally diagnosed conditions

(a) Definitions
In this section:
(1) Down syndrome
The term “Down syndrome” refers to a chromosomal disorder caused by an error in cell di-
vision that results in the presence of an extra whole or partial copy of chromosome 21.

2. Health care provider

The term “health care provider” means any person or entity required by State or Federal law or regulation to be licensed, registered, or certified to provide health care services, and who is so licensed, registered, or certified.

3. Postnatally diagnosed condition

The term “postnatally diagnosed condition” means any health condition identified during the 12-month period beginning at birth.

4. Prenatally diagnosed condition

The term “prenatally diagnosed condition” means any fetal health condition identified by prenatal genetic testing or prenatal screening procedures.

5. Prenatal test

The term “prenatal test” means diagnostic or screening tests offered to pregnant women seeking routine prenatal care that are administered on a required or recommended basis by a health care provider based on medical history, family background, ethnic background, previous test results, or other risk factors.

(b) Information and support services

1. In general

The Secretary, acting through the Director of the National Institutes of Health, the Director of the Centers for Disease Control and Prevention, or the Administrator of the Health Resources and Services Administration, may authorize and oversee certain activities, including the awarding of grants, contracts or cooperative agreements to eligible entities, to—

(A) collect, synthesize, and disseminate current evidence-based information relating to Down syndrome or other prenatally or postnatally diagnosed conditions; and

(B) coordinate the provision of, and access to, new or existing supportive services for patients receiving a positive diagnosis for Down syndrome or other prenatally or postnatally diagnosed conditions, including—

(i) the establishment of a resource telephone hotline accessible to patients receiving a positive test result or to the parents of newly diagnosed infants with Down syndrome and other diagnosed conditions;

(ii) the expansion and further development of the National Dissemination Center for Children with Disabilities, so that such Center can more effectively conduct outreach to new and expecting parents and provide them with up-to-date information on the range of outcomes for individuals living with the diagnosed condition, including physical, developmental, educational, and psychosocial outcomes;

(iii) the expansion and further development of national and local peer-support programs, so that such programs can more effectively serve women who receive a positive diagnosis for Down syndrome or other prenatal conditions or parents of infants with a postnatally diagnosed condition;

(iv) the establishment of a national registry, or network of local registries, of families willing to adopt newborns with Down syndrome or other prenatally or postnatally diagnosed conditions, and links to adoption agencies willing to place babies with Down syndrome or other prenatally or postnatally diagnosed conditions, with families willing to adopt; and

(v) the establishment of awareness and education programs for health care providers who provide, interpret, or inform parents of the results of prenatal tests for Down syndrome or other prenatally or postnatally diagnosed conditions, to patients, consistent with the purpose described in section 2(b)(1) of the Prenatally and Postnatally Diagnosed Conditions Awareness Act.

2. Eligible entity

In this subsection, the term “eligible entity” means—

(A) a State or a political subdivision of a State;

(B) a consortium of 2 or more States or political subdivisions of States;

(C) a territory;

(D) a health facility or program operated by or pursuant to a contract with or grant from the Indian Health Service; or

(E) any other entity with appropriate expertise in prenatally and postnatally diagnosed conditions (including nationally recognized disability groups), as determined by the Secretary.

3. Distribution

In distributing funds under this subsection, the Secretary shall place an emphasis on funding partnerships between health care professional groups and disability advocacy organizations.

c. Provision of information to providers

1. In general

A grantee under this section shall make available to health care providers of parents who receive a prenatal or postnatal diagnosis the following:

(A) Up-to-date, evidence-based, written information concerning the range of outcomes for individuals living with the diagnosed condition, including physical, developmental, educational, and psychosocial outcomes.

(B) Contact information regarding support services, including information hotlines specific to Down syndrome or other prenatally or postnatally diagnosed conditions, resource centers or clearinghouses, national and local peer support groups, and other educational and support programs as described in subsection (b)(2).

2. Informational requirements

Information provided under this subsection shall be—

1 See References in Text note below.
(A) culturally and linguistically appropriate as needed by women receiving a positive prenatal diagnosis or the family of infants receiving a postnatal diagnosis; and
(B) approved by the Secretary.

(d) Report
Not later than 2 years after October 8, 2008, the Government Accountability Office shall submit a report to Congress concerning the effectiveness of current healthcare and family support programs serving as resources for the families of children with disabilities.


REFERENCES IN TEXT
Section 2(b)(1) of the Prenatally and Postnatally Diagnosed Conditions Awareness Act, referred to in subsec. (b)(1)(B)(v), probably means section 2(1) of that Act, Pub. L. 110–374, which is set out as a note under this section.

PURPOSES
Pub. L. 110–374, §2, Oct. 8, 2008, 122 Stat. 4051, provided that: “It is the purpose of this Act (enacting this section and provisions set out as a note under section 201 of this title) to—

‘‘(1) increase patient referrals to providers of key support services for women who have received a positive diagnosis for Down syndrome, or other prenatally or postnatally diagnosed conditions, as well as to provide up-to-date information on the range of outcomes for individuals living with the diagnosed condition, including physical, developmental, educational, and psychosocial outcomes;

‘‘(2) strengthen existing networks of support through the Centers for Disease Control and Prevention, the Health Resources and Services Administration, and other patient and provider outreach programs; and

‘‘(3) ensure that patients receive up-to-date, evidence-based information about the accuracy of the test.’’

§ 280g-9. Programs to improve quality of life for persons with paralysis and other physical disabilities

(a) In general
The Secretary of Health and Human Services (in this section referred to as the ‘‘Secretary’’) may study the unique health challenges associated with paralysis and other physical disabilities and carry out projects and interventions to improve the quality of life and long-term health status of persons with paralysis and other physical disabilities. The Secretary may carry out such projects directly and through awards of grants or contracts.

(b) Certain activities
Activities under subsection (a) may include—

(1) the development of a national paralysis and physical disability quality of life action plan, to promote health and wellness in order to enhance full participation, independent living, self-sufficiency, and equality of opportunity in partnership with voluntary health agencies focused on paralysis and other physical disabilities, to be carried out in coordination with the State-based Disability and Health Program of the Centers for Disease Control and Prevention;

(2) support for programs to disseminate information involving care and rehabilitation options and quality of life grant programs supportive of community-based programs and support systems for persons with paralysis and other physical disabilities;

(3) in collaboration with other centers and national voluntary health agencies, the establishment of a population-based database that may be used for longitudinal and other research on paralysis and other disabling conditions; and

(4) the replication and translation of best practices and the sharing of information across States, as well as the development of comprehensive, unique, and innovative programs, services, and demonstrations within existing State-based disability and health programs of the Centers for Disease Control and Prevention which are designed to support and advance quality of life programs for persons living with paralysis and other physical disabilities focusing on—

(A) caregiver education;

(B) promoting proper nutrition, increasing physical activity, and reducing tobacco use;

(C) education and awareness programs for health care providers;

(D) prevention of secondary complications;

(E) home- and community-based interventions;

(F) coordinating services and removing barriers that prevent full participation and integration into the community; and

(G) recognizing the unique needs of underserved populations.

(c) Grants
The Secretary may award grants in accordance with the following:

(1) To State and local health and disability agencies for the purpose of—

(A) establishing a population-based database that may be used for longitudinal and other research on paralysis and other disabling conditions;

(B) developing comprehensive paralysis and other physical disability action plans and activities focused on the items listed in subsection (b)(4);

(C) assisting State-based programs in establishing and implementing partnerships and collaborations that maximize the input and support of people with paralysis and other physical disabilities and their constituent organizations;

(D) coordinating paralysis and physical disability activities with existing State-based disability and health programs;

(E) providing education and training opportunities and programs for health professionals and allied caregivers; and

(F) developing, testing, evaluating, and replicating effective intervention programs to maintain or improve health and quality of life.

(2) To private health and disability organizations for the purpose of—
(A) disseminating information to the public;
(B) improving access to services for persons with disabilities and their caregivers;
(C) testing model intervention programs to improve health and quality of life; and
(D) coordinating existing services with State-based disability and health programs.

(d) Coordination of activities
The Secretary shall ensure that activities under this section are coordinated as appropriate by the agencies of the Department of Health and Human Services.

(e) Authorization of appropriations
For the purpose of carrying out this subsection, there is authorized to be appropriated $25,000,000 for each of fiscal years 2008 through 2011.


CODIFICATION
Section was enacted as part of the Christopher and Dana Reeve Paralysis Act, and also as part of the Omnibus Public Land Management Act of 2009, and not as part of the Public Health Service Act which comprises this chapter.

§ 280g–10. Community Preventive Services Task Force
(a) Establishment and purpose
The Director of the Centers for Disease Control and Prevention shall convene an independent Community Preventive Services Task Force (referred to in this subsection as the “Task Force”) to be composed of individuals with appropriate expertise. Such Task Force shall review the scientific evidence related to the effectiveness, appropriateness, and cost-effectiveness of community preventive interventions for the purpose of developing recommendations, to be published in the Guide to Community Preventive Services (referred to in this section as the “Guide”), for individuals and organizations delivering population-based services, including primary care professionals, health care systems, professional societies, employers, community organizations, non-profit organizations, schools, governmental public health agencies, Indian tribes, tribal organizations and urban Indian organizations, medical groups, Congress and other policy-makers. Community preventive services include any policies, programs, processes or activities designed to affect or otherwise affecting health at the population level.

(b) Duties
The duties of the Task Force shall include—

(1) the development of additional topic areas for new recommendations and interventions related to those topic areas, including those related to specific populations and age groups, as well as the social, economic and physical environments that can have broad effects on the health and disease of populations and health disparities among sub-populations and age groups;
(2) at least once during every 5-year period, review interventions and update recommendations related to existing topic areas, including new or improved techniques to assess the health effects of interventions, including health impact assessment and population health modeling;
(3) improved integration with Federal Government health objectives and related target setting for health improvement;
(4) the enhanced dissemination of recommendations;
(5) the provision of technical assistance to those health care professionals, agencies, and organizations that request help in implementing the Guide recommendations; and
(6) providing yearly reports to Congress and related agencies identifying gaps in research and recommending priority areas that deserve further examination, including areas related to populations and age groups not adequately addressed by current recommendations.

(c) Role of agency
The Director shall provide ongoing administrative, research, and technical support for the operations of the Task Force, including coordinating and supporting the dissemination of the recommendations of the Task Force, ensuring adequate staff resources, and assistance to those organizations requesting it for implementation of Guide recommendations.

(d) Coordination with Preventive Services Task Force
The Task Force shall take appropriate steps to coordinate its work with the U.S. Preventive Services Task Force and the Advisory Committee on Immunization Practices, including the examination of how each task force’s recommendations interact at the nexus of clinic and community.

(e) Operation
In carrying out the duties under subsection (b), the Task Force shall not be subject to the provisions of Appendix 2 of title 5.

(f) Authorization of appropriations
There are authorized to be appropriated such sums as may be necessary for each fiscal year to carry out the activities of the Task Force.

(1) in section 300c–7(a) of title 42, and
(2) in section 300x–27(a) of title 42, so as to take effect as if inserted at the end of those sections.


REFERENCES IN TEXT
Appendix 2 of title 5, referred to in subsec. (e), probably means the Federal Advisory Committee Act, Pub. L. 92–463, Oct. 6, 1972, 86 Stat. 775, which is set out in the Appendix to Title 5, Government Organization and Employees.

§ 280g–11. Grants to promote positive health behaviors and outcomes
(a) Grants authorized
The Director of the Centers for Disease Control and Prevention, in collaboration with the Secretary, shall award grants to eligible entities to promote positive health behaviors and outcomes for populations in medically underserved communities through the use of community health workers.

(b) Use of funds
Grants awarded under subsection (a) shall be used to support community health workers—
§ 280g–11 —— TITLE 42—THE PUBLIC HEALTH AND WELFARE

(1) to educate, guide, and provide outreach in a community setting regarding health problems prevalent in medically underserved communities, particularly racial and ethnic minority populations;

(2) to educate and provide guidance regarding effective strategies to promote positive health behaviors and discourage risky health behaviors;

(3) to educate and provide outreach regarding enrollment in health insurance including the Children’s Health Insurance Program under title XXI of the Social Security Act [42 U.S.C. 1397aa et seq.], Medicare under title XVIII of such Act [42 U.S.C. 1395 et seq.] and Medicaid under title XIX of such Act [42 U.S.C. 1396 et seq.];

(4) to identify and refer underserved populations to appropriate healthcare agencies and community-based programs and organizations in order to increase access to quality healthcare services and to eliminate duplicative care; or

(5) to educate, guide, and provide home visitation services regarding maternal health and prenatal care.

(c) Application
Each eligible entity that desires to receive a grant under subsection (a) shall submit an application to the Secretary, at such time, in such manner, and accompanied by such information as the Secretary may require.

(d) Priority
In awarding grants under subsection (a), the Secretary shall give priority to applicants that:

(1) propose to target geographic areas—

(A) with a high percentage of residents who are eligible for health insurance but are uninsured or underinsured;

(B) with a high percentage of residents who suffer from chronic diseases; or

(C) with a high infant mortality rate;

(2) have experience in providing health or health-related social services to individuals who are underserved with respect to such services and

(3) have documented community activity and experience with community health workers.

(e) Collaboration with academic institutions and the one-stop delivery system
The Secretary shall encourage community health worker programs receiving funds under this section to collaborate with academic institutions and one-stop delivery systems under section 3151(e) of title 29. Nothing in this section shall be construed to require such collaboration.

(f) Evidence-based interventions
The Secretary shall encourage community health worker programs receiving funding under this section to implement a process or an outcome-based payment system that rewards community health workers for connecting underserved populations with the most appropriate services at the most appropriate time. Nothing in this section shall be construed to require such a payment.

(g) Quality assurance and cost effectiveness
The Secretary shall establish guidelines for assuring the quality of the training and supervision of community health workers under the programs funded under this section and for assuring the cost-effectiveness of such programs.

(h) Monitoring
The Secretary shall monitor community health worker programs identified in approved applications under this section and shall determine whether such programs are in compliance with the guidelines established under subsection (g).

(i) Technical assistance
The Secretary may provide technical assistance to community health worker programs identified in approved applications under this section with respect to planning, developing, and operating programs under the grant.

(j) Authorization of appropriations
There are authorized to be appropriated, such sums as may be necessary to carry out this section for each of fiscal years 2010 through 2014.

(k) Definitions
In this section:

(1) Community health worker
The term “community health worker” means an individual who promotes health or nutrition within the community in which the individual resides—

(A) by serving as a liaison between communities and healthcare agencies;

(B) by providing guidance and social assistance to community residents;

(C) by enhancing community residents’ ability to effectively communicate with healthcare providers;

(D) by providing culturally and linguistically appropriate health or nutrition education;

(E) by advocating for individual and community health;

(F) by providing referral and follow-up services or otherwise coordinating care; and

(G) by proactively identifying and enrolling eligible individuals in Federal, State, local, private or nonprofit health and human services programs.

(2) Community setting
The term “community setting” means a home or a community organization located in the neighborhood in which a participant in the program under this section resides.

(3) Eligible entity
The term “eligible entity” means a public or nonprofit private entity (including a State or public subdivision of a State, a public health department, a free health clinic, a hospital, or a Federally-qualified health center (as defined in section 1861(aa) of the Social Security Act [42 U.S.C. 1395x(aa)]), or a consortium of any such entities.

(4) Medically underserved community
The term “medically underserved community” means a community identified by a State—
(A) that has a substantial number of individuals who are members of a medically underserved population, as defined by section 254b(b)(3) of this title; and

(B) a significant portion of which is a health professional shortage area as designated under section 254e of this title.


REFERENCES IN TEXT

The Social Security Act, referred to in subsec. (b)(3), is act Aug. 14, 1935, ch. 531, 49 Stat. 620. Titles XVIII, XIX, and XXI of the Act are classified generally to subchapters XVIII (§ 1395 et seq.), XIX (§ 1396 et seq.), and XXI (§ 1397aa et seq.), respectively, of chapter 7 of this title. For complete classification of this Act to the Code, see section 1305 of this title and Tables.

AMENDMENTS

2014—Subsec. (e). Pub. L. 113-128 substituted “one-stop delivery systems under section 3151(e) of title 29” for “one-stop delivery systems under section 2864(c) of title 29”.

2010—Subsec. (b)(4). Pub. L. 111-148, § 10501(c)(1), substituted “identify and refer” for “identify, educate, refer, and enroll”.


§ 280g-12. Primary Care Extension Program

(a) Establishment, purpose and definition

(1) In general

The Secretary, acting through the Director of the Agency for Healthcare Research and Quality, shall establish a Primary Care Extension Program.

(2) Purpose

The Primary Care Extension Program shall provide support and assistance to primary care providers to educate providers about preventive medicine, health promotion, chronic disease management, mental and behavioral health services (including substance abuse prevention and treatment services), and evidence-based and evidence-informed therapies and techniques, in order to enable providers to incorporate such matters into their practice and to improve community health by working with community-based health connectors (referred to in this section as “Health Extension Agents”).

(3) Definitions

In this section:

(A) Health Extension Agent

The term “Health Extension Agent” means any local, community-based health worker who facilitates and provides assistance to primary care practices by implementing quality improvement or system redesign, incorporating the principles of the patient-centered medical home to provide high-quality, effective, efficient, and safe primary care and to provide guidance to patients in culturally and linguistically appropriate ways, and linking practices to diverse health system resources.

(B) Primary care provider

The term “primary care provider” means a clinician who provides integrated, accessible health care services and who is accountable for addressing a large majority of personal health care needs, including providing preventive and health promotion services for men, women, and children of all ages, developing a sustained partnership with patients, and practicing in the context of family and community, as recognized by a State licensing or regulatory authority, unless otherwise specified in this section.

(b) Grants to establish State Hubs and local Primary Care Extension Agencies

(1) Grants

The Secretary shall award competitive grants to States for the establishment of State- or multistate-level primary care Primary Care Extension Program State Hubs (referred to in this section as “Hubs”).

(2) Composition of Hubs

A Hub established by a State pursuant to paragraph (1)—

(A) shall consist of, at a minimum, the State health department, the entity responsible for administering the State Medicaid program (if other than the State health department), the State-level entity administering the Medicare program, and the departments that train providers in primary care in 1 or more health professions schools in the State; and

(B) may include entities such as hospital associations, primary care practice-based research networks, health professional societies, State primary care associations, State licensing boards, organizations with a contract with the Secretary under section 1320c-2 of this title, consumer groups, and other appropriate entities.

(c) State and local activities

(1) Hub activities

Hubs established under a grant under subsection (b) shall—

(A) submit to the Secretary a plan to coordinate functions with quality improvement organizations and area health education centers if such entities are members of the Hub not described in subsection (b)(2)(A); and

(B) contract with a county- or local-level entity that shall serve as the Primary Care Extension Agency to administer the services described in paragraph (2);

(C) organize and administer grant funds to county- or local-level Primary Care Extension Agencies that serve a catchment area, as determined by the State; and

(D) organize State-wide or multistate networks of local-level Primary Care Extension
Agencies to share and disseminate information and practices.

(2) Local Primary Care Extension Agency activities

(A) Required activities

Primary Care Extension Agencies established by a Hub under paragraph (1) shall—

(i) assist primary care providers to implement a patient-centered medical home to improve the accessibility, quality, and efficiency of primary care services, including health homes;

(ii) develop and support primary care learning communities to enhance the dissemination of research findings for evidence-based practice, assess implementation of practice improvement, share best practices, and involve community clinicians in the generation of new knowledge and identification of important questions for research;

(iii) participate in a national network of Primary Care Extension Hubs and propose how the Primary Care Extension Agency will share and disseminate lessons learned and best practices; and

(iv) develop a plan for financial sustainability involving State, local, and private contributions, to provide for the reduction in Federal funds that is expected after an initial 6-year period of program establishment, infrastructure development, and planning.

(B) Discretionary activities

Primary Care Extension Agencies established by a Hub under paragraph (1) may—

(i) provide technical assistance, training, and organizational support for community health teams established under section 256a–1 of this title;

(ii) collect data and provision of primary care provider feedback from standardized measurements of processes and outcomes to aid in continuous performance improvement;

(iii) collaborate with local health departments, community health centers, tribes and tribal entities, and other community agencies to identify community health priorities and local health workforce needs, and participate in community-based efforts to address the social and primary determinants of health, strengthen the local primary care workforce, and eliminate health disparities;

(iv) develop measures to monitor the impact of the proposed program on the health of practice enrollees and of the wider community served; and

(v) participate in other activities, as determined appropriate by the Secretary.

(3) Evaluation

In carrying out this section, the Secretary shall consult with the heads of other Federal agencies with demonstrated experience and expertise in health care and preventive medicine, such as the Centers for Disease Control and Prevention, the Substance Abuse and Mental Health Administration, the Health Resources and Services Administration, the National Institutes of Health, the Office of the National Coordinator for Health Information Technology, the Indian Health Service, the Agricultural Cooperative Extension Service of the Department of Agriculture, and other entities, as the Secretary determines appropriate.

(e) Requirements on the Secretary

In carrying out this section, the Secretary shall consult with the heads of other Federal agencies with demonstrated experience and expertise in health care and preventive medicine, such as the Centers for Disease Control and Prevention, the Substance Abuse and Mental Health Administration, the Health Resources and Services Administration, the National Institutes of Health, the Office of the National Coordinator for Health Information Technology, the Indian Health Service, the Agricultural Cooperative Extension Service of the Department of Agriculture, and other entities, as the Secretary determines appropriate.

(f) Authorization of appropriations

To awards grants as provided in subsection (d), there are authorized to be appropriated $120,000,000 for each of fiscal years 2011 and 2012, and such sums as may be necessary to carry out this section for each of fiscal years 2013 through 2014.


References in Text

Section 256a–1 of this title, referred to in subsec. (c)(2)(B)(1), was in the original “section 3602 of the Patient Protection and Affordable Care Act”, and was translated as meaning section 3602 of the Patient Protection and Affordable Care Act, Pub. L. 111–148, to reflect the probable intent of Congress.
§ 280g–13. National congenital heart disease research, surveillance, and awareness

(a) In general

The Secretary shall, as appropriate—
(1) enhance and expand research and data collection efforts related to congenital heart disease, including to study and track the epidemiology of congenital heart disease to understand health outcomes for individuals with congenital heart disease across all ages;
(2) conduct activities to improve public awareness of, and education related to, congenital heart disease, including care of individuals with such disease; and
(3) award grants to entities to undertake the activities described in this section.

(b) Activities

(1) In general

The Secretary shall carry out activities, including, as appropriate, through a national cohort study and a nationally-representative, population-based surveillance system, to improve the understanding of the epidemiology of congenital heart disease in all age groups, with particular attention to—
(A) the incidence and prevalence of congenital heart disease in the United States;
(B) causation and risk factors associated with, and natural history of, congenital heart disease;
(C) health care utilization by individuals with congenital heart disease;
(D) demographic factors associated with congenital heart disease, such as age, race, ethnicity, sex, and family history of individuals who are diagnosed with the disease; and
(E) evidence-based practices related to care and treatment for individuals with congenital heart disease.

(2) Permissible considerations

In carrying out the activities under this section, the Secretary may, as appropriate—
(A) collect data on the health outcomes, including behavioral and mental health outcomes, of a diverse population of individuals of all ages with congenital heart disease, such that analysis of the outcomes will inform evidence-based practices for individuals with congenital heart disease; and
(B) consider health disparities among individuals with congenital heart disease, which may include the consideration of prenatal exposures.

(c) Awareness campaign

The Secretary may carry out awareness and educational activities related to congenital heart disease in individuals of all ages, which may include information for patients, family members, and health care providers, on topics such as the prevalence of such disease, the effect of such disease on individuals of all ages, and the importance of long-term, specialized care for individuals with such disease.

(d) Public access

The Secretary shall ensure that, subject to subsection (e), information collected under this section is made available, as appropriate, to the public, including researchers.

(e) Patient privacy

The Secretary shall ensure that the data and information collected under this section are made available in a manner that, at a minimum, protects personal privacy to the extent required by applicable Federal and State law.

(f) Eligibility for grants

To be eligible to receive a grant under subsection (a)(3), an entity shall—
(1) be a public or private nonprofit entity with specialized experience in congenital heart disease; and
(2) submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require.

(g) Authorization of appropriations

To carry out this section, there are authorized to be appropriated $10,000,000 for each of fiscal years 2020 through 2024.


AMENDMENTS


§ 280g–14. National diabetes prevention program

(a) In general

The Secretary, acting through the Director of the Centers for Disease Control and Prevention, shall establish a national diabetes prevention program (referred to in this section as the “program”) targeted at adults at high risk for diabetes in order to eliminate the preventable burden of diabetes.

(b) Program activities

The program described in subsection (a) shall include—
(1) a grant program for community-based diabetes prevention program model sites;
(2) a program within the Centers for Disease Control and Prevention to determine eligibility of entities to deliver community-based diabetes prevention services;
(3) a training and outreach program for lifestyle intervention instructors; and
(4) evaluation, monitoring and technical assistance, and applied research carried out by the Centers for Disease Control and Prevention.

(c) Eligible entities

To be eligible for a grant under subsection (b)(1), an entity shall be a State or local health department, a tribal organization, a national
network of community-based non-profits focused on health and wellbeing, an academic institution, or other entity, as the Secretary determines.

(d) Authorization of appropriations

For the purpose of carrying out this section, there are authorized to be appropriated such sums as may be necessary for each of fiscal years 2009 through 2014.

(July 1, 1944, ch. 373, title III, §399V–3, as added Pub. L. 111–148, title X, §10501(g), Mar. 23, 2010, 124 Stat. 996.)

§ 280g–15. State demonstration programs to evaluate alternatives to current medical tort litigation

(a) In general

The Secretary is authorized to award demonstration grants to States for the development, implementation, and evaluation of alternatives to current tort litigation for resolving disputes over injuries allegedly caused by health care providers or health care organizations. In awarding such grants, the Secretary shall ensure the diversity of the alternatives so funded.

(b) Duration

The Secretary may award grants under subsection (a) for a period not to exceed 5 years.

(c) Conditions for demonstration grants

(1) Requirements

Each State desiring a grant under subsection (a) shall develop an alternative to current tort litigation that—

(A) allows for the resolution of disputes over injuries allegedly caused by health care providers or health care organizations; and

(B) promotes a reduction of health care errors by encouraging the collection and analysis of patient safety data related to disputes resolved under subparagraph (A) by organizations that engage in efforts to improve patient safety and the quality of health care.

(2) Alternative to current tort litigation

Each State desiring a grant under subsection (a) shall demonstrate how the proposed alternative described in paragraph (1)(A)—

(A) makes the medical liability system more reliable by increasing the availability of prompt and fair resolution of disputes;

(B) encourages the efficient resolution of disputes;

(C) encourages the disclosure of health care errors;

(D) enhances patient safety by detecting, analyzing, and helping to reduce medical errors and adverse events;

(E) improves access to liability insurance;

(F) fully informs patients about the differences in the alternative and current tort litigation;

(G) provides patients the ability to opt out of or voluntarily withdraw from participating in the alternative at any time and to continue participating in the alternative. The decision of the patient whether to participate or continue participating in the alternative processing shall be made at any time and shall not be limited in any way.

(5) Preference in awarding demonstration grants

In awarding grants under subsection (a), the Secretary shall give preference to States—

(A) that have developed the proposed alternative through substantive consultation with relevant stakeholders, including patient advocates, health care providers and health care organizations, attorneys with expertise in representing patients and health care providers, medical malpractice insurers, and patient safety experts;

(B) that make proposals that are likely to enhance patient safety by detecting, analyzing, and helping to reduce medical errors and adverse events; and

(C) that make proposals that are likely to improve access to liability insurance.

(d) Application

(1) In general

Each State desiring a grant under subsection (a) shall submit to the Secretary an application, at such time, in such manner, and containing such information as the Secretary may require.
(2) Review panel

(A) In general

In reviewing applications under paragraph (1), the Secretary shall consult with a review panel composed of relevant experts appointed by the Comptroller General.

(B) Composition

(i) Nominations

The Comptroller General shall solicit nominations from the public for individuals to serve on the review panel.

(ii) Appointment

The Comptroller General shall appoint, at least 9 but not more than 13, highly qualified and knowledgeable individuals to serve on the review panel and shall ensure that the following entities receive fair representation on such panel:

(I) Patient advocates.

(II) Health care providers and health care organizations.

(III) Attorneys with expertise in representing patients and health care providers.

(IV) Medical malpractice insurers.

(V) State officials.

(VI) Patient safety experts.

(C) Chairperson

The Comptroller General shall designate a member of the review panel to be the chairperson of the review panel.

(D) Availability of information

The Secretary shall make available to the review panel such information, personnel, and administrative services and assistance as the review panel may reasonably require to carry out its duties. To the extent consistent with applicable laws and regulations, the head of such department or agency shall furnish the requested information to the review panel.

(E) Information from agencies

The review panel may request directly from any department or agency of the United States any information that such panel considers necessary to carry out its duties. To the extent consistent with applicable laws and regulations, the head of such department or agency shall furnish the requested information to the review panel.

(f) Technical assistance

(1) In general

The Secretary shall provide technical assistance to the States applying for or awarded grants under subsection (a).

(2) Requirements

Technical assistance under paragraph (1) shall include—

(A) guidance on non-economic damages, including the consideration of individual facts and circumstances in determining appropriate payment, guidance on identifying avoidable injuries, and guidance on disclosure to patients of health care errors and adverse events; and

(B) the development, in consultation with States, of common definitions, formats, and data collection infrastructure for States receiving grants under this section.

(3) Use of common definitions, formats, and data collection infrastructure

States not receiving grants under this section may also use the common definitions, formats, and data collection infrastructure developed under paragraph (2)(B).

(g) Evaluation

(1) In general

The Secretary, in consultation with the review panel established under subsection (d)(2), shall enter into a contract with an appropriate research organization to conduct an overall evaluation of the effectiveness of grants awarded under subsection (a) and to annually prepare and submit a report to Congress. Such an evaluation shall begin not later than 18 months following the date of implementation of the first program funded by a grant under subsection (a).

(2) Contents

The evaluation under paragraph (1) shall include—

(A) an analysis of the effects of the grants awarded under subsection (a) with regard to the measures described in paragraph (3);

(B) for each State, an analysis of the extent to which the alternative developed under subsection (c)(1) is effective in meeting the elements described in subsection (c)(2);

(C) a comparison among the States receiving grants under subsection (a) of the effectiveness of the various alternatives developed by such States under subsection (c)(1);

(D) a comparison, considering the measures described in paragraph (3), of States receiving grants approved under subsection (a) and similar States not receiving such grants; and

(E) a comparison, with regard to the measures described in paragraph (3), of—

(i) States receiving grants under subsection (a);
§ 280g–15

Title 42—The Public Health and Welfare

(280g–15)  

(h) MedPAC and MACPAC reports

(1) MedPAC

The Medicare Payment Advisory Commission shall conduct an independent review of the alternatives to current tort litigation that are implemented under grants under subsection (a) to determine the impact of such alternatives on the Medicare program under title XVIII of the Social Security Act [42 U.S.C. 1395 et seq.], and its beneficiaries.

(2) MACPAC

The Medicaid and CHIP Payment and Access Commission shall conduct an independent review of the alternatives to current tort litigation that are implemented under grants under subsection (a) to determine the impact of such alternatives on the Medicaid or CHIP programs under titles XIX and XXI of the Social Security Act [42 U.S.C. 1396 et seq.], and their beneficiaries.

(3) Reports

Not later than December 31, 2016, the Medicare Payment Advisory Commission and the Medicaid and CHIP Payment and Access Commission shall each submit to Congress a report that includes the findings and recommendations of each respective Commission based on independent reviews conducted under paragraphs (1) and (2), including an analysis of the impact of the alternatives reviewed on the efficiency and effectiveness of the respective programs.

(i) Option to provide for initial planning grants

Of the funds appropriated pursuant to subsection (k), the Secretary may use a portion not to exceed $500,000 per State to provide planning grants to such States for the development of demonstration project applications meeting the criteria described in subsection (c). In selecting States to receive such planning grants, the Secretary shall give preference to those States in which State law at the time of the application would not prohibit the adoption of an alternative to current tort litigation.

(j) Definitions

In this section:

(1) Health care services

The term “health care services” means any services provided by a health care provider, or by any individual working under the supervision of a health care provider, that relate to—

(A) the diagnosis, prevention, or treatment of any human disease or impairment; or

(B) the assessment of the health of human beings.

(2) Health care organization

The term “health care organization” means any individual or entity which is obligated to provide, pay for, or administer health benefits under any health plan.

(3) Health care provider

The term “health care provider” means any individual or entity—

(A) licensed, registered, or certified under Federal or State laws or regulations to provide health care services; or

(B) required to be so licensed, registered, or certified but that is exempted by other statute or regulation.

(k) Authorization of appropriations

There are authorized to be appropriated to carry out this section, $50,000,000 for the 5-fiscal year period beginning with fiscal year 2011.

(l) Current State efforts to establish alternative to tort litigation

Nothing in this section shall be construed to limit any prior, current, or future efforts of any State to establish any alternative to tort litigation.

(m) Rule of construction

Nothing in this section shall be construed as limiting states’ authority over or responsibility for their state justice systems.

(71) References in Text


1 So in original. Probably should be capitalized.
VIII, XIX, and XXI of the Act are classified generally to subchapters XVIII (§1395 et seq.), XIX (§1396 et seq.), and XXI (§1397aa et seq.), respectively, of chapter 7 of this title. For complete classification of this Act to the Code, see section 1305 of this title and Tables.

**Amendments**

2016—Subsec. (d)(2)(C). Pub. L. 114–301, § 3(d)(1), substituted “shall designate a member of the review panel to” for “, or an individual within the Government Accountability Office designated by the Comptroller General, shall”.

Subsec. (d)(2)(D). Pub. L. 114–301, § 3(d)(2), substituted “Secretary” for “Comptroller General”.  

§ 280g–16. Food Safety Integrated Centers of Excellence  

(a) In general  

Not later than 1 year after January 4, 2011, the Secretary, acting through the Director of the Centers for Disease Control and Prevention and in consultation with the working group described in subsection (b)(2), shall designate 5 Integrated Food Safety Centers of Excellence (referred to in this section as the “Centers of Excellence”) to serve as resources for Federal, State, and local public health professionals to respond to foodborne illness outbreaks. The Centers of Excellence shall be headquartered at selected State health departments.

(b) Selection of Centers of Excellence  

(1) Eligible entities  

To be eligible to be designated as a Center of Excellence under subsection (a), an entity shall—

(A) be a State health department;

(B) partner with 1 or more institutions of higher education that have demonstrated knowledge, expertise, and meaningful experience with regional or national food production, processing, and distribution, as well as leadership in the laboratory, epidemiological, and environmental detection and investigation of foodborne illness; and

(C) provide to the Secretary such information, at such time, and in such manner, as the Secretary may require.

(2) Working group  

Not later than 180 days after January 4, 2011, the Secretary shall establish a diverse working group of experts and stakeholders from Federal, State, and local food safety and health agencies, the food industry, including food retailers and food manufacturers, consumer organizations, and academia to make recommendations to the Secretary regarding designations of the Centers of Excellence.

(3) Additional Centers of Excellence  

The Secretary may designate eligible entities to be regional Food Safety Centers of Excellence, in addition to the 5 Centers designated under subsection (a).

(c) Activities  

Under the leadership of the Director of the Centers for Disease Control and Prevention, each Center of Excellence shall be based out of a selected State health department, which shall provide assistance to other regional, State, and local departments of health through activities that include—

(1) providing resources, including timely information concerning symptoms and tests, for frontline health professionals interviewing individuals as part of routine surveillance and outbreak investigations;

(2) providing analysis of the timeliness and effectiveness of foodborne disease surveillance and outbreak response activities;

(3) providing training for epidemiological and environmental investigation of foodborne illness, including suggestions for streamlining and standardizing the investigation process;

(4) establishing fellowships, stipends, and scholarships to train future epidemiological and food-safety leaders and to address critical workforce shortages;

(5) training and coordinating State and local personnel;

(6) strengthening capacity to participate in existing or new foodborne illness surveillance and environmental assessment information systems; and

(7) conducting research and outreach activities focused on increasing prevention, communication, and education regarding food safety.

(d) Report to Congress  

Not later than 2 years after January 4, 2011, the Secretary shall submit to Congress a report that—

(1) describes the effectiveness of the Centers of Excellence; and

(2) provides legislative recommendations or describes additional resources required by the Centers of Excellence.

(e) Authorization of appropriations  

There is authorized to be appropriated such sums as may be necessary to carry out this section.

(f) No duplication of effort  

In carrying out activities of the Centers of Excellence or other programs under this section, the Secretary shall not duplicate other Federal foodborne illness response efforts.

(1) Designation and investigation of potential cancer clusters  

(a) Definitions  

In this section:

(1) Cancer cluster  

The term “cancer cluster” means the incidence of a particular cancer within a population group, a geographical area, and a period of time that is greater than expected for such group, area, and period.

(2) Particular cancer  

The term “particular cancer” means one specific type of cancer or a type of cancers scientifically proven to have the same cause.

(3) Population group  

The term “population group” means a group, for purposes of calculating cancer rates, defined by factors such as race, ethnicity, age, or gender.
(b) Criteria for designation of potential cancer clusters

(1) Development of criteria

The Secretary shall develop criteria for the designation of potential cancer clusters.

(2) Requirements

The criteria developed under paragraph (1) shall consider, as appropriate—

(A) a standard for cancer cluster identification and reporting protocols used to determine when cancer incidence is greater than would be typically observed;

(B) scientific screening standards that ensure that a cluster of a particular cancer involves the same type of cancer, or types of cancers;

(C) the population in which the cluster of a particular cancer occurs by factors such as race, ethnicity, age, and gender, for purposes of calculating cancer rates;

(D) the boundaries of a geographic area in which a cluster of a particular cancer occurs so as not to create or obscure a potential cluster by selection of a specific area; and

(E) the time period over which the number of cases of a particular cancer, or the calculation of an expected number of cases, occurs.

(c) Guidelines for investigation of potential cancer clusters

The Secretary, in consultation with the Council of State and Territorial Epidemiologists and representatives of State and local health departments, shall develop, publish, and periodically update guidelines for investigating potential cancer clusters. The guidelines shall—

(1) recommend that investigations of cancer clusters—

(A) use the criteria developed under subsection (b);

(B) use the best available science; and

(C) rely on a weight of the scientific evidence;

(2) provide standardized methods of reviewing and categorizing data, including from health surveillance systems and reports of potential cancer clusters; and

(3) provide guidance for using appropriate epidemiological and other approaches for investigations.

(d) Investigation of cancer clusters

(1) Secretary discretion

The Secretary—

(A) in consultation with representatives of the relevant State and local health departments, shall consider whether it is appropriate to conduct an investigation of a potential cancer cluster; and

(B) in conducting investigations shall have the discretion to prioritize certain potential cancer clusters, based on the availability of resources.

(2) Coordination

In investigating potential cancer clusters, the Secretary shall coordinate with agencies within the Department of Health and Human Services and other Federal agencies, such as the Environmental Protection Agency.

(3) Biomonitoring

In investigating potential cancer clusters, the Secretary shall rely on all appropriate biomonitoring information collected under other Federal programs, such as the National Health and Nutrition Examination Survey. The Secretary may provide technical assistance for relevant biomonitoring studies of other Federal agencies.

(e) Duties

The Secretary shall—

(1) ensure that appropriate staff of agencies within the Department of Health and Human Services are prepared to provide timely assistance, to the extent practicable, upon receiving a request to investigate a potential cancer cluster from a State or local health authority;

(2) maintain staff expertise in epidemiology, toxicology, data analysis, environmental health and cancer surveillance, exposure assessment, pediatric health, pollution control, community outreach, health education, laboratory sampling and analysis, spatial mapping, and informatics;

(3) consult with community members as investigations into potential cancer clusters are conducted, as the Secretary determines appropriate;

(4) collect, store, and disseminate reports on investigations of potential cancer clusters, the possible causes of such clusters, and the actions taken to address such clusters; and

(5) provide technical assistance for investigating cancer clusters to State and local health departments through existing programs, such as the Epi-Aids program of the Centers for Disease Control and Prevention and the Assessments of Chemical Exposures Program of the Agency for Toxic Substances and Disease Registry.

(3) to enable Federal agencies with the authority to help conduct investigations into potential cancer clusters;

“(2) to ensure that Federal agencies have the authority to undertake actions to help address cancer clusters and factors that may contribute to the creation of potential cancer clusters; and

“(3) to enable Federal agencies to coordinate with other Federal, State, and local agencies, institutes of higher education, and the public in investigating and addressing cancer clusters.”

PART Q—PROGRAMS TO IMPROVE THE HEALTH OF CHILDREN

§ 280h. Grants To Improve the Health of Children

(a) In general

The Secretary, acting through the Director of the Centers for Disease Control and Prevention, shall award competitive grants to States and political subdivisions of States for the development and implementation of State and commu-
(b) Eligibility

To be eligible to receive a grant under this section a State or political subdivision of a State shall prepare and submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require, including a plan that describes—

1. how the applicant proposes to develop a comprehensive program of school- and community-based approaches to encourage and promote good nutrition and appropriate levels of physical activity with respect to children or adolescents in local communities;
2. the manner in which the applicant shall coordinate with appropriate State and local authorities, such as State and local school departments, State departments of health, chronic disease directors, State directors of programs under section 1786 of this title, 5-a-day coordinators, governors councils for physical activity and good nutrition, and State and local parks and recreation departments; and
3. the manner in which the applicant will evaluate the effectiveness of the program carried out under this section.

(c) Use of funds

A State or political subdivision of a State shall use amount received under a grant under this section to—

1. develop, implement, disseminate, and evaluate school- and community-based strategies in States to reduce inactivity and improve dietary choices among children and adolescents;
2. expand opportunities for physical activity programs in school- and community-based settings; and
3. develop, implement, and evaluate programs that promote good eating habits and physical activity including opportunities for children with cognitive and physical disabilities.

(d) Technical assistance

The Secretary may set-aside an amount not to exceed 10 percent of the amount appropriated for a fiscal year under subsection (b) to permit the Director of the Centers for Disease Control and Prevention to—

1. provide States and political subdivisions of States with technical support in the development and implementation of programs under this section; and
2. disseminate information about effective strategies and interventions in preventing and treating obesity through the promotion of good nutrition and physical activity.

(e) Limitation on administrative costs

Not to exceed 10 percent of the amount of a grant awarded to the State or political subdivision under subsection (a) for a fiscal year may be used by the State or political subdivision for administrative expenses.

(f) Term

A grant awarded under subsection (a) shall be for a term of 3 years.

(g) Definition

In this section, the term “children and adolescents” means individuals who do not exceed 18 years of age.

(h) Authorization of appropriations

There are authorized to be appropriated to carry out this section such sums as may be necessary for each of the fiscal years 2001 through 2005.


CODIFICATION

Another section 399W of act July 1, 1944, was renumbered section 399V–1 and is classified to section 280g-12 of this title.

§ 280h–1. Applied research program

(a) In general

The Secretary, acting through the Centers for Disease Control and Prevention and in consultation with the Director of the National Institutes of Health, shall—

1. conduct research to better understand the relationship between physical activity, diet, and health and factors that influence health-related behaviors;
2. develop and evaluate strategies for the prevention and treatment of obesity to be used in community-based interventions and by health professionals;
3. develop and evaluate strategies for the prevention and treatment of eating disorders, such as anorexia and bulimia;
4. conduct research to establish the prevalence, consequences, and costs of childhood obesity and its effects in adulthood;
5. identify behaviors and risk factors that contribute to obesity;
6. evaluate materials and programs to provide nutrition education to parents and teachers of children in child care or pre-school and the food service staff of such child care and pre-school entities; and
7. evaluate materials and programs that are designed to educate and encourage physical activity in child care and pre-school facilities.

(b) Authorization of appropriations

There are authorized to be appropriated to carry out this section such sums as may be necessary for each of the fiscal years 2001 through 2005.


§ 280h–2. Education campaign

(a) In general

The Secretary, acting through the Director of the Centers for Disease Control and Prevention, and in collaboration with national, State, and local partners, physical activity organizations, nutrition experts, and health professional organizations, shall develop a national public campaign to promote and educate children and their parents concerning—
§ 280h-3. Health professional education and training

(a) In general

The Secretary, acting through the Director of the Centers for Disease Control and Prevention, in collaboration with the Administrator of the Health Resources and Services Administration and the heads of other agencies, and in consultation with appropriate health professional associations, shall develop and carry out a program to educate and train health professionals in effective strategies to—

(1) better identify and assess patients with obesity or an eating disorder or patients at risk of becoming obese or developing an eating disorder;

(2) counsel, refer, or treat patients with obesity or an eating disorder; and

(3) educate patients and their families about effective strategies to improve dietary habits and establish appropriate levels of physical activity.

(b) Authorization of appropriations

There are authorized to be appropriated to carry out this section such sums as may be necessary for each of the fiscal years 2001 through 2005.


§ 280h-4. Grants for the establishment of school-based health centers

(1) Program

The Secretary of Health and Human Services (in this section referred to as the “Secretary”) shall establish a program to award grants to eligible entities to support the operation of school-based health centers.

(2) Eligibility

To be eligible for a grant under this section, an entity shall—

(A) be a school-based health center or a sponsoring facility of a school-based health center; and

(B) submit an application at such time, in such manner, and containing such information as the Secretary may require, including at a minimum an assurance that funds awarded under the grant shall not be used to provide any service that is not authorized or allowed by Federal, State, or local law.

(3) Preference

In awarding grants under this section, the Secretary shall give preference to awarding grants for school-based health centers that serve a large population of children eligible for medical assistance under the State Medicaid plan under title XIX of the Social Security Act [42 U.S.C. 1396 et seq.] or under a waiver of such plan or children eligible for child health assistance under the State child health plan under title XXI of that Act (42 U.S.C. 1396aa et seq.).

(4) Limitation on use of funds

An eligible entity shall use funds provided under a grant awarded under this section only for expenditures for facilities (including the acquisition or improvement of land, or the acquisition, construction, expansion, replacement, or other improvement of any building or other facility), equipment, or similar expenditures, as specified by the Secretary. No funds provided under a grant awarded under this section shall be used for expenditures for personnel or to provide health services.

(5) Appropriations

Out of any funds in the Treasury not otherwise appropriated, there is appropriated for each of fiscal years 2010 through 2013, $50,000,000 for the purpose of carrying out this section. Funds appropriated under this paragraph shall remain available until expended.

(6) Definitions

In this section, the terms “school-based health center” and “sponsoring facility” have the meanings given those terms in section 4101 of Pub. L. 111–148, which enacted this section and section 280h–5 of this title.


References in Text

This section, referred to in par. (3) and in par. (4) the second place it appears, was in the original “this section”, meaning section 4101 of Pub. L. 111–148, which enacted this section and section 280h–5 of this title.

The Social Security Act, referred to in par. (3), is act Aug. 14, 1935, ch. 531, 49 Stat. 620. Titles XIX and XXI of the Act are classified generally to subchapters XIX (§1396 et seq.) and XXI (§1396aa et seq.), respectively, of chapter 7 of this title. For complete classification of this Act to the Code, see section 1305 of this title and Table.

1 See References in Text note below.
§ 280h-5. School-based health centers

(a) Definitions; establishment of criteria

In this section:

(1) Comprehensive primary health services

The term “comprehensive primary health services” means the core services offered by school-based health centers, which shall include the following:

(A) Physical

Comprehensive health assessments, diagnosis, and treatment of minor, acute, and chronic medical conditions, and referrals to, and follow-up for, specialty care and oral and vision health services.

(B) Mental health

Mental health and substance use disorder assessments, crisis intervention, counseling, treatment, and referral to a continuum of services including emergency psychiatric care, community support programs, inpatient care, and outpatient programs.

(2) Medically underserved children and adolescents

(A) In general

The term “medically underserved children and adolescents” means a population of children and adolescents who are residents of an area designated as a medically underserved area or a health professional shortage area by the Secretary.

(B) Criteria

The Secretary shall prescribe criteria for determining the specific shortages of personal health services for medically underserved children and adolescents under subparagraph (A) that shall—

(i) take into account any comments received by the Secretary from the chief executive officer of a State and local officials in a State; and

(ii) include factors indicative of the health status of such children and adolescents of an area, including the ability of the residents of such area to pay for health services, the accessibility of such services, the availability of health professionals to such children and adolescents, and other factors as determined appropriate by the Secretary.

(3) School-based health center

The term “school-based health center” means a health clinic that—

(A) meets the definition of a school-based health center under section 1397jj(c)(9)(A) of this title and is administered by a sponsoring facility (as defined in section 1397jj(c)(9)(B) of this title);

(B) provides, at a minimum, comprehensive primary health services during school hours to children and adolescents by health professionals in accordance with established standards, community practice, reporting laws, and other State laws, including parental consent and notification laws that are not inconsistent with Federal law; and

(C) does not perform abortion services.

(b) Authority to award grants

The Secretary shall award grants for the costs of the operation of school-based health centers (referred to in this section as “SBHCs”) that meet the requirements of this section.

(c) Applications

To be eligible to receive a grant under this section, an entity shall—

(1) be an SBHC (as defined in subsection (a)(3)); and

(2) submit to the Secretary an application at such time, in such manner, and containing—

(A) evidence that the applicant meets all criteria necessary to be designated an SBHC;

(B) evidence of local need for the services to be provided by the SBHC;

(C) an assurance that—

(i) SBHC services will be provided to those children and adolescents for whom parental or guardian consent has been obtained in cooperation with Federal, State, and local laws governing health care service provision to children and adolescents;

(ii) the SBHC has made and will continue to make every reasonable effort to establish and maintain collaborative relationships with other health care providers in the catchment area of the SBHC;

(iii) the SBHC will provide on-site access during the academic day when school is in session and 24-hour coverage through an on-call system and through its backup health providers to ensure access to services on a year-round basis when the school or the SBHC is closed;

(iv) the SBHC will be integrated into the school environment and will coordinate health services with school personnel, such as administrators, teachers, nurses, counselors, and support personnel, as well as with other community providers co-located at the school;

(v) the SBHC sponsoring facility assumes all responsibility for the SBHC administration, operations, and oversight; and

(vi) the SBHC will comply with Federal, State, and local laws concerning patient privacy and student records, including regulations promulgated under the Health Insurance Portability and Accountability Act of 1996 and section 1232g of title 20; and

(D) such other information as the Secretary may require.

(d) Preferences and consideration

In reviewing applications:

(1) The Secretary may give preference to applicants who demonstrate an ability to serve the following:

(A) Communities that have evidenced barriers to primary health care and mental health and substance use disorder prevention services for children and adolescents.

(B) Communities with high per capita numbers of children and adolescents who are
§ 280h–6

TITLE 42—THE PUBLIC HEALTH AND WELFARE

Page 526

uninsured, underinsured, or enrolled in public health insurance programs.
(C) Populations of children and adolescents that have historically demonstrated difficulty in accessing health and mental health and substance use disorder prevention services.
(2) The Secretary may give consideration to whether an applicant has received a grant under section 280h–4 of this title.

(e) Waiver of requirements
The Secretary may—
(1) under appropriate circumstances, waive the application of all or part of the requirements of this subsection with respect to an SBHC for not to exceed 2 years; and
(2) upon a showing of good cause, waive the requirement that the SBHC provide all required comprehensive primary health services for a designated period of time to be determined by the Secretary.

(f) Use of funds
(1) Funds
Funds awarded under a grant under this section—
(A) may be used for—
(i) acquiring and leasing equipment (including the costs of amortizing the principle of, and paying interest on, loans for such equipment);
(ii) providing training related to the provision of required comprehensive primary health services and additional health services;
(iii) the management and operation of health center programs;
(iv) the payment of salaries for physicians, nurses, and other personnel of the SBHC; and
(B) may not be used to provide abortions.

(2) Construction
The Secretary may award grants which may be used to pay the costs associated with expanding and modernizing existing buildings for use as an SBHC, including the purchase of trailers or manufactured buildings to install on the school property.

(3) Limitations
(A) In general
Any provider of services that is determined by a State to be in violation of a State law described in subsection (a)(3)(B) with respect to activities carried out at a SBHC shall not be eligible to receive additional funding under this section.
(B) No overlapping grant period
No entity that has received funding under section 254b of this title for a grant period shall be eligible for a grant under this section for with respect to the same grant period.

(g) Matching requirement
(1) In general
Each eligible entity that receives a grant under this section shall provide, from non-Federal sources, an amount equal to 20 percent of the amount of the grant (which may be provided in cash or in-kind) to carry out the activities supported by the grant.

(h) Supplement, not supplant
Grant funds provided under this section shall be used to supplement, not supplant, other Federal or State funds.

(i) Evaluation
The Secretary shall develop and implement a plan for evaluating SBHCs and monitoring quality performance under the awards made under this section.

(j) Age appropriate services
An eligible entity receiving funds under this section shall only provide age appropriate services through a SBHC funded under this section to an individual.

(k) Parental consent
An eligible entity receiving funds under this section shall not provide services through a SBHC funded under this section to an individual without the consent of the parent or guardian of such individual if such individual is considered a minor under applicable State law.

(l) Authorization of appropriations
For purposes of carrying out this section, there are authorized to be appropriated such sums as may be necessary for each of the fiscal years 2010 through 2014.

(AMENDMENTS)

§ 280h–6. Infant and early childhood mental health promotion, intervention, and treatment

(a) Grants
The Secretary shall—
(1) award grants to eligible entities to develop, maintain, or enhance infant and early childhood mental health promotion, intervention, and treatment programs, including—
(A) programs for infants and children at significant risk of developing, showing early signs of, or having been diagnosed with mental illness, including a serious emotional disturbance; and

1 So in original.
(B) multigenerational therapy and other services that support the caregiving relationship; and
(2) ensure that programs funded through grants under this section are evidence-informed or evidence-based models, practices, and methods that are, as appropriate, culturally and linguistically appropriate, and can be replicated in other appropriate settings.

(b) Eligible children and entities

In this section:

(1) Eligible child

The term “eligible child” means a child from birth to not more than 12 years of age who—
(A) is at risk for, shows early signs of, or has been diagnosed with a mental illness, including a serious emotional disturbance; and
(B) may benefit from infant and early childhood intervention or treatment programs or specialized preschool or elementary school programs that are evidence-based or that have been scientifically demonstrated to show promise but would benefit from further applied development.

(2) Eligible entity

The term “eligible entity” means a human services agency or nonprofit institution that—
(A) employs licensed mental health professionals who have specialized training and experience in infant and early childhood mental health assessment, diagnosis, and treatment, or is accredited or approved by the appropriate State agency, as applicable, to provide for children from infancy to 12 years of age mental health promotion, intervention, or treatment services; and
(B) provides services or programs described in subsection (a) that are evidence-based or that have been scientifically demonstrated to show promise but would benefit from further applied development.

(c) Application

An eligible entity seeking a grant under subsection (a) shall submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require.

(d) Use of funds for early intervention and treatment programs

An eligible entity may use amounts awarded under a grant under subsection (a) to carry out the following:

(1) Provide age-appropriate mental health promotion and early intervention services or mental illness treatment services, which may include specialized programs, for eligible children at significant risk of developing, showing early signs of, or having been diagnosed with a mental illness, including a serious emotional disturbance. Such services may include social and behavioral services as well as multigenerational therapy and other services that support the caregiving relationship.

(2) Provide training for health care professionals with expertise in infant and early childhood mental health care with respect to appropriate and relevant integration with other disciplines such as primary care clinicians, early intervention specialists, child welfare staff, home visitors, early care and education providers, and others who work with young children and families.

(3) Provide mental health consultation to personnel of early care and education programs (including licensed or regulated center-based and home-based child care, home visiting, preschool special education, and early intervention programs) who work with children and families.

(4) Provide training for mental health clinicians in infant and early childhood in promising and evidence-based practices and models for infant and early childhood mental health treatment and early intervention, including with regard to practices for identifying and treating mental illness and behavioral disorders of infants and children resulting from exposure or repeated exposure to adverse childhood experiences or childhood trauma.

(5) Provide age-appropriate assessment, diagnostic, and intervention services for eligible children, including early mental health promotion, intervention, and treatment services.

(e) Matching funds

The Secretary may not award a grant under this section to an eligible entity unless the eligible entity agrees, with respect to the costs to be incurred by the eligible entity in carrying out the activities described in subsection (d), to make available non-Federal contributions (in cash or in kind) toward such costs in an amount that is not less than 10 percent of the total amount of Federal funds provided in the grant.

(f) Authorization of appropriations

To carry out this section, there are authorized to be appropriated $20,000,000 for the period of fiscal years 2018 through 2022.

§ 280h–7. Grants to improve trauma support services and mental health care for children and youth in educational settings

(a) Grants, contracts, and cooperative agreements authorized

The Secretary, in coordination with the Assistant Secretary for Mental Health and Substance Use, is authorized to award grants to, or enter into contracts or cooperative agreements with, State educational agencies, local educational agencies, Indian Tribes (as defined in section 5304 of title 25) or their tribal educational agencies, a school operated by the Bureau of Indian Education, a Regional Corporation, or a Native Hawaiian educational organization, for the purpose of increasing student access to evidence-based trauma support services and mental health care by developing innovative initiatives, activities, or programs to link local school systems with local trauma-informed support and mental health systems, including those under the Indian Health Service.

(b) Duration

With respect to a grant, contract, or cooperative agreement awarded or entered into under
this section, the period during which payments under such grant, contract or agreement are made to the recipient may not exceed 4 years.

(c) Use of funds

An entity that receives a grant, contract, or cooperative agreement under this section shall use amounts made available through such grant, contract, or cooperative agreement for evidence-based activities, which shall include any of the following:

(1) Collaborative efforts between school-based service systems and trauma-informed support and mental health service systems to provide, develop, or improve prevention, screening, referral, and treatment and support services to students, such as providing trauma screenings to identify students in need of specialized support.

(2) To implement schoolwide positive behavioral interventions and supports, or other trauma-informed models of support.

(3) To provide professional development to teachers, teacher assistants, school leaders, specialized instructional support personnel, and mental health professionals that—
   (A) fosters safe and stable learning environments that prevent and mitigate the effects of trauma, including through social and emotional learning;
   (B) improves school capacity to identify, refer, and provide services to students in need of trauma support or behavioral health services; or
   (C) reflects the best practices for trauma-informed identification, referral, and support developed by the Task Force under section 7132.

(4) Services at a full-service community school that focuses on trauma-informed support, which may include a full-time site coordinator, or other activities consistent with section 7275 of title 20.

(5) Engaging families and communities in efforts to increase awareness of child and youth trauma, which may include sharing best practices with law enforcement regarding trauma-informed care and working with mental health professionals to provide interventions, as well as longer term coordinated care within the community for children and youth who have experienced trauma and their families.

(6) To provide technical assistance to school systems and mental health agencies.

(7) To evaluate the effectiveness of the program carried out under this section in increasing student access to evidence-based trauma support services and mental health care.

(8) To establish partnerships with or provide subgrants to Head Start agencies (including Early Head Start agencies), public and private preschool programs, child care programs (including home-based providers), or other entities described in subsection (a), to include such entities described in this paragraph in the evidence-based trauma initiatives, activities, support services, and mental health systems established under this section in order to provide, develop, or improve prevention, screening, referral, and treatment and support services to young children and their families.

(d) Applications

To be eligible to receive a grant, contract, or cooperative agreement under this section, an entity described in subsection (a) shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may reasonably require, which shall include the following:

(1) A description of the innovative initiatives, activities, or programs to be funded under the grant, contract, or cooperative agreement, including how such program will increase access to evidence-based trauma support services and mental health care for students, and, as applicable, the families of such students.

(2) A description of how the program will provide linguistically appropriate and culturally competent services.

(3) A description of how the program will support students and the school in improving the school climate in order to support an environment conducive to learning.

(4) An assurance that—
   (A) persons providing services under the grant, contract, or cooperative agreement are adequately trained to provide such services; and
   (B) teachers, school leaders, administrators, specialized instructional support personnel, representatives of local Indian Tribes or tribal organizations as appropriate, other school personnel, and parents or guardians of students participating in services under this section will be engaged and involved in the design and implementation of the services.

(5) A description of how the applicant will support and integrate existing school-based services with the program in order to provide mental health services for students, as appropriate.

(6) A description of the entities in the community with which the applicant will partner or to which the applicant will provide subgrants in accordance with subsection (c)(8).

(e) Interagency agreements

(1) Local interagency agreements

To ensure the provision of the services described in subsection (c), a recipient of a grant, contract, or cooperative agreement under this section, or their designee, shall establish a local interagency agreement among local educational agencies, agencies responsible for early childhood education programs, Head Start agencies (including Early Head Start agencies), juvenile justice authorities, mental health agencies, child welfare agencies, and other relevant agencies, authorities, or entities in the community that will be involved in the provision of such services.

(2) Contents

In ensuring the provision of the services described in subsection (c), the local interagency agreement shall specify with respect to each agency, authority, or entity that is a party to such agreement—

(A) the financial responsibility for the services;
(B) the conditions and terms of responsibility for the services, including quality, accountability, and coordination of the services; and
(C) the conditions and terms of reimbursement among such agencies, authorities, or entities, including procedures for dispute resolution.

(f) Evaluation

The Secretary shall reserve not more than 3 percent of the funds made available under subsection (f) for each fiscal year to—
(1) conduct a rigorous, independent evaluation of the activities funded under this section; and
(2) disseminate and promote the utilization of evidence-based practices regarding trauma support services and mental health care.

(g) Distribution of awards

The Secretary shall ensure that grants, contracts, and cooperative agreements awarded or entered into under this section are equitably distributed among the geographical regions of the United States and among tribal, urban, suburban, and rural populations.

(h) Rule of construction

Nothing in this section shall be construed—
(1) to prohibit an entity involved with a program carried out under this section from reporting a crime that is committed by a student to appropriate authorities; or
(2) to prevent Federal, State, and tribal law enforcement and judicial authorities from exercising their responsibilities with regard to the application of Federal, tribal, and State law to crimes committed by a student.

(i) Supplement, not supplant

Any services provided through programs carried out under this section shall supplement, and not supplant, existing mental health services, including any special education and related services provided under the Individuals with Disabilities Education Act (20 U.S.C. 1400 et seq.).

(j) Consultation with Indian Tribes

In carrying out subsection (a), the Secretary shall, in a timely manner, meaningfully consult with Indian Tribes and their representatives to ensure notice of eligibility.

(k) Definitions

In this section:
(1) Elementary school

The term “elementary school” has the meaning given such term in section 7801 of title 20.

(2) Evidence-based

The term “evidence-based” has the meaning given such term in section 1602 of title 43.

(3) Native Hawaiian educational organization

The term “Native Hawaiian educational organization” has the meaning given such term in section 7517 of title 20.

(4) Local educational agency

The term “local educational agency” has the meaning given such term in section 7801 of title 20.

(5) Regional Corporation

The term “Regional Corporation” has the meaning given the term in section 1602 of title 43.1

(6) School

The term “school” means a public elementary school or public secondary school.

(7) School leader

The term “school leader” has the meaning given such term in section 7801 of title 20.

(8) Secondary school

The term “secondary school” has the meaning given such term in section 7801 of title 20.

(9) Secretary

The term “Secretary” means the Secretary of Education.

(10) Specialized instructional support personnel

The term “specialized instructional support personnel” has the meaning given such term in section 7801 of title 20.

(11) State educational agency

The term “State educational agency” has the meaning given such term in section 7801 of title 20.

(l) Authorization of appropriations

There is authorized to be appropriated to carry out this section, $50,000,000 for each of fiscal years 2019 through 2023.


REFERENCES IN TEXT


The Individuals with Disabilities Education Act, referred to in subsec. (i), is title VI of Pub. L. 91–230, Apr. 13, 1970, 84 Stat. 175, which is classified generally to chapter 33 (§1400 et seq.) of Title 20, Education. For complete classification of this Act to the Code, see section 1400 of Title 20 and Tables.

CODIFICATION

Section was enacted as part of the Substance Use–Disorder Prevention that Promotes Opioid Recovery and Treatment for Patients and Communities Act, also known as the SUPPORT for Patients and Communities Act, and not as part of the Public Health Service Act which comprises this chapter.

§280h–8. Recognizing early childhood trauma related to substance abuse

(a) Dissemination of information

The Secretary of Health and Human Services shall disseminate information, resources, and, if requested, technical assistance to early childhood care and education providers and professionals working with young children on—
(1) ways to properly recognize children who may be impacted by trauma, including trauma related to substance use by a family member or other adult; and
(2) how to respond appropriately in order to provide for the safety and well-being of young children and their families.

1So in original.
(b) Goals
The information, resources, and technical assistance provided under subsection (a) shall—

(1) educate early childhood care and education providers and professionals working with young children on understanding and identifying the early signs and risk factors of children who might be impacted by trauma, including trauma due to exposure to substance use;

(2) suggest age-appropriate communication tools, procedures, and practices for trauma-informed care, including ways to prevent or mitigate the effects of trauma;

(3) provide options for responding to children impacted by trauma, including due to exposure to substance use, that consider the needs of the child and family, including recommending resources and referrals for evidence-based services to support such family; and

(4) promote whole-family and multigenerational approaches to keep families safely together when it is in the best interest of the child.

(c) Coordination
The Secretary of Health and Human Services shall coordinate with the task force to develop best practices for trauma-informed identification, referral, and support authorized under section 7132 in disseminating the information, resources, and technical assistance described under subsection (b).

(d) Rule of construction
Such information, resources, and if applicable, technical assistance, shall not be construed to amend the requirements under—

(1) the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9858 et seq.);

(2) the Head Start Act (42 U.S.C. 9831 et seq.); or

(3) the Individuals with Disabilities Education Act (20 U.S.C. 1400 et seq.).


References in Text
Section 7132, referred to in subsec. (c), is section 7132 of Pub. L. 115–271, title VII, Oct. 24, 2018, 132 Stat. 4046, which was not classified to the Code.


The Individuals with Disabilities Education Act, referred to in subsec. (d)(3), is title VI of Pub. L. 91–230, Apr. 13, 1970, 84 Stat. 175, which is classified generally to chapter 33 (§ 1400 et seq.) of Title 20, Education. For complete classification of this Act to the Code, see section 1400 of Title 20 and Tables.

Codification
Section was enacted as part of the Substance Use-Disorder Prevention that Promotes Opioid Recovery and Treatment for Patients and Communities Act, also known as the SUPPORT for Patients and Communities Act, and not as part of the Public Health Service Act which comprises this chapter.

PART R—PROGRAMS RELATING TO AUTISM

§ 280i. Developmental disabilities surveillance and research program

(a) Autism spectrum disorder and other developmental disabilities

(1) In general
The Secretary, acting through the Director of the Centers for Disease Control and Prevention, may award grants or cooperative agreements to eligible entities for the collection, analysis, and reporting of State epidemiological data for children and adults with autism spectrum disorder and other developmental disabilities. An eligible entity shall assist with the development and coordination of State autism spectrum disorder and other developmental disability surveillance efforts within a region. In making such awards, the Secretary may provide direct technical assistance in lieu of cash.

(2) Data standards
In submitting epidemiological data to the Secretary pursuant to paragraph (1), an eligible entity shall report data according to guidelines prescribed by the Director of the Centers for Disease Control and Prevention, after consultation with relevant State, local, and Tribal public health officials, private sector developmental disability researchers, and advocates for individuals with autism spectrum disorder and other developmental disabilities.

(3) Eligibility
To be eligible to receive an award under paragraph (1), an entity shall be a public or nonprofit private entity (including a health department of a State or a political subdivision of a State, a university, any other educational institution, an Indian tribe, or a tribal organization), and submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require.

(b) Centers of excellence in autism spectrum disorder epidemiology

(1) In general
The Secretary, acting through the Director of the Centers for Disease Control and Prevention, shall, subject to the availability of appropriations, award grants or cooperative agreements for the establishment or support of regional centers of excellence in autism spectrum disorder and other developmental disabilities epidemiology for the purpose of collecting and analyzing information on the number, incidence, correlates, and causes of autism spectrum disorder and other developmental disabilities for children and adults.

(2) Requirements
To be eligible to receive a grant or cooperative agreement under paragraph (1), an entity shall submit to the Secretary an application
containing such agreements and information as the Secretary may require, including an agreement that the center to be established or supported under the grant or cooperative agreement shall operate in accordance with the following:

(A) The center will collect, analyze, and report autism spectrum disorder and other developmental disability data according to guidelines prescribed by the Director of the Centers for Disease Control and Prevention, after consultation with State, local, and Tribal public health officials, private sector developmental disability researchers, advocates for individuals with autism spectrum disorder, and advocates for individuals with other developmental disabilities.

(B) The center will develop an area of special research expertise (including genetics, epigenetics, and epidemiological research related to environmental exposures), immunology, and other relevant research specialty areas.

(C) The center will identify eligible cases and controls through its surveillance system and conduct research into factors which may cause or increase the risk of autism spectrum disorder and other developmental disabilities.

(e) Federal response

The Secretary shall coordinate the Federal response to requests for assistance from State, local, and Tribal public health officials, private sector developmental disability researchers, advocates for individuals with autism spectrum disorder, and advocates for individuals with other developmental disabilities.

(f) Definitions

In this part:

(1) Indian tribe; tribal organization

The terms “Indian tribe” and “tribal organization” have the meanings given such terms in section 1603 of title 25.

(2) Other developmental disabilities

The term “other developmental disabilities” has the meaning given the term “developmental disability” in section 1501 of this title.

(3) State

The term “State” means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, American Samoa, Guam, the Commonwealth of the Northern Mariana Islands, the Virgin Islands, and the Trust Territory of the Pacific Islands.

(e) Sunset

This section shall not apply after September 30, 2024.


Subsec. (b)(1). Pub. L. 113–157, § 3(2), substituted “establishment or support of regional centers of excellence” for “establishment of regional centers of excellence” and inserted “for children and adults” before period at end.

Subsec. (b)(2). Pub. L. 113–157, § 3(3), substituted “center to be established or supported” for “center to be established” in introductory provisions.


Termination of Trust Territory of the Pacific Islands

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

National Autism Spectrum Disorder Initiative


“(a) In general.—The Secretary of Health and Human Services shall designate an existing official within the Department of Health and Human Services to oversee, in consultation with the Secretaries of Defense and Education, national autism spectrum disorder research, services, and support activities.

“(b) Duties.—The official designated under subsection (a) shall—

“(1) implement autism spectrum disorder activities, taking into account the strategic plan developed by the Interagency Autism Coordinating Committee under section 380C(b) of the Public Health Service Act (42 U.S.C. 2801–2(b)); and

“(2) ensure that autism spectrum disorder activities of the Department of Health and Human Services and of other Federal departments and agencies are not unnecessarily duplicative.”

$2801–1. Autism education, early detection, and intervention

(a) Purpose

It is the purpose of this section—

(1) to increase awareness, reduce barriers to screening and diagnosis, promote evidence-based interventions for individuals with autism spectrum disorder and other developmental disabilities, and train professionals to utilize valid and reliable screening tools to diagnose or rule out and provide evidence-based
interventions for individuals with autism spectrum disorder and other developmental disabilities across their lifespan; and

(2) to conduct activities under this section with a focus on an interdisciplinary approach (as defined in programs developed under section 501(a)(2) of the Social Security Act [42 U.S.C. 701(a)(2)]) that will also focus on specific issues for children who are not receiving an early diagnosis and subsequent interventions.

(b) In general

The Secretary shall, subject to the availability of appropriations, establish and evaluate activities to—

(1) provide culturally competent information and education on autism spectrum disorder and other developmental disabilities to increase public awareness of developmental milestones;

(2) promote research into the development and validation of reliable screening tools for individuals with autism spectrum disorder and other developmental disabilities and disseminate information regarding those screening tools;

(3) promote early screening of individuals at higher risk for autism spectrum disorder and other developmental disabilities as early as practicable, given evidence-based screening techniques and interventions;

(4) promote evidence-based screening techniques and interventions for individuals with autism spectrum disorder and other developmental disabilities;

(5) increase the number of individuals who are able to confirm or rule out a diagnosis of autism spectrum disorder and other developmental disabilities;

(6) increase the number of individuals able to provide evidence-based interventions for individuals diagnosed with autism spectrum disorder or other developmental disabilities; and

(7) promote the use of evidence-based interventions for individuals at higher risk for autism spectrum disorder and other developmental disabilities as early as practicable.

c) Information and education

(1) In general

In carrying out subsection (b)(1), the Secretary, in collaboration with the Secretary of Education and the Secretary of Agriculture, shall, subject to the availability of appropriations, provide culturally competent information regarding autism spectrum disorder and other developmental disabilities, risk factors, characteristics, identification, diagnosis or rule out, and evidence-based interventions to meet the needs of individuals with autism spectrum disorder and other developmental disabilities across their lifespan and the needs of their families through—

(A) Federal programs, including—

(i) the Head Start program;

(ii) the Early Start program;

(iii) the Healthy Start program;

(iv) programs under the Child Care and Development Block Grant Act of 1990 [42 U.S.C. 9857 et seq.];

(v) programs under title XIX of the Social Security Act [42 U.S.C. 1396 et seq.] (particularly the Medicaid Early and Periodic Screening, Diagnosis and Treatment Program);

(vi) the program under title XXI of the Social Security Act [42 U.S.C. 1397aa et seq.] (the State Children’s Health Insurance Program);

(vii) the program under title V of the Social Security Act [42 U.S.C. 701 et seq.] (the Maternal and Child Health Block Grant Program);

(viii) the program under parts B and C of the Individuals with Disabilities Education Act [20 U.S.C. 1411 et seq., 1431 et seq.];

(ix) the special supplemental nutrition program for women, infants, and children established under section 1786 of this title; and

(X) the State grant program under the Rehabilitation Act of 1973 [29 U.S.C. 701 et seq.].

(B) State licensed child care facilities; and

(C) other community-based organizations or points of entry for individuals with autism spectrum disorder and other developmental disabilities to receive services.

(2) Lead agency

(A) Designation

As a condition on the provision of assistance or the conduct of activities under this section with respect to a State, the Secretary may require the Governor of the State—

(i) to designate a public agency as a lead agency to coordinate the activities provided for under paragraph (1) in the State at the State level; and

(ii) acting through such lead agency, to make available to individuals and their family members, guardians, advocates, or authorized representatives; providers; and other appropriate individuals in the State, comprehensive culturally competent information about State and local resources regarding autism spectrum disorder and other developmental disabilities, risk factors, characteristics, identification, diagnosis or rule out, available services and supports (which may include respite care for caregivers of individuals with autism spectrum disorder or other developmental disabilities), and evidence-based interventions.

(B) Requirements of agency

In designating the lead agency under subparagraph (A)(i), the Governor shall—

(i) select an agency that has demonstrated experience and expertise in—

(I) autism spectrum disorder and other developmental disability issues; and

(II) developing, implementing, conducting, and administering programs and delivering education, information, and referral services (including technology-based curriculum-development services) to individuals with autism spectrum dis-
order and developmental disabilities and their family members, guardians, advocates or authorized representatives, providers, and other appropriate individuals locally and across the State; and

(ii) consider input from individuals with autism spectrum disorder and developmental disabilities and their family members, guardians, advocates or authorized representatives, providers, and other appropriate individuals.

(C) Information

Information under subparagraph (A)(ii) shall be provided through—

(i) toll-free telephone numbers;
(ii) Internet websites;
(iii) mailings; or
(iv) such other means as the Governor may require.

(d) Tools

(1) In general

To promote the use of valid and reliable screening tools for autism spectrum disorder and other developmental disabilities, the Secretary shall develop a curriculum for continuing education to assist individuals in recognizing the need for valid and reliable screening tools and the use of such tools.

(2) Collection, storage, coordination, and availability

The Secretary, in collaboration with the Secretary of Education, shall provide for the collection, storage, coordination, and public availability of tools described in paragraph (1), educational materials and other products that are used by the Federal programs referred to in subsection (c)(1)(A), as well as—

(A) programs authorized under the Developmental Disabilities Assistance and Bill of Rights Act of 2000 [42 U.S.C. 15001 et seq.];

(B) early intervention programs or interagency coordinating councils authorized under part C of the Individuals with Disabilities Education Act [20 U.S.C. 1431 et seq.];

(C) program sites provide culturally competent services.

(2) Developmental-behavioral pediatrician training programs

(A) In general

In making awards under this subsection, the Secretary may prioritize awards to applicants that are developmental-behavioral pediatrician training programs located in rural or underserved areas.

(B) Definition of underserved area

In this paragraph, the term “underserved area” means—

(i) a health professional shortage area (as defined in section 254e(a)(1)(A) of this title); and

(ii) an urban or rural area designated by the Secretary as an area with a shortage of personal health services (as described in section 254b(b)(3)(A) of this title).

(3) Technical assistance

The Secretary may award one or more grants under this section to provide technical assistance to the network of interdisciplinary training programs.

(4) Best practices

The Secretary shall promote research into additional valid and reliable tools for shortening the time required to confirm or rule out a diagnosis of autism spectrum disorder or other developmental disabilities and detecting individuals with autism spectrum disorder or other developmental disabilities at an earlier age.

(f) Intervention

The Secretary shall promote research, through grants or contracts, which may include
grants or contracts to research centers or networks, to determine the evidence-based practices for interventions to improve the physical and behavioral health of individuals with autism spectrum disorder and other developmental disabilities across their lifespan and the needs of their families” for “the needs of individuals with autism spectrum disorder or other developmental disabilities and their families” in introductory provisions.


Subsec. (g). Pub. L. 116–60, § 3(b)(6), substituted “2024” for “2019”.


Subsec. (c)(2)(A)(i). Pub. L. 113–157, § 4(2), inserted “which may include respite care for caregivers of individuals with an autism spectrum disorder” after “services and supports”.

Subsec. (e)(1)(B)(iv). Pub. L. 113–157, § 4(3), inserted before semicolon “which may include collaborating with research centers or networks to provide training for providers of respite care (as defined in section 330i of this title)”.

Subsec. (f). Pub. L. 113–157, § 4(4), substituted “grants or contracts, which may include grants or contracts to research centers or networks, to determine the evidence-based practices for interventions to improve the physical and behavioral health of individuals with” for “grants or contracts, to determine the evidence-based practices for interventions for individuals with”.


§ 2801i–2. Interagency Autism Coordinating Committee

(a) Establishment

The Secretary shall establish a committee, to be known as the “Interagency Autism Coordinating Committee” (in this section referred to as the “Committee”), to coordinate all efforts within the Department of Health and Human Services concerning autism spectrum disorder.

(b) Responsibilities

In carrying out its duties under this section, the Committee shall—

(1) monitor autism spectrum disorder research, and to the extent practicable services and support activities, across all relevant Federal departments and agencies, including coordination of Federal activities with respect to autism spectrum disorder;

(2) develop a summary of advances in autism spectrum disorder research related to causes, prevention, treatment, early screening, diagnosis or rule out, interventions, including school and community-based interventions,
and access to services and supports for individuals with autism spectrum disorder across the lifespan of such individuals;

(3) make recommendations to the Secretary regarding any appropriate changes to such activities, including with respect to the strategic plan developed under paragraph (5);

(4) make recommendations to the Secretary regarding public participation in decisions relating to autism spectrum disorder, and the process by which public feedback can be better integrated into such decisions;

(5) develop a strategic plan for the conduct of, and support for, autism spectrum disorder research, including as practicable for services and supports, for individuals with an autism spectrum disorder across the lifespan of such individuals and the families of such individuals, which shall include—

(A) proposed budgetary requirements; and

(B) recommendations to ensure that autism spectrum disorder research, and services and support activities to the extent practicable, of the Department of Health and Human Services and of other Federal departments and agencies are not unnecessarily duplicative; and

(6) submit to Congress and the President—

(A) an annual update on the summary of advances described in paragraph (2); and

(B) an annual update to the strategic plan described in paragraph (5), including any progress made in achieving the goals outlined in such strategic plan.

c) Membership

(1) Federal membership

The Committee shall be composed of the following Federal members—

(A) the Director of the Centers for Disease Control and Prevention;

(B) the Director of the National Institutes of Health, and the Directors of such national research institutes of the National Institutes of Health as the Secretary determines appropriate;

(C) the heads of such other agencies as the Secretary determines appropriate, such as the Administration for Community Living, Administration for Children and Families, the Centers for Medicare & Medicaid Services, the Food and Drug Administration, and the Health Resources and Services Administration; and

(D) representatives of other Federal Governmental agencies that serve individuals with autism spectrum disorder such as the Department of Education, the Department of Labor, the Department of Justice, the Department of Veterans Affairs, the Department of Housing and Urban Development, and the Department of Defense.

(2) Non-Federal members

Not more than $\frac{1}{2}$, but not fewer than $\frac{1}{3}$, of the total membership of the Committee shall be composed of non-Federal public members to be appointed by the Secretary, of which—

(A) at least three such members shall be individuals with a diagnosis of autism spectrum disorder;

(B) at least three such members shall be parents or legal guardians of an individual with an autism spectrum disorder; and

(C) at least three such members shall be representatives of leading research, advocacy, and service organizations for individuals with autism spectrum disorder.

(3) Period of appointment; vacancies

(A) Period of appointment for non-Federal members

Non-Federal members shall serve for a term of 4 years, and may be reappointed for one additional 4-year term.

(B) Vacancies

A vacancy on the Committee shall be filled in the manner in which the original appointment was made and shall not affect the powers or duties of the Committee. Any member appointed to fill a vacancy for an unexpired term shall be appointed for the remainder of such term. A member may serve after the expiration of the member’s term until a successor has been appointed.

(d) Administrative support; terms of service; other provisions

The following provisions shall apply with respect to the Committee:

(1) The Committee shall receive necessary and appropriate administrative support from the Secretary.

(2) The Committee shall meet at the call of the chairperson or upon the request of the Secretary. The Committee shall meet not fewer than 2 times each year.

(3) All meetings of the Committee shall be public and shall include appropriate time periods for questions and presentations by the public.

(e) Subcommittees; establishment and membership

In carrying out its functions, the Committee may establish subcommittees and convene workshops and conferences. Such subcommittees shall be composed of Committee members and may hold such meetings as are necessary to enable the subcommittees to carry out their duties.

(f) Sunset

This section shall not apply after September 30, 2024, and the Committee shall be terminated on such date.

(§ 280i–2)
Subsec. (b)(5). Pub. L. 116–60, §3(c)(1)(B), inserted “across the lifespan of such individuals” before “and the families” in introductory provisions.

Subsec. (c)(1)(D). Pub. L. 116–60, §3(c)(2)(A), inserted “, the Department of Labor, the Department of Justice, the Department of Veterans Affairs, the Department of Housing and Urban Development,” after “Department of Education”.

Subsec. (c)(2). Pub. L. 116–60, §3(c)(2)(B), substituted “at least three such members” for “at least two such members” in subpars. (A) to (C).

Subsec. (c)(3)(A). Pub. L. 116–60, §3(c)(2)(C), substituted “one additional 4-year term” for “one or more additional 4-year terms”.


Pub. L. 113–157, §5(1)(A), struck out “and annually update” after “develop” and substituted “interventions, including school and community-based interventions” for “intervention”.

Subsec. (b)(2). Pub. L. 113–157, §5(1)(B), (C), redesignated par. (1) as (2) and struck out former par. (2) which read as follows: “monitor Federal activities with respect to autism spectrum disorder”.

Subsec. (b)(3). Pub. L. 113–157, §5(1)(D), struck out “recommendations to the Director of NIH” after “including”.

Subsec. (b)(4). Pub. L. 113–157, §5(1)(E), inserted before semicolon “, and the process by which public feedback can be better integrated into such decisions”.

Subsec. (b)(5). Pub. L. 113–157, §5(1)(F), added paras. (5) and (6) and struck out former paras. (5) and (6) which read as follows: “(5) develop and annually update a strategic plan for the conduct of, and support for, autism spectrum disorder research, including proposed budgetary requirements; and “(6) submit to the Congress such strategic plan and any updates to such plan.”

Subsec. (c)(1)(C). Pub. L. 113–157, §5(2)(A)(II), inserted “, such as the Administration for Community Living, Administration for Children and Families, the Centers for Medicare & Medicaid Services, the Food and Drug Administration, and the Health Resources and Services Administration” before semicolon and inserted “and” at end.


Subsec. (c)(1)(E). Pub. L. 113–157, §5(2)(A)(IV), struck out subpar. (E) which read as follows: “the additional members appointed under paragraph (2)”.

Subsec. (c)(2). Pub. L. 113–157, §5(2)(B)(I), (II), substituted “Non-Federal” for “Additional” in heading and “Not more than 1/3, but not fewer than 1/5, of the total membership of the Committee” for “Not fewer than 6 members of the Committee, or 1/3 of the total membership of the Committee, whichever is greater” in introductory provisions. Substitution in text was executed as the probable intent of Congress, notwithstanding directory language that struck out “1/5” instead of “1/3” as it appeared in the original.

Subsec. (c)(2)(A). Pub. L. 113–157, §5(2)(B)(III), substituted “two such members shall be individuals” for “one such member shall be an individual”.

Subsec. (c)(2)(B). Pub. L. 113–157, §5(2)(B)(IV), substituted “two such members shall be parents or legal guardians” for “one such member shall be a parent or legal guardian”.

Subsec. (c)(2)(C). Pub. L. 113–157, §5(2)(B)(V), substituted “two such members shall be representatives” for “one such member shall be a representative”.

Subsec. (c)(3). Pub. L. 113–157, §5(2)(C), added par. (3). Subsec. (d)(2) to (4). Pub. L. 113–157, §5(3), redesignated paras. (3) and (4) as (2) and (3), respectively, and struck out former par. (2) which read as follows: “Members of the Committee appointed under subsection (c)(2) shall serve for a term of 4 years, and may be reappointed for one or more additional 4-year term. Any member appointed to fill a vacancy for an unexpired term shall be appointed for the remainder of such term. A member may serve after the expiration of the member’s term until a successor has taken office.”


§ 280i–3. Reports to Congress

(a) Progress report

(1) In general

Not later than 4 years after September 30, 2010, the Secretary, in coordination with the Secretary of Education and the Secretary of Defense, shall prepare and submit to the Health, Education, Labor, and Pensions Committee of the Senate and the Energy and Commerce Committee of the House of Representatives, and make publicly available, including through posting on the Internet Web site of the Department of Health and Human Services, a progress report on activities related to autism spectrum disorder and other developmental disabilities.

(2) Contents

The report submitted under subsection (a) shall contain—

(A) a description of the progress made in implementing the provisions of the Autism CARES Act of 2010;

(B) a description of the amounts expended on the implementation of the amendments made by the Autism CARES Act of 2010;

(C) information on the incidence and prevalence of autism spectrum disorder, including available information on the prevalence of autism spectrum disorder among children and adults, and identification of any changes over time with respect to the incidence and prevalence of autism spectrum disorder;

(D) information on the average age of diagnosis for children with autism spectrum disorder and other disabilities, including how that age may have changed over the 4-year period beginning on September 30, 2019, and, as appropriate, how this age varies across population subgroups;

(E) information on the average age for intervention for individuals diagnosed with autism spectrum disorder and other developmental disabilities, including how that age may have changed over the 4-year period beginning on September 30, 2019, and, as appropriate, how this age varies across population subgroups;

(F) information on the average time between initial screening and then diagnosis or rule out for individuals with autism spectrum disorder or other developmental disabilities, as well as information on the average time between diagnosis and evidence-based intervention for individuals with autism spectrum disorder or other developmental disabilities and, as appropriate, on
how such average time varies across population subgroups;

(G) information on the effectiveness and outcomes of interventions for individuals diagnosed with autism spectrum disorder, including by severity level as practicable, and other developmental disabilities and how the age of the individual or other factors, such as demographic characteristics, may affect such effectiveness;

(H) information on the effectiveness and outcomes of innovative and newly developed intervention strategies for individuals with autism spectrum disorder or other developmental disabilities;

(I) a description of the actions taken to implement and the progress made on implementation of the strategic plan developed by the Interagency Autism Coordinating Committee under section 2801–2(b) of this title; and

(J) information on how States use home- and community-based services and other supports to ensure that individuals with autism spectrum disorder and other developmental disabilities are living, working, and participating in their community.

(b) Report on the health and well-being of individuals with autism spectrum disorder across their lifespan

(1) In general

Not later than 2 years after September 30, 2019, the Secretary shall prepare and submit, to the Committee on Health, Education, Labor, and Pensions of the Senate and the Committee on Energy and Commerce of the House of Representatives, a report concerning the health and well-being of individuals with autism spectrum disorder.

(2) Contents

The report submitted under paragraph (1) shall contain—

(A) demographic factors associated with the health and well-being of individuals with autism spectrum disorder;

(B) an overview of policies and programs relevant to the health and well-being of individuals with autism spectrum disorder, including an identification of existing Federal laws, regulations, policies, research, and programs;

(C) recommendations on establishing best practices guidelines to ensure interdisciplinary coordination between all relevant service providers receiving Federal funding;

(D) comprehensive approaches to improving health outcomes and well-being for individuals with autism spectrum disorder, including—

(i) community-based behavioral supports and interventions;

(ii) nutrition, recreational, and social activities; and

(iii) personal safety services related to public safety agencies or the criminal justice system for such individuals; and

(E) recommendations that seek to improve health outcomes for such individuals, including across their lifespan, by addressing—

(i) screening and diagnosis of children and adults;

(ii) behavioral and other therapeutic approaches;

(iii) primary and preventative care;

(iv) communication challenges;

(v) aggression, self-injury, elopement, and other behavioral issues;

(vi) emergency room visits and acute care hospitalization;

(vii) treatment for co-occurring physical and mental health conditions;

(viii) premature mortality;

(ix) medical practitioner training; and

(x) caregiver mental health.


References in Text


Amendments


Subsec. (b)(1). Pub. L. 116–60, § 3(d)(2)(B), amended par. (1) generally. Prior to amendment, text read as follows: “Not later than 2 years after August 8, 2014, the Secretary of Health and Human Services, in coordination with the Secretary of Education and in collaboration with the Secretary of Transportation, the Secretary of Labor, the Secretary of Housing and Urban Development, and the Attorney General, shall prepare and submit to the Committee on Health, Education, Labor, and Pensions of the Senate and the Committee on Energy and Commerce of the House of Representatives, a report concerning young adults with autism spectrum disorder and the challenges related to the transition from existing school-based services to those services available during adulthood.”


Subsec. (b)(2)(B). Pub. L. 116–60, § 3(d)(2)(C)(ii), substituted “the health and well-being of individuals with autism spectrum disorder, including an identification of existing Federal laws, regulations, policies, research, and programs,” for “young adults with autism spectrum disorder relating to post-secondary school transition services, including an identification of existing Federal laws, regulations, policies, research, and programs,”.

References to Title 42

Federal laws, regulations, policies, research, and programs;”.

Subsec. (b)(2)(C) to (E). Pub. L. 116–60, § 3(d)(2)(C)(iii), amended subpars. (C) to (E) generally. Prior to amendment, subpars. (C) to (E) related, respectively, to proposals on establishing certain best practices guidelines, comprehensive approaches to transitioning from existing school-based services to those services available during adulthood, and proposals that seek to improve outcomes for adults with autism spectrum disorder making the transition from a school-based support system to adulthood.


Subsec. (a). Pub. L. 113–157, § 6(2)–(4), designated existing provisions of entire section as subsec. (a), inserted heading, redesignated former subsecs. (a) and (b) as pars. (1) and (2), respectively, of subsec. (a), redesignated pars. (1) to (9) of former subsec. (b) as subpars. (A) to (I), respectively, of par. (2) of subsec. (a), and realigned margins.

Subsec. (a)(1). Pub. L. 113–157, § 6(5), substituted “4 years after August 8, 2014” for “2 years after September 30, 2011” and inserted “‘the Secretary of Education’”.


Subsec. (a)(2)(C). Pub. L. 113–157, § 6(6)(C), added subpar. (C) and struck out former subpar. (C) which read as follows: “information on the incidence of autism spectrum disorder and trend data of such incidence since December 19, 2006”.

Subsec. (a)(2)(D), (E). Pub. L. 113–157, § 6(6)(D), (E), substituted “4-year period beginning on August 8, 2014, and, as appropriate, how this age varies across population subgroups” for “4-year period beginning on December 19, 2006”.

Subsec. (a)(2)(F). Pub. L. 113–157, § 6(6)(F), inserted “and, as appropriate, on how such average time varies across population subgroups” before semicolon at end.

Subsec. (a)(2)(G). Pub. L. 113–157, § 6(6)(G), substituted “including by severity level as practicable,” for “including by various subtypes,” and “child or other factors, such as demographic characteristics, may” for “child may”.

Subsec. (a)(2)(I). Pub. L. 113–157, § 6(6)(H), added subpar. (I) and struck out former subpar. (I) which read as follows: “information on services and supports provided to individuals with autism spectrum disorder and other development disabilities who have reached the age of majority (as defined for purposes of section 115(m) of title 20)”.

Subsec. (b). Pub. L. 113–157, § 6(7), added subsec. (b). Former subsec. (b) redesignated subsec. (a), which read as follows:

(a) Developmental disabilities surveillance and research program

To carry out section 2801 of this title, there is authorized to be appropriated $23,100,000 for each of fiscal years 2020 through 2024.

(b) Autism education, early detection, and intervention

To carry out section 2801–1 of this title, there is authorized to be appropriated $50,599,000 for each of fiscal years 2020 through 2024.

(c) Interagency Autism Coordinating Committee; certain other programs

To carry out sections 2801–2 and 284g of this title, there are authorized to be appropriated $296,000,000 for each of fiscal years 2020 through 2024.

Subsec. (a). Pub. L. 116–60, § 3(e)(1), substituted “$23,100,000 for each of fiscal years 2020 through 2024” for “$22,000,000 for each of fiscal years 2015 through 2019”.

Subsec. (b). Pub. L. 116–60, § 3(e)(2), substituted “$50,599,000 for each of fiscal years 2020 through 2024” for “$48,000,000 for each of fiscal years 2015 through 2019”.

Subsec. (c). Pub. L. 116–60, § 3(e)(3), substituted “there are authorized to be appropriated $296,000,000 for each of fiscal years 2020 through 2024” for “there is authorized to be appropriated $190,000,000 for each of fiscal years 2015 through 2019”.


Subsec. (c). Pub. L. 113–157, § 7(3), substituted “$190,000,000 for each of fiscal years 2015 through 2019” for “$361,000,000 for each of fiscal years 2011 through 2014”.


PART S—HEALTH CARE QUALITY PROGRAMS

SUBPART I—NATIONAL STRATEGY FOR QUALITY IMPROVEMENT IN HEALTH CARE

Codification

Subpart is based on subpart I of part S of title III of act July 1, 1944, as added by Pub. L. 111–148, title III, § 3011, Mar. 23, 2010, 124 Stat. 378. No subpart II has been enacted.
(B) Requirements
The Secretary shall ensure that priorities identified under subparagraph (A) will—
(i) have the greatest potential for improving the health outcomes, efficiency, and patient-centeredness of health care for all populations, including children and vulnerable populations;
(ii) address gaps in health care services that have the potential for rapid improvement in the quality and efficiency of patient care;
(iii) address gaps in quality, efficiency, comparative effectiveness information (taking into consideration the limitations set forth in subsections (c) and (d) of section 1182 of the Social Security Act [42 U.S.C. 1320e–1(c), (d)]), and health outcomes measures and data aggregation techniques;
(iv) improve Federal payment policies to emphasize quality and efficiency;
(v) enhance the use of health care data to improve quality, efficiency, transparency, and outcomes;
(vi) address the health care provided to patients with high-cost chronic diseases;
(vii) improve research and dissemination of strategies and best practices to improve patient safety and reduce medical errors, preventable admissions and readmissions, and health care-associated infections;
(viii) reduce health disparities across health disparity populations (as defined in section 285t 1 of this title) and geographic areas; and
(ix) address other areas as determined appropriate by the Secretary.

(C) Considerations
In identifying priorities under subparagraph (A), the Secretary shall take into consideration the recommendations submitted by the entity with a contract under section 1395aaa(a) [42 U.S.C. 1320b–9a] and other stakeholders.

(D) Coordination with State agencies
The Secretary shall collaborate, coordinate, and consult with State agencies responsible for administering the Medicaid program under title XIX of the Social Security Act [42 U.S.C. 1396 et seq.] and the Children’s Health Insurance Program under title XXI of such Act [42 U.S.C. 1397aa et seq.] with respect to developing and disseminating strategies, goals, models, and timetables that are consistent with the national priorities identified under subparagraph (A).

(b) Strategic plan
(1) In general
The national strategy shall include a comprehensive strategic plan to achieve the priorities described in subsection (a).

(2) Requirements
The strategic plan shall include provisions for addressing, at a minimum, the following:
(A) Coordination among agencies within the Department, which shall include steps to minimize duplication of efforts and utilization of common quality measures, where available. Such common quality measures shall be measures identified by the Secretary under section 1139A or 1139B of the Social Security Act [42 U.S.C. 1320b–9a, 1320b–9b] or endorsed under section 1189 of such Act [42 U.S.C. 1320b–9a].

(B) Agency-specific strategic plans to achieve national priorities.

(C) Establishment of annual benchmarks for each relevant agency to achieve national priorities.

(D) A process for regular reporting by the agencies to the Secretary on the implementation of the strategic plan.

(E) Strategies to align public and private payers with regard to quality and patient safety efforts.

(F) Incorporating quality improvement and measurement in the strategic plan for health information technology required by the American Recovery and Reinvestment Act of 2009 (Public Law 111–5).

(c) Periodic update of national strategy
The Secretary shall update the national strategy not less than annually. Any such update shall include a review of short- and long-term goals.

(d) Submission and availability of national strategy and updates
(1) Deadline for initial submission of national strategy
Not later than January 1, 2011, the Secretary shall submit to the relevant committees of Congress the national strategy described in subsection (a).

(2) Updates
(A) In general
The Secretary shall submit to the relevant committees of Congress an annual update to the strategy described in paragraph (1).

(B) Information submitted
Each update submitted under subparagraph (A) shall include—
(i) a review of the short- and long-term goals of the national strategy and any gaps in such strategy;
(ii) an analysis of the progress, or lack of progress, in meeting such goals and any barriers to such progress;
(iii) the information reported under section 1139A of the Social Security Act [42 U.S.C. 1320b–9a], consistent with the reporting requirements of such section; and
(iv) in the case of an update required to be submitted on or after January 1, 2014, the information reported under section 1139B(b)(4) of the Social Security Act [42 U.S.C. 1320b–9b(b)(4)], consistent with the reporting requirements of such section.

(C) Satisfaction of other reporting requirements
Compliance with the requirements of clauses (iii) and (iv) of subparagraph (B) shall satisfy the reporting requirements under sections 1139A(a)(6) and 1139B(b)(4), re-
respectively, of the Social Security Act [42 U.S.C. 1320b–9(a)(6), 1320b–9h(b)(4)].

(e) Health care quality Internet website

Not later than January 1, 2011, the Secretary shall create an Internet website to make public information regarding—

(1) the national priorities for health care quality improvement established under subsection (a)(2);

(2) the agency-specific strategic plans for health care quality described in subsection (b)(2)(B); and

(3) other information, as the Secretary determines to be appropriate.


REFERENCES IN TEXT

Section 285t of this title, referred to in subsec. (a)(2)(B)(viii), was in the original “section 485E”, meaning section 485E of act July 1, 1944, ch. 373, as added by section 101(a) of Pub. L. 106–325, which was classified to section 285c–Si of this title. Section 485E of act July 1, 1944, was renumbered section 485E–1 by Pub. L. 111–148, title X, §1033(c)(1)(D)(i), Mar. 23, 2010, 124 Stat. 973, and transferred to section 285t of this title. The act July 1, 1944, no longer contains a section 485E.

The Social Security Act, referred to in subsec. (a)(2)(D), is act Aug. 14, 1935, ch. 531, 49 Stat. 620. Titles XIX and XXI of this Act are classified generally to subchapters XIX (§1396 et seq.) and XXI (§1397aa et seq.), respectively, of chapter 7 of this title. For complete classification of this Act to the Code, see section 1305 of this title and Tables.


AMENDMENTS

2010—Subsec. (a)(2)(B)(iii). Pub. L. 111–148, §10302, inserted “(taking into consideration the limitations set forth in subsections (c) and (d) of section 1182 of the Social Security Act)” after “information”.

INTERAGENCY WORKING GROUP ON HEALTH CARE QUALITY


“(a) IN GENERAL.—The President shall convene a working group to be known as the Interagency Working Group on Health Care Quality (referred to in this section as the ‘Working Group’).

“(b) GOALS.—The goals of the Working Group shall be to achieve the following:

“(1) Collaboration, cooperation, and consultation between Federal departments and agencies with respect to developing and disseminating strategies, goals, models, and timetables that are consistent with the national priorities identified under section 399HH(a)(2) of the Public Health Service Act [42 U.S.C. 280(aa)(2)] (as added by section 3011 [of Pub. L. 111–148]).

“(2) Avoidance of inefficient duplication of quality improvement efforts and resources, where practicable, and a streamlined process for quality reporting and compliance requirements.

“(3) Assessment of alignment of quality efforts in the public sector with private sector initiatives.

“(c) COMPOSITION.—

“(1) IN GENERAL.—The Working Group shall be composed of senior level representatives of—

“(A) the Department of Health and Human Services;

“(B) the Centers for Medicare & Medicaid Services;

“(C) the National Institutes of Health;

“(D) the Centers for Disease Control and Prevention;

“(E) the Food and Drug Administration;

“(F) the Health Resources and Services Administration;

“(G) the Agency for Healthcare Research and Quality;

“(H) the Office of the National Coordinator for Health Information Technology;

“(I) the Substance Abuse and Mental Health Services Administration;

“(J) the Administration for Children and Families;

“(K) the Department of Commerce;

“(L) the Office of Management and Budget;

“(M) the United States Coast Guard;

“(N) the Federal Bureau of Prisons;

“(O) the National Highway Traffic Safety Administration;

“(P) the Federal Trade Commission;

“(Q) the Social Security Administration;

“(R) the Department of Labor;

“(S) the United States Office of Personnel Management;

“(T) the Department of Defense;

“(U) the Department of Education;

“(V) the Department of Veterans Affairs;

“(W) the Veterans Health Administration; and

“(X) any other Federal agencies and departments with activities relating to improving health care quality and safety, as determined by the President.

“(2) CHAIR AND VICE-CHAIR.—

“(A) CHAIR.—The Working Group shall be chaired by the Secretary of Health and Human Services.

“(B) VICE-CHAIR.—Members of the Working Group, other than the Secretary of Health and Human Services, shall serve as Vice Chair of the Group on a rotating basis, as determined by the Group.

“(d) REPORT TO CONGRESS.—Not later than December 31, 2010, and annually thereafter, the Working Group shall submit to the relevant Committees of Congress, and make public on an Internet website, a report describing the progress and recommendations of the Working Group in meeting the goals described in subsection (b).”

§ 280j-1. Collection and analysis of data for quality and resource use measures

(a) In general

(1) Establishment of strategic framework

The Secretary shall establish and implement an overall strategic framework to carry out the public reporting of performance information, as described in section 280j–2 of this title. Such strategic framework may include methods and related timelines for implementing nationally consistent data collection, data aggregation, and analysis methods.

(2) Collection and aggregation of data

The Secretary shall collect and aggregate consistent data on quality and resource use measures from information systems used to support health care delivery, and may award grants or contracts for this purpose. The Secretary shall align such collection and aggregation efforts with the requirements and assistance regarding the expansion of health information technology systems, the interoperability of such technology systems, and related standards that are in effect on March 23, 2010.

(3) Scope

The Secretary shall ensure that the data collection, data aggregation, and analysis sys-
tems described in paragraph (1) involve an increasingly broad range of patient populations, providers, and geographic areas over time.

(b) Grants or contracts for data collection

(1) In general

The Secretary may award grants or contracts to eligible entities to support new, or improve existing, efforts to collect and aggregate quality and resource use measures described under subsection (c).

(2) Eligible entities

To be eligible for a grant or contract under this subsection, an entity shall—

(A) be—

(i) a multi-stakeholder entity that coordinates the development of methods and implementation plans for the consistent reporting of summary quality and cost information;

(ii) an entity capable of submitting such summary data for a particular population and providers, such as a disease registry, regional collaboration, health plan collaboration, or other population-wide source; or

(iii) a Federal Indian Health Service program or a health program operated by an Indian tribe (as defined in section 1603 of title 25);

(B) promote the use of the systems that provide data to improve and coordinate patient care;

(C) support the provision of timely, consistent quality and resource use information to health care providers, and other groups and organizations as appropriate, with an opportunity for providers to correct inaccurate measures; and

(D) agree to report, as determined by the Secretary, measures on quality and resource use to the public in accordance with the public reporting process established under section 280j–2 of this title.

(c) Consistent data aggregation

The Secretary may award grants or contracts under this section only to entities that enable summary data that can be integrated and compared across multiple sources. The Secretary shall provide standards for the protection of the security and privacy of patient data.

(d) Matching funds

The Secretary may not award a grant or contract under this section to an entity unless the entity agrees that it will make available (directly or through contributions from other public or private entities) non-Federal contributions toward the activities to be carried out under the grant or contract in an amount equal to $1 for each $5 of Federal funds provided under the grant or contract. Such non-Federal matching funds may be provided directly or through donations from public or private entities and may be in cash or in-kind, fairly evaluated, including plant, equipment, or services.

(e) Authorization of appropriations

To carry out this section, there are authorized to be appropriated such sums as may be necessary for fiscal years 2010 through 2014.

(§ 280j–2. Public reporting of performance information)

(a) Development of performance websites

The Secretary shall make available to the public, through standardized Internet websites, performance information summarizing data on quality measures. Such information shall be tailored to respond to the differing needs of hospitals and other institutional health care providers, physicians and other clinicians, patients, consumers, researchers, policymakers, States, and other stakeholders, as the Secretary may specify.

(b) Information on conditions

The performance information made publicly available on an Internet website, as described in subsection (a), shall include information regarding clinical conditions to the extent such information is available, and the information shall, where appropriate, be provider-specific and sufficiently disaggregated and specific to meet the needs of patients with different clinical conditions.

(c) Consultation

(1) In general

In carrying out this section, the Secretary shall consult with the entity with a contract under section 1890(a) of the Social Security Act [42 U.S.C. 1395aaa(a)], and other entities, as appropriate, to determine the type of information that is useful to stakeholders and the format that best facilitates use of the reports and of performance reporting Internet websites.

(2) Consultation with stakeholders

The entity with a contract under section 1890(a) of the Social Security Act [42 U.S.C. 1395aaa(a)] shall convene multi-stakeholder groups, as described in such section, to review the design and format of each Internet website made available under subsection (a) and shall transmit to the Secretary the views of such multi-stakeholder groups with respect to each such design and format.

(d) Coordination

Where appropriate, the Secretary shall coordinate the manner in which data are presented through Internet websites described in subsection (a) and for public reporting of other quality measures by the Secretary, including such quality measures under title XVIII of the Social Security Act [42 U.S.C. 1395 et seq.].
(e) Authorization of appropriations

To carry out this section, there are authorized to be appropriated such sums as may be necessary for fiscal years 2010 through 2014.


REFERENCES IN TEXT

The Social Security Act, referred to in subsec. (d), is act Aug. 14, 1935, ch. 531, 49 Stat. 620. Title XVIII of the Act is classified generally to subchapter XVIII (§1395 et seq.) of chapter 7 of this title. For complete classification of this Act to the Code, see section 1395 of this title and Tables.

§280j–3. Quality improvement program for hospitals with a high severity adjusted readmission rate

(a) Establishment

(1) In general

Not later than 2 years after March 23, 2010, the Secretary shall make available a program for eligible hospitals to improve their readmission rates through the use of patient safety organizations (as defined in section 299h–2(4) of this title).

(2) Eligible hospital defined

In this subsection, the term "eligible hospital" means a hospital that the Secretary determines has a high rate of risk adjusted readmissions for the conditions described in section 1395ww(q)(6)(A) of this title and has not taken appropriate steps to reduce such readmissions and improve patient safety as evidenced through historically high rates of readmissions, as determined by the Secretary.

(3) Risk adjustment

The Secretary shall utilize appropriate risk adjustment measures to determine eligible hospitals.

(b) Report to the Secretary

As determined appropriate by the Secretary, eligible hospitals and patient safety organizations working with those hospitals shall report to the Secretary on the processes employed by the hospital to improve readmission rates and the impact of such processes on readmission rates.

(July 1, 1944, ch. 373, title III, §399KK, as added Pub. L. 111–148, title III, §3025(b), Mar. 23, 2010, 124 Stat. 412.)

PART T—ORAL HEALTHCARE PREVENTION ACTIVITIES

§280k. Oral healthcare prevention education campaign

(a) Establishment of Oral Health Education Campaign

The Secretary, acting through the Director of the Centers for Disease Control and Prevention and in consultation with professional oral health organizations, shall, subject to the availability of appropriations, establish a 5-year national, public education campaign (referred to in this section as the "campaign") that is focused on oral health education, including prevention of oral disease such as early childhood and other caries, periodontal disease, and oral cancer.

(b) Requirements

In establishing the campaign under subsection (a), the Secretary shall—

(1) ensure that activities are targeted towards specific populations such as children, pregnant women, parents, the elderly, individuals with disabilities, and ethnic and racial minority populations, including Indians, Alaska Natives and Native Hawaiians (as defined in section 1803(c) of title 25) in a culturally and linguistically appropriate manner; and

(2) utilize science-based strategies to convey oral health prevention messages that include, but are not limited to, community water fluoridation and dental sealants.

(c) Action for dental health program

(1) In general

The Secretary, in consultation with the Director of the Centers for Disease Control and Prevention and the Administrator of the Health Resources and Services Administration, may award grants, contracts, or cooperative agreements to eligible entities to collaborate with State or local public health officials, tribal health officials, oral health professional organizations, and others, as appropriate, to develop and implement initiatives to improve oral health, including activities to prevent dental disease and reduce barriers to the provision of dental services, including—

(A) through community-wide dental disease prevention programs; and

(B) by increasing public awareness and education related to oral health and dental disease prevention.

(2) Eligible entities

To be eligible to receive a grant, contract, or cooperative agreement under this subsection, an entity shall be—

(A) a dental association;

(B) a State or tribal health department or State or tribal oral health program;

(C) an accredited dental education, dental hygiene, or postdoctoral dental education program; or

(D) a non-profit community-based organization that partners with public and private non-profit entities, such as an academic institution, to facilitate the provision of dental services to underserved populations.


REFERENCES IN TEXT


AMENDMENTS

§ 280k-1. Research-based dental caries disease management
(a) In general
The Secretary, acting through the Director of the Centers for Disease Control and Prevention, shall award demonstration grants to eligible entities to demonstrate the effectiveness of research-based dental caries disease management activities.

(b) Eligibility
To be eligible for a grant under this section, an entity shall—
(1) be a community-based provider of dental services (as defined by the Secretary), including a Federally-qualified health center, a clinic of a hospital owned or operated by a State (or by an instrumentality or a unit of government within a State), a State or local department of health, a dental program of the Indian Health Service, an Indian tribe or tribal organization, or an urban Indian organization (as such terms are defined in section 1603 of title 25), a health system provider, a private provider of dental services, medical, dental, public health, nursing, nutrition educational institutions, or national organizations involved in improving children's oral health; and
(2) submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require.

(c) Use of funds
A grantee shall use amounts received under a grant under this section to demonstrate the effectiveness of research-based dental caries disease management activities.

(d) Use of information
The Secretary shall, as practicable and appropriate, utilize information generated from grantees under this section in planning and implementing the oral health education campaign and action for dental health program under section 280k of this title.

§ 280k-2. Authorization of appropriations
There is authorized to be appropriated to carry out this part, such sums as may be necessary.
§ 280l. Technical assistance for employer-based wellness programs

In order to expand the utilization of evidence-based prevention and health promotion approaches in the workplace, the Director shall—

(1) provide employers (including small, medium, and large employers, as determined by the Director) with technical assistance, consultation, tools, and other resources in evaluating such employers’ employer-based wellness programs, including—

(A) measuring the participation and methods to increase participation of employees in such programs;

(B) developing standardized measures that assess policy, environmental and systems changes necessary to have a positive health impact on employees’ health behaviors, health outcomes, and health care expenditures; and

(C) evaluating such programs as they relate to changes in the health status of employees, the absenteeism of employees, the productivity of employees, the rate of workplace injury, and the medical costs incurred by employees; and

(2) build evaluation capacity among workplace staff by training employers on how to evaluate employer-based wellness programs and ensuring evaluation resources, technical assistance, and consultation are available to workplace staff as needed through such mechanisms as web portals, call centers, or other means.

(July 1, 1944, ch. 373, title III, § 399MM–1, as added and amended Pub. L. 111–148, title IV, § 4303, title X, § 10404, Mar. 23, 2010, 124 Stat. 583, 975.)

AMENDMENTS

§ 280l–1. National worksite health policies and programs study

(a) In general

In order to assess, analyze, and monitor over time data about workplace policies and programs, and to develop instruments to assess and evaluate comprehensive workplace chronic disease prevention and health promotion programs, policies, and practices, not later than 2 years after March 23, 2010, and at regular intervals (to be determined by the Director) thereafter, the Director shall conduct a national worksite health policies and programs survey to assess employer-based health policies and programs.

(b) Report

Upon the completion of each study under subsection (a), the Director shall submit to Congress a report that includes the recommendations of the Director for the implementation of effective employer-based health policies and programs.

(July 1, 1944, ch. 373, title III, § 399MM–1, as added Pub. L. 111–148, title IV, § 4303, Mar. 23, 2010, 124 Stat. 583.)

§ 280l–2. Prioritization of evaluation by Secretary

The Secretary shall evaluate, in accordance with this part, all programs funded through the Centers for Disease Control and Prevention before conducting such an evaluation of privately funded programs unless an entity with a privately funded wellness program requests such an evaluation.
§ 280m. Young women’s breast health awareness and support of young women diagnosed with breast cancer

(a) Public education campaign

(1) In general

The Secretary, acting through the Director of the Centers for Disease Control and Prevention, shall conduct a national evidence-based education campaign to increase awareness of young women’s knowledge regarding—

(A) breast health in young women of all racial, ethnic, and cultural backgrounds;

(B) breast awareness and good breast health habits;

(C) the occurrence of breast cancer and the general and specific risk factors in women who may be at high risk for breast cancer based on familial, racial, ethnic, and cultural backgrounds such as Ashkenazi Jewish populations;

(D) evidence-based information that would encourage young women and their health care professional to increase early detection of breast cancers; and

(E) the availability of health information and other resources for young women diagnosed with breast cancer.

(2) Evidence-based, age appropriate messages

The campaign shall provide evidence-based, age-appropriate messages and materials as developed by the Centers for Disease Control and Prevention and the Advisory Committee established under paragraph (4).

(3) Media campaign

In conducting the education campaign under paragraph (1), the Secretary shall award grants to entities to establish national multimedia campaigns oriented to young women that may include advertising through television, radio, print media, billboards, posters, all forms of existing and especially emerging social networking media, other Internet media, and any other medium determined appropriate by the Secretary.

(4) Advisory committee

(A) Establishment

Not later than 60 days after March 23, 2010, the Secretary, acting through the Director of the Centers for Disease Control and Prevention, shall establish an advisory committee to assist in creating and conducting the education campaigns under paragraph (1) and subsection (b)(1).

(B) Membership

The Secretary, acting through the Director of the Centers for Disease Control and Prevention, shall appoint to the advisory committee under subparagraph (A) such members as deemed necessary to properly advise the Secretary, and shall include organizations and individuals with expertise in breast cancer, disease prevention, early detection, diagnosis, public health, social marketing, genetic screening and counseling, treatment, rehabilitation, palliative care, and survivorship in young women.

(b) Health care professional education campaign

The Secretary, acting through the Director of the Centers for Disease Control and Prevention, and in consultation with the Administrator of the Health Resources and Services Administration, shall conduct an education campaign among physicians and other health care professionals to increase awareness—

(1) of breast health, symptoms, and early diagnosis and treatment of breast cancer in young women, including specific risk factors such as family history of cancer and women that may be at high risk for breast cancer, such as Ashkenazi Jewish population;

(2) on how to provide counseling to young women about their breast health, including knowledge of their family cancer history and importance of providing regular clinical breast examinations;

(3) concerning the importance of discussing healthy behaviors, and increasing awareness of services and programs available to address overall health and wellness, and making patient referrals to address tobacco cessation, good nutrition, and physical activity;

(4) on when to refer patients to a health care provider with genetics expertise;

(5) on how to provide counseling that addresses long-term survivorship and health concerns of young women diagnosed with breast cancer; and

(6) on when to provide referrals to organizations and institutions that provide credible health information and substantive assistance and support to young women diagnosed with breast cancer.

(c) Prevention research activities

The Secretary, acting through—

(1) the Director of the Centers for Disease Control and Prevention, shall conduct prevention research on breast cancer in younger women, including—

(A) behavioral, survivorship studies, and other research on the impact of breast cancer diagnosis on young women;

(B) formative research to assist with the development of educational messages and information for the public, targeted populations, and their families about breast health, breast cancer, and healthy lifestyles;

(C) testing and evaluating existing and new social marketing strategies targeted at young women; and
(D) surveys of health care providers and the public regarding knowledge, attitudes, and practices related to breast health and breast cancer prevention and control in high-risk populations; and

(2) the Director of the National Institutes of Health, shall conduct research to develop and validate new screening tests and methods for prevention and early detection of breast cancer in young women.

(d) Support for young women diagnosed with breast cancer

(1) In general

The Secretary shall award grants to organizations and institutions to provide health information from credible sources and substantive assistance directed to young women diagnosed with breast cancer and pre-neoplastic breast diseases.

(2) Priority

In making grants under paragraph (1), the Secretary shall give priority to applicants that deal specifically with young women diagnosed with breast cancer and pre-neoplastic breast disease.

(e) No duplication of effort

In conducting an education campaign or other program under subsections (a), (b), (c), or (d), the Secretary shall avoid duplicating other existing Federal breast cancer education efforts.

(f) Measurement; reporting

The Secretary, acting through the Director of the National Institutes of Health, shall conduct research to develop and validate new screening tests and methods for breast disease.

(g) Definition

In this section, the term ‘‘young women’’ means women 15 to 44 years of age.

(h) Authorization of appropriations

To carry out subsections (a), (b), (c)(1), and (d), there are authorized to be appropriated $4,900,000 for each of fiscal years 2015 through 2019.

(Title 281) Organization of National Institutes of Health

281. Organization of National Institutes of Health

(a) Relation to Public Health Service

The National Institutes of Health is an agency of the Service.

(b) National research institutes and national centers

The following agencies of the National Institutes of Health are national research institutes or national centers:

(1) The National Cancer Institute.

(2) The National Heart, Lung, and Blood Institute.


(4) The National Institute of Arthritis and Musculoskeletal and Skin Diseases.

(5) The National Institute on Aging.

(6) The National Institute of Allergy and Infectious Diseases.

(7) The Eunice Kennedy Shriver National Institute of Child Health and Human Development.

2014—Subsec. (b). Pub. L. 113–265 substituted ‘‘$4,900,000 for each of fiscal years 2015 through 2019’’ for ‘‘$9,000,000 for each of the fiscal years 2010 through 2014’’.
(8) The National Institute of Dental and Craniofacial Research.
(9) The National Eye Institute.
(10) The National Institute of Neurological Disorders and Stroke.
(11) The National Institute on Deafness and Other Communication Disorders.
(12) The National Institute on Alcohol Abuse and Alcoholism.
(13) The National Institute on Drug Abuse.
(14) The National Institute of Mental Health.
(15) The National Institute of General Medical Sciences.
(16) The National Institute of Environmental Health Sciences.
(17) The National Institute of Nursing Research.
(18) The National Institute of Biomedical Imaging and Bioengineering.
(19) The National Human Genome Research Institute.
(21) The National Center for Advancing Translational Sciences.
(22) The John E. Fogarty International Center for Advanced Study in the Health Sciences.
(23) The National Center for Complementary and Integrative Health.
(25) Any other national center that, as an agency separate from any national research institute, was established within the National Institutes of Health as of the day before January 15, 2007.

(c) Division of Program Coordination, Planning, and Strategic Initiatives

(1) In general
Within the Office of the Director of the National Institutes of Health, there shall be a Division of Program Coordination, Planning, and Strategic Initiatives (referred to in this subsection as the “Division”).

(2) Offices within Division
(A) Offices
The following offices are within the Division: The Office of AIDS Research, the Office of Research on Women’s Health, the Office of Behavioral and Social Sciences Research, the Office of Disease Prevention, the Office of Dietary Supplements, and any other office located within the Office of the Director of NIH as of the day before January 15, 2007. In addition to such offices, the Director of NIH may establish within the Division such additional offices or other administrative units as the Director determines to be appropriate.

(B) Authorities
Each office in the Division—
(i) shall continue to carry out the authorities that were in effect for the office before January 15, 2007; and
(ii) shall, as determined appropriate by the Director of NIH, support the Division with respect to the authorities described in section 282(b)(7) of this title.

(d) Organization

(1) Number of institutes and centers
In the National Institutes of Health, the number of national research institutes and national centers may not exceed a total of 27, including any such institutes or centers established under authority of paragraph (2) or under authority of this subchapter as in effect on the day before January 15, 2007.

(2) Reorganization of institutes
(A) In general
The Secretary may establish in the National Institutes of Health one or more additional national research institutes to conduct and support research, training, health information, and other programs with respect to any particular disease or groups of diseases or any other aspect of human health if—
(i) the Secretary determines that an additional institute is necessary to carry out such activities; and
(ii) the additional institute is not established before the expiration of 180 days after the Secretary has provided the Committee on Energy and Commerce of the House of Representatives and the Committee on Health, Education, Labor, and Pensions of the Senate written notice of the determination made under clause (i) with respect to the institute.

(B) Additional authority
The Secretary may reorganize the functions of any national research institute and may abolish any national research institute if the Secretary determines that the institute is no longer required. A reorganization or abolition may not take effect under this paragraph before the expiration of 180 days after the Secretary has provided the Committee on Energy and Commerce of the House of Representatives and the Committee on Health, Education, Labor, and Pensions of the Senate written notice of the reorganization or abolition.

(3) Reorganization of Office of Director
Notwithstanding subsection (c), the Director of NIH may, after a series of public hearings, and with the approval of the Secretary, reorganize the offices within the Office of the Director, including the addition, removal, or transfer of functions of such offices, and the establishment or termination of such offices, if the Director determines that the overall management and operation of programs and activities conducted or supported by such offices would be more efficiently carried out under such a reorganization.

(4) Internal reorganization of institutes and centers
Notwithstanding any conflicting provisions of this subchapter, the director of a national research institute or a national center may, after a series of public hearings and with the approval of the Director of NIH, reorganize the divisions, centers, or other administrative units within such institute or center, includ-
(e) Scientific Management Review Board for periodic organizational reviews

(1) In general

Not later than 60 days after January 15, 2007, the Secretary shall establish an advisory council within the National Institutes of Health to be known as the Scientific Management Review Board (referred to in this subsection as the “Board”).

(2) Duties

(A) Reports on organizational issues

The Board shall provide advice to the appropriate officials under subsection (d) regarding the use of the authorities established in paragraphs (2), (3), and (4) of such subsection to reorganize the National Institutes of Health (referred to in this subsection as “organizational authorities”). Not less frequently than once each 7 years, the Board shall—

(i) determine whether and to what extent the organizational authorities should be used; and

(ii) issue a report providing the recommendations of the Board regarding the use of the authorities and the reasons underlying the recommendations.

(B) Certain responsibilities regarding reports

The activities of the Board with respect to a report under subparagraph (A) shall include the following:

(i) Reviewing the research portfolio of the National Institutes of Health (referred to in this subsection as “NIH”) in order to determine the progress and effectiveness and value of the portfolio and the allocation among the portfolio activities of the resources of NIH.

(ii) Determining pending scientific opportunities, and public health needs, with respect to research within the jurisdiction of NIH.

(iii) For any proposal for organizational changes to which the Board gives significant consideration as a possible recommendation in such report—

(I) analyzing the budgetary and operational consequences of the proposed changes;

(II) taking into account historical funding and support for research activities at national research institutes and centers that have been established recently relative to national research institutes and centers that have been in existence for more than two decades;

(III) estimating the level of resources needed to implement the proposed changes;

(IV) assuming the proposed changes will be made and making a recommendation for the allocation of the resources of NIH among the national research institutes and national centers; and

(V) analyzing the consequences for the progress of research in the areas affected by the proposed changes.

(C) Consultation

In carrying out subparagraph (A), the Board shall consult with—

(i) the heads of national research institutes and national centers whose directors are not members of the Board;

(ii) other scientific leaders who are officers or employees of NIH and are not members of the Board;

(iii) advisory councils of the national research institutes and national centers;

(iv) organizations representing the scientific community; and

(v) organizations representing patients.

(3) Composition of Board

The Board shall consist of the Director of NIH, who shall be a permanent nonvoting member on an ex officio basis, and an odd number of additional members, not to exceed 21, all of whom shall be voting members. The voting members of the Board shall be the following:

(A) Not fewer than 9 officials who are directors of national research institutes or national centers. The Secretary shall designate such officials for membership and shall ensure that the group of officials so designated includes directors of—

(i) national research institutes whose budgets are substantial relative to a majority of the other institutes;

(ii) national research institutes whose budgets are small relative to a majority of the other institutes;

(iii) national research institutes that have been in existence for a substantial period of time without significant organizational change under subsection (d);

(iv) as applicable, national research institutes that have undergone significant organization changes under such subsection, or that have been established under such subsection, other than national research institutes for which such changes have been in place for a substantial period of time; and

(v) national centers.

(B) Members appointed by the Secretary from among individuals who are not officers or employees of the United States. Such members shall include—

(i) individuals representing the interests of public or private institutions of higher education that have historically received funds from NIH to conduct research; and

(ii) individuals representing the interests of private entities that have received funds from NIH to conduct research or that have broad expertise regarding how the National Institutes of Health functions, exclusive of private entities to which clause (i) applies.
(4) Chair
The Chair of the Board shall be selected by the Secretary from among the members of the Board appointed under paragraph (3)(B). The term of office of the Chair shall be 2 years.

(5) Meetings
(A) In general
The Board shall meet at the call of the Chair or upon the request of the Director of NIH, but not fewer than 5 times with respect to issuing any particular report under paragraph (2)(A). The location of the meetings of the Board is subject to the approval of the Director of NIH.

(B) Particular forums
Of the meetings held under subparagraph (A) with respect to a report under paragraph (2)(A)—
(i) one or more shall be directed toward the scientific community to address scientific needs and opportunities related to proposals for organizational changes under subsection (d), or as the case may be, related to a proposal that no such changes be made; and
(ii) one or more shall be directed toward consumer organizations to address the needs and opportunities of patients and their families with respect to proposals referred to in clause (i).

(C) Availability of information from forums
For each meeting under subparagraph (B), the Director of NIH shall post on the Internet site of the National Institutes of Health a summary of the proceedings.

(6) Compensation; term of office
The provisions of subsections (b)(4) and (c) of section 284a of this title apply with respect to the Board to the same extent and in the same manner as such provisions apply with respect to an advisory council referred to in such subsection, except that the term of an appointed member is deemed to be a reference to 5 years.

(7) Reports
(A) Recommendations for changes
Each report under paragraph (2)(A) shall be submitted to—
(i) the Committee on Energy and Commerce and the Committee on Appropriations of the House of Representatives;
(ii) the Committee on Health, Education, Labor, and Pensions and the Committee on Appropriations of the Senate;
(iii) the Secretary; and
(iv) officials with organizational authorities, other than any such official who served as a member of the Board with respect to the report involved.

(B) Availability to public
The Director of NIH shall post each report under paragraph (2) on the Internet site of the National Institutes of Health.

(C) Report on Board activities
Not later than 18 months after January 15, 2007, the Board shall submit to the commit-

(f) Organizational changes per recommendation of Scientific Management Review Board

(1) In general
With respect to an official who has organizational authorities within the meaning of subsection (e)(2)(A), if a recommendation to the official for an organizational change is made in a report under such subsection, the official shall, except as provided in paragraphs (2), (3), and (4) of this subsection, make the change in accordance with the following:

(A) Not later than 100 days after the report is submitted under subsection (e)(7)(A), the official shall initiate the applicable public process required in subsection (d) toward making the change.

(B) The change shall be fully implemented not later than the expiration of the 3-year period beginning on the date on which such process is initiated.

(2) Inapplicability to certain reorganizations
Paragraph (1) does not apply to a recommendation made in a report under subsection (e)(2)(A) if the recommendation is for—

(A) an organizational change under subsection (d)(2) that constitutes the establishment, termination, or consolidation of one or more national research institutes or national centers; or

(B) an organizational change under subsection (d)(3).

(3) Objection by Director of NIH
(A) In general
Paragraph (1) does not apply to a recommendation for an organizational change made in a report under subsection (e)(2)(A) if the recommendation is for—

(A) an organizational change under subsection (d)(2) that is initiated pursuant to paragraph (1) shall be carried out by regulation in accordance with the procedures for substantive rules under section 553 of title 5. A rule under the preceding sentence shall be considered a major rule for purposes of chapter 8 of such title (relating to congressional review of agency rulemaking).

(g) Definitions
For purposes of this subchapter:
§ 281

The term “Director of NIH” means the Director of the National Institutes of Health.

The terms “national research institute” and “national center” mean an agency of the National Institutes of Health that—

(A) listed in subsection (b) and not terminated under subsection (d)(2)(A); or

(B) established by the Director of NIH under such subsection.

(h) References to NIH

For purposes of this subchapter, a reference to the National Institutes of Health includes its agencies.

(…)


Subsec. (b)(2)(B). Pub. L. 103–43, §1501(1), amended subpar. (B) generally, substituting ‘‘National Center for Research Resources’’ for ‘‘Division of Research Resources’’.

Subsec. (b)(2)(D). Pub. L. 103–43, §§1501(b)(1)(B), 1521(1), added subpar. (D) and struck out former subpar. (D) which read as follows: ‘‘The National Center for Nursing Research.’’


Effective Date of 2007 Amendment

Pub. L. 109–482, title I, §109, Jan. 15, 2007, 120 Stat. 3697, provided that: ‘‘This title [see Tables for classification] and the amendments made by this title apply only with respect to amounts appropriated for fiscal year 2007 or subsequent fiscal years.’’

Effective Date of 2000 Amendment

Pub. L. 106–525, title VI, §603, Nov. 22, 2000, 114 Stat. 2511, provided that: ‘‘This Act [enacting subpart 6 (§287c–31 et seq.) of part E of this subchapter and sections 293e, 296e–1, and 296–1 of this title, amending sections 281, 296F, 296A, 296C–6, and 300a–6 of this title, repealing section 283b of this title, and enacting provisions set out as notes under sections 201, 287c–31, 293e, and 296 and 3501 of this title] and the amendments made by this Act take effect October 1, 2000, or upon the date of the enactment of this Act [Nov. 22, 2000], whichever occurs later.’’

Effective Date of 1992 Amendment

Amendment by Pub. L. 102–321 effective Oct. 1, 1992, with provision for programs providing financial assistance, see section 801(c), (d) of Pub. L. 102–321, set out as a note under section 236 of this title.

Effective Date of 1988 Amendment

For effective date of amendment by Pub. L. 100–690, see section 2813(b)(1) of Pub. L. 100–690, set out as an Effect of Enactment of Similar Provisions note under section 285m of this title.

Construction of 2007 Amendment

Pub. L. 109–482, title I, §102(g), Jan. 15, 2007, 120 Stat. 3685, provided that: ‘‘This Act [see Tables for classification] and the amendments made by this Act may not be construed as affecting the authorities of the National research institutes and national centers that were in effect under the Public Health Service Act [42 U.S.C.
201 et seq.) on the day before the date of the enactment of this Act (Jan. 15, 2007), subject to the authorities of the Secretary of Health and Human Services and the Director of NIH under section 401 of the Public Health Service Act (42 U.S.C. 281) (as amended by section 101 of this Act). For purposes of the preceding sentence, the terms ‘national research institute’, ‘national center’, and ‘Director of NIH’ have the meanings given such terms in such section 401.’’

STUDY OF THE USE OF CENTERS OF EXCELLENCE AT THE NATIONAL INSTITUTES OF HEALTH

Pub. L. 107–84, § 7, Dec. 18, 2001, 115 Stat. 829, required the Secretary of Health and Human Services to contract, not later than 60 days after Dec. 18, 2001, with the Institute of Medicine to conduct a study on the impact, need for, and other issues associated with Centers of Excellence at the National Institutes of Health and complete the study and submit a report not later than one year after the date of the contract.

REPORT ON MEDICAL USES OF BIOLOGICAL AGENTS IN DEVELOPMENT OF DEFENSES AGAINST BIOLOGICAL WARFARE

Pub. L. 103–43, title XIX, § 1904, June 10, 1993, 107 Stat. 203, directed Secretary of Health and Human Services, in consultation with Secretary of Defense and with heads of other appropriate executive agencies, to report to Congress, not later than 12 months after June 10, 1993, on the appropriateness and impact of the National Institutes of Health assuming responsibility for the conduct of all Federal research, development, testing, and evaluation functions relating to medical countermeasures against biowarfare threat agents.

RESEARCH ON LUPUS ERYTHEMATOSUS

Pub. L. 99–158, § 5, Nov. 20, 1985, 99 Stat. 880, as amended by Pub. L. 102–331, title III, § 312(f), Oct. 27, 1992, 106 Stat. 3306, directed Secretary of Health and Human Resources to establish a Lupus Erythematosus Coordinating Committee to plan, develop, coordinate, and implement comprehensive Federal initiatives in research on Lupus Erythematosus, provided for composition of committee and meetings, and directed Committee to prepare a report for Congress on its activities, to be submitted not later than 18 months after Nov. 20, 1985, with Committee to terminate one month after the report was submitted.

INTERAGENCY COMMITTEE ON LEARNING DISABILITIES

Pub. L. 99–158, § 9, Nov. 20, 1985, 99 Stat. 882, directed Director of the National Institutes of Health, not later than 90 days after Nov. 20, 1985, to establish an Interagency Committee on Learning Disabilities to review and assess Federal research priorities, activities, and findings regarding learning disabilities (including central nervous system dysfunction in children), provided for composition of the Committee, directed Committee to report to Congress on its activities not later than 18 months after Nov. 20, 1985, and provided that the Committee terminate 90 days after submission of the report.

§ 282. Director of National Institutes of Health

(a) Appointment

The National Institutes of Health shall be headed by the Director of NIH who shall be appointed by the President by and with the advice and consent of the Senate. The Director of NIH shall perform functions as provided under subsection (b) and as the Secretary may otherwise prescribe.

(b) Duties and authority

In carrying out the purposes of section 241 of this title, the Secretary, acting through the Director of NIH—

(1) shall carry out this subchapter, including being responsible for the overall direction of the National Institutes of Health and for the establishment and implementation of general policies respecting the management and operation of programs and activities within the National Institutes of Health;

(2) shall coordinate and oversee the operation of the national research institutes, national centers, and administrative entities within the National Institutes of Health;

(3) shall, in consultation with the heads of the national research institutes and national centers, be responsible for program coordination across the national research institutes and national centers, including conducting priority-setting reviews, to ensure that the research portfolio of the National Institutes of Health is balanced and free of unnecessary duplication, and takes advantage of collaborative, cross-cutting research;

(4) shall assemble accurate data to be used to assess research priorities, including—

(A) information to better evaluate scientific opportunity, public health burdens, and progress in reducing health disparities; and

(B) data on study populations of clinical research, funded by or conducted at each national research institute and national center, which—

(i) specifies the inclusion of—

(I) women;

(II) members of minority groups;

(III) relevant age categories, including pediatric subgroups; and

(iv) other demographic variables as the Director of the National Institutes of Health determines appropriate;

(ii) is disaggregated by research area, condition, and disease categories; and

(iii) is to be made publicly available on the Internet website of the National Institutes of Health;

(5) shall ensure that scientifically based strategic planning is implemented in support of research priorities as determined by the agencies of the National Institutes of Health, and through the development, implementation, and updating of the strategic plan developed under subsection (m);

(6) shall ensure that the resources of the National Institutes of Health are sufficiently allocated for research projects identified in strategic plans;

(7)(A) shall, through the Division of Program Coordination, Planning, and Strategic Initiatives—

(i) identify research that represents important areas of emerging scientific opportunities, rising public health challenges, or knowledge gaps that deserve special emphasis and would benefit from conducting or supporting additional research that involves collaboration between 2 or more national research institutes or national centers, or would otherwise benefit from strategic coordination and planning;

(ii) include information on such research in reports under section 283 of this title; and
§ 282

(III) in the case of such research supported with funds referred to in subparagraph (B)—
(I) require as appropriate that proposals include milestones and goals for the research;
(II) require that the proposals include timeframes for funding of the research; and
(III) ensure appropriate consideration of proposals for which the principal investigator is an individual who has not previously served as the principal investigator of research conducted or supported by the National Institutes of Health;

(B)(i) may, with respect to funds reserved under section 282a(c)(1) of this title for the Common Fund, allocate such funds to the national research institutes and national centers for conducting and supporting research that is identified under subparagraph (A); and
(ii) shall, with respect to funds appropriated to the Common Fund pursuant to section 282a(c)(2) of this title, allocate such funds to the national research institutes and national centers for making grants for pediatric research that is identified under subparagraph (A); and

(C) may assign additional functions to the Division in support of responsibilities identified in subparagraph (A), as determined appropriate by the Director;

(b) shall, in coordination with the heads of the national research institutes and national centers, ensure that such institutes and centers—

(A) preserve an emphasis on investigator-initiated research project grants, including with respect to research involving collaboration between 2 or more such institutes or centers;

(B) when appropriate, maximize investigator-initiated research project grants in their annual research portfolios;

(C) foster collaboration between clinical research projects funded by the respective national research institutes and national centers that—

(i) conduct research involving human subjects; and

(ii) collect similar data; and

(D) encourage the collaboration described in subparagraph (C) to—

(i) allow for an increase in the number of subjects studied; and

(ii) utilize diverse study populations, with special consideration to biological, social, and other determinants of health that contribute to health disparities;

(9) shall ensure that research conducted or supported by the National Institutes of Health is subject to review in accordance with section 289a of this title and that, after such review, the research is reviewed in accordance with section 289a-1(a)(2) of this title by the appropriate advisory council under section 289a of this title before the research proposals are approved for funding;

(10) shall have authority to review and approve the establishment of all centers of excellence recommended by the national research institutes;
needed to effectively carry out this sub-
chapter;
(22) may appoint physicians, dentists, and
other health care professionals, subject to the
provisions of title 5 relating to appointments
and classifications in the competitive service,
and may compensate such professionals sub-
ject to the provisions of chapter 74 of title 38;
(23) shall designate a contact point or office
to help innovators and physicians identify
sources of funding available for pediatric med-
ical device development;
(24) implement the Cures Acceleration Net-
work described in section 237a of this title; and
(25) may require recipients of National Insti-
tutes of Health awards to share scientific
data, to the extent feasible, generated from
such National Institutes of Health awards in a
manner that is consistent with all applicable
Federal laws and regulations, including such
laws and regulations for the protection of—
(A) human research participants, including
with respect to privacy, security, informed
consent, and protected health information; and
(B) proprietary interests, confidential
commercial information, and the intellec-
tual property rights of the funding recipient.
The Federal Advisory Committee Act shall not
apply to the duration of a peer review group ap-
pointed under paragraph (16). The members of
such a group shall be individuals who by virtue
of their training or experience are eminently
qualified to perform the review functions of
such group. Not more than one-fourth of the members
of any such group shall be officers or employees
of the United States.
(c) Availability of substances and organisms for
research
The Director of NIH may make available to in-
dividuals and entities, for biomedical and behav-
ioral research, substances and living organisms.
Such substances and organisms shall be made
available under such terms and conditions (in-
cluding payment for them) as the Secretary de-
determines appropriate.
(d) Services of experts or consultants; number;
payment of expenses, conditions, recovery
(1) The Director of NIH may obtain (in accord-
ance with section 3109 of title 5, but without re-
gard to the limitation in such section on the pe-
riod of service) the services of not more than 220
experts or consultants, with scientific or other
professional qualifications, for the National In-
stitutes of Health.
(2)(A) Except as provided in subparagraph (B),
exerts and consultants whose services are ob-
tained under paragraph (1) shall be paid or reim-
bursed, in accordance with title 5, for their trav-
el to and from their place of service and for
other expenses associated with their assign-
ment.
(B) Expenses specified in subparagraph (A)
shall not be allowed in connection with the as-
signment of an expert or consultant whose serv-
ces are obtained under paragraph (1) unless the
expert or consultant has agreed in writing to
complete the entire period of the assignment or
one year of the assignment, whichever is short-
er, unless separated or reassigned for reasons
which are beyond the control of the expert or
consultant and which are acceptable to the Sec-
retary. If the expert or consultant violates the
agreement, the money spent by the United
States for such expenses is recoverable from the
expert or consultant as a debt due the United
States. The Secretary may waive in whole or in
part a right of recovery under this subpara-
graph.
(e) Dissemination of research information
The Director of NIH shall—
(1) advise the agencies of the National Insti-
tutes of Health on medical applications of re-
search;
(2) coordinate, review, and facilitate the sys-
tematic identification and evaluation of, clini-
cally relevant information from research con-
ducted by or through the national research in-
stitutes;
(3) promote the effective transfer of the in-
formation described in paragraph (2) to the
health care community and to entities that
require such information;
(4) monitor the effectiveness of the activities
described in paragraph (3); and
(5) ensure that, after January 1, 1994, all new
or revised health education and promotion
materials developed or funded by the National
Institutes of Health and intended for the gen-
eral public are in a form that does not exceed
a level of functional literacy, as defined in the
National Literacy Act of 1991 (Public Law
102–73).
(f) Associate Director for Prevention; functions
There shall be in the National Institutes of
Health an Associate Director for Prevention. The Director of NIH shall delegate to the Asso-
ciate Director for Prevention the functions of
the Director relating to the promotion of the
disease prevention research programs of the na-
tional research institutes and the coordina-
tion of such programs among the national research
institutes and between the national research in-
stitutes and other public and private entities,
including elementary, secondary, and post-sec-
ondary schools. The Associate Director shall—
(1) annually review the efficacy of existing
policies and techniques used by the national
research institutes to disseminate the results
of disease prevention and behavioral research
programs; and
(2) recommend, coordinate, and oversee the
modification or reconstruction of such policies
and techniques to ensure maximum dissemina-
tion, using advanced technologies to the maxi-
mum extent practicable, of research results to
such entities.
(g) Transferred
(h) Increased participation of women and dis-
advantaged individuals in biomedical and
behavioral research
The Secretary, acting through the Director of
NIH and the Directors of the agencies of the Na-
tional Institutes of Health, shall, in conducting
and supporting programs for research, research
training, recruitment, and other activities, pro-
vide for an increase in the number of women and individuals from disadvantaged backgrounds (including racial and ethnic minorities) in the fields of biomedical and behavioral research.

(i) **Data bank of information on clinical trials for drugs for serious or life-threatening diseases and conditions**

(1)(A) The Secretary, acting through the Director of NIH, shall establish, maintain, and operate a data bank of information on clinical trials for drugs for serious or life-threatening diseases and conditions (in this subsection referred to as the “data bank”). The activities of the data bank shall be integrated and coordinated with related activities of other agencies of the Department of Health and Human Services, and to the extent practicable, coordinated with other data banks containing similar information.

(B) The Secretary shall establish the data bank after consultation with the Commissioner of Food and Drugs, the directors of the appropriate agencies of the National Institutes of Health (including the National Library of Medicine), and the Director of the Centers for Disease Control and Prevention.

(2) In carrying out paragraph (1), the Secretary shall collect, catalog, store, and disseminate the information described in such paragraph. The Secretary shall disseminate such information through information systems, which shall include toll-free telephone communications, available to individuals with serious or life-threatening diseases and conditions, to other members of the public, to health care providers, and to researchers.

(3) The data bank shall include the following:

(A) A registry of clinical trials (whether federally or privately funded) of experimental treatments for serious or life-threatening diseases and conditions under regulations promulgated pursuant to section 355(i) of title 21, which provides a description of the purpose of each experimental drug, either with the consent of the protocol sponsor, or when a trial to test effectiveness begins. Information provided shall consist of eligibility criteria for participation in the clinical trials, a description of the location of trial sites, a point of contact for those wanting to enroll in the trial, and a description of whether, and through what procedure, the manufacturer or sponsor of the investigation of a new drug will respond to requests for protocol exception, with appropriate safeguards, for single-patient and expanded protocol use of the new drug, particularly in children, and shall be in a form that can be readily understood by members of the public. Such information shall be forwarded to the data bank by the sponsor of the trial not later than 21 days after the approval of the protocol.

(B) Information pertaining to experimental treatments for serious or life-threatening diseases and conditions that may be available—

(i) under a treatment investigational new drug application that has been submitted to the Secretary under section 360bbb(c) of title 21; or

(ii) as a Group C cancer drug (as defined by the National Cancer Institute).

The data bank may also include information pertaining to the results of clinical trials of such treatments, with the consent of the sponsor, including information concerning potential toxicities or adverse effects associated with the use or administration of such experimental treatments.

(4) The data bank shall not include information relating to an investigation if the sponsor has provided a detailed certification to the Secretary that disclosure of such information would substantially interfere with the timely enrollment of subjects in the investigation, unless the Secretary, after the receipt of the certification, provides the sponsor with a detailed written determination that such disclosure would not substantially interfere with such enrollment.

(5) Fees collected under section 379h of title 21 shall not be used in carrying out this subsection.

(j) **Expanded clinical trial registry data bank**

(1) **Definitions; requirement**

(A) **Definitions**

In this subsection:

(i) **Applicable clinical trial**

The term “applicable clinical trial” means an applicable device clinical trial or an applicable drug clinical trial.

(ii) **Applicable device clinical trial**

The term “applicable device clinical trial” means—

(I) a prospective clinical study of health outcomes comparing an intervention with a device subject to section 360(k), 360e, or 360(m) of title 21 against a control in human subjects (other than a small clinical trial to determine the feasibility of a device, or a clinical trial to test prototype devices where the primary outcome measure relates to feasibility and not to health outcomes); and

(II) a pediatric postmarket surveillance as required under section 360l of title 21.

(iii) **Applicable drug clinical trial**

(I) **In general**

The term “applicable drug clinical trial” means a controlled clinical investigation, other than a phase I clinical investigation, of a drug subject to section 355 of title 21 or to section 262 of this title.

(II) **Clinical investigation**

For purposes of subclause (I), the term “clinical investigation” has the meaning given that term in section 312.3 of title 21, Code of Federal Regulations (or any successor regulation).

(III) **Phase I**

For purposes of subclause (I), the term “phase I” has the meaning given that term in section 312.21 of title 21, Code of Federal Regulations (or any successor regulation).

(iv) **Clinical trial information**

The term “clinical trial information” means, with respect to an applicable clini-
cal trial, those data elements that the responsible party is required to submit under paragraph (2) or under paragraph (3).

(v) Completion date
The term “completion date” means, with respect to an applicable clinical trial, the date that the final subject was examined or received an intervention for the purposes of final collection of data for the primary outcome, whether the clinical trial concluded according to the prespecified protocol or was terminated.

(vi) Device
The term “device” means a device as defined in section 321(h) of title 21.

(vii) Drug
The term “drug” means a drug as defined in section 321(g) of title 21 or a biological product as defined in section 262 of this title.

(viii) Ongoing
The term “ongoing” means, with respect to a clinical trial of a drug or a device and to a date, that—
(I) 1 or more patients is enrolled in the clinical trial; and
(II) the date is before the completion date of the clinical trial.

(ix) Responsible party
The term “responsible party”, with respect to a clinical trial of a drug or device, means—
(I) the sponsor of the clinical trial (as defined in section 50.3 of title 21, Code of Federal Regulations (or any successor regulation)); or
(II) the principal investigator of such clinical trial if so designated by a sponsor, grantee, contractor, or awardee, so long as the principal investigator is responsible for conducting the trial, has access to and control over the data from the clinical trial, has the right to publish the results of the trial, and has the ability to meet all of the requirements under this subsection for the submission of clinical trial information.

(B) Requirement
The Secretary shall develop a mechanism by which the responsible party for each applicable clinical trial shall submit the identity and contact information of such responsible party to the Secretary at the time of submission of clinical trial information under paragraph (2).

(2) Expansion of clinical trial registry data bank with respect to clinical trial information

(A) In general

(i) Expansion of data bank
To enhance patient enrollment and provide a mechanism to track subsequent progress of clinical trials, the Secretary, acting through the Director of NIH, shall expand, in accordance with this subsection, the clinical trials registry of the data bank described under subsection (i)(1) (referred to in this subsection as the “registry data bank”). The Director of NIH shall ensure that the registry data bank is made publicly available through the Internet.

(ii) Content
The clinical trial information required to be submitted under this paragraph for an applicable clinical trial shall include—
(I) descriptive information, including—
(aa) a brief title, intended for the lay public;
(bb) a brief summary, intended for the lay public;
(cc) the primary purpose;
(dd) the study design;
(ee) for an applicable drug clinical trial, the study phase;
(ff) study type;
(gg) the primary disease or condition being studied, or the focus of the study;
(hh) the intervention name and intervention type;
(ii) the study start date;
(jj) the expected completion date;
(kk) the target number of subjects; and
(ll) outcomes, including primary and secondary outcome measures;
(II) recruitment information, including—
(aa) eligibility criteria;
(bb) gender;
(cc) age limits;
(dd) whether the trial accepts healthy volunteers;
(ee) overall recruitment status;
(ff) individual site status; and
(gg) in the case of an applicable drug clinical trial, if the drug is not approved under section 355 of title 21 or licensed under section 262 of this title, specify whether or not there is expanded access to the drug under section 360bbb of title 21 for those who do not qualify for enrollment in the clinical trial and how to obtain information about such access;
(III) location and contact information, including—
(aa) the name of the sponsor;
(bb) the responsible party, by official title; and
(cc) the facility name and facility contact information (including the city, State, and zip code for each clinical trial location, or a toll-free number through which such location information may be accessed); and
(IV) administrative data (which the Secretary may make publicly available as necessary), including—
(aa) the unique protocol identification number;
(bb) other protocol identification numbers, if any; and
(cc) the Food and Drug Administration IND/IDE protocol number and the record verification date.

(iii) Modifications
The Secretary may by regulation modify the requirements for clinical trial information under this paragraph, if the Secretary provides a rationale for why such a modification improves and does not reduce such clinical trial information.

(B) Format and structure

(i) Searchable categories
The Director of NIH shall ensure that the public may, in addition to keyword searching, search the entries in the registry data bank by 1 or more of the following criteria:

(I) The disease or condition being studied in the clinical trial, using Medical Subject Headers (MeSH) descriptors.

(II) The name of the intervention, including any drug or device being studied in the clinical trial.

(III) The location of the clinical trial.

(IV) The age group studied in the clinical trial, including pediatric subpopulations.

(V) The study phase of the clinical trial.

(VI) The sponsor of the clinical trial, which may be the National Institutes of Health or another Federal agency, a private industry source, or a university or other organization.

(VII) The recruitment status of the clinical trial.

(VIII) The National Clinical Trial number or other study identification for the clinical trial.

(ii) Additional searchable category
Not later than 18 months after September 27, 2007, the Director of NIH shall ensure that the public may search the entries of the registry data bank by the safety issue, if any, being studied in the clinical trial as a primary or secondary outcome.

(iii) Other elements
The Director of NIH shall also ensure that the public may search the entries of the registry data bank by such other elements as the Director deems necessary on an ongoing basis.

(iv) Format
The Director of the NIH shall ensure that the registry data bank is easily used by the public, and that entries are easily compared.

(C) Data submission
The responsible party for an applicable clinical trial, including an applicable drug clinical trial for a serious or life-threatening disease or condition, that is initiated after, or is ongoing on the date that is 90 days after, September 27, 2007, shall submit to the Director of NIH for inclusion in the registry data bank the clinical trial information described in of 1 subparagraph (A)(ii) not later than the later of—

(i) 90 days after September 27, 2007;
(ii) 21 days after the first patient is enrolled in such clinical trial; or
(iii) in the case of a clinical trial that is not for a serious or life-threatening disease or condition and that is ongoing on September 27, 2007, 1 year after September 27, 2007.

(D) Posting of data

(i) Applicable drug clinical trial
The Director of NIH shall ensure that clinical trial information for an applicable drug clinical trial submitted in accordance with this paragraph is posted in the registry data bank not later than 30 days after such submission.

(ii) Applicable device clinical trial
The Director of NIH shall ensure that clinical trial information for an applicable device clinical trial submitted in accordance with this paragraph is posted publicly in the registry data bank—

(I) not earlier than the date of clearance under section 360(k) of title 21, or approval under section 360e or 360(m) of title 21, as applicable, for a device that was not previously cleared or approved, and not later than 30 days after such date, unless the responsible party affirmatively requests that the Director of the National Institutes of Health publicly post such clinical trial information for an applicable device clinical trial prior to such date of clearance or approval; or
(II) for a device that was previously cleared or approved, not later than 30 days after the clinical trial information under paragraph (3)(C) is required to be posted by the Secretary.

(iii) Option to make certain clinical trial information available earlier
The Director of the National Institutes of Health shall inform responsible parties of the option to request that clinical trial information for an applicable device clinical trial be publicly posted prior to the date of clearance or approval, in accordance with clause (ii)(I).

(iv) Combination products
An applicable clinical trial for a product that is a combination of drug, device, or biological product shall be considered—

(I) an applicable drug clinical trial, if the Secretary determines under section 353(g) of title 21 that the primary mode of action of such product is that of a drug or biological product; or
(II) an applicable device clinical trial, if the Secretary determines under such section that the primary mode of action of such product is that of a device.

1 So in original. The word “of” probably should not appear.
(3) Expansion of registry data bank to include results of clinical trials

(A) Linking registry data bank to existing results

(i) In general

Beginning not later than 90 days after September 27, 2007, for those clinical trials that form the primary basis of an efficacy claim or are conducted after the drug involved is approved or after the device involved is cleared or approved, the Secretary shall ensure that the registry data bank includes links to results information as described in clause (ii) for such clinical trial—

(I) not earlier than 30 days after the date of the approval of the drug involved or clearance or approval of the device involved; or

(II) not later than 30 days after the results information described in clause (ii) becomes publicly available.

(ii) Required information

(I) FDA information

The Secretary shall ensure that the registry data bank includes links to the following information:

(aa) If an advisory committee considered a meeting an applicable clinical trial, any posted Food and Drug Administration summary document regarding such applicable clinical trial.

(bb) If an applicable drug clinical trial was conducted under section 355a or 355c of title 21, a link to the posted Food and Drug Administration assessment of the results of such trial.

(cc) Food and Drug Administration public health advisories regarding the drug or device that is the subject of the applicable clinical trial, if any.

(dd) For an applicable drug clinical trial, the Food and Drug Administration action package for approval document required under section 355(l)(2) of title 21.

(ee) For an applicable device clinical trial, in the case of a premarket application under section 360e of title 21, the detailed summary of information respecting the safety and effectiveness of the device required under section 360(j)(1) of title 21, or, in the case of a report under section 360(k) of title 21, the section 360(k) summary of the safety and effectiveness data required under section 807.95(d) of title 21, Code of Federal Regulations (or any successor regulation).

(II) NIH information

The Secretary shall ensure that the registry data bank includes links to the following information:

(aa) Medline citations to any publications focused on the results of an applicable clinical trial.

(bb) The entry for the drug that is the subject of an applicable drug clinical trial in the National Library of Medicine database of structured product labels, if available.

(iii) Results for existing data bank entries

The Secretary may include the links described in clause (ii) for data bank entries for clinical trials submitted to the data bank prior to September 27, 2007, as available.

(B) Inclusion of results

The Secretary, acting through the Director of NIH, shall:

(i) expand the registry data bank to include the results of applicable clinical trials (referred to in this subsection as the “registry and results data bank”);

(ii) ensure that such results are made publicly available through the Internet;

(iii) post publicly a glossary for the lay public explaining technical terms related to the results of clinical trials; and

(iv) in consultation with experts on risk communication, provide information with the information included under subparagraph (C) in the registry and results data bank to help ensure that such information does not mislead the patients or the public.

(C) Basic results

Not later than 1 year after September 27, 2007, the Secretary shall include in the registry and results data bank for each applicable clinical trial for a drug that is approved under section 355 of title 21 or licensed under section 262 of this title or a device that is cleared under section 360(k) of title 21 or approved under section 360e or 360(m) of title 21, the following elements:

(i) Demographic and baseline characteristics of patient sample

A table of the demographic and baseline data collected overall and for each arm of the clinical trial to describe the patients who participated in the clinical trial, including the number of patients who dropped out of the clinical trial and the number of patients excluded from the analysis, if any.

(ii) Primary and secondary outcomes

The primary and secondary outcome measures as submitted under paragraph (2)(A)(ii)(I)(ll), and a table of values for each of the primary and secondary outcome measures for each arm of the clinical trial, including the results of scientifically appropriate tests of the statistical significance of such outcome measures.

(iii) Point of contact

A point of contact for scientific information about the clinical trial results.

(iv) Certain agreements

Whether there exists an agreement (other than an agreement solely to comply with applicable provisions of law protecting the privacy of participants) between the sponsor or its agent and the principal
investigator (unless the sponsor is an employer of the principal investigator) that restricts in any manner the ability of the principal investigator, after the completion date of the trial, to discuss the results of the trial at a scientific meeting or any other public or private forum, or to publish in a scientific or academic journal information concerning the results of the trial.

(D) Expanded registry and results data bank

(i) Expansion by rulemaking
To provide more complete results information and to enhance patient access to and understanding of the results of clinical trials, not later than 3 years after September 27, 2007, the Secretary shall by regulation expand the registry and results data bank as provided under this subparagraph.

(ii) Clinical trials

(I) Approved products
The regulations under this subparagraph shall require the inclusion of the results information described in clause (iii) for—

(aa) each applicable drug clinical trial for a drug that is approved under section 355 of title 21 or licensed under section 360m of this title; and

(bb) each applicable device clinical trial for a device that is cleared under section 360(k) of title 21 or approved under section 360e or 360j(m) of title 21.

(II) Unapproved products
The regulations under this subparagraph shall establish whether or not the results information described in clause (iii) shall be required for—

(aa) an applicable drug clinical trial for a drug that is not approved under section 355 of title 21 and not licensed under section 360m of this title (whether approval or licensure was sought or not); and

(bb) an applicable device clinical trial for a device that is not cleared under section 360(k) of title 21 and not approved under section 360e or section 360j(m) of title 21 (whether clearance or approval was sought or not).

(iii) Required elements
The regulations under this subparagraph shall require, in addition to the elements described in subparagraph (C), information within each of the following categories:

(I) A summary of the clinical trial and its results that is written in non-technical, understandable language for patients, if the Secretary determines that such types of summary can be included without being misleading or promotional.

(II) A summary of the clinical trial and its results that is technical in nature, if the Secretary determines that such types of summary can be included without being misleading or promotional.

(III) The full protocol or such information on the protocol for the trial as may be necessary to help to evaluate the results of the trial.

(IV) Such other categories as the Secretary determines appropriate.

(iv) Results submission
The results information described in clause (iii) shall be submitted to the Director of NIH for inclusion in the registry and results data bank as provided by subparagraph (E), except that the Secretary shall by regulation determine—

(I) whether the 1-year period for submission of clinical trial information described in subparagraph (E)(i) should be increased from 1 year to a period not to exceed 18 months;

(II) whether the clinical trial information described in clause (iii) should be required to be submitted for an applicable clinical trial for which the clinical trial information described in subparagraph (C) is submitted to the registry and results data bank before the effective date of the regulations issued under this subparagraph; and

(III) in the case when the clinical trial information described in clause (iii) is required to be submitted for the applicable clinical trials described in clause (ii)(II), the date by which such clinical trial information shall be required to be submitted, taking into account—

(aa) the certification process under subparagraph (E)(iii) when approval, licensure, or clearance is sought; and

(bb) whether there should be a delay of submission when approval, licensure, or clearance will not be sought.

(v) Additional provisions
The regulations under this subparagraph shall also establish—

(I) a standard format for the submission of clinical trial information under this paragraph to the registry and results data bank;

(II) additional information on clinical trials and results that is written in non-technical, understandable language for patients;

(III) considering the experience under the pilot quality control project described in paragraph (5)(C), procedures for quality control, including using representative samples, with respect to completeness and content of clinical trial information under this subsection, to help ensure that data elements are not false or misleading and are non-promotional;

(IV) the appropriate timing and requirements for updates of clinical trial information, and whether and, if so, how such updates should be tracked;

(V) a statement to accompany the entry for an applicable clinical trial when the primary and secondary outcome measures for such clinical trial are submitted under paragraph (4)(A) after the date specified for the submission of such information in paragraph (2)(C); and
(vi) Consideration of World Health Organization data set

The Secretary shall consider the status of the consensus data elements set for reporting clinical trial results of the World Health Organization when issuing the regulations under this subparagraph.

(vii) Public meeting

The Secretary shall hold a public meeting no later than 18 months after September 27, 2007, to provide an opportunity for input from interested parties with regard to the regulations to be issued under this subparagraph.

(E) Submission of results information

(i) In general

Except as provided in clauses (iii), (iv), (v), and (vi) the responsible party for an applicable clinical trial that is described in this clause (ii) shall submit to the Director of NIH for inclusion in the registry and results data bank the clinical trial information described in subparagraph (C) not later than 1 year, or such other period as may be provided by regulation under subparagraph (D), after the earlier of—

(1) the estimated completion date of the trial as described in paragraph (2)(A)(ii)(I)(jj));
(2) the actual date of completion.

(ii) Clinical trials described

An applicable clinical trial described in this clause is an applicable clinical trial subject to—

(1) paragraph (2)(C); and
(2) subparagraph (C); or
(3) the regulations issued under subparagraph (D).

(iii) Delayed submission of results with certification

If the responsible party for an applicable clinical trial submits a certification that clause (iv) or (v) applies to such clinical trial, the responsible party shall submit to the Director of NIH for inclusion in the registry and results data bank the clinical trial information described in subparagraphs (C) and (D) as required under the applicable clause.

(iv) Seeking initial approval of a drug or device

With respect to an applicable clinical trial that is completed before the drug is initially approved under section 355 of title 21 or initially licensed under section 262 of this title, or the device is initially cleared under section 360(k) or initially approved under section 360e or 360(j)(m) of title 21, the responsible party shall submit to the Director of NIH for inclusion in the registry and results data bank the clinical trial information described in subparagraphs (C) and (D) not later than 30 days after the drug or device is approved under such section 355, licensed under such section 262, cleared under such section 360(k), or approved under such section 360e or 360(j)(m), as applicable.

(v) Seeking approval of a new use for the drug or device

(I) In general

With respect to an applicable clinical trial where the manufacturer of the drug or device is the sponsor of an applicable clinical trial, and such manufacturer has filed, or will file within 1 year, an application seeking approval under section 355 of title 21, licensing under section 262 of this title, or clearance under section 360(k), or approval under section 360e or 360(j)(m) of title 21 for the use studied in such clinical trial (which use is not included in the labeling of the approved drug or device), then the responsible party shall submit to the Director of NIH for inclusion in the registry and results data bank the clinical trial information described in subparagraphs (C) and (D) on the earlier of the date that is 30 days after the date—

(aa) the new use of the drug or device is approved under such section 355, licensed under such section 262, cleared under such section 360(k), or approved under such section 360e or 360(j)(m);
(bb) the Secretary issues a letter, such as a complete response letter, not approving the submission or not clearing the submission, a not approvable letter, or a not substantially equivalent letter for the new use of the drug or device under such section 355, 262, 360(k), 360e, or 360(j)(m); or
(cc) except as provided in subclause (III), the application or premarket notification under such section 355, 262, 360(k), 360e, or 360(j)(m) is withdrawn without resubmission for no less than 210 days.

(II) Requirement that each clinical trial in application be treated the same

If a manufacturer makes a certification under clause (iii) that this clause applies with respect to a clinical trial, the manufacturer shall make such a certification with respect to each applicable clinical trial that is required to be submitted in an application or report for licensure, approval, or clearance (under section 355, 262, 360(k), 360e, or 360(j)(m)) of title 21, as applicable, of the use studied in the clinical trial.

(III) Two-year limitation

The responsible party shall submit to the Director of NIH for inclusion in the registry and results data bank the clinical trial information subject to subclause (I) on the date that is 2 years after the date a certification under

§ 282
clause (iii) was made to the Director of NIH, if an action referred to in item (aa), (bb), or (cc) of subclause (I) has not occurred by such date.

(vi) Extensions

The Director of NIH may provide an extension of the deadline for submission of clinical trial information under clause (i) if the responsible party for the trial submits to the Director a written request that demonstrates good cause for the extension and provides an estimate of the date on which the information will be submitted. The Director of NIH may grant more than one such extension for a clinical trial.

(F) Notice to Director of NIH

The Commissioner of Food and Drugs shall notify the Director of NIH when there is an action described in subparagraph (E)(iv) or item (aa), (bb), or (cc) of subparagraph (E)(v)(I) with respect to an application or a report that includes a certification required under paragraph (5)(B) of such action not later than 30 days after such action.

(G) Posting of data

The Director of NIH shall ensure that the clinical trial information described in subparagraphs (C) and (D) for an applicable clinical trial submitted in accordance with this paragraph is posted publicly in the registry and results database not later than 30 days after such submission.

(H) Waivers regarding certain clinical trial results

The Secretary may waive any applicable requirements of this paragraph for an applicable clinical trial, upon a written request from the responsible party, if the Secretary determines that extraordinary circumstances justify the waiver and that providing the waiver is consistent with the protection of public health, or in the interest of national security. Not later than 30 days after any part of a waiver is granted, the Secretary shall, in consultation with experts in risk communication, post with the tables information to enhance patient understanding and to ensure such tables do not mislead patients or the lay public.

(iv) Posting of other information

In carrying out clause (iii), the Secretary shall, in consultation with experts in risk communication, post with the tables information to enhance patient understanding and to ensure such tables do not mislead patients or the lay public.

(v) Relation to subparagraph (C)

Clinical trial information included in the registry and results database pursuant to this subparagraph is deemed to be clinical trial information included in such data bank pursuant to subparagraph (C).

(4) Additional submissions of clinical trial information

(A) Voluntary submissions

A responsible party for a clinical trial that is not an applicable clinical trial, or that is an applicable clinical trial that is not subject to paragraph (2)(C), may submit complete clinical trial information described in paragraph (2) or paragraph (3) provided the responsible party submits clinical trial information for each applicable clinical trial that is required to be submitted under section 355, 360(k), 360e, or 360(j)(m) of title 21 in an application or report for licensure, approval, or clearance of the drug or device for the use studied in the clinical trial.

(B) Required submissions

(i) In general

Notwithstanding paragraphs (2) and (3) and subparagraph (A), in any case in which the Secretary determines for a specific clinical trial described in clause (ii) that posting in the registry and results database of clinical trial information for such clinical trial is necessary to protect the public health—

(I) the Secretary may require by notification that such information be submitted to the Secretary in accordance with paragraphs (2) and (3) except with regard to timing of submission; and

(II) unless the responsible party submits a certification under paragraph
(3)(E)(ii), such information shall be submitted not later than 30 days after the date specified by the Secretary in the notification; and

(III) failure to comply with the requirements under subclauses (I) and (II) shall be treated as a violation of the corresponding requirement of such paragraphs.

(ii) Clinical trials described

A clinical trial described in this clause is—

(I) an applicable clinical trial for a drug that is approved under section 355 of title 21 or licensed under section 362 of this title or for a device that is cleared under section 360(k) of title 21 or approved under section 360e or section 360(m) of title 21, whose completion date is on or after the date 10 years before September 27, 2007; or

(II) an applicable clinical trial that is described by both by \(^3\) paragraph (2)(C) and paragraph (3)(D)(ii)(II)).\(^4\)

(C) Updates to clinical trial data bank

(i) Submission of updates

The responsible party for an applicable clinical trial shall submit to the Director of NIH for inclusion in the registry and results data bank updates to reflect changes to the clinical trial information submitted under paragraph (2). Such updates—

(I) shall be provided not less than once every 12 months, unless there were no changes to the clinical trial information during the preceding 12-month period;

(II) shall include identification of the dates of any such changes;

(III) not later than 30 days after the recruitment status of such clinical trial changes, shall include an update of the recruitment status; and

(IV) not later than 30 days after the completion date of the clinical trial, shall include notification to the Director that such clinical trial is complete.

(ii) Public availability of updates

The Director of NIH shall make updates submitted under clause (i) publicly available in the registry data bank. Except with regard to overall recruitment status, individual site status, location, and contact information, the Director of NIH shall ensure that updates to elements required under subclauses (I) to (V) of paragraph (2)(A)(ii) do not result in the removal of any information from the original submission or any preceding updates, and information in such databases is presented in a manner that enables users to readily access each original element submission and to track the changes made by the updates. The Director of NIH shall provide a link from the table of primary and secondary outcomes required under paragraph (3)(C)(ii) to the tracked history required under this clause of the primary and secondary outcome measures submitted under paragraph (2)(A)(ii)(I)(II).

(5) Coordination and compliance

(A) Clinical trials supported by grants from Federal agencies

(i) Grants from certain Federal agencies

If an applicable clinical trial is funded in whole or in part by a grant from any agency of the Department of Health and Human Services, including the Food and Drug Administration, the National Institutes of Health, or the Agency for Healthcare Research and Quality, any grant or progress report forms required under such grant shall include a certification that the responsible party has made all required submissions to the Director of NIH under paragraphs (2) and (3).

(ii) Verification by Federal agencies

The heads of the agencies referred to in clause (i), as applicable, shall verify that the clinical trial information for each applicable clinical trial for which a grantee is the responsible party has been submitted under paragraphs (2) and (3) before releasing any remaining funding for a grant or funding for a future grant to such grantee.

(iii) Notice and opportunity to remedy

If the head of an agency referred to in clause (i), as applicable, verifies that a grantee has not submitted clinical trial information as described in clause (ii), such agency head shall provide notice to such grantee of such non-compliance and allow such grantee 30 days to correct such non-compliance and submit the required clinical trial information.

(iv) Consultation with other Federal agencies

The Secretary shall—

(I) consult with other agencies that conduct research involving human subjects in accordance with any section of part 46 of title 45, Code of Federal Regulations (or any successor regulations), to determine if any such research is an applicable clinical trial; and

(II) develop with such agencies procedures comparable to those described in clauses (i), (ii), and (iii) to ensure that clinical trial information for such applicable clinical trial is submitted under paragraphs (2) and (3).

(B) Certification to accompany drug, biological product, and device submissions

At the time of submission of an application under section 355 of title 21, section 360e of title 21, section 360(m) of title 21, or section 362 of this title, or submission of a report under section 360(k) of title 21, such application or submission shall be accompanied by a certification that all applicable requirements of this subsection have been met. Where available, such certification

---

\(^3\) So in original.

\(^4\) So in original. The second closing parenthesis probably should not appear.
shall include the appropriate National Clinical Trial control numbers.

(C) **Quality control**

(i) Pilot quality control project

Until the effective date of the regulations issued under paragraph (3)(D), the Secretary, acting through the Director of NIH and the Commissioner of Food and Drugs, shall conduct a pilot project to determine the optimal method of verification to help to ensure that the clinical trial information submitted under paragraph (3)(C) is non-promotional and is not false or misleading in any particular under subparagraph (D). The Secretary shall use the publicly available information described in paragraph (3)(A) and any other information available to the Secretary about applicable clinical trials to verify the accuracy of the clinical trial information submitted under paragraph (3)(C).

(ii) Notice of compliance

If the Secretary determines that any clinical trial information was not submitted as required under this subsection, or was submitted but is false or misleading in any particular, the Secretary shall notify the responsible party and give such party an opportunity to remedy such noncompliance by submitting the required revised clinical trial information not later than 30 days after such notification.

(D) **Truthful clinical trial information**

(i) In general

The clinical trial information submitted by a responsible party under this subsection shall not be false or misleading in any particular.

(ii) Effect

Clause (i) shall not have the effect of—

(I) requiring clinical trial information with respect to an applicable clinical trial to include information from any source other than such clinical trial involved; or

(II) requiring clinical trial information described in paragraph (3)(D) to be submitted for purposes of paragraph (3)(C).

(E) **Public notices**

(i) Notice of violations

If the responsible party for an applicable clinical trial fails to submit clinical trial information for such clinical trial as required under paragraphs (2) or (3), the Director of NIH shall include in the registry and results data bank entry for such clinical trial a notice—

(I) that the responsible party is not in compliance with this chapter by—

(aa) failing to submit required clinical trial information; or

(bb) submitting false or misleading clinical trial information;

(II) of the penalties imposed for the violation, if any; and

(III) whether the responsible party has corrected the clinical trial information in the registry and results data bank.

(ii) Notice of failure to submit primary and secondary outcomes

If the responsible party for an applicable clinical trial fails to submit the primary and secondary outcomes as required under section 2(A)(ii)(I)(ll), the Director of NIH shall include in the registry and results data bank entry for such clinical trial a notice that the responsible party is not in compliance by failing to register the primary and secondary outcomes in accordance with this chapter, and that the primary and secondary outcomes were not publicly disclosed in the database before conducting the clinical trial.

(iii) Failure to submit statement

The notice under clause (i) for a violation described in clause (I)(I)(aa) shall include the following statement: “The entry for this clinical trial was not complete at the time of submission, as required by law. This may or may not have any bearing on the accuracy of the information in the entry.”.

(iv) Submission of false information statement

The notice under clause (i) for a violation described in clause (I)(I)(bb) shall include the following statement: “The entry for this clinical trial was found to be false or misleading and therefore not in compliance with the law.”.

(v) Non-submission of statement

The notice under clause (ii) for a violation described in clause (ii) shall include the following statement: “The entry for this clinical trial did not contain information on the primary and secondary outcomes at the time of submission, as required by law. This may or may not have any bearing on the accuracy of the information in the entry.”.

(vi) Compliance searches

The Director of NIH shall provide that the public may easily search the registry and results data bank for entries that include notices required under this subparagraph.

(6) **Limitation on disclosure of clinical trial information**

(A) In general

Nothing in this subsection (or under section 552 of title 5) shall require the Secretary to publicly disclose, by any means other than the registry and results data bank, information described in subparagraph (B).

(B) **Information described**

Information described in this subparagraph is—

(i) information submitted to the Director of NIH under this subsection, or information of the same general nature as (or

---

5 So in original. Probably should be “paragraph (2)(A)(ii)(I)(ll),.”
(7) Authorization of appropriations

There are authorized to be appropriated to carry out this subsection $10,000,000 for each fiscal year.

(k) Day care for children of employees

(1) The Director of NIH may establish a program to provide day care services for the employees of the National Institutes of Health similar to those services provided by other Federal agencies (including the availability of day care service on a 24-hour-a-day basis).

(2) Any day care provider at the National Institutes of Health shall establish a sliding scale of fees that takes into consideration the income and needs of the employee.

(3) For purposes regarding the provision of day care services, the Director of NIH may enter into rental or lease purchase agreements.

(l) Council of Councils

(1) Establishment

Not later than 90 days after January 15, 2007, the Director of NIH shall establish within the Office of the Director an advisory council to be known as the “Council of Councils” (referred to in this subsection as the “Council”) for the purpose of advising the Director on matters related to the policies and activities of the Division of Program Coordination, Planning, and Strategic Initiatives, including making recommendations with respect to the conduct and support of research described in subsection (b)(7).

(2) Membership

(A) In general

The Council shall be composed of 27 members selected by the Director of NIH with approval from the Secretary from among the list of nominees under subparagraph (C).

(B) Certain requirements

In selecting the members of the Council, the Director of NIH shall ensure—

(i) the representation of a broad range of disciplines and perspectives; and

(ii) the ongoing inclusion of at least 1 representative from each national research institute whose budget is substantial relative to a majority of the other institutes.

(C) Nomination

The Director of NIH shall maintain an updated list of individuals who have been nominated to serve on the Council, which list shall consist of the following:

(i) For each national research institute and national center, 3 individuals nominated by the head of such institute or center from among the members of the advisory council of the institute or center, of which—

(I) two shall be scientists; and

(II) one shall be from the general public or shall be a leader in the field of public health, law, health policy, economics, or management.

(ii) For each office within the Division of Program Coordination, Planning, and Strategic Initiatives, 1 individual nominated by the head of such office.

(iii) Members of the Council of Public Representatives.

(3) Terms

(A) In general

The term of service for a member of the Council shall be 6 years, except as provided in subparagraphs (B) and (C).

(B) Terms of initial appointees

Of the initial members selected for the Council, the Director of NIH shall designate—

(i) nine for a term of 6 years;

(ii) nine for a term of 4 years; and

(iii) nine for a term of 2 years.

(C) Vacancies

Any member appointed to fill a vacancy occurring before the expiration of the term for which the member’s predecessor was appointed shall be appointed only for the remainder of that term. A member may serve after the expiration of that member’s term until a successor has taken office.

(m) National Institutes of Health Strategic Plan

(1) In general

Not later than 2 years after December 13, 2016, and at least every 6 years thereafter, the Director of the National Institutes of Health shall develop and submit to the appropriate committees of Congress and post on the Internet website of the National Institutes of Health, a coordinated strategy (to be known as the “National Institutes of Health Strategic Plan”) to provide direction to the biomedical research investments made by the National Institutes of Health, to facilitate collaboration across the institutes and centers, to leverage scientific opportunity, and to advance biomedical science.

(2) Requirements

The strategy under paragraph (1) shall—

(A) identify strategic research priorities and objectives across biomedical research, including—

(i) an assessment of the state of biomedical and behavioral research, including areas of opportunity with respect to basic, clinical, and translational research;

(ii) priorities and objectives to advance the treatment, cure, and prevention of health conditions;

(iii) emerging scientific opportunities, rising public health challenges, and scientific knowledge gaps; and

(iv) the identification of near-, mid-, and long-term scientific needs;

(B) consider, in carrying out subparagraph (A)—

(i) disease burden in the United States and the potential for return on investment to the United States;
§ 282

(2) require that procedures for handling transgenic organisms or cell lines must be followed by the National Institutes of Health and the National Institutes of Health determines appropriate;

(C) include multi-institute priorities, including coordination of research among institutes and centers;

(D) include strategic priorities for funding research through the Common Fund, in accordance with section 282a(c)(1)(C) of this title;

(E) address the National Institutes of Health’s proposed and ongoing activities related to training and the biomedical workforce; and

(F) describe opportunities for collaboration with other agencies and departments, as appropriate.

(3) Use of plans

Strategic plans developed and updated by the national research institutes and national centers of the National Institutes of Health shall be prepared regularly and in such a manner that such plans will be informed by the strategic plans developed and updated under this subsection. Such plans developed by and updated by the national research institutes and national centers shall have a common template.

(4) Consultation

The Director of National Institutes of Health shall develop the strategic plan under paragraph (1) in consultation with the directors of the national research institutes and national centers, researchers, patient advocacy groups, and industry leaders.

(n) Unique research initiatives

(1) In general

The Director of NIH may approve, after consideration of a proposal under paragraph (2)(A), requests by the national research institutes and centers, or program officers within the Office of the Director to engage in transactions other than a contract, grant, or cooperative agreement with respect to projects that carry out—

(A) the Precision Medicine Initiative under section 289g–5 of this title;

(B) subsection (b)(7), except that not more than 50 percent of the funds available for a fiscal year through the Common Fund under section 282a(c)(1) of this title for purposes of carrying out such subsection (b)(7) may be used to engage in such other transactions; or

(C) high impact cutting-edge research that fosters scientific creativity and increases fundamental biological understanding leading to the prevention, diagnosis, or treatment of diseases and disorders, or research urgently required to respond to a public health threat.

(2) Requirements

The authority provided under this subsection may be used to conduct or support high impact cutting-edge research described in paragraph (1) using the other transactions authority described in such paragraph if the institute, center, or office—

(A) submits a proposal to the Director of NIH for the use of such authority before conducting or supporting the research, including why the use of such authority is essential to promoting the success of the project;

(B) receives approval for the use of such authority from the Director of NIH; and

(C) for each year in which the institute, center, or office has used such authority in accordance with this subsection, submits a report to the Director of NIH on the activities of the institute, center, or office relating to such research.


REMARKS

In Text

The Federal Advisory Committee Act, referred to in subsec. (b), is Pub. L. 92–463, Oct. 6, 1972, 86 Stat. 770, which is set out in the Appendix to Title 5, Government Organization and Employees.

The General Schedule, referred to in subsec. (b)(6), is set out under section 5332 of Title 5, Government Organization and Employees.


CODIFICATION


AMENDMENTS


2016—Subsec. (b)(4). Pub. L. 114–255, § 2039(a)(1), amended par. (4) generally. Prior to amendment, text read as follows: “shall assemble accurate data to be used to assess research priorities, including information to better evaluate scientific opportunity, public health burdens, and progress in reducing minority and other health disparities;”.

REFERENCES

(1) Public Buildings, Property, and Works.

(2) The Federal Advisory Committee Act, referred to in subsec. (b), is Pub. L. 92–463, Oct. 6, 1972, 86 Stat. 770, which is set out in the Appendix to Title 5, Government Organization and Employees.

(3) The General Schedule, referred to in subsec. (b)(6), is set out under section 5332 of Title 5, Government Organization and Employees.


(5) Public Buildings, Property, and Works.
Subsec. (b)(5). Pub. L. 114–255, § 2038(a)(2), added subpars. (C) and (D).

Subsec. (b)(25). Pub. L. 114–255, § 2038(a)(2), added subpars. (C) and (D).


2014—Subsec. (b)(7). Pub. L. 113–94 amended par. (7) generally, enacting similar provisions and adding provisions relating to allocating funds appropriated pursuant to section 282a(a)(2) of this title for making grants for pediatric research.


Subsec. (g). Pub. L. 112–74, § 221(d)(5)(B), redesignated former subsec. (g) of this section to subsec. (b) of section 285k of this title.


2008—Subsec. (j)(3)(C). Pub. L. 110–316, § 302(1), in introductory provisions, substituted “for each applicable clinical trial for a drug that is approved under section 355 of title 21 or licensed under section 282 of this title or a device that is cleared under section 360(k) of title 21 or approved under section 360e or 360j(m) of title 21, the following elements:” for “the following elements for drugs that are approved under section 355 of title 21 or licensed under section 282 of this title and devices that are cleared under section 360(k) of title 21 or approved under section 360e or 360j(m) of title 21:”.

Subsec. (j)(5)(B). Pub. L. 110–316, § 302(2), substituted “applicable clinical trials described in subparagraph (C)” for “drugs described in subparagraph (C)”.

2007—Subsec. (a). Pub. L. 109–482, § 102(f)(1)(A), substituted “Director of NIH who shall” for “Director of NIH” (hereafter in this chapter (relating to interagency research on traumatic injury) referred to as the ‘Director of NIH’ who shall” and parl. (1) to (3) for “other public and private entities. The Associate Director shall annually prepare and submit to the Director of NIH a report covering the activities undertaken by the Associate Director, including—

(a) a summary of the Associate Director’s review of existing dissemination policies and techniques together with a detailed statement concerning any modification or restructuring, or recommendations for modification or restructuring, of such policies and techniques; and

(b) a detailed statement of the expenditures made for the prevention and dissemination activities reported on and the personnel used in connection with such activities.”

1997—Subsecs. (j) to (l). Pub. L. 105–115 added subsec. (j) and redesignated former subsec. (j) as (k) and (l), respectively.

1993—Subsec. (b)(12). Pub. L. 103–362 inserted “and” at end of par. (1), substituted a period for “;” and “;” at end of par. (2), and struck out par. (3) which read as follows: “annually prepare and submit to the Director of NIH a report concerning the prevention and dissemination activities undertaken by the Associate Director, including—

(a) a summary of the Associate Director’s review of existing dissemination policies and techniques together with a detailed statement concerning any modification or restructuring, or recommendations for modification or restructuring, of such policies and techniques; and

(b) a detailed statement of the expenditures made for the prevention and dissemination activities reported on and the personnel used in connection with such activities.”


Subsec. (f). Pub. L. 103–43, § 201, substituted “other public and private entities, including elementary, secondary, and post-secondary schools. The Associate Director shall—” and par. (1) to (3) for “other public and private entities. The Associate Director shall annually report to the Director of NIH on the prevention activities undertaken by the Associate Director. The report shall include a detailed statement of the expenditures made for the activities reported on and the personnel used in connection with such activities.”


with provision for programs providing financial assis-

tance, see section 801(c), (d) of Pub. L. 102–321, set out as

a note under section 236 of this title.

Effective Date of 1997 Amendment

Amendment by Pub. L. 109–482 applicable only with

respect to amounts appropriated for fiscal year 2007 or

subsequent fiscal years, see section 109 of Pub. L.

109–482, set out as a note under section 321 of

Title 21, Food and Drugs.

Effective Date of 1992 Amendment

Amendment by Pub. L. 102–321 effective Oct. 1, 1992,

with provision for programs providing financial assist-

ance, see section 801(c), (d) of Pub. L. 102–321, set out as

a note under section 236 of this title.

Rule of Construction Regarding Continuation of

Provisions


3689, provided that: “The amendment of a program by

a provision of subsection (b) [amending this section and

sections 283a, 283d, 283g to 283i, 284e to 284j, 284

a provision of subsection (b) [amending this section and

sections 283a, 285a–10, 285b–7a, 285b–9, 285d–6a, 285d–8,

285e–10, 285e–10a, 285f–2, 285g–5, 285g–9, 285g–10,


287a–4, 287c–11, 287c–11A to 287c–33, 288, 288–1, and former

288–5a of this title and repealing sections 285a–8, 285b–9,

285e–11, and 286a–2 of this title] may not be construed as

terminating the authority of the Federal agency involved

to carry out the program.”

Confidentiality


130 Stat. 1051, provided that: “Nothing in the amend-

ments made by subsection (a) [amending this section] to
disclose any information that is a trade secret, or

authorizes the Secretary of Health and Human Services

to disclose any information that is a trade secret, or

section 236 of this title.

ENHANCING THE RIGOR AND REPRODUCIBILITY OF

SCIENTIFIC RESEARCH


Stat. 1051, provided that: “Nothing in this section au-

thorizes the Secretary of Health and Human Services

to disclose any information that is a trade secret, or

terms of use, available to the public on the Internet website

of the National Institutes of Health.”

“enhancing the rigor and reproducibility of scientific research funded by the National Institutes of Health.

(b) Considerations.—In developing and issuing rec-

ommendations through the Advisory Committee under

subsection (a), the working group established under

subsection (a) and identified in section 2039(a)(2)(B) of

this Act, shall

(1) develop or update policies as appropriate.

“Confidentiality.—Nothing in this section au-

thorizes the Secretary of Health and Human Services

to disclose any information that is a trade secret, or

authorizes the Secretary of Health and Human Services

to disclose any information that is a trade secret, or

at the conclusion of the workshop under paragraph (1), the

Director of the National Institutes of Health shall

consider the recommendations developed by the working group and issued

by the Advisory Committee under subsection (a) and

develop or update policies as appropriate.

(b) Identify the criteria for justification for any

age-related exclusions in such research.

(3) Public Availability of Findings and Conclu-

sions.—The Director of the National Institutes of Health shall—

(a) make the findings and conclusions resulting from the workshop under paragraph (1) and updates to policies in accordance with paragraph (2) available, available to the public on the Internet website of the National Institutes of Health; and

(b) ensure that age-related data reported in the triennial report under section 403 of the Public Health Service Act (42 U.S.C. 283) (as amended by section 2032 [of Pub. L. 114–255]) are made available to the public on the Internet website of the National Institutes of Health.

“Confidentiality.—Nothing in this section au-

thorizes the Secretary of Health and Human Services

to disclose any information that is a trade secret, or

authorizes the Secretary of Health and Human Services

to disclose any information that is a trade secret, or other privileged or confidential information, described in section 522(b)(4) of title 5, United States Code, or section 1005 of title 18, United States Code."
Third-Party Payments Regarding Certain Clinical Trials and Certain Life-Threatening Illnesses

Pub. L. 103–43, title XIX, §1901(a), June 10, 1993, 107 Stat. 200, provided that: “The Secretary of Health and Human Services, acting through the Director of the National Institutes of Health, shall conduct a study for the purpose of—

“(1) determining the policies of third-party payors regarding the payment of the costs of appropriate health services that are provided incident to the participation of individuals as subjects in clinical trials conducted in the development of drugs with respect to acquired immune deficiency syndrome, cancer, and other life-threatening illnesses; and

“(2) developing recommendations regarding such policies.”

Personnel Study of Recruitment, Retention and Turnover

Pub. L. 103–43, title XIX, §1905, June 10, 1993, 107 Stat. 203, directed Secretary of Health and Human Services, acting through Director of National Institutes of Health, to conduct a study to review the retention, recruitment, vacancy and turnover rates of support staff, including firefighters, law enforcement, procurement officers, technicians, nurses and clerical employees, to ensure that National Institutes of Health is adequately supporting conduct of efficient, effective and high quality research for the American public, and to submit a report to Congress on results of such study not later than 1 year after June 10, 1993.

Chronic Pain Conditions

Pub. L. 103–43, title XIX, §1907, June 10, 1993, 107 Stat. 204, directed Director of the National Institutes of Health to submit to Congress, not later than 2 years after June 10, 1993, a report and study on the incidence in the United States of cases of chronic pain, including chronic pain resulting from back injuries, reflex sympathetic dystrophy syndrome, temporomandibular joint disorder, post-herpetic neuropathy, painful diabetic neuropathy, phantom pain, and post-stroke pain, and the effect of such cases on the costs of health care in the United States.

Support for Bioengineering Research

Pub. L. 103–43, title XIX, §1912, June 10, 1993, 107 Stat. 206, directed Secretary of Health and Human Services, acting through Director of the National Institutes of Health, to conduct a study for the purpose of determining the sources and amount of public and private funding devoted to basic research in bioengineering, including biomaterials sciences, cellular bioprocessing, tissue and rehabilitation engineering, evaluating whether that commitment is sufficient to maintain the innovative edge that the United States has in these technologies, evaluating the role of the National Institutes of Health or any other Federal agency to achieve a greater commitment to innovation in bioengineering, and evaluating the need for better coordination and collaboration among Federal agencies and between the public and private sectors, and, not later than 1 year after June 10, 1993, to prepare and submit to Committee on Labor and Human Resources of Senate, and Committee on Energy and Commerce of House of Representatives, a report containing the findings of the study together with recommendations concerning the enactment of legislation to implement the results of such study.

Master Plan for Physical Infrastructure for Research

Pub. L. 103–43, title XX, §2002, June 10, 1993, 107 Stat. 208, directed Secretary of Health and Human Services, acting through Director of the National Institutes of Health, not later than June 1, 1994, to present to Congress a master plan to provide for replacement or refurbishment of less than adequate buildings, utility equipment and distribution systems (including the resources that provide electrical and other utilities, chilled water, air handling, and other services that the Secretary, acting through the Director, deemed necessary), roads, walkways, parking areas, and grounds that underpin the laboratory and clinical facilities of the National Institutes of Health, and provided that the plan could make recommendations for the undertaking of new projects that are consistent with the objectives of this section, such as encircling the National Institutes of Health Federal enclave with an adequate chilled water conduit.

§ 282a. Authorization of appropriations

(a) In general

(1) This subchapter

For purposes of carrying out this subchapter, there are authorized to be appropriated—

(A) $30,331,309,000 for fiscal year 2007;

(B) $32,831,309,000 for fiscal year 2008;

(C) such sums as may be necessary for fiscal year 2009;

(D) $34,851,000,000 for fiscal year 2010;

(E) $35,585,871,000 for fiscal year 2011; and

(F) $36,472,442,775 for fiscal year 2020.

(2) Funding for 10-year pediatric research initiative through Common Fund

For the purpose of carrying out section 282(b)(7)(B)(ii) of this title, there is authorized to be appropriated to the Common Fund, out of the 10-Year Pediatric Research Initiative through Common Fund described in section 9006 of title 26, and in addition to amounts otherwise made available under paragraph (1) of this subsection and reserved under subsection (c)(1)(B)(i) of this section, $12,600,000 for each of fiscal years 2014 through 2023.

(b) Office of the Director

Of the amount authorized to be appropriated under subsection (a) for a fiscal year, there are authorized to be appropriated for programs and activities under this subchapter carried out through the Office of the Director of NIH such sums as may be necessary for each of the fiscal years 2007 through 2009.

(c) Trans-NIH research

(1) Common Fund

(A) Account

For the purpose of allocations under section 282(b)(7)(B) of this title (relating to research identified by the Division of Program Coordination, Planning, and Strategic Initiatives), there is established an account to be known as the Common Fund.

(B) Reservation

(i) In general

Of the total amount appropriated under subsection (a)(i) for fiscal year 2007 or any subsequent fiscal year, the Director of NIH shall reserve an amount for the Common Fund, subject to any applicable provisions in appropriations Acts.

(ii) Minimum amount

For each fiscal year, the percentage constituted by the amount reserved under clause (i) relative to the total amount ap-
appropriated under subsection (a)(1) for such year may not be less than the percentage constituted by the amount so reserved for the preceding fiscal year relative to the total amount appropriated under subsection (a)(1) for such preceding fiscal year, subject to any applicable provisions in appropriations Acts.

(C) Common Fund strategic planning report

As part of the National Institutes of Health Strategic Plan required under section 282(m) of this title, the Secretary, acting through the Director of NIH, shall submit a report to the Congress containing a strategic plan for funding research described in section 282(b)(7)(A)(i) of this title (including personnel needs) through the Common Fund. Each such plan shall include the following:

(i) An estimate of the amounts determined by the Director of NIH to be appropriate for maximizing the potential of such research.

(ii) An estimate of the amounts determined by the Director of NIH to be sufficient only for continuing to fund research activities previously identified by the Division of Program Coordination, Planning, and Strategic Initiatives.

(iii) An estimate of the amounts determined by the Director of NIH to be necessary to fund research described in section 282(b)(7)(A)(i) of this title—

(I) that is in addition to the research activities described in clause (ii); and

(II) for which there is the most substantial need.

(D) Evaluation

During the 6-month period following the end of the first fiscal year for which the total amount reserved under subparagraph (B) is equal to 5 percent of the total amount appropriated under subsection (a)(1) for such fiscal year, the Secretary, acting through the Director of NIH, in consultation with the advisory council established under section 282(k) of this title, shall submit recommendations to the Congress for changes regarding amounts for the Common Fund.

(2) Trans-NIH research reporting

(A) Limitation

With respect to the total amount appropriated under subsection (a) for fiscal year 2009 or any subsequent fiscal year, if the head of a national research institute or national center fails to submit the report required by subparagraph (B) for the preceding fiscal year, the amount made available for the institute or center for the fiscal year involved may not exceed the amount made available for the institute or center for fiscal year 2006.

(B) Reporting

Not later than 2 years after December 13, 2016, the head of each national research institute or national center shall submit to the Director of the National Institutes of Health a report, to be included in the triennial report under section 283 of this title, on the amount made available by the institute or center for conducting or supporting research that involves collaboration between the institute or center and 1 or more other national research institutes or national centers.

(C) Determination

For purposes of determining the amount or percentage of funds to be reported under subparagraph (B), any amounts made available to an institute or center under section 282(b)(7)(B) of this title shall be included.

(D) Verification of amounts

Upon receipt of each report submitted under subparagraph (B), the Director of NIH shall review and, in cases of discrepancy, verify the accuracy of the amounts specified in the report.

(E) Waiver

At the request of any national research institute or national center, the Director of NIH may waive the application of this paragraph to such institute or center if the Director finds that the conduct or support of research described in subparagraph (B) is inconsistent with the mission of such institute or center.

(d) Transfer authority

Of the total amount appropriated under subsection (a)(1) for a fiscal year, the Director of NIH may (in addition to the reservation under subsection (c)(1) for such year) transfer not more than 1 percent for programs or activities that are authorized in this subchapter and identified by the Director to receive funds pursuant to this subsection. In making such transfers, the Director may not decrease any appropriation account under subsection (a)(1) by more than 1 percent.

(e) Rule of construction

This section may not be construed as affecting the authorities of the Director of NIH under section 281 of this title.
§ 282b. Electronic coding of grants and activities

The Secretary, acting through the Director of NIH, shall establish an electronic system to uniformly code research grants and activities of the Office of the Director and of all the national research institutes and national centers. The electronic system shall be searchable by a variety of codes, such as the type of research grant, the research entity managing the grant, and the public health area of interest. When permissible, the Secretary, acting through the Director of NIH, shall provide information on relevant literature and patents that are associated with research activities of the National Institutes of Health.


Effective Date

Section applicable only with respect to amounts appropriated for fiscal year 2007 or subsequent fiscal years, see section 109 of Pub. L. 110–8, set out as an Effective Date of 2007 Amendment note under section 282c.

Supplement, Not Supplant: Prohibition Against Transfer

Pub. L. 113–94, § 3(c), Apr. 3, 2014, 128 Stat. 1087, provided that: ‘‘Funds appropriated pursuant to section 402a(a)(2) of the Public Health Service Act (42 U.S.C. 282a(a)(2)), as added by subsection (b)—

(1) shall be used to supplement, not supplant, the funds otherwise allocated by the National Institutes of Health for pediatric research; and

(2) notwithstanding any transfer authority in any appropriation Act, shall not be used for any purpose other than allocating funds for making grants as described in section 402a(b)(7)(B)(i) of the Public Health Service Act (42 U.S.C. 282(b)(7)(B)(i)), as added by subsection (a).’’

§ 282b. Electronic coding of grants and activities

The Secretary, acting through the Director of NIH, shall establish an electronic system to uniformly code research grants and activities of the Office of the Director and of all the national research institutes and national centers. The electronic system shall be searchable by a variety of codes, such as the type of research grant, the research entity managing the grant, and the public health area of interest. When permissible, the Secretary, acting through the Director of NIH, shall provide information on relevant literature and patents that are associated with research activities of the National Institutes of Health.


Effective Date

Section applicable only with respect to amounts appropriated for fiscal year 2007 or subsequent fiscal years, see section 109 of Pub. L. 110–8, set out as an Effective Date of 2007 Amendment note under section 282c.
(iii) identify whether the activity was carried out through a center of excellence.

(B) In the case of clinical research, the catalog shall, as appropriate, identify study populations by demographic variables, including biological and social variables and relevant age categories (such as pediatric subgroups), and determinants of health, that contribute to research on minority health and health disparities.

(C) Research activities listed in the catalog shall include, where applicable, the following:

(i) Epidemiological studies and longitudinal studies.
(ii) Disease registries, information clearinghouses, and other data systems.
(iii) Public education and information campaigns.

(iv) Training activities, including—

(I) National Research Service Awards and Clinical Transformation Science Awards;

(II) graduate medical education programs, including information on the number and type of graduate degrees awarded during the period in which the programs received funding under this subchapter;

(III) investigator-initiated awards for postdoctoral training and postdoctoral training funded through research grants;

(v) a breakdown by demographic variables and other appropriate categories; and

(v) an evaluation and comparison of outcomes and effectiveness of various training programs.

(vi) Translational research activities with other agencies of the Public Health Service.

(5) A summary of the research activities throughout the agencies, which summary shall be organized by the following categories, where applicable:

(A) Cancer.
(B) Neurosciences.
(C) Life stages, human development, and rehabilitation.
(D) Organ systems.
(E) Autoimmune diseases.
(F) Genomics.
(G) Molecular biology and basic science.
(H) Technology development.
(I) Chronic diseases, including pain and palliative care.
(J) Infectious diseases and bioterrorism.

(K) Minority health and health disparities.

(L) Such additional categories as the Director determines to be appropriate.

(6) A review of each entity receiving funding under this subchapter in its capacity as a center of excellence (in this paragraph referred to as a “center of excellence”), including the following—

(A) an evaluation of the performance and research outcomes of each center of excellence; and

(B) recommendations for improving the effectiveness, efficiency, and outcomes of the centers of excellence.

(b) Requirement regarding disease-specific research activities

In a report under subsection (a), the Director of NIH, when reporting on research activities relating to a specific disease, disorder, or other adverse health condition, shall—

(1) present information in a standardized format;

(2) identify the actual dollar amounts obligated for such activities; and

(3) include a plan for research on the specific disease, disorder, or other adverse health condition, including a statement of objectives regarding the research, the means for achieving the objectives, a date by which the objectives are expected to be achieved, and justifications for revisions to the plan.

(c) Additional reports

In addition to reports required by subsections (a) and (b), the Director of NIH or the head of a national research institute or national center may submit to the Congress such additional reports as the Director or the head of such institute or center determines to be appropriate.


Prior Provisions


Amendments


Subsec. (a)(3). Pub. L. 114–255, § 2032(2)(B), amended par. (3) generally. Prior to amendment, par. (3) read as follows: “Classification and justification for the priorities established by the agencies, including a strategic plan and recommendations for future research initiatives to be carried out under section 362(b)(7) of this title through the Division of Program Coordination, Planning, and Strategic Initiatives.”

Subsec. (a)(4)(B). Pub. L. 114–255, § 2032(2)(C)(I), substituted “demographic variables, including biological and social variables and relevant age categories (such as pediatric subgroups), and determinants of health,” for “demographic variables and other variables”.

Prior to amendment, par. (4) read as follows: “II. Reports on research activities."
Subsec. (a)(4)(C)(v). Pub. L. 114–255, § 2032(2)(C)(ii), substituted “demographic variables, including relevant age categories (such as pediatric subgroups), information submitted by each national research institute and national center to the Director of National Institutes of Health under section 289a–2(f) of this title, and such’’ for “demographic variables and such’’ and ‘‘and other applicable requirements regarding inclusion of demographic groups’’ for “(regarding inclusion of women and minorities in clinical research)’’.

Subsec. (a)(6). Pub. L. 114–255, § 2032(2)(D), substituted “the following—’’ for “the following;’’ in introductory provisions, “an evaluation’’ for “An evaluation’’ and ‘‘; and’’ for the period in subpar. (A), redesignated subpar. (C) as (B) and substituted ‘‘recommendations’’ for ‘‘Recommendations’’, and struck out former subpars. (B) and (D), which read as follows:

“(B) Recommendations for promoting coordination of information among the centers of excellence.

“(D) If no additional centers of excellence have been funded under this subchapter since the previous report under this section, an explanation of the reasons for not funding any additional centers.”


**Effective Date**

Section applicable only with respect to amounts appropriated for fiscal year 2007 or subsequent fiscal years, see section 109 of Pub. L. 109–482, set out as an Effective Date of 2007 Amendment note under section 281 of this title.

§ 283a. Annual reporting to increase interagency collaboration and coordination

(a) Collaboration with other HHS agencies

On an annual basis, the Director of NIH shall submit to the Secretary a report on the activities of the National Institutes of Health involving collaboration with other agencies of the Department of Health and Human Services.

(b) Clinical trials

Each calendar year, the Director of NIH shall submit to the Commissioner of Food and Drugs a report that identifies each clinical trial that is registered during such calendar year in the database of information established under section 282(l) of this title.

(c) Human tissue samples

On an annual basis, the Director of NIH shall submit to the Congress a report that describes how the National Institutes of Health and its agencies store and track human tissue samples.

(d) First report

The first report under subsections (a), (b), and (c) shall be submitted not later than 1 year after January 15, 2007.


**Amendments**

2016—Subsecs. (b), (c). Pub. L. 114–255 redesignated subsec. (c) as (b), substituted “subsection (a)” for “subsections (a) and (b)”’’, and struck out former subsec. (b), which related to annual report by the Director of NIH on experts and consultants whose services were obtained by the National Institutes of Health or its agencies.

**Effective Date**

Section applicable only with respect to amounts appropriated for fiscal year 2007 or subsequent fiscal years, see section 109 of Pub. L. 109–482, set out as an Effective Date of 2007 Amendment note under section 281 of this title.

§ 283a–1. Annual reporting to prevent fraud and abuse

(a) Whistleblower complaints

1 In general

On an annual basis, the Director of NIH shall submit to the Inspector General of the Department of Health and Human Services, the Secretary, the Committee on Energy and Commerce and the Committee on Appropriations of the House of Representatives, and the Committee on Health, Education, Labor, and Pensions and the Committee on Appropriations of the Senate a report summarizing the activities of the National Institutes of Health relating to whistleblower complaints.

(2) Contents

For each whistleblower complaint pending during the year for which a report is submitted under this subsection, the report shall identify the following:

(A) Each agency of the National Institutes of Health involved.

(B) The status of the complaint.

(C) The resolution of the complaint to date.

(b) First report

The first report under subsection (a) shall be submitted not later than 1 year after January 15, 2007.


**Amendments**


**Effective Date**

Section applicable only with respect to amounts appropriated for fiscal year 2007 or subsequent fiscal years, see section 109 of Pub. L. 109–482, set out as an Effective Date of 2007 Amendment note under section 281 of this title.

§ 283a–2. Annual reporting regarding training of graduate students for doctoral degrees

(a) In general

Each institution receiving an award under this subchapter for the training of graduate students for doctoral degrees shall annually report to the Director of NIH, with respect to graduate students supported by the National Institutes of Health at such institution—

1 So in original. Probably should be “(b)”.
application for a program of graduate study at such institution the information described in paragraphs (1) and (2) of such subsection with respect to the program or programs to which such student has applied.


PRIOR PROVISIONS
A prior section 403C of act July 1, 1944, was renumbered section 403D and is classified to section 283a–3 of this title.

AMENDMENTS
2016—Subsec. (a)(2). Pub. L. 114–255 struck out ““(not including any leaves of absence)” after “average time”.”

2007—Subsec. (a). Pub. L. 110–85, § 1104(5)(A), substituted “graduate students supported by the National Institutes of Health” for “each degree-granting program” in introductory provisions.

Subsec. (a)(1). Pub. L. 110–85, § 1104(5)(B), inserted “such” after “percentage of”.

Subsec. (a)(2). Pub. L. 110–85, § 1104(5)(C), inserted “(not including any leaves of absence)” after “average time”.

Effective Date
Section applicable only with respect to amounts appropriated for fiscal year 2007 or subsequent fiscal years, see section 109 of Pub. L. 109–482, set out as an Effective Date of 2007 Amendment note under section 281 of this title.

§ 283a–3. Establishment of program regarding DES
(a) In general
The Director of NIH shall establish a program for the conduct and support of research and training, the dissemination of health information, and other programs with respect to the diagnosis and treatment of conditions associated with exposure to the drug diethylstilbestrol (in this section referred to as “DES”).

(b) Education programs
In carrying out subsection (a), the Director of NIH, after consultation with nonprofit private entities representing individuals who have been exposed to DES, shall conduct or support programs to educate health professionals and the public on the drug, including the importance of identifying and treating individuals who have been exposed to the drug.

(c) Longitudinal studies
After consultation with the Office of Research on Women’s Health, the Director of NIH, acting through the appropriate national research institutes, shall in carrying out subsection (a) conduct or support one or more longitudinal studies to determine the incidence of the following diseases or disorders in the indicated populations and the relationship of DES to the diseases or disorders:

(1) In the case of women to whom (on or after January 1, 1938) DES was administered while the women were pregnant, the incidence of all diseases and disorders (including breast cancer, gynecological cancers, and impairments of the immune system, including autoimmune disease).

(2) In the case of women exposed to DES in utero, the incidence of clear cell cancer (including recurrences), the long-term health effects of such cancer, and the effects of treatments for such cancer.

(3) In the case of men and women exposed to DES in utero, the incidence of all diseases and disorders (including impairments of the reproductive and autoimmune systems).

(4) In the case of children of men or women exposed to DES in utero, the incidence of all diseases and disorders.

(d) Exposure to DES in utero
For purposes of this section, an individual shall be considered to have been exposed to DES in utero if, during the pregnancy that resulted in the birth of such individual, DES was (on or after January 1, 1938) administered to the biological mother of the individual.


Codification
Section was formerly classified to section 283a of this title prior to renumbering by Pub. L. 109–482.

AMENDMENTS
2007—Subsec. (e). Pub. L. 109–482, § 103(b)(2), struck out subsec. (e) which read as follows: “In addition to any other authorization of appropriations available for the purpose of carrying out this section, there are authorized to be appropriated for such purpose such sums as may be necessary for each of the fiscal years 1993 through 2003.”


Effective Date of 2007 Amendment
Amendment by Pub. L. 109–482 applicable only with respect to amounts appropriated for fiscal year 2007 or subsequent fiscal years, see section 109 of Pub. L. 109–482, set out as an Effective Date of 2007 Amendment note under section 281 of this title.


§ 283c. Office of Behavioral and Social Sciences Research
(a) There is established within the Office of the Director of NIH an office to be known as the Office of Behavioral and Social Sciences Research (in this section referred to as the “Office”). The Office shall be headed by a director, who shall be appointed by the Director of NIH. (b)(1) With respect to research on the relationship between human behavior and the development, treatment, and prevention of medical conditions, the Director of the Office shall—

(A) coordinate research conducted or supported by the agencies of the National Institutes of Health; and
(B) identify projects of behavioral and social sciences research that should be conducted or supported by the national research institutes, and develop such projects in cooperation with such institutes.

(2) Research authorized under paragraph (1) includes research on teen pregnancy, infant mortality, violent behavior, suicide, and homelessness. Such research does not include neurobiological research, or research in which the behavior of an organism is observed for the purpose of determining activity at the cellular or molecular level.

(July 1, 1944, ch. 373, title IV, §404A, as added Pub. L. 103–43, title II, §203(a), June 10, 1993, 107 Stat. 145.)

**Effective Date**

Pub. L. 103–43, title II, §203(c), June 10, 1993, 107 Stat. 146, provided that: ‘‘The amendment described in subsection (a) is made upon the date of the enactment of this Act [June 10, 1993] and takes effect on such date.’’

§ 283d. Children’s Vaccine Initiative

The Secretary, in consultation with the Director of the National Vaccine Program under subchapter XIX and acting through the Directors of the National Institute for Allergy and Infectious Diseases, the Eunice Kennedy Shriver National Institute of Child Health and Human Development, the National Institute for Aging, and other public and private programs, shall carry out activities, which shall be consistent with the global Children’s Vaccine Initiative, to develop affordable new and improved vaccines to be used in the United States and in the developing world that will increase the efficacy and efficiency of the prevention of infectious diseases.

In carrying out such activities, the Secretary shall, to the extent practicable, develop and make available vaccines that require fewer contacts to deliver, that can be given early in life, that provide long lasting protection, that obviate refrigeration, needles and syringes, and that protect against a larger number of diseases.


**Amendments**

2016—Pub. L. 114–255 struck out subsec. (a) designation and heading ‘‘Development of New Vaccines’’ and subsec. (b). Prior to amendment, text of subsec. (b) read as follows: ‘‘In the report required in section 300aa–4 of this title, the Secretary, acting through the Director of the National Vaccine Program under subchapter XIX, shall include information with respect to activities and the progress made in implementing the provisions of this section and achieving its goals.’’


Subsec. (c). Pub. L. 109–482 struck out heading and text of subsec. (c). Text read as follows: ‘‘In addition to any other amounts authorized to be appropriated for activities of the type described in this section, there are authorized to be appropriated to carry out this section $20,000,000 for fiscal year 1994, and such sums as may be necessary for each of the fiscal years 1995 and 1996.’’

**Effective Date of 2007 Amendment**

Amendment by Pub. L. 109–482 applicable only with respect to amounts appropriated for fiscal year 2007 or subsequent fiscal years, see section 109 of Pub. L. 109–482, set out as a note under section 283 of this title.

§ 283e. Plan for use of animals in research

(a) Preparation

The Director of NIH, after consultation with the committee established under subsection (e), shall prepare a plan—

(1) for the National Institutes of Health to conduct or support research into—

(A) methods of biomedical research and experimentation that do not require the use of animals;

(B) methods of such research and experimentation that reduce the number of animals used in such research;

(C) methods of such research and experimentation that produce less pain and distress in such animals; and

(D) methods of such research and experimentation that involve the use of marine life (other than marine mammals);

(2) for establishing the validity and reliability of the methods described in paragraph (1);

(3) for encouraging the acceptance by the scientific community of such methods that have been found to be valid and reliable; and

(4) for training scientists in the use of such methods that have been found to be valid and reliable.

(b) Submission to Congressional committees

Not later than October 1, 1993, the Director of NIH shall submit to the Committee on Energy and Commerce of the House of Representatives, and to the Committee on Labor and Human Resources of the Senate, the plan required in subsection (a) and shall begin implementation of the plan.

(e) Periodic review and revision

The Director of NIH shall periodically review, and as appropriate, make revisions in the plan required under subsection (a). A description of any revision made in the plan shall be included in the first biennial report under section 283 of this title that is submitted after the revision is made.

(d) Dissemination of information

The Director of NIH shall take such actions as may be appropriate to convey to scientists and others who use animals in biomedical or behavioral research or experimentation information respecting the methods found to be valid and reliable under subsection (a)(2).

(e) Interagency Coordinating Committee on the Use of Animals in Research

(1) The Director of NIH shall establish within the National Institutes of Health a committee to be known as the Interagency Coordinating Committee on the Use of Animals in Research
(in this subsection referred to as the “Committee”).

(2) The Committee shall provide advice to the Director of NIH on the preparation of the plan required in subsection (a).

(3) The Committee shall be composed of—

(A) the Directors of each of the national research institutes (or the designees of such Directors); and

(B) representatives of the Environmental Protection Agency, the Food and Drug Administration, the Consumer Product Safety Commission, the National Science Foundation, and such additional agencies as the Director of NIH determines to be appropriate, which representatives shall include not less than one veterinarian with expertise in laboratory-animal medicine.


AMENDMENTS


CHANGE OF NAME

Committee on Labor and Human Resources of Senate changed to Committee on Health, Education, Labor, and Pensions of Senate by Senate Resolution No. 20, One Hundred Sixth Congress, Jan. 19, 1999.

Committee on Energy and Commerce of House of Representatives treated as referring to Committee on Commerce of House of Representatives by section 1(a) of Pub. L. 104–14, set out as a note preceding section 21 of Title 2, The Congress. Committee on Commerce of House of Representatives changed to Committee on Energy and Commerce of House of Representatives, and jurisdiction over matters relating to securities and energy and Commerce of House of Representatives, and such additional agencies as the Director of NIH determines to be appropriate, which representatives shall include not less than one veterinarian with expertise in laboratory-animal medicine.


$283f. Requirements regarding surveys of sexual behavior

With respect to any survey of human sexual behavior proposed to be conducted or supported through the National Institutes of Health, the survey may not be carried out unless—

(1) the proposal has undergone review in accordance with any applicable requirements of sections 289 and 289a of this title; and

(2) the Secretary, in accordance with section 289a–1 of this title, makes a determination that the information expected to be obtained through the survey will assist—

(A) in reducing the incidence of sexually transmitted diseases, the incidence of infection with the human immunodeficiency virus, or the incidence of any other infectious disease; or

(B) in improving reproductive health or other conditions of health.

(July 1, 1944, ch. 373, title IV, §404D, as added Pub. L. 103–43, title II, §207, June 10, 1993, 107 Stat. 148.)

PROHIBITION AGAINST SHARP ADULT SEX SURVEY AND AMERICAN TEENAGE SEX SURVEY

Pub. L. 103–43, title XX, §105, June 10, 1993, 107 Stat. 217, provided that: “The Secretary of Health and Human Services may not during fiscal year 1993 or any subsequent fiscal year conduct or support the SHARP survey of adult sexual behavior or the American Teenage Study of adolescent sexual behavior. This section becomes effective on the date of the enactment of this Act [June 10, 1993].”

$283g. Muscular dystrophy; initiative through Director of National Institutes of Health

(a) Expansion, intensification, and coordination of activities

(1) In general

The Director of NIH, in coordination with the Directors of the National Institute of Neurological Disorders and Stroke, the National Institute of Arthritis and Musculoskeletal and Skin Diseases, the Eunice Kennedy Shriver National Institute of Child Health and Human Development, the National Heart, Lung, and Blood Institute, and the other national research institutes as appropriate, shall expand and intensify programs of such Institutes with respect to research and related activities concerning various forms of muscular dystrophy, including Duchenne, Becker, congenital muscular dystrophy, limb-girdle muscular dystrophy, myotonic, facioscapulohumeral muscular dystrophy (referred to in this section as “FSHD”) and other forms of muscular dystrophy.

(2) Coordination

The Directors referred to in paragraph (1) shall jointly coordinate the programs referred to in such paragraph and consult with the Muscular Dystrophy Interagency Coordinating Committee established under section 6 of the MD–CARE Act.

(3) Allocations by Director of NIH

The Director of NIH shall allocate the amounts appropriated to carry out this section for each fiscal year among the national research institutes referred to in paragraph (1).

(b) Centers of excellence

(1) In general

The Director of NIH shall award grants and contracts under subsection (a)(1) to public or nonprofit private entities to pay all or part of the cost of planning, establishing, improving, and providing basic operating support for centers of excellence regarding research on various forms of muscular dystrophy. Such centers of excellence shall be known as the “Paul D. Wellstone Muscular Dystrophy Cooperative Research Centers”.

(2) Research

Each center under paragraph (1) shall supplement but not replace the establishment of a comprehensive research portfolio in all the muscular dystrophies. As a whole, the centers shall conduct basic and clinical research in all forms of muscular dystrophy including early detection, diagnosis, prevention, and treatment, including the fields of muscle biology, genetics, noninvasive imaging, cardiac and pulmonary function, and pharmacological and other therapies.

1 See References in Text note below.
§ 283g

(3) Coordination of centers

The Director of NIH shall, as appropriate, provide for the coordination of information among centers under paragraph (1) and ensure regular communication and sharing of data between such centers.

(4) Organization of centers

Each center under paragraph (1) shall use the facilities of a single institution, or be formed from a consortium of cooperating institutions, meeting such requirements as may be prescribed by the Director of NIH.

(5) Duration of support

Support for a center established under paragraph (1) may be provided under this section for a period of not to exceed 5 years. Such period may be extended for 1 or more additional periods not exceeding 5 years if the operations of such center have been reviewed by an appropriate technical and scientific peer review group established by the Director of NIH and if such group has recommended to the Director that such period should be extended.

(c) Facilitation of research

The Director of NIH shall provide for a program under subsection (a)(1) under which samples of tissues and genetic materials that are of use in research on muscular dystrophy are donated, collected, preserved, and made available for such research. The program shall be carried out in accordance with accepted scientific and medical standards for the donation, collection, and preservation of such samples.

(d) Coordinating Committee

(1) In general

The Secretary shall establish the Muscular Dystrophy Coordinating Committee (referred to in this section as the “Coordinating Committee”) to coordinate activities across the National Institutes and with other Federal health programs and activities relating to the various forms of muscular dystrophy.

(2) Composition

The Coordinating Committee shall consist of not more than 18 members to be appointed by the Secretary, of which—

(A) 2⁄3 of such members shall represent governmental agencies, including the directors or their designees of each of the national research institutes involved in research with respect to muscular dystrophy and representatives of all other Federal departments and agencies whose programs involve health functions or responsibilities relevant to such diseases, including the Centers for Disease Control and Prevention, the Health Resources and Services Administration, the Food and Drug Administration, and the Administration for Community Living and representatives of other governmental agencies that serve children and adults with muscular dystrophy, including the Department of Education and the Social Security Administration; and

(B) 1⁄3 of such members shall be public members, including a broad cross section of persons affected with muscular dystrophies including parents or legal guardians, affected individuals, researchers, and clinicians.

Members appointed under subparagraph (B) shall serve for a term of 3 years, and may serve for an unlimited number of terms if reappointed.

(3) Chair

(A) In general

With respect to muscular dystrophy, the Chair of the Coordinating Committee shall serve as the principal advisor to the Secretary, the Assistant Secretary for Health, and the Director of NIH, and shall provide advice to the Director of the Centers for Disease Control and Prevention, the Commissioner of Food and Drugs, and to the heads of other relevant agencies. The Coordinating Committee shall select the Chair for a term not to exceed 2 years.

(B) Appointment

The Chair of the Committee shall be appointed by and be directly responsible to the Secretary.

(4) Administrative support; terms of service; other provisions

The following shall apply with respect to the Coordinating Committee:

(A) The Coordinating Committee shall receive necessary and appropriate administrative support from the Department of Health and Human Services.

(B) The Coordinating Committee shall meet as appropriate as determined by the Secretary, in consultation with the chair, but shall meet no fewer than two times per calendar year.

(e) Plan for HHS activities

(1) In general

Not later than 1 year after December 18, 2001, the Coordinating Committee shall develop a plan for conducting and supporting research and education on muscular dystrophy through the agencies represented on the Coordinating Committee pursuant to subsection (d)(2)(A) and shall periodically review and revise the plan. The plan shall—

(A) provide for a broad range of research and education activities relating to biomedical, epidemiological, psychosocial, public services, and rehabilitative issues, including studies of the impact of such diseases in rural and underserved communities, studies to demonstrate the cost-effectiveness of providing independent living resources and support to patients with various forms of muscular dystrophy, and studies to determine optimal clinical care interventions for adults with various forms of muscular dystrophy;

(B) identify priorities among the programs and activities of the National Institutes of Health regarding such diseases; and

(C) reflect input from a broad range of scientists, patients, and advocacy groups.

2So in original. Probably should be capitalized.
(2) Certain elements of plan

The plan under paragraph (1) shall, with respect to each form of muscular dystrophy, provide for the following as appropriate:

(A) Research to determine the reasons underlying the incidence and prevalence of various forms of muscular dystrophy.

(B) Basic research concerning the etiology and genetic links of the disease and potential causes of mutations.

(C) The development of improved screening techniques.

(D) Basic and clinical research for the development and evaluation of new treatments, including new biological agents and new clinical interventions to improve the health of those with muscular dystrophy.

(E) Information and education programs for health care professionals and the public.

(f) Public input

The Secretary shall, under subsection (a)(1), provide for a means through which the public can obtain information on the existing and planned programs and activities of the Department of Health and Human Services with respect to various forms of muscular dystrophy and through which the Secretary can receive comments from the public regarding such programs and activities.

(g) Clinical research

The Coordinating Committee may evaluate the potential need to enhance the clinical research infrastructure required to test emerging therapies for the various forms of muscular dystrophy by prioritizing the achievement of the goals related to this topic in the plan under subsection (e)(1).

(July 1, 1944, ch. 373, title IV, §404E, as added Pub. L. 107–84, §3, Dec. 18, 2001, 115 Stat. 824; amended Pub. L. 109–482, §2(a), (b)(3), added subsec. (g) as (f) and struck out former subsec. (f) which related to reports.)

REFERENCES IN TEXT

Section 6 of the MD-CARE Act, referred to in subsec. (a)(2), is section 6 of Pub. L. 107–84, which was formerly set out as a note under section 247b–22 of this title and does not relate to establishment of a coordinating committee. However, subsec. (d) of this section contains provisions relating to the establishment of the Muscular Dystrophy Coordinating Committee.

PRIOR PROVISIONS


AMENDMENTS


Subsec. (b)(2), Pub. L. 113–166, §2(2)(A), substituted “cardiac and pulmonary function, and pharmacological” for “genetics, pharmacological”.

Subsec. (b)(3). Pub. L. 113–166, §2(2)(B), inserted “and sharing of data” after “regular communication”.


Subsec. (d)(2)(A). Pub. L. 113–166, §2(3)(A)(ii), substituted “, the Food and Drug Administration, and the Administration for Community Living,” for “, and the Food and Drug Administration” and(1) in introductory provisions and “, the Food and Drug Administration and the Social Security Administration” for “such as the Department of Education” and inserted “and adults” after “children.”

Subsec. (d)(4)(B). Pub. L. 113–166, §2(3)(B), inserted “, but shall meet no fewer than two times per calendar year” before period at end.


Subsec. (e)(1)(A). Pub. L. 113–166, §2(4)(A)(ii), inserted “public services,” after “psychosocial,” and “, studies to determine the cost-effectiveness of providing independent living resources and support to patients with various forms of muscular dystrophy, and studies to determine optimal clinical care interventions for adults with various forms of muscular dystrophy” after “including studies of the impact of such diseases in rural and underserved communities”.

Subsec. (e)(2)(D). Pub. L. 113–166, §2(4)(B), inserted “and new clinical interventions to improve the health of those with muscular dystrophy” after “including new biological agents”.


Subsec. (b)(1). Pub. L. 110–361, §2(b)(2), inserted at end “Such centers of excellence shall be known as the ‘Paul D. Wellstone Muscular Dystrophy Cooperative Research Centers’.”

Subsec. (g). Pub. L. 110–361, §2(a), redesignated subsec. (g) as (f) and struck out former subsec. (f) which related to reports.

Subsec. (g). Pub. L. 110–361, §2(a), (b)(3), added subsec. (g) and redesignated former subsec. (g) as (f).

2007—Pub. L. 109–482, §104(b)(1)(A)(ii), which directed amendment of subsec. (b) by striking subsec. (f) and redesignating subsec. (g) as (f), could not literally be executed and was not executed in view of amendments by Pub. L. 110–361. See 2008 Amendment notes above.


(A) shall, as appropriate, provide for the coordination of information among centers under paragraph (1) and ensure regular communication between such centers; and

(B) shall require the periodic preparation of reports on the activities of the centers and the submission of the reports to the Director.”

Subsec. (h). Pub. L. 109–482, §109(b)(4), struck out heading and text of subsec. (h). Text read as follows: “For the purpose of carrying out this section, there are authorized to be appropriated such sums as may be necessary for each of fiscal years 2002 through 2006. The authorization of appropriations established in the preceding sentence is in addition to any other authorization of appropriations that is available for conducting or supporting through the National Institutes of Health research and other activities with respect to muscular dystrophy.”

EFFECTIVE DATE OF 2007 AMENDMENT

Amendment by Pub. L. 109–482 applicable only with respect to amounts appropriated for fiscal year 2007 or subsequent fiscal years, see section 109 of Pub. L. 109–482, set out as a note under section 281 of this title.
§ 283h. Transferred

**CODIFICATION**


§ 283k. Biomedical and behavioral research facilities

(a) Modernization and construction of facilities

(1) In general

The Director of NIH, acting through the Off-
cial of the Director of NIH or the Director of the National Institute of Allergy and In-
fec-tious Diseases, may make grants or contracts to public and nonprofit private entities to ex-
pand, remodel, renovate, or alter existing re-
search facilities or construct new research fa-
cilities, subject to the provisions of this sec-
tion.

(2) Construction and cost of construction

For purposes of this section, the terms “con-
struction” and “cost of construction” include the construction of new buildings and the ex-
pansion, renovation, remodeling, and alter-
ation of existing buildings, including archi-

tects’ fees, but do not include the cost of ac-
quision of land or off-site improvements.

(b) Scientific and technical review boards for merit-based review of proposals

(1) In general: approval as precondition to grants

(A) Establishment

There is established a Scientific and Technical Review Board on Biomedical and Be-
vioral Research Facilities (referred to in this section as the “Board”).

(B) Requirement

The Director of NIH, acting through the Off-
cice of the Director of NIH, may approve an application for a grant under subsection (a) only if the Board has under paragraph (2) recommended the application for approval.

(2) Duties

(A) Advice

The Board shall provide advice to the Di-
rector of NIH and the Council of Councils es-
tablished under section 282(d) of this title (in this section referred to as the “Council”) in carrying out this section.

(B) Determination of merit

In carrying out subparagraph (A), the Board shall make a determination of the merit of each application submitted for a grant under subsection (a), after consider-
ation of the requirements established in sub-
section (c), and shall report the results of the determination to the Director of NIH and the Council. Such determinations shall be conducted in a manner consistent with procedures established under section 289a of this title.

(C) Amount

In carrying out subparagraph (A), the Board shall, in the case of applications recom-
pended for approval, make recommenda-
tions to the Director and the Council on the amount that should be provided under the grant.

(D) Annual report

In carrying out subparagraph (A), the Board shall prepare an annual report for the Director of NIH and the Council describing the activities of the Board in the fiscal year for which the report is made. Each such re-
port shall be available to the public, and shall—

(i) summarize and analyze expenditures made under this section;
(ii) provide a summary of the types, numbers, and amounts of applications that were recommended for grants under sub-
section (a) but that were not approved by the Director of NIH; and
(iii) contain the recommendations of the Board for any changes in the administra-
tion of this section.

(3) Membership

(A) In general

Subject to subparagraph (B), the Board shall be composed of 15 members to be ap-
pointed by the Director of NIH, acting through the Office of the Director of NIH, and such ad-hoc or temporary members as the Director of NIH, acting through the Off-
ice of the Director of NIH, determines to be appropriate. All members of the Board, in-
cluding temporary and ad-hoc members, shall be voting members.

(B) Limitation

Not more than three individuals who are officers or employees of the Federal Govern-
ment may serve as members of the Board.

(4) Certain requirements regarding membership

In selecting individuals for membership on the Board, the Director of NIH, acting through the Office of the Director of NIH, shall ensure that the members are individuals who, by virtue of their training or experience, are emi-
nently qualified to perform peer review func-
tions. In selecting such individuals for such membership, the Director of NIH, acting through the Office of the Director of NIH, shall ensure that the members of the Board collectively—
(A) are experienced in the planning, construction, financing, and administration of entities that conduct biomedical or behavioral research sciences;

(B) are knowledgeable in making determinations of the need of entities for biomedical or behavioral research facilities, including such facilities for the dentistry, nursing, pharmacy, and allied health professions;

(C) are knowledgeable in evaluating the relative priorities for applications for grants under subsection (a) in view of the overall research needs of the United States; and

(D) are experienced with emerging centers of excellence, as described in subsection (c)(2).

(5) Certain authorities

(A) Workshops and conferences

In carrying out paragraph (2), the Board may convene workshops and conferences, and collect data as the Board considers appropriate.

(B) Subcommittees

In carrying out paragraph (2), the Board may establish subcommittees within the Board. Such subcommittees may hold meetings as determined necessary to enable the subcommittee to carry out its duties.

(6) Terms

(A) In general

Except as provided in subparagraph (B), each appointed member of the Board shall hold office for a term of 4 years. Any member appointed to fill a vacancy occurring prior to the expiration of the term for which such member’s predecessor was appointed shall be appointed for the remainder of the term of the predecessor.

(B) Staggered terms

Members appointed to the Board shall serve staggered terms as specified by the Director of NIH, acting through the Office of the Director of NIH, when making the appointments.

(C) Reappointment

No member of the Board shall be eligible for reappointment to the Board until 1 year has elapsed after the end of the most recent term of the member.

(7) Compensation

Members of the Board who are not officers or employees of the United States shall receive for each day the members are engaged in the performance of the functions of the Board compensation at the same rate received by members of other national advisory councils established under this subchapter.

(c) Requirements for grants

(1) In general

The Director of NIH, acting through the Office of the Director of NIH or the National Institute of Allergy and Infectious Diseases, may make a grant under subsection (a) only if the applicant for the grant meets the following conditions:

(A) The applicant is determined by such Director to be competent to engage in the type of research for which the proposed facility is to be constructed.

(B) The applicant provides assurances satisfactory to the Director that—

(i) for not less than 20 years after completion of the construction involved, the facility will be used for the purposes of the research for which it is to be constructed;

(ii) sufficient funds will be available to meet the non-Federal share of the cost of constructing the facility;

(iii) sufficient funds will be available, when construction is completed, for the effective use of the facility for the research for which it is being constructed; and

(iv) the proposed construction will expand the applicant’s capacity for research, or is necessary to improve or maintain the quality of the applicant’s research.

(C) The applicant meets reasonable qualifications established by the Director with respect to—

(i) the relative scientific and technical merit of the applications, and the relative effectiveness of the proposed facilities, in expanding the capacity for biomedical or behavioral research and in improving the quality of such research;

(ii) the quality of the research or training, or both, to be carried out in the facilities involved;

(iii) the congruence of the research activities to be carried out within the facility with the research and investigator manpower needs of the United States; and

(iv) the age and condition of existing research facilities.

(D) The applicant has demonstrated a commitment to enhancing and expanding the research productivity of the applicant.

(2) Institutions of emerging excellence

From the amount appropriated to carry out this section for a fiscal year up to $50,000,000, the Director of NIH, acting through the Office of the Director of NIH, shall make available 25 percent of such amount, and from the amount appropriated to carry out this section for a fiscal year that is over $50,000,000, the Director of NIH, acting through the Office of the Director of NIH, shall make available up to 25 percent of such amount, for grants under subsection (a) to applicants that in addition to meeting the requirements established in paragraph (1), have demonstrated emerging excellence in biomedical or behavioral research, as follows:

(A) The applicant has a plan for research or training advancement and possesses the ability to carry out the plan.

(B) The applicant carries out research and research training programs that have a special relevance to a problem, concern, or unmet health need of the United States.

(C) The applicant has been productive in research or research development and training.

(D) The applicant—
(i) has been designated as a center of excellence under section 293c\(^1\) of this title; 
(ii) is located in a geographic area whose population includes a significant number of individuals with health status deficit, and the applicant provides health services to such individuals; or 
(iii) is located in a geographic area in which a deficit in health care technology, services, or research resources may adversely affect the health status of the population of the area in the future, and the applicant is carrying out activities with respect to protecting the health status of such population.

(d) Requirement of application

The Director of NIH, acting through the Office of the Director of NIH or the National Institute of Allergy and Infectious Diseases, may make a grant under subsection (a) only if an application of Allergy and Infectious Diseases, may make a 
for the grant is submitted to the Director and 

(e) Amount of grant; payments

(1) Amount

The amount of any grant awarded under subsection (a) shall be determined by the Director of NIH, acting through the Office of the Director of NIH or the National Institute of Allergy and Infectious Diseases.\(^2\) except that such amount shall not exceed—

(A) 50 percent (or, in the case of the Institute, 75 percent) of the necessary cost of the construction of a proposed facility as determined by the Director; or

(B) in the case of a multipurpose facility, 40 percent (or, in the case of the Institute, 75 percent) of that part of the necessary cost of construction that the Director determines to be proportionate to the contemplated use of the facility.

(2) Reservation of amounts

On the approval of any application for a grant under subsection (a), the Director of NIH, acting through the Office of the Director of NIH or the National Institute of Allergy and Infectious Diseases, shall reserve, from any appropriation available for such grants, the amount of such grant, and shall pay such amount, in advance or by way of reimbursement, in such installments consistent with the construction progress, as the Director may determine appropriate. The reservation of any amount by the Director under this paragraph may be amended by the Director, either on the approval of an amendment of the application or on the revision of the estimated cost of construction of the facility.

(3) Exclusion of certain costs

In determining the amount of any grant under subsection (a), there shall be excluded from the cost of construction an amount equal to the sum of—

(A) the amount of any other Federal grant that the applicant has obtained, or is assured of obtaining, with respect to construction that is to be financed in part by a grant authorized under this section; and

(B) the amount of any non-Federal funds required to be expended as a condition of such other Federal grant.

(4) Waiver of limitations

The limitations imposed under paragraph (1) may be waived at the discretion of the Director of NIH, acting through the Office of the Director of NIH or the National Institute of Allergy and Infectious Diseases, for applicants meeting the conditions described in subsection (c).

(f) Recapture of payments

If, not later than 20 years after the completion of construction for which a grant has been awarded under subsection (a)—

(1) in the case of an award by the Director of NIH, acting through the Office of the Director of NIH, the applicant or other owner of the facility shall cease to be a public or nonprofit\(^3\) private entity; or

(2) the facility shall cease to be used for the research purposes for which it was constructed (unless the Director of NIH, acting through the Office of the Director of NIH or the National Institute of Allergy and Infectious Diseases, determines, in accordance with regulations, that there is good cause for releasing the applicant or other owner from obligation to do so),

the United States shall be entitled to recover from the applicant or other owner of the facility the amount bearing the same ratio to the current value (as determined by an agreement between the parties or by action brought in the United States District Court for the district in which such facility is situated) of the facility as the amount of the Federal participation bore to the cost of the construction of such facility.

(g) Guidelines

Not later than 6 months after June 10, 1993, the Director of NIH, acting through the Office of the Director of NIH, after consultation with the Council, shall issue guidelines with respect to grants under subsection (a).


REFERENCES IN TEXT

Section 293c of this title, referred to in subsec. (c)(2)(D)(i), does not contain provisions relating to designation as a center of excellence. See section 293 of this title.

CODIFICATION

Section was formerly classified to section 287a–2 of this title.

\(^1\) See References in Text note below.
\(^2\) So in original.
\(^3\) See original. Probably should be “nonprofit”.
AMENDMENTS

2011—Subsec. (a)(1). Pub. L. 112–74, § 221(b)(1)(B)(vii), substituted “acting through the Office of the Director of NIH or the Director of the National Institute of Allergy and Infectious Diseases” for “acting through the Director of the Center or the Director of the National Institute of Allergy and Infectious Diseases”.

Subsec. (b)(1)(A). Pub. L. 112–74, § 221(b)(1)(B)(i), struck out within the Center after “established”.

Subsec. (b)(1)(B). Pub. L. 112–74, § 221(b)(1)(B)(v), substituted “Director of NIH, acting through the Office of the Director of NIH,” for “Director of the Center”.

Subsec. (b)(2)(A). Pub. L. 112–74, § 221(b)(1)(B)(vi)(II)(bb), substituted “and the Council of Councils established under section 283(l) of this title (in this section referred to as the ‘Council’)” for “and the advisory council established under section 287a of this title (in this section referred to as the ‘Advisory Council’).”

Pub. L. 112–74, § 221(b)(1)(B)(iii), substituted “Director of NIH” for “Director of the Center”.


Pub. L. 112–74, § 221(b)(1)(B)(iii), substituted “Director of NIH” for “Director of the Center” in introductory provisions and cl. (ii).


Pub. L. 112–74, § 221(b)(1)(B)(iv), struck out comma after “Director of the Center” the first place appearing.


Subsec. (b)(5)(B). Pub. L. 112–74, § 221(b)(1)(B)(v), substituted “Director of NIH, acting through the Office of the Director of NIH,” for “Director of the Center”.

Subsec. (c)(1). Pub. L. 112–74, § 221(b)(1)(B)(i), substituted “Director of NIH, acting through the Office of the Director of NIH, or the National Institute of Allergy and Infectious Diseases,” for “Director of the Center or the Director of the National Institute of Allergy and Infectious Diseases,” for “Director of NIH, acting through the Office of the Director of NIH, or the National Institute of Allergy and Infectious Diseases,” for “Director of the Center or the Director of the National Institute of Allergy and Infectious Diseases” in introductory provisions.

Subsec. (c)(2). Pub. L. 112–74, § 221(b)(1)(B)(v), substituted “Director of NIH, acting through the Office of the Director of NIH,” for “Director of the Center” in two places in introductory provisions.

Subsec. (d). Pub. L. 112–74, § 221(b)(1)(B)(ii), substituted “Director of NIH, acting through the Office of the Director of NIH, or the National Institute of Allergy and Infectious Diseases,” for “Director of the Center or the Director of the National Institute of Allergy and Infectious Diseases,” for “Director of NIH, acting through the Office of the Director of NIH, or the National Institute of Allergy and Infectious Diseases,” for “Director of the Center or the Director of the National Institute of Allergy and Infectious Diseases” wherever appearing.

Subsec. (e)(1). Pub. L. 112–74, § 221(b)(1)(B)(v), substituted “Director of NIH, acting through the Office of the Director of NIH,” for “Director of the Center”.

Pub. L. 112–74, § 221(b)(1)(B)(iv), struck out comma after “Director of the Center”.

Subsec. (f)(2). Pub. L. 112–74, § 221(b)(1)(B)(i), substituted “Director of NIH, acting through the Office of the Director of NIH, or the National Institute of Allergy and Infectious Diseases,” for “Director of the Center or the Director of the National Institute of Allergy and Infectious Diseases”.

Subsec. (g). Pub. L. 112–74, § 221(b)(1)(B)(vii), substituted “after consultation with the Council” for “after consultation with the Advisory Council”.

Pub. L. 112–74, § 221(b)(1)(B)(vi), substituted “Director of NIH, acting through the Office of the Director of NIH,” for “Director of the Center”.

Subsec. (h). Pub. L. 112–74, § 221(b)(1)(B)(iv), struck out comma after “Director of the Center”.

2007—Subsec. (c)(2). Pub. L. 109–482, § 108(b)(40)(A), in introductory provisions, substituted “to carry out this section for a fiscal year up to” for “under subsection (i)(1) of this section for a fiscal year up to” and “to carry out this section for a fiscal year that” for “under such subsection for a fiscal year that”.

Subsec. (h). Pub. L. 109–482, § 108(b)(1)(M), struck out subsec. (h) which required biennial report concerning the status of biomedical and behavioral research facilities and the availability and condition of laboratory equipment.


2004—Subsec. (a)(1). Pub. L. 108–276, § 2(b)(1)(B)(i), inserted “or the Director of the National Institute of Allergy and Infectious Diseases” after “Director of the Center”.

Subsec. (c)(1). Pub. L. 108–276, § 2(b)(2)(A), inserted “or the Director of the National Institute of Allergy and Infectious Diseases” after “Director of the Center”.


Subsec. (d). Pub. L. 108–276, § 2(b)(3), inserted “or the Director of the National Institute of Allergy and Infectious Diseases” after “Director of the Center”.

Subsec. (e)(1). Pub. L. 108–276, § 2(b)(4)(A)(i), inserted “or the Director of the National Institute of Allergy and Infectious Diseases” after “Director of the Center”.

Subsec. (e)(2). Pub. L. 108–276, § 2(b)(4)(B), inserted “or the Director of the National Institute of Allergy and Infectious Diseases” after “Director of the Center”.

Subsec. (e)(3). Pub. L. 108–276, § 2(b)(4)(A)(ii), inserted “or, in the case of the Institute, 75 percent” after “50 percent”.

Subsec. (e)(4). Pub. L. 108–276, § 2(b)(4)(C), inserted “of the Center or the Director of the National Institute of Allergy and Infectious Diseases” after “Director”.

Subsec. (f)(1). Pub. L. 108–276, § 2(b)(5)(A), inserted “in the case of an award by the Director of the Center, before “the applicant”.

Subsec. (f)(2). Pub. L. 108–276, § 2(b)(5)(B), inserted “or the Director of the National Institute of Allergy and Infectious Diseases” after “Director”.

Subsec. (i). Pub. L. 108–276, § 2(b)(6), designated existing provisions as par. (1), inserted heading, substituted “For the purpose of carrying out this section with respect to the Center,” for “For the purpose of carrying out this section,” and added par. (2).

2000—Pub. L. 106–505 amended section generally, adding provisions requiring the Director to provide Congress with biennial status reports.


EFFECTIVE DATE OF 2007 AMENDMENT

Amendment by Pub. L. 109–482 applicable only with respect to amounts appropriated for fiscal year 2007 or subsequent fiscal years, see section 109 of Pub. L. 109–482, set out as a note under section 281 of this title.

FINDINGS

§ 283I. Construction of regional centers for research on primates

(a) With respect to activities carried out by the Director of NIH, acting through the Office of the Director of NIH, to support regional centers for research on primates, the Director of NIH may, from amounts appropriated for the fiscal years 2000 through 2002, reserve from the amounts appropriated to carry out section 283I of this title such sums as necessary for the purpose of making awards of grants and contracts to public or nonprofit private entities to construct, renovate, or otherwise improve such regional centers. The reservation of such amounts for any fiscal year is subject to the availability of qualified applicants for such awards.

(b) The Director of NIH may not make a grant or enter into a contract under subsection (a) unless the applicant for such assistance agrees, with respect to the costs to be incurred by the applicant in carrying out the purpose described in such subsection, to make available (directly or through donations from public or private entities) non-Federal contributions in cash toward such costs in an amount equal to not less than $1 for each $4 of Federal funds provided in such assistance.


Codification

Section was formerly classified to section 287a–3 of this title.
the nonprofit private entity that receives the contract under subsection (e), and shall consider the recommendations of the National Research Council applicable to surplus chimpanzees that are made in the report published in 1997 and entitled “Chimpanzees in Research—Strategies for Their Ethical Care, Management, and Use”.

(2) Chimpanzees accepted into system

With respect to chimpanzees that are accepted into the sanctuary system, standards under paragraph (1) shall include the following:

(A) A prohibition that the chimpanzees may not be used for research, except as authorized under paragraph (3).

(B) Provisions regarding the housing of the chimpanzees.

(C) Provisions regarding the behavioral well-being of the chimpanzees.

(D) A requirement that the chimpanzees be cared for in accordance with the Animal Welfare Act [7 U.S.C. 2131 et seq.].

(E) A requirement that the chimpanzees be prevented from breeding.

(F) A requirement that complete histories be maintained on the health and use in research of the chimpanzees.

(G) A requirement that the chimpanzees be monitored for the purpose of promptly detecting the presence in the chimpanzees of any condition that may be a threat to the public health or the health of other chimpanzees.

(H) A requirement that chimpanzees possessing such a threat be contained in accordance with applicable recommendations of the Director of the Centers for Disease Control and Prevention.

(I) A prohibition that none of the chimpanzees may be subjected to euthanasia, except as in the best interests of the chimpanzee involved, as determined by the system and an attending veterinarian.

(J) A prohibition that the chimpanzees may not be discharged from the system.

(K) A provision that the Secretary may, in the discretion of the Secretary, accept into the system chimpanzees that are not surplus chimpanzees.

(L) Such additional standards as the Secretary determines to be appropriate.

(3) Restrictions regarding research

(A) In general

For purposes of paragraph (2)(A), standards under paragraph (1) shall provide that a chimpanzee accepted into the sanctuary system may not be used for studies or research, except that the chimpanzee may be used for noninvasive behavioral studies or medical studies based on information collected during the course of normal veterinary care that is provided for the benefit of the chimpanzee, provided that any such study involves minimal physical and mental harm, pain, distress, and disturbance to the chimpanzee and the social group in which the chimpanzee lives.

(B) Additional restriction

For purposes of paragraph (2)(A), a condition for the use in studies or research of a chimpanzee accepted into the sanctuary system is (in addition to conditions under subparagraph (A) of this paragraph) that the applicant for such use has not been fined for, or signed a consent decree for, any violation of the Animal Welfare Act [7 U.S.C. 2131 et seq.].

(4) Non-Federal chimpanzees offered for acceptance into system

With respect to a chimpanzee that is not owned by the Federal Government and is offered for acceptance into the sanctuary system, standards under paragraph (1) shall include the following:

(A) A provision that the Secretary may authorize the imposition of a fee for accepting such chimpanzee into the system, except as follows:

(i) Such a fee may not be imposed for accepting the chimpanzee if, on the day before December 20, 2000, the chimpanzee was not owned by the nonprofit private entity that receives the contract under subsection (e) or by any individual sanctuary facility receiving a subcontract or grant under subsection (e)(1).

(ii) Such a fee may not be imposed for accepting the chimpanzee if the chimpanzee is owned by an entity that operates a primate center, and if the chimpanzee is housed in the primate center pursuant to the program for regional centers for research on primates that is carried out by the Director of NIH, acting through the Office of the Director of NIH. 1

Any fees collected under this subparagraph are available to the Secretary for the costs of operating the system. Any other fees received by the Secretary for the long-term care of chimpanzees (including any Federal fees that are collected for such purpose and are identified in the report under section 3 of the Chimpanzee Health Improvement, Maintenance, and Protection Act) are available for operating the system, in addition to availability for such other purposes as may be authorized for the use of the fees.

(B) A provision that the Secretary may deny such chimpanzee acceptance into the system if the capacity of the system is not sufficient to accept the chimpanzee, taking into account the physical capacity of the system; the financial resources of the system; the number of individuals serving as the staff of the system, including the number of professional staff; the necessity of providing for the safety of the staff and of the public; the necessity of caring for accepted chimpanzees in accordance with the standards under paragraph (1); and such other factors as may be appropriate.

(C) A provision that the Secretary may deny such chimpanzee acceptance into the system if a complete history of the health and use in research of the chimpanzee is not available to the Secretary.

(D) Such additional standards as the Secretary determines to be appropriate.

1 So in original. Comma probably should not appear.
§ 283m

Title 42—The Public Health and Welfare

(e) Award of contract for operation of system

(1) In general

Subject to the availability of funds pursuant to subsection (g), the Secretary shall make an award of a contract to a nonprofit private entity under which the entity has the responsibility of operating (and establishing, as applicable) the sanctuary system and awarding subcontracts or grants to individual sanctuary facilities that meet the standards under subsection (d).

(2) Requirements

The Secretary may make an award under paragraph (1) to a nonprofit private entity only if the entity meets the following requirements:

(A) The entity has a governing board of directors that is composed and appointed in accordance with paragraph (3) and is satisfactory to the Secretary.

(B) The terms of service for members of such board are in accordance with paragraph (3).

(C) The members of the board serve without compensation. The members may be reimbursed for travel, subsistence, and other necessary expenses incurred in carrying out the duties of the board.

(D) The entity has an executive director meeting such requirements as the Secretary determines to be appropriate.

(E) The entity makes the agreement described in paragraph (4) (relating to non-Federal contributions).

(F) The entity agrees to comply with standards under subsection (d).

(G) The entity agrees to make necropsy reports on chimpanzees in the sanctuary system available on a reasonable basis to persons who conduct biomedical or behavioral research, with priority given to such persons who are Federal employees or who receive financial support from the Federal Government for research.

(H) Such other requirements as the Secretary determines to be appropriate.

(3) Board of directors

For purposes of subparagraphs (A) and (B) of paragraph (2):

(A) The governing board of directors of the nonprofit private entity involved is composed and appointed in accordance with this paragraph if the following conditions are met:

(i) Such board is composed of not more than 13 voting members.

(ii) Such members include individuals with expertise and experience in the science of managing captive chimpanzees (including primate veterinary care), appointed from among individuals endorsed by organizations that represent individuals in such field.

(iii) Such members include individuals with expertise and experience in the field of animal protection, appointed from among individuals endorsed by organizations that represent individuals in such field.

(iv) Such members include individuals with expertise and experience in the zoological field (including behavioral primatology), appointed from among individuals endorsed by organizations that represent individuals in such field.

(v) Such members include individuals with expertise and experience in the field of the business and management of nonprofit organizations, appointed from among individuals endorsed by organizations that represent individuals in such field.

(vi) Such members include representatives from entities that provide accreditation in the field of laboratory animal medicine.

(vii) Such members include individuals with expertise and experience in the field of containing biohazards.

(viii) Such members include an additional member who serves as the chair of the board, appointed from among individuals who have been endorsed for purposes of clause (ii), (iii), (iv), or (v).

(ix) None of the members of the board has been fined for, or signed a consent decree for, any violation of the Animal Welfare Act [7 U.S.C. 2131 et seq.].

(B) The terms of service for members of the board of directors are in accordance with this paragraph if the following conditions are met:

(i) The term of the chair of the board is 3 years.

(ii) The initial members of the board select, by a random method, one member from each of the six fields specified in subparagraph (A) to serve a term of 2 years and (in addition to the chair) one member from each of such fields to serve a term of 3 years.

(iii) After the initial terms under clause (ii) expire, each member of the board (other than the chair) is appointed to serve a term of 2 years.

(iv) An individual whose term of service expires may be reappointed to the board.

(v) A vacancy in the membership of the board is filled in the manner in which the original appointment was made.

(vi) If a member of the board does not serve the full term applicable to the member, the individual appointed to fill the resulting vacancy is appointed for the remainder of the term of the predecessor member.

(4) Requirement of matching funds

The agreement required in paragraph (2)(E) for a nonprofit private entity (relating to the award of the contract under paragraph (1)) is an agreement that, with respect to the costs to be incurred by the entity in establishing and operating the sanctuary system, the entity will make available (directly or through donations from public or private entities) non-Federal contributions toward such costs, in cash or in kind, in an amount not less than the following, as applicable:

(A) For expenses associated with establishing the sanctuary system (as determined by
the Secretary), 10 percent of such costs ($1 for each $9 of Federal funds provided under the contract under paragraph (1)).

(B) For expenses associated with operating the sanctuary system (as determined by the Secretary), 25 percent of such costs ($1 for each $3 of Federal funds provided under such contract).

(5) Establishment of contract entity

If the Secretary determines that an entity meeting the requirements of paragraph (2) does not exist, not later than 60 days after December 20, 2000, the Secretary shall, for purposes of paragraph (1), make a grant for the establishment of such an entity, including paying the cost of incorporating the entity under the law of one of the States.

(f) Definitions

For purposes of this section:

(1) Permanent retirement

The term “permanent retirement”, with respect to a chimpanzee that has been accepted into the sanctuary system, means that under subsection (a) the system provides for the lifetime care of the chimpanzee, that under subsection (d)(2) the system does not permit the chimpanzee to be used in research (except as authorized under subsection (d)(3)) or to be euthanized (except as provided in subsection (d)(2)(d)(1)), that under subsection (d)(2) the system will not discharge the chimpanzee from the system, and that under such subsection the system otherwise cares for the chimpanzee.

(2) Sanctuary system

The term “sanctuary system” means the system described in subsection (a).

(3) Secretary

The term “Secretary” means the Secretary of Health and Human Services.

(4) Surplus chimpanzees

The term “surplus chimpanzees” has the meaning given that term in subsection (a).

(g) Funding

(1) In general

Of the amount appropriated for the National Institutes of Health, there are authorized to be appropriated to carry out this section and for the care, maintenance, and transportation of all chimpanzees otherwise under the ownership or control of the National Institutes of Health, and to enable the National Institutes of Health to operate more efficiently and economically by decreasing the overall Federal cost of providing for the care, maintenance, and transportation of chimpanzees—

(A) for fiscal year 2014, $12,400,000;

(B) for fiscal year 2015, $11,650,000;

(C) for fiscal year 2016, $10,900,000;

(D) for fiscal year 2017, $10,150,000; and

(E) for fiscal year 2018, $9,400,000.

(2) Use of funds for other compliant facilities

With respect to amounts authorized to be appropriated by paragraph (1) for a fiscal year, the Secretary may use a portion of such amounts to make awards of grants or contracts to public or private entities operating facilities that, as determined by the Secretary in consultation with the board of directors of the nonprofit private entity that receives the contract under subsection (e), provide for the retirement of chimpanzees in accordance with the same standards that apply to the sanctuary system pursuant to regulations under subsection (d). Such an award may be expended for the expenses of operating the facilities involved.

(3) Biennial report

Not later than 180 days after November 27, 2013, the Director of the National Institutes of Health shall submit to the Committee on Energy and Commerce the following:

(A) the care, maintenance, and transportation of the chimpanzees under the ownership or control of the National Institutes of Health;

(B) costs related to such care, maintenance, and transportation, and any other related costs; and

(C) the research status of such chimpanzees.


References in Text


For complete classification of this Act to the Code, see Short Title note set out under section 2131 of Title 7, Agriculture.

Section 3 of the Chimpanzee Health Improvement, Maintenance, and Protection Act, referred to in subsec. (d)(4)(A), is section 3 of Pub. L. 106-551, which is set out as a note below.

Codification

Section was formerly classified to section 287a-3a of this title.

November 27, 2013, referred to in subsec. (g)(3), was in the original “the date enactment of this Act” ( sic), which was translated as meaning the date of enactment of Pub. L. 113-55, which enacted par. (3), to reflect the probable intent of Congress.

Amendments

2013—Subsec. (g)(1). Pub. L. 113-55, §302(a)(1), amended par. (1) generally. Prior to amendment, text read as follows: “Of the amount appropriated under this chapter for fiscal year 2001 and each subsequent fiscal year, the Secretary, subject to paragraph (2), shall reserve a portion for purposes of the operation and establishment, as applicable, of the sanctuary system and for purposes of paragraph (3), except that the Secretary may not for such purposes reserve any further funds from such amount after the aggregate total of the
funds so reserved for such fiscal years reaches $30,000,000. The purposes for which funds reserved under the preceding sentence may be expended include the construction and renovation of facilities for the sanctuary system.’’

Subsec. (g)(2). Pub. L. 113–55, § 302(a)(4), substituted ‘‘With respect to amounts authorized to be appropriated by paragraph (1),’’ for ‘‘With respect to amounts reserved under paragraph (1),’’ and ‘‘Secretary in consultation with the board of directors’’ for ‘‘board of directors’’.

Pub. L. 113–55, § 302(a)(2), (3), redesignated par. (3) as (2) and struck out former par. (2). Prior to amendment, text of par. (2) read as follows: ‘‘Funds may not be reserved for a fiscal year under paragraph (1) unless the amount appropriated under this chapter for such year equals or exceeds the amount appropriated under this chapter for fiscal year 1999.’’

Subsec. (g)(3). Pub. L. 113–55, §302(c), added par. (3).

Formed par. (3) redesignated (2).


2011—Subsec. (d)(4)(A)(ii). Pub. L. 112–74, §221(b)(3)(B), substituted ‘‘that is carried out by the Director of NIH, acting through the Office of the Director of NIH,’’ for ‘‘that is carried out by the National Center for Research Resources’’.

2007—Subsec. (d)(2)(J). Pub. L. 110–170, §2(a)(1), struck out at end ‘‘If any chimpanzee is removed from a sanctuary facility for purposes of research authorized under paragraph (3)(A)(ii), the chimpanzee shall be returned immediately upon the completion of that research. All costs associated with the removal of the chimpanzee from the facility, with the care of the chimpanzee during such absence from the facility, and with the return of the chimpanzee to the facility shall be the responsibility of the entity that obtains approval under such paragraph regarding use of the chimpanzee and removes the chimpanzee from the sanctuary facility.’’

Subsec. (d)(3)(A). Pub. L. 110–170, §2(a)(2)(A), substituted ‘‘except that the chimpanzee may be used for noninvasive behavioral studies’’ for ‘‘except as provided in paragraph (1) or (ii),’’ as follows:

‘‘(i) The chimpanzee may be used for noninvasive behavioral studies’’ and struck out cl. (ii) which related to findings necessary before a chimpanzee may be used in research.

Subsec. (d)(3)(B), (C). Pub. L. 110–170, §2(a)(2)(B)–(D), redesignated subpar. (C) as (B), substituted ‘‘under subparagraph (A)’’ for ‘‘under subparagraphs (A) and (B)’’, and struck out former subpar. (B) which related to approval of research design.

REPORT TO CONGRESS REGARDING NUMBER OF CHIMPANZES AND FUNDING FOR CARE OF CHIMPANZES

Pub. L. 106–551, § 3, Dec. 20, 2000, 114 Stat. 2759, required the Secretary of Health and Human Services to submit a report to Congress, not later than 365 days after Dec. 20, 2000, about the chimpanzees that had been used, bred or purchased for use, in research conducted or supported by the National Institutes of Health, the Food and Drug Administration, or other agencies of the Federal Government.

§ 283n. Shared Instrumentation Grant Program

(a) Requirements for grants

In determining whether to award a grant to an applicant under the Shared Instrumentation Grant Program, the Director of NIH, acting through the Office of the Director of NIH, shall consider—

(1) the extent to which an award for the specific instrument involved would meet the scientific needs and enhance the planned research endeavors of the major users by providing an instrument that is unavailable or to which availability is highly limited;

(2) with respect to the instrument involved, the availability and commitment of the appropriate technical expertise within the major user group or the applicant institution for use of the instrumentation;

(3) the adequacy of the organizational plan for the use of the instrument involved and the internal advisory committee for oversight of the applicant, including sharing arrangements if any;

(4) the applicant’s commitment for continued support of the utilization and maintenance of the instrument; and

(5) the extent to which the specified instrument will be shared and the benefit of the proposed instrument to the overall research community to be served.

(b) Peer review

In awarding grants under the program described in subsection (a), the Director of NIH, acting through the Office of the Director of NIH, shall comply with the peer review requirements in section 289a of this title.


CODIFICATION

Section was formerly set out as a note under section 297 of this title, prior to renumbering by Pub. L. 112–74.

AMENDMENTS

2011—Pub. L. 112–74, §221(b)(4)(B)–(D), substituted ‘‘Director of NIH, acting through the Office of the Director of NIH, for ‘‘Director of the National Center for Research Resources’’ in subsecs. (a) and (b).

Subsec. (a). Pub. L. 112–74, §221(b)(4)(B)(i), substituted ‘‘under the Shared Instrumentation Grant Program’’ for ‘‘under the program described in subsection (a)’’ in introductory provisions.

Pub. L. 112–74, §221(b)(4)(B)(i), redesignated subsec. (b) as (a) and struck out former subsec. (a). Prior to amendment, text of subsec. (a) read as follows: ‘‘There is authorized to be appropriated $100,000,000 for fiscal year 2000, and such sums as may be necessary for each subsequent fiscal year, to enable the Secretary of Health and Human Services, acting through the Director of the National Center for Research Resources, to provide for the continued operation of the Shared Instrumentation Grant Program (initiated in fiscal year 1992 under the authority of section 283n of this title).’’

Subsec. (b). Pub. L. 112–74, §221(b)(4)(B)(iv), substituted ‘‘in subsection (a)’’ and ‘‘in subsection (a)’’ and made technical amendment to reference in original act which appears in text as reference to section 289a of this title.

Pub. L. 112–74, §221(b)(4)(B)(i), redesignated subsec. (c) as (b), Former subsec. (b) redesignated (a).

Subsec. (c). Pub. L. 112–74, §221(b)(4)(B)(i), redesignated subsec. (c) as (b).

§ 283o. Next generation of researchers

(a) Next generation of researchers initiative

There shall be established within the Office of the Director of the National Institutes of Health, the Next Generation of Researchers Initiative (referred to in this section as the ‘‘Initiative’’), through which the Director shall coordinate all policies and programs within the National Institutes of Health that are focused on promoting and providing opportunities for new researchers and earlier research independence.
(b) Activities

The Director of the National Institutes of Health, through the Initiative shall—

(1) promote policies and programs within the National Institutes of Health that are focused on improving opportunities for new researchers and promoting earlier research independence, including existing policies and programs, as appropriate;

(2) develop, modify, or prioritize policies, as needed, within the National Institutes of Health to promote opportunities for new researchers and earlier research independence, such as policies to increase opportunities for new researchers to receive funding, enhance training and mentorship programs for researchers, and enhance workforce diversity;

(3) coordinate, as appropriate, with relevant agencies, professional and academic associations, academic institutions, and others, to improve and update existing information on the biomedical research workforce in order to inform programs related to the training, recruitment, and retention of biomedical researchers; and

(4) carry out other activities, including evaluation and oversight of existing programs, as appropriate, to promote the development of the next generation of researchers and earlier research independence.


§ 283p. Population focused research

The Director of the National Institutes of Health shall, as appropriate, encourage efforts to improve research related to the health of sexual and gender minority populations, including by—

(1) facilitating increased participation of sexual and gender minority populations in clinical research supported by the National Institutes of Health, and reporting on such participation, as applicable;

(2) facilitating the development of valid and reliable methods for research relevant to sexual and gender minority populations; and

(3) addressing methodological challenges.


§ 283q. Eureka prize competitions

(a) In general

Pursuant to the authorities and processes established under section 3719 of title 15, the Director of the National Institutes of Health shall support prize competitions for one or both of the following goals:

(1) Identifying and funding areas of biomedical science that could realize significant advancements through a prize competition;

(2) Improving health outcomes, particularly with respect to human diseases and conditions—

(A) for which public and private investment in research is disproportionately small relative to Federal Government expenditures on prevention and treatment activities with respect to such diseases and conditions, such that Federal expenditures on health programs would be reduced;

(B) that are serious and represent a significant disease burden in the United States; or

(C) for which there is potential for significant return on investment to the United States.

(b) Tracking; reporting

The Director of the National Institutes of Health shall—

(1) collect information on—

(A) the effect of innovations funded through the prize competitions under this section in advancing biomedical science or improving health outcomes pursuant to subsection (a); and

(B) the effect of the innovations on Federal expenditures; and

(2) include the information collected under paragraph (1) in the triennial report under section 283 of this title (as amended by section 2032).


REPEALS


CODIFICATION

Section was enacted as part of the 21st Century Cures Act, and not as part of the Public Health Service Act which comprises this chapter.
(2) Appointment

(A) Term

A Director of a national research institute or national center who is appointed by the Secretary, acting through the Director of National Institutes of Health, shall be appointed for 5 years.

(B) Reappointment

At the end of the term of a Director of a national research institute or national center, the Director may be reappointed in accordance with standards applicable to the relevant appointment mechanism. There shall be no limit on the number of terms that a Director may serve.

(C) Vacancies

If the office of a Director of a national research institute or national center becomes vacant before the end of such Director’s term, the Director appointed to fill the vacancy shall be appointed for a 5-year term starting on the date of such appointment.

(D) Current directors

Each Director of a national research institute or national center who is serving on December 13, 2016, shall be deemed to be appointed for a 5-year term under this subsection beginning on such date.

(E) Rule of construction

Nothing in this subsection shall be construed to limit the authority of the Secretary or the Director of National Institutes of Health to terminate the appointment of a director referred to in subparagraph (A) before the expiration of such director’s 5-year term.

(F) Nature of appointment

Appointments and reappointments under this subsection shall be made on the basis of ability and experience as it relates to the mission of the National Institutes of Health and its components, including compliance with any legal requirement that the Secretary or Director of National Institutes of Health determines relevant.

(3) Nonapplication of certain provision

The restrictions contained in section 202 of the Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1993 (Public Law 102–394; 42 U.S.C. 238f note) related to consultants and individual scientists appointed for limited periods of time shall not apply to Directors appointed under this subsection.

(b) Duties and authority; grants, contracts, and cooperative agreements

(1) In carrying out the purposes of section 241 of this title with respect to human diseases or disorders or other aspects of human health for which the national research institutes were established, the Secretary, acting through the Director of each national research institute—

(A) shall encourage and support research, investigations, experiments, demonstrations, and studies in the health sciences related to—

(i) the maintenance of health,

(ii) the detection, diagnosis, treatment, and prevention of human diseases and disorders,

(iii) the rehabilitation of individuals with human diseases, disorders, and disabilities, and

(iv) the expansion of knowledge of the processes underlying human diseases, disorders, and disabilities, the processes underlying the normal and pathological functioning of the body and its organ systems, and the processes underlying the interactions between the human organism and the environment;

(B) may, subject to the peer review prescribed under section 289a(b) of this title and any advisory council review under section 284a(a)(3)(A)(i) of this title, conduct the research, investigations, experiments, demonstrations, and studies referred to in subparagraph (A);

(C) shall, as appropriate, conduct and support research that has the potential to transform the scientific field, has inherently higher risk, and that seeks to address major current challenges;

(D) may conduct and support research training (i) for which fellowship support is not provided under section 288 of this title, and (ii) which is not residency training of physicians or other health professionals;

(E) may develop, implement, and support demonstrations and programs for the application of the results of the activities of the institute to clinical practice and disease prevention activities;

(F) may develop, conduct, and support public and professional education and information programs;

(G) may secure, develop and maintain, distribute, and support the development and maintenance of resources needed for research;

(H) may make available the facilities of the institute to appropriate entities and individuals engaged in research activities and cooperate with and assist Federal and State agencies charged with protecting the public health;

(I) may accept unconditional gifts made to the institute for its activities, and, in the case of gifts of a value in excess of $50,000, establish suitable memorials to the donor;

(J) may secure for the institute consultation services and advice of persons from the United States or abroad;

(K) may use, with their consent, the services, equipment, personnel, information, and facilities of other Federal, State, or local public agencies, with or without reimbursement therefor;

(L) may accept voluntary and uncompensated services; and

(M) may perform such other functions as the Secretary determines are needed to carry out effectively the purposes of the institute.

The indemnification provisions of section 2334 of title 10 shall apply with respect to contracts entered into under this subsection and section 282(b) of this title.

(2) Support for an activity or program under this subsection may be provided through grants,
contracts, and cooperative agreements. The Secretary, acting through the Director of each national research institute—

(A) may enter into a contract for research, training, or demonstrations only if the contract has been recommended after technical and scientific peer review required by regulations under section 289a of this title;

(B) may make grants and cooperative agreements under paragraph (1) for research, training, or demonstrations, except that—

(i) if the direct cost of the grant or cooperative agreement to be made does not exceed $50,000, such grant or cooperative agreement may be made only if such grant or cooperative agreement has been recommended after technical and scientific peer review required by regulations under section 289a of this title and

(ii) if the direct cost of the grant or cooperative agreement to be made exceeds $50,000, such grant or cooperative agreement may be made only if such grant or cooperative agreement has been recommended after technical and scientific peer review required by regulations under section 289a of this title and is recommended under section 284(a)(3)(A)(ii) of this title by the advisory council for the national research institute involved; and

(C) shall, subject to section 300cc–40c(d)(2) of this title, receive from the President and the Office of Management and Budget directly all funds appropriated by the Congress for obligation and expenditure by the Institute.

(3) Before an award is made by a national research institute or by a national center for a grant for a research program or project (commonly referred to as an "R-series grant"), other than an award constituting a noncompetitive renewal of such a grant, or a noncompetitive administrative supplement to such a grant, the Director of such national research institute or national center shall, consistent with the peer review process—

(A) review and make the final decision with respect to making the award; and

(B) take into consideration, as appropriate—

(i) the mission of the national research institute or national center and the scientific priorities identified in the strategic plan under section 262(m) of this title;

(ii) programs or projects funded by other agencies on similar research topics; and

(iii) advice by staff and the advisory council or board of such national research institute or national center.

(c) Coordination with other public and private entities; cooperation with other national research institutes; appointment of additional peer review groups

In carrying out subsection (b), each Director of a national research institute—

(1) shall coordinate, as appropriate, the activities of the institute with similar programs of other public and private entities;

(2) shall cooperate with the Directors of the other national research institutes in the development and support of multidisciplinary research and research that involves more than one institute;

(3) may, in consultation with the advisory council for the Institute and with the approval of the Director of NIH—

(A) establish and use advisory council for the National Cancer Institute to which individuals are appointed by the Director of NIH on the recommendation of the National Cancer Advisory Board.

(B) establish and use advisory council for the National Library of Medicine to which individuals are appointed by the Director of NIH on the recommendation of the National Library of Medicine Advisory Board.

(C) establish and use advisory council for the National Institutes of Health (NIH) to which individuals are appointed by the Director of NIH on the recommendation of the NIH Advisory Council.

(D) establish and use advisory council for the National Institute on Disability and Rehabilitation Research to which individuals are appointed by the Director of NIH on the recommendation of the National Institute on Disability and Rehabilitation Research Advisory Council.

(4) may publish, or arrange for the publication of, information with respect to the purpose of the Institute without regard to section 501 of title 44.

The Federal Advisory Committee Act shall not apply to the duration of a peer review group appointed under paragraph (3).


REFERENCES IN TEXT

The Federal Advisory Committee Act, referred to in subsec. (c), is Pub. L. 92–463, Oct. 6, 1972, 86 Stat. 770, as amended, which is set out in the Appendix to Title 5, Government Organization and Employees.

AMENDMENTS

2016—Subsec. (a). Pub. L. 114–255, § 2033(a), amended subsec. (a) generally. Prior to amendment, text read as follows: “The Director of the National Cancer Institute shall be appointed by the President and the Directors of the other national research institutes shall be appointed by the Secretary. Each Director of a national research institute shall report directly to the Director of NIH.”

Subsec. (b)(1)(C) to (M). Pub. L. 114–255, § 2036(c), added par. (C) and redesignated former pars. (C) to (L) as (D) to (M), respectively.


Subsec. (c)(3). Pub. L. 103–43, § 301(b)(1), amended par. (3) generally. Prior to amendment, par. (3) read as follows: “may, in consultation with the advisory council for the Institute and the approval of the Director of NIH, establish and appoint technical and scientific peer review groups in addition to those established and appointed under section 282(b)(6) of this title; and”.


Subsec. (c)(3). Pub. L. 100–690 substituted “establish and appoint” and “established and appointed” for “establish” and “established”, respectively.

Pub. L. 100–607, § 116(2)(A), amended par. (3) generally. Prior to amendment, par. (3) read as follows: “may, with the approval of the advisory council for the institute and the Director of NIH, appoint technical and scientific peer review groups in addition to those appointed under section 282(b)(6) of this title.”
§ 284a. Advisory councils

(a) Establishment; acceptance of conditional gifts; functions

(1) Except as provided in subsection (h), the Secretary shall appoint an advisory council for each national research institute which (A) shall advise, assist, consult with, and make recommendations to the Secretary and the Director of such institute on matters related to the activities of the national research institute, (B) may collect, by correspondence or by personal investigation, information as to studies which are being carried on in the United States or any other country as to the diseases, disorders, or other aspect of human health with respect to which the institute was established and with the approval of the Director of the institute make available such information through appropriate publications for the benefit of public and private health entities and health professions personnel and scientists and for the information of the general public; and (C) may appoint subcommittees and convene workshops and conferences.

(b) Membership; compensation

(1) Each advisory council shall consist of ex officio members and not more than eighteen members appointed by the Secretary. The ex officio members shall be nonvoting members.

(2) The ex officio members of an advisory council shall consist of—

(A) the Secretary, the Director of NIH, the Director of the national research institute for which the council is established, the Under Secretary for Health of the Department of Veterans Affairs or the Chief Dental Director of the Department of Veterans Affairs, and the Assistant Secretary for Defense for Health Affairs (or the designees of such officers), and

(B) such additional officers or employees of the United States as the Secretary determines necessary for the advisory council to effectively carry out its functions.

(3) The members of an advisory council who are not ex officio members shall be appointed as follows:

(A) Two-thirds of the members shall be appointed by the Secretary from among the leading representatives of the health and scientific disciplines (including not less than two individuals who are leaders in the fields of public health and the behavioral or social sciences) relevant to the activities of the national research institute for which the advisory council is established.

(B) One-third of the members shall be appointed by the Secretary from the general public and shall include leaders in fields of public policy, law, health policy, economics, and management.

(4) Members of an advisory council who are officers or employees of the United States shall not receive any compensation for service on the advisory council. The other members of an advisory council shall receive, for each day (including travel time) they are engaged in the performance of the functions of the advisory council, compensation at rates not to exceed the daily...
equivalent of the annual rate in effect for grade GS–18 of the General Schedule.

(c) Term of office; reappointment; vacancy

The term of office of an appointed member of an advisory council is four years, except that any member appointed to fill a vacancy for an unexpired term shall be appointed for the remainder of such term and the Secretary shall make appointments to an advisory council in such a manner as to ensure that the terms of the members do not all expire in the same year. A member may serve after the expiration of the member’s term for 180 days after the date of such expiration. A member who has been appointed for a term of four years may not be re-appointed to an advisory council before two years from the date of expiration of such term of office. If a vacancy occurs in the advisory council among the appointed members, the Secretary shall make an appointment to fill the vacancy within 90 days from the date the vacancy occurs.

(d) Chairman; term of office

The chairman of an advisory council shall be selected by the Secretary from among the appointed members, except that the Secretary may select the Director of the national research institute for which the advisory council is established to be the chairman of the advisory council. The term of office of the chairman shall be two years.

(e) Meetings

The advisory council shall meet at the call of the chairman or upon the request of the Director of the national research institute for which it was established, but at least three times each fiscal year. The location of the meetings of each advisory council is subject to the approval of the Director of the national research institute for which the advisory council was established.

(f) Appointment of executive secretary; training and orientation for new members

The Director of the national research institute for which an advisory council is established shall designate a member of the staff of the institute to serve as the executive secretary of the advisory council. The Director of such institute shall make available to the advisory council such staff, information, and other assistance as it may require to carry out its functions. The Director of such institute shall provide orientation and training for new members of the advisory council to provide them with such information and training as may be appropriate for their effective participation in the functions of the advisory council.

(g) Comments and recommendations for inclusion in biennial report; additional reports

Each advisory council may prepare, for inclusion in the biennial report made under section 284b of this title, (1) comments respecting the activities of the advisory council in the fiscal years respecting which the report is prepared, (2) comments on the progress of the national research institute for which it was established in meeting its objectives, and (3) recommendations respecting the future directions and program

and policy emphasis of the institute. Each advisory council may prepare such additional reports as it may determine appropriate.

(h) Advisory councils in existence; application of section to National Cancer Advisory Board and advisory council to National Heart, Lung, and Blood Institute

(1) Except as provided in paragraph (2), this section does not terminate the membership of any advisory council for a national research institute which was in existence on November 20, 1985. After November 20, 1985—

(A) the Secretary shall make appointments to each such advisory council in such a manner as to bring about as soon as practicable the composition for such council prescribed by this section;

(B) each advisory council shall organize itself in accordance with this section and exercise the functions prescribed by this section; and

(C) the Director of each national research institute shall perform for such advisory council the functions prescribed by this section.

(2)(A) The National Cancer Advisory Board shall be the advisory council for the National Cancer Institute. This section applies to the National Cancer Advisory Board, except that—

(i) appointments to such Board shall be made by the President;

(ii) the term of office of an appointed member shall be 6 years; and

(iii) the members appointed to the Board—

(I) not less than 5 members shall be individuals knowledgeable in environmental carcinogenesis (including occupational and dietary factors); and

(II) not less than one member shall be an individual knowledgeable in pediatric oncology;

(iv) the chairman of the Board shall be selected by the President from the appointed members and shall serve as chairman for a term of two years;

(v) the ex officio members of the Board shall be nonvoting members and shall be the Secretary, the Director of the Office of Science and Technology Policy, the Director of NIH, the Under Secretary for Health of the Department of Veterans Affairs, the Director of the National Institute for Occupational Safety and Health, the Director of the National Institute of Environmental Health Sciences, the Secretary of Labor, the Commissioner of the Food and Drug Administration, the Administrator of the Environmental Protection Agency, the Chairman of the Consumer Product Safety Commission, the Assistant Secretary of Defense for Health Affairs, and the Director of the Office of Science of the Department of Energy (or the designees of such officers); and

(vi) the Board shall meet at least four times each fiscal year.

(B) This section applies to the advisory council to the National Heart, Lung, and Blood Institute, except that the advisory council shall meet at least four times each fiscal year.

(July 1, 1944, ch. 373, title IV, §406, as added Pub. L. 99–158, §2, Nov. 20, 1985, 99 Stat. 828; amended 1

See References in Text note below.
§ 284b. TITLE 42—THE PUBLIC HEALTH AND WELFARE


REFERENCES IN TEXT


AMENDMENTS


1992—Subsec. (c). Pub. L. 102–405, § 210(a), substituted “for 180 days after the date of such expiration” for “until a successor has taken office”.


1985—Subsec. (a)(2). Pub. L. 102–405 made technical amendment to reference to section 300aaa of this title to reflect renumbering of corresponding section of original act.

1984—Subsec. (b)(1). Pub. L. 100–607, § 117(a), inserted at end “The ex officio members shall be nonvoting members.”

1981—Subsec. (b)(3)(A). Pub. L. 100–607, § 117(b), inserted “not less than two individuals who are leaders in the fields of” after “including”.


TERMINATION OF ADVISORY COUNCILS

Advisory councils established after Jan. 5, 1973, to terminate not later than the expiration of the 2-year period beginning on the date of their establishment, unless, in the case of a council established by the President or an officer of the Federal Government, such council is renewed by appropriate action prior to the expiration of such 2-year period, or in the case of a council established by the Congress, its duration is otherwise provided for law. See sections 3(2) and 14 of Pub. L. 92–463, Oct. 6, 1972, 86 Stat. 770, 776, set out in the Appendix to Title 5, Government Organization and Employees.

Pub. L. 83–641, § 6, Jan. 4, 1975, 88 Stat. 2275, set out as a note under section 217a of this title, provided that an advisory committee established pursuant to the Public Health Service Act shall terminate at such time as may be specifically prescribed by an Act of Congress enacted after Jan. 4, 1975.

REFERENCES IN OTHER LAWS TO GS–16, 17, OR 18 PAY RATES

References in laws to the rates of pay for GS–16, 17, or 18, or to maximum rates of pay under the General Schedule, to be considered references to rates payable under specified sections of Title 5, Government Organization and Employees, see section 329 (title I, § 104(c)(1)) of Pub. L. 101–509, set out in a note under section 3376 of Title 5.


EFFECTIVE DATE OF REPEAL

Repeal applicable only with respect to amounts appropriated for fiscal year 2007 or subsequent fiscal years, see section 109 of Pub. L. 109–482, set out as an Effective Date of 2007 Amendment note under section 281 of this title.

§ 284c. Certain uses of funds

(a)(1) Except as provided in paragraph (2), the sum of the amounts obligated in any fiscal year for administrative expenses of the National Institutes of Health shall not exceed an amount which is 5.5 percent of the total amount appropriated for such fiscal year for the National Institutes of Health.

(2) Paragraph (1) does not apply to the National Library of Medicine, the National Center for Nursing Research, the John E. Fogarty International Center for Advanced Study in the Health Sciences, the Warren G. Magnuson Clinical Center, and the Office of Medical Applications of Research.

(b) For fiscal years 1989 and subsequent fiscal years, amounts made available to the National Institutes of Health shall be available for payment of nurses and allied health professionals in accordance with payment authorities, scheduling options, benefits, and other authorities provided under chapter 73 of title 38 for nurses of the Department of Veterans Affairs.


AMENDMENTS

1988—Subsec. (a)(4). Pub. L. 105–362 struck out par. (4) which read as follows: “Not later than December 31, 1987, and December 31 of each succeeding year, the Secretary shall report to the Congress the amount obligated in the fiscal year preceding such date for administrative expenses of the National Institutes of Health and the total amount appropriated for the National Institutes of Health for such fiscal year. The Secretary shall consult with the Comptroller General of the United States in preparing each report.”

1996—Subsec. (a)(5). Pub. L. 104–316 struck out at end “In identifying expenses incurred for such support and administration the Secretary shall consult with the Comptroller General of the United States.”
§ 284e. Research on osteoporosis, Paget's disease, and related bone disorders

(a) Establishment

The Directors of the National Institute of Arthritis and Musculoskeletal and Skin Diseases, the National Institute on Aging, the National Institute of Diabetes and Digestive and Kidney Diseases, shall expand and intensify the programs of such Institutes with respect to research and related activities concerning osteoporosis, Paget's disease, and related bone disorders.

(b) Coordination

The Directors referred to in subsection (a) shall jointly coordinate the programs referred to in such subsection and consult with the Arthritis and Musculoskeletal Diseases Interagency Coordinating Committee and the Interagency Task Force on Aging Research.

(c) Information clearinghouse

(1) In general

In order to assist in carrying out the purpose described in subsection (a), the Director of NIH shall provide for the establishment of an information clearinghouse on osteoporosis and related bone disorders to facilitate and enhance knowledge and understanding on the part of health professionals, patients, and the public through the effective dissemination of information.

(2) Establishment through grant or contract

For the purpose of carrying out paragraph (1), the Director of NIH shall enter into a grant, cooperative agreement, or contract with a nonprofit private entity involved in activities regarding the prevention and control of osteoporosis and related bone disorders.
§ 284f. Parkinson's disease

(a) In general
The Director of NIH shall establish a program for the conduct and support of research and training with respect to Parkinson's disease (subject to the extent of amounts appropriated to carry out this section).

(b) Inter-institute coordination
(1) In general
The Director of NIH shall provide for the coordination of the program established under subsection (a) among all of the national research institutes conducting Parkinson's disease research.

(2) Conference
Coordination under paragraph (1) shall include the convening of a research planning conference not less frequently than once every 2 years. Each such conference shall prepare and submit to the Committee on Appropriations and the Committee on Labor and Human Resources of the Senate and the Committee on Appropriations and the Committee on Commerce of the House of Representatives a report concerning the conference.

(c) Morris K. Udall research centers
(1) In general
The Director of NIH is authorized to award Core Center Grants to encourage the development of innovative multidisciplinary research and provide training concerning Parkinson's disease. The Director is authorized to award not more than 10 Core Center Grants and designate each center funded under such grants as a Morris K. Udall Center for Research on Parkinson's Disease.

(2) Requirements
(A) In general
With respect to Parkinson's disease, each center assisted under this subsection shall—
(i) use the facilities of a single institution or a consortium of cooperating institutions, and meet such qualifications as may be prescribed by the Director of the NIH; and
(ii) conduct basic and clinical research.

(B) Discretionary requirements
With respect to Parkinson's disease, each center assisted under this subsection may—
(i) conduct training programs for scientists and health professionals;
(ii) conduct programs to provide information and continuing education to health professionals;
(iii) conduct programs for the dissemination of information to the public;
(iv) separately or in collaboration with other centers, establish a nationwide data system derived from patient populations with Parkinson's disease, and where possible, comparing relevant data involving general populations;
(v) separately or in collaboration with other centers, establish a Parkinson's Disease Information Clearinghouse to facilitate and enhance knowledge and understanding of Parkinson's disease; and
(vi) separately or in collaboration with other centers, establish a national education program that fosters a national focus on Parkinson's disease and the care of those with Parkinson's disease.

3. Stipends regarding training programs
A center may use funds provided under paragraph (1) to provide stipends for scientists and health professionals enrolled in training programs under paragraph (2)(B).

4. Duration of support
Support of a center under this subsection may be for a period not exceeding five years. Such period may be extended by the Director of NIH for one or more additional periods of not more than five years if the operations of such center have been reviewed by an appropriate technical and scientific peer review group established by the Director and if such group has recommended to the Director that such period should be extended.

(d) Morris K. Udall Awards for Excellence in Parkinson's Disease Research
The Director of NIH is authorized to establish a grant program to support investigators with a proven record of excellence and innovation in Parkinson's disease research and who demonstrate potential for significant future breakthroughs in the understanding of the pathogenesis of Parkinson's disease. Grants under this subsection shall be available for a period of not to exceed 5 years.

(2007—Subsec. (d). Pub. L. 109–482 applicable only with respect to amounts appropriated for fiscal year 2007 or subsequent fiscal years, see section 109 of Pub. L. 109–482, set out as a note under section 281 of this title.)
research focused on Parkinson’s disease, there are authorized to be appropriated up to $100,000,000 for fiscal year 1998, and such sums as may be necessary for each of the fiscal years 1999 and 2000.’’

CHANGE OF NAME

Committee on Commerce of House of Representatives changed to Committee on Energy and Commerce of House of Representatives, and jurisdiction over matters relating to securities and exchanges and insurance generally transferred to Committee on Financial Services of House of Representatives by House Resolution No. 5, One Hundred Seventh Congress, Jan. 3, 2002.

Committee on Labor and Human Resources of Senate changed to Committee on Health, Education, Labor, and Pensions of Senate by Senate Resolution No. 20, One Hundred Sixth Congress, Jan. 19, 1999.

EFFECTIVE DATE OF 2007 AMENDMENT

Amendment by Pub. L. 109–482 applicable only with respect to amounts appropriated for fiscal year 2007 or subsequent fiscal years, see section 109 of Pub. L. 109–482, set out as a note under section 281 of this title.

ADDITIONAL GRANTS


FINDING AND PURPOSE

Pub. L. 105–78, title VI, §603(b), Nov. 13, 1997, 111 Stat. 1519, provided that:

“(1) FINDING.—Congress finds that to take full advantage of the tremendous potential for finding a cure or effective treatment, the Federal investment in Parkinson’s disease must be expanded, as well as the coordination strengthened among the National Institutes of Health research institutes.

“(2) PURPOSE.—It is the purpose of this section [enacting this section] to provide for the expansion and coordination of research regarding Parkinson’s disease, and to improve care and assistance for afflicted individuals and their family caregivers.’’

§284g. Expansion, intensification, and coordination of activities of National Institutes of Health with respect to research on autism spectrum disorder

(a) In general

(1) Expansion of activities

The Director of NIH (in this section referred to as the “Director’) shall, subject to the availability of appropriations, expand, intensify, and coordinate the activities of the National Institutes of Health with respect to research on autism spectrum disorder, including basic and clinical research in fields including pathology, developmental neurobiology, genetics, epigenetics, pharmacology, nutrition, immunology, neuroimmunology, neurobehavioral development, endocrinology, gastroenterology, toxicology, and interventions to maximize outcomes for individuals with autism spectrum disorder. Such research shall investigate the causes (including possible environmental causes), diagnosis or ruling out, early and ongoing detection, prevention, services across the lifespan, supports, intervention, and treatment of autism spectrum disorder, including dissemination and implementation of clinical care, supports, interventions, and treatments.

(2) Consolidation

The Director may consolidate program activities under this section if such consolidation would improve program efficiencies and outcomes.

(3) Administration of program; collaboration among agencies

The Director shall carry out this section acting through the Director of the National Institute of Mental Health and in collaboration with any other agencies that the Director determines appropriate.

(b) Centers of excellence

(1) In general

The Director shall under subsection (a)(1) make awards of grants and contracts to public or nonprofit private entities to pay all or part of the cost of planning, establishing, improving, and providing basic operating support for centers of excellence regarding research on autism spectrum disorder.

(2) Research

Each center under paragraph (1) shall conduct basic and clinical research into autism spectrum disorder. Such research should include investigations into the causes, diagnosis, early and ongoing detection, prevention, and treatment of autism spectrum disorder across the lifespan. The centers, as a group, shall conduct research including the fields of developmental neurobiology, genetics, genomics, psychopharmacology, development, mental health, behavioral psychology, and clinical psychology.

(3) Services for patients

(A) In general

A center under paragraph (1) may expend amounts provided under such paragraph to carry out a program to make individuals aware of opportunities to participate as subjects in research conducted by the centers.

(B) Referrals and costs

A program under subparagraph (A) may, in accordance with such criteria as the Director may establish, provide to the subjects described in such subparagraph, referrals for health and other services, and such patient care costs as are required for research.

(C) Availability and access

The extent to which a center can demonstrate availability and access to clinical services shall be considered by the Director in decisions about awarding grants to applicants which meet the scientific criteria for funding under this section.

(D) Reducing disparities

The Director may consider, as appropriate, the extent to which a center can dem-
onstrates availability and access to clinical services for youth and adults from diverse racial, ethnic, geographic, or linguistic backgrounds in decisions about awarding grants to applicants which meet the scientific criteria for funding under this section.

(4) Organization of centers

Each center under paragraph (1) shall use the facilities of a single institution, or be formed from a consortium of cooperating institutions, meeting such requirements as may be prescribed by the Director.

(5) Number of centers; duration of support

(A) In general

The Director shall provide for the establishment of not less than five centers under paragraph (1).

(B) Duration

Support for a center established under paragraph (1) may be provided under this section for a period of not to exceed 5 years. Such period may be extended for one or more additional periods not exceeding 5 years if the operations of such center have been reviewed by an appropriate technical and scientific peer review group established by the Director and if such group has recommended to the Director that such period should be extended.

(c) Facilitation of research

The Director shall under subsection (a)(1) provide for a program under which samples of tissues and genetic materials that are of use in research on autism spectrum disorder are donated, collected, preserved, and made available for such research. The program shall be carried out in accordance with accepted scientific and medical standards for the donation, collection, and preservation of such samples.

(d) Public input

The Director shall under subsection (a)(1) provide for means through which the public can obtain information on the existing and planned programs and activities of the National Institutes of Health with respect to autism spectrum disorder and through which the Director can receive comments from the public regarding such programs and activities.


§284h. Pediatric Research Initiative

(a) Establishment

The Secretary shall establish within the Office of the Director of NIH a Pediatric Research Initiative (referred to in this section as the “Initiative”) to conduct and support research that is directly related to diseases, disorders, and other conditions in children. The Initiative shall be headed by the Director of NIH.

(b) Purpose

The purpose of the Initiative is to provide funds to enable the Director of NIH—

(1) to increase support for pediatric biomedical research within the National Insti-
(c) Duties  
In carrying out subsection (b), the Director of NIH shall—  
(1) consult with the Director of the Eunice Kennedy Shriver National Institute of Child Health and Human Development and the other national research institutes, in considering their requests for new or expanded pediatric research efforts, and consult with the Administrator of the Health Resources and Services Administration and other advisors as the Director determines to be appropriate;  
(2) have broad discretion in the allocation of any Initiative assistance among the Institutes, among types of grants, and between basic and clinical research so long as the assistance is directly related to the illnesses and conditions of children; and  
(3) be responsible for the oversight of any newly appropriated Initiative funds and annually report to Congress and the public on the extent of the total funds obligated to conduct or support pediatric research across the National Institutes of Health, including the specific support and research awards allocated through the Initiative.

(d) National Pediatric Research Network  
(1) Network  
In carrying out the Initiative, the Director of NIH, in collaboration with the national research institutes and national centers that carry out activities involving pediatric research, shall support a National Pediatric Research Network in order to more effectively support pediatric research and optimize the use of Federal resources. Such National Pediatric Research Network may be comprised of, as appropriate—  
(A) the pediatric research consortia receiving awards under paragraph (2); or  
(B) other consortia, centers, or networks focused on pediatric research that are recognized by the Director of NIH and established pursuant to the authorities vested in the National Institutes of Health by other sections of this chapter.

(2) Pediatric research consortia  
(A) In general  
The Director of NIH shall award funding, including through grants, contracts, or other mechanisms, to public or private nonprofit entities for providing support for pediatric research consortia, including with respect to—  
(i) basic, clinical, behavioral, or translational research to meet unmet needs for pediatric research; and  
(ii) training researchers in pediatric research techniques in order to address unmet pediatric research needs.

(B) Research  
The Director of NIH shall, as appropriate, ensure that—  
(1) each consortium receiving an award under subparagraph (A) conducts or supports at least one category of research described in subparagraph (A)(i) and collectively such consortia conduct or support such categories of research; and  
(2) one or more such consortia provide training described in subparagraph (A)(ii).

(C) Organization of consortium  
Each consortium receiving an award under subparagraph (A) shall—  
(1) be formed from a collaboration of cooperating institutions;  
(2) have broad discretion in the allocation of any Initiative assistance among the Institutes, among types of grants, and between basic and clinical research so long as the assistance is directly related to the illnesses and conditions of children; and  
(3) be responsible for the oversight of any newly appropriated Initiative funds and annually report to Congress and the public on the extent of the total funds obligated to conduct or support pediatric research across the National Institutes of Health, including the specific support and research awards allocated through the Initiative.

(D) Supplement, not supplant  
Any support received by a consortium under subparagraph (A) shall be used to supplement, and not supplant, other public or private support for activities authorized to be supported under this paragraph.

(E) Duration of support  
Support of a consortium under subparagraph (A) shall be for a period of not to exceed 5 years. Such period may be extended at the discretion of the Director of NIH.

(3) Coordination of consortia activities  
The Director of NIH shall, as appropriate—  
(A) provide for the coordination of activities (including the exchange of information and regular communication) among the consortia established pursuant to paragraph (2); and  
(B) require the periodic preparation and submission to the Director of reports on the activities of each such consortium.

(4) Assistance with registries  
Each consortium receiving an award under paragraph (2)(A) may provide assistance, as appropriate, to the Centers for Disease Control and Prevention for activities related to patient registries and other surveillance systems upon request by the Director of the Centers for Disease Control and Prevention.

(e) Research on pediatric rare diseases or conditions  
In making awards under subsection (d)(2) for pediatric research consortia, the Director of NIH

---

1 So in original. The word "and" probably should appear at end of subcl. (III).
shall ensure that an appropriate number of such awards are awarded to such consortia that agree to—

(1) consider pediatric rare diseases or conditions, or those related to birth defects; and

(2) conduct or coordinate one or more multisite clinical trials of therapies for, or approaches to, the prevention, diagnosis, or treatment of one or more pediatric rare diseases or conditions.

(f) Transfer of funds

The Director of NIH may transfer amounts appropriated under this section to any of the Institutes for a fiscal year to carry out the purposes of the Initiative under this section.

(1) In general

The Director of NIH shall expand, intensify, and coordinate activities involving pediatric research, shall ensure that an appropriate number of such consortia that agree to—

(1) consider pediatric rare diseases or conditions, or those related to birth defects; and

(2) conduct or coordinate one or more multisite clinical trials of therapies for, or approaches to, the prevention, diagnosis, or treatment of one or more pediatric rare diseases or conditions.

(3) Definition

The term “autoimmune disease” includes, for purposes of this section such diseases or disorders with evidence of autoimmune pathogenesis as the Secretary determines to be appropriate.

(b) Coordinating Committee

(1) In general

The Secretary shall ensure that the Autoimmune Diseases Coordinating Committee (referred to in this section as the “Coordinating Committee”) coordinates activities across the National Institutes and with other Federal health programs and activities relating to such diseases.

(2) Composition

The Coordinating Committee shall be composed of the directors or their designees of each of the national research institutes involved in research with respect to autoimmune diseases and representatives of all other Federal departments and agencies whose programs involve health functions or responsibilities relevant to such diseases, including the Centers for Disease Control and Prevention and the Food and Drug Administration.

(c) Plan for NIH activities

(1) In general

Not later than 1 year after October 17, 2000, the Coordinating Committee shall develop a plan for conducting and supporting research and education on autoimmune diseases through the national research institutes and shall periodically review and revise the plan.

The plan shall—

(A) provide for a broad range of research and education activities relating to biomedical, psychosocial, and rehabilitative issues, including studies of the disproportionate impact of such diseases on women;

(B) identify priorities among the programs and activities of the National Institutes of Health regarding such diseases; and

(C) reflect input from a broad range of scientists, patients, and advocacy groups.

(2) Certain elements of plan

The plan under paragraph (1) shall, with respect to autoimmune diseases, provide for the following as appropriate:

- - -

1So in original. Probably should be “pathogenesis”.

---

(7) Amendments

2016—Subsec. (d)(1). Pub. L. 114–255, div. A, title II, § 2071(1), substituted “in collaboration with the national research institutes and national centers that carry out activities involving pediatric research, shall support” for “in consultation with the Director of the Eunice Kennedy Shriver National Institute of Child Health and Human Development and in collaboration with other appropriate national research institutes and national centers that carry out activities involving pediatric research, may provide for the establishment of” in introductory provisions.


2013—Subsecs. (d) to (f). Pub. L. 113–55 added subsecs. (d) and (e) and redesignated former subsec. (d) as (f).


Subsec. (d). Pub. L. 109–482 redesignated subsec. (e) as (d) and struck out heading and text of former subsec. (d).

Text read as follows: “For the purpose of carrying out this section, there are authorized to be appropriated $50,000,000 for fiscal year 2001, and such sums as may be necessary for each of the fiscal years 2002 through 2005.”

Effective Date of 2007 Amendment

Amendment by Pub. L. 109–482 applicable only with respect to amounts appropriated for fiscal year 2007 or subsequent fiscal years, see section 109 of Pub. L. 109–482, set out as a note under section 281 of this title.

§ 284i. Autoimmune diseases

(a) Expansion, intensification, and coordination of activities

(1) In general

The Director of NIH shall expand, intensify, and coordinate research and other activities of the National Institutes of Health with respect to autoimmune diseases.

(2) Allocations by Director of NIH

With respect to amounts appropriated to carry out this section for a fiscal year, the Director of NIH shall allocate the amounts among the national research institutes that are carrying out paragraph (1).
(A) Research to determine the reasons underlying the incidence and prevalence of the diseases.

(B) Basic research concerning the etiology and causes of the diseases.

(C) Epidemiological studies to address the frequency and natural history of the diseases, including any differences among the sexes and among racial and ethnic groups.

(D) The development of improved screening techniques.

(E) Clinical research for the development and evaluation of new treatments, including new biological agents.

(F) Information and education programs for health care professionals and the public.

(3) Implementation of plan

The Director of NIH shall ensure that programs and activities of the National Institutes of Health regarding autoimmune diseases are implemented in accordance with the plan under paragraph (1).


AMENDMENTS

2007—Subsec. (d). Pub. L. 109–482, § 104(b)(1)(E), struck out heading and text of subsec. (d). Text read as follows: “The Coordinating Committee under subsection (b)(1) of this section shall biennially submit to the Committee on Commerce of the House of Representatives, and the Committee on Health, Education, Labor and Pensions of the Senate, a report that describes the research, education, and other activities on autoimmune diseases being conducted or supported through the national research institutes, and that in addition includes the following:

‘‘(1) The plan under subsection (c)(1) of this section (or revisions to the plan, as the case may be).

‘‘(2) Provisions specifying the amounts expended by the National Institutes of Health with respect to each of the autoimmune diseases included in the plan.

‘‘(3) Provisions identifying particular projects or types of projects that should in the future be considered by the national research institutes or other entities in the field of research on autoimmune diseases.’’"

Subsec. (e). Pub. L. 109–482, §103(b)(11), struck out heading and text of subsec. (e). Text read as follows: “For the purpose of carrying out this section, there are authorized to be appropriated such sums as may be necessary to carry out this section for each of the fiscal years 2001 through 2005. Amounts appropriated under this subsection shall be in addition to any other amounts appropriated for such purpose.”

EFFECTIVE DATE OF 2007 AMENDMENT

Amendment by Pub. L. 109–482 applicable only with respect to amounts appropriated for fiscal year 2007 or subsequent fiscal years, see section 109 of Pub. L. 109–482, set out as a note under section 261 of this title.

§ 284k. Clinical research

(a) In general

The Director of National Institutes of Health shall undertake activities to support and expand the involvement of the National Institutes of Health in clinical research.

(b) Requirements

In carrying out subsection (a), the Director of National Institutes of Health shall—

(1) consider the recommendations of the Division of Research Grants Clinical Research Study Group and other recommendations for enhancing clinical research; and

(2) establish intramural and extramural clinical research fellowship programs directed specifically at medical and dental students and a continuing education clinical research training program at the National Institutes of Health.

(c) Support for the diverse needs of clinical research

The Director of National Institutes of Health, in cooperation with the Directors of the Institutes, Centers, and Divisions of the National Institutes of Health, shall support and expand the resources available for the diverse needs of the clinical research community, including inpatient, outpatient, and critical care clinical research.

(d) Peer review

The Director of National Institutes of Health shall establish peer review mechanisms to evaluate applications for the awards and fellowships provided for in subsection (b)(2) and section 284l of this title. Such review mechanisms shall include individuals who are exceptionally qualified to appraise the merits of potential clinical research training and research grant proposals.

REFERENCES IN TEXT

Section 284 of this title, referred to in subsec. (d), was in the original “section 409D”, and was translated as meaning section 409D of act July 1, 1944, ch. 373, as added by section 204(b) of Pub. L. 106–505. Such section 409D was renumbered section 409H of act July 1, 1944, ch. 373, by Pub. L. 107–109, § 3(2), Jan. 4, 2002, 115 Stat. 1408. Another section 409D of act July 1, 1944, ch. 373, as added by section 1001 of Pub. L. 106–315, is classified to section 284h of this title.

FINDINGS AND PURPOSE

Pub. L. 106–505, title II, § 202, Nov. 13, 2000, 114 Stat. 2325, provided that:

“(a) FINDINGS.—Congress makes the following findings:

“(1) Clinical research is critical to the advancement of scientific knowledge and to the development of cures and improved treatment for disease.

“(2) Tremendous advances in biology are opening doors to new insights into human physiology, pathophysiology and disease, creating extraordinary opportunities for clinical research.

“(3) Clinical research includes translational research which is an integral part of the research process leading to general human applications. It is the bridge between the laboratory and new methods of diagnosis, treatment, and prevention and is thus essential to progress against cancer and other diseases.

“(4) The United States will spend more than $1,200,000,000,000 on health care in 1999, but the Federal budget for health research at the National Institutes of Health was $5,600,000,000 only 1 percent of that total.

“(5) Studies at the Institute of Medicine, the National Research Council, and the National Academy of Sciences have all addressed the current problems in clinical research.

“(6) The Director of the National Institutes of Health has recognized the current problems in clinical research and appointed a special panel, which recommended expanded support for existing National Institutes of Health clinical research programs and the creation of new initiatives to recruit and retain clinical investigators.

“(7) The current level of training and support for health professionals in clinical research is fragmented, undervalued, and underfunded.

“(8) Young investigators are not only apprentices for future positions but a crucial source of energy, enthusiasm, and ideas in the day-to-day research that constitutes the scientific enterprise. Serious questions about the future of life-science research are raised by the following:

“(A) The number of young investigators applying for grants dropped by 5 percent between 1985 and 1998.

“(B) The number of physicians applying for first-time National Institutes of Health research project grants fell from 1226 in 1994 to 963 in 1998, a 21 percent reduction.

“(C) Newly independent life-scientists are expected to raise funds to support their new research programs and a substantial proportion of their own salaries.

“(9) The following have been cited as reasons for the decline in the number of active clinical researchers, and those choosing this career path:

“(A) A medical school graduate incurs an average debt of $85,619, as reported in the Medical School Graduation Questionnaire by the Association of American Medical Colleges (AAMC).

“(B) The prolonged period of clinical training required increases the accumulated debt burden.

“(C) The decreasing number of mentors and role models.

“(D) The perceived instability of funding from the National Institutes of Health and other Federal agencies.

“(E) The almost complete absence of clinical research training in the curriculum of training grant awardees.

“(F) Academic Medical Centers are experiencing difficulties in maintaining a proper environment for research in a highly competitive health care marketplace, which are compounded by the decreased willingness of third party payers to cover health care costs for patients engaged in research studies and research procedures.

“(10) In 1960, general clinical research centers were established under the Office of the Director of the National Institutes of Health with an initial appropriation of $3,000,000.

“(11) Appropriations for general clinical research centers in fiscal year 1999 equaled $220,500,000.

“(12) Since the late 1960s, spending for general clinical research centers has declined from approximately 3 percent to 1 percent of the National Institutes of Health budget.

“(13) In fiscal year 1999, there were 77 general clinical research centers in operation, supplying patients in the areas in which such centers operate with access to the most modern clinical research and clinical research facilities and technologies.

“(b) PURPOSE.—It is the purpose of this title (see Short Title of 2000 Amendments note set out under section 201 of this title) to provide additional support for and to expand clinical research programs.”

OVERSIGHT BY GAO

Pub. L. 106–505, title II, § 207, Nov. 13, 2000, 114 Stat. 2339, provided that, not later than 18 months after Nov. 13, 2000, the Comptroller General was to submit to Congress a report describing the extent to which the National Institutes of Health had complied with the amendments made by title II of Pub. L. 106–505.

§ 284f. Enhancement awards

(a) Mentored Patient-Oriented Research Career Development Awards

(1) Grants

(A) In general

The Director of the National Institutes of Health shall make grants (to be referred to as “Mentored Patient-Oriented Research Career Development Awards”) to support individual careers in clinical research at general clinical research centers or at other institutions that have the infrastructure and resources deemed appropriate for conducting patient-oriented clinical research.

(B) Use

Grants under subparagraph (A) shall be used to support clinical investigators in the early phases of their independent careers by providing salary and such other support for a period of supervised study.

(2) Applications

An application for a grant under this subsection shall be submitted by an individual scientist at such time as the Director may require.

(b) Mid-Career Investigator Awards in Patient-Oriented Research

(1) Grants

(A) In general

The Director of the National Institutes of Health shall make grants (to be referred to as "
(C) Clinical epidemiology.
(D) Computer data management and medical informatics.
(E) Ethical and regulatory issues.
(F) Biomedical writing.

(2) Applications

An application for a grant under this subsection shall be submitted by an individual institution or a consortium of institutions at such time as the Director may require. An institution may submit only one such application.

(3) Limitations

Grants under this subsection shall be for terms of up to 5 years and may be renewable.

(4) Definition

As used in this subsection, the term "advanced degree programs in clinical investigation" means programs that award a master's or Ph.D. degree in clinical investigation after 2 or more years of training in areas such as the following:

(A) Analytical methods, biostatistics, and study design.
(B) Principles of clinical pharmacology and pharmacokinetics.
(C) Clinical epidemiology.
(D) Computer data management and medical informatics.
(E) Ethical and regulatory issues.
(F) Biomedical writing.

(d) Clinical Research Curriculum Awards

(1) In general

The Director of the National Institutes of Health shall make grants (to be referred to as "Clinical Research Curriculum Awards") to institutions for the development and support of programs of core curricula for training clinical investigators, including medical students. Such core curricula may include training in areas such as the following:

(A) Analytical methods, biostatistics, and study design.
(B) Principles of clinical pharmacology and pharmacokinetics.

PUBLIC HEALTH AND WELFARE

§ 284m

(2) Consideration of available information

In developing and prioritizing the list under paragraph (1), the Secretary—

(A) shall consider—

(i) therapeutic gaps in pediatrics that may include developmental pharmacology,
pharmacogenetic determinants of drug response, metabolism of drugs and biologics in children, and pediatric clinical trials; (ii) particular pediatric diseases, disorders or conditions where more complete knowledge and testing of therapeutics, including drugs and biologics, and identification of biomarkers for such diseases, disorders, or conditions, may be beneficial in pediatric populations; and (iii) the adequacy of necessary infrastructure to conduct pediatric pharmacological research, including research networks and trained pediatric investigators; and (B) may consider the availability of qualified countermeasures (as defined in section 247d–6a of this title), security countermeasures (as defined in section 247d–6b of this title), and qualified pandemic or epidemic products (as defined in section 247d–6d of this title) to address the needs of pediatric populations, in consultation with the Assistant Secretary for Preparedness and Response, consistent with the purposes of this section.

(b) Pediatric studies and research

The Secretary, acting through the National Institutes of Health, shall award funds to entities that have the expertise to conduct pediatric clinical trials or other research (including qualified universities, hospitals, laboratories, contract research organizations, practice groups, federally funded programs such as pediatric pharmacology research units, other public or private institutions, or individuals) to enable the entities to conduct the drug studies or other research on the issues described in paragraphs (1) and (2) of subsection (a). The Secretary may use contracts, grants, or other appropriate funding mechanisms to award funds under this subsection.

(c) Process for proposed pediatric study requests and labeling changes

(1) Submission of proposed pediatric study request

The Director of the National Institutes of Health shall, as appropriate, submit proposed pediatric study requests for consideration by the Commissioner of Food and Drugs for pediatric studies of a specific pediatric indication identified under subsection (a). Such a proposed pediatric study request shall be made in a manner equivalent to a written request made under subsection (b) or (c) of section 505A of the Federal Food, Drug, and Cosmetic Act [21 U.S.C. 355a], or section 262(m) of this title, including with respect to the information provided on the pediatric studies to be conducted pursuant to the request and using appropriate formulations for each age group for which the study is requested.

(2) Written request to holders of approved applications

The Commissioner of Food and Drugs, in consultation with the Director of the National Institutes of Health, may issue a written request based on the proposed pediatric study request for the indication or indications submitted pursuant to paragraph (1) (which shall include a timeframe for negotiations for an agreement) for pediatric studies concerning a drug identified under subsection (a) to all holders of an approved application for the drug. Such a written request shall be made in a manner equivalent to the manner in which a written request is made under subsection (b) or (c) of section 505A of the Federal Food, Drug, and Cosmetic Act [21 U.S.C. 355a] or section 262(m) of this title, including with respect to information provided on the pediatric studies to be conducted pursuant to the request and using appropriate formulations for each age group for which the study is requested.

(3) Requests for proposals

If the Commissioner of Food and Drugs does not receive a response to a written request issued under paragraph (2) not later than 30 days after the date on which a request was issued, the Secretary, acting through the Director of the National Institutes of Health and in consultation with the Commissioner of Food and Drugs, shall publish a request for proposals to conduct the pediatric studies described in the written request in accordance with subsection (b).

(4) Disqualification

A holder that receives a first right of refusal shall not be entitled to respond to a request for proposals under paragraph (3).

(5) Contracts, grants, or other funding mechanisms

A contract, grant, or other funding may be awarded under this section only if a proposal is submitted to the Secretary in such form and manner, and containing such agreements, assurances, and information as the Secretary determines to be necessary to carry out this section.

(6) Reporting of studies

(A) In general

On completion of a pediatric study in accordance with an award under this section, a
report concerning the study shall be submitted to the Director of the National Institutes of Health and the Commissioner of Food and Drugs. The report shall include all data generated in connection with the study, including a written request if issued.

(B) Availability of reports

(i) In general

Each report submitted under subparagraph (A) shall be considered to be in the public domain (subject to section 505A(a)(4) of the Federal Food, Drug, and Cosmetic Act [21 U.S.C. 355a(a)(4)]) and not later than 90 days after submission of such report, shall be—

(I) posted on the internet website of the National Institutes of Health in a manner that is accessible and consistent with all applicable Federal laws and regulations, including such laws and regulations for the protection of—

(aa) human research participants, including with respect to privacy, security, informed consent, and protected health information; and

(bb) proprietary interests, confidential commercial information, and intellectual property rights; and

(II) assigned a docket number by the Commissioner of Food and Drugs and made available for the submission of public comments.

(ii) Submission of comments

An interested person may submit written comments concerning such pediatric studies to the Commissioner of Food and Drugs, and the submitted comments shall become part of the docket file with respect to each of the drugs.

(C) Action by Commissioner

The Commissioner of Food and Drugs shall take action in a timely and appropriate manner in response to the reports submitted under subparagraph (A), and shall begin such action upon receipt of the report under subparagraph (A), in accordance with paragraph (7).

(7) Requests for labeling change

Within the 180-day period after the date on which a report is submitted under paragraph (6)(A), the Commissioner of Food and Drugs shall—

(A) review the report and such other data as are available concerning the safe and effective use in the pediatric population of the drug studied;

(B) negotiate with the holders of approved applications for the drug studied for any labeling changes that the Commissioner of Food and Drugs determines to be appropriate and requests the holders to make; and

(C)(i) include in the public docket file a reference to the location of the report on the internet website of the National Institutes of Health and a copy of any requested labeling changes; and

(ii) publish through a posting on the Web site of the Food and Drug Administration a summary of the report and a copy of any requested labeling changes.

(8) Dispute resolution

(A) Referral to Pediatric Advisory Committee

If, not later than the end of the 180-day period specified in paragraph (7), the holder of an approved application for the drug involved does not agree to any labeling change requested by the Commissioner of Food and Drugs under that paragraph, the Commissioner of Food and Drugs shall refer the request to the Pediatric Advisory Committee.

(B) Action by the Pediatric Advisory Committee

Not later than 90 days after receiving a referral under subparagraph (A), the Pediatric Advisory Committee shall—

(i) review the available information on the safe and effective use of the drug in the pediatric population, including study reports submitted under this section; and

(ii) make a recommendation to the Commissioner of Food and Drugs as to appropriate labeling changes, if any.

(9) FDA determination

Not later than 30 days after receiving a recommendation from the Pediatric Advisory Committee under paragraph (8)(B)(ii) with respect to a drug, the Commissioner of Food and Drugs shall consider the recommendation and, if appropriate, make a request to the holders of approved applications for the drug to make any labeling change that the Commissioner of Food and Drugs determines to be appropriate.

(10) Failure to agree

If a holder of an approved application for a drug, within 30 days after receiving a request to make a labeling change under paragraph (9), does not agree to make a requested labeling change, the Commissioner of Food and Drugs may deem the drug to be misbranded under the Federal Food, Drug, and Cosmetic Act [21 U.S.C. 301 et seq.].

(11) No effect on authority

Nothing in this subsection limits the authority of the United States to bring an enforcement action under the Federal Food, Drug, and Cosmetic Act [21 U.S.C. 301 et seq.] when a drug lacks appropriate pediatric labeling.

Neither course of action (the Pediatric Advisory Committee process or an enforcement action referred to in the preceding sentence) shall preclude, delay, or serve as the basis to stay the other course of action.

(d) Authorization of appropriations

(1) In general

There are authorized to be appropriated to carry out this section, $25,000,000 for each of fiscal years 2018 through 2022.

(2) Availability

Any amount appropriated under paragraph (1) shall remain available to carry out this section until expended.

REFERENCES IN TEXT

The Federal Food, Drug, and Cosmetic Act, referred to in subsec. (c)(10), (11), is act June 25, 1938, ch. 675, 52 Stat. 1040, which is classified generally to chapter 9 (§ 301 et seq.) of Title 21, Food and Drugs. For complete classification of this Act to the Code, see section 301 of Title 21 and Tables.

AMENDMENTS


Subsec. (c)(6)(B). Pub. L. 115–52, § 501(2)(A)(i), amended subpar. (B) generally. Prior to amendment, text read as follows: “Each report submitted under subparagraph (A) shall be considered to be in the public domain (subject to section 509A(d)(4) of the Federal Food, Drug, and Cosmetic Act) and shall be assigned a docket number by the Commissioner of Food and Drugs. An interested person may submit written comments concerning such pediatric studies to the Commissioner of Food and Drugs, and the written comments shall become part of the docket file with respect to each of the drugs.”

Subsec. (c)(6)(C). Pub. L. 115–52, § 501(2)(A)(ii), substituted “action in a timely and appropriate manner in response to the reports submitted under subparagraph (A), and shall begin such action upon receipt of the report under subparagraph (A), in accordance with paragraph (7).” for “appropriate action in response to the reports submitted under subparagraph (A) in accordance with paragraph (7).”


Subsec. (d). Pub. L. 115–52, § 501(3), (4), redesignated subsec. (e) as (d) and struck out former subsec. (d). Prior to amendment, text read as follows: “Not later than one year after September 27, 2007, the Secretary, acting through the Director of the National Institutes of Health, shall study the feasibility of establishing a compilation of information on pediatric drug use and report the findings to Congress.”


2013—Subsec. (a)(2). Pub. L. 113–5, § 307(b)(1), added par. (2) and struck out former par. (2). Prior to amendment, text read as follows: “In developing and prioritizing the list under paragraph (1), the Secretary shall consider—

"(A) therapeutic gaps in pediatrics that may include developmental pharmacology, pharmacogenetic determinants of drug response, metabolism of drugs and biologics in children, and pediatric clinical trials;

"(B) particular pediatric diseases, disorders or conditions where more complete knowledge and testing of therapeutics, including drugs and biologics, may be beneficial in pediatric populations; and

“(C) the adequacy of necessary infrastructure to conduct pediatric pharmacological research, including research networks and trained pediatric investigators.”

Subsec. (b). Pub. L. 113–5, § 307(b)(2), substituted paragraphs (1) and (2)(A) of subsection (a) for “subsection (a)”.


Subsec. (c)(1)(B). Pub. L. 112–144, § 509(d)(1)(C), amended subpar. (B) generally. Prior to amendment, subpar. (B) read as follows: “there is no patent protection or market exclusivity protection for at least one form of the drug under the Federal Food, Drug, and Cosmetic Act; and”.

Subsec. (c)(2). Pub. L. 112–144, § 509(d)(2), struck out “for drugs lacking exclusivity” after “applications” in heading, and in text struck out “under section 505 of the Federal Food, Drug, and Cosmetic Act” after “for the drug” and substituted “505A of the Federal Food, Drug, and Cosmetic Act or section 262(m) of this title” for “505A of such Act”.

Subsec. (e)(1). Pub. L. 112–144, § 507(d), substituted “to carry out this section, $25,000,000 for each of fiscal years 2013 through 2017.” for “to carry out this section—

“(A) $200,000,000 for fiscal year 2008; and

“(B) such sums as are necessary for each of the four succeeding fiscal years.”


2007—Pub. L. 110–155 amended section generally. Prior to amendment, section related to development of list of drugs for which pediatric studies are needed, award of contracts for pediatric studies, process for requesting contract proposals to conduct certain pediatric studies, reporting of completed studies, requests for labeling changes and dispute resolution, and recommendation by the Secretary for formulation changes.

Subsec. (d). Pub. L. 109–482 struck out subsec. (d) which related to authorization and availability of appropriations.


EFFECTIVE DATE OF 2007 AMENDMENT

Amendment by Pub. L. 109–482 applicable only with respect to amounts appropriated for fiscal year 2007 or subsequent fiscal years, see section 109 of Pub. L. 109–482, set out as an Effective Date note under section 281 of this title.

EFFECTIVE DATE OF 2003 AMENDMENT

Amendment by Pub. L. 108–155 effective Dec. 3, 2003, except as otherwise provided, see section 4 of Pub. L. 108–155, set out as an Effective Date note under section 355c of Title 21, Food and Drugs.

§ 284m–1. Pediatric Advisory Committee

(a) In general

The Secretary of Health and Human Services shall, under section 217a of this title or other appropriate authority, convene and consult an advisory committee on pediatric therapeutics (including drugs and biological products) and medical devices (referred to in this section as the “advisory committee”).

(b) Purpose

(1) In general

The advisory committee shall advise and make recommendations to the Secretary, through the Commissioner of Food and Drugs,
on matters relating to pediatric therapeutics (including drugs and biological products) and medical devices.

(2) Matters included

The matters referred to in paragraph (1) include—

(A) pediatric research conducted under sections 282, 284m, and 290b of this title and sections 351, 352, 355a, 355c, 360c, and 360(m) of title 21;

(B) identification of research priorities related to therapeutics (including drugs and biological products) and medical devices for pediatric populations and the need for additional diagnostics and treatments for specific pediatric diseases or conditions;

(C) the ethics, design, and analysis of clinical trials related to pediatric therapeutics (including drugs and biological products) and medical devices; and

(D) the development of countermeasures (as defined in section 360bbb–4(a) of title 21) for pediatric populations.

(c) Composition

The advisory committee shall include representatives of pediatric health organizations, pediatric researchers, relevant patient and patient-family organizations, and other experts selected by the Secretary.

(d) Continuation of Operation of Committee

Notwithstanding section 14 of the Federal Advisory Committee Act, the advisory committee shall continue to operate to carry out the advisory committee’s responsibilities under sections 355a, 355c, and 360(m) of title 21.

§ 284n. Certain demonstration projects

(a) Bridging the sciences

(1) In general

From amounts to be appropriated under section 282a(b) of this title, the Secretary of Health and Human Services, acting through the Director of NIH, (in this subsection referred to as the “Secretary”) in consultation with the Director of the National Institutes of Health, the Secretary of Energy, and other agency heads when necessary, may allocate funds for the purpose of improving the public health through demonstration projects for biomedical research at the interface between the biological, behavioral, and social sciences and the physical, chemical, mathematical, and computational sciences.

(2) Goals, priorities, and methods; interagency collaboration

The Secretary shall establish goals, priorities, and methods of evaluation for research under paragraph (1), and shall provide for interagency collaboration with respect to such research. In developing such goals, priorities, and methods, the Secretary shall ensure that—

(A) the research reflects the vision of innovation and higher risk with long-term payoffs;

(B) the research includes a wide spectrum of projects, funded at various levels, with varying timeframes.

(3) Peer review

A grant may be made under paragraph (1) only if the application for the grant has undergone technical and scientific peer review under section 289a of this title and has been reviewed by the advisory council under section
§ 284o Activities of the National Institutes of Health with respect to research on paralysis

(a) Coordination

(1) In general

The Director may make awards of grants to public or private entities to pay all or part of the cost of planning, establishing, improving, and providing basic operating support for consortia in paralysis research. The Director shall designate each consortium funded through such grants as a Christopher and Dana Reeve Paralysis Research Consortium.

(2) Research

Each consortium under paragraph (1)—

(A) may conduct basic, translational, and clinical paralysis research;

(B) may focus on advancing treatments and developing therapies in paralysis research;

(C) may focus on one or more forms of paralysis that result from central nervous system trauma or stroke;

(D) may facilitate and enhance the dissemination of clinical and scientific findings; and

(E) may replicate the findings of consortia members or other researchers for scientific and translational purposes.

(3) Coordination of consortia; reports

The Director may, as appropriate, provide for the coordination of information among consortia under paragraph (1) and ensure regular communication among members of the consortia, and may require the periodic preparation of reports on the activities of the consortia and the submission of the reports to the Director.

(4) Organization of consortia

Each consortium under paragraph (1) may use the facilities of a single lead institution,
or be formed from several cooperating institutions, meeting such requirements as may be prescribed by the Director.

(c) Public input

The Director may provide for a mechanism to educate and disseminate information on the existing and planned programs and research activities of the National Institutes of Health with respect to paralysis and through which the Director can receive comments from the public regarding such programs and activities.


§ 284q. Pain research

(a) Research initiatives

(1) In general

The Director of NIH is encouraged to continue and expand, through the Pain Consortium, an aggressive program of basic and clinical research on the causes of and potential treatments for pain.

(2) Annual recommendations

Not less than annually, the Pain Consortium, in consultation with the Division of Program Coordination, Planning, and Strategic Initiatives, shall develop and submit to the Director of NIH recommendations on appropriate pain research initiatives that could be undertaken with funds reserved under section 282a(c)(1) of this title for the Common Fund or otherwise available for such initiatives.

(b) Interagency Pain Research Coordinating Committee

(1) Establishment

The Secretary shall establish not later than 1 year after March 23, 2010, and as necessary maintain a committee, to be known as the Interagency Pain Research Coordinating Committee (in this section referred to as the “Committee”), to coordinate all efforts within the Department of Health and Human Services and other Federal agencies that relate to pain research.

(2) Membership

(A) In general

The Committee shall be composed of the following voting members:

(i) Not more than 7 voting Federal representatives appoint1 by the Secretary from agencies that conduct pain care research and treatment.

(ii) 12 additional voting members appointed under subparagraph (B).

(B) Additional members

The Committee shall include additional voting members appointed by the Secretary as follows:

1 So in original. Probably should be “appointed”.

CODIFICATION

Section was enacted as part of the Christopher and Dana Reeve Paralysis Act, and also as part of the Omnibus Public Land Management Act of 2009, and not as part of the Public Health Service Act which comprises this chapter.

DEFINITION OF “DIRECTOR”

“Director” as meaning the Director of the National Institutes of Health, see section 284(a) of this title.

CODIFICATION

Section was enacted as part of the Christopher and Dana Reeve Paralysis Act, and also as part of the Omnibus Public Land Management Act of 2009, and not as part of the Public Health Service Act which comprises this chapter.
§ 284q–1

The prioritization and direction of the Federally funded portfolio of pain research studies shall consider recommendations made by the Interagency Pain Research Coordinating Committee in concert with the Pain Management Best Practices Inter-Agency Task Force, and in accordance with the National Pain Strategy, the Federal Pain Research Strategy, and the NIH-Wide Strategic Plan for Fiscal Years 2016–2020, the latter of which calls for the relative burdens of individual diseases and medical disorders to be regarded as crucial considerations in balancing the priorities of the Federal research portfolio.


CODIFICATION

Section was enacted as part of the Comprehensive Addiction and Recovery Act of 2016, and not as part of

(7) Review

The Secretary shall review the necessity of the Committee at least once every 2 years.


AMENDMENTS

2018—Subsec. (b)(5)(A). Pub. L. 115–271, §7042(1)(A), substituted “treatment, and management of pain and diseases and disorders associated with pain, including information on best practices for the utilization of non-pharmacologic treatments, non-addictive medical products, and other drugs or devices approved or cleared by the Food and Drug Administration” for “and treatment of pain and diseases and disorders associated with pain”. Subsec. (b)(5)(B). Pub. L. 115–271, §7042(1)(B), substituted “on—” and cls. (1) to (iii) for “on the symptoms and causes of pain;”. Subsec. (b)(5)(C) to (E). Pub. L. 115–271, §7042(1)(C), added subpar. (C) and struck out former subpars. (C) to (E) which read as follows—

“(C) make recommendations to ensure that the activities of the National Institutes of Health and other Federal agencies are free of unnecessary duplication of effort;

“(D) make recommendations on how best to disseminate information on pain care; and

“(E) make recommendations on how to expand partnerships between public entities and private entities to expand collaborative, cross-cutting research.”

Subsec. (b)(6), (7). Pub. L. 115–271, §7042(2), (3), added par. (6) and redesignated former par. (6) as (7).

§ 284q–1. NIH opioid research

(a) In general

The Director of the National Institutes of Health (referred to in this section as the “NIH”) may intensify and coordinate fundamental, translational, and clinical research of the NIH with respect to—

(1) the understanding of pain;

(2) the discovery and development of therapies for chronic pain; and

(3) the development of alternatives to opioids for effective pain treatments.

(b) Priority and direction

The prioritization and direction of the Federally funded portfolio of pain research studies shall consider recommendations made by the Interagency Pain Research Coordinating Committee in concert with the Pain Management Best Practices Inter-Agency Task Force, and in accordance with the National Pain Strategy, the Federal Pain Research Strategy, and the NIH-Wide Strategic Plan for Fiscal Years 2016–2020, the latter of which calls for the relative burdens of individual diseases and medical disorders to be regarded as crucial considerations in balancing the priorities of the Federal research portfolio.


CODIFICATION

Section was enacted as part of the Comprehensive Addiction and Recovery Act of 2016, and not as part of

(6) Report

The Secretary shall ensure that recommendations and actions taken by the Director with respect to the topics discussed at the meetings described in paragraph (4) are included in appropriate reports to Congress.

(3) Chairperson

The voting members of the Committee shall select a chairperson from among such members. The selection of a chairperson shall be subject to the approval of the Director of NIH.

(4) Meetings

The Committee shall meet at the call of the chairperson of the Committee or upon the request of the Director of NIH, but in no case less often than once each year.

(5) Duties

The Committee shall—

(A) develop a summary of advances in pain care research supported or conducted by the Federal agencies relevant to the diagnosis, prevention, treatment, and management of pain and diseases and disorders associated with pain, including information on best practices for the utilization of non-pharmacologic treatments, non-addictive medical products, and other drugs or devices approved or cleared by the Food and Drug Administration;

(B) identify critical gaps in basic and clinical research on—

(i) the symptoms and causes of pain, including the identification of relevant biomarkers and screening models and the epidemiology of acute and chronic pain;

(ii) the diagnosis, prevention, treatment, and management of acute and chronic pain, including with respect to non-pharmacologic treatments, non-addictive medical products, and other drugs or devices approved or cleared by the Food and Drug Administration;

and

(iii) risk factors for, and early warning signs of, substance use disorders.

(C) make recommendations to the Director of NIH—

(i) to ensure that the activities of the National Institutes of Health and other Federal agencies are free of unnecessary duplication of effort;

(ii) on how best to disseminate information on pain care and epidemiological data related to acute and chronic pain; and

(iii) on how to expand partnerships between public entities and private entities to expand collaborative, cross-cutting research.

(6) Report

The Secretary shall ensure that recommendations and actions taken by the Director
the Public Health Service Act which comprises this chapter.

§ 284r. Basic research

(1) Developing policies

Not later than 2 years after December 13, 2016, the Director of the National Institutes of Health (referred to in this section as “the Director of the National Institutes of Health”), taking into consideration the recommendations developed under section 2039, shall develop policies for projects of basic research funded by National Institutes of Health to assess—

(A) relevant biological variables including sex, as appropriate; and

(B) how differences between male and female cells, tissues, or animals may be examined and analyzed.

(2) Revising policies

The Director of the National Institutes of Health may update or revise the policies developed under paragraph (1) as appropriate.

(3) Consultation and outreach

In developing, updating, or revising the policies under this section, the Director of the National Institutes of Health shall—

(A) consult with—

(i) the Office of Research on Women’s Health;

(ii) the Office of Laboratory Animal Welfare; and

(iii) appropriate members of the scientific and academic communities; and

(B) conduct outreach to solicit feedback from members of the scientific and academic communities on the influence of sex as a variable in basic research, including feedback on when it is appropriate for projects of basic research involving cells, tissues, or animals to include both male and female cells, tissues, or animals.

(4) Additional requirements

The Director of the National Institutes of Health shall—

(A) ensure that projects of basic research funded by the National Institutes of Health are conducted in accordance with the policies developed, updated, or revised under this section, as applicable; and

(B) encourage that the results of such research, when published or reported, be disaggregated as appropriate with respect to the analysis of any sex differences.


REFERENCES IN TEXT

Section 2039, referred to in par. (1), is section 2039 of Pub. L. 114–255, which is set out as a note under section 282 of this title.

CODIFICATION

Section was enacted as part of the 21st Century Cures Act, and not as part of the Public Health Service Act which comprises this chapter.

§ 284s. Tick-borne diseases

(a) In general

The Secretary of Health and Human Services (referred to in this section as “the Secretary”) shall continue to conduct or support epidemiological, basic, translational, and clinical research related to vector-borne diseases, including tick-borne diseases.

(b) Reports

The Secretary shall ensure that each triennial report under section 283 of this title (as amended by section 2032) includes information on actions undertaken by the National Institutes of Health to carry out subsection (a) with respect to tick-borne diseases.

(c) Tick-Borne Diseases Working Group

(1) Establishment

The Secretary shall establish a working group, to be known as the Tick-Borne Disease Working Group (referred to in this section as the “Working Group”), comprised of representatives of appropriate Federal agencies and other non-Federal entities, to provide expertise and to review all efforts within the Department of Health and Human Services related to all tick-borne diseases, to help ensure interagency coordination and minimize overlap, and to examine research priorities.

(2) Responsibilities

The working group shall—

(A) not later than 2 years after December 13, 2016, develop or update a summary of—

(i) ongoing tick-borne disease research, including research related to causes, prevention, treatment, surveillance, diagnosis, diagnostics, duration of illness, and intervention for individuals with tick-borne diseases;

(ii) advances made pursuant to such research;

(iii) Federal activities related to tick-borne diseases, including—

(I) epidemiological activities related to tick-borne diseases; and

(II) basic, clinical, and translational tick-borne disease research related to the pathogenesis, prevention, diagnosis, and treatment of tick-borne diseases;

(iv) gaps in tick-borne disease research described in clause (iii)(II);

(v) the Working Group’s meetings required under paragraph (4); and

(vi) the comments received by the Working Group;

(B) make recommendations to the Secretary regarding any appropriate changes or improvements to such activities and research; and

(C) solicit input from States, localities, and nongovernmental entities, including organizations representing patients, health care providers, researchers, and industry regarding scientific advances, research questions, surveillance activities, and emerging strains in species of pathogenic organisms.

(3) Membership

The members of the working group shall represent a diversity of scientific disciplines and
views and shall be composed of the following members:

(A) Federal members

Seven Federal members, consisting of one or more representatives of each of the following:

(i) The Office of the Assistant Secretary for Health.
(ii) The Food and Drug Administration.
(iii) The Centers for Disease Control and Prevention.
(iv) The National Institutes of Health.
(v) Such other agencies and offices of the Department of Health and Human Services as the Secretary determines appropriate.

(B) Non–Federal public members

Seven non–Federal public members, consisting of representatives of the following categories:

(i) Physicians and other medical providers with experience in diagnosing and treating tick-borne diseases.
(ii) Scientists or researchers with expertise.
(iii) Patients and their family members.
(iv) Nonprofit organizations that advocate for patients with respect to tick-borne diseases.
(v) Other individuals whose expertise is determined by the Secretary to be beneficial to the functioning of the Working Group.

(4) Meetings

The Working Group shall meet not less than twice each year.

(5) Reporting

Not later than 2 years after December 13, 2016, and every 2 years thereafter until termination of the Working Group pursuant to paragraph (7), the Working Group shall—

(A) submit a report on its activities under paragraph (2)(A) and any recommendations under paragraph (2)(B) to the Secretary, the Committee on Energy and Commerce of the House of Representatives, and the Committee on Health, Education, Labor, and Pensions of the Senate; and

(B) make such report publicly available on the Internet website of the Department of Health and Human Services.

(6) Applicability of FACA

The Working Group shall be treated as an advisory committee subject to the Federal Advisory Committee Act (5 U.S.C. App.).

(7) Sunset

The Working Group under this section shall terminate 6 years after December 13, 2016.


REFERENCES IN TEXT

Section 2032, referred to in subsec. (b), means section 2032 of Pub. L. 114–255.

The Federal Advisory Committee Act, referred to in subsec. (c)(6), is Pub. L. 92–463, Oct. 6, 1972, 86 Stat. 770, which is set out in the Appendix to Title 5, Government Organization and Employees.
or office, and who is a full-time officer or employee of the Federal Government. At the direction of the Chair, the Task Force may establish subgroups consisting exclusively of Task Force members or their designees under this section, as appropriate.

(b) Administration of the Task Force. The NIH shall provide funding and administrative support for the Task Force to the extent permitted by law and within existing appropriations. The Vice President shall designate an officer or employee of the executive branch as the Executive Director of the Task Force, who shall coordinate the work of the Task Force.

S 2. Mission and Functions of the Task Force. The Task Force shall work with a wide array of executive departments and agencies that have responsibility for key issues related to basic, translational, and clinical research, therapy development, regulation of medical products, and medical care related to cancer. Consistent with applicable law, the Task Force also will consult with external experts from relevant scientific sectors, including the Presidential appointed National Cancer Advisory Board (NCAB). The NCAB shall advise the Director of NCI on its recommendations respecting the future direction and program and policy emphasis of NCI as it relates to the work of the Task Force. To assist the NCAB in providing this advice, the NCAB is strongly encouraged to establish a working group consisting of a Blue Ribbon Panel of scientific experts. The Director shall relay the advice of the NCAB to the Task Force, as appropriate. The functions of the Task Force are advisory only and shall include, but shall not be limited to, producing a detailed set of findings and recommendations to:

(a) accelerate our understanding of cancer, and its prevention, early detection, treatment, and cure;
(b) improve patient access and care;
(c) support greater access to new research, data, and computational capabilities;
(d) encourage development of cancer treatments;
(e) identify and address any unnecessary regulatory barriers and consider ways to expedite administrative reforms;
(f) ensure optimal investment of Federal resources; and
(g) identify opportunities to develop public-private partnerships and increase coordination of the Federal Government’s efforts with the private sector, as appropriate.

S 3. Outreach. Consistent with the objectives set out in section 2 of this memorandum, the Task Force, in accordance with applicable law, in addition to regular meetings, shall conduct outreach with representatives of the cancer patient community, academia, business, nonprofit organizations, State and local government agencies, the research community, and other interested persons that will assist with the Task Force’s development of a detailed set of recommendations.

S 4. Transparency and Reports. The Task Force shall facilitate the posting on the Internet of reports and engage in an open, reciprocal dialogue with the American people. The Task Force shall present to the President a report before December 31, 2016, on its findings and recommendations, which shall be made available to the public and posted on the Internet.

S 5. General Provisions. (a) The heads of executive departments and agencies shall assist and provide information to the Task Force, consistent with applicable law, as may be necessary to carry out the functions of the Task Force. Each executive department and agency shall bear its own expense for participating in the Task Force.

(b) Nothing in this memorandum shall be construed to impair or otherwise affect:
(i) authority granted by law to an executive department or agency on the head thereof; or
(ii) functions of the Director of the Office of Management and Budget relating to budgetary, administrative, or legislative proposals.

(c) This memorandum shall be implemented consistent with applicable law and subject to the availability of appropriations.

(d) This memorandum is not intended to, and does not, create any right or benefit, substantive or procedural, enforceable at law or in equity by any party against the United States, its departments, agencies, or entities, its officers, employees, or agents, or any other person.

S 6. Publication. The Secretary of Health and Human Services is authorized and directed to publish this memorandum in the Federal Register.

BARACK OBAMA.

§ 285a. National Cancer Program

The National Cancer Program shall consist of (1) an expanded, intensified, and coordinated cancer research program encompassing the research programs conducted and supported by the Institute and the related research programs of the other national research institutes, including an expanded and intensified research program for the prevention of cancer caused by occupational or environmental exposure to carcinogens, and (2) the other programs and activities of the Institute.

(July 1, 1944, ch. 373, title IV, § 411, as added Pub. L. 99–158, § 2, Nov. 20, 1985, 99 Stat. 832.)

§ 285a–1. Cancer control programs

The Director of the Institute shall establish and support demonstration, education, and other programs for the detection, diagnosis, prevention, and treatment of cancer and for rehabilitation and counseling respecting cancer. Programs established and supported under this section shall include—

(1) locally initiated education and demonstration programs (and regional networks of such programs) to transmit research results and to disseminate information respecting—
(A) the detection, diagnosis, prevention, and treatment of cancer,
(B) the continuing care of cancer patients and the families of cancer patients,
(C) rehabilitation and counseling respecting cancer,

(d) This memorandum is not intended to, and does not, create any right or benefit, substantive or procedural, enforceable at law or in equity by any party against the United States, its departments, agencies, or entities, its officers, employees, or agents, or any other person.

S 6. Publication. The Secretary of Health and Human Services is authorized and directed to publish this memorandum in the Federal Register.

BARACK OBAMA.

§ 285a. National Cancer Program

The National Cancer Program shall consist of (1) an expanded, intensified, and coordinated cancer research program encompassing the research programs conducted and supported by the Institute and the related research programs of the other national research institutes, including an expanded and intensified research program for the prevention of cancer caused by occupational or environmental exposure to carcinogens, and (2) the other programs and activities of the Institute.

(July 1, 1944, ch. 373, title IV, § 411, as added Pub. L. 99–158, § 2, Nov. 20, 1985, 99 Stat. 832.)
§ 285a–2. Special authorities of Director

(a) Information and education program

(1) The Director of the Institute shall establish an information and education program to collect, identify, analyze, and disseminate on a timely basis, through publications and other appropriate means, to cancer patients and their families, physicians and other health professionals, and the general public, information on cancer research, diagnosis, prevention, and treatment (including information respecting nutrition programs for cancer patients and the relationship between nutrition and cancer). The Director of the Institute may take such action as may be necessary to ensure that all channels for the dissemination and exchange of scientific knowledge and information are maintained between the Institute and the public and between the Institute and other scientific, medical, and biomedical disciplines and organizations nationally and internationally.

(2) In carrying out paragraph (1), the Director of the Institute shall—

(A) provide public and patient information and education programs, providing information that will help individuals take personal steps to reduce their risk of cancer, to make them aware of early detection techniques and to motivate appropriate utilization of those techniques, to help individuals deal with cancer if it strikes, and to provide information to improve long-term survival;

(B) continue and expand programs to provide physicians and the public with state-of-the-art information on the treatment of particular forms of cancers, and to identify those clinical trials that might benefit patients while advancing knowledge of cancer treatment;

(C) assess the incorporation of state-of-the-art cancer treatments into clinical practice and the extent to which cancer patients receive such treatments and include the results of such assessments in the biennial reports required under section 284b of this title;

(D) maintain and operate the International Cancer Research Data Bank, which shall collect, catalog, store, and disseminate insofar as feasible the results of cancer research and treatment undertaken in any country for the use of any person involved in cancer research and treatment in any country; and

(E) to the extent practicable, in disseminating the results of such cancer research and treatment, utilize information systems available to the public.

(b) National Cancer Program

The Director of the Institute in carrying out the National Cancer Program—

(1) shall establish or support the large-scale production or distribution of specialized biological materials and other therapeutic substances for cancer research and set standards of safety and care for persons using such materials;

(2) shall, in consultation with the advisory council for the Institute, support (A) research in the cancer field outside the United States by highly qualified foreign nationals which can be expected to benefit the American people, (B) collaborative research involving American and foreign participants, and (C) the training of American scientists abroad and foreign scientists in the United States;

(3) shall, in consultation with the advisory council for the Institute, support appropriate programs of education and training (including continuing education and laboratory and clinical research training);

(4) shall encourage and coordinate cancer research by industrial concerns where such concerns evidence a particular capability for such research;

(5) may obtain (after consultation with the advisory council for the Institute and in accordance with section 3109 of title 5, but without regard to the limitation in such section on the period of service) the services of not more than one hundred and fifty-one experts or consultants who have scientific or professional qualifications;

(6)(A) may, in consultation with the advisory council for the Institute, acquire, construct, improve, repair, operate, and maintain laboratories, other research facilities, equipment, and such other real or personal property as the Director determines necessary;

(B) may, in consultation with the advisory council for the Institute, make grants for construction or renovation of facilities; and

(C) may, in consultation with the advisory council for the Institute, acquire, without regard to section 6141 of title 40, by lease or otherwise through the Administrator of General Services, buildings or parts of buildings in the District of Columbia or communities located adjacent to the District of Columbia for the use of the Institute for a period not to exceed ten years;

(7) may, in consultation with the advisory council for the Institute, appoint one or more advisory committees composed of such private citizens and officials of Federal, State, and local governments to advise the Director with respect to the Director's functions;

(8) may, subject to section 284(b)(2) of this title and without regard to section 3324 of title 31 and section 6101 of title 41, enter into such contracts, leases, cooperative agreements, as may be necessary in the conduct of functions of the Director, with any public agency, or with any person, firm, association, corporation, or educational institution; and

(9) shall, notwithstanding section 284(a) of this title, prepare and submit, directly to the President for review and transmittal to Congress, an annual budget estimate (including an estimate of the number and type of personnel needs for the Institute) for the National Cancer Program, after reasonable opportunity for comment (but without change) by the Secretary, the Director of NIH, and the Institute's advisory council.

Except as otherwise provided, experts and consultants whose services are obtained under paragraph (5) shall be paid or reimbursed, in accordance with title 5 for their travel to and from their place of service and for other expenses associated with their assignment. Such expenses
shall not be allowed in connection with the assignment of an expert or consultant whose services are obtained under paragraph (5) unless the expert or consultant has agreed in writing to complete the entire period of the assignment or one year of the assignment, whichever is shorter, unless separated or reassigned for reasons which are beyond the control of the expert or consultant and which are acceptable to the Director of the Institute. If the expert or consultant violates the agreement, the money spent by the United States for such expenses is recoverable from the expert or consultant as a debt due the United States. The Secretary may waive in whole or in part a right of recovery under the preceding sentence.

(c) Pre-clinical models to evaluate promising pediatric cancer therapies

(1) Expansion and coordination of activities

The Director of the National Cancer Institute shall expand, intensify, and coordinate the activities of the Institute with respect to research on the development of preclinical models to evaluate which therapies are likely to be effective for treating pediatric cancer.

(2) Coordination with other institutes

The Director of the Institute shall coordinate the activities under paragraph (1) with similar activities conducted by other national research institutes and agencies of the National Institutes of Health to the extent that those Institutes and agencies have responsibilities that are related to pediatric cancer.


REPRESENTING IN TEXT

Section 284b of this title, referred to in subsec. (a)(2)(C), was repealed by Pub. L. 109–607, §122(2)(A), substituted “after consultation with” for “with the approval of”. Subsec. (b)(8) to (10), Pub. L. 100–607, §122(2)(B), inserted “and” after “or educational institution” in par. (8), redesignated par. (10) as (9), and struck out former par. (9) which related to International Cancer Research Data Bank.

§285a–3. National cancer research and demonstration centers

(a) Cooperative agreements and grants for establishing and supporting

(1) The Director of the Institute may enter into cooperative agreements with and make grants to public or private nonprofit entities to pay all or part of the cost of planning, establishment, or strengthening, and providing basic operating support for centers for basic and clinical research into, training in, and demonstration of advanced diagnostic, prevention, control, and treatment methods for cancer.

(2) A cooperative agreement or grant under paragraph (1) shall be entered into in accordance with policies established by the Director of NIH and after consultation with the Institute’s advisory council.

(b) Uses for Federal payments under cooperative agreements or grants

Federal payments made under a cooperative agreement or grant under subsection (a) may be used for—

(1) construction (notwithstanding any limitation under section 289e of this title);

(2) staffing and other basic operating costs, including such patient care costs as are required for research;

(3) clinical training, including training for allied health professionals, continuing education for health professionals and allied health professions personnel, and information programs for the public respecting cancer; and

(4) demonstration purposes.

As used in this paragraph, the term “construction” does not include the acquisition of land, and the term “training” does not include research training for which Ruth L. Kirschstein National Research Service Awards may be provided under section 288 of this title.

(c) Period of support; additional periods

Support of a center under subsection (a) may be for a period of not to exceed five years. Such period may be extended by the Director for additional periods of not more than five years each if the operations of such center have been reviewed by an appropriate technical and scientific peer review group established by the Director and if such group has recommended to the Director that such period should be extended.

(d) Construction

Research centers under this section may not be considered centers of excellence for purposes of section 282(b)(10) of this title.

§ 285a–4

President’s Cancer Panel; establishment, membership, etc., functions

(a)(1) The President’s Cancer Panel (hereafter in this section referred to as the “Panel”) shall be composed of three persons appointed by the President who by virtue of their training, experience, and background are exceptionally qualified to appraise the National Cancer Program. At least two members of the Panel shall be distinguished scientists or physicians.

(2) (A) Members of the Panel shall be appointed for three-year terms, except that (i) any member appointed to fill a vacancy occurring prior to the expiration of the term for which the member’s predecessor was appointed shall be appointed only for the remainder of such term, and (ii) a member may serve until the member’s successor has taken office. If a vacancy occurs in the Panel, the President shall make an appointment to fill the vacancy not later than 90 days after the date the vacancy occurred.

(B) The President shall designate one of the members to serve as the chairman of the Panel for a term of one year.

(C) Members of the Panel shall each be entitled to receive the daily equivalent of the annual rate of basic pay in effect for grade GS–18 of the General Schedule for each day (including traveltime) during which they are engaged in the actual performance of duties as members of the Panel and shall be paid or reimbursed, in accordance with title 5, for their travel to and from their place of service and for other expenses associated with their assignment.

(3) The Panel shall meet at the call of the chairman, but not less often than four times a year. A transcript shall be kept of the proceedings of each meeting of the Panel, and the chairman shall make such transcript available to the public.

(b) The Panel shall monitor the development and execution of the activities of the National Cancer Program, and shall report directly to the President. Any delays or blockages in rapid execution of the Program shall immediately be brought to the attention of the President. The Panel shall submit to the President periodic progress reports on the National Cancer Program and shall submit to the President, the Secretary, and the Congress an annual evaluation of the efficacy of the Program and suggestions for improvements, and shall submit such other reports as the President shall direct.

(71 July 1, 1944, ch. 373, title XIV, § 416, as added Pub. L. 99–158, § 2, Nov. 20, 1985, 99 Stat. 836.)

References in Text


§ 285a–5

Associate Director for Prevention; appointment; function

(a) There shall be in the Institute an Associate Director for Prevention to coordinate and promote the programs in the Institute concerning the prevention of cancer. The Associate Director shall be appointed by the Director of the Institute from individuals who because of their professional training or experience are experts in public health or preventive medicine.

(b) The Associate Director for Prevention shall prepare for inclusion in the biennial report made under specified sections of Title 5, Government Organization and Employees, see section 529 (title I, § 101(c)(1)) of Pub. L. 91–509, set out in a note under section 5376 of Title 5.

(71 July 1, 1944, ch. 373, title IV, § 416, as added Pub. L. 99–158, § 2, Nov. 20, 1985, 99 Stat. 836.)

References in Law to GS–16, 17, or 18 Pay Rates

References in laws to the rates of pay for GS–16, 17, or 18, or to maximum rates of pay under the General Schedule, to be considered references to rates payable under specified sections of Title 5, Government Organization and Employees, see section 529 (title I, § 101(c)(1)) of Pub. L. 91–509, set out in a note under section 5376 of Title 5.

§ 285a–6

Breast and gynecological cancers

(a) Expansion and coordination of activities

The Director of the Institute, in consultation with the National Cancer Advisory Board, shall expand, intensify, and coordinate the activities of the Institute with respect to research on breast cancer, ovarian cancer, and other cancers of the reproductive system of women.
(b) Coordination with other institutes

The Director of the Institute shall coordinate the activities of the Director under subsection (a) with similar activities conducted by other national research institutes and agencies of the National Institutes of Health to the extent that such Institutes and agencies have responsibilities that are related to breast cancer and other cancers of the reproductive system of women.

c) Programs for breast cancer

(1) In general

In carrying out subsection (a), the Director of the Institute shall conduct or support research to expand the understanding of the cause of, and to find a cure for, breast cancer. Activities under such subsection shall provide for an expansion and intensification of the conduct and support of—

(A) basic research concerning the etiology and causes of breast cancer;

(B) clinical research and related activities concerning the causes, prevention, detection and treatment of breast cancer;

(C) control programs with respect to breast cancer in accordance with section 285a–1 of this title, including community-based programs designed to assist women who are members of medically underserved populations, low-income populations, or minority groups;

(D) information and education programs with respect to breast cancer in accordance with section 285a–2 of this title; and

(E) research and demonstration centers with respect to breast cancer in accordance with section 285a–3 of this title, including the development and operation of centers for breast cancer research to bring together basic and clinical, biomedical and behavioral scientists to conduct basic, clinical, epidemiological, psychosocial, prevention and treatment research and related activities on breast cancer.

Not less than six centers shall be operated under subparagraph (E). Activities of such centers should include supporting new and innovative research and training programs for new researchers. Such centers shall give priority to expediting the transfer of research advances to clinical applications.

(2) Implementation of plan for programs

(A) The Director of the Institute shall ensure that the research programs described in paragraph (1) are implemented in accordance with a plan for the programs. Such plan shall include comments and recommendations that the Director of the Institute considers appropriate, with due consideration provided to the professional judgment needs of the Institute as expressed in the annual budget estimate prepared in accordance with section 285a–2(9) of this title. The Director of the Institute, in consultation with the National Cancer Advisory Board, shall periodically review and revise such plan.

(B) Not later than October 1, 1993, the Director of the Institute shall submit a copy of the plan to the President’s Cancer Panel, the Secretary and the Director of NIH.

(C) The Director of the Institute shall submit any revisions of the plan to the President’s Cancer Panel, the Secretary, and the Director of NIH.

(D) The Secretary shall provide a copy of the plan submitted under subparagraph (A), and any revisions submitted under subparagraph (C), to the Committee on Energy and Commerce of the House of Representatives and the Committee on Labor and Human Resources of the Senate.

(d) Other cancers

In carrying out subsection (a), the Director of the Institute shall conduct or support research on ovarian cancer and other cancers of the reproductive system of women. Activities under such subsection shall provide for the conduct and support of—

(1) basic research concerning the etiology and causes of ovarian cancer and other cancers of the reproductive system of women;

(2) clinical research and related activities into the causes, prevention, detection and treatment of ovarian cancer and other cancers of the reproductive system of women;

(3) control programs with respect to ovarian cancer and other cancers of the reproductive system of women in accordance with section 285a–1 of this title;

(4) information and education programs with respect to ovarian cancer and other cancers of the reproductive system of women in accordance with section 285a–2 of this title; and

(5) research and demonstration centers with respect to ovarian cancer and cancers of the reproductive system in accordance with section 285a–3 of this title.

e) Report

The Director of the Institute shall prepare, for inclusion in the biennial report submitted under section 284h of this title, a report that describes the activities of the National Cancer Institute under the research programs referred to in subsection (a), that shall include—

(1) a description of the research plan with respect to breast cancer prepared under subsection (c);

(2) an assessment of the development, revision, and implementation of such plan;

(3) a description and evaluation of the progress made, during the period for which such report is prepared, in the research programs on breast cancer and cancers of the reproductive system of women;

(4) a summary and analysis of expenditures made, during the period for which such report is made, for activities with respect to breast cancer and cancers of the reproductive system of women conducted and supported by the National Institutes of Health; and

(5) such comments and recommendations as the Director considers appropriate.

(1992 Edit)
§ 285a–7. Prostate cancer

(a) Expansion and coordination of activities

The Director of the Institute, in consultation with the National Cancer Advisory Board, shall expand, intensify, and coordinate the activities of the Institute with respect to research on prostate cancer.

(b) Coordination with other institutes

The Director of the Institute shall coordinate the activities of the Director under subsection (a) with similar activities conducted by other national research institutes and agencies of the National Institutes of Health to the extent that such Institutes and agencies have responsibilities that are related to prostate cancer.

(c) Programs

(1) In general

In carrying out subsection (a), the Director of the Institute shall conduct or support research to expand the understanding of the cause of, and to find a cure for, prostate cancer. Activities under such subsection shall provide for an expansion and intensification of the conduct and support of—

(A) basic research concerning the etiology and causes of prostate cancer;

(B) clinical research and related activities concerning the causes, prevention, detection and treatment of prostate cancer;

(C) prevention and control and early detection programs with respect to prostate cancer in accordance with section 285a–1 of this title, particularly as it relates to intensifying research on the role of prostate specific antigen for the screening and early detection of prostate cancer;

(D) an Inter-Institute Task Force, under the direction of the Director of the Institute, to provide coordination between relevant National Institutes of Health components of research efforts on prostate cancer;

(E) control programs with respect to prostate cancer in accordance with section 285a–1 of this title;

(F) information and education programs with respect to prostate cancer in accordance with section 285a–2 of this title; and

(G) research and demonstration centers with respect to prostate cancer in accordance with section 285a–3 of this title, including the development and operation of centers for prostate cancer research to bring together basic and clinical, biomedical and behavioral scientists to conduct basic, clinical, epidemiological, psychosocial, prevention and control, treatment, research, and related activities on prostate cancer.

Not less than six centers shall be operated under subparagraph (G). Activities of such centers should include supporting new and innovative research and training programs for new researchers. Such centers shall give priority to expediting the transfer of research advances to clinical applications.

(2) Implementation of plan for programs

(A) The Director of the Institute shall ensure that the research programs described in paragraph (1) are implemented in accordance with a plan for the programs. Such plan shall include comments and recommendations that the Director of the Institute considers appropriate, with due consideration provided to the professional judgment needs of the Institute as expressed in the annual budget estimate prepared in accordance with section 285a–2(9) of this title. The Director of the Institute, in consultation with the National Cancer Advisory Board, shall periodically review and revise such plan.

(B) Not later than October 1, 1993, the Director of the Institute shall submit a copy of the plan to the President’s Cancer Panel, the Secretary, and the Director of NIH.

(C) The Director of the Institute shall submit any revisions of the plan to the President’s Cancer Panel, the Secretary, and the Director of NIH.

(D) The Secretary shall provide a copy of the plan submitted under subparagraph (A), and any revisions submitted under subparagraph (C), to the Committee on Energy and Commerce of the House of Representatives and the Committee on Labor and Human Resources of the Senate.


CHANGE OF NAME

Committee on Labor and Human Resources of Senate changed to Committee on Health, Education, Labor, and Pensions of Senate by Senate Resolution No. 20, One Hundred Sixth Congress, Jan. 19, 1999.

Committee on Energy and Commerce of House of Representatives treated as referring to Committee on Commerce of House of Representatives by section 1(a) of Pub. L. 104–14, set out as a note preceding section 21 of Title 2, The Congress. Committee on Commerce of the House of Representatives and the jurisdiction over matters relating to securities and exchanges and insurance generally transferred to Committee on Financial Services of House of Representatives by House Resolution No. 5, One Hundred Seventh Congress, Jan. 3, 2001. 

So in original. Probably should not be capitalized.

Effective Date of Repeal
Repeal applicable only with respect to amounts appropriated for fiscal year 2007 or subsequent fiscal years, see section 109 of Pub. L. 109–482, set out as a note under section 281 of this title.

§ 285a–9. Grants for education, prevention, and early detection of radiogenic cancers and diseases
(a) Definition
In this section the term “entity” means any—
(1) National Cancer Institute-designated cancer center;
(2) Department of Veterans Affairs hospital or medical center;
(3) Federally Qualified Health Center, community health center, or hospital;
(4) agency of any State or local government, including any State department of health; or
(5) nonprofit organization.
(b) In general
The Secretary, acting through the Administrator of the Health Resources and Services Administration in consultation with the Director of the National Institutes of Health and the Director of the Indian Health Service, may make competitive grants to any entity for the purpose of carrying out programs to—
(1) screen individuals described under section 4(a)(1)(A)(i) or 5(a)(1)(A) of the Radiation Exposure Compensation Act (42 U.S.C. 2210 note) for cancer as a preventative health measure;
(2) provide appropriate referrals for medical treatment of individuals screened under paragraph (1) and to ensure, to the extent practicable, the provision of appropriate follow-up services;
(3) develop and disseminate public information and education programs for the detection, prevention, and treatment of radiogenic cancers and diseases; and
(4) facilitate putative applicants in the documentation of claims as described in section 5(a) of the Radiation Exposure Compensation Act (42 U.S.C. 2210 note).
(c) Indian Health Service
The programs under subsection (a) shall include programs provided through the Indian Health Service or through tribal contracts, compacts, grants, or cooperative agreements with the Indian Health Service and which are determined appropriate to raising the health status of Indians.
(d) Grant and contract authority
Entities receiving a grant under subsection (b) may expend the grant to carry out the purpose described in such subsection.
(e) Health coverage unaffected
Nothing in this section shall be construed to affect any coverage obligation of a govern-mental or private health plan or program relating to an individual referred to under subsection (b)(1).


References in Text
Sections 4 and 5 of the Radiation Exposure Compensation Act, referred to in subsec. (b)(1) and (4), are sections 4 and 5 of Pub. L. 101–236, which are set out as a note under section 2210 of this title.

Amendments
2007—Subsec. (f). Pub. L. 109–482, §104(b)(1)(F), struck out heading and text of subsec. (f). Text read as follows: “Beginning on October 1 of the year following the date on which amounts are first appropriated to carry out this section and annually on each October 1 thereafter, the Secretary shall submit a report to the Committee on the Judiciary and the Committee on Health, Education, Labor, and Pensions of the Senate and to the Committee on the Judiciary and the Committee on Commerce of the House of Representatives. Each report shall summarize the expenditures and programs funded under this section as the Secretary determines to be appropriate.”
Subsec. (g). Pub. L. 109–482, §103(b)(16), struck out heading and text of subsec. (g). Text read as follows: “There are authorized to be appropriated for the purpose of carrying out this section $20,000,000 for fiscal year 1999 and such sums as may be necessary for each of the fiscal years 2000 through 2009.”

Effective Date of 2007 Amendment
Amendment by Pub. L. 109–482 applicable only with respect to amounts appropriated for fiscal year 2007 or subsequent fiscal years, see section 109 of Pub. L. 109–482, set out as a note under section 281 of this title.

§ 285a–10. Research, information, and education with respect to blood cancer
(a) Joe Moakley Research Excellence Program
(1) In general
The Director of NIH shall expand, intensify, and coordinate programs for the conduct and support of research with respect to blood cancer, and particularly with respect to leukemia, lymphoma, and multiple myeloma.
(2) Administration
The Director of NIH shall carry out this subsection through the Director of the National Cancer Institute and in collaboration with any other agencies that the Director determines to be appropriate.
(b) Geraldine Ferraro Cancer Education Program
(1) In general
The Secretary shall direct the appropriate agency within the Department of Health and Human Services, in collaboration with the Director of NIH, to establish and carry out a program to provide information and education for patients and the general public with respect to blood cancer, and particularly with respect to the treatment of leukemia, lymphoma, and multiple myeloma.
(2) Administration
The Agency determined by the Secretary under paragraph (1) shall carry out this sub-
section in collaboration with private health organizations that have national education and patient assistance programs on blood-related cancers.


AMENDMENTS


2007—Subsec. (a)(3). Pub. L. 109–482, §103(b)(17)(A), struck out heading and text of par. (3). Text read as follows: “For the purpose of carrying out this subsection, there is authorized to be appropriated such sums as may be necessary for fiscal year 2002 and each subsequent fiscal year. Such authorizations of appropriations are in addition to other authorizations of appropriations that are available for such purpose.”

Subsec. (b)(3). Pub. L. 109–482, §103(b)(17)(B), struck out heading and text of par. (3). Text read as follows: “For the purpose of carrying out this subsection, there is authorized to be appropriated such sums as may be necessary for fiscal year 2002 and each subsequent fiscal year. Such authorizations of appropriations are in addition to other authorizations of appropriations that are available for such purpose.”

EFFECTIVE DATE OF 2018 AMENDMENT


EFFECTIVE DATE OF 2007 AMENDMENT

Amendment by Pub. L. 109–482 applicable only with respect to amounts appropriated for fiscal year 2007 or subsequent fiscal years, see section 109 of Pub. L. 109–482, set out as a note under section 121 of this title.

CONGRESSIONAL FINDINGS


(2) New cases of the blood cancers described in paragraph (1) account for 8.6 percent of new cancer cases.

(3) Those devastating blood cancers will cause the deaths of an estimated 40,300 persons in the United States in 2001. Every 9 minutes, a person in the United States dies from leukemia, lymphoma, or multiple myeloma.

(4) While less than 5 percent of Federal funds for cancer research are spent on those blood cancers, those blood cancers cause 11 percent of all cancer deaths in the United States.

(5) Increased Federal support of research into leukemia, lymphoma, and multiple myeloma has resulted and will continue to result in significant advances in the treatment, and ultimately the cure, of those blood cancers as well as other cancers.”

§285a–11. Pediatric cancer research, awareness, and survivorship

(a) Children's cancer biorepositories

(1) Award

The Secretary, acting through the Director of NIH, may make awards to an entity or enti-

ties described in paragraph (4) to build upon existing research efforts to collect biospecimens and associated clinical and demographic information on children, adolescents, and young adults with selected cancer subtypes (and their recurrences) for which current treatments are least effective, in order to achieve a better understanding of the causes of such cancer subtypes (and their recurrences), and the effects and outcomes of treatments for such cancers.

(2) Use of funds

Amounts received under an award under paragraph (1) may be used to carry out the following:

(A) Collect and store high-quality, donated biospecimens and associated clinical and demographic information on children, adolescents, and young adults diagnosed with cancer in the United States, focusing on children, adolescents, and young adults with cancer enrolled in clinical trials for whom current treatments are least effective. Activities under this subparagraph may include storage of biospecimens and associated clinical and demographic data at existing biorepositories supported by the National Cancer Institute.

(B) Maintain an interoperable, secure, and searchable database on stored biospecimens and associated clinical and demographic data from children, adolescents, and young adults with cancer for the purposes of research by scientists and qualified health care professionals.

(C) Establish and implement procedures for evaluating applications for access to such biospecimens and clinical and demographic data from children, adolescents, and young adults with cancer to researchers and qualified health care professionals for peer-reviewed research—

(i) consistent with the procedures established pursuant to subparagraph (C);

(ii) only to the extent permitted by applicable Federal and State law; and

(iii) in a manner that protects personal privacy to the extent required by applicable Federal and State privacy law, at minimum.

(3) No requirement

No child, adolescent, or young adult with cancer shall be required under this subsection to contribute a specimen to a biorepository or share clinical or demographic data.

(4) Application; considerations

(A) Application

To be eligible to receive an award under paragraph (1) an entity shall submit an application to the Secretary at such a time, in such manner, and containing such information as the Secretary may reasonably require.

(B) Considerations

In evaluating applications submitted under subparagraph (A), the Secretary shall
consider the existing infrastructure of the entity that would allow for the timely capture of biospecimens and related clinical and demographic information for children, adolescents, and young adults with cancer for whom current treatments are least effective.

(5) Privacy protections and informed consent

(A) In general
The Secretary may not make an award under paragraph (1) to an entity unless the Secretary ensures that such entity—
(i) collects biospecimens and associated clinical and demographic information only from participants who have given their informed consent in accordance with Federal and State law; and
(ii) protects personal privacy to the extent required by applicable Federal and State law, at minimum.

(B) Informed consent
The Secretary shall ensure biospecimens and associated clinical and demographic information are collected with informed consent, as described in subparagraph (A)(i).

(6) Guidelines and oversight
The Secretary shall develop and disseminate appropriate guidelines for the development and maintenance of the biorepositories supported under this subsection, including appropriate oversight, to facilitate further research on select cancer subtypes (and their recurrences) in children, adolescents, and young adults with such cancers (and their recurrences).

(7) Coordination
To encourage the greatest possible efficiency and effectiveness of federally supported efforts with respect to the activities described in this subsection, the Secretary shall ensure the appropriate coordination of programs supported under this section with existing federally supported cancer registry programs and the activities under section 280e–3a of this title, as appropriate.

(8) Supplement not supplant
Funds provided under this subsection shall be used to supplement, and not supplant, Federal and non-Federal funds available for carrying out the activities described in this subsection.

(9) Report
Not later than 4 years after June 5, 2018, the Secretary shall submit to Congress a report on—
(A) the number of biospecimens and corresponding clinical demographic data collected through the biospecimen research efforts supported under paragraph (1);
(B) the number of biospecimens and corresponding clinical demographic data requested for use by researchers;
(C) barriers to the collection of biospecimens and corresponding clinical demographic data;
(D) barriers experienced by researchers or health care professionals in accessing the biospecimens and corresponding clinical demographic data necessary for use in research; and
(E) recommendations with respect to improving the biospecimen and biorepository research efforts under this subsection.

(10) Definitions
For purposes of this subsection:

(A) Award
The term “award” includes a grant, contract, or cooperative agreement determined by the Secretary.

(B) Biospecimen
The term “biospecimen” includes—
(i) solid tumor tissue or bone marrow;
(ii) normal or control tissue;
(iii) blood and plasma;
(iv) DNA and RNA extractions;
(v) familial DNA; and
(vi) any other sample relevant to cancer research, as required by the Secretary.

(C) Clinical and demographic information
The term “clinical and demographic information” includes—
(i) date of diagnosis;
(ii) age at diagnosis;
(iii) the patient’s sex, race, ethnicity, and environmental exposures;
(iv) extent of disease at enrollment;
(v) site of metastases;
(vi) location of primary tumor coded;
(vii) histologic diagnosis;
(viii) tumor marker data when available;
(ix) treatment and outcome data;
(x) information related to specimen quality; and
(xi) any other applicable information required by the Secretary.

(b) Improving care for pediatric cancer survivors

(1) Research on pediatric cancer survivorship
The Director of NIH, in coordination with ongoing research activities, may continue to conduct or support pediatric cancer survivorship research including in any of the following areas:

(A) Outcomes of pediatric cancer survivors, including within minority or other medically underserved populations and with respect to health disparities of such outcomes.

(B) Barriers to follow-up care for pediatric cancer survivors, including within minority or other medically underserved populations.

(C) The impact of relevant factors, which may include familial, socioeconomic, and other environmental factors, on treatment outcomes and survivorship.

(D) The development of indicators used for long-term follow-up and analysis of the late effects of cancer treatment for pediatric cancer survivors.

(E) The identification of, as applicable—
(i) risk factors associated with the late effects of cancer treatment;
(ii) predictors of adverse neurocognitive and psychosocial outcomes; and
(iii) the molecular basis of long-term complications.
§ 285a–11a TITLE 42—THE PUBLIC HEALTH AND WELFARE

(F) The development of targeted interventions to reduce the burden of morbidity borne by cancer survivors in order to protect such cancer survivors from the late effects of cancer.  

(2) Balanced approach  

In conducting or supporting research under paragraph (1)(A)(i) on pediatric cancer survivors within minority or other medically underserved populations, the Director of NIH shall ensure that such research addresses both the physical and the psychological needs of such survivors, as appropriate.  

(c) Rule of construction  

Nothing in this section shall be construed as being inconsistent with the goals and purposes of the Minority Health and Health Disparities Research and Education Act of 2000.  

(d) Authorization of appropriations  

For purposes of carrying out this section and section 285a–3a of this title, there are authorized to be appropriated $30,000,000 for each of fiscal years 2019 through 2023. Funds appropriated under this subsection shall remain available until expended.  

(1) In general  

The Secretary of Health and Human Services (referred to in this section as the “Secretary”) may make awards to eligible entities to establish pilot programs to develop, study, or evaluate model systems for monitoring and caring for childhood cancer survivors throughout their lifespan, including evaluation of models for transition to adult care and care coordination.  

(A) Types of entities  

In making awards under this subsection, the Secretary shall, to the extent practicable, include—  

(i) small, medium, and large-sized eligible entities; and  

(ii) sites located in different geographic areas, including rural and urban areas.  

(B) Eligible entities  

In this subsection, the term ‘eligible entity’ means—  

(1) a medical school;  

(2) a children’s hospital;  

(3) a cancer center;  

(4) a community-based medical facility; or  

(v) any other entity with significant experience and expertise in treating survivors of childhood cancers.  

(3) Use of funds  

Funds awarded under subsection (b) may be—  

(A) to develop, study, or evaluate one or more models for monitoring and caring for cancer survivors; and  

(B) in developing, studying, and evaluating such models, to give special emphasis to—  

(i) design of models of follow-up care, monitoring, and other survivorship programs (including peer support and mentoring programs);  

(ii) development of models for providing multidisciplinary care;  

(iii) dissemination of information to health care providers about culturally and linguistically appropriate follow-up care for cancer survivors and their families, as appropriate and practicable;
(iv) development of psychosocial and support programs to improve the quality of life of cancer survivors and their families, which may include peer support and mentoring programs;

(v) design of systems for the effective transfer of treatment information and care summaries from cancer care providers to other health care providers (including primary care physicians and internists) and to cancer survivors and their families, where appropriate and in accordance with Federal and State law; and

(vi) dissemination of the information and programs described in clauses (i) through (v) to other health care providers (including primary care physicians and internists) and to cancer survivors and their families, where appropriate and in accordance with Federal and State law; and

(vii) development of initiatives that promote the coordination and effective transition of care between cancer care providers, primary care physicians, mental health professionals, and other health care professionals, as appropriate, including models that use a team-based or multi-disciplinary approach to care.

(b) Workforce development for health care providers on medical and psychosocial care for childhood cancer survivors

(1) In general

The Secretary shall, not later than 1 year after June 5, 2018, conduct a review of the activities of the Department of Health and Human Services related to workforce development for health care providers who treat pediatric cancer patients and survivors. Such review shall include—

(A) an assessment of the effectiveness of supportive psychosocial care services for pediatric cancer patients and survivors, including pediatric cancer survivorship care patient navigators and peer support programs;

(B) identification of existing models relevant to providing medical and psychosocial services to individuals surviving pediatric cancers, and programs related to training for health professionals who provide such services to individuals surviving pediatric cancers; and

(C) recommendations for improving the provision of psychosocial care for pediatric cancer survivors and patients.

(2) Report

Not later than 2 years after June 5, 2018, the Secretary shall submit to the Committee on Health, Education, Labor, and Pensions of the Senate and Committee on Energy and Commerce of the House of Representatives, a report concerning the findings and recommendations from the review conducted under paragraph (1).


CODIFICATION

Section was enacted as part of the Childhood Cancer Survivorship, Treatment, Access, and Research Act of 2018, also known as the Childhood Cancer STAR Act, and not as part of the Public Health Service Act which comprises this chapter.

§ 285a–11b. Best practices for long-term follow-up services for pediatric cancer survivors

The Secretary of Health and Human Services may facilitate the identification of best practices for childhood and adolescent cancer survivorship care, and, as appropriate, may consult with individuals who have expertise in late effects of disease and treatment of childhood and adolescent cancers, which may include—

(1) oncologists, which may include pediatric oncologists;

(2) primary care providers engaged in survivorship care;

(3) survivors of childhood and adolescent cancer;

(4) parents of children and adolescents who have been diagnosed with and treated for cancer and parents of long-term survivors;

(5) nurses and social workers;

(6) mental health professionals;

(7) allied health professionals, including physical therapists and occupational therapists; and

(8) others, as the Secretary determines appropriate.


CODIFICATION

Section was enacted as part of the Childhood Cancer Survivorship, Treatment, Access, and Research Act of 2018, also known as the Childhood Cancer STAR Act, and not as part of the Public Health Service Act which comprises this chapter.

§ 285a–12. Interagency Breast Cancer and Environmental Research Coordinating Committee

(a) Interagency Breast Cancer and Environmental Research Coordinating Committee

(1) Establishment

Not later than 6 months after October 8, 2008, the Secretary shall establish a committee, to be known as the Interagency Breast Cancer and Environmental Research Coordinating Committee (in this section referred to as the “Committee”).

(2) Duties

The Committee shall—

(A) share and coordinate information on existing research activities, and make recommendations to the National Institutes of Health and other Federal agencies regarding how to improve existing research programs, that are related to breast cancer research;

(B) develop a comprehensive strategy and advise the National Institutes of Health and other Federal agencies in the solicitation of proposals for collaborative, multidisciplinary research, including proposals to evaluate environmental and genomic factors that may be related to the etiology of breast cancer that would—

(i) result in innovative approaches to study emerging scientific opportunities or eliminate knowledge gaps in research to improve the research portfolio;
§ 285a–13

(3) Rule of construction

For the purposes of the Committee, when focusing on research to evaluate environmental and genomic factors that may be related to the etiology of breast cancer, nothing in this section shall be construed to restrict the Secretary from including other forms of cancer, as appropriate, when doing so may advance research in breast cancer or advance research in other forms of cancer.

(4) Membership

(A) In general

The Committee shall be composed of the following voting members:

(i) The Director of the Centers for Disease Control and Prevention.

(ii) The Director of the National Institutes of Health and the directors of such national research institutes and national centers (which may include the National Institute of Environmental Health Sciences) as the Secretary determines appropriate.

(B) Additional members

The Committee shall include additional voting members appointed by the Secretary as follows:

(i) 6 members shall be appointed from among scientists, physicians, and other health professionals, who—

(I) are not officers or employees of the United States;

(II) represent multiple disciplines, including clinical, basic, and public health sciences;

(III) represent different geographical regions of the United States;

(IV) are from practice settings, academia, or other research settings; and

(V) are experienced in scientific peer review process.

(ii) 6 members shall be appointed from members of the general public, who represent individuals with breast cancer.

(C) Nonvoting members

The Committee shall include such nonvoting members as the Secretary determines to be appropriate.

(5) Chairperson

The voting members of the Committee shall select a chairperson from among such members. The selection of a chairperson shall be subject to the approval of the Director of NIH.

(6) Meetings

The Committee shall meet at the call of the chairperson of the Committee or upon the request of the Director of NIH, but in no case less often than once each year.

(b) Review

The Secretary shall review the necessity of the Committee in calendar year 2011 and, thereafter, at least once every 2 years.

(§ 285a–13. Scientific framework for recalcitrant cancers)

(a) Development of scientific framework

(1) In general

For each recalcitrant cancer identified under subsection (b), the Director of the Institute shall develop (in accordance with subsection (c)) a scientific framework for the conduct or support of research on such cancer.
The scientific framework with respect to a recalcitrant cancer shall include the following:

(A) Current status
   (i) Review of literature
       A summary of findings from the current literature in the areas of—
       (I) the prevention, diagnosis, and treatment of such cancer;
       (II) the fundamental biologic processes that regulate such cancer (including similarities and differences of such processes from the biological processes that regulate other cancers); and
       (III) the epidemiology of such cancer.

(ii) Scientific advances
    The identification of relevant emerging scientific areas and promising scientific advances in basic, translational, and clinical science relating to the areas described in subclauses (I) and (II) of clause (i).

(iii) Researchers
    A description of the availability of qualified individuals to conduct scientific research in the areas described in clause (i).

(iv) Coordinated research initiatives
    The identification of the types of initiatives and partnerships for the coordination of intramural and extramural research of the Institute in the areas described in clause (i) with research of the relevant national research institutes, Federal agencies, and non-Federal public and private entities in such areas.

(v) Research resources
    The identification of public and private resources, such as patient registries and tissue banks, that are available to facilitate research relating to each of the described in clause (i).

(B) Identification of research questions
    The identification of research questions relating to basic, translational, and clinical science in the areas described in subclauses (I) and (II) of subparagraph (A)(i) that have not been adequately addressed with respect to such recalcitrant cancer.

(C) Recommendations
    Recommendations for appropriate actions that should be taken to advance research in the areas described in subparagraph (A)(i) and to address the research questions identified in subparagraph (B), as well as for appropriate benchmarks to measure progress on achieving such actions, including the following:

   (i) Researchers
       Ensuring adequate availability of qualified individuals described in subparagraph (A)(iii).

   (ii) Coordinated research initiatives
       Promoting and developing initiatives and partnerships described in subparagraph (A)(iv).

   (iii) Research resources
       Developing additional public and private resources described in subparagraph (A)(v) and strengthening existing resources.

(3) Timing
   (A) Initial development and subsequent update
       For each recalcitrant cancer identified under subsection (b)(1), the Director of the Institute shall—
       (i) develop a scientific framework under this subsection not later than 18 months after January 2, 2013; and
       (ii) review and update the scientific framework not later than 5 years after its initial development.

   (B) Other updates
       The Director of the Institute may review and update each scientific framework developed under this subsection as necessary.

(4) Public notice
    With respect to each scientific framework developed under subsection (a), not later than 30 days after the date of completion of the framework, the Director of the Institute shall—
    (A) submit such framework to the Committee on Energy and Commerce and Committee on Appropriations of the House of Representatives, and the Committee on Health, Education, Labor, and Pensions and Committee on Appropriations of the Senate; and
    (B) make such framework publicly available on the Internet website of the Department of Health and Human Services.

(b) Identification of recalcitrant cancer

(1) In general
    Not later than 6 months after January 2, 2013, the Director of the Institute shall identify two or more recalcitrant cancers that each—
    (A) have a 5-year relative survival rate of less than 20 percent; and
    (B) are estimated to cause the death of at least 30,000 individuals in the United States per year.

(2) Additional cancers
    The Director of the Institute may, at any time, identify other recalcitrant cancers for purposes of this section. In identifying a recalcitrant cancer pursuant to the previous sentence, the Director may consider additional metrics of progress (such as incidence and mortality rates) against such type of cancer.

(c) Working groups
    For each recalcitrant cancer identified under subsection (b), the Director of the Institute shall convene a working group comprised of representatives of appropriate Federal agencies and other non-Federal entities to provide expertise on, and assist in developing, a scientific framework under subsection (a). The Director of the Institute (or the Director’s designee) shall par-
(d) Reporting

(1) Biennial reports

The Director of NIH shall ensure that each biennial report under section 283 of this title includes information on actions undertaken to carry out each scientific framework developed under subsection (a) with respect to a recalcitrant cancer, including the following:

(A) Information on research grants awarded by the National Institutes of Health for research relating to such cancer.

(B) An assessment of the progress made in improving outcomes (including relative survival rates) for individuals diagnosed with such cancer.

(C) An update on activities pertaining to such cancer under the authority of section 285a–2(b)(7) of this title.

(2) Additional one-time report for certain frameworks

For each recalcitrant cancer identified under subsection (b)(1), the Director of the Institute shall, not later than 6 years after the initial development of a scientific framework under subsection (a), submit a report to the Congress on the effectiveness of the framework (including the update required by subsection (a)(3)(A)(ii)) in improving the prevention, detection, diagnosis, and treatment of such cancer.

(e) Recommendations for exception funding

The Director of the Institute shall consider each relevant scientific framework developed under subsection (a) when making recommendations for exception funding for grant applications.

(f) Definition

In this section, the term “recalcitrant cancer” means a cancer for which the five-year relative survival rate is below 50 percent.


SUBPART 2—NATIONAL HEART, LUNG, AND BLOOD INSTITUTE

§ 285b. Purpose of Institute

The general purpose of the National Heart, Lung, and Blood Institute (hereafter in this subpart referred to as the “Institute”) is the conduct and support of research, training, health information dissemination, and other programs with respect to heart, blood vessel, lung, and blood diseases and with respect to the use of blood and blood products and the management of blood resources.

(July 1, 1944, ch. 373, title IV, §418, as added Pub. L. 99–158, §2, Nov. 20, 1985, 99 Stat. 836.)

§ 285b–1. Heart, blood vessel, lung, and blood disease prevention and control programs

(a) The Director of the Institute shall conduct and support programs for the prevention and control of heart, blood vessel, lung, and blood diseases. Such programs shall include community-based and population-based programs carried out in cooperation with other Federal agencies, with public health agencies of State or local governments, with nonprofit private entities that are community-based health agencies, or with other appropriate public or nonprofit private entities.

(b) In carrying out programs under subsection (a), the Director of the Institute shall give special consideration to the prevention and control of heart, blood vessel, lung, and blood diseases in children, and in populations that are at increased risk with respect to such diseases.


AMENDMENTS

1993—Pub. L. 103–43 substituted subsec. (a) and (b) for former section which read as follows: “The Director of NIH and after consultation with the advisory council for the Institute, shall establish programs as necessary for cooperation with other Federal health agencies, State, local, and regional public health agencies, and nonprofit private health agencies in the diagnosis, prevention, and treatment (including the provision of emergency medical services) of heart, blood vessel, lung, and blood diseases, appropriately emphasizing the prevention, diagnosis, and treatment of such diseases of children.”

§ 285b–2. Information and education

The Director of the Institute shall collect, identify, analyze, and disseminate on a timely basis, through publications and other appropriate means, to patients, families of patients, physicians and other health professionals, and the general public, information on research, prevention, diagnosis, and treatment of heart, blood vessel, lung, and blood diseases, the maintenance of health to reduce the incidence of such diseases, and on the use of blood and blood products and the management of blood resources. In carrying out this section, the Director of the Institute shall place special emphasis upon the utilization of collaborative efforts with both the public and private sectors to—

(1) increase the awareness and knowledge of health care professionals and the public regarding the prevention of heart and blood vessel, lung, and blood diseases and the utilization of blood resources; and

(2) develop and disseminate to health professionals, patients and patient families, and the public information designed to encourage adults and children to adopt healthful practices concerning the prevention of such diseases.


AMENDMENTS

1988—Pub. L. 100–607 amended second sentence generally. Prior to amendment, second sentence read as follows: “In carrying out this section the Director of the Institute shall place special emphasis upon—

“(1) the dissemination of information regarding diet and nutrition, environmental pollutants, exer-
§ 285b–3. National Heart, Blood Vessel, Lung, and Blood Diseases and Blood Resources Program, administrative provisions

(a)(1) The National Heart, Blood Vessel, Lung, and Blood Diseases and Blood Resources Program (hereafter in this subpart referred to as the "Program") may provide for—

(A) investigation into the epidemiology, etiology, and prevention of all forms and aspects of heart, blood vessel, lung, and blood diseases, including investigations into the social, environmental, behavioral, nutritional, biological, and genetic determinants and influences involved in the epidemiology, etiology, and prevention of such diseases;

(B) studies and research into the basic biological processes and mechanisms involved in the underlying normal and abnormal heart, blood vessel, lung, and blood phenomena;

(C) research into the development, trial, and evaluation of techniques, drugs, and devices (including computers) used in, and approaches to, the diagnosis, treatment (including the provision of emergency medical services), and prevention of heart, blood vessel, lung, and blood diseases and the rehabilitation of patients suffering from such diseases;

(D) establishment of programs that will focus and apply scientific and technological efforts involving the biological, physical, and engineering sciences to all facets of heart, blood vessel, lung, and blood diseases with emphasis on the refinement, development, and evaluation of technological devices that will assist, replace, or monitor vital organs and improve instrumentation for detection, diagnosis, and treatment of and rehabilitation from such diseases;

(E) establishment of programs for the conduct and direction of field studies, large-scale testing and evaluation, and demonstration of preventive, diagnostic, therapeutic, and rehabilitative approaches to, and emergency medical services for, such diseases;

(F) studies and research into blood diseases and blood, and into the use of blood for clinical purposes and all aspects of the management of blood resources in the United States, including the collection, preservation, fractionation, and distribution of blood and blood products;

(G) the education (including continuing education) and training of scientists, clinical investigators, and educators, in fields and specialties (including computer sciences) requisite to the conduct of clinical programs respecting heart, blood vessel, lung, and blood diseases and blood resources;

(H) public and professional education relating to all aspects of such diseases, including the prevention of such diseases, and the use of blood and blood products and the management of blood resources;

(I) establishment of programs for study and research into heart, blood vessel, lung, and blood diseases of children (including cystic fibrosis, hyaline membrane, hemolytic diseases such as sickle cell anemia and Cooley's anemia, and hemophilic diseases) and for the development and demonstration of diagnostic, treatment, and preventive approaches to such diseases; and

(J) establishment of programs for study, research, development, demonstrations and evaluation of emergency medical services for people who become critically ill in connection with heart, blood vessel, lung, or blood diseases.

(2) The Program shall be coordinated with other national research institutes to the extent that they have responsibilities respecting such diseases and shall give special emphasis to the continued development in the Institute of programs related to the causes of stroke and to effective coordination of such programs with related stroke programs in the National Institute of Neurological and Communicative Disorders and Stroke. The Director of the Institute, with the advice of the advisory council for the Institute, shall revise annually the plan for the Program and shall carry out the Program in accordance with such plan.

(b) In carrying out the Program, the Director of the Institute, under policies established by the Director of NIH—

(1) may, after consultation with the advisory council for the Institute, obtain (in accordance with section 3109 of title 5, but without regard to the limitation in such section on the period of such service) the services of not more than one hundred experts or consultants who have scientific or professional qualifications;

(2)(A) may, in consultation with the advisory council for the Institute, acquire and construct, improve, repair, operate, alter, renovate, and maintain, heart, blood vessel, lung, and blood disease and blood resource laboratories, research, training, and other facilities, equipment, and such other real or personal property as the Director determines necessary;

(B) may, in consultation with the advisory council for the Institute, make grants for construction or renovation of facilities; and

(C) may, in consultation with the advisory council for the Institute, acquire, without regard to section 6141 of title 40, by lease or otherwise, through the Administrator of General Services, buildings or parts of buildings in the District of Columbia or communities located adjacent to the District of Columbia for the use of the Institute for a period not to exceed ten years;

(3) subject to section 284(b)(2) of this title and without regard to section 3324 of title 31 and section 6101 of title 41, may enter into such contracts, leases, cooperative agreements, or other transactions, as may be necessary in the conduct of the Director's functions, with any public agency, or with any person, firm, association, corporation, or educational institutions;

(4) may make grants to public and nonprofit private entities to assist in meeting the cost
of the care of patients in hospitals, clinics, and related facilities who are participating in research projects; and

(5) shall, in consultation with the advisory council for the Institute, conduct appropriate intramural and training and education programs, including continuing education and laboratory and clinical research training programs.

Except as otherwise provided, experts and consultants whose services are obtained under paragraph (1) shall be paid or reimbursed, in accordance with title 5, for their travel to and from their place of service and for other expenses associated with their assignment. Such expenses shall not be allowed in connection with the assignment of an expert or consultant whose services are obtained under paragraph (1) unless the expert or consultant has agreed in writing to complete the entire period of the assignment or one year of the assignment, whichever is shorter, unless separated or reassigned for reasons which are beyond the control of the expert or consultant and which are acceptable to the Director of the Institute. If the expert or consultant violates the agreement, the money spent by the United States for such expenses is recoverable from the expert or consultant as a debt due the United States. The Secretary may waive in whole or in part a right of recovery under the preceding sentence.


CODIFICATION


AMENDMENTS


Subsec. (b)(1). Pub. L. 100–607, § 127(2), substituted “after consultation with” for “, after approval of”.


(a) Heart, blood vessel, lung, blood diseases, and blood resources; utilization of centers for prevention programs

(1) The Director of the Institute may provide, in accordance with subsection (c), for the development of—

(A) ten centers for basic and clinical research into, training in, and demonstration of, advanced diagnostic, prevention, and treatment and rehabilitation methods (including methods of providing emergency medical services) for heart and blood vessel diseases;

(B) ten centers for basic and clinical research into, training in, and demonstration of, advanced diagnostic, prevention, and treatment and rehabilitation methods (including methods of providing emergency medical services) for lung diseases (including bronchitis, emphysema, asthma, cystic fibrosis, and other lung diseases of children);

(C) ten centers for basic and clinical research into, training in, and demonstration of, advanced diagnostic, prevention, and treatment methods (including methods of providing emergency medical services) for blood diseases and research into blood, in the use of blood products and in the management of blood resources; and

(D) three centers for basic and clinical research into, training in, and demonstration of, advanced diagnostic, prevention, and treatment methods (including genetic studies, intrauterine environment studies, postnatal studies, heart arrhythmias, and acquired heart disease and preventive cardiology) for cardiovascular diseases in children.

(2) The centers developed under paragraph (1) shall, in addition to being utilized for research, training, and demonstrations, be utilized for the following prevention programs for cardiovascular, pulmonary, and blood diseases:

(A) Programs to develop improved methods of detecting individuals with a high risk of developing cardiovascular, pulmonary, and blood diseases.

(B) Programs to develop improved methods of intervention against those factors which cause individuals to have a high risk of developing such diseases.

(C) Programs to develop health professions and allied health professions personnel highly skilled in the prevention of such diseases.

(D) Programs to develop improved methods of providing emergency medical services for persons with such diseases.

(E) Programs of continuing education for health and allied health professionals in the diagnosis, prevention, and treatment of such diseases and the maintenance of health to reduce the incidence of such diseases and information programs for the public respecting the prevention and early diagnosis and treatment of such diseases and the maintenance of health.

(3) The research, training, and demonstration activities carried out through any such center may relate to any one or more of the diseases referred to in paragraph (1) of this subsection.

(b) Sickle cell anemia

The Director of the Institute shall provide, in accordance with subsection (c), for the development of ten centers for basic and clinical research into the diagnosis, treatment, and control of sickle cell anemia.

(c) Cooperative agreements and grants for establishing and supporting; uses for Federal payments; period of support, additional periods

(1) The Director of the Institute may enter into cooperative agreements with and make grants to public or private nonprofit entities to pay all or part of the cost of planning, establish-
ing, or strengthening, and providing basic operating support for centers for basic and clinical research into, training in, and demonstration of the management of blood resources and advanced diagnostic, prevention, and treatment methods for heart, blood vessel, lung, or blood diseases.

(2) A cooperative agreement or grant under paragraph (1) shall be entered into in accordance with policies established by the Director of NIH and after consultation with the Institute’s advisory council.

(3) Federal payments made under a cooperative agreement or grant under paragraph (1) may be used for—

(A) construction (notwithstanding any limitation under section 289e of this title);
(B) staffing and other basic operating costs, including such patient care costs as are required for research;
(C) training, including training for allied health professionals; and
(D) demonstration purposes.

As used in this subsection, the term “construction” does not include the acquisition of land, and the term “training” does not include research training for which Ruth L. Kirschstein National Research Service Awards may be provided under section 288 of this title.

(4) Support of a center under paragraph (1) may be for a period of not to exceed five years. Such period may be extended by the Director for additional periods of not more than five years each if the operations of such center have been reviewed by an appropriate technical and scientific peer review group established by the Director and if such group has recommended to the Director that such period should be extended.


AMENDMENTS


Section, act July 1, 1944, ch. 373, title IV, § 423, as added Nov. 20, 1985, Pub. L. 99–158, § 2, Nov. 20, 1985, 99 Stat. 841, directed Secretary to establish an Interagency Technical Committee on Heart, Blood Vessel, Lung, and Blood Diseases and Blood Resources.

§ 285b–6. Associate Director for Prevention; appointment; function

(a) There shall be in the Institute an Associate Director for Prevention to coordinate and promote the programs in the Institute concerning the prevention of heart, blood vessel, lung, and blood diseases. The Associate Director shall be appointed by the Director of the Institute from individuals who because of their professional training or experience are experts in public health or preventive medicine.

(b) The Associate Director for Prevention shall prepare for inclusion in the biennial report made under section 284b of this title a description of the prevention activities of the Institute, including a description of the staff and resources allocated to those activities.

(1) the conduct and support of research, training, health information dissemination, and other activities with respect to sleep disorders, including biological and circadian rhythm research, basic understanding of sleep, chronobiological and other sleep related research; and
(2) to coordinate the activities of the Center with similar activities of other Federal agencies, including the other agencies of the National Institutes of Health, and similar activities of other public entities and nonprofit entities.

(c) Sleep Disorders Research Advisory Board

(1) The Director of the National Institutes of Health shall establish a board to be known as the Sleep Disorders Research Advisory Board (in this section referred to as the “Advisory Board”).

(2) The Advisory Board shall advise, assist, consult with, and make recommendations to the Director of the National Institutes of Health, through the Director of the Institute, and the Director of the Center concerning matters relating to the scientific activities carried out by and through the Center and the policies respecting such activities, including recommendations with respect to the plan required in subsection (c).\(^1\)

(3)(A) The Director of the National Institutes of Health shall appoint to the Advisory Board 12

\(^1\) See References in Text note below.

\(^2\) So in original. Probably should be subsection “(d)”. 
appropriately qualified representatives of the public who are not officers or employees of the Federal Government. Of such members, eight shall be representatives of health and scientific disciplines with respect to sleep disorders and four shall be individuals representing the interests of individuals with or undergoing treatment for sleep disorders.

(b) The following officials shall serve as ex officio members of the Advisory Board:

(i) The Director of the National Institutes of Health.

(ii) The Director of the Center.

(iii) The Director of the National Heart, Lung and Blood Institute.

(iv) The Director of the National Institute of Mental Health.

(v) The Director of the National Institute on Aging.

(vi) The Director of the Eunice Kennedy Shriver National Institute of Child Health and Human Development.

(vii) The Director of the National Institute of Neurological Disorders and Stroke.

(viii) The Assistant Secretary for Health.

(ix) The Assistant Secretary of Defense (Health Affairs).

(x) The Chief Medical Director of the Veterans' Administration.

(4) The members of the Advisory Board shall, from among the members of the Advisory Board, designate an individual to serve as the chair of the Advisory Board.

(5) Except as inconsistent with, or inapplicable to, this section, the provisions of section 284a of this title shall apply to the advisory board established under this section in the same manner as such provisions apply to any advisory council established under such section.

(d) Development of comprehensive research plan; revision

(1) After consultation with the Director of the Center and the advisory board established under subsection (c), the Director of the National Institutes of Health shall develop a comprehensive plan for the conduct and support of sleep disorders research.

(2) The plan developed under paragraph (1) shall identify priorities with respect to such research and shall provide for the coordination of such research conducted or supported by the agencies of the National Institutes of Health.

(3) The Director of the National Institutes of Health (after consultation with the Director of the Center and the advisory board established under subsection (c)) shall revise the plan developed under paragraph (1) as appropriate.

(e) Collection and dissemination of information

The Director of the Center, in cooperation with the Centers for Disease Control and Prevention, is authorized to coordinate activities with the Department of Transportation, the Department of Defense, the Department of Education, the Department of Labor, and the Department of Commerce to collect data, conduct studies, and disseminate public information concerning the impact of sleep disorders and sleep deprivation.

\(^2\)So in original. Probably should be capitalized.

(2) Basic research concerning the etiology and causes of cardiovascular diseases in women.

(3) Epidemiological studies to address the frequency and natural history of such diseases and the differences among men and women, and among racial and ethnic groups, with respect to such diseases.

(4) The development of safe, efficient, and cost-effective diagnostic approaches to evaluating women with suspected ischemic heart disease.

(5) Clinical research for the development and evaluation of new treatments for women, including rehabilitation.

(6) Studies to gain a better understanding of methods of preventing cardiovascular diseases in women, including applications of effective methods for the control of blood pressure, lipids, and obesity.

(7) Information and education programs for patients and health care providers on risk factors associated with heart attack, stroke, and other cardiovascular diseases in women, and on the importance of the prevention or control of such risk factors and timely referral with appropriate diagnosis and treatment. Such programs shall include information and education on health-related behaviors that can improve such important risk factors as smoking, obesity, high blood cholesterol, and lack of exercise.


Amendments

2007—Subsec. (a). Pub. L. 109–482, §104(b)(1)(G), inserted “and” at end of par. (1), substituted a period for “,” and “;” at end of par. (2), and struck out par. (3) which read as follows: “not later than 12 months after October 17, 2000, submit recommendations to the appropriate committees of the Congress on ways to strengthen and improve the coordination of asthma-related activities of the Federal Government.”

Subsec. (c). Pub. L. 109–482, §103(b)(19), struck out heading and text of subsec. (c). Text read as follows: “For the purpose of carrying out this section, there are authorized to be appropriated such sums as may be necessary for each of the fiscal years 2001 through 2005.”

Effective Date of 2007 Amendment

Amendment by Pub. L. 109–482 applicable only with respect to amounts appropriated for fiscal year 2007 or subsequent fiscal years, see section 109 of Pub. L. 109–482, set out as a note under section 281 of this title.

§ 285b–7c. Tuberculosis

(a) In general

The Director of the National Institutes of Health may expand, intensify, and coordinate research and development and related activities of the Institutes with respect to tuberculosis including activities toward the goal of eliminating such disease.

(b) Certain activities

Activities under subsection (a) may include—

(1) enhancing basic and clinical research on tuberculosis, including drug resistant tuberculosis;

(2) expanding research on the relationship between such disease and the human immunodeficiency virus; and

(3) developing new tools for the elimination of tuberculosis, including public health interventions and methods to enhance detection and response to outbreaks of tuberculosis, including multidrug resistant tuberculosis.


§ 285b–8. Congenital heart disease

(a) In general

The Director of the Institute may expand, intensify, and coordinate research and related activities of the Institute with respect to congenital heart disease, which may include congenital heart disease research with respect to—

(1) causation of congenital heart disease, including genetic causes;

(2) long-term outcomes in individuals with congenital heart disease, including infants, children, teenagers, adults, and elderly individuals;

(3) diagnosis, treatment, and prevention;

(4) studies using longitudinal data and retrospective analysis to identify effective treat-
§ 285c—THE PUBLIC HEALTH AND WELFARE

mements and outcomes for individuals with congenital heart disease; and
(5) identifying barriers to life-long care for individuals with congenital heart disease.

(b) Coordination of research activities
The Director of the Institute may coordinate research efforts related to congenital heart disease among multiple research institutions and may develop research networks.

(c) Minority and medically underserved communities
In carrying out the activities described in this section, the Director of the Institute shall consider the application of such research and other activities to minority and medically underserved communities.


PRIOR PROVISIONS

SUBPART 3—NATIONAL INSTITUTE OF DIABETES AND DIGESTIVE AND KIDNEY DISEASES

§ 285c. Purpose of Institute

The general purpose of the National Institute of Diabetes and Digestive and Kidney Diseases (hereafter in this subpart referred to as the “Institute”) is the conduct and support of research, training, health information dissemination, and other programs with respect to diabetes mellitus and endocrine and metabolic diseases, digestive diseases and nutritional disorders, and kidney, urologic, and hematologic diseases.

(July 1, 1944, ch. 373, title IV, § 426, as added Pub. L. 99–158, § 2, Nov. 20, 1985, 99 Stat. 841.)

STUDY ON METABOLIC DISORDERS

“(a) In General.—The Secretary of Health and Human Services (in this section referred to as the ‘Secretary’) shall, in consultation with relevant experts or through the Institute of Medicine, study issues related to treatment of PKU and other metabolic disorders for children, adolescents, and adults, and mechanisms to assure access to effective treatment, including special diets, for children and others with PKU and other metabolic disorders. Such mechanisms shall be evidence-based and reflect the best scientific knowledge regarding effective treatment and prevention of disease progression.
“(b) Dissemination of Results.—Upon completion of the study referred to in subsection (a), the Secretary shall disseminate and otherwise make available the results of the study to interested groups and organizations, including insurance commissioners, employers, private insurers, health care professionals, State and local public health agencies, and State agencies that carry out the Medicaid program under title XIX of the Social Security Act [42 U.S.C. 1396 et seq.] or the State children’s health insurance program under title XXI of such Act [42 U.S.C. 1397cc et seq.].
“(c) Authorization of Appropriations.—There are authorized to be appropriated to carry out this section such sums as may be necessary for each of the fiscal years 2001 through 2003.”

REVIEW OF DISEASE RESEARCH PROGRAMS OF THE NATIONAL INSTITUTE OF DIABETES AND DIGESTIVE AND KIDNEY DISEASES

Pub. L. 99–158, § 10, Nov. 20, 1985, 99 Stat. 883, provided that: “The Secretary of Health and Human Services shall conduct an administrative review of the disease research programs of the National Institute of Diabetes and Digestive and Kidney Diseases to determine if any of such programs could be more effectively and efficiently managed by other national research institutes.

The Secretary shall complete such review within the one-year period beginning on the date of enactment of this Act [Nov. 20, 1985].”

§ 285c–1. Data systems and information clearinghouses

(a) National Diabetes Data System and National Diabetes Clearinghouse

The Director of the Institute shall (1) establish the National Diabetes Data System for the collection, storage, analysis, retrieval, and dissemination of data derived from patient populations with diabetes, including, where possible, data involving general populations for the purpose of detection of individuals with a risk of developing diabetes, and (2) establish the National Diabetes Information Clearinghouse to facilitate and enhance knowledge and understanding of diabetes on the part of health professionals, patients, and the public through the effective dissemination of information.

(b) National Digestive Diseases Data System and National Digestive Diseases Information Clearinghouse

The Director of the Institute shall (1) establish the National Digestive Diseases Data System for the collection, storage, analysis, retrieval, and dissemination of data derived from patient populations with digestive diseases, including, where possible, data involving general populations for the purpose of detection of individuals with a risk of developing digestive diseases, and (2) establish the National Digestive Diseases Information Clearinghouse to facilitate and enhance knowledge and understanding of digestive diseases on the part of health professionals, patients, and the public through the effective dissemination of information.

(c) National Kidney and Urologic Diseases Data System and National Kidney and Urologic Diseases Information Clearinghouse

The Director of the Institute shall (1) establish the National Kidney and Urologic Diseases Data System for the collection, storage, analysis, retrieval, and dissemination of data derived from patient populations with kidney and urologic diseases, including, where possible, data involving general populations for the purpose of detection of individuals with a risk of developing kidney and urologic diseases, and (2) establish the National Kidney and Urologic Diseases Information Clearinghouse to facilitate and enhance knowledge and understanding of kidney and urologic diseases on the part of health professionals, patients, and the public through the effective dissemination of information.

(July 1, 1944, ch. 373, title IV, § 427, as added Pub. L. 99–158, § 2, Nov. 20, 1985, 99 Stat. 841.)
§ 285c–2. Division Directors for Diabetes, Endocrinology, and Metabolic Diseases, Digestive Diseases and Nutrition, and Kidney, Urologic, and Hematologic Diseases; functions

(a)(1) In the Institute there shall be a Division Director for Diabetes, Endocrinology, and Metabolic Diseases, a Division Director for Digestive Diseases and Nutrition, and a Division Director for Kidney, Urologic, and Hematologic Diseases. Such Division Directors, under the supervision of the Director of the Institute, shall be responsible for—

(A) developing a coordinated plan (including recommendations for expenditures) for each of the national research institutes within the National Institutes of Health with respect to research and training concerning diabetes, endocrine and metabolic diseases, digestive diseases and nutrition, and kidney, urologic, and hematologic diseases;

(B) assessing the adequacy of management approaches for the activities within such institutes concerning such diseases and nutrition and developing improved approaches if needed;

(C) monitoring and reviewing expenditures by such institutes concerning such diseases and nutrition; and

(D) identifying research opportunities concerning such diseases and nutrition and recommending ways to utilize such opportunities.

(2) The Director of the Institute shall transmit to the Director of NIH the plans, recommendations, and reviews of the Division Directors under subparagraphs (A) through (D) of paragraph (1) together with such comments and recommendations as the Director of the Institute determines appropriate.

(b) The Director of the Institute, acting through the Division Director for Diabetes, Endocrinology, and Metabolic Diseases, the Division Director for Digestive Diseases and Nutrition, and the Division Director for Kidney, Urologic, and Hematologic Diseases, shall—

(1) carry out programs of support for research and training (other than training for which Ruth L. Kirschstein National Research Service Awards may be made under section 288 of this title) in the diagnosis, prevention, and treatment of diabetes mellitus and endocrine and metabolic diseases, digestive diseases and nutritional disorders, and kidney, urologic, and hematologic diseases, including support for training in medical schools, graduate clinical training, graduate training in epidemiology, epidemiology studies, clinical trials, and interdisciplinary research programs; and

(2) establish programs of evaluation, planning, and dissemination of knowledge related to such research and training.

(3) Each Committee shall be composed of the Directors of each of the national research institutes and divisions involved in research with respect to the diseases for which the Committee is established, the Division Director of the Institute for the diseases for which the Committee is established, the Under Secretary for Health of the Department of Veterans Affairs, and the Assistant Secretary for Defense for Health Affairs (or the designees of such officers) and shall include representation from all other federal departments and agencies whose programs involve health functions or responsibilities relevant to such diseases, as determined by the Secretary.

Each Committee shall meet at the call of the chairman, but not less often than four times a year.

(4) Each Committee shall meet at the call of the chairman, but not less often than four times a year.

(5) Each Committee shall meet at the call of the chairman, but not less often than four times a year.

AMENDMENTS

2007—Subsecs. (c), (d). Pub. L. 109–82 struck out subsections (c) and (d) which required an annual report detailing the work of the Committee in carrying out subsec. (a) and an annual assessment on Federal pancreatic islet cell transplantation, respectively.


1992—Subsec. (b). Pub. L. 102–405 substituted ‘‘Under Secretary for Health of the Department of Veterans Affairs’’ for ‘‘Chief Medical Director of the Department of Veterans Affairs’’. Amendment by Pub. L. 109–82 applicable only with respect to amounts appropriated for fiscal year 2007 or thereafter.
§ 285c–4. Advisory boards

(a) Establishment
The Secretary shall establish in the Institute the National Diabetes Advisory Board, the National Digestive Diseases Advisory Board, and the National Kidney and Urologic Diseases Advisory Board (hereinafter in this section individually referred to as an “Advisory Board”).

(b) Membership; ex officio members
Each Advisory Board shall be composed of eighteen appointed members and nonvoting ex officio members as follows:

(1) The Secretary shall appoint—
   (A) twelve members from individuals who are scientists, physicians, and other health professionals, who are not officers or employees of the United States, and who represent the specialties and disciplines relevant to the diseases with respect to which the Advisory Board is established; and
   (B) six members from the general public who are knowledgeable with respect to such diseases, including at least one member who is a person who has such a disease and one member who is a parent of a person who has such a disease.

Of the appointed members at least five shall by virtue of training or experience be knowledgeable in the fields of health education, nursing, data systems, public information, and community program development.

(2)(A) The following shall be ex officio members of each Advisory Board:
   (i) The Assistant Secretary for Health, the Director of NIH, the Director of the National Institute of Diabetes and Digestive and Kidney Diseases, the Director of the Centers for Disease Control and Prevention, the Under Secretary for Health of the Department of Veterans Affairs, the Assistant Secretary for Defense for Health Affairs, and the Division Director of the National Institute of Diabetic and Digestive and Kidney Diseases for the diseases for which the Board is established (or the designees of such officers).
   (ii) Such other officers and employees of the United States as the Secretary determines necessary for the Advisory Board to carry out its functions.

(B) In the case of the National Diabetes Advisory Board, the following shall also be ex officio members: The Director of the National Heart, Lung, and Blood Institute, the Director of the National Eye Institute, the Director of the Eunice Kennedy Shriver National Institute of Child Health and Human Development, and the Administrator of the Health Resources and Services Administration (or the designees of such officers).

(c) Compensation
Members of an Advisory Board who are officers or employees of the Federal Government shall serve as members of the Advisory Board without compensation in addition to that received in their regular public employment. Other members of the Board shall receive compensation at rates not to exceed the daily equivalent of the annual rate in effect for grade GS–15 of the General Schedule for each day (including traveltime) they are engaged in the performance of their duties as members of the Board.

(d) Term of office; vacancy
The term of office of an appointed member of an Advisory Board is four years, except that no term of office may extend beyond the expiration of the Advisory Board. Any member appointed to fill a vacancy for an unexpired term shall be appointed for the remainder of such term. A member may serve after the expiration of the member’s term until a successor has taken office. If a vacancy occurs in an Advisory Board, the Secretary shall make an appointment to fill the vacancy not later than 90 days from the date the vacancy occurred.

(e) Chairman
The members of each Advisory Board shall select a chairman from among the appointed members.

(f) Executive director; professional and clerical staff; administrative support services and facilities
The Secretary shall, after consultation with and consideration of the recommendations of an Advisory Board, provide the Advisory Board with an executive director and one other professional staff member. In addition, the Secretary shall, after consultation with and consideration of the recommendations of the Board, provide the Advisory Board with such additional professional staff members, such clerical staff members, such services of consultants, such information, and (through contracts or other arrangements) such administrative support services and facilities, as the Secretary determines are necessary for the Advisory Board to carry out its functions.

(g) Meetings
Each Advisory Board shall meet at the call of the chairman or upon request of the Director of the Institute, but not less often than four times a year.

(h) Functions of National Diabetes Advisory Board and National Digestive Diseases Advisory Board
The National Diabetes Advisory Board and the National Digestive Diseases Advisory Board shall—

(1) review and evaluate the implementation of the plan (referred to in section 265c–7 of this title) respecting the diseases with respect to which the Advisory Board was established and periodically update the plan to ensure its continuing relevance;

(2) for the purpose of assuring the most effective use and organization of resources respecting such diseases, advise and make recommendations to the Congress, the Secretary, the Director of NIH, the Director of the Institute, and the heads of other appropriate Federal agencies for the implementation and revision of such plan; and
(3) maintain liaison with other advisory bodies related to Federal agencies involved in the implementation of such plan, the coordinating committee for such diseases, and with key non-Federal entities involved in activities affecting the control of such diseases.

(i) Subcommittees; establishment and membership

In carrying out its functions, each Advisory Board may establish subcommittees, convene workshops and conferences, and collect data. Such subcommittees may be composed of Advisory Board members and nonmember consultants with expertise in the particular area addressed by such subcommittees. The subcommittees may hold such meetings as are necessary to enable them to carry out their activities.

(j) Termination of predecessor boards; time within which to appoint members

The National Diabetes Advisory Board and the National Digestive Diseases Advisory Board in existence on November 20, 1985, shall terminate upon the appointment of a successor Board under subsection (a). The Secretary shall make appointments to the Advisory Boards established under subsection (a) before the expiration of 90 days after November 20, 1985. The members of the Boards in existence on November 20, 1985, may be appointed, in accordance with subsections (b) and (d), to the Boards established under subsection (a) for diabetes and digestive diseases, except that at least one-half of the members of the National Diabetes Advisory Board in existence on November 20, 1985, shall be appointed to the National Diabetes Advisory Board first established under subsection (a).

(2) A center may use funds provided under subsection (k) as (i) and struck out former subsection (j) which read as follows: “Each Advisory Board shall expire on September 30, 1988.”

Termination of Advisory Boards

Advisory boards established after Jan. 5, 1972, to terminate not later than the expiration of the 2-year period beginning on the date of their establishment, unless, in the case of a board established by the President or an officer of the Federal Government, such board is renewed by appropriate action prior to the expiration of such 2-year period, or in the case of a board established by the Congress, its duration is otherwise provided by law. See sections 3(2) and 14 of Pub. L. 92–463, Oct. 6, 1972, 86 Stat. 770, 775, set out in the Appendix to Title 5, Government Organization and Employees.

References in laws to the rates of pay for GS–16, 17, or 18 pay rates

References in laws to the rates of pay for GS–16, 17, or 18, or to maximum rates of pay under the General Schedule, to be considered references to rates payable under specified sections of Title 5, Government Organization and Employees, see section 529 (title I, §101(c)(1)) of Pub. L. 101–509, set out in a note under section 5376 of Title 5.

$285c–5. Research and training centers; development or expansion

(a) Diabetes mellitus and related endocrine and metabolic diseases

(1) Consistent with applicable recommendations of the National Commission on Diabetes, the Director of the Institute shall provide for the development or substantial expansion of centers for research and training in diabetes mellitus and related endocrine and metabolic diseases. Each center developed or expanded under this subsection shall—

(A) utilize the facilities of a single institution, or be formed from a consortium of cooperating institutions, meeting such research and training qualifications as may be prescribed by the Secretary; and

(B) conduct—

(i) research in the diagnosis and treatment of diabetes mellitus and related endocrine and metabolic diseases and the complications resulting from such diseases;

(ii) training programs for physicians and allied health personnel in current methods of diagnosis and treatment of such diseases and complications, and in research in diabetes; and

(iii) information programs for physicians and allied health personnel who provide primary care for patients with such diseases or complications.

(2) A center may use funds provided under paragraph (1) to provide stipends for nurses and allied health professionals enrolled in research training programs described in paragraph (1)(B)(ii).
(b) Digestive diseases and related functional, congenital, metabolic disorders, and normal development of digestive tract

Consistent with applicable recommendations of the National Digestive Diseases Advisory Board, the Director shall provide for the development or substantial expansion of centers for research in digestive diseases and related functional, congenital, metabolic disorders, and normal development of the digestive tract. Each center developed or expanded under this subsection—

(1) shall utilize the facilities of a single institution, or be formed from a consortium of cooperating institutions, meeting such research qualifications as may be prescribed by the Secretary;

(2) shall develop and conduct basic and clinical research into the cause, diagnosis, early detection, prevention, control, and treatment of digestive diseases and nutritional disorders and related functional, congenital, or metabolic complications resulting from such diseases or disorders;

(3) shall encourage research into and programs for—

(A) providing information for patients with such diseases and the families of such patients, physicians and others who care for such patients, and the general public;

(B) model programs for cost effective and preventive patient care; and

(C) training physicians and scientists in research on such diseases, disorders, and complications; and

(4) may perform research and participate in epidemiological studies and data collection relevant to digestive diseases and disorders and disseminate such research, studies, and data to the health care profession and to the public.

(c) Kidney and urologic diseases

The Director shall provide for the development or substantial expansion of centers for research in kidney and urologic diseases. Each center developed or expanded under this subsection—

(1) shall utilize the facilities of a single institution, or be formed from a consortium of cooperating institutions, meeting such research qualifications as may be prescribed by the Secretary;

(2) shall develop and conduct basic and clinical research into the cause, diagnosis, early detection, prevention, control, and treatment of kidney and urologic diseases;

(3) shall encourage research into and programs for—

(A) providing information for patients with such diseases, disorders, and complications and the families of such patients, physicians and others who care for such patients, and the general public;

(B) model programs for cost effective and preventive patient care; and

(C) training physicians and scientists in research on such diseases; and

(4) may perform research and participate in epidemiological studies and data collection relevant to kidney and urologic diseases in order to disseminate such research, studies, and data to the health care profession and to the public.

(d) Nutritional disorders

(1) The Director of the Institute shall, subject to the extent of amounts made available in appropriations Acts, provide for the development or substantial expansion of centers for research and training regarding nutritional disorders, including obesity.

(2) The Director of the Institute shall carry out paragraph (1) in collaboration with the Director of the National Cancer Institute and with the Directors of such other agencies of the National Institutes of Health as the Director of NIH determines to be appropriate.

(3) Each center developed or expanded under paragraph (1) shall—

(A) utilize the facilities of a single institution, or be formed from a consortium of cooperating institutions, meeting such research and training qualifications as may be prescribed by the Director;

(B) conduct basic and clinical research into the cause, diagnosis, early detection, prevention, control and treatment of nutritional disorders, including obesity and the impact of nutrition and diet on child development;

(C) conduct training programs for physicians and allied health professionals in current methods of diagnosis and treatment of such diseases and complications, and in research in such disorders; and

(D) conduct information programs for physicians and allied health professionals who provide primary care for patients with such disorders or complications.

(e) Geographic distribution; period of support, additional periods

Insofar as practicable, centers developed or expanded under this section should be geographically dispersed throughout the United States and in environments with proven research capabilities. Support of a center under this section may be for a period of not to exceed five years and such period may be extended by the Director of the Institute for additional periods of not more than five years each if the operations of such center have been reviewed by an appropriate technical and scientific peer review group established by the Director and if such group has recommended to the Director that such period should be extended.


Amendments

1993—Subsecs. (d), (e). Pub. L. 103–43 added subsec. (d) and redesignated former subsec. (d) as (e).

§ 285c–6. Advisory council subcommittees

There are established within the advisory council for the Institute appointed under section 284a of this title a subcommittee on diabetes and endocrine and metabolic diseases, a subcommittee on digestive diseases and nutrition, and a
subcommittee on kidney, urologic, and hemato-
lologic diseases. The subcommittees shall be com-
posed of members of the advisory council who
are outstanding in the diagnosis, prevention,
and treatment of the diseases for which the sub-
committees are established and members of the
advisory council who are leaders in the fields
of education and public affairs. The subcommittees
are authorized to review applications made to
the Director of the Institute for grants for re-
search and training projects relating to the di-
agnosis, prevention, and treatment of the dis-

cases for which the subcommittees are estab-

lished and shall recommend to the advisory
council those applications and contracts that
the subcommittees determine will best carry
out the purposes of the Institute. The sub-
committees shall also review and evaluate the
diabetes and endocrine and metabolic diseases,
digestive diseases and nutrition, and kidney,
urologic, and hemato logic diseases programs of
the Institute and recommend to the advisory
council such changes in the administration of
such programs as the subcommittees determine
determine are necessary.

(July 1, 1944, ch. 373, title IV, § 432, as added Pub.


The Director of the Institute shall prepare for
inclusion in the biennial report made under section
284b of this title a description of the Institu-
tion’s activities—

(1) under the current diabetes plan under the
National Diabetes Mellitus Research and Educa-
tion Act; and

(2) under the current digestive diseases plan
formulated under the Arthritis, Diabetes, and
Digestive Diseases Amendments of 1976.

The description submitted by the Director shall
include an evaluation of the activities of the
centers supported under section 285c–5 of this

title.

(July 1, 1944, ch. 373, title IV, § 433, as added Pub.

REFERENCES IN TEXT

Section 284b of this title, referred to in text, was re-
pealed by Pub. L. 109–482, title I, § 104(b)(1)(C), Jan. 15,

The National Diabetes Mellitus Research and Educa-
tion Act, referred to in par. (1), is Pub. L. 93–354, July
23, 1974, 88 Stat. 373, as amended, which enacted former
sections 289c–1a, 289c–2, and 289c–3 of this title, amend-

ed section 247b and former section 289c–1 of this

title, and enacted provisions formerly set out as notes under
section 289c–2 of this title. For complete classification
of this Act to the Code, see Short Title of 1974 Amend-
ments note set out under section 201 of this title and Tables.

The Arthritis, Diabetes, and Digestive Diseases
Amendments of 1976, referred to in par. (2), is Pub. L.
94–562, Oct. 19, 1976, 90 Stat. 2645, as amended, which en-
acted former sections 289c–3a, 289c–7, and 289c–8 of this


title, amended former sections 289c–2, 289c–5, and 289c–6
of this title, and enacted provisions formerly set out as
notes under sections 289a, 289c–3a, and 289c–7 of this


title. For complete classification of this Act to the

Code, see Short Title of 1976 Amendments note set out
under section 201 of this title and Tables.

See References in Text note below.

§ 285c–8. Nutritional disorders program

(a) Establishment

The Director of the Institute, in consultation
with the Director of NIH, shall establish a pro-
gram of conducting and supporting research,
training, health information dissemination, and
other activities with respect to nutritional dis-

orders, including obesity.

(b) Support of activities

In carrying out the program established under
subsection (a), the Director of the Institute
shall carry out activities to facilitate and en-
hance knowledge and understanding of nutri-
tional disorders, including obesity, on the part
of health professionals, patients, and the public
through the effective dissemination of informa-
tion.

(July 1, 1944, ch. 373, title IV, § 434, as added Pub.
L. 103–43, title VI, § 601(a), June 10, 1993, 107
Stat. 161.)

§ 285c–9. Juvenile diabetes

(a) Long-term epidemiology studies

The Director of the Institute shall conduct or
support long-term epidemiology studies in
which individuals with or at risk for type 1, or
juvenile, diabetes are followed for 10 years or
more. Such studies shall investigate the causes
and characteristics of the disease and its com-

plications.

(b) Clinical trial infrastructure/innovative treats-
ments for juvenile diabetes

The Secretary, acting through the Director of
the National Institutes of Health, shall support
regional clinical research centers for the preven-
tion, detection, treatment, and cure of juvenile
diabetes.

(c) Prevention of type 1 diabetes

The Secretary, acting through the appropriate
agencies, shall provide for a national effort to
prevent type 1 diabetes. Such effort shall pro-

vide for a combination of increased efforts in re-
search and development of prevention strate-
gies, including consideration of vaccine develop-
ment, coupled with appropriate ability to test
the effectiveness of such strategies in large clin-
ical trials of children and young adults.

(July 1, 1944, ch. 373, title IV, § 434A, as added Pub.
L. 100–310, div. A, title IV, § 402, Oct. 17,

AMENDMENTS

and text of subsec. (d). Text read as follows: "For the
purpose of carrying out this section, there are author-
ized to be appropriated such sums as may be necessary
for each of the fiscal years 2001 through 2005."

EFFECTIVE DATE OF 2007 AMENDMENT

Amendment by Pub. L. 109–482 applicable only with
respect to amounts appropriated for fiscal year 2007 or
§ 285d. Purpose of Institute

The general purpose of the National Institute of Arthritis and Musculoskeletal and Skin Diseases (hereafter in this subpart referred to as the “Institute”) is the conduct and support of research and training, the dissemination of health information, and other programs with respect to arthritis and musculoskeletal and skin diseases (including sports-related disorders), with particular attention to the effect of these diseases on children.

(July 1, 1944, ch. 373, title IV, § 435, as added Pub. L. 103–43, title VII, § 701(a), June 10, 1993, 107 Stat. 162.)

AMENDMENTS

1993—Pub. L. 103–43 substituted “(including sports-related disorders), with particular attention to the effect of these diseases on children” for “, including sports-related disorders”.

§ 285d–1. National arthritis and musculoskeletal and skin diseases program

(a) Plan to expand, intensify, and coordinate activities; submission; periodic review and revision

The Director of the Institute, with the advice of the Institute’s advisory council, shall prepare and transmit to the Director of NIH a plan for a national arthritis and musculoskeletal and skin diseases program to expand, intensify, and coordinate the activities of the Institute respecting arthritis and musculoskeletal and skin diseases. The plan shall include such comments and recommendations as the Director of the Institute determines appropriate. The plan shall place particular emphasis upon expanding research into better understanding the causes and the development of effective treatments for arthritis affecting children. The Director of the Institute shall periodically review and revise such plan and shall transmit any revisions of such plan to the Director of NIH.

(b) Coordination of activities with other national research institutes; minimum activities under program

Activities under the national arthritis and musculoskeletal and skin diseases program shall be coordinated with the other national research institutes to the extent that such institutes have responsibilities respecting arthritis and musculoskeletal and skin diseases, and shall, at least, provide for—

(1) investigation into the epidemiology, etiology, and prevention of all forms of arthritis and musculoskeletal and skin diseases, including sports-related disorders, primarily through the support of basic research in such areas as immunology, genetics, biochemistry, microbiology, physiology, bioengineering, and any other scientific discipline which can contribute important knowledge to the treatment and understanding of arthritis and musculoskeletal and skin diseases;

(2) research into the development, trial, and evaluation of techniques, drugs, and devices used in the diagnosis, treatment, including medical rehabilitation, and prevention of arthritis and musculoskeletal and skin diseases;

(3) research on the refinement, development, and evaluation of technological devices that will replace or be a substitute for damaged bone, muscle, and joints and other supporting structures;

(4) the establishment of mechanisms to monitor the causes of athletic injuries and identify ways of preventing such injuries on scholastic athletic fields; and

(5) research into the causes of arthritis affecting children and the development, trial, and evaluation of techniques, drugs and devices used in the diagnosis, treatment (including medical rehabilitation), and prevention of arthritis in children.

(c) Program to be carried out in accordance with plan

The Director of the Institute shall carry out the national arthritis and musculoskeletal and skin diseases program in accordance with the plan prepared under subsection (a) and any revisions of such plan made under such subsection.


AMENDMENTS

1993—Subsec. (a). Pub. L. 103–43, § 701(b)(1), inserted after second sentence “The plan shall place particular emphasis upon expanding research into better understanding the causes and the development of effective treatments for arthritis affecting children.”


§ 285d–2. Research and training

The Director of the Institute shall—

(1) carry out programs of support for research and training (other than training for which Ruth L. Kirschstein National Research Service Awards may be made under section 288 of this title) in the diagnosis, prevention, and treatment of arthritis and musculoskeletal and skin diseases, including support for training in medical schools, graduate clinical training, graduate training in epidemiology, epide-

miology studies, clinical trials, and inter-disciplinary research programs; and

(2) establish programs of evaluation, planning, and dissemination of knowledge related to such research and training.


AMENDMENTS


AMENDMENTS

1993—Subsec. (a). Pub. L. 103–43, § 701(b)(1), inserted after second sentence “The plan shall place particular emphasis upon expanding research into better understanding the causes and the development of effective treatments for arthritis affecting children.”

§ 285d–3. Data system and information clearinghouse

(a) The Director of the Institute shall establish the National Arthritis and Musculoskeletal and Skin Diseases Data System for the collection, storage, analysis, retrieval, and dissemination of data derived from patient populations with arthritis and musculoskeletal and skin diseases, including where possible, data involving general populations for the purpose of detection of individuals with a risk of developing arthritis and musculoskeletal and skin diseases.

(b) The Director of the Institute shall establish the National Arthritis and Musculoskeletal and Skin Diseases Information Clearinghouse to facilitate and enhance, through the effective dissemination of information, knowledge and understanding of arthritis and musculoskeletal and skin diseases, including juvenile arthritis and related conditions, by health professionals, patients, and the public.


AMENDMENTS

2000—Subsec. (b). Pub. L. 106–310 inserted ‘‘, including juvenile arthritis and related conditions,’’ after ‘‘skin diseases’’.

§ 285d–4. Interagency coordinating committees

(a) Establishment and purpose

For the purpose of—

(1) better coordination of the research activities of all the national research institutes relating to arthritis, musculoskeletal diseases, and skin diseases, including sports-related disorders; and

(2) coordinating the aspects of all Federal health programs and activities relating to arthritis, musculoskeletal diseases, and skin diseases in order to assure the adequacy and technical soundness of such programs and activities and in order to provide for the full communication and exchange of information necessary to maintain adequate coordination of such programs and activities, the Secretary shall establish an Arthritis and Musculoskeletal Diseases Interagency Coordinating Committee and a Skin Diseases Interagency Coordinating Committee (hereafter in this section individually referred to as a ‘‘Committee’’).

(b) Membership; chairman; meetings

Each Committee shall be composed of the Directors of each of the national research institutes and divisions involved in research regarding the diseases with respect to which the Committee is established, the Under Secretary for Health of the Department of Veterans Affairs, and the Assistant Secretary for Defense for Health Affairs (or the designees of such officers), and representatives of all other Federal departments and agencies (as determined by the Secretary) whose programs involve health functions or responsibilities relevant to arthritis and musculoskeletal diseases or skin diseases, as the case may be. Each Committee shall be chaired by the Director of NIH (or the designee of the Director). Each Committee shall meet at the call of the chairman, but not less often than four times a year.


AMENDMENTS

1998—Subsec. (c). Pub. L. 105–362 struck out subsec. (c) which read as follows: ‘‘Not later than 120 days after the end of each fiscal year, each Committee shall prepare and transmit to the Secretary, the Director of NIH, the Director of the Institute, and the advisory council for the Institute a report detailing the activities of the Committee in such fiscal year in carrying out paragraphs (1) and (2) of subsection (a) of this section.’’

1993—Subsec. (b). Pub. L. 103–43 substituted ‘‘Department of Veterans Affairs’’ for ‘‘Veterans’ Administration’’.

1992—Subsec. (b). Pub. L. 102–405 substituted ‘‘Under Secretary for Health’’ for ‘‘Chief Medical Director’’.

§ 285d–5. Arthritis and musculoskeletal diseases demonstration projects

(a) Grants for establishment and support

The Director of the Institute may make grants to public and private nonprofit entities to establish and support projects for the development and demonstration of methods for screening, detection, and referral for treatment of arthritis and musculoskeletal diseases and for the dissemination of information on such methods to the health and allied health professions. Activities under such projects shall be coordinated with Federal, State, local, and regional health agencies, centers assisted under section 285d–6 of this title, and the data system established under subsection (c).

(b) Programs included

Projects supported under this section shall include—

(1) programs which emphasize the development and demonstration of new and improved methods of screening and early detection, referral for treatment, and diagnosis of individuals with a risk of developing arthritis and musculoskeletal diseases;

(2) programs which emphasize the development and demonstration of new and improved methods for patient referral from local hospitals and physicians to appropriate centers for early diagnosis and treatment;

(3) programs which emphasize the development and demonstration of new and improved means of standardizing patient data and recordkeeping;

(4) programs which emphasize the development and demonstration of new and improved methods of dissemination of knowledge about the programs, methods, and means referred to in paragraphs (1), (2), and (3) of this subsection to health and allied health professionals;

(5) programs which emphasize the development and demonstration of new and improved methods for the dissemination to the general public of information—
§ 285d–6

(c) Standardization of patient data and record-keeping

The Director shall provide for the standardization of patient data and recordkeeping for the collection, storage, analysis, retrieval, and dissemination of such data in cooperation with projects assisted under this section, centers assisted under section 285d–6 of this title, and other persons engaged in arthritis and musculoskeletal disease programs.

(July 1, 1944, ch. 373, title IV, §440, as added Pub. L. 99–158, §2, Nov. 20, 1985, 99 Stat. 850.)

§ 285d–6. Multipurpose arthritis and musculoskeletal diseases centers

(a) Development, modernization, and operation

The Director of the Institute shall, after consultation with the advisory council for the Institute, provide for the development, modernization, and operation (including staffing and other operating costs such as the costs of patient care required for research) of new and existing centers for arthritis and musculoskeletal diseases. For purposes of this section, the term "modernization" means the alteration, remodeling, improvement, expansion, and repair of existing buildings and the provision of equipment for such buildings to the extent necessary to make them suitable for use as centers described in the preceding sentence.

(b) Duties and functions

Each center assisted under this section shall—
1. use the facilities of a single institution or a consortium of cooperating institutions, and
2. meet such qualifications as may be prescribed by the Secretary, and
3. (A) use the facilities of a single institution or a consortium of cooperating institutions, and
4. (B) meet such qualifications as may be prescribed by the Secretary; and
5. include—
(A) on the importance of early detection of arthritis and musculoskeletal diseases, of seeking prompt treatment, and of following an appropriate regimen; and
(B) to discourage the promotion and use of unapproved and ineffective diagnostic, preventive, treatment, and control methods for arthritis and musculoskeletal diseases; and
6. projects for investigation into the epidemiology of all forms and aspects of arthritis and musculoskeletal diseases, including investigations into the social, environmental, behavioral, nutritional, and genetic determinants and influences involved in the epidemiology of arthritis and musculoskeletal diseases.

(c) Optional programs

Each center assisted under this section may conduct programs to—
1. establish the effectiveness of new and improved methods of detection, referral, and diagnosis of individuals with a risk of developing arthritis and musculoskeletal diseases;
2. disseminate the results of research, screening, and other activities, and develop means of standardizing patient data and recordkeeping; and
3. develop community consultative services to facilitate the referral of patients to centers for treatment.

(d) Geographical distribution

The Director of the Institute shall, insofar as practicable, provide for an equitable geographical distribution of centers assisted under this section. The Director shall give appropriate consideration to the need for centers especially suited to meeting the needs of children affected by arthritis and musculoskeletal diseases.

(e) Period of support; additional periods

Support of a center under this section may be for a period of not to exceed five years. Such period may be extended by the Director of the Institute for one or more additional periods of not more than five years if the operations of such center have been reviewed by an appropriate technical and scientific peer review group established by the Director and if such group has recommended to the Director that such period should be extended.

(f) Treatment and rehabilitation of children

Not later than October 1, 1993, the Director shall establish a multipurpose arthritis and musculoskeletal disease center for the purpose of expanding the level of research into the cause, diagnosis, early detection, prevention, control, and treatment of and rehabilitation from arthritis and musculoskeletal diseases and complications resulting from arthritis and musculoskeletal diseases, including research into implantable biomaterials and biomechanical and other orthopedic procedures; training programs for physicians, scientists, and other health and allied health professionals; information and continuing education programs for physicians and other health and allied health professionals who provide care for patients with arthritis and musculoskeletal diseases; and programs for the dissemination to the general public of information—
1. on the importance of early detection of arthritis and musculoskeletal diseases, of seeking prompt treatment, and of following an appropriate regimen; and
2. to discourage the promotion and use of unapproved and ineffective diagnostic, preventive, treatment, and control methods and unapproved and ineffective drugs and devices.

A center may use funds provided under subsection (a) to provide stipends for health professionals enrolled in training programs described in paragraph (2)(B).

AMENDMENTS
109–482, set out as a note under section 281 of this title.

§ 285d–6a. Lupus
(a) In general

The Director of the Institute shall expand and intensify research and related activities of the Institute with respect to lupus.

(b) Coordination with other institutes

The Director of the Institute shall coordinate the activities of the Director under subsection (a) with similar activities conducted by the other national research institutes and agencies of the National Institutes of Health to the extent that such Institutes and agencies have responsibilities that are related to lupus.

(c) Programs for lupus

In carrying out subsection (a), the Director of the Institute shall conduct or support research to expand the understanding of the causes of, and to find a cure for, lupus. Activities under such subsection shall include conducting and supporting the following:

1. Research to determine the reasons underlying the elevated prevalence of lupus in women, including African-American women.

2. Basic research concerning the etiology and causes of the disease.

3. Epidemiological studies to address the frequency and natural history of the disease and the differences among the sexes and among racial and ethnic groups with respect to the disease.

4. The development of improved diagnostic techniques.

5. Clinical research for the development and evaluation of new treatments, including new biological agents.

6. Information and education programs for health care professionals and the public.

(7) It has been estimated that between 1,400,000 and 2,000,000 Americans have been diagnosed with the disease, and that many more have undiagnosed cases;

8. Current treatments for the disease can be effective, but may lead to damaging side effects;

9. Many victims of the disease suffer debilitating pain and fatigue, making it difficult to maintain employment and lead normal lives;

10. In fiscal year 1996, the amount allocated by the National Institutes of Health for research on lupus was $33,000,000, which is less than one-half of 1 percent of the budget for such Institutes.

§ 285d–7. Advisory Board
(a) Establishment

The Secretary shall establish in the Institute the National Arthritis and Musculoskeletal and Skin Diseases Advisory Board (hereafter in this section referred to as the “Advisory Board”).

(b) Membership; ex officio members

The Advisory Board shall be composed of twenty appointed members and nonvoting, ex officio members, as follows:

1. The Secretary shall appoint—

A. twelve members from individuals who are scientists, physicians, and other health professionals, who are not officers or employees of the United States, and who represent the specialties and disciplines relevant to arthritis, musculoskeletal diseases, and skin diseases; and

B. eight members from the general public who are knowledgeable with respect to such diseases, including one member who is a person who has such a disease, one person who is the parent of an adult with such a disease, and two members who are parents of children with arthritis.

(c) Compensation

Members of the Advisory Board who are officers or employees of the Federal Government


AMENDMENTS

2007—Subsec. (d). Pub. L. 109–482 struck out heading and text of subsec. (d). Text read as follows: “For the purpose of carrying out this section, there are authorized to be appropriated such sums as may be necessary for each of the fiscal years 2001 through 2003.”

EFFECTIVE DATE OF 2007 AMENDMENT

Amendment by Pub. L. 109–482 applicable only with respect to amounts appropriated for fiscal year 2007 or subsequent fiscal years, see section 109 of Pub. L. 109–482, set out as a note under section 261 of this title.

FINDINGS


1. lupus is a serious, complex, inflammatory, autoimmune disease of particular concern to women;

2. lupus affects women nine times more often than men;

3. there are three main types of lupus: systemic lupus, a serious form of the disease that affects many parts of the body; discoid lupus, a form of the disease that affects mainly the skin; and drug-induced lupus caused by certain medications;

4. lupus can be fatal if not detected and treated early;
shall serve as members of the Advisory Board without compensation in addition to that received in their regular public employment. Other members of the Advisory Board shall receive compensation at rates not to exceed the daily equivalent of the annual rate in effect for grade GS–18 of the General Schedule for each day (including traveltime) they are engaged in the performance of their duties as members of the Advisory Board.

(d) Term of office; vacancy

The term of office of an appointed member of the Advisory Board is four years. Any member appointed to fill a vacancy for an unexpired term shall be appointed for the remainder of such term. A member may serve after the expiration of the member’s term until a successor has taken office. If a vacancy occurs in the Advisory Board, the Secretary shall make an appointment to fill the vacancy not later than 90 days after the date the vacancy occurred.

(e) Chairman

The members of the Advisory Board shall select a chairman from among the appointed members.

(f) Executive director, professional and clerical staff; administrative support services and facilities

The Secretary shall, after consultation with and consideration of the recommendations of the Advisory Board, provide the Advisory Board with an executive director and one other professional staff member. In addition, the Secretary shall, after consultation with and consideration of the recommendations of the Advisory Board, provide the Advisory Board with such additional professional staff members, such clerical staff members, and (through contracts or other arrangements) with such administrative support services and facilities, such information, and such services of consultants, as the Secretary determines are necessary for the Advisory Board to carry out its functions.

(g) Meetings

The Advisory Board shall meet at the call of the chairman or upon request of the Director of the Institute, but not less often than four times a year.

(h) Duties and functions

The Advisory Board shall—

1. review and evaluate the implementation of the plan prepared under section 285d–1(a) of this title and periodically update the plan to ensure its continuing relevance;
2. for the purpose of assuring the most effective use and organization of resources respecting arthritis, musculoskeletal and skin diseases, advise and make recommendations to the Congress, the Secretary, the Director of NIH, the Director of the Institute, and the heads of other appropriate Federal agencies for the implementation and revision of such plan; and
3. maintain liaison with other advisory bodies for Federal agencies involved in the implementation of such plan, the interagency coordinating committees for such diseases established under section 285d–4 of this title, and

with key non-Federal entities involved in activities affecting the control of such diseases.

(i) Subcommittees; establishment and membership

In carrying out its functions, the Advisory Board may establish subcommittees, convene workshops and conferences, and collect data. Such subcommittees may be composed of Advisory Board members and nonmember consultants with expertise in the particular area addressed by such subcommittees. The subcommittees may hold such meetings as are necessary to enable them to carry out their activities.

(j) Termination of predecessor board; time within which to appoint members

The National Arthritis Advisory Board in existence on November 20, 1985, shall terminate upon the appointment of a successor Board under subsection (a). The Secretary shall make appointments to the Advisory Board established under subsection (a) before the expiration of 90 days after November 20, 1985. The member of the Board in existence on November 20, 1985, may be appointed, in accordance with subsections (b) and (d), to the Advisory Board established under subsection (a).


AMENDMENTS

2007—Subsecs. (j), (k). Pub. L. 109–482 redesignated subsec. (k) as (j) and struck out former subsec. (j) which required the Advisory Board to prepare an annual report for the Secretary and set out the subjects for report.


Subsec. (b). Pub. L. 103–43, §§ 701(d)(2), 2006(b)(7), substituted “twenty” for “eighteen” in introductory provisions, “eight” for “six” and “including one member who is a person who has such a disease, one person who is the parent of an adult with such a disease, and two members who are parents of children with arthritis” for “including at least one member who is a person who has such a disease and one member who is a parent of a person who has such a disease’’ in par. (1)(B), and “Department of Veterans Affairs” for “Veterans Administration” in par. (2)(A).


Pub. L. 102–405 substituted “Under Secretary for Health” for “Chief Medical Director”.

 EFFECTIVE DATE OF 2007 AMENDMENT

Amendment by Pub. L. 109–482 applicable only with respect to amounts appropriated for fiscal year 2007 or subsequent fiscal years, see section 109 of Pub. L. 109–482, set out as a note under section 281 of this title.

TERMINATION OF ADVISORY BOARDS

Advisory boards established after Jan. 5, 1973, to terminate not later than the expiration of the 2-year period beginning on the date of their establishment, unless, in the case of a board established by the President
or an officer of the Federal Government, such board is renewed by appropriate action prior to the expiration of such 2-year period, or in the case of a board established by the Congress, its duration is otherwise provided by law. See sections 3(c) and 14 of Pub. L. 92–463, Oct. 6, 1972, 86 Stat. 770, 776, set out in the Appendix to Title 5, Government Organization and Employees.

Pub. L. 93-443, § 6, Jan. 4, 1975, 88 Stat. 2275, set out as a note under section 217a of this title, provided that an advisory committee established pursuant to the Public Health Service Act shall terminate at such time as may be specifically prescribed by an Act of Congress enacted after Jan. 4, 1975.

References in other laws to GS–16, 17, or 18 pay rates

References in laws to the rates of pay for GS–16, 17, or 18, or to maximum rates of pay under the General Schedule, to be considered references to rates payable under specified sections of Title 5, Government Organization and Employees, see section 529 [title I, § 101(c)(1)] of Pub. L. 101–509, set out in a note under section 5376 of Title 5.

§ 285d–8. Juvenile arthritis and related conditions

(a) Expansion and coordination of activities

The Director of the Institute, in coordination with the Director of the National Institute of Allergy and Infectious Diseases, shall expand and intensify the programs of such Institutes with respect to research and related activities concerning juvenile arthritis and related conditions.

(b) Coordination

The Directors referred to in subsection (a) shall jointly coordinate the programs referred to in such subsection and consult with the Arthritis and Musculoskeletal Diseases Interagency Coordinating Committee.


AMENDMENTS

2007—Subsec. (c). Pub. L. 109–482 struck out heading and text of subsec. (c). Text read as follows: “For the purpose of carrying out this section, there are authorized to be appropriated such sums as may be necessary for each of the fiscal years 2001 through 2005.”

Effective Date of 2007 Amendment

Amendment by Pub. L. 109–482 applicable only with respect to amounts appropriated for fiscal year 2007 or subsequent fiscal years, see section 109 of Pub. L. 109–482, set out as a note under section 281 of this title.

SUBPART 5—NATIONAL INSTITUTE ON AGING

§ 285e. Purpose of Institute

The general purpose of the National Institute on Aging (hereafter in this subpart referred to as the “Institute”) is the conduct and support of biomedical, social, and behavioral research, training, health information dissemination, and other programs with respect to the aging process and the diseases and other special problems and needs of the aged.

(July 1, 1944, ch. 373, title IV, § 443, as added Pub. L. 99–158, § 2, Nov. 20, 1985, 99 Stat. 854.)

STUDY OF MALNUTRITION IN ELDERLY

Pub. L. 103–43, title XIX, § 1902, June 10, 1993, 107 Stat. 201, directed Secretary of Health and Human Services, acting through National Institute on Aging, to conduct a 3-year study on health benefits and cost-effectiveness of nutrition screening and intervention activities of the elderly, and a 3-year study to determine extent of malnutrition in elderly individuals in hospitals and long-term care facilities and in elderly individuals who are living independently, provided for creation of advisory panel to oversee studies, provided for submission to Congress of reports containing findings of such studies, and provided for termination of advisory panel 3 years after June 10, 1993.

STUDY OF PERSONNEL FOR HEALTH NEEDS OF ELDERLY

Section 8 of Pub. L. 99–158 directed Secretary to conduct a study on the adequacy and availability of personnel to meet the current and projected health needs (including needs for home and community-based care) of elderly Americans through the year 2020, and report the results of the study, with recommendations, to Congress by Mar. 1, 1987.

§ 285e–1. Special functions

(a) Education and training of adequate numbers of personnel

In carrying out the training responsibilities under this chapter or any other Act for health and allied health professions personnel, the Secretary shall take appropriate steps to insure the education and training of adequate numbers of allied health, nursing, and paramedical personnel in the field of health care for the aged.

(b) Scientific studies

The Director of the Institute shall conduct scientific studies to measure the impact on the biological, medical, social, and psychological aspects of aging of programs and activities assisted or conducted by the Department of Health and Human Services.

(c) Public information and education programs

The Director of the Institute shall carry out public information and education programs designed to disseminate as widely as possible the findings of research sponsored by the Institute, other relevant aging research and studies, and other information about the process of aging which may assist elderly and near-elderly persons in dealing with, and all Americans in understanding, the problems and processes associated with growing older.

(d) Grants for research relating to Alzheimer’s Disease

The Director of the Institute shall make grants to public and private nonprofit institutions to conduct research relating to Alzheimer’s Disease.

(July 1, 1944, ch. 373, title IV, § 444, as added Pub. L. 99–158, § 2, Nov. 20, 1985, 99 Stat. 854.)

§ 285e–2. Alzheimer’s Disease centers

(a) Cooperative agreements and grants for establishing and supporting

(1) The Director of the Institute may enter into cooperative agreements with and make grants to public or private nonprofit entities (including university medical centers) to pay all or part of the cost of planning, establishing, or strengthening, and providing basic operating support (including staffing) for centers for basic and clinical research (including multidiscipli-
(a) Development and expansion of centers

The Director of the Institute shall enter into cooperative agreements with, and make grants to, public and private nonprofit entities for the development or expansion of not less than 10 centers of excellence in geriatric research and training of researchers. Each such center shall be known as a Claude D. Pepper Older Americans Independence Center.

(b) Functions of centers

Each center developed or expanded under this section shall—

(1) utilize the facilities of a single institution, or be formed from a consortium of cooperating institutions, meeting such research and training qualifications as may be prescribed by the Director; and

(2) conduct—

(A) research into the aging processes and into the diagnosis and treatment of diseases, disorders, and complications related to aging, including menopause, which research includes research on such treatments, and on medical devices and other medical interventions regarding such diseases, disorders, and complications, that can assist individuals in avoiding institutionalization and prolonged hospitalization and in otherwise increasing the independence of the individuals; and

(B) programs to develop individuals capable of conducting research described in subparagraph (A).

(c) Geographic distribution of centers

In making cooperative agreements and grants under this section for the development or expan-
vision of centers, the Director of the Institute shall ensure that, to the extent practicable, any such centers are distributed equitably among the principal geographic regions of the United States.

(d) "Independence" defined
For purposes of this section, the term "independence", with respect to diseases, disorders, and complications of aging, means the functional ability of individuals to perform activities of daily living or instrumental activities of daily living without assistance or supervision.


AMENDMENTS


Subsec. (b)(2)(A). Pub. L. 101–557, §202(b)(1)(B), inserted before semicolon at end "—including menopause, which research includes research on such treatments, and on medical devices and other medical interventions regarding such diseases, disorders, and complications, that can assist individuals in avoiding institutionalization and prolonged hospitalization and in otherwise increasing the independence of the individuals."


§ 285e–4. Awards for leadership and excellence in Alzheimer’s disease and related dementias

(a) Senior researchers in biomedical research
The Director of the Institute shall make awards to senior researchers who have made distinguished achievements in biomedical research in areas relating to Alzheimer’s disease and related dementias. Awards under this section shall be made for the conduct of, research relevant to appropriate services for individuals with Alzheimer’s disease and related dementias and their families.

(b) Eligible centers
The Director of the Institute may make awards under this section to researchers at centers supported under section 285e–2 of this title and to researchers at other public and nonprofit private entities.

(c) Required recommendation
The Director of the Institute shall make awards under this section only to researchers who have been recommended for such awards by the National Advisory Council on Aging.

(d) Selection procedures
The Director of the Institute shall establish procedures for the selection of the recipients of awards under this section.

(e) Term of award; renewal
Awards under this section shall be made for a one-year period, and may be renewed for not more than six additional consecutive one-year periods.


CODIFICATION
Section was formerly classified to section 11231 of this title prior to renumbering by Pub. L. 100–607.

AMENDMENTS
1988—Pub. L. 100–607, §142(a), renumbered section 11231 of this title as this section.

Subsec. (a). Pub. L. 100–607, §142(d)(1)(A), substituted "the Institute" for "the National Institute on Aging" and made technical amendment to reference to section 285e–2 of this title to correct reference to corresponding provision of original act.

Subsecs. (c), (d). Pub. L. 100–607, §142(d)(1)(C), substituted "the Institute" for "the National Institute on Aging".

AVAILABILITY OF APPROPRIATIONS
Pub. L. 100–607, title I, §142(b), Nov. 4, 1988, 102 Stat. 3057, provided that: "With respect to amounts made available in appropriation Acts for the purpose of carrying out the programs transferred by subsection (a) to the Public Health Service Act [sections 285e–4 to 285e–8 of this title], such subsection may not be construed to affect the availability of such funds for such purpose."

§ 285e–5. Research relevant to appropriate services for individuals with Alzheimer’s disease and related dementias and their families

(a) Grants for research
The Director of the Institute shall conduct, or make grants for the conduct of, research relevant to appropriate services for individuals with Alzheimer’s disease and related dementias and their families.

(b) Preparation of plan; contents; revision
(1) Within 6 months after November 14, 1986, the Director of the Institute shall prepare and transmit to the Chairman of the Council on Alzheimer’s Disease (in this section referred to as the "Council") a plan for the research to be conducted under subsection (a). The plan shall—
(A) provide for research concerning—
(i) the epidemiology of, and the identification of risk factors for, Alzheimer’s disease and related dementias; and
(ii) the development and evaluation of reliable and valid multidimensional diagnostic and assessment procedures and instruments; and

(B) ensure that research carried out under the plan is coordinated with, and uses, to the maximum extent feasible, resources of, other Federal programs relating to Alzheimer’s disease and related dementias, including centers supported under section 285e–2 of this title, centers supported by the National Institute of Mental Health on the psychopathology of the elderly, relevant activities of the Administrators on Aging, other programs and centers involved in research on Alzheimer’s disease and related dementias supported by the Depart-
ment, and other programs relating to Alzheimer’s disease and related dementias which are planned or conducted by Federal agencies other than the Department, State or local agencies, community organizations, or private foundations.

(2) Within one year after transmitting the plan required under paragraph (1), and annually thereafter, the Director of the Institute shall prepare and transmit to the Chairman of the Council such revisions of such plan as the Director considers appropriate.

(c) Consultation for preparation and revision of plan

In preparing and revising the plan required by subsection (b), the Director of the Institute shall consult with the Chairman of the Council and the heads of agencies within the Department.

(d) Grants for promoting independence and preventing secondary disabilities

the Director of the Institute may develop, or make grants to develop—

(1) model techniques to—

(A) promote greater independence, including enhanced independence in performing activities of daily living and instrumental activities of daily living, for persons with Alzheimer’s disease and related disorders; and

(B) prevent or reduce the severity of secondary disabilities, including confusional episodes, falls, bladder and bowel incontinence, and adverse effects of prescription and over-the-counter medications, in such persons; and

(2) model curricula for health care professionals, health care paraprofessionals, and family caregivers, for training and application in the use of such techniques.

(e) “Council on Alzheimer’s Disease” defined

For purposes of this section, the term “Council on Alzheimer’s Disease” means the council established in section 11211(a) of this title.

(1) Establishment; purpose; duties; publication of results

The Council on Alzheimer’s Disease shall—

(1) compile, archive, and disseminate information concerning research, demonstration, evaluation, and training programs and projects concerning Alzheimer’s disease and related dementias and their families. The Council on Alzheimer’s Disease (hereinafter referred to as the “Council”) shall—

(2) annually publish a summary of the information compiled under paragraph (1) during the preceding 12-month period, and make such information available upon request to appropriate individuals and entities, including educational institutions, research entities, and Federal and public agencies.

(f) Fee for information

The Council shall—

(1) compile, archive, and disseminate information concerning research, demonstration, evaluation, and training programs and projects concerning Alzheimer’s disease and related dementias; and

(2) annually publish a summary of the information compiled under paragraph (1) during the preceding 12-month period, and make such information available upon request to appropriate individuals and entities, including educational institutions, research entities, and Federal and public agencies.

1898—Pub. L. 100–607, §142(a), renumbered section 11241 of this title prior to renumbering by Pub. L. 100–607.

Subsec. (a). Pub. L. 100–607, §142(d)(2)(A), substituted “the Institute” for “the National Institute on Aging”.

Subsec. (b)(1). Pub. L. 100–607, §142(d)(2)(B)(i)(I), in introductory provisions, substituted “the date of enactment of the Alzheimer’s Disease and Related Dementias Services Research Act of 1986” for “the date of enactment of this Act”, which for purposes of codification was translated as “November 14, 1986”, thus requiring no change in text.

Pub. L. 100–607, §142(d)(2)(B)(i)(II), made technical amendment to reference to section 285e–2 of this title to correct reference to corresponding provision of original act.

Subsecs. (b)(2), (c). Pub. L. 100–607, §142(d)(2)(B)(iii), (C), substituted “the Institute” for “the National Institute on Aging”.

§285e–6. Dissemination of research results

The Director of the Institute shall disseminate the results of research conducted under section 285e–5 of this title and this section to appropriate professional entities and to the public.

(1) Establishment; purpose; duties; publication of results

The Council on Alzheimer’s Disease shall—

(1) annually publish a summary of the information compiled under paragraph (1) during the preceding 12-month period, and make such information available upon request to appropriate individuals and entities, including educational institutions, research entities, and Federal and public agencies.

(f) Fee for information

The Council may charge an appropriate fee for information provided through the toll-free telephone line established under subsection (a)(3).
(c) **Summaries of research findings from other agencies**

The Director of the Institute, the Director of the National Institute of Mental Health, and the Director of the National Center for Health Services Research and Health Care Technology Assessment shall provide to the Clearinghouse summaries of the findings of research conducted under part D.


**References in Text**


**Codification**

Section was formerly classified to section 11281 of this title prior to renumbering by Pub. L. 100–607.

**Amendments**

1988—Pub. L. 100–607, §142(a), renumbered section 11281 of this title as this section.


Subsec. (c). Pub. L. 100–607, §142(d)(4)(B), substituted “the Institute” for “the National Institute on Aging” and “part D” for “part E”.

§ 285e–8. **Dissemination project**

(a) **Grant or contract for establishment**

The Director of the Institute shall make a grant to, or enter into a contract with, a national organization representing individuals with Alzheimer’s disease and related dementias for the conduct of the activities described in subsection (b).

(b) **Project activities**

The organization receiving a grant or contract under this section shall—

(1) establish a central computerized information system to—

(A) compile and disseminate information concerning initiatives by State and local governments and private entities to provide programs and services for individuals with Alzheimer’s disease and related dementias; and

(B) translate scientific and technical information concerning such initiatives into information readily understandable by the general public, and make such information available upon request; and

(2) establish a national toll-free telephone line to make available the information described in paragraph (1), and information concerning Federal programs, services, and benefits for individuals with Alzheimer’s disease and related dementias and their families.

(c) **Fees for information; exception**

The organization receiving a grant or contract under this section may charge appropriate fees for information provided through the toll-free telephone line established under subsection (b)(2), and may make exceptions to such fees for individuals and organizations who are not financially able to pay such fees.

(d) **Application for grant or contract; contents**

In order to receive a grant or contract under this section, an organization shall submit an application to the Director of the Institute. Such application shall contain—

(1) information demonstrating that such organization has a network of contacts which will enable such organization to receive information necessary to the operation of the central computerized information system described in subsection (b)(1);

(2) information demonstrating that, by the end of fiscal year 1991, such organization will be financially able to, and will, carry out the activities described in subsection (b) without a grant or contract from the Federal Government; and

(3) such other information as the Director may prescribe.


**Codification**

Section was formerly classified to section 11282 of this title prior to renumbering by Pub. L. 100–607.

**Amendments**

1988—Pub. L. 100–607, §142(a), renumbered section 11282 of this title as this section.

Subsecs. (a), (d). Pub. L. 100–607, §142(d)(5), substituted “the Institute” for “the National Institute on Aging”.

§ 285e–9. **Alzheimer’s disease registry**

(a) **In general**

The Director of the Institute may make a grant to develop a registry for the collection of epidemiological data about Alzheimer’s disease and its incidence in the United States, to train personnel in the collection of such data, and for other matters respecting such disease.

(b) **Qualifications**

To qualify for a grant under subsection (a) an applicant shall—

(1) be an accredited school of medicine or public health which has expertise in the collection of epidemiological data about individuals with Alzheimer’s disease and in the development of disease registries, and

(2) have access to a large patient population, including a patient population representative of diverse ethnic backgrounds.


**Codification**

Section was formerly set out as a note under section 285e–2 of this title prior to renumbering by Pub. L. 103–43.
§ 285e–10. Aging processes regarding women

The Director of the Institute, in addition to other special functions specified in section 285e–1 of this title and in cooperation with the Directors of the other national research institutes and agencies of the National Institutes of Health, shall conduct research into the aging processes of women, with particular emphasis given to the effects of menopause and the physiological and behavioral changes occurring during the transition from pre- to post-menopause, and into the diagnosis, disorders, and complications related to aging and loss of ovarian hormones in women.


AMENDMENTS
Subsec. (a). Pub. L. 103–43, § 801(b)(1), substituted in heading “In general” for “Grant authority” and in text substituted “Director of the Institute” for “Director of the National Institute on Aging”.
Subsec. (c). Pub. L. 103–43, § 801(b)(2), struck out subsec. (c) which authorized appropriations of $2,500,000 for grants to remain available until expended or through fiscal year 1989, whichever occurred first.

§ 285e–10a. Alzheimer’s clinical research and training awards

(a) In general

The Director of the Institute is authorized to establish and maintain a program to enhance and promote the translation of new scientific knowledge into clinical practice related to the diagnosis, care and treatment of individuals with Alzheimer’s disease.

(b) Support of promising clinicians

In order to foster the application of the most current developments in the etiology, pathogenesis, diagnosis, prevention and treatment of Alzheimer’s disease, amounts made available under this section shall be directed to the support of promising clinicians through awards for research, study, and practice at centers of excellence in Alzheimer’s disease research and treatment.

(c) Excellence in certain fields

Research shall be carried out under awards made under subsection (b) in environments of demonstrated excellence in neuroscience, neurobiology, geriatric medicine, and psychiatry and shall foster innovation and integration of such disciplines or other environments determined suitable by the Director of the Institute.


AMENDMENTS
2007—Subsec. (d), Pub. L. 109–482 struck out heading and text of subsec. (d). Text read as follows: “For the purpose of carrying out this section, there are authorized to be appropriated $2,250,000 for fiscal year 2001, and such sums as may be necessary for each of fiscal years 2002 through 2005.”

EFFECTIVE DATE OF 2007 AMENDMENT
Amendment by Pub. L. 109–482 applicable only with respect to amounts appropriated for fiscal year 2007 or subsequent fiscal years, see section 109 of Pub. L. 109–482, set out as a note under section 285e–11 of this title prior to repeal by Pub. L. 109–482.


EFFECTIVE DATE OF REPEAL
Repeal applicable only with respect to amounts appropriated for fiscal year 2007 or subsequent fiscal years, see section 109 of Pub. L. 109–482, set out as an Effective Date of 2007 Amendment note under section 261 of this title.

AMENDMENTS
1998—Pub. L. 106–505 designated existing provisions as subsec. (a) and added subsec. (b).

EFFECTIVE DATE OF 2007 AMENDMENT
Amendment by Pub. L. 109–482 applicable only with respect to amounts appropriated for fiscal year 2007 or subsequent fiscal years, see section 109 of Pub. L. 109–482, set out as a note under section 261 of this title.

SUBPART 6—NATIONAL INSTITUTE OF ALLERGY AND INFECTIOUS DISEASES

§ 285f. Purpose of Institute

The general purpose of the National Institute of Allergy and Infectious Diseases is the conduct and support of research, training, health information dissemination, and other programs with respect to allergic and immunologic diseases and disorders and infectious diseases, including tropical diseases.


AMENDMENTS
1993—Pub. L. 103–43 inserted before period at end “, including tropical diseases”.

§ 285f–1. Research centers regarding chronic fatigue syndrome

(a) The Director of the Institute, after consultation with the advisory council for the Institute, may make grants to, or enter into contracts with, public or nonprofit private entities for the development and operation of centers to conduct basic and clinical research on chronic fatigue syndrome.


EFFECTIVE DATE OF 2007 AMENDMENT
Amendment by Pub. L. 109–482 applicable only with respect to amounts appropriated for fiscal year 2007 or subsequent fiscal years, see section 109 of Pub. L. 109–482, set out as a note under section 261 of this title.
§ 285f-2. Research and research training regarding tuberculosis

In carrying out section 285f of this title, the Director of the Institute shall conduct or support research and research training regarding the cause, diagnosis, early detection, prevention and treatment of tuberculosis.


AMENDMENTS

2007—Pub. L. 109–482 struck out subsec. (a) designation before “In carrying out” and subsec. (b) which read as follows: “For the purpose of carrying out subsection (a) of this section, there are authorized to be appropriated $50,000,000 for fiscal year 1994, and such sums as may be necessary for each of the fiscal years 1995 through 1996. Such authorization is in addition to any other authorization of appropriations that is available for such purpose.”

EFFECTIVE DATE OF 2007 AMENDMENT

Amendment by Pub. L. 109–482 applicable only with respect to amounts appropriated for fiscal year 2007 or subsequent fiscal years, see section 109 of Pub. L. 109–482, set out as a note under section 281 of this title.

§ 285f-4. Microbicide research and development

The Director of the Institute, acting through the head of the Division of AIDS, shall, consistent with the peer-review process of the National Institutes of Health, carry out research on, and development of, safe and effective methods for use by women to prevent the transmission of the human immunodeficiency virus, which may include microbicides.

(July 1, 1944, ch. 373, title IV, § 447C, as added Pub. L. 110–293, title II, § 203(c), July 30, 2008, 122 Stat. 2941.)

SUBPART 7—EUNICE KENNEDY SHRIVER NATIONAL INSTITUTE OF CHILD HEALTH AND HUMAN DEVELOPMENT

CODIFICATION

§ 285g. Purpose of Institute

The general purpose of the Eunice Kennedy Shriver National Institute of Child Health and Human Development (hereafter in this subpart referred to as the "Institute") is the conduct and support of research, training, health information dissemination, and other programs with respect to gynecologic health, maternal health, child health, intellectual disabilities, human growth and development, including prenatally developed, population research, and special health problems and requirements of mothers and children.


EUNICE KENNEDY SHRIVER NATIONAL INSTITUTE OF CHILD HEALTH AND HUMAN DEVELOPMENT; FINDINGS


"(3) The vision, drive, and tenacity of one woman, Eunice Kennedy Shriver, was instrumental in proposing, passing, and enacting legislation to establish the National Institute of Child Health and Human Development (Public Law 87–838) [see Tables for classification] on October 17, 1962.

"(4) It is befitting and appropriate to recognize the substantial achievements of Eunice Kennedy Shriver, a tireless advocate for children with special needs, whose foresight in creating the National Institute of Child Health and Human Development gave life to the words of President Kennedy, who wished to 'encourage imaginative research into the complex processes of human development from conception to old age.'"

Change of Name

"Eunice Kennedy Shriver National Institute of Child Health and Human Development" substituted for "National Institute of Child Health and Human Development" in text, on authority of section 1(d) of Pub. L. 110–154, set out above, see Definitions note below.

AMENDMENTS


2000—Pub. L. 106–554 inserted "gynecologic health," after "with respect to".

Long-Term Child Development Study


"(c) REQUIETION.—The study under subsection (b) shall—

"(1) plan, develop, and implement a prospective cohort study, from birth to adulthood, to evaluate the effects of both chronic and intermittent exposures on child health and human development; and

"(2) investigate basic mechanisms of developmental disorders and environmental factors, both risk and protective, that influence health and developmental processes.


(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section $10,000,000 for fiscal year 2001, and such sums as may be necessary for each fiscal years 2002 through 2005."
§ 285g–1. Sudden infant death syndrome research

The Director of the Institute shall conduct and support research which specifically relates to sudden infant death syndrome.

(July 1, 1944, ch. 373, title IV, § 449, as added Pub. L. 99–158, § 2, Nov. 20, 1985, 99 Stat. 856.)

§ 285g–2. Research on intellectual disabilities

The Director of the Institute shall conduct and support research and related activities into the causes, prevention, and treatment of intellectual disabilities.


AMENDMENTS
2010—Pub. L. 111–256 amended section generally. Prior to amendment, text read as follows: “The Director of the Institute shall conduct and support research and related activities into the causes, prevention, and treatment of mental retardation.”

DEFINITIONS
For meaning of references to an intellectual disability and to individuals with intellectual disabilities in provisions amended by section 2 of Pub. L. 111–256, see section 2(k) of Pub. L. 111–256, set out as a note under section 1400 of Title 20, Education.

§ 285g–3. Associate Director for Prevention; appointment; function

There shall be in the Institute an Associate Director for Prevention to coordinate and promote the programs in the Institute concerning the prevention of health problems of mothers and children. The Associate Director shall be appointed by the Director of the Institute from individuals who because of their professional training or experience are experts in public health or preventive medicine.


AMENDMENTS
1998—Pub. L. 105–362 struck out subsec. (a) designation and struck out subsec. (b) which read as follows: “The Associate Director for Prevention shall prepare for inclusion in the biennial report made under section 285b of this title a description of the prevention activities of the Institute, including a description of the staff and resources allocated to those activities.”

§ 285g–4. National Center for Medical Rehabilitation Research

(a) Establishment of Center

There shall be in the Institute an agency to be known as the National Center for Medical Rehabilitation Research (hereafter in this section referred to as the “Center”). The Director of the Institute shall appoint a qualified individual to serve as Director of the Center. The Director of the Center shall report directly to the Director of the Institute.

(b) Purpose

The general purpose of the Center is the conduct, support, and coordination of research and research training (including research on the development of orthotic and prosthetic devices), the dissemination of health information, and other programs with respect to the rehabilitation of individuals with physical disabilities resulting from diseases or disorders of the neurological, musculoskeletal, cardiovascular, pulmonary, or any other physiological system (hereafter in this section referred to as “medical rehabilitation”).

(c) Authority of Director

(1) In carrying out the purpose described in subsection (b), the Director of the Center may—
(A) provide for clinical trials regarding medical rehabilitation;
(B) provide for research regarding model systems of medical rehabilitation;
(C) coordinate the activities within the Center with similar activities of other agencies of the Federal Government, including the other agencies of the National Institutes of Health, and with similar activities of other public entities and of private entities;
(D) support multidisciplinary medical rehabilitation research conducted or supported by more than one such agency;
(E) in consultation with the advisory council for the Institute and with the approval of the Director of NIH—
(i) establish technical and scientific peer review groups in addition to those appointed under section 282(b)(16) of this title; and
(ii) appoint the members of peer review groups established under subparagraph (A); and
(F) support medical rehabilitation research and training centers.

The Federal Advisory Committee Act shall not apply to the duration of a peer review group appointed under subparagraph (E).

(2) In carrying out this section, the Director of the Center may make grants and enter into cooperative agreements and contracts.
§285g–4  TITLE 42—THE PUBLIC HEALTH AND WELFARE  Page 650

(d) Research Plan

(1) The Director of the Center, in consultation with the Director of the Institute, the coordinating committee established under subsection (e), and the advisory board established under subsection (f), shall develop a comprehensive plan (referred to in this section as the “Research Plan”) for the conduct, support, and coordination of medical rehabilitation research.

(2) The Research Plan shall—

(A) identify current medical rehabilitation research activities conducted or supported by the Federal Government, opportunities and needs for additional research, and priorities for such research;

(B) make recommendations for the coordination of such research conducted or supported by the National Institutes of Health and other agencies of the Federal Government; and

(C) include goals and objectives for conducting, supporting, and coordinating medical rehabilitation research, consistent with the purpose described in subsection (b).

(3)(A) Not later than 18 months after the date of the enactment of the National Institutes of Health Revitalization Amendments of 1990, the Director of the Institute shall transmit the Research Plan to the Director of NIH, who shall submit the Plan to the President and the Congress.

(B) Subparagraph (A) shall be carried out independently of the process of reporting that is required in sections 283 and 284b of this title.

(4) The Director of the Center, in consultation with the Director of the Institute, the coordinating committee established under subsection (e), and the advisory board established under subsection (f), shall revise and update the Research Plan periodically, as appropriate, or not less than every 5 years. Not later than 30 days after the Research Plan is so revised and updated, the Director of the Center shall transmit the revised and updated Research Plan to the President, the Committee on Health, Education, Labor, and Pensions of the Senate, and the Committee on Energy and Commerce of the House of Representatives.

(5) The Director of the Center, in consultation with the Director of the Institute, shall, prior to revising and updating the Research Plan, prepare a report for the coordinating committee established under subsection (e) and the advisory board established under subsection (f) that describes and analyzes the progress during the preceding fiscal year in achieving the goals and objectives described in paragraph (2)(C) and includes expenditures for rehabilitation research at the National Institutes of Health. The report shall include recommendations for revising and updating the Research Plan, and such initiatives as the Director of the Center and the Director of the Institute determine appropriate. In preparing the report, the Director of the Center and the Director of the Institute shall consult with the Director of the National Institutes of Health.

(e) Medical Rehabilitation Coordinating Committee

(1) The Director of NIH shall establish a committee to be known as the Medical Rehabilitation Coordinating Committee (hereafter in this section referred to as the “Coordinating Committee”).

(2) The Coordinating Committee shall periodically host a scientific conference or workshop on medical rehabilitation research and make recommendations to the Director of the Institute and the Director of the Center with respect to the content of the Research Plan and with respect to the activities of the Center that are carried out in conjunction with other agencies of the National Institutes of Health and with other agencies of the Federal Government.

(3) The Coordinating Committee shall be composed of the Director of the Division of Program Coordination, Planning, and Strategic Initiatives within the Office of the Director of the National Institutes of Health, the Director of the Center, the Director of the Institute, and the Directors of the National Institute on Aging, the National Institute of Arthritis and Musculoskeletal and Skin Diseases, the National Heart, Lung, and Blood Institute, the National Institute of Neurological Disorders and Stroke, and such other national research institutes and such representatives of other agencies of the Federal Government as the Director of NIH determines to be appropriate.

(4) The Coordinating Committee shall be chaired by the Director of the Center.

(f) National Advisory Board on Medical Rehabilitation Research

(1) Not later than 90 days after the date of the enactment of the National Institutes of Health Revitalization Amendments of 1990, the Director of NIH shall establish a National Advisory Board on Medical Rehabilitation Research (hereafter in this section referred to as the “Advisory Board”).

(2) The Advisory Board shall review and assess Federal research priorities, activities, and findings regarding medical rehabilitation research, and shall advise the Director of the Center and the Director of the Institute on the provisions of the Research Plan.

(3)(A) The Director of NIH shall appoint to the Advisory Board 18 qualified representatives of the public who are not officers or employees of the Federal Government. Of such members, 12 shall be representatives of health and scientific disciplines with respect to medical rehabilitation and 6 shall be individuals representing the interests of individuals undergoing, or in need of, medical rehabilitation.

(B) The following officials shall serve as ex officio members of the Advisory Board:

(i) The Director of the Center.

(ii) The Director of the Institute.

(iii) The Director of the National Institute on Aging.

(iv) The Director of the National Institute of Arthritis and Musculoskeletal and Skin Diseases.

(v) The Director of the National Institute on Deafness and Other Communication Disorders.

(vi) The Director of the National Heart, Lung, and Blood Institute.

1 See References in Text note below.
(vii) The Director of the National Institute of Neurological Disorders and Stroke.

(viii) The Director of the National Institute on Disability and Rehabilitation Research.

(ix) The Director of the Division of Program Coordination, Planning, and Strategic Initiatives.

(x) The Commissioner for Rehabilitation Services Administration.

(xi) The Assistant Secretary of Defense (Health Affairs).

(xii) The Under Secretary for Health of the Department of Veterans Affairs.

(4) The members of the Advisory Board shall, from among the members appointed under paragraph (3)(A), designate an individual to serve as the chair of the Advisory Board.

(g) Review and coordination of medical rehabilitation research programs

(1) The Secretary and the heads of other Federal agencies shall jointly review the programs carried out (or proposed to be carried out) by each such official with respect to medical rehabilitation research and, as appropriate, enter into agreements preventing duplication among such programs.

(2) The Secretary shall, as appropriate, enter into interagency agreements relating to the coordination of medical rehabilitation research conducted by agencies of the National Institutes of Health and other agencies of the Federal Government.

(h) "Medical rehabilitation research" defined

For purposes of this section, the term "medical rehabilitation research" means the science of mechanisms and interventions that prevent, improve, restore, or replace lost, underdeveloped, or deteriorating function.


(2) The date of enactment of the National Institutes of Health, see section 101 of Pub. L. 101–613, § 3(a), which enacted this section.

(3) The date of the enactment of the National Institutes of Health Reform Act of 1996, Pub. L. 104–135, May 7, 1996, 100 Stat. 136, which required the Secretary to submit a report to the Congress, which report shall contain information on the programs and activities of the Institutes, the realization of the recommendations of the Advisory Board, and a description of the extent to which the Institutes are implementing the recommendations.

(4) The date of the enactment of the Public Health and Human Services and the Services Administration of Health and Human Services, see section 3(h)(B)(ii) of Pub. L. 101–613, § 3(h)(B)(ii), which required the Secretary to submit a report to the Congress, which report shall contain information on the programs and activities of the Institutes and the realization of the recommendations of the Advisory Board.

Amendments


Subsec. (h)(3)(B), was repealed by Pub. L. 109–482, title I, § 109–482 substituted "section 282(b)(16)" for "section 282(b)(6)".

1992—Subsec. (f)(3)(B)(ix) to (xii). Pub. L. 102–405 substituted "Under Secretary for Health of the Department of Veterans Affairs" for "Chief Medical Director of the Department of Veterans Affairs".

Effective Date of 2007 Amendment

Amendment by Pub. L. 109–482 applicable only with respect to amounts appropriated for fiscal year 2007 or subsequent fiscal years, see section 109 of Pub. L. 109–482, set out as a note under section 267 of this title.

Transfer of Functions

Functions which the Director of the National Institute on Disability and Rehabilitation Research exercised before July 22, 2014 (including all related functions of any officer or employee of the National Institute on Disability and Rehabilitation Research, transferred to the National Institute on Disability, Independent Living, and Rehabilitation Research, see section (n) of section 351e of Title 42, The Public Health and Welfare.

Preventing Duplication Programs of Medical Rehabilitation Research

Pub. L. 101–613, § 3(b), Nov. 16, 1990, 104 Stat. 3230, which required the Secretary of Health and Human Services and the heads of other Federal agencies to jointly review medical rehabilitation research programs and enter into agreements for preventing duplication among such programs not later than one year after November 16, 1990, was repealed by Pub. L. 114–255, div. A, title II, § 2040(b)(2), Dec. 13, 2016, 130 Stat. 1070. See subsecs. (g) and (h) of this section.

Termination of Advisory Boards

Advisory boards established after Jan. 5, 1973, to terminate not later than the expiration of the 2-year period beginning on the date of their establishment, unless, in the case of a board established by the President or an officer of the Federal Government, such board is renewed by appropriate action prior to the expiration of the 2-year period.
of such 2-year period, or in the case of a board established by Congress, its duration is otherwise provided by law. See sections 3(2) and 14 of Pub. L. 92–483, Oct. 6, 1972, 86 Stat. 779, 776, set out in the Appendix to Title 5, Government Organization and Employees.

Pub. L. 93–641, §6, Jan. 4, 1975, 88 Stat. 2275, set out as a note under section 217a of this title, provided that an advisory committee established pursuant to the Public Health Service Act shall terminate at such time as may be specifically prescribed by an Act of Congress enacted after Jan. 4, 1975.

§285g–5. Research centers with respect to contraception and infertility

(a) Grants and contracts

The Director of the Institute, after consultation with the advisory council for the Institute, shall make grants to, or enter into contracts with, public or nonprofit private entities for the development and operation of centers to conduct activities for the purpose of improving methods of contraception and centers to conduct activities for the purpose of improving methods of diagnosis and treatment of infertility.

(b) Number of centers

In carrying out subsection (a), the Director of the Institute shall, subject to the extent of amounts made available in appropriations Acts, provide for the establishment of three centers with respect to contraception and for two centers with respect to infertility.

(c) Duties

(1) Each center assisted under this section shall, in carrying out the purpose of the center involved—

(A) conduct clinical and other applied research, including—

(i) for centers with respect to contraception, clinical trials of new or improved drugs and devices for use by males and females (including barrier methods); and

(ii) for centers with respect to infertility, clinical trials of new or improved drugs and devices for the diagnosis and treatment of infertility in males and females;

(B) develop protocols for training physicians, scientists, nurses, and other health and allied health professionals;

(C) conduct training programs for such individuals;

(D) develop model continuing education programs for such professionals; and

(E) disseminate information to such professionals and the public.

(2) A center may use funds provided under subsection (a) to provide stipends for health and allied health professionals enrolled in programs described in subparagraph (C) of paragraph (1), and to provide fees to individuals serving as subjects in clinical trials conducted under such paragraph.

(d) Coordination of information

The Director of the Institute shall, as appropriate, provide for the coordination of information among the centers assisted under this section.

(e) Facilities

Each center assisted under subsection (a) shall use the facilities of a single institution, or be formed from a consortium of cooperating institutions, meeting such requirements as may be prescribed by the Director of the Institute.

(f) Period of support

Support of a center under subsection (a) may be for a period not exceeding 5 years. Such period may be extended for one or more additional periods not exceeding 5 years if the operations of such center have been reviewed by an appropriate technical and scientific peer review group established by the Director and if such group has recommended to the Director that such period should be extended.


AMENDMENTS

2007—Subsec. (g). Pub. L. 109–482 struck out subsec. (g) which read as follows: “For the purpose of carrying out this section, there are authorized to be appropriated $30,000,000 for fiscal year 1994, and such sums as may be necessary for each of the fiscal years 1995 and 1996.”

EFFECTIVE DATE OF 2007 AMENDMENT Amendment by Pub. L. 109–482 applicable only with respect to amounts appropriated for fiscal year 2007 or subsequent fiscal years, see section 109 of Pub. L. 109–482, set out as a note under section 281 of this title.

§285g–6. Program regarding obstetrics and gynecology

The Director of the Institute shall establish and maintain within the Institute an intramural laboratory and clinical research program in obstetrics and gynecology.

(July 1, 1944, ch. 373, title IV, §452B, as added Pub. L. 103–43, title X, §101, June 10, 1993, 107 Stat. 166.)

§285g–7. Child health research centers

The Director of the Institute shall develop and support centers for conducting research with respect to child health. Such centers shall give priority to the expeditious transfer of advances from basic science to clinical applications and improving the care of infants and children.

(July 1, 1944, ch. 373, title IV, §452C, as added Pub. L. 103–43, title X, §1021, June 10, 1993, 107 Stat. 167.)

§285g–8. Prospective longitudinal study on adolescent health

(a) In general

Not later than October 1, 1993, the Director of the Institute shall commence a study for the purpose of providing information on the general health and well-being of adolescents in the United States, including, with respect to such adolescents, information on—

(1) the behaviors that promote health and the behaviors that are detrimental to health; and

(2) the influence on health of factors particular to the communities in which the adolescents reside.
(b) Design of study

(1) In general

The study required in subsection (a) shall be a longitudinal study in which a substantial number of adolescents participate as subjects. With respect to the purpose described in such subsection, the study shall monitor the subjects throughout the period of the study to determine the health status of the subjects and any change in such status over time.

(2) Population-specific analyses

The study required in subsection (a) shall be conducted with respect to the population of adolescents who are female, the population of adolescents who are male, various socioeconomic populations of adolescents, and various racial and ethnic populations of adolescents. The study shall be designed and conducted in a manner sufficient to provide for a valid analysis of whether there are significant differences among such populations in health status and whether and to what extent any such differences are due to factors particular to the populations involved.

(c) Coordination with Women's Health Initiative

With respect to the national study of women being conducted by the Secretary and known as the Women's Health Initiative, the Secretary shall ensure that such study is coordinated with the component of the study required in subsection (a) that concerns adolescent females, including coordination in the design of the 2 studies.

(2) Number of centers

(A) In general

In carrying out paragraph (1), the Director of the Institute shall make grants or enter into contracts for the development and operation of centers to conduct research for the purposes of improving the diagnosis and treatment of, and finding the cure for, fragile X.

(B) Peer review requirement

The Director of the Institute shall make a grant to, or enter into a contract with, an entity for purposes of establishing a center under paragraph (1) only if the grant or contract has been recommended after technical and scientific peer review required by regulations under section 289a of this title.

(3) Activities

The Director of the Institute, with the assistance of centers established under paragraph (1), shall conduct and support basic and biomedical research into the detection and treatment of fragile X.

(4) Coordination among centers

The Director of the Institute shall, as appropriate, provide for the coordination of the activities of the centers assisted under this section, including providing for the exchange of information among the centers.

(5) Certain administrative requirements

Each center assisted under paragraph (1) shall use the facilities of a single institution, or be formed from a consortium of cooperating institutions, meeting such requirements as may be prescribed by the Director of the Institute.

(6) Duration of support

Support may be provided to a center under paragraph (1) for a period not exceeding 5 years. Such period may be extended for one or more additional periods, each of which may not exceed 5 years, if the operations of such center have been reviewed by an appropriate technical and scientific peer review group established by the Director and if such group has recommended to the Director that such period be extended.

Amendments

2007—Subsec. (b)(7). Pub. L. 109–482 struck out heading and text of par. (7). Text read as follows: “For the purpose of carrying out this subsection, there are authorized to be appropriated such sums as may be necessary for each of the fiscal years 2001 through 2005.”

Effective Date of 2007 Amendment

Amendment by Pub. L. 109–482 applicable only with respect to amounts appropriated for fiscal year 2007 or subsequent fiscal years, see section 109 of Pub. L. 109–482, set out as a note under section 281 of this title.

§ 285g–10. Investment in tomorrow's pediatric researchers

In order to ensure the future supply of researchers dedicated to the care and research needs of children, the Director of the Institute, after consultation with the Administrator of the Health Resources and Services Administration, shall support activities to provide for—

(1) an increase in the number and size of institutional training grants to institutions supporting pediatric training; and

(2) an increase in the number of career development awards for health professionals who intend to build careers in pediatric basic and clinical research, including pediatric pharmacological research.
The purposes for which a grant under subsection (a) may be expended include equipment for the research described in such subsection.

(3) The general purpose of the National Institute of Neurological Disorders and Stroke (hereafter in this subpart referred to as the "Institute") is the conduct and support of research, training, health information dissemination, and other programs with respect to the cause, prevention, and methods of diagnosis and treatment of neurological and communicative disorders and conditions.

(4) The conduct of research concerning the outcomes of eye care treatments and eye health education programs as they relate to patients with diabetic eye disease, including the evaluation of regional approaches to such research.

(c) Authorized expenditures

The purposes for which a grant under subsection (a) may be expended include equipment for the research described in such subsection.

(2) developing new and improved techniques of patient care through basic and clinical research;

(3) assisting in translation of the latest research advances into clinical practice; and

(4) expanding the knowledge of the eye and diabetes through further research.

(b) Use of funds

Amounts received under a grant awarded under this section shall be used for the following:

(1) Establishing the biochemical, cellular, and genetic mechanisms associated with diabetic eye disease and the earlier detection of pending eye abnormalities. The focus of work under this paragraph shall require that ophthalmologists have training in the most up-to-date molecular and cell biological methods.

(2) Establishing new frontiers in technology, such as video-based diagnostic and research resources, to—

(A) provide improved patient care;

(B) provide for the evaluation of retinal physiology and its affect on diabetes; and

(C) provide for the assessment of risks for the development and progression of diabetic eye disease and a more immediate evaluation of various therapies aimed at preventing diabetic eye disease.

Such technologies shall be designed to permit evaluations to be performed both in humans and in animal models.

(3) The translation of the results of vision research into the improved care of patients with diabetic eye disease. Such translation shall require the application of institutional resources that encompass patient care, clinical research and basic laboratory research.

(4) The conduct of research concerning the outcomes of eye care treatments and eye health education programs as they relate to patients with diabetic eye disease, including the evaluation of regional approaches to such research.

$285j. Purpose of Institute

The general purpose of the National Institute of Neurological Disorders and Stroke (hereafter in this subpart referred to as the "Institute") is the conduct and support of research, training, health information dissemination, and other programs with respect to the cause, prevention, and methods of diagnosis and treatment of neurological and communicative disorders and conditions.
in this subpart referred to as the "Institute") is the conduct and support of research, training, health information dissemination, and other programs with respect to neurological disease and disorder and stroke.


AMENDMENTS

1989—Pub. L. 101–93 substituted "disease and" for "disease and and".

1988—Pub. L. 100–553 and Pub. L. 100–607 made identical amendments, substituting "Neurological Disorders" for "Neurological and Communicative Disorders" and "disorder and stroke" for "disorder, stroke, and disorders of human communication".

Pub. L. 100–690 amended this section to read as if the amendments by Pub. L. 100–607 had not been enacted.

EFFECTIVE DATE OF 1988 AMENDMENT

For effective date of amendment by Pub. L. 100–690, see section 2613(b)(1) of Pub. L. 100–607, set out as an Effective of Enactment of Similar Provisions note under section 285m of this title.

§ 285j–1. Spinal cord regeneration research

The Director of the Institute shall conduct and support research into spinal cord regeneration.

(July 1, 1944, ch. 373, title IV, § 458, as added Pub. L. 99–158, §2, Nov. 20, 1985, 99 Stat. 857.)

INTERAGENCY COMMITTEE ON SPINAL CORD INJURY


"(a) Establishment.—Within 90 days after the date of enactment of this Act [Nov. 20, 1985], the Secretary of Health and Human Services shall establish in the National Institute of Neurological and Communicative Diseases and Stroke an Interagency Committee on Spinal Cord Injury (hereafter in this section referred to as the 'Interagency Committee'). The Interagency Committee shall plan, develop, coordinate, and implement comprehensive Federal initiatives in research on spinal cord injury and regeneration.

"(b) Committee Composition and Meetings.—(1) The Interagency Committee shall consist of representatives from—

"(A) the National Institute on Neurological and Communicative Disorders and Stroke;
"(B) the Department of Defense;
"(C) the Department of Education;
"(D) the Veterans' Administration;
"(E) the Office of Science and Technology Policy; and
"(F) the National Science Foundation; designated by the heads of such entities.

"(2) The Interagency Committee shall meet at least four times. The Secretary of Health and Human Services shall select the Chairman of the Interagency Committee from the members of the Interagency Committee.

"(c) Report.—Within the 18 months after the date of enactment of this Act [Nov. 20, 1985], the Interagency Committee shall prepare and transmit to the Congress a report concerning its activities under this section. The report shall include a description of research projects on spinal cord injury and regeneration conducted or supported by Federal agencies during such 18-month period, the nature and purpose of each such project, the amounts expended for each such project, and an identification of the entity which conducted the research under each such project.

"(d) Termination.—The Interagency Committee shall terminate 90 days after the date on which the Interagency Committee transmits the report required by subsection (c) to the Congress.

§ 285j–2. Bioengineering research

The Director of the Institute shall make grants or enter into contracts for research on the means to overcome paralysis of the extremities through electrical stimulation and the use of computers.

(July 1, 1944, ch. 373, title IV, §459, as added Pub. L. 99–158, §2, Nov. 20, 1985, 99 Stat. 857.)


The Director of the Institute shall conduct and support research on multiple sclerosis, especially research on effects of genetics and hormonal changes on the progress of the disease.

(July 1, 1944, ch. 373, title IV, §460, as added Pub. L. 103–43, title XII, §1201, June 10, 1993, 107 Stat. 169.)

SUBPART II—NATIONAL INSTITUTE OF GENERAL MEDICAL SCIENCES

§ 285k. National Institute of General Medical Sciences

(a) General purpose

The general purpose of the National Institute of General Medical Sciences is the conduct and support of research, training, and, as appropriate, health information dissemination, and other programs with respect to general or basic medical sciences and related natural or behavioral sciences which have significance for two or more other national research institutes or are outside the general area of responsibility of any other national research institute.

(b) Institutional development award program

(1) In the case of entities described in subparagraph (B), the Director of NIH, acting through the Director of the National Institute of General Medical Sciences, shall establish a program to enhance the competitiveness of such entities in obtaining funds from the national research institutes for conducting biomedical and behavioral research.

(B) The entities referred to in subparagraph (A) are entities that conduct biomedical and behavioral research and are located in a State in which the aggregate success rate for applications to the national research institutes for assistance for such research by the entities in the State has historically constituted a low success rate of obtaining such funds, relative to such aggregate rate for such entities in other States.

(C) With respect to enhancing competitiveness for purposes of subparagraph (A), the Director of NIH, in carrying out the program established under such subparagraph, may—

(i) provide technical assistance to the entities involved, including technical assistance in the preparation of applications for obtaining funds from the national research institutes; and
(iii) assist the entities in implementing such plan.

(2) The Director of NIH shall establish a program of supporting projects of biomedical or behavioral research whose principal researchers are individuals who have not previously served as the principal researchers of such projects supported by the Director.


CODIFICATION


AMENDMENTS

2011—Pub. L. 112–74, § 221(b)(5)(A), substituted “National Institute of General Medical Sciences” for “Purpose of Institute” in section catchline, designated existing provisions as subsec. (a), and inserted subsec. heading.

Subsec. (b). Pub. L. 112–74, § 221(b)(5)(C)(i), (ii), inserted heading and realigned margins.

Pub. L. 112–74, § 221(b)(5)(B), transferred subsec. (g) of section 282 of this title and redesignated it as subsec. (b) of this section. See Codification note above.

Subsec. (c)(1)(A). Pub. L. 112–74, § 221(b)(5)(D)(ii), (iii), substituted “acting through the Director of the National Institute of General Medical Sciences” for “acting through the Director of the National Center for Research Resources”.

SUBPART 12—NATIONAL INSTITUTE OF ENVIRONMENTAL HEALTH SCIENCES

§ 285l. Purpose of Institute

The general purpose of the National Institute of Environmental Health Sciences (in this subpart referred to as the “Institute”) is the conduct and support of research, training, health information dissemination, and other programs with respect to factors in the environment that affect human health, directly or indirectly.


AMENDMENTS

1963—Pub. L. 88–162 inserted “(in this subpart referred to as the ‘Institute’)” after “Sciences”.

§ 285l–1. Applied Toxicological Research and Testing Program

(a) There is established within the Institute a program for conducting applied research and testing regarding toxicology, which program shall be known as the Applied Toxicological Research and Testing Program.

(b) In carrying out the program established under subsection (a), the Director of the Institute shall, with respect to toxicology, carry out activities—

(1) to expand knowledge of the health effects of environmental agents;

(2) to broaden the spectrum of toxicology information that is obtained on selected chemicals;

(3) to develop and validate assays and protocols, including alternative methods that can reduce or eliminate the use of animals in acute or chronic safety testing;

(4) to establish criteria for the validation and regulatory acceptance of alternative testing and to recommend a process through which scientifically validated alternative methods can be accepted for regulatory use;

(5) to communicate the results of research to government agencies, to medical, scientific, and regulatory communities, and to the public; and

(6) to integrate related activities of the Department of Health and Human Services.

(July 1, 1944, ch. 373, title IV, § 463A, as added Pub. L. 103–43, title XIII, § 1301(b), June 10, 1993, 107 Stat. 169.)

§ 285l–2. Definitions

In sections 285l–2 to 285l–5 of this title:

(1) Alternative test method

The term “alternative test method” means a test method that—

(A) includes any new or revised test method; and

(B)(i) reduces the number of animals required;

(ii) refines procedures to lessen or eliminate pain or distress to animals, or enhances animal well-being; or

(iii) replaces animals with non-animal systems or one animal species with a phylogenetically lower animal species, such as replacing a mammal with an invertebrate.

(2) ICCVAM test recommendation

The term “ICCVAM test recommendation” means a summary report prepared by the ICCVAM characterizing the results of a scientific expert peer review of a test method.


CODIFICATION

Section was enacted as part of the ICCVAM Authorization Act of 2000, and not as part of the Public Health Service Act which comprises this chapter.

§ 285l–3. Interagency Coordinating Committee on the Validation of Alternative Methods

(a) In general

With respect to the interagency coordinating committee that is known as the Interagency Coordinating Committee on the Validation of Alternative Methods (referred to in sections 285l–2 to 285l–5 of this title as “ICCVAM”) and that was established by the Director of the National Institute of Environmental Health Sciences for purposes of section 285l–1(b) of this title, the Director of the Institute shall designate such committee as a permanent interagency coordinating committee of the Institute under the National Toxicology Program Interagency Center for the Evaluation of Alternative Toxicological Methods. Sections 285l–2 to 285l–5 of this title may not be construed as affecting the authorities of such Director regarding ICCVAM that were in effect on the day before December 19, 2000, except to

(b) Purposes

The purposes of the ICCVAM shall be to—

1. increase the efficiency and effectiveness of Federal agency test method review;

2. eliminate unnecessary duplicative efforts and share experiences between Federal regulatory agencies;

3. optimize utilization of scientific expertise outside the Federal Government;

4. ensure that new and revised test methods are validated to meet the needs of Federal agencies; and

5. reduce, refine, or replace the use of animals in testing, where feasible.

(c) Composition

The ICCVAM shall be composed of the heads of the following Federal agencies (or their designees):

1. Agency for Toxic Substances and Disease Registry.


3. Department of Agriculture.


5. Department of Energy.


7. Department of Transportation.

8. Environmental Protection Agency.


15. Occupational Safety and Health Administration.

16. Any other agency that develops, or employs tests or test data using animals, or regulates on the basis of the use of animals in toxicity testing.

(d) Scientific Advisory Committee

(1) Establishment

The Director of the National Institute of Environmental Health Sciences shall establish a Scientific Advisory Committee (referred to in this section as the “SAC”) to advise ICCVAM and the National Toxicology Program Interagency Center for the Evaluation of Alternative Toxicological Methods regarding ICCVAM activities. The activities of the SAC shall be subject to provisions of the Federal Advisory Committee Act.

(2) Membership

(A) In general

The SAC shall be composed of the following voting members:

(i) At least one knowledgeable representative having a history of expertise, development, or evaluation of new or revised or alternative test methods from each of—

(I) the personal care, pharmaceutical, industrial chemicals, or agriculture industry;

(II) any other industry that is regulated by the Federal agencies specified in subsection (c); and

(III) a national animal protection organization established under section 501(c)(3) of title 26.

(ii) Representatives (selected by the Director of the National Institute of Environmental Health Sciences) from an academic institution, a State government agency, an international regulatory body, or any corporation developing or marketing new or revised or alternative test methodologies, including contract laboratories.

(B) Nonvoting ex officio members

The membership of the SAC shall, in addition to voting members under subparagraph (A), include as nonvoting ex officio members the agency heads specified in subsection (c) (or their designees).

(e) Duties

The ICCVAM shall, consistent with the purposes described in subsection (b), carry out the following functions:

1. Review and evaluate new or revised or alternative test methods, including batteries of tests and test screens, that may be acceptable for specific regulatory uses, including the coordination of technical reviews of proposed new or revised or alternative test methods of interagency interest.

2. Facilitate appropriate interagency and international harmonization of acute or chronic toxicological test protocols that encourage the reduction, refinement, or replacement of animal test methods.

3. Facilitate and provide guidance on the development of validation criteria, validation studies and processes for new or revised or alternative test methods and help facilitate the acceptance of such scientifically valid test methods and awareness of accepted test methods by Federal agencies and other stakeholders.

4. Submit ICCVAM test recommendations for the test method reviewed by the ICCVAM, through expeditious transmittal by the Secretary of Health and Human Services (or the designee of the Secretary), to each appropriate Federal agency, along with the identification of specific agency guidelines, recommendations, or regulations for a test method, including batteries of tests and test screens, for chemicals or class of chemicals within a regulatory framework that may be appropriate for scientific improvement, while seeking to reduce, refine, or replace animal test methods.

5. Consider for review and evaluation, petitions received from the public that—

(A) identify a specific regulation, recommendation, or guideline regarding a regulatory mandate; and

(B) recommend new or revised or alternative test methods and provide valid scientific evidence of the potential of the test method.

6. Make available to the public final ICCVAM test recommendations to appropriate Federal agencies and the responses from the agencies regarding such recommendations.

7. Prepare reports to be made available to the public on its progress under sections 285–2
§ 285l–4 Federal agency action

(a) Identification of tests

With respect to each Federal agency carrying out a program that requires or recommends acute or chronic toxicological testing, such agency shall, not later than 180 days after receiving an ICCVAM test recommendation, identify and forward to the ICCVAM any relevant test method specified in a regulation or industry-wide guideline which specifically, or in practice requires, recommends, or encourages the use of an animal acute or chronic toxicological test method for which the ICCVAM test recommendation may be added or substituted.

(b) Alternatives

Each Federal agency carrying out a program described in subsection (a) shall promote and encourage the development and use of alternatives to animal test methods (including batteries of tests and test screens), where appropriate, for the purpose of complying with Federal statutes, regulations, guidelines, or recommendations (in each instance, and for each chemical class) if such test methods are found to be effective for generating data, in an amount and of a scientific value that is at least equivalent to the data generated prior to such recommendation, for the appropriate hazard identification, dose-response assessment, or risk assessment purposes.

(c) Test method validation

Each Federal agency carrying out a program described in subsection (a) shall ensure that any new or revised acute or chronic toxicity test method, including animal test methods and alternatives, is determined to be valid for its proposed use prior to requiring, recommending, or encouraging the application of such test method.

(d) Review

Not later than 180 days after receipt of an ICCVAM test recommendation, a Federal agency carrying out a program described in subsection (a) shall review such recommendation and notify the ICCVAM in writing of its findings.

(e) Recommendation adoption

Each Federal agency carrying out a program described in subsection (a), or its specific regulatory unit or units, shall adopt the ICCVAM test recommendation unless such Federal agency determines that—

1. the ICCVAM test recommendation is not adequate in terms of biological relevance for the regulatory goal authorized by that agency, or mandated by Congress;
2. the ICCVAM test recommendation does not generate data, in an amount and of a scientific value that is at least equivalent to the data generated prior to such recommendation, for the appropriate hazard identification, dose-response assessment, or risk assessment purposes as the current test method recommended or required by that agency;
3. the agency does not employ, recommend, or require testing for that class of chemical or for the recommended test endpoint; or
4. the ICCVAM test recommendation is unacceptable for satisfactorily fulfilling the test needs for that particular agency and its respective congressional mandate.

§ 285l–5. Application

(a) Application

Sections 285l–2 to 285l–5 of this title shall not apply to research, including research performed using biotechnology techniques, or research related to the causes, diagnosis, treatment, control, or prevention of physical or mental diseases or impairments of humans or animals.

(b) Use of test methods

Nothing in sections 285l–2 to 285l–5 of this title shall prevent a Federal agency from retaining final authority for incorporating the test methods recommended by the ICCVAM in the manner determined to be appropriate by such Federal agency or regulatory body.

(c) Limitation

Nothing in sections 285l–2 to 285l–5 of this title shall be construed to require a manufacturer that is currently not required to perform animal testing to perform such tests. Nothing in sections 285l–2 to 285l–5 of this title shall be construed to require a manufacturer to perform redundant endpoint specific testing.

(d) Submission of tests and data

Nothing in sections 285l–2 to 285l–5 of this title precludes a party from submitting a test method...
or scientific data directly to a Federal agency for use in a regulatory program.  


**Codification**

Section was enacted as part of the ICCVAM Authorization Act of 2000, and not as part of the Public Health Service Act which comprises this chapter.

§ 285l–6. Methods of controlling certain insect and vermin populations

The Director of the Institute shall conduct or support research to identify or develop methods of controlling insect and vermin populations that transmit to humans diseases that have significant adverse health consequences.


**Subpart 13—National Institute on Deafness and Other Communication Disorders**

§ 285m. Purpose of Institute

The general purpose of the National Institute on Deafness and Other Communication Disorders (hereafter referred to in this subpart as the ‘‘Institute’’) is the conduct and support of research and training, the dissemination of health information, and other programs with respect to disorders of hearing and other communication processes, including diseases affecting hearing, balance, voice, speech, language, taste, and smell.


**Codification**


**Amendments**

1988—Pub. L. 100–690 amended this section to read as if the amendments made by Pub. L. 100–607, which enacted this section, had not been enacted. See Codification note above.

**Short Title of 1988 Amendment**

For short title of Pub. L. 100–553 which enacted this subpart and amended sections 281 and 285 of this title as the ‘‘National Deafness and Other Communication Disorders Act of 1988’’, see section 1 of Pub. L. 100–553, set out as a note under section 201 of this title.

**Effect of Enactment of Similar Provisions**

Pub. L. 100–690, title II, §2613(b), Nov. 18, 1988, 102 Stat. 4238, provided that:

‘‘(1) Paragraphs (2) and (3) shall take effect immediately after the enactment of both the bill, S. 1727, of the One Hundredth Congress [Pub. L. 100–553, approved Oct. 28, 1988], and the Health Omnibus Programs Extension of 1988 [Pub. L. 100–607, approved Nov. 4, 1988].

‘‘(2)(A) The provisions of the Public Health Service Act referred to in subparagraph (B), as similarly amended by the enactment of the bill, S. 1727, of the One Hundredth Congress, by subtitle A of title I of the Health Omnibus Programs Extension of 1988, and by subsection (a)(1) of this section, are amended to read as if the amendments made by such subtitle A and such subsection (a)(1) had not been enacted.

‘‘(B) The provisions of the Public Health Service Act referred to in subparagraph (A) are—

‘‘(i) sections 401(b)(1) and 457 [42 U.S.C. 281(b)(1), 285j];

‘‘(ii) part C of title IV [42 U.S.C. 285 et seq.]; and

‘‘(iii) the heading for subsection 10 of such part C [42 U.S.C. prec. 286].

‘‘(3) Subsection (a)(2) of this section [formerly set out below] is repealed.’’

**Transitional and Savings Provisions**

Pub. L. 100–553, §3, Oct. 30, 1988, 102 Stat. 2774, provided that:

‘‘(a) Transfer of Personnel, Assets, and Liabilities.—Personnel employed by the National Institutes of Health in connection with the functions vested under section 2 [enacting this subpart and amending sections 281 and 285 of this title] in the Director of the National Institute on Deafness and Other Communication Disorders, and assets, property, contracts, liabilities, records, unexpended balances of appropriations, authorizations, allocations, and other funds of the National Institutes of Health, arising from or employed, held, used, available to, or to be made available, in connection with such functions shall be transferred to the Director for appropriate allocation. Unexpended funds transferred under this subsection shall be used only for the purposes for which the funds were originally authorized and appropriated.

‘‘(b) Savings Provisions.—With respect to functions vested under section 1 [probably means section 2, enacting this subpart and amending sections 281 and 285 of this title] in the Director of the National Institute on Deafness and Other Communication Disorders, all orders, rules, regulations, grants, contracts, certificates, licenses, privileges, and other determinations, actions, or official documents, that have been issued, made, granted, or allowed to become effective, and that are effective on the date of the enactment of this Act [Oct. 28, 1988], shall continue in effect according to terms unless changed pursuant to law.’’

Pub. L. 100–690, title II, §2613(a)(2), Nov. 18, 1988, 102 Stat. 4238, which enacted provisions that were substantially identical to the transitional and savings provisions above, was repealed by section 2613(b)(3) of Pub. L. 100–690.

§ 285m–1. National Deafness and Other Communication Disorders Program

(a) The Director of the Institute, with the advice of the Institute’s advisory council, shall establish a National Deafness and Other Communication Disorders Program (hereafter in this section referred to as the ‘‘Program’’). The Director or the Institute shall, with respect to the Program, prepare and transmit to the Director of NIH a plan to initiate, expand, intensify and coordinate activities of the Institute respecting disorders of hearing (including tinnitus) and other communication processes, including diseases affecting hearing, balance, voice, speech, language, taste, and smell. The plan shall include such comments and recommendations as the Director of the Institute determines appropriate. The Director of the Institute shall periodically review and revise the plan and shall transmit any revisions of the plan to the Director of NIH.

(b) Activities under the Program shall include—

(1) investigation into the etiology, pathology, detection, treatment, and prevention of all forms of disorders of hearing and other

1 So in original. Probably should be “of”.
communication processes, primarily through the support of basic research in such areas as anatomy, audiology, biochemistry, bioengineering, epidemiology, genetics, immunology, microbiology, molecular biology, the neuromembranes, otolaryngology, psychology, pharmacology, physiology, speech and language pathology, and any other scientific disciplines that can contribute important knowledge to the understanding and elimination of disorders of hearing and other communication processes;

(2) research into the evaluation of techniques (including surgical, medical, and behavioral approaches) and devices (including hearing aids, implanted auditory and nonauditory prosthetic devices and other communication aids) used in diagnosis, treatment, rehabilitation, and prevention of disorders of hearing and other communication processes;

(3) research into prevention, and early detection and diagnosis, of hearing loss and speech and language disturbances (including stuttering) and research into preventing the effects of such disorders on learning and learning disabilities with extension of programs for appropriate referral and rehabilitation;

(4) research into the detection, treatment, and prevention of disorders of hearing and other communication processes in the growing elderly population with extension of rehabilitative programs to ensure continued effective communication skills in such population;

(5) research to expand knowledge of the effects of environmental agents that influence hearing or other communication processes; and

(6) developing and facilitating intramural programs on clinical and fundamental aspects of disorders of hearing and all other communication processes.


CODIFICATION


AMENDMENTS

1988—Pub. L. 100–690 amended this section to read as if the amendments made by Pub. L. 100–607, which enacted this section, had not been enacted. See Codification note above.

EFFECTIVE DATE OF 1988 AMENDMENT

For effective date of amendment by Pub. L. 100–690, see section 2613(b)(1) of Pub. L. 100–690, set out as an Effect of Enactment of Similar Provisions note under section 285m of this title.

§ 285m–3. Multipurpose deafness and other communication disorders center

(a) Development, modernization and operation; “modernization” defined

The Director of the Institute shall, after consultation with the advisory council for the Institute, provide for the development, modernization, and operation (including care required for research) of new and existing centers for studies of disorders of hearing and other communication processes. For purposes of this section, the term “modernization” means the alteration, remodeling, improvement, expansion, and repair of existing buildings and the provision of equipment for such buildings to the extent necessary to make them suitable for use as centers described in the preceding sentence.

(b) Use of facilities; qualifications

Each center assisted under this section shall—

(1) use the facilities of a single institution or a consortium of cooperating institutions; and

(2) meet such qualifications as may be prescribed by the Secretary.

(c) Requisite programs

Each center assisted under this section shall, at least, conduct—

(1) basic and clinical research into the cause 1 diagnosis, early detection, prevention, control and treatment of disorders of hearing and other communication processes and complications resulting from such disorders, including research into rehabilitative aids, im-

1So in original. Probably should be followed by a comma.
plantable biomaterials, auditory speech processors, speech production devices, and other otolaryngologic procedures; 
(2) training programs for physicians, scientists, and other health and allied health professionals; 
(3) information and continuing education programs for physicians and other health and allied health professionals who will provide care for patients with disorders of hearing or other communication processes; and 
(4) programs for the dissemination to the general public of information—
   (A) on the importance of early detection of disorders of hearing and other communication processes, of seeking prompt treatment, rehabilitation, and of following an appropriate regimen; and 
   (B) on the importance of avoiding exposure to noise and other environmental toxic agents that may affect disorders of hearing or other communication processes.

(d) Stipends

A center may use funds provided under subsection (a) to provide stipends for health professionals enrolled in training programs described in subsection (c)(2).

(e) Discretionary programs

Each center assisted under this section may conduct programs—
(1) to establish the effectiveness of new and improved methods of detection, referral, and diagnosis of individuals at risk of developing disorders of hearing or other communication processes; and 
(2) to disseminate the results of research, screening, and other activities, and develop means of standardizing patient data and recordkeeping.

(f) Equitable geographical distribution; needs of elderly and children

The Director of the Institute shall, to the extent practicable, provide for an equitable geographical distribution of centers assisted under this section. The Director shall give appropriate consideration to the need for centers especially suited to meeting the needs of the elderly, and of children (particularly with respect to their education and training), affected by disorders of hearing or other communication processes.

(g) Period of support; recommended extensions of peer review group

Support of a center under this section may be for a period not to exceed seven years. Such period may be extended by the Director of the Institute for one or more additional periods of not more than five years if the operations of such center have been reviewed by an appropriate technical and scientific peer review group established by the Director, with the advice of the Institute’s advisory council. If such group has recommended to the Director such period should be extended.

(July 1, 1944, ch. 373, title IV, §464C, as added Pub. L. 100–553 and Pub. L. 100–607 contained identical provisions enacting this section. See 1988 Amendment note below.)

Codification


Amendments

1988—Pub. L. 100–690 amended this section to read as if the amendments made by Pub. L. 100–607, which enacted this section, had not been enacted. See Codification note above.

Effective Date of 1988 Amendment

For effective date of amendment by Pub. L. 100–690, see section 2613(b)(1) of Pub. L. 100–600, set out as an Effect of Enactment of Similar Provisions note under section 285m of this title.

§ 285m–4. National Institute on Deafness and Other Communication Disorders Advisory Board

(a) Establishment

The Secretary shall establish in the Institute the National Deafness and Other Communication Disorders Advisory Board (hereafter in this section referred to as the “Advisory Board”).

(b) Composition; qualifications; appointed and ex officio members

The Advisory Board shall be composed of eighteen appointed members and nonvoting ex officio members as follows:

(1) The Secretary shall appoint—
   (A) twelve members from individuals who are scientists, physicians, and other health and rehabilitation professionals, who are not officers or employees of the United States, and who represent the specialties and disciplines relevant to deafness and other communication disorders, including not less than two persons with a communication disorder; and 
   (B) six members from the general public who are knowledgeable with respect to such disorders, including not less than one person with a communication disorder and not less than one person who is a parent of an individual with such a disorder.

Of the appointed members, not less than five shall by virtue of training or experience be knowledgeable in diagnoses and rehabilitation of communication disorders, education of the hearing, speech, or language impaired, public health, public information, community program development, occupational hazards to communications senses, or the aging process.

(2) The following shall be ex officio members of each Advisory Board:
   (A) The Assistant Secretary for Health, the Director of NIH, the Director of the National Institute on Deafness and Other Communication Disorders, the Director of the Centers for Disease Control and Prevention, the Under Secretary for Health of the Department of Veterans Affairs, and the Assistant Secretary of Defense for Health Affairs (or the designees of such officers).
   (B) Such other officers and employees of the United States as the Secretary determines necessary for the Advisory Board to carry out its functions.

(c) Compensation

Members of an Advisory Board who are officers or employees of the Federal Government
shall serve as members of the Advisory Board without compensation in addition to that received in their regular public employment. Other members of the Board shall receive compensation at rates not to exceed the daily equivalent of the annual rate in effect for grade GS–18 of the General Schedule for each day (including traveltime) they are engaged in the performance of their duties as members of the Board.

(d) Term of office; vacancies

The term of office of an appointed member of the Advisory Board is four years, except that no term of office may extend beyond the expiration of the Advisory Board. Any member appointed to fill a vacancy for an unexpired term shall be appointed for the remainder of such term. A member may serve after the expiration of the member’s term until a successor has taken office. If a vacancy occurs in the Advisory Board, the Secretary shall make an appointment to fill the vacancy not later than 90 days from the date the vacancy occurred.

(e) Chairman

The members of the Advisory Board shall select a chairman from among the appointed members.

(f) Personnel; executive director; professional and clerical staff members; consultants; information and administrative support services and facilities

The Secretary shall, after consultation with and consideration of the recommendations of the Advisory Board, provide the Advisory Board with an executive director and one other professional staff member. In addition, the Secretary shall, after consultation with and consideration of the recommendations of the Advisory Board, provide the Advisory Board with such additional professional staff members, such clerical staff members, such services of consultants, such information, and (through contracts or other arrangements) such administrative support services and facilities, as the Secretary determines are necessary for the Advisory Board to carry out its functions.

(g) Meetings

The Advisory Board shall meet at the call of the chairman or upon request of the Director of the Institute, but not less often than four times a year.

(h) Functions

The Advisory Board shall—

(1) review and evaluate the implementation of the plan prepared under section 285m–1(a) of this title and periodically update the plan to ensure its continuing relevance;

(2) for the purpose of assuring the most effective use and organization of resources respecting deafness and other communication disorders, advise and make recommendations to the Congress, the Secretary, the Director of NIH, the Director of the Institute, and the heads of other appropriate Federal agencies for the implementation and revision of such plan; and

(3) maintain liaison with other advisory bodies related to Federal agencies involved in the implementation of such plan and with key non-Federal entities involved in activities affecting the control of such disorders.

(i) Subcommittee activities; workshops and conferences; collection of data

In carrying out its functions, the Advisory Board may establish subcommittees, convene workshops and conferences, and collect data. Such subcommittees may be composed of Advisory Board members and nonmember consultants with expertise in the particular area addressed by such subcommittees. The subcommittees may hold such meetings as are necessary to enable them to carry out their activities.


(k) Commencement of existence

The National Deafness and Other Communication Disorders Advisory Board shall be established not later than April 1, 1989.

Codification

Amendments
2007—Subsec. (j). Pub. L. 109–482 struck out subsec. (j) which read as follows: “The Advisory Board shall prepare an annual report for the Secretary which—

“(1) describes the Advisory Board’s activities in the fiscal year for which the report is made;

“(2) describes and evaluates the progress made in such fiscal year in research, treatment, education, and training with respect to the deafness and other communication disorders;

“(3) summarizes and analyzes expenditures made by the Federal Government for activities respecting such disorders in such fiscal year; and

“(4) contains the Advisory Board’s recommendations (if any) for changes in the plan prepared under section 285m–1(a) of this title.”


Pub. L. 102–405 substituted “Under Secretary for Health” for “Chief Medical Director”.

1989—Subsec. (c). Pub. L. 101–93 substituted “April 1, 1989” for “90 days after the date of the enactment of the National Institute on Deafness and Other Communication Disorders Act”.

1988—Pub. L. 100–690, §2613(b)(2), amended this section to read as if the amendments made by Pub. L. 100–690, §2613(a)(1), which enacted this section, had not been enacted. See Codification note above.

Effective Date of 2007 Amendment
Amendment by Pub. L. 109–482 applicable only with respect to amounts appropriated for fiscal year 2007 or
§ 285m–5. Interagency Coordinating Committee

(a) Establishment

The Secretary may establish a committee to be known as the Deafness and Other Communication Disorders Interagency Coordinating Committee (hereafter in this section referred to as the "Coordinating Committee").

(b) Functions

The Coordinating Committee shall, with respect to deafness and other communication disorders—

(1) provide for the coordination of the activities of the national research institutes; and

(2) coordinate the aspects of all Federal health programs and activities relating to deafness and other communication disorders in order to assure the adequacy and technical soundness of such programs and activities and in order to provide for the full communication and exchange of information necessary to maintain adequate coordination of such programs and activities.

(c) Composition

The Coordinating Committee shall be composed of the directors of each of the national research institutes and divisions involved in research with respect to deafness and other communication disorders and representatives of all other Federal departments and agencies whose programs involve health functions or responsibilities relevant to deafness and other communication disorders.

(d) Chairman; meetings

The Coordinating Committee shall be chaired by the Director of NIH (or the designee of the Director). The Committee shall meet at the call of the chair, but not less often than four times a year.


Codification


Amendments

2007—Subsec. (e). Pub. L. 109–482 struck out subsec. (e) which read as follows: "Not later than 120 days after the end of each fiscal year, the Coordinating Committee shall prepare and transmit to the Secretary, the Director of NIH, the Director of the Institute, and the advisory council for the Institute a report detailing the activities of the Committee in such fiscal year in carrying out subsection (b) of this section."

1993—Subsecs. (d), (e). Pub. L. 103–43 inserted "Coordinating" before "Committee" in first sentence of subsec. (d) and before first reference to "Committee" in subsection (e).

1988—Pub. L. 100–690, § 2613(b)(2), amended this section to read as if the amendments made by Pub. L. 100–690, § 2613(a)(1), which enacted this section, had not been enacted. See Codification note above.

Effective Date of 2007 Amendment

Amendment by Pub. L. 109–482 applicable only with respect to amounts appropriated for fiscal year 2007 or subsequent fiscal years, see section 109 of Pub. L. 109–482, set out as a note under section 281 of this title.

Effective Date of 1988 Amendment

For effective date of amendment by section 2613(b)(2) of Pub. L. 100–690, see section 2613(a)(1) of Pub. L. 100–690, set out as a note under section 281 of this title.

§ 285m–6. Limitation on administrative expenses

With respect to amounts appropriated for a fiscal year for the National Institutes of Health, the limitation established in section 284c(a)(1) of this title on the expenditure of such amounts for administrative expenses shall apply to administrative expenses of the National Institute on Deafness and Other Communication Disorders.


Codification


Amendments

1993—Pub. L. 103–43 substituted "section 284c(a)(1)" for "section 284c(b)(1)."

1988—Pub. L. 100–690, § 2613(b)(2), amended this section to read as if the amendments made by Pub. L. 100–690, § 2613(a)(1), which enacted this section, had not been enacted. See Codification note above.
§ 285n. Purpose of Institute

(a) In general

The general purpose of the National Institute on Alcohol Abuse and Alcoholism (hereinafter in this subpart referred to as the “Institute”) is the conduct and support of biomedical and behavioral research, health services research, research training, and health information dissemination with respect to the prevention of alcohol abuse and the treatment of alcoholism.

(b) Research program

The research program established under this subpart shall encompass the social, behavioral, and biomedical etiology, mental and physical health consequences, and social and economic consequences of alcohol abuse and alcoholism. In carrying out the program, the Director of the Institute is authorized to—

1. collect and disseminate through publications and other appropriate means (including the development of curriculum materials), information as to, and the practical application of, the research and other activities under the program;
2. make available research facilities of the Public Health Service to appropriate public authorities, and to health officials and scientists engaged in special study;
3. make grants to universities, hospitals, laboratories, and other public or nonprofit institutions, and to individuals for such research projects as are recommended by the National Advisory Council on Alcohol Abuse and Alcoholism, giving special consideration to research activities which are or may be related to the problems of individuals suffering from alcoholism or alcohol abuse or those of their families or the impact of alcohol abuse on other health problems;
4. conduct an intramural program of biomedical, behavioral, epidemiological, and social research, including research into the most effective means of treatment and service delivery, and including research involving human subjects, which is—
   A. located in an institution capable of providing all necessary medical care for such human subjects, including complete 24-hour medical diagnostic services by or under the supervision of physicians, acute and intensive medical care, including 24-hour emergency care, psychiatric care, and such other care as is determined to be necessary for individuals suffering from alcoholism and alcohol abuse; and
   B. associated with an accredited medical or research training institution;
5. promote the coordination of research programs conducted by the Institute, and similar programs conducted by the National Institute of Drug Abuse and by other departments, agencies, organizations, and individuals, including all National Institutes of Health research activities which are or may be related to the problems of individuals suffering from alcoholism or alcohol abuse or those of their families or the impact of alcohol abuse on other health problems;
6. make grants to universities, hospitals, laboratories, and other public or nonprofit institutions, and to individuals for such research projects as are recommended by the National Advisory Council on Alcohol Abuse and Alcoholism, such additional means as he deems necessary or appropriate to carry out the purposes of this section.

(c) Collaboration

The Director of the Institute shall collaborate with the Administrator of the Substance Abuse and Mental Health Services Administration in focusing the services research activities of the Institute and in disseminating the results of such research to health professionals and the general public.


AMENDMENTS


Subsec. (b). Pub. L. 102–321, §122(b)(1), (2)(A), transferred subsec. (b) of section 290b of this title to subsec. (b) of this section, substituted "(b) RESEARCH PROGRAM.—The research program established under this subpart shall encompass the social, behavioral, and biomedical etiology, mental and physical health consequences, and social and economic consequences of alcohol abuse and alcoholism. In carrying out the program, the Director of the Institute is authorized for "(b) in carrying out the program described in subsection (a) of this section, the Secretary, acting through the Institute, is authorized" in introductory provisions, and substituted a semicolon for period at end of par. (3)(H).

Subsecs. (c), (d). Pub. L. 102–321, §122(b)(2)(B), added subsecs. (c) and (d).

EFFECTIVE DATE OF 2007 AMENDMENT

Amendment by Pub. L. 109–482 applicable only with respect to amounts appropriated for fiscal year 2007 or subsequent fiscal years, see section 109 of Pub. L. 109–482, set out as a note under section 281 of this title.

EFFECTIVE DATE OF 1992 AMENDMENT

Pub. L. 102–352, §3, Aug. 26, 1992, 106 Stat. 940, provided that: "(1) subsection (a) of section 2 (amending this section and sections 285n–2, 285o, 285o–2, 285p, 290aa–1, 290aa–3, 300a–7, 300a–27, 300c–33, 300c–33, and 300y of this title), shall take effect immediately upon the effectuation of the amendments made by titles I and II of the ADAMHA Reorganization Act [Pub. L. 102–321, see Effective Date of 1992 Amendment note set out under section 281 of this title]; and

"(2) subsections (b) and (c) of section 2 (amending sections 290c–21, 290c–28, and 290cc–30 of this title and provisions set out as notes under sections 290a and 300x of this title), shall take effect on the date of enactment of this Act [Aug. 26, 1992]."

EFFECTIVE DATE

Section effective Oct. 1, 1992, with provision for programs providing financial assistance, see section 801(c), (d) of Pub. L. 102–321, set out as an Effective Date of 1992 Amendment note under section 236 of this title.

REQUIRED ALLOCATIONS FOR HEALTH SERVICES RESEARCH

Pub. L. 103–43, title XX, §301(b), June 10, 1993, 107 Stat. 218, provided that, with respect to the allocation for health services research required in former subsection (d)(2) of this section and former sections 285o(d)(2) and 285p(f)(2) of this title, the term ‘‘12 percent’’ appearing in each of such provisions was deemed to be 12 percent in the case of allocations for fiscal year 1993.

STUDY ON FETAL ALCOHOL EFFECT AND FETAL ALCOHOL SYNDROME

Pub. L. 102–321, title VII, §705, July 10, 1992, 106 Stat. 438, directed Secretary of Health and Human Services to enter into a contract with a public or nonprofit private entity to conduct a study on the prevalence of fetal alcohol effect and fetal alcohol syndrome in the general population of the United States and on the adequacy of Federal efforts to reduce the incidence of such conditions (including efforts regarding appropriate training for health care providers in identifying such effect or syndrome), and to ensure that a report outlining this study be submitted to Congress not later than 18 months after July 10, 1992.

ALCOHOLISM AND ALCOHOL ABUSE TREATMENT STUDY

Pub. L. 99–570, title IV, §4022, Oct. 27, 1986, 100 Stat. 3207–124, directed Secretary of Health and Human Services, acting through Director of National Institute on Alcohol Abuse and Alcoholism, to conduct a study of alternative approaches for alcoholism and alcohol abuse treatment and rehabilitation and of financing alternatives including policies and experiences of third party insurers and State and municipal governments; to recommend policies and programs for research, planning, administration, and reimbursement for treatment and rehabilitation; to request National Academy of Sciences to conduct such study in consultation with Director of National Institute on Alcohol Abuse and Alcoholism under an arrangement entered into with consent of Academy that actual expenses of Academy will be paid by Secretary and that Academy would submit a final report to Secretary no later than 24 months after the arrangement was entered into; and to transmit a final report to Congress no later than 30 days after receiving Academy’s report.

§ 285n–1. Associate Director for Prevention

(a) In general

There shall be in the Institute an Associate Director for Prevention who shall be responsible for the full-time coordination and promotion of the programs in the Institute concerning the prevention of alcohol abuse and alcoholism. The Associate Director shall be appointed by the Director of the Institute from individuals who because of their professional training or expertise are experts in alcohol abuse and alcoholism or the prevention of such.

(b) Biennial report

The Associate Director for Prevention shall prepare for inclusion in the biennial report made under section 284b of this title a description of the prevention activities of the Institute, including a description of the staff and resources allocated to those activities.


REFERENCES IN TEXT


EFFECTIVE DATE

Section effective Oct. 1, 1992, with provision for programs providing financial assistance, see section 801(c), (d) of Pub. L. 102–321, set out as an Effective Date of 1992 Amendment note under section 236 of this title.

1 See References in Text note below.
§ 285n–2. National Alcohol Research Centers; mandatory grant for research of effects of alcohol on elderly

(a) Designation; procedures applicable for approval of applications

The Secretary acting through the Institute may designate National Alcohol Research Centers for the purpose of interdisciplinary research relating to alcoholism and other biomedical, behavioral, and social issues related to alcoholism and alcohol abuse. No entity may be designated as a Center unless an application therefor has been submitted to, and approved by, the Secretary. Such an application shall be submitted in such manner and contain such information as the Secretary may reasonably require. The Secretary may not approve such an application unless—

(1) the application contains or is supported by reasonable assurances that—

(A) the applicant has the experience, or capacity, to conduct, through biomedical, behavioral, social, and related disciplines, long-term research on alcoholism and other alcohol problems and to provide coordination of such research among such disciplines;

(B) the applicant has available to it sufficient facilities (including laboratory, reference, and data analysis facilities) to carry out the research plan contained in the application;

(C) the applicant has facilities and personnel to provide training in the prevention and treatment of alcoholism and other alcohol problems;

(D) the applicant has the capacity to train predoctoral and postdoctoral students for careers in research on alcoholism and other alcohol problems;

(E) the applicant has the capacity to conduct courses on alcohol problems and research on alcohol problems for undergraduate and graduate students, and for medical and osteopathic, nursing, social work, and other specialized graduate students; and

(F) the applicant has the capacity to conduct programs of continuing education in such medical, legal, and social service fields as the Secretary may require.1

(2) the application contains a detailed five-year plan for research relating to alcoholism and other alcohol problems.

(b) Annual grants; amount; limitation on uses

The Secretary shall, under such conditions as the Secretary may reasonably require, make annual grants to Centers which have been designated under this section. No funds provided under a grant under this subsection may be used for the purchase of any land or the purchase, construction, preservation, or repair of any building. For the purposes of the preceding sentence, the term “construction” has the meaning given that term by section 292a(1)2 of this title. The Secretary shall include in the grants made under this section for fiscal years beginning after September 30, 1981, a grant to a designated Center for research on the effects of alcohol on the elderly.

(2) annual grants; amount; limitation on uses

The Secretary may reasonably require, make an annual grant for research of effects of alcohol on the elderly.


REFERENCES IN TEXT

Section 292a of this title, referred to in subsec. (b), was in the original a reference to section 701 of act July 1, 1944. Section 701 of that Act was omitted in the general revision of subchapter V of this chapter by Pub. L. 100–248, title I, §102, Oct. 13, 1988, 102 Stat. 1994. Pub. L. 100–248 enacted a new section 701 of act July 1, 1944, relating to statement of purpose, and a new section 702, relating to scope and duration of loan insurance program, which are classified to sections 292a and 292a–re, respectively, of this title. For provisions relating to definitions, see sections 292a and 293p of this title.

CONDIFICATION

Section was formerly classified to section 290bb–1 of this title prior to renumbering by Pub. L. 102–321. Section was formerly classified to section 4387 of this title prior to renumbering by Pub. L. 98–24. Section was formerly classified to section 4588 of this title prior to renumbering by Pub. L. 97–35.

AMENDMENTS


1986—Subsec. (b). Pub. L. 99–570, §4008(1), which directed that subsec. (b) be amended by striking ‘‘or rental’’ before ‘‘any land’’, could not be enacted because ‘‘or rental’’ appeared before ‘‘of any land’’. Pub. L. 99–570, §4008(2), struck out ‘‘or rental’’, before ‘‘purchase’’. Pub. L. 99–570, §4008(2), struck out provision that no annual grant to any Center might exceed $1,500,000, and made a technical amendment to reference to section 292a of this title to reflect the transfer of this section to the Public Health Service Act.

1983—Subsec. (a). Pub. L. 98–24, §2(b)(9)(B)(i), struck out direction that, insofar as practicable, the Secretary approve applications under this subsection in a manner resulting in an equitable geographic distribution of Centers.


1980—Subsec. (a). Pub. L. 96–180, §16(a), substituted: in first sentence ‘‘biomedical, behavioral, and social issues related to alcoholism and alcohol abuse’’ for ‘‘alcohol problems’’; in par. (1)(B) ‘‘facilities (including laboratory, reference, and data analysis facilities)’’ to carry out the research plan contained in the application.

1See in original. The period probably should be ‘‘; and’’.

2See References in Text note below.
tion” for “laboratory facilities and reference services (including reference services that will afford access to scientific alcohol literature);” and in par. (1)(E) “medical and osteopathic, nursing, social work, and other specialized graduate students; and” for “medical and osteopathic students and physicians;” and added par. (1)(F).

Subsec. (b). Pub. L. 96–180, §16(b), increased annual grant limitation to $1,500,000 from $1,000,000.

Subsec. (c). Pub. L. 96–180, §16(c), authorized appropriation of $8,000,000 and $9,000,000 for fiscal years ending Sept. 30, 1980, and 1981.

1978—Subsec. (a). Pub. L. 95–622 inserted provision following par. (2) relating to approval of applications under this subsection by the Secretary in a manner which results in equitable geographic distribution of Centers.

**Effective Date of 1992 Amendments**


**Subpart 15—National Institute on Drug Abuse**

§285o. Purpose of Institute

(a) In general

The general purpose of the National Institute on Drug Abuse (hereafter in this subpart referred to as the “Institute”) is the conduct and support of biomedical and behavioral research, health services research, research training, and health information dissemination with respect to the prevention of drug abuse and the treatment of drug abusers.

(b) Research program

The research program established under this subpart shall encompass the social, behavioral, and biomedical etiology, mental and physical health consequences, and social and economic consequences of drug abuse. In carrying out the program, the Director of the Institute shall give special consideration to projects relating to drug abuse among women (particularly with respect to pregnant women).

(c) Collaboration

The Director of the Institute shall collaborate with the Substance Abuse and Mental Health Services Administration in focusing the services research activities of the Institute and in disseminating the results of such research to health professionals and the general public.


**References in Text**


**Effective Date**

Section effective Oct. 1, 1992, with provision for programs providing financial assistance, see section 801(c), (d) of Pub. L. 102–321, set out as an Effective Date of 1992 Amendment note under section 236 of this title.

§285o–1. Associate Director for Prevention

(a) In general

There shall be in the Institute an Associate Director for Prevention who shall be responsible for the full-time coordination and promotion of the programs in the Institute concerning the prevention of drug abuse. The Associate Director shall be appointed by the Director of the Institute from individuals who because of their professional training or expertise are experts in drug abuse and the prevention of such abuse.

(b) Report

The Associate Director for Prevention shall prepare for inclusion in the biennial report made under section 284b of this title a description of the prevention activities of the Institute, including a description of the staff and resources allocated to those activities.


**References in Text**


**Effective Date**

Section effective Oct. 1, 1992, with provision for programs providing financial assistance, see section 801(c), (d) of Pub. L. 102–321, set out as an Effective Date of 1992 Amendment note under section 236 of this title.

§285o–2. Drug Abuse Research Centers

(a) Authority

The Director of the Institute may designate National Drug Abuse Research Centers for the purpose of interdisciplinary research relating to drug abuse and other biomedical, behavioral, and social issues related to drug abuse. No entity may be designated as a Center unless an application therefore has been submitted to, and approved by, the Secretary. Such an application shall be submitted in such manner and contain such information as the Secretary may reasonably require. The Secretary may not approve such an application unless—

(1) the application contains or is supported by reasonable assurances that—

(A) the applicant has the experience, or capability, to conduct, through biomedical, behavioral, social, and related disciplines, long-term research on drug abuse and to pro-

1See References in Text note below.
vide coordination of such research among such disciplines;
(B) the applicant has available to it sufficient facilities (including laboratory, reference, and data analysis facilities) to carry out the research plan contained in the application;
(C) the applicant has facilities and personnel to provide training in the prevention and treatment of drug abuse;
(D) the applicant has the capacity to train predoctoral and postdoctoral students for careers in research on drug abuse;
(E) the applicant has the capacity to conduct courses on drug abuse problems and research on drug abuse for undergraduate and graduate students, and medical and osteopathic, nursing, social work, and other specialized graduate students; and
(F) the applicant has the capacity to conduct programs of continuing education in such medical, legal, and social service fields as the Secretary may require.  

(2) the application contains a detailed five-year plan for research relating to drug abuse.

(b) Grants
The Director of the Institute shall, under such conditions as the Secretary may reasonably require, make annual grants to Centers which have been designated under this section. No funds provided under a grant under this subsection, the term ''construction'' has the meaning given that term by section 292a(1)

(2) Use of funds
Amounts made available under a grant or cooperative agreement under paragraph (1) for research and clinical trials relating to—
(A) the effects of drug abuse on the human body, including the brain;
(B) the addictive nature of drugs and how such effects differ with respect to different individuals;
(C) the connection between drug abuse and mental health;
(D) the identification and evaluation of the most effective methods of prevention of drug abuse and addiction;
(E) the identification and development of the most effective methods of treatment of drug addiction, including pharmacological treatments;
(F) risk factors for drug abuse;
(G) effects of drug abuse and addiction on pregnant women and their fetuses; and
(H) cultural, social, behavioral, neurological, and psychological reasons that individuals abuse drugs, or refrain from abusing drugs.

(3) Research results
The Director shall promptly disseminate research results under this subsection to Federal, State, and local entities involved in combating drug abuse and addiction.


REFERENCES IN TEXT
Section 292a of this title, referred to in subsec. (b), was in the original a reference to section 701 of act July 1, 1944. Section 701 of that Act was omitted in the general revision of subchapter V of this chapter by Pub. L. 102–408, title I, §102, Oct. 13, 1992, 106 Stat. 994. Pub. L. 102–408 enacted a new section 701 of act July 1, 1944, relating to statement of purpose, and a new section 702, relating to scope and duration of loan insurance program, which are classified to sections 292 and 292a, respectively, of this title. For provisions relating to definitions, see sections 292o and 295p of this title.

AMENDMENTS
2007—Subsec. (c)(4). Pub. L. 109–482 struck out par. (4) which authorized appropriations and provided they were supplemental to other funding of research on drug abuse.
2002—Subsec. (c). Pub. L. 107–273 amended heading and text of subsec. (c) generally, substituting provisions relating to grants or cooperative agreements for research and clinical trials relating to drug abuse and addiction for similar provisions relating to grants or cooperative agreements for research and clinical trials relating to methamphetamine abuse and addiction.

EFFECTIVE DATE OF 2007 AMENDMENT
Amendment by Pub. L. 109–482 applicable only with respect to amounts appropriated for fiscal year 2007 or subsequent fiscal years, see section 109 of Pub. L. 109–482, set out as a note under section 281 of this title.

EFFECTIVE DATE OF 1992 AMENDMENT
Amendment by Pub. L. 102–352 effective immediately upon effectuation of amendment made by Pub. L. 102–321, see section 3(1) of Pub. L. 102–352, set out as a note under section 281m of this title.

EFFECTIVE DATE
Section effective Oct. 1, 1992, with provision for programs providing financial assistance, see section 801(c), (d) of Pub. L. 102–321, set out as an Effective Date of 1992 Amendment note under section 236 of this title.

§ 285o–3. Office on AIDS
The Director of the Institute shall establish within the Institute an Office on AIDS. The Office shall be responsible for the coordination of research and determining the direction of the Institute with respect to AIDS research related to—
(1) primary prevention of the spread of HIV, including transmission via drug abuse;
(2) drug abuse services research; and
(3) other matters determined appropriate by the Director.

(7) coordinate the activities conducted under this section with related activities conducted within the National Institute on Alcohol Abuse and Alcoholism, the National Institute of Mental Health, and other appropriate institutes and shall consult with the Directors of such Institutes.

§ 2850–4. Medication Development Program

(a) Establishment
There is established in the Institute a Medication Development Program through which the Director of such Institute shall—

(1) conduct periodic meetings with the Commissioner of Food and Drugs to discuss measures that may facilitate the approval process of drug abuse treatments;

(2) encourage and promote (through grants, contracts, international collaboration, or otherwise) expanded research programs, investigations, experiments, community trials, and studies, into the development and use of medications to treat drug addiction;

(c) Report
(1) In general
Not later than December 31, 1992, and each December 31 thereafter, the Director of the Institute shall submit to the Office of National Drug Control Policy established under section 1501 of title 21 a report, in accordance with paragraph (3), that describes the objectives and activities of the program assisted under this section.

(2) National Drug Control Strategy
The Director of National Drug Control Policy shall incorporate, by reference or otherwise, each report submitted under this subsection in the National Drug Control Strategy submitted the following February 1 under section 1501 of title 21.

(d) "Pharmacotherapeutics" defined
For purposes of this section, the term "pharmacotherapeutics" means medications used to treat the symptoms and disease of drug abuse, including medications to—

(1) block the effects of abused drugs;
(2) reduce the craving for abused drugs;
(3) moderate or eliminate withdrawal symptoms;
(4) block or reverse the toxic effect of abused drugs; or
(5) prevent relapse in persons who have been detoxified from drugs of abuse.

1 See References in Text note below.
The general purpose of the National Institute of Mental Health (hereafter in this subpart referred to as the “Institute”) is the conduct and support of biomedical and behavioral research, health services research, research training, and health information dissemination with respect to the cause, diagnosis, treatment, control and prevention of mental illness.

(b) Research program

The research program established under this subpart shall include support for biomedical and behavioral neuroscience and shall be designed to further the treatment and prevention of mental illness, the promotion of mental health, and the study of the psychological, social and legal factors that influence behavior.

(c) Collaboration

The Director of the Institute shall collaborate with the Administrator of the Substance Abuse and Mental Health Services Administration in focusing the services research activities of the Institute and in disseminating the results of such research to health professionals and the general public.

(d) Information with respect to suicide

(1) In general

The Director of the Institute shall—

(A) develop and publish information with respect to the causes of suicide and the means of preventing suicide; and

(B) make such information generally available to the public and to health professionals.

(2) Youth suicide

Information described in paragraph (1) shall especially relate to suicide among individuals under 24 years of age.

(e) Associate Director for Special Populations

(1) In general

The Director of the Institute shall designate an Associate Director for Special Populations.

(2) Duties

The Associate Director for Special Populations shall—

(A) develop and coordinate research policies and programs to assure increased emphasis on the mental health needs of women and minority populations;

(B) support programs of basic and applied social and behavioral research on the mental health problems of women and minority populations;

(C) study the effects of discrimination on institutions and individuals, including majority institutions and individuals;

(D) support and develop research designed to eliminate institutional discrimination; and

(E) provide increased emphasis on the concerns of women and minority populations in training programs, service delivery programs, and research endeavors of the Institute.

§ 285p. Purpose of Institute

(a) In general

The general purpose of the National Institute of Mental Health (hereafter in this subpart referred to as the “Institute”) is the conduct and support of biomedical and behavioral research, health services research, research training, and health information dissemination with respect to the cause, diagnosis, treatment, control and prevention of mental illness.

(b) Research program

The research program established under this subpart shall include support for biomedical and behavioral neuroscience and shall be designed to further the treatment and prevention of mental illness, the promotion of mental health, and the study of the psychological, social and legal factors that influence behavior.

(c) Collaboration

The Director of the Institute shall collaborate with the Administrator of the Substance Abuse and Mental Health Services Administration in focusing the services research activities of the Institute and in disseminating the results of such research to health professionals and the general public.

(d) Information with respect to suicide

(1) In general

The Director of the Institute shall—

(A) develop and publish information with respect to the causes of suicide and the means of preventing suicide; and

(B) make such information generally available to the public and to health professionals.

(2) Youth suicide

Information described in paragraph (1) shall especially relate to suicide among individuals under 24 years of age.

(e) Associate Director for Special Populations

(1) In general

The Director of the Institute shall designate an Associate Director for Special Populations.

(2) Duties

The Associate Director for Special Populations shall—

(A) develop and coordinate research policies and programs to assure increased emphasis on the mental health needs of women and minority populations;

(B) support programs of basic and applied social and behavioral research on the mental health problems of women and minority populations;

(C) study the effects of discrimination on institutions and individuals, including majority institutions and individuals;

(D) support and develop research designed to eliminate institutional discrimination; and

(E) provide increased emphasis on the concerns of women and minority populations in training programs, service delivery programs, and research endeavors of the Institute.
subsequent fiscal years, see section 109 of Pub. L. 109–482, set out as a note under section 281 of this title.

**Effective Date of 1992 Amendment**


**Effective Date**

Section effective Oct. 1, 1992, with provision for programs providing financial assistance, see section 801(c), (d) of Pub. L. 102–321, set out as an Effective Date of 1992 Amendment note under section 285n of this title.

**Study of Barriers to Insurance Coverage of Treatment for Mental Illness and Substance Abuse**

Section 704 of Pub. L. 102–321 directed Secretary of Health and Human Services, acting through Director of the National Institute of Mental Health and in consultation with Administrator of Health Care Financing Administration, to conduct a study of the barriers to insurance coverage for the treatment of mental illness and substance abuse and to submit a report to Congress on the results of such study not later than Oct. 1, 1993.

§ 285p–1. Associate Director for Prevention

(a) In general

There shall be in the Institute an Associate Director for Prevention who shall be responsible for the full-time coordination and promotion of the programs in the Institute concerning the prevention of mental disorder. The Associate Director shall be appointed by the Director of the Institute from individuals who because of their professional training or expertise are experts in mental disorder and the prevention of such.

(b) Report

The Associate Director for Prevention shall prepare for inclusion in the biennial report made under section 284b of this title a description of the prevention activities of the Institute, including a description of the staff and resources allocated to those activities.


**References in Text**


**Effective Date**

Section effective Oct. 1, 1992, with provision for programs providing financial assistance, see section 801(c), (d) of Pub. L. 102–321, set out as an Effective Date of 1992 Amendment note under section 285n of this title.

§ 285p–2. Office of Rural Mental Health Research

(a) In general

There is established within the Institute an office to be known as the Office of Rural Mental Health Research (hereafter in this section referred to as the “Office”). The Office shall be headed by a director, who shall be appointed by the Director of such Institute from among individuals experienced or knowledgeable in the provision of mental health services in rural areas. The Secretary shall carry out the authorities established in this section acting through the Director of the Office.

(b) Coordination of activities

The Director of the Office, in consultation with the Director of the Institute and with the Director of the Office of Rural Health Policy, shall—

(1) coordinate the research activities of the Department of Health and Human Services as such activities relate to the mental health of residents of rural areas; and

(2) coordinate the activities of the Office with similar activities of public and nonprofit private entities.

(c) Research, demonstrations, evaluations, and dissemination

The Director of the Office may, with respect to the mental health of adults and children residing in rural areas—

(1) conduct research on conditions that are unique to the residents of rural areas, or more serious or prevalent in such residents;

(2) conduct research on improving the delivery of services in such areas; and

(3) disseminate information to appropriate public and nonprofit private entities.

(d) Authority regarding grants and contracts

The Director of the Office may carry out the authorities established in subsection (c) directly and through grants, cooperative agreements, or contracts with public or nonprofit private entities.


**Amendments**

2007—Subsec. (e). Pub. L. 109–482 struck out heading and text of subsec. (e). Text read as follows: “Not later than February 1, 1993, and each fiscal year thereafter, the Director shall submit to the Subcommittee on Health and the Environment of the Committee on Energy and Commerce (of the House of Representatives), and to the Committee on Labor and Human Resources (of the Senate), a report describing the activities of the Office during the preceding fiscal year, including a summary of the activities of demonstration projects and a summary of evaluations of the projects.”

**Effective Date of 2007 Amendment**

Amendment by Pub. L. 109–482 applicable only with respect to amounts appropriated for fiscal year 2007 or subsequent fiscal years, see section 109 of Pub. L. 109–482, set out as a note under section 281 of this title.

**Effective Date**

Section effective Oct. 1, 1992, with provision for programs providing financial assistance, see section 801(c), (d) of Pub. L. 102–321, set out as an Effective Date of 1992 Amendment note under section 285n of this title.

§ 285p–3. Office on AIDS

The Director of the Institute shall establish within the Institute an Office on AIDS. The Office shall be responsible for the coordination of research and determining the direction of the Institute with respect to AIDS research related to—
§ 285q

The general purpose of the National Institute of Nursing Research (in this subpart referred to as the "Institute") is the conduct and support of, and dissemination of information respecting, basic and clinical nursing research, training, and other programs in patient care research.

To carry out section 285q of this title, the Director may make grants to nonprofit institutions to provide such training and instruction and traineeships and fellowships.

(1) primary prevention of the spread of HIV, including transmission via sexual behavior;
(2) mental health services research; and
(3) other matters determined appropriate by the Director.

§ 285q–1. Specific authorities

To carry out section 285q of this title, the Director of the Institute may provide research training and instruction and establish, in the Institute and other nonprofit institutions, research traineeships and fellowships in the study and investigation of the prevention of disease, health promotion, and the nursing care of individuals with and the families of individuals with acute and chronic illnesses. The Director of the Institute may provide individuals receiving such training and instruction or such traineeships or fellowships with such stipends and allowances (including amounts for travel and subsistence and dependency allowances) as the Director determines necessary. The Director may make grants to nonprofit institutions to provide such training and instruction and traineeships and fellowships.

§ 285q–2. Advisory council

(a) Appointment; functions and duties; acceptance of conditional gifts; subcommittees

(1) The Secretary shall appoint an advisory council for the Institute which shall advise, assist, consult with, and make recommendations to the Secretary and the Director of the Institute on matters related to the activities carried out by and through the Institute and the policies respecting such activities.

(2) The advisory council for the Institute may recommend to the Secretary acceptance, in accordance with section 287c of this title, of conditional gifts for study, investigations, and research and for the acquisition of grounds or construction, equipping, or maintenance of facilities for the Institute.

(b) Membership; ex officio members; compensation

(1) The advisory council shall consist of ex officio members and not more than eighteen members appointed by the Secretary.

(2) The ex officio members of the advisory council shall consist of—

(A) professional nurses;
(B) persons representing groups with a special interest in nursing research; and
(C) other persons representing segments of society affected by nursing research.

(3) The advisory council may appoint subcommittees and convene workshops and conferences.

(4) The advisory council may make recommendations to the Director of the Institute respecting research conducted at the Institute.

§ 285q–3. Study on adequacy of number of nurses

Section 1512 of Pub. L. 103–43 directed Secretary of Health and Human Services, acting through Director of National Institute of Nursing Research, to enter into a contract with a public or nonprofit private entity to conduct a study for purpose of determining whether and to what extent there is a need for an increase in the number of nurses in hospitals and nursing homes in order to promote the quality of patient care and reduce the incidence among nurses of work-related injuries and stress and to complete such study and submit a report to Congress not later than 18 months after June 10, 1993.

§ 285q–4. Amendments


Codification

Section was formerly classified to section 287c–1 of this title prior to renumbering by Pub. L. 103–43.

Amendments

(d) Chairman; selection; term of office

The chairman of the advisory council shall be selected by the Secretary from among the appointed members, except that the Secretary may select the Director of the Institute to be the chairman of the advisory council. The term of office of the chairman shall be two years.

(e) Meetings

The advisory council shall meet at the call of the chairman or upon the request of the Director of the Institute, but at least three times each fiscal year. The location of the meetings of the advisory council is subject to the approval of the Director of the Institute.

(f) Executive secretary; staff; orientation and training for new members

The Director of the Institute shall designate a member of the staff of the Institute to serve as the executive secretary of the advisory council. The Director of the Institute shall make available to the advisory council such staff, information, and other assistance as it may require to carry out its functions. The Director of the Institute shall provide orientation and training for new members of the advisory council to provide them with such information and training as may be appropriate for their effective participation in the functions of the advisory council.

(g) Material for inclusion in biennial report; additional reports

The advisory council may prepare, for inclusion in the triennial report made under section 283 of this title (1) comments respecting the activities of the advisory council in the fiscal years respecting which the report is prepared, (2) comments on the progress of the Institute in meeting its objectives, and (3) recommendations respecting the future directions and program and policy emphasis of the Institute. The advisory council may prepare such additional reports as it may determine appropriate.


1991—Subsec. (b)(2)(A). Pub. L. 102–54 substituted “‘Chief Nursing Officer of the Department of Veterans Affairs’” for “‘Chief Nursing Officer of the Veterans Administration’”.

1990—Subsec. (a)(2). Pub. L. 101–381 made technical amendment to reference to section 300aaa of this title to reflect renumbering of corresponding section of original act.

Termination of Advisory Councils

Advisory councils established after Jan. 5, 1973, to terminate not later than the expiration of the 2-year period beginning on the date of their establishment, unless, in the case of a council established by the President or an officer of the Federal Government, such council is renewed by appropriate action prior to the expiration of such 2-year period, or in the case of a council established by the Congress, its duration is otherwise provided by law. See sections 3(2) and 14 of Pub. L. 92–463, Oct. 6, 1972, 86 Stat. 770, 776, set out in the Appendix to Title 5, Government Organization and Employees.

Pub. L. 93–641, § 3, Jan. 4, 1975, 88 Stat. 2275, set out as a note under section 217a of this title, provided that an advisory committee established pursuant to the Public Health Service Act shall terminate at such time as may be specifically prescribed by an Act of Congress enacted after Jan. 4, 1975.

References in Other Laws to GS–16, 17, or 18 Pay Rates

References in laws to the rates of pay for GS–16, 17, or 18, or to maximum rates of pay under the General Schedule, to be considered references to rates payable under specified sections of Title 5, Government Organization and Employees, see section 529 (title I, § 101(c)(1)) of Pub. L. 101–509, set out in a note under section 5376 of Title 5.

§ 285q–3. Purpose of the Institute

(a) In General

The general purpose of the National Institute of Biomedical Imaging and Bioengineering (in this section referred to as the “Institute”) is the conduct and support of research, training, and associated activities of the National Institutes of Health with respect to biomedical imaging, biomedical engineering and associated technologies and modalities with biomedical applications (in this section referred to as “biomedical imaging and bioengineering”).

(b) National Biomedical Imaging and Bioengineering Program

(1) The Director of the Institute, with the advice of the Institute’s advisory council, shall establish a National Biomedical Imaging and Bioengineering Program (in this section referred to as the “Program”)...
medicine, and who are not officers or employees of the United States.

(3) In addition to the ex officio members specified in section 284a(b)(2) of this title, the ex officio members of the advisory council shall include the Director of the Centers for Disease Control and Prevention, the Director of the National Science Foundation, and the Director of the National Institute of Standards and Technology (or the designees of such officers).


AMENDMENTS

2007—Subsec. (d), Pub. L. 109–482 struck out subsec. (d) which related to appropriations for fiscal years 2001 to 2003.

EFFECTIVE DATE OF 2007 AMENDMENT

Amendment by Pub. L. 109–482 applicable only with respect to amounts appropriated for fiscal year 2007 or subsequent fiscal years, see section 109 of Pub. L. 109–482, set out as a note under section 281 of this title.

EFFECTIVE DATE

Pub. L. 106–580, §4, Dec. 29, 2000, 114 Stat. 3092, provided that: “This Act [enacting this subpart, amending section 281 of this title, and enacting provisions set out as notes under this section and section 201 of this title] takes effect October 1, 2000, or upon the date of the enactment of this Act [Dec. 29, 2000], whichever occurs later.”

FINDINGS

Pub. L. 106–580, §2, Dec. 29, 2000, 114 Stat. 3088, provided that: “The Congress makes the following findings:

“(1) Basic research in imaging, bioengineering, computer science, informatics, and related fields is critical to improving health care but is fundamentally different from the research in molecular biology on which the current national research institutes at the National Institutes of Health (‘NIH’) are based. To ensure the development of new techniques and technologies for the 21st century, these disciplines therefore require an identity and research home at the NIH that is independent of the existing institute structure.

“(2) Advances based on medical research promise new, more effective treatments for a wide variety of diseases, but the development of new, noninvasive imaging techniques for earlier detection and diagnosis of disease is essential to take full advantage of such new treatments and to promote the general improvement of health care.

“(3) The development of advanced genetic and molecular imaging techniques is necessary to continue the current rapid pace of discovery in molecular biology.

“(4) Advances in telemedicine, and teleradiology in particular, are increasingly important in the delivery of high quality, reliable medical care to rural citizens and other underserved populations. To fulfill the promise of teleradiology and related technologies fully, a structure is needed at the NIH to support basic research focused on the acquisition, transmission, processing, and optimal display of images.

“(5) A number of Federal departments and agencies support imaging and engineering research with potential medical applications, but a central coordinating body, preferably housed at the NIH, is needed to coordinate these disparate efforts and facilitate the transfer of technologies with medical applications.

“(6) Several breakthrough imaging technologies, including magnetic resonance imaging (‘MRI’) and computed tomography (‘CT’), have been developed primarily abroad, in large part because of the absence of a home at the NIH for basic research in imaging and related fields. The establishment of a central focus for imaging and bioengineering research at the NIH would promote both scientific advance and United States economic development.

“(7) At a time when a consensus exists to add significant resources to the NIH in coming years, it is appropriate to modernize the structure of the NIH to ensure that research dollars are expended more effectively and efficiently and that the fields of medical science that have contributed the most to the detection, diagnosis, and treatment of disease in recent years receive appropriate emphasis.

“(8) The establishment of a National Institute of Biomedical Imaging and Bioengineering at the NIH would accelerate the development of new technologies with clinical and research applications, improve coordination and efficiency at the NIH and throughout the Federal Government, reduce duplication and waste, lay the foundation for a new medical information age, promote economic development, and provide a structure to train the young researchers who will make the pathbreaking discoveries of the next century.”

ESTABLISHMENT OF INSTITUTE AND ADVISORY COUNCIL

Pub. L. 106–580, §3(b)–(d), Dec. 29, 2000, 114 Stat. 3091, provided that:

“(b) Use of Existing Resources.—In providing for the establishment of the National Institute of Biomedical Imaging and Bioengineering pursuant to the amendment made by subsection (a) [enacting this subpart], the Director of the National Institutes of Health (referred to in this subsection as ‘NIH’) —

“(1) may transfer to the National Institute of Biomedical Imaging and Bioengineering such personnel of NIH as the Director determines to be appropriate; and

“(2) may, for quarters for such Institute, utilize such facilities of NIH as the Director determines to be appropriate; and

“(3) may obtain administrative support for the Institute from the other agencies of NIH, including the other national research institutes.

“(c) Construction of Facilities.—None of the provisions of this Act [enacting this subpart, amending section 281 of this title, and enacting provisions set out as notes under this section and section 201 of this title] or the amendments made by the Act may be construed as authorizing the construction of facilities, or the acquisition of land, for purposes of the establishment or operation of the National Institute of Biomedical Imaging and Bioengineering.

“(d) Date Certain for Establishment of Advisory Council.—Not later than 90 days after the effective date of this Act [Dec. 29, 2000] under section 4 [set out above], the Secretary of Health and Human Services shall complete the establishment of an advisory council for the National Institute of Biomedical Imaging and Bioengineering in accordance with section 406 of the Public Health Service Act (42 U.S.C. 284a) and in accordance with section 464z of such Act (as added by subsection (a) of this section) (42 U.S.C. 263a).”

SUBPART 19—NATIONAL HUMAN GENOME RESEARCH INSTITUTE

CODIFICATION


§285s. Purpose of Institute

(a) General purpose

The general purpose of the National Human Genome Research Institute (in this subpart re-
§ 285t. Purpose of Institute

(a) In general

The general purpose of the National Institute on Minority Health and Health Disparities (in this subpart referred to as the “Institute”) is the conduct and support of research, training, dissemination of information, and other programs with respect to minority health conditions and other populations with health disparities.

(b) Priorities

The Director of the Institute shall in expending amounts appropriated under this subpart give priority to conducting and supporting minority health disparities research.

(c) Minority health disparities research

For purposes of this subpart:

(1) The term “minority health disparities research” means basic, clinical, and behavioral research on minority health conditions (as defined in paragraph (2)), including research to prevent, diagnose, and treat such conditions.

(2) The term “minority health conditions”, with respect to individuals who are members of minority groups, means all diseases, disorders, and conditions (including with respect to mental health and substance abuse)—

(A) unique to, more serious, or more prevalent in such individuals;

(B) for which the factors of medical risk or types of medical intervention may be different for such individuals, or for which it is unknown whether such factors or types are different for such individuals; or

(C) with respect to which there has been insufficient research involving such individuals as subjects or insufficient data on such individuals.

(3) The term “minority group” has the meaning given the term “racial and ethnic minority group” in section 300u-6 of this title.

(4) The terms “minority” and “minorities” refer to individuals from a minority group.

(d) Health disparity populations

For purposes of this subpart:

(1) A population is a health disparity population if, as determined by the Director of the
Institute after consultation with the Director of the Agency for Healthcare Research and Quality, there is a significant disparity in the overall rate of disease incidence, prevalence, morbidity, mortality, or survival rates in the population as compared to the health status of the general population.

(2) The Director shall give priority consideration to determining whether minority groups qualify as health disparity populations under paragraph (1).

(3) The term "health disparities research" means basic, clinical, and behavioral research on health disparity populations (including individual members and communities of such populations) that relates to health disparities as defined under paragraph (1), including the causes of such disparities and methods to prevent, diagnose, and treat such disparities.

(e) Coordination of activities

The Director of the Institute shall act as the primary Federal official with responsibility for coordinating all minority health disparities research and other health disparities research conducted or supported by the National Institutes of Health, and—

(1) shall represent the health disparities research program of the National Institutes of Health, including the minority health disparities research program, at all relevant Executive branch task forces, committees and planning activities; and

(2) shall maintain communications with all relevant Public Health Service agencies, including the Indian Health Service, and various other departments of the Federal Government to ensure the timely transmission of information concerning advances in minority health disparities research and other health disparities research between these various agencies for dissemination to affected communities and health care providers.

(f) Collaborative comprehensive plan and budget

(1) In general

Subject to the provisions of this section and other applicable law, the Director of NIH, the Director of the Institute, and the directors of the other agencies of the National Institutes of Health in collaboration (and in consultation with the advisory council for the Institute) shall—

(A) establish a comprehensive plan and budget for the conduct and support of all minority health disparities research and other health disparities research activities of the agencies of the National Institutes of Health (which plan and budget shall be first established under this subsection not later than 12 months after November 22, 2000);

(B) ensure that the plan and budget establish priorities among the health disparities research activities that such agencies are authorized to carry out;

(C) ensure that the plan and budget establish objectives regarding such activities, describes the means for achieving the objectives, and designates the date by which the objectives are expected to be achieved;

(D) ensure that, with respect to amounts appropriated for activities of the Institute, the plan and budget give priority in the expenditure of funds to conducting and supporting minority health disparities research;

(E) ensure that all amounts appropriated for such activities are expended in accordance with the plan and budget;

(F) review the plan and budget not less than annually, and revise the plan and budget as appropriate;

(G) ensure that the plan and budget serve as a broad, binding statement of policies regarding minority health disparities research and other health disparities research activities of the agencies, but do not remove the responsibility of the heads of the agencies for the approval of specific programs or projects, or for other details of the daily administration of such activities, in accordance with the plan and budget; and

(H) promote coordination and collaboration among the agencies conducting or supporting minority health or other health disparities research.

(2) Certain components of plan and budget

With respect to health disparities research activities of the agencies of the National Institutes of Health, the Director of the Institute shall ensure that the plan and budget under paragraph (1) provide for—

(A) basic research and applied research, including research and development with respect to products;

(B) research that is conducted by the agencies;

(C) research that is supported by the agencies;

(D) proposals developed pursuant to solicitations by the agencies and for proposals developed independently of such solicitations; and

(E) behavioral research and social sciences research, which may include cultural and linguistic research in each of the agencies.

(3) Minority health disparities research

The plan and budget under paragraph (1) shall include a separate statement of the plan and budget for minority health disparities research.

(g) Participation in clinical research

The Director of the Institute shall work with the Director of NIH and the directors of the agencies of the National Institutes of Health to carry out the provisions of section 289a–2 of this title that relate to minority groups.

(h) Research endowments

(1) In general

The Director of the Institute may carry out a program to facilitate minority health disparities research and other health disparities research by providing for research endowments—

(1) at centers of excellence under section 293 of this title; and

(2) at centers of excellence under section 285t–1 of this title.

1 So in original. Probably should be "(A)".
2 So in original. Probably should be "(B)".
(2) Eligibility

The Director of the Institute may provide for a research endowment under paragraph (1) only if the institution involved meets the following conditions:

(A) The institution does not have an endowment that is worth in excess of an amount equal to 50 percent of the national median of endowment funds at institutions that conduct similar biomedical research or training of health professionals.

(B) The application of the institution under paragraph (1) regarding a research endowment has been recommended pursuant to technical and scientific peer review and has been approved by the advisory council under subsection (j).

(i) Certain activities

In carrying out subsection (a), the Director of the Institute—

(1) shall assist the Director of NIH in carrying out section 283k(c)(2) of this title and in committing resources for construction at Institutions of Emerging Excellence under such section;

(2) shall establish projects to promote cooperation among Federal agencies, State, local, tribal, and regional public health agencies, and private entities in health disparities research; and

(3) may utilize information from previous health initiatives concerning minorities and other health disparity populations.

(j) Advisory council

(1) In general

The Secretary shall, in accordance with section 284a of this title, establish an advisory council to advise, assist, consult with, and make recommendations to the Director of the Institute on matters relating to the activities described in subsection (a), and with respect to such activities to carry out any other functions described in section 284a of this title for advisory councils under such section. Functions under the preceding sentence shall include making recommendations on budgetary allocations made in the plan under subsection (f), and shall include reviewing reports under subsection (k) before the reports are submitted under such subsection.

(2) Membership

With respect to the membership of the advisory council under paragraph (1), a majority of the members shall be individuals with demonstrated expertise regarding minority health disparity and other health disparity issues; representatives of communities impacted by minority and other health disparities shall be included; and a diversity of health professionals shall be represented. The membership shall in addition include a representative of the Office of Behavioral and Social Sciences Research under section 283c of this title.

(k) Intra-National Institutes of Health coordination

The Director of the Institute, as the primary Federal official with responsibility for coordinating all research and activities conducted or supported by the National Institutes of Health on minority health and health disparities, shall plan, coordinate, review, and evaluate research and other activities conducted or supported by the national research institutes and national centers. The Director of the Institute may foster partnerships between the national research institutes and national centers and may encourage the funding of collaborative research projects to achieve the goals of the National Institutes of Health that are related to minority health and health disparities.


CODIFICATION

Section was formerly classified to section 287c-31 of this title prior to renumbering by Pub. L. 111-148.

AMENDMENTS


Subsec. (k). Pub. L. 114-255 redesignated subsec. (h) relating to interagency coordination as (k), in heading substituted “Intra-National Institutes of Health” for “Interagency”, in text substituted “as the primary Federal official” for “as the primary Federal officials” and “national research institutes and national centers” for “Institutes and Centers of the National Institutes of Health”, inserted a comma after “review”, and inserted at end “The Director of the Institute may foster partnerships between the national research institutes and national centers and may encourage the funding of collaborative research projects to achieve the goals of the National Institutes of Health that are related to minority health and health disparities.”

2011—Subsec. (i)(1). Pub. L. 112-74 substituted “Director of NIH” for “Director of the National Institute for Research Resources” and “283k(c)(2)” for “287a-1(c)(3)” and inserted “under such section” after “Institutions of Emerging Excellence”.


Subsec. (a). Pub. L. 111-148, § 10334(c)(1)(D)(ii), (iii), substituted “National Institute on Minority Health and Health Disparities” for “National Center on Minority Health and Health Disparities” and “Institute” for “Center”.

Subsecs. (b), (d) to (g). Pub. L. 111-148, § 10334(c)(1)(D)(ii), substituted “Institute” for “Center” wherever appearing.


Subsec. (h)(1). Pub. L. 111-148, § 10334(c)(2)(C), in par. (1) of subsec. (h) relating to research endowments, substituted “research endowments—

“(1) at centers of excellence under section 285t of this title; and

“(2) at centers of excellence under section 285t of this title.” for “research endowments at centers of excellence under section 285t of this title.”

Pub. L. 111-148, § 10334(c)(1)(D)(ii), in par. (1) of subsec. (h) relating to research endowments, substituted “Institute” for “Center”.

Subsec. (h)(2). Pub. L. 111-148, § 10334(c)(1)(D)(ii), in par. (2) of subsec. (h) relating to research endowments,
substituted “Institute” for “Center” in introductory provisions.
Subsec. (k). Pub. L. 109–482, §104(b)(1)(N), struck out heading and text of subsec. (k). Text read as follows:—

"The Director of the Center shall prepare an annual report on the activities carried out or to be carried out by the Center, and shall submit each such report to the Committee on Health, Education, Labor, and Pensions of the Senate, the Committee on Commerce of the House of Representatives, the Secretary, and the Director of NIH. With respect to the fiscal year involved, the report shall—

'(1) describe and evaluate the progress made in health disparities research conducted or supported by the national research institutes;
'(2) summarize and analyze expenditures made for activities with respect to health disparities research conducted or supported by the National Institutes of Health;
'(3) include a separate statement applying the requirements of paragraphs (1) and (2) specifically to minority health disparities research; and
'(4) contain such recommendations as the Director considers appropriate."

Subsec. (l). Pub. L. 109–482, §103(b)(44), struck out heading and text of subsec. (l). Text read as follows:—

"For the purpose of carrying out this subsection, there are appropriated (1) $100,000,000 for fiscal year 2007, and such sums as may be necessary for each of the fiscal years 2008 through 2009, (2) authorized to be appropriated $100,000,000 for fiscal year 2007 and such sums as may be necessary for each of the fiscal years 2008 through 2009. Such authorization of appropriations is in addition to other authorizations of appropriations that are available for the conduct and support of minority health disparities research or other health disparities research by the agencies of the National Institutes of Health."

EFFECTIVE DATE OF 2007 AMENDMENT
Amendment by Pub. L. 109–482 applicable only with respect to amounts appropriated for fiscal year 2007 or subsequent fiscal years, see section 109 of Pub. L. 109–482, set out as a note under section 281 of this title.

FINDINGS
Pub. L. 106–525, §2, Nov. 22, 2000, 114 Stat. 2495, provided that:—

"'(1) Despite notable progress in the overall health of the Nation, there are continuing disparities in the burden of illness and death experienced by African Americans, Hispanics, Native Americans, Alaska Natives, and Asian Pacific Islanders, compared to the United States population as a whole.
'(2) The largest numbers of the medically underserved are white individuals, and many of them have the same health care access problems as do members of minority groups. Nearly 26,000,000 white individuals live below the poverty line with many living in nonmetropolitan, rural areas such as Appalachia, where the high percentage of counties designated as health professional shortage areas (47 percent) and the high rate of poverty contribute to disparity outcomes. However, there is a higher proportion of racial and ethnic minorities in the United States represented among the medically underserved.
'(3) There is a national need for minority scientists in the fields of biomedical, clinical, behavioral, and health services research. Ninety percent of minority physicians educated at Historically Black Medical Colleges live and serve in minority communities.
'(4) Demographic trends inspire concern about the Nation’s ability to meet its future scientific, technological, and engineering workforce needs. Historically, non-Hispanic white males have made up the majority of the United States scientific, technological, and engineering workers.

"'(5) The Hispanic and Black population will increase significantly in the next 50 years. The scientific, technological, and engineering workforce may decrease if participation by underrepresented minorities remains the same.
'(6) Increasing rates of Black and Hispanic workers can help ensure a strong scientific, technological, and engineering workforce.
'(7) Individuals such as underrepresented minorities and women in the scientific, technological, and engineering workforce enable society to address its diverse needs.
'(8) If there had not been a substantial increase in the number of science and engineering degrees awarded to women and underrepresented minority groups in the past few decades, the United States would be facing even greater shortages in scientific, technological, and engineering workers.
'(9) In order to effectively promote a diverse and strong 21st century scientific, technological, and engineering workforce, Federal agencies should expand or add programs that effectively overcome barriers such as educational transition from one level to the next and student requirements for financial resources.
'(10) Federal agencies should work in concert with the private nonprofit sector to emphasize the recruitment and retention of qualified individuals from ethnic and gender groups that are currently underrepresented in the scientific, technological, and engineering workforce.
'(11) Behavioral and social sciences research has increased awareness and understanding of factors associated with health care utilization and access, patient attitudes toward health services, and risk and protective behaviors that affect health and illness. These factors have the potential to then be modified to help close the health disparities gap among ethnic minority populations. In addition, there is a shortage of minority behavioral science researchers and behavioral health care professionals. According to the National Science Foundation, only 15.5 percent of bicultural research-oriented psychology doctorate degrees were awarded to minority students in 1997. In addition, only 17 percent of practice-oriented psychology doctorate degrees were awarded to ethnic minorities."

PUBLIC AWARENESS AND DISSEMINATION OF INFORMATION ON HEALTH DISPARITIES
Pub. L. 106–525, title V, §501, Nov. 22, 2000, 114 Stat. 2510, provided that:

"'(a) PUBLIC AWARENESS ON HEALTH DISPARITIES.—The Secretary of Health and Human Services (in this section referred to as the ‘Secretary’) shall conduct a national campaign to inform the public and health care professionals about health disparities in minority and other underserved populations by disseminating information and materials available on specific diseases affecting these populations and programs and activities to address these disparities. The campaign shall—
'(1) have a specific focus on minority and other underserved communities with health disparities; and
'(2) include an evaluation component to assess the impact of the national campaign in raising awareness of health disparities and information on available resources.

'(b) DISSEMINATION OF INFORMATION ON HEALTH DISPARITIES.—The Secretary shall develop and implement a plan for the dissemination of information and findings with respect to health disparities under titles II, III, and IV of this Act [see Tables for classification]. The plan shall—
'(1) include the participation of all agencies of the Department of Health and Human Services that are responsible for serving populations included in the health disparities research; and
'(2) have agency-specific strategies for disseminating relevant findings and information on health disparities and improving health care services to affected communities."
§ 285t–1. Centers of excellence for research education and training

(a) In general

The Director of the Institute shall make awards of grants or contracts to designated biomedical and behavioral research institutions under paragraph (1) of subsection (c), or to consortia under paragraph (2) of such subsection, for the purpose of assisting the institutions in supporting programs of excellence in biomedical and behavioral research training for individuals who are members of minority health disparity populations or other health disparity populations.

(b) Required use of funds

An award may be made under subsection (a) only if the applicant involved agrees that the grant will be expended—

(1) to train members of minority health disparity populations or other health disparity populations as professionals in the area of biomedical or behavioral research or both; or

(2) to expand, remodel, renovate, or alter existing research facilities or construct new research facilities for the purpose of conducting minority health disparities research and other health disparities research.

(c) Centers of excellence

(1) In general

For purposes of this section, a designated biomedical and behavioral research institution is a biomedical and behavioral research institution that—

(A) has a significant number of members of minority health disparity populations or other health disparity populations enrolled as students in the institution (including individuals accepted for enrollment in the institution);

(B) has been effective in assisting such students of the institution to complete the program of education or training and receive the degree involved;

(C) has made significant efforts to recruit minority students to enroll in and graduate from the institution, which may include providing means-tested scholarships and other financial assistance as appropriate; and

(D) has made significant recruitment efforts to increase the number of minority or other members of health disparity populations serving in faculty or administrative positions at the institution.

(2) Consortium

Any designated biomedical and behavioral research institution involved may, with other biomedical and behavioral institutions (designated or otherwise), including tribal health programs, form a consortium to receive an award under subsection (a).

(3) Application of criteria to other programs

In the case of any criteria established by the Director of the Institute for purposes of determining whether institutions meet the conditions described in paragraph (1), this section may not, with respect to minority health disparity populations or other health disparity populations, be construed to authorize, require, or prohibit the use of such criteria in any program other than the program established in this section.

(d) Duration of grant

The period during which payments are made under a grant under subsection (a) may not exceed 5 years. Such payments shall be subject to annual approval by the Director of the Institute and to the availability of appropriations for the fiscal year involved to make the payments.

(e) Maintenance of effort

(1) In general

With respect to activities for which an award under subsection (a) is authorized to be expended, the Director of the Institute may not make such an award to a designated research institution or consortium for any fiscal year unless the institution, or institutions in the consortium, as the case may be, agree to maintain expenditures of non-Federal amounts for such activities at a level that is not less than the level of such expenditures maintained by the institutions involved for the fiscal year preceding the fiscal year for which such institutions receive such an award.

(2) Use of Federal funds

With respect to any Federal amounts received by a designated research institution or consortium and available for carrying out activities for which an award under subsection (a) is authorized to be expended, the Director of the Institute may not make such an award only if the institutions involved agree that the institutions will, before expending the award, expend the Federal amounts obtained from sources other than the award.

(f) Certain expenditures

The Director of the Institute may authorize a designated biomedical and behavioral research institution to expend a portion of an award under subsection (a) for research endowments.

(g) Definitions

For purposes of this section:

(1) The term “designated biomedical and behavioral research institution” has the meaning indicated for such term in subsection (c)(1). Such term includes any health professions school receiving an award of a grant or contract under section 283 of this title.
(2) The term “program of excellence” means any program carried out by a designated biomedical and behavioral research institution with an award under subsection (a), if the program is for purposes for which the institution involved is authorized in subsection (b) to expend the grant.


CODIFICATION

Section was formerly classified to section 287c–32 of this title prior to renumbering by Pub. L. 111–148.

AMENDMENTS

2010—Subsecs. (a), (c)(3) to (f). Pub. L. 111–148, § 10334(c)(1)(D)(iii), substituted “Institute” for “Center” wherever appearing.

2007—Subsec. (h). Pub. L. 109–482 struck out heading and text of subsec. (h). Text read as follows: “For the purpose of making grants under subsection (a) of this section, there are authorized to be appropriated such sums as may be necessary for each of the fiscal years 2001 through 2005.”

EFFECTIVE DATE OF 2007 AMENDMENT

Amendment by Pub. L. 109–482 applicable only with respect to amounts appropriated for fiscal year 2007 or subsequent fiscal years, see section 109 of Pub. L. 109–482, set out as a note under section 281 of this title.


§ 285t–3. General provisions regarding the Institute

The Secretary, acting through the Director of the National Institutes of Health, shall provide administrative support and support services to the Director of the Institute and shall ensure that such support takes maximum advantage of existing administrative structures at the agencies of the National Institutes of Health.


CODIFICATION

Section was formerly classified to section 287c–34 of this title prior to renumbering by Pub. L. 111–148.

AMENDMENTS

2010—Pub. L. 111–148, § 10334(c)(1)(D)(iii), substituted “Institute” for “Center” in section catchline and text.

2007—Pub. L. 109–482 struck out subsec. (a) designation and heading before “The Secretary” and struck out subsec. (b) which related to evaluation of this subpart not later than 5 years after Nov. 22, 2000, and report on such evaluation not later than 1 year after its commencement.

EFFECTIVE DATE OF 2007 AMENDMENT

Amendment by Pub. L. 109–482 applicable only with respect to amounts appropriated for fiscal year 2007 or subsequent fiscal years, see section 109 of Pub. L. 109–482, set out as a note under section 281 of this title.

PART D—NATIONAL LIBRARY OF MEDICINE

SUBPART 1—GENERAL PROVISIONS

§ 286. National Library of Medicine

(a) Purpose and establishment

In order to assist the advancement of medical and related sciences and to aid the dissemination and exchange of scientific and other information important to the progress of medicine and to the public health, there is established the National Library of Medicine (hereafter in this part referred to as the “Library”).

(b) Functions

The Secretary, through the Library and subject to subsection (d), shall—

(1) acquire and preserve books, periodicals, prints, films, recordings, and other library materials pertinent to medicine;

(2) organize the materials specified in paragraph (1) by appropriate cataloging, indexing, and bibliographical listings;

(3) publish and disseminate the catalogs, indexes, and bibliographies referred to in paragraph (2);

(4) make available, through loans, photographic or other copying procedures, or otherwise, such materials in the Library as the Secretary determines appropriate;

(5) provide reference and research assistance;

(6) publicize the availability from the Library of the products and services described in any of paragraphs (1) through (5);

(7) promote the use of computers and telecommunications by health professionals (including health professionals in rural areas) for the purpose of improving access to biomedical information for health care delivery and medical research; and

(8) engage in such other activities as the Secretary determines appropriate and as the Library’s resources permit.

(c) Exchange, destruction, or disposal of materials not needed

The Secretary may exchange, destroy, or otherwise dispose of any books, periodicals, films, and other library materials not needed for the permanent use of the Library.

(d) Availability of publications, materials, facilities, or services; prescription of rules

(1) The Secretary may, after obtaining the advice and recommendations of the Board of Regents, prescribe rules under which the Library will—

(A) provide copies of its publications or materials,

(B) will make available its facilities for research, or

(C) will make available its bibliographic, reference, or other services,
§ 286a  TITLE 42—THE PUBLIC HEALTH AND WELFARE  Page 682
to public and private entities and individuals.
(2) Rules prescribed under paragraph (1) may provide for making available such publications, materials, facilities, or services—
(A) without charge as a public service,
(B) upon a loan, exchange, or charge basis, or
(C) in appropriate circumstances, under contract arrangements made with a public or other nonprofit entity.
(e) Regional medical libraries; establishment
Whenever the Secretary, with the advice of the Board of Regents, determines that—
(1) in any geographic area of the United States there is no regional medical library adequate to serve such area;
(2) under criteria prescribed for the administration of section 286b–6 of this title, there is a need for a regional medical library to serve such area; and
(3) because there is no medical library located in such area which, with financial assistance under section 286b–6 of this title, can feasibly be developed into a regional medical library adequate to serve such area,
the Secretary may establish, as a branch of the Library, a regional medical library to serve the needs of such area.
(f) Acceptance and administration of gifts; memorials
Section 238 of this title shall be applicable to the acceptance and administration of gifts made for the benefit of the Library or for carrying out any of its functions, and the Board of Regents shall make recommendations to the Secretary relating to establishment within the Library of suitable memorials to the donors.
(g) "Medicine" and "medical" defined
For purposes of this part, the terms "medicine" and "medical", except when used in section 286a of this title, include preventive and therapeutic medicine, dentistry, pharmacy, hospitalization, nursing, public health, and the fundamental sciences related thereto, and other related fields of study, research, or activity.

AMENDMENTS
Subsec. (b)(6) to (8). Pub. L. 103–43, § 1401(a), added pars. (6) and (7) and redesignated former par. (6) as (8).
Subsec. (f). Pub. L. 103–43, § 2016(b)(3), substituted "Section 238" for "Section 300aa–1".
1990—Subsec. (f). Pub. L. 101–381 made technical amendment to reference to section 300aa–1 of this title to reflect renumbering of corresponding section of original act.
1988—Subsec. (f). Pub. L. 100–690 made technical amendment to reference to section 300aa–1 of this title to reflect renumbering of corresponding section of original act.
Pub. L. 100–607 substituted "300aa–1" for "300cc".
1987—Pub. L. 100–202, which directed the amendment of "Section 465(B) of 42 U.S.C. 286" by inserting "between (5) and (6) an additional charge to the Secretary to publicize the availability of the above products and services of the National Library of Medicine"", was repealed by Pub. L. 103–43, § 1401(c)(1).
1986—Subsec. (f). Pub. L. 99–660 substituted "300cc of this title" for "section 300aa of this title".

EFFECTIVE DATE OF 1988 AMENDMENT
Amendment by Pub. L. 100–690 effective immediately after enactment of Pub. L. 100–690, which was approved Nov. 4, 1988, see section 2608 of Pub. L. 100–690, set out as a note under section 242m of this title.

EFFECTIVE DATE OF 1986 AMENDMENT

APPLICABILITY OF CERTAIN NEW AUTHORITY
Pub. L. 103–43, title XIV, § 1401(c)(2), June 10, 1993, 107 Stat. 170, provided that: "With respect to the authority established by the National Library of Medicine in section 465(b)(6) of the Public Health Service Act, as added by subsection (a) of this section [42 U.S.C. 286(b)(6)], such authority shall be effective as if the authority had been established on December 22, 1987."

§ 286a. Board of Regents
(a) Membership; ex officio members
(1)(A) The Board of Regents of the National Library of Medicine consists of ex officio members and ten members appointed by the Secretary.
(B) The ex officio members are the Surgeons General of the Public Health Service, the Army, the Navy, and the Air Force, the Under Secretary for Health of the Department of Veterans Affairs, the Dean of the Uniformed Services University of the Health Sciences, the Assistant Director for Biological, Behavioral, and Social Sciences of the National Science Foundation, the Director of the National Agricultural Library, and the Librarian of Congress (or their designees).
(C) The appointed members shall be selected from among leaders in the various fields of the fundamental sciences, medicine, dentistry, public health, hospital administration, pharmacology, health communications technology, or scientific or medical library work, or in public affairs. At least six of the appointed members shall be selected from among leaders in the fields of medical, dental, or public health research or education.
(2) The Board shall annually elect one of the appointed members to serve as chairman until the next election. The Secretary shall designate a member of the Library staff to act as executive secretary of the Board.
(b) Recommendations on matters of policy; recommendations included in annual report; use of services of members by Secretary
The Board shall advise, consult with, and make recommendations to the Secretary on matters of policy in regard to the Library, including such matters as the acquisition of materials for the Library, the scope, content, and or-
organization of the Library's services, and the rules under which its materials, publications, facilities, and services shall be made available to various kinds of users. The Secretary shall include in the annual report of the Secretary to the Congress a statement covering the recommendations made by the Board and the disposition thereof. The Secretary may use the services of any member of the Board in connection with matters related to the work of the Library, for such periods, in addition to conference periods, as the Secretary may determine.

(c) Term of office; vacancy; reappointment
Each appointed member of the Board shall hold office for a term of four years, except that any member appointed to fill a vacancy occurring prior to the expiration of the term for which the predecessor of such member was appointed shall be appointed for the remainder of such term. None of the appointed members shall be eligible for reappointment within one year after the end of the preceding term of such member.


amendments
1993—subsec. (a)(1)(b). pub. l. 103–43 substituted “department of veterans affairs” for “veterans’ administration”.
1992—subsec. (a)(1)(b). pub. l. 102–405 substituted “under secretary for health” for “chief medical director”.

§ 286a–1. Library facilities
The Administrator of General Services may acquire, by purchase, condemnation, donation, or otherwise, a suitable site or sites, selected by the Secretary in accordance with the direction of the Board, for suitable and adequate buildings and facilities for use of the Library and to erect thereon, furnish, and equip such buildings and facilities. Amounts appropriated to carry out this section may be used for the cost of preparation of drawings and specifications, supervision of construction, and other administrative expenses incident to the work. The Administrator of General Services shall prepare the plans and specifications, make all necessary contracts, and supervise construction.

(july 1, 1944, ch. 373, title iv, § 467, as added pub. l. 99–138, § 2, nov. 20, 1985, 99 stat. 839; amended pub. l. 109–482, title i, § 103(b)(39), Jan. 15, 2007, 120 stat. 3688.)

amendments
2007—pub. l. 109–482 substituted “for suitable and adequate buildings and facilities for use of the Library” for “for such buildings and facilities” and “Amounts appropriated to carry out this section may be used for” for “The amounts authorized to be appropriated by this section include” and stricken out first sentence which read as follows: “There are authorized to be appropriated amounts sufficient for the erection and equipment of suitable and adequate buildings and facilities for use of the Library.”

effective date of 2007 amendment
amendment by pub. l. 109–482 applicable only with respect to amounts appropriated for fiscal year 2007 or subsequent fiscal years, see section 109 of pub. l. 109–482, set out as a note under section 281 of this title.


section, act july 1, 1944, ch. 373, title iv, § 468, as added pub. l. 103–43, title xiv, § 1402(a), June 10, 1993, 107 stat. 170, authorized appropriations for this part.

effective date of repeal
repeal applicable only with respect to amounts appropriated for fiscal year 2007 or subsequent fiscal years, see section 109 of pub. l. 109–482, set out as an effective date of 2007 amendment note under section 281 of this title.

subpart 2—financial assistance


section, act july 1, 1944, ch. 373, title iv, § 469, as added nov. 20, 1985, pub. l. 99–158, § 2, 99 stat. 860; amended nov. 4, 1988, pub. l. 100–607, title i, § 114(a), 102 stat. 3058, authorized appropriations for grants and contracts under sections 286b–3 through 286b–7 of this title.

§ 286b–1. Definitions
As used in this subpart—
(1) the term “medical library” means a library related to the sciences related to health; and
(2) the term “sciences related to health” includes medicine, osteopathy, dentistry, and public health, and fundamental and applied sciences when related thereto.

(july 1, 1944, ch. 373, title iv, § 470, as added pub. l. 99–138, § 2, nov. 20, 1985, 99 stat. 860.)

§ 286b–2. National Medical Libraries Assistance Advisory Board

(a) Board of Regents of National Library of Medicine to serve as
The Board of Regents of the National Library of Medicine shall also serve as the National Medical Libraries Assistance Advisory Board (hereafter in this subpart referred to as the “Board”).

(b) Functions
The Board shall advise and assist the Secretary in the preparation of general regulations and with respect to policy matters arising in the administration of this subpart.

(c) Use of services of members by Secretary
The Secretary may use the services of any member of the Board, in connection with matters related to the administration of this part for such periods, in addition to conference periods, as the Secretary may determine.

(d) Compensation
Appointed members of the Board who are not otherwise in the employ of the United States, while attending conferences of the Board or otherwise serving at the request of the Secretary in connection with the administration of this subpart, shall be entitled to receive compensation, per diem in lieu of subsistence, and travel expenses in the same manner and under the same conditions as that prescribed under
§ 286b–3. Grants for training in medical library sciences

The Secretary shall make grants—

(1) to individuals to enable them to accept traineeships and fellowships leading to post-baccalaureate academic degrees in the field of medical library science, in related fields pertaining to sciences related to health, or in the field of the communication of information;

(2) to individuals who are librarians or specialists in information on sciences relating to health, to enable them to undergo intensive training or retraining so as to attain greater competence in their occupations (including competence in the fields of automatic data processing and retrieval);

(3) to assist appropriate public and private nonprofit institutions in developing, expanding, and improving training programs in library science and the field of communications of information pertaining to sciences relating to health; and

(4) to assist in the establishment of internship programs in established medical libraries meeting standards which the Secretary shall prescribe.

(71) 1973—Subsec. (c). Pub. L. 93–441, § 4, Jan. 4, 1975, 88 Stat. 2275, set out as a note under section 217a of this title, provided that an advisory committee established pursuant to the Public Health Service Act shall terminate at such time as may be specifically prescribed by an Act of Congress enacted after Jan. 4, 1975.

§ 286b–4. Assistance for projects in sciences related to health, for research and development in medical library science, and for development of education technologies

(a) Compilation of existing and original writings on health

The Secretary shall make grants to physicians and other practitioners in the sciences related to health, to scientists, and to public or nonprofit private institutions on behalf of such physicians, other practitioners, and scientists for the compilation of existing, or the writing of original, contributions relating to scientific, social, or cultural advancements in sciences related to health. In making such grants, the Secretary shall make appropriate arrangements under which the facilities of the Library and the facilities of libraries of public and private nonprofit institutions of higher learning may be made available in connection with the projects for which such grants are made.

(b) Medical library science and related activities

The Secretary shall make grants to appropriate public or private nonprofit institutions and enter into contracts with appropriate persons, for purposes of carrying out projects of research, investigations, and demonstrations in the field of medical library science and related activities and for the development of new techniques, systems, and equipment, for processing, storing, retrieving, and distributing information pertaining to sciences related to health.

(c) Development of education technologies

(1) The Secretary shall make grants to public or nonprofit private institutions for the purpose of carrying out projects of research on, and development and demonstration of, new education technologies.

(2) The purposes for which a grant under paragraph (1) may be made include projects concerning—

(A) computer-assisted teaching and testing of clinical competence at health professions and research institutions;

(B) the effective transfer of new information from research laboratories to appropriate clinical applications;

(C) the expansion of the laboratory and clinical uses of computer-stored research databases; and

(D) the testing of new technologies for training health care professionals.

(3) The Secretary may not make a grant under paragraph (1) unless the applicant for the grant agrees to make the projects available with respect to—

(A) assisting in the training of health professionals students; and

(B) enhancing and improving the capabilities of health professionals regarding research and teaching.


§ 286b–5. Grants for establishing, expanding, and improving basic resources of medical libraries and related instrumentalities

(a) The Secretary shall make grants of money, materials, or both, to public or private nonprofit medical libraries and related scientific communication instrumentalities for the purpose of establishing, expanding, and improving their basic medical library or related resources. A grant under this subsection may be used for—

(1) the acquisition of books, journals, photographs, motion picture and other films, and other similar materials;

(2) cataloging, binding, and other services and procedures for processing library resource materials for use by those who are served by the library or related instrumentality;
(3) the acquisition of duplication devices, facsimile equipment, film projectors, recording equipment, and other equipment to facilitate the use of the resources of the library or related instrumentality by those who are served by it; and

(4) the introduction of new technologies in medical librarianship.

(b) Uses for grants and contracts

The uses for which grants and contracts under this section may be employed include the—

(1) acquisition of books, journals, and other similar materials;

(2) cataloging, binding, and other procedures for processing library resource materials for use by those who are served by the library;

(3) acquisition of duplicating devices and other equipment to facilitate the use of the resources of the library by those who are served by it;

(4) acquisition of mechanisms and employment of personnel for the speedy transmission of materials from the regional library to local libraries in the geographic area served by the regional library; and

(5) planning for services and activities under this section.

(c) Conditions

(1) Grants and contracts under this section shall only be made to or entered into with medical libraries which agree—

(A) to modify and increase their library resources, and to supplement the resources of cooperating libraries in the region, so as to be able to provide adequate supportive services to all libraries in the region as well as to individual users of library services; and

(B) to provide free loan services to qualified users and make available photoduplicated or facsimile copies of biomedical materials which qualified requesters may retain.

(2) The Secretary, in awarding grants and contracts under this section, shall give priority to medical libraries having the greatest potential of fulfilling the needs for regional medical libraries. In determining the priority to be assigned to any medical library, the Secretary shall consider—

(A) the adequacy of the library (in terms of collections, personnel, equipment, and other facilities) as a basis for a regional medical library; and

(B) the size and nature of the population to be served in the region in which the library is located.

(d) Basic resources materials; limitation on grant or contract

Grants and contracts under this section for basic resource materials to a library may not exceed—

(1) 50 percent of the library’s annual operating expense (exclusive of Federal financial assistance under this part) for the preceding year; or

(2) in case of the first year in which the library receives a grant under this section for basic resource materials, 50 percent of its average annual operating expenses over the past three years (or if it had been in operation for less than three years, its annual operating expenses determined by the Secretary in accordance with regulations).

(3) the acquisition of duplication devices, facsimile equipment, film projectors, recording equipment, and other equipment to facilitate the use of the resources of the library or related instrumentality by those who are served by it; and

(4) the introduction of new technologies in medical librarianship.
§ 286b–7. Financial support of biomedical scientific publications

(a) The Secretary, with the advice of the Board, shall make grants to, and enter into appropriate contracts with, public or private nonprofit institutions of higher education and individual scientists for the purpose of supporting biomedical scientific publications of a nonprofit nature and to procure the compilation, writing, editing, and publication of reviews, abstracts, indices, handbooks, bibliographies, and related matter pertaining to scientific works and scientific developments.

(b) Grants under subsection (a) in support of any single periodical publication may not be made for more than three years, except in those cases in which the Secretary determines that further support is necessary to carry out the purposes of subsection (a).

(July 1, 1944, ch. 373, title IV, § 476, as added Pub. L. 99–158, § 2, Nov. 20, 1985, 99 Stat. 863.)

§ 286b–8. Grant payments, records, and audit

(a) Payments under grants made under sections 286b–3, 286b–4, 286b–5, 286b–6, and 286b–7 of this title may be made in advance or by way of reimbursement and in such installments as the Secretary shall prescribe by regulation after consultation with the Board.

(b)(1) Each recipient of a grant under this subpart shall keep such records as the Secretary shall prescribe, including records which fully disclose the amount and disposition by such recipient of the proceeds of such grant, the total cost of the project or undertaking in connection with which such grant is given or used, and the amount of that portion of the cost of the project or undertaking supplied by other sources, and such other records as will facilitate an effective audit.

(2) The Secretary and the Comptroller General of the United States, or any of their duly authorized representatives, shall have access for the purpose of audit and examination to any books, documents, papers, and records of such recipients that are pertinent to any grant received under this subpart.

(July 1, 1944, ch. 373, title IV, § 477, as added Pub. L. 99–158, § 2, Nov. 20, 1985, 99 Stat. 863.)

SUBPART 3—NATIONAL CENTER FOR BIOTECHNOLOGY INFORMATION

§ 286c. Purpose, establishment, functions, and funding of National Center for Biotechnology Information

(a) Establishment

In order to focus and expand the collection, storage, retrieval, and dissemination of the results of biotechnology research by information systems, and to support and enhance the development of new information technologies to aid in the understanding of the molecular processes that control health and disease, there is established the National Center for Biotechnology Information (hereinafter in this section referred to as the “Center”) in the National Library of Medicine.

(b) Functions

The Secretary, through the Center and subject to section 286(d) of this title, shall—

(1) design, develop, implement, and manage automated systems for the collection, storage, retrieval, analysis, and dissemination of knowledge concerning human molecular biology, biochemistry, and genetics;

(2) perform research into advanced methods of computer-based information processing capable of representing and analyzing the vast number of biologically important molecules and compounds;

(3) enable persons engaged in biotechnology research and medical care to use systems developed under paragraph (1) and methods described in paragraph (2); and

(4) coordinate, as much as is practicable, efforts to gather biotechnology information on an international basis.


AMENDMENTS

1993—Subsec. (c). Pub. L. 103–43 struck out subsec. (c) which read as follows: “For the purpose of performing the duties specified in subsection (b) of this section, there are authorized to be appropriated $8,000,000 for fiscal year 1989 and such sums as may be necessary for fiscal year 1990. Funds appropriated under this subsection shall remain available until expended.”

SUBPART 4—NATIONAL INFORMATION CENTER ON HEALTH SERVICES RESEARCH AND HEALTH CARE TECHNOLOGY

§ 286d. National Information Center

(a) Establishment

There is established within the Library an entity to be known as the National Information Center on Health Services Research and Health Care Technology (in this section referred to as the “Center”).

(b) Purpose

The purpose of the Center is the collection, storage, analysis, retrieval, and dissemination of information on health services research, clinical practice guidelines, and on health care technology, including the assessment of such technology. Such purpose includes developing and maintaining data bases and developing and implementing methods of carrying out such purpose.

(c) Electronic, convenient format; criteria for inclusion

The Director of the Center shall ensure that information under subsection (b) concerning clinical practice guidelines is collected and maintained electronically and in a convenient format. Such Director shall develop and publish criteria for the inclusion of practice guidelines and technology assessments in the information center database.

(d) Coordination with Director of the Agency for Healthcare Research and Quality

The Secretary, acting through the Center, shall coordinate the activities carried out under
this section through the Center with related activities of the Director of the Agency for Healthcare Research and Quality.

(7) The Center shall publish a report on a biennial basis that, with respect to all research supported by the Center, includes a complete list of—

(a) the molecules being studied;

(b) clinical trial activities being conducted;

(c) the methods and tools in development;

(d) ongoing partnerships, including—

(A) the rationale for each partnership;

(B) the status of each partnership;

(C) the funding provided by the Center to other entities pursuant to each partnership, and

(D) the activities which have been transferred to industry pursuant to each partnership;

(e) known research activity of other entities that is or will expand upon research activity of the Center;

(f) the methods and tools, if any, that have been developed since the last biennial report was prepared; and

(g) the methods and tools, if any, that have been developed and are being utilized by the Food and Drug Administration to support medical product reviews.

The first biennial report submitted under this section after December 13, 2016, shall include a complete list of all of the methods and tools, if any, which have been developed by research supported by the Center.

(ec) Rule of construction

Nothing in this section shall be construed as authorizing the Secretary to disclose any information that is a trade secret, or other privileged or confidential information subject to section 552(b)(4) of title 5 or section 1905 of title 18.

(2) A report required by the Center under section 287 of this title shall be in accordance with regulations issued by the Secretary.

(3) The Secretary may modify any part of a report required under this section if the Secretary finds that such modification is in the public interest.

(f) Inclusion of list

The first biennial report submitted under this section after December 13, 2016, shall include a complete list of all of the methods and tools, if any, which have been developed by research supported by the Center.

(ec) Rule of construction

Nothing in this section shall be construed as authorizing the Secretary to disclose any information that is a trade secret, or other privileged or confidential information subject to section 552(b)(4) of title 5 or section 1905 of title 18.

(2) A report required by the Center under section 287 of this title shall be in accordance with regulations issued by the Secretary.

(3) The Secretary may modify any part of a report required under this section if the Secretary finds that such modification is in the public interest.
§ 287a. Cures Acceleration Network

(a) Definitions

In this section:

(1) Biological product

The term “biological product” has the meaning given such term in section 262 of this title.

(2) Drug; device

The terms “drug” and “device” have the meanings given such terms in section 321 of this title.

(3) High need cure

The term “high need cure” means a drug (as that term is defined by section 321(g)(1) of title 21), biological product (as that term is defined by section 362(i) of this title), or device (as that term is defined by section 321(h) of title 21) that, in the determination of the Director of the Center—

(A) is a priority to diagnose, mitigate, prevent, or treat harm from any disease or condition; and

(B) for which the incentives of the commercial market are unlikely to result in its adequate or timely development.

(4) Medical product

The term “medical product” means a drug, device, biological product, or product that is a combination of drugs, devices, and biological products.

(b) Establishment of the Cures Acceleration Network

Subject to the appropriation of funds as described in subsection (g), there is established within the Center a program to be known as the Cures Acceleration Network (referred to in this section as “CAN”), which shall—

(1) be under the direction of the Director of the Center, taking into account the recommendations of a CAN Review Board (referred to in this section as the “Board”), described in subsection (d); and

(2) award grants and contracts to eligible entities, as described in subsection (e), to accelerate the development of high need cures, including through the development of medical products and behavioral therapies.

(c) Functions

The functions of the CAN are to—

(1) conduct and support revolutionary advances in basic research, translating scientific discoveries from bench to bedside;

(2) award grants and contracts to eligible entities to accelerate the development of high need cures;

(3) provide the resources necessary for government agencies, independent investigators, research organizations, biotechnology companies, academic research institutions, and other entities to develop high need cures;

(4) reduce the barriers between laboratory discoveries and clinical trials for new therapies; and

(5) facilitate review in the Food and Drug Administration for the high need cures funded by the CAN, through activities that may include—

(A) the facilitation of regular and ongoing communication with the Food and Drug Administration regarding the status of activities conducted under this section;

(B) ensuring that such activities are coordinated with the approval requirements of the Food and Drug Administration, with the goal of expediting the development and approval of countermeasures and products; and

(C) connecting interested persons with additional technical assistance made available under section 360bbb–4 of title 21.

(d) CAN Board

(1) Establishment

There is established a Cures Acceleration Network Review Board (referred to in this section as the “Board”), which shall advise the Director of the Center on the conduct of the activities of the Cures Acceleration Network.

(2) Membership

(A) In general

(i) Appointment

The Board shall be comprised of 24 members who are appointed by the Secretary and who serve at the pleasure of the Secretary.

(ii) Chairperson and Vice Chairperson

The Secretary shall designate, from among the 24 members appointed under clause (i), one Chairperson of the Board (referred to in this section as the “Chairperson”) and one Vice Chairperson.

(B) Terms

(i) In general

Each member shall be appointed to serve a 4-year term, except that any member ap-
pointed to fill a vacancy occurring prior to the expiration of the term for which the member's predecessor was appointed shall be appointed for the remainder of such term.

(ii) Consecutive appointments; maximum terms
A member may be appointed to serve not more than 3 terms on the Board, and may not serve more than 2 such terms consecutively.

(C) Qualifications
(i) In general
The Secretary shall appoint individuals to the Board based solely upon the individual's established record of distinguished service in one of the areas of expertise described in clause (ii). Each individual appointed to the Board shall be of distinguished achievement and have a broad range of disciplinary interests.

(ii) Expertise
The Secretary shall select individuals based upon the following requirements:
(I) For each of the fields of—
   (aa) basic research;
   (bb) medicine;
   (cc) biopharmaceuticals;
   (dd) discovery and delivery of medical products;
   (ee) bioinformatics and gene therapy;
   (ff) medical instrumentation; and
   (gg) regulatory review and approval of medical products,
the Secretary shall select at least 1 individual who is eminent in such fields.
(II) At least 4 individuals shall be recognized leaders in professional venture capital or private equity organizations and have demonstrated experience in private equity investing.
(III) At least 8 individuals shall represent disease advocacy organizations.

(3) Ex-officio members
(A) Appointment
In addition to the 24 Board members described in paragraph (2), the Secretary shall appoint as ex-officio members of the Board—
(i) a representative of the National Institutes of Health, recommended by the Secretary of the Department of Health and Human Services;
(ii) a representative of the Office of the Assistant Secretary of Defense for Health Affairs, recommended by the Secretary of Defense;
(iii) a representative of the Office of the Under Secretary for Health for the Veterans Health Administration, recommended by the Secretary of Veterans Affairs;
(iv) a representative of the National Science Foundation, recommended by the Chair of the National Science Board; and
(v) a representative of the Food and Drug Administration, recommended by the Commissioner of Food and Drugs.

(B) Terms
Each ex-officio member shall serve a 3-year term on the Board, except that the Chairperson may adjust the terms of the initial ex-officio members in order to provide for a staggered term of appointment for all such members.

(4) Responsibilities of the Board and the Director of the Center
(A) Responsibilities of the Board
(i) In general
The Board shall advise, and provide recommendations to, the Director of the Center with respect to—
(I) policies, programs, and procedures for carrying out the duties of the Director of the Center under this section; and
(II) significant barriers to successful translation of basic science into clinical application (including issues under the purview of other agencies and departments).

(ii) Report
In the case that the Board identifies a significant barrier, as described in clause (i)(II), the Board shall submit to the Secretary a report regarding such barrier.

(B) Responsibilities of the Director of the Center
With respect to each recommendation provided by the Board under subparagraph (A)(i), the Director of the Center shall respond in writing to the Board, indicating whether such Director will implement such recommendation. In the case that the Director of the Center indicates a recommendation of the Board will not be implemented, such Director shall provide an explanation of the reasons for not implementing such recommendation.

(5) Meetings
(A) In general
The Board shall meet 4 times per calendar year, at the call of the Chairperson.

(B) Quorum; requirements; limitations
(i) Quorum
A quorum shall consist of a total of 13 members of the Board, excluding ex-officio members, with diverse representation as described in clause (iii).

(ii) Chairperson or Vice Chairperson
Each meeting of the Board shall be attended by either the Chairperson or the Vice Chairperson.

(iii) Diverse representation
At each meeting of the Board, there shall be not less than one scientist, one representative of a disease advocacy organization, and one representative of a professional venture capital or private equity organization.

(6) Compensation and travel expenses
(A) Compensation
Members shall receive compensation at a rate to be fixed by the Chairperson but not to exceed a rate equal to the daily equivalent of the annual rate of basic pay pre-
(e) Grant program

(1) Supporting innovation

To carry out the purposes described in this section, the Director of the Center shall award contracts, grants, or cooperative agreements to the entities described in paragraph (2), to—

(A) promote innovation in technologies supporting the advanced research and development and production of high-need cures, including through the development of medical products and behavioral therapies;

(B) accelerate the development of high-need cures, including through the development of medical products, behavioral therapies, and biomarkers that demonstrate the safety or effectiveness of medical products; or

(C) help the award recipient establish protocols that comply with Food and Drug Administration standards and otherwise permit the recipient to meet regulatory requirements at all stages of development, manufacturing, review, approval, and safety surveillance of a medical product.

(2) Eligible entities

To receive assistance under paragraph (1), an entity shall—

(A) be a public or private entity, which may include a private or public research institution, an institution of higher education, a medical center, a biotechnology company, a pharmaceutical company, a disease advocacy organization, a patient advocacy organization, or an academic research institution;

(B) submit an application containing—

(i) a detailed description of the project for which the entity seeks such grant or contract;

(ii) a timetable for such project;

(iii) an assurance that the entity will submit—

(1) interim reports describing the entity's—

(aa) progress in carrying out the project; and

(bb) compliance with all provisions of this section and conditions of receipt of such grant or contract; and

(ii) a final report at the conclusion of the grant period, describing the outcomes of the project; and

(iv) a description of the protocols the entity will follow to comply with Food and Drug Administration standards and regulatory requirements at all stages of development, manufacturing, review, approval, and safety surveillance of a medical product; and

(C) provide such additional information as the Director of the Center may require.

(3) Awards

(A) The cures acceleration partnership awards

(i) Initial award amount

Each award under this subparagraph shall be not more than $15,000,000 per project for the first fiscal year for which the project is funded, which shall be payable in one payment.

(ii) Funding in subsequent fiscal years

An eligible entity receiving an award under clause (i) may apply for additional funding for such project by submitting to the Director of the Center the information required under subparagraphs (B) and (C) of paragraph (2). The Director may fund a project of such eligible entity in an amount not to exceed $15,000,000 for a fiscal year subsequent to the initial award under clause (i).

(iii) Matching funds

As a condition for receiving an award under this subsection, an eligible entity shall contribute to the project non-Federal funds in the amount of $1 for every $3 awarded under clauses (i) and (ii), except that the Director of the Center may waive or modify such matching requirement in any case where the Director determines that the goals and objectives of this section cannot adequately be carried out unless such requirement is waived.

(B) The cures acceleration grant awards

(i) Initial award amount

Each award under this subparagraph shall be not more than $15,000,000 per project for the first fiscal year for which the project is funded, which shall be payable in one payment.

(ii) Funding in subsequent fiscal years

An eligible entity receiving an award under clause (i) may apply for additional funding for such project by submitting to the Board the information required under subparagraphs (B) and (C) of paragraph (2). The Director of the Center may fund a project of such eligible entity in an amount not to exceed $15,000,000 for a fiscal year subsequent to the initial award under clause (i).

(C) The cures acceleration flexible research awards

If the Director of the Center determines that the goals and objectives of this section...
cannot adequately be carried out through a contract, grant, or cooperative agreement, the Director of the Center shall have flexible research authority to use other transactions to fund projects in accordance with the terms and conditions of this section. Awards made under such flexible research authority for a fiscal year shall not exceed 20 percent of the total funds appropriated under subsection (g)(1) for such fiscal year.

(4) Suspension of awards for defaults, noncompliance with provisions and plans, and diversion of funds; repayment of funds

The Director of the Center may suspend the award to any entity upon noncompliance by such entity with provisions and plans under this section or diversion of funds.

(5) Audits

The Director of the Center may enter into agreements with other entities to conduct periodic audits of the projects funded by grants or contracts awarded under this subsection.

(6) Closeout procedures

At the end of a grant or contract period, a recipient shall follow the closeout procedures under section 74.71 of title 45, Code of Federal Regulations (or any successor regulation).

(7) Review

A determination by the Director of the Center as to whether a drug, device, or biological product is a high need cure (for purposes of subsection (a)(3)) shall not be subject to judicial review.

(f) Competitive basis of awards

Any grant, cooperative agreement, or contract awarded under this section shall be awarded on a competitive basis.

(g) Authorization of appropriations

(1) In general

For purposes of carrying out this section, there are authorized to be appropriated $500,000,000 for fiscal year 2010, and such sums as may be necessary for subsequent fiscal years. Funds appropriated under this section shall be available until expended.

(2) Limitation on use of funds otherwise appropriated

No funds appropriated under this chapter, other than funds appropriated under paragraph (1), may be allocated to the Cures Acceleration Network.

(2011—Pub. L. 112–114, § 221(c)(1)(C), substituted “Director of the Center” for “Director of NIH” wherever appearing.

Subsec. (b). Pub. L. 112–114, § 221(c)(1)(B), substituted “within the Center” for “within the Office of the Director of NIH” in introductory provisions.


§ 287a–1, Office of Rare Diseases

(a) Establishment

There is established within the Center an office to be known as the Office of Rare Diseases (in this section referred to as the “Office”), which shall be headed by a Director (in this section referred to as the “Director”), appointed by the Director of the Center.

(b) Duties

(1) In general

The Director of the Office shall carry out the following:

(A) The Director shall recommend an agenda for conducting and supporting research on rare diseases through the national research institutes and centers. The agenda shall provide for a broad range of research and education activities, including scientific workshops and symposia to identify research opportunities for rare diseases.

(B) The Director shall, with respect to rare diseases, promote coordination and cooperation among the national research institutes and centers and entities whose research is supported by such institutes.

(C) The Director, in collaboration with the directors of the other relevant institutes and centers of the National Institutes of Health, may enter into cooperative agreements with and make grants for regional centers of excellence on rare diseases in accordance with section 287a–2 of this title.

(D) The Director shall promote the sufficient allocation of the resources of the National Institutes of Health for conducting and supporting research on rare diseases.

(E) The Director shall promote and encourage the establishment of a centralized clearinghouse for rare and genetic disease information that will provide understandable and accessible information about these diseases to the public, medical professionals, patients and families.

(2) Principal advisor regarding orphan diseases

With respect to rare diseases, the Director shall serve as the principal advisor to the Di-

PRIOR PROVISIONS


AMENDMENTS

2011—Pub. L. 112–114, § 221(c)(1)(C), substituted “Director of the Center” for “Director of NIH” wherever appearing.

Subsec. (b). Pub. L. 112–114, § 221(c)(1)(B), substituted “within the Center” for “within the Office of the Director of NIH” in introductory provisions.


References in Text

Section 262(1) of this title, referred to in subsec. (a)(3), was in the original “section 262(1)”, and was translated as meaning section 351(i) of act July 1, 1944, ch. 373, to reflect the probable intent of Congress.

Codification

Section was formerly classified to section 282d of this title.
rector of NIH and shall provide advice to other relevant agencies. The Director shall provide liaison with national and international patient, health and scientific organizations concerned with rare diseases.

(c) Definition

For purposes of this section, the term “rare disease” means any disease or condition that affects less than 200,000 persons in the United States.


CODIFICATION

Section was formerly classified to section 283b of this title.

PRIOR PROVISIONS


AMENDMENTS

2011—Subsec. (a). Pub. L. 112–74, §221(c)(2)(A)(ii), substituted “within the Center” for “within the Office of the Director of NIH” and “Director of the Center” for “Director of NIH”.

Subsec. (b)(1)(C). Pub. L. 112–74, §221(c)(2)(A)(iii), substituted “287a–1” for “283i”.

2007—Subsec. (d)(1)(F). Pub. L. 109–482, §104(b)(1)(B), struck out subpars. (F) and (G) which read as follows: “(F) The Director shall biennially prepare a report that describes the research and education activities on rare diseases being conducted or supported through the national research institutes and centers, and that identifies particular projects or types of projects that should in the future be conducted or supported by the national research institutes and centers or other entities in the field of research on rare diseases.”

Subsec. (d). Pub. L. 109–482, §109(b)(5), struck out heading and text of subsec. (d). Text read as follows: “For the purpose of carrying out this section, there are authorized to be appropriated such sums as are necessary for each of fiscal years 2002 and 2003, $4,000,000 for each of the fiscal years 2003 through 2006.”

EFFECTIVE DATE OF 2007 AMENDMENT

Amendment by Pub. L. 109–482 applicable only with respect to amounts appropriated for fiscal year 2007 or subsequent fiscal years, see section 109 of Pub. L. 109–482, set out as a note under section 281 of this title.

FINDINGS AND PURPOSES

Pub. L. 107–280, §2, Nov. 6, 2002, 116 Stat. 1988, provided that: “(a) FINDINGS.—Congress makes the following findings: “(1) Rare diseases and disorders are those which affect small patient populations, typically populations smaller than 200,000 individuals in the United States.

 Such diseases and conditions include Huntington’s disease, amyotrophic lateral sclerosis (Lou Gehrig’s disease), Tourette syndrome, Crohn’s disease, cystic fibrosis, cystinosis, and Duchenne muscular dystrophy. “(2) For many years, the 25,000,000 Americans suffering from the over 6,000 rare diseases and disorders were denied access to effective medicines because prescription drug manufacturers could rarely make a profit from marketing drugs for such small groups of patients. The prescription drug industry did not adequately fund research into such treatments. Despite the urgent health need for these medicines, they came to be known as ‘orphan drugs’ because no companies would commercialize them. “(3) During the 1970s, an organization called the National Organization for Rare Disorders (NORD) was founded to provide services and to lobby on behalf of patients with rare diseases and disorders. NORD was instrumental in pressing Congress for legislation to encourage the development of orphan drugs.

“(4) The Orphan Drug Act (Pub. L. 97–414, see Short Title of 1983 Amendments note set out under section 301 of Title 21, Food and Drugs) created financial incentives for the research and production of such orphan drugs. New Federal programs at the National Institutes of Health and the Food and Drug Administration encouraged clinical research and commercial product development for products that target rare diseases. An Orphan Products Board was established to promote the development of drugs and devices for rare diseases or disorders.

“(5) Before 1983, some 38 orphan drugs had been developed. Since the enactment of the Orphan Drug Act (Jan. 4, 1983), more than 220 new orphan drugs have been approved and marketed in the United States and more than 800 additional drugs are in the research pipeline.

“(6) Despite the tremendous success of the Orphan Drug Act, rare diseases and disorders deserve greater emphasis in the national biomedical research enterprise. The Office of Rare Diseases at the National Institutes of Health was created in 1993, but lacks a statutory authorization.

“(7) The National Institutes of Health has received a substantial increase in research funding from Congress for the purpose of expanding the national investment of the United States in behavioral and biomedical research.

“(8) Notwithstanding such increases, funding for rare diseases and disorders at the National Institutes of Health has not increased proportionately.

“(9) To redress this oversight, the Department of Health and Human Services has proposed the establishment of a network of regional centers of excellence for research on rare diseases and disorders.

“(b) PURPOSES.—The purposes of this Act [see Short Title of 2002 Amendments note set out under section 201 of this title] are to— “(1) amend the Public Health Service Act [42 U.S.C. 201 et seq.] to establish an Office of Rare Diseases at the National Institutes of Health; and “(2) increase the national investment in the development of diagnostics and treatments for patients with rare diseases and disorders.”

§ 287a–2. Rare disease regional centers of excellence

(a) Cooperative agreements and grants

(1) In general

The Director of the Office of Rare Diseases (in this section referred to as the “Director”), in collaboration with the directors of the other relevant institutes and centers of the National Institutes of Health, may enter into cooperative agreements with and make grants to public or private nonprofit entities to pay
all or part of the cost of planning, establishing, or strengthening, and providing basic operating support for regional centers of excellence for clinical research into, training in, and demonstration of diagnostic, prevention, control, and treatment methods for rare diseases.

(2) **Policies**

A cooperative agreement or grant under paragraph (1) shall be entered into in accordance with policies established by the Director of NIH.

(b) **Coordination with other institutes**

The Director shall coordinate the activities under this section with similar activities conducted by other national research institutes, centers and agencies of the National Institutes of Health and by the Food and Drug Administration to the extent that such institutes, centers and agencies have responsibilities that are related to rare diseases.

(c) **Uses for Federal payments under cooperative agreements or grants**

Federal payments made under a cooperative agreement or grant under subsection (a) may be used for—

(1) staffing, administrative, and other basic operating costs, including such patient care costs as are required for research;

(2) clinical training, including training for allied health professionals, continuing education for health professionals and allied health professions personnel, and information programs for the public with respect to rare diseases; and

(3) clinical research and demonstration programs.

(d) **Period of support; additional periods**

Support of a center under subsection (a) may be for a period of not to exceed 5 years. Such period may be extended by the Director for additional periods of not more than 5 years if the operations of such center have been reviewed by an appropriate technical and scientific peer review group established by the Director and if such group has recommended to the Director that such period should be extended.


A prior section 461C of act July 1, 1944, was renumbered section 481B of act July 1, 1944, and is classified to section 287a–3 of this title.

### Effective Date of 2007 Amendment

Amendment by Pub. L. 109–82 applicable only with respect to amounts appropriated for fiscal year 2007 or subsequent fiscal years, see section 109 of Pub. L. 109–82, set out as a note under section 283 of this title.

### §287a–3. Transferred

**Codification**


2007–Subsec. (c). Pub. L. 109–482 struck out heading and text of subsec. (c). Text read as follows: “For the purpose of carrying out this section, there are authorized to be appropriated such sums as may be necessary for each fiscal year.”

### Effective Date of 2007 Amendment

Amendment by Pub. L. 109–82 applicable only with respect to amounts appropriated for fiscal year 2007 or
§ 287b. General purpose

The general purpose of the John E. Fogarty International Center for Advanced Study in the Health Sciences is to—

(1) facilitate the assembly of scientists and others in the biomedical, behavioral, and related fields for discussion, study, and research relating to the development of health science internationally;

(2) provide research programs, conferences, and seminars to further international cooperation and collaboration in the life sciences;

(3) provide postdoctorate fellowships for research training in the United States and abroad and promote exchanges of senior scientists between the United States and other countries;

(4) coordinate the activities of the National Institutes of Health concerned with the health sciences internationally; and

(5) receive foreign visitors to the National Institutes of Health.

(July 1, 1944, ch. 373, title IV, § 482, as added Pub. L. 99–158, § 2, Nov. 20, 1985, 99 Stat. 866.)

SUBPART 3—NATIONAL CENTER FOR HUMAN GENOME RESEARCH

Codification

Subpart 3 of part E of title IV of act July 1, 1944, comprising this subpart, was renumbered subpart 19 of part C of title IV by Pub. L. 109–482, title I, § 101(c)(1)–(3), Jan. 15, 2007, 120 Stat. 3681, and is classified to subpart 19 (§ 285s) of part C of this subchapter.

§ 287c. Transferred

Codification

Section, act July 1, 1944, ch. 373, title IV, § 485b, as added Pub. L. 103–43, title XV, § 1521(2), June 10, 1993, 107 Stat. 180, which set out the purpose of the National Center for Human Genome Research, was renumbered section 464z–1 of act July 1, 1944, by Pub. L. 109–482, title I, § 101(c)(1)–(3), Jan. 15, 2007, 120 Stat. 3681, and is classified to subpart 19 (§ 285s) of this chapter.

Prior Provisions


SUBPART 4—OFFICE OF DIETARY SUPPLEMENTS

§ 287c–11. Dietary supplements

(a) Establishment

The Secretary shall establish an Office of Dietary Supplements within the National Institutes of Health.

(b) Purpose

The purposes of the Office are—

(1) to explore more fully the potential role of dietary supplements as a significant part of the efforts of the United States to improve health care; and

(2) to promote scientific study of the benefits of dietary supplements in maintaining health and preventing chronic disease and other health-related conditions.

(c) Duties

The Director of the Office of Dietary Supplements shall—

(1) conduct and coordinate scientific research within the National Institutes of Health relating to dietary supplements and the extent to which the use of dietary supplements can limit or reduce the risk of diseases such as heart disease, cancer, birth defects, osteoporosis, cataracts, or prostatism;

(2) collect and compile the results of scientific research relating to dietary supplements, including scientific data from foreign sources or the Office of Alternative Medicine; 1

(3) serve as the principal advisor to the Secretary and to the Assistant Secretary for Health and provide advice to the Director of the Center for Disease Control and Prevention, and the Commissioner of Food and Drugs on issues relating to dietary supplements including—

(A) dietary intake regulations;

(B) the safety of dietary supplements;

(C) claims characterizing the relationship between—

(i) dietary supplements; and

(ii) the prevention of disease or other health-related conditions; and

(D) scientific issues arising in connection with the labeling and composition of dietary supplements;

(4) compile a database of scientific research on dietary supplements and individual nutrients; and

(5) coordinate funding relating to dietary supplements for the National Institutes of Health.

1 See References in Text note below.
3 individuals representing the interests of individual consumers of complementary and integrative health.

(c) Integration of new and non-traditional approaches

In carrying out subsection (a), the Director of the Center shall, as appropriate, study the integration of new and non-traditional approaches to health care treatment and consumption, including but not limited to non-traditional treatments, diagnostic and prevention systems, modalities, and disciplines.

(d) Appropriate scientific expertise and coordination with institutions and Federal agencies

The Director of the Center, after consultation with the advisory council for the Center and the division of research grants, shall ensure that scientists with appropriate expertise in research on complementary and integrative health are incorporated into the review, oversight, and management processes of all research projects and other activities funded by the Center. In carrying out this subsection, the Director of the Center, as necessary, may establish review groups with appropriate scientific expertise. The Director of the Center shall coordinate efforts with other Institutes and Federal agencies to ensure appropriate scientific input and management.

(e) Evaluation of various disciplines and systems

In carrying out subsection (a), the Director of the Center shall identify and evaluate complementary and integrative health, diagnostic and prevention modalities in each of the disciplines and systems with which the Center is concerned, including each discipline and system in which accreditation, national certification, or a State license is available.

(f) Ensuring high quality, rigorous scientific review

In order to ensure high quality, rigorous scientific review of complementary and alternative, diagnostic and prevention modalities, disciplines and systems, the Director of the Center shall conduct or support the following activities:

1. Outcomes research and investigations.
2. Epidemiological studies.
3. Health services research.
4. Basic science research.
5. Clinical trials.
6. Other appropriate research and investigational activities.

The Director of NIH, in coordination with the Director of the Center, shall designate specific personnel in each Institute to serve as full-time liaisons with the Center in facilitating appropriate coordination and scientific input.

(g) Data system; information clearinghouse

(1) Data system

The Director of the Center shall establish a bibliographic system for the collection, storage, and retrieval of worldwide research relating to complementary and integrative health, diagnostic and prevention modalities, disciplines and systems. Such a system shall be regularly updated and publicly accessible.
(2) Clearinghouse

The Director of the Center shall establish an information clearinghouse to facilitate and enhance, through the effective dissemination of information, knowledge and understanding of integrative health treatment, diagnostic and prevention practices by health professionals, patients, industry, and the public.

(h) Research centers

The Director of the Center, after consultation with the advisory council for the Center, shall provide support for the development and operation of multipurpose centers to conduct research and other activities described in subsection (a) with respect to complementary and integrative health, diagnostic and prevention modalities, disciplines and systems. The provision of support for the development and operation of such centers shall include accredited complementary and integrative health research and education facilities.

(i) Availability of resources

After consultation with the Director of the Center, the Director of NIH shall ensure that resources of the National Institutes of Health, including laboratory and clinical facilities, fellowships (including research training fellowship and junior and senior clinical fellowships), and other resources are sufficiently available to enable the Center to appropriately and effectively carry out its duties as described in subsection (a). The Director of NIH, in coordination with the Director of the Center, shall designate specific personnel in each Institute to serve as full-time liaisons with the Center in facilitating appropriate coordination and scientific input.

(j) Availability of appropriations

Amounts appropriated to carry out this section for fiscal year 1999 are available for obligation through September 30, 2001. Amounts appropriated to carry out this section for fiscal year 2000 are available for obligation through September 30, 2001.

(AUGUST 1, 1944, CH. 373, 42 U.S.C. 242, SUBSEC. (a), 128 STAT. 1290.)


Subsec. (b). Pub. L. 113–235, § 224(2), substituted “complementary and integrative health” for “alternative medicine”.

Subsec. (c). Pub. L. 113–235, § 224(5), added subsec. (c) and struck out former subsec. (c). Prior to amendment, text read as follows: “In carrying out subsection (a) of this section, the Director of the Center shall, as appropriate, study the integration of alternative treatment, diagnostic and prevention systems, modalities, and disciplines with the practice of conventional medicine as a complement to such medicine and into health care delivery systems in the United States.”


TERMINATION OF ADVISORY COUNCILS

Advisory councils established after Jan. 5, 1973, to terminate not later than the expiration of the 2-year period beginning on the date of their establishment, unless, in the case of a council established by the President or an officer of the Federal Government, such council is renewed by appropriate action prior to the expiration of such 2-year period, or in the case of a council established by Congress, its duration is otherwise provided by law. See sections 3(2) and 14 of Pub. L. 92–463, Oct. 6, 1972, 86 Stat. 770, 776, set out in the Appendix to Title 5, Government Organization and Employees.

Pub. L. 93–641, § 6, Jan. 4, 1975, 88 Stat. 2275, set out as a note under section 217a of this title, provided that an advisory committee established pursuant to the Public Health Service Act shall terminate at such time as may be specifically prescribed by an Act of Congress enacted after Jan. 4, 1975.

EXECUTIVE ORDER NO. 13147


SUBPART 6—TRANSFERRED

CODIFICATION

Subpart 6 of part E of title IV of act July 1, 1944, comprising this subpart, was renumbered subpart 20 of part C of title IV by Pub. L. 111–148, title X, § 10334(c)(1)(A)–(C), Mar. 23, 2010, 124 Stat. 973, and is classified to subpart 20 (§ 285t et seq.) of part C of this subchapter.

§§ 287c–31 to 287c–34. Transferred

CODIFICATION


There is established within the Office of the Director of NIH an office to be known as the Office of Research on Women’s Health (in this part referred to as the “Office”). The Office shall be headed by a director, who shall be appointed by the Director of NIH and who shall report directly to the Director.

(b) Purpose

The Director of the Office shall—

(1) identify projects of research on women’s health that should be conducted or supported by the national research institutes;

(2) identify multidisciplinary research relating to research on women’s health that should be so conducted or supported;

(3) carry out paragraphs (1) and (2) with respect to the aging process in women, with priority given to menopause;

(4) promote coordination and collaboration among entities conducting research identified under any of paragraphs (1) through (3);

(5) encourage the conduct of such research by entities receiving funds from the national research institutes;

(6) recommend an agenda for conducting and supporting such research;

(7) promote the sufficient allocation of the resources of the national research institutes for conducting and supporting such research;

(8) assist in the administration of section 289a–2 of this title with respect to the inclusion of women as subjects in clinical research; and

(9) prepare the report required in section 287d–2 of this title.

(c) Coordinating Committee

(1) In carrying out subsection (b), the Director of the Office shall establish a committee to be known as the Coordinating Committee on Research on Women’s Health (in this part referred to as the “Coordinating Committee”).

(2) The Coordinating Committee shall be composed of the Directors of the national research institutes (or the senior-level staff designees of the Directors).

(3) The Director of the Office shall serve as the chair of the Coordinating Committee.

(4) With respect to research on women’s health, the Coordinating Committee shall—

(A) identifying the need for such research, and making an estimate each fiscal year of the funds needed to adequately support the research;

(B) identifying needs regarding the coordination of research activities, including intramural and extramural multidisciplinary activities;

(C) supporting the development of methodologies to determine the circumstances in which obtaining data specific to women (including data relating to the age of women and the membership of women in ethnic or racial groups) is an appropriate function of clinical trials of treatments and therapies;

(D) supporting the development and expansion of clinical trials of treatments and therapies for which obtaining such data has been determined to be an appropriate function; and

(E) encouraging the national research institutes to conduct and support such research, including such clinical trials.

(d) Advisory Committee

(1) In carrying out subsection (b), the Director of the Office shall establish an advisory committee to be known as the Advisory Committee on Research on Women’s Health (in this part referred to as the “Advisory Committee”).

(2) The Advisory Committee shall be composed of no fewer than 12, and not more than 18 individuals, who are not officers or employees of the Federal Government. The Director of NIH shall make appointments to the Advisory Committee from among physicians, practitioners, scientists, and other health professionals, whose clinical practice, research specialization, or professional expertise includes a significant focus on research on women’s health. A majority of the members of the Advisory Committee shall be women.

(3) The Director of the Office shall serve as the chair of the Advisory Committee.

(4) The Advisory Committee shall—

(A) advise the Director of the Office on appropriate research activities to be undertaken by the national research institutes with respect to—

(i) research on women’s health;

(ii) research on gender differences in clinical drug trials, including responses to pharmacological drugs;

(iii) research on gender differences in disease etiology, course, and treatment;

(iv) research on obstetrical and gynecological health conditions, diseases, and treatments; and

(v) research on women’s health conditions which require a multidisciplinary approach;

(B) report to the Director of the Office on such research;

(C) provide recommendations to such Director regarding activities of the Office (including recommendations on the development of the methodologies described in subsection (c)(4)(C) and recommendations on priorities in carrying out research described in subparagraph (A)); and

(D) assist in monitoring compliance with section 289a–2 of this title regarding the inclusion of women in clinical research.

(5)(A) The Advisory Committee shall prepare a biennial report describing the activities of the Committee, including findings made by the Committee regarding—

(i) compliance with section 289a–2 of this title;

(ii) the extent of expenditures made for research on women’s health by the agencies of the National Institutes of Health; and
(iii) the level of funding needed for such research.

(B) The report required in subparagraph (A) shall be submitted to the Director of NIH for inclusion in the report required in section 283 of this title.

(e) Representation of women among researchers

The Secretary, acting through the Assistant Secretary for Personnel in collaboration with the Director of the Office, shall determine the extent to which women are represented among senior physicians and scientists of the national research institutes and among physicians and scientists conducting research with funds provided by such institutes, and as appropriate, carry out activities to increase the extent of such representation.

(f) Definitions

For purposes of this part:

(1) The term “women's health conditions”, with respect to women of all age, ethnic, and racial groups, means all diseases, disorders, and conditions (including with respect to mental health—

(A) unique to, more serious, or more prevalent in women;

(B) for which the factors of medical risk or types of medical intervention are different for women, or for which it is unknown whether such factors or types are different for men; or

(C) with respect to which there has been insufficient clinical research involving women as subjects or insufficient clinical data on women.

(2) The term “research on women’s health” means research on women’s health conditions, including research on preventing such conditions.


AMENDMENTS

2016—Subsec. (c)(2). Pub. L. 114–255 substituted “senior-level staff designees” for “designees”.

2010—Subsec. (a). Pub. L. 111–148 inserted “and who shall report directly to the Director” before period at end.


TERMINATION OF ADVISORY COMMITTEES

Advisory committees established after Jan. 5, 1973, to terminate not later than the expiration of the 2-year period beginning on the date of their establishment, unless, in the case of a committee established by the President or an officer of the Federal Government, such committee is renewed by appropriate action prior to the expiration of such 2-year period, or in the case of a committee established by Congress, its duration is otherwise provided for by law. See section 14 of Pub. L. 92–463, Oct. 6, 1972, 86 Stat. 776, set out in the Appendix to Title 5, Government Organization and Employees.

§287d–2. Biennial report

(a) In general

With respect to research on women's health, the Director of the Office shall, not later than February 1, 1994, and biennially thereafter, prepare a report—

(1) describing and evaluating the progress made during the preceding 2 fiscal years in research and treatment conducted or supported by the National Institutes of Health;

(2) describing and analyzing the professional status of women physicians and scientists of such Institutes, including the identification of problems and barriers regarding advancements;

(3) summarizing and analyzing expenditures made by the agencies of such Institutes (and by such Office) during the preceding 2 fiscal years; and

(4) making such recommendations for legislative and administrative initiatives as the Director of the Office determines to be appropriate.


§287d–1. National data system and clearinghouse on research on women’s health

(a) Data system

(1) The Director of NIH, in consultation with the Director of the Office and the Director of the National Library of Medicine, shall establish a data system for the collection, storage, analysis, retrieval, and dissemination of information regarding research on women’s health that is conducted or supported by the national research institutes. Information from the data system shall be available through information systems available to health care professionals and providers, researchers, and members of the public.

(2) The data system established under paragraph (1) shall include a registry of clinical trials of experimental treatments that have been developed for research on women’s health. Such registry shall include information on subject eligibility criteria, sex, age, ethnicity or race, and the location of the trial site or sites. Principal investigators of such clinical trials shall provide this information to the registry within 30 days after it is available. Once a trial has been completed, the principal investigator shall provide the registry with information pertaining to the results, including potential toxicities or adverse effects associated with the experimental treatment or treatments evaluated.

(b) Clearinghouse

The Director of NIH, in consultation with the Director of the Office and with the National Library of Medicine, shall establish, maintain, and operate a program to provide information on research and prevention activities of the national research institutes that relate to research on women’s health.

(b) Inclusion in biennial report of Director of NIH

The Director of the Office shall submit each report prepared under subsection (a) to the Director of NIH for inclusion in the report submitted to the President and the Congress under section 283 of this title.

(July 1, 1944, ch. 373, title IV, § 486B, as added Pub. L. 103–43, title I, § 141(a)(3), June 10, 1993, 107 Stat. 139.)

PART G—AWARDS AND TRAINING

CODIFICATION


§ 288. Ruth L. Kirschstein National Research Service Awards

(a) Biomedical and behavioral research and research training; programs and institutions included; restriction; special consideration

(1) The Secretary shall—

(A) provide Ruth L. Kirschstein National Research Service Awards for—

(i) biomedical and behavioral research at the National Institutes of Health in matters relating to the cause, diagnosis, prevention, and treatment of the diseases or other health problems to which the activities of the National Institutes of Health and Administration were directed;

(ii) training at the National Institutes of Health and at the Administration of individuals to undertake such research;

(iii) biomedical and behavioral research and health services research (including research in primary medical care) at public and nonprofit private entities; and

(iv) pre-doctoral and post-doctoral training at public and private institutions of individuals to undertake biomedical and behavioral research;

(B) make grants to public and nonprofit private institutions to enable such institutions to make Ruth L. Kirschstein National Research Service Awards for research (and training to undertake biomedical and behavioral research) in the matters described in subparagraph (A)(i) to individuals selected by such institutions; and

(C) provide contracts for scholarships and loan repayments in accordance with sections 288–4 and 288–5 of this title, subject to providing not more than an aggregate 50 such contracts during the fiscal years 1994 through 1996.

A reference to the National Institutes of Health shall be considered to include the institutes, agencies, divisions, and bureaus included in the National Institutes of Health or under the Administration., as the case may be.

(2) Ruth L. Kirschstein National Research Service Awards may not be used to support residency training of physicians and other health professionals.

(3) In awarding Ruth L. Kirschstein National Research Service Awards under this section, the Secretary shall take account of the Nation’s overall need for biomedical research personnel by giving special consideration to physicians who agree to undertake a minimum of two years of biomedical research.

(4) The Secretary shall carry out paragraph (1) in a manner that will result in the recruitment of women, and individuals from disadvantaged backgrounds (including racial and ethnic minorities), into fields of biomedical or behavioral research and in the provision of research training to women and such individuals.

(b) Prerequisites for Award; review and approval by appropriate advisory councils; Award period; uses for Award; payments to non-Federal public or nonprofit private institutions

(1) No Ruth L. Kirschstein National Research Service Award may be made by the Secretary to any individual unless—

(A) the individual has submitted to the Secretary an application therefor and the Secretary has approved the application;

(B) the individual provides, in such form and manner as the Secretary shall by regulation prescribe, assurances satisfactory to the Secretary that the individual will meet the service requirement of subsection (c); and

(C) in the case of a Ruth L. Kirschstein National Research Service Award for a purpose described in subsection (a)(1)(A)(iii), the individual has been sponsored (in such manner as the Secretary may by regulation require) by the institution at which the research or training under the award will be conducted.

An application for an award shall be in such form, submitted in such manner, and contain such information, as the Secretary may by regulation prescribe.

(2) The making of grants under subsection (a)(1)(B) for Ruth L. Kirschstein National Research Service Awards shall be subject to review and approval by the appropriate advisory councils within the Department of Health and Human Services whose activities relate to the research or training under the awards, or (B) for the entity at which such research or training will be conducted.

(3) No grant may be made under subsection (a)(1)(B) unless an application therefor has been submitted to and approved by the Secretary. Such application shall be in such form, submitted in such manner, and contain such information, as the Secretary may by regulation prescribe. Subject to the provisions of this section (other than paragraph (1)), Ruth L. Kirschstein National Research Service Awards made under a grant under subsection (a)(1)(B) shall be made in accordance with such regulations as the Secretary shall prescribe.

(4) The period of any Ruth L. Kirschstein National Research Service Award made to any individual under subsection (a) may not exceed—

(A) five years in the aggregate for pre-doctoral training; and

(B) three years in the aggregate for post-doctoral training;
unless the Secretary for good cause shown waives the application of such limit to such individual.

(5) Ruth L. Kirschstein National Research Service Awards shall provide for such stipends, tuition, fees, and allowances (including travel and subsistence expenses and dependency allowances), adjusted periodically to reflect increases in the cost of living, for the recipients of the awards as the Secretary may deem necessary. A Ruth L. Kirschstein National Research Service Award made to an individual for research or research training at a non-Federal public or nonprofit private institution shall also provide for payments to be made to the institution for the cost of support services (including the cost of faculty salaries, supplies, equipment, general research support, and related items) provided such individual by such institution. The amount of any such payments to any institution shall be determined by the Secretary and shall bear a direct relationship to the reasonable costs of the institution for establishing and maintaining the quality of its biomedical and behavioral research and training programs.

(c) Health research or teaching; service period; recovery upon noncompliance with service requirement, formula; cancellation or waiver of obligation

(1) Each individual who is awarded a Ruth L. Kirschstein National Research Service Award for postdoctoral research training shall, in accordance with paragraph (3), engage in research training, research, or teaching that is health-related (or any combination thereof) for the period specified in paragraph (2). Such period shall be served in accordance with the usual patterns of scientific employment.

(2)(A) The period referred to in paragraph (1) is 12 months, or one month for each month for which the individual involved receives a Ruth L. Kirschstein National Research Service Award for postdoctoral research training, whichever is less.

(B) With respect to postdoctoral research training, in any case in which an individual receives a Ruth L. Kirschstein National Research Service Award for more than 12 months, the 13th month and each subsequent month of performing activities under the Award shall be considered to be activities engaged in toward satisfaction of the requirement established in paragraph (1) regarding a period of service.

(3) The requirement of paragraph (1) shall be complied with by any individual to whom it applies within such reasonable period of time, after the completion of such individual’s award, as the Secretary shall by regulation prescribe. The Secretary shall by regulation prescribe the type of research and teaching in which an individual may engage to comply with such requirement and such other requirements respecting research and teaching as the Secretary considers appropriate.

(4)(A) If any individual to whom the requirement of paragraph (1) is applicable fails, within the period prescribed by paragraph (3), to comply with such requirements, the United States shall be entitled to recover from such individual an amount determined in accordance with the formula—

\[
A = \frac{t-s}{t}
\]

in which “A” is the amount the United States is entitled to recover; “φ” is the sum of the total amount paid under one or more Ruth L. Kirschstein National Research Service Awards to such individual; “t” is the total number of months in such individual’s service obligation; and “s” is the number of months of such obligation served by such individual in accordance with paragraphs (1) and (2) of this subsection.

(B) Any amount which the United States is entitled to recover under subparagraph (A) shall, within the three-year period beginning on the date the United States becomes entitled to recover such amount, be paid to the United States. Until any amount due the United States under subparagraph (A) on account of any Ruth L. Kirschstein National Research Service Award is paid, there shall accrue to the United States interest on such amount at a rate fixed by the Secretary of the Treasury after taking into consideration private consumer rates of interest prevailing on the date the United States becomes entitled to such amount.

(5)(A) Any obligation of an individual under paragraph (1) shall be canceled upon the death of such individual.

(B) The Secretary shall by regulation provide for the waiver or suspension of any such obligation applicable to any individual whenever compliance by such individual is impossible or would involve substantial hardship to such individual or would be against equity and good conscience.
“(1) Each individual who is awarded a National Research Service Award (other than an individual who is a pre-baccalaureate student who is awarded a National Research Service Award for research training) shall, in accordance with paragraph (3), engage in health research or teaching or any combination thereof which is in accordance with the usual patterns of academic employment, for a period computed in accordance with paragraph (2).

“(2) For each month for which an individual receives a National Research Service Award which is made for a period in excess of twelve months, such individual shall engage in one month of health research or teaching or any combination thereof which is in accordance with the usual patterns of academic employment.”

Subsec. (d). Pub. L. 103–43, §1841(1), amended first sentence generally. Prior to amendment, first sentence read as follows: “For the purpose of making payments under National Research Service Awards and under grants for such awards (other than this Act [see Tables for classification]), regulations, document, record, map, or other paper of the United States to ‘National Research Service Awards’ shall be considered to be a reference to ‘Ruth L. Kirschstein National Research Service Awards’.”

CHANGE OF NAME
Pub. L. 107–206, title I, §804(c), Aug. 2, 2002, 116 Stat. 784, provided that: “Any reference in any law (other than this Act [see Tables for classification]), regulation, document, record, map, or other paper of the United States to ‘National Research Service Awards’ shall be considered to be a reference to ‘Ruth L. Kirschstein National Research Service Awards’.”

EFFECTIVE DATE OF 2007 AMENDMENT
Amendment by Pub. L. 109–482 applicable only with respect to amounts appropriated for fiscal year 2007 or subsequent fiscal years, see section 109 of Pub. L. 109–482, set out as a note under section 281 of this title.

EFFECTIVE DATE OF 1992 AMENDMENT
Amendment by Pub. L. 102–321 effective Oct. 1, 1992, with provision for programs providing financial assistance, see section 801(c), (d) of Pub. L. 102–321, set out as a note under section 238 of this title.

§288–1. Intramural loan repayment program
(a) In general
The Director of the National Institutes of Health shall, as appropriate and based on workforce and scientific priorities, carry out a program through the subcategories listed in subsection (b)(1) (or modified subcategories as provided for in subsection (b)(2)) of entering into agreements with appropriately qualified health professionals to conduct research, as employees of the National Institutes of Health, in consideration of the Federal Government agreeing to repay, for each year of such service, not more than $50,000 of the principal and interest of the educational loans of such health professionals.

(b) Subcategories of research
(1) In general
In carrying out the program under subsection (a), the Director of the National Institutes of Health—
(A) shall continue to focus on—
(i) general research;
(ii) research on acquired immune deficiency syndrome; and
(iii) clinical research conducted by appropriately qualified health professional who are from disadvantaged backgrounds; and
(B) may focus on an area of emerging scientific or workforce need.

(2) Elimination or establishment of subcategories
The Director of the National Institutes of Health may eliminate one or more subcategories provided for in paragraph (1) due to changes in workforce or scientific needs related to biomedical research. The Director may establish other subcategory areas based on workforce and scientific priorities if the total number of subcategories does not exceed the number of subcategories listed in paragraph (1).

(c) Limitation
The Director of the National Institutes of Health may not enter into a contract with a health professional pursuant to subsection (a) unless such professional has a substantial amount of education loans relative to income (as determined pursuant to guidelines issued by the Director).

(d) Applicability of certain provisions
With respect to the National Health Service Corps Loan Repayment Program established in subpart III of part D of chapter II, the provisions of such subpart shall, except as inconsistent with subsection (a) of this section, apply to the program established in such subsection (a) in the same manner and to the same extent as such provisions apply to the National Health Service Corps Loan Repayment Program established in such subpart.

(e) Availability of appropriations
Amounts available for carrying out this section shall remain available until the expiration of the second fiscal year beginning after the fiscal year for which such amounts are made available.

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

AMENDMENTS

2016—Pub. L. 114–255, §2022(a)(1), amended section catchline generally. Prior to amendment, catchline read as follows: “Loan repayment program for research with respect to acquired immune deficiency syndrome”.

Subsec. (a). Pub. L. 114–255, §2022(a)(2), substituted “The Director of the National Institutes of Health shall, as appropriate and based on workforce and scientific priorities, carry out a program through the subcategories listed in subsection (b)(1) (or modified subcategories as provided for in subsection (b)(2))” for “The Secretary shall carry out a program”, “conduct research” for “conduct”, and “$50,000” for “$35,000”, and struck out “research with respect to acquired immune deficiency syndrome” after “National Institutes of Health.”.

Subsecs. (b) to (d). Pub. L. 114–255, §2022(a)(3), (4), added subsec. (b) and redesignated former subsec. (b) as (d).


2007—Subsec. (c). Pub. L. 109–482 struck out heading and text of subsec. (c). Text read as follows: “For the purpose of carrying out this section, there are authorized to be appropriated such sums as may be necessary for each of the fiscal years 1994 through 2001.”


1993—Pub. L. 103–43 amended section generally, in subsec. (a) redesignating former par. (1) as entire subsec., striking out provisions setting a deadline for implementation of the program and former par. (2) containing a limitation that the health professional have a substantial amount of educational loans relative to income and not have been employed at the National Institutes of Health during the 1-year period preceding Nov. 4, 1994, reenacting subsec. (b) without change, and in subsec. (c) redesignating former par. (1) as entire subsec., substituting authorization of appropriations for fiscal years 1994 through 1996 for authorization of appropriations for fiscal years 1989 through 1991, and striking out former par. (2) relating to continued availability of appropriated amounts.

EFFECTIVE DATE OF 2007 AMENDMENT

Amendment by Pub. L. 109–482 applicable only with respect to amounts appropriated for fiscal year 2007 or subsequent fiscal years, set out as a note under section 251 of Pub. L. 109–482, set out as a note under section 281 of this title.

EFFECTIVE DATE OF 1993 AMENDMENT

Pub. L. 103–43, title XVI, §1611(b), June 10, 1993, 107 Stat. 182, provided that: “The amendment made by subsection (a) [amending this section] does not apply to any agreement entered into under section 487A of the Public Health Service Act [42 U.S.C. 288–1] before the date of the enactment of this Act [June 10, 1993]. Each such agreement continues to be subject to the terms of the agreement in effect on the day before such date.”

§ 288–2. Extramural loan repayment program

(a) In general

The Director of the National Institutes of Health shall, as appropriate and based on workforce and scientific priorities, carry out a program through the subcategories listed in subsection (b)(1) (or modified subcategories as provided for in subsection (b)(2)), of entering into contracts with qualified health professionals under which such health professionals agree to conduct research in consideration of the Federal Government agreeing to repay, for each year of such research, not more than $50,000 of the principal and interest of the educational loans of such health professionals.

(b) Subcategories of research

(1) In general

In carrying out the program under subsection (a), the Director of the National Institutes of Health—

(A) shall continue to focus on—

(i) contraception or infertility research;

(ii) pediatric research, including pediatric pharmacological research;

(iii) minority health disparities research;

(iv) clinical research; and

(v) clinical research conducted by appropriately qualified health professional 1 who are from disadvantaged backgrounds; and

(B) may focus on an area of emerging scientific or workforce need.

(2) Elimination or establishment of subcategories

The Director of the National Institutes of Health may eliminate one or more subcategories provided for in paragraph (1) due to changes in workforce or scientific needs related to biomedical research. The Director may establish other subcategory areas based on workforce and scientific priorities if the total number of subcategories does not exceed the number of subcategories listed in paragraph (1).

(c) Limitation

The Director of the National Institutes of Health may not enter into a contract with a health professional pursuant to subsection (a) unless such professional has a substantial amount of education loans relative to income (as determined pursuant to guidelines issued by the Director).

(d) Applicability of certain provisions regarding obligated service

The provisions of sections 254l–1, 254m, and 254o of this title shall, except as inconsistent with subsection (a) of this section, apply to the program established in subsection (a) to the same extent and in the same manner as such provisions apply to the National Health Service Corps Loan Repayment Program established in subpart III of part D of subchapter II.

(e) Availability of appropriations

Amounts available for carrying out this section shall remain available until the expiration of the second fiscal year beginning after the fiscal year for which the amounts were made available.


1 So in original. Probably should be “professionals”.

1932, ch. 267, §262C, Mar. 4, 1932, 46 Stat. 1510, prohibited using obligations under this section to repay educational loans for professional training in any field of occupational health services. The National Health Service Corps Loan Repayment Program established in subpart III of part D of subchapter II of this title shall provide for the repayment of such loans. The Secretary of Health and Human Services may, under such regulations as the Secretary may prescribe, make grants or contracts for the repayment of such loans.Pub. L. 109–482, title I, §103(b)(48), Jan. 15, 2007, 120 Stat. 3688; Pub. L. 114–255, div. A, title II, §2022(a), Dec. 13, 2016, 130 Stat. 1052.)

AMENDMENTS
2016—Pub. L. 114–255, §2022(b)(1), amended section catchline generally. Prior to amendment, catchline read as follows: “Loan repayment program for research and, in text, substituted “The Secretary, in consulta-

§288–4


AMENDMENTS
2016—Pub. L. 114–255, §2022(b)(1), amended section catchline generally. Prior to amendment, catchline read as follows: “Loan repayment program for research with respect to contraception and infertility” Development, shall establish a program” and “research, not more than $50,000” for “service, not more than $35,000” and struck out “(including graduate students)” after “qualified health professionals” and “with respect to contraception and infertility” after “conduct research”.

Subsecs. (b), (c). Pub. L. 114–255, §2022(b)(4), added subsecs. (b) and (c). Former subsecs. (b) and (c) redesignated (d) and (e), respectively.

Subsec. (d). Pub. L. 114–255, §2022(5), (6), redesignated subsec. (b) as (d) and inserted heading.

Subsec. (e). Pub. L. 114–255, §2022(5), (6), redesignated subsec. (c) as (e) and inserted heading.


§288–4. Undergraduate scholarship program regarding professions needed by National Research Institutes

(a) Establishment of program

(1) In general

Subject to section 288(a)(1)(C) of this title, the Secretary, acting through the Director of NIH, may carry out a program of entering into contracts with individuals described in paragraph (2) under which—

(A) the Director of NIH agrees to provide to the individuals scholarships for pursuing, as undergraduates at accredited institutions of higher education, academic programs appropriate for careers in professions needed by the National Institutes of Health; and

(B) the individuals agree to serve as employees of the National Institutes of Health, for the period described in subsection (c), in positions that are needed by the National Institutes of Health and for which the individuals are qualified.

(2) Individuals from disadvantaged backgrounds

The individuals referred to in paragraph (1) are individuals who—

(A) are enrolled or accepted for enrollment as full-time undergraduates at accredited institutions of higher education; and

(B) are from disadvantaged backgrounds.

(b) Facilitation of interest of students in careers at National Institutes of Health

In providing employment to individuals pursuant to contracts under subsection (a)(1), the Director of NIH shall carry out activities to facilitate the interest of the individuals in pursuing careers as employees of the National Institutes of Health.

(c) Period of obligated service

(1) Duration of service

For purposes of subparagraph (B) of subsection (a)(1), the period of service for which an individual is obligated to serve as an employee of the National Institutes of Health is, subject to paragraph (2)(A), 12 months for each academic year for which the scholarship under such subsection is provided.

(2) Schedule for service

(A) Subject to subparagraph (B), the Director of NIH may not provide a scholarship under subsection (a) unless the individual applying for the scholarship agrees that—

(i) the individual will serve as an employee of the National Institutes of Health full-time for not less than 10 consecutive weeks of each academic year during which the individual is attending the educational institution involved and receiving such a scholarship;

(ii) the period of service as such an employee that the individual is obligated to provide under clause (i) is in addition to the period of service as such an employee that the individual is obligated to provide under subsection (a)(1)(B); and

(iii) not later than 60 days after obtaining the educational degree involved, the individual will begin serving full-time as such an employee in satisfaction of the period of service that the individual is obligated to provide under subsection (a)(1)(B).

(B) The Director of NIH may defer the obligation of an individual to provide a period of service under subsection (a)(1)(B), if the Director determines that such a deferral is appropriate.

(3) Applicability of certain provisions relating to appointment and compensation

For any period in which an individual provides service as an employee of the National Institutes of Health in satisfaction of the obligation of the individual under subsection (a)(1)(B) or paragraph (2)(A)(i), the individual may be appointed as such an employee without regard to the provisions of title 5 relating to appointment and compensation.

(d) Provisions regarding scholarship

(1) Approval of academic program

The Director of NIH may not provide a scholarship under subsection (a) for an academic year unless—

(A) the individual applying for the scholarship has submitted to the Director a proposed academic program for the year and the Director has approved the program; and
(B) the individual agrees that the program will not be altered without the approval of the Director.

(2) Academic standing

The Director of NIH may not provide a scholarship under subsection (a) for an academic year unless the individual applying for the scholarship agrees to maintain an acceptable level of academic standing, as determined by the educational institution involved in accordance with regulations issued by the Secretary.

(3) Limitation on amount

The Director of NIH may not provide a scholarship under subsection (a) for an academic year in an amount exceeding $20,000.

(4) Authorized uses

A scholarship provided under subsection (a) may be expended only for tuition expenses, other reasonable educational expenses, and reasonable living expenses incurred in attending the school involved.

(5) Contract regarding direct payments to institution

In the case of an institution of higher education with respect to which a scholarship under subsection (a) is provided, the Director of NIH may enter into a contract with the institution under which the amounts provided in the scholarship for tuition and other educational expenses are paid directly to the institution.

(e) Penalties for breach of scholarship contract

The provisions of section 254o of this title shall apply to the program established in subsection (a) to the same extent and in the same manner as such provisions apply to the National Health Service Corps Loan Repayment Program established in section 254l-1 of this title.

(f) Requirement of application

The Director of NIH may not provide a scholarship under subsection (a) unless an application for the scholarship is submitted to the Director and the application is in such form, is made in such manner, and contains such agreements, assurances, and information as the Director determines to be necessary to carry out this section.

(g) Availability of authorization of appropriations

Amounts appropriated for a fiscal year for scholarships under this section shall remain available until the expiration of the second fiscal year beginning after the fiscal year for which the amounts were appropriated.


Section 288–5a, July 1, 1944, ch. 373, title IV, §487F, as added Pub. L. 106–505, title II, §2022(c)(3)–(5), Dec. 13, 2000, 114 Stat. 2763A–30, related to loan repayment program regarding clinical researchers from disadvantaged backgrounds. Another section 487F of act July 1, 1944, was classified to section 288–6 of this title, prior to repeal by Pub. L. 114–255.

Section 288–6, July 1, 1944, ch. 373, title IV, §487F, as added Pub. L. 106–505, title II, §2022(c)(3)–(5), Dec. 13, 2000, 114 Stat. 2763A–30, related to loan repayment program regarding clinical researchers. Another section 487F of act July 1, 1944, was classified to section 288–5a of this title, prior to repeal by Pub. L. 114–255.

§ 288a. Visiting Scientist Awards

(a) The Secretary may make awards (hereafter in this section referred to as “Visiting Scientist Awards”) to outstanding scientists who agree to serve as visiting scientists at institutions of postsecondary education which have significant enrollments of disadvantaged students. Visiting Scientist Awards shall be made by the Secretary to enable the faculty and students of such institutions to draw upon the special talents of scientists from other institutions for the purpose of receiving guidance, advice, and instruction with regard to research, teaching, and curriculum development in the biomedical and behavioral sciences and such other aspects of these sciences as the Secretary shall deem appropriate.

(b) The amount of each Visiting Scientist Award shall include such sum as shall be commensurate with the salary or remuneration which the individual receiving the award would have been entitled to receive from the institution with which the individual has, or had, a permanent or immediately prior affiliation. Eligibility for and terms of Visiting Scientist Awards shall be determined in accordance with regulations the Secretary shall prescribe.

(July 1, 1944, ch. 373, title IV, §488, as added Pub. L. 99–158, §2, Nov. 20, 1985, 99 Stat. 872.)

§ 288b. Studies respecting biomedical and behavioral research personnel

(a) Scope of undertaking

The Secretary shall, in accordance with subsection (b), arrange for the conduct of a continuing study—

(1) establish (A) the Nation’s overall need for biomedical and behavioral research personnel, (B) the subject areas in which such personnel are needed and the number of such personnel needed in each such area, and (C) the kinds and extent of training which should be provided such personnel;

(2) assess (A) current training programs available for the training of biomedical and behavioral research personnel which are conducted under this chapter, at or through national research institutes under the National Institutes of Health, and (B) other current training programs available for the training of such personnel;

(3) identify the kinds of research positions available to and held by individuals completing such programs;
(4) determine, to the extent feasible, whether the programs referred to in clause (B) of paragraph (2) would be adequate to meet the needs established under paragraph (1) if the programs referred to in clause (A) of paragraph (2) were terminated; and
(5) determine what modifications in the programs referred to in paragraph (2) are required to meet the needs established under paragraph (1).

(b) Arrangement with National Academy of Sciences or other nonprofit private groups or associations

(1) The Secretary shall request the National Academy of Sciences to conduct the study required by subsection (a) under an arrangement under which the actual expenses incurred by such Academy in conducting such study will be paid by the Secretary. If the National Academy of Sciences is willing to do so, the Secretary shall enter into such an arrangement with such Academy for the conduct of such study.

(2) If the National Academy of Sciences is unwilling to conduct such study under such an arrangement, then the Secretary shall enter into a similar arrangement with other appropriate nonprofit private groups or associations under which such groups or associations will conduct such study and prepare and submit the reports thereon as provided in subsection (c).

(3) The National Academy of Sciences or other group or association conducting the study required by subsection (a) shall conduct such study in consultation with the Director of NIH.

(b)(1) The Secretary shall establish a program within the Department of Health and Human Services under which requests for clarification and guidance with respect to ethical issues, including allegations of violations of the rights of human subjects of research for which funds have been made available under this chapter, are responded to promptly and appropriately.

(b)(2) The Secretary shall establish a process for the prompt and appropriate response to information provided to the Director of NIH respecting incidences of violations of the rights of human subjects of research for which funds have been made available under this chapter. The process shall include procedures for the receiving of reports of such information from recipients of funds under this chapter and taking appropriate action with respect to such violations.

References in Text

Subsection (c), referred to in subsec. (b)(2), was omitted from the Code. See Codification note below.

Codification

Subsec. (c) of this section, which required the Secretary to submit a report on results of the study required under subsec. (a) of this section to certain committees of Congress at least once every four years, terminated, effective May 15, 2000, pursuant to section 3003 of Pub. L. 106–554, as amended, set out as a note under section 3101 of Title 31, Money and Finance. See also, page 96 of House Document No. 103–7.

Amendments


Effective Date of 1992 Amendment

Amendment by Pub. L. 102–321 effective Oct. 1, 1992, with provision for programs providing financial assistance, see section 601(c), (d) of Pub. L. 102–321, set out as a note under section 238 of this title.

Part H—General Provisions

Codification


1 See References in Text note below.

§289. Institutional review boards; ethics guidance program

(a) The Secretary shall by regulation require that each entity which applies for a grant, contract, or cooperative agreement under this chapter for any project or program which involves the conduct of biomedical or behavioral research involving human subjects submit in or with its application for such grant, contract, or cooperative agreement assurances satisfactory to the Secretary that it has established (in accordance with regulations which the Secretary shall prescribe) a board (to be known as an “Institutional Review Board”) to review biomedical and behavioral research involving human subjects conducted at or supported by such entity in order to protect the rights of the human subjects of such research.

(b)(1) The Secretary shall establish a program within the Department of Health and Human Services under which requests for clarification and guidance with respect to ethical issues, including allegations of violations of the rights of human subjects of research for which funds have been made available under this chapter, are responded to promptly and appropriately.

(b)(2) The Secretary shall establish a process for the prompt and appropriate response to information provided to the Director of NIH respecting incidences of violations of the rights of human subjects of research for which funds have been made available under this chapter. The process shall include procedures for the receiving of reports of such information from recipients of funds under this chapter and taking appropriate action with respect to such violations.

Protection of Human Research Subjects


“(a) IN GENERAL.—In order to simplify and facilitate compliance by researchers with applicable regulations for the protection of human subjects in research, the Secretary of Health and Human Services (referred to in this section as the ‘Secretary’) shall, to the extent practicable and consistent with other statutory provisions, harmonize differences between the HHS Human Subject Regulations and the FDA Human Subject Regulations in accordance with subsection (b).

“(b) AVOIDING REGULATORY DUPLICATION AND UNNECESSARY DELAYS.—The Secretary shall, as appropriate—

“(1) make such modifications to the provisions of the HHS Human Subject Regulations, the FDA Human Subject Regulations, and the vulnerable populations rules as may be necessary—

“(A) to reduce regulatory duplication and unnecessary delays;

“(B) to modernize such provisions in the context of multisite and cooperative research projects; and

“(C) to protect vulnerable populations, incorporate local considerations, and support community engagement through mechanisms such as consultation with local researchers and human research protection programs, in a manner consistent with subparagraph (B); and

“(2) ensure that human subject research that is subject to the HHS Human Subject Regulations and to the FDA Human Subject Regulations may—

“(A) use joint or shared review; and

“(B) rely upon the review of—
§ 289 TITLE 42—THE PUBLIC HEALTH AND WELFARE

“(i) an independent institutional review board; or
“(ii) an institutional review board of an entity other than the sponsor of the research; or
“(C) use similar arrangements to avoid duplication of effort.”

Consultation.—In harmonizing or modifying regulations or guidance under this section, the Secretary shall consult with stakeholders (including researchers, academic organizations, hospitals, institutional review boards, pharmaceutical, biotechnology, and medical device developers, clinical research organizations, patient groups, and others).

“(d) TIMING.—The Secretary shall complete the harmonization described in subsection (a) not later than 3 years after the date of enactment of this Act [Dec. 13, 2016].

“(e) PROGRESS REPORT.—Not later than 2 years after the date of enactment of this Act, the Secretary shall submit to Congress a report on the progress made toward completing such harmonization.

“(B) HHS HUMAN SUBJECT REGULATIONS.—The term ‘HHS Human Subject Regulations’ means the provisions of subpart A of part 46 of title 45, Code of Federal Regulations (or any successor regulations).

“(C) VULNERABLE POPULATION RULES.—The term ‘vulnerable population’ means—

“(i) except in the case of research described in clause (ii), the provisions of subparts B through D of part 46, Code of Federal Regulations (or any successor regulations); and

“(ii) in the case of research that is subject to FDA Human Subject Regulations, the provisions applicable to vulnerable populations under part 56 of title 21, Code of Federal Regulations (or any successor regulations).

“(2) INSTITUTIONAL REVIEW BOARD DEFINED.—In this section, the term ‘institutional review board’ has the meaning that applies to the term ‘institutional review board’ under the HHS Human Subject Regulations.”

INFORMED CONSENT FOR NEWBORN SCREENING RESEARCH

Pub. L. 113-240, §12, Dec. 18, 2014, 128 Stat. 2857, provided that:

“(a) IN GENERAL.—Research on newborn dried blood spots shall be considered research carried out on human subjects meeting the definition of section 46.102(f)(2) of title 45, Code of Federal Regulations, for purposes of Federally funded research conducted pursuant to the Public Health Service Act (42 U.S.C. 201 et seq.) until such time as updates to the Federal Policy for the Protection of Human Subjects (the Common Rule) are promulgated pursuant to subsection (c). For purposes of this subsection, sections 46.116(c) and 46.116(d) of title 45, Code of Federal Regulations, shall not apply.

“(b) EFFECTIVE DATE.—Subsection (a) shall apply only to newborn dried blood spots used for purposes of Federally funded research that were collected not earlier than 60 days after the date of enactment of this Act [Dec. 18, 2014].

“(c) REGULATIONS.—Not later than 6 months after the date of enactment of this Act, the Secretary of Health and Human Services shall promulgate proposed regulations regarding the updating of the Federal Policy for the Protection of Human Subjects (the Common Rule), particularly with respect to informed consent. Not later than 2 years after such date of enactment, the Secretary shall promulgate final regulations based on such proposed regulations.”

STUDY CONCERNING RESEARCH INVOLVING CHILDREN

Pub. L. 107-109, §12, Jan. 4, 2002, 115 Stat. 1416, provided that:

“(a) CONTRACT WITH INSTITUTE OF MEDICINE.—The Secretary of Health and Human Services shall enter into a contract with the Institute of Medicine for—

“(1) the conduct, in accordance with subsection (b), of a review of—

“(A) Federal regulations in effect on the date of the enactment of this Act [Jan. 4, 2002] relating to research involving children;

“(B) federally prepared or supported reports relating to research involving children; and

“(C) federally supported evidence-based research involving children; and

“(2) the submission to the Committee on Health, Education, Labor, and Pensions of the Senate and the Committee on Energy and Commerce of the House of Representatives, not later than two years after the date of enactment of this Act, of a report concerning the review conducted under paragraph (1) that includes recommendations on best practices relating to research involving children.

“(b) AREAS OF REVIEW.—In conducting the review under subsection (a)(1), the Institute of Medicine shall consider the following:

“(1) The written and oral process of obtaining and defining ‘assent’, ‘permission’ and ‘informed consent’ with respect to child clinical research participants and the parents, guardians, and the individuals who may serve as the legally authorized representatives of such children (as defined in subpart A of part 46 of title 45, Code of Federal Regulations).

“(2) The expectations and comprehension of child research participants and the parents, guardians, or legally authorized representatives of such children, for the direct benefits and risks of the child’s research involvement, particularly in terms of research versus therapeutic treatment.

“(3) The definition of ‘minimal risk’ with respect to a healthy child or a child with an illness.

“(4) The appropriateness of the regulations applicable to children of differing ages and maturity levels, including regulations relating to legal status.

“(5) Whether payment (financial or otherwise) may be provided to a child or his or her parent, guardian, or legally authorized representative for the participation of the child in research, and if so, the amount and type of payment that may be made.

“(6) Compliance with the regulations referred to in subsection (a)(1)(A), the monitoring of such compliance (including the role of institutional review boards), and the enforcement actions taken for violations of such regulations.

“(7) The unique roles and responsibilities of institutional review boards in reviewing research involving children, including composition of membership on institutional review boards.

“(c) REQUIREMENTS OF EXPERTISE.—The Institute of Medicine shall conduct the review under subsection (a)(1) and make recommendations under subsection (a)(2) in conjunction with experts in pediatric medicine, pediatric research, and the ethical conduct of research involving children.”

REQUIREMENT FOR ADDITIONAL PROTECTIONS FOR CHILDREN INVOLVED IN RESEARCH

Pub. L. 106-310, div. A, title XXVII, §2701, Oct. 17, 2000, 114 Stat. 1167, as amended by Pub. L. 106-505, title X, §1001(a), Nov. 13, 2000, 114 Stat. 2530, provided that: “Notwithstanding any other provision of law, not later than 6 months after the date of the enactment of this Act [Oct. 17, 2000], the Secretary of Health and Human Services shall require that all research involving children that is conducted, supported, or regulated by the Department of Health and Human Services be in compliance with subpart D of part 46 of title 45, Code of Federal Regulations.”

subsection (a) [amending section 2701 of Pub. L. 106–310, set out above] takes effect on the date of the enactment of the Children’s Health Act of 2000 [Oct. 17, 2000].’’

§ 289a. Peer review requirements

(a) Applications for biomedical and behavioral research grants, cooperative agreements, and contracts; regulations

(1) The Secretary, acting through the Director of NIH, shall by regulation require appropriate technical and scientific peer review of—

(A) applications made for grants and cooperative agreements under this chapter for biomedical and behavioral research; and

(B) applications made for biomedical and behavioral research and development contracts to be administered through the National Institutes of Health.

(2) Regulations promulgated under paragraph (1) shall require that the review of applications made for grants, contracts, and cooperative agreements required by the regulations be conducted—

(A) to the extent practical, in a manner consistent with the system for technical and scientific peer review applicable on November 20, 1985, to grants under this chapter for biomedical and behavioral research, and

(B) to the extent practical, by technical and scientific peer review groups performing such review on or before November 20, 1985, and shall authorize such review to be conducted by groups appointed under sections 282(b)(16) and 284(c)(3) of this title.

(b) Periodic review of research at National Institutes of Health

The Director of NIH shall establish procedures for periodic technical and scientific peer review of research at the National Institutes of Health. Such procedures shall require that—

(1) the reviewing entity be provided a written description of the research to be reviewed, and

(2) the reviewing entity provide the advisory council of the national research institute involved with such description and the results of the review by the entity,

and shall authorize such review to be conducted by groups appointed under sections 282(b)(16) and 284(c)(3) of this title.

(c) Compliance with requirements for inclusion of women and minorities in clinical research

(1) In technical and scientific peer review under this section of proposals for clinical research, the consideration of any such proposal (including the initial consideration) shall, except as provided in paragraph (2), include an evaluation of the technical and scientific merit of the proposal regarding compliance with section 289a–2 of this title.

(2) Paragraph (1) shall not apply to any proposal for clinical research that, pursuant to subsection (b) of section 289a–2 of this title, is not subject to the requirement of subsection (a) of such section regarding the inclusion of women and members of minority groups as subjects in clinical research.

(3) The Secretary shall ensure that the Secretary for the protection of human subjects in clinical research conducts, administers, and reviews biomedical and behavioral research, and shall authorize such review to be conducted by groups appointed under sections 282(b)(16) and 284(c)(3) of this title.

(b) Ethical review of research

(1) In the case of any application submitted to the Secretary for financial assistance to conduct research, the Secretary may not approve or fund any application that is subject to review under section 289(a) of this title by an Institutional Review Board unless the application has undergone review in accordance with such section and has been recommended for approval by a majority of the members of the Board conducting such review.

(2) The Secretary may not withhold funds for the research because of ethical considerations unless—

1 See References in Text note below.
(A) the Secretary convenes an advisory board in accordance with paragraph (5) to study such considerations; and

(B)(i) the majority of the advisory board recommends that, because of such considerations, the Secretary withhold funds for the research; or

(ii) the majority of such board recommends that the Secretary not withhold funds for the research because of such considerations, but the Secretary, on the basis of the report submitted under paragraph (5)(B)(ii), that the recommendation is arbitrary and capricious.

(2) Rules of construction

Paragraph (1) may not be construed as prohibiting the Secretary from withholding funds for research on the basis of—

(A) the inadequacy of the qualifications of the entities that would be involved with the conduct of the research (including the entity that would directly receive the funds from the Secretary), subject to the condition that, with respect to the process of review through which the research was recommended for approval for purposes of subsection (a), all findings regarding such qualifications made in such process are conclusive; or

(B) the priorities established by the Secretary for the allocation of funds among projects of research that have been so recommended.

(3) Applicability

The limitation established in paragraph (1) regarding the authority to withhold funds because of ethical considerations shall apply without regard to whether the withholding of funds on such basis is characterized as a disapproval, a moratorium, a prohibition, or other characterization.

(4) Preliminary matters regarding use of procedures

(A) If the Secretary makes a determination that an advisory board should be convened for purposes of paragraph (1), the Secretary shall, through a statement published in the Federal Register, announce the intention of the Secretary to convene such a board.

(B) A statement issued under subparagraph (A) shall include a request that interested individuals submit to the Secretary recommendations specifying the particular individuals who should be appointed to the advisory board involved. The Secretary shall consider such recommendations in making appointments to the board.

(C) The Secretary may not make appointments to an advisory board under paragraph (1) until the expiration of the 30-day period beginning on the date on which the statement required in subparagraph (A) is made with respect to the board.

(5) Ethics advisory boards

(A) Any advisory board convened for purposes of paragraph (1) shall be known as an ethics advisory board (in this paragraph referred to as an “ethics board”).

(B)(i) An ethics board shall advise, consult with, and make recommendations to the Secretary regarding the ethics of the project of biomedical or behavioral research with respect to which the board has been convened.

(ii) Not later than 180 days after the date on which the statement required in paragraph (4)(A) is made with respect to an ethics board, the board shall submit to the Secretary, and to the Committee on Energy and Commerce of the House of Representatives and the Committee on Labor and Human Resources of the Senate, a report describing the findings of the board regarding the project of research involved and making a recommendation under clause (i) of whether the Secretary should or should not withhold funds for the project. The report shall include the information considered in making the findings.

(C) An ethics board shall be composed of no fewer than 14, and no more than 20, individuals who are not officers or employees of the United States. The Secretary shall make appointments to the board from among individuals with special qualifications and competence to provide advice and recommendations regarding ethical matters in biomedical and behavioral research. Of the members of the board—

(i) no fewer than 1 shall be an attorney;

(ii) no fewer than 1 shall be an ethicist;

(iii) no fewer than 1 shall be a practicing physician;

(iv) no fewer than 1 shall be a theologian; and

(v) no fewer than one-third, and no more than one-half, shall be scientists with substantial accomplishments in biomedical or behavioral research.

(D) The term of service as a member of an ethics board shall be for the life of the board. If such a member does not serve the full term of such service, the individual appointed to fill the resulting vacancy shall be appointed for the remainder of the term of the predecessor of the individual.

(E) A member of an ethics board shall be subject to removal from the board by the Secretary for neglect of duty or malfeasance or for other good cause shown.

(F) The Secretary shall designate an individual from among the members of an ethics board to serve as the chair of the board.

(G) In carrying out subparagraph (B)(i) with respect to a project of research, an ethics board shall conduct inquiries and hold public hearings.

(H) In carrying out subparagraph (B)(i) with respect to a project of research, an ethics board shall have access to all relevant information possessed by the Department of Health and Human Services, or available to the Secretary from other agencies.

(I) Members of an ethics board shall receive compensation for each day engaged in carrying out the duties of the board, including time engaged in traveling for purposes of such duties. Such compensation may not be provided in an amount in excess of the maximum rate of basic pay payable for GS–18 of the General Schedule.
(J) The Secretary, acting through the Director of the National Institutes of Health, shall provide to each ethics board reasonable staff and assistance to carry out the duties of the board.

(K) An ethics board shall terminate 30 days after the date on which the report required in subparagraph (B)(ii) is submitted to the Secretary and the congressional committees specified in such subparagraph.

(6) "Ethical considerations" defined

For purposes of this subsection, the term "ethical considerations" means considerations as to whether the nature of the research involved is such that it is unethical to conduct or support the research.

(7) Effective date of 2007 amendment

Amendment by Pub. L. 109–482 applicable only with respect to amounts appropriated for fiscal year 2007 or subsequent fiscal years, see section 109 of Pub. L. 109–482, set out as a note under section 5376 of this title.

§289a–2. Inclusion of women and minorities in clinical research

(a) Requirement of inclusion

(1) In general

In conducting or supporting clinical research for purposes of this subchapter, the Director of NIH shall, subject to subsection (b), ensure that—

(A) women are included as subjects in each project of such research; and

(B) members of minority groups are included as subjects in such research.

(2) Outreach regarding participation as subjects

The Director of NIH, in consultation with the Director of the Office of Research on Women's Health and the Director of the Office of Research on Minority Health, shall conduct or support outreach programs for the recruitment of women and members of minority groups as subjects in projects of clinical research.

(3) Strategic planning

(A) In general

The directors of the national institutes and national centers shall consult at least once annually with the Director of the National Institute on Minority Health and Health Disparities and the Director of the Office of Research on Women's Health regarding objectives of the national institutes and national centers to ensure that future activities by such institutes and centers take into account women and minorities and are focused on reducing health disparities.

(B) Strategic plans

Any strategic plan issued by a national institute or national center shall include details on the objectives described in subparagraph (A).

(b) Inapplicability of requirement

The requirement established in subsection (a) regarding women and members of minority groups shall not apply to a project of clinical research if the inclusion, as subjects in the project, of women and members of minority groups, respectively—

(1) is inappropriate with respect to the health of the subjects;

(2) is inappropriate with respect to the purpose of the research; or

(3) is inappropriate under such other circumstances as the Director of NIH may designate.

(c) Design of clinical trials

(1) In general

In the case of any clinical trial in which women or members of minority groups will be under subsection (a) be included as subjects, the Director of NIH shall ensure that the trial is designed and carried out in a manner sufficient to provide for a valid analysis of whether the variables being studied in the trial affect women or members of minority groups, as the case may be, differently than other subjects in the trial.

(2) Reporting requirements

For any new and competing project of clinical research subject to the requirements under this section that receives a grant award 1 year after December 13, 2016, or any date thereafter, for which a valid analysis is provided under paragraph (1)—

(A) and which is an applicable clinical trial as defined in section 262(j) of this title, the entity conducting such clinical research shall submit the results of such valid analy-
sis to the clinical trial registry data bank expanded under section 282(j)(3) of this title, and the Director of the National Institutes of Health shall, as appropriate, consider whether such entity has complied with the reporting requirement described in this subparagraph in awarding any future grant to such entity, including pursuant to section 282(j)(5)(A)(ii) of this title when applicable; and

(B) the Director of the National Institutes of Health shall encourage the reporting of the results of such valid analysis described in paragraph (1) through any additional means determined appropriate by the Director.

(d) Guidelines

(1) In general

Subject to paragraph (2), the Director of NIH, in consultation with the Director of the Office of Research on Women’s Health and the Director of the Office of Research on Minority Health, shall establish guidelines regarding the requirements of this section. The guidelines shall include guidelines regarding—

(A) the circumstances under which the inclusion of women and minorities as subjects in projects of clinical research is inappropriate for purposes of subsection (b);

(B) the manner in which clinical trials are required to be designed and carried out for purposes of subsection (c); and

(C) the operation of outreach programs under subsection (a).

(2) Certain provisions

With respect to the circumstances under which the inclusion of women or members of minority groups (as the case may be) as subjects in a project of clinical research is inappropriate for purposes of subsection (b), the following applies to guidelines under paragraph (1):

(A)(i) In the case of a clinical trial, the guidelines shall provide that the costs of such inclusion in the trial is not a permissible consideration in determining whether such inclusion is inappropriate.

(ii) In the case of other projects of clinical research, the guidelines shall provide that the costs of such inclusion in the project is not a permissible consideration in determining whether such inclusion is inappropriate unless the data regarding women or members of minority groups, respectively, that would be obtained in such project (in the event that such inclusion were required) have been or are being obtained through other means that provide data of comparable quality.

(B) In the case of a clinical trial, the guidelines may provide that such inclusion in the trial is not required if there is substantial scientific data demonstrating that there is no significant difference between—

(i) the effects that the variables to be studied in the trial have on women or members of minority groups, respectively; and

(ii) the effects that the variables have on the individuals who would serve as sub-

jects in the trial in the event that such inclusion were not required.

(e) Date certain for guidelines; applicability

(1) Date certain

The guidelines required in subsection (d) shall be established and published in the Federal Register not later than 180 days after June 10, 1993.

(2) Applicability

For fiscal year 1995 and subsequent fiscal years, the Director of NIH may not approve any proposal of clinical research to be conducted or supported by any agency of the National Institutes of Health unless the proposal specifies the manner in which the research will comply with this section.

(f) Reports by advisory councils

(1) In general

The advisory council of each national research institute shall prepare triennial reports describing the manner in which the institute has complied with this section. Each such report shall be submitted to the Director of the institute involved for inclusion in the triennial report under section 283 of this title.

(2) Contents

Each triennial report prepared by an advisory council of each national research institute as described in paragraph (1) shall include each of the following:

(A) The number of women included as subjects, and the proportion of subjects that are women, in any project of clinical research conducted during the applicable reporting period, disaggregated by categories of research area, condition, or disease, and accounting for single-sex studies.

(B) The number of members of minority groups included as subjects, and the proportion of subjects that are members of minority groups, in any project of clinical research conducted during the applicable reporting period, disaggregated by categories of research area, condition, or disease and accounting for single-race and single-ethnicity studies.

(C) For the applicable reporting period, the number of projects of clinical research that include women and members of minority groups and that—

(i) have been completed during such reporting period; and

(ii) are being carried out during such reporting period and have not been completed.

(D) The number of studies completed during the applicable reporting period for which reporting has been submitted in accordance with subsection (c)(2)(A).

(g) Definitions

For purposes of this section:

(1) The term “project of clinical research” includes a clinical trial.

(2) The term “minority group” includes sub-populations of minority groups. The Director of NIH shall, through the guidelines established under subsection (d), define the terms
“minority group” and “subpopulation” for purposes of the preceding sentence.


AMENDMENTS
Subsec. (f). Pub. L. 114–255, § 2038(b), designated existing provisions as par. (1), inserted heading, substituted “triennial” for “biennial” in two places, and added par. (2).

CLINICAL RESEARCH

“(1) IN GENERAL.—Not later than 1 year after the date of enactment of this Act [Dec. 13, 2016], the Director of the National Institutes of Health, in consultation with the Director of the Office of Research on Women’s Health and the Director of the National Institute of Minority Health and Health Disparities, shall update the guidelines established under section 422(b) of [the] Public Health Service Act (42 U.S.C. 289a–2) in accordance with paragraph (2).

“(2) REQUIREMENTS.—The updated guidelines described in paragraph (1) shall—

“(A) reflect the science regarding sex differences;

“(B) improve adherence to the requirements under section 422B of the Public Health Service Act (42 U.S.C. 289a–2), including the reporting requirements under subsection of such section; and

“(C) clarify the circumstances under which studies should be designed to support the conduct of analyses to detect significant differences in the intervention effect due to demographic factors related to section 422B of the Public Health Service Act, including in the absence of prior studies that demonstrate a difference in study outcomes on the basis of such factors and considering the effects of the absence of such analyses on the availability of data related to demographic differences.”

TASK FORCE ON RESEARCH SPECIFIC TO PREGNANT WOMEN AND LACTATING WOMEN

“(1) TASK FORCE ON RESEARCH SPECIFIC TO PREGNANT WOMEN AND LACTATING WOMEN.—

“(1) ESTABLISHMENT.—Not later than 90 days after the date of enactment of this Act [Dec. 13, 2016], the Secretary of Health and Human Services (referred to in this section as the ‘Secretary’) shall establish a task force, in accordance with the Federal Advisory Committee Act (5 U.S.C. App.), to be known as the ‘Task Force on Research Specific to Pregnant Women and Lactating Women’ (in this section referred to as the ‘Task Force’).

“(2) DUTIES.—The Task Force shall provide advice and guidance to the Secretary regarding Federal activities related to identifying and addressing gaps in knowledge and research regarding safe and effective therapies for pregnant women and lactating women, including the development of such therapies and the collaboration on and coordination of such activities.

“(3) MEMBERSHIP.—

“(A) FEDERAL MEMBERS.—The Task Force shall be composed of each of the following Federal members, or the designees of such members:

“(i) The Director of the Centers for Disease Control and Prevention;

“(ii) The Director of the National Institutes of Health, the Director of the Eunice Kennedy Shriver National Institute of Child Health and Human Development, and the directors of such other appropriate national research institutes.

“(iii) The Commissioner of Food and Drugs.

“(iv) The Director of the Office on Women’s Health.

“(v) The Director of the National Vaccine Program Office.

“(vi) The head of any other research-related agency or department not described in clauses (i) through (v) that the Secretary determines appropriate, which may include the Department of Veterans Affairs and the Department of Defense.

“(B) NON-FEDERAL MEMBERS.—The Task Force shall be composed of each of the following non-Federal members, including—

“(i) representatives from relevant medical societies with subject matter expertise on pregnant women, lactating women, or children;

“(ii) nonprofit organizations with expertise related to the health of women and children;

“(iii) relevant industry representatives; and

“(iv) other representatives, as appropriate.

“(C) LIMITATIONS.—The non-Federal members described in subparagraph (B) shall—

“(i) compose not more than one-half, and not less than one-third, of the total membership of the Task Force; and

“(ii) be appointed by the Secretary.

“(4) TERMINATION.—

“(A) IN GENERAL.—Subject to subparagraph (B), the Task Force shall terminate on the date that is 2 years after the date on which the Task Force is established under paragraph (1).

“(B) EXTENSION.—The Secretary may extend the operation of the Task Force for one additional 2-year period following the 2-year period described in subparagraph (A), if the Secretary determines that the extension is appropriate for carrying out the purpose of this section.

“(5) MEETINGS.—The Task Force shall meet not less than 2 times each year and shall convene public meetings, as appropriate, to fulfill its duties under paragraph (2).

“(6) TASK FORCE REPORT TO CONGRESS.—Not later than 18 months after the date on which the Task Force is established under paragraph (1), the Task Force shall prepare and submit to the Secretary, the Committee on Health, Education, Labor, and Pensions of the Senate, and the Committee on Energy and Commerce of the House of Representatives a report that includes each of the following:

“(A) A plan to identify and address gaps in knowledge and research regarding safe and effective therapies for pregnant women and lactating women, including the development of such therapies;

“(B) Ethical issues surrounding the inclusion of pregnant women and lactating women in clinical research.

“(C) Effective communication strategies with health care providers and the public on information relevant to pregnant women and lactating women.

“(D) Identification of Federal activities, including—

“(i) the state of research on pregnancy and lactation;

“(ii) recommendations for the coordination of, and collaboration on research related to pregnant women and lactating women;”

“(iii) dissemination of research findings and information relevant to pregnant women and lactating women to providers and the public; and

“(iv) existing Federal efforts and programs to improve the scientific understanding of the health impacts on pregnant women, lactating women, and related birth and pediatric outcomes, including with respect to pharmacokinetics, pharmacodynamics, and toxicology.

“(E) Recommendations to improve the development of safe and effective therapies for pregnant women and lactating women.
“(b) CONFIDENTIALITY.—Nothing in this section shall authorize the Secretary of Health and Human Services to disclose any information that is a trade secret, or other privileged or confidential information, described in section 552(b)(4) of title 5, United States Code, or section 1905 of title 18, United States Code.

“(c) UPDATING PROTECTIONS FOR PREGNANT WOMEN AND LACTATING WOMEN IN RESEARCH.—

“(1) IN GENERAL.—Not later than 2 years after the date of enactment of this Act [Dec. 13, 2016], the Secretary, considering any recommendations of the Task Force available at such time and in consultation with the heads of relevant agencies of the Department of Health and Human Services, shall, as appropriate, update regulations and guidance, as applicable, regarding the inclusion of pregnant women and lactating women in clinical research.

“(2) CRITERIA FOR EXCLUDING PREGNANT OR LACTATING WOMEN.—In updating any regulations or guidance described in paragraph (1), the Secretary shall consider any appropriate criteria to be used by institutional review boards and individuals reviewing grant proposals for excluding pregnant women or lactating women as a study population requiring additional protections from participating in human subject research.”

INAPPLICABILITY TO CURRENT PROJECTS

Pub. L. 103–43, title I, § 133, June 10, 1993, 107 Stat. 135, provided that: “Section 492b of the Public Health Service Act, as added by section 131 of this Act [42 U.S.C. 289a–2], shall not apply with respect to projects of clinical research for which initial funding was provided prior to the date of the enactment of this Act [June 10, 1993]. With respect to the inclusion of women and minorities as subjects in clinical research conducted or supported by the National Institutes of Health, any policies of the Secretary of Health and Human Services, shall, as appropriate, update regulations and guidance, as applicable, regarding the inclusion of pregnant women and lactating women in clinical research.

§ 289b. Office of Research Integrity

(a) In general

(1) Establishment of Office

Not later than 90 days after June 10, 1993, the Secretary shall establish an office to be known as the Office of Research Integrity (referred to in this section as the “Office”), which shall be established as an independent entity in the Department of Health and Human Services.

(2) Appointment of Director

The Office shall be headed by a Director, who shall be appointed by the Secretary, be experienced and specially trained in the conduct of research, and have experience in the conduct of investigations of research misconduct. The Secretary shall carry out this section acting through the Director of the Office. The Director shall report to the Secretary.

(3) Definitions

(A) The Secretary shall by regulation establish a definition for the term “research misconduct” for purposes of this section.

(B) For purposes of this section, the term “financial assistance” means a grant, contract, or cooperative agreement.

(b) Existence of administrative processes as condition of funding for research

The Secretary shall by regulation require that each entity that applies for financial assistance under this chapter for any project or program that involves the conduct of biomedical or behavioral research submit in or with its application for such assistance—

(1) assurances satisfactory to the Secretary that such entity has established and has in effect (in accordance with regulations which the Secretary shall prescribe) an administrative process to review reports of research misconduct in connection with biomedical and behavioral research conducted at or sponsored by such entity;

(2) an agreement that the entity will report to the Director any investigation of alleged research misconduct in connection with projects for which funds have been made available under this chapter that appears substantial; and

(3) an agreement that the entity will comply with regulations issued under this section.

(c) Process for response of Director

The Secretary shall by regulation establish a process to be followed by the Director for the prompt and appropriate—

(1) response to information provided to the Director respecting research misconduct in connection with projects for which funds have been made available under this chapter;

(2) receipt of reports by the Director of such information from recipients of funds under this chapter;

(3) conduct of investigations, when appropriate; and

(4) taking of other actions, including appropriate remedies, with respect to such misconduct.

(d) Monitoring by Director

The Secretary shall by regulation establish procedures for the Director to monitor administrative processes and investigations that have been established, and carried out under this section.

(e) Protection of whistleblowers

(1) In general

In the case of any entity required to establish administrative processes under subsection (b), the Secretary shall by regulation establish standards for preventing, and for responding to the occurrence of retaliation by such entity, its officials or agents, against an employee in the terms and conditions of employment in response to the employee having in good faith—

(A) made an allegation that the entity, its officials or agents, has engaged in or failed to adequately respond to an allegation of research misconduct; or

(B) cooperated with an investigation of such an allegation.

(2) Monitoring by Secretary

The Secretary shall by regulation establish procedures for the Director to monitor the implementation of the standards established by an entity under paragraph (1) for the purpose of determining whether the procedures have been established, and are being utilized, in accordance with the standards established under such paragraph.
(3) **Noncompliance**

The Secretary shall by regulation establish remedies for noncompliance by an entity, its officials or agents, which has engaged in retaliation in violation of the standards established under paragraph (1). Such remedies may include termination of funding provided by the Secretary for such project or recovery of funding being provided by the Secretary for such project, or other actions as appropriate.


**Codification**

June 10, 1993, referred to in subsec. (a)(1), was in the original “the date of enactment of this section” which was translated as meaning the date of enactment of Pub. L. 103–43, which amended this section generally, to reflect the probable intent of Congress.

**Amendments**

1993—Pub. L. 103–43, title I, § 161, amended section generally. Prior to amendment, section read as follows:

“(a) The Secretary shall by regulation require that each entity which applies for a grant, contract, or cooperative agreement under this chapter for any project or program which involves the conduct of biomedical or behavioral research submit in or with its application for such grant, contract, or cooperative agreement assurances satisfactory to the Secretary that such entity—

“(1) has established (in accordance with regulations which the Secretary shall prescribe) an administrative process to review reports of scientific fraud in connection with biomedical and behavioral research conducted at or sponsored by such entity; and

“(2) will report to the Secretary any investigation of alleged scientific fraud which appears substantial.

“(b) The Director of NIH shall establish a process for the prompt and appropriate response to information provided the Director of NIH respecting scientific fraud in connection with projects for which funds have been made available under this chapter. The process shall include procedures for the receiving of reports of such information from recipients of funds under this chapter and taking appropriate action with respect to such fraud.”

Subsec. (e), Pub. L. 103–43, § 163, added subsec. (e).

**Regulations**


“(a) **ISSUANCE OF FINAL RULES.**—

“(1) IN GENERAL.—Not later than 180 days after the date of the enactment of this Act [June 10, 1993], the Secretary shall, subject to paragraph (2), issue the final rule for each regulation required in section 493 or 493A of the Public Health Service Act [42 U.S.C. 289b, 289b–1].

“(2) DEFINITION OF RESEARCH MISCONDUCT.—Not later than 90 days after the date on which the report required in section 162(e) [107 Stat. 142] is submitted to the Secretary, the Secretary shall issue the final rule for the regulations required in section 493 of the Public Health Service Act with respect to the definition of the term ‘research misconduct’.

“(b) **APPLICABILITY TO ONGOING INVESTIGATIONS.**—The final rule issued pursuant to subsection (a) for investigations under section 493 of the Public Health Service Act [42 U.S.C. 289b] does not apply to investigations commenced before the date of the enactment of this Act [June 10, 1993] under authority of such section as in effect before such date.

“(c) **DEFINITIONS.**—For purposes of this section:

“(1) The term ‘section 493 of the Public Health Service Act’ means such section [42 U.S.C. 289b] as amended by sections 161 and 163 of this Act, except as indicated otherwise in subsection (b).

“(2) The term ‘section 493A of the Public Health Service Act’ means such section [42 U.S.C. 289b–1] as added by section 164 of this Act.

“(3) The term ‘Secretary’ means the Secretary of Health and Human Services.”

§ 289b–1. **Protection against financial conflicts of interest in certain projects of research**

**(a) Issuance of regulations**

The Secretary shall by regulation define the specific circumstances that constitute the existence of a financial interest in a project on the part of an entity or individual that will, or may be reasonably expected to, create a bias in favor of obtaining results in such project that are consistent with such financial interest. Such definition shall apply uniformly to each entity or individual conducting a research project under this chapter. In the case of any entity or individual receiving assistance from the Secretary for a project of research described in subsection (b), the Secretary shall by regulation establish standards for responding to, including managing, reducing, or eliminating, the existence of such a financial interest. The entity may adopt individualized procedures for implementing the standards.

**(b) Relevant projects**

A project of research referred to in subsection (a) is a project of clinical research whose purpose is to evaluate the safety or effectiveness of a drug, medical device, or treatment and for which such entity is receiving assistance from the Secretary.

**(c) Identifying and reporting to Secretary**

The Secretary shall by regulation require that each entity described in subsection (a) that applies for assistance under this chapter for any project described in subsection (b) submit in or with its application for such assistance—

(1) assurances satisfactory to the Secretary that such entity has established and has in effect an administrative process under subsection (a) to identify financial interests (as defined under subsection (a)) that exist regarding the project; and

(2) an agreement that the entity will report to the Secretary such interests identified by the entity and how any such interests identified by the entity will be managed or eliminated in order that the project in question will be protected from bias that may stem from such interests; and

(3) an agreement that the entity will comply with regulations issued under this section.

**(d) Monitoring of process**

The Secretary shall monitor the establishment and conduct of the administrative process established by an entity pursuant to subsection (a).

**(e) Response**

In any case in which the Secretary determines that an entity has failed to comply with subsection (c) regarding a project of research described in subsection (b), the Secretary—
(1) shall require that, as a condition of receiving assistance, the entity disclose the existence of a financial interest (as defined under subsection (a)) in each public presentation of the results of such project; and
(2) may take such other actions as the Secretary determines to be appropriate.

(f) Definitions

For purposes of this section:

(1) The term "financial interest" includes the receipt of consulting fees or honoraria and the ownership of stock or equity.

(2) The term "assistance", with respect to conducting a project of research, means a grant, contract, or cooperative agreement.

(July 1, 1944, ch. 373, title IV, § 493A, as added Pub. L. 103–43, title I, §164, June 10, 1993, 107 Stat. 142.)

REGULATIONS

Final rule for regulations required in this section to be issued not later than 180 days after June 10, 1993, see section 165 of Pub. L. 103–43, set out as a note under section 289b of this title.

§ 289c. Research on public health emergencies

If the Secretary determines, after consultation with the Director of NIH, the Commissioner of the Food and Drug Administration, or the Director of the Centers for Disease Control and Prevention, that a disease or disorder constitutes a public health emergency, the Secretary, acting through the Director of NIH—

(1) shall expedite the review by advisory councils under section 289a of this title and by peer review groups under section 289c of this title of applications for grants for research on such disease or disorder or proposals for contracts for such research;

(2) shall exercise the authority in section 6101 of title 41 respecting public exigencies to waive the advertising requirements of such section in the case of proposals for contracts for such research;

(3) may provide administrative supplemental increases in existing grants and contracts to support new research relevant to such disease or disorder; and

(4) shall disseminate, to health professionals and the public, information on the cause, prevention, and treatment of such disease or disorder.

The amount of an increase in a grant or contract provided under paragraph (3) may not exceed one-half the original amount of the grant or contract.


REFERENCES IN TEXT

Subparts 14, 15 and 16 of part C for health services research relating to alcohol abuse and alcoholism, drug abuse and mental health be used collaboratively, as appropriate, and in consultation with the Agency for Healthcare Research and Quality.

(Amendment by Pub. L. 109–482 applicable only with respect to amounts appropriated for fiscal year 2007 or subsequent fiscal years, see section 109 of Pub. L. 109–482, set out as a note under section 289 of this title.)

§ 289c–1. Collaborative use of certain health services research funds

The Secretary shall ensure that amounts made available under subparts 14, 15 and 16 of part C for health services research relating to alcohol abuse and alcoholism, drug abuse and mental health be used collaboratively, as appropriate, and with respect to amounts appropriated for fiscal year 2007 or subsequent fiscal years, see section 289 of this title.

AMENDMENTS

1999—Pub. L. 106–129, which directed the substitution of "Agency for Healthcare Research and Quality" for "Agency for Health Care Policy and Research", was executed by making the substitution for "Agency for Health Care Policy Research", to reflect the probable intent of Congress.

1998—Pub. L. 105–362 struck out heading and designation of subsec. (a) and heading and text of subsec. (b). Text of subsec. (b) read as follows: "Not later than December 30, 1993, and each December 30 thereafter, the Secretary shall prepare and submit to the Committee on Energy and Commerce of the House of Representatives and the Committee on Labor and Human Resources of the Senate, a report concerning the activities carried out with the amounts referred to in subsection (a) of this section."


EFFECTIVE DATE

Section effective Oct. 1, 1992, with provision for programs providing financial assistance, see section 801(c), (d) of Pub. L. 102–321, set out as an Effective Date of 1992 Amendment note under section 226 of this title.

§ 289d. Animals in research

(a) Establishment of guidelines

The Secretary, acting through the Director of NIH, shall establish guidelines for the following:

(1) The proper care of animals to be used in biomedical and behavioral research.
(2) The proper treatment of animals while being used in such research. Guidelines under this paragraph shall require—
(A) the appropriate use of tranquilizers, analgesics, anesthetics, paralytics, and euthanasia for animals in such research; and
(B) appropriate pre-surgical and post-surgical veterinary medical and nursing care for animals in such research.

Such guidelines shall not be construed to prescribe methods of research.

(3) The organization and operation of animal care committees in accordance with subsection (b).

(b) Animal care committees; establishment; membership; functions
(1) Guidelines of the Secretary under subsection (a)(3) shall require animal care committees at each entity which conducts biomedical and behavioral research with funds provided under this chapter (including the National Institutes of Health and the national research institutes) to assure compliance with the guidelines established under subsection (a).

(2) Each animal care committee shall be appointed by the chief executive officer of the entity for which the committee is established, shall be composed of not fewer than three members, and shall include at least one individual who has no association with such entity and at least one doctor of veterinary medicine.

(3) Each animal care committee of a research entity shall—
(A) review the care and treatment of animals in all animal study areas and facilities of the research entity at least semi-annually to evaluate compliance with applicable guidelines established under subsection (a) for appropriate animal care and treatment;
(B) keep appropriate records of reviews conducted under subparagraph (A); and
(C) for each review conducted under subparagraph (A), file with the Director of NIH at least annually (i) a certification that the review has been conducted, and (ii) reports of any violations of guidelines established under subsection (a) or assurances required under paragraph (1) which were observed in such review and which have continued after notice by the committee to the research entity involved of the violations.

Reports filed under subparagraph (C) shall include any minority views filed by members of the committee.

(c) Assurances required in application or contract proposal; reasons for use of animals; notice and comment requirements for promulgation of regulations

The Director of NIH shall require each applicant for a grant, contract, or cooperative agreement involving research on animals under this subchapter to include in its application or contract proposal, submitted after the expiration of the twelve-month period beginning on November 20, 1985—
(1) assurances satisfactory to the Director of NIH that—
(A) the applicant meets the requirements of the guidelines established under paragraph (1) and (2) of subsection (a) and has an animal care committee which meets the requirements of subsection (b); and
(B) scientists, animal technicians, and other personnel involved with animal care, treatment, and use by the applicant have available to them instruction or training in the humane practice of animal maintenance and experimentation, and the concept, availability, and use of research or testing methods that limit the use of animals or limit animal distress; and
(2) a statement of the reasons for the use of animals in the research to be conducted with funds provided under such grant or contract.

Notwithstanding subsection (a)(2) of section 553 of title 5, regulations under this subsection shall be promulgated in accordance with the notice and comment requirements of such section.

(d) Failure to meet guidelines; suspension or revocation of grant or contract

If the Director of NIH determines that—
(1) the conditions of animal care, treatment, or use in an entity which is receiving a grant, contract, or cooperative agreement involving research on animals under this subchapter do not meet applicable guidelines established under subsection (a):
(2) the entity has been notified by the Director of NIH of such determination and has been given a reasonable opportunity to take corrective action; and
(3) no action has been taken by the entity to correct such conditions;
the Director of NIH shall suspend or revoke such grant or contract under such conditions as the Director determines appropriate.

(e) Disclosure of trade secrets or privileged or confidential information

No guideline or regulation promulgated under subsection (a) or (c) may require a research entity to disclose publicly trade secrets or commercial or financial information which is privileged or confidential.


Prohibition on funding of projects involving use of chimpanzees obtained from the wild

Pub. L. 102–394, title II, § 213, Oct. 6, 1992, 106 Stat. 1812, provided that: ‘‘No funds appropriated under this Act or subsequent Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Acts shall be used by the National Institutes of Health, or any other Federal agency, or recipient of Federal funds on any project that entails the capture or procurement of chimpanzees obtained from the wild. For purposes of this section, the term ‘recipient of Federal funds’ includes private citizens, corporations, or other research institutions located outside of the United States that are recipients of Federal funds.’’

Similar provisions were contained in the following prior appropriation acts:

Plan for research involving animals

Section 4 of Pub. L. 99–158 directed Director of National Institutes of Health to establish, not later than
§ 289e. Use of appropriations

(a) Appropriations to carry out the purposes of this subchapter, unless otherwise expressly provided, may be expended in the District of Columbia for—

(1) personal services;
(2) stenographic recording and translating services;
(3) travel expenses (including the expenses of attendance at meetings when specifically authorized by the Secretary);
(4) rental;
(5) supplies and equipment;
(6) purchase and exchange of medical books, books of reference, directories, periodicals, newspapers, and press clippings;
(7) purchase, operation, and maintenance of passenger motor vehicles;
(8) printing and binding (in addition to that otherwise provided by law); and
(9) all other necessary expenses in carrying out this subchapter.

Such appropriations may be expended by contract if deemed necessary, without regard to section 6101 of title 41.

(b)(1) None of the amounts appropriated under this chapter for the purposes of this subchapter may be obligated for the construction of facilities (including the acquisition of land) unless a provision of this subchapter establishes express authority for such purpose and unless the Act making appropriations under such provision specifies that the amounts appropriated are available for such purpose.

(2) Any grants, cooperative agreements, or contracts authorized in this subchapter for the construction of facilities may be awarded only on a competitive basis.


Codification


Amendments

1993—Subsec. (a). Pub. L. 103–43 substituted “‘Appropriations to carry out the purposes of this subchapter’” for “‘Such appropriations’.

1989—Subsec. (a). Pub. L. 101–190 redesignated existing provisions as subsec. (a), struck out first sentence which read as follows: “Appropriations to carry out the purposes of this subchapter shall be available for the acquisition of land or the erection of buildings only if so specified.’”, and added subsec. (b).

Construction of Biomedical Facilities for Development and Breeding of Specialized Strains of Mice

Pub. L. 101–190, §§ 1–7, Nov. 29, 1989, 103 Stat. 1691–1695, as amended by Pub. L. 101–374, § 4(a), (c)(1), Aug. 15, 1990, 104 Stat. 458, 459, authorized a reservation of funds for making a grant to construct facilities for development and breeding of specialized strains of mice for use in biomedical research, provided for a competitive grant award process, required applicant for the grant to agree to a twenty-year transferable obligation, restricted grant applicant to public or nonprofit private status, with assurances of sufficient financial resources, set forth other grant requirements, and specified consequences of failure to comply with agreements and violation of the twenty-year obligation.

§ 289f. Gifts and donations; memorials

The Secretary may, in accordance with section 238 of this title, accept conditional gifts for the National Institutes of Health or a national research institute or for the acquisition of grounds or for the erection, equipment, or maintenance of facilities for the National Institutes of Health or a national research institute. Donations of $50,000 or over for the National Institutes of Health or a national research institute for carrying out the purposes of this subchapter may be acknowledged by the establishment within the National Institutes of Health or a national research institute of suitable memorials to the donors.


Amendments

1993—Pub. L. 103–43 substituted “section 238” for “section 300aaa”.

1990—Pub. L. 101–381 made technical amendment to reference to section 300aaa of this title to reflect renumbering of corresponding section of original act.

1989—Pub. L. 101–381 made technical amendment to reference to section 300aaa of this title to reflect renumbering of corresponding section of original act.

Effective Date of 1988 Amendment

Amendment by Pub. L. 101–690 effective immediately after enactment of Pub. L. 101–690, which was approved Nov. 4, 1988, see section 2600 of Pub. L. 101–690, set out as a note under section 242m of this title.

Effective Date of 1986 Amendment


§ 289g. Fetal research

(a) Conduct or support by Secretary; restrictions

The Secretary may not conduct or support any research or experimentation, in the United

Oct. 1, 1986, a plan for research into methods of biomedical research and experimentation which reduces the use of animals in research or which produce less pain and distress in animals to develop methods found to be valid and reliable, to train scientists in use of such methods, to disseminate information on such methods and to establish an Interagency Coordinating Committee to assist in development of the plan, prior to repeal by Pub. L. 103–43, title II, § 205(b), June 10, 1993, 107 Stat. 148. See section 283e of this title.
States or in any other country, on a nonviable living human fetus ex utero or a living human fetus ex utero for whom viability has not been ascertained unless the research or experimentation—

(1) may enhance the well-being or meet the health needs of the fetus or enhance the probability of its survival to viability; or

(2) will pose no added risk of suffering, injury, or death to the fetus and the purpose of the research or experimentation is the development of important biomedical knowledge which cannot be obtained by other means.

(b) Risk standard for fetuses intended to be aborted and fetuses intended to be carried to term to be same

In administering the regulations for the protection of human research subjects which—

(1) apply to research conducted or supported by the Secretary;

(2) involve living human fetuses in utero; and

(3) are published in section 46.208 of part 46 of title 45 of the Code of Federal Regulations; or any successor to such regulations, the Secretary shall require that the risk standard (published in section 46.102(g) of such part 46 or any successor to such regulations) be the same for fetuses which are intended to be aborted and fetuses which are intended to be carried to term. (July 1, 1944, ch. 373, title IV, § 498, as added Pub. L. 99–158, § 2, Nov. 20, 1985, 99 Stat. 877; amended Pub. L. 100–607, title I, §§ 156, 157(b), Nov. 4, 1988, 102 Stat. 3059; Pub. L. 103–43, title I, § 121(b)(1), June 10, 1993, 107 Stat. 133.)

AMENDMENTS

1993—Subsec. (c). Pub. L. 103–43 struck out subsec. (c) which directed Biomedical Ethics Advisory Committee to conduct a study of the nature, advisability, and biomedical and ethical implications of exercising any waiver of the risk standard published in section 46.102(g) of part 46 of title 45 of the Code of Federal Regulations and to report its finding to the Biomedical Ethics Board not later than 24 months after Nov. 4, 1988, which report was to be then transmitted to specified Congressional committees.


Subsec. (c)(2). Pub. L. 100–607, § 156(1), substituted “24-month period beginning on November 4, 1988” for “thirty-six month period beginning on November 20, 1985”.


NULIFICATION OF CERTAIN PROVISIONS

Pub. L. 100–607, title I, § 121(c), June 10, 1993, 107 Stat. 133, provided that: “The provisions of Executive Order 12806 (57 Fed. Reg. 21589 (May 21, 1992)) (formerly set out below) shall not have any legal effect. The provisions of section 204(d) of part 46 of title 45 of the Code of Federal Regulations (45 CFR 46.204(d)) shall not have any legal effect.”

EXECUTIVE ORDER NO. 12806. ESTABLISHMENT OF FETAL TISSUE BANK


FEDERAL FUNDING OF FETAL TISSUE TRANSPANTATION RESEARCH

Memorandum of President of the United States, Jan. 22, 1993, 58 F.R. 7457, provided:

Memorandum for the Secretary of Health and Human Services

On March 22, 1988, the Assistant Secretary for Health of Health and Human Services ("HHS") imposed a temporary moratorium on Federal funding of research involving transplantation of fetal tissue from induced abortions. Contrary to the recommendations of a National Institutes of Health advisory panel, on November 2, 1989, the Secretary of Health and Human Services extended the moratorium indefinitely. This moratorium has significantly hampered the development of possible treatments for individuals afflicted with serious diseases and disorders, such as Parkinson's disease, Alzheimer's disease, diabetes, and leukemia. Accordingly, I hereby direct that you immediately lift the moratorium.

You are hereby authorized and directed to publish this memorandum in the Federal Register.

WILLIAM J. CLINTON.

§ 289g–1. Research on transplantation of fetal tissue

(a) Establishment of program

(1) In general

The Secretary may conduct or support research on the transplantation of human fetal tissue for therapeutic purposes.

(2) Source of tissue

Human fetal tissue may be used in research carried out under paragraph (1) regardless of whether the tissue is obtained pursuant to a spontaneous or induced abortion or pursuant to a stillbirth.

(b) Informed consent of donor

(1) In general

In research carried out under subsection (a), human fetal tissue may be used only if the woman providing the tissue makes a statement, made in writing and signed by the woman, declaring that—

(A) the woman donates the fetal tissue for use in research described in subsection (a);

(B) the donation is made without any restriction regarding the identity of individuals who may be the recipients of transplantations of the tissue; and

(C) the woman has not been informed of the identity of any such individuals.

(2) Additional statement

In research carried out under subsection (a), human fetal tissue may be used only if the attending physician with respect to obtaining the tissue from the woman involved makes a statement, made in writing and signed by the physician, declaring that—

(A) in the case of tissue obtained pursuant to an induced abortion—

(i) the consent of the woman for the abortion was obtained prior to requesting or obtaining consent for a donation of the tissue for use in such research;

(ii) no alteration of the timing, method, or procedures used to terminate the pregnancy was made solely for the purposes of obtaining the tissue; and

(iii) the abortion was performed in accordance with applicable State law;

(B) the tissue has been donated by the woman in accordance with paragraph (1); and
(C) full disclosure has been provided to the woman with regard to—
   (i) such physician’s interest, if any, in the research to be conducted with the tissue; and
   (ii) any known medical risks to the woman or risks to her privacy that might be associated with the donation of the tissue and that are in addition to risks of such type that are associated with the woman’s medical care.

(c) Informed consent of researcher and donee

In research carried out under subsection (a), human fetal tissue may be used only if the individual with the principal responsibility for conducting the research involved makes a statement, made in writing and signed by the individual, declaring that the individual—

(1) is aware that—
   (A) the tissue is human fetal tissue;
   (B) the tissue may have been obtained pursuant to a spontaneous or induced abortion or pursuant to a stillbirth; and
   (C) the tissue was donated for research purposes;

(2) has provided such information to other individuals with responsibilities regarding the research;

(3) will require, prior to obtaining the consent of an individual to be a recipient of a transplantation of the tissue, written acknowledgment of receipt of such information by such recipient; and

(4) has had no part in any decisions as to the timing, method, or procedures used to terminate the pregnancy made solely for the purposes of the research.

(d) Availability of statements for audit

(1) In general

In research carried out under subsection (a), human fetal tissue may be used only if the head of the agency or other entity conducting the research involved certifies to the Secretary that the statements required under subsections (b)(2) and (c) will be available for audit by the Secretary.

(2) Confidentiality of audit

Any audit conducted by the Secretary pursuant to paragraph (1) shall be conducted in a confidential manner to protect the privacy rights of the individuals and entities involved in such research, including such individuals and entities involved in the donation, transfer, receipt, or transplantation of human fetal tissue. With respect to any material or information obtained pursuant to such audit, the Secretary shall—

(A) use such material or information only for the purposes of verifying compliance with the requirements of this section;

(B) not disclose or publish such material or information, except where required by Federal law, in which case such material or information shall be coded in a manner such that the identities of such individuals and entities are protected; and

(C) not maintain such material or information after completion of such audit, except where necessary for the purposes of such audit.

(e) Applicability of State and local law

(1) Research conducted by recipients of assistance

The Secretary may not provide support for research under subsection (a) unless the applicant for the financial assistance involved agrees to conduct the research in accordance with applicable State law.

(2) Research conducted by Secretary

The Secretary may conduct research under subsection (a) only in accordance with applicable State and local law.

(f) Report

The Secretary shall annually submit to the Committee on Energy and Commerce of the House of Representatives, and to the Committee on Labor and Human Resources of the Senate, a report describing the activities carried out under this section during the preceding fiscal year, including a description of whether and to what extent research under subsection (a) has been conducted in accordance with this section.

(g) “Human fetal tissue” defined

For purposes of this section, the term “human fetal tissue” means tissue or cells obtained from a dead human embryo or fetus after a spontaneous or induced abortion, or after a stillbirth.

transplantation of human fetal tissue for therapeutic purposes, the Secretary of Health and Human Services may not withhold funds for the research if—
(A) the research has been approved for purposes of subsection (a) of such section 492A;
(B) the research will be carried out in accordance with section 496A of such Act (42 U.S.C. 289g-1) as added by section 111 of this Act; and
(C) there are reasonable assurances that the research will not utilize any human fetal tissue that has been obtained in violation of section 496B(a) of such Act (42 U.S.C. 289g-20a) as added by section 112 of this Act.

(2) STANDING APPROVAL REGARDING ETHICAL STATUS.—In the case of any proposal for research on the transplantation of human fetal tissue for therapeutic purposes, the issuance in December 1988 of the Report of the Human Fetal Tissue Transplantation Research Panel shall be deemed to be a report—
(A) issued by an ethics advisory board pursuant to section 492A(b)(5x)(B)(ii) of the Public Health Service Act (42 U.S.C. 289a-1(b)(5x)(B)(ii)) as added by section 101 of this Act; and
(B) finding, on a basis that is neither arbitrary nor capricious, that the nature of the research is such that it is not unethical to conduct or support the research.

(c) AUTHORITY FOR WITHHOLDING FUNDS FROM RESEARCH.—In the case of any research on the transplantation of human fetal tissue for therapeutic purposes, the Secretary of Health and Human Services may withhold funds for the research if any of the conditions specified in any of subparagraphs (A) through (C) of subsection (b)(1) are not met with respect to the research.

(d) DEFINITION.—For purposes of this section, the term ‘human fetal tissue’ has the meaning given such term in section 289g-1(f) of the Public Health Service Act (42 U.S.C. 289g-1(f)) as added by section 111 of this Act.

REPORT BY GENERAL ACCOUNTING OFFICE ON ADEQUACY OF REQUIREMENTS
Pub. L. 103–43, title I, § 114, June 10, 1993, 107 Stat. 132, provided that, with respect to research on the transplantation of human fetal tissue for therapeutic purposes, the Comptroller General of the United States was to conduct an audit for the purpose of determining whether and to what extent such research conducted or supported by Secretary of Health and Human Services had been conducted in accordance with this section and whether and to what extent there have been violations of section 289g–2 of this title and directed the Comptroller General to complete the audit and report the findings to Congress, not later than May 19, 1993.

§ 289g–2. Prohibitions regarding human fetal tissue

(a) Purchase of tissue

It shall be unlawful for any person to knowingly acquire, receive, or otherwise transfer any human fetal tissue for valuable consideration if the transfer affects interstate commerce.

(b) Solicitation or acceptance of tissue as directed donation for use in transplantation

It shall be unlawful for any person to solicit or knowingly acquire, receive, or accept a donation of human fetal tissue for the purpose of transplantation of such tissue into another person if the donation affects interstate commerce, the tissue will be or is obtained pursuant to an induced abortion, and—
(1) the donation will be or is made pursuant to a promise to the donating individual that the donated tissue will be transplanted into a recipient specified by such individual;
(2) the donated tissue will be transplanted into a relative of the donating individual; or
(3) the person who solicits or knowingly acquires, receives, or accepts the donation has provided valuable consideration for the costs associated with such abortion.

(c) Solicitation or acceptance of tissue from fetuses gestated for research purposes

It shall be unlawful for any person or entity involved or engaged in interstate commerce to—
(1) solicit or knowingly acquire, receive, or accept a donation of human fetal tissue knowing that a human pregnancy was deliberately initiated to provide such tissue; or
(2) knowingly acquire, receive, or accept tissue or cells obtained from a human embryo or fetus that was gestated in the uterus of a nonhuman animal.

(d) Criminal penalties for violations

(1) In general

Any person who violates subsection (a), (b), or (c) shall be fined in accordance with title 18, subject to paragraph (2), or imprisoned for not more than 10 years, or both.

(2) Penalties applicable to persons receiving consideration

With respect to the imposition of a fine under paragraph (1), if the person involved violates subsection (a) or (b)(3), a fine shall be imposed in an amount not less than twice the amount of the valuable consideration received.

(e) Definitions

For purposes of this section:
(1) the term ‘human fetal tissue’ has the meaning given such term in section 289g–1(g) of this title.
(2) the term ‘interstate commerce’ has the meaning given such term in section 321(b) of title 21.
(3) the term ‘valuable consideration’ does not include reasonable payments associated with the transportation, implantation, processing, preservation, quality control, or storage of human fetal tissue.

(United States Code)
§ 289g–4. Support for emergency medicine research

(a) In general

The Secretary shall support research to determine the estimated economic impact of, and savings that result from, the implementation of coordinated emergency care systems.

(b) Authorization of appropriations

There are authorized to be appropriated to carry out this section such sums as may be necessary for each of fiscal years 2010 through 2014.

§ 289g–5. Precision medicine initiative

(a) In general

The Secretary is encouraged to establish and carry out an initiative, to be known as the “Precision Medicine Initiative” (in this section referred to as the “Initiative”), to augment efforts to address disease prevention, diagnosis, and treatment.

(b) Components

The Initiative described under subsection (a) may include—

(1) developing a network of scientists to assist in carrying out the purposes of the Initiative;

(2) developing new approaches for addressing scientific, medical, public health, and regulatory science issues;

(3) applying genomic technologies, such as whole genomic sequencing, to provide data on the molecular basis of disease;

(4) collecting information voluntarily provided by a diverse cohort of individuals that can be used to better understand health and disease; and

(5) other activities to advance the goals of the Initiative, as the Secretary determines appropriate.

(c) Authority of the Secretary

In carrying out this section, the Secretary may—

(1) coordinate with the Secretary of Energy, private industry, and others, as the Secretary determines appropriate, to identify and address the advanced supercomputing and other advanced technology needs for the Initiative;

(2) develop and utilize public-private partnerships; and

(3) leverage existing data sources.

(d) Requirements

In the implementation of the Initiative under subsection (a), the Secretary shall—

(1) ensure the collaboration of the National Institutes of Health, the Food and Drug Administration, the Office of the National Coordinator for Health Information Technology, and the Office for Civil Rights of the Department of Health and Human Services;

(2) comply with existing laws and regulations for the protection of human subjects involved in research, including the protection of participant privacy;

(3) implement policies and mechanisms for appropriate secure data sharing across systems that include protections for privacy and security of data;
§ 290a. Victims of fire

(a) Research on burns, burn injuries, and rehabilitation

The Secretary of Health and Human Services shall establish, within the National Institutes of Health and in cooperation with the Administrator of FEMA, an expanded program of research on burns, treatment of burn injuries, and rehabilitation of victims of fires. The National Institutes of Health shall—

(1) sponsor and encourage the establishment throughout the Nation of twenty-five additional burn centers, which shall comprise separate hospital facilities providing specialized burn treatment and including research and teaching programs and twenty-five additional burn units, which shall comprise specialized facilities in general hospitals used only for burn victims;

(2) provide training and continuing support of specialists to staff the new burn centers and burn units;

(3) sponsor and encourage the establishment of ninety burn programs in general hospitals which comprise staffs of burn injury specialists;

(4) provide special training in emergency care for burn victims;

(5) augment sponsorship of research on burns and burn treatment;

(6) administer and support a systematic program of research concerning smoke inhalation injuries; and

(7) sponsor and support other research and training programs in the treatment and rehabilitation of burn injury victims.

(b) Authorization of appropriations

For purposes of this section, there are authorized to be appropriated not to exceed $5,000,000 for the fiscal year ending June 30, 1973 and not to exceed $8,000,000 for the fiscal year ending June 30, 1976.

Provided, That funds advanced to this fund shall be available only in the fiscal year in which they are advanced:

Provided further, That final adjustments of advances in accordance with actual costs shall be effected wherever practicable with the appropriations from which such funds are advanced.

(Codification)

Section was enacted as a part of the Department of Health, Education, and Welfare Appropriation Act, 1958, and not as a part of the Public Health Service Act which comprises this chapter.

(Amendments)

1961—Pub. L. 87–290 substituted "‘reasonable value of the meals served’ for ‘cost of such operation’."
AMENDMENTS


2000—Subsec. (a). Pub. L. 106–503 substituted “in cooperation with the Director” for “in cooperation with the Secretary”.

CHANGE OF NAME

“Secretary of Health and Human Services” substituted for “Secretary of Health, Education, and Welfare” in subsec. (a) pursuant to section 509(b) of Pub. L. 96–88 which is classified to section 3508(b) of Title 20, Education.

TRANSFER OF FUNCTIONS

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

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

DEFINITIONS

For definition of terms used in this section, see section 2303 of Title 15, Commerce and Trade.

PART I—FOUNDATION FOR THE NATIONAL INSTITUTES OF HEALTH

SIGNIFICATION


§ 290b. Establishment and duties of Foundation

(a) In general

The Secretary shall, acting through the Director of NIH, establish a nonprofit corporation to be known as the Foundation for the National Institutes of Health (hereafter in this section referred to as the “Foundation”). The Foundation shall not be an agency or instrumentality of the United States Government.

(b) Purpose of Foundation

The purpose of the Foundation shall be to support the National Institutes of Health in its mission (including collection of funds for pediatric pharmacologic research), and to advance collaboration with biomedical researchers from universities, industry, and nonprofit organizations.

(c) Certain activities of Foundation

(1) In general

In carrying out subsection (b), the Foundation may solicit and accept gifts, grants, and other donations, establish accounts, and invest and expend funds in support of the following activities with respect to the purpose described in such subsection:

(A) A program to provide and administer endowed positions that are associated with the research program of the National Institutes of Health. Such endowments may be expended for the compensation of individuals holding the positions, for staff, equipment, quarters, travel, and other expenditures that are appropriate in supporting the endowed positions.

(B) A program to provide and administer fellowships and grants to research personnel in order to work and study in association with the National Institutes of Health. Such fellowships and grants may include stipends, travel, health insurance benefits and other appropriate expenses. The recipients of fellowships shall be selected by the donors and the Foundation upon the recommendation of the National Institutes of Health employees in the laboratory where the fellow would serve, and shall be subject to the agreement of the Director of the National Institutes of Health and the Executive Director of the Foundation.

(C) A program to collect funds for pediatric pharmacologic research and studies.

(D) Supplementary programs to provide for—

(i) scientists of other countries to serve in research capacities in the United States in association with the National Institutes of Health or elsewhere, or opportunities for employees of the National Institutes of Health or other public health officials in the United States to serve in such capacities in other countries, or both;

(ii) the conduct and support of studies, projects, and research, which may include stipends, travel and other support for personnel in collaboration with national and international non-profit and for-profit organizations;

(iii) the conduct and support of forums, meetings, conferences, courses, and training workshops that may include undergraduate, graduate, post-graduate, and post-doctoral accredited courses and the maintenance of accreditation of such courses by the Foundation at the State and national level for college or continuing education credits or for degrees;

(iv) programs to support and encourage teachers and students of science at all levels of education and programs for the general public which promote the understanding of science;

(v) programs for writing, editing, printing, publishing, and vending of books and other materials; and

(vi) the conduct of other activities to carry out and support the purpose described in subsection (b).

(E) The Cures Acceleration Network described in section 287a of this title.

(2) Fees

The Foundation may assess fees for the provision of professional, administrative and management services by the Foundation in

DEFINITIONS

For definition of terms used in this section, see section 2303 of Title 15, Commerce and Trade.
amounts determined reasonable and appropriate by the Executive Director.

(3) Authority of Foundation

The Foundation shall be the sole entity responsible for carrying out the activities described in this subsection.

(d) Board of Directors

(1) Composition

(A) The Foundation shall have a Board of Directors (hereafter referred to in this section as the “Board”), which shall be composed of ex officio and appointed members in accordance with this subsection. All appointed members of the Board shall be voting members.

(B) The ex officio members of the Board shall be—

(i) the Chairman and ranking minority member of the Subcommittee on Health and the Environment (Committee on Energy and Commerce) or their designees, in the case of the House of Representatives;

(ii) the Chairman and ranking minority member of the Committee on Labor and Human Resources or their designees, in the case of the Senate;

(iii) the Director of the National Institutes of Health; and

(iv) the Commissioner of Food and Drugs.

(C) The ex officio members of the Board under subparagraph (B) shall appoint to the Board individuals from among a list of candidates to be provided by the National Academy of Science. Such appointed members shall include—

(i) representatives of the general biomedical field;

(ii) representatives of experts in pediatric medicine and research;

(iii) representatives of the general behavioral field, which may include experts in biomedical ethics; and

(iv) representatives of the general public, which may include representatives of affected industries.

(D)(i) Not later than 30 days after June 10, 1993, the Director of the National Institutes of Health shall convene a meeting of the ex officio members of the Board to—

(I) incorporate the Foundation and establish the general policies of the Foundation for carrying out the purposes of subsection (b), including the establishment of the bylaws of the Foundation; and

(II) appoint the members of the Board in accordance with subparagraph (C).

(ii) Upon the appointment of the appointed members of the Board under clause (i)(II), the terms of service as members of the Board of the ex officio members of the Board described in clauses (i) and (ii) of subparagraph (B) shall terminate. The ex officio members of the Board described in clauses (iii) and (iv) of subparagraph (B) shall continue to serve as ex officio members of the Board.

(E) The appointment of not less than three-fifths of the members of the ex officio members of the Board shall be required for the appointment of each member to the initial Board.

(F) No employee of the National Institutes of Health shall be appointed as a member of the Board.

(G) The Board may, through amendments to the bylaws of the Foundation, provide that the number of appointed members of the Board shall be greater than the number specified in subparagraph (C).

(2) Chair

(A) The ex officio members of the Board under paragraph (1)(B) shall designate an individual to serve as the initial Chair of the Board.

(B) Upon the termination of the term of service of the initial Chair of the Board, the appointed members of the Board shall elect a member of the Board to serve as the Chair of the Board.

(3) Terms and vacancies

(A) The term of office of each member of the Board appointed under paragraph (1)(C) shall be 5 years, except that the terms of offices for the initial appointed members of the Board shall expire as determined by the ex officio members and the Chair.

(B) Any vacancy in the membership of the appointed members of the Board shall be filled in accordance with the bylaws of the Foundation established in accordance with paragraph (6), and shall not affect the power of the remaining appointed members to execute the duties of the Board.

(C) If a member of the Board does not serve the full term applicable under subparagraph (A), the individual appointed to fill the resulting vacancy shall be appointed for the remainder of the term of the predecessor of the individual.

(D) A member of the Board may continue to serve after the expiration of the term of the member until a successor is appointed.

(4) Compensation

Members of the Board may not receive compensation for service on the Board. Such members may be reimbursed for travel, subsistence, and other necessary expenses incurred in carrying out the duties of the Board, as set forth in the bylaws issued by the Board.

(5) Meetings and quorum

A majority of the appointed members of the Board shall constitute a quorum for purposes of conducting the business of the Board.

(6) Certain bylaws

(A) In establishing bylaws under this subsection, the Board shall ensure that the following are provided for:

(i) Policies for the selection of the officers, employees, agents, and contractors of the Foundation.

(ii) Policies, including ethical standards, for the acceptance, solicitation, and disposition of donations and grants to the Foundation and for the disposition of the assets of the Foundation. Policies with respect to ethical standards shall ensure that officers, employees and agents of the Foundation (including members of the Board) avoid encumbrances that would result in a conflict of in-
§ 290b  TITLE 42—THE PUBLIC HEALTH AND WELFARE  Page 724

terest, including a financial conflict of interest or a divided allegiance. Such policies shall include requirements for the provision of information concerning any ownership or controlling interest in entities related to the activities of the Foundation by such officers, employees and agents and their spouses and relatives.

(iii) Policies for the conduct of the general operations of the Foundation.

(iv) Policies for writing, editing, printing, publishing, and vending of books and other materials.

(B) In establishing bylaws under this subsection, the Board shall ensure that such bylaws (and activities carried out under the bylaws) do not—

(i) reflect unfavorably upon the ability of the Foundation or the National Institutes of Health to carry out its responsibilities or official duties in a fair and objective manner; or

(ii) compromise, or appear to compromise, the integrity of any governmental agency or program, or any officer or employee involved in such program.

(e) Incorporation

The initial members of the Board shall serve as incorporators and shall take whatever actions necessary to incorporate the Foundation.

(f) Nonprofit status

The Foundation shall be considered to be a corporation under section 501(c) of title 26, and shall be subject to the provisions of such section.

(g) Executive Director

(1) In general

The Foundation shall have an Executive Director who shall be appointed by the Board and shall serve at the pleasure of the Board. The Executive Director shall be responsible for the day-to-day operations of the Foundation and shall have such specific duties and responsibilities as the Board shall prescribe.

(2) Compensation

The rate of compensation of the Executive Director shall be fixed by the Board.

(h) Powers

In carrying out subsection (b), the Foundation may—

(1) operate under the direction of its Board;

(2) adopt, alter, and use a corporate seal, which shall be judicially noticed;

(3) provide for 1 or more officers, employees, and agents, as may be necessary, define their duties, and require surety bonds or make other provisions against losses occasioned by acts of such persons;

(4) hire, promote, compensate, and discharge officers and employees of the Foundation, and define the duties of the officers and employees;

(5) with the consent of any executive department or independent agency, use the information, services, staff, and facilities of such in carrying out this section;

(6) sue and be sued in its corporate name, and complain and defend in courts of competent jurisdiction;

(7) modify or consent to the modification of any contract or agreement to which it is a party or in which it has an interest under this part;

(8) establish a process for the selection of candidates for positions under subsection (c);

(9) enter into contracts with public and private organizations for the writing, editing, printing, and publishing of books and other material;

(10) take such action as may be necessary to obtain patents and licenses for devices and procedures developed by the Foundation and its employees;

(11) solicit, accept, hold, administer, invest, and spend any gift, devise, or bequest of real or personal property made to the Foundation;

(12) enter into such other contracts, leases, cooperative agreements, and other transactions as the Executive Director considers appropriate to conduct the activities of the Foundation;

(13) appoint other groups of advisors as may be determined necessary from time to time to carry out the functions of the Foundation;

(14) enter into such other contracts, leases, cooperative agreements, and other transactions as the Executive Director considers appropriate to conduct the activities of the Foundation; and

(15) exercise other powers as set forth in this section, and such other incidental powers as are necessary to carry out its powers, duties, and functions in accordance with this part.

(i) Administrative control

No participant in the program established under this part shall exercise any administrative control over any Federal employee.

(j) General provisions

(1) Foundation integrity

The members of the Board shall be accountable for the integrity of the operations of the Foundation and shall ensure such integrity through the development and enforcement of criteria and procedures relating to standards of conduct, financial disclosure statements, conflict of interest rules, recusal and waiver rules, audits and other matter determined appropriate by the Board.

(2) Financial conflicts of interest

Any individual who is an officer, employee, or member of the Board of the Foundation may not (in accordance with policies and requirements developed under subsection (d)(6)) personally or substantially participate in the consideration or determination by the Foundation of any matter that would directly or predictably affect any financial interest of the individual or a relative (as such term is defined in section 109(16) of the Ethics in Government Act of 1978) of the individual, of any business organization or other entity, or of which the individual is an officer or employee, or is negotiating for employment, or in which the individual has any other financial interest.

(3) Audits; availability of records

The Foundation shall—
(A) provide for annual audits of the financial condition of the Foundation; and
(B) make such audits, and all other records, documents, and other papers of the Foundation, available to the Secretary and the Comptroller General of the United States for examination or audit.

(4) Reports

(A) Not later than 5 months following the end of each fiscal year, the Foundation shall publish a report describing the activities of the Foundation during the preceding fiscal year. Each such report shall include for the fiscal year involved a comprehensive statement of the operations, activities, financial condition, and accomplishments of the Foundation, including an accounting of the use of amounts transferred under subsection (l).

(B) With respect to the financial condition of the Foundation, each report under subparagraph (A) shall include the source, and a description of, all gifts or grants to the Foundation of real or personal property, and the source and amount of all gifts or grants to the Foundation of money. Each such report shall include a specification of any restrictions on the purposes for which gifts or grants to the Foundation may be used.

(C) The Foundation shall make copies of each report submitted under subparagraph (A) available—

(i) for public inspection, and shall upon request provide a copy of the report to any individual for a charge that shall not exceed the cost of providing the copy; and

(ii) to the appropriate committees of Congress.

(D) The Board shall annually hold a public meeting to summarize the activities of the Foundation and distribute written reports concerning such activities and the scientific results derived from such activities.

(5) Service of Federal employees

Federal employees may serve on committees advisory to the Foundation and otherwise cooperate with and assist the Foundation in carrying out its function, so long as the employees do not direct or control Foundation activities.

(6) Relationship with existing entities

The Foundation may, pursuant to appropriate agreements, merge with, acquire, or use the resources of existing nonprofit private corporations with missions similar to the purposes of the Foundation, such as the Foundation for Advanced Education in the Sciences.

(7) Intellectual property rights

The Board shall adopt written standards for the ownership of any intellectual property rights derived from the collaborative efforts of the Foundation prior to the commencement of such efforts.

(8) National Institutes of Health Amendments of 1990

The activities conducted in support of the National Institutes of Health Amendments of 1990 (Public Law 101–613), and the amendments made by such Act, shall not be nullified by the enactment of this section.1

(9) Limitation of activities

(A) In general

The Foundation shall exist solely as an entity to work in collaboration with the research programs of the National Institutes of Health. The Foundation may not undertake activities (such as the operation of independent laboratories or competing for Federal research funds) that are independent of those of the National Institutes of Health research programs.

(B) Gifts, grants, and other donations

(i) In general

Gifts, grants, and other donations to the Foundation may be designated for pediatric research and studies on drugs, and funds so designated shall be used solely for grants for research and studies under subsection (c)(1)(C).

(ii) Other gifts

Other gifts, grants, or donations received by the Foundation and not described in clause (i) may also be used to support such pediatric research and studies.

(iii) Report

The recipient of a grant for research and studies shall agree to provide the Director of the National Institutes of Health and the Commissioner of Food and Drugs, at the conclusion of the research and studies—

(I) a report describing the results of the research and studies; and

(II) all data generated in connection with the research and studies.

(iv) Action by the Commissioner of Food and Drugs

The Commissioner of Food and Drugs shall take appropriate action in response to a report received under clause (iii) in accordance with paragraphs (7) through (12)2 of section 284m(c) of this title, including negotiating with the holders of approved applications for the drugs studied for any labeling changes that the Commissioner determines to be appropriate and requests the holders to make.

(C) Applicability

Subparagraph (A) does not apply to the program described in subsection (c)(1)(C).

(10) Transfer of funds

The Foundation may transfer funds to the National Institutes of Health and the National Institutes of Health may accept transfers of funds from the Foundation. Any funds transferred under this paragraph shall be subject to all Federal limitations relating to federally-funded research.

(k) Duties of Director

(1) Appropriability of certain standards to non-Federal employees

In the case of any individual who is not an employee of the Federal Government and who

---

1So in original. Probably should be ‘subsection’.
2See References in Text note below.
serves in association with the National Institutes of Health, with respect to financial assistance received from the Foundation, the Foundation may not provide the assistance of, or otherwise permit the work at the National Institutes of Health to begin until a memorandum of understanding between the individual and the Director of the National Institutes of Health, or the designee of such Director, has been executed specifying that the individual shall be subject to such ethical and procedural standards of conduct relating to duties performed at the National Institutes of Health, as the Director of the National Institutes of Health determines is appropriate.

(2) Support services
The Director of the National Institutes of Health may provide facilities, utilities and support services to the Foundation if it is determined by the Director to be advantageous to the research programs of the National Institutes of Health.

(f) Funding
From amounts appropriated to the National Institutes of Health, for each fiscal year, the Director of NIH shall transfer not less than $500,000 and not more than $1,250,000 to the Foundation.


REFERENCES IN TEXT
Section 109(16) of the Ethics in Government Act of 1978, referred to in subsec. (j)(2), is section 109(16) of Pub. L. 95–521, which is set out in the Appendix to Title 5, Government Organization and Employees.

The National Institutes of Health Amendments of 1990, referred to in subsec. (j)(8), is Pub. L. 101–613, Nov. 16, 1990, 104 Stat. 3224, as amended, which enacted this section, section 289g–4 of this title, and provisions set out as notes under section 201 and 280g–4 of this title. For complete classification of this Act to the Code, see Short Title of 1990 Amendments note set out under section 201 of this title and Tables.

Section 284m of this title, referred to in subsec. (j)(9)(B)(iv), was amended generally by Pub. L. 110–85, title V, § 502(b), Sept. 27, 2007, 121 Stat. 886, and, as so amended, does not contain a par. (12) in subsec. (c).

PRIOR PROVISIONS
A prior section 499 of act July 1, 1944, was classified to section 289h of this title prior to repeal by Pub. L. 103–43.

AMENDMENTS
2012—Subsec. (c)(1)(C). Pub. L. 112–144 struck out “for which the Secretary issues a certification in the affirmative under section 355a(n)(1)(A) of title 21” before period at end.


2007—Subsec. (c)(1)(C). Pub. L. 110–85 substituted “and studies for which the Secretary issues a certification in the affirmative under section 355a(n)(1)(A) of title 21” for “and studies listed by the Secretary pursuant to section 284m(a)(1)(A) of this title and referred under section 355a(d)(4)(C) of title 21”. Amendment, which directed striking out language ending with “section 505A(d)(4)(C) of the Federal Food, Drug and Cosmetic Act (21 U.S.C. 355(a)(d)(4)(C))” in the original, was executed by striking out language ending with “section 505A(d)(4)(C) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 355a(d)(4)(C))” in the original to reflect the probable intent of Congress. That language had been translated as “section 355a(d)(4)(C) of title 21” for purposes of codification.

Subsec. (d)(1)(D)(ii). Pub. L. 110–848, § 107(1)(A)(i), amended cl. (ii) generally. Prior to amendment, cl. (ii) read as follows: “Upon the appointment of the members of the Board under clause (i)(II), the terms of service of the ex officio members of the Board as members of the Board shall terminate.”


Subsec. (d)(3)(B). Pub. L. 110–848, § 107(1)(B), amended subpar. (B) generally. Prior to amendment, subpar. (B) read as follows: “Any vacancy in the membership of the Board shall be filled in the manner in which the original position was made and shall not affect the power of the remaining members to execute the duties of the Board.”

Subsec. (d)(5). Pub. L. 110–848, § 107(1)(C), inserted “appointed” after “majority of the”.


Subsec. (j)(4)(A). Pub. L. 110–848, § 107(2)(B)(ii), added subpar. (C) and struck out former subpar. (C) which read as follows: “The Foundation shall make copies of each report submitted under subparagraph (A) available for public inspection, and shall upon request provide a copy of the report to any individual for a charge not exceeding the cost of providing the copy.”

Subsec. (j)(19). Pub. L. 110–848, § 107(2)(C), substituted “of Health and the National Institutes of Health may accept transfers of funds from the Foundation” for “of Health”.

Subsec. (i). Pub. L. 110–848, § 107(3), added subsec. (i) and struck out former subsec. (i) which related to authorization of appropriations and limitation regarding other funds.


Subsec. (c)(1)(C). Pub. L. 107–109, § 13(2), added subpar. (C) and redesignated former subpar. (C) as (D).


Subsec. (d)(1)(C). Pub. L. 107–109, § 13(3)(A)(ii), added subpar. (C) and struck out former subpar. (C) which read as follows: “The ex officio members of the Board under subparagraph (B) shall appoint to the Board 11 individuals from among a list of candidates to be provided by the National Academy of Science. Of such appointed members—

(i) 4 shall be representative of the general biobehavioral field;

(ii) 2 shall be representatives of the general biobehavioral field; and

(iii) 5 shall be representatives of the general public.”

which read as follows: “prescribe by its Board its by-laws, that shall be consistent with law, and that shall provide for the manner in which—

(A) its officers, employees, and agents are selected;

(B) its property is acquired, held, and transferred;

(C) its general operations are to be conducted; and

(D) the privileges granted by law are exercised and enjoyed.”

Subsec. (l)(7). Pub. L. 103–43, §17015(c)(C), redesignated par. (8) as (7) and substituted “part” for “subtitle.” Former par. (7) redesignated (6).

Subsec. (l)(8). Pub. L. 103–43, §17015(c)(E), redesignated par. (9) as (8) and substituted “establish a process for the selection of candidates for positions under subsection (c)” for “establish a mechanism for the selection of candidates, subject to the approval of the Director of the National Institutes of Health, for the endowed scientific positions within the organizational structure of the intramural research programs of the National Institutes of Health and candidates for participation in the National Institutes of Health Scholars program”.

Subsec. (l)(9), (10). Pub. L. 103–43, §17015(c)(C), redesignated pars. (10) and (11) as (9) and (10), respectively. Former par. (9) redesignated (8).


Subsec. (l)(12), (13). Pub. L. 103–43, §17015(c)(H), redesignated pars. (13) and (14) as (12) and (13), respectively. Former par. (12) redesignated (11).


Subsec. (m). Pub. L. 103–43, §17015(h)(A), amended heading and text of subsec. (m) generally. Prior to amendment, text read as follows:

“(1) AUTHORIZATION OF APPROPRIATIONS.—Subject to paragraph (2), for the purpose of carrying out this part, there are authorized to be appropriated such sums as may be necessary for each of the fiscal years 1991 through 1995.

“(2) LIMITATIONS.—

“(A) Amounts appropriated under paragraph (1) or made available under subparagraph (C) may not be provided to the fund established under subsection (b)(1)(A) of this section.

“(B) For the first fiscal year for which amounts are appropriated under paragraph (1), $200,000 is authorized to be appropriated.

“(C) With respect to the first fiscal year for which amounts are appropriated under paragraph (1), the Secretary may, from amounts appropriated for such fiscal year for the programs of the Department of Health and Human Services, make available not more than $200,000 for carrying out this part, subject to subparagraph (A).”

Pub. L. 103–43, §17015(h)(A), redesignated subsec. (1) as (m).


1992—Subsec. (g)(9). Pub. L. 102–321 struck out “or the Administrator of the Alcohol, Drug Abuse, and Mental Health Administration” after “Director of the National Institutes of Health and” and “and the Alcohol, Drug Abuse, and Mental Health Administration” after “research programs of the National Institutes of Health”.


CHANGE OF NAME

Committee on Labor and Human Resources of Senate changed to Committee on Health, Education, Labor,
and Pensions of Senate by Senate Resolution No. 20, One Hundred Sixth Congress, Jan. 19, 1999.


**Effective Date of 2007 Amendment**
Amendment by Pub. L. 109–482 applicable only with respect to amounts appropriated for fiscal year 2007 or subsequent fiscal years, see section 109 of Pub. L. 109–482, set out as a note under section 236 of this title.

**Effective Date of 1992 Amendment**
Amendment by Pub. L. 102–321 effective Oct. 1, 1992, with provision for programs providing financial assistance, see section 801(c), (d) of Pub. L. 102–321, set out as a note under section 236 of this title.

**SUBCHAPTER III—SUBSTANCE ABUSE AND MENTAL HEALTH SERVICES ADMINISTRATION**

**PART A—ORGANIZATION AND GENERAL AUTHORITIES**

§ 290aa. Substance Abuse and Mental Health Services Administration

(a) Establishment

The Substance Abuse and Mental Health Services Administration (hereafter referred to in this subchapter as the "Administration") is an agency of the Service.

(b) Centers

The following Centers are agencies of the Administration:

1. The Center for Substance Abuse Treatment.
2. The Center for Substance Abuse Prevention.
3. The Center for Mental Health Services.

(c) Assistant Secretary and Deputy Assistant Secretary

(1) Assistant Secretary

The Administration shall be headed by an official to be known as the Assistant Secretary for Mental Health and Substance Use (hereinafter in this subchapter referred to as the "Assistant Secretary") who shall be appointed by the President, by and with the advice and consent of the Senate.

(2) Deputy Assistant Secretary

The Assistant Secretary, with the approval of the Secretary, may appoint a Deputy Assistant Secretary and may employ and prescribe the functions of such officers and employees, including attorneys, as are necessary to administer the activities to be carried out through the Administration.

(d) Authorities

The Secretary, acting through the Assistant Secretary, shall—

1. supervise the functions of the Centers of the Administration in order to assure that the programs carried out through each such Center receive appropriate and equitable support and that there is cooperation among the Centers in the implementation of such programs;
2. establish and implement, through the respective Centers, a comprehensive program to improve the provision of treatment and related services to individuals with respect to substance use disorders and mental illness and to improve prevention services, promote mental health and protect the legal rights of individuals with mental illnesses and individuals with substance use disorders;
3. carry out the administrative and financial management, policy development and planning, evaluation, knowledge dissemination, and public information functions that are required for the implementation of this subchapter;
4. assure that the Administration conduct and coordinate demonstration projects, evaluations, and service system assessments and other activities necessary to improve the availability and quality of treatment, prevention and related services;
5. support activities that will improve the provision of treatment, prevention and related services, including the development of national mental health and substance use disorder goals and model programs;
6. in cooperation with the National Institutes of Health, the Centers for Disease Control and Prevention, and the Health Resources and Services Administration, develop educational materials and intervention strategies to reduce the risks of HIV, hepatitis, tuberculosis, and other communicable diseases among individuals with mental or substance use disorders, and to develop appropriate mental health services for individuals with such diseases or disorders;
7. coordinate Federal policy with respect to the provision of treatment services for substance use disorders, including services that utilize drugs or devices approved or cleared by the Food and Drug Administration for the treatment of substance use disorders;
8. conduct programs, and assure the coordination of such programs with activities of the National Institutes of Health and the Agency for Healthcare Research and Quality, as appropriate, to evaluate the process, outcomes and community impact of prevention and treatment services and systems of care in order to identify the manner in which such services can most effectively be provided;
9. collaborate with the Director of the National Institutes of Health in the development and maintenance of a system by which the relevant research findings of the National Institute on Drug Abuse, the National Institute on Alcohol Abuse and Alcoholism, the National Institute of Mental Health, and, as appropriate, the Agency for Healthcare Research and Quality are disseminated to service providers in a manner designed to improve the delivery and effectiveness of prevention, treatment, and recovery support services and are appropriately incorporated into programs carried out by the Administration;
(10) encourage public and private entities that provide health insurance to provide benefits for substance use disorder and mental health services;

(11) work with relevant agencies of the Department of Health and Human Services on integrating mental health promotion and substance use disorder prevention with general health promotion and disease prevention and integrating mental and substance use disorders treatment services with physical health treatment services;

(12) monitor compliance by hospitals and other facilities with the requirements of sections 290dd–1 and 290dd–2 of this title;

(13) with respect to grant programs authorized under this subchapter or part B of subchapter XVII, or grant programs otherwise funded by the Administration—

(A) require that all grants that are awarded for the provision of services are subject to performance and outcome evaluations;

(B) ensure that the director of each Center of the Administration consistently documents the application of criteria when awarding grants and the ongoing oversight of grantees after such grants are awarded;

(C) require that all grants that are awarded to entities other than States are awarded only after the State in which the entity intends to provide services is notified of the pendency of the grant application; and

(D) inform a State when any funds are awarded through such a grant to any entity within such State;

(14) assure that services provided with amounts appropriated under this subchapter for mental and substance use disorder services for individuals who have been arrested or incarcerated;

(15) improve coordination among prevention programs, treatment facilities and nonhealth care systems such as employers, labor unions, and schools, and encourage the adoption of employee assistance programs and student assistance programs;

(16) maintain a clearinghouse for substance use disorder information, including evidence-based and promising best practices for prevention, treatment, and recovery support services for individuals with mental and substance use disorders, to assure the widespread dissemination of such information to States, political subdivisions, educational agencies and institutions, treatment providers, and the general public;

(17) in collaboration with the National Institute on Aging, and in consultation with the National Institute on Drug Abuse, the National Institute on Alcohol Abuse and Alcoholism and the National Institute of Mental Health, as appropriate, promote and evaluate substance use disorder services for older Americans in need of such services, and mental health services for older Americans who are seriously mentally ill;

(18) promote the coordination of service programs conducted by other departments, agencies, organizations and individuals that are or may be related to the problems of individuals suffering from mental illness or substance abuse, including liaisons with the Social Security Administration, Centers for Medicare & Medicaid Services, and other programs of the Department, as well as liaisons with the Department of Education, Department of Justice, and other Federal Departments and offices, as appropriate;

(19) consult with State, local, and tribal governments, nongovernmental entities, and individuals with mental illness, particularly adults with a serious mental illness, children with a serious emotional disturbance, and the family members of such adults and children, with respect to improving community-based and other mental health services;

(20) collaborate with the Secretary of Defense and the Secretary of Veterans Affairs to improve the provision of mental and substance use disorder services provided by the Department of Defense and the Department of Veterans Affairs to members of the Armed Forces, veterans, and the family members of such members and veterans, including through the provision of services using the telehealth capabilities of the Department of Defense and the Department of Veterans Affairs;

(21) collaborate with the heads of relevant Federal agencies and departments, States, communities, and nongovernmental experts to improve mental and substance use disorders services for chronically homeless individuals, including by designing strategies to provide such services in supportive housing;

(22) work with States and other stakeholders to develop and support activities to recruit and retain a workforce addressing mental and substance use disorders;

(23) collaborate with the Attorney General and representatives of the criminal justice system to improve mental and substance use disorders services for individuals who have been arrested or incarcerated;

(24) after providing an opportunity for public input, set standards for grant programs under this subchapter for mental and substance use disorders services and prevention programs, which standards may address—

(A) the capacity of the grantee to implement the award;

(B) requirements for the description of the program implementation approach;

(C) the extent to which the grant plan submitted by the grantee as part of its application must explain how the grantee will reach the population of focus and provide a statement of need, which may include information on how the grantee will increase access to services and a description of measurable objectives for improving outcomes;

(D) the extent to which the grantee must collect and report on required performance measures; and

(E) the extent to which the grantee is proposing to use evidence-based practices; and

(25) advance, through existing programs, the use of performance metrics, including those based on the recommendations on performance metrics from the Assistant Secretary for Planning and Evaluation under section 6021(c) of
the Helping Families in Mental Health Crisis Reform Act of 2016.

(e) Associate Administrator for Alcohol Prevention and Treatment Policy

(1) In general

There may be in the Administration an Associate Administrator for Alcohol Prevention and Treatment Policy to whom the Assistant Secretary may delegate the functions of promoting, monitoring, and evaluating services for Substance Abuse Treatment and the programs for the prevention and treatment of alcoholism and alcohol abuse within the Center for Substance Abuse Prevention, the Center for Substance Abuse Treatment and the Center for Mental Health Services, and coordinating such programs among the Centers, and among the Centers and other public and private entities. The Associate Administrator may also ensure that alcohol prevention, education, and policy strategies are integrated into all programs of the Centers that address substance abuse prevention, education, and policy, and that the Center for Substance Abuse Prevention addresses the Healthy People 2010 goals and the National Dietary Guidelines of the Department of Health and Human Services and the Department of Agriculture related to alcohol consumption.

(2) Plan

(A) The Assistant Secretary, acting through the Associate Administrator for Alcohol Prevention and Treatment Policy, shall develop, and periodically review and as appropriate revise, a plan for programs and policies to treat and prevent alcoholism and alcohol abuse. The plan shall be developed (and reviewed and revised) in collaboration with the Directors of the Centers of the Administration and in consultation with members of other Federal agencies and public and private entities.

(B) Not later than 1 year after July 10, 1992, the Assistant Secretary shall submit to the Congress the first plan developed under subparagraph (A).

(3) Report

(A) Not less than once during each 2 years, the Assistant Secretary, acting through the Associate Administrator for Alcohol Prevention and Treatment Policy, shall prepare a report describing the alcoholism and alcohol abuse prevention and treatment programs undertaken by the Administration and its agencies, and the report shall include a detailed statement of the expenditures made for the activities reported on and the personnel used in connection with such activities.

(B) Each report under subparagraph (A) shall include a description of any revisions in the plan under paragraph (2) made during the preceding 2 years.

(C) Each report under subparagraph (A) shall be submitted to the Assistant Secretary for inclusion in the biennial report under subsection (m).

(f) Associate Administrator for Women’s Services

(1) Appointment

The Assistant Secretary, with the approval of the Secretary, shall appoint an Associate Administrator for Women’s Services who shall report directly to the Assistant Secretary.

(2) Duties

The Associate Administrator appointed under paragraph (1) shall—

(A) establish a committee to be known as the Coordinating Committee for Women’s Services (hereafter in this subparagraph referred to as the “Coordinating Committee”), which shall be composed of the Directors of the agencies of the Administration (or the designees of the Directors);

(B) acting through the Coordinating Committee, with respect to women’s substance abuse and mental health services—

(i) identify the need for such services, and make an estimate each fiscal year of the funds needed to adequately support the services;

(ii) identify needs regarding the coordination of services;

(iii) encourage the agencies of the Administration to support such services; and

(iv) assure that the unique needs of minority women, including Native American, Hispanic, African-American, and Asian women, are recognized and addressed within the activities of the Administration; and

(C) establish an advisory committee to be known as the Advisory Committee for Women’s Services, which shall be composed of not more than 10 individuals, a majority of whom shall be women, who are not officers or employees of the Federal Government, to be appointed by the Assistant Secretary from among physicians, practitioners, treatment providers, and other health professionals, whose clinical practice, specialization, or professional expertise includes a significant focus on women’s substance abuse and mental health conditions, that shall—

(i) advise the Associate Administrator on appropriate activities to be undertaken by the agencies of the Administration with respect to women’s substance abuse and mental health services, including services which require a multidisciplinary approach;

(ii) collect and review data, including information provided by the Secretary (including the material referred to in paragraph (3)), and report biannually to the Assistant Secretary regarding the extent to which women are represented among senior personnel, and make recommendations regarding improvement in the participation of women in the workforce of the Administration; and

(iii) prepare, for inclusion in the biennial report required pursuant to subsection (m), a description of activities of the Committee, including findings made by the Committee regarding—

(I) the extent of expenditures made for women’s substance abuse and mental health services by the agencies of the Administration; and

(II) the estimated level of funding needed for substance abuse and mental
health services to meet the needs of women;
(D) improve the collection of data on women’s health by—
(i) reviewing the current data at the Administration to determine its uniformity and applicability;
(ii) developing standards for all programs funded by the Administration so that data are, to the extent practicable, collected and reported using common reporting formats, linkages and definitions; and
(iii) reporting to the Assistant Secretary a plan for incorporating the standards developed under clause (ii) in all Administration programs and a plan to assure that the data so collected are accessible to health professionals, providers, researchers, and members of the public; and
(E) shall establish, maintain, and operate a program to provide information on women’s substance abuse and mental health services.

(3) Study

(A) The Secretary, acting through the Assistant Secretary for Personnel, shall conduct a study to evaluate the extent to which women are represented among senior personnel at the Administration.
(B) Not later than 90 days after July 10, 1992, the Assistant Secretary for Personnel shall provide the Advisory Committee for Women’s Services with a study plan, including the methodology of the study and any sampling frames. Not later than 180 days after July 10, 1992, the Assistant Secretary shall prepare and submit directly to the Advisory Committee a report concerning the results of the study conducted under subparagraph (A).
(C) The Secretary shall prepare and provide to the Advisory Committee for Women’s Services any additional data as requested.

(4) Office

Nothing in this subsection shall be construed to preclude the Secretary from establishing within the Substance Abuse and Mental Health Administration an Office of Women’s Health.

(5) Definition

For purposes of this subsection, the term “women’s substance abuse and mental health conditions”, with respect to women of all age, ethnic, and racial groups, means all aspects of substance abuse and mental illness—
(A) unique to or more prevalent among women; or
(B) with respect to which there have been insufficient services involving women or insufficient data.

(g) Chief Medical Officer

(1) In general

The Assistant Secretary, with the approval of the Secretary, shall appoint a Chief Medical Officer to serve within the Administration.

(2) Eligible candidates

The Assistant Secretary shall select the Chief Medical Officer from among individuals who—
(A) have a doctoral degree in medicine or osteopathic medicine;
(B) have experience in the provision of mental or substance use disorder services;
(C) have experience working with mental or substance use disorder programs;
(D) have an understanding of biological, psychosocial, and pharmaceutical treatments of mental or substance use disorders; and
(E) are licensed to practice medicine in one or more States.

(3) Duties

The Chief Medical Officer shall—
(A) serve as a liaison between the Administration and providers of mental and substance use disorders prevention, treatment, and recovery services;
(B) assist the Assistant Secretary in the evaluation, organization, integration, and coordination of programs operated by the Administration;
(C) promote evidence-based and promising best practices, including culturally and linguistically appropriate practices, as appropriate, for the prevention and treatment of, and recovery from, mental and substance use disorders, including serious mental illness and serious emotional disturbances;
(D) participate in regular strategic planning with the Administration;
(E) coordinate with the Assistant Secretary for Planning and Evaluation to assess the use of performance metrics to evaluate activities within the Administration related to mental and substance use disorders; and
(F) coordinate with the Assistant Secretary to ensure mental and substance use disorders grant programs within the Administration consistently utilize appropriate performance metrics and evaluation designs.

(h) Services of experts

(1) In general

The Assistant Secretary may obtain (in accordance with section 3109 of title 5, but without regard to the limitation in such section on the number of days or the period of service) the services of not more than 20 experts or consultants who have professional qualifications. Such experts and consultants shall be obtained for the Administration and for each of its agencies.

(2) Compensation and expenses

(A) Experts and consultants whose services are obtained under paragraph (1) shall be paid or reimbursed for their expenses associated with traveling to and from their assignment location in accordance with sections 5724, 5724a(a), 5726a(c), and 5726c of title 5.

(B) Expenses specified in subparagraph (A) may not be allowed in connection with the assignment of an expert or consultant whose services are obtained under paragraph (1), unless and until the expert or consultant agrees in writing to complete the entire period of assignment or one year, whichever is shorter, unless separated or reassigned for reasons beyond the control of the expert or consultant that are acceptable to the Secretary. If the ex-
pert or consultant violates the agreement, the money spent by the United States for the expenses specified in subparagraph (A) is recoverable from the expert or consultant as a debt of the United States. The Secretary may waive in whole or in part a right of recovery under this subparagraph.

(i) Peer review groups

The Assistant Secretary shall, without regard to the provisions of title 5 governing appointments in the competitive service, and without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title, relating to classification and General Schedule pay rates, establish such peer review groups and program advisory committees as are needed to carry out the requirements of this subchapter and appoint and pay members of such groups, except that officers and employees of the United States shall not receive additional compensation for services as members of such groups. The Federal Advisory Committee Act shall not apply to the duration of a peer review group appointed under this subsection.

(j) Voluntary services

The Assistant Secretary may accept voluntary and uncompensated services.

(k) Administration

The Assistant Secretary shall ensure that programs and activities assigned under this subchapter to the Administration are fully administered by the respective Centers to which such programs and activities are assigned.

(l) Strategic plan

(1) In general

Not later than September 30, 2018, and every 4 years thereafter, the Assistant Secretary shall develop and carry out a strategic plan in accordance with this subsection for the planning and operation of activities carried out by the Administration, including evidence-based programs.

(2) Coordination

In developing and carrying out the strategic plan under this subsection, the Assistant Secretary shall take into consideration the findings and recommendations of the Assistant Secretary for Planning and Evaluation under section 6021(d) of the Helping Families in Mental Health Crisis Reform Act of 2016 and the report of the Interdepartmental Serious Mental Illness Coordinating Committee under section 6031 of such Act.

(3) Publication of plan

Not later than September 30, 2018, and every 4 years thereafter, the Assistant Secretary shall—

(A) submit the strategic plan developed under paragraph (1) to the Committee on Energy and Commerce and the Committee on Appropriations of the House of Representatives and the Committee on Health, Education, Labor, and Pensions and the Committee on Appropriations of the Senate; and

(B) post such plan on the Internet website of the Administration.

(4) Contents

The strategic plan developed under paragraph (1) shall—

(A) identify strategic priorities, goals, and measurable objectives for mental and substance use disorders activities and programs operated and supported by the Administration, including priorities to prevent or eliminate the burden of mental and substance use disorders;

(B) identify ways to improve the quality of services for individuals with mental and substance use disorders, and to reduce homelessness, arrest, incarceration, violence, including self-directed violence, and unnecessary hospitalization of individuals with a mental or substance use disorder, including adults with a serious mental illness or children with a serious emotional disturbance;

(C) ensure that programs provide, as appropriate, access to effective and evidence-based prevention, diagnosis, intervention, treatment, and recovery services, including culturally and linguistically appropriate services, as appropriate, for individuals with a mental or substance use disorder;

(D) identify opportunities to collaborate with the Health Resources and Services Administration to develop or improve—

(i) initiatives to encourage individuals to pursue careers (especially in rural and underserved areas and with rural and underserved populations) as psychiatrists, including child and adolescent psychiatrists, psychologists, psychiatric nurse practitioners, physician assistants, clinical social workers, certified peer support specialists, licensed professional counselors, or other licensed or certified mental health or substance use disorder professionals, including such professionals specializing in the diagnosis, evaluation, or treatment of adults with a serious mental illness or children with a serious emotional disturbance; and

(ii) a strategy to improve the recruitment, training, and retention of a workforce for the treatment of individuals with mental or substance use disorders, or co-occurring disorders;

(E) identify opportunities to improve collaboration with States, local governments, communities, and Indian tribes and tribal organizations (as such terms are defined in section 5304 of title 25); and

(F) specify a strategy to disseminate evidence-based and promising best practices related to prevention, diagnosis, early intervention, treatment, and recovery services related to mental illness, particularly for adults with a serious mental illness and children with a serious emotional disturbance, and for individuals with a substance use disorder.

(m) Biennial report concerning activities and progress

Not later than September 30, 2020, and every 2 years thereafter, the Assistant Secretary shall prepare and submit to the Committee on Energy and Commerce and the Committee on Appro-
plications of the House of Representatives and the Committee on Health, Education, Labor, and Pensions and the Committee on Appropriations of the Senate, and post on the Internet website of the Administration, a report containing at a minimum—

(1) a review of activities conducted or supported by the Administration, including progress toward strategic priorities, goals, and objectives identified in the strategic plan developed under subsection (l);

(2) an assessment of programs and activities carried out by the Assistant Secretary, including the extent to which programs and activities under this subchapter and part B of subchapter XVII meet identified goals and performance measures developed for the respective programs and activities;

(3) a description of the progress made in addressing gaps in mental and substance use disorders prevention, treatment, and recovery services and improving outcomes by the Administration, including with respect to serious mental illnesses, serious emotional disturbances, and co-occurring disorders;

(4) a description of the manner in which the Administration coordinates and partners with other Federal agencies and departments related to mental and substance use disorders, including activities related to—

(A) the implementation and dissemination of research findings into improved programs, including with respect to how advances in serious mental illness and serious emotional disturbance research have been incorporated into programs;

(B) the recruitment, training, and retention of a mental and substance use disorders workforce;

(C) the integration of mental disorder services, substance use disorder services, and physical health services;

(D) homelessness; and

(E) veterans;

(5) a description of the manner in which the Administration promotes coordination by grantees under this subchapter, and part B of subchapter XVII, with State or local agencies; and

(6) a description of the activities carried out under section 6021 of the Helping Families in Mental Health Crisis Reform Act of 2016 to improve programs within the Administration, and actions taken in response to such recommendations to improve programs within the Administration.

The Assistant Secretary may meet reporting requirements established under this subchapter by providing the contents of such reports as an addendum to the biennial report established under this subsection, notwithstanding the timeline of other reporting requirements in this subchapter. Nothing in this subsection shall be construed to alter the timeline of any such reports to be less frequent than biennially, unless as specified in this subchapter.

(n) Applications for grants and contracts

With respect to awards of grants, cooperative agreements, and contracts under this subchapter, the Assistant Secretary, or the Director of the Center involved, as the case may be, may not make such an award unless—

(1) an application for the award is submitted to the official involved;

(2) with respect to carrying out the purpose for which the award is to be provided, the application provides assurances of compliance satisfactory to such official; and

(3) the application is otherwise in such form, is made in such manner, and contains such agreements, assurances, and information as the official determines to be necessary to carry out the purpose for which the award is to be provided.

(o) Emergency response

(1) In general

Notwithstanding section 290aa–3 of this title and except as provided in paragraph (2), the Secretary may use not to exceed 2.5 percent of all amounts appropriated under this subchapter for a fiscal year to make noncompetitive grants, contracts or cooperative agreements to public entities to enable such entities to address emergency substance abuse or mental health needs in local communities.

(2) Exceptions

Amounts appropriated under part C shall not be subject to paragraph (1).

(3) Emergencies

The Secretary shall establish criteria for determining that a substance abuse or mental health emergency exists and publish such criteria in the Federal Register prior to providing funds under this subsection.

(4) Emergency response

Amounts made available for carrying out this subsection shall remain available through the end of the fiscal year following the fiscal year for which such amounts are appropriated.

(p) Limitation on the use of certain information

No information, if an establishment or person supplying the information or described in it is identifiable, obtained in the course of activities undertaken or supported under section 290aa–4
of this title may be used for any purpose other than the purpose for which it was supplied unless such establishment or person has consented (as determined under regulations of the Secretary) to its use for such other purpose. Such information may not be published or released in other form if the person who supplied the information or who is described in it is identifiable unless such person has consented (as determined under regulations of the Secretary) to its publication or release in other form.

(q) Authorization of appropriations

For the purpose of providing grants, cooperative agreements, and contracts under this section, there are authorized to be appropriated $25,000,000 for fiscal year 2001, and such sums as may be necessary for each of the fiscal years 2002 and 2003.

References in Text

Section 6021 of the Helping Families in Mental Health Crisis Reform Act of 2016, referred to in subsec. (d)(25), (j)(2), and (m)(7), is section 6021 of Pub. L. 114–255, which is set out as a note below.

The Federal Advisory Committee Act, referred to in subsec. (i), is Pub. L. 92–463, Oct. 6, 1972, 86 Stat. 770, which is set out as a note below.

The Public Health Service Act, referred to in subsec. (f)(2)(A), is section 301 of Pub. L. 114–255, which is set out as a note below.

Amendments


Subsec. (c). Pub. L. 114–255, §6002(1), amended subsec. (c) generally, substituting references to the Assistant Secretary and Deputy Assistant Secretary for references to the Administrator and Deputy Administrator.


Subsec. (f). Pub. L. 114–255, §6002(2)(A), substituted “Centers” for “agencies” in two places and “such Center” for “such agency”.

Subsec. (g). Pub. L. 114–255, §6002(2)(B), substituted “Centers” for “agencies” with respect to “use disorders” for “with respect to substance abuse,” and “and individuals with substance use disorders” for “and individuals who are substance abusers”.

Subsec. (h). Pub. L. 114–255, §6002(2)(C), substituted “substance use disorder” for “substance abuse”.

Subsec. (i). Pub. L. 114–255, §6002(2)(D), substituted “the Centers for Disease Control and Prevention,” for “the Centers for Disease Control and Prevention,” “Administration,” for “Administration develop,” for “Administration develop,” “HIV, hepatitis, tuberculosis, and other communicable diseases among individuals with mental or substance use disorders,” for “HIV or tuberculosis among substance abusers and individuals with mental illness,” and “diseases or disorders” for “illnesses”.

Subsec. (j). Pub. L. 114–255, §6002(2)(E), substituted “use disorders, including services that utilize drugs or devices approved or cleared by the Food and Drug Administration for the treatment of substance use disorders,” for “abuse utilizing anti-addiction medications, including methadone”.


Subsec. (l). Pub. L. 114–255, §6002(2)(G), substituted “and” for “and maintenance” after “development” and substituted “Agency for Healthcare Research and Quality” for “Agency for Health Care Policy Research” and “prevention, treatment, and recovery support services and are appropriately incorporated into programs carried out by the Administration” for “treatment and prevention services”.

Subsec. (m). Pub. L. 114–255, §6002(2)(H), substituted “use disorder” for “abuse”.

Subsec. (n). Pub. L. 114–255, §6002(2)(I), added par. (1) and struck out former par. (1) which read as follows: “promote the integration of substance abuse and mental health services into the mainstream of the health care delivery system of the United States”.

Subsec. (o). Pub. L. 114–255, §6002(2)(J)(1), substituted “this subchapter or part B of subchapter XVII, or grant programs otherwise funded by the Administration for this subchapter, assure that” in introductory provisions.

Subsec. (p). Pub. L. 114–255, §6002(2)(K), substituted “use disorder information, including evidence-based and promising best practices for prevention, treatment, and recovery support services for individuals with mental and substance use disorders,” for “abuse and mental health information”.


Subsec. (r). Pub. L. 114–255, §6001(c)(2), substituted “Assistant Secretary may delegate” for “Administrator may delegate”.

Subsec. (s). Pub. L. 114–255, §6001(c)(2), substituted “Assistant Secretary, acting through” for “Administrator, acting through” in subpar. (A) and “Assistant Secretary” for “Administrator” in subpar. (B).

Subsec. (t). Pub. L. 114–255, §6001(c)(2), substituted “Assistant Secretary, acting through” for “Administrator, acting through” in subpar. (C).

Subsec. (u). Pub. L. 114–255, §6001(c)(2), substituted “subsection (m)” for “subsection (k)”.

Prior Provisions

A prior section 501 of Act July 1, 1944, which was classified to section 219 of this title, was successively renumbered by subsequent acts and transferred, see section 238 of this title.
Pub. L. 114–255, §6001(c)(2), substituted “Assistant Secretary” for “Administrator”.


Subsec. (g)(2)(D)(ii). Pub. L. 114–255, §6003(c)(2), substituted “Assistant Secretary” for “Administrator”.

Subsc. (g)(1). Pub. L. 114–255, §6003(c)(2), substituted “Assistant Secretary” for “Administrator”.

Subsec. (f). Pub. L. 100–690, §2058(a)(2)(C), substituted “Assistant Secretary” for “Administrator”.

Subsec. (h). Pub. L. 114–255, §6003(1), redesignated subsec. (g) as (h). Former subsec. (h) redesignated (i).

Pub. L. 114–255, §6003(c)(2), substituted “Assistant Secretary” for “Administrator”.


Pub. L. 114–255, §6003(c)(2), substituted “Assistant Secretary” for “Administrator”.


Pub. L. 114–255, §6003(c)(2), substituted “Assistant Secretary” for “Administrator” in introductory provisions.


Pub. L. 114–255, §6003(c)(2), substituted “Assistant Secretary” for “Administrator”.


Former subsec. (l) redesignated (m).

Pub. L. 114–255, §6001(c)(2), substituted “Assistant Secretary” for “Administrator” in introductory provisions.


Pub. L. 114–255, §6003(1), redesignated subsec. (k) as (m).

Former subsec. (m) redesignated (o).


Subsec. (n). Pub. L. 114–255, §6003(1), redesignated subsec. (l) to (n) as (n) to (o), respectively.


2000—Subsec. (e)(1). Pub. L. 106–310, §302(a), reenacted heading without change and amended text generally. Prior to amendment, text read as follows: “There shall be in the Administration an Associate Administrator for Alcohol Prevention and Treatment Policy to whom the Administrator shall delegate the functions of promoting, monitoring, and evaluating service programs for the prevention and treatment of alcoholism and alcohol abuse within the Center for Substance Abuse Treatment, and the Center for Mental Health Services, and coordinating such programs among the Centers, and among the Centers and other public and private entities. The Associate Administrator shall ensure that alcohol prevention, education, and policy strategies are integrated into all programs of the Centers that address substance abuse prevention, education, and policy, and that the Center for Substance Abuse Prevention addresses the Healthy People 2000 goals and the National Dietary Guidelines of the Department of Health and Human Services and the Department of Agriculture related to alcohol consumption.”

Subsecs. (m) to (o). Pub. L. 106–310, §3102, added subsecs. (m) to (o), redesignated former subsec. (m) as (o), and substituted “2001, and such sums as may be necessary for each of the fiscal years 2002 and 2003” for “1993, and such sums as may be necessary for fiscal year 1994” before period at end.

1999—Subsec. (d)(8), (9). Pub. L. 106–129, which directed the substitution of “Agency for Healthcare Research and Quality” for “Agency for Health Care Policy and Research”, was not enacted because the term “Agency for Health Care Policy and Research” did not appear in text and because of the amendment by Pub. L. 114–255, §6002(3)(G)(ii), which presumed that the substitution did not take place. See 2016 Amendment note above.

1996—Subsec. (g)(2)(A). Pub. L. 104–201 substituted “5724a(a)(1), 5724a(a)(3)” for “5724a(a), 5724a(c)”.


Subsec. (j). Pub. L. 101–93, §3(c)(2), substituted “section 290aa–5 of this title, establish program advisory committees, and pay members of such groups and committees” for “section 290aa–5 of this title and appoint and pay members of such groups and committees” for “as members of such groups”.


Subsec. (e)(2). Pub. L. 100–690, §2058(a)(2)(B), substituted “Not less than once each three years, the Administrator” for “The Administrator” and “shall submit” for “shall annually submit.”


Subsec. (k) to (m). Pub. L. 100–690, §2058(a)(2)(D), (E), added subsecs. (k) to (m) and struck out former subsec. (k), which related to Alcohol, Drug Abuse, and Mental Health Advisory Board, including its duties, membership, terms of office, compensation, personnel, chairman, meetings, and reports to Congress.

1986—Pub. L. 99–570 amended section generally, revising and restating former subsecs. (a), (b), (c), (d), (e), (f), (g), and (h) as (c), (d), (e), (f), (g), and (h), respectively, and adding new subsecs. (a), (b), and (j).


Subsecs. (g), (h). Pub. L. 98–509, §2(a)(1), added subsecs. (g) and (h).


Subsec. (c). Pub. L. 98–24, §2(b)(2)(A), (B), struck out “of Health, Education, and Welfare” after “The Secretary”, and made a technical amendment to reference to section 218 of this title to reflect the transfer of this section to the Public Health Services Act.
cation and other prevention programs with respect to the abuse of alcohol and other substances. 

Subsecs. (e), (f). Pub. L. 98–24, §2(b)(2)(D), added subsecs. (e) and (f). 


CHANGE OF NAME 

Committee on Labor and Human Resources of Senate changed to Committee on Health, Education, Labor, and Pensions of Senate by Senate Resolution No. 20, One Hundred Sixth Congress, Jan. 19, 1999. 

Committee on Energy and Commerce of House of Representatives treated as referring to Committee on Commerce of House of Representatives by section 1(a) of Pub. L. 104–14, set out as a note preceding section 21 of Title 2, The Congress, Committee on Commerce of House of Representatives changed to Committee on Energy and Commerce of House of Representatives, and jurisdiction over matters relating to securities and exchanges and insurance generally transferred to Committee on Financial Services of House of Representatives by House Resolution No. 5, One Hundred Seventh Congress, Jan. 3, 2001. 

REFERENCES 

Pub. L. 114–253, div. B, title VI, §600(d), Dec. 13, 2016, 130 Stat. 1293, provided that: “After executing subsections (a), (b), and (c) [see Tables for classification], any reference in statute, regulation, or guidance to the Administrator of the Substance Abuse and Mental Health Services Administration shall be construed to be a reference to the Assistant Secretary for Mental Health and Substance Use.” 


Pub. L. 102–321, title I, §161, July 10, 1992, 106 Stat. 375, provided that: “Reference in any other Federal law, Executive order, rule, regulation, or delegation of authority, or any document of or pertaining to the Alcohol, Drug Abuse and Mental Health Administration or to the Administrator of the Alcohol, Drug Abuse and Mental Health Administration shall be deemed to refer to the Substance Abuse and Mental Health Services Administration or to the Administrator of the Substance Abuse and Mental Health Services Administration.” 

EFFECTIVE DATE OF 1996 AMENDMENT 

Amendment by Pub. L. 104–201 effective 180 days after Sept. 23, 1996, see section 1725(a) of Pub. L. 104–201, set out as a note under section 5722 of Title 5, Government Organization and Employees. 

EFFECTIVE DATE OF 1992 AMENDMENT 

Amendment by Pub. L. 102–321 effective Oct. 1, 1992, with provision for programs providing financial assistance, see section 801(c), (d) of Pub. L. 102–321, set out as a note under section 236 of this title. 

TRANSFER OF AUTHORITIES 

Pub. L. 114–253, div. B, title VI, §600(b), Dec. 13, 2016, 130 Stat. 1293, provided that: “The Secretary of Health and Human Services shall delegate to the Assistant Secretary for Mental Health and Substance Use all duties and authorities that— 

“(1) as of the day before the date of enactment of this Act [Dec. 13, 2016], were vested in the Administrator of the Substance Abuse and Mental Health Services Administration; and 

“(2) are not terminated by this Act [division B of Pub. L. 114–253, see Tables for classification].” 

TRANSFER PROVISIONS 


“(a) SUBSTANCE ABUSE AND MENTAL HEALTH SERVICES ADMINISTRATION.—Except as specifically provided otherwise in this Act [see Tables for classification] or an amendment made by this Act, there are transferred to the Administrator of the Substance Abuse and Mental Health Services Administration all service-related functions which the Administrator of the Alcohol, Drug Abuse and Mental Health Administration, or the Director of any entity within the Alcohol, Drug Abuse and Mental Health Administration, exercised before the date of the enactment of this Act (July 10, 1992) and all related functions of any officer or employee of the Alcohol, Drug Abuse and Mental Health Administration. 

“(b) NATIONAL INSTITUTES.—Except as specifically provided otherwise in this Act or an amendment made by this Act, there are transferred to the appropriate Directors of the National Institute on Alcohol Abuse and Alcoholism, the National Institute on Drug Abuse and the National Institute of Mental Health, through the Director of the National Institutes of Health, all research related functions which the Administrator of the Alcohol, Drug Abuse and Mental Health Administration exercised before the date of the enactment of this Act and all related functions of any officer or employee of the Alcohol, Drug Abuse, and Mental Health Administration. 

“(c) ADEQUATE PERSONNEL AND RESOURCES.—The transfers required under this subtitle shall be effectuated in a manner that ensures that the Substance Abuse and Mental Health Services Administration has adequate personnel and resources to carry out its statutory responsibilities and that the National Institute on Alcohol Abuse and Alcoholism, the National Institute on Drug Abuse and the National Institute of Mental Health have adequate personnel and resources to enable such institutes to carry out their respective statutory responsibilities.” 

“SEC. 142. TRANSFER AND ALLOCATIONS OF APPROPRIATIONS AND PERSONNEL. 

“(a) SUBSTANCE ABUSE AND MENTAL HEALTH SERVICES ADMINISTRATION.—Except as otherwise provided in the Public Health Service Act [42 U.S.C. 201 et seq.], all personnel employed in connection with, and all assets, liabilities, contracts, property, records, and unexpended balances of appropriations, authorizations, allocations, and other funds employed, used, held, arising from, available to, or to be made available in connection with the functions transferred to the Administrator of the Substance Abuse and Mental Health Services Administration by this subtitle, subject to section 1531 of title 31, United States Code, shall be transferred to the Substance Abuse and Mental Health Services Administration. Unexpended funds transferred pursuant to this subsection shall be used only for the purposes for which the funds were originally authorized and appropriated. 

“(b) NATIONAL INSTITUTES.—Except as otherwise provided in the Public Health Service Act, all personnel employed in connection with, and all assets, liabilities, contracts, property, records, and unexpended balances of appropriations, authorizations, allocations, and other funds employed, used, held, arising from, available to, or to be made available in connection with the functions transferred to the Directors of the National Institute on Alcohol Abuse and Alcoholism, the National Institute on Drug Abuse and the National Institute of Mental Health by this subtitle, subject to section 1531 of title 31, United States Code, shall be transferred to the National Institute on Alcohol Abuse and Alcoholism, the National Institute on Drug Abuse and the National Institute of Mental Health. Unexpended funds transferred pursuant to this subsection shall be used only for the purposes for which the funds were originally authorized and appropriated. 

“(c) CUSTODY OF BALANCES.—The actual transfer of custody of obligation balances is not required in order to implement this section.” 

“SEC. 143. INCIDENTAL TRANSFERS. 

“Prior to October 1, 1992, the Secretary of Health and Human Services is authorized to make such determinations as may be necessary with regard to the functions transferred by this subtitle, and to make such addi-
tional incidental dispositions of personnel, assets, liabilities, grants, contracts, property, records, and unexpended balances of appropriations, authorizations, allocations, and other funds held, used, arising from, available to, or to be made available in connection with such functions, as may be necessary to carry out the provisions of this subtitle and the Public Health Service Act [42 U.S.C. 201 et seq.]. Such Secretary shall provide for the termination of the affairs of all entities terminated by this subtitle and for such further measures and dispositions as may be necessary to effectuate the purposes of this subtitle.

SEC. 144. EFFECT ON PERSONNEL.

(a) In General.—Except as otherwise provided by this subtitle and the Public Health Service Act [42 U.S.C. 201 et seq.], the transfer pursuant to this subtitle of full-time positions held by the except special Government employees) and part-time personnel holding permanent positions shall not cause any such employee to be separated or reduced in grade or compensation for one year after the date of transfer of such employee under this subtitle.

(b) EXECUTIVE SCHEDULE POSITIONS.—Any person who, on the day preceding the effective date of this Act [see Effective Date of 1992 Amendment note set out under section 236 of this title], held a position compensated in accordance with the Executive Schedule prescribed in chapter 53 of title 5, United States Code, shall continue in effect according to their terms until otherwise determined by the Administrator of the Substance Abuse and Mental Health Services Administration in the position having duties comparable to the previous position, for the duration of the service of such person in such new position.

SEC. 145. SAVINGS PROVISIONS.

(a) EFFECT ON PREVIOUS DETERMINATIONS.—All orders, determinations, rules, regulations, permits, contracts, certificate, licenses, and privileges that—

(1) have been issued, made, granted, or allowed to become effective by the President, any Federal agency or official thereof, or by a court of competent jurisdiction, in the performance of functions which are transferred by this subtitle; and

(2) are in effect on the date of enactment of this Act [July 10, 1992]; shall continue in effect according to their terms until modified, terminated, superseded, set aside, or revoked in accordance with law by the President, the Director of the National Institutes of Health, or the Administrator of the Substance Abuse and Mental Health Services Administration, as appropriate, used in such new position at not less than the rate provided for such previous position, for the duration of the service of such person in such new position.

(b) CONTINUATION OF PROCEEDINGS.—

(1) In General.—The provisions of this subtitle shall not affect any proceeding, including notices of proposed rule making, or any application for any license, permit, certificate, or financial assistance pending on the date of enactment of this Act before the Department of Health and Human Services, which relates to the Alcohol, Drug Abuse and Mental Health Administration or the National Institute on Alcohol Abuse and Alcoholism, the National Institute on Drug Abuse, or the National Institute of Mental Health, or any office thereof with respect to functions transferred by this subtitle. Such proceedings or applications, to the extent that they relate to functions transferred, shall be continued. Orders shall be issued in such proceedings, appeals shall be taken therefrom, and payments shall be made under such orders, as if this Act [see Tables for classification] had not been enacted, and orders issued in any such proceedings shall continue in effect until modified, terminated, superseded, or revoked by the Administrator of the Substance Abuse and Mental Health Services Administration or the Director of the National Institute on Alcohol Abuse and Alcoholism, the National Institute on Drug Abuse and the National Institute of Mental Health by the Administrator of the Substance Abuse and Mental Health Administration or the Directors of the National Institute on Alcohol Abuse and Alcoholism, the National Institute on Drug Abuse, and the National Institute of Mental Health, as the case may be, substituted or added as a party.

(2) in all such actions, proceedings shall be had, appeals taken, and judgments rendered in the same manner and effect as if this Act had not been enacted.

(c) EFFECT ON LEGAL ACTIONS.—Except as provided in subsection (e)—

(1) the provisions of this subtitle do not affect actions commenced prior to the date of enactment of this Act [July 10, 1992]; and

(2) in all such actions, proceedings shall be had, appeals taken, and judgments rendered in the same manner and effect as if this Act had not been enacted.

(d) NO ABATEMENT OF ACTIONS OR PROCEEDINGS.—No action or other proceeding commenced by or against any officer in his official capacity as an officer of the Department of Health and Human Services with respect to functions transferred by this subtitle shall abate by reason of the enactment of this Act [see Tables for classification]. No cause of action by or against the Department of Health and Human Services with respect to functions transferred by this subtitle, or by or against any officer thereof in his official capacity, shall abate by reason of the enactment of this Act. Causes of action and actions with respect to a function transferred by this subtitle, or other proceedings may be asserted by or against the United States or the Administrator of the Alcohol, Drug Abuse and Mental Health Administration or the Directors of the National Institute on Alcohol Abuse and Alcoholism, the National Institute on Drug Abuse, and the National Institute of Mental Health, as may be appropriate, and, in an action pending when this Act takes effect [see Effective Date of 1992 Amendment note set out under section 236 of this title], the court may at any time, on its own motion or that of any party, enter an order which will give effect to the provisions of this subsection.

(e) SUBSTITUTION.—If, before the date of enactment of this Act [July 10, 1992], the Department of Health and Human Services, or any officer thereof in the official capacity of such officer, is a party to an action, and under this subtitle any function of such Department, Office, or officer is transferred to the Administrator of the Substance Abuse and Mental Health Services Administration or the Directors of the National Institute on Alcohol Abuse and Alcoholism, the National Institute on Drug Abuse and the National Institute of Mental Health, then such action shall continue in effect and shall be treated as if such action had been commenced by or against the Administrator of the Substance Abuse and Mental Health Services Administration or the Directors of the National Institute on Alcohol Abuse and Alcoholism, the National Institute on Drug Abuse and the National Institute of Mental Health, as the case may be, substituted or added as a party.

(f) JUDICIAL REVIEW.—Orders and actions of the Administrator of the Substance Abuse and Mental Health Services Administration or the Directors of the National Institute on Alcohol Abuse and Alcoholism, the National Institute on Drug Abuse and the National Institute of Mental Health in the exercise of functions transferred to the Directors by this subtitle shall be subject to judicial review to the same extent and in the same manner as if such orders and actions had been by the Administrator of the Alcohol, Drug Abuse and Mental Health Administration or the Directors of the National Institute on Alcohol Abuse and Alcoholism, the National Institute on Drug Abuse, and the National Institute of Mental Health, or any officer in his official capacity, in the exercise of such functions immediately preceding their transfer. Any statutory requirements relating to notice, hearings, action upon the record, or administrative review that apply to any function transferred by this subtitle shall apply to the exercise of such function by the Administrator of the Substance
Abuse and Mental Health Services Administration or

"SEC. 146. TRANSITION.

"With the consent of the Secretary of Health and Human Services, the Administrator of the Substance Abuse and Mental Health Services Administration and the Directors of the National Institute on Alcohol Abuse and Alcoholism, the National Institute on Drug Abuse and the National Institute of Mental Health are authorized to utilize—

"(1) the services of such officers, employees, and other personnel of the Department with respect to functions transferred to the Administrator of the Substance Abuse and Mental Health Services Administration and the Director of the National Institute on Alcohol Abuse and Alcoholism, the National Institute on Drug Abuse and the National Institute of Mental Health by this subtitle; and

"(2) funds appropriated to such functions for such period of time as may reasonably be needed to facilitate the orderly implementation of this subtitle.

"SEC. 147. PEER REVIEW.

"With respect to fiscal years 1993 through 1996, the peer review systems, advisory councils and scientific advisory committees utilized, or approved for utilization, by the National Institute on Alcohol Abuse and Alcoholism, the National Institute on Drug Abuse and the National Institute of Mental Health prior to the transfer of such Institutes to the National Institute of Health shall be utilized by such Institutes.

"SEC. 148. MERGERS.

"Notwithstanding the provisions of section 401(c)(2) of the Public Health Service Act (42 U.S.C. 281(c)(2)), the Secretary of Health and Human Services may not merge the National Institute on Alcohol Abuse and Alcoholism, the National Institute on Drug Abuse or the National Institute of Mental Health with any other institute or entity (or with each other) within the national research institutes for a 5-year period beginning on the date of enactment of this Act [July 10, 1992].

"SEC. 149. CONDUCT OF MULTI-YEAR RESEARCH PROJECTS.

"With respect to multi-year grants awarded prior to fiscal year 1993 by the National Institute on Alcohol Abuse and Alcoholism, the National Institute on Drug Abuse, and the National Institute of Mental Health with amounts received under section 1911(b) [former 42 U.S.C. 300x(b)], as such section existed one day prior to the date of enactment of this Act [July 10, 1992], such grants shall be continued for the entire period of the grant through the utilization of funds made available pursuant to sections 464H, 464L, and 464R (42 U.S.C. 285n, 285o, 285p), as appropriate, subject to satisfactory performance.

"SEC. 150. SEPARABILITY.

"If a provision of this subtitle or its application to any person or circumstance is held invalid, neither the remainder of this Act [see Tables for classification] nor the application of the provision to other persons or circumstances shall be affected.

"SEC. 151. BUDGETARY AUTHORITY.

"With respect to fiscal years 1994 and 1995, the Directors of the National Institute on Alcohol Abuse and Alcoholism, the National Institute on Drug Abuse, and the National Institute of Mental Health shall notwithstanding section 405(a) (42 U.S.C. 284(a)), prepare and submit, directly to the President for review and transmittal to Congress, an annual budget estimate (including an estimate of the number and type of personnel needs for the Institute) for their respective Institutes, after reasonable opportunity for comment (but without change) by the Secretary of Health and Human Services, the Director of the National Institutes of Health, and the Institute's advisory council."

INTERDEPARTMENTAL SUBSTANCE USE DISORDERS COORDINATING COMMITTEE


"(a) ESTABLISHMENT.—Not later than 3 months after the date of the enactment of this Act [Oct. 24, 2018], the Secretary of Health and Human Services (in this section referred to as the 'Secretary') shall, in coordination with the Director of National Drug Control Policy, establish a committee, to be known as the Interdepartmental Substance Use Disorders Coordinating Committee (in this section referred to as the 'Committee'), to coordinate Federal activities related to substance use disorders.

"(b) MEMBERSHIP.—

"(1) FEDERAL MEMBERS.—The Committee shall be composed of the following Federal representatives, or the designees of such representatives:

"(A) The Secretary, who shall serve as the Chair of the Committee.

"(B) The Attorney General of the United States.

"(C) The Secretary of Labor.

"(D) The Secretary of Housing and Urban Development.

"(E) The Secretary of Education.

"(F) The Secretary of Veterans Affairs.


"(H) The Assistant Secretary for Mental Health and Substance Use.

"(I) The Director of National Drug Control Policy.

"(J) Representatives of other Federal agencies that support or conduct activities or programs related to substance use disorders, as determined appropriate by the Secretary.

"(2) NON-FEDERAL MEMBERS.—The Committee shall include a minimum of 15 non-Federal members appointed by the Secretary, of which—

"(A) at least two such members shall be an individual who has received treatment for a diagnosis of a substance use disorder;

"(B) at least two such members shall be a director of a State substance abuse agency;

"(C) at least two such members shall be a representative of a leading research, advocacy, or service organization for adults with substance use disorder;

"(D) at least two such members shall—

"(i) be a physician, licensed mental health professional, advance practice registered nurse, or physician assistant; and

"(ii) have experience in treating individuals with substance use disorders;

"(E) at least one such member shall be a substance use disorder treatment professional who provides treatment services at a certified opioid treatment program;

"(F) at least one such member shall be a substance use disorder treatment professional who has research or clinical experience in working with racial and ethnic minority populations;

"(G) at least one such member shall be a substance use disorder treatment professional who has research or clinical mental health experience in working with medically underserved populations;

"(H) at least one such member shall be a State-certified substance use disorder peer support specialist;

"(I) at least one such member shall be a drug court judge or a judge with experience in adjudicating cases related to substance use disorder;

"(J) at least one such member shall be a public safety officer with extensive experience in interacting with adults with a substance use disorder; and

"(K) at least one such member shall be an individual with experience providing services for homeless individuals with a substance use disorder.

"(3) TERMS.—

"(1) IN GENERAL.—A member of the Committee appointed under subsection (b)(2) shall be appointed for a term of 3 years and may be reappointed for one or more 3-year terms.

"(2) VACANCIES.—A vacancy on the Committee shall be filled in the same manner in which the original ap-
point was made. Any individual appointed to fill a vacancy for an unexpired term shall be appointed for the remainder of such term and may serve after the expiration of such term until a successor has been appointed.

“(d) MEETINGS.—The Committee shall meet not fewer than two times each year.

“(e) DUTIES.—The Committee shall—

“(1) identify areas for improved coordination of activities, if any, related to substance use disorders, including research, services, supports, and prevention activities across all relevant Federal agencies;

“(2) identify and provide to the Secretary recommendations for improving Federal programs for the prevention and treatment of, and recovery from, substance use disorders, including by expanding access to prevention, treatment, and recovery services;

“(3) analyze substance use disorder prevention and treatment strategies in different regions of and populations in the United States and evaluate the extent to which Federal substance use disorder prevention and treatment strategies are aligned with State and local substance use disorder prevention and treatment strategies;

“(4) make recommendations to the Secretary regarding any appropriate changes with respect to the activities and strategies described in paragraphs (1) through (3);

“(5) make recommendations to the Secretary regarding public participation in decisions relating to substance use disorders and the process by which public feedback can be better integrated into such decisions; and

“(6) make recommendations to ensure that substance use disorder research, services, supports, and prevention activities of the Department of Health and Human Services and other Federal agencies are not unnecessarily duplicative.

“(f) ANNUAL REPORT.—Not later than 1 year after the date of the enactment of this Act [Dec. 13, 2016], and annually thereafter for the life of the Committee, the Committee shall prepare an annual report on the Internet website of the Department of Health and Human Services, which may include the public information dashboard established under section 1711 of the Public Health Service Act (42 U.S.C. 300u–6), as added by section 7021, a report summarizing the activities carried out by the Committee pursuant to subsection (e), including any findings resulting from such activities.

“(g) WORKING GROUPS.—The Committee may establish working groups for purposes of carrying out the duties described in subsection (e). Any such working group shall be composed of members of the Committee (or the designees of such members) and may hold such meetings as are necessary to enable the working group to carry out the duties delegated to the working group.

“(h) FEDERAL ADVISORY COMMITTEE ACT.—The Federal Advisory Committee Act (5 U.S.C. App.) shall apply to the Committee only to the extent that the provisions of such Act do not conflict with the requirements of this section.

“(i) SUNSET.—The Committee shall terminate on the date that is 6 years after the date on which the Committee is established under subsection (a).

IMPROVING OVERSIGHT OF MENTAL AND SUBSTANCE USE DISORDERS PROGRAMS THROUGH THE ASSISTANT SECRETARY FOR PLANNING AND EVALUATION


“(a) IN GENERAL.—The Secretary of Health and Human Services, acting through the Assistant Secretary for Planning and Evaluation, shall ensure efficient and effective planning and evaluation of mental and substance use disorders prevention and treatment programs and related activities.

“(b) EVALUATION STRATEGY.—In carrying out subsection (a), the Assistant Secretary for Planning and Evaluation shall, not later than 180 days after the date of enactment of this Act [Dec. 13, 2016], develop a strategy for conducting ongoing evaluations that identifies priority programs to be evaluated by the Assistant Secretary for Planning and Evaluation and priority programs to be evaluated by other relevant offices and agencies within the Department of Health and Human Services. The strategy shall—

“(1) include a plan for evaluating programs related to mental and substance use disorders, including co-occurring disorders, across agencies, as appropriate, including programs related to—

“(A) prevention, intervention, treatment, and recovery support services, including such services for adults with a serious mental illness or children with a serious emotional disturbance;

“(B) the reduction of hospitalizations and incarceration among individuals with a mental or substance use disorder; and

“(C) public health and health services; and

“(2) include a plan for assessing the use of performance metrics to evaluate activities carried out by entities receiving grants, contracts, or cooperative agreements related to mental and substance use disorders prevention and treatment services under title V or title XIX of the Public Health Service Act (42 U.S.C. 290aa et seq.; 42 U.S.C. 300ww et seq.).

“(c) CONSULTATION.—In carrying out this section, the Assistant Secretary for Planning and Evaluation shall consult, as appropriate, with the Assistant Secretary for Mental Health and Substance Use, the Chief Medical Officer of the Substance Abuse and Mental Health Services Administration appointed under section 501(g) of the Public Health Service Act (42 U.S.C. 290aa(g)), as amended by section 6003, the Behavioral Health Coordinating Council of the Department of Health and Human Services, other agencies within the Department of Health and Human Services, and other relevant Federal departments and agencies.

“(d) RECOMMENDATIONS.—In carrying out this section, the Assistant Secretary for Planning and Evaluation shall provide recommendations to the Secretary of Health and Human Services, the Assistant Secretary for Mental Health and Substance Use, and the Congress on improving the quality of prevention and treatment programs and activities related to mental and substance use disorders, including recommendations for the use of performance metrics. The Assistant Secretary for Mental Health and Substance Use shall include such recommendations in the biennial report required by subsection 501(m) of the Public Health Service Act (42 U.S.C. 290aa(m)), as redesignated by section 6003 of this Act.”

ASSISTED OUTPATIENT TREATMENT GRANT PROGRAM FOR INDIVIDUALS WITH SERIOUS MENTAL ILLNESS


“(a) IN GENERAL.—The Secretary shall establish a 4-year pilot program to award not more than 50 grants each year to eligible entities for assisted outpatient treatment programs for individuals with serious mental illness.

“(b) CONSULTATION.—The Secretary shall carry out this section in consultation with the Director of the National Institute of Mental Health, the Attorney General of the United States, the Administrator of the Administration for Community Living, and the Administrator of the Substance Abuse and Mental Health Services Administration.

“(c) SELECTING AMONG APPLICANTS.—The Secretary—

“(1) may only award grants under this section to applicants that have not previously implemented an assisted outpatient treatment program; and

“(2) shall evaluate applicants based on their potential to reduce hospitalizations, homelessness, incarceration, and interaction with the criminal justice system while improving the health and social outcomes of the patient.

“(d) USE OF GRANT.—An assisted outpatient treatment program funded with a grant awarded under this section shall include—
“(1) evaluating the medical and social needs of the patients who are participating in the program;

“(2) preparing and executing treatment plans for such patients that—

“(A) include criteria for completion of court-ordered treatment; and

“(B) provide for monitoring of the patient’s compliance with the treatment plan, including compliance with medication and other treatment regimens;

“(3) providing for such patients case management services that support the treatment plan;

“(4) ensuring appropriate referrals to medical and social service providers;

“(5) evaluating the process for implementing the program to ensure consistency with the patient’s needs and State law; and

“(6) measuring treatment outcomes, including health and social outcomes such as rates of incarceration, health care utilization, and homelessness.

“(e) REPORT.—Not later than the end of each of fiscal years 2016, 2017, 2018, 2019, 2020, 2021, and 2022, the Secretary shall submit a report to the appropriate congressional committees on the grant program under this section. Each such report shall include an evaluation of the following:

“(1) Cost savings and public health outcomes such as mortality, suicide, substance abuse, hospitalization, and use of services.

“(2) Rates of incarceration by patients.

“(3) Rates of homelessness among patients.

“(4) Patient and family satisfaction with program participation.

“(D) DEFINITIONS.—In this section:

“(1) The term ‘assisted outpatient treatment’ means medically prescribed mental health treatment that a patient receives while living in a community under the terms of a law authorizing a State or local court to order such treatment.

“(2) The term ‘eligible entity’ means a county, city, mental health system, mental health court, or any other entity with authority under the law of the State in which the grantee is located to implement, monitor, and oversee assisted outpatient treatment programs.

“(3) The term ‘Secretary’ means the Secretary of Health and Human Services.

“(g) FUNDING.—

“(1) AMOUNT OF GRANTS.—A grant under this section shall be in an amount that is not more than $1,000,000 for each of fiscal years 2015 through 2022. Subject to the preceding sentence, the Secretary shall determine the amount of each grant based on the population of the area, including estimated patients, to be served under the grant.

“(2) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section—

“$15,000,000 for each of fiscal years 2015 through 2017, $20,000,000 for each of fiscal years 2018, 2019, 2020, and 2021, and $18,000,000 for each of fiscal years 2022 and 2023.”

REPORT BY SUBSTANCE ABUSE AND MENTAL HEALTH SERVICES ADMINISTRATION

Pub. L. 102–592, title VII, §708, July 10, 1992, 106 Stat. 440, directed Administrator of Substance Abuse and Mental Health Services Administration to submit to Congress an interim report, not later than 6 months after July 10, 1992, and a final report, not later than Oct. 1, 1999, concerning current policies and barriers to provision of substance abuse and mental health services, with emphasis on barriers to health insurance and Medicaid coverage of such services, and further directed Secretary of Health and Human Services to initiate, not later than Jan. 1, 1994, research and demonstration projects which, consistent with information from reports submitted by the Administrator, explore alternative mechanisms of providing health insurance and treatment services for substance abuse and mental illness.

RELATIONSHIP BETWEEN MENTAL ILLNESS AND SUBSTANCE ABUSE

Pub. L. 100–690, title II, §2071, Nov. 18, 1988, 102 Stat. 4214, directed Secretary of Health and Human Services to conduct a study for the purpose of determining the relationship between mental illness and substance abuse, and developing recommendations on the most effective methods of treatment for individuals with both mental illness and substance abuse problems, and, not later than 12 months after Nov. 18, 1988, to complete the study and submit to Congress the findings made as a result of the study.

REPORT WITH RESPECT TO ADMINISTRATION OF CERTAIN RESEARCH PROGRAMS

Pub. L. 100–690, title II, §2073, Nov. 18, 1988, 102 Stat. 4215, directed Secretary of Health and Human Services to request National Academy of Sciences to conduct a review of research activities of National Institutes of Health and the Alcohol, Drug Abuse, and Mental Health Administration and, not later than 12 months after the date on which any contract requested is entered into, provide for the completion of the review and submit to Congress a report describing the findings made as a result of the review, with Secretary of Health and Human Services authorized to enter into a contract with National Academy of Sciences to carry out the review.

CONGRESSIONAL STATEMENT OF POLICY FOR ALCOHOL AND DRUG ABUSE AMENDMENTS OF 1983

Pub. L. 98–24, §1(b), Apr. 26, 1983, 97 Stat. 175, provided that: “It is the policy of the United States and the purpose of this Act [see Short Title of 1983 Amendment note set out under section 201 of this title] to provide leadership in the national effort to reduce the incidence of alcoholism and alcohol-related problems and drug abuse through—

“(1) a continued Federal commitment to research into the behavioral and biomedical etiology, the treatment, and the mental and physical health and social and economic consequences of alcohol abuse and alcoholism and drug abuse;

“(2) a commitment to—

“(A) extensive dissemination to States, units of local government, community organizations, and private groups of the most recent information and research findings with respect to alcohol abuse and alcoholism and drug abuse, including information with respect to the application of research findings; and

“(B) the accomplishment of such dissemination through up-to-date publications, demonstrations, educational programs, and other appropriate means;

“(3) the provision of technical assistance to research personnel, service personnel, and prevention personnel in the field of alcohol abuse and alcoholism and drug abuse;

“(4) the development and encouragement of prevention programs designed to combat the spread of alcoholism, alcohol abuse, drug abuse, and the abuse of other legal and illegal substances;

“(5) the development and encouragement of effective occupational prevention and treatment programs within Government and in cooperation with the private sector; and

“(6) the provision of a Federal response to alcohol abuse and alcoholism and drug abuse which encourages the greatest participation by the private sector, both financially and otherwise, and concentrates on carrying out functions relating to alcohol abuse and alcoholism and drug abuse which are truly national in scope.”

ALCOHOL AND DRUG ABUSE AND MENTAL HEALTH REPORTS BY THE SECRETARY

Pub. L. 98–24, §3, Apr. 26, 1983, 97 Stat. 182, directed Secretary of Health and Human Services to submit to
Congress, on or before Jan. 15, 1984, a report describing the extent to which Federal and State programs, departments, and agencies are concerned and are dealing effectively with problems of alcohol abuse and alcoholism, problems of drug abuse, and mental illness.

Transfer of Balances in Working Capital Fund, Narcotic Hospitals, to Surplus Fund

Act July 8, 1947, ch. 210, title II, § 201, 61 Stat. 269, provided: “That as of June 30, 1947, and the end of each fiscal year thereafter any balances in the ‘Working capital fund, narcotic hospitals,’ in excess of $150,000 shall be transferred to the surplus fund of the Treasury.” [Section 201 of act July 8, 1947, set out above, was formerly classified to section 258a of this title.]

§ 290aa–0. National Mental Health and Substance Use Policy Laboratory

(a) In general

There shall be established within the Administration a National Mental Health and Substance Use Policy Laboratory (referred to in this section as the “Laboratory”).

(b) Responsibilities

The Laboratory shall—

(1) continue to carry out the authorities and activities that were in effect for the Office of Policy, Planning, and Innovation as such Office existed prior to December 13, 2016;

(2) identify, coordinate, and facilitate the implementation of policy changes likely to have a significant effect on mental health, mental illness, recovery supports, and the prevention and treatment of substance use disorder services;

(3) work with the Center for Behavioral Health Statistics and Quality to collect, as appropriate, information from grantees under programs operated by the Administration in order to evaluate and disseminate information on evidence-based practices, including culturally and linguistically appropriate services, as appropriate, and service delivery models;

(4) provide leadership in identifying and coordinating policies and programs, including evidence-based programs, related to mental and substance use disorders;

(5) periodically review programs and activities operated by the Administration relating to the diagnosis or prevention of, treatment for, and recovery from, mental and substance use disorders to—

(A) identify any such programs or activities that are duplicative;

(B) identify any such programs or activities that are not evidence-based, effective, or efficient; and

(C) formulate recommendations for coordinating, eliminating, or improving programs or activities identified under subparagraph (A) or (B) and merging such programs or activities into other successful programs or activities;

(6) issue and periodically update information for entities applying for grants or cooperative agreements from the Substance Abuse and Mental Health Services Administration in order to—

(A) encourage the implementation and replication of evidence-based practices; and

(B) provide technical assistance to applicants for funding, including with respect to justifications for such programs and activities;

(7) carry out other activities as deemed necessary to continue to encourage innovation and disseminate evidence-based programs and practices.

(c) Evidence-based practices and service delivery models

(1) In general

In carrying out subsection (b)(3), the Laboratory—

(A) may give preference to models that improve—

(i) the coordination between mental health and physical health providers;

(ii) the coordination among such providers and the justice and corrections system; and

(iii) the cost effectiveness, quality, effectiveness, and efficiency of health care services furnished to adults with a serious mental illness, children with a serious emotional disturbance, or individuals in a mental health crisis; and

(B) may include clinical protocols and practices that address the needs of individuals with early serious mental illness.

(2) Consultation

In carrying out this section, the Laboratory shall consult with—

(A) the Chief Medical Officer appointed under section 290aa(g) of this title;

(B) representatives of the National Institute of Mental Health, the National Institute on Drug Abuse, and the National Institute on Alcohol Abuse and Alcoholism, on an ongoing basis;

(C) other appropriate Federal agencies;

(D) clinical and analytical experts with expertise in psychiatric medical care and clinical psychological care, health care management, education, corrections health care, and mental health court systems, as appropriate; and

(E) other individuals and agencies as determined appropriate by the Assistant Secretary.

(d) Deadline for beginning implementation

The Laboratory shall begin implementation of this section not later than January 1, 2018.

(e) Promoting innovation

(1) In general

The Assistant Secretary, in coordination with the Laboratory, may award grants to States, local governments, Indian tribes or tribal organizations (as such terms are defined in section 5304 of title 25), educational institutions, and nonprofit organizations to develop evidence-based interventions, including culturally and linguistically appropriate services, as appropriate, for—

(A) evaluating a model that has been scientifically demonstrated to show promise, but would benefit from further applied development, for—

(i) enhancing the prevention, diagnosis, intervention, and treatment of, and recov-
ery from, mental illness, serious emotional disturbances, substance use disorders, and co-occurring illness or disorders; or
(ii) integrating or coordinating physical health services and mental and substance use disorders services; and
(B) expanding, replicating, or scaling evidence-based programs across a wider area to enhance effective screening, early diagnosis, intervention, and treatment with respect to mental illness, serious mental illness, serious emotional disturbances, and substance use disorders, primarily by—
(i) applying such evidence-based programs to the delivery of care, including by training staff in effective evidence-based treatments; or
(ii) integrating such evidence-based programs into models of care across specialties and jurisdictions.
(2) Consultation
In awarding grants under this subsection, the Assistant Secretary shall, as appropriate, consult with the Chief Medical Officer appointed under section 290aa(g) of this title, the advisory councils described in section 290aa-1 of this title, the National Institute of Mental Health, the National Institute on Drug Abuse, and the National Institute on Alcohol Abuse and Alcoholism, as appropriate.
(3) Authorization of appropriations
There are authorized to be appropriated—
(A) to carry out paragraph (1)(A), $7,000,000 for the period of fiscal years 2018 through 2020; and
(B) to carry out paragraph (1)(B), $7,000,000 for the period of fiscal years 2018 through 2020.

\section*{\$ 290aa-1 \ Advisory councils}

(a) Appointment

(1) In general

The Secretary shall appoint an advisory council for—
(A) the Substance Abuse and Mental Health Services Administration;
(B) the Center for Substance Abuse Treatment;
(C) the Center for Substance Abuse Prevention; and
(D) the Center for Mental Health Services.

Each such advisory council shall advise, consult with, and make recommendations to the Secretary and the Assistant Secretary or Director of the Administration or Center for which the advisory council is established concerning matters relating to the activities carried out by and through the Administration or Center and the policies respecting such activities.

(2) Function and activities

An advisory council—
(A)(i) may on the basis of the materials provided by the organization respecting activities conducted at the organization, make recommendations to the Assistant Secretary or Director of the Administration or Center for which it was established respecting such activities;
(ii) shall review applications submitted for grants and cooperative agreements for activities for which advisory council approval is required under section 290aa-3(d)(2) of this title and recommend for approval applications for projects that show promise of making valuable contributions to the Administration’s mission; and
(iii) may review any grant, contract, or cooperative agreement proposed to be made or entered into by the organization;
(B) may collect, by correspondence or by personal investigation, information as to studies and services that are being carried on in the United States or any other country as to the diseases, disorders, or other aspects of human health with respect to which the organization was established and with the approval of the Assistant Secretary or Director, whichever is appropriate, make such information available through appropriate publications for the benefit of public and private health entities and health professions personnel and for the information of the general public; and
(C) may appoint subcommittees and convene workshops and conferences.

(b) Membership

(1) In general

Each advisory council shall consist of nonvoting ex officio members and not more than 12 members to be appointed by the Secretary under paragraph (3).

(2) Ex officio members

The ex officio members of an advisory council shall consist of—
(A) the Secretary;
(B) the Assistant Secretary;
(C) the Director of the Center for which the council is established;
(D) the Under Secretary for Health of the Department of Veterans Affairs;
(E) the Assistant Secretary for Defense for Health Affairs (or the designates of such officers);
(F) the Chief Medical Officer, appointed under section 290aa(g) of this title;
(G) the Director of the National Institute of Mental Health for the advisory councils appointed under subsections (a)(1)(A) and (a)(1)(D);
(H) the Director of the National Institute on Drug Abuse for the advisory councils appointed under subsections (a)(1)(A), (a)(1)(B), and (a)(1)(C);
(I) the Director of the National Institute on Alcohol Abuse and Alcoholism for the advisory councils appointed under subsections (a)(1)(A), (a)(1)(B), and (a)(1)(C); and
(J) such additional officers or employees of the United States as the Secretary deter-
mines necessary for the advisory council to effectively carry out its functions.

(3) Appointed members

Individuals shall be appointed to an advisory council under paragraph (1) as follows:

(A) Nine of the members shall be appointed by the Secretary from among the leading representatives of the health disciplines (including public health and behavioral and social sciences) relevant to the activities of the Administration or Center for which the advisory council is established.

(B) Three of the members shall be appointed by the Secretary from the general public and shall include leaders in fields of public policy, public relations, law, health policy economics, or management.

(C) Not less than half of the members of the advisory council appointed under subsection (a)(1)(D)—

(i) shall—

(I) have a medical degree;

(II) have a doctoral degree in psychology; or

(III) have an advanced degree in nursing, public health, behavioral or social sciences, or social work from an accredited graduate school or be a certified physician assistant; and

(ii) shall specialize in the mental health field.

(D) Not less than half of the members of the advisory councils appointed under subsections (a)(1)(B) and (a)(1)(C)—

(i) shall—

(I) have a medical degree;

(II) have a doctoral degree; or

(III) have an advanced degree in nursing, public health, behavioral or social sciences, or social work from an accredited graduate school or be a certified physician assistant; and

(ii) shall have experience in the provision of substance use disorder services or the development and implementation of programs to prevent substance misuse.

(4) Compensation

Members of an advisory council who are officers or employees of the United States shall not receive any compensation for service on the advisory council. The remaining members of an advisory council shall receive, for each day (including travel time) they are engaged in the performance of the functions of the advisory council, compensation at rates not to exceed the daily equivalent to the annual rate in effect for grade GS–18 of the General Schedule.

(e) Terms of office

(1) In general

The term of office of a member of an advisory council appointed under subsection (b) shall be 4 years, except that any member appointed to fill a vacancy for an unexpired term shall serve for the remainder of such term. The Secretary shall make appointments to an advisory council in such a manner as to ensure that the terms of the members not all expire in the same year. A member of an advisory council may serve after the expiration of such member's term until a successor has been appointed and taken office.

(2) Reappointments

A member who has been appointed to an advisory council for a term of 4 years may not be reappointed to an advisory council during the 2-year period beginning on the date on which such 4-year term expired.

(3) Time for appointment

If a vacancy occurs in an advisory council among the members under subsection (b), the Secretary shall make an appointment to fill such vacancy within 90 days from the date the vacancy occurs.

(d) Chair

The Secretary shall select a member of an advisory council to serve as the chair of the council. The Secretary may so select an individual from among the appointed members, or may select the Assistant Secretary or the Director of the Center involved. The term of office of the chair shall be 2 years.

(e) Meetings

An advisory council shall meet at the call of the chairperson or upon the request of the Assistant Secretary or Director of the Administration or Center for which the advisory council is established, but in no event less than 2 times during each fiscal year. The location of the meetings of each advisory council shall be subject to the approval of the Assistant Secretary or Director of Administration or Center for which the council was established.

(f) Executive Secretary and staff

The Assistant Secretary or Director of the Administration or Center for which the advisory council is established shall designate a member of the staff of the Administration or Center for which the advisory council is established to serve as the Executive Secretary of the advisory council. The Assistant Secretary or Director shall make available to the advisory council such staff, information, and other assistance as it may require to carry out its functions. The Assistant Secretary or Director shall provide orientation and training for new members of the advisory council to provide for their effective participation in the functions of the advisory council.

PRINCIPAL PROVISIONS


AMENDMENTS


(b)(2)(B). Pub. L. 114–255, §6008(b), added subpars. (F) to (J) and redesignated former subpar. (F) as (J).

(b)(2)(C). Pub. L. 114–255, §6008(b), added subpars. (C) and (D).

(b)(2)(D). Pub. L. 114–255, §6008(b), added subpar. (D) generally, prior to amendment, subpar. (D) read as follows: “the Chief Medical Director of the Veterans Administration;”.


1991—Pub. L. 102–196 amended section generally, substituting provisions relating to appointment of advisory councils to Substance Abuse and Mental Health Services Administration, Center for Substance Abuse Prevention, and Center for Mental Health Services for provisions appointing advisory councils for National Institute on Alcohol Abuse and Alcoholism, National Institute on Drug Abuse, and National Institute of Mental Health.

1990—Subsec. (a)(2). Pub. L. 101–381 substituted “Chief Medical Director of the Department of Veterans Affairs” for “Chief Medical Director of the Veterans Administration”.

1988—Subsec. (b)(2)(A). Pub. L. 100–527 substituted “Chief Medical Director of the Department of Veterans Affairs” for “Chief Medical Director of the Veterans Administration”.


1984—Amendment by Pub. L. 98–24 substituted “the Chief Medical Director of the Veterans Administration;” for “Chairman” in subsec. (a)(2)(A)(i), (B).

(a) In general
Not later than 2 years after October 17, 2000, the Secretary shall, after consultation with organizations representing States, mental health and substance abuse treatment providers, prevention specialists, individuals receiving treatment services, and family members of such individuals, prepare and submit to the Committee on Energy and Commerce of the House of Representatives, a report on prevention and treatment services for individuals who have co-occurring mental illness and substance abuse disorders.

(b) Report content
The report under subsection (a) shall be based on data collected from existing Federal and State surveys regarding the treatment of co-occurring mental illness and substance abuse disorders and shall include—

(1) a summary of the manner in which individuals with co-occurring disorders are receiving treatment, including the most up-to-date information available regarding the number of children and adults with co-occurring mental illness and substance abuse disorders and the manner in which funds provided under sections 300x and 300x–21 of this title are being utilized, including the number of such children and adults served with such funds;

(2) a summary of improvements necessary to ensure that individuals with co-occurring mental illness and substance abuse disorders receive the services they need;

(3) a summary of practices for preventing substance abuse among individuals who have a mental illness and are at risk of acquiring a substance abuse disorder; and

(4) a summary of evidenced-based practices for treating individuals with co-occurring mental illness and substance abuse disorders and recommendations for implementing such practices.

(c) Funds for report
The Secretary may obligate funds to carry out this section with such appropriations as are available.

§ 290aa–3. Peer review

(a) In general
The Secretary, after consultation with the Assistant Secretary, shall require appropriate peer review of grants, cooperative agreements, and contracts to be administered through the agency which exceed the simple acquisition threshold as defined in section 134 of title 41.

(b) Members
The members of any peer review group established under subsection (a) shall be individuals who by virtue of their training or experience are eminently qualified to perform the review functions of the group. Not more than one-fourth of the members of any such peer review group shall be officers or employees of the United States. In the case of any such peer review group that is reviewing a grant, cooperative agreement, or contract related to mental illness treatment, not less than half of the members of such peer review group shall be licensed and experienced professionals in the prevention, diagnosis, or treatment of, or recovery from, mental illness or co-occurring mental illness and substance use disorders and have a medical degree, a doctoral degree in psychology, or an advanced degree in nursing or social work from an accredited program, and the Secretary, in consultation with the Assistant Secretary, shall, to the extent possible, ensure such peer review groups include broad geographic representation, including both urban and rural representatives.

(c) Advisory council review
If the direct cost of a grant or cooperative agreement (described in subsection (a)) exceeds the simple acquisition threshold as defined by section 134 of title 41, the Secretary may make such a grant or cooperative agreement only if such grant or cooperative agreement is recommended—

(1) after peer review required under subsection (a); and

(2) by the appropriate advisory council.

(d) Conditions
The Secretary may establish limited exceptions to the limitations contained in this section regarding participation of Federal employees and advisory council approval. The circumstances under which the Secretary may make such an exception shall be made public.

(482x748)§ 290aa–3
VI, §§ 6001(c)(2), 6009, Dec. 13, 2016, 130 Stat. 1203, 1215.)

Codenification

Section was formerly classified to section 290aa–5 of this title prior to renumbering by Pub. L. 102–321.

Prior Provisions

A prior section 504 of act July 1, 1944, which was classified to section 222 of this title, was renumbered section 2104 of act July 1, 1944, by Pub. L. 98–24 and transferred to section 300aa–3 of this title, renumbered section 2384 of act July 1, 1944, by Pub. L. 99–660 and transferred to section 300cc–3 of this title, prior to repeal by Pub. L. 98–621, §10(a), Nov. 8, 1984, 98 Stat. 3381.

Amendments
2016—Subsec. (a). Pub. L. 114–255, §6001(c)(2), substituted “Assistant Secretary” for “Administrator”.

Subsec. (b). Pub. L. 114–255, §6009, inserted at end “in the case of any such peer review group that is reviewing a grant, cooperative agreement, or contract related to mental illness treatment, not less than half of the members of such peer review group shall be licensed and experienced professionals in the prevention, diagnosis, treatment of, or recovery from, mental illness or co-occurring mental illness and substance use disorders and have a medical degree, a doctoral degree in psychology, or an advanced degree in nursing or social work from an accredited program, and the Secretary, in consultation with the Assistant Secretary, shall, to the extent possible, ensure such peer review groups include broad geographic representation, including both urban and rural representatives.”

2006—Pub. L. 109–310 reenacted section catchline without change and amended text generally, substituting in subsec. (a), provisions requiring, after consultation with the Administrator of the Substance Abuse and Mental Health Services Administration, appropriate peer review of grants, cooperative agreements, and contracts to be administered through the agency that exceed the simple acquisition threshold as defined in section 403 of title 41 for provisions requiring such peer review after consultation with the Directors of the Center for Substance Abuse Treatment, the Center for Substance Abuse Prevention, and the Center for Mental Health Services, in subsec. (b), provisions relating to members of peer groups qualified to perform review functions under subsec. (a) for similar provisions in former subsec. (b), but which included reference to regulatory establishment of such groups, in subsec. (c), provisions relating to advisory council review for provisions relating to requirements and specification of regulations promulgated under subsec. (a), and in subsec. (d), provisions relating to Secretary’s authority to establish exceptions to the limitations in section regarding participation of Federal employees and advisory council approval for provisions relating to recommendations.

1996—Subsec. (b)(2). Pub. L. 104–392 substituted “or cooperative agreement” for “cooperative agreement, or contract” wherever appearing in introductory provisions.


Pub. L. 102–321 amended section generally, substituting provisions relating to peer review of grants, cooperative agreements, and contracts administered through the Centers for Substance Abuse Treatment, Substance Abuse Prevention, and Mental Health Services for provisions relating to peer review of biomedical and behavioral research and development grants, cooperative agreements, and contracts administered through the National Institutes of Mental Health, Alcohol Abuse and Alcoholism, and Drug Abuse.


Effective Date of 1992 Amendments

Amendment by Pub. L. 102–321 effective Oct. 1, 1992, with provision for programs providing financial assistance, see section 804(c), (d) of Pub. L. 102–321, set out as a note under section 236 of this title.

$ 290aa–3a. Transferred

Codification

$ 290aa–4. Center for behavioral health statistics and quality

(a) In general
The Assistant Secretary shall maintain within the Administration a Center for Behavioral Health Statistics and Quality (in this section referred to as the “Center”). The Center shall be headed by a Director (in this section referred to as the “Director”) appointed by the Secretary from among individuals with extensive experience and academic qualifications in research and analysis in behavioral health care or related fields.

(b) Requirement of annual collection of data on mental illness and substance abuse
The Director shall—

(1) coordinate the Administration’s integrated data strategy, including by collecting data each year on:

(A) the national incidence and prevalence of the various forms of mental illness and substance abuse; and

(B) the incidence and prevalence of such various forms in major metropolitan areas selected by the Director.

(2) provide statistical and analytical support for activities of the Administration;
recommend a core set of performance metrics to evaluate activities supported by the Administration; and

(4) coordinate with the Assistant Secretary, the Assistant Secretary for Planning and Evaluation, and the Chief Medical Officer appointed under section 290aa(g) of this title, as appropriate, to improve the quality of services provided by programs of the Administration and the evaluation of activities carried out by the Administration.

d) Substance abuse

(1) In general

With respect to the activities of the Director under subsection (b)(1) relating to mental health, the Director shall ensure that such activities include, at a minimum, the collection of data on—

(1) the number and variety of public and nonprofit private treatment programs;
(2) the number and demographic characteristics of individuals receiving treatment through such programs;
(3) the type of care received by such individuals; and
(4) such other data as may be appropriate.

(f) Consultation

After consultation with the States and with appropriate national organizations, the Assistant Secretary shall use existing standards and best practices to develop uniform criteria for the collection of data, using the best available technology, pursuant to this section.

(2) Annual surveys; public availability of data

Annual surveys shall be carried out in the collection of data under this subsection. Summaries and analyses of the data collected shall be made available to the public.
Subsec. (c). Pub. L. 114–255, § 6004(5), inserted heading and in introductory provisions substituted “subsection (b)(1)” for “subsection (a)” and “Director” for “Assistant Secretary” in two places.

Pub. L. 114–255, § 6004(2), redesignated subsec. (b) as (c). Former subsec. (c) redesignated (d).

Subsec. (c)(1). Pub. L. 114–255, § 6004(c)(2), substituted “Assistant Secretary” for “Administrator” in two places in introductory provisions.

Subsec. (d). Pub. L. 114–255, § 6004(6), inserted heading, in par. (1) inserted heading and in introductory provisions substituted “subsection (b)(1)” for “subsection (a)” and “Director” for “Assistant Secretary” in two places, in par. (1)(B) inserted “in coordination with the Centers for Disease Control and Prevention” before semicolon at end, and in par. (2) inserted heading.

Pub. L. 114–255, § 6004(2), redesignated subsec. (c) as (d). Former subsec. (d) redesignated (e).

Pub. L. 114–255, § 6001(c)(2), substituted “Assistant Secretary” for “Administrator”.

Subsec. (e). Pub. L. 114–255, § 6004(4), inserted heading and substituted “Assistant Secretary shall use existing standards and best practices to develop” for “Assistant Secretary shall develop”.

Pub. L. 114–255, § 6004(2), redesignated subsec. (d) as (e).

1993—Pub. L. 103–43, § 3(b)(2), which directed the substitution of “section 328 of this title” for “section 300aa of this title” in section 505(a)(2) of act July 1, 1944 (this section), could not be executed because the substitution of “section 238 of this title” for “section 300aa of this title” in section 505(a)(2) of act July 1, 1944 (this section), could not be executed because the amendment was probably in -

tion 502 and amended generally by Pub. L. 102–321, § 102, amending for prior section 505 which was renumbered sec -
tion 506 by Pub. L. 101–93, § 3(b)(2), which directed the substitution of “subsection (a)” for “subsection (b)”. Amendment was probably in -
tion 502 and amended generally by Pub. L. 102–321, § 102, amending for prior section 505 which was renumbered sec -
tion 506 by Pub. L. 101–93, § 3(b)(2), which directed the substitution of “subsection (a)” for “subsection (b)”. Amendment was probably in -
tion 502 and amended generally by Pub. L. 102–321, § 102, amending for prior section 505 which was renumbered sec -

Subsec. (c). Pub. L. 101–93, § 3(b)(2), which directed the substitution of “subsection (a)” for “subsection (b)”. Amendment was probably in -
tion 502 and amended generally by Pub. L. 102–321, § 102, amending for prior section 505 which was renumbered sec -

Subsec. (c). Pub. L. 101–93, § 3(b)(2), which directed the substitution of “subsection (a)” for “subsection (b)”. Amendment was probably in -
tion 502 and amended generally by Pub. L. 102–321, § 102, amending for prior section 505 which was renumbered sec -

Subsec. (e). Pub. L. 114–255, § 6004(7), inserted heading and substituted “Assistant Secretary shall use existing standards and best practices to develop” for “Assistant Secretary shall develop”.

Subsec. (f). Pub. L. 114–255, § 6004(2), redesignated subsec. (c) as (f). Former subsec. (f) redesignated (g).

(e) Service of certain individuals

In awarding grants, contracts, and cooperative agreements under subsection (a), the Secretary shall give a preference to—

(1) entities that provide integrated primary health, substance use disorder, and mental health services to homeless individuals;

(2) entities that demonstrate effectiveness in serving runaway, homeless, and street youth;

(3) entities that have experience in providing substance use disorder and mental health services to homeless individuals;

(4) entities that demonstrate experience in providing housing for individuals in treatment for or in recovery from mental illness or a substance use disorder; and

(5) entities that demonstrate effectiveness in serving homeless veterans.

(c) Services for certain individuals

In awarding grants, contracts, and cooperative agreements under subsection (a), the Secretary shall not—

(1) prohibit the provision of services under such subsection to homeless individuals who are suffering from a substance use disorder and are not suffering from a mental health disorder; and

(2) make payments under subsection (a) to any entity that has a policy of—

(A) excluding indi
ciduals from mental health services due to the existence or suspicion of a substance use disorder; or

(B) has a policy of excluding individuals from substance use disorder services due to the existence or suspicion of mental illness.

(d) Term of the awards

No entity may receive a grant, contract, or cooperative agreement under subsection (a) for more than 5 years.

(e) Authorization of appropriations

There is authorized to be appropriated to carry out this section $41,304,000 for each of fiscal years 2018 through 2022.

(1) A grant, contract, or cooperative agreement under subsection (b) or (c) shall provide that any entity that receives any such grant, contract, or cooperative agreement shall—

(2) make payments under subsection (b) or (c) to any entity that has a policy of—

(A) excluding individuals from mental health services due to the existence or suspicion of a substance use disorder; or

(B) has a policy of excluding individuals from substance use disorder services due to the existence or suspicion of mental illness.

The term “substance use disorder” has the meaning given such term in section 211 of the Comprehensive Addiction and Recovery Act of 2016 (42 U.S.C. 1901).

The term “mental health services” has the meaning given such term in section 3112 of this title.
§ 290aa–6 to 290aa–8

### TITLE 42—THE PUBLIC HEALTH AND WELFARE

#### AMENDMENTS


Subsec. (e). Pub. L. 114–235, § 9003(4), substituted “$1,294,300,000 for each of fiscal years 2016 through 2022” for “$350,000,000 for fiscal year 2001, and such sums as may be necessary for each of the fiscal years 2002 and 2003”.

2000—Pub. L. 106–310 amended section catchline and text generally, substituting present provisions for provisions in subsec. (a), authorizing Secretary to make grants for benefit of homeless individuals through the Administrator of Substance Abuse and Mental Health Services Administration, in subsec. (b), relating to preferences for grants to entities providing integrated primary health, substance abuse, and mental health services, in subsec. (c), relating to services for certain individuals, in subsec. (d), relating to 5-year grants with renewals, and in subsec. (e), authorizing appropriations for fiscal years 1993 and 1994.

Subsec. (a). Pub. L. 106–400 made technical amendment to reference in original act which appears in text as reference to section 11311 of this title.


1987—Subsecs. (c), (d). Pub. L. 100–77 added subsec. (c), redesignated former subsec. (c) as (d), and substituted “subsection (a) or (c)” for “subsection (a)”.

#### CHANGE OF NAME


#### EFFECTIVE DATE OF 1992 AMENDMENT

Amendment by Pub. L. 102–321 effective Oct. 1, 1992, with provision for programs providing financial assistance, see section 801(c), (d) of Pub. L. 102–321, set out as a note under section 236 of this title.

### § 290aa–5a. Alcohol and drug prevention or treatment services for Indians and Native Alaskans

#### (a) In general

The Secretary shall award grants, contracts, or cooperative agreements to public and private nonprofit entities, including Native Alaskan entities and Indian tribes and tribal organizations, for the purpose of providing alcohol and drug prevention or treatment services for Indians and Native Alaskans.

#### (b) Priority

In awarding grants, contracts, or cooperative agreements under subsection (a), the Secretary shall give priority to applicants that—

1. propose to provide alcohol and drug prevention or treatment services on reservations;

2. propose to employ culturally-appropriate approaches, as determined by the Secretary, in providing such services; and

3. have provided prevention or treatment services to Native Alaskan entities and Indian tribes and tribal organizations for at least 1 year prior to applying for a grant under this section.

#### (c) Duration

The Secretary shall award grants, contracts, or cooperative agreements under subsection (a) for a period not to exceed 5 years.

#### (d) Application

An entity desiring a grant, contract, or cooperative agreement under subsection (a) shall submit an application to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may reasonably require.

#### (e) Evaluation

An entity that receives a grant, contract, or cooperative agreement under subsection (a) shall submit, in the application for such grant, a plan for the evaluation of any project undertaken with funds provided under this section.

An entity shall provide the Secretary with periodic evaluations of the progress of such project and such evaluation at the completion of such project as the Secretary determines to be appropriate.

#### (f) Report

Not later than 3 years after October 17, 2000, and annually thereafter, the Secretary shall prepare and submit, to the Committee on Health, Education, Labor, and Pensions of the Senate, a report describing the services provided pursuant to this section.

#### (g) Authorization of appropriations

There are authorized to be appropriated to carry out this section, $15,000,000 for fiscal year 2001, and such sums as may be necessary for fiscal years 2002 and 2003.


§§ 290aa–6 to 290aa–8. Transferred

Codification

Section 290aa–6, act July 1, 1944, ch. 373, title V, § 508, as added Oct. 27, 1986, Pub. L. 99–570, title IV, § 405(a),
1992 Amendment note under section 236 of this title.

(d) of Pub. L. 102–321, set out as an Effective Date of

grams providing financial assistance, see section 801(c),


EFFECTIVE DATE OF REPEAL

Repeal effective Oct. 1, 1992, with provision for programs providing financial assistance, see section 801(c), (d) of Pub. L. 102–321, set out as an Effective Date of 1992 Amendment note under section 236 of this title.

§ 290aa–11. Transferred

CODIFICATION

Section, act July 1, 1944, ch. 373, title V, § 509D, as added Nov. 18, 1988, Pub. L. 100–690, title II, § 2054, 102 Stat. 4209, related to model projects for pregnant and post partum women and their infants.


Section 290aa–13, act July 1, 1944, ch. 373, title V, § 509F, as added Nov. 18, 1988, Pub. L. 100–690, title II, § 2054, 102 Stat. 4209, related to model projects for pregnant and post partum women and their infants.


EFFECTIVE DATE OF REPEAL

Repeal effective Oct. 1, 1992, with provision for programs providing financial assistance, see section 801(c), (d) of Pub. L. 102–321, set out as an Effective Date of 1992 Amendment note under section 236 of this title.

§ 290aa–15. Department of Health and Human Services grant accountability

(1) Definitions

In this section:

(A) Applicable committees

The term “applicable committees” means—

(i) the Committee on Health, Education, Labor and Pensions of the Senate; and

(ii) the Committee on Energy and Commerce of the House of Representatives.

(B) Covered grant

The term “covered grant” means a grant awarded by the Secretary under a program established under this Act (or an amendment made by this Act, other than sections 703 through 707), including any grant administered by the Administrator of the Substance Abuse and Mental Health Services Administration under section 1536 of title 21.

(C) Grantee

The term “grantee” means the recipient of a covered grant.

(D) Secretary

The term “Secretary” means the Secretary of Health and Human Services.

(2) Accountability measures

Each covered grant shall be subject to the following accountability requirements:

(A) Effectiveness report

The Secretary shall require grantees to report on the effectiveness of the activities carried out with amounts made available to carry out the program under which the covered grant is awarded, including the number of persons served by such grant, if applicable, the number of persons seeking services who could not be served by such grant, and such other information as the Secretary may prescribe.

(B) Report on prevention of fraud, waste, and abuse

(i) In general

Not later than 1 year after July 22, 2016, the Secretary, in coordination with the Inspector General of the Department of Health and Human Services, shall submit to the applicable committees a report on the policies and procedures the Department has in place to prevent waste, fraud, and abuse in the administration of covered grants.

(ii) Contents

The policies and procedures referred to in clause (i) shall include policies and procedures that are designed to—

(I) prevent grantees from utilizing funds authorized through a covered grant for unauthorized expenditures or otherwise unallowable costs; and

(II) ensure grantees will not receive unwarranted duplicate grants for the same purpose.

(C) Conference expenditures

(i) In general

No amounts made available to the Secretary under this Act (or in a provision of
law amended by this Act, other than sections 703 through 707) may be used by the Secretary, or by any individual or entity awarded discretionary funds through a cooperative agreement under a program established under this Act (or in a provision of law amended by this Act), to host or support any expenditure for conferences that uses more than $20,000 in funds made available by the Secretary, unless the head of the relevant operating division or program office provides prior written authorization that the funds may be expended to host or support the conference. Such written authorization shall include a written estimate of all costs associated with the conference, including the cost of all food, beverages, audio-visual equipment, honoraria for speakers, and entertainment.

(ii) Report

The Secretary (or the Secretary’s designee) shall submit to the applicable committees an annual report on all conference expenditures approved by the Secretary under this subparagraph.


REFERENCES IN TEXT


Section 703 of the Act is not classified to the Code, and the Public Health Service Act which comprises this chapter.

A
D
D
I
T
I
O
N
A
L
R
E
P
O
R
T

Pub. L. 114–198, title VII, §701(e), July 22, 2016, 130 Stat. 740, provided that: ‘‘In the case of a report submitted under subsection (c) [enacting this section] to the applicable committees, if such report pertains to a grant under section 103 [21 U.S.C. 1536], that report shall also be submitted, in the same manner and at the same time, to the Committee on Oversight and Government Reform [now Committee on Oversight and Reform] of the House of Representatives and to the Committee on the Judiciary of the Senate.’’

§ 290aa–16. Evaluation of performance of Department of Health and Human Services programs

(1) Evaluations

(A) In general

Not later than 5 years after July 22, 2016, except as otherwise provided in this section,1 the Secretary of Health and Human Services (in this section referred to as the ‘‘Secretary’’) shall complete an evaluation of any program administered by the Secretary included in this Act (or an amendment made by this Act, excluding sections 703 through 707), including any grant administered by the Administrator of the Substance Abuse and Mental Health Services Administration under section 1536 of title 21, that provides grants for the primary purpose of providing assistance in addressing problems pertaining to opioid abuse based upon the outcomes and metrics identified under paragraph (2).

(B) Publication

With respect to each evaluation completed under subparagraph (A), the Secretary shall, not later than 90 days after the date on which such evaluation is completed, publish the results of such evaluation and issue a report on such evaluation to the appropriate committees. Such report shall also be published along with the data used to make such evaluation.

(2) Metrics and outcomes

(A) In general

Not later than 180 days after July 22, 2016, the Secretary shall identify—

(i) outcomes that are to be achieved by activities funded by the programs described in paragraph (1)(A); and

(ii) the metrics by which the achievement of such outcomes shall be determined.

(B) Publication

The Secretary shall, not later than 30 days after completion of the requirement under subparagraph (A), publish the outcomes and metrics identified under such subparagraph.

(3) Metrics data collection

The Secretary shall require grantees under the programs described in paragraph (1)(A) to collect, and annually report to the Secretary, data based upon the metrics identified under paragraph (2)(A).

(4) Independent evaluation

For purposes of paragraph (1), the Secretary shall—

(A) enter into an arrangement with the National Academy of Sciences; or

(B) enter into a contract or cooperative agreement with an entity that—

(i) is not an agency of the Federal Government; and

(ii) is qualified to conduct and evaluate research pertaining to opioid use and abuse and draw conclusions about overall opioid use and abuse on the basis of that research.

(5) Exception

If a program described in paragraph (1)(A) is subject to an evaluation similar to the evaluation required under such paragraph pursuant to another provision of Federal law, the Secretary may opt not to conduct an evaluation under such paragraph with respect to such program.


REFERENCES IN TEXT

This section, the first time appearing in par. (1)(A), is section 701 of Pub. L. 114–198, July 22, 2016, 130 Stat. 739,
which enacted this section, section 290aa–15 of this title, sections 10706 and 10707 of Title 34, Crime Control and Law Enforcement, and provisions set out as a note under section 290aa–15 of this title.

This Act, referred to in par. (1)(A), is Pub. L. 114–198, July 22, 2016, 130 Stat. 695, known as the Comprehensive Addiction and Recovery Act of 2016, Section 703 of the Act is not classified to the Code, and sections 704 to 707 of the Act enacted section 132aa–7n of this title, amended sections 1395w–101, 1395w–104, 1395w–152, 1395ddd, 1395iii, 1395a, 1396c–8, 1396w–1, and 1397bb of this title, and enacted provisions set out as notes under sections 1395w–101 and 1396c–8 of this title. For complete classification of this Act to the Code, see Short Title of 2016 Amendment note set out under section 201 of this title and Tables.

CODIFICATION

Section was enacted as part of the Comprehensive Addiction and Recovery Act of 2016, and not as part of the Public Health Service Act which comprises this chapter.

PART B—CENTERS AND PROGRAMS

SUBPART 1—CENTER FOR SUBSTANCE ABUSE TREATMENT

§ 290bb. Center for Substance Abuse Treatment

(a) Establishment

There is established in the Administration a Center for Substance Abuse Treatment (hereafter in this section referred to as the “Center”). The Center shall be headed by a Director (hereafter in this section referred to as the “Director”) appointed by the Secretary from among individuals with extensive experience or academic qualifications in the treatment of substance use disorders or in the evaluation of substance use disorder treatment systems.

(b) Duties

The Director of the Center shall—

(1) administer the substance use disorder treatment block grant program authorized in section 300x–21 of this title;

(2) ensure that emphasis is placed on children and adolescents in the development of treatment programs;

(3) collaborate with the Attorney General to develop programs to provide substance use disorder treatment services to individuals who have had contact with the Justice system, especially adolescents;

(4) collaborate with the Director of the Center for Substance Abuse Prevention in order to provide outreach services to identify individuals in need of treatment services, with emphasis on the provision of such services to pregnant and postpartum women and their infants and to individuals who illicitly use drugs intravenously;

(5) collaborate with the Director of the National Institute on Drug Abuse, with the Director of the National Institute on Alcohol Abuse and Alcoholism, and with the States to promote the study, dissemination, and implementation of research findings that will improve the delivery and effectiveness of treatment services;

(6) collaborate with the Administrator of the Health Resources and Services Administration and the Administrator of the Centers for Medicare & Medicaid Services to promote the increased integration into the mainstream of the health care system of the United States of programs for providing treatment services;

(7) evaluate plans submitted by the States pursuant to section 300x–32(a)(6) of this title in order to determine whether the plans adequately provide for the availability, allocation, and effectiveness of treatment services;

(8) sponsor regional workshops on improving the quality and availability of treatment services;

(9) provide technical assistance to public and nonprofit private entities that provide treatment services, including technical assistance with respect to the process of submitting to the Director applications for any program of grants or contracts;

(10) carry out activities to educate individuals on the need for establishing treatment facilities within their communities;

(11) encourage public and private entities that provide health insurance to provide benefits for outpatient treatment services and other nonhospital-based treatment services;

(12) evaluate treatment programs to determine the quality and appropriateness of various forms of treatment, which shall be carried out through grants, contracts, or cooperative agreements provided to public or nonprofit private entities;

(13) ensure the consistent documentation of the application of criteria when awarding grants and the ongoing oversight of grantees after such grants are awarded;

(14) work with States, providers, and individuals in recovery, and their families, to promote the expansion of recovery support services and systems of care oriented toward recovery;

(15) in cooperation with the Secretary, implement and disseminate, as appropriate, the recommendations in the report entitled “Protecting Our Infants Act: Final Strategy” issued by the Department of Health and Human Services in 2017; and

(16) in cooperation with relevant stakeholders, and through public-private partnerships, encourage education about substance use disorders for pregnant women and health care providers who treat pregnant women and babies.

(c) Grants and contracts

In carrying out the duties established in subsection (b), the Director may make grants to and enter into contracts and cooperative agreements with public and nonprofit private entities.


PRIOR PROVISIONS

A prior section 290bb, act July 1, 1944, ch. 373, title V, § 510, formerly Pub. L. 91–616, title V, § 501, as added...
§ 290bb–1. Residential treatment programs for pregnant and postpartum women

(a) In general

The Director of the Center for Substance Abuse Treatment (referred to in this section as the “Director”) shall provide awards of grants, including the grants under subsection (r), cooperative agreements or contracts to public and nonprofit private entities for the purpose of providing to pregnant and postpartum women treatment for substance use disorders through programs in which, during the course of receiving treatment—

1. the women reside in or receive outpatient treatment services from facilities provided by the programs;
2. the minor children of the women reside with the women in such facilities, if the women so request; and
3. the services described in subsection (d) are available to or on behalf of the women.

(b) Availability of services for each participant

A funding agreement for an award under subsection (a) for an applicant is that, in the program operated pursuant to such subsection—

1. treatment services and each supplemental service will be available through the applicant, either directly or through agreements with other public or nonprofit private entities; and
2. the services will be made available to each woman admitted to the program and her children.

(c) Individualized plan of services

A funding agreement for an award under subsection (a) for an applicant is that—

1. in providing authorized services for an eligible woman pursuant to such subsection, the applicant will, in consultation with the women, prepare an individualized plan for the provision of services for the women and her children; and
2. treatment services under the plan will include—
   A. individual, group, and family counseling, as appropriate, regarding substance use disorders; and
   B. follow-up services to assist the woman in preventing a relapse into such a disorder.

(d) Required supplemental services

In the case of an eligible woman, the services referred to in subsection (a)(3) are as follows:

1. Prenatal and postpartum health care.
2. Referrals for necessary hospital services.
3. For the infants and children of the woman—
   A. pediatric health care, including treatment for any perinatal effects of a maternal substance use disorder and including screenings regarding the physical and mental development of the infants and children;
   B. counseling and other mental health services, in the case of children; and
   C. comprehensive social services.
4. Providing therapeutic, comprehensive child care for children during the periods in which the woman is engaged in therapy or in any other necessary health and rehabilitative activities.
5. Training in parenting.
6. Counseling on the human immunodeficiency virus and on acquired immune deficiency syndrome.
7. Counseling on domestic violence and sexual abuse.
(8) Counseling on obtaining employment, including the importance of graduating from a secondary school.

(9) Reasonable efforts to preserve and support the family unit of the woman, including promoting the appropriate involvement of parents and others, and counseling the children of the woman.

(10) Planning for and counseling to assist re-entry into society, both before and after discharge, including referrals to any public or nonprofit private entities in the community involved that provide services appropriate for the woman and the children of the woman.

(11) Case management services, including—

(A) assessing the extent to which authorized services are appropriate for the woman and any child of such woman;

(B) in the case of the services that are appropriate, ensuring that the services are provided in a coordinated manner;

(C) assistance in establishing eligibility for assistance under Federal, State, and local programs providing health services, mental health services, housing services, employment services, educational services, or social services; and

(D) family reunification with children in kinship or foster care arrangements, where safe and appropriate.

(e) Minimum qualifications for receipt of award

(1) Certification by relevant State agency

With respect to the principal agency of the State involved that administers programs relating to substance use disorders, the Director may make an award under subsection (a) to an applicant only if the agency has certified to the Director that—

(A) the applicant has the capacity to carry out a program described in subsection (a);

(B) the plans of the applicant for such a program are consistent with the policies of such agency regarding the treatment of substance use disorders; and

(C) the applicant, or any entity through which the applicant will provide authorized services, meets all applicable State licensure or certification requirements regarding the provision of the services involved.

(2) Status as medicaid provider

(A) In general

Subject to subparagraphs (B) and (C), the Director may make an award under subsection (a) only if, in the case of any authorized service that is available pursuant to the State plan approved under title XIX of the Social Security Act [42 U.S.C. 1396 et seq.] for the State involved—

(i) the applicant for the award will provide the service directly, and the applicant has entered into a participation agreement under the State plan and is qualified to receive payments under such plan; or

(ii) the applicant will enter into an agreement with a public or nonprofit private entity under which the entity will provide the service, and the entity has entered into such a participation agreement plan and is qualified to receive such payments.

(B) Waiver of participation agreements

(i) In general

In the case of an entity making an agreement pursuant to subparagraph (A)(ii) regarding the provision of services, the requirement established in such subparagraph regarding a participation agreement shall be waived by the Director if the entity does not, in providing health care services, impose a charge or accept reimbursement available from any third-party payor, including reimbursement under any insurance policy or under any Federal or State health benefits plan.

(ii) Donations

A determination by the Director of whether an entity referred to in clause (i) meets the criteria for a waiver under such clause shall be made without regard to whether the entity accepts voluntary donations regarding the provision of services to the public.

(C) Nonapplication of certain requirements

With respect to any authorized service that is available pursuant to the State plan described in subparagraph (A), the requirements established in such subparagraph shall not apply to the provision of any such service by an institution for mental diseases to an individual who has attained 21 years of age and who has not attained 65 years of age. For purposes of the preceding sentence, the term “institution for mental diseases” has the meaning given such term in section 1905(i) of the Social Security Act (42 U.S.C. 1396d(i)).

(f) Requirement of matching funds

(1) In general

With respect to the costs of the program to be carried out by an applicant pursuant to subsection (a), a funding agreement for an award under such subsection is that the applicant will make available (directly or through donations from public or private entities) non-Federal contributions toward such costs in an amount that—

(A) for the first fiscal year for which the applicant receives payments under an award under such subsection, is not less than $1 for each $9 of Federal funds provided in the award;

(B) for any second such fiscal year, is not less than $1 for each $3 of Federal funds provided in the award; and

(C) for any subsequent such fiscal year, is not less than $1 for each $3 of Federal funds provided in the award.

(2) Determination of amount contributed

Non-Federal contributions required in paragraph (1) may be in cash or in kind, fairly evaluated, including plant, equipment, or services. Amounts provided by the Federal Government, or services assisted or subsidized to any significant extent by the Federal Government, may not be included in determining the amount of such non-Federal contributions.

(g) Outreach

A funding agreement for an award under subsection (a) for an applicant is that the applicant
will provide outreach services in the community involved to identify women who have a substance use disorder and to encourage the women to undergo treatment for such disorder.

(h) Accessibility of program; cultural context of services
A funding agreement for an award under subsection (a) for an applicant is that—
(1) the program operated pursuant to such subsection will be operated at a location that is accessible to low-income pregnant and postpartum women; and
(2) authorized services will be provided in the language and the cultural context that is most appropriate.

(i) Continuing education
A funding agreement for an award under subsection (a) is that the applicant involved will provide for continuing education in treatment services for the individuals who will provide treatment in the program to be operated by the applicant pursuant to such subsection.

(j) Imposition of charges
A funding agreement for an award under subsection (a) for an applicant is that, if a charge is imposed for the provision of authorized services involved to identify women who have a substance use disorder and to encourage the women to undergo treatment for such disorder.

(k) Reports to Director
A funding agreement for an award under subsection (a) is that the applicant involved will submit to the Director a report—
(1) describing the utilization and costs of services provided under the award;
(2) specifying the number of women served, the number of infants served, and the type and costs of services provided; and
(3) providing such other information as the Director determines to be appropriate.

(l) Requirement of application
The Director may make an award under subsection (a) only if an application for the award is submitted to the Director containing such agreements, and the application is in such form, is made in such manner, and contains such other agreements and such assurances and information as the Director determines to be necessary to carry out this section.

(m) Allocation of awards
In making awards under subsection (a), the Director shall give priority to an applicant that agrees to use the award for a program serving an area that is a rural area, an area designated under section 254e of this title by the Secretary as a health professional shortage area, or an area determined by the Director to have a shortage of family-based substance use disorder treatment options.

(n) Duration of award
The period during which payments are made to an entity from an award under subsection (a) may not exceed 5 years. The provision of such payments shall be subject to annual approval by the Director of the payments and subject to the availability of appropriations for the fiscal year involved to make the payments. This subsection may not be construed to establish a limitation on the number of awards under such subsection that may be made to an entity.

(o) Evaluations; dissemination of findings
The Director shall, directly or through contract, provide for the conduct of evaluations of programs carried out pursuant to subsection (a). The Director shall disseminate to the States the findings made as a result of the evaluations.

(p) Reports to Congress
Not later than October 1, 1994, the Director shall submit to the Committee on Energy and Commerce of the House of Representatives, and to the Committee on Labor and Human Resources of the Senate, a report describing programs carried out pursuant to this section (other than subsection (t)). Every 2 years thereafter, the Director shall prepare a report describing such programs carried out during the preceding 2 years, and shall submit the report to the Assistant Secretary for inclusion in the biennial report under section 290aa(m) of this title. Each report under this subsection shall include a summary of any evaluations conducted under subsection (m) during the period with respect to which the report is prepared.

(q) Definitions
For purposes of this section:
(1) The term “authorized services” means treatment services and supplemental services.
(2) The term “eligible woman” means a woman who has been admitted to a program operated pursuant to subsection (a).
(3) The term “funding agreement”, with respect to an award under subsection (a), means that the Director may make the award only if the applicant makes the agreement involved.
(4) The term “treatment services” means treatment for a substance use disorder, including the counseling and services described in subsection (c)(2).
(5) The term “supplemental services” means the services described in subsection (d).

(r) Pilot program for State substance abuse agencies
(1) In general
From amounts made available under subsection (s), the Director of the Center for Substance Abuse Treatment shall carry out a pilot program under which competitive grants are made by the Director to State substance abuse agencies—
(A) to enhance flexibility in the use of funds designed to support family-based services for pregnant and postpartum women with a primary diagnosis of a substance use disorder, including opioid use disorders;
(B) to help State substance abuse agencies address identified gaps in services furnished to such women along the continuum of care,

§ 290bb-1
including services provided to women in nonresidential-based settings; and
(C) to promote a coordinated, effective, and efficient State system managed by State substance abuse agencies by encouraging new approaches and models of service delivery.

(2) Requirements

In carrying out the pilot program under this subsection, the Director shall—

(A) require State substance abuse agencies to submit to the Director applications, in such form and manner and containing such information as specified by the Director, to be eligible to receive a grant under the program;

(B) identify, based on such submitted applications, State substance abuse agencies that are eligible for such grants;

(C) require services proposed to be furnished through such a grant to support family-based treatment and other services for pregnant and postpartum women with a primary diagnosis of a substance use disorder, including opioid use disorders;

(D) not require that services furnished through such a grant be provided solely to women that reside in facilities;

(E) not require that grant recipients under the program make available through use of the grant all the services described in subsection (d); and

(F) consider not applying the requirements described in paragraphs (1) and (2) of subsection (f) to an applicant, depending on the circumstances of the applicant.

(3) Required services

(A) In general

The Director shall specify a minimum set of services required to be made available to eligible women through a grant awarded under the pilot program under this subsection. Such minimum set of services—

(i) shall include the services requirements described in subsection (c) and be based on the recommendations submitted under subparagraph (B); and

(ii) may be selected from among the services described in subsection (d) and include other services as appropriate.

(B) Stakeholder input

The Director shall convene and solicit recommendations from stakeholders, including State substance abuse agencies, health care providers, persons in recovery from substance abuse, and other appropriate individuals, for the minimum set of services described in subparagraph (A).

(4) Duration

The pilot program under this subsection shall not exceed 5 years.

(5) Evaluation and report to Congress

(A) In general

The Director of the Center for Behavioral Health Statistics and Quality shall evaluate the pilot program at the conclusion of the first grant cycle funded by the pilot program.

(B) Report

The Director of the Center for Behavioral Health Statistics and Quality, in coordination with the Director of the Center for Substance Abuse Treatment shall submit to the relevant committees of jurisdiction of the House of Representatives and the Senate a report on the evaluation under subparagraph (A). The report shall include, at a minimum—

(i) outcomes information from the pilot program, including any resulting reductions in the use of alcohol and other drugs;

(ii) engagement in treatment services;

(iii) retention in the appropriate level and duration of services;

(iv) increased access to the use of medications approved by the Food and Drug Administration for the treatment of substance use disorders in combination with counseling; and

(v) other appropriate measures.

(C) Recommendation

The report under subparagraph (B) shall include a recommendation by the Director of the Center for Substance Abuse Treatment as to whether the pilot program under this subsection should be extended.

(6) State substance abuse agencies defined

For purposes of this subsection, the term “State substance abuse agency” means, with respect to a State, the agency in such State that manages the Substance Abuse Prevention and Treatment Block Grant under part B of subchapter XVII.

(s) Authorization of appropriations

For the purpose of carrying out this section, there are authorized to be appropriated $29,931,000 for each of fiscal years 2019 through 2023. Of the amounts made available for a year pursuant to the previous sentence to carry out this section, not more than 25 percent of such amounts shall be made available for such year to carry out subsection (r), other than paragraph (5) of such subsection. Notwithstanding the preceding sentence, no funds shall be made available to carry out subsection (r) for a fiscal year unless the amount made available to carry out this section for such fiscal year is more than the amount made available to carry out this section for fiscal year 2016.


REFERENCES IN TEXT


AMENDMENTS

2018—Subsec. (a). Pub. L. 115–271 substituted “$29,931,000 for each of fiscal years 2019 through 2023 for $16,900,000 for each of fiscal years 2017 through 2021’’.


Subsec. (c)(1). Pub. L. 114–198, §501(a)(3)(A), substituted “of services for the woman and her children” for “to the woman of the services”.


Subsec. (d)(4). Pub. L. 114–198, §501(a)(4)(B), amended par. generally. Prior to amendment, par. (4) read as follows: “Providing supervision of children during periods in which the woman is engaged in therapy or in other necessary health or rehabilitative activities.”


Subsec. (e)(2). Pub. L. 114–198, §501(a)(5)(B), inserted headings for subpars. (A) to (C) and for cls. (i) and (ii) of subpar. (B).

Subsec. (g). Pub. L. 114–198, §501(a)(6), substituted “who have a substance use disorder” for “who are engaging in substance abuse” and “such disorder” for “such abuse.”


Subsec. (m). Pub. L. 114–198, §501(a)(8), amended subsec. (m) generally. Prior to amendment, text read as follows: “In making awards under subsection (a) of this section, the Director shall ensure that the awards are equitably allocated among the principal geographic regions of the United States, subject to the availability of qualified applicants for the awards.”

Subsec. (p). Pub. L. 114–255, §6006(b), substituted “section 290aa(m)” for “section 290aa(k)”.

Subsec. (q). Pub. L. 114–255, §6001(c)(2), substituted “Assistant Secretary” for “Administrator”.


Subsec. (s). Pub. L. 114–198, §501(c)(1)(A), (2), redesignated subsec. (r) as (s) and inserted at end “Of the amounts made available for a fiscal year pursuant to the previous sentence to carry out this section, not more than 25 percent of such amounts shall be made available for each year to carry out subsection (r), other than subsection (g) of such section. Notwithstanding the preceding sentence, no funds shall be made available to carry out subsection (r) for a fiscal year unless the amount made available to carry out this section for such fiscal year is more than the amount made available to carry out this section for fiscal year 2016.”


CHANGE OF NAME

Committee on Labor and Human Resources of Senate changed to Committee on Health, Education, Labor, and Pensions of Senate by Senate Resolution No. 20, One Hundred Sixth Congress, Jan. 19, 1999.


EFFECTIVE DATE

Section effective Oct. 1, 1992, with provision for programs providing financial assistance, see section 801(c), (d) of Pub. L. 102–321, set out as an Effective Date of 1992 Amendment note under section 236 of this title.

TRANSITIONAL AND SAVINGS PROVISIONS


(A) Subject to paragraph (2), in the case of any project for which a grant under former section 509F [former 42 U.S.C. 290aa–13] was provided for fiscal year 1992, the Secretary of Health and Human Services may continue in effect the grant for fiscal year 1992 and subsequent fiscal years, subject to the duration of any such grant not exceeding the period determined by the Secretary in first approving the grant.
Subject to approval by the Administrator, such grants may be administered by the Center for Substance Abuse Prevention.

(3) Subparagraph (A) shall apply with respect to a project notwithstanding that the project is not eligible to receive a grant under current section 508 or 509 (42 U.S.C. 290bb-1; 290bb-2).

(4) LIMITATION ON FUNDING FOR CERTAIN PROJECTS.—With respect to the amounts appropriated for any fiscal year under current section 508, any such amounts appropriated in excess of the amount appropriated for fiscal year 1992 under former section 509F shall be available only for grants under current section 508.

(5) DEFINITIONS.—For purposes of this subsection:

(A) The term ‘former section 509F’ means section 509F of the Public Health Service Act (42 U.S.C. 290aa-13), as in effect for fiscal year 1992.

(B) The term ‘current section 508’ means section 508 of the Public Health Service Act (42 U.S.C. 290bb-1), as in effect for fiscal year 1998 and subsequent fiscal years.

(C) The term ‘current section 509’ means section 509 of the Public Health Service Act (42 U.S.C. 290bb-2), as in effect for fiscal year 1998 and subsequent fiscal years.

REPORT ON IMPLEMENTATION OF STRATEGY RELATING TO PRENATAL OPIOID USE


(1) IN GENERAL.—Not later than 60 days after the date of enactment of this Act (Oct. 24, 2018), the Secretary of Health and Human Services (referred to in this section as the ‘Secretary’) shall submit to the Senate and the Committee on Energy and Commerce of the House of Representatives, and make available on the Internet website of the Department of Health and Human Services, a report regarding the implementation of the recommendations in the strategy relating to prenatal opioid use, including neonatal abstinence syndrome, developed pursuant to section 2 of the Protecting Our Infants Act of 2015 (Public Law 114–91) [129 Stat. 723]. Such report shall include—

(A) an update on the implementation of the recommendations in the strategy, including information regarding the agencies involved in the implementation; and

(B) information on additional funding or authority the Secretary requires, if any, to implement the strategy, which may include authorities needed to coordinate implementation of such strategy across the Department of Health and Human Services.

(2) PERIODIC UPDATES.—The Secretary shall periodically update the report under paragraph (1)."

§ 290bb–1a. Transferred

CODIFICATION


§ 290bb–2. Priority substance abuse treatment needs of regional and national significance

(a) Projects

The Secretary shall address priority substance use disorder treatment needs of regional and national significance (as determined under subsection (b)) through the provision of or through assistance for—

(1) knowledge development and application projects for treatment and rehabilitation and the conduct or support of evaluations of such projects;

(2) training and technical assistance; and

(3) targeted capacity response programs that permit States, local governments, communities, and Indian tribes and tribal organizations (as the terms ‘Indian tribes’ and ‘tribal organizations’ are defined in section 5304 of title 25) to focus on emerging trends in substance abuse and co-occurrence of substance use disorders with mental illness or other conditions.

The Secretary may carry out the activities described in this section directly or through grants, contracts, or cooperative agreements with States, political subdivisions of States, Indian tribes or tribal organizations (as such terms are defined in section 5304 of title 25), health facilities, or programs operated by or in accordance with a contract or grant with the Indian Health Service, or other public or nonprofit private entities.

(b) Priority substance abuse treatment needs

(1) In general

Priority substance use disorder treatment needs of regional and national significance shall be determined by the Secretary after consultation with States and other interested groups. The Secretary shall meet with the States and interested groups on an annual basis to discuss program priorities.

(2) Special consideration

In developing program priorities under paragraph (1), the Secretary shall give special consideration to promoting the integration of substance use disorder treatment services into primary health care systems.

(c) Requirements

(1) In general

Recipients of grants, contracts, or cooperative agreements under this section shall comply with information and application requirements determined appropriate by the Secretary.

(2) Duration of award

With respect to a grant, contract, or cooperative agreement awarded under this section, the period during which payments under such award are made to the recipient may not exceed 5 years.

(3) Matching funds

The Secretary may, for projects carried out under subsection (a), require that entities that apply for grants, contracts, or cooperative agreements under that project provide non-Federal matching funds, as determined appropriate by the Secretary, to ensure the institutional commitment of the entity to the projects funded under the grant, contract, or cooperative agreement. Such non-Federal matching funds may be provided directly or through donations from public or private entities and may be in cash or in kind, fairly evaluated, including plant, equipment, or services.

(4) Maintenance of effort

With respect to activities for which a grant, contract, or cooperative agreement is awarded...
under this section, the Secretary may require that recipients for specific projects under subsection (a) agree to maintain expenditures of non-Federal amounts for such activities at a level that is not less than the level of such expenditures maintained by the entity for the fiscal year preceding the fiscal year for which the entity receives such a grant, contract, or cooperative agreement.

(d) Evaluation

The Secretary shall evaluate each project carried out under subsection (a)(1) and shall disseminate the findings with respect to each such evaluation to appropriate public and private entities.

(e) Information and education

The Secretary shall establish comprehensive information and education programs to disseminate and apply the findings of the knowledge development and application, training and technical assistance programs, and targeted capacity response programs under this section to the general public, to health professionals and other interested groups. The Secretary shall make every effort to provide linkages between the findings of supported projects and State agencies responsible for carrying out substance use disorder prevention and treatment programs.

(f) Authorization of appropriation


PRIOR PROVISIONS


EFFECTIVE DATE

Section effective Oct. 1, 1992, with provision for programs providing financial assistance, see section 801(c), (d) of Pub. L. 102–321, set out as an Effective Date of 1992 Amendment note under section 236 of this title.

§ 290bb–2a. Medical treatment of narcotics addiction; report to Congress

The Secretary of Health and Human Services, after consultation with the Attorney General and with national organizations representative of persons with knowledge and experience in the treatment of narcotic addicts, shall determine the appropriate methods of professional practice in the medical treatment of the narcotic addiction of various classes of narcotic addicts, and shall report thereon from time to time to the Congress.


CODIFICATION

Section was not enacted as part of the Public Health Service Act which comprises this chapter.

Section was formerly classified to section 257a of this title.

CHANGE OF NAME

“Secretary of Health and Human Services” substituted in text for “Secretary of Health, Education, and Welfare” pursuant to section 509(b) of Pub. L. 96–88 which is classified to section 3508(b) of Title 20, Education.


A prior section 510 of act July 1, 1944, was classified to section 290bb of this title, prior to repeal by Pub. L. 102–321, § 120(b)(1). Prior to repeal, section 510(b) of act July 1, 1944, was renumbered section 464H(b) by Pub. L. 102–321 and transferred to section 285n of this title.

AMENDMENTS

2016—Subsec. (a). Pub. L. 114–255, § 7004(1)(A), (C), in introductory provisions, substituted “use disorder” for “abuse and, in concluding provisions, inserted ‘‘contracts,’’ before “or cooperative agreements” and substituted “Indian tribes or tribal organizations (as such terms are defined in section 5304 of title 25), health facilities, or programs operated by or in accordance with a contract or grant with the Indian Health Service, or” for “Indian tribes and tribal organizations.”.

Subsec. (a)(3). Pub. L. 114–255, § 7004(1)(B), inserted before period at end “that permit States, local governments, communities, and Indian tribes and tribal organizations (as the terms ‘Indian tribes’ and ‘tribal organizations’ are defined in section 504 of title 25) to focus on emerging trends in substance abuse and co-occurrence of substance use disorders with mental illness or other conditions”.

Subsec. (b). Pub. L. 114–255, § 7004(2), substituted “use disorder” for “abuse” in pars. (1) and (2).

Subsec. (e). Pub. L. 114–255, § 7004(3), substituted “use disorder” for “abuse”.

Subsec. (f). Pub. L. 114–255, § 7004(4), substituted “$333,806,000 for each of fiscal years 2018 through 2022” for “$300,000,000 for fiscal year 2001 and such sums as may be necessary for each of the fiscal years 2002 and 2003”.

§ 290bb-6. Action by Center for Substance Abuse Treatment and States concerning military facilities

(a) Center for Substance Abuse Treatment

The Director of the Center for Substance Abuse Treatment shall—

(1) coordinate with the agencies represented on the Commission on Alternative Utilization of Military Facilities the utilization of military facilities or parts thereof, as identified by such Commission, established under the National Defense Authorization Act of 1989, that could be utilized or renovated to house nonviolent persons for drug treatment purposes;

(2) notify State agencies responsible for the oversight of drug abuse treatment entities and programs of the availability of space at the installations identified in paragraph (1); and

(3) assist State agencies responsible for the oversight of drug abuse treatment entities and programs in developing methods for adapting the installations described in paragraph (1) into residential treatment centers.

(b) States

With regard to military facilities or parts thereof, as identified by the Commission on Alternative Utilization of Military Facilities established under section 3042 of the Comprehensive Alcohol Abuse, Drug Abuse, and Mental Health Amendments Act of 1988, that could be utilized or renovated to house nonviolent persons for drug treatment purposes, State agencies responsible for the oversight of drug abuse treatment entities and programs shall—

(1) establish eligibility criteria for the treatment of individuals at such facilities;

(2) select treatment providers to provide drug abuse treatment at such facilities;

(3) provide assistance to treatment providers selected under paragraph (2) to assist such providers in securing financing to fund the cost of the programs at such facilities; and

(4) establish, regulate, and coordinate with the military official in charge of the facility, work programs for individuals receiving treatment at such facilities.

(c) Reservation of space

Prior to notifying States of the availability of space at military facilities under subsection (a)(2), the Director may reserve space at such facilities to conduct research or demonstration projects.

References in Text


Codification

Section was formerly classified to section 290ff of this title prior to renumbering by Pub. L. 102–321.

Prior Provisions


Amendments

1992—Subsec. (a), (b), Pub. L. 102–321, § 112(b)(1), substituted provisos relating to Center for Substance Abuse Treatment for provisions relating to National Institute on Drug Abuse in heading and text.

Effective Date of 1992 Amendment

Amendment by Pub. L. 102–321 effective Oct. 1, 1992, with provision for programs providing financial assistance, see section 801(c), (d) of Pub. L. 102–321, set out as a note under section 238n of this title.

§ 290bb-7. Substance use disorder treatment and early intervention services for children, adolescents, and young adults

(a) In general

The Secretary shall award grants, contracts, or cooperative agreements to public and private

See References in Text note below.
nonprofit entities, including Indian tribes or tribal organizations (as such terms are defined in section 5304 of title 25), or health facilities or programs operated by or in accordance with a contract or grant with the Indian Health Service, for the purpose of—

(1) providing early identification and services to meet the needs of children, adolescents, and young adults who are at risk of substance use disorders;

(2) providing substance use disorder treatment services for children, adolescents, and young adults, including children, adolescents, and young adults with co-occurring mental illness and substance use disorders; and

(3) providing assistance to pregnant women, and parenting women, with substance use disorders, in obtaining treatment services, linking mothers to community resources to support independent family lives, and staying in recovery so that children are in safe, stable home environments and receive appropriate health care services.

(b) Priority

In awarding grants, contracts, or cooperative agreements under subsection (a), the Secretary shall give priority to applicants who propose to—

(1) apply evidence-based and cost-effective methods;

(2) coordinate the provision of services with other social service agencies in the community, including educational, juvenile justice, child welfare, substance abuse, and mental health agencies;

(3) provide a continuum of integrated treatment services, including case management, for children, adolescents, and young adults with substance use disorders, including children, adolescents, and young adults with co-occurring mental illness and substance use disorders, and their families;

(4) provide treatment that is gender-specific and culturally appropriate;

(5) involve and work with families of children, adolescents, and young adults receiving services; and

(6) provide aftercare services for children, adolescents, and young adults and their families after completion of treatment.

(c) Duration of grants

The Secretary shall award grants, contracts, or cooperative agreements under subsection (a) for periods not to exceed 5 fiscal years.

(d) Application

An entity desiring a grant, contract, or cooperative agreement under subsection (a) shall submit an application to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may reasonably require.

(e) Evaluation

An entity that receives a grant, contract, or cooperative agreement under subsection (a) shall submit, in the application for such grant, contract, or cooperative agreement, a plan for the evaluation of any project undertaken with funds provided under this section. Such entity shall provide the Secretary with periodic evaluations of the progress of such project and such evaluation at the completion of such project as the Secretary determines to be appropriate.

(f) Authorization of appropriations

There are authorized to be appropriated to carry out this section, $29,605,000 for each of fiscal years 2018 through 2022.


AMENDMENTS


Pub. L. 115–271, §7102(a)(1), substituted “children, adolescents, and young adults” for “children and adolescents” in section catchline.

Subsec. (a)(2). Pub. L. 115–271, §7102(a)(2), substituted “children, adolescents, and young adults, including” for “children, including”.


Subsec. (a). Pub. L. 114–255, §10003(2), added subsec. (a) and struck out former subsec. (a). Prior to amendment, text read as follows: “The Secretary shall award grants, contracts, or cooperative agreements to public and private nonprofit entities, including Native Alaskan entities and Indian tribes and tribal organizations, for the purpose of providing substance abuse treatment services for children and adolescents.”

Subsec. (b)(1). Pub. L. 114–255, §10003(3)(A), added par. (1) and struck out former par. (1) which read as follows: “apply evidenced-based and cost effective methods for the treatment of substance abuse among children and adolescents;”.


Subsec. (b)(3). Pub. L. 114–255, §10003(3)(C), substituted “substance use disorders, including children and adolescents with co-occurring mental illness and substance use disorders,” for “substance abuse disorders”.

Subsec. (b)(5). Pub. L. 114–255, §10003(3)(D), substituted “services; and” for “treatment;”.


Subsec. (b)(7). Pub. L. 114–255, §10003(3)(F), struck out par. (7) which read as follows: “address the relationship between substance abuse and violence.”

Subsec. (f). Pub. L. 114–255, §10003(4), substituted "$29,605,000 for each of fiscal years 2018 through 2022." for "$40,000,000 for fiscal year 2001, and such sums as may be necessary for fiscal years 2002 and 2003.”

§290bb–7a. Youth prevention and recovery

(a) Omitted

(b) Resource center

The Secretary of Health and Human Services (referred to in this section as the “Secretary”, except as otherwise provided), in consultation
with the Secretary of Education and other heads of agencies, including the Assistant Secretary for Mental Health and Substance Use and the Administrator of the Health Resources and Services Administration, as appropriate, shall establish a resource center to provide technical support to recipients of grants under subsection (c).

(c) Youth prevention and recovery initiative

(1) In general

The Secretary, in consultation with the Secretary of Education, shall administer a program to provide support for communities to support the prevention of, treatment of, and recovery from, substance use disorders for children, adolescents, and young adults.

(2) Definitions

In this subsection:

(A) Eligible entity

The term “eligible entity” means—

(i) a local educational agency that is seeking to establish or expand substance use prevention or recovery support services at one or more high schools;

(ii) a State educational agency;

(iii) an institution of higher education (or consortia of such institutions), which may include a recovery program at an institution of higher education;

(iv) a local board or one-stop operator;

(v) a nonprofit organization with appropriate expertise in providing services or programs for children, adolescents, or young adults, excluding a school;

(vi) a State, political subdivision of a State, Indian tribe, or tribal organization; or

(vii) a high school or dormitory serving high school students that receives funding from the Bureau of Indian Education.

(B) Foster care

The term “foster care” has the meaning given such term in section 1355.20(a) of title 45, Code of Federal Regulations (or any successor regulations).

(C) High school

The term “high school” has the meaning given such term in section 7801 of title 20.

(D) Homeless youth

The term “homeless youth” has the meaning given the term “homeless children or youths” in section 11434a of this title.

(E) Indian tribe; tribal organization

The terms “Indian tribe” and “tribal organization” have the meanings given such terms in section 5304 of title 25.

(F) Institution of higher education

The term “institution of higher education” has the meaning given such term in section 1001 of title 20 and includes a “post-secondary vocational institution” as defined in section 1002(c) of such title.

(G) Local educational agency

The term “local educational agency” has the meaning given such term in section 7801 of title 20.

(H) Local board; one-stop operator

The terms “local board” and “one-stop operator” have the meanings given such terms in section 3102 of title 29.

(I) Out-of-school youth

The term “out-of-school youth” has the meaning given such term in section 3164(a)(1)(B) of title 29.

(J) Recovery program

The term “recovery program” means a program—

(i) to help children, adolescents, or young adults who are recovering from substance use disorders to initiate, stabilize, and maintain healthy and productive lives in the community; and

(ii) that includes peer-to-peer support delivered by individuals with lived experience in recovery, and communal activities to build recovery skills and supportive social networks.

(K) State educational agency

The term “State educational agency” has the meaning given such term in section 7801 of title 20.

(3) Best practices

The Secretary, in consultation with the Secretary of Education, shall—

(A) identify or facilitate the development of evidence-based best practices for prevention of substance misuse and abuse by children, adolescents, and young adults, including for specific populations such as youth in foster care, homeless youth, out-of-school youth, and youth who are at risk of or have experienced trafficking that address—

(i) primary prevention;

(ii) appropriate recovery support services;

(iii) appropriate use of medication-assisted treatment for such individuals, if applicable, and ways of overcoming barriers to the use of medication-assisted treatment in such population; and

(iv) efficient and effective communication, which may include the use of social media, to maximize outreach efforts;

(B) disseminate such best practices to State educational agencies, local educational agencies, schools and dormitories funded by the Bureau of Indian Education, institutions of higher education, recovery programs at institutions of higher education, local boards, one-stop operators, family and youth homeless providers, and nonprofit organizations, as appropriate;

(C) conduct a rigorous evaluation of each grant funded under this subsection, particularly its impact on the indicators described in paragraph (7)(B); and

(D) provide technical assistance for grantees under this subsection.

(4) Grants authorized

The Secretary, in consultation with the Secretary of Education, shall award 3-year grants, on a competitive basis, to eligible entities to enable such entities, in coordination with In-
dian tribes, if applicable, and State agencies responsible for carrying out substance use disorder prevention and treatment programs, to carry out evidence-based programs for—

(A) prevention of substance misuse and abuse by children, adolescents, and young adults, which may include primary prevention;

(B) recovery support services for children, adolescents, and young adults, which may include counseling, job training, linkages to community-based services, family support groups, peer mentoring, and recovery coaching; or

(C) treatment or referrals for treatment of substance use disorders, which may include the use of medication-assisted treatment, as appropriate.

(5) Special consideration

In awarding grants under this subsection, the Secretary shall give special consideration to the unique needs of tribal, urban, suburban, and rural populations.

(6) Application

To be eligible for a grant under this subsection, an entity shall submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require. Such application shall include—

(A) a description of—

(i) the impact of substance use disorders in the population that will be served by the grant program;

(ii) how the eligible entity has solicited input from relevant stakeholders, which may include faculty, teachers, staff, families, students, and experts in substance use disorder prevention, treatment, and recovery in developing such application;

(iii) the goals of the proposed project, including the intended outcomes;

(iv) how the eligible entity plans to use grant funds for evidence-based activities, in accordance with this subsection to prevent, provide recovery support for, or treat substance use disorders amongst such individuals, or a combination of such activities; and

(v) how the eligible entity will collaborate with relevant partners, which may include State educational agencies, local educational agencies, institutions of higher education, juvenile justice agencies, prevention and recovery support providers, local service providers, including substance use disorder treatment programs, providers of mental health services, youth serving organizations, family and youth homeless providers, child welfare agencies, and primary care providers, in carrying out the grant program; and

(B) an assurance that the eligible entity will participate in the evaluation described in paragraph (3)(C).

(7) Reports to the Secretary

Each eligible entity awarded a grant under this subsection shall submit to the Secretary a report at such time and in such manner as the Secretary may require. Such report shall include—

(A) a description of how the eligible entity used grant funds, in accordance with this subsection, including the number of children, adolescents, and young adults reached through programming; and

(B) a description, including relevant data, of how the grant program has made an impact on the intended outcomes described in paragraph (6)(A)(iii), including—

(i) indicators of student success, which, if the eligible entity is an educational institution, shall include student well-being and academic achievement;

(ii) substance use disorders amongst children, adolescents, and young adults, including the number of overdoses and deaths amongst children, adolescents, and young adults served by the grant during the grant period; and

(iii) other indicators, as the Secretary determines appropriate.

(8) Report to Congress

The Secretary shall, not later than October 1, 2022, submit a report to the Committee on Health, Education, Labor, and Pensions of the Senate and the Committee on Energy and Commerce and the Committee on Education and the Workforce of the House of Representatives a report summarizing the effectiveness of the grant program under this subsection, based on the information submitted in reports required under paragraph (7).

(9) Authorization of appropriations

There is authorized to be appropriated $10,000,000 to carry out this subsection for each of fiscal years 2019 through 2023.


CODIFICATION


Section was enacted as part of the Substance Use–Disorder Prevention that Promotes Opioid Recovery and Treatment for Patients and Communities Act, also known as the SUPPORT for Patients and Communities Act, and not as part of the Public Health Service Act which comprises this chapter.

CHANGE OF NAME

Committee on Education and the Workforce of House of Representatives changed to Committee on Education and Labor of House of Representatives by House Resolution No. 6, One Hundred Sixteenth Congress, Jan. 9, 2019.


§ 290bb–10. Evidence-based prescription opioid and heroin treatment and interventions demonstration

(a) Grants to expand access

(1) Authority to award grants

The Secretary shall award grants, contracts, or cooperative agreements to State substance abuse agencies, units of local government, nonprofit organizations, and Indian tribes and tribal organizations (as defined in section 5304 of title 25) that have a high rate or have had a rapid increase, in the use of heroin or other opioids, in order to permit such entities to expand activities, including an expansion in the availability of evidence-based medication-assisted treatment and other clinically appropriate services, with respect to the treatment of addiction in the specific geographical areas of such entities where there is a high rate or rapid increase in the use of heroin or other opioids, such as in rural areas.

(2) Nature of activities

Funds awarded under paragraph (1) shall be used for activities that are based on reliable scientific evidence of efficacy in the treatment of problems related to heroin or other opioids.

(b) Application

To be eligible for a grant, contract, or cooperative agreement under subsection (a), an entity shall submit an application to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may reasonably require.

(c) Evaluation

An entity that receives a grant, contract, or cooperative agreement under subsection (a) shall submit, in the application for such grant, contract, or agreement a plan for the evaluation of any project undertaken with funds provided under this section. Such entity shall provide the Secretary with periodic evaluations of the progress of such project and an evaluation at the completion of such project as the Secretary determines to be appropriate.

(d) Geographic distribution

In awarding grants, contracts, and cooperative agreements under this section, the Secretary shall ensure that not less than 15 percent of funds are awarded to eligible entities that are not located in metropolitan statistical areas (as defined by the Office of Management and Budget). The Secretary shall take into account the unique needs of rural communities, including communities with an incidence of individuals with opioid use disorder that is above the national average and communities with a shortage of prevention and treatment services.

(e) Additional activities

In administering grants, contracts, and cooperative agreements under this section, the Secretary shall—

(1) evaluate the activities supported under such subsection;

(2) disseminate information, as appropriate, derived from evaluations as the Secretary considers appropriate;

(3) provide States, Indian tribes and tribal organizations, and providers with technical assistance in connection with the provision of treatment of problems related to heroin and other opioids; and

(4) fund only those applications that specifically support recovery services as a critical component of the program involved.

(f) Authorization of appropriations

To carry out this section, there are authorized to be appropriated $25,000,000 for each of fiscal years 2017 through 2021.

(July 1, 1944, ch. 373, title V, § 514B, as added Pub. L. 114–198, title III, § 301, July 22, 2016, 130 Stat. 717.)

§ 290bb–11. Building capacity for family-focused residential treatment

(a) Definitions

In this section:

(1) Eligible entity

The term “eligible entity” means a State, county, local, or tribal health or child welfare agency, a private nonprofit organization, a research organization, a treatment service provider, an institution of higher education (as defined under section 1001 of title 20), or another entity specified by the Secretary.

(2) Family-focused residential treatment program

The term “family-focused residential treatment program” means a trauma-informed residential program primarily for substance use disorder treatment for pregnant and postpartum women and parents and guardians that allows children to reside with such women or their parents or guardians during treatment to the extent appropriate and applicable.

(3) Secretary

The term “Secretary” means the Secretary of Health and Human Services.

(b) Support for the development of evidence-based family-focused residential treatment programs

(1) Authority to award grants

The Secretary shall award grants to eligible entities for purposes of developing, enhancing, or evaluating family-focused residential treatment programs to increase the availability of such programs that meet the requirements for promising, supported, or well-supported practices specified in section 671(e)(4)(C) of this title) (as added by the Family First Prevention Services Act enacted under title VII of division E of Public Law 115–123).

(2) Evaluation requirement

The Secretary shall require any evaluation of a family-focused residential treatment program by an eligible entity that uses funds awarded under this section for all or part of the costs of the evaluation be designed to assist in the determination of whether the program may qualify as a promising, supported,

1 So in original.
or well-supported practice in accordance with the requirements of such section 671(e)(4)(C).

(c) Authorization of appropriations

There is authorized to be appropriated to the Secretary to carry out this section, $20,000,000 for fiscal year 2019, which shall remain available through fiscal year 2023.


REFERENCES IN TEXT


CODIFICATION

Section was enacted as part of the Substance Use-Disorder Prevention that Promotes Opioid Recovery and Treatment for Patients and Communities Act, also known as the SUPPORT for Patients and Communities Act, and not as part of the Public Health Service Act which comprises this chapter.

SUPPORTING FAMILY-FOCUSED RESIDENTIAL TREATMENT

(Pub. L. 115–271, title VIII, §8081, Oct. 24, 2018, 132 Stat. 4097, provided that:

“(a) DEFINITIONS.—In this section:

“(1) FAMILY-FOCUSED RESIDENTIAL TREATMENT PROGRAM.—The term ‘family-focused residential treatment program’ means a trauma-informed residential program primarily for substance use disorder treatment for pregnant and postpartum women and parents and guardians that allows children to reside with such women or their parents or guardians during treatment to the extent appropriate and applicable.

“(2) MEDICAID PROGRAM.—The term ‘Medicaid program’ means the program established under title XIX of the Social Security Act (42 U.S.C. 1315, 1396 et seq.).

“(3) SECRETARY.—The term ‘Secretary’ means the Secretary of Health and Human Services.

“(4) TITLE IV–E PROGRAM.—The term ‘title IV–E program’ means the program for foster care, prevention, and permanency established under part E of title IV of the Social Security Act (42 U.S.C. 670 et seq.).

“(b) GUIDANCE ON FAMILY-FOCUSED RESIDENTIAL TREATMENT PROGRAMS.—

“(1) IN GENERAL.—Not later than 180 days after the date of enactment of this Act [Oct. 24, 2018], the Secretary, in consultation with divisions of the Department of Health and Human Services administering substance use disorder or child welfare programs, shall develop and issue guidance to States identifying opportunities to support family-focused residential treatment programs for the provision of substance use disorder treatment. Before issuing such guidance, the Secretary shall solicit input from representatives of States, health care providers with expertise in addiction medicine, obstetrics and gynecology, neonatology, child trauma, and child development, health plans, recipients of family-focused treatment services, and other relevant stakeholders.

“(2) ADDITIONAL REQUIREMENTS.—The guidance required under paragraph (1) shall include descriptions of the following:

“(A) Existing opportunities and flexibilities under the Medicaid program, including under waivers authorized under section 1115 or 1915 of the Social Security Act (42 U.S.C. 1315, 1396n), for States to receive Federal Medicaid funding for the provision of substance use disorder treatment for pregnant and postpartum women and parents and guardians and, to the extent applicable, their children, in family-focused residential treatment programs.

“(B) How States can employ and coordinate funding provided under the Medicaid program, the title IV-E program, and other programs administered by the Secretary to support the provision of treatment and services provided by a family-focused residential treatment facility such as substance use disorder treatment and services, including medication-assisted treatment, family, group, and individual counseling, case management, parenting education and skills development, the provision, assessment, or coordination of care and services for children, including necessary assessments and appropriate interventions, non-emergency transportation for necessary care provided at or away from a program site, transitional services and supports for families leaving treatment, and other services.

“(C) How States can employ and coordinate funding provided under the Medicaid program and the title IV–E program (including as amended by the Family First Prevention Services Act enacted under title VII of division E of Public Law 115–123 [132 Stat. 232], and particularly with respect to the authority under subsections (a)(2)(C) and (j) of section 472 and section 474(a)(1) of the Social Security Act (42 U.S.C. 672, 674a(1)) as amended by section 50712 of Public Law 115–123) to provide foster care maintenance payments for a child placed with a parent who is receiving treatment in a licensed residential family-based treatment facility for a substance use disorder (to support placing children with their parents in family-focused residential treatment programs)."

SUBPART 2—CENTER FOR SUBSTANCE ABUSE PREVENTION

§290bb–21. Center for Substance Abuse Prevention

(a) Establishment; Director

There is established in the Administration a Center for Substance Abuse Prevention (hereafter referred to in this part as the “Prevention Center”). The Prevention Center shall be headed by a Director appointed by the Secretary from individuals with extensive experience or academic qualifications in the prevention of drug or alcohol abuse.

(b) Duties of Director

The Director of the Prevention Center shall—

(1) sponsor regional workshops on the prevention of drug and alcohol abuse through the reduction of risk and the promotion of resiliency;

(2) coordinate the findings of research sponsored by agencies of the Service on the prevention of drug and alcohol abuse;

(3) collaborate with the Director of the National Institute on Drug Abuse, the Director of the National Institute on Alcohol Abuse and Alcoholism, and States to promote the study of substance abuse prevention and the dissemination and implementation of research findings that will improve the delivery and effectiveness of substance abuse prevention activities;

(4) develop effective drug and alcohol abuse prevention literature (including educational information on the effects of drugs abused by individuals, including drugs that are emerging as abused drugs);

(5) in cooperation with the Secretary of Education, assure the widespread dissemination of prevention materials among States, political subdivisions, and school systems;

(6) support clinical training programs for health professionals who provide substance abuse treatment;
use and misuse prevention and treatment services and other health professionals involved in illicit drug use education and prevention;

(7) in cooperation with the Director of the Centers for Disease Control and Prevention, develop and disseminate educational materials to increase awareness for individuals at greatest risk for substance use disorders to prevent the transmission of communicable diseases, such as HIV, hepatitis, tuberculosis, and other communicable diseases;

(8) conduct training, technical assistance, data collection, and evaluation activities of programs supported under the Drug Free Schools and Communities Act of 1986;

(9) support the development of model, innovative, community-based programs that reduce the risk of alcohol and drug abuse among young people and promote resiliency;

(10) collaborate with the Attorney General of the Department of Justice to develop programs to prevent drug abuse among high risk youth;

(11) prepare for distribution documentary films and public service announcements for television and radio to educate the public, especially adolescent audiences, concerning the dangers to health resulting from the consumption of alcohol and drugs, and, to the extent feasible, use appropriate private organizations and business concerns in the preparation of such announcements;

(12) develop and support innovative demonstration programs designed to identify and deter the improper use or abuse of anabolic steroids by students, especially students in secondary schools;

(13) ensure the consistent documentation of the application of criteria when awarding grants and the ongoing oversight of grantees after such grants are awarded;

(14) assist and support States in preventing illicit drug use, including emerging illicit drug use issues; and

(15) in consultation with relevant stakeholders and in collaboration with the Director of the Centers for Disease Control and Prevention, develop educational materials for clinicians to use with pregnant women for shared decision making regarding pain management and the prevention of substance use disorders during pregnancy.

(c) Grants, contracts and cooperative agreements

The Director may make grants and enter into contracts and cooperative agreements in carrying out subsection (b).

(d) National data base

The Director of the Prevention Center shall establish a national data base providing information on programs for the prevention of substance abuse. The data base shall contain information appropriate for use by public entities and information appropriate for use by nonprofit private entities.


REFERENCES IN TEXT


AMENDMENTS


Subsec. (a). Pub. L. 114–255, §6007(b)(2), substituted “a Center” for “an Office” and “The Prevention Center” for “The Office”.


Subsec. (b)(4). Pub. L. 114–255, §6007(b)(3)(B), redesignated par. (3) as (4) and substituted “educational information on the effects of drugs abused by individuals, including drugs that are emerging as abused drugs” for “literature on the adverse effects of cocaine free base (known as ‘crack’)”. Former par. (4) redesignated (5).


Subsec. (b)(6). Pub. L. 114–255, §6007(b)(3)(D), redesignated par. (5) as (6) and substituted “professionals who provide substance use and misuse prevention and treatment services” for “substance abuse counselors” and “illicit drug use education and prevention” for “drug abuse education, prevention,”. Former par. (6) redesignated (7).


Prior to amendment, par. (7) read as follows: “in cooperation with the Director of the Centers for Disease Control and Prevention, develop educational materials to reduce the risks of acquired immune deficiency syndrome among intravenous drug abusers.”. Former par. (7) redesignated (8).


Subsec. (b)(9). Pub. L. 114–255, §6007(b)(3)(G), redesignated par. (8) as (9) and substituted “that reduce the risk of” for “to discourage” and inserted “and promote resiliency” before semicolon. Former par. (9) redesignated (10).

Subsec. (b)(10) to (12). Pub. L. 114–255, §6007(b)(3)(H), redesignated pars. (9) to (11) as (10) to (12), respectively.

Subsec. (b)(10). Pub. L. 106–310, §3122(b)(1), (3), redesignated par. (9) as (10) and substituted “educate the public, especially adolescent audiences, concerning” for “educate the public concerning”. Former par. (10) redesignated (11).


1992—Subsec. (a). Pub. L. 102–321, §113(e)(1), substituted “(hereafter referred to in this part as the ‘Prevention Center’)” for “(hereafter in this part referred to as the ‘Office’)”.
Subsec. (b)(5). Pub. L. 102–321, §113(c)(1), struck out “and intervention” after “prevention,”.
Subsec. (b). Pub. L. 102–321, which directed the amendment of “section 508(b)(6) (42 U.S.C. 290aa–6(b)(6))” of act July 1, 1944, by substituting “Centers for Disease Control and Prevention” for “Centers for Disease Control”, was executed to subsec. (b)(6) of this section to reflect the probable intent of Congress and the intervening renumbering of section 508 of act July 1, 1944, as section 515 of that act by Pub. L. 102–321, §119(b)(2).
Subsec. (b)(10) to (12). Pub. L. 102–321, §113(c)(2)–(4), redesignated par. (10) (as (10) and struck out former pars. (10) and (11)) which read as follows: “(10) (A) provide assistance to communities to develop comprehensive long-term strategies for the prevention of substance abuse and; and “(B) evaluate the success of different community approaches toward the prevention of substance abuse.; “(11) through schools of health professions, schools of allied health professions, schools of nursing, and schools of social work, carry out programs— “(A) to train individuals in the diagnosis and treatment of alcohol and drug abuse and; “(B) to develop appropriate curricula and materials for the training described in subparagraph (A); and; “(C) substance use disorder prevention information and activities into primary health care systems; “(C) targeting the substance use disorder prevention needs of regional and national significance; “(D) to provide comprehensive education, training, treatment, and intervention for substance use disorder prevention; “(E) to develop, disseminate, and evaluate evidence-based practices and curriculum for substance use disorder prevention; “(F) to develop and disseminate educational materials, including the evaluation of commercial materials; “(G) to disseminate information about the training of health professionals, including the evaluation of commercial materials; “(G) to provide technical assistance to States and interested groups on an annual basis to discuss program priorities. “(1) For the purpose of carrying out this section and sections 290aa–7, 290aa–8, and 290aa–13 of this title, there are authorized to be appropriated $95,000,000 for each of the fiscal years 1990 and 1991. “(2) Of the amounts appropriated pursuant to paragraph (1) for a fiscal year, the Secretary shall make available not less than $5,000,000 to carry out paragraphs (5) and (11) of subsection (b) of this section.”
1988—Subsec. (b)(5). Pub. L. 100–690, §2051(b)(1), amended par. (5) generally. Prior to amendment, par. (5) read as follows: “support programs of clinical training of substance abuse counselors and other health professionals;.”
Subsec. (b)(10). Pub. L. 100–690, §2051(b)(2) added par. (10).
Subsec. (b)(11). Pub. L. 100–690, §2051(c), added par. (11).
Subsec. (d). Pub. L. 100–690, §2051(a), amended subsec. (d) generally. Prior to amendment, subsec. (d) read as follows: “Of the amounts available under the second sentence of section 300(a) of this title to carry out this section and section 290aa–8 of this title, $20,000,000 shall be available to carry out section 290aa–8 of this title.”

Effective Date of 1992 Amendment
Amendment by Pub. L. 102–321 effective Oct. 1, 1992, with provision for programs providing financial assistance, see section 801(c), (d) of Pub. L. 102–321, set out as a note under section 236 of this title.

§290bb–22. Priority substance use disorder prevention needs of regional and national significance

(a) Projects
The Secretary shall address priority substance use disorder prevention needs of regional and national significance (as determined under subsection (b)) through the provision of or through assistance for—
(1) knowledge development and application projects for prevention and the conduct or support of evaluations of such projects; (2) training and technical assistance; and (3) targeted capacity response programs, including such programs that focus on emerging drug abuse issues.

The Secretary may carry out the activities described in this section directly or through grants, contracts, or cooperative agreements with States, political subdivisions of States, Indian tribes or tribal organizations (as such terms are defined in section 5304 of title 25), health facilities, or programs operated by or in accordance with a contract or grant with the Indian Health Service, or other public or nonprofit private entities.

(b) Priority substance abuse prevention needs

(1) In general
Priority substance use disorder prevention needs of regional and national significance shall be determined by the Secretary in consultation with the States and other interested groups. The Secretary shall meet with the States and interested groups on an annual basis to discuss program priorities.

(2) Special consideration
In developing program priorities under paragraph (1), the Secretary shall give special consideration to—
(A) applying the most promising strategies and research-based primary prevention approaches; (B) promoting the integration of substance use disorder prevention information and activities into primary health care systems; and (C) substance use disorder prevention among high-risk groups.

(c) Requirements

(1) In general
Recipients of grants, contracts, and cooperative agreements under this section shall comply with information and application requirements determined appropriate by the Secretary.

(2) Duration of award
With respect to a grant, contract, or cooperative agreement awarded under this section, the period during which payments under such award are made to the recipient may not exceed 5 years.

(3) Matching funds
The Secretary may, for projects carried out under subsection (a), require that entities that
apply for grants, contracts, or cooperative agreements under that project provide non-Federal matching funds, as determined appropriate by the Secretary, to ensure the institutional commitment of the entity to the projects funded under the grant, contract, or cooperative agreement. Such non-Federal matching funds may be provided directly or through donations from public or private entities and may be in cash or in kind, fairly evaluated, including plant, equipment, or services.

(4) Maintenance of effort

With respect to activities for which a grant, contract, or cooperative agreement is awarded under this section, the Secretary may require that recipients for specific projects under subsection (a) agree to maintain expenditures of non-Federal amounts for such activities at a level that is not less than the level of such expenditures maintained by the entity for the fiscal year preceding the fiscal year for which the entity receives such a grant, contract, or cooperative agreement.

(d) Evaluation

The Secretary shall evaluate each project carried out under subsection (a)(1) and shall disseminate the findings with respect to each such evaluation to appropriate public and private entities.

(e) Information and education

The Secretary shall establish comprehensive information and education programs to disseminate the findings of the knowledge development and application, training and technical assistance programs, and targeted capacity response programs under this section to the general public and to health professionals. The Secretary shall make every effort to provide linkages between the findings of supported projects and State agencies responsible for carrying out substance use disorder prevention and treatment programs.

(f) Authorization of appropriation

There are authorized to be appropriated to carry out this section, $211,148,000 for each of fiscal years 2018 through 2022.

(1) In general


AMENDMENTS

2016—Pub. L. 114–255, § 7005(1), substituted “use disorder” for “abuse” in section catchline. Subsec. (a), Pub. L. 114–255, § 7005(2)(A), (C), in introductory provisions, substituted “use disorder” for “abuse” and, in concluding provisions, inserted “, contracts,” before “or cooperative agreements” and substituted “Indian tribes or tribal organizations (as each term is defined in section 5304 of title 25), health facilities, or programs operated by or in accordance with a contract or grant with the Indian Health Service,” for “Indian tribes and tribal organizations,”. Subsec. (a)(3), Pub. L. 114–255, § 7005(2)(B), inserted “, including such programs that focus on emerging drug abuse issues” before period. Subsec. (b), Pub. L. 114–255, § 7005(3), substituted “use disorder” for “abuse” in pars. (1) and (2)(B) and added par. (2)(C).

Subsec. (e), Pub. L. 114–255, § 7005(4), substituted “use disorder” for “abuse”.

Subsec. (f), Pub. L. 114–255, § 7005(5), substituted “$211,148,000 for each of fiscal years 2018 through 2022.” for “$300,000,000 for fiscal year 2001, and such sums as may be necessary for each of the fiscal years 2002 and 2003.”.


EFFECTIVE DATE OF 1992 AMENDMENT

Amendment by Pub. L. 102–321 effective Oct. 1, 1992, with provision for programs providing financial assistance, see section 801(c), (d), of Pub. L. 102–321, set out as a note under section 236 of this title.


A prior section 518 of act July 1, 1944, was classified to section 290cc–11 of this title, prior to repeal by Pub. L. 102–321, § 120(b)(3).

§ 290bb–25. Grants for services for children of substance abusers

(a) Establishment

(1) In general

The Secretary, acting through the Assistant Secretary for Mental Health and Substance Use, shall make grants to public and nonprofit private entities for the purpose of carrying out programs—

(A) to provide the services described in subsection (b) to children of substance abusers;

(B) to provide the applicable services described in subsection (c) to families in which a member is a substance abuser;
(C) to identify such children and such families through youth service agencies, family social services, child care providers, Head Start, schools and after-school programs, early childhood development programs, community-based family resource and support centers, the criminal justice system, health, substance abuse and mental health providers through screenings conducted during regular childhood examinations and other examinations, self and family member referrals, substance abuse treatment services, and other providers of services to children and families; and

(D) to provide education and training to health, substance abuse and mental health professionals, and other providers of services to children and families through youth service agencies, family social services, child care, Head Start, schools and after-school programs, early childhood development programs, community-based family resource and support centers, the criminal justice system, and other providers of services to children and families

(2) Administrative consultations

The Assistant Secretary of the Administration for Children, Youth, and Families and the Assistant Secretary of the Health Resources and Services Administration shall be consulted regarding the promulgation of program guidelines and funding priorities under this section.

(3) Requirement of status as medicaid provider

(A) Subject to subparagraph (B), the Secretary may make a grant under paragraph (1) only if, in the case of any service under such paragraph that is covered in the State plan approved under title XIX of the Social Security Act [42 U.S.C. 1396 et seq.] for the State involved—

(i) the entity involved will provide the service directly, and the entity has entered into a participation agreement under the State plan and is qualified to receive payments under such plan; or

(ii) the entity will enter into an agreement with an organization under which the organization will provide the service, and the organization has entered into such a participation agreement and is qualified to receive such payments; and

(B)(i) In the case of an organization making an agreement under subparagraph (A)(ii) 1 regarding the provision of services under paragraph (1), the requirement established in such subparagraph regarding a participation agreement shall be waived by the Secretary if the organization does not, in providing health or mental health services, impose a charge or accept reimbursement available from any third-party payor, including reimbursement under any insurance policy or under any Federal or State health benefits program.

(ii) A determination by the Secretary of whether an organization referred to in clause (i) meets the criteria for a waiver under such clause shall be made without regard to whether the organization accepts voluntary donations regarding the provision of services to the public.

(b) Services for children of substance abusers

The Secretary may make a grant under subsection (a) only if the applicant involved agrees to make available (directly or through agreements with other entities) to children of substance abusers each of the following services:

(1) Periodic evaluation of children for developmental, psychological, alcohol and drug, and medical problems.

(2) Primary pediatric care.

(3) Other necessary health and mental health services.

(4) Therapeutic intervention services for children, including provision of therapeutic child care.

(5) Developmentally and age-appropriate drug and alcohol early intervention, treatment and prevention services.

(6) Counseling related to the witnessing of chronic violence.

(7) Referrals for, and assistance in establishing eligibility for, services provided under—

(A) education and special education programs;

(B) Head Start programs established under the Head Start Act [42 U.S.C. 9831 et seq.];

(C) other early childhood programs;

(D) employment and training programs;

(E) public assistance programs provided by Federal, State, or local governments; and

(F) programs offered by vocational rehabilitation agencies, recreation departments, and housing agencies.

(8) Additional developmental services that are consistent with the provision of early intervention services, as such term is defined in part C of the Individuals with Disabilities Education Act [20 U.S.C. 1431 et seq.].

Services shall be provided under paragraphs (2) through (8) by a public health nurse, social worker, or similar professional, or by a trained worker from the community who is supervised by a professional, or by an entity, where the professional or entity provides assurances that the professional or entity is licensed or certified by the State if required and is complying with applicable licensure or certification requirements.

(c) Services for affected families

The Secretary may make a grant under subsection (a) only if, in the case of families in which a member is a substance abuser, the applicant involved agrees to make available (directly or through agreements with other entities) each of the following services, as applicable to the family member involved:

(1) Services as follows, to be provided by a public health nurse, social worker, or similar professional, or by a trained worker from the community who is supervised by a professional, or by an entity, where the professional

---

1 See References in Text note below.
or entity provides assurances that the professional or entity is licensed or certified by the State if required and is complying with applicable licensure or certification requirements:

(A) Counseling to substance abusers on the benefits and availability of substance abuse treatment services and services for children of substance abusers.

(B) Assistance to substance abusers in obtaining and using substance abuse treatment services and in obtaining the services described in subsection (b) for their children.

(C) Visiting and providing support to substance abusers, especially pregnant women, who are receiving substance abuse treatment services or whose children are receiving services under subsection (b).

(D) Aggressive outreach to family members with substance abuse problems.

(E) Inclusion of consumer in the development, implementation, and monitoring of Family Services Plan.

(2) In the case of substance abusers:

(A) Alcohol and drug treatment services, including screening and assessment, diagnosis, detoxification, individual and group counseling, relapse prevention, pharmacotherapy treatment, after-care services, and case management.

(B) Primary health care and mental health services, including prenatal and post partum care for pregnant women.

(C) Consultation and referral regarding subsequent pregnancies and life options and counseling on the human immunodeficiency virus and acquired immune deficiency syndrome.

(D) Where appropriate, counseling regarding family violence.

(E) Career planning and education services.

(F) Referrals for, and assistance in establishing eligibility for, services described in subsection (b)(7).

(3) In the case of substance abusers, spouses of substance abusers, extended family members of substance abusers, caretakers of children of substance abusers, and other people significantly involved in the lives of substance abusers or the children of substance abusers:

(A) An assessment of the strengths and service needs of the family and the assignment of a case manager who will coordinate services for the family.

(B) Therapeutic intervention services, such as parental counseling, joint counseling sessions for families and children, and family therapy.

(C) Child care or other care for the child to enable the parent to attend treatment or other activities and respite care services.

(D) Parenting education services and parent support groups which include child abuse and neglect prevention techniques.

(E) Support services, including, where appropriate, transportation services.

(F) Where appropriate, referral of other family members to related services such as job training.

(G) Aftercare services, including continued support through parent groups and home visits.

(d) Training for providers of services to children and families

The Secretary may make a grant under subsection (a) for the training of health, substance abuse and mental health professionals and other providers of services to children and families through youth service agencies, family social services, child care providers, Head Start, schools and after-school programs, early childhood development programs, community-based family resource centers, the criminal justice system, and other providers of services to children and families. Such training shall be to assist professionals in recognizing the drug and alcohol problems of their clients and to enhance their skills in identifying and understanding the nature of substance abuse, and obtaining substance abuse early intervention, prevention and treatment resources.

(e) Eligible entities

The Secretary shall distribute the grants through the following types of entities:

(1) Alcohol and drug early intervention, prevention or treatment programs, especially those providing treatment to pregnant women and mothers and their children.

(2) Public or nonprofit private entities that provide health or social services to disadvantaged populations, and that have—

(A) expertise in applying the services to the particular problems of substance abusers and the children of substance abusers; or

(B) an affiliation or contractual relationship with one or more substance abuse treatment programs or pediatric health or mental health providers and family mental health providers.

(3) Consortia of public or nonprofit private entities that include at least one substance abuse treatment program.

(4) Indian tribes.

(f) Federal share

The Federal share of a program carried out under subsection (a) shall be 90 percent. The Secretary shall accept the value of in-kind contributions, including facilities and personnel, made by the grant recipient as a part or all of the non-Federal share of grants.

(g) Restrictions on use of grant

The Secretary may make a grant under subsection (a) only if the applicant involved agrees that the grant will not be expended—

(1) to provide inpatient hospital services;

(2) to make cash payments to intended recipients of services;

(3) to purchase or improve land, purchase, construct, or permanently improve (other than minor remodeling) any building or other facility, or purchase major medical equipment;

(4) to satisfy any requirement for the expenditure of non-Federal funds as a condition for the receipt of Federal funds; or

(5) to provide financial assistance to any entity other than a public or nonprofit private entity.
(h) Submission to Secretary of certain information

The Secretary may make a grant under subsection (a) only if the applicant involved submits to the Secretary—

(1) a description of the population that is to receive services under this section and a description of such services that are to be provided and measurable goals and objectives;

(2) a description of the mechanism that will be used to involve the local public agencies responsible for health, including maternal and child health, mental health, child welfare, education, juvenile justice, developmental disabilities, and substance abuse in planning and providing services under this section, as well as evidence that the proposal has been coordinated with the State agencies responsible for administering those programs, the State agency responsible for administering alcohol and drug programs, the State lead agency, and the State Interagency Coordinating Council under part H of the Individuals with Disabilities Education Act; and;  

(3) such other information as the Secretary determines to be appropriate.

(i) Reports to Secretary

The Secretary may make a grant under subsection (a) only if the applicant involved agrees that for each fiscal year for which the applicant receives such a grant the applicant, in accordance with uniform standards developed by the Secretary, will submit to the Secretary a report containing—

(1) a description of specific services and activities provided under the grant;

(2) information regarding progress toward meeting the program's stated goals and objectives;

(3) information concerning the extent of use of services provided under the grant, including the number of referrals to related services and information on other programs or services accessed by children, parents, and other caretakers;

(4) information concerning the extent to which parents were able to access and receive treatment for alcohol and drug abuse and sustain participation in treatment over time until the provider and the individual receiving treatment agree to end such treatment, and the extent to which parents re-enter treatment after the successful or unsuccessful termination of treatment;

(5) information concerning the costs of the services provided and the source of financing for health care services;

(6) information concerning—

(A) the number and characteristics of families, parents, and children served, including a description of the type and severity of childhood disabilities, and an analysis of the number of children served by age; 

(B) the number of children served who remained with their parents during the period in which entities provided services under this section; and

(C) the number of case workers or other professionals trained to identify and address substance abuse issues.

(7) information on hospitalization or emergency room use by the family members participating in the program; and

(8) such other information as the Secretary determines to be appropriate.

(j) Requirement of application

The Secretary may make any grant under subsection (a) only if—

(1) an application for the grant is submitted to the Secretary;

(2) the application contains the agreements required in this section and the information required in subsection (b); and

(3) the application is in such form, is made in such manner, and contains such agreements, assurances, and information as the Secretary determines to be necessary to carry out this section.

(k) Evaluations

The Secretary shall periodically conduct evaluations to determine the effectiveness of programs supported under subsection (a)—

(1) in reducing the incidence of alcohol and drug abuse among substance abusers participating in the programs;

(2) in preventing adverse health conditions in children of substance abusers;

(3) in promoting better utilization of health and developmental services and improving the health, developmental, and psychological status of children receiving services under the program; and

(4) in improving parental and family functioning, including increased participation in work or employment-related activities and decreased participation in welfare programs.

(l) Report to Congress

Not later than 2 years after the date on which amounts are first appropriated under subsection (a), the Secretary shall prepare and submit to the Committee on Energy and Commerce of the House of Representatives, and to the Committee on Labor and Human Resources of the Senate, a report that contains a description of programs carried out under this section. At a minimum, the report shall contain—

(1) information concerning the number and type of programs receiving grants;

(2) information concerning the type and use of services offered; and

(3) information concerning—

(A) the number and characteristics of families, parents, and children served; and

(B) the number of children served who remained with their parents during or after the period in which entities provided services under this section,

analyzed by the type of entity described in subsection (e) that provided services;  

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

3 See References in Text note below.

4 So in original. The semicolon probably should not appear after "and".

5 So in original. Probably should be "subsection".

6 So in original. The period probably should be a semicolon.

7 So in original. The semicolon probably should be a period.
(m) Data collection

The Secretary shall periodically collect and report on information concerning the numbers of children in substance abusing families, including information on the age, gender and ethnicity of the children, the composition and income of the family, and the source of health care finances. The periodic report shall include a quantitative estimate of the prevalence of alcohol and drug problems in families involved in the child welfare system, the barriers to treatment and prevention services facing these families, and policy recommendations for removing the identified barriers, including training for child welfare workers.

(n) Definitions

For purposes of this section:

(1) The term “caretaker”, with respect to a child of a substance abuser, means any individual acting in a parental role regarding the child (including any birth parent, foster parent, adoptive parent, relative of such a child, or other individual acting in such a role).

(2) The term “children of substance abusers” means—

(A) children who have lived or are living in a household with a substance abuser who is acting in a parental role regarding the child; and

(B) children who have been prenatally exposed to alcohol or other drugs.

(3) The term “Indian tribe” means any tribe, band, nation, or other organized group or community of Indians, including any Alaska Native village (as defined in, or established pursuant to, the Alaska Native Claims Settlement Act [43 U.S.C. 1601 et seq.]), that is recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians.

(4) The term “public or nonprofit private entities that provide health or social services to disadvantaged populations” includes community-based organizations, local public health departments, community action agencies, hospitals, community health centers, child welfare agencies, developmental disabilities service providers, and family resource and support programs.

(5) The term “substance abuse” means the abuse of alcohol or other drugs.

(o) Authorization of appropriations

For the purpose of carrying out this section, there are authorized to be appropriated $50,000,000 for fiscal year 2001, and such sums as may be necessary for each of fiscal years 2002 and 2003.


Subsec. (a)(2). Pub. L. 114–255, § 6001(c)(2), substituted “Assistant Secretary” for “Administrator” in two places.

2004—Subsecs. (b)(8), (f). Pub. L. 108–446, § 305(c)(1), (3), which directed amendment of subsecs. (b)(8) and (f) of section 399A of the Public Health Service Act by substituting “part C” for “part H”, was executed to subsec. (b)(8) of this section, which is section 519 of the Public Health Service Act, to reflect the probable intent of Congress and the removal of this section as part of the renumbering of former subsec. (f). See 2000 Amendments notes below.

2000—Pub. L. 106–310, § 3106(a)–(m), which directed numerous amendments to section 399D of the Public Health Service Act and the subsequent renumbering of that section as section 519 of title V of the Act, was executed by amending this section and renumbering this section as section 519 of title V, to reflect the probable intent of Congress, notwithstanding the intervening renumbering of this section as section 399A of the Act by section 502(1) of Pub. L. 106–310. See source credit above and notes below.


Subsec. (a)(1)(C). Pub. L. 106–310, § 3106(a)(2)(B), substituted “through youth service agencies, family social services, child care providers, Head Start, schools and
Pub. L. 106–310, §3106(h)(3), struck out par. (5) relating to a comparison of the costs of providing services through each of the types of entities described in subsection (d) of this section.


Pub. L. 106–310, §3106(i), inserted at end "The periodic report shall include a quantitative estimate of the prevalence of alcohol and drug problems in families involved in the child welfare system, the barriers to treatment and prevention services facing these families, and policy recommendations for removing the identified barriers, including training for child welfare workers."


Pub. L. 106–310, §3106(k), amended heading and text of subsec. (p) generally, substituting provisions relating to authorization of appropriations for provisions relating to funding for carrying out section.

CHANGE OF NAME

Committee on Labor and Human Resources of Senate changed to Committee on Health, Education, Labor, and Pensions of Senate by Senate Resolution No. 20, One Hundred Sixth Congress, Jan. 19, 1999.

Committee on Energy and Commerce of House of Representatives treated as referring to Committee on Commerce of House of Representatives by section 1(a) of Pub. L. 104–14, set out as a note preceding section 21 of Title 2. The Congress. Committee on Commerce of House of Representatives changed to Committee on Energy and Commerce of House of Representatives, and jurisdiction over matters relating to securities and exchanges and insurance generally transferred to Committee on Financial Services of House of Representatives by House Resolution No. 5, One Hundred Seventh Congress, Jan. 3, 2001.

EFFECTIVE DATE

Section effective July 10, 1992, with programs making awards providing financial assistance in fiscal year 1993 and subsequent years effective for awards made on or after Oct. 1, 1992, see section 801(b), (d)(1) of Pub. L. 102–321, set out as an Effective Date of 1992 Amendment note under section 290b of this title.

CONSTRUCTION

Pub. L. 102–321, title IV, §401(b), July 10, 1992. 106 Stat. 426, provided that: "With respect to the program established in section 399D (now 319) of the Public Health Service Act (42 U.S.C. 290b–25) (as added by subsection (a) of this section), nothing in such section 399D may be construed as establishing for any other Federal program any requirement, authority, or prohibition, including with respect to recipients of funds under such other Federal programs."

REFERENCE TO COMMUNITY, MIGRANT, PUBLIC HOUSING, OR HOMELESS HEALTH CENTER CONSIDERED REFERENCE TO HEALTH CENTER

Reference to community health center, migrant health center, public housing health center, or homeless housing center considered reference to health center, see section 4(c) of Pub. L. 104–299, set out as a note under section 254b of this title.

§ 290bb–25a. Programs to reduce underage drinking

(a) Definitions

For purposes of this section:

(1) The term "alcohol beverage industry" means the brewers, vintners, distillers, importers, distributors, and retail or online outlets that sell or serve beer, wine, and distilled spirits.

(2) The term "school-based prevention" means programs, which are institutionalized, and run by staff members or school-designated persons or organizations in any grade of school, kindergarten through 12th grade.

(3) The term "youth" means persons under the age of 21.

(4) The term "IOM report" means the report released in September 2003 by the National Research Council, Institute of Medicine, and entitled "Reducing Underage Drinking: A Collective Responsibility".

(b) Sense of Congress

It is the sense of the Congress that:

(1) A multi-faceted effort is needed to more successfully address the problem of underage drinking in the United States. A coordinated approach to prevention, intervention, treatment, enforcement, and research is key to making progress. This chapter recognizes the need for a focused national effort, and addresses particulars of the Federal portion of that effort, as well as Federal support for State activities.

(2) The Secretary of Health and Human Services shall continue to conduct research and collect data on the short and long-range impact of alcohol use and abuse upon adolescent brain development and other organ systems.

(3) States and communities, including colleges and universities, are encouraged to adopt comprehensive prevention approaches, including—

(A) evidence-based screening, programs and curricula;

(B) brief intervention strategies;

(C) consistent policy enforcement; and

(D) environmental changes that limit underage access to alcohol.

(4) Public health groups, consumer groups, and the alcohol beverage industry should continue and expand evidence-based efforts to prevent and reduce underage drinking.

(5) The entertainment industries have a powerful impact on youth, and they should use rating systems and marketing codes to reduce the likelihood that underage audiences will be exposed to movies, recordings, or television programs with unsuitable alcohol content.

(6) The National Collegiate Athletic Association, its member colleges and universities, and athletic conferences should affirm a commitment to a policy of discouraging alcohol use among underage students and other young fans.

(7) Alcohol is a unique product and should be regulated differently than other products by the States and Federal Government. States have primary authority to regulate alcohol.
distribution and sale, and the Federal Government should support and supplement these State efforts. States also have a responsibility to fight youth access to alcohol and reduce underage drinking. Continued State regulation and licensing of the manufacture, importation, sale, distribution, transportation and storage of alcoholic beverages are clearly in the public interest and are critical to promoting responsible consumption, preventing illegal access to alcohol by persons under 21 years of age from commercial and non-commercial sources, maintaining industry integrity and an orderly marketplace, and furthering effective State tax collection.

(c) Interagency coordinating committee; annual report on State underage drinking prevention and enforcement activities

(1) Interagency coordinating committee on the prevention of underage drinking

(A) In general

The Secretary, in collaboration with the Federal officials specified in subparagraph (B), shall formally establish and enhance the efforts of the interagency coordinating committee, that began operating in 2004, focusing on underage drinking (referred to in this subsection as the “Committee”).

(B) Other agencies

The officials referred to in paragraph (1) are the Secretary of Education, the Attorney General, the Secretary of Transportation, the Secretary of the Treasury, the Secretary of Defense, the Surgeon General, the Director of the Centers for Disease Control and Prevention, the Director of the National Institute on Alcohol Abuse and Alcoholism, the Assistant Secretary for Mental Health and Substance Use, the Director of the National Institute on Drug Abuse, the Assistant Secretary for Children and Families, the Director of the Office of National Drug Control Policy, the Administrator of the National Highway Traffic Safety Administration, the Administrator of the Office of Juvenile Justice and Delinquency Prevention, the Chairman of the Federal Trade Commission, and such other Federal officials as the Secretary of Health and Human Services determines to be appropriate.

(C) Chair

The Secretary of Health and Human Services shall serve as the chair of the Committee.

(D) Duties

The Committee shall guide policy and program development across the Federal Government with respect to underage drinking, provided, however, that nothing in this section shall be construed as transferring regulatory or program authority from an Agency to the Coordinating Committee.

(E) Consultations

The Committee shall actively seek the input of and shall consult with all appropriate and interested parties, including States, public health research and interest groups, foundations, and alcohol beverage industry trade associations and companies.

(F) Annual report

(i) In general

The Secretary, on behalf of the Committee, shall annually submit to the Congress a report that summarizes—

(I) all programs and policies of Federal agencies designed to prevent and reduce underage drinking;

(II) the extent of progress in preventing and reducing underage drinking nationally;

(III) data that the Secretary shall collect with respect to the information specified in clause (ii); and

(IV) such other information regarding underage drinking as the Secretary determines to be appropriate.

(ii) Certain information

The report under clause (i) shall include information on the following:

(I) Patterns and consequences of underage drinking as reported in research and surveys such as, but not limited to Monitoring the Future, Youth Risk Behavior Surveillance System, the National Survey on Drug Use and Health, and the Fatality Analysis Reporting System.

(II) Measures of the availability of alcohol from commercial and non-commercial sources to underage populations.

(III) Measures of the exposure of underage populations to messages regarding alcohol in advertising and the entertainment media as reported by the Federal Trade Commission.

(IV) Surveillance data, including information on the onset and prevalence of underage drinking, consumption patterns and the means of underage access. The Secretary shall develop a plan to improve the collection, measurement and consistency of reporting Federal underage alcohol data.

(V) Any additional findings resulting from research conducted or supported under subsection (f).

(VI) Evidence-based best practices to prevent and reduce underage drinking and provide treatment services to those youth who need them.

(2) Annual report on state underage drinking prevention and enforcement activities

(A) In general

The Secretary shall, with input and collaboration from other appropriate Federal agencies, States, Indian tribes, territories, and public health, consumer, and alcohol beverage industry groups, annually issue a report on each State’s performance in enacting, enforcing, and creating laws, regulations, and programs to prevent or reduce underage drinking.

(B) State performance measures

(i) In general

The Secretary shall develop, in consultation with the Committee, a set of meas-
§ 290bb–25b  TITLE 42—THE PUBLIC HEALTH AND WELFARE

ure to be used in preparing the report on best practices.

(ii) Categories

In developing these measures, the Secretary shall consider categories including, but not limited to:

(I) Whether or not the State has comprehensive anti-underage drinking laws such as for the illegal sale, purchase, attempt to purchase, consumption, or possession of alcohol; illegal use of fraudulent ID; illegal furnishing or obtaining of alcohol for an individual under 21 years; the degree of strictness of the penalties for such offenses; and the prevalence of the enforcement of each of these infractions.

(II) Whether or not the State has comprehensive liability statutes pertaining to underage access to alcohol such as dram shop, social host, and house party laws, and the prevalence of enforcement of each of these laws.

(III) Whether or not the State encourages and conducts comprehensive enforcement efforts to prevent underage access to alcohol at retail outlets, such as random compliance checks and shoulder tap programs, and the number of compliance checks within alcohol retail outlets measured against the number of total alcohol retail outlets in each State, and the result of such checks.

(IV) Whether or not the State encourages training on the proper selling and serving of alcohol for all sellers and servers of alcohol as a condition of employment.

(V) Whether or not the State has policies and regulations with regard to direct sales to consumers and home delivery of alcoholic beverages.

(VI) Whether or not the State has programs or laws to deter adults from purchasing alcohol for minors; and the number of adults targeted by these programs.

(VII) Whether or not the State has programs targeted to youths, parents, and caregivers to deter underage drinking; and the number of individuals served by these programs.

(VIII) Whether or not the State has enacted graduated drivers licenses and the extent of those provisions.

(IX) The amount that the State invests, per youth capita, on the prevention of underage drinking, further broken down by the amount spent on—

(aa) compliance check programs in retail outlets, including providing technology to prevent and detect the use of false identification by minors to make alcohol purchases;

(bb) checkpoints and saturation patrols that include the goal of reducing and deterring underage drinking;

(cc) community-based, school-based, and higher-education-based programs to prevent underage drinking;

(dd) underage drinking prevention programs that target youth within the juvenile justice and child welfare systems; and

(ee) other State efforts or programs as deemed appropriate.

(3) Authorization of appropriations

There are authorized to be appropriated to carry out this subsection $1,000,000 for each of the fiscal years 2018 through 2022.

(d) National media campaign to prevent under-age drinking

(1) Scope of the campaign

The Secretary shall continue to fund and oversee the production, broadcasting, and evaluation of the national adult-oriented media public service campaign if the Secretary determines that such campaign is effective in achieving the media campaign’s measurable objectives.

(2) Report

The Secretary shall provide a report to the Congress annually detailing the production, broadcasting, and evaluation of the campaign referred to in paragraph (1), and to detail in the report the effectiveness of the campaign in reducing underage drinking, the need for and likely effectiveness of an expanded adult-oriented media campaign, and the feasibility and likely effectiveness of a national youth-focused media campaign to combat underage drinking.

(3) Consultation requirement

In carrying out the media campaign, the Secretary shall direct the entity carrying out the national adult-oriented media public service campaign to consult with interested parties including both the alcohol beverage industry and public health and consumer groups. The progress of this consultative process is to be covered in the report under paragraph (2).

(4) Authorization of appropriations

There are authorized to be appropriated to carry out this subsection, $1,000,000 for each of the fiscal years 2018 through 2022.

(e) Interventions

(1) Community-based coalition enhancement grants to prevent under-age drinking

(A) Authorization of program

The Assistant Secretary for Mental Health and Substance Use, in consultation with the Director of the Office of National Drug Control Policy, shall award, if the Assistant Secretary determines that the Department of Health and Human Services is not currently conducting activities that duplicate activities of the type described in this subsection, “enhancement grants” to eligible entities to design, test, evaluate and disseminate effective strategies to maximize the effectiveness of community-wide approaches to preventing and reducing underage drinking. This subsection is subject to the availability of appropriations.

(B) Purposes

The purposes of this paragraph are to—

(i) prevent and reduce alcohol use among youth in communities throughout the United States;
(ii) strengthen collaboration among communities, the Federal Government, and State, local, and tribal governments;
(iii) enhance intergovernmental cooperation and coordination on the issue of alcohol use among youth;
(iv) serve as a catalyst for increased citizen participation and greater collaboration among all sectors and organizations of a community that first demonstrates a long-term commitment to reducing alcohol use among youth;
(v) disseminate to communities timely information regarding state-of-the-art practices and initiatives that have proven to be effective in preventing and reducing alcohol use among youth; and
(vi) enhance, not supplant, effective local community initiatives for preventing and reducing alcohol use among youth.

(C) Application

An eligible entity desiring an enhancement grant under this paragraph shall submit an application to the Assistant Secretary at such time, and in such manner, and accompanied by such information as the Assistant Secretary may require. Each application shall include—
(i) a complete description of the entity’s current underage alcohol use prevention initiatives and how the grant will appropriately enhance the focus on underage drinking issues; or
(ii) a complete description of the entity’s current initiatives, and how it will use this grant to enhance those initiatives by adding a focus on underage drinking prevention.

(D) Uses of funds

Each eligible entity that receives a grant under this paragraph shall use the grant funds to carry out the activities described in such entity’s application submitted pursuant to subparagraph (C). Grants under this paragraph shall not exceed $50,000 per year and may not exceed four years.

(E) Supplement not supplant

Grant funds provided under this paragraph shall be used to supplement, not supplant, Federal and non-Federal funds available for carrying out the activities described in this paragraph.

(F) Evaluation

Grants under this paragraph shall be subject to the same evaluation requirements and procedures as the evaluation requirements and procedures imposed on recipients of drug-free community grants.

(G) Definitions

For purposes of this paragraph, the term “eligible entity” means an organization that is currently receiving or has received grant funds under the Drug-Free Communities Act of 1997 (21 U.S.C. 1521 et seq.).

(H) Administrative expenses

Not more than 6 percent of a grant under this paragraph may be expended for administrative expenses.

(I) Authorization of appropriations

There are authorized to be appropriated to carry out this paragraph $5,000,000 for each of the fiscal years 2018 through 2022.

(2) Grants directed at preventing and reducing alcohol abuse at institutions of higher education

(A) Authorization of program

The Secretary shall award grants to eligible entities to enable the entities to prevent and reduce the rate of underage alcohol consumption including binge drinking among students at institutions of higher education.

(B) Applications

An eligible entity that desires to receive a grant under this paragraph shall submit an application to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may require. Each application shall include—
(i) a description of how the eligible entity will work to enhance an existing, or where none exists to build a, statewide coalition;
(ii) a description of how the eligible entity will target underage students in the State;
(iii) a description of how the eligible entity intends to ensure that the statewide coalition is actually implementing the purpose of this section and moving toward indicators described in subparagraph (D);
(iv) a list of the members of the statewide coalition or interested parties involved in the work of the eligible entity;
(v) a description of how the eligible entity intends to work with State agencies on substance abuse prevention and education;
(vi) the anticipated impact of funds provided under this paragraph in preventing and reducing the rates of underage alcohol use;
(vii) outreach strategies, including ways in which the eligible entity proposes to—
(I) reach out to students and community stakeholders;
(II) promote the purpose of this paragraph;
(III) address the range of needs of the students and the surrounding communities; and
(IV) address community norms for underage students regarding alcohol use; and
(viii) such additional information as required by the Secretary.

(C) Uses of funds

Each eligible entity that receives a grant under this paragraph shall use the grant funds to carry out the activities described in such entity’s application submitted pursuant to subparagraph (B).

(D) Accountability

On the date on which the Secretary first publishes a notice in the Federal Register soliciting applications for grants under this
paragraph, the Secretary shall include in the notice achievement indicators for the program authorized under this paragraph. The achievement indicators shall be designed—

(i) to measure the impact that the statewide coalitions assisted under this paragraph are having on the institutions of higher education and the surrounding communities, including changes in the number of incidents of any kind in which students have abused alcohol or consumed alcohol while under the age of 21 (including violations, physical assaults, sexual assaults, reports of intimidation, disruptions of school functions, disruptions of student studies, mental health referrals, illnesses, or deaths);

(ii) to measure the quality and accessibility of the programs or information offered by the eligible entity; and

(iii) to provide such other measures of program impact as the Secretary determines appropriate.

(E) Supplement not supplant

Grant funds provided under this paragraph shall be used to supplement, and not supplant, Federal and non-Federal funds available for carrying out the activities described in this paragraph.

(F) Definitions

For purposes of this paragraph:

(i) Eligible entity

The term “eligible entity” means a State, institution of higher education, or nonprofit entity.

(ii) Institution of higher education

The term “institution of higher education” has the meaning given the term in section 1001(a) of title 20.

(iii) Secretary

The term “Secretary” means the Secretary of Education.

(iv) State

The term “State” means each of the 50 States, the District of Columbia, and the Commonwealth of Puerto Rico.

(v) Statewide coalition

The term “statewide coalition” means a coalition that—

(I) includes, but is not limited to—

(aa) institutions of higher education within a State; and

(bb) a nonprofit group, a community underage drinking prevention coalition, or another substance abuse prevention group within a State; and

(II) works toward lowering the alcohol abuse rate by targeting underage students at institutions of higher education throughout the State and in the surrounding communities.

(vi) Surrounding community

The term “surrounding community” means the community—

(I) that surrounds an institution of higher education participating in a statewide coalition;

(II) where the students from the institution of higher education take part in the community; and

(III) where students from the institution of higher education live in off-campus housing.

(G) Administrative expenses

Not more than 5 percent of a grant under this paragraph may be expended for administrative expenses.

(H) Authorization of appropriations

There are authorized to be appropriated to carry out this paragraph $5,000,000 for fiscal year 2007, and $5,000,000 for each of the fiscal years 2008 through 2010.

(f) Additional research

(1) Additional research on underage drinking

(A) In general

The Secretary shall, subject to the availability of appropriations, collect data, and conduct or support research that is not duplicative of research currently being conducted or supported by the Department of Health and Human Services, on underage drinking, with respect to the following:

(i) Comprehensive community-based programs or strategies and statewide systems to prevent and reduce underage drinking, across the underage years from early childhood to age 21, including programs funded and implemented by government entities, public health interest groups and foundations, and alcohol beverage companies and trade associations.

(ii) Annually obtain and report more precise information than is currently collected on the scope of the underage drinking problem and patterns of underage alcohol consumption, including improved knowledge about the problem and progress in preventing, reducing and treating underage drinking; as well as information on the rate of exposure of youth to advertising and other media messages encouraging and discouraging alcohol consumption.

(iii) Compiling information on the involvement of alcohol in unnatural deaths of persons ages 12 to 20 in the United States, including suicides, homicides, and unintentional injuries such as falls, drownings, burns, poisonings, and motor vehicle crash deaths.

(B) Certain matters

The Secretary shall carry out activities toward the following objectives with respect to underage drinking:

(i) Obtaining new epidemiological data within the national or targeted surveys that identify alcohol use and attitudes about alcohol use during pre- and early adolescence, including harm caused to self or others as a result of adolescent alcohol use such as violence, date rape, risky sexual behavior, and prenatal alcohol exposure.

(ii) Developing or identifying successful clinical treatments for youth with alcohol problems.
(C) Peer review
Research under subparagraph (A) shall meet current Federal standards for scientific peer review.

(2) Authorization of appropriations
There are authorized to be appropriated to carry out this subsection $3,000,000 for each of the fiscal years 2018 through 2022.1

(g) Reducing underage drinking through screening and brief intervention

(1) Grants to pediatric health care providers to reduce underage drinking
The Assistant Secretary may make grants to eligible entities to increase implementation of practices for reducing the prevalence of alcohol use among individuals under the age of 21, including college students.

(2) Purposes
Grants under this subsection shall be made to improve—
(A) screening children and adolescents for alcohol use;
(B) offering brief interventions to children and adolescents to discourage such use;
(C) educating parents about the dangers of, and methods of discouraging, such use;
(D) diagnosing and treating alcohol use disorders; and
(E) referring patients, when necessary, to other appropriate care.

(3) Use of funds
An entity receiving a grant under this subsection shall be made to improve—
(A) screening children and adolescents for alcohol use;
(B) disseminating best practices, including culturally and linguistically appropriate best practices, as appropriate, and developing and distributing materials; and
(C) supporting other activities, as determined appropriate by the Assistant Secretary.

(4) Application
To be eligible to receive a grant under this subsection, an entity shall submit an application to the Assistant Secretary at such time, and in such manner, and accompanied by such information as the Assistant Secretary may require. Each application shall include—
(A) a description of the entity;
(B) a description of activities to be completed;
(C) a description of how the services specified in paragraphs (2) and (3) will be carried out and the qualifications for providing such services; and
(D) a timeline for the completion of such activities.

(5) Definitions
For the purpose of this subsection:
(A) Brief intervention
The term “brief intervention” means, after screening a patient, providing the patient with brief advice and other brief motivational enhancement techniques designed to increase the insight of the patient regarding the patient’s alcohol use, and any realized or potential consequences of such use, to effect the desired related behavioral change.

(B) Children and adolescents
The term “children and adolescents” means any person under 21 years of age.

(C) Eligible entity
The term “eligible entity” means an entity consisting of pediatric health care providers and that is qualified to support or provide the activities identified in paragraph (2).

(D) Pediatric health care provider
The term “pediatric health care provider” means a provider of primary health care to individuals under the age of 21 years.

(E) Screening
The term “screening” means using validated patient interview techniques to identify and assess the existence and extent of alcohol use in a patient.

References in Text

Amendments
2016—Subsec. (c)(1)(B). Pub. L. 114–255, §6001(c)(1), substituted “Assistant Secretary for Mental Health and Substance Use” for “Administrator of the Substance Abuse and Mental Health Services Administration”.
Subsec. (c)(3). Pub. L. 114–255, §9016(1), substituted “each of the fiscal years 2018 through 2022” for “fiscal year 2007 and $1,000,000 for each of the fiscal years 2008 through 2010.”
Subsec. (d)(4). Pub. L. 114–255, §9016(2), substituted “each of the fiscal years 2018 through 2022” for “fiscal year 2007 and $1,000,000 for each of the fiscal years 2008 through 2010.”
Subsec. (e)(1)(A). Pub. L. 114–255, §6001(c), substituted “Administrator of the Substance Abuse and Mental Health Services Administration” and “Assistant Secretary” for “Administrator”.
Subsec. (e)(1)(I). Pub. L. 114–255, §9016(3), substituted “each of the fiscal years 2018 through 2022” for “fiscal year 2007 and $5,000,000 for each of the fiscal years 2008 through 2010.”
Subsec. (f)(2). Pub. L. 114–255, §9016(4), substituted “$3,000,000 for each of the fiscal years 2018 through 2022” for “$6,000,000 for fiscal year 2007 and $5,000,000 for each of the fiscal years 2008 through 2010.”
2006—Pub. L. 109–422 added subsecs. (a) to (f) and struck out former subsecs. (a) to (f), which related, respectively, to the Secretary’s authority to make grants, cooperative agreements, or contracts for programs to prevent underage drinking; eligibility requirements; evaluation; geographical distribution; duration of award; and authorization of appropriations.


§ 290bb–25d. Centers of excellence on services for individuals with fetal alcohol syndrome and alcohol-related birth defects and treatment for individuals with such conditions and their families

(a) In general

The Secretary shall make awards of grants, cooperative agreements, or contracts to public or nonprofit private entities for the purposes of establishing not more than four centers of excellence to study techniques for the prevention of fetal alcohol syndrome and alcohol-related birth defects and their families to individuals with fetal alcohol syndrome.

(b) Use of funds

An award under subsection (a) may be used to—

(1) study adaptations of innovative clinical interventions and service delivery improvements strategies for children and adults with fetal alcohol syndrome or alcohol-related birth defects and their families;

(2) identify communities which have an exemplary comprehensive system of care for such individuals so that they can provide technical assistance to other communities attempting to set up such a system of care;

(3) provide technical assistance to communities which do not have a comprehensive system of care for such individuals and their families;

(4) train community leaders, mental health and substance abuse professionals, families, law enforcement personnel, judges, health professionals, persons working in financial assistance programs, social service personnel, child welfare professionals, and other service providers on the implications of fetal alcohol syndrome and alcohol-related birth defects, the early identification of and referral for such conditions;

(5) develop innovative techniques for preventing alcohol use by women in child bearing years;

(6) perform other functions, to the extent authorized by the Secretary after consideration of recommendations made by the National Task Force on Fetal Alcohol Syndrome.

(c) Report

(1) In general

A recipient of an award under subsection (a) shall at the end of the period of funding report to the Secretary on any innovative techniques that have been discovered for preventing alcohol use among women of child bearing years.

(2) Dissemination of findings

The Secretary shall upon receiving a report under paragraph (1) disseminate the findings to appropriate public and private entities.

(d) Duration of awards

With respect to an award under subsection (a), the period during which payments under such award are made to the recipient may not exceed 5 years.

(e) Evaluation

The Secretary shall evaluate each project carried out under subsection (a) and shall disseminate the findings with respect to each such evaluation to appropriate public and private entities.

(f) Authorization of appropriations

For the purpose of carrying out this section, there are authorized to be appropriated $5,000,000 for fiscal year 2001, and such sums as may be necessary for each of the fiscal years 2002 and 2003.


§ 290bb–25f. Prevention and education programs

(a) In general

The Secretary of Health and Human Services (referred to in this Act as the “Secretary”) shall award grants to public and nonprofit private entities to enable such entities to carry out science-based education programs in elementary and secondary schools to highlight the harmful effects of anabolic steroids.

(b) Eligibility

(1) Application

To be eligible for grants under subsection (a), an entity shall prepare and submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require.

(2) Preference

In awarding grants under subsection (a), the Secretary shall give preference to applicants that intend to use grant funds to carry out programs based on—

(A) the Athletes Training and Learning to Avoid Steroids program;

(B) The Athletes Targeting Healthy Exercise and Nutrition Alternatives program; and
(C) other programs determined to be effective by the National Institute on Drug Abuse.

(c) Use of funds

Amounts received under a grant under subsection (a) shall be used for education programs that will directly communicate with teachers, principals, coaches, as well as elementary and secondary school children concerning the harmful effects of anabolic steroids.

(d) Authorization of appropriations

There is authorized to be appropriated to carry out this section, $15,000,000 for each of fiscal years 2005 through 2010.


REFERENCES IN TEXT


CODIFICATION

Section was enacted as part of the Anabolic Steroid Control Act of 2004, and not as part of the Public Health Service Act which comprises this chapter.

§ 290bb–25g. Awareness campaigns

(a) In general

The Secretary of Health and Human Services, acting through the Director of the Centers for Disease Control and Prevention and in coordination with the heads of other departments and agencies, shall advance education and awareness regarding the risks related to misuse and abuse of opioids, as appropriate, which may include developing or improving existing programs, conducting activities, and awarding grants that advance the education and awareness of—

(1) the public, including patients and consumers—

(A) generally; and

(B) regarding such risks related to unused opioids and the dispensing options under section 829(f) of title 21, as applicable; and

(2) providers, which may include—

(A) providing for continuing education on appropriate prescribing practices;

(B) education related to applicable State or local prescriber limit laws, information on the use of non-addictive alternatives for pain management, and the use of overdose reversal drugs, as appropriate;

(C) disseminating and improving the use of evidence-based opioid prescribing guidelines across relevant health care settings, as appropriate, and updating guidelines as necessary;

(D) implementing strategies, such as best practices, to encourage and facilitate the use of prescriber guidelines, in accordance with State and local law;

(E) disseminating information to providers about prescribing options for controlled substances, including such options under section 829(f) of title 21, as applicable; and

(F) disseminating information, as appropriate, on the National Pain Strategy developed by or in consultation with the Assistant Secretary for Health; and

(3) other appropriate entities.

(b) Topics

The education and awareness campaigns under subsection (a) shall address—

(1) the dangers of opioid misuse and abuse;

(2) the prevention of opioid misuse and abuse, including through non-addictive treatment options, safe disposal options for prescription medications, and other applicable safety precautions; and

(3) the detection of early warning signs of addiction.

(c) Other requirements

The education and awareness campaigns under subsection (a) shall, as appropriate—

(1) take into account any association between prescription opioid abuse and heroin use;

(2) emphasize—

(A) the similarities between heroin and prescription opioids; and

(B) the effects of heroin and prescription opioids on the human body; and

(3) bring greater public awareness to the dangerous effects of fentanyl when mixed with heroin or abused in a similar manner.


CODIFICATION

Section was enacted as part of the Comprehensive Addiction and Recovery Act of 2016, and not as part of the Public Health Service Act which comprises this chapter.

AMENDMENTS

2018—Subsec. (a). Pub. L. 115–271, § 7161(b)(1), amended subsec. (a) generally. Prior to amendment, text read as follows: “The Secretary of Health and Human Services, in coordination with the heads of other departments and agencies, shall, as appropriate, through existing programs and activities, advance the education and awareness of the public (including providers, patients, and consumers) and other appropriate entities regarding the risk of abuse of prescription opioids if such drugs are not taken as prescribed.


Subsec. (b)(2). Pub. L. 115–271, § 7161(b)(2), substituted “opioid misuse and abuse” for “opioid abuse” and “non-addictive treatment options, safe disposal options for prescription medications, and other applicable” for “safe disposal of prescription medications and other”.

INFORMATION MATERIALS AND RESOURCES TO PREVENT ADDICTION RELATED TO YOUTH SPORTS INJURIES

Pub. L. 114–198, title I, § 104, July 22, 2016, 130 Stat. 706, provided that:

“(a) Report.—The Secretary of Health and Human Services (referred to in this section as the ‘Secretary’) shall, not later than 24 months after the date of the enactment of this section (July 22, 2016), make publicly available on the appropriate website of the Department of Health and Human Services a report determining the extent to which informational materials and resources described in subsection (c) are available to teenagers and adolescents who play youth sports, families of such teenagers and adolescents, nurses, youth sports groups, and relevant health care provider groups.
§ 290bb–31  TITLE 42—THE PUBLIC HEALTH AND WELFARE

(b) Development of informational materials and resources.—The Secretary may, for purposes of preventing substance use disorder in teenagers and adolescents who are injured playing youth sports and are subsequently prescribed an opioid, not later than 12 months after the report is made publicly available under subsection (a), and taking into consideration the findings of such report and in coordination with relevant health care provider groups, facilitate the development of informational materials and resources described in this subsection with respect to youth sports injuries for which opioids are potentially prescribed, including materials and resources focused on the risks associated with opioid use and misuse, treatment options for such injuries that do not involve the use of opioids, and how to seek treatment for addiction.

(c) Materials and resources described.—For purposes of this section, the informational materials and resources described in this subsection are informational materials and resources with respect to youth sports injuries for which opioids are potentially prescribed, including materials and resources focused on the risks associated with opioid use and misuse, treatment options for such injuries that do not involve the use of opioids, and how to seek treatment for addiction.

(d) No additional funds.—No additional funds are authorized to be appropriated for the purpose of carrying out this section. This section shall be carried out using amounts otherwise available for such purpose.

SUBPART 3—CENTER FOR MENTAL HEALTH SERVICES

§ 290bb–31. Center for Mental Health Services

(a) Establishment

There is established in the Administration a Center for Mental Health Services (hereafter in this section referred to as the “Center”). The Center shall be headed by a Director (hereafter in this section referred to as the “Director”) appointed by the Secretary from among individuals with extensive experience or academic qualifications in the provision of mental health services or in the evaluation of mental health service systems.

(b) Duties

The Director of the Center shall—

(1) design national goals and establish national priorities for—

(A) the prevention of mental illness; and

(B) the promotion of mental health;

(2) encourage and assist local entities and State agencies to achieve the goals and priorities described in paragraph (1);

(3) collaborate with the Director of the National Institute of Mental Health and the Chief Medical Officer, appointed under section 290aa(g) of this title, to ensure that, as appropriate, programs related to the prevention and treatment of mental illness and the promotion of mental health and recovery support are carried out in a manner that reflects the best available science and evidence-based practices, including culturally and linguistically appropriate services, as appropriate;

(4) collaborate with the Department of Education and the Department of Justice to develop programs to assist local communities in addressing violence among children and adolescents;

(5) develop and coordinate Federal prevention policies and programs and to assure increased focus on the prevention of mental illness and the promotion of mental health, including through programs that reduce risk and promote resiliency;

(6) in collaboration with the Director of the National Institute of Mental Health, develop improved methods of treating individuals with mental health problems and improved methods of assisting the families of such individuals;

(7) administer the mental health services block grant program authorized in section 300x of this title;

(8) promote policies and programs at Federal, State, and local levels and in the private sector that foster independence, increase meaningful participation of individuals with mental illness in programs and activities of the Administration, and protect the legal rights of persons with mental illness, including carrying out the provisions of the Protection and Advocacy of Mentally Ill Individuals Act; 42 U.S.C. 10801 et seq.;

(9) carry out the programs under part C; and

(10) carry out responsibilities for the Human Resource Development programs;

(11) conduct services-related assessments, including evaluations of the organization and financing of care, self-help and consumer-run programs, mental health economics, mental health service systems, rural mental health and tele-mental health, and improve the capacity of State to conduct evaluations of publicly funded mental health programs;

(12) disseminate mental health information, including evidence-based practices, to States, political subdivisions, educational agencies and institutions, treatment and prevention service providers, and the general public, including information concerning the practical application of research supported by the National Institute of Mental Health that is applicable to improving the delivery of services;

(13) provide technical assistance to public and private entities that are providers of mental health services;

(14) monitor and enforce obligations incurred by community mental health centers pursuant to the Community Mental Health Centers Act (as in effect prior to the repeal of such Act on August 13, 1981, by section 902(e)(2)(B) of Public Law 97–35 (95 Stat. 560));

(15) conduct surveys with respect to mental health, such as the National Reporting Program;

(16) assist States in improving their mental health data collection; and

(17) ensure the consistent documentation of the application of criteria when awarding grants and the ongoing oversight of grantees after such grants are awarded.

(c) Grants and contracts

In carrying out the duties established in subsection (b), the Director may make grants to and enter into contracts and cooperative agreements with public and nonprofit private entities.

The Protection and Advocacy of Mentally Ill Individuals Act, as amended, which was renumbered par. (9) as (10). Former par. (10) redesignated (11).

Subsec. (b)(10) to (15). Pub. L. 106–310, § 3112(c)(1), redesignated par. (9) to (14) as (10) to (15), respectively.

EFFECTIVE DATE

Section effective Oct. 1, 1992, with provision for programs providing financial assistance, see section 801(c), (d) of Pub. L. 102–321, set out as an Effective Date of 1992 Amendment note under section 236 of this title.

Mental Health Services for Individuals in Correctional Facilities

Section 703 of Pub. L. 102–321 directed Secretary of Health and Human Services, acting through Director of Center for Mental Health Services, not later than July 1, 1994, to develop a plan for carry out in consultation with the National Institute of Mental Health, the Department of Justice, and other appropriate public and private entities.

EXECUTIVE ORDER NO. 13263

The Secretary may carry out the activities described in this subsection directly or through grants, contracts, or cooperative agreements with States, political subdivisions of States, Indian tribes or tribal organizations (as such terms are defined in section 5304 of title 25), health facilities, or programs operated by or in accordance with a contract or grant with the Indian Health Service, or other public or private nonprofit entities.

(b) Priority mental health needs

(1) Determination of needs

Priority mental health needs of regional and national significance shall be determined by the Secretary in consultation with States and other interested groups. The Secretary shall meet with the States and interested groups on an annual basis to discuss program priorities.

(2) Special consideration

In developing program priorities described in paragraph (1), the Secretary shall give special consideration to promoting the integration of mental health services into primary health care systems.

(c) Requirements

(1) In general

Recipients of grants, contracts, and cooperative agreements under this section shall comply with information and application requirements determined appropriate by the Secretary.

(2) Duration of award

With respect to a grant, contract, or cooperative agreement awarded under this section, the period during which payments under such award are made to the recipient may not exceed 5 years.

(3) Matching funds

The Secretary may, for projects carried out under subsection (a), require that entities that apply for grants, contracts, or cooperative agreements under this section provide non-Federal matching funds, as determined appropriate by the Secretary, to ensure the institutional commitment of the entity to the projects funded under the grant, contract, or cooperative agreement. Such non-Federal matching funds may be provided directly or through donations from public or private entities and may be in cash or in kind, fairly evaluated, including plant, equipment, or services.

(4) Maintenance of effort

With respect to activities for which a grant, contract, or cooperative agreement is awarded under this section, the Secretary may require that recipients for specific projects under subsection (a) agree to maintain expenditures of non-Federal amounts for such activities at a level that is not less than the level of such expenditures maintained by the entity for the fiscal year preceding the fiscal year for which the entity receives such a grant, contract, or cooperative agreement.

(d) Evaluation

The Secretary shall evaluate each project carried out under subsection (a)(1) and shall disseminate the findings with respect to each such evaluation to appropriate public and private entities.

(e) Information and education

(1) In general

The Secretary shall establish information and education programs to disseminate and apply the findings of the knowledge development and application, training, and technical assistance programs, and targeted capacity response programs, under this section to the general public, to health care professionals, and to interested groups. The Secretary shall make every effort to provide linkages between the findings of supported projects and State agencies responsible for carrying out mental health services.

(2) Rural and underserved areas

In disseminating information on evidence-based practices in the provision of children’s mental health services under this subsection, the Secretary shall ensure that such information is distributed to rural and medically underserved areas.

(3) Geriatric mental disorders

The Secretary shall, as appropriate, provide technical assistance to grantees regarding evidence-based practices for the prevention and treatment of geriatric mental disorders and co-occurring mental health and substance use disorders among geriatric populations, as well as disseminate information about such evidence-based practices to States and non-grantees throughout the United States.

(f) Authorization of appropriations

There are authorized to be appropriated to carry out this section $394,550,000 for each of fiscal years 2018 through 2022.

(C)odification

Section was formerly classified to section 290cc–13 of this title prior to renumbering by Pub. L. 102–321.

(A)mmendments

2016—Subsec. (a). Pub. L. 114–255, § 7003(1)(B), in concluding provisions, inserted “contracts,” before “or cooperative agreements” and substituted “Indian tribes or tribal organizations (as such terms are defined in section 5304 of title 25), health facilities, or programs operated by or in accordance with a contract or grant with the Indian Health Service, or” for “Indian tribes and tribal organizations”.

Subsec. (a)(4). Pub. L. 114–255, § 7003(1)(A), inserted “which may include technical assistance centers” before period at end.


Subsec. (f). Pub. L. 114–255, § 7003(2), amended subsec. (f) generally, substituting appropriations for fiscal...
years 2018 through 2022 for appropriations for fiscal year 2001, and such sums as may be necessary for each of the fiscal years 2002 and 2003 and data infrastructure provisions.  
2000— Pub. L. 106–310 amended section catchline and text generally, substituting provisions relating to priority mental health needs of regional and national significance for provisions relating to establishment of grant programs for demonstration projects.  
Subsec. (c), Pub. L. 102–321, § 116(b)(2), substituted “five” for “three”.  
Subsec. (e)(1), Pub. L. 102–321, § 118(b)(3), amended par. (1) generally. Prior to amendment, par. (1) read as follows: “For the purposes of carrying out this section, there are authorized to be appropriated $40,000,000 for fiscal year 1991, and such sums as may be necessary for each of the fiscal years 1992 and 1993.”  
1990—Subsec. (a), Pub. L. 101–639, § 2(a), amended subsec. (a) generally. Prior to amendment, subsec. (a) read as follows: “The Secretary, acting through the Director, may make grants to States, political subdivisions of States, and nonprofit private agencies—  
“(1) for mental health services demonstration projects for the planning, coordination, and improvement of community services (including outreach and self-help services) for seriously mentally ill individuals, seriously emotionally disturbed children and youth, elderly individuals, and homeless seriously mentally ill individuals, and for the conduct of research concerning such services;  
“(2) for demonstration projects for the prevention of youth suicide;  
“(3) for demonstration projects for the improvement of the recognition, assessment, treatment, and clinical management of depressive disorders; and  
“(4) for demonstration projects for treatment and prevention relating to sex offenses.”  
Subsec. (e)(1), Pub. L. 101–639, § 2(b), amended par. (1) generally. Prior to amendment, par. (1) read as follows: “For the purposes of carrying out this section, there are authorized to be appropriated $60,000,000 for each of the fiscal years 1989 and 1990.”  
1989—Pub. L. 101–93 substituted “programs” for “program” in section catchline and in subsec. (a) substituted “seriously mentally ill” for “chronically mentally ill” wherever appearing, redesignated par. (5) as (4), and inserted “for” before “demonstration” in pars. (2), (3), and (4).  

Effective Date of 1992 Amendment  

Community Mental Health Services Demonstration Projects for Homeless Individuals Who Are Chronically Mentally Ill  
Pub. L. 100–77, title VI, § 612, July 22, 1987, 101 Stat. 523, as amended by Pub. L. 100–607, title VIII, § 821, Nov. 4, 1988, 102 Stat. 3711; Pub. L. 100–628, title VI, § 621, Nov. 7, 1988, 102 Stat. 3224; Pub. L. 101–93, § 5(c)(1), (2), Aug. 16, 1989, 103 Stat. 615; Pub. L. 101–445, title V, § 521, Nov. 29, 1990, 104 Stat. 4734, which authorized to be appropriated for payments under this section such sums as may be necessary for each of the fiscal years 1991 through 1993, in addition to any other amounts authorized to be appropriated for such payments for each of such fiscal years with such additional amounts to be available only for the provision of community-based mental health services to homeless individuals who are chronically mentally ill, and amounts paid to grantees under subsection (a) of this section that remain unobligated at the end of the fiscal year in which the amounts were received to remain available to grantees during the succeeding fiscal year for the purposes for which the payments were made, was repealed by Pub. L. 106–310, div. B, title XXXXII, § 3201(b)(3), Oct. 17, 2000, 114 Stat. 1190.  
§ 290bb–34. Suicide prevention technical assistance center  
(a) Program authorized  
The Secretary, acting through the Assistant Secretary, shall establish a research, training, and technical assistance resource center to provide appropriate information, training, and technical assistance to States, political subdivisions of States, federally recognized Indian tribes, tribal organizations, institutions of higher education, public organizations, or private nonprofit organizations regarding the prevention of suicide among all ages, particularly among groups that are at a high risk for suicide.  
(b) Responsibilities of the Center  
The center established under subsection (a) shall conduct activities for the purpose of—  
(1) developing and continuing statewide or tribal suicide early intervention and prevention strategies for all ages, particularly among groups that are at a high risk for suicide;  
(2) ensuring the surveillance of suicide early intervention and prevention strategies for all ages, particularly among groups that are at a high risk for suicide;  
(3) studying the costs and effectiveness of statewide and tribal suicide early intervention and prevention strategies in order to provide information concerning relevant issues of importance to State, tribal, and national policymakers;  
(4) further identifying and understanding causes and associated risk factors for suicide;  
(5) analyzing the efficacy of new and existing suicide early intervention and prevention techniques and technology;  
(6) ensuring the surveillance of suicidal behaviors and nonfatal suicidal attempts;  
(7) studying the effectiveness of State-sponsored statewide and tribal suicide early intervention and prevention strategies on the overall wellness and health promotion strategies related to suicide attempts;  
(8) promoting the sharing of data regarding suicide with Federal agencies involved with suicide early intervention and prevention, and State-sponsored statewide or tribal suicide early intervention and prevention strategies for the purpose of identifying previously unknown mental health causes and associated risk factors for suicide;
(9) evaluating and disseminating outcomes and best practices of mental health and substance use disorder services at institutions of higher education; and

(10) conducting other activities determined appropriate by the Secretary.

(c) Authorization of appropriations

For the purpose of carrying out this section, there are authorized to be appropriated $5,988,000 for each of fiscal years 2018 through 2022.

(d) Annual report

Not later than 2 years after December 13, 2016, the Secretary shall submit to Congress a report on the activities carried out by the center established under subsection (a) during the year involved, including the potential effects of such activities, and the States, organizations, and institutions that have worked with the center.

(2) Support services for state organizations, institutions of higher education, public organizations, or private nonprofit organizations actively involved in youth suicide prevention or intervention activities, and the States, organizations, and institutions that have worked with the center.

(9) making grants, contracts, and cooperative agreements under subsection (a) and (b) for all ages, particularly among groups that are at a high risk for suicide before semicolon at end.

(10) conducting other activities determined appropriate by the Secretary.


Subsec. (b). Pub. L. 114–255, § 9008(a)(5)(C), substituted “acting through the Assistant Secretary” for “acting through the Assistant Secretary at such time, in such manner, and containing such information as the Secretary may require.”

Subsec. (b)(1). Pub. L. 114–255, § 9008(a)(5)(D), substituted “developing and continuing” for “the development or continuation of” and inserted “for all ages, particularly among groups that are at a high risk for suicide” before semicolon at end.

Subsec. (b)(2). Pub. L. 114–255, § 9008(a)(5)(E), inserted “for all ages, particularly among groups that are at a high risk for suicide” before semicolon at end.


Subsec. (b). Pub. L. 114–255, § 9008(a)(5)(I), substituted “health and substance use disorder” for “and behavioral health”.


Subsecs. (c) to (e). Pub. L. 114–255, § 9008(a)(6), added subsecs. (c) and (d) and struck out subsec. (e) which authorized appropriations for fiscal years 2009—Subsec. (a). Pub. L. 108–355, § 9(a)(11), substituted dash for comma after “National Institutes of Health”, designated remainder of existing provisions as par. (1), substituted “;” and “for period, and added par. (2).


§ 290bb–36. Youth suicide early intervention and prevention strategies

(a) In general

The Secretary, acting through the Assistant Secretary for Mental Health and Substance Use, shall award grants or cooperative agreements to eligible entities to—

(1) develop and implement State-sponsored statewide or tribal youth suicide early intervention and prevention strategies in schools, educational institutions, juvenile justice systems, substance use disorder programs, mental health programs, foster care systems, and other child and youth support organizations;

(2) support public organizations and private nonprofit organizations actively involved in State-sponsored statewide or tribal youth suicide early intervention and prevention strategies and in the development and continuation of State-sponsored statewide youth suicide early intervention and prevention strategies; and

(3) provide grants to institutions of higher education to coordinate the implementation of State-sponsored statewide or tribal youth suicide early intervention and prevention strategies;
(4) collect and analyze data on State-sponsored statewide or tribal youth suicide early intervention and prevention services that can be used to monitor the effectiveness of such services and for research, technical assistance, and policy development; and
(5) assist eligible entities, through State-sponsored statewide or tribal youth suicide early intervention and prevention strategies, in achieving targets for youth suicide reductions under title V of the Social Security Act [42 U.S.C. 701 et seq.].

(b) Eligible entity

(1) Definition

In this section, the term “eligible entity” means—

(A) a State;
(B) a public organization or private nonprofit organization designated by a State to develop or direct the State-sponsored statewide youth suicide early intervention and prevention strategy; or
(C) a Federally recognized Indian tribe or tribal organization (as defined in the Indian Self-Determination and Education Assistance Act [25 U.S.C. 5301 et seq.]) or an urban Indian organization (as defined in the Indian Health Care Improvement Act [25 U.S.C. 1601 et seq.]) that is actively involved in the development and continuation of a tribal youth suicide early intervention and prevention strategy.

(2) Limitation

In carrying out this section, the Secretary shall ensure that a State does not receive more than 1 grant or cooperative agreement under this section at any 1 time. For purposes of the preceding sentence, a State shall be considered to have received a grant or cooperative agreement if the eligible entity involved is the State or an entity designated by the State under paragraph (1)(B). Nothing in this paragraph shall be construed to apply to entities described in paragraph (1)(C).

(3) Consideration

In awarding grants under this section, the Secretary shall take into consideration the extent of the need of the applicant, including the prevalence of suicide in the State and among the populations of focus, including rates of suicide determined by the Centers for Disease Control and Prevention for the State or population of focus.

(c) Preference

In providing assistance under a grant or cooperative agreement under this section, an eligible entity shall give preference to public organizations, private nonprofit organizations, political subdivisions, institutions of higher education, and tribal organizations actively involved with the State-sponsored statewide or tribal youth suicide early intervention and prevention strategy that—

(1) provide early intervention and assessment services, including screening programs, to youth who are at risk for mental or emotional disorders that may lead to a suicide attempt, and that are integrated with school systems, educational institutions, juvenile justice systems, substance use disorder programs, mental health programs, foster care systems, and other child and youth support organizations;
(2) demonstrate collaboration among early intervention and prevention services or certify that entities will engage in future collaboration;
(3) employ or include in their applications a commitment to evaluate youth suicide early intervention and prevention practices and strategies adapted to the local community;
(4) provide timely referrals for appropriate community-based mental health care and treatment of youth who are at risk for suicide in child-serving settings and agencies;
(5) provide immediate support and information resources to families of youth who are at risk for suicide;
(6) offer access to services and care to youth with diverse linguistic and cultural backgrounds;
(7) offer appropriate postsuicide intervention services, care, and information to families, friends, schools, educational institutions, juvenile justice systems, substance use disorder programs, mental health programs, foster care systems, and other child and youth support organizations of youth who recently completed suicide;
(8) offer continuous and up-to-date information and awareness campaigns that target parents, family members, child care professionals, community care providers, and the general public and highlight the risk factors associated with youth suicide and the life-saving help and care available from early intervention and prevention services;
(9) ensure that information and awareness campaigns on youth suicide risk factors, and early intervention and prevention services, use effective communication mechanisms that are targeted to and reach youth, families, schools, educational institutions, and youth organizations;
(10) provide a timely response system to ensure that child-serving professionals and providers are properly trained in youth suicide early intervention and prevention strategies and that child-serving professionals and providers involved in early intervention and prevention services are properly trained in effectively identifying youth who are at risk for suicide;
(11) provide continuous training activities for child care professionals and community care providers on the latest youth suicide early intervention and prevention services practices and strategies;
(12) conduct annual self-evaluations of outcomes and activities, including consulting with interested families and advocacy organizations;
(13) provide services in areas or regions with rates of youth suicide that exceed the national average as determined by the Centers for Disease Control and Prevention; and
(14) obtain informed written consent from a parent or legal guardian of an at-risk child before involving the child in a youth suicide early intervention and prevention program.
(d) Requirement for direct services

Not less than 85 percent of grant funds received under this section shall be used to provide direct services, of which not less than 5 percent shall be used for activities authorized under subsection (a)(3).

(e) Coordination and collaboration

(1) In general

In carrying out this section, the Secretary shall collaborate with relevant Federal agencies and suicide working groups responsible for early intervention and prevention services relating to youth suicide.

(2) Consultation

In carrying out this section, the Secretary shall consult with—

(A) State and local agencies, including agencies responsible for early intervention and prevention services under title XIX of the Social Security Act [42 U.S.C. 1396 et seq.], the State Children’s Health Insurance Program under title XXI of the Social Security Act [42 U.S.C. 1397aa et seq.], and programs funded by grants under title V of the Social Security Act [42 U.S.C. 701 et seq.];

(B) local and national organizations that serve youth at risk for suicide and their families;

(C) relevant national medical and other health and education specialty organizations;

(D) youth who are at risk for suicide, who have survived suicide attempts, or who are currently receiving care from early intervention services;

(E) families and friends of youth who are at risk for suicide, who have survived suicide attempts, who are currently receiving care from early intervention and prevention services, or who have completed suicide;

(F) qualified professionals who possess the specialized knowledge, skills, experience, and relevant attributes needed to serve youth at risk for suicide and their families; and

(G) third-party payers, managed care organizations, and related commercial industries.

(3) Policy development

In carrying out this section, the Secretary shall—

(A) coordinate and collaborate on policy development at the Federal level with the relevant Department of Health and Human Services agencies and suicide working groups; and

(B) consult on policy development at the Federal level with the private sector, including consumer, medical, suicide prevention advocacy groups, and other health and education professional-based organizations, with respect to State-sponsored statewide or tribal youth suicide early intervention and prevention strategies.

(f) Rule of construction; religious and moral accommodation

Nothing in this section shall be construed to require suicide assessment, early intervention, or treatment services for youth whose parents or legal guardians object based on the parents’ or legal guardians’ religious beliefs or moral objections.

(g) Evaluations and report

(1) Evaluations by eligible entities

Not later than 18 months after receiving a grant or cooperative agreement under this section, an eligible entity shall submit to the Secretary the results of an evaluation to be conducted by the entity concerning the effectiveness of the activities carried out under the grant or agreement.

(2) Report

Not later than 2 years after December 13, 2016, the Secretary shall submit to the appropriate committees of Congress a report concerning the results of—

(A) the evaluations conducted under paragraph (1); and

(B) an evaluation conducted by the Secretary to analyze the effectiveness and efficacy of the activities conducted with grants, collaborations, and consultations under this section.

(h) Rule of construction; student medication

Nothing in this section or section 290bb–36a of this title shall be construed to allow school personnel to require that a student obtain any medication as a condition of attending school or receiving services.

(i) Prohibition

Funds appropriated to carry out this section, section 290bb–34 of this title, section 290bb–36a of this title, or section 290bb–36b of this title shall not be used to pay for or refer for abortion.

(j) Parental consent

States and entities receiving funding under this section and section 290bb–36a of this title shall obtain prior written, informed consent from the child’s parent or legal guardian for assessment services, school-sponsored programs, and treatment involving medication related to youth suicide conducted in elementary and secondary schools. The requirement of the preceding sentence does not apply in the following cases:

(1) In an emergency, where it is necessary to protect the immediate health and safety of the student or other students.

(2) Other instances, as defined by the State, where parental consent cannot reasonably be obtained.

(k) Relation to education provisions

Nothing in this section or section 290bb–36a of this title shall be construed to supersede section 1232g of title 20, including the requirement of prior parental consent for the disclosure of any education records. Nothing in this section or section 290bb–36a of this title shall be construed to modify or affect parental notification requirements for programs authorized under the Elementary and Secondary Education Act of 1965 [20 U.S.C. 6301 et seq.] (as amended by the No Child Left Behind Act of 2001; Public Law 107–110).

(l) Definitions

In this section:
(1) Early intervention

The term “early intervention” means a strategy or approach that is intended to prevent an outcome or to alter the course of an existing condition.

(2) Educational institution; institution of higher education; school

The term—

(A) “educational institution” means a school or institution of higher education;

(B) “institution of higher education” has the meaning given such term in section 1001 of title 20; and

(C) “school” means an elementary school or secondary school (as such terms are defined in section 8101 of the Elementary and Secondary Education Act of 1965 [20 U.S.C. 7801]).

(3) Prevention

The term “prevention” means a strategy or approach that reduces the likelihood or risk of onset, or delays the onset, of adverse health problems that have been known to lead to suicide.

(4) Youth

The term “youth” means individuals who are between 10 and 24 years of age.

(m) Authorization of appropriations

For the purpose of carrying out this section, there are authorized to be appropriated $30,000,000 for each of fiscal years 2018 through 2022.


REFERENCES IN TEXT

The Social Security Act, referred to in subsec. (a)(5) and (e)(2)(A), is act Aug. 14, 1935, ch. 531, 49 Stat. 620, as amended. Titles V, XIX, and XXI of the Act are classified generally to subchapters V (§701 et seq.), XIX (§1396 et seq.), and XXI (§1397aa et seq.), respectively, of chapter 7 of this title. For complete classification of this Act to the Code, see section 1305 of this title and Tables.

The Indian Self-Determination and Education Assistance Act, referred to in subsec. (b)(1)(C), is Pub. L. 93–638, Jan. 4, 1975, 88 Stat. 2203, which is classified principally to chapter 49 (§5301 et seq.) of Title 25, Indians. For complete classification of this Act to the Code, see Short Title note set out under section 5301 of Title 25 and Tables.

The Indian Health Care Improvement Act, referred to in subsec. (b)(1)(C), is Pub. L. 94–437, Sept. 20, 1976, 90 Stat. 1400, as amended, which is classified principally to chapter 18 (§1601 et seq.) of Title 25, Indians. For complete classification of this Act to the Code, see Short Title note set out under section 1601 of Title 25 and Tables.

The Elementary and Secondary Education Act of 1965, referred to in subsec. (k), is Pub. L. 89–10, Apr. 11, 1965, 79 Stat. 27, which is classified generally to chapter 7 (§6001 et seq.) of Title 20, Education. For complete classification of this Act to the Code, see Short Title note set out under section 6301 of Title 20 and Tables.


PRIOR PROVISIONS


AMENDMENTS

2016—Subsec. (a). Pub. L. 114–255, §6001(c)(1), substituted “Assistant Secretary for Mental Health and Substance Use” for “Administrator of the Substance Abuse and Mental Health Services Administration” in introductory provisions.


Subsec. (b)(2). Pub. L. 114–255, §9008(b)(2)(A), substituted “ensure that a State does not receive more than 1 grant or cooperative agreement under this section at any 1 time” for “ensure that each State is awarded only 1 grant or cooperative agreement under this section” and “received” for “been awarded”.


Subsec. (c)(1), (7). Pub. L. 114–255, §9008(b)(1), substituted “substance use disorder” for “substance abuse”.


Subsec. (m). Pub. L. 114–255, §9008(b)(4), added subsec. (m) and struck out former subsec. (m) which authorized appropriations for fiscal years 2005 to 2007 and provided that the Secretary should give preference to certain States if less than $3,500,000 was appropriated for any fiscal year.

2015—Subsec. (1)(2)(C). Pub. L. 114–95 substituted “elementary school or secondary school (as such terms are defined in section 9101 of the Elementary and Secondary Education Act of 1965)” for “elementary or secondary school (as such terms are defined in section 9101 of the Elementary and Secondary Education Act of 1965)”.

EFFECTIVE DATE OF 2015 AMENDMENT

Amendment by Pub. L. 114–95 effective Dec. 10, 2015, except with respect to certain noncompetitive programs and competitive programs, see section 3 of Pub. L. 114–95, set out as a note under section 6301 of Title 20, Education.

CONGRESSIONAL FINDINGS

Pub. L. 108–355, §2, Oct. 21, 2004, 118 Stat. 1494, provided that: “Congress makes the following findings:

“(1) More children and young adults die from suicide each year than from cancer, heart disease, AIDS, birth defects, stroke, and chronic lung disease combined.

“(2) Over 4,000 children and young adults tragically take their lives every year, making suicide the third overall cause of death between the ages of 10 and 24.

“(3) According to the Centers for Disease Control and Prevention, suicide is the third overall cause of death among college-age students.

“(4) From 1952 to 1996, the rate of suicide in children and young adults tripled.

“(5) From 1980 to 1997, the rate of suicide among young adults ages 15 to 19 increased 11 percent.

“(6) From 1980 to 1997, the rate of suicide among children ages 10 to 14 increased 109 percent.

“(7) According to the National Center of Health Statistics, suicide rates among Native Americans...
§ 290bb–36a. Suicide prevention for youth

(a) In general

The Secretary shall award grants or cooperative agreements to public organizations, private nonprofit organizations, political subdivisions, consortia of political subdivisions, consortia of States, or Federally recognized Indian tribes or tribal organizations to design early intervention and prevention strategies that will complement the State-sponsored statewide or tribal youth suicide early intervention and prevention strategies developed pursuant to section 290bb–36 of this title.

(b) Collaboration

In carrying out subsection (a), the Secretary shall ensure that activities under this section are coordinated with the relevant Department of Health and Human Services agencies and suicide working groups.

(c) Requirements

A public organization, private nonprofit organization, political subdivision, consortium of political subdivisions, consortium of States, or federally recognized Indian tribe or tribal organization desiring a grant, contract, or cooperative agreement under this section shall demonstrate that the suicide prevention program such entity proposes will—

(1)(A) comply with the State-sponsored statewide early intervention and prevention strategy as developed under section 290bb–36 of this title; and

(B) in the case of a consortium of States, receive the support of all States involved;

(2) provide for the timely assessment, treatment, or referral for mental health or substance abuse services of youth at risk for suicide;

(3) be based on suicide prevention practices and strategies that are adapted to the local community;

(4) integrate its suicide prevention program into the existing health care system in the community including general, mental, and behavioral health services, and substance abuse services;

(5) be integrated into other systems in the community that address the needs of youth including the school systems, educational institutions, juvenile justice system, substance abuse programs, mental health programs, foster care systems, and community child and youth support organizations;

(6) use primary prevention methods to educate and raise awareness in the local community by disseminating evidence-based information about suicide prevention;

(7) include suicide prevention, mental health, and related information and services for the families and friends of those who completed suicide, as needed;

(8) offer access to services and care to youth with diverse linguistic and cultural backgrounds;

(9) conduct annual self-evaluations of outcomes and activities, including consulting with interested families and advocacy organizations; 1

(10) ensure that staff used in the program are trained in suicide prevention and that professionals involved in the system of care have received training in identifying persons at risk of suicide.

1 So in original. Probably should be followed by "and".

range from 1.5 to 3 times the national average for other groups, with young people ages 15 to 34 making up 64 percent of all suicides.

Congress has recognized that youth suicide is a public health tragedy linked to underlying mental health problems and that youth suicide early intervention and prevention activities are national priorities.

"(9) Youth suicide early intervention and prevention have been listed as urgent public health priorities by the President's New Freedom Commission in [probably should be "on"] Mental Health (2002), the Institute of Medicine's Reducing Suicide: A National Imperative (2002), the National Strategy for Suicide Prevention: Goals and Objectives for Action (2001), and the Surgeon General's Call to Action To Prevent Suicide (1999).

"(10) Many States have already developed comprehensive statewide youth suicide early intervention and prevention strategies that seek to provide effective early intervention and prevention services.

"(11) In a recent report, a startling 85 percent of college counseling centers revealed an increase in the number of students they see with psychological problems. Furthermore, the American College Health Association found that 61 percent of college students reported feeling hopeless, 45 percent said they felt so depressed they could barely function, and 9 percent felt suicidal.

"(12) There is clear evidence of an increased incidence of depression among college students. According to a survey described in the Chronicle of Higher Education (February 1, 2002), depression among freshmen has nearly doubled (from 8.2 percent to 16.3 percent). Without treatment, researchers recently noted that depressed adolescents are at risk for school failure, social isolation, promiscuity, self-medication with drugs and alcohol, and suicide—now the third leading cause of death among 10–24 year olds. 1

"(13) Researchers who conducted the study 'Changes in Counseling Center Client Problems Across 13 Years' (1989–2001) at Kansas State University stated that students are experiencing more stress, more anxiety, more depression than they were a decade ago.' (The Chronicle of Higher Education, February 14, 2003).

"(14) According to the 2001 National Household Survey on Drug Abuse, 20 percent of full-time undergraduate college students use illicit drugs.

"(15) The 2001 National Household Survey on Drug Abuse also reported that 14.4 percent of adults aged 18 to 24 are dependent on or abusing illicit drugs or alcohol. In addition, the study found that 'serious mental illness is highly correlated with substance dependence or abuse. Among adults with serious mental illness in 2001, 20.3 percent were dependent on or abused alcohol or illicit drugs, while the rate among adults without serious mental illness was only 6.3 percent.',

"(16) A 2003 Gallagher's Survey of Counseling Center Directors found that 81 percent were concerned about the increasing number of students with more serious psychological problems, 67 percent reported a need for more psychiatric services, and 63 percent reported problems with growing demand for services without an appropriate increase in resources.

"(17) The International Association of Counseling Services accreditation standards recommend 1 counselor per 1,000 to 1,500 students. According to the 2003 Gallagher's Survey of Counseling Center Directors, the ratio of counselors to students is as high as 1 counselor per 2,800 students at institutions of higher education with more than 15,000 students."
(d) Use of funds

Amounts provided under a grant or cooperative agreement under this section shall be used to supplement, and not supplant, Federal and non-Federal funds available for carrying out the activities described in this section. Applicants shall provide financial information to demonstrate compliance with this section.

(e) Condition

An applicant for a grant or cooperative agreement under subsection (a) shall demonstrate to the Secretary that the application complies with the State-sponsored statewide early intervention and prevention strategy as developed under section 290bb–36 of this title and the applicant has the support of the local community and relevant public health officials.

(f) Special populations

In awarding grants and cooperative agreements under subsection (a), the Secretary shall ensure that such awards are made in a manner that will focus on the needs of communities or groups that experience high or rapidly rising rates of suicide.

(g) Application

A public organization, private nonprofit organization, political subdivision, consortium of political subdivisions, consortium of States, or Federally recognized Indian tribe or tribal organization receiving a grant or cooperative agreement under subsection (a) shall prepare and submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may reasonably require. Such application shall include a plan for the rigorous evaluation of activities funded under the grant or cooperative agreement, including a process and outcome evaluation.

(h) Distribution of awards

In awarding grants and cooperative agreements under subsection (a), the Secretary shall ensure that such awards are distributed among the geographical regions of the United States and between urban and rural settings.

(i) Evaluation

A public organization, private nonprofit organization, political subdivision, consortium of political subdivisions, consortium of States, or Federally recognized Indian tribe or tribal organization receiving a grant or cooperative agreement under subsection (a) shall prepare and submit to the Secretary at the end of the program period, an evaluation of all activities funded under this section.

(j) Dissemination and education

The Secretary shall ensure that findings derived from activities carried out under this section are disseminated to State, county and local governmental agencies and public and private nonprofit organizations active in promoting suicide prevention and family support activities.

(k) Duration of projects

With respect to a grant, contract, or cooperative agreement awarded under this section, the period during which payments under such award may be made to the recipient may not exceed 3 years.

(l) Study

Within 1 year after October 17, 2000, the Secretary shall, directly or by grant or contract, initiate a study to assemble and analyze data to identify—

(1) unique profiles of children under 13 who attempt or complete suicide;

(2) unique profiles of youths between ages 13 and 24 who attempt or complete suicide; and

(3) a profile of services available to these groups and the use of these services by children and youths from paragraphs (1) and (2).

(m) Definitions

In this section, the terms "early intervention", "educational institution", "institution of higher education", "prevention", "school", and "youth" have the meanings given to those terms in section 290bb–36 of this title.

(n) Authorization of appropriation

For purposes of carrying out this section, there is authorized to be appropriated $75,000,000 for fiscal year 2001 and such sums as may be necessary for each of the fiscal years 2002 through 2003.


AMENDMENTS


Subsec. (a). Pub. L. 108–355, § 3(b)(1)(B), added subsec. (a). Text read as follows: "The Secretary shall award grants, contracts, or cooperative agreements to States, political subdivisions of States, Indian tribes, tribal organizations, public organizations, or private nonprofit organizations to establish programs to reduce suicide deaths in the United States among children and adolescents."

Subsec. (b). Pub. L. 108–355, § 3(b)(1)(C), substituted "with the relevant Department of Health and Human Services agencies and suicide working groups." for "among the Substance Abuse and Mental Health Services Administration, the relevant institutes at the National Institutes of Health, the Centers for Disease Control and Prevention, the Health Resources and Services Administration, and the Administration on Children and Families."

Subsec. (c). Pub. L. 108–355, § 3(b)(1)(D)(i), substituted "A public organization, private nonprofit organization, political subdivision, consortium of political subdivisions, consortium of States, or federally recognized Indian tribe or tribal organization desiring" for "A State, political subdivision of a State, Indian tribe, tribal organization, public organization, or private nonprofit organization desiring" in introductory provisions.


Subsec. (c)(2). Pub. L. 108–355, § 3(b)(1)(D)(iv), redesignated par. (1) as (2) and substituted "youth" for "children and adolescents". Former par. (2) redesignated (3).

Subsec. (c)(3). Pub. L. 108–355, § 3(b)(1)(D)(v), redesignated par. (2) as (3) and struck out "best evidence-based," after "based on". Former par. (3) redesignated (4).
Subsec. (c)(4). Pub. L. 108–355, § 3(b)(1)(D)(ii), (vi), redesignated par. (3) as (4) and substituted “general, mental, and behavioral health services, and substance abuse services;” for “primary health care, mental health services, and substance abuse services;”. Former par. (4) redesignated (5).

Subsec. (c)(5). Pub. L. 108–355, § 3(b)(1)(D)(ii), (vii), redesignated par. (4) as (5) and substituted “youth including the school systems, educational institutions, juvenile justice system, substance abuse programs, mental health programs, foster care systems, and community child and youth support organizations;” for “children and adolescents including the educational system, juvenile justice system, welfare and child protection systems, and community youth support organizations;”.

Former par. (5) redesignated (6).

Subsec. (c)(6), (7). Pub. L. 108–355, § 3(b)(1)(D)(ii), redesignated pars. (5) and (6) as (6) and (7), respectively. Former par. (7) redesignated (8).

Subsec. (c)(8). Pub. L. 108–355, § 3(b)(1)(D)(viii), added par. (8) and struck out former par. (8) which read as follows: “Provide linguistically appropriate and culturally competent services, as needed;”.


Subsec. (c)(9). Pub. L. 108–355, § 3(b)(1)(D)(ix), added par. (9) and struck out former par. (9) which read as follows: “Provide a plan for the evaluation of outcomes and activities at the local level, according to standards established by the Secretary, and agree to participate in a national evaluation;”.


Text read as follows: “Amounts provided under grants, contracts, or cooperative agreements under subsection (a) of this section shall be used to supplement and not supplant other Federal, State, and local public funds that are expended to provide services for eligible individuals.”

Subsec. (e). Pub. L. 108–355, § 3(b)(1)(F), struck out “contract,” after “grant” and inserted “application complies with the State-sponsored statewide early intervention and prevention strategy as developed under section 290bb–36 of this title and the” after “Secretary that the”.


Subsec. (g). Pub. L. 108–355, § 3(b)(1)(H), substituted “A public organization, private nonprofit organization, political subdivision, consortium of political subdivisions, consortium of States, or Federally recognized Indian tribe or tribal organization receiving” for “A State, political subdivision of a State, Indian tribe, tribal organization, public organization, or private nonprofit organization receiving” and struck out “contract,” after “grant”.

Subsec. (k). Pub. L. 108–355, § 3(b)(1)(K), substituted “3 years” for “5 years”.


Subsec. (l)(3). Pub. L. 108–355, § 3(b)(1)(L)(ii), struck out “which might have been” after “profile of services”.


Pub. L. 108–355, § 3(b)(1)(M), struck out par. (1) designation and heading and struck out heading and text of par. (2). Text read as follows: “In carrying out this section, the Secretary shall use 1 percent of the amount appropriated under paragraph (1) for each fiscal year for managing programs under this section.”


TEEEN SUICIDE PREVENTION STUDY


“(a) SHORT TITLE.—This section may be cited as the ‘Teen Suicide Prevention Act of 2000’.

“(b) FINDINGS.—Congress finds that—

“(1) measures that increase public awareness of suicide as a preventable public health problem, and target parents and youth so that suicide risks and warning signs can be recognized, will help to eliminate the ignorance and stigma of suicide as barriers to youth and families seeking preventive care;

“(2) suicide prevention efforts in the year 2000 should—

“A target at-risk youth, particularly youth with mental health problems, substance abuse problems, or contact with the juvenile justice system;

“(B) involve—

“(i) the identification of the characteristics of the at-risk youth and other youth who are contemplating suicide, and barriers to treatment of the youth; and

“(ii) the development of model treatment programs for the youth;

“(C) include a pilot study of the outcomes of treatment for juvenile delinquents with mental health or substance abuse problems;

“(D) include a public education approach to combat the negative effects of the stigma of and discrimination against individuals with, mental health and substance abuse problems; and

“(E) include a nationwide effort to develop, implement, and evaluate a mental health awareness program for schools, communities, and families;

“(3) although numerous symptoms, diagnoses, traits, characteristics, and psychosocial stressors of suicide have been investigated, no single factor or set of factors has ever come close to predicting suicide with accuracy;

“(4) research of United States youth, such as a 1994 study by Lewinsohn, Rohde, and Seeley, has shown predictors of suicide, such as a history of suicide attempts, current suicidal ideation and depression, a recent attempt or completed suicide by a friend, and low self-esteem; and

“(5) epidemiological data illustrate—

“(A) the trend of suicide at younger ages as well as increases in suicidal ideation among youth in the United States; and

“(B) distinct differences in approaches to suicide by gender, with—

“(i) 3 to 5 times as many females as males attempting suicide; and

“(ii) 3 to 5 times as many males as females completing suicide.

“(c) PURPOSE.—The purpose of this section is to provide for a study of predictors of suicide among at-risk and other youth, and barriers that prevent the youth from receiving treatment, to facilitate the development of model treatment programs and public education and awareness efforts.

“(d) STUDY.—Not later than 1 year after the date of enactment of this Act (Oct. 28, 2000), the Secretary of Health and Human Services shall carry out, directly or by grant or contract, a study that is designed to identify—

“(1) the characteristics of at-risk and other youth age 13 through 21 who are contemplating suicide;

“(2) the characteristics of at-risk and other youth who are younger than age 13 and are contemplating suicide; and
§ 290bb–36b. Mental health and substance use disorder services on campus

(a) In general

The Secretary, acting through the Director of the Center for Mental Health Services and in consultation with the Secretary of Education, may award grants on a competitive basis to institutions of higher education to enhance services for students with mental health or substance use disorders that can lead to school failure, such as depression, substance use disorders, and suicide attempts, prevent mental and substance use disorders, reduce stigma, and improve the identification and treatment for students at risk, so that students will successfully complete their studies.

(b) Use of funds

The Secretary may not make a grant to an institution of higher education under this section unless the institution agrees to use the grant only for one or more of the following:

(1) Educating students, families, faculty, and staff to increase awareness of mental and substance use disorders.
(2) The operation of hotlines.
(3) Preparing informational material.
(4) Providing outreach services to notify students about available mental and substance use disorder services.
(5) Administering voluntary mental and substance use disorder screenings and assessments.
(6) Supporting the training of students, faculty, and staff to respond effectively to students with mental and substance use disorders.
(7) Creating a network infrastructure to link institutions of higher education with health care providers who treat mental and substance use disorders.
(8) Providing mental and substance use disorders prevention and treatment services to students, which may include recovery support services and programming and early intervention, treatment, and management, including through the use of telehealth services.
(9) Conducting research through a counseling or health center at the institution of higher education involved regarding improving the behavioral health of students through clinical services, outreach, prevention, or academic success, in a manner that is in compliance with all applicable personal privacy laws.
(10) Supporting student groups on campus, including athletic teams, that engage in activities to educate students, including activities to reduce stigma surrounding mental and behavioral disorders, and promote mental health.
(11) Employing appropriately trained staff.
(12) Developing and supporting evidence-based and emerging best practices, including a focus on culturally and linguistically appropriate best practices.

(c) Eligible grant recipients

Any institution of higher education receiving a grant under this section may carry out activities under the grant through—

(1) college counseling centers;
(2) college and university psychological service centers;
(3) mental health centers;
(4) psychology training clinics; or
(5) institution of higher education supported, evidence-based, mental health and substance use disorder programs.

(d) Application

To be eligible to receive a grant under this section, an institution of higher education shall prepare and submit an application to the Secretary at such time and in such manner as the Secretary may require. At a minimum, the application shall include the following:

(1) A description of the population to be targeted by the program carried out under the grant, including veterans whenever possible and appropriate, and of identified mental and substance use disorder needs of students at the institution of higher education.
(2) A description of the outreach strategies of the institution of higher education for promoting access to services, including a proposed plan for reaching those students most in need of mental health services.
(3) A plan to evaluate program outcomes, including a description of the proposed use of funds, the program objectives, and how the objectives will be met.
(4) An assurance that grant funds will be used to supplement and not supplant any
other Federal, State, or local funds available to carry out activities of the type carried out under the grant.

(e) Requirement of matching funds

(1) In general

The Secretary may make a grant under this section to an institution of higher education only if the institution agrees to make available (directly or through donations from public or private entities) non-Federal contributions in an amount that is not less than $1 for each $1 of Federal funds provided in the grant, toward the costs of activities carried out with the grant (as described in subsection (b)) and other activities by the institution to reduce student mental health and substance use disorders.

(2) Determination of amount contributed

Non-Federal contributions required under paragraph (1) may be in cash or in kind. Amounts provided by the Federal Government, or services assisted or subsidized to any significant extent by the Federal Government, may not be included in determining the amount of such non-Federal contributions.

(3) Waiver

The Secretary may waive the requirement established in paragraph (1) with respect to an institution of higher education if the Secretary determines that extraordinary need at the institution justifies the waiver.

(f) Reports

For each fiscal year that grants are awarded under this section, the Secretary shall conduct a study on the results of the grants and submit to the Congress a report on such results that includes the following:

(1) An evaluation of the grant program outcomes, including a summary of activities carried out with the grant and the results achieved through those activities.

(2) Recommendations on how to improve access to mental health and substance use disorder services at institutions of higher education, including efforts to reduce the incidence of suicide and substance use disorders.

(g) Definition

In this section, the term ‘‘institution of higher education’’ has the meaning given such term in section 1001 of title 20.

(h) Technical assistance

The Secretary may provide technical assistance to grantees in carrying out this section.

(i) Authorization of appropriations

For the purpose of carrying out this section, there are authorized to be appropriated $7,000,000 for each of fiscal years 2018 through 2022.


AMENDMENTS


Subsec. (b). Pub. L. 114–255, § 9031(3), substituted “for one or more of the following:” for “for—” in introductory provisions, added pars. (1) to (12), and struck out former pars. (1) to (6) which read as follows:

“(1) educational seminars;”

“(2) the operation of hot lines;”

“(3) preparation of informational material;”

“(4) preparation of educational materials for families of students to increase awareness of potential mental and behavioral health issues of students enrolled at the institution of higher education;

“(5) training programs for students and campus personnel to respond effectively to students with mental and behavioral health problems that can lead to school failure, such as depression, substance abuse, and suicide attempts; or

“(6) the creation of a networking infrastructure to link colleges and universities that do not have mental health services with health care providers who can treat mental and behavioral health problems.”

Subsec. (c)(5). Pub. L. 114–255, § 9031(4), substituted “substance use disorder” for “substance abuse”.

Subsec. (d). Pub. L. 114–255, § 9031(5)(A), in introductory provisions, substituted “To be eligible to receive a grant under this section, an institution of higher education” for “An institution of higher education desiring a grant under this section”.

Subsec. (d)(1). Pub. L. 114–255, § 9031(5)(B), added par. (1) and struck out former par. (1) which read as follows:

“A description of identified mental and behavioral health needs of students at the institution of higher education.”

Subsec. (d)(2). Pub. L. 114–255, § 9031(5)(C), inserted “, which may include, as appropriate and in accordance with subsection (b)(7), a plan to seek input from relevant stakeholders in the community, including appropriate public and private entities, in order to carry out the program under the grant” before period at end.

Subsec. (d)(6) to (8). Pub. L. 114–255, § 9031(5)(D), added pars. (6) to (8).

Subsec. (e)(1). Pub. L. 114–255, § 9031(6), substituted “health and substance use disorders” for “and behavioral health problems”.

Subsec. (f)(2). Pub. L. 114–255, § 9031(7), substituted “and substance use disorder” for “and behavioral health” and “suicide and substance use disorders” for “suicide and substance abuse”.


Subsec. (i). Pub. L. 114–255, § 9031(8), (10), redesignated subsec. (h) as (i) and substituted “$7,000,000 for each of fiscal years 2018 through 2022.” for “$5,000,000 for fiscal year 2005, $5,000,000 for fiscal year 2006, and $5,000,000 for fiscal year 2007.”

INTERAGENCY WORKING GROUP ON COLLEGE MENTAL HEALTH


“(a) PURPOSE.—It is the purpose of this section to provide for the establishment of a College Campus Task Force to discuss mental and behavioral health concerns on campuses of institutions of higher education.

“(b) ESTABLISHMENT.—The Secretary of Health and Human Services (referred to in this section as the Secretary) shall establish a College Campus Task Force (referred to in this section as the Task Force) to discuss mental and behavioral health concerns on campuses of institutions of higher education.

“(c) MEMBERSHIP.—The Task Force shall be composed of a representative from each Federal agency (as appointed by the head of the agency) that has jurisdiction
over, or is affected by, mental health and education policies and projects, including—

"(1) the Department of Education;

"(2) the Department of Health and Human Services;

"(3) the Department of Veterans Affairs; and

"(4) such other Federal agencies as the Assistant Secretary for Mental Health and Substance Use, in consultation with the Secretary, determines to be appropriate.

"(d) DUTIES.—The Task Force shall—

"(1) serve as a centralized mechanism to coordinate a national effort to—

"(A) discuss and evaluate evidence and knowledge on mental and behavioral health services available to, and the prevalence of mental illness among, the age population of students attending institutions of higher education in the United States;

"(B) determine the range of effective, feasible, and comprehensive actions to improve mental and behavioral health on campuses of institutions of higher education;

"(C) examine and better address the needs of the age population of students attending institutions of higher education dealing with mental illness;

"(D) survey Federal agencies to determine which policies are effective in encouraging, and how best to facilitate outreach without duplicating, efforts relating to mental and behavioral health promotion;

"(E) establish specific goals within and across Federal agencies for mental health promotion, including determinations of accountability for reaching those goals;

"(F) develop a strategy for allocating responsibilities and ensuring participation in mental and behavioral health promotion, particularly in the case of competing agency priorities;

"(G) coordinate plans to communicate research results relating to mental and behavioral health amongst the age population of students attending institutions of higher education to enable reporting and outreach activities to produce more useful and timely information;

"(H) provide a description of evidence-based practices, model programs, effective guidelines, and other strategies for promoting mental and behavioral health on campuses of institutions of higher education;

"(I) make recommendations to improve Federal efforts relating to mental and behavioral health promotion on campuses of institutions of higher education and to ensure Federal efforts are consistent with available standards, evidence, and other programs in existence as of the date of enactment of this Act [Dec. 13, 2016];

"(J) monitor Federal progress in meeting specific mental and behavioral health promotion goals as they relate to settings of institutions of higher education;

and

"(K) examine and disseminate best practices related to intracampus sharing of treatment records;

"(2) consult with national organizations with expertise in mental and behavioral health, especially those organizations working with the age population of students attending institutions of higher education; and

"(3) consult with and seek input from mental health professionals working on campuses of institutions of higher education as appropriate.

"(e) MEETINGS.—

"(1) IN GENERAL.—The Task Force shall meet not fewer than three times each year.

"(2) ANNUAL CONFERENCE.—The Secretary shall sponsor an annual conference on mental and behavioral health in settings of institutions of higher education to enhance coordination, build partnerships, and share best practices in mental and behavioral health promotion, data collection, analysis, and services.

"(f) DEFINITION.—In this section, the term ‘institutions of higher education’ has the meaning given such term in section 101 of the Higher Education Act of 1965 (20 U.S.C. 1001).

"(g) AUTHORIZATION OF APPROPRIATIONS.—To carry out this section, there are authorized to be appropriated $1,000,000 for the period of fiscal years 2018 through 2022.”

§ 290bb–36c. National Suicide Prevention Lifeline program

(a) In general

The Secretary, acting through the Assistant Secretary, shall maintain the National Suicide Prevention Lifeline program (referred to in this section as the “program”), authorized under section 290bb–32 of this title and in effect prior to December 13, 2016.

(b) Activities

In maintaining the program, the activities of the Secretary shall include—

(1) coordinating a network of crisis centers across the United States for providing suicide prevention and crisis intervention services to individuals seeking help at any time, day or night;

(2) maintaining a suicide prevention hotline to link callers to local emergency, mental health, and social services resources; and

(3) consulting with the Secretary of Veterans Affairs to ensure that veterans calling the suicide prevention hotline have access to a specialized veterans’ suicide prevention hotline.

(c) Authorization of appropriations

To carry out this section, there are authorized to be appropriated $7,198,000 for each of fiscal years 2018 through 2022.


§ 290bb–36d. Treatment Referral Routing Service

(a) In general

The Secretary, acting through the Assistant Secretary, shall maintain the National Treatment Referral Routing Service (referred to in this section as the “Routing Service”) to assist individuals and families in locating mental and substance use disorders treatment providers.

(b) Activities of the Secretary

To maintain the Routing Service, the activities of the Assistant Secretary shall include administering—

(1) a nationwide, telephone number providing year-round access to information that is updated on a regular basis regarding local behavioral health providers and community-based organizations in a manner that is confidential, without requiring individuals to identify themselves, is in languages that include at least English and Spanish, and is at no cost to the individual using the Routing Service; and

(2) an Internet website to provide a searchable, online treatment services locator of behavioral health treatment providers and community-based organizations, which shall include information on the name, location, contact information, and basic services provided by such providers and organizations.
(c) Removing practitioner contact information

In the event that the Internet website described in subsection (b)(2) contains information on any qualified practitioner that is certified to prescribe medication for opioid dependency under section 823(g)(2)(B) of title 21, the Assistant Secretary—

(1) shall provide an opportunity to such practitioner to have the contact information of the practitioner removed from the website at the request of the practitioner; and

(2) may evaluate other methods to periodically update the information displayed on such website.

(d) Rule of construction

Nothing in this section shall be construed to prevent the Assistant Secretary from using any unobligated amounts otherwise made available to the Administration to maintain the Routing Service.


§ 290bb–37. Strengthening community crisis response systems

(a) In general

The Secretary shall award competitive grants to—

(1) State and local governments and Indian tribes and tribal organizations, to enhance community-based crisis response systems; or

(2) States to develop, maintain, or enhance a database of beds at inpatient psychiatric facilities, crisis stabilization units, and residential community mental health and residential substance use disorder treatment facilities, for adults with a serious mental illness, children with a serious emotional disturbance, or individuals with a substance use disorder.

(b) Applications

(1) In general

To receive a grant under subsection (a), an entity shall submit to the Secretary an application, at such time, in such manner, and containing such information as the Secretary may require.

(2) Community-based crisis response plan

An application for a grant under subsection (a)(1) shall include a plan for—

(A) promoting integration and coordination between local public and private entities engaged in crisis response, including first responders, emergency health care providers, primary care providers, law enforcement, court systems, health care payers, social service providers, and behavioral health providers;

(B) developing memoranda of understanding with public and private entities to implement crisis response services;

(C) addressing gaps in community resources for crisis intervention and prevention; and

(D) developing models for minimizing hospital readmissions, including through appropriate discharge planning.

(3) Beds database plan

An application for a grant under subsection (a)(2) shall include a plan for developing, maintaining, or enhancing a real-time, Internet-based bed database to collect, aggregate, and display information about beds in inpatient psychiatric facilities and crisis stabilization units, and residential community mental health and residential substance use disorder treatment facilities to facilitate the identification and designation of facilities for the temporary treatment of individuals in mental or substance use disorder crisis.

(c) Database requirements

A bed database described in this section is a database that—

(1) includes information on inpatient psychiatric facilities, crisis stabilization units, and residential community mental health and residential substance use disorder facilities in the State involved, including contact information for the facility or unit;

(2) provides real-time information about the number of beds available at each facility or unit and, for each available bed, the type of patient that may be admitted, the level of security provided, and any other information that may be necessary to allow for the proper identification of appropriate facilities for treatment of individuals in mental or substance use disorder crisis; and

(3) enables searches of the database to identify available beds that are appropriate for the treatment of individuals in mental or substance use disorder crisis.

(d) Evaluation

An entity receiving a grant under subsection (a)(1) shall submit to the Secretary, at such time, in such manner, and containing such information as the Secretary may reasonably require, a report, including an evaluation of the effect of such grant on—

(1) local crisis response services and measures for individuals receiving crisis planning and early intervention supports;

(2) individuals reporting improved functional outcomes; and

(3) individuals receiving regular followup care following a crisis.

(e) Authorization of appropriations

There are authorized to be appropriated to carry out this section, $12,500,000 for the period of fiscal years 2018 through 2022.


AMENDMENTS

2016—Pub. L. 114–255 amended section generally. Prior to amendment, section provided for grants to support the designation of hospitals and health centers as Emergency Mental Health Centers.

§ 290bb–38. Grants for jail diversion programs

(a) Program authorized

The Secretary shall make up to 125 grants to States, political subdivisions of States, and In-
(d) Special consideration regarding veterans

In awarding grants under subsection (a), the Secretary shall, as appropriate, give special consideration to entities proposing to use grant funding to support jail diversion services for veterans.

(e) Use of funds

A State, political subdivision of a State, Indian tribe, or tribal organization receiving a grant under subsection (a) may use funds received under such grant to—

(1) integrate the diversion program into the existing system of care;
(2) create or expand community-based mental health and co-occurring mental illness and substance use disorder services to accommodate the diversion program;
(3) train professionals involved in the system of care, and law enforcement officers, attorneys, and judges;
(4) provide community outreach and crisis intervention; and
(5) develop programs to divert individuals prior to booking or arrest.

(f) Federal share

(1) In general

The Secretary shall pay to a State, political subdivision of a State, Indian tribe, or tribal organization receiving a grant under subsection (a) the Federal share of the cost of activities described in the application.

(2) Federal share

The Federal share of a grant made under this section shall not exceed 75 percent of the total cost of the program carried out by the State, political subdivision of a State, Indian tribe, or tribal organization. Such share shall be used for new expenses of the program carried out by such State, political subdivision of a State, Indian tribe, or tribal organization.

(3) Non-Federal share

The non-Federal share of payments made under this section may be made in cash or in kind fairly evaluated, including planned equipment or services. The Secretary may waive the requirement of matching contributions.

(g) Geographic distribution

The Secretary shall ensure that such grants awarded under subsection (a) are equitably distributed among the geographical regions of the United States and between urban and rural populations.

(h) Training and technical assistance

Training and technical assistance may be provided by the Secretary to assist a State, political subdivision of a State, Indian tribe, or tribal organization receiving a grant under subsection (a) in establishing and operating a diversion program.
(i) Evaluations

The programs described in subsection (a) shall be evaluated not less than once in every 12-month period using the methodology and outcome measures identified in the grant application.

(j) Authorization of appropriations

There are authorized to be appropriated to carry out this section $4,269,000 for each of fiscal years 2018 through 2022.


AMENDMENTS
2016—Subsec. (a). Pub. L. 114–255, §9002(2), substituted ‘‘and Indian tribes and tribal organizations (as the terms ‘‘Indian tribes’ and ‘‘tribal organizations’’ are defined in section 4 of the Indian Self-Determination and Education Assistance Act)’’ for ‘‘Indian tribes, and tribal organizations’’ and inserted ‘‘or a health facility or program operated by or in accordance with a contract or grant with the Indian Health Service,’’ after ‘‘entities.’’


Subsec. (e)(2). Pub. L. 114–255, §9002(1), substituted ‘‘substance use disorder’’ for ‘‘substance abuse’’.


Subsecs. (f) to (j). Pub. L. 114–255, §9002(4), redesignated subsecs. (e) to (h) as (f) to (i), respectively. Former subsec. (i) redesignated (j).

Subsec. (j). Pub. L. 114–255, §9002(1), (7), redesignated subsec. (i) as (j) and substituted ‘‘$4,269,000 for each of fiscal years 2018 through 2022’’ for ‘‘$10,000,000 for fiscal year 2001, and such sums as may be necessary for fiscal years 2002 through 2003’’.


§290bb–40. Grants for the integrated treatment of serious mental illness and co-occurring substance abuse

(a) In general

The Secretary shall award grants, contracts, or cooperative agreements to States, political subdivisions of States, Indian tribes, tribal organizations, and private nonprofit organizations for the development or expansion of programs to provide integrated treatment services for individuals with a serious mental illness and a co-occurring substance abuse disorder.

(b) Priority

In awarding grants, contracts, and cooperative agreements under subsection (a), the Secretary shall give priority to applicants that emphasize the provision of services for individuals with a serious mental illness and a co-occurring substance abuse disorder who—
(1) have a history of interactions with law enforcement or the criminal justice system;
(2) have recently been released from incarceration;
(3) have a history of unsuccessful treatment in either an inpatient or outpatient setting;
(4) have never followed through with outpatient services despite repeated referrals; or
(5) are homeless.

(c) Use of funds

A State, political subdivision of a State, Indian tribe, tribal organization, or private nonprofit organization that receives a grant, contract, or cooperative agreement under subsection (a) shall use funds received under such grant—
(1) to provide fully integrated services rather than serial or parallel services;
(2) to employ staff that are cross-trained in the diagnosis and treatment of both serious mental illness and substance abuse;
(3) to provide integrated mental health and substance abuse services at the same location;
(4) to provide services that are linguistically appropriate and culturally competent;
(5) to provide at least 10 programs for integrated treatment of both mental illness and substance abuse at sites that previously provided only mental health services or only substance abuse services; and
(6) to provide services in coordination with other existing public and private community programs.

(d) Condition

The Secretary shall ensure that a State, political subdivision of a State, Indian tribe, tribal organization, or private nonprofit organization that receives a grant, contract, or cooperative agreement under subsection (a) maintains the level of effort necessary to sustain existing mental health and substance abuse programs for other populations served by mental health systems in the community.

(e) Distribution of awards

The Secretary shall ensure that grants, contracts, or cooperative agreements awarded under subsection (a) are equitably distributed among the geographical regions of the United States and between urban and rural populations.

(f) Duration

The Secretary shall award grants, contract, or cooperative agreements under this subsection for a period of not more than 5 years.

(g) Application

A State, political subdivision of a State, Indian tribe, tribal organization, or private nonprofit organization that desires a grant, contract, or cooperative agreement under this subsection shall prepare and submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require. Such application shall include a plan for the rigorous evaluation of activities funded with an award under such subsection, including a process and outcomes evaluation.
(h) Evaluation

A State, political subdivision of a State, Indian tribe, tribal organization, or private nonprofit organization that receives a grant, contract, or cooperative agreement under this subsection shall prepare and submit a plan for the rigorous evaluation of the program funded under such grant, contract, or agreement, including both process and outcomes evaluation, and the submission of an evaluation at the end of the project period.

(i) Authorization of appropriation

There is authorized to be appropriated to carry out this subsection $40,000,000 for fiscal year 2001, and such sums as may be necessary for fiscal years 2002 through 2003.

(7) Authorization of appropriations

There is authorized to be appropriated to carry out this subsection $14,693,000 for each of fiscal years 2018 through 2022.

(5) Use of funds

A State, political subdivision of a State, Indian tribe, tribal organization, or nonprofit private entity receiving a grant under this subsection shall use funds from such grant for evidence-based programs that provide training and education in accordance with paragraph (1) on matters including—

(A) recognizing the signs and symptoms of mental illness; and

(B)(i) resources available in the community for individuals with a mental illness and other relevant resources; or

(ii) safely de-escalating crisis situations involving individuals with a mental illness.

(6) Evaluation

A State, political subdivision of a State, Indian tribe, tribal organization, or nonprofit private entity that receives a grant under this subsection shall prepare and submit an evaluation to the Secretary at such time, in such manner, and containing such information as the Secretary may reasonably require, including an evaluation of activities carried out with funds received under the grant under this subsection and a process and outcome evaluation.

(7) Authorization of appropriations

There is authorized to be appropriated to carry out this subsection $14,693,000 for each of fiscal years 2018 through 2022.

(1) In general

The Secretary shall award grants in accordance with the provisions of this section.

(b) Mental health awareness training grants

(1) In general

The Secretary shall award grants to States, political subdivisions of States, Indian tribes, tribal organizations, and nonprofit private entities to train teachers and other relevant school personnel to recognize symptoms of childhood and adolescent mental disorders, to refer family members to the appropriate mental health services if necessary, to train emergency services personnel veterans, law enforcement, and other categories of individuals, as determined by the Secretary, to identify and appropriately respond to persons with a mental illness, and to provide education to such teachers and personnel regarding resources that are available in the community for individuals with a mental illness.

(2) Emergency services personnel

In this subsection, the term “emergency services personnel” includes paramedics, firefighters, and emergency medical technicians.

(3) Distribution of awards

The Secretary shall ensure that such grants awarded under this subsection are equitably distributed among the geographical regions of the United States and between urban and rural populations.

(4) Application

A State, political subdivision of a State, Indian tribe, tribal organization, or nonprofit private entity that desires a grant under this subsection shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require, including a plan for the rigorous evaluation of activities that are carried out with funds received under a grant under this subsection.

(a) Definitions

In this section:
(1) Eligible entity

The term “eligible entity” means a State, or other appropriate State agency, in collaboration with 1 or more qualified community programs as described in section 300x-2(b)(1) of this title or 1 or more community health centers as described in section 254b of this title.

(2) Integrated care

The term “integrated care” means collaborative models or practices offering mental and physical health services, which may include practices that share the same space in the same facility.

(3) Special population

The term “special population” means—

(A) adults with a mental illness who have co-occurring physical health conditions or chronic diseases;

(B) adults with a serious mental illness who have co-occurring physical health conditions or chronic diseases;

(C) children and adolescents with a serious emotional disturbance with co-occurring physical health conditions or chronic diseases; or

(D) individuals with a substance use disorder.

(b) Grants and cooperative agreements

(1) In general

The Secretary may award grants and cooperative agreements to eligible entities to support the improvement of integrated care for primary care and behavioral health care in accordance with paragraph (2).

(2) Purposes

A grant or cooperative agreement awarded under this section shall be designed to—

(A) promote full integration and collaboration in clinical practices between primary and behavioral health care;

(B) support the improvement of integrated care models for primary care and behavioral health care to improve the overall wellness and physical health status of adults with a serious mental illness or children with a serious emotional disturbance; and

(C) promote integrated care services related to screening, diagnosis, prevention, and treatment of mental and substance use disorders, and co-occurring physical health conditions and chronic diseases.

(c) Applications

(1) In general

An eligible entity seeking a grant or cooperative agreement under this section shall submit an application to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may require, including the contents described in paragraph (2).

(2) Contents

The contents described in this paragraph are—

(A) a description of a plan to achieve fully collaborative agreements to provide services to special populations;

(B) a document that summarizes the policies, if any, that serve as barriers to the provision of integrated care, and the specific steps, if applicable, that will be taken to address such barriers;

(C) a description of partnerships or other arrangements with local health care providers to provide services to special populations;

(D) an agreement and plan to report to the Secretary performance measures necessary to evaluate patient outcomes and facilitate evaluations across participating projects; and

(E) a plan for sustainability beyond the grant or cooperative agreement period under subsection (e).

(d) Grant and cooperative agreement amounts

(1) Target amount

The target amount that an eligible entity may receive for a year through a grant or cooperative agreement under this section shall be $2,000,000.

(2) Adjustment permitted

The Secretary, taking into consideration the quality of the application and the number of eligible entities that received grants under this section prior to December 13, 2016, may adjust the target amount that an eligible entity may receive for a year through a grant or cooperative agreement under this section.

(3) Limitation

An eligible entity receiving funding under this section may not allocate more than 10 percent of funds awarded under this section to administrative functions, and the remaining amounts shall be allocated to health facilities that provide integrated care.

(e) Duration

A grant or cooperative agreement under this section shall be for a period not to exceed 5 years.

(f) Report on program outcomes

An eligible entity receiving a grant or cooperative agreement under this section shall submit an annual report to the Secretary that includes—

(1) the progress made to reduce barriers to integrated care as described in the entity’s application under subsection (c); and

(2) a description of functional outcomes of special populations, including—

(A) with respect to adults with a serious mental illness, participation in supportive housing or independent living programs, attendance in social and rehabilitative programs, participation in job training opportunities, satisfactory performance in work settings, attendance at scheduled medical and mental health appointments, and compliance with prescribed medication regimes;

(B) with respect to individuals with co-occurring mental illness and physical health conditions and chronic diseases, attendance at scheduled medical and mental health appointments, compliance with prescribed medication regimes, and participation in
learning opportunities related to improved health and lifestyle practices; and
(C) with respect to children and adolescents with a serious emotional disturbance who have co-occurring physical health conditions and chronic diseases, attendance at scheduled medical and mental health appointments, compliance with prescribed medication regimes, and participation in learning opportunities at school and extracurricular activities.

(g) Technical assistance for primary-behavioral health care integration

(1) In general

The Secretary may provide appropriate information, training, and technical assistance to eligible entities that receive a grant or cooperative agreement under this section, in order to help such entities meet the requirements of this section, including assistance with—
(A) development and selection of integrated care models;
(B) dissemination of evidence-based interventions in integrated care;
(C) establishment of organizational practices to support operational and administrative success; and
(D) other activities, as the Secretary determines appropriate.

(2) Additional dissemination of technical information

The information and resources provided by the Secretary under paragraph (1) shall, as appropriate, be made available to States, political subdivisions of States, Indian tribes or tribal organizations (as defined in section 5304 of title 25), outpatient mental health and addiction treatment centers, community mental health centers that meet the criteria under section 300x–2(c) of this title, certified community behavioral health clinics described in section 223 of the Protecting Access to Medicare Act of 2014, primary care organizations such as Federally qualified health centers or rural health centers that meet the criteria under section 390x–2(c) of this title, other community-based organizations, or other entities engaging in integrated care activities, as the Secretary determines appropriate.

(h) Authorization of appropriations

To carry out this section, there are authorized to be appropriated $51,878,000 for each of fiscal years 2018 through 2022.

A grant under this section shall be for a period of not more than 5 years.

(2) Eligible entities

To be eligible to receive a grant under this section, an entity shall be a community-based primary care organization or behavioral health care setting, an emergency department, a State mental health agency (or State health agency with mental or behavioral health functions), public health agency, a territory of the United States, or an Indian tribe or tribal organization (as the terms "Indian tribe" and "tribal organization" are defined in section 5304 of title 25).

(3) Use of funds

The grants awarded under paragraph (1) shall be used to implement programs, in accordance with such paragraph, that include one or more of the following components:

(A) Screening for suicide risk, suicide intervention services, and services for referral for treatment for individuals at risk for suicide.

(B) Implementing evidence-based practices to provide treatment for individuals at risk for suicide, including appropriate followup services.

(C) Raising awareness and reducing stigma of suicide.

(b) Evaluations and technical assistance

The Assistant Secretary shall—
(1) evaluate the activities supported by grants awarded under subsection (a), and disseminate, as appropriate, the findings from the evaluation; and
(2) provide appropriate information, training, and technical assistance, as appropriate, to eligible entities that receive a grant under this section, in order to help such entities to meet the requirements of this section, including assistance with selection and implementation of evidence-based interventions and frameworks to prevent suicide.

(c) Duration

A grant under this section shall be for a period of not more than 5 years.

(d) Authorization of appropriations

There are authorized to be appropriated to carry out this section $30,000,000 for the period of fiscal years 2018 through 2022.

A grant under this section shall—
(1) be awarded to eligible entities described in paragraph (2) to implement suicide prevention and intervention programs, for individuals who are 25 years of age or older, that are designed to raise awareness of suicide, establish referral processes, and improve care and outcomes for such individuals who are at risk of suicide.

(2) Evaluations and technical assistance

The Assistant Secretary shall—
(1) evaluate the activities supported by grants awarded under subsection (a), and disseminate, as appropriate, the findings from the evaluation; and
(2) provide appropriate information, training, and technical assistance, as appropriate, to eligible entities that receive a grant under this section, in order to help such entities to meet the requirements of this section, including assistance with selection and implementation of evidence-based interventions and frameworks to prevent suicide.

(a) In general

The Assistant Secretary shall award grants to eligible entities—
(1) to establish assertive community treatment programs for adults with a serious mental illness; or
(2) to maintain or expand such programs.

(b) Eligible entities
To be eligible to receive a grant under this section, an entity shall be a State, political subdivision of a State, Indian tribe or tribal organization (as such terms are defined in section 5304 of title 25), mental health system, health care facility, or any other entity the Assistant Secretary deems appropriate.

c) Special consideration
In selecting among applicants for a grant under this section, the Assistant Secretary may give special consideration to the potential of the applicant’s program to reduce hospitalization, homelessness, and involvement with the criminal justice system while improving the health and social outcomes of the patient.

d) Additional activities
The Assistant Secretary shall—
(1) not later than the end of fiscal year 2021, submit a report to the appropriate congressional committees on the grant program under this section, including an evaluation of—
(A) any cost savings and public health outcomes such as mortality, suicide, substance use disorders, hospitalization, and use of services;
(B) rates of involvement with the criminal justice system of patients;
(C) rates of homelessness among patients;
and
(D) patient and family satisfaction with program participation; and
(2) provide appropriate information, training, and technical assistance to grant recipients under this section to help such recipients to establish, maintain, or expand their assertive community treatment programs.

e) Authorization of appropriations
(1) In general
To carry out this section, there is authorized to be appropriated $5,000,000 for the period of fiscal years 2018 through 2022.

(2) Use of certain funds
Of the funds appropriated to carry out this section during any fiscal year, not more than 5 percent shall be available to the Assistant Secretary for carrying out subsection (d).


Effective date of repeal
Repeal effective Oct. 1, 1992, with provision for programs providing financial assistance, see section 801(c), (d) of Pub. L. 102–321, set out as an Effective Date of 1992 Amendment note under section 236 of this title.

§ 290cc–13. Transferred

Codification


§ 290cc–21. Formula grants to States

For the purpose of carrying out section 290cc–12 of this title, the Secretary, acting through the Director of the Center for Mental Health Services, shall for each of the fiscal years 2018 through 2022 make an allotment for each State in an amount determined in accordance with section 290cc–24 of this title. The Secretary shall make payments, as grants, each such fiscal year to each State from the allotment for the State if the Secretary approves for the fiscal year involved an application submitted by the State pursuant to section 290cc–9 of this title.

§ 290cc–22. Purpose of grants

(a) In general

The Secretary may not make payments under section 290cc–21 of this title unless the State involved agrees that the payments will be expended solely for making grants to political subdivisions of the State, and to nonprofit private entities (including community-based veterans organizations and other community organizations), for the purpose of providing the services specified in subsection (b) to individuals who—

(1) (A) are suffering from serious mental illness; or
(2) are suffering from serious mental illness and from a substance use disorder; and
(2) are homeless or at imminent risk of becoming homeless.

(b) Specification of services

The services referred to in subsection (a) are—

(1) outreach services;
(2) screening and diagnostic treatment services;
(3) habilitation and rehabilitation services;
(4) community mental health services;
(5) alcohol or drug treatment services;
(6) staff training, including the training of individuals who work in shelters, mental health clinics, substance use disorder programs, and other sites where homeless individuals require services;
(7) case management services, including—
(A) preparing a plan for the provision of community mental health services to the eligible homeless individual involved, and reviewing such plan not less than once every 3 months;
(B) providing assistance in obtaining and coordinating social and maintenance services for the eligible homeless individuals, including services relating to personal financial planning, transportation services, and habilitation and rehabilitation services, prevocational and vocational services, and housing services;
(C) providing assistance to the eligible homeless individual in obtaining income support services, including housing assistance, supplemental nutrition assistance program benefits, and supplemental security income benefits;
(D) referring the eligible homeless individual for such other services as may be appropriate; and
(E) representing and supervising services in accordance with section 1631(a)(2) of the Social Security Act [42 U.S.C. 1381 et seq.] and if the applicant is designated by the Secretary to provide such services;
(8) supportive and supervisory services in residential settings;
(9) referrals for primary health services, job training, educational services, and relevant housing services;
(10) subject to subsection (h)(1)—
(A) minor renovation, expansion, and repair of housing;
(B) planning of housing;
(C) technical assistance in applying for housing assistance;
(D) improving the coordination of housing services;
(E) security deposits;
(F) the costs associated with matching eligible homeless individuals with appropriate housing situations; and
(G) 1-time rental payments to prevent eviction; and
(11) other appropriate services, as determined by the Secretary.

(c) Coordination

The Secretary may not make payments under section 290cc–21 of this title unless the State involved agrees to make grants pursuant to subsection (a) only to entities that have the capacity to provide, directly or through arrangements, the services specified in subsection (b), including coordinating the provision of services in order to meet the needs of eligible homeless individuals who are both mentally ill and suffering from a substance use disorder.

(d) Special consideration regarding veterans

The Secretary may not make payments under section 290cc–21 of this title unless the State in-
volved agrees that, in making grants to entities pursuant to subsection (a), the State will give special consideration to entities with a demonstrated effectiveness in serving homeless veterans.

(e) Special rules

The Secretary may not make payments under section 290cc–21 of this title unless the State involved agrees that grants pursuant to subsection (a) will not be made to any entity that—

(1) has a policy of excluding individuals from mental health services due to the existence or suspicion of a substance use disorder; or

(2) has a policy of excluding individuals from substance use disorder services due to the existence or suspicion of mental illness.

(f) Administrative expenses

The Secretary may not make payments under section 290cc–21 of this title unless the State involved agrees that not more than 4 percent of the payments will be expended for administrative expenses regarding the payments.

(g) Restrictions on use of funds

The Secretary may not make payments under section 290cc–21 of this title unless the State involved agrees that—

(1) not more than 20 percent of the payments will be expended for housing services under subsection (b)(10) and

(2) the payments will not be expended—

(A) to support emergency shelters or construction of housing facilities;

(B) for inpatient psychiatric treatment costs or inpatient substance use disorder treatment costs; or

(C) to make cash payments to intended recipients of mental health or substance use disorder services.

(h) Waiver for territories

With respect to the United States Virgin Islands, Guam, American Samoa, Palau, the Marshall Islands, and the Commonwealth of the Northern Mariana Islands, the Secretary may waive the provisions of this part that the Secretary determines to be appropriate.

Prior to amendment, text of subsec. (a) read as follows:

"The Secretary may not make payments under section 290cc–21 of this title unless the State involved agrees that—

(a) less than the average level of such expenditures maintained by the State for the 2-year period preceding the fiscal year for which the State is applying to receive such payments.

Subsec. (a), (b), (c), Pub. L. 114–255, § 9004(b)(2), (3), redesignated subsec. (c) as (b) and struck out former subsec. (a).

2008—Subsec. (d)(1), Pub. L. 110–246, § 4002(b)(1)(E), (2)(U), substituted "supplemental nutrition assistance program benefits" for "food stamps".


**Effective Date of 2008 Amendment**


§ 290cc–23. Requirement of matching funds

(a) In general

The Secretary may not make payments under section 290cc–21 of this title unless, with respect to the costs of providing services pursuant to section 290cc–21 of this title, the State involved agrees to make available, directly or through donations from public or private entities, non-Federal contributions toward such costs in an amount that is not less than $1 for each $3 of Federal funds provided in such payments.

(b) Determination of amount

Non-Federal contributions required in subsection (a) may be in cash or in kind, fairly evaluated, including plant, equipment, or services. Amounts provided by the Federal Government, or services assisted or subsidized to any significant extent by the Federal Government, shall....
not be included in determining the amount of such non-Federal contributions.

(c) Limitation regarding grants by States

The Secretary may not make payments under section 290cc–21 of this title unless the State involved agrees that the State will not require the entities to which grants are provided pursuant to section 290cc–22(a) of this title to provide non-Federal contributions in excess of the non-Federal contributions described in subsection (a).


PRIOR PROVISIONS

A prior section 523 of act July 1, 1944, was renumbered section 544 by section 611(2) of Pub. L. 100–77 and is classified to section 290dd–3 of this title.

AMENDMENTS

1990—Pub. L. 101–645 amended section generally, substituting present provisions for provisions which related to: in subsec. (a), general requirements; and in subsec. (b), determination of amount of non-Federal contribution.

§ 290cc–24. Determination of amount of allotment

(a) Minimum allotment

The allotment for a State under section 290cc–21 of this title for a fiscal year shall be the greater of—

(1) $300,000 for each of the several States, the District of Columbia, and the Commonwealth of Puerto Rico, and $50,000 for each of Guam, the Virgin Islands, American Samoa, and the Commonwealth of the Northern Mariana Islands; and

(2) an amount determined in accordance with subsection (b).

(b) Determination under formula

The amount referred to in subsection (a) is the product of—

(1) an amount equal to the amount appropriated under section 290cc–35(a) of this title for the fiscal year; and

(2) a percentage equal to the quotient of—

(A) an amount equal to the population living in urbanized areas of the State involved, as indicated by the most recent data collected by the Bureau of the Census; and

(B) an amount equal to the population living in urbanized areas of the United States, as indicated by the sum of the respective amounts determined for the States under subparagraph (A).


PRIOR PROVISIONS

A prior section 524 of act July 1, 1944, was renumbered section 545 by section 611(2) of Pub. L. 100–77 and is classified to section 290ee–1 of this title.

AMENDMENTS

1990—Pub. L. 101–645 amended section generally, substituting provisions relating to determination of amount of allotment for provisions relating to requiring provision of certain mental health services.

§ 290cc–25. Conversion to categorical program in event of failure of State regarding expenditure of grants

(a) In general

Subject to subsection (c), the Secretary shall, from the amounts specified in subsection (b), make grants to public and nonprofit private entities for the purpose of providing to eligible homeless individuals the services specified in section 290cc–22(b) of this title.

(b) Specification of funds

The amounts referred to in subsection (a) are any amounts made available in appropriations Acts for allotments under section 290cc–21 of this title that are not paid to a State as a result of—

(A) the failure of the State to submit an application under section 290cc–29 of this title;

(B) the failure of the State, in the determination of the Secretary, to prepare the application in accordance with such section or to submit the application within a reasonable period of time; or

(C) the State informing the Secretary that the State does not intend to expend the full amount of the allotment made to the State.

(c) Requirement of provision of services in State involved

With respect to grants under subsection (a), amounts made available under subsection (b) as a result of the State involved shall be available only for grants to provide services in such State.


PRIOR PROVISIONS

A prior section 525 of act July 1, 1944, was renumbered section 546 by section 611(2) of Pub. L. 100–77 and is classified to section 290ee–1 of this title.

AMENDMENTS

1990—Pub. L. 101–645 amended section generally, substituting provisions relating to conversion to categorical program in event of failure of State regarding expenditure of grants for provisions relating to restrictions on use of payments.

§ 290cc–26. Provision of certain information from State

The Secretary may not make payments under section 290cc–21 of this title to a State unless, as part of the application required in section 290cc–29 of this title, the State submits to the Secretary a statement—

(1) identifying existing programs providing services and housing to eligible homeless individuals and identify gaps in the delivery systems of such programs;

(2) containing a plan for providing services and housing to eligible homeless individuals, which plan—

(A) describes the coordinated and comprehensive means of providing services and housing to homeless individuals; and
(B) includes documentation that suitable housing for eligible homeless individuals will accompany the provision of services to such individuals;

(3) describes the source of the non-Federal contributions described in section 290cc–23 of this title;

(4) contains assurances that the non-Federal contributions described in section 290cc–23 of this title will be available at the beginning of the grant period;

(5) describe any voucher system that may be used to carry out this part; and

(6) contain such other information or assurances as the Secretary may reasonably require.


PRIOR PROVISIONS
A prior section 526 of act July 1, 1944, was renumbered section 547 by section 611(2) of Pub. L. 100–77 and is classified to section 290ee–2 of this title.

AMENDMENTS

§ 290cc–27. Description of intended expenditures of grant

(a) In general

The Secretary may not make payments under section 290cc–21 of this title unless—

(1) as part of the application required in section 290cc–29 of this title, the State involved submits to the Secretary a description of the intended use for the fiscal year of the amounts for which the State is applying pursuant to such section;

(2) such description identifies the geographic areas within the State in which the greatest numbers of homeless individuals with a need for mental health, substance use disorder, and housing services are located;

(3) such description provides information relating to the programs and activities to be supported and services to be provided, including information relating to coordinating such programs and activities with any similar programs and activities of public and private entities; and

(4) the State agrees that such description will be revised throughout the year as may be necessary to reflect substantial changes in the programs and activities assisted by the State pursuant to section 290cc–22 of this title.

(b) Opportunity for public comment

The Secretary may not make payments under section 290cc–21 of this title unless the State involved agrees that, in developing and carrying out the description required in subsection (a), the State will provide public notice with respect to the description (including any revisions) and such opportunities as may be necessary to provide interested persons, such as family members, consumers, and mental health, substance use disorder, and housing agencies, an opportunity to present comments and recommendations with respect to the description.

(c) Relationship to State comprehensive mental health services plan

(1) In general

The Secretary may not make payments under section 290cc–21 of this title unless the services to be provided pursuant to the description required in subsection (a) are consistent with the State comprehensive mental health services plan required in subsection (2) of part B of subchapter XVII.

(2) Special rule

The Secretary may not make payments under section 290cc–21 of this title unless the services to be provided pursuant to the description required in subsection (a) have been considered in the preparation of, have been included in, and are consistent with, the State comprehensive mental health services plan referred to in paragraph (1).


REFERENCES IN TEXT

Subpart 2 of part B of subchapter XVII, referred to in subsec. (c)(1), which related to State comprehensive mental health services plans and which was classified to section 300x–10 et seq. of this title, was repealed by Pub. L. 102–321, title II, §201(2), July 10, 1992, 106 Stat. 378, and a new subpart 2 of part B of subchapter XVII of this chapter, relating to block grants for prevention and treatment of substance abuse, was added by section 2 of Pub. L. 102–321 and classified to section 300x–21 et seq. of this title.

PRIOR PROVISIONS
A prior section 527 of act July 1, 1944, was renumbered section 548 by section 611(2) of Pub. L. 100–77 and is classified to section 290ee–3 of this title.

AMENDMENTS


§ 290cc–28. Requirement of reports by States

(a) In general

The Secretary may not make payments under section 290cc–21 of this title unless the State involved agrees that, by not later than January 31 of each fiscal year, the State will prepare and submit to the Secretary a report in such form and containing such information as the Secretary determines (after consultation with the Assistant Secretary for Mental Health and Substance Use) to be necessary for—

(1) securing a record and a description of the purposes for which amounts received under section 290cc–21 of this title were expended

1 See References in Text note below.
during the preceding fiscal year and of the recipients of such amounts; and
(2) determining whether such amounts were expended in accordance with the provisions of this part.

(b) Availability to public of reports

The Secretary may not make payments under section 290cc–21 of this title unless the State involved agrees to make copies of the reports described in subsection (a) available for public inspection.

(c) Evaluations


**AMENDMENTS**

2016—Subsecs. (a), (c), Pub. L. 114–255 substituted “Assistant Secretary for Mental Health and Substance Use” for “Administrator of the Substance Abuse and Mental Health Services Administration”.

1996—Subsec. (a), Pub. L. 104–316, §122(c)(1), struck out “the Comptroller General of the United States, and” after “(after consultation with”.

Subsec. (c), Pub. L. 104–316, §122(c)(2), struck out “the Comptroller General of the United States in cooperation with the” before “Administrator” and struck out comma after “Administration”.

1992—Subsec. (a), Pub. L. 102–321, §183(a)(1)(A), as renumbered by Pub. L. 102–352, substituted “the Administrator of the Substance Abuse and Mental Health Services Administration” for “the National Institute of Mental Health, the National Institute on Alcohol Abuse and Alcoholism, and the National Institute on Drug Abuse”.

Subsec. (c), Pub. L. 102–321, §183(a)(1)(B), as renumbered by Pub. L. 102–352, substituted “Administrator of the Substance Abuse and Mental Health Services Administration” for “National Institute of Mental Health”.


1988—Subsec. (a)(1). Pub. L. 100–690 substituted “the Commonwealth of the Northern Mariana Islands” for “the Northern Mariana Islands”.

Pub. L. 100–607 and Pub. L. 100–628 made identical amendments, amending par. (1) generally. Prior to amendment, par. (1) read as follows: “$275,000; and”.

**Effective Date of 1992 Amendment**

Amendment by Pub. L. 102–321 effective Oct. 1, 1992, with provision for programs providing financial assistance, see section 801(c), (d) of Pub. L. 102–321, set out as a note under section 258c of this title.

**Effective Date of 1988 Amendments**

Amendment by Pub. L. 100–607 effective Nov. 4, 1988, see section 631 of Pub. L. 100–628, set out as a note under section 254e of this title.

Amendment by Pub. L. 100–607 effective Nov. 4, 1988, see section 631 of Pub. L. 100–628, set out as a note under section 254e of this title.

§ 290cc–29. Requirement of application

The Secretary may not make payments under section 290cc–21 of this title unless the State involved—

(1) submits to the Secretary an application for the payments containing agreements and information in accordance with this part;

(2) the agreements are made through certification from the chief executive officer of the State; and

(3) the application otherwise is in such form, is made in such manner, and contains such agreements, assurances, and information as the Secretary determines to be necessary to carry out this part.


**AMENDMENTS**

1990—Pub. L. 101–645 amended section generally, substituting provisions relating to requirement of applications for provisions relating to conversion to State categorical program in event of failure of State with respect to expending allotment.


1988—Pub. L. 100–607 and Pub. L. 100–628 made identical amendments, amending section generally by substituting present provisions for provisions which had related to: in subsec. (a), additional allotments for certain States; in subsec. (b), description of funds; and in subsec. (c), determination of amount of allotment.

**Effective Date of 1988 Amendments**

Amendment by Pub. L. 100–607 effective Nov. 7, 1988, see section 631 of Pub. L. 100–628, set out as a note under section 254e of this title.

Amendment by Pub. L. 100–607 effective Nov. 4, 1988, see section 631 of Pub. L. 100–628, set out as a note under section 254e of this title.

§ 290cc–30. Technical assistance

The Secretary, acting through the Assistant Secretary, shall provide technical assistance to
eligible entities in developing planning and operating programs in accordance with the provisions of this part.


AMENDMENTS
2016—Pub. L. 114–255 substituted “acting through the Assistant Secretary” for “through the National Institute of Mental Health, the National Institute of Alcohol Abuse and Alcoholism, and the National Institute on Drug Abuse”.
1992—Pub. L. 102–321, title I, §§162(2), 163(a)(3), which directed the substitution of “the Administrator of the Substance Abuse and Mental Health Services Administration” for “the National Institute of Mental Health, the National Institute on Alcohol Abuse and Alcoholism, and the National Institute on Drug Abuse”.
Pub. L. 102–321, §162(2), which directed the substitution of “through the agencies of the Administration” for “through the National” and all that followed through “Abuse”, was not executed because the word “Abuse” appeared in two places and because of the amendment by Pub. L. 114–255, which presumed that the substitution did not take place. See 2016 Amendment note above.

EFFECTIVE DATE OF 1992 AMENDMENT
Amendment by Pub. L. 102–321 effective Oct. 1, 1992, with provision for programs providing financial assistance, see section 801(c), (d) of Pub. L. 102–321, set out as a note under section 238 of this title.

§ 290cc–31. Failure to comply with agreements
(a) Repayment of payments
(1) The Secretary may, subject to subsection (c), require a State to repay any payments received by the State under section 290cc–21 of this title that the Secretary determines were not expended by the State in accordance with the agreements required to be contained in the application submitted by the State pursuant to section 290cc–29 of this title.
(2) If a State fails to make a repayment required in paragraph (1), the Secretary may offset the amount of the repayment against the amount of any payment due to be paid to the State under section 290cc–21 of this title.
(b) Withholding of payments
(1) The Secretary may, subject to subsection (c), withhold payments due under section 290cc–21 of this title if the Secretary determines that the State involved is not expending amounts received under such section in accordance with the agreements required to be contained in the application submitted by the State pursuant to section 290cc–29 of this title.
(2) The Secretary shall cease withholding payments from a State under paragraph (1) if the Secretary determines that there are reasonable assurances that the State will expend amounts received under section 290cc–21 of this title in accordance with the agreements referred to in such paragraph.
(3) The Secretary may not withhold funds under paragraph (1) from a State for a minor failure to comply with the agreements referred to in such paragraph.
(c) Opportunity for hearing
Before requiring repayment of payments under subsection (a)(1), or withholding payments under subsection (b)(1), the Secretary shall provide to the State an opportunity for a hearing.
(d) Rule of construction
Notwithstanding any other provision of this part, a State receiving payments under section 290cc–21 of this title may not, with respect to any agreements required to be contained in the application submitted under section 290cc–29 of this title, be considered to be in violation of any such agreements by reason of the fact that the State, in the regular course of providing services under section 290cc–22(b) of this title to eligible homeless individuals, incidentally provides services to homeless individuals who are not eligible homeless individuals.

(Amendments)

§ 290cc–32. Prohibition against certain false statements
(a) In general
(1) A person may not knowingly make or cause to be made any false statement or representation of a material fact in connection with the furnishing of items or services for which amounts may be paid by a State from payments received by the State under section 290cc–21 of this title.
(2) A person with knowledge of the occurrence of any event affecting the right of the person to receive any amounts from payments made to the State under section 290cc–21 of this title may not conceal or fail to disclose any such event with the intent of securing such an amount that the person is not authorized to receive or securing such an amount in an amount greater than the amount the person is authorized to receive.
(b) Criminal penalty for violation of prohibition
Any person who violates a prohibition established in subsection (a) may for each violation be fined in accordance with title 18 or imprisoned for not more than 5 years, or both.

(Amendments)
1990—Pub. L. 101–645 amended section generally, substituting provisions relating to prohibition against cer-
tain false statements for provisions relating to failure to comply with agreements.

§ 290cc–33. Nondiscrimination

(a) In general

(1) Rule of construction regarding certain civil rights laws

For the purpose of applying the prohibitions against discrimination on the basis of age under the Age Discrimination Act of 1975 [42 U.S.C. 6101 et seq.], on the basis of handicap under section 504 of the Rehabilitation Act of 1973 [29 U.S.C. 794], on the basis of sex under title IX of the Education Amendments of 1972 [20 U.S.C. 1681 et seq.], or on the basis of race, color, or national origin under title VI of the Civil Rights Act of 1964 [42 U.S.C. 2000d et seq.], programs and activities funded in whole or in part with funds made available under section 290cc–21 of this title shall be considered to be programs and activities receiving Federal financial assistance.

(2) Prohibition

No person shall on the ground of sex or religion be excluded from participation in, be denied the benefits of, or be subjected to discrimination under, any program or activity funded in whole or in part with funds made available under section 290cc–21 of this title.

(b) Enforcement

(1) Referrals to Attorney General after notice

Whenever the Secretary finds that a State, or an entity that has received a payment pursuant to section 290cc–21 of this title, has failed to comply with a provision of law referred to in subsection (a)(1), with subsection (a)(2), or with an applicable regulation (including one prescribed to carry out subsection (a)(2)), the Secretary shall notify the chief executive officer of the State and shall request the chief executive officer to secure compliance. If within a reasonable period of time, not to exceed 60 days, the chief executive officer fails or refuses to secure compliance, the Secretary may—

(A) refer the matter to the Attorney General with a recommendation that an appropriate civil action be instituted;


(C) take such other actions as may be authorized by law.

(2) Authority of Attorney General

When a matter is referred to the Attorney General pursuant to paragraph (1)(A), or whenever the Attorney General has reason to believe that a State or an entity is engaged in a pattern or practice in violation of a provision of law referred to in subsection (a)(1) or in violation of subsection (a)(2), the Attorney General may bring a civil action in any appropriate district court of the United States for such relief as may be appropriate, including injunctive relief.

(§ 290cc–34. Definitions

For purposes of this part:

(1) Eligible homeless individual

The term “eligible homeless individual” means an individual described in section 290cc–22(a) of this title.

(2) Homeless individual

The term “homeless individual” has the meaning given such term in section 254(b)(3) of this title.

(3) State

The term “State” means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands.

(4) Substance use disorder services

The term “substance use disorder services” has the meaning given the term “substance abuse services” in section 254(b)(5)(C) of this title.

(§ 290cc–35. Authority of Attorney General

In any civil action begun in any district court of the United States under this part, the Attorney General may serve as the plaintiff in such an action, and the court shall have jurisdiction to render such declaratory relief as may be appropriate.

References in Text

The Age Discrimination Act of 1975, referred to in subsecs. (a)(1) and (b)(1)(B), is title III of Pub. L. 94–135, Nov. 28, 1975, 89 Stat. 728, as amended, which is classified generally to chapter 76 (§6301 et seq.) of this title.

The Education Amendments of 1972, referred to in subsecs. (a)(1) and (b)(1)(B), is Pub. L. 92–318, June 23, 1972, 86 Stat. 235, as amended. Title IX of the Act, known as the Patsy Takemoto Mink Equal Opportunity in Education Act, is classified principally to chapter 38 (§1681 et seq.) of Title 20, Education. For complete classification of this Act to the Code, see Short Title note set out under section 601 of this title and Tables.


The Civil Rights Act of 1961, referred to in subsecs. (a)(1) and (b)(1)(B), is Pub. L. 92–318, June 23, 1972, 86 Stat. 235, as amended. Title IX of the Act, known as the Patsy Takemoto Mink Equal Opportunity in Education Act, is classified principally to chapter 38 (§1681 et seq.) of Title 20, Education. For complete classification of this Act to the Code, see Short Title note set out under section 6101 of Title 20 and Tables.

AMENDMENTS


* * *

See References in Text note below.
and the definition of "substance abuse services" was amended to define "substance use disorder services" by Pub. L. 115–123, div. E, title IX, §§ 50901(b)(8)(B)(ii), (iii), Feb. 9, 2018, 112 Stat. 265.

AMENDMENTS
2016—Par. (4). Pub. L. 114–255 amended par. (4) generally. Prior to amendment, text read as follows: "The term 'substance abuse' means the abuse of alcohol or other drugs.'"
2002—Par. (2). Pub. L. 107–251 substituted "254b(h)(5)" for "256p(h)(5)".

§ 290cc–35. Funding
(a) Authorization of appropriations
For the purpose of carrying out this part, there is authorized to be appropriated $64,635,000 for each of fiscal years 2018 through 2022.
(b) Effect of insufficient appropriations for minimum allotments
(1) In general
If the amounts made available under subsection (a) for a fiscal year are insufficient for providing each State with an allotment under section 290cc–21 of this title of not less than the applicable amount under section 290cc–24(a)(1) of this title, the Secretary shall, from such amounts as are made available under such subsection, make grants to the States for providing to eligible homeless individuals the services specified in section 290cc–22(b) of this title.
(2) Rule of construction
Paragraph (1) may not be construed to require the Secretary to make a grant under such paragraph to each State.

Prior Provisions

Prior Provisions

AMENDMENTS
2016—Subsec. (a). Pub. L. 114–255 substituted "$64,635,000 for each of fiscal years 2016 through 2022" for "$75,000,000 for each of the fiscal years 2001 through 2003".


1988—Pub. L. 100–607 and Pub. L. 100–628 made identical amendments, amending section generally. Prior to amendment, section read as follows: "There are authorized to be appropriated to carry out this part $35,000,000 for fiscal year 1987 and such sums as may be necessary for fiscal year 1988."

Effective Date of 1988 Amendments
Amendment by Pub. L. 100–628 effective Nov. 7, 1988, see section 631 of Pub. L. 100–628, set out as a note under section 254h of this title.

Amendment by Pub. L. 100–607 effective Nov. 4, 1988, see section 831 of Pub. L. 100–607, set out as a note under section 254h of this title.

PART D—MISCELLANEOUS PROVISIONS RELATING TO SUBSTANCE ABUSE AND MENTAL HEALTH
§ 290dd. Substance abuse among government and other employees
(a) Programs and services
(1) Development
The Secretary, acting through the Assistant Secretary for Mental Health and Substance Use, shall be responsible for fostering substance abuse prevention and treatment programs and services in State and local governments and in private industry.
(2) Model programs
(A) In general
Consistent with the responsibilities described in paragraph (1), the Secretary, acting through the Assistant Secretary for Mental Health and Substance Use, shall develop a variety of model programs suitable for replication on a cost-effective basis in different types of business concerns and State and local governmental entities.
(B) Dissemination of information
The Secretary, acting through the Assistant Secretary for Mental Health and Substance Use, shall disseminate information and materials relative to such model programs to the State agencies responsible for the administration of substance abuse prevention, treatment, and rehabilitation activities and shall, to the extent feasible provide technical assistance to such agencies as requested.
(b) Deprivation of employment
(1) Prohibition
No person may be denied or deprived of Federal civilian employment or a Federal professional or other license or right solely on the grounds of prior substance abuse.
(2) Application
This subsection shall not apply to employment in—
(A) the Central Intelligence Agency;
(B) the Federal Bureau of Investigation;
(C) the National Security Agency;
(D) any other department or agency of the Federal Government designated for purposes of national security by the President; or
(E) in any position in any department or agency of the Federal Government, not referred to in subparagraphs (A) through (D), which position is determined pursuant to regulations prescribed by the head of such agency or department to be a sensitive position.

(3) Rehabilitation Act

The inapplicability of the prohibition described in paragraph (1) to the employment described in paragraph (2) shall not be construed to reflect on the applicability of the Rehabilitation Act of 1973 (29 U.S.C. 701 et seq.) or other anti-discrimination laws to such employment.

(c) Construction

This section shall not be construed to prohibit the dismissal from employment of a Federal civilian employee who cannot properly function in his employment.


1980—Pub. L. 96-180 authorized appropriation of $60,000,000 and $65,000,000 for fiscal years ending Sept. 30, 1980, and 1981.

1976—Pub. L. 94-371 struck out “and” after “1975” and inserted provisions authorizing $70,000,000 to be appropriated for fiscal year ending Sept. 30, 1977, $77,000,000 to be appropriated for fiscal year ending Sept. 30, 1978, and $85,000,000 to be appropriated for fiscal year ending Sept. 30, 1979.


1972—Pub. L. 92-554 substituted “for each of the next two fiscal years” for “for the fiscal year ending June 30, 1973”.

EFFECTIVE DATE OF 1992 AMENDMENT

Amendment by Pub. L. 102-321 effective Oct. 1, 1992, with provision for programs providing financial assistance, see section 801(c), (d) of Pub. L. 102-321, set out as a note under section 236 of this title.

EFFECTIVE DATE OF 1988 AMENDMENTS

Amendment by Pub. L. 100-607 effective Nov. 4, 1988, see section 831 of Pub. L. 100-607, set out as a note under section 254e of this title.
kind from any program administered by the Secretary. Such regulations shall include procedures for determining (after opportunity for a hearing if requested) if a violation of subsection (a) has occurred, notification of failure to comply with such subsection, and opportunity for a violator to comply with such subsection. If the Secretary determines that a hospital or outpatient facility subject to such regulations has violated subsection (a) and such violation continues after an opportunity has been afforded for compliance, the Secretary may suspend or revoke, after opportunity for a hearing, all or part of any support of any kind received by such hospital from any program administered by the Secretary. The Secretary may consult with the officials responsible for the administration of any other Federal program from which such hospital or outpatient facility receives support of any kind, with respect to the suspension or revocation of such other Federal support for such hospital or outpatient facility.

(2) Department of Veterans Affairs

The Secretary of Veterans Affairs, acting through the Under Secretary for Health, shall, to the maximum feasible extent consistent with their responsibilities under title 38, prescribe regulations making applicable the regulations prescribed by the Secretary under paragraph (1) to the provision of hospital care, nursing home care, domiciliary care, and medical services under such title 38 to veterans suffering from substance abuse. In prescribing and implementing regulations pursuant to this paragraph, the Secretary shall, from time to time, consult with the Secretary of Health and Human Services in order to achieve the maximum possible coordination of the regulations, and the implementation thereof, which they each prescribe.


Codification

Section was formerly classified to section 4561 of this title prior to renumbering by Pub. L. 98-24.

AMENDMENTS

1994—Subsec. (b)(2). Pub. L. 103-446 substituted "Under Secretary for Health" for "Chief Medical Director."


1986—Subsec. (a). Pub. L. 99-570, §6002(b)(1), redesignated subsec. (b) as (a), struck out "similar" after "fostering and encouraging" in par. (1), and struck out former subsec. (a) which read as follows: "The Office of Personnel Management shall be responsible for developing and maintaining, in cooperation with the Secretary and with other Federal agencies and departments, and in accordance with the provisions of subpart F of part III of title 5, appropriate prevention, treatment, and rehabilitation programs and services for alcohol abuse and alcoholism among Federal civilian employees, consistent with the purposes of this chapter. Such agencies and departments are encouraged to extend, to the extent feasible, these programs and services to the families of alcoholic employees and to employees who have family members who are alcoholics. Such programs and services shall make optimal use of existing governmental facilities, services, and skills."

Subsecs. (b) to (d). Pub. L. 99-570, §6002(b)(1)(C), redesignated subsecs. (c) and (d) as (b) and (c), respectively. Former subsec. (a) redesignated (a).


1981—Subsec. (b). Pub. L. 97-35, §§961, 966(d), made changes in nomenclature, and substituted provisions relating to responsible State administrative agencies, for provisions relating to single State agencies designated pursuant to section 4573 of this title.


Subsec. (a). Pub. L. 96-180, §6(a), substituted "Office of Personnel Management" for "Civil Service Commission" and inserted provisions that require compliance with provisions of subpart F of part III of title 5 and encourage agencies and departments to extend the programs and services to the families of alcoholic employees and to employees who have family members who are alcoholics.

Subsec. (b). Pub. L. 96-180, §6(b)(1), designated existing provisions as par. (1), made the Secretary responsible for encouraging of programs and services, required the programs and services to be designed for application to families of employees and to employees who have family members who are alcoholics, and added pars. (2) to (4).

Effective Date of 1992 Amendment

Amendment by Pub. L. 102-321 effective Oct. 1, 1992, with provision for programs providing financial assistance, see section 801(c), (d) of Pub. L. 102-321, set out as a note under section 236(c) of this title.

§ 290dd-2. Confidentiality of records

(a) Requirement

Records of the identity, diagnosis, prognosis, or treatment of any patient which are maintained in connection with the performance of any program or activity relating to substance abuse education, prevention, training, treatment, rehabilitation, or research, which is conducted, regulated, or directly or indirectly assisted by any department or agency of the United States shall, except as provided in subsection (e), be confidential and be disclosed only for the purposes and under the circumstances expressly authorized under subsection (b).
(b) Permitted disclosure

(1) Consent

The content of any record referred to in subsection (a) may be disclosed in accordance with the prior written consent of the patient with respect to whom such record is maintained, but only to such extent, under such circumstances, and for such purposes as may be allowed under regulations prescribed pursuant to subsection (g).

(2) Method for disclosure

Whether or not the patient, with respect to whom any given record referred to in subsection (a) is maintained, gives written consent, the content of such record may be disclosed as follows:

(A) To medical personnel to the extent necessary to meet a bona fide medical emergency.

(B) To qualified personnel for the purpose of conducting scientific research, management audits, financial audits, or program evaluation, but such personnel may not identify, directly or indirectly, any individual patient in any report of such research, audit, or evaluation, or otherwise disclose patient identities in any manner.

(C) If authorized by an appropriate order of a court of competent jurisdiction granted after application showing good cause therefore, including the need to avert a substantial risk of death or serious bodily harm. In assessing good cause the court shall weigh the public interest and the need for disclosure against the injury to the patient, to the physician-patient relationship, and to the treatment services. Upon the granting of such order, the court, in determining the extent to which any disclosure of all or any part of any record is necessary, shall impose appropriate safeguards against unauthorized disclosure.

(d) Application

The prohibitions of this section continue to apply to records concerning any individual who has been a patient, irrespective of whether or when such individual ceases to be a patient.

(e) Nonapplicability

The prohibitions of this section do not apply to any interchange of records—

(1) within the Uniformed Services or within those components of the Department of Veterans Affairs furnishing health care to veterans; or

(2) between such components and the Uniformed Services.

The prohibitions of this section do not apply to the reporting under State law of incidents of suspected child abuse and neglect to the appropriate State or local authorities.

(f) Penalties

Any person who violates any provision of this section or any regulation issued pursuant to this section shall be fined in accordance with title 18.

(g) Regulations

Except as provided in subsection (h), the Secretary shall prescribe regulations to carry out the purposes of this section. Such regulations may contain such definitions, and may provide for such safeguards and procedures, including procedures and criteria for the issuance and scope of orders under subsection (b)(2)(C), as in the judgment of the Secretary are necessary or proper to effectuate the purposes of this section, to prevent circumvention or evasion thereof, or to facilitate compliance therewith.

(h) Application to Department of Veterans Affairs

The Secretary of Veterans Affairs, acting through the Under Secretary for Health, shall, to the maximum feasible extent consistent with their responsibilities under title 38, prescribe regulations making applicable the regulations prescribed by the Secretary of Health and Human Services under subsection (g) to records maintained in connection with the provision of hospital care, nursing home care, domiciliary care, and medical services under such title 38 to veterans suffering from substance abuse. In prescribing and implementing regulations pursuant to this subsection, the Secretary of Veterans Affairs shall, from time to time, consult with the Secretary of Health and Human Services in order to achieve the maximum possible coordination of the regulations, and the implementation thereof, which they each prescribe.

(A) To medical personnel to the extent necessary to meet a bona fide medical emergency.

(B) To qualified personnel for the purpose of conducting scientific research, management audits, financial audits, or program evaluation, but such personnel may not identify, directly or indirectly, any individual patient in any report of such research, audit, or evaluation, or otherwise disclose patient identities in any manner.

(C) If authorized by an appropriate order of a court of competent jurisdiction granted after application showing good cause therefore, including the need to avert a substantial risk of death or serious bodily harm. In assessing good cause the court shall weigh the public interest and the need for disclosure against the injury to the patient, to the physician-patient relationship, and to the treatment services. Upon the granting of such order, the court, in determining the extent to which any disclosure of all or any part of any record is necessary, shall impose appropriate safeguards against unauthorized disclosure.

(d) Application

The prohibitions of this section continue to apply to records concerning any individual who has been a patient, irrespective of whether or when such individual ceases to be a patient.

(e) Nonapplicability

The prohibitions of this section do not apply to any interchange of records—

(1) within the Uniformed Services or within those components of the Department of Veterans Affairs furnishing health care to veterans; or

(2) between such components and the Uniformed Services.

The prohibitions of this section do not apply to the reporting under State law of incidents of suspected child abuse and neglect to the appropriate State or local authorities.

(f) Penalties

Any person who violates any provision of this section or any regulation issued pursuant to this section shall be fined in accordance with title 18.

(g) Regulations

Except as provided in subsection (h), the Secretary shall prescribe regulations to carry out the purposes of this section. Such regulations may contain such definitions, and may provide for such safeguards and procedures, including procedures and criteria for the issuance and scope of orders under subsection (b)(2)(C), as in the judgment of the Secretary are necessary or proper to effectuate the purposes of this section, to prevent circumvention or evasion thereof, or to facilitate compliance therewith.

(h) Application to Department of Veterans Affairs

The Secretary of Veterans Affairs, acting through the Under Secretary for Health, shall, to the maximum feasible extent consistent with their responsibilities under title 38, prescribe regulations making applicable the regulations prescribed by the Secretary of Health and Human Services under subsection (g) to records maintained in connection with the provision of hospital care, nursing home care, domiciliary care, and medical services under such title 38 to veterans suffering from substance abuse. In prescribing and implementing regulations pursuant to this subsection, the Secretary of Veterans Affairs shall, from time to time, consult with the Secretary of Health and Human Services in order to achieve the maximum possible coordination of the regulations, and the implementation thereof, which they each prescribe.

(A) To medical personnel to the extent necessary to meet a bona fide medical emergency.

(B) To qualified personnel for the purpose of conducting scientific research, management audits, financial audits, or program evaluation, but such personnel may not identify, directly or indirectly, any individual patient in any report of such research, audit, or evaluation, or otherwise disclose patient identities in any manner.

(C) If authorized by an appropriate order of a court of competent jurisdiction granted after application showing good cause therefore, including the need to avert a substantial risk of death or serious bodily harm. In assessing good cause the court shall weigh the public interest and the need for disclosure against the injury to the patient, to the physician-patient relationship, and to the treatment services. Upon the granting of such order, the court, in determining the extent to which any disclosure of all or any part of any record is necessary, shall impose appropriate safeguards against unauthorized disclosure.

(d) Application

The prohibitions of this section continue to apply to records concerning any individual who has been a patient, irrespective of whether or when such individual ceases to be a patient.

(e) Nonapplicability

The prohibitions of this section do not apply to any interchange of records—

(1) within the Uniformed Services or within those components of the Department of Veterans Affairs furnishing health care to veterans; or

(2) between such components and the Uniformed Services.

The prohibitions of this section do not apply to the reporting under State law of incidents of suspected child abuse and neglect to the appropriate State or local authorities.

(f) Penalties

Any person who violates any provision of this section or any regulation issued pursuant to this section shall be fined in accordance with title 18.

(g) Regulations

Except as provided in subsection (h), the Secretary shall prescribe regulations to carry out the purposes of this section. Such regulations may contain such definitions, and may provide for such safeguards and procedures, including procedures and criteria for the issuance and scope of orders under subsection (b)(2)(C), as in the judgment of the Secretary are necessary or proper to effectuate the purposes of this section, to prevent circumvention or evasion thereof, or to facilitate compliance therewith.

(h) Application to Department of Veterans Affairs

The Secretary of Veterans Affairs, acting through the Under Secretary for Health, shall, to the maximum feasible extent consistent with their responsibilities under title 38, prescribe regulations making applicable the regulations prescribed by the Secretary of Health and Human Services under subsection (g) to records maintained in connection with the provision of hospital care, nursing home care, domiciliary care, and medical services under such title 38 to veterans suffering from substance abuse. In prescribing and implementing regulations pursuant to this subsection, the Secretary of Veterans Affairs shall, from time to time, consult with the Secretary of Health and Human Services in order to achieve the maximum possible coordination of the regulations, and the implementation thereof, which they each prescribe.
Subsec. (b)(1). Pub. L. 94–371, §11(b), inserted "and outpatient facilities" after "hospitals", and "or outpatient facility" after "hospital" wherever appearing, and substituted "shall issue regulations not later than December 31, 1976" for "is authorized to make regulations".

Subsec. (b)(2). Pub. L. 94–581 provided that subsec. (b)(2), which directed the Administrator of Veterans' Affairs, through the Chief Medical Director, to prescribe regulations making applicable the regulations prescribed by the Secretary under subsec. (b)(1) to the provision of hospital care, nursing home care, domiciliary care, and medical services under title 38 to veterans suffering from alcohol abuse or alcoholism and to consult with the Secretary in order to achieve the maximum possible coordination of the regulations, and the implementation thereof, which they each prescribed, was superseded by section 4131 [now 7331] et seq. of Title 38, Veterans' Benefits.

1974—Subsec. (a). Pub. L. 93–382, in revising text, prohibited discrimination because of alcohol abuse, substituted provisions respecting eligibility for admission and treatment based on suffering from medical conditions for former provision based on medical need and ineligibility, because of discrimination, for support in any form from any program supported in whole or in part by funds appropriated to any Federal department or agency for former requirement for treatment by a general hospital which received Federal funds, and deleted prohibition against receiving Federal financial assistance for violation of section and for termination of Federal assistance on failure to comply, now incorporated in regulation authorization of subsec. (b) of this section.

Subsec. (b). Pub. L. 93–382 substituted provisions respecting issuance of regulations by the Secretary concerning enforcement procedures and suspension or revocation of Federal support and by the Administrator concerning applicable regulations for veterans, and for coordination of the respective regulations for former provisions respecting judicial review.

**Effective Date of 1992 Amendment**

Amendment by Pub. L. 102–321 effective Oct. 1, 1992, with provision for programs providing financial assistance, see section 801(c), (d) of Pub. L. 102–321, set out as a note under section 111 of Title 38, Veterans' Benefits.

**Effective Date of 1976 Amendment**


**Jesse's Law**


SEC. 7051. INCLUSION OF OPIOID ADDICTION HISTORY IN PATIENT RECORDS.

"(a) Best Practices.—

"(1) In general.—Not later than 1 year after the date of enactment of this Act [Oct. 24, 2018], the Secretary of Health and Human Services (in this section referred to as the 'Secretary'), in consultation with appropriate experts, shall identify the following model programs and materials (or if no such programs or materials exist, recognize private or public entities to develop and disseminate such programs and materials):

"(A) Model programs and materials for training health care providers (including physicians, emergency medical personnel, psychologists, counselors, therapists, nurse practitioners, physician assistants, behavioral health facilities and clinics, care managers, and hospitals, including individuals such as general counsels or regulatory compliance staff who are responsible for establishing provider privacy policies) concerning the permitted uses and disclosures, consistent with the standards and regulations governing the privacy and security of substance use disorder patient records promulgated by the Secretary under section 543 of the Public Health Service Act (42 U.S.C. 290dd–2) for the confidentiality of patient records.

"(B) Model programs and materials for training patients and their families regarding their rights to protect and obtain information under the standards and regulations described in paragraph (1); and

"(C) The process and methods by which the information should be so displayed.

"(2) Dissemination.—The Secretary shall disseminate the best practices developed under paragraph (1) to health care providers and State agencies.

"(b) Requirements.—In identifying or facilitating the development of best practices under subsection (a), as applicable, the Secretary, in consultation with appropriate stakeholders, shall consider the following:

"(1) The potential for addiction relapse or overdose, including overdose death, when opioid medications are prescribed to a patient recovering from opioid use disorder.

"(2) The benefits of displaying information about a patient's opioid use disorder history in a manner similar to other potentially lethal medical concerns, including drug allergies and contraindications.

"(3) The importance of prominently displaying information about a patient's opioid use disorder when a physician or medical professional is prescribing medication, including methods for avoiding alert fatigue in providers.

"(4) The importance of a variety of appropriate medical professionals, including physicians, nurses, and pharmacists, having access to information described in this section when prescribing or dispensing opioid medication, consistent with Federal and State laws and regulations.

"(5) The importance of protecting patient privacy, including the requirements related to consent for disclosure of substance use disorder information under all applicable laws and regulations.

"(6) All applicable Federal and State laws and regulations.

SEC. 7052. COMMUNICATION WITH FAMILIES DURING EMERGENCIES.

"(a) Promoting Awareness of Authorized Disclosures During Emergencies.—The Secretary of Health and Human Services shall annually notify health care providers regarding permitted disclosures under Federal health care privacy law during emergencies, including overdoses, of certain health information to families, caregivers, and health care providers.

"(b) Use of Material.—For the purposes of carrying out subsection (a), the Secretary of Health and Human Services may use material produced under section 7053 of this Act or section 11004 of the 21st Century Cures Act (42 U.S.C. 1320d–2 note).

SEC. 7053. DEVELOPMENT AND DISSEMINATION OF MODEL TRAINING PROGRAMS FOR SUBSTANCE USE DISORDER PATIENT RECORDS.

"(a) Initial Programs and Materials.—Not later than 1 year after the date of the enactment of this Act [Oct. 24, 2018], the Secretary of Health and Human Services (in this section referred to as the 'Secretary'), in consultation with appropriate experts, shall identify the following model programs and materials (or if no such programs or materials exist, recognize private or public entities to develop and disseminate such programs and materials):

"(1) Model programs and materials for training health care providers (including physicians, emergency medical personnel, psychologists, counselors, therapists, nurse practitioners, physician assistants, behavioral health facilities and clinics, care managers, and hospitals, including individuals such as general counsels or regulatory compliance staff who are responsible for establishing provider privacy policies) concerning the permitted uses and disclosures, consistent with the standards and regulations governing the privacy and security of substance use disorder patient records promulgated by the Secretary under section 543 of the Public Health Service Act (42 U.S.C. 290dd–2) for the confidentiality of patient records.

"(2) Model programs and materials for training patients and their families regarding their rights to protect and obtain information under the standards and regulations described in paragraph (1); and

"(b) Requirements.—The model programs and materials described in paragraphs (1) and (2) of subsection
§ 290dd–2a. Promoting access to information on evidence-based programs and practices

(a) In general

The Assistant Secretary shall, as appropriate, improve access to reliable and valid information on evidence-based programs and practices, including information on the strength of evidence associated with such programs and practices, related to mental and substance use disorders for States, local communities, nonprofit entities, and other stakeholders, by posting on the Internet website of the Administration and other health care providers to identify and provide: (a) evidence-based programs and practices that have been reviewed by the Assistant Secretary in accordance with the requirements of this section.

(b) Applications

(1) Application period

In carrying out subsection (a), the Assistant Secretary may establish a period for the submission of applications for evidence-based programs and practices to be posted publicly in accordance with subsection (a).

(2) Notice

In establishing the application period under paragraph (1), the Assistant Secretary shall provide for the public notice of such application period in the Federal Register. Such notice may solicit applications for evidence-based programs and practices to address gaps in information identified by the Assistant Secretary, the National Mental Health and Substance Use Policy Laboratory established under section 290aa–0 of this title, or the Assistant Secretary for Planning and Evaluation, including pursuant to the evaluation and recommendations under section 6021 of the Helping Families in Mental Health Crisis Reform Act of 2016 or priorities identified in the strategic plan under section 290aa–1 of this title.

(c) Requirements

The Assistant Secretary may establish minimum requirements for the applications submitted under subsection (b), including applications related to the submission of research and evaluation.

(d) Review and rating

(1) In general

The Assistant Secretary shall review applications prior to public posting in accordance with subsection (a), and may prioritize the review of applications for evidence-based programs and practices that are related to topics included in the notice provided under subsection (b).

(2) System

In carrying out paragraph (1), the Assistant Secretary may utilize a rating and review system, which may include information on the strength of evidence associated with the evidence-based programs and practices and a rating of the methodological rigor of the research supporting the applications.

(3) Public access to metrics and rating

The Assistant Secretary shall make the metrics used to evaluate applications under this section, and any resulting ratings of such applications, publicly available.

References in Text

Section 6021 of the Helping Families in Mental Health Crisis Reform Act of 2016, referred to in subsec. (b)(2), is section 6021 of Pub. L. 114–255, which is set out as a note under section 290aa of this title.

§ 290dd–3. Grants for reducing overdose deaths

(a) Establishment

The Secretary shall award grants to eligible entities to expand access to drugs or devices approved or cleared under the Federal Food, Drug, and Cosmetic Act [21 U.S.C. 301 et seq.]
for emergency treatment of known or suspected opioid overdose.

(2) **Maximum grant amount**

A grant awarded under this section may not be for more than $200,000 per grant year.

(3) **Eligible entity**

For purposes of this section, the term "eligible entity" means a Federally qualified health center (as defined in section 1395x(aa) of this title), an opioid treatment program under part 8 of title 42, Code of Federal Regulations, any practitioner dispensing narcotic drugs pursuant to section 823(g) of title 21, or any other entity that the Secretary deems appropriate.

(4) **Prescribing**

For purposes of this section, the term "prescribing" means, with respect to a drug or device approved or cleared under the Federal Food, Drug, and Cosmetic Act for emergency treatment of known or suspected opioid overdose, the practice of prescribing such drug or device—

(A) in conjunction with an opioid prescription for patients at an elevated risk of overdose;


(C) to the caregiver or a close relative of patients at an elevated risk of overdose from opioids; or

(D) in other circumstances in which a provider identifies a patient is at an elevated risk for an intentional or unintentional drug overdose from heroin or prescription opioid therapies.

(b) **Application**

To be eligible to receive a grant under this section, an eligible entity shall submit to the Secretary, in such form and manner as specified by the Secretary, an application that describes—

(1) the extent to which the area to which the entity will furnish services through use of the grant is experiencing significant morbidity and mortality caused by opioid abuse;

(2) the criteria that will be used to identify eligible patients to participate in such program; and

(3) a plan for sustaining the program after Federal support for the program has ended.

(c) **Use of funds**

An eligible entity receiving a grant under this section may use amounts under the grant for any of the following activities, but may use not more than 20 percent of the grant funds for activities described in paragraphs (3) and (4):

(1) To establish a program for prescribing a drug or device approved or cleared under the Federal Food, Drug, and Cosmetic Act [21 U.S.C. 301 et seq.] for emergency treatment of known or suspected opioid overdose.

(2) To train and provide resources for health care providers and pharmacists on the prescribing of drugs or devices approved or cleared under the Federal Food, Drug, and Cosmetic Act for emergency treatment of known or suspected opioid overdose.

(3) To purchase drugs or devices approved or cleared under the Federal Food, Drug, and Cosmetic Act for emergency treatment of known or suspected opioid overdose, for distribution under the program described in paragraph (1).

(4) To offset the co-payments and other cost sharing associated with drugs or devices approved or cleared under the Federal Food, Drug, and Cosmetic Act for emergency treatment of known or suspected opioid overdose.

(5) To establish protocols to connect patients who have experienced a drug overdose with appropriate treatment, including medication-assisted treatment and appropriate counseling and behavioral therapies.

(d) **Evaluations by recipients**

As a condition of receipt of a grant under this section, an eligible entity shall, for each year for which the grant is received, submit to the Secretary an evaluation of activities funded by the grant which contains such information as the Secretary may reasonably require.

(e) **Reports by the Secretary**

Not later than 5 years after the date on which the first grant under this section is awarded, the Secretary shall submit to the appropriate committees of the House of Representatives and of the Senate a report aggregating the information received from the grant recipients for such year under subsection (d) and evaluating the outcomes achieved by the programs funded by grants awarded under this section.

(f) **Authorization of appropriations**

There is authorized to be appropriated to carry out this section, $5,000,000 for the period of fiscal years 2017 through 2021.

(July 1, 1944, ch. 373, title V, §544, as added Pub. L. 114–198, title I, §107(a), July 22, 2016, 130 Stat. 703.)
shall identify or facilitate the development of best practices for—

§ 290dd–4. Program to support coordination and continuation of care for drug overdose patients

(a) In general
The Secretary of Health and Human Services (referred to in this section as the "Secretary") shall identify or facilitate the development of best practices for—

1. emergency treatment of known or suspected drug overdose;
2. the use of recovery coaches, as appropriate, to encourage individuals who experience a non-fatal overdose to seek treatment for substance use disorder and to support coordination and continuation of care;
3. coordination and continuation of care and treatment, including, as appropriate, through referrals, of individuals after a drug overdose; and
4. the provision or prescribing of overdose reversal medication, as appropriate.

(b) Grant establishment and participation

(1) In general
The Secretary shall award grants on a competitive basis to eligible entities to support implementation of voluntary programs for care and treatment of individuals after a drug overdose, as appropriate, which may include implementation of the best practices described in subsection (a).

(2) Eligible entity
In this section, the term "eligible entity" means—

A. a State substance abuse agency;
B. an Indian Tribe or tribal organization; or
C. an entity that offers treatment or other services for individuals in response to, or following, drug overdoses or a drug overdose, such as an emergency department, in consultation with a State substance abuse agency.

(3) Application
An eligible entity desiring a grant under this section shall submit an application to the Secretary, at such time and in such manner as the Secretary may require, that includes—

A. evidence that such eligible entity carries out, or is capable of contracting and coordinating with other community entities to carry out, the activities described in paragraph (4);
B. evidence that such eligible entity will work with a recovery community organization to recruit, train, hire, mentor, and supervise recovery coaches and fulfill the requirements described in paragraph (4)(A); and
C. such additional information as the Secretary may require.

(4) Use of grant funds
An eligible entity awarded a grant under this section shall use such grant funds to—

A. hire or utilize recovery coaches to help support recovery, including by—
   1. connecting patients to a continuum of care services, such as—
      I. treatment and recovery support programs;
      II. programs that provide non-clinical recovery support services;
      III. peer support networks;
      IV. recovery community organizations;
      V. health care providers, including physicians and other providers of behavioral health and primary care;
      VI. education and training providers;
      VII. employers;
      VIII. housing services; and
      IX. child welfare agencies;
   2. providing education on overdose prevention and overdose reversal to patients and families, as appropriate;
   3. providing follow-up services for patients after an overdose to ensure continued recovery and connection to support services;
   4. collecting and evaluating outcome data for patients receiving recovery coaching services; and
   5. providing other services the Secretary determines necessary to help ensure continued connection with recovery support services, including culturally appropriate services, as applicable;

B. establish policies and procedures, pursuant to Federal and State law, that address the provision of overdose reversal medication, the administration of all drugs or devices approved or cleared under the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 301 et seq.) and all biological products licensed under section 262 of this title to treat substance use disorder, and subsequent continuation of, or referral to, evidence-based treatment for patients with a substance use dis-
ORDER who have experienced a non-fatal drug overdose, in order to support long-term treatment, prevent relapse, and reduce recidivism and future overdose; and

(C) establish integrated models of care for individuals who have experienced a non-fatal drug overdose which may include patient assessment, follow up, and transportation to and from treatment facilities.

(5) Additional permissible uses

In addition to the uses described in paragraph (4), a grant awarded under this section may be used, directly or through contractual arrangements, to provide—

(A) all drugs or devices approved or cleared under the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 301 et seq.) and all biological products licensed under section 262 of this title to treat substance use disorders or reverse overdose, pursuant to Federal and State law;

(B) withdrawal and detoxification services that include patient evaluation, stabilization, and preparation for treatment of substance use disorder, including treatment described in subparagraph (A), as appropriate; or

(C) mental health services provided by a certified professional who is licensed and qualified by education, training, or experience to assess the psychosocial background of patients, to contribute to the appropriate treatment plan for patients with substance use disorder, and to monitor patient progress.

(6) Preference

In awarding grants under this section, the Secretary shall give preference to eligible entities that meet any or all of the following criteria:

(A) The eligible entity is a critical access hospital (as defined in section 1395x(mm)(1) of this title), a low volume hospital (as defined in section 1395ww(d)(12)(C)(i) of such title), a sole community hospital (as defined in section 1395ww(d)(5)(D)(iii) of such title), or a hospital that receives disproportionate share hospital payments under section 1395ww(d)(5)(F) of this title.

(B) The eligible entity is located in a State with an age-adjusted rate of drug overdose deaths that is above the national overdose mortality rate, as determined by the Director of the Centers for Disease Control and Prevention, or under the jurisdiction of an Indian Tribe with an age-adjusted rate of drug overdose deaths that is above the national overdose mortality rate, as determined through appropriate mechanisms as determined by the Secretary in consultation with Indian Tribes.

(C) The eligible entity demonstrates that recovery coaches will be placed in both health care settings and community settings.

(7) Period of grant

A grant awarded to an eligible entity under this section shall be for a period of not more than 5 years.

(c) Definitions

In this section:

(1) Indian Tribe; tribal organization

The terms “Indian Tribe” and “tribal organization” have the meanings given the terms “Indian tribe” and “tribal organization” in section 5304 of title 25.

(2) Recovery coach

the 1 term “recovery coach” means an individual—

(A) with knowledge of, or experience with, recovery from a substance use disorder; and

(B) who has completed training from, and is determined to be in good standing by, a recovery services organization capable of conducting such training and making such determination.

(3) Recovery community organization

The term “recovery community organization” has the meaning given such term in section 290ee–2(a) of this title.

(d) Reporting Requirements

(1) Reports by grantees

Each eligible entity awarded a grant under this section shall submit to the Secretary an annual report for each year for which the entity has received such grant that includes information on—

(A) the number of individuals treated by the entity for non-fatal overdoses, including the number of non-fatal overdoses where overdose reversal medication was administered;

(B) the number of individuals administered medication-assisted treatment by the entity;

(C) the number of individuals referred by the entity to other treatment facilities after a non-fatal overdose, the types of such other facilities, and the number of such individuals admitted to such other facilities pursuant to such referrals; and

(D) the frequency and number of patients with reoccurrences, including readmissions for non-fatal overdoses and evidence of relapse related to substance use disorder.

(2) Report by Secretary

Not later than 5 years after October 24, 2018, the Secretary shall submit to Congress a report that includes an evaluation of the effectiveness of the grant program carried out under this section with respect to long term health outcomes of the population of individuals who have experienced a drug overdose, the percentage of patients treated or referred to treatment by grantees, and the frequency and number of patients who experienced relapse, were readmitted for treatment, or experienced another overdose.

(e) Privacy

The requirements of this section, including with respect to data reporting and program oversight, shall be subject to all applicable Federal and State privacy laws.

1 So in original. Probably should be capitalized.
(f) Authorization of appropriations

There is authorized to be appropriated to carry out this section $10,000,000 for each of fiscal years 2019 through 2023.


REFERENCES IN TEXT

The Federal Food, Drug, and Cosmetic Act, referred to in subsec. (b)(4)(B), (5)(A), is Act June 25, 1938, ch. 675, 52 Stat. 1040, which is classified generally to chapter 9 (§301 et seq.) of Title 21, Food and Drugs. For complete classification of this Act to the Code, see section 301 of Title 21 and Tables.

CODIFICATION

Section was enacted as part of the Substance Use–Disorder Prevention that Promotes Opioid Recovery and Treatment for Patients and Communities Act, also known as the SUPPORT for Patients and Communities Act, and not as part of the Public Health Service Act which comprises this chapter.

§ 290ee. Opioid overdose reversal medication access and education grant programs

(a) Grants to States

The Secretary shall make grants to States to—

(1) implement strategies for pharmacists to dispense a drug or device approved or cleared under the Federal Food, Drug, and Cosmetic Act [21 U.S.C. 301 et seq.] for emergency treatment of known or suspected opioid overdose, as appropriate, pursuant to a standing order;

(2) encourage pharmacies to dispense opioid overdose reversal medication pursuant to a standing order;

(3) develop or provide training materials that persons authorized to prescribe or dispense a drug or device approved or cleared under the Federal Food, Drug, and Cosmetic Act for emergency treatment of known or suspected opioid overdose may use to educate the public concerning—

(A) when and how to safely administer such drug or device; and

(B) steps to be taken after administering such drug or device; and

(4) educate the public concerning the availability of drugs or devices approved or cleared under the Federal Food, Drug, and Cosmetic Act for emergency treatment of known or suspected opioid overdose without a person-specific prescription.

(b) Certain requirement

A grant may be made under this section only if the State involved has authorized standing orders to be issued for drugs or devices approved or cleared under the Federal Food, Drug, and Cosmetic Act for emergency treatment of known or suspected opioid overdose.

(c) Preference in making grants

In making grants under this section, the Secretary may give preference to States that have a significantly higher rate of opioid overdoses than the national average, and that—

(1) have not implemented standing orders regarding drugs or devices approved or cleared under the Federal Food, Drug, and Cosmetic Act for emergency treatment of known or suspected opioid overdose;

(2) authorize standing orders to be issued that permit community-based organizations, substance abuse programs, or other nonprofit entities to acquire, dispense, or administer drugs or devices approved or cleared under the Federal Food, Drug, and Cosmetic Act for emergency treatment of known or suspected opioid overdose; or

(3) authorize standing orders to be issued that permit police, fire, or emergency medical services agencies to acquire and administer drugs or devices approved or cleared under the Federal Food, Drug, and Cosmetic Act for emergency treatment of known or suspected opioid overdose.

(d) Grant terms

(1) Number

A State may not receive more than one grant under this section at a time.

(2) Period

A grant under this section shall be for a period of 3 years.

(3) Limitation

A State may use not more than 20 percent of a grant under this section for educating the public pursuant to subsection (a)(4).

(e) Applications

To be eligible to receive a grant under this section, a State shall submit an application to the Secretary in such form and manner and containing such information as the Secretary may reasonably require, including detailed proposed expenditures of grant funds.

(f) Reporting

A State that receives a grant under this section shall, at least annually for the duration of the grant, submit a report to the Secretary evaluating the progress of the activities supported through the grant. Such reports shall include information on the number of pharmacies in the State that dispense a drug or device approved or cleared under the Federal Food, Drug, and Cosmetic Act for emergency treatment of known or suspected opioid overdose under a standing order, and other information as the Secretary determines appropriate to evaluate the use of grant funds.

(g) Definitions

In this section the term “standing order” means a document prepared by a person authorized to prescribe medication that permits another person to acquire, dispense, or administer medication without a person-specific prescription.

(h) Authorization of appropriations

(1) In general

To carry out this section, there are authorized to be appropriated $5,000,000 for the period of fiscal years 2017 through 2019.

(2) Administrative costs

Not more than 3 percent of the amounts made available to carry out this section may be used by the Secretary for administrative expenses of carrying out this section.
§ 290ee–1  TITLE 42—THE PUBLIC HEALTH AND WELFARE

The Federal Food, Drug, and Cosmetic Act, referred to in text, is act June 25, 1938, ch. 675, 52 Stat. 1040, which is classified generally to chapter 9 (§ 301 et seq.) of Title 21, Food and Drugs. For complete classification of this Act to the Code, see section 301 of Title 21 and Tables.

Prior Provisions

§ 290ee–1. First responder training

(a) Program authorized
The Secretary shall make grants to States, local governmental entities, and Indian tribes and tribal organizations (as defined in section 5304 of title 25) to allow first responders and members of other key community sectors on carrying and administering a drug or device approved or cleared under the Federal Food, Drug, and Cosmetic Act [21 U.S.C. 301 et seq.] for emergency treatment of known or suspected opioid overdose.

(b) Application
(1) In general
An entity seeking a grant under this section shall submit an application to the Secretary—
(A) that meets the criteria under paragraph (2); and
(B) at such time, in such manner, and accompanied by such information as the Secretary may require.

(2) Criteria
An entity, in submitting an application under paragraph (1), shall—
(A) describe the evidence-based methodology and outcome measurements that will be used to evaluate the program funded with a grant under this section, and specifically explain how such measurements will provide valid measures of the impact of the program;
(B) describe how the program could be broadly replicated if demonstrated to be effective;
(C) identify the governmental and community agencies with which the entity will coordinate to implement the program; and
(D) describe how the entity will ensure that law enforcement agencies will coordinate with their corresponding State substance abuse and mental health agencies to identify protocols and resources that are available to overdose victims and families, including information on treatment and recovery resources.

(c) Use of funds
An entity shall use a grant received under this section to—
(1) make a drug or device approved or cleared under the Federal Food, Drug, and Cosmetic Act for emergency treatment of known or suspected opioid overdose available to be carried and administered by first responders and members of other key community sectors;
(2) train and provide resources for first responders and members of other key community sectors on carrying and administering a drug or device approved or cleared under the Federal Food, Drug, and Cosmetic Act for emergency treatment of known or suspected opioid overdose;
(3) establish processes, protocols, and mechanisms for referral to appropriate treatment, which may include an outreach coordinator or team to connect individuals receiving opioid overdose reversal drugs to followup services; and
(4) train and provide resources for first responders and members of other key community sectors on safety around fentanyl, carfentanil, and other dangerous licit and illicit drugs to protect themselves from exposure to such drugs and respond appropriately when exposure occurs.

(d) Technical assistance grants
The Secretary shall make a grant for the purpose of providing technical assistance and training on the use of a drug or device approved or cleared under the Federal Food, Drug, and Cosmetic Act for emergency treatment of known or suspected opioid overdose, mechanisms for referral to appropriate treatment, and safety around fentanyl, carfentanil, and other dangerous licit and illicit drugs.

(e) Geographic distribution
In making grants under this section, the Secretary shall ensure that not less than 20 percent of grant funds are awarded to eligible entities that are not located in metropolitan statistical areas (as defined by the Office of Management and Budget). The Secretary shall take into account the unique needs of rural communities, including communities with an incidence of individuals with opioid use disorder that is above the national average and communities with a shortage of prevention and treatment services.

(f) Evaluation
The Secretary shall conduct an evaluation of grants made under this section to determine—
(1) the number of first responders and members of other key community sectors equipped with a drug or device approved or cleared under the Federal Food, Drug, and Cosmetic Act [21 U.S.C. 301 et seq.] for emergency treatment of known or suspected opioid overdose;
(2) the number of opioid and heroin overdoses reversed by first responders and members of other key community sectors receiving training and supplies of a drug or device approved or cleared under the Federal Food, Drug, and Cosmetic Act for emergency treatment of known or suspected opioid overdose, through a grant received under this section;
(g) Other key community sectors

In this section, the term “other key community sectors” includes substance use disorder treatment providers, emergency medical services agencies, agencies and organizations working with prison and jail populations and offender reentry programs, health care providers, harm reduction groups, pharmacies, community health centers, tribal health facilities, and mental health providers.

(b) Authorization of appropriations

To carry out this section, there are authorized to be appropriated $36,000,000 for each of fiscal years 2019 through 2023.

$290ee–2. Building communities of recovery

(a) Definition

In this section, the term “recovery community organization” means an independent nonprofit organization that—

(1) mobilizes resources within and outside of the recovery community, which may include through a peer support network, to increase the prevalence and quality of long-term recovery from substance use disorders; and

(2) is wholly or principally governed by people in recovery for substance use disorders who reflect the community served.

(b) Grants authorized

The Secretary shall award grants to recovery community organizations to enable such organizations to develop, expand, and enhance recovery services.

(c) Federal share

The Federal share of the costs of a program funded by a grant under this section may not exceed 85 percent.

(d) Use of funds

Grants awarded under subsection (b)—

(1) shall be used to develop, expand, and enhance community and statewide recovery support services; and

(2) may be used to—

(A) build connections between recovery networks, including between recovery community organizations and peer support networks, and with other recovery support services, including—

(i) behavioral health providers;

(ii) primary care providers and physicians;

(iii) educational and vocational schools;

(iv) employers;

(v) housing services;

(vi) child welfare agencies; and

(vii) other recovery support services that facilitate recovery from substance use disorders, including non-clinical community services;

(B) reduce stigma associated with substance use disorders; and

(C) conduct outreach on issues relating to substance use disorders and recovery, including—

(i) identifying the signs of substance use disorder;

(ii) the resources available to individuals with substance use disorder and to families of an individual with a substance use disorder, including programs that mentor and provide support services to children;

(iii) the resources available to help support individuals in recovery; and

(iv) related medical outcomes of substance use disorders, the potential of acquiring an infection commonly associated with illicit drug use, and neonatal abstinence syndrome among infants exposed to opioids during pregnancy.

(e) Special consideration

In carrying out this section, the Secretary shall give special consideration to the unique

AMENDMENTS


Subsec. (d). Pub. L. 115–271, § 7002(2), substituted “mechanisms for referral to appropriate treatment, and safety around fentanyl, carfentanil, and other dangerous licit and illicit drugs” for “and mechanisms for referral to appropriate treatment for an entity receiving a grant under this section”.


Subsec. (g). Pub. L. 115–271, § 7002(5), added subsec. (g). Former subsec. (g) redesignated (h).

Subsec. (h). Pub. L. 115–271, § 7002(4), (6), redesignated subsec. (g) as (h) and substituted “$36,000,000 for each of fiscal years 2019 through 2023” for “$12,000,000 for each of fiscal years 2017 through 2021”.

REFERENCES IN TEXT

The Federal Food, Drug, and Cosmetic Act, referred to in subsecs. (a), (c)(1), (2), (d), and (f)(1), (2), is act June 22, 1938, ch. 675, 52 Stat. 1040, which is classified to subsecs. (a), (c)(1), (2), (d), and (f)(1), (2), is act June 22, 1938, ch. 675, 52 Stat. 1040, which is classified to sections 201 of Title 21 and Tables.
§ 290ee–2a. Peer support technical assistance center

(a) Establishment

The Secretary, acting through the Assistant Secretary, shall establish or operate a National Peer-Run Training and Technical Assistance Center for Addiction Recovery Support (referred to in this section as the “Center”).

(b) Functions

The Center established under subsection (a) shall provide technical assistance and support to recovery community organizations and peer support networks, including such assistance and support related to—

(1) training on identifying—

(A) signs of substance use disorder;

(B) resources to assist individuals with a substance use disorder, or resources for families of an individual with a substance use disorder; and

(C) best practices for the delivery of recovery support services;

(2) the provision of translation services, interpretation, or other such services for clients with limited English speaking proficiency;

(3) data collection to support research, including for translational research;

(4) capacity building; and

(5) evaluation and improvement, as necessary, of the effectiveness of such services provided by recovery community organizations.

(c) Best practices

The Center established under subsection (a) shall periodically issue best practices for use by recovery community organizations and peer support networks.

(d) Recovery community organization

In this section, the term “recovery community organization” has the meaning given such term in section 290ee–2 of this title.

(e) Authorization of appropriations

There is authorized to be appropriated to carry out this section $5,000,000 for each of fiscal years 2019 through 2023.


§ 290ee–3. State demonstration grants for comprehensive opioid abuse response

(a) Definitions

In this section:

(1) Dispenser

The term “dispenser” has the meaning given the term in section 802 of title 21.

(2) Prescriber

The term “prescriber” means a dispenser who prescribes a controlled substance, or the agent of such a dispenser.

(3) Prescriber of a schedule II, III, or IV controlled substance

The term “prescriber of a schedule II, III, or IV controlled substance” does not include a prescriber of a schedule II, III, or IV controlled substance that dispenses the substance—

(A) for use on the premises on which the substance is dispensed;

(B) in a hospital emergency room, when the substance is in short supply;

(C) for a certified opioid treatment program; or

(D) in other situations as the Secretary may reasonably determine.

(4) Schedule II, III, or IV controlled substance

The term “schedule II, III, or IV controlled substance” means a controlled substance that is listed on schedule II, schedule III, or schedule IV of section 812 of title 21.

(b) Grants for comprehensive opioid abuse response

(1) In general

The Secretary shall award grants to States, and combinations of States, to implement an integrated opioid abuse response initiative.

(2) Purposes

A State receiving a grant under this section shall establish a comprehensive response plan to opioid abuse, which may include—

(A) education efforts around opioid use, treatment, and addiction recovery, including education of residents, medical students, and physicians and other prescribers of schedule II, III, or IV controlled substances on relevant prescribing guidelines, the prescription drug monitoring program of the State described in subparagraph (B), and overdose prevention methods;

(B) establishing, maintaining, or improving a comprehensive prescription drug mon-
onitoring program to track dispensing of schedule II, III, or IV controlled substances, which may—

(i) provide for data sharing with other States; and

(ii) allow all individuals authorized by the State to write prescriptions for schedule II, III, or IV controlled substances to access the prescription drug monitoring program of the State;

(C) developing, implementing, or expanding prescription drug and opioid addiction treatment programs by—

(i) expanding the availability of treatment for prescription drug and opioid addiction, including medication-assisted treatment and behavioral health therapy, as appropriate;

(ii) developing, implementing, or expanding screening for individuals in treatment for prescription drug and opioid addiction for hepatitis C and HIV, and treating or referring those individuals if clinically appropriate; or

(iii) developing, implementing, or expanding recovery support services and programs at high schools or institutions of higher education;

(D) developing, implementing, and expanding efforts to prevent overdose death from opioid abuse or addiction to prescription medications and opioids; and

(E) advancing the education and awareness of the public, providers, patients, consumers, and other appropriate entities regarding the dangers of opioid abuse, safe disposal of prescription medications, and detection of early warning signs of opioid use disorders.

(3) Application

A State seeking a grant under this section shall submit to the Secretary an application in such form, and containing such information, as the Secretary may reasonably require.

(4) Use of funds

A State that receives a grant under this section shall use the grant for the cost, including the cost for technical assistance, training, and administration expenses, of carrying out an integrated opioid abuse response initiative as outlined by the State’s comprehensive response plan to opioid abuse established under paragraph (2).

(5) Priority considerations

In awarding grants under this section, the Secretary shall, as appropriate, give priority to a State that—

(A)(i) provides civil liability protection for first responders, health professionals, and family members who have received appropriate training in administering a drug or device approved or cleared under the Federal Food, Drug, and Cosmetic Act for emergency treatment of known or suspected opioid overdose; and

(ii) submits to the Secretary a certification by the attorney general of the State that the attorney general has—

(I) reviewed any applicable civil liability protection law to determine the applicability of the law with respect to first responders, health care professionals, family members, and other individuals who—

(aa) have received appropriate training in administering a drug or device approved or cleared under the Federal Food, Drug, and Cosmetic Act for emergency treatment of known or suspected opioid overdose; and

(bb) may administer a drug or device approved or cleared under the Federal Food, Drug, and Cosmetic Act for emergency treatment of known or suspected opioid overdose; and

(II) concluded that the law described in subclause (I) provides adequate civil liability protection applicable to such persons;

(B) has a process for enrollment in services and benefits necessary by criminal justice agencies to initiate or continue treatment in the community, under which an individual who is incarcerated may, while incarcerated, enroll in services and benefits that are necessary for the individual to continue treatment upon release from incarceration;

(C) ensures the capability of data sharing with the other States, where applicable, such as by making data available to a prescription monitoring hub;

(D) ensures that data recorded in the prescription drug monitoring program database of the State are regularly updated, to the extent possible;

(E) ensures that the prescription drug monitoring program of the State notifies prescribers and dispensers of schedule II, III, or IV controlled substances when overuse or misuse of such controlled substances by patients is suspected; and

(F) has in effect one or more statutes or implements policies that maximize use of prescription drug monitoring programs by individuals authorized by the State to prescribe schedule II, III, or IV controlled substances.

(6) Evaluation

In conducting an evaluation of the program under this section pursuant to section 701 of the Comprehensive Addiction and Recovery Act of 2016, with respect to a State, the Secretary shall report on State legislation or policies related to maximizing the use of prescription drug monitoring programs and the incidence of opioid use disorders and overdose deaths in such State.

(7) States with local prescription drug monitoring programs

(A) In general

In the case of a State that does not have a prescription drug monitoring program, a county or other unit of local government within the State that has a prescription drug monitoring program shall be treated as a State for purposes of this section, including for purposes of eligibility for grants under paragraph (1).

(B) Plan for interoperability

In submitting an application to the Secretary under paragraph (3), a county or
other unit of local government shall submit a plan outlining the methods such county or unit of local government shall use to ensure the capability of data sharing with other counties and units of local government within the state and with other States, as applicable.

(c) Authorization of funding

For the purpose of carrying out this section, there are authorized to be appropriated $5,000,000 for each of fiscal years 2017 through 2021.

(July 1, 1944, ch. 373, title V, § 548, as added Pub. L. 114–198, title VI, § 601, July 22, 2016, 130 Stat. 732.)

REFERENCES IN TEXT

The Federal Food, Drug, and Cosmetic Act, referred to in subsec. (b)(5)(A)(i), (ii)(I), is act June 25, 1938, ch. 675, 52 Stat. 1040, which is classified generally to chapter 9 (§§ 301 et seq.) of Title 21, Food and Drugs. For complete classification of this Act to the Code, see section 301 of Title 21 and Tables.


PRIOR PROVISIONS


GRANT PROGRAM FOR THE STATE AND TRIBAL RESPONSE TO THE OPIOID ABUSE CRISIS


“(a) IN GENERAL.—The Secretary of Health and Human Services (referred to in this section as the ‘Secretary’) shall use any funds appropriated pursuant to subsection (b) to carry out the grant program described in subsection (b) for purposes of addressing the opioid abuse crisis within the States and Indian Tribes.

“(b) OPIOID GRANT PROGRAM.—

“(1) STATE AND TRIBAL RESPONSE TO THE OPIOID ABUSE CRISIS.—Subject to the availability of appropriations, the Secretary shall award grants to States and Indian Tribes for the purpose of addressing the opioid abuse crisis within such States and Indian Tribes, in accordance with subparagraph (B) [sic, probably should be ‘paragraph (2)’]. In awarding such grants, the Secretary shall give preference to States or Indian Tribes with an incidence or prevalence of opioid use disorders that is substantially higher relative to other States or other Indian Tribes, as applicable.

“(2) OPIOID GRANTS.—Grants awarded under this subsection shall be used for carrying out activities that supplement activities pertaining to opioids undertoken by the State agency responsible for administering the substance abuse prevention and treatment block grant under subpart II of part B of title XIX of the Public Health Service Act (42 U.S.C. 300x–21 et seq.), which may include public health-related activities such as the following:

“(A) Establishing or improving prescription drug monitoring programs.

“(B) Implementing prevention activities, and evaluating such activities to identify effective strategies to prevent opioid abuse.

“(C) Training for health care practitioners, such as best practices for prescribing opioids, pain management, recognizing potential cases of substance abuse, referral of patients to treatment programs, preventing diversion of controlled substances, and overdose prevention.

“(D) Supporting access to health care services, including those services provided by Federally certified opioid treatment programs or other appropriate health care providers to treat substance use disorders.

“(E) Other public health-related activities, as the State or Indian Tribe determines appropriate, related to addressing the opioid abuse crisis within the State or Indian Tribe, including directing resources in accordance with local needs related to substance use disorders.

“(c) ACCOUNTABILITY AND OVERSIGHT.—A State receiving a grant under subsection (b) shall include in a report related to substance abuse submitted to the Secretary pursuant to section 1942 of the Public Health Service Act (42 U.S.C. 290aa–21), a description of—

“(1) the purposes for which the grant funds received by the State under such subsection for the preceding fiscal year were expended and a description of the activities of the State under the program; and

“(2) the ultimate recipients of amounts provided to the State in the grant.

“(d) LIMITATIONS.—Any funds made available pursuant to subsection (b)—

“(1) notwithstanding any transfer authority in any appropriations Act, shall not be used for any purpose other than the grant program in subsection (b); and

“(2) shall be subject to the same requirements as substance abuse prevention and treatment programs under titles V and XIX of the Public Health Service Act (42 U.S.C. 290aa et seq., 300w et seq.).

“(e) INDIAN TRIBES.—

“(1) DEFINITION.—For purposes of this section, the term ‘Indian Tribe’ has the meaning given the term ‘Indian tribe’ in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 5304).

“(2) APPROPRIATE MECHANISMS.—The Secretary, in consultation with Indian Tribes, shall identify and establish appropriate mechanisms for Tribes to demonstrate or report the information as required under subsections (b), (c), and (d).

“(f) REPORT TO CONGRESS.—Not later than 1 year after the date on which amounts are first awarded after the date of enactment of this subsection (Oct. 24, 2018), pursuant to subsection (b), and annually thereafter, the Secretary shall submit to the Committee on Health, Education, Labor, and Pensions of the Senate and the Committee on Energy and Commerce of the House of Representatives a report summarizing the information provided to the Secretary in reports made pursuant to subsection (c), including the purposes for which grant funds are awarded under this section and the activities of such grant recipients.

“(g) TECHNICAL ASSISTANCE.—The Secretary, including through the Tribal Training and Technical Assistance Center of the Substance Abuse and Mental Health Services Administration, shall provide State agencies and Indian Tribes, as applicable, with technical assistance concerning grant application and submission procedures under this section, award management activities, and enhancing outreach and direct support to

---

1 So in original. Probably should be capitalized.
rural and underserved communities and providers in addressing the opioid crisis.

(b) Authorization of Appropriations.—For purposes of carrying out the grant program under subsection (b), there is authorized to be appropriated $500,000,000 for each of fiscal years 2019 through 2021, to remain available until expended.

The Secretary, acting through the Assistant Secretary and in collaboration with the Director of the Centers for Disease Control and Prevention, shall convene an interagency, public-private sector working group to plan, establish, and begin coordinating and evaluating a targeted public education campaign that is designed to focus on mental and behavioral health on the campuses of institutions of higher education. Such campaign shall be designed to—

(1) improve the general understanding of mental health and mental disorders;
(2) encourage help-seeking behaviors relating to the promotion of mental health, prevention of mental disorders, and treatment of such disorders;
(3) make the connection between mental and behavioral health and academic success; and
(4) assist the general public in identifying the early warning signs and reducing the stigma of mental illness.

(c) Composition

The working group convened under subsection (b) shall include—

(1) mental health consumers, including students and family members;
(2) representatives of institutions of higher education;
(3) representatives of national mental and behavioral health associations and associations of institutions of higher education;
(4) representatives of health promotion and prevention organizations at institutions of higher education;
(5) representatives of mental health providers, including community mental health centers; and
(6) representatives of private-sector and public-sector groups with experience in the development of effective public health education campaigns.

(d) Plan

The working group under subsection (b) shall develop a plan that—

(1) targets promotional and educational efforts to the age population of students at institutions of higher education and individuals who are employed in settings of institutions of higher education, including through the use of roundtables;
(2) develops and proposes the implementation of research-based public health messages and activities;
(3) provides support for local efforts to reduce stigma by using the National Health Information Center as a primary point of contact for information, publications, and service program referrals; and
(4) develops and proposes the implementation of a social marketing campaign that is targeted at the population of students attending institutions of higher education and individuals who are employed in settings of institutions of higher education.

(e) Definition
In this section, the term “institution of higher education” has the meaning given such term in section 1001 of title 20.

(f) Authorization of Appropriations
To carry out this section, there are authorized to be appropriated $1,000,000 for the period of fiscal years 2019 through 2022.

§ 290ee–6  TITLE 42—THE PUBLIC HEALTH AND WELFARE  Page 826

(G) other stakeholders identified by the Secretary.

(b) Identification of fraudulent recovery housing operators

(1) In general

The Secretary, in consultation with the individuals and entities described in paragraph (2), shall identify or facilitate the development of common indicators that could be used to identify potentially fraudulent recovery housing operators.

(2) Consultation

In carrying out the activities described in paragraph (1), the Secretary shall consult with, as appropriate, the individuals and entities specified in subsection (a)(2) and the Attorney General of the United States.

(3) Requirements

(A) Practices for identification and reporting

In carrying out the activities described in paragraph (1), the Secretary shall consider how law enforcement, public and private payers, and the public can best identify and report fraudulent recovery housing operators.

(B) Factors to be considered

In carrying out the activities described in paragraph (1), the Secretary shall identify or develop indicators, which may include indicators related to—

(i) unusual billing practices;
(ii) average lengths of stays;
(iii) excessive levels of drug testing (in terms of cost or frequency); and
(iv) unusually high levels of recidivism.

(c) Dissemination

The Secretary shall, as appropriate, disseminate the best practices identified or developed under subsection (a) and the common indicators identified or developed under subsection (b) to—

(1) State agencies, which may include the provision of technical assistance to State agencies seeking to adopt or implement such best practices;
(2) Indian tribes, tribal organizations, and tribally designated housing entities;
(3) the Attorney General of the United States;
(4) the Secretary of Labor;
(5) the Secretary of Housing and Urban Development;
(6) State and local law enforcement agencies;
(7) health insurance issuers;
(8) recovery housing entities; and
(9) the public.

(d) Requirements

In carrying out the activities described in subsections (a) and (b), the Secretary, in consultation with appropriate individuals and entities described in subsections (a)(2) and (b)(2), shall consider how recovery housing is able to support recovery and prevent relapse, recidivism, or overdose (including overdose death), including by improving access and adherence to treatment, including medication-assisted treatment.

(e) Rule of construction

Nothing in this section shall be construed to provide the Secretary with the authority to require States to adhere to minimum standards in the State oversight of recovery housing.

(f) Definitions

In this section:

(1) The term “recovery housing” means a shared living environment free from alcohol and illicit drug use and centered on peer support and connection to services that promote sustained recovery from substance use disorders.

(2) The terms “Indian tribe” and “tribal organization” have the meanings given those terms in section 5304 of title 25.

(3) The term “tribally designated housing entity” has the meaning given that term in section 4103 of title 25.

(g) Authorization of appropriations

To carry out this section, there is authorized to be appropriated $3,000,000 for the period of fiscal years 2019 through 2021.


Codification

Another section 550 of act July 1, 1944, is classified to section 290ee–10 of this title.

§ 290ee–6. Regional Centers of Excellence in Substance Use Disorder Education

(a) In general

The Secretary, in consultation with appropriate agencies, shall award cooperative agreements to eligible entities for the designation of such entities as Regional Centers of Excellence in Substance Use Disorder Education for purposes of improving health professional training resources with respect to substance use disorder prevention, treatment, and recovery.

(b) Eligibility

To be eligible to receive a cooperative agreement under subsection (a), an entity shall—

(1) be an accredited entity that offers education to students in various health professions, which may include—
   (A) a teaching hospital;
   (B) a medical school;
   (C) a certified behavioral health clinic; or
   (D) any other health professions school, school of public health, or Cooperative Extension Program at institutions of higher education, as defined in section 1001 of title 20, engaged in the prevention, treatment, or recovery of substance use disorders;
(2) demonstrate community engagement and partnerships with community stakeholders, including entities that train health professionals, mental health counselors, social workers, peer recovery specialists, substance use treatment programs, community health centers, physician offices, certified behavioral health clinics, research institutions, and law enforcement; and
(3) submit to the Secretary an application containing such information, at such time,
and in such manner, as the Secretary may require.

(c) Activities
An entity receiving an award under this section shall develop, evaluate, and distribute evidence-based resources regarding the prevention and treatment of, and recovery from, substance use disorders. Such resources may include information on—

(1) the neurology and pathology of substance use disorders;
(2) advancements in the treatment of substance use disorders;
(3) techniques and best practices to support recovery from substance use disorders;
(4) strategies for the prevention and treatment of, and recovery from substance use disorders across patient populations; and
(5) other topic areas that are relevant to the objectives described in subsection (a).

(d) Geographic distribution
In awarding cooperative agreements under subsection (a), the Secretary shall take into account regional differences among eligible entities and shall make an effort to ensure geographic distribution.

(e) Evaluation
The Secretary shall evaluate each project carried out by an entity receiving an award under this section and shall disseminate the findings with respect to each such evaluation to appropriate public and private entities.

(f) Funding
There is authorized to be appropriated to carry out this section, $4,000,000 for each of fiscal years 2019 through 2023.


§ 290ee–7. Comprehensive opioid recovery centers

(a) In general
The Secretary shall award grants on a competitive basis to eligible entities to establish or operate a comprehensive opioid recovery center (referred to in this section as a “Center”). A Center may be a single entity or an integrated delivery network.

(b) Grant period
(1) In general
A grant awarded under subsection (a) shall be for a period of not less than 3 years and not more than 5 years.

(2) Renewal
A grant awarded under subsection (a) may be renewed, on a competitive basis, for additional periods of time, as determined by the Secretary. In determining whether to renew a grant under this paragraph, the Secretary shall consider the data submitted under subsection (h).

(c) Minimum number of Centers
The Secretary shall allocate the amounts made available under subsection (j) such that not fewer than 10 grants may be awarded. Not more than one grant shall be made to entities in a single State for any one period.

(d) Application
(1) Eligible entity
An entity is eligible for a grant under this section if the entity offers treatment and other services for individuals with a substance use disorder.

(2) Submission of application
In order to be eligible for a grant under subsection (a), an entity shall submit an application to the Secretary at such time and in such manner as the Secretary may require. Such application shall include—

(A) evidence that such entity carries out, or is capable of coordinating with other entities to carry out, the activities described in subsection (g); and

(B) such other information as the Secretary may require.

(e) Priority
In awarding grants under subsection (a), the Secretary shall give priority to eligible entities—

(1) located in a State with an age-adjusted rate of drug overdose deaths that is above the national overdose mortality rate, as determined by the Director of the Centers for Disease Control and Prevention; or

(2) serving an Indian Tribe (as defined in section 5304 of title 25) with an age-adjusted rate of drug overdose deaths that is above the national overdose mortality rate, as determined through appropriate mechanisms determined by the Secretary in consultation with Indian Tribes.

(f) Preference
In awarding grants under subsection (a), the Secretary may give preference to eligible entities utilizing technology-enabled collaborative learning and capacity building models, including such models as defined in section 2 of the Expanding Capacity for Health Outcomes Act (Public Law 114–270; 130 Stat. 1395), to conduct the activities described in this section.

(g) Center activities
Each Center shall, at a minimum, carry out the following activities directly, through referral, or through contractual arrangements, which may include carrying out such activities through technology-enabled collaborative learning and capacity building models described in subsection (f):

(1) Treatment and recovery services
Each Center shall—

(A) Ensure that intake, evaluations, and periodic patient assessments meet the individualized clinical needs of patients, including by reviewing patient placement in treatment settings to support meaningful recovery.

(B) Provide the full continuum of treatment services, including—

(i) all drugs and devices approved or cleared under the Federal Food, Drug, and Cosmetic Act and all biological products
licensed under section 262 of this title to treat substance use disorders or reverse overdoses, pursuant to Federal and State law;
    (ii) medically supervised withdrawal management, that includes patient evaluation, stabilization, and readiness for and entry into treatment;
    (iii) counseling provided by a program counselor or other certified professional who is licensed and qualified by education, training, or experience to assess the psychological and sociological background of patients, to contribute to the appropriate treatment plan for the patient, and to monitor patient progress;
    (iv) treatment, as appropriate, for patients with co-occurring substance use and mental disorders;
    (v) testing, as appropriate, for infections commonly associated with illicit drug use;
    (vi) residential rehabilitation, and outpatient and intensive outpatient programs;
    (vii) recovery housing;
    (viii) community-based and peer recovery support services;
    (ix) job training, job placement assistance, and continuing education assistance to support reintegration into the workforce; and
    (x) other best practices to provide the full continuum of treatment and services, as determined by the Secretary.

(C) Ensure that all programs covered by the Center include medication-assisted treatment, as appropriate, and do not exclude individuals receiving medication-assisted treatment from any service.

(D) Periodically conduct patient assessments to support sustained and clinically significant recovery, as defined by the Assistant Secretary for Mental Health and Substance Use.

(E) Provide onsite access to medication, as appropriate, and toxicology services; for purposes of carrying out this section.

(F) Operate a secure, confidential, and interoperable electronic health information system.

(G) Offer family support services such as child care, family counseling, and parenting interventions to help stabilize families impacted by substance use disorder, as appropriate.

(2) Outreach

Each Center shall carry out outreach activities regarding the services offered through the Centers, which may include—

(A) training and supervising outreach staff, as appropriate, to work with State and local health departments, health care providers, the Indian Health Service, State and local educational agencies, schools funded by the Indian Bureau of Education, institutions of higher education, State and local workforce development boards, State and local community action agencies, public safety officials, first responders, Indian Tribes, child welfare agencies, as appropriate, and other community partners and the public, including patients, to identify and respond to community needs;

(B) ensuring that the entities described in subparagraph (A) are aware of the services of the Center; and

(C) disseminating and making publicly available, including through the internet, evidence-based resources that educate professionals and the public on opioid use disorder and other substance use disorders, including co-occurring substance use and mental disorders.

(h) Data reporting and program oversight

With respect to a grant awarded under subsection (a), not later than 90 days after the end of the first year of the grant period, and annually thereafter for the duration of the grant period (including the duration of any renewal period for such grant), the entity shall submit data, as appropriate, to the Secretary regarding—

(1) the programs and activities funded by the grant;

(2) health outcomes of the population of individuals with a substance use disorder who received services from the Center, evaluated by an independent program evaluator through the use of outcomes measures, as determined by the Secretary;

(3) the retention rate of program participants; and

(4) any other information that the Secretary may require for the purpose of—ensuring that the Center is complying with all the requirements of the grant, including providing the full continuum of services described in subsection (g)(1)(B).

(i) Privacy

The provisions of this section, including with respect to data reporting and program oversight, shall be subject to all applicable Federal and State privacy laws.

(j) Authorization of appropriations

There is authorized to be appropriated $10,000,000 for each of fiscal years 2019 through 2023 for purposes of carrying out this section.

(3) the retention rate of program participants; and

(4) any other information that the Secretary may require for the purpose of—ensuring that the Center is complying with all the requirements of the grant, including providing the full continuum of services described in subsection (g)(1)(B).

(j) Authorization of appropriations

There is authorized to be appropriated $10,000,000 for each of fiscal years 2019 through 2023 for purposes of carrying out this section.

(3) the retention rate of program participants; and

(4) any other information that the Secretary may require for the purpose of—ensuring that the Center is complying with all the requirements of the grant, including providing the full continuum of services described in subsection (g)(1)(B).

REFERENCES IN TEXT


shall continue or establish a program to support individuals in substance use disorder treatment and recovery to live independently and participate in the workforce.

(b) Grants authorized

In carrying out the activities under this section, the Secretary shall, on a competitive basis, award grants for a period of not more than 5 years to entities to enable such entities to carry out evidence-based programs to help individuals in substance use disorder treatment and recovery to live independently and participate in the workforce. Such entities shall coordinate, as applicable, with Indian tribes or tribal organizations (as defined in section 3102 of title 29, lead State agencies with responsibility for a workforce investment activity (as defined in such section 3102), and State agencies responsible for carrying out substance use disorder prevention and treatment programs.

(c) Priority

(1) In general

In awarding grants under this section, the Secretary shall give priority based on the State in which the entity is located. Priority shall be given among States according to a formula based on the rates described in paragraph (2) and weighted as described in paragraph (3).

(2) Rates

The rates described in this paragraph are the following:

(A) The amount by which the rate of drug overdose deaths in the State, adjusted for age, is above the national overdose mortality rate, as determined by the Director of the Centers for Disease Control and Prevention.

(B) The amount by which the rate of unemployment for the State, based on data provided by the Bureau of Labor Statistics for the preceding 5 calendar years for which there is available data, is above the national average.

(C) The amount by which rate of labor force participation in the State, based on data provided by the Bureau of Labor Statistics for the preceding 5 calendar years for which there is available data, is below the national average.

(3) Weighting

The rates described in paragraph (2) shall be weighted as follows:

(A) The rate described in paragraph (2)(A) shall be weighted 70 percent.

(B) The rate described in paragraph (2)(B) shall be weighted 15 percent.

(C) The rate described in paragraph (2)(C) shall be weighted 15 percent.

(d) Preference

In awarding grants under this section, the Secretary shall give preference to entities located in areas within States with the greatest need, with such need based on the highest mortality rate related to substance use disorder.

(e) Definitions

In this section:

(1) Eligible entity

The term “eligible entity” means an entity that offers treatment or recovery services for individuals with substance use disorders, and partners with one or more local or State stakeholders, which may include local employers, community organizations, the local workforce development board, local and State governments, and Indian Tribes or tribal organizations, to support recovery, independent living, and participation in the workforce.

(2) Indian Tribes; tribal organization

The terms “Indian Tribe” and “tribal organization” have the meanings given the terms “Indian tribe” and “tribal organization” in section 5304 of title 25.

(3) State

The term “State” includes only the several States and the District of Columbia.

(f) Applications

An eligible entity shall submit an application at such time and in such manner as the Secretary may require. In submitting an application, the entity shall demonstrate the ability to partner with local stakeholders, which may include local employers, community stakeholders, the local workforce development board, local and State governments, and Indian Tribes or tribal organizations, as applicable, to—

(1) identify gaps in the workforce due to the prevalence of substance use disorders;

(2) in coordination with statewide employment and training activities, including coordination and alignment of activities carried out by entities provided grant funds under section 3225a of title 29, help individuals in recovery from a substance use disorder transition into the workforce, including by providing career services, training services as described in paragraph (2) of section 3174(c) of title 29, and related services described in section 3174(a)(3) of such title; and

(3) assist employers with informing their employees of the resources, such as resources related to substance use disorders that are available to their employees.

(g) Use of funds

An entity receiving a grant under this section shall use the funds to conduct one or more of the following activities:

(1) Hire case managers, care coordinators, providers of peer recovery support services, as described in section 290ee–2(a) of this title, or other professionals, as appropriate, to provide services that support treatment, recovery, and rehabilitation, and prevent relapse, recidivism, and overdose, including by encouraging—

(A) the development and strengthening of daily living skills; and

(B) the use of counseling, care coordination, and other services, as appropriate, to support recovery from substance use disorders.

(2) Implement or utilize innovative technologies, which may include the use of telemedicine.

(3) In coordination with the lead State agency with responsibility for a workforce invest-
ment activity or local board described in subsection (b), provide—
(A) short-term prevocational training services; and

(B) training services that are directly linked to the employment opportunities in the local area or the planning region.

(h) Support for State strategy

An eligible entity shall include in its application under subsection (f) information describing how the services and activities proposed in such application are aligned with the State, outlying area, or Tribal strategy, as applicable, for addressing issues described in such application and how such entity will coordinate with existing systems to deliver services as described in such application.

(i) Data reporting and program oversight

Each eligible entity awarded a grant under this section shall submit to the Secretary a report at such time and in such manner as the Secretary may require. Such report shall include a description of—
(1) the programs and activities funded by the grant;

(2) outcomes of the population of individuals with a substance use disorder the grantee served through activities described in subsection (g); and

(3) any other information that the Secretary may require for the purpose of ensuring that the grantee is complying with all of the requirements of the grant.

(j) Reports to Congress

(1) Preliminary report

Not later than 2 years after the end of the first year of the grant period under this section, the Secretary shall submit to Congress a preliminary report that analyzes reports submitted under subsection (i).

(2) Final report

Not later than 2 years after submitting the preliminary report required under paragraph (1), the Secretary shall submit to Congress a final report that includes—
(A) a description of how the grant funding was used, including the number of individuals who received services under subsection (g)(3) and an evaluation of the effectiveness of the activities conducted by the grantee with respect to outcomes of the population of individuals with substance use disorder who receive services from the grantee; and

(B) recommendations related to best practices for health care professionals to support individuals in substance use disorder treatment or recovery to live independently and participate in the workforce.

(k) Authorization of appropriations

There is authorized to be appropriated $5,000,000 for each of fiscal years 2019 through 2023 for purposes of carrying out this section.


CODIFICATION

Section was enacted as part of the Substance Use–Disorder Prevention that Promotes Opioid Recovery and Treatment for Patients and Communities Act, also known as the SUPPORT for Patients and Communities Act, and not as part of the Public Health Service Act which comprises this chapter.

§ 290ee–9. Services for families and patients in crisis

(a) In general

The Secretary of Health and Human Services may make grants to entities that focus on addiction and substance use disorders and specialize in family and patient services, advocacy for patients and families, and educational information.

(b) Allowable uses

A grant awarded under this section may be used for nonprofit national, State, or local organizations that engage in the following activities: (1) Expansion of resource center services with professional, clinical staff that provide, for families and individuals impacted by a substance use disorder, support, access to treatment resources, brief assessments, medication and overdose prevention education, compassionate listening services, recovery support or peer specialists, bereavement and grief support, and case management.

(2) Continued development of health information technology systems that leverage new and upcoming technology and techniques for prevention, intervention, and filling resource gaps in communities that are underserved.

(3) Enhancement and operation of treatment and recovery resources, easy-to-read scientific and evidence-based education on addiction and substance use disorders, and other informational tools for families and individuals impacted by a substance use disorder and community stakeholders, such as law enforcement agencies.

(4) Provision of training and technical assistance to State and local governments, law enforcement agencies, health care systems, research institutions, and other stakeholders.

(5) Expanding upon and implementing educational information using evidence-based information on substance use disorders.

(6) Expansion of training of community stakeholders, law enforcement officers, and families across a broad-range of addiction, health, and related topics on substance use disorders, local issues and community-specific issues related to the drug epidemic.

(7) Program evaluation.


CODIFICATION

Section was enacted as part of the Substance Use–Disorder Prevention that Promotes Opioid Recovery and Treatment for Patients and Communities Act, also known as the SUPPORT for Patients and Communities Act, and the Substance Abuse Prevention Act of 2018, and not as part of the Public Health Service Act which comprises this chapter.

§ 290ee–10. Sobriety treatment and recovery teams

(a) In general

The Secretary may make grants to States, units of local government, or tribal govern-
make grants to public entities for the purpose of providing comprehensive community mental health services to children with a serious emotional disturbance, which may include efforts to identify and serve children at risk.

(2) “Public entity” defined

For purposes of this part, the term “public entity” means any State, any political subdivision of a State, and any Indian tribe or tribal organization (as defined in section 5304(b) and section 5304(c) of title 25).

(b) Considerations in making grants

(1) Requirement of status as grantee under part B of subchapter XVII

The Secretary may make a grant under subsection (a) to a public entity only if—

(A) in the case of a public entity that is a State, the State is a grantee under section 300x of this title;

(B) in the case of a public entity that is a political subdivision of a State, the State in which the political subdivision is located is such a grantee; and

(C) in the case of a public entity that is an Indian tribe or tribal organization, the State in which the tribe or tribal organization is located is such a grantee.

(2) Requirement of status as medicaid provider

(A) Subject to subparagraph (B), the Secretary may make a grant under subsection (a) only if, in the case of any service under such subsection that is covered in the State plan approved under title XIX of the Social Security Act [42 U.S.C. 1396 et seq.] for the State involved—

(i) the public entity involved will provide the service directly, and the entity has entered into a participation agreement under the State plan and is qualified to receive payments under such plan; or

(ii) the public entity will enter into an agreement with an organization under which the organization will provide the service, and the organization has entered into such a participation agreement and is qualified to receive such payments.

(B)(i) In the case of an organization making an agreement under subparagraph (A)(ii) regarding the provision of services under subsection (a), the requirement established in such subparagraph regarding a participation agreement shall be waived by the Secretary if the organization does not, in providing health or mental health services, impose a charge or accept reimbursement available from any third-party payor, including reimbursement under any insurance policy or under any Federal or State health benefits program.

(ii) A determination by the Secretary of whether an organization referred to in clause (i) meets the criteria for a waiver under such clause shall be made without regard to whether the organization accepts voluntary donations regarding the provision of services to the public.

(3) Certain considerations

In making grants under subsection (a), the Secretary shall—

---

1 See References in Text note below.
(A) equitably allocate such assistance among the principal geographic regions of the United States;
(B) consider the extent to which the public entity involved has a need for the grant; and
(C) in the case of any public entity that is a political subdivision of a State or that is an Indian tribe or tribal organization—
(i) shall consider any comments regarding the application of the entity for such a grant that are received by the Secretary from the State in which the entity is located; and
(ii) shall give special consideration to the entity if the State agrees to provide a portion of the non-Federal contributions required in subsection (c) regarding such a grant.

(c) Matching funds

(1) In general

A funding agreement for a grant under subsection (a) is that the public entity involved will, with respect to the costs to be incurred by the entity in carrying out the purpose described in such subsection, make available (directly or through donations from public or private entities) non-Federal contributions toward such costs in an amount that—
(A) for the first fiscal year for which the entity receives payments from a grant under such subsection, is not less than $1 for each $3 of Federal funds provided in the grant;
(B) for any second or third such fiscal year, is not less than $1 for each $3 of Federal funds provided in the grant;
(C) for any fourth such fiscal year, is not less than $1 for each $1 of Federal funds provided in the grant; and
(D) for any fifth and sixth such fiscal year, is not less than $2 for each $1 of Federal funds provided in the grant.

(2) Determination of amount contributed

(A) Non-Federal contributions required in paragraph (1) may be in cash or in kind, fairly evaluated, including plant, equipment, or services. Amounts provided by the Federal Government, or services assisted or subsidized to any significant extent by the Federal Government, may not be included in determining the amount of such non-Federal contributions.

(B) In making a determination of the amount of non-Federal contributions for purposes of subparagraph (A), the Secretary may include only non-Federal contributions in excess of the average amount of non-Federal contributions made by the public entity involved toward the purpose described in subsection (a) for the 2-year period preceding the first fiscal year for which the entity receives a grant under such section.

(2) Structure of system
A funding agreement for a grant under section 290ff(a) of this title is that a system of care under paragraph (1) will—
(A) be established in a community selected by the public entity involved;
(B) consist of such public agencies and nonprofit private entities in the community as are necessary to ensure that each of the services specified in subsection (c) is available to each child provided access to the system;
(C) be established pursuant to agreements that the public entity enters into with the agencies and entities described in subparagraph (B);
(D) coordinate the provision of the services of the system; and
(E) establish an office whose functions are to serve as the location through which children are provided access to the system, to coordinate the provision of services of the system, and to provide information to the public regarding the system.

(3) Collaboration of local public entities
A funding agreement for a grant under section 290ff(a) of this title is that, for purposes of the establishment and operation of a system of care under paragraph (1), the public entity involved will seek collaboration among all public agencies that provide human services in the community in which the system is established, including but not limited to those providing mental health services, educational services, child welfare services, or juvenile justice services.

(b) Limitation on age of children provided access to system
A funding agreement for a grant under section 290ff(a) of this title is that a system of care under subsection (a) will provide an individual with access to the system through the age of 21 years.

(c) Required mental health services of system
A funding agreement for a grant under section 290ff(a) of this title is that mental health services provided by a system of care under subsection (a) will include, with respect to a serious emotional disturbance in a child—
(1) diagnostic and evaluation services;
(2) outpatient services provided in a clinic, office, school or other appropriate location, including individual, group and family counseling services, professional consultation, and review and management of medications;
(3) emergency services, available 24-hours a day, 7 days a week;
(4) intensive home-based services for children and their families when the child is at imminent risk of out-of-home placement;
(5) intensive day-treatment services;
(6) respite care;
(7) therapeutic foster care services, and services in therapeutic foster family homes or individual therapeutic residential homes, and group homes caring for not more than 10 children; and
(8) assisting the child in making the transition from the services received as a child to the services to be received as an adult.

(d) Required arrangements regarding other appropriate services
(1) In general
A funding agreement for a grant under section 290ff(a) of this title is that—
(A) a system of care under subsection (a) will enter into a memorandum of understanding regarding facilitation of—
(1) case management services
(2) diagnostic and evaluation services;
(3) early periodic screening, diagnosis, and treatment;
(4) intensive day-treatment services;
(5) intensive home-based services for children; and
(6) therapeutic foster care services, and services in therapeutic foster family homes or individual therapeutic residential homes, and group homes caring for not more than 10 children;
(B) the grant under such section 290ff(a) of this title, and the non-Federal contributions made with respect to the grant, will not be expended to pay the costs of providing such non-mental health services to any individual.

(2) Specification of non-mental health services
The providers referred to in paragraph (1) are providers of medical services other than mental health services, providers of educational services, providers of vocational counseling and vocational rehabilitation services, and providers of protection and advocacy services with respect to mental health.

(3) Facilitation of services of certain programs
A funding agreement for a grant under section 290ff(a) of this title is that a system of care under subsection (a) will, for purposes of paragraph (1), enter into a memorandum of understanding regarding facilitation of—
(A) services available pursuant to title XIX of the Social Security Act [42 U.S.C. 1396 et seq.], including services regarding early periodic screening, diagnosis, and treatment;
(B) services available under parts B and C of the Individuals with Disabilities Education Act [20 U.S.C. 1411 et seq.]; and
(C) services available under other appropriate programs, as identified by the Secretary.

(e) General provisions regarding services of system
(1) Case management services
A funding agreement for a grant under section 290ff(a) of this title is that a system of care under subsection (a) will provide for the case management of each child provided access to the system in order to ensure that—
(A) the services provided through the system to the child are coordinated and that the need of each such child for the services is periodically reassessed;
(B) information is provided to the family of the child on the extent of progress being made toward the objectives established for the child under the plan of services implemented for the child pursuant to section 290ff–2 of this title; and
(C) the system provides assistance with respect to—
(i) establishing the eligibility of the child, and the family of the child, for financial assistance and services under Federal, State, or local programs providing for
§ 290ff–2

TITLE 42—THE PUBLIC HEALTH AND WELFARE

Page 834

health services, mental health services, educational services, social services, or other services; and
(ii) seeking to ensure that the child receives appropriate services available under such programs.

(2) Other provisions

A funding agreement for a grant under section 290ff(a) of this title is that a system of care under subsection (a), in providing the services of the system, will—

(A) provide the services of the system in the cultural context that is most appropriate for the child and family involved;
(B) ensure that individuals providing such services to the child can effectively communicate with the child and family in the most direct manner;
(C) provide the services without discriminating against the child or the family of the child on the basis of race, religion, national origin, sex, disability, or age;
(D) seek to ensure that each child provided access to the system of care remains in the least restrictive, most normative environment that is clinically appropriate; and
(E) provide outreach services to inform individuals, as appropriate, of the services available from the system, including identifying children with a serious emotional disturbance who are in the early stages of such disturbance.

(3) Rule of construction

An agreement made under paragraph (2) may not be construed—
(A) with respect to subparagraph (C) of such paragraph—
(i) to prohibit a system of care under subsection (a) from requiring that, in housing provided by the grantee for purposes of residential treatment services authorized under subsection (c), males and females be segregated to the extent appropriate in the treatment of the children involved; or
(ii) to prohibit the system of care from complying with the agreement made under subsection (b); or
(B) with respect to subparagraph (D) of such paragraph, to authorize the system of care to expend the grant under section 290ff(a) of this title (or the non-Federal contributions made with respect to the grant) to provide legal services or any service with respect to which expenditures regarding the grant are prohibited under subsection (d)(1)(B).

(4) Restrictions on use of grant

A funding agreement for a grant under section 290ff(a) of this title is that the grant, and the non-Federal contributions made with respect to the grant, will not be expended—

(1) to purchase or improve real property (including the construction or renovation of facilities);
(2) to provide for room and board in residential programs serving 10 or fewer children;
(3) to provide for room and board or other services or expenditures associated with care of children in residential treatment centers serving more than 10 children or in inpatient hospital settings, except intensive home-based services and other services provided on an ambulatory or outpatient basis; or
(4) to provide for the training of any individual, except training authorized in section 290ff–3(a)(2) of this title and training provided through any appropriate course in continuing education whose duration does not exceed 2 days.

(g) Waivers

The Secretary may waive one or more of the requirements of subsection (c) for a public entity that is an Indian Tribe or tribal organization, or American Samoa, Guam, the Marshall Islands, the Federated States of Micronesia, the Commonwealth of the Northern Mariana Islands, the Republic of Palau, or the United States Virgin Islands if the Secretary determines, after peer review, that the system of care is family-centered and uses the least restrictive environment that is clinically appropriate.

(3) Rule of construction

An agreement made under paragraph (2) may not be construed—
(A) with respect to subparagraph (C) of such paragraph—
(i) to prohibit a system of care under subsection (a) from requiring that, in housing provided by the grantee for purposes of residential treatment services authorized under subsection (c), males and females be segregated to the extent appropriate in the treatment of the children involved; or
(ii) to prohibit the system of care from complying with the agreement made under subsection (b); or
(B) with respect to subparagraph (D) of such paragraph, to authorize the system of care to expend the grant under section 290ff(a) of this title (or the non-Federal contributions made with respect to the grant) to provide legal services or any service with respect to which expenditures regarding the grant are prohibited under subsection (d)(1)(B).

(4) Restrictions on use of grant

A funding agreement for a grant under section 290ff(a) of this title is that the grant, and the non-Federal contributions made with respect to the grant, will not be expended—

(1) to purchase or improve real property (including the construction or renovation of facilities);
(2) to provide for room and board in residential programs serving 10 or fewer children;
(3) to provide for room and board or other services or expenditures associated with care of children in residential treatment centers serving more than 10 children or in inpatient hospital settings, except intensive home-based services and other services provided on an ambulatory or outpatient basis; or
(4) to provide for the training of any individual, except training authorized in section 290ff–3(a)(2) of this title and training provided through any appropriate course in continuing education whose duration does not exceed 2 days.

(g) Waivers

The Secretary may waive one or more of the requirements of subsection (c) for a public entity that is an Indian Tribe or tribal organization, or American Samoa, Guam, the Marshall Islands, the Federated States of Micronesia, the Commonwealth of the Northern Mariana Islands, the Republic of Palau, or the United States Virgin Islands if the Secretary determines, after peer review, that the system of care is family-centered and uses the least restrictive environment that is clinically appropriate.

(3) Rule of construction

An agreement made under paragraph (2) may not be construed—
(A) with respect to subparagraph (C) of such paragraph—
(i) to prohibit a system of care under subsection (a) from requiring that, in housing provided by the grantee for purposes of residential treatment services authorized under subsection (c), males and females be segregated to the extent appropriate in the treatment of the children involved; or
(ii) to prohibit the system of care from complying with the agreement made under subsection (b); or
(B) with respect to subparagraph (D) of such paragraph, to authorize the system of care to expend the grant under section 290ff(a) of this title (or the non-Federal contributions made with respect to the grant) to provide legal services or any service with respect to which expenditures regarding the grant are prohibited under subsection (d)(1)(B).

(4) Restrictions on use of grant

A funding agreement for a grant under section 290ff(a) of this title is that the grant, and the non-Federal contributions made with respect to the grant, will not be expended—

(1) to purchase or improve real property (including the construction or renovation of facilities);
(2) to provide for room and board in residential programs serving 10 or fewer children;
(3) to provide for room and board or other services or expenditures associated with care of children in residential treatment centers serving more than 10 children or in inpatient hospital settings, except intensive home-based services and other services provided on an ambulatory or outpatient basis; or
(4) to provide for the training of any individual, except training authorized in section 290ff–3(a)(2) of this title and training provided through any appropriate course in continuing education whose duration does not exceed 2 days.

(g) Waivers

The Secretary may waive one or more of the requirements of subsection (c) for a public entity that is an Indian Tribe or tribal organization, or American Samoa, Guam, the Marshall Islands, the Federated States of Micronesia, the Commonwealth of the Northern Mariana Islands, the Republic of Palau, or the United States Virgin Islands if the Secretary determines, after peer review, that the system of care is family-centered and uses the least restrictive environment that is clinically appropriate.

(3) Rule of construction

An agreement made under paragraph (2) may not be construed—
(A) with respect to subparagraph (C) of such paragraph—
(i) to prohibit a system of care under subsection (a) from requiring that, in housing provided by the grantee for purposes of residential treatment services authorized under subsection (c), males and females be segregated to the extent appropriate in the treatment of the children involved; or
(ii) to prohibit the system of care from complying with the agreement made under subsection (b); or
(B) with respect to subparagraph (D) of such paragraph, to authorize the system of care to expend the grant under section 290ff(a) of this title (or the non-Federal contributions made with respect to the grant) to provide legal services or any service with respect to which expenditures regarding the grant are prohibited under subsection (d)(1)(B).

(4) Restrictions on use of grant

A funding agreement for a grant under section 290ff(a) of this title is that the grant, and the non-Federal contributions made with respect to the grant, will not be expended—

(1) to purchase or improve real property (including the construction or renovation of facilities);
(2) to provide for room and board in residential programs serving 10 or fewer children;
(3) to provide for room and board or other services or expenditures associated with care of children in residential treatment centers serving more than 10 children or in inpatient hospital settings, except intensive home-based services and other services provided on an ambulatory or outpatient basis; or
(4) to provide for the training of any individual, except training authorized in section 290ff–3(a)(2) of this title and training provided through any appropriate course in continuing education whose duration does not exceed 2 days.

(g) Waivers

The Secretary may waive one or more of the requirements of subsection (c) for a public entity that is an Indian Tribe or tribal organization, or American Samoa, Guam, the Marshall Islands, the Federated States of Micronesia, the Commonwealth of the Northern Mariana Islands, the Republic of Palau, or the United States Virgin Islands if the Secretary determines, after peer review, that the system of care is family-centered and uses the least restrictive environment that is clinically appropriate.

(3) Rule of construction

An agreement made under paragraph (2) may not be construed—
(A) with respect to subparagraph (C) of such paragraph—
(i) to prohibit a system of care under subsection (a) from requiring that, in housing provided by the grantee for purposes of residential treatment services authorized under subsection (c), males and females be segregated to the extent appropriate in the treatment of the children involved; or
(ii) to prohibit the system of care from complying with the agreement made under subsection (b); or
(B) with respect to subparagraph (D) of such paragraph, to authorize the system of care to expend the grant under section 290ff(a) of this title (or the non-Federal contributions made with respect to the grant) to provide legal services or any service with respect to which expenditures regarding the grant are prohibited under subsection (d)(1)(B).

(4) Restrictions on use of grant

A funding agreement for a grant under section 290ff(a) of this title is that the grant, and the non-Federal contributions made with respect to the grant, will not be expended—

(1) to purchase or improve real property (including the construction or renovation of facilities);
(2) to provide for room and board in residential programs serving 10 or fewer children;
(3) to provide for room and board or other services or expenditures associated with care
and, unless clinically inappropriate, with the participation of the child.

(b) Multidisciplinary team
A funding agreement for a grant under section 290ff(a) of this title is that the plan required in subsection (a) will be developed, and reviewed and as appropriate revised not less than once each year, by a multidisciplinary team of appropriately qualified individuals who provide services through the system, including as appropriate mental health services, other health services, educational services, social services, and vocational counseling and rehabilitation;¹

(c) Coordination with services under Individuals with Disabilities Education Act
A funding agreement for a grant under section 290ff(a) of this title is that, with respect to a plan under subsection (a) for a child, the multidisciplinary team required in subsection (b) will—

1. in developing, carrying out, reviewing, and revising the plan consider any individualized education program in effect for the child pursuant to part B of the Individuals with Disabilities Education Act [42 U.S.C. 1411 et seq.];
2. ensure that the plan is consistent with such individualized education program and provides for coordinating services under the plan with services under such program; and
3. ensure that the memorandum of understanding entered into under section 290ff–1(d)(3)(B) of this title regarding such Act [20 U.S.C. 1400 et seq.] includes provisions regarding compliance with this subsection.

(d) Contents of plan
A funding agreement for a grant under section 290ff(a) of this title is that the plan required in subsection (a) for a child will—

1. identify and state the needs of the child for the services available pursuant to section 290ff–1 of this title through the system;
2. provide for each of such services that is appropriate to the circumstances of the child, including, except in the case of children who are less than 14 years of age, the provision of appropriate vocational counseling and rehabilitation, and transition services (as defined in section 602 [20 U.S.C. 1401] of the Individuals with Disabilities Education Act);
3. establish objectives to be achieved regarding the needs of the child and the methodology for achieving the objectives; and
4. designate an individual to be responsible for providing the case management required in section 290ff–1(e)(1) of this title or certify that case management services will be provided to the child as part of the individualized education program of the child under the Individuals with Disabilities Education Act [20 U.S.C. 1400 et seq.] .


REFERENCES IN TEXT
The Individuals with Disabilities Education Act, referred to in subsecs. (c)(1), (3) and (d)(4), is title VI of Pub. L. 91–230, Apr. 13, 1970, 84 Stat. 175, as amended, which is classified generally to chapter 33 (§1400 et seq.) of Title 20, Education. Part B of the Act is classified generally to subchapter II (§1411 et seq.) of chapter 33 of Title 20. For complete classification of this Act to the Code, see section 1400 of Title 20 and Tables.

AMENDMENTS

EFFECTIVE DATE
Section effective Oct. 1, 1992, with provision for programs providing financial assistance, see section 801(c), (d) of Pub. L. 102–321, set out as an Effective Date of 1992 Amendment note under section 236 of this title.

§ 290ff–3. Additional provisions
(a) Optional services
In addition to services described in subsection (c) of section 290ff–1 of this title, a system of care under subsection (a) of such section may, in expending a grant under section 290ff(a) of this title, provide for—

1. preliminary assessments to determine whether a child should be provided access to the system;
2. training in—
   (A) the administration of the system;
   (B) the provision of intensive home-based services under paragraph (4) of section 290ff–1(c) of this title, intensive day treatment under paragraph (5) of such section, and foster care or group homes under paragraph (7) of such section; and
   (C) the development of individualized plans for purposes of section 290ff–2 of this title;
3. recreational activities for children provided access to the system; and
4. such other services as may be appropriate in providing for the comprehensive needs with respect to mental health of children with a serious emotional disturbance.

(b) Comprehensive plan
The Secretary may make a grant under section 290ff(a) of this title only if, with respect to the jurisdiction of the public entity involved, the entity has submitted to the Secretary, and has had approved by the Secretary, a plan for the development of a jurisdiction-wide system of care for community-based services for children with a serious emotional disturbance that specifies the progress the public entity has made in developing the jurisdiction-wide system, the extent of cooperation across agencies serving children in the establishment of the system, the Federal and non-Federal resources currently committed to the establishment of the system, and the current gaps in community services and the manner in which the grant under section 290ff(a) of this title will be expended to address such gaps and establish local systems of care.

(c) Limitation on imposition of fees for services
A funding agreement for a grant under section 290ff(a) of this title is that, if a charge is imposed for the provision of services under the grant, such charge—

1. will be made according to a schedule of charges that is made available to the public;
2. will be adjusted to reflect the income of the family of the child involved; and

¹So in original. The semicolon probably should be a period.
§ 290ff–4
TERM 42—THE PUBLIC HEALTH AND WELFARE
Page 836

(3) will not be imposed on any child whose family has income and resources of equal to or less than 100 percent of the official poverty line, as established by the Director of the Office of Management and Budget and revised by the Secretary in accordance with section 9902(2) of this title.

(d) Relationship to items and services under other programs

A funding agreement for a grant under section 290ff(a) of this title is that the grant, and the non-Federal contributions made with respect to the grant, will not be expended to make payment for any item or service to the extent that payment has been made, or can reasonably be expected to be made, with respect to such item or service—

(1) under any State compensation program, under an insurance policy, or under any Federal or State health benefits program; or

(2) by an entity that provides health services on a prepaid basis.

(e) Limitation on administrative expenses

A funding agreement for a grant under section 290ff(a) of this title is that not more than 2 percent of the grant will be expended for administrative expenses incurred with respect to the grant by the public entity involved.

(f) Reports to Secretary

A funding agreement for a grant under section 290ff(a) of this title is that the public entity involved will annually submit to the Secretary (and provide a copy to the State involved) a report on the activities of the entity under the grant that includes a description of the number of children provided access to systems of care operated pursuant to the grant, the demographic characteristics of the children, the types and costs of services provided pursuant to the grant, the availability and use of third-party reimbursements, estimates of the unmet need for such services in the jurisdiction of the entity, and the manner in which the grant has been expended toward the establishment of a jurisdiction-wide system of care for children with a serious emotional disturbance, and such other information as the Secretary may require with respect to the grant.

(g) Description of intended uses of grant

The Secretary may make a grant under section 290ff(a) of this title only if—

(1) the public entity involved submits to the Secretary a description of the purposes for which the entity intends to expend the grant;

(2) the description identifies the populations, areas, and localities in the jurisdiction of the entity with a need for services under this section; and

(3) the description provides information relating to the services and activities to be provided, including a description of the manner in which the services and activities will be coordinated with any similar services or activities of public or nonprofit entities.

(h) Requirement of application

The Secretary may make a grant under section 290ff(a) of this title only if an application for the grant is submitted to the Secretary, the application contains the description of intended uses required in subsection (g), and the application is in such form, is made in such manner, and contains such agreements, assurances, and information as the Secretary determines to be necessary to carry out this section.

(1) In general

The Secretary shall, upon the request of a public entity, regardless of whether such public entity is receiving a grant under section 290ff(a) of this title—

(A) provide technical assistance to the entity regarding the process of submitting to the Secretary applications for grants under section 290ff(a) of this title; and

(B) provide to the entity training and technical assistance with respect to the planning, development, and operation of systems of care described in section 290ff–1 of this title.

(2) Authority for grants and contracts

The Secretary may provide technical assistance under subsection (a) directly or through grants to, or contracts with, public and nonprofit private entities.

(c) Evaluations and reports by Secretary

(1) In general

The Secretary shall, directly or through contracts with public or private entities, provide for annual evaluations of programs carried out pursuant to section 290ff(a) of this title. The evaluations shall assess the effectiveness of the systems of care operated pursuant to such section, including longitudinal studies of outcomes of services provided by such systems, other studies regarding such outcomes, the effect of activities under this part on the utilization of hospital and other institutional settings, the barriers to and achievements resulting from interagency collaboration in providing community-based services to children with a serious emotional disturbance, and assessments by parents of the effectiveness of the systems of care.

(2) Report to Congress

The Secretary shall, not later than 1 year after the date on which amounts are first ap-
appropriated under subsection (c), and annually thereafter, submit to the Congress a report summarizing evaluations carried out pursuant to paragraph (1) during the preceding fiscal year and making such recommendations for administrative and legislative initiatives with respect to this section as the Secretary determines to be appropriate.

(d) Definitions

For purposes of this part:

(1) The term "child" means an individual through the age of 21 years.

(2) The term "family", with respect to a child provided access to a system of care under section 290ff–1(a) of this title, means—

(A) the legal guardian of the child; and

(B) as appropriate regarding mental health services for the child, the parents of the child (biological or adoptive, as the case may be) and any foster parents of the child.

(3) The term "funding agreement", with respect to a grant under section 290ff(a) of this title to a public entity, means that the Secretary may make such a grant only if the public entity makes the agreement involved.

(4) The term "serious emotional disturbance" includes, with respect to a child, any child who has a serious emotional disorder, a serious behavioral disorder, or a serious mental disorder.

(e) Rule of construction

Nothing in this part shall be construed as limiting the rights of a child with a serious emotional disturbance under the Individuals with Disabilities Education Act [20 U.S.C. 1400 et seq.] for purposes of this part.

(f) Funding

(1) Authorization of appropriations

For the purpose of carrying out this part, there are authorized to be appropriated $119,026,000 for each of fiscal years 2018 through 2022.

(2) Limitation regarding technical assistance

Not more than 10 percent of the amounts appropriated under paragraph (1) for a fiscal year may be expended for carrying out subsection (b).

References in Text

The Individuals with Disabilities Education Act, referred to in subsec. (e), is title VI of Pub. L. 91–230, Apr. 13, 1970, 84 Stat. 175, as amended, which is classified generally to chapter 33 (§1400 et seq.) of Title 20, Education.

Amendments


Subsec. (d)(1). Pub. L. 114–255, §10001(d)(2), substituted “through the age of 21 years “ for “not more than 21 years of age”.

Subsec. (f)(1). Pub. L. 114–255, §10001(d)(3), substituted "$119,026,000 for each of fiscal years 2018 through 2022 “ for "$100,000,000 for fiscal year 2001, and such sums as may be necessary for each of the fiscal years 2002 and 2003 “.

2009—Subsec. (a). Pub. L. 106–310, §3103(c), substituted “6 fiscal years “ for “5 fiscal years “.

1993—Subsec. (c)(1), (d), (f)(1). Pub. L. 103–43, §2017(2)(A), (B), (C)(i), substituted “this part “ for “this subpart “.

Subsec. (f)(2). Pub. L. 103–43, §2017(2)(C)(ii), amended heading and text of par. (2) generally. Prior to amendment, text read as follows: “Of the amounts appropriated under paragraph (1) for a fiscal year, the Secretary shall make available not less than $5,000,000 for the purpose of carrying out subsection (b) of this section.”

Effective Date

Section effective Oct. 1, 1992, with provision for programs providing financial assistance, see section 800(c).
§ 290hh–1 Grants to address the problems of persons who experience violence related stress

(a) In general

The Secretary shall award grants, contracts or cooperative agreements to public and nonprofit private entities, as well as to Indian tribes and tribal organizations, for the purpose of developing and maintaining programs that provide for—

(1) the continued operation of the National Child Traumatic Stress Initiative (referred to in this section as the “NCTSI”), which includes a cooperative agreement with a coordinating center, that focuses on the mental, behavioral, and biological aspects of psychological trauma response, prevention of the long-term consequences of child trauma, and early intervention services and treatment to address the long-term consequences of child trauma; and

(2) the development of knowledge with regard to evidence-based practices for identifying and treating mental, behavioral, and biological disorders associated with psychological trauma, resulting from witnessing or experiencing a traumatic event.

(b) Priorities

In awarding grants, contracts or cooperative agreements under subsection (a)(2) (related to the development of knowledge on evidence-based practices for treating mental, behavioral, and biological disorders associated with psychological trauma), the Secretary shall give priority to universities, hospitals, mental health agencies, and other programs that have established clinical expertise and research experience in the field of trauma-related mental disorders.

(c) Child outcome data

The NCTSI coordinating center described in subsection (a)(1) shall collect, analyze, report, and make publicly available, as appropriate, NCTSI-wide child treatment process and outcome data regarding the early identification and delivery of evidence-based treatment and services for children and families served by the NCTSI grantees.

(d) Training

The NCTSI coordinating center shall facilitate the coordination of training initiatives in evidence-based and trauma-informed treatments, interventions, and practices offered to NCTSI grantees, providers, and partners.

(e) Dissemination and collaboration

The NCTSI coordinating center shall, as appropriate, collaborate with—

(1) the Secretary, in the dissemination of evidence-based and trauma-informed interventions, treatments, products, and other resources to appropriate stakeholders; and

(2) appropriate agencies that conduct or fund research within the Department of Health and Human Services, for purposes of sharing NCTSI expertise, evaluation data, and other activities, as appropriate.

(f) Review

The Secretary shall, consistent with the peer-review process, ensure that NCTSI applications are reviewed by appropriate experts in the field.
as part of a consensus-review process. The Secretary shall include review criteria related to expertise and experience in child trauma and evidence-based practices.

(g) Geographical distribution

The Secretary shall ensure that grants, contracts, or cooperative agreements under subsection (a) are distributed equitably among the regions of the United States and among urban and rural areas.

(h) Evaluation

The Secretary, as part of the application process, shall require that each applicant for a grant, contract or cooperative agreement under subsection (a) submit a plan for the rigorous evaluation of the activities funded under the grant, contract or agreement, including both process and outcomes evaluation, and the submission of an evaluation at the end of the project period.

(i) Duration of awards

With respect to a grant, contract or cooperative agreement under subsection (a), the period during which payments under such an award will be made to the recipient shall not be less than 4 years, but shall not exceed 5 years. Such grants, contracts or agreements may be renewed.

(j) Authorization of appropriations

There is authorized to be appropriated to carry out this section, $63,887,000 for each of fiscal years 2019 through 2023.

PART H—REQUIREMENT RELATING TO THE RIGHTS OF RESIDENTS OF CERTAIN FACILITIES

§ 290ii. Requirement relating to the rights of residents of certain facilities

(a) In general

A public or private general hospital, nursing facility, intermediate care facility, or other health care facility, that receives support in any form from any program supported in whole or in part with funds appropriated to any Federal department or agency shall protect and promote the rights of each resident of the facility, including the right to be free from physical or mental abuse, corporal punishment, and any restraints or involuntary seclusions imposed for purposes of discipline or convenience.

(b) Requirements

Restraints and seclusion may only be imposed on a resident of a facility described in subsection (a) if—

(1) the restraints or seclusion are imposed to ensure the physical safety of the resident, a staff member, or others; and

(2) the restraints or seclusion are imposed only upon the written order of a physician, or other licensed practitioner permitted by the State and the facility to order such restraint or seclusion, that specifies the duration and circumstances under which the restraints are to be used (except in emergency circumstances specified by the Secretary until such an order could reasonably be obtained).

(c) Current law

This part shall not be construed to affect or impede any Federal or State law or regulations that provide greater protections than this part regarding seclusion and restraint.

(d) Definitions

In this section:

(1) Restraints

The term “restraints” means—
(A) any physical restraint that is a mechanical or personal restriction that immobilizes or reduces the ability of an individual to move his or her arms, legs, or head freely, not including devices, such as orthopedically prescribed devices, surgical dressings or bandages, protective helmets, or any other methods that involves the physical holding of a resident for the purpose of conducting routine physical examinations or tests or to permit the resident from falling out of bed or to permit the resident to participate in activities without the risk of physical harm to the resident (such term does not include a physical escort); and

(B) a drug or medication that is used as a restraint to control behavior or restrict the resident’s freedom of movement that is not a standard treatment for the resident’s medical or psychiatric condition.

(2) Seclusion

The term “seclusion” means a behavior control technique involving locked isolation. Such term does not include a time out.

(3) Physical escort

The term “physical escort” means the temporary touching or holding of the hand, wrist, arm, shoulder or back for the purpose of inducing a resident who is acting out to walk to a safe location.

(4) Time out

The term “time out” means a behavior management technique that is part of an approved treatment program and may involve the separation of the resident from the group, in a non-locked setting, for the purpose of calming.

Time out is not seclusion.


§ 290ii–1. Reporting requirement

(a) In general

Each facility to which the Protection and Advocacy for Mentally Ill Individuals Act of 1986 [42 U.S.C. 10801 et seq.] applies shall notify the appropriate agency, as determined by the Secretary, of each death that occurs at each such facility while a patient is restrained or in seclusion, of each death occurring within 24 hours after the patient has been removed from restraints and seclusion, or where it is reasonable to assume that a patient’s death is a result of such seclusion or restraint. A notification under this section shall include the name of the resident and shall be provided not later than 7 days after the date of the death of the individual involved.

(b) Facility

In this section, the term “facility” has the meaning given the term “facilities” in section 102(c) of the Protection and Advocacy for Mentally Ill Individuals Act of 1986 [42 U.S.C. 10802(3)].


§ 290ii–2. Regulations and enforcement

(a) Training

Not later than 1 year after October 17, 2000, the Secretary, after consultation with appropriate State and local protection and advocacy organizations, physicians, facilities, and other health care professionals and patients, shall promulgate regulations that require facilities to which the Protection and Advocacy for Mentally Ill Individuals Act of 1986 [42 U.S.C. 10801 et seq.] applies, to meet the requirements of subsection (b).

(b) Requirements

The regulations promulgated under subsection (a) shall require that—

(1) facilities described in subsection (a) ensure that there is an adequate number of qualified professional and supportive staff to evaluate patients, formulate written individualized, comprehensive treatment plans, and to provide active treatment measures;

(2) appropriate training be provided for the staff of such facilities in the use of restraints and any alternatives to the use of restraints; and

(3) such facilities provide complete and accurate notification of deaths, as required under section 290ii–1(a) of this title.

(c) Enforcement

A facility to which this part applies that fails to comply with any requirement of this part, including a failure to provide appropriate training, shall not be eligible for participation in any program supported in whole or in part by funds appropriated to any Federal department or agency.


References in Text


See References in Text note below.

1 See References in Text note below.
PART I—REQUIREMENT RELATING TO THE RIGHTS OF RESIDENTS OF CERTAIN NON-MEDICAL, COMMUNITY-BASED FACILITIES FOR CHILDREN AND YOUTH

§ 290jj. Requirement relating to the rights of residents of certain non-medical, community-based facilities for children and youth

(a) Protection of rights

(1) In general

A public or private non-medical, community-based facility for children and youth (as defined in regulations to be promulgated by the Secretary) that receives support in any form from any program supported in whole or in part with funds appropriated under this chapter shall protect and promote the rights of each resident of the facility, including the right to be free from physical or mental abuse, corporal punishment, and any restraints or involuntary seclusions imposed for purposes of discipline or convenience.

(2) Nonapplicability

Notwithstanding this part, a facility that provides inpatient psychiatric treatment services for individuals under the age of 21, as authorized and defined in subsections (a)(16) and (h) of section 1905 of the Social Security Act [42 U.S.C. 1386d], shall comply with the requirements of part H.

(3) Applicability of Medicaid provisions

A non-medical, community-based facility for children and youth funded under the Medicaid program under title XIX of the Social Security Act [42 U.S.C. 1396 et seq.] shall continue to meet all existing requirements for participation in such program that are not affected by this part.

(b) Requirements

(1) In general

Physical restraints and seclusion may only be imposed on a resident of a facility described in subsection (a) if—

(A) the restraints or seclusion are imposed only in emergency circumstances and only to ensure the immediate physical safety of the resident, a staff member, or others and less restrictive interventions have been determined to be ineffective; and

(B) the restraints or seclusion are imposed only by an individual trained and certified, by a State-recognized body (as defined in regulation promulgated by the Secretary) and pursuant to a process determined appropriate by the State and approved by the Secretary, in the prevention and use of physical restraint and seclusion, including the needs and behaviors of the population served, relationship building, alternatives to restraint and seclusion, de-escalation methods, avoiding power struggles, thresholds for restraints and seclusion, the physiological and psychological impact of restraint and seclusion, monitoring physical signs of distress and obtaining medical assistance, legal issues, position asphyxia, escape and evasion techniques, time limits, the process for obtaining approval for continued restraints, procedures to address problematic restraints, documentation, processing with children, and follow-up with staff, and investigation of injuries and complaints.

(2) Interim procedures relating to training and certification

(A) In general

Until such time as the State develops a process to assure the proper training and certification of facility personnel in the skills and competencies referred to in paragraph (1)(B), the facility involved shall develop and implement an interim procedure that meets the requirements of subparagraph (B).

(B) Requirements

A procedure developed under subparagraph (A) shall—

(i) ensure that a supervisory or senior staff person with training in restraint and seclusion who is competent to conduct a face-to-face assessment (as defined in regulations promulgated by the Secretary), will assess the mental and physical well-being of the child or youth being restrained or secluded and assure that the restraint or seclusion is being done in a safe manner;

(ii) ensure that the assessment required under clause (i) take place as soon as practicable, but in no case later than 1 hour after the initiation of the restraint or seclusion; and

(iii) ensure that the supervisory or senior staff person continues to monitor the situation for the duration of the restraint and seclusion.

(3) Limitations

(A) In general

The use of a drug or medication that is used as a restraint to control behavior or restrict the resident’s freedom of movement that is not a standard treatment for the resident’s medical or psychiatric condition in nonmedical community-based facilities for children and youth described in subsection (a)(1) is prohibited.

(B) Prohibition

The use of mechanical restraints in non-medical, community-based facilities for children and youth described in subsection (a)(1) is prohibited.

(C) Limitation

A non-medical, community-based facility for children and youth described in subsection (a)(1) may only use seclusion when a staff member is continuously face-to-face monitoring the resident and when strong licensing or accreditation and internal controls are in place.

(c) Rule of construction

(1) In general

Nothing in this section shall be construed as prohibiting the use of restraints for medical

1 So in original. Probably should be followed by "to".
§ 290jj–1 Reporting requirement

Each facility to which this part applies shall notify the appropriate State licensing or regulatory agency, as determined by the Secretary—

(1) of each death that occurs at such facility. A notification under this section shall include the name of the resident and shall be provided not later than 24 hours after the time of the individual’s death; and

(2) of the use of seclusion or restraints in accordance with regulations promulgated by the Secretary, in consultation with the States.


§ 290jj–2 Regulations and enforcement

(a) Training

Not later than 6 months after October 17, 2000, the Secretary, after consultation with appropriate State, local, public and private protection and advocacy organizations, health care professionals, social workers, facilities, and patients, shall promulgate regulations that—

(1) require States that license non-medical, community-based residential facilities for children and youth to develop and use procedures to evaluate residents, formulate written individualized, comprehensive treatment plans, and to provide active treatment measures;

(2) require States to develop and implement such licensing rules and monitoring requirements within 1 year after the promulgation of the regulations referred to in the matter preceding paragraph (1); and

(3) support the development of national guidelines and standards on the quality, quantity, orientation and training, required under this part, as well as the certification or licensure of those staff responsible for the implementation of behavioral intervention concepts and techniques.

(b) Requirements

The regulations promulgated under subsection (a) shall require—

(1) that facilities described in subsection (a) ensure that there is an adequate number of qualified professional and supportive staff to evaluate residents, formulate written individualized, comprehensive treatment plans, and to provide active treatment measures;

(2) the provision of appropriate training and certification of the staff of such facilities in the prevention and use of physical restraint and seclusion, including the needs and behaviors of the population served, relationship building, alternatives to restraint, de-escalation methods, avoiding power struggles, thresholds for restraints, the physiological impact of restraint and seclusion, monitoring physical signs of distress and obtaining medical assistance, legal issues, position asphyxia, escape and evasion techniques, time limits for the use of restraint and seclusion, the process for obtaining approval for continued restraints and seclusion, procedures to address problematic restraints, documentation, processing with children, and follow-up with staff, and investigation of injuries and complaints; and

(3) that such facilities provide complete and accurate notification of deaths, as required under section 290jj–1(1) of this title.

(c) Enforcement

A State to which this part applies that fails to comply with any requirement of this part, including a failure to provide appropriate training and certification, shall not be eligible for participation in any program supported in whole or in part by funds appropriated under this chapter.

§ 290kk–1. Religious organizations as program participants

(a) In general

Notwithstanding any other provision of law, a religious organization, on the same basis as any other nonprofit private provider—

(1) may receive financial assistance under a designated program; and

(2) may be a provider of services under a designated program.

(b) Religious organizations

The purpose of this section is to allow religious organizations to be program participants on the same basis as any other nonprofit private provider without impairing the religious character of such organizations, and without diminishing the religious freedom of program beneficiaries.

(c) Nondiscrimination against religious organizations

(1) Eligibility as program participants

Religious organizations are eligible to be program participants on the same basis as any other nonprofit private organization as long as the programs are implemented consistent with the Establishment Clause and Free Exercise Clause of the First Amendment to the United States Constitution. Nothing in this chapter shall be construed to restrict the ability of the Federal Government, or a State or local government receiving funds under such programs, to apply to religious organizations the same eligibility conditions in designated programs as are applied to any other nonprofit private organization.

(2) Nondiscrimination

Neither the Federal Government nor a State or local government receiving funds under designated programs shall discriminate against an organization that is or applies to be a program participant on the basis that the organization has a religious character.

(d) Religious character and freedom

(1) Religious organizations

Except as provided in this section, any religious organization that is a program participant shall retain its independence from Federal, State, and local government, including such organization’s control over the definition, development, practice, and expression of its religious beliefs.

(2) Additional safeguards

Neither the Federal Government nor a State shall require a religious organization to—

(A) alter its form of internal governance; or

(B) remove religious art, icons, scripture, or other symbols, in order to be a program participant.

(e) Employment practices

Nothing in this section shall be construed to modify or affect the provisions of any other Federal or State law or regulation that relates to discrimination in employment. A religious organization’s exemption provided under section 2000e–1 of this title regarding employment practices shall not be affected by its participation in, or receipt of funds from, a designated program.

(f) Rights of program beneficiaries

(1) In general

If an individual who is a program beneficiary or a prospective program beneficiary objects to the religious character of a program participant, within a reasonable period of time after the date of such objection such program participant shall refer such individual to, and the appropriate Federal, State, or local government that administers a designated pro-
gram or is a program participant shall provide to such individual (if otherwise eligible for such services), program services that—
- (A) are from an alternative provider that is accessible to, and has the capacity to provide such services to, such individual; and
- (B) have a value that is not less than the value of the services that the individual would have received from the program participant to which the individual had such objection.

Upon referring a program beneficiary to an alternative provider, the program participant shall notify the appropriate Federal, State, or local government agency that administers the program of such referral.

(2) Notices

Program participants, public agencies that refer individuals to designated programs, and the appropriate Federal, State, or local governments that administer designated programs or are program participants shall ensure that notice is provided to program beneficiaries or prospective program beneficiaries of their rights under this section.

(3) Additional requirements

A program participant making a referral pursuant to paragraph (1) shall—
- (A) prior to making such referral, consider any list that the State or local government makes available of entities in the geographic area that provide program services; and
- (B) ensure that the individual makes contact with the alternative provider to which the individual is referred.

(4) Nondiscrimination

A religious organization that is a program participant shall not in providing program services or engaging in outreach activities under designated programs discriminate against a program beneficiary or prospective program beneficiary on the basis of religion or religious belief.

(g) Fiscal accountability

(1) In general

Except as provided in paragraph (2), any religious organization that is a program participant shall be subject to the same regulations as other recipients of awards of Federal financial assistance to account in accordance with generally accepted auditing principles, for the use of the funds provided under such awards.

(2) Limited audit

With respect to the award involved, a religious organization that is a program participant shall segregate Federal amounts provided under award into a separate account from non-Federal funds. Only the award funds shall be subject to audit by the government.

(h) Compliance

With respect to compliance with this section by an agency, a religious organization may obtain judicial review of agency action in accordance with chapter 7 of title 5.

§ 290kk–2. Limitations on use of funds for certain purposes

No funds provided under a designated program shall be expended for sectarian worship, instruction, or proselytization.

(July 1, 1944, ch. 373, title V, § 583, as added Pub. L. 106–554, § 1(a)(7) [title I, § 144], Dec. 21, 2000, 114 Stat. 2763, 2763A–622.)

§ 290kk–3. Educational requirements for personnel in drug treatment programs

(a) Findings

The Congress finds that—
- (1) establishing unduly rigid or uniform educational qualification for counselors and other personnel in drug treatment programs may undermine the effectiveness of such programs; and
- (2) such educational requirements for counselors and other personnel may hinder or prevent the provision of needed drug treatment services.

(b) Nondiscrimination

In determining whether personnel of a program participant that has a record of successful drug treatment for the preceding three years have satisfied State or local requirements for education and training, a State or local government shall not discriminate against education and training provided to such personnel by a religious organization, so long as such education and training includes basic content substantially equivalent to the content provided by nonreligious organizations that the State or local government would credit for purposes of determining whether the relevant requirements have been satisfied.

(July 1, 1944, ch. 373, title V, § 584, as added Pub. L. 106–554, § 1(a)(7) [title I, § 144], Dec. 21, 2000, 114 Stat. 2763, 2763A–622.)

PART K—MINORITY FELLOWSHIP PROGRAM

§ 290ll. Fellowships

(a) In general

The Secretary shall maintain a program, to be known as the Minority Fellowship Program, under which the Secretary shall award fellowships, which may include stipends, for the purposes of—
- (1) increasing the knowledge of mental and substance use disorders practitioners on issues related to prevention, treatment, and recovery support for individuals who are from racial and ethnic minority populations and who have a mental or substance use disorder;
- (2) improving the quality of mental and substance use disorder prevention and treatment services delivered to racial and ethnic minority populations; and
- (3) increasing the number of culturally competent mental and substance use disorders professionals who teach, administer services, conduct research, and provide direct mental or...
substance use disorder services to racial and ethnic minority populations.

(b) Training covered

The fellowships awarded under subsection (a) shall be for postbaccalaureate training (including for master’s and doctoral degrees) for mental and substance use disorder treatment professionals, including in the fields of psychiatry, nursing, social work, psychology, marriage and family therapy, mental health counseling, and substance use disorder and addiction counseling.

(c) Authorization of appropriations

To carry out this section, there are authorized to be appropriated $12,669,000 for each of fiscal years 2018 through 2022.


SUBCHAPTER IV—CONSTRUCTION AND MODERNIZATION OF HOSPITALS AND OTHER MEDICAL FACILITIES

§ 291. Congressional declaration of purpose

The purpose of this subchapter is—

(a) to assist the several States in the carrying out of their programs for the construction and modernization of such public or other nonprofit community hospitals and other medical facilities as may be necessary, in conjunction with existing facilities, to furnish adequate hospital, clinic, or similar services to all their people;

(b) to stimulate the development of new or improved types of physical facilities for medical, diagnostic, preventive, treatment, or rehabilitative services; and

(c) to promote research, experiments, and demonstrations relating to the effective development and utilization of hospital, clinic, or similar services, facilities, and resources, and to promote the coordination of such research, experiments, and demonstrations and the useful application of their results.

(July 1, 1944, ch. 373, title VI, § 600, as added Pub. L. 88–443, §3(a), Aug. 13, 1946, 78 Stat. 447.)

PRIOR PROVISIONS


Provisions similar to those comprising this section were contained in former section 291 of this title, act July 1, 1944, ch. 373, title VI, § 641, as added July 12, 1954, ch. 471, §2, 68 Stat. 461, prior to the general amendment of this subchapter by Pub. L. 88–443.

EFFECTIVE DATE

Pub. L. 88–443, §3(b), Aug. 18, 1964, 78 Stat. 461, as amended by Pub. L. 91–296, title I, § 120, June 30, 1970, 84 Stat. 363, provided that: "The amendment made by subsection (a) [enacting this section and sections 291a to 291j, 291k to 291m, 291n, and 291o of this title] shall become effective upon the date of enactment of this Act [Aug. 18, 1964], except that—

(1) all applications approved by the Surgeon General under title VI of the Public Health Service Act [42 U.S.C. 291 et seq.] prior to such date, and allotments of sums appropriated prior to such date, shall be governed by the provisions of such title VI in effect prior to such date;

(2) allotment percentages promulgated by the Surgeon General under such title VI during 1962 shall continue to be effective for purposes of such title as amended by this Act for the fiscal year ending June 30, 1965;

(3) the terms of members of the Federal Hospital Council who are serving on such Council prior to such date shall expire on the date they would have expired had this Act not been enacted;

(4) the provisions of the fourth sentence of section 638(a) of the Public Health Service Act [former 42 U.S.C. 291(n)(a)], as amended by this Act, in the case of any project for construction of a facility or for acquisition of equipment with respect to which a grant for any part thereof or for planning such construction or equipment was made prior to the enactment of this Act;

(5) no application with respect to a project for modernization of any facility in any State may be approved by the Surgeon General, for purposes of receiving funds from an allotment under section 602(a)(2) of the Public Health Service Act, as amended by this Act [42 U.S.C. 291b(a)(2)], before July 1, 1965, or before such State has had a State plan approved by the Surgeon General as meeting the requirements of section 604(a)(4)(E) [42 U.S.C. 291d(a)(4)(E)] as well as the other requirements of section 604 of such Act as so amended [42 U.S.C. 291d];

(6) the provisions of clause (b) of section 609 of the Public Health Service Act [42 U.S.C. 291l], as amended by this Act, shall apply with respect to any project whether it was approved, and whether the event specified in such clause occurred, before, on, or after the date of enactment of this Act [June 30, 1970], except that it shall not apply in the case of any project with respect to which recovery under title VI of such Act [42 U.S.C. 291 et seq.] has been made prior to the enactment of this paragraph."

PART A—GRANTS AND LOANS FOR CONSTRUCTION AND MODERNIZATION OF HOSPITALS AND OTHER MEDICAL FACILITIES

§ 291a. Authorization of appropriations

In order to assist the States in carrying out the purposes of section 291 of this title, there are authorized to be appropriated—

(a) for the fiscal year ending June 30, 1974—

(1) $20,800,000 for grants for the construction of public or other nonprofit facilities for long-term care;

(2) $70,000,000 for grants for the construction of public or other nonprofit outpatient facilities;

(3) $15,000,000 for grants for the construction of public or other nonprofit rehabilitation facilities;

(b) for grants for the construction of public or other nonprofit hospitals and public health centers, $150,000,000 for the fiscal year ending June 30, 1965, $160,000,000 for the fiscal year ending June 30, 1966, $170,000,000 for the fiscal year ending June 30, 1967, $180,000,000 each for the next two fiscal years, $195,000,000 for the fiscal year ending June 30, 1970, $215,500,000 for the fiscal year ending June 30, 1971, $215,500,000 for the fiscal year ending June 30, 1972, $157,500,000 for the fiscal year ending June 30, 1973, and $41,400,000 for the fiscal year ending June 30, 1974; and
(c) for grants for modernization of the facilities referred to in paragraphs (a) and (b), $65,000,000 for the fiscal year ending June 30, 1971, $80,000,000 for the fiscal year ending June 30, 1972, $90,000,000 for the fiscal year ending June 30, 1973, and $50,000,000 for the fiscal year ending June 30, 1974.


PRIOR PROVISIONS

A prior section 291a, act July 1, 1944, ch. 373, title VI, § 611, as added Aug. 13, 1946, ch. 958, § 2, 60 Stat. 1041, authorized appropriations for surveys and planning, prior to the general amendment of this subchapter by Pub. L. 88–443.


Prior to section 291m, act July 1, 1944, ch. 373, title VI, § 661, as added July 12, 1954, ch. 471, § 2, 68 Stat. 461, related to subject matter similar to this section, prior to the general amendment of this subchapter by Pub. L. 88–443.


AMENDMENTS

1973—Subsec. (a). Pub. L. 93–45, § 108(a)(1), substituted introductory text reading “fiscal year ending June 30, 1974” for “fiscal year ending June 30, 1965, and each of the next eight fiscal years” and in cl. (1) “$20,000,000” for “$85,000,000”.


1970—Par. (a). Pub. L. 91–296, §§ 101(a)(1), (2), 116(a), substituted “outpatient facilities” for “diagnostic or treatment centers” in enumeration of facilities eligible for construction grants, extended through fiscal year ending June 30, 1973, authority to appropriate funds for construction grants, increased from $70,000,000 to $85,000,000 annual authority to make grants for public or other nonprofit facilities for long-term care, from $20,000,000 to $30,000,000 authority for public or other nonprofit outpatient facilities, and from $15,000,000 to $15,000,000 authority for public or other nonprofit rehabilitation facilities.

Par. (b). Pub. L. 91–296, §§ 101(a)(3), 102(a)(1), struck out provisions authorizing grants for modernization of facilities and inserted provisions authorizing appropriation of $147,500,000 for fiscal year ending June 30, 1971, $152,500,000 for fiscal year ending June 30, 1972, and $157,500,000 for fiscal year ending June 30, 1973, for grants for construction of public or other nonprofit hospitals and public health centers.


1968—Par. (a). Pub. L. 90–574, § 402(a)(1), substituted “five” for “four”.


§ 291b. State allotments

(a) Computation for individual States; formulas for both new construction and modernization

(1) Each State shall be entitled for each fiscal year to an allotment bearing the same ratio to the sums appropriated for such year pursuant to subparagraphs (1), (2), and (3), respectively, of section 291a(a) of this title, and to an allotment bearing the same ratio to the sums appropriated for such year pursuant to section 291a(b) of this title, as the product of—

(A) the population of such State, and

(B) the square of its allotment percentage.

This bears to the sum of the corresponding products for all of the States.

(2) For each fiscal year, the Secretary shall, in accordance with regulations, make allotments among the States, from the sums appropriated for such year under section 291a(c) of this title, on the basis of the population, the financial need, and the extent of the need for modernization of the facilities referred to in paragraphs (a) and (b) of section 291a of this title, of the respective States.

(b) Minimum allotments

(1) The allotment to any State under subsection (a) for any fiscal year which is less than—

(A) $50,000 for the Virgin Islands, American Samoa, the Trust Territory of the Pacific Islands, or Guam and $100,000 for any other State, in the case of an allotment for grants for the construction of public or other nonprofit rehabilitation facilities,

(b) $100,000 for the Virgin Islands, American Samoa, the Trust Territory of the Pacific Islands, or Guam and $200,000 for any other State in the case of an allotment for grants for the construction of public or other nonprofit outpatient facilities.

(c) $200,000 for the Virgin Islands, American Samoa, the Trust Territory of the Pacific Islands, or Guam and $300,000 for any other State in the case of an allotment for grants for the construction of public or other nonprofit facilities for long-term care or for the construction of public or other nonprofit hospitals and public health centers, or for the modernization of facilities referred to in paragraph (a) or (b) of section 291a of this title, or with respect to appropriations made under this section for fiscal years beginning after June 30, 1970.
shall be increased to that amount, the total of the increases thereby required being derived by proportionately reducing the allotment from appropriations under such subparagraph or paragraph to each of the remaining States under subsection (a) of this section, but with such adjustments as may be necessary to prevent the allotment of any of such remaining States from appropriations under such subparagraph or paragraph from being thereby reduced to less than that amount.

(2) An allotment of the Virgin Islands, American Samoa, the Trust Territory of the Pacific Islands, or Guam for any fiscal year may be increased as provided in paragraph (1) only to the extent it satisfies the Surgeon General, at such time prior to the beginning of such year as the Surgeon General may designate, that such increase will be used for payments under and in accordance with the provisions of this part.

(c) Allotment percentages; definitions; determination

For the purposes of this part—

(1) The "allotment percentage" for any State shall be 100 per centum less that percentage which bears the same ratio to 50 per centum as the per capita income of such State bears to the per capita income of the United States, except that (A) the allotment percentage shall in no case be more than 75 per centum or less than 33 1/3 per centum, and (B) the allotment percentage for the Commonwealth of Puerto Rico, Guam, American Samoa, the Trust Territory of the Pacific Islands, and the Virgin Islands shall be 75 per centum.

(2) The allotment percentages shall be determined by the Surgeon General between July 1 and September 30 of each even-numbered year, on the basis of the average of the per capita incomes of each of the States and of the United States for the three most recent consecutive years for which satisfactory data are available from the Department of Commerce, and the States shall be notified promptly thereof. Such determination shall be conclusive for each of the two fiscal years in the period beginning July 1 next succeeding such determination.

(3) The population of the several States shall be determined on the basis of the latest figures certified by the Department of Commerce.

(4) The term "United States" means (but only for purposes of paragraphs (1) and (2)) the fifty States and the District of Columbia.

(d) Availability of allotments in subsequent years

(1) Any sum allotted to a State, other than the Virgin Islands, American Samoa, the Trust Territory of the Pacific Islands, and Guam for a fiscal year under this section and remaining unobligated at the end of such year shall remain available to such State, for the purpose for which made, for the next two fiscal years (and for such years only), in addition to the sums allotted to it for such purpose for each of such next two fiscal years.

(e) Transfer of allotments

(1) Upon the request of any State that a specified portion of any allotment of such State under subsection (a) for any fiscal year be added to any other allotment or allotments of such State under such subsection for such year, the Secretary shall promptly (but after application of subsection (b)) adjust the allotments of such State in accordance with such request and shall notify the State agency; except that the aggregate of the portions so transferred from an allotment for a fiscal year pursuant to this paragraph may not exceed the amount specified with respect to such allotment in clause (A), (B), (C), or (D), as the case may be, of subsection (b)(1) which is applicable to such State.

(2) In addition to the transfer of portions of allotments under paragraph (1), upon the request of any State that a specified portion of any allotment of such State under subsection (a), other than an allotment for grants for the construction of public or other nonprofit rehabilitation facilities, be added to another allotment of such State under such subsection, other than an allotment for grants for the construction of public or other nonprofit hospitals and public health centers, and upon simultaneous certification to the Secretary by the State agency in such State to the effect that—

(A) it has afforded a reasonable opportunity to make applications for the portion so specified and there have been no approvable applications for such portion, or

(B) in the case of a request to transfer a portion of an allotment for grants for the construction of public or other nonprofit hospitals and public health centers, use of such portion as requested by such State agency will better carry out the purposes of this subchapter,

the Secretary shall promptly (but after application of subsection (b)) adjust the allotments of such State in accordance with such request and shall notify the State agency.

(3) In addition to the transfer of portions of allotments under paragraph (1) or (2), upon the request of any State that a specified portion of an allotment of such State under paragraph (2) of subsection (a) be added to an allotment of such State under paragraph (1) of such subsection for grants for the construction of public or other nonprofit hospitals and public health centers, and upon simultaneous certification by the State agency in such State to the effect that the need for new public or other nonprofit hospitals and public health centers is substantially greater than the need for modernization of facilities referred to in paragraph (a) or (b) of section 291a of this title, the Secretary shall promptly (but after application of subsection (b) of this section) adjust the allotments of such State in accordance with such request and shall notify the State agency.

(4) After adjustment of allotments of any State, as provided in paragraph (1), (2), or (3) of this subsection, the allotments so adjusted shall be deemed to be the State's allotments under this section.
(f) Request by State to transfer portion of allotment

In accordance with regulations, any State may file with the Surgeon General a request that a specified portion of an allotment to it under this part for grants for construction of any type of facility, or for modernization of facilities, be added to the corresponding allotment of another State for the purpose of meeting a portion of the Federal share of the cost of a project for the construction of a facility of that type in such other State, or for modernization of a facility in such other State, as the case may be. If it is found by the Surgeon General (or, in the case of a rehabilitation facility, by the Surgeon General and the Secretary) that construction or modernization of the facility with respect to which the request is made would meet needs of the State making the request and that use of the specified portion of such State’s allotment is reasonable, it, without regard in carrying out the purposes of this subchapter, such portion of such State’s allotment shall be added to the corresponding allotment of the other State, to be used for the purpose referred to above.

(July 1, 1944, ch. 373, title VI, § 602, as added Pub. L. 88–443, § 8(a), Aug. 13, 1964, ch. 958, § 2, 60 Stat. 1041, related to a State application for funds, its requirements and its approval, prior to the general amendment of this subchapter by Pub. L. 88–443.)

PRIOR PROVISIONS

A prior section 291b, act July 1, 1944, ch. 373, title VI, § 612, as added Aug. 13, 1946, ch. 958, § 2, 60 Stat. 1041, related to a State application for funds, its requirements and its approval, prior to the general amendment of this subchapter by Pub. L. 88–443.

A prior section 291c, act July 1, 1944, ch. 373, title VI, § 621, as added Aug. 13, 1946, ch. 958, § 2, 60 Stat. 1041, related to subject matter similar to this section, prior to the general amendment of this subchapter by Pub. L. 88–443.


A prior section 291r, act July 1, 1944, ch. 373, title VI, § 638, as added July 12, 1954, ch. 471, § 2, 68 Stat. 462, related to subject matter similar to this section, prior to the general amendment of this subchapter by Pub. L. 88–443.


AMENDMENTS

1970—Subsec. (a)(1). Pub. L. 91–296, § 103(a), substituted “sums appropriated for such year” for “new hospital portion of the sums appropriated for such year” and struck out provision setting out a formula for determining new hospital portion of sums appropriated pursuant to section 291(a) of this title.

Subsec. (a)(2). Pub. L. 91–296, § 103(a), substituted “Secretary” for “Surgeon General”, and substituted reference to sums appropriated for such year under section 291a(c) of this title for reference to remainder of sums appropriated pursuant to section 291a(b) of this title (which portion was to be available for grants for modernization of facilities referred to in paragraphs (a) and (b) of section 291a of this title).

Subsec. (b)(1)(A). Pub. L. 91–296, § 103(b)(1), 119(a)(1), substituted “$50,000” and “$100,000” for “$25,000” and “$50,000”, respectively, and inserted reference to Trust Territory of the Pacific Islands.

Subsec. (b)(1)(B). Pub. L. 91–296, § 103(b)(2), 119(a)(1), substituted “$100,000” and “$200,000” for “$50,000” and “$100,000”, respectively, substituted “outpatient facilities” for “diagnostic or treatment centers”, and inserted reference to Trust Territory of the Pacific Islands.

Subsec. (b)(1)(C). Pub. L. 91–296, § 103(b)(3), 119(a)(1), substituted “$200,000” and “$300,000” for “$100,000” and “$200,000”, respectively, and inserted reference to Trust Territory of the Pacific Islands.


Subsec. (d)(1). Pub. L. 91–296, § 119(c), 122, inserted reference to Trust Territory of the Pacific Islands and substituted two years for one year as the time span following a year in which allotted sums remaining unobligated at the end thereof during which such unobligated funds remain available.

Subsec. (d)(2). Pub. L. 91–296, § 119(c), inserted references to Trust Territory of the Pacific Islands.

Subsec. (e). Pub. L. 91–296, § 104, authorized any State to make transfers of any amount up to the minimum amount allotted to any state for a particular category and authorized all amounts above such minimums to be transferred from one category of assistance to another without restriction on the amounts with the exception that no funds could be transferred from rehabilitation facilities category or to new hospital construction category and that all transfers be justified on the basis that either there are no approvable applications in the category from which funds are transferred or, in case of transfers from new hospital construction category, the purposes of the program would be better served by the transfer, and authorized transfers to new hospital construction from modernization category if need is greatest.


EFFECTIVE DATE OF 1970 AMENDMENT

Pub. L. 91–296, title I, § 103(a), June 30, 1970, 84 Stat. 338, provided that the amendment made by that section is effective with respect to appropriations made pursuant to section 291a of this title for fiscal years beginning after June 30, 1970.
specified in subsec. (a)(1) of this section for allotment of
338, directed Secretary to study effects of the formula
provided that the amendment made by that section is
effective with respect to allotments after June 30, 1970.

General regulations

The Surgeon General, with the approval of the Federal Hospital Council and the Secretary of
Health and Human Services shall by general reg-
ulations prescribe—

(a) Priority of projects; determination
the general manner in which the State agen-
cy shall determine the priority of projects based on the relative need of different areas
lacking adequate facilities of various types for
which assistance is available under this part, giving special consideration—

(1) in the case of projects for the construc-
tion of hospitals, to facilities serving areas
with relatively small financial resources
and, at the option of the State, rural com-
munities;

(2) in the case of projects for the construc-
tion of rehabilitation facilities, to facilities
operated in connection with a university
teaching hospital which will provide an inte-
grated program of medical, psychological,
social, and vocational evaluation and serv-
ices under competent supervision;

(3) in the case of projects for modernization
of facilities, to facilities serving densely
populated areas;

(4) in the case of projects for construction
or modernization of outpatient facilities, to
any outpatient facility that will be located
in, and provide services for residents of, an
area determined by the Secretary to be a
rural or urban poverty area;

(5) to projects for facilities which, alone or
in conjunction with other facilities, will pro-
vide comprehensive health care, including
outpatient and preventive care as well as
hospitalization;

(6) to facilities which will provide training
in health or allied health professions; and

(7) to facilities which will provide to a sig-
ificant extent, for the treatment of alcohol-
ism;

(b) Standards of construction and equipment
general standards of construction and equip-
ment for facilities of different classes and in
different types of location, for which assist-
ance is available under this part;

(c) Criteria for determining needs for beds,
hospitals and other facilities; plans for dis-
btribution of beds and facilities
criteria for determining needs for general
hospital and long-term care beds, and needs
for hospitals and other facilities for which aid
under this part is available, and for developing
plans for the distribution of such beds and fa-
cilities;

(d) Criteria for determining need for mod-
ernization
criteria for determining the extent to which
existing facilities, for which aid under this
part is available, are in need of modernization; and

(e) State plan requirements, assurances nec-
essary for approval of application
that the State plan shall provide for ade-
quate hospitals, and other facilities for which
aid under this part is available, for all persons
residing in the State, and adequate hospitals
(and such other facilities) to furnish needed
services for persons unable to pay therefor.
Such regulations may also require that before approval of an application for a project is recommended by a State agency to the Surgeon General for approval under this part, assurance shall be received by the State from the applicant that (1) the facility or portion thereof to be constructed or modernized will be made available to all persons residing in the territorial area of the applicant; and (2) there will be made available in the facility or portion thereof to be constructed or modernized a reasonable volume of services to persons unable to pay therefor, but an exception shall be made if such a requirement is not feasible from a financial viewpoint.


PRIOR PROVISIONS

A prior section 291c, act July 1, 1944, ch. 373, title VI, §613, as added Aug. 13, 1946, ch. 958, §2, 60 Stat. 1041, related to allotments to States, the determination of their amount, and the disposition of unexpended funds, prior to the general amendment of this subchapter by Pub. L. 88–443. See section 291(a), (b) and (d) of this title.

Prior provisions similar to those comprising this section were contained in a prior section 291c, act July 1, 1944, ch. 373, title VI, §622, as added Aug. 13, 1946, ch. 958, §2, 60 Stat. 1041; amended 1963 Reorg. Plan No. 1, §§5, 8, eff. Apr. 11, 1963, 18 F.R. 2053, 67 Stat. 631, prior to the general amendment of this subchapter by Pub. L. 88–443.

AMENDMENTS

1970—Subsec. (a). Pub. L. 91–296 struck out from cl. (1) provisions requiring that States give special consideration for projects for hospitals serving rural areas but inserted provisions making such preference optional with each State and added cls. (4) to (7).

1964—Subsec. (a)(4). Pub. L. 88–581 struck out cl. (4) relating to hospital facilities which “will include new or expanded facilities for nurse training”.

EFFECTIVE DATE OF 1970 AMENDMENT

Pub. L. 91–296, title I, §110, June 30, 1970, 84 Stat. 339, provided that the amendment made by such section 3(b) [amending this section and sections 291c and 291c of this title] are effective with respect to applications approved under this subchapter after June 30, 1970.

EFFECTIVE DATE OF 1964 AMENDMENT

Pub. L. 88–581, §3(b), Sept. 4, 1964, 78 Stat. 919, provided that the amendments made by such section 3(b) [amending this section and sections 291c and 291c of this title] are effective with respect to applications for grants from appropriations for fiscal years beginning after June 30, 1965.

TRANSFER OF FUNCTIONS

“Secretary of Health and Human Services” substituted in text for “Secretary of Health, Education, and Welfare” pursuant to section 509(b) of Pub. L. 96–88 which is classified to section 3508(b) of Title 20, Education.


§291d. State plans

(a) Submission; requirements

Any State desiring to participate in this part may submit a State plan. Such plan must—

(1) designate a single State agency as the sole agency for the administration of the plan, or designate such agency as the sole agency for supervising the administration of the plan;

(2) contain satisfactory evidence that the State agency designated in accordance with paragraph (1) of this subsection will have authority to carry out such plan in conformity with this part;

(3) provide for the designation of a State advisory council which shall include (A) representatives of nongovernmental organizations or groups, and of public agencies, concerned with the operation, construction, or utilization of hospital or other facilities for diagnosis, prevention, or treatment of illness or disease, or for provision of rehabilitation services, and representatives particularly concerned with education or training of health professions personnel, and (B) an equal number of representatives of consumers familiar with the need for the services provided by such facilities, to consult with the State agency in carrying out the plan, and provide, if such council does not include any representatives of nongovernmental organizations or groups, or State agencies, concerned with rehabilitation, for consultation with organizations, groups, and State agencies so concerned;

(4) set forth, in accordance with criteria established in regulations prescribed under section 291c of this title and on the basis of a statewide inventory of existing facilities, a survey of need, and (except to the extent provided by or pursuant to such regulations) community, area, or regional plans—

(A) the number of general hospital beds and long-term care beds, and the number and types of hospital facilities and facilities for long-term care, needed to provide adequate facilities for inpatient care of people residing in the State, and a plan for the distribution of such beds and facilities in service areas throughout the State;

(B) the public health centers needed to provide adequate public health services for people residing in the State, and a plan for the distribution of such centers throughout the State;

(C) the outpatient facilities needed to provide adequate diagnostic or treatment services to ambulatory patients residing in the State, and a plan for distribution of such facilities throughout the State;

(D) the rehabilitation facilities needed to assure adequate rehabilitation services for disabled persons residing in the State, and a plan for distribution of such facilities throughout the State; and

(E) effective January 1, 1966, the extent to which existing facilities referred to in sec-
(a) Description of Services Provided

1. A comprehensive program of medical care services is provided for those in need of modernization. These services include outpatient care, diagnostic and treatment services, and inpatient care services.

2. The program is designed to meet the needs of patients in the State who are in need of modernization.

3. The program is in accordance with regulations prescribed under section 291c of this title for projects for facilities of that type and, in the discretion of the State agency, for the construction or modernization, insofar as financial resources available therefor and for maintenance and operation make possible, in the order of such relative need.

4. The program has been set forth pursuant to paragraph (4) of this subsection.

5. The program is set forth pursuant to paragraph (4) of this subsection.

(b) Approval by Surgeon General; hearing after disapproval

The Surgeon General shall approve any State plan and any modification thereof which complies with the provisions of subsection (a). If any such plan or modification thereof shall have been disapproved by the Surgeon General, the Federal Hospital Council shall, upon request of the State agency, afford it an opportunity for hearing. If such Council determines that the plan or modification complies with the provisions of such subsection, the Surgeon General shall thereupon approve such plan or modification.

(7) provided that the plan or modification, insofar as financial resources available therefor and for maintenance and operation make possible, in the order of such relative need.

(8) provide such methods of administration of the State plan, including methods relating to the establishment and maintenance of personnel standards on a merit basis (except that the Surgeon General shall exercise no authority with respect to the selection, tenure of office, or compensation of any individual employed in accordance with such methods), as are found by the Surgeon General to be necessary for the proper and efficient operation of the plan.

(9) provide for affording to every applicant for a construction or modernization project an opportunity for a hearing before the State agency.

(10) provide that the State agency will make such reports, in such form and containing such information, as the Surgeon General may from time to time reasonably require, and will keep such records and afford such access thereto as the Surgeon General may find necessary to assure the correctness and verification of such reports.

(11) provide that the Comptroller General of the United States or his duly authorized representatives shall have access for the purpose of audit and examination to the records specified in paragraph (10) of this subsection.

(12) provide that the State agency will from time to time, but not less often than annually, review its State plan and submit to the Surgeon General any modifications thereof which it considers necessary.

(13) Effective as of July 1, 1971.

1 So in original. Probably should not be capitalized.
insofar as relates to the prescription of personnel standards on a merit basis, transferred to Office of Personnel Management, see section 4728(a)(3)(C) of this title.


Funds for Modernization Projects; Conditions To Be Met Before Approval

Pub. L. 88–443, § 3(b)(5), Aug. 18, 1964, 78 Stat. 462, provided that no application with respect to a modernization project may be approved for purposes of receiving funds from an allotment under section 291(a)(2) of this title before July 1, 1965, or before a State plan has been approved, as well as certain other requirements. See Effective Date note under section 291 of this title.

§ 291e. Projects for construction or modernization

(a) Application; contents

For each project pursuant to a State plan approved under this part, there shall be submitted to the Surgeon General, through the State agency, an application by the State or a political subdivision thereof or by a public or other non-profit agency. If two or more such agencies join in the project, the application may be filed by one or more of such agencies. Such application shall set forth—

(1) a description of the site for such project;
(2) plans and specifications therefor, in accordance with regulations prescribed under section 291c of this title;
(3) reasonable assurance that title to such site is or will be vested in one or more of the agencies filing the application or in a public or other nonprofit agency which is to operate the facility on completion of the project;
(4) reasonable assurance that adequate financial support will be available for the completion of the project and for its maintenance and operation when completed;
(5) reasonable assurance that all laborers and mechanics employed by contractors or subcontractors in the performance of construction or modernization on the project will be paid wages at rates not less than those prevailing on similar work in the locality as determined by the Secretary of Labor in accordance with sections 3141–3144, 3146, and 3147 of title 40; and the Secretary of Labor shall have with respect to the labor standards specified in this paragraph the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176) and section 3145 of title 40; and
(6) a certification by the State agency of the Federal share for the project.

(b) Approval by Surgeon General; requisites; additional approval by Secretary of Health and Human Services

The Surgeon General shall approve such application if sufficient funds to pay the Federal share of the cost of such project are available from the appropriate allotment to the State, and if the Surgeon General finds (1) that the application contains such reasonable assurance as to title, financial support, and payment of prevailing rates of wages; (2) that the plans and specifications are in accord with the regulations prescribed pursuant to section 291c of this title; (3) that the application is in conformity with the State plan approved under section 291d of this title and contains an assurance that in the operation of the project there will be compliance with the applicable requirements of the regulations prescribed under section 291(e) of this title, and with State standards for operation and maintenance; and (4) that the application has been approved and recommended by the State agency, opportunity has been provided, prior to such approval and recommendation, for consideration of the project by the public or nonprofit private agency or organization which has developed the comprehensive regional, metropolitan area, or other local area plan or plans referred to in section 246(b) of this title covering the area in which such project is to be located or, if there is no such agency or organization, by the State agency administering or supervising the administration of the State plan approved under section 246(a) of this title, and the application is for a project which is entitled to priority over other projects within the State in accordance with the regulations prescribed pursuant to section 291(a) of this title. Notwithstanding the preceding sentence, the Surgeon General may approve such an application for a project for construction or modernization of a rehabilitation facility only if it is also approved by the Secretary of Health and Human Services.

(c) Opportunity for hearing required prior to disapproval

No application shall be disapproved until the Surgeon General has afforded the State agency an opportunity for a hearing.

(d) Amendments subject to same approval as original applications

Amendment of any approved application shall be subject to approval in the same manner as an original application.

(e) Outpatient facilities; requirements of applicants

Notwithstanding any other provision of this subchapter, no application for an outpatient facility shall be approved under this section unless the applicant is (1) a State, political subdivision, or public agency, or (2) a corporation or association which owns and operates a non-profit hospital (as defined in section 291o of this title) or which provides reasonable assurance that the services of a general hospital will be available to patients of such facility who are in need of hospital care.

(July 1, 1944, ch. 373, title VI, § 805, as added Pub. L. 88–443, § 3(a), Aug. 18, 1964, 78 Stat. 453; amend-

RECORDS IN TEXT
Reorganization Plan Numbered 14 of 1950, referred to in subsec. (a)(5), is set out in the Appendix to Title 5, Government Organization and Employees.

CODIFICATION

PRIOR PROVISIONS

A prior section 291h(a), (c), act July 1, 1944, ch. 373, title VI, §625, as added Aug. 13, 1946, ch. 958, §2, 60 Stat. 1041; amended Oct. 25, 1949, ch. 722, §8, 63 Stat. 901, related to subject matter similar to this section, prior to the general amendment of this subchapter by Pub. L. 88–443.

A prior section 291v(d), act July 1, 1944, ch. 373, title VI, §654, as added July 12, 1954, ch. 471, §3, 68 Stat. 463, related to subject matter similar to this section, prior to the general amendment of this subchapter by Pub. L. 88–443.

AMENDMENTS
1970—Subsec. (b)(4). Pub. L. 91–296, §111(a), inserted provisions requiring that the appropriate area wide health planning agency be given an opportunity to consider the project for which an application is made before approval is given.

Subsec. (e). Pub. L. 91–296, §116(e), substituted “an outpatient facility” for “a diagnostic or treatment center” and inserted provisions extending coverage to include corporations and associations which, although not owning or operating hospitals offer services of a general hospital to patients in need of hospital care.

EFFECTIVE DATE OF 1970 AMENDMENT
Pub. L. 91–296, title I, §111(a), June 30, 1970, 84 Stat. 340, provided that the amendment made by that section is effective with respect to applications approved under this subchapter after June 30, 1970.

Pub. L. 91–296, title I, §116(e), June 30, 1970, 84 Stat. 342, applicable with respect to applications approved under this subchapter after June 30, 1970, see section 116(g) of Pub. L. 91–296, set out as a note under section 291c of this title.

TRANSFER OF FUNCTIONS
“Secretary of Health and Human Services” substituted for “Secretary of Health, Education, and Welfare” in subsec. (b) pursuant to section 509(b) of Pub. L. 96–88 which is classified to section 3508(b) of Title 20, Education.


APPLICATIONS APPROVED PRIOR TO AUG. 18, 1964
Pub. L. 88–443, §3(b)(1), Aug. 18, 1964, 78 Stat. 462, providing that applications approved, and allotments appropriated prior to Aug. 18, 1964, shall be governed by this subchapter as in effect prior to such date, is set out as an Effective Date note under section 291 of this title.

Funds for Modernization Projects; Conditions To Be Met Before Approval
Pub. L. 88–443, §3(b)(5), Aug. 18, 1964, 78 Stat. 462, provided that no application with respect to a modernization project may be approved for purposes of receiving funds from an allotment under section 291(a)(2) of this title before July 1, 1965, or before a State plan has been approved, as well as certain other requirements. See Effective Date note set out under section 291 of this title.

§291f. Payments for construction or modernization
(a) Certification of work by Surgeon General; conditions affecting payments

Upon certification to the Surgeon General by the State agency, based upon inspection by it, that work has been performed upon a project, or purchases have been made, in accordance with the approved plans and specifications, and that payment of an installment is due to the applicant, such installment shall be paid to the State, from the applicable allotment of such State, except that (1) if the State is not authorized by law to make payments to the applicant, or if the State so requests, the payment shall be made directly to the applicant, (2) if the Surgeon General, after investigation or otherwise, has reason to believe that any act or failure to act has occurred requiring action pursuant to section 291g of this title, payment may, after he has given the State agency notice of opportunity for hearing pursuant to such section, be withheld, in whole or in part, pending corrective action or action based on such hearing, and (3) the total of payments under this subsection with respect to such project may not exceed an amount equal to the Federal share of the cost of construction of such project.

(b) Additional payments in cases of amended applications

In case an amendment to an approved application is approved as provided in section 291e of this title or the estimated cost of a project is revised upward, any additional payment with respect thereto may be made from the applicable allotment of the State for the fiscal year in which such amendment or revision is approved.

(c) Administration expenses; use of portion of allotments to defray; manner of payment

(1) At the request of any State, a portion of any allotment or allotments of such State under this part shall be available to pay one-half (or such smaller share as the State may request) of the expenditures found necessary by the Surgeon General for the proper and efficient administration during such year of the State plan approved under this part; except that not more
than 4 per centum of the total of the allotments of such State for a year, or $100,000, whichever is less, shall be available for such purpose for such year. Payments of amounts due under this paragraph may be made in advance or by way of reimbursement, and in such installments, as the Surgeon General may determine.

(2) Any amount paid under paragraph (1) of this subsection to any State for any fiscal year shall be paid on condition that there shall be expended from State sources for such year for administration of the State plan approved under this act not less than the total amount expended for such purposes from such sources during the fiscal year ending June 30, 1970.


PRIOR PROVISIONS

Provisions similar to those comprising subsec. (a) of this section were contained in former section 291h(b), acts July 1, 1944, ch. 373, title VI, §625, as added Aug. 13, 1946, ch. 958, §2, 60 Stat. 1041; amended Oct. 25, 1949, ch. 722, §3(b), 63 Stat. 899, prior to the general amendment of this subchapter by Pub. L. 88–443.

AMENDMENTS
1970—Subsec. (c)(1). Pub. L. 91–296, §112(1), substituted “4 per centum” for “2 per centum” and “$100,000 for $50,000”.


EFFECTIVE DATE OF 1970 AMENDMENT
Pub. L. 91–296, title I, §112, June 30, 1970, 84 Stat. 340, provided that the amendment made by that section is effective with respect to expenditures under a State plan approved under this subchapter which are made for administration of such plan during any fiscal year beginning after June 30, 1970.

TRANSFER OF FUNCTIONS

§291g. Withholding of payments; noncompliance with requirements

Whenever the Surgeon General, after reasonable notice and opportunity for hearing to the State agency designated as provided in section 291d(a)(1) of this title, finds—

(a) that the State agency is not complying substantially with the provisions required by section 291d of this title to be included in its State plan; or

(b) that any assurance required to be given in an application filed under section 291e of this title is not being or cannot be carried out; or

(c) that there is a substantial failure to carry out plans and specifications approved by the Surgeon General under section 291e of this title; or

(d) that adequate State funds are not being provided annually for the direct administration of the State plan,

the Surgeon General may forthwith notify the State agency that—

(e) no further payments will be made to the State under this part, or

(f) no further payments will be made from the allotments of such State from appropriations under any one or more subparagraphs or paragraphs of section 291a of this title, or for any project or projects, designated by the Surgeon General as being affected by the action or inaction referred to in paragraph (a), (b), (c), or (d) of this section,

as the Surgeon General may determine to be appropriate under the circumstances; and, except with regard to any project for which the application has already been approved and which is not directly affected, further payments may be withheld, in whole or in part, until there is no longer any failure to comply (or carry out the assurance or plans and specifications or provide adequate State funds, as the case may be) or, if such compliance (or other action) is impossible, until the State repays or arranges for the repayment of Federal moneys to which the recipient was not entitled.

(July 1, 1944, ch. 373, title VI, §607, as added Pub. L. 88–443, §3(a), Aug. 18, 1964, 78 Stat. 455.)

PRIOR PROVISIONS

Provisions similar to those comprising this section were contained in former section 291(ja), acts July 1, 1944, ch. 373, title VI, §622, as added Aug. 13, 1946, ch. 958, §2, 60 Stat. 1041; amended Oct. 25, 1949, ch. 722, §4, 63 Stat. 900; July 12, 1954, ch. 471, §4(g), 68 Stat. 466, prior to the general amendment of this subchapter by Pub. L. 88–443.

TRANSFER OF FUNCTIONS
§ 291h. Judicial review

(a) Refusal to approve application; procedure; jurisdiction of court of appeals

If the Surgeon General refuses to approve any application for a project submitted under section 291e of this title or section 291j of this title, the State agency through which such application was submitted, or if any State is dissatisfied with his action under section 291g of this title such State may appeal to the United States court of appeals for the circuit in which such State is located, by filing a petition with that court within sixty days after such action. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Surgeon General, or any officer designated by him for that purpose. The Surgeon General shall thereupon file in the court the record of the proceedings on which he based his action, as provided in section 2112 of title 28. Upon the filing of such petition, the court shall have jurisdiction to affirm the action of the Surgeon General or to set it aside, in whole or in part, temporarily or permanently, but until the filing of the record, the Surgeon General may modify or set aside his order.

(b) Conclusiveness of Surgeon General’s findings; remand; new or modified findings

The findings of the Surgeon General as to the facts, if supported by substantial evidence, shall be conclusive, but the court, for good cause shown, may remand the case to the Surgeon General to take further evidence, and the Surgeon General may upon make new or modified findings of fact and may modify his previous action, and shall file in the court the record of the further proceedings. Such new or modified findings of fact shall likewise be conclusive if supported by substantial evidence.

(c) Review by Supreme Court; stay of Surgeon General’s action

The judgment of the court affirming or setting aside, in whole or in part, any action of the Surgeon General shall be final, subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28. The commencement of proceedings under this section shall not, unless so specifically ordered by the court, operate as a stay of the Surgeon General’s action.

(July 1, 1944, ch. 373, title VI, § 608, as added Pub. L. 88–443, § 3(a), Aug. 18, 1964, 78 Stat. 456.)

Prior Provisions


§ 291i. Recovery of expenditures under certain conditions

(a) Persons liable

If any facility with respect to which funds have been paid under section 291f of this title shall, at any time within 20 years after the completion of construction or modernization—

(1) be sold or transferred to any entity (A) which is not qualified to file an application under section 291e of this title, or (B) which is not approved as a transferee by the State agency designated pursuant to section 291d of this title, or its successor, or

(2) cease to be a public health center or a public or other nonprofit hospital, outpatient facility, facility for long-term care, or rehabilitation facility,

the United States shall be entitled to recover, whether from the transferee or from the owners thereof (or, in the case of a facility which has ceased to be public or nonprofit, from the owners thereof) an amount determined under subsection (c).

(b) Notice to Secretary

The transferor of a facility which is sold or transferred as described in subsection (a)(1), or the owner of a facility the use of which is changed as described in subsection (a)(2), shall provide the Secretary written notice of such sale, transfer, or change not later than the expiration of 10 days from the date on which such sale, transfer, or change occurs.

(c) Amount of recovery; interest; interest period

(1) Except as provided in paragraph (2), the amount the United States shall be entitled to recover under subsection (a) is an amount bearing the same ratio to the then value (as determined by the agreement of the parties or in an action brought in the district court of the United States for the district for which the facility involved is situated) of so much of the facility as constituted an approved project or projects as the amount of the Federal participation bore to the cost of the construction or modernization of such project or projects.

(2)(A) After the expiration of—

(1) 180 days after the date of the sale, transfer, or change of use for which a notice is required by subsection (b), in the case of a facility which is sold or transferred or the use of which changes after July 18, 1984, or

Transfer of Functions

the United States is entitled to recover under paragraph (1) with respect to a facility shall be the amount prescribed by paragraph (1) plus interest, during the period described in subparagraph (B), at a rate determined by the Secretary based on the average of the bond equivalent of the weekly ninety-day Treasury bill auction rate.

The period referred to in subparagraph (A) is the period beginning—

(i) in the case of a facility which was sold or transferred or the use of which changed before July 18, 1984, thirty days after such date or if later 180 days after the date of the sale, transfer, or change of use for which a notice is required by subsection (b),

(ii) in the case of a facility with respect to which notice is provided in accordance with subsection (b), upon the expiration of 180 days after the receipt of such notice, or

(iii) in the case of a facility with respect to which such notice is not provided as prescribed by subsection (b), on the date of the sale, transfer, or change of use for which such notice was to be provided, and ending on the date the amount the United States is entitled to recover under paragraph (1) is collected.

(d) Waiver

(1) The Secretary may waive the recovery rights of the United States under subsection (a)(1) with respect to a facility in any State if the Secretary determines, in accordance with regulations, that the entity to which the facility was sold or transferred—

(A) has established an irrevocable trust—

(i) in an amount equal to the greater of twice the cost of the remaining obligation of the facility under clause (2) of section 291c(e) of this title or the amount, determined under subsection (c), that the United States is entitled to recover, and

(ii) which will only be used by the entity to provide the care required by clause (2) of section 291c(e) of this title; and

(B) will meet the obligation of the facility under clause (1) of section 291c(e) of this title.

(2) The Secretary may waive the recovery rights of the United States under subsection (a)(2) with respect to a facility in any State if the Secretary determines, in accordance with regulations, that there is good cause for waiving such rights with respect to such facility.

(e) Lien

The right of recovery of the United States under subsection (a) shall not constitute a lien on any facility with respect to which funds have been paid under section 291f of this title.

(3) With respect to a facility—

(i) the Secretary may waive the recovery of the United States under paragraph (4) of section 291c(e) of this title for the period beginning—

(A) in the case of a facility which was sold or transferred or the use of which changed before July 18, 1984, thirty days after such date or if later 180 days after the date of the sale, transfer, or change of use for which a notice is required by subsection (b),

(B) in the case of a facility with respect to which notice is provided in accordance with subsection (b), upon the expiration of 180 days after the receipt of such notice, or

(C) in the case of a facility with respect to which such notice is not provided as prescribed by subsection (b), on the date of the sale, transfer, or change of use for which such notice was to be provided, and ending on the date the amount the United States is entitled to recover under paragraph (1) is collected.

(Prior Provisions)


Provisions similar to those comprising this section were contained in section 291h(e) of this title, act July 1, 1944, ch. 373, title VI, § 625, as added Aug. 13, 1946, ch. 958, § 2, 60 Stat. 1041; amended Oct. 25, 1949, ch. 722, § 3(c), 63 Stat. 909, 911; July 12, 1954, ch. 471, § 4(b), 68 Stat. 464, prior to the general amendment of this subchapter by Pub. L. 88–443.

(Amendments)

1984—Pub. L. 98–369 amended section generally. Prior to amendment, section read as follows: “If any facility with respect to which funds have been paid under section 291f of this title shall, at any time within twenty years after the completion of construction—

(a) be sold or transferred to any person, agency, or organization (1) which is not qualified to file an application under section 291e of this title, or (2) which is not approved as a transferee by the State agency designated pursuant to section 291d of this title, or its successor, or

(b) cease to be a public health center or a public or other nonprofit hospital, outpatient facility, facility for long-term care, or rehabilitation facility, unless the Surgeon General determines, in accordance with regulations, that there is good cause for releasing the applicant or other owner from this obligation, the United States shall be entitled to recover from either the transferee or the transferee (or, in the case of a facility which has ceased to be public or nonprofit, from the owners thereof) an amount bearing the same ratio to the then value (as determined by the agreement of the parties or by action brought in the district court of the United States for the district in which the facility is situated) of so much of the facility as constituted an approved project or projects, as the amount of the Federal participation bore to the cost of the construction or modernization under such project or projects. Such right of recovery shall not constitute a lien upon said facility prior to judgment.”

1970—CL. (b). Pub. L. 91–296 substituted “outpatient facility” for “diagnostic or treatment center”.

Transer of Functions


Regulations and Personnel

Pub. L. 98–369, div. B, title III, § 2381(c), July 18, 1984, 98 Stat. 1116, provided that: “Not later than the expira-

—

1 So in original. The period probably should be a comma.
tion of the one-hundred-and-eighty-day period beginning on the date of the enactment of this section [July 18, 1964], the Secretary shall have in effect regulations and personnel to place in effect the amendments made by this section [amending sections 291i and 300s–1a of this title]."

§ 291j. Loans
(a) Authorization; conditions
In order further to assist the States in carrying out the purposes of this subchapter, the Surgeon General is authorized to make a loan of funds to the applicant for any project for construction or modernization which meets all of the conditions specified for a grant under this part.

(b) Approval; payments to applicants
Except as provided in this section, an application for a loan with respect to any project under this part shall be submitted, and shall be approved by the Surgeon General, in accordance with the same procedures and subject to the same limitations and conditions as would be applicable to the making of a grant under this part for such project. Any such application may be approved in any fiscal year only if sufficient funds are available from the allotment for the type of project involved. All loans under this section shall be paid directly to the applicant.

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

(2) The Surgeon General may enter into agreements modifying any of the terms and conditions of a loan made under this part whenever he determines such action is necessary to protect the financial interest of the United States.

(3) If, at any time before a loan for a project has been repaid in full, any of the events specified in clause (a) or clause (b) of section 291i of this title occurs with respect to such project, the unpaid balance of the loan shall become immediately due and payable by the applicant, and any transferee of the facility shall be liable to the United States for such repayment.

(d) Funds; miscellaneous receipts
Any loan under this part shall be made out of the allotment from which a grant for the project concerned would be made. Payments of interest and repayments of principal on loans under this part shall be deposited in the Treasury as miscellaneous receipts.

References in Text
Section 291i of this title, referred to in subsec. (c)(3), was amended generally by Pub. L. 94–369, div. B, title III, §238(a), July 18, 1984, 98 Stat. 1112, and, as so amended, the provisions contained in former cls. (a) and (b) of section 291i are covered by section 291i(a)(1) and (2).

Prior Provisions

Provisions similar to those comprising this section were contained in sections 291w to 291z of this title, prior to the general amendment of this subchapter by Pub. L. 88–443.

Transfer of Functions

Part B—Loan Guarantees and Loans for Modernization and Construction of Hospitals and Other Medical Facilities
§ 291j–1. Loan guarantees and loans
(a) Authority of Secretary
(1) In order to assist nonprofit private agencies to carry out needed projects for the modernization or construction of nonprofit private hospitals, facilities for long-term care, outpatient facilities, and rehabilitation facilities, the Secretary, during the period July 1, 1970, through June 30, 1974, may, in accordance with the provisions of this part, guarantee to non-Federal lenders making loans to such agencies for such projects, payment of principal of and
§ 291j–2  Allocation among States

(a) Allotment regulations

(1) Allotment regulations are approved under this part.

(2) In order to assist public agencies to carry out needed projects for the modernization or construction of public health centers, and public hospitals, facilities for long-term care, outpatient facilities, and rehabilitation facilities, the Secretary, during the period July 1, 1970, through June 30, 1974, may, in accordance with the provisions of this part, make loans to such agencies which shall be sold and guaranteed in accordance with section 291j–7 of this title.

(b) Cost limitations

(1) No loan guarantee under this part with respect to any modernization or construction project may apply to so much of the principal amount thereof as, when added to the amount of any grant or loan under part A with respect to such project, exceeds 90 per centum of the cost of such project.

(2) No loan to a public agency under this part shall be made in an amount which, when added to the amount of any grant or loan under part A with respect to such project, exceeds 90 per centum of the cost of such project.

(c) Administrative assistance

The Secretary, with the consent of the Secretary of Housing and Urban Development, shall obtain from the Department of Housing and Urban Development such assistance with respect to the administration of this part as will promote efficiency and economy thereof.

§ 291j–3  Applications and conditions

(a) Contents of applications

For each fiscal year, the total amount of principal of loans to nonprofit private agencies which may be guaranteed or loans to public agencies which may be directly made under this part shall be allotted by the Secretary among the States, in accordance with regulations, on the basis of each State’s relative population, financial need, need for construction of the facilities referred to in section 291j–1(a)(1) of this title, and need for modernization of such facilities.

(b) Reallotment

Any amount allotted under subsection (a) to a State for a fiscal year ending before July 1, 1973, and remaining unobligated at the end of such year shall remain available to such State, for the purpose for which made, for the next two fiscal years (and for such years only), and any such amount shall be in addition to the amounts allotted to such State for such purpose for each of such next two fiscal years; except that, with the consent of any such State, any such amount remaining unobligated at the end of the first of such next fiscal year may be reallocated (on such basis as the Secretary deems equitable and consistent with the purposes of this subchapter) to other States which have need therefor. Any amounts so reallocated to a State shall be available for the purposes for which made until the close of the second such next two fiscal years and shall be in addition to the amount allotted and available to such State for the same period.

(c) Time of availability of amounts for subsequent allotment

Any amount allotted or reallocated to a State under this section for a fiscal year shall not, until the expiration of the period during which it is available for obligation, be considered as available for allotment for a subsequent fiscal year.

(d) Modernization or construction commenced on or after January 1, 1968

The allotments of any State under subsection (a) for the fiscal year ending June 30, 1971, and the succeeding fiscal year shall also be available to guarantee loans with respect to any project, for modernization or construction of a nonprofit private hospital or other health facility referred to in section 291j–1(a)(1) of this title, if the modernization or construction of such facility was not commenced earlier than January 1, 1968, and if the State certifies and the Secretary finds that without such guaranteed loan such facility could not be completed and begin to operate or could not continue to operate, but with such guaranteed loan would be able to do so: Provided, That this subsection shall not apply to more than two projects in any one State.

§ 291j–4  Amendments


1970—Subsec. (a). Pub. L. 91–296 substituted “modernization or construction of a facility was not commenced earlier than” for “modernization of such facility was not commenced before”.

1968—Subsec. (a). Pub. L. 90–366 substituted “agencies, or two or more public agencies, join in the project, the application may be filed by one private nonprofit agency or by such public agency. If two or more private nonprofit agencies, or two or more public agencies, join in the project, the application may be filed by one or more such agencies. Such application shall (1) set forth all of the descriptions, plans, specifications, assurances, and information which are required by the third sentence of section 291j–1(a)(1) of this title (other than clause (6) thereof) with respect to applications submitted under this section, (2) contain such other information as the Secretary may require to carry out the purposes of this part, and (3) include a certification by the State agency of the total cost of the project and the amount of the loan for which a guarantee is sought under this part, or the amount of the direct loan sought under this part, as the case may be.

(b) Conditions for approval

The Secretary may approve such application only if—

(1) there remains sufficient balance in the allotment determined for such State pursuant...
to section 291j-2 of this title to cover the amount of the loan for which a guarantee is sought, or the amount of the direct loan sought (as the case may be), in such application,
(2) he makes each of the findings which are required by clauses (1) through (4) of section 291e(b) of this title for the approval of applications for projects thereunder (except that, in the case of the finding required under such clause (4) of entitlement of a project to a priority established under section 291c(a) of this title: such finding shall be made without regard to the provisions of clauses (1) and (3) of such section),
(3) he finds that there is compliance with section 291e(e) of this title,
(4) he obtains assurances that the applicant will keep such records, and afford such access thereto, and make such reports, in such form and containing such information, as the Secretary may reasonably require, and
(5) he also determines, in the case of a loan for which a guarantee is sought, that the terms, conditions, maturity, security (if any), and schedule and amounts of repayments with respect to the loan are sufficient to protect the financial interests of the United States and are otherwise reasonable and in accord with regulations, including a determination that the rate of interest does not exceed such per centum per annum on the principal obligation outstanding as the Secretary determines to be reasonable, taking into account the range of interest rates prevailing in the private market for similar loans and the risks assumed by the United States.

(c) Hearing

No application under this section shall be disapproved until the Secretary has afforded the State agency an opportunity for a hearing.

(d) Amendment of approved applications

Amendment of an approved application shall be subject to approval in the same manner as an original application.

(e) Recovery rights; terms and conditions

(1) In the case of any loan to a nonprofit private agency, the United States shall be entitled to recover from the applicant the amount of any payments made pursuant to any guarantee of such loan under this part, unless the Secretary for good cause waives its right of recovery, and, upon making any such payment, the United States shall be subrogated to all of the rights of the recipient of the payments with respect to which the guarantee was made.

(2) Guarantees of loans to nonprofit private agencies under this part shall be subject to such further terms and conditions as the Secretary determines to be necessary to assure that the purposes of this part will be achieved, and, to the extent permitted by subsection (f), any of such terms and conditions may be modified by the Secretary to the extent he determines it to be consistent with the financial interest of the United States.

(f) Incontestable guarantee

Any guarantee of a loan to a nonprofit private agency made by the Secretary pursuant to this part shall be incontestable in the hands of an applicant on whose behalf such guarantee is made, and as to any person who makes or contracts to make a loan to such applicant in reliance thereon, except for fraud or misrepresentation on the part of such applicant or such other person.

(1) Subject to the provisions of subsection (b), in the case of a guarantee of any loan to a nonprofit private agency under this part with respect to a hospital or other medical facility, the Secretary shall pay, to the holder of such loan and for and on behalf of such hospital or other medical facility amounts sufficient to reduce by 3 per centum per annum the net effective interest rate otherwise payable on such loan. Each holder of a loan, to a nonprofit private agency, which is guaranteed under this part shall have a contractual right to receive from the United States interest payments required by the preceding sentence.

(b) Contracts to make the payments provided for in this section shall not carry an aggregate amount greater than such amount as may be provided in appropriations Acts.

(1) Subject to the provisions of subsection (b), in the case of any loan to a nonprofit private agency, the United States shall be subrogated to all of the rights of the recipient of the payments with respect to which the guarantee was made.

(2) Guarantees of loans to nonprofit private agencies under this part shall be subject to such further terms and conditions as the Secretary determines to be necessary to assure that the purposes of this part will be achieved, and, to the extent permitted by subsection (f), any of such terms and conditions may be modified by the Secretary to the extent he determines it to be consistent with the financial interest of the United States.

(1) There is hereby established in the Treasury a loan guarantee and loan fund (herein after in this section referred to as the "fund") which shall be available to the Secretary without fiscal year limitation, in such amounts as may be specified from time to time in appropriations Acts, (1) to enable him to discharge his responsibilities under guarantees issued by him under
this part. (ii) for payment of interest on the loans to nonprofit agencies which are guaranteed, (iii) for direct loans to public agencies which are sold and guaranteed, (iv) for payment of interest with respect to such loans, and (v) for repurchase by him of direct loans to public agencies which have been sold and guaranteed. There are authorized to be appropriated to the fund from time to time such amounts as may be necessary to provide capital required for the fund. To the extent authorized from time to time in appropriation Acts, there shall be deposited in the fund amounts received by the Secretary as interest payments or repayments of principal on loans and any other moneys, property, or assets derived by him from his operations under this part, including any moneys derived from the sale of assets.

(2) Of the moneys in the fund, there shall be available to the Secretary for the purpose of making of direct loans to public agencies only such sums as shall have been appropriated for such purpose pursuant to section 291j–7 of this title or sums received by the Secretary from the sale of such loans (in accordance with such section) and authorized in appropriations Acts to be used for such purpose.

(b) If at any time the moneys in the fund are insufficient to enable the Secretary to discharge his responsibilities under this part—

(i) to make payments of interest on loans to nonprofit private agencies which he has guaranteed under this part;

(ii) to otherwise comply with guarantees under this part of loans to nonprofit private agencies;

(iii) to make payments of interest subsidies with respect to loans to public agencies which he has made, sold, and guaranteed under this part;

(iv) in the event of default by public agencies to make payments of principal and interest on loans which the Secretary has made, sold, and guaranteed, under this part, to make such payments to the purchaser of such loan;

(v) to repurchase loans to public agencies which have been sold and guaranteed under this part,

he is authorized to issue to the Secretary of the Treasury notes or other obligations. The Secretary of the Treasury may at any time sell any of the notes or other obligations acquired by him under this subsection. All redemptions, purchases, and sales by the Secretary of the Treasury of such notes or other obligations shall be treated as public debt transactions of the United States. Sums borrowed under this subsection shall be deposited in the fund and redemption of such notes and obligations shall be made by the Secretary from such fund.

(2) Any loan so sold shall be sold for an amount which is equal (or approximately equal)
to the amount of the unpaid principal of such loan as of the time of sale.

(c) Agreements

(1) The Secretary is authorized to enter into an agreement with the purchaser of any loan sold under this part under which the Secretary agrees—
(A) to guarantee to such purchaser (and any successor in interest to such purchaser) payment of the principal and interest payable under such loan, and
(B) to pay as an interest subsidy to such purchaser (and any successor in interest of such purchaser) amounts which when added to the amount of interest payable on such loan, are equivalent to a reasonable rate of interest on such loan as determined by the Secretary, after taking into account the range of prevailing interest rates in the private market on similar loans and the risks assumed by the United States.

(2) Any such agreement—
(A) may provide that the Secretary shall act as agent of any such purchaser, for the purpose of collecting from the public agency to which such loan was made and paying over to such purchaser, any payments of principal and interest payable by such agency under such loan;
(B) may provide for the repurchase by the Secretary of any such loan on such terms and conditions as may be specified in the agreement;
(C) shall provide that, in the event of any default by the public agency to which such loan was made in payment of principal and interest due on such loan, the Secretary shall, upon notification to the purchaser (or to the successor in interest of such purchaser), have the option to close out such loan (and any obligations of the Secretary with respect thereto) by paying to the purchaser (or his successor in interest) the total amount of outstanding principal and interest due thereon at the time of such notification; and
(D) shall provide that, in the event such loan is closed out as provided in subparagraph (C), or in the event of any other loss incurred by the Secretary by reason of the failure of such public agency to make payments of principal and interest on such loan, the Secretary shall be subrogated to all rights of such purchaser for recovery of such loss from such public agency.

(d) Right of recovery; waiver

The Secretary may, for good cause, waive any right of recovery which he has against a public agency by reason of the failure of such agency to make payments of principal and interest on a loan made to such agency under this part.

(e) Interest and interest subsidies as gross income under Internal Revenue Code

After any loan to a public agency under this part has been sold and guaranteed, interest paid on such loan and any interest subsidy paid by the Secretary with respect to such loan which is received by the purchaser thereof (or his successor in interest) shall be included in gross income for the purposes of chapter 1 of title 26.

(f) Sales proceeds; deposit and use

Amounts received by the Secretary as proceeds from the sale of loans under this section shall be deposited in the loan fund established by section 291j–6 of this title, and shall be available to the Secretary for the making of further loans under this part in accordance with the provisions of subsection (a)(2) of such section.

(g) Authorization of appropriations

There is authorized to be appropriated to the Secretary, for deposit in the loan fund established by section 291j–6 of this title, $30,000,000 to provide initial capital for the making of direct loans by the Secretary to public agencies for the modernization or construction of facilities referred to in subsection (a)(1).


AMENDMENTS


COMMITMENTS FOR DIRECT LOANS TO PUBLIC AGENCIES

Pub. L. 91–667, title II, § 200, Jan. 11, 1971, 84 Stat. 2007, provided: “That the Secretary is authorized to issue commitments for direct loans to public agencies in accordance with section 627 of the Public Health Service Act (42 U.S.C. 291j–7) which shall constitute contractual obligations of the United States, the total of such outstanding commitments not to exceed $30,000,000 at any given time; to sell obligations received pursuant to such commitments as provided in section 627, and the proceeds of any such sale shall be used to make a direct loan pursuant to the outstanding commitment under which the obligations were received.”

PART C—CONSTRUCTION OR MODERNIZATION OF EMERGENCY ROOMS

§ 291j–8. Authorization of appropriations

In order to assist in the provision of adequate emergency room service in various communities of the Nation for treatment of accident victims and handling of other medical emergencies, through special project grants for the construction or modernization of emergency rooms of general hospitals, there are authorized to be appropriated $20,000,000 each for the fiscal year ending June 30, 1971, and the next two fiscal years.

(1) July 1, 1944, ch. 373, title VI, § 631, as added Pub. L. 91–296, title III, § 301, June 30, 1970, 84 Stat. 251.)

§ 291j–9. Eligibility for grants

Funds appropriated pursuant to section 291j–8 of this title shall be available for grants by the Secretary for not to exceed 50 per centum of the cost of construction or modernization of emergency rooms of public or nonprofit general hospitals, including provision or replacement of medical transportation facilities. Such grants shall be made by the Secretary only after consultation with the State agency designated in accordance with section 291d(a)(1) of this title.
In order to be eligible for a grant under this part, the project, and the applicant therefor, must meet such criteria as may be prescribed by regulations. Such regulations shall be so designed as to provide aid only with respect to projects for which adequate assistance is not readily available from other Federal, State, local, or other sources, and to assist in providing modern, efficient, and effective emergency room service needed to care for victims of highway, industrial, agricultural, or other accidents and to handle other medical emergencies, and to assist in providing such service in geographical areas which have special need therefor.

(July 1, 1944, ch. 373, title VI, § 632, as added Pub. L. 91–296, title III, § 301, June 30, 1970, 84 Stat. 351.)

§ 291j–10. Payments

Grants under this part shall be paid in advance or by way of reimbursement, in such installments and on such conditions, as in the judgment of the Secretary will best carry out the purposes of this part.

(July 1, 1944, ch. 373, title VI, § 633, as added Pub. L. 91–296, title III, § 301, June 30, 1970, 84 Stat. 351.)

PART D—GENERAL PROVISIONS

§ 291k. Federal Hospital Council

(a) Membership; qualifications

In administering this subchapter, the Surgeon General shall consult with a Federal Hospital Council consisting of the Surgeon General, who shall serve as Chairman ex officio, and twelve members appointed by the Secretary of Health and Human Services. Six of the twelve appointed members shall be persons who are outstanding in fields pertaining to medical facility and health activities, and three of these six shall be authorities in matters relating to the operation of hospitals or other medical facilities, one of them shall be an authority in matters relating to individuals with intellectual disabilities, and one of them shall be an authority in matters relating to mental health, and the other six members shall be appointed to represent the consumers of the services provided by such facilities and shall be persons familiar with the need for such services in urban or rural areas.

(b) Term of membership

Each appointed member shall hold office for a term of four years, except that any member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed for the remainder of such term. An appointed member shall not be eligible to serve continuously for more than two terms (whether beginning before or after August 18, 1964) but shall be eligible for reappointment if he has not served immediately preceding his reappointment.

(c) Meetings; annual or by call of Surgeon General

The Council shall meet as frequently as the Surgeon General deems necessary, but not less than once each year. Upon request by three or more members, it shall be the duty of the Surgeon General to call a meeting of the Council.

(d) Advisory or technical committees

The Council is authorized to appoint such special advisory or technical committees as may be useful in carrying out its functions.


PRIOR PROVISIONS

Provisions similar to those comprising this section were contained in subsec. (b) of a prior section 291k, act July 1, 1944, ch. 373, title VI, § 633, as added Aug. 13, 1946, ch. 958, § 2, 60 Stat. 1041; amended June 24, 1948, ch. 621, § 6(b), 62 Stat. 692; 1953 Reorg. Plan No. 1, §§ 5, 8, eff. Apr. 11, 1953, 18 F.R. 2053, 67 Stat. 631, prior to the general amendment of this subchapter by Pub. L. 88–443.

AMENDMENTS

2010—Subsec. (a). Pub. L. 111–256 substituted “‘matters relating to individuals with intellectual disabilities’” for “‘matters relating to the mentally retarded’”.

1970—Subsec. (e). Pub. L. 91–515 struck out subsec. (e) which related to payment of compensation and travel expenses of appointed Council members and members of advisory or technical committees while serving on Council business.

TRANSFER OF FUNCTIONS

“Secretary of Health and Human Services” substituted for “Secretary of Health, Education, and Welfare” in subsec. (a) pursuant to section 509(b) of Pub. L. 96–88 which is classified to section 3508(b) of Title 20, Education.

Office of Surgeon General abolished by section 3 of Reorg. Plan No. 3 of 1966, eff. June 25, 1966, 31 F.R. 8555, 80 Stat. 1610, and functions thereof transferred to Secretary of Health, Education, and Welfare of Title 20, Education and Welfare redesignated Secretary of Health and Human Services by section 509(b) of Pub. L. 96–88 which is classified to section 3508(b) of Title 20, Office of Surgeon General reestablished within the Office of the Assistant Secretary for Health, see Notice of Department of Health and Human Services, Office of the Assistant Secretary for Health, Mar. 30, 1987, 52 F.R. 11754.

TERMS OF FEDERAL HOSPITAL COUNCIL MEMBERS

Pub. L. 88–443, § 3(b)(3), Aug. 18, 1964, 78 Stat. 462, providing that the terms of members serving on the Council prior to Aug. 18, 1964, shall expire on the date they would have expired had Pub. L. 88–443 not been enacted, is set out as an Effective Date note under section 291 of this title.

TERMINATION OF ADVISORY COMMITTEES

Pub. L. 93–641, § 6, Jan. 4, 1975, 88 Stat. 2275, set out as a note under section 217a of this title, provided that an advisory committee established pursuant to the Public Health Service Act shall terminate at such time as may be specifically prescribed by an Act of Congress enacted after Jan. 4, 1975.

DEFINITIONS

For meaning of references to an intellectual disability and to individuals with intellectual disabilities in provisions amended by section 2 of Pub. L. 111–256, see
section 2(k) of Pub. L. 111–256, set out as a note under section 1400 of Title 20, Education.

§ 291l. Conference of State agencies

Whenever in his opinion the purposes of this subchapter would be promoted by a conference, the Surgeon General may invite representatives of as many State agencies, designated in accordance with section 291d of this title, to confer as he deems necessary or proper. A conference of the representatives of all such State agencies shall be called annually by the Surgeon General. Upon the application of five or more of such State agencies, it shall be the duty of the Surgeon General to call a conference of representatives of all State agencies joining in the request.


Prior Provisions

A prior section 291l, act July 1, 1944, ch. 373, title VI, §634, as added Aug. 13, 1946, ch. 958, §2, 60 Stat. 1041, contained provisions similar to this section, prior to the general amendment of this subchapter by Pub. L. 88–443.

Transfer of Functions


§ 291m. State control of operations

Except as otherwise specifically provided, nothing in this subchapter shall be construed as conferring on any Federal officer or employee the right to exercise any supervision or control over the administration, personnel, maintenance, or operation of any facility with respect to which any funds have been or may be expended under this subchapter.


Prior Provisions

A prior section 291m, act July 1, 1944, ch. 373, title VI, §635, as added Aug. 13, 1946, ch. 958, §2, 60 Stat. 1041; amended July 12, 1947, Pub. L. 77–371, §4(b), 63 Stat. 687, contained provisions similar to this section, prior to the general amendment of this subchapter by Pub. L. 88–443.

§ 291m–1. Loans for certain hospital experimentation projects

(a) Other public or private sources unavailable for alleviation of hardship due to increased construction costs

In order to alleviate hardship on any recipient of a grant under section 291n of this title (as in effect immediately before August 18, 1964) for a project for the construction of an experimental or demonstration facility having as its specific purpose the application of novel means for the reduction of hospital costs with respect to which there has been a substantial increase in the cost of such construction (over the estimated cost of such project on the basis of which such grant was made) through no fault of such recipient, the Secretary is authorized to make a loan to such recipient not exceeding 66 2⁄3 per centum of such increased costs, as determined by the Secretary, if the Secretary determines that such recipient is unable to obtain such an amount for such purpose from other public or private sources.

(b) Application; form; information

Any such loan shall be made only on the basis of an application submitted to the Secretary in such form and containing such information and assurances as he may prescribe.

(c) Interest; repayment period

Each such loan shall bear interest at the rate of 2½ per centum per annum on the unpaid balance thereof and shall be repayable over a period determined by the Secretary to be appropriate, but not exceeding fifty years.

(d) Authorization of appropriation

There are hereby authorized to be appropriated $3,500,000 to carry out the provisions of this section.


References in Text


Provisions similar to those comprising this section were contained in a prior section 291n, act July 1, 1944, ch. 373, title VI, §636, as added Oct. 25, 1949, ch. 722, §5, 63 Stat. 900; amended Oct. 6, 1961, Pub. L. 87–358, §4, 75 Stat. 825, prior to the general amendment of this subchapter by Pub. L. 88–443.

Effective Date of Repeal

Repeal effective with respect to appropriations for fiscal year ending after June 30, 1967, see section 3(b) of

1 See References in Text note below.
§ 291n-1. Definitions

For the purposes of this subchapter—
(a) The term “State” includes the Commonwealth of Puerto Rico, Guam, American Samoa, the Trust Territory of the Pacific Islands, the Virgin Islands, and the District of Columbia.
(b)(1) The term “Federal share” with respect to any project means the proportion of the cost of such project to be paid by the Federal Government under this subchapter.
(2) With respect to any project in any State for which a grant is made from an allotment from an appropriation under section 291a of this title, the Federal share shall be the amount determined by the State agency designated in accordance with section 291d of this title, but not more than 66\(\frac{2}{3}\) per centum of the State’s allotment percentage, whichever is the lower, except that, if the State’s allotment percentage is lower than 50 per centum, such allotment percentage shall be deemed to be 50 per centum for purposes of this paragraph.
(3) Prior to the approval of the first project in a State during any fiscal year the State agency designated in accordance with section 291d of this title shall give the Secretary written notification of the maximum Federal share established pursuant to paragraph (2) of this subsection for projects in such State to be approved by the Secretary during such fiscal year and the method for determining the actual Federal share to be paid with respect to such projects; and such maximum Federal share and such method of determination for projects in such State approved during such fiscal year shall not be changed after such approval.
(4) Notwithstanding the provisions of paragraphs (2) and (3) of this subsection, the Federal share shall, at the option of the State agency, be equal to the per centum provided under such paragraphs plus an incentive per centum (which when combined with the per centum provided under such paragraphs shall not exceed 90 per centum) specified by the State agency in the case of (A) projects that will provide services primarily for persons in an area determined by the Secretary to be a rural or urban poverty area; (B) projects that offer potential for reducing health care costs through shared services among health care facilities, through interfacility cooperation, or through the construction or modernization of free-standing outpatient facilities.
(c) The term “hospital” includes general, tuberculosis, and other types of hospitals, and related facilities, such as laboratories, outpatient departments, nurses’ home facilities, extended care facilities, facilities related to programs for home health services, self-care units, and central service facilities, operated in connection with hospitals, and also includes education or training facilities for health professions personnel operated as an integral part of a hospital, but does not include any hospital furnishing primarily domiciliary care.
(d) The term “public health center” means a publicly owned facility for the provision of public health services, including related publicly owned facilities such as laboratories, clinics, and administrative offices operated in connection with such a facility.
(e) The term “nonprofit” as applied to any facility means a facility which is owned and operated by one or more nonprofit corporations or associations no part of the net earnings of which inures, or may lawfully inure, to the benefit of any private shareholder or individual.
(f) The term “outpatient facility” means a facility (located in or apart from a hospital) for the diagnosis or diagnosis and treatment of ambulatory patients (including ambulatory inpatients)—
(1) which is operated in connection with a hospital, or
(2) in which patient care is under the professional supervision of persons licensed to practice medicine or surgery in the State, or, in the case of dental diagnosis or treatment, under the professional supervision of persons licensed to practice dentistry in the State;
(g) The term “rehabilitation facility” means a facility which is operated for the primary purpose of assisting in the rehabilitation of disabled persons through an integrated program of—
(1) medical evaluation and services, and
(2) psychological, social, or vocational evaluation and services,
under competent professional supervision, and in the case of which—
(3) the major portion of the required evaluation and services is furnished within the facility; and
(4) either (A) the facility is operated in connection with a hospital, or (B) all medical and related health services are prescribed by, or are under the general direction of, persons licensed to practice medicine or surgery in the State.
(h) The term “facility for long-term care” means a facility (including an extended care facility) providing in-patient care for convalescent or chronic disease patients who require skilled nursing care and related medical services—
(1) which is a hospital (other than a hospital primarily for the care and treatment of mentally ill or tuberculosis patients) or is operated in connection with a hospital, or
(2) in which such nursing care and medical services are prescribed by, or are performed under the general direction of, persons licensed to practice medicine or surgery in the State.
(i) The term "construction" includes construction of new buildings, expansion, remodeling, and alteration of existing buildings, and initial equipment of any such buildings (including medical transportation facilities) and, in any case in which it will help to provide a service not previously provided in the community, equipment of any buildings; including architects' fees, but excluding the cost of off-site improvements and, except with respect to public health centers, the cost of the acquisition of land.

(j) The term "cost" as applied to construction or modernization means the amount found by the Surgeon General to be necessary for construction and modernization respectively, under a project, except that such term, as applied to a project for modernization of a facility for which a grant or loan is to be made from an allotment under section 291(a)(2) of this title, does not include any amount found by the Surgeon General to be attributable to expansion of the bed capacity of such facility.

(k) The term "modernization" includes alteration, major repair (to the extent permitted by regulations), remodeling, replacement, and renovation of existing buildings (including initial equipment thereof), and replacement of obsolete, built-in (as determined in accordance with regulations) equipment of existing buildings.

(l) The term "title", when used with reference to a project, means a fee simple, or such other estate or interest (including a leasehold on which the rental does not exceed 4 per centum of the value of the land) as the Surgeon General finds sufficient to assure for a period of not less than fifty years' undisturbed use and possession for the purposes of construction and operation of the project.


Prior Provisions

A prior section 291o, act July 1, 1944, ch. 373, title VI, § 641, as added July 12, 1944, ch. 471, § 2, 68 Stat. 461, related in part to a declaration of purpose with respect to diagnostic or treatment centers, chronic disease hospitals, rehabilitation facilities, and nursing homes, prior to the general amendment of this subchapter by Pub. L. 88–443. See section 291 of this title.


Amendments


Subsec. (b). Pub. L. 91–296, § 119(d), provided that Federal share of any project be in such amount, not in excess of two-thirds, as the State agency determined and authorized a higher Federal share of up to 90 per centum, in case of rural or urban poverty projects, and facilities which might reduce health costs through shared services, interfacility cooperation, and free-standing ambulatory care centers.

Subsec. (c). Pub. L. 91–296, § 114(a), inserted references to extended care facilities, facilities related to programs for home health services, and self-care units operated in connection with hospitals and education or training facilities for health professions personnel operated as an integral part of a hospital.

Subsec. (f). Pub. L. 91–296, § 116(f), substituted "outpatient facility" for "diagnostic or treatment center", inserted "(located in or apart from a hospital)" after "means at facility", inserted "(including ambulatory inpatients)" after "ambulatory patients", and added par. (3).

Subsec. (h). Pub. L. 91–296, § 117, inserted "(including an extended care facility)" after "means a facility".

Subsec. (i). Pub. L. 91–296, § 118, inserted reference to equipment of any buildings in cases in which such equipment will help to provide a service not previously provided in the community.

1964—Subsec. (c). Pub. L. 88–581 substituted "nurses' home facilities" for "nurses' home and training facilities".

Effective Date of 1970 Amendment

Pub. L. 91–296, title I, § 113, June 30, 1970, 84 Stat. 340, provided that the amendment made by that section is effective with respect to projects approved under this subchapter after June 30, 1970.

Pub. L. 91–296, title I, § 114(a), June 30, 1970, 84 Stat. 341, provided that the amendment made by that section is effective with respect to applications approved under this subchapter after June 30, 1970.

Pub. L. 91–296, title I, § 116(f), June 30, 1970, 84 Stat. 342, provided that: "The amendments made by subsection (e) [amending this section] and paragraphs (2) and (3) of subsection (f) of this section [amending section 291e of this title] shall apply with respect to applications approved under title VI of such Act [42 U.S.C. 291 et seq.] after June 30, 1970."

Pub. L. 91–296, title I, § 117, June 30, 1970, 84 Stat. 342, provided that the amendment made by that section is effective with respect to applications approved under this subchapter after June 30, 1970.

Pub. L. 91–296, title I, § 118, June 30, 1970, 84 Stat. 342, provided that the amendment made by that section is effective with respect to projects approved under this subchapter after June 30, 1970.

Amendment by section 119(d) of Pub. L. 91–296 applicable with respect to allotments and grants therefrom under part A of this subchapter for fiscal years ending after June 30, 1970, and with respect to loan guarantees and loans under part B of such subchapter made after June 30, 1970, see section 119(e) of Pub. L. 91–296, set out as a note under section 291b of this title.

Effective Date of 1964 Amendment

Amendment by Pub. L. 88–581 effective with respect to applications for grants from appropriations for fiscal years beginning after June 30, 1965, see section 3(b) of Pub. L. 88–581, set out as a note under section 291c of this title.

Transfer of Functions

Office of Surgeon General abolished by section 3 of Reorg. Plan No. 3 of 1966, eff. June 25, 1966, 31 F.R. 8855, 80 Stat. 1610, and functions thereof transferred to Secretary of Health, Education, and Welfare by section 1 of Reorg. Plan No. 3 of 1966, set out as a note under section 222 of this title, Secretary of Health, Education, and Welfare redesignated Secretary of Health and Human Services by section 509(b) of Pub. L. 96–88 which is classified to section 3308(b) of Title 20, Education. Office of Surgeon General reestablished within the Office of the Assistant Secretary for Health, see Notice of Department of Health and Human Services, Office of the

**Termination of Trust Territory of the Pacific Islands**

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

§ 291o–1. Financial statements

In the case of any facility for which a grant, loan, or loan guarantee has been made under this subchapter, the applicant for such grant, loan, or loan guarantee (or, if appropriate, such other person as the Secretary may prescribe) shall file at least annually with the State agency for the State in which the facility is located a statement which shall be in such form, and contain such information, as the Secretary may require to accurately show—

(1) the financial operations of the facility, and

(2) the costs to the facility of providing health services in the facility and the charges made by the facility for providing such services, during the period with respect to which the statement is filed.

(July 1, 1944, ch. 373, title VI, § 646, as added Pub. L. 91–296, title I, §121, June 30, 1970, 84 Stat. 343.)

Prior Provisions

Sections 291p to 291z were omitted in the general amendment of this subchapter by Pub. L. 88–443, Aug. 18, 1964, 78 Stat. 447.

Section 291p, act July 1, 1944, ch. 373, title VI, §646, as added July 12, 1954, ch. 471, §2, 68 Stat. 461, related to appropriations to States for carrying out purposes of section 291(a) of this title.

Section 291q, act July 1, 1944, ch. 373, title VI, §647, as added July 12, 1954, ch. 471, §2, 68 Stat. 461, related to State application for funds for carrying out purposes of section 291(a) of this title.

Section 291r, act July 1, 1944, ch. 373, title VI, §648, as added July 12, 1954, ch. 471, §2, 68 Stat. 462, related to allotments to States of appropriations made pursuant to section 291p of this title.


Section 291u, act July 1, 1944, ch. 373, title VI, §653, as added July 12, 1954, ch. 471, §3, 68 Stat. 463, related to revision of regulations and State plans to cover benefits of sections 291a to 291v of this title.


Section 290y, act July 1, 1944, ch. 373, title VI, §663, as added Aug. 1, 1958, Pub. L. 85–589, 72 Stat. 489, related to terms of the loans with respect to sections 291w to 291x of this title.

Section 290z, act July 1, 1944, ch. 373, title VI, §664, as added Aug. 1, 1958, Pub. L. 85–589, 72 Stat. 490, related to allotment of funds for loans under this subchapter.

**SUBCHAPTER V—HEALTH PROFESSIONS EDUCATION**

**PART A—STUDENT LOANS**

**SUBPART I—INSURED HEALTH EDUCATION ASSISTANCE LOANS TO GRADUATE STUDENTS**

§ 292. Statement of purpose

The purpose of this subpart is to enable the Secretary to provide a Federal program of student loan insurance for students in (and certain former students of) eligible institutions (as defined in section 292o of this title).


Prior Provisions


A prior section 701 of act July 1, 1944, was classified to section 292a of this title prior to the general revision of this subchapter by Pub. L. 102–408.

Effective Date

Pub. L. 102–408, title I, §103, Oct. 13, 1992, 106 Stat. 2069, provided that: “The amendment made by section 102 [enacting this subchapter] takes effect on the date of the enactment of this Act [Oct. 13, 1992], except that section 708 of the Public Health Service Act (42 U.S.C. 292e), as added by section 102 of this Act, takes effect January 1, 1993. Until such date, section 732(c) of the Public Health Service Act [former 42 U.S.C. 294(e)], as in effect on the day before the date of the enactment of this Act, continues in effect in lieu of such section 708.”

**Transfer of Health Education Assistance Loan Program**


(a) In General.—The Health Education Assistance Loan (‘HEAL”) program under title VII, part A, subpart I of the PHS [Public Health Service] Act (42 U.S.C. 292 et seq.), and the authority to administer such program, including servicing, collecting, and enforcing any loans that were made under such program that remain outstanding, shall be permanently transferred from the Secretary of Health and Human Services to the Secretary of Education no later than the end of the first fiscal quarter that begins after the date of enactment of this Act [Jan. 17, 2014].

(b) Transfer of Functions, Assets, and Liabilities.—The functions, assets, and liabilities of the Secretary of Health and Human Services relating to such program shall be transferred to the Secretary of Education.
§ 292a. Scope and duration of loan insurance program

(a) In general

The total principal amount of new loans made and installments paid pursuant to lines of credit (as defined in section 292d of this title) to borrowers covered by Federal loan insurance under this subpart shall not exceed $350,000,000 for fiscal year 1993, $375,000,000 for fiscal year 1994, and $425,000,000 for fiscal year 1995. If the total amount of new loans made and installments paid pursuant to lines of credit in any fiscal year is less than the ceiling established for such year, the difference between the loans made and installments paid and the ceiling shall be carried over to the next fiscal year and added to the ceiling applicable to that fiscal year, and in any fiscal year no ceiling has been established, any difference carried over shall constitute the ceiling for making new loans (including loans to new borrowers) and paying installments for such fiscal year. Thereafter, Federal loan insurance pursuant to this subpart may be granted only for loans made (or for loan installments paid pursuant to lines of credit) to enable students, including such regulations with respect to applications, contracts, and due diligence.

(b) Certain limitations and priorities

(1) Limitations regarding lenders, States, or areas

The Secretary may, if necessary to assure an equitable distribution of the benefits of this subpart, assign, within the maximum amounts specified in subsection (a), Federal loan insurance quotas applicable to eligible lenders, or to States or areas, and may from time to time reassign unused portions of these quotas.

(2) Priority for certain lenders

In providing certificates of insurance under section 292e of this title through comprehensive contracts, the Secretary shall give priority to eligible lenders that agree—

(A) to make loans to students at interest rates below the rates prevailing, during the period involved, for loans covered by Federal loan insurance pursuant to this subpart; or

(B) to make such loans under terms that are otherwise favorable to the student relative to the terms under which eligible lenders are generally making such loans during such period.

(c) Authority of Student Loan Marketing Association

(1) In general

Subject to paragraph (2), the Student Loan Marketing Association, established under part B of title IV of the Higher Education Act of 1965 [20 U.S.C. 1071 et seq.], is authorized to make advances on the security of, purchase, sell, consolidate, or otherwise deal in student loans, including such regulations with respect to applications, contracts, and due diligence.

(2) Applicability of certain Federal regulations

With respect to Federal regulations for lenders, this subpart may not be construed to preclude the applicability of such regulations to the Student Loan Marketing Association or to any other entity in the business of purchasing student loans, including such regulations with respect to applications, contracts, and due diligence.

(3) Funding

Pub. L. 102–408, title III, § 309, Oct. 13, 1992, 106 Stat. 2089, directed the Comptroller General to conduct a study of the programs carried out under this subchapter and subchapter VI of this chapter for the purpose of determining the effectiveness of such programs in increasing the number of primary care providers who are members of a minority group, and report to the Congress not later than Jan. 1, 1994, on findings and recommendations made as a result of the study relevant to the reauthorization of such programs.
(b) Extent of insurance liability

The insurance liability on any loan insured by the Secretary under this subpart shall be 100 percent of the unpaid balance of the principal amount of the loan plus interest. The full faith and credit of the United States is pledged to the payment of all amounts which may be required to be paid under the provisions of section 292f or 292m of this title.


PRIOR PROVISIONS


A prior section 702 of act July 1, 1944, was classified to section 292b of this title prior to the general revision of this subchapter by Pub. L. 102–408.

§ 292b. Limitations on individual insured loans and on loan insurance

(a) In general

The total of the loans made to a student in any academic year or its equivalent (as determined by the Secretary) which may be covered by Federal loan insurance under this subpart may not exceed $20,000 in the case of a student enrolled in a school of pharmacy, public health, allied health, or chiropractic, or a graduate program in health administration or clinical psychology, including clinical psychology. The aggregate unpaid principal amount for all such insured loans made to any borrower shall not at any time exceed $50,000 in the case of a borrower who is or was a student enrolled in a school of pharmacy, public health, allied health, or chiropractic, or a graduate program in health administration or clinical psychology. The annual insurable limit per student shall not be exceeded by a line of credit under which actual payments by the lender to the borrower will not be made in any year in excess of the annual limit.
§ 292d. Eligibility of borrowers and terms of insured loans

(a) In general

A loan by an eligible lender shall be insurable by the Secretary under the provisions of this subpart only if—

(1) made to—

(A) a student who—

(i) has been accepted for enrollment at an eligible institution, or (II) in the case of a student attending an eligible institution, is in good standing at that institution, as determined by the institution;

(ii) is or will be a full-time student at the eligible institution;

(iii) has agreed that all funds received under such loan shall be used solely for tuition, other reasonable educational expenses, including fees, books, and laboratory expenses, and reasonable living expenses, incurred by such students;

(iv) if required under section 3802 of title 50 to present himself for and submit to registration under such section, has presented himself and submitted to registration under such section; and

(v) in the case of a pharmacy student, has satisfactorily completed three years of training; or

(B) an individual who—

(i) has previously had a loan insured under this subpart when the individual was a full-time student at an eligible institution;

(ii) is in a period during which, pursuant to paragraph (2), the principal amount of such previous loan need not be paid;

(iii) has agreed that all funds received under the proposed loan shall be used solely for repayment of interest due on previous loans made under this subpart; and

(iv) if required under section 3802 of title 50 to present himself for and submit to registration under such section, has presented himself and submitted to registration under such section;

(2) evidenced by a note or other written agreement which—

(A) is made without security and without endorsement, except that if the borrower is a minor and such note or other written agreement executed by him would not, under the applicable law, create a binding obligation, an endorsement may be required;

(B) provides for repayment of the principal amount of the loan in installments over a period of not less than 10 years (unless sooner repaid) nor more than 25 years beginning not earlier than 9 months nor later than 12 months after the date of—

(i) the date on which—

(I) the borrower ceases to be a participant in an accredited internship or residency program of not more than four years in duration;

(II) the borrower completes the fourth year of an accredited internship or residency program of more than four years in duration; or

(III) the borrower, if not a participant in a program described in subclause (I) or (II), ceases to carry, at an eligible institution, the normal full-time academic workload as determined by the institution;

or

(ii) the date on which a borrower who is a graduate of an eligible institution ceases to be a participant in a fellowship training program not in excess of two years or a participant in a full-time educational activity not in excess of two years, which—

(I) is directly related to the health profession for which the borrower prepared at an eligible institution, as determined by the Secretary; and

(II) may be engaged in by the borrower during such a two-year period which begins within twelve months after the completion of the borrower’s participation in a program described in subclause (I) or (II) of clause (i) or prior to the completion of the borrower’s participation in such program, except as provided in subparagraph (C), except that the period of the loan may not exceed 33 years from the date of execution of the note or written agreement evidencing it, and except that the note or other written instrument may contain such provisions relating to repayment in the event of default in the payment of interest or in the payment of the costs of insurance premiums, or other default by the borrower, as may be authorized by regulations of the Secretary in effect at the time the loan is made;

(C) provides that periodic installments of principal and interest need not be paid, but interest shall accrue, during any period (i) during which the borrower is pursuing a full-time course of study at an eligible institution (or at an institution defined by section 1002(a) of title 20); (ii) not in excess of four years during which the borrower is a participant in an accredited internship or residency program (including any period in such a program described in subclause (I) or subclause (II) of subparagraph (B)(i)); (iii) not in excess of three years, during which the borrower is a member of the Armed Forces of the United States; (iv) not in excess of three years during which the borrower is in service as a volunteer under the Peace Corps Act [22 U.S.C. 2501 et seq.]; (v) not in excess of three years during which the borrower is a member of the National Health Service Corps; (vi) not in excess of three years during which the
So in original. Probably should be preceded by a closing parenthesis.

(b) Limitation on rate of interest

The rate of interest prescribed and defined by the Secretary for the purpose of subsection (a)(2)(D) may not exceed the average of the bond equivalent rates of the 91-day Treasury bills auctioned for the previous quarter plus 3 percentage points, rounded to the next higher one-eighth of 1 percent.

(c) Minimum annual payment by borrower

The total of the payments by a borrower during any year or any repayment period with respect to the aggregate amount of all loans to that borrower which are insured under this subpart shall not be less than the annual interest on the outstanding principal, except as provided in subsection (a)(2)(C), unless the borrower, in the written agreement described in subsection (a)(2), agrees to make payments during any year or any repayment period in a lesser amount.

(d) Applicability of certain laws on rate or amount of interest

No provision of any law of the United States (other than subsections (a)(2)(D) and (b)) or of any State that limits the rate or amount of interest payable on loans shall apply to a loan insured under this subpart.

(e) Determination regarding forbearance

Any period of time granted to a borrower under this subpart in the form of forbearance on the loan shall not be included in the 25-year total loan repayment period under subsection (a)(2)(C).

(f) Loan repayment schedule

Lenders and holders under this subpart shall offer borrowers graduated loan repayment schedules that, during the first 5 years of loan repayment, are based on the borrower’s debt-to-income ratio.

(g) Rule of construction regarding determination of need of students

With respect to any determination of the financial need of a student for a loan covered by Federal loan insurance under this subpart, this subpart may not be construed to limit the authority of any school to make such allowances for students with special circumstances as the school determines appropriate.

(h) Definitions

For purposes of this section:

(1) The term “active duty” has the meaning given such term in section 101(18) of title 37, except that such term does not include active duty for training.

(2) The term “Persian Gulf conflict” means the period beginning on August 2, 1990, and
ending on the date thereafter prescribed by Presidential proclamation or by law.


REFERENCES IN TEXT

§ 292e  TITLE 42—THE PUBLIC HEALTH AND WELFARE  Page 872
tificate of comprehensive insurance coverage which shall, without further action by the Secretary, insure all insurable loans made by that lender, on or after the date of the certificate and before a specified cutoff date, within the limits of an aggregate maximum amount stated in the certificate. Such regulations may provide for conditioning such insurance, with respect to any loan, upon compliance by the lender with such requirements (to be stated or incorporated by reference in the certificate) as in the Secretary’s judgment will best achieve the purpose of this subsection while protecting the financial interest of the United States and promoting the objectives of this subpart, including (but not limited to) provisions as to the reporting of such loans and information relevant thereto to the Secretary and as to the payment of interest and other premiums and the interest of default therein, and including provision for confirmation by the Secretary from time to time (through endorsement of the certificate) of the coverage of specific new loans by such certificate, which confirmation shall be uncontestable by the Secretary in the absence of fraud or misrepresentation of fact or patent error.

(2) Lines of credit beyond cutoff date

If the holder of a certificate of comprehensive insurance coverage issued under this subsection grants to a borrower a line of credit extending beyond the cutoff date specified in that certificate, loans or payments thereon made by the holder after that date pursuant to the line of credit shall not be deemed to be included in the coverage of that certificate except as may be specifically provided therein; but, subject to the limitations of section 292a of this title, the Secretary may, in accordance with regulations, make commitments to insure such future loans or payments, and such commitments may be honored either as provided in subsection (a) or by inclusion of such insurance in comprehensive coverage under this subsection for the period or periods in which such future loans or payments are made.

(c) Assignment of insurance rights

The rights of an eligible lender arising under insurance evidenced by a certificate of insurance issued to it under this section may be assigned by such lender, subject to regulation by the Secretary, only to—

(1) another eligible lender (including a public entity in the business of purchasing student loans); or

(2) the Student Loan Marketing Association.

(d) Effect of refinancing or consolidation of obligations

The consolidation of the obligations of two or more federally insured loans obtained by a borrower in any fiscal year into a single obligation evidenced by a single instrument of indebtedness or the refinancing of a single loan shall not affect the insurance by the United States. If the loans thus consolidated are covered by separate certificates of insurance issued under subsection (a), the Secretary may upon surrender of the original certificates issue a new certificate of insurance in accordance with that subsection upon the consolidated obligation. If the loans thus consolidated are covered by a single comprehensive certificate issued under subsection (b), the Secretary may amend that certificate accordingly.

(e) Rule of construction regarding consolidation of debts and refinancing

Nothing in this section shall be construed to preclude the lender and the borrower, by mutual agreement, from consolidating all of the borrower’s loans insured under this subpart into a single instrument (or, if the borrower obtained only 1 loan insured under this subpart, refinancing the loan 1 time) under the federal and regulation of an insured loan made at the same time as the consolidation. The lender or loan holder should provide full information to the borrower concerning the advantages and disadvantages of loan consolidation or refinancing. Nothing in this section shall be construed to preclude the consolidation of the borrower’s loans insured under this subpart under section 1078–3 of title 20. Any loans insured pursuant to this subpart that are consolidated under section 1078–3 of title 20 shall not be eligible for special allowance payments under section 1087–1 of title 20.

(Prior Provisions


Prior Provisions


A prior section 706 of act July 1, 1944, was classified to section 292f of this title prior to the general revision of this subchapter by Pub. L. 102–408.

Another prior section 706 of act July 1, 1944, was classified to section 230 of this title prior to repeal by act Apr. 27, 1956, ch. 211, §5(e), 70 Stat. 117.

Amendments

1998—Subsec. (d). Pub. L. 105–392, §145(1), in heading, substituted “refinancing or consolidation” for “consolidation” and, in first sentence, substituted “indebtedness or the refinancing of a single loan” for “indebtedness”. Subsec. (e). Pub. L. 105–392, §145(2), in heading, substituted “debts and refinancing” for “debt”. In first sentence, substituted “all of the borrower’s loans insured under this subpart into a single instrument (or, if the borrower obtained only 1 loan insured under this subpart, refinancing the loan 1 time)” for “all of the borrower’s debts into a single instrument”, and in second sentence, substituted “consolidation or refinancing” for “consolidation”.

§ 292f. Default of borrower

(a) Conditions for payment to beneficiary

(1) In general

Upon default by the borrower on any loan covered by Federal loan insurance pursuant to this subpart, and after a substantial collection effort (including, subject to subsection (h), commencement and prosecution of an action) as determined under regulations of the Secretary, the insurance beneficiary shall promptly notify the Secretary and the Secretary shall, if requested (at that time or after further collection efforts) by the beneficiary, or may on his own motion, if the insurance is still in effect, pay to the beneficiary the amount of the loss sustained by the insured upon that loan as soon as that amount has been determined, except that, if the insurance beneficiary including any servicer of the loan is not designated for “exceptional performance”, as set forth in paragraph (2), the Secretary shall pay to the beneficiary a sum equal to 98 percent of the amount of the loss sustained by the insured upon that loan.

(2) Exceptional performance

(A) Authority

Where the Secretary determines that an eligible lender, holder, or servicer has a compliance performance rating that equals or exceeds 97 percent, the Secretary shall designate that eligible lender, holder, or servicer, as the case may be, for exceptional performance.

(B) Compliance performance rating

For purposes of subparagraph (A), a compliance performance rating is determined with respect to compliance with due diligence in the disbursement, servicing, and collection of loans under this subpart for each year for which the determination is made. Such rating shall be equal to the percentage of all due diligence requirements applicable to each loan, on average, as established by the Secretary, with respect to loans serviced during the period by the eligible lender, holder, or servicer.

(C) Annual audits for lenders, holders, and servicers

Each eligible lender, holder, or servicer desiring a designation under subparagraph (A) shall have an annual financial and compliance audit conducted with respect to the loan portfolio of such eligible lender, holder, or servicer, by a qualified independent organization from a list of qualified organizations identified by the Secretary and in accordance with standards established by the Secretary. The standards shall measure the lender’s, holder’s, or servicer’s compliance with due diligence standards and shall include a defined statistical sampling technique designed to measure the performance rating of the eligible lender, holder, or servicer for the purpose of this section. Each eligible lender, holder, or servicer shall submit the audit required by this section to the Secretary.

(D) Secretary’s determinations

The Secretary shall make the determination under subparagraph (A) based upon the audits submitted under this paragraph and any information in the possession of the Secretary or submitted by any other agency or office of the Federal Government.

(E) Quarterly compliance audit

To maintain its status as an exceptional performer, the lender, holder, or servicer shall undergo a quarterly compliance audit at the end of each quarter (other than the quarter in which status as an exceptional performer is established through a financial and compliance audit, as described in subparagraph (C)), and submit the results of such audit to the Secretary. The compliance audit shall review compliance with due diligence requirements for the period beginning on the day after the ending date of the previous audit. In accordance with standards determined by the Secretary.

(F) Revocation authority

The Secretary shall revoke the designation of a lender, holder, or servicer under subparagraph (A) if any quarterly audit required under subparagraph (E) is not received by the Secretary by the date established by the Secretary or if the audit indicates the lender, holder, or servicer has failed to meet the standards for designation as an exceptional performer under subparagraph (A). A lender, holder, or servicer receiving a compliance audit not meeting the standard for designation as an exceptional performer may reapply for designation under subparagraph (A) at any time.

(G) Documentation

Nothing in this section shall restrict or limit the authority of the Secretary to require the submission of claims documentation evidencing servicing performed on loans, except that the Secretary may not require exceptional performers to submit greater documentation than that required for lenders, holders, and servicers not designated under subparagraph (A).

(H) Cost of audits

Each eligible lender, holder, or servicer shall pay for all the costs associated with the audits required under this section.

(I) Additional revocation authority

Notwithstanding any other provision of this section, a designation under subparagraph (A) may be revoked at any time by the Secretary if the Secretary determines that the eligible lender, holder, or servicer has failed to maintain an overall level of compliance consistent with the audit submitted by the eligible lender, holder, or servicer under this paragraph or if the Secretary asserts that the lender, holder, or servicer may have engaged in fraud in securing designation under subparagraph (A) or is failing to service loans in accordance with program requirements.

(J) Noncompliance

A lender, holder, or servicer designated under subparagraph (A) that fails to service
loans or otherwise comply with applicable program regulations shall be considered in violation of the Federal False Claims Act.

(b) Subrogation

Upon payment by the Secretary of the amount of the loss pursuant to subsection (a), the United States shall be subrogated for all of the rights of the holder of the obligation upon the insured loan and shall be entitled to an assignment of the note or other evidence of the insured loan by the insurance beneficiary. If the net recovery made by the Secretary on a loan after deduction of the cost of that recovery (including reasonable administrative costs) exceeds the amount of the loss, the excess shall be paid over to the insured. The Secretary may sell without recourse to eligible lenders (or other entities that the Secretary determines are capable of dealing in such loans) notes or other evidence of loans received through assignment under the first sentence.

(c) Forbearance

Nothing in this section or in this subpart shall be construed to preclude any forbearance for the benefit of the borrower which may be agreed upon by the parties to the insured loan and approved by the Secretary or to preclude forbearance by the Secretary in the enforcement of the insured obligation after payment on that insurance.

(d) Reasonable care and diligence regarding loans

Nothing in this section or in this subpart shall be construed to excuse the eligible lender or holder of a federally insured loan from exercising reasonable care and diligence in the making of loans under the provisions of this subpart and from exercising a substantial effort in the collection of loans under the provisions of this subpart. If the Secretary, after reasonable notice and opportunity for hearing to an eligible lender or holder, finds that the lender has failed to exercise such care and diligence, to exercise such substantial efforts, to make the reports and statements required under section 292e(a)(3) of this title, or to pay the required Federal loan insurance premiums, he shall disqualify that lender from obtaining further Federal insurance on such loans or otherwise comply with applicable program regulations under this subpart, in amounts up to the remaining balance of such loans. Procedures for reduction of payments under the medicare program are provided under section 1395ccc of this title. Notwithstanding such section 1395ccc of this title, any funds recovered under this subsection shall be deposited in the insurance fund established under section 2921 of this title.

(g) Conditions for discharge of debt in bankruptcy

Notwithstanding any other provision of Federal or State law, a debt that is a loan insured under the authority of this subpart may be released by a discharge in bankruptcy under any chapter of title 11, only if such discharge is granted—

(1) after the expiration of the seven-year period beginning on the first date when repayment of such loan is required, exclusive of any period after such date in which the obligation to pay installments on the loan is suspended; and

(2) upon a finding by the Bankruptcy Court that the nondischarge of such debt would be unconscionable; and

(3) upon the condition that the Secretary shall not have waived the Secretary’s rights to apply subsection (f) to the borrower and the discharged debt.

(b) Requirement regarding actions for default

(1) In general

With respect to the default by a borrower on any loan covered by Federal loan insurance under this subpart, the Secretary shall, under subsection (a), require an eligible lender or holder to commence and prosecute an action for such default unless—

(A) in the determination of the Secretary—

(i) the eligible lender or holder has made reasonable efforts to serve process on the borrower involved and has been unsuccessful with respect to such efforts, or

(ii) prosecution of such an action would be fruitless because of the financial or other circumstances of the borrower;

(B) for such loans made before November 4, 1988, the loan involved was made in an amount of less than $5,000; or

(C) for such loans made after November 4, 1988, the loan involved was made in an amount of less than $2,500.

(2) Relationship to claim for payment

With respect to an eligible lender or holder that has commenced an action pursuant to subsection (a), the Secretary shall make the payment required in such subsection, or deny the claim for such payment, not later than 60 days after the date on which the Secretary determines that the lender or holder has made reasonable efforts to secure a judgment and
collect on the judgment entered into pursuant to this subsection.

(3) State court judgments

With respect to any State court judgment that is obtained by a lender or holder against a borrower for default on a loan insured under this subpart and that is subrogated to the United States under subsection (b), any United States attorney may register such judgment with the Federal courts for enforcement.

(i) Inapplicability of Federal and State statute of limitations on actions for loan collection

Notwithstanding any other provision of Federal or State law, there shall be no limitation on the period within which suit may be filed, a judgment may be enforced, or an offset, garnishment, or other action may be initiated or taken by the Secretary, the Attorney General, or other administrative head of another Federal agency, as the case may be, for the repayment of the amount due from a borrower on a loan made under this subpart that has been assigned to the Secretary under subsection (b).

(j) School collection assistance

An institution or postgraduate training program attended by a borrower may assist in the collection of any loan of that borrower made under this subpart which becomes delinquent, including providing information concerning the borrower to the Secretary and to past and present lenders and holders of the borrower’s loans, contacting the borrower in order to encourage repayment, and withholding services in accordance with regulations issued by the Secretary under section 292g(a)(7) of this title. The institution or postgraduate training program shall not be subject to section 1692e of title 15 for purposes of carrying out activities authorized by this section.

(3) State court judgments

A prior section 707 of act July 1, 1944, was classified to section 292g of this title prior to the general revision of this subchapter by Pub. L. 102–408.

AMENDMENTS

1998—Subsec. (a). Pub. L. 105–392, § 142(a), designated existing provisions as par. (1), inserted heading, subsec. (d), redesignated “determined”, except that, if the insurer beneficiary including any servicer of the loan is not designated for “exceptional performance”, as set forth in paragraph (2), the Secretary shall pay to the beneficiary a sum equal to 98 percent of the amount of the loss sustained by the insured upon that loan.” for “determined.”, struck out at end “Not later than one year after October 13, 1992, the Secretary shall establish performance standards for lenders and holders of loans under this subpart, including fees to be imposed for failing to meet such standards.”, and added par. (2).

(j) School collection assistance


Subsec. (g). Pub. L. 105–392, § 142(a), substituted “Notwithstanding any other provision of Federal or State law, a debt that is a loan insured” for “A debt which is a loan insured” in introductory provisions.

REFERENCES IN TEXT

The Federal False Claims Act, referred to in subsec. (a)(2)(J), probably means the False Claims Act which was the popular name for sections 231, 232, 233, and 235 of former Title 31, Money and Finance. Sections 231, 232, 233, and 235 were repealed by Pub. L. 97–258, § 5(b), Sept. 13, 1982, 96 Stat. 1041, and reenacted by the first section thereof as sections 3729 to 3731 of Title 31, Money and Finance.

PRIOR PROVISIONS

A prior section 292f, act July 1, 1944, ch. 373, title VII, § 707, as added Oct. 12, 1976, Pub. L. 94–148, title II, § 204, 90 Stat. 2249, authorized contracts under this subchapter without regard to certain provisions, prior to the general revision of this subchapter by Pub. L. 102–408.


§ 292g. Risk-based premiums

(a) Authority

With respect to a loan made under this subpart on or after January 1, 1993, the Secretary, in accordance with subsection (b), shall assess a risk-based premium on an eligible borrower and, if required under this section, an eligible institution that is based on the default rate of the eligible institution involved (as defined in section 292a of this title).

(b) Assessment of premium

Except as provided in subsection (d)(2), the risk-based premium to be assessed under subsection (a) shall be as follows:

(1) Low-risk rate

With respect to an eligible borrower seeking to obtain a loan for attendance at an eligible institution that has a default rate of not to exceed five percent, such borrower shall be assessed a risk-based premium in an amount equal to 6 percent of the principal amount of the loan.
§ 292h  TITLE 42—THE PUBLIC HEALTH AND WELFARE  Page 876

(2) Medium-risk rate
(A) In general
With respect to an eligible borrower seeking to obtain a loan for attendance at an eligible institution that has a default rate of in excess of five percent but not to exceed 10 percent—
(i) such borrower shall be assessed a risk-based premium in an amount equal to 8 percent of the principal amount of the loan; and
(ii) such institution shall be assessed a risk-based premium in an amount equal to 5 percent of the principal amount of the loan.
(B) Default management plan
An institution of the type described in subparagraph (A) shall prepare and submit to the Secretary for approval, an annual default management plan, that shall specify the detailed short-term and long-term procedures that such institution will have in place to minimize defaults on loans to borrowers under this subpart. Under such plan the institution shall, among other measures, provide an exit interview to all borrowers that includes information concerning repayment schedules, loan deferments, forbearance, and the consequences of default.

(3) High-risk rate
(A) In general
With respect to an eligible borrower seeking to obtain a loan for attendance at an eligible institution that has a default rate of in excess of 10 percent but not to exceed 20 percent—
(i) such borrower shall be assessed a risk-based premium in an amount equal to 8 percent of the principal amount of the loan; and
(ii) such institution shall be assessed a risk-based premium in an amount equal to 10 percent of the principal amount of the loan.
(B) Default management plan
An institution of the type described in subparagraph (A) shall prepare and submit to the Secretary for approval a plan that meets the requirements of paragraph (2)(B).

(4) Ineligibility
An individual shall not be eligible to obtain a loan under this subpart for attendance at an institution that has a default rate in excess of 20 percent.

(e) Payoff to reduce risk category
An institution may pay off the outstanding principal and interest owed by the borrowers of such institution who have defaulted on loans made under this subpart in order to reduce the risk category of the institution.


PRIOR PROVISIONS


A prior section 708 of act July 1, 1944, was classified to section 292h of this title prior to the general revision of this subchapter by Pub. L. 102–408.

EFFECTIVE DATE
Section effective Jan. 1, 1993, and until such date, former section 294e(c) of this title, as in effect on the day before Oct. 13, 1992, to continue in effect in lieu of this section, see section 183 of Pub. L. 102–408, set out as a note under section 292 of this title.

§ 292h. Office for Health Education Assistance Loan Default Reduction
(a) Establishment
The Secretary shall establish, within the Division of Student Assistance of the Bureau of Health Professions, an office to be known as the Office for Health Education Assistance Loan Default Reduction (in this section referred to as the “Office”).

(b) Purpose and functions
It shall be the purpose of the Office to achieve a reduction in the number and amounts of de-
faults on loans guaranteed under this subpart.
In carrying out such purpose the Office shall—
(1) conduct analytical and evaluative studies concerning loans and loan defaults;
(2) carry out activities designed to reduce loan defaults;
(3) respond to special circumstances that may exist in the financial lending environment that may lead to loan defaults;
(4) coordinate with other Federal entities that are involved with student loan programs, including—
(A) with respect to the Department of Education, in the development of a single student loan application form, a single student loan deferment form, a single disability form, and a central student loan database; and
(B) with respect to the Department of Justice, in the recovery of payments from health professionals who have defaulted on loans guaranteed under this subpart; and
(5) provide technical assistance to borrowers, lenders, holders, and institutions concerning deferments and collection activities.
(c) Additional duties
In conjunction with the report submitted under subsection (b), the Office shall—
(1) compile, and publish in the Federal Register, a list of the borrowers who are in default under this subpart; and
(2) send the report and notices of default with respect to these borrowers to relevant Federal agencies and to schools, school associations, professional and specialty associations, State licensing boards, hospitals with which such borrowers may be associated, and any other relevant organizations.
(d) Allocation of funds for Office
In the case of amounts reserved under section 292i(a)(2)(B) of this title for obligation under this subpart, the Secretary may obligate the amounts for the purpose of administering the Office, including 7 full-time equivalent employment positions for such Office. With respect to such purpose, amounts made available under the preceding sentence are in addition to amounts made available to the Health Resources and Services Administration for program management for the fiscal year involved. With respect to such employment positions, the positions are in addition to the number of full-time equivalent employment positions that otherwise is authorized for the Department of Health and Human Services for the fiscal year involved.

§ 292i. Insurance account

(a) In general

(1) Establishment
There is hereby established a student loan insurance account (in this section referred to as the ‘‘Account’’) which shall be available without fiscal year limitation to the Secretary for making payments in connection with the collection and default of loans insured under this subpart by the Secretary.

(2) Funding
(A) Except as provided in subparagraph (B), all amounts received by the Secretary as premium charges for insurance and as receipts, earnings, or proceeds derived from any claim or other assets acquired by the Secretary in connection with his operations under this subpart, and any other moneys, property, or assets derived by the Secretary from the operations of the Secretary in connection with this section, shall be deposited in the Account.
(B) With respect to amounts described in subparagraph (A) that are received by the Secretary for fiscal year 1993 and subsequent fiscal years, the Secretary may, before depositing such amounts in the Account, reserve from the amounts each such fiscal year not more than $1,000,000 for obligation under section 292i(d) of this title.

(3) Expenditures
All payments in connection with the default of loans insured by the Secretary under this subpart shall be paid from the Account.
(b) Contingent authority for issuance of notes or other obligations

If at any time the moneys in the Account are insufficient to make payments in connection with the collection or default of any loan insured by the Secretary under this subpart, the Secretary of the Treasury may lend the Account such amounts as may be necessary to make the payments involved, subject to the Federal Credit Reform Act of 1990 [2 U.S.C. 661 et seq.].


REFERENCES IN TEXT


PRIOR PROVISIONS


A prior section 710 of act July 1, 1944, was classified to section 292k of this title prior to the general revision of this subchapter by Pub. L. 102-408.

Another prior section 710 of act July 1, 1944, was renumbered section 709 by Pub. L. 97-35 and was classified to section 292j of this title prior to the general revision of this subchapter by Pub. L. 102-408.

AMENDMENTS


§ 292j. Powers and responsibilities of Secretary

(a) In general

In the performance of, and with respect to, the functions, powers, and duties vested in the Secretary by this subpart, the Secretary is authorized as follows:

(1) To prescribe such regulations as may be necessary to carry out the purposes of this subpart.

(2) To sue and be sued in any district court of the United States. Such district courts shall have jurisdiction of civil actions arising under this subpart without regard to the amount in controversy, and any action instituted under this subpart by or against the Secretary shall survive notwithstanding any change in the person occupying the office of Secretary or any vacancy in that office. No attachment, injunction, garnishment, or other similar process, mesne or final, shall be issued against the Secretary or property under the control of the Secretary. Nothing herein shall be constructed to except litigation arising out of activities under this subpart from the application of sections 517 and 547 of title 28.

(3) To include in any contract for Federal loan insurance such terms, conditions, and covenants relating to repayment of principal and payments of interest, relating to his obligations and rights and to those of eligible lenders, and borrowers in case of default, and relating to such other matters as the Secretary determines to be necessary to assure that the purposes of this subpart will be achieved. Any term, condition, and covenant made pursuant to this paragraph or any other provisions of this subpart may be modified by the Secretary if the Secretary determines that modification is necessary to protect the financial interest of the United States.

(4) Subject to the specific limitations in the subpart, to consent to the modification of any note or other instrument evidencing a loan which has been insured by him under this subpart (including modifications with respect to the rate of interest, time of payment of any installment of principal or interest or any portion thereof, or any other provision).

(5) To enforce, pay, compromise, waive, or release any right, title, claim, lien, or demand, however acquired, including any equity or any right or redemption.

(b) Annual budget; accounts

The Secretary shall, with respect to the financial operations arising by reason of this subpart—

(1) prepare annually and submit a budget program as provided for wholly owned Government corporations by chapter 91 of title 31; and

(2) maintain with respect to insurance under this subpart an integral set of accounts.


CODIFICATION

In subsec. (b)(1), “chapter 91 of title 31” was substituted for “the Government Corporation Control Act” on authority of Pub. L. 97-258, §4(b), Sept. 30, 1982, 96 Stat. 1067, the first section of which enacted Title 31, Money and Finance.

PRIOR PROVISIONS


§ 292k. Participation by Federal credit unions in Federal, State, and private student loan insurance programs

Notwithstanding any other provision of law, Federal credit unions shall, pursuant to regulations of the Administrator of the National Credit Union Administration, have power to make insured loans to eligible students in accordance with the provisions of this subpart relating to Federal insured loans.


PRIOR PROVISIONS


TRANSFER OF FUNCTIONS

Functions vested in Administrator of National Credit Union Administration transferred and vested in National Credit Union Administration Board pursuant to section 1752a of Title 12, Banks and Banking.

§ 292l. Determination of eligible students

For purposes of determining eligible students under this part, in the case of a public school in a State that offers an accelerated, integrated program of study combining undergraduate premedical education and medical education leading to advanced entry, by contractual agreement, into an accredited four-year school of medicine which provides the remaining training leading to a degree of doctor of medicine, whenever in this part a provision refers to a student at a school of medicine, such reference shall include only a student enrolled in any of the last four years of such accelerated, integrated program of study.


§ 292m. Repayment by Secretary of loans of deceased or disabled borrowers

If a borrower who has received a loan dies or becomes permanently and totally disabled (as determined in accordance with regulations of the Secretary), the Secretary shall discharge the borrower’s liability on the loan by repaying the amount owed on the loan from the account established under section 292i of this title.


§ 292n. Additional requirements for institutions and lenders

(a) In general

Notwithstanding any other provision of this subpart, the Secretary is authorized to prescribe such regulations as may be necessary to provide for—

(1) a fiscal audit of an eligible institution with regard to any funds obtained from a borrower who has received a loan insured under this subpart;

(2) the establishment of reasonable standards of financial responsibility and appropriate institutional capability for the administration by an eligible institution of a program of student financial aid with respect to funds obtained from a student who has received a loan insured under this subpart;

(3) the limitation, suspension, or termination of the eligibility under this subpart of any otherwise eligible institution, whenever the Secretary has determined, after notice and affording an opportunity for hearing, that such institution has violated or failed to carry out any regulation prescribed under this subpart;

(4) the collection of information from the borrower, lender, or eligible institution to assure compliance with the provisions of section 292d of this title;

(5) the assessing of tuition or fees to borrowers in amounts that are the same or less than the amount of tuition and fees assessed to nonborrowers;

(6) the submission, by the institution or the lender to the Office of Health Education Assistance Loan Default Reduction, of information concerning each loan made under this subpart, including the date when each such loan was originated, the date when each such loan is sold, the identity of the loan holder and information concerning a change in the borrower’s status;

(7) the withholding of services, including academic transcripts, financial aid transcripts, and alumni services, by an institution from a borrower upon the default of such borrower of a loan under this subpart, except in case of a borrower who has filed for bankruptcy; and

(8) the offering, by the lender to the borrower, of a variety of repayment options, including fixed-rate, graduated repayment with negative amortization permitted, and income dependent payments for a limited period followed by level monthly payments.

(b) Recording by institution of information on students

The Secretary shall require an eligible institution to record, and make available to the lender and to the Secretary upon request, the name, address, postgraduate destination, and other reasonable identifying information for each student of such institution who has a loan insured under this subpart.

(c) Workshop for student borrowers

Each participating eligible institution must have, at the beginning of each academic year, a workshop concerning the provisions of this subpart that all student borrowers shall be required to attend.


§ 292o. Definitions

For purposes of this subpart:

(1) The term “eligible institution” means, with respect to a fiscal year, a school of medi-
(2) The term “eligible lender” means an eligible institution that became a lender under this subpart prior to September 15, 1992, an agency or instrumentality of a State, a financial or credit institution (including an insurance company) which is subject to examination and supervision by an agency of the United States or of any State, a pension fund approved by the Secretary for this purpose, or a nonprofit private entity designated by the State, regulated by the State, and approved by the Secretary.

(3) The term “line of credit” means an arrangement or agreement between the lender and the borrower whereby a loan is paid out by the lender to the borrower in annual installments, or whereby the lender agrees to make, in addition to the initial loan, additional loans in subsequent years.

(4) The term “school of allied health” means a program in a school of allied health (as defined in section 295p of this title) which leads to a masters’ degree or a doctoral degree.

(5)(A) The term “default rate”, in the case of an eligible entity, means the percentage constituted by the ratio of—

(i) the principal amount of loans insured under this subpart—

(I) that are made with respect to the entity and that enter repayment status after April 7, 1987; and

(II) for which amounts have been paid under section 292f(a) of this title to insurance beneficiaries, exclusive of any loan for which amounts have been so paid as a result of the death or total and permanent disability of the borrower; exclusive of any loan for which the borrower begins payments to the Secretary on the loan pursuant to section 292f(b) of this title and maintains payments for 12 consecutive months in accordance with the agreement involved (with the loan subsequently being included or excluded, as the case may be), as amounts paid under section 292f(a) of this title according to whether further defaults occur and whether with respect to the default involved compliance with such requirement regarding 12 consecutive months occurs; and exclusive of any loan on which payments may not be recovered by reason of the obligation under the loan being discharged in bankruptcy under title 11; to

(ii) the total principal amount of loans insured under this subpart that are made with respect to the entity and that enter repayment status after April 7, 1987.

(B) For purposes of subparagraph (A), a loan insured under this subpart shall be considered to have entered repayment status if the applicable period described in subparagraph (B) of section 292d(a)(2) of this title regarding the loan has expired (without regard to whether any period described in subparagraph (C) of such section is applicable regarding the loan).

(C) For purposes of subparagraph (A), the term “eligible entity” means an eligible institution, an eligible lender, or a holder, as the case may be.

(D) For purposes of subparagraph (A), a loan is made with respect to an eligible entity if—

(i) in the case of an eligible institution, the loan was made to students of the institution;

(ii) in the case of an eligible lender, the loan was made by the lender; and

(iii) in the case of a holder, the loan was purchased by the holder.

(6) The term “Secretary” means the Secretary of Education.


AMENDMENTS


1998—Par. (1). Pub. L. 105–392 substituted “or behavioral and mental health practice, including clinical psychology” for “or clinical psychology”.

EFFECTIVE DATE OF 2014 AMENDMENT

Pub. L. 113–76, div. H, title V, §525(e), Jan. 17, 2014, 128 Stat. 413, provided in part that the amendment made by section 525(e) is effective as of the date on which the transfer of the HEAL program under subsec. (a) of section 525 of Pub. L. 113–76, set out as a note under section 292 of this title, takes effect (no later than the end of the first fiscal quarter that begins after Jan. 17, 2014).

§ 292p. Authorization of appropriations

(a) In general

For fiscal year 1993 and subsequent fiscal years, there are authorized to be appropriated such sums as may be necessary for the adequacy of the student loan insurance account under this subpart and for the purpose of administering this subpart.

(b) Availability of sums

Sums appropriated under subsection (a) shall remain available until expended.


PRIOR PROVISIONS

A prior section 720 of act July 1, 1944, was classified to section 293 of this title prior to the general revision of this subchapter by Pub. L. 102–408.

SUBPART II—FEDERALLY-SUPPORTED STUDENT LOAN FUNDS

§ 292q. Agreements for operation of school loan funds

(a) Fund agreements

The Secretary is authorized to enter into an agreement for the establishment and operation of a student loan fund in accordance with this subpart with any public or other nonprofit organization, a nonprofit private entity designated by the State, regulated by the State, and approved by the Secretary.


AMENDMENTS


1998—Par. (1). Pub. L. 105–392 substituted “or behavioral and mental health practice, including clinical psychology” for “or clinical psychology”.

EFFECTIVE DATE OF 2014 AMENDMENT

Pub. L. 113–76, div. H, title V, §525(e), Jan. 17, 2014, 128 Stat. 413, provided in part that the amendment made by section 525(e) is effective as of the date on which the transfer of the HEAL program under subsec. (a) of section 525 of Pub. L. 113–76, set out as a note under section 292 of this title, takes effect (no later than the end of the first fiscal quarter that begins after Jan. 17, 2014).
school of medicine, osteopathic medicine, dentistry, pharmacy, podiatric medicine, optometry, or veterinary medicine.

(b) Requirements

Each agreement entered into under this section shall—

(1) provide for establishment of a student loan fund by the school;
(2) provide for deposit in the fund of—
   (A) the Federal capital contributions to the fund;
   (B) an amount equal to not less than one-ninth of such Federal capital contributions, contributed by such institution;
   (C) collections of principal and interest on loans made from the fund;
   (D) collections pursuant to section 292r(j) of this title; and
   (E) any other earnings of the fund;
(3) provide that the fund shall be used only for loans to students of the school in accordance with the agreement and for costs of collection of such loans and interest thereon;
(4) provide that loans may be made from such funds only to students pursuing a full-time course of study at the school leading to a degree of doctor of medicine, doctor of dentistry or an equivalent degree, doctor of osteopathy, bachelor of science in pharmacy or an equivalent degree, doctor of pharmacy or an equivalent degree, doctor of podiatric medicine or an equivalent degree, doctor of optometry or an equivalent degree, or doctor of veterinary medicine or an equivalent degree;
(5) provide that the school shall advise, in writing, each applicant for a loan from the student loan fund of the provisions of section 292r of this title under which outstanding loans from the student loan fund may be paid (in whole or in part) by the Secretary; and
(6) contain such other provisions as are necessary to protect the financial interests of the United States.

(c) Failure of school to collect loans

(1) In general

Any standard established by the Secretary by regulation for the collection by schools of medicine, osteopathic medicine, dentistry, pharmacy, podiatric medicine, optometry, or veterinary medicine of loans made pursuant to loan agreements under this subpart shall provide that the failure of any such school to collect such loans shall be measured in accordance with this subsection. This subsection may not be construed to require such schools to reimburse the student loan fund under this subpart for loans that became uncollectible prior to August 1985 or to penalize such schools with respect to such loans.

(2) Extent of failure

The measurement of a school’s failure to collect loans made under this subpart shall be the ratio (stated as a percentage) that the defaulted principal amount outstanding of such school bears to the matured loans of such school.

(3) Definitions

For purposes of this subsection:

(A) The term “default” means the failure of a borrower of a loan made under this subpart to—
   (i) make an installment payment when due; or
   (ii) comply with any other term of the promissory note for such loan.

(B) The term “defaulted principal amount outstanding” means the total amount borrowed from the loan fund of a school that has reached the repayment stage (minus any principal amount repaid or canceled) on loans—
   (i) repayable monthly and in default for at least 120 days; and
   (ii) repayable less frequently than monthly and in default for at least 180 days;

(C) The term “grace period” means the period of one year beginning on the date on which the borrower ceases to pursue a full-time course of study at a school of medicine, osteopathic medicine, dentistry, pharmacy, podiatric medicine, optometry, or veterinary medicine; and

(D) The term “matured loans” means the total principal amount of all loans made by a school under this subpart minus the total principal amount of loans made by such school to students who are—
   (i) enrolled in a full-time course of study at such school; or
   (ii) in their grace period.


Prior Provisions

A prior section 721 of act July 1, 1944, was classified to section 293a of this title prior to the general revision of this subchapter by Pub. L. 102–408.

§ 292r. Loan provisions

(a) Amount of loan

(1) In general

Loans from a student loan fund (established under an agreement with a school under section 292q of this title) may not, subject to paragraph (2), exceed for any student for a school year (or its equivalent) the cost of attendance (including tuition, other reasonable educational expenses, and reasonable living costs) for that year at the educational institution attended by the student (as determined by such educational institution).

(2) Third and fourth years of medical school

For purposes of paragraph (1), the amount of the loan may, in the case of the third or fourth year of a student at a school of medicine or osteopathic medicine, be increased to the extent necessary to pay the balances of loans that, from sources other than the student loan fund
under section 292q of this title, were made to the individual for attendance at the school. The authority to make such an increase is subject to the school and the student agreeing that such amount (as increased) will be expended to pay such balances.

(b) Terms and conditions

Subject to section 292q of this title, any such loans shall be made on such terms and conditions as the school may determine, but may be made only to a student—

(1) who is in need of the amount thereof to pursue a full-time course of study at the school leading to a degree of doctor of medicine, doctor of dentistry or an equivalent degree, doctor of osteopathy, bachelor of science in pharmacy or an equivalent degree, doctor of pharmacy or an equivalent degree, doctor of podiatric medicine or an equivalent degree, doctor of optometry or an equivalent degree, or doctor of veterinary medicine or an equivalent degree; and

(2) who, if required under section 3802 of title 50 to present himself for and submit to registration under such section, has presented himself and submitted to registration under such section.

(c) Repayment; exclusions from repayment period

Such loans shall be repayable in equal or graduated periodic installments (with the right of the borrower to accelerate repayment) over the period of not less than 10 years nor more than 25 years, at the discretion of the institution, which begins one year after the student ceases to pursue a full-time course of study at a school of medicine, osteopathic medicine, dentistry, pharmacy, podiatry, optometry, or veterinary medicine, excluding from such period—

(1) all periods—

(A) not in excess of three years of active duty performed by the borrower as a member of a uniformed service;

(B) not in excess of three years during which the borrower serves as a volunteer under the Peace Corps Act [22 U.S.C. 2501 et seq.];

(C) during which the borrower participates in advanced professional training, including internships and residencies; and

(D) during which the borrower is pursuing a full-time course of study at such a school; and

(2) a period—

(A) not in excess of two years during which a borrower who is a full-time student in such a school leaves the school, with the intent to return to such school as a full-time student, in order to engage in a full-time educational activity which is directly related to the health profession for which the borrower is preparing, as determined by the Secretary; or

(B) not in excess of two years during which a borrower who is a graduate of such a school is a participant in a fellowship training program or a full-time educational activity which—

(i) is directly related to the health profession for which such borrower prepared at such school, as determined by the Secretary; and

(ii) may be engaged in by the borrower during such a two-year period which begins within twelve months after the completion of the borrower's participation in advanced professional training described in paragraph (1)(C) or prior to the completion of such borrower's participation in such training.

(d) Cancellation of liability

The liability to repay the unpaid balance of such a loan and accrued interest thereon shall be canceled upon the death of the borrower, or if the Secretary determines that he has become permanently, and totally disabled.

(e) Rate of interest

Such loans shall bear interest, on the unpaid balance of the loan, computed only for periods for which the loan is repayable, at the rate of 5 percent per year.

(f) Security or endorsement

Loans shall be made under this subpart without security or endorsement, except that if the borrower is a minor and the note or other evidence of obligation executed by him would not, under the applicable law, create a binding obligation, either security or endorsement may be required.

(g) Transferring and assigning loans

No note or other evidence of a loan made under this subpart may be transferred or assigned by the school making the loan except that, if the borrowers transfer to another school participating in the program under this subpart, such note or other evidence of a loan may be transferred to such other school.

(h) Charge with respect to insurance for certain cancellations

Subject to regulations of the Secretary, a school may assess a charge with respect to loans made this subpart to cover the costs of insuring against cancellation of liability under subsection (d).

(i) Charge with respect to late payments

Subject to regulations of the Secretary, and in accordance with this section, a school shall assess a charge with respect to a loan made under this subpart for failure of the borrower to pay all or any part of an installment when it is due and, in the case of a borrower who is entitled to deferment of the loan under subsection (c), for any failure to file timely and satisfactory evidence of such entitlement. No such charge may be made if the payment of such installment or the filing of such evidence is made within 60 days after the date on which such installment or filing is due. The amount of any such charge may not exceed an amount equal to 6 percent of the amount of such installment. The school may elect to add the amount of any such charge to the principal amount of the loan as of the first day after the day on which such installment or evidence was due, or to make the amount of the charge payable to the school not later than the

1 So in original. Probably should be “under this subpart”.
due date of the next installment after receipt by the borrower of notice of the assessment of the charge.

(j) Authority of schools regarding rate of payment

A school may provide, in accordance with regulations of the Secretary, that during the repayment period of a loan from a loan fund established pursuant to an agreement under this subpart payments of principal and interest by the borrower with respect to all the outstanding loans made to him from loan funds so established shall be at a rate equal to not less than $40 per month.

(k) Authority regarding repayments by Secretary

Upon application by a person who received, and is under an obligation to repay, any loan made to such person as a health professions student to enable him to study medicine, osteopathy, dentistry, veterinary medicine, optometry, pharmacy, or podiatry, the Secretary may undertake to repay (without liability to the applicant) all or any part of such loan, and any interest or portion thereof outstanding thereon, upon his determination, pursuant to regulations establishing criteria therefor, that the applicant—

(1) failed to complete such studies leading to his first professional degree;
(2) is in exceptionally needy circumstances;
(3) is from a low-income or disadvantaged family as those terms may be defined by such regulations; and
(4) has not resumed, or cannot reasonably be expected to resume, the study of medicine, osteopathy, dentistry, veterinary medicine, optometry, pharmacy, or podiatric medicine, within two years following the date upon which he terminated such studies.

(l) Collection efforts by Secretary

The Secretary is authorized to attempt to collect any loan which was made under this subpart, which is in default, and which was referred to the Secretary by a school with which the Secretary has an agreement under this subpart, on behalf of that school under such terms and conditions as the Secretary may prescribe (including reimbursement from the school’s student loan fund for expenses the Secretary may reasonably incur in attempting collection), but only if the school has complied with such requirements as the Secretary may specify by regulation with respect to the collection of loans under this subpart. A loan so referred shall be treated as a debt subject to section 5514 of title 26. Amounts collected shall be deposited in the school’s student loan fund. Whenever the Secretary desires the institution of a civil action regarding any such loan, the Secretary shall refer the matter to the Attorney General for appropriate action.

(m) Elimination of statute of limitation for loan collections

(1) Purpose

It is the purpose of this subsection to ensure that obligations to repay loans under this section are enforced without regard to any Federal or State statutory, regulatory, or administrative limitation on the period within which debts may be enforced.

(2) Prohibition

Notwithstanding any other provision of Federal or State law, no limitation shall terminate the period within which suit may be filed, a judgment may be enforced, or an offset, garnishment, or other action may be initiated or taken by a school that has an agreement with the Secretary pursuant to section 292q of this title that is seeking the repayment of the amount due from a borrower on a loan made under this subpart after the default of the borrower on such loan.

(79) Authority of schools regarding rate of payment

A school may provide, in accordance with regulations of the Secretary, that during the repayment period of a loan from a loan fund established pursuant to an agreement under this subpart payments of principal and interest by the borrower with respect to all the outstanding loans made to him from loan funds so established shall be at a rate equal to not less than $40 per month.

(k) Authority regarding repayments by Secretary

Upon application by a person who received, and is under an obligation to repay, any loan made to such person as a health professions student to enable him to study medicine, osteopathy, dentistry, veterinary medicine, optometry, pharmacy, or podiatry, the Secretary may undertake to repay (without liability to the applicant) all or any part of such loan, and any interest or portion thereof outstanding thereon, upon his determination, pursuant to regulations establishing criteria therefor, that the applicant—

(1) failed to complete such studies leading to his first professional degree;
(2) is in exceptionally needy circumstances;
(3) is from a low-income or disadvantaged family as those terms may be defined by such regulations; and
(4) has not resumed, or cannot reasonably be expected to resume, the study of medicine, osteopathy, dentistry, veterinary medicine, optometry, pharmacy, or podiatric medicine, within two years following the date upon which he terminated such studies.

(l) Collection efforts by Secretary

The Secretary is authorized to attempt to collect any loan which was made under this subpart, which is in default, and which was referred to the Secretary by a school with which the Secretary has an agreement under this subpart, on behalf of that school under such terms and conditions as the Secretary may prescribe (including reimbursement from the school’s student loan fund for expenses the Secretary may reasonably incur in attempting collection), but only if the school has complied with such requirements as the Secretary may specify by regulation with respect to the collection of loans under this subpart. A loan so referred shall be treated as a debt subject to section 5514 of title 26. Amounts collected shall be deposited in the school’s student loan fund. Whenever the Secretary desires the institution of a civil action regarding any such loan, the Secretary shall refer the matter to the Attorney General for appropriate action.

(m) Elimination of statute of limitation for loan collections

(1) Purpose

It is the purpose of this subsection to ensure that obligations to repay loans under this section are enforced without regard to any Federal or State statutory, regulatory, or administrative limitation on the period within which debts may be enforced.

(2) Prohibition

Notwithstanding any other provision of Federal or State law, no limitation shall terminate the period within which suit may be filed, a judgment may be enforced, or an offset, garnishment, or other action may be initiated or taken by a school that has an agreement with the Secretary pursuant to section 292q of this title that is seeking the repayment of the amount due from a borrower on a loan made under this subpart after the default of the borrower on such loan.
which read as follows: “who, if pursuing a full-time course of study at the school leading to a degree of doctor of medicine or doctor of osteopathy, is of exceptional financial need (as defined by regulations of the Secretary); and”.

Effective Date of 1996 Amendment
Pub. L. 105–392, title I, § 134(b)(2), Nov. 13, 1998, 112 Stat. 3578, provided that: “The amendment made by paragraph (1) [amending this section] shall be effective with respect to actions pending on or after the date of enactment of this Act [Nov. 13, 1998].”

§ 292s. Medical schools and primary health care

(a) Requirements for students

(1) In general

Subject to the provisions of this subsection, in the case of student loan funds established under section 292q of this title by schools of medicine or osteopathic medicine, each agreement entered into under such section with such a school shall provide (in addition to the provisions required in subsection (b) of such section) that the school will make a loan from such fund to a student only if the student agrees—

(A) to enter and complete a residency training program in primary health care not later than 4 years after the date on which the student graduates from such school; and

(B) to practice in such care for 10 years (including residency training in primary health care) or through the date on which the loan is repaid in full, whichever occurs first.

(2) Inapplicability to certain students

(A) The requirement established in paragraph (1) regarding the student loan fund of a school does not apply to a student if—

(i) the first loan to the student from such fund is made before July 1, 1993; or

(ii) the loan is made from—

(I) a Federal capital contribution under section 292q of this title that is made from amounts appropriated under section 292q(f) of this title (in this section referred to as an “exempt Federal capital contribution”); or

(II) a school contribution made under section 292q of this title pursuant to such a Federal capital contribution (in this section referred to as an “exempt school contribution”).

(B) A Federal capital contribution under section 292q of this title may not be construed as being an exempt Federal capital contribution if the contribution was made from amounts appropriated before October 1, 1990. A school contribution under section 292q of this title may not be construed as being an exempt school contribution if the contribution was made pursuant to a Federal capital contribution under such section that was made from amounts appropriated before such date.

(3) Noncompliance by student

Each agreement entered into with a student pursuant to paragraph (1) shall provide that, if the student fails to comply with such agreement, the loan involved will begin to accrue interest at a rate of 2 percent per year greater than the rate at which the student would pay if compliant in such year.

(4) Waivers

(A) With respect to the obligation of an individual under an agreement made under paragraph (1) as a student, the Secretary shall provide for the partial or total waiver or suspension of the obligation whenever compliance by the individual is impossible, or would involve extreme hardship to the individual, and if enforcement of the obligation with respect to the individual would be unconscionable.

(B) For purposes of subparagraph (A), the obligation of an individual shall be waived if—

(i) the status of the individual as a student of the school involved is terminated before graduation from the school, whether voluntarily or involuntarily; and

(ii) the individual does not, after such termination, resume attendance at the school or begin attendance at any other school of medicine or osteopathic medicine.

(C) If an individual resumes or begins attendance for purposes of subparagraph (B), the obligation of the individual under the agreement under paragraph (1) shall be considered to have been suspended for the period in which the individual was not in attendance.

(D) This paragraph may not be construed as authorizing the waiver or suspension of the obligation of a student to repay, in accordance with section 292r of this title, loans from student loan funds under section 292q of this title.

(b) Requirements for schools

(1) In general

Subject to the provisions of this subsection, in the case of student loan funds established under section 292q of this title by schools of medicine or osteopathic medicine, each agreement entered into under such section with such a school shall provide (in addition to the provisions required in subsection (b) of such section) that the school will meet not less than 1 of the conditions described in paragraph (2) with respect to graduates of the school whose date of graduation from the school occurred approximately 4 years before the end of the 1-year period involved.

(2) Description of conditions

With respect to graduates described in paragraph (1) (in this paragraph referred to as “designated graduates”), the conditions referred to in such paragraph for a school for a 1-year period are as follows:

(A) Not less than 50 percent of designated graduates of the school meet the criterion of either being in a residency training program in primary health care, or being engaged in a practice in such care (having completed such a program).

1See References in Text note below.

2So in original. The semicolon probably should be a comma.
(B) Not less than 25 percent of the designated graduates of the school meet such criterion, and such percentage is not less than 5 percentage points above the percentage of such graduates meeting such criterion for the preceding 1-year period.

(C) In the case of schools of medicine or osteopathic medicine with student loan funds under section 292q of this title, the school involved is at or above the 75th percentile of such schools whose designated graduates meet such criterion.

(3) Determinations by Secretary

Not later than 90 days after the close of each 1-year period described in paragraph (1), the Secretary shall make a determination of whether the school involved has for such period complied with such paragraph and shall in writing inform the school of the determination. Such determination shall be made only after consideration of the report submitted to the Secretary by the school under paragraph (6).

(4) Noncompliance by school

(A)(i) Subject to subparagraph (C), each agreement under section 292q of this title with a school of medicine or osteopathic medicine shall provide that, if the school fails to comply with paragraph (1) for a 1-year period under such paragraph, the school—

(I) will pay to the Secretary the amount applicable under subparagraph (B) for the period; and

(II) will pay such amount not later than 90 days after the school is informed under paragraph (3) of the determination of the Secretary regarding such period.

(ii) Any amount that a school is required to pay under clause (i) may be paid from the student loan fund of the school under section 292q of this title.

(B) For purposes of subparagraph (A), the amount applicable for a school, subject to subparagraph (C), is—

(i) for the 1-year period ending June 30, 1997, an amount equal to 10 percent of the income received during such period by the student loan fund of the school under section 292q of this title;

(ii) for the 1-year period ending June 30, 1998, an amount equal to 20 percent of the income received during such period by the student loan fund; and

(iii) for any subsequent 1-year period under paragraph (1), an amount equal to 30 percent of the income received during such period by the student loan fund.

(C) In determining the amount of income that a student loan fund has received for purposes of subparagraph (B), the Secretary shall exclude any income derived from exempt contributions. Payments made to the Secretary under subparagraph (A) may not be made with such contributions or with income derived from such contributions.

(5) Expenditure of payments

(A) Amounts paid to the Secretary under paragraph (4) shall be expended to make Federal capital contributions to student loan funds under section 292q of this title of schools that are in compliance with paragraph (1).

(B) A Federal capital contribution under section 292q of this title may not be construed as being an exempt Federal capital contribution if the contribution is made from payments under subparagraph (A). A school contribution under such section may not be construed as being an exempt school contribution if the contribution is made pursuant to a Federal capital contribution from such payments.

(6) Reports by schools

Each agreement under section 292q of this title with a school of medicine or osteopathic medicine shall provide that the school will submit to the Secretary a report for each 1-year period under paragraph (1) that provides such information as the Secretary determines to be necessary for carrying out this subsection. Each such report shall include statistics concerning the current training or practice status of all graduates of such school whose date of graduation from the school occurred approximately 4 years before the end of the 1-year period involved.

(c) Definitions

For purposes of this section:

(1) The term “exempt contributions” means exempt Federal capital contributions and exempt school contributions.

(2) The term “exempt Federal capital contribution” means a Federal capital contribution described in subclause (I) of subsection (a)(2)(A)(i).

(3) The term “exempt school contribution” means a school contribution described in subclause (II) of subsection (a)(2)(A)(i).

(4) The term “income”, with respect to a student fund under section 292q of this title, means payments of principal and interest on any loan made from the fund, and any other earnings of the fund.

(5) The term “primary health care” means family medicine, general internal medicine, general pediatrics, preventive medicine, or osteopathic general practice.

(d) Sense of Congress

It is the sense of Congress that funds repaid under the loan program under this section should not be transferred to the Treasury of the United States or otherwise used for any other purpose other than to carry out this section.

(7) References in Text

§ 292t. TITLE 42—THE PUBLIC HEALTH AND WELFARE

Prior Provisions
A prior section 723 of act July 1, 1944, was classified to section 293c of this title prior to the general revision of this subchapter by Pub. L. 102–408.

Amendments
2010—Subsec. (a)(1)(B). Pub. L. 111–148, §5201(a)(1)(A), added subpar. (B) and struck out former subpar. (B) which read as follows: “to practice in such care through the date on which the loan is repaid in full.”
Subsec. (a)(3). Pub. L. 111–148, §5201(a)(1)(B), added par. (3) and struck out former par. (3). Prior to amendment, text read as follows: “Each agreement entered into with a student pursuant to paragraph (1) shall provide that, if the student fails to comply with such agreement, the loan involved will begin to accrue interest at a rate of 18 percent per year beginning on the date of such noncompliance.”
1998—Subsec. (a)(3). Pub. L. 105–392, §131(b), reenacted heading without change and amended text of par. (3) generally. Prior to amendment, text read as follows: “Each agreement entered into with a student pursuant to paragraph (1) shall provide that, if the student fails to comply with the agreement—

“A” the balance due on the loan involved will be immediately recomputed from the date of issuance at an interest rate of 12 percent per year, compounded annually; and

“B” the recomputed balance will be paid not later than the expiration of the 3-year period beginning on the date on which the student fails to comply with the agreement.”
Subsec. (b)(1). Pub. L. 105–392, §131(a), substituted “4 years before” for “3 years before”.
Subsecs. (c), (d). Pub. L. 105–392, §131(c), redesignated subsec. (d) as (c) and struck out heading and text of subsec. (c). Text read as follows: “The Secretary shall ensure that each fiscal year submit to the Committee on Energy and Commerce of the House of Representatives, and the Committee on Labor and Human Resources of the Senate, a report regarding the administration of this section, including the extent of compliance with the requirements of this section, during the preceding fiscal year.”

Student Loan Guidelines
Pub. L. 111–148, title V, §5201(b), Mar. 23, 2010, 124 Stat. 607, provided that: “The Secretary of Health and Human Services shall not require parental financial information for an independent student to determine financial need under section 723 of the Public Health Service Act (42 U.S.C. 292a) and the determination of need for such information shall be at the discretion of applicable school loan officer. The Secretary shall amend guidelines issued by the Health Resources and Services Administration in accordance with the preceding sentence.”

§ 292t. Individuals from disadvantaged backgrounds

(a) Fund agreements regarding certain amounts
With respect to amounts appropriated under subsection (f), each agreement entered into under section 292q of this title with a school shall provide (in addition to the provisions required in subsection (b) of such section) that—

1) any Federal capital contribution made to the student loan fund of the school from such amounts, together with the school contribution appropriate under subsection (b)(2)(B) of such section to the amount of the Federal capital contribution, will be utilized only for the purpose of—

(A) making loans to individuals from disadvantaged backgrounds; and

(B) the costs of the collection of the loans and interest on the loans; and

2) collections of principal and interest on loans made pursuant to paragraph (1), and any other earnings of the student loan fund attributable to amounts that are in the fund pursuant to such paragraph, will be utilized only for the purpose described in such paragraph.

(b) Minimum qualifications for schools
The Secretary may not make a Federal capital contribution for purposes of subsection (a) for a fiscal year unless the health professions school involved—

1) is carrying out a program for recruiting and retaining students from disadvantaged backgrounds, including racial and ethnic minorities; and

2) is carrying out a program for recruiting and retaining minority faculty.

(c) Certain agreements regarding education of students; date certain for compliance
The Secretary may not make a Federal capital contribution for purposes of subsection (a) for a fiscal year unless the health professions school involved agrees—

1) to ensure that adequate instruction regarding minority health issues is provided for in the curricula of the school;

2) with respect to health clinics providing services to a significant number of individuals who are from disadvantaged backgrounds, including members of minority groups, to enter into arrangements with 1 or more such clinics for the purpose of providing students of the school with experience in providing clinical services to such individuals;

3) with respect to public or nonprofit private secondary educational institutions and undergraduate institutions of higher education, to enter into arrangements with 1 or more such institutions for the purpose of carrying out programs regarding the educational preparation of disadvantaged students, including minority students, to enter the health professions and regarding the recruitment of such individuals into the health professions;

4) to establish a mentor program for assisting disadvantaged students, including minority students, regarding the completion of the educational requirements for degrees from the school;

5) to be carrying out each of the activities specified in any of paragraphs (1) through (4) by not later than 1 year after the date on which the first Federal capital contribution is made to the school for purposes of subsection (a); and

6) to continue carrying out such activities, and the activities specified in paragraphs (1) and (2) of subsection (b), throughout the period.
during which the student loan fund established pursuant to section 292q(b) of this title is in operation.

(d) Availability of other amounts

With respect to Federal capital contributions to student loan funds under agreements under section 292q(b) of this title, any such contributions made before October 1, 1990, together with the school contributions appropriate under paragraph (2)(B) of such section to the amount of the Federal capital contributions, may be utilized for the purpose of making loans to individuals from disadvantaged backgrounds, subject to section 292s(a)(2)(B) of this title.

(e) "Disadvantaged" defined

For purposes of this section, the term "disadvantaged", with respect to an individual, shall be defined by the Secretary.

(f) Authorization of appropriations


(2) Special consideration for certain schools

In making Federal capital contributions to student loan funds for purposes of subsection (a), the Secretary shall give special consideration to health professions schools that have enrollments of underrepresented minorities above the national average for health professions schools.


PRIOR PROVISIONS

A prior section 724 of act July 1, 1944, was classified to section 293d of this title prior to the general revision of this subchapter by Pub. L. 102–408.

§ 292v. Provision by schools of information to students

(a) In general

With respect to loans made by a school under this subpart after June 30, 1986, each school, in order to carry out the provisions of sections 292q and 292r of this title, shall, at any time such school makes such a loan to a student under this subpart, provide thorough and adequate loan information on loans made under this subpart to the student. The loan information required to be provided to the student by this subsection shall include—

(1) the yearly and cumulative maximum amounts that may be borrowed by the student;
(2) the terms under which repayment of the loan will begin;
(3) the maximum number of years in which the loan must be repaid;
(4) the interest rate that will be paid by the borrower and the minimum amount of the required monthly payment;
(5) the amount of any other fees charged to the borrower by the lender;
(6) any options the borrower may have for deferral, cancellation, prepayment, consolidation, or other refinancing of the loan;
(7) a definition of default on the loan and a specification of the consequences which will result to the borrower if the borrower defaults, including a description of any arrangements which may be made with credit bureau organizations;
(8) to the extent practicable, the effect of accepting the loan on the eligibility of the borrower for other forms of student assistance; and
(9) a description of the actions that may be taken by the Federal Government to collect...
the loan, including a description of the type of information concerning the borrower that the Federal Government may disclose to (A) officers, employees, or agents of the Department of Health and Human Services, (B) officers, employees, or agents of schools with which the Secretary has an agreement under this subpart, or (C) any other person involved in the collection of a loan under this subpart.

(b) Statement regarding loan

Each school shall, immediately prior to the graduation from such school of a student who receives a loan under this subpart after June 30, 1986, provide such student with a statement specifying—

(1) each amount borrowed by the student under this subpart;
(2) the total amount borrowed by the student under this subpart; and
(3) a schedule for the repayment of the amounts borrowed under this subpart, including the number, amount, and frequency of payments to be made.


Prior Provisions

A prior section 726 of act July 1, 1944, was classified to section 292x of this title prior to the general revision of this subchapter by Pub. L. 102–408.

Another prior section 726 of act July 1, 1944, was classified to section 292x of this title prior to repeal by Pub. L. 94–484.

§292w. Procedures for appeal of termination of agreements

In any case in which the Secretary intends to terminate an agreement with a school under this subpart, the Secretary shall provide the school with a written notice specifying such intention and stating that the school may request a formal hearing with respect to such termination. If the school requests such a hearing within 30 days after the receipt of such notice, the Secretary shall provide such school with a hearing conducted by an administrative law judge.


Prior Provisions

A prior section 726 of act July 1, 1944, was classified to section 292x of this title prior to the general revision of this subchapter by Pub. L. 102–408.

Another prior section 726 of act July 1, 1944, was classified to section 292x of this title prior to renumbering by Pub. L. 94–484.

§292x. Distribution of assets from loan funds

(a) Distribution after termination of fund

If a school terminates a loan fund established under an agreement pursuant to section 292q(b) of this title, or if the Secretary for good cause terminates the agreement with the school, there shall be a capital distribution as follows:

(1) The Secretary shall first be paid an amount which bears the same ratio to such balance in such fund on the date of termination of the fund as the total amount of the Federal capital contributions to such fund by the Secretary pursuant to section 292q(b)(2)(A) of this title bears to the total amount in such fund derived from such Federal capital contributions and from funds deposited therein pursuant to section 292q(b)(2)(B) of this title.
(2) The remainder of such balance shall be paid to the school.

(b) Payment of proportionate share to Secretary

If a capital distribution is made under subsection (a), the school involved shall, after the capital distribution, pay to the Secretary, not less often than quarterly, the same proportionate share of amounts received by the school in payment of principal or interest on loans made from the loan fund established pursuant to section 292q(b) of this title as was determined by the Secretary under subsection (a).


Prior Provisions

A prior section 728 of act July 1, 1944, was classified to section 294a of this title prior to the general revision of this subchapter by Pub. L. 102–408.

Another prior section 728 of act July 1, 1944, was classified to section 294b of this title prior to renumbering by Pub. L. 94–484.

§292y. General provisions

(a) Date certain for applications

The Secretary shall from time to time set dates by which schools must file applications for Federal capital contributions.

(b) Contingent reduction in allotments

If the total of the amounts requested for any fiscal year in such applications exceeds the amounts appropriated under this subpart, the Secretary shall reduce the amounts appropriated as the number of students attending such school within such fiscal year bears to the estimated total number of students in all such schools during such year. Amounts remaining after allotment under the preceding sentence shall be reallocated in accordance with clause (B) of such sentence among schools whose applications requested more than the amounts so allotted to their loan funds, but with such adjustments as may be necessary to prevent the total allotted to any such school’s loan fund from exceeding the total so requested by it.

(c) Allotment of excess funds

Funds available in any fiscal year for payment to schools under this subpart which are in excess of the amounts appropriated pursuant to this section for that fiscal year, the allotment to the loan fund of each such school shall be reduced to whichever of the following is the smaller: (A) the amount requested in its application; or (B) an amount which bears the same ratio to the amounts appropriated as the number of students estimated by the Secretary to be enrolled in such school during such fiscal year bears to the estimated total number of students in all such schools during such year. Amounts remaining after allotment under the preceding sentence shall be reallocated in accordance with clause (B) of such sentence among schools whose applications requested more than the amounts so allotted to their loan funds, but with such adjustments as may be necessary to prevent the total allotted to any such school’s loan fund from exceeding the total so requested by it.

(d) Payment of installments to schools

Allotments to a loan fund of a school shall be paid to it from time to time in such install-
ments as the Secretary determines will not result in unnecessary accumulations in the loan fund at such school.

(e) Disposition of funds returned to Secretary
(1) Expenditure for Federal capital contributions

Subject to section 292q(b)(5) of this title, any amounts from student loan funds under section 292q of this title that are returned to the Secretary by health professions schools shall be expended to make Federal capital contributions to such funds.

(2) Date certain for contributions

Amounts described in paragraph (1) that are returned to the Secretary shall be obligated before the end of the succeeding fiscal year.

(3) Preference in making contributions

In making Federal capital contributions to student loan funds under section 292q of this title for a fiscal year from amounts described in paragraph (1), the Secretary shall give preference to health professions schools of the same disciplines as the health professions schools returning such amounts for the period during which the amounts expended for such contributions were received by the Secretary. Any such amounts that, prior to being so returned, were available only for the purpose of loans under this subpart to individuals from disadvantaged backgrounds shall be available only for such purpose.

(f) Funding for certain medical schools
(1) Authorization of appropriations

For the purpose of making Federal capital contributions to student loan funds established under section 292q of this title by schools of medicine or osteopathic medicine, there is authorized to be appropriated $10,000,000 for each of the fiscal years 1994 through 1996.

(2) Minimum requirements

(A) Subject to subparagraph (B), the Secretary may make a Federal capital contribution pursuant to paragraph (1) only if the school of medicine or osteopathic medicine involved meets the conditions described in subparagraph (A) of section 292q(b)(2)(A) of this title or the conditions described in subparagraph (C) of such section.

(B) For purposes of subparagraph (A), the conditions referred to in such subparagraph shall be applied with respect to graduates of the school involved whose date of graduation occurred approximately 3 years before June 30 of the fiscal year preceding the fiscal year for which the Federal capital contribution involved is made.

(6) to carry out a program to train students of the school in providing health services to a significant number of under-represented minority individuals through training provided to such students at community-based health facilities that—
(A) provide such health services; and
(B) are located at a site remote from the main site of the teaching facilities of the school; and
(7) to provide stipends as the Secretary determines appropriate, in amounts as the Secretary determines appropriate.

(c) Centers of excellence

(1) Designated schools

(A) In general
The designated health professions schools referred to in subsection (a) are such schools that meet each of the conditions specified in subparagraphs (B) and (C), and that—
(i) meet each of the conditions specified in paragraph (2)(A);
(ii) meet each of the conditions specified in paragraph (3);
(iii) meet each of the conditions specified in paragraph (4); or
(iv) meet each of the conditions specified in paragraph (5).

(B) General conditions
The conditions specified in this subparagraph are that a designated health professions school—
(i) has a significant number of under-represented minority individuals enrolled in the school, including individuals accepted for enrollment in the school;
(ii) has been effective in assisting under-represented minority students of the school to complete the program of education and receive the degree involved;
(iii) has been effective in recruiting under-represented minority individuals to enroll in and graduate from the school, including providing scholarships and other financial assistance to such individuals and encouraging under-represented minority students from all levels of the educational pipeline to pursue health professions careers; and
(iv) has made significant recruitment efforts to increase the number of under-represented minority individuals serving in faculty or administrative positions at the school.

(C) Consortium
The condition specified in this subparagraph is that, in accordance with subsection (e)(1), the designated health profession school involved has with other health professions schools (designated or otherwise) formed a consortium to carry out the purposes described in subsection (b) at the schools of the consortium.

(D) Application of criteria to other programs
In the case of any criteria established by the Secretary for purposes of determining whether schools meet the conditions described in subparagraph (B), this section may not, with respect to racial and ethnic minorities, be construed to authorize, require, or prohibit the use of such criteria in any program other than the program established in this section.

(2) Centers of excellence at certain historically black colleges and universities

(A) Conditions
The conditions specified in this subparagraph are that a designated health professions school—
(i) is a school described in section 295p(1) of this title; and
(ii) received a contract under section 295g–6b of this title for fiscal year 1987, as such section was in effect for such fiscal year.

(B) Use of grant
In addition to the purposes described in subsection (b), a grant under subsection (a) to a designated health professions school meeting the conditions described in subparagraph (A) may be expended—
(i) to develop a plan to achieve institutional improvements, including financial independence, to enable the school to support programs of excellence in health professions education for under-represented minority individuals; and
(ii) to provide improved access to the library and informational resources of the school.

(C) Exception
The requirements of paragraph (1)(C) shall not apply to a historically black college or university that receives funding under paragraphs (2) or (5).

(3) Hispanic centers of excellence

The conditions specified in this paragraph are that—
(A) with respect to Hispanic individuals, each of clauses (i) through (iv) of paragraph (1)(B) applies to the designated health professions school involved;
(B) the school agrees, as a condition of receiving a grant under subsection (a), that the school will, in carrying out the duties described in subsection (b), give priority to carrying out the duties with respect to Hispanic individuals; and
(C) the school agrees, as a condition of receiving a grant under subsection (a), that—
(i) the school will establish an arrangement with 1 or more public or nonprofit community based Hispanic serving organizations, or public or nonprofit private institutions of higher education, including schools of nursing, whose enrollment of students has traditionally included a significant number of Hispanic individuals, the purposes of which will be to carry out a program—
(I) to identify Hispanic students who are interested in a career in the health profession involved; and

1So in original. Probably should be “paragraph”.
(4) Native American centers of excellence

Subject to subsection (e), the conditions specified in this paragraph are that—

(A) with respect to Native Americans, each of clauses (i) through (iv) of paragraph (1)(B) applies to the designated health professions school involved;

(B) the school agrees, as a condition of receiving a grant under subsection (a), that the school will, in carrying out the duties described in subsection (b), give priority to carrying out the duties with respect to Native Americans; and

(C) the school agrees, as a condition of receiving a grant under subsection (a), that—

(i) the school will establish an arrangement with 1 or more public or nonprofit private institutions of higher education, including schools of nursing, whose enrollment of students has traditionally included a significant number of Native Americans, the purpose of which arrangement will be to carry out a program—

(I) to identify Native American students, from the institutions of higher education referred to in clause (i), who are interested in health professions careers; and

(II) to facilitate the educational preparation of such students to enter the designated health professions school; and

(ii) the designated health professions school will make efforts to recruit Native American students, including students who have participated in the undergraduate program carried out under arrangements established by the school pursuant to clause (i) and will assist Native American students regarding the completion of the educational requirements for a degree from the designated health professions school.

(5) Other centers of excellence

The conditions specified in this paragraph are—

(A) with respect to other centers of excellence, the conditions described in clauses (i) through (iv) of paragraph (1)(B); and

(B) that the health professions school involved has an enrollment of under-represented minorities above the national average for such enrollments of health professions schools.

(d) Designation as center of excellence

(1) In general

Any designated health professions school receiving a grant under subsection (a) and meeting the conditions described in paragraph (2) or (5) of subsection (c) shall, for purposes of this section, be designated by the Secretary as a Center of Excellence in Under-Represented Minority Health Professions Education.

(2) Hispanic centers of excellence

Any designated health professions school receiving a grant under subsection (a) and meeting the conditions described in subsection (c)(3) shall, for purposes of this section, be designated by the Secretary as a Hispanic Center of Excellence in Health Professions Education.

(3) Native American centers of excellence

Any designated health professions school receiving a grant under subsection (a) and meeting the conditions described in subsection (c)(4) shall, for purposes of this section, be designated by the Secretary as a Native American Center of Excellence in Health Professions Education. Any consortium receiving such a grant pursuant to subsection (e) shall, for purposes of this section, be so designated.

(e) Authority regarding Native American centers of excellence

With respect to meeting the conditions specified in subsection (c)(4), the Secretary may make a grant under subsection (a) to a designated health professions school that does not meet such conditions if—

(1) the school has formed a consortium in accordance with subsection (d)(1); and

(2) the schools of the consortium collectively meet such conditions, without regard to whether the schools individually meet such conditions.

(f) Duration of grant

The period during which payments are made under a grant under subsection (a) may not exceed 5 years. Such payments shall be subject to annual approval by the Secretary and to the availability of appropriates for the fiscal year involved to make the payments.

(g) Definitions

In this section:

(1) Designated health professions school

(A) In general

The term “health professions school” means, except as provided in subparagraph (B), a school of medicine, a school of osteopathic medicine, a school of dentistry, a school of pharmacy, or a graduate program in behavioral or mental health.

(B) Exception

The definition established in subparagraph (A) shall not apply to the use of the term “designated health professions school” for purposes of subsection (c)(2).

(2) Program of excellence

The term “program of excellence” means any program carried out by a designated health professions school with a grant made under subsection (a), if the program is for purposes for which the school involved is authorized in subsection (b) or (c) to expend the grant.
(3) Native Americans
The term “Native Americans” means American Indians, Alaskan Natives, Aleuts, and Native Hawaiians.

(h) Formula for allocations

(1) Allocations

Based on the amount appropriated under subsection (i) for a fiscal year, the following subparagraphs shall apply as appropriate:

(A) In general

If the amounts appropriated under subsection (i) for a fiscal year are $24,000,000 or less—

(i) the Secretary shall make available $12,000,000 for grants under subsection (a) to health professions schools that meet the conditions described in subsection (c)(2)(A); and

(ii) 60 percent of such amount for grants under subsection (a) to health professions schools that meet the conditions described in paragraph (3) or (4) of subsection (c) (including meeting the conditions under subsection (e)); and

(B) Funding in excess of $24,000,000

If amounts appropriated under subsection (i) for a fiscal year exceed $24,000,000 but are less than $30,000,000—

(i) 80 percent of such excess amounts shall be made available for grants under subsection (a) to health professions schools that meet the requirements described in paragraph (3) or (4) of subsection (c) (including meeting conditions pursuant to subsection (e)); and

(ii) 20 percent of such excess amount shall be made available for grants under subsection (a) to health professions schools that meet the conditions described in subsection (c)(5).

(C) Funding in excess of $30,000,000

If amounts appropriated under subsection (i) for a fiscal year exceed $30,000,000 but are less than $40,000,000, the Secretary shall make available—

(i) not less than $12,000,000 for grants under subsection (a) to health professions schools that meet the conditions described in subsection (c)(2)(A);

(ii) not less than $16,000,000 for grants under subsection (a) to health professions schools that meet the conditions described in paragraph (3) or (4) of subsection (c) (including meeting conditions pursuant to subsection (e));

(iii) not less than $8,000,000 for grants under subsection (a) to health professions schools that meet the conditions described in subsection (c)(5); and

(iv) after grants are made with funds under clauses (i) through (iii), any remaining amount for grants under subsection (a) to health professions schools that meet the conditions described in paragraph (2)(A), (3), (4), or (5) of subsection (c).

(D) Funding in excess of $40,000,000

If amounts appropriated under subsection (i) for a fiscal year are $40,000,000 or more, the Secretary shall make available—

(i) not less than $16,000,000 for grants under subsection (a) to health professions schools that meet the conditions described in subsection (c)(2)(A);

(ii) not less than $16,000,000 for grants under subsection (a) to health professions schools that meet the conditions described in paragraph (3) or (4) of subsection (c) (including meeting conditions pursuant to subsection (e));

(iii) not less than $8,000,000 for grants under subsection (a) to health professions schools that meet the conditions described in subsection (c)(5); and

(iv) after grants are made with funds under clauses (i) through (iii), any remaining amount for grants under subsection (a) to health professions schools that meet the conditions described in paragraph (2)(A), (3), (4), or (5) of subsection (c).

(2) No limitation

Nothing in this subsection shall be construed as limiting the centers of excellence referred to in this section to the designated amount, or to preclude such entities from competing for grants under this section.

(3) Maintenance of effort

(A) In general

With respect to activities for which a grant made under this part are authorized to be expended, the Secretary may not make such a grant to a center of excellence for any fiscal year unless the center agrees to maintain expenditures of non-Federal amounts for such activities at a level that is not less than the level of such expenditures maintained by the center for the fiscal year preceding the fiscal year for which the school receives such a grant.

(B) Use of Federal funds

With respect to any Federal amounts received by a center of excellence and available for carrying out activities for which a grant under this part is authorized to be expended, the center shall, before expending the grant, expend the Federal amounts obtained from sources other than the grant, unless given prior approval from the Secretary.

(i) Authorization of appropriations

There are authorized to be appropriated to carry out this section—

(1) $50,000,000 for each of the fiscal years 2010 through 2015; and

(2) and such sums as are necessary for each subsequent fiscal year.

REFERENCES IN TEXT


PRIOR PROVISIONS


A prior section 736 of act July 1, 1944, was classified to section 2941 of this title prior to the general revision of this subchapter by Pub. L. 102–408.

AMENDMENTS

2010—Subsecs. (h), (i). Pub. L. 111–148 added subsecs. (h) and (i) and struck out former subsec. (h) which related to authorization of appropriations for fiscal years 1998 through 2002 and allocations of amounts.

SAVINGS PROVISION

Pub. L. 105–392, title I, §110, Nov. 13, 1998, 112 Stat. 3562, provided that: ‘‘In the case of any authority for making awards of grants or contracts that is terminated by the amendments made by this subtitle [subtitle I of Pub. L. 105–392], see table to this section, the Secretary of Health and Human Services may, notwithstanding the termination of the authority, continue in effect any grant or contract made under the authority that is in effect on the day before the date of the enactment of this Act (Nov. 13, 1998), subject to the duration of any such grant or contract not exceeding the period determined by the Secretary in first approving such financial assistance, or in approving the most recent request made (before the date of such enactment) for continuation of such assistance, as the case may be.’’

§293a. Scholarships for disadvantaged students

(a) In general

The Secretary may make a grant to an eligible entity (as defined in subsection (d)(1)) under this section for the awarding of scholarships by schools to any full-time student who is an eligible individual as defined in subsection (d). Such scholarships may be expended only for tuition expenses, other reasonable educational expenses, and reasonable living expenses incurred in the attendance of such school.

(b) Preference in providing scholarships

The Secretary may not make a grant to an entity under subsection (a) unless the health professions and nursing schools involved agree that, in providing scholarships pursuant to the grant, the schools will give preference to students for whom the costs of attending the schools would constitute a severe financial hardship and, notwithstanding other provisions of this section, to former recipients of scholarships under sections 293 and 293d(d)(2)(B) of this title (as such sections existed on the day before November 13, 1998).

(c) Amount of award

In awarding grants to eligible entities that are health professions and nursing schools, the Secretary shall give priority to eligible entities based on the proportion of graduating students going into primary care, the proportion of underrepresented minority students, and the proportion of graduates working in medically underserved communities.

(d) Definitions

In this section:

(1) Eligible entities

The term ‘‘eligible entities’’ means an entity that—

(A) is a school of medicine, osteopathic medicine, dentistry, nursing (as defined in section 296 of this title), pharmacy, podiatric medicine, optometry, veterinary medicine, public health, chiropractic, or allied health, a school offering a graduate program in behavioral and mental health practice, or an entity providing programs for the training of physician assistants; and

(B) is carrying out a program for recruiting and retaining students from disadvantaged backgrounds, including students who are members of racial and ethnic minority groups.

(2) Eligible individual

The term ‘‘eligible individual’’ means an individual who—

(A) is from a disadvantaged background;

(B) has a financial need for a scholarship; and

(C) is enrolled (or accepted for enrollment) at an eligible health professions or nursing school as a full-time student in a program leading to a degree in a health profession or nursing.


PRIOR PROVISIONS


§ 293b. Loan repayments and fellowships regarding faculty positions

(a) Loan repayments

(1) Establishment of program

The Secretary shall establish a program of entering into contracts with individuals described in paragraph (2) under which the individuals agree to serve as members of the faculties of schools described in paragraph (3) in consideration of the Federal Government agreeing to pay, for each year of such service, not more than $30,000 of the principal and interest of the educational loans of such individuals.

(2) Eligible individuals

The individuals referred to in paragraph (1) are individuals from disadvantaged backgrounds who—

(A) have a degree in medicine, osteopathic medicine, dentistry, nursing, or another health profession;

(B) are enrolled in an approved graduate training program in medicine, osteopathic medicine, dentistry, nursing, or other health profession; or

(C) are enrolled as full-time students—

(i) in an accredited (as determined by the Secretary) school described in paragraph (3); and

(ii) in the final year of a course of a study or program, offered by such institution and approved by the Secretary, leading to a degree from such a school.

(3) Eligible health professions schools

The schools described in this paragraph are schools of medicine, nursing (as schools of nursing are defined in section 296 of this title), osteopathic medicine, dentistry, pharmacy, allied health, podiatric medicine, optometry, veterinary medicine, or public health, schools offering physician assistant education programs, or schools offering graduate programs in behavioral and mental health.

(4) Requirements regarding faculty positions

The Secretary may not enter into a contract under paragraph (1) unless—

(A) the individual involved has entered into a contract with a school described in paragraph (3) to serve as a member of the faculty of the school for not less than 2 years; and

(B) the contract referred to in subparagraph (A) provides that—

(i) the school will, for each year for which the individual will serve as a member of the faculty under the contract with the school, make payments of the principal and interest due on the educational loans of the individual for such year in an amount equal to the amount of such payments made by the Secretary for the year;

(ii) the payments made by the school pursuant to clause (i) on behalf of the individual will be in addition to the pay that the individual would otherwise receive for serving as a member of such faculty; and

(iii) the school, in making a determination of the amount of compensation to be provided by the school to the individual for serving as a member of the faculty, will make the determination without regard to the amount of payments made (or to be made) to the individual by the Federal Government under paragraph (1).

(5) Applicability of certain provisions

The provisions of sections 254m, 254p, and 254q–1 of this title shall apply to the program established in paragraph (1) to the same extent and in the same manner as such provisions apply to the National Health Service Corps Loan Repayment Program established in subpart III of part D of subchapter II, including the applicability of provisions regarding reimbursements for increased tax liability and regarding bankruptcy.

(6) Waiver regarding school contributions

The Secretary may waive the requirement established in paragraph (4)(B) if the Secretary determines that the requirement will impose an undue financial hardship on the school involved.

(b) Fellowships

(1) In general

The Secretary may make grants to and enter into contracts with eligible entities to assist such entities in increasing the number of underrepresented minority individuals who are members of the faculty of such schools.

(2) Applications

To be eligible to receive a grant or contract under this subsection, an entity shall provide an assurance, in the application submitted by the entity, that—

(A) amounts received under such a grant or contract will be used to award a fellowship to an individual only if the individual meets the requirements of paragraphs (3) and (4); and

(B) each fellowship awarded pursuant to the grant or contract will include—

(i) a stipend in an amount not exceeding 50 percent of the regular salary of a similar faculty member for not to exceed 3 years of training; and

(ii) an allowance for other expenses, such as travel to professional meetings and costs related to specialized training.

(3) Eligibility

To be eligible to receive a grant or contract under paragraph (1), an applicant shall demonstrate to the Secretary that such applicant has or will have the ability to—

(A) identify, recruit and select underrepresented minority individuals who have
the potential for teaching, administration, or conducting research at a health professions institution;

(B) provide such individuals with the skills necessary to secure a tenured faculty position at such institution, which may include training with respect to pedagogical skills, program administration, the design and conduct of research, grants writing, and the preparation of articles suitable for publication in peer reviewed journals;

(C) provide services designed to assist such individuals in their preparation for an academic career, including the provision of counselors; and

(D) provide health services to rural or medically underserved populations.

(4) Requirements

To be eligible to receive a grant or contract under paragraph (1) an applicant shall—

(A) provide an assurance that such applicant will make available (directly through cash donations) $1 for every $1 of Federal funds received under this section for the fellowship;

(B) provide an assurance that institutional support will be provided for the individual for the second and third years at a level that is equal to the total amount of institutional funds provided in the year in which the grant or contract was awarded;

(C) provide an assurance that the individual that will receive the fellowship will be a member of the faculty of the applicant school; and

(D) provide an assurance that the individual that will receive the fellowship will have, at a minimum, appropriate advanced preparation (such as a master’s or doctoral degree) and special skills necessary to enable such individual to teach and practice.

(5) Definition

For purposes of this subsection, the term “underrepresented minority individuals” means individuals who are members of racial or ethnic minority groups that are underrepresented in the health professions including nursing.

(July 1, 1944, ch. 373, title VII, §738, as added Pub. L. 105-392, title I, §102(a), Nov. 13, 1998, 112 Stat. 3532; amended Pub. L. 111-148, title V, §5402(a), substituted “$30,000” for “$20,000”.


§293c. Educational assistance in the health professions regarding individuals from disadvantaged backgrounds

(a) In general

(1) Authority for grants

For the purpose of assisting individuals from disadvantaged backgrounds, as determined in accordance with criteria prescribed by the Secretary, to undertake education to enter a health profession, the Secretary may make grants to and enter into contracts with schools of medicine, osteopathic medicine, public health, dentistry, veterinary medicine, optometry, pharmacy, allied health, chiropractic, and podiatric medicine, public and nonprofit private schools that offer graduate programs in behavioral and mental health, programs for the training of physician assistants, and other public or nonprofit health or educational entities to assist in meeting the costs described in paragraph (2).

(2) Authorized expenditures

A grant or contract under paragraph (1) may be used by the entity to meet the cost of—

(A) identifying, recruiting, and selecting individuals from disadvantaged backgrounds, as so determined, for education and training in a health profession;

(B) facilitating the entry of such individuals into such a school;

(C) providing counseling, mentoring, or other services designed to assist such individuals to complete successfully their education at such a school;

(D) providing, for a period prior to the entry of such individuals into the regular course of education of such a school, preliminary education and health research training designed to assist them to complete successfully such regular course of education at such a school, or referring such individuals to institutions providing such preliminary education;

(E) publicizing existing sources of financial aid available to students in the education program of such a school or who are undertaking training necessary to qualify them to enroll in such a program;

(F) paying such scholarships as the Secretary may determine for such individuals for any period of health professions education at a health professions school;

(G) paying such stipends as the Secretary may approve for such individuals for any period of education in student-enhancement
programs (other than regular courses), except that such a stipend may not be provided to an individual for more than 12 months, and such a stipend shall be in an amount determined appropriate by the Secretary (notwithstanding any other provision of law regarding the amount of stipends).

(b) Requirements for awards

In making awards to eligible entities under subsection (a), the Secretary shall give preference to approved applications for programs that involve a comprehensive approach by several public or nonprofit private health or educational entities to establish, enhance and expand educational programs that will result in the development of a competitive applicant pool of individuals from disadvantaged backgrounds who desire to pursue health professions careers.

In considering awards for such a comprehensive partnership approach, the following shall apply with respect to the entity involved:

(1) The entity shall have a demonstrated commitment to such approach through formal agreements that have common objectives with institutions of higher education, school districts, and other community-based entities.

(2) Such formal agreements shall reflect the coordination of educational activities and support services, increased linkages, and the consolidation of resources within a specific geographic area.

(3) The design of the educational activities involved shall provide for the establishment of a competitive health professions applicant pool of individuals from disadvantaged backgrounds by enhancing the total preparation (academic and social) of such individuals to pursue a health professions career.

(4) The programs or activities under the award shall focus on developing a culturally competent health care workforce that will serve the unserved and underserved populations within the geographic area.

(c) Equitable allocation of financial assistance

The Secretary, to the extent practicable, shall ensure that services and activities under subsection (a) are adequately allocated among the various racial and ethnic populations who are from disadvantaged backgrounds.

(d) Matching requirements

The Secretary may require that an entity that applies for a grant or contract under subsection (a), provide non-Federal matching funds, as appropriate, to ensure the institutional commitment of the entity to the projects funded under the grant or contract. As determined by the Secretary, such non-Federal matching funds may be provided directly or through donations from public or private entities and may be in cash or in-kind, fairly evaluated, including plant, equipment, or services.


PRIOR PROVISIONS


A prior section 739 of act July 1, 1944, was classified to section 294 of this title prior to the general revision of this subchapter by Pub. L. 102–408.

§ 293d. Authorization of appropriation

(a) Scholarships

There are authorized to be appropriated to carry out section 293a of this title, $51,000,000 for fiscal year 2010, and such sums as may be necessary for each of the fiscal years 2011 through 2014. Of the amount appropriated in any fiscal year, the Secretary shall ensure that not less than 16 percent shall be distributed to schools of nursing.

(b) Loan repayments and fellowships

For the purpose of carrying out section 293b of this title, there is authorized to be appropriated, $5,000,000 for each of the fiscal years 2010 through 2014.

(c) Educational assistance in health professions regarding individuals from disadvantaged backgrounds

For the purpose of grants and contracts under section 293c(a)(1) of this title, there is authorized to be appropriated $60,000,000 for fiscal year 2010 and such sums as may be necessary for each of the fiscal years 2011 through 2014. The Secretary may use not to exceed 20 percent of the amount appropriated for a fiscal year under this subsection to provide scholarships under section 293c(a)(2)(F) of this title.

(d) Report

Not later than 6 months after November 13, 1998, the Secretary shall prepare and submit to the appropriate committees of Congress a report concerning the efforts of the Secretary to ad-
dress the need for a representative mix of individuals from historically minority health professions schools, or from institutions or other entities that historically or by geographic location have a demonstrated record of training or educating underrepresented minorities, within various health professions disciplines, on peer review councils.


PRIOR PROVISIONS


A prior section 740 of act July 1, 1944, was classified to section 294m of this title prior to the general revision of this subchapter by Pub. L. 102–408.

AMENDMENTS

2010—Subsec. (a). Pub. L. 111–148, §5402(b), substituted ‘‘$51,000,000 for fiscal year 2010, and such sums as may be necessary for each of the fiscal years 2011 through 2014’’ for ‘‘$37,000,000 for fiscal year 1998, and such sums as may be necessary for each of the fiscal years 1999 through 2002’’.

Subsec. (b). Pub. L. 111–148, §5402(c), substituted ‘‘appropriated $5,000,000 for each of the fiscal years 2010 through 2014’’ for ‘‘appropriated $1,100,000 for fiscal year 1998, and such sums as may be necessary for each of the fiscal years 1999 through 2002’’.

Subsec. (c). Pub. L. 111–148, §5402(d), substituted ‘‘For the purpose of grants and contracts under section 293c(a)(1) of this title, there is authorized to be appropriated $60,000,000 for fiscal year 2010 and such sums as may be necessary for each of the fiscal years 2011 through 2014’’ for ‘‘For the purpose of grants and contracts under section 293c(a)(1) of this title, there is authorized to be appropriated $29,400,000 for fiscal year 1998, and such sums as may be necessary for each of the fiscal years 1999 through 2002’’.

§293e. Grants for health professions education

(a) Cultural competency, prevention, and public health and individuals with disability grants

(1) In general

The Secretary, acting through the Administrator of the Health Resources and Services Administration, may make awards of grants, contracts, or cooperative agreements to public and nonprofit private entities (including tribal entities) for the development, evaluation, and dissemination of research, demonstration projects, and model curricula for cultural competency, prevention, public health proficiency, reducing health disparities, and aptitude for working with individuals with disabilities training for use in health professions schools and continuing education programs, and for other purposes determined as appropriate by the Secretary.

(2) Eligible entities

Unless specifically required otherwise in this subchapter, the Secretary shall accept applications for grants or contracts under this section from health professions schools, academic health centers, State or local governments, or other appropriate public or private nonprofit entities (or consortia of entities, including entities promoting multidisciplinary approaches) for funding and participation in health professions training activities. The Secretary may accept applications from nonprofit private entities as determined appropriate by the Secretary.

(b) Collaboration

In carrying out subsection (a), the Secretary shall collaborate with health professional societies, licensing and accreditation entities, health professions schools, and experts in minority health and cultural competency, prevention, and public health and disability groups, community-based organizations, and other organizations as determined appropriate by the Secretary. The Secretary shall coordinate with curricula and research and demonstration projects developed under section 296e–1 of this title.

(c) Dissemination

(1) In general

Model curricula developed under this section shall be disseminated through the Internet Clearinghouse under section 270 of such other means as determined appropriate by the Secretary.

(2) Evaluation

The Secretary shall evaluate the adoption and the implementation of cultural competency, prevention, and public health, and working with individuals with a disability training curricula, and the facilitation of inclusion of these competency measures in quality measurement systems as appropriate.

(d) Authorization of appropriations

There is authorized to be appropriated to carry out this section such sums as may be necessary for each of fiscal years 2010 through 2015.


PRIOR PROVISIONS


1 So in original. Act July 1, 1944, does not contain a section 270.

2 So in original.


AMENDMENTS


Subsec. (a)(1). Pub. L. 111–148, §307(a)(1)(B), substituted “for the development, evaluation, and dissemination of research, demonstration projects, and model curricula for cultural competency, prevention, public health proficiency, reducing health disparities, and attitude for working with individuals with disabilities training for use in health professions schools and continuing education programs, and for other purposes determined as appropriate by the Secretary” for “for the purpose of carrying out research and demonstration projects (including research and demonstration projects for continuing health professions education) for training and educational professionals for the reduction of disparities in health care outcomes and the provision of culturally competent health care”.

Subsecs. (b) to (d). Pub. L. 111–148, §307(a)(2), added subsecs. (b) to (d) and struck out former subsec. (b).

Prior to amendment, text of subsec. (b) read as follows:

“(a) IN GENERAL.—Not later than 1 year after the date of enactment of this Act [Nov. 22, 2000], the Secretary of Health and Human Services (in this section referred to as the ‘Secretary’), acting through the Administrator of the Health Resources and Services Administration, shall convene a national conference on health professions education as a method for reducing disparities in health outcomes.

“(b) PARTICIPANTS.—The Secretary shall include in the national conference convened under subsection (a) advocacy groups and educational entities as described in section 741 of the Public Health Service Act [42 U.S.C. 294q–2] (as added by section 401), tribal health programs, health centers under section 330 of such Act [42 U.S.C. 294d], and other interested parties.

“(c) ISSUES.—The national conference convened under subsection (a) shall include, but is not limited to, issues that address the role and impact of health professions education on the reduction of disparities in health outcomes, including the role of education on cultural competency. The conference shall focus on methods to achieve reductions in disparities in health outcomes through health professions education (including continuing education programs) and strategies for outcomes measurement to assess the effectiveness of education in reducing disparities.

“(d) PUBLICATION OF FINDINGS.—Not later than 6 months after the national conference under subsection (a) has convened, the Secretary shall publish in the Federal Register a summary of the proceedings and findings of the conference.

“(e) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated such sums as may be necessary to carry out this section.”
Secretary has determined is capable of carrying out such grant or contract—

(A) to plan, develop, operate, or participate in an accredited professional training program, including an accredited residency or internship program in the field of family medicine, general internal medicine, or general pediatrics for medical students, interns, residents, or practicing physicians as defined by the Secretary;

(B) to provide need-based financial assistance in the form of traineeships and fellowships to medical students, interns, residents, practicing physicians, or other medical personnel, who are participants in any such program, and who plan to specialize or work in the practice of the fields defined in subparagraph (A);

(C) to plan, develop, and operate a program for the training of physicians who plan to teach in family medicine, general internal medicine, or general pediatrics training programs;

(D) to plan, develop, and operate a program for the training of physicians teaching in community-based settings;

(E) to provide financial assistance in the form of traineeships and fellowships to physicians who are participants in any such programs and who plan to teach or conduct research in a family medicine, general internal medicine, or general pediatrics training program;

(F) to plan, develop, and operate a physician assistant education program, and for the training of individuals who will teach in programs to provide such training;

(G) to plan, develop, and operate a demonstration program that provides training in new competencies, as recommended by the Advisory Committee on Training in Primary Care Medicine and Dentistry and the National Health Care Workforce Commission established in section 294q of this title, which may include—

(i) providing training to primary care physicians relevant to providing care through patient-centered medical homes (as defined by the Secretary for purposes of this section);

(ii) developing tools and curricula relevant to patient-centered medical homes; and

(iii) providing continuing education to primary care physicians relevant to patient-centered medical homes; and

(H) to plan, develop, and operate joint degree programs to provide interdisciplinary and interprofessional graduate training in public health and other health professions to provide training in environmental health, infectious disease control, disease prevention and health promotion, epidemiological studies and injury control.

(2) Duration of awards

The period during which payments are made to an entity from an award of a grant or contract under this subsection shall be 5 years.

(b) Capacity building in primary care

(1) In general

The Secretary may make grants to or enter into contracts with accredited schools of medicine or osteopathic medicine to establish, maintain, or improve—

(A) academic units or programs that improve clinical teaching and research in fields defined in subsection (a)(1)(A); or

(B) programs that integrate academic administrative units in fields defined in subsection (a)(1)(A) to enhance interdisciplinary recruitment, training, and faculty development.

(2) Preference in making awards under this subsection

In making awards of grants and contracts under paragraph (1), the Secretary shall give preference to any qualified applicant for such an award that agrees to expend the award for the purpose of—

(A) establishing academic units or programs in fields defined in subsection (a)(1)(A); or

(B) substantially expanding such units or programs.

(3) Priorities in making awards

In awarding grants or contracts under paragraph (1), the Secretary shall give priority to qualified applicants that—

(A) proposes a collaborative project between academic administrative units of primary care;

(B) proposes innovative approaches to clinical teaching using models of primary care, such as the patient centered medical home, team management of chronic disease, and interprofessional integrated models of health care that incorporate transitions in health care settings and integration physical and mental health provision;

(C) have a record of training the greatest percentage of providers, or that have demonstrated significant improvements in the percentage of providers trained, who enter and remain in primary care practice;

(D) have a record of training individuals who are from underrepresented minority groups or from a rural or disadvantaged background;

(E) provide training in the care of vulnerable populations such as children, older adults, homeless individuals, victims of abuse or trauma, individuals with mental health or substance-related disorders, individuals with disabilities;

(F) establish formal relationships and submit joint applications with federally qualified health centers, rural health clinics, area health education centers, or clinics located in underserved areas or that serve underserved populations;

(G) teach trainees the skills to provide interprofessional, integrated care through collaboration among health professionals;

(H) provide training in enhanced communication with patients, evidence-based prac-
tice, chronic disease management, preventive care, health information technology, or other competencies as recommended by the Advisory Committee on Training in Primary Care Medicine and Dentistry and the National Health Care Workforce Commission established in section 294q of this title; or
(1) provide training in cultural competency and health literacy.

(4) Duration of awards
The period during which payments are made to an entity from an award of a grant or contract under this subsection shall be 5 years.

(c) Authorization of appropriations

(1) In general
For purposes of carrying out this section (other than subsection (b)(1)(B)), there are authorized to be appropriated $125,000,000 for fiscal year 2010, and such sums as may be necessary for each of fiscal years 2011 through 2014.

(2) Training programs
Fifteen percent of the amount appropriated pursuant to paragraph (1) in each such fiscal year shall be allocated to the physician assistant training programs described in subsection (a)(1)(F), which prepare students for practice in primary care.

(3) Integrating academic administrative units
For purposes of carrying out subsection (b)(1)(B), there are authorized to be appropriated $750,000 for each of fiscal years 2010 through 2014.


CODIFICATION
Pub. L. 111–148, title V, §5301, Mar. 23, 2010, 124 Stat. 615, which directed the amendment of part C of title VII by striking out section 747 and inserting a new section 615, which directed the amendment of part C of title VII by striking out section 293k and inserting a new section 293k–1, training opportunities for direct care workers who are employed in long-term care settings such as nursing homes (as defined in section 1996g(e)(1) of this title), assisted living facilities and skilled nursing facilities, intermediate care facilities for individuals with mental retardation, home and community based settings, and any other setting the Secretary determines to be appropriate.

(b) Eligibility
To be eligible to receive a grant under this section, an entity shall—
(1) be an institution of higher education (as defined in section 1002 of title 20) that—
(A) is accredited by a nationally recognized accrediting agency or association listed under section 1001(c) of title 20; and
(B) has established a public-private educational partnership with a nursing home or skilled nursing facility, agency or entity providing home and community based services to individuals with disabilities, or other long-term care provider; and
(2) submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require.

(c) Use of funds
An eligible entity shall use amounts awarded under a grant under this section to provide assistance to eligible individuals to offset the cost of tuition and required fees for enrollment in academic programs provided by such entity.

(d) Eligible individual

(1) Eligibility
To be eligible for assistance under this section, an individual shall be enrolled in courses provided by a grantee under this subsection and maintain satisfactory academic progress in such courses.

(2) Condition of assistance
As a condition of receiving assistance under this section, an individual shall agree that, following completion of the assistance period, the individual will work in the field of geriatrics, disability services, long term services and supports, or chronic care management for a minimum of 2 years under guidelines set by the Secretary.

(e) Authorization of appropriations
There is authorized to be appropriated to carry out this section, $10,000,000 for the period of fiscal years 2011 through 2013.


§293k–2. Training in general, pediatric, and public health dentistry

(a) Support and development of dental training programs

(1) In general
The Secretary may make grants to, or enter into contracts with, a school of dentistry, public or nonprofit private hospital, or a public or
private nonprofit entity which the Secretary has determined is capable of carrying out such grant or contract—

(A) to plan, develop, and operate, or participate in, an approved professional training program in the field of general dentistry, pediatric dentistry, or public health dentistry for dental students, residents, practicing dentists, or public health dentistry; and

(B) to provide financial assistance to dental students, residents, practicing dentists, and dental hygiene students who are in need thereof, who are participants in any such program, and who plan to work in the practice of general, pediatric, public health dentistry, or dental hygiene;

(C) to plan, develop, and operate a program for the training of oral health care providers who plan to teach in general, pediatric, public health dentistry, or dental hygiene;

(D) to provide financial assistance in the form of traineeships and fellowships to dentists who plan to teach or are teaching in general, pediatric, or public health dentistry;

(E) to meet the costs of projects to establish, maintain, or improve dental faculty development programs in primary care (which may be departments, divisions or other units);

(F) to meet the costs of projects to establish, maintain, or improve predoctoral and postdoctoral training in primary care programs;

(G) to create a loan repayment program for faculty in dental programs; and

(H) to provide technical assistance to pediatric training programs in developing and implementing instruction regarding the oral health status, dental care needs, and risk-based clinical disease management of all pediatric populations with an emphasis on underserved children.

(2) Faculty loan repayment

(A) In general

A grant or contract under subsection (a)(1)(G) may be awarded to a program of general, pediatric, or public health dentistry described in such subsection to plan, develop, and operate a loan repayment program under which—

(i) individuals agree to serve full-time as faculty members; and

(ii) the program of general, pediatric or public health dentistry agrees to pay the principal and interest on the outstanding student loans of the individuals.

(B) Manner of payments

With respect to the payments described in subparagraph (A)(ii), upon completion by an individual of each of the first, second, third, fourth, and fifth years of service, the program shall pay an amount equal to 10, 15, 20, 25, and 30 percent, respectively, of the individual’s student loan balance as calculated based on principal and interest owed at the initiation of the agreement.

(b) Eligible entity

For purposes of this subsection, entities eligible for such grants or contracts in general, pediatric, or public health dentistry shall include:

(1) Eligible entities that have programs in dental or public health schools, or approved residency or advanced education programs in the practice of general, pediatric, or public health dentistry.

(2) Eligible entities that have a record of training the greatest percentage of providers, or that have demonstrated significant improvements in the percentage of providers who enter and remain in general, pediatric, or public health dentistry.

(3) Eligible entities that have a record of training individuals who are from a rural or disadvantaged background, or from underrepresented minorities.

(4) Eligible entities that establish formal relationships with Federally qualified health centers, rural health centers, or accredited teaching facilities and that conduct training of students, residents, fellows, or faculty at the center or facility.

(5) Eligible entities that conduct teaching programs targeting vulnerable populations such as older adults, homeless individuals, victims of abuse or trauma, individuals with mental health or substance-related disorders, individuals with disabilities, and individuals with HIV/AIDS, and in the risk-based clinical disease management of all populations.

(6) Eligible entities that include educational activities in cultural competency and health literacy.

(7) Eligible entities that have a high rate for placing graduates in practice settings that serve underserved areas or health disparity populations, or who achieve a significant increase in the rate of placing graduates in such settings.

(8) Eligible entities that intend to establish a special populations oral health care education center or training program for the didactic and clinical education of dentists, dental health professionals, and dental hygienists who plan to teach oral health care for people with developmental disabilities, cognitive impairment, complex medical problems, significant physical limitations, and vulnerable elderly.

(d) Application

An eligible entity desiring a grant under this section shall submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require.
§ 293l

TITLE 42—THE PUBLIC HEALTH AND WELFARE

Page 902

(e) Duration of award

The period during which payments are made to an entity from an award of a grant or contract under subsection (a) shall be 5 years. The provision of such payments shall be subject to annual approval by the Secretary and subject to the availability of appropriations for the fiscal year involved to make the payments.

(f) Authorizations of appropriations

For the purpose of carrying out subsections (a) and (b), there is authorized to be appropriated $30,000,000 for fiscal year 2010 and such sums as may be necessary for each of fiscal years 2011 through 2015.

(g) Carryover funds

An entity that receives an award under this section may carry over funds from 1 fiscal year to another without obtaining approval from the Secretary. In no case may any funds be carried over pursuant to the preceding sentence for more than 3 years.


PRIOR PROVISIONS

A prior section 748 of act July 1, 1944, was renumbered section 749 and is classified to section 293l of this title. Another prior section 748 of act July 1, 1944, was classified to section 293l of this title prior to repeal by Pub. L. 105–392.

Another prior section 748 of act July 1, 1944, was classified to section 294r of this title; (as added Pub. L. 111–148, title V, § 5303(2), Mar. 23, 2010, 124 Stat. 618.)

§ 293l. Advisory Committee on Training in Primary Care Medicine and Dentistry

(a) Establishment

The Secretary shall establish an advisory committee to be known as the Advisory Committee on Training in Primary Care Medicine and Dentistry (in this section referred to as the “Advisory Committee”).

(b) Composition

(1) In general

The Secretary shall determine the appropriate number of individuals to serve on the Advisory Committee. Such individuals shall not be officers or employees of the Federal Government.

(2) Appointment

Not later than 90 days after November 13, 1998, the Secretary shall appoint the members of the Advisory Committee from among individuals who are health professionals. In making such appointments, the Secretary shall ensure a fair balance between the health professions, that at least 75 percent of the members of the Advisory Committee are health professionals, a broad geographic representation of members and a balance between urban and rural members. Members shall be appointed based on their competence, interest, and knowledge of the mission of the profession involved.

(3) Minority representation

In appointing the members of the Advisory Committee under paragraph (2), the Secretary shall ensure the adequate representation of women and minorities.

(c) Terms

(1) In general

A member of the Advisory Committee shall be appointed for a term of 3 years, except that of the members first appointed—

(A) ½ of such members shall serve for a term of 1 year;

(B) ½ of such members shall serve for a term of 2 years; and

(C) ½ of such members shall serve for a term of 3 years.

(2) Vacancies

(A) In general

A vacancy on the Advisory Committee shall be filled in the manner in which the original appointment was made and shall be subject to any conditions which applied with respect to the original appointment.

(B) Filling unexpired term

An individual chosen to fill a vacancy shall be appointed for the unexpired term of the member replaced.

(d) Duties

The Advisory Committee shall—

(1) provide advice and recommendations to the Secretary concerning policy and program development and other matters of significance concerning the activities under section 293k of this title;

(2) not later than 3 years after November 13, 1998, and annually thereafter, prepare and submit to the Secretary, and the Committee on Labor and Human Resources of the Senate, and the Committee on Commerce of the House of Representatives, a report describing the activities of the Committee, including findings and recommendations made by the Committee concerning the activities under section 293k of this title;

(3) develop, publish, and implement performance measures for programs under this part;

(4) develop and publish guidelines for longitudinal evaluations (as described in section 294n(d)(2) of this title) for programs under this part; and

(5) recommend appropriation levels for programs under this part.

(e) Meetings and documents

(1) Meetings

The Advisory Committee shall meet not less than 2 times each year. Such meetings shall be held jointly with other related entities established under this subchapter where appropriate.

(2) Documents

Not later than 14 days prior to the convening of a meeting under paragraph (1), the Advisory Committee shall prepare and make available an agenda of the matters to be considered by the Advisory Committee at such meeting. At any such meeting, the Advisory Council shall distribute materials with respect to the issues

1 So in original. Probably should be “Committee”.


to be addressed at the meeting. Not later than 30 days after the adjourning of such a meeting, the Advisory Committee shall prepare and make available a summary of the meeting and any actions taken by the Committee based upon the meeting.

(f) Compensation and expenses

(1) Compensation

Each member of the Advisory Committee shall be compensated at a rate equal to the daily equivalent of the annual rate of basic pay prescribed for level IV of the Executive Schedule under section 5315 of title 5 for each day (including travel time) during which such member is engaged in the performance of the duties of the Committee.

(2) Expenses

The members of the Advisory Committee shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5 while away from their homes or regular places of business in the performance of services for the Committee.

(g) FACA

The Federal Advisory Committee Act shall apply to the Advisory Committee under this section only to the extent that the provisions of such Act do not conflict with the requirements of this section.

(1) Establishing or expanding a program

(2) Technical assistance provided by an eligible entity

The Federal Advisory Committee Act, referred to in subsec. (g), is Pub. L. 92–463, Oct. 6, 1972, 86 Stat. 770, as amended, which is set out in the Appendix to Title 5, Government Organization and Employees.

Codification

November 13, 1998, referred to in subsec. (b)(2), was in the original “the date of enactment of this Act”, which was translated as meaning the date of enactment of Pub. L. 105–392, which enacted this section, to reflect the probable intent of Congress.

Prior Provisions


References in Text

The Federal Advisory Committee Act, referred to in subsec. (g), is Pub. L. 92–463, Oct. 6, 1972, 86 Stat. 770, as amended, which is set out in the Appendix to Title 5, Government Organization and Employees.

Codification

November 13, 1998, referred to in subsec. (b)(2), was in the original “the date of enactment of this Act”, which was translated as meaning the date of enactment of Pub. L. 105–392, which enacted this section, to reflect the probable intent of Congress.

Prior Provisions


A prior section 749 of act July 1, 1944, was classified to section 293m of this title prior to repeal by Pub. L. 105–392.

Another prior section 749 of act July 1, 1944, was classified to section 294s of this title prior to renumbering by Pub. L. 97–35.

Amendments

2010—Subsec. (d)(3) to (5). Pub. L. 111–148, §5103(d)(1), added pars. (3) to (5).

Change of Name

Committee on Commerce of House of Representatives changed to Committee on Energy and Commerce of House of Representatives, and jurisdiction over matters relating to securities and exchanges and insurance generally transferred to Committee on Financial Services of House of Representatives by House Resolution No. 5, One Hundred Seventh Congress, Jan. 3, 2001.

Committee on Labor and Human Resources of Senate changed to Committee on Health, Education, Labor, and Pensions of Senate by Senate Resolution No. 20, One Hundred Sixth Congress, Jan. 19, 1999.

Termination of Advisory Committees

Pub. L. 93–641, §6, Jan. 4, 1975, 86 Stat. 2275, set out as a note under section 217a of this title, provided that an advisory committee established pursuant to the Public Health Service Act shall terminate at such time as may be specifically prescribed by an Act of Congress enacted after Jan. 4, 1975.

§ 293l–1. Teaching health centers development grants

(a) Program authorized

The Secretary may award grants under this section to teaching health centers for the purpose of establishing new accredited or expanded primary care residency programs.

(b) Amount and duration

Grants awarded under this section shall be for a term of not more than 3 years and the maximum award may not be more than $500,000.

(c) Use of funds

Amounts provided under a grant under this section shall be used to cover the costs of—

(1) establishing or expanding a primary care residency training program described in subsection (a), including costs associated with—

(A) curriculum development;

(B) recruitment, training and retention of residents and faculty;¹

(C) accreditation by the Accreditation Council for Graduate Medical Education (ACGME), the American Dental Association (ADA), or the American Osteopathic Association (AOA); and

(D) faculty salaries during the development phase; and

(2) technical assistance provided by an eligible entity.

(d) Application

A teaching health center seeking a grant under this section shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require.

(e) Preference for certain applications

In selecting recipients for grants under this section, the Secretary shall give preference to any such application that documents an existing affiliation agreement with an area health education center program as defined in sections 294a and 295p of this title.

(f) Definitions

In this section:

(1) Eligible entity

The term “eligible entity” means an organization capable of providing technical assist-

¹So in original. The colon probably should be a semicolon.
§ 293m. Rural physician training grants

(a) In general

The Secretary, acting through the Administrator of the Health Resources and Services Administration, shall establish a grant program for the purposes of assisting eligible entities in recruiting students most likely to practice medicine in underserved rural communities, providing rural-focused training and experience, and increasing the number of recent allopathic and osteopathic medical school graduates who practice in underserved rural communities.

(b) Eligible entities

In order to be eligible to receive a grant under this section, an entity shall—

1. be a school of allopathic or osteopathic medicine accredited by a nationally recognized accrediting agency or association approved by the Secretary for this purpose, or any combination or consortium of such schools; and
2. submit an application to the Secretary that includes a certification that such entity will use amounts provided to the institution as described in subsection (d)(1).

(c) Priority

In awarding grant funds under this section, the Secretary shall give priority to eligible entities that—

1. demonstrate a record of successfully training students, as determined by the Secretary, who practice medicine in underserved rural communities;
2. demonstrate that an existing academic program of the eligible entity produces a high percentage, as determined by the Secretary, of graduates from such program who practice medicine in underserved rural communities;
3. demonstrate rural community institutional partnerships, through such mechanisms as matching or contributory funding, documented in-kind services for implementation, or existence of training partners with interprofessional expertise in community health center training locations or other similar facilities; or
4. submit, as part of the application of the entity under subsection (b), a plan for the long-term tracking of where the graduates of such entity practice medicine.

(d) Use of funds

1. Establishment

An eligible entity receiving a grant under this section shall use the funds made available under such grant to establish, improve, or expand a rural-focused training program (referred to in this section as the “Program”) meeting the requirements described in this subsection and to carry out such program.

2. Structure of Program

An eligible entity shall—

(a) enroll no fewer than 10 students per class year into the Program; and
(b) develop criteria for admission to the Program that gives priority to students—

(i) who have originated from or lived for a period of 2 or more years in an underserved rural community; and
(ii) who express a commitment to practice medicine in an underserved rural community.

3. Curricula

The Program shall require students to enroll in didactic coursework and clinical experience particularly applicable to medical practice in underserved rural communities, including—

(A) clinical rotations in underserved rural communities, and in applicable specialties, or other coursework or clinical experience deemed appropriate by the Secretary; and
(B) in addition to core school curricula, additional coursework or training experiences focused on medical issues prevalent in underserved rural communities.
(4) Residency placement assistance

Where available, the Program shall assist all students of the Program in obtaining clinical training experiences in locations with postgraduate programs offering residency training opportunities in underserved rural communities, or in local residency training programs that support and train physicians to practice in underserved rural communities.

(5) Program student cohort support

The Program shall provide and require all students of the Program to participate in group activities designed to further develop, maintain, and reinforce the original commitment of such students to practice in an underserved rural community.

(e) Annual reporting

An eligible entity receiving a grant under this section shall submit an annual report to the Secretary on the success of the Program, based on criteria the Secretary determines appropriate, including the residency program selection of graduating students who participated in the Program.

(f) Regulations

Not later than 60 days after March 23, 2010, the Secretary shall by regulation define “underserved rural community” for purposes of this section.

(g) Supplement not supplant

Any eligible entity receiving funds under this section shall use such funds to supplement, not supplant, any other Federal, State, and local funds that would otherwise be expended by such entity to carry out the activities described in this section.

(h) Maintenance of effort

With respect to activities for which funds awarded under this section are to be expended, the entity shall agree to maintain expenditures of non-Federal amounts for such activities at a level that is not less than the level of such expenditures maintained by the entity for the fiscal year preceding the fiscal year for which the entity receives a grant under this section.

(i) Authorization of appropriations

There are authorized to be appropriated $1,000,000 for each of the fiscal years 2010 through 2013.


PRERSONS


§294. General provisions

(a) Collaboration

To be eligible to receive assistance under this part, an academic institution shall use such assistance in collaboration with 2 or more disciplines.

(b) Activities

An entity shall use assistance under this part to carry out innovative demonstration projects for strategic workforce supplementation activities as needed to meet national goals for interdisciplinary, community-based linkages. Such assistance may be used consistent with this part—

(1) to develop and support training programs;

(2) for faculty development;

(3) for model demonstration programs;

(4) for the provision of stipends for fellowship trainees;

(5) to provide technical assistance; and

(6) for other activities that will produce outcomes consistent with the purposes of this part.


PRORSONS


A prior section 750 of act July 1, 1944, was transferred to section 293m of this title prior to repeal by Pub. L. 105–392.
§ 294a. Area health education centers

(a) Establishment of awards

The Secretary shall make the following 2 types of awards in accordance with this section:

(1) Infrastructure development award

The Secretary shall make awards to eligible entities to initiate health care workforce educational programs or to continue to carry out comparable programs that are operating at the time the award is made by planning, developing, operating, and evaluating an area health education center program.

(2) Point of service maintenance and enhancement award

The Secretary shall make awards to eligible entities to maintain and improve the effectiveness and capabilities of an existing area health education center program, and make other modifications to the program that are appropriate due to changes in demographics, needs of the populations served, or other similar issues affecting the area health education center program. For the purposes of this section, the term “Program” refers to the area health education center program.

(b) Eligible entities; application

(1) Eligible entities

(A) Infrastructure development

For purposes of subsection (a)(1), the term “eligible entity” means a school of medicine or osteopathic medicine, an incorporated consortium of such schools, or the parent institutions of such a school. With respect to a State in which no area health education center program is in operation, the Secretary may award a grant or contract under subsection (a)(1) to a school of nursing.

(B) Point of service maintenance and enhancement

For purposes of subsection (a)(2), the term “eligible entity” means an entity that has received funds under this section, is operating an area health education center program, including an area health education center or centers, and has a center or centers that are no longer eligible to receive financial assistance under subsection (a)(1).

(2) Application

An eligible entity desiring to receive an award under this section shall submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require.

(c) Use of funds

(1) Required activities

An eligible entity shall use amounts awarded under a grant under subsection (a)(1) or (a)(2) to carry out the following activities:

(A) Develop and implement strategies, in coordination with the applicable one-stop delivery system under section 3151(e) of title 29, to recruit individuals from underrepresented minority populations or from disadvantaged or rural backgrounds into health professions, and support such individuals in attaining such careers.

(B) Develop and implement strategies to foster and provide community-based training and education to individuals seeking careers in health professions within underserved areas for the purpose of developing and maintaining a diverse health care workforce that is prepared to deliver high-quality care, with an emphasis on primary care, in underserved areas or for health disparity populations, in collaboration with other Federal and State health care workforce development programs, the State workforce agency, and local workforce investment boards, and in health care safety net sites.

(C) Prepare individuals to more effectively provide health services to underserved areas and health disparity populations through field placements or preceptorships in conjunction with community-based organizations, accredited primary care residency training programs, Federally qualified health centers, rural health clinics, public health departments, or other appropriate facilities.

(D) Conduct and participate in interdisciplinary training that involves physicians, physician assistants, nurse practitioners, nurse midwives, dentists, psychologists, pharmacists, optometrists, community health workers, public and allied health professionals, or other health professionals, as practicable.

(E) Deliver or facilitate continuing education and information dissemination programs for health care professionals, with an emphasis on individuals providing care in underserved areas and for health disparity populations.

(F) Propose and implement effective program and outcomes measurement and evaluation strategies.

(G) Establish a youth public health program to expose and recruit high school students into health careers, with a focus on careers in public health.

(2) Innovative opportunities

An eligible entity may use amounts awarded under a grant under subsection (a)(1) or subsection (a)(2) to carry out any of the following activities:

(A) Develop and implement innovative curricula in collaboration with community-based accredited primary care residency training programs, Federally qualified health centers, rural health clinics, behavioral and mental health facilities, public health departments, or other appropriate facilities, with the goal of increasing the number of primary care physicians and other primary care providers prepared to serve in underserved areas and health disparity populations.

(B) Coordinate community-based participatory research with academic health centers, and facilitate rapid flow and dissemination of evidence-based health care information, research results, and best practices to improve quality, efficiency, and effective-
ness of health care and health care systems within community settings.

(C) Develop and implement other strategies to address identified workforce needs and increase and enhance the health care workforce in the area served by the area health education center program.

(d) Requirements

(1) Area health education center program

In carrying out this section, the Secretary shall ensure the following:

(A) An entity that receives an award under this section shall conduct at least 10 percent of clinical education required for medical students in community settings that are removed from the primary teaching facility of the contracting institution for grantees that operate a school of medicine or osteopathic medicine. In States in which an entity that receives an award under this section is a nursing school or its parent institution, the Secretary shall alternatively ensure that—

(i) the nursing school conducts at least 10 percent of clinical education required for nursing students in community settings that are remote from the primary teaching facility of the school; and

(ii) the entity receiving the award maintains a written agreement with a school of medicine or osteopathic medicine to place students from that school in training sites in the area health education center program area.

(B) An entity receiving funds under subsection (a)(2) does not distribute such funding to a center that is eligible to receive funding under subsection (a)(1).

(2) Area health education center

The Secretary shall ensure that each area health education center program includes at least 1 area health education center, and that each such center—

(A) is a public or private organization whose structure, governance, and operation is independent from the awardee and the parent institution of the awardee;

(B) is not a school of medicine or osteopathic medicine, the parent institution of such a school, or a branch campus or other subunit of a school of medicine or osteopathic medicine or its parent institution, or a consortium of such entities;

(C) designates an underserved area or population to be served by the center which is in a location removed from the main location of the teaching facilities of the schools participating in the program with such center and does not duplicate, in whole or in part, the geographic area or population served by any other center;

(D) fosters networking and collaboration among communities and between academic health centers and community-based centers;

(E) serves communities with a demonstrated need of health professionals in partnership with academic medical centers;

(F) addresses the health care workforce needs of the communities served in coordination with the public workforce investment system; and

(G) has a community-based governing or advisory board that reflects the diversity of the communities involved.

(e) Matching funds

With respect to the costs of operating a program through a grant under this section, to be eligible for financial assistance under this section, an entity shall make available (directly or through contributions from State, county or municipal governments, or the private sector) recurring non-Federal contributions in cash or in kind, toward such costs in an amount that is equal to not less than 50 percent of such costs. At least 25 percent of the total required non-Federal contributions shall be in cash. An entity may apply to the Secretary for a waiver of not more than 75 percent of the matching fund amount required by the entity for each of the first 3 years the entity is funded through a grant under subsection (a)(1).

(f) Limitation

Not less than 75 percent of the total amount provided to an area health education center program under subsection (a)(1) or (a)(2) shall be allocated to the area health education centers participating in the program under this section. To provide needed flexibility to newly funded area health education center programs, the Secretary may waive the requirement in the sentence for the first 2 years of a new area health education center program funded under subsection (a)(1).

(g) Award

An award to an entity under this section shall not be less than $250,000 annually per area health education center included in the program involved. If amounts appropriated to carry out this section are not sufficient to comply with the preceding sentence, the Secretary may reduce the per center amount provided for in such sentence as necessary, provided the distribution established in subsection (j)(2) is maintained.

(h) Project terms

(1) In general

Except as provided in paragraph (2), the period during which payments may be made under an award under subsection (a)(1) may not exceed—

(A) in the case of a program, 12 years; or

(B) in the case of a center within a program, 6 years.

(2) Exception

The periods described in paragraph (1) shall not apply to programs receiving point of service maintenance and enhancement awards under subsection (a)(2) to maintain existing centers and activities.

(i) Inapplicability of provision

Notwithstanding any other provision of this subchapter, section 295(a) of this title shall not apply to an area health education center funded under this section.
(j) Authorization of appropriations

(1) In general

There is authorized to be appropriated to carry out this section $125,000,000 for each of the fiscal years 2010 through 2014.

(2) Requirements

Of the amounts appropriated for a fiscal year under paragraph (1)—

(A) not more than 35 percent shall be used for awards under subsection (a)(1);

(B) not less than 60 percent shall be used for awards under subsection (a)(2);

(C) not more than 1 percent shall be used for grants and contracts to implement outcomes evaluation for the area health education centers; and

(D) not more than 4 percent shall be used for grants and contracts to provide technical assistance to entities receiving awards under this section.

(3) Carryover funds

An entity that receives an award under this section may carry over funds from 1 fiscal year to another without obtaining approval from the Secretary. In no case may any funds be carried over pursuant to the preceding sentence for more than 3 years.

(k) Sense of Congress

It is the sense of the Congress that every State have an area health education center program in effect under this section.

(1) In general

(2) Requirements

An entity that receives an award under this section shall submit to the Secretary an application at such time, in such manner, and for such period of time as the Secretary may require. An entity that receives an award under this section may carry over funds from 1 fiscal year to another without obtaining approval from the Secretary. In no case may any funds be carried over pursuant to the preceding sentence for more than 3 years.

Prior Provisions


Another prior section 751 of title I, act July 1, 1944, was classified to section 293a of title I to title I. Another prior section 751 of title I, act July 1, 1944, was classified to section 294r of this title prior to the general amendment of this subchapter by Pub. L. 102–408. Another prior section 751 of act July 1, 1944, was classified to section 294r of this title prior to renumbering by Pub. L. 97–35.

Amendments

2014—Subsec. (c)(1)(A). Pub. L. 113–128 substituted “the applicable one-stop delivery system under section 3151(e) of title 29,” for “the applicable one-stop delivery system under section 294d(c) of title 29.”

2010—Pub. L. 111–148 amended section generally. Prior to amendment, section consisted of subsecs. (a) to (c) which related to authority for provision of financial assistance, requirements for centers, and allocations and costs.

Effective Date of 2014 Amendment

Amendment by Pub. L. 113–128 effective on the first day of the first full program year after July 22, 2014 (July 1, 2015), see section 506 of Pub. L. 113–128, set out as an Effective Date note under section 3101 of Title 29, Labor.

Waiver of Requirements

Pub. L. 116–94, div. A, title II, Dec. 20, 2019, 133 Stat. 2556, provided in part: “That for any program operating under section 751 of the PHS [Public Health Service] Act (42 U.S.C. 294a) on or before January 1, 2009, the Secretary of Health and Human Services (referred to in this title as the ‘Secretary’) may hereafter waive any of the requirements contained in sections 751(d)(2)(A) and 751(d)(2)(B) of such Act for the full project period of a grant under such section”.

Similar provisions were contained in the following prior appropriation acts:


§ 294b. Continuing educational support for health professionals serving in underserved communities

(a) In general

The Secretary shall make grants to, and enter into contracts with, eligible entities to improve health care, increase retention, increase representation of minority faculty members, enhance the practice environment, and provide information dissemination and educational support to reduce professional isolation through the timely dissemination of research findings using relevant resources.

(b) Eligible entities

For purposes of this section, the term “eligible entity” means an entity described in section 2950–1(b) of this title.

(c) Application

An eligible entity desiring to receive an award under this section shall submit to the Secretary an application at such time, in such manner,
§ 294c. Education and training relating to geriatrics

(d) Use of funds

An eligible entity shall use amounts awarded under a grant or contract under this section to provide innovative supportive activities to enhance education through distance learning, continuing educational activities, collaborative conferences, and electronic and telelearning activities, with priority for primary care.

(e) Authorization

There is authorized to be appropriated to carry out this section $5,000,000 for each of the fiscal years 2010 through 2014, and such sums as may be necessary for each subsequent fiscal year.

(July 1, 1944, ch. 373, title VII, §752, as added Pub. L. 111–148, title V, §5403(b), Mar. 23, 2010, 124 Stat. 648.)

PRIOR PROVISIONS


§ 294c. Education and training relating to geriatrics

(a) Geriatric education centers

(1) In general

The Secretary shall award grants or contracts under this section to entities described in paragraphs (1), (3), or (4) of section 295p of this title, and section 296(2) of this title, for the establishment or operation of geriatric education centers.

(2) Requirements

A geriatric education center is a program that—

(A) improves the training of health professionals in geriatrics, including geriatric residencies, traineeships, fellowships, or fellowships;

(B) develops and disseminates curricula relating to the treatment of the health problems of elderly individuals;

(C) supports the training and retraining of faculty to provide instruction in geriatrics;

(D) supports continuing education of health professionals who provide geriatric care; and

(E) provides students with clinical training in geriatrics in nursing homes, chronic and acute disease hospitals, ambulatory care centers, and senior centers.

(b) Geriatric training regarding physicians and dentists

(1) In general

The Secretary may make grants to, and enter into contracts with, schools of medicine, schools of osteopathic medicine, teaching hospitals, and graduate medical education programs, for the purpose of providing support (including residencies, traineeships, and fellowships) for geriatric training projects to train physicians, dentists and behavioral and mental health professionals who plan to teach geriatric medicine, geriatric behavioral or mental health, or geriatric dentistry.

(2) Requirements

Each project for which a grant or contract is made under this subsection shall—

(A) be staffed by full-time teaching physicians who have experience or training in geriatric medicine or geriatric behavioral or mental health;

(B) be staffed, or enter into an agreement with an institution staffed by full-time or part-time teaching dentists who have experience or training in geriatrics or geriatric dentistry;

(C) be staffed, or enter into an agreement with an institution staffed by full-time or part-time teaching behavioral mental health professionals who have experience or training in geriatric behavioral or mental health;

(D) be based in a graduate medical education program in internal medicine or family medicine or in a department of geriatrics or behavioral or mental health;

(E) provide training in geriatrics and exposure to the physical and mental disabilities of elderly individuals through a variety of service rotations, such as geriatric consultation services, acute care services, dental services, geriatric behavioral or mental health units, day and home care programs, rehabilitation services, extended care facilities, geriatric ambulatory care and comprehensive evaluation units, and community care programs for elderly individuals with intellectual disabilities; and

(F) provide training in geriatrics through one or both of the training options described

1 So in original. Probably should be "paragraph".
in subparagraphs (A) and (B) of paragraph (3).

(3) Training options
The training options referred to in subparagraph (F) of paragraph (2) shall be as follows:

(A) A 1-year retraining program in geriatrics for—
(i) physicians who are faculty members in departments of internal medicine, family medicine, gynecology, geriatrics, and behavioral or mental health at schools of medicine and osteopathic medicine;
(ii) dentists who are faculty members at schools of dentistry or at hospital departments of dentistry; and
(iii) behavioral or mental health professionals who are faculty members in departments of behavioral or mental health; and

(B) A 2-year internal medicine or family medicine fellowship program providing emphasis in geriatrics, which shall be designed to provide training in clinical geriatrics and geriatrics research for—
(i) physicians who have completed graduate medical education programs in internal medicine, family medicine, behavioral or mental health, neurology, gynecology, or rehabilitation medicine;
(ii) dentists who have demonstrated a commitment to an academic career and who have completed postdoctoral dental training, including postdoctoral dental education programs or who have relevant advanced training or experience; and
(iii) behavioral or mental health professionals who have completed graduate medical education programs in behavioral or mental health.

(4) Definitions
For purposes of this subsection:

(A) The term “graduate medical education program” means a program sponsored by a school of medicine, a school of osteopathic medicine, a hospital, or a public or private institution that—
(i) offers postgraduate medical training in the specialties and subspecialties of medicine; and
(ii) has been accredited by the Accreditation Council for Graduate Medical Education or the American Osteopathic Association through its Committee on Postdoctoral Training.

(B) The term “post-doctoral dental education program” means a program sponsored by a school of dentistry, a hospital, or a public or private institution that—
(i) offers post-doctoral training in the specialties of dentistry, advanced education in general dentistry, or a dental general practice residency; and
(ii) has been accredited by the Commission on Dental Accreditation.

(c) Geriatric faculty fellowships
(1) Establishment of program
The Secretary shall establish a program to provide Geriatric Academic Career Awards to eligible individuals to promote the career development of such individuals as academic geriatricians.

(2) Eligible individuals
To be eligible to receive an Award under paragraph (1), an individual shall—
(A) be board certified or board eligible in internal medicine, family practice, psychiatry, or licensed dentistry, or have completed any required training in a discipline and employed in an accredited health professions school that is approved by the Secretary;
(B) have completed an approved fellowship program in geriatrics or have completed specialty training in geriatrics as required by the discipline and any additional geriatrics training as required by the Secretary; and
(C) have a junior (non-tenured) faculty appointment at an accredited (as determined by the Secretary) school of medicine, osteopathic medicine, nursing, social work, psychology, dentistry, pharmacy, or other allied health disciplines in an accredited health professions school that is approved by the Secretary.

(3) Limitations
No Award under paragraph (1) may be made to an eligible individual unless the individual—

(A) has submitted to the Secretary an application, at such time, in such manner, and containing such information as the Secretary may require, and the Secretary has approved such application;
(B) provides, in such form and manner as the Secretary may require, assurances that the individual will meet the service requirement described in paragraph (6); and
(C) provides, in such form and manner as the Secretary may require, assurances that the individual has a full-time faculty appointment in a health professions institution and documented commitment from such institution to spend 75 percent of the total time of such individual on teaching and developing skills in interdisciplinary education in geriatrics.

(4) Maintenance of effort
An eligible individual that receives an Award under paragraph (1) shall provide assurances to the Secretary that funds provided to the eligible individual under this subsection will be used only to supplement, not to supplant, the amount of Federal, State, and local funds otherwise expended by the eligible individual.

(5) Amount and term
(A) Amount
The amount of an Award under this section for individuals who are physicians shall equal $50,000 for fiscal year 1998, adjusted for subsequent fiscal years to reflect the increase in the Consumer Price Index. The Secretary shall determine the amount of an Award under this section for individuals who are not physicians.

\footnote{So in original. Probably should be “additional”}
(B) Term

The term of any Award made under this subsection shall not exceed 5 years.

(C) Payment to institution

The Secretary shall make payments to institutions which include schools of medicine, osteopathic medicine, nursing, social work, psychology, dentistry, and pharmacy, or other allied health discipline in an accredited health professions school that is approved by the Secretary.

(6) Service requirement

An individual who receives an Award under this subsection shall provide training in clinical geriatrics, including the training of interdisciplinary teams of health care professionals. The provision of such training shall constitute at least 75 percent of the obligations of such individual under the Award.

(d) Geriatric workforce development

(1) In general

The Secretary shall award grants or contracts under this subsection to entities that operate a geriatric education center pursuant to subsection (a)(1).

(2) Application

To be eligible for an award under paragraph (1), an entity described in such paragraph shall submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require.

(3) Use of funds

Amounts awarded under a grant or contract under paragraph (1) shall be used to—

(A) carry out the fellowship program described in paragraph (4); and

(B) carry out 1 of the 2 activities described in paragraph (5).

(4) Fellowship program

(A) In general

Pursuant to paragraph (3), a geriatric education center that receives an award under this subsection shall use such funds to carry out 1 of the following 2 activities.

(A) Family caregiver and direct care provider training

A geriatric education center that receives an award under this subsection shall offer at least 2 courses each year, at no charge or nominal cost, to family caregivers and direct care providers that are designed to provide practical training for supporting frail elders and individuals with disabilities. The Secretary shall require such Centers to work with appropriate community partners to develop training program content and to publicize the availability of training courses in their service areas. All family caregiver and direct care provider training programs shall include instruction on the management of psychological and behavioral aspects of dementia, communication techniques for working with individuals who have dementia, and the appropriate, safe, and effective use of medications for older adults.

(B) Incorporation of best practices

A geriatric education center that receives an award under this subsection shall develop and include material on depression and other mental disorders common among older adults, medication safety issues for older adults, and management of the psychological and behavioral aspects of dementia and communication techniques with individuals who have dementia in all training courses, where appropriate.

(B) Location

A fellowship shall be offered either at the geriatric education center that is sponsoring the course, in collaboration with other geriatric education centers, or at medical schools, schools of dentistry, schools of nursing, schools of pharmacy, schools of social work, graduate programs in psychology, or allied health and other health professions schools approved by the Secretary, with which the geriatric education centers are affiliated.

(C) CME credit

Participation in a fellowship under this paragraph shall be accepted with respect to complying with continuing health profession education requirements. As a condition of such acceptance, the recipient shall agree to subsequently provide a minimum of 18 hours of voluntary instructional support through a geriatric education center that is providing clinical training to students or trainees in long-term care settings.

(5) Additional required activities described

Pursuant to paragraph (3), a geriatric education center that receives an award under this subsection shall use such funds to carry out 1 of the following 2 activities.

(A) Family caregiver and direct care provider training

A geriatric education center that receives an award under this subsection shall offer at least 2 courses each year, at no charge or nominal cost, to family caregivers and direct care providers that are designed to provide practical training for supporting frail elders and individuals with disabilities. The Secretary shall require such Centers to work with appropriate community partners to develop training program content and to publicize the availability of training courses in their service areas. All family caregiver and direct care provider training programs shall include instruction on the management of psychological and behavioral aspects of dementia, communication techniques for working with individuals who have dementia, and the appropriate, safe, and effective use of medications for older adults.

(B) Incorporation of best practices

A geriatric education center that receives an award under this subsection shall develop and include material on depression and other mental disorders common among older adults, medication safety issues for older adults, and management of the psychological and behavioral aspects of dementia and communication techniques with individuals who have dementia in all training courses, where appropriate.

(6) Targets

A geriatric education center that receives an award under this subsection shall meet targets approved by the Secretary for providing geriatric training to a certain number of faculty or practitioners during the term of the award, as well as other parameters established by the Secretary.

(7) Amount of award

An award under this subsection shall be in an amount of $150,000. Not more than 24 geri-
A geriatric education center that receives an award under this subsection.

(9) Authorization of appropriations

In addition to any other funding available to carry out this section, there is authorized to be appropriated to carry out this subsection, $10,800,000 for the period of fiscal year 2011 through 2014.

(e) Geriatric career incentive awards

(1) In general

The Secretary shall award grants or contracts under this section to individuals described in paragraph (2) to foster greater interest among a variety of health professionals in entering the field of geriatrics, long-term care, and chronic care management.

(2) Eligible individuals

To be eligible to receive an award under paragraph (1), an individual shall—

(A) be an advanced practice nurse, a clinical social worker, a pharmacist, or student of psychology who is pursuing a doctorate or other advanced degree in geriatrics or related fields in an accredited health professions school; and

(B) submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require.

(3) Condition of award

As a condition of receiving an award under this subsection, an individual shall agree that, following completion of the award period, the individual will teach or practice in the field of geriatrics, long-term care, or chronic care management for a minimum of 5 years under guidelines set by the Secretary.

(4) Authorization of appropriations

There is authorized to be appropriated to carry out this subsection, $10,000,000 for the period of fiscal years 2011 through 2013.

AMENDMENTS

2010—Subsec. (b)(2)(E). Pub. L. 111–256 substituted “elderly individuals with intellectual disabilities” for “elderly mentally retarded individuals”.

Subsec. (c)(2) to (4). Pub. L. 111–114, §5305(b)(2), added pars. (2) to (4) and struck out former pars. (2) and (3) which described eligible individuals and limitations for Geriatric Academic Career Awards. Former par. (4) redesignated (5).


Subsec. (c)(5)(A). Pub. L. 111–148, §5305(b)(3)(A), inserted “for individuals who are physicians” before “shall equal” and inserted at end “the Secretary shall determine the amount of an Award under this section for individuals who are not physicians.”


Subsecs. (d), (e). Pub. L. 111–148, §5305(a), added subsecs. (d) and (e).

2002—Subsec. (a)(1). Pub. L. 107–205 substituted “‘, and section 298(2) of this title.’” for “‘, and section 298b(2) of this title.’”.

DEFINITIONS

For meaning of references to an intellectual disability and to individuals with intellectual disabilities in provisions amended by section 2 of Pub. L. 111–256, see section 2(k) of Pub. L. 111–256, set out as a note under section 1400 of Title 20, Education.

§294d. Quentin N. Burdick program for rural interdisciplinary training

(a) Grants

The Secretary may make grants or contracts under this section to help entities fund authorized activities under an application approved under subsection (c).

(b) Use of amounts

(1) In general

Amounts provided under subsection (a) shall be used by the recipients to fund interdisciplinary training projects designed to—

(A) use new and innovative methods to train health care practitioners to provide services in rural areas;

(B) demonstrate and evaluate innovative interdisciplinary methods and models designed to provide access to cost-effective comprehensive health care;

(C) deliver health care services to individuals residing in rural areas;

(D) enhance the amount of relevant research conducted concerning health care issues in rural areas; and

(E) increase the recruitment and retention of health care practitioners from rural areas.
and make rural practice a more attractive career choice for health care practitioners.

(2) Methods

A recipient of funds under subsection (a) may use various methods in carrying out the projects described in paragraph (1), including—

(A) the distribution of stipends to students of eligible applicants;

(B) the establishment of a post-doctoral fellowship program;

(C) the training of faculty in the economic and logistical problems confronting rural health care delivery systems; or

(D) the purchase or rental of transportation and telecommunication equipment where the need for such equipment due to unique characteristics of the rural area is demonstrated by the recipient.

(3) Administration

(A) In general

An applicant shall not use more than 10 percent of the funds made available to such applicant under subsection (a) for administrative expenses.

(B) Training

Not more than 10 percent of the individuals receiving training with funds made available under an applicant under subsection (a) shall be trained as doctors of medicine or doctors of osteopathy.

(C) Limitation

An institution that receives a grant under this section shall use amounts received under such grant to supplement, not supplant, amounts made available by such institution for activities of the type described in subsection (b)(1) in the fiscal year preceding the year for which the grant is received.

(c) Applications

Applications submitted for assistance under this section shall—

(1) be jointly submitted by at least two eligible applicants with the express purpose of assisting individuals in academic institutions in establishing long-term collaborative relationships with health care providers in rural areas; and

(2) designate a rural health care agency or agencies for clinical treatment or training, including hospitals, community health centers, migrant health centers, rural health clinics, community behavioral and mental health centers, long-term care facilities, Native Hawaiian health centers, or facilities operated by the Indian Health Service or an Indian tribe or tribal organization or Indian organization under a contract with the Indian Health Service under the Indian Self-Determination Act [25 U.S.C. 5321 et seq.].

(d) Definitions

For the purposes of this section, the term “rural” means geographic areas that are located outside of standard metropolitan statistical areas.

§ 294e–1  TITLE 42—THE PUBLIC HEALTH AND WELFARE  Page 914

in medically underserved or rural communities in order to increase the number of individuals trained;

(F) those that develop curriculum that will emphasize knowledge and practice in the areas of prevention and health promotion, geriatrics, long-term care, home health and hospice care, and ethics;

(G) those that expand or establish interdisciplinary training programs that promote the effectiveness of allied health practitioners in geriatric assessment and the rehabilitation of the elderly;

(H) those that expand or establish demonstration centers to emphasize innovative models to link allied health clinical practice, education, and research;

(I) those that provide financial assistance (in the form of traineeships) to students who are participants in any such program; and

(ii) who plan to pursue a career in an allied health field that has a demonstrated personnel shortage; and

(J) those to meet the costs of projects to plan, develop, and operate or maintain graduate programs in behavioral and mental health practice.

(2) Planning and implementing projects in preventive and primary care training for podiatric physicians in approved or provisionally approved residency programs that shall provide financial assistance in the form of traineeships to residents who participate in such projects and who plan to specialize in primary care.

(3) Carrying out demonstration projects in which chiropractors and physicians collaborate to identify and provide effective treatment for spinal and lower-back conditions.


Prior Provisions

A prior section 294e, act July 1, 1944, ch. 373, title VII, §767, as added Pub. L. 102–408, title I, §102, Oct. 13, 1992, 106 Stat. 2048, authorized grants and contracts for educational programs and for preventive and primary care training for podiatric physicians in approved or provisionally approved residency programs that shall provide financial assistance in the form of traineeships to residents who participate in such projects and who plan to specialize in primary care.

(b) Eligibility requirements

To be eligible for a grant under this section, an institution shall demonstrate—

(1) an ability to recruit and place the students described in subsection (a) in areas with a high need and high demand population;

(2) participation in the institutions’ programs of individuals and groups with a focus on child and adolescent mental health, trauma, and transitional-age youth;

(3) accredited master’s and doctoral degree programs of social work for the development and implementation of interdisciplinary training of social work graduate students for providing behavioral health services, including trauma-informed care and substance use disorder prevention and treatment services, as well as the development of faculty in health service psychology;

(4) State-licensed mental health nonprofit and for-profit organizations to enable such organizations to pay for programs for preservice or in-service training in a behavioral health-related para-professional field with preference for preservice or in-service training of para-professional child and adolescent mental health workers.

§ 294e–1. Mental and behavioral health education and training grants

(a) Grants authorized

The Secretary may award grants to eligible institutions to support the recruitment of students for, and education and clinical experience of the students in—

(1) accredited institutions of higher education or accredited professional training programs that are establishing or expanding internships or other field placement programs in mental health in psychiatry, psychology, school psychology, behavioral pediatrics, psychiatric nursing (which may include master’s and doctoral level programs), social work, school social work, substance use disorder prevention and treatment, marriage and family therapy, occupational therapy, school counseling, or professional counseling, including such programs with a focus on child and adolescent mental health, trauma, and transitional-age youth;

(2) accredited doctoral, internship, and post-doctoral residency programs of health service psychology (including clinical psychology, counseling, and school psychology) for the development and implementation of interdisciplinary training of psychology graduate students for providing behavioral health services, including trauma-informed care and substance use disorder prevention and treatment services, as well as the development of faculty in health service psychology;

(3) accredited master’s and doctoral degree programs of social work for the development and implementation of interdisciplinary training of social work graduate students for providing behavioral health services, including trauma-informed care and substance use disorder prevention and treatment services, and the development of faculty in social work; and

(4) State-licensed mental health nonprofit and for-profit organizations to enable such organizations to pay for programs for preservice or in-service training in a behavioral health-related para-professional field with preference for preservice or in-service training of para-professional child and adolescent mental health workers.
(4) any internship or other field placement program assisted under the grant will prioritize cultural and linguistic competency; and
(5) the institution will provide to the Secretary such data assurances, and information as the Secretary may require.

(c) Institutional requirement
For grants awarded under paragraphs (2) and (3) of subsection (a), at least 4 of the grant recipients shall be historically black colleges or universities or other minority-serving institutions.

(d) Priority
In selecting grant recipients under this section, the Secretary shall give priority to—
(1) programs that have demonstrated the ability to train psychology, psychiatry, and social work professionals to work in integrated care settings for purposes of recipients under paragraphs (1), (2), and (3) of subsection (a); and
(2) programs for paraprofessionals that emphasize the role of the family and the lived experience of the consumer and family-paraprofessional partnerships for purposes of recipients under subsection (a)(4).

(e) Report to Congress
Not later than 4 years after December 13, 2016, the Secretary shall include in the biennial report submitted to Congress under section 290aa(m) of this title an assessment on the effectiveness of the grants under this section in—
(1) providing graduate students support for experiential training (internship or field placement);
(2) recruiting students interested in behavioral health practice;
(3) recruiting students in accordance with subsection (b)(1);
(4) developing and implementing interprofessional training and integration within primary care;
(5) developing and implementing accredited field placements and internships; and
(6) collecting data on the number of students trained in behavioral health care and the number of available accredited internships and field placements.

(f) Authorization of appropriations
For each of fiscal years 2019 through 2023, there are authorized to be appropriated to carry out this section $50,000,000, to be allocated as follows:
(1) For grants described in subsection (a)(1), $15,000,000.
(2) For grants described in subsection (a)(2), $15,000,000.
(3) For grants described in subsection (a)(3), $10,000,000.
(4) For grants described in subsection (a)(4), $10,000,000.

(7) Prior Provisions
A prior section 756 of act July 1, 1944, was renumbered section 338G, transferred to section 254q of this title, and subsequently repealed by Pub. L. 100–177. Another prior section 756 of act July 1, 1944, was classified to section 294f of this title prior to repeal by Pub. L. 94–484.

AMENDMENTS
Subsec. (a)(2), (3). Pub. L. 115–271, § 7073(b)(1)(B), inserted “trauma-informed care” and “before ‘substance use disorder prevention and treatment services’”;
2016—Subsec. (a). Pub. L. 114–255, § 9022(1), struck out “of higher education” after “eligible institutions” in introductory provisions, added pars. (1) to (4), and struck out former pars. (1) to (4) which read as follows:—
‘‘(1) baccalaureate, master’s, and doctoral degree programs of social work, as well as the development of faculty in social work;’’
‘‘(2) accredited master’s, doctoral, internship, and post-doctoral residency programs of psychology for the development and implementation of interdisciplinary training of psychology graduate students for providing behavioral and mental health services, including substance abuse prevention and treatment services;’’
‘‘(3) accredited institutions of higher education or accredited professional training programs that are establishing or expanding internships or other field placement programs in child and adolescent mental health in psychiatry, psychology, school psychology, behavioral pediatrics, psychiatric nursing, social work, school social work, substance abuse prevention and treatment, marriage and family therapy, school counseling, or professional counseling; and
‘‘(4) State-licensed mental health nonprofit and for-profit organizations to enable such organizations to pay for programs for preservice or in-service training of paraprofessional child and adolescent mental health workers.’’
Subsec. (b)(1), (2). Pub. L. 114–255, § 9021(2)(B), (C), added par. (1) and redesignated former par. (1) as (2). Former par. (2) redesignated (3).
Subsec. (b)(3). Pub. L. 114–255, § 9021(2)(B), (D), redesignated par. (2) as (3) and substituted “paragraph (2), especially individuals with mental disorder symptoms or diagnoses, particularly children and adolescents, and transitional-age youth” for “subsection (a)’’.
Former par. (3) redesignated (4).
Subsec. (b)(4). Pub. L. 114–255, § 9021(2)(B), (E), redesignated par. (3) as (4) and inserted “and” at end. Former par. (4) redesignated (5).
Subsec. (b)(5). Pub. L. 114–255, § 9021(2)(A), (B), (F), redesignated par. (4) as (5), substituted period for “‘” and “at end, and struck out former par. (5) which read as follows:—
‘‘with respect to any violation of the agreement between the Secretary and the institution, the institution will pay such liquidated damages as prescribed by the Secretary by regulation.’’
Subsec. (c). Pub. L. 114–255, § 9021(3), substituted “awarded under paragraphs (2) and (3) of subsection (a)” for “authorized under subsection (a)(1)”.
Subsec. (d). Pub. L. 114–255, § 9021(4), amended subsec. (d) generally. Prior to amendment, subsec. (d) related to priority in selecting grant recipients in social work, graduate psychology, and training programs in child and adolescent mental health.
§ 294f. Advisory Committee on Interdisciplinary, Community-Based Linkages

(a) Establishment

The Secretary shall establish an advisory committee to be known as the Advisory Committee on Interdisciplinary, Community-Based Linkages (in this section referred to as the “Advisory Committee”).

(b) Composition

(1) In general

The Secretary shall determine the appropriate number of individuals to serve on the Advisory Committee. Such individuals shall not be officers or employees of the Federal Government.

(2) Appointment

Not later than 90 days after November 13, 1998, the Secretary shall appoint the members of the Advisory Committee from among individuals who are health professionals from schools of the types described in sections 294a(b)(1)(A), 294c(b), and 294e(b) of this title. In making such appointments, the Secretary shall ensure a fair balance between the health professions, that at least 75 percent of the members of the Advisory Committee are health professionals, a broad geographic representation of members and a balance between urban and rural members. Members shall be appointed based on their competence, interest, and knowledge of the mission of the profession involved.

(3) Minority representation

In appointing the members of the Advisory Committee under paragraph (2), the Secretary shall ensure the adequate representation of women and minorities.

(c) Terms

(1) In general

A member of the Advisory Committee shall be appointed for a term of 3 years, except that of the members first appointed—
   (A) 1⁄3 of the members shall serve for a term of 1 year;
   (B) 1⁄2 of the members shall serve for a term of 2 years; and
   (C) 1⁄6 of the members shall serve for a term of 3 years.

(2) Vacancies

(A) In general

A vacancy on the Advisory Committee shall be filled in the manner in which the original appointment was made and shall be subject to any conditions which applied with respect to the original appointment.

(B) Filling unexpired term

An individual chosen to fill a vacancy shall be appointed for the unexpired term of the member replaced.

(d) Duties

The Advisory Committee shall—

(1) provide advice and recommendations to the Secretary concerning policy and program development and other matters of significance concerning the activities under this part;

(2) not later than 3 years after November 13, 1998, and annually thereafter, prepare and submit to the Secretary, and the Committee on Labor and Human Resources of the Senate, and the Committee on Commerce of the House of Representatives, a report describing the activities of the Committee, including findings and recommendations made by the Committee concerning the activities under this part;

(3) develop, publish, and implement performance measures for programs under this part;

(4) develop and publish guidelines for longitudinal evaluations (as described in section 294n(d)(2) of this title) for programs under this part; and

(5) recommend appropriation levels for programs under this part.

(e) Meetings and documents

(1) Meetings

The Advisory Committee shall meet not less than 3 times each year. Such meetings shall be held jointly with other related entities established under this subchapter where appropriate.

(2) Documents

Not later than 14 days prior to the convening of a meeting under paragraph (1), the Advisory Committee shall prepare and make available an agenda of the matters to be considered by the Advisory Committee at such meeting. At any such meeting, the Advisory Council shall distribute materials with respect to the issues to be addressed at the meeting. Not later than 30 days after the adjourning of such a meeting, the Advisory Committee shall prepare and make available a summary of the meeting and any actions taken by the Committee based upon the meeting.

(f) Compensation and expenses

(1) Compensation

Each member of the Advisory Committee shall be compensated at a rate equal to the daily equivalent of the annual rate of basic pay prescribed for level IV of the Executive Schedule under section 5315 of title 5 for each day (including travel time) during which such member is engaged in the performance of the duties of the Committee.

(2) Expenses

The members of the Advisory Committee shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5 while away from their homes or regular places of business in the performance of services for the Committee.

(g) FACA

The Federal Advisory Committee Act shall apply to the Advisory Committee under this section only to the extent that the provisions of such Act do not conflict with the requirements of this section.

1So in original. Probably should be “Committee”.

Subsecs. (e), (f). Pub. L. 114–255, § 9021(5), added subsecs. (e) and (f) and struck out former subsec. (e) which authorized appropriations for fiscal years 2010 through 2013.

REFERENCES IN TEXT

The Federal Advisory Committee Act, referred to in subsec. (g), is Pub. L. 92–463, Oct. 6, 1972, 86 Stat. 770, as amended, which is set out in the Appendix to Title 5, Government Organization and Employees.

CODIFICATION

Pub. L. 111–148, title V, §5306(a)(2), Mar. 23, 2010, 124 Stat. 626, which directed the amendment of part D of title VII by redesignating section 756 as section 757, without specifying the act to be amended, was executed by redesignating section 756 of act July 1, 1944, as section 757 of the Act, to reflect the probable intent of Congress.

November 13, 1998, referred to in subsec. (b)(2), was in the original "the date of enactment of Pub. L. 105–392, which amended this part generally, to was translated as meaning the date of enactment of Pub. L. 105–392, which amended this part generally, to reflect the probable intent of Congress.

PRIORITY PROVISIONS


§294i. Program for education and training in pain care

(a) In general

The Secretary may make awards of grants, cooperative agreements, and contracts to health professions schools, hospices, tribal health programs (as defined in section 1603 of title 25), and other public and nonprofit private entities for the development and implementation of programs to provide education and training to health care professionals in pain care.

(b) Certain topics

An entity receiving an award under this section shall develop a comprehensive education and training plan that includes information and education on—

(1) recognized means for assessing, diagnosing, preventing, treating, and managing pain
and related signs and symptoms, including non-addictive medical products and non-pharmacologic treatments and the medically appropriate use of controlled substances;
(2) applicable Federal, State, and local laws, regulations, rules, and policies on controlled substances, including opioids;
(3) interdisciplinary approaches to the delivery of pain care, including delivery through specialized centers providing comprehensive pain care treatment expertise, integrated, evidence-based pain management, and, as appropriate, non-pharmacotherapy;
(4) cultural, linguistic, literacy, geographic, and other barriers to care in underserved populations;
(5) recent findings, developments, and advancements in pain care research and the provision of pain care, which may include non-addictive medical products and non-pharmacologic treatments intended to treat pain; and
(6) the dangers of opioid abuse and misuse, detection of early warning signs of opioid use disorders (which may include best practices related to screening for opioid use disorders, training on screening, brief intervention, and referral to treatment), and safe disposal options for prescription medications (including such options provided by law enforcement or other innovative deactivation mechanisms).

(c) Evaluation of programs

The Secretary shall (directly or through grants or contracts) provide for the evaluation of programs implemented under subsection (a) in order to determine the effect of such programs on knowledge and practice of pain care.

(d) Pain care defined

For purposes of this section the term “pain care” means the assessment, diagnosis, prevention, treatment, or management of acute or chronic pain regardless of causation or body location.

(e) Authorization of appropriations

There is authorized to be appropriated to carry out this section, such sums as may be necessary for purposes of awarding grants to hospitals and emergency departments, including freestanding emergency departments, to develop, implement, enhance, or study alternatives to opioids for pain management in such settings.

(1) IN GENERAL.—The Secretary of Health and Human Services (in this section referred to as the “Secretary”) shall carry out a demonstration program for purposes of awarding grants to hospitals and emergency departments, including freestanding emergency departments, to develop, implement, enhance, or study alternatives to opioids for pain management in such settings.

(2) Eligibility.—To be eligible to receive a grant under paragraph (1), a hospital or emergency department shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require.

(3) Geographic distribution.—In awarding grants under this section, the Secretary shall seek to ensure geographical distribution among grant recipients.

(4) Use of Funds.—Grants under this section shall be used to—

(A) target treatment approaches for painful conditions frequently treated in such settings;

(B) train providers and other hospital personnel on protocols or best practices related to the use and prescription of opioids and alternatives to opioids for pain management in the emergency department; and

(C) develop or continue strategies to provide alternatives to opioids, as appropriate.

(5) Amendments

2018.—Subsec. (a). Pub. L. 115–271, §7073(a)(1), substituted “hospices, tribal health programs (as defined in section 1603 of title 25), and other public and non-profit private entities” for “hospices, and other public and private entities”.

Subsec. (b). Pub. L. 115–271, §7073(a)(2)(A), substituted “entity receiving an award under this section shall develop a comprehensive education and training plan that includes” for “award may be made under subsection (a) only if the applicant for the award agrees that the program carried out with the award will include” in introductory provisions.

Subsec. (b)(1). Pub. L. 115–271, §7073(a)(2)(B), inserted “‘preventing,’” after “‘diagnosing,’” and “‘non-addictive medical products and non-pharmacologic treatments’” after “‘including’”.

Subsec. (b)(2). Pub. L. 115–271, §7073(a)(2)(C), inserted “Federal, State, and local” after “applicable” and substituted “‘opioids’” for “‘the degree to which misconceptions and concerns regarding such laws, regulations, rules, and policies, or the enforcement thereof, may create barriers to patient access to appropriate and effective pain care’”.

Subsec. (b)(3). Pub. L. 115–271, §7073(a)(2)(D), inserted “‘integrated, evidence-based pain management, and, as appropriate, non-pharmacotherapy’” before semicolon.

Subsec. (b)(5). Pub. L. 115–271, §7073(a)(2)(E), added pars. (5) and (6) and struck out former par. (5) which read as follows: “recent findings, developments, and improvements in the provision of pain care.”


Emergency Department Alternatives to Opioids Demonstration Program


“(a) DEMONSTRATION PROGRAM GRANTS.—

“(1) IN GENERAL.—The Secretary of Health and Human Services (in this section referred to as the ‘Secretary’) shall carry out a demonstration program for purposes of awarding grants to hospitals and emergency departments, including freestanding emergency departments, to develop, implement, enhance, or study alternatives to opioids for pain management in such settings.

“(2) ELIGIBILITY.—To be eligible to receive a grant under paragraph (1), a hospital or emergency department shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require.

“(3) GEOGRAPHIC DISTRIBUTION.—In awarding grants under this section, the Secretary shall seek to ensure geographical distribution among grant recipients.

“(4) USE OF FUNDS.—Grants under this section shall be used to—

“(A) target treatment approaches for painful conditions frequently treated in such settings;

“(B) train providers and other hospital personnel on protocols or best practices related to the use and prescription of opioids and alternatives to opioids for pain management in the emergency department; and

“(C) develop or continue strategies to provide alternatives to opioids, as appropriate.

“(b) ADDITIONAL DEMONSTRATION PROGRAM.—The Secretary may carry out a demonstration program similar to the program under subsection (a) for other acute care settings.

“(c) CONSULTATION.—The Secretary shall implement a process for recipients of grants under subsection (a) or (b) to share evidence-based and best practices and promote consultation with persons having robust knowledge, including emergency departments and physicians who have successfully implemented programs that use
alternatives to opioids for pain management, as appropriate, such as approaches studied through the National Center for Complimentary and Integrative Health or other institutes and centers at the National Institutes of Health, as appropriate. The Secretary shall offer to each recipient of a grant under subsection (a) or (b) technical assistance as necessary.

"(d) Technical Assistance.—The Secretary shall identify or facilitate the development of best practices on alternatives to opioids for pain management and provide technical assistance to hospitals and other acute care settings on alternatives to opioids for pain management. The technical assistance provided shall be for the purpose of—

"(1) utilizing information from recipients of a grant under subsection (a) or (b) that have successfully implemented alternatives to opioids programs;

"(2) identifying or facilitating the development of best practices on the use of alternatives to opioids, which may include pain-management strategies that involve non-addictive medical products, non-pharmacologic treatments, and technologies or techniques to identify patients at risk for opioid use disorder;

"(3) identifying or facilitating the development of best practices on the use of alternatives to opioids that target common painful conditions and include certain patient populations, such as geriatric patients, pregnant women, and children; and

"(4) disseminating information on the use of alternatives to opioids to providers in acute care settings, which may include emergency departments, outpatient clinics, critical access hospitals, Federally qualified health centers, Indian Health Service health facilities, and tribal hospitals.

"(e) Report to the Secretary.—Each recipient of a grant under this section shall submit to the Secretary (during the period of such grant) annual reports on the progress of the program funded through the grant. These reports shall include, in accordance with all applicable State and Federal privacy laws—

"(1) a description of and specific information about the opioid alternative pain management programs, including the demographic characteristics of patients who were treated with an alternative pain management protocol, implemented in hospitals, emergency departments, and other acute care settings;

"(2) data on the opioid alternative pain management strategies used, including the number of opioid prescriptions written—

"(A) during a baseline period before the program began; or

"(B) at various stages of the program; and

"(3) data on patients who were eventually prescribed opioids after alternative pain management protocols and treatments were utilized; and

"(4) any other information the Secretary determines appropriate.

"(f) Report to Congress.—Not later than 1 year after completion of the demonstration program under this section, the Secretary shall submit a report to the Congress on the results of the demonstration program and include in the report—

"(1) the number of applications received and the number funded;

"(2) a summary of the reports described in subsection (e), including data that allows for comparison of programs; and

"(3) recommendations for broader implementation of pain management strategies that encourage the use of alternatives to opioids in hospitals, emergency departments, or other acute care settings.

"(g) Authorization of Appropriations.—To carry out this section, there is authorized to be appropriated $10,000,000 for each of fiscal years 2019 through 2021."
to the Committee on Health, Education, Labor, and Pensions and the Committee on Finance of the Senate and the Committee on Energy and Commerce and the Committee on Ways and Means of the House of Representatives a report that—

(1) describes the specific projects supported under this section; and

(2) contains recommendations for Congress based on the evaluation conducted under subsection (d).


CODIFICATION

Section was enacted as part of the Patient Protection and Affordable Care Act, and not as part of the Public Health Service Act which comprises this chapter.

§ 294k. Training demonstration program

(a) In general

The Secretary shall establish a training demonstration program to award grants to eligible entities to support—

(1) training for medical residents and fellows to practice psychiatry and addiction medicine in underserved, community-based settings that integrate primary care with mental and substance use disorders prevention and treatment services;

(2) training for nurse practitioners, physician assistants, health service psychologists, and social workers to provide mental and substance use disorders services in underserved community-based settings that integrate primary care and mental and substance use disorders services; and

(3) establishing, maintaining, or improving academic units or programs that—

(A) provide training for students or faculty, including through clinical experiences and research, to improve the ability to be able to recognize, diagnose, and treat mental and substance use disorders with a special focus on addiction; or

(B) develop evidence-based practices or recommendations for the design of the units or programs described in subparagraph (A), including curriculum content standards.

(b) Activities

(1) Training for residents and fellows

A recipient of a grant under subsection (a)(1)—

(A) shall use the grant funds—

(i) to plan, develop, and operate a training program for medical psychiatry residents and fellows in addiction medicine practicing in eligible entities described in subsection (c)(1); or

(ii) to train new psychiatric residents and fellows in addiction medicine to provide and expand access to integrated mental and substance use disorders services; and

(B) may use the grant funds to provide additional support for the administration of the program or to meet the costs of projects to establish, maintain, or improve faculty development, or departments, divisions, or other units necessary to implement such training.

(2) Training for other providers

A recipient of a grant under subsection (a)(2)—

(A) shall use the grant funds to plan, develop, or operate a training program to provide mental and substance use disorders services in underserved, community-based settings, as appropriate, that integrate primary care and mental and substance use disorders prevention and treatment services; and

(B) may use the grant funds to provide additional support for the administration of the program or to meet the costs of projects to establish, maintain, or improve faculty development, or departments, divisions, or other units necessary to implement such program.

(3) Academic units or programs

A recipient of a grant under subsection (a)(3) shall enter into a partnership with organizations such as the Liaison Committee on Medical Education, the Accreditation Council
for Graduate Medical Education, the Commission on Osteopathic College Accreditation, the Accreditation Commission for Education in Nursing, the Commission on Collegiate Nursing Education, the Accreditation Council for Pharmacy Education, the Council on Social Work Education, American Psychological Association Commission on Accreditation, or the Accreditation Review Commission on Education for the Physician Assistant) to carry out activities under subsection (a)(3).

(c) Eligible entities

(1) Training for residents and fellows

To be eligible to receive a grant under subsection (a)(1), an entity shall—
(A) be a consortium consisting of—
(i) at least one teaching health center; and
(ii) the sponsoring institution (or parent institution of the sponsoring institution) of—
(I) a psychiatry residency program that is accredited by the Accreditation Council of Graduate Medical Education (or the parent institution of such a program); or
(II) a fellowship in addiction medicine, as determined appropriate by the Secretary; or
(B) be an entity described in subparagraph (A)(ii) that provides opportunities for residents or fellows to train in community-based settings that integrate primary care with mental and substance use disorders prevention and treatment services.

(2) Training for other providers

To be eligible to receive a grant under subsection (a)(2), an entity shall be—
(A) a teaching health center (as defined in section 293–1(f) of this title);
(B) a Federally qualified health center (as defined in section 1396d(l)(2)(B) of this title);
(C) a community health center (as defined in section 1396x(ff)(3)(B) of this title);
(D) a rural health clinic (as defined in section 1396x(aa) of this title);
(E) a health center operated by the Indian Health Service, an Indian tribe, a tribal organization, or an urban Indian organization (as defined in section 1603 of title 25); or
(F) an entity with a demonstrated record of success in providing training for nurse practitioners, physician assistants, health service psychologists, and social workers.

(3) Academic units or programs

To be eligible to receive a grant under subsection (a)(3), an entity shall be a school of medicine or osteopathic medicine, a nursing school, a physician assistant training program, a school of pharmacy, a school of social work, an accredited public or nonprofit private hospital, an accredited medical residency program, or a public or private nonprofit entity which the Secretary has determined is capable of carrying out such grant.

(d) Priority

(1) In general

In awarding grants under subsection (a)(1) or (a)(2), the Secretary shall give priority to eligible entities that—
(A) demonstrate sufficient size, scope, and capacity to undertake the requisite training of an appropriate number of psychiatric residents, fellows, nurse practitioners, physician assistants, or social workers in addiction medicine per year to meet the needs of the area served;
(B) demonstrate experience in training providers to practice team-based care that integrates mental and substance use disorder prevention and treatment services with primary care in community-based settings;
(C) demonstrate experience in using health information technology and, as appropriate, telehealth to support—
(i) the delivery of mental and substance use disorders services at the eligible entities described in subsections (c)(1) and (c)(2); and
(ii) community health centers in integrating primary care and mental and substance use disorders treatment; or
(D) have the capacity to expand access to mental and substance use disorders services in areas with demonstrated need, as determined by the Secretary, such as tribal, rural, or other underserved communities.

(2) Academic units or programs

In awarding grants under subsection (a)(3), the Secretary shall give priority to eligible entities that—
(A) have a record of training the greatest percentage of mental and substance use disorders providers who enter and remain in these fields or who enter and remain in settings with integrated primary care and mental and substance use disorder prevention and treatment services;
(B) have a record of training individuals who are from underrepresented minority groups, including native populations, or from a rural or disadvantaged background;
(C) provide training in the care of vulnerable populations such as infants, children, adolescents, pregnant and postpartum women, older adults, homeless individuals, victims of abuse or trauma, individuals with disabilities, and other groups as defined by the Secretary;
(D) teach trainees the skills to provide interprofessional, integrated care through collaboration among health professionals; or
(E) provide training in cultural competence and health literacy.

(e) Duration

Grants awarded under this section shall be for a minimum of 5 years.

(f) Study and report

(1) Study

(A) In general

The Secretary, acting through the Administrator of the Health Resources and Serv-
ences Administration, shall conduct a study on the results of the demonstration program under this section.

(B) Data submission

Not later than 90 days after the completion of the first year of the training program and each subsequent year that the program is in effect, each recipient of a grant under subsection (a) shall submit to the Secretary such data as the Secretary may require for analysis for the report described in paragraph (2).

(2) Report to Congress

Not later than 1 year after receipt of the data described in paragraph (1)(B), the Secretary shall submit to Congress a report that includes—

(A) an analysis of the effect of the demonstration program under this section on the quality, quantity, and distribution of mental and substance use disorders services;

(B) an analysis of the effect of the demonstration program on the prevalence of untreated mental and substance use disorders in the surrounding communities of health centers participating in the demonstration; and

(C) recommendations on whether the demonstration program should be expanded.

(g) Authorization of appropriations

There are authorized to be appropriated to carry out this section $10,000,000 for each of fiscal years 2018 through 2022.


PRIOR PROVISIONS


Sections 294l to 294m were omitted in the general amendment of this subchapter by Pub. L. 102–408.


Section 294m, act July 1, 1944, ch. 373, title VII, § 739A, as added Nov. 4, 1963, Pub. L. 88–697, title VI, § 602(m), 102 Stat. 3214, related to reissuance and refinancing of certain loans.


PART E—HEALTH PROFESSIONS AND PUBLIC HEALTH WORKFORCE

SUBPART 1—HEALTH PROFESSIONS WORKFORCE INFORMATION AND ANALYSIS

§ 294n. Health professions workforce information and analysis

(a) Purpose

It is the purpose of this section to—

(1) provide for the development of information describing the health professions workforce and the analysis of workforce related issues; and

(2) provide necessary information for decision-making regarding future directions in health professions and nursing programs in response to societal and professional needs.

(b) National Center for Health Care Workforce Analysis

(1) Establishment

The Secretary shall establish the National Center for Health Workforce Analysis (referred to in this section as the “National Center”).

(2) Purposes

The National Center, in coordination to the extent practicable with the National Health Care Workforce Commission (established in section 294q of this title), and relevant regional and State centers and agencies, shall—

(A) provide for the development of information describing and analyzing the health care workforce and workforce related issues;

(B) carry out the activities under section 295k(a) of this title;

(C) annually evaluate programs under this subchapter;

(D) develop and publish performance measures and benchmarks for programs under this subchapter; and

(E) establish, maintain, and publicize a national Internet registry of each grant awarded under this subchapter and a database to collect data from longitudinal evaluations (as described in subsection (d)(2)) on performance measures (as developed under sections 293(d)(3), 294f(d)(3), and 294o(a)(3) of this title).

(3) Collaboration and data sharing

(A) In general

The National Center shall collaborate with Federal agencies and relevant professional and educational organizations or societies for the purpose of linking data regarding grants awarded under this subchapter.

(B) Contracts for health workforce analysis

For the purpose of carrying out the activities described in subparagraph (A), the National Center may enter into contracts with relevant professional and educational organizations or societies.
(c) State and regional Centers for Health Workforce Analysis  

(1) In general  
The Secretary shall award grants to, or enter into contracts with, eligible entities for purposes of—  
(A) collecting, analyzing, and reporting data regarding programs under this subchapter to the National Center and to the public; and  
(B) providing technical assistance to local and regional entities on the collection, analysis, and reporting of data.  

(2) Eligible entities  
To be eligible for a grant or contract under this subsection, an entity shall—  
(A) be a State, a State workforce investment board, a public health or health professions school, an academic health center, or an appropriate public or private nonprofit entity; and  
(B) submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require.  

(d) Increase in grants for longitudinal evaluations  

(1) In general  
The Secretary shall increase the amount awarded to an eligible entity under this subchapter for a longitudinal evaluation of individuals who have received education, training, or financial assistance from programs under this subchapter.  

(2) Eligible entities  
To be eligible for an increase under this subsection, an entity shall—  
(A) be a State, a State workforce investment board, a public health or health professions school, an academic health center, or an appropriate public or private nonprofit entity; and  
(B) submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require.  

(e) Authorization of appropriations  

(1) In general  
(A) National Center  
To carry out subsection (b), there are authorized to be appropriated $7,500,000 for each of fiscal years 2010 through 2014.  

(B) State and regional Centers  
To carry out subsection (c), there are authorized to be appropriated $4,500,000 for each of fiscal years 2010 through 2014.  

(C) Grants for longitudinal evaluations  
To carry out subsection (d), there are authorized to be appropriated such sums as may be necessary for fiscal years 2010 through 2014.  

(2) Reservation  
Of the amounts appropriated under paragraph (1) for a fiscal year, the Secretary shall reserve not less than $600,000 for conducting health professions research and for carrying out data collection and analysis in accordance with section 295k of this title.  

(3) Availability of additional funds  
Amounts otherwise appropriated for programs or activities under this subchapter may be used for activities under subsection (b) with respect to the programs or activities from which such amounts were made available.  


PRIOR PROVISIONS  


A prior section 294m act July 1, 1944, was classified to section 294 of this title prior to the general amendment of part D of this subchapter by Pub. L. 105–392.  

Another prior section 294m act July 1, 1944, was classified to section 294c of this title prior to the general amendment of this subchapter by Pub. L. 102–408.  

Another prior section 294m act July 1, 1944, was classified to section 294b of this title prior to repeal by Pub. L. 99–129.  

Another prior section 294m act July 1, 1944, was classified to section 294 of this title prior to the general amendment of part D of this subchapter by Pub. L. 91–696.  

AMENDMENTS  
2010—Subsecs. (b) to (e), Pub. L. 111–148, §5103(a)(1), (2), added subsecs. (b) to (d), redesignated former subsec. (c) as (e), and struck out former subsec. (b) which related to award of grants or contracts.  

Subsec. (e)(1). Pub. L. 111–148, §5103(a)(3)(A), added par. (1), and struck out former par. (1). Prior to amendment, text read as follows: ‘‘There are authorized to be appropriated to carry out this section, $750,000 for fiscal year 1998, and such sums as may be necessary for each of the fiscal years 1999 through 2002.’’  

Subsec. (e)(2). Pub. L. 111–148, §5103(a)(4), which directed amendment of ‘‘paragraph (2)’’, without specify-
ing the subsec. to be amended, by substituting “para-
graph (1)” for “subsection (a)”, was executed by mak-
ing the substitution in par. (2) of subsec. (e), to reflect
the probable intent of Congress.

TRANSFER OF FUNCTIONS
Stat. 605, provided that: “Not later than 180 days after
the date of enactment of this Act (Mar. 23, 2010), the
responsibilities and resources of the National Center for
Health Workforce Analysis, as in effect on the date be-
fore the date of enactment of this Act, shall be trans-
ferred to the National Center for Health Care Work-
force Analysis established under section 761 of the Pub-
lic Health Service Act (42 U.S.C. 294n), as amended by
subsection (a).”

§ 294o. Advisory Council on Graduate Medical
Education
(a) Establishment; duties
There is established the Council on Graduate Medical
Education (in this section referred to as the “Council”). The Council shall—
(1) make recommendations to the Secretary of
Health and Human Services (in this section
referred to as the “Secretary”), and to the
Committee on Labor and Human Resources of
the Senate, and the Committee on Energy and
Commerce of the House of Representatives,
with respect to—
(A) the supply and distribution of physi-
cians in the United States;
(B) current and future shortages or ex-
cesses of physicians in medical and surgical
specialties and subspecialties;
(C) issues relating to foreign medical
school graduates;
(D) appropriate Federal policies with re-
spect to the matters specified in subpara-
graphs (A), (B), and (C), including policies
concerning changes in the financing of un-
dergraduate and graduate medical education
programs and changes in the types of medi-
cal education training in graduate medical
education programs;
(E) appropriate efforts to be carried out by
hospitals, schools of medicine, schools of os-
teopathic medicine, and accrediting bodies
with respect to the matters specified in subpara-
graphs (A), (B), and (C), including eff-
orts for changes in undergraduate and gradu-
ate medical education programs; and
(F) deficiencies in, and needs for improve-
ments in, existing data bases concerning the
supply and distribution of, and postgraduate
training programs for, physicians in the
United States and steps that should be taken
to eliminate those deficiencies;
(2) encourage entities providing graduate
medical education to conduct activities to vol-
untarily achieve the recommendations of the
Council under paragraph (1)(E);
(3) develop, publish, and implement perfor-
ance measures for programs under this sub-
chapter, except for programs under part C or
D;
(4) develop and publish guidelines for lon-
titudinal evaluations (as described in section
294m(d)(2) of this title) for programs under this
subchapter, except for programs under part C or D; and
(5) recommend appropriation levels for pro-
grams under this subchapter, except for pro-
grams under part C or D.

(b) Composition
The Council shall be composed of—
(1) the Assistant Secretary for Health or the
designee of the Assistant Secretary;
(2) the Administrator of the Health Care Fi-
nancing Administration;
(3) the Chief Medical Director of the Depart-
ment of Veterans Affairs;
(4) 6 members appointed by the Secretary to
include representatives of practicing primary
care physicians, national and specialty physi-
cian organizations, foreign medical graduates,
and medical student and house staff associa-
tions;
(5) 4 members appointed by the Secretary to
include representatives of schools of medicine
and osteopathic medicine and public and pri-
ivate teaching hospitals; and
(6) 4 members appointed by the Secretary to
include representatives of health insurers,
business, and labor.

c) Terms of appointed members
(1) In general; staggered rotation
Members of the Council appointed under
paragraphs (4), (5), and (6) of subsection (b)
shall be appointed for a term of 4 years, except
that the term of office of the members first
appointed shall expire, as designated by the
Secretary at the time of appointment, 4 at the
end of 1 year, 4 at the end of 2 years, 3 at the
end of 3 years, and 3 at the end of 4 years.
(2) Date certain for appointment
The Secretary shall appoint the first mem-
ers to the Council under paragraphs (4), (5),
and (6) of subsection (b) within 60 days after

d) Chair
The Council shall elect one of its members as
Chairman of the Council.

e) Quorum
Nine members of the Council shall constitute
a quorum, but a lesser number may hold hear-
ings.

(f) Vacancies
Any vacancy in the Council shall not affect its
power to function.

g) Compensation
Each member of the Council who is not other-
wise employed by the United States Government
shall receive compensation at a rate equal to
the daily rate prescribed for GS–18 under the
General Schedule under section 5332 of title 5 for
each day, including travel time.1 Such member is
engaged in the actual performance of duties as a
member of the Council. A member of the Council
who is an officer or employee of the United
States Government shall serve without addi-
tional compensation. All members of the Coun-
cil shall be reimbursed for travel, subsistence,

1So in original. Probably should be “travel time.”.
and other necessary expenses incurred by them in the performance of their duties.

(h) Certain authorities and duties

(1) Authorities

In order to carry out the provisions of this section, the Council is authorized to—

(A) collect such information, hold such hearings, and sit and act at such times and places, either as a whole or by subcommittee, and request the attendance and testimony of such witnesses and the production of such books, records, correspondence, memoranda, papers, and documents as the Council or such subcommittee may consider available; and

(B) request the cooperation and assistance of Federal departments, agencies, and instrumentalities, and such departments, agencies, and instrumentalities are authorized to provide such cooperation and assistance.

(2) Coordination of activities

The Council shall coordinate its activities with the activities of the Secretary under section 295k of this title. The Secretary shall, in cooperation with the Council and pursuant to the recommendations of the Council, take such steps as are practicable to eliminate deficiencies in the data base established under section 295k of this title and shall make available in its reports such comprehensive data sets as are developed pursuant to this section.

(i) Requirement regarding reports

In the reports required under subsection (a), the Council shall specify its activities during the period for which the report is made.

(j) Final report

Not later than April 1, 2002, the Council shall submit a final report under subsection (a).

(k) Termination


(l) Funding

Amounts otherwise appropriated under this subsection may be utilized by the Secretary to support the activities of the Council.


A prior section 762 of act July 1, 1944, was classified to section 296a of this title prior to repeal by Pub. L. 99–129.

Another prior section 762 of act July 1, 1944, was classified to section 296a of this title prior to the general amendment of part D of this subchapter by Pub. L. 91–686.

AMENDMENTS

2010—Subsec. (a)(3) to (5). Pub. L. 111–148 added pars. (3) to (5).


CHANGE OF NAME

Committee on Labor and Human Resources of Senate changed to Committee on Health, Education, Labor, and Pensions of Senate by Senate Resolution No. 20, One Hundred Sixth Congress, Jan. 19, 1999.


Schedule, to be considered references to rates payable or 18, or to maximum rates of pay under the General Schedule, to be considered references to rates payable after enactment of Pub. L. 104–14, set out as a note preceding section 21 of Title 5.

Amendment and Employees, see section 529 [title I, §101(c)(1)] of Pub. L. 102–531, set out as a note under section 292y of this title.

Section was formerly set out as a note under section 294 prior to the general amendment of this subchapter by Pub. L. 102–406, see section 292y of this title.

References to Chief Medical Director of Department of Veterans Affairs deemed to refer to Under Secretary for Health of Department of Veterans Affairs pursuant to Health and Pensions of Senate by Senate Resolution No. 20, One Hundred Sixth Congress, Jan. 19, 1999.

Committee on Energy and Commerce of House of Representatives changed to Committee on Energy and Commerce of House of Representatives, and jurisdiction over matters relating to securities and exchanges and insurance generally transferred to Committee on Financial Services of House of Representatives, See section 313(c) of Pub. L. 99–129.

Effective Date of Amendment


References to Other Laws to GS–16, 17, or 18 Pay Rates

References in laws to the rates of pay for GS–16, 17, or 18, or to maximum rates of pay under the General Schedule, to be considered references to rates payable under specified sections of Title 5, Government Organization and Employees, see section 529 [title I, §101(c)(1)] of Pub. L. 101–509, set out in a note under section 5376 of Title 5.
§ 294p. Pediatric rheumatology

(a) In general

The Secretary, acting through the appropriate agencies, shall evaluate whether the number of pediatric rheumatologists is sufficient to address the health care needs of children with arthritis and related conditions, and if the Secretary determines that the number is not sufficient, shall develop strategies to help address the shortfall.

(b) Report to Congress

Not later than October 1, 2001, the Secretary shall submit to the Congress a report describing the results of the evaluation under subsection (a), and as applicable, the strategies developed under such subsection.

(c) Authorization of appropriations

For the purpose of carrying out this section, there are authorized to be appropriated such sums as may be necessary for each of the fiscal years 2001 through 2005.


PRIOR PROVISIONS


A prior section 763 of act July 1, 1944, was classified to section 295b of this title prior to repeal by Pub. L. 99–129.

Another prior section 763 of act July 1, 1944, was classified to section 295b of this title prior to the general amendment of former part D of this subchapter by Pub. L. 91–686.

§ 294q. National Health Care Workforce Commission

(a) Purpose

It is the purpose of this section to establish a National Health Care Workforce Commission that—

(1) serves as a national resource for Congress, the President, States, and localities;

(2) communicates and coordinates with the Departments of Health and Human Services, Labor, Veterans Affairs, Homeland Security, and Education on related activities administered by one or more of such Departments;

(3) develops and commissions evaluations of education and training activities to determine whether the demand for health care workers is being met;

(4) identifies barriers to improved coordination at the Federal, State, and local levels and recommend ways to address such barriers; and

(5) encourages innovations to address population needs, constant changes in technology, and other environmental factors.

(b) Establishment

There is hereby established the National Health Care Workforce Commission (in this section referred to as the "Commission").

(c) Membership

(1) Number and appointment

The Commission shall be composed of 15 members to be appointed by the Comptroller General, without regard to section 5 of the Federal Advisory Committee Act (5 U.S.C. App.).

(2) Qualifications

(A) In general

The membership of the Commission shall include individuals—

(i) with national recognition for their expertise in health care labor market analysis, including health care workforce analysis; health care finance and economics; health care facility management; health care plans and integrated delivery systems; health care workforce education and training; health care philanthropy; providers of health care services; and other related fields; and

(ii) who will provide a combination of professional perspectives, broad geographic representation, and a balance between urban, suburban, rural, and frontier representatives.

(B) Inclusion

(i) In general

The membership of the Commission shall include no less than one representative of—

(I) the health care workforce and health professionals;
(II) employers, including representatives of small business and self-employed individuals;

(III) third-party payers;

(IV) individuals skilled in the conduct and interpretation of health care services and health economics research;

(V) representatives of consumers;

(VI) labor unions;

(VII) State or local workforce investment boards; and

(VIII) educational institutions (which may include elementary and secondary institutions, institutions of higher education, including 2 and 4 year institutions, or registered apprenticeship programs).

(ii) Additional members

The remaining membership may include additional representatives from clause (i) and other individuals as determined appropriate by the Comptroller General of the United States.

(C) Majority non-providers

Individuals who are directly involved in health professions education or practice shall not constitute a majority of the membership of the Commission.

(D) Ethical disclosure

The Comptroller General shall establish a system for public disclosure by members of the Commission of financial and other potential conflicts of interest relating to such members. Members of the Commission shall be treated as employees of Congress for purposes of applying title I of the Ethics in Government Act of 1978 [5 U.S.C. App.]. Members of the Commission shall not be treated as special government employees under title 18.

(3) Terms

(A) In general

The terms of members of the Commission shall be for 3 years except that the Comptroller General shall designate staggered terms for the members first appointed.

(B) Vacancies

Any member appointed to fill a vacancy occurring before the expiration of the term for which the member’s predecessor was appointed shall be appointed only for the remainder of that term. A member may serve after the expiration of that member’s term until a successor has taken office. A vacancy in the Commission shall be filled in the manner in which the original appointment was made.

(C) Initial appointments

The Comptroller General shall make initial appointments of members to the Commission not later than September 30, 2010.

(4) Compensation

While serving on the business of the Commission (including travel time), a member of the Commission shall be entitled to compensation at the per diem equivalent of the rate provided for level IV of the Executive Schedule under section 5315 of title 5, and while so serving away from home and the member’s regular place of business, a member may be allowed travel expenses, as authorized by the Chairman of the Commission. Physicians serving as personnel of the Commission may be provided a physician comparability allowance by the Commission in the same manner as Government physicians may be provided such an allowance by an agency under section 5948 of title 5, and for such purpose subsection (i) of such section shall apply to the Commission in the same manner as it applies to the Tennessee Valley Authority. For purposes of pay (other than pay of members of the Commission) and employment benefits, rights, and privileges, all personnel of the Commission shall be treated as if they were employees of the United States Senate. Personnel of the Commission shall not be treated as employees of the Government Accountability Office for any purpose.

(5) Chairman, Vice Chairman

The Comptroller General shall designate a member of the Commission, at the time of appointment of the member, as Chairman and a member as Vice Chairman for that term of appointment, except that in the case of vacancy of the chairmanship or vice chairmanship, the Comptroller General may designate another member for the remainder of that member’s term.

(6) Meetings

The Commission shall meet at the call of the chairman, but no less frequently than on a quarterly basis.

(d) Duties

(1) Recognition, dissemination, and communication

The Commission shall—

(A) recognize efforts of Federal, State, and local partnerships to develop and offer health care career pathways of proven effectiveness;

(B) disseminate information on promising retention practices for health care professionals; and

(C) communicate information on important policies and practices that affect the recruitment, education and training, and retention of the health care workforce.

(2) Review of health care workforce and annual reports

In order to develop a fiscally sustainable integrated workforce that supports a high-quality, readily accessible health care delivery system that meets the needs of patients and populations, the Commission, in consultation with relevant Federal, State, and local agencies, shall—

(A) review current and projected health care workforce supply and demand, including the topics described in paragraph (3); and

(B) make recommendations to Congress and the Administration concerning national health care workforce priorities, goals, and policies;

1 So in original. Probably should be “title”.
§ 294q

(TITLE 42—THE PUBLIC HEALTH AND WELFARE  Page 928)

(C) by not later than October 1 of each year (beginning with 2011), submit a report to Congress and the Administration containing the results of such reviews and recommendations concerning related policies; and (D) by not later than April 1 of each year (beginning with 2011), submit a report to Congress and the Administration containing a review of, and recommendations on, at a minimum one high priority area as described in paragraph (4).

(3) Specific topics to be reviewed

The topics described in this paragraph include—

(A) current health care workforce supply and distribution, including demographics, skill sets, and demands, with projected demands during the subsequent 10 and 25 year periods;

(B) health care workforce education and training capacity, including the number of students who have completed education and training, including registered apprenticeships; the number of qualified faculty; the education and training infrastructure; and the education and training demands, with projected demands during the subsequent 10 and 25 year periods;

(C) the education loan and grant programs in titles VII and VIII of the Public Health Service Act (42 U.S.C. 292 et seq. and 296 et seq.), with recommendations on whether such programs should become part of the Higher Education Act of 1965 (20 U.S.C. 1001 et seq.);

(D) the implications of new and existing Federal policies which affect the health care workforce, including Medicare and Medicaid graduate medical education policies, titles VII and VIII of the Public Health Service Act (42 U.S.C. 292 et seq. and 296 et seq.), the National Health Service Corps (with recommendations for aligning such programs with national health workforce priorities and goals), and other health care workforce programs, including those supported through the Workforce Innovation and Opportunity Act, the Carl D. Perkins Career and Technical Education Act of 2006 (20 U.S.C. 2301 et seq.), the Higher Education Act of 1965 (20 U.S.C. 1001 et seq.), and any other Federal health care workforce programs;

(E) the health care workforce needs of special populations, such as minorities, rural populations, medically underserved populations, gender specific needs, individuals with disabilities, and geriatric and pediatric populations with recommendations for new and existing Federal policies to meet the needs of these special populations; and

(F) recommendations creating or revising national loan repayment programs and scholarship programs to require low-income, minority medical students to serve in their home communities, if designated as medical underserved community.3

(4) High priority areas

(A) In general

The initial high priority topics described in this paragraph include each of the following:

(i) Integrated health care workforce planning that identifies health care professional skills needed and maximizes the skill sets of health care professionals across disciplines.

(ii) An analysis of the nature, scopes of practice, and demands for health care workers in the enhanced information technology and management workplace.

(iii) An analysis of how to align Medicare and Medicaid graduate medical education policies with national workforce goals.

(iv) An analysis of, and recommendations for, eliminating the barriers to entering and staying in primary care, including provider compensation.

(v) The education and training capacity, projected demands, and integration with the health care delivery system of each of the following:

(I) Nursing workforce capacity at all levels.

(II) Oral health care workforce capacity at all levels.

(III) Mental and behavioral health care workforce capacity at all levels.

(IV) Allied health and public health care workforce capacity at all levels.

(V) Emergency medical service workforce capacity, including the retention and recruitment of the volunteer workforce, at all levels.

(VI) The geographic distribution of health care providers as compared to the identified health care workforce needs of States and regions.

(B) Future determinations

The Commission may require that additional topics be included under subparagraph (A). The appropriate committees of Congress may recommend to the Commission the inclusion of other topics for health care workforce development areas that require special attention.

(5) Grant program

The Commission shall—

(A) review implementation progress reports on, and report to Congress about, the State Health Care Workforce Development Grant program established in section 294r of this title;

(B) in collaboration with the Department of Labor and in coordination with the Department of Education and other relevant Federal agencies, make recommendations to the fiscal and administrative agent under section 294r(b) of this title for grant recipients under section 294r of this title;

(C) assess the implementation of the grants under such section; and

(D) collect performance and report information, including identified models and best practices, on grants from the fiscal and ad-
ministrative agent under such section and distribute this information to Congress, relevant Federal agencies, and to the public.

(6) Study

The Commission shall study effective mechanisms for financing education and training for careers in health care, including public health and allied health.

(7) Recommendations

The Commission shall submit recommendations to Congress, the Department of Labor, and the Department of Health and Human Services about improving safety, health, and worker protections in the workplace for the health care workforce.

(8) Assessment

The Commission shall assess and receive reports from the National Center for Health Care Workforce Analysis established under section 761(b) of the Public Service Health Act (42 U.S.C. 294n(b)) (as amended by section 5103).

(e) Consultation with Federal, State, and local agencies, Congress, and other organizations

(1) In general

The Commission shall consult with Federal agencies (including the Departments of Health and Human Services, Labor, Education, Commerce, Agriculture, Defense, and Veterans Affairs and the Environmental Protection Agency), Congress, the Medicare Payment Advisory Commission, the Medicaid and CHIP Payment and Access Commission, and, to the extent practicable, with State and local agencies, Indian tribes, voluntary health care organizations, professional societies, and other relevant public-private health care partnerships.

(2) Obtaining official data

The Commission, consistent with established privacy rules, may secure directly from any department or agency of the Executive Branch information necessary to enable the Commission to carry out this section.

(3) Detail of Federal Government employees

An employee of the Federal Government may be detailed to the Commission without reimbursement. The detail of such an employee shall be without interruption or loss of civil service status.

(f) Director and staff; experts and consultants

Subject to such review as the Comptroller General of the United States determines to be necessary to ensure the efficient administration of the Commission, the Commission may—

(1) employ and fix the compensation of an executive director that shall not exceed the rate of basic pay payable for level V of the Executive Schedule and such other personnel as may be necessary to carry out its duties (without regard to the provisions of title 5 governing appointments in the competitive service); (2) seek such assistance and support as may be required in the performance of its duties from appropriate Federal departments and agencies;

(3) enter into contracts or make other arrangements, as may be necessary for the conduct of the work of the Commission (without regard to section 6101 of title 41);

(4) make advance, progress, and other payments which relate to the work of the Commission;

(5) provide transportation and subsistence for persons serving without compensation; and

(6) prescribe such rules and regulations as the Commission determines to be necessary with respect to the internal organization and operation of the Commission.

(g) Powers

(1) Data collection

In order to carry out its functions under this section, the Commission shall—

(A) utilize existing information, both published and unpublished, where possible, collected and assessed either by its own staff or under other arrangements made in accordance with this section, including coordination with the Bureau of Labor Statistics;

(B) carry out, or award grants or contracts for the carrying out of, original research and development, where existing information is inadequate, and

(C) adopt procedures allowing interested parties to submit information for the Commission’s use in making reports and recommendations.

(2) Access of the Government Accountability Office to information

The Comptroller General of the United States shall have unrestricted access to all deliberations, records, and data of the Commission, immediately upon request.

(3) Periodic audit

The Commission shall be subject to periodic audit by an independent public accountant under contract to the Commission.

(h) Authorization of appropriations

(1) Request for appropriations

The Commission shall submit requests for appropriations in the same manner as the Comptroller General of the United States submits requests for appropriations. Amounts so appropriated for the Commission shall be separate from amounts appropriated for the Comptroller General.

(2) Authorization

There are authorized to be appropriated such sums as may be necessary to carry out this section.

(3) Gifts and services

The Commission may not accept gifts, bequeaths, or donations of property, but may accept and use donations of services for purposes of carrying out this section.

(i) Definitions

In this section:

(1) Health care workforce

The term “health care workforce” includes all health care providers with direct patient care and support responsibilities, such as phy-
§ 294q


The Public Health Service Act, referred to in subsec. (d)(3)(C), (D), is act July 1, 1944, ch. 373, 58 Stat. 682.

Titles VII and VIII of the Act are classified generally to this subchapter and subchapter VI (§296 et seq.) of this chapter, respectively. For complete classification of this Act to the Code, see Short Title note set out under section 201 of this title and Tables.


The Workforce Innovation and Opportunity Act, referred to in subsec. (d)(3)(D), is Pub. L. 113–128, July 22, 2014, 128 Stat. 1425, which enacted chapter 32 (§3101 et seq.) of Title 29, Labor, repealed chapter 30 (§2801 et seq.) of Title 29 and chapter 73 (§9201 et seq.) of Title 20, Education, and made amendments to numerous other sections and notes in the Code. For complete classification of this Act to the Code, see Short Title note set out under section 2301 of Title 20 and Tables.

Section 101, formerly §501, which Act enacted Title 41, Public Contracts, was redesignated as Title 29, Labor, by Pub. L. 107–204, Aug. 7, 2002, 116 Stat. 795, which is classified generally to chapter 28 (§1001 et seq.) of Title 20, Education, and made amendments to numerous other sections and notes in the Code. For complete classification of this Act to the Code, see Short Title note set out under section 1001 of Title 20 and Tables.


The Workforce Innovation and Opportunity Act, referred to in subsec. (d)(3)(D), is Pub. L. 113–128, July 22, 2014, 128 Stat. 1425, which enacted chapter 32 (§3101 et seq.) of Title 29, Labor, repealed chapter 30 (§2801 et seq.) of Title 29 and chapter 73 (§9201 et seq.) of Title 20, Education, and made amendments to numerous other sections and notes in the Code. For complete classification of this Act to the Code, see Short Title note set out under section 2301 of Title 20 and Tables.


Level V of the Executive Schedule, referred to in subsec. (d)(1), is set out in section 5316 of Title 5, Government Organization and Employees.

CONFINEMENT


Section was enacted as part of the Patient Protection and Affordable Care Act, and not as part of the Public Health Service Act which comprises this chapter.

PRIOR PROVISIONS

Prior sections 294q to 294q–3 were omitted in the general amendment of this subchapter by Pub. L. 105–277, §2(a).


AMENDMENTS


1See 2010 Amendment note below.


Subsec. (i)(2)(A), (C). Pub. L. 111–148, §10501(a)(3), which directed insertion of “optometrists, opthalmologists,” after “occupational therapists,” into subpart. (B) of subsec. (i)(2), was executed by making the insertion in subpars. (A) and (C). The words “occupational therapists,” do not appear in subpart. (B).

Effective Date of 2014 Amendment

Amendment by Pub. L. 113–128 effective on the first day of the first full program year after July 22, 2014 (July 1, 2015), see section 506 of Pub. L. 113–128, set out as an Effective Date note under section 3101 of Title 29, Labor.

Purpose

Pub. L. 111–148, title V, §5001, Mar. 23, 2010, 124 Stat. 588, provided that: “The purpose of this title [see Tables for classification] is to improve access to and the delivery of health care services for all individuals, particularly low income, underserved, uninsured, minority, health disparity, and rural populations by—

(1) gathering and assessing comprehensive data in order for the health care workforce to meet the health care needs of individuals, including research on the supply, demand, distribution, diversity, and skills needs of the health care workforce;

(2) increasing the supply of a qualified health care workforce to improve access to and the delivery of health care services for all individuals;

(3) enhancing health care workforce education and training to improve access to and the delivery of health care services for all individuals; and

(4) providing support to the existing health care workforce to improve access to and the delivery of health care services for all individuals.”

Definitions


(1) ALLIED HEALTH PROFESSIONAL.—The term ‘allied health professional’ means an allied health professional, as defined in section 790(r) of the Public Health Service Act (42 U.S.C. 295p) who—

(A) has graduated and received an allied health professions degree or certificate from an institution of higher education; and

(B) is employed with a Federal, State, local or tribal public health agency, or in a setting where patients might require health care services, including acute care facilities, ambulatory care facilities, personal residences, and other settings located in health professional shortage areas, medically underserved areas, or medically underserved populations, as recognized by the Secretary of Health and Human Services.

(2) HEALTH CARE CAREER PATHWAY.—The term ‘healthcare career pathway’ means a rigorous, engaging, and high quality set of courses and services that—

(A) includes an articulated sequence of academic and career courses, including 21st century skills;

(B) is aligned with the needs of healthcare industries in a region or State;

(C) prepares students for entry into the full range of postsecondary education options, including registered apprenticeships, and careers;

(D) provides academic and career counseling in student-to-counselor ratios that allow students to make informed decisions about academic and career options;

(E) meets State academic standards, State requirements for secondary school graduation and is aligned with requirements for entry into postsecondary education, and applicable industry standards; and

(F) leads to 2 or more credentials, including—

(i) a secondary school diploma; and

(ii) a postsecondary degree, an apprenticeship or other occupational certification, a certificate, or a license.

(3) INSTITUTION OF HIGHER EDUCATION.—The term ‘institution of higher education’ has the meaning given the term in sections 101 and 102 of the Higher Education Act of 1965 (20 U.S.C. 1001 and 1002).

(4) LOW INCOME INDIVIDUAL, STATE WORKFORCE INVESTMENT BOARD, AND LOCAL WORKFORCE INVESTMENT BOARD.—

(A) LOW-INCOME INDIVIDUAL.—The term ‘low-income individual’ has the meaning given that term in [former] section 101 of the Workforce Investment Act of 1998 ([former] 29 U.S.C. 2801).


(5) POSTSECONDARY EDUCATION.—The term ‘postsecondary education’ means—

(A) a 4-year program of instruction, or not less than a 1-year program of instruction that is acceptable for credit toward an associate or a baccalaureate degree, offered by an institution of higher education; or

(B) a certificate or registered apprenticeship program at the postsecondary level offered by an institution of higher education or a non-profit educational institution.

(6) REGISTERED APPRENTICESHIP PROGRAM.—The term ‘registered apprenticeship program’ means an industry skills training program at the postsecondary level that combines technical and theoretical training through structure on the job learning with related instruction (in a classroom or through distance learning) while an individual is employed, working under the direction of qualified personnel or a mentor, and earning incremental wage increases aligned to enhance job proficiency, resulting in the acquisition of a nationally recognized and portable certificate, under a plan approved by the Office of Apprenticeship or a State agency recognized by the Department of Labor.”

§294r. State health care workforce development grants

(a) Establishment

There is established a competitive health care workforce development grant program (referred to in this section as the “program”) for the purpose of enabling State partnerships to complete comprehensive planning and to carry out activities leading to coherent and comprehensive health care workforce development strategies at the State and local levels.

(b) Fiscal and administrative agent

The Health Resources and Services Administration of the Department of Health and Human Services (referred to in this section as the “Administration”) shall be the fiscal and administrative agent for the grants awarded under this
section. The Administration is authorized to carry out the program, in consultation with the National Health Care Workforce Commission (referred to in this section as the "Commission"), which shall review reports on the development, implementation, and evaluation activities of the grant program, including—

(1) administering the grants;
(2) providing technical assistance to grantees; and
(3) reporting performance information to the Commission.

(c) Planning grants

(1) Amount and duration

A planning grant shall be awarded under this subsection for a period of not more than one year and the maximum award may not be more than $150,000.

(2) Eligibility

To be eligible to receive a planning grant, an entity shall be an eligible partnership. An eligible partnership shall be a State workforce investment board, if it includes or modifies the members to include at least one representative from each of the following: health care employer, labor organization, a public 2-year institution of higher education, a public 4-year institution of higher education, the recognized State federation of labor, the State public secondary education agency, the State P–16 or P–20 Council if such a council exists, and a philanthropic organization that is actively engaged in providing learning, mentoring, and work opportunities to recruit, educate, and train individuals for, and retain individuals in, careers in health care and related industries.

(3) Fiscal and administrative agent

The Governor of the State receiving a planning grant has the authority to appoint a fiscal and an administrative agency for the partnership.

(4) Application

Each State partnership desiring a planning grant shall submit an application to the Administrator of the Administration at such time and in such manner, and accompanied by such information as the Administrator may require. Each application submitted for a planning grant shall describe the members of the State partnership, the activities for which assistance is sought, the proposed performance benchmarks to be used to measure progress under the planning grant, a budget for the use of the funds to complete the required activities described in paragraph (5), and such additional assurance and information as the Administrator determines to be essential to ensure compliance with the grant program requirements.

(5) Required activities

A State partnership receiving a planning grant shall carry out the following:

(A) Analyze State labor market information in order to create health care career pathways for students and adults, including dislocated workers.

(B) Identify current and projected high demand State or regional health care sectors for purposes of planning career pathways.

(C) Identify existing Federal, State, and private resources to recruit, educate or train, and retain a skilled health care workforce and strengthen partnerships.

(D) Describe the academic and health care industry skill standards for high school graduation, for entry into postsecondary education, and for various credentials and licensure.

(E) Describe State secondary and postsecondary education and training policies, models, or practices for the health care sector, including career information and guidance counseling.

(F) Identify Federal or State policies or rules to developing a coherent and comprehensive health care workforce development strategy and barriers and a plan to resolve these barriers.

(G) Participate in the Administration's evaluation and reporting activities.

(6) Performance and evaluation

Before the State partnership receives a planning grant, such partnership and the Administrator of the Administration shall jointly determine the performance benchmarks that will be established for the purposes of the planning grant.

(7) Match

Each State partnership receiving a planning grant shall provide an amount, in cash or in kind, that is not less than 15 percent of the amount of the grant, to carry out the activities supported by the grant. The matching requirement may be provided from funds available under other Federal, State, local or private sources to carry out the activities.

(8) Report

(A) Report to administration

Not later than 1 year after a State partnership receives a planning grant, the partnership shall submit a report to the Administrator analyzing the planning activities under the grant, including the use of funds, including matching funds, to carry out required activities, and a description of the progress of the State workforce investment board in meeting the performance benchmarks.

(B) Report to Congress

The Administration shall submit a report to Congress analyzing the planning activities, performance, and fund utilization of each State grant recipient, including an identification of promising practices and a profile of the activities of each State grant recipient.

(d) Implementation grants

(1) In general

The Administration shall—

(A) competitively award implementation grants to State partnerships to enable such
partnerships to implement activities that will result in a coherent and comprehensive plan for health workforce development that will address current and projected workforce demands within the State; and

(b) inform the Commission and Congress about the awards made.

(2) Duration

An implementation grant shall be awarded for a period of no more than 2 years, except in those cases where the Administration determines that the grantee is high performing and the activities supported by the grant warrant up to 1 additional year of funding.

(3) Eligibility

To be eligible for an implementation grant, a State partnership shall have—

(A) received a planning grant under subsection (c) and completed all requirements of such grant; or

(B) completed a satisfactory application, including a plan to coordinate with required partners and complete the required activities during the 2 year period of the implementation grant.

(4) Fiscal and administrative agent

A State partnership receiving an implementation grant shall appoint a fiscal and an administrative agent for the implementation of such grant.

(5) Application

Each eligible State partnership desiring an implementation grant shall submit an application to the Administration at such time, in such manner, and accompanied by such information as the Administration may reasonably require. Each application submitted shall include—

(A) a description of the members of the State partnership;

(B) a description of how the State partnership completed the required activities under the planning grant, if applicable;

(C) a description of the activities for which implementation grant funds are sought, including grants to regions by the State partnership to advance coherent and comprehensive regional health care workforce planning activities;

(D) a description of how the State partnership will coordinate with required partners and complete the required partnership activities during the duration of an implementation grant;

(E) a budget proposal of the cost of the activities supported by the implementation grant and a timeline for the provision of matching funds required;

(F) proposed performance benchmarks to be used to assess and evaluate the progress of the partnership activities;

(G) a description of how the State partnership will collect data to report progress in grant activities; and

(H) such additional assurances as the Administration determines to be essential to ensure compliance with grant requirements.

(6) Required activities

(A) In general

A State partnership that receives an implementation grant may reserve not less than 60 percent of the grant funds to make grants to be competitively awarded by the State partnership, consistent with State procurement rules, to encourage regional partnerships to address health care workforce development needs and to promote innovative health care workforce career pathway activities, including career counseling, learning, and employment.

(B) Eligible partnership duties

An eligible State partnership receiving an implementation grant shall—

(i) identify and convene regional leadership to discuss opportunities to engage in statewide health care workforce development planning, including the potential use of competitive grants to improve the development, distribution, and diversity of the regional health care workforce; the alignment of curricula for health care careers; and the access to quality career information and guidance and education and training opportunities;

(ii) in consultation with key stakeholders and regional leaders, take appropriate steps to reduce Federal, State, or local barriers to a comprehensive and coherent strategy, including changes in State or local policies to foster coherent and comprehensive health care workforce development activities, including health care career pathways at the regional and State levels, career planning information, retraining for dislocated workers, and as appropriate, requests for Federal program or administrative waivers;

(iii) develop, disseminate, and review with key stakeholders a preliminary statewide strategy that addresses short- and long-term health care workforce development supply versus demand;

(iv) convene State partnership members on a regular basis, and at least on a semiannual basis;

(v) assist leaders at the regional level to form partnerships, including technical assistance and capacity building activities;

(vi) collect and assess data on and report on the performance benchmarks selected by the State partnership and the Administration for implementation activities carried out by regional and State partnerships; and

(vii) participate in the Administration’s evaluation and reporting activities.

(7) Performance and evaluation

Before the State partnership receives an implementation grant, it and the Administrator shall jointly determine the performance benchmarks that shall be established for the purposes of the implementation grant.

(8) Match

Each State partnership receiving an implementation grant shall provide an amount, in
cash or in kind that is not less than 25 percent of the amount of the grant, to carry out the activities supported by the grant. The matching funds may be provided from funds available from other Federal, State, local, or private sources to carry out such activities.

(9) Reports

(A) Report to administration

For each year of the implementation grant, the State partnership receiving the implementation grant shall submit a report to the Administration on the performance of the State of the grant activities, including a description of the use of the funds, including matched funds, to complete activities, and a description of the performance of the State partnership in meeting the performance benchmarks.

(B) Report to Congress

The Administration shall submit a report to Congress analyzing implementation activities, performance, and fund utilization of the State grantees, including an identification of promising practices and a profile of the activities of each State grantee.

(e) Authorization for appropriations

(1) Planning grants

There are authorized to be appropriated to award planning grants under subsection (c) $8,000,000 for fiscal year 2010, and such sums as may be necessary for each subsequent fiscal year.

(2) Implementation grants

There are authorized to be appropriated to award implementation grants under subsection (d) $500,000,000 for fiscal year 2010, and such sums as may be necessary for each subsequent fiscal year.


CODIFICATION

Section was enacted as part of the Patient Protection and Affordable Care Act, and not as part of the Public Health Service Act which comprises this chapter.

PRIOR PROVISIONS

A prior section 294r, act July 1, 1944, ch. 373, title VII, §751, as added Nov. 4, 1988, Pub. L. 100–607, title VI, §604, 102 Stat. 3126, which related to establishment of a loan repayment program for allied health personnel, was omitted in the general amendment of this subchapter by Pub. L. 102–408.


A prior section 294r, act July 1, 1944, ch. 373, title VII, §755, as added Oct. 12, 1976, Pub. L. 94–484, title IV, §408(b)(1), 90 Stat. 2287, which related to special grants for former Corps member to enter private practice, was renumbered section 338E of act July 1, 1944, by Pub. L. 97–35 and transferred to section 254f of this title, and subsequently renumbered section 338F of act July 1, 1944, by Pub. L. 100–177, and section 338G of act July 1, 1944, by Pub. L. 101–597.


Prior sections 294z to 294cc were omitted in the general amendment of this subchapter by Pub. L. 102–408.


Section 294aa, act July 1, 1944, ch. 373, title VII, §759, as added Oct. 12, 1976, Pub. L. 94–484, title IV, §408(c), 90
Eligibility

Section 294b, act July 1, 1944, ch. 373, title VII, §760, as added Nov. 6, 1990, Pub. L. 101–527, §6, 104 Stat. 2323, related to grants and other assistance for students from disadvantaged backgrounds. See section 290a of this title.

Section 294cc, act July 1, 1944, ch. 373, title VII, §761, as added Nov. 6, 1990, Pub. L. 101–527, §6, 104 Stat. 2325, related to a loan repayment program regarding service on faculties of certain health professions schools. See section 293b of this title.

Definitions

For definitions of terms used in this section, see section 5002(a) of Pub. L. 111–148, set out as a note under section 293b of this title.

SUBPART 2—PUBLIC HEALTH WORKFORCE

§295. General provisions

(a) In general

The Secretary may award grants or contracts to eligible entities to increase the number of individuals in the public health workforce, to enhance the quality of such workforce, and to enhance the ability of the workforce to meet national, State, and local health care needs.

(b) Eligibility

To be eligible to receive a grant or contract under subsection (a) an entity shall—

(1) be—

(A) a health professions school, including an accredited school or program of public health, health administration, preventive medicine, or dental public health or a school providing health management programs;

(B) an academic health center;

(C) a State or local government; or

(D) any other appropriate public or private nonprofit entity; and

(2) prepare and submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require.

(c) Preference

In awarding grants or contracts under this section the Secretary may grant a preference to entities—

(1) serving individuals who are from disadvantaged backgrounds (including underrepresented racial and ethnic minorities); and

(2) graduating large proportions of individuals who serve in underserved communities.

(d) Activities

Amounts provided under a grant or contract awarded under this section may be used for—

(1) the costs of planning, developing, or operating demonstration training programs;

(2) faculty development;

(3) trainee support;

(4) technical assistance;

(5) to meet the costs of projects—

(A) to plan and develop new residency training programs and to maintain or improve existing residency training programs in preventive medicine and dental public health, that have available full-time faculty members with training and experience in the fields of preventive medicine and dental public health; and

(B) to provide financial assistance to residency trainees enrolled in such programs;

(6) the retraining of existing public health workers as well as for increasing the supply of new practitioners to address priority public health, preventive medicine, public health dentistry, and health administration needs;

(7) preparing public health professionals for employment at the State and community levels;

(8) public health workforce loan repayment programs; or

(9) other activities that may produce outcomes that are consistent with the purposes of this section.

(e) Traineeships

(1) In general

With respect to amounts used under this section for the training of health professionals, such training programs shall be designed to—

(A) make public health education more accessible to the public and private health workforce;

(B) increase the relevance of public health academic preparation to public health practice in the future;

(C) provide education or training for students from traditional on-campus programs in practice-based sites; or

(D) develop educational methods and distance-based approaches or technology that address adult learning requirements and increase knowledge and skills related to community-based cultural diversity in public health education.

(2) Severe shortage disciplines

Amounts provided under grants or contracts under this section may be used for the operation of programs designed to award traineeships to students in accredited schools of public health who enter educational programs in fields where there is a severe shortage of public health professionals, including epidemiology, biostatistics, environmental health, toxicology, public health nursing, nutrition, preventive medicine, maternal and child health, and behavioral and mental health professions.


Prior Provisions


Prior Provisions

§ 295a. Public health training centers

(a) In general

The Secretary may make grants or contracts for the operation of public health training centers.

(b) Eligible entities

(1) In general

A public health training center shall be an accredited school of public health, or another public or nonprofit private institution accredited for the provision of graduate or specialized training in public health, that plans, develops, operates, and evaluates projects that are in furtherance of the goals established by the Secretary for the year 2000 in the areas of preventive medicine, health promotion and disease prevention, or improving access to and quality of health services in medically underserved communities.

(2) Preference

In awarding grants or contracts under this section the Secretary shall give preference to accredited schools of public health.

(c) Certain requirements

With respect to a public health training center, an award may not be made under subsection (a) unless the program agrees that it—

(1) will establish or strengthen field placements for students in public or nonprofit private health agencies or organizations;

(2) will involve faculty members and students in collaborative projects to enhance public health services to medically underserved communities;

(3) will specifically designate a geographic area or medically underserved population to be served by the center and assist in the planning and development of training programs to meet such needs.


§ 295b. Public health traineeships

(a) In general

The Secretary may make grants to accredited schools of public health, and to other public or nonprofit private institutions accredited for the provision of graduate or specialized training in public health, for the purpose of assisting such schools and institutions in providing traineeships to individuals described in subsection (b)(3).

(b) Certain requirements

(1) Amount

The amount of any grant under this section shall be determined by the Secretary.

(2) Use of grant

Traineeships awarded under grants made under subsection (a) shall provide for tuition and fees and such stipends and allowances (including travel and subsistence expenses and dependency allowances) for the trainees as the Secretary may deem necessary.

(3) Eligible individuals

The individuals referred to in subsection (a) are individuals who are pursuing a course of study in a health professions field in which there is a severe shortage of health professionals (which fields include the fields of epidemiology, environmental health, biostatistics, toxicology, nutrition, and maternal and child health).

Another prior section 295b, act July 1, 1944, ch. 373, title VII, §768, as added Pub. L. 99–129, title I, §101, 77 Stat. 283, related to amount of grants for construction of mental retardation facilities, including maximum payments, advances or reimbursement, installments, conditions, and nonduplication of grants, prior to the general amendment of former part D of this chapter by section 101 of Pub. L. 91–696.

A prior section 767 of act July 1, 1944, was classified to section 295e–1 of this title prior to repeal by Pub. L. 99–129.

Another prior section 767 of act July 1, 1944, was classified to section 295d–2 of this title prior to repeal by Pub. L. 99–129.

§ 295c. Preventive medicine and public health training grant program

(a) Grants

The Secretary, acting through the Administrator of the Health Resources and Services Administration and in consultation with the Director of the Centers for Disease Control and Prevention, shall award grants to, or enter into contracts with, eligible entities to provide training to graduate medical residents in preventive medicine specialties.

(b) Eligibility

To be eligible for a grant or contract under subsection (a), an entity shall be—

(1) an accredited school of public health or school of medicine or osteopathic medicine;
(2) an accredited public or private nonprofit hospital;
(3) a State, local, or tribal health department; or
(4) a consortium of 2 or more entities described in paragraphs (1) through (3).

(c) Use of funds

Amounts received under a grant or contract under this section shall be used to—

(1) plan, develop (including the development of curricula), operate, or participate in an accredited residency or internship program in preventive medicine or public health;
(2) defray the costs of practicum experiences, as required in such a program; and
(3) establish, maintain, or improve—

(A) academic administrative units (including departments, divisions, or other appropriate units) in preventive medicine and public health; or
(B) programs that improve clinical teaching in preventive medicine and public health.

(d) Report

The Secretary shall submit to the Congress an annual report on the program carried out under this section.


Prior Provisions


AMENDMENTS


§ 295d. Health administration traineeships and special projects

(a) In general

The Secretary may make grants to State or local governments (that have in effect preventive medical and dental public health residency programs) or public or nonprofit private educational entities (including graduate schools of social work and business schools that have health management programs) that offer a program described in subsection (b)—

(1) to provide traineeships for students enrolled in such a program; and
(2) to assist accredited programs health administration in the development or improvement of programs to prepare students for employment with public or nonprofit private entities.

(b) Relevant programs

The program referred to in subsection (a) is an accredited program in health administration, hospital administration, or health policy analysis and planning, which program is accredited by a body or bodies approved for such purpose by the Secretary of Education and which meets such other quality standards as the Secretary of Health and Human Services by regulation may prescribe.

(c) Preference in making grants

In making grants under subsection (a), the Secretary shall give preference to qualified applicants that meet the following conditions:

(1) Not less than 25 percent of the graduates of the applicant are engaged in full-time practice settings in medically underserved communities.
(2) The applicant recruits and admits students from medically underserved communities.
(3) For the purpose of training students, the applicant has established relationships with public and nonprofit providers of health care in the community involved.
(4) In training students, the applicant emphasizes employment with public or nonprofit private entities.

(d) Certain provisions regarding traineeships

(1) Use of grant

Traineeships awarded under grants made under subsection (a) shall provide for tuition and fees and such stipends and allowances (including travel and subsistence expenses and dependency allowances) for the trainees as the Secretary may deem necessary.
(2) Preference for certain students

Each entity applying for a grant under subsection (a) for traineeships shall assure to the satisfaction of the Secretary that the entity will give priority to awarding the traineeships to students who demonstrate a commitment to employment with public or nonprofit private entities in the fields with respect to which the traineeships are awarded.


PRIOR PROVISIONS


§ 295e. Authorization of appropriations

(a) In general

For the purpose of carrying out this subpart, there is authorized to be appropriated $43,000,000 for fiscal year 2011, and such sums as may be necessary for each of the fiscal years 2012 through 2015.

(b) Limitation regarding certain program

In obligating amounts appropriated under subsection (a), the Secretary may not obligate more than 30 percent for carrying out section 295b of this title.


PRIOR PROVISIONS


Another prior section 295e consisted of section 766 of act July 1, 1944. The classification of section 766 of act July 1, 1944, was changed to section 295e–1 of this title for purposes of codification.


Section 295e–5, act July 1, 1944, ch. 373, title VII, §769B, as added Nov. 18, 1971, Pub. L. 92–157, title I, §107(b), 85 Stat. 460, required applications for grants and approval of grants by Secretary and set forth payment limitations.

AMENDMENTS

2010—Subsec. (a). Pub. L. 111–148 amended subsec. (a) generally. Prior to amendment, text read as follows: “For the purpose of carrying out this subpart, there is authorized to be appropriated $9,100,000 for fiscal year 1998, and such sums as may be necessary for each of the fiscal years 1999 through 2002.”

SUBPART 3—RECRUITMENT AND RETENTION PROGRAMS

§ 295f. Investment in tomorrow’s pediatric health care workforce

(a) Establishment

The Secretary shall establish and carry out a pediatric specialty loan repayment program under which the eligible individual agrees to be employed full-time for a specified period (which shall not be less than 2 years) in providing pediatric medical subspecialty, pediatric surgical subspecialty, or child and adolescent mental and behavioral health care, including substance abuse prevention and treatment services.

(b) Program administration

Through the program established under this section, the Secretary shall enter into contracts with qualified health professionals under which—

(1) such qualified health professionals will agree to provide pediatric medical subspecialty, pediatric surgical subspecialty, or child and adolescent mental and behavioral health care in an area with a shortage of the specified pediatric subspecialty that has a sufficient pediatric population to support such pediatric subspecialty, as determined by the Secretary; and
(2) the Secretary agrees to make payments on the principal and interest of undergraduate, graduate, or graduate medical education loans of professionals described in paragraph (1) of not more than $35,000 a year for each year of not more than 3 years during the qualified health professional’s—
   (A) participation in an accredited pediatric medical subspecialty, pediatric surgical specialty, or child and adolescent mental health subspecialty residency or fellowship; or
   (B) employment as a pediatric medical subspecialist, pediatric surgical specialist, or child and adolescent mental health professional serving an area or population described in such paragraph.

(c) In general

(1) Eligible individuals

(A) Pediatric medical specialists and pediatric surgical specialists

For purposes of contracts with respect to pediatric medical specialists and pediatric surgical specialists, the term “qualified health professional” means a licensed physician who—
   (i) is entering or receiving training in an accredited pediatric medical subspecialty or pediatric surgical specialty residency or fellowship; or
   (ii) has completed (but not prior to the end of the calendar year in which this section is enacted) the training described in subparagraph (B).

(B) Child and adolescent mental and behavioral health

For purposes of contracts with respect to child and adolescent mental and behavioral health care, the term “qualified health professional” means a health care professional who—
   (i) has received specialized training or clinical experience in child and adolescent mental health in psychiatry, psychology, school psychology, behavioral pediatrics, psychiatric nursing, social work, school social work, substance abuse disorder prevention and treatment, marriage and family therapy, school counseling, or professional counseling;
   (ii) has a license or certification in a State to practice allopathic medicine, osteopathic medicine, psychology, school psychology, psychiatric nursing, social work, school social work, marriage and family therapy, school counseling, or professional counseling; or
   (iii) is a mental health service professional who completed (but not before the end of the calendar year in which this section is enacted) specialized training or clinical experience in child and adolescent mental health described in clause (i).

(2) Additional eligibility requirements

The Secretary may not enter into a contract under this subsection with an eligible individual unless—
   (A) the individual agrees to work in, or for a provider serving, a health professional shortage area or medically underserved area, or to serve a medically underserved population;
   (B) the individual is a United States citizen or a permanent legal United States resident; and
   (C) if the individual is enrolled in a graduate program, the program is accredited, and the individual has an acceptable level of academic standing (as determined by the Secretary).

(d) Priority

In entering into contracts under this subsection, the Secretary shall give priority to applicants who—
   (1) are or will be working in a school or other pre-kindergarten, elementary, or secondary education setting;
   (2) have familiarity with evidence-based methods and cultural and linguistic competence health care services; and
   (3) demonstrate financial need.

(e) Authorization of appropriations

There is authorized to be appropriated $30,000,000 for each of fiscal years 2010 through 2014 to carry out subsection (c)(1)(A) and $20,000,000 for each of fiscal years 2010 through 2013 to carry out subsection (c)(1)(B).


REFERENCES IN TEXT

The calendar year in which this section is enacted, referred to in subsec. (c)(1)(A)(ii), (B)(iii), probably means the calendar year in which Pub. L. 111–148 was enacted. Such Act was approved Mar. 23, 2010.

PRIOR PROVISIONS


A prior section 772 of act July 1, 1944, was renumbered section 772 by Pub. L. 94–484, and was classified to section 295f–2 of this title prior to repeal by act July 1, 1944, ch. 373, title VII, § 773, as added Nov. 4, 1968, Pub. L. 100–607, title VI, § 696(b), 102 Stat. 3127.

§ 295f–1. Public Health Workforce Loan Repayment Program

(a) Establishment

The Secretary shall establish the Public Health Workforce Loan Repayment Program (referred to in this section as the “Program”) to assure an adequate supply of public health professionals to eliminate critical public health workforce shortages in Federal, State, local, and tribal public health agencies.

(b) Eligibility

To be eligible to participate in the Program, an individual shall—
(1)(A) be accepted for enrollment, or be enrolled, as a student in an accredited academic educational institution in a State or territory in the final year of a course of study or program leading to a public health or health professions degree or certificate; and have accepted employment with a Federal, State, local, or tribal public health agency, or a related training fellowship, as recognized by the Secretary, to commence upon graduation; (B) have graduated, during the preceding 10-year period, from an accredited educational institution in a State or territory and received a public health or health professions degree or certificate; and (ii) have accepted employment with a Federal, State, local, or tribal public health agency or a related training fellowship, as recognized by the Secretary; (2) be a United States citizen; and (3)(A) submit an application to the Secretary to participate in the Program; (B) execute a written contract as required in subsection (c); and (4) not have received, for the same service, a reduction of loan obligations under section 1087e(m), 1078–10, 1078–11, 1078–12, or 1087j of title 20.

(c) Contract

The written contract (referred to in this section as the "written contract") between the Secretary and an individual shall contain—

(1) an agreement on the part of the Secretary that the Secretary will repay on behalf of the individual loans incurred by the individual in the pursuit of the relevant degree or certificate in accordance with the terms of the contract; (2) an agreement on the part of the individual that the individual will serve in the full-time employment of a Federal, State, local, or tribal public health agency or a related fellowship program in a position related to the course of study or program for which the contract was awarded for a period of time (referred to in this section as the "period of obligated service") equal to the greater of—

(A) 3 years; or
(B) such longer period of time as determined appropriate by the Secretary and the individual; (3) an agreement, as appropriate, on the part of the individual to relocate to a priority service area (as determined by the Secretary) in exchange for an additional loan repayment incentive amount to be determined by the Secretary; (4) a provision that any financial obligation of the United States arising out of a contract entered into under this section and any obligation of the individual that is conditioned thereon, is contingent on funds being appropriated for loan repayments under this section; (5) a statement of the damages to which the United States is entitled,1 under this section for the individual’s breach of the contract; and (6) such other statements of the rights and liabilities of the Secretary and of the individual, not inconsistent with this section.

1 So in original. The comma probably should not appear.

(d) Payments

(1) In general

A loan repayment provided for an individual under a written contract under the Program shall consist of payment, in accordance with paragraph (2), on behalf of the individual of the principal, interest, and related expenses on government and commercial loans received by the individual regarding the undergraduate or graduate education of the individual (or both), which loans were made for tuition expenses incurred by the individual.

(2) Payments for years served

For each year of obligated service that an individual contracts to serve under subsection (c) the Secretary may pay up to $35,000 on behalf of the individual for loans described in paragraph (1). With respect to participants under the Program whose total eligible loans are less than $105,000, the Secretary shall pay an amount that does not exceed 3% of the eligible loan balance for each year of obligated service of the individual.

(3) Tax liability

For the purpose of providing reimbursements for tax liability resulting from payments under paragraph (2) on behalf of an individual, the Secretary shall, in addition to such payments, make payments to the individual in an amount not to exceed 39 percent of the total amount of loan repayments made for the taxable year involved.

(e) Postponing obligated service

With respect to an individual receiving a degree or certificate from a health professions or other related school, the date of the initiation of the period of obligated service may be postponed as approved by the Secretary.

(f) Breach of contract

An individual who fails to comply with the contract entered into under subsection (c) shall be subject to the same financial penalties as provided for under section 254l of this title for breaches of loan repayment contracts under section 254l–1 of this title.

(g) Authorization of appropriations

There is authorized to be appropriated to carry out this section $195,000,000 for fiscal year 2010, and such sums as may be necessary for each of fiscal years 2011 through 2015.


Prior Provisions


A prior section 776 of act July 1, 1944, was renumbered section 295f-9 and is classified to section 300ff–111 of this title.

Another prior section 776 of act July 1, 1944, was renumbered section 789, and was classified to section 2692 and is classified to section 300ff–111 of this title.

There is authorized to be appropriated to this title §502, Oct. 12, 1976, 90 Stat. 2293, effective with respect to fiscal years beginning after Sept. 30, 1977.

A prior section 777 of act July 1, 1944, was classified to section 2940 of this title prior to the general amendment of this part by Pub. L. 105–392.

§295f–3. Fellowship training in applied public health epidemiology, public health laboratory science, public health informatics, and expansion of the Epidemic Intelligence Service

(a) In general

The Secretary may carry out activities to address documented workforce shortages in State and local health departments in the critical areas of applied public health epidemiology and public health laboratory science and informatics and may expand the Epidemic Intelligence Service.

(b) Specific uses

In carrying out subsection (a), the Secretary shall provide for the expansion of existing fellowship programs operated through the Centers for Disease Control and Prevention in a manner that is designed to alleviate shortages of the type described in subsection (a).

(c) Other programs

The Secretary may provide for the expansion of other applied epidemiology training programs that meet objectives similar to the objectives of the programs described in subsection (b).

(d) Work obligation

Participation in fellowship training programs under this section shall be deemed to be service for purposes of satisfying work obligations stipulated in contracts under section 254q–1(j) of this title.

(e) General support

Amounts may be used from grants awarded under this section to expand the Public Health Informatics Fellowship Program at the Centers for Disease Control and Prevention to better support all public health systems at all levels of government.

(f) Authorization of appropriations

There are authorized to be appropriated to carry out this section, $60,000,000 for fiscal year 2010 and such sums as may be necessary for each of fiscal years 2011 through 2015. Fifty percent of appropriated funds shall be allotted to public health mid-career professionals and 50 percent shall be allotted to allied health mid-career professionals.

(1) $5,000,000 shall be made available in each such fiscal year for laboratory fellowship training program activities under subsections (b) and (c);

(2) $5,000,000 shall be made available in each such fiscal year for laboratory fellowship training programs under subsection (b);

(3) $5,000,000 shall be made available in each such fiscal year for the Public Health Informatics Fellowship Program under subsection (e); and

(4) $24,500,000 shall be made available for expanding the Epidemic Intelligence Service under subsection (a).

§295f–2. Training for mid-career public and allied health professionals

(a) In general

The Secretary may make grants to, or enter into contracts with, any eligible entity to award scholarships to eligible individuals to enroll in degree or professional training programs for the purpose of enabling mid-career professionals in the public health and allied health workforce to receive additional training in the field of public health and allied health.

(b) Eligibility

(1) Eligible entity

The term ‘‘eligible entity’’ indicates an accredited educational institution that offers a course of study, certificate program, or professional training program in public or allied health or a related discipline, as determined by the Secretary.

(2) Eligible individuals

The term ‘‘eligible individuals’’ includes those individuals employed in public and allied health positions at the Federal, State, tribal, or local level who are interested in retaining or upgrading their education.

(c) Authorization of appropriations

There is authorized to be appropriated to carry out this section, $60,000,000 for fiscal year 2010 and such sums as may be necessary for each of fiscal years 2011 through 2015. Fifty percent of appropriated funds shall be allotted to public health mid-career professionals and 50 percent shall be allotted to allied health mid-career professionals.


PRIOR PROVISIONS


A prior section 776 of act July 1, 1944, was renumbered section 295f–9 and is classified to section 300ff–111 of this title.

A prior section 776 of act July 1, 1944, was renumbered section 789, and was classified to section 2692 and is classified to section 300ff–111 of this title.


A prior section 777 of act July 1, 1944, was classified to section 2940 of this title prior to the general amendment of this part by Pub. L. 105–392.

§295f–3. Fellowship training in applied public health epidemiology, public health laboratory science, public health informatics, and expansion of the Epidemic Intelligence Service

(a) In general

The Secretary may carry out activities to address documented workforce shortages in State and local health departments in the critical areas of applied public health epidemiology and public health laboratory science and informatics and may expand the Epidemic Intelligence Service.

(b) Specific uses

In carrying out subsection (a), the Secretary shall provide for the expansion of existing fellowship programs operated through the Centers for Disease Control and Prevention in a manner that is designed to alleviate shortages of the type described in subsection (a).

(c) Other programs

The Secretary may provide for the expansion of other applied epidemiology training programs that meet objectives similar to the objectives of the programs described in subsection (b).

(d) Work obligation

Participation in fellowship training programs under this section shall be deemed to be service for purposes of satisfying work obligations stipulated in contracts under section 254q–1(j) of this title.

(e) General support

Amounts may be used from grants awarded under this section to expand the Public Health Informatics Fellowship Program at the Centers for Disease Control and Prevention to better support all public health systems at all levels of government.

(f) Authorization of appropriations

There are authorized to be appropriated to carry out this section, $60,000,000 for each of fiscal years 2010 through 2013, of which—

(1) $5,000,000 shall be made available in each such fiscal year for epidemiology fellowship training program activities under subsections (b) and (c);

(2) $5,000,000 shall be made available in each such fiscal year for laboratory fellowship training programs under subsection (b);

(3) $5,000,000 shall be made available in each such fiscal year for the Public Health Informatics Fellowship Program under subsection (e); and

(4) $24,500,000 shall be made available for expanding the Epidemic Intelligence Service under subsection (a).
cational assistance to individuals from disadvantaged

Java 1.44, ch. 737, title VII, §786a, as added and amended Nov. 4, 1988, Pub. L. 100–607, title VI, §§612, 612(b)(2), 102 Stat. 3132, 3146, related to a retention program for health professions schools with individuals from disadvantaged backgrounds. See section 296g–11 of this title.

A prior section 295g–11, act July 1, 1944, ch. 737, title VII, §786a, as added Nov. 4, 1988, Pub. L. 100–607, title VI, §617, 102 Stat. 3140, related to public health special projects, prior to the general amendment of this subchapter by Pub. L. 102–408.


A prior section 295g–22, act July 1, 1944, ch. 737, title VII, §786, as added Nov. 16, 1971, Pub. L. 92–157, title I, §106(c), 85 Stat. 457, related to contractual arrangements for implementation of the educational health workforce training program.

A prior section 295g–23, act July 1, 1944, ch. 737, title VII, §786, as added Nov. 18, 1971, Pub. L. 92–157, title I, §106(c), 85 Stat. 457, amended Apr. 22, 1972, Pub. L. 92–278, title XI, §1104, 90 Stat. 416; Oct. 12, 1976, Pub. L. 94–484, title I, §101(c), 90 Stat. 2246, authorized appropriations for physician shortage area scholarships in amount of $2,500,000; $3,000,000; $3,500,000; $3,500,000; and $2,000,000 for fiscal years ending June 30, 1972, through 1976, and for fiscal years ending Sept. 30, 1977, and thereafter such sums necessary to continue making grants to students who prior to July 1, 1976, received grants and were eligible for grants during the succeeding fiscal year.

PART F—SUBSTANCE USE DISORDER TREATMENT WORKFORCE

A prior part F, consisting of sections 295j to 295p, was redesignated part G of this subchapter.

§295h. Loan repayment program for substance use disorder treatment workforce

(a) In general

The Secretary, acting through the Administrator of the Health Resources and Services Administration, shall carry out a program under which—

(1) the Secretary enters into agreements with individuals to make payments in accordance with subsection (b) on the principal of and interest on any eligible loan; and

(2) the individuals each agree to the requirements of service in substance use disorder treatment employment, as described in subsection (d).

(b) Payments

For each year of obligated service by an individual pursuant to an agreement under subsection (a), the Secretary shall make a payment to such individual as follows:

(1) Service in a shortage area

The Secretary shall pay—

(A) for each year of obligated service by an individual pursuant to an agreement under

[SNIP]

[Entire section not transcribed due to length and complexity]
subsection (a), 1% of the principal of and interest on each eligible loan of the individual which is outstanding on the date the individual began service pursuant to the agreement; and
(B) for completion of the sixth and final year of such service, the remainder of such principal and interest.

(2) Maximum amount
The total amount of payments under this section to any individual shall not exceed $250,000.

(c) Eligible loans
The loans eligible for repayment under this section are each of the following:
(1) Any loan for education or training for a substance use disorder treatment employment.
(2) Any loan under part E of subchapter VI (relating to nursing student loans).
(3) Any Federal Direct Stafford Loan, Federal Direct PLUS Loan, Federal Direct Unsubsidized Stafford Loan, or Federal Direct Consolidation Loan (as such terms are used in section 455 of the Higher Education Act of 1965 [20 U.S.C. 1087e]).
(5) Any other Federal loan as determined appropriate by the Secretary.

(d) Requirements of service
Any individual receiving payments under this program as required by an agreement under subsection (a) shall agree to an annual commitment to full-time employment, with no more than 1 dose death rate per 100,000 people, as reported most recent available national average over the past 3 years for which official data is maintained within any county) where the mean drug overdose death rate per 100,000 people, as reported by the Centers for Disease Control and Prevention.

(1) a Mental Health Professional Shortage Area, as designated under section 254e of this title; or
(2) a county (or a municipality, if not contained within any county) where the mean drug overdose death rate per 100,000 people over the past 3 years for which official data is available from the State, is higher than the most recent available national average overdose death rate per 100,000 people, as reported by the Centers for Disease Control and Prevention.

(e) Ineligibility for double benefits
No borrower may, for the same service, receive a reduction of loan obligations or a loan repayment under both—
(1) this section; and
(2) any Federally supported loan forgiveness program, including under section 224I–1, 254q–1, or 297n of this title, or section 428J, 428L, 455(m), or 460 of the Higher Education Act of 1965 [20 U.S.C. 1078–10, 1078–12, 1087e(m), 1087j].

(f) Breach
(1) Liquidated damages formula
The Secretary may establish a liquidated damages formula to be used in the event of a breach of an agreement entered into under subsection (a).

(2) Limitation
The failure by an individual to complete the full period of service obligated pursuant to such an agreement, taken alone, shall not constitute a breach of the agreement, so long as the individual completed in good faith the years of service for which payments were made to the individual under this section.

(g) Additional criteria
The Secretary—
(1) may establish such criteria and rules to carry out this section as the Secretary determines are needed and in addition to the criteria and rules specified in this section; and
(2) shall give notice to the committees specified in subsection (h) of any criteria and rules so established.

(h) Report to Congress
Not later than 5 years after October 24, 2018, and every other year thereafter, the Secretary shall prepare and submit to the Committee on Energy and Commerce of the House of Representatives and the Committee on Health, Education, Labor, and Pensions of the Senate a report on—
(1) the number and location of borrowers who have qualified for loan repayments under this section; and
(2) the impact of this section on the availability of substance use disorder treatment employees nationally and in shortage areas and counties described in subsection (d).

(i) Definition
In this section:
(1) the terms “Indian tribe” and “tribal organization” have the meanings given those terms in section 5324 of title 25.
(2) The term “municipality” means a city, town, or other public body created by or pursuant to State law, or an Indian tribe.
(3) The term “substance use disorder treatment employment” means full-time employment (including a fellowship)—
(A) where the primary intent and function of the position is the direct treatment or recovery support of patients with or in recovery from a substance use disorder, including master’s level social workers, psychologists, counselors, marriage and family therapists, psychiatric mental health practitioners, occupational therapists, psychology doctoral interns, and behavioral health paraprofessionals and physicians, physician assistants, and nurses, who are licensed or certified in accordance with applicable State and Federal laws; and
(B) which is located at a substance use disorder treatment program, private physician practice, hospital or health system-affiliated inpatient treatment center or outpatient clinic (including an academic medical center-affiliated treatment program), correctional facility or program, youth detention center or program, inpatient psychiatric facility, crisis stabilization unit, community health center, community mental health or

1 So in original. Probably should be “part E of title IV of the Higher Education Act of 1965”.

175x730]1⁄6 of the principal of and interest on each eligible loan of the individual which is outstanding on the date the individual began service pursuant to the agreement; and
(B) for completion of the sixth and final year of such service, the remainder of such principal and interest.

(2) Maximum amount
The total amount of payments under this section to any individual shall not exceed $250,000.

(c) Eligible loans
The loans eligible for repayment under this section are each of the following:
(1) Any loan for education or training for a substance use disorder treatment employment.
(2) Any loan under part E of subchapter VI (relating to nursing student loans).
(3) Any Federal Direct Stafford Loan, Federal Direct PLUS Loan, Federal Direct Unsubsidized Stafford Loan, or Federal Direct Consolidation Loan (as such terms are used in section 455 of the Higher Education Act of 1965 [20 U.S.C. 1087e]).
(5) Any other Federal loan as determined appropriate by the Secretary.

(d) Requirements of service
Any individual receiving payments under this program as required by an agreement under subsection (a) shall agree to an annual commitment to full-time employment, with no more than 1 year passing between any 2 years of covered employment, in substance use disorder treatment employment in the United States in—
(1) a Mental Health Professional Shortage Area, as designated under section 254e of this title; or
(2) a county (or a municipality, if not contained within any county) where the mean drug overdose death rate per 100,000 people over the past 3 years for which official data is available from the State, is higher than the most recent available national average overdose death rate per 100,000 people, as reported by the Centers for Disease Control and Prevention.

(e) Ineligibility for double benefits
No borrower may, for the same service, receive a reduction of loan obligations or a loan repayment under both—
(1) this section; and
(2) any Federally supported loan forgiveness program, including under section 254I–1, 254q–1, or 297n of this title, or section 428J, 428L, 455(m), or 460 of the Higher Education Act of 1965 [20 U.S.C. 1078–10, 1078–12, 1087e(m), 1087j].

(f) Breach
(1) Liquidated damages formula
The Secretary may establish a liquidated damages formula to be used in the event of a breach of an agreement entered into under subsection (a).

(2) Limitation
The failure by an individual to complete the full period of service obligated pursuant to such an agreement, taken alone, shall not constitute a breach of the agreement, so long as the individual completed in good faith the years of service for which payments were made to the individual under this section.

(g) Additional criteria
The Secretary—
(1) may establish such criteria and rules to carry out this section as the Secretary determines are needed and in addition to the criteria and rules specified in this section; and
(2) shall give notice to the committees specified in subsection (h) of any criteria and rules so established.

(h) Report to Congress
Not later than 5 years after October 24, 2018, and every other year thereafter, the Secretary shall prepare and submit to the Committee on Energy and Commerce of the House of Representatives and the Committee on Health, Education, Labor, and Pensions of the Senate a report on—
(1) the number and location of borrowers who have qualified for loan repayments under this section; and
(2) the impact of this section on the availability of substance use disorder treatment employees nationally and in shortage areas and counties described in subsection (d).

(i) Definition
In this section:
(1) the terms “Indian tribe” and “tribal organization” have the meanings given those terms in section 5324 of title 25.
(2) The term “municipality” means a city, town, or other public body created by or pursuant to State law, or an Indian tribe.
(3) The term “substance use disorder treatment employment” means full-time employment (including a fellowship)—
(A) where the primary intent and function of the position is the direct treatment or recovery support of patients with or in recovery from a substance use disorder, including master’s level social workers, psychologists, counselors, marriage and family therapists, psychiatric mental health practitioners, occupational therapists, psychology doctoral interns, and behavioral health paraprofessionals and physicians, physician assistants, and nurses, who are licensed or certified in accordance with applicable State and Federal laws; and
(B) which is located at a substance use disorder treatment program, private physician practice, hospital or health system-affiliated inpatient treatment center or outpatient clinic (including an academic medical center-affiliated treatment program), correctional facility or program, youth detention center or program, inpatient psychiatric facility, crisis stabilization unit, community health center, community mental health or

1 So in original. Probably should be “part E of title IV of the Higher Education Act of 1965”. 1
other specialty community behavioral health center, recovery center, school, community-based organization, telehealth platform, migrant health center, health program or facility operated by an Indian tribe or tribal organization, Federal medical facility, or any other facility as determined appropriate for purposes of this section by the Secretary.

(j) Authorization of appropriations

There are authorized to be appropriated to carry out this section $25,000,000 for each of fiscal years 2019 through 2023.


REFERENCES IN TEXT

The Higher Education Act of 1965, referred to in subsec. (c)(4), is Pub. L. 89–329, set out as a Short Title note of subchapter IV of chapter 28 of Title 20, Education.

Perkins Loans, is classified to part E (§ 1087aa et seq.) Part E of title IV of the Act, which relates to Federal student loans, set out as §1087a et seq. of Title 20, Education.


Prior sections 295h–3a to 295h–3d were omitted in the general amendment of this part by Pub. L. 94–944.


Section 295h–3c, act July 1, 1944, ch. 373, title VII, §794C, as added Nov. 2, 1970, Pub. L. 91–919, title II, §204, 84 Stat. 1347, provided for work-study programs in training in allied health professions.


Prior sections 295h–4 to 295h–7 were omitted in the general amendment of this subchapter by Pub. L. 102–408.


Prior sections 295h–1 to 295h–3 were omitted in the general amendment of this subchapter by Pub. L. 102–408.
§ 295j—Preferences and required information in certain programs

(a) Preferences in making awards

(1) In general

Subject to paragraph (2), in making awards of grants or contracts under any of sections 293k and 294 of this title, the Secretary shall give preference to any qualified applicant that—

(A) has a high rate for placing graduates in practice settings having the principal focus of serving residents of medically underserved communities;

(B) during the 2-year period preceding the fiscal year for which such an award is sought, has achieved a significant increase in the rate of placing graduates in such settings; or

(C) utilizes a longitudinal evaluation (as described in section 294n(d)(2) of this title) and reports data from such system to the national workforce database (as established under section 294n(b)(2)(E) of this title).

(2) Limitation regarding peer review

For purposes of paragraph (1), the Secretary may not give an applicant preference if the proposal of the applicant is ranked at or below the 20th percentile of proposals that have been recommended for approval by peer review groups.

(b) “Graduate” defined

For purposes of this section, the term “graduate” means, unless otherwise specified, an individual who has successfully completed all training and residency requirements necessary for full certification in the health profession selected by the individual.

(c) Exceptions for new programs

(1) In general

To permit new programs to compete equitably for funding under this section, those new programs that meet at least 4 of the criteria described in paragraph (3) shall qualify for a funding preference under this section.

(2) Definition

As used in this subsection, the term “new program” means any program that has graduated less than three classes. Upon graduating at least three classes, a program shall have the capability to provide the information necessary to qualify the program for the general funding preferences described in subsection (a).

(3) Criteria

The criteria referred to in paragraph (1) are the following:

(A) The mission statement of the program identifies a specific purpose of the program as being the preparation of health professionals to serve underserved populations.
(B) The curriculum of the program includes content which will help to prepare practitioners to serve underserved populations.

(C) Substantial clinical training experience is required under the program in medically underserved communities.

(D) A minimum of 20 percent of the clinical faculty of the program spend at least 50 percent of their time providing or supervising care in medically underserved communities.

(E) The entire program or a substantial portion of the program is physically located in a medically underserved community.

(F) Student assistance, which is linked to service in medically underserved communities following graduation, is available to the students in the program.

(G) The program provides a placement mechanism for deploying graduates to medically underserved communities.


PRIOR PROVISIONS


A prior section 791 of act July 1, 1944, was classified to section 295h of this title prior to the general amendment of this subchapter by Pub. L. 102–408.

AMENDMENTS


1998—Subsec. (a)(1). Pub. L. 105–392, § 107(b)(1), substituted “sections 293k and 294 of this title” for “sections 293k through 294 of this title, under section 294b of this title, or under section 294d or 294e of this title” in introductory provisions.

Subsec. (a)(2). Pub. L. 105–392, § 107(b)(2), struck out “under section 294d(a) of this title” before period at end.

Subsec. (b). Pub. L. 105–392, § 106(a)(2)(B), redesignated subsec. (c) as (b) and struck out former subsec. (b) which required submission of certain information by applicant.

Subsec. (c). Pub. L. 105–392, §§ 106(a)(2)(B)(ii), 107(a), added subsec. (c) and redesignated former subsec. (c) as (b).

1992—Subsec. (b). Pub. L. 102–531, in introductory provisions, inserted references to sections 294d and 294e of this title and substituted reference to section 295c(2) of this title for reference to section 293a of this title.

§ 295k. Health professions data

(a) In general

The Secretary shall establish a program, including a uniform health professions data reporting system, to collect, compile, and analyze data on health professions personnel which program shall initially include data respecting all physicians and dentists in the States. The Secretary is authorized to expand the program to include, whenever he determines it necessary, the collection, compilation, and analysis of data respecting pharmacists, optometrists, podiatrists, veterinarians, public health personnel, audiologists, speech pathologists, health care administration personnel, nurses, allied health personnel, medical technologists, chiropractors, clinical psychologists, professional counselors, and any other health personnel in States designated by the Secretary to be included in the program. Such data shall include data respecting the training, licensure status (including permanent, temporary, partial, limited, or institutional), place or places of practice, professional specialty, practice characteristics, place and date of birth, sex, and socioeconomic background of health professions personnel and such other demographic information regarding health professions personnel as the Secretary may require.

(b) Certain authorities and requirements

(1) Sources of information

In carrying out subsection (a), the Secretary shall collect available information from appropriate local, State, and Federal agencies and other appropriate sources.

(2) Contracts for studies of health professions

The Secretary shall conduct or enter into contracts for the conduct of analytic and descriptive studies of the health professions, including evaluations and projections of the supply of, and requirements for, the health professions by specialty and geographic location. Such studies shall include studies determining by specialty and geographic location the number of health professionals (including allied health professionals and health care administration personnel) who are members of minority groups, including Hispanics, and studies providing by specialty and geographic location evaluations and projections of the supply of,
and requirements for, health professionals (including allied health professionals and health care administration personnel) to serve minority groups, including Hispanics.

(3) Grants and contracts regarding States

The Secretary is authorized to make grants and to enter into contracts with States (or an appropriate nonprofit private entity in any State) for the purpose of participating in the program established under subsection (a). The Secretary shall determine the amount and scope of any such grant or contract. To be eligible for a grant or contract under this paragraph a State or entity shall submit an application in such form and manner and containing such information as the Secretary shall require. Such application shall include reasonable assurance, satisfactory to the Secretary, that—

(A) such State (or nonprofit entity within a State) will establish a program of mandatory annual registration of the health professions personnel described in subsection (a) who reside or practice in such State and of health institutions licensed by such State, which registration shall include such information as the Secretary shall determine to be appropriate;

(B) such State or entity shall collect such information and report it to the Secretary in such form and manner as the Secretary shall prescribe; and

(C) such State or entity shall comply with the requirements of subsection (e).

(d) Reports to Congress

The Secretary shall submit to the Congress on October 1, 1993, and biennially thereafter, the following reports:

(1) A comprehensive report regarding the status of health personnel according to profession, including a report regarding the analytic and descriptive studies conducted under this section.

(2) A comprehensive report regarding applicants to, and students enrolled in, programs and institutions for the training of health personnel, including descriptions and analyses of student indebtedness, student need for financial assistance, financial resources to meet the needs of students, student career choices such as practice specialty and geographic location and the relationship, if any, between student indebtedness and career choices.

(e) Requirements regarding personal data

(1) In general

The Secretary and each program entity shall in securing and maintaining any record of individually identifiable personal data (hereinafter in this subsection referred to as “personal data”) for purposes of this section—

(A) inform any individual who is asked to supply personal data whether he is legally required, or may refuse, to supply such data and inform him of any specific consequences, known to the Secretary or program entity, as the case may be, of providing or not providing such data;

(B) upon request, inform any individual if he is the subject of personal data secured or maintained by the Secretary or program entity, as the case may be, and make the data available to him in a form comprehensible to him;

(C) assure that no use is made of personal data which use is not within the purposes of this section unless an informed consent has been obtained from the individual who is the subject of such data; and

(D) upon request, inform any individual of the use being made of personal data respecting such individual and of the identity of the individuals and entities which will use the data and their relationship to the programs under this section.

(2) Consent as precondition to disclosure

Any entity which maintains a record of personal data and which receives a request from the Secretary or a program entity for such data for purposes of this section shall not transfer any such data to the Secretary or to a program entity unless the individual whose personal data is to be so transferred gives an informed consent for such transfer.

(3) Disclosure by Secretary

(A) Notwithstanding any other provision of law, personal data collected by the Secretary or any program entity under this section may not be made available or disclosed by the Secretary or any program entity to any person other than the individual who is the subject of such data unless (i) such person requires such data for purposes of this section, or (ii) in response to a demand for such data made by means of compulsory legal process. Any individual who is the subject of personal data made available or disclosed under clause (ii) shall be notified of the demand for such data.

(B) Subject to all applicable laws regarding confidentiality, only the data collected by the Secretary under this section which is not personal data shall be made available to bona fide researchers and policy analysts (including the Congress) for the purposes of assisting in the conduct of studies respecting health professions personnel.

(4) “Program entity” defined

For purposes of this subsection, the term “program entity” means any public or private entity which collects, compiles, or analyzes health professions data under a grant, contract, or other arrangement with the Secretary under this section.

(g) Technical assistance

The Secretary shall provide technical assistance to the States and political subdivisions thereof in the development of systems (including model laws) concerning confidentiality and comparability of data collected pursuant to this section.

(h) Grants and contracts regarding nonprofit entities

(1) In general

In carrying out subsection (a), the Secretary may make grants, or enter into contracts and

1 So in original. No subsec. (e) has been enacted.

2 So in original. No subsec. (f) has been enacted.
cooperative agreements with, and provide technical assistance to, any nonprofit entity in order to establish a uniform allied health professions data reporting system to collect, compile, and analyze data on the allied health professions personnel.

(2) Reports
With respect to reports required in subsection (d), each such report made on or after October 1, 1991, shall include a description and analysis of data collected pursuant to paragraph (1).


PRIOR PROVISIONS
A prior section 792 of act July 1, 1944, was classified to section 295b–1 of this title prior to the general amendment of this subchapter by Pub. L. 102–408.

Another prior section 792 of act July 1, 1944, was classified to section 295b–1 of this title prior to repeal by Pub. L. 97–35.

AMENDMENTS

STUDY REGARDING SHORTAGES OF LICENSED PHARMACISTS
Pub. L. 106–129, §5, Dec. 6, 1999, 113 Stat. 1675, provided that:

“(a) IN GENERAL.—The Secretary of Health and Human Services (in this section referred to as the ‘Secretary’), acting through the appropriate agencies of the Public Health Service, shall conduct a study to determine whether and to what extent there is a shortage of licensed pharmacists. In carrying out the study, the Secretary shall seek the comments of appropriate public and private entities regarding any such shortage.

“(b) REPORT TO CONGRESS.—Not later than 1 year after the date of the enactment of this Act (Dec. 6, 1999), the Secretary shall complete the study under subsection (a) and submit to the Congress a report that describes the findings made through the study and that contains a summary of the comments received by the Secretary pursuant to such subsection.

ADVISORY COUNCIL ON GRADUATE MEDICAL EDUCATION

COMMISSION ON ALLIED HEALTH
Pub. L. 102–408, title III, §302, Oct. 13, 1992, 106 Stat. 2032, provided for establishment of a National Commission on Allied Health, charged with (1) making recommendations to the Secretary of Health and Human Services and Congress with respect to nationwide supply and distribution of allied health personnel, current and future shortages of personnel, priority research needs within allied health professions, Federal policies relating to personnel and research as well as undergraduate and graduate financing, concerted efforts on part of allied health facilities and educational institutions to address such matters, and needs with respect to nationwide data bases concerning supply and distribution of allied health personnel, and (2) encouraging entities providing allied health education to voluntarily achieve recommendations of Commission, and further provided for composition of Commission, date certain for appointments to Commission, resources for Commission activities, an interim report due not later than Oct. 1, 1993, a final report due not later than Apr. 1, 1994, and termination of Commission 60 days after submission of final report.

STUDY REGARDING SHORTAGE OF CLINICAL LABORATORY TECHNOLOGISTS FOR MEDICALLY UNDERSERVED AND RURAL COMMUNITIES
Pub. L. 102–408, title III, §303, Oct. 13, 1992, 106 Stat. 2035, directed Secretary of Health and Human Services, with respect to the shortage of clinical laboratory technologists, to conduct a study for the purpose of determining whether there are special or unique factors affecting the supply of clinical laboratory technologists in medically underserved and rural communities, and assessing alternative routes for certification of the competence of individuals to serve as such technologists, with consideration of the role of entities providing such certifications, and, not later than Oct. 1, 1993, complete the study and submit to Committee on Energy and Commerce of House of Representatives, and to Committee on Labor and Human Resources of Senate, a report describing the findings made as result of the study.

NATIONAL ADVISORY COUNCIL ON MEDICAL LICENSURE
Pub. L. 102–408, title III, §307, Oct. 13, 1992, 106 Stat. 2036, directed Secretary of Health and Human Services to establish National Advisory Council on Medical Licensure to advise Secretary on American Medical Association’s system of verifying and maintaining information regarding qualifications of individuals to practice medicine, as well as advice regarding establishment and operation of any similar system, provided for activities of Council, including review of private credentials verification system and recommendations on how it could be improved, as well as review of State procedures for licensing individuals licensed in other States and procedures for licensing international medical graduates, provided for composition of Council and appointment of members, required submission of an interim report to Congress not later than Sept. 30, 1993, and a final report with recommendations not later than Sept. 30, 1995, provided for composition of Council not later than Sept. 30, 1995, or upon submission of final report, whichever is earlier, and further directed Secretary, in cooperation with Council to submit to Congress, not later than Sept. 30, 1994, study of not less than 10 States for purposes of determining average time required for States to process licensure applications of domestic and international medical graduates as well as percentages of domestic and international licensure applications approved.


A prior section 783 of act July 1, 1944, was classified to section 295b–1c of this title prior to the general amendment of this subchapter by Pub. L. 102–408.

Another prior section 783 of act July 1, 1944, was renumbered section 794 by Pub. L. 97–35 and classified to section 295b–3 of this title.

§295m. Prohibition against discrimination on basis of sex
The Secretary may not make a grant, loan guarantee, or interest subsidy payment under
this subchapter to, or for the benefit of, any school of medicine, osteopathic medicine, dentistry, veterinary medicine, optometry, pharmacy, podiatric medicine, or public health or any training center for allied health personnel, or graduate program in clinical psychology, unless the application for the grant, loan guarantee, or interest subsidy payment contains assurances satisfactory to the Secretary that the school or training center will not discriminate on the basis of sex in the admission of individuals to its training programs. The Secretary may not enter into a contract under this subchapter with any such school or training center unless the school, training center, or graduate program furnishes assurances satisfactory to the Secretary that it will not discriminate on the basis of sex in the admission of individuals to its training programs. In the case of a school of medicine which—

(1) on October 13, 1992, is in the process of changing its status as an institution which admits only female students to that of an institution which admits students without regard to their sex, and

(2) is carrying out such change in accordance with a plan approved by the Secretary,

the provisions of the preceding sentences of this section shall apply only with respect to a grant, contract, loan guarantee, or interest subsidy to, or for the benefit of such a school for a fiscal year beginning after June 30, 1979.


PRIOR PROVISIONS

A prior section 794 of act July 1, 1944, was classified to section 285h–2 of this title prior to the general amendment of this subchapter by Pub. L. 102–408.

Another prior section 794 of act July 1, 1944, was classified to section 294h–3 of this title prior to repeal by Pub. L. 91–519.


A prior section 795 of act July 1, 1944, was classified to section 285h–4 of this title prior to the general amendment of this subchapter by Pub. L. 102–408.

Another prior section 795 of act July 1, 1944, was classified to section 285h–4 of this title prior to the general amendment of part G of this subchapter by Pub. L. 94–184.

SAVINGS PROVISION

Pub. L. 105–392, title I, §101(b)(2), Nov. 13, 1998, 112 Stat. 3537, provided that: “The amendments made by this section [enacting sections 293 to 293d of this title, amending section 287a–2 of this title, and repealing this section and former sections 293 to 293d of this title] shall not be construed to terminate agreements that, on the day before the date of enactment of this Act [Nov. 13, 1998], are in effect pursuant to section 795 of the Public Health Service Act (42 U.S.C. 795 [285n]) as such section existed on such date. Such agreements shall continue in effect in accordance with the terms of the agreements. With respect to compliance with such agreements, any period of practice as a provider of primary health services shall be counted towards the satisfaction of the requirement of practice pursuant to such section 795.’’

§ 295n–1. Application

(a) In general

To be eligible to receive a grant or contract under this subchapter, an eligible entity shall prepare and submit to the Secretary an application that meets the requirements of this section, at such time, in such manner, and containing such information as the Secretary may require.

(b) Plan

An application submitted under this section shall contain the plan of the applicant for carrying out a project with amounts received under this subchapter. Such plan shall be consistent with relevant Federal, State, or regional health professions program plans.

(c) Performance outcome standards

An application submitted under this section shall contain a specification by the applicant of performance outcome standards that the project to be funded under the grant or contract will be measured against. Such standards shall address relevant health workforce needs that the project will meet. The recipient of a grant or contract under this section shall meet the standards set forth in the grant or contract application.

(d) Linkages

An application submitted under this section shall contain a description of the linkages with relevant educational and health care entities, including training programs for other health professionals as appropriate, that the project to be funded under the grant or contract will establish. To the extent practicable, grantees under this section shall establish linkages with health care providers who provide care for underserved communities and populations.

§ 295n–2. Use of funds

(a) In general

Amounts provided under a grant or contract awarded under this subchapter may be used for training program development and support, faculty development, model demonstrations, trainee support including tuition, books, program fees and reasonable living expenses during the period of training, technical assistance, workforce analysis, dissemination of information, and exploring new policy directions, as appropriate to meet recognized health workforce objectives, in accordance with this subchapter.

(b) Maintenance of effort

With respect to activities for which a grant awarded under this subchapter is to be expended, the entity shall agree to maintain expenditures of non-Federal amounts for such activities at a level that is not less than the level of such expenditures maintained by the entity for the fiscal year preceding the fiscal year for which the entity receives such a grant.
§ 295o. Matching requirement

The Secretary may require that an entity that applies for a grant or contract under this subchapter provide non-Federal matching funds, as appropriate, to ensure the institutional commitment of the entity to the projects funded under the grant. As determined by the Secretary, such non-Federal matching funds may be provided directly or through donations from public or private entities and may be in cash or in-kind, fairly evaluated, including plant, equipment, or services.

§ 295o–1. Generally applicable provisions

(a) Awarding of grants and contracts

The Secretary shall ensure that grants and contracts under this subchapter are awarded on a competitive basis, as appropriate, to carry out innovative demonstration projects or provide for strategic workforce supplementation activities as needed to meet health workforce goals and in accordance with this subchapter. Contracts may be entered into under this subchapter with public or private entities as may be necessary.

(b) Eligible entities

Unless specifically required otherwise in this subchapter, the Secretary shall accept applications for grants or contracts under this subchapter from health professions schools, academic health centers, State or local governments, or other appropriate public or private nonprofit entities for funding and participation in health professions and nursing training activities. The Secretary may accept applications from for-profit private entities if determined appropriate by the Secretary.

(c) Information requirements

(1) In general

Recipients of grants and contracts under this subchapter shall meet information requirements as specified by the Secretary.

(2) Data collection

The Secretary shall establish procedures to ensure that, with respect to any data collection required under this subchapter, such data is collected in a manner that takes into account age, sex, race, and ethnicity.

(3) Use of funds

The Secretary shall establish procedures to permit the use of amounts appropriated under this subchapter to be used for data collection purposes.

(d) Training programs

Training programs conducted with amounts received under this subchapter shall meet applicable accreditation and quality standards.

(e) Duration of assistance

(1) In general

Subject to paragraph (2), in the case of an award to an entity of a grant, cooperative agreement, or contract under this subchapter, the period during which payments are made to the entity under the award may not exceed 5 years. The provision of payments under the award shall be subject to annual approval by the Secretary of the payments and subject to the availability of funds for the fiscal year involved to make the payments. This paragraph may not be construed as limiting the number of awards under the program involved that may be made to the entity.

(2) Limitation

In the case of an award to an entity of a grant, cooperative agreement, or contract under this subchapter, paragraph (1) shall apply only to the extent not inconsistent with any other provision of this subchapter that relates to the period during which payments may be made under the award.

(f) Peer review regarding certain programs

(1) In general

Each application for a grant under this subchapter, except any scholarship or loan program, including those under sections 292, 292q, or 292s of this title, shall be submitted to a peer review group for an evaluation of the merits of the proposals made in the application. The Secretary may not approve such an application unless a peer review group has recommended the application for approval.

(2) Composition

Each peer review group under this subchapter shall be composed principally of individuals who are not officers or employees of the Federal Government. In providing for the establishment of peer review groups and procedures, the Secretary shall ensure sex, racial, ethnic, and geographic balance among the membership of such groups.

(3) Administration

This subsection shall be carried out by the Secretary acting through the Administrator of...
the Health Resources and Services Administration.

(g) Preference or priority considerations

In considering a preference or priority for funding which is based on outcome measures for an eligible entity under this subchapter, the Secretary may also consider the future ability of the eligible entity to meet the outcome preference or priority through improvements in the eligible entity’s program design.

(h) Analytic activities

The Secretary shall ensure that—

(1) cross-cutting workforce analytical activities are carried out as part of the workforce information and analysis activities under section 294n of this title; and

(2) discipline-specific workforce information and analytical activities are carried out as part of—

(A) the community-based linkage program under part D; and

(B) the health workforce development program under subpart 2 of part E.

(i) Osteopathic Schools

For purposes of this subchapter, any reference to—

(1) medical schools shall include osteopathic medical schools; and

(2) medical students shall include osteopathic medical students.


PRIOR PROVISIONS

A prior section 799 of act July 1, 1944, was renumbered section 799B of Pub. L. 105–392 and classified to section 295p of this title.

Another prior section 799 of act July 1, 1944, was classified to section 296 of this title prior to the general amendment of this subchapter by Pub. L. 102–408.

§ 295o–2. Technical assistance

Funds appropriated under this subchapter may be used by the Secretary to provide technical assistance in relation to any of the authorities under this subchapter.


§ 295p. Definitions

For purposes of this subchapter:

(1) the terms “school of medicine”, “school of dentistry”, “school of osteopathic medicine”, “school of pharmacy”, “school of optometry”, “school of podiatric medicine”, “school of veterinary medicine”, “school of public health”, and “school of chiropractic” mean an accredited public or nonprofit private school in a State that provides training, respectively, to a degree of doctor of medicine, a degree of doctor of dentistry or an equivalent degree, a degree of doctor of osteopathy, a degree of doctor of podiatric medicine or an equivalent degree, a degree of doctor of veterinary medicine or an equivalent degree, a graduate degree in public health or an equivalent degree, and a degree of doctor of chiropractic or an equivalent degree, and including advanced training related to such training provided by any such school.

(B) The terms “graduate program in health administration” and “graduate program in clinical psychology” mean an accredited graduate program in a public or nonprofit private institution in a State that provides training, respectively, to a graduate degree in health administration or an equivalent degree and a doctoral degree in clinical psychology or an equivalent degree.

(C) The terms “graduate program in clinical social work” and “graduate program in marriage and family therapy” and “graduate program in professional counseling” mean an accredited graduate program in a public or nonprofit private institution in a State that provides training, respectively, in a concentration in health or mental health care leading to a graduate degree in social work and a concentration leading to a graduate degree in marriage and family therapy and a concentration leading to a graduate degree in counseling.

(D) The term “graduate program in behavioral health and mental health practice” means a graduate program in clinical psychology, behavioral health and mental health practice, clinical social work, professional counseling, or marriage and family therapy.

(E) The term “accredited”, when applied to a school of medicine, osteopathic medicine, dentistry, veterinary medicine, optometry, podiatric, pharmacy, public health, or chiropractic, or a graduate program in health administration, clinical psychology, clinical social work, professional counseling, or marriage and family therapy, means a school or program that is accredited by a recognized body or bodies approved for such purpose by the Secretary of Education, except that a new school or program that, by reason of an insufficient period of operation, is not, at the time of application for a grant or contract under this subchapter, eligible for accreditation by such a recognized body or bodies, shall be deemed accredited for purposes of this subchapter, if the Secretary of Education finds, after consultation with the appropriate accreditation body or bodies, that there is reasonable assurance that the school or program will meet the accreditation standards of such body or bodies prior to the beginning of the academic year following the normal graduation date of the first entering class in such school or program.

(2) The term “teaching facilities” means areas dedicated for use by students, faculty, or administrative or maintenance personnel for clinical purposes, research activities, libraries, classrooms, offices, auditoriums, dining areas, student activities, or other related purposes necessary for, and appropriate to, the conduct of comprehensive programs of education. Such term includes interim facilities but does not include off-site improvements or living quarters.
(3) **Physician Assistant Education Program.**—The term “physician assistant education program” means an educational program in a public or private institution in a State that—
(A) has as its objective the education of individuals who, upon completion of their studies in the program, be\(^1\) qualified to provide primary care medical services with the supervision of a physician; and
(B) is accredited by the Accreditation Review Commission on Education for the Physician Assistant.

(4) The term “school of allied health” means a public or nonprofit private college, junior college, or university or hospital-based educational entity that—
(A) provides, or can provide, programs of education to enable individuals to become allied health professionals or to provide additional training for allied health professionals;
(B) provides training for not less than a total of twenty persons in the allied health curricula (except that this subparagraph shall not apply to any hospital-based educational entity);
(C) includes or is affiliated with a teaching hospital; and
(D) is accredited by a recognized body or bodies approved for such purposes by the Secretary of Education, or which provides to the Secretary satisfactory assurance by such accrediting body or bodies that reasonable progress is being made toward accreditation.

(5) The term “allied health professionals” means a health professional (other than a registered nurse or physician assistant)—
(A) who has received a certificate, an associate’s degree, a bachelor’s degree, a master’s degree, a doctoral degree, or postbaccalaureate training, in a science relating to health care;
(B) who shares in the responsibility for the delivery of health care services or related services, including—
(i) services relating to the identification, evaluation, and prevention of disease and disorders;
(ii) dietary and nutrition services;
(iii) health promotion services;
(iv) rehabilitation services; or
(v) health systems management services; and
(C) who has not received a degree of doctor of medicine, a degree of doctor of osteopathy, a degree of doctor of dentistry or an equivalent degree, a degree of doctor of veterinary medicine or an equivalent degree, a degree of doctor of optometry or an equivalent degree, a degree of doctor of podiatric medicine or an equivalent degree, a degree of bachelor of science in pharmacy or an equivalent degree, a degree of doctor of pharmacy or an equivalent degree, a graduate degree in public health or an equivalent degree, a degree of doctor of chiropractic or an equivalent degree, a graduate degree in health administration or an equivalent degree, a doctoral degree in clinical psychology or an equivalent degree, or a degree in social work or an equivalent degree or a degree in counseling or an equivalent degree.

(6) The term “medically underserved community” means an urban or rural area or population that—
(A) is eligible for designation under section 254e of this title as a health professional shortage area;
(B) is eligible to be served by a migrant health center under section 254b\(^2\) of this title, a community health center under section 254c\(^2\) of this title, a grantee under section 254b(h) of this title (relating to homeless individuals), or a grantee under section 256a\(^2\) of this title (relating to residents of public housing);
(C) has a shortage of personal health services, as determined under criteria issued by the Secretary under section 1395x(aa)(2) of this title (relating to rural health clinics); or
(D) is designated by a State Governor (in consultation with the medical community) as a shortage area or medically underserved community.

(7) The term “Department” means the Department of Health and Human Services.

(8) The term “nonprofit” refers to the status of an entity owned and operated by one or more corporations or associations no part of the net earnings of which inures, or may lawfully inure, to the benefit of any private shareholder or individual.

(9) The term “State” includes, in addition to the several States, only the District of Columbia, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands, the Virgin Islands, Guam, American Samoa, and the Trust Territory of the Pacific Islands.

(10)(A) Subject to subparagraph (B), the term “underrepresented minorities” means, with respect to a health profession, racial and ethnic populations that are underrepresented in the health profession relative to the number of individuals who are members of the population involved.
(B) For purposes of subparagraph (A), Asian individuals shall be considered by the various subpopulations of such individuals.

(11) The term “psychologist” means an individual who—
(A) holds a doctoral degree in psychology; and
(B) is licensed or certified on the basis of the doctoral degree in psychology, by the State in which the individual practices, at the independent practice level of psychology to furnish diagnostic, assessment, preventive, and therapeutic services directly to individuals.

(12) **Area Health Education Center.**—The term “area health education center” means a public or nonprofit private organization that has a cooperative agreement or contract in ef-

---
\(^1\)So in original. Probably should be “will be”.

\(^2\)See References in Text notes below.
fect with an entity that has received an award under subsection (a)(1) or (a)(2) of section 294a of this title, satisfies the requirements in section 294a(d)(1) of this title, and has as one of its principal functions the operation of an area health education center program and one or more area health education centers, which carries out the required activities described in section 294a(c) of this title, satisfies the program requirements in such section, has as one of its principal functions identifying and implementing strategies and activities that address health care workforce needs in its service area, in coordination with the local workforce investment boards.

14. CLINICAL SOCIAL WORKER.—The term “clinical social worker” has the meaning given the term in section 1385x(h)(1) of this title.

15. CULTURAL COMPETENCY.—The term “cultural competency” shall be defined by the Secretary in a manner consistent with section 300a–6(d)(3) of this title.

16. DIRECT CARE WORKER.—The term “direct care worker” has the meaning given that term in the 2010 Standard Occupational Classification of the Department of Labor for Home Health Aides [31–1011], Nursing Assistants [31–1014], and Personal Care Aides [39–9021].

17. FEDERALLY QUALIFIED HEALTH CENTER.—The term “Federally qualified health center” has the meaning given that term in section 1395x(aa) of this title.

18. FRONTIER HEALTH PROFESSIONAL SHORTAGE AREA.—The term “frontier health professional shortage area” means an area—

(A) with a population density less than 6 persons per square mile within the service area; and

(B) with respect to which the distance or time for the population to access care is excessive.

19. GRADUATE PSYCHOLOGY.—The term “graduate psychology” means an accredited program in professional psychology.

20. HEALTH DISPARITY POPULATION.—The term “health disparity population” has the meaning given such term in section 298a–1(d)(1) of this title.

21. HEALTH LITERACY.—The term “health literacy” means the degree to which an individual has the capacity to obtain, communicate, process, and understand health information and services in order to make appropriate health decisions.

22. MENTAL HEALTH SERVICE PROFESSIONAL.—The term “mental health service professional” means an individual with a graduate or postgraduate degree from an accredited institution of higher education in psychiatry, psychology, school psychology, behavioral pediatrics, psychiatric nursing, social work, school social work, substance abuse disorder prevention and treatment, marriage and family counseling, school counseling, or professional counseling.

23. ONE-STOP DELIVERY SYSTEM CENTER.—The term “one-stop delivery system” means a one-stop delivery system described in section 315(e) of title 29.

24. PARAPROFESSIONAL CHILD AND ADOLESCENT MENTAL HEALTH WORKER.—The term “paraprofessional child and adolescent mental health worker” means an individual who is not a mental or behavioral health service professional, but who works at the first stage of contact with children and families who are seeking mental or behavioral health services, including substance abuse prevention and treatment services.

25. RACIAL AND ETHNIC MINORITY GROUP; RACIAL AND ETHNIC MINORITY POPULATION.—The terms “racial and ethnic minority group” and “racial and ethnic minority population” have the meaning given the term “racial and ethnic minority group” in section 300u–6 of this title.

26. RURAL HEALTH CLINIC.—The term “rural health clinic” has the meaning given that term in section 1395x(aa) of this title.


REFERENCES IN TEXT

The reference to section 254(b) of this title in the first place appearing and the references to sections 254(c) of this title, referred to in par. (6)(B), were in the original references to sections 329 and 330, meaning sections 329 and 330 of act July 1, 1944, which were omitted in the general amendment of subpart I (§254b et seq.) of part D of subchapter II of this chapter by Pub. L. 104–299, §2, Oct. 11, 1996, 110 Stat. 3626. Sections 2 and 3(a) of Pub. L. 104–299 enacted new sections 330 and 330A of act July 1, 1944, which are classified, respectively, to sections 254b and 254c of this title.


AMENDMENTS

2014—Par. (23). Pub. L. 113–128 substituted “one-stop delivery system described in section 315(e) of title 29” for “one-stop delivery system described in section 296(c) of title 29”.

2010—Par. (3). Pub. L. 111–148, §4002(b)(1), added par. (3) and struck out former par. (3) which defined “program for the training of physician assistants” by describing its objective, duration, minimum enrollment, and specific areas of instruction.
The term ‘eligible entities’ means schools of nursing, nursing centers, academic health centers, State or local governments, and other public or private nonprofit entities determined appropriate by the Secretary that submit to the Secretary an application in accordance with section 296a of this title.

(2) School of nursing

The term ‘school of nursing’ means an accredited (as defined in paragraph 6) collegiate, associate degree, or diploma school of nursing in a State where graduates are—

(A) authorized to sit for the National Council Licensure Examination-Registered Nurse (NCLEX-RN); or

(B) licensed registered nurses who will receive a graduate or equivalent degree or training to become an advanced education nurse as defined by section 296(b) of this title.

(3) Collegiate school of nursing

The term ‘collegiate school of nursing’ means a department, division, or other administrative unit in a college or university which provides primarily or exclusively a program of education in professional nursing and related subjects leading to the degree of bachelor of arts, bachelor of science, bachelor of nursing, or to an equivalent degree, or to a graduate degree in nursing, or to an equivalent degree, and including advanced training related to such program of education provided by such school, but only if such program, or such unit, college or university is accredited.

(4) Associate degree school of nursing

The term ‘associate degree school of nursing’ means a department, division, or other administrative unit in a junior college, community college, college, or university which provides primarily or exclusively a two-year program of education in professional nursing and allied subjects leading to an associate degree in nursing or to an equivalent degree, but only if such program, or such unit, college, or university is accredited.

(5) Diploma school of nursing

The term ‘diploma school of nursing’ means a school affiliated with a hospital or university, or an independent school, which provides primarily or exclusively a program of education in professional nursing and allied subjects leading to a diploma or to equivalent indicia that such program has been satisfactorily completed, but only if such program, or such affiliated school or such hospital or university or such independent school is accredited.

(6) Accredited

(A) In general

Except as provided in subparagraph (B), the term ‘accredited’ when applied to any program of nurse education means a program accredited by a recognized body or
§ 296

(7) Nonprofit

The term “nonprofit” as applied to any school, agency, organization, or institution means one which is a corporation or association, or is owned and operated by one or more individuals for purposes of such corporation or association, or is owned and operated by one or more State agencies, which the Secretary of Education determines to be reliable authority as to the quality of education offered.

(B) New programs

A new program of nursing that, by reason of an insufficient period of operation, is not, at the time of the submission of an application for a grant or contract under this subchapter, eligible for accreditation by such a recognized body or bodies or State agency, shall be deemed accredited for purposes of this subchapter if the Secretary of Education finds, after consultation with the appropriate accreditation body or bodies, that there is reasonable assurance that the program will meet the accreditation standards of such body or bodies prior to the beginning of the academic year following the normal graduation date of students of the first entering class in such a program.

(8) State

The term “State” means a State, the Commonwealth of Puerto Rico, the District of Columbia, the Commonwealth of the Northern Mariana Islands, Guam, American Samoa, the Virgin Islands, or the Trust Territory of the Pacific Islands.

(9) Ambulatory surgical center

The term “ambulatory surgical center” has the meaning applicable to such term under title XVIII of the Social Security Act [42 U.S.C. 1395 et seq.].

(10) Federally qualified health center

The term “Federally qualified health center” has the meaning given such term under section 1861(aa)(4) of the Social Security Act [42 U.S.C. 1395x(aa)(4)].

(11) Health care facility

The term “health care facility” means an Indian Health Service health center, a Native Hawaiian health center, a hospital, a Federally qualified health center, a rural health clinic, a nursing home, a home health agency, a hospice program, a public health clinic, a State or local department of public health, a skilled nursing facility, an ambulatory surgical center, or any other facility designated by the Secretary.

(12) Home health agency

The term “home health agency” has the meaning given such term in section 1861(o) of the Social Security Act [42 U.S.C. 1395x(o)].

(13) Hospice program

The term “hospice program” has the meaning given such term in section 1861(dd)(2) of the Social Security Act [42 U.S.C. 1395x(dd)(2)].

(14) Rural health clinic

The term “rural health clinic” has the meaning given such term in section 1861(aa)(2) of the Social Security Act [42 U.S.C. 1395x(aa)(2)].

(15) Skilled nursing facility

The term “skilled nursing facility” has the meaning given such term in section 1861(aa)(2) of the Social Security Act [42 U.S.C. 1395x(aa)(2)].

(16) Accelerated nursing degree program

The term “accelerated nursing degree program” means a program of education in professional nursing offered by an accredited school of nursing in which an individual holding a bachelors degree in another discipline receives a BSN or MSN degree in an accelerated time frame as determined by the accredited school of nursing.

(17) Bridge or degree completion program

The term “bridge or degree completion program” means a program of education in professional nursing offered by an accredited school of nursing as defined in paragraph (2), that leads to a baccalaureate degree in nursing. Such programs may include, Registered Nurse (RN) to Bachelor’s of Science of Nursing (BSN) programs, RN to MSN (Master of Science of Nursing) programs, or BSN to Doctoral programs.

REFERENCES IN TEXT

The Social Security Act, referred to in par. (9), is act Aug. 14, 1935, ch. 531, 49 Stat. 620, as amended. Title XVIII of the Act is classified generally to subchapter XVIII (§1395 et seq.) of chapter 7 of this title. For complete classification of this Act to the Code, see section 1395 of this title and Tables.

PRIORITY PROVISIONS


AMENDMENTS

2010—Par. (2). Pub. L. 111–148, §5002(c)(1), substituted “means an accredited (as defined in paragraph 6) colle-
The Public Health Service Act [42 U.S.C. 297n(d)] has demonstrated that, in the case of any authority for making awards of grants or contracts that is terminated by the amendment made by section 121 [enacting sections 296, 296a to 296f, 296j, 296m, 296p, 297q, and 297t of this title; transferring section 296h-2 of this title to section 296g of this title; and repealing sections 296k to 296m, 296n, 297, 297-1, 297c, 298, 298a, 298b, 298b-1, 298b-3 to 298b-5, 298h-7 of this title], the Secretary of Health and Human Services may, notwithstanding the termination of the authority, continue in effect any grant or contract made under the authority that is in effect on the day before the date of the enactment of this Act [Nov. 13, 1998], subject to the duration of any such grant or contract not exceeding the period determined by the Secretary in first approving such financial assistance, or in approving the most recent request made (before the date of such enactment) for continuation of such assistance, as the case may be.

Termination of Trust Territory of the Pacific Islands

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

Reports by Government Accountability Office

Pub. L. 101–199, title I, § 192, Nov. 1, 1998, 112 Stat. 318, provided that: "In the case of any authority for making awards of grants or contracts that is terminated by the amendment made by section 121 [enacting sections 296, 296a to 296f, 296j, 296m, 296p, 297q, and 297t of this title; transferring section 296h-2 of this title to section 296g of this title; and repealing sections 296k to 296m, 296n, 297, 297-1, 297c, 298, 298a, 298b, 298b-1, 298b-3 to 298b-5, 298h-7 of this title], the Secretary of Health and Human Services may, notwithstanding the termination of the authority, continue in effect any grant or contract made under the authority that is in effect on the day before the date of the enactment of this Act [Nov. 13, 1998], subject to the duration of any such grant or contract not exceeding the period determined by the Secretary in first approving such financial assistance, or in approving the most recent request made (before the date of such enactment) for continuation of such assistance, as the case may be.

INFORMATION RESPECTING SUPPLY AND DISTRIBUTION OF AND REQUIREMENTS FOR NURSES; DETERMINATION PROCEDURES; SURVEYS AND COLLECTION OF DATA; ANNUAL REPORT TO CONGRESS ON DETERMINATIONS, ETC.; REVIEW BY OFFICE OF MANAGEMENT AND BUDGET OF REPORT PRIOR TO SUBMISSION


"(a)(1) Using procedures developed in accordance with paragraph (3), the Secretary of Health, Education, and Welfare [now Health and Human Services] (hereinafter referred to as the ‘Secretary’) shall determine on a continuing basis—

(A) the supply (both current and projected and within the United States and within each State) of registered nurses, licensed practical and vocational nurses, nurse aide[s], registered nurses with advanced training or graduate degrees, and nurse practitioners;

(B) the distribution within the United States and within each State, of such nurses so as to determine (i) those areas of the United States which are over-supplied or undersupplied, or which have an adequate supply of such nurses in relation to the population of the area, and (ii) the demand for the services which such nurses provide; and

(C) the current and future requirements for such nurses, nationally and within each State;

(2) The Secretary shall survey and gather data, on a continuing basis, on—

(A) the number and distribution of nurses, by type of employment and location of practice;

(B) the number of nurses who are practicing full time and those who are employed part time, within the United States and within each State;

(C) the average rates of compensation for nurses, by type of practice and location of practice;

(D) the activity status of the total number of registered nurses within the United States and within each State;

(E) the number of nurses with advanced training or graduate degrees in nursing, by specialty, including nurse practitioners, nurse clinicians, nurse researchers, nurse educators, and nurse supervisors and administrators; and

(F) the number of registered nurses entering the United States annually from other nations, by country of nurse training and by immigrant status.

(3) Within six months of the date of the enactment of this Act [July 29, 1975], the Secretary shall develop procedures for determining (on both a current and projected basis) the supply and distribution of and requirements for nurses within the United States and within each State.

(b) Not later than October 1, 1979, and October 1 of each odd-numbered year thereafter, the Secretary shall report to the Congress—

(1) his determinations under subsection (a)(1) and the data gathered under subsection (a)(2);

(2) an analysis of such determination and data; and

(3) recommendations for such legislation as the Secretary determines, based on such determinations and data, will achieve (A) an equitable distribution of nurses within the United States and within each State, and (B) adequate supplies of nurses within the United States and within each State.

(c) The Office of Management and Budget may review the Secretary’s report under subsection (b) before its submission to the Congress, but the Office may not revise the report or delay its submission, and it may submit to the Congress a report (and those of other departments or agencies of the Government) respecting such report."
§ 296a. Application

(a) In general

To be eligible to receive a grant or contract under this subchapter, an eligible entity shall prepare and submit to the Secretary an application that meets the requirements of this section, at such time, in such manner, and containing such information as the Secretary may require.

(b) Plan

An application submitted under this section shall contain the plan of the applicant for carrying out a project with amounts received under this subchapter. Such plan shall be consistent with relevant Federal, State, or regional program plans.

(c) Performance outcome standards

An application submitted under this section shall contain a specification by the applicant of performance outcome standards that the project to be funded under the grant or contract will be measured against. Such standards shall address relevant national nursing needs that the project will meet. The recipient of a grant or contract under this section shall meet the standards set forth in the grant or contract application.

(d) Linkages

An application submitted under this section shall contain a description of the linkages with relevant educational and health care entities, including training programs for other health professionals as appropriate, that the project to be funded under the grant or contract will establish.

(July 1, 1944, ch. 373, title VIII, §802, as added Pub. L. 95-392, Nov. 13, 1998, 112 Stat. 3564.)

PRIOR PROVISIONS


§ 296b. Use of funds

(a) In general

Amounts provided under a grant or contract awarded under this subchapter may be used for training program development and support, faculty development, model demonstrations, trainee support including tuition, books, program fees and reasonable living expenses during the period of training, technical assistance, workforce analysis, and dissemination of information, as appropriate to meet recognized nursing objectives, in accordance with this subchapter.

(b) Maintenance of effort

With respect to activities for which a grant awarded under this subchapter is to be expended, the entity shall agree to maintain expenditures of non-Federal amounts for such activities at a level that is not less than the level of such expenditures maintained by the entity for the fiscal year preceding the fiscal year for which the entity receives such a grant.

(July 1, 1944, ch. 373, title VIII, §803, as added Pub. L. 95-392, Nov. 13, 1998, 112 Stat. 3564.)

PRIOR PROVISIONS


§ 296c. Matching requirement

The Secretary may require that an entity that applies for a grant or contract under this subchapter provide non-Federal matching funds, as appropriate, to ensure the institutional commitment of the entity to the projects funded under the grant. Such non-Federal matching funds may be provided directly or through donations from public or private entities and may be in cash or in-kind, fairly evaluated, including plant, equipment, or services.

(July 1, 1944, ch. 373, title VIII, §804, as added Pub. L. 95-392, Nov. 13, 1998, 112 Stat. 3565.)

PRIOR PROVISIONS


§ 296d. Preference

In awarding grants or contracts under this subchapter, the Secretary shall give preference to applicants with projects that will substantially benefit rural or underserved populations, or help meet public health nursing needs in State or local health departments.

(July 1, 1944, ch. 373, title VIII, §805, as added Pub. L. 95-392, Nov. 13, 1998, 112 Stat. 3565.)

PRIOR PROVISIONS


§ 296e. Generally applicable provisions

(a) Awarding of grants and contracts

The Secretary shall ensure that grants and contracts under this subchapter are awarded on a competitive basis, as appropriate, to carry out innovative demonstration projects or provide for strategic workforce supplementation activities as needed to meet national nursing service goals and in accordance with this subchapter. Contracts may be entered into under this subchapter with public or private entities as determined necessary by the Secretary.

(b) Information requirements

(1) In general

Recipients of grants and contracts under this subchapter shall meet information requirements as specified by the Secretary.

(2) Evaluations

The Secretary shall establish procedures to ensure the annual evaluation of programs and projects operated by recipients of grants under this subchapter. Such procedures shall ensure that continued funding for such programs and projects will be conditioned upon a demonstration that satisfactory progress has been made by the program or project in meeting the objectives of the program or project.

(c) Training programs

Training programs conducted with amounts received under this subchapter shall meet applicable accreditation and quality standards.

(d) Duration of assistance

(1) In general

Subject to paragraph (2), in the case of an award to an entity of a grant, cooperative agreement, or contract under this subchapter, the period during which payments are made to the entity under the award may not exceed 5 years. The provision of payments under the award shall be subject to annual approval by the Secretary of the payments and subject to the availability of appropriations for the fiscal year involved to make the payments. This paragraph may not be construed as limiting the number of awards under the program involved that may be made to the entity.

(2) Limitation

In the case of an award to an entity of a grant, cooperative agreement, or contract under this subchapter, paragraph (1) shall apply only to the extent not inconsistent with any other provision of this subchapter that relates to the period during which payments may be made under the award.

(e) Peer review regarding certain programs

(1) In general

Each application for a grant under this subchapter, except advanced nurse traineeship grants under section 296(a)(2) of this title, shall be submitted to a peer review group for an evaluation of the merits of the proposals made in the application. The Secretary may not approve such an application unless a peer review group has recommended the application for approval.

(2) Composition

Each peer review group under this subsection shall be composed principally of individuals who are not officers or employees of the Federal Government. In providing for the establishment of peer review groups and procedures, the Secretary shall, except as otherwise provided, ensure sex, racial, ethnic, and geographic representation among the membership of such groups.

(3) Administration

This subsection shall be carried out by the Secretary acting through the Administrator of the Health Resources and Services Administration.

(f) Analytic activities

The Secretary shall ensure that—

(1) cross-cutting workforce analytical activities are carried out as part of the workforce information and analysis activities under this subchapter; and

(2) discipline-specific workforce information is developed and analytical activities are carried out as part of—

(A) the advanced education nursing activities under part B;

(B) the workforce diversity activities under part C; and

(C) basic nursing education and practice activities under part D.

(g) State and regional priorities

Activities under grants or contracts under this subchapter shall, to the extent practicable, be consistent with related Federal, State, or regional nursing professions program plans and priorities.

(h) Filing of applications

(1) In general

Applications for grants or contracts under this subchapter may be submitted by health professions schools, schools of nursing, academic health centers, State or local governments, or other appropriate public or private nonprofit entities as determined appropriate by the Secretary in accordance with this subchapter.

(2) For-profit entities

Notwithstanding paragraph (1), a for-profit entity may be eligible for a grant or contract under this subchapter as determined appropriate by the Secretary.

§ 296e-1. Grants for health professions education

(a) Cultural competency, prevention, and public health and individuals with disability grants

The Secretary, acting through the Administrator of the Health Resources and Services Administration, may make awards of grants, contracts, or cooperative agreements to eligible entities for the development, evaluation, and dissemination of research, demonstration projects, and model curricula for cultural competency, prevention, public health proficiency, reducing health disparities, and aptitude for working with individuals with disabilities training for use in health professions schools and continuing education programs, and for other purposes determined as appropriate by the Secretary.

Grants under this section shall be the same as provided in section 293e of this title.

(b) Collaboration

In carrying out subsection (a), the Secretary shall collaborate with the entities described in section 293e(b) of this title. The Secretary shall coordinate with curricula and research and demonstration projects developed under such section 293e.

(c) Dissemination

Model curricula developed under this section shall be disseminated and evaluated in the same manner as model curricula developed under section 293e of this title, as described in subsection (c) of such section.

(d) Authorization of appropriations

There are to be appropriated to carry out this section such sums as may be necessary for each of the fiscal years 2010 through 2015.


Prior Provisions

A prior section 807 of act July 1, 1944, was renumbered section 808 by Pub. L. 106-525 and is classified to section 296f of this title.

Another prior section 807 of act July 1, 1944, was renumbered section 811 and classified to section 296f of this title prior to repeal by Pub. L. 99-92, § 9(a)(1), Aug. 16, 1985, 99 Stat. 400.

Amendments

2010—Subsec. (a). Pub. L. 111-148, § 5307(b)(1), in heading, substituted “Cultural competency, prevention, and public health and individuals with disability grants” for “Grants for health professions education in health disparities and cultural competency” and, in text, substituted “for the development, evaluation, and dissemination of research, demonstration projects, and model curricula for cultural competency, prevention, public health proficiency, reducing health disparities, and aptitude for working with individuals with disabilities training for use in health professions schools and continuing education programs, and for other purposes determined as appropriate by the Secretary” for “for the purpose of carrying out research and demonstration projects (including research and demonstration projects for continuing health professions education) for training and education for the reduction of disparities in health care outcomes and the provision of culturally competent health care”.

Subsecs. (b) to (d), Pub. L. 111-148, § 5307(b)(2)-(4), added subsecs. (b) and (c), redesignated former subsec. (b) as (d), and, in subsec. (d), substituted “this section” for “subsection (a) of this section” and “2010 through 2015” for “2001 through 2004”.

§ 296f. Technical assistance

Funds appropriated under this subchapter may be used by the Secretary to provide technical assistance in relation to any of the authorities under this subchapter.


Prior Provisions


A prior section 808 of act July 1, 1944, was classified to section 295f of this title prior to repeal by Pub. L. 99-92, title IX, § 922, July 29, 1975, 89 Stat. 359.

§ 296g. Prohibition against discrimination by schools on basis of sex

The Secretary may not make a grant, loan guarantee, or interest subsidy payment under this subchapter to, or for the benefit of, any school of nursing unless the application for the grant, loan guarantee, or interest subsidy payment contains assurances satisfactory to the Secretary that the school will not discriminate on the basis of sex in the admission of individuals to its training programs. The Secretary may not enter into a contract under this subchapter with any school unless the school furnishes assurances satisfactory to the Secretary that it will not discriminate on the basis of sex in the admission of individuals to its training programs.


Codification

Section was formerly classified to section 298b-2 of this title prior to renumbering by Pub. L. 105-392.

Prior Provisions


Amendments

2010—Subsec. (a). Pub. L. 111-148, § 5307(b)(1), in heading, substituted “Cultural competency, prevention, and public health and individuals with disability grants” for “Grants for health professions education in health disparities and cultural competency” and, in text, substituted “for the development, evaluation, and dissemination of research, demonstration projects, and model curricula for cultural competency, prevention, public health proficiency, reducing health disparities, and aptitude for working with individuals with disabilities training for use in health professions schools and continuing education programs, and for other purposes determined as appropriate by the Secretary” for “for the purpose of carrying out research and demonstration projects (including research and demonstration projects for continuing health professions education) for training and education for the reduction of disparities in health care outcomes and the provision of culturally competent health care”.


PART B—NURSE PRACTITIONERS, NURSE MIDWIVES, NURSE ANESTHETISTS, AND OTHER ADVANCED EDUCATION NURSES

PRIOR PROVISIONS

A prior part B related to assistance to nursing students and consisted of sections 297 to 297n, prior to the general amendment of this subchapter by Pub. L. 105–392.

§ 296j. Advanced education nursing grants

(a) In general

The Secretary may award grants to and enter into contracts with eligible entities to meet the costs of—

(1) projects that support the enhancement of advanced nursing education and practice; and

(2) traineeships for individuals in advanced nursing education programs.

(b) Definition of advanced education nurses

For purposes of this section, the term “advanced education nurses” means individuals trained in advanced degree programs including individuals in combined R.N./Master’s degree programs, post-nursing master’s certificate programs, or, in the case of nurse midwives, in certificate programs in existence on the date that is one day prior to November 13, 1998, to serve as nurse practitioners, clinical nurse specialists, nurse midwives, nurse anesthetists, nurse educators, nurse administrators, or public health nurses, or in other nurse specialties determined by the Secretary to require advanced education.

(c) Authorized nurse practitioner

Nurse practitioner programs eligible for support under this section are educational programs for registered nurses (irrespective of the type of school of nursing in which the nurses received their training) that—

(1) meet guidelines prescribed by the Secretary; and

(2) have as their objective the education of nurses who will upon completion of their studies in such programs, be qualified to effectively provide primary health care, including primary health care in homes and in ambulatory care facilities, long-term care facilities, acute care, and other health care settings.

(d) Authorized nurse-midwifery programs

Midwifery programs that are eligible for support under this section are educational programs that—

(1) have as their objective the education of midwives; and

(2) are accredited by the American College of Nurse-Midwives Accreditation Commission for Midwifery Education.

(e) Authorized nurse anesthesia programs

Nurse anesthesia programs eligible for support under this section are education programs that—

(1) provide registered nurses with full-time anesthetist education; and

(2) are accredited by the Council on Accreditation of Nurse Anesthesia Educational Programs.

(f) Other authorized educational programs

The Secretary shall prescribe guidelines as appropriate for other advanced nurse education programs eligible for support under this section.

(g) Traineeships

(1) In general

The Secretary may not award a grant to an applicant under subsection (a) unless the applicant involved agrees that traineeships provided with the grant will only pay all or part of the costs of—

(A) the tuition, books, and fees of the program of advanced nurse education with respect to which the traineeship is provided; and

(B) the reasonable living expenses of the individual during the period for which the traineeship is provided.

(2) Special consideration

In making awards of grants and contracts under subsection (a)(2), the Secretary shall give special consideration to an eligible entity that agrees to expend the award to train advanced education nurses who will practice in health professional shortage areas designated under section 254e of this title.


PRIOR PROVISIONS


AMENDMENTS


Subsecs. (d), (e), Pub. L. 111–148, §5308(3), (4), added subsec. (d) and redesignated former subsec. (d) as (e). Former subsec. (e) redesignated (f).


Subsec. (g). Pub. L. 111–148, §5308(2), redesignated par. (3) as (2) and struck out former par. (2). Prior to amendment, text of par. (2) read as follows: “The Secretary may not obligate more than 10 percent of the
traineeships under subsection (a) of this section for individuals in doctorate degree programs.''

Subsec. (g), Pub. L. 111–148, § 5308(3), redesignated subsec. (f) as (g).

§ 296j–1. Demonstration grants for family nurse practitioner training programs

(a) Establishment of program

The Secretary of Health and Human Services (referred to in this section as the “Secretary”) shall establish a training demonstration program for family nurse practitioners (referred to in this section as the “program”) to employ and provide 1-year training for nurse practitioners who have graduated from a nurse practitioner program for careers as primary care providers in Federally qualified health centers (referred to in this section as “FQHCs”) and nurse-managed health clinics (referred to in this section as “NMHCs”).

(b) Purpose

The purpose of the program is to enable each grant recipient to—

(1) provide new nurse practitioners with clinical training to enable them to serve as primary care providers in FQHCs and NMHCs;

(2) train new nurse practitioners to work under a model of primary care that is consistent with the principles set forth by the Institute of Medicine and the needs of vulnerable populations; and

(3) create a model of FQHC and NMHC training for nurse practitioners that may be replicated nationwide.

(c) Grants

The Secretary shall award 3-year grants to eligible entities that meet the requirements established by the Secretary, for the purpose of operating the nurse practitioner primary care programs described in subsection (a) in such entities.

(d) Eligible entities

To be eligible to receive a grant under this section, an entity shall—

(1) demonstrate sufficient infrastructure in size, scope, and capacity to undertake the requisite training of a minimum of 3 nurse practitioners per year, and to provide to each awardee 12 full months of full-time, paid employment and benefits consistent with the benefits offered to other full-time employees of such entity;

(2) will assign not less than 1 staff nurse practitioner or physician to each of 4 precepted clinics;

(3) will provide to each awardee specialty rotations, including specialty training in prenatal care and women’s health, adult and child psychiatry, orthopedics, geriatrics, and at least 3 other high-volume, high-burden specialty areas;

(4) provide sessions on high-volume, high-risk health problems and have a record of training health care professionals in the care of children, older adults, and underserved populations; and

(5) collaborate with other safety net providers, schools, colleges, and universities that provide health professions training.

(f) Eligibility of nurse practitioners

(1) In general

To be eligible for acceptance to a program funded through a grant awarded under this section, an individual shall—

(A) be licensed or eligible for licensure in the State in which the program is located as an advanced practice registered nurse or advanced practice nurse practitioner and be eligible or board-certified as a family nurse practitioner; and

(B) demonstrate commitment to a career as a primary care provider in a FQHC or in a NMHC.

(2) Preference

In selecting awardees under the program, each grant recipient shall give preference to bilingual candidates that meet the requirements described in paragraph (1).

(3) Deferral of certain service

The starting date of required service of individuals in the National Health Service Corps Service program under title II of the Public Health Service Act (42 U.S.C. 202 et seq.) who receive training under this section shall be deferred until the date that is 22 days after the date of completion of the program.

(g) Grant amount

Each grant awarded under this section shall be in an amount not to exceed $600,000 per year. A grant recipient may carry over funds from 1 fiscal year to another without obtaining approval from the Secretary.

(h) Technical assistance grants

The Secretary may award technical assistance grants to 1 or more FQHCs or NMHCs that have demonstrated expertise in establishing a nurse practitioner residency training program. Such technical assistance grants shall be for the purpose of providing technical assistance to other recipients of grants under subsection (c).

(i) Authorization of appropriations

To carry out this section, there is authorized to be appropriated such sums as may be necessary for each of fiscal years 2011 through 2014.

References in Text

This Act, referred to in subsec. (d)(1)(B), is Pub. L. 111–148, Mar. 23, 2010, 124 Stat. 995, known as the Pa-
tion of Ethnic Minority Nurse Associations, American Nurses Association, the National League for Nursing, the American Association of Colleges of Nursing, the National Black Nurses Association, the National Association of Hispanic Nurses, the Association of Asian American and Pacific Islander Nurses, the Native American Indian and Alaskan Nurses Association, and the National Council of State Boards of Nursing, and other organizations determined appropriate by the Secretary.

(c) Required information and conditions for award recipients

(1) In general

Recipients of awards under this section may be required, where requested, to report to the Secretary concerning the annual admission, retention, and graduation rates for individuals from disadvantaged backgrounds and ethnic and racial minorities in the school or schools involved in the projects.

(2) Falling rates

If any of the rates reported under paragraph (1) fall below the average of the two previous years, the grant or contract recipient shall provide the Secretary with plans for immediately improving such rates.

(3) Ineligibility

A recipient described in paragraph (2) shall be ineligible for continued funding under this section if the plan of the recipient fails to improve the rates within the 1-year period beginning on the date such plan is implemented.

*So in original. Probably should be preceded by “the”.*


(2) Enhancing patient care delivery systems

(A) Grants

The Secretary may award grants to eligible entities to improve the retention of nurses and enhance patient care that is directly related to nursing activities by enhancing collaboration and communication among nurses and other health care professionals, and by promoting nurse involvement in the organizational and clinical decisionmaking processes of a health care facility.

(B) Preference

In making awards of grants under this paragraph, the Secretary shall give a preference to applicants that have not previously received an award under this paragraph.

(C) Continuation of an award

The Secretary shall make continuation of any award under this paragraph beyond the second year of such award contingent on the recipient of such award having demonstrated to the Secretary measurable and substantive improvement in nurse retention or patient care.

(d) Other priority areas

The Secretary may award grants to or enter into contracts with eligible entities to address other areas that are of high priority to nurse education, practice, and retention, as determined by the Secretary.

(e) Preference

For purposes of any amount of funds appropriated to carry out this section for fiscal year 2003, 2004, or 2005 that is in excess of the amount appropriated to carry out this section for fiscal year 2002, the Secretary shall give preference to awarding grants or entering into contracts under subsections (a)(2) and (c).

(f) Report

The Secretary shall submit to Congress before the end of each fiscal year a report on the grants awarded and the contracts entered into under this section. Each such report shall identify the overall number of such grants and contracts and provide an explanation of why each such grant or contract will meet the priority need of the nursing workforce.

(g) Eligible entity

For purposes of this section, the term "eligible entity" includes a school of nursing, as defined in section 296(2) of this title, a health care facility, or a partnership of such a school and facility.

(h) Authorization of appropriations

There are authorized to be appropriated to carry out this section such sums as may be necessary for each of fiscal years 2010 through 2014.

(II) 1

So in original.
PRIOR PROVISIONS

A prior section 831 of act July 1, 1944, was classified to section 297–1 of this title prior to repeal by Pub. L. 105–302.

AMENDMENTS


Subsec. (a), Pub. L. 111–148, § 5309(a)(2), in par. (1), inserted “or” at end, redesignated par. (3) as (2), and struck out former par. (2) which read as follows: “developing and implementing internship and residency programs to encourage mentoring and the development of specialties; or”.

Subsec. (b)(3), Pub. L. 111–148, § 5309(a)(3), substituted “coordinated care” for “managed care, quality improvement”.

Subsec. (g), Pub. L. 111–148, § 5309(a)(4), inserted “as defined in section 296(2) of this title,” after “school of nursing”.


2002—Pub. L. 107–205 amended section catchline and text generally. Prior to amendment, text read as follows:

“(a) IN GENERAL.—The Secretary may award grants to and enter into contracts with eligible entities for projects to strengthen capacity for basic nurse education and practice.

“(b) PRIORITY AREAS.—In awarding grants or contracts under this section the Secretary shall give priority to entities that will use amounts provided under such a grant or contract to enhance the educational mix and utilization of the basic nursing workforce by strengthening programs that provide basic nurse education, such as through—

“(1) establishing or expanding nursing practice arrangements in institutional settings to demonstrate methods to improve access to primary health care in medically underserved communities;

“(2) providing care for underserved populations and other high-risk groups such as the elderly, individuals with HIV-AIDS, substance abusers, the homeless, and victims of domestic violence;

“(3) providing managed care, quality improvement, and other skills needed to practice in existing and emerging organized health care systems;

“(4) developing cultural competencies among nurses;

“(5) expanding the enrollment in baccalaureate nursing programs;

“(6) promoting career mobility for nursing personnel in a variety of training settings and cross training or specialty training among diverse population groups;

“(7) providing education in informatics, including distance learning methodologies; or

“(8) other priority areas as determined by the Secretary.”

§ 296p–1. Nurse retention grants

(a) Retention priority areas

The Secretary may award grants to, and enter into contracts with, eligible entities to enhance the nursing workforce by initiating and maintaining nurse retention programs pursuant to subsection (b) or (c).

(b) Grants for career ladder program

The Secretary may award grants to, and enter into contracts with, eligible entities for programs—

(1) to promote career advancement for individuals including licensed practical nurses, licensed vocational nurses, certified nurse assistants, home health aides, or associate degree nurses, to become baccalaureate prepared registered nurses or advanced education nurses in order to meet the needs of the registered nurse workforce;

(2) developing and implementing internships and residency programs in collaboration with an accredited school of nursing, as defined by section 296(2) of this title, to encourage mentoring and the development of specialties; or

(3) to assist individuals in obtaining education and training required to enter the nursing profession and advance within such profession.

(c) Enhancing patient care delivery systems

(1) Grants

The Secretary may award grants to eligible entities to improve the retention of nurses and enhance patient care that is directly related to nursing activities by enhancing collaboration and communication among nurses and other health care professionals, and by promoting nurse involvement in the organizational and clinical decision-making processes of a health care facility.

(2) Priority

In making awards of grants under this subsection, the Secretary shall give preference to applicants that have not previously received an award under this subsection (or section 296p(c) of this title as such section existed on the day before March 23, 2010).

(3) Continuation of an award

The Secretary shall make continuation of any award under this subsection beyond the second year of such award contingent on the recipient of such award having demonstrated to the Secretary measurable and substantive improvement in nurse retention or patient care.

(d) Other priority areas

The Secretary may award grants to, or enter into contracts with, eligible entities to address other areas that are of high priority to nurse retention, as determined by the Secretary.

(e) Report

The Secretary shall submit to the Congress before the end of each fiscal year a report on the grants awarded and the contracts entered into under this section. Each such report shall identify the overall number of such grants and contracts and provide an explanation of why each such grant or contract will meet the priority need of the nursing workforce.

(f) Eligible entity

For purposes of this section, the term “eligible entity” includes an accredited school of nursing, as defined by section 296(2) of this title, a health care facility, or a partnership of such a school and facility.

(g) Authorization of appropriations

There are authorized to be appropriated to carry out this section such sums as may be necessary for each of fiscal years 2010 through 2012.

(July 1, 1944, ch. 373, title VIII, § 831A, as added Pub. L. 111–148, title V, § 5309(b), Mar. 23, 2010, 124 Stat. 630.)
§ 297a  TITLE 42—THE PUBLIC HEALTH AND WELFARE  Page 966

Prior Provisions

Prior sections 296r, 297, and 297-1 were repealed by Pub. L. 105-392, title I, §123(a), Nov. 13, 1998, 112 Stat. 3562.


Part E—Student Loans

Codification


§ 297a. Student Loan Fund

(a) Agreements to establish and operate fund authorized

The Secretary is authorized to enter into an agreement for the establishment and operation of a student loan fund in accordance with this part with any public or nonprofit private school of nursing which is located in a State.

(b) Provisions of agreements

Each agreement entered into under this section shall—

(1) provide for establishment of a student loan fund by the school;

(2) provide for deposit in the fund, except as provided in section 298d of this title, of (A) the Federal capital contributions paid from allotments under section 297d of this title to the school by the Secretary, (B) an additional amount from other sources equal to not less than one-ninth of such Federal capital contributions, (C) collections of principal and interest on loans made from the fund, (D) collections pursuant to section 297b of this title, and (E) any other earnings of the fund;

(3) provide that the fund, except as provided in section 298d of this title, shall be used only for loans to students of the school in accordance with the agreement and for costs of collection of such loans and interest thereon;

(4) provide that loans may be made from such fund only to students pursuing a full-time or half-time course of study at the school leading to a baccalaureate or associate degree in nursing or an equivalent degree or a diploma in nursing, or to a graduate degree in nursing; and

(5) contain such other provisions as are necessary to protect the financial interests of the United States.

(c) Regulatory standards applicable to collection of loans

(1) Any standard established by the Secretary by regulation for the collection by schools of nursing of loans made pursuant to loan agreements under this part shall provide that the failure of any such school to collect such loans shall be measured in accordance with this subsection.

(2) With respect to the student loan fund established pursuant to such agreements, this subsection may not be construed to require such schools to reimburse such loan fund for loans that became uncollectable prior to 1983.

(3) For purposes of this subsection—

(A) the term "default" means the failure of a borrower of a loan made under this part to—

(i) make an installment payment when due; or

(ii) comply with any other term of the promissory note for such loan,

except that a loan made under this part shall not be considered to be in default if the loan is discharged in bankruptcy or if the school reasonably concludes from written contacts with the borrower that the borrower intends to repay the loan;

(B) the term "defaulted principal amount outstanding" means the total amount borrowed from the loan fund of a school that has reached the repayment stage (minus any principal amount repaid or cancelled) on loans—

(i) repayable monthly and in default for at least 120 days; and

(ii) repayable less frequently than monthly and in default for at least 180 days;

(C) the term "grace period" means the period of nine months beginning on the date on which the borrower ceases to pursue a full-time or half-time course of study at a school of nursing; and

(D) the term "matured loans" means the total principal amount of all loans made by a school of nursing under this part minus the total principal amount of loans made by such school to students who are—

(i) enrolled in a full-time or half-time course of study at such school; or

(ii) in their grace period.


AMENDMENTS

2010—Subsec. (a). Pub. L. 111-148, §5310(b)(2), substituted “this part” for “this subpart”.

Subsec. (b). Pub. L. 111-148, §5310(b)(6), substituted “298d” for “297h” in pars. (2) and (3).

Subsec. (c). Pub. L. 111-148, §5310(b)(2), substituted “this part” for “this subpart” wherever appearing.


Subsec. (b). Pub. L. 94-63, §§936(a), 941(b)(3), (1)(2), in cl. (2) substituted “from allotments under section 297d of this title” for “under this part”, in cl. (4) substituted “October 1, 1975” for “July 1, 1975”, and in cls. (2) and (3) substituted references to sections 836 and 841 of the Act for references to sections 833 and 826, which had previously been translated as sections 297b and 297h of this title, respectively, requiring no further translation in the text as a result of the renumbering of the Public Health Service Act.


EFFECTIVE DATE OF 1968 AMENDMENT

Amendment by section 222(c)(2) of Pub. L. 90-490 applicable with respect to loans made after June 30, 1969, see section 222(l) of Pub. L. 90-490, set out as a note under section 297b of this title.

§297b. Loan provisions

(a) Maximum amount per individual per year; preference to first year students

The total of the loans for any academic year (or its equivalent, as determined under regulations of the Secretary) made by schools of nursing from loan funds established pursuant to agreements under this part may not exceed $3,300.00 in the case of any student, except that for the two academic years of the program involved, such total may not exceed $5,200.00. The aggregate of the loans for all years from such funds may not exceed $17,000 in the case of any student during fiscal years 2010 and 2011. After fiscal year 2011, such amounts shall be adjusted by the yearly loan rate and the aggregate of the loans. In the granting of such loans, a school shall give preference to licensed practical nurses, to persons with exceptional financial needs, and to persons involved in the full-time or half-time course of study at a school of nursing for former providers defining “grace period” as the period of one year beginning on the date on which the borrower ceased to pursue a full-time or half-time course of study at a school of nursing or the former provisions defining “grace period” as the period of one year beginning on the date on which the borrower ceased to pursue a full-time or half-time course of study at a school of nursing; or (ii) the date on which ended any period described in clause (A) or (B) of section 297b(2)(2) of this title which was applicable to such borrower, whichever was later.

(b) Maximum amount per individual per year; prior years; and amounts and preferences

The total of the loans for any academic year (or its equivalent) from allotments under section 297d of this title, amended section 298b-5 of this title, amending this section, sections 296(a), 296e, 296m, 297, 297h, 297d, 296, 296b, and 296g-5 of this title, sections 1322, 1332, 1336, and 1341 of Title 15, Commerce and Trade, and section 6103 of Title 26, Internal Revenue Code, and enacting provisions set out as notes under sections 201 and 298b-5 of this title and section 1333 of Title 15 and the amendments and repeals made by this Act shall take effect on October 1, 1985.

(1) The provisions of section 9(c) of this Act (transferring section 296c of this title to section 298b-5 of this title, amending section 298b-5 of this title, and enacting provisions set out as notes under section 298b-5 of this title) and the amendment made by paragraph (1) of such section shall take effect on the date of enactment of this Act (Aug. 16, 1965).

(2) The amendment made by section 8(a) of this Act (amending section 297a of this title) shall take effect June 30, 1984.
need, and to persons who enter as first-year students after enactment of this subchapter.

(b) Terms and conditions

Loans from any such student loan fund by any school shall be made on such terms and conditions as the school may determine; subject, however, to such conditions, limitations, and requirements as the Secretary may prescribe (by regulation or in the agreement with the school) with a view to preventing impairment of the capital of such fund to the maximum extent practicable in the light of the objective of enabling the student to complete his course of study; and except that—

(1) such a loan may be made only to a student who (A) is in need of the amount of the loan to pursue a full-time or half-time course of study at the school leading to a baccalaureate or associate degree in nursing or an equivalent degree, or a diploma in nursing, or a graduate degree in nursing, (B) is capable, in the opinion of the school, of maintaining good standing in such course of study, and (C) with respect to any student enrolling in the school after June 30, 2000, is of financial need (as defined in regulations issued by the Secretary); (2) such a loan shall be repayable in equal or graduated periodic installments (with the right of the borrower to accelerate repayment) over the ten-year period which begins nine months after the student ceases to pursue a full-time or half-time course of study at a school of nursing, excluding from such 10-year period all (A) periods (up to three years) of (i) active duty performed by the borrower as a member of a uniformed service, or (ii) service as a volunteer under the Peace Corps Act [22 U.S.C. 2501 et seq.], (B) periods (up to ten years) during which the borrower is pursuing a full-time or half-time course of study at a collegiate school of nursing leading to baccalaureate degree in nursing or an equivalent degree, or to graduate degree in nursing, or is otherwise pursuing advanced professional training in nursing (or training to be a nurse anesthetist), and (C) such additional periods under the terms of paragraph (8) of this subsection;

(3) in the case of a student who received such a loan before September 29, 1995, an amount up to 85 per centum of any such loan made before such date (plus interest thereon) shall be canceled for full-time employment as a professional nurse (including teaching in any of the fields of nurse training and service as an administrator, supervisor, or consultant in any of the fields of nursing) in any public or nonprofit private agency, institution, or organization (including neighborhood health centers), at the rate of 15 per centum of the amount of such loan (plus interest) unpaid on the first day of such service for each of the first, second, and third complete year of such service, and 20 per centum of such amount (plus interest) for each complete fourth and fifth year of such service;

(4) the liability to repay the unpaid balance of such loan and accrued interest thereon shall be canceled upon the death of the borrower, or if the Secretary determines that he has become permanently and totally disabled;

(5) such a loan shall bear interest on the unpaid balance of the loan, computed only for periods during which the loan is repayable, at the rate of 5 percent per annum;

(6) such a loan shall be made without security or endorsement, except that if the borrower is a minor and the note or other evidence of obligation executed by him would not, under the applicable law, create a binding obligation, either security or endorsement may be required;

(7) no note or other evidence of any such loan may be transferred or assigned by the school making the loan except that, if the borrower transfers to another school participating in the program under this part such note or other evidence of a loan may be transferred to such other school; and

(8) pursuant to uniform criteria established by the Secretary, the repayment period established under paragraph (2) for any student borrower who during the repayment period failed to make consecutive payments and who, during the last 12 months of the repayment period, has made at least 12 consecutive payments may be extended for a period not to exceed 10 years.

(c) Cancellation

Where all or any part of a loan, or interest, is canceled under this section, the Secretary shall pay to the school an amount equal to the school’s proportionate share of the canceled portion, as determined by the Secretary.

(d) Installments

Any installment for any year by a school from a student loan fund established pursuant to an agreement under this part shall be made in such installments as may be provided in regulations of the Secretary or such agreement and, upon notice to the Secretary by the school that any recipient of a loan is failing to maintain satisfactory standing, any or all further installments of his loan shall be withheld, as may be appropriate.

(e) Availability to eligible students in need

An agreement under this part with any school shall include provisions designed to make loans from the student loan fund established thereunder reasonably available (to the extent of the available funds in such fund) to all eligible students in the school in need thereof.

(f) Penalty for late payment

Subject to regulations of the Secretary and in accordance with this section, a school shall assess a charge with respect to a loan from the loan fund established pursuant to an agreement under this part for failure of the borrower to pay all or any part of an installment when it is due and, in the case of a borrower who is entitled to deferment of the loan under subsection (b)(2) or cancellation of part or all of the loan under subsection (b)(3), for any failure to file timely and satisfactory evidence of such entitlement. No such charge may be made if the payment of such installment or the filing of such evidence is
made within 60 days after the date on which such installment or filing is due. The amount of any such charge may not exceed an amount equal to 6 percent of the amount of such installment. The school may elect to add the amount of any such charge to the principal amount of the loan as of the first day after the day on which such installment or evidence was due, or to make the amount of the charge payable to the school not later than the due date of the next installment after receipt by the borrower of notice of the assessment of the charge.

(g) Minimum monthly repayment
A school may provide in accordance with regulations of the Secretary, that during the repayment period of a loan from a loan fund established pursuant to an agreement under this part payments of principal and interest by the borrower with respect to all the outstanding loans made to him from loan funds so established shall be at a rate equal to not less than $40 per month.

(h) Loan cancellation
Notwithstanding the amendment made by section 6(b) of the Nurse Training Act of 1971 to this section—
(A) any person who obtained one or more loans from a loan fund established under this part, who before November 18, 1971, became eligible for cancellation of all or part of such loans (including accrued interest) under this section (as in effect on the day before such date), and who on such date was not engaged in a service for which loan cancellation was authorized under this section (as so in effect), may at any time elect to receive such cancellation in accordance with this subsection (as so in effect); and
(B) in the case of any person who obtained one or more loans from a loan fund established under this part and who on such date was engaged in a service for which cancellation of all or part of such loans (including accrued interest) was authorized under this section (as so in effect), this section (as so in effect) shall continue to apply to such person for purposes of providing such loan cancellation until he terminates such service.

(i) Loan repayment
Upon application by a person who received, and is under an obligation to repay, any loan made to such person as a nursing student, the Secretary may undertake to repay (without liability to the applicant) all or any part of such loan, and any interest or portion thereof outstanding thereon, upon his determination, pursuant to regulations establishing criteria therefor, that the applicant—
(1) failed to complete the nursing studies with respect to which such loan was made;
(2) is in exceptionally needy circumstances; and
(3) has not resumed, or cannot reasonably be expected to resume, such nursing studies within 2 years following the date upon which the applicant terminated the studies with respect to which such loan was made.

(j) Collection by Secretary of loan in default; conditions and procedures applicable
The Secretary is authorized to attempt to collect any loan which was made under this part, which is in default, and which was referred to the Secretary by a school of nursing with which the Secretary has an agreement under this part. If, on behalf of that school under such terms and conditions as the Secretary may prescribe (including reimbursement from the school’s student loan fund for expenses the Secretary may reasonably incur in attempting collection), but only if the school has complied with such requirements as the Secretary may specify by regulation with respect to the collection of loans under this part. A loan so referred shall be treated as a debt subject to section 5514 of title 5. Amounts collected shall be deposited in the school’s student loan fund. Whenever the Secretary desires the institution of a civil action regarding any such loan, the Secretary shall refer the matter to the Attorney General for appropriate action.

(k) Elimination of statute of limitation for loan collections
(1) Purpose
It is the purpose of this subsection to ensure that obligations to repay loans under this section are enforced without regard to any Federal or State statutory, regulatory, or administrative limitation on the period within which debts may be enforced.
(2) Prohibition
Notwithstanding any other provision of Federal or State law, no limitation shall terminate the period within which suit may be filed, a judgment may be enforced, or an offset, garnishment, or other action may be initiated or taken by a school of nursing that has an agreement with the Secretary pursuant to section 297a of this title that is seeking the repayment of the amount due from a borrower on a loan made under this part after the default of the borrower on such loan.

(312x102)EFERENCES IN TEXT
The Peace Corps Act, referred to in subsec. (b)(2), is Pub. L. 87–293, Sept. 22, 1961, 75 Stat. 612, as amended, which is classified principally to chapter 34 (§2501 et

Page 969 TITLE 42—THE PUBLIC HEALTH AND WELFARE § 297b
sec. (b) of the Nurse Training Act of 1971, referred to in subsec. (c), is section 6(b) of Pub. L. 92–158, without directory language with respect to classification in the Code and were editorially set out as subsec. (i) [now (h)] as the probable intent of Congress.

AMENDMENTS

2010—Subsec. (a). Pub. L. 111–148, § 5310(b)(2), substituted "this part" for "this subpart".

Pub. L. 111–114, § 5202(a), substituted "$3,300" for "$2,500", "$5,200" for "$4,000", and "$17,000 in the case of any student during fiscal years 2010 and 2011. After fiscal year 2011, such amounts shall be adjusted to provide for a cost-of-attendance increase for the yearly loan rate and the aggregate of the loans." for "$13,000 in the case of any student."


Subsec. (b)(7), (d) to (g). Pub. L. 111–148, § 5310(b)(2), substituted this part for this subpart.

Subsec. (h). Pub. L. 111–148, § 5310(b)(3), struck out conclusions provisions which read as follows: "Nothing in this subsection shall be construed to prevent any person from entering into an agreement for loan cancelation under subsection (h) of this section (as amended by section 6(b)(2) of the Nurse Training Act of 1971)."

Pub. L. 111–148, § 5310(b)(2), substituted "this part" for "this subpart" in two places.

Subsec. (i). Pub. L. 111–148, § 5310(b)(2), substituted "this part" for "this subpart" wherever appearing.


Subsec. (g). Pub. L. 105–392, § 133(b), substituted "$49" for "$15".


1992—Subsecs. (h) to (k). Pub. L. 102–408 redesignated subsecs. (i) to (k) as (h) to (j), respectively, and struck out former subsec. (h) which provided for a loan repayment program. See section 297a of this title.

1990—Subsec. (h)(6)(C). Pub. L. 101–92 substituted "means a skilled nursing facility, as such term is defined in section 1386x(j) of this title, and an intermediate care facility, as such term is defined in section 1396d(c) of this title" for "means an intermediate care facility and a skilled nursing facility, as such terms are defined in subsections (c) and (i), respectively, of section 1396d of this title."

1989—Subsec. (a). Pub. L. 100–607, § 713(b), (c), inserted in first sentence "except that for the final two academic years of the program involved, such total may not exceed $4,000", substituted "$13,000" for "$10,000" in second sentence, and inserted "...to persons with exceptional financial need," after "nurses" in third sentence.

Subsec. (b)(1)(C). Pub. L. 100–607, § 713(d), amended subpar. (C) generally. Prior to amendment, subpar. (C) read as follows: "If a student who will enroll in the school after June 30, 1986, is of exceptional financial need (as defined by regulations of the Secretary), ...".

Subsec. (b)(2)(B). Pub. L. 100–607, § 713(e), substituted "ten" for "five" and inserted "or half-time" after "a full-time".

Subsec. (b)(3). Pub. L. 100–607, § 713(f), substituted "5 percent" for "6 percent".

Subsec. (h)(1)(C). Pub. L. 100–607, § 714(a), amended subpar. (C) generally. Prior to amendment, subpar. (C) read as follows: "Who enters into an agreement with the Secretary to serve as a nurse for a period of at least two years in an area in a State determined by the Secretary, after consultation with the appropriate State health authority (as determined by the Secretary by regulations), to have a shortage of and need for nurses;....."

Subsecs. (h)(5). Pub. L. 100–607, § 714(b), (c), added pars. (5) and (6).

Subsec. (j)(2) to (4). Pub. L. 100–607, § 714(g), redesignated par. (4) as (3) and struck out former par. (3) which related to low-income or disadvantaged family.

1985—Subsec. (b)(1). Pub. L. 99–92, § 18(g), which directed that cl. (C) be inserted before period, was executed by inserting cl. (C) before the semicolon as the probable intent of Congress.

Subsec. (f). Pub. L. 99–92, § 68(c), substituted "the Secretary and in accordance with this section, a school shall for the Secretary, a school may", and substituted provisions relating to charges not allowed in certain cases and allowed where payment is late for provisions relating to maximum amount of late charges.


Subsec. (b)(5), Pub. L. 97–35 substituted "6" for "3".

1979—Subsec. (b)(3). Pub. L. 96–76 inserted provisions requiring conditions to be applicable to loans arising prior to Sept. 29, 1979.


Subsec. (b)(2)(B). Pub. L. 94–63, § 939(b), inserted "or training to be a nurse anesthetist" after "professional training in nursing".

Subsec. (b)(7). Pub. L. 94–63, § 941(h)(1), substituted "subpart" for "part".


Subsec. (d) to (1). Pub. L. 94–63, § 941(h)(1), substituted "subpart" for "part" whenever appearing.

Subsec. (j). Pub. L. 94–63, § 941(h)(5), added subsec. (j), formerly classified as section 297i of this title, pursuant to enactment as section 830 of act July 1, 1944, ch. 373. Section 941(h)(5)(A) of Pub. L. 94–63 transferred such former section to this section and section 941(h)(5)(B) redesignated provision as subsec. (i).

1971—Subsec. (a). Pub. L. 92–158, § 6(a), substituted "$2,500" for "$1,500" and "$10,000" for "$60,000".

Subsec. (b)(1). Pub. L. 92–158, § 6(e), substituted "full-time or half-time course of study" for "full-time course of study".

Subsec. (b)(2). Pub. L. 92–158, § 6(e), in text preceding cl. (A), substituted "full-time or half-time course of study" for "full-time course of study".

Subsec. (b)(3). Pub. L. 92–158, § 6(b)(1)(A), substituted provisions canceling up to 85 per centum of loan, for provisions canceling up to 50 per centum of loan, where borrower holds full-time employment as a professional nurse, added to areas of possible employment under this part, by inserting reference to any public or nonprofit organization including neighborhood health centers, substituted, with respect to the rate of cancellation of loan, the rate of 15 per centum of the amount unpaid on the first day of service, continuing
at such rate with each of the first, second and third complete years of such service and 20 per centum of such amount with each complete fourth and fifth year of service for the rate of 10 per centum of the amount unpaid on the first day of service and to continue with each complete year of service, and struck out reference to 15 per centum rate of cancellation per complete year of service plus, for the purpose of such higher rate, the cancellation of an additional 50 per centum of such loan where such service is in a public or nonprofit hospital in any area which is determined, in accordance with the regulations of the Secretary, to be in an area having a substantial shortage of such nurses at such hospitals.


1968—Subsec. (a). Pub. L. 90–490, §222(b)(1), increased limitation on amount of annual loans per student from $1,000 to $1,500, required preferences in granting of loans to licensed practical nurses, and limited aggregate of loans for all years to any one student to $6,000.

Subsec. (b)(2). Pub. L. 90–490, §222(b)(2), provided for commencement of repayment nine months, rather than one year, after student ceases to pursue full-time course of study, excluded from ten-year repayment period periods (up to three years) of active duty as member of a uniformed service or Peace Corps volunteer service and periods (up to five years) as undergraduate or graduate degree student in nursing, including advanced professional training in nursing, and struck out prohibition against accrual of interest on loans.

Subsec. (b)(3). Pub. L. 90–490, §222(b)(3), authorized cancellation of an additional 50 per centum of a nursing student loan (plus interest) at rate of 15 per centum for each complete year of service in a public or other nonprofit hospital in an area with a substantial shortage of nurses.

Subsec. (b)(5). Pub. L. 90–490, §222(b)(4), struck out provisions for an interest rate which is the greater of 3 per centum or the going Federal rate at time loan is made, defining going Federal rate, and making rate determined for first loan applicable to any subsequent loan.

Subsecs. (f), (g). Pub. L. 90–490, §222(c)(1), added subsecs. (f) and (g).

1965—Subsec. (b)(5). Pub. L. 89–290 applied rate of interest for first loan obtained by a student from a loan fund established under this part to any subsequent loan to such student from such fund during his course of study.

Effective Date of 1998 Amendment
Pub. L. 105–392, title I, §133(c)(2), Nov. 13, 1998, 112 Stat. 3576, provided that: “The amendment made by paragraph (1) [amending this section] shall be effective with respect to actions pending on or after the date of enactment of this Act [Nov. 13, 1998].”

Effective Date of 1985 Amendment

Effective Date of 1975 Amendment
Pub. L. 94–63, title IX, §936(b), July 29, 1975, 89 Stat. 363, provided that the amendment made by that section is effective with respect to periods of training to be a nurse anesthetist undertaken on or after July 29, 1975. Amendment by section 941(h)(1), (2), (3), (5), (6)(1) of Pub. L. 94–63 effective July 1, 1975, see section 942 of Pub. L. 94–63, set out as a note under section 297q of this title.

Effective Date of 1971 Amendment
Pub. L. 92–158, §6(a)(1), Nov. 18, 1971, 85 Stat. 475, provided that the amendment made by that section is effective with respect to academic years (or their equivalent as determined under regulations of the Secretary of Health, Education, and Welfare under this section) beginning after June 30, 1971.

$297d. Allotments and payments of Federal capital contributions
(a) Application for allotment; reduction or adjustment of amount requested in application; reallocation; continued availability of funds
(1) The Secretary shall from time to time set dates by which schools of nursing must file applications for Federal capital contributions.

(2A) If the total of the amounts requested for any fiscal year in such applications exceeds the total amount appropriated under section 297c of this title for that fiscal year, the allotment

1See References in Text note below.
from such total amount to the loan fund of each school of nursing shall be reduced to whichever of the following is the smaller:

(i) The amount requested in its application.

(ii) An amount which bears the same ratio to the total amount appropriated as the number of students estimated by the Secretary to be enrolled on a full-time basis in such school during such fiscal year bears to the estimated total number of students enrolled in all such schools on a full-time basis during such year.

(B) Amounts remaining after allotment under subparagraph (A) shall be reallocated in accordance with clause (ii) of such subparagraph among schools whose applications requested more than the amounts so allotted to their loan funds, but with such adjustments as may be necessary to prevent the total allotted to any such school’s loan fund under this paragraph and paragraph (3) from exceeding the total so requested by it.

(3) Funds which, pursuant to section 297c of this title or pursuant to a loan agreement under section 297a of this title are returned to the Secretary in any fiscal year, shall be available for allotment until expended. Funds described in the preceding sentence shall be allotted among schools of nursing in such manner as the Secretary determines will best carry out this part.

(b) Installment payment of allotments

Allotments to a loan fund of a school shall be paid to it from time to time in such installments as the Secretary determines will not result in unnecessary accumulations in the loan fund at such school.

c) Manner of payment

The Federal capital contributions to a loan fund of a school under this part shall be paid to it from time to time in such installments as the Secretary determines will not result in unnecessary accumulations in the loan fund at such school.


REFERENCES IN TEXT


AMENDMENTS


1992—Subsec. (a)(3). Pub. L. 102–408 struck out “(A)” after “(3)”, substituted “available for allotment until expended.” for “available for allotment in such fiscal year and in the fiscal year succeeding the fiscal year,” and “this subpart.” for “this subpart, except that in making such allotments, the Secretary shall give priority to schools of nursing which established student loan funds under this subpart after September 30, 1975.”, and struck out subpar. (B) which read as follows: “With respect to funds available pursuant to subparagraph (A), any such funds returned to the Secretary not allotted by the Secretary, during the period of availability specified in such subparagraph, shall be available to carry out section 297f of this title and, for such purpose, shall remain available until expended.”

1988—Subsec. (a)(3). Pub. L. 100–607 designated existing provisions as subpar. (A) and added subpar. (B).

1985—Subsec. (a). Pub. L. 99–92 amended subsec. (a) generally, substituting provisions relating to application for allotment, reduction or adjustment of amount requested in application, reallocation, and availability of funds for allotment during fiscal years for provisions relating to determination of amount of allotment.

Subsec. (b). Pub. L. 99–92 amended subsec. (b) generally, substituting provisions relating to payment to a loan fund of a school of allotments for provisions relating to application for allotment, adjustment or reduction of amount requested in application, and reallocation.

1975—Subsec. (a). Pub. L. 94–63, §941(h)(1), (4)(A)(1), (1)(4), substituted “subpart” for “part” wherever appearing, struck out “(whether as Federal capital contributions or as loans to schools under section 297f of this title)” before “which are in excess”, and substituted references to section 847 of the Act for references to section 824, which had previously been translated as section 297c of this title, requiring no further translations in text as a result of renumbering of the Public Health Service Act.

Subsec. (b)(1). Pub. L. 94–63, §941(h)(4)(A)(ii), struck out “", and for loans pursuant to section 297f of this title", after "(contributions)".


Subsec. (c). Pub. L. 94–63, §941(h)(1), substituted “subpart” for “part”.

1968—Subsec. (a). Pub. L. 90–436 substituted new formula for distribution of Federal funds among schools of nursing by providing for allotment of funds among the schools entirely on the basis of their relative enrollments for former provisions which allocated funds among the States, 50 per centum on the basis of relative number of high school graduates, and 50 per centum on the basis of relative number of students enrolled in schools of nursing, and provided for determination of number of persons enrolled in such schools for most recent year for which satisfactory data are available to the Secretary.

1966—Subsec. (a). Pub. L. 89–751, §6(c)(1), authorized allotment of appropriations for payment as Federal capital contributions or as loans to schools under section 297f of this title, and directed that funds available in any fiscal year for payment to schools under this part (whether as Federal capital contributions or as loans to schools under section 297f of this title) which are in excess of the amount appropriated pursuant to section 297c of this title for that year shall be allotted among States for loans pursuant to section 297f of this title.

Subsec. (b)(1). Pub. L. 89–751, §6(c)(2), substituted “schools of nursing in a State must file applications for Federal capital contributions, and for loans pursuant to section 297f of this title, from the allotment of such Federal capital contributions, and for loans pursuant to section 297f of this title, which are in excess”, and substituted “whether as Federal capital contributions or as loans to schools under section 297f of this title” for “which are in excess”, and substituted “subpart” for “part”.


EFFECTIVE DATE OF 1988 AMENDMENT

Pub. L. 100–607, title VII, §713(h)(2), Nov. 4, 1988, 102 Stat. 3161, provided that: “Except as provided in Public Law 100–436 [Sept. 20, 1988, 102 Stat. 1860, see Tables for classification], the amendment made by paragraph (1) [amending this section] shall take effect as if such amendment had been effective on September 30, 1988.
and as if section 843 of the Public Health Service Act [42 U.S.C. 297]], as added by section 715 of this title, had been effective on such date."

Effective Date of 1985 Amendment

Effective Date of 1975 Amendment
Amendment by Pub. L. 94–63 effective July 1, 1975, see section 942 of Pub. L. 94–63, set out as a note under section 297a of this title.

Effective Date of 1966 Amendment
Pub. L. 89–751, § 6(e)(1), Nov. 3, 1966, 80 Stat. 1236, provided that: "The amendments made by this Act [enacting former sections 295b–5 and 296c to 298c–8 of this title and amending this section, former sections 292b, 295c to 295h–5 and 298c to 298c–8 of this title, and section 1717 of Title 12, Banks and Banking] shall be effective in the case of payments pursuant to commitments (made prior to enactment of this Act [Nov. 3, 1966], except in the case of payments pursuant to agreements with a school under section 297a of this title) to make loans under section 827 of the Public Health Service Act [42 U.S.C. 297f] as in effect prior to the enactment of this Act."

Applicability of Reorg. Plan No. 3 of 1966
Pub. L. 89–751, § 6(e)(2), Nov. 3, 1966, 80 Stat. 1240, provided that: "The amendments made by this Act [enacting former sections 295b–5 and 296c to 298c–8 of this title and amending this section, former sections 292b, 295c to 295h–5 and 298c to 298c–8 of this title, and section 1717 of Title 12, Banks and Banking] shall be subject to the provisions of Reorganization Plan Numbered 3 of 1966 [42 U.S.C. 302 note]."

§ 297e. Distribution of assets from loan funds

(a) Capital distribution of balance of loan fund
If a school terminates a loan fund established under an agreement pursuant to section 297a(b) of this title, or if the Secretary for good cause terminates the agreement with the school, there shall be a capital distribution as follows:

(1) The Secretary shall first be paid an amount which bears the same ratio to such balance in such fund on the date of termination of the fund as the total amount of the Federal capital contributions to such fund by the Secretary pursuant to section 297a(b)(2)(A) of this title bears to the total amount in such fund on such date derived from such Federal capital contributions and from funds deposited in the fund pursuant to section 297a(b)(2)(B) of this title. The remainder of such balance shall be paid to the school.

(2) A school to which paragraph (1) applies shall pay to the Secretary after the date on which payment is made under such paragraph and not less than quarterly, the same proportionate share of amounts received by the school after the date of termination referred to in paragraph (1) in payment of principal or interest on loans made from the loan fund as was determined for the Secretary under such paragraph.


References in Text
This part, referred to in subsec. (c)(1), was in the original “this subpart” and was translated to reflect the probable intent of Congress and the redesignation of subpart II of part B of this subchapter as part E of this subchapter by Pub. L. 105–392, title I, § 1232(a), Nov. 13, 1998, 112 Stat. 3562.

Amendments
2010—Pub. L. 111–148 made technical amendment to section and subsection (a) designations resulting in no change in text.

1998—Subsec. (c). Pub. L. 105–392, § 133(e)(1)(A), added introductory provisions and struck out former introductory provisions which read as follows: “After September 30, 1996, and not later than December 31, 1999, there shall be a capital distribution of the balance of the loan fund established under an agreement pursuant to section 297a of this title by each school as follows:”. Subsec. (a)(1). Pub. L. 105–392, § 133(e)(1)(B), substituted “on the date of termination of the fund” for “at the close of September 30, 1999.”.

Subsec. (b). Pub. L. 105–392, § 133(e)(2), amended subsection (b) generally. Prior to amendment, subsection (b) read as follows: “After December 31, 1999, each school with which the Secretary has made an agreement under this subpart shall pay to the Secretary, not less often than quarterly, the same proportionate share of amounts received by the school after September 30, 1999, in payment of principal or interest on loans made from the loan fund established pursuant to such agreement as

See References in Text note below.
was determined for the Secretary under subsection (a) of this section."


1988—Subsec. (a). Pub. L. 100–607, § 713(1)(A), which directed substitution of "1994" for "1991" in text preceding pars. (1) and (2), was executed by making the substitution for "1991" the second time appearing to reflect the probable intent of Congress.


1966—Subsec. (a). Pub. L. 89–751, § 6(d)(1), (2), substituted "an agreement pursuant to section 297(b) of this title" for "this part" in opening provisions, and in par. (1) substituted "such balance" for "the balance".

Subsec. (b). Pub. L. 89–751, § 6(d)(2), inserted "(other than so much of such fund as relates to payments from the revolving fund established by section 297(d) of this title)".

Effective Date of 1985 Amendment

Effective Date of 1975 Amendment
Amendment by section 936(d) of Pub. L. 94–63 effective July 1, 1975, see section 905 of Pub. L. 94–63, set out as a note under section 297a of this title.

Amendment by section 941(h)(1), (2), (4)(B), (i)(1), (5) of Pub. L. 94–63 effective July 1, 1975, see section 942 of Pub. L. 94–63, set out as a note under section 297a of this title.

Effective Date of 1966 Amendment
Amendment by Pub. L. 89–751 effective in the case of payments to student loan funds made after Nov. 3, 1966, except in the case of payments pursuant to commitments made prior to Nov. 3, 1966, to make loans under section 297f of this title as in effect prior to Nov. 3, 1966, see section 6(e)(1) of Pub. L. 89–751, set out as a note under section 297d of this title.


Effective Date of Repeal
Repeal effective July 1, 1975, see section 905 of Pub. L. 94–63, set out as an Effective Date of 1975 Amendment note under section 297a of this title.

Availability of Nurse Training Revolving Fund for Payment of Obligations Deposits into Fund; Transfer of Excess Amounts to General Fund of Treasury Authorization of Appropriations
Pub. L. 94–63, title IX, § 936(e)(2), (3), July 29, 1975, 89 Stat. 363, provided that:

"(2) The nurse training fund created within the Treasury by section 827(d)(1) of the Act [42 U.S.C. 297f(d)(1)] shall remain available to the Secretary of Health, Education, and Welfare [now Health and Human Services] for the purpose of meeting his responsibilities respecting participations in obligations acquired under section 827 of the Act [42 U.S.C. 297f]. The Secretary shall continue to deposit in such fund all amounts received by him as interest payments or payments of principal on loans under such section 27(827). If at any time the Secretary determines the moneys in the funds exceed the present and any reasonable prospective further requirements of such fund, such excess may be transferred to the general fund of the Treasury.

"(3) There are authorized to be appropriated without fiscal year limitation such sums as may be necessary to enable the Secretary to make payments under agreements entered into under section 827(b) of the Act [42 U.S.C. 2917(b)] before the date of the enactment of this Act [July 29, 1975]."

Conversion of Federal Capital Contribution to a Loan Under Section 297f of This Title
Pub. L. 89–751, § 6(e)(2), Nov. 3, 1966, 80 Stat. 1236, authorized the Secretary of Health, Education, and Welfare to convert a Federal capital contribution to a student loan fund of a particular institution, made under this subchapter, from funds appropriated pursuant thereto for the fiscal year ending June 30, 1967, to a loan under section 297f of this title.

§ 297g. Modification of agreements; compromise, waiver or release

The Secretary may agree to modifications of agreements made under this part, and may compromise, waive, or release any right, title, claim, or demand of the United States arising or acquired under this part.


Amendments

2010—Pub. L. 111–148 substituted “this part” for “this subpart” in two places.

1975—Pub. L. 94–63, § 941(h)(1), (4)(C), substituted “subpart” for “part” in two places and struck out “or loans” after “agreements”.

Effective Date of 1975 Amendment

Amendment by Pub. L. 94–63 effective July 1, 1975, see section 929 of Pub. L. 94–63, set out as a note under section 297a of this title.


Prior Provisions


Effective Date of Repeal

Repeal effective Oct. 1, 1985, see section 10(a) of Pub. L. 99–92, set out as an Effective Date of 1985 Amendment note under section 297a of this title.

§ 297i. Procedures for appeal of terminations

In any case in which the Secretary intends to terminate an agreement with a school of nursing under this part, the Secretary shall provide the school with a written notice specifying such intention and stating that the school may request a formal hearing with respect to such termination. If the school requests such a hearing within 30 days after the receipt of such notice, the Secretary shall provide such school with a hearing conducted by an administrative law judge.

(July 1, 1944, ch. 373, title VIII, § 842, as added Pub. L. 90–490, title II, § 223(a), 82 Stat. 786; renumbered § 842 and amended July 29, 1975, Pub. L. 94–63, title IX, § 941(h)(1), (6), 89 Stat. 365, 366, related to transfers to the scholarship program.)

Prior Provisions


A prior section 393 of act July 1, 1944, was renumbered section 853, and was classified to section 298b of this title prior to repeal by Pub. L. 105–392.


Amendments

2010—Pub. L. 111–148 substituted “this part” for “this subpart”.

Effective Date

Section effective Oct. 1, 1985, see section 10(a) of Pub. L. 99–92, set out as an Effective Date of 1985 Amendment note under section 297a of this title.

§ 297n. Loan repayment and scholarship programs

(a) In general

In the case of any individual—

(1) who has received a baccalaureate or associate degree in nursing (or an equivalent degree), a diploma in nursing, or a graduate degree in nursing;

(2) who obtained (A) one or more loans from a loan fund established under subpart II, or (B) any other educational loan for nurse training costs; and

(3) who enters into an agreement with the Secretary to serve as nurse for a period of not less than two years at a health care facility with a critical shortage of nurses, or in an accredited school of nursing, as defined by section 296(2) of this title, as nurse faculty;

the Secretary shall make payments in accordance with subsection (b), for and on behalf of that individual, on the principal of and interest on any loan of that individual described in paragraph (2) of this subsection which is outstanding on the date the individual begins the service specified in the agreement described in paragraph (3) of this subsection. After fiscal year 2007, the Secretary may not, pursuant to any agreement entered into under this subsection, assign a nurse to any private entity unless that entity is nonprofit.

(b) Manner of payments

The payments described in subsection (a) shall be made by the Secretary as follows:

(1) Upon completion by the individual for whom the payments are to be made of the first year of the service specified in the agreement entered into with the Secretary under subsection (a), the Secretary shall pay 30 percent of the principal of, and the interest on each loan of such individual described in subsection (a)(2) which is outstanding on the date he began such practice.
§ 297n  TITLE 42—THE PUBLIC HEALTH AND WELFARE  Page 976

(2) Upon completion by that individual of the second year of such service, the Secretary shall pay another 30 percent of the principal of, and the interest on each such loan.

(3) Upon completion by that individual of a third year of such service, the Secretary shall pay another 25 percent of the principal of, and the interest on each such loan.

(c) Payment by due date

Notwithstanding the requirement of completion of practice specified in subsection (b), the Secretary shall, on or before the due date therefore, pay any loan or loan installment which may fall due within the period of service for which the borrower may receive payments under this subsection, upon the declaration of such borrower, at such times and in such manner as the Secretary may prescribe (and supported by such other evidence as the Secretary may reasonably require), that the borrower is then serving as described by subsection (a) or (b), and that the borrower will continue to so serve for the period required (in the absence of this subsection) to entitle the borrower to have made the payments provided by this subsection for such period; except that not more than 85 percent of the principal of any such loan shall be paid pursuant to this subsection.

(d) Scholarship program

(1) In general

The Secretary shall (for fiscal years 2003 and 2004) and may (for fiscal years thereafter) carry out a program of entering into contracts with eligible individuals under which such individuals agree to serve as nurses for a period of not less than 2 years at a health care facility with a critical shortage of nurses, in consideration of the Federal Government agreeing to provide the individuals scholarships for attendance at schools of nursing.

(2) Eligible individuals

In this subsection, the term "eligible individual" means an individual who is enrolled or accepted for enrollment as a full-time or part-time student in a school of nursing.

(3) Service requirement

(A) In general

The Secretary may not enter into a contract with an eligible individual under this subsection unless the individual agrees to serve as a nurse at a health care facility with a critical shortage of nurses for a period of full-time service of not less than 2 years, or for a period of part-time service in accordance with subparagraph (B).

(B) Part-time service

An individual may complete the period of service described in subparagraph (A) on a part-time basis if the individual has a written agreement that—

(i) is entered into by the facility and the individual and is approved by the Secretary; and

(ii) provides that the period of obligated service will be extended so that the aggregate amount of service performed will equal the amount of service that would be performed through a period of full-time service of not less than 2 years.

(4) Applicability of certain provisions

The provisions of subpart III of part D of subchapter II shall, except as inconsistent with this section, apply to the program established in paragraph (1) in the same manner and to the same extent as such provisions apply to the National Health Service Corps Scholarship Program established in such subpart.

(e) Preferences regarding participants

In entering into agreements under subsection (a) or (d), the Secretary shall give preference to qualified applicants with the greatest financial need.

(f) Condition of agreement

The Secretary may make payments under subsection (a) on behalf of an individual only if the agreement under such subsection provides that section 298b–7(c) of this title is applicable to the individual.

(g) Breach of agreement

(1) In general

In the case of any program under this section under which an individual makes an agreement to provide health services for a period of time in accordance with such program in consideration of receiving an award of Federal funds regarding education as a nurse (including an award for the repayment of loans), the following applies if the agreement provides that this subsection is applicable:

(A) In the case of a program under this section that makes an award of Federal funds for attending an accredited program of nursing (in this section referred to as a "nursing program"), the individual is liable to the Federal Government for the amount of such award (including amounts provided for expenses related to such attendance), and for interest on such amount at the maximum legal prevailing rate, if the individual—

(i) fails to maintain an acceptable level of academic standing in the nursing program (as indicated by the program in accordance with requirements established by the Secretary);

(ii) is dismissed from the nursing program for disciplinary reasons; or

(iii) voluntarily terminates the nursing program.

(B) The individual is liable to the Federal Government for the amount of such award (including amounts provided for expenses related to such attendance), and for interest on such amount at the maximum legal prevailing rate, if the individual fails to provide health services in accordance with the program under this section for the period of time applicable under the program.

(2) Waiver or suspension of liability

In the case of an individual or health facility making an agreement for purposes of paragraph (1), the Secretary shall provide for the waiver or suspension of liability under such subsection if compliance by the individual or
the health facility, as the case may be, with the agreements involved is impossible, or would involve extreme hardship to the individual or facility, and if enforcement of the agreements with respect to the individual or facility would be unconscionable.

(3) Date certain for recovery
Subject to paragraph (2), any amount that the Federal Government is entitled to recover under paragraph (1) shall be paid to the United States not later than the expiration of the 3-year period beginning on the date the United States becomes so entitled.

(4) Availability
Amounts recovered under paragraph (1) with respect to a program under this section shall be available for the purposes of such program, and shall remain available for such purposes until expended.

(b) Reports
Not later than 18 months after August 1, 2002, and annually thereafter, the Secretary shall prepare and submit to the Congress a report describing the programs carried out under this section, including statements regarding—

(1) the number of enrollees, scholarships, loan repayments, and grant recipients;
(2) the number of graduates;
(3) the amount of scholarship payments and loan repayments made;
(4) which educational institution the recipients attended;
(5) the number and placement location of the scholarship and loan repayment recipients at health care facilities with a critical shortage of nurses;
(6) the default rate and actions required;
(7) the amount of outstanding default funds of both the scholarship and loan repayment programs;
(8) to the extent that it can be determined, the reason for the default;
(9) the demographics of the individuals participating in the scholarship and loan repayment programs;
(10) justification for the allocation of funds between the scholarship and loan repayment programs; and
(11) an evaluation of the overall costs and benefits of the programs.

(i) Funding
(1) Authorization of appropriations
For the purpose of payments under agreements entered into under subsection (a) or (d), there are authorized to be appropriated such sums as may be necessary for each of fiscal years 2003 through 2007.

(2) Allocations
Of the amounts appropriated under paragraph (1), the Secretary may, as determined by the Secretary, allocate amounts between the program under subsection (a) and the program under subsection (d).

References in Text
Subpart II, referred to in subsec. (a)(2), probably should be “this part” to reflect the redesignation of subpart II of former part B of this subchapter as part E of this subchapter by Pub. L. 101–392, title I, §129(2), Nov. 13, 1993, 112 Stat. 3562.

Prior Provisions

A prior section 296 of act July 1, 1944, was classified to section 297k of this title and was repealed by Pub. L. 97–35.

Amendments
2010—Subsec. (a)(3). Pub. L. 111–148 inserted “, or in a accredited school of nursing, as defined by section 296(2) of this title, as, nurse faculty’’ before semicolon at end.


Subsec. (a). Pub. L. 107–205, §103(a)(2), inserted at end of concluding provisions “After fiscal year 2007, the Secretary may not, pursuant to any agreement entered into under this subsection, assign a nurse to any private entity unless that entity is nonprofit.’’

Subsec. (a)(3). Pub. L. 107–205, §103(a)(1), substituted at a health care facility with a critical shortage of nurses’’ for “in an Indian Health Service health center, in a Native Hawaiian health center, in a public hospital, in a migrant health center, in a community health center, in a rural health clinic, or in a public or nonprofit private health facility determined by the Secretary to have a critical shortage of nurses’’.


Subsec. (e). Pub. L. 107–205, §103(c), substituted “under subsection (a) or (d), the Secretary shall give preference to qualified applicants with the greatest financial need.’’ for “under subsection (a), the Secretary shall give preference—

‘‘(1) to qualified applicants with the greatest financial need; and
‘‘(2) to qualified applicants that, with respect to health facilities described in such subsection, agree to serve in such health facilities located in geographic areas with a shortage of and need for nurses, as determined by the Secretary,’’

Subsec. (f). Pub. L. 107–205, §103(b)(2), (3), redesignated subsec. (d) as (f) and transferred it to appear after subsec. (e). Former subsec. (f) redesignated (h).

Subsec. (g). Pub. L. 107–205, §103(b)(2), (3), redesignated subsec. (b) as (g) and transferred it to appear after subsec. (f). Former subsec. (g) redesignated (i).

Subsec. (h). Pub. L. 107–205, §103(b)(2), (d), redesignated subsec. (f) as (h) and amended it generally. Prior to amendment, text of subsec. read as follows: ‘‘For purposes of this section:

‘‘(1) The term ‘community health center’ has the meaning given such term in section 254(a)(9) of this title.

‘‘(2) The term ‘migrant health center’ has the meaning given such term in section 254(a)(1) of this title.”
“(3) The term ‘rural health clinic’ has the meaning given such term in section 1395x(aa)(2) of this title.”

Former subsec. (h) redesignated (g).
Subsec. (i). Pub. L. 107–206, §160(b)(2), (e), redesignated subsec. (g) as (i) and amended it generally. Prior to amendment, text of subsec. read as follows: “For the purpose of payments under agreements entered into under subsection (a) of this section, there are authorized to be appropriated $5,000,000 for fiscal year 1993, and $6,000,000 for fiscal year 1994.”

§ 297n–1. Nurse faculty loan program

(a) School of nursing student loan fund

The Secretary, acting through the Administrator of the Health Resources and Services Administration, may enter into an agreement with any accredited school of nursing for the establishment and operation of a student loan fund in accordance with this section, to increase the number of qualified nursing faculty.

(b) Agreements

Each agreement entered into under subsection (a) shall—

(1) provide for the establishment of a student loan fund by the school involved;
(2) provide for deposit in the fund of—
   (A) the Federal capital contributions to the fund;
   (B) an amount equal to not less than one-ninth of such Federal capital contributions, contributed by such school;
   (C) collections of principal and interest on loans made from the fund; and
   (D) any other earnings of the fund;
(3) provide that the fund will be used only for loans to students of the school in accordance with subsection (c) and for costs of collection of such loans and interest thereon;
(4) provide that loans may be made from such fund only to students pursuing a full-time course of study at a school of nursing, bear interest on the unpaid balance of the loan at the rate of 3 percent per annum; or
(5) subject to subsection (e), if the school of nursing determines that the individual will not complete such course of study or serve as a faculty member as required under the loan agreement entered into under this subsection, as a faculty member in an accredited school of nursing, the school shall cancel 20 percent of the principle of, and the interest on, the amount of such loan unpaid on the first day of such employment;

(b) Loan provisions

Loans from any student loan fund established by a school pursuant to an agreement under subsection (a) shall be made to an individual on such terms and conditions as the school may determine, except that—

(1) such terms and conditions are subject to any conditions, limitations, and requirements prescribed by the Secretary;
(2) in the case of any individual, the total of the loans for any academic year made by schools of nursing from loan funds established pursuant to agreements under subsection (a) may not exceed $35,500, during fiscal years 2010 and 2011 fiscal years (after fiscal year 2011, such amounts shall be adjusted to provide for a cost-of-attendance increase for the yearly loan rate and the aggregate loan); and

(3) an amount up to 25 percent of any such loan (plus interest thereon) shall be canceled by the school as follows:
   (A) upon completion by the individual of each of the first, second, and third year of full-time employment, required by the loan agreement entered into under this subsection, as a faculty member in an accredited a 4 school of nursing, the school shall cancel 20 percent of the principle of, and the interest on, the amount of such loan unpaid on the first day of such employment; and
   (B) upon completion by the individual of the fourth year of full-time employment, required by the loan agreement entered into under this subsection, as a faculty member in a school of nursing, the school shall cancel 20 percent of the principle of, and the interest on, the amount of such loan unpaid on the first day of such employment;

(4) such a loan may be used to pay the cost of tuition, fees, books, laboratory expenses, and other reasonable education expenses;
(5) such a loan shall be repayable in equal or graduated periodic installments (with the right of the borrower to accelerate repayment) over the 10-year period that begins 9 months after the individual ceases to pursue a course of study at a school of nursing; and

(d) Payment of proportionate share

Where all or any part of a loan, or interest, is canceled under this section, the Secretary shall pay to the school an amount equal to the school’s proportionate share of the canceled portion, as determined by the Secretary.

(e) Review by Secretary

At the request of the individual involved, the Secretary may review any determination by an accredited school of nursing under subsection (c)(6)(B).

(f) Authorization of appropriations

There are authorized to be appropriated to carry out this section such sums as may be necessary for each of fiscal years 2010 through 2014.

1 So in original. The comma probably should not appear.
2 So in original.
3 So in original. A closing parenthesis probably should appear before the semicolon.
4 So in original. The word “a” probably should not appear.
5 So in original. Probably should be “principal”.

REFERENCE TO COMMUNITY, MIGRANT, PUBLIC HOUSING, OR HOMELESS HEALTH CENTER CONSIDERED REFERENCE TO HEALTH CENTER

Reference to community health center, migrant health center, public housing health center, or homeless health center considered reference to health center, see section 4(c) of Pub. L. 104–299, set out as a note under this title.
§ 297o. Eligible individual student loan repayment

(a) In general

The Secretary, acting through the Administrator of the Health Resources and Services Administration, may enter into an agreement with eligible individuals for the repayment of education loans, in accordance with this section, to increase the number of qualified nursing faculty.

(b) Agreements

Each agreement entered into under this subsection shall require that the eligible individual shall serve as a full-time member of the faculty of an accredited school of nursing, for a total period, in the aggregate, of at least 4 years during the 6-year period beginning on the later of—

(1) the date on which the individual receives a master’s or doctorate nursing degree from an accredited school of nursing; or

(2) the date on which the individual enters into an agreement under this subsection.

(c) Agreement provisions

Agreements entered into pursuant to subsection (b) shall be entered into on such terms and conditions as the Secretary may determine, except that—

(1) not more than 10 months after the date on which the 6-year period described under subsection (b) begins, in no case before the individual starts as a full-time member of the faculty of an accredited school of nursing the Secretary shall begin making payments, for and on behalf of that individual, on the outstanding principal of, and interest on, any loan of that individual obtained to pay for such degree;

(2) for an individual who has completed a master’s in nursing or equivalent degree in nursing—

(A) payments may not exceed $10,000 per calendar year; and

(B) total payments may not exceed $40,000 during the 2010 and 2011 fiscal years (after fiscal year 2011, such amounts shall be adjusted to provide for a cost-of-attendance increase for the yearly loan rate and the aggregate loan); and

(3) for an individual who has completed a doctorate or equivalent degree in nursing—

(A) payments may not exceed $20,000 per calendar year; and

(B) total payments may not exceed $80,000 during the 2010 and 2011 fiscal years (adjusted for subsequent fiscal years as provided for in the same manner as in paragraph (2)(B)).

(d) Breach of agreement

(1) In general

In the case of any agreement made under subsection (b), the individual is liable to the Federal Government for the total amount paid by the Secretary under such agreement, and for interest on such amount at the maximum legal prevailing rate, if the individual fails to meet the agreement terms required under such subsection.

(2) Waiver or suspension of liability

In the case of an individual making an agreement for purposes of paragraph (1), the Secretary shall provide for the waiver or suspension of liability under such paragraph if compliance by the individual with the agreement involved is impossible or would involve extreme hardship to the individual or if enforcement of the agreement with respect to the individual would be unconscionable.

(3) Date certain for recovery

Subject to paragraph (2), any amount that the Federal Government is entitled to recover under paragraph (1) shall be paid to the United States not later than the expiration of the 3-year period beginning on the date the United States becomes so entitled.

(4) Availability

Amounts recovered under paragraph (1) shall be available to the Secretary for making loan repayments under this section and shall remain available for such purpose until expended.

(e) Eligible individual defined

For purposes of this section, the term “eligible individual” means an individual who—

(1) is a United States citizen, national, or lawful permanent resident;

(2) holds an unencumbered license as a registered nurse; and

(3) has either already completed a master’s or doctorate nursing program at an accredited school of nursing or is currently enrolled on a full-time or part-time basis in such a program.

(f) Priority

For the purposes of this section and section 297n–1 of this title, funding priority will be awarded to School of Nursing Student Loans that support doctoral nursing students or Individual Student Loan Repayment that support doctoral nursing students.

1 So in original. Probably should be followed by a comma.

2 So in original. Probably should not be capitalized.

3 So in original. Probably should be “individual student loan repayments.”
(g) Authorization of appropriations

There are authorized to be appropriated to carry out this section such sums as may be necessary for each of fiscal years 2010 through 2014.

(July 1, 1944, ch. 373, title VIII, §847, as added Pub. L. 111–148, title V, §5311(b), Mar. 23, 2010, 124 Stat. 632.)

PRIORITY PROVISIONS

A prior section 847 of act July 1, 1944, was classified to section 297n of this title prior to repeal by Pub. L. 102–408.


PART F—NATIONAL ADVISORY COUNCIL ON NURSE EDUCATION AND PRACTICE

CODIFICATION


PRIORITY PROVISIONS

A prior part F, consisting of section 297q, was redesignated part I §298d of this subchapter.

§297t. National Advisory Council on Nurse Education and Practice

(a) Establishment

The Secretary shall establish an advisory council to be known as the National Advisory Council on Nurse Education and Practice (in this section referred to as the “Advisory Council”).

(b) Composition

(1) In general

The Advisory Council shall be composed of—

(A) not less than 21, nor more than 23 individuals, who are not officers or employees of the Federal Government, appointed by the Secretary without regard to the Federal civil service laws, of whom—

(i) 2 shall be selected from full-time students enrolled in schools of nursing;

(ii) 2 shall be selected from the general public;

(iii) 2 shall be selected from practicing professional nurses; and

(iv) 9 shall be selected from among the leading authorities in the various fields of nursing, higher, secondary education, and associate degree schools of nursing, and from representatives of advanced education nursing groups (such as nurse practitioners, nurse midwives, and nurse anesthetists), hospitals, and other institutions and organizations which provide nursing services; and

(B) the Secretary (or the delegate of the Secretary (who shall be an ex officio member and shall serve as the Chairperson)).

(2) Appointment

Not later than 90 days after November 13, 1998, the Secretary shall appoint the members of the Advisory Council and each such member shall serve a 4 year term. In making such appointments, the Secretary shall ensure a fair balance between the nursing professions, a broad geographic representation of members and a balance between urban and rural members. Members shall be appointed based on their competence, interest, and knowledge of the mission of the profession involved. A majority of the members shall be nurses.

(3) Minority representation

In appointing the members of the Advisory Council under paragraph (1), the Secretary shall ensure the adequate representation of minorities.

(c) Vacancies

(1) In general

A vacancy on the Advisory Council shall be filled in the manner in which the original appointment was made and shall be subject to any conditions which applied with respect to the original appointment.

(2) Filling unexpired term

An individual chosen to fill a vacancy shall be appointed for the unexpired term of the member replaced.

(d) Duties

The Advisory Council shall—

(1) provide advice and recommendations to the Secretary and Congress concerning policy matters arising in the administration of this subchapter, including the range of issues relating to the nurse workforce, education, and practice improvement;

(2) provide advice to the Secretary and Congress in the preparation of general regulations and with respect to policy matters arising in the administration of this subchapter, including the range of issues relating to nurse supply, education and practice improvement; and

(3) not later than 3 years after November 13, 1998, and annually thereafter, prepare and submit to the Secretary, the Committee on Labor and Human Resources of the Senate, and the Committee on Commerce of the House of Representatives, a report describing the activities of the Council, including findings and recommendations made by the Council concerning the activities under this subchapter.

(e) Meetings and documents

(1) Meetings

The Advisory Council shall meet not less than 2 times each year. Such meetings shall be held jointly with other related entities established under this subchapter where appropriate.

(2) Documents

Not later than 14 days prior to the convening of a meeting under paragraph (1), the Advisory Council shall prepare and make available an agenda of the matters to be considered by the Advisory Council at such meeting. At any such meeting, the Advisory Council shall distribute materials with respect to the issues to be addressed at the meeting. Not later than 30 days after the adjourning of such a meeting,
the Advisory Council shall prepare and make available a summary of the meeting and any actions taken by the Council based upon the meeting.

(f) Compensation and expenses

(1) Compensation

Each member of the Advisory Council shall be compensated at a rate equal to the daily equivalent of the annual rate of basic pay prescribed for level IV of the Executive Schedule under section 5315 of title 5 for each day (including travel time) during which such member is engaged in the performance of the duties of the Council. All members of the Council who are officers or employees of the United States shall serve without compensation in addition to that received for their services as officers or employees of the United States.

(2) Expenses

The members of the Advisory Council shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5 while away from their homes or regular places of business in the performance of services for the Council.

(g) Funding

Amounts appropriated under this subchapter may be utilized by the Secretary to support the nurse education and practice activities of the Council.

(h) FACA

The Federal Advisory Committee Act shall apply to the Advisory Committee under this section only to the extent that the provisions of such Act do not conflict with the requirements of this section.


REFERENCES IN TEXT

The Federal Advisory Committee Act, referred to in subsec. (h), is Pub. L. 92–463, Oct. 6, 1972, 86 Stat. 770, as amended, which is set out in the Appendix to Title 5, Government Organization and Employees.

Codification

November 13, 1998, referred to in subsec. (b)(2), was in the original “the date of enactment of this Act”, which was translated as meaning the date of enactment of Pub. L. 105–392, which enacted this part, to reflect the probable intent of Congress.

Prior Provisions

A prior section 851 of act July 1, 1944, was renumbered section 861 and is classified to section 297w of this title.

Another prior section 851 of act July 1, 1944, was classified to section 298 of this title, prior to repeal by Pub. L. 105–392.

Change of Name

Committee on Commerce of House of Representatives changed to Committee on Energy and Commerce of House of Representatives, and jurisdiction over matters relating to securities and exchanges and insurance generally transferred to Committee on Financial Services of House of Representatives by House Resolution No. 5, One Hundred Seventh Congress, Jan. 3, 2001.
time, place advertisements in local newspapers, or post information on billboards or on the Internet in a manner intended to reach as wide and diverse an audience as possible, in order to—

(1) advertise and promote the nursing profession;
(2) promote nursing education programs;
(3) inform the public of financial assistance regarding such education programs;
(4) highlight individuals in the community who are practicing nursing in order to recruit new nurses; or
(5) provide any other information to recruit individuals for the nursing profession.

(c) Limitation
An eligible entity that receives a grant under subsection (a) shall not use funds received through such grant to advertise particular employment opportunities.

(d) Authorization of appropriations
There are authorized to be appropriated to carry out this section such sums as may be necessary for each of fiscal years 2010 through 2014.

§ 298. Comprehensive geriatric education

(a) Program authorized
The Secretary shall award grants to eligible entities to develop and implement, in coordination with programs under section 294c of this title, programs and initiatives to train and educate individuals in providing geriatric care for the elderly.

(b) Use of funds
An eligible entity that receives a grant under subsection (a) shall use funds under such grant to—

(1) provide training to individuals who will provide geriatric care for the elderly;
(2) develop and disseminate curricula relating to the treatment of the health problems of elderly individuals;
(3) train faculty members in geriatrics;
(4) provide continuing education to individuals who provide geriatric care; or
(5) establish traineeships for individuals who are preparing for advanced education nursing degrees in geriatric nursing, long-term care, geriatric psychiatric nursing or other nursing areas that specialize in the care of the elderly population.

(c) Application
An eligible entity desiring a grant under subsection (a) shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may reasonably require.

(d) Eligible entity
For purposes of this section, the term "eligible entity" includes a school of nursing, a health care facility, a program leading to certification as a certified nurse assistant, a partnership of such a school and facility, or a partnership of such a program and facility.

(e) Authorization of appropriations
There are authorized to be appropriated to carry out this section such sums as may be necessary for each of fiscal years 2010 through 2014.

PRIOR PROVISIONS
A prior section 298, act July 1, 1944, was classified to section 298c–1 of this title, prior to the reorganization and amendment of this subchapter by Pub. L. 90–490.

PART H—COMPREHENSIVE GERIATRIC EDUCATION

Codification

§ 298a. Comprehensive geriatric education

(a) Program authorized
The Secretary shall award grants to eligible entities to develop and implement, in coordination with programs under section 294c of this title, programs and initiatives to train and educate individuals in providing geriatric care for the elderly.

(b) Use of funds
An eligible entity that receives a grant under subsection (a) shall use funds under such grant to—

(1) provide training to individuals who will provide geriatric care for the elderly;
(2) develop and disseminate curricula relating to the treatment of the health problems of elderly individuals;
(3) train faculty members in geriatrics;
(4) provide continuing education to individuals who provide geriatric care; or
(5) establish traineeships for individuals who are preparing for advanced education nursing degrees in geriatric nursing, long-term care,
94–63, title IX, § 841. Prior to the reorganization and amendment of this subchapter by Pub. L. 94–63 and transferred to section 297k of this title and subsequently repealed.


§ 299  Mission and duties

(a) In general

There is established within the Public Health Service an agency to be known as the Agency for Healthcare Research and Quality, which shall be headed by a director appointed by the Secretary. The Secretary shall carry out this subchapter acting through the Director.

(b) Mission

The purpose of the Agency is to enhance the quality, appropriateness, and effectiveness of health services, and access to such services, through the establishment of a broad base of scientific research and through the promotion of improvements in clinical and health system practices, including the prevention of diseases and other health conditions. The Agency shall promote health care quality improvement by conducting and supporting—

(1) research that develops and presents scientific evidence regarding all aspects of health care, including—
   (A) the development and assessment of methods for enhancing patient participation in their own care and for facilitating shared patient-physician decision-making;
   (B) the outcomes, effectiveness, and cost-effectiveness of health care practices, including preventive measures and long-term care;
   (C) existing and innovative technologies;
   (D) the costs and utilization of, and access to health care;
   (E) the ways in which health care services are organized, delivered, and financed and the interaction and impact of these factors on the quality of patient care;
   (F) methods for measuring quality and strategies for improving quality; and
   (G) ways in which patients, consumers, purchasers, and practitioners acquire new information about best practices and health benefits, the determinants and impact of their use of this information;

(2) the synthesis and dissemination of available scientific evidence for use by patients, consumers, practitioners, providers, purchasers, policy makers, and educators; and

(3) initiatives to advance private and public efforts to improve health care quality.

(c) Requirements with respect to rural and inner-city areas and priority populations

(1) Research, evaluations and demonstration projects

In carrying out this subchapter, the Director shall conduct and support research and evaluations, and support demonstration projects, with respect to—

(A) the delivery of health care in inner-city areas, and in rural areas (including frontier areas); and

(B) health care for priority populations, which shall include—
   (i) low-income groups;
   (ii) minority groups;
   (iii) women;
   (iv) children;
   (v) the elderly; and
   (vi) individuals with special health care needs, including individuals with disabilities and individuals who need chronic care or end-of-life health care.

(2) Process to ensure appropriate research

The Director shall establish a process to ensure that the requirements of paragraph (1) are reflected in the overall portfolio of research conducted and supported by the Agency.

(3) Office of Priority Populations

The Director shall establish an Office of Priority Populations to assist in carrying out the requirements of paragraph (1).

 Prior Provisions


 Transitional and Savings Provisions

Pub. L. 101–239, title VI, §6103(f), Dec. 19, 1989, 103 Stat. 2208, provided that personnel of the Department of Health and Human Services, including the appointments of members of advisory councils or study sections of the agency who were serving on the day before such date of enactment, and any reference in law to the Administrator for Health Care Policy and Research is deemed to be a reference to the Director of the Agency for Healthcare Research and Quality.
of Health and Human Services employed, and Department assets used in connection with Department functions, on Dec. 19, 1989, be transferred to the Administrator for Health Care Policy and Research for appropriate allocation, and provided that orders, rules, regulations, grants, contracts, certificates, licenses, privileges, and other determinations, actions, or official documents would continue in effect according to their terms unless changed pursuant to law.

ION REPORTS ON BEST PRACTICES FOR DEVELOPING CLINICAL PROTOCOLS


"(1) STUDY.—Not later than 180 days after the date of the enactment of this Act [July 15, 2008], the Secretary of Health and Human Services shall enter into a contract with the Institute of Medicine of the National Academies (in this section [this note] referred to as the 'Institute') under which the Institute shall conduct a study on the best methods used in developing clinical practice guidelines in order to ensure that organizations developing such guidelines have information on approaches that are objective, scientifically valid, and consistent.

"(2) REPORT.—Not later than 18 months after the effective date of the contract under paragraph (1), the Institute, as part of such contract, shall submit to the Secretary of Health and Human Services and the appropriate committees of jurisdiction of Congress a report containing the results of the study conducted under paragraph (1), together with recommendations for such legislation and administrative action as the Institute determines appropriate.

"(3) PARTICIPATION.—The contract under paragraph (1) shall require that stakeholders with expertise in making clinical recommendations participate on the panel responsible for conducting the study under paragraph (1) and preparing the report under paragraph (2).

"(4) IDENTIFICATION.—

"(A) IN GENERAL.—Following receipt of the report submitted under paragraph (2), and not less than every 3 years thereafter, the Secretary shall contract with the Institute to employ the results of the study performed under paragraph (1) and the best methods identified by the Institute for the purpose of identifying existing and new clinical practice guidelines that were developed using such best methods, including guidelines listed in the National Guideline Clearinghouse.

"(B) CONSULTATION.—In carrying out the identification process under subparagraph (A), the Secretary shall allow for consultation with professional societies, voluntary health care organizations, and expert panels.

IOM STUDY ON DRUG SAFETY AND QUALITY


"(1) IN GENERAL.—The Secretary [of Health and Human Services] shall enter into a contract with the Institutes of Medicine of the National Academies of Science (such Institutes referred to in this subsection as the 'IOM') to carry out a comprehensive study (in this subsection referred to as the 'study') of drug safety and quality issues in order to provide a blueprint for system-wide change.

"(2) OBJECTIVES.—

"(A) The study shall develop a full understanding of drug safety and quality issues through an evidence-based review of literature, case studies, and analysis. This review will consider the nature and causes of medication errors, their impact on patients, the differences in causation, impact, and prevention across multiple dimensions of health care delivery—including patient populations, care settings, clinicians, and institutional cultures.

"(B) The study shall attempt to develop credible estimates of the incidence, severity, costs of medica-

tion errors that can be useful in prioritizing resources for national quality improvement efforts and influencing national health care policy.

"(C) The study shall evaluate alternative approaches to reducing medication errors in terms of their efficacy, cost-effectiveness, appropriateness in different settings and circumstances, feasibility, institutional barriers to implementation, associated risks, and the quality of evidence supporting the approach.

"(D) The study shall provide guidance to consumers, providers, payers, and other key stakeholders on high-priority strategies to achieve both short-term and long-term drug safety goals, to elucidate the goals and expected results of such initiatives and support the business case for them, and to identify critical success factors and key levers for achieving success.

"(E) The study shall assess the opportunities and key impediments to broad nationwide implementa-

tion of medication error reductions, and to provide guidance to policy-makers and government agencies (including the Food and Drug Administration, the Centers for Medicare & Medicaid Services, and the National Institutes of Health) in promoting a national agenda for medication error reduction.

"(F) The study shall develop an applied research agenda to evaluate the health and cost impact of alternative interventions, and to assess collaborative public and private strategies for implementing the research agenda through AHRQ and other government agencies.

"(3) CONDUCT OF STUDY.—

"(A) EXPERT COMMITTEE.—In conducting the study, the IOM shall convene a committee of leading experts and key stakeholders in pharmaceutical management and drug safety, including clinicians, health services researchers, pharmacists, system administrators, payer representatives, and others.

"(B) COMPLETION.—The study shall be completed within an 18-month period.

"(4) REPORT.—A report on the study shall be submitted to Congress upon the completion of the study.

"(5) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section such sums as may be necessary."

HEALTH CARE THAT WORKS FOR ALL AMERICANS: CITIZENS HEALTH CARE WORKING GROUP

Pub. L. 108–173, title X, § 1014, Dec. 8, 2003, 117 Stat. 2441, directed the Secretary of Health and Human Services to establish the Citizens’ Health Care Working Group, composed of the Secretary and 14 other members, which was to hold hearings to examine various public and private health care coverage issues, make final recommendations to the President and Congress, and terminate 2 years after the members were chosen (Feb. 28, 2005) and appropriations were first made available.

EXECUTIVE ORDER NO. 13017


§ 299a. General authorities

(a) In general

In carrying out section 299(b) of this title, the Director shall conduct and support research, evaluations, and training, support demonstration projects, research networks, and multidisci-
plitary centers, provide technical assistance, and disseminate information on health care and on systems for the delivery of such care, including activities with respect to—

(1) the quality, effectiveness, efficiency, appropriateness and value of health care services;
(2) quality measurement and improvement;
(3) the outcomes, cost, cost-effectiveness, and use of health care services and access to such services;
(4) clinical practice, including primary care and practice-oriented research;
(5) health care technologies, facilities, and equipment;
(6) health care costs, productivity, organization, and market forces;
(7) health promotion and disease prevention, including clinical preventive services;
(8) health statistics, surveys, database development, and epidemiology; and
(9) medical liability.

(b) Medical services training grants

(1) In general

The Director may provide training grants in the field of health services research related to activities authorized under subsection (a), to include pre- and post-doctoral fellowships and training programs, young investigator awards, and other programs and activities as appropriate. In carrying out this subsection, the Director shall make use of funds made available under section 288(d)(3)1 of this title as well as other appropriated funds.

(2) Requirements

In developing priorities for the allocation of training funds under this subsection, the Director shall take into consideration shortages in the number of trained researchers who are addressing health care issues for the priority populations identified in section 299(c)(1)(B) of this title and in addition, shall take into consideration indications of long-term commitment, amongst applicants for training funds, to addressing health care needs of the priority populations.

(c) Multidisciplinary centers

The Director may provide financial assistance to assist in meeting the costs of planning and establishing new centers, and operating existing and new centers, for multidisciplinary health services research, demonstration projects, evaluations, training, and policy analysis with respect to the matters referred to in subsection (a).

(d) Relation to certain authorities regarding social security

Activities authorized in this section shall be appropriately coordinated with experiments, demonstration projects, and other related activities authorized by the Social Security Act [42 U.S.C. 301 et seq.] and the Social Security Amendments of 1967. Activities under subsection (a)(2) of this section that affect the programs under titles XVIII, XIX and XXI of the Social Security Act [42 U.S.C. 1395 et seq., 1396 et seq., 1397aa et seq.] shall be carried out consistent with section 1142 of such Act [42 U.S.C. 1320b–12].

(e) Disclaimer

The Agency shall not mandate national standards of clinical practice or quality health care standards. Recommendations resulting from projects funded and published by the Agency shall include a corresponding disclaimer.

(f) Rule of construction

Nothing in this section shall be construed to imply that the Agency’s role is to mandate a national standard or specific approach to quality measurement and reporting. In research and quality improvement activities, the Agency shall consider a wide range of choices, providers, health care delivery systems, and individual preferences.


REFERENCES IN TEXT


The Social Security Act, referred to in subsec. (d), is act Aug. 14, 1935, ch. 531, 49 Stat. 620, which is classified generally to chapter 7 (§301 et seq.) of this title. Titles XVIII, XIX, and XXI of the Act are classified generally to subchapters XVIII (§1395 et seq.), XIX (§1396 et seq.), and XXI (§1397aa et seq.), respectively, of chapter 7 of this title. For complete classification of this Act to the Code, see section 1305 of this title and Tables.


PRIOR PROVISIONS


A prior section 902 of act July 1, 1944, was classified to section 299b of this title prior to repeal by Pub. L. 99–117.

AMENDMENTS

2000—Subsec. (g). Pub. L. 106–525 struck out heading and text of subsec. (g). Text read as follows: “Beginning with fiscal year 2003, the Director shall annually submit to the Congress a report regarding prevailing disparities in health care delivery as it relates to racial factors and socioeconomic factors in priority populations.”

1 See References in Text note below.
REDDUCING ADMINISTRATIVE HEALTH CARE COSTS

DEMONSTRATION GRANTS FOR THE DEVELOPMENT, IMPLEMENTATION, AND EVALUATION OF ALTERNATIVES TO THE CURRENT MEDICAL LIABILITY SYSTEM
Memorandum of President of the United States, Sept. 17, 2009, 74 F.R. 66133, provided:
Memorandum for the Secretary of Health And Human Services
As part of my Administration’s ongoing effort to reform our health care system, we have reached out to members of both political parties and listened to the concerns many have raised about the need to improve patient safety and to reform our medical liability system. Between 44,000 and 98,000 patients die each year from medical errors. Many physicians continue to struggle to pay their medical malpractice premiums, which vary tremendously by specialty and by State. The cost of insurance continues to be one of the highest practice expenses for some specialties. And although malpractice premiums do not account for a large percentage of total medical costs, many physicians report that fear of lawsuits leads them to practice defensive medicine, which may contribute to higher costs.

We should explore medical liability reform as one way to improve the quality of care and patient-safety practices and to reduce defensive medicine. But whatever steps we pursue, medical liability reform must be just one part of broader health insurance reform—reform that offers more security and stability to Americans who have insurance, offers insurance to Americans who lack coverage, and slows the growth of health care costs for families, businesses, and government.

In recent years, there have been calls from organizations like The Joint Commission and the Institute of Medicine to begin funding demonstration projects that can test a variety of medical liability models and determine which reforms work. These groups and others have identified several important goals and core commitments of malpractice reform that should serve as a starting point for such projects. We must put patient safety first and work to reduce preventable injuries. We must foster better communication between doctors and their patients. We must ensure that patients are compensated in a fair and timely manner for medical injuries, while also reducing the incidence of frivolous lawsuits. And we must work to reduce liability premiums.

In 1999, the Congress authorized the Agency for Healthcare Research and Quality, which is located within the Department of Health and Human Services, to support demonstration projects and to evaluate the effectiveness of projects regarding all aspects of health care, including medical liability. I hereby request that you announce, within 30 days of this memorandum, that the Department will make available demonstration grants to States, localities, and health systems for the development, implementation, and evaluation of alternatives to our current medical liability system, consistent with the goals and core commitments outlined above.

This memorandum is not intended to, and does not, create any right or benefit, substantive or procedural, enforceable at law or in equity by any party against the United States, its departments, agencies, or entities, its officers, employees, or agents, or any other person.

You are authorized and directed to publish this memorandum in the Federal Register.

BARACK OBAMA.

§ 299a–1. Research on health disparities
(a) In general
The Director shall—
(1) conduct and support research to identify populations for which there is a significant disparity in the quality, outcomes, cost, or use of health care services or access to and satisfaction with such services, as compared to the general population; 
(2) conduct and support research on the causes of and barriers to reducing the health disparities identified in paragraph (1), taking into account such factors as socioeconomic status, attitudes toward health, the language spoken, the extent of formal education, the area or community in which the population resides, and other factors the Director determines to be appropriate; 
(3) conduct and support research and support demonstration projects to identify, test, and evaluate strategies for reducing or eliminating health disparities, including development or identification of effective service delivery models, and disseminate effective strategies and models;  
(4) develop measures and tools for the assessment and improvement of the outcomes, quality, and appropriateness of health care services provided to health disparity populations; 
(5) in carrying out section 299a(c) of this title, provide support to increase the number of researchers who are members of health disparity populations, and the health services research capacity of institutions that train such researchers; and 

(b) Research and demonstration projects
(1) In general
In carrying out subsection (a), the Director shall conduct and support research and support demonstrations to— 
(A) identify the clinical, cultural, socioeconomic, geographic, and organizational factors that contribute to health disparities, including minority health disparity populations, which research shall include behavioral research, such as examination of patterns of clinical decisionmaking, and research on access, outreach, and the availability of related support services (such as cultural and linguistic services); 
(B) identify and evaluate clinical and organizational strategies to improve the quality, outcomes, and access to care for health dis-
parity populations, including minority health disparity populations;
(C) test such strategies and widely disseminate those strategies for which there is scientific evidence of effectiveness; and
(D) determine the most effective approaches for disseminating research findings to health disparity populations, including minority populations.

(2) Use of certain strategies

In carrying out this section, the Director shall implement research strategies and mechanisms that will enhance the involvement of individuals who are members of minority health disparity populations or other health disparity populations, health services researchers who are such individuals, institutions that train such individuals as researchers, members of minority health disparity populations or other health disparity populations for whom the Agency is attempting to improve the quality and outcomes of care, and representatives of appropriate tribal or other community-based organizations with respect to health disparity populations. Such research strategies and mechanisms may include the use of—
(A) centers of excellence that can demonstrate, either individually or through consortia, a combination of multi-disciplinary expertise in outcomes or quality improvement research, linkages to relevant sites of care, and a demonstrated capacity to involve members and communities of health disparity populations, including minority health disparity populations, in the planning, conduct, dissemination, and translation of research;
(B) provider-based research networks, including health plans, facilities, or delivery system sites of care (especially primary care), that make extensive use of health care providers who are members of health disparity populations or who serve patients in such populations and have the capacity to evaluate and promote quality improvement;
(C) service delivery models (such as health centers under section 254b of this title and the Indian Health Service) to reduce health disparities; and
(D) innovative mechanisms or strategies that will facilitate the translation of past research investments into clinical practices that can reasonably be expected to benefit these populations.

(c) Quality measurement development

(1) In general

To ensure that health disparity populations, including minority health disparity populations, benefit from the progress made in the ability of individuals to measure the quality of health care delivery, the Director shall support the development of quality of health care measures that assess the experience of such populations with health care systems, such as measures that assess the access of such populations to health care, the cultural competence of the care provided, the quality of the care provided, the outcomes of care, or other aspects of health care practice that the Director determines to be important.

(2) Examination of certain practices

The Director shall examine the practices of providers that have a record of reducing health disparities or have experience in providing culturally competent health services to minority health disparity populations or other health disparity populations. In examining such practices of providers funded under the authorities of this chapter, the Director shall consult with the heads of the relevant agencies of the Public Health Service.

(3) Report

Not later than 36 months after November 22, 2000, the Secretary, acting through the Director, shall prepare and submit to the appropriate committees of Congress a report describing the state-of-the-art of quality measurement for minority and other health disparity populations that will identify critical unmet needs, the current activities of the Department to address those needs, and a description of related activities in the private sector.

(d) Definition

For purposes of this section:
(1) The term “health disparity population” has the meaning given such term in section 285l of this title, except that in addition to the meaning so given, the Director may determine that such term includes populations for which there is a significant disparity in the quality, outcomes, cost, or use of health care services or access to or satisfaction with such services as compared to the general population.
(2) The term “minority”, with respect to populations, refers to racial and ethnic minority groups as defined in section 300u-6 of this title.


PRIOR PROVISIONS


A prior section 903 of act July 1, 1944, was classified to section 299c of this title prior to repeal by Pub. L. 99–117.

Prior sections 299a–2 and 299a–3 were omitted in the general amendment of this subchapter by Pub. L. 106–129.


Section 299a–3, as added Pub. L. 101–115, title IV, §406, Nov. 21, 1997, 111 Stat. 2971, established demonstration program regarding centers for education and research on therapeutics. See section 299b–1(b) of this title.
§ 299b. Health care outcome improvement research

(a) Evidence rating systems

In collaboration with experts from the public and private sector, the Agency shall identify and disseminate methods or systems to assess health care research results, particularly methods or systems to rate the strength of the scientific evidence underlying health care practice, recommendations in the research literature, and technology assessments. The Agency shall make methods or systems for evidence rating widely available. Agency publications containing health care recommendations shall indicate the level of substantiating evidence using such methods or systems.

(b) Health care improvement research centers and provider-based research networks

(1) In general

In order to address the full continuum of care and outcomes research, to link research to practice improvement, and to speed the dissemination of research findings to community practice settings, the Agency shall employ research strategies and mechanisms that will link research directly with clinical practice in geographically diverse locations throughout the United States, including—

(A) health care improvement research centers that combine demonstrated multidisciplinary expertise in outcomes or quality improvement research with linkages to relevant sites of care;

(B) provider-based research networks, including plan, facility, or delivery system sites of care (especially primary care), that can evaluate outcomes and evaluate and promote quality improvement; and

(C) other innovative mechanisms or strategies to link research with clinical practice.

(2) Requirements

The Director is authorized to establish the requirements for entities applying for grants under this subsection.

(july 1, 1944, ch. 373, title IX, § 911, as added Pub. L. 106–129, § 2(a), Dec. 6, 1999, 113 Stat. 1656.)
§ 299b–2. Information on quality and cost of care

(a) In general

The Director shall—

(1) conduct a survey to collect data on a nationally representative sample of the population on the cost, use, and, for fiscal year 2001 and subsequent fiscal years, quality of health care, including the types of health care services Americans use, their access to health care services, frequency of use, how much is paid for the services used, the source of those payments, the types and costs of private health insurance, access, satisfaction, and quality of care for the general population including rural residents and also for populations identified in section 299(c) of this title; and

(2) develop databases and tools that provide information to States on the quality, access, and use of health care services provided to their residents.

(b) Quality and outcomes information

(1) In general

Beginning in fiscal year 2001, the Director shall ensure that the survey conducted under subsection (a)(1) will—

(A) identify determinants of health outcomes and functional status, including the health care needs of populations identified in section 299(c) of this title, provide data to study the relationships between health care quality, outcomes, access, use, and cost, measure changes over time, and monitor the overall national impact of Federal and State policy changes on health care;

(B) provide information on the quality of care and patient outcomes for frequently occurring clinical conditions for a nationally representative sample of the population including rural residents; and

(C) provide reliable national estimates for children and persons with special health care needs through the use of supplements or periodic expansions of the survey.

In expanding the Medical Expenditure Panel Survey, as in existence on December 6, 1999, in fiscal year 2001 to collect information on the quality of care, the Director shall take into account any outcomes measurements generally collected by private sector accreditation organizations.

(2) Annual report

Beginning in fiscal year 2003, the Secretary, acting through the Director, shall submit to Congress an annual report on national trends in the quality of health care provided to the American people.

(3) Survey

Prior to the general amendment of this subchapter by Pub. L. 106–129, subsection (a)(1) was applied in accordance with part C, as added Pub. L. 106–129, subsec. (b), (c), Dec. 6, 1999, 113 Stat. 1658.

Prior to the general amendment of this subchapter by Pub. L. 106–129, subsection (a)(1) was applied to subsec. (a)(1), (b)(1), (c), (d), Dec. 6, 1999, 113 Stat. 1658, to reflect the probable intent of Congress.

Prior to the general amendment of this subchapter by Pub. L. 106–129, subsection (a)(1) was applied to subsec. (a)(1), (b)(1), (c), (d), Dec. 6, 1999, 113 Stat. 1658, to reflect the probable intent of Congress.
§ 299b–4. Research supporting primary care and access in underserved areas

(1) the use of information systems for the study of health care quality and outcomes, including the generation of both individual provider and plan-level comparative performance data;

(2) training for health care practitioners and researchers in the use of information systems;

(3) the creation of effective linkages between various sources of health information, including the development of information networks;

(4) the delivery and coordination of evidence-based health care services, including the use of real-time health care decision-support programs;

(5) the utility and comparability of health information data and medical vocabularies by addressing issues related to the content, structure, definitions and coding of such information and data in consultation with appropriate Federal, State and private entities;

(6) the use of computer-based health records in all settings for the development of personal health records for individual health assessment and maintenance, and for monitoring public health and outcomes of care within populations; and

(7) the protection of individually identifiable information in health services research and health care quality improvement.

(b) Demonstration

The Agency shall support demonstrations into the use of new information tools aimed at improving shared decision-making between patients and their care-givers.

(c) Facilitating public access to information

The Director shall work with appropriate public and private sector entities to facilitate public access to information regarding the quality of and consumer satisfaction with health care.

(July 1, 1944, ch. 373, title IX, §914, as added Pub. L. 106–129, §2(a), Dec. 6, 1999, 113 Stat. 1658.)

Prior Provisions


§ 299b–4. Research supporting primary care and access in underserved areas

(a) Preventive Services Task Force

(1) Establishment and purpose

The Director shall convene an independent Preventive Services Task Force (referred to in this subsection as the “Task Force”) to be composed of individuals with appropriate expertise. Such Task Force shall review the scientific evidence related to the effectiveness, appropriateness, and cost-effectiveness of clinical preventive services for the purpose of developing recommendations for the health care community, and updating previous clinical preventive recommendations, to be published in the Guide to Clinical Preventive Services (referred to in this section as the “Guide”), for individuals and organizations delivering clinical services, including primary care professionals, health care systems, professional societies, employers, community organizations, non-profit organizations, Congress and other policy-makers, governmental public health agencies, health care quality organizations, and organizations developing national health objectives. Such recommendations shall consider clinical preventive best practice recommendations from the Agency for Healthcare Research and Quality, the National Institutes of Health, the Centers for Disease Control and Prevention, the Institute of Medicine, specialty medical associations, patient groups, and scientific societies.

(2) Duties

The duties of the Task Force shall include—

(A) the development of additional topic areas for new recommendations and interventions related to those topic areas, including those related to specific sub-populations and age groups;

(B) at least once during every 5-year period, review 1 interventions and update 2 recommendations related to existing topic areas, including new or improved techniques to assess the health effects of interventions;

(C) improved integration with Federal Government health objectives and related target setting for health improvement;

(D) the enhanced dissemination of recommendations;

(E) the provision of technical assistance to those health care professionals, agencies and organizations that request help in implementing the Guide’s recommendations; and

(F) the submission of yearly reports to Congress and related agencies identifying gaps in research, such as preventive services that receive an insufficient evidence statement, and recommending priority areas that deserve further examination, including areas related to populations and age groups not adequately addressed by current recommendations.

(3) Role of Agency

The Agency shall provide ongoing administrative, research, and technical support for the operations of the Task Force, including coordinating and supporting the dissemination of the recommendations of the Task Force, ensuring adequate staff resources, and assistance to those organizations requesting it for implementation of the Guide’s recommendations.

(4) Coordination with Community Preventive Services Task Force

The Task Force shall take appropriate steps to coordinate its work with the Community Preventive Services Task Force and the Advisory Committee on Immunization Practices, including the examination of how each task force’s recommendations interact at the nexus of clinic and community.

1 So in original. Probably should be “review of”.
2 So in original. Probably should be “updating of”.
3 So in original. Probably should be “Guide’s”.
§ 299b–4a. Studies on preventive interventions in primary care for older Americans

(a) Studies

The Secretary of Health and Human Services, acting through the United States Preventive Services Task Force, shall conduct a series of studies designed to identify preventive interventions that can be delivered in the primary care setting and that are most valuable to older Americans.

(b) Mission statement

The mission statement of the United States Preventive Services Task Force is amended to include the evaluation of services that are of particular relevance to older Americans.

(c) Report

Not later than 1 year after December 21, 2000, and annually thereafter, the Secretary of Health and Human Services shall submit to Congress a report on the conclusions of the studies conducted under subsection (a), together with recommendations for such legislation and administrative actions as the Secretary considers appropriate.


Codification

Section was enacted as part of the Medicare, Medicaid, and SCHIP Benefits Improvement and Protection Act of 2000, and also as part of the Consolidated Appropriations Act, 2001, and not as part of the Public Health Service Act which comprises this chapter.

§ 299b–5. Health care practice and technology innovation

(a) In general

The Director shall promote innovation in evidence-based health care practices and technologies by—

(1) conducting and supporting research on the development, diffusion, and use of health care technology;
(2) developing, evaluating, and disseminating methodologies for assessments of health care practices and technologies;
(3) conducting intramural and supporting extramural assessments of existing and new health care practices and technologies;
(4) promoting education and training and providing technical assistance in the use of health care practice and technology assessment methodologies and results; and
(5) working with the National Library of Medicine and the public and private sector to develop an electronic clearinghouse of currently available assessments and those in progress.

(b) Specification of process

(1) In general

Not later than December 31, 2000, the Director shall develop and publish a description of the methods used by the Agency and its contractors for health care practice and technology assessment.

(2) Consultations

In carrying out this subsection, the Director shall cooperate and consult with the Assistant Secretary for Health, the Administrator of the Centers for Medicare & Medicaid Services, the Director of the National Institutes of Health, the Commissioner of Food and Drugs, and the heads of any other interested Federal department or agency, and shall seek input, where
appropriate, from professional societies and other private and public entities.

(3) Methodology

The Director shall, in developing the methods used under paragraph (1), consider—
(A) safety, efficacy, and effectiveness;
(B) legal, social, and ethical implications;
(C) costs, benefits, and cost-effectiveness;
(D) comparisons to alternate health care practices and technologies; and
(E) requirements of Food and Drug Administration approval to avoid duplication.

(c) Specific assessments

(1) In general

The Director shall conduct or support specific assessments of health care technologies and practices.

(2) Requests for assessments

The Director is authorized to conduct or support assessments, on a reimbursable basis, for the Centers for Medicare & Medicaid Services, the Department of Defense, the Department of Veterans Affairs, the Office of Personnel Management, and other public or private entities.

(3) Grants and contracts

In addition to conducting assessments, the Director may make grants to, or enter into cooperative agreements or contracts with, entities described in paragraph (4) for the purpose of conducting assessments of experimental, emerging, existing, or potentially outmoded health care technologies, and for related activities.

(4) Eligible entities

An entity described in this paragraph is an entity that is determined to be appropriate by the Director, including academic medical centers, research institutions and organizations, professional organizations, third party payers, governmental agencies, minority institutions of higher education (such as Historically Black Colleges and Universities, and Hispanic institutions), and consortia of appropriate research entities established for the purpose of conducting technology assessments.

(d) Medical examination of certain victims

(1) In general

The Director shall develop and disseminate a report on evidence-based clinical practices for—
(A) the examination and treatment by health professionals of individuals who are victims of sexual assault (including child molestation) or attempted sexual assault; and
(B) the training of health professionals, in consultation with the Health Resources and Services Administration, on performing medical evidentiary examinations of individuals who are victims of child abuse or neglect, sexual assault, elder abuse, or domestic violence.

(2) Certain considerations

In identifying the issues to be addressed by the report, the Director shall, to the extent practicable, take into consideration the expertise and experience of Federal and State law enforcement officials regarding the victims referred to in paragraph (1), and of other appropriate public and private entities (including medical societies, victim services organizations, sexual assault prevention organizations, and social services organizations).

(2) Methodology

The Director shall, in developing the methods used under paragraph (1), consider—
(A) safety, efficacy, and effectiveness;
(B) legal, social, and ethical implications;
(C) costs, benefits, and cost-effectiveness;
(D) comparisons to alternate health care practices and technologies; and
(E) requirements of Food and Drug Administration approval to avoid duplication.

Amendments


§ 299b–6. Coordination of Federal Government quality improvement efforts

(a) Requirement

(1) In general

To avoid duplication and ensure that Federal resources are used efficiently and effectively, the Secretary, acting through the Director, shall coordinate all research, evaluations, and demonstrations related to health services research, quality measurement and quality improvement activities undertaken and supported by the Federal Government.

(2) Specific activities

The Director, in collaboration with the appropriate Federal officials representing all concerned executive agencies and departments, shall develop and manage a process to—
(A) improve interagency coordination, priority setting, and the use and sharing of research findings and data pertaining to Federal quality improvement programs, technology assessment, and health services research;
(B) strengthen the research information infrastructure, including databases, pertaining to Federal health services research and health care quality improvement initiatives;
(C) set specific goals for participating agencies and departments to further health services research and health care quality improvement; and
(D) strengthen the management of Federal health care quality improvement programs.

(b) Study by the Institute of Medicine

(1) In general

To provide Congress, the Department of Health and Human Services, and other relevant departments with an independent, external review of their quality oversight, quality improvement and quality research programs, the Secretary shall enter into a contract with the Institute of Medicine—
(A) to describe and evaluate current quality improvement, quality research and quality monitoring processes through—
(i) an overview of pertinent health services research activities and quality improvement efforts conducted by all Federal programs, with particular attention paid
to those under titles XVIII, XIX, and XXI of the Social Security Act [42 U.S.C. 1395 et seq., 1396 et seq., 1397aa et seq.]; and
(ii) a summary of the partnerships that the Department of Health and Human Services has pursued with private accreditation, quality measurement and improvement organizations; and

(B) to identify options and make recommendations to improve the efficiency and effectiveness of quality improvement programs through—
(i) the improved coordination of activities across the medicare, medicaid and child health insurance programs under titles XVIII, XIX and XXI of the Social Security Act and health services research programs;
(ii) the strengthening of patient choice and participation by incorporating state-of-the-art quality monitoring tools and making information on quality available; and
(iii) the enhancement of the most effective programs, consolidation as appropriate, and elimination of duplicative activities within various Federal agencies.

(2) Requirements

(A) In general

The Secretary shall enter into a contract with the Institute of Medicine for the preparation—
(i) not later than 12 months after December 6, 1999, of a report providing an overview of the quality improvement programs of the Department of Health and Human Services for the medicare, medicaid, and CHIP programs under titles XVIII, XIX, and XXI of the Social Security Act; and
(ii) not later than 24 months after December 6, 1999, of a final report containing recommendations.

(B) Reports

The Secretary shall submit the reports described in subparagraph (A) to the Committee on Finance of the Senate and the Committee on Ways and Means and the Committee on Commerce of the House of Representatives.

(July 1, 1944, ch. 373, title IX, §917, as added Pub. L. 106–129, §2(a), Dec. 6, 1999, 113 Stat. 1661.)

REFERENCES IN TEXT

The Social Security Act, referred to in subsec. (b), is act Aug. 14, 1935, ch. 531, 49 Stat. 620. Titles XVIII, XIX, and XXI of the Act are classified generally to subchapters XVIII (§1395 et seq.), XIX (§1396 et seq.), and XXI (§1397aa et seq.), respectively, of chapter 3 chapter 1205 of this title to the Code, see section 1305 of this title and Tables.

CODIFICATION

December 6, 1999, referred to in subsec. (b)(2)(A), was in the original “the date of the enactment of this title”, which was translated as meaning the date of enactment of Pub. L. 106–129, which amended this subchapter generally, to reflect the probable intent of Congress.

CHANGE OF NAME

Committee on Commerce of House of Representatives changed to Committee on Energy and Commerce of House of Representatives, and jurisdiction over matters relating to securities and exchanges and insurance generally transferred to Committee on Financial Services of House of Representatives by House Resolution No. 5, One Hundred Seventh Congress, Jan. 3, 2001.

§ 299b–7. Research on outcomes of health care items and services

(a) Research, demonstrations, and evaluations

(1) Improvement of effectiveness and efficiency

(A) In general

To improve the quality, effectiveness, and efficiency of health care delivered pursuant to the programs established under titles XVIII, XIX, and XXI of the Social Security Act [42 U.S.C. 1395 et seq., 1396 et seq., 1397aa et seq.], the Secretary acting through the Director of the Agency for Healthcare Research and Quality (in this section referred to as the “Director”), shall conduct and support research to meet the priorities and requests for scientific evidence and information identified by such programs with respect to—
(i) the outcomes, comparative clinical effectiveness, and appropriateness of health care items and services (including prescription drugs); and
(ii) strategies for improving the efficiency and effectiveness of such programs, including the ways in which such items and services are organized, managed, and delivered under such programs.

(B) Specification

To respond to priorities and information requests in subparagraph (A), the Secretary may conduct or support, by grant, contract, or interagency agreement, research, demonstrations, evaluations, technology assessments, or other activities, including the provision of technical assistance, scientific expertise, or methodological assistance.

(2) Priorities

(A) In general

The Secretary shall establish a process to develop priorities that will guide the research, demonstrations, and evaluation activities undertaken pursuant to this section.

(B) Initial list

Not later than 6 months after December 8, 2003, the Secretary shall establish an initial list of priorities for research related to health care items and services (including prescription drugs).

(C) Process

In carrying out subparagraph (A), the Secretary—
(i) shall ensure that there is broad and ongoing consultation with relevant stakeholders in identifying the highest priorities for research, demonstrations, and evaluations to support and improve the programs established under titles XVIII, XIX, and XXI of the Social Security Act [42 U.S.C. 1395 et seq., 1396 et seq., 1397aa et seq.];

1So in original. Probably should be followed by a comma.
(ii) may include health care items and services which impose a high cost on such programs, as well as those which may be underutilized or overutilized and which may significantly improve the prevention, treatment, or cure of diseases and conditions (including chronic conditions) which impose high direct or indirect costs on patients or society; and

(iii) shall ensure that the research and activities undertaken pursuant to this section are responsive to the specified priorities and are conducted in a timely manner.

(3) Evaluation and synthesis of scientific evidence

(A) In general

The Secretary shall—

(i) evaluate and synthesize available scientific evidence related to health care items and services (including prescription drugs) identified as priorities in accordance with paragraph (2) with respect to the comparative clinical effectiveness, outcomes, appropriateness, and provision of such items and services (including prescription drugs);

(ii) identify issues for which existing scientific evidence is insufficient with respect to such health care items and services (including prescription drugs);

(iii) disseminate to prescription drug plans and MA–PD plans under part D of title XVIII of the Social Security Act [42 U.S.C. 1395w–101 et seq.], other health plans, and the public the findings made under clauses (i) and (ii); and

(iv) work in voluntary collaboration with public and private sector entities to facilitate the development of new scientific knowledge regarding health care items and services (including prescription drugs).

(B) Initial research

The Secretary shall complete the evaluation and synthesis of the initial research required by the priority list developed under paragraph (2)(B) not later than 18 months after the development of such list.

(C) Dissemination

(i) In general

To enhance patient safety and the quality of health care, the Secretary shall make available and disseminate in appropriate formats to prescription drugs plans under part D, and MA–PD plans under part C, of title XVIII of the Social Security Act [42 U.S.C. 1395w–101 et seq., 1395w–21 et seq.], other health plans, and the public the evaluations and syntheses prepared pursuant to subparagraph (A) and the findings of research conducted pursuant to paragraph (1). In carrying out this clause the Secretary, in order to facilitate the availability of such evaluations and syntheses or findings at every decision point in the health care system, shall—

(I) present such evaluations and syntheses or findings in a form that is easily understood by the individuals receiving health care items and services (including prescription drugs) under such plans and periodically assess that the requirements of this subclause have been met; and

(II) provide such evaluations and syntheses or findings and other relevant information through easily accessible and searchable electronic mechanisms, and in hard copy formats as appropriate.

(ii) Rule of construction

Nothing in this section shall be construed as—

(I) affecting the authority of the Secretary or the Commissioner of Food and Drugs under the Federal Food, Drug, and Cosmetic Act [21 U.S.C. 301 et seq.] or the Public Health Service Act [42 U.S.C. 201 et seq.]; or

(II) conferring any authority referred to in subclause (I) to the Director.

(D) Accountability

In carrying out this paragraph, the Secretary shall implement activities in a manner that—

(i) makes publicly available all scientific evidence relied upon and the methodologies employed, provided such evidence and method are not protected from public disclosure by section 1905 of title 18 or other applicable law so that the results of the research, analyses, or syntheses can be evaluated or replicated; and

(ii) ensures that any information needs and unresolved issues identified in subparagraph (A)(ii) are taken into account in priority-setting for future research conducted by the Secretary.

(4) Confidentiality

(A) In general

In making use of administrative, clinical, and program data and information developed or collected with respect to the programs established under titles XVIII, XIX, and XXI of the Social Security Act [42 U.S.C. 1395 et seq., 1396 et seq., 1397aa et seq.], for purposes of carrying out the requirements of this section or the activities authorized under title IX of the Public Health Service Act [42 U.S.C. 299 et seq.], such data and information shall be protected in accordance with the confidentiality requirements of title IX of the Public Health Service Act.

(B) Rule of construction

Nothing in this section shall be construed to require or permit the disclosure of data provided to the Secretary that is otherwise protected from disclosure under the Federal Food, Drug, and Cosmetic Act [21 U.S.C. 301 et seq.], section 1905 of title 18, or other applicable law.

(5) Evaluations

The Secretary shall conduct and support evaluations of the activities carried out under this section to determine the extent to which such activities have had an effect on outcomes.
and utilization of health care items and services.

(6) Improving information available to health care providers, patients, and policymakers

Not later than 18 months after December 8, 2003, the Secretary shall identify options that could be undertaken in voluntary collaboration with private and public entities (as appropriate) for the—

(A) provision of more timely information through the programs established under titles XVIII, XIX, and XXI of the Social Security Act [42 U.S.C. 1395 et seq., 1396 et seq., 1397aa et seq.], regarding the outcomes and quality of patient care, including clinical and patient-reported outcomes, especially with respect to interventions and conditions for which clinical trials would not be feasible or raise ethical concerns that are difficult to address;

(B) acceleration of the adoption of innovation and quality improvement under such programs; and

(C) development of management tools for the programs established under titles XIX and XXI of the Social Security Act [42 U.S.C. 1396 et seq., 1397aa et seq.], and with respect to the programs established under such titles, assess the feasibility of using administrative or claims data to—

(i) improve oversight by State officials;

(ii) support Federal and State initiatives to improve the quality, safety, and efficiency of services provided under such programs; and

(iii) provide a basis for estimating the fiscal and coverage impact of Federal or State program and policy changes.

(b) Recommendations

(1) Disclaimer

In carrying out this section, the Director shall—

(A) not mandate national standards of clinical practice or quality health care standards; and

(B) include in any recommendations resulting from projects funded and published by the Director, a corresponding reference to the prohibition described in subparagraph (A).

(2) Requirement for implementation

Research, evaluation, and communication activities performed pursuant to this section shall reflect the principle that clinicians and patients should have the best available evidence upon which to make choices in health care items and services, in providers, and in health care delivery systems, recognizing that patient subpopulations and patient and physician preferences may vary.

(3) Rule of construction

Nothing in this section shall be construed to provide the Director with authority to mandate a national standard or require a specific approach to quality measurement and reporting.

(c) Research with respect to dissemination

The Secretary, acting through the Director, may conduct or support research with respect to improving methods of disseminating information in accordance with subsection (a)(3)(C).

(d) Limitation on CMS

The Administrator of the Centers for Medicare & Medicaid Services may not use data obtained in accordance with this section to withhold coverage of a prescription drug.

(e) Authorization of appropriations

There is authorized to be appropriated to carry out this section, $50,000,000 for fiscal year 2004, and such sums as may be necessary for each fiscal year thereafter.


REFERENCES IN TEXT

The Social Security Act, referred to in subsec. (a)(1)(A), (2)(C)(i), (3)(A)(iii), (C)(i), (4)(A), (6)(A), (C), is act Aug. 14, 1935, ch. 531, 49 Stat. 620, as amended. Titles XVIII, XIX, and XXI of the Act are classified generally to subchapters XVIII ($1395 et seq.), XIX ($1396 et seq.), and XXI ($1397aa et seq.), respectively, of chapter 7 of this title. Parts C and D of title XVIII of the Act are classified generally to parts C ($1395w–21 et seq.) and D ($1395w–101 et seq.), respectively, of subchapter XVIII of chapter 7 of this title. For complete classification of this Act to the Code, see section 1305 of this title and Tables.

The Federal Food, Drug, and Cosmetic Act, referred to in subsec. (a)(3)(C)(i)(I), (4)(B), is act June 25, 1938, ch. 609, 52 Stat. 1046, as amended, which is classified generally to chapter 9 (§301 et seq.) of Title 21, Food and Drugs. For complete classification of this Act to the Code, see section 301 of Title 21 and Tables.

The Public Health Service Act, referred to in subsec. (a)(3)(C)(ii)(I), (4)(A), is act July 1, 1944, ch. 373, 58 Stat. 682, as amended, which is classified generally to this chapter. Title IX of the Act is classified generally to this chapter. Title IX of the Act is classified generally to this subchapter. For complete classification of this Act to the Code, see Short Title note set out under section 201 of this title and Tables.

CODIFICATION

Section was enacted as part of the Medicare Prescription Drug, Improvement, and Modernization Act of 2003, and not as part of the Public Health Service Act which comprises this chapter.

DEFINITION OF “SECRETARY”

“Secretary” as meaning the Secretary of Health and Human Services, see section 1(c)(2) of Pub. L. 108–173, set out as a note under section 1301 of this title.

\section*{COMMANDER OF THE CONGRESS OF THE UNITED STATES OF AMERICA}

(2) Identifiable patient safety work product

The term “identifiable patient safety work product” means patient safety work product that—

(A) is presented in a form and manner that allows the identification of any provider that is a subject of the work product, or any providers that participate in activities that are a subject of the work product;

(B) constitutes individually identifiable health information as that term is defined in the HIPAA confidentiality regulations; or

(C) is presented in a form and manner that allows the identification of an individual who reported information in the manner specified in section 299b–22(e) of this title.

(3) Nonidentifiable patient safety work product

The term “nonidentifiable patient safety work product” means patient safety work product that is not identifiable patient safety work product (as defined in paragraph (2)).

(4) Patient safety organization

The term “patient safety organization” means a private or public entity or component thereof that is listed by the Secretary pursuant to section 299b–24(d) of this title.

(5) Patient safety activities

The term “patient safety activities” means the following activities:

(A) Efforts to improve patient safety and the quality of health care delivery.

(B) The collection and analysis of patient safety work product.

(C) The development and dissemination of information with respect to improving patient safety, such as recommendations, protocols, or information regarding best practices.

(D) The utilization of patient safety work product for the purposes of encouraging a culture of safety and of providing feedback and assistance to effectively minimize patient risk.

(E) The maintenance of procedures to preserve confidentiality with respect to patient safety work product.

(F) The provision of appropriate security measures with respect to patient safety work product.

(G) The utilization of qualified staff.

(H) Activities related to the operation of a patient safety evaluation system and to the provision of feedback to participants in a patient safety evaluation system.

(6) Patient safety evaluation system

The term “patient safety evaluation system” means the collection, management, or analysis of information for reporting to or by a patient safety organization.

(7) Patient safety work product

(A) In general

Except as provided in subparagraph (B), the term “patient safety work product” means any data, reports, records, memo-

randa, analyses (such as root cause analyses), or written or oral statements—

(i) which—

(I) are assembled or developed by a provider for reporting to a patient safety organization and are reported to a patient safety organization; or

(II) are developed by a patient safety organization for the conduct of patient safety activities;

and which could result in improved patient safety, health care quality, or health care outcomes; or

(ii) which identify or constitute the deliberations or analysis of, or identify the fact of reporting pursuant to, a patient safety evaluation system.

(B) Clarification

(i) Information described in subparagraph (A) does not include a patient’s medical record, billing and discharge information, or any other original patient or provider record.

(ii) Information described in subparagraph (A) does not include information that is collected, maintained, or developed separately, or exists separately, from a patient safety evaluation system. Such separate information or a copy thereof reported to a patient safety organization shall not by reason of its reporting be considered patient safety work product.

(iii) Nothing in this part shall be construed to limit—

(I) the discovery of or admissibility of information described in this subparagraph in a criminal, civil, or administrative proceeding;

(II) the reporting of information described in this subparagraph to a Federal, State, or local governmental agency for public health surveillance, investigation, or other public health purposes or health oversight purposes; or

(III) a provider’s recordkeeping obligation with respect to information described in this subparagraph under Federal, State, or local law.

(8) Provider

The term “provider” means—

(A) an individual or entity licensed or otherwise authorized under State law to provide health care services, including—

(i) a hospital, nursing facility, comprehensive outpatient rehabilitation facility, home health agency, hospice program, renal dialysis facility, ambulatory surgical center, pharmacy, physician or health care practitioner’s office, long term care facility, behavior health residential treatment facility, clinical laboratory, or health center; or

(ii) a physician, physician assistant, nurse practitioner, clinical nurse specialist, certified registered nurse anesthetist, certified nurse midwife, psychologist, certified social worker, registered dietitian or nutrition professional, physical or occupational therapist, pharmacist, or other individual health care practitioner; or
(B) any other individual or entity specified in regulations promulgated by the Secretary.


References in Text
Section 264(c) of the Health Insurance Portability and Accountability Act of 1996, referred to in par. (1), is section 264(c) of Pub. L. 104–191, which is set out as a note under section 1320d–2 of this title.

Prior Provisions
A prior section 921 of act July 1, 1944, was renumbered section 941 and is classified to section 299c of this title. Another prior section 921 of act July 1, 1944, was classified to section 299c of this title prior to the general amendment of this subchapter by Pub. L. 106–129.

§299b–22. privilege and confidentiality protections

(a) Privilege
Notwithstanding any other provision of Federal, State, or local law, and subject to subsection (c), patient safety work product shall be privileged and shall not be—

(1) subject to a Federal, State, or local civil, criminal, or administrative subpoena or order, including in a Federal, State, or local civil or administrative disciplinary proceeding against a provider;

(2) subject to discovery in connection with a Federal, State, or local civil, criminal, or administrative proceeding, including in a Federal, State, or local civil or administrative disciplinary proceeding against a provider;

(3) subject to a Federal, State, or local governmental civil proceeding, including in a Federal, State, or local civil or administrative disciplinary proceeding against a provider;

(4) admitted as evidence in any Federal, State, or local governmental civil proceeding, criminal proceeding, administrative rule-making proceeding, or administrative adjudicatory proceeding, including any such proceeding against a provider; or

(5) admitted in a professional disciplinary proceeding of a professional disciplinary body established or specifically authorized under State law.

(b) Confidentiality of patient safety work product
Notwithstanding any other provision of Federal, State, or local law, and subject to subsection (c), patient safety work product shall be confidential and shall not be disclosed.

(c) Exceptions
Except as provided in subsection (g)(3)—

(1) Exceptions from privilege and confidentiality
Subsections (a) and (b) shall not apply to (and shall not be construed to prohibit) one or more of the following disclosures:

(A) Disclosure of relevant patient safety work product for use in a criminal proceeding, but only after a court makes an in camera determination that such patient safety work product contains evidence of a criminal act and that such patient safety work product is material to the proceeding and not reasonably available from any other source.

(B) Disclosure of patient safety work product to the extent required to carry out subsection (f)(4)(A).

(C) Disclosure of identifiable patient safety work product if authorized by each provider identified in such work product.

(2) Exceptions from confidentiality
Subsection (b) shall not apply to (and shall not be construed to prohibit) one or more of the following disclosures:

(A) Disclosure of patient safety work product to carry out patient safety activities.

(B) Disclosure of nonidentifiable patient safety work product.

(C) Disclosure of patient safety work product to grantees, contractors, or other entities carrying out research, evaluation, or demonstration projects authorized, funded, certified, or otherwise sanctioned by rule or other means by the Secretary, for the purpose of conducting research to the extent that disclosure of protected health information would be allowed for such purpose under the HIPAA confidentiality regulations.

(D) Disclosure by a provider to the Food and Drug Administration with respect to a product or activity regulated by the Food and Drug Administration.

(E) Voluntary disclosure of patient safety work product by a provider to an accrediting body that accredits that provider.

(F) Disclosures that the Secretary may determine, by rule or other means, are necessary for business operations and are consistent with the goals of this part.

(G) Disclosure of patient safety work product to law enforcement authorities relating to the commission of a crime (or to an event reasonably believed to be a crime) if the person making the disclosure believes, reasonably under the circumstances, that the patient safety work product that is disclosed is necessary for criminal law enforcement purposes.

(H) With respect to a person other than a patient safety organization, the disclosure of patient safety work product that does not include materials that—

(i) assess the quality of care of an identifiable provider; or

(ii) describe or pertain to one or more actions or failures to act by an identifiable provider.

(3) Exception from privilege
Subsection (a) shall not apply to (and shall not be construed to prohibit) voluntary disclosure of nonidentifiable patient safety work product.

(d) Continued protection of information after disclosure

(1) In general
Patient safety work product that is disclosed under subsection (c) shall continue to be privileged and confidential as provided for in subsections (a) and (b), and such disclosure shall not be treated as a waiver of privilege or
confidentiality, and the privileged and confidential nature of such work product shall also apply to such work product in the possession or control of a person to whom such work product was disclosed.

(2) Exception

Notwithstanding paragraph (1), and subject to paragraph (3)—

(A) if patient safety work product is disclosed in a criminal proceeding, the confidentiality protections provided for in subsection (b) shall no longer apply to the work product so disclosed; and

(B) if patient safety work product is disclosed as provided for in subsection (c)(2)(B) (relating to disclosure of nonidentifiable patient safety work product), the privilege and confidentiality protections provided for in subsections (a) and (b) shall no longer apply to such work product.

(3) Construction

Paragraph (2) shall not be construed as terminating or limiting the privilege or confidentiality protections provided for in subsection (a) or (b) with respect to patient safety work product other than the specific patient safety work product disclosed as provided for in subsection (c).

(4) Limitations on actions

(A) Patient safety organizations

(i) In general

A patient safety organization shall not be compelled to disclose information collected or developed under this part whether or not such information is patient safety work product unless such information is identified, is not patient safety work product, and is not reasonably available from another source.

(ii) Nonapplication

The limitation contained in clause (i) shall not apply in an action against a patient safety organization or with respect to disclosures pursuant to subsection (c)(1).

(B) Providers

An accrediting body shall not take an accrediting action against a provider based on the good faith participation of the provider in the collection, development, reporting, or maintenance of patient safety work product in accordance with this part. An accrediting body may not require a provider to reveal its communications with any patient safety organization established in accordance with this part.

(e) Reporter protection

(1) In general

A provider may not take an adverse employment action, as described in paragraph (2), against an individual based upon the fact that the individual in good faith reported information—

(A) to the provider with the intention of having the information reported to a patient safety organization; or

(B) directly to a patient safety organization.

(2) Adverse employment action

For purposes of this subsection, an "adverse employment action" includes—

(A) loss of employment, the failure to promote an individual, or the failure to provide any other employment-related benefit for which the individual would otherwise be eligible; or

(B) an adverse evaluation or decision made in relation to accreditation, certification, credentialing, or licensing of the individual.

(f) Enforcement

(1) Civil monetary penalty

Subject to paragraphs (2) and (3), a person who discloses identifiable patient safety work product in knowing or reckless violation of subsection (b) shall be subject to a civil monetary penalty of not more than $10,000 for each act constituting such violation.

(2) Procedure

The provisions of section 1320a–7a of this title, other than subsections (a) and (b) and the first sentence of subsection (c)(1), shall apply to civil money penalties under this subsection in the same manner as such provisions apply to a penalty or proceeding under section 1320a–7a of this title.

(3) Relation to HIPAA

Penalties shall not be imposed both under this part and under the regulations issued pursuant to section 264(c)(1) of the Health Insurance Portability and Accountability Act of 1996 (42 U.S.C. 1320d–2 note) for a single act or omission.

(4) Equitable relief

(A) In general

Without limiting remedies available to other parties, a civil action may be brought by any aggrieved individual to enjoin any act or practice that violates subsection (e) and to obtain other appropriate equitable relief (including reinstatement, back pay, and restoration of benefits) to redress such violation.

(B) Against State employees

An entity that is a State or an agency of a State government may not assert the privilege described in subsection (a) unless before the time of the assertion, the entity or, in the case of and with respect to an agency, the State has consented to be subject to an action described in subparagraph (A), and that consent has remained in effect.

(g) Rule of construction

Nothing in this section shall be construed—

(1) to limit the application of other Federal, State, or local laws that provide greater privilege or confidentiality protections than the privilege and confidentiality protections provided for in this section;

(2) to limit, alter, or affect the requirements of Federal, State, or local law pertaining to information that is not privileged or confidential under this section;
§ 299b–23

TITLe 42—THE PUBLIC HEALTH AND WELFARE

(3) except as provided in subsection (1), to alter or affect the implementation of any provision of the HIPAA confidentiality regulations or section 1320d–5 of this title (or regulations promulgated under such section);

(4) to limit the authority of any provider, patient safety organization, or other entity to enter into a contract requiring greater confidentiality or delegating authority to make a disclosure or use in accordance with this section;

(5) as preempting or otherwise affecting any State law requiring a provider to report information that is not patient safety work product; or

(6) to limit, alter, or affect any requirement for reporting to the Food and Drug Administration information regarding the safety of a product or activity regulated by the Food and Drug Administration.

(h) Clarification

Nothing in this part prohibits any person from conducting additional analysis for any purpose regardless of whether such additional analysis involves issues identical to or similar to those for which information was reported to or assessed by a patient safety organization or a patient safety evaluation system.

(i) Clarification of application of HIPAA confidentiality regulations to patient safety organizations

For purposes of applying the HIPAA confidentiality regulations—

(1) patient safety organizations shall be treated as business associates; and

(2) patient safety activities of such organizations in relation to a provider are deemed to be health care operations (as defined in such regulations) of the provider.

(j) Reports on strategies to improve patient safety

(1) Draft report

Not later than the date that is 18 months after any network of patient safety databases is operational, the Secretary, in consultation with the Director, shall prepare a draft report on effective strategies for reducing medical errors and increasing patient safety. The draft report shall include any measure determined appropriate by the Secretary to encourage the appropriate use of such strategies, including use in any federally funded programs. The Secretary shall make the draft report available for public comment and submit the draft report to the Institute of Medicine for review.

(2) Final report

Not later than 1 year after the date described in paragraph (1), the Secretary shall submit a final report to the Congress.

(july 1, 1944, ch. 373, title ix, § 923, as added Pub. L. 109–41, § 2(a)(5), July 29, 2005, 119 Stat. 431.)

REFERENCES IN TEXT


Prior provisions

A prior section 922 of act July 1, 1944, was renumbered section 942 and is classified to section 299c–1 of this title.

Another prior section 922 of act July 1, 1944, was classified to section 299c–1 of this title prior to the general amendment of this subchapter by Pub. L. 106–129.

§ 299b–23. Network of patient safety databases

(a) In general

The Secretary shall facilitate the creation of, and maintain, a network of patient safety databases that provides an interactive evidence-based management resource for providers, patient safety organizations, and other entities. The network of databases shall have the capacity to accept, aggregate across the network, and analyze nonidentifiable patient safety work product voluntarily reported by patient safety organizations, providers, or other entities. The Secretary shall assess the feasibility of providing for a single point of access to the network for qualified researchers for information aggregated across the network and, if feasible, provide for implementation.

(b) Data standards

The Secretary may determine common formats for the reporting to and among the network of patient safety databases maintained under subsection (a) of nonidentifiable patient safety work product, including necessary work product elements, common and consistent definitions, and a standardized computer interface for the processing of such work product. To the extent practicable, such standards shall be consistent with the administrative simplification provisions of part C of title XI of the Social Security Act [42 U.S.C. 1320d et seq.].

(c) Use of information

Information reported to and among the network of patient safety databases under subsection (a) shall be used to analyze national and regional statistics, including trends and patterns of health care errors. The information resulting from such analyses shall be made available to the public and included in the annual quality reports prepared under section 299b–2(b)(2) of this title.

(july 1, 1944, ch. 373, title ix, § 923, as added Pub. L. 109–41, § 2(a)(5), July 29, 2005, 119 Stat. 431.)

References in text


Prior provisions

A prior section 923 of act July 1, 1944, was renumbered section 943 and is classified to section 299c–2 of this title.

Another prior section 923 of act July 1, 1944, was classified to section 299c–2 of this title prior to the general amendment of this subchapter by Pub. L. 106–129.
§ 299b–24. Patient safety organization certification and listing

(a) Certification

(1) Initial certification

An entity that seeks to be a patient safety organization shall submit an initial certification to the Secretary that the entity—

(A) has policies and procedures in place to perform each of the patient safety activities described in section 299b–21(5) of this title; and

(B) upon being listed under subsection (d), will comply with the criteria described in subsection (b).

(2) Subsequent certifications

An entity that is a patient safety organization shall submit every 3 years after the date of its initial listing under subsection (d) a subsequent certification to the Secretary that the entity—

(A) is performing each of the patient safety activities described in section 299b–21(5) of this title; and

(B) is complying with the criteria described in subsection (b).

(b) Criteria

(1) In general

The following are criteria for the initial and subsequent certification of an entity as a patient safety organization:

(A) The mission and primary activity of the entity are to conduct activities that are to improve patient safety and the quality of health care delivery.

(B) The entity has appropriately qualified staff (whether directly or through contract), including licensed or certified medical professionals.

(C) The entity, within each 24-month period that begins after the date of the initial listing under subsection (d), has bona fide contracts, each of a reasonable period of time, with more than 1 provider for the purpose of receiving and reviewing patient safety work product.

(D) The entity is not, and is not a component of, a health insurance issuer (as defined in section 300gg–91(b)(2) of this title).

(E) The entity shall fully disclose—

(i) any financial, reporting, or contractual relationship between the entity and any provider that contracts with the entity; and

(ii) if applicable, the fact that the entity is not managed, controlled, and operated independently from any provider that contracts with the entity.

(F) To the extent practical and appropriate, the entity collects patient safety work product from providers in a standardized manner that permits valid comparisons of similar cases among similar providers.

(G) The utilization of patient safety work product for the purpose of providing direct feedback and assistance to providers to effectively minimize patient risk.

(2) Additional criteria for component organizations

If an entity that seeks to be a patient safety organization is a component of another organization, the following are additional criteria for the initial and subsequent certification of the entity as a patient safety organization:

(A) The entity maintains patient safety work product separately from the rest of the organization, and establishes appropriate security measures to maintain the confidentiality of the patient safety work product.

(B) The entity does not make an unauthorized disclosure under this part of patient safety work product to the rest of the organization in breach of confidentiality.

(C) The mission of the entity does not create a conflict of interest with the rest of the organization.

(c) Review of certification

(1) In general

(A) Initial certification

Upon the submission by an entity of an initial certification under subsection (a)(1), the Secretary shall determine if the certification meets the requirements of subparagraphs (A) and (B) of such subsection.

(B) Subsequent certification

Upon the submission by an entity of a subsequent certification under subsection (a)(2), the Secretary shall review the certification with respect to requirements of subparagraphs (A) and (B) of such subsection.

(2) Notice of acceptance or non-acceptance

If the Secretary determines that—

(A) an entity’s initial certification meets requirements referred to in paragraph (1)(A), the Secretary shall notify the entity of the acceptance of such certification; or

(B) an entity’s initial certification does not meet such requirements, the Secretary shall notify the entity that such certification is not accepted and the reasons therefor.

(3) Disclosures regarding relationship to providers

The Secretary shall consider any disclosures under subsection (b)(1)(E) by an entity and shall make public findings on whether the entity can fairly and accurately perform the patient safety activities of a patient safety organization. The Secretary shall take those findings into consideration in determining whether to accept the entity’s initial certification and any subsequent certification submitted under subsection (a) and, based on those findings, may deny, condition, or revoke acceptance of the entity’s certification.

(d) Listing

The Secretary shall compile and maintain a listing of entities with respect to which there is an acceptance of a certification pursuant to subsection (c)(2)(A) that has not been revoked under subsection (e) or voluntarily relinquished.

(e) Revocation of acceptance of certification

(1) In general

If, after notice of deficiency, an opportunity for a hearing, and a reasonable opportunity for correction, the Secretary determines that a patient safety organization does not meet the
certification requirements under subsection (a)(2), including subparagraphs (A) and (B) of such subsection, the Secretary shall revoke the Secretary's acceptance of the certification of such organization.

(2) Supplying confirmation of notification to providers

Within 15 days of a revocation under paragraph (1), a patient safety organization shall submit to the Secretary a confirmation that the organization has taken all reasonable actions to notify each provider whose patient safety work product is collected or analyzed by the organization of such revocation.

(3) Publication of decision

If the Secretary revokes the certification of an organization under paragraph (1), the Secretary shall—

(A) remove the organization from the listing maintained under subsection (d); and

(B) publish notice of the revocation in the Federal Register.

(f) Status of data after removal from listing

(1) New data

With respect to the privilege and confidentiality protections described in section 299b–22 of this title, data submitted to an entity within 30 days after the entity is removed from the listing under subsection (e)(3)(A) shall have the same status as data submitted while the entity was still listed.

(2) Protection to continue to apply

If the privilege and confidentiality protections described in section 299b–22 of this title applied to patient safety work product while an entity was listed, or to data described in paragraph (1), such protections shall continue to apply to such work product or data after the entity is removed from the listing under subsection (e)(3)(A).

(g) Disposition of work product and data

If the Secretary removes a patient safety organization from the listing as provided for in subsection (e)(3)(A), with respect to the patient safety work product or data described in subsection (f)(1) that the patient safety organization received from another entity, such former patient safety organization shall—

(1) with the approval of the other entity and a patient safety organization, transfer such work product or data to such patient safety organization;

(2) return such work product or data to the entity that submitted the work product or data; or

(3) if returning such work product or data to such entity is not practicable, destroy such work product or data.

(july 1, 1944, ch. 373, title ix, § 924, as added pub. l. 109–148, title iii, § 3509(e)(2), mar. 23, 2010, 124 stat. 534.)

§ 299b–24a. Activities regarding women's health

(a) Establishment

There is established within the Office of the Director, an Office of Women's Health and Gender-Based Research (referred to in this section as the "Office"). The Office shall be headed by a director who shall be appointed by the Director of Healthcare and Research Quality.

(b) Purpose

The official designated under subsection (a) shall—

(1) report to the Director on the current Agency level of activity regarding women's health, across, where appropriate, age, biological, and sociocultural contexts, in all aspects of Agency work, including the development of evidence reports and clinical practice protocols and the conduct of research into patient outcomes, delivery of health care services, quality of care, and access to health care;

(2) establish short-range and long-range goals and objectives within the Agency for research important to women's health and, as relevant and appropriate, coordinate with other appropriate offices on activities within the Agency that relate to health services and medical effectiveness research, for issues of particular concern to women;

(3) identify projects in women's health that should be conducted or supported by the Agency;

(4) consult with health professionals, nongovernmental organizations, consumer organizations, women's health professionals, and other individuals and groups, as appropriate, on Agency policy with regard to women; and

(5) serve as a member of the Department of Health and Human Services Coordinating Committee on Women's Health (established under section 237a(b)(4) of this title).

(c) Authorization of appropriations

For the purpose of carrying out this section, there are authorized to be appropriated such sums as may be necessary for each of the fiscal years 2010 through 2014.

(july 1, 1944, ch. 373, title ix, § 925, as added pub. l. 111–148, title iii, § 3509(e)(2), mar. 23, 2010, 124 stat. 534.)

§ 299b–25. Technical assistance

The Secretary, acting through the Director, may provide technical assistance to patient safety organizations, including convening annual meetings for patient safety organizations to discuss methodology, communication, data collection, or privacy concerns.

(july 1, 1944, ch. 373, title ix, § 926, formerly § 925, as added pub. l. 109–41, § 2(a)(5), mar. 23, 2010, 124 stat. 534.)
§ 299b–31. Quality measure development

(a) Quality measure

In this subpart, the term “quality measure” means a standard for measuring the performance and improvement of population health or of health plans, providers of services, and other clinicians in the delivery of health care services.

(b) Identification of quality measures

(1) Identification

The Secretary, in consultation with the Director of the Agency for Healthcare Research and Quality and the Administrator of the Centers for Medicare & Medicaid Services, shall identify, not less often than triennially, gaps where no quality measures exist and existing quality measures need improvement, updating, or expansion, consistent with the national strategy under section 280j of this title, to the extent available, for use in Federal health programs. In identifying such gaps and existing quality measures that need improvement, the Secretary shall take into consideration—

(A) the gaps identified by the entity with a contract under section 1890(a) of the Social Security Act [42 U.S.C. 1395aaa(a)] and other stakeholders;

(B) quality measures identified by the pediatric quality measures program under section 1130A of the Social Security Act [42 U.S.C. 1320b–9a]; and

(C) quality measures identified through the Medicaid Quality Measurement Program under section 1139B of the Social Security Act [42 U.S.C. 1320b–9b].

(2) Publication

The Secretary shall make available to the public on an Internet website a report on any gaps identified under paragraph (1) and the process used to make such identification.

(c) Grants or contracts for quality measure development

(1) In general

The Secretary shall award grants, contracts, or intergovernmental agreements to eligible entities for purposes of developing, improving, updating, or expanding quality measures identified under subsection (b).

(2) Prioritization in the development of quality measures

In awarding grants, contracts, or agreements under this subsection, the Secretary shall give priority to the development of quality measures that allow the assessment of—

(A) health outcomes and functional status of patients;

(B) the management and coordination of health care across episodes of care and care transitions for patients across the continuum of providers, health care settings, and health plans;

(C) the experience, quality, and use of information provided to and used by patients, caregivers, and authorized representatives to inform decisionmaking about treatment options, including the use of shared decision-making tools and preference sensitive care (as defined in section 299b–30 of this title);

(D) the meaningful use of health information technology;

(E) the safety, effectiveness, patient-centeredness, appropriateness, and timeliness of care;

(F) the efficiency of care;

(G) the equity of health services and health disparities across health disparity populations (as defined in section 285t of this title) and geographic areas;

(H) patient experience and satisfaction;

(I) the use of innovative strategies and methodologies identified under section 299b–33 of this title; and

(J) other areas determined appropriate by the Secretary.

(3) Eligible entities

To be eligible for a grant or contract under this subsection, an entity shall—

(A) have demonstrated expertise and capacity in the development and evaluation of quality measures;

(B) have adopted procedures to include in the quality measure development process—

(i) the views of those providers or payers whose performance will be assessed by the measure; and

(ii) the views of other parties who also will use the quality measures (such as patients, consumers, and health care purchasers);

See References in Text note below.
(C) collaborate with the entity with a contract under section 1890(a) of the Social Security Act [42 U.S.C. 1395aa(a)] and other stakeholders, as practicable, and the Secretary so that quality measures developed by the eligible entity will meet the requirements to be considered for endorsement by the entity with a contract under such section 1890(a); 

(D) have transparent policies regarding governance and conflicts of interest; and 

(E) submit an application to the Secretary at such time and in such manner, as the Secretary may require.

(4) Use of funds

An entity that receives a grant, contract, or agreement under this subsection shall use such award to develop quality measures that meet the following requirements:

(A) Such measures support measures required to be reported under the Social Security Act [42 U.S.C. 301 et seq.], where applicable, and in support of gaps and existing quality measures that need improvement, as described in subsection (b)(1)(A).

(B) Such measures support measures developed under section 1139A of the Social Security Act [42 U.S.C. 1320b-9a] and the Medicare Quality Measurement Program under section 1139B of such Act [42 U.S.C. 1320b-9b], where applicable.

(C) To the extent practicable, data on such quality measures is able to be collected using health information technologies.

(D) Each quality measure is free of charge to users of such measure.

(E) Each quality measure is publicly available on an Internet website.

(d) Other activities by the Secretary

The Secretary may use amounts available under this section to update and test, where applicable, quality measures endorsed by the Secretary so that quality measures developed under this section will meet the requirements to be considered for endorsement by the entity with a contract under such section 1890(a); and

(1) have transparent policies regarding governance and conflicts of interest.

(2) submit an application to the Secretary at such time and in such manner, as the Secretary may require.

(3) Goals

In developing such measures, the Secretary shall seek to—

(A) address issues regarding risk adjustment, accountability, and sample size; and

(B) include the full scope of services that comprise a cycle of care; and

(C) include multiple dimensions.

(4) Timeframe

(A) Acute and chronic diseases

Not later than 24 months after March 23, 2010, the Secretary shall develop not less than 10 measures described in paragraph (2)(A).

(B) Primary and preventive care

Not later than 36 months after March 23, 2010, the Secretary shall develop not less than 10 measures described in paragraph (2)(B).


REFERENCES IN TEXT

Section 285t of this title, referred to in subsec. (c)(2)(G), was in the original “section 485E”, meaning section 485E of act July 1, 1944, which was renumbered section 464z-3 by Pub. L. 111-148, title X, § 10303(c)(1)(D)(1), Mar. 23, 2010, 124 Stat. 973, and is classified to section 285t of this title. The act of July 1, 1944, no longer contains a section 485E.

The Social Security Act, referred to in subsec. (c)(4)(A), is act Aug. 14, 1935, ch. 531, 49 Stat. 620, which is classified generally to chapter 7 (§ 301 et seq.) of this title. For complete classification of this Act to the Code, see section 1205 of this title and Tables.

March 23, 2010, referred to in subsec. (f)(4)(A), (B), was in the original “the date of enactment of this Act” which was translated as meaning the date of the enactment of Pub. L. 111-148 which added and amended this section, to reflect the probable intent of Congress.

PRIOR PROVISIONS

A prior section 931 of act July 1, 1944, was renumbered 941 and is classified to section 299c of this title.

AMENDMENTS


SUBPART 2—HEALTH CARE QUALITY IMPROVEMENT PROGRAMS

§ 299b–33. Health care delivery system research

(a) Purpose

The purposes of this section are to—

(1) enable the Director to identify, develop, evaluate, disseminate, and provide training in innovative methodologies and strategies for quality improvement practices in the delivery of health care services that represent best practices (referred to as “best practices”) in health care quality, safety, and value; and

---

So in original. The subsection designation is missing.
(2) ensure that the Director is accountable for implementing a model to pursue such research in a collaborative manner with other related Federal agencies.

(b) General functions of the Center

The Center for Quality Improvement and Patient Safety of the Agency for Healthcare Research and Quality (referred to in this section as the "Center"), or any other relevant agency or department designated by the Director, shall—

(1) carry out its functions using research from a variety of disciplines, which may include epidemiology, health services, sociology, psychology, human factors engineering, biostatistics, health economics, clinical research, and health informatics;

(2) conduct or support activities consistent with the purposes described in subsection (a), and for—

(A) best practices for quality improvement practices in the delivery of health care services; and

(B) that include changes in processes of care and the redesign of systems used by providers that will reliably result in intended health outcomes, improve patient safety, and reduce medical errors (such as skill development for health care providers in team-based health care delivery and rapid cycle process improvement) and facilitate adoption of improved workflow;

(3) identify health care providers, including health care systems, single institutions, and individual providers, that—

(A) deliver consistently high-quality, efficient health care services (as determined by the Secretary); and

(B) employ best practices that are adaptable and scalable to diverse health care settings or effective in improving care across diverse settings;

(4) assess research, evidence, and knowledge about what strategies and methodologies are most effective in improving health care delivery;

(5) find ways to translate such information rapidly and effectively into practice, and document the sustainability of those improvements;

(6) create strategies for quality improvement through the development of tools, methodologies, and interventions that can successfully reduce variations in the delivery of health care;

(7) identify, measure, and improve organizational, human, or other causative factors, including those related to the culture and system design of a health care organization, that contribute to the success and sustainability of specific quality improvement and patient safety strategies;

(8) provide for the development of best practices in the delivery of health care services that—

(A) have a high likelihood of success, based on structured review of empirical evidence;

(B) are specified with sufficient detail of the individual processes, steps, training, skills, and knowledge required for implementation and incorporation into workflow of health care practitioners in a variety of settings;

(C) are designed to be readily adapted by health care providers in a variety of settings and

(D) where applicable, assist health care providers in working with other health care providers across the continuum of care and in engaging patients and their families in improving the care and patient health outcomes;

(9) provide for the funding of the activities of organizations with recognized expertise and excellence in improving the quality and efficiency of health care delivery and rapid care services, including children’s health care, by involving multiple disciplines, managers of health care entities, broad development and training, patients, caregivers and families, and frontline health care workers, including activities for the examination of strategies to share best quality improvement practices and to promote excellence in the delivery of health care services; and

(10) build capacity at the State and community level to lead quality and safety efforts through education, training, and mentoring programs to carry out the activities under paragraphs (1) through (9).

(c) Research functions of Center

(1) In general

The Center shall support, such as through a contract or other mechanism, research on health care delivery system improvement and the development of tools to facilitate adoption of best practices that improve the quality, safety, and efficiency of health care delivery services. Such support may include establishing a Quality Improvement Network Research Program for the purpose of testing, scaling, and disseminating of interventions to improve quality and efficiency in health care. Recipients of funding under the Program may include national, State, multi-State, or multisite quality improvement networks.

(2) Research requirements

The research conducted pursuant to paragraph (1) shall—

(A) address the priorities identified by the Secretary in the national strategic plan established under section 280j of this title;

(B) identify areas in which evidence is insufficient to identify strategies and methodologies, taking into consideration areas of insufficient evidence identified by the entity with a contract under section 1395aaa(a) of this title in the report required under section 280j–2 of this title;

(C) address concerns identified by health care institutions and providers and communicated through the Center pursuant to subsection (d);

(D) reduce preventable morbidity, mortality, and associated costs of morbidity and mortality by building capacity for patient safety research;

(E) support the discovery of processes for the reliable, safe, efficient, and responsive delivery of health care, taking into account
§ 299b–34

(d) Dissemination of research findings

The Director shall make the research findings of the Center available to the public through multiple media and appropriate formats to reflect the varying needs of health care providers and consumers and diverse levels of health literacy.

(2) Linkage to health information technology

The Secretary shall ensure that research findings and results generated by the Center are shared with the Office of the National Coordinator for Health Information Technology and used to inform the activities of the health information technology extension program under section 300jj–32 of this title, as well as any relevant standards, certification criteria, or implementation specifications.

(e) Prioritization

The Director shall identify and regularly update a list of processes or systems on which to focus research and dissemination activities of the Center, taking into account—

(1) public availability

(f) Coordination

The Center shall coordinate its activities with activities conducted by the Center for Medicare and Medicaid Innovation established under section 1315a of this title.

(g) Funding

There is authorized to be appropriated to carry out this section $20,000,000 for fiscal years 2010 through 2014.

(Prior Provisions)

A prior section 933 of act July 1, 1944, was renumbered section 943 and is classified to section 299c–2 of this title.

§ 299b–34. Quality improvement technical assistance and implementation

(a) In general

The Director, through the Center for Quality Improvement and Patient Safety of the Agency for Healthcare Research and Quality (referred to in this section as the “Center”), shall award—

(1) technical assistance grants or contracts to eligible entities to provide technical support to institutions that deliver health care and health care providers (including rural and urban providers of services and suppliers with limited infrastructure and financial resources to implement and support quality improvement activities, providers of services and suppliers with poor performance scores, and providers of services and suppliers for which there are disparities in care among subgroups of patients) so that such institutions and providers understand, adapt, and implement the models and practices identified in the research conducted by the Center, including the Quality Improvement Networks Research Program; and

(2) implementation grants or contracts to eligible entities to implement the models and practices described under paragraph (1).

(b) Eligible entities

(1) Technical assistance award

To be eligible to receive a technical assistance grant or contract under subsection (a)(1), an entity—

(A) may be a health care provider, health care provider association, professional society, health care worker organization, Indian
health organization, quality improvement organization, patient safety organization, local quality improvement collaborative, the Joint Commission, academic health center, university, physician-based research network, primary care extension program established under section 280g–12 of this title, a Federal Indian Health Service program or a health program operated by an Indian tribe (as defined in section 1603 of title 25), or any other entity identified by the Secretary; and

(b) shall have demonstrated expertise in providing information and technical support and assistance to health care providers regarding quality improvement.

(2) Implementation award

To be eligible to receive an implementation grant or contract under subsection (a)(2), an entity—

(A) may be a hospital or other health care provider or consortium or providers, as determined by the Secretary; and

(B) shall have demonstrated expertise in providing information and technical support and assistance to health care providers regarding quality improvement.

(e) Application

(1) Technical assistance award

To receive a technical assistance grant or contract under subsection (a)(1), an eligible entity shall submit an application to the Secretary at such time, in such manner, and containing—

(A) a plan for a sustainable business model that may include a system of—

(i) charging fees to institutions and providers that receive technical support from the entity; and

(ii) reducing or eliminating such fees for such institutions and providers that serve low-income populations; and

(B) such other information as the Director may require.

(2) Implementation award

To receive a grant or contract under subsection (a)(2), an eligible entity shall submit an application to the Secretary at such time, in such manner, and containing—

(A) a plan for implementation of a model or practice identified in the research conducted by the Center including—

(i) financial cost, staffing requirements, and timeline for implementation; and

(ii) pre- and projected post-implementation quality measure performance data in targeted improvement areas identified by the Secretary; and

(B) such other information as the Director may require.

(d) Matching funds

The Director may not award a grant or contract under this section to an entity unless the entity agrees that it will make available (directly or through contributions from other public or private entities) non-Federal contributions toward the activities to be carried out under the grant or contract in an amount equal to $1 for each $5 of Federal funds provided under the grant or contract. Such non-Federal matching funds may be provided directly or through donations from public or private entities and may be in cash or in-kind, fairly evaluated, including plant, equipment, or services.

(e) Evaluation

(1) In general

The Director shall evaluate the performance of each entity that receives a grant or contract under this section. The evaluation of an entity shall include a study of—

(A) the success of such entity in achieving the implementation, by the health care institutions and providers assisted by such entity, of the models and practices identified in the research conducted by the Center under section 299b–33 of this title; and

(B) the perception of the health care institutions and providers assisted by such entity regarding the value of the entity; and

(C) where practicable, better patient health outcomes and lower cost resulting from the assistance provided by such entity.

(2) Effect of evaluation

Based on the outcome of the evaluation of the entity under paragraph (1), the Director shall determine whether to renew a grant or contract with such entity under this section.

(f) Coordination

The entities that receive a grant or contract under this section shall coordinate with health information technology regional extension centers under section 300j–32(c) of this title and the primary care extension program established under section 280g–12 of this title regarding the dissemination of quality improvement, system delivery reform, and best practices information.

licensed pharmacists, as a collaborative, multidisciplinary, inter-professional approach to the treatment of chronic diseases for targeted individuals, to improve the quality of care and reduce overall cost in the treatment of such diseases. The Secretary shall commence the program under this section not later than May 1, 2010.

(b) Eligible entities

To be eligible to receive a grant or contract under subsection (a), an entity shall—

(1) provide a setting appropriate for MTM services, as recommended by the experts described in subsection (e);
(2) submit to the Secretary a plan for achieving long-term financial sustainability;
(3) where applicable, submit a plan for coordinating MTM services through local community health teams established in section 256a–1 of this title or in collaboration with primary care extension programs established in section 280g–12 of this title;
(4) submit a plan for meeting the requirements under subsection (c); and
(5) submit to the Secretary such other information as the Secretary may require.

(c) MTM services to targeted individuals

The MTM services provided with the assistance of a grant or contract awarded under subsection (a) shall, as allowed by State law including applicable collaborative pharmacy practice agreements, include—

(1) performing or obtaining necessary assessments of the health and functional status of each patient receiving such MTM services;
(2) formulating a medication treatment plan according to therapeutic goals agreed upon by the prescriber and the patient or caregiver or authorized representative of the patient;
(3) selecting, initiating, modifying, recommending changes to, or administering medication therapy;
(4) monitoring, which may include access to, ordering, or performing laboratory assessments, and evaluating the response of the patient to therapy, including safety and effectiveness;
(5) performing an initial comprehensive medication review to identify, resolve, and prevent medication-related problems, including adverse drug events, quarterly targeted medication reviews for ongoing monitoring, and additional followup interventions on a schedule developed collaboratively with the prescriber;
(6) documenting the care delivered and communicating essential information about such care, including a summary of the medication review, and the recommendations of the pharmacist to other appropriate health care providers of the patient in a timely fashion;
(7) providing education and training designed to enhance the understanding and appropriate use of the medications by the patient, caregiver, and other authorized representatives;
(8) providing information, support services, and resources and strategies designed to enhance patient adherence with therapeutic regimens;
(9) coordinating and integrating MTM services within the broader health care management services provided to the patient; and
(10) such other patient care services allowed under pharmacist scopes of practice in use in other Federal programs that have implemented MTM services.

(d) Targeted individuals

MTM services provided by licensed pharmacists under a grant or contract awarded under subsection (a) shall be offered to targeted individuals who—

(1) take 4 or more prescribed medications (including over-the-counter medications and dietary supplements);
(2) take any “high risk” medications;
(3) have 2 or more chronic diseases, as identified by the Secretary; or
(4) have undergone a transition of care, or other factors, as determined by the Secretary, that are likely to create a high risk of medication-related problems.

(e) Consultation with experts

In designing and implementing MTM services provided under grants or contracts awarded under subsection (a), the Secretary shall consult with Federal, State, private, public-private, and academic entities, pharmacy and pharmacist organizations, health care organizations, consumer advocates, chronic disease groups, and other stakeholders involved with the research, dissemination, and implementation of pharmacist-delivered MTM services, as the Secretary determines appropriate. The Secretary, in collaboration with this group, shall determine whether it is possible to incorporate rapid cycle process improvement concepts in use in other Federal programs that have implemented MTM services.

(f) Reporting to the Secretary

An entity that receives a grant or contract under subsection (a) shall submit to the Secretary a report that describes and evaluates, as requested by the Secretary, the activities carried out under subsection (c), including quality measures endorsed by the entity with a contract under section 1395aaa of this title, as determined by the Secretary.

(g) Evaluation and report

The Secretary shall submit to the relevant committees of Congress a report which shall—

(1) assess the clinical effectiveness of pharmacist-provided services under the MTM services program, as compared to usual care, including an evaluation of whether enrollees maintained better health with fewer hospitalizations and emergency room visits than similar patients not enrolled in the program;
(2) assess changes in overall health care resource use by targeted individuals;
(3) assess patient and prescriber satisfaction with MTM services;
(4) assess the impact of patient-cost sharing requirements on medication adherence and recommendations for modifications;
(5) identify and evaluate other factors that may impact clinical and economic outcomes, including demographic characteristics, clini-
cal characteristics, and health services use of the patient, as well as characteristics of the regimen, pharmacy benefit, and MTM services provided; and

(6) evaluate the extent to which participating pharmacists who maintain a dispensing role have a conflict of interest in the provision of MTM services, and if such conflict is found, provide recommendations on how such a conflict might be appropriately addressed.

(h) Grants or contracts to fund development of performance measures

The Secretary may, through the quality measure development program under section 299b–31 of this title, award grants or contracts to eligible entities for the purpose of funding the development of performance measures that assess the use and effectiveness of medication therapy management services.


PRIOR PROVISIONS

A prior section 935 of act July 1, 1944, was renumbered section 945 and is classified to section 299c–4 of this title.

AMENDMENTS


§ 299b–36. Program to facilitate shared decision-making

(a) Purpose

The purpose of this section is to facilitate collaborative processes between patients, caregivers or authorized representatives, and clinicians that engages the patient, caregiver or authorized representative in decisionmaking, provides patients, caregivers or authorized representatives with information about trade-offs among treatment options, and facilitates the incorporation of patient preferences and values into the medical plan.

(b) Definitions

In this section:

(1) Patient decision aid

The term “patient decision aid” means an educational tool that helps patients, caregivers or authorized representatives understand and communicate their beliefs and preferences related to their treatment options, and to decide with their health care provider what treatments are best for them based on their treatment options, scientific evidence, circumstances, beliefs, and preferences.

(2) Preference sensitive care

The term “preference sensitive care” means medical care for which the clinical evidence does not clearly support one treatment option such that the appropriate course of treatment depends on the values of the patient or the preferences of the patient, caregivers or authorized representatives regarding the benefits, harms and scientific evidence for each treatment option, the use of such care should depend on the informed patient choice among clinically appropriate treatment options.

(c) Establishment of independent standards for patient decision aids for preference sensitive care

(1) Contract with entity to establish standards and certify patient decision aids

(A) In general

For purposes of supporting consensus-based standards for patient decision aids for preference sensitive care and a certification process for patient decision aids for use in the Federal health programs and by other interested parties, the Secretary shall have in effect a contract with the entity with a contract under section 1395aas of this title. Such contract shall provide that the entity perform the duties described in paragraph (2).

(B) Timing for first contract

As soon as practicable after March 23, 2010, the Secretary shall enter into the first contract under subparagraph (A).

(C) Period of contract

A contract under subparagraph (A) shall be for a period of 18 months (except such contract may be renewed after a subsequent bidding process).

(2) Duties

The following duties are described in this paragraph:

(A) Develop and identify standards for patient decision aids

The entity shall synthesize evidence and convene a broad range of experts and stakeholders to develop and identify consensus-based standards to evaluate patient decision aids for preference sensitive care.

(B) Endorse patient decision aids

The entity shall review patient decision aids and develop a certification process whether patient decision aids meet the standards developed and identified under subparagraph (A). The entity shall give priority to the review and certification of patient decision aids for preference sensitive care.

(d) Program to develop, update and produce patient decision aids to assist health care providers and patients

(1) In general

The Secretary, acting through the Director, and in coordination with heads of other relevant agencies, such as the Director of the Centers for Disease Control and Prevention and the Director of the National Institutes of Health, shall establish a program to award grants or contracts—

1 So in original. Probably should be "engage".

2 So in original. Probably should be "provide".

3 So in original. Probably should be "facilitate".

4 So in original. Probably should be "option. The".

5 So in original.
(A) to develop, update, and produce patient decision aids for preference sensitive care to assist health care providers in educating patients, caregivers, and authorized representatives concerning the relative safety, relative effectiveness (including possible health outcomes and impact on functional status), and relative cost of treatment or, where appropriate, palliative care options;

(B) to test such materials to ensure such materials are balanced and evidence based in aiding health care providers and patients, caregivers, and authorized representatives to make informed decisions about patient care and can be easily incorporated into a broad array of practice settings; and

(C) to educate providers on the use of such materials, including through academic curricula.

(2) Requirements for patient decision aids

Patient decision aids developed and produced pursuant to a grant or contract under paragraph (1)—

(A) shall be designed to engage patients, caregivers, and authorized representatives in informed decisionmaking with health care providers;

(B) shall present up-to-date clinical evidence about the risks and benefits of treatment options in a form and manner that is age-appropriate and can be adapted for patients, caregivers, and authorized representatives from a variety of cultural and educational backgrounds to reflect the varying needs of consumers and diverse levels of health literacy;

(C) shall, where appropriate, explain why there is a lack of evidence to support one treatment option over another; and

(D) shall address health care decisions across the age span, including those affecting vulnerable populations including children.

(3) Distribution

The Director shall ensure that patient decision aids produced with grants or contracts under this section are available to the public.

(4) Nonduplication of efforts

The Director shall ensure that the activities under this section of the Agency and other agencies, including the Centers for Disease Control and Prevention and the National Institutes of Health, are free of unnecessary duplication of effort.

(e) Grants to support shared decisionmaking implementation

(1) In general

The Secretary shall establish a program to provide for the phased-in development, implementation, and evaluation of shared decisionmaking using patient decision aids to meet the objective of improving the understanding of patients of their medical treatment options.

(2) Shared decisionmaking resource centers

(A) In general

The Secretary shall provide grants for the establishment and support of Shared Decisionmaking Resource Centers (referred to in this subsection as “Centers”) to provide technical assistance to providers and to develop and disseminate best practices and other information to support and accelerate adoption, implementation, and effective use of patient decision aids and shared decisionmaking by providers.

(B) Objectives

The objective of a Center is to enhance and promote the adoption of patient decision aids and shared decisionmaking through—

(i) providing assistance to eligible providers with the implementation and effective use of, and training on, patient decision aids; and

(ii) the dissemination of best practices and research on the implementation and effective use of patient decision aids.

(3) Shared decisionmaking participation grants

(A) In general

The Secretary shall provide grants to health care providers for the development and implementation of shared decisionmaking techniques and to assess the use of such techniques.

(B) Preference

In order to facilitate the use of best practices, the Secretary shall provide a preference in making grants under this subsection to health care providers who participate in training by Shared Decisionmaking Resource Centers or comparable training.

(C) Limitation

Funds under this paragraph shall not be used to purchase or implement use of patient decision aids other than those certified under the process identified in subsection (c).

(4) Guidance

The Secretary may issue guidance to eligible grantees under this subsection on the use of patient decision aids.

(f) Funding

For purposes of carrying out this section there are authorized to be appropriated such sums as may be necessary for fiscal year 2010 and each subsequent fiscal year.


Prior Provisions

A prior section 936 of act July 1, 1944, was renumbered section 946 and is classified to section 299c–5 of this title.
search and Quality), in consultation with the National Institutes of Health, shall broadly disseminate the research findings that are published by the Patient Centered Outcomes Research Institute established under section 1320e(b) of this title (referred to in this section as the “Institute”) and other government-funded research relevant to comparative clinical effectiveness research. The Office shall create informational tools that organize and disseminate research findings for physicians, health care providers, patients, vendors of health information technology focused on clinical decision support, appropriate professional associations, and Federal and private health plans. The Office shall also develop a publicly available resource database that collects and contains government-funded evidence and research from public, private, not-for-profit, and academic sources.

(2) Requirements

The Office shall provide for the dissemination of the Institute’s research findings and government-funded research relevant to comparative clinical effectiveness research to physicians, health care providers, patients, vendors of health information technology focused on clinical decision support, appropriate professional associations, and Federal and private health plans. Materials, forums, and media used to disseminate the findings, informational tools, and resource databases shall—

(A) include a description of considerations for specific subpopulations, the research methodology, and the limitations of the research, and the names of the entities, agencies, instrumentalities, and individuals who conducted any research which was published by the Institute; and

(B) not be construed as mandates, guidelines, or recommendations for payment, coverage, or treatment.

(b) Incorporation of research findings

The Office, in consultation with relevant medical and clinical associations, shall assist users of health information technology focused on clinical decision support to promote the timely incorporation of research findings disseminated under subsection (a) into clinical practices and to promote the ease of use of such incorporation.

(c) Feedback

The Office shall establish a process to receive feedback from physicians, health care providers, patients, and vendors of health information technology focused on clinical decision support, appropriate professional associations, and Federal and private health plans about the value of the information disseminated and the assistance provided under this section.

(d) Rule of construction

Nothing in this section shall preclude the Institute from making its research findings publicly available as required under section 1320e(d)(6) of this title.

(e) Training of researchers

The Agency for Health Care Research and Quality, in consultation with the National Institutes of Health, shall build capacity for comparative clinical effectiveness research by establishing a grant program that provides for the training of researchers in the methods used to conduct such research, including systematic reviews of existing research and primary research such as clinical trials. At a minimum, such training shall be in methods that meet the methodological standards adopted under section 1320e(d)(9) of this title.

(f) Building data for research

The Secretary shall provide for the coordination of relevant Federal health programs to build data capacity for comparative clinical effectiveness research, including the development and use of clinical registries and health outcomes research data networks, in order to develop and maintain a comprehensive, interoperable data network to collect, link, and analyze data on outcomes and effectiveness from multiple sources, including electronic health records.

(g) Authority to contract with the Institute

Agencies and instrumentalities of the Federal Government may enter into agreements with the Institute, and accept and retain funds, for the conduct and support of research described in this part, provided that the research to be conducted or supported under such agreements is authorized under the governing statutes of such agencies and instrumentalities.

(July 1, 1944, ch. 373, title IX, §937, as added Pub. L. 111–148, title VI, §6301(b), Mar. 23, 2010, 124 Stat. 738.)

PRIOR PROVISIONS

A prior section 937 of act July 1, 1944, was renumbered section 947 and is classified to section 299c–6 of this title.

PART E—GENERAL PROVISIONS

CODIFICATION


§299c. Advisory Council for Healthcare Research and Quality

(a) Establishment

There is established an advisory council to be known as the National Advisory Council for Healthcare Research and Quality.

(b) Duties

(1) In general

The Advisory Council shall advise the Secretary and the Director with respect to activities proposed or undertaken to carry out the mission of the Agency under section 299(b) of this title.

(2) Certain recommendations

Activities of the Advisory Council under paragraph (1) shall include making recommendations to the Director regarding—

(A) priorities regarding health care research, especially studies related to quality, outcomes, cost and the utilization of, and access to, health care services;

(B) the field of health care research and related disciplines, especially issues related to...
§ 299c

(c) Membership

(1) In general

The Advisory Council shall, in accordance with this subsection, be composed of appointed members and ex officio members. All members of the Advisory Council shall be voting members other than the individuals designated under paragraph (3)(B) as ex officio members.

(2) Appointed members

The Secretary shall appoint to the Advisory Council 21 appropriately qualified individuals. At least 17 members of the Advisory Council shall be representatives of the public who are not officers or employees of the United States and at least 1 member who shall be a specialist in the rural aspects of 1 or more of the professions or fields described in subparagraphs (A) through (G). The Secretary shall ensure that the appointed members of the Council, as a group, are representative of professions and entities concerned with, or affected by, activities under this subchapter and under section 1320b–12 of this title. Of such members—

(A) three shall be individuals distinguished in the conduct of research, demonstration projects, and evaluations with respect to health care;

(B) three shall be individuals distinguished in the fields of health care quality research or health care improvement;

(C) three shall be individuals distinguished in the practice of medicine of which at least one shall be a primary care practitioner;

(D) three shall be individuals distinguished in the other health professions;

(E) three shall be individuals either representing the private health care sector, including health plans, providers, and purchasers or individuals distinguished as administrators of health care delivery systems;

(F) three shall be individuals distinguished in the fields of health care economics, information systems, law, ethics, business, or public policy; and

(G) three shall be individuals representing the interests of patients and consumers of health care.

(3) Ex officio members

The Secretary shall designate as ex officio members of the Advisory Council—

(A) the Assistant Secretary for Health, the Director of the National Institutes of Health, the Director of the Centers for Disease Control and Prevention, the Administrator of the Centers for Medicare & Medicaid Services, the Commissioner of the Food and Drug Administration, the Director of the Office of Personnel Management, the Assistant Secretary of Defense (Health Affairs), and the Under Secretary for Health of the Department of Veterans Affairs; and

(B) such other Federal officials as the Secretary may consider appropriate.

(d) Terms

(1) In general

Members of the Advisory Council appointed under subsection (c)(2) shall serve for a term of 3 years.

(2) Staggered terms

To ensure the staggered rotation of one-third of the members of the Advisory Council each year, the Secretary is authorized to appoint the initial members of the Advisory Council for terms of 1, 2, or 3 years.

(3) Service beyond term

A member of the Council appointed under subsection (c)(2) may continue to serve after the expiration of the term of the members until a successor is appointed.

(e) Vacancies

If a member of the Advisory Council appointed under subsection (c)(2) does not serve the full term applicable under subsection (d), the individual appointed to fill the resulting vacancy shall be appointed for the remainder of the term of the predecessor of the individual.

(f) Chair

The Director shall, from among the members of the Advisory Council appointed under subsection (c)(2), designate an individual to serve as the chair of the Advisory Council.

(g) Meetings

The Advisory Council shall meet not less than once during each discrete 4-month period and shall otherwise meet at the call of the Director or the chair.

(h) Compensation and reimbursement of expenses

(1) Appointed members

Members of the Advisory Council appointed under subsection (c)(2) shall receive compensation for each day (including travel time) engaged in carrying out the duties of the Advisory Council unless declined by the member. Such compensation may not be in an amount in excess of the daily equivalent of the annual rate of basic pay prescribed for level IV of the Executive Schedule under section 5315 of title 5 for each day during which such member is engaged in the performance of the duties of the Advisory Council.

(2) Ex officio members

Officials designated under subsection (c)(3) as ex officio members of the Advisory Council may not receive compensation for service on the Advisory Council in addition to the compensation otherwise received for duties carried out as officers of the United States.

(i) Staff

The Director shall provide to the Advisory Council such staff, information, and other assistance as may be necessary to carry out the duties of the Council.

(j) Duration

Notwithstanding section 14(a) of the Federal Advisory Committee Act, the Advisory Council
§ 299c–1. Peer review with respect to grants and contracts

(a) Requirement of review

(1) In general

Appropriate technical and scientific peer review shall be conducted with respect to each application for a grant, cooperative agreement, or contract under this subchapter.

(2) Reports to Director

Each peer review group to which an application is submitted pursuant to paragraph (1) shall report its findings and recommendations respecting the application to the Director in such form and in such manner as the Director shall require.

(b) Approval as precondition of awards

The Director may not approve an application unless the application is recommended for approval by a peer review group established under subsection (c).

(c) Establishment of peer review groups

(1) In general

The Director shall establish such technical and scientific peer review groups as may be necessary to carry out this section. Such groups shall be established without regard to the provisions of title 5 that govern appointments in the competitive service, and without regard to the provisions of chapter 51, and subsection III of chapter 53, of such title that relate to classification and pay rates under the General Schedule.

(2) Membership

The members of any peer review group established under this section shall be appointed from among individuals who by virtue of their training or experience are eminently qualified to carry out the duties of such peer review group. Officers and employees of the United States may not constitute more than 25 percent of the membership of any such group. Such officers and employees may not receive compensation for service on such groups in addition to the compensation otherwise received for these duties carried out as such officers and employees.

(3) Duration

Notwithstanding section 14(a) of the Federal Advisory Committee Act, peer review groups established under this section may continue in existence until otherwise provided by law.

(4) Qualifications

Members of any peer review group shall, at a minimum, meet the following requirements:

(A) Such members shall agree in writing to treat information received, pursuant to their work for the group, as confidential information, except that this subparagraph shall not apply to public records and public information.

(B) Such members shall agree in writing to recuse themselves from participation in the peer review of specific applications which present a potential personal conflict of interest or appearance of such conflict, including employment in a directly affected organization, stock ownership, or any financial or other arrangement that might introduce bias in the process of peer review.

(d) Authority for procedural adjustments in certain cases

In the case of applications for financial assistance whose direct costs will not exceed $100,000, the Director may make appropriate adjustments in the procedures otherwise established by the Director for the conduct of peer review under this section. Such adjustments may be made for the purpose of encouraging the entry of individuals into the field of research, for the purpose of encouraging clinical practice-oriented or provider-based research, and for such other purposes as the Director may determine to be appropriate.

(e) Regulations

The Director shall issue regulations for the conduct of peer review under this section.

REFERENCES IN TEXT

Section 14(a) of the Federal Advisory Committee Act, referred to in subsec. (j), is section 14(a) of Pub. L. 92–463, which is set out in the Appendix to Title 5.

PRIORITY PROVISIONS

Prior to this title, Title 42 was Title 31, United States Treasury.


§ 299c–1 Peer review with respect to grants and contracts

(a) Requirement of review

(1) In general

Appropriate technical and scientific peer review shall be conducted with respect to each application for a grant, cooperative agreement, or contract under this subchapter.

(2) Reports to Director

Each peer review group to which an application is submitted pursuant to paragraph (1) shall report its findings and recommendations respecting the application to the Director in such form and in such manner as the Director shall require.

(b) Approval as precondition of awards

The Director may not approve an application unless the application is recommended for approval by a peer review group established under subsection (c).

(c) Establishment of peer review groups

(1) In general

The Director shall establish such technical and scientific peer review groups as may be necessary to carry out this section. Such groups shall be established without regard to the provisions of title 5 that govern appointments in the competitive service, and without regard to the provisions of chapter 51, and subchapter III of chapter 53, of such title that relate to classification and pay rates under the General Schedule.

(2) Membership

The members of any peer review group established under this section shall be appointed from among individuals who by virtue of their training or experience are eminently qualified to carry out the duties of such peer review group. Officers and employees of the United States may not constitute more than 25 percent of the membership of any such group. Such officers and employees may not receive compensation for service on such groups in addition to the compensation otherwise received for these duties carried out as such officers and employees.

(3) Duration

Notwithstanding section 14(a) of the Federal Advisory Committee Act, peer review groups established under this section may continue in existence until otherwise provided by law.

(4) Qualifications

Members of any peer review group shall, at a minimum, meet the following requirements:

(A) Such members shall agree in writing to treat information received, pursuant to their work for the group, as confidential information, except that this subparagraph shall not apply to public records and public information.

(B) Such members shall agree in writing to recuse themselves from participation in the peer review of specific applications which present a potential personal conflict of interest or appearance of such conflict, including employment in a directly affected organization, stock ownership, or any financial or other arrangement that might introduce bias in the process of peer review.

(d) Authority for procedural adjustments in certain cases

In the case of applications for financial assistance whose direct costs will not exceed $100,000, the Director may make appropriate adjustments in the procedures otherwise established by the Director for the conduct of peer review under this section. Such adjustments may be made for the purpose of encouraging the entry of individuals into the field of research, for the purpose of encouraging clinical practice-oriented or provider-based research, and for such other purposes as the Director may determine to be appropriate.

(e) Regulations

The Director shall issue regulations for the conduct of peer review under this section.

REFERENCES IN TEXT

The provisions of title 5 that govern appointments in the competitive service, referred to in subsec. (c)(1), are classified generally to section 3301 et seq. of Title 5, Government Organization and Employees.

Section 14(a) of the Federal Advisory Committee Act, referred to in subsec. (c)(3), is section 14(a) of Pub. L. 92–463, which is set out in the Appendix to Title 5.

PRIORITY PROVISIONS

Prior to this title, Title 42 was Title 31, United States Treasury.
§ 299c–2. Certain provisions with respect to development, collection, and dissemination of data

(a) Standards with respect to utility of data

(1) In general

To ensure the utility, accuracy, and sufficiency of data collected by or for the Agency for the purpose described in section 299(b) of this title, the Director shall establish standard methods for developing and collecting such data, taking into consideration—

(A) other Federal health data collection standards; and

(B) the differences between types of health care plans, delivery systems, health care providers, and provider arrangements.

(2) Relationship with other Department programs

In any case where standards under paragraph (1) may affect the administration of other programs carried out by the Department of Health and Human Services, including the programs under title XVIII, XIX or XXI of the Social Security Act [42 U.S.C. 1395 et seq., 1396 et seq., 1397aa et seq.], or may affect health information that is subject to a standard developed under part C of title XI of the Social Security Act [42 U.S.C. 1320d et seq.], they shall be in the form of recommendations to the Secretary for such program.

(b) Statistics and analyses

The Director shall—

(1) take appropriate action to ensure that statistics and analyses developed under this subchapter are of high quality, timely, and duly comprehensive, and that the statistics are specific, standardized, and adequately analyzed and indexed; and

(2) publish, make available, and disseminate such statistics and analyses on an as wide a basis as is practicable.

(c) Authority regarding certain requests

Upon request of a public or private entity, the Director may conduct or support research or analyses otherwise authorized by this subchapter pursuant to arrangements under which such entity will pay the cost of the services provided. Amounts received by the Director under such arrangements shall be available to the Director for obligation until expended.


REFERENCES IN TEXT

(d) Penalty

Any person who violates subsection (c) shall be subject to a civil monetary penalty of not more than $10,000 for each such violation involved. Such penalty shall be imposed and collected in the same manner as civil money penalties under subsection (a) of section 1320a–7a of this title are imposed and collected.


PRIOR PROVISIONS


§ 299c–4. Additional provisions with respect to grants and contracts

(a) Financial conflicts of interest

With respect to projects for which awards of grants, cooperative agreements, or contracts are authorized to be made under this subchapter, the Director shall by regulation define—

(1) the specific circumstances that constitute financial interests in such projects that will, or may be reasonably expected to, create a bias in favor of obtaining results in the projects that are consistent with such interests; and

(2) the actions that will be taken by the Director in response to any such interests identified by the Director.

(b) Requirement of application

The Director may not, with respect to any program under this subchapter authorizing the provision of grants, cooperative agreements, or contracts, provide any such financial assistance unless an application for the assistance is submitted to the Secretary and the application is in such form, is made in such manner, and contains such agreements, assurances, and information as the Director determines to be necessary to carry out the program involved.

(c) Provision of supplies and services in lieu of funds

(1) In general

Upon the request of an entity receiving a grant, cooperative agreement, or contract under this subchapter, the Secretary may, subject to paragraph (2), provide supplies, equipment, and services for the purpose of aiding the entity in carrying out the project involved and, for such purpose, may detail to the entity any officer or employee of the Department of Health and Human Services.

(2) Corresponding reduction in funds

With respect to a request described in paragraph (1), the Secretary shall reduce the amount of the financial assistance involved by an amount equal to the costs of detailing personnel and the fair market value of any supplies, equipment, or services provided by the Director. The Secretary shall, for the payment of expenses incurred in complying with such request, expend the amounts withheld.

(d) Applicability of certain provisions with respect to contracts

Contracts may be entered into under this part without regard to section 3324(a) and (b) of title 31 and section 6101 of title 41.


CODIFICATION


PRIOR PROVISIONS


§ 299c–5. Certain administrative authorities

(a) Deputy director and other officers and employees

(1) Deputy director

The Director may appoint a deputy director for the Agency.

(2) Other officers and employees

The Director may appoint and fix the compensation of such officers and employees as may be necessary to carry out this subchapter. Except as otherwise provided by law, such officers and employees shall be appointed in accordance with the civil service laws and their compensation fixed in accordance with title 5.

(b) Facilities

The Secretary, in carrying out this subchapter—

(1) may acquire, without regard to section 8141 of title 40, by lease or otherwise through the Administrator of General Services, buildings or portions of buildings in the District of Columbia or communities located adjacent to the District of Columbia for use for a period not to exceed 10 years; and

(2) may acquire, construct, improve, repair, operate, and maintain laboratory, research, and other necessary facilities and equipment, and such other real or personal property (including patents) as the Secretary deems necessary.

(c) Provision of financial assistance

The Director, in carrying out this subchapter, may make grants to public and nonprofit enti-
ties and individuals, and may enter into cooperative agreements or contracts with public and private entities and individuals.

(d) Utilization of certain personnel and resources

(1) Department of Health and Human Services

The Director, in carrying out this subchapter, may utilize personnel and equipment, facilities, and other physical resources of the Department of Health and Human Services, permit appropriate (as determined by the Secretary) entities and individuals to utilize the physical resources of such Department, and provide technical assistance and advice.

(2) Other agencies

The Director, in carrying out this subchapter, may use, with their consent, the services, equipment, personnel, information, and facilities of other Federal, State, or local public agencies, or of any foreign government, with or without reimbursement of such agencies.

(e) Consultants

The Secretary, in carrying out this subchapter, may secure, from time to time and for such periods as the Director deems advisable but in accordance with section 3109 of title 5, the assistance and advice of consultants from the United States or abroad.

(f) Experts

(1) In general

The Secretary may, in carrying out this subchapter, obtain the services of not more than 50 experts or consultants who have appropriate scientific or professional qualifications. Such experts or consultants shall be obtained in accordance with section 3109 of title 5, except that the limitation in such section on the duration of service shall not apply.

(2) Travel expenses

(A) In general

Experts and consultants whose services are obtained under paragraph (1) shall be paid or reimbursed for their expenses associated with traveling to and from their assignment location in accordance with sections 5724, 5724a(a), 5724a(c), and 5726(c) of title 5.

(B) Limitation

Expenses specified in subparagraph (A) may not be allowed in connection with the assignment of an expert or consultant whose services are obtained under paragraph (1) unless and until the expert agrees in writing to complete the entire period of assignment, or 1 year, whichever is shorter, unless separated or reassigned for reasons that are beyond the control of the expert or consultant and that are acceptable to the Secretary. If the expert or consultant violates the agreement, the money spent by the United States for the expenses specified in subparagraph (A) is recoverable from the expert or consultant as a statutory obligation owed to the United States. The Secretary may waive in whole or in part a right of recovery under this subparagraph.

(g) Voluntary and uncompensated services

The Director, in carrying out this subchapter, may accept voluntary and uncompensated services.

(2) Other agencies

The Director, in carrying out this subchapter, may use, with their consent, the services, equipment, personnel, information, and facilities of other Federal, State, or local public agencies, or of any foreign government, with or without reimbursement of such agencies.

(e) Consultants

The Secretary, in carrying out this subchapter, may secure, from time to time and for such periods as the Director deems advisable but in accordance with section 3109 of title 5, the assistance and advice of consultants from the United States or abroad.

(f) Experts

(1) In general

The Secretary may, in carrying out this subchapter, obtain the services of not more than 50 experts or consultants who have appropriate scientific or professional qualifications. Such experts or consultants shall be obtained in accordance with section 3109 of title 5, except that the limitation in such section on the duration of service shall not apply.

(2) Travel expenses

(A) In general

Experts and consultants whose services are obtained under paragraph (1) shall be paid or reimbursed for their expenses associated with traveling to and from their assignment location in accordance with sections 5724, 5724a(a), 5724a(c), and 5726(c) of title 5.

(B) Limitation

Expenses specified in subparagraph (A) may not be allowed in connection with the assignment of an expert or consultant whose services are obtained under paragraph (1) unless and until the expert agrees in writing to complete the entire period of assignment, or 1 year, whichever is shorter, unless separated or reassigned for reasons that are beyond the control of the expert or consultant and that are acceptable to the Secretary. If the expert or consultant violates the agreement, the money spent by the United States for the expenses specified in subparagraph (A) is recoverable from the expert or consultant as a statutory obligation owed to the United States. The Secretary may waive in whole or in part a right of recovery under this subparagraph.

(g) Voluntary and uncompensated services

The Director, in carrying out this subchapter, may accept voluntary and uncompensated services.

(2) Other agencies

The Director, in carrying out this subchapter, may use, with their consent, the services, equipment, personnel, information, and facilities of other Federal, State, or local public agencies, or of any foreign government, with or without reimbursement of such agencies.

(e) Consultants

The Secretary, in carrying out this subchapter, may secure, from time to time and for such periods as the Director deems advisable but in accordance with section 3109 of title 5, the assistance and advice of consultants from the United States or abroad.

(f) Experts

(1) In general

The Secretary may, in carrying out this subchapter, obtain the services of not more than 50 experts or consultants who have appropriate scientific or professional qualifications. Such experts or consultants shall be obtained in accordance with section 3109 of title 5, except that the limitation in such section on the duration of service shall not apply.

(2) Travel expenses

(A) In general

Experts and consultants whose services are obtained under paragraph (1) shall be paid or reimbursed for their expenses associated with traveling to and from their assignment location in accordance with sections 5724, 5724a(a), 5724a(c), and 5726(c) of title 5.

(B) Limitation

Expenses specified in subparagraph (A) may not be allowed in connection with the assignment of an expert or consultant whose services are obtained under paragraph (1) unless and until the expert agrees in writing to complete the entire period of assignment, or 1 year, whichever is shorter, unless separated or reassigned for reasons that are beyond the control of the expert or consultant and that are acceptable to the Secretary. If the expert or consultant violates the agreement, the money spent by the United States for the expenses specified in subparagraph (A) is recoverable from the expert or consultant as a statutory obligation owed to the United States. The Secretary may waive in whole or in part a right of recovery under this subparagraph.

(g) Voluntary and uncompensated services

The Director, in carrying out this subchapter, may accept voluntary and uncompensated services.

(2) Other agencies

The Director, in carrying out this subchapter, may use, with their consent, the services, equipment, personnel, information, and facilities of other Federal, State, or local public agencies, or of any foreign government, with or without reimbursement of such agencies.

(e) Consultants

The Secretary, in carrying out this subchapter, may secure, from time to time and for such periods as the Director deems advisable but in accordance with section 3109 of title 5, the assistance and advice of consultants from the United States or abroad.

(f) Experts

(1) In general

The Secretary may, in carrying out this subchapter, obtain the services of not more than 50 experts or consultants who have appropriate scientific or professional qualifications. Such experts or consultants shall be obtained in accordance with section 3109 of title 5, except that the limitation in such section on the duration of service shall not apply.

(2) Travel expenses

(A) In general

Experts and consultants whose services are obtained under paragraph (1) shall be paid or reimbursed for their expenses associated with traveling to and from their assignment location in accordance with sections 5724, 5724a(a), 5724a(c), and 5726(c) of title 5.

(B) Limitation

Expenses specified in subparagraph (A) may not be allowed in connection with the assignment of an expert or consultant whose services are obtained under paragraph (1) unless and until the expert agrees in writing to complete the entire period of assignment, or 1 year, whichever is shorter, unless separated or reassigned for reasons that are beyond the control of the expert or consultant and that are acceptable to the Secretary. If the expert or consultant violates the agreement, the money spent by the United States for the expenses specified in subparagraph (A) is recoverable from the expert or consultant as a statutory obligation owed to the United States. The Secretary may waive in whole or in part a right of recovery under this subparagraph.

(g) Voluntary and uncompensated services

The Director, in carrying out this subchapter, may accept voluntary and uncompensated services.

(2) Other agencies

The Director, in carrying out this subchapter, may use, with their consent, the services, equipment, personnel, information, and facilities of other Federal, State, or local public agencies, or of any foreign government, with or without reimbursement of such agencies.

(e) Consultants

The Secretary, in carrying out this subchapter, may secure, from time to time and for such periods as the Director deems advisable but in accordance with section 3109 of title 5, the assistance and advice of consultants from the United States or abroad.

(f) Experts

(1) In general

The Secretary may, in carrying out this subchapter, obtain the services of not more than 50 experts or consultants who have appropriate scientific or professional qualifications. Such experts or consultants shall be obtained in accordance with section 3109 of title 5, except that the limitation in such section on the duration of service shall not apply.

(2) Travel expenses

(A) In general

Experts and consultants whose services are obtained under paragraph (1) shall be paid or reimbursed for their expenses associated with traveling to and from their assignment location in accordance with sections 5724, 5724a(a), 5724a(c), and 5726(c) of title 5.

(B) Limitation

Expenses specified in subparagraph (A) may not be allowed in connection with the assignment of an expert or consultant whose services are obtained under paragraph (1) unless and until the expert agrees in writing to complete the entire period of assignment, or 1 year, whichever is shorter, unless separated or reassigned for reasons that are beyond the control of the expert or consultant and that are acceptable to the Secretary. If the expert or consultant violates the agreement, the money spent by the United States for the expenses specified in subparagraph (A) is recoverable from the expert or consultant as a statutory obligation owed to the United States. The Secretary may waive in whole or in part a right of recovery under this subparagraph.
§ 299c-7. Definitions

In this subchapter:

(1) Advisory Council

The term “Advisory Council” means the National Advisory Council on Healthcare Research and Quality established under section 299c of this title.

(2) Agency

The term “Agency” means the Agency for Healthcare Research and Quality.

(3) Director

The term “Director” means the Director of the Agency for Healthcare Research and Quality.

§ 299c-8. Conversion of activities

(a) Authority of Secretary

The Secretary is authorized to make grants to and enter into contracts with public or nonprofit private entities to assist in the establishment and operation of voluntary family planning projects which shall offer a broad range of acceptable and effective family planning methods and services (including natural family planning methods, infertility services, and services for adolescents). To the extent practical, entities which receive grants or contracts under this subsection shall encourage family participation in projects assisted under this subsection.

(b) Factors determining awards; establishment and preservation of rights of local and regional entities

In making grants and contracts under this section the Secretary shall take into account the number of patients to be served, the extent to which family planning services are needed locally, the relative need of the applicant, and its capacity to make rapid and effective use of such assistance. Local and regional entities shall be assured the right to apply for direct grants and contracts under this section, and the Secretary shall by regulation fully provide for and protect such right.

(c) Reduction of grant amount

The Secretary, at the request of a recipient of a grant under subsection (a), may reduce the amount of such grant by the fair market value of facilities equipped and staffed to provide most advanced methods for diagnosing and treating certain diseases and illnesses.

AMENDMENTS


PRIOR PROVISIONS

of any supplies or equipment furnished the grant recipient by the Secretary. The amount by which any such grant is so reduced shall be available for payment by the Secretary of the costs incurred in furnishing the supplies or equipment on which the reduction of such grant is based. Such amount shall be deemed as part of the grant and shall be deemed to have been paid to the grant recipient.

(d) Authorization of appropriations

For the purpose of making grants and contracts under this section, there are authorized to be appropriated $30,000,000 for the fiscal year ending June 30, 1971; $50,000,000 for the fiscal year ending June 30, 1972; $111,500,000 for the fiscal year ending June 30, 1973, $111,500,000 each for the fiscal years ending June 30, 1974, and June 30, 1975; $115,000,000 for fiscal year 1976; $115,000,000 for the fiscal year ending September 30, 1977; $136,400,000 for the fiscal year ending September 30, 1978; $200,000,000 for the fiscal year ending September 30, 1979; $220,000,000 for the fiscal year ending September 30, 1980; $264,500,000 for the fiscal year ending September 30, 1981; $126,510,000 for the fiscal year ending September 30, 1982; $139,200,000 for the fiscal year ending September 30, 1983; $150,830,000 for the fiscal year ending September 30, 1984; and $158,400,000 for the fiscal year ending September 30, 1985.


AMENDMENTS


1975—Subsec. (a). Pub. L. 94–63, §204(a), inserted provision relating to scope of family planning projects to be offered.

Subsec. (b). Pub. L. 94–63, §204(b), inserted provision relating to direct grants and contracts for local and regional entities.


1972—Subsec. (c). Pub. L. 92–449 increased appropriations authorization for fiscal year ending June 30, 1973, to $111,500,000 from $90,000,000.

EFFECTIVE DATE OF 1975 AMENDMENT

Amendment by sections 202(a) and 204(a), (b) of Pub. L. 94–63 effective July 1, 1975, see section 606 of Pub. L. 94–63, set out as a note under section 247b of this title.

STUDY AS TO DISCRIMINATION BY SCHOOLS OF MEDICINE, NURSING, OR OSTEOPATHY AGAINST APPLICANTS BECAUSE OF RELUCTANCE OR WILLINGNESS TO PARTICIPATE IN ABORTIONS OR STERILIZATIONS; REPORT NOT LATER THAN FEB. 1, 1978

Pub. L. 95–215, §7, Dec. 19, 1977, 91 Stat. 1507, required a study and report to specific committees of Congress not later than Feb. 1, 1978, as to whether schools of medicine, nursing, or osteopathy discriminate against applicants because of applicant’s reluctance or willingness to participate in performance of abortions or sterilizations contrary to religious beliefs or moral convictions.

CONGRESSIONAL DECLARATION OF PURPOSE

Pub. L. 91–572, §2, Dec. 24, 1970, 84 Stat. 1504, provided that: "It is the purpose of this Act [see Short Title of Title X of the Public Health Services Act] (hereafter in this Act referred to as the 'Secretary') shall carry out the purposes of this Act.''

Amendment by sections 202(a) and 204(a), (b) of Pub. L. 91–572, set out under section 2 of this title.

1) to assist in making comprehensive voluntary family planning services readily available to all persons desiring such services;

2) to coordinate domestic population and family planning research with the present and future needs of family planning programs;

3) to improve administrative and operational supervision of domestic family planning services and of population research programs related to such services;

4) to enable public and nonprofit private entities to plan and develop comprehensive programs of family planning services;

5) to develop and make readily available information (including educational materials) on family planning and population growth to all persons desiring such information;

6) to evaluate and improve the effectiveness of family planning service programs and of population research;

7) to assist in providing trained manpower needed to effectively carry out programs of population research and family planning services; and

8) to establish an Office of Population Affairs in the Department of Health, Education, and Welfare as a primary focus within the Federal Government on matters pertaining to population research and family planning, through which the Secretary of Health, Education, and Welfare (now Health and Human Services) (hereafter in this Act referred to as the 'Secretary') shall carry out the purposes of this Act.

THE TITLE X "GAG RULE"

Memorandum of President of the United States, Jan. 22, 1993, 58 F.R. 7450, provided:

Memorandum for the Secretary of Health and Human Services

Title X of the Public Health Services Act (42 U.S.C. 300 et seq.) provides Federal funding for family plan-
ning clinics to provide services for low-income patients. The Act specifies that Title X funds may not be used for the performance of abortions, but places no restrictions on the ability of clinics that receive Title X funds to provide abortion counseling and referrals or to perform abortions using non-Title X funds. During the first 18 years of the program, medical professionals at Title X clinics provided complete, uncensored information, including nondirective abortion counseling. In February 1988, the Department of Health and Human Services adopted regulations, which have become known as the “Gag Rule,” prohibiting Title X recipients from providing their patients with information, counseling, or referrals concerning abortion. Subsequent attempts by the Bush Administration to modify the Gag Rule and ensuing litigation have created confusion and uncertainty about the current legal status of the regulations.

The Gag Rule endangers women’s lives and health by preventing them from receiving complete and accurate medical information and interferes with the doctor-patient relationship by prohibiting information that medical professionals are otherwise ethically and legally required to provide to their patients. Furthermore, the Gag Rule contravenes the clear intent of a majority of the members of both the United States Senate and House of Representatives, which twice passed legislation to block the Gag Rule’s enforcement but failed to override Presidential vetoes.

For these reasons, you have informed me that you will suspend the Gag Rule pending the promulgation of new regulations in accordance with the “notice and comment” procedures of the Administrative Procedure Act (5 U.S.C. 551 et seq.). I hereby direct you to take that action as soon as possible. I further direct that, within 30 days, you publish in the Federal Register new proposed regulations for public comment.

You are hereby authorized and directed to publish this memorandum in the Federal Register.

WILLIAM J. CLINTON.

§ 300a. Formula grants to States for family planning services

(a) Authority of Secretary; prerequisites

The Secretary is authorized to make grants, from allotments made under subsection (b), to State health authorities to assist in planning, establishing, maintaining, coordinating, and evaluating family planning services. No grant may be made to a State health authority under this section unless such authority has submitted, and has approved by the Secretary, a State plan for a coordinated and comprehensive program of family planning services.

(b) Factors determining amount of State allotments

The sums appropriated to carry out the provisions of this section shall be allotted to the States by the Secretary on the basis of the population and the financial need of the respective States.

(c) “State” defined

For the purposes of this section, the term “State” includes the Commonwealth of Puerto Rico, the Northern Mariana Islands, Guam, American Samoa, the Virgin Islands, the District of Columbia, and the Trust Territory of the Pacific Islands.

(d) Authorization of appropriations

For the purpose of making grants under this section, there are authorized to be appropriated $10,000,000 for the fiscal year ending June 30, 1971; $15,000,000 for the fiscal year ending June 30, 1972; and $20,000,000 for the fiscal year ending June 30, 1973.


AMENDMENTS

1976—Subsec. (c). Pub. L. 94–484 defined “State” to include Northern Mariana Islands.

Termination of Trust Territory of the Pacific Islands

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

STUDY OF STATE DELIVERY OF SERVICES; REPORT TO CONGRESS

Pub. L. 97–35, title IX, § 931(c), Aug. 13, 1981, 95 Stat. 570, directed Secretary of Health and Human Services to conduct a study of possible ways of State delivery of services for which assistance is authorized by title X of the Public Health Service Act (42 U.S.C. 300 et seq.) and to report to Congress on results of such study 18 months after Aug. 13, 1981.

§ 300a–1. Training grants and contracts; authorization of appropriations

(a) The Secretary is authorized to make grants to public or nonprofit private entities and to enter into contracts with public or private entities and individuals to provide the training for personnel to carry out family planning service programs described in section 300 or 300a of this title.

(b) For the purpose of making payments pursuant to grants and contracts under this section, there are authorized to be appropriated $2,000,000 for the fiscal year ending June 30, 1971; $3,000,000 for the fiscal year ending June 30, 1972; $4,000,000 for the fiscal year ending June 30, 1973; $3,000,000 each for the fiscal years ending June 30, 1974 and June 30, 1975; $4,000,000 for fiscal year ending 1976; $5,000,000 for the fiscal year ending September 30, 1977; $3,000,000 for the fiscal year ending September 30, 1978; $3,100,000 for the fiscal year ending September 30, 1979; $3,600,000 for the fiscal year ending September 30, 1980; $4,100,000 for the fiscal year ending September 30, 1981; $2,920,000 for the fiscal year ending September 30, 1982; $3,200,000 for the fiscal year ending September 30, 1983; $3,500,000 for the fiscal year ending September 30, 1984; and $3,500,000 for the fiscal year ending September 30, 1985.

(July 1, 1944, ch. 373, title X, § 1003, as added Pub. L. 91–572, §6(c), Dec. 24, 1970, 84 Stat. 1507; amended Pub. L. 95–35, title I, § 111(b), June 18, 1977, 91 Stat. 484; Pub. L. 97–35, title IX, § 931(c), Aug. 13, 1981, 95 Stat. 570, directed Secretary of Health and Human Services to make grants to public or nonprofit private entities and to enter into contracts with public or private entities and individuals to provide the training for personnel to carry out family planning service programs described in section 300 or 300a of this title.)

AMENDMENTS


AMENDMENTS
§ 300a–2TITLE 42—THE PUBLIC HEALTH AND WELFARE


Effective Date of 1975 Amendment
Amendment by section 202(b) of Pub. L. 94–63 effective July 1, 1975, see section 608 of Pub. L. 94–63, set out as a note under section 247b of this title.

§ 300a–2. Conduct, etc., of research activities

The Secretary may—

(1) conduct, and

(2) make grants to public or nonprofit private entities and enter into contracts with public or private entities and individuals for projects for,

research in the biomedical, contraceptive development, behavioral, and program implementation fields related to family planning and population.


Amendments

1981—Pub. L. 97–35 redesignated existing subsec. (a) as entire section, and struck out subsec. (b) which related to administration and availability of appropriations.


1977—Subsec. (b). Pub. L. 95–89 in par. (1) substituted provisions authorizing appropriations for fiscal years ending Sept. 30, 1977 and 1978, for prior such authorizations for fiscal year 1977, and in par. (2) prohibited use of funds for administration of this section.

1975—Subsec. (a). Pub. L. 94–63, § 202(c), revised structure of provisions, inserted authorization for Secretary to conduct research, and struck out authority for grants and contracts in research training in specified fields.

Subsec. (b). Pub. L. 94–63, §§ 202(c), 701(d), revised structure of provisions and substituted provisions relating to authorizations for appropriations for fiscal years 1976 and 1977 and availability of appropriated funds, for provisions authorizing appropriations for fiscal years ending June 30, 1977, through fiscal year ending June 30, 1975.


Effective Date of 1979 Amendment
Pub. L. 96–32, § 1(b), July 10, 1979, 93 Stat. 82, provided that: "The amendment made by subsection (a) (amending this section) shall be effective as of November 8, 1978."

Effective Date of 1975 Amendment
Amendment by section 202(c) of Pub. L. 94–63 effective July 1, 1975, see section 608 of Pub. L. 94–63, set out as a note under section 247b of this title.

§ 300a–3. Informational and educational materials development grants and contracts; authorization of appropriations

(a) The Secretary is authorized to make grants to public or nonprofit private entities and to enter into contracts with public or private entities and individuals to assist in developing and making available family planning and population growth information (including educational materials) to all persons desiring such information (or materials).

(b) For the purpose of making payments pursuant to grants and contracts under this section, there are authorized to be appropriated $750,000 for the fiscal year ending June 30, 1971; $1,000,000 for the fiscal year ending June 30, 1972; $1,250,000 for the fiscal year ending June 30, 1973; $909,000 each for the fiscal years ending June 30, 1974, and June 30, 1975; $2,000,000 for fiscal year 1976; $2,500,000 for the fiscal year ending September 30, 1977; $600,000 for the fiscal year ending September 30, 1978; $700,000 for the fiscal year ending September 30, 1979; $805,000 for the fiscal year ending September 30, 1980; $926,000 for the fiscal year ending September 30, 1981; $570,000 for the fiscal year ending September 30, 1982; $600,000 for the fiscal year ending September 30, 1983; $670,000 for the fiscal year ending September 30, 1984; and $700,000 for the fiscal year ending September 30, 1985.


Amendments


1979—Subsec. (a). Pub. L. 94–63, § 204(c), inserted provisions relating to amount of grants authorized pursuant to sections of this subchapter.

Subsec. (c). Pub. L. 94–63, § 204(d), inserted provision relating to economic status as part of the criteria to be included within definition of “low-income family”.

Effective Date of 1975 Amendment
Amendment by section 202(d) of Pub. L. 94–63 effective July 1, 1975, see section 608 of Pub. L. 94–63, set out as a note under section 247b of this title.

§ 300a–4. Grants and contracts
(a) Promulgation of regulations governing execution; amount of grants

Grants and contracts made under this subchapter shall be made in accordance with such regulations as the Secretary may promulgate. The amount of any grant under any section of this subchapter shall be determined by the Secretary; except that no grant may be made for less than 90 per centum of its costs (as determined under regulations of the Secretary) unless the grant is to be made for a program or project for which a grant was made (under the same section) for the fiscal year ending June 30, 1975, for less than 90 per centum of its costs (as so determined), in which case a grant under such section for that program or project for a fiscal year beginning after that date may be made for a percentage which shall not be less than the percentage of its costs for which the fiscal year 1975 grant was made.

(b) Payment of grants

Grants under this subchapter shall be payable in such installments and subject to such conditions as the Secretary may determine to be appropriate to assure that such grants will be effectively utilized for the purposes for which made.

(c) Prerequisites; “low-income family” defined

A grant may be made or a contract entered into under section 300 or 300a–3 of this title only upon assurances satisfactory to the Secretary that informational or educational materials developed or made available under the grant or contract will be suitable for the purposes of this subchapter and for the population or community to which they are to be made available, taking into account the educational and cultural background of the individuals to whom such materials are addressed and the standards of such population or community with respect to such materials.

(2) In the case of any grant or contract under section 300 of this title, such assurances shall provide for the review and approval of the suitability of such materials, prior to their distribution, by an advisory committee established by the grantee or contractor in accordance with the Secretary’s regulations. Such a committee shall include individuals broadly representative of the population or community to which the materials are to be made available.


Amendments

1979—Subsec. (a). Pub. L. 94–63, § 204(c), inserted provisions relating to amount of grants authorized pursuant to sections of this subchapter.

Subsec. (c). Pub. L. 94–63, § 204(d), inserted provision relating to economic status as part of the criteria to be included within definition of “low-income family”.

Effective Date of 1975 Amendment
Amendment by Pub. L. 94–63 effective July 1, 1975, see section 608 of Pub. L. 94–63, set out as a note under section 247b of this title.

§ 300a–5. Voluntary participation by individuals; participation not prerequisite for eligibility or receipt of other services and information

The acceptance by any individual of family planning services or family planning or population growth information (including educational materials) provided through financial assistance under this subchapter (whether by grant or contract) shall be voluntary and shall not be a prerequisite to eligibility for or receipt of any other service or assistance from, or to participation in, any other program of the entity or individual that provided such service or information.

(July 1, 1944, ch. 373, title X, § 1007, as added Pub. L. 91–572, § 6(c), Dec. 24, 1970, 84 Stat. 1508."

§ 300a–6. Prohibition against funding programs using abortion as family planning method

None of the funds appropriated under this subchapter shall be used in programs where abortion is a method of family planning.

(July 1, 1944, ch. 373, title X, § 1008, as added Pub. L. 91–572, § 6(c), Dec. 24, 1970, 84 Stat. 1508.)


§ 300a–7. Sterilization or abortion

(a) Omitted

(b) Prohibition of public officials and public authorities from imposition of certain requirements contrary to religious beliefs or moral convictions

The receipt of any grant, contract, loan, or loan guarantee under the Public Health Service Act [42 U.S.C. 201 et seq.], the Community Mental Health Centers Act [42 U.S.C. 2689 et seq.], or the Developmental Disabilities Services and Facilities Construction Act [42 U.S.C. 6000 et seq.] by any individual or entity does not authorize any court or any public official or other public authority to require—

(1) such individual to perform or assist in the performance of any sterilization procedure or abortion if his performance or assistance in the performance of such procedure or abortion would be contrary to his religious beliefs or moral convictions; or

(2) such entity to—

(A) make its facilities available for the performance of any sterilization procedure or abortion if the performance of such procedure or abortion in such facilities is prohibited by the entity on the basis of religious beliefs or moral convictions, or

(B) provide any personnel for the performance or assistance in the performance of any sterilization procedure or abortion if the performance of such procedure or abortion by such personnel would be contrary to the religious beliefs or moral convictions of such personnel.

(c) Discrimination prohibition

(1) No entity which receives a grant, contract, loan, or loan guarantee under the Public Health Service Act [42 U.S.C. 201 et seq.], the Community Mental Health Centers Act [42 U.S.C. 2689 et seq.], or the Developmental Disabilities Services and Facilities Construction Act [42 U.S.C. 6000 et seq.] after June 18, 1973, may—

(A) discriminate in the employment, promotion, or termination of employment of any physician or other health care personnel, or

(B) discriminate in the extension of staff or other privileges to any physician or other health care personnel,

because he performed or assisted in the performance of a lawful sterilization procedure or abortion, because he refused to perform or assist in the performance of such a procedure or abortion on the grounds that his performance or assistance in the performance of the procedure or abortion would be contrary to his religious beliefs or moral convictions, or because of his religious beliefs or moral convictions respecting sterilization procedures or abortions.

(2) No entity which receives after July 12, 1974, a grant or contract for biomedical or behavioral research under any program administered by the Secretary of Health and Human Services may—

(A) discriminate in the employment, promotion, or termination of employment of any physician or other health care personnel, or

(B) discriminate in the extension of staff or other privileges to any physician or other health care personnel,

because he performed or assisted in the performance of any lawful health service or research activity, because he refused to perform or assist in the performance of any such service or activity on the grounds that his performance or assistance in the performance of such service or activity would be contrary to his religious beliefs or moral convictions, or because of his religious beliefs or moral convictions respecting any such service or activity.

(d) Individual rights respecting certain requirements contrary to religious beliefs or moral convictions

No individual shall be required to perform or assist in the performance of any part of a health service program or research activity funded in whole or in part under a program administered by the Secretary of Health and Human Services if his performance or assistance in the performance of such part of such program or activity would be contrary to his religious beliefs or moral convictions.

(e) Prohibition on entities receiving Federal grant, etc., from discriminating against applicants for training or study because of refusal of applicant to participate on religious or moral grounds

No entity which receives, after September 29, 1979, any grant, contract, loan, loan guarantee, or interest subsidy under the Public Health Service Act [42 U.S.C. 201 et seq.], the Community Mental Health Centers Act [42 U.S.C. 2689 et seq.], or the Developmental Disabilities Assistance and Bill of Rights Act of 2000 [42 U.S.C. 15001 et seq.] may deny admission or otherwise discriminate against any applicant (including applicants for internships and residencies) for training or study because of the applicant’s reluctance, or willingness, to counsel, suggest, recommend, assist, or in any way participate in the performance of abortions or sterilization contrary to or consistent with the applicant’s religious beliefs or moral convictions.

References in Text

The Public Health Service Act, referred to in subsecs. (b), (c)(1), and (e), is act July 1, 1944, ch. 373, 58 Stat. 682, as amended, which is classified generally to this chapter (§ 201 et seq.). For complete classification of this Act to the Code, see Short Title note set out under section 201 of this title and Tables.

The Community Mental Health Centers Act, referred to in subsecs. (b), (c)(1), and (e), is title II of Pub. L. 88–164, as added Pub. L. 94–63, title III, § 303, July 29,


Codification

Section was enacted as part of Health Programs Extension Act of 1973, and not as part of Public Health Services Act which comprises this chapter.

Subsec. (a) of this section amended section 601 of Pub. L. 91–716, which is set out as an Availability of Appropriations note under section 15001 of this title.

Amendments

2000—Subsec. (e). Pub. L. 106–402 substituted “or the Developmental Disabilities Assistance and Bill of Rights Act of 2000 may deny” for “or the Developmental Disabilities Assistance and Bill of Rights Act may deny”.


§300a–8. Penalty for United States, etc., officer or employee coercing or endeavoring to coerce procedure upon beneficiary of Federal program

Any—

(1) officer or employee of the United States,

(2) officer or employee of any State, political subdivision of a State, or any other entity, which administers or supervises the administration of any program receiving Federal financial assistance, or

(3) person who receives, under any program receiving Federal financial assistance, compensation for services, who coerces or endeavors to coerce any person to undergo an abortion or sterilization procedure by threatening such person with the loss of, or disqualification for the receipt of, any benefit or service under a program receiving Federal financial assistance shall be fined not more than $1,000 or imprisoned for not more than one year, or both.


Codification

Section was enacted as part of the Family Planning and Population Research Act of 1975, and not as part of the Public Health Service Act which comprises this chapter.

Effective Date

Section effective July 1, 1975, see section 608 of Pub. L. 94–63, set out as an Effective Date of 1975 Amendment note under section 247h of this title.

Subchapter VIII–A—Adolescent Pregnancies

Part A—Grant Program


Effective Date of Repeal


For effective date, savings, and transitional provisions relating to the repeal of sections 321a–21 to 321a–28 of this title by 2193(f) of Pub. L. 97–35, and relating to the amendment of section 300a–27 of this title by section 2193(a)(2) of Pub. L. 97–35, see section 2194 of Pub. L. 97–35, set out as a note under section 701 of this title.


Pub. L. 95–626, title VIII, §801, Nov. 10, 1978, 92 Stat. 3602, which provided for a study of the problem of adolescent pregnancies and the effectiveness of existing programs and a report, was repealed by section 555(b) of Pub. L. 97–35.

§300a–29. Omitted

Codification

Section, Pub. L. 95–626, title III, §306, Nov. 10, 1978, 92 Stat. 3596, provided that grants or contracts made under this subchapter would be considered to have been made under this chapter for the purposes of sections 300l–2(e) and 300m–3(c)(6) of this title.
PART B—IMPROVING COORDINATION OF FEDERAL AND STATE PROGRAMS


EFFECTIVE DATE OF REPEAL

For effective date, savings, and transitional provisions relating to the repeal of this section by section 2193(f) of Pub. L. 97–35, see section 2194 of Pub. L. 97–35, set out as a note under section 701 of this title.

SUBCHAPTER IX—GENETIC DISEASES, HEMOPHILIA PROGRAMS, AND SUDDEN INFANT DEATH SYNDROME

CODIFICATION


Pub. L. 92–414, § 4(1), Aug. 29, 1972, 86 Stat. 652, substituted “GENETIC BLOOD DISORDERS” for “SICKLE CELL ANEMIA PROGRAM” as subchapter heading and designated such former subchapter heading as part A heading, substituting “Programs” for “Program”.

PART A—GENETIC DISEASES

CODIFICATION


A prior section 300b, act July 1, 1944, ch. 373, title XI, § 1101, as added May 16, 1972, Pub. L. 92–294, § 3(c), 86 Stat. 137, amended Aug. 29, 1972, Pub. L. 92–414, § 4(2), 86 Stat. 652, authorized Secretary to make grants and enter contracts with public and private entities and individuals for projects concerned with research, research training in diagnosis, treatment and control of sickle cell anemia, informational and educational programs with respect to sickle cell anemia and development of counseling and testing programs, prior to repeal by Pub. L. 94–278, title IV, § 403(a), Apr. 22, 1976, 90 Stat. 407.

EFFECTIVE DATE OF 1981 AMENDMENT AND REPEAL, SAVINGS, AND TRANSITIONAL PROVISIONS

For effective date, savings, and transitional provisions relating to the amendment and repeal of this section by Pub. L. 97–35, see section 2194 of Pub. L. 97–35, set out as a note under section 701 of this title.

§ 300b–1. Research project grants and contracts

In carrying out section 241 of this title, the Secretary may make grants to public and nonprofit private entities, and may enter into contracts with public and private entities and individuals, for projects for (1) basic or applied research leading to the understanding, diagnosis, treatment, and control of genetic diseases, (2) planning, establishing, demonstrating, and developing special programs for the training of genetic counselors, social and behavioral scientists, and other health professionals, and the public regarding the nature of genetic processes, the inheritance patterns of genetic diseases, and the means, methods, and facilities available to diagnose, control, counsel, and treat genetic diseases, and (4) the development of counseling and testing programs and other programs for the diagnosis, control, and treatment of genetic diseases. In making grants and entering into contracts for projects described in clause (1) of the preceding sentence, the Secretary shall give priority to applications for such grants or contracts which are submitted for research on sickle cell anemia and for research on Cooley’s anemia.

(July 1, 1944, ch. 373, title XI, § 1102, as added Pub. L. 94–278, title IV, § 403(a), Apr. 22, 1976, 90 Stat. 408.)

PRIOR PROVISIONS

A prior section 300b–1, act July 1, 1944, ch. 373, title XI, § 1102, as added May 16, 1972, Pub. L. 92–294, § 3(c), 86 Stat. 138, authorized Secretary to make grants and enter contracts with public and private entities and individuals for projects concerned with research, research training in diagnosis, treatment and control of sickle cell anemia, informational and educational programs with respect to sickle cell anemia and development of counseling and testing programs, prior to repeal by Pub. L. 94–278, title IV, § 403(a), Apr. 22, 1976, 90 Stat. 407.

EFFECTIVE DATE
Pub. L. 94–278, title IV, § 403(c), Apr. 22, 1976, 90 Stat. 410, provided that: “The amendments made by subsections (a) and (b) [see section 401 of Pub. L. 94–278, set out as a Short Title of 1976 Amendment note under section 201 of this title] shall take effect July 1, 1976.”

SHORT TITLE OF 1976 AMENDMENT

For short title of title IV of Pub. L. 94–278, which enacted this part, omitted former part B of this subchapter, redesignated former parts C and D of this subchapter as parts B and C of this subchapter, respectively, as the “National Sickle Cell Anemia, Cooley’s Anemia, Tay-Sachs, and Genetic Diseases Act”, see section 401 of Pub. L. 94–278, set out as a note under section 201 of this title.

DEMONSTRATION PROGRAM FOR THE DEVELOPMENT AND ESTABLISHMENT OF SYSTEMIC MECHANISMS FOR THE PREVENTION AND TREATMENT OF SICKLE CELL DISEASE


CONGRESSIONAL DECLARATION OF PURPOSE

1978, 92 Stat. 3583; Pub. L. 111–256, § 2(k), Oct. 5, 2010, 124 Stat. 2644, provided that: “In order to preserve and protect the health and welfare of all citizens, it is the purpose of this title [see section 401 of Pub. L. 94–278, set out as a Short Title of 1976 Amendment note under section 201 of this title] to establish a national program to provide for basic and applied research, research training, testing, counseling, and information and education programs with respect to genetic diseases, and genetic conditions, such as Sickle Cell anemia, Cooley’s Anemia, Tay–Sachs disease, cystic fibrosis, dysautonomia, hemophilia, retinitis pigmentosa, Huntington’s disease, muscular dystrophy, and genetic conditions leading to intellectual disabilities or genetically caused mental disorders.”

[For meaning of references to an intellectual disability and to individuals with intellectual disabilities in provisions amended by section 2 of Pub. L. 111–256, see section 1400 of Title 20, Education.]

§ 300b–2. Voluntary participation by individuals

The participation by any individual in any program or portion thereof under this part shall be wholly voluntary and shall not be a prerequisite to eligibility for or receipt of any other service or assistance from, or to participation in, any other program.

(July 1, 1944, ch. 373, title XI, § 1103, as added Pub. L. 94–278, title IV, § 403(a), Apr. 22, 1976, 90 Stat. 408.)

Prior Provisions


§ 300b–3. Application; special consideration to prior sickle cell anemia grant recipients

(a) Manner of submission; contents

A grant or contract under this part may be made upon application submitted to the Secretary at such time, in such manner, and containing and accompanied by such information, as the Secretary may require, including assurances for an evaluation whether performed by the applicant or by the Secretary. Such grant or contract may be made available on less than a statewide or regional basis. Each applicant shall—

(1) provide that the programs and activities for which assistance under this part is sought will be administered by or under the supervision of the applicant;

(2) provide for strict confidentiality of all test results, medical records, and other information regarding testing, diagnosis, counseling, or treatment of any person treated, except for (A) such information as the patient (or his guardian) gives informed consent to be released, or (B) statistical data compiled without reference to the identity of any such patient;

(3) provide for community representation where appropriate in the development and operation of voluntary genetic testing or counseling programs funded by a grant or contract under this part; and

(4) establish fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of and accounting of Federal funds paid to the applicant under this part.

(b) Considerations for grants and contracts under section 300b–1 of this title

In making grants and entering into contracts for any fiscal year under section 241 of this title for projects described in section 300b–1 of this title the Secretary shall give special consideration to applications from entities that received grants from, or entered into contracts with, the Secretary for the preceding fiscal year for the conduct of comprehensive sickle cell centers or sickle cell screening and education clinics.


Prior Provisions

A prior section 300b–3, act July 1, 1944, ch. 373, title XI, § 1104, as added May 16, 1972, Pub. L. 92–294, title IV, § 403(c), 86 Stat. 138; amended Aug. 29, 1972, Pub. L. 92–414, § 4(f)(3), 86 Stat. 652, authorized grants to be made upon application to Secretary and required supervision of programs by applicant, confidentiality of test results, medical records and other information obtained from treated person, community representation in programs, assurances by applicant that priority will be given to persons of child bearing years, and demonstration by applicant of proper fiscal control and accounting procedures, prior to repeal by Pub. L. 94–278, title IV, § 403(a), Apr. 22, 1976, 90 Stat. 407.

Amendments

1981—Subsec. (a)(4), (5). Pub. L. 97–35, § 2193(b)(2), redesignated par. (b) as (4). Former par. (4), which related to testing and counseling requirements, was struck out.

Subsec. (b). Pub. L. 97–35, § 2193(b)(3), struck out subsec. (b) which related to grants and contracts under section 300b of this title. Former subsec. (c) was redesignated (b) and, as so redesignated, struck out reference to section 300b of this title.

Subsec. (d). Pub. L. 97–35, § 2193(b)(3), struck out subsec. (d) which related to procedures applicable to grants, etc., under section 300b of this title.

1978—Subsec. (a). Pub. L. 95–652, § 205(c)(1), inserted requirement that application contain assurances for an evaluation whether performed by applicant or by Secretary and that grant or contract be made available on less than a statewide or regional basis.


Effective Date of 1981 Amendment, Savings, and Transitional Provisions

For effective date, savings, and transitional provisions relating to amendment by Pub. L. 97–35, see section 2194 of Pub. L. 97–35, set out as a note under section 701 of this title.

§ 300b–4. Public Health Service facilities

The Secretary shall establish a program within the Service to provide voluntary testing, diagnosis, counseling, and treatment of individuals respecting genetic diseases. Services under such program shall be made available through facilities of the Service to persons requesting such services, and the program shall provide ap-
propriate publicity of the availability and voluntary nature of such services.

(July 1, 1944, ch. 373, title XI, §1105, as added Pub. L. 94–278, title IV, §403(a), Apr. 22, 1976, 90 Stat. 409.)

PRIOR PROVISIONS

A prior section 300b-4, act July 1, 1944, ch. 373, title XI, §1105, as added May 16, 1972, Pub. L. 92–294, §3(c), 86 Stat. 407, authorized Secretary to establish a program within the Public Health Service with respect to sickle cell anemia with such program to be made available through facilities of Public Health Service, prior to repeal by Pub. L. 94–278, title IV, §403(a), Apr. 22, 1976, 90 Stat. 409.

§ 300b-5. Sickle cell disease and other heritable blood disorders research, surveillance, prevention, and treatment

(a) Grants

(1) In general

The Secretary may award grants related to heritable blood disorders, including sickle cell disease, for one or more of the following purposes:

(A) To collect and maintain data on such diseases and conditions, including subtypes as applicable, and their associated health outcomes and complications, including for the purpose of—

(i) improving national incidence and prevalence data;

(ii) identifying health disparities, including the geographic distribution, related to such diseases and conditions;

(iii) assessing the utilization of therapies and strategies to prevent complications; and

(iv) evaluating the effects of genetic, environmental, behavioral, and other risk factors that may affect such individuals.

(B) To conduct public health activities with respect to such conditions, which may include—

(i) developing strategies to improve health outcomes and access to quality health care for the screening for, and treatment and management of, such diseases and conditions, including through public-private partnerships;

(ii) providing support to community-based organizations and State and local health departments in conducting education and training activities for patients, communities, and health care providers concerning such diseases and conditions;

(iii) supporting State health departments and regional laboratories, including through training, in testing to identify such diseases and conditions, including specific forms of sickle cell disease, in individuals of all ages; and

(iv) the identification and evaluation of best practices for treatment of such diseases and conditions, and prevention and management of their related complications.

(2) Population included

The Secretary shall, to the extent practicable, award grants under this subsection to eligible entities across the United States to improve data on the incidence and prevalence of heritable blood disorders, including sickle cell disease, and the geographic distribution of such diseases and conditions.

(3) Application

To seek a grant under this subsection, an eligible entity shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require.

(4) Priority

In awarding grants under this subsection, the Secretary may give priority, as appropriate, to eligible entities that have a relationship with a community-based organization that has experience in, or is capable of, providing services to individuals with heritable blood disorders, including sickle cell disease.

(5) Eligible entity

In this subsection, the term “eligible entity” includes the 50 States, the District of Columbia, the Commonwealth of Puerto Rico, the United States Virgin Islands, the Commonwealth of the Northern Mariana Islands, American Samoa, Guam, the Federated States of Micronesia, the Republic of Marshall Islands, the Republic of Palau, Indian tribes, a State or local health department, an institution of higher education, or a nonprofit entity with appropriate experience to conduct the activities under this subsection.

(b) Demonstration program for the development and establishment of systemic mechanisms for the prevention and treatment of sickle cell disease

(1) Authority to conduct demonstration program

(A) In general

The Administrator, through the Bureau of Primary Health Care and the Maternal and Child Health Bureau, shall continue efforts, including by awarding grants, to develop or establish mechanisms to improve the treatment of sickle cell disease, and to improve the prevention and treatment of complications of sickle cell disease, in populations with a high proportion of individuals with sickle cell disease, including through—

(i) the coordination of service delivery for individuals with sickle cell disease;

(ii) genetic counseling and testing;

(iii) bundling of technical services related to the prevention and treatment of sickle cell disease;

(iv) training of health professionals; and

(v) identifying and establishing other efforts related to the expansion and coordination of education, treatment, and continuity of care programs for individuals with sickle cell disease.

(B) Geographic diversity

The Administrator shall, to the extent practicable, award grants under this section to eligible entities located in different regions of the United States.

1 So in original. Probably should be preceded by “the”.
2 So in original. Probably should be “this subsection”. 
**(2) Additional requirements**

An eligible entity awarded a grant under this subsection shall use funds made available under the grant to carry out, in addition to the activities described in paragraph (1)(A), the following activities:

(A) To facilitate and coordinate the delivery of education, treatment, and continuity of care for individuals with sickle cell disease under—

(i) the entity’s collaborative agreement with a community-based sickle cell disease organization or a nonprofit entity that works with individuals who have sickle cell disease;

(ii) the sickle cell disease newborn screening program for the State in which the entity is located; and

(iii) the maternal and child health program under title V of the Social Security Act (42 U.S.C. 701 et seq.) for the State in which the entity is located.

(B) To train nursing and other health staff who provide care for individuals with sickle cell disease.

(C) To enter into a partnership with adult or pediatric hematologists in the region and other regional experts in sickle cell disease at tertiary and academic health centers and State and county health offices.

(D) To identify and secure resources for ensuring reimbursement under the medicare program, State children’s health insurance program, and other health programs for the prevention and treatment of sickle cell disease.

(E) To provide or coordinate services for adolescents with sickle cell disease making the transition to adult health care.

**(3) National coordinating center**

**(A) Establishment**

The Administrator shall enter into a contract with an entity to serve as the National Coordinating Center for the demonstration program conducted under this subsection.

**(B) Activities described**

The National Coordinating Center shall—

(i) collect, coordinate, monitor, and distribute data, best practices, and findings regarding the activities funded under grants made to eligible entities under the demonstration program;

(ii) develop a model protocol for eligible entities with respect to the prevention and treatment of sickle cell disease;

(iii) develop educational materials regarding the prevention and treatment of sickle cell disease; and

(iv) prepare and submit to Congress a final report that includes recommendations regarding the effectiveness of the demonstration program conducted under this subsection and such direct outcome measures as—

(I) the number and type of health care resources utilized (such as emergency room visits, hospital visits, length of stay, and physician visits for individuals with sickle cell disease); and

(II) the number of individuals that were tested and subsequently received genetic counseling for the sickle cell trait.

**(4) Application**

An eligible entity desiring a grant under this subsection shall submit an application to the Administrator at such time, in such manner, and containing such information as the Administrator may require.

**References in Text**


**CODIFICATION**

Section 712(c) of Pub. L. 108–357, formerly set out as a note under section 300b–1 of this title, which was transferred to this section, redesignated as subsec. (b), and amended by Pub. L. 115–327, §3, was based on Pub. L. 108–357, title VII, §712(c), Oct. 22, 2004, 118 Stat. 1559.

**PRIOR PROVISIONS**


AMENDMENTS

2018—Subsec. (b), Pub. L. 115–137, §3(b), transferred section 300b–7 to this section and redesignated it as subsec. (b). See Codification note above.


Subsec. (b)(5), Pub. L. 115–327, §3(a)(5), substituted ““small cell disease” for ““Sickle Cell Disease” wherever appearing.

2005—Subsec. (b)(1)(B), Pub. L. 114–113, §2301, substituted “$4,455,000 for each of fiscal years 2019 through 2023” for “$10,000,000 for each of fiscal years 2005 through 2009”.

§ 300b–6. Applied technology

(a) Authorization of grant program

The Secretary, acting through an identifiable administrative unit, shall—

(1) conduct epidemiological assessments and surveillance of genetic diseases to define the scope and extent of such diseases and the need for programs for the diagnosis, treatment, and control of such diseases, screening for such diseases, and the counseling of persons with such diseases;

(2) on the basis of the assessments and surveillance described in paragraph (1), develop for use by the States programs which combine in an effective manner diagnosis, treatment, and control of such diseases, screening for such diseases, and counseling of persons with such diseases; and

(3) on the basis of the assessments and surveillance described in paragraph (1), provide technical assistance to States to implement the programs developed under paragraph (2) and train appropriate personnel for such programs.

In carrying out this section, the Secretary may, from funds allotted for use under section 702(a) of this title, make grants to or contracts with public or nonprofit private entities (including grants and contracts for demonstration projects).


AMENDMENTS

1981—Pub. L. 97–35 substituted provisions relating to allotments under section 702(a) of this title for provisions relating to appropriations under section 300b(b) of this title.

Effective Date of 1981 Amendment, Savings, and Transitional Provisions

For effective date, savings, and transitional provisions relating to amendment by Pub. L. 97–35, see section 2304 of Pub. L. 97–35, set out as a note under section 701 of this title.

§ 300b–7. Tourette Syndrome

(a) In general

The Secretary shall develop and implement outreach programs to educate the public, health care providers, educators and community based organizations about the etiology, symptoms, diagnosis and treatment of Tourette Syndrome, with a particular emphasis on children with Tourette Syndrome. Such programs may be carried out by the Secretary directly and through awards of grants or contracts to public or nonprofit private entities.

(b) Certain activities

Activities under subsection (a) shall include—

(1) the production and translation of educational materials, including public service announcements;

(2) the development of training material for health care providers, educators and community based organizations; and

(3) outreach efforts directed at the misdiagnosis and underdiagnosis of Tourette Syndrome in children and in minority groups.

(c) Authorization of appropriations

For the purpose of carrying out this section, there are authorized to be appropriated such sums as may be necessary for each of the fiscal years 2001 through 2005.


§ 300b–8. Improved newborn and child screening for heritable disorders

(a) Authorization of grant program

From amounts appropriated under section 300b–16 of this title, the Secretary, acting through the Administrator of the Health Resources and Services Administration (referred to in this section as the “Administrator”) and taking into consideration the expertise of the Advisory Committee on Heritable Disorders in Newborns and Children (referred to in this section as the “Advisory Committee”), shall award grants to eligible entities to enable such entities—

(1) to enhance, improve or expand the ability of State and local public health agencies to provide screening, counseling, or health care services to newborns and children having or at risk for heritable disorders;

(2) to assist in providing health care professionals and newborn screening laboratory personnel with education in newborn screening, counseling, and training in—

(A) relevant and new technologies in newborn screening and congenital, genetic, and metabolic disorders;

(B) the importance of the timeliness of collection, delivery, receipt, and screening of specimens; and

(3) for other purposes.
(C) sharing of medical and diagnostic information with providers and families;
(3) to develop and deliver educational programs (at appropriate literacy levels) about newborn screening counseling, testing, follow-up, treatment, and specialty services to parents, families, and patient advocacy and support groups;
(4) to establish, maintain, and operate a system to assess and coordinate followup and treatment relating to congenital, genetic, and metabolic disorders; and
(5) to improve the timeliness of—
(A) the collection, delivery, receipt, and screening of specimens; and
(B) the diagnosis of heritable disorders in newborns.

(b) Eligible entity
In this section, the term “eligible entity” means—
(1) a State or a political subdivision of a State;
(2) a consortium of 2 or more States or political subdivisions of States;
(3) a territory;
(4) a health facility or program operated by or pursuant to a contract with or grant from the Indian Health Service; or
(5) any other entity with appropriate expertise in newborn screening, as determined by the Secretary.

(c) Approval factors
An application for a grant under this section shall not be approved by the Secretary unless the application contains assurances that the eligible entity has adopted and implemented, is in the process of adopting and implementing, or will use amounts received under such grant to adopt and implement the guidelines and recommendations of the Advisory Committee that are adopted by the Secretary and in effect at the time the grant is awarded or renewed under this section, which shall include the screening of each newborn for the heritable disorders recommended by the Advisory Committee and adopted by the Secretary.

(d) Coordination
The Secretary shall take all necessary steps to coordinate programs funded with grants received under this section and to coordinate with existing newborn screening activities.

(e) Limitation
An eligible entity may not use amounts received under this section to—
(1) provide cash payments to or on behalf of affected individuals;
(2) provide inpatient services;
(3) purchase land or make capital improvements to property; or
(4) provide for proprietary research or training.

(f) Voluntary participation
The participation by any individual in any program or portion thereof established or operated with funds received under this section shall be wholly voluntary and shall not be a prerequisite to eligibility for or receipt of any other service or assistance from, or to participation in, another Federal or State program.

(g) Supplement not supplant
Funds appropriated under this section shall be used to supplement and not supplant other Federal, State, and local public funds provided for activities of the type described in this section.

(h) Publication
(1) In general
An application for a grant under this section shall be made public by the State in such a manner as to facilitate comment from any person, including through hearings and other methods used to facilitate comments from the public.

(2) Comments
Comments received by the State after the publication described in paragraph (1) shall be addressed in the application for a grant under this section.

(i) Technical assistance
The Secretary shall provide to entities receiving grants under subsection (a) such technical assistance as may be necessary to ensure the quality of programs conducted under this section.


Amendments
2014—Subsec. (a). Pub. L. 113–240, §2(1)(A), in introductory provisions, substituted “section 300b–16 of this title” for “subsection (j)” and “and taking into consideration the expertise of the Advisory Committee” for “and in consultation with the Advisory Committee”.
Subsec. (a)(2). Pub. L. 113–240, §2(1)(B), amended par. (2) generally. Prior to amendment, par. (2) read as follows: “to assist in providing health care professionals and newborn screening laboratory personnel with education in newborn screening and training in relevant and new technologies in newborn screening and congenital, genetic, and metabolic disorders:”;
Subsec. (a)(5). Pub. L. 113–240, §2(1)(C), (D)(ii), (E), added par. (5).
Subsec. (c). Pub. L. 113–240, §2(2), substituted “application for a grant under this section” for “application submitted for a grant under subsection (a)(1)”.
Subsec. (h). Pub. L. 113–240, §2(3), substituted “application for a grant under this section” for “application submitted under subsection (c)(2) of this section” in pars. (1) and (2).
Subsec. (j). Pub. L. 113–240, §2(4), struck out subsec. (j) which authorized appropriations for fiscal years 2009 to 2013 to provide grants for carrying out activities under subsec. (a).
2008—Subsecs. (a) to (c). Pub. L. 110–204, §2(1), added subsecs. (a) to (c) and struck out former subsecs. (a) to (c) which provided for grants to promote screening, counseling, or health care services to newborns and children having or at risk for heritable disorders, enumerated permissible uses of grants, and set out grant applicants’ eligibility requirements.
Subsecs. (d) to (i). Pub. L. 110–204, §2(2), (3), added subsec. (d) and redesignated former subsecs. (d) to (h) as (e) to (i), respectively. Former subsec. (i) redesignated (j).
§ 300b–9. Evaluating the effectiveness of newborn and child screening and followup programs

(a) In general

The Secretary shall award grants to eligible entities to provide for the conduct of demonstration programs to evaluate the effectiveness, including with respect to timeliness, of screening, followup, counseling or health care services in reducing the morbidity and mortality caused by heritable disorders in newborns and children.

(b) Demonstration programs

A demonstration program conducted under a grant under this section shall be designed to evaluate and assess, within the jurisdiction of the entity receiving such grant—

(1) the effectiveness of screening, treatment, counseling, testing, followup, or specialty services for newborns and children at risk for heritable disorders in reducing the morbidity and mortality associated with such disorders, including, as appropriate, through the assessment of health and development outcomes for such children through adolescence;

(2) the effectiveness of screening, treatment, counseling, testing, followup, or specialty services in accurately and reliably diagnosing heritable disorders in newborns and children in a timely manner;

(3) the availability of screening, counseling, testing, and specialty services for newborns and children at risk for heritable disorders;

(4) methods that may be identified to improve quality in the diagnosis, treatment, and disease management of heritable disorders based on gaps in services or care; or

(5) methods or best practices by which the eligible entities described in section 300b–8 of this title can achieve in a timely manner—

(A) collection, delivery, receipt, and screening of newborn screening specimens; and

(B) diagnosis of heritable disorders in newborns.

c) Eligible entities

To be eligible to receive a grant under subsection (a) an entity shall be a State or political subdivision of a State, or a consortium of two or more States or political subdivisions of States.

Subsec. (j). Pub. L. 110–237 added subsec. (j) and struck out former subsec. (j). Prior to amendment, text read as follows: "There is authorized to be appropriated—"

"(1) to provide grants for the purpose of carrying out activities under section (a)(1), $15,000,000 for fiscal year 2008; $15,187,500 for fiscal year 2009; $15,375,000 for fiscal year 2010, $15,562,500 for fiscal year 2011, and $15,750,000 for fiscal year 2012; and"

"(2) to provide grant for the purpose of carrying out activities under paragraphs (2), (3), and (4) of subsection (a), $15,000,000 for fiscal year 2008, $15,187,500 for fiscal year 2009, $15,375,000 for fiscal year 2010, $15,562,500 for fiscal year 2011, and $15,750,000 for fiscal year 2012."

Pub. L. 110–204, § 2(4), added subsec. (j) and struck out former subsec. (j). Prior to amendment, text read as follows: "There are authorized to be appropriated to carry out this section such sums as may be necessary for each of the fiscal years 2001 through 2005."


§ 300b–10. Advisory Committee on Heritable Disorders in Newborns and Children

(a) Establishment

The Secretary shall establish an advisory committee to be known as the “Advisory Committee on Heritable Disorders in Newborns and Children” (referred to in this section as the “Advisory Committee”).

(b) Duties

The Advisory Committee shall—

(1) provide advice and recommendations to the Secretary concerning grants and projects awarded or funded under section 300b–8 of this title;

(2) provide technical information to the Secretary for the development of policies and priorities for the administration of grants under section 300b–8 of this title;

(3) make systematic evidence-based and peer-reviewed recommendations that include the heritable disorders that have the potential to significantly impact public health for which all newborns should be screened, including secondary conditions that may be identified as a result of the laboratory methods used for screening;

(4) provide technical assistance, as appropriate, to individuals and organizations regarding the submission of nominations to the uniform screening panel, including prior to the submission of such nominations;

(5) take appropriate steps, at its discretion, to prepare for the review of nominations prior to their submission, including for conditions for which a screening method has been validated but other nomination criteria are not
yet met, in order to facilitate timely action by the Advisory Committee once such submission has been received by the Committee;

(6) develop a model decision-matrix for newborn screening expansion, including an evaluation of the potential public health impact, including the cost of such expansion, and periodically update the recommended uniform screening panel, as appropriate, based on such decision-matrix;

(7) consider ways to ensure that all States attain the capacity to screen for the conditions described in paragraph (3), and include in such consideration the results of grant funding under section 300b–8 of this title; and

(8) provide such recommendations, advice or information as may be necessary to enhance, expand or improve the ability of the Secretary to reduce the mortality or morbidity from heritable disorders, which may include recommendations, advice, or information dealing with—

(A) follow-up activities, including those necessary to achieve best practices in rapid diagnosis and appropriate treatment in the short-term, and those that ascertain long-term case management outcomes and appropriate access to related services;

(B) implementation, monitoring, and evaluation of newborn screening activities, including diagnosis, screening, follow-up, and treatment activities;

(C) diagnostic and other technology used in screening;

(D) the availability and reporting of testing for conditions for which there is no existing treatment, including information on cost and incidence;

(E) conditions not included in the recommended uniform screening panel that are treatable with Food and Drug Administration-approved products or other safe and effective treatments, as determined by scientific evidence and peer review;

(F) minimum standards and related policies and procedures used by State newborn screening programs, such as language and terminology used by State newborn screening programs to include standardization of case definitions and names of disorders for which newborn screening tests are performed;

(G) quality assurance, oversight, and evaluation of State newborn screening programs, including ensuring that tests and technologies used by each State meet established standards for detecting and reporting positive screening results;

(H) public and provider awareness and education;

(I) the cost and effectiveness of newborn screening and medical evaluation systems and intervention programs conducted by State-based programs;

(J) identification of the causes of, public health impacts of, and risk factors for heritable disorders;

(K) coordination of surveillance activities, including standardized data collection and reporting, harmonization of laboratory definitions for heritable disorders and testing results, and confirmatory testing and verification of positive results, in order to assess and enhance monitoring of newborn diseases; and

(L) the timeliness of collection, delivery, receipt, and screening of specimens to be tested for heritable disorders in newborns in order to ensure rapid diagnosis and followup.

(c) Membership

(1) In general

The Secretary shall appoint not to exceed 15 members to the Advisory Committee. In appointing such members, the Secretary shall ensure that the total membership of the Advisory Committee is an odd number.

(2) Required members

The Secretary shall appoint to the Advisory Committee under paragraph (1)—

(A) the Administrator of the Health Resources and Services Administration;

(B) the Director of the Centers for Disease Control and Prevention;

(C) the Director of the National Institutes of Health;

(D) the Director of the Agency for Healthcare Research and Quality;

(E) the Commissioner of the Food and Drug Administration;

(F) medical, technical, or scientific professionals with special expertise in heritable disorders, or in providing screening, counseling, testing or specialty services for newborns and children at risk for heritable disorders;

(G) individuals with expertise in ethics and infectious diseases who have worked and published material in the area of newborn screening;

(H) members of the public having special expertise about or concern with heritable disorders; and

(I) representatives from such Federal agencies, public health constituencies, and medical professional societies as determined to be necessary by the Secretary, to fulfill the duties of the Advisory Committee, as established under subsection (b).

(d) Decision on recommendations

(1) In general

Not later than 120 days after the Advisory Committee issues a recommendation pursuant to this section, the Secretary shall adopt or reject such recommendation. If the Secretary is unable to make a determination to adopt or reject such recommendation within such 120-day period, the Secretary shall notify the Advisory Committee and the appropriate committees of Congress of such determination together with an explanation for why the Secretary was unable to comply within such 120-day period, as well as a plan of action for consideration of such pending recommendation.

(2) Determinations to be made public

The Secretary shall publicize any determination on adopting or rejecting a recommendation of the Advisory Committee pursuant to this subsection, including the justification for the determination.
(3) Deadline for review  
For each condition nominated to be added to the recommended uniform screening panel in accordance with the requirements of this section, the Advisory Committee shall review and vote on the nominated condition within 9 months of the date on which the Advisory Committee referred the nominated condition to the condition review workgroup.

(e) Annual report  
Not later than 3 years after April 24, 2008, and each fiscal year thereafter, the Advisory Committee shall—

(1) publish a report on peer-reviewed newborn screening guidelines, including follow-up and treatment, in the United States;

(2) submit such report to the appropriate committees of Congress, the Secretary, the Interagency Coordinating Committee established under section 300b–13 of this title, and the State departments of health; and

(3) disseminate such report on as wide a basis as practicable, including through posting on the internet clearinghouse established under section 300b–11 of this title.

(f) Meetings  
The Advisory Committee shall meet at least 4 times each calendar year, or at the discretion of the Designated Federal Officer in consultation with the Chair.

(g) Continuation of operation of Committee  

(1) In general  
Notwithstanding section 14 of the Federal Advisory Committee Act, the Advisory Committee shall continue to operate through the end of fiscal year 2019.

(2) Continuation if not reauthorized  
If at the end of fiscal year 2019 the duration of the Advisory Committee has not been extended by statute, the Advisory Committee may be deemed, for purposes of the Federal Advisory Committee Act, an advisory committee established by the President or an officer of the Federal Government under section 9(a) of such Act.


REFERENCES IN TEXT

The Federal Advisory Committee Act, referred to in subsec. (g), is Pub. L. 92–463, Oct. 6, 1972, 86 Stat. 776, which is set out in the Appendix to Title 5, Government Organization and Employees.

AMENDMENTS
2014—Subsec. (b)(4), (5). Pub. L. 113–240, §4(1)(B), added pars. (4) and (5). Former pars. (4) and (5) redesignated (6) and (7), respectively.
Subsec. (b)(6). Pub. L. 113–240, §4(1)(A), (C), redesignated par. (4) as (6) and inserted “, including the cost,” after “public health impact.” Former par. (6) redesignated (8).

Subsec. (d)(1). Pub. L. 113–240, §4(2)(A), substituted “120 days” for “180 days” and inserted at end “If the Secretary is unable to make a determination to adopt or reject such recommendation within such 120-day period, the Secretary shall notify the Advisory Committee and the appropriate committees of Congress of such determination together with an explanation for why the Secretary was unable to comply within such 120-day period, as well as a plan of action for consideration of such pending recommendation.”
Subsec. (d)(2). Pub. L. 113–240, §4(2)(B), (C), redesignated par. (3) as (2) and struck out former par. (2). Prior to amendment, text of par. (2) read as follows: “The Secretary shall adopt or reject any recommendation issued by the Advisory Committee not later than 180 days after April 24, 2008.”
Subsec. (g). Pub. L. 113–240, §4(3), (5), redesignated subsec. (f) as (g) and amended it generally. Prior to amendment, text read as follows: “Notwithstanding section 14 of the Federal Advisory Committee Act (5 U.S.C. App.), the Advisory Committee shall continue to operate during the 5-year period beginning on April 24, 2008.”
Subsec. (h). Pub. L. 113–240, §4(3). (6), redesignated subsec. (g) as (h) and struck it out. Prior to amendment, text read as follows: “There are authorized to be appropriated to carry out this section, $1,000,000 for fiscal year 2009, $1,012,500 for fiscal year 2010, $1,037,500 for fiscal year 2011, and $1,050,000 for fiscal year 2013.”
2008—Subsec. (b)(3) to (5). Pub. L. 110–204, §4(1)(B), (C), added pars. (3) to (5). Former par. (3) redesignated (6).
Subsec. (b)(6). Pub. L. 110–204, §4(1)(A), (D), redesignated par. (3) as (6), substituted “, which may include recommendations, advice, or information dealing with—” for period at end, and added subpars. (A) to (D).
Subsec. (c)(2)(E) to (I). Pub. L. 110–204, §4(2), as amended by Pub. L. 110–237, §1(b)(2), added subpars. (E) and (G) and redesignated former subpars. (E), (F), and (G) as (F), (H), and (I), respectively.
Subsecs. (e), (f). Pub. L. 110–204, §4(3)(B), (C), added technical amendment to references in original act which appear in text as references to April 24, 2008.
Pub. L. 110–204, §4(3), added subsec. (e) and (f).
Subsec. (g). Pub. L. 110–237, §1(a)(3)(D), substituted “2009, $1,012,500 for fiscal year 2010, $1,050,000 for fiscal year 2011, and $1,000,000 for fiscal year 2012.” for “2008, $1,012,500 for fiscal year 2009, $1,050,000 for fiscal year 2010, $1,037,500 for fiscal year 2011, and $1,050,000 for fiscal year 2012.”

TERMINATION OF ADVISORY COMMITTEES  
Advisory committees established after Jan. 5, 1973, to terminate not later than the expiration of the 2-year period beginning on the date of their establishment, unless, in the case of a committee established by the President or an officer of the Federal Government, such committee is renewed by appropriate action prior to the expiration of such 2-year period, or in the case of a committee established by the Congress, its duration is otherwise provided by law. See section 14 of Pub. L. 92–463, Oct. 6, 1972, 86 Stat. 776, set out in the Appendix to Title 5, Government Organization and Employees.
§ 300b–11. Clearinghouse of newborn screening information

(a) In general

The Secretary, acting through the Administrator of the Health Resources and Services Administration (referred to in this part as the “Administrator”), in consultation with the Director of the Centers for Disease Control and Prevention and the Director of the National Institutes of Health, shall establish and maintain a central clearinghouse of current educational and family support and services information, materials, resources, research, and data on newborn screening to—

1. enable parents and family members of newborns, health professionals, industry representatives, and other members of the public to increase their awareness, knowledge, and understanding of newborn screening;
2. increase awareness, knowledge, and understanding of newborn diseases and screening services for expectant individuals and families;
3. maintain current information on quality indicators to measure performance of newborn screening, such as false-positive rates and other quality indicators as determined by the Advisory Committee under section 300b–10 of this title;
4. maintain current information on the number of conditions for which screening is conducted in each State; and
5. disseminate available evidence-based guidelines related to diagnosis, counseling, and treatment with respect to conditions detected by newborn screening.

(b) Internet availability

The Secretary, acting through the Administrator, shall ensure that the clearinghouse described under subsection (a)—

1. is available on the Internet;
2. includes an interactive forum;
3. is updated on a regular basis, but not less than quarterly; and
4. provides—
   A. links to Government-sponsored, nonprofit, and other Internet websites of laboratories that have demonstrated expertise in newborn screening that supply research-based information on newborn screening tests currently available throughout the United States;
   B. information about newborn conditions and screening services available in each State from laboratories certified under subpart 2 of part F of subchapter II, including information about supplemental screening that is available but not required, in the State where the infant is born;
   C. current research on both treatable and not-yet treatable conditions for which newborn screening tests are available;
   D. the availability of Federal funding for newborn and child screening for heritable disorders including grants authorized under the Newborn Screening Saves Lives Reauthorization Act of 2014; and
   E. other relevant information as determined appropriate by the Secretary.

(c) Nonduplication

In carrying out activities under this section, the Secretary shall ensure that such activities minimize duplication and supplement, not supplant, existing information sharing efforts.

Subsec. (a)(4), (5). Pub. L. 113–240, § 5(1)(A), (B)(ii), (C), added pars. (4) and (5).
Subsec. (c). Pub. L. 113–240, § 5(3), substituted “carrying out activities” for “developing the clearinghouse” and “activities minimize duplication and supplement, not supplant” for “clearinghouse minimizes duplication and supplements, not supplants”.
Subsec. (d). Pub. L. 113–240, § 5(4), struck out subsec. (d). Text read as follows: “There are authorized to be appropriated to carry out this section, $6,300,000 for fiscal year 2010, $5,995,750 for fiscal year 2011, $5,813,750 for fiscal year 2012, and $5,625,000 for fiscal year 2013.”

§ 300b–12. Laboratory quality and surveillance

(a) In general

The Secretary, acting through the Director of the Centers for Disease Control and Prevention and taking into consideration the expertise of the Advisory Committee on Heritable Disorders in Newborns and Children established under section 300b–10 of this title, shall provide for—

1. quality assurance for laboratories involved in screening newborns and children for inheritable disorders, including quality assurance for newborn-screening tests, timeliness for processing such tests, performance evaluation services, and technical assistance and technology transfer to newborn screening laboratories to ensure analytic validity and utility of screening tests; and
2. appropriate quality control and other performance test materials to evaluate the performance of new screening tools.
(b) Surveillance activities

The Secretary, acting through the Director of the Centers for Disease Control and Prevention, and taking into consideration the expertise of the Advisory Committee on Heritable Disorders in Newborns and Children established under section 300b–10 of this title, may provide, as appropriate, for the coordination of surveillance activities, including—

(1) through standardized data collection and reporting, as well as the use of electronic health records; and

(2) by promoting data sharing regarding newborn screening with State-based birth defects and developmental disabilities monitoring programs.


AMENDMENTS


Subsec. (a). Pub. L. 113–240, § 6(2)(A), substituted "and taking into consideration the expertise of the Advisory Committee" for "and in consultation with the Advisory Committee" in introductory provisions.


Subsec. (b). Pub. L. 113–240, § 6(3), added subsec. (b) and struck out former subsec. (b). Prior to amendment, text read as follows: "For the purpose of carrying out this section, there are authorized to be appropriated $5,000,000 for fiscal year 2009, $5,062,500 for fiscal year 2010, $5,125,000 for fiscal year 2011, and $5,187,500 for fiscal year 2012."".

2008—Subsec. (b). Pub. L. 110–237 substituted "$1,012,500 for fiscal year 2010, $1,025,000 for fiscal year 2011, $1,037,500 for fiscal year 2012, and $1,050,000 for fiscal year 2013." for "$1,000,000 for fiscal year 2009, $1,012,500 for fiscal year 2010, $1,025,000 for fiscal year 2011, $1,037,500 for fiscal year 2012, and $1,050,000 for fiscal year 2013.".


AMENDMENTS

2014—Subsec. (c). Pub. L. 113–240, § 7(1), substituted "the Administrator of the Health Resources and Services Administration, the Director of the Agency for Healthcare Research and Quality, the Commissioner of Food and Drugs," for "the Administrator, the Director of the Agency for Healthcare Research and Quality,".

Subsec. (e). Pub. L. 113–240, § 7(2), struck out subsec. (e). Text read as follows: "For the purpose of carrying out this section, there are authorized to be appropriated $1,000,000 for fiscal year 2009, $1,012,500 for fiscal year 2010, $1,025,000 for fiscal year 2011, $1,037,500 for fiscal year 2012, and $1,050,000 for fiscal year 2013.".

2008—Subsec. (e). Pub. L. 110–237 substituted "2009, $1,012,500 for fiscal year 2010, $1,025,000 for fiscal year 2011, $1,037,500 for fiscal year 2012, and $1,050,000 for fiscal year 2013." for "2008, $1,012,500 for fiscal year 2009, $1,025,000 for fiscal year 2010, $1,037,500 for fiscal year 2011, and $1,050,000 for fiscal year 2012.".

§ 300b–13. Interagency Coordinating Committee on Newborn and Child Screening

(a) Purpose

It is the purpose of this section to—

(1) assess existing activities and infrastructure, including activities on birth defects and developmental disabilities authorized under section 247b–4 of this title, in order to make recommendations for programs to collect, analyze, and make available data on the heritable disorders recommended by the Advisory Committee on Heritable Disorders in Newborns and Children under section 300b–10 of this title, including data on the incidence and prevalence of, as well as poor health outcomes resulting from, such disorders; and

(2) make recommendations for the establishment of regional centers for the conduct of applied epidemiological research on effective interventions to promote the prevention of poor health outcomes resulting from such disorders as well as providing information and education to the public on such effective interventions.

(b) Establishment

The Secretary shall establish an Interagency Coordinating Committee on Newborn and Child Screening (referred to in this section as the "Interagency Coordinating Committee") to carry out the purpose of this section.

(c) Composition

The Interagency Coordinating Committee shall be composed of the Director of the Centers for Disease Control and Prevention, the Administrator of the Health Resources and Services Administration, the Director of the Agency for Healthcare Research and Quality, the Commissioner of Food and Drugs, and the Director of the National Institutes of Health, or their designees.

(d) Activities

The Interagency Coordinating Committee shall—

(1) report to the Secretary and the appropriate committees of Congress on its recommendations related to the purpose described in subsection (a); and

(2) carry out other activities determined appropriate by the Secretary.


AMENDMENTS

2014—Subsec. (c). Pub. L. 113–240, § 7(1), substituted "the Administrator of the Health Resources and Services Administration, the Director of the Agency for Healthcare Research and Quality, the Commissioner of Food and Drugs," for "the Administrator, the Director of the Agency for Healthcare Research and Quality,".

Subsec. (e). Pub. L. 113–240, § 7(2), struck out subsec. (e). Text read as follows: "For the purpose of carrying out this section, there are authorized to be appropriated $1,000,000 for fiscal year 2009, $1,012,500 for fiscal year 2010, $1,025,000 for fiscal year 2011, $1,037,500 for fiscal year 2012, and $1,050,000 for fiscal year 2013.".

2008—Subsec. (e). Pub. L. 110–237 substituted "2009, $1,012,500 for fiscal year 2010, $1,025,000 for fiscal year 2011, $1,037,500 for fiscal year 2012, and $1,050,000 for fiscal year 2013." for "2008, $1,012,500 for fiscal year 2009, $1,025,000 for fiscal year 2010, $1,037,500 for fiscal year 2011, and $1,050,000 for fiscal year 2012.".

§ 300b–14. National contingency plan for newborn screening

(a) In general

Not later than 180 days after April 24, 2008, the Secretary, acting through the Director of the Centers for Disease Control and Prevention and in consultation with the Administrator and State departments of health (or related agencies), shall develop a national contingency plan for newborn screening for use by a State, region, or consortium of States in the event of a public health emergency. The plan shall be updated as needed and at least every five years.

(b) Contents

The contingency plan developed under subsection (a) shall include a plan for—

(1) the collection and transport of specimens;

(2) the shipment of specimens to State newborn screening laboratories;

(3) the processing of specimens;

(4) the reporting of screening results to physicians and families;
(5) the diagnostic confirmation of positive screening results;
(6) ensuring the availability of treatment and management resources;
(7) educating families about newborn screening; and
(8) carrying out other activities determined appropriate by the Secretary.


AMENDMENTS
2014—Subsec. (a). Pub. L. 113–240 substituted “consortium” for “consortia” and inserted at end “The plan shall be updated as needed and at least every five years.”

§ 300b–15. Hunter Kelly Research Program

(a) Newborn screening activities

(1) In general

The Secretary, in conjunction with the Director of the National Institutes of Health and taking into consideration the recommendations of the Advisory Committee, may continue carrying out, coordinating, and expanding research in newborn screening (to be known as “Hunter Kelly Newborn Screening Research Program”) including—

(A) identifying, developing, and testing the most promising new screening technologies, in order to improve already existing screening tests, increase the specificity of newborn screening, and expand the number of conditions for which screening tests are available;

(B) experimental treatments and disease management strategies for additional newborn conditions, and other genetic, metabolic, hormonal, or functional conditions that can be detected through newborn screening for which treatment is not yet available;

(C) providing research findings and data for newborn conditions under review by the Advisory Committee on Heritable Disorders in Newborns and Children to be added to the recommended uniform screening panel;

(D) conducting pilot studies on conditions recommended by the Advisory Committee on Heritable Disorders in Newborns and Children to ensure that screenings are ready for nationwide implementation; and

(E) other activities that would improve newborn screening, as identified by the Director.

(2) Additional newborn condition

For purposes of this subsection, the term “additional newborn condition” means any condition that is not one of the core conditions recommended by the Advisory Committee and adopted by the Secretary.

(b) Funding

In carrying out the research program under this section, the Secretary and the Director shall ensure that entities receiving funding through the program will provide assurances, as practicable, that such entities will work in consultation with the appropriate State departments of health, and, as practicable, focus their research on screening technology not currently performed in the States in which the entities are located, and the conditions on the uniform screening panel (or the standard test existing on the uniform screening panel).

(c) Reports

The Director is encouraged to include information about the activities carried out under this section in the biennial report required under section 283 of this title. If such information is included, the Director shall make such information available to be included on the Internet Clearinghouse established under section 300b–11 of this title.

(d) Nonduplication

In carrying out programs under this section, the Secretary shall minimize duplication and supplement, not supplant, existing efforts of the type carried out under this section.

(e) Peer review

Nothing in this section shall be construed to interfere with the scientific peer-review process at the National Institutes of Health.


AMENDMENTS
2014—Subsec. (a)(1)(C) to (E). Pub. L. 113–240, §9(1), added subpars. (C) and (D) and redesignated former subpar. (C) as (E).

Subsec. (c). Pub. L. 113–240, §9(2), substituted “section 283 of this title” for “section 403 of the National Institutes of Health Reform Act of 2006”.

2008—Subsec. (a)(1)(B). Pub. L. 110–237 substituted “., or” for “and or”.

§ 300b–16. Authorization of appropriations for newborn screening programs and activities

There are authorized to be appropriated—

(1) to carry out sections 300b–8, 300b–9, 300b–10, and 300b–11 of this title, $11,900,000 for each of fiscal years 2015 through 2019; and

(2) to carry out section 300b–12 of this title, $8,000,000 for each of fiscal years 2015 through 2019.


§ 300b–17. Report by Secretary

(1) In general

The Secretary of Health and Human Services shall—

(A) not later than 1 year after December 18, 2014, submit to the Committee on Health, Education, Labor, and Pensions of the Senate and the Committee on Energy and Commerce of the House of Representatives a report on activities related to—

(i) newborn screening; and

(ii) screening children who have or are at risk for heritable disorders; and

(B) not less than every 2 years, submit to such committees an updated version of such report.
Health and Human Development, the Secretary shall assure that there are applied to research of the type described in subparagraphs (A) and (B) of subsection (b)(1) of this section such amounts each year as will be adequate, given the leads and findings then available from such research, in order to make maximum feasible progress toward identification of infants at risk of sudden infant death syndrome and prevention of sudden infant death syndrome.


REFERENCES IN TEXT

Subsection (b), referred to in text, was repealed by Pub. L. 109–482, title I, §104(b)(2)(B)(ii), Jan. 15, 2007, 120 Stat. 3693. Prior to repeal, subparagraphs (A) and (B) of subsection (b)(1) read as follows:

“(A) the (i) number of applications approved by the Secretary in the fiscal year reported on for grants and contracts under this chapter for research which relates specifically to sudden infant death syndrome, (ii) total amount requested under such applications, (iii) number of such applications for which funds were provided in such fiscal year, and (iv) total amount of such funds; and

“(B) the (i) number of applications approved by the Secretary in such fiscal year for grants and contracts under this chapter for research which relates generally to sudden infant death syndrome, including high-risk pregnancy and high-risk infancy research which directly relates to sudden infant death syndrome, (ii) relationship of the high-risk pregnancy and high-risk infancy research to sudden infant death syndrome, (iii) total amount requested under such applications, (iv) number of such applications for which funds were provided in such fiscal year, and (v) total amount of such funds.”

AMENDMENTS


Pub. L. 109–482 struck out subsec. (a) designation before “From the sums” and subsecs. (b) and (c) which related to annual report on data relating to applications for grants and contracts for research on sudden infant death syndrome and annual estimate of amounts requested for such research.


1985—Subsec. (a). Pub. L. 99–158 struck out “under section 289d of this title” before “the Secretary”.

EFFECTIVE DATE OF 2007 AMENDMENT

Amendment by Pub. L. 109–482 applicable only with respect to amounts appropriated for fiscal year 2007 or subsequent fiscal years, see section 109 of Pub. L. 109–482, set out as a note under section 281 of this title.

§300c–13. Continuing activities related to still-birth, sudden unexpected infant death and sudden unexplained death in childhood

(a) In general

The Secretary of Health and Human Services shall continue activities related to still-birth, sudden unexpected infant death and sudden unexplained death in childhood.

(1) See References in Text note below.
§ 300c–22. Blood-separation centers

(a) Grants and contracts with public and nonprofit private entities for projects to develop and expand existing facilities; definitions

The Secretary may make grants to and enter into contracts with public and nonprofit private entities for projects to develop and expand, within existing facilities, blood-separation centers to separate and make available for distribution blood components to providers of blood services and manufacturers of blood fractions.

For purposes of this section—

(1) the term “blood components” means those constituents of whole blood which are used for therapy and which are obtained by physical separation processes which result in licensed products such as red blood cells, platelets, white blood cells, AHF-rich plasma, fresh-frozen plasma, cryoprecipitate, and single unit plasma for infusion; and

(2) the term “blood fractions” means those constituents of plasma which are used for therapy and which are obtained by licensed fractionation processes presently used in manufacturing which result in licensed products such as normal serum albumin, plasma, protein fraction, prothrombin complex, fibrinogen, AHF concentrate, immune serum globulin, and hyperimmune globulins.

(b) Grants for alleviation of insufficient supplies of blood fractions

In the event the Secretary finds that there is an insufficient supply of blood fractions available to meet the needs for treatment of persons suffering from hemophilia, and that public and other nonprofit private centers already engaged in the production of blood fractions could alleviate such insufficiency with assistance under this subsection, he may make grants not to exceed $500,000 to such centers for the purposes of alleviating the insufficiency.

(c) Approval of application as prerequisite for grant or contract; form, manner of submission, and contents of application

No grant or contract may be made under subsection (a) or (b) unless an application therefor has been submitted to and approved by the Secretary.

(d) Nonapplicability of statutory provisions to contracts

Contracts may be entered into under subsection (a) without regard to section 3324(a) and (b) of title 31 and section 6101 of title 41.

(e) Authorization of appropriations

For the purpose of making payments under grants and contracts under subsections (a) and (b), there are authorized to be appropriated $4,000,000 for fiscal year 1976, $5,000,000 for the fiscal year ending September 30, 1977, $3,450,000 for the fiscal year ending September 30, 1978, $2,500,000 for the fiscal year ending September 30, 1979, $3,000,000 for the fiscal year ending Sep-
Secretary of Health and Human Services under section 103. The amounts in the Fund shall be available only for disbursement by the Secretary. The proceeds from any such investment shall be credited to and become part of the Fund.


**AMENDMENTS**


**Effective Date**

Section effective July 1, 1975, see section 608 of Pub. L. 94–63, set out as an Effective Date of 1975 Amendment note under section 247b of this title.

**RICKY RAY HEMOPHILIA RELIEF FUND**


(1) There is established in the Treasury of the United States a trust fund to be known as the 'Ricky Ray Hemophilia Relief Fund', which shall be administered by the Secretary of the Treasury.

(2) Amounts in the Fund shall be invested in accordance with section 9702 of title 31, United States Code, and any interest on and proceeds from any such investment shall be credited to and become part of the Fund.

(3) Availability of Fund. Amounts in the Fund shall be available only for disbursement by the Secretary of Health and Human Services under section 103.

(4) Termination. The Fund shall terminate upon the expiration of the 5-year period beginning on the date of the enactment of this Act (Nov. 12, 1998). If all of the amounts in the Fund have not been expended by the end of the 5-year period, investments amounts in the Fund shall be liquidated, the receipts of such liquidation shall be deposited in the Fund, and all funds remaining in the Fund shall be deposited in the miscellaneous receipts account in the Treasury of the United States.

(5) Authorization of Appropriations. There is authorized to be appropriated to the Fund to carry out this title $750,000,000. There is appropriated to the Fund for fiscal year 2001, to remain available until expended.

SEC. 102. COMPASSIONATE PAYMENT RELATING TO INDIVIDUALS WITH BLOOD-CLOTTING DISORDERS AND HIV.

(1) In General. If the conditions described in subsection (b) are met and if there are sufficient amounts in the Fund to make each payment, the Secretary shall make a single payment of $100,000 from the Fund to any individual who has an HIV infection and who is described in one of the following paragraphs:

(1) The individual has any form of blood-clotting disorder, such as hemophilia, and was treated with antihemophilic factor at any time during the period beginning on July 1, 1982, and ending on December 31, 1987.

(2) The individual—

(3) The individual acquired the HIV infection through perinatal transmission from a parent who is an individual described in paragraph (1) or (2).

(b) Conditions. The conditions described in this subsection are, with respect to an individual, as follows:

(1) Submission of Medical Documentation of HIV Infection. The individual submits to the Secretary written medical documentation that the individual has an HIV infection.

(2) Petition. A petition for payment is filed with the Secretary by or on behalf of the individual.

(3) Determination. The Secretary determines, in accordance with section 103(b), that the petition meets the requirements of this title.

(c) Payment. (1) In General. To the extent there are sufficient amounts in the Fund to cover each payment, the Secretary shall pay, from the Fund, each petition that the Secretary determines meets the requirements of this title in the order received.

(2) Payments in Case of Deceased Individuals. (A) In General. In the case of an individual referred to in section 102(a) who is deceased at the time that payment is made under this section on a petition filed by or on behalf of the individual, the payment shall be made as follows:

(i) If the individual is survived by a spouse who is living at the time of payment, the payment shall be made to such surviving spouse.

(ii) If the individual is not survived by a spouse described in clause (i), the payment shall be made in equal shares to all children of the individual who are living at the time of the payment.

(iii) If the individual is not survived by a person described in clause (i) or (ii), the payment shall be made in equal shares to all children of the individual who are living at the time of the payment.

(iv) If the individual is not survived by a person described in clause (i), (ii), or (iii), the payment shall revert back to the Fund.

(B) Filing of Petition by Survivor. If an individual eligible for payment under section 102(a) dies before filing a petition under this title, a survivor of the individual may file a petition for payment...
under this title on behalf of the individual if the survivor may receive payment under subparagraph (A).

"(C) DEFINITIONS.—For purposes of this paragraph:

"(i) The term 'spouse' means an individual who was lawfully married to the relevant individual at the time of death.

"(ii) The term 'child' includes a recognized natural child, a stepchild who lived with the relevant individual in a regular parent-child relationship, and an adopted child.

"(iii) The term 'parent' includes fathers and mothers through adoption.

"(3) TIMING OF PAYMENT.—The Secretary may not make a payment on a petition under this title before the expiration of the 120-day period beginning on the date of the enactment of this Act [Nov. 12, 1998] or after the expiration of the 5-year period beginning on the date of the enactment of this Act.

"(d) ACTION ON PETITIONS.—The Secretary shall complete the determination required by subsection (b) regarding a petition not later than 120 days after the date the petition is filed under this title.

"(e) HUMANITARIAN NATURE OF PAYMENT.—This Act does not create or admit any claim of or on behalf of the individual against the United States or against any officer, employee, or agent thereof acting within the scope of employment or agency that relate to an HIV infection arising from treatment with antiretroviral factor, at any time during the period beginning on July 1, 1982, and ending on December 31, 1987. A payment under this Act shall, however, when accepted by or on behalf of the individual, be in full satisfaction of all such claims by or on behalf of that individual.

"(4) ADMINISTRATIVE COSTS NOT PAID FROM FUND.—No costs incurred by the Secretary in carrying out this title may be paid from the Fund or set off against, or otherwise deducted from, any payment made under subsection (c)(1).

"(g) TERMINATION OF DUTIES OF SECRETARY.—The duties of the Secretary under this section shall cease when the Fund terminates.

"(h) TREATMENT OF PAYMENTS UNDER OTHER LAWS.—A payment under subsection (c)(1) to an individual—

"(1) shall be treated for purposes of the Internal Revenue Code of 1986 as damages described in section 106(a)(2) of such Code;

"(2) shall not be included as income or resources for purposes of determining the eligibility of the individual for benefits receive described in section 362(c)(2)(C) of title 31, United States Code, or the amount of such benefits, and such benefits shall not be secondary to, conditioned upon reimbursement from, or subject to any reduction because of receipt of, any such payment; and

"(3) shall not be treated as a third party payment or payment in relation to a legal liability with respect to such benefits and shall not be subject (whether by subrogation or otherwise) to recovery, recoupment, reimbursement, or collection with respect to such benefits (including the Federal or State governments or any entity that provides such benefits under a contract).

"(i) REGULATORY AUTHORITY.—The Secretary may issue regulations necessary to carry out this title.

"(j) TIME OF ISSUANCE OF PROCEDURES.—The Secretary shall, through the promulgation of appropriate regulations, guidelines, or otherwise, first establish the procedures to carry out this title not later than 120 days after the date of the enactment of this Act [Nov. 12, 1998].

"SEC. 104. LIMITATION ON TRANSFER OF RIGHTS AND NUMBER OF PETITIONS.

"(a) RIGHTS NOT ASSIGNABLE OR TRANSFERABLE.—Any right under this title shall not be assignable or transferable.

"(b) ONE PETITION WITH RESPECT TO EACH VICTIM.—With respect to each individual described in paragraph (1), (2), or (3) of section 102(a), the Secretary may not make payment with respect to more than one petition filed in respect to an individual.

"SEC. 105. TIME LIMITATION.

"(a) PETITIONS FILED IN RESPECT TO AN INDIVIDUAL.—The Secretary may not make any payment with respect to any petition filed under this title unless the petition is filed within 3 years after the date of the enactment of this Act [Nov. 12, 1998].

"(b) CERTAIN CLAIMS NOT AFFECTED BY PAYMENT.

"A payment made under section 103(c)(1) shall not be considered as any form of compensation, or reimbursement for a loss, for purposes of imposing liability on the individual receiving the payment, on the basis of such receipt, to repay any insurance carrier for insurance payments or to repay any person on account of worker's compensation payments. A payment under this title shall not affect any claim against an insurance carrier with respect to insurance or against any person with respect to worker's compensation.

"SEC. 106. LIMITATION ON AGENT AND ATTORNEY FEES.

"Notwithstanding any contract, the representative of an individual may not receive, for services rendered in connection with the petition of an individual under this title, more than 5 percent of a payment made under this title on the petition. Any such representative who violates this section shall be fined not more than $50,000.

"SEC. 108. DEFINITIONS.

"(a) In general.—

"(B) 'petition' means a petition for relief filed under this title.

"(C) 'private payment' means payment that is not a payment made under this title.

"(d) '[AIDS] Relief Fund' means the [AIDS] Relief Fund established under section 107.

"(e) '[MEPA] and [SSI] Programs' means the MEPA and SSI Programs.

"[HEMOPHILIA-CLOTTING-FACTOR SUIT UNDER THE SSI PROGRAM.

"(i) December 31, 1997; or

"(ii) that is signed by all affected parties in writing.
§ 300d. Establishment

(a) In general

The Secretary shall, with respect to trauma care—

(1) conduct and support research, training, evaluations, and demonstration projects;

(2) foster the development of appropriate, modern systems of such care through the sharing of information among agencies and individuals involved in the study and provision of such care;

(3) collect, compile, and disseminate information on the achievements of, and problems experienced by, State and local agencies and private entities in providing trauma care and emergency medical services and, in so doing, give special consideration to the unique needs of rural areas;

(4) provide to State and local agencies technical assistance to enhance each State’s capability to develop, implement, and sustain the trauma care component of each State’s plan for the provision of emergency medical services;

(5) sponsor workshops and conferences; and

(6) promote the collection and categorization of trauma data in a consistent and standardized manner.

(b) Grants, cooperative agreements, and contracts

The Secretary may make grants, and enter into cooperative agreements and contracts, for the purpose of carrying out subsection (a).


PRIOR PROVISIONS


AMENDMENTS

2007—Pub. L. 110–23 amended section generally. Prior to amendment, section required the Secretary to provide support to trauma care, authorized the Secretary to make grants and enter into agreements for such support, and required the Administrator of the Health Resources and Services Administration to ensure that the Division of Trauma and Emergency Medical Systems administered this subchapter.

1996—Subsec. (a). Pub. L. 104–146, in introductory provisions, substituted “The Secretary shall,” for “The Secretary, acting through the Administrator of the Health Resources and Services Administration, shall,”.


EFFECTIVE DATE OF 1996 AMENDMENT


CONGRESSIONAL STATEMENT OF FINDINGS


“(1) the Federal Government and the governments of the States have established a history of cooperation in the development, implementation, and monitoring of integrated, comprehensive systems for the provision of emergency medical services throughout the United States;

“(2) physical trauma is the leading cause of death of Americans between the ages of 1 and 44 and is the third leading cause of death in the general population of the United States;

“(3) physical trauma in the United States results in an aggregate annual cost of $180,000,000,000 in medical expenses, insurance, lost wages, and property damage;

“(4) barriers to the provision of prompt and appropriate emergency medical services exist in many areas of the United States;

“(5) few States and communities have developed and implemented trauma care systems;

“(6) many trauma centers have incurred substantial uncompensated costs in providing trauma care, and such costs have caused many such centers to cease participation in trauma care systems; and

“(7) the number of incidents of physical trauma in the United States is a serious medical and social problem, and the number of deaths resulting from such incidents can be substantially reduced by improving the trauma-care components of the systems for the provision of emergency medical services in the United States.”


Section, act July 1, 1944, ch. 373, title XII, §1202, as added Nov. 16, 1990, Pub. L. 101–590, §3, 104 Stat. 2916, provided for establishment, membership, duties, etc., of the Advisory Council on Trauma Care Systems.

§ 300d-3. Establishment of programs for improving trauma care in rural areas

(a) In general

The Secretary may make grants to public and nonprofit private entities for the purpose of carrying out research and demonstration projects with respect to improving the availability and quality of emergency medical services in rural areas—

(1) by developing innovative uses of communications technologies and the use of new communications technology;

(2) by developing model curricula, such as advanced trauma life support, for training emergency medical services personnel, including first responders, emergency medical technicians, emergency nurses and physicians, and paramedics—

(A) in the assessment, stabilization, treatment, preparation for transport, and resuscitation of seriously injured patients, with special attention to problems that arise during long transports and to methods of minimizing delays in transport to the appropriate facility; and

(B) in the management of the operation of the emergency medical services system;

(3) by making training for original certification, and continuing education, in the provision and management of emergency medical services more accessible to emergency medical personnel in rural areas through telecommunications, home studies, providing teachers and training at locations accessible to such personnel, and other methods;

(4) by developing innovative protocols and agreements to increase access to prehospital care and equipment necessary for the transportation of seriously injured patients to the appropriate facilities;

(5) by evaluating the effectiveness of protocols with respect to emergency medical services and systems; and

(6) by increasing communication and coordination with State trauma systems.

(b) Special consideration for certain rural areas

In making grants under subsection (a), the Secretary shall give special consideration to any applicant for the grant that will provide services under the grant in any rural area identified by a State under section 300d-14(d)(1)(A) of this title.

(c) Requirement of application

The Secretary may not make a grant under subsection (a) unless an application for the grant is submitted to the Secretary and the application is in such form, is made in such manner, and contains such agreements, assurances, and information as the Secretary determines to be necessary to carry out this section.


Prior provisions


A prior section 1202 of act July 1, 1944, was classified to section 300d–2 of this title prior to repeal by Pub. L. 110–23.

Another prior section 1202 of act July 1, 1944, was classified to section 300d–1 of this title prior to repeal by Pub. L. 103–183.

Another prior section 1202 of act July 1, 1944, was classified to section 300d–6 of this title prior to repeal by Pub. L. 99–117.

Amendments


Effective date of 1998 Amendment

Amendment by Pub. L. 105–392 deemed to have taken effect immediately after enactment of Pub. L. 103–183, see section 401(e) of Pub. L. 105–392, set out as a note under section 242m of this title.

§ 300d–4. Emergency medical services

(a) Federal Interagency Committee on Emergency Medical Services

(1) Establishment

The Secretary of Transportation, the Secretary of Health and Human Services, and the Secretary of Homeland Security, acting through the Under Secretary for Emergency Preparedness and Response, shall establish a Federal Interagency Committee on Emergency Medical Services.

(2) Membership

The Interagency Committee shall consist of the following officials, or their designees:


(B) The Director, Preparedness Division, Directorate of Emergency Preparedness and...
§ 300d–4 TITLE 42—THE PUBLIC HEALTH AND WELFARE


(C) The Administrator, Health Resources and Services Administration, Department of Health and Human Services.

(D) The Director, Centers for Disease Control and Prevention, Department of Health and Human Services.


(F) The Administrator, Centers for Medicare and Medicaid Services, Department of Health and Human Services.

(G) The Under Secretary of Defense for Personnel and Readiness.

(H) The Director, Indian Health Service, Department of Health and Human Services.


(J) A representative of any other Federal agency appointed by the Secretary of Transportation or the Secretary of Homeland Security through the Under Secretary for Emergency Preparedness and Response, in consultation with the Secretary of Health and Human Services, as having a significant role in relation to the purposes of the Interagency Committee.

(K) A State emergency medical services director appointed by the Secretary.

(3) Purposes

The purposes of the Interagency Committee are as follows:

(A) To ensure coordination among the Federal agencies involved with State, local, tribal, or regional emergency medical services and 9–1–1 systems.

(B) To identify State, local, tribal, or regional emergency medical services and 9–1–1 needs.

(C) To recommend new or expanded programs, including grant programs, for improving State, local, tribal, or regional emergency medical services and implementing improved emergency medical services communications technologies, including wireless 9–1–1.

(D) To identify ways to streamline the process through which Federal agencies support State, local, tribal or regional emergency medical services.

(E) To assist State, local, tribal or regional emergency medical services in setting priorities based on identified needs.

(F) To advise, consult, and make recommendations on matters relating to the implementation of the coordinated State emergency medical services programs.

(4) Administration

The Administrator of the National Highway Traffic Safety Administration, in cooperation with the Administrator of the Health Resources and Services Administration of the Department of Health and Human Services and the Director of the Preparedness Division, Directorate of Emergency Preparedness and Response of the Department of Homeland Security, shall provide administrative support to the Interagency Committee, including scheduling meetings, setting agendas, keeping minutes and records, and producing reports.

(5) Leadership

The members of the Interagency Committee shall select a chairperson of the Committee each year.

(6) Meetings

The Interagency Committee shall meet as frequently as is determined necessary by the chairperson of the Committee.

(7) Annual reports

The Interagency Committee shall prepare an annual report to Congress regarding the Committee’s activities, actions, and recommendations.

(b) National Emergency Medical Services Advisory Council

(1) Establishment

The Secretary of Transportation, in coordination with the Secretary of Health and Human Services and the Secretary of Homeland Security, shall establish a National Emergency Medical Services Advisory Council (referred to in this subsection as the “Advisory Council”).

(2) Membership

The Advisory Council shall be composed of 25 members, who—

(A) shall be appointed by the Secretary of Transportation; and

(B) shall collectively be representative of all sectors of the emergency medical services community.

(3) Purposes

The purposes of the Advisory Council are to advise and consult with—

(A) the Federal Interagency Committee on Emergency Medical Services on matters relating to emergency medical services issues; and

(B) the Secretary of Transportation on matters relating to emergency medical services issues affecting the Department of Transportation.

(4) Administration

The Administrator of the National Highway Traffic Safety Administration shall provide administrative support to the Advisory Council, including scheduling meetings, setting agendas, keeping minutes and records, and producing reports.

(5) Leadership

The members of the Advisory Council shall annually select a chairperson of the Advisory Council.

(6) Meetings

The Advisory Council shall meet as frequently as is determined necessary by the chairperson of the Advisory Council.

(7) Annual reports

The Advisory Council shall prepare an annual report to the Secretary of Transportation...

Amendments
2010—Pub. L. 111-148 inserted “for trauma systems” after “grants” in section catchline and substituted “Assistant Secretary for Preparedness and Response” for “Administrator of the Health Resources and Services Administration” in subsec. (a).

§ 300d-5. Competitive grants for trauma systems for the improvement of trauma care

(a) In general
The Secretary, acting through the Assistant Secretary for Preparedness and Response, may make grants to States, political subdivisions, or consortia of States or political subdivisions for the purpose of improving access to and enhancing the development of trauma care systems.

(b) Use of funds
The Secretary may make a grant under this section only if the applicant agrees to use the grant—

(1) to integrate and broaden the reach of a trauma care system, such as by developing innovative protocols to increase access to prehospital care;

(2) to strengthen, develop, and improve an existing trauma care system;

(3) to expand communications between the trauma care system and emergency medical services through improved equipment or a telemedicine system;

(4) to improve data collection and retention; or

(5) to increase education, training, and technical assistance opportunities, such as training and continuing education in the management of emergency medical services accessible to emergency medical personnel in rural areas through telehealth, home studies, and other methods.

(c) Preference
In selecting among States, political subdivisions, and consortia of States or political subdivisions for purposes of making grants under this section, the Secretary shall give preference to applicants that—

(1) have developed a process, using national standards, for designating trauma centers;

(2) recognize protocols for the delivery of seriously injured patients to trauma centers;

(3) implement a process for evaluating the performance of the trauma system; and

(4) agree to participate in information systems described in section 300d-3 of this title by collecting, providing, and sharing information.

(d) Priority
In making grants under this section, the Secretary shall give priority to applicants that will use the grants to focus on improving access to trauma care systems.

(e) Special consideration
In awarding grants under this section, the Secretary shall give special consideration to projects that demonstrate strong State or local support, including availability of non-Federal contributions.

§ 300d-6. Competitive grants for regionalized systems for emergency care response

(a) In general
The Secretary, acting through the Assistant Secretary for Preparedness and Response, shall award not fewer than 4 multiyear contracts or competitive grants to eligible entities to support pilot projects that design, implement, and evaluate innovative models of regionalized, comprehensive, and accountable emergency care and trauma systems.

(b) Eligible entity; region
In this section:

(1) Eligible entity
The term “eligible entity” means—

(A) a State or a partnership of 1 or more States and 1 or more local governments; or

(B) an Indian tribe (as defined in section 1603 of title 25) or a partnership of 1 or more Indian tribes.
§ 300d–6

TITLE 42—THE PUBLIC HEALTH AND WELFARE

Page 1044

(2) Region

The term “region” means an area within a State, an area that lies within multiple States, or a similar area (such as a multi-county area), as determined by the Secretary.

(3) Emergency services

The term “emergency services” includes acute, prehospital, and trauma care.

(c) Pilot projects

The Secretary shall award a contract or grant under subsection (a) to an eligible entity that proposes a pilot project to design, implement, and evaluate an emergency medical and trauma system that—

(1) coordinates with public health and safety services, emergency medical services, medical facilities, trauma centers, and other entities in a region to develop an approach to emergency medical and trauma system access throughout the region, including 9–1–1 Public Safety Answering Points and emergency medical dispatch;

(2) includes a mechanism, such as a regional medical direction or transport communications system, that operates throughout the region to ensure that the patient is taken to the medically appropriate facility (whether an initial facility or a higher-level facility) in a timely fashion;

(3) allows for the tracking of prehospital and hospital resources, including inpatient bed capacity, emergency department capacity, trauma center capacity, on-call specialist coverage, ambulance diversion status, and the coordination of such tracking with regional communications and hospital destination decisions; and

(4) includes a consistent region-wide prehospital, hospital, and interfacility data management system that—

(A) submits data to the National EMS Information System, the National Trauma Data Bank, and others;

(B) reports data to appropriate Federal and State databanks and registries; and

(C) contains information sufficient to evaluate key elements of prehospital care, hospital destination decisions, including initial hospital and interfacility decisions, and relevant health outcomes of hospital care.

(d) Application

(1) In general

An eligible entity that seeks a contract or grant described in subsection (a) shall submit to the Secretary an application at such time and in such manner as the Secretary may require.

(2) Application information

Each application shall include—

(A) an assurance from the eligible entity that the proposed system—

(i) has been coordinated with the applicable State Office of Emergency Medical Services (or equivalent State office);

(ii) includes consistent indirect and direct medical oversight of prehospital, hospital, and interfacility transport throughout the region;

(B) such other information as the Secretary may require.

(e) Requirement of matching funds

(1) In general

The Secretary may not make a grant under this section unless the State (or consortia of States) involved agrees, with respect to the costs to be incurred by the State (or consortia) in carrying out the purpose for which such grant was made, to make available non-Federal contributions (in cash or in kind under paragraph (2)) toward such costs in an amount equal to not less than $1 for each $3 of Federal funds provided in the grant. Such contributions may be made directly or through donations from public or private entities.

(2) Non-Federal contributions

Non-Federal contributions required in paragraph (1) may be in cash or in kind, fairly evaluated, including equipment or services (and excluding indirect or overhead costs). Amounts provided by the Federal Government, or services assisted or subsidized to any significant extent by the Federal Government, may not be included in determining the amount of such non-Federal contributions.

(f) Priority

The Secretary shall give priority for the award of the contracts or grants described in subsection (a) to any eligible entity that serves a population in a medically underserved area (as defined in section 254b(b)(3) of this title).

(g) Report

Not later than 90 days after the completion of a pilot project under subsection (a), the recipient of such contract or grant described in § 300d–6 shall submit to the Secretary a report containing the results of an evaluation of the program, including an identification of—

(1) the impact of the regional, accountable emergency care and trauma system on patient health outcomes for various critical care categories, such as trauma, stroke, cardiac emergencies, neurological emergencies, and pediatric emergencies;

(2) the system characteristics that contribute to the effectiveness and efficiency of the program (or lack thereof);
(3) methods of assuring the long-term financial sustainability of the emergency care and trauma system;
(4) the State and local legislation necessary to implement and to maintain the system;
(5) the barriers to developing regionalized, accountable emergency care and trauma systems, as well as the methods to overcome such barriers; and
(6) recommendations on the utilization of available funding for future regionalization efforts.

(h) Dissemination of findings

The Secretary shall, as appropriate, disseminate to the public and to the appropriate Committees of the Congress, the information contained in a report made under subsection (g).


§300d–12. Requirement of matching funds for fiscal years subsequent to first fiscal year of payments

(a) Non-Federal contributions

(1) In general

The Secretary may not make payments under section 300d–11(a) of this title unless the State involved agrees, with respect to the costs described in paragraph (2), to make available non-Federal contributions (in cash or in kind under subsection (b)(1)) toward such costs in an amount that—
(A) for the second and third fiscal years of such payments to the State, is not less than $1 for each $1 of Federal funds provided in such payments for such fiscal years; and
(B) for the fourth and subsequent fiscal years of such payments to the State, is not less than $2 for each $1 of Federal funds provided in such payments for such fiscal years.

(2) Program costs

The costs referred to in paragraph (1) are—
(A) the costs to be incurred by the State in carrying out the purpose described in section 300d–11(b) of this title; or
(B) the costs of improving the quality and availability of emergency medical services in rural areas of the State.

(3) Initial year of payments

The Secretary may not require a State to make non-Federal contributions as a condition of receiving payments under section 300d–11(a) of this title for the first fiscal year of such payments to the State.

(b) Determination of amount of non-Federal contribution

With respect to compliance with subsection (a) as a condition of receiving payments under section 300d–11(a) of this title—
(1) a State may make the non-Federal contributions required in such subsection in cash or in kind, fairly evaluated, including plant, equipment, or services; and
(2) the Secretary may not, in making a determination of the amount of non-Federal contributions, include amounts provided by the

1 See References in Text note below.
Federal Government or services assisted or subsidized to any significant extent by the Federal Government.


AMENDMENTS


§ 300d–13. Requirements with respect to carrying out purpose of allotments

(a) Trauma care modifications to State plan for emergency medical services

With respect to the trauma care component of a State plan for the provision of emergency medical services, the modifications referred to in section 300d–11(b) of this title are such modifications to the State plan as may be necessary for the State involved to ensure that the plan provides for access to the highest possible quality of trauma care, and that the plan—

(1) specifies that the modifications required pursuant to paragraphs (2) through (11) will be implemented by the principal State agency with respect to emergency medical services or by the designee of such agency;

(2) specifies a public or private entity that will designate trauma care regions and trauma centers in the State;

(3) subject to subsection (b), contains national standards and requirements of the American College of Surgeons or another appropriate entity for the designation of level I and level II trauma centers, and in the case of rural areas level III trauma centers (including trauma centers with specified capabilities and expertise in the care of pediatric trauma patients), by such entity, including standards and requirements for—

(A) the number and types of trauma patients for whom such centers must provide care in order to ensure that such centers will have sufficient experience and expertise to be able to provide quality care for victims of injury;

(B) the resources and equipment needed by such centers; and

(C) the availability of rehabilitation services for trauma patients;

(4) contains standards and requirements for the implementation of regional trauma care systems, including standards and guidelines (consistent with the provisions of section 1395dd of this title) for medically directed triage and transportation of trauma patients (including patients injured in rural areas) prior to care in designated trauma centers;

(5) subject to subsection (b), contains national standards and requirements, including those of the American Academy of Pediatrics and the American College of Emergency Physicians, for medically directed triage and transport of severely injured children to designated trauma centers with specified capabilities and expertise in the care of pediatric trauma patients;

(6) utilizes a program with procedures for the evaluation of designated trauma centers (including trauma centers described in paragraph (5)) and trauma care systems;

(7) provides for the establishment and collection of data in accordance with data collection requirements developed in consultation with surgical, medical, and nursing specialty groups, State and local emergency medical services directors, and other trained professionals in trauma care, from each designated trauma center in the State of a central data reporting and analysis system—

(A) to identify the number of severely injured trauma patients and the number of deaths from trauma within trauma care systems in the State;

(B) to identify the cause of the injury and any factors contributing to the injury;

(C) to identify the nature and severity of the injury;

(D) to monitor trauma patient care (including prehospital care) in each designated trauma center within regional trauma care systems in the State (including relevant emergency-department discharges and rehabilitation information) for the purpose of evaluating the diagnosis, treatment, and treatment outcome of such trauma patients;

(E) to identify the total amount of uncompensated trauma care expenditures for each fiscal year by each designated trauma center in the State; and

(F) to identify patients transferred within a regional trauma system, including reasons for such transfer and the outcomes of such patients;

(8) provides for the use of procedures by paramedics and emergency medical technicians to assess the severity of the injuries incurred by trauma patients;

(9) provides for appropriate transportation and transfer policies to ensure the delivery of patients to designated trauma centers and other facilities within and outside of the jurisdiction of such system, including policies to ensure that only individuals appropriately identified as trauma patients are transferred to designated trauma centers, and to provide periodic reviews of the transfers and the auditing of such transfers that are determined to be appropriate;

(10) conducts public education activities concerning injury prevention and obtaining access to trauma care;

(11) coordinates planning for trauma systems with State disaster emergency planning and bioterrorism hospital preparedness planning; and

(12) with respect to the requirements established in this subsection, provides for coordination and cooperation between the State and any other State with which the State shares any standard metropolitan statistical area.
(b) Certain standards with respect to trauma care centers and systems

(1) In general

The Secretary may not make payments under section 300d–11(a) of this title for a fiscal year unless the State involved agrees that, in carrying out paragraphs (3) through (5) of subsection (a), the State will adopt standards for the designation of trauma centers, and for triage, transfer, and transportation policies, and that the State will, in adopting such standards—

(A) take into account national standards that outline resources for optimal care of injured patients;

(B) consult with medical, surgical, and nursing specialty groups, hospital associations, emergency medical services State and local directors, concerned advocates, and other interested parties;

(C) conduct hearings on the proposed standards after providing adequate notice to the public concerning such hearing; and

(D) beginning in fiscal year 2008, take into account the model plan described in subsection (c).

(2) Quality of trauma care

The highest quality of trauma care shall be the primary goal of State standards adopted under this subsection.

(3) Approval by the Secretary

The Secretary may not make payments under section 300d–11(a) of this title to a State if the Secretary determines that—

(A) in the case of payments for fiscal year 2008 and subsequent fiscal years, the State has not taken into account national standards, including those of the American College of Surgeons, the American College of Emergency Physicians, and the American Academy of Pediatrics, in adopting standards under this subsection; or

(B) in the case of payments for fiscal year 2008 and subsequent fiscal years, the State has not, in adopting such standards, taken into account the model plan developed under subsection (c).

(c) Model trauma care plan

(1) In general

Not later than 1 year after May 3, 2007, the Secretary shall update the model plan for the designation of trauma centers and for triage, transfer, and transportation policies that may be adopted for guidance by the State. Such plan shall—

(A) take into account national standards, including those of the American College of Surgeons, American College of Emergency Physicians, and the American Academy of Pediatrics;

(B) take into account existing State plans;

(C) be developed in consultation with medical, surgical, and nursing specialty groups, hospital associations, emergency medical services State directors and associations, and other interested parties; and

(D) include standards for the designation of rural health facilities and hospitals best able to receive, stabilize, and transfer trauma patients to the nearest appropriate designated trauma center, and for triage, transfer, and transportation policies as they relate to rural areas.

(2) Applicability

Standards described in paragraph (1)(D) shall be applicable to all rural areas in the State, including both non-metropolitan areas and frontier areas that have populations of less than 6,000 per square mile.

(d) Rule of construction with respect to number of designated trauma centers

With respect to compliance with subsection (a) as a condition of the receipt of a grant under section 300d–11(a) of this title, such subsection may not be construed to specify the number of trauma care centers designated pursuant to such subsection.


EFFECTIVE DATE OF 1998 AMENDMENT

Amendment by Pub. L. 105–392 deemed to have taken effect immediately after enactment of Pub. L. 103–183, see section 401(e) of Pub. L. 105–392, set out as a note under section 242m of this title.

§ 300d–14. Requirement of submission to Secretary of trauma plan and certain information

(a) In general

For each fiscal year, the Secretary may not make payments to a State under section 300d–11(a) of this title unless, subject to subsection (b), the State submits to the Secretary the trauma care component of the State plan for the provision of emergency medical services, including any changes to the trauma care component and any plans to address deficiencies in the trauma care component.

(b) Interim plan or description of efforts

For each fiscal year, if a State has not completed the trauma care component of the State plan described in subsection (a), the State may provide, in lieu of such completed component, an interim component or a description of efforts made toward the completion of the component.

(c) Information received by State reporting and analysis system

The Secretary may not make payments to a State under section 300d–11(a) of this title unless
§ 300d–15. Restrictions on use of payments

(a) In general

The Secretary may not, except as provided in subsection (b), make payments under section 300d–11(a) of this title for a fiscal year unless—

(1) the State submits to the Secretary a list of rural areas identified pursuant to paragraph (1) or, if there are no such areas, a statement that there are no such areas;

(2) the State submits to the Secretary an application for the payments containing agreements and the information required to be submitted to the Secretary pursuant to section 300d–14 of this title; and

(3) the application provides assurances of compliance satisfactory to the Secretary;

(4) the application contains the plan provisions and the information required to be submitted to the Secretary pursuant to section 300d–14 of this title; and

(5) the application otherwise is in such form, is made in such manner, and contains such agreements, assurances, and information as the Secretary determines to be necessary to carry out this part.

(July 1, 1944, ch. 373, title XII, §1217, as added Pub. L. 101–590, §3, Nov. 16, 1990, 104 Stat. 2924.)

AMENDMENTS


§ 300d–17. Requirement of submission of application containing certain agreements and assurances

The Secretary may not make payments under section 300d–11(a) of this title to a State for a fiscal year unless—

(1) the State submits to the Secretary an application for the payments containing agreements in accordance with this part;

(2) the agreements are made through certification from the chief executive officer of the State;

(3) with respect to such agreements, the application provides assurances of compliance satisfactory to the Secretary;

(4) the application contains the plan provisions and the information required to be submitted to the Secretary pursuant to section 300d–14 of this title; and

(5) the application otherwise is in such form, is made in such manner, and contains such agreements, assurances, and information as the Secretary determines to be necessary to carry out this part.

(July 1, 1944, ch. 373, title XII, §1216, as added Pub. L. 101–590, §3, Nov. 16, 1990, 104 Stat. 2924.)

AMENDMENTS


§ 300d–18. Determination of amount of allotment

(a) Minimum allotment

Subject to the extent of amounts made available in appropriations Acts, the amount of an allotment under section 300d–11(a) of this title for a State for a fiscal year shall be the greater of—

(1) the amount determined under subsection (b)(1); and

(2) $250,000 in the case of each of the several States, the District of Columbia, and the Commonwealth of Puerto Rico, and $50,000 in the case of each of the Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands.

(b) Determination under formula

(1) In general

The amount referred to in subsection (a)(1) for a State for a fiscal year is the sum of—

(A) an amount determined under paragraph (2); and

(B) an amount determined under paragraph (3).

(2) Amount relating to population

The amount referred to in subparagraph (A) of paragraph (1) for a State for a fiscal year is the product of—
(A) an amount equal to 80 percent of the amounts appropriated under section 300d–32(a) of this title for the fiscal year and available for allotment under section 300d–11(a) of this title; and
(B) a percentage equal to the quotient of—
(i) an amount equal to the population of the State; divided by
(ii) an amount equal to the population of all States.

(3) Amount relating to square mileage
The amount referred to in subparagraph (B) of paragraph (1) for a State for a fiscal year is the product of—
(A) an amount equal to 20 percent of the amounts appropriated under section 300d–32(a) of this title for the fiscal year and available for allotment under section 300d–11(a) of this title; and
(B) a percentage equal to the quotient of—
(i) an amount equal to the lesser of 266,807 and the amount of the square mileage of the State; divided by
(ii) an amount equal to the sum of the respective amounts determined for the States under clause (i).

(c) Disposition of certain funds appropriated for allotments

(1) In general
Amounts described in paragraph (2) shall, in accordance with paragraph (3), be allotted by the Secretary to States receiving payments under section 300d–11(a) of this title for the fiscal year (other than any State referred to in paragraph (2)(C)).

(2) Type of amounts
The amounts referred to in paragraph (1) are any amounts made available pursuant to section 300d–32(b)(3) of this title that are not paid under section 300d–11(a) of this title to a State as a result of—
(A) the failure of the State to submit an application under section 300d–17 of this title;
(B) the failure, in the determination of the Secretary, of the State to prepare within a reasonable period of time such application in compliance with such section; or
(C) the State informing the Secretary that the State does not intend to expend the full amount of the allotment made for the State.

(3) Amount
The amount of an allotment under paragraph (1) for a State for a fiscal year shall be an amount equal to the product of—
(A) an amount equal to the amount described in paragraph (2) for the fiscal year involved; and
(B) the percentage determined under subsection (b)(2) for the State.

§ 300d–19. Failure to comply with agreements

(a) Repayment of payments

(1) Requirement
The Secretary may, in accordance with subsection (b), require a State to repay any payments received by the State pursuant to section 300d–11(a) of this title that the Secretary determines were not expended by the State in accordance with the agreements required to be made by the State as a condition of the receipt of payments under such section.

(2) Offset of amounts
If a State fails to make a repayment required in paragraph (1), the Secretary may offset the amount of the repayment against any amount due to be paid to the State under section 300d–11(a) of this title.

(b) Opportunity for hearing
Before requiring repayment of payments under subsection (a)(1), the Secretary shall provide to the State an opportunity for a hearing.

§ 300d–20. Prohibition against certain false statements

(a) In general

(1) False statements or representations
A person may not knowingly and willfully make or cause to be made any false statement or representation of a material fact in connection with the furnishing of items or services for which payments may be made by a State from amounts paid to the State under section 300d–11(a) of this title.

(2) Concealing or failing to disclose information
A person with knowledge of the occurrence of any event affecting the right of the person to receive any payments from amounts paid to the State under section 300d–11(a) of this title may not conceal or fail to disclose any such event with the intent of fraudulently securing such amount.

(b) Criminal penalty for violation of prohibition
Any person who violates a prohibition established in subsection (a) may for each violation be fined in accordance with title 18, or imprisoned for not more than 5 years, or both.

§ 300d–21. Technical assistance and provision by Secretary of supplies and services in lieu of grant funds

(a) Technical assistance
The Secretary shall, without charge to a State receiving payments under section 300d–11(a) of this title, provide to the State (or to any public or nonprofit private entity designated by the State) technical assistance with respect to the planning, development, and operation of any program carried out pursuant to section 300d–11(b) of this title. The Secretary may provide such technical assistance directly, through contract, or through grants.

(b) Provision by Secretary of supplies and services in lieu of grant funds

(1) In general
Upon the request of a State receiving payments under section 300d–11(a) of this title, the
Secretary may, subject to paragraph (2), provide supplies, equipment, and services for the purpose of aiding the State in carrying out section 300d-11(b) of this title and, for such purpose, may detail to the State any officer or employee of the Department of Health and Human Services.

(2) Reduction in payments

With respect to a request described in paragraph (1), the Secretary shall reduce the amount of payments to the State under section 300d-11(a) of this title by an amount equal to the costs of detailing personnel and the fair market value of any supplies, equipment, or services provided by the Secretary. The Secretary shall, for the payment of expenses incurred in complying with such request, expend the amounts withheld.

(July 1, 1944, ch. 373, title XII, §1221, as added Pub. L. 101–590, §3, Nov. 16, 1990, 104 Stat. 2926.)

PRIOR PROVISIONS


§ 300d–22. Report by Secretary

Not later than October 1, 2008, the Secretary shall report to the appropriate committees of Congress on the activities of the States carried out pursuant to section 300d–11 of this title. Such report shall include an assessment of the extent to which Federal and State efforts to develop systems of trauma care and to designate trauma centers have reduced the incidence of mortality, and the incidence of permanent disability, resulting from trauma. Such report may include any recommendations of the Secretary for appropriate administrative and legislative initiatives with respect to trauma care.


AMENDMENTS

2014—Par. (4). Pub. L. 113–152 amended par. (4) generally. Prior to amendment, text read as follows: ‘‘The term ‘trauma care component’, with respect to components of the State plan for the provision of emergency medical services, means a plan for a comprehensive health care system, within rural and urban areas of the State, for the prompt recognition, prehospital care, emergency medical care, acute surgical and medical care, rehabilitation, and outcome evaluation of seriously injured patients.’’


EFFECTIVE DATE OF 1992 AMENDMENT

Amendment by Pub. L. 102–321 effective July 10, 1992, with provision for programs providing financial assistance, see section 801(b), (d) of Pub. L. 102–321, set out as a note under section 298 of this title.

§ 300d–32. Funding

(a) Authorization of appropriations

For the purpose of carrying out parts A and B, subject to subsections (b) and (c), there are authorized to be appropriated $24,000,000 for each of fiscal years 2010 through 2014.

(b) Reservation of funds

If the amount appropriated under subsection (a) for a fiscal year is equal to or less than the modifications to the State plan described in section 300d–13 of this title.

(2) State plan regarding emergency medical services

The term ‘‘State plan’, with respect to the provision of emergency medical services, means a plan for a comprehensive, organized system to provide for the access, response, triage, field stabilization, transport, hospital stabilization, definitive care, and rehabilitation of patients of all ages with respect to emergency medical services.

(3) State

The term ‘‘State’’ means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands.

(4) Trauma

The term ‘‘trauma’’ means an injury resulting from exposure to—

(A) a mechanical force; or

(B) another extrinsic agent, including an extrinsic agent that is thermal, electrical, chemical, or radioactive.

(5) Trauma care component of State plan

The term ‘‘trauma care component’’, with respect to components of the State plan for the provision of emergency medical services, means a plan for a comprehensive health care system, within rural and urban areas of the State, for the prompt recognition, prehospital care, emergency medical care, acute surgical and medical care, rehabilitation, and outcome evaluation of seriously injured patients.


AMENDMENTS

2014—Par. (4). Pub. L. 113–152 amended par. (4) generally. Prior to amendment, text read as follows: ‘‘The term ‘trauma means an injury resulting from exposure to a mechanical force.’’


EFFECTIVE DATE OF 1992 AMENDMENT

Amendment by Pub. L. 102–321 effective July 10, 1992, with provision for programs providing financial assistance, see section 801(b), (d) of Pub. L. 102–321, set out as a note under section 298 of this title.
$1,000,000, such appropriation is available only for the purpose of carrying out part A. If the amount so appropriated is greater than $1,000,000, 50 percent of such appropriation shall be made available for the purpose of carrying out part A and 50 percent shall be made available for the purpose of carrying out part B.

(c) Allocation of part A funds

Of the amounts appropriated under subsection (a) for a fiscal year to carry out part A—

(1) 10 percent of such amounts for such year shall be allocated for administrative purposes; and

(2) 10 percent of such amounts for such year shall be allocated for the purpose of carrying out section 300d–3 of this title.

(d) Authority

For the purpose of carrying out parts A through C, beginning on March 23, 2010, the Secretary shall transfer authority in administering grants and related authorities under such parts from the Administrator of the Health Resources and Services Administration to the Assistant Secretary for Preparedness and Response.

(AMENDMENTS)

2010—Subsec. (a). Pub. L. 111–148, § 3504(a)(3)(A), substituted “$24,000,000 for each of fiscal years 2010 through 2022” for “$12,000,000 for fiscal year 2008, $10,000,000 for fiscal year 2009, and $8,000,000 for each of the fiscal years 2010 through 2012”.


1993—Subsec. (a). Pub. L. 103–183, as amended by Pub. L. 105–392, § 401(a)(2), substituted “For the purpose of carrying out parts A and B of this subchapter, there are authorized to be appropriated $6,000,000 for each of the fiscal years 1995 and 1996” for “For the purpose of carrying out parts A and B of this subchapter, there are authorized to be appropriated $6,000,000 for fiscal year 1994, and such sums as may be necessary for each of the fiscal years 1995 and 1996” for “For the purpose of carrying out parts A and B of this subchapter, there are authorized to be appropriated $6,000,000 for each of the fiscal years 1991 and such sums as may be necessary for each of the fiscal years 1992 and 1993”.


Section, act July 1, 1944, ch. 373, title XII, § 1233, as added Nov. 16, 1990, Pub. L. 101–590, § 3, 104 Stat. 2927, related to waiver of requirement regarding purpose of grants.

PART D—TRAUMA CENTERS OPERATING IN AREAS SEVERELY AFFECTED BY DRUG-RELATED VIOLENCE

§300d–41. Grants for certain trauma centers

(a) In general

The Secretary shall establish 3 programs to award grants to qualified public, nonprofit Indian Health Service, Indian tribal, and urban Indian trauma centers—

(1) to assist in defraying substantial uncompensated care costs;

(2) to further the core missions of such trauma centers, including by addressing costs associated with patient stabilization and transfer, trauma education and outreach, coordination with local and regional trauma systems, essential personnel and other fixed costs, and expenses associated with employee and non-employee physician services; and

(3) to provide emergency relief to ensure the continued and future availability of trauma services.

(b) Minimum qualifications of trauma centers

(1) Participation in trauma care system operating under certain professional guidelines

Effective Date of 1998 Amendment Amendment by section 401(a)(2) of Pub. L. 105–392 deemed to have taken effect immediately after enactment of Pub. L. 105–392, see section 401(e) of Pub. L. 105–392, set out as a note under section 242m of this title.

Effective Date of 1992 Amendment Amendment by Pub. L. 102–321 effective July 10, 1992, with provision for programs providing financial assist-
(ii) At least 50 percent of the visits in the emergency department were Medicaid and charity and self-pay patients combined.

(C) Category C

The criteria for category C are as follows:

(i) At least 20 percent of the visits in the emergency department were charity or self-pay patients.

(ii) At least 30 percent of the visits in the emergency department were Medicaid and charity and self-pay patients combined.

(4) Trauma centers in 1115 waiver States

Notwithstanding paragraph (3), the Secretary may award a substantial uncompensated care grant to a trauma center under subsection (a)(1) if the trauma center qualifies for funds under a Low Income Pool or Safety Net Care Pool established through a waiver approved under section 1115 of the Social Security Act (42 U.S.C. 1315).

(5) Designation

The Secretary may not award a grant to a trauma center unless such trauma center is verified by the American College of Surgeons or designated by an equivalent State or local agency.

(c) Additional requirements

The Secretary may not award a grant to a trauma center under subsection (a)(1) unless such trauma center—

(1) submits to the Secretary a plan satisfactory to the Secretary that demonstrates a continued commitment to serving trauma patients regardless of their ability to pay; and

(2) has policies in place to assist patients who cannot pay for part or all of the care they receive, including a sliding fee scale, and to ensure fair billing and collection practices.


REFERENCE IN TEXT

AMENDMENTS
2010—Pub. L. 111–148 added subsecs. (a) to (c) and struck out former subsecs. (a) and (b) which related to grants for trauma centers in geographic areas with a significant incidence of violence arising from illicit trafficking in drugs and set forth minimum qualifications of such centers.

EFFECTIVE DATE
Section effective July 10, 1992, with programs making awards providing financial assistance in fiscal year 1993 and subsequent years effective for awards made on or after Oct. 1, 1992, see section 801(b), (d)(1) of Pub. L. 102–321, set out as an Effective Date of 1992 Amendment note under section 326 of this title.

§ 300d–42. Preferences in making grants

(a) Substantial uncompensated care awards

(1) In general

The Secretary shall establish an award basis for each eligible trauma center for grants under section 300d–41(a)(1) of this title according to the percentage described in paragraph (2), subject to the requirements of section 300d–41(b)(3) of this title.

(2) Percentages

The applicable percentages are as follows:

(A) With respect to a category A trauma center, 100 percent of the uncompensated care costs.

(B) With respect to a category B trauma center, not more than 75 percent of the uncompensated care costs.

(C) With respect to a category C trauma center, not more than 50 percent of the uncompensated care costs.

(b) Core mission awards

(1) In general

In awarding grants under section 300d–41(a)(2) of this title, the Secretary shall—

(A) reserve 25 percent of the amount allocated for core mission awards for Level III and Level IV trauma centers; and

(B) reserve 25 percent of the amount allocated for core mission awards for large urban Level I and II trauma centers—

(i) that have at least 1 graduate medical education fellowship in trauma or trauma related specialties for which demand is exceeding supply;

(ii) for which—

(I) annual uncompensated care costs exceed $10,000,000; or

(II) at least 20 percent of emergency department visits are charity or self-pay or Medicaid patients; and

(iii) that are not eligible for substantial uncompensated care awards under section 300d–41(a)(1) of this title.

(c) Emergency awards

In awarding grants under section 300d–41(a)(3) of this title, the Secretary shall—

(1) give preference to any application submitted by a trauma center that provides trauma care in a geographic area in which the availability of trauma care has significantly decreased or will significantly decrease if the center is forced to close or downgrade service or growth in demand for trauma services exceeds capacity; and

(2) reallocate any emergency awards funds not obligated due to insufficient, or a lack of qualified, applications to the significant uncompensated care award program.


AMENDMENTS
2010—Pub. L. 111–148 added subsecs. (a) to (c) and struck out former subsecs. (a) and (b) which related to preferences in making grants and preferences for certain applications.

EFFECTIVE DATE
Section effective July 10, 1992, with programs making awards providing financial assistance in fiscal year 1993
and subsequent years effective for awards made on or after Oct. 1, 1992, see section 801(b), (d)(1) of Pub. L. 102–321, set out as an Effective Date of 1992 Amendment note under section 236 of this title.

§ 300d–43. Certain agreements
(a) Maintenance of financial support

The Secretary may require a trauma center receiving a grant under section 300d–41(a) of this title to maintain access to trauma services at comparable levels to the prior year during the grant period.

(b) Trauma care registry

The Secretary may require the trauma center receiving a grant under section 300d–41(a) of this title to provide data to a national and centralized registry of trauma cases, in accordance with guidelines developed by the American College of Surgeons, and as the Secretary may otherwise require.


AMENDMENTS
2010—Pub. L. 111–148 added subsecs. (a) and (b) and struck out former subsecs. (a) to (c) which related to commitment regarding continued participation in trauma care system, maintenance of financial support, and trauma care registry.

EFFECTIVE DATE
Section effective July 10, 1992, with programs making awards providing financial assistance in fiscal year 1993 and subsequent years effective for awards made on or after Oct. 1, 1992, see section 801(b), (d)(1) of Pub. L. 102–321, set out as an Effective Date of 1992 Amendment note under section 236 of this title.

§ 300d–44. General provisions
(a) Application

The Secretary may not award a grant to a trauma center under section 300d–41(a) of this title unless such center submits an application for the grant to the Secretary and the application is in such form, is made in such manner, and contains such agreements, assurances, and information as the Secretary determines to be necessary to carry out this part.

(b) Limitation on duration of support

The period during which a trauma center receives payments under a grant under section 300d–41(a)(3) of this title shall be for 3 fiscal years, except that the Secretary may waive such requirement for a center and authorize such center to receive such payments for 1 additional fiscal year.

(c) Limitation on amount of grant

Notwithstanding section 300d–42(a) of this title, a grant under section 300d–41 of this title may not be made in an amount exceeding $2,000,000 for each fiscal year.

(d) Eligibility

Except as provided in section 300d–42(b)(1)(B)(iii) of this title, acquisition of, or eligibility for, a grant under section 300d–41(a) of this title shall not preclude a trauma center from being eligible for other grants described in such section.

(e) Funding distribution

Of the total amount appropriated for a fiscal year under section 300d–45 of this title, 70 percent shall be used for substantial uncompensated care awards under section 300d–41(a)(1) of this title, 20 percent shall be used for core mission awards under section 300d–41(a)(2) of this title, and 10 percent shall be used for emergency awards under section 300d–41(a)(3) of this title.

(f) Minimum allowance

Notwithstanding subsection (e), if the amount appropriated for a fiscal year under section 300d–45 of this title is less than $25,000,000, all available funding for such fiscal year shall be used for substantial uncompensated care awards under section 300d–41(a)(1) of this title.

(g) Substantial uncompensated care award distribution and proportional share

Notwithstanding section 300d–42(a) of this title, of the amount appropriated for substantial uncompensated care grants for a fiscal year, the Secretary shall—

(1) make available—

(A) 50 percent of such funds for category A trauma center grantees;

(B) 35 percent of such funds for category B trauma center grantees; and

(C) 15 percent of such funds for category C trauma center grantees; and

(2) provide available funds within each category in a manner proportional to the award basis specified in section 300d–42(a)(2) of this title to each eligible trauma center.

(h) Report

Beginning 2 years after March 23, 2010, and every 2 years thereafter, the Secretary shall biennially report to Congress regarding the status of the grants made under section 300d–41 of this title and on the overall financial stability of trauma centers.


AMENDMENTS
2010—Pub. L. 111–148 added subsecs. (a) to (h) and struck out former subsecs. (a) to (c) which related to application for grant, limitation on duration of support, and limitation on amount of grant.

EFFECTIVE DATE
Section effective July 10, 1992, with programs making awards providing financial assistance in fiscal year 1993 and subsequent years effective for awards made on or after Oct. 1, 1992, see section 801(b), (d)(1) of Pub. L. 102–321, set out as an Effective Date of 1992 Amendment note under section 236 of this title.

§ 300d–45. Authorization of appropriations

For the purpose of carrying out this part, there are authorized to be appropriated $100,000,000 for fiscal year 2009, and such sums as may be necessary for each of fiscal years 2010 through 2015. Such authorization of appropriations is in addition to any other authorization of
§ 300d–46. Definition

In this part, the term “uncompensated care costs” means unreimbursed costs from serving self-pay, charity, or Medicaid patients, without regard to payment under section 1395r–4 of this title, all of which are attributable to emergency care and trauma care, including costs related to subsequent inpatient admissions to the hospital.


**PART E—MISCELLANEOUS PROGRAMS**

§ 300d–51. Residency training programs in emergency medicine

(a) In general

The Secretary may make grants to public and nonprofit private entities for the purpose of planning and developing approved residency training programs in emergency medicine.

(b) Identification and referral of domestic violence

The Secretary may make a grant under subsection (a) only if the applicant involved agrees that the training programs under subsection (a) will provide education and training in identifying and referring cases of domestic violence.

(c) Authorization of appropriations

For the purpose of carrying out this section, there is authorized to be appropriated $400,000 for each of the fiscal years 2008 through 2012.


**AMENDMENTS**


§ 300d–52. State grants for projects regarding traumatic brain injury

(a) In general

The Secretary, acting through the Administrator for the Administration for Community Living, may make grants to States and American Indian consortia for the purpose of carrying out projects to improve access to rehabilitation and other services regarding traumatic brain injury.

(b) State advisory board

(1) In general

The Secretary may make a grant under subsection (a) only if the State or American Indian consortium involved agrees to establish an advisory board within the appropriate health department of the State or American Indian consortium or within another department as designated by the chief executive officer of the State or American Indian consortium.

(2) Functions

An advisory board established under paragraph (1) shall advise and make recommendations to the State or American Indian consortium on ways to improve services coordination regarding traumatic brain injury. Such advisory boards shall encourage citizen participation through the establishment of public hearings and other types of community outreach programs. In developing recommendations under this paragraph, such boards shall consult with Federal, State, and local governmental agencies and with citizens groups and other private entities.

(3) Composition

An advisory board established under paragraph (1) shall be composed of—

(A) representatives of—

(i) the corresponding State or American Indian consortium agencies involved;

(ii) public and nonprofit private health related organizations;

(iii) other disability advisory or planning groups within the State or American Indian consortium;

(iv) members of an organization or foundation representing individuals with traumatic brain injury in that State or American Indian consortium; and

(v) injury control programs at the State or local level if such programs exist; and

(B) a substantial number of individuals with traumatic brain injury, or the family members of such individuals.

(c) Matching funds

(1) In general

With respect to the costs to be incurred by a State or American Indian consortium in carrying out the purpose described in subsection (a), the Secretary may make a grant under such subsection only if the State or American Indian consortium agrees to make available non-Federal contributions toward such costs in an amount that is not less than $1 for each $2 of Federal funds provided under the grant.
(2) Determination of amount contributed

Non-Federal contributions under paragraph (1) may be in cash or in kind, fairly evaluated, including plant, equipment, or services. Amounts provided by the Federal Government, or services assisted or subsidized to any significant extent by the Federal Government, may not be included in determining the amount of such contributions.

(d) Application for grant

The Secretary may make a grant under subsection (a) only if an application for the grant is submitted to the Secretary and the application is in such form, is made in such manner, and contains such agreements, assurances, and information as the Secretary determines to be necessary to carry out this section.

(e) Use of State and American Indian consortium grants

(1) Community services and supports

A State or American Indian consortium shall (directly or through awards of contracts to nonprofit private entities) use amounts received under a grant under this section for the following:

(A) To develop, change, or enhance community-based service delivery systems that include timely access to comprehensive appropriate services and supports. Such service and supports—
   (i) shall promote full participation by individuals with traumatic brain injury and their families in decision making regarding the services and supports; and
   (ii) shall be designed for children, youth, and adults with traumatic brain injury.

(B) To focus on outreach to underserved and inappropriately served individuals, such as individuals in institutional settings, individuals with low socioeconomic resources, individuals in rural communities, and individuals in culturally and linguistically diverse communities.

(C) To award contracts to nonprofit entities for consumer or family service access training, consumer support, peer mentoring, and parent to parent programs.

(D) To develop individual and family service coordination or case management systems.

(E) To support other needs identified by the advisory board under subsection (b) for the State or American Indian consortium involved.

(2) Best practices

(A) In general

State or American Indian consortium services and supports provided under a grant under this section shall reflect the best practices in the field of traumatic brain injury, shall be in compliance with title II of the Americans with Disabilities Act of 1990 [42 U.S.C. 12131 et seq.], and shall be supported by quality assurance measures as well as state-of-the-art health care and integrated community supports, regardless of the severity of injury.

(B) Demonstration by State agency

The State or American Indian consortium agency responsible for administering amounts received under a grant under this section shall demonstrate that it has obtained knowledge and expertise of traumatic brain injury and the unique needs associated with traumatic brain injury.

(3) State capacity building

A State or American Indian consortium may use amounts received under a grant under this section to—

(A) educate consumers and families;

(B) train professionals in public and private sector financing (such as third party payers, State agencies, community-based providers, schools, and educators);

(C) develop or improve case management or service coordination systems;

(D) develop best practices in areas such as family or consumer support, return to work, housing or supportive living personal assistance services, assistive technology and devices, behavioral health services, substance abuse services, and traumatic brain injury treatment and rehabilitation;

(E) tailor existing State or American Indian consortium systems to provide accommodations to the needs of individuals with traumatic brain injury (including systems administered by the State or American Indian consortium departments responsible for health, mental health, labor/employment, education, intellectual disabilities or developmental disorders, transportation, and correctional systems);

(F) improve data sets coordinated across systems and other needs identified by a State or American Indian consortium plan supported by its advisory council; and

(G) develop capacity within targeted communities.

(f) Coordination of activities

The Secretary shall ensure that activities under this section are coordinated as appropriate with other Federal agencies that carry out activities regarding traumatic brain injury.

(g) Report

Not less than biennially, the Secretary shall submit to the Committee on Energy and Commerce of the House of Representatives, and to the Committee on Health, Education, Labor, and Pensions of the Senate, a report describing the findings and results of the programs established under this section and section 300d–53 of this title, including measures of outcomes and consumer and surrogate satisfaction.

(h) Definitions

For purposes of this section:

(1) The terms “American Indian consortium” and “State” have the meanings given to those terms in section 300d–53 of this title.

(2) The term “traumatic brain injury” means an acquired injury to the brain. Such term does not include brain dysfunction caused by congenital or degenerative disorders, nor birth trauma, but may include brain injuries caused by anoxia due to trauma.
The Secretary may revise the definition of such term as the Secretary determines necessary, after consultation with States and other appropriate public or nonprofit private entities.

(i) Authorization of appropriations

For the purpose of carrying out this section, there are authorized to be appropriated $7,321,000 for each fiscal year 2000 through 2024.


References in Text

Amendments
2018—Subsec. (a). Pub. L. 115-377, §3(1), inserted “, acting through the Administrator for the Administration for Community Living,” after “The Secretary”.
Subsec. (f)(1)(A)(ii). Pub. L. 110-206, §6(a)(5)(C), substituted “$7,321,000 for each of the fiscal years 2020 through 2024” for “$5,500,000 for each of the fiscal years 2015 through 2019”, and struck out subsec. (e) which provided for continuation of previously awarded demonstration projects.
2014—Subsec. (a). Pub. L. 113-196, §3(1), struck out “, acting through the Administrator of the Health Resources and Services Administration,” after “The Secretary”.
Subsec. (h). Pub. L. 113-196, §3(3), substituted “under this section and section 3004-55 of this title, including for under this section, and section 3004-55 of this title including”.
Subsec. (j). Pub. L. 113-196, §3(4), substituted “$5,500,000 for each of the fiscal years 2015 through 2019 for such sums as may be necessary for each of the fiscal years 2001 through 2005, and such sums as may be necessary for each of the fiscal years 2009 through 2012” for “$4,200,000 for each of the fiscal years 2001 through 2009”. Pub. L. 115-377, §3(2), substituted “intelectual disabilities or developmental disorders,” for “mental retardation/developmental disorders,”.
2009—Subsec. (a). Pub. L. 110-206, §6(a)(1), substituted “may make grants to States and American Indian consortia” for “may make grants to States and other appropriate public or nonprofit private entities.”
Subsec. (e). Pub. L. 110-206, §6(a)(4), added text of subsec. (e) and struck out former text of subsec. (e) which read as follows: “A State that received a grant under this section prior to October 17, 2000, may compete for new project grants under this section after October 17, 2000.”
Subsec. (f). Pub. L. 110-206, §6(a)(5)(A), (B), inserted “and American Indian consortium” after “State” in heading and substituted in text “State or American Indian consortium” for “State” wherever appearing, except in par. (3)(B).
Subsec. (h). Pub. L. 110-206, §6(a)(6), substituted “Not less than biennially, the Secretary” for “Not later than 2 years after July 29, 1996, the Secretary” and “Energy and Commerce of the House of Representatives, and to the Committee on Health, Education, Labor, and Pensions” for “Commerce of the House of Representatives, and to the Committee on Labor and Human Resources” and inserted “and section 3004-53 of this title” after “programs established under this section.”.
Subsec. (i). Pub. L. 110-206, §6(a)(7), amended subsec. (i) generally. Prior to amendment, text read as follows: “For purposes of this section, the term ‘traumatic brain injury’ means an acquired injury to the brain. Such term does not include brain dysfunction caused by congenital or degenerative disorders, nor birth trauma, but may include brain injuries caused by anoxia due to trauma. The Secretary may revise the definition of such term as the Secretary determines necessary, after consultation with States and other appropriate public or nonprofit private entities.”
Subsec. (j). Pub. L. 110-206, §6(a)(8), inserted “, and such sums as may be necessary for each of the fiscal years 2009 through 2012” before period at end.
2007—Pub. L. 110-23, which directed amendment of section by striking “demonstration” in section catchline, could not be executed because the word “demonstration” did not appear after amendment by Pub. L. 106-310, §1306(1). See 2000 Amendment note below.
2006—Pub. L. 109-310, §1308(1), struck out “demonstration” before “projects”.
2000—Pub. L. 106-310, §1304(2), struck out “demonstration” before “projects”.
2000—Pub. L. 106-310, §1304(4)(B), reenacted heading without change and amended text generally. Prior to amendment, text read as follows: “In determining the amount of non-Federal contributions in cash that a State has provided pursuant to paragraph (1), the Secretary may not include any amounts provided to the State by the Federal Government.”
Subsecs. (e), (f). Pub. L. 106-310, §1306(6), added subsecs. (e) and (f). Former subsecs. (e) and (f) redesignated (g) and (h), respectively.
Subsec. (g). Pub. L. 106-310, §1304(5), (7), redesignated subsec. (e) as (g) and substituted “Federal agencies” for “agencies of the Public Health Service”. Former subsec. (g) redesignated (i).
Subsec. (i). Pub. L. 106-310, §1304(5), (6), redesignated subsec. (g) as (i), substituted “anoxia due to trauma” for “anoxia due to near drowning” in second sentence, and inserted before period at end “, after consultation with States and other appropriate public or nonprofit private entities”.
Subsec. (j). Pub. L. 106-310, §1304(9), reenacted heading without change and amended text generally. Prior to amendment, text read as follows: “For the purpose of carrying out this section, there is authorized to be appropriated $5,000,000 for each of the fiscal years 1997 through 1999.”
§ 300d–53. State grants for protection and advocacy services

(a) In general
The Secretary, acting through the Administrator for the Administration for Community Living, shall make grants to protection and advocacy systems for the purpose of enabling such systems to provide services to individuals with traumatic brain injury.

(b) Services provided
Services provided under this section may include the provision of—

(1) information, referrals, and advice;
(2) individual and family advocacy;
(3) legal representation; and
(4) specific assistance in self-advocacy.

(c) Application
To be eligible to receive a grant under this section, a protection and advocacy system shall submit an application to the Secretary at such time, in such form and manner, and accompanied by such information and assurances as the Secretary may require.

(d) Appropriations less than $2,700,000

(1) In general
With respect to any fiscal year in which the amount appropriated under subsection (l) to carry out this section is less than $2,700,000, the Secretary shall make grants from such amount to individual protection and advocacy systems within States to enable such systems to plan for, develop outreach strategies for, and carry out services authorized under this section for individuals with traumatic brain injury.

(2) Amount
The amount of each grant provided under paragraph (1) shall be determined as set forth in paragraphs (2) and (3) of subsection (e).

(e) Appropriations of $2,700,000 or more

(1) Population basis
Except as provided in paragraph (2), with respect to each fiscal year in which the amount appropriated under subsection (l) to carry out this section is $2,700,000 or more, the Secretary shall make a grant to a protection and advocacy system within each State.

(2) Amount
The amount of a grant provided to a system under paragraph (1) shall be equal to an amount bearing the same ratio to the total amount appropriated for the fiscal year involved under subsection (l) as the population of the State in which the grantee is located bears to the population of all States.

(3) Minimums
Subject to the availability of appropriations, the amount of a grant to a protection and advocacy system under paragraph (1) for a fiscal year shall—

(A) in the case of a protection and advocacy system located in American Samoa, Guam, the United States Virgin Islands, or the Commonwealth of the Northern Mariana Islands, and the protection and advocacy system serving the American Indian consortium, not be less than $20,000; and

(B) in the case of a protection and advocacy system in a State not described in subparagraph (A), not be less than $50,000.

(4) Inflation adjustment
For each fiscal year in which the total amount appropriated under subsection (l) to carry out this section is $5,000,000 or more, and such appropriated amount exceeds the total amount appropriated to carry out this section in the preceding fiscal year, the Secretary shall increase each of the minimum grants amount described in subparagraphs (A) and (B) of paragraph (3) by a percentage equal to the percentage increase in the total amount appropriated under subsection (l) to carry out this section between the preceding fiscal year and the fiscal year involved.

(f) Carryover
Any amount paid to a protection and advocacy system that serves a State or the American Indian consortium for a fiscal year under this section that remains unobligated at the end of such fiscal year shall remain available to such system for obligation during the next fiscal year for the purposes for which such amount was originally provided.

(g) Direct payment
Notwithstanding any other provision of law, each fiscal year not later than October 1, the Secretary shall pay directly to any protection and advocacy system that complies with the provisions of this section, the total amount of the grant for such system, unless the system provides otherwise for such payment.

(h) Reporting

(1) Reports by systems
Each protection and advocacy system that receives a payment under this section shall submit an annual report to the Secretary concerning the services provided to individuals with traumatic brain injury by such system.

(2) Report by Secretary
Not later than 1 year after November 26, 2014, the Secretary shall prepare and submit to the appropriate committees of Congress a report describing the services and activities carried out under this section during the period for which the report is being prepared.

(i) Data collection
The Secretary shall facilitate agreements to coordinate the collection of data by agencies within the Department of Health and Human

¹So in original. Probably should be followed by "to".
Services regarding protection and advocacy services.

(j) Training and technical assistance

(1) Grants

For any fiscal year for which the amount appropriated to carry out this section is $6,000,000 or greater, the Secretary shall use 2 percent of such amount to make a grant to an eligible national association for providing for training and technical assistance to protection and advocacy systems.

(2) Definition

In this subsection, the term “eligible national association” means a national association with demonstrated experience in providing training and technical assistance to protection and advocacy systems.

(k) System authority

In providing services under this section, a protection and advocacy system shall have the same authorities, including access to records, as such system would have for purposes of providing services under subtitle C of title I of the Developmental Disabilities Assistance and Bill of Rights Act of 2000 (42 U.S.C. 15041 et seq.).

(l) Authorization of appropriations

There are authorized to be appropriated to carry out this section $4,000,000 for each of fiscal years 2020 through 2024.

(m) Definitions

In this section:

(1) American Indian consortium

The term “American Indian consortium” means a consortium established under subtitle C of title I of the Developmental Disabilities Assistance and Bill of Rights Act of 2000 (42 U.S.C. 15041 et seq.).

(2) Protection and advocacy system

The term “protection and advocacy system” means a protection and advocacy system established under subtitle C of title I of the Developmental Disabilities Assistance and Bill of Rights Act of 2000 (42 U.S.C. 15041 et seq.).

(3) State

The term “State”, unless otherwise specified, means the several States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the United States Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands.

(j) Training and technical assistance (Amendments)


Subsec. (i). Pub. L. 115–377, § 4(2), substituted “$4,000,000 for each of fiscal years 2020 through 2024” for “$3,100,000 for each of the fiscal years 2015 through 2019”.

2014—Subsec. (a). Pub. L. 113–196, § 4(1), struck out “, acting through the Administrator of the Health Resources and Services Administration (referred to in this section as the ‘Administrator’),” after “The Secretary.”

Subsecs. (c), (d)(1), (e)(1), (4), (g). Pub. L. 113–196, § 4(2), substituted “Secretary” for “Administrator” wherever appearing.

Subsec. (b). Pub. L. 113–196, § 4(2), (3), substituted “Reporting” for “Annual report” in heading; designated existing provisions as par. (1), inserted heading, and substituted “Secretary” for “Administrator” and added par. (2).

Subsec. (i). Pub. L. 113–196, § 4(4), substituted “The Secretary shall facilitate agreements to coordinate the collection of data by agencies within the Department of Health and Human Services regarding” for “The Administrator of the Health Resources and Services Administration and the Commissioner of the Administration on Developmental Disabilities shall enter into an agreement to coordinate the collection of data by the Administrator and the Commissioner regarding”.


Subsec. (l). Pub. L. 113–196, § 4(6), substituted “$3,100,000 for each of the fiscal years 2015 through 2019” for “$5,000,000 for fiscal year 2001, and such sums as may be necessary for each the fiscal years 2009 through 2012”.


Subsec. (m)(2). Pub. L. 113–196, § 4(7)(B), substituted “$3,100,000 for each of the fiscal years 2015 through 2019” for “$4,000,000 for each of fiscal years 2009 through 2012”.


Subsec. (g). Pub. L. 110–206, § 6(b)(2), inserted “each fiscal year not later than October 1,” before “the Administrator shall pay”.

Subsecs. (i) to (k). Pub. L. 110–206, § 6(b)(4), added subsecs. (i) to (k). Former subsecs. (i) and (j) redesignated (l) and (m), respectively.


 § 300d–54. Stop, Observe, Ask, and Respond to Health and Wellness Training Program

(n) In general

The Secretary shall establish a program to be known as the Stop, Observe, Ask, and Respond to Health and Wellness Training Program or the SOAR to Health and Wellness Training Program (in this section referred to as the “Program”) to provide training to health care and social serv-
(b) Activities

(1) In general

The Program shall include the Stop, Observe, Ask, and Respond to Health and Wellness Training Program’s activities existing on the day before December 31, 2018, and the authorized initiatives described in paragraph (2).

(2) Authorized initiatives

The authorized initiatives of the Program shall include—

(A) engaging stakeholders, including victims of human trafficking and Federal, State, local, and tribal partners, to develop a flexible training module—

(i) for supporting activities under subsection (c); and

(ii) that adapts to changing needs, settings, health care providers, and social service providers;

(B) providing technical assistance to grantees related to implementing activities described in subsection (c) and reporting on any best practices identified by the grantees;

(C) developing a reliable methodology for collecting data, and reporting such data, on the number of human trafficking victims identified and served by grantees in a manner that, at a minimum, prevents disclosure of individually identifiable information consistent with all applicable privacy laws and regulations; and

(D) integrating, as appropriate, the training described in paragraphs (1) through (4) of subsection (c) with training programs, in effect on December 31, 2018, for health care and social service providers for victims of intimate partner violence, sexual assault, stalking, child abuse, child neglect, child maltreatment, and child sexual exploitation.

(c) Grants

The Secretary may award grants to appropriate entities to train health care and social service providers to—

(1) identify potential human trafficking victims;

(2) implement best practices for working with law enforcement to report and facilitate communication with human trafficking victims, in accordance with all applicable Federal, State, local, and tribal laws, including legal confidentiality requirements for patients and health care and social service providers;

(3) implement best practices for referring such victims to appropriate health care, social, or victims service agencies or organizations; and

(4) provide such victims with coordinated, age-appropriate, culturally relevant, trauma-informed, patient-centered, and evidence-based care.

(d) Consideration in awarding grants

The Secretary, in making awards under this section, shall give consideration to—

(1) geography;

(2) the demographics of the population to be served;

(3) the predominant types of human trafficking cases involved; and

(4) health care and social service provider profiles.

(e) Data collection and reporting

(1) In general

The Secretary shall collect data and report on the following:

(A) The total number of entities that received a grant under this section.

(B) The total number and geographic distribution of health care and social service providers trained through the Program.

(2) Initial report

In addition to the data required to be collected under paragraph (1), for purposes of the initial report to be submitted under paragraph (3), the Secretary shall collect data on the total number of facilities and health care professional organizations that were operating under, and the total number of health care and social service providers trained through, the Stop, Observe, Ask, and Respond to Health and Wellness Training Program existing prior to the establishment of the Program under this section.

(3) Annual report

Not later than 1 year after December 31, 2018, and annually thereafter, the Secretary shall submit an annual report to Congress on the data collected under this subsection in a manner that, at a minimum, prevents the disclosure of individually identifiable information consistent with all applicable privacy laws and regulations.

(f) Sharing best practices

The Secretary shall make available, on the Internet website of the Department of Health and Human Services, a description of the best practices and procedures used by entities that receive a grant for carrying out activities under this section.

(g) Definition

In this section, the term “human trafficking” has the meaning given the term “severe forms of trafficking in persons” as defined in section 7102 of title 22.

(h) Authorization of appropriations

There is authorized to be appropriated to carry out this section, $4,000,000 for each of fiscal years 2020 through 2024.

(July 1, 1944, ch. 373, title XII, §1254, as added Pub. L. 115–398, §2, Dec. 31, 2018, 132 Stat. 5328.)

References in Text

This section, referred to in subsec. (h), was in the original “this Act”, and was translated, to reflect the probable intent of Congress, as meaning Pub. L. 115–398, Dec. 31, 2018, 132 Stat. 5328, which enacted this section and provisions set out as a note under section 201 of this title.
§ 300d–61. Establishment of Program

(a) In general

The Secretary, acting through the Director of the National Institutes of Health (in this section referred to as the “Director”), shall establish a comprehensive program of conducting basic and clinical research on trauma (this section referred to as the “Program”). The Program shall include research regarding the diagnosis, treatment, rehabilitation, and general management of trauma.

(b) Plan for Program

(1) In general

The Director, in consultation with the Trauma Research Interagency Coordinating Committee established under subsection (g), shall establish and implement a plan for carrying out the activities of the Program, including the activities described in subsection (d). All such activities shall be carried out in accordance with the plan. The plan shall be periodically reviewed, and revised as appropriate.

(2) Submission to Congress

Not later than December 1, 1993, the Director shall submit the plan required in paragraph (1) to the Committee on Energy and Commerce of the House of Representatives, and to the Committee on Health, Education, Labor, and Pensions of the Senate, together with an estimate of the funds needed for each of the fiscal years 1994 through 1996 to implement the plan.

(c) Participating agencies; coordination and collaboration

The Director—

(1) shall provide for the conduct of activities under the Program by the Directors of the agencies of the National Institutes of Health involved in research with respect to trauma;

(2) shall ensure that the activities of the Program are coordinated among such agencies; and

(3) shall, as appropriate, provide for collaboration among such agencies in carrying out such activities.

(d) Certain activities of Program

The Program shall include—

(1) studies with respect to all phases of trauma care, including prehospital, resuscitation, surgical intervention, critical care, infection control, wound healing, nutritional care and support, and medical rehabilitation care;

(2) basic and clinical research regarding the response of the body to trauma and the acute treatment and medical rehabilitation of individuals who are the victims of trauma;

(3) basic and clinical research regarding trauma care for pediatric and geriatric patients; and

(4) the authority to make awards of grants or contracts to public or nonprofit private entities for the conduct of basic and applied research regarding traumatic brain injury, which research may include—

(A) the development of new methods and modalities for the more effective diagnosis, measurement of degree of brain injury, post-injury monitoring and prognostic assessment of head injury for acute, subacute and later phases of care;

(B) the development, modification and evaluation of therapies that retard, prevent or reverse brain damage after acute head injury, that arrest further deterioration following injury and that provide the restitution of function for individuals with long-term injuries;

(C) the development of research on a continuum of care from acute care through rehabilitation, designed, to the extent practicable, to integrate rehabilitation and long-term outcome evaluation with acute care research;

(D) the development of programs that increase the participation of academic centers of excellence in brain injury treatment and rehabilitation research and training; and

(E) carrying out subparagraphs (A) through (D) with respect to cognitive disorders and neurobehavioral consequences arising from traumatic brain injury, including the development, modification, and evaluation of therapies and programs of rehabilitation toward reaching or restoring normal capabilities in areas such as reading, comprehension, speech, reasoning, and deduction.

(e) Mechanisms of support

In carrying out the Program, the Director, acting through the Directors of the agencies referred to in subsection (c), may make grants to public and nonprofit entities, including designated trauma centers.

(f) Resources

The Director shall assure the availability of appropriate resources to carry out the Program, including the plan established under subsection (b) (including the activities described in subsection (d)).

(g) Coordinating Committee

(1) In general

There shall be established a Trauma Research Interagency Coordinating Committee (in this section referred to as the “Coordinating Committee”).

(2) Duties

The Coordinating Committee shall make recommendations regarding—

(A) the activities of the Program to be carried out by each of the agencies represented on the Committee and the amount of funds needed by each of the agencies for such activities; and

(B) effective collaboration among the agencies in carrying out the activities.

(3) Composition

The Coordinating Committee shall be composed of the Directors of each of the agencies that, under subsection (c), have responsibilities under the Program, and any other individuals who are practitioners in the trauma field as designated by the Director of the National Institutes of Health.
Definitions

For purposes of this section:

(1) The term “designated trauma center” has the meaning given such term in section 300d–3(a)(1) of this title.

(2) The term “Director” means the Director of the National Institutes of Health.

(3) The term “trauma” means an injury resulting from exposure to—

(A) a mechanical force; or

(B) another extrinsic agent, including an extrinsic agent that is thermal, electrical, chemical, or radioactive.

(4) The term “traumatic brain injury” means an acquired injury to the brain. Such term does not include brain dysfunction caused by congenital or degenerative disorders, nor birth trauma, but may include brain injuries caused by anoxia due to trauma. The Secretary may revise the definition of such term as the Secretary determines necessary, after consultation with States and other appropriate public or nonprofit private entities.

Authorization of appropriations

For the purpose of carrying out this section, there are authorized to be appropriated such sums as may be necessary for each of the fiscal years 2001 through 2005, and such sums as may be necessary for each of the fiscal years 2009 through 2012.

Not later than 18 months after December 20, 2019, the Secretary shall coordinate with the Chairman of the Federal Communications Commission, to the extent technically and economically feasible, to ensure that communications with the national toll-free number are routed to the appropriate poison control center based on the physical location of the contact rather than the area code of the contact device.

Authorization of appropriations

There is authorized to be appropriated to carry out this section, $700,000 for each of fiscal years 2020 through 2024 for the establishment and maintenance of a nationwide toll-free phone number, to be used to access such centers; and

Routing contacts with poison control centers

Committee on Energy and Commerce of House of Representatives recommended as referring to Committee on Commerce of House of Representatives by section 1(a) of Pub. L. 104–14, set out as a note preceding section 21 of Title II, The Congress. Committee on Commerce of House of Representatives changed to Committee on Energy and Commerce of House of Representatives, and jurisdiction over matters relating to securities and exchanges and insurance generally transferred to Committee on Financial Services of House of Representatives by House Resolution No. 5, One Hundred Seventh Congress, Jan. 3, 2001.

TREMATIC BRAIN INJURY STUDY: CONSENSUS CONFERENCE

§300d–71. Maintenance of the national toll-free number and other communication capabilities

(a) In general

The Secretary—

(1) shall provide coordination and assistance to poison control centers for the establishment and maintenance of a nationwide toll-free number, to be used to access such centers; and

(b) Routing contacts with poison control centers

Not later than 18 months after December 20, 2019, the Secretary shall coordinate with the Chairman of the Federal Communications Commission, to the extent technically and economically feasible, to ensure that communications with the national toll-free number are routed to the appropriate poison control center based on the physical location of the contact rather than the area code of the contact device.

(c) Authorization of appropriations

There is authorized to be appropriated to carry out this section, $700,000 for each of fiscal years 2020 through 2024 for the establishment, implementation, and maintenance of a nationwide toll-free number, to be used to access such centers; and

Routing contacts with poison control centers

Not later than 18 months after December 20, 2019, the Secretary shall coordinate with the Chairman of the Federal Communications Commission, to the extent technically and economically feasible, to ensure that communications with the national toll-free number are routed to the appropriate poison control center based on the physical location of the contact rather than the area code of the contact device.

Authorization of appropriations

There is authorized to be appropriated to carry out this section, $700,000 for each of fiscal years 2020 through 2024 for the establishment and maintenance of a nationwide toll-free number, to be used to access such centers; and

Routing contacts with poison control centers

Not later than 18 months after December 20, 2019, the Secretary shall coordinate with the Chairman of the Federal Communications Commission, to the extent technically and economically feasible, to ensure that communications with the national toll-free number are routed to the appropriate poison control center based on the physical location of the contact rather than the area code of the contact device.


**AMENDMENTS**


Subsec. (a). Pub. L. 116–94, § 403(a)(2), added subsec. (a) and struck out former subsec. (a). Prior to amendment, text read as follows: “The Secretary shall provide coordination and assistance to poison control centers for the establishment of a nationwide toll-free phone number, and the maintenance of such number, to be used to access such centers.”


Subsec. (c). Pub. L. 116–94, § 403(a)(3), redesignated (c). Pub. L. 116–94, § 403(a)(5), redesignated subsec. (b) as (c) and substituted “2020 through 2024” for “2015 through 2019” and “establishment, implementation, and maintenance activities carried out under subsections (a) and (b)” for “maintenance of the nationwide toll free phone number under subsection (a).”

2014—Subsec. (b). Pub. L. 113–77 added subsec. (b) and struck out former subsec. (b). Prior to amendment, text read as follows: “There is authorized to be appropriated $2,000,000 for fiscal year 2009 to carry out this section, and $700,000 for each of fiscal years 2010 through 2014 for the maintenance of the nationwide toll free number under subsection (a).”

2008—Pub. L. 110–377 amended section generally. Prior to amendment, section required the Secretary to coordinate and assist in establishment of nationwide poison control center toll-free phone number, allowed for establishment and continued operation of privately fund- ed nationwide toll-free numbers, and authorized appropriations for fiscal years 2000 through 2009.

**FINDINGS**

Pub. L. 110–377, § 2, Oct. 8, 2008, 122 Stat. 4663, provided that Congress makes the following findings:

“(1) Poison control centers are the primary defense of the United States against injury and deaths from poisoning. Twenty-four hours a day, the general public as well as health care practitioners contact their local poison control centers for help in diagnosing and treating victims of poisoning. In 2007, more than 4,000,000 calls were managed by poison control centers providing ready and direct access for all people of the United States, including many underserved populations in the United States, with vital emergency public health information and response.

“(2) Poisoning is the second most common form of unintentional death in the United States. In any given year, there will be between 3,000,000 and 5,000,000 poison exposures. Sixty percent of these exposures will involve children under the age of 6 who are exposed to toxins in their home. Poisoning accounts for 285,000 hospitalizations, 1,200,000 days of acute hospital care, and more than 26,000 fatalities in 2005.

“(3) In 2008, the Harvard Injury Control Research Center reported that poisonings from accidents and unknown circumstances more than tripled in rate since 1990. In 2005, the last year for which data are available, 26,858 people died from accidental or unknown poisonings. This represents an increase of 20,000 since 1990 and an increase of 2,400 between 2004 and 2005. Fatalities from poisonings are increasing in the United States in near epidemic proportions. The funding of programs to reverse this trend is needed now more than ever.

“(4) In 2004, The Institute of Medicine of the National Academy of Sciences recommended that Congress amend the current Poison Control Center Enhancement and Awareness Act Amendments of 2003 [Pub. L. 108–194, see Short Title of 2003 Amendments note set out under section 201 of this title] to provide sufficient funding to support the proposed Poison Prevention and Control System with its national network of poison centers. Support for the core activities at the current level of service is estimated to require more than $100 million annually.”

“(5) Sustaining the funding structure and increasing accessibility to poison control centers will promote the utilization of poison control centers and reduce the inappropriate use of emergency medical services and other more costly health care services. The 2004 Institute of Medicine Report to Congress determined that for every $1 invested in the Nation’s poison control centers $7 of health care costs are saved. In 2005, direct Federal health care program savings totaled in excess of $325,000,000 as the result of poison control center public health services.

“(6) More than 30 percent of the cost savings and financial benefits of the Nation’s network of poison control centers are realized annually by Federal health care programs (estimated to be more than $1,000,000,000), yet Federal funding support (as demonstrated by the annual authorization of $30,100,000 in Public Law 108–194) comprises less than 11 percent of the annual network expenditures of poison centers.

“(7) Real-time data collected from the Nation’s certified poison control centers can be an important source of information for the detection, monitoring, and response for contamination of the air, water, pharmaceutical, or food supply.

“(8) In the event of a terrorist event, poison control centers will be relied upon as a critical source for accurate medical information and public health emergency response concerning the treatment of patients who have had an exposure to a chemical, radiological, or biological agent.”


“(1) Poison control centers are our Nation’s primary defense against injury and deaths from poisoning. Twenty-four hours a day, the general public as well as health care practitioners contact their local poison centers for help in diagnosing and treating victims of poisoning and other toxic exposures.

“(2) Poisoning is the third most common form of unintentional death in the United States. In any given year, there will be between 2,000,000 and 4,000,000 poisoning exposures. More than 50 percent of these exposures will involve children under the age of 6 who are exposed to toxic substances in their home. Poisoning accounts for 285,000 hospitalizations, 1,200,000 days of acute hospital care, and 13,000 fatalities annually.

“(3) Stabilizing the funding structure and increasing accessibility to poison control centers will promote the utilization of poison control centers, and reduce the inappropriate use of emergency medical services and other more costly health care services.

“(4) The tragic events of September 11, 2001, and the anthrax cases of October 2001, have dramatically changed our Nation. During this time period, poison centers in many areas of the country saw thousands of additional calls from concerned residents. Many poison centers were relied upon as a source for accurate medical information about the disease and the complications resulting from prophylactic antibiotic therapy.

“(5) The 2001 Presidential Task Force on Citizen Preparedness in the War on Terrorism recommended that the Poison Control Centers be used as a source of public information and public education regarding potential biological, chemical, and nuclear domestic terrorism.

“(6) The increased demand placed upon poison centers to provide emergency information in the event of a terrorist event involving a biological, chemical, or nuclear toxin will dramatically increase call volume.”

§ 300d–72. Promoting poison control center utilization

(a) In general

The Secretary shall carry out, and expand upon, a national media campaign to educate and
support outreach to the public and health care providers about poisoning and toxic exposure prevention and the availability of poison control center resources in local communities and to conduct advertising campaigns concerning the nationwide toll-free number and other available communication technologies established, implemented, or maintained under section 300d–71(a) of this title.

(b) Contract with entity

The Secretary may carry out subsection (a) by entering into contracts with one or more public or private entities, including nationally recognized organizations in the field of poison control and national media firms, for the development and implementation of a nationwide poisoning and toxic exposure prevention and poison control center awareness campaign, which may include—

(1) the development and distribution of poisoning and toxic exposure prevention awareness materials, applicable public health emergency preparedness and response information, and poison control center awareness materials;

(2) television, radio, Internet, and newspaper public service announcements; and

(3) other activities to provide for public and professional awareness and education.

(c) Authorization of appropriations

There is authorized to be appropriated to carry out this section, $800,000 for each of fiscal years 2020 through 2024.


AMENDMENTS


Subsec. (a). Pub. L. 116–94, § 403(b)(2), inserted “and support outreach to” after “educate”, and substituted “poisoning and toxic exposure prevention awareness materials, applicable public health emergency preparedness and response information, and poison control center awareness material” for “poison prevention and poison control center”.

Subsec. (b)(1). Pub. L. 116–94, § 403(b)(3)(B), substituted “poisoning and toxic exposure prevention awareness materials, applicable public health emergency preparedness and response information, and poison control center awareness material” for “‘poison prevention and poison control center’.”

Subsecs. (c), (d). Pub. L. 116–94, § 403(b)(4)–(6), redesignated subsec. (d) as (c), substituted “2020 through 2024” for “2015 through 2016”; and struck out former subsec. (c).

Prior to amendment, text of subsec. (c) read as follows: “The Secretary shall—

‘‘(1) establish baseline measures and benchmarks to quantitatively evaluate the impact of the nationwide media campaign carried out under this section; and

‘‘(2) on an annual basis, prepare and submit to the appropriate committees of Congress an evaluation of the nationwide media campaign.’’


Subsec. (d). Pub. L. 113–77, § 3(2), added subsec. (d) and struck out former subsec. (d). Prior to amendment, text read as follows: “There is authorized to be appropriated to carry out this section, such sums as may be necessary for fiscal year 2009, and $800,000 for each of fiscal years 2010 through 2014.”

2008—Pub. L. 110–877 amended section generally. Prior to amendment, section required the Secretary to establish a national media campaign to educate the public and health care providers about poison control and prevention and authorized appropriations for fiscal years 2000 through 2009.

EFFECTIVE DATE OF 2008 AMENDMENT

Pub. L. 110–377, § 4(b), Oct. 8, 2008, 122 Stat. 4065, provided that: ‘‘The amendment made by this section [amending this section] shall be effective on the date of the enactment of this Act [Oct. 8, 2008] and shall apply to contracts entered into on or after January 1, 2009.’’

§ 300d–73. Maintenance of the poison control center grant program

(a) Authorization of program

The Secretary shall award grants to poison control centers accredited under subsection (c) for research, develop, implement, and cooperate agreement under such subsection (d) and professional organizations in the field of poison control for the purposes of preventing, and providing treatment recommendations for, poisonings and toxic exposures and complying with the operational requirements needed to sustain the accreditation of the center under subsection (c).

(b) Additional uses of funds

In addition to the purposes described in subsection (a), a poison center or professional organization awarded a grant, contract, or cooperative agreement under such subsection may also use amounts received under such grant, contract, or cooperative agreement for—

(1) to research, establish, implement, and evaluate best practices in the United States for poisoning and toxic exposure prevention, poison control center outreach, and emergency preparedness and response programs;

(2) to research, develop, implement, revise, and communicate standard patient management guidelines for commonly encountered toxic exposures;

(3) to improve national toxic exposure surveillance by enhancing cooperative activities between poison control centers in the United States, the Centers for Disease Control and Prevention, and other government agencies as determined to be appropriate and nonduplicative by the Secretary;

(4) to research, improve, and enhance the communications and response capability and capacity of the nation’s network of poison control centers to facilitate increased access to the centers through the integration and modernization of the current poison control centers communications and data system, including enhancing the network’s telephony, Internet, data and social networking technologies;

(5) to develop, support, and enhance technology and capabilities of professional organizations in the field of poison control to collect national poisoning, toxic occurrence, and related public health data; and

(6) to develop initiatives to foster the enhanced public health utilization of national
§ 300d–73

poison data collected by organizations described in paragraph (5);
(7) to support and expand the toxicologic expertise within poison control centers; and
(8) to improve the capacity of poison control centers to answer high volumes of contacts and Internet communications, and to sustain and enhance the poison control center’s network capability to respond during times of national crisis or other public health emergencies.

(c) Accreditation
Except as provided in subsection (d), the Secretary may award a grant to a poison control center under subsection (a) only if—

(1) the center has been accredited by a professional organization in the field of poison control, and the Secretary has approved the organization as having in effect standards for accreditation that reasonably provide for the protection of the public health with respect to poisoning; or
(2) the center has been accredited by a State government, and the Secretary has approved the State government as having in effect standards for accreditation that reasonably provide for the protection of the public health with respect to poisoning.

(d) Waiver of accreditation requirements

(1) In general
The Secretary may grant a waiver of the accreditation requirements of subsection (c) with respect to a nonaccredited poison control center that applies for a grant under this section if such center can reasonably demonstrate that it will obtain such an accreditation within a reasonable period of time as determined appropriate by the Secretary.

(2) Renewal
The Secretary may renew a waiver under paragraph (1).

(3) Limitation
(A) In general
The sum of the number of years for a waiver under paragraph (1) and a renewal under paragraph (2) may not exceed 5 years.

(B) Public health emergency
Notwithstanding any previous waivers, in the case of a poison control center whose accreditation is affected by a public health emergency declared pursuant to section 247d of this title, the Secretary may, as the circumstances of the emergency reasonably require, provide a waiver under paragraph (1) or a renewal under paragraph (2), not to exceed 2 years. The Secretary may require quarterly reports and other information related to such a waiver or renewal under this paragraph.

(e) Supplement not supplant
Amounts made available to a poison control center under this section shall be used to supplement and not supplant other Federal, State or local funds provided for such center.

(f) Maintenance of effort
With respect to activities for which a grant is awarded under this section, the Secretary may require that poison control centers agree to maintain the expenditures of the center for such activities at a level that is not less than the level of expenditures maintained by the center for the fiscal year preceding the fiscal year for which the grant is received.

(g) Authorization of appropriations
There is authorized to be appropriated to carry out this section, $28,600,000 for each of fiscal years 2020 through 2024. The Secretary may utilize an amount not to exceed 6 percent of the amount appropriated under this preceding sentence in each fiscal year for coordination, dissemination, technical assistance, program evaluation, data activities, and other program administration functions, which are determined by the Secretary to be appropriate for carrying out the program under this section.

(h) Biennial report to Congress
Not later than 2 years after December 20, 2019, and every 2 years thereafter, the Secretary shall submit to the Committee on Health, Education, Labor, and Pensions of the Senate and Committee on Energy and Commerce of the House of Representatives a report concerning the operations of, and trends identified by, the Poison Control Network. Such report shall include—

(1) descriptions of the activities carried out pursuant to sections 300d–71, 300d–72, and 300d–73 of this title, and the alignment of such activities with the purposes provided under subsection (a);
(2) a description of trends in volume of contacts to poison control centers;
(3) a description of trends in poisonings and toxic exposures reported to poison control centers, as applicable and appropriate;
(4) an assessment of the impact of the public awareness campaign, including any geographic variations;
(5) a description of barriers, if any, preventing poison control centers from achieving the purposes and programs under this section and sections 300d–71 and 300d–72 of this title;
(6) a description of the standards for accreditation described in subsection (c), including any variations in those standards, and any efforts to create and maintain consistent standards across organizations that accredit poison control centers; and
(7) the number of and reason for any waivers provided under subsection (d).

Amendments
Subsec. (b)(2). Pub. L. 116–94, § 403(c)(2)(B), substituted “United States,” for “United States and”, and inserted “, and other government agencies as determined to be appropriate and nonduplicative by the Secretary,” before semicolon at end.
amendment, section related to awarding of grants to certified regional poison control centers and additional appropriations for fiscal years 2000 through 2009.

Subsec. (d)(3). Pub. L. 115–94, § 403(c)(3), added par. (3) and struck out former par. (3). Prior to amendment, text read as follows: “In no case may the sum of the number of years for a waiver under paragraph (1) and a renewal under paragraph (2) exceed—

(A) 5 years; or

(B) in the case of a nonaccredited poison control center operating pursuant to a waiver under this subsection as of October 1, 2014, 6 years.”

Subsec. (e). Pub. L. 116–94, § 403(c)(4), added subsec. (e) and struck out former subsec. (e). Prior to amendment, text read as follows: “A poison control center, in utilizing the proceeds of a grant under this section, shall maintain the expenditures of the center for its activities at a level that is not less than the level of expenditures maintained by the center for the fiscal year preceding the fiscal year for which the grant is received.”

Subsec. (f). Pub. L. 116–94, § 403(c)(5), substituted “‘accreditation’ for ‘‘Certification’ in heading and substituted ‘‘exceed—’’ for ‘‘exceed 5 years. The preceding sentence’.

Subsec. (g). Pub. L. 116–94, § 403(c)(6), added subsec. (g) and struck out former subsec. (g). Prior to amendment, text read as follows: “The amendment made by this section shall take effect as of October 8, 2008.” and added subpar. (6). Former subpar. (6) redesignated (7). Former par. (7) redesignated (8).

(b) Awarding of grants by States

Each State may award grants to eligible entities within the State for the purposes described in subparagraph (d).

(c) Eligibility

(1) In general

To be eligible to receive a grant under subsection (b) an entity shall—

(A) be—

(i) a public or nonprofit trauma center or consortium thereof that meets the requirements of paragraphs (1), (2), and (5) of section 300d–41(b) of this title;

(ii) a safety net public or nonprofit trauma center that meets the requirements of paragraphs (1) through (5) of section 300d–41(b) of this title; or

(iii) a hospital in an underserved area (as defined by the State) that seeks to establish new trauma services; and

(B) submit to the State an application at such time, in such manner, and containing such information as the State may require.

(2) Limitation

A State shall use at least 40 percent of the amount available to the State under this part for a fiscal year to award grants to safety net trauma centers described in paragraph (1)(A)(i).

(d) Use of funds

The recipient of a grant under subsection (b) shall carry out the following activities in support of trauma-related physician specialties where shortages exist in the region involved, with priority provided to safety net trauma centers described in subsection (c)(1)(A)(ii).

(1) Providing trauma centers with funding to support physician compensation in trauma-related physician specialties where shortages exist in the region involved, with priority provided to safety net trauma centers described in subsection (c)(1)(A)(ii).

(2) Providing for individual safety net trauma center fiscal stability and costs related to having service that is available 24 hours a day,
§ 300d–82. Authorization of appropriations

For the purpose of carrying out this part, there is authorized to be appropriated $100,000,000 for each of fiscal years 2010 through 2015.


PART I—MILITARY AND CIVILIAN PARTNERSHIP FOR TRAUMA READINESS GRANT PROGRAM

§ 300d–91. Military and civilian partnership for trauma readiness grant program

(a) Military trauma team placement program

(1) In general

The Secretary, acting through the Assistant Secretary for Preparedness and Response and in consultation with the Secretary of Defense, shall award grants to not more than 20 eligible high-acuity trauma centers to enable military trauma teams to provide, on a full-time basis, trauma care and related acute care at such trauma centers.

(2) Limitations

In the case of a grant awarded under paragraph (1) to an eligible high-acuity trauma center, such grant—

(A) shall be for a period of at least 3 years and not more than 5 years (and may be renewed at the end of such period); and

(B) shall be in an amount that does not exceed $1,000,000 per year.

(3) Availability of funds

Notwithstanding section 1552 of title 31 or any other provision of law, funds available to the Secretary for obligation for a grant under this subsection shall remain available for expenditure for 100 days after the last day of the performance period of such grant.

(b) Military trauma care provider placement program

(1) In general

The Secretary, acting through the Assistant Secretary for Preparedness and Response and in consultation with the Secretary of Defense, shall award grants to eligible trauma centers to enable military trauma care providers to provide trauma care and related acute care at such trauma centers.

(2) Limitations

In the case of a grant awarded under paragraph (1) to an eligible trauma center, such grant—

(A) shall be for a period of at least 1 year and not more than 3 years (and may be renewed at the end of such period); and

(B) shall be in an amount that does not exceed $1,000,000.

(i) $100,000 for each military trauma care provider that is a physician at such eligible trauma center; and
(ii) $50,000 for each other military trauma care provider at such eligible trauma center.

(c) Grant requirements

(1) Deployment and public health emergencies

As a condition of receipt of a grant under this section, a grant recipient shall agree to allow military trauma care providers providing care pursuant to such grant to—

(A) be deployed by the Secretary of Defense for military operations, for training, or for response to a mass casualty incident; and

(B) be deployed by the Secretary of Defense, in consultation with the Secretary of Health and Human Services, for response to a public health emergency pursuant to section 247d of this title.

(2) Use of funds

Grants awarded under this section to an eligible trauma center may be used to train and incorporate military trauma care providers into such trauma center, including incorporation into operational exercises and training drills related to public health emergencies, expenditures for malpractice insurance, office space, information technology, specialty education and supervision, trauma programs, research, and applicable license fees for such military trauma care providers.

(d) Rule of construction

Nothing in this section shall be construed to affect any other provision of law that preempts State licensing requirements for health care professionals, including with respect to military trauma care providers.

(e) Reporting requirements

(1) Report to the Secretary and the Secretary of Defense

Each eligible trauma center or eligible high-acuity trauma center awarded a grant under subsection (a) or (b) for a year shall submit to the Secretary and the Secretary of Defense a report for such year that includes information on—

(A) the number and types of trauma cases managed by military trauma teams or military trauma care providers pursuant to such grant during such year;

(B) the ability to maintain the integration of the military trauma providers or teams of providers as part of the trauma center, including the financial effect of such grant on the trauma center;

(C) the educational effect on resident trainees in centers where military trauma teams are assigned;

(D) any research conducted during such year supported by such grant; and

(E) any other information required by the Secretaries for the purpose of evaluating the effect of such grant.

(2) Report to Congress

Not less than once every 2 years, the Secretary, in consultation with the Secretary of Defense, shall submit a report to the congressional committees of jurisdiction that includes information on the effect of placing military trauma care providers in trauma centers awarded grants under this section on—

(A) maintaining military trauma care providers’ readiness and ability to respond to and treat battlefield injuries;

(B) providing health care to civilian trauma patients in urban and rural settings;

(C) the capability of trauma centers and military trauma care providers to increase medical surge capacity, including as a result of a large-scale event;

(D) the ability of grant recipients to maintain the integration of the military trauma providers or teams of providers as part of the trauma center;

(E) efforts to incorporate military trauma care providers into operational exercises and training and drills for public health emergencies; and

(F) the capability of military trauma care providers to participate as part of a medical response during or in advance of a public health emergency, as determined by the Secretary, or a mass casualty incident.

(f) Definitions

For purposes of this part:

(1) Eligible high-acuity trauma center

The term “eligible high-acuity trauma center” means a Level I trauma center that satisfies each of the following:

(A) Such trauma center has an agreement with the Secretary of Defense to enable military trauma teams to provide trauma care and related acute care at such trauma center.

(B) At least 20 percent of patients treated at such trauma center in the most recent 3-month period for which data are available are treated for a major trauma at such trauma center.

(C) Such trauma center utilizes a risk-adjusted benchmarking system and metrics to measure performance, quality, and patient outcomes.

(D) Such trauma center is an academic training center—

(i) affiliated with a medical school;

(ii) that maintains residency programs and fellowships in critical trauma specialties and subspecialties, and provides education and supervision of military trauma team members according to those specialties and subspecialties; and

(iii) that undertakes research in the prevention and treatment of traumatic injury.

(E) Such trauma center serves as a medical and public health preparedness and response leader for its community, such as by participating in a partnership for State and regional hospital preparedness established under section 247d-3b or 247d-3c of this title.

(2) Eligible trauma center

The term “eligible trauma center” means a Level I, II, or III trauma center that satisfies each of the following:

(A) Such trauma center has an agreement with the Secretary of Defense to enable mili-
§ 300e

§ 300e. Requirements of health maintenance or...

(7) Stat. 915.)

(300e) (July 1, 1944, ch. 373, title XII, § 1291, as added...

(3) Major trauma

The term “major trauma” means an injury that is greater than or equal to 15 on the injury severity score.

(4) Military trauma team

The term “military trauma team” means a complete military trauma team consisting of military trauma care providers.

(5) Military trauma care provider

The term “military trauma care provider” means a member of the Armed Forces who furnishes emergency, critical care, and other trauma acute care services (including a physician, surgeon, physician assistant, nurse, nurse practitioner, respiratory therapist, flight paramedic, combat medic, or enlisted medical technician) or other military trauma care provider as the Secretary determines appropriate.

(g) Authorization of appropriations

To carry out this section, there is authorized to be appropriated $11,500,000 for each of fiscal years 2019 through 2023.

(300e) (July 1, 1944, ch. 373, title XII, § 1291, as added Pub. L. 116–22, title II, § 204, June 24, 2019, 133 Stat. 915.)

SUBCHAPTER XI—HEALTH MAINTENANCE ORGANIZATIONS

§ 300e. Requirements of health maintenance organizations

(a) “Health maintenance organization” defined

For purposes of this subchapter, the term “health maintenance organization” means a public or private entity which is organized under the laws of any State and which (1) provides basic and supplemental health services to its members in the manner prescribed by subsection (b), and (2) is organized and operated in the manner prescribed by subsection (c).

(b) Manner of supplying basic and supplemental health services to members

A health maintenance organization shall provide, without limitations as to time or cost other than those prescribed by or under this subchapter, basic and supplemental health services to its members in the following manner:

(1) Each member is to be provided basic health services for a basic health services payment which (A) is to be paid on a periodic basis without regard to the dates health services (within the basic health services) are provided; (B) is fixed without regard to the frequency, extent, or kind of health service (within the basic health services) actually furnished; (C) except in the case of basic health services provided a member who is a full-time student (as defined by the Secretary) at an accredited institution of higher education, is fixed under a community rating system; and (D) may be supplemented by additional nominal payments which may be required for the provision of specific services (within the basic health services), except that such payments may not be required where or in such a manner that they serve (as determined under regulations of the Secretary) as a barrier to the delivery of health services. Such additional nominal payments shall be fixed in accordance with the regulations of the Secretary. If a health maintenance organization offers to its members the opportunity to obtain basic health services through a physician not described in subsection (b)(3)(A), the organization may require, in addition to payments described in clause (D) of this paragraph, a reasonable deductible to be paid by a member when obtaining a basic health service from such a physician. A health maintenance organization may include a health service, defined as a supplemental health service by section 300e–1(2) of this title, in the basic health services provided its members for a basic health services payment described in the first sentence. In the case of an entity which before it became a qualified health maintenance organization (within the meaning of section 300e–9(d)) of this title) provided comprehensive health services on a prepaid basis, the requirement of clause (C) shall not apply to such entity until the expiration of the forty-eight month period beginning with the month following the month in which the entity became such a qualified health organization. The requirements of this paragraph respecting the basic health services payment shall not apply to the provision of basic health services to a member for an illness or injury for which the member is entitled to benefits under a workmen’s compensation law or an insurance policy...
mental health services payments” as the health maintenance organization may require in addition to the basic health services payment, the organization may provide to each of its members any of the health services which are included in supplemental health services (as defined in section 300e–1(2) of this title). Supplemental health services payments which are fixed on a prepayment basis shall be fixed under a community rating system unless the supplemental health services payment is for a supplemental health service provided a member who is a full-time student (as defined by the Secretary) at an accredited institution of higher education, except that, in the case of an entity which before it became a qualified health maintenance organization (within the meaning of section 300e–9(d) of this title) provided comprehensive health services on a prepaid basis, the requirement of this sentence shall not apply to such entity during the forty-eight month period beginning with the month following the month in which the entity became such a qualified health maintenance organization.

(3)(A) Except as provided in subparagraph (B), at least 90 percent of the services of a physician which are provided as basic health services shall be provided through—

(i) members of the staff of the health maintenance organization,

(ii) a medical group (or groups),

(iii) an individual practice association (or associations),

(iv) physicians or other health professionals who have contracted with the health maintenance organization for the provision of such services, or

(v) any combination of such staff, medical group (or groups), individual practice association (or associations) or physicians or other health professionals under contract with the organization.

(B) Subparagraph (A) does not apply to the provision of the services of a physician—

(i) which the health maintenance organization determines, in conformity with regulations of the Secretary, are unusual or infrequently used, or

(ii) which are provided a member of the organization in a manner other than that prescribed by subparagraph (A) because of an emergency which made it medically necessary that the service be provided to the member before it could be provided in a manner prescribed by subparagraph (A).

(C) Contracts between a health maintenance organization and health professionals for the provision of basic and supplemental health services shall include such provisions as the Secretary may require, but only to the extent that such requirements are designed to insure the delivery of quality health care services and sound fiscal management.

(D) For purposes of this paragraph the term “health professional” mean physicians, dentists, nurses, podiatrists, optometrists, and such other individuals engaged in the delivery of health services as the Secretary may by regulation designate.

(4) Basic health services (and only such supplemental health services as members have contracted for) shall within the area served by the health maintenance organization be available and accessible to each of its members with reasonable promptness and in a manner which assures continuity, and when medically necessary be available and accessible twenty-four hours a day and seven days a week, except that a health maintenance organization which has a service area located wholly in a non-metropolitan area may make a basic health service available outside its service area if that basic health service is not a primary care or emergency health care service and if there is an insufficient number of providers of that basic health service within the service area who will provide such service to members of the health maintenance organization. A member of a health maintenance organization shall be reimbursed by the organization for his expenses in securing basic and supplemental health services other than through the organization if the services were medically necessary and immediately required because of an unforeseen illness, injury, or condition.

(5) To the extent that a natural disaster, war, riot, civil insurrection, or any other similar event not within the control of a health maintenance organization (as determined under regulations of the Secretary) results in the facilities, personnel, or financial resources of a health maintenance organization not being available to provide or arrange for the provision of a basic or supplemental health service in accordance with the requirements of paragraphs (1) through (4) of this subsection, such requirements only require the organization to make a good-faith effort to provide or arrange for the provision of such service within such limitation on its facilities, personnel, or resources.

(6) A health maintenance organization that otherwise meets the requirements of this subsection may offer a high-deductible health plan (as defined in section 220(c)(2) of title 26).

(c) Organizational requirements

Each health maintenance organization shall—

(1)(A) have—

(i) a fiscally sound operation, and

(ii) adequate provision against the risk of insolvency, which is satisfactory to the Secretary, and (B) have administrative and managerial arrangements satisfactory to the Secretary;

(2) assume full financial risk on a prospective basis for the provision of basic health services, except that a health maintenance organization may (A) obtain insurance or make other arrangements for the cost of providing to any member basic health services the aggregate value of which exceeds $5,000 in any year, (B) obtain insurance or make other arrangements for the cost of basic health services provided to its members other than through the organization because medical necessity required their provision before they could be secured through the organization, (C) obtain insurance or make other arrangements for not more than 90 per centum of the amount
by which its costs for any of its fiscal years exceed 115 per centum of its income for such fiscal year, and (D) make arrangements with physicians or other health professionals, health care institutions, or any combination of such individuals or institutions to assume all or part of the financial risk on a prospective basis for the provision of basic health services by the physicians or other health professionals or through the institutions;

(3)(A) enroll persons who are broadly representative of the various age, social, and income groups within the area it serves, except that in the case of a health maintenance organization which has a medically underserved population located (in whole or in part) in the area it serves, not more than 75 per centum of the members of that organization may be enrolled from the medically underserved population unless the area in which such population resides is also a rural area (as designated by the Secretary), and (B) carry out enrollment of members who are entitled to medical assistance under a State plan approved under title XIX of the Social Security Act [42 U.S.C. 1396 et seq.] in accordance with procedures approved under regulations promulgated by the Secretary;

(4) not expel or refuse to re-enroll any member because of his health status or his requirements for health services;

(5) be organized in such a manner that provides meaningful procedures for hearing and resolving grievances between the health maintenance organization (including the medical group or groups and other health delivery entities providing health services for the organization) and the members of the organization;

(6) have organizational arrangements, established in accordance with regulations of the Secretary, for an ongoing quality assurance program for its health services which program (A) stresses health outcomes, and (B) provides review by physicians and other health professionals of the process followed in the provision of health services;

(7) adopt at least one of the following arrangements to protect its members from incurring liability for payment of any fees which are the legal obligation of such organization—

(A) a contractual arrangement with any hospital that is regularly used by the members of such organization prohibiting such hospital from holding any such member liable for payment of any fees which are the legal obligation of such organization;

(B) insolvency insurance, acceptable to the Secretary;

(C) adequate financial reserve, acceptable to the Secretary; and

(D) other arrangements, acceptable to the Secretary, to protect members,

except that the requirements of this paragraph shall not apply to a health maintenance organization if applicable State law provides the members of such organization with protection from liability for payment of any fees which are the legal obligation of such organization; and

(8) provide, in accordance with regulations of the Secretary (including safeguards concerning the confidentiality of the doctor-patient relationship), and effective procedure for developing, compiling, evaluating, and reporting to the Secretary, statistics and other information (which the Secretary shall publish and disseminate on an annual basis) and which the health maintenance organization shall disclose, in a manner acceptable to the Secretary, to its members and the general public) relating to (A) the cost of its operations, (B) the patterns of utilization of its services, (C) the availability, accessibility, and acceptability of its services, (D) to the extent practical, developments in the health status of its members, and (E) such other matters as the Secretary may require.

The Secretary shall issue regulations stating the circumstances under which the Secretary, in administering paragraph (1)(A), will consider the resources of an organization which owns or controls a health maintenance organization. Such regulations shall require as a condition to consideration of resources that an organization which owns or controls a health maintenance organization shall provide satisfactory assurances that it will follow the financial obligations of the health maintenance organization.

(d) Application of rules by certain health maintenance organizations

An organization that offers health benefits coverage shall not be considered as failing to meet the requirements of this section notwithstanding that it provides, with respect to coverage offered in connection with a group health plan in the small or large group market (as defined in section 300gg–9(e) of this title), an affiliation period consistent with the provisions of section 2701(g).\(^1\)


References in Text

Section 300e–9(d) of this title, referred to in subsec. (b)(1), (2), was redesignated section 300e–9(c) of this title by Pub. L. 100–517, §7(b), Oct. 24, 1988, 102 Stat. 2580.


Section 2701, referred to in subsec. (d), is a reference to section 2701 of act July 1, 1944. Section 2701, which was classified to section 300gg of this title, was renumbered section 2704, effective for plan years beginning on or after Jan. 1, 2014, with certain exceptions, and amended, by Pub. L. 111–148, title I, §§1201(2), 1563(c)(1), formerly §1562(c)(1), title X, §11017(b)(1), Mar. 23, 2010, 124 Stat. 154, 294, 911, and was transferred to section 300gg–3 of this title. A new section 2701 of act July 1, 1944, related to fair health insurance premiums, was added, effective for plan years beginning on or after

CODIFICATION

Amendment to subsec. (b)(3)(D) by section 942(b)(2) of Pub. L. 97–35 was executed before redesignation by section 942(a)(1)(B) of Pub. L. 97–35, to reflect the probable intent of Congress.

AMENDMENTS


1988—Subsec. (a). Pub. L. 100–517, §2, substituted “public or private entity which is organized under the laws of any State and” for “legal entity”.

Subsec. (b)(1). Pub. L. 100–517, §3, inserted after second sentence “If a health maintenance organization offers to its members the opportunity to obtain basic health services through a physician not described in subsection (b)(3)(A), the organization may require, in addition to payments described in clause (D) of this paragraph, a reasonable deductible to be paid by a member when obtaining a basic health service from such a physician.”

Subsec. (b)(3)(A). Pub. L. 100–517, §4(a), substituted “‘at least 90 percent of the services of a physician’ for ‘the services of a physician’.”

Subsec. (c). Pub. L. 100–517, §5(a)(2), inserted at end “The Secretary shall issue regulations stating the circumstances under which the Secretary, in administering paragraph (1)(A), will consider the resources of an organization which owns or controls a health maintenance organization. Such regulations shall require as a condition to consideration of resources that an organization which owns or controls a health maintenance organization shall provide satisfactory assurances that it will assume the financial obligations of the health maintenance organization.”

Subsec. (c)(1)(A). Pub. L. 100–517, §5(a)(1), amended subpar. (A) generally. Prior to amendment, subpar. (A) read as follows: “have a fiscally sound operation and adequate provision against the risk of insolvency which is satisfactory to the Secretary, and”.

Subsec. (c)(5) to (9). Pub. L. 100–517, §5(b), redesignated pars. (6) to (9) as (5) to (8), respectively, and struck out former par. (5) which read as follows: “A (A) in the case of a private health maintenance organization, be organized in such a manner that assures that (i) at least one-third of the membership of the policymaking body of the health maintenance organization will be members of the organization and (ii) the organization shall provide equitable representation on such body of members from medically underserved populations served by the organization, (B) in the case of a public health maintenance organization, have an advisory board to the policymaking body of the public entity operating the organization which board meets the requirements of clause (A) of this paragraph and to which may be delegated policymaking authority for the organization;”.


Subsec. (b)(3)(B). Pub. L. 97–35, §942(b)(1), substituted “‘B’” for “‘B’(i), ‘(ii)’ for ‘(i), and ‘(ii)’ for ‘(i)’” and struck out former cl. (ii) which related to the forty-eight-month period beginning after the month of qualification of a health maintenance organization.

Subsec. (b)(3)(C). Pub. L. 97–35, §942(a)(1), redesignated subpar. (D) as (C) and struck out former subpar. (C) which related to the expiration of the first four fiscal years as a qualified organization.

Subsec. (b)(3)(D). Pub. L. 97–35, §942(b)(2), amended subpar. (D) generally. Prior to amendment, subpar. (D) read as follows: “Contracts between a health maintenance organization and health professionals for the provision of basic and supplemental health services shall include such provisions as the Secretary may require (including provisions requiring appropriate continuing education).” See Codification note above.


Subsec. (b)(4). Pub. L. 97–35, §942(c), substituted “with reasonable promptness” for “promptly as appropriate” and inserted , except that a health maintenance organization which has a service area located within a nonmetropolitan area may make a basic health service available outside its service area if that basic health service is not a primary care or emergency health care service and if there is an insufficient number of providers of that basic health service within the service area who will provide such service to members of the health maintenance organization” after “week”.

Subsec. (c). Pub. L. 97–35, §942(d)(1), (e), in par. (2) substituted provisions specifying requirements with respect to insurance, etc., for provisions generalizing such insurance, etc., requirements, and added cl. (D), struck out par. (4) which related to open enrollment period, redesignated pars. (5) to (8) as (4) to (7), respectively, added par. (8), struck out pars. (9) and (10) which related to medical social and health education services, and continuing education, respectively, and redesignated par. (11) as (9).

Subsec. (d). Pub. L. 97–35, §942(d)(2), struck out subsec. (d) which related to requirements, etc., respecting open enrollment period.

1979—Subsec. (b)(3). Pub. L. 96–32 amended directory language of section 11(a) of Pub. L. 95–559 by substituting, in paragraph (1)(A) for “1301” of the Public Health Service Act, as section to be amended, and required no change in text because amendment made by Pub. L. 95–559 had been executed to this section as the probable intent of Congress.

1978—Subsec. (b)(1). Pub. L. 95–559, §10(a), 11(b), inserted “except in the case of basic health services provided to a member who is a full-time student (as defined by the Secretary) at an accredited institution of higher education,” after “the requirement of clause (C)” and inserted provisions permitting the health maintenance organization to seek reimbursement for the cost of services provided to a member who is entitled to benefits under a workmen’s compensation law or insurance policy.

Subsec. (b)(2). Pub. L. 95–559, §10(a), inserted “unless the supplemental health services payment is for a supplemental health service provided a member who is a full-time student (as defined by the Secretary) at an accredited institution of higher education,” after “community rating system”.

Subsec. (b)(3). Pub. L. 95–559, §11(a), as amended by Pub. L. 96–32, inserted provisions limiting the health maintenance organization from entering into contracts for health services with physicians other than members of the staff of the health maintenance organization, medical groups, or individual practice associations.

Subsec. (b)(4). Pub. L. 95–559, §11(c), substituted “basic and supplemental” for “basic or supplemental” and “if the services were medically necessary and immediately required because of an unforeseen illness, injury, or condition” for “if it was medically necessary that the services be provided before it could secure them through the organization”.

Subsec. (b)(5). Pub. L. 95–559, §11(d), added par. (5).

Subsec. (c)(1). Pub. L. 95–559, §10(b), designated existing provisions as subpar. (A) and added subpar. (B).

Subsec. (c)(3). Pub. L. 95–559, §9(b), designated existing provisions as subpar. (A) and added subpar. (B).

Subsec. (c)(6). Pub. L. 95–559, §10(c), designated existing provisions as subpar. (A), inserted “in the case of a private health maintenance organization,” before “be organized in such”, and substituted “(i)” for “(A)” and “(ii)” for “(B)” and added subpar. (B).

1976—Subsec. (b)(1). Pub. L. 94–460, §§101(a), 105(a)(1), provided that a health maintenance organization may include a health service, defined as a supplemental health service by section 300gg of this title, in the basic health services provided its members for a basic health service payment described in the first sentence.
and also provided that, in the case of an entity which before it became a qualified health maintenance organization (within the meaning of section 300e–9(d) of this title) provided comprehensive health services on a prepaid basis, the requirement of clause (C) would not apply to such entity until the expiration of the forty-eight month period beginning with the month following the month in which the entity became such a qualified health organization.

Subsec. (b)(2). Pub. L. 94–460, § 101(b), 105(a)(2), substituted "the organization may provide to each of its members any of the health services which are included in supplemental health services (as defined in section 300e–1(2) of this title) for "the organization shall provide to each of its members each health service which is included in supplemental health services (as defined in section 300e–1(2) of this title), (B) for which the required health manpower are available in the area served by the organization, and (C) for the provision of which the member has contracted with the organization and inserted "except that, in the case of an entity which before it became a qualified health maintenance organization (within the meaning of section 300e–9(d) of this title) provided comprehensive health services on a prepaid basis, the requirement of this sentence shall not apply to such entity during the forty-eight month period beginning with the month following the month in which the entity became such a qualified health maintenance organization" after "Supplemental health services payments which are fixed on a prepaid basis shall be fixed under a community rating system".

Subsec. (b)(3). Pub. L. 94–460, § 102(a), inserted references to health professionals who have contracted with the health maintenance organization for the provision of such services and to the combination of staff, medical groups, individual practice associations, or health professionals under contract with the health maintenance organization, and inserted provisions allowing a health maintenance organization, during the thirty-six month period beginning with the month following the month in which the entity becomes such a qualified health maintenance organization after "Supplemental health services through an entity only if authorized by the Secretary in accordance with regulations which take into consideration the unusual circumstances of such entity, directing that a health maintenance organization may not, in any of its fiscal years, enter into contracts with health professionals or entities other than medical groups or individual practice associations if the amounts paid under such contracts for basic and supplemental health services exceed fifteen percent of the total amount to be paid in such fiscal year by the health maintenance organization to physicians for the provision of basic and supplemental health services, or, if the health maintenance organization principally serves a rural area, thirty percent of such amount, except that the sentence would not apply to the entering into of contracts for the purchase of basic and supplemental health services through an entity which but for the requirement of section 300e–1(4)(C)(i) of this title would be a medical group for purposes of this subchapter, directing that the contracts between a health maintenance organization and health professionals for the provision of basic and supplemental health services include such provisions as the Secretary may require (including provisions requiring appropriate continuing education)"

Subsec. (c)(4). Pub. L. 94–460, § 103(c), substituted "and only such supplemental health services as members have contracted for" for "and supplemental health services in the case of the members who have contracted therefor".


**Effective Date of 1976 Amendment**


"(a) Except as provided in subsection (b), the amendments made by this title [enacting section 300e–15 of this title and amending this section, sections 300e–1 to 300e–11, 300e–13, and 300m–1 of this title, and section 8902 of Title 5, Government Organization and Employees] shall take effect on the date of the enactment of this Act [Oct. 8, 1976]."

"(b)(1) The amendments made by sections 101 [amending this section], 102 [amending this section and section 300e–1 of this title], 103 [amending this section], 104 [amending section 300e–1 of this title], and 106 [amending section 300e–1 of this title] shall (A) apply with respect to grants, contracts, loans, and loan guarantees made under sections 1303, 1304, and 1305 of the Public Health Service Act (42 U.S.C. 300e–2, 300e–3, 300e–4) for fiscal years beginning after September 30, 1976, (B) apply with respect to health benefit plans offered under section 1310 of such Act (42 U.S.C. 300e–9) after such date, and (C) for purposes of section 1312 (42 U.S.C. 300e–11) take effect October 1, 1976.

"(2) Subsection (d) of section 1301 of the Public Health Service Act (42 U.S.C. 300e(d)) added by section 103(b) of this Act shall take effect with respect to fiscal years of health maintenance organizations beginning on or after the date of the enactment of this Act [Oct. 8, 1976]."

"(3) The amendments made by section 107 [amending sections 300e–2, 300e–3, and 300e–4 of this title] shall apply with respect to grants, contracts, loans, and loan guarantees made under sections 1303, 1304, and 1305 of the Public Health Service Act (42 U.S.C. 300e–2, 300e–3, 300e–4) for fiscal years beginning after September 30, 1976.

"(4) The amendments made by sections 109(a)(1) [amending section 300e–4 of this title] and 109(c) [amending section 300e–7 of this title] shall apply with respect to loan guarantees made under section 1305 of the Public Health Service Act (42 U.S.C. 300e–4) after September 30, 1976.

"(5) The amendment made by section 109(e) [amending section 300e–3 of this title] shall apply with respect to projects assisted under section 1304 of the Public Health Service Act (42 U.S.C. 300e–3) after September 30, 1976.

"(6) The amendments made by paragraphs (1) and (2) of section 110(a) [amending section 300e–9 of this title] shall apply with respect to calendar quarters which begin after the date of the enactment of this Act [Oct. 8, 1976].

"(7) The amendments made by paragraphs (3) and (4) of section 110 [amending section 300e–9 of this title] shall apply with respect to failures of employers to comply with section 1310(a) of the Public Health Service Act (42 U.S.C. 300e–9(a)) after the date of the enactment of this Act [Oct. 8, 1976].

"(8) The amendment made by section 111 [amending section 300e–11 of this title] shall apply with respect to determinations of the Secretary of Health, Education, and Welfare described in section 1312(a) of the Public Health Service Act (42 U.S.C. 300e–11(a)) and made after the date of the enactment of this Act [Oct. 8, 1976]."

**Short Title of 1978 Amendment**


**Short Title of 1976 Amendment**

For short title of Pub. L. 94–460 which substantially amended this subchapter, as the "Health Maintenance
Organization Amendments of 1976”, see section 1(a) of Pub. L. 94–460, set out as a note under section 201 of this title.

**Short Title**


**Qualification of Health Maintenance Organization Contingent Upon Controlling Organization’s Assumption of Financial Obligations and Meeting Other Requirements**

Pub. L. 100–517, § 5(a)(3), Oct. 24, 1988, 102 Stat. 2579, provided that: “During the period prior to the effective date of regulations issued under section 1301(c) of the Public Health Service Act [42 U.S.C. 300e(c)] (as amended by paragraph (2)), the Secretary of Health and Human Services shall consider the application for qualification under section 1301(c)(1)(A) of such Act of a health maintenance organization—

(A) which is owned or controlled by another organization, and

(B) which requests that the resources of the other organization be considered in determining its qualification under such section, if the Secretary receives satisfactory assurances from the other organization that it will assume the financial obligations of the health maintenance organization and if the Secretary determines that the other organization meets such other requirements as the Secretary determines are necessary.”

**Study on Health Maintenance Organization Program**

Pub. L. 99–660, title VIII, § 813, Nov. 14, 1986, 100 Stat. 3801, which provided for a study to assess the operation and impact of the provisions of this subchapter and a report to Congress on the findings and conclusions of such study within 18 months after Nov. 14, 1986, was repealed by Pub. L. 102–531, title III, § 311(a), Oct. 27, 1992, 106 Stat. 3503, effective as if such repeal was enacted on Nov. 14, 1986.

**Health Care Quality Assurance Programs**


**§ 300e–1. Definitions**

For purposes of this subchapter:

(1) The term “basic health services” means—

(A) physician services (including consultant and referral services by a physician);

(B) inpatient and outpatient hospital services;

(C) medically necessary emergency health services;

(D) short-term (not to exceed twenty visits), outpatient evaluative and crisis intervention mental health services;

(E) medical treatment and referral services (including referral services to appropriate ancillary services) for the abuse of or addiction to alcohol and drugs;

(F) diagnostic laboratory and diagnostic and therapeutic radiologic services;

(G) home health services; and

(H) preventive health services (including (i) immunizations, (ii) well-child care from birth, (iii) periodic health evaluations for adults, (iv) voluntary family planning services, (v) in-
§ 300e–1

TITLE 42—THE PUBLIC HEALTH AND WELFARE

Page 1074

beginning after the month in which the health maintenance organization 2 becomes a qualified health maintenance organization as defined in section 300e–9(d) 3 of this title, or as authorized by the Secretary in accordance with regulations that take into consideration the unusual circumstances of the group; (ii) pool their income from practice as members of the group and distribute it among themselves according to a prearranged salary or drawing account or other similar plan unrelated to the provision of specific health services; (iii) share medical and other records and substantial portions of major equipment and of professional, technical, and administrative staff; (iv) arrange for and encourage continuing education in the field of clinical medicine and related areas for the members of the group; and (v) establish an arrangement whereby a member's enrollment status is not known to the health professional who provides health services to the member.

(5) The term “individual practice association” means a partnership, corporation, association, or other legal entity which has entered into a services arrangement (or arrangements) with persons who are licensed to practice medicine, osteopathy, dentistry, podiatry, optometry, psychology, or other health profession in a State and a majority of whom are licensed to practice medicine or osteopathy. Such an arrangement shall provide—

(A) that such persons shall provide their professional services in accordance with a compensation arrangement established by the entity; and

(B) to the extent feasible, for the sharing by such persons of medical and other records, equipment, and professional, technical, and administrative staff.

(6) The term “health systems agency” means an entity which is designated in accordance with section 300f–4 of this title.

(7) The term “medically underserved population” means the population of an urban or rural area designated by the Secretary as an area with a shortage of personal health services or a population group designated by the Secretary as having a shortage of such services. Such a designation may be made by the Secretary only after consideration of the comments (if any) of (A) each State health planning and development agency which covers (in whole or in part) such urban or rural area or the area in which such population group resides, and (B) each health systems agency designated for a health service area which covers (in whole or in part) such urban or rural area or the area in which such population group resides.

(b)(A) The term “community rating system” means the systems, described in subparagraphs (B) and (C), of fixing rates of payments for health services. A health maintenance organization may fix its rates of payments under the system described in subparagraph (B) or (C) or under both such systems, but a health maintenance organization may use only one such system for fixing its rates of payments for any one group.

(B) A system of fixing rates of payment for health services may provide that the rates shall be fixed on a per-person or per-family basis and may authorize the rates to vary with the number of persons in a family, but, except as authorized in subparagraph (D), such rates must be equivalent for all individuals and for all families of similar composition.

(C) A system of fixing rates of payment for health services may provide that the rates shall be fixed for individuals and families by groups. Except as authorized in subparagraph (D), such rates must be equivalent for all individuals in the same group and for all families of similar composition in the same group. If a health maintenance organization is to fix rates of payment for individuals and families by groups, it shall—

(i) classify all of the members of the organization into classes based on factors which the health maintenance organization determines predict the differences in the use of health services by the individuals or families in each class and which have not been disapproved by the Secretary.

(ii) fix the rates of payments for the individuals and families of a group on the basis of a composite of the organization’s revenue requirements determined under subparagraph (I), and

(iii) fix the rates of payments for the individuals and families of a group on the basis of the organization’s revenue requirements for providing services to the group, except that the rates of payments for the individuals and families of a group of less than 100 persons may not be fixed at rates greater than 110 percent of the rate that would be fixed for such individuals and families under subparagraph (B) or clause (i) of this subparagraph.

The Secretary shall review the factors used by each health maintenance organization to establish classes under clause (i). If the Secretary determines that any such factor may not reasonably be used to predict the use of the health services by individuals and families, the Secretary shall disapprove such factor for such purpose. If a health maintenance organization is to fix rates of payment for a group under clause (ii), it shall, upon request of the entity with which it contracts to provide services to such group, disclose to that entity the method and data used in calculating the rates of payment.

(D) The following differentials in rates of payments may be established under the systems described in subparagraphs (B) and (C):

(i) Nominal differentials in such rates may be established to reflect differences in marketing costs and the different administrative costs of collecting payments from the following categories of members:

(I) Individual members (including their families).

(II) Small groups of members (as determined under regulations of the Secretary).

(III) Large groups of members (as determined under regulations of the Secretary).
(ii) Nominal differentials in such rates may be established to reflect the compositing of the rates of payment in a systematic manner to accommodate group purchasing practices of the various employers.

(ii) Differentials in such rates may be established for members enrolled in a health maintenance organization pursuant to a contract with a governmental authority under section 1079 or 1086 of title 10 or under any other governmental program (other than the health benefits program authorized by chapter 80 of title 5) or any health benefits program for employees of States, political subdivision of States, and other public entities.

(9) The term "non-metropolitan area" means an area no part of which is within an area designated as a standard metropolitan statistical area by the Office of Management and Budget and which does not contain a city whose population exceeds fifty thousand individuals.


REFERENCES IN TEXT

Section 300e–(9d) of this title, referred to in par. (4)(C), was redesignated section 300e–(9c) of this title by Pub. L. 100–517, §7(b), Oct. 24, 1988, 102 Stat. 2580.

AMENDMENTS

1988—Par. (8)(C). Pub. L. 100–517, §6(b)(1), amended third sentence generally. Prior to amendment, third sentence read as follows: "If a health maintenance organization is to fix rates of payment for individuals and families by groups, it shall—"

"(i) classify all of the members of the organization into classes based on factors which the health maintenance organization determines predict the differences in the use of health services by the individuals or families in each class and which have not been discovered by the Secretary;"

"(ii) determine its revenue requirements for providing services to the members of each class established under clause (i); and"

"(iii) fix the rates of payment for the individuals and families of a group on the basis of a composite of the organization's revenue requirements determined under clause (ii) for providing services to them as members of the classes established under clause (i)."

Pub. L. 100–517, §6(b)(2), inserted at end "If a health maintenance organization is to fix rates of payment for a group under clause (i), it shall, upon request of the entity with which it contracts to provide services to such group, disclose to that entity the method and data used in calculating the rates of payment."


Pub. L. 99–660, §812(a), (b)(1), temporarily inserted "Such term includes a health service directly associated with an organ transplant only if such organ transplant was required to be included in basic health services on April 15, 1985." in closing provisions. See Effective and Termination Dates of 1986 Amendment note below.


Par. (5). Pub. L. 99–660, §814(c), inserted "psychology."


Par. (2). Pub. L. 97–35, §942(g), substituted provisions to include services not included under par. (1), for provisions enumerating specific services, substituted "health service provided by a physician" for "service of a physician described in the preceding sentence", and struck out provisions authorizing health maintenance organizations to maintain, etc., drug use profiles of members.


Par. (8). Pub. L. 97–35, §942(j), reorganized and restructured provisions and, among many changes, provided for determinations based upon subpars. (B) and (C), and set out determinations respecting differentials contained in former subpars. (B) and (C) as subpars. (D).

1978—Par. (1). Pub. L. 95–559 inserted provisions to exclude a health service which the Secretary, upon application of a health maintenance organization, determines is unusual and infrequently provided and not necessary for protection of individual health and that the Secretary publish in Federal Register each determination made by him under preceding sentence.

1976—Par. (1). Pub. L. 94–460, §104(a), substituted reference to immunization, well-child care from birth, periodic health evaluations for adults, and children's ear examinations conducted to determine need for hearing correction for reference to preventive dental care for children in (H) and, in the provisions following subpar. (H), inserted reference to "other health care personnel".

Par. (2). Pub. L. 94–460, §104(b), substituted "basic health service" for "basic health service under paragraph (1)(A) or (1)(H)" in subpars. (B) and (C), added subpar. (G), and inserted reference to "other health care personnel" in provisions following subpar. (G).

Par. (4)(C). Pub. L. 94–460, §§102(b)(1), 106, substituted "as their principal professional activity engage in the coordinated practice of their profession and as a group responsible have substantial responsibility for the delivery of health services to members of a health maintenance organization" for "as their principal professional activity and as a group responsible for the coordinated practice of their profession for a health maintenance organization" in cl. (i), substituted "similar plan unrelated to the provision of specific health services" for "plan" in cl. (ii), struck out former cl. (iv) which covered the utilization of additional professional personnel, allied health professions personnel, and other health personnel as are available and appropriate for the effective and efficient delivery of the services of the members of the group, redesignated former cl. (v) as (iv), and added cl. (v).

Par. (5)(B). Pub. L. 94–460, §102(b)(2), struck out former cl. (i) which covered the utilization of additional professional personnel, allied health professions personnel, and other personnel as are available and appropriate for the effective and efficient delivery of the services of the persons who are parties to the arrangement, and redesignated former cl. (ii) and (iii) as (i) and (ii), respectively.

Par. (6). Pub. L. 94–460, §117(b)(1), substituted provisions defining "health systems agency" for provisions defining "section 314(a) State health planning agency" and "section 314(b) areawide health planning agency".
Par. (7). Pub. L. 94–460, §117(b)(2), substituted “State health planning and development agency which” for “section 314(a) State health planning agency whose section 314(b) plan” and “health systems agency designated for a health service area which” for “section 314(b) area wide health planning agency whose section 314(b) plan”.

Par. (8). Pub. L. 94–460, §105(b), (c), substituted “to reflect differences in marketing costs and the different administrative costs” for “to reflect the different administrative costs” in subpar. (A) preceding cl. (i), added subpar. (B), and redesignated former subpar. (B) as (C).

**Effective and Termination Dates of 1986 Amendment**

Pub. L. 99–660, title VIII, §812(b)(1), Nov. 14, 1986, 100 Stat. 3801, which provided that amendment by subsection (a), amending this section, was to take effect on Apr. 1, 1988, was repealed by Pub. L. 100–517, §6(a), Oct. 24, 1988, 102 Stat. 2579.


“(a) Except as provided in subsection (b) and section 812(b) [enacting provisions set out as notes above and below], this title and the amendments made by this title [amending this section and sections 300e–4, 300e–5 to 300e–10, 300e–16, and 300e–17 of this title, repealing sections 300e–2, 300e–3, and 300e–4a of this title, and enacting provisions set out as notes under this section and sections 201, 300e–4, and 300e–5 of this title] shall take effect on October 1, 1985.

“(b) Section 813 [enacting provisions set out as a note under section 300e of this title] shall take effect on the date of enactment of this Act [Nov. 14, 1986].”

**Effective Date of 1976 Amendment**

Amendment by Pub. L. 94–460 effective Oct. 1, 1976, except that amendment of pars. (1) and (2) of this section by section 104 of Pub. L. 94–460 and the amendment of pars. (4)(C) and (5)(B) of this section by sections 102 and 106 of Pub. L. 94–460 applicable with respect to grants, contracts, loans, and loan guarantees made under sections 300e–2, 300e–3, and 300e–4 of this title for fiscal years beginning after Sept. 30, 1976, applicable with respect to health benefit plans offered under section 300e–9 of this title after Sept. 30, 1976, and effective for purposes of section 300e–11 of this title on Oct. 1, 1976, see section 118 of Pub. L. 94–460, set out as a note under section 300e of this title.

**Construction**

Pub. L. 99–660, title VIII, §816, Nov. 14, 1986, 100 Stat. 3802, provided that: “The provisions of this title and of the amendments made by this title [amending this section and sections 300e–4, 300e–5 to 300e–10, 300e–16, and 300e–17 of this title, repealing sections 300e–2, 300e–3, and 300e–4a of this title, and enacting provisions set out as notes under this section and sections 201, 300e–4, and 300e–5 of this title] do not authorize the appropriation of any funds for fiscal year 1986.’’

**Basic Health Service Status of Certain Organ Transplant Services After April 1, 1988**

Pub. L. 99–660, title VIII, §812(b)(2), Nov. 14, 1986, 100 Stat. 3801, which provided that after Apr. 1, 1988, for purposes of this subchapter, no health service directly associated with an organ transplant was to be considered to be a basic health service if such service would otherwise have been added as a basic health service between Apr. 15, 1983, and Apr. 1, 1988, was repealed by Pub. L. 100–517, §6(a), Oct. 24, 1988, 102 Stat. 2579.

**Reports Respecting Medically Underserved Areas and Population Groups and Non-Metropolitan Areas**

Pub. L. 93–222, §5, Dec. 29, 1973, 87 Stat. 935, directed Secretary of Health, Education, and Welfare to report to Congress the criteria used in the designation of medically underserved areas and population groups for purposes of par. (7) of this section by Dec. 29, 1973, and report to Congress the areas and population groups designated under par. (7) of this section, the comments of State and area wide health planning agencies, and areas which meet the definitional standards of par. (9) of this section for non-metropolitan areas by Dec. 29, 1973, and that the Office of Management and Budget may review such reports before their submission to Congress.


**Effective Date of Repeal**

Repeal not applicable to any grant made or contract entered into under this subchapter before Oct. 1, 1985, see section 803(c) of Pub. L. 99–660, set out as an Effective Date of 1986 Amendment note under section 300e–5 of this title.

Repeal effective Oct. 1, 1985, see section 815(a) of Pub. L. 99–660, set out as an Effective and Termination Dates of 1986 Amendment note under section 300e–1 of this title.

**§300e–4. Loans and loan guarantees for initial operation costs**

(a) **Authority**

The Secretary may—

(1) make loans to public or private health maintenance organizations to assist them in meeting the amount by which their costs of operation during a period not to exceed the first sixty months of their operation exceed their revenues in that period;

(2) make loans to public or private health maintenance organizations to assist them in meeting the amount by which their costs of operation, which the Secretary determines are attributable to significant expansion in their membership or area served and which are incurred during a period not to exceed the first sixty months of their operation after such expansion, exceed their revenues in that period which the Secretary determines are attributable to such expansion; and

(3) guarantee to non-Federal lenders payment of the principal of and the interest on loans made to private health maintenance organizations for the amounts referred to in paragraphs (1) and (2).

No loan or loan guarantee may be made under this subsection for the costs of operation of a health maintenance organization unless the Secretary determines that the organization has made all reasonable attempts to meet such...
costs, and unless the Secretary has made a grant or loan to, entered into a contract with, or guaranteed a loan for, the organization in fiscal year 1981, 1982, 1983, 1984, or 1985 under this section or section 300e–3(b) of this title (as in effect before October 1, 1985).

(b) Limitations

(1) Except as provided in paragraph (2), the aggregate amount of principal of loans made or guaranteed, or both, under subsection (a) for a health maintenance organization may not exceed $7,000,000. In any twelve-month period the amount disbursed to a health maintenance organization under this section (either directly by the Secretary, by an escrow agent under the terms of an escrow agreement, or by a lender under a guaranteed loan) may not exceed $3,000,000.

(2) The cumulative total of the principal of the loans outstanding at any time which have been directly made, or with respect to which guarantees have been issued under written notice, under subsection (a) may not exceed such limitations as may be specified in appropriation Acts.

(c) Source of loan funds

Loans under this section shall be made from the fund established under section 300e–7(e) of this title.

(d) Time limit on loans and loan guarantees

No loan may be made or guaranteed under this section after September 30, 1986.


(f) Medically underserved populations

In considering applications for loan guarantees under this section, the Secretary shall give special consideration to applications for health maintenance organizations which will serve medically underserved populations.


REFERENCES IN TEXT

Section 300e–3(b) of this title, referred to in subsec. (a), was repealed by Pub. L. 99–660, title VIII, § 803(a), Nov. 14, 1986, 100 Stat. 3799.

AMENDMENTS

1986—Subsec. (a). Pub. L. 99–660 inserted "", and unless the Secretary has made a grant or loan to, entered into a contract with, or guaranteed a loan for, the organization in fiscal year 1981, 1982, 1983, 1984, or 1985 under this section or section 300e–3(b) of this title (as in effect before October 1, 1985)" at end of last sentence.

1981—Subsec. (a). Pub. L. 97–35, § 943(a), in pars. (1) and (2) struck out "nonprofit" before "private", and in par. (3) substituted provisions respecting guarantees for private health maintenance organizations, for guarantees for nonprofit private health maintenance organizations.

Subsec. (b)(1). Pub. L. 97–35, § 943(b), generally revised limitations and, among many changes, increased amounts subject to coverage, and struck out requirements respecting Congressional oversight for increases in amounts.


Subsec. (e). Pub. L. 97–35, § 947(c), struck out subsec. (e) which related to projects in nonmetropolitan areas.

1979—Subsec. (b)(1). Pub. L. 96–32 substituted "$4,500,000" for "$4,000,000" in two places.


Subsec. (b)(1). Pub. L. 95–559, § 4(a), (b)(2), inserted "or "$4,000,000" if the Secretary makes a written determination that such loans or loan guarantees are necessary to preserve the fiscally sound operation of the health maintenance organization and to protect against the risk of insolvent of the health maintenance organization and, within 30 days of the making of such loans or loan guarantees, furnishes the Committee on Human Resources of the Senate and the Committee on Interstate and Foreign Commerce of the House of Representatives with written notice of the making of the loans or loan guarantees and a copy of the written determination made with respect to the loans or loan guarantees and the reasons for the determination through September 30, 1979, and $4,000,000 thereafter" after "$2,500,000" and "or "$2,000,000 if the Secretary makes a written determination that such disbursements are necessary to preserve the fiscally sound operation of the health maintenance organization and protect against the risk of insolvency of the health maintenance organization and, within 30 days of such disbursement, furnishes the Committee on Human Resources of the Senate and Foreign Commerce of the House of Representatives with written notice of the making of the disbursement and a copy of the written determination made with respect to it and the reasons for the determination) through September 30, 1979, and $2,000,000 thereafter" after "$1,000,000" and substituted "any twelve-month period" for "any fiscal year".


1976—Subsec. (a)(1), (2). Pub. L. 94–460, §§ 107(c), 109(a)(1), substituted "during a period not to exceed the first sixty months" for "in the period of the first thirty-six months".

Subsec. (a)(3). Pub. L. 94–460, § 108(c), substituted reference to loans made to nonprofit private health maintenance organizations for the amounts referred to in paragraph (1) or (2), or to other private health maintenance organizations for such amounts but only if the health maintenance organization will serve a medically underserved population for reference to loans made to any private health maintenance organization (other than a private nonprofit health maintenance organization) for the amounts referred to in paragraph (1) or (2), but only if such health maintenance organization will serve a medically underserved population.

Subsec. (b)(1). Pub. L. 94–460, § 109(a)(2), substituted "If an fiscal year the amount disbursed to a health maintenance organization under this section (either directly by the Secretary or by an escrow agent under the terms of an escrow agreement or by a lender under a loan guaranteed under this section) may not exceed $1,000,000 for "In any fiscal year, the amount disbursed under a loan or loan guarantee made or guaranteed under this section for a health maintenance organization may not exceed $1,000,000,000". Subsec. (d). Pub. L. 94–460, § 113(b), substituted "No loan may be made or guaranteed under this section after September 30, 1980 for "A loan or loan guarantee may be made under this section through the fiscal year ending June 30, 1978".

See References in Text note below.


Effective Date of Repeal

Repeal not applicable to any loan or loan guarantee made under this section before Oct. 1, 1985, see section 805(c) of Pub. L. 99–660, set out as an Effective Date of 1986 Amendment note under section 300e–5 of this title.

§ 300e–5. Application requirements

(a) Submission to and approval by Secretary required for making loans and loan guarantees

No loan or loan guarantee may be made under this subchapter unless an application therefor has been submitted to, and approved by, the Secretary.

(b) Application contents

The Secretary may not approve an application for a loan or loan guarantee under this subchapter unless—

(1) such application meets the requirements of section 300e–7 of this title;
(2) in the case of an application for assistance under section 300e–4 of this title, he determines that the applicant making the application would not be able to complete the project or undertaking for which the application is submitted without the assistance applied for;
(3) the application contains satisfactory specification of the existing or anticipated (A) population group or groups to be served by the proposed or existing health maintenance organization described in the application, (B) membership of such organization, (C) methods, terms, and periods of the enrollment of members of such organization, (D) estimated costs per member of the health and educational services to be provided by such organization and the nature of such costs, (E) sources of professional services for such organization, and organizational arrangements of such organization for providing health and educational services, (F) organizational arrangements of such organization for an ongoing quality assurance program in conformity with the requirements of section 300e(c) of this title, (G) sources of prepayment and other forms of payment for the services to be provided by such organization, (H) facilities, and additional capital investments and sources of financing therefor, available to such organization to provide the level and scope of services proposed, (I) administrative, managerial, and financial arrangements and capabilities of such organization, (J) role for members in the planning and policymaking for such organization, (K) grievance procedures for members of such organization, and (L) evaluations of the support for and acceptance of such organization by the population to be served, the sources of operating support, and the professional groups to be involved or affected thereby;
(4) contains or is supported by assurances satisfactory to the Secretary that the applicant making the application will, in accordance with such criteria as the Secretary shall by regulation prescribe, enroll, and maintain an enrollment of the maximum number of members that its available and potential resources (as determined under regulations of the Secretary) will enable it to effectively serve;
(5) in the case of an application made for a project which previously received a grant, contract, loan, or loan guarantee under this subchapter, such application contains or is supported by assurances satisfactory to the Secretary that the applicant making the application has the financial capability to adequately carry out the purposes of such project and has developed and operated such project in accordance with the requirements of this subchapter and with the plans contained in previous applications for such assistance;
(6) the application contains such assurances as the Secretary may require respecting the intent and the ability of the applicant to meet the requirements of paragraphs (1) and (2) of section 300e(b) of this title respecting the fixing of basic health services payments and sup-
plemental health services payments under a community rating system; and
(7) the application is submitted in such form and manner, and contains such additional information, as the Secretary shall prescribe in regulations.

An organization making multiple applications for more than one loan or loan guarantee under this subchapter, simultaneously or over the course of time, shall not be required to submit duplicate or redundant information but shall be required to update the specifications (required by paragraph (3)) respecting the existing or proposed health maintenance organization in such manner and with such frequency as the Secretary may by regulation prescribe. In determining, for purposes of paragraph (2), whether an applicant would be able to complete a project or undertaking without the assistance applied for, the Secretary shall not consider any asset of the applicant the obligation of which for such undertaking or project would jeopardize the fiscal soundness of the applicant.

(c) Regulations

The Secretary shall by regulation establish standards and procedures for health systems agencies to follow in reviewing and commenting on applications for loans and loan guarantees under this subchapter.


AMENDMENTS


Subsec. (b)(1). Pub. L. 99–660, §803(b)(1)(B), struck out “in the case of an application for assistance under section 300e–2 or 300e–3 of this title, such application meets the application requirements of such section and in the case of an application for a loan or loan guarantee,” before “such application”.


Subsec. (b)(5) to (8). Pub. L. 99–660, §806, redesignated pars. (8), (7), and (6), and (5), respectively, and struck out former par. (5) which read as follows: “each health systems agency designated for a health service area which covers (in whole or in part) the area to be served by the health maintenance organization for which such application is submitted;”.


1978—Subsec. (b). Pub. L. 95–559 in par. (2) inserted “in the case of an application for assistance under section 300e–3, 300e–4, or 300e–4a of this title,” before “he determines” and in provisions following par. (8) inserted provision that in determining, for purposes of par. (2), whether an applicant would be able to complete a project or undertaking without the assistance applied for, the Secretary not consider any asset of the applicant the obligation of which for such undertaking or project would jeopardize the fiscal soundness of the applicant.

1976—Subsec. (b)(5). Pub. L. 94–460, §117(b)(5), substituted “each health systems agency designated for a health service area which covers (in whole or in part) the area to be served by the health maintenance organization for which such application is submitted;” for “the section 314(b) area wide health planning agency whose section 314(b) plan covers (in whole or in part) the area to be served by the health maintenance organization for which such application is submitted, or if there is no such agency, the section 314(a) State health planning agency whose section 314(a) plan covers (in whole or in part) such area, has, in accordance with regulations of the Secretary under subsection (c) of this section, been provided an opportunity to review the application and to submit to the Secretary for his consideration its recommendations respecting approval of the application or if under applicable State law such an application may not be submitted without the approval of the section 314(b) area wide health planning agency or the section 314(a) State health planning agency, the required approval has been obtained;”.

Subsec. (b)(7), (8). Pub. L. 94–460, §105(a)(3), added par. (7) and redesignated former par. (7) as (8).

Subsec. (c). Pub. L. 94–460, §117(b)(6), substituted “health systems agencies” for “section 314(b) area wide health planning agencies and section 314(a) State health planning agencies”.

EFFECTIVE DATE OF 1986 AMENDMENT

Pub. L. 99–660, title VIII, §803(c), Nov. 14, 1986, 100 Stat. 3800, provided that: “The amendments made by this section (amending this section and sections 300e–6, 300e–8, and 300e–16 of this title and repealing sections 300e–2 and 300e–3 of this title) do not apply to any grant made or contract entered into under title XIII of the Public Health Service Act [42 U.S.C. 300e et seq.] before October 1, 1985.”

Pub. L. 99–660, title VIII, §805(c), Nov. 14, 1986, 100 Stat. 3800, provided that: “The amendments made by this section (amending this section and repealing section 300e–4a of this title) do not apply to any loan or loan guarantee made under section 1385A of the Public Health Service Act [former 42 U.S.C. 300e–4a] before October 1, 1985.”


EFFECTIVE DATE OF 1976 AMENDMENT


§300e–6. Administration of assistance programs

(a) Recordkeeping; audit and examination

(1) Each recipient of a loan or loan guarantee under this subchapter shall keep such records as the Secretary shall prescribe, including records which fully disclose the amount and disposition by such recipient of the proceeds of the loan (directly made or guaranteed), the total cost of the undertaking in connection with which the loan was given or used, the amount of that portion of the cost of the undertaking supplied by other sources, and such other records as will facilitate an effective audit.

(2) The Secretary, or any of his duly authorized representatives, shall have access for the purpose of audit and examination to any books, documents, papers, and records of the recipients of a loan or loan guarantee under this subchapter which relate to such assistance.

(b) Report upon expiration of period

Upon expiration of the period for which a loan or loan guarantee was provided an entity under
this subchapter, such entity shall make a full and complete report to the Secretary in such manner as he may by regulation prescribe. Each such report shall contain, among such other matters as the Secretary may by regulation require, descriptions of plans, developments, and operations relating to the matters referred to in section 300e–5(b)(3) of this title.


(d) Other entities considered health maintenance organizations

An entity which provides health services to a defined population on a prepaid basis and which has members who are entitled to insurance benefits under title XVIII of the Social Security Act [42 U.S.C. 1395 et seq.] or to medical assistance under a State plan approved under title XIX of such Act [42 U.S.C. 1396 et seq.] may be considered as a health maintenance organization for purposes of receiving assistance under this subchapter if—

(1) with respect to its members who are entitled to such insurance benefits or to such medical assistance it (A) provides health services in accordance with section 300e(b) of this title, except that (i) it does not furnish to those members the health services (within the basic health services) for which it may not be compensated under such title XVIII (42 U.S.C. 1395 et seq.) or such State plan, and (ii) it does not fix the basic or supplemental health services payment for such members under a community rating system, and (B) is organized and operated in the manner prescribed by section 300e(c) of this title, except that it does not assume full financial risk on a prospective basis for the provision to such members of basic or supplemental health services with respect to which it is not required under such title XVIII or such State plan to assume such financial risk; and

(2) with respect to its other members it provides health services in accordance with section 300e(b) of this title and is organized and operated in the manner prescribed by section 300e(c) of this title.

An entity which provides health services to a defined population on a prepaid basis and which has members who are enrolled under the health benefits program authorized by chapter 89 of title 5, may be considered as a health maintenance organization for purposes of receiving assistance under this subchapter if—

(a) Conditions

(1) The Secretary may not approve an application for a loan guarantee under this subchapter unless he determines that (A) the terms, conditions, security (if any), and schedule and amount of repayments with respect to the loan are sufficient to protect the financial interests of the United States and are otherwise reasonable, including a determination that the rate of interest does not exceed such per centum per annum on the principal obligation outstanding as the Secretary determines to be reasonable, taking into account the range of interest rates prevailing in the private market for loans with similar maturities, terms, conditions, and secu-
and the risks assumed by the United States, and (B) the loan would not be available on reasonable terms and conditions without the guarantee under this subchapter.

(2)(A) The United States shall be entitled to recover from the applicant for a loan guarantee under this subchapter the amount of any payment made pursuant to such guarantee, unless the Secretary for good cause waives such right of recovery; and, upon making any such payment, the United States shall be subrogated to all of the rights of the recipient of the payments with respect to which the guarantee was made. (B) To the extent permitted by subparagraph (C), any terms and conditions applicable to a loan guarantee under this subchapter (including terms and conditions imposed under subparagraph (D)) may be modified by the Secretary to the extent he determines it to be consistent with the financial interest of the United States.

(C) Any loan guarantee made by the Secretary under this subchapter shall be incontestable (i) in the hands of an applicant on whose behalf such guarantee is made unless the applicant is engaged in fraud or misrepresentation in securing such guarantee, and (ii) as to any person (or his successor in interest) who makes or contracts to make a loan to such applicant in reliance thereon unless such person (or his successor in interest) engaged in fraud or misrepresentation in making or contracting to make such loan.

(D) Guarantees of loans under this subchapter shall be subject to such further terms and conditions as the Secretary determines to be necessary to assure that the purposes of this subchapter will be achieved.

(b) Application requirements

(1) The Secretary may not approve an application for a loan under this subchapter unless—

(A) the Secretary is reasonably satisfied that the applicant therefor will be able to make payments of principal and interest thereon when due, and

(B) the applicant provides the Secretary with reasonable assurances that there will be available to it such additional funds as may be necessary to complete the project or undertaking with respect to which such loan is requested.

(2) Any loan made under this subchapter shall (A) have such security, (B) have such maturity date, (C) be repayable in such installments, (D) on the date the loan is made, bear interest at a rate comparable to the rate of interest prevailing on such date with respect to marketable obligations of the United States of comparable maturities, adjusted to provide for appropriate administrative charges. (E) be subject to such other terms and conditions (including provisions for recovery in case of default) as the Secretary determines to be necessary to carry out the purposes of this subchapter while adequately protecting the financial interests of the United States. On the date disbursements are made under a loan after the initial disbursement under the loan, the Secretary may change the rate of interest on the amount of the loan disbursed on that date to a rate which is comparable to the rate of interest prevailing on the date the subsequent disbursement is made with respect to marketable obligations of the United States of comparable maturities, adjusted to provide for appropriate administrative charges.

(3) The Secretary may, for good cause but with due regard to the financial interests of the United States, waive any right of recovery which he has by reason of the failure of a borrower to make payments of principal and interest on a loan made under this subchapter, except that if such loan is sold and guaranteed, any such waiver shall have no effect upon the Secretary's guarantee of timely payment of principal and interest.

(c) Sale of loans

(1) The Secretary may from time to time, but with due regard to the financial interests of the United States, sell loans made by him under this subchapter.

(2) The Secretary may agree, prior to his sale of any such loan, to guarantee to the purchaser (and any successor in interest of the purchaser) compliance by the borrower with the terms and conditions of such loan. Any such agreement shall contain such terms and conditions as the Secretary considers necessary to protect the financial interests of the United States or as otherwise appropriate. Any such agreement may (A) provide that the Secretary shall act as agent of any such purchaser for the purpose of collecting from the borrower to which such loan was made and paying over to such purchaser, any payments of principal and interest payable by such organization under such loan; and (B) provide for the repurchase by the Secretary of any such loan on such terms and conditions as may be specified in the agreement. The full faith and credit of the United States is pledged to the payment of all amounts which may be required to be paid under any guarantee under this paragraph.

(3) After any loan under this subchapter to a public health maintenance organization has been sold and guaranteed under this subsection, interest paid on such loan which is received by the purchaser thereof (or his successor in interest) shall be included in the gross income of the purchaser of the loan (or his successor in interest) for the purpose of chapter 1 of title 26.

(4) Amounts received by the Secretary as proceeds from the sale of loans under this subsection shall be deposited in the loan fund established under subsection (e).

(5) Any reference in this subchapter (other than in this subsection and in subsection (d)) to a loan guarantee under this subchapter does not include a loan guarantee made under this subchapter.

(d) Loan guarantee fund

(1) There is established in the Treasury a loan guarantee fund (hereinafter in this subsection referred to as the 'fund') which shall be available to the Secretary without fiscal year limitation, in such amounts as may be specified from time to time in appropriation Acts, to enable him to discharge his responsibilities under loan guarantees issued by him under this subchapter and to take the action authorized by subsection (f). There are authorized to be appropriated from time to time such amounts as may be necessary to provide the sums required for the fund. To the
extent authorized in appropriation Acts, there shall also be deposited in the fund amounts received by the Secretary in connection with loan guarantees under this subchapter and other property or assets derived by him from his operations respecting such loan guarantees, including any money derived from the sale of assets.

(2) If at any time the sums in the funds are insufficient to enable the Secretary to discharge his responsibilities under guarantees issued by him before October 1, 1986, under this subchapter and to take the action authorized by subsection (f), he is authorized to issue to the Secretary of the Treasury notes or other obligations in such forms and denominations, bearing such maturities, and subject to such terms and conditions, as may be prescribed by the Secretary with the approval of the Secretary of the Treasury. Such notes or other obligations shall bear interest at a rate determined by the Secretary of the Treasury, taking into consideration the current average market yield on outstanding marketable obligations of the United States of comparable maturities during the month preceding the issuance of the notes or other obligations. The Secretary of the Treasury shall purchase any notes and other obligations issued under this paragraph and for that purpose he may use as a public debt transaction the proceeds from the sale of any securities issued under chapter 31 of title 31, and the purposes for which the securities may be issued under that chapter are extended to include any purchase of such notes and obligations.

The Secretary of the Treasury may at any time sell any of the notes or other obligations acquired by him under this paragraph. All redemptions, purchases, and sales by the Secretary of the Treasury of such notes or other obligations shall be treated as public debt transactions of the United States. Sums borrowed under this subchapter shall be deposited in the fund amounts received by the Secretary as interest payments and repayment of principal on loans made under this subchapter and other property or assets derived by him from his operations respecting such loans, from the sale of loans under subsection (c) of this section, or from the sale of assets.

(e) Loan fund
There is established in the Treasury a loan fund (hereinafter in this subsection referred to as the "fund") which shall be available to the Secretary without fiscal year limitation, in such amounts as may be specified from time to time in appropriation Acts, to enable him to make loans under this subchapter and to take the action authorized by subsection (f). There shall also be deposited in the fund amounts received by the Secretary as interest payments and repayment of principal on loans made under this subchapter and other property or assets derived by him from his operations respecting such loans, from the sale of loans under subsection (c) of this section, or from the sale of assets.

(f) Actions to protect interest of United States in event of default

The Secretary may take such action as he deems appropriate to protect the interest of the United States in the event of a default on a loan made or guaranteed under this subchapter, including taking possession of, holding, and using real property pledged as security for such a loan or loan guarantee.

(1) If at any time the proceeds from the sale of the loan fund established under section 300e–7(e) of this title resulting from defaults on loans made from the fund and to meet the other obligations of the fund, there is authorized to be appropriated to the loan fund for fiscal years 1987, 1988, and 1989, such sums as may be necessary.

§ 300e–8. Authorization of appropriations

(a) For grants under section 300e–16 of this title there is authorized to be appropriated $1,000,000 for each of the fiscal years 1982, 1983, and 1984.

(b) To meet the obligations of the loan fund established under section 300e–7(e) of this title resulting from defaults on loans made from the fund and to meet the other obligations of the fund, there is authorized to be appropriated to the loan fund for fiscal years 1987, 1988, and 1989, such sums as may be necessary.

**AMENDMENTS**

1966—Subsec. (a). Pub. L. 99–660, §803(b)(3), struck out par. (2) designation and struck out par. (1) which read as follows: ‘‘For grants and contracts under sections 300e–2 and 300e–3 of this title there is authorized to be appropriated $30,000,000 for the fiscal years 1962, 1963, and 1964. No funds appropriated under this paragraph may be expended or obligated for a grant or contract unless the entity received a grant or contract under section 242a or 242b of this title during or before the fiscal year 1961.”

Subsec. (b). Pub. L. 99–660, §811, amended subsec. (b) generally. Prior to amendment, subsec. (b) read as follows: ‘‘To maintain in the loan fund established under section 300e–7(e) of this title for the purpose of making new loans a balance of at least $5,000,000 at the end of each fiscal year and to meet the obligations of the loan fund resulting from defaults on loans made from the fund and to meet the other obligations of the fund, there is authorized to be appropriated to the loan fund for fiscal years 1962, 1963, and 1964, such sums as may be necessary to assure such balance and meet such obligations.”


1975—Subsec. (a). Pub. L. 95–559 substituted “300e–3(b) and 300e–16 of this title” for “300e–3(b) of this title” and “$31,000,000 for the fiscal year ending September 30, 1979, $65,000,000 for the fiscal year ending September 30, 1980, and $89,000,000 for the fiscal year ending September 30, 1981” for “and”; for the purpose of making payments under grants and contracts under section 300e–3(b) of this title for the fiscal year ending September 30, 1979, there is authorized to be appropriated $50,000,000”.


1976—Subsec. (a). Pub. L. 94–460 substituted “$40,000,000 for the fiscal year ending June 30, 1976, $45,000,000 for the fiscal year ending September 30, 1977, and $49,000,000 for the fiscal year ending September 30, 1978;” for “and $35,000,000 for the fiscal year ending June 30, 1976;” and “for the fiscal year ending September 30, 1977, there is authorized to be appropriated $50,000,000”.

**Effective Date of 1986 Amendment**

Amendment by section 803(b)(3) of Pub. L. 99–660 not applicable to any grant made or contract entered into under this subchapter before Oct. 1, 1985, as section 803(c) of Pub. L. 99–660, set out as a note under section 300e–5 of this title.


**$300e–9. Employees’ health benefits plans**

(a) Regulations; membership option

In accordance with regulations which the Secretary shall prescribe—

(1) each employer—

(A) which is required during any calendar quarter to pay its employees the minimum wage prescribed by section 206 of title 29 (or would be required to pay its employees such wage but for section 213(a) of title 29), and

(B) which during such calendar quarter employed an average number of employees of not less than 25, and

(2) any State and each political subdivision thereof which during any calendar quarter employed an average number of employees of not less than 25, as a condition of payment to the State of funds under section 247b, 247c, or 300a of this title, which offers to its employees in the calendar year beginning after such calendar quarter the option of membership in a qualified health maintenance organization which is engaged in the provision of basic health services in a health maintenance organization service area in which at least 25 of such employees reside shall meet the requirements of subsection (b) with respect to any qualified health maintenance organization offered by the employer or State or political subdivision.

(b) Nondiscriminatory contributions for services; payroll deductions; effect on costs

(1) If a health benefits plan offered by an employer or a State or political subdivision includes contributions for services offered under the plan, the employer or State or political subdivision shall make a contribution under the plan for services offered by a qualified health maintenance organization in an amount which does not financially discriminate against an employee who enrolls in such organization. For purposes of the preceding sentence, an employer’s or a State’s or political subdivision’s contribution does not financially discriminate if the employer’s or State’s or political subdivision’s method of determining the contributions on behalf of all employees is reasonable and is designed to assure employees a fair choice among health benefits plans.

(2) Each employer or State or political subdivision which provides payroll deductions as a means of paying employees’ contributions for health benefits or which provides a health benefits plan to which an employee contribution is not required shall, with the consent of an employee who exercises option of membership in a qualified health maintenance organization, arrange for the employee’s contribution for mem-
bership in the organization to be paid through payroll deductions.

(3) No employer or State or political subdivision shall be required to pay more for health benefits as a result of the application of this subsection than would otherwise be required by any prevailing collective bargaining agreement or other legally enforceable contract for the provision of health benefits between the employer or State or political subdivision and its employees.

(c) “Qualified health maintenance organization” defined

For purposes of this section, the term “qualified health maintenance organization” means (1) a health maintenance organization which has provided assurances satisfactory to the Secretary that it provides basic and supplemental health services to its members in the manner prescribed by section 300e(b) of this title and that it is organized and operated in the manner prescribed by section 300e(c) of this title, and (2) an entity which proposes to become a health maintenance organization and which the Secretary determines will when it becomes operational provide basic and supplemental health services to its members in the manner prescribed by section 300e(b) of this title and will be organized and operated in the manner prescribed by section 300e(c) of this title.

(d) Civil penalty; notice and presentation of views; review

(1) Any employer who knowingly does not comply with one or more of the requirements of paragraph (1) or (2) of subsection (b) shall be subject to a civil penalty of not more than $10,000. If such noncompliance continues, a civil penalty may be assessed and collected under this subsection for each thirty-day period such noncompliance continues. Such penalty may be assessed by the Secretary and collected in a civil action brought by the United States in a United States district court.

(2) In any proceeding by the Secretary to assess a civil penalty under this subsection, no penalty shall be assessed until the employer charged shall have been given notice and an opportunity to present its views on such charge. In determining the amount of the penalty, or the amount agreed upon in compromise, the Secretary shall consider the gravity of the noncompliance and the demonstrated good faith of the employer charged in attempting to achieve rapid compliance after notification by the Secretary of a noncompliance.

(e) “Employer” defined

For purposes of this section, the term “employer” does not include (1) the Government of the United States, the government of the District of Columbia or any territory or possession of the United States, a State or any political subdivision thereof, or any agency or instrumentality (including the United States Postal Service and Postal Regulatory Commission) of the United States; (2) a church, convention or association of churches, or any organization operated, supervised or controlled by a church, convention or association of churches which organization (A) is an organization described in section 501(c)(3) of title 26, and (B) does not discriminate (i) in the employment, compensation, promotion, or termination of employment of any personnel, or (ii) in the extension of staff or other privileges to any physician or other health personnel, because such persons seek to obtain or obtained health care, or participate in providing health care, through a health maintenance organization.

(f) Termination of payment for failure to comply

If the Secretary, after reasonable notice and opportunity for a hearing to a State, finds that it or any of its political subdivisions has failed to comply with paragraph (1) or (2) of subsection (b), the Secretary shall terminate payments to such State under sections 247b, 247c, and 300a of this title and notify the Governor of such State that further payments under such sections will not be made to the State until the Secretary is satisfied that there will no longer be any such failure to comply.


AMENDMENTS

2006—Subsec. (e). Pub. L. 109–435 substituted “Postal Regulatory Commission” for “Postal Rate Commission” which agreed to the amendment in subsec. (a) to (g).

1988—Pub. L. 100–517, §7(b), amended section generally, substituting subsecs. (a) to (f) for former subsecs. (a) to (g).

Subsec. (b), Pub. L. 100–517, §§4(b), 7(a)(1), in introductory provisions, substituted “or a State or political subdivision” for “or a State or political subdivision” for “subject to subsection (a) of this section”, in par. (1), inserted “and provides no more than 10 percent of such services through physicians who are not described in section 300e(b)(3)(A) of this title”, and in concluding provisions, substituted “employer or State or political subdivision pursuant” for “employer pursuant”.

Subsec. (c), Pub. L. 100–517, §7(a)(1)(b), (2), substituted “No employer or State or political subdivision” for “No employer”, “between the employer or State or political subdivision” for “between the employer”, and “Each employer or State or political subdivision” for “Each employer or State or political subdivision” under subsection (a) of this sec-
tion includes contributions for services offered under the plan, the employer or State or political subdivision shall make a contribution under the plan for services offered by a qualified health maintenance organization in an amount which does not financially discriminate against an employee who enrolls in such organization. For purposes of the preceding sentence, an employer’s or a State’s or political subdivision’s method of determining the contributions on behalf of all employees is reasonable and is designed to assure employees a fair choice among health benefits plans.”

1986—Subsec. (d). Pub. L. 99–660 struck out last sentence which read as follows: “Every two years (or such longer period as the Secretary may by regulation prescribe) after the date a health maintenance organization becomes a qualified health maintenance organization under this subsection, the health maintenance organization must demonstrate to the Secretary that it is qualified within the meaning of this subsection.”


1981—Subsec. (b)(1). Pub. L. 97–35, § 942(a)(3)(A), substituted provisions respecting provision of more than one-half of the basic services provided by physicians, for provisions respecting provision of basic services.

Subsec. (b)(2). Pub. L. 97–35, § 942(a)(3)(B), (4), inserted reference to provision by physicians, added cl. (B), and redesignated former cl. (B) as (C).

Subsec. (d). Pub. L. 97–35, § 946(a), inserted provisions relating to demonstration of continued qualification of organization.


1979—Subsec. (e)(1). Pub. L. 96–32 substituted “subsection (a), (b), or (c)” for “subsection (a)”.

1978—Subsec. (b). Pub. L. 95–559, § 8(b), substituted in par. (1) “(A) without the use of an individual practice association and (B) without the use of contracts (except for contracts for unusual or infrequently used services) with health professionals” and in par. (2) “(B) a combination of such association (or associations), medical group (or groups), staff, and individual physicians and other health professionals under contract with the organization” for “(B) health professionals who have contracted with the health maintenance organization for the provision of such services, (C) a combination of such association (or associations) with health professionals under contract with the organization”.

Subsec. (c). Pub. L. 95–559, § 8(a), inserted provision that each employer which provides payroll deductions as a means of paying employees’ contributions for health benefits or which provides a health benefits plan to which an employee contribution is not required and which is required by subsection (a) of this section to offer his employees the option of membership in a qualified health maintenance organization shall, with the consent of an employee who exercises such option, arrange for the employee’s contribution for such membership to be paid through payroll deductions.

Subsec. (h). Pub. L. 95–559, § 12(a)(1), struck out subsec. (h) which provided that the duties and functions of the Secretary, insofar as they involve determinations as to whether an organization is a qualified health maintenance organization within the meaning of subsection (d) of this section, be administered through the Assistant Secretary for Health and in the Office of the Assistant Secretary for Health, and the administration of such duties and functions be integrated with the administration of section 300e–11(a) of this title.

1976—Subsec. (a). Pub. L. 94–460, § 110(a)(1), substituted reference to each employer which is now or hereafter required for reference to each employer which is required, reference to basic health services in health maintenance organization service areas in which at least 25 of such employees reside for reference to basic health services in the areas in which such employees reside, and inserted provisions requiring certain States and political subdivisions thereof to include in any health benefits plan the option of membership in qualified health maintenance organizations as a condition of payment to the State of funds under section 246(d), 247b, 247c, 300a, 300m–4, or 300p–3 of this title, and that the offer of membership in such an organization be first made to the employees’ representative, if any, and then be made to each employee if the offer is accepted by the representative.

Subsec. (b)(1). Pub. L. 94–460, § 110(a)(2), substituted “(A) without the use of an individual practice association and (B) without the use of contracts (except for contracts for unusual or infrequently used services) with health professionals” for “through professionals who are members of the staff of the organization or a medical group (or groups)”.

Subsec. (b)(2). Pub. L. 94–460, § 110(a)(2), substituted “basic health services through (A) an individual practice association (or associations), (B) health professionals who have contracted with the health maintenance organization for the provision of such services, or (C) a combination of such association (or associations) or health professionals under contract with the organization” for “such services through an individual practice association (or associations)”.

Subsec. (c). Pub. L. 94–460, § 110(a)(3), struck out provision that failure of any employer to comply with the requirements of subsection (a) of this section be considered a willful violation of section 215 of title 29.

Subsecs. (e) to (h). Pub. L. 94–460, § 110(a)(4), added subsecs. (e) to (h).

Effective Date of 1986 Amendment
Pub. L. 100–517, § 7(b), Oct. 24, 1988, 102 Stat. 2580, provided that the amendment made by section 7(b) is effective 7 years after Oct. 24, 1988.

Effective Date of 1986 Amendment

Effective Date of 1981 Amendment
Pub. L. 97–35, title IX, § 942(a)(5), Aug. 13, 1981, 95 Stat. 573, provided that: “The amendment made by paragraph (3)(A) [amending this section] shall apply in respect to the offering of a health maintenance organization in accordance with section 1310(b)(1) of the Public Health Service Act [42 U.S.C. 300e–9(b)(1)] after four years after the date the organization becomes a qualified health maintenance organization for purposes of section 1310 of such Act [42 U.S.C. 300e–9] if the health maintenance organization provides assurances satisfactory to the Secretary that upon the expiration of such four years it will provide more than one half of its basic health services which are provided by physicians through professionals who are members of the staff of the organization or a medical group (or groups).”

Effective Date of 1976 Amendment
Amendment by section 110(a)(1), (2) of Pub. L. 94–460 applicable with respect to calendar quarters which began after Oct. 8, 1976, and amendment by section 110(a)(3), (4) of Pub. L. 94–460 applicable with respect to failures of employers to comply with section 300e–9 of this title after Oct. 8, 1976, see section 118 of Pub. L. 94–460, set out as a note under section 300e of this title.

Collective Bargaining Agreements in Effect on October 24, 1988, Unaffected
§ 300e–10. Restrictive State laws and practices

(a) Entities operating as health maintenance organizations

In the case of any entity—

(1) which cannot do business as a health maintenance organization in a State in which it proposes to furnish basic and supplemental health services because that State by law, regulation, or otherwise—

(A) requires as a condition to doing business in that State that a medical society approve the furnishing of services by the entity,

(B) requires that physicians constitute all or a percentage of its governing body,

(C) requires that all physicians or a percentage of physicians in the locale participate or be permitted to participate in the provision of services for the entity,

(D) requires that the entity meet requirements for insurers of health care services doing business in that State respecting initial capitalization and establishment of financial reserves against insolvency, or

(E) imposes requirements which would prohibit the entity from complying with the requirements of this subchapter, and

(2) for which a grant, contract, loan, or loan guarantee was made under this subchapter or which is a qualified health maintenance organization for purposes of section 300e–9 of this title (relating to employees' health benefits plans), such requirements shall not apply to that entity so as to prevent it from operating as a health maintenance organization in accordance with section 300e of this title.

(b) Advertising

No State may establish or enforce any law which prevents a health maintenance organization for which a grant, contract, loan, or loan guarantee was made under this subchapter or which is a qualified health maintenance organization for purposes of section 300e–9 of this title (relating to employees' health benefits plans), from soliciting members through advertising its services, charges, or other nonprofessional aspects of its operation. This subsection does not authorize any advertising which identifies, restricts, or is used to prevent or be permitted to participate in the provision of services for the entity, or requires as a condition to doing business in that State that a medical society approve the furnishing of services by the entity.

(c) Digest of State laws, regulations, and practices; legal consultative assistance

The Secretary shall, within 6 months after October 8, 1976, develop a digest of State laws, regulations, and practices pertaining to development, establishment, and operation of health maintenance organizations which shall be updated at least annually and relevant sections of which shall be provided to the Governor of each State annually. Such digest shall indicate which State laws, regulations, and practices appear to be inconsistent with the operation of this section. The Secretary shall also insure that appropriate legal consultative assistance is available to the States for the purpose of complying with the provisions of this section.


Prior Provisions

A prior section 1311 of act July 1, 1944, was classified to section 211a of this title prior to repeal by Pub. L. 93–222, §7(b).

Amendments


Effective Date of 1986 Amendment


Effective Date of 1976 Amendment


§ 300e–11. Continued regulation of health maintenance organizations

(a) Determination of deficiency

If the Secretary determines that an entity which received a grant, contract, loan, or loan guarantee under this subchapter as a health maintenance organization or which was included in a health benefits plan offered to employees pursuant to section 300e–9 of this title—

(1) fails to provide basic and supplemental services to its members,

(2) fails to provide such services in the manner prescribed by section 300e(b) of this title, or

(3) is not organized or operated in the manner prescribed by section 300e(c) of this title, the Secretary may take the action authorized by subsection (b).

(b) Action by Secretary upon determination

(1) If the Secretary makes, with respect to any entity which provided assurances to the Secretary under section 300e–9(d)(1) of this title, a determination described in subsection (a), the Secretary shall notify the entity in writing of the determination. Such notice shall specify the manner in which the entity has not complied with such assurances and direct that the entity initiate (within 30 days of the date the notice is issued by the Secretary or within such longer period as the Secretary determines is reasonable) such action as may be necessary to bring (within such period as the Secretary shall prescribe) the entity into compliance with the as-

1 See References in Text note below.
surprises. If the entity fails to initiate corrective action within the period prescribed by the notice or fails to comply with the assurances within such period as the Secretary prescribes, then after the Secretary provides the entity a reasonable opportunity for reconsideration of his determination, including, at the entity’s election, a fair hearing (A) the entity shall not be a qualified health maintenance organization for purposes of section 300e–9 of this title until such date as the Secretary determines that it is in compliance with the assurances, and (B) each employer which has offered membership in the entity in compliance with section 300e–9 of this title, each lawfully recognized collective bargaining representative or other employee representative which represents the employees of each such employer, and the members of such entity shall be notified by the entity that the entity is not a qualified health maintenance organization for purposes of such section. The notice required by clause (B) of the preceding sentence shall contain, in readily understandable language, the reasons for the determination that the entity is not a qualified health maintenance organization. The Secretary shall publish in the Federal Register each determination referred to in this paragraph.

(2) If the Secretary makes, with respect to an entity which has received a grant, contract, loan, or loan guarantee under this subchapter, a determination described in subsection (a), the Secretary may, in addition to any other remedies available to him, bring a civil action in the United States district court for the district in which such entity is located to enforce its compliance with any assurances it furnished respecting the provision of basic and supplemental health services or its organization or operation, as the case may be, which assurances were made in connection with its application under this subchapter for the grant, contract, loan, or loan guarantee.


REFERENCES IN TEXT
Section 300e–9(d)(1) of this title, referred to in subsec. (b)(1), was redesignated section 300e–9(c)(1) of this title by Pub. L. 100–517, §7(b), Oct. 24, 1988, 102 Stat. 2580.

PRIOR PROVISIONS
A prior section 1312 of act July 1, 1944, was classified to section 212a of this title prior to repeal by Pub. L. 93–222, §7(b).

AMENDMENTS
1978—Subsec. (c). Pub. L. 95–559 struck out subsec. (c) which provided that the Secretary, acting through the Assistant Secretary for Health, administer subsections (a) and (b) of this section in the Office of the Assistant Secretary for Health.
1976—Subsec. (a). Pub. L. 94–460, §111(a), substituted “the Secretary may take the action authorized by subsection (b)” for “the Secretary may, in addition to any other remedies available to him, bring a civil action in the United States district court for the district in which such entity is located to enforce its compliance with any assurances it furnished respecting the provision of basic and supplemental health services or its organization or operation, as the case may be, which assurances were made under section 300e–9 of this title or when application was made under this subchapter for a grant, contract, loan, or loan guarantee”.

Subsecs. (b), (c). Pub. L. 94–460, §111(b), (c), added subsec. (b), redesignated former subsec. (b) as (c), and substituted “acting through the Assistant Secretary for Health, shall administer subsections (a) and (b)” for “‘through the Assistant Secretary for Health, shall administer subsection (a)’”.

EFFECTIVE DATE OF 1976 AMENDMENT
Amendment by Pub. L. 94–460 applicable with respect to determinations of the Secretary of Health, Education, and Welfare described in subsec. (a) of this section and made after Oct. 8, 1976, see section 118 of Pub. L. 94–460, set out as a note under section 300e of this title.

§ 300e–12. Limitation on source of funding for health maintenance organizations

No funds appropriated under any provision of this chapter (except as provided in sections 254b and 254b of this title) other than this subchapter may be used—

(1) for grants or contracts for surveys or other activities to determine the feasibility of developing or expanding health maintenance organizations or other entities which provide, directly or indirectly, health services to a defined population on a prepaid basis;

(2) for grants or contracts, or for payments under loan guarantees, for planning projects for the establishment or expansion of such organizations or entities;

(3) for grants or contracts, or for payments under loan guarantees, for projects for the initial development or expansion of such organizations or entities; or

(4) for loans, or for payments under loan guarantees, to assist in meeting the costs of the initial operation after establishment or expansion of such organizations or entities or in meeting the costs of such organizations in acquiring or constructing ambulatory health care facilities.


REFERENCES IN TEXT
The reference to section 254b of this title the first place appearing in text was in the original a reference to section 329, meaning section 329 of act July 1, 1944, which was omitted in the general amendment of subpart I (§254b et seq.) of part D of this subchapter by Pub. L. 104–200, §2, Oct. 11, 1996, 110 Stat. 3626.

AMENDMENTS


1See References in Text note below.

amended Oct. 8, 1976, Pub. L. 94–460, title I, §115, 90 Stat. 1984; Nov. 1, 1978, Pub. L. 95–559, §13, 92 Stat. 2140, required the Comptroller General to: (a) evaluate the operations, particularly, specified aspects of the operations, of at least ten or one-half, whichever is greater, of the health maintenance organizations for which assistance was provided under sections 300e–2, 300e–3, and 300e–4 of this title, and which, by Dec. 31, 1976, were designated by the Secretary under section 300e–8(d) of this title as qualified health maintenance organizations, to Congress by June 30, 1978; (b) conduct a study of the economic effects on employers resulting from their compliance with the requirements of section 300e–9 of this title and report to Congress not later than 36 months after Dec. 29, 1973; (c) evaluate the operations of health maintenance organizations in comparison with others in distinct categories, in comparison with alternative forms of health care delivery, and their impact on the health of the public; and report.

(b) The Office of Management and Budget may review the Secretary's report under subsection (a) before its submission to the Congress, but the Office may not revise the report or delay its submission, and it may submit to the Congress its comments (and those of other departments or agencies of the Government) respecting such report.

(7) findings with respect to—

(A) the operation of distinct categories of health maintenance organizations in comparison with each other;

(B) health maintenance organizations as a group in comparison with alternative forms of health care delivery, and

(C) the impact that health maintenance organizations, individually, by category, and as a group, have on the health of the public.

The Secretary of Health and Human Services, in connection with existing authority (except section 254b of this title) for the provisions of health services to domestic agricultural migratory workers, to persons who perform seasonal agricultural services similar to the services performed by such workers, and to the families of such workers and persons, is authorized to arrange for the provision of health services to such workers and persons and their families through health maintenance organizations. In carrying out this section the Secretary may only use sums appropriated after December 29, 1973.
AMENDMENTS
1978—Pub. L. 95–626 substituted "section 254b)" for "section 247d)."

CHANGE OF NAME
"Secretary of Health and Human Services" substituted for "Secretary of Health, Education, and Welfare" in text, pursuant to section 509(b) of Pub. L. 96–88 which is classified to section 3508(b) of Title 20, Education.


§ 300e–16. Training and technical assistance

(a) National Health Maintenance Organization Intern Program

(1) The Secretary shall establish a National Health Maintenance Organization Intern Program (hereinafter in this subsection referred to as the "Program") for the purpose of providing training to individuals to become administrators and medical directors of health maintenance organizations or to assume other managerial positions with health maintenance organizations. Under the Program the Secretary may directly provide internships for such training and may make grants to or enter into contracts with health maintenance organizations and other entities to provide such internships.

(2) No internship may be provided by the Secretary and no grant may be made or contract entered into by the Secretary for the provision of internships unless an application therefor has been submitted to and approved by the Secretary. Such an application shall be in such form and contain such information, and be submitted to the Secretary in such manner, as the Secretary shall prescribe. Section 300e–5 of this title does not apply to an application submitted under this section.

(3) Internships under the Program shall provide for such stipends and allowances (including travel and subsistence expenses and dependency allowances) for the recipients of the internships as the Secretary deems necessary. An internship provided an individual for training at a health maintenance organization or any other entity shall also provide for payments to be made to the organization or other entity for the cost of support services (including the cost of salaries, supplies, equipment, and related items) provided such individual by such organization or other entity. The amount of any such payments to any organization or other entity shall be determined by the Secretary and shall bear a direct relationship to the reasonable costs of the organization or other entity for establishing and maintaining its training programs.

(4) Payments under grants under the Program may be made in advance or by way of reimbursement, and at such intervals and on such conditions, as the Secretary finds necessary.

(b) Technical assistance

The Secretary shall provide technical assistance (1) to entities intending to become a qualified health maintenance organization within the meaning of section 300e–9(d) of this title, and (2) to health maintenance organizations. The Secretary may provide such technical assistance through grants to public and nonprofit private entities and contracts with public and private entities.

(c) Amounts provided in advance in appropriation acts

The authority of the Secretary to enter into contracts under subsections (a) and (b) shall be effective for any fiscal year only to such extent or in such amounts as are provided in advance by appropriation Acts.


REFERENCES IN TEXT

Section 300e–9(d) of this title, referred to in subsec. (b), was redesignated section 300e–9(c) of this title by Pub. L. 100–517, §7(b), Oct. 24, 1988, 102 Stat. 2580.

AMENDMENTS
1986—Subsec. (b). Pub. L. 99–660 redesignated cls. (2) and (3) as (1) and (2), respectively, and struck out former cl. (1) which read as follows: "to entities in connection with projects for which assistance is being provided under section 300e–2 or 300e–3 of this title;".

EFFECTIVE DATE OF 1986 AMENDMENT
Amendment by Pub. L. 99–660 not applicable to any grant made or contract entered into under this subchapter before Oct. 1, 1985, see section 803(c) of Pub. L. 99–660, set out as a note under section 300e–5 of this title.


EFFECTIVE DATE
Pub. L. 95–559, §7(c), Nov. 1, 1978, 92 Stat. 2135, provided that: "The amendments made by this section [enacting this section and amending section 300e–8 of this title] shall only be effective for fiscal years beginning on or after October 1, 1978."

§ 300e–17. Financial disclosure

(a) Financial information reported to Secretary

Each health maintenance organization shall, in accordance with regulations of the Secretary, report to the Secretary financial information which shall include the following:

(1) Such information as the Secretary may require demonstrating that the health maintenance organization has a fiscally sound operation.

(2) A copy of the report, if any, filed with the Centers for Medicare & Medicaid Services containing the information required to be reported under section 1320a–3 of this title by disclosing entities and the information required to be supplied under section 1396a(a)(38) of this title.

(3) A description of transactions, as specified by the Secretary, between the health maintenance organization and a party in interest. Such transactions shall include—

(A) any sale or exchange, or leasing of any property between the health maintenance organization and a party in interest;

1 See References in Text note below.
(B) any furnishing for consideration of goods, services (including management services), or facilities between the health maintenance organization and a party in interest, but not including salaries paid to employees for services provided in the normal course of their employment and health services provided to members by hospitals and other providers and by staff, medical group (or groups), individual practice association (or associations), or any combination thereof; and

(C) any lending of money or other extension of credit between a health maintenance organization and a party in interest.

The Secretary may require that information reported respecting a health maintenance organization which controls, is controlled by, or is under common control with, another entity be in the form of a consolidated financial statement of the organization and such entity.

(b) "Party in interest" defined

For the purposes of this section the term "party in interest" means:

(1) any director, officer, partner, or employee responsible for management or administration of a health maintenance organization, any person who is directly or indirectly the beneficial owner of more than 5 per centum of the equity of the organization, any person who is the beneficial owner of a mortgage, deed of trust, note, or other interest secured by, and valuing more than 5 per centum of the health maintenance organization, and, in the case of a health maintenance organization organized as a nonprofit corporation, an incorporator or member of such corporation under applicable State corporation law;

(2) any entity in which a person described in paragraph (1)—

(A) is an officer or director;

(B) is a partner (if such entity is organized as a partnership);

(C) has directly or indirectly a beneficial interest of more than 5 per centum of the equity; or

(D) has a mortgage, deed of trust, note, or other interest secured by, and valuing more than 5 per centum of the assets of such entity;

(3) any person directly or indirectly controlling, controlled by, or under common control with a health maintenance organization; and

(4) any spouse, child, or parent of an individual described in paragraph (1).

(c) Information availability

Each health maintenance organization shall make the information reported pursuant to subsection (a) available to its enrollees upon reasonable request.

(d) Evaluation of transactions

The Secretary shall, as he deems necessary, conduct an evaluation of transactions reported to the Secretary under subsection (a)(3) for the purpose of determining their adverse impact, if any, on the fiscal soundness and reasonableness of charges to the health maintenance organization with respect to which they transpired. The Secretary shall evaluate the reported transactions of not less than five, or if there are more than twenty health maintenance organizations reporting such transactions, not less than one-fourth of the health maintenance organizations reporting any such transactions under subsection (a)(3).


(f) Rates

Nothing in this section shall be construed to confer upon the Secretary any authority to approve or disapprove the rates charged by any health maintenance organization.

(g) Annual financial statement

Any health maintenance organization failing to file with the Secretary the annual financial statement required in subsection (a) shall be ineligible for any Federal assistance under this subchapter until such time as such statement is received by the Secretary and shall not be a qualified health maintenance organization for purposes of section 300e-9 of this title.

(h) Penalties

Whoever knowingly and willfully makes or causes to be made any false statement or representation of a material fact in any statement filed pursuant to this section shall be guilty of a felony and upon conviction thereof shall be fined not more than $25,000 or imprisoned for not more than five years, or both.


AMENDMENTS


1981—Subsec. (a). Pub. L. 97–35, §948(a), (b), in par. (2) inserted reference to copy of the report, if any, filed with the Health Care Financing Administration, and in par. (3)(B) reorganized excluding provisions and, among revisions, inserted salaries paid to employees for services.

Subsec. (b)(1). Pub. L. 97–35, §948(b), inserted “responsible for management or administration” after “employee”.

Subsec. (b)(4). Pub. L. 97–35, §948(c), (d), substituted “spouse, child, or parent” for “member of the immediate family”.

EFFECTIVE DATE OF 1986 AMENDMENT

Amendment by Pub. L. 99–660 effective Oct. 1, 1985, see section 815(a) of Pub. L. 99–660, set out as anEffec-
For purposes of this subchapter:

(1) The term "primary drinking water regulation" means a regulation which—
   (A) applies to public water systems;
   (B) specifies contaminants which, in the judgment of the Administrator, may have any adverse effect on the health of persons;
   (C) specifies for each such contaminant either—
      (i) a maximum contaminant level, if, in the judgment of the Administrator, it is economically and technologically feasible to ascertain the level of such contaminant in water in public water systems, or
      (ii) if, in the judgment of the Administrator, it is not economically or technologically feasible to so ascertain the level of such contaminant, each treatment technique known to the Administrator which leads to a reduction in the level of such contaminant sufficient to satisfy the requirements of section 300g–1 of this title; and
   (D) contains criteria and procedures to assure a supply of drinking water which dependably complies with such maximum contaminant levels; including accepted methods for quality control and testing procedures to insure compliance with such levels and to insure proper operation and maintenance of the system, and requirements as to (i) the minimum quality of water which may be taken into the system and (ii) siting for new facilities for public water systems.

At any time after promulgation of a regulation referred to in this paragraph, the Administrator may add equally effective quality control and testing procedures by guidance published in the Federal Register. Such procedures shall be treated as an alternative for public water systems to the quality control and testing procedures listed in the regulation.

(2) The term "secondary drinking water regulation" means a regulation which applies to public water systems and which specifies the maximum contaminant levels which, in the judgment of the Administrator, are requisite to protect the public welfare. Such regulations may apply to any contaminant in drinking water (A) which may adversely affect the odor or appearance of such water and consequently may cause a substantial number of the persons served by the public water system providing such water to discontinue its use, or (B) which may otherwise adversely affect the public welfare. Such regulations may vary according to geographic and other circumstances.

(3) The term "maximum contaminant level" means the maximum permissible level of a contaminant in water which is delivered to any user of a public water system.

(A) IN GENERAL.—The term "public water system" means a system for the provision to the public of water for human consumption through pipes or other constructed conveyances, if such system has at least fifteen service connections or regularly serves at least twenty-five individuals. Such term includes (i) any collection, treatment, storage, and distribution facilities under control of the operator of such system and used primarily in connection with such system, and (ii) any collection or pretreatment storage facilities not under such control which are used primarily in connection with such system.

(B) CONNECTIONS.—
   (i) the water is used exclusively for purposes other than residential uses (consisting of drinking, bathing, and cooking, or other similar uses);
   (ii) the Administrator or the State (in the case of a State exercising primary enforcement responsibility for public water systems) determines that alternative water to achieve the equivalent level of public health protection provided by the applicable national primary drinking water regulation is provided for residential or similar uses for drinking and cooking; or
   (iii) the Administrator or the State (in the case of a State exercising primary enforcement responsibility for public water systems) determines that the water provided for residential or similar uses for drinking, cooking, and bathing is centrally treated or treated at the point of entry by the provider, a pass-through entity, or the user to achieve the equivalent level of protection provided by the applicable national primary drinking water regulations.

(ii) IRRIGATION DISTRICTS.—An irrigation district in existence prior to May 18, 1994, that provides primarily agricultural service through a piped water system with only incidental residential or similar use shall not be considered to be a public water system if the system or the residential or similar users of the system comply with subclause (II) or (III) of clause (i).

(C) TRANSITION PERIOD.—A water supplier that would be a public water system only as a result of modifications made to this paragraph by the Safe Drinking Water Act Amendments of 1996 shall not be considered a public water system for purposes of the Act until the date that is two years after August 6, 1996. If a water supplier does not serve 15 service connections (as defined in subparagraphs (A) and (B)) or 25 people at any time after the conclusion of the 2-year period, the water supplier shall not be considered a public water system.
(5) The term “supplier of water” means any person who owns or operates a public water system.

(6) The term “contaminant” means any physical, chemical, biological, or radiological substance or matter in water.

(7) The term “Administrator” means the Administrator of the Environmental Protection Agency.

(8) The term “Agency” means the Environmental Protection Agency.

(9) The term “Council” means the National Drinking Water Advisory Council established under section 300–5 of this title.

(10) The term “municipality” means a city, town, or other public body created by or pursuant to State law, or an Indian Tribe.

(11) The term “Federal agency” means any department, agency, or instrumentality of the United States.

(12) The term “person” means an individual, corporation, company, association, partnership, State, municipality, or Federal agency (and includes officers, employees, and agents of any corporation, company, association, State, municipality, or Federal agency).

(13)(A) Except as provided in subparagraph (B), the term “State” includes, in addition to the several States, only the District of Columbia, Guam, the Commonwealth of Puerto Rico, the Northern Mariana Islands, the Virgin Islands, American Samoa, and the Trust Territory of the Pacific Islands.

(B) For purposes of section 300–12 of this title, the term “State” means each of the 50 States, the District of Columbia, and the Commonwealth of Puerto Rico.

(14) The term “Indian Tribe” means any Indian tribe having a Federally recognized governing body carrying out substantial governmental duties and powers over any area. For purposes of sections 300–12, 300–19a, and 300–19b of this title, the term includes any Native village (as defined in section 1602(c) of title 43).

(15) COMMUNITY WATER SYSTEM.—The term “community water system” means a public water system that—

(A) serves at least 15 service connections used by year-round residents of the area served by the system; or

(B) regularly serves at least 25 year-round residents.

(16) NONCOMMUNITY WATER SYSTEM.—The term “noncommunity water system” means a public water system that is not a community water system.

References in Text


AMENDMENTS


1996—Par. (1). Pub. L. 104–182, §101(a)(1)(B), inserted at end “At any time after promulgation of a regulation referred to in this paragraph, the Administrator may add equally effective quality control and testing procedures by guidance published in the Federal Register. Such procedures shall be treated as an alternative for public water systems to the quality control and testing procedures listed in the regulation.”


Par. (4). Pub. L. 104–182, §101(b)(1), designated existing provisions as subpar. (A), inserted par. and subpar. headings, redesignated former subpars. (A) and (B) as cls. (i) and (ii), respectively, substituted “water for human consumption through pipes or other constructed conveyances” for “ piped water for human consumption” in first sentence, and added subs. (B) and (C).

Par. (13). Pub. L. 104–339, §302(b)(2), designated existing provisions as subpar. (A), substituted “Except as provided in subparagraph (B), the term” for “The term”, and added subpar. (B).

Par. (14). Pub. L. 104–182, §101(a)(3), inserted at end “For purposes of section 300–12 of this title, the term includes any Native village (as defined in section 1602(c) of title 43).”


1977—Par. (12). Pub. L. 95–190 expanded definition of “person” to include Federal agency, and officers, employees, and agents of any corporation, company, etc.

1976—Par. (13). Pub. L. 94–484 defined “State” to include Northern Mariana Islands.


Effective Date of 1996 Amendment

Pub. L. 104–182, §2(b), Aug. 6, 1996, 110 Stat. 1614, provided that: “Except as otherwise specified in this Act [enacting sections 300c–7 to 300c–9, 300c–8, 300c–3c, and 300c–12 to 300c–18 of this title and section 1263a of Title 33, Navigation and Navigable Waters, amending this section, sections 300c–1 to 300c–6, 300h, 300h–5 to 300h–7, 300l, 300l–1, 300l–2 to 300l–2, 300l–4 to 300l–8, 300l–11, and 300l–20 to 300l–25 of this title, sections 4701 and 4721 of Title 16, Conservation, and section 349 of Title 21, Food and Drugs, repealing section 13551 of this title, enacting provisions set out as notes under this section, sections 201, 300c–1, 300c–1, and 300c–12 of this title, section 1281 of Title 33, and section 45 of former Title 49, Public Buildings, Property, and Works, and amending provisions set out as a note under section 201 of this title] or in the amendments made by this Act, this Act and the amendments made by this Act shall take effect on the date of enactment of this Act [Aug. 6, 1996].”

Short Title

This subchapter is known as the “Safe Drinking Water Act”, see note set out under section 201 of this title.

Termination of Trust Territory of the Pacific Islands

For termination of Trust Territory of the Pacific Islands, see note set out preceding section 1881 of Title 48, Territories and Insular Possessions.

Effect of Public Law 104–182 on Federal Water Pollution Control Act

U.S.C. 300j-12 note) (relating to transfers of funds), nothing in this Act [see Effective Date of 1996 Amendment note above] or in any amendments made by this Act to title XIV of the Public Health Service Act (42 U.S.C. 300f et seq.) (commonly known as the ‘Safe Drinking Water Act’) or any other law shall be construed by the Administrator of the Environmental Protection Agency or the courts as affecting, modifying, expanding, changing, or altering—

“(1) the provisions of the Federal Water Pollution Control Act [33 U.S.C. 1251 et seq.];

“(2) the duties and responsibilities of the Administrator under that Act; or

“(3) the regulation or control of point or nonpoint sources of pollution discharged into waters covered by that Act.

The Administrator shall identify in the agency’s annual budget all funding and full-time equivalents administering such title XIV separately from funding and staffing for the Federal Water Pollution Control Act.”

CONGRESSIONAL FINDINGS


“(1) safe drinking water is essential to the protection of public health;

“(2) because the requirements of the Safe Drinking Water Act (42 U.S.C. 300f et seq.) now exceed the financial and technical capacity of some public water systems, especially many small public water systems, the Federal Government needs to provide assistance to communities to help the communities meet Federal drinking water requirements;

“(3) the Federal Government commits to maintaining and improving its partnership with the States in the administration and implementation of the Safe Drinking Water Act;

“(4) States play a central role in the implementation of safe drinking water programs, and States need increased financial resources and appropriate flexibility to ensure the prompt and effective development and implementation of drinking water programs;

“(5) the existing process for the assessment and selection of additional drinking water contaminants needs to be revised and improved to ensure that there is a sound scientific basis for setting priorities in establishing drinking water regulations;

“(6) procedures for assessing the health effects of contaminants establishing drinking water standards should be revised to provide greater opportunity for public education and participation;

“(7) in considering the appropriate level of regulation for contaminants in drinking water, risk assessments based on sound and objective science, and benefit-cost analysis are important analytical tools for improving the efficiency and effectiveness of drinking water regulations to protect human health;

“(8) more effective protection of public health requires—

“(A) a Federal commitment to set priorities that will allow scarce Federal, State, and local resources to be targeted toward the drinking water problems of greatest public health concern;

“(B) maximizing the value of the different and complementary strengths and responsibilities of the Federal and State governments in those States that have primary enforcement responsibility for the Safe Drinking Water Act; and

“(C) prevention of drinking water contamination through well-trained system operators, water systems with adequate managerial, technical, and financial capacity, and enhanced protection of source waters of public water systems;

“(9) compliance with the requirements of the Safe Drinking Water Act continues to be a concern at public water systems experiencing technical and financial limitations, and Federal, State, and local government need more resources and more effective authority to attain the objectives of the Safe Drinking Water Act; and

“(10) consumers served by public water systems should be provided with information on the source of the water they are drinking and its quality and safety, as well as prompt notification of any violation of drinking water regulations.”

GAO STUDY


“(A) ascertain the numbers and locations of individuals and households relying for their residential needs, including drinking, bathing, and cooking (or other similar uses) on irrigation water systems, mining water systems, industrial water systems, or other water systems covered by section 1401(d)(B) of the Safe Drinking Water Act (42 U.S.C. 300f(4)(B)) that are not public water systems subject to the Safe Drinking Water Act (42 U.S.C. 300f et seq.);

“(B) determine the sources and costs and affordability (to users and systems) of water used by such populations for their residential water needs; and

“(C) review State and water system compliance with the exclusion provisions of section 1401(d)(B) of such Act.

The Comptroller General shall submit a report to the Congress within 3 years after the date of enactment of this Act (Aug. 6, 1996) containing the results of such study.”

SAFE DRINKING WATER AMENDMENTS OF 1977

RESTRICTIONS ON APPROPRIATIONS FOR RESEARCH

Pub. L. 95–190, § 2(e), Nov. 16, 1977, 91 Stat. 1393, provided that: “Nothing in this Act [see Short Title of 1977 Amendment note set out under section 201 of this title] shall be construed to authorize the appropriation of any amount for research under title XIV of the Public Health Service Act (42 U.S.C. 300f et seq.) (relating to safe drinking water).”

SAFE DRINKING WATER AMENDMENTS OF 1977 AS NOT AFFECTING AUTHORITY OF ADMINISTRATOR WITH RESPECT TO CONTAMINANTS

Pub. L. 95–190, § 3(e)(2), Nov. 16, 1977, 91 Stat. 1394, provided that: “Nothing in this Act [see Short Title of 1977 Amendment note set out under section 201 of this title] shall be construed to alter or affect the Administrator’s authority or duty under title 14 of the Public Health Service Act (42 U.S.C. 300f et seq.) to promulgate regulations or take other action with respect to any contaminant.”

RURAL WATER SURVEY; REPORT TO PRESIDENT AND CONGRESS; AUTHORIZATION OF APPROPRIATIONS

Pub. L. 93–523, § 3, Dec. 16, 1974, 88 Stat. 1693, as amended by Pub. L. 95–190, §§2(d), 3(d), Nov. 16, 1977, 91 Stat. 1393, 1394, directed Administrator of Environmental Protection Agency, after consultation with Secretary of Agriculture and the several States, to enter into arrangements with public or private entities to conduct a survey of quantity, quality, and availability of rural drinking water supplies, which survey was to include, but not be limited to, consideration of number of rural drinking water systems, mining water systems, industrial water systems, or other water systems, and drinking water contaminants affecting public health, and to report to the President and to Congress.
Federal Compliance with Pollution Control Standards

For provisions relating to the responsibility of the head of each Executive agency for compliance with applicable pollution control standards, see Ex. Ord. No. 12898, Oct. 13, 1989, 54 F.R. 47077, set out as a note under section 4321 of this title.

Termination of Advisory Committees

Pub. L. 93–641, § 6, Jan. 4, 1975, 88 Stat. 2275, set out as a note under section 217a of this title, provided that an advisory committee established pursuant to the Public Health Service Act shall terminate at such time as may be specifically prescribed by an Act of Congress enacted after Jan. 4, 1975.

Part B—Public Water Systems

§ 300g. Coverage

Subject to sections 300g–4 and 300g–5 of this title, national primary drinking water regulations under this part shall apply to each public water system in each State; except that such regulations under this part shall apply to each public water system—

(1) which consists only of distribution and storage facilities (and does not have any collection and treatment facilities);

(2) which obtains all of its water from, but is not owned or operated by, a public water system to which such regulations apply;

(3) which does not sell water to any person; and

(4) which is not a carrier which conveys passengers in interstate commerce.

(July 1, 1944, ch. 373, title XIV, § 1411, as added Pub. L. 93–523, § 2(a), Dec. 16, 1974, 88 Stat. 1662.)

§ 300g–1. National Drinking Water Regulations

(a) National Primary Drinking Water Regulations; Maximum Contaminant Level Goals; Simultaneous Publication of Regulations and Goals

(1) Effective on June 19, 1986, each national interim or revised primary drinking water regulation promulgated under this section before June 19, 1986, shall be deemed to be a national primary drinking water regulation under subsection (b). No such regulation shall be required to comply with the standards set forth in subsection (b) unless such regulation is amended to establish a different maximum contaminant level after June 19, 1986.

(2) After June 19, 1986, each recommended maximum contaminant level published before June 19, 1986, shall be treated as a maximum contaminant level goal.

(3) Whenever a national primary drinking water regulation is proposed under subsection (b) for any contaminant, the maximum contaminant level goal for such contaminant shall be proposed simultaneously. Whenever a national primary drinking water regulation is promulgated under subsection (b) for any contaminant, the maximum contaminant level goal for such contaminant shall be published simultaneously.

(4) Paragraph (3) shall not apply to any recommended maximum contaminant level published before June 19, 1986.

(b) Standards

(1) Identification of Contaminants for Listing.—

(A) General Authority.—The Administrator shall, in accordance with the procedures established by this subsection, publish a maximum contaminant level goal and promulgate a national primary drinking water regulation for a contaminant (other than a contaminant referred to in paragraph (2) for which a national primary drinking water regulation has been promulgated as of August 6, 1996) if the Administrator determines that—

(i) the contaminant may have an adverse effect on the health of persons;

(ii) the contaminant is known to occur or there is a substantial likelihood that the contaminant will occur in public water systems with a frequency and at levels of public health concern; and

(iii) in the sole judgment of the Administrator, regulation of such contaminant presents a meaningful opportunity for health risk reduction for persons served by public water systems.

(B) Regulation of Unregulated Contaminants.—

(1) Listing of Contaminants for Consideration.—(I) Not later than 18 months after August 6, 1996, and every 5 years thereafter, the Administrator, after consultation with the scientific community, including the Science Advisory Board, after notice and opportunity for public comment, and after considering the occurrence data base established under section 300(j–4g) of this title, shall publish a list of contaminants which, at the time of publication, are not subject to any proposed or promulgated national primary drinking water regulation, which are known or anticipated to occur in public water systems, and which may require regulation under this subchapter.

(II) The unregulated contaminants considered under subclause (I) shall include, but not be limited to, substances referred to in section 9601(14) of this title, and substances registered as pesticides under the Federal Insecticide, Fungicide, and Rodenticide Act [7 U.S.C. 136 et seq.].

(III) The Administrator’s decision whether or not to select an unregulated contaminant for a list under this clause shall not be subject to judicial review.

(ii) Determination to Regulate.—(I) Not later than 5 years after August 6, 1996, and every 5 years thereafter, the Administrator shall, after notice of the preliminary determination and opportunity for public comment, for not fewer than 5 contaminants included on the list published under clause (i), make determinations of whether or not to regulate such contaminants.

(II) A determination to regulate a contaminant shall be based on findings that the criteria of clauses (i), (ii), and (iii) of subparagraph (A) are satisfied. Such findings shall be based on the best available public health information, including the occurrence data base established under section 300(j–4g) of this title.

(III) The Administrator may make a determination to regulate a contaminant that does not appear on a list under clause (i) if
the determination to regulate is made pursuant to subparagraph (II).

(IV) A determination under this clause not to regulate a contaminant shall be considered final agency action and subject to judicial review.

(iii) Review.—Each document setting forth the determination for a contaminant under clause (ii) shall be available for public comment at such time as the determination is published.

(C) Priorities.—In selecting unregulated contaminants for consideration under subparagraph (B), the Administrator shall select contaminants that present the greatest public health concern. The Administrator, in making such selection, shall take into consideration, among other factors of public health concern, the effect of such contaminants upon subgroups that comprise a meaningful portion of the general population (such as infants, children, pregnant women, the elderly, individuals with a history of serious illness, or other subpopulations that are identifiable as being at greater risk of adverse health effects due to exposure to contaminants in drinking water than the general population.

(D) Urgent Threats to Public Health.—The Administrator may promulgate an interim national primary drinking water regulation for a contaminant without making a determination for the contaminant under paragraph (4)(C), or completing the analysis under paragraph (3)(C), to address an urgent threat to public health as determined by the Administrator after consultation with and written response to any comments provided by the Secretary of Health and Human Services, acting through the director of the Centers for Disease Control and Prevention or the director of the National Institutes of Health. A determination for any contaminant in accordance with paragraph (4)(C) subject to an interim regulation under this subparagraph shall be issued, and a completed analysis meeting the requirements of paragraph (3)(C) shall be published, not later than 3 years after the date on which the regulation is promulgated and the regulation shall be repromulgated, or revised if appropriate, not later than 5 years after that date.

(E) Regulation.—For each contaminant that the Administrator determines to regulate under subparagraph (B), the Administrator shall publish maximum contaminant level goals and promulgate, by rule, national primary drinking water regulations under this subsection. The Administrator shall propose the maximum contaminant level goal and national primary drinking water regulation for a contaminant not later than 24 months after the determination to regulate under subparagraph (B), and may publish such proposed regulation concurrent with the determination to regulate. The Administrator shall publish a maximum contaminant level goal and promulgate a national primary drinking water regulation within 18 months after the proposal thereof. The Administrator, by notice in the Federal Register, may extend the deadline for such promulgation for up to 9 months.

(F) Health Advisories and Other Actions.—The Administrator may publish health advisories (which are not regulations) or take other appropriate actions for contaminants not subject to any national primary drinking water regulation.

(2) Schedules and Deadlines.—

(A) In General.—In the case of the contaminants listed in the Advance Notice of Proposed Rulemaking published in volume 47, Federal Register, page 9352, and in volume 48, Federal Register, page 45502, the Administrator shall publish maximum contaminant level goals and promulgate national primary drinking water regulations—

(i) not later than 1 year after June 19, 1986, for not fewer than 9 of the listed contaminants;

(ii) not later than 2 years after June 19, 1986, for not fewer than 40 of the listed contaminants; and

(iii) not later than 3 years after June 19, 1986, for the remainder of the listed contaminants.

(B) Substitution of Contaminants.—If the Administrator identifies a drinking water contaminant the regulation of which, in the judgment of the Administrator, is more likely to be protective of public health (taking into account the schedule for regulation under subparagraph (A)) than a contaminant referred to in subparagraph (A), the Administrator may publish a maximum contaminant level goal and promulgate a national primary drinking water regulation for the identified contaminant referred to in subparagraph (A). Substitutions may be made for not more than 7 contaminants referred to in subparagraph (A). Regulation of a contaminant identified under this subparagraph shall be in accordance with the schedule applicable to the contaminant for which the substitution is made.

(C) Disinfectants and Disinfection Byproducts.—The Administrator shall promulgate an Interim Enhanced Surface Water Treatment Rule, a Final Enhanced Surface Water Treatment Rule, a Stage I Disinfectants and Disinfection Byproducts Rule, and a Stage II Disinfectants and Disinfection Byproducts Rule in accordance with the schedule published in volume 59, Federal Register, page 6361 (February 10, 1994), in table III.13 of the proposed Interim Enhanced Surface Water Treatment Rule, a Final Enhanced Surface Water Treatment Rule, a Stage I Disinfectants and Disinfection Byproducts Rule, and a Stage II Disinfectants and Disinfection Byproducts Rule in accordance with the schedule published in volume 59, Federal Register, page 6361 (February 10, 1994), in table III.13 of the proposed Information Collection Rule. If a delay occurs with respect to the promulgation of any rule in the schedule referred to in this subparagraph, all subsequent rules shall be completed as expeditiously as practicable but no later than a revised date that reflects the interval or intervals for the rules in the schedule.

(3) Risk Assessment, Management, and Communication.

(A) Use of science in decisionmaking.—In carrying out this section, and, to the degree that an Agency action is based on science, the Administrator shall use—

(i) the best available, peer-reviewed science and supporting studies conducted in accordance with sound and objective scientific practices; and

(ii) data collected by accepted methods or best available methods (if the reliability of
§ 300g–1

T I T L E 4 2 — T H E P U B L I C H E A L T H A N D W E L F A R E

Page 1096

the method and the nature of the decision justifies use of the data).

(B) PUBLIC INFORMATION.—In carrying out this section, the Administrator shall ensure that the presentation of information on public health effects is comprehensive, informative, and understandable. The Administrator shall, in a document made available to the public in support of a regulation promulgated under this section, specify, to the extent practicable—

(i) each population addressed by any estimate of public health effects;
(ii) the expected risk or central estimate of risk for the specific populations;
(iii) each appropriate upper-bound or lower-bound estimate of risk;
(iv) each significant uncertainty identified in the process of the assessment of public health effects and studies that would assist in resolving the uncertainty; and
(v) peer-reviewed studies known to the Administrator that support, are directly relevant to, or fail to support any estimate of public health effects and the methodology used to reconcile inconsistencies in the scientific data.

(C) HEALTH RISK REDUCTION AND COST ANALYSIS.—

(i) MAXIMUM CONTAMINANT LEVELS.—When proposing any national primary drinking water regulation that includes a maximum contaminant level, the Administrator shall, with respect to a maximum contaminant level that is being considered in accordance with paragraph (4) and each alternative maximum contaminant level that is being considered pursuant to paragraph (5) or (6)(A), publish, seek public comment on, and use for the purposes of paragraphs (4), (5), and (6) an analysis of each of the following:

(I) Quantifiable and nonquantifiable health risk reduction benefits for which there is a factual basis in the rulemaking record to conclude that such benefits are likely to occur as the result of treatment to comply with each level.

(II) Quantifiable and nonquantifiable health risk reduction benefits for which there is a factual basis in the rulemaking record to conclude that such benefits are likely to occur from reductions in co-occurring contaminants that may be attributed solely to compliance with the maximum contaminant level, excluding benefits resulting from compliance with other proposed or promulgated regulations.

(III) Quantifiable and nonquantifiable costs for which there is a factual basis in the rulemaking record to conclude that such costs are likely to occur solely as a result of compliance with the maximum contaminant level, including monitoring, treatment, and other costs and excluding costs resulting from compliance with other proposed or promulgated regulations.

(IV) The incremental costs and benefits associated with each alternative maximum contaminant level considered.

(V) The effects of the contaminant on the general population and on groups within the general population such as infants, children, pregnant women, the elderly, individuals with a history of serious illness, or other subpopulations that are identified as likely to be at greater risk of adverse health effects due to exposure to contaminants in drinking water than the general population.

(VI) Any increased health risk that may occur as the result of compliance, including risks associated with co-occurring contaminants.

(VII) Other relevant factors, including the quality and extent of the information, the uncertainties in the analysis supporting subclauses (I) through (VI), and factors with respect to the degree and nature of the risk.

(ii) TREATMENT TECHNIQUES.—When proposing a national primary drinking water regulation that includes a treatment technique in accordance with paragraph (7)(A), the Administrator shall publish and seek public comment on an analysis of the health risk reduction benefits and costs likely to be experienced as the result of compliance with the treatment technique and alternative treatment techniques that are being considered, taking into account, as appropriate, the factors described in clause (i).

(iii) APPROACHES TO MEASURE AND VALUE BENEFITS.—The Administrator may identify valid approaches for the measurement and valuation of benefits under this subparagraph, including approaches to identify consumer willingness to pay for reductions in health risks from drinking water contaminants.

(iv) AUTHORIZATION.—There are authorized to be appropriated to the Administrator, acting through the Office of Ground Water and Drinking Water, to conduct studies, assessments, and analyses in support of regulations or the development of methods, $35,000,000 for each of fiscal years 1996 through 2003.

(4) GOALS AND STANDARDS.—

(A) MAXIMUM CONTAMINANT LEVEL GOALS.—Each maximum contaminant level goal established under this subsection shall be set at the level at which no known or anticipated adverse effects on the health of persons occur and which allows an adequate margin of safety.

(B) MAXIMUM CONTAMINANT LEVELS.—Except as provided in paragraphs (5) and (6), each national primary drinking water regulation for a contaminant for which a maximum contaminant level goal is established under this subsection shall specify a maximum contaminant level for such contaminant which is as close to the maximum contaminant level goal as is feasible.

(C) DETERMINATION.—At the time the Administrator proposes a national primary drinking water regulation under this paragraph, the Administrator shall publish a determination as to whether the benefits of the maximum con-
(A) DEFINITION OF FEASIBLE.—For the purposes of this subsection, the term “feasible” means feasible with the use of the best technology, treatment techniques and other means which the Administrator finds, after examination for efficacy under field conditions and not solely under laboratory conditions, are available (taking cost into consideration). For the purpose of this paragraph, granular activated carbon is feasible for the control of synthetic organic chemicals, and any technology, treatment technique, or other means found to be the best available for the control of synthetic organic chemicals must be at least as effective in controlling synthetic organic chemicals as granular activated carbon.

(E) FEASIBLE TECHNOLOGIES.—

(i) In General.—Each national primary drinking water regulation which establishes a maximum contaminant level shall list the technology, treatment techniques, and other means which the Administrator finds to be feasible for purposes of meeting such maximum contaminant level, but a regulation under this subsection shall not require that any specified technology, treatment technique, or other means be used for purposes of meeting such maximum contaminant level.

(ii) List of Technologies for Small Systems.—The Administrator shall include in the list any technology, treatment technique, or other means that is affordable, as determined by the Administrator in consultation with the States, for small public water systems serving—

(A) a population of 10,000 or fewer but more than 3,300;

(B) a population of 3,300 or fewer but more than 500; and

(C) a population of 500 or fewer but more than 25;

and that achieves compliance with the maximum contaminant level or treatment technique, including packaged or modular systems and point-of-entry or point-of-use treatment units. Point-of-entry and point-of-use treatment units shall be owned, controlled and maintained by the public water system or by a person under contract with the public water system to ensure proper operation and maintenance and compliance with the maximum contaminant level or treatment technique and equipped with mechanical warnings to ensure that customers are automatically notified of operational problems. The Administrator shall not include in the list any point-of-use treatment technology, treatment technique, or other means to achieve compliance with a maximum contaminant level or treatment technique requirement for a microbial contaminant (or an indicator of a microbial contaminant). If the American National Standards Institute has issued product standards applicable to a specific type of point-of-entry or point-of-use treatment unit, individual units of that type shall not be accepted for compliance with a maximum contaminant level or treatment technique requirement unless they are independently certified in accordance with such standards. In listing any technology, treatment technique, or other means pursuant to this clause, the Administrator shall consider the quality of the source water to be treated.

(iii) List of Technologies that Achieve Compliance.—Except as provided in clause (v), not later than 2 years after August 6, 1996, and after consultation with the States, the Administrator shall issue a list of technologies that achieve compliance with the maximum contaminant level or treatment technique for each category of public water systems described in subclauses (I), (II), and (III) of clause (ii) for each national primary drinking water regulation promulgated prior to June 19, 1986.

(iv) Additional Technologies.—The Administrator may, at any time after a national primary drinking water regulation has been promulgated, supplement the list of technologies describing additional or new or innovative treatment technologies that meet the requirements of this paragraph for categories of small public water systems described in subclauses (I), (II), and (III) of clause (ii) that are subject to the regulation.

(v) Technologies that Meet Surface Water Treatment Rule.—Within one year after August 6, 1996, the Administrator shall list technologies that meet the Surface Water Treatment Rule for each category of public water systems described in subclauses (I), (II), and (III) of clause (ii).

(5) ADDITIONAL HEALTH RISK CONSIDERATIONS.—

(A) In General.—Notwithstanding paragraph (4), the Administrator may establish a maximum contaminant level for a contaminant at a level other than the feasible level, if the technology, treatment techniques, and other means used to determine the feasible level would result in an increase in the health risk from drinking water by—

(i) increasing the concentration of other contaminants in drinking water; or

(ii) interfering with the efficacy of drinking water treatment techniques or processes that are used to comply with other national primary drinking water regulations.

(B) Establishment of Level.—If the Administrator establishes a maximum contaminant level or levels or requires the use of treatment techniques for any contaminant or contaminants pursuant to the authority of this paragraph—

(i) the level or levels or treatment techniques shall minimize the overall risk of adverse health effects by balancing the risk from the contaminant and the risk from other contaminants the concentrations of which may be affected by the use of a treatment technique or process that would be employed to attain the maximum contaminant level or levels; and

(ii) the combination of technology, treatment techniques, or other means required to meet the level or levels shall not be more stringent than is feasible (as defined in paragraph (4)(D)).
§ 300g–1

(6) ADDITIONAL HEALTH RISK REDUCTION AND COST CONSIDERATIONS.—

(A) IN GENERAL.—Notwithstanding paragraph (4), if the Administrator determines based on an analysis conducted under paragraph (3)(C) that the benefits of compliance with a contaminant level promulgated in accordance with paragraph (4) would not justify the costs of complying with the level, the Administrator may, after notice and opportunity for public comment, promulgate a maximum contaminant level for the contaminant that maximizes health risk reduction benefits at a cost that is justified by the benefits.

(B) EXCEPTION.—The Administrator shall not use the authority of this paragraph to promulgate a maximum contaminant level for a contaminant that would be promulgated in accordance with paragraph (4) experienced by—

(i) persons served by large public water systems; and

(ii) persons served by such other systems as are unlikely, based on information provided by the States, to receive a variance under section 300g–4(e) of this title (relating to small system variations);

would justify the costs to the systems of complying with the regulation. This subparagraph shall not apply if the contaminant is found almost exclusively in small systems eligible under section 300g–4(e) of this title for a small system variance.

(C) DISINFECTANTS AND DISINFECTION BYPRODUCTS.—The Administrator may not use the authority of this paragraph to establish a maximum contaminant level in a Stage I or Stage II national primary drinking water regulation (as described in paragraph (2)(C)) for contaminants that are disinfectants or disinfection byproducts, or to establish a maximum contaminant level or treatment technique requirement for the control of cryptosporidium. The authority of this paragraph may be used to establish regulations for the use of disinfection by systems relying on ground water sources as required by paragraph (8).

(D) JUDICIAL REVIEW.—A determination by the Administrator that the benefits of a maximum contaminant level or treatment requirement justify or do not justify the costs of complying with the level shall be reviewed by the court pursuant to section 300j–7 of this title only as part of a review of a final national primary drinking water regulation that has been promulgated based on the determination and shall not be set aside by the court under that section unless the court finds that the determination is arbitrary and capricious.

(7)(A) The Administrator is authorized to promulgate a national primary drinking water regulation that requires the use of a treatment technique in lieu of establishing a maximum contaminant level, if the Administrator makes a finding that it is not economically or technologically feasible to ascertain the level of the contaminant. In such case, the Administrator shall identify those treatment techniques which, in the Administrator’s judgment, would prevent known or anticipated adverse effects on the health of persons to the extent feasible. Such regulations shall specify each treatment technique known to the Administrator which meets the requirements of this paragraph, but the Administrator may grant a variance from any specified treatment technique in accordance with section 300g–4(a)(3) of this title.

(B) Any schedule referred to in this subsection for the promulgation of a national primary drinking water regulation for any contaminant shall apply in the same manner if the regulation requires a treatment technique in lieu of establishing a maximum contaminant level.

(C)(i) Not later than 18 months after June 19, 1986, the Administrator shall propose and promulgate national primary drinking water regulations specifying criteria under which filtration (including coagulation and sedimentation, as appropriate) is required as a treatment technique for public water systems supplied by surface water sources. In promulgating such rules, the Administrator shall consider the quality of source waters, protection afforded by watershed management, treatment practices (such as disinfection and length of water storage) and other factors relevant to protection of health.

(ii) In lieu of the provisions of section 300g–4 of this title the Administrator shall specify procedures by which the State determines which public water systems within its jurisdiction shall adopt filtration under the criteria of clause (i). The State may require the public water system to provide studies or other information to assist in this determination. The procedures shall provide notice and opportunity for public hearing on this determination. If the State determines that filtration is required, the State shall prescribe a schedule for compliance by the public water system with the filtration requirement. A schedule shall require compliance within 18 months of a determination made under clause (iii).

(iii) Within 18 months from the time that the Administrator establishes the criteria and procedures under this subparagraph, a State with primary enforcement responsibility shall adopt any necessary regulations to implement this subparagraph. Within 12 months of adoption of such regulations the State shall make determinations regarding filtration for all the public water systems within its jurisdiction supplied by surface waters.

(iv) If a State does not have primary enforcement responsibility for public water systems, the Administrator shall have the same authority to make the determination in clause (ii) in such State as the State would have under that clause. Any filtration requirement or schedule under this subparagraph shall be treated as if it were a requirement of a national primary drinking water regulation.

(v) As an additional alternative to the regulations promulgated pursuant to clauses (i) and (ii), including the criteria for avoiding filtration contained in 40 CFR 141.71, a State exercising primary enforcement responsibility for public water systems may, on a case-by-case basis, and after notice and opportunity for public comment, establish treatment requirements as an
alternative to filtration in the case of systems having uninhabited, undeveloped watersheds in consolidated ownership, and having control over access to, and activities in, those watersheds, if the State determines (and the Administrator concurs) that the quality of the source water and the alternative treatment requirements established by the State ensure greater removal or inactivation efficiencies of pathogenic organisms for which national primary drinking water regulations have been promulgated or that are of public health concern than would be achieved by the combination of filtration and chlorine disinfection (in compliance with this section).

(8) Disinfection.—At any time after the end of the 3-year period that begins on August 6, 1996, but not later than the date on which the Administrator promulgates a Stage II rulemaking for disinfectants and disinfection byproducts (as described in paragraph (2)(C)), the Administrator shall also promulgate national primary drinking water regulations requiring disinfection as a treatment technique for all public water systems, including surface water systems and, as necessary, ground water systems. After consultation with the States, the Administrator shall (as part of the regulations) promulgate criteria that the Administrator, or a State that has primary enforcement responsibility under section 300g–2 of this title, shall apply to determine whether disinfection shall be required as a treatment technique for any public water system served by ground water. The Administrator shall simultaneously promulgate a rule specifying criteria that will be used by the Administrator (or delegated State authorities) to grant variances from this requirement according to the provisions of sections 300g–4(a)(1)(B) and 300g–4(a)(3) of this title. In implementing section 300g–1(e) of this title the Administrator or the delegated State authority shall, where appropriate, give special consideration to providing technical assistance to small public water systems in complying with the regulations promulgated under this paragraph.

(9) Review and Revision.—The Administrator shall, not less often than every 6 years, review and revise, as appropriate, each national primary drinking water regulation promulgated under this subchapter. Any revision of a national primary drinking water regulation shall be promulgated in accordance with this section, except that each revision shall maintain, or provide for greater, protection of the health of persons.

(10) Effective Date.—A national primary drinking water regulation promulgated under this section (and any amendment thereto) shall take effect on the date that is 3 years after the date on which the regulation is promulgated unless the Administrator determines that an earlier date is practicable, except that the Administrator, or a State (in the case of an individual system), may allow up to 2 additional years to comply with a maximum contaminant level or treatment technique if the Administrator or State (in the case of an individual system) determines that additional time is necessary for capital improvements.

(11) No national primary drinking water regulation may require the addition of any substance for preventive health care purposes unrelated to contamination of drinking water.

(12) Certain Contaminants.—

(A) Arsenic.—

(i) Schedule and Standard.—Notwithstanding the deadlines set forth in paragraph (1), the Administrator shall promulgate a national primary drinking water regulation for arsenic pursuant to this subsection, in accordance with the schedule established by this paragraph.

(ii) Study Plan.—Not later than 180 days after August 6, 1996, the Administrator shall develop a comprehensive plan for study in support of drinking water rulemaking to reduce the uncertainty in assessing health risks associated with exposure to low levels of arsenic. In conducting such study, the Administrator shall consult with the National Academy of Sciences, other Federal agencies, and interested public and private entities.

(iii) Cooperative Agreements.—In carrying out the study plan, the Administrator may enter into cooperative agreements with other Federal agencies, State and local governments, and other interested public and private entities.

(iv) Proposed Regulations.—The Administrator shall propose a national primary drinking water regulation for arsenic not later than January 1, 2000.

(v) Final Regulations.—Not later than January 1, 2001, after notice and opportunity for public comment, the Administrator shall promulgate a national primary drinking water regulation for arsenic.

(vi) Authorization.—There are authorized to be appropriated $2,500,000 for each of fiscal years 1997 through 2000 for the studies required by this paragraph.

(B) Sulfate.—

(i) Additional Study.—Prior to promulgating a national primary drinking water regulation for sulfate, the Administrator and the Director of the Centers for Disease Control and Prevention shall jointly conduct an additional study to establish a reliable dose-response relationship for the adverse human health effects that may result from exposure to sulfate in drinking water, including the health effects that may be experienced by groups within the general population (including infants and travelers) that are potentially at greater risk of adverse health effects as the result of such exposure. The study shall be conducted in consultation with interested States, shall be based on the best available, peer-reviewed science and supporting studies conducted in accordance with sound and objective scientific practices, and shall be completed not later than 30 months after August 6, 1996.

(ii) Determination.—The Administrator shall include sulfate among the 5 or more contaminants for which a determination is made pursuant to paragraph (5)(D) not later than 5 years after August 6, 1996.

(iii) Proposed and Final Rule.—Notwithstanding the deadlines set forth in paragraph (2), the Administrator may, pursuant to the
§ 300g–1

36 months after August 6, 1996, the Administrator shall propose a maximum contaminant level goal and a national primary drinking water regulation for radon pursuant to this section.

(E) Final Regulation.—Not later than 12 months after the date of the proposal under subparagraph (D), the Administrator shall publish a maximum contaminant level goal and promulgate a national primary drinking water regulation for radon pursuant to this section based on the risk assessment prepared pursuant to subparagraph (B) and the health risk reduction and cost analysis published pursuant to subparagraph (C). In considering the risk assessment and the health risk reduction and cost analysis in connection with the promulgation of such a standard, the Administrator shall take into account the costs and benefits of control programs for radon from other sources.

(F) Alternative Maximum Contaminant Level.—If the maximum contaminant level for radon in drinking water promulgated pursuant to subparagraph (E) is more stringent than necessary to reduce the contribution to radon in indoor air from drinking water to a concentration that is equivalent to the national average concentration of radon in outdoor air, the Administrator shall, simultaneously with the promulgation of such level, promulgate an alternative maximum contaminant level for radon that would result in a contribution of radon from drinking water to radon levels in indoor air equivalent to the national average concentration of radon in outdoor air. If the Administrator promulgates an alternative maximum contaminant level under this subparagraph, the Administrator shall, after notice and opportunity for public comment and in consultation with the States, publish guidelines for State programs, including criteria for multimedia measures to mitigate radon levels in indoor air, to be used by the States in preparing programs under subparagraph (B). The guidelines shall take into account data from existing radon mitigation programs and the assessment of mitigation measures prepared under subparagraph (B).

(G) Multimedia Radon Mitigation Programs.—

(i) In General.—A State may develop and submit a multimedia program to mitigate radon levels in indoor air for approval by the Administrator under this subparagraph. If, after notice and the opportunity for public comment, such program is approved by the Administrator, public water systems in the State may comply with the alternative maximum contaminant level promulgated under subparagraph (F) in lieu of the maximum contaminant level in the national primary drinking water regulation promulgated under subparagraph (D), the Administrator shall take into account data from existing radon mitigation programs and the assessment of mitigation measures prepared under subparagraph (B).

(ii) Elements of Programs.—State programs may rely on a variety of mitigation measures including public education, testing, training, technical assistance, remediation grant and loan or incentive programs, or other regulatory or nonregulatory measures. The effectiveness of elements in State programs shall be evaluated by the Administrator based on the assessment prepared by the National Academy of Sciences under...
subparagraph (B) and the guidelines published by the Administrator under subparagraph (F).

(iii) APPROVAL.—The Administrator shall approve a State program submitted under this paragraph if the health risk reduction benefits expected to be achieved by the program are equal to or greater than the health risk reduction benefits that would be achieved if each public water system in the State complied with the maximum contaminant level promulgated under subparagraph (E). The Administrator shall approve or disapprove a program submitted under this paragraph within 180 days of receipt. A program that is not disapproved during such period shall be deemed approved. A program that is disapproved may be modified to address the objections of the Administrator and be resubmitted for approval.

(iv) REVIEW.—The Administrator shall periodically, but not less often than every 5 years, review each multimedia mitigation program approved under this subparagraph to determine whether it continues to meet the requirements of clause (iii) and shall, after written notice to the State and an opportunity for the State to correct any deficiency in the program, withdraw approval of programs that no longer comply with such requirements.

(v) EXTENSION.—If, within 90 days after the promulgation of an alternative maximum contaminant level under subparagraph (F), the Governor of a State submits a letter to the Administrator committing to develop a multimedia mitigation program under this subparagraph, the effective date of the national primary drinking water regulation for radon in the State that would be applicable under paragraph (10) shall be extended for a period of 18 months.

(vi) LOCAL PROGRAMS.—In the event that a State chooses not to submit a multimedia mitigation program for approval under this subparagraph or has submitted a program that has been disapproved, any public water system in the State may submit a program for approval by the Administrator according to the same criteria, conditions, and approval process that would apply to a State program. The Administrator shall approve a multimedia mitigation program if the health risk reduction benefits expected to be achieved by the program are equal to or greater than the health risk reduction benefits that would result from compliance by the public water system with the maximum contaminant level for radon promulgated under subparagraph (E).

(14) RECYCLING OF FILTER BACKWASH.—The Administrator shall promulgate a regulation to govern the recycling of filter backwash water within the treatment process of a public water system. The Administrator shall promulgate such regulation not later than 4 years after August 6, 1996, unless such recycling has been addressed by the Administrator’s Enhanced Surface Water Treatment Rule prior to such date.

(15) VARIANCE TECHNOLOGIES.—

(A) IN GENERAL.—At the same time as the Administrator promulgates a national primary drinking water regulation for a contaminant pursuant to this section, the Administrator shall issue guidance or regulations describing the best treatment technologies, treatment techniques, or other means (referred to in this paragraph as "variance technology") for the contaminant that the Administrator finds, after examination for efficacy under field conditions and not solely under laboratory conditions, are available and affordable, as determined by the Administrator in consultation with the States, for public water systems of varying size, considering the quality of the source water to be treated. The Administrator shall identify such variance technologies for public water systems serving—

(i) a population of 10,000 or fewer but more than 3,300;

(ii) a population of 3,300 or fewer but more than 500; and

(iii) a population of 500 or fewer but more than 25,

if, considering the quality of the source water to be treated, no treatment technology is listed for public water systems of that size under paragraph (4)(E). Variance technologies identified by the Administrator pursuant to this paragraph may not achieve compliance with the maximum contaminant level or treatment technique requirement of such regulation, but shall achieve the maximum reduction or inactivation efficiency that is affordable considering the size of the system and the quality of the source water. The guidance or regulations shall not require the use of a technology from a specific manufacturer or brand.

(B) LIMITATION.—The Administrator shall not identify any variance technology under this paragraph, unless the Administrator has determined, considering the quality of the source water to be treated and the expected useful life of the technology, that the variance technology is protective of public health.

(C) ADDITIONAL INFORMATION.—The Administrator shall include in the guidance or regulations identifying variance technologies under this paragraph any assumptions supporting the public health determination referred to in subparagraph (B), where such assumptions concern the public water system to which the technology may be applied, or its source waters. The Administrator shall provide any assumptions used in determining affordability, taking into consideration the number of persons served by such systems. The Administrator shall provide as much reliable information as practicable on performance, effectiveness, limitations, costs, and other relevant factors including the applicability of variance technology to waters from surface and underground sources.

(D) REGULATIONS AND GUIDANCE.—Not later than 2 years after August 6, 1996, and after consultation with the States, the Administrator shall issue guidance or regulations under subparagraph (A) for each national primary drinking water regulation promulgated prior to August 6, 1996, for which a variance may be granted under section 300g–4(e) of this title. The Administrator may, at any time
after a national primary drinking water regulation has been promulgated, issue guidance or regulations describing additional variance technologies. The Administrator shall, not less often than every 7 years, or upon receipt of a petition supported by substantial information, review variance technologies identified under this paragraph. The Administrator shall issue revised guidance or regulations if new or innovative variance technologies become available that meet the requirements of this paragraph and achieve an equal or greater reduction or inactivation efficiency than the variance technologies previously identified under this subparagraph. No public water system shall be required to replace a variance technology during the useful life of the technology for the sole reason that a more efficient variance technology has been listed under this subparagraph.

(c) Secondary regulations; publication of proposed regulations; promulgation; amendments

The Administrator shall publish proposed national secondary drinking water regulations within 270 days after December 16, 1974. Within 90 days after publication of any such regulation, he shall promulgate such regulation with such modifications as he deems appropriate. Regulations under this subsection may be amended from time to time.

(d) Regulations; public hearings; administrative consultations

Regulations under this section shall be prescribed in accordance with section 553 of title 5 (relating to rulemaking), except that the Administrator shall provide opportunity for public hearing prior to promulgation of such regulations. In proposing and promulgating regulations under this section, the Administrator shall consult with the Secretary and the National Drinking Water Advisory Council.

(e) Science Advisory Board comments

The Administrator shall request comments from the Science Advisory Board (established under the Environmental Research, Development, and Demonstration Act of 1978) prior to proposal of a maximum contaminant level and national primary drinking water regulation. The Board shall respond, as it deems appropriate, within the time period applicable for promulgation of the national primary drinking water standard concerned. This subsection shall, under no circumstances, be used to delay final promulgation of any national primary drinking water standard.


REFERENCES IN TEXT


AMENDMENTS

1996—Subsec. (a)(3). Pub. L. 104–182, § 102(a)(2), struck out “paragraph (1), (2), or (3) of” before “subsection (b)” in two places.

Subsec. (b), Pub. L. 104–182, § 102(a), inserted heading. Pub. L. 104–182, § 102(a), added pars. (1) and (2) and struck out former pars. (1) and (2) which related to publication of maximum contaminant level goals and promulgation of national primary drinking water regulations for certain listed contaminants or substituted contaminants.

Subsec. (b)(3), Pub. L. 104–182, § 103, added par. (3). Pub. L. 104–182, § 102(a), struck out par. (3) which related to publication of maximum contaminant level goals and promulgation of national primary drinking water regulations for contaminants, other than those referred to in pars. (1) or (2), which may have an adverse effect on human health and are known to occur in public water systems.

Subsec. (b)(4), Pub. L. 104–182, § 104(a)(1), designated first sentence as subpar. (A), inserted par. and subpar. (A) headings, designated second sentence as subpar. (B), inserted subpar. (B) heading, substituted “Except as provided in paragraphs (5) and (6), each national” for “Each national” and “specify a maximum contaminant level” for “specify a maximum level”, and added subpar. (C).

Subsec. (b)(4)(D), Pub. L. 104–182, § 104(a)(2), redesignated par. (5) as subpar. (D) of par. (4), inserted subpar. heading, and designated “this paragraph” for “paragraph (4)”.

Subsec. (b)(4)(E), Pub. L. 104–182, § 104(a)(4), (5), redesignated par. (6) as subpar. (E)(i) of par. (4) that was redesignated subpar. and cl. headings, substituted “this subsection” for “this paragraph”, and added cls. (i) to (v).

Subsec. (b)(5), (6), Pub. L. 104–182, § 104(a)(6), added pars. (3) and (6). Former pars. (5) and (6) redesignated subpars. (D) and (E)(i), respectively, of par. (4).


Subsec. (b)(8), Pub. L. 104–182, § 201(a)(2), substituted “section 300j–1(o)” for “section 300j–1(g)”.

Pub. L. 104–182, § 107, inserted heading, realigned margins, and substituted “At any time after the end of the 3-year period that begins on August 6, 1996, but not later than the date on which the Administrator promulgates a Stage II rulemaking for disinfectants and disinfectant byproducts (as described in paragraph (2)(C)), the Administrator shall also promulgate national primary drinking water regulations requiring disinfection as a treatment technique for all public water systems, including surface water systems and, as necessary, ground water systems. After consultation with the States, the Administrator shall (as part of the regulations) promulgate criteria that the Administrator, or a State that has primary enforcement responsibility under section 300g–2 of this title, shall apply to determine whether disinfection shall be required as a treatment technique for any public water system served by ground water.” for “Not later than 36
months after June 19, 1986, the Administrator shall propose and promulgate national primary drinking water regulations requiring disinfection as a treatment technique for all public water systems.

Subsec. (b)(9). Pub. L. 104–182, §104(c), amended par. (9) generally. Prior to amendment, par. (9) read as follows: "National primary drinking water regulations shall be amended whenever changes in technology, treatment techniques, and other means permit greater protection of the health of persons, but in any event such regulations shall be reviewed at least once every 3 years. Such review shall include an analysis of innovations or changes in technology, treatment techniques or other activities that have occurred over the previous 3-year period and that may provide for greater protection of the health of persons. The findings of such review shall be published in the Federal Register. If, after opportunity for public comment, the Administrator concludes that the technology, treatment techniques, or other activities, over and above such innovations or changes are not feasible within the meaning of paragraph (5), an explanation of such conclusion shall be published in the Federal Register.

Subsec. (b)(10). Pub. L. 104–182, §108, amended par. (10) generally. Prior to amendment, par. (10) read as follows: "National primary drinking water regulations promulgated under this subsection (and amendments thereto) shall take effect eighteen months after the date of their promulgation. Regulations under subsection (a) of this section shall be superseded by regulations under this subsection to the extent provided by the regulations under this subsection."


1986—Subsec. (a), Pub. L. 99–339, §101(a), amended subsec. (a) generally. Prior to amendment, subsec. (a) read as follows:

"(1) The Administrator shall publish proposed national interim primary drinking water regulations within 90 days after December 16, 1974. Within 180 days after December 16, 1974, he shall promulgate such regulations with such modifications as he deems appropriate. Regulations under this paragraph may be amended from time to time.

"(2) National interim primary drinking water regulations promulgated under paragraph (1) shall protect health to the extent feasible, using technology, treatment techniques, and other means, which the Administrator determines are generally available (taking costs into consideration) on December 16, 1974.

"(3) The interim primary regulations first promulgated under paragraph (1) shall take effect eighteen months after the date of their promulgation.

"(4) Interim primary drinking water regulations promulgated under paragraph (1) shall protect health to the extent feasible, using technology, treatment techniques, and other means, which the Administrator determines are generally available (taking costs into consideration) on June 22, 2001.

Subsec. (b)(1). Pub. L. 104–182, §108, substituted provisions establishing standard setting schedules and deadlines for provisions relating to establishment of maximum contaminant levels and a list of contaminants with adverse effect but of undetermined levels.

Subsec. (b)(2). Pub. L. 99–339, §101(b), substituted provisions authorizing the Administrator to substitute contaminants for those referred to in par. (1) and to supply a list of the contaminants proposed for substitution, with the decision of the Administrator to regulate such contaminant not subject to judicial review, for provisions which authorized the Administrator to publish in the Federal Register proposed revised national interim primary drinking water regulations and 180 days after the date of such proposed regulations to promulgate such revised regulations with modification as deemed appropriate.

Subsec. (b)(3). Pub. L. 99–339, §101(b), substituted provisions directing the Administrator to publish maximum contaminant level goals and promulgate national primary drinking water regulations for contaminants other than specified in par. (1) or (2), which may have an adverse effect on health and are known or antici-

pated to occur in public water systems, to establish an advisory working group to aid in establishing a list of such contaminants, and to publish, within a specified time, both proposed and final goals and regulations for provisions which required that revised national primary drinking water regulations specify a maximum contaminant level or require the use of treatment techniques, which level or technique was to be as close to the recommended level or technique as feasible, and defined the term "feasible".

Subsec. (b)(4) to (11). Pub. L. 99–339, §101(b), (c)(1), (d), added paras. (4) to (8), redesignated former paras. (4) to (6) as paras. (9) to (11), respectively, in par. (9) substituted "National" for "Revised National".

Subsec. (e). Pub. L. 99–339, §101(b), (d), (f), generally, substituting provisions which relate to the request by the Administrator of comments by the Science Advisory Board prior to proposal of a maximum contaminant level goal, promulgation of interim primary regulations for provisions which related to study by the National Academy of Sciences to determine the maximum contaminant levels, report to Congress, and funding therefor.


NATIONAL PRIMARY DRINKING WATER REGULATION FOR ARSENIC


APPLICATION OF PRIOR REQUIREMENTS

Pub. L. 104–182, title I, §102(b), Aug. 6, 1996, 110 Stat. 1629, provided that: "That the requirements of subparagraphs (C) and (D) of section 1412(b)(3) of the Safe Drinking Water Act [42 U.S.C. 300g–1(b)(12)(A)(v)] as in effect before the date of enactment of this Act [Aug. 6, 1996], and any obligation to promulgate regulations pursuant to such subparagraphs not promulgated as of the date of enactment of this Act, are superseded by the amendments made by subsection (a) [amending this section]."

DISINFECTANTS AND DISINFECTION BYPRODUCTS

Pub. L. 104–182, title I, §104(b), Aug. 6, 1996, 110 Stat. 1625, provided that: "That the Administrator of the Environmental Protection Agency may use the authority of section 1412(b)(5) of the Safe Drinking Water Act [42 U.S.C. 300g–1(b)(5)] (as amended by this Act) to promulgate the Stage I and Stage II Disinfectants and Disinfection Byproducts Rules as proposed in volume 59, Federal Register, page 38668 (July 29, 1994). The considerations used in the development of the July 29, 1994, proposed national primary drinking water regulation on disinfectants and disinfection byproducts shall be treated as consistent with such section 1412(b)(5) for purposes of such Stage I and Stage II rules."
§ 300g–2

(1) has adopted drinking water regulations that are no less stringent than the national primary drinking water regulations promulgated by the Administrator under subsections (a) and (b) of section 300g–1 of this title not later than 2 years after the date on which the regulations are promulgated by the Administrator, except that the Administrator may provide for an extension of not more than 2 years if, after submission and review of appropriate, adequate documentation from the State, the Administrator determines that the extension is necessary and justified;

(2) has adopted and is implementing adequate procedures for the enforcement of such State regulations, including conducting such monitoring and making such inspections as the Administrator may require by regulation;

(3) will keep such records and make such reports with respect to its activities under paragraphs (1) and (2) as the Administrator may require by regulation;

(4) if it permits variances or exemptions, or both, from the requirements of its drinking water regulations which meet the requirements of paragraph (1), permits such variances and exemptions under conditions and in a manner which is not less stringent than the conditions under, and the manner in which variances and exemptions may be granted under sections 300g–4 and 300g–5 of this title;

(5) has adopted and can implement an adequate plan for the provision of safe drinking water under emergency circumstances including earthquakes, floods, hurricanes, and other natural disasters, as appropriate;

(6) has adopted and is implementing procedures for requiring public water systems to assess options for consolidation or transfer of ownership or other actions in accordance with the regulations issued by the Administrator under section 300g–3(b)(6) of this title; and

(7) has adopted authority for administrative penalties (unless the constitution of the State prohibits the adoption of the authority) in a maximum amount—

(A) in the case of a system serving a population of more than 10,000, that is not less than $1,000 per day per violation; and

(B) in the case of any other system, that is not less than $1,000 per day per violation;

except that a State may establish a maximum limitation on the total amount of administrative penalties that may be imposed on a public water system per violation.

(b) Regulations

(1) The Administrator shall, by regulation (proposed within 180 days of December 16, 1974), prescribe the manner in which a State may apply to the Administrator for a determination that the requirements of subsection (a) are satisfied with respect to the State, the manner in which the determination is made, the period for which the determination will be effective, and the manner in which the Administrator may determine that such requirements are no longer met. Such regulations shall require that before a determination of the Administrator that such requirements are met or are no longer met with respect to a State may become effective, the Administrator shall notify such State of the determination and the reasons therefor and shall provide an opportunity for public hearing on the determination. Such regulations shall be promulgated (with such modifications as the Administrator deems appropriate) within 90 days of the publication of the proposed regulations in the Federal Register. The Administrator shall promptly notify in writing the chief executive officer of each State of the promulgation of regulations under this paragraph. Such notice shall contain a copy of the regulations and shall specify a State's authority under this subchapter when it is determined to have primary enforcement responsibility for public water systems.

(2) When an application is submitted in accordance with the Administrator's regulations under paragraph (1), the Administrator shall within 90 days of the date on which such application is submitted (A) make the determination applied for, or (B) deny the application and notify the applicant in writing of the reasons for his denial.

(c) Interim primary enforcement authority

A State that has primary enforcement authority under this section with respect to each existing national primary drinking water regulation shall be considered to have primary enforcement authority with respect to each new or revised national primary drinking water regulation during the period beginning on the effective date of a regulation adopted and submitted by the State with respect to the new or revised national primary drinking water regulation in accordance with subsection (b)(1) and ending at such time as the Administrator makes a determination under subsection (b)(2)(B) with respect to the regulation.


Amendments


Subsec. (b)(1). Pub. L. 115–270, §2010(b)(2), struck out "of paragraphs (1), (2), (3), and (4)" after "the requirements".

1996—Subsec. (a)(1). Pub. L. 104–182, §112(a)(1), amended par. (1) generally. Prior to amendment, par. (1) read as follows: "has adopted drinking water regulations which are no less stringent than the national primary drinking water regulations in effect under sections 300g–1(a) and 300g–1(b) of this title".

Subsec. (a)(5). Pub. L. 104–182, §112(b), inserted "including earthquakes, floods, hurricanes, and other natural disasters, as appropriate" after "emergency circumstances".


1986—Subsec. (a)(1). Pub. L. 99–339 substituted "are no less stringent than the national primary drinking water regulations in effect under sections 300g–1(a) and 300g–1(b) of this title" for subs. (A) and (B) which related to stringency of State drinking water regulations.
between period of promulgation and effective date of national interim drinking water regulations and during the period after such effective date.

§ 300g–3. Enforcement of drinking water regulations

(a) Notice to State and public water system; issuance of administrative order; civil action

(1)(A) Whenever the Administrator finds during a period during which a State has primary enforcement responsibility for public water systems (within the meaning of section 300g–2(a) of this title) that any public water system—

(i) for which a variance under section 300g–4 or an exemption under section 300g–5 of this title is not in effect, does not comply with any applicable requirement, or

(ii) for which a variance under section 300g–4 or an exemption under section 300g–5 of this title is in effect, does not comply with any schedule or other requirement imposed pursuant thereto,

he shall so notify the State and such public water system and provide such advice and technical assistance to such State and public water system as may be appropriate to bring the system into compliance with the requirement by the earliest feasible time.

(B) If, beyond the thirtieth day after the Administrator’s notification under subparagraph (A), the State has not commenced appropriate enforcement action, the Administrator shall issue an order under subsection (g) requiring the public water system to comply with such applicable requirement or the Administrator shall commence a civil action under subsection (b).

(2) Enforcement in nonprimacy states.—

(A) In general.—If, on the basis of information available to the Administrator, the Administrator finds, with respect to a period in which a State does not have primary enforcement responsibility for public water systems, that a public water system in the State—

(i) for which a variance under section 300g–4 of this title or an exemption under section 300g–5 of this title is not in effect, does not comply with any applicable requirement; or

(ii) for which a variance under section 300g–4 of this title or an exemption under section 300g–5 of this title is in effect, does not comply with any schedule or other requirement imposed pursuant to the variance or exemption;

the Administrator shall issue an order under subsection (g) requiring the public water system to comply with the requirement, or commence a civil action under subsection (b).

(B) Notice.—If the Administrator takes any action pursuant to this paragraph, the Administrator shall notify an appropriate local elected official, if any, with jurisdiction over the public water system of the action prior to the time that the action is taken.

(b) Judicial determinations in appropriate Federal district courts; civil penalties, separate violations

The Administrator may bring a civil action in the appropriate United States district court to require compliance with any applicable requirement, with an order issued under subsection (g), or with any schedule or other requirement imposed pursuant to a variance or exemption granted under section 300g–4 or 300g–5 of this title if—

(1) authorized under paragraph (1) or (2) of subsection (a), or

(2) if requested by (A) the chief executive officer of the State in which is located the public water system which is not in compliance with such regulation or requirement, or (B) the agency of such State which has jurisdiction over compliance by public water systems in the State with national primary drinking water regulations or State drinking water regulations.

The court may enter, in an action brought under this subsection, such judgment as protection of public health may require, taking into consideration the time necessary to comply and the availability of alternative water supplies; and, if the court determines that there has been a violation of the regulation or schedule or other requirement with respect to which the action was brought, the court may, taking into account the seriousness of the violation, the population at risk, and other appropriate factors, impose on the violator a civil penalty of not to exceed $25,000 for each day in which such violation occurs.

(c) Notice to States, the Administrator, and persons served

(1) In general

Each owner or operator of a public water system shall give notice of each of the following to the persons served by the system:

(A) Notice of any failure on the part of the public water system to—

(i) comply with an applicable maximum contaminant level or treatment technique requirement of, or a testing procedure prescribed by, a national primary drinking water regulation; or

(ii) perform monitoring required by section 300g–4(a) of this title.

(B) If the public water system is subject to a variance granted under subsection (a)(1)(A), (a)(2), or (e) of section 300g–4 of this title for an inability to meet a maximum contaminant level requirement or is subject to an exemption granted under section 300g–5 of this title, notice of—

(i) the existence of the variance or exemption; and

(ii) any failure to comply with the requirements of any schedule prescribed pursuant to the variance or exemption.

(C) Notice of the concentration level of any unregulated contaminant for which the Administrator has required public notice pursuant to paragraph (2)(F).

(D) Notice that the public water system exceeded the lead action level under section 141.50(c) of title 40, Code of Federal Regulations (or a prescribed level of lead that the Administrator establishes for public education or notification in a successor regulation promulgated pursuant to section 300g–1 of this title).
(2) Form, manner, and frequency of notice

(A) In general

The Administrator shall, by regulation, and after consultation with the States, prescribe the manner, frequency, form, and content for giving notice under this subsection. The regulations shall—

(i) provide for different frequencies of notice based on the differences between violations that are intermittent or infrequent and violations that are continuous or frequent; and

(ii) take into account the seriousness of any potential adverse health effects that may be involved.

(B) State requirements

(i) In general

A State may, by rule, establish alternative notification requirements—

(I) with respect to the form and content of notice given under and in a manner in accordance with subparagraph (C); and

(II) with respect to the form and content of notice given under subparagraph (E).

(ii) Contents

The alternative requirements shall provide the same type and amount of information as required pursuant to this subsection and regulations issued under subparagraph (A).

(iii) Relationship to section 300g–2

Nothing in this subparagraph shall be construed or applied to modify the requirements of section 300g–2 of this title.

(C) Notice of violations or exceedances with potential to have serious adverse effects on human health

Regulations issued under subparagraph (A) shall specify notification procedures for each violation, and each exceedance described in paragraph (1)(D), by a public water system that has the potential to have serious adverse effects on human health as a result of short-term exposure. Each notice of violation or exceedance provided under this subparagraph shall—

(i) be distributed as soon as practicable, but not later than 24 hours after the public water system learns of the violation or exceedance;

(ii) provide a clear and readily understandable explanation of—

(I) the violation or exceedance;

(II) the potential adverse effects on human health;

(III) the steps that the public water system is taking to correct the violation or exceedance; and

(IV) the necessity of seeking alternative water supplies until the violation or exceedance is corrected;

(iii) be provided to the Administrator and the head of the State agency that has primary enforcement responsibility under section 300g–2 of this title, as applicable, as soon as practicable, but not later than 24 hours after the public water system learns of the violation or exceedance; and

(iv) as required by the State agency in general regulations of the State agency, or on a case-by-case basis after the consultation referred to in clause (iii), considering the health risks involved—

(I) be provided to appropriate media, including broadcast media;

(II) be prominently published in a newspaper of general circulation serving the area not later than 1 day after distribution of a notice pursuant to clause (i) or the date of publication of the next issue of the newspaper; or

(III) be provided by posting or door-to-door notification.

(D) Notice by the Administrator

If the State with primary enforcement responsibility or the owner or operator of a public water system has not issued a notice under subparagraph (C) for an exceedance of the lead action level under section 141.80(c) of title 40, Code of Federal Regulations (or a prescribed level of lead that the Administrator establishes for public education or notification in a successor regulation promulgated pursuant to section 300g–1 of this title) that has the potential to have serious adverse effects on human health as a result of short-term exposure, not later than 24 hours after the Administrator is notified of the exceedance, the Administrator shall issue the required notice under that subparagraph.

(E) Written notice

(i) In general

Regulations issued under subparagraph (A) shall specify notification procedures for violations other than the violations covered by subparagraph (C). The procedures shall specify that a public water system shall provide written notice to each person served by the system by notice (I) in the first bill (if any) prepared after the date of occurrence of the violation, (II) in an annual report issued not later than 1 year after the date of occurrence of the violation, or (III) by mail or direct delivery as soon as practicable, but not later than 1 year after the date of occurrence of the violation.

(ii) Form and manner of notice

The Administrator shall prescribe the form and manner of the notice to provide a clear and readily understandable explanation of the violation, any potential adverse health effects, and the steps that the system is taking to seek alternative water supplies, if any, until the violation is corrected.

(F) Unregulated contaminants

The Administrator may require the owner or operator of a public water system to give notice to the persons served by the system of the concentration levels of an unregulated contaminant required to be monitored under section 300j–4(a) of this title.
(3) Reports
(A) Annual report by State
   (i) In general
       Not later than January 1, 1998, and annually thereafter, each State that has primary enforcement responsibility under section 300g-2 of this title shall prepare, make readily available to the public, and submit to the Administrator an annual report on violations of national primary drinking water regulations by public water systems in the State, including violations with respect to (I) maximum contaminant levels, (II) treatment requirements, (III) variances and exemptions, and (IV) monitoring requirements determined to be significant by the Administrator after consultation with the States.
   (ii) Distribution
       The State shall publish and distribute summaries of the report and indicate where the full report is available for review.
(B) Annual report by Administrator
   Not later than July 1, 1998, and annually thereafter, the Administrator shall prepare and make available to the public an annual report summarizing and evaluating reports submitted by States pursuant to subparagraph (A), notices submitted by public water systems serving Indian Tribes provided to the Administrator pursuant to subparagraph (C) or (E) of paragraph (2), and notices issued by the Administrator with respect to public water systems serving Indian Tribes under subparagraph (D) of that paragraph and making recommendations concerning the resources needed to improve compliance with this subchapter. The report shall include information about public water system compliance on Indian reservations and about enforcement activities undertaken and financial assistance provided by the Administrator on Indian reservations, and shall make specific recommendations concerning the resources needed to improve compliance with this subchapter on Indian reservations.
   (B) Contents of report
   (i) Information on the source of the water purveyed.
   (ii) A brief and plainly worded definition of the terms “action level”, “maximum contaminant level goal”, “maximum contaminant level”, “variances”, and “exemptions” as provided in the regulations of the Administrator.
   (iii) If any regulated contaminant is detected in the water purveyed by the public water system, a statement describing, as applicable—
       (I) the maximum contaminant level goal;
       (II) the maximum contaminant level;
       (III) the level of the contaminant in the water system;
       (IV) the action level for the contaminant; and
       (V) for any contaminant for which there has been a violation of the maximum contaminant level during the year concerned, a brief statement in plain language regarding the health concerns that resulted in regulation of the contaminant, as provided by the Administrator in regulations under subparagraph (A).
       (iv) Information on compliance with national primary drinking water regulations, as required by the Administrator, including corrosion control efforts, and notice if the system is operating under a variance or exemption and the basis on which the variance or exemption was granted.
       (v) Information on the levels of unregulated contaminants for which monitoring is required under section 300h–4(a)(2) of this title (including levels of cryptosporidium and radon where States determine they may be found).
       (vi) A statement that the presence of contaminants in drinking water does not necessarily indicate that the drinking water poses a health risk and that more information about contaminants and potential health effects can be obtained by calling the Environmental Protection Agency hotline.
       (vii) Identification of, if any—
           (I) exceedances described in paragraph (i)(D) for which corrective action has been required by the Administrator or the State (in the case of a State exercising primary enforcement responsibility for public water systems) during the
monitoring period covered by the consumer confidence report; and

(II) violations that occurred during the monitoring period covered by the consumer confidence report.

A public water system may include such additional information as it deems appropriate for public education. The Administrator may, for not more than 3 regulated contaminants other than those referred to in clause (iii)(V), require a consumer confidence report under this paragraph to include the brief statement in plain language regarding the health concerns that resulted in regulation of the contaminant or contaminants concerned, as provided by the Administrator in regulations under subparagraph (A).

(C) Coverage

The Governor of a State may determine not to apply the mailing requirement of subparagraph (A) to a community water system serving fewer than 10,000 persons. Any such system shall—

(i) inform, in the newspaper notice required by clause (iii) or by other means, its customers that the system will not be mailing the report as required by subparagraph (A);

(ii) make the consumer confidence report available upon request to the public; and

(iii) publish the report referred to in subparagraph (A) annually in one or more local newspapers serving the area in which customers of the system are located.

(D) Alternative to publication

For any community water system which, pursuant to subparagraph (C), is not required to meet the mailing requirement of subparagraph (A) and which serves 500 persons or fewer, the community water system may elect not to comply with clause (i) or (iii) of subparagraph (C). If the community water system so elects, the system shall, at a minimum—

(i) prepare an annual consumer confidence report pursuant to subparagraph (B); and

(ii) provide notice at least once per year to each of its customers by mail, by door-to-door delivery, by posting or by other means authorized by the regulations of the Administrator that the consumer confidence report is available upon request.

(E) Alternative form and content

A State exercising primary enforcement responsibility may establish, by rule, after notice and public comment, alternative requirements with respect to the form and content of consumer confidence reports under this paragraph.

(F) Revisions

(i) Understandability and frequency

Not later than 24 months after October 23, 2018, the Administrator, in consultation with the parties identified in subparagraph (A), shall issue revisions to the regulations issued under subparagraph (A)—

(I) to increase—

(aa) the readability, clarity, and understandability of the information presented in consumer confidence reports; and

(bb) the accuracy of information presented, and risk communication, in consumer confidence reports; and

(II) with respect to community water systems that serve 10,000 or more persons, to require each such community water system to provide, by mail, electronic means, or other methods described in clause (ii), a consumer confidence report to each customer of the system at least biannually.

(ii) Electronic delivery

Any revision of regulations pursuant to clause (i) shall allow delivery of consumer confidence reports by methods consistent with methods described in the memorandum “Safe Drinking Water Act—Consumer Confidence Report Rule Delivery Options” issued by the Environmental Protection Agency on January 3, 2013.

(5) Exceedance of lead level at households

(A) Strategic plan

Not later than 180 days after December 16, 2016, the Administrator shall, in collaboration with owners and operators of public water systems and States, establish a strategic plan for how the Administrator, a State with primary enforcement responsibility, and owners and operators of public water systems shall provide targeted outreach, education, technical assistance, and risk communication to populations affected by the concentration of lead in a public water system, including dissemination of information described in subparagraph (C).

(B) EPA initiation of notice

(i) Forwarding of data by employee of the Agency

If the Agency develops, or receives from a source other than a State or a public water system, data that meets the requirements of section 300g–1(b)(3)(A)(ii) of this title that indicates that the drinking water of a household served by a public water system contains a level of lead that exceeds the lead action level under section 141.80(c) of title 40, Code of Federal Regulations (or a prescribed level of lead that the Administrator establishes for public education or notification in a successor regulation promulgated pursuant to section 300g–1 of this title) (referred to in this paragraph as an “affected household”), the Administrator shall require an appropriate employee of the Agency to forward the data, and information on the sampling techniques used to obtain the data, to the owner or operator of the public water system and the State in which the affected household is located within a time period determined by the Administrator.

(ii) Dissemination of information by owner or operator

The owner or operator of a public water system shall disseminate to affected
housesholds the information described in subparagraph (C) within a time period established by the Administrator, if the owner or operator—
(I) receives data and information under clause (I); and
(II) has not, since the date of the test that developed the data, notified the affected households—
(aa) with respect to the concentration of lead in the drinking water of the affected households; and
(bb) that the concentration of lead in the drinking water of the affected households exceeds the lead action level under section 141.80(c) of title 40, Code of Federal Regulations (or a prescribed level of lead that the Administrator establishes for public education or notification in a successor regulation promulgated pursuant to section 300g–1 of this title).

(iii) Consultation
(I) Deadline
If the owner or operator of the public water system does not disseminate to the affected households the information described in subparagraph (C) as required under clause (ii) within the time period established by the Administrator, not later than 24 hours after the Administrator becomes aware of the failure by the owner or operator of the public water system to disseminate the information, the Administrator shall consult, within a period not to exceed 24 hours, with the applicable Governor to develop a plan, in accordance with the strategic plan, to disseminate the information to the affected households not later than 24 hours after the end of the consultation period.

(II) Delegation
The Administrator may only delegate the duty to consult under subclause (I) to an employee of the Agency who, as of the date of the delegation, works in the Office of Water at the headquarters of the Agency.

(iv) Dissemination by Administrator
The Administrator shall, as soon as practicable, disseminate to affected households the information described in subparagraph (C) if—
(I) the owner or operator of the public water system does not disseminate the information to the affected households within the time period determined by the Administrator, as required by clause (I); and
(II)(aa) the Administrator and the applicable Governor do not agree on a plan described in clause (iii)(I) during the consultation period under that clause; or
(bb) the applicable Governor does not disseminate the information within 24 hours after the end of the consultation period.

(C) Information required
The information described in this subparagraph includes—

(1) a clear explanation of the potential adverse effects on human health of drinking water that contains a concentration of lead that exceeds the lead action level under section 141.80(c) of title 40, Code of Federal Regulations (or a prescribed level of lead that the Administrator establishes for public education or notification in a successor regulation promulgated pursuant to section 300g–1 of this title);
(ii) the steps that the owner or operator of the public water system is taking to mitigate the concentration of lead; and
(iii) the necessity of seeking alternative water supplies until the date on which the concentration of lead is mitigated.

(6) Privacy
Any notice to the public or an affected household under this subsection shall protect the privacy of individual customer information.

(d) Notice of noncompliance with secondary drinking water regulations
Whenever, on the basis of information available to him, the Administrator finds that within a reasonable time after national secondary drinking water regulations have been promulgated, one or more public water systems in a State do not comply with such secondary regulations, and that such noncompliance appears to result from a failure of such State to take reasonable action to assure that public water systems throughout such State meet such secondary regulations, he shall so notify the State.

(e) State authority to adopt or enforce laws or regulations respecting drinking water regulations or public water systems unaffected
Nothing in this subchapter shall diminish any authority of a State or political subdivision to adopt or enforce any law or regulation respecting drinking water regulations or public water systems, but no such law or regulation shall relieve any person of any requirement otherwise applicable under this subchapter.

(f) Notice and public hearing; availability of recommendations transmitted to State and public water system
If the Administrator makes a finding of noncompliance (described in subparagraph (A) or (B) of subsection (a)(1)) with respect to a public water system in a State which has primary enforcement responsibility, the Administrator may, for the purpose of assisting that State in carrying out such responsibility and upon the petition of such State or public water system or persons served by such system, hold, after appropriate notice, public hearings for the purpose of gathering information from technical or other experts, Federal, State, or other public officials, representatives of such public water system, persons served by such system, and other interested persons on—

(1) the ways in which such system can within the earliest feasible time be brought into compliance with the regulation or requirement with respect to which such finding was made, and
(2) the means for the maximum feasible protection of the public health during any period
in which such system is not in compliance with a national primary drinking water regulation or requirement applicable to a variance or exemption.

On the basis of such hearings the Administrator shall issue recommendations which shall be sent to such State and public water system and shall be made available to the public and communications media.

(g) Administrative order requiring compliance; notice and hearing; civil penalty; civil actions

(1) In any case in which the Administrator is authorized to bring a civil action under this section or under section 300g–4 of this title with respect to any applicable requirement, the Administrator also may issue an order to require compliance with such applicable requirement.

(2) An order issued under this subsection shall not take effect, in the case of a State having primary enforcement responsibility for public water systems in that State, until after the Administrator has provided the State with an opportunity to confer with the Administrator regarding the order. A copy of any order issued under this subsection shall be sent to the appropriate State agency of the State involved if the State has primary enforcement responsibility for public water systems in that State. Any order issued under this subsection shall state with reasonable specificity the nature of the violation. In any case in which an order under this subsection is issued to a corporation, a copy of such order shall be issued to appropriate corporate officers.

(3)(A) Any person who violates, or fails or refuses to comply with, an order under this subsection shall be liable to the United States for a civil penalty of not more than $25,000 per day of violation.

(B) In a case in which a civil penalty sought by the Administrator under this paragraph does not exceed $5,000, the penalty shall be assessed by the Administrator after notice and opportunity for a public hearing (unless the person against whom the penalty is assessed requests a hearing on the record in accordance with section 554 of title 5). In a case in which a civil penalty sought by the Administrator under this paragraph exceeds $5,000, but does not exceed $25,000, the penalty shall be assessed by the Administrator after notice and opportunity for a hearing on the record in accordance with section 554 of title 5.

(C) Whenever any civil penalty sought by the Administrator under this subsection for a violation of an applicable requirement exceeds $25,000, the penalty shall be assessed by a civil action brought by the Administrator in the appropriate United States district court (as determined under the provisions of title 28).

(D) If any person fails to pay an assessment of a civil penalty after it has become a final and unappealable order, or after the appropriate court of appeals has entered final judgment in favor of the Administrator, the Attorney General shall recover the amount for which such person is liable in any appropriate district court of the United States. In any such action, the validity and appropriateness of the final order imposing the civil penalty shall not be subject to review.

(h) Consolidation incentive

(1) In general

An owner or operator of a public water system may submit to the State in which the system is located (if the State has primary enforcement responsibility under section 300g–2 of this title) or to the Administrator (if the State does not have primary enforcement responsibility) a plan (including specific measures and schedules) for—

(A) the physical consolidation of the system with 1 or more other systems;

(B) the consolidation of significant management and administrative functions of the system with 1 or more other systems;

(C) the transfer of ownership of the system that may reasonably be expected to improve drinking water quality; or

(D) entering into a contractual agreement for significant management or administrative functions of the system to correct violations identified in the plan.

(2) Consequences of approval

If the State or the Administrator approves a plan pursuant to paragraph (1), no enforcement action shall be taken pursuant to this part with respect to a specific violation identified in the approved plan prior to the date that is the earlier of the date on which consolidation is completed according to the plan or the date that is 2 years after the plan is approved.

(3) Authority for mandatory assessment

(A) Authority

A State with primary enforcement responsibility or the Administrator (if the State does not have primary enforcement responsibility) may require the owner or operator of a public water system to assess options for consolidation, or transfer of ownership of the system, as described in paragraph (1), or other actions expected to achieve compliance with national primary drinking water regulations described in clause (i)(I), if—

(i) the public water system—

(I) has repeatedly violated one or more national primary drinking water regulations and such repeated violations are likely to adversely affect human health; and

(ii) is unable or unwilling to take feasible and affordable actions, as determined by the State with primary enforcement responsibility or the Administrator (if the State does not have primary enforcement responsibility), that will result in the public water system complying with the national primary drinking water regulations described in subclause (I), including accessing technical assistance and financial assistance through the State loan fund pursuant to section 300j–12 of this title; or

(ii) has already undertaken actions described in item (aa) without achieving compliance;

(iii) such consolidation, transfer, or other action is feasible; and

(iv) such consolidation, transfer, or other action could result in greater com-
section referred to in paragraph (1); and
(4) a requirement of, or permit issued under, an applicable State program for which the Administrator has made a determination that the requirements of section 300g–2 of this title have been satisfied, or an applicable State program approved pursuant to this part.

(j) Improved accuracy and availability of compliance monitoring data

(1) Strategic plan
Not later than 1 year after October 23, 2018, the Administrator, in coordination with States (including States without primary enforcement responsibility under section 300g–2 of this title), public water systems, and other interested stakeholders, shall develop and provide to Congress a strategic plan for improving the accuracy and availability of monitoring data collected to demonstrate compliance with national primary drinking water regulations and submitted—
(A) by public water systems to States; or
(B) by States to the Administrator.

(2) Evaluation
In developing the strategic plan under paragraph (1), the Administrator shall evaluate any challenges faced—
(A) in ensuring the accuracy and integrity of submitted data described in paragraph (1); and
(B) by States and public water systems in implementing an electronic system for submitting such data, including the technical and economic feasibility of implementing such a system; and
(C) by users of such electronic systems in being able to access such data.

(3) Findings and recommendations
The Administrator shall include in the strategic plan provided to Congress under paragraph (1)—
(A) a summary of the findings of the evaluation under paragraph (2); and
(B) recommendations on practicable, cost-effective methods and means that can be employed to improve the accuracy and availability of submitted data described in paragraph (1).

(4) Consultation
In developing the strategic plan under paragraph (1), the Administrator may, as appro-
priate, consult with States or other Federal agencies that have experience using practicable methods and means to improve the accuracy and availability of submitted data described in such paragraph.

(7) Any public water system that a State does not have primary enforcement responsibility for public water systems that a public

Subsec. (c)(2)(D) to (F). Pub. L. 114–322, §2106a(a)(3)(C), (D), added subpar. (D) and redesignated former subpar.

Subsec. (c)(3)(B). Pub. L. 114–322, §2106a(a)(4), substituted “paragraph (A),” for “paragraph (A) and “paragraph (C) or (D) of paragraph (2)”.


Subsec. (c)(4)(B)(ii). Pub. L. 114–322, §2106a(a)(5)(B), added cl. (iii) and struck out former cl. (iii) which read as follows: “If any regulated contaminant is detected in the water purveyed by the public water system, a statement setting forth (I) the maximum contaminant level, (II) the maximum contaminant level, (III) the level of such contaminant in such water system, and (IV) for any regulated contaminant for which there has been a violation of the maximum contaminant level during the year concerned, the brief statement in plain language regarding the health concerns that resulted in such violation, as provided by the Administrator in regulations under subparagraph (A)”.

Subsec. (c)(5). Pub. L. 114–322, §2106a(a)(6), added pars. (5) and (6).


Subsec. (a)(1)(A)(i). Pub. L. 104–182, §113(a)(1)(A)(i), substituted “any applicable requirement” for “any national primary drinking water regulation in effect under section 300g–1 of this title”.

Subsec. (a)(1)(B). Pub. L. 104–182, §113(a)(1)(A)(ii), substituted “such applicable requirement” for “such regulation or requirement”.

Subsec. (a)(2). Pub. L. 104–182, §113(a)(1)(B), added par. (2) and struck out former par. (2) which read as follows: “Whenever, on the basis of information available to him, the Administrator finds during a period during which a State does not have primary enforcement responsibility for public water systems that a public water system in such State—

(A) for which a variance under section 300g–4(a)(2) or an exemption under section 300g–5(f) of this title is not in effect, does not comply with any national primary drinking water regulation in effect under section 300g–1 of this title, or

(B) for which a variance under section 300g–4(a)(2) or an exemption under section 300g–5(f) of this title is in effect, does not comply with any applicable requirement imposed pursuant thereto, the Administrator shall issue an order under subsection (g) of this section requiring the public water system to comply with such regulation or requirement or the Administrator shall commence a civil action under section (b) of this section.”


Subsec. (c). Pub. L. 104–182, §114(a), amended subsec. (c) generally. Prior to amendment, subsec. (c) related to notice of owner or operator of public water system to persons served, regulations for form, manner, and frequency of notice, amendment of regulations to provide different types and frequencies of notice, and penalties.

Subsec. (g)(1). Pub. L. 104–182, §113(a)(3)(A), substituted “applicable requirement” for “regulation, schedule, or other requirement” in two places.

Subsec. (g)(2). Pub. L. 104–182, §113(a)(3)(B), substituted “effect, in the case” for “effect until after notice and opportunity for public hearing and, in the
§ 300g-4. Variances

(a) Characteristics of raw water sources; specific treatment technique; notice to Administrator, reasons for variance; compliance, enforcement; approval or revision of schedules and revocation of variances; review of variances and schedules; publication in Federal Register, notice and results of review; notice to State; considerations respecting abuse of discretion in granting variances or failing to prescribe schedules; State corrective action; authority of Administrator in a State without primary enforcement responsibility; alternative treatment techniques

Notwithstanding any other provision of this part, variances from national primary drinking water regulations may be granted as follows:

(1)(A) A State which has primary enforcement responsibility for public water systems may grant one or more variances from an applicable national primary drinking water regulation to one or more public water systems within its jurisdiction which, because of characteristics of the raw water sources which are reasonably available to the systems, cannot meet the requirements respecting the maximum contaminant levels of such drinking water regulation. A variance may be issued to a system on condition that the system install the best technology, treatment techniques, or other means, which the Administrator finds are available (taking costs into consideration), and based upon an evaluation satisfactory to the State that indicates that alternative sources of water are not reasonably available to the system. The Administrator shall propose and promulgate his finding of the best available technology, treatment techniques or other means available for each contaminant for purposes of this subsection at the time he proposes and promulgates a maximum contaminant level for each such contaminant. The Administrator’s findings of best available technology, treatment techniques or other means for purposes of this subsection may vary depending on the number of persons served by the system or for other physical conditions related to engineering feasibility and costs of compliance with maximum contaminant levels as considered appropriate by the Administrator. Before a State may grant a variance under this paragraph, the State must find that the variance will not result in an unreasonable risk to health. If a State grants a public water system a variance under this paragraph, the State shall prescribe at the time it grants the variance a schedule for compliance with such requirement during the period ending on the date compliance with such requirement is required.

§ 300g-4.1. Variances

(i) compliance (including increments of progress) by the public water system with each contaminant level requirement with respect to which the variance was granted, and

(ii) implementation by the public water system of such additional control measures as the State may require for each contaminant, subject to such contaminant level requirement, during the period ending on the date compliance with such requirement is required.

1 So in original.
§ 300g–4

Before a schedule prescribed by a State pursuant to this subparagraph may take effect, the State shall provide notice and opportunity for a public hearing on the schedule. A notice given pursuant to the preceding sentence may cover the prescribing of more than one such schedule and a hearing held pursuant to such notice shall include each of the schedules covered by the notice. A schedule prescribed pursuant to this subparagraph for a public water system granted a variance shall require compliance by the system with each contaminant level requirement with respect to which the variance was granted as expeditiously as practicable (as the State may reasonably determine).

(B) A State which has primary enforcement responsibility for public water systems may grant to one or more public water systems within its jurisdiction one or more variances from any provision of a national primary drinking water regulation which requires the use of a specified treatment technique with respect to a contaminant if the public water system applying for the variance demonstrates to the satisfaction of the State that such treatment technique is not necessary to protect the health of persons because of the nature of the raw water source of such system. A variance granted under this subparagraph shall be conditioned on such monitoring and other requirements as the Administrator may prescribe.

(C) Before a variance proposed to be granted by a State under subparagraph (A) or (B) may take effect, such State shall provide notice and opportunity for public hearing on the proposed variance. A notice given pursuant to the preceding sentence may cover the granting of more than one variance and a hearing held pursuant to such notice shall include each of the variances covered by the notice. The State shall promptly notify the Administrator of all variances granted by it. Such notification shall contain the reason for the variance (and in the case of a variance under subparagraph (A), the basis for the finding required by that subparagraph before the granting of the variance and documentation of the need for the variance).

(D) Each public water system’s variance granted by a State under subparagraph (A) shall be conditioned by the State upon compliance by the public water system with the schedule prescribed by the State pursuant to that subparagraph. The requirements of each schedule prescribed by a State pursuant to that subparagraph shall be enforceable by the State under its laws. Any requirement of a schedule on which a variance granted under that subparagraph is conditioned may be enforced under section 300g–3 of this title as if such requirement was part of a national primary drinking water regulation.

(E) Each schedule prescribed by a State pursuant to subparagraph (A) shall be deemed approved by the Administrator unless the variance for which it was prescribed is revoked by the Administrator under subparagraph (G) or the schedule is revised by the Administrator under such subparagraph.

(F) Not later than 18 months after the effective date of the interim national primary drinking water regulations the Administrator shall complete a comprehensive review of the variances granted under subparagraph (A) and schedules prescribed pursuant thereto and under subparagraph (B) by the States during the one-year period beginning on such effective date. The Administrator shall conduct such subsequent reviews of variances and schedules as he deems necessary to carry out the purposes of this subchapter, but each subsequent review shall be completed within each 3-year period following the completion of the first review under this subparagraph. Before conducting any review under this subparagraph, the Administrator shall publish notice of the proposed review in the Federal Register. Such notice shall (i) provide information respecting the location of data and other information respecting the variances to be reviewed (including data and other information concerning new scientific matters bearing on such variances), and (ii) advise of the opportunity to submit comments on the variances reviewed and on the need for continuing them. Upon completion of any such review, the Administrator shall publish in the Federal Register the results of his review together with findings responsive to comments submitted in connection with such review.

(G)(i) If the Administrator finds that a State has, in a substantial number of instances, abused its discretion in granting variances under subparagraph (A) or (B) or that in a substantial number of cases the State has failed to prescribe schedules in accordance with subparagraph (A), the Administrator shall notify the State of his findings. In determining if a State has abused its discretion in granting variances in a substantial number of instances, the Administrator shall consider the number of persons who are affected by the variances and if the requirements applicable to the granting of the variances were complied with. A notice under this clause shall—

(I) identify each public water system with respect to which the finding was made,

(II) specify the reasons for the finding, and

(iii) as appropriate, propose revocations of specific variances or propose revised schedules or other requirements for specific public water systems granted variances, or both.

(ii) The Administrator shall provide reasonable notice and public hearing on the provisions of each notice given pursuant to clause (i) of this subparagraph. After a hearing on a notice pursuant to such clause, the Administrator shall (I) rescind the finding for which the notice was given and promptly notify the State of such rescission, or (II) promulgate (with such modifications as he deems appropriate) such variance revocations and revised schedules or other requirements proposed in such notice as he deems appropriate. Not later than 180 days after the date a notice is given pursuant to clause (i) of this subparagraph, the Administrator shall complete the hearing on the notice and take the action required by the preceding sentence.

(iii) If a State is notified under clause (i) of this subparagraph of a finding of the Adminis-
trator made with respect to a variance granted to a public water system within that State or to a schedule or other requirement for a variance and if, before a revocation of such variance or a revision of such schedule or other requirement promulgated by the Administrator takes effect, the State takes corrective action with respect to such variance or schedule or other requirement which the Administrator determines makes his finding inapplicable to such variance or schedule or other requirement, the Administrator shall rescind the application of his finding to that variance or schedule or other requirement. No variance revocation or revised schedule or other requirement may take effect before the expiration of 90 days following the date of the notice in which the revocation or revised schedule or other requirement was proposed.

(2) If a State does not have primary enforcement responsibility for public water systems, the Administrator shall have the same authority to grant variances in such State as the State would have under paragraph (1) if it had primary enforcement responsibility.

(3) The Administrator may grant a variance from any treatment technique requirement of a national primary drinking water regulation upon a showing by any person that an alternative treatment technique not included in such requirement is at least as efficient in lowering the level of the contaminant with respect to which such requirement was prescribed. A variance under this paragraph shall be conditioned on the use of the alternative treatment technique which is the basis of the variance.

(b) Enforcement of schedule or other requirement

Any schedule or other requirement on which a variance granted under paragraph (1)(B) or (2) of subsection (a) is conditioned may be enforced under section 300g–3 of this title as if such schedule or other requirement was part of a national primary drinking water regulation.

(c) Applications for variances; regulations: reasonable time for acting

If an application for a variance under subsection (a) is made, the State receiving the application or the Administrator, as the case may be, shall act upon such application within a reasonable period (as determined under regulations prescribed by the Administrator) after the date of its submission.

(d) “Treatment technique requirement” defined

For purposes of this section, the term “treatment technique requirement” means a requirement in a national primary drinking water regulation which specifies for a contaminant (in accordance with section 300g–1(c)(ii) of this title) each treatment technique known to the Administrator which leads to a reduction in the level of such contaminant sufficient to satisfy the requirements of section 300g–1(b) of this title.

(e) Small system variances

(1) In general

A State exercising primary enforcement responsibility for public water systems under section 300g–2 of this title (or the Administrator in nonprimacy States) may grant a variance under this subsection for compliance with a requirement specifying a maximum contaminant level or treatment technique contained in a national primary drinking water regulation to—

(A) public water systems serving 3,300 or fewer persons; and

(B) with the approval of the Administrator pursuant to paragraph (9), public water systems serving more than 3,300 persons but fewer than 10,000 persons,

if the variance meets each requirement of this subsection.

(2) Availability of variances

A public water system may receive a variance pursuant to paragraph (1) if—

(A) the Administrator has identified a variance technology under section 300g–1(b)(15) of this title that is applicable to the size and source water quality conditions of the public water system;

(B) the public water system installs, operates, and maintains, in accordance with guidance or regulations issued by the Administrator, such treatment technology, treatment technique, or other means; and

(C) the State in which the system is located determines that the conditions of paragraph (3) are met.

(3) Conditions for granting variances

A variance under this subsection shall be available only to a system—

(A) that cannot afford to comply, in accordance with affordability criteria established by the Administrator (or the State in the case of a State that has primary enforcement responsibility under section 300g–2 of this title), with a national primary drinking water regulation, including compliance through—

(i) treatment;

(ii) alternative source of water supply; or

(iii) restructuring or consolidation (unless the Administrator (or the State in the case of a State that has primary enforcement responsibility under section 300g–2 of this title) makes a written determination that restructuring or consolidation is not practicable); and

(B) for which the Administrator (or the State in the case of a State that has primary enforcement responsibility under section 300g–2 of this title) determines that the terms of the variance ensure adequate protection of human health, considering the quality of the source water for the system and the removal efficiencies and expected useful life of the treatment technology required by the variance.

(4) Compliance schedules

A variance granted under this subsection shall require compliance with the conditions of the variance not later than 3 years after the date on which the variance is granted, except that the Administrator (or the State in the case of a State that has primary enforcement
responsibility under section 300g–2 of this title) may allow up to 2 additional years to comply with a variance technology, secure an alternative source of water, restructure or consolidate if the Administrator (or the State) determines that additional time is necessary for capital improvements, or to allow for financial assistance provided pursuant to section 300j–12 of this title or any other Federal or State program.

(5) Duration of variances

The Administrator (or the State in the case of a State that has primary enforcement responsibility under section 300g–2 of this title) shall review each variance granted under this subsection not less often than every 5 years after the compliance date established in the variance to determine whether the system remains eligible for the variance and is conforming to each condition of the variance.

(6) Ineligibility for variances

A variance shall not be available under this subsection for—
(A) any maximum contaminant level or treatment technique for a contaminant with respect to which a national primary drinking water regulation was promulgated prior to January 1, 1986; or
(B) a national primary drinking water regulation for a microbial contaminant (including a bacterium, virus, or other organism) or an indicator or treatment technique for a microbial contaminant.

(7) Regulations and guidance

(A) In general

Not later than 2 years after August 6, 1996, and in consultation with the States, the Administrator shall promulgate regulations for variances to be granted under this subsection. The regulations shall, at a minimum, specify:
(i) procedures to be used by the Administrator or a State to grant or deny variances, including requirements for notifying the Administrator and consumers of the public water system that a variance is proposed to be granted (including information regarding the contaminant and variance) and requirements for a public hearing on the variance before the variance is granted;
(ii) requirements for the installation and proper operation of variance technology that is identified (pursuant to section 300g–1(b)(15) of this title) for small systems and the financial and technical capability to operate the treatment system, including operator training and certification;
(iii) eligibility criteria for a variance for each national primary drinking water regulation, including requirements for the quality of the source water (pursuant to section 300g–1(b)(15)(A) of this title); and
(iv) information requirements for variance applications.

(B) Affordability criteria

Not later than 18 months after August 6, 1996, the Administrator, in consultation with the States and the Rural Utilities Service of the Department of Agriculture, shall publish information to assist the States in developing affordability criteria. The affordability criteria shall be reviewed by the States not less often than every 5 years to determine if changes are needed to the criteria.

(8) Review by the Administrator

(A) In general

The Administrator shall periodically review the program of each State that has primary enforcement responsibility for public water systems under section 300g–2 of this title with respect to variances to determine whether the variances granted by the State comply with the requirements of this subsection. With respect to affordability, the determination of the Administrator shall be limited to whether the variances granted by the State comply with the affordability criteria developed by the State.

(B) Notice and publication

If the Administrator determines that variances granted by a State are not in compliance with affordability criteria developed by the State and the requirements of this subsection, the Administrator shall notify the State in writing of the deficiencies and make public the determination.

(9) Approval of variances

A State proposing to grant a variance under this subsection to a public water system serving more than 3,000 and fewer than 10,000 persons shall submit the variance to the Administrator for review and approval prior to the issuance of the variance. The Administrator shall approve the variance if it meets each of the requirements of this subsection. The Administrator shall approve or disapprove the variance within 90 days. If the Administrator disapproves a variance under this paragraph, the Administrator shall notify the State in writing of the reasons for disapproval and the variance may be resubmitted with modifications to address the objections stated by the Administrator.

(10) Objections to variances

(A) By the Administrator

The Administrator may review and object to any variance proposed to be granted by a State, if the objection is communicated to the State not later than 90 days after the State proposes to grant the variance. If the Administrator objects to the granting of a variance, the Administrator shall notify the State in writing of each basis for the objection and propose a modification to the variance to resolve the concerns of the Administrator. The State shall make the recommended modification or respond in writing to each objection. If the State issues the variance without resolving the concerns of the Administrator, the Administrator may overturn the State decision to grant the variance if the Administrator determines that the State decision does not comply with this subsection.
(B) Petition by consumers

Not later than 30 days after a State exercising primary enforcement responsibility for public water systems under section 300g-2 of this title proposes to grant a variance for a public water system, any person served by the system may petition the Administrator to object to the granting of a variance. The Administrator shall respond to the petition and determine whether to object to the variance under subparagraph (A) not later than 60 days after the receipt of the petition.

(C) Timing

No variance shall be granted by a State until the later of the following:

(i) 90 days after the State proposes to grant a variance.

(ii) If the Administrator objects to the variance, the date on which the State makes the recommended modifications or responds in writing to each objection.


AMENDMENTS


Pub. L. 104-182, §115, in second sentence, substituted “be issued to a system on condition that the system install” for “only be issued to a system after the system’s application of” and inserted “; and based upon an evaluation satisfactory to the State that indicates that alternative sources of water are not reasonably available to the system after “(taking costs into consideration)”. 

Subsec. (d). Pub. L. 104-182, §102(c)(1), substituted “(section 300g-1(b))” for “section 300g-1(b)(3)”. 


1986—Subsec. (a)(1)(A). Pub. L. 99-339, §104(1)-(3), substituted “such drinking water regulation. A variance may only be issued to a system after the system’s application for “such drinking water regulation despite application”, struck out “generally” after “finds are”, inserted provisions relating to proposal and promulgation by Administrator on best available technology, treatment techniques or other means available for each contaminant at time of proposal and promulgation of maximum contaminant levels, and substituted “at the time” for “within one year of the date”. 

Subsec. (a)(1)(A)(ii). Pub. L. 99-339, §194(4), substituted “water system of such additional control” for “water system of such control”.

§ 300g-5. Exemptions

(a) Requisite findings

A State which has primary enforcement responsibility may exempt any public water system within the State’s jurisdiction from any requirement respecting a maximum contaminant level or any treatment technique requirement, or from both, of an applicable national primary drinking water regulation upon a finding that—

(1) due to compelling factors (which may include economic factors, including qualification of the public water system as a system serving a disadvantaged community pursuant to section 300j-12(d) of this title), the public water system is unable to comply with such contaminant level or treatment technique requirement, or to implement measures to develop an alternative source of water supply; (2) the public water system was in operation on the effective date of such contaminant level or treatment technique requirement, or, for a system that was not in operation by that date, only if no reasonable alternative source of drinking water is available to such new system,

(3) the granting of the exemption will not result in an unreasonable risk to health; and

(4) management or restructuring changes (or both) cannot reasonably be made that will result in compliance with this subchapter or, if compliance cannot be achieved, improve the quality of the drinking water.

(b) Compliance schedule and implementation of control measures; notice and hearing; dates for compliance with schedule; compliance, enforcement; approval or revision of schedules and revocation of exemptions

(1) If a State grants a public water system an exemption under subsection (a), the State shall prescribe, at the time the exemption is granted, a schedule for—

(A) compliance (including increments of progress or measures to develop an alternative source of water supply) by the public water system with each contaminant level requirement or treatment technique requirement with respect to which the exemption was granted, and

(B) implementation by the public water system of such control measures as the State may require for each contaminant, subject to such contaminant level requirement or treatment technique requirement, during the period ending on the date compliance with such requirement is required.

Before a schedule prescribed by a State pursuant to this subsection may take effect, the State shall provide notice and opportunity for a public hearing on the schedule. A notice given pursuant to the preceding sentence may cover the prescribing of more than one such schedule and a hearing held pursuant to such notice shall include each of the schedules covered by the notice.

(2)(A) A schedule prescribed pursuant to this subsection for a public water system granted an exemption under subsection (a) shall require compliance by the system with each contaminant level and treatment technique requirement with respect to which the exemption was granted as expeditiously as practicable (as the State may reasonably determine) but not later than 3 years after the otherwise applicable compliance date established in section 300g-1(b)(10) of this title.

(B) No exemption shall be granted unless the public water system establishes that—

(i) the system cannot meet the standard without capital improvements which cannot be completed prior to the date established pursuant to section 300g-1(b)(10) of this title;

1 So in original. The semicolon probably should be a comma.
(ii) in the case of a system which needs financial assistance for the necessary improvements, the system has entered into an agreement to obtain such financial assistance or assistance pursuant to section 300g–12 of this title, or any other Federal or State program is reasonably likely to be available within the period of the exemption; or

(iii) the system has entered into an enforceable agreement to become a part of a regional public water system; and the system is taking all practicable steps to meet the standard.

(C) In the case of a system which does not serve more than a population of 3,300 and which needs financial assistance for the necessary improvements, an exemption granted under clause (i) or (ii) of subparagraph (B) may be renewed for one or more additional 2-year periods, but not to exceed a total of 6 years, if the system establishes that it is taking all practicable steps to meet the requirements of subparagraph (B).

(D) LIMITATION.—A public water system may not receive an exemption under this section if the system was granted a variance under section 300g–4(e) of this title.

(3) Each public water system's exemption granted by a State under subsection (a) shall be conditioned upon compliance by the public water system with the schedule prescribed by the State pursuant to this subsection. The requirements of each schedule prescribed by a State pursuant to this subsection shall be enforceable by the State under its laws. Any requirement of a schedule on which an exemption granted under this section is conditioned may be enforced under section 300g–3 of this title as if such requirement was part of a national primary drinking water regulation.

(4) Each schedule prescribed by a State pursuant to this subsection shall be deemed approved by the Administrator unless the exemption for which it was prescribed is revoked by the Administrator under subsection (d)(2) or the schedule is revised by the Administrator under such subsection.

(c) Notice to Administrator; reasons for exemption

Each State which grants an exemption under subsection (a) shall promptly notify the Administrator of the granting of such exemption. Such notification shall contain the reasons for the exemption (including the basis for the finding required by subsection (a)(3) before the exemption may be granted) and document the need for the exemption.

(d) Review of exemptions and schedules; publication in Federal Register, notice and results of review; notice to State; considerations respecting abuse of discretion in granting exemptions or failing to prescribe schedules; State corrective action

(1) Not later than 18 months after the effective date of the interim national primary drinking water regulations the Administrator shall complete a comprehensive review of the exemptions granted (and schedules prescribed pursuant thereto) by the States during the one-year period beginning on such effective date. The Administrator shall conduct such subsequent reviews of exemptions and schedules as he deems necessary to carry out the purposes of this subchapter, but each subsequent review shall be completed within each 3-year period following the completion of the first review under this subparagraph. Before conducting any review under this subparagraph, the Administrator shall publish notice of the proposed review in the Federal Register. Such notice shall (A) provide information respecting the location of data and other information respecting the exemptions to be reviewed (including data and other information concerning new scientific matters bearing on such exemptions), and (B) advise of the opportunity to submit comments on the exemptions reviewed and on the need for continuing them. Upon completion of any such review, the Administrator shall publish in the Federal Register the results of his review, together with findings responsive to comments submitted in connection with such review.

(2) (A) If the Administrator finds that a State has, in a substantial number of instances, abused its discretion in granting exemptions under subsection (a) or failed to prescribe schedules in accordance with subsection (b), the Administrator shall notify the State of his findings. In determining if a State has abused its discretion in granting exemptions in a substantial number of instances, the Administrator shall consider the number of persons who are affected by the exemptions and if the requirements applicable to the granting of the exemptions were complied with. A notice under this subparagraph shall—

(i) identify each exempt public water system with respect to which the finding was made,

(ii) specify the reasons for the finding, and

(iii) as appropriate, propose revocations of specific exemptions or propose revised schedules for specific exempt public water systems, or both.

(B) The Administrator shall provide reasonable notice and public hearing on the provisions of each notice given pursuant to subparagraph (A). After a hearing on notice pursuant to subparagraph (A), the Administrator shall (i) rescind the finding for which the notice was given and promptly notify the State of such rescission, or (ii) promulgate (with such modifications as he deems appropriate) such exemption revocations and revised schedules proposed in such notice as he deems appropriate. Not later than 180 days after the date a notice is given pursuant to subparagraph (A), the Administrator shall complete the hearing on the notice and take the action required by the preceding sentence.

(C) If a State is notified under subparagraph (A) of a finding of the Administrator made with respect to an exemption granted a public water system within that State or to a schedule prescribed pursuant to such an exemption and if before a revocation of such exemption or a revision of such schedule promulgated by the Administrator takes effect the State takes corrective action with respect to such exemption or schedule which the Administrator determines makes his finding inapplicable to such exemption or schedule, the Administrator shall rescind the application of his finding to that ex-
emtion or schedule. No exemption revocation or revised schedule may take effect before the expiration of 90 days following the date of the notice in which the revocation or revised schedule was proposed.

(e) "Treatment technique requirement" defined

For purposes of this section, the term "treatment technique requirement" means a requirement in a national primary drinking water regulation which specifies for a contaminant (in accordance with section 300f(1)(C)(ii) of this title) each treatment technique known to the Administrator which leads to a reduction in the level of such contaminant sufficient to satisfy the requirements of section 300g–1(a) of this title.

(f) Authority of Administrator in a State without primary enforcement responsibility

If a State does not have primary enforcement responsibility for public water systems, the Administrator shall have the same authority to exempt public water systems in such State from maximum contaminant level requirements and treatment technique requirements under the same conditions and in the same manner as the State would be authorized to grant exemptions under this section if it had primary enforcement responsibility.

(g) Applications for exemptions; regulations; reasonable time for acting

If an application for an exemption under this section is made, the State receiving the application or the Administrator, as the case may be, shall act upon such application within a reasonable period (as determined under regulations prescribed by the Administrator) after the date of its submission.


AMENDMENTS

1996—Subsec. (a)(1). Pub. L. 104–182, §117(a)(1), inserted "including qualification of the public water system as a system serving a disadvantaged community pursuant to section 300r–12(d) of this title" after "which may include economic factors" and "or to implement measures to develop an alternative source of water supply," after "treatment technique requirement.


Subsec. (b)(1)(A). Pub. L. 104–182, §117(a)(3), substituted "(including increments of progress or measures to develop an alternative source of water supply)", for "(including increments of progress)" and "requirement or treatment" for "requirement and treatment".

Subsec. (b)(2)(A). Pub. L. 104–182, §117(a)(4)(A), substituted "not later than 3 years after the otherwise applicable compliance date established in section 300g–1(b) of this title" for "as excepted as provided in subparagraph (B)".

"(i) in the case of an exemption granted with respect to a contaminant level or treatment technique requirement prescribed by the national primary drinking water regulations in the same manner as the section 300g–1(a) of this title, not later than 12 months after June 19, 1986; and

"(ii) in the case of an exemption granted with respect to a contaminant level or treatment technique requirement prescribed by national primary drinking water regulations, other than a regulation referred to in section 300g–1(a) of this title, 12 months after the date of the issuance of the exemption.

Subsec. (b)(2)(B). Pub. L. 104–182, §117(a)(4)(B), substituted "prior to the date established pursuant to section 300g–1(b)(10) of this title" for "within the period of such exemption."

Subsec. (b)(2)(C). Pub. L. 104–182, §117(a)(4)(C), inserted "an assistance pursuant to section 300g–12 of this title, or any other Federal or State program is reasonably likely to be available within the period of the exemption" after "such financial assistance."


1986—Subsec. (b)(1). Pub. L. 99–339, §105(a)(1), substituted "at the time" for "within one year of the date."


Subsec. (b)(2)(A)(ii). Pub. L. 99–339, §105(a)(3), struck out "revised" before "national primary" and substituted "other than a regulation referred to in section 300g–1(a) of this title, 12 months after the date of the issuance of the exemption of the exemption" for "not later than seven years after the date such requirement takes effect."

Subsec. (b)(2)(B). Pub. L. 99–339, §105(a)(4), amended subpar. (B) generally. Prior to amendment, subpar. (B) read as follows: "Notwithstanding clauses (i) and (ii) of subparagraph (A) of this paragraph, the final date for compliance prescribed in a schedule prescribed pursuant to this subsection for an exemption granted for a public water system which (as determined by the State granting the exemption) has entered into an enforceable agreement to become a part of a regional public water system shall—"

"(i) in the case of a schedule prescribed for an exemption granted with respect to a contaminant level or treatment technique requirement prescribed by interim national primary drinking water regulations, be not later than January 1, 1986; and

"(ii) in the case of a schedule prescribed for an exemption granted with respect to a contaminant level or treatment technique requirement prescribed by revised national primary drinking water regulations, be not later than nine years after such requirement takes effect."


Subsec. (e). Pub. L. 99–339, §101(c)(4), substituted "300g–1(b)" for "300g–1(b)(3)".

1980—Subsec. (a)(2). Pub. L. 96–502, §4(b), substituted "treatment technique requirements, or for a system that was not in operation by that date, only if no reasonable alternative source of drinking water is available to such new system, and for "treatment technique requirement, and.


§ 300g–6. Prohibition on use of lead pipes, solder, and flux

(a) In general

(1) Prohibitions

(A) In general

No person may use any pipe, any pipe or plumbing fitting or fixture, any solder, or any flux, after June 19, 1986, in the installation or repair of—

(i) any public water system; or

(ii) any plumbing in a residential or non-residential facility providing water for human consumption;

that is not lead free (within the meaning of subsection (d)).

(B) Ledged joints

Subparagraph (A) shall not apply to leached joints necessary for the repair of cast iron pipes.

(2) Public notice requirements

(A) In general

Each owner or operator of a public water system shall identify and provide notice to persons that may be affected by lead contamination of their drinking water where such contamination results from either or both of the following:

(i) The lead content in the construction materials of the public water distribution system.

(ii) Corrosivity of the water supply sufficient to cause leaching of lead.

The notice shall be provided in such manner and form as may be reasonably required by the Administrator. Notice under this paragraph shall be provided notwithstanding the absence of a violation of any national drinking water standard.

(B) Contents of notice

Notice under this paragraph shall provide a clear and readily understandable explanation of—

(i) the potential sources of lead in the drinking water;

(ii) potential adverse health effects;

(iii) reasonably available methods of mitigating known or potential lead content in drinking water.

(iv) any steps the system is taking to mitigate lead content in drinking water, and

(v) the necessity for seeking alternative water supplies, if any.

(3) Unlawful acts

Effective 2 years after August 6, 1996, it shall be unlawful—

(A) for any person to introduce into commerce any pipe, or any pipe or plumbing fitting or fixture, that is not lead free, except for a pipe that is used in manufacturing or industrial processing;

(B) for any person engaged in the business of selling plumbing supplies, except manufacturers, to sell solder or flux that is not lead free; or

(C) for any person to introduce into commerce any solder or flux that is not lead free unless the solder or flux bears a prominent label stating that it is illegal to use the solder or flux in the installation or repair of any plumbing providing water for human consumption.

(4) Exemptions

The prohibitions in paragraphs (1) and (3) shall not apply to—

(A) pipes, pipe fittings, plumbing fittings, or fixtures, including backflow preventers, that are used exclusively for nonpotable services such as manufacturing, industrial processing, irrigation, outdoor watering, or any other uses where the water is not anticipated to be used for human consumption; or

(B) toilets, bidets, urinals, fill valves, flushometer valves, tub fillers, shower valves, fire hydrants, service saddles, or water distribution main gate valves that are 2 inches in diameter or larger.

(b) State enforcement

(1) Enforcement of prohibition

The requirements of subsection (a)(1) shall be enforced in all States effective 24 months after June 19, 1986. States shall enforce such requirements through State or local plumbing codes, or such other means of enforcement as the State may determine to be appropriate.

(2) Enforcement of public notice requirements

The requirements of subsection (a)(2) shall apply in all States effective 24 months after June 19, 1986.

(c) Penalties

If the Administrator determines that a State is not enforcing the requirements of subsection (a) as required pursuant to subsection (b), the Administrator may withhold up to 5 percent of Federal funds available to that State for State program grants under section 300j-2(a) of this title.

(d) Definition of lead free

(1) In general

For the purposes of this section, the term “lead free” means—

(A) not containing more than 0.2 percent lead when used with respect to solder and flux; and

(B) not more than a weighted average of 0.25 percent lead when used with respect to the wetted surfaces of pipes, pipe fittings, plumbing fittings, and fixtures.

(2) Calculation

The weighted average lead content of a pipe, pipe fitting, plumbing fitting, or fixture shall be calculated by using the following formula: For each wetted component, the percentage of lead in the component shall be multiplied by the ratio of the wetted surface area of that component to the total wetted surface area of the entire product to arrive at the weighted percentage of lead of the component. The weighted percentage of lead of each wetted component shall be added together, and the sum of these weighted percentages shall constitute the weighted average lead content of the product. The lead content of the material...
used to produce wetted components shall be used to determine compliance with paragraph (1)(B). For lead content of materials that are provided as a range, the maximum content of the range shall be used.

(e) Plumbing fittings and fixtures

(1) In general

The Administrator shall provide accurate and timely technical information and assistance to qualified third-party certifiers in the development of voluntary standards and testing protocols for the leaching of lead from new plumbing fittings and fixtures that are intended by the manufacturer to dispense water for human ingestion.

(2) Standards

(A) In general

If a voluntary standard for the leaching of lead is not established by the date that is 1 year after August 6, 1996, the Administrator shall, not later than 2 years after August 6, 1996, promulgate regulations setting a health-effects-based performance standard establishing maximum leaching levels from new plumbing fittings and fixtures that are intended by the manufacturer to dispense water for human ingestion. The standard shall become effective on the date that is 5 years after the date of promulgation of the standard.

(B) Alternative requirement

If regulations required to be promulgated under subparagraph (A) and have not been promulgated by the date that is 5 years after August 6, 1996, no person may import, manufacture, process, or distribute in commerce a new plumbing fitting or fixture, intended by the manufacturer to dispense water for human ingestion, that contains more than 4 percent lead by dry weight.

(f) Public education

(1) In general

The Administrator shall make information available to the public regarding lead in drinking water, including information regarding—

(A) risks associated with lead in drinking water;

(B) the conditions that contribute to drinking water containing lead in a residence;

(C) steps that States, public water systems, and consumers can take to reduce the risks of lead in drinking water; and

(D) the availability of additional resources that consumers can use to minimize lead exposure, including information on sampling for lead in drinking water.

(2) Vulnerable populations

In making information available to the public under this subsection, the Administrator shall, subject to the availability of appropriations, carry out targeted outreach strategies that focus on educating groups within the general population that may be at greater risk than the general population of adverse health effects from exposure to lead in drinking water.


"(1) consult with and seek the advice of the National Drinking Water Advisory Council on potential changes to the regulations pertaining to lead under the Safe Drinking Water Act (42 U.S.C. 300g–6 et seq.); and

"(2) request the Council to consider sources of lead through-out drinking water distribution systems, including through components used to reroute drinking water during distribution system repairs."

2011—Subsec. (c), Pub. L. 112–156, § 1104, added subsec. (c).


2007—Subsec. (a)(4). Pub. L. 110–85 inserted ''‘‘lead free’’ when used with respect to solders and fluxes, pipes and pipe fittings, and plumbing fittings and fixtures."


Subsec. (a)(1). Pub. L. 104–182, §118(1), substituted "‘‘Prohibitions’’ for "‘‘Prohibition’’ in heading and amended text generally. Prior to amendment, text read as follows: "‘‘Any pipe, solder, or flux, which is used after June 19, 1996, in the installation or repair of—"

"‘‘(A) any public water system, or

"‘‘(B) any plumbing in a residential or nonresidential facility providing water for human consumption which is connected to a public water system, shall be lead free (within the meaning of subsection (d) of this section). This paragraph shall not apply to leaded joints necessary for the repair of cast iron pipes.”"


Effective Date of 2011 Amendment

Pub. L. 112–156, §4, Aug. 4, 2011, 125 Stat. 1422, provided that: "The provisions of subsections (a)(4) and (d) of section 1417 of the Safe Drinking Water Act [42 U.S.C. 300g–6(a)(4), (d)], as added by this section, apply beginning on the day that is 36 months after the date of the enactment of this Act [Jan. 4, 2011]."
“(1) Prohibition.—The Secretary of Housing and Urban Development and the Secretary of Veterans Affairs may not insure or guarantee a mortgage or furnish assistance with respect to newly constructed residential property which contains a potable water system unless such system uses only lead free pipe, solder, and flux.

“(2) Definition of lead free.—For purposes of paragraph (1) the term ‘lead free’—

“(A) when used with respect to solders and flux refers to solders and flux containing not more than 0.2 percent lead, and

“(B) when used with respect to pipes and pipe fittings refers to pipes and pipe fittings containing not more than 0.2 percent lead.

(3) Enforcement.—Paragraph (1) shall become effective 24 months after the enactment of this Act [June 19, 1986].”

§ 300g–7. Monitoring of contaminants

(a) Interim monitoring relief authority

(1) In general

A State exercising primary enforcement responsibility for public water systems may modify the monitoring requirements for any regulated or unregulated contaminants for which monitoring is required other than microbial contaminants (or indicators thereof), disinfectants and disinfection byproducts or corrosion byproducts for an interim period to provide that any public water system serving 10,000 persons or fewer shall not be required to conduct additional quarterly monitoring during an interim relief period for such contaminants if—

(A) monitoring, conducted at the beginning of the period for the contaminant concerned and certified to the State by the public water system, fails to detect the presence of the contaminant in the ground or surface water supplying the public water system; and

(B) the State, considering the hydrogeology of the area and other relevant factors, determines in writing that the contaminant is unlikely to be detected by further monitoring during such period.

(2) Termination; timing of monitoring

The interim relief period referred to in paragraph (1) shall terminate when permanent monitoring relief is adopted and approved for such State, or at the end of 36 months after August 6, 1996, whichever comes first. In order to serve as a basis for interim relief, the monitoring conducted at the beginning of the period must occur at the time determined by the State to be the time of the public water system’s greatest vulnerability to the contaminant concerned in the relevant ground or surface water, taking into account the case of pesticides the time of application of the pesticide for the source water area and the travel time for the pesticide to reach such waters and taking into account, in the case of other contaminants, seasonality of precipitation and contaminant travel time.

(b) Permanent monitoring relief authority

(1) In general

Each State exercising primary enforcement responsibility for public water systems under this subchapter and having an approved source water assessment program may adopt, in accordance with guidance published by the Administrator, tailored alternative monitoring requirements for public water systems in such State (as an alternative to the monitoring requirements for chemical contaminants set forth in the applicable national primary drinking water regulations) where the State concludes that (based on data available at the time of adoption concerning susceptibility, use, occurrence, or wellhead protection, or from the State’s drinking water source water assessment program) such alternative monitoring would provide assurance that it complies with the Administrator’s guidelines. The State program must be adequate to assure compliance with, and enforcement of, applicable national primary drinking water regulations. Alternative monitoring shall not apply to regulated microbiological contaminants (or indicators thereof), disinfectants and disinfection byproducts, or corrosion byproducts. The preceding sentence is not intended to limit other authority of the Administrator under other provisions of this subchapter to grant monitoring flexibility.

(2) Guidelines

(A) In general

The Administrator shall issue, after notice and comment and at the same time as guidelines are issued for source water assessment under section 300j–13 of this title, guidelines for States to follow in proposing alternative monitoring requirements under paragraph (1) for chemical contaminants. The Administrator shall publish such guidelines in the Federal Register. The guidelines shall assure that the public health will be protected from drinking water contamination. The guidelines shall require that a State alternative monitoring program apply on a contaminant-by-contaminant basis and that, to be eligible for such alternative monitoring program, a public water system must show the State that the contaminant is not present in the drinking water supply or, if present, it is reliably and consistently below the maximum contaminant level.

(B) Definition

For purposes of subparagraph (A), the phrase “reliably and consistently below the maximum contaminant level” means that, although contaminants have been detected in a water supply, the State has sufficient knowledge of the contamination source and extent of contamination to predict that the maximum contaminant level will not be exceeded. In determining that a contaminant is reliably and consistently below the maximum contaminant level, States shall consider the quality and completeness of data, the length of time covered and the volatility or stability of monitoring results during that time, and the proximity of such results to the maximum contaminant level. Wide variations in the analytical results, or analytical results close to the maximum contaminant level, shall not be considered to be
reliably and consistently below the maximum contaminant level.

(3) Effect of detection of contaminants
The guidelines issued by the Administrator under paragraph (2) shall require that if, after the monitoring program is in effect and operating, a contaminant covered by the alternative monitoring program is detected at levels at or above the maximum contaminant level or is no longer reliably or consistently below the maximum contaminant level, the public water system must either—
(A) demonstrate that the contamination source has been removed or that other action has been taken to eliminate the contamination problem; or
(B) test for the detected contaminant pursuant to the applicable national primary drinking water regulation.

(4) States not exercising primary enforcement responsibility
The Governor of any State not exercising primary enforcement responsibility under subsection (a) or (b) shall require that the Administrator modify the monitoring requirements established by the Administrator and applicable to public water systems in that State. After consultation with the Governor, the Administrator shall modify the requirements for public water systems in that State if the request of the Governor is in accordance with each of the requirements of this subsection that apply to alternative monitoring requirements established by States that have primary enforcement responsibility. A decision by the Administrator to approve a request under this clause shall be for a period of 3 years and may subsequently be extended for periods of 5 years.

(c) Treatment as NPDWR
All monitoring relief granted by a State to a public water system for a regulated contaminant under subsection (a) or (b) shall be treated as part of the national primary drinking water regulation for that contaminant.

(d) Other monitoring relief
Nothing in this section shall be construed to affect the authority of the States under applicable national primary drinking water regulations to alter monitoring requirements through waivers or other existing authorities. The Administrator shall periodically review and, as appropriate, revise such authorities.

(July 1, 1944, ch. 373, title XIV, §1418, as added Pub. L. 104–182, title I, §125(b), Aug. 6, 1996, 110 Stat. 1654.)
§300g–8. Operator certification

(a) Guidelines
Not later than 30 months after August 6, 1996, and in cooperation with the States, the Administrator shall publish guidelines in the Federal Register, after notice and opportunity for comment from interested persons, including States and public water systems, specifying minimum standards for certification (and recertification) of the operators of community and nontransient noncommunity public water systems. Such guidelines shall take into account existing State programs, the complexity of the system, and other factors aimed at providing an effective program at reasonable costs to States and public water systems, taking into account the size of the system.

(b) State programs
Beginning 2 years after the date on which the Administrator publishes guidelines under subsection (a), the Administrator shall withhold 20 percent of the funds a State is otherwise entitled to receive under section 300j–12 of this title unless the State has adopted and is implementing a program for the certification of community and nontransient noncommunity public water systems that meets the requirements of the guidelines published pursuant to subsection (a) or that has been submitted in compliance with subsection (c) and that has not been disapproved.

(c) Existing programs
For any State exercising primary enforcement responsibility for public water systems or any other State which has an operator certification program, the guidelines under subsection (a) shall allow the State to enforce such program in lieu of the guidelines under subsection (a) if the State submits the program to the Administrator within 18 months after the publication of the guidelines unless the Administrator determines (within 9 months after the State submits the program to the Administrator) that such program is not substantially equivalent to such guidelines. In making this determination, an existing State program shall be presumed to be substantially equivalent to the guidelines, notwithstanding program differences, based on the size of systems or the quality of source water, providing the State program meets the overall public health objectives of the guidelines. If disapproved, the program may be resubmitted within 6 months after receipt of notice of disapproval.

(d) Expense reimbursement

(1) In general
The Administrator shall provide reimbursement for the costs of training, including an appropriate per diem for unsalaried operators, and certification for persons operating systems serving 3,300 persons or fewer that are required to undergo training pursuant to this section.

(2) State grants
The reimbursement shall be provided through grants to States with each State receiving an amount sufficient to cover the reasonable costs for training all such operators in the State, as determined by the Administrator, to the extent required by this section. Grants received by a State pursuant to this paragraph shall first be used to provide reimbursement for training and certification costs of persons operating systems serving 3,300 persons or fewer. If a State has reimbursed all such costs, the State may, after notice to the Administrator, use any remaining funds from
§ 300g–9

§ 300g–9. Capacity development

Stat. 1652.)

Pub. L. 104–182, title I, § 123, Aug. 6, 1996, 110

sure that all new community water systems and

tained the legal authority or other means to en-

new nontransient, noncommunity water systems

receive under section 300j–12 of this title (relat-

ment that the State is otherwise entitled to

ment or reservation, reserve such sums as nec-

ative, the reasons for noncompliance.

prior to August 6, 1996, each State shall prepare, periodically

list and report under this subsection, and

(h) a description of the institutional, regu-

sionary, financial, tax, or legal factors at the

lishment mechanisms and initial capacity development

of the allotment that the State is otherwise entitled to receive under section 300j–12 of this title (relating to State loan funds), unless the State is developing and implementing a strategy to assist public water systems in acquiring and maintaining technical, managerial, and financial capacity.

(2) Content

In preparing the capacity development strategy, the State shall consider, solicit public comment on, and include as appropriate—

(A) the methods or criteria that the State will use to identify and prioritize the public water systems most in need of improving technical, managerial, and financial capacity;

(B) a description of the institutional, regulatory, financial, tax, or legal factors at the Federal, State, or local level that encourage or impair capacity development;

(C) a description of how the State will use the authorities and resources of this subchapter or other means to—

(i) assist public water systems in complying with national primary drinking water regulations;

(ii) encourage the development of partnerships between public water systems to enhance the technical, managerial, and financial capacity of the systems; and

(iii) assist public water systems in the training and certification of operators;

(D) a description of how the State will establish a baseline and measure improvements in capacity with respect to national primary drinking water regulations and State drinking water law;

(E) an identification of the persons that have an interest in and are involved in the development and implementation of the capacity development strategy (including all appropriate agencies of Federal, State, and local governments, private and nonprofit public water systems, and public water system customers); and

(F) a description of how the State will, as appropriate—

(i) encourage development by public water systems of asset management plans that include best practices for asset management; and

(ii) assist, including through the provision of technical assistance, public water systems in training operators or other relevant and appropriate persons in implementing such asset management plans.

(3) Report

Not later than 2 years after the date on which a State first adopts a capacity development strategy under this subsection, and
every 3 years thereafter, the head of the State agency that has primary responsibility to carry out this subchapter in the State shall submit to the Governor a report that shall also be available to the public on the efficacy of the strategy and progress made toward improving the technical, managerial, and financial capacity of public water systems in the State, including efforts of the State to encourage development by public water systems of asset management plans and to assist public water systems in training relevant and appropriate persons in implementing such asset management plans.

(4) Review

The decisions of the State under this section regarding any particular public water system are not subject to review by the Administrator and may not serve as the basis for withholding funds under section 300j–12 of this title.

(d) Federal assistance

(1) In general

The Administrator shall support the States in developing capacity development strategies.

(2) Informational assistance

(A) In general

Not later than 180 days after August 6, 1996, the Administrator shall—

(i) conduct a review of State capacity development efforts in existence on August 6, 1996, and publish information to assist States and public water systems in capacity development efforts; and

(ii) initiate a partnership with States, public water systems, and the public to develop information for States on recommended operator certification requirements.

(B) Publication of information

The Administrator shall publish the information developed through the partnership under subparagraph (A)(ii) not later than 18 months after August 6, 1996.

(3) Promulgation of drinking water regulations

In promulgating a national primary drinking water regulation, the Administrator shall include an analysis of the likely effect of compliance with the regulation on the technical, financial, and managerial capacity of public water systems.

(4) Guidance for new systems

Not later than 2 years after August 6, 1996, the Administrator shall publish guidance developed in consultation with the States describing legal authorities and other means to ensure that all new community water systems and new nontransient, noncommunity water systems demonstrate technical, managerial, and financial capacity with respect to national primary drinking water regulations.

(5) Information on asset management practices

Not later than 5 years after October 23, 2018, and not less often than every 5 years thereafter, the Administrator shall review and, if appropriate, update educational materials, including handbooks, training materials, and technical information, made available by the Administrator to owners, managers, and operators of public water systems, local officials, technical assistance providers (including nonprofit water associations), and State personnel concerning best practices for asset management strategies that may be used by public water systems.

(e) Variances and exemptions

Based on information obtained under subsection (c)(3), the Administrator shall, as appropriate, modify regulations concerning variances and exemptions for small public water systems to ensure flexibility in the use of the variances and exemptions. Nothing in this subsection shall be interpreted, construed, or applied to affect or alter the requirements of section 300g–4 or 300g–5 of this title.

(f) Small public water systems technology assistance centers

(1) Grant program

The Administrator is authorized to make grants to institutions of higher learning to establish and operate small public water system technology assistance centers in the United States.

(2) Responsibilities of the centers

The responsibilities of the small public water system technology assistance centers established under this subsection shall include the conduct of training and technical assistance relating to the information, performance, and technical needs of small public water systems or public water systems that serve Indian Tribes.

(3) Applications

Any institution of higher learning interested in receiving a grant under this subsection shall submit to the Administrator an application in such form and containing such information as the Administrator may require by regulation.

(4) Selection criteria

The Administrator shall select recipients of grants under this subsection on the basis of the following criteria:

(A) The small public water system technology assistance center shall be located in a State that is representative of the needs of the region in which the State is located for addressing the drinking water needs of small and rural communities or Indian Tribes.

(B) The grant recipient shall be located in a region that has experienced problems, or may reasonably be foreseen to experience problems, with small and rural public water systems.

(C) The grant recipient shall have access to expertise in small public water system technology management.

(D) The grant recipient shall have the capability to disseminate the results of small public water system technology and training programs.

(E) The projects that the grant recipient proposes to carry out under the grant are necessary and appropriate.
(F) The grant recipient has regional support beyond the host institution.

(5) Consortia of States
At least 2 of the grants under this subsection shall be made to consortia of States with low population densities.

(6) Authorization of appropriations
There are authorized to be appropriated to make grants under this subsection $2,000,000 for each of the fiscal years 1997 through 1999, and $5,000,000 for each of the fiscal years 2000 through 2003.

(g) Environmental finance centers
(1) In general
The Administrator shall provide initial funding for one or more university-based environmental finance centers for activities that provide technical assistance to State and local officials in developing the capacity of public water systems. Any such funds shall be used only for activities that are directly related to this subchapter.

(2) National capacity development clearinghouse
The Administrator shall establish a national public water system capacity development clearinghouse to receive and disseminate information with respect to developing, improving, and maintaining financial and managerial capacity at public water systems. The Administrator shall ensure that the clearinghouse does not duplicate other federally supported clearinghouse activities.

(3) Capacity development techniques
The Administrator may request an environmental finance center funded under paragraph (1) to develop and test managerial, financial, and institutional techniques for capacity development. The techniques may include capacity assessment methodologies, manual and computer based public water system rate models and capital planning models, public water system consolidation procedures, and regionalization models.

(4) Authorization of appropriations
There are authorized to be appropriated to carry out this subsection $1,500,000 for each of the fiscal years 1997 through 2003.

(5) Limitation
No portion of any funds made available under this subsection may be used for lobbying expenses.

AMENDMENTS

Subsec. (c)(3). Pub. L. 115–270, §2012(2), inserted ""., including efforts of the State to encourage development by public water systems of asset management plans and to assist public water systems in training relevant and appropriate persons in implementing such asset management plans"" before period at end.

§ 300h Regulations for State programs
(a) Publication of proposed regulations; promulgation; amendments; public hearings; administrative consultations
(1) The Administrator shall publish proposed regulations for State underground injection control programs within 180 days after December 16, 1974. Within 180 days after publication of such proposed regulations, he shall promulgate such regulations with such modifications as he deems appropriate. Any regulation under this subsection may be amended from time to time.

(2) Any regulation under this section shall be proposed and promulgated in accordance with section 553 of title 5 (relating to rulemaking), except that the Administrator shall provide opportunity for public hearing prior to promulgation of such regulations. In proposing and promulgating regulations under this section the Administrator shall consult with the Secretary, the National Drinking Water Advisory Council, and other appropriate Federal entities and with interested State entities.

(b) Minimum requirements; restrictions
(1) Regulations under subsection (a) for State underground injection programs shall contain minimum requirements for effective programs to prevent underground injection which endangers drinking water sources within the meaning of subsection (d)(2). Such regulations shall require that a State program, in order to be approved under section 300b–1 of this title—

(A) shall prohibit, effective on the date on which the applicable underground injection control program takes effect, any underground injection in such State which is not authorized by a permit issued by the State (except that the regulations may permit a State to authorize underground injection by rule);

(B) shall require (i) in the case of a program which provides for authorization of underground injection by permit, that the applicant for the permit to inject must satisfy the State that the underground injection will not endanger drinking water sources, and (ii) in the case of a program which provides for such an authorization by rule, that no rule may be promulgated which authorizes any underground injection which endangers drinking water sources;

(C) shall include inspection, monitoring, recordkeeping, and reporting requirements; and

(D) shall apply (i) as prescribed by section 300j–6(b) of this title, to underground injections by Federal agencies, and (ii) to underground injections by any other person whether or not occurring on property owned or leased by the United States.

(2) Regulations of the Administrator under this section for State underground injection control programs may not prescribe requirements which interfere with or impede—

1 See References in Text note below.
(A) the underground injection of brine or other fluids which are brought to the surface in connection with oil or natural gas production or natural gas storage operations, or

(B) any underground injection for the secondary or tertiary recovery of oil or natural gas,

unless such requirements are essential to assure that underground sources of drinking water will not be endangered by such injection.

(3)(A) The regulations of the Administrator under this section shall permit or provide for consideration of varying geologic, hydrological, or historical conditions in different States and in different areas within a State.

(B)(i) In prescribing regulations under this section the Administrator shall, to the extent feasible, avoid promulgation of requirements which would unnecessarily disrupt State underground injection control programs which are in effect and being enforced in a substantial number of States.

(ii) For the purpose of this subparagraph, a regulation prescribed by the Administrator under this section shall be deemed to disrupt a State underground injection control program only if it would be infeasible to comply with both such regulation and the State underground injection control program.

(iii) For the purpose of this subparagraph, a regulation prescribed by the Administrator under this section shall be deemed unnecessary only if, without such regulation, underground sources of drinking water will not be endangered by an underground injection.

(C) Nothing in this section shall be construed to alter or affect the duty to assure that underground sources of drinking water will not be endangered by any underground injection.

(c) Temporary permits; notice and hearing

(1) The Administrator may, upon application of the Governor of a State which authorizes underground injection by means of permits, authorize such State to issue (without regard to subsection (b)(1)(B)(i)) temporary permits for underground injection which may be effective until the expiration of four years after December 16, 1974, if—

(A) the Administrator finds that the State has demonstrated that it is unable and could not reasonably have been able to process all permit applications within the time available;

(B) the Administrator determines the adverse effect on the environment of such temporary permits is not unwarranted;

(C) such temporary permits will be issued only with respect to injection wells in operation on the date on which such State’s permit program approved under this part first takes effect and for which there was inadequate time to process its permit application; and

(D) the Administrator determines the temporary permits require the use of adequate safeguards established by rules adopted by him.

(2) The Administrator may, upon application of the Governor of a State which authorizes underground injection by means of permits, authorize such State to issue (without regard to subsection (b)(1)(B)(i)), but after reasonable notice and hearing, one or more temporary permits each of which is applicable to a particular injection well and to the underground injection of a particular fluid and which may be effective until the expiration of four years after December 16, 1974, if the State finds, on the record of such hearing—

(A) that technology (or other means) to permit safe injection of the fluid in accordance with the applicable underground injection control program is not generally available (taking costs into consideration);

(B) that injection of the fluid would be less harmful to health than the use of other available means of disposing of waste or producing the desired product; and

(C) that available technology or other means have been employed (and will be employed) to reduce the volume and toxicity of the fluid and to minimize the potentially adverse effect of the injection on the public health.

(d) “Underground injection” defined; underground injection endangerment of drinking water sources

For purposes of this part:

(1) UNDERGROUND INJECTION.—The term “underground injection”—

(A) means the subsurface emplacement of fluids by well injection; and

(B) excludes—

(i) the underground injection of natural gas for purposes of storage; and

(ii) the underground injection of fluids or propping agents (other than diesel fuels) pursuant to hydraulic fracturing operations related to oil, gas, or geothermal production activities.

(2) Underground injection endangers drinking water sources if such injection may result in the presence in underground water which supplies or can reasonably be expected to supply any public water system of any contaminant, and if the presence of such contaminant may result in such system’s not complying with any national primary drinking water regulation or may otherwise adversely affect the health of persons.


REFERENCES IN TEXT

Section 300j–6(b) of this title, referred to in subsec. (b)(1)(D), was repealed, and a new section 300j–6(b) relating to administrative penalty orders was added, by Pub. L. 106–182, title I, §129(a), Aug. 6, 1996, 110 Stat. 1660.

AMENDMENTS

2005—Subsec. (d)(1). Pub. L. 109–58 inserted heading and amended text of par. (1) generally. Prior to amendment, par. (1) read as follows: “The term ‘underground injection’ means the subsurface emplacement of fluids by well injection. Such term does not include the underground injection of natural gas for purposes of storage.”
§ 300h-1. State primary enforcement responsibility

(a) List of States in need of a control program; amendment of list

Within 180 days after December 16, 1974, the Administrator shall list in the Federal Register each State for which in his judgment a State underground injection control program may be necessary to assure that underground injection will not endanger drinking water sources. Such list may be amended from time to time.

(b) State applications; notice to Administrator of compliance with revised or added requirements; approval or disapproval by Administrator; duration of State primary enforcement responsibility; public hearing

(1)(A) Each State listed under subsection (a) shall within 270 days after the date of promulgation of any regulation under section 300h of this title (or, if later, within 270 days after such State is first listed under subsection (a)) submit to the Administrator an application which contains a showing satisfactory to the Administrator that the State—

(i) has adopted after reasonable notice and public hearings, and will implement, an underground injection control program which meets the requirements of regulations in effect under section 300h of this title; and

(ii) will keep such records and make such reports with respect to its activities under its underground injection control program as the Administrator may require by regulation.

The Administrator may, for good cause, extend the date for submission of an application by any State under this subparagraph for a period not to exceed an additional 270 days.

(B) Within 270 days of any amendment of a regulation under section 300h of this title revising or adding any requirement respecting State underground injection control programs, each State listed under subsection (a) shall submit (in such form and manner as the Administrator may require) a notice to the Administrator containing a showing satisfactory to him that the State underground injection control program meets the revised or added requirement.

(C) Within ninety days after the State’s application under paragraph (1)(A) or notice under paragraph (1)(B) and after reasonable opportunity for presentation of views, the Administrator shall by rule either approve, disapprove, or approve in part and disapprove in part, the State’s underground injection control program.

(3) If the Administrator approves the State’s program under paragraph (2), the State shall have primary enforcement responsibility for underground water sources until such time as the Administrator determines, by rule, that such State no longer meets the requirements of clause (i) or (ii) of paragraph (1)(A) of this subsection.

(4) Before promulgating any rule under paragraph (2) or (3) of this subsection, the Administrator shall provide opportunity for public hearing respecting such rule.

(c) Program by Administrator for State without primary enforcement responsibility; restrictions

If the Administrator disapproves a State’s program (or part thereof) under subsection (b)(2), if the Administrator determines under subsection (b)(3) that a State no longer meets the requirements of clause (i) or (ii) of subsection (b)(1)(A), or if a State fails to submit an application or notice before the date of expiration of the period specified in subsection (b)(1), the Administrator shall by regulation within 90 days after the date of such disapproval, determination, or expiration (as the case may be) prescribe (and may from time to time by regulation revise) a program applicable to such State meeting the requirements of section 300h(b) of this title. Such program may not include requirements which interfere with or impede—

(1) the underground injection of brine or other fluids which are brought to the surface in connection with oil or natural gas production or natural gas storage operations, or

(2) any underground injection for the secondary or tertiary recovery of oil or natural gas, unless such requirements are essential to assure that underground sources of drinking water will not be endangered by such injection. Such program shall apply in such State to the extent that a program adopted by such State which the Administrator determines meets such requirements is not in effect. Before promulgating any regulation under this section, the Administrator shall provide opportunity for public hearing respecting such regulation.

(d) “Applicable underground injection control program” defined

For purposes of this subchapter, the term “applicable underground injection control program” with respect to a State means the program (or most recent amendment thereof) (1) which has been adopted by the State and which has been approved under subsection (b), or (2) which has been prescribed by the Administrator under subsection (c).

(e) Primary enforcement responsibility by Indian Tribe

An Indian Tribe may assume primary enforcement responsibility for underground injection control under this section consistent with such regulations as the Administrator has prescribed pursuant to this part and section 300j–11 of this title. The area over which such Indian Tribe exercises governmental jurisdiction need not have been listed under subsection (a) of this section, and such Tribe need not submit an application to assume primary enforcement responsibility within the 270-day deadline noted in subsection (b)(1)(A) of this section. Until an Indian Tribe assumes primary enforcement responsibility, the currently applicable underground injection control program'' with respect to a State means the program.
control program shall continue to apply. If an applicable underground injection control program does not exist for an Indian Tribe, the Administrator shall prescribe such a program pursuant to subsection (c) of this section, and consistent with section 300h(b) of this title, within 270 days after June 19, 1986, unless an Indian Tribe first obtains approval to assume primary enforcement responsibility for underground injection control.


AMENDMENTS

1986—Subsec. (c)(1). Pub. L. 99-339, §201(a), inserted “or natural gas storage operations, or” after “production.


§300h–2. Enforcement of program

(a) Notice to State and violator; issuance of administrative order; civil action

(1) Whenever the Administrator finds during a period during which a State has primary enforcement responsibility for underground water sources (within the meaning of section 300h-1(b)(3) of this title or section 300h-4(c) of this title) that any person who is subject to a requirement of an applicable underground injection control program in such State is violating such requirement, he shall so notify the State and the person violating such requirement. If beyond the thirtieth day after the Administrator’s notification the State has not commenced appropriate enforcement action, the Administrator shall issue an order under subsection (c) requiring the person to comply with such requirement or the Administrator shall commence a civil action under subsection (b).

(2) Whenever the Administrator finds during a period during which a State does not have primary enforcement responsibility for underground water sources that any person subject to any requirement of any applicable underground injection control program in such State is violating such requirement, the Administrator shall issue an order under subsection (c) requiring the person to comply with such requirement or the Administrator shall commence a civil action under subsection (b).

(b) Civil and criminal actions

Civil actions referred to in paragraphs (1) and (2) of subsection (a) shall be brought in the appropriate United States district court. Such court shall have jurisdiction to require compliance with any requirement of an applicable underground injection control program or with an order issued under subsection (c). The court may enter such judgment as protection of public health may require. Any person who violates any requirement of an applicable underground injection control program or an order requiring compliance under subsection (c)—

(1) shall be subject to a civil penalty of not more than $25,000 for each day of such violation, and

(2) if such violation is willful, such person may, in addition to or in lieu of the civil penalty authorized by paragraph (1), be imprisoned for not more than 3 years, or fined in accordance with title 18, or both.

(e) Administrative orders

(1) In any case in which the Administrator is authorized to bring a civil action under this section with respect to any regulation or other requirement of this part other than those relating to—

(A) the underground injection of brine or other fluids which are brought to the surface in connection with oil or natural gas production, or

(B) any underground injection for the secondary or tertiary recovery of oil or natural gas,

the Administrator may also issue an order under this subsection either assessing a civil penalty of not more than $10,000 for each day of violation for any past or current violation, up to a maximum administrative penalty of $125,000, or requiring compliance with such regulation or other requirement, or both.

(2) In any case in which the Administrator is authorized to bring a civil action under this section with respect to any regulation, or other requirement of this part relating to—

(A) the underground injection of brine or other fluids which are brought to the surface in connection with oil or natural gas production, or

(B) any underground injection for the secondary or tertiary recovery of oil or natural gas,

the Administrator may also issue an order under this subsection either assessing a civil penalty of not more than $5,000 for each day of violation for any past or current violation, up to a maximum administrative penalty of $125,000, or requiring compliance with such regulation or other requirement, or both.

(3)(A) An order under this subsection shall be issued by the Administrator after opportunity (provided in accordance with this subparagraph) for a hearing. Before issuing the order, the Administrator shall give to the person to whom it is directed written notice of the Administrator’s proposal to issue such order and the opportunity to request, within 30 days of the date the notice is received by such person, a hearing on the order. Such hearing shall not be subject to section 554 or 556 of title 5, but shall provide a reasonable opportunity to be heard and to present evidence.

(B) The Administrator shall provide public notice of, and reasonable opportunity to comment on, any proposed order.

(C) Any citizen who comments on any proposed order under subparagraph (B) shall be given notice of any hearing under this subsection and of any order. In any hearing held under subparagraph (A), such citizen shall have a reasonable opportunity to be heard and to present evidence.

(D) Any order issued under this subsection shall become effective 30 days following its issuance unless an appeal is taken pursuant to paragraph (6).
§ 300h-3  TITLE 42—THE PUBLIC HEALTH AND WELFARE  Page 1130

§ 300h-3. Interim regulation of underground injections

(a) Necessity for well operation permit; designation of one aquifer areas

(1) Any person may petition the Administrator to have an area of a State (or States) designated as an area in which no new underground injection well may be operated during the period beginning on the date of the designation and end-

(4)(A) Any order issued under this subsection shall state with reasonable specificity the nature of the violation and may specify a reasonable time for compliance.

(B) In assessing any civil penalty under this subsection, the Administrator shall take into account appropriate factors, including (i) the seriousness of the violation; (ii) the economic benefit (if any) resulting from the violation; (iii) any history of such violations; (iv) any good faith efforts to comply with the applicable requirements; (v) the economic impact of the penalty on the violator; and (vi) such other matters as justice may require.

(5) Any violation with respect to which the Administrator has commenced and is diligently prosecuting an action, or has issued an order under this subsection assessing a penalty, shall not be subject to an action under subsection (b) of this section or section 300h-3(c) or 300j-8 of this title, except that the foregoing limitation on civil actions under section 300j-8 of this title shall not apply with respect to any violation for which—

(A) a civil action under section 300j-8(a)(1) of this title has been filed prior to commencement of an action under this subsection, or

(B) a notice of violation under section 300j-8(b)(1) of this title has been given before commencement of an action under this subsection and an action under section 300j-8(a)(1) of this title is filed before 120 days after such notice is given.

(6) Any person against whom an order is issued or who commented on a proposed order pursuant to paragraph (3) may file an appeal of such order with the United States District Court for the District of Columbia or the district in which the violation is alleged to have occurred. Such an appeal may only be filed within the 30-day period beginning on the date the order is issued. Appellant shall simultaneously send a copy of the appeal by certified mail to the Administrator and to the Attorney General. The Administrator shall promptly file in such court a certified copy of the record on which such order was imposed. The district court shall not set aside or remand such order unless there is not substantial evidence on the record, taken as a whole, to support the finding of a violation or, unless the Administrator's assessment of penalty or requirement for compliance constitutes an abuse of discretion. The district court shall not impose additional civil penalties for the same violation unless the Administrator's assessment of a penalty constitutes an abuse of discretion. Notwithstanding section 300j-7(a)(2) of this title, any order issued under paragraph (3) shall be subject to judicial review exclusively under this paragraph.

(7) If any person fails to pay an assessment of a civil penalty—

(A) after the order becomes effective under paragraph (3), or

(B) after a court, in an action brought under paragraph (6), has entered a final judgment in favor of the Administrator,

the Administrator may request the Attorney General to bring a civil action in an appropriate district court to recover the amount assessed (plus costs, attorneys' fees, and interest at currently prevailing rates from the date the order is effective or the date of such final judgment, as the case may be). In such an action, the validity, amount, and appropriateness of such penalty shall not be subject to review.

(8) The Administrator may, in connection with administrative proceedings under this subsection, issue subpoenas compelling the attendance and testimony of witnesses and subpoenas duces tecum, and may request the Attorney General to bring an action to enforce any subpoena under this section. The district courts shall have jurisdiction to enforce such subpoenas and impose sanction.

(d) State authority to adopt or enforce laws or regulations respecting underground injection unaffected

Nothing in this subchapter shall diminish any authority of a State or political subdivision to adopt or enforce any law or regulation respecting underground injection but no such law or regulation shall relieve any person of any requirement otherwise applicable under this subchapter.


AMENDMENTS


Subsec. (a)(1). Pub. L. 99–339, §202(a)(1), substituted provisions which related to issuance of an order of compliance or commencement of a civil action by the Administrator if the State has not commenced enforcement against the violator for provisions directing the Administrator to give public notice and request that the State report within 15 days thereafter as to steps taken to enforce compliance and authorizing the Administrator to commence a civil action upon failure by the State to comply timely.

Subsec. (a)(2). Pub. L. 99–339, §202(a)(2), substituted provision that the Administrator issue an order under subsec. (c) of this section or commence a civil action under subsec. (b) of this section for violation that he has commenced a civil action under subsec. (b)(1) of this section.

Subsec. (b). Pub. L. 99–339, §202(b), amended subsec. (b) generally, substituting provisions relating to jurisdiction of the appropriate Federal district court, entry of judgment, civil penalty of $25,000 per day, criminal liability and fine for willful violation for provisions which related to judicial determinations in appropriate Federal district courts, civil penalties of $5,000 per day, and fines of $10,000 per day for willful violations.

Subsecs. (c), (d). Pub. L. 99–339, §202(c), added subsec. (c) as (d).


§ 300h–3. Interim regulation of underground injections

(a) Necessity for well operation permit; designation of one aquifer areas

(1) Any person may petition the Administrator to have an area of a State (or States) designated as an area in which no new underground injection well may be operated during the period beginning on the date of the designation and end-
ing on the date on which the applicable underground injection control program covering such area takes effect unless a permit for the operation of such well has been issued by the Administrator under subsection (b). The Administrator may designate an area within a State if he finds that the area has one aquifer which is the sole or principal drinking water source for the area and which, if contaminated, would create a significant hazard to public health.

(2) Upon receipt of a petition under paragraph (1) of this subsection, the Administrator shall publish it in the Federal Register and shall provide an opportunity to interested persons to submit written data, views, or arguments thereon. Not later than the 30th day following the date of the publication of a petition under this paragraph in the Federal Register, the Administrator shall either make the designation for which the petition is submitted or deny the petition.

(b) Well operation permits; publication in Federal Register; notice and hearing; issuance or denial; conditions for issuance

(1) During the period beginning on the date an area is designated under subsection (a) and ending on the date the applicable underground injection control program covering such area takes effect, no new underground injection well may be operated in such area unless the Administrator has issued a permit for such operation.

(2) Any person may petition the Administrator for the issuance of a permit for the operation of such a well in such an area. A petition submitted under this paragraph shall be submitted in such manner and contain such information as the Administrator may require by regulation. Upon receipt of such a petition, the Administrator shall give notice of any proceeding on a petition and shall provide opportunity for agency hearing. The Administrator shall act upon such petition on the record of any hearing held pursuant to the preceding sentence respecting such petition. Within 120 days of the publication in the Federal Register of a petition submitted under this paragraph, the Administrator shall either issue the permit for which the petition was submitted or shall deny its issuance.

(3) The Administrator may issue a permit for the operation of a new underground injection well in an area designated under subsection (a) only, if he finds that the operation of such well will not cause contamination of the aquifer of such area so as to create a significant hazard to public health. The Administrator may condition the issuance of such a permit upon the use of such control measures in connection with the operation of such well, for which the permit is to be issued, as he deems necessary to assure that the operation of the well will not contaminate the aquifer of the designated area in which the well is located so as to create a significant hazard to public health.

(c) Civil penalties; separate violations; penalties for willful violations; temporary restraining order or injunction

Any person who operates a new underground injection well in violation of subsection (b), (1) shall be subject to a civil penalty of not more than $5,000 for each day in which such violation occurs, or (2) if such violation is willful, such person may, in lieu of the civil penalty authorized by clause (1), be fined not more than $10,000 for each day in which such violation occurs. If the Administrator has reason to believe that any person is violating or will violate subsection (b), he may petition the United States district court to issue a temporary restraining order or injunction (including a mandatory injunction) to enforce such subsection.

(d) “New underground injection well” defined

For purposes of this section, the term “new underground injection well” means an underground injection well whose operation was not approved by appropriate State and Federal agencies before December 16, 1974.

(e) Areas with one aquifer; publication in Federal Register; commitments for Federal financial assistance

If the Administrator determines, on his own initiative or upon petition, that an area has an aquifer which is the sole or principal drinking water source for the area and which, if contaminated, would create a significant hazard to public health, he shall publish notice of that determination in the Federal Register. After the publication of any such notice, no commitment for Federal financial assistance (through a grant, contract, loan guarantee, or otherwise) may be entered into for any project which the Administrator determines may contaminate such aquifer through a recharge zone so as to create a significant hazard to public health, but a commitment for Federal financial assistance may, if authorized under another provision of law, be entered into to plan or design the project to assure that it will not so contaminate the aquifer.

(July 1, 1944, ch. 373, title XIV, § 1424, as added Pub. L. 93–523, § 2(a), Dec. 16, 1974, 88 Stat. 1678.)

§ 300h–4. Optional demonstration by States relating to oil or natural gas

(a) Approval of State underground injection control program; alternative showing of effectiveness of program by State

For purposes of the Administrator's approval or disapproval under section 300h–1 of this title of that portion of any State underground injection control program which relates to—

(1) the underground injection of brine or other fluids which are brought to the surface in connection with oil or natural gas production or natural gas storage operations, or

(2) any underground injection for the secondary or tertiary recovery of oil or natural gas, in lieu of the showing required under subparagraph (A) of section 300h–1(b)(1) of this title the State may demonstrate that such portion of the State program meets the requirements of subparagraphs (A) through (D) of section 300h(b)(1) of this title and represents an effective program (including adequate recordkeeping and reporting) to prevent underground injection which endangers drinking water sources.
§ 300h–5

(b) Revision or amendment of requirements of regulation; showing of effectiveness of program by State

If the Administrator revises or amends any requirement of a regulation under section 300h of this title relating to any aspect of the underground injection referred to in subsection (a), in the case of that portion of a State underground injection control program for which the demonstration referred to in subsection (a) has been made, in lieu of the showing required under section 300h–1(b)(1)(B) of this title the State may demonstrate that, with respect to that aspect of such underground injection, the State program meets the requirements of subparagraphs (A) through (D) of section 300h(b)(1) of this title and represents an effective program (including adequate recordkeeping and reporting) to prevent underground injection which endangers drinking water sources.

(c) Primary enforcement responsibility of State; voiding by Administrator under duly promulgated rule

(1) Section 300h–1(b)(3) of this title shall not apply to that portion of any State underground injection control program approved by the Administrator pursuant to a demonstration under subsection (a) of this section (and under subsection (b) of this section where applicable). (2) If pursuant to a demonstration, the Administrator approves such portion of the State program, the State shall have primary enforcement responsibility with respect to that portion until such time as the Administrator determines, by rule, that such demonstration is no longer valid. Following such a determination, the Administrator may exercise the authority of subsection (c) of section 300h–1 of this title in the same manner as provided in such subsection with respect to a determination described in such subsection.

(3) Before promulgating any rule under paragraph (2), the Administrator shall provide opportunity for public hearing respecting such rule.

(§ 300h–6. Sole source aquifer demonstration program

(a) Purpose

The purpose of this section is to establish procedures for development, implementation, and assessment of demonstration programs designed to protect critical aquifer protection areas located within areas designated as sole or principal source aquifers under section 300h–3(e) of this title.

(b) "Critical aquifer protection area" defined

For purposes of this section, the term "critical aquifer protection area" means either of the following:

(1) All or part of an area located within an area for which an application or designation as a sole or principal source aquifer pursuant to section 300h–3(e) of this title, has been submitted and approved by the Administrator and which satisfies the criteria established by the Administrator under subsection (d).

(2) All or part of an area which is within an aquifer designated as a sole source aquifer as of June 19, 1986, and for which an areawide groundwater quality protection plan has been approved under section 208 of the Clean Water Act [33 U.S.C. 1288] prior to June 19, 1986.

(c) Application

Any State, municipal or local government or political subdivision thereof or any planning entity (including any interstate regional planning entity) that identifies a critical aquifer protection area over which it has authority or jurisdiction may apply to the Administrator for the se-
section of such area for a demonstration program under this section. Any applicant shall consult with other government or planning entities with authority or jurisdiction in such area prior to application. Applicants, other than the Governor, shall submit the application for a demonstration program jointly with the Governor.

(d) Criteria

Not later than 1 year after June 19, 1986, the Administrator shall, by rule, establish criteria for identifying critical aquifer protection areas under this section. In establishing such criteria, the Administrator shall consider each of the following:

(1) The vulnerability of the aquifer to contamination due to hydrogeologic characteristics.

(2) The number of persons or the proportion of population using the ground water as a drinking water source.

(3) The economic, social and environmental benefits that would result to the area from maintenance of ground water of high quality.

(4) The economic, social and environmental costs that would result from degradation of the quality of the ground water.

(e) Contents of application

An application submitted to the Administrator by any applicant for a demonstration program under this section shall meet each of the following requirements:

(1) The application shall propose boundaries for the critical aquifer protection area within its jurisdiction.

(2) The application shall designate or, if necessary, establish a planning entity (which shall be a public agency and which shall include representation of elected local and State governmental officials) to develop a comprehensive management plan (hereinafter in this section referred to as the “plan”) for the critical protection area. Where a local government planning agency exists with adequate authority to carry out this section with respect to any proposed critical protection area, such agency shall be designated as the planning entity.

(3) The application shall establish procedures for public participation in the development of the plan, for review, approval, and adoption of the plan, and for assistance to municipalities and other public agencies with authority under State law to implement the plan.

(4) The application shall include a hydrogeologic assessment of surface and ground water resources within the critical protection area.

(5) The application shall include a comprehensive management plan for the proposed protection area.

(6) The application shall include the measures and schedule proposed for implementation of such plan.

(f) Comprehensive plan

(1) The objective of a comprehensive management plan submitted by an applicant under this section shall be to maintain the quality of the ground water in the critical protection area in a manner reasonably expected to protect human health, the environment and ground water resources. In order to achieve such objective, the plan may be designed to maintain, to the maximum extent possible, the natural vegetative and hydrogeological conditions. Each of the following elements shall be included in such a protection plan:

(A) A map showing the detailed boundary of the critical protection area.

(B) An identification of existing and potential point and nonpoint sources of ground water degradation.

(C) An assessment of the relationship between activities on the land surface and ground water quality.

(D) Specific actions and management practices to be implemented in the critical protection area to prevent adverse impacts on ground water quality.

(E) Identification of authority adequate to implement the plan, estimates of program costs, and sources of State matching funds.

(2) Such plan may also include the following:

(A) A determination of the quality of the existing ground water recharged through the special protection area and the natural recharge capabilities of the special protection area watershed.

(B) Requirements designed to maintain existing underground drinking water quality or improve underground drinking water quality if prevailing conditions fail to meet drinking water standards, pursuant to this chapter and State law.

(C) Limits on Federal, State, and local government, financially assisted activities and projects which may contribute to degradation of such ground water or any loss of natural surface and subsurface infiltration of purification capability of the special protection area watershed.

(D) A comprehensive statement of land use management including emergency contingency planning as it pertains to the maintenance of the quality of underground sources of drinking water or to the improvement of such sources if necessary to meet drinking water standards pursuant to this chapter and State law.

(E) Actions in the special protection area which would avoid adverse impacts on water quality, recharge capabilities, or both.

(F) Consideration of specific techniques, which may include clustering, transfer of development rights, and other innovative measures sufficient to achieve the objectives of this section.

(G) Consideration of the establishment of a State institution to facilitate and assist funding a development transfer credit system.

(H) A program for State and local implementation of the plan described in this subsection in a manner that will insure the continued, uniform, consistent protection of the critical protection area in accord with the purposes of this section.

(I) Pollution abatement measures, if appropriate.
(g) Plans under section 208 of Clean Water Act

A plan approved before June 19, 1986, under section 208 of the Clean Water Act [33 U.S.C. 1288] to protect a sole source aquifer designated under section 300h–3(e) of this title shall be considered a comprehensive management plan for the purposes of this section.

(h) Consultation and hearings

During the development of a comprehensive management plan under this section, the planning entity shall consult with, and consider the comments of, appropriate officials of any municipality and State or Federal agency which has jurisdiction over lands and waters within the special protection area, other concerned organizations and technical and citizen advisory committees. The planning entity shall conduct public hearings at places within the special protection area for the purpose of providing the opportunity to comment on any aspect of the plan.

(i) Approval or disapproval

Within 120 days after receipt of an application under this section, the Administrator shall approve or disapprove the application. The approval or disapproval shall be based on a determination that the critical protection area satisfies the criteria established under subsection (d) and that a demonstration program for the area would provide protection for ground water quality consistent with the objectives stated in subsection (f). The Administrator shall provide to the Governor a written explanation of the reasons for the disapproval of any such application. Any petition for modification and resubmission of an approved plan under this section, the plan shall be disapproved if it would provide protection for ground water quality consistent with the objectives stated in subsection (f). The Administrator shall approve or disapprove the application. The application which is not approved. Upon approval of an application, the Administrator may enter into a cooperative agreement with the applicant to establish a demonstration program under this section.

(j) Grants and reimbursement

Upon entering a cooperative agreement under subsection (l), the Administrator may provide to the applicant, on a matching basis, a grant of 50 per centum of the costs of implementing the plan established under this section. The Administrator may also reimburse the applicant for up to 50 per centum of the costs of developing such plan, except for plans approved under section 208 of the Clean Water Act [33 U.S.C. 1288]. The total amount of grants under this section for any one aquifer, designated under section 300h–3(e) of this title, shall not exceed $4,000,000 in any one fiscal year.

(k) Activities funded under other law

No funds authorized under this section may be used to fund activities funded under other sections of this chapter or the Clean Water Act [33 U.S.C. 1251 et seq.], the Solid Waste Disposal Act [42 U.S.C. 6901 et seq.], the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 [42 U.S.C. 9601 et seq.], or other environmental laws.

(l) Savings provision

Nothing under this section shall be construed to amend, supersede or abrogate rights to quantities of water which have been established by interstate water compacts, Supreme Court decrees, or State water laws; or any requirement imposed or right provided under any Federal or State environmental or public health statute.

(m) Authorization of appropriations

There are authorized to be appropriated to carry out this section not more than the following amounts:

<table>
<thead>
<tr>
<th>Fiscal year</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>1987</td>
<td>$10,000,000</td>
</tr>
<tr>
<td>1988</td>
<td>15,000,000</td>
</tr>
<tr>
<td>1989</td>
<td>17,500,000</td>
</tr>
<tr>
<td>1990</td>
<td>17,500,000</td>
</tr>
<tr>
<td>1991</td>
<td>17,500,000</td>
</tr>
<tr>
<td>1992–2003</td>
<td>15,000,000</td>
</tr>
</tbody>
</table>

Matching grants under this section may also be used to implement or update any water quality management plan for a sole or principal source aquifer approved (before June 19, 1986) by the Administrator under section 208 of the Federal Water Pollution Control Act [33 U.S.C. 1288].

(7) Appendix

The Clean Water Act, referred to in subsec. (k), is act June 30, 1948, ch. 788, as amended generally by Pub. L. 92–500, § 2, Oct. 18, 1972, 86 Stat. 816, also known as the Federal Water Pollution Control Act, which is classified generally to chapter 26 (§ 1251 et seq.) of Title 33, Navigation and Navigable Waters. For complete classification of this Act to the Code, see Short Title note set out under Title 33.


The Federal Water Pollution Control Act, referred to in subsec. (k), is act June 30, 1948, ch. 788, as amended generally by Pub. L. 92–500, § 2, Oct. 18, 1972, 86 Stat. 816, also known as the Federal Water Pollution Control Act, which is classified generally to chapter 26 (§ 1251 et seq.) of Title 33, Navigation and Navigable Waters. For complete classification of this Act to the Code, see Short Title note set out under Title 33.


§ 300h–7. State programs to establish wellhead protection areas

(a) State programs

The Governor or Governor’s designee of each State shall, within 3 years of June 19, 1986, adopt and submit to the Administrator a State program to protect wellhead areas within their jurisdiction from contaminants which may have any adverse effect on the health of persons. Each State program under this section shall, at a minimum—

(1) specify the duties of State agencies, local governmental entities, and public water supply systems with respect to the development and implementation of programs required by this section;

(2) for each wellhead, determine the wellhead protection area as defined in subsection (e) based on all reasonably available hydrogeologic information on ground water flow, recharge and discharge and other information the State deems necessary to adequately determine the wellhead protection area;

(3) identify within each wellhead protection area all potential anthropogenic sources of contaminants which may have any adverse effect on the health of persons;

(4) describe a program that contains, as appropriate, technical assistance, financial assistance, implementation of control measures, education, training, and demonstration projects to protect the water supply within wellhead protection areas from such contaminants;

(5) include contingency plans for the location and provision of alternate drinking water supplies for each public water system in the event of well or wellfield contamination by such contaminants; and

(6) include a requirement that consideration be given to all potential sources of such contaminants within the expected wellhead area of a new water well which serves a public water supply system.

(b) Public participation

To the maximum extent possible, each State shall establish procedures, including but not limited to the establishment of technical and citizens’ advisory committees, to encourage the public to participate in developing the protection program for wellhead areas and source water assessment programs under section 300j–13 of this title. Such procedures shall include notice and opportunity for public hearing on the State program before it is submitted to the Administrator.

(c) Disapproval

(1) In general

If, in the judgment of the Administrator, a State program or portion thereof under subsection (a) is not adequate to protect public water systems as required by subsection (a) or a State program under section 300j–13 of this title or section 300g–7(b) of this title does not meet the applicable requirements of section 300j–13 of this title or section 300g–7(b) of this title, the Administrator shall disapprove such program or portion thereof. A State program developed pursuant to subsection (a) shall be deemed to be adequate unless the Administrator determines, within 9 months of the receipt of a State program, that such program (or portion thereof) is inadequate for the purpose of protecting public water systems as required by this section from contaminants that may have any adverse effect on the health of persons. A State program developed pursuant to section 300j–13 of this title or section 300g–7(b) of this title shall be deemed to meet the applicable requirements of section 300j–13 of this title or section 300g–7(b) of this title unless the Administrator determines within 9 months of the receipt of the program that such program (or portion thereof) does not meet such requirements. If the Administrator determines that a proposed State program (or any portion thereof) is disapproved, the Administrator shall submit a written statement of the reasons for such determination to the Governor of the State.

(2) Modification and resubmission

Within 6 months after receipt of the Administrator’s written notice under paragraph (1) that any proposed State program (or portion thereof) is disapproved, the Governor or Governor’s designee, shall modify the program based upon the recommendations of the Administrator and resubmit the modified program to the Administrator.

(d) Federal assistance

After the date 3 years after June 19, 1986, no State shall receive funds authorized to be appropriated under this section except for the purpose of implementing the program and requirements of paragraphs (4) and (6) of subsection (a).

(e) “Wellhead protection area” defined

As used in this section, the term “wellhead protection area” means the surface and subsurface area surrounding a water well or wellfield, supplying a public water system, through which contaminants are reasonably likely to move toward and reach such water well or wellfield. The extent of a wellhead protection area, within a State, necessary to provide protection from contaminants which may have any adverse effect on the health of persons is to be determined by the State in the program submitted under subsection (a). Not later than one year after June 19, 1986, the Administrator shall issue technical guidance which States may use in making such determinations. Such guidance may reflect such factors as the radius of influence around a well or wellfield, the depth of drawdown of the water table by such well or wellfield at any given point, the time or rate of travel of various contaminants in various hydrologic conditions, distance from the well or wellfield, or other factors affecting the likelihood of contaminants reaching the well or wellfield, taking into account available engineering pump tests or comparable data, field reconnaissance, topographic information, and the geology of the...
formation in which the well or wellfield is located.

(f) Prohibitions
(1) Activities under other laws
No funds authorized to be appropriated under this section may be used to support activities authorized by the Federal Water Pollution Control Act [33 U.S.C. 1251 et seq.], the Solid Waste Disposal Act [42 U.S.C. 6901 et seq.], the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 [42 U.S.C. 9601 et seq.], or other sections of this chapter.

(2) Individual sources
No funds authorized to be appropriated under this section may be used to bring individual sources of contamination into compliance.

(g) Implementation
Each State shall make every reasonable effort to implement the State wellhead area protection program under this section within 2 years of submitting the program to the Administrator. Each State shall submit to the Administrator a biennial status report describing the State’s progress in implementing the program. Such report shall include amendments to the State program for water wells sited during the biennial period.

(h) Federal agencies
Each department, agency, and instrumentality of the executive, legislative, and judicial branches of the Federal Government having jurisdiction over any potential source of contaminants identified by a State program pursuant to the provisions of subsection (a)(3) shall be subject to and comply with all requirements of the State program developed according to subsection (a)(4) applicable to such potential source of contaminants, both substantive and procedural, in the same manner, and to the same extent, as any other person is subject to such requirements, including payment of reasonable charges and fees. The President may exempt any potential source placed under the jurisdiction of any department, agency, or instrumentality in the executive branch if the President determines it to be in the paramount interest of the United States to do so. No such exemption shall be granted due to the lack of an appropriation unless the President shall have specifically requested such appropriation as part of the budgetary process and the Congress shall have failed to make available such requested appropriations.

(i) Additional requirement
(1) In general
In addition to the provisions of subsection (a) of this section, States in which there are more than 2,500 active wells at which annular injection is used as of January 1, 1986, shall include in their State program a certification that a State program exists and is being adequately enforced that provides protection from contaminants which may have any adverse effect on the health of persons and which are associated with the annular injection or surface disposal of brines associated with oil and gas production.

(2) “Annular injection” defined
For purposes of this subsection, the term “annular injection” means the reinjection of brines associated with the production of oil or gas between the production and surface casings of a conventional oil or gas producing well.

(3) Review
The Administrator shall conduct a review of each program certified under this subsection.

(4) Disapproval
If a State fails to include the certification required by this subsection or if in the judgment of the Administrator the State program certified under this subsection is not being adequately enforced, the Administrator shall disapprove the State program submitted under subsection (a) of this section.

(j) Coordination with other laws
Nothing in this section shall authorize or require any department, agency, or other instrumentality of the Federal Government or State or local government to apportion, allocate or otherwise regulate the withdrawal or beneficial use of ground or surface waters, so as to abrogate or modify any existing rights to water established pursuant to State or Federal law, including interstate compacts.

(k) Authorization of appropriations
Unless the State program is disapproved under this section, the Administrator shall make grants to the State for not less than 50 or more than 90 percent of the costs incurred by a State (as determined by the Administrator) in developing and implementing each State program under this section. For purposes of making such grants there is authorized to be appropriated not more than the following amounts:

<table>
<thead>
<tr>
<th>Fiscal year</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>1987</td>
<td>$20,000,000</td>
</tr>
<tr>
<td>1988</td>
<td>20,000,000</td>
</tr>
<tr>
<td>1989</td>
<td>35,000,000</td>
</tr>
<tr>
<td>1990</td>
<td>35,000,000</td>
</tr>
<tr>
<td>1991</td>
<td>35,000,000</td>
</tr>
<tr>
<td>1992-1993</td>
<td>30,000,000</td>
</tr>
</tbody>
</table>


REFERENCES IN TEXT
The Federal Water Pollution Control Act, referred to in subsec. (f)(1), is act June 30, 1948, ch. 758, as amended generally by Pub. L. 92-500, §2, Oct. 18, 1972, 86 Stat. 816, which is classified generally to chapter 26 (§1251 et seq.) of Title 33, Navigation and Navigable Waters. For complete classification of this Act to the Code, see Short Title note set out under section 1251 of Title 33 and Tables.


**AMENDMENTS**


Subsec. (b). Pub. L. 104–182, §132(b)(4), inserted before period at end of first sentence “and source water assessment programs under section 300j–13 of this title”. Subsec. (c)(1), Pub. L. 104–182, §132(b)(3), which directed substitution of “is disapproved” for “is inadequate” in third sentence, was executed by making the substitution in fourth sentence to reflect the probable intent of Congress and the amendment by Pub. L. 104–182, §120(b)(2). See below.

Pub. L. 104–182, §132(b)(2), inserted after second sentence “A State program developed pursuant to section 300j–13 of this title or section 300g–7(b) of this title unless the Administrator determines within 9 months of the receipt of the program that such program (or portion thereof) does not meet such requirements.”

Pub. L. 104–182, §132(b)(1), amended first sentence generally. Prior to amendment, first sentence read as follows: “If, in the judgment of the Administrator, a State program (or portion thereof, including the definition of a wellhead protection area), is not adequate to protect public water systems as required by this section, the Administrator shall disapprove such program (or portion thereof).”

Subsec. (c)(2). Pub. L. 104–182, §132(b)(3), substituted “is disapproved” for “is inadequate”.


§ 300h–8. State ground water protection grants

(a) In general

The Administrator may make a grant to a State for the development and implementation of a State program to ensure the coordinated and comprehensive protection of ground water resources within the State.

(b) Guidance

Not later than 1 year after August 6, 1996, and annually thereafter, the Administrator shall publish guidance that establishes procedures for application for State ground water protection program assistance and that identifies key elements of State ground water protection programs.

(c) Conditions of grants

(1) In general

The Administrator shall award grants to States that submit an application that is approved by the Administrator. The Administrator shall determine the amount of a grant awarded pursuant to this paragraph on the basis of an assessment of the extent of ground water resources in the State and the likelihood that awarding the grant will result in sustained and reliable protection of ground water quality.

(2) Innovative program grants

The Administrator may also award a grant pursuant to this subsection for innovative programs proposed by a State for the prevention of ground water contamination.

(3) Allocation of funds

The Administrator shall, at a minimum, ensure that, for each fiscal year, not less than 1 percent of funds made available to the Administrator by appropriations to carry out this section are allocated to each State that submits an application that is approved by the Administrator pursuant to this section.

(4) Limitation on grants

No grant awarded by the Administrator may be used for a project to remediate ground water contamination.

(d) Amount of grants

The amount of a grant awarded pursuant to paragraph (1) shall not exceed 50 percent of the eligible costs of carrying out the ground water protection program that is the subject of the grant (as determined by the Administrator) for the 1-year period beginning on the date that the grant is awarded. The State shall pay a State share to cover the costs of the ground water protection program from State funds in an amount that is not less than 50 percent of the cost of conducting the program.

(e) Evaluations and reports

Not later than 3 years after August 6, 1996, and every 3 years thereafter, the Administrator shall evaluate the State ground water protection programs that are the subject of grants awarded pursuant to this section and report to the Congress on the status of ground water quality in the United States and the effectiveness of State programs for ground water protection.

(f) Authorization of appropriations

There are authorized to be appropriated to carry out this section $15,000,000 for each of fiscal years 1997 through 2003.

(July 1, 1944, ch. 373, title XIV, §1429, as added Pub. L. 104–182, title I, §131, Aug. 6, 1996, 110 Stat. 1672.)

PART D—EMERGENCY POWERS

§ 300i. Emergency powers

(a) Actions authorized against imminent and substantial endangerment to health

Notwithstanding any other provision of this subchapter the Administrator, upon receipt of information that a contaminant which is present in or is likely to enter a public water system or an underground source of drinking water, or that there is a threatened or potential terrorist attack (or other intentional act designed to disrupt the provision of safe drinking water or to impact adversely the safety of drinking water supplied to communities and individuals), which may present an imminent and substantial endangerment to the health of persons, and that appropriate State and local authorities have not acted to protect the health of such persons, may take such actions as he may deem necessary in order to protect the health of such persons. To the extent he determines it to be practicable in light of such imminent endangerment, he shall consult with the State and local authorities in...
order to confirm the correctness of the information on which action proposed to be taken under this subsection is based and to ascertain the action which such authorities are or will be taking. The action which the Administrator may take may include (but shall not be limited to) (1) issuing such orders as may be necessary to protect the health of persons who are or may be users of such system (including travelers), including orders requiring the provision of alternative water supplies by persons who caused or contributed to the endangerment, and (2) commencing a civil action for appropriate relief, including a restraining order or permanent or temporary injunction.

(b) Penalties for violations; separate offenses

Any person who violates or fails or refuses to comply with any order issued by the Administrator under subsection (a)(1) may, in an action brought in the appropriate United States district court to enjoin such order, be subject to a civil penalty of not more than $15,000 for each day in which such violation occurs or failure to comply continues.

(1) Baseline information

Each community water system serving a population of greater than 3,300 persons shall conduct an assessment of the risks to, and resilience of, its system. Such an assessment—

(A) shall include an assessment of—

(i) the risk to the system from malevolent acts and natural hazards;

(ii) the resilience of the pipes and constructed conveyances, physical barriers, source water, water collection and intake, pretreatment, treatment, storage and distribution facilities, electronic, computer, or other automated systems (including the security of such systems) which are utilized by the system;

(iii) the monitoring practices of the system;

(iv) the financial infrastructure of the system;

(v) the use, storage, or handling of various chemicals by the system; and

(vi) the operation and maintenance of the system; and

(B) may include an evaluation of capital and operational needs for risk and resilience management for the system.

(2) Baseline information

The Administrator, not later than August 1, 2019, after consultation with appropriate departments and agencies of the Federal Government and with State and local governments, shall provide baseline information on malevolent acts of relevance to community water systems, which shall include consideration of acts that may—
(A) substantially disrupt the ability of the system to provide a safe and reliable supply of drinking water; or
(B) otherwise present significant public health or economic concerns to the community served by the system.

(3) Certification

(A) Certification
Each community water system described in paragraph (1) shall submit to the Administrator a certification that the system has conducted an assessment complying with paragraph (1). Such certification shall be made prior to—
(i) March 31, 2020, in the case of systems serving a population of 100,000 or more;
(ii) December 31, 2020, in the case of systems serving a population of 50,000 or more but less than 100,000; and
(iii) June 30, 2021, in the case of systems serving a population greater than 3,300 but less than 50,000.

(B) Review and revision
Each community water system described in paragraph (1) shall review the assessment of such system conducted under such paragraph at least once every 5 years after the applicable deadline for submission of its certification under subparagraph (A) to determine whether such assessment should be revised. Upon completion of such a review, the community water system shall submit to the Administrator a certification that the system has reviewed its assessment and, if applicable, revised such assessment.

(4) Contents of certifications
A certification required under paragraph (3) shall contain only—
(A) information that identifies the community water system submitting the certification;
(B) the date of the certification; and
(C) a statement that the community water system has conducted, reviewed, or revised the assessment, as applicable.

(5) Provision to other entities
No community water system shall be required under State or local law to provide an assessment described in this section (or revision thereof) to any State, regional, or local governmental entity solely by reason of the requirement set forth in paragraph (3) that the system submit a certification to the Administrator.

(b) Emergency response plan
Each community water system serving a population greater than 3,300 shall prepare or revise, where necessary, an emergency response plan that incorporates findings of the assessment conducted under subsection (a) for such system (and any revisions thereto). Each community water system shall certify to the Administrator, as soon as reasonably possible after October 23, 2018, but not later than 6 months after completion of the assessment under subsection (a), that the system has completed such plan. The emergency response plan shall include—

(1) strategies and resources to improve the resilience of the system, including the physical security and cybersecurity of the system;
(2) plans and procedures that can be implemented, and identification of equipment that can be utilized, in the event of a malevolent act or natural hazard that threatens the ability of the community water system to deliver safe drinking water;
(3) actions, procedures, and equipment which can obviate or significantly lessen the impact of a malevolent act or natural hazard on the public health and the safety and supply of drinking water provided to communities and individuals, including the development of alternative source water options, relocation of water intakes, and construction of flood protection barriers; and
(4) strategies that can be used to aid in the detection of malevolent acts or natural hazards that threaten the security or resilience of the system.

(c) Coordination
Community water systems shall, to the extent possible, coordinate with existing local emergency planning committees established pursuant to the Emergency Planning and Community Right-To-Know Act of 1986 (42 U.S.C. 11001 et seq.) when preparing or revising an assessment or emergency response plan under this section.

(d) Record maintenance
Each community water system shall maintain a copy of the assessment conducted under subsection (a) and the emergency response plan prepared under subsection (b) (including any revised assessment or plan) for 5 years after the date on which a certification of such assessment or plan is submitted to the Administrator under this section.

(e) Guidance to small public water systems
The Administrator shall provide guidance and technical assistance to community water systems serving a population of less than 3,300 persons on how to conduct resilience assessments, prepare emergency response plans, and address threats from malevolent acts and natural hazards that threaten to disrupt the provision of safe drinking water or significantly affect the public health and significantly affect the safety or supply of drinking water provided to communities and individuals.

(f) Alternative preparedness and operational resilience programs

(1) Satisfaction of requirement
A community water system that is required to comply with the requirements of subsections (a) and (b) may satisfy such requirements by—
(A) using and complying with technical standards that the Administrator has recognized under paragraph (2); and
(B) submitting to the Administrator a certification that the community water system is complying with subparagraph (A).

(2) Authority to recognize
Consistent with section 12(d) of the National Technology Transfer and Advancement Act of
1995, the Administrator shall recognize technical standards that are developed or adopted by third-party organizations or voluntary consensus standards bodies that carry out the objectives or activities required by this section as a means of satisfying the requirements under subsection (a) or (b).

(g) Technical assistance and grants

(1) In general
The Administrator shall establish and implement a program, to be known as the Drinking Water Infrastructure Risk and Resilience Program, under which the Administrator may award grants in each of fiscal years 2020 and 2021 to owners or operators of community water systems for the purpose of increasing the resilience of such community water systems.

(2) Use of funds
As a condition on receipt of a grant under this section, an owner or operator of a community water system shall agree to use the grant funds exclusively to assist in the planning, design, construction, or implementation of a program or project consistent with an emergency response plan prepared pursuant to subsection (b), which may include—
(A) the purchase and installation of equipment for detection of drinking water contaminants or malevolent acts;
(B) the purchase and installation of fencing, gating, lighting, or security cameras;
(C) the tamper-proofing of manhole covers, fire hydrants, and valve boxes;
(D) the purchase and installation of improved treatment technologies and equipment to improve the resilience of the system;
(E) improvements to electronic, computer, financial, or other automated systems and remote systems;
(F) participation in training programs, and the purchase of training manuals and guidance materials, relating to security and resilience;
(G) improvements in the use, storage, or handling of chemicals by the community water system;
(H) security screening of employees or contractor support services;
(I) equipment necessary to support emergency power or water supply, including standby and mobile sources; and
(J) the development of alternative source water options, relocation of water intakes, and construction of flood protection barriers.

(3) Exclusions
A grant under this subsection may not be used for personnel costs, or for monitoring, operation, or maintenance of facilities, equipment, or systems.

(4) Technical assistance
For each fiscal year, the Administrator may use not more than $8,000,000 from the funds made available to carry out this subsection to provide technical assistance to community water systems to assist in responding to and alleviating a vulnerability that would substantially disrupt the ability of the system to provide a safe and reliable supply of drinking water (including sources of water for such systems) which the Administrator determines to present an immediate and urgent need.

(5) Grants for small systems
For each fiscal year, the Administrator may use not more than $10,000,000 from the funds made available to carry out this subsection to make grants to community water systems serving a population of less than 3,300 persons, or nonprofit organizations receiving assistance under section 300j-1(e) of this title, for activities and projects undertaken in accordance with the guidance provided to such systems under subsection (e) of this section.

(6) Authorization of appropriations
To carry out this subsection, there are authorized to be appropriated $25,000,000 for each of fiscal years 2020 and 2021.

(h) Definitions
In this section—
(1) the term "resilience" means the ability of a community water system or an asset of a community water system to adapt to or withstand the effects of a malevolent act or natural hazard without interruption to the asset’s or system’s function, or if the function is interrupted, to rapidly return to a normal operating condition; and
(2) the term "natural hazard" means a natural event that threatens the functioning of a community water system, including an earthquake, tornado, flood, wildfire, and hydrologic changes.


REFERENCES IN TEXT

Section 12(d) of the National Technology Transfer and Advancement Act of 1995, referred to in subsec. (f)(2), is section 12(d) of Pub. L. 104–113, which is set out as a note under section 272 of Title 15, Commerce and Trade.

AMENDMENTS

SENSITIVE INFORMATION
Pub. L. 115–270, title II, §2013(b), Oct. 23, 2018, 132 Stat. 3854, provided that:
"(1) PROTECTION FROM DISCLOSURE.—Information submitted to the Administrator of the Environmental Protection Agency pursuant to section 1433 of the Safe Drinking Water Act [42 U.S.C. 300j-2], as in effect on the day before the date of enactment of America’s Water Infrastructure Act of 2018 [Oct. 24, 2018], shall be protected from disclosure in accordance with the provisions of such section as in effect on such day."
“(2) Disposal.—The Administrator, in partnership with community water systems (as defined in section 1401 of the Safe Drinking Water Act [42 U.S.C. 300f]), shall develop a strategy, in a timeframe determined appropriate by the Administrator, securely and permanently dispose of, or return to the applicable community water system, any information described in paragraph (1).”

§ 300i–3. Contaminant prevention, detection and response

(a) In general

The Administrator, in consultation with the Centers for Disease Control and Prevention of the Federal Government and with State and local governments, shall review (or enter into contracts or cooperative agreements to provide for a review of) current and future methods to prevent, detect and respond to the intentional introduction of chemical, biological or radiological contaminants into community water systems and source water for community water systems, including each of the following:

(1) Methods, means and equipment, including real time monitoring systems, designed to monitor and detect various levels of chemical, biological, and radiological contaminants or indicators of contaminants and reduce the likelihood that such contaminants can be successfully introduced into public water systems and source water intended to be used for drinking water.

(2) Methods and means to provide sufficient notice to operators of public water systems, and individuals served by such systems, of the introduction of chemical, biological or radiological contaminants and the possible effect of such introduction on public health and the safety and supply of drinking water.

(3) Methods and means for developing educational and awareness programs for community water systems.

(4) Procedures and equipment necessary to prevent the flow of contaminated drinking water to individuals served by public water systems.

(5) Methods, means, and equipment which could negate or mitigate deleterious effects on public health and the safety and supply caused by the introduction of contaminants into water intended to be used for drinking water, including an examination of the effectiveness of various drinking water technologies in removing, inactivating, or neutralizing biological, chemical, and radiological contaminants.

(6) Biomedical research into the short-term and long-term impact on public health of various chemical, biological and radiological contaminants that may be introduced into public water systems through terrorist or other intentional acts.

(b) Funding

For the authorization of appropriations to carry out this section, see section 300i–4(e) of this title.

(July 1, 1944, ch. 373, title XIV, § 1434, as added Pub. L. 107–188, title IV, § 402, June 12, 2002, 116 Stat. 685.)
§ 300j. Assurances of availability of adequate supplies of chemicals necessary for treatment of water

(a) Certification of need application

If any person who uses chlorine, activated carbon, lime, ammonia, soda ash, potassium permanganate, caustic soda, or other chemical or substance for the purpose of treating water in any public water system or in any public treatment works determines that the amount of such chemical or substance necessary to effectively treat such water is not reasonably available to him or will not be so available to him when required for the effective treatment of such water, such person may apply to the Administrator for a certification (hereinafter in this section referred to as a “certification of need”) that the amount of such chemical or substance which such person requires to effectively treat such water is not reasonably available to him or will not be so available when required for the effective treatment of such water.

(b) Application requirements; publication in Federal Register; waiver; certification, issuance or denial

(1) An application for a certification of need shall be in such form and submitted in such manner as the Administrator may require and shall (A) specify the persons the applicant determines are able to provide the chemical or substance with respect to which the application is submitted, (B) specify the persons from whom the applicant has sought such chemical or substance, and (C) contain such other information as the Administrator may require.

(2) Upon receipt of an application under this section, the Administrator shall (A) publish in the Federal Register a notice of the receipt of the application and a brief summary of it, (B) notify in writing each person whom the President or his delegate (after consultation with the Administrator) determines could be made subject to an order required to be issued upon the issuance of the certification of need applied for in such application, and (C) provide an opportunity for the submission of written comments on such application. The requirements of the preceding sentence of this paragraph shall not apply when the Administrator for good cause finds (and incorporates the finding with a brief statement of reasons therefor in the order issued) that waiver of such requirements is necessary in order to protect the public health.

(3) Within 30 days after—

(A) the date a notice is published under paragraph (2) in the Federal Register with respect to an application submitted under this section for the issuance of a certification of need, or

(B) the date on which such application is received if as authorized by the second sentence of such paragraph no notice is published with respect to such application,

the Administrator shall take action either to issue or deny the issuance of a certification of need.

(c) Certification of need; issuance; executive orders; implementation of orders; equitable apportionment of orders; factors considered

(1) If the Administrator finds that the amount of a chemical or substance necessary for an applicant under an application submitted under this section to effectively treat water in a public water system or in a public treatment works is not reasonably available to the applicant or will not be so available to him when required for the effective treatment of such water, the Administrator shall issue a certification of need. Not later than seven days following the issuance of such certification, the President or his delegate shall issue an order requiring the provision to such person of such amounts of such chemical or substance as the Administrator deems necessary in the certification of need issued for such person. Such order shall apply to such manufacturers, producers, processors, distributors, and repackagers of such chemical or substance as the President or his delegate deems necessary and appropriate, except that such order may not apply to any manufacturer, producer, or processor of such chemical or substance who manufactures, produces, or processes (as the case may be) such chemical or substance solely for its own use. Persons subject to an order issued under this section shall be given a reasonable opportunity to consult with the President or his delegate with respect to the implementation of the order.

(2) Orders which are to be issued under paragraph (1) to manufacturers, producers, and processors of a chemical or substance shall be equitably apportioned, as far as practicable, among all manufacturers, producers, and processors of such chemical or substance; and orders which are to be issued under paragraph (1) to distributors and repackagers of a chemical or substance shall be equitably apportioned, as far as practicable, among all distributors and repackagers of such chemical or substance. In apportioning orders issued under paragraph (1) to manufacturers, producers, processors, distributors, and repackagers of chlorine, the President or his
delegate shall, in carrying out the requirements of the preceding sentence, consider—

(A) the geographical relationships and established commercial relationships between such manufacturers, producers, processors, distributors, and repackagers and the persons for whom the orders are issued;

(B) in the case of orders to be issued to producers of chlorine, the (i) amount of chlorine historically supplied by each such producer to treat water in public water systems and public treatment works, and (ii) share of each such producer of the total annual production of chlorine in the United States; and

(C) such other factors as the President or his delegate may determine are relevant to the apportionment of orders in accordance with the requirements of the preceding sentence.

(3) Subject to subsection (f), any person for whom a certification of need has been issued under this subsection may upon the expiration of the preceding sentence, consider—

(a) the geographical relationships and established commercial relationships between such manufacturers, producers, processors, distributors, and repackagers and the persons for whom the orders are issued;

(b) in the case of orders to be issued to producers of chlorine, the (i) amount of chlorine historically supplied by each such producer to treat water in public water systems and public treatment works, and (ii) share of each such producer of the total annual production of chlorine in the United States; and

(c) such other factors as the President or his delegate may determine are relevant to the apportionment of orders in accordance with the requirements of the preceding sentence.

(d) **Breach of contracts; defense**

There shall be available as a defense to any action brought for breach of contract in a Federal or State court arising out of delay or failure to provide, sell, or offer for sale or exchange a chemical or substance subject to an order issued pursuant to subsection (c)(1), that such delay or failure was caused solely by compliance with such order.

(e) **Penalties for noncompliance with orders; temporary restraining orders or permanent injunctions**

(1) Whoever knowingly fails to comply with any order issued pursuant to subsection (c)(1) shall be fined not more than $5,000 for each such failure to comply.

(2) Whoever fails to comply with any order issued pursuant to subsection (c)(1) shall be subject to a civil penalty of not more than $2,500 for each such failure to comply.

(3) Whenever the Administrator or the President or his delegate has reason to believe that any person is violating or will violate any order issued pursuant to subsection (c)(1), he may petition a United States district court to issue a temporary restraining order or preliminary or permanent injunction (including a mandatory injunction) to enforce the provision of such order.

(f) **Termination date**

No certification of need or order issued under this section may remain in effect for more than one year.


**AMENDMENTS**


1986—Subsec. (f). Pub. L. 99–339 substituted “in effect for more than one year” for “‘in effect— (1) for more than one year, or (2) September 30, 1982, whichever occurs first.’”


**EX. ORD. NO. 11879. DELEGATION OF FUNCTIONS TO SECRETARY OF COMMERCE RELATING TO ORDERS FOR PROVISION OF CHEMICALS OR SUBSTANCES NECESSARY FOR TREATMENT OF WATER**

Ex. Ord. No. 11879, Sept. 17, 1975, 40 F.R. 43197, provided:

By virtue of the authority vested in me by Section 1441 of the Public Health Service Act, as amended by the Safe Drinking Water Act [now Safe Drinking Water Act of 1974] (68 Stat. 1680, 42 U.S.C. 300j), and as President of the United States, the Secretary of Commerce is hereby delegated, with power to redelegate to agencies, officers and employees of the Government, the functions of the President contained in said section 1441 (42 U.S.C. 300j). Those functions shall be administered under regulations or agreements which are identical or compatible with other regulations and agreements, including those provided pursuant to Executive Order No. 10480, as amended [former 50 U.S.C. App. 2153 note], for the allocation of similar chemicals or substances.

Gerald R. Ford.

§ 300j–1. Research, technical assistance, information, training of personnel

(a) **Specific powers and duties of Administrator**

(1) The Administrator may conduct research, studies, and demonstrations relating to the causes, diagnosis, treatment, control, and prevention of physical and mental diseases and other impairments of man resulting directly or indirectly from contaminants in water, or to the provision of a dependably safe supply of drinking water, including—

(A) improved methods (i) to identify and measure the existence of contaminants in drinking water (including methods which may be used by State and local health and water officials), and (ii) to identify the source of such contaminants;

(B) improved methods to identify and measure the health effects of contaminants in drinking water;

(C) new methods of treating raw water to prepare it for drinking, so as to improve the efficiency of water treatment and to remove contaminants from water;

(D) improved methods for providing a dependably safe supply of drinking water, including improvements in water purification and distribution, and methods of assessing the health related hazards of drinking water;

(E) improved methods of protecting underground water sources of public water systems from contamination; and

(F) innovative water technologies (including technologies to improve water treatment to ensure compliance with this subchapter and technologies to identify and mitigate sources of drinking water contamination, including lead contamination).

(2) **INFORMATION AND RESEARCH FACILITIES.**—In carrying out this subchapter, the Administrator is authorized to—
§ 300j–1  

(A) collect and make available information pertaining to research, investigations, and demonstrations with respect to providing a dependably safe supply of drinking water, together with appropriate recommendations in connection with the information; and

(B) make available research facilities of the Agency to appropriate public authorities, institutions, and individuals engaged in studies and research relating to this subchapter.

(3) The Administrator shall carry out a study of polychlorinated biphenyl contamination of actual or potential sources of drinking water, contamination of such sources by other substances known or suspected to be harmful to public health, the effects of such contamination, and means of removing, treating, or otherwise controlling such contamination. To assist in carrying out this paragraph, the Administrator is authorized to make grants to public agencies and private nonprofit institutions.

(4) The Administrator shall conduct a survey and study of—

(A) disposal of waste (including residential waste) which may endanger underground water which supplies, or can reasonably be expected to supply, any public water systems, and

(B) means of control of such waste disposal.

Not later than one year after December 16, 1974, he shall transmit to the Congress the results of such survey and study, together with such recommendations as he deems appropriate.

(5) The Administrator shall carry out a study of methods of underground injection which do not result in the degradation of underground drinking water sources.

(6) The Administrator shall carry out a study of methods of preventing, detecting, and dealing with surface spills of contaminants which may degrade underground water sources for public water systems.

(7) The Administrator shall carry out a study of virus contamination of drinking water sources and means of control of such contamination.

(8) The Administrator shall carry out a study of the nature and extent of the impact on underground water which supplies or can reasonably be expected to supply public water systems of (A) abandoned injection or extraction wells; (B) intensive application of pesticides and fertilizers in underground water recharge areas; and (C) ponds, pools, lagoons, pits, or other surface disposal of contaminants in underground water recharge areas.

(9) The Administrator shall conduct a comprehensive study of public water supplies and drinking water sources to determine the nature, extent, sources of and means of control of contamination by chemicals or other substances suspected of being carcinogenic. Not later than six months after December 16, 1974, he shall transmit to the Congress the initial results of such study, together with such recommendations for further review and corrective action as he deems appropriate.

(10) The Administrator shall carry out a study of the reaction of chlorine and humic acids and the effects of the contaminants which result from such reaction on public health and on the safety of drinking water, including any carcinogenic effect.

(b) Emergency situations

The Administrator is authorized to provide technical assistance and to make grants to States, or publicly owned water systems to assist in responding to and alleviating any emergency situation affecting public water systems (including sources of water for such systems) which the Administrator determines to present substantial danger to the public health. Grants provided under this subsection shall be used only to support those actions which (i) are necessary for preventing, limiting or mitigating danger to the public health in such emergency situation and (ii) would not, in the judgment of the Administrator, be taken without such emergency assistance. The Administrator may carry out the program authorized under this subsection as part of, and in accordance with the terms and conditions of, any other program of assistance for environmental emergencies which the Administrator is authorized to carry out under any other provision of law. No limitation on appropriations for any such other program shall apply to amounts appropriated under this subsection.

(c) Establishment of training programs and grants for training; training fees

The Administrator shall—

(1) provide training for, and make grants for training (including postgraduate training) of (A) personnel of State agencies which have primary enforcement responsibility and of agencies or units of local government to which enforcement responsibilities have been delegated by the State, and (B) personnel who manage or operate public water systems, and

(2) make grants for postgraduate training of individuals (including grants to educational institutions for traineeships) for purposes of qualifying such individuals to work as personnel referred to in paragraph (1).

(3) make grants to, and enter into contracts with, any public agency, educational institution, and any other organization, in accordance with procedures prescribed by the Administrator, under which he may pay all or part of the costs (as may be determined by the Administrator) of any project or activity which is designed—

(A) to develop, expand, or carry out a program (which may combine training education and employment) for training persons for occupations involving the public health aspects of providing safe drinking water;

(B) to train inspectors and supervisory personnel to train or supervise persons in occupations involving the public health aspects of providing safe drinking water; or

(C) to develop and expand the capability of programs of States and municipalities to carry out the purposes of this subchapter (other than by carrying out State programs of public water system supervision or underground water source protection (as defined in section 300j–2(c) of this title)).

Reasonable fees may be charged for training provided under paragraph (1)(B) to persons other...
than personnel of State or local agencies but such training shall be provided to personnel of State or local agencies without charge.

(d) Authorization of appropriations

There are authorized to be appropriated to carry out subsection (b) not more than $35,000,000 for the fiscal year 2002 and such sums as may be necessary for each fiscal year thereafter.

(e) Technical assistance to small public water systems

(1) The Administrator may provide technical assistance to small public water systems to enable such systems to achieve and maintain compliance with applicable primary drinking water regulations.

(2) Such assistance may include circuit-rider and multi-State regional technical assistance programs, training, and preliminary engineering evaluations.

(3) The Administrator shall ensure that technical assistance pursuant to this subsection is available in each State.

(4) Each nonprofit organization receiving assistance under this subsection shall consult with the State in which the assistance is to be expended or otherwise made available before using assistance to undertake activities to carry out this subsection.

(5) There are authorized to be appropriated to the Administrator to be used for such technical assistance $15,000,000 for each of the fiscal years 2015 through 2020.

(6) No portion of any State loan fund established under section 300–12 of this title (relating to State loan funds) and no portion of any funds made available under this subsection may be used for lobbying expenses.

(7) Of the total amount appropriated under this subsection, 3 percent shall be used for technical assistance to public water systems owned or operated by Indian Tribes, including grants to provide training and operator certification services under section 300j–12(i)(5) of this title.

(8) NONPROFIT ORGANIZATIONS.—

(A) IN GENERAL.—The Administrator may use amounts made available to carry out this section to provide grants or cooperative agreements to nonprofit organizations that provide to small public water systems on-site technical assistance, circuit-rider technical assistance programs, multistate, regional technical assistance programs, on-site and regional training, assistance with implementing source water protection plans, and assistance with implementing monitoring plans, rules, regulations, and water security enhancements.

(B) PREFERENCE.—To ensure that technical assistance funding is used in a manner that is most beneficial to the small and rural communities of a State, the Administrator shall give preference under this paragraph to nonprofit organizations that, as determined by the Administrator, are the most qualified and experienced in providing training and technical assistance to small public water systems and that the small community water systems in that State find to be the most beneficial and effective.

(C) LIMITATION.—No grant or cooperative agreement provided or otherwise made available under this section may be used for litigation pursuant to section 300–8 of this title.

(f) Technical assistance for innovative water technologies

(1) The Administrator may provide technical assistance to public water systems to facilitate use of innovative water technologies.

(2) There are authorized to be appropriated to the Administrator for use in providing technical assistance under paragraph (1) $10,000,000 for each of fiscal years 2017 through 2021.

(3) The Administrator shall ensure that technical assistance pursuant to this subsection is available in each State.

(4) Each nonprofit organization receiving assistance under this subsection shall consult with the State in which the assistance is to be expended or otherwise made available before using assistance to undertake activities to carry out this subsection.

(5) There are authorized to be appropriated to the Administrator to be used for such technical assistance $15,000,000 for each of the fiscal years 2017 through 2021.

(6) No portion of any State loan fund established under section 300j–12 of this title (relating to State loan funds) and no portion of any funds made available under this subsection may be used for lobbying expenses.

(7) Of the total amount appropriated under this subsection, 3 percent shall be used for technical assistance to public water systems owned or operated by Indian Tribes, including grants to provide training and operator certification services under section 300j–12(i)(5) of this title.

(8) Nonprofit organizations.—

(A) IN GENERAL.—The Administrator may use amounts made available to carry out this section to provide grants or cooperative agreements to nonprofit organizations that provide to small public water systems on-site technical assistance, circuit-rider technical assistance programs, multistate, regional technical assistance programs, on-site and regional training, assistance with implementing source water protection plans, and assistance with implementing monitoring plans, rules, regulations, and water security enhancements.

(B) PREFERENCE.—To ensure that technical assistance funding is used in a manner that is most beneficial to the small and rural communities of a State, the Administrator shall give preference under this paragraph to nonprofit organizations that, as determined by the Administrator, are the most qualified and experienced in providing training and technical assistance to small public water systems and that the small community water systems in that State find to be the most beneficial and effective.

(C) LIMITATION.—No grant or cooperative agreement provided or otherwise made available under this section may be used for litigation pursuant to section 300–8 of this title.

(9) Technical assistance for innovative water technologies

(1) The Administrator may provide technical assistance to public water systems to facilitate use of innovative water technologies.

(2) There are authorized to be appropriated to the Administrator for use in providing technical assistance under paragraph (1) $10,000,000 for each of fiscal years 2017 through 2021.

(3) The Administrator shall ensure that technical assistance pursuant to this subsection is available in each State.

(4) Each nonprofit organization receiving assistance under this subsection shall consult with the State in which the assistance is to be expended or otherwise made available before using assistance to undertake activities to carry out this subsection.

(5) There are authorized to be appropriated to the Administrator to be used for such technical assistance $15,000,000 for each of the fiscal years 2017 through 2021.

(6) No portion of any State loan fund established under section 300j–12 of this title (relating to State loan funds) and no portion of any funds made available under this subsection may be used for lobbying expenses.

(7) Of the total amount appropriated under this subsection, 3 percent shall be used for technical assistance to public water systems owned or operated by Indian Tribes, including grants to provide training and operator certification services under section 300j–12(i)(5) of this title.

(8) Nonprofit organizations.—

(A) IN GENERAL.—The Administrator may use amounts made available to carry out this section to provide grants or cooperative agreements to nonprofit organizations that provide to small public water systems on-site technical assistance, circuit-rider technical assistance programs, multistate, regional technical assistance programs, on-site and regional training, assistance with implementing source water protection plans, and assistance with implementing monitoring plans, rules, regulations, and water security enhancements.

(B) PREFERENCE.—To ensure that technical assistance funding is used in a manner that is most beneficial to the small and rural communities of a State, the Administrator shall give preference under this paragraph to nonprofit organizations that, as determined by the Administrator, are the most qualified and experienced in providing training and technical assistance to small public water systems and that the small community water systems in that State find to be the most beneficial and effective.

(C) LIMITATION.—No grant or cooperative agreement provided or otherwise made available under this section may be used for litigation pursuant to section 300–8 of this title.

(10) Technical assistance for innovative water technologies

(1) The Administrator may provide technical assistance to public water systems to facilitate use of innovative water technologies.

(2) There are authorized to be appropriated to the Administrator for use in providing technical assistance under paragraph (1) $10,000,000 for each of fiscal years 2017 through 2021.
to appear after subsec. (a), and struck out former subsec. (b) which read as follows: ‘‘In carrying out this subchapter, the Administrator is authorized to—

‘‘(1) collect and make available information pertaining to research, investigations, and demonstrations with respect to providing a dependably safe supply of drinking water together with appropriate recommendations in connection therewith;

‘‘(2) make available research facilities of the Agency to appropriate public authorities, institutions, and individuals engaged in studies and research relating to the purposes of this subchapter’’;

Subsecs. (b)(3), (c)(3), Pub. L. 104–182, §121(1), which directed redesignation of subsec. (b)(3) as par. (3) of subsec. (d) and transfer of that par. to follow par. (2) of subsec. (d), was executed by redesignating subsec. (b)(3) as par. (3) of subsec. (c) and transferring that par. to follow par. (2) of subsec. (c) to reflect the probable intent of Congress and the redesignation of subsec. (d) as (c) by Pub. L. 104–95, Jan. 26, 1996. Among other note below. Moreover, subsec. (d) does not have any pars.

Subsec. (e). Pub. L. 104–182, §122, amended subsec. (e) generally. Prior to amendment, subsec. (e) read as follows: ‘‘The Administrator is authorized to provide technical assistance to small public water systems to enable such systems to achieve and maintain compliance with national drinking water regulations. Such assistance may include ‘circuit-ride’ programs, training, and preliminary engineering studies. There are authorized to be appropriated to carry out this subsection $10,000,000 for each of the fiscal years 1987 through 1991. Not less than the greater of—

‘‘(1) 3 percent of the amounts appropriated under this subsection, or

‘‘(2) $200,000 shall be utilized for technical assistance to public water systems owned or operated by Indian tribes.’’

1996—Subsecs. (c) to (g), Pub. L. 104–66 redesignated subsecs. (d), (f), and (g) as (c), (d), and (e), respectively, and struck out former subsec. (c) which read as follows: ‘‘Not later than eighteen months after November 16, 1977, the Administrator shall submit a report to Congress on the present and projected future availability of an adequate and dependable supply of safe drinking water to meet present and projected future need. Such report shall include an analysis of the future demand for drinking water and other competing uses of water, the availability and use of methods to conserve water or reduce demand, the adequacy of present measures to assure adequate and dependable supplies of safe drinking water, and the problems (fiscal, legal, or other) which need to be resolved in order to assure the availability of such supplies for the future. Existing information and data compiled by the National Water Commission and others shall be utilized to the extent possible.’’

1980—Subsec. (e). Pub. L. 95–339, §304(a), struck out subsec. (e), which authorized the Administrator to make grants to public water systems which are required, under State or local law, to meet standards relating to drinking turbidity which are more stringent than the standards in effect under this subsection.

Subsec. (f). Pub. L. 95–339, §301(a), authorized appropriations to carry out subsec. (a)(2)(B) of this section for fiscal years 1987 to 1991 and to carry out provisions of this section other than subsec. (a)(2)(B) and (g) and provisions relating to research for fiscal years 1987 to 1991.

Subsec. (g). Pub. L. 95–339, §301(g), authorized appropriations to carry out this subsection of $10,000,000 for each of fiscal years 1987 through 1991 and specified amount to be utilized for public water systems owned or operated by Indian tribes.


Subsec. (f). Pub. L. 96–63, §2, Aug. 16, 1982, substituted in subpar. (A) ‘‘1981’’ for ‘‘1982’’; and, in subpar. (B) as added, substituted provisions authorizing Administrator to make grants and provide technical assistance for any emergency situation respecting drinking water and criteria for determination of such situations.

Subsec. (a)(3). Pub. L. 97–35, §3(a), designated existing provisions as subpar. (A) and added subpar. (B).

Subsec. (a)(10). Pub. L. 95–339, §3(c)(1), added pars. (10) and (11).

Subsec. (b)(3)(C). Pub. L. 95–339, §18(b), substituted ‘‘300j–2(c)’’ for ‘‘300j–2(d)’’.

Subsecs. (c), (d), Pub. L. 95–390, §§3(b), 4, added subsec. (c) and (d). Former subsec. (c) redesignated (e).

Subsec. (e). Pub. L. 95–390, §§2(a), (b), redesignated former subsec. (c) as (e) and inserted provisions authorizing appropriations for fiscal years 1978 and 1979, and provisions relating to appropriations for subsec. (a)(2)(B) of this section and for research.

REPORT ON INNOVATIVE WATER TECHNOLOGIES

Pub. L. 114–322, title II, §2109(c), Dec. 16, 2016, 130 Stat. 1729, provided that: ‘‘Not later than 1 year after the date of enactment of the Water and Waste Act of 2016 [Dec. 16, 2016], and not less frequently than every 5 years thereafter, the Administrator of the Environmental Protection Agency shall report to Congress on—

‘‘(1) the amount of funding used to provide technical assistance under section 1442(f) of the Safe Drinking Water Act [42 U.S.C. 300f–1(f)] to deploy innovative water technologies;

‘‘(2) the barriers impacting greater use of innovative water technologies; and

‘‘(3) the cost-saving potential to cities and future infrastructure investments from innovative water technologies.’’

FINDINGS


‘‘(1) the Safe Drinking Water Act Amendments of 1996 [Public Law 104–182] [see Short Title of 1996 Amendments note set out under section 201 of this title] authorized technical assistance for small and rural communities to assist those communities in complying with regulations promulgated pursuant to the Safe Drinking Water Act [42 U.S.C. 300f et seq.];

‘‘(2) technical assistance and compliance training—

‘‘(A) ensures that Federal regulations do not overwhelm the resources of small and rural communities; and

‘‘(B) provides small and rural communities lacking technical resources with the necessary skills to improve and protect water resources;

‘‘(3) across the United States, more than 90 percent of the community water systems serve a population of less than 10,000 individuals;

‘‘(4) small and rural communities have the greatest difficulty providing safe, affordable public drinking water and wastewater services due to limited economies of scale and lack of technical expertise; and

‘‘(5) in addition to being the main source of compliance assistance, small and rural water technical assistance has been the main source of emergency response assistance in small and rural communities.’’

SCIENTIFIC RESEARCH REVIEW

Pub. L. 104–182, title II, §202, Aug. 6, 1996, 110 Stat. 1682, provided that:

‘‘(a) IN GENERAL.—The Administrator shall—
“(1) develop a strategic plan for drinking water research activities throughout the Environmental Protection Agency (in this section referred to as the ‘Agency’);

“(2) integrate that strategic plan into ongoing Agency planning activities; and

“(3) review all Agency drinking water research to ensure the research—

“(A) is of high quality; and

“(B) does not duplicate any other research being conducted by the Agency.

“(b) PLAN.—The Administrator shall transmit the plan to the Committees on Commerce [now Energy and Commerce] and Science [now Science, Space, and Technology] of the House of Representatives and the Committee on Environment and Public Works of the Senate and the plan shall be made available to the public.”

**National Center for Ground Water Research**

Pub. L. 104–182, title II, § 303(b), June 19, 1996, 110 Stat. 1633, provided that: “The Administrator of the Environmental Protection Agency, acting through the Robert S. Kerr Environmental Research Laboratory, is authorized to reestablish a partnership between the Laboratory and the National Center for Ground Water Research, a university consortium, to conduct research, training, and technology transfer for ground water quality protection and restoration. No funds are authorized by this section.”

**Comparative Health Effects Assessment**

Pub. L. 99–339, title III, § 304(b), June 19, 1986, 100 Stat. 667, provided that: “The Administrator of the Environmental Protection Agency shall conduct a comparative health effects assessment, using available data, to compare the public health effects (both positive and negative) associated with water treatment chemicals and their byproducts to the public health effects associated with contaminants found in public water supplies. Not later than 18 months after the date of the enactment of this Act [June 19, 1986], the Administrator shall submit a report to the Congress setting forth the results of such assessment.”

§ 300j–1a. Innovative water technology grant program

(a) Definitions

In this section:

(1) Administrator

The term ‘‘Administrator’’ means the Administrator of the Environmental Protection Agency.

(2) Eligible entity

The term ‘‘eligible entity’’ means—

(A) a public water system (as defined under section 300f(4) of this title);

(B) an institution of higher education;

(C) a research institution or foundation;

(D) a regional water organization; or

(E) a nonprofit organization described in section 300j–1(e)(8) of this title.

(b) Grant program authorized

The Administrator shall carry out a grant program for the purpose of accelerating the development and deployment of innovative water technologies that address pressing drinking water supply, quality, treatment, or security challenges of public water systems, areas served by private wells, or source waters.

(c) Grants

In carrying out the program under subsection (b), the Administrator shall make grants to eligible entities—

(1) to develop, test, and deploy innovative water technologies; or

(2) to provide technical assistance to deploy demonstrated innovative water technologies.

(d) Selection criteria

In making grants under this section, the Administrator shall—

(1) award grants through a competitive process to eligible entities the Administrator determines are best able to carry out the purpose of the program; and

(2) give priority to projects that have the potential—

(A) to reduce ratepayer or community costs or costs of future capital investments;

(B) to significantly improve human health or the environment; or

(C) to provide additional drinking water supplies with minimal environmental impact.

(e) Cost-sharing

The Federal share of the cost of activities carried out using a grant under this section shall be not more than 65 percent.

(f) Limitation

The maximum amount of a grant under this section shall be $5,000,000.

(g) Report

Each year, the Administrator shall submit to Congress and make publicly available on the website of the Administrator a report that describes any advancements during the previous year in development of innovative water technologies made as a result of funding provided under this section.

(h) Partnerships

Grants awarded under this program may include projects that are carried out by an eligible entity in cooperation with a private entity, including a farmer, farmer cooperative, or manufacturer of water technologies.

(i) Authorization of appropriations

There is authorized to be appropriated to carry out this section $10,000,000 for each of fiscal years 2019 and 2020.


**Codification**

Section was enacted as part of the America’s Water Infrastructure Act of 2018, and not as part of the Public Health Service Act which comprises this chapter.

§ 300j–2. Grants for State programs

(a) Public water systems supervision programs; applications for grants; allotment of sums; waiver of grant restrictions; notice of approval or disapproval of application; authorization of appropriations

(1) From allotments made pursuant to paragraph (4), the Administrator may make grants to States to carry out public water system supervision programs.

(2) No grant may be made under paragraph (1) unless an application therefor has been submitted to the Administrator in such form and man-
ner as he may require. The Administrator may not approve an application of a State for its first grant under paragraph (1) unless he determines that the State—

(A) has established or will establish within one year from the date of such grant a public water system supervision program, and

(B) will, within that one year, assume primary enforcement responsibility for public water systems within the State.

No grant may be made to a State under paragraph (1) for any period beginning more than one year after the date of the State’s first grant unless the State has assumed and maintains primary enforcement responsibility for public water systems within the State. The prohibitions contained in the preceding two sentences shall not apply to such grants when made to Indian Tribes.

(3) A grant under paragraph (1) shall be made to cover not more than 75 per centum of the grant recipient’s costs (as determined under regulations of the Administrator) in carrying out, during the one-year period beginning on the date the grant is made, a public water system supervision program.

(4) In each fiscal year the Administrator shall, in accordance, with regulations, allot the sums appropriated for such year under paragraph (5) among the States on the basis of population, geographical area, number of public water systems, and other relevant factors. No State shall receive less than 1 per centum of the annual appropriation for grants under paragraph (1): Provided, That the Administrator may, by regulation, reduce such percentage in accordance with the criteria specified in this paragraph: And provided further, That such percentage shall not apply to grants allotted to Guam, American Samoa, or the Virgin Islands.

(5) The prohibition contained in the last sentence of paragraph (2) may be waived by the Administrator with respect to a grant to a State through fiscal year 1979 but such prohibition may only be waived if, in the judgment of the Administrator—

(A) the State is making a diligent effort to assume and maintain primary enforcement responsibility for public water systems within the State;

(B) the State has made significant progress toward assuming and maintaining such primary enforcement responsibility; and

(C) there is reason to believe the State will assume such primary enforcement responsibility by October 1, 1979.

The amount of any grant awarded for the fiscal years 1978 and 1979 pursuant to a waiver under this paragraph may not exceed 75 per centum of the amount which the State would have received for such fiscal year if it had assumed and maintained such primary enforcement responsibility. The remaining 25 per centum of the amount allotted to such State for such fiscal year shall be retained by the Administrator, and not later than the first day of the fiscal year 1980 to the States to which such amounts were originally allotted may be removed from the original allotment and reallocated for fiscal years 1979 or 1980 (as the case may be) to States which have assumed primary enforcement responsibility by the beginning of such fiscal year.

(6) The Administrator shall notify the State of the approval or disapproval of any application for a grant under this section—

(A) within ninety days after receipt of such application, or

(B) not later than the first day of the fiscal year for which the grant application is made, whichever is later.

(7) AUTHORIZATION.—For the purpose of making grants under paragraph (1), there are authorized to be appropriated $125,000,000 for each of fiscal years 2020 and 2021.

(8) RESERVATION OF FUNDS BY THE ADMINISTRATOR.—If the Administrator assumes the primary enforcement responsibility of a State public water system supervision program, the Administrator may reserve funds from the funds made available pursuant to this subsection an amount equal to the amount that would otherwise have been provided to the State pursuant to this subsection. The Administrator shall use the funds reserved pursuant to this paragraph to ensure the full and effective administration of a public water system supervision program in the State.

(9) STATE LOAN FUNDS.—

(A) RESERVATION OF FUNDS.—For any fiscal year for which the amount made available to the Administrator by appropriations to carry out this subsection is less than the amount that the Administrator determines is necessary to supplement funds made available pursuant to paragraph (8) to ensure the full and effective administration of a public water system supervision program in a State, the Administrator may reserve from the funds made available to the State under section 300j–12 of this title (relating to State loan funds) an amount that is equal to the amount of the shortfall. This paragraph shall not apply to any State not exercising primary enforcement responsibility for public water systems as of August 6, 1986.

(B) DUTY OF ADMINISTRATOR.—If the Administrator reserves funds from the allocation of a State under subparagraph (A), the Administrator shall carry out in the State each of the activities that would be required of the State if the State had primary enforcement responsibility under section 300g–2 of this title.

(b) Underground water source protection programs; applications for grants; allotment of sums; authorization of appropriations

(1) From allotments made pursuant to paragraph (4), the Administrator may make grants to States to carry out underground water source protection programs.

(2) No grant may be made under paragraph (1) unless an application therefor has been submitted to the Administrator in such form and manner as he may require. No grant may be made to any State under paragraph (1) unless the State has assumed primary enforcement responsibility
within two years after the date the Administrator promulgates regulations for State underground injection control programs under section 300h of this title. The prohibition contained in the preceding sentence shall not apply to such grants when made to Indian Tribes.

(3) A grant under paragraph (1) shall be made to cover not more than 75 per centum of the grant recipient’s cost (as determined under regulations of the Administrator) in carrying out, during the one-year period beginning on the date the grant is made, and underground water source protection program.

(4) In each fiscal year the Administrator shall, in accordance with regulations, allot the sums appropriated for such year under paragraph (5) among the States on the basis of population, geographical area, and other relevant factors.

(5) For purposes of making grants under paragraph (1) there are authorized to be appropriated $5,000,000 for the fiscal year ending June 30, 1976, $7,500,000 for the fiscal year ending June 30, 1977, $10,000,000 for each of the fiscal years 1978 and 1979, $7,785,000 for the fiscal year ending September 30, 1980, $18,000,000 for the fiscal year ending September 30, 1981, and $21,000,000 for the fiscal year ending September 30, 1982. For the purpose of making grants under paragraph (1) there are authorized to be appropriated not more than the following amounts:

<table>
<thead>
<tr>
<th>Fiscal year</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>1987</td>
<td>$19,700,000</td>
</tr>
<tr>
<td>1988</td>
<td>19,700,000</td>
</tr>
<tr>
<td>1989</td>
<td>20,850,000</td>
</tr>
<tr>
<td>1990</td>
<td>20,850,000</td>
</tr>
<tr>
<td>1991</td>
<td>20,850,000</td>
</tr>
<tr>
<td>1992-2003</td>
<td>15,000,000</td>
</tr>
</tbody>
</table>

(c) Definitions

For purposes of this section:

(1) The term “public water system supervision program” means a program for the adoption and enforcement of drinking water regulations (with such variances and exemptions from such regulations under conditions and in a manner which is not less stringent than the conditions under, and the manner in which, variances and exemptions may be granted under sections 300g–4 and 300g–5 of this title) which are no less stringent than the national primary drinking water regulations under section 300g–1 of this title, and for keeping records and making reports required by section 300g–2(a)(3) of this title.

(2) The term “underground water source protection program” means a program for the adoption and enforcement of a program which meets the requirements of regulations under section 300h of this title, and for keeping records and making reports required by section 300h–1(b)(1)(A)(ii) of this title. Such term includes, where applicable, a program which meets the requirements of section 300h–4 of this title.

(d) New York City watershed protection program

(1) In general

The Administrator is authorized to provide financial assistance to the State of New York for demonstration projects implemented as part of the watershed program for the protection and enhancement of the quality of source waters of the New York City water supply system, including projects that demonstrate, assess, or provide for comprehensive monitoring and surveillance and projects necessary to comply with the criteria for avoiding filtration contained in 40 CFR 141.71. Demonstration projects which shall be eligible for financial assistance shall be certified to the Administrator by the State of New York as satisfying the purposes of this subsection. In certifying projects to the Administrator, the State of New York shall give priority to monitoring projects that have undergone peer review.

(2) Report

Not later than 5 years after the date on which the Administrator first provides assistance pursuant to this paragraph, the Governor of the State of New York shall submit a report to the Administrator on the results of projects assisted.

(3) Matching requirements

Federal assistance provided under this subsection shall not exceed 50 percent of the total cost of the protection program being carried out for any particular watershed or ground water recharge area.

(4) Authorization

There are authorized to be appropriated to the Administrator to carry out this subsection for each of fiscal years 2003 through 2010, $15,000,000 for the purpose of providing assistance to the State of New York to carry out paragraph (1).
§ 300j–3 SPECIAL PROJECT GRANTS AND GUARANTEED LOANS

(a) Special study and demonstration project grants

The Administrator may make grants to any person for the purposes of—

(1) assisting in the development and demonstration (including construction) of any project which will demonstrate a new or improved method, approach, or technology, for providing a dependable safe supply of drinking water to the public; and

(2) assisting in the development and demonstration (including construction) of any project which will investigate and demonstrate health implications involved in the reclamation, recycling, and reuse of waste waters for drinking and the processes and methods for the preparation of safe and acceptable drinking water.

(b) Limitations

Grants made by the Administrator under this section shall be subject to the following limitations:

(1) Grants under this section shall not exceed 66% per centum of the total cost of construction of any facility and 75 per centum of any other costs, as determined by the Administrator.

(2) Grants under this section shall not be made for any project involving the construction or modification of any facilities for any public water system in a State unless such project has been approved by the State agency charged with the responsibility for safety of drinking water (or if there is no such agency in a State, by the State health authority).

(3) Grants under this section shall not be made for any project unless the Administrator determines, after consulting the National Drinking Water Advisory Council, that such project will serve a useful purpose relating to the development and demonstration of new or improved techniques, methods, or technologies for the provision of safe water to the public for drinking.

(4) Priority for grants under this section shall be given where there are known or potential public health hazards which require advanced technology for the removal of particles which are too small to be removed by ordinary treatment technology.

(c) Authorization of appropriations

For the purposes of making grants under subsections (a) and (b) of this section there are authorized to be appropriated $7,500,000 for the fiscal year ending June 30, 1975; and $7,500,000 for the fiscal year ending June 30, 1976; and $10,000,000 for the fiscal year ending June 30, 1977.

(d) Loan guarantees to public water systems; conditions; indebtedness limitation; regulations

The Administrator during the fiscal years ending June 30, 1975, and June 30, 1976, shall carry out a program of guaranteeing loans made by private lenders to small public water systems for the purpose of enabling such systems to meet national primary drinking water regulations prescribed under section 300g–1 of this title. No such guarantee may be made with respect to a system unless (1) such system cannot reasonably obtain financial assistance necessary to comply with such regulations from any other source, and (2) the Administrator determines that any facilities constructed with a loan guaranteed under this subsection is not likely to be made obsolete by subsequent changes in primary regulations. The aggregate amount of indebtedness guaranteed with respect to any system may not exceed $50,000. The aggregate amount of indebtedness guaranteed under this subsection may not exceed $50,000,000. The Administrator shall prescribe regulations to carry out this subsection.

AMENDMENTS


§ 300j–3a. Grants to public sector agencies

(a) Assistance for development and demonstration projects

The Administrator of the Environmental Protection Agency shall offer grants to public sector agencies for the purposes of—

(1) assisting in the development and demonstration (including construction) of any project which will demonstrate a new or improved method, approach, or technology for providing a dependably safe supply of drinking water to the public; and

(2) assisting in the development and demonstration (including construction) of any project which will investigate and demonstrate health and conservation implications involved in the reclamation, recycling, and reuse of wastewaters for drinking and agricultural use or the processes and methods for the preparation of safe and acceptable drinking water.

(b) Limitations

Grants made by the Administrator under this section shall be subject to the following limitations:

(1) Grants under this section shall not exceed 66% per centum of the total cost of construction of any facility and 75 per centum of any other costs, as determined by the Administrator.

(2) Grants under this section shall not be made for any project involving the construction or modification of any facilities for any public water system in a State unless such project has been approved by the State agency charged with the responsibility for safety of drinking water (or if there is no such agency in a State, by the State health authority).

(3) Grants under this section shall not be made for any project unless the Administrator determines, after consultation, that such project will serve a useful purpose relating to the development and demonstration of new or improved techniques, methods, or technologies for the provision of safe water to the public for drinking.

(c) Authorization of appropriations

There are authorized to be appropriated for the purposes of this section $25,000,000 for fiscal year 1978.


CODIFICATION

Section was enacted as part of the Environmental Research, Development, and Demonstration Authorization Act of 1978, and not as part of the Public Health Service Act which comprises this chapter.

AMENDMENTS

1978—Subsec. (a)(2). Pub. L. 95–477 inserted “agricultural use or” after “drinking and”.

§ 300j–3b. Contaminant standards or treatment technique guidelines

(1) Not later than nine months after October 18, 1978, the Administrator shall promulgate guidelines establishing supplemental standards or treatment technique requirements for microbiological, viral, radiological, organic, and inorganic contaminants, which guidelines shall be conditions, as provided in paragraph (2), of any grant for a demonstration project for water reclamation, recycling, and reuse funded under section 300j–3a of this title or under section 300j–3(a)(2) of this title, where such project involves direct human consumption of treated wastewater. Such guidelines shall provide for sufficient control of each such contaminant, such that in the Administrator’s judgement, no adverse effects on the health of persons may reasonably be anticipated to occur, allowing an adequate margin of safety.

(2) A grant referred to in paragraph (1) for a project which involves direct human consumption of treated wastewater may be awarded on or after the date of promulgation of guidelines under this section only if the applicant demonstrates to the satisfaction of the Administrator that the project—

(A) will comply with all national primary drinking water regulations under section 300g–1 of this title;

(B) will comply with all guidelines under this section; and

(C) will in other respects provide safe drinking water.

Any such grant awarded before the date of promulgation of such guidelines shall be conditioned on the applicant’s agreement to comply to the maximum feasible extent with such guidelines as expeditiously as practicable following the date of promulgation thereof.

(3) Guidelines under this section may, in the discretion of the Administrator—

(A) be nationally and uniformly applicable to all projects funded under section 300j–3a of this title or section 300j–1(a)(2)1 of this title;

(B) vary for different classes or categories of such projects (as determined by the Administrator);

(C) be established and applicable on a project-by-project basis; or

(D) any combination of the above.

(4) Nothing in this section shall be construed to prohibit or delay the award of any grant referred to in paragraph (1) prior to the date of promulgation of such guidelines.


REFERENCES IN TEXT

Section 300j–1(a)(2) of this title, referred to in par. (3)(A), was amended by Pub. L. 104–182, title I, §121(3), Apr. 29, 1996, 110 Stat. 1651, to redesignate par. (2)(A) as subsec. (b) of section 300j–1, strike par. (2)(A), and add a new par. (2) relating to information and research facilities.

1 See References in Text note below.
§ 300j–3c. Water supply system

The term “water supply system” means a system for the provision to the public of piped water for human consumption if such system has at least 15 service connections or regularly serves at least 25 individuals and a draw and fill system for the provision to the public of water for human consumption. Such term does not include a system owned by a Federal agency. Such term includes (A) any collection, treatment, storage, and distribution facilities under control of the operator of such system and used primarily in connection with such system, and (B) any collection or pretreatment facilities not under such control that are used primarily in connection with such system.


CODIFICATION

Section was enacted as part of the Safe Drinking Water Act Amendments of 1996, and not as part of the Public Health Service Act which comprises this chapter.

INDIAN RESERVATION DRINKING WATER PROGRAM


“(a) IN GENERAL.—Subject to the availability of appropriations, the Administrator of the Environmental Protection Agency shall carry out a program to implement—

“(1) 10 eligible projects described in subsection (b) that are within the Upper Missouri River Basin; and

“(2) 10 eligible projects described in subsection (b) that are within the Upper Rio Grande Basin.

“(b) ELIGIBLE PROJECTS.—A project eligible to participate in the program under subsection (a) is a project—

“(1) that is on a reservation (as defined in section 3 of the Indian Financing Act of 1974 (25 U.S.C. 1452)) that serves a federally recognized Indian Tribe; and

“(2) the purpose of which is to connect, expand, or repair an existing public water system, as defined in section 1401(4) of the Safe Drinking Water Act (42 U.S.C. 300f(4)), in order to improve water quality, water pressure, or water services.

“(c) REQUIREMENT.—In carrying out the program under subsection (a)(1), the Administrator of the Environmental Protection Agency shall select not less than one eligible project for a reservation that serves more than one federally recognized Indian Tribe.

“(d) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out the program under subsection (a) $20,000,000 for each of fiscal years 2019 through 2022.”

§ 300j–3d. Water supply cost savings

(a) Drinking water technology clearinghouse

The Administrator, in consultation with the Secretary of Agriculture, shall—

(1) develop a technology clearinghouse for information on the cost-effectiveness of innovative and alternative drinking water delivery systems, including wells and well systems; and

(2) disseminate such information to the public and to communities and not-for-profit organizations seeking Federal funding for drinking water delivery systems serving 500 or fewer persons.

(b) Water system assessment

In any application for a grant or loan for the purpose of construction, replacement, or reha-
bilitation of a drinking water delivery system serving 500 or fewer persons, the funding for which would come from the Federal Government (either directly or through a State), a unit of local government or not-for-profit organization shall self-certify that the unit of local government or organization has considered, as an alternative drinking water supply, drinking water delivery systems sourced by publicly owned—

(1) individual wells;
(2) shared wells; and
(3) community wells.

(c) Report to Congress

Not later than 3 years after December 16, 2016, the Comptroller General of the United States shall submit to Congress a report that describes—

(1) the use of innovative and alternative drinking water delivery systems described in this section;
(2) the range of cost savings for communities using innovative and alternative drinking water delivery systems described in this section; and
(3) the use of drinking water technical assistance programs operated by the Administrator and the Secretary of Agriculture.


CODIFICATION

Section was enacted as part of the Water and Waste Act of 2016, and also as part of the Water Infrastructure Improvements for the Nation Act, also known as the WIIN Act, and not as part of the Public Health Service Act of 2016, and also as part of the Water Infrastructure Improvements for the Nation Act, also known as the WIIN Act, and not as part of the Public Health Service Act which comprises this chapter.

DEFINITION OF “ADMINISTRATOR”


§ 300j–4. Records and inspections

(a) Provision of information to Administrator; monitoring program for unregulated contaminants

(1) Every person who is subject to any requirement of this subchapter or who is a grantee, shall establish and maintain such records, make such reports, conduct such monitoring, and provide such information as the Administrator may reasonably require by regulation to assist the Administrator in establishing regulations under this subchapter, in determining whether such person has acted or is acting in compliance with this subchapter, in administering any program of financial assistance under this subchapter, in evaluating the health risks of unregulated contaminants, or in advising the public of such risks. In requiring a public water system to monitor under this subsection, the Administrator may take into consideration the system size and the contaminants likely to be found in the system’s drinking water.

(B) Every person who is subject to a national primary drinking water regulation under section 300g–1 of this title shall provide such information as the Administrator may reasonably require, after consultation with the State in which such person is located if such State has primary enforcement responsibility for public water systems, on a case-by-case basis, to determine whether such person is acting or is acting in compliance with this subchapter.

(C) Every person who is subject to a national primary drinking water regulation under section 300g–1 of this title shall provide such information as the Administrator may reasonably require to assist the Administrator in establishing regulations under section 300g–1 of this title, after consultation with States and suppliers of water. The Administrator may not require under this subparagraph the installation of treatment equipment or process changes, the testing of treatment technology, or the analysis or processing of monitoring samples, except where the Administrator provides the funding for such activities. Before exercising this authority, the Administrator shall first seek to obtain the information by voluntary submission.

(D) The Administrator shall not later than 2 years after August 6, 1996, after consultation with public health experts, representatives of the general public, and officials of State and local governments, review the monitoring requirements for not fewer than 12 contaminants identified by the Administrator, and promulgate any necessary modifications.

(2) Monitoring program for unregulated contaminants.—

(A) Establishment.—The Administrator shall promulgate regulations establishing the criteria for a monitoring program for unregulated contaminants. The regulations shall require monitoring of drinking water supplied by public water systems and shall vary the frequency and schedule for monitoring requirements for systems based on the number of persons served by the system, the source of supply, and the contaminants likely to be found, ensuring that only a representative sample of systems serving 10,000 persons or fewer are required to monitor.

(B) Monitoring program for certain unregulated contaminants.—

(i) Initial list.—Not later than 3 years after August 6, 1996, and every 5 years thereafter, the Administrator shall issue a list pursuant to subparagraph (A) of not more than 30 unregulated contaminants to be monitored by public water systems and to be included in the national drinking water occurrence data base maintained pursuant to subsection (g).

(ii) Governors’ petition.—The Administrator shall include among the list of contaminants for which monitoring is required under this paragraph each contaminant recommended in a petition signed by the Governor of each of 7 or more States, unless the Administrator determines that the action would prevent the listing of other contaminants of a higher public health concern.

(C) Monitoring plan for small and medium systems.—

(i) In general.—Based on the regulations promulgated by the Administrator, each State may develop a representative monitor-
§ 300j–4  TITLE 42—THE PUBLIC HEALTH AND WELFARE  Page 1154

ing plan to assess the occurrence of unregulated contaminants in public water systems that serve a population of 10,000 or fewer in that State. The plan shall require monitoring for systems representative of different sizes, types, and geographic locations in the State.

(ii) GRANTS FOR SMALL SYSTEM COSTS.—From funds reserved under section 300j–12(c) of this title or appropriated under subparagraph (H), the Administrator shall pay the reasonable cost of such testing and laboratory analysis as are necessary to carry out monitoring under the plan.

(D) MONITORING RESULTS.—Each public water system that conducts monitoring of unregulated contaminants pursuant to this paragraph shall provide the results of the monitoring to the primary enforcement authority for the system.

(E) NOTIFICATION.—Notification of the availability of the results of monitoring programs required under paragraph (2)(A) shall be given to the persons served by the system.

(F) WAIVER OF MONITORING REQUIREMENT.—The Administrator shall waive the requirement for monitoring for a contaminant under this paragraph in a State, if the State demonstrates that the criteria for listing the contaminant do not apply in that State.

(G) ANALYTICAL METHODS.—The State may use screening methods approved by the Administrator under subsection (i) in lieu of monitoring for particular contaminants under this paragraph.

(H) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this paragraph $10,000,000 for each of the fiscal years 2019 through 2021.

(b) Entry of establishments, facilities, or other property; inspections; conduct of certain tests; audit and examination of records; entry restrictions; prohibition against informing of a proposed entry

(1) Except as provided in paragraph (2), the Administrator, or representatives of the Administrator duly designated by him, upon presenting appropriate credentials and a written notice to any supplier of water or other person subject to (A) a national primary drinking water regulation prescribed under section 300g–1 of this title, (B) an applicable underground injection control program, or (C) any requirement to monitor an unregulated contaminant pursuant to subsection (a), or person in charge of any of the property of such supplier or other person referred to in clause (A), (B), or (C), is authorized to enter any establishment, facility, or other property of such supplier or other person in order to determine whether such supplier or other person has acted or is acting in compliance with this subchapter, including for this purpose, inspection, at reasonable times, of records, files, papers, processes, controls, and facilities, or in order to test any feature of a public water system, including its raw water source. The Administrator or the Comptroller General (or any representative designated by either) shall have access for the purpose of audit and examination to any records, reports, or information of a grantee which are required to be maintained under subsection (a) or which are pertinent to any financial assistance under this subchapter.

(2) No entry may be made under the first sentence of paragraph (1) in an establishment, facility, or other property of a supplier of water or other person subject to a national primary drinking water regulation if the establishment, facility, or other property is located in a State which has primary enforcement responsibility for public water systems unless, before written notice of such entry is made, the Administrator (or his representative) notifies the State agency charged with responsibility for safe drinking water of the reasons for such entry. The Administrator shall, upon a showing by the State agency that such an entry will be detrimental to the administration of the State’s program of primary enforcement responsibility, take such showing into consideration in determining whether to make such entry. No State agency which receives notice under this paragraph of an entry proposed to be made under paragraph (1) may use the information contained in the notice to inform the person whose property is proposed to be entered of the proposed entry; and if a State agency so uses such information, notice to the agency under this paragraph is not required until such time as the Administrator determines the agency has provided him satisfactory assurances that it will no longer so use information contained in a notice under this paragraph.

(c) Penalty

Whoever fails or refuses to comply with any requirement of subsection (a) or to allow the Administrator, the Comptroller General, or representatives of either, to enter and conduct any audit or inspection authorized by subsection (b) shall be subject to a civil penalty of not to exceed $25,000.

(d) Confidential information; trade secrets and secret processes; information disclosure; “information required under this section” defined

(1) Subject to paragraph (2), upon a showing satisfactory to the Administrator by any person that any information required under this section from such person, if made public, would divulge trade secrets or secret processes of such person, the Administrator shall consider such information confidential in accordance with the purposes of section 1905 of title 18. If the applicant fails to make a showing satisfactory to the Administrator, the Administrator shall give such applicant thirty days’ notice before releasing the information to which the application relates (unless the public health or safety requires an earlier release of such information).

(2) Any information required under this section (A) may be disclosed to other officers, employees, or authorized representatives of the United States concerned with carrying out this subchapter or to committees of the Congress, or when relevant in any proceeding under this subchapter, and (B) shall be disclosed to the extent it deals with the level of contaminants in drinking water. For purposes of this subsection the term “information required under this section” means any papers, books, documents, or infor-
mation, or any particular part thereof, reported to or otherwise obtained by the Administrator under this section.

(e) "Grantee" and "person" defined

For purposes of this section, (1) the term "grantee" means any person who applies for or receives financial assistance, by grant, contract, or loan guarantee under this subchapter, and (2) the term "person" includes a Federal agency.

(f) Information regarding drinking water coolers

The Administrator may utilize the authorities of this section for purposes of part F. Any person who manufactures, imports, sells, or distributes drinking water coolers in interstate commerce shall be treated as a supplier of water for purposes of applying the provisions of this section in the case of persons subject to part F.

(g) Occurrence data base

(1) In general

Not later than 3 years after August 6, 1996, the Administrator shall assemble and maintain a national drinking water contaminant occurrence data base, using information on the occurrence of both regulated and unregulated contaminants in public water systems obtained under subsection (a)(1)(A) or section (a)(2) and reliable information from other public and private sources.

(2) Public input

In establishing the occurrence data base, the Administrator shall solicit recommendations from the Science Advisory Board, the States, and other interested parties concerning the development and maintenance of a national drinking water contaminant occurrence data base, including such issues as the structure and design of the data base, data input parameters and requirements, and the use and interpretation of data.

(3) Use

The data shall be used by the Administrator in making determinations under section 300g–1(b)(1) of this title with respect to the occurrence of a contaminant in drinking water at a level of public health concern.

(4) Public recommendations

The Administrator shall periodically solicit recommendations from the appropriate officials of the National Academy of Sciences and the States, and any person may submit recommendations to the Administrator, with respect to contaminants that should be included in the national drinking water contaminant occurrence data base, including recommendations with respect to additional unregulated contaminants that should be listed under subsection (a)(2). Any recommendation submitted under this clause shall be accompanied by reasonable documentation that—

(A) the contaminant occurs or is likely to occur in drinking water; and

(B) the contaminant poses a risk to public health.

(5) Public availability

The information from the data base shall be available to the public in readily accessible form.

(6) Regulated contaminants

With respect to each contaminant for which a national primary drinking water regulation has been established, the data base shall include information on the detection of the contaminant at a quantifiable level in public water systems (including detection of the contaminant at levels not constituting a violation of the maximum contaminant level for the contaminant).

(7) Unregulated contaminants

With respect to contaminants for which a national primary drinking water regulation has not been established, the data base shall include—

(A) monitoring information collected by public water systems that serve a population of more than 10,000, as required by the Administrator under subsection (a);

(B) monitoring information collected from a representative sampling of public water systems that serve a population of 10,000 or fewer;

(C) if applicable, monitoring information collected by public water systems pursuant to subsection (j) that is not duplicative of monitoring information included in the data base under subparagraph (B) or (D); and

(D) other reliable and appropriate monitoring information on the occurrence of the contaminants in public water systems that is available to the Administrator.

(h) Availability of information on small system technologies

For purposes of sections 300g–1(b)(4)(E) and 300g–4(e) of this title (relating to small system variance program), the Administrator may request information on the characteristics of commercially available treatment systems and technologies, including the effectiveness and performance of the systems and technologies under various operating conditions. The Administrator may specify the form, content, and submission date of information to be submitted by manufacturers, States, and other interested persons for the purpose of considering the systems and technologies in the development of regulations or guidance under sections 300g–1(b)(4)(E) and 300g–4(e) of this title.

(i) Screening methods

The Administrator shall review new analytical methods to screen for regulated contaminants and may approve such methods as more accurate or cost-effective than established reference methods for use in compliance monitoring.

(j) Monitoring by certain systems

(1) In general

Notwithstanding subsection (a)(2)(A), the Administrator shall, subject to the availability of appropriations for such purpose—

(A) require public water systems serving between 3,300 and 10,000 persons to monitor for unregulated contaminants in accordance with this section; and

(B) ensure that only a representative sample of public water systems serving fewer than 3,300 persons are required to monitor.
§ 300j–5  National Drinking Water Advisory Council

(a) Establishment; membership; representation of interests; term of office, vacancies; reappointment

There is established a National Drinking Water Advisory Council which shall consist of fifteen members appointed by the Administrator after consultation with the Secretary. Five members shall be appointed from the general public; five members shall be appointed from appropriate State and local agencies concerned with water hygiene and public water supply; and five members shall be appointed from representatives of private organizations or groups demonstrating an active interest in the field of water hygiene and public water supply, of which two such members shall be associated with small, rural public water systems. Each member of the Council shall hold office for a term of three years, except that—

1. Any member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed for the remainder of such term; and

2. The terms of the members first taking office shall expire as follows: Five shall expire three years after December 16, 1974, five shall expire two years after such date, and five shall expire one year after such date, as designated by the Administrator at the time of appointment.

The members of the Council shall be eligible for reappointment.

(b) Functions

The Council shall advise, consult with, and make recommendations to the Administrator on matters relating to activities, functions, and policies of the Agency under this subchapter.

(c) Compensation and allowances; travel expenses

Members of the Council appointed under this section shall, while attending meetings or conferences of the Council or otherwise engaged in business of the Council, receive compensation and notification of availability of results of monitoring, waiver of monitoring requirements, and compliance by small systems, and authorized appropriations for fiscal year ending Sept. 30, 1987.

Subsec. (g). Pub. L. 104–182, § 126, added subsec. (g).


Subsec. (i). Pub. L. 104–182, § 125(d), added subsec. (i).


1986—Subsec. (a)(1). Pub. L. 99–339, § 106(a), (b), designated existing provisions as par. (1) and inserted provisions permitting Administrator to consider size of system and contaminants likely to be found.

Subsec. (a)(2) to (7). Pub. L. 99–339, § 106(b), added pars. (2) to (7).


Subsec. (c). Pub. L. 99–339, § 106(c), added subsec. (c) and reference to such cls. (A) to (C) and reference to such cls. (A) to (C).

§ 300j–5. National Drinking Water Advisory Council

(a) Establishment; membership; representation of interests; term of office, vacancies; reappointment

There is established a National Drinking Water Advisory Council which shall consist of fifteen members appointed by the Administrator after consultation with the Secretary. Five members shall be appointed from the general public; five members shall be appointed from appropriate State and local agencies concerned with water hygiene and public water supply; and five members shall be appointed from representatives of private organizations or groups demonstrating an active interest in the field of water hygiene and public water supply, of which two such members shall be associated with small, rural public water systems. Each member of the Council shall hold office for a term of three years, except that—

1. Any member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed for the remainder of such term; and

2. The terms of the members first taking office shall expire as follows: Five shall expire three years after December 16, 1974, five shall expire two years after such date, and five shall expire one year after such date, as designated by the Administrator at the time of appointment.

The members of the Council shall be eligible for reappointment.

(b) Functions

The Council shall advise, consult with, and make recommendations to the Administrator on matters relating to activities, functions, and policies of the Agency under this subchapter.

(c) Compensation and allowances; travel expenses

Members of the Council appointed under this section shall, while attending meetings or conferences of the Council or otherwise engaged in business of the Council, receive compensation and notification of availability of results of monitoring, waiver of monitoring requirements, and compliance by small systems, and authorized appropriations for fiscal year ending Sept. 30, 1987.

Subsec. (g). Pub. L. 104–182, § 126, added subsec. (g).


Subsec. (i). Pub. L. 104–182, § 125(d), added subsec. (i).

1986—Subsec. (a)(1). Pub. L. 99–339, § 106(a), (b), designated existing provisions as par. (1) and inserted provisions permitting Administrator to consider size of system and contaminants likely to be found.

Subsec. (a)(2) to (7). Pub. L. 99–339, § 106(b), added pars. (2) to (7).


Subsec. (c). Pub. L. 99–339, § 106(c), added subsec. (c) and reference to such cls. (A) to (C) and reference to such cls. (A) to (C).
and allowances at a rate to be fixed by the Administrator, but not exceeding the daily equivalent of the annual rate of basic pay in effect for grade GS–18 of the General Schedule for each day (including traveltime) during which they are engaged in the actual performance of duties vested in the Council. While away from their homes or regular places of business in the performance of services for the Council, members of the Council shall be allowed travel expenses, including per diem in lieu of subsistence, in the same manner as persons employed intermittently in the Government service are allowed expenses under section 5703(b) of title 5.

(d) Advisory committee termination provision inapplicable

Section 14(a) of the Federal Advisory Committee Act (relating to termination) shall not apply to the Council.


REFERENCES IN TEXT

Section 5703 of title 5, referred to in subsec. (c), was amended generally by Pub. L. 94–22, § 4, May 19, 1975, 89 Stat. 85, and, as so amended, does not contain a subsec. (b).

Section 14(a) of the Federal Advisory Committee Act, referred to in subsec. (d), is section 14(a) of Pub. L. 92–463, which is set out in the Appendix to Title 5, Government Organization and Employees.

AMENDMENTS

1996—Subsec. (a). Pub. L. 104–182 inserted „, of which two such members shall be associated with small, rural public water systems” before period at end of second sentence.

TERMINATION OF ADVISORY COMMITTEES

Pub. L. 93–641, §6, Jan. 4, 1975, 88 Stat. 2275, set out as a note under section 217a of this title, provided that an advisory committee established pursuant to the Public Health Service Act shall terminate at such time as may be specifically prescribed by an Act of Congress enacted after Jan. 4, 1975.

REFERENCES IN OTHER LAWS TO GS–16, 17, OR 18 PAY RATES

References in laws to the rates of pay for GS–16, 17, or 18, or to maximum rates of pay under the General Schedule, to be considered references to rates payable under specified sections of Title 5, Government Organization and Employees, see section 529 [title I, §161(c)(1)] of Pub. L. 101–509, set out in a note under section 5376 of Title 5.

§ 300j–6. Federal agencies

(a) In general

Each department, agency, and instrumentality of the executive, legislative, and judicial branches of the Federal Government—

(1) owning or operating any facility in a wellhead protection area;

(2) engaged in any activity at such facility resulting, or which may result, in the contamination of water supplies in any such area; and

(3) owning or operating any public water system; or

(4) engaged in any activity resulting, or which may result in, underground injection which endangers drinking water (within the meaning of section 300h(d)(2) of this title), shall be subject to, and comply with, all Federal, State, interstate, and local requirements, both substantive and procedural (including any requirement for permits or reporting or any provisions for injunctive relief and such sanctions as may be imposed by a court to enforce such relief), respecting the protection of such wellhead areas, respecting such public water systems, and respecting any underground injection in the same manner and to the same extent as any person is subject to such requirements, including the payment of reasonable service charges. The Federal, State, interstate, and local substantive and procedural requirements referred to in this subsection include, but are not limited to, all administrative orders and all civil and administrative penalties and fines, regardless of whether such penalties or fines are punitive or coercive in nature or are imposed for isolated, intermittent, or continuing violations. The United States hereby expressly waives any immunity otherwise applicable to the United States with respect to any such substantive or procedural requirement (including, but not limited to, any injunctive relief, administrative order or civil or administrative penalty or fine referred to in the preceding sentence, or reasonable service charge). The reasonable service charges referred to in this subsection include, but are not limited to, fees or charges assessed in connection with the processing and issuance of permits, renewal of permits, amendments to permits, review of plans, studies, and other documents, and inspection and monitoring of facilities, as well as any other nondiscriminatory charges that are assessed in connection with a Federal, State, interstate, or local regulatory program respecting the protection of wellhead areas or public water systems or respecting any underground injection. Neither the United States, nor any agent, employee, or officer thereof, shall be immune or exempt from any process or sanction of any State or Federal Court with respect to the enforcement of any such injunctive relief. No agent, employee, or officer of the United States shall be personally liable for any civil penalty under any Federal, State, interstate, or local law concerning the protection of wellhead areas or public water systems or concerning underground injection with respect to any act or omission within the scope of the official duties of the agent, employee, or officer. An agent, employee, or officer of the United States shall be subject to any criminal sanction (including, but not limited to, any fine or imprisonment) under any Federal or State requirement adopted pursuant to this subchapter, but no department, agency, or instrumentality of the executive, legislative, or judicial branch of the Federal Government shall be subject to any such sanction. The President may exempt any facility of any department, agency, or instrumentality in the executive branch from compliance with such a requirement if he determines it to be in the

1 See Reference in Text note below.

1 So in original. Probably should not be capitalized.
paramount interest of the United States to do so. No such exemption shall be granted due to lack of appropriation unless the President shall have specifically requested such appropriation as a part of the budgetary process and the Congress shall have failed to make available such requested appropriation. Any exemption shall be for a period not in excess of 1 year, but additional exemptions may be granted for periods not to exceed 1 year upon the President’s making a new determination. The President shall report each January to the Congress all exemptions from the requirements of this section granted during the preceding calendar year, together with his reason for granting each such exemption.

(b) Administrative penalty orders

(1) In general

If the Administrator finds that a Federal agency has violated an applicable requirement under this subchapter, the Administrator may issue a penalty order assessing a penalty against the Federal agency.

(2) Penalties

The Administrator may, after notice to the agency, assess a civil penalty against the agency in an amount not to exceed $25,000 per day per violation.

(3) Procedure

Before an administrative penalty order issued under this subsection becomes final, the Administrator shall provide the agency an opportunity for a hearing on the record in accordance with chapters 5 and 7 of title 5.

(4) Public review

(A) In general

Any interested person may obtain review of an administrative penalty order issued under this subsection. The review may be obtained in the United States District Court for the District of Columbia or in the United States District Court for the district in which the violation is alleged to have occurred by the filing of a complaint with the court within the 30-day period beginning on the date the penalty order becomes final. The person filing the complaint shall simultaneously send a copy of the complaint by certified mail to the Administrator and the Attorney General.

(B) Record

The Administrator shall promptly file in the court a certified copy of the record on which the order was issued.

(C) Standard of review

The court shall not set aside or remand the order unless the court finds that there is not substantial evidence in the record, taken as a whole, to support the finding of a violation or that the assessment of the penalty by the Administrator constitutes an abuse of discretion.

(D) Prohibition on additional penalties

The court may not impose an additional civil penalty for a violation that is subject to the order unless the court finds that the assessment constitutes an abuse of discretion by the Administrator.

(e) Limitation on State use of funds collected from Federal Government

Unless a State law in effect on August 6, 1996, or a State constitution requires the funds to be used in a different manner, all funds collected by a State from the Federal Government from penalties and fines imposed for violation of any substantive or procedural requirement referred to in subsection (a) shall be used by the State only for projects designed to improve or protect the environment or to defray the costs of environmental protection or enforcement.

(d) Indian rights and sovereignty as unaffected; “Federal agency” defined

(1) Nothing in the Safe Drinking Water Amendments of 1977 shall be construed to alter or affect the status of American Indian lands or water rights nor to waive any sovereignty over Indian lands guaranteed by treaty or statute.

(2) For the purposes of this chapter, the term “Federal agency” shall not be construed to refer to or include any American Indian tribe, nor to the Secretary of the Interior in his capacity as trustee of Indian lands.

(e) Washington Aqueduct

The Secretary of the Army shall not pass the cost of any penalty assessed under this subchapter on to any customer, user, or other purchaser of drinking water from the Washington Aqueduct system, including finished water from the Dalecarlia or McMillan treatment plant.

References in Text


Amendments

1996—Subsecs. (a) to (d). Pub. L. 104–182, §129(a), added subsecs. (a) to (c), redesignated former subsec. (c) as (d), and struck out former subsecs. (a) and (b) which related to compliance by Federal agencies with Federal, State, and local requirements respecting provision of safe drinking water and respecting underground injection programs, liability for civil penalties, and waiver of compliance requirements when necessary in interest of national security.

Subsec. (e). Pub. L. 104–182, §129(c), added subsec. (e).

1977—Subsec. (a). Pub. L. 95–190, §§8(a), substituted provisions relating to compliance by Federal agencies having jurisdiction over federally owned or maintained public water systems, or engaged in underground injection activities with Federal, State, and local requirements, etc., for provisions relating to compliance by Federal agencies having jurisdiction over federally owned or maintained public water systems with national primary drinking water regulations.

Subsec. (c). Pub. L. 95–190, §8(d), added subsec. (c).
§ 300j–7. Judicial review

(a) Courts of appeals; petition for review: actions respecting regulations; filing period; grounds arising after expiration of filing period; exclusiveness of remedy

A petition for review of—

(1) actions pertaining to the establishment of national primary drinking water regulations (including maximum contaminant level goals) may be filed only in the United States Court of Appeals for the District of Columbia circuit; and

(2) any other final action of the Administrator under this chapter may be filed in the circuit in which the petitioner resides or transacts business which is directly affected by the action.

Any such petition shall be filed within the 45-day period beginning on the date of the promulgation of the regulation or any other final Agency action with respect to which review is sought or on the date of the determination with respect to which review is sought, and may be filed after the expiration of such 45-day period if the petition is based solely on grounds arising after the expiration of such period. Action of the Administrator with respect to which review could have been obtained under this subsection shall not be subject to judicial review in any civil or criminal proceeding for enforcement or in any civil action to enjoin enforcement. In any petition concerning the assessment of a civil penalty pursuant to section 300g–3(g)(3)(B) of this title, the petitioner shall simultaneously send a copy of the complaint by certified mail to the Administrator and the Attorney General. The Administrator may modify his findings as to the facts, or make new findings, by reason of the additional evidence so taken, and he shall file such modified or new findings, and his recommendation, if any, for the modification or setting aside of his original determination, with the return of such additional evidence.

(b) District courts; petition for review: actions respecting variances or exemptions; filing period; grounds arising after expiration of filing period; exclusiveness of remedy

The United States district courts shall have jurisdiction of actions brought to review (1) the granting of, or the refusing to grant, a variance or exemption under section 300g–4 or 300g–5 of this title or (2) the requirements of any schedule prescribed for a variance or exemption under such section or the failure to prescribe such a schedule. Such an action may only be brought upon a petition for review filed with the court within the 45-day period beginning on the date the action sought to be reviewed is taken or, in the case of a petition to review the refusal to grant a variance or exemption or the failure to prescribe a schedule, within the 45-day period beginning on the date action is required to be taken on the variance, exemption, or schedule, as the case may be. A petition for such review may be filed after the expiration of such period if the petition is based solely on grounds arising after the expiration of such period. Action with respect to which review could have been obtained under this subsection shall not be subject to judicial review in any civil or criminal proceeding for enforcement or in any civil action to enjoin enforcement.

(c) Judicial order for additional evidence before Administrator; modified or new findings; recommendation for modification or setting aside of original determination

In any judicial proceeding in which review is sought of a determination under this subchapter required to be made on the record after notice and opportunity for hearing, if any party applies to the court for leave to adduce additional evidence and shows to the satisfaction of the court that such additional evidence is material and that there were reasonable grounds for the failure to adduce such evidence in the proceeding before the Administrator, the court may order such additional evidence to be taken before the Administrator, in such manner and upon such term and conditions as the court may deem proper. The Administrator may modify his findings as to the facts, or make new findings, by reason of the additional evidence so taken, and he shall file such modified or new findings, and his recommendation, if any, for the modification or setting aside of his original determination, with the return of such additional evidence.


Amendments

1996—Subsec. (a). Pub. L. 104–182, § 113(c)(2), (3), in concluding provisions, substituted “or any other final Agency action” for “or issuance of the order” and inserted at end “In any petition concerning the assessment of a civil penalty pursuant to section 300g–3(g)(3)(B) of this title, the petitioner shall simultaneously send a copy of the complaint by certified mail to the Administrator and the Attorney General. The court shall set aside and remand the penalty order if the court finds that there is not substantial evidence in the record to support the finding of a violation or that the assessment of the penalty by the Administrator constitutes an abuse of discretion.”

Subsec. (b)(2). Pub. L. 104–182, § 113(c)(4)(C), substituted “any other final action” for “any other action”.

1986—Subsec. (a)(1). Pub. L. 99–339, § 303(1), amended par. (1) generally. Prior to amendment, par. (1) read as follows: “action of the Administrator in promulgating any national primary drinking water regulation under section 300g–1 of this title, any regulation under section 300g–2(b)(1) of this title, any regulation under section 300g–3(c) of this title, any regulation for State underground injection control programs under section 300h of this title, or any general regulation for the administration of this subchapter may be filed only in the United States Court of Appeals for the District of Columbia Circuit; and”.

Subsec. (a)(2). Pub. L. 99–339, § 303(2), amended par. (2) generally. Prior to amendment, par. (2) read as follows: “action of the Administrator in promulgating any other regulation under this subchapter, issuing any order under this subchapter, or making any determination under this subchapter may be filed only in the United States court of appeals for the appropriate circuit.”
§ 300j–8. Citizen's civil action

(a) Persons subject to civil action; jurisdiction of enforcement proceedings

Except as provided in subsection (b) of this section, any person may commence a civil action on his own behalf—

(1) against any person (including (A) the United States, and (B) any other governmental instrumentality or agency to the extent permitted by the eleventh amendment to the Constitution) who is alleged to be in violation of any requirement prescribed by or under this subchapter;

(2) against the Administrator where there is alleged a failure of the Administrator to perform any act or duty under this subchapter which is not discretionary with the Administrator; or

(3) for the collection of a penalty by the United States Government (and associated costs and interest) against any Federal agency that fails, by the date that is 18 months after the effective date of a final order to pay a penalty assessed by the Administrator under section 300h–8(b)1 of this title, to pay the penalty.

No action may be brought under paragraph (1) against a public water system for a violation of a requirement prescribed by or under this subchapter which occurred within the 27-month period beginning on the first day of the month in which this subchapter is enacted. The United States district courts shall have jurisdiction, without regard to the amount in controversy or the citizenship of the parties, to enforce in an action brought under this subchapter any requirement prescribed by or under this subchapter or to order the Administrator to perform an act or duty described in paragraph (2), as the case may be.

(b) Conditions for commencement of civil action; notice

No civil action may be commenced—

(1) under subsection (a)(1) of this section respecting violation of a requirement prescribed by or under this subchapter—

(A) prior to sixty days after the plaintiff has given notice of such violation (i) to the Administrator; (ii) to any alleged violator of such requirement and (iii) to the State in which the violation occurs, or

(B) if the Administrator, the Attorney General, or the State has commenced and is diligently prosecuting a civil action in a court of the United States to require compliance with such requirement, but in any such action in a court of the United States any person may intervene as a matter of right; or

(2) under subsection (a)(2) of this section prior to sixty days after the plaintiff has given notice of such action to the Administrator; or

(3) under subsection (a)(3) prior to 60 days after the plaintiff has given notice of such action to the Attorney General and to the Federal agency.

Notice required by this subsection shall be given in such manner as the Administrator shall pre-

1 So in original. Probably should be section "300j–6(b)".
§ 300j–9. General provisions

(a) Regulations; delegation of functions

(1) The Administrator is authorized to prescribe such regulations as are necessary or appropriate to carry out his functions under this subchapter.

(2) The Administrator may delegate any of his functions under this subchapter (other than prescribing regulations) to any officer or employee of the Agency.

(b) Utilization of officers and employees of Federal agencies

The Administrator, with the consent of the head of any other agency of the United States, may utilize such officers and employees of such agency as he deems necessary to assist him in carrying out the purposes of this subchapter.

(c) Assignment of Agency personnel to State or interstate agencies

Upon the request of a State or interstate agency, the Administrator may assign personnel of the Agency to such State or interstate agency for the purposes of carrying out the provisions of this subchapter.

(d) Payments of grants; adjustments; advances; reimbursement; installments; conditions; eligibility for grants; “nonprofit agency or institution” defined

(1) The Administrator may make payments of grants under this subchapter (after necessary adjustment on account of previously made underpayments or overpayments) in advance or by way of reimbursement, and in such installments and on such conditions as he may determine.

(2) Financial assistance may be made available in the form of grants only to individuals and nonprofit agencies or institutions. For purposes of this paragraph, the term “nonprofit agency or institution” means an agency or institution no part of the net earnings of which inure, or may lawfully inure, to the benefit of any private shareholder or individual.

(e) Labor standards

The Administrator shall take such action as may be necessary to assure compliance with provisions of sections 3141–3144, 3146, and 3147 of title 40. The Secretary of Labor shall have, with respect to the labor standards specified in this subsection, the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176; 64 Stat. 1267) and section 3145 of title 40.

(f) Appearance and representation of Administrator through Attorney General or attorney appointees

The Administrator shall request the Attorney General to appear and represent him in any civil action instituted under this subchapter to which the Administrator is a party. Unless, within a reasonable time, the Attorney General notifies the Administrator that he will appear in such action, attorneys appointed by the Administrator shall appear and represent him.

(g) Authority of Administrator under other provisions unaffected

The provisions of this subchapter shall not be construed as affecting any authority of the Administrator under part G of subchapter II of this chapter.

(h) Reports to Congressional committees; review by Office of Management and Budget: submittal of comments to Congressional committees

Not later than April 1 of each year, the Administrator shall submit to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Energy and Commerce of the House of Representatives a report respecting the activities of the Agency under this subchapter and containing such recommendations for legislation as he considers necessary. The report of the Administrator under this subsection which is due not later than April 1, 1975, and each subsequent report of the Administrator under this subsection shall include a statement on the actual and anticipated cost to public water systems in each State of compliance with the requirements of this subchapter. The Office of Management and Budget may review any report required by this subsection before its submission to such committees of Congress, but the Office of Management and Budget may not revise any such report, or delay its submission beyond the day prescribed for its submission, and may submit to such committees of Congress its comments respecting any such report.

(i) Discrimination prohibition; filing of complaint; investigation; orders of Secretary; notice and hearing; settlements; attorneys’ fees; judicial review; filing of petition; procedural requirements; stay of orders; exclusiveness of remedy; civil actions for enforcement of orders; appropriate relief; mandamus proceedings; prohibition inapplicable to undirected but deliberate violations

(1) No employer may discharge any employee or otherwise discriminate against any employee with respect to his compensation, terms, conditions, or privileges of employment because the employee (or any person acting pursuant to a request of the employee) has—

(A) commenced, caused to be commenced, or is about to commence or cause to be commenced a proceeding under this subchapter or a proceeding for the administration or enforcement of drinking water regulations or underground injection control programs of a State,

(B) testified or is about to testify in any such proceeding, or

(C) assisted or participated or is about to assist or participate in any manner in such a proceeding or in any other action to carry out the purposes of this subchapter.

(2)(A) Any employee who believes that he has been discharged or otherwise discriminated against by any person in violation of paragraph (1) may, within 30 days after such violation occurs, file (or have any person file on his behalf) a complaint with the Secretary of Labor (hereinafter in this subsection referred to as the “Secretary”) alleging such discharge or discrimination. Upon receipt of such a complaint, the Secretary shall notify the person named in the complaint of the filing of the complaint.
(B)(1) Upon receipt of a complaint filed under subparagraph (A), the Secretary shall conduct an investigation of the violation alleged in the complaint. Within 30 days of the receipt of such complaint, the Secretary shall complete such investigation and shall notify in writing the complaining individual (and any person acting in his behalf) and the person alleged to have committed such violation of the results of the investigation conducted pursuant to this subparagraph. Within 90 days of the receipt of such complaint the Secretary shall, unless the proceeding on the complaint is terminated by the Secretary on the basis of a settlement entered into by the Secretary and the person alleged to have committed such violation, issue an order either providing the relief prescribed by clause (ii) or denying the relief sought.

(2) If in response to a complaint filed under subparagraph (A) the Secretary determines that a violation of paragraph (1) has occurred, the Secretary shall order (I) the person who committed such violation to take affirmative action to abate the violation, (II) such person to reinstate the complaining individual to his former position together with the compensation (including back pay), terms, conditions, and privileges of his employment, (III) compensatory damages, and (IV) where appropriate, exemplary damages. If such an order is issued, the Secretary, at the request of the complaining individual, shall assess against the person against whom the order is issued a sum equal to the aggregate amount of all costs and expenses (including attorneys' fees) reasonably incurred, as determined by the Secretary, by the complaining individual for, or in connection with, the bringing of the complaint upon which the order was issued.

(3)(A) Any person adversely affected or aggrieved by an order issued under paragraph (2) may obtain review of the order in the United States Court of Appeals for the circuit in which the violation, with respect to which the order was issued, allegedly occurred. The petition for review must be filed within sixty days from the issuance of the Secretary's order. Review shall conform to chapter 7 of title 5. The commencement of proceedings under this subparagraph shall not, unless ordered by the court, operate as a stay of the Secretary's order.

(B) An order of the Secretary with respect to which review could have been obtained under subparagraph (A) shall not be subject to judicial review in any criminal or other civil proceeding.

(4) Whenever a person has failed to comply with an order issued under paragraph (2)(B), the Secretary shall file a civil action in the United States District Court for the district in which the violation was found to occur to enforce such order. In actions brought under this paragraph, the district courts shall have jurisdiction to grant all appropriate relief including, but not limited to, injunctive relief, compensatory, and exemplary damages.

(5) Any nondiscretionary duty imposed by this section is enforceable in mandamus proceeding brought under section 1361 of title 28.

(6) Paragraph (1) shall not apply with respect to any employee who, acting without direction from his employer (or the employer's agent), deliberately causes a violation of any requirement of this subchapter.


REFERENCES IN TEXT

Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176; 64 Stat. 1267), referred to in subsec. (e), is set out in the Appendix to Title 5, Government Organization and Employees.

Part G of subchapter II of this chapter, referred to in subsec. (g), is classified to section 264 et seq. of this title.

COMPLIANCE

In subsec. (e), sections 3141-3144, 3146, and 3147 of title 40 substituted for "the Act of March 3, 1931 (known as the Davis-Bacon Act; 40 U.S.C. 276a-276a(5))" and "section 3145 of title 40" substituted for "section 2 of the Act of June 13, 1934 (40 U.S.C. 276c)"


AMENDMENTS

1994—Subsec. (h). Pub. L. 103-437 substituted "Committee on Commerce, Science, and Transportation of the Senate and the Committee on Energy and Commerce of the House" for "Committee on Commerce of the Senate and the Committee on Interstate and Foreign Commerce of the House".

1984—Subsec. (i)(4). Pub. L. 98-620 struck out provision which required civil actions filed under par. (4) to be heard and decided expeditiously.

CHANGE OF NAME

Committee on Energy and Commerce of House of Representatives treated as referring to Committee on Commerce of House of Representatives by section 1(a) of Pub. L. 104-14, set out as a note preceding section 21 of Title 2, The Congress. Committee on Commerce of House of Representatives changed to Committee on Energy and Commerce of House of Representatives, and (by authority over matters relating to securities and insurance generally transferred to Committee on Financial Services of House of Representatives by House Resolution No. 5, One Hundred Seventh Congress, Jan. 3, 2001.

EFFECTIVE DATE OF 1984 AMENDMENT

Amendment by Pub. L. 98-620 not applicable to cases pending on Nov. 8, 1984, see section 403 of Pub. L. 98-620, set out as an Effective Date note under section 1657 of Title 28, Judiciary and Judicial Procedure.

APPLICABILITY OF LABOR STANDARDS TO DRINKING WATER TREATMENT CONSTRUCTION PROJECTS

Pub. L. 112-74, div. B, title II, Dec. 23, 2011, 125 Stat. 1020, provided in part: "For fiscal year 2012 and each fiscal year thereafter, the requirements of section 1450(e) of the Safe Drinking Water Act (42 U.S.C. 300j-9(e)) shall apply to any construction project carried out in whole or in part with assistance made available by a drinking water treatment revolving loan fund as authorized by section 1452 of that Act (42 U.S.C. 300j-12)."

§ 300j-10. Appointment of scientific, etc., personnel by Administrator of Environmental Protection Agency for implementation of responsibilities; compensation

To the extent that the Administrator of the Environmental Protection Agency deems such
(a) General authority

The Administrator shall offer to enter into agreements with eligible States to make capitalization grants, including letters of credit, to the States under this subsection to further the health protection objectives of this subchapter, promote the efficient use of fund resources, and for other purposes as are specified in this subchapter.

(B) Establishment of fund

To be eligible to receive a capitalization grant under this section, a State shall establish a drinking water treatment revolving loan fund (referred to in this section as a “State loan fund”) and comply with the other requirements of this section. Each grant to a State under this section shall be deposited in the State loan fund established by the State, except as otherwise provided in this section and in other provisions of this subchapter. No funds authorized by other provisions of this subchapter to be used for other purposes specified in this subchapter shall be deposited in any State loan fund.

(C) Extended period

The grant to a State shall be available to the State for obligation during the fiscal year for which the funds are authorized and during the following fiscal year, except that grants made available from funds provided prior to fiscal year 1997 shall be available for obligation during each of the fiscal years 1997 and 1998.

§ 300j–11. Indian Tribes

(a) In general

Subject to the provisions of subsection (b), the Administrator—

(1) is authorized to treat Indian Tribes as States under this subchapter,

(2) may delegate to such Tribes primary enforcement responsibility for public water systems and for underground injection control, and

(3) may provide such Tribes grant and contract assistance to carry out functions provided by this subchapter.

(b) EPA regulations

(1) Specific provisions

The Administrator shall, within 18 months after June 19, 1986, promulgate final regulations specifying those provisions of this subchapter for which it is appropriate to treat Indian Tribes as States. Such treatment shall be authorized only if:

(A) the Indian Tribe is recognized by the Secretary of the Interior and has a governing body carrying out substantial governmental duties and powers;

(B) the functions to be exercised by the Indian Tribe are within the area of the Tribal Government’s jurisdiction; and

(C) the Indian Tribe is reasonably expected to be capable, in the Administrator’s judgment, of carrying out the functions to be exercised in a manner consistent with the terms and purposes of this subchapter and of all applicable regulations.

(2) Provisions where treatment as State inappropriate

For any provision of this subchapter where treatment of Indian Tribes as identical to States is inappropriate, administratively infeasible or otherwise inconsistent with the purposes of this subchapter, the Administrator may include in the regulations promulgated under this section, other means for administering such provision in a manner that will achieve the purpose of the provision. Nothing in this section shall be construed to allow Indian Tribes to assume or maintain primary enforcement responsibility for public water systems or for underground injection control in a manner less protective of the health of persons than such responsibility may be assumed or maintained by a State. An Indian tribe shall not be required to exercise criminal enforcement jurisdiction for purposes of complying with the preceding sentence.

References in this Act to the rates of pay for GS–16, 17, or 18, or to maximum rates of pay under the General Schedule, to be considered references to rates payable under specified sections of Title 5, Government Organization and Employees, see section 529 (title I, § 101(c)(1)) of Pub. L. 101–509, set out in a note under section 5376 of Title 5.

References in laws to the rates of pay for GS–16, 17, or 18, or to maximum rates of pay under the General Schedule, to be considered references to rates payable under specified sections of Title 5, Government Organization and Employees, see section 529 (title I, § 101(c)(1)) of Pub. L. 101–509, set out in a note under section 5376 of Title 5.

References in laws to the rates of pay for GS–16, 17, or 18, or to maximum rates of pay under the General Schedule, to be considered references to rates payable under specified sections of Title 5, Government Organization and Employees, see section 529 (title I, § 101(c)(1)) of Pub. L. 101–509, set out in a note under section 5376 of Title 5.

So in original. Probably should be capitalized.
(D) Allotment formula

Except as otherwise provided in this section, funds made available to carry out this section shall be allotted to States that have entered into an agreement pursuant to this section (other than the District of Columbia) in accordance with—

(i) for each of fiscal years 1995 through 1997, a formula that is the same as the formula used to distribute public water system supervision grant funds under section 300j–2 of this title in fiscal year 1995, except that the minimum proportionate share established in the formula shall be 1 percent of available funds and the formula shall be adjusted to include a minimum proportionate share for the State of Wyoming and the District of Columbia; and

(ii) for fiscal year 1998 and each subsequent fiscal year, a formula that allocates to each State the proportional share of the State needs identified in the most recent survey conducted pursuant to subsection (h), except that the minimum proportionate share provided to each State shall be the same as the minimum proportionate share provided under clause (i).

(E) Reallotment

The grants not obligated by the last day of the period for which the grants are available shall be reallotted according to the appropriate criteria set forth in subparagraph (D), except that the Administrator may reserve and allocate 10 percent of the remaining amount for financial assistance to Indian Tribes in addition to the amount allotted under subsection (i) and none of the funds reallotted by the Administrator shall be reallotted to any State that has not obligated all funds allotted by the Administrator pursuant to this clause shall be reallotted by the Administrator on the basis of the same ratio as applicable to funds allotted under subparagraph (D). None of the funds reallotted by the Administrator pursuant to this paragraph shall be allotted to a State unless the State has met the requirements of section 300g–9 of this title (relating to capacity development strategies).

(ii) Operator certification

The Administrator shall withhold 20 percent of each capitalization grant made pursuant to this section unless the State has met the requirements of section 300g–8 of this title (relating to operator certification). All funds withheld by the Administrator pursuant to this clause shall be reallocated by the Administrator on the basis of the same ratio as applicable to funds allotted under subparagraph (D). None of the funds reallocated by the Administrator pursuant to this paragraph shall be allotted to a State unless the State has met the requirements of section 300g–8 of this title (relating to operator certification).

(2) Use of funds

(A) In general

Except as otherwise authorized by this subchapter, amounts deposited in a State loan fund, including loan repayments and interest earned on such amounts, shall be used only for providing loans or loan guarantees, or as a source of reserve and security for leveraged loans, the proceeds of which are deposited in a State loan fund established under paragraph (1), or other financial assistance authorized under this section to community water systems and nonprofit noncommunity water systems, other than systems owned by Federal agencies.

(B) Limitation

Financial assistance under this section may be used by a public water system only for expenditures (including expenditures for planning, design, siting, and associated preconstruction activities, or for replacing or rehabilitating aging treatment, storage, or
distribution facilities of public water systems, but not including monitoring, operation, and maintenance expenditures) of a type or category which the Administrator has determined, through guidance, will facilitate compliance with national primary drinking water regulations applicable to the system under section 300g-1 of this title or otherwise significantly further the health protection objectives of this subchapter.

(C) Sale of bonds

Funds may also be used by a public water system as a source of revenue (restricted solely to interest earnings of the applicable State loan fund) or security for payment of the principal and interest on revenue or general obligation bonds issued by the State to provide matching funds under subsection (e), if the proceeds of the sale of the bonds will be deposited in the State loan fund.

(D) Water treatment loans

The funds under this section may also be used to provide loans to a system referred to in section 300h(4)(B) of this title for the purpose of providing the treatment described in section 300h(4)(B)(ii)(III) of this title.

(E) Acquisition of real property

The funds under this section shall not be used for the acquisition of real property or interests therein, unless the acquisition is integral to a project authorized by this paragraph and the purchase is from a willing seller.

(F) Loan assistance

Of the amount credited to any State loan fund established under this section in any fiscal year, 15 percent shall be available solely for providing loan assistance to public water systems which regularly serve fewer than 10,000 persons to the extent such funds can be obligated for eligible projects of public water systems.

(G) Emerging contaminants

(i) In general

Notwithstanding any other provision of law and subject to clause (ii), amounts deposited under subsection (i) in a State loan fund established under this section may only be used to provide grants for the purpose of addressing emerging contaminants, with a focus on perfluoroalkyl and polyfluoroalkyl substances.

(ii) Requirements

(I) Small and disadvantaged communities

Not less than 25 percent of the amounts described in clause (i) shall be used to provide grants to—

(aa) disadvantaged communities (as defined in subsection (d)(3)); or

(bb) public water systems serving fewer than 25,000 persons.

(II) Priorities

In selecting the recipient of a grant using amounts described in clause (i), a State shall use the priorities described in subsection (b)(3)(A).

(iii) No increased bonding authority

The amounts deposited in the State loan fund of a State under subsection (t) may not be used as a source of payment of, or security for (directly or indirectly), in whole or in part, any obligation the interest on which is exempt from the tax imposed under chapter 1 of the Internal Revenue Code of 1986.

(3) Limitation

(A) In general

Except as provided in subparagraph (B), no assistance under this section shall be provided to a public water system that—

(i) does not have the technical, managerial, and financial capability to ensure compliance with the requirements of this subchapter; or

(ii) is in significant noncompliance with any requirement of a national primary drinking water regulation or variance.

(B) Restructuring

A public water system described in subparagraph (A) may receive assistance under this section if—

(i) the use of the assistance will ensure compliance; and

(ii) if subparagraph (A)(i) applies to the system, the owner or operator of the system agrees to undertake feasible and appropriate changes in operations (including ownership, management, accounting, rates, maintenance, consolidation, alternative water supply, or other procedures) if the State determines that the measures are necessary to ensure that the system has the technical, managerial, and financial capability to comply with the requirements of this subchapter over the long term.

(C) Review

Prior to providing assistance under this section to a public water system that is in significant noncompliance with any requirement of a national primary drinking water regulation or variance, the State shall conduct a review to determine whether subparagraph (A)(i) applies to the system.

(4) American iron and steel products

(A) In general

During fiscal years 2019 through 2023, funds made available from a State loan fund established pursuant to this section may not be used for a project for the construction, alteration, or repair of a public water system unless all of the iron and steel products used in the project are produced in the United States.

(B) Definition of iron and steel products

In this paragraph, the term “iron and steel products” means the following products made primarily of iron or steel:

(i) Lined or unlined pipes and fittings.

(ii) Manhole covers and other municipal castings.

(iii) Hydrants.

(iv) Tanks.
An intended use plan shall include—

(A) a list of the projects to be assisted in the first fiscal year that begins after the date of the plan, including a description of the project, the expected terms of financial assistance, and the size of the community served;

(B) the criteria and methods established for the distribution of funds; and

(C) a description of the financial status of the State loan fund and the short-term and long-term goals of the State loan fund.

(3) Use of funds

(A) In general

An intended use plan shall provide, to the maximum extent practicable, that priority for the use of funds be given to projects that—

(i) address the most serious risk to human health;

(ii) are necessary to ensure compliance with the requirements of this subchapter (including requirements for filtration); and

(iii) assist systems most in need on a per household basis according to State affordability criteria.

(B) List of projects

Each State shall, after notice and opportunity for public comment, publish and periodically update a list of projects in the State that are eligible for assistance under this section, including the priority assigned to each project and, to the extent known, the expected funding schedule for each project.

(c) Fund management

Each State loan fund under this section shall be established, maintained, and credited with revenues and interest. The fund corpus shall be invested in interest bearing obligations. To the extent amounts in the fund are not required for current obligation or expenditure, such amounts shall be invested in interest bearing obligations.

(d) Assistance for disadvantaged communities

(1) Loan subsidy

Notwithstanding any other provision of this section, in any case in which the State makes a loan pursuant to subsection (a)(2) to a disadvantaged community or to a community that the State expects to become a disadvantaged community as the result of a proposed project, the State may provide additional subsidization (including forgiveness of principal).

(2) Total amount of subsidies

For each fiscal year, of the amount of the capitalization grant received by the State for the year, the total amount of loan subsidies made by a State pursuant to paragraph (1)—

(A) may not exceed 35 percent; and

(B) to the extent that there are sufficient applications for loans to communities described in paragraph (1), may not be less than 6 percent.

(3) “Disadvantaged community” defined

In this subsection, the term “disadvantaged community” means the service area of a public water system that meets affordability cri-
(e) State contribution

Each agreement under subsection (a) shall require that the State deposit in the State loan fund from State moneys an amount equal to at least 20 percent of the total amount of the grant to be made to the State on or before the date on which the grant payment is made to the State, except that a State shall not be required to deposit such amount into the fund prior to the date on which each grant payment is made for fiscal years 1994, 1995, 1996, and 1997 if the State deposits the State contribution amount into the State loan fund prior to September 30, 1999.

(f) Types of assistance

Except as otherwise limited by State law, the amounts deposited into a State loan fund under this section may be used only:

(1) to make loans, on the condition that—
   (A) the interest rate for each loan is less than or equal to the market interest rate, including an interest free loan;
   (B) principal and interest payments on each loan will commence not later than 18 months after completion of the project for which the loan was made;
   (C) each loan will be fully amortized not later than 30 years after the completion of the project, except that in the case of a disadvantaged community (as defined in subsection (d)(3)) a State may provide an extended term for a loan, if the extended term—
      (i) terminates not later than the date that is 40 years after the date of project completion; and
      (ii) does not exceed the expected design life of the project;
   (D) the recipient of each loan will establish a dedicated source of revenue (or, in the case of a privately owned system, demonstrate that there is adequate security) for the repayment of the loan; and
   (E) the State loan fund will be credited with all payments of principal and interest on each loan;

(2) to buy or refinance the debt obligation of a municipality or an intermunicipal or interstate agency within the State at an interest rate that is less than or equal to the market interest rate in any case in which a debt obligation is incurred after July 1, 1993;

(3) to guarantee, or purchase insurance for, a local obligation (all of the proceeds of which finance a project eligible for assistance under this section) if the guarantee or purchase would improve credit market access or reduce the interest rate applicable to the obligation;

(4) as a source of revenue or security for the payment of principal and interest on revenue or general obligation bonds issued by the State if the proceeds of the sale of the bonds will be deposited into the State loan fund; and

(5) to earn interest on the amounts deposited into the State loan fund.

(g) Administration of State loan funds

(1) Combined financial administration

Notwithstanding subsection (c), a State may (as a convenience and to avoid unnecessary administrative costs) combine, in accordance with State law, the financial administration of a State loan fund established under this section with the financial administration of any other revolving fund established by the State if otherwise not prohibited by the law under which the State loan fund was established and if the Administrator determines that—

(A) the grants under this section, together with loan repayments and interest, will be separately accounted for and used solely for the purposes specified in subsection (a); and

(B) the authority to establish assistance priorities and carry out oversight and related activities (other than financial administration) with respect to assistance remains with the State agency having primary responsibility for administration of the State program under section 300g–2 of this title, after consultation with other appropriate State agencies (as determined by the State): Provided, That in nonprimacy States eligible to receive assistance under this section, the Governor shall determine which State agency will have authority to establish priorities for financial assistance from the State loan fund.

(2) Cost of administering fund

(A) Authorization

(i) In general

For each fiscal year, a State may use the amount described in clause (i)—

(I) to cover the reasonable costs of administration of the programs under this section, including the recovery of reasonable costs expended to establish a State loan fund that are incurred after August 6, 1996; and

(II) to provide technical assistance to public water systems within the State.

(ii) Description of amount

The amount referred to in clause (i) is an amount equal to the sum of—

(I) the amount of any fees collected by the State for use in accordance with clause (i)(I), regardless of the source; and

(II) the greatest of—

(aa) $400,000;

(bb) 1/5 percent of the current valuation of the fund; and

(cc) an amount equal to 4 percent of all grant awards to the fund under this section for the fiscal year.

(B) Additional use of funds

For fiscal year 1995 and each fiscal year thereafter, each State may use up to an additional 10 percent of the funds allotted to the State under this section—

(i) for public water system supervision programs under section 300j–2(a) of this title;

(ii) to administer or provide technical assistance through source water protection programs;
(iii) to develop and implement a capacity development strategy under section 300g–9(c) of this title; and
(iv) for an operator certification program for purposes of meeting the requirements of section 300g–8 of this title.

(C) Technical assistance

An additional 2 percent of the funds annually allotted to each State under this section may be used by the State to provide technical assistance to public water systems serving 10,000 or fewer persons in the State.

(D) Enforcement actions

Funds used under subparagraph (B)(ii) shall not be used for enforcement actions.

(3) Guidance and regulations

The Administrator shall publish guidance and promulgate regulations as necessary to carry out the provisions of this section, including—
(A) provisions to ensure that each State monitors and expends funds allotted to the States under this section as efficiently as possible in accordance with this subchapter and applicable State laws;
(B) guidance to prevent waste, fraud, and abuse; and
(C) guidance to avoid the use of funds made available under this section to finance the expansion of any public water system in anticipation of future population growth.

The guidance and regulations shall also ensure that the States, and public water systems receiving assistance under this section, use accounting, audit, and fiscal procedures that conform to generally accepted accounting standards.

(4) State report

Each State administering a loan fund and assistance program under this subsection shall publish and submit to the Administrator a report every 2 years on its activities under this section, including the findings of the most recent audit of the funds and the entire State allotment. The Administrator shall periodically audit all State loan funds established by, and all other amounts allotted to, the States pursuant to this section in accordance with procedures established by the Comptroller General.

(h) Needs survey

(1) The Administrator shall conduct an assessment of water system capital improvement needs of all eligible public water systems in the United States and submit a report to the Congress containing the results of the assessment within 180 days after August 6, 1996, and every 4 years thereafter.

(2) Any assessment conducted under paragraph (1) after October 23, 2018, shall include an assessment of costs to replace all lead service lines (as defined in section 300j–19(a)(4) of this title) of all eligible public water systems in the United States, and such assessment shall describe separately the costs associated with replacing the portions of such lead service lines that are owned by an eligible public water system and the costs associated with replacing any remaining portions of such lead service lines, to the extent practicable.

(i) Indian Tribes

(1) In general

1½ percent of the amounts appropriated annually to carry out this section may be used by the Administrator to make grants to Indian Tribes, Alaska Native villages, and, for the purpose of carrying out paragraph (5), intertribal consortia or tribal organizations, that have not otherwise received either grants from the Administrator under this section or assistance from State loan funds established under this section. Except as otherwise provided, the grants may only be used for expenditures by tribes and villages for public water system expenditures referred to in subsection (a)(2).

(2) Use of funds

Funds reserved pursuant to paragraph (1) shall be used to address the most significant threats to public health associated with public water systems that serve Indian Tribes, as determined by the Administrator in consultation with the Director of the Indian Health Service and Indian Tribes.

(3) Alaska Native villages

In the case of a grant for a project under this subsection in an Alaska Native village, the Administrator is also authorized to make grants to the State of Alaska for the benefit of Native villages. An amount not to exceed 4 percent of the grant amount may be used by the State of Alaska for project management.

(4) Needs assessment

The Administrator, in consultation with the Director of the Indian Health Service and Indian Tribes, shall, in accordance with a schedule that is consistent with the needs surveys conducted pursuant to subsection (h), prepare surveys and assess the needs of drinking water treatment facilities to serve Indian Tribes, including an evaluation of the public water systems that pose the most significant threats to public health.

(5) Training and operator certification

(A) In general

The Administrator may use funds made available under this subsection and section 300j–1(e)(7) of this title to make grants to intertribal consortia or tribal organizations for the purpose of providing operations and maintenance training and operator certification services to Indian Tribes to enable public water systems that serve Indian Tribes to achieve and maintain compliance with applicable national primary drinking water regulations.

(B) Eligible tribal organizations

Intertribal consortia or tribal organizations eligible for a grant under subparagraph (A) are intertribal consortia or tribal organizations that—

(i) as determined by the Administrator, are the most qualified and experienced to provide training and technical assistance to Indian Tribes; and
of the funds annually available under this section for grants to States, the Administrator shall make allotments in accordance with section 300j–2(a)(4) of this title for the Virgin Islands, the Commonwealth of the Northern Mariana Islands, American Samoa, and Guam. The grants allotted as provided in this subsection may be provided by the Administrator to the governments of such areas, to public water systems in such areas, or to both, to be used for the public water system expenditures referred to in subsection (a)(2). The grants, and grants for the District of Columbia, shall not be deposited in State loan funds. The total allotment of grants under this section for all areas described in this subsection in any fiscal year shall not exceed 0.33 percent of the aggregate amount made available to carry out this section in that fiscal year.

(k) Other authorized activities

(1) In general

Notwithstanding subsection (a)(2), a State may take each of the following actions:

(A) Provide assistance, only in the form of a loan, to one or more of the following:

(i) Any public water system described in subsection (a)(2) to acquire land or a conservation easement from a willing seller or grantor, if the purpose of the acquisition is to protect the source water of the system from contamination and to ensure compliance with national primary drinking water regulations.

(ii) Any community water system to implement local, voluntary source water protection measures to protect source water in areas delineated pursuant to section 300j–13 of this title, in order to facilitate compliance with national primary drinking water regulations applicable to the system under section 300j–1 of this title or otherwise significantly further the health protection objectives of this subchapter. Funds authorized under this clause may be used to fund only voluntary, incentive-based mechanisms.

(B) Provide assistance, including technical and financial assistance, to any public water system as part of a capacity development strategy developed and implemented in accordance with section 300g–9(c) of this title.

(C) Make expenditures from the capitalization grant of the State to delineate, assess, and update assessments for source water protection areas in accordance with section 300j–13 of this title, except that funds set aside for such expenditure shall be obligated within 4 fiscal years.

(D) Make expenditures from the fund for the establishment and implementation of wellhead protection programs under section 300h–7 of this title and for the implementation of efforts (other than actions authorized under subparagraph (A)) to protect source water in areas delineated pursuant to section 300j–13 of this title.

(2) Limitation

For each fiscal year, the total amount of assistance provided and expenditures made by a State under this subsection may not exceed 15 percent of the amount of the capitalization grant received by the State for that year and may not exceed 10 percent of that amount for any one of the following activities:

(A) To acquire land or conservation easements pursuant to paragraph (1)(A)(i).

(B) To provide funding to implement voluntary, incentive-based source water quality protection measures pursuant to clauses (i) and (iii) of paragraph (1)(A).

(C) To provide assistance through a capacity development strategy pursuant to paragraph (1)(B).

(D) To make expenditures to delineate or assess source water protection areas pursuant to paragraph (1)(C).

(E) To make expenditures to establish and implement wellhead protection programs, and to implement efforts to protect source water, pursuant to paragraph (1)(D).

(3) Statutory construction

Nothing in this section creates or conveys any new authority to a State, political subdivision of a State, or community water system for any new regulatory measure, or limits any authority of a State, political subdivision of a State or community water system.

(l) Savings

The failure or inability of any public water system to receive funds under this section or any other loan or grant program, or any delay in obtaining the funds, shall not alter the obligation of the system to comply in a timely manner with all applicable drinking water standards and requirements of this subchapter.

(m) Authorization of appropriations

(1) There are authorized to be appropriated to carry out the purposes of this section, except for subsections (a)(2)(G) and (t)—

(A) $1,174,000,000 for fiscal year 2019;

(B) $1,300,000,000 for fiscal year 2020; and

(C) $1,950,000,000 for fiscal year 2021.

(2) To the extent amounts authorized to be appropriated under this subsection in any fiscal year are not appropriated in that fiscal year, such amounts are authorized to be appropriated in a subsequent fiscal year. Such sums shall remain available until expended.

(n) Health effects studies

From funds appropriated pursuant to this section for each fiscal year, the Administrator shall reserve $10,000,000 for health effects studies on drinking water contaminants authorized by the Safe Drinking Water Act Amendments of 1996. In allocating funds made available under this subsection, the Administrator shall give priority to studies concerning the health effects of cryptosporidium (as authorized by section 300j–18(c) of this title), disinfection byproducts (as authorized by section 300j–18(c) of this title),
and arsenic (as authorized by section 300g–1(b)(12)(A) of this title), and the implementation of a plan for studies of subpopulations at greater risk of adverse effects (as authorized by section 300l–18(a) of this title).

(o) Monitoring for unregulated contaminants

From funds appropriated pursuant to this section for each fiscal year beginning with fiscal year 1998, the Administrator shall reserve $2,000,000 to pay the costs of monitoring for unregulated contaminants under section 300j–4(a)(2)(C) of this title.

(p) Demonstration project for State of Virginia

Notwithstanding the other provisions of this section limiting the use of funds deposited in a State loan fund from any State allotment, the State of Virginia may, as a single demonstration and with the approval of the Virginia General Assembly and the Administrator, conduct a program to demonstrate alternative approaches to intergovernmental coordination to assist in the financing of new drinking water facilities in the following rural communities in southwestern Virginia where none exists on August 6, 1996, and where such communities are experiencing economic hardship: Lee County, Wise County, Scott County, Dickenson County, Russell County, Buchanan County, Tazewell County, and the city of Norton, Virginia. The funds allotted to that State and deposited in the State loan fund may be loaned to a regional endowment fund for the purpose set forth in this subsection under a plan to be approved by the Administrator. The plan may include an advisory group that includes representatives of such counties.

(q) Small system technical assistance

The Administrator may reserve up to 2 percent of the total funds made available to carry out this section for each of fiscal years 2016 through 2021 to carry out the provisions of section 300j–1(e) of this title (relating to technical assistance for small systems), except that the total amount of funds made available for such purpose in any fiscal year through appropriations (as authorized by section 300j–1(e) of this title) and reservations made pursuant to this subsection shall not exceed the amount authorized by section 300j–1(e) of this title.

(r) Evaluation

The Administrator shall conduct an evaluation of the effectiveness of the State loan funds through fiscal year 2001. The evaluation shall be submitted to the Congress at the same time as the President submits to the Congress, pursuant to section 1108 of title 31, an appropriations report for administration of State loan funds; and

(s) Best practices for State loan fund administration

The Administrator shall—

(1) collect information from States on administration of State loan funds established pursuant to subsection (a)(1), including—

(A) efforts to streamline the process for applying for assistance through such State loan funds;

(B) programs in place to assist with the completion of applications for assistance through such State loan funds;

(C) incentives provided to public water systems that partner with small public water systems to assist with the application process for assistance through such State loan funds;

(D) practices to ensure that amounts in such State loan funds are used to provide loans, loan guarantees, or other authorized assistance in a timely fashion;

(E) practices that support effective management of such State loan funds;

(F) practices and tools to enhance financial management of such State loan funds; and

(G) key financial measures for use in evaluating State loan fund operations, including—

(i) measures of lending capacity, such as current assets and current liabilities or undisbursed loan assistance liability; and

(ii) measures of growth or sustainability, such as return on net interest;

(2) not later than 3 years after October 23, 2018, disseminate to the States best practices for administration of such State loan funds, based on the information collected pursuant to this subsection; and

(3) periodically update such best practices, as appropriate.

(t) Emerging contaminants

(1) In general

Amounts made available under this subsection shall be allotted to a State as if allotted under subsection (a)(1)(D) as a capitalization grant, for deposit into the State loan fund of the State, for the purposes described in subsection (a)(2)(G).

(2) Authorization of appropriations

There is authorized to be appropriated to carry out this subsection $100,000,000 for each of fiscal years 2020 through 2024, to remain available until expended.

References in Text


Amendments


Subsec. (m)(1). Pub. L. 116–92, §7312(2), substituted “this section, except for subsections (a)(2)(G) and (t)” for “this section” in introductory provisions.

siting, and associated preconstruction activities, or for replacing or rehabilitating aging treatment, storage, or distribution facilities of public water systems, but not for
construction activities, including activities relating to the siting of the facility, but not”.
Subsec. (d)(2). Pub. L. 115–270, § 2015(c), amended par. (2) generally. Prior to amendment, text read as follows: “For each fiscal year, the total amount of loan subsidies made by a State pursuant to paragraph (1) may not exceed 30 percent of the amount of the capitalization grant received by the State for the year.”
Subsec. (f)(1)(B). Pub. L. 115–270, § 2015(d)(3), substituted “18 months after completion of the project for which the loan was made,” for “1 year after completion of the project for which the loan was made, and each loan will be fully amortized not later than 20 years after the completion of the project, except that in the case of a disadvantaged community (as defined in subsection (d)), a State may provide an extended term for a loan, if the extended term—
“(i) terminates not later than the date that is 30 years after the date of project completion; and
“(ii) does not exceed the expected design life of the project;”.
Subsec. (f)(1)(C) to (E). Pub. L. 115–270, § 2015(d)(1), (2), added par. (C) and redesignated former subpars. (D) and (E) as (D) and (E), respectively.
Subsec. (h). Pub. L. 115–270, § 2015(e), designated existing provisions as par. (1) and added par. (2).
Subsec. (k)(1)(C). Pub. L. 115–270, § 2015(f), substituted “to delineate, assess, and update assessments for source water protection areas in accordance with section 300j–13 of this title” for “for fiscal years 1996 and 1997 to delineate and assess source water protection areas in accordance with section 300j–13 of this title”.
Subsec. (k)(1)(D). Pub. L. 115–270, § 200231, inserted “and, in the case of efforts authorized under subparagraph (A) to protect source water in areas delineated pursuant to section 300j–13 of this title” before period at end.
Subsec. (l). Pub. L. 115–270, § 200232, inserted “, and to implement efforts to protect source water,” after “wellhead protection programs”.
Subsec. (m). Pub. L. 115–270, § 2023, substituted par. (1) for read: “there are authorized to be appropriated to carry out the purposes of this section $599,000,000 for the fiscal year 1994 and $1,000,000,000 for each of the fiscal years 1995 through 2003.”, designated second and third sentences as par. (2) and, in par. (2), struck out “prior to the fiscal year 2004” after “subsequent fiscal year”.
Subsec. (n). Pub. L. 115–270, § 2015(g), added subsec. (n). 2016—Pub. L. 114–322, § 2121(b)(1), substituted “Tribes, Alaska Native villages, and, for the purpose of carrying out paragraph (5), intertribal consortia or tribal organizations,” for “Tribes and Alaska Native villages” and “Except as otherwise provided, the grants” for “The grants”.
Subsec. (p). Pub. L. 114–322, § 2110, substituted “made available to carry out this section for each of fiscal years 2016 through 2021” for “appropriated pursuant to subsection (m) for each of the fiscal years 1997 through 2003”.

ASSISTANCE FOR AREAS AFFECTED BY NATURAL DISASTERS
“(a) Definitions.—In this section:
“(1) Community water system.—The term ‘community water system’ means a community water system—
“(A) that serves an area for which, after January 1, 2017, the President under the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.)—
“(i) has issued a major disaster declaration; and
“(ii) provided disaster assistance; or
“(B) that is capable of extending its potable drinking water service into an underserved area.
“(2) National primary drinking water regulation.—The term ‘national primary drinking water regulation’ means a national primary drinking water regulation under section 1412 of the Safe Drinking Water Act (42 U.S.C. 300g–1).
“(3) Underserved area.—The term ‘underserved area’ means a geographic area in an eligible State that—
“(A) is served by a community water system serving fewer than 50,000 persons where delivery of, or access to, potable water is or was disrupted; and
(B) received disaster assistance pursuant to a declaration described in paragraph (3)(A).

(1) IN GENERAL.—An eligible State may use funds provided pursuant to subsection (e)(1) to provide assistance to an eligible system within the eligible State for the purpose of restoring or increasing compliance with national primary drinking water regulations in an underserved area.

(2) INCLUSION.—(A) ADDITIONAL SUBSIDIZATION.—With respect to assistance provided under paragraph (1), an eligible system shall be eligible to receive loans with additional subsidization (including forgiveness of principal, negative-interest loans, or grants (or any combination thereof)) for the purpose described in paragraph (1).

(B) NONDESIGNATION.—Assistance provided under paragraph (1) may include additional subsidization, as described in subparagraph (A), even if the service area of the eligible system has not been designated by the applicable eligible State as a disadvantaged community pursuant to section 1452(d)(3) of the Safe Drinking Water Act (42 U.S.C. 300j–12(d)(3)).

(c) EXCLUSION.—Assistance provided under this subsection shall not apply to any funds provided to the Commonwealth of Puerto Rico under this section.

1. AN ELIGIBLE STATE

2. AN ELIGIBLE SYSTEM

3. AN EMERGENCY DECLARATION

4. AN ACTIVITY

5. AN ACTIVITY

6. AN ACTIVITY

7. AN ACTIVITY

8. AN ACTIVITY

9. AN ACTIVITY

10. AN ACTIVITY

11. AN ACTIVITY

12. AN ACTIVITY

13. AN ACTIVITY

14. AN ACTIVITY

15. AN ACTIVITY

16. AN ACTIVITY

17. AN ACTIVITY

18. AN ACTIVITY

19. AN ACTIVITY

20. AN ACTIVITY

21. AN ACTIVITY

22. AN ACTIVITY

23. AN ACTIVITY

24. AN ACTIVITY

25. AN ACTIVITY

26. AN ACTIVITY

27. AN ACTIVITY

28. AN ACTIVITY

29. AN ACTIVITY

30. AN ACTIVITY

31. AN ACTIVITY

32. AN ACTIVITY

33. AN ACTIVITY

34. AN ACTIVITY

35. AN ACTIVITY

36. AN ACTIVITY

37. AN ACTIVITY

38. AN ACTIVITY

39. AN ACTIVITY

40. AN ACTIVITY

41. AN ACTIVITY

42. AN ACTIVITY

43. AN ACTIVITY

44. AN ACTIVITY

45. AN ACTIVITY

46. AN ACTIVITY

47. AN ACTIVITY

48. AN ACTIVITY

49. AN ACTIVITY

50. AN ACTIVITY

51. AN ACTIVITY

52. AN ACTIVITY

53. AN ACTIVITY

54. AN ACTIVITY

55. AN ACTIVITY

56. AN ACTIVITY

57. AN ACTIVITY

58. AN ACTIVITY

59. AN ACTIVITY

60. AN ACTIVITY

61. AN ACTIVITY

62. AN ACTIVITY

63. AN ACTIVITY

64. AN ACTIVITY

65. AN ACTIVITY

66. AN ACTIVITY

67. AN ACTIVITY

68. AN ACTIVITY

69. AN ACTIVITY

70. AN ACTIVITY

71. AN ACTIVITY

72. AN ACTIVITY

73. AN ACTIVITY

74. AN ACTIVITY

75. AN ACTIVITY

76. AN ACTIVITY

77. AN ACTIVITY

78. AN ACTIVITY

79. AN ACTIVITY

80. AN ACTIVITY

81. AN ACTIVITY

82. AN ACTIVITY
“(B) any other assistance provided to an eligible system; or
“(C) any funds required to match the funds provided under subsection (d).
“(c) NONDUPLICATION OF WORK.—An activity carried out pursuant to this section shall not duplicate the work or activity of any other Federal or State department or agency.
“(d) ADDITIONAL DRINKING WATER STATE REVENGE FUND CAPITALIZATION GRANTS.—

“(1) IN GENERAL.—There is authorized to be appropriated to the Administrator [of the Environmental Protection Agency] a total of $100,000,000 to provide additional capitalization grants to eligible States pursuant to section 1452 of the Safe Drinking Water Act (42 U.S.C. 300j–12), to be available for a period of 18 months beginning on the date on which the funds are made available, for the purposes described in subsection (b)(2), and after the end of the 18-month period, until expended for the purposes described in paragraph (3).

“(2) SUPPLEMENTED INTENDED USE PLANS.—From funds made available under paragraph (1), the Administrator shall obligate to an eligible State such amounts as are necessary to meet the needs identified in a supplemented intended use plan for the purposes described in subsection (b)(2) by not later than 30 days after the date on which the eligible State submits to the Administrator a supplemented intended use plan under section 1452(b) of the Safe Drinking Water Act (42 U.S.C. 300j–12)(b) that includes preapplication information regarding projects to be funded using the additional assistance, including, with respect to each such project—

“(A) a description of the project;
“(B) an explanation of the means by which the project will address a situation causing a declared emergency in the eligible State;
“(C) the estimated cost of the project; and
“(D) the projected start date for construction of the project.

“(3) UNOBLIGATED AMOUNTS.—Any amounts made available to the Administrator under paragraph (1) that are unobligated on the date that is 18 months after the date on which the amounts are made available shall be available to provide additional grants to States to capitalize State loan funds as provided under section 1452 of the Safe Drinking Water Act (42 U.S.C. 300j–12).

“(4) APPLICABILITY.—

“(A) Section 1452(b)(1) of the Safe Drinking Water Act (42 U.S.C. 300j–12)(b)(1) shall not apply to a supplement to an intended use plan under paragraph (2).

“(B) Unless explicitly waived, all requirements under the Safe Drinking Water Act (42 U.S.C. 300f et seq.) shall apply to funding provided under this subsection.

“(e) HEALTH EFFECTS EVALUATION.—

“(1) IN GENERAL.—Pursuant to section 104(l)(1)(E) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601(l)(1)(E)), and on receipt of a request of an appropriate State or local health official of an eligible State, the Director of the Agency for Toxic Substances and Disease Registry of the National Center for Environmental Health shall in coordination with other agencies, as appropriate, conduct voluntary surveillance activities to evaluate any adverse health effects on individuals exposed to lead from drinking water in the affected communities.

“(2) CONSULTATIONS.—Pursuant to section 104(l)(4) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601(l)(4)), and on receipt of a request of an appropriate State or local health official of an eligible State, the Director of the Agency for Toxic Substances and Disease Registry of the National Center for Environmental Health shall provide consultations regarding health issues described in paragraph (1).

“(f) NO EFFECT ON OTHER PROJECTS.—This section shall not affect the application of any provision of the Water Infrastructure Finance and Innovation Act of 2014 (33 U.S.C. 3001 et seq.) or the Safe Drinking Water Act (42 U.S.C. 300f et seq.) to any project that does not receive assistance pursuant to this subtitle [subtitle B (§§2201–2204) of title II of Pub. L. 114–322, enacting provisions set out as this note and section 300–27 of this title].”

COMBINING FUND AMOUNTS FOR EFFECTIVE LENDING CAPACITY

Pub. L. 110–276, title III, Oct. 21, 1996, 112 Stat. 2498, provided in part: “That, consistent with section 1452(g) of the Safe Drinking Water Act (42 U.S.C. 300j–12(g)), section 382 of the Safe Drinking Water Act Amendments of 1996 (Public Law 104–182) [set out as a note below] and the accompanying joint explanatory statement of the committee of conference (H. Rept. No. 104–741 to accompany S. 1316, the Safe Drinking Water Act Amendments of 1996), and notwithstanding any other provision of law, beginning in fiscal year 1999 and thereafter, States may combine the assets of State Revolving Funds (SRFs) established under section 1452 of the Safe Drinking Water Act, as amended, and § 406 of the Federal Water Pollution Control Act (33 U.S.C. 1381 et seq.), as amended, as security for bond issues to enhance the lending capacity of one or both SRFs, but not to acquire the state match for either program, provided that revenues from the bonds are allocated to the purposes of the Safe Drinking Water Act (42 U.S.C. 300f et seq.) and the Federal Water Pollution Control Act (33 U.S.C. 1251 et seq.) in the same portion as the funds are used as security for the bonds”.

TRANSFER OF FUNDS

Pub. L. 112–74, div. E, title II, Dec. 23, 2011, 125 Stat. 1018, provided in part: “That for fiscal year 2012 and hereafter, the Administrator may transfer funds provided for tribal set-asides through funds appropriated for the Clean Water State Revolving Funds and for the Drinking Water State Revolving Funds between those accounts in such manner as the Administrator deems appropriate, but not to exceed the transfer limits given to States under section 302(a) of Public Law 104–182 [set out below].”


Similar provisions were contained in the following prior appropriation acts:


Pub. L. 104–182, title II, § 302, Aug. 6, 1996, 110 Stat. 1063, provided that:

“(a) IN GENERAL.—Notwithstanding any other provision of law, at any time after the date 1 year after a State establishes a State loan fund pursuant to section 1452 of the Safe Drinking Water Act (42 U.S.C. 300j–12) but prior to fiscal year 2002, a Governor of the State may—

“(1) reserve up to 33 percent of a capitalization grant made pursuant to such section 1452 and add the funds reserved to any funds provided to the State pursuant to section 601 of the Federal Water Pollution Control Act (33 U.S.C. 1381); and

“(2) reserve in any year a dollar amount up to the dollar amount that may be reserved under paragraph (1) for that year from capitalization grants made pursuant to section 601 of such Act (33 U.S.C. 1381) and add the reserved funds to any funds provided to the State pursuant to section 1452 of the Safe Drinking Water Act.
§ 300j–13. Source water quality assessment

(a) Source water assessment

(1) Guidance

Within 12 months after August 6, 1996, after notice and comment, the Administrator shall publish guidance for States exercising primary enforcement responsibility for public water systems to carry out directly or through delegation (for the protection and benefit of public water systems and for the support of monitoring flexibility) a source water assessment program within the State’s boundaries. Each State adopting modifications to monitoring requirements pursuant to section 300g–7(b) of this title shall, prior to adopting such modifications, have an approved source water assessment program under this section and shall carry out the program either directly or through delegation.

(2) Program requirements

A source water assessment program under this subsection shall—

(A) delineate the boundaries of the assessment areas in such State from which one or more public water systems in the State receive supplies of drinking water, using all reasonably available hydrogeologic information on the sources of the supply of drinking water in the State and the water flow, recharge, and discharge and any other reliable information as the State deems necessary to adequately determine such areas; and

(B) identify for contaminants regulated under this subchapter (or any unregulated contaminants selected by the State, in its discretion, which the State, for the purposes of this subsection, has determined may present a threat to public health), to the extent practical, the origins within each delineated area of such contaminants to determine the susceptibility of the public water systems in the delineated area to such contaminants.

(3) Approval, implementation, and monitoring relief

A State source water assessment program under this subsection shall be submitted to the Administrator within 18 months after the Administrator’s guidance is issued under this subsection and shall be deemed approved 9 months after the date of such submittal unless the Administrator disapproves the program as provided in section 300h–7(c) of this title. States shall begin implementation of the program immediately after its approval. The Administrator’s approval of a State program under this subsection shall include a timetable, established in consultation with the State, allowing not more than 2 years for completion after approval of the program. Public water systems seeking monitoring relief in addition to the interim relief provided under section 300g–7(a) of this title shall be eligible for monitoring relief, consistent with section 300g–7(b) of this title, upon completion of the assessment in the delineated source water assessment area or areas concerned.

(4) Timetable

The timetable referred to in paragraph (3) shall take into consideration the availability to the State of funds under section 300j–12 of this title (relating to State loan funds) for assessments and other relevant factors. The Administrator may extend any timetable included in a State program approved under paragraph (3) to extend the period for completion by an additional 18 months.

(5) Demonstration project

The Administrator shall, as soon as practicable, conduct a demonstration project, in consultation with other Federal agencies, to demonstrate the most effective and protective means of assessing and protecting source waters serving large metropolitan areas and located on Federal lands.

(6) Use of other programs

To avoid duplication and to encourage efficiency, the program under this section may make use of any of the following:

(A) Vulnerability assessments, sanitary surveys, and monitoring programs.

(B) Delineations or assessments of ground water sources under a State wellhead protection program developed pursuant to this section.

(C) Delineations or assessments of surface or ground water sources under a State pesticide management plan developed pursuant to the Pesticide and Ground Water State Management Plan Regulation (subparts J of part 152 of title 40, Code of Federal Regulations), promulgated under section 136a(d) of title 7.

(D) Delineations or assessments of surface water sources under a State watershed initiative or to satisfy the watershed criterion for determining if filtration is required under the Surface Water Treatment Rule (section 141.70 of title 40, Code of Federal Regulations).

(E) Delineations or assessments of surface or ground water sources under programs or plans pursuant to the Federal Water Pollution Control Act [33 U.S.C. 1251 et seq.].

(7) Public availability

The State shall make the results of the source water assessments conducted under this subsection available to the public.

(b) Approval and disapproval

For provisions relating to program approval and disapproval, see section 300h–7(c) of this title.

(July 1, 1944, ch. 373, title XIV, §1453, as added Pub. L. 104–182, title I, §132(a), Aug. 6, 1996, 110 Stat. 1673.)
§ 300j–14. Source water petition program

(a) Petition program

(1) In general

(A) Establishment

A State may establish a program under which an owner or operator of a community water system in the State, or a municipal or local government or political subdivision of a State, may submit a source water protection partnership petition to the State requesting that the State assist in the local development of a voluntary, incentive-based partnership, among the owner, operator, or government and other persons likely to be affected by the recommendations of the partnership, to—

(i) reduce the presence in drinking water of contaminants that may be addressed by a petition by considering the origins of the contaminants, including to the maximum extent practicable the specific activities that affect the drinking water supply of a community;

(ii) obtain financial or technical assistance necessary to facilitate establishment of a partnership, or to develop and implement recommendations of a partnership for the protection of source water to assist in the provision of drinking water that complies with national primary drinking water regulations with respect to contaminants addressed by a petition; and

(iii) develop recommendations regarding voluntary and incentive-based strategies for the long-term protection of the source water of community water systems.

(B) Funding

Each State may—

(i) use funds set aside pursuant to section 300j–12(k)(1)(A)(iii) of this title by the State to carry out a program described in subparagraph (A), including assistance to voluntary local partnerships for the development and implementation of partnership recommendations for the protection of source water such as source water quality assessment, contingency plans, and demonstration projects for partners within a source water area delineated under section 300j–13(a) of this title; and

(ii) provide assistance in response to a petition submitted under this subsection using funds referred to in subsection (b)(2)(B).

(2) Objectives

The objectives of a petition submitted under this subsection shall be to—

(A) facilitate the local development of voluntary, incentive-based partnerships among owners and operators of community water systems, governments, and other persons in source water areas; and

(B) obtain assistance from the State in identifying resources which are available to implement the recommendations of the partnerships to address the origins of drinking water contaminants that may be addressed by a petition (including to the maximum extent practicable the specific activities contributing to the presence of the contaminants) that affect the drinking water supply of a community.

(3) Contaminants addressed by a petition

A petition submitted to a State under this subsection may address only those contaminants—

(A) that are pathogenic organisms for which a national primary drinking water regulation has been established or is required under section 300g–1 of this title; or

(B) for which a national primary drinking water regulation has been promulgated or proposed and that are detected by adequate monitoring methods in the source water at the intake structure or in any collection, treatment, storage, or distribution facilities by the community water systems at levels—

(i) above the maximum contaminant level; or

(ii) that are not reliably and consistently below the maximum contaminant level.

(4) Contents

A petition submitted under this subsection shall, at a minimum—

(A) include a delineation of the source water area in the State that is the subject of the petition;

(B) identify, to the maximum extent practicable, the origins of the drinking water contaminants that may be addressed by a petition (including to the maximum extent practicable the specific activities contributing to the presence of the contaminants) in the source water area delineated under section 300j–13 of this title;

(C) identify any deficiencies in information that will impair the development of recommendations by the voluntary local partnership to address drinking water contaminants that may be addressed by a petition;

(D) specify the efforts made to establish the voluntary local partnership and obtain the participation of—

(i) the municipal or local government or other political subdivision of the State with jurisdiction over the source water area delineated under section 300j–13 of this title; and

(ii) each person in the source water area delineated under section 300j–13 of this title—

(I) who is likely to be affected by recommendations of the voluntary local partnership; and

(II) whose participation is essential to the success of the partnership;

(E) outline how the voluntary local partnership has or will, during development and
§ 300j–14
TITLE 42—THE PUBLIC HEALTH AND WELFARE

implementation of recommendations of the voluntary local partnership, identify, recognize and take into account any voluntary or other activities already being undertaken by persons in the source water area delineated under section 300j–13 of this title under Federal or State law to reduce the likelihood that contaminants will occur in drinking water at levels of public health concern; and

(F) specify the technical, financial, or other assistance that the voluntary local partnership requests of the State to develop the partnership or to implement recommendations of the partnership.

(b) Approval or disapproval of petitions

(1) In general

After providing notice and an opportunity for public comment on a petition submitted under subsection (a), the State shall approve or disapprove the petition, in whole or in part, not later than 120 days after the date of submission of the petition.

(2) Approval

The State may approve a petition if the petition meets the requirements established under subsection (a). The notice of approval shall, at a minimum, include for informational purposes—

(A) an identification of technical, financial, or other assistance that the State will provide to assist in addressing the drinking water contaminants that may be addressed by a petition based on—

(i) the relative priority of the public health concern identified in the petition with respect to the other water quality needs identified by the State;

(ii) any necessary coordination that the State will perform of the program established under this section with programs implemented or planned by other States under this section; and

(iii) funds available (including funds available from a State revolving loan fund established under title VI of the Federal Water Pollution Control Act (33 U.S.C. 1381 et seq.) or section 300j–12 of this title);

(B) a description of technical or financial assistance pursuant to Federal and State programs that is available to assist in implementing recommendations of the partnership in the petition, including—

(i) any program established under the Federal Water Pollution Control Act (33 U.S.C. 1251 et seq.);

(ii) the program established under section 1455b of title 16;

(iii) the agricultural water quality protection program established under chapter 2 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3838 et seq.);1

(iv) the sole source aquifer protection program established under section 300h–6 of this title;

(v) the community wellhead protection program established under section 300h–7 of this title; (vi) any pesticide or ground water management plan;

(vii) any voluntary agricultural resource management plan or voluntary whole farm or whole ranch management plan developed and implemented under a process established by the Secretary of Agriculture; and

(viii) any abandoned well closure program; and

(C) a description of activities that will be undertaken to coordinate Federal and State programs to respond to the petition.

(3) Disapproval

If the State disapproves a petition submitted under subsection (a), the State shall notify the entity submitting the petition in writing of the reasons for disapproval. A petition may be resubmitted at any time if—

(A) new information becomes available;

(B) conditions affecting the source water that is the subject of the petition change; or

(C) modifications are made in the type of assistance being requested.

(c) Grants to support State programs

(1) In general

The Administrator may make a grant to each State that establishes a program under this section that is approved under paragraph (2). The amount of each grant shall not exceed 50 percent of the cost of administering the program for the year in which the grant is available.

(2) Approval

In order to receive grant assistance under this subsection, a State shall submit to the Administrator for approval a plan for a source water quality protection partnership program that is consistent with the guidance published under subsection (d). The Administrator shall approve the plan if the plan is consistent with the guidance published under subsection (d).

(d) Guidance

(1) In general

Not later than 1 year after August 6, 1996, the Administrator, in consultation with the States, shall publish guidance to assist—

(A) States in the development of a source water quality protection partnership program; and

(B) municipal or local governments or political subdivisions of a State and community water systems in the development of source water quality protection partnerships and in the assessment of source water quality.

(2) Contents of the guidance

The guidance shall, at a minimum—

(A) recommend procedures for the approval or disapproval by a State of a petition submitted under subsection (a); and

(B) recommend procedures for the submission of petitions developed under subsection (a); and

(C) recommend criteria for the assessment of source water areas within a State; and

(D) describe technical or financial assistance pursuant to Federal and State pro-

1See References in Text note below.
grams that is available to address the contamination of sources of drinking water and to develop and respond to petitions submitted under subsection (a).

(e) Authorization of appropriations
There are authorized to be appropriated to carry out this section $5,000,000 for each of the fiscal years 2020 through 2021. Each State with a plan for a program approved under subsection (b) shall receive an equitable portion of the funds available for any fiscal year.

(f) Statutory construction
Nothing in this section—
(1)(A) creates or conveys new authority to a State, political subdivision of a State, or community water system for any new regulatory measure; or
(B) limits any authority of a State, political subdivision, or community water system; or
(2) precludes a community water system, municipal or local government, or political subdivision of a government from locally developing and carrying out a voluntary, incentive-based, source water quality protection partnership to address the origins of drinking water contaminants of public health concern.

\(\text{(J}uly 1, 1944, \text{ch. 373, title XIV, } \text{§} 1454, \text{as added Pub. L. 104–182, title I, } \text{§} 133(a), \text{Aug. 6, 1996, 110 Stat. 1675; amended Pub. L. 115–270, title II, } \text{§} 1016, \text{Oct. 23, 2018, 122 Stat. 3856.}\)

RECENT ENACTMENTS

REFERENCES IN TEXT
The Federal Water Pollution Control Act, referred to in subsec. (b)(2)(A)(iii), (B)(i), is act June 30, 1948, ch. 758, as amended generally by Pub. L. 92–500, § 2, Oct. 18, 1972, 86 Stat. 816, which is classified generally to chapter 26 of Title 33, Navigation and Navigable Waters. Title VI of the Act is classified generally to subchapter VI (§ 1381 et seq.) of chapter 26 of Title 33. For complete classification of this Act to the Code, see Title Note set out under section 1281 of Title 33, Agriculture, and Tables.

THE FOOD SECURITY ACT OF 1985
The Food Security Act of 1985, referred to in subsec. (b)(2)(A)(ii), is Act June 30, 1948, ch. 758, as amended generally by Pub. L. 92–500, § 2, Oct. 18, 1972, 86 Stat. 816, which is classified generally to chapter 26 (§ 1251 et seq.) of Title 33, Navigation and Navigable Waters. Title VI of the Act is classified generally to subchapter VI (§ 1381 et seq.) of chapter 26 of Title 33. For complete classification of this Act to the Code, see Short Title note set out under section 1251 of Title 33 and Tables.


The term ‘‘eligible community’’ means a low-income community with economic hardship that—
(A) is commonly referred to as a colonia;
(B) is located along the United States-Mexico border (generally in an unincorporated area); and
(C) lacks a safe drinking water supply or adequate facilities for the provision of safe drinking water for human consumption.

(b) Grants to alleviate health risks
The Administrator of the Environmental Protection Agency and the heads of other appropriate Federal agencies are authorized to award grants to a border State to provide assistance to eligible communities to facilitate compliance with national primary drinking water regulations or otherwise significantly further the health protection objectives of this subchapter.

(c) Use of funds
Each grant awarded pursuant to subsection (b) shall be used to provide assistance to one or more eligible communities with respect to which the residents are subject to a significant health risk (as determined by the Administrator or the head of the Federal agency making the grant) attributable to the lack of access to an adequate and affordable drinking water supply system.

(d) Cost sharing
The amount of a grant awarded pursuant to this section shall not exceed 50 percent of the costs of carrying out the project that is the subject of the grant.

(e) Authorization of appropriations
There are authorized to be appropriated to carry out this section $25,000,000 for each of the fiscal years 1997 through 1999.

\(\text{(J}uly 1, 1944, \text{ch. 373, title XIV, } \text{§} 1455, \text{as added Pub. L. 104–182, title I, } \text{§} 134, \text{Aug. 6, 1996, 110 Stat. 1679.}\)

§ 300j–16. Assistance to colonias

(a) Definitions
As used in this section:
(1) Border State
The term ‘‘border State’’ means Arizona, California, New Mexico, and Texas.

(2) Eligible community
The term ‘‘eligible community’’ means a low-income community with economic hardship that—
(A) is commonly referred to as a colonia;
(B) is located along the United States-Mexico border (generally in an unincorporated area); and
(C) lacks a safe drinking water supply or adequate facilities for the provision of safe drinking water for human consumption.

(b) Grants to alleviate health risks
The Administrator of the Environmental Protection Agency and the heads of other appropriate Federal agencies are authorized to award grants to a border State to provide assistance to eligible communities to facilitate compliance with national primary drinking water regulations or otherwise significantly further the health protection objectives of this subchapter.

(c) Use of funds
Each grant awarded pursuant to subsection (b) shall be used to provide assistance to one or more eligible communities with respect to which the residents are subject to a significant health risk (as determined by the Administrator or the head of the Federal agency making the grant) attributable to the lack of access to an adequate and affordable drinking water supply system.

(d) Cost sharing
The amount of a grant awarded pursuant to this section shall not exceed 50 percent of the costs of carrying out the project that is the subject of the grant.

(e) Authorization of appropriations
There are authorized to be appropriated to carry out this section $25,000,000 for each of the fiscal years 1997 through 1999.

\(\text{(J}uly 1, 1944, \text{ch. 373, title XIV, } \text{§} 1456, \text{as added Pub. L. 104–182, title I, } \text{§} 135, \text{Aug. 6, 1996, 110 Stat. 1679.}\)

§ 300j–17. Estrogenic substances screening program

In addition to the substances referred to in section 346a(p)(3)(B) of title 21 the Administrator may provide for testing under the screen-
§ 300j–18. Drinking water studies

(a) Subpopulations at greater risk

(1) In general

The Administrator shall conduct a continuing program of studies to identify groups within the general population that may be at greater risk than the general population of adverse health effects from exposure to contaminants in drinking water. The study shall examine whether and to what degree infants, children, pregnant women, the elderly, individuals with a history of serious illness, or other subpopulations that can be identified and characterized are likely to experience elevated health risks, including risks of cancer, from contaminants in drinking water.

(2) Report

Not later than 4 years after August 6, 1996, and periodically thereafter as new and significant information becomes available, the Administrator shall report to the Congress on the results of the studies.

(b) Biological mechanisms

The Administrator shall conduct biomedical studies to—

(1) understand the mechanisms by which chemical contaminants are absorbed, distributed, metabolized, and eliminated from the human body, so as to develop more accurate physiologically based models of the phenomena;

(2) understand the effects of contaminants and the mechanisms by which the contaminants cause adverse effects (especially noncancer and infectious effects) and the variations in the effects among humans, especially subpopulations at greater risk of adverse effects, and between test animals and humans; and

(3) develop new approaches to the study of complex mixtures, such as mixtures found in drinking water, especially to determine the prospects for synergistic or antagonistic interactions that may affect the shape of the dose-response relationship of the individual chemicals and microbes, and to examine noncancer endpoints and infectious diseases, and susceptible individuals and subpopulations.

(c) Studies on harmful substances in drinking water

(1) Development of studies

The Administrator shall, not later than 180 days after August 6, 1996, and after consultation with the Secretary of Health and Human Services, the Secretary of Agriculture, and, as appropriate, the heads of other Federal agencies, conduct the studies described in paragraph (2) to support the development and implementation of the most current version of each of the following:

(A) Enhanced Surface Water Treatment Rule (59 Fed. Reg. 38832 (July 29, 1994)).

(B) Disinfectant and Disinfection Byproducts Rule (59 Fed. Reg. 38668 (July 29, 1994)).

(C) Ground Water Disinfection Rule (availability of draft summary announced at (57 Fed. Reg. 33960; July 31, 1992)).

(2) Contents of studies

The studies required by paragraph (1) shall include, at a minimum, each of the following:

(A) Toxicological studies and, if warranted, epidemiological studies to determine what levels of exposure from disinfectants and disinfection byproducts, if any, may be associated with developmental and birth defects and other potential toxic endpoints.

(B) Toxicological studies and, if warranted, epidemiological studies to quantify the carcinogenic potential from exposure to disinfection byproducts resulting from different disinfectants.

(C) The development of dose-response curves for pathogens, including cryptosporidium and the Norwalk virus.

(3) Authorization of appropriations

There are authorized to be appropriated to carry out this subsection $12,500,000 for each of fiscal years 1997 through 2003.

(d) Waterborne disease occurrence study

(1) System

The Director of the Centers for Disease Control and Prevention, and the Administrator shall jointly—

(A) within 2 years after August 6, 1996, conduct pilot waterborne disease occurrence studies for at least 5 major United States communities or public water systems; and

(B) within 5 years after August 6, 1996, prepare a report on the findings of the pilot studies, and a national estimate of waterborne disease occurrence.

(2) Training and education

The Director and Administrator shall jointly establish a national health care provider training and public education campaign to inform both the professional health care provider community and the general public about waterborne disease and the symptoms that may be caused by infectious agents, including microbial contaminants. In developing such a campaign, they shall seek comment from interested groups and individuals, including scientists, physicians, State and local governments, environmental groups, public water systems, and vulnerable populations.

(3) Funding

There are authorized to be appropriated for each of the fiscal years 1997 through 2001, $3,000,000 to carry out this subsection. To the extent funds under this subsection are not fully appropriated, the Administrator may use not more than $2,000,000 of the funds from amounts reserved under section 300j–12(n) of this title for health effects studies for pur-
poses of this subsection. The Administrator may transfer a portion of such funds to the Centers for Disease Control and Prevention for such purposes.

(July 1, 1944, ch. 373, title XIV, §1458, as added Pub. L. 104–182, title I, §137, Aug. 6, 1996, 110 Stat. 1680.)

PUBLIC HEALTH ASSESSMENT OF EXPOSURE TO PERCHLORATE


"(a) EPIEMIOLOGICAL STUDY OF EXPOSURE TO PERCHLORATE.—The Secretary of Defense shall provide for an independent epidemiological study of exposure to perchlorate in drinking water. The entity conducting the study shall—"

(1) assess the incidence of thyroid disease and measurable effects of thyroid function in relation to exposure to perchlorate;

(2) ensure that the study is of sufficient scope and scale to permit the making of meaningful conclusions of the measurable public health threat associated with exposure to perchlorate, especially the threat to sensitive subpopulations; and

(3) examine thyroid function, including measurements of urinary iodine and thyroid hormone levels, in a sufficient number of pregnant women, neonates, and infants exposed to perchlorate in drinking water and match measurements of perchlorate levels in the drinking water of each study participant in order to permit the development of meaningful conclusions on the public health threat to individuals exposed to perchlorate.

"(b) REVIEW OF EFFECTS OF PERCHLORATE ON ENDOCRINE SYSTEM.—The Secretary shall provide for an independent review of the effects of perchlorate on the human endocrine system. The entity conducting the review shall assess—"

(1) available data on human exposure to perchlorate, including clinical data and data on exposure of sensitive subpopulations, and the levels at which health effects were observed; and

(2) available data on other substances that have endocrine effects similar to perchlorate to which the public is frequently exposed.

"(c) PERFORMANCE OF STUDY AND REVIEW.—(1) The Secretary shall provide for the performance of the study under subsection (a) through the Centers for Disease Control and Prevention, the National Institutes of Health, or another Federal entity with experience in environmental toxicology selected by the Secretary.

(2) The Secretary shall provide for the performance of the review under subsection (b) through the Centers for Disease Control and Prevention, the National Institutes of Health, or another appropriate Federal research entity with experience in human endocrinology selected by the Secretary. The Secretary shall ensure that the panel conducting the review is composed of individuals with expertise in human endocrinology.

"(d) REPORTING REQUIREMENTS.—Not later than June 1, 2005, the Federal entities conducting the study and review under this section shall submit to the Secretary reports containing the results of the study and review."

§ 300j–19. Algal toxin risk assessment and management

(a) Strategic plan

(1) Development

Not later than 90 days after August 7, 2015, the Administrator shall develop and submit to Congress a strategic plan for assessing and managing risks associated with algal toxins in drinking water provided by public water systems. The strategic plan shall include steps and timelines to—

(A) evaluate the risk to human health from drinking water provided by public water systems contaminated with algal toxins;

(B) establish, publish, and update a comprehensive list of algal toxins which the Administrator determines may have an adverse effect on human health when present in drinking water provided by public water systems, taking into account likely exposure levels;

(C) summarize—

(i) the known adverse human health effects of algal toxins included on the list published under subparagraph (B) when present in drinking water provided by public water systems; and

(ii) factors that cause toxin-producing cyanobacteria and algae to proliferate and express toxins;

(D) with respect to algal toxins included on the list published under subparagraph (B), determine whether to—

(i) publish health advisories pursuant to section 300g–1(b)(1)(F) of this title for such algal toxins in drinking water provided by public water systems;

(ii) establish guidance regarding feasible analytical methods to quantify the presence of algal toxins; and

(iii) establish guidance regarding the frequency of monitoring necessary to determine if such algal toxins are present in drinking water provided by public water systems;

(E) recommend feasible treatment options, including procedures, equipment, and source water protection practices, to mitigate any adverse public health effects of algal toxins included on the list published under subparagraph (B); and

(F) enter into cooperative agreements with, and provide technical assistance to, affected States and public water systems, as identified by the Administrator, for the purpose of managing risks associated with algal toxins included on the list published under subparagraph (B).

(2) Updates

The Administrator shall, as appropriate, update and submit to Congress the strategic plan developed under paragraph (1).

(b) Information coordination

In carrying out this section the Administrator shall—

(1) identify gaps in the Agency’s understanding of algal toxins, including—

(A) the human health effects of algal toxins included on the list published under subsection (a)(1)(B); and

(B) methods and means of testing and monitoring for the presence of harmful algal toxins in source water of, or drinking water provided by, public water systems;

(2) as appropriate, consult with—

(A) other Federal agencies that—

(i) examine or analyze cyanobacteria or algal toxins; or
§ 300j–19a. Assistance for small and disadvantaged communities

(a) Definition of underserved community

In this section:

(1) In general

The term “underserved community” means a political subdivision of a State that, as determined by the Administrator, has an inadequate system for obtaining drinking water.

(2) Inclusions

The term “underserved community” includes a political subdivision of a State that either, as determined by the Administrator—

(A) does not have household drinking water or wastewater services; or

(B) is served by a public water system that violates, or exceeds, as applicable, a requirement of a national primary drinking water regulation issued under section 300g–1 of this title, including—

(i) a maximum contaminant level;

(ii) a treatment technique; and

(iii) an action level.

(b) Establishment

(1) In general

The Administrator shall establish a program under which grants are provided to eligible entities for use in carrying out projects and activities the primary purposes of which are to assist public water systems in meeting the requirements of this subchapter.

(2) Inclusions

Projects and activities under paragraph (1) include—

(A) investments necessary for the public water system to comply with the requirements of this subchapter;

(B) assistance that directly and primarily benefits the disadvantaged community on a per-household basis; and

(C) programs to provide household water quality testing, including testing for unregulated contaminants.

(c) Eligible entities

An eligible entity under this section—

(1) is—

(A) a public water system;

(B) a water system that is located in an area governed by an Indian Tribe; or

(C) a State, on behalf of an underserved community; and

(2) serves a community—

(A) that, under affordability criteria established by the State under section 300j–12(d)(3) of this title, is determined by the State—

(i) to be a disadvantaged community; or

(ii) to be a community that may become a disadvantaged community as a result of carrying out a project or activity under subsection (b); or

(B) with a population of less than 10,000 individuals that the Administrator determines does not have the capacity to incur debt sufficient to finance a project or activity under subsection (b).

(d) Priority

In prioritizing projects and activities for implementation under this section, the Administrator shall give priority to projects and activities that benefit underserved communities.

(e) Local participation

In prioritizing projects and activities for implementation under this section, the Administrator shall consult with and consider the priorities of States, Indian Tribes, and local governments in which communities described in subsection (c)(2) are located.

(f) Technical, managerial, and financial capability

The Administrator may provide assistance to increase the technical, managerial, and financial capability of an eligible entity receiving a grant under this section if the Administrator determines that the eligible entity lacks appropriate technical, managerial, or financial capability and is not receiving such assistance under another Federal program.

(g) Cost sharing

Before providing a grant to an eligible entity under this section, the Administrator shall enter into a binding agreement with the eligible entity to require the eligible entity—

(1) to pay not less than 45 percent of the total costs of the project or activity, which may include services, materials, supplies, or other in-kind contributions;

(2) to provide any land, easements, rights-of-way, and relocations necessary to carry out the project or activity; and

(3) to pay 100 percent of any operation and maintenance costs associated with the project or activity.

(h) Waiver

The Administrator may waive, in whole or in part, the requirement under subsection (g)(1) if
the Administrator determines that an eligible entity is unable to pay, or would experience significant financial hardship if required to pay, the non-Federal share.

(i) Limitation on use of funds

Not more than 4 percent of funds made available for grants under this section may be used to pay the administrative costs of the Administrator.

(j) State response to contaminants

(1) In general

The Administrator may, subject to the terms and conditions of this section, issue a grant to a requesting State, on behalf of an underserved community, so the State may assist in, or otherwise carry out, necessary and appropriate activities related to a contaminant—

(A) that is determined by the State to—

(i) be present in, or likely to enter into, a public water system serving, or an underground source of drinking water for, such underserved community; and

(ii) potentially present an imminent and substantial endangerment to the health of persons; and

(B) with respect to which the State determines appropriate authorities have not acted sufficiently to protect the health of such persons.

(2) Recovery of funds

If, subsequent to the Administrator’s award of a grant to a State under this subsection, any person or entity (including an eligible entity), is found by the Administrator or a court of competent jurisdiction to have caused or contributed to contamination that was detected as a result of testing conducted, or treated, with funds provided under this subsection, and such contamination violated a law administered by the Administrator, such person or entity shall, upon issuance of a final judgment or settlement and the exhaustion of all appellate and administrative remedies—

(A) notify the Administrator in writing not later than 30 days after such issuance of a final judgment or settlement and the exhaustion of all appellate and administrative remedies;

(B) promptly pay the Administrator an amount equal to the amount of such funds.

(k) Authorization of appropriations

There are authorized to be appropriated to carry out subsections (a) through (j) of this section, $60,000,000 for each of fiscal years 2017 through 2021.

(l) Drinking water infrastructure resilience and sustainability

(1) Resilience and natural hazard

The terms “resilience” and “natural hazard” have the meaning given such terms in section 300i–2(h) of this title.

(2) In general

The Administrator may establish and carry out a program, to be known as the Drinking Water System Infrastructure Resilience and Sustainability Program, under which the Administrator, subject to the availability of appropriations for such purpose, shall award grants in each of fiscal years 2019 and 2020 to eligible entities for the purpose of increasing resilience to natural hazards.

(3) Use of funds

An eligible entity may only use grant funds received under this subsection to assist in the planning, design, construction, implementation, operation, or maintenance of a program or project that increases resilience to natural hazards through—

(A) the conservation of water or the enhancement of water use efficiency;

(B) the modification or relocation of existing drinking water system infrastructure made, or that is at risk of being, significantly impaired by natural hazards, including risks to drinking water from flooding;

(C) the design or construction of desalination facilities to serve existing communities;

(D) the enhancement of water supply through the use of watershed management and source water protection;

(E) the enhancement of energy efficiency or the use and generation of renewable energy in the conveyance or treatment of drinking water; or

(F) the development and implementation of measures to increase the resilience of the eligible entity to natural hazards.

(4) Application

To seek a grant under this subsection, the eligible entity shall submit to the Administrator an application that—

(A) includes a proposal of the program or project to be planned, designed, constructed, implemented, operated, or maintained by the eligible entity;

(B) identifies the natural hazard risk to be addressed by the proposed program or project;

(C) provides documentation prepared by a Federal, State, regional, or local government agency of the natural hazard risk to the area where the proposed program or project is to be located;

(D) includes a description of any recent natural hazard events that have affected the applicable water system;

(E) includes a description of how the proposed program or project would improve the performance of the system under the anticipated natural hazards; and

(F) explains how the proposed program or project is expected to enhance the resilience of the system to the anticipated natural hazards.

(5) Authorization of appropriations

There is authorized to be appropriated to carry out this subsection $4,000,000 for each of fiscal years 2019 and 2020.

(A) In general

An eligible entity may only use grant funds received under this subsection to assist in the planning, design, construction, implementation, operation, or maintenance of a program or project that increases resilience to natural hazards through—

(A) the conservation of water or the enhancement of water use efficiency;

(B) the modification or relocation of existing drinking water system infrastructure made, or that is at risk of being, significantly impaired by natural hazards, including risks to drinking water from flooding;

(C) the design or construction of desalination facilities to serve existing communities;

(D) the enhancement of water supply through the use of watershed management and source water protection;

(E) the enhancement of energy efficiency or the use and generation of renewable energy in the conveyance or treatment of drinking water; or

(F) the development and implementation of measures to increase the resilience of the eligible entity to natural hazards.

(5) Authorization of appropriations

There is authorized to be appropriated to carry out this subsection $4,000,000 for each of fiscal years 2019 and 2020.

(A) In general

An eligible entity may only use grant funds received under this subsection to assist in the planning, design, construction, implementation, operation, or maintenance of a program or project that increases resilience to natural hazards through—

(A) the conservation of water or the enhancement of water use efficiency;

(B) the modification or relocation of existing drinking water system infrastructure made, or that is at risk of being, significantly impaired by natural hazards, including risks to drinking water from flooding;

(C) the design or construction of desalination facilities to serve existing communities;

(D) the enhancement of water supply through the use of watershed management and source water protection;

(E) the enhancement of energy efficiency or the use and generation of renewable energy in the conveyance or treatment of drinking water; or

(F) the development and implementation of measures to increase the resilience of the eligible entity to natural hazards.

(5) Authorization of appropriations

There is authorized to be appropriated to carry out this subsection $4,000,000 for each of fiscal years 2019 and 2020.

(5) Authorization of appropriations

There is authorized to be appropriated to carry out this subsection $4,000,000 for each of fiscal years 2019 and 2020.

(5) Authorization of appropriations

There is authorized to be appropriated to carry out this subsection $4,000,000 for each of fiscal years 2019 and 2020.

(5) Authorization of appropriations

There is authorized to be appropriated to carry out this subsection $4,000,000 for each of fiscal years 2019 and 2020.

(5) Authorization of appropriations

There is authorized to be appropriated to carry out this subsection $4,000,000 for each of fiscal years 2019 and 2020.
§ 300j–19b. Reducing lead in drinking water

(a) Definitions

In this section:

1. Eligible entity

The term "eligible entity" means—

(A) a community water system;

(B) a water system located in an area governed by an Indian Tribe;

(C) a nontransient noncommunity water system;

(D) a qualified nonprofit organization, as determined by the Administrator, servicing a public water system; and

(E) a municipality or State, interstate, or intermunicipal agency.

2. Lead reduction project

The term "lead reduction project" means a project or activity the primary purpose of which is to reduce the concentration of lead in water for human consumption by—

(i) replacement of publicly owned lead service lines;

(ii) testing, planning, or other relevant activities, as determined by the Administrator, to identify and address conditions (including corrosion control) that contribute to increased concentration of lead in water for human consumption; and

(iii) providing assistance to low-income homeowners to replace lead service lines.

3. Limitation

The term "lead reduction project" does not include a partial lead service line replacement if, at the conclusion of the service line replacement, drinking water is delivered to a household through a publicly or privately owned portion of a lead service line.

4. Low-income

The term "low-income", with respect to an individual provided assistance under this section, has such meaning as may be given the term by the Governor of the State in which the eligible entity is located, based upon the affordability criteria established by the State under section 300j–12(d)(3) of this title.

5. Lead service line

The term "lead service line" means a pipe and its fittings, which are not lead free (as defined in section 300g–6(d) of this title), that connect the drinking water main to the building inlet.

6. Nontransient noncommunity water system

The term "nontransient noncommunity water system" means a public water system that is not a community water system and that regularly serves at least 25 of the same persons over 6 months per year.

(b) Grant program

1. Establishment

The Administrator shall establish a grant program to provide assistance to eligible entities for lead reduction projects in the United States.

(2) Precondition

As a condition of receipt of assistance under this section, an eligible entity shall take steps to identify—

(A) the source of lead in the public water system that is subject to human consumption; and

(B) the means by which the proposed lead reduction project would meaningfully reduce the concentration of lead in water provided for human consumption by the applicable public water system.

(3) Priority application

In providing grants under this subsection, the Administrator shall give priority to an eligible entity that—

(A) the Administrator determines, based on affordability criteria established by the State under section 300j–12(d)(3) of this title, to be a disadvantaged community; and

(B) proposes to—

(i) carry out a lead reduction project at a public water system or nontransient noncommunity water system that has exceeded the lead action level established by the Administrator under section 300g–1 of this title at any time during the 3-year period preceding the date of submission of the application of the eligible entity; or

(ii) address lead levels in water for human consumption by the applicable public water system.

(4) Cost sharing

(A) In general

Subject to subparagraph (B), the non-Federal share of the total cost of a project funded by a grant under this subsection shall be not less than 20 percent.

(B) Waiver

The Administrator may reduce or eliminate the non-Federal share under subparagraph (A) for reasons of affordability, as the Administrator determines to be appropriate.

(5) Low-income assistance

(A) In general

Subject to subparagraph (B), an eligible entity may use a grant provided under this subsection to provide assistance to low-income homeowners to replace the lead service lines of such homeowners.

(B) Limitation

The amount of a grant provided to a low-income homeowner under this paragraph shall not exceed the standard cost of replacement of the privately owned portion of the lead service line.

(6) Special consideration for lead service line replacement

In carrying out lead service line replacement using a grant under this subsection, an eligible entity—
(A) shall notify customers of the replacement of any publicly owned portion of the lead service line;

(B) may, in the case of a homeowner who is not low-income, offer to replace the privately owned portion of the lead service line at the cost of replacement for that homeowner’s property;

(C) may, in the case of a low-income homeowner, offer to replace the privately owned portion of the lead service line at a cost that is equal to the difference between—

(i) the cost of replacement; and

(ii) the amount of assistance available to the low-income homeowner under paragraph (5);

(D) shall notify each customer that a planned replacement of any publicly owned portion of a lead service line that is funded by a grant made under this subsection will not be carried out unless the customer agrees to the simultaneous replacement of the privately owned portion of the lead service line; and

(E) shall demonstrate that the eligible entity has considered other options for reducing the concentration of lead in its drinking water, including an evaluation of options for corrosion control.

(c) Limitation on use of funds

Not more than 4 percent of funds made available for grants under this section may be used to pay the administrative costs of the Administrator.

(d) Authorization of appropriations

There is authorized to be appropriated to carry out this section $60,000,000 for each of fiscal years 2017 through 2021.

(e) Savings clause

Nothing in this section affects whether a public water system is responsible for the replacement of a lead service line that is—

(1) subject to the control of the public water system; and

(2) located on private property.

(July 1, 1944, ch. 373, title XIV, §1459B, as added Pub. L. 114–322, title II, § 2105, Dec. 16, 2016, 130 Stat. 3841.)

§ 300j–19d. Review of technologies

(a) Review

The Administrator, after consultation with appropriate departments and agencies of the Federal Government and with State and local governments, shall review (or enter into contracts or cooperative agreements to provide for a review of) existing and potential methods, means, equipment, and technologies (including review of) existing and potential methods, means, equipment, and technologies (including

(1) ensure the physical integrity of community water systems;

(2) prevent, detect, and respond to any contaminant for which a national primary drinking water regulation has been promulgated in community water systems and source water for community water systems;

(3) allow for use of alternate drinking water supplies from nontraditional sources; and

(4) facilitate source water assessment and protection.

(b) Inclusions

The review under subsection (a) shall include review of methods, means, equipment, and technologies—

(1) that are used for corrosion protection, metering, leak detection, or protection against water loss;

(2) that are intelligent systems, including hardware, software, or other technology, used to assist in protection and detection described in paragraph (1);

(3) that are point-of-use devices or point-of-entry devices;
§ 300j–19e  TITLE 42—THE PUBLIC HEALTH AND WELFARE  Page 1184

(4) that are physical or electronic systems that monitor, or assist in monitoring, contaminants in drinking water in real-time; and
(5) that allow for the use of nontraditional sources for drinking water, including physical separation and chemical and biological transformation technologies.

(c) Availability

The Administrator shall make the results of the review under subsection (a) available to the public.

(d) Authorization of appropriations

There is authorized to be appropriated to the Administrator to carry out this section $10,000,000 for fiscal year 2019, which shall remain available until expended.


§ 300j–19e. Water infrastructure and workforce investment

(a) Sense of Congress

It is the sense of Congress that—
(1) water and wastewater utilities provide a unique opportunity for access to stable, high-quality careers;
(2) as water and wastewater utilities make critical investments in infrastructure, water and wastewater utilities can invest in the development of local workers and local small businesses to strengthen communities and ensure a strong pipeline of skilled and diverse workers for today and tomorrow; and
(3) to further the goal of ensuring a strong pipeline of skilled and diverse workers in the water and wastewater utilities sector, Congress urges—
(A) increased collaboration among Federal, State, and local governments; and
(B) institutions of higher education, apprentice programs, high schools, and other community-based organizations to align workforce training programs and community resources with water and wastewater utilities to accelerate career pipelines and provide access to workforce opportunities.

(b) Innovative water infrastructure workforce development program

(1) Grants authorized

The Administrator of the Environmental Protection Agency (referred to in this section as the “Administrator”), in consultation with the Secretary of Agriculture, shall establish a competitive grant program—
(A) to assist the development and utilization of innovative activities relating to workforce development and career opportunities in the water utility sector; and
(B) to expand public awareness about water utilities and connect individuals to careers in the water utility sector.

(2) Selection of grant recipients

In awarding grants under paragraph (1), the Administrator shall, to the extent practicable, select nonprofit professional or service organizations, labor organizations, community colleges, institutions of higher education, or other training and educational institutions—
(A) that have qualifications and experience—
(i) in the development of training programs and curricula relevant to workforce needs of water utilities;
(ii) working in cooperation with water utilities; or
(iii) developing public education materials appropriate for communicating with groups of different ages and educational backgrounds; and
(B) that will address the human resources and workforce needs of water utilities that—
(i) are geographically diverse;
(ii) are of varying sizes; and
(iii) serve urban, suburban, and rural populations.

(3) Use of funds

Grants awarded under paragraph (1) may be used for activities such as—
(A) targeted internship, apprenticeship, pre-apprenticeship, and post-secondary bridge programs for skilled water utility trades that provide—
(i) on-the-job training;
(ii) skills development;
(iii) test preparation for skilled trade apprenticeships;
(iv) advance training in the water utility sector relating to construction, utility operations, treatment and distribution, green infrastructure, customer service, maintenance, and engineering; or
(v) other support services to facilitate post-secondary success;
(B) education programs designed for elementary, secondary, and higher education students that—
(i) inform people about the role of water and wastewater utilities in their communities;
(ii) increase the awareness of career opportunities and exposure of students to water utility careers through various work-based learning opportunities inside and outside the classroom; and
(iii) connect students to career pathways related to water utilities;
(C) regional industry and workforce development collaborations to address water utility employment needs and coordinate candidate development, particularly in areas of high unemployment or for water utilities with a high proportion of retirement eligible employees;
(D) integrated learning laboratories in secondary educational institutions that provide students with—
(i) hands-on, contextualized learning opportunities;
(ii) dual enrollment credit for post-secondary education and training programs; and
(iii) direct connection to industry employers; and
(E) leadership development, occupational training, mentoring, or cross-training pro-
grams that ensure that incumbent water and waste water utilities workers are prepared for higher level supervisory or management-level positions.

(4) Authorization of appropriations

There is authorized to be appropriated to carry out this subsection $1,000,000 for each of fiscal years 2019 and 2020.


Codification

Section enacted as part of the America’s Water Infra-
structure Act of 2018, and not as part of the Public Health Service Act which comprises this chapter.

PART F—ADDITIONAL REQUIREMENTS TO REGULATE SAFETY OF DRINKING WATER

§ 300j–21. Definitions

As used in this part—

(1) Drinking water cooler

The term “drinking water cooler” means any mechanical device affixed to drinking water supply plumbing which actively cools any mechanical device affixed to drinking water for human consumption.

(2) Lead free

The term “lead free” means, with respect to a drinking water cooler, that each part or component of the cooler which may come in contact with drinking water shall be considered lead free if the solder, flux, or storage tank interior surface contains not more than 8 percent lead, except that no drinking water cooler which contains any solder, flux, or storage tank interior surface which may come in contact with drinking water shall be considered lead free if the solder, flux, or storage tank interior surface contains more than 0.2 percent lead. The Administrator may establish more stringent requirements for treating any part or component of a drinking water cooler as lead free for purposes of this part whenever he determines that any such part may constitute an important source of lead in drinking water.

(3) Local educational agency

The term “local educational agency” means—

(A) any local educational agency as defined in section 7801 of title 20,

(B) the owner of any private, nonprofit elementary or secondary school building, and

(C) the governing authority of any school operating under the defense dependent’s education system provided for under the Defense Dependent’s Education Act of 1978 (20 U.S.C. 921 and following).

(4) Repair

The term “repair” means, with respect to a drinking water cooler, to take such corrective action as is necessary to ensure that water cooler is lead free.

(5) Replacement

The term “replacement”, when used with respect to a drinking water cooler or drinking water fountain, means the permanent removal of the water cooler or drinking water fountain and the installation of a lead free water cooler or drinking water fountain.

(6) School

The term “school” means any elementary school or secondary school as defined in section 7801 of title 20 and any kindergarten or day care facility.

(7) Lead-lined tank

The term “lead-lined tank” means a water reservoir container in a drinking water cooler which container is constructed of lead or which has an interior surface which is not lead free.


References in Text


Amendments

2018—Par. (5). Pub. L. 115–270 inserted “or drinking water fountain” after “water cooler” wherever appearing.


1996—Pub. L. 104–182 made technical amendment to section catchline and first word of text.


Effective Date of 2015 Amendment

Amendment by Pub. L. 114–95 effective Dec. 10, 2015, except with respect to certain noncompetitive programs and competitive programs, see section 3 of Pub. L. 114–95, set out as a note under section 6301 of Title 20, Education.

Effective Date of 2002 Amendment

Amendment by Pub. L. 107–110 effective Jan. 8, 2002, except with respect to certain noncompetitive programs and competitive programs, see section 5 of Pub. L. 107–110, set out as an Effective Date note under section 6301 of Title 20, Education.

§ 300j–22. Recall of drinking water coolers with lead-lined tanks

For purposes of the Consumer Product Safety Act [15 U.S.C. 2051 et seq.], all drinking water coolers identified by the Administrator on the list under section 300j–23 of this title as having a lead-lined tank shall be considered to be imminently hazardous consumer products within the meaning of section 12 of such Act (15 U.S.C.
§ 300j–23. Drinking water coolers containing lead

(a) Publication of lists

The Administrator shall, after notice and opportunity for public comment, identify each brand and model of drinking water cooler which is not lead free, including each brand and model of drinking water cooler which has a lead-lined tank. For purposes of identifying the brand and model of drinking water coolers under this subsection, the Administrator shall continue to gather information available to the Environmental Protection Agency. Within 100 days after October 31, 1988, the Administrator shall publish a list of each brand and model of drinking water cooler identified under this subsection. Such list shall separately identify each brand and model of cooler which has a lead-lined tank. The Administrator shall continue to gather information regarding lead in drinking water coolers and shall revise and republish the list from time to time as may be appropriate as new information or analysis becomes available regarding lead contamination in drinking water coolers.

(b) Prohibition

No person may sell in interstate commerce, or manufacture for sale in interstate commerce, any drinking water cooler listed under subsection (a) or any other drinking water cooler which is not lead free, including a lead-lined drinking water cooler.

(c) Criminal penalty

Any person who knowingly violates the prohibition contained in subsection (b) shall be imprisoned for not more than 5 years, or fined in accordance with title 18, or both.

(d) Civil penalty

The Administrator may bring a civil action in the appropriate United States District Court (as determined under the provisions of title 28) to impose a civil penalty on any person who violates subsection (b). In any such action the court may impose on such person a civil penalty of not more than $5,000 ($50,000 in the case of a second or subsequent violation).

(1) Definitions

In this subsection:

(A) Child care program

The term “child care program” has the meaning given the term “early childhood education program” in section 1003(b) of title 20.

(B) Local educational agency

The term “local educational agency” means—

(i) a local educational agency (as defined in section 7801 of title 20);

(ii) a tribal education agency (as defined in section 5502 of title 20); and

(iii) a person that owns or operates a child care program facility.
(2) Establishment

(A) In general

Not later than 180 days after December 16, 2016, the Administrator shall establish a voluntary school and child care program lead testing grant program to make grants available to States to assist local educational agencies in voluntary testing for lead contamination in drinking water at schools and child care programs under the jurisdiction of the local educational agencies.

(B) Direct grants to local educational agencies

The Administrator may make a grant for the voluntary testing described in subparagraph (A) directly available to—

(i) any local educational agency described in clause (i) or (iii) of paragraph (1)(B) located in a State that does not participate in the voluntary grant program established under subparagraph (A); or

(ii) any local educational agency described in clause (ii) of paragraph (1)(B).

(C) Technical assistance

In carrying out the grant program under subparagraph (A), beginning not later than 1 year after October 23, 2018, the Administrator shall provide technical assistance to recipients of grants under this subsection—

(i) to assist in identifying the source of lead contamination in drinking water at schools and child care programs under the jurisdiction of the grant recipient;

(ii) to assist in identifying and applying for other Federal and State grant programs that may assist the grant recipient in eliminating lead contamination described in clause (i);

(iii) to provide information on other financing options in eliminating lead contamination described in clause (i); and

(iv) to connect grant recipients with nonprofit and other organizations that may be able to assist with the elimination of lead contamination described in clause (i).

(3) Application

To be eligible to receive a grant under this subsection, a State or local educational agency shall submit to the Administrator an application at such time, in such manner, and containing such information as the Administrator may require.

(4) Priority

In making grants under this subsection, the Administrator shall give priority to States and local educational agencies that will assist in voluntary testing for lead contamination in drinking water at schools and child care programs that are in low-income areas.

(5) Limitation on use of funds

Not more than 4 percent of grant funds accepted by a State or local educational agency for a fiscal year under this subsection shall be used to pay the administrative costs of carrying out this subsection.

(6) Guidance; public availability

As a condition of receiving a grant under this subsection, the recipient State or local educational agency shall ensure that each local educational agency to which grant funds are distributed shall—

(A) expend grant funds in accordance with—

(i) the guidance of the Environmental Protection Agency entitled “3Ts for Reducing Lead in Drinking Water in Schools: Revised Technical Guidance” and dated October 2006 (or any successor guidance); or

(ii) applicable State regulations or guidance regarding reducing lead in drinking water in schools and child care programs that are not less stringent than the guidance referred to in clause (i); and

(B) make available, if applicable, in the administrative offices and, to the extent practicable, on the Internet website of the local educational agency for inspection by the public (including teachers, other school personnel, and parents) a copy of the results of any voluntary testing for lead contamination in school and child care program drinking water carried out using grant funds under this subsection; and

(ii) notify parent, teacher, and employee organizations of the availability of the results described in clause (i).

(7) Maintenance of effort

If resources are available to a State or local educational agency from any other Federal agency, a State, or a private foundation for testing for lead contamination in drinking water, the State or local educational agency shall demonstrate that the funds provided under this subsection will not displace those resources.

(8) Authorization of appropriations

There are authorized to be appropriated to carry out this subsection $20,000,000 for each of fiscal years 2017 through 2019, and $25,000,000 for each of fiscal years 2020 and 2021.
§ 300j–25. Drinking water fountain replacement for schools

(a) Establishment

Not later than 1 year after October 23, 2018, the Administrator shall establish a grant program to provide assistance to local educational agencies for the replacement of drinking water fountains manufactured prior to 1988.

(b) Use of funds

Funds awarded under the grant program—

(1) shall be used to pay the costs of replacement of drinking water fountains in schools; and

(2) may be used to pay the costs of monitoring and reporting of lead levels in the drinking water of schools of a local educational agency receiving such funds, as determined appropriate by the Administrator.

(c) Priority

In awarding funds under the grant program, the Administrator shall give priority to local educational agencies based on economic need.

(d) Authorization of appropriations

There are authorized to be appropriated to carry out this section $5,000,000 for each of fiscal years 2019 through 2021.


§ 300j–26. Certification of testing laboratories

The Administrator of the Environmental Protection Agency shall assure that programs for the certification of testing laboratories which test drinking water supplies for lead contamination certify only those laboratories which provide reliable accurate testing. The Administrator (or the State in the case of a State to which certification authority is delegated under this subsection) shall publish and make available to the public upon request the list of laboratories certified under this subsection.


§ 300j–27. Registry for lead exposure and Advisory Committee

(a) Definitions

In this section:

(1) City

The term “City” means a city exposed to lead contamination in the local drinking water system.

(2) Committee

The term “Committee” means the Advisory Committee established under subsection (c).

(3) Secretary

The term “Secretary” means the Secretary of Health and Human Services.

(b) Lead exposure registry

The Secretary shall establish within the Agency for Toxic Substances and Disease Registry an Advisory Committee in coordination with the Director of the Centers for Disease Control and Prevention and other relevant agencies as determined by the Secretary consisting of Federal members and non-Federal members, and which shall include—

(i) an epidemiologist;

(ii) a toxicologist;

(iii) a mental health professional;

(iv) a pediatrician;

(v) an early childhood education expert;

(vi) a special education expert;

(vii) a dietician; and

(viii) an environmental health expert.

(B) Requirements

Membership in the Committee shall not exceed 15 members and not less than ½ of the members shall be Federal members.

(2) Chair

The Secretary shall designate a chair from among the Federal members appointed to the Committee.

(3) Terms

Members of the Committee shall serve for a term of not more than 3 years and the Secretary may reappoint members for consecutive terms.

(4) Application of FACA

The Committee shall be subject to the Federal Advisory Committee Act (5 U.S.C. App.).

(5) Responsibilities

The Committee shall, at a minimum—

(A) review the Federal programs and services available to individuals and communities exposed to lead;

(B) review current research on lead poisoning to identify additional research needs;

(C) review and identify best practices, or the need for best practices, regarding lead screening and the prevention of lead poisoning;

(D) identify effective services, including services relating to healthcare, education, and nutrition for individuals and communities affected by lead exposure and lead poi-
soning, including in consultation with, as appropriate, the lead exposure registry as established in subsection (b); and

(E) undertake any other review or activities that the Secretary determines to be appropriate.

(6) Report
Annually for 5 years and thereafter as determined necessary by the Secretary or as required by Congress, the Committee shall submit to the Secretary, the Committees on Finance, Health, Education, Labor, and Pensions, and Agriculture, Nutrition, and Forestry of the Senate and the Committees on Education and the Workforce, Energy and Commerce, and Agriculture of the House of Representatives a report that includes—

(A) an evaluation of the effectiveness of the Federal programs and services available to individuals and communities exposed to lead;

(B) an evaluation of additional lead poisoning research needs;

(C) an assessment of any effective screening methods or best practices used or developed to prevent or screen for lead poisoning;

(D) input and recommendations for improved access to effective services relating to health care, education, or nutrition for individuals and communities impacted by lead exposure; and

(E) any other recommendations for communities affected by lead exposure, as appropriate.

(d) Authorization of appropriations
There are authorized to be appropriated for the period of fiscal years 2017 through 2021—

(1) $17,500,000 to carry out subsection (b); and

(2) $2,500,000 to carry out subsection (c).


REFERENCES IN TEXT

CODIFICATION
Section was enacted as part of the Water and Waste Act of 2016, and also as part of the Water Infrastructure Improvements for the Nation Act, also known as the WIIN Act, and not as part of the Public Health Service Act which comprises this chapter.

CHANGE OF NAME
Committee on Education and the Workforce of House of Representatives changed to Committee on Education and Labor of House of Representatives by House Resolution No. 6, One Hundred Sixteenth Congress, Jan. 9, 2015.

SUBCHAPTER XIII—PREVENTIVE HEALTH MEASURES WITH RESPECT TO BREAST AND CERVICAL CANCERS

§ 300k. Establishment of program of grants to States

(a) In general
The Secretary, acting through the Director of the Centers for Disease Control and Prevention, may make grants to States on the basis of an established competitive review process for the purpose of carrying out programs—

(1) to screen women for breast and cervical cancer as a preventive health measure;

(2) to provide appropriate referrals for medical treatment of women screened pursuant to paragraph (1) and to ensure, to the extent practicable, the provision of appropriate follow-up services and support services such as case management;

(3) to develop and disseminate public information and education programs for the detection and control of breast and cervical cancer;

(4) to improve the education, training, and skills of health professionals (including allied health professionals) in the detection and control of breast and cervical cancer;

(5) to establish mechanisms through which the States can monitor the quality of screening procedures for breast and cervical cancer, including the interpretation of such procedures; and

(6) to evaluate activities conducted under paragraphs (1) through (5) through appropriate surveillance or program-monitoring activities.

(b) Grant and contract authority of States

(1) In general
A State receiving a grant under subsection (a) may, subject to paragraphs (2) and (3), expend the grant to carry out the purpose described in such subsection through grants to public and nonprofit private entities and through contracts with public and private entities.

(2) Certain applications
If a nonprofit private entity and a private entity that is not a nonprofit entity both submit applications to a State to receive an award of a grant or contract pursuant to paragraph (1), the State may give priority to the application submitted by the nonprofit private entity in any case in which the State determines that the quality of such application is equivalent to the quality of the application submitted by the other private entity.

(3) Payments for screenings
The amount paid by a State to an entity under this subsection for a screening procedure under subsection (a)(1) may not exceed the amount that would be paid under part B of title XVIII of the Social Security Act [42 U.S.C. 1395j et seq.] if payment were made under such part for furnishing the procedure to a woman enrolled under such part.

(c) Special consideration for certain States
In making grants under subsection (a) to States whose initial grants under such subsection are made for fiscal year 1995 or any subsequent fiscal year, the Secretary shall give special consideration to any State whose proposal for carrying out programs under such subsection—

(1) has been approved through a process of peer review; and

(2) is made with respect to geographic areas in which there is—

(A) a substantial rate of mortality from breast or cervical cancer; or
(B) a substantial incidence of either of such cancers.

d) Coordinating committee regarding year 2020 health objectives

The Secretary, acting through the Director of the Centers for Disease Control and Prevention, shall establish a committee to coordinate the activities of the agencies of the Public Health Service (and other appropriate Federal agencies) that are carried out toward achieving the objectives established by the Secretary for reductions in the rate of mortality from breast and cervical cancer in the United States by the year 2020.

Such committee shall be comprised of Federal officers or employees designated by the heads of the agencies involved to serve on the committee as representatives of the agencies, and such representatives from other public or private entities as the Secretary determines to be appropriate.


References in text

The Social Security Act, referred to in subsec. (b)(3), is act aug. 14, 1935, ch. 531, 49 stat. 620, as amended. Part B of title XVIII of the Act is classified generally to part B (§1395j et seq.) of subchapter XVIII of chapter 30 of this title. For complete classification of this Act to the code, see section 1305 of this title and tables.

Prior provisions

A prior section 300k, pub. l. 93–641, §2, jan. 4, 1975, 88 stat. 2226, set forth congressional findings relating to national health planning and development, prior to omission in connection with repeal of former section 300k–1 et seq. of this title.

A prior section 1501 of act july 1, 1944, ch. 373, title xv, as added jan. 4, 1975, pub. l. 93–641, §3, 88 stat. 2227; amended oct. 4, 1979, pub. l. 96–78, title i, §101(a)(1)(A), (2), (3), (g), (h), (2), 93 stat. 593, dec. 17, 1980, pub. l. 96–538, title iii, §301, 94 stat. 3190, which related to guidelines for national health policy, was classified to section 300k–1 of this title, prior to repeal by pub. l. 93–660, title vii, §701(a), nov. 14, 1986, 100 stat. 3799, effective jan. 1, 1987.

Prior sections 300k–2 and 300k–3 were repealed by pub. l. 99–660, title vii, §701(a), nov. 14, 1986, 100 stat. 3799, effective jan. 1, 1987.

Section 300k–2, act july 1, 1944, ch. 373, title xv, §1502, as added jan. 4, 1975, pub. l. 93–641, §3, 88 stat. 2227; amended nov. 9, 1978, pub. l. 95–619, title iii, §303(a), 92 stat. 3248; oct. 4, 1979, pub. l. 96–76, title i, §§102(a), 103(a), (b), 93 stat. 594, 596, related to national health priorities and strengthening competition in supply of services.

Section 300k–3, act july 1, 1944, ch. 373, title xv, §1503, as added jan. 4, 1975, pub. l. 93–641, §3, 88 stat. 2228; amended aug. 1, 1977, pub. l. 95–93, title i, §130(a), 91 stat. 384; july 10, 1979, pub. l. 96–32, §7(g), 93 stat. 84; oct. 4, 1979, pub. l. 96–76, title i, §102(b), 93 stat. 594; oct. 17, 1979, pub. l. 96–88, title v, §509(b), 93 stat. 695, related to National Council on Health Planning and Development.

Amendments


1998—subsec. (a)(2), pub. l. 105–340, §203(a), inserted “and support services such as case management” before semicolon at end.

Subsec. (b)(1), pub. l. 105–340, §203(b)(1), substituted “through grants to public and nonprofit private entities and through contracts with public and private entities.” for “through grants to, and contracts with, public or nonprofit private entities.”

Subsec. (b)(2), pub. l. 105–340, §203(b)(2), added par. (2) and struck out heading and text of former par. (2). Text read as follows: “In addition to the authority established in paragraph (1) for a State with respect to grants and contracts, the State may provide for screenings under subsection (a)(1) of this section through entering into contracts with private entities that are not nonprofit entities.”

Subsecs. (c), (d), pub. l. 105–392 redesignated subsec. (c), relating to coordinating committee regarding year 2000 health objectives, as (d).

1993—subsec. (a), pub. l. 103–183, §101(g)(1), substituted “Control and Prevention” for “Control” in introductory provisions.

Subsec. (b), pub. l. 103–183, §101(a), substituted “paragraphs (2) and (3)” for “paragraph (2)” in par. (1), added pars. (2) and (3), and struck out heading and text of former par. (2). Text read as follows: “In addition to the authority established in paragraph (1) for a State with respect to grants and contracts, the State may provide for screenings under subsection (a)(1) of this section through entering into contracts with private entities. The amount paid by a State to a private entity under the preceding sentence for a screening procedure may not exceed the amount that would be paid under part B of title XVIII of the Social Security Act if payment were made under such part for furnishing the procedure to a woman enrolled under such part.”

Pub. l. 103–43, §2008(c)(1), designated existing provisions as par. (1), inserted par. heading, substituted “may, subject to paragraph (2), expend” for “may expend”, and added par. (2).

Subsec. (c), pub. l. 103–183, §101(f), added subsec. (c) relating to coordinating committee regarding year 2000 health objectives.

Pub. l. 103–183, §101(b), added subsec. (c) relating to special consideration for certain States.

Effective date of 1998 amendment

Amendment by pub. l. 105–392 deemed to have taken effect immediately after enactment of pub. l. 103–183, see section 401(e) of pub. l. 105–392, set out as a note under section 242m of this title.

§ 300L. Requirement of matching funds

(a) In general

The Secretary may not make a grant under section 300k of this title unless the State involved agrees, with respect to the costs to be incurred by the State in carrying out the purpose described in such section, to make available non-Federal contributions (in cash or in kind under subsection (b)) toward such costs in an amount equal to not less than $1 for each $3 of Federal funds provided in the grant. Such contributions may be made directly or through donations from public or private entities.

(b) Determination of amount of non-Federal contribution

(1) In general

Non-Federal contributions required in subsection (a) may be in cash or in kind, fairly evaluated, including equipment or services (and excluding indirect or overhead costs). Amounts provided by the Federal Government, or services assisted or subsidized to any significant extent by the Federal Government,
may not be included in determining the amount of such non-Federal contributions.

(2) Maintenance of effort

In making a determination of the amount of non-Federal contributions for purposes of subsection (a), the Secretary may include only non-Federal contributions in excess of the

average amount of non-Federal contributions made by the State involved toward the purpose described in section 300k of this title for the 2-year period preceding the first fiscal year for which the State is applying to receive a grant under such section.

(3) Inclusion of relevant non-Federal contributions for medicaid

In making a determination of the amount of non-Federal contributions for purposes of subsection (a), the Secretary shall, subject to paragraphs (1) and (2) of this subsection, include any non-Federal amounts expended pursuant to title XIX of the Social Security Act [42 U.S.C. 1396 et seq.] by the State involved toward the purpose described in paragraphs (1) and (2) of section 300k(a) of this title.


References in Text


§300m. Requirements with respect to type and quality of services

(a) Requirement of provision of all services by health systems agencies


$300m. Requirements with respect to type and quality of services

(a) Requirement of provision of all services by date certain

The Secretary may not make a grant under section 300k of this title unless the State involved agrees—

(1) to ensure that, initially and throughout the period during which amounts are received pursuant to the grant, not less than 60 percent of the grant is expended to provide each of the services or activities described in paragraphs (1) and (2) of section 300k(a) of this title, including making available screening procedures for both breast and cervical cancers;

(2) subject to subsection (b), to ensure that—

(A) in the case of breast cancer, both a physical examination of the breasts and the screening procedure known as a mammography are conducted; and

(B) in the case of cervical cancer, both a pelvic examination and the screening procedure known as a pap smear are conducted;

(3) to ensure that, by the end of any second fiscal year of payments pursuant to the grant, each of the services or activities described in section 300k(a) of this title is provided; and

References in Text

The Social Security Act, referred to in text, is act Aug. 14, 1935, ch. 531, 49 Stat. 620, as amended. Title XIX of the Act is classified generally to subchapter XIX (§1396 et seq.) of chapter 7 of this title. For complete classification of this Act to the Code, see section 1305 of this title and Tables.

Prior Provisions


Pursuant to the grant, not less than 60 percent of the funds are to be expended during the period during which amounts are received pursuant to the grant, for making available screening procedures for breast and cervical cancer. Each of the services or activities described in subsection (a) of this section must be provided within 24 months of the date of receipt of the grant.
(4) to ensure that not more than 40 percent of the grant is expended to provide the services or activities described in paragraphs (3) through (6) of such section.

(b) Use of improved screening procedures

The Secretary may not make a grant under section 300k of this title unless the State involved agrees that, if any screening procedure superior to a procedure described in subsection (a)(2) becomes commonly available and is recommended for use, any entity providing screening procedures pursuant to the grant will utilize the superior procedure rather than the procedure described in such subsection.

(c) Quality assurance regarding screening procedures

The Secretary may not make a grant under section 300k of this title unless the State involved agrees that the State will, in accordance with applicable law, assure the quality of screening procedures conducted pursuant to such section.

(d) Waiver of services requirement on division of funds

(1) In general

The Secretary shall establish a demonstration project under which the Secretary may waive the requirements of paragraphs (1) and (4) of subsection (a) for not more than 5 States, if—

(A) the State involved will use the waiver to leverage non-Federal funds to supplement each of the services or activities described in paragraphs (1) and (2) of section 300k(a) of this title;

(B) the application of such requirement would result in a barrier to the enrollment of qualifying women;

(C) the State involved—

(i) demonstrates, to the satisfaction of the Secretary, the manner in which the State will use such waiver to expand the level of screening and follow-up services provided immediately prior to the date on which the waiver is granted; and

(ii) provides assurances, satisfactory to the Secretary, that the State will, on an annual basis, demonstrate, through such documentation as the Secretary may require, that the State has used such waiver as described in clause (i);

(D) the State involved submits to the Secretary—

(i) assurances, satisfactory to the Secretary, that the State will maintain the average annual level of State fiscal year expenditures for the services or activities described in paragraphs (1) and (2) of section 300k(a) of this title for the period for which the waiver is granted, and for the period for which any extension of such waiver is granted; or

(ii) a plan, satisfactory to the Secretary, for maintaining the level of activities carried out under the waiver after the expiration of the waiver and any extension of such waiver;

(E) the Secretary finds that granting such a waiver to a State will not adversely affect the quality of each of the services or activities described in paragraphs (1) and (2) of section 300k(a) of this title, including making available screening procedures for both breast and cervical cancers; and

(F) the Secretary finds that granting such a waiver to a State will increase the number of women in the State that receive the services or activities described in paragraphs (1) and (2) of section 300k(a) of this title.

(2) Duration of waiver

(A) In general

In granting waivers under paragraph (1), the Secretary—

(i) shall grant such waivers for a period that is not less than 1 year but not more than 2 years; and

(ii) upon request of a State, may extend a waiver for an additional period that is not less than 1 year but not more than 2 years in accordance with subparagraph (B).

(B) Additional period

The Secretary, upon the request of a State that has received a waiver under paragraph (1), shall, at the end of the waiver period described in subparagraph (A)(i), review performance under the waiver and may extend the waiver for an additional period if the Secretary determines that—

(i) without an extension of the waiver, there will be a barrier to the enrollment of qualifying women;

(ii) the State requesting such extended waiver will use the waiver to leverage non-Federal funds to supplement the services or activities described in paragraphs (1) and (2) of section 300k(a) of this title;

(iii) the waiver has increased, and will continue to increase, the number of women in the State that receive the services or activities described in paragraphs (1) and (2) of section 300k(a) of this title;

(iv) the waiver has not, and will not, result in lower quality in the State of the services or activities described in paragraphs (1) and (2) of section 300k(a) of this title; and

(v) the State has maintained the average annual level of State fiscal expenditures for the services and activities described in paragraphs (1) and (2) of section 300k(a) of this title for the period for which the waiv-
er was granted at a level that is not less than—

(I) the level of the State fiscal year expenditures for such services and activities for the fiscal year preceding the first fiscal year for which the waiver is granted; or

(II) at the option of the State and upon approval by the Secretary, the average level of the State expenditures for such services and activities for the 3-fiscal year period preceding the first fiscal year for which the waiver is granted.

(3) Reporting requirements

The Secretary shall include as part of the evaluations and reports required under section 300m–4 of this title, the following:

(A) A description of the total amount of dollars leveraged annually from Non-Federal entities in States receiving a waiver under paragraph (1) and how these amounts were used.

(B) With respect to States receiving a waiver under paragraph (1), a description of the percentage of the grant that is expended on providing each of the services or activities described in—

(i) paragraphs (1) and (2) of section 300k(a) of this title; and

(ii) paragraphs (3) through (6) of section 300k(a) of this title.

(C) A description of the number of States receiving waivers under paragraph (1) annually.

(D) With respect to States receiving a waiver under paragraph (1), a description of—

(i) the number of women receiving services under paragraphs (1), (2), and (3) of section 300k(a) of this title in programs before and after the granting of such waiver; and

(ii) the average annual level of State fiscal expenditures for the services and activities described in paragraphs (1) and (2) of section 300k(a) of this title for the year preceding the first year for which the waiver was granted.

(4) Limitation

Amounts to which a waiver applies under this subsection shall not be used to increase the number of salaried employees.

(5) Definitions

In this subsection:

(A) Indian tribe

The term “Indian tribe” has the meaning given in the term in section 1603 of title 25.

(B) Tribal organization

The term “tribal organization” has the meaning given in the term in section 1603 of title 25.

(C) State

The term “State” means each of the several States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, American Samoa, the Commonwealth of the Northern Mariana Islands, the Republic of the Marshall Islands, the Federated States of Micronesia, the Republic of Palau, an Indian tribe, and a tribal organization.

(6) Sunset

The Secretary may not grant a waiver or extension under this subsection after September 30, 2012.


Prior Provisions


**AMENDMENTS**

1993—Subsecs. (c) to (e). Pub. L. 103–183 added subsec. (d) and struck out former subsecs. (c) to (e).

(c) and struck out former subsecs. (c) which related to quality assurance regarding screening for breast cancer, (d) which related to quality assurance regarding screening for cervical cancer, and (e) which related to issuance by Secretary of guidelines with respect to quality of mammography and cytological services.

**TRANSITION RULE REGARDING MAMMOGRAPHIES**

Pub. L. 103–183, title I, §101(c)(2), Dec. 14, 1993, 107 Stat. 1328, provided that: "With respect to the screening procedure for breast cancer known as a mammography, the requirements in effect on the day before the date of enactment of this Act [Dec. 14, 1993] under subchapter II of chapter 15 of the Public Health Service Act (42 U.S.C. 300m(a)) remain in effect (for an individual or facility conducting such procedures pursuant to a grant to a State under section 1501 of such Act [42 U.S.C. 300m(a)]) until there is in effect for the facility a certificate (or provisional certificate) issued under section 354 of such Act [42 U.S.C. 263b]."

§ 300n. Additional required agreements

(a) Priority for low-income women

The Secretary may not make a grant under section 300k of this title unless the State involved agrees that low-income women will be given priority in the provision of services and activities pursuant to paragraphs (1) and (2) of section 300k(a) of this title.

(b) Limitation on imposition of fees for services

The Secretary may not make a grant under section 300k of this title unless the State involved agrees that, if a charge is imposed for the provision of services or activities under the grant, such charge—

(1) will be made according to a schedule of charges that is made available to the public;

(2) will be adjusted to reflect the income of the woman involved;

(3) will not be imposed on any woman with an income of less than 100 percent of the official poverty line, as established by the Director of the Office of Management and Budget and revised by the Secretary in accordance with section 9902(2) of this title.

(c) Statewide provision of services

(1) In general

The Secretary may not make a grant under section 300k of this title unless the State involved agrees that services and activities under the grant will be made available throughout the State, including availability to members of any Indian tribe or tribal organization (as such terms are defined in section 5304 of title 25).

(2) Waiver

The Secretary may waive the requirement established in paragraph (1) for a State if the Secretary determines that compliance by the State with the requirement would result in an inefficient allocation of resources with respect to carrying out the purpose described in section 300k(a) of this title.

(3) Grants to tribes and tribal organizations

(A) The Secretary, acting through the Director of the Centers for Disease Control and Prevention, may make grants to tribes and tribal organizations (as such terms are used in paragraph (1)) for the purpose of carrying out programs described in section 300k(a) of this title. This subchapter applies to such a grant (in relation to the jurisdiction of the tribe or organization) to the same extent and in the same manner as such subchapter applies to a grant to a State under section 300k of this title (in relation to the jurisdiction of the State).

(B) If a tribe or tribal organization is receiving a grant under subparagraph (A) and the State in which the tribe or organization is located is receiving a grant under section 300k of this title, the requirement established in paragraph (1) for the State regarding the tribe or organization is deemed to have been waived under paragraph (2).

(d) Relationship to items and services under other programs

The Secretary may not make a grant under section 300k of this title unless the State involved agrees that the grant will not be expended to make payment for any item or service to the extent that payment has been made, or can reasonably be expected to be made, with respect to such item or service—

(1) under any State compensation program, under an insurance policy, or under any Federal or State health benefits program; or

(2) by an entity that provides health services on a prepaid basis.

(e) Coordination with other breast and cervical cancer programs

The Secretary may not make a grant under section 300k of this title unless the State involved agrees that the services and activities funded through the grant shall be coordinated with other Federal, State, and local breast and cervical cancer programs.

(f) Limitation on administrative expenses

The Secretary may not make a grant under section 300k of this title unless the State involved agrees that not more than 10 percent of the grant will be expended for administrative expenses with respect to the grant.

(g) Restrictions on use of grant

The Secretary may not make a grant under section 300k of this title unless the State involved agrees that the grant will not be expended to provide inpatient hospital services for any individual.

(h) Records and audits

The Secretary may not make a grant under section 300k of this title unless the State involved agrees that—

(1) the State will establish such fiscal control and fund accounting procedures as may be necessary to ensure the proper disbursement of,
§ 300n–1. Description of intended uses of grant

The Secretary may not make a grant under section 300k of this title unless the State involved agrees to submit to the Secretary such reports as the Secretary may require with respect to the grant.

(1) In general
(2) Upon request, the State will provide reports maintained pursuant to paragraph (1) to the Secretary or the Comptroller of the United States for purposes of auditing the expenditures by the State of the grant.

(i) Reports to Secretary

The Secretary may not make a grant under section 300k of this title unless the State involved agrees to submit to the Secretary such reports as the Secretary may require with respect to the grant.

(1) the State involved submits to the Secretary a description of the purposes for which the State intends to expend the grant; and
(2) the description identifies the populations, areas, and localities in the State with a need for the services or activities described in section 300k(a) of this title, and contains such agreements, assurances, and information as the Secretary determines to be necessary to carry out this subchapter, prior to repeal by Pub. L. 99-660, title VII, §701(a), Nov. 14, 1986, 100 Stat. 3799, effective Jan. 1, 1987.

AMENDMENTS


§ 300n–2. Requirement of submission of application

The Secretary may not make a grant under section 300k of this title unless an application for the grant is submitted to the Secretary, the application contains the description of intended uses required in section 300n–1 of this title, and the application is in such form, is made in such manner, and contains such agreements, assurances, and information as the Secretary determines to be necessary to carry out this subchapter, prior to repeal by Pub. L. 99-660, title VII, §701(a), Nov. 14, 1986, 100 Stat. 3799, effective Jan. 1, 1987.

AMENDMENTS

1998—Par. (3). Pub. L. 105-392 struck out “nonprofit” before “private entities”.

§ 300n–3. Technical assistance and provision of supplies and services in lieu of grant funds

(a) Technical assistance

The Secretary may provide training and technical assistance with respect to the planning, development, and operation of any program or service carried out pursuant to section 300k of this title, in such form, is made in such manner, and contains such agreements, assurances, and information as the Secretary determines to be necessary to carry out this subchapter.

(b) Provision of supplies and services in lieu of grant funds

(1) In general

Upon the request of a State receiving a grant under section 300k of this title, the Secretary may, subject to paragraph (2), provide supplies, equipment, and services for the purpose of aiding the State in carrying out such section and, for such purpose, may detail to the State any officer or employee of the Department of Health and Human Services.

(2) Corresponding reduction in payments

With respect to a request described in paragraph (1), the Secretary shall reduce the health system changes, prior to repeal by Pub. L. 99-660, title VII, §701(a), Nov. 14, 1986, 100 Stat. 3799, effective Jan. 1, 1987.
amount of payments under the grant under section 300k of this title to the State involved by an amount equal to the costs of detailing personnel (including pay, allowances, and travel expenses) and the fair market value of any supplies, equipment, or services provided by the Secretary. The Secretary shall, for the payment of expenses incurred in complying with such request, expend the amounts withheld.

(July 1, 1944, ch. 373, title XV, §1507, as added Pub. L. 101–354, §2, Aug. 10, 1990, 104 Stat. 414.)

PRIOR PROVISIONS

§ 300n–4. Evaluations and reports

(a) Evaluations

The Secretary shall, directly or through contracts with public or private entities, provide for annual evaluations of programs carried out pursuant to section 300k of this title. Such evaluations shall include evaluations of—

(1) the extent to which States carrying out such programs are in compliance with section 300k(a)(2) of this title and with section 300n(c) of this title; and

(2) the extent to which each State receiving a grant under this subchapter is in compliance with section 300f of this title, including identification of—

(A) the amount of the non-Federal contributions by the State for the preceding fiscal year, disaggregated according to the source of the contributions; and

(B) the proportion of such amount of non-Federal contributions relative to the amount of Federal funds provided through the grant to the State for the preceding fiscal year.

(b) Report to Congress

The Secretary shall, not later than 1 year after April 20, 2007, and annually thereafter, submit to the Committee on Energy and Commerce of the House of Representatives, and to the Committee on Labor and Human Resources of the Senate, a report summarizing evaluations carried out pursuant to subsection (a) during the preceding fiscal year and making such recommendations for administrative and legislative initiatives with respect to this subchapter as the Secretary determines to be appropriate, including recommendations regarding compliance by the States with section 300k(a)(2) of this title and with section 300n(c) of this title.


1 See References in Text note below.
(3) evaluating activities conducted under paragraphs (1) and (2) through appropriate surveillance or program-monitoring activities.

(b) Status as participant in program regarding breast and cervical cancer

The Secretary may not make a grant under subsection (a) unless the State involved agrees that services under the grant will be provided only through entities that are screening women for breast or cervical cancer pursuant to a grant under section 300k of this title.

(c) Applicability of provisions of general program

This subchapter applies to a grant under subsection (a) to the same extent and in the same manner as such subchapter applies to a grant under section 300k of this title.

(d) Funding

(1) In general

Subject to paragraph (2), for the purpose of carrying out this section, there are authorized to be appropriated $3,000,000 for fiscal year 1994, and such sums as may be necessary for each of the fiscal years 1995 through 2003.

(2) Limitation regarding funding with respect to breast and cervical cancer

The authorization of appropriations established in paragraph (1) is not effective for a fiscal year unless the amount appropriated under section 300n–5(a) of this title for the fiscal year is equal to or greater than $100,000,000.

(3) Authorization of appropriations

For the purpose of carrying out this subchapter, there are authorized to be appropriated $350,000,000 for fiscal year 1991, such sums as may be necessary for each of the fiscal years 1992 and 1993, $150,000,000 for fiscal year 1994, such sums as may be necessary for each of the fiscal years 1995 through 2003, $225,000,000 for fiscal year 2004, $245,000,000 for fiscal year 2009, $250,000,000 for fiscal year 2010, $225,000,000 for fiscal year 2011, and $275,000,000 for fiscal year 2012.

(b) Set-aside for technical assistance and provision of supplies and services

Of the amounts appropriated under subsection (a) for a fiscal year, the Secretary shall reserve not more than 20 percent for carrying out section 300m–3 of this title.

(3) Prior provisions


(4) Amendment

2007—Subsec. (a). Pub. L. 110–18 struck out “and” after “$150,000,000 for fiscal year 1994,” and inserted before period at end “$225,000,000 for fiscal year 2008, $245,000,000 for fiscal year 2009, $250,000,000 for fiscal year 2010, $225,000,000 for fiscal year 2011, and $275,000,000 for fiscal year 2012”.


1993—Pub. L. 103–183, §103, struck out “and” after “1991,” and inserted before period at end “$150,000,000 for fiscal year 1994, and such sums as may be necessary for each of the fiscal years 1995 through 1998”.

SUBCHAPTER XIV—HEALTH RESOURCES DEVELOPMENT


Section 300o related to statement of purpose.

Section 300o–1 provided for promulgation of regulations and required provisions.

Section 300o–2 related to State medical facilities plans, submission and approval of plans as prerequisite for approval of project assistance applications, required provisions, and procedure upon disapproval of plans. Section 300o–3 provided for medical facility project applications, covering in submission of applications, required provisions, waivers, and projects subject to requirements, criteria for approval, procedure for disapproval, amendment of approved applications, and review by health systems agencies.

Effective Date of Repeal

Repeal effective Oct. 1, 1979, see section 204 of Pub. L. 96–79, set out as an Effective Date of 1979 Amendment note under section 300q of this title.


§ 300q

(1) The Secretary, during the period ending September 30, 1982, may, in accordance with this part, make loans from the fund established under section 300q–2(d) of this title to any public or nonprofit private entity for projects—
(A) the discontinuance of unneeded hospital services or facilities;
(B) the conversion of unneeded hospital services and facilities to needed health services and medical facilities, including outpatient medical facilities and facilities for long-term care;
(C) the renovation and modernization of medical facilities, particularly projects for the prevention or elimination of safety hazards, projects to avoid noncompliance with licensure or accreditation standards, or projects to replace obsolete facilities;
(D) the construction of new outpatient medical facilities; and
(E) the construction of new inpatient medical facilities in areas which have experienced (as determined by the Secretary) recent rapid population growth.

(2) The Secretary, during the period ending September 30, 1982, may, in accordance with this part, guarantee to—
(i) non-Federal lenders for their loans to public and nonprofit private entities for medical facilities projects described in paragraph (1), and
(ii) the Federal Financing Bank for its loans to public and nonprofit private entities for such projects,
payment of principal and interest on such loans.
(B) In the case of a guarantee of any loan to a public or nonprofit private entity under subparagraph (A)(i) which is located in an urban or rural poverty area, the Secretary may pay, to the holder of such loan and for and on behalf of the project for which the loan was made, amounts sufficient to reduce by not more than one half the net effective interest rate otherwise payable on such loan if the Secretary finds that without such assistance the project could not be undertaken.

(b) Amount of loans for medical facilities projects and such projects in urban or rural poverty areas

The principal amount of a loan directly made or guaranteed under subsection (a) for a medical facilities project, when added to any other assistance provided such project under part B, may not exceed 90 per centum of the cost of such project unless the project is located in an area determined by the Secretary to be an urban or rural poverty area, in which case the principal amount, when added to other assistance under part B, may cover up to 100 per centum of such costs.

(c) Limitation on cumulative total of principal of outstanding loans

The cumulative total of the principal of the loans outstanding at any time with respect to which guarantees have been issued, or which have been directly made, may not exceed such limitations as may be specified in appropriation Acts.

(d) Administrative assistance of Department of Housing and Urban Development

The Secretary, with the consent of the Secretary of Housing and Urban Development, shall obtain from the Department of Housing and Urban Development such assistance with respect to the administration of this part as will promote efficiency and economy thereof.

(Prior Provisions)

A prior section 1601 of act July 1, 1944, ch. 373, title XVI, as added Jan. 4, 1975, Pub. L. 93–641, § 4, 88 Stat. 2258, was classified to section 300q of this title, prior to repeal by Pub. L. 96–79, § 202(a).

(Amendments)

1979—Subsec. (a). Pub. L. 96–79, §§ 201(b)(1), 203(a)(2), added par. (1); substituted reference to section 1622(d) for 1622(d), set out in text as “section 300q–2(d) of this title”; incorporated in par. (2) former subsec. (b) provisions made applicable for period ending Sept. 30, 1982, previously covering period beginning July 1, 1974, and ending Sept. 30, 1978, extended provisions to public entities, struck out existing condition that applications for such assistance be approved under former section 3006–3 of this title, substituted in subpar. (B) provision for payment of amounts sufficient to reduce by not more than one half net effective interest otherwise payable on the loan for prior provision for amounts sufficient to reduce by 3 per centum per annum net effective interest rate on the loan, and struck out provision granting contractual right of holder of a guaranteed loan to receive from the United States such interest payments.

Subsec. (b). Pub. L. 96–79, § 201(b)(1), added subsec. (b) and incorporated existing provisions of subsec. (b) re-

1 So in original. The comma probably should be a semicolon.
lating to loan guarantee authority for payment of principal and interest on loans for approved projects, their duration, and payments for reduction of interest rate imposed under this section.


**Effective Date of 1979 Amendment**

Pub. L. 96–79, title II, §204, Oct. 4, 1979, 93 Stat. 636, provided that: “The amendments made by this title [enacting sections 300s, 300s–1, and 300s–6, amending such loans and loan guarantees before such date.”


Section, act July 1, 1944, ch. 373, title XVI, §1621, as added Jan. 4, 1975, Pub. L. 93–641, §4, 88 Stat. 2265, relating to allocation among States of total amount of principal, criteria, availability of unobligated amounts, and reallocations.

**Effective Date of Repeal**

Repeal effective Oct. 1, 1979, see section 204 of Pub. L. 96–79, set out as an Effective Date of 1979 Amendment note under section 300q of this title.

**§ 300q–2. General provisions**

(a) Loan guarantees; criteria for approval; recovery of payments by United States; modification, etc., of terms and conditions; incontestability

(1) The Secretary may not approve a loan guarantee for a project under this part unless he determines that (A) the terms, conditions, security (if any), and schedule and amount of repayment with respect to the loan are sufficient to protect the financial interests of the United States and are otherwise reasonable, including a determination that the rate of interest does not exceed such per centum per annum on the principal obligation outstanding as the Secretary determines to be reasonable, taking into account the range of interest rates prevailing in the private market for similar loans and the risks assumed by the United States, and (B) the loan would not be available on reasonable terms and conditions without the guarantee under this part.

(2) (A) The United States shall be entitled to recover from the applicant for a loan guarantee under this part the amount of any payment made pursuant to such guarantee, unless the Secretary for good cause waives such right of recovery; and, upon making any such payment, the United States shall be subrogated to all of the rights of the recipient of the payments with respect to which the guarantee was made.

(B) To the extent permitted by subparagraph (C), any terms and conditions applicable to a loan guarantee under this part (including terms and conditions imposed under subparagraph (D)) may be modified by the Secretary to the extent he determines it to be consistent with the financial interest of the United States.

(C) Any loan guarantee made by the Secretary under this part shall be incontestable (i) in the hands of an applicant on whose behalf such guarantee is made unless the applicant engaged in fraud or misrepresentation in securing such guarantee, and (ii) as to any person (or his successor in interest) who makes or contracts to make a loan to such applicant in reliance thereon unless such person (or his successor in interest) engaged in fraud or misrepresentation in making or contracting to make such loan.

(D) Guarantees of loans under this part shall be subject to such further terms and conditions as the Secretary determines to be necessary to assure that the purposes of this subchapter will be achieved.

(b) Loans; criteria for approval; terms and conditions; waiver of recovery of payments by United States

(1) The Secretary may not approve a loan under this part unless—

(A) the Secretary is reasonably satisfied that the applicant under the project for which the loan would be made will be able to make payments of principal and interest thereon when due, and

(B) the applicant provides the Secretary with reasonable assurances that there will be available to it such additional funds as may be necessary to complete the project or undertaking with respect to which such loan is requested.

(2) Any loan made under this part shall (A) have such security, (B) have such maturity date, (C) be repayable in such installments, (D) bear interest at a rate comparable to the current rate of interest prevailing, on the date the loan is made, with respect to loans guaranteed under this part, minus any interest subsidy made in accordance with section 300q(a)(2)(B) of this title with respect to a loan made for a project located in an urban or rural poverty area, and (E) be subject to such other terms and conditions (including provisions for recovery in case of default), as the Secretary determines to be necessary to carry out the purposes of this subchapter while adequately protecting the financial interests of the United States.

(3) The Secretary may, for good cause but with due regard to the financial interests of the United States, waive any right of recovery which he has by reason of the failure of a borrower to make payments of principal of and interest on a loan made under this part, except that if such loan is sold and guaranteed, any such waiver shall have no effect upon the Secretary’s guarantee of timely payment of principal and interest.

(c) Sale of loans; authority; amount; agreements with purchasers; deposit of proceeds

(1) The Secretary shall from time to time, but with due regard to the financial interests of the United States, sell loans made under this part either on the private market or to the Federal
National Mortgage Association in accordance with section 1717 of title 12 or to the Federal Financing Bank.

(2) Any loan so sold shall be sold for an amount which is equal (or approximately equal) to the amount of the unpaid principal of such loan as of time of sale.

(3)(A) The Secretary is authorized to enter into an agreement with the purchaser of any loan sold under this part under which the Secretary agrees—

(i) to guarantee to such purchaser (and any successor in interest to such purchaser) payments of the principal and interest payable under such loan, and

(ii) to pay as an interest subsidy to such purchaser (and any successor in interest of such purchaser) amounts which, when added to the amount of interest payable on such loan, are equivalent to a reasonable rate of interest on such loan as determined by the Secretary after taking into account the range of prevailing interest rates in the private market on similar loans and the risks assumed by the United States.

(B) Any agreement under subparagraph (A)—

(i) may provide that the Secretary shall act as agent of any such purchaser, for the purpose of collecting from the entity to which such loan was made and paying over to such purchaser any payments of principal and interest payable by such entity under such loan;

(ii) may provide for the repurchase by the Secretary of any such loan on such terms and conditions as may be specified in the agreement;

(iii) shall provide that, in the event of any default by the entity to which such loan was made and paying over to such purchaser any payments of principal and interest due on such loan, the Secretary shall, upon notification to the purchaser (or to the successor in interest of such purchaser), have the option to close out such loan (and any obligations of the Secretary with respect thereto) by paying to the purchaser (or his successor in interest) the total amount of outstanding principal and interest due thereon at the time of such notification; and

(iv) shall provide that, in the event such loan is closed out as provided in clause (iii), or in the event of any other loss incurred by the Secretary by reason of the failure of such entity to make payments of principal or interest on such loan, the Secretary shall be subrogated to all rights of such purchaser for recovery of such loss from such entity.

(4) Amounts received by the Secretary as proceeds from the sale of loans under this subsection shall be deposited in the fund established under subsection (d).

(5) If any loan to a public entity under this part is sold and guaranteed by the Secretary under this subsection, interest paid on such loan after its sale and any interest subsidy paid, under paragraph (3)(A)(ii), by the Secretary with respect to such loan which is received by the purchaser of the loan (or the purchaser’s successor in interest) shall be included in the gross income of the purchaser or successor for the purpose of chapter 1 of title 26.

(d) Loan and loan guarantee fund; establishment; amounts authorized to be appropriated; issuance, purchase, and sale of notes, obligations, etc.; interest rates; public debt transactions

(1) There is established in the Treasury a loan and loan guarantee fund (hereinafter in this subsection referred to as the “fund”) which shall be available to the Secretary without fiscal year limitation, in such amounts as may be specified from time to time in appropriations Acts—

(A) to enable him to make loans under this part,

(B) to enable him to discharge his responsibilities under loan guarantees issued by him under this part,

(C) for payment of interest under section 300q(a)(2)(B) of this title on loans guaranteed under this part,

(D) for repurchase of loans under subsection (c)(3)(B),

(E) for payment of interest on loans which are sold and guaranteed, and

(F) to enable the Secretary to take the action authorized by subsection (f).

There are authorized to be appropriated from time to time such amounts as may be necessary to provide the sums required for the fund. There shall also be deposited in the fund amounts received by the Secretary in connection with loans and loan guarantees under this part and other property or assets derived by him from his operations respecting such loans and loan guarantees, including any money derived from the sale of assets.

(2) If at any time the sums in the funds are insufficient to enable the Secretary—

(A) to make payments of interest under section 300q(a)(2)(B) of this title,

(B) to otherwise comply with guarantees under this part of loans to nonprofit private entities,

(C) in the case of a loan which was made, sold, and guaranteed under this part, to make to the purchaser of such loan payments of principal and interest on such loan after default by the entity to which the loan was made, or

(D) to repurchase loans under subsection (c)(3)(B),

(E) to make payments of interest on loans which are sold and guaranteed, and

(F) to enable the Secretary to take the action authorized by subsection (f),

he is authorized to issue to the Secretary of the Treasury notes or other obligations in such forms and denominations, bearing such maturities, and subject to such terms and conditions, as may be prescribed by the Secretary with the approval of the Secretary of the Treasury. Such notes or other obligations shall bear interest at a rate determined by the Secretary of the Treasury, taking into consideration the current average market yield on outstanding marketable obligations of the United States of comparable maturities during the month preceding the issuance of the notes or other obligations. The Secretary of the Treasury shall purchase any notes and other obligations issued under this paragraph and for that purpose he may use as a pub-
lic debt transaction the proceeds from the sale of any securities issued under chapter 31 of title 31, and the purposes for which the securities may be issued under that chapter are extended to include any purchase of such notes and obligations as may be necessary to finance the operations of the Treasury may at any time sell any of the notes or other obligations acquired by him under this paragraph. All redemptions, purchases, and sales by the Secretary of the Treasury of such notes or other obligations shall be treated as public debt transactions the proceeds from the sale of such notes shall be deposited in the fund and redemption of such notes and obligations shall be made by the Secretary from the fund.

(e) Transfers to and additional capitalization of loan and loan guarantee fund

(1) The assets, commitments, obligations, and outstanding balances of the loan guarantee and loan fund established in the Treasury by section 201-6 of this title shall be transferred to the fund established by subsection (d) of this section.

(2) To provide additional capitalization for the fund established under subsection (d) there are authorized to be appropriated to the fund such sums that may be necessary for the fiscal year ending June 30, 1975, June 30, 1976, September 30, 1977, September 30, 1978, September 30, 1979, September 30, 1980, September 30, 1981, and September 30, 1982.

(f) Default prevention measures; terms and conditions; implementation of reforms; foreclosures; protection of Federal interest on default

(1) The Secretary may take such action as may be necessary to prevent a default on a loan made or guaranteed under this part or under subchapter IV, including the waiver of regulatory conditions, deferral of loan payments, renegotiation of loans, and the expenditure of funds for technical and consultative assistance, for the temporary payment of the interest and principal on such a loan, and for other purposes. Any such expenditure made under the preceding sentence on behalf of a medical facility shall be made under such terms and conditions as the Secretary shall prescribe, including the implementation of such organizational, operational, and financial reforms as the Secretary determines are appropriate and the disclosure of such financial or other information as the Secretary may require to determine the extent of the implementation of such reforms.

(2) The Secretary may take such action, consistent with State law respecting foreclosure procedures, as he deems appropriate to protect the interest of the United States in the event of a default on a loan made or guaranteed under this part or under subchapter IV, including selling real property pledged as security for such a loan or loan guarantee and for a reasonable period of time taking possession of, holding, and using real property pledged as security for such a loan or loan guarantee.


CODIFICATION

In subsec. (d), “chapter 31 of title 31” and “that chapter” substituted for “the Second Liberty Bond Act” and “that Act”, respectively, on authority of Pub. L. 97–258, § 4(b), Sept. 13, 1982, 96 Stat. 1067, the first section of which enacted Title 31, Money and Finance.

PRIOR PROVISIONS


AMENDMENTS


1983—Subsec. (f)(2). Pub. L. 97–414 inserted “selling real property pledged as security for such a loan or loan guarantee and” after “including”.

1979—Subsec. (b)(2)(D). Pub. L. 96–79, § 201(b)(2), substituted “minus any interest subsidy made in accordance with section 300(q)(a)(2)(B) of this title (with respect to a loan made for a project located in an urban or rural poverty area’ for “minus 3 per centum per annum”.


EFFECTIVE DATE OF 1979 AMENDMENT

Amendment by Pub. L. 96–79 effective Oct. 1, 1979, except that amendment of subsec. (b)(2)(D) respecting interest subsidy payments for loans or loan guarantees applicable only with respect to loans and loan guarantees made after Oct. 1, 1979, and that subsidies for such commitments made before Oct. 1, 1979, payable as authorized before Oct. 1, 1979, see section 204 of Pub. L. 96–79, set out as a note under section 300q of this title.

PART B—PROJECT GRANTS

CODIFICATION

Pub. L. 96–79, title II, §§ 201(a), 202(a), Oct. 4, 1979, 93 Stat. 630, 632, repealed part B relating to allotments, and comprising former sections 300p to 300p–3 of this title, and redesignated former part D as part B relating to project grants.
§ 300r. Grants for construction or modernization projects

(a) Authority; objectives; eligible grantees; maximum amounts; authorization of appropriations; availability of unobligated funds

(1)(A) The Secretary may make grants for construction or modernization projects designed to—

(i) eliminate or prevent in medical facilities

(ii) avoid noncompliance by medical facilities with State or voluntary licensure or accreditation standards.

(B) A grant under subparagraph (A) may only be made to—

(i) a State or political subdivision of a State, including any city, town, county, borough, hospital district authority, or public or quasi-public corporation, for any medical facility owned or operated by the State or political subdivision; and

(ii) a nonprofit private entity for any medical facility owned or operated by the entity but only if the Secretary determines—

(I) the level of community service provided by the facility and the proportion of its patients who are unable to pay for services rendered in the facility is similar to such level and proportion in a medical facility of a State or political subdivision, and

(II) that without a grant under subparagraph (A) there would be a disruption of the provision of health care to low-income individuals.

(2) The amount of any grant under paragraph (1) may not exceed 75 per centum of the cost of the project for which the grant is made unless the project is located in an area determined by the Secretary to be an urban or rural poverty area, in which case the grant may cover up to 100 per centum of such costs.

(3) There are authorized to be appropriated for grants under paragraph (1) $15,000,000 for the fiscal year ending September 30, 1982.

(b) Projects for medically underserved populations; eligible grantees; maximum amounts; authorization of appropriations

(1) The Secretary may make grants to public and nonprofit private entities for projects for

(A) the conversion of existing facilities into outpatient medical facilities which are located apart from hospitals and which will provide services for medically underserved populations, and

(B) conversion of existing facilities into outpatient medical facilities or facilities for long-term care to provide services for such populations.

(2) The amount of any grant under paragraph (1) may not exceed 80 per centum of the cost of the project for which the grant is made unless the project is located in an area determined by the Secretary to be an urban or rural poverty area, in which case the grant may cover up to 100 per centum of such costs.

(3) There are authorized to be appropriated for grants under paragraph (1) $15,000,000 for the fiscal year ending September 30, 1982.

(Prior provisions)


Amendments

1979—Subsec. (a). Pub. L. 96–79, §201(c), incorporated existing provisions in par. (1); inserted in subpar. (A) in cls. (1) and (ii) the phrases “in medical facilities” and “by medical facilities”; substituted in subpar. (B) “for any medical facility owned or operated by the State or political subdivision” for “for a project described in the preceding sentence for any medical facility owned or operated by it”; added cl. (a)(1)(B)(ii); redesignated former subsec. (c) as par. (2); and added par. (3).

Subsec. (b). Pub. L. 96–79, §201(c), inserted provisions respecting projects for medically underserved populations and struck out provisions respecting criteria for approval of applications under former section 300–3 of this title.

Subsec. (c). Pub. L. 96–79, §201(c), redesignated subsec. (c) as par. (2) of subsec. (a).

Subsec. (d). Pub. L. 96–79, §201(c), struck out subsec. (d) which related to provisions making available 22 per centum of sums appropriated under former section 300–3 of this title for subsec. (a) grants, including an additional appropriations authorization of $67,500,000 for such grants for fiscal year ending Sept. 30, 1978.


Effective Date of 1979 Amendment

Amendment by Pub. L. 96–79 effective Oct. 1, 1979, see section 204 of Pub. L. 96–79, set out as a note under section 300q of this title.

Part C—General Provisions

Codification

Pub. L. 96–79, title II, §202(a), Oct. 4, 1979, 93 Stat. 632, redesignated former part E as part C relating to general provisions and former part C as part A.

§ 300s. General regulations

The Secretary shall by regulation—

(1) prescribe the manner in which he shall determine the priority among projects for which assistance is available under part A or B, based on the relative need of different areas for such projects and giving special consideration—

(A) to projects for medical facilities serving areas with relatively small financial resources and for medical facilities serving rural communities,
§ 300s–1. Medical facility project applications

(a) Submissions

No loan, loan guarantee, or grant may be made under part A or B for a medical facilities project unless an application for such project has been submitted to and approved by the Secretary. If two or more entities join in a project, an application for such project may be filed by any of such entities or by all of them.

(b) Form; required provisions; waiver; projects subject to requirements

(1) An application for a medical facilities project shall be submitted in such form and manner as the Secretary shall by regulation prescribe and shall, except as provided in paragraph (2), set forth—

(A) in the case of a modernization project for a medical facility for continuation of existing health services, a finding by the State Agency of the need for the new health service or facility which standards may vary on the basis of the class of facilities and their location; and

(B) in the case of a project for the discontinuance of a service or facility or the conversion of a service or facility, an evaluation of the impact of such discontinuance or conversion on the provision of health care in the health service area in which such service was provided or facility located;

(2) prescribe for medical facilities projects assisted under part A or B general standards of construction, modernization, and equipment, which standards may vary on the basis of the class of facilities and their location; and

(3) prescribe the general manner in which each entity which receives financial assistance under part A or B or has received financial assistance under part A or B or subchapter IV shall be required to comply with the assurances required to be made at the time such assistance was received and the means by which such entity shall be required to demonstrate compliance with such assurances.

A entity subject to the requirements prescribed pursuant to paragraph (3) respecting compliance with assurances made in connection with receipt of financial assistance shall submit periodically to the Secretary data and information which reasonably supports the entity's compliance with such assurances. The Secretary may not waive the requirement of the preceding sentence.

(July 1, 1944, ch. 373, title XVI, §1620, as added Pub. L. 96–79, title II, §202(b), Oct. 4, 1979, 93 Stat. 632.)

PRIOR PROVISIONS


A prior section 1630 of act July 1, 1944, was renumbered section 1601 by Pub. L. 96–79, title II, §202(a)(1), Oct. 4, 1979, 93 Stat. 635, and is classified to section 300q of this title.

EFFECTIVE DATE

Section effective Oct. 1, 1979, see section 294 of Pub. L. 96–79, set out as an Effective Date of 1979 Amendment note under section 300q of this title.

§ 300s–1. Medical facility project applications

(a) Submissions

No loan, loan guarantee, or grant may be made under part A or B for a medical facilities project unless an application for such project has been submitted to and approved by the Secretary. If two or more entities join in a project, an application for such project may be filed by any of such entities or by all of them.

(b) Form; required provisions; waiver; projects subject to requirements

(1) An application for a medical facilities project shall be submitted in such form and manner as the Secretary shall by regulation prescribe and shall, except as provided in paragraph (2), set forth—

(A) in the case of a modernization project for a medical facility for continuation of existing health services, a finding by the State Agency of the need for the new health service or facility which standards may vary on the basis of the class of facilities and their location; and

(B) in the case of a project for the discontinuance of a service or facility or the conversion of a service or facility, an evaluation of the impact of such discontinuance or conversion on the provision of health care in the health service area in which such service was provided or facility located;

(2) prescribe for medical facilities projects assisted under part A or B general standards of construction, modernization, and equipment, which standards may vary on the basis of the class of facilities and their location; and

(3) prescribe the general manner in which each entity which receives financial assistance under part A or B or has received financial assistance under part A or B or subchapter IV shall be required to comply with the assurances required to be made at the time such assistance was received and the means by which such entity shall be required to demonstrate compliance with such assurances.

A entity subject to the requirements prescribed pursuant to paragraph (3) respecting compliance with assurances made in connection with receipt of financial assistance shall submit periodically to the Secretary data and information which reasonably supports the entity's compliance with such assurances. The Secretary may not waive the requirement of the preceding sentence.

(July 1, 1944, ch. 373, title XVI, §1620, as added Pub. L. 96–79, title II, §202(b), Oct. 4, 1979, 93 Stat. 632.)

PRIOR PROVISIONS


A prior section 1630 of act July 1, 1944, was renumbered section 1601 by Pub. L. 96–79, title II, §202(a)(1), Oct. 4, 1979, 93 Stat. 635, and is classified to section 300q of this title.

EFFECTIVE DATE

Section effective Oct. 1, 1979, see section 294 of Pub. L. 96–79, set out as an Effective Date of 1979 Amendment note under section 300q of this title.
§ 300s–1a. Recovery of expenditures under certain conditions

(a) Persons liable

If any facility with respect to which funds have been paid under this subchapter shall, at any time within 20 years after the completion of construction or modernization—

(1) be sold or transferred to any entity (A) which is not qualified to file an application under section 300s–1 or 300t–12 of this title or (B) which is not approved as a transferee by the State Agency of the State in which such facility is located, or its successor, or

(2) cease to be a public health center or a public or other nonprofit hospital, outpatient facility, facility for long-term care, or rehabilitation facility,

the United States shall be entitled to recover, whether from the transferor or the transferee (or, in the case of a facility which has ceased to be public or nonprofit, from the owners thereof) an amount determined under subsection (c).

(b) Notice to Secretary

The transferor of a facility which is sold or transferred as described in subsection (a)(1), or the owner of a facility the use of which is changed as described in subsection (a)(2), shall provide the Secretary written notice of such sale, transfer, or change not later than the expiration of 10 days from the date on which such sale, transfer, or change occurs.

(c) Amount of recovery; interest; interest period

(1) Except as provided in paragraph (2), the amount the United States shall be entitled to recover under subsection (a) is the amount which the United States is entitled to recover under paragraph (1) with respect to a facility as constituted an approved project or projects as the amount of the Federal participation in the case of a facility which was sold or transferred or the use of which changed before July 18, 1984.

(2)(A) After the expiration of—

(i) 180 days after the date of the sale, transfer, or change of use for which a notice is required by subsection (b), in the case of a facility which is sold or transferred or the use of which changes after July 18, 1984, or

(ii) thirty days after July 18, 1984, or if later 180 days after the date of the sale, transfer, or change of use for which a notice is required by subsection (b), in the case of a facility which was sold or transferred or the use of which changed before July 18, 1984,

the amount which the United States is entitled to recover under paragraph (1) with respect to a facility shall be the amount prescribed by paragraph (1) plus interest, during the period described in subparagraph (B), at a rate determined by the Secretary based on the average of the bond equivalent of the weekly 90–day Treasury bill auction rate.

(B) The period referred to in subparagraph (A) is the period beginning—

(i) in the case of a facility which was sold or transferred or the use of which changed before July 18, 1984, thirty days after such date or if later 180 days after the date of the sale, transfer, or change of use for which a notice is required by subsection (b). 1

1 So in original. The period probably should be a comma.
(ii) in the case of a facility with respect to which notice is provided in accordance with subsection (b), upon the expiration of 180 days after the receipt of such notice, or

(iii) in the case of a facility with respect to which such notice is not provided as prescribed by subsection (b), on the date of the sale, transfer, or changes of use for which such notice was to be provided,

and ending on the date the amount the United States is entitled to under paragraph (1) is collected.

(d) Waiver

(1) The Secretary may waive the recovery rights of the United States under subsection (a)(1) with respect to a facility in any State if the Secretary determines, in accordance with regulations, that the entity to which the facility was sold or transferred—

(A) has established an irrevocable trust—

(i) in an amount equal to the greater of twice the cost of the remaining obligation of the facility under clause (ii) of section 300s–1(b)(1)(K) of this title or the amount, determined under subsection (c), that the United States is entitled to recover, and

(ii) which will only be used by the entity to provide the care required by clause (ii) of section 300s–1(b)(1)(K) of this title; and

(B) will meet the obligation of the facility under clause (i) of section 300s–1(b)(1)(K) of this title.

(2) The Secretary may waive the recovery rights of the United States under subsection (a)(2) with respect to a facility in any State if the Secretary determines, in accordance with regulations, that there is good cause for waiving such rights with respect to such facility.

(e) Lien

The right of recovery of the United States under subsection (a) shall not constitute a lien on any facility with respect to which funds have been paid under this subchapter.


CODIFICATION

Section was formerly classified to section 300s–1 of this title prior to the general revision of this subchapter by Pub. L. 96–79.

PRIOR PROVISIONS

A prior section 1622 of act July 1, 1944, as added Jan. 4, 1975, Pub. L. 93–641, §4, 88 Stat. 2265, was renumbered section 1622 as part of the general revision of this subchapter by Pub. L. 96–79 and is classified to section 300s–2 of this title.

AMENDMENTS

1984—Pub. L. 98–369 amended section generally. Prior to the amendment, section read as follows:

“(a) If any facility constructed, modernized, or converted with funds provided under this subchapter is, at any time within twenty years after the completion of such construction, modernization, or conversion with such funds:

“(1) sold or transferred to any person or entity (A) which is not qualified to file an application under section 300s–1 or 300t–12 of this title or (B) which is not approved as a transferee by the State Agency of the State in which such facility is located, or its successor; or

“(2) not used as a medical facility, and the Secretary has not determined that there is good cause for termination of such use,

the United States shall be entitled to recover from either the transferor or the transferee in the case of a sale or transfer or from the owner in the case of termination of use an amount bearing the same ratio to the then value (as determined by the agreement of the parties or by action brought in the district court of the United States for the district in which the facility is situated) of so much of such facility as constituted an approved project or projects, as the amount of the Federal participation bore to the cost of the construction, modernization, or conversion of such project or projects. Such right of recovery shall not constitute a lien upon such facility prior to judgment.

“(b) The Secretary may waive the recovery rights of the United States under subsection (a) of this section with respect to a facility in any State—

“(1) if (as determined under regulations prescribed by the Secretary) the amount which could be recovered under subsection (a) of this section with respect to such facility is applied to the development, expansion, or support of another medical facility located in such State which has been approved by the Statewide Health Coordinating Council for such State as consistent with the State health plan established pursuant to section 300m–3 of this title; or

“(2) if the Secretary determines, in accordance with regulations, that there is good cause for waiving such requirement with respect to such facility.

If the amount which the United States is entitled to recover under subsection (a) of this section exceeds 90 per centum of the total cost of the construction or modernization project for a facility, a waiver under this subsection shall only apply with respect to an amount which is not more than 90 per centum of such total cost.

1979—Subsec. (a)(1)(A). Pub. L. 96–79, §203(c), substituted “section 300s–1 or 300t–12 of this title” for “section 300s–3 of this title”.

EFFECTIVE DATE OF 1979 AMENDMENT

Amendment by Pub. L. 96–79 effective Oct. 1, 1979, see section 201 of Pub. L. 96–79, set out as a note under section 300q of this title.

REGULATIONS AND PERSONNEL

Requirements for regulations and personnel to implement this section, see section 2381(c) of Pub. L. 98–369, set out as a note under section 291i of this title.

§ 300s–2. State supervision or control of operations of facilities receiving funds

Except as otherwise specifically provided, nothing in this subchapter shall be construed as conferring on any Federal officer or employee, the right to exercise any supervision or control over the administration, personnel, maintenance, or operation of any facility with respect to which any funds have been or may be expended under this subchapter.

§ 300s–3. Definitions

Except as provided in section 300t–12(e) of this title, for purposes of this subchapter—

(A) which is a hospital (other than a hospital primarily for the care and treatment of mentally ill or tuberculous patients) or is operated in connection with a hospital, or

(B) in which such care and medical services are prescribed by, or are performed under the general direction of, persons licensed to practice medicine or surgery in the State.

(2) The term “public health center” means a publicly owned facility for the provision of public health services, including related publicly owned facilities such as laboratories, clinics, and administrative offices operated in connection with such a facility.

(3) The term “nonprofit” as applied to any facility means a facility which is owned and operated by one or more nonprofit corporations or associations no part of the net earnings of which inures, or may lawfully inure, to the benefit of any private shareholder or individual.

(4) The term “outpatient medical facility” means a medical facility (located in or apart from a hospital) for the diagnosis or diagnosis and treatment of ambulatory patients (including ambulatory inpatients)—

(A) which is operated in connection with a hospital,

(B) in which patient care is under the professional supervision of persons licensed to practice medicine or surgery in the State, or in the case of dental diagnosis or treatment, under the professional supervision of persons licensed to practice dentistry in the State; or

(C) which offers to patients not requiring hospitalization the services of licensed physicians in various medical specialties, and which provides to its patients a reasonably full-range of diagnostic and treatment services.

(5) The term “rehabilitation facility” means a facility which is operated for the primary purpose of assisting in the rehabilitation of disabled persons through an integrated program of—

(A) medical evaluation and services, and

(B) psychological, social, or vocational evaluation and services,

under competent professional supervision, and in the case of which the major portion of the required evaluation and services is furnished within the facility; and either the facility is operated in connection with a hospital, or all medical and related health services are prescribed by, or are under the general direction of, persons licensed to practice medicine or surgery in the State.

(6) The term “facility for long-term care” means a facility (including a skilled nursing or intermediate care facility) providing in-patient care for convalescent or chronic disease patients who required skilled nursing or intermediate care and related medical services—

\[^{1}\text{So in original. Probably should be “professional”}^{1}\]

\[^{2}\text{See References in Text note below.}^{2}\]
fined so that the percentage of the population of the United States residing in urban and rural poverty areas is—
(A) not more than the percentage of the total population of the United States with incomes below the poverty level (as so defined) plus five per centum, and
(B) not less than such percentage minus five per centum.

(14) The term "medically underserved population" means the population of an urban or rural area designated by the Secretary as an area with a shortage of health facilities or a population group designated by the Secretary as having a shortage of such facilities.


REFERENCES IN TEXT

AMENDMENTS
1979—Pub. L. 96–79, §301(b), inserted "Except as provided in paragraph (3) of this section", struck out pars. (1) to (14), respectively.

1976—Pub. L. 95–83 substituted "subchapter XIII" for "subchapter XII".


EFFECTIVE DATE OF 1979 AMENDMENT
Amendment by Pub. L. 96–79 effective Oct. 1, 1979, see section 204 of Pub. L. 96–79, set out as a note under section 300q of this title.

§ 300s–4. Reporting and audit requirements for recipients

(a) Filing of financial statement with appropriate State Agency; form and contents

In the case of any facility for which an allotment payment, grant, loan, or loan guarantee has been made under this subchapter, the applicant for such payment, grant, loan, or loan guarantee (or, if appropriate, such other person as the Secretary may prescribe) shall file at least annually with the State Agency for the State in which the facility is located a statement which shall be in such form, and contain such information, as the Secretary may require to accurately show—

(1) the financial operations of the facility, and

(2) the costs of the facility of providing health services in the facility and the charges made by the facility for providing such services, during the period with respect to which the statement is filed.

(b) Maintenance of records; access to books, etc., for audit and examination

(1) Each entity receiving Federal assistance under this subchapter shall keep such records as the Secretary shall prescribe, including records which fully disclose the amount and disposition by such entity of the proceeds of such assistance, the total cost of the project in connection with which such assistance is given or used, the amount of that portion of the cost of the project supplied by other sources, and such other records as will facilitate an effective audit.

(2) The Secretary and the Comptroller General of the United States, or any of their duly authorized representatives, shall have access for the purpose of audit and examination to any books, documents, papers, and records of such entities which in the opinion of the Secretary or the Comptroller General may be related or pertinent to the assistance referred to in paragraph (1).

(c) Filing of financial statement with Secretary; form and contents

Each such entity shall file at least annually with the Secretary a statement which shall be in such form, and contain such information, as the Secretary may require to accurately show—

(1) the financial operations of the facility constructed or modernized with such assistance, and

(2) the costs to such facility of providing health services in such facility, and the charges made for such services, during the period with respect to which the statement is filed.


PRIOR PROVISIONS

A prior section 1625 of act July 1, 1944, was renumbered section 1610 by Pub. L. 96–79, title II, §203(b), Oct. 4, 1979, 93 Stat. 635, and is classified to section 300r of this title.

§ 300s–5. Availability of technical and other nonfinancial assistance to eligible applicants

The Secretary shall provide (either through the Department of Health and Human Services or by contract) all necessary technical and other nonfinancial assistance to any public or other entity which is eligible to apply for assistance under this subchapter to assist such entity in developing applications to be submitted to the Secretary under section 300s–1 or 300s–12 of this title. The Secretary shall make every effort to inform eligible applicants of the availability of assistance under this subchapter.

§ 300s–6. Enforcement of assurances

The Secretary shall investigate and ascertain, on a periodic basis, with respect to each entity which is receiving financial assistance under this subchapter or which has received financial assistance under subchapter IV or this subchapter, the extent of compliance by such entity with the assurances required to be made at the time such assistance was received. If the Secretary finds that such an entity has failed to comply with any such assurance, the Secretary shall report such noncompliance to the health systems agency for the health service area in which such entity is located and the State health planning and development agency of the State in which the entity is located and shall take any action authorized by law (including an action for specific performance brought by the Attorney General upon request of the Secretary) which will effect compliance by the entity with such assurances. An action to effectuate compliance with any such assurance may be brought by any person other than the Secretary only if a complaint has been filed by such person with the Secretary and the Secretary has dismissed such complaint or the Attorney General has not brought a civil action for compliance with such assurance within six months after the date on which the complaint was filed with the Secretary.

(July 1, 1944, ch. 373, title XVI, §1627, as added Pub. L. 96–79, title II, §202(c), Oct. 4, 1979, 93 Stat. 634.)

Effective Date Section effective Oct. 1, 1979, see section 204 of Pub. L. 96–79, set out as an Effective Date of 1979 Amendment note under section 300q of this title.

Part D—Area Health Services Development Funds

Codification

Pub. L. 96–79, title II, §202(a), Oct. 4, 1979, 93 Stat. 622, redesignated former part F as part D relating to area health services development funds and former part D as part B.

§ 300t. Development grants for health systems agencies

(a) Eligible recipients; purpose of grants

The Secretary shall make in each fiscal year a grant to each health system agency—

(1) with which there is in effect a designation agreement under section 300l–4(c)1 of this title,

(2) which has in effect an HSP and AIP reviewed by the Statewide Health Coordinating Council, and

(3) which, as determined under the review made under section 300n–4(c)1 of this title, is organized and operated in the manner prescribed by section 300l–1(b)1 of this title and is performing its functions under section 300l–21 of this title in a manner satisfactory to the Secretary.

(b) Determination of amounts; maximum amounts

(1) Except as provided in paragraph (2), the amount of any grant under subsection (a) shall be determined by the Secretary after taking into consideration the population of the health service area for which the health systems agency is designated, the average family income of the area, and the supply of health services in the area.

(2) The amount of any grant under subsection (a) to a health systems agency for any fiscal year may not exceed the product of $1 and the population of the health service area for which such agency is designated.

(c) Applications; submission and approval as prerequisite; form and contents

No grant may be made under subsection (a) unless an application therefor has been submitted to, and approved by, the Secretary. Such an application shall be submitted in such form and manner and contain such information as the Secretary may require.

(d) Authorization of appropriations

For the purpose of making payments pursuant to grants under subsection (a), there are authorized to be appropriated $25,000,000 for the fiscal year ending June 30, 1975, $75,000,000 for the fiscal year ending June 30, 1976, $120,000,000 each for the fiscal years ending September 30, 1977, and September 30, 1978, $20,000,000 for the fiscal year ending September 30, 1981, and $30,000,000 for the fiscal year ending September 30, 1982.


References in Text


1 See References in Text note below.
1992, 106 Stat. 3495, enacted section 1502A of act July 1, 1944, which is classified to section 300l–1 of this title.

AMENDMENTS


PART E—PROGRAM TO ASSIST AND ENCOURAGE VOLUNTARY DISCONTINUANCE OF UNNEEDED HOSPITAL SERVICES AND CONVERSION OF UNNEEDED HOSPITAL SERVICES TO OTHER HEALTH SERVICES NEEDED BY COMMUNITY

§ 300t–11. Grants and assistance for establishment of program

The Secretary shall, by April 1, 1980, establish a program under which—

(1) grants and technical assistance may be provided to hospitals in operation on October 4, 1979, (A) for the discontinuance of unneeded hospital services, and (B) for the conversion of unneeded hospital services to other health services needed by the community; and

(2) grants may be provided to State Agencies designated under section 300m(b)(3)¹ of this title for reducing excesses in resources and facilities of hospitals.

(July 1, 1944, ch. 373, title XVI, § 1641, as added Pub. L. 96–79, title III, § 301(a), Oct. 4, 1979, 93 Stat. 632, 636, added part E relating to program to assist and encourage voluntary discontinuance of unneeded hospital services and conversion of unneeded hospital services to other health services needed by the community and redesignated former part E as part C.

REFERENCES IN TEXT

Section 300m of this title, referred to in par. (2), was in the original a reference to section 1521 of act July 1, 1944, which was repealed effective Jan. 1, 1987, by Pub. L. 96–88, title V, § 509(b), Oct. 17, 1979, 93 Stat. 696, which provided that the Secretary of Health and Human Services conduct a study of the effect on the elimination of unneeded hospital services made during the two fiscal year period ending Sept. 30, 1981, by the program authorized by this part, and not later than Jan. 1, 1982, report the results of the study to Congress, was repealed by Pub. L. 97–414, § 8(h), Jan. 4, 1983, 96 Stat. 2064.

§ 300t–12. Grants for discontinuance and conversion

(a) Terms and conditions; determination of amount; authorized uses

(1) A grant to a hospital under the program shall be subject to such terms and conditions as the Secretary may by regulation prescribe to assure that the grant is used for the purpose for which it was made.

(2) The amount of any such grant shall be determined by the Secretary. The recipient of such a grant may use the grant—

(A) in the case of a grantee which discontinues the provision of all hospital services or all inpatient hospital services or an identifiable part of a hospital facility which includes inpatient hospital services, for the liquidation of the outstanding debt on the facilities of the grantee used for the provision of the services or for the liquidation of the outstanding debt of the grantee on such identifiable part;

(B) in the case of a grantee which in discontinuing the provision of an inpatient hospital service converts or proposes to convert an identifiable part of a hospital facility used in the provision of the discontinued service to the delivery of other health services, for the planning, development (including construction and acquisition of equipment), and delivery of the health service; and

(C) to provide reasonable termination pay for personnel of the grantee who will lose employment because of the discontinuance of hospital services made by the grantee, retraining of such personnel, assisting such personnel in securing employment, and other costs of implementing arrangements described in subsection (c); and

(D) for such other costs which the Secretary determines may need to be incurred by the grantee in discontinuing hospital services.

(b) Application; submission and approval; form; required provisions; review by health systems agency; basis of State Agency's recommendations; urban or rural poverty population considerations; approval by Secretary; restrictions and special considerations

(1) No grant may be made to a hospital unless an application therefor is submitted to and approved by the Secretary. Such an application shall be in such form and submitted in such manner as the Secretary may prescribe and shall include—

(A) a description of each service to be discontinued and, if a part of a hospital is to be discontinued or converted to another use in connection with such discontinuance, a description of such part;

(B) an evaluation of the impact of such discontinuance and conversion on the provision of health care in the health service area in which such service is provided;

(C) an estimate of the change in the applicant's costs which will result from such discontinuance and conversion; and

(D) reasonable assurance that all laborers and mechanics employed by contractors or subcontractors in the performance of work on a project will be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with sections 3141–3144, 3146, and 3147 of title 40, and the Secretary of Labor shall have with respect to such labor standards the authority and functions set forth in Reorganization Plan Numbered 14 of ¹ See References in Text note below.
§ 300t–12

TITLE 42—THE PUBLIC HEALTH AND WELFARE

Page 1200

1950 (15 FR 3176; 5 U.S.C. Appendix) and section 3145 of title 40;

(E) such other information as the Secretary may require.

(2)(A) The health systems agency for the health service area in which is located a hospital applying for a grant under the program shall (i) in making the review of the applicant’s application under section 300t–2(e)\(^1\) of this title, determine the need for each service or part proposed to be discontinued by the applicant, (ii) in the case of an application for the conversion of a facility, determine the need for each service which will be provided as a result of the conversion, and (iii) make a recommendation to the Secretary of the applicant’s application.

(B) A State Agency which has received a recommendation from a health systems agency under subparagraph (A) respecting an application shall, after consideration of such recommendation, make a recommendation to the Secretary respecting the approval by the Secretary of the application. A State Agency’s recommendation under this subparagraph respecting the approval of an application (i) shall be based upon (I) the need for each service or part proposed to be discontinued by the applicant, (II) in the case of an application for the conversion of a facility, the need for each service which will be provided as a result of the conversion, and (III) such other criteria as the Secretary may prescribe, and (ii) shall be accompanied by the health systems agency’s recommendation made with respect to the approval of the application.

(C) In determining, under subparagraphs (A) and (B), the need for the service (or services) or part proposed to be discontinued or converted by an applicant for a grant, a health systems agency and State Agency shall give special consideration to the unmet needs and existing access patterns of urban or rural poverty populations.

(3)(A) The Secretary may not approve an application of a hospital for a grant—

(i) if a State Agency recommended that the application not be approved, or

(ii) if the Secretary is unable to determine that the cost of providing inpatient health services in the health service area in which the applicant is located will be less than if the inpatient health services proposed to be discontinued were not discontinued.

(B) In considering applications of hospitals for grants the Secretary shall consider the recommendations of health systems agencies and State Agencies and shall give special consideration to applications (i) which will assist health systems agencies and State Agencies to meet the goals in their health systems plans and State health plans, or (ii) which will result in the greatest reduction in hospital costs within a health service area.

(c) Certification of protective arrangements for employment benefits and interests; guidelines; satisfactory arrangement determinations

(1) Except as provided in paragraph (3), the Secretary may not approve an application submitted under subsection (b) unless the Secretary of Labor has certified that fair and equitable arrangements have been made to protect the interests of employees affected by the discontinuance of services against a worsening of their positions with respect to their employment, including arrangements to preserve the rights of employees under collective-bargaining agreements, continuation of collective-bargaining rights consistent with the provisions of the National Labor Relations Act [29 U.S.C. 151 et seq.], reassignment of affected employees to other jobs, retraining programs, protecting pension, health benefits, and other fringe benefits of affected employees, and arranging adequate severance pay, if necessary.

(2) The Secretary of Labor shall by regulation prescribe guidelines for arrangements for the protection of the interests of employees affected by the discontinuance of hospital services. The Secretary of Labor shall consult with the Secretary of Health and Human Services in the promulgation of such guidelines. Such guidelines shall first be promulgated not later than the promulgation of regulations by the Secretary for the administration of the grants authorized by section 300t–11 of this title.

(3) The Secretary of Labor shall review each application submitted under subsection (b) to determine if the arrangements described in paragraph (1) have been made and if they are satisfactory and shall notify the Secretary respecting his determination. Such review shall be completed within—

(A) ninety days from the date of the receipt of the application from the Secretary of Health and Human Services, or

(B) one hundred and twenty days from such date if the Secretary of Labor has by regulation prescribed the circumstances under which the review will require at least one hundred and twenty days.

If within the applicable period, the Secretary of Labor does not notify the Secretary of Health and Human Services respecting his determination, the Secretary of Health and Human Services shall review the application to determine if the arrangements described in paragraph (1) and if such arrangements are satisfactory. The Secretary may not approve the application unless he determines that such arrangements have been made and that they are satisfactory.

(d) Records and audits requirements

The records and audits requirements of section 292e\(^2\) of this title shall apply with respect to grants made under subsection (a).

(e) "Hospital" defined

For purposes of this part, the term “hospital” means, with respect to any fiscal year, an institution (including a distinct part of an institution participating in the programs established under title XVIII of the Social Security Act [42 U.S.C. 1395 et seq.])—

(I) which satisfies paragraphs (1) and (7) of section 1861(e) of such Act [42 U.S.C. 1395x(e)],

(II) imposes charges or accepts payments for services provided to patients, and

\(^1\) See References in Text note below.

\(^2\) See References in Text note below.
(3) the average duration of a patient’s stay in which was thirty days or less in the preceding fiscal year, but such term does not include a Federal hospital or a psychiatric hospital (as described in section 1861(f)(1) of the Social Security Act [42 U.S.C. 1395x(f)(1)]).


References in Text


The National Labor Relations Act, referred to in subsec. (c)(1), is act July 5, 1935, ch. 372, 49 Stat. 452, as amended, which is classified generally to subchapter II (§151 et seq.) of chapter 7 of Title 29, Labor. For complete classification of this Act to the Code, see section 1961 of Title 29, Labor.

The Social Security Act, referred to in subsec. (e), is act Aug. 14, 1935, ch. 531, 49 Stat. 620, as amended. Title XVIII of the Social Security Act is classified generally to subchapter XVIII (§1395 et seq.) of chapter 7 of this title. For complete classification of this Act to the Code, see section 1386 of Title 29, Labor.

Change of Name

“Secretary of Health and Human Services” substituted for “Secretary of Health, Education, and Welfare” in subsec. (c)(2) and (3), pursuant to section 509(b) of Pub. L. 96–88 which is classified to section 350(b) of Title 20, Education.

§ 300t–13. Grants to States for reduction of excess hospital capacity

(a) “Excess hospital capacity” defined; particular activities

For the purpose of demonstrating the effectiveness of various means for reducing excesses in resources and facilities of hospitals (referred to in this section as “excess hospital capacity”), the Secretary may make grants to State Agencies designated under section 300m(b)(3) of this title to assist such Agencies in—

(1) identifying (by geographic region or by health service) excess hospital capacity,

(2) developing programs to inform the public of the costs associated with excess hospital capacity,

(3) developing programs to reduce excess hospital capacity in a manner which will produce the greatest savings in the cost of health care delivery,

(4) developing means to overcome barriers to the reduction of excess hospital capacity,

(5) in planning, evaluating, and carrying out programs to decertify health care facilities providing health services that are not appropriate, and

(6) any other activity related to the reduction of excess hospital capacity.

(b) Terms and conditions

Grants under subsection (a) shall be made on such terms and conditions as the Secretary may prescribe.

(July 1, 1944, ch. 373, title XVI, §1643, as added Pub. L. 96–79, title III, §301(a), Oct. 4, 1979, 93 Stat. 639.)

References in Text


§ 300t–14. Authorization of appropriations

To make payments under grants under sections 300t–12 and 300t–13 of this title there are authorized to be appropriated $30,000,000 for the fiscal year ending September 30, 1980, $50,000,000 for the fiscal year ending September 30, 1981, and $75,000,000 for the fiscal year ending September 30, 1982, except that in any fiscal year not more than 10 percent of the amount appropriated under this section may be obligated for grants under section 300t–13 of this title.

(July 1, 1944, ch. 373, title XVI, §1644, as added Pub. L. 96–79, title III, §301(a), Oct. 4, 1979, 93 Stat. 640.)

Subchapter XV—Health Information and Health Promotion

§ 300u. General authority of Secretary

(a) Development, support, and implementation of programs, activities, etc.

The Secretary shall—

(1) formulate national goals, and a strategy to achieve such goals, with respect to health information and health promotion, preventive health services, and education in the appropriate use of health care;

(2) analyze the necessary and available resources for implementing the goals and strategy formulated pursuant to paragraph (1), and recommend appropriate educational and quality assurance policies for the needed manpower resources identified by such analysis;

(3) undertake and support necessary activities and programs to—

A) incorporate appropriate health education components into our society, especially into all aspects of education and health care,

B) increase the application and use of health knowledge, skills, and practices by
the general population in its patterns of daily living, and

(C) establish systematic processes for the exploration, development, demonstration, and evaluation of innovative health promotion concepts;

(4) undertake and support research and demonstrations respecting health information and health promotion, preventive health services, and education in the appropriate use of health care;

(5) undertake and support appropriate training in, and undertake and support appropriate training in the operation of programs concerned with, health information and health promotion, preventive health services, and education in the appropriate use of health care;

(6) undertake and support, through improved planning and implementation of tested models and evaluation of results, effective and efficient programs respecting health information and health promotion, preventive health services, and education in the appropriate use of health care;

(7)(A) develop model programs through which employers in the public sector, and employers that are small businesses (as defined in section 632 of title 15), can provide for their employees a program to promote healthy behaviors and to discourage participation in unhealthy behaviors;

(B) provide technical assistance to public and private employers in implementing such programs (including private employers that are not small businesses and that will implement programs other than the programs developed by the Secretary pursuant to subparagraph (A)); and

(C) in providing such technical assistance, give preference to small businesses;

(8) foster the exchange of information respecting, and foster cooperation in the conduct of, research, demonstration, and training programs respecting health information and health promotion, preventive health services, and education in the appropriate use of health care;

(9) provide technical assistance in the programs referred to in paragraph (8);

(10) use such other authorities for programs respecting health information and health promotion, preventive health services, and education in the appropriate use of health care as are available and coordinate such use with programs conducted under this subchapter;

and

(11) establish in the Office of the Assistant Secretary for Health an Office of Disease Prevention and Health Promotion, which shall—

(A) coordinate all activities within the Department which relate to disease prevention, health promotion, preventive health services, and health information and education with respect to the appropriate use of health care;

(B) coordinate such activities with similar activities in the private sector;

(C) establish a national information clearinghouse to facilitate the exchange of information concerning matters relating to

health information and health promotion, preventive health services (which may include information concerning models and standards for insurance coverage of such services), and education in the appropriate use of health care, to facilitate access to such information, and to assist in the analysis of issues and problems relating to such matters; and

(D) support projects, conduct research, and disseminate information relating to preventive medicine, health promotion, and physical fitness and sports medicine.

The Secretary shall appoint a Director for the Office of Disease Prevention and Health Promotion established pursuant to paragraph (11) of this subsection. The Secretary shall administer this subchapter in cooperation with health care providers, educators, voluntary organizations, businesses, and State and local health agencies in order to encourage the dissemination of health information and health promotion activities.

(b) Authorization of appropriations

For the purpose of carrying out this section and sections 300u through 300u–4 of this title, there are authorized to be appropriated $10,000,000 for fiscal year 1992, and such sums as may be necessary for each of the fiscal years 1993 through 2002.

(c) Application; submission and approval as prerequisite; form and content

No grant may be made or contract entered into under this subchapter unless an application therefor has been submitted to and approved by the Secretary. Such an application shall be submitted in such form and manner and contain such information as the Secretary may prescribe. Contracts may be entered into under this subchapter without regard to section 3324(a) and (b) of title 31 and section 6101 of title 41.

(Provisions Added by Pub. L. 105–392)

(1)ing Title 41, Public Contracts.

3854, which Act enacted Title 41, Public Contracts.


96 Stat. 1067, which Act enacted Title 31, Money and Fi-

section 3324(a) and (b) of title 31 and section 6101 of title 41."

(Disestablished by Pub. L. 105–392)
The President’s Council on Sports, Fitness, and Nutrition (the “Council”), it is hereby ordered as follows:

SECTION 1. Purpose. My Administration recognizes the benefits of youth sports participation, physical activity, and a nutritious diet in helping create habits that support a healthy lifestyle and improve the overall health of the American people. My Administration therefore aims to expand and encourage youth sports participation, and to promote the overall physical fitness, health, and nutrition of all Americans.

Good health, including physical activity and proper nutrition, supports Americans’ physical, mental, emotional, and social well-being, growth, and development. Participating in sports allows children to experience the connection between effort and success, and it enhances their academic, economic, and social prospects. Many of America’s leaders attribute their lifetime achievements to lessons learned through sports participation and athletic activity. Additionally, youth sports help working parents and guardians by providing their children opportunities to engage in productive, positive activities outside of school. Unfortunately, during the past decade youth participation in team sports has declined. As of 2016, only 37 percent of children played team sports on a regular basis, down from 45 percent in 2008. Particularly troubling is that sports participation disproportionately lags among young girls and children who are from economically distressed areas.

SEC. 2. Policy. (a) The Secretary of Health and Human Services (Secretary), in carrying out the Secretary’s responsibilities for public health and human services, shall develop a national strategy to expand children’s participation in youth sports, encourage regular physical activity, including active play, and promote good nutrition for all Americans. This national strategy shall focus on children and youth in communities with below-average sports participation and communities with limited access to athletic facilities or recreational areas. Through this national strategy, the Secretary shall seek to:

(i) increase awareness of the benefits of participation in sports and regular physical activity, as well as the importance of good nutrition;
(ii) promote private and public sector strategies to increase participation in sports and encourage regular physical activity, and improve nutrition;
(iii) develop metrics that gauge youth sports participation and physical activity to inform efforts that will improve participation in sports and regular physical activity among young Americans; and
(iv) establish a national and local strategy to recruit volunteers who will encourage and support youth participation in sports and regular physical activity, through coaching, mentoring, teaching, or administering athletic and nutritional programs.

My Administration recognizes the need for a national strategy to expand children’s participation in youth sports, encourage regular physical activity, and promote good nutrition. This national strategy shall focus on children and youth in communities with below-average sports participation and communities with limited access to athletic facilities or recreational areas. Through this national strategy, the Secretary shall seek to:

(i) increase awareness of the benefits of participation in sports and regular physical activity, as well as the importance of good nutrition;
(ii) promote private and public sector strategies to increase participation in sports and encourage regular physical activity, and improve nutrition;
(iii) develop metrics that gauge youth sports participation and physical activity to inform efforts that will improve participation in sports and regular physical activity among young Americans; and
(iv) establish a national and local strategy to recruit volunteers who will encourage and support youth participation in sports and regular physical activity, through coaching, mentoring, teaching, or administering athletic and nutritional programs.
(b) The Council shall be composed of up to 30 members recommended by the Secretary and appointed by the President. Members shall serve for a term of 2 years, shall be eligible for reappointment, and may continue to serve after the expiration of their terms until the appointment of a successor. The President may designate one or more of the members as Chair or Vice Chair.

SEC. 4. Functions of the Council. (a) The Council shall advise the President, through the Secretary, concerning progress made in carrying out the provisions of this order and shall recommend to the President, through the Secretary, actions to accelerate such progress.

(b) The Council shall recommend to the Secretary actions to expand opportunities at the national, State, and local levels for participation in sports and engagement in physical fitness and activity.

(c) The Council’s performance of these functions shall take into account the Department of Health and Human Services’ Physical Activity Guidelines for Americans, including consideration for youth with disabilities.

SEC. 5. Administration. (a) Each executive department and agency shall, to the extent permitted by law and subject to the availability of funds, furnish such information and assistance to the Secretary and the Council as they may request.

(b) The members of the Council shall serve without compensation for their work on the Council. Members of the Council may, however, receive travel expenses, including per diem in lieu of subsistence, as authorized by law for persons serving intermittently in Government service (5 U.S.C. 5701–5707).

(c) To the extent permitted by law, the Secretary shall furnish the Council with necessary staff, supplies, facilities, and other administrative services. The expenses of the Council shall be paid from funds available to the Secretary.

(d) The Secretary shall appoint an Executive Director of the Council who shall serve as a liaison to the Secretary and the Advisor to the President on matters and activities pertaining to the Council.

(e) The Council may, with the approval of the Secretary, establish subcommittees as appropriate to aid in its work.

(f) The seal prescribed by Executive Order 10830 of July 24, 1959, as amended, shall be modified to reflect the name of the Council as established by this order.

SEC. 6. General Provisions. (a) Insofar as the Federal Advisory Committee Act, as amended (5 U.S.C. App.) (Act), may apply to the administration of any portion of this order, any functions of the President under the Act, except that of reporting to the Congress, shall be performed by the Secretary in accordance with the guidelines and procedures issued by the Administrator of General Services.

(b) The Council shall terminate 2 years from the date of this order, unless extended by the President.

(c) This order is not intended to, and does not, create any right or benefit, substantive or procedural, enforceable at law or in equity by any party against the United States, its departments, agencies, or entities, its officers, employees, or agents, or any other person.

(d) Nothing in this order shall be construed to impair or otherwise affect:

(i) the authority granted by law to an executive department or agency, or the head thereof; or

(ii) the functions of the Director of the Office of Management and Budget relating to budgetary, administrative, or legislative proposals.

(e) This order shall be implemented consistent with applicable law and subject to the availability of appropriations.

(f) This order is not intended to, and does not, create any right or benefit, substantive or procedural, enforceable at law or in equity by any party against the United States, its departments, agencies, or entities, its officers, employees, or agents, or any other person.

(Grease 13824, § 23(c), (d), which directed amendments of Ex. Ord. No. 13265, set out above, by revising sections “1 through 5” and renumbering section 5 as 6 (with additional amendments), was executed by substituting sections 1 to 5 for former sections 1 to 4 and renumbering former section 5 as 6.)

[Ex. Ord. No. 13824, §1, revoked Ex. Ord. No. 13545, which had amended Ex. Ord. No. 13265, set out above.]

EXTENSION OF TERM OF PRESIDENT’S COUNCIL ON FITNESS, SPORTS, AND NUTRITION

Term of President’s Council on Fitness, Sports, and Nutrition (renamed President’s Council on Sports, Fitness, and Nutrition) extended until Sept. 30, 2021, by Ex. Ord. No. 13889, Sept. 27, 2019, 84 F.R. 52743, set out as a note under section 14 of the Federal Advisory Committee Act in the Appendix to Title 5, Government Organization and Employees.

Previous extensions of term of President’s Council on Fitness, Sports, and Nutrition, formerly President’s Council on Physical Fitness and Sports, were contained in the following prior Executive Orders:


Ex. Ord. No. 12366, Activities To Promote Personal Fitness

Ex. Ord. No. 12366, June 20, 2002, 67 F.R. 42467, provided:

By the authority vested in me as President by the Constitution and the laws of the United States of America, and in order to improve the efficiency and coordination of Federal policies related to personal fitness of the general public, it is hereby ordered as follows:

SECTION 1. Policy. This order is issued consistent with the following findings and principles:

(a) Growing scientific evidence indicates that an increasing number of Americans are suffering from negligible physical activity, poor dietary habits, insufficient utilization of preventive health screenings, and engaging in risky behaviors such as abuse of alcohol, tobacco, and drugs.

(b) Existing information on the importance of appropriate physical activity, diet, preventive health screen-
ings, and avoiding harmful substances is often not received by the public, or, if received, is not acted on sufficiently.

(c) Individuals of all ages, locations, and levels of personal fitness can benefit from some level of appropriate physical activity, dietary guidance, preventive health screening, and making healthy choices.

(d) While personal fitness is an individual responsibility, the Federal Government may, within the authority and funds otherwise available, expand the opportunities for individuals to empower themselves to improve their general health. Such opportunities may include improving the flow of information about personal fitness, assisting in the utilization of that information, increasing the accessibility of resources for physical activity, and reducing barriers to achieving good personal fitness.

SEC. 2. Agency Responsibilities in Promoting Personal Fitness.

(a) The Secretaries of Agriculture, Education, Health and Human Services (HHS), Housing and Urban Development, Interior, Labor, Transportation, and Veterans Affairs, and the Director of the Office of National Drug Policy shall review and evaluate the policies, programs, and regulations of their respective departments and offices that in any way relate to the personal fitness of the general public. Based on that review, the Secretaries and the Director shall determine whether existing policies, programs, and regulations of their respective departments and offices should be modified or whether new policies or programs could be implemented. These new policies and programs shall be consistent with otherwise available authority and appropriated funds, and shall improve the Federal Government’s assistance of individuals, private organizations, and State and local governments to (i) increase physical activity; (ii) promote responsible dietary habits; (iii) increase utilization of preventive health screenings; and (iv) encourage healthy choices concerning alcohol, tobacco, drugs, and safety among the general public.

(b) Each department and office included in section 2(a) shall report to the President, through the Secretary of Health and Human Services, its proposed actions within 90 days of the date of this order.

(c) There shall be a Personal Fitness Interagency Working Group (Working Group), composed of the Secretaries or Director of the departments and office included in section 2(a) (or their designees) and chaired by the Secretary of HHS or his designee. In order to improve efficiency through information sharing and to eliminate waste and overlap, the Working Group shall work to ensure the cooperation of Federal agencies in coordinating Federal personal fitness activities. The Working Group shall meet subject to the call of the Chair, but not less than twice a year. The Department of Health and Human Services shall provide such administrative support to the Working Group as the Secretary of HHS deems necessary. Each member of the Working Group shall be a full-time or permanent part-time officer or employee of the Federal Government.

SEC. 3. General Provisions. This order is intended only to improve the internal management of the executive branch and it is not intended to, and does not, create any right, benefit, trust, or responsibility, substantive or procedural, enforceable at law or equity by a party against the United States, its departments, agencies or entities, its officers or employees, or any person.

GEORGE W. BUSH.

EX. ORD. NO. 13335. INCENTIVES FOR THE USE OF HEALTH INFORMATION TECHNOLOGY AND ESTABLISHING THE POSITION OF THE NATIONAL HEALTH INFORMATION TECHNOLOGY COORDINATOR

EX. ORD. No. 13335, Apr. 27, 2004, 69 F.R. 24059, provided:

By the authority vested in me as President by the Constitution and the laws of the United States of America, and to provide leadership for the development and nationwide implementation of an interoperable health information technology infrastructure to improve the quality and efficiency of health care, it is hereby ordered as follows:

SECTION 1. Establishment. (a) The Secretary of Health and Human Services (Secretary) shall establish within the Office of the Secretary the position of National Health Information Technology Coordinator.

(b) The National Health Information Technology Coordinator (National Coordinator), appointed by the Secretary in consultation with the President or his designee, will report directly to the Secretary.

(c) The Secretary shall provide the National Coordinator with appropriate staff, administrative support, and other resources to meet its responsibilities under this order.

(d) The Secretary shall ensure that the National Coordinator begins operations within 90 days of the date of this order.

SEC. 2. Policy. In fulfilling its responsibilities, the work of the National Coordinator shall be consistent with a vision of developing a nationwide interoperable health information technology infrastructure that:

(a) Ensures that appropriate information to guide medical decisions is available at the time and place of care;

(b) Improves health care quality, reduces medical errors, and advances the delivery of appropriate, evidence-based medical care;

(c) Reduces health care costs resulting from inefficiency, medical errors, inappropriate care, and incomplete information;

(d) Promotes a more effective marketplace, greater competition, and increased choice through the wider availability of accurate information on health care costs, quality, and outcomes;

(e) Improves the coordination of care and information among hospitals, laboratories, physician offices, and other ambulatory care providers through an effective infrastructure for the secure and authorized exchange of health care information; and

(f) Ensures that patients’ individually identifiable health information is secure and protected.

SEC. 3. Responsibilities of the National Health Information Technology Coordinator. (a) The National Coordinator shall:

(i) Advise the development, adoption, and implementation of health care information technology standards nationally through collaboration among public and private interests, and consistent with current efforts to set health information technology standards for use by the Federal Government;

(ii) Ensure that key technical, scientific, economic, and other issues affecting the public and private adoption of health information technology are addressed;

(iii) Evaluate evidence on the benefits and costs of interoperable health information technology and recommend methods to ensure appropriate authorization, authentication, and encryption of data for transmission over the Internet;

(iv) Address privacy and security issues related to interoperable health information technology and recommend methods to ensure appropriate authorization, authentication, and encryption of data for transmission over the Internet;

(v) Not assume or rely upon additional Federal resources or spending to accomplish adoption of interoperable health information technology; and

(vi) Include measurable outcome goals.

(b) The National Coordinator shall:
(i) Serve as the Secretary’s principal advisor on the development, application, and use of health information technology, and direct the Department of Health and Human Service’s health information technology programs;

(ii) Ensure that health information technology policy and programs of the Department of Health and Human Services (HHS) are coordinated with those of relevant executive branch agencies (including Federal commissions) with a goal of avoiding duplication of efforts and of helping to ensure that each agency undertakes activities primarily within the areas of its greatest expertise and technical capability;

(iii) To the extent permitted by law, coordinate outreach and consultation with the relevant executive branch agencies (including Federal commissions) with public and private parties of interest, including consumers, providers, payers, and administrators; and

(iv) At the request of the Office of Management and Budget, provide comments and advice regarding specific Federal health information technology programs.

Sect. 4. Reports. To facilitate the development of interoperable health information technologies, the Secretary of Health and Human Services shall report to the President within 90 days of this order on options to provide incentives in HHS programs that will promote the adoption of interoperable health information technology. In addition, the following reports shall be submitted to the President through the Secretary:

(a) The Director of the Office of Personnel Management shall report within 90 days of this order on options to provide incentives in the Federal Employee Health Benefit Program that will promote the adoption of interoperable health information technology;

(b) Within 90 days, the Secretary of Veterans Affairs and the Secretary of Defense shall jointly report on the approaches the Departments could take to work more actively with the private sector to make their health information systems available as an affordable option for providers in rural and medically underserved communities.

Sect. 5. Administration and Judicial Review. (a) The actions directed by this order shall be carried out subject to the availability of appropriations and to the extent permitted by law.

(b) This order is not intended to, and does not, create any right or benefit, substantive or procedural, enforceable at law or in equity against the United States, its agencies, its entities or instrumentalities, its officers or employees, or any other person.

GEORGE W. BUSH

EX. ORD. No. 13410. PROMOTING QUALITY AND EFFICIENT HEALTH CARE IN FEDERAL GOVERNMENT ADMINISTERED OR SPONSORED HEALTH CARE PROGRAMS

Ex. Ord. No. 13410, Aug. 22, 2006, 71 F.R. 51089, provided:

By the authority vested in me as President by the Constitution and the laws of the United States, and in order to promote federally led efforts to implement more transparent and high-quality health care, it is hereby ordered as follows:

SECTION 1. Purpose. It is the purpose of this order to ensure that health care programs administered or sponsored by the Federal Government promote quality and efficient delivery of health care through the use of health information technology, transparency regarding health care quality and price, and better incentives for program beneficiaries, enrollees, and providers. It is the further purpose of this order to make relevant information available to these beneficiaries, enrollees, and providers in a readily usable manner and in collaboration with similar initiatives in the private sector and non-Federal public sector. Consistent with the purpose of improving the quality and efficiency of health care, the actions and steps taken by Federal Government health care program agencies should not incur additional costs for the Federal Government.

Sect. 2. Definitions. For purposes of this order:

(a) “Agency” means an agency of the Federal Government that administers or sponsors a Federal health care program.

(b) “Federal health care program” means the Federal Employees Health Benefit Program, the Medicare program, programs operated directly by the Indian Health Service, the TRICARE program for the Department of Defense and other uniformed services, and the health care program operated by the Department of Veterans Affairs. For purposes of this order, “Federal health care program” does not include State-operated or funded federally subsidized programs such as Medicaid, the State Children’s Health Insurance Program, or services provided to Department of Veterans’ Affairs beneficiaries under 38 U.S.C. 1701.

(c) “Interoperability” means the ability to communicate and exchange data accurately, effectively, securely, and consistently with different information technology systems, software applications, and networks in various settings, and exchange data such that clinical or operational purpose and meaning of the data are preserved and unaltered.

(d) “Recognized interoperability standards” means interoperability standards recognized by the Secretary of Health and Human Services (the “Secretary”), in accordance with guidance developed by the Secretary, as existing on the date of the implementation, acquisition, or upgrade of health information technology systems under subsections (1) or (2) of section 3(a) of this order.

Sect. 3. Directives for Agencies. Agencies shall perform the following functions:

(a) Health Information Technology. 

(1) For Federal Agencies that the agency implements, acquires, or upgrades health information technology systems used for the direct exchange of health information between agencies and with non-Federal entities, it shall utilize, where available, health information technology systems and products that meet recognized interoperability standards.

(2) For Contracting Purposes. Each agency shall require in contracts or agreements with health care providers, health plans, or health insurance issuers that as each provider, plan, or issuer implements, acquires, or upgrades health information technology systems, it shall utilize, where available, health information technology systems and products that meet recognized interoperability standards.

(b) Transparency of Quality Measurements. 

(1) In General. Each agency shall implement programs measuring the quality of services supplied by health care providers to the beneficiaries or enrollees of a Federal health care program. Such programs shall be based upon standards established by multi-stakeholder entities identified by the Secretary or by another agency subject to this order. Each agency shall develop its quality measurements in collaboration with similar initiatives in the private and non-Federal public sectors.

(2) Facilitation. An agency satisfies the requirements of this subsection if it participates in the aggregation of claims and other appropriate data for the purposes of quality measurement. Such aggregation shall be based upon standards established by multi-stakeholder entities identified by the Secretary or by another agency subject to this order.

(c) Transparency of Pricing Information. Each agency shall make available (or provide for the availability) to the beneficiaries or enrollees of a Federal health care program and, at the option of the agency, to the public the prices that it, its health insurance issuers, or its health insurance plans pay for procedures to providers in the health care program with which the agency, issuer, or plan contracts. Each agency shall also, in collaboration with multi-stakeholder groups such as those described in subsection (b)(1), participate in the development of information regarding the overall costs of services for common episodes of care and the treatment of common chronic diseases.
(d) Promoting Quality and Efficiency of Care. Each agency shall develop and identify, for beneficiaries, enrollees, and providers, approaches that encourage and facilitate the provision and receipt of high-quality and efficient health care. Such approaches may include pay-for-performance models of reimbursement consistent with current law. An agency will satisfy the requirements of this subsection if it makes available to beneficiaries or enrollees consumer-directed health care insurance products.

SEC. 4. Implementation Date. Agencies shall comply with the requirements of this order by January 1, 2007.

SEC. 5. Administration and Judicial Review.

(a) This order does not assume or rely upon additional Federal resources or spending to promote quality and efficient health care. Further, the actions directed by this order shall be carried out subject to the availability of appropriations and to the maximum extent permitted by law.

(b) This order shall be implemented in new contracts or new contract cycles as they may be renewed from time to time. Renegotiation outside of the normal contract cycle processes should be avoided.

(c) This order is not intended to, and does not, create any right or benefit, substantive or procedural, enforceable at law or in equity against the United States, its departments, agencies, or entities, its officers, employees, or agents, or any other person.

GEORGE W. BUSH.

§ 300u–1. Grants and contracts for research programs; authority of Secretary; review of applications; additional functions; periodic public survey

(a) The Secretary is authorized to conduct and support by grant or contract (and encourage others to support) research in health information and health promotion, preventive health services, and education in the appropriate use of health care. Applications for grants and contracts under this section shall be subject to appropriate peer review. The Secretary shall also—

(1) provide consultation and technical assistance to persons who need help in preparing research proposals or in actually conducting research;

(2) determine the best methods of disseminating information concerning personal health behavior, preventive health services and the appropriate use of health care and of affecting behavior so that such information is applied to maintain and improve health, and prevent disease, reduce its risk, or modify its course or severity;

(3) determine and study environmental, occupational, social, and behavioral factors which affect and determine health and ascertain those programs and areas for which educational and preventive measures could be implemented to improve health as it is affected by such factors;

(4) develop (A) methods by which the cost and effectiveness of activities respecting health information and health promotion, preventive health services, and education in the appropriate use of health care, can be measured, including methods for evaluating the effectiveness of various settings for such activities and the various types of persons engaged in such activities, (B) methods for reimbursement or payment for such activities, and (C) models and standards for the conduct of such activities, including models and standards for the education, by providers of institutional health services, of individuals receiving such services respecting the nature of the institutional health services provided the individuals and the symptoms, signs, or diagnoses which led to provision of such services;

(5) develop a method for assessing the cost and effectiveness of specific medical services and procedures under various conditions of use, including the assessment of the sensitivity and specificity of screening and diagnostic procedures; and

(6) enumerate and assess, using methods developed under paragraph (5), preventive health measures and services with respect to their cost and effectiveness under various conditions of use (which measures and services may include blood pressure screening, cholesterol screening and control, smoking cessation programs, substance abuse programs, cancer screening, dietary and nutritional counseling, diabetes screening and education, intraocular pressure screening, and stress management).

(b) The Secretary shall make a periodic survey of the needs, interest, attitudes, knowledge, and behavior of the American public regarding health and health care. The Secretary shall take into consideration the findings of such surveys and the findings of similar surveys conducted by national and community health education organizations, and other organizations and agencies for formulating policy respecting health information and health promotion, preventive health services, and education in the appropriate use of health care.


AMENDMENTS

1992—Subsec. (a)(6). Pub. L. 102–531 inserted before period “‘which measures and services may include blood pressure screening, cholesterol screening and control, smoking cessation programs, substance abuse programs, cancer screening, dietary and nutritional counseling, diabetes screening and education, intraocular pressure screening, and stress management’.”

§ 300u–2. Grants and contracts for community health programs

(a) Authority of Secretary; particular activities

The Secretary is authorized to conduct and support by grant or contract (and encourage others to support) new and innovative programs in health information and health promotion, preventive health services, and education in the appropriate use of health care, and may specifically—

(1) support demonstration and training programs in such matters which programs (A) are in hospitals, ambulatory care settings, home care settings, schools, day care programs for children, and other appropriate settings representative of broad cross sections of the population, and include public education activities of voluntary health agencies, professional medical societies, and other private nonprofit health organizations, (B) focus on objectives that are measurable, and (C) emphasize the prevention or moderation of illness or acci-
§ 300u–3

The Secretary is authorized to conduct and support by grant or contract (and encourage others to support) such activities as may be required to make information respecting health problems, including programs concerned with obesity, hypertension, and diabetes; information to enable the public to make comparisons of the costs and benefits of such policies and plans.

(b) Grants to States and other public and nonprofit private entities; costs of demonstrating and evaluating programs; development of models

The Secretary is authorized to make grants to States and other public and nonprofit private entities to assist them in meeting the costs of demonstrating and evaluating programs which provide information respecting the costs and quality of health care or information respecting health insurance policies and prepaid health plans, or information respecting both. After the development of models pursuant to section 300u–3(4) and 300u–3(5) of this title for such information, no grant may be made under this subsection for a program unless the information to be provided under the program is provided in accordance with one of such models applicable to the information.

(c) Private nonprofit entities; limitation on amount of grant or contract

The Secretary is authorized to support by grant or contract (and encourage others to support) private nonprofit entities working in health information and health promotion, preventive health services, and education in the appropriate use of health care. The amount of any grant or contract for a fiscal year beginning after September 30, 1978, for an entity may not exceed 25 per centum of the expenses of the entity for such fiscal year for health information and health promotion, preventive health services, and education in the appropriate use of health care.

(2) provide consultation and technical assistance to organizations that request help in planning, operating, or evaluating programs in such matters;

(3) develop health information and health promotion materials and teaching programs including (A) model curriculums for the training of educational and health professionals and paraprofessionals in health education by medical, dental, and nursing schools, schools of public health, and other institutions engaged in training of educational or health professionals, (B) model curriculums to be used in elementary and secondary schools and institutions of higher learning, (C) materials and programs for the continuing education of health professionals and paraprofessionals in the health education of their patients, (D) materials for public service use by the printed and broadcast media, and (E) materials and programs to assist providers of health care in providing health education to their patients; and

(4) support demonstration and evaluation programs for individual and group self-help programs designed to assist the participant in using his individual capacities to deal with health problems, including programs concerned with obesity, hypertension, and diabetes.

(2) Securing the cooperation of the communications media, providers of health care, schools, and others in activities designed to promote and encourage the use of health maintaining information and behavior.

(3) The study of health information and promotion in advertising and the making to concerned Federal agencies and others such recommendations respecting such advertising as are appropriate.

(4) The development of models and standards for the publication by States, insurance carriers, prepaid health plans, and others (except individual health practitioners) of information for use by the public respecting the cost and quality of health care, including information to enable the public to make comparisons of the cost and quality of health care.

(5) The development of models and standards for the publication by States, insurance carriers, prepaid health plans, and others of information for use by the public respecting health insurance policies and prepaid health plans, including information on the benefits provided by the various types of such policies and plans, the premium charges for such policies and plans, exclusions from coverage or eligibility for coverage, cost sharing requirements, and the ratio of the amounts paid as benefits to the amounts received as premiums and information to enable the public to make relevant comparisons of the costs and benefits of such policies and plans.

(2) after September 30, 1978, for an entity may not exceed 25 per centum of the expenses of the entity for such fiscal year for health information and health promotion, preventive health services, and education in the appropriate use of health care. The amount of any grant or contract for a fiscal year beginning after September 30, 1978, for an entity may not exceed 25 per centum of the expenses of the entity for such fiscal year for health information and health promotion, preventive health services, and education in the appropriate use of health care.

(7) The Secretary is authorized to support by grant or contract (and encourage others to support) private nonprofit entities working in health information and health promotion, preventive health services, and education in the appropriate use of health care. The amount of any grant or contract for a fiscal year beginning after September 30, 1978, for an entity may not exceed 25 per centum of the expenses of the entity for such fiscal year for health information and health promotion, preventive health services, and education in the appropriate use of health care.

(8) The Secretary is authorized to support by grant or contract (and encourage others to support) private nonprofit entities working in health information and health promotion, preventive health services, and education in the appropriate use of health care. The amount of any grant or contract for a fiscal year beginning after September 30, 1978, for an entity may not exceed 25 per centum of the expenses of the entity for such fiscal year for health information and health promotion, preventive health services, and education in the appropriate use of health care.

§ 300u–4. Status reports to President and Congress; study of health education and preventive health services with respect to insurance coverage

(a) The Secretary shall, not later than two years after June 23, 1976, and biannually thereafter, submit to the President for transmittal to Congress a report on the status of health information and health promotion, preventive health services, and education in the appropriate use of health care. Each such report shall include—

(1) a statement of the activities carried out under this subchapter since the last report and the extent to which each such activity achieves the purposes of this subchapter;

(2) an assessment of the manpower resources needed to carry out programs relating to health information and health promotion, preventive health services, and education in the appropriate use of health care, and a statement describing the activities currently being carried out under this subchapter designed to prepare teachers and other manpower for such programs;

(3) the goals and strategy formulated pursuant to section 300u(a)(1) of this title, the models and standards developed under this subchapter, and the results of the study required by subsection (b) of this section; and

(4) such recommendations as the Secretary considers appropriate for legislation respecting health information and health promotion, preventive health services, and education in the appropriate use of health care, including recommendations for revisions to and extension of this subchapter.

(b) The Secretary shall conduct a study of health education services and preventive health services to determine the coverage of such services under public and private health insurance programs, including the extent and nature of such coverage and the cost sharing requirements required by such programs for coverage of such services.


AMENDMENTS

1984—Par. (6) Pub. L. 98–551 struck out par. (6) which provided grant authority to the Secretary to assess, with respect to the effectiveness, safety, cost, and required training for and conditions of use, of new aspects of health care, and new activities, programs, and services designed to improve human health and publish in readily understandable language for public and professional use such assessments and, in the case of controversial aspects of health care, activities, programs, or services, publish differing views or opinions respecting the effectiveness, safety, cost, and required training for and conditions of use, of such aspects of health care, activities, programs, or services.

§ 300u–5. Centers for research and demonstration of health promotion and disease prevention

(a) Establishment; grants; contracts; research and demonstration projects

The Secretary shall make grants or enter into contracts with academic health centers for the establishment, maintenance, and operation of centers for research and demonstration with respect to health promotion and disease prevention. Centers established, maintained, or operated under this section shall undertake research and demonstration projects in health promotion, disease prevention, and improved methods of appraising health hazards and risk factors, and shall serve as demonstration sites for the use of new and innovative research in public health techniques to prevent chronic diseases.

(b) Location; types of research and projects

Each center established, maintained, or operated under this section shall—

(1) be located in an academic health center with—

(A) a multidisciplinary faculty with expertise in public health and which has working relationships with relevant groups in such fields as medicine, psychology, nursing, social work, education and business;

(B) graduate training programs relevant to disease prevention;

(C) a core faculty in epidemiology, biostatistics, social sciences, behavioral and environmental health sciences, and health administration;

(D) a demonstrated curriculum in disease prevention;

(E) a capability for residency training in public health or preventive medicine; and

(F) such other qualifications as the Secretary may prescribe;

(2) conduct—

(A) health promotion and disease prevention research, including retrospective studies and longitudinal prospective studies in population groups and communities;

(B) demonstration projects for the delivery of services relating to health promotion and disease prevention to defined population groups using, as appropriate, community outreach and organization techniques and other methods of educating and motivating communities; and

(C) evaluation studies on the efficacy of demonstration projects conducted under subparagraph (B) of this paragraph.

The design of any evaluation study conducted under subparagraph (C) shall be established prior to the commencement of the demonstration project under subparagraph (B) for which the evaluation will be conducted.

(c) Equitable geographic distribution of centers; procedures

(1) In making grants and entering into contracts under this section, the Secretary shall
provide for an equitable geographical distribution of centers established, maintained, and operated under this section and for the distribution of such centers among areas containing a wide range of population groups which exhibit incidences of diseases which are most amenable to preventive intervention.

(2) The Secretary, through the Director of the Centers for Disease Control and Prevention and in consultation with the Director of the National Institutes of Health, shall establish procedures for the appropriate peer review of applications for grants and contracts under this section by peer review groups composed principally of non-Federal experts.

(d) "Academic health center" defined

For purposes of this section, the term "academic health center" means a school of medicine, a school of osteopathy, or a school of public health, as such terms are defined in section 292a(4) of this title.

(e) Authorization of appropriations

For the purpose of carrying out this section, there are authorized to be appropriated $10,000,000 for fiscal year 1992, and such sums as may be necessary for each of the fiscal years 1993 through 2003.

(1) In general

$3,000,000 for the fiscal year ending September 30, 1985, $8,000,000 for the fiscal year ending September 30, 1986, $13,000,000 for the fiscal year ending September 30, 1987, $15,000,000 for fiscal year 1988, $8,000,000 for fiscal year 1990, and $10,000,000 for fiscal year 1991.

(2) Prior provisions


References in Text

Section 292a of this title, referred to in subsec. (d), was in the original a reference to section 701 of act July 1, 1944. Section 701 of that Act was omitted in the general revision of subchapter V of this chapter by Pub. L. 102–408, title I, §102, Oct. 13, 1992, 106 Stat. 1994. Pub. L. 102–408 enacted a new section 701 of act July 1, 1944, relating to statement of purpose, and a new section 702, relating to scope and duration of loan insurance programs, which are classified to sections 292a and 292a, respectively, of this title. For provisions relating to definitions, see section 295p of this title.

Amendments


1992—Subsec. (c)(2). Pub. L. 102–531, which directed amendment of subsec. (c)(2)(B) by substituting "Centers for Disease Control and Prevention" for "Centers for Disease Control", was executed by making the substitution in subsec. (c)(2) to reflect the probable intent of Congress and the redesignation of subsec. (c)(2)(B) as subsec. (c)(2) by Pub. L. 102–188. See 1991 Amendment note below.

1991—Subsec. (c). Pub. L. 102–188, §102(b), redesignated subpars. (A) and (B) of par. (1) as pars. (1) and (2), respectively, and struck out former par. (1), which read as follows: "During fiscal year 1985, the Secretary shall make grants or enter into contracts for the establishment of three centers under this section. During fiscal year 1986, the Secretary shall make grants and enter into contracts for the establishment of five centers under this section and the maintenance and operation of the three centers established under this section in fiscal year 1985. During fiscal year 1987, the Secretary shall make grants and enter into contracts for the establishment of five centers under this section and the operation and maintenance of the eight centers established under this section in fiscal years 1985 and 1986."

Subsec. (e). Pub. L. 102–188, §102(a), amended subsec. (e) generally. Prior to amendment, subsec. (e) read as follows: "To carry out this section, there are authorized to be appropriated $3,000,000 for the fiscal year ending September 30, 1985, $8,000,000 for the fiscal year ending September 30, 1986, $13,000,000 for the fiscal year ending September 30, 1987, $15,000,000 for fiscal year 1988, $8,000,000 for fiscal year 1990, and $10,000,000 for fiscal year 1991."

1988—Subsec. (e). Pub. L. 100–607 struck out "and" after "'1986,'" and inserted "', $6,000,000 for fiscal year 1989, $8,000,000 for fiscal year 1990, and $10,000,000 for fiscal year 1991'" before period at end.

§ 300u–6. Office of Minority Health

(a) In general

There is established an Office of Minority Health. The Office of Minority Health as existing on March 23, 2010, shall be transferred to the Office of Minority Health as in such manner that there is established in the Office of the Secretary, the Office of Minority Health, which shall be headed by the Deputy Assistant Secretary for Minority Health who shall report directly to the Secretary, and shall retain and strengthen authorities (as in existence on March 23, 2010) for the purpose of improving minority health and the quality of health care minorities receive, and eliminating racial and ethnic disparities. In carrying out this subsection, the Secretary, acting through the Deputy Assistant Secretary, shall award grants, contracts, enter into memoranda of understanding, cooperative, interagency, intra-agency and other agreements with public and nonprofit private entities, agencies, as well as Departmental and Cabinet agencies and organizations, and with organizations that are indigenous human resource providers in communities of color to assure improved health status of racial and ethnic minorities, and shall develop measures to evaluate the effectiveness of activities aimed at reducing health disparities and supporting the local community. Such measures shall evaluate community outreach activities, language services, workforce cultural competence, and other areas as determined by the Secretary.

(b) Duties

With respect to improving the health of racial and ethnic minority groups, the Secretary, acting through the Deputy Assistant Secretary for Minority Health (in this section referred to as the "Deputy Assistant Secretary"), shall carry out the following:

(1) Establish short-range and long-range goals and objectives and coordinate all other
activities within the Public Health Service that relate to disease prevention, health promotion, service delivery, and research concerning such individuals. The heads of each of the agencies of the Service shall consult with the Deputy Assistant Secretary to ensure the coordination of such activities.

(2) Enter into interagency agreements with other agencies of the Public Health Service.

(3) Support research, demonstrations and evaluations to test new and innovative models.

(4) Increase knowledge and understanding of health risk factors.

(5) Develop mechanisms that support better information dissemination, education, prevention, assessment of the need for services for individuals from disadvantaged backgrounds, including individuals who are members of racial or ethnic minority groups.

(6) Ensure that the National Center for Health Statistics collects data on the health status of each minority group.

(7) With respect to individuals who lack proficiency in speaking the English language, enter into contracts with public and nonprofit private providers of primary health services for the purpose of increasing the access of the individuals to such services by developing and carrying out programs to provide bilingual or interpretive services.

(8) Support a national minority health resource center to carry out the following:

(A) Facilitate the exchange of information regarding matters relating to health information and health promotion, preventive health services, and education in the appropriate use of health care.

(B) Facilitate access to such information.

(C) Assist in the analysis of issues and problems relating to such matters.

(D) Provide technical assistance with respect to the exchange of such information (including facilitating the development of materials for such technical assistance).

(9) Carry out programs to improve access to health care services for individuals with limited proficiency in speaking the English language. Activities under the preceding sentence shall include developing and evaluating model projects.

(10) Advise in matters related to the development, implementation, and evaluation of health professions education in decreasing disparities in health care outcomes, including cultural competency as a method of eliminating health disparities.

(c) Advisory Committee

(1) In general

The Secretary shall establish an advisory committee to be known as the Advisory Committee on Minority Health (in this subsection referred to as the ‘‘Committee’’).

(2) Duties

The Committee shall provide advice to the Deputy Assistant Secretary carrying out this section, including advice on the development of goals and specific program activities under paragraphs (1) through (10) of subsection (b) for each racial and ethnic minority group.

(3) Chair

The chairperson of the Committee shall be selected by the Secretary from among the members of the voting members of the Committee. The term of office of the chairperson shall be 2 years.

(4) Composition

(A) The Committee shall be composed of 12 voting members appointed in accordance with subparagraph (B), and nonvoting, ex officio members designated in subparagraph (C).

(B) The voting members of the Committee shall be appointed by the Secretary from among individuals who are not officers or employees of the Federal Government and who have expertise regarding issues of minority health. The racial and ethnic minority groups shall be equally represented among such members.

(C) The nonvoting, ex officio members of the Committee shall be such officials of the Department of Health and Human Services as the Secretary determines to be appropriate.

(5) Terms

Each member of the Committee shall serve for a term of 4 years, except that the Secretary shall initially appoint a portion of the members to terms of 1 year, 2 years, and 3 years.

(6) Vacancies

If a vacancy occurs on the Committee, a new member shall be appointed by the Secretary within 90 days from the date that the vacancy occurs, and serve for the remainder of the term for which the predecessor of such member was appointed. The vacancy shall not affect the power of the remaining members to execute the duties of the Committee.

(7) Compensation

Members of the Committee who are officers or employees of the United States shall serve without compensation. Members of the Committee who are not officers or employees of the United States shall receive compensation, for each day (including travel time) they are engaged in the performance of the functions of the Committee. Such compensation may not be in an amount in excess of the daily equivalent of the annual maximum rate of basic pay payable under the General Schedule (under title 5) for positions above GS–15.

(d) Certain requirements regarding duties

(1) Recommendations regarding language

(A) Proficiency in speaking English

The Deputy Assistant Secretary shall consult with the Director of the Office of International and Refugee Health, the Director of the Office of Civil Rights, and the Directors of other appropriate departmental entities regarding recommendations for carrying out activities under subsection (b)(9).

(B) Health professions education regarding health disparities

The Deputy Assistant Secretary shall carry out the duties under subsection (b)(10) in collaboration with appropriate personnel
§ 300u–6

TITLE 42—THE PUBLIC HEALTH AND WELFARE

Page 1222

of the Department of Health and Human Services, other Federal agencies, and other offices, centers, and institutions, as appropriate, that have responsibilities under the Minority Health and Health Disparities Research and Education Act of 2000.

(2) Equitable allocation regarding activities
In carrying out subsection (b), the Secretary shall ensure that services provided under such subsection are equitably allocated among all groups served under this section by the Secretary.

(3) Cultural competency of services
The Secretary shall ensure that information and services provided pursuant to subsection (b) are provided in the language, educational, and cultural context that is most appropriate for the individuals for whom the information and services are intended.

(e) Grants and contracts regarding duties
(1) In general
In carrying out subsection (b), the Secretary acting through the Deputy Assistant Secretary may make awards of grants, cooperative agreements, and contracts to public and nonprofit private entities.

(2) Process for making awards
The Deputy Assistant Secretary shall ensure that awards under paragraph (1) are made, to the extent practical, only on a competitive basis, and that a grant is awarded for a proposal only if the proposal has been recommended for such an award through a process of peer review.

(3) Evaluation and dissemination
The Deputy Assistant Secretary, directly or through contracts with public and private entities, shall provide for evaluations of projects carried out with awards made under paragraph (1) during the preceding 2 fiscal years. The report shall be included in the report required under subsection (f) for the fiscal year involved.

(f) Reports
(1) In general
Not later than February 1 of fiscal year 1999 and of each second year thereafter, the Secretary shall submit to the Committee on Energy and Commerce of the House of Representatives, and to the Committee on Labor and Human Resources of the Senate, a report describing the activities carried out under this section during the preceding 2 fiscal years and evaluating the extent to which such activities have been effective in improving the health of racial and ethnic minority groups. Each such report shall include the biennial reports submitted under subsections (e)(3) and (f)(2) for such years by the heads of the Public Health Service agencies.

(2) Agency reports
Not later than February 1, 1999, and biennially thereafter, the heads of the Public Health Service agencies shall submit to the Deputy Assistant Secretary a report summarizing the minority health activities of each of the respective agencies.

(g) Definitions
For purposes of this section:
(1) The term "racial and ethnic minority group" means American Indians (including Alaska Natives, Eskimos, and Aleuts); Asian Americans; Native Hawaiians and other Pacific Islanders; Blacks; and Hispanics.
(2) The term "Hispanic" means individuals whose origin is Mexican, Puerto Rican, Cuban, Central or South American, or any other Spanish-speaking country.

(h) Authorization of appropriations
For the purpose of carrying out this section, there are authorized to be appropriated such sums as may be necessary for each of fiscal years 2011 through 2016.


REFERENCES IN TEXT
The General Schedule, referred to in subsec. (c)(7), is set out under section 5332 of Title 5, Government Organization and Employees.


PRIORITY PROVISIONS

AMENDMENTS
2010—Subsec. (a). Pub. L. 111–148, § 10334(a)(1)(A), amended text of subsec. (a) generally. Prior to amendment, text read as follows: "There is established an Office of Minority Health within the Office of Public Health and Science. There shall be in the Department of Health and Human Services a Deputy Assistant Secretary for Minority Health, who shall be the head of the Office of Minority Health. The Secretary, acting through such Deputy Assistant Secretary, shall carry out this section."
Subsec. (b). Pub. L. 111–148, § 10334(a)(1)(B), added subsec. (b) and struck out former subsec. (b). Prior to amendment, text of subsec. (b), which consisted only of a par. (1), read as follows: "(1) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of carrying out this section, there are authorized to be appropriated $30,000,000 for fiscal year 1998, and such sums as may be necessary for each of the fiscal years 1999 through 2002."

See References in Text note below.
a committee established by the Congress, its duration is otherwise provided by law. See section 14 of Pub. L. 92–463, Oct. 6, 1972, 86 Stat. 776, set out in the Appendix to Title 5, Government Organization and Employees. Pub. L. 93–641, § 6, Jan. 4, 1975, 88 Stat. 2275, set out as a note under section 217a of this title, provided that an advisory committee established pursuant to the Public Health Service Act shall terminate at such time as may be specifically prescribed by an Act of Congress enacted after Jan. 4, 1975.

REPORTS
Pub. L. 111–148, title X, §10334(a)(3), Mar. 23, 2010, 124 Stat. 972, provided that: “Not later than 1 year after the date of enactment of this section [Mar. 23, 2010], and biennially thereafter, the Secretary of Health and Human Services shall prepare and submit to the appropriate committees of Congress a report describing the activities carried out under section 1707 of the Public Health Service Act [42 U.S.C. 300u–6] (as amended by this subsection) during the period for which the report is being prepared. Not later than 1 year after the date of enactment of this section, and biennially thereafter, the heads of each of the agencies of the Department of Health and Human Services shall submit to the Deputy Assistant Secretary for Minority Health a report summarizing the minority health activities of each of the respective agencies.”

CONGRESSIONAL FINDINGS
Pub. L. 101–327, §1(b), Nov. 6, 1990, 104 Stat. 2311, provided that: “The Congress finds that—

(1) racial and ethnic minorities are disproportionately represented among individuals from disadvantaged backgrounds;

(2) the health status of individuals from disadvantaged backgrounds, including racial and ethnic minorities, in the United States is significantly lower than the health status of the general population of the United States;

(3) minorities suffer disproportionately high rates of cancer, stroke, heart diseases, diabetes, substance abuse, acquired immune deficiency syndrome, and other diseases and disorders;

(4) the incidence of infant mortality among minorities is almost double that for the general population;

(5) Blacks, Hispanics, and Native Americans constitute approximately 12 percent, 7.9 percent, and 0.01 percent, respectively, of the population of the United States;

(6) Blacks, Hispanics, and Native Americans in the United States constitute approximately 3 percent, 4 percent, and less than 0.01 percent, respectively, of physicians, 2.7 percent, 1.7 percent, and less than 0.01 percent, respectively, of dentists, and 4.5 percent, 1.6 percent, and less than 0.01 percent, respectively, of nurses;

(7) the number of individuals who are from disadvantaged backgrounds in health professions should be increased for the purpose of improving the access of other such individuals to health services;

(8) minority health professionals have historically tended to practice in low-income areas and to serve minorities;

(9) minority health professionals have historically tended to engage in the general practice of medicine and specialties providing primary care;

(10) reports published in leading medical journals indicate that access to health care among minorities can be substantially improved by increasing the number of minority health professionals;

(11) increasing the number of minorities serving on the faculties of health professions schools can be an important factor in attracting minorities to pursue a career in the health professions;

(12) diversity in the faculty and student body of health professions schools enhances the quality of education for all students attending the schools;
(13) the Report of the Secretary’s Task Force on Black and Minority Health (prepared for the Secretary of Health and Human Services and issued in 1985) described the health status problems of minorities, and made recommendations concerning measures that should be implemented by the Secretary with respect to improving the health status of minorities through programs for providing health information and education; and

(14) the Office of Minority Health, created in 1985 by the Secretary of Health and Human Services, should be authorized pursuant to statute and should receive increased funding to support efforts to improve the health of individuals from disadvantaged backgrounds, including minorities, including the implementation of the recommendations made by the Secretary’s Task Force on Black and Minority Health.”

§ 300u–6a. Individual offices of minority health within the Department

(a) In general

The head of each agency specified in subsection (b)(1) shall establish within the agency an office to be known as the Office of Minority Health. The head of each such Office shall be appointed by the head of the agency within which the Office is established, and shall report directly to the head of the agency. The head of such agency shall carry out this section (as this section relates to the agency) acting through such Director.

(b) Specified agencies

The agencies referred to in subsection (a) are the Centers for Disease Control and Prevention, the Health Resources and Services Administration, the Substance Abuse and Mental Health Services Administration, the Agency for Healthcare Research and Quality, the Food and Drug Administration, and the Centers for Medicare & Medicaid Services.

(c) Director; appointment

Each Office of Minority Health established in an agency listed in subsection (a) shall be headed by a director, with documented experience and expertise in minority health services research and health disparities elimination.

(d) References

Except as otherwise specified, any reference in Federal law to an Office of Minority Health (in the Department of Health and Human Services) is deemed to be a reference to the Office of Minority Health in the Office of the Secretary.

(e) Funding

(1) Allocations

Of the amounts appropriated for a specified agency for a fiscal year, the Secretary must designate an appropriate amount of funds for the purpose of carrying out activities under this section through the minority health office of the agency. In reserving an amount under the preceding sentence for a minority health office for a fiscal year, the Secretary shall reduce, by substantially the same percentage, the amount that otherwise would be available for each of the programs of the designated agency involved.

(2) Availability of funds for staffing

The purposes for which amounts made available under paragraph 3 may be expended by a minority health office include the costs of employing staff for such office.


Construction

Pub. L. 111–148, title X, §10334(b)(2), Mar. 23, 2010, 124 Stat. 973, provided that: “Nothing in this subsection [enacting this section and provisions set out as a note under this section] and the amendments made by this subsection may be construed as establishing regulatory authority or modifying any existing regulatory authority.”

Application of Allocation Requirements

Pub. L. 112–10, div. B, title VIII, §1207, Apr. 15, 2011, 125 Stat. 162, provided that: “Hereafter, no funds appropriated by this division or by any previous or subsequent Act shall be subject to the allocation requirements of section 1707A(e) (42 U.S.C. 300u–6a(e)) of the PHS Act [Public Health Service Act].”

Limitation on Termination

Pub. L. 111–148, title X, §10334(b)(3), Mar. 23, 2010, 124 Stat. 973, provided that: “Notwithstanding any other provision of law, a Federal office of minority health or Federal appointive position with primary responsibility over minority health issues that is in existence in an office of [or] agency of the Department of Health and Human Services on the date of enactment of this section [Mar. 23, 2010] shall not be terminated, reorganized, or have any of its power or duties transferred unless such termination, reorganization, or transfer is approved by an Act of Congress.”

§ 300u–7. Office of Adolescent Health

(a) In general

There is established an Office of Adolescent Health within the Office of the Assistant Secretary for Health, which office shall be headed by a director appointed by the Secretary. The Secretary shall carry out this section acting through the Director of such Office.

(b) Duties

With respect to adolescent health, the Secretary shall—

(1) coordinate all activities within the Department of Health and Human Services that relate to disease prevention, health promotion, preventive health services, and health information and education with respect to the appropriate use of health care, including coordinating—

(A) the design of programs, support for programs, and the evaluation of programs;

(B) the monitoring of trends;

(C) projects of research (including multidisciplinary projects) on adolescent health; and

(D) the training of health providers who work with adolescents, particularly nurse practitioners, physician assistants, and social workers;

(2) coordinate the activities described in paragraph (1) with similar activities in the private sector; and

3 So in original. Subsec. (b) does not contain a par. (1).
4 So in original. Probably should be “paragraph (1)”.
5 So in original. Probably should be capitalized.
(3) support projects, conduct research, and disseminate information relating to preventive medicine, health promotion, and physical fitness and sports medicine.

c) Certain demonstration projects

(1) In general

In carrying out subsection (b)(3), the Secretary may make grants to carry out demonstration projects for the purpose of improving adolescent health, including projects to train health care providers in providing services to adolescents and projects to reduce the incidence of violence among adolescents, particularly among minority males.

(2) Authorization of appropriations

For the purpose of carrying out paragraph (1), there are authorized to be appropriated $5,000,000 for fiscal year 1993, and such sums as may be necessary for each of the fiscal years 1994 through 1997.

d) Information clearinghouse

In carrying out subsection (b), the Secretary shall establish and maintain a National Information Clearinghouse on Adolescent Health to collect and disseminate to health professionals and the general public information on adolescent health.

e) National plan

In carrying out subsection (b), the Secretary shall develop a national plan for improving adolescent health. The plan shall be consistent with the applicable objectives established by the Secretary for the health status of the people of the United States for the year 2000, and shall be periodically reviewed, and as appropriate, revised. The plan, and any revisions in the plan, shall be submitted to the Committee on Energy and Commerce of the House of Representatives and the Committee on Labor and Human Resources of the Senate.

f) Adolescent health

For purposes of this section, the term "adolescent health", with respect to adolescents of all ethnic and racial groups, means all diseases, disorders, and conditions (including with respect to mental health)—

(1) unique to adolescents, or more serious or more prevalent in adolescents;

(2) for which the factors of medical risk or types of medical intervention are different for adolescents, or for which it is unknown whether such factors or types are different for adolescents; or

(3) with respect to which there has been insufficient clinical research involving adolescents as subjects or insufficient clinical data on adolescents.


Prior Provisions


Change of Name

Committee on Labor and Human Resources of Senate changed to Committee on Health, Education, Labor, and Pensions of Senate by Senate Resolution No. 20, One Hundred Sixth Congress, Jan. 19, 1999.

Committee on Energy and Commerce of House of Representatives treated as referring to Committee on Commerce of House of Representatives by section 1(a) of Pub. L. 104-14, set out as a note preceding section 21 of Title 2, The Congress. Committee on Commerce of House of Representatives changed to Committee on Energy and Commerce of House of Representatives, and jurisdiction over matters relating to securities and exchanges and insurance generally transferred to Committee on Financial Services of House of Representatives by House Resolution No. 5, One Hundred Seventh Congress, Jan. 3, 2001.

§ 300u–8. Biennial report regarding nutrition and health

(a) Biennial report

The Secretary shall require the Surgeon General of the Public Health Service to prepare biennial reports on the relationship between nutrition and health. Such reports may, with respect to such relationship, include any recommendations of the Secretary and the Surgeon General.

(b) Submission to Congress

The Secretary shall ensure that, not later than February 1 of 1995 and of every second year thereafter, a report under subsection (a) is submitted to the Committee on Energy and Commerce of the House of Representatives and the Committee on Labor and Human Resources of the Senate.


Prior Provisions


Change of Name

Committee on Labor and Human Resources of Senate changed to Committee on Health, Education, Labor, and Pensions of Senate by Senate Resolution No. 20, One Hundred Sixth Congress, Jan. 19, 1999.

Committee on Energy and Commerce of House of Representatives treated as referring to Committee on Commerce of House of Representatives by section 1(a) of Pub. L. 104-14, set out as a note preceding section 21 of Title 2, The Congress. Committee on Commerce of House of Representatives changed to Committee on Energy and Commerce of House of Representatives, and jurisdiction over matters relating to securities and exchanges and insurance generally transferred to Committee on Financial Services of House of Representatives by House Resolution No. 5, One Hundred Seventh Congress, Jan. 3, 2001.

§ 300u–9. Education regarding DES

(a) In general

The Secretary, acting through the heads of the appropriate agencies of the Public Health Service, shall carry out a national program for the
education of health professionals and the public with respect to the drug diethylstilbestrol (commonly known as DES). To the extent appropriate, such national program shall use methodologies developed through the education demonstration program carried out under section 283a–3 of this title. In developing and carrying out the national program, the Secretary shall consult closely with representatives of nonprofit private entities that represent individuals who have been exposed to DES and that have expertise in community-based information campaigns for the public and for health care providers. The implementation of the national program shall begin during fiscal year 1999.

(b) Authorization of appropriations

For the purpose of carrying out this section, there are authorized to be appropriated such sums as may be necessary for each of the fiscal years 1999 through 2003. The authorization of appropriations established in the preceding sentence is in addition to any other authorization of appropriation that is available for such purpose.


References in Text

Section 283a–3 of this title, referred to in subsec. (a), was in the original "section 403C", and was translated as meaning section 403D of act July 1, 1944, ch. 373, as renumbered section 403C by section 104(a)(1) of Pub. L. 109–482 and then section 403D by section 1104(4) of Pub. L. 110–85. Another section 403C of act July 1, 1944, ch. 373, as added by section 104(a)(3) of Pub. L. 109–482, is classified to section 283a–2 of this title.

Prior Provisions


Amendments


Effective Date of 2007 Amendment

Amendment by Pub. L. 109–482 applicable only with respect to amounts appropriated for fiscal year 2007 or subsequent fiscal years, see section 109 of Pub. L. 109–482, set out as a note under section 281 of this title.


(a) Establishment

The President shall establish, within the Department of Health and Human Services, a council to be known as the “National Prevention, Health Promotion and Public Health Council” (referred to in this section as the “Council”).

(b) Chairperson

The President shall appoint the Surgeon General to serve as the chairperson of the Council.

(c) Composition

The Council shall be composed of—

(1) the Secretary of Health and Human Services;
(2) the Secretary of Agriculture;
(3) the Secretary of Education;
(4) the Chairman of the Federal Trade Commission;
(5) the Secretary of Transportation;
(6) the Secretary of Labor;
(7) the Secretary of Homeland Security;
(8) the Administrator of the Environmental Protection Agency;
(9) the Director of the Office of National Drug Control Policy;
(10) the Director of the Domestic Policy Council;
(11) the Assistant Secretary for Indian Affairs;
(12) the Chairman of the Corporation for National and Community Service; and
(13) the head of any other Federal agency that the chairperson determines is appropriate.

(d) Purposes and duties

The Council shall—

(1) provide coordination and leadership at the Federal level, and among all Federal departments and agencies, with respect to prevention, wellness and health promotion practices, the public health system, and integrative health care in the United States;
(2) after obtaining input from relevant stakeholders, develop a national prevention, health promotion, public health, and integrative health care strategy that incorporates the most effective and achievable means of improving the health status of Americans and reducing the incidence of preventable illness and disability in the United States;
(3) provide recommendations to the President and Congress concerning the most pressing health issues confronting the United States and changes in Federal policy to achieve national wellness, health promotion, and public health goals, including the reduction of tobacco use, sedentary behavior, and poor nutrition;
(4) consider and propose evidence-based models, policies, and innovative approaches for the promotion of transformative models of prevention, integrative health, and public health on individual and community levels across the United States;
(5) establish processes for continual public input, including input from State, regional, and local leadership communities and other relevant stakeholders, including Indian tribes and tribal organizations;
(6) submit the reports required under subsection (g); and
(7) carry out other activities determined appropriate by the President.

(e) Meetings

The Council shall meet at the call of the Chairperson.

See References in Text note below.

So in original. Probably should be “(h);”.

1See References in Text note below.
(f) Advisory Group

(1) In general

The President shall establish an Advisory Group to the Council to be known as the “Advisory Group on Prevention, Health Promotion, and Integrative and Public Health” (hereafter referred to in this section as the “Advisory Group”). The Advisory Group shall be within the Department of Health and Human Services and report to the Surgeon General.

(2) Composition

(A) In general

The Advisory Group shall be composed of not more than 25 non-Federal members to be appointed by the President.

(B) Representation

In appointing members under subparagraph (A), the President shall ensure that the Advisory Group includes a diverse group of licensed health professionals, including integrative health practitioners who have expertise in—

(i) worksite health promotion;
(ii) community services, including community health centers;
(iii) preventive medicine;
(iv) health coaching;
(v) public health education;
(vi) geriatrics; and
(vii) rehabilitation medicine.

(3) Purposes and duties

The Advisory Group shall develop policy and program recommendations and advise the Council on lifestyle-based chronic disease prevention and management, integrative health care practices, and health promotion.

(g) National prevention and health promotion strategy

Not later than 1 year after March 23, 2010, the Chairperson, in consultation with the Council, shall develop and make public a national prevention, health promotion and public health strategy, and shall review and revise such strategy periodically. Such strategy shall—

(1) set specific goals and objectives for improving the health of the United States through federally-supported prevention, health promotion, and public health programs, consistent with ongoing goal setting efforts conducted by specific agencies;

(2) establish specific and measurable actions and timelines to carry out the strategy, and determine accountability for meeting those timelines, within and across Federal departments and agencies; and

(3) make recommendations to improve Federal efforts relating to prevention, health promotion, public health, and integrative health care practices to ensure Federal efforts are consistent with available standards and evidence.

(h) Report

Not later than July 1, 2010, and annually thereafter through January 1, 2015, the Council shall submit to the President and the relevant committees of Congress, a report that—

(1) describes the activities and efforts on prevention, health promotion, and public health and activities to develop a national strategy conducted by the Council during the period for which the report is prepared;

(2) describes the national progress in meeting specific prevention, health promotion, and public health goals defined in the strategy and further describes corrective actions recommended by the Council and taken by relevant agencies and organizations to meet these goals;

(3) contains a list of national priorities on health promotion and disease prevention to address lifestyle behavior modification (smoking cessation, proper nutrition, appropriate exercise, mental health, behavioral health, substance use disorder, and domestic violence screenings) and the prevention measures for the 5 leading disease killers in the United States;

(4) contains specific science-based initiatives to achieve the measurable goals of Healthy People 2020 regarding nutrition, exercise, and smoking cessation, and targeting the 5 leading disease killers in the United States;

(5) contains specific plans for consolidating Federal health programs and Centers that exist to promote healthy behavior and reduce disease risk (including eliminating programs and offices determined to be ineffective in meeting the priority goals of Healthy People 2020);

(6) contains specific plans to ensure that all Federal health care programs are fully coordinated with science-based prevention recommendations by the Director of the Centers for Disease Control and Prevention; and

(7) contains specific plans to ensure that all non-Department of Health and Human Services prevention programs are based on the science-based guidelines developed by the Centers for Disease Control and Prevention under paragraph (4).

(i) Periodic reviews

The Secretary shall conduct periodic reviews, not less than every 5 years, and evaluations of every Federal disease prevention and health promotion initiative, program, and agency. Such reviews shall be evaluated based on effectiveness in meeting metrics-based goals with an analysis posted on such agencies’ public Internet websites.

(1) describes the activities and efforts on prevention, health promotion, and public health and activities to develop a national strategy conducted by the Council during the period for which the report is prepared.

(2) describes the national progress in meeting specific prevention, health promotion, and public health goals defined in the strategy and further describes corrective actions recommended by the Council and taken by relevant agencies and organizations to meet these goals.

(1) contains a list of national priorities on health promotion and disease prevention to address lifestyle behavior modification (smoking cessation, proper nutrition, appropriate exercise, mental health, behavioral health, substance use disorder, and domestic violence screenings) and the prevention measures for the 5 leading disease killers in the United States.

(4) contains specific science-based initiatives to achieve the measurable goals of Healthy People 2020 regarding nutrition, exercise, and smoking cessation, and targeting the 5 leading disease killers in the United States.

(5) contains specific plans for consolidating Federal health programs and Centers that exist to promote healthy behavior and reduce disease risk (including eliminating programs and offices determined to be ineffective in meeting the priority goals of Healthy People 2020).

(6) contains specific plans to ensure that all Federal health care programs are fully coordinated with science-based prevention recommendations by the Director of the Centers for Disease Control and Prevention; and

(7) contains specific plans to ensure that all non-Department of Health and Human Services prevention programs are based on the science-based guidelines developed by the Centers for Disease Control and Prevention under paragraph (4).

Conjugation

Section was enacted as part of the Patient Protection and Affordable Care Act, and not as part of the Public Health Service Act which comprises this chapter.

Amendments

2014—Subsec. (1). Pub. L. 113–188 substituted “The Secretary shall conduct periodic reviews” for “The Secretary and the Comptroller General of the United States shall jointly conduct periodic reviews”.


§ 300u–10  TITLE 42—THE PUBLIC HEALTH AND WELFARE

Ex. Ord. No. 13544, Establishing the National Prevention, Health Promotion, and Public Health Council

Ex. Ord. No. 13544, June 10, 2010, 75 F.R. 33883, provided:

By the authority vested in me as President by the Constitution and the laws of the United States of America, including section 4001 of the Patient Protection and Affordable Care Act (Public Law 111–148), it is hereby ordered as follows:

SECTION 1. Establishment. There is established within the Department of Health and Human Services, the National Prevention, Health Promotion, and Public Health Council (Council).

SNC 2. Membership.

(a) The Surgeon General shall serve as the Chair of the Council, which shall be composed of:

(1) the Secretary of Agriculture;
(2) the Secretary of Labor;
(3) the Secretary of Health and Human Services;
(4) the Secretary of Transportation;
(5) the Secretary of Education;
(6) the Secretary of Homeland Security;
(7) the Administrator of the Environmental Protection Agency;
(8) the Chair of the Federal Trade Commission;
(9) the Director of National Drug Control Policy;
(10) the Assistant to the President and Director of the Domestic Policy Council;
(11) the Assistant Secretary of the Interior for Indian Affairs;
(12) the Chairman of the Corporation for National and Community Service; and
(13) the head of any other executive department or agency that the Chair may, from time to time, determine is appropriate.

(b) The Council shall meet at the call of the Chair.

SNC 3. Purposes and Duties. The Council shall:

(a) provide coordination and leadership at the Federal level, and among all executive departments and agencies, with respect to prevention, wellness, and health promotion practices, the public health system, and integrative health care in the United States;

(b) develop, after obtaining input from relevant stakeholders, a national prevention, health promotion, public health, and integrative health-care strategy that incorporates the most effective and achievable means of improving the health status of Americans and reducing the incidence of preventable illness and disability in the United States, as further described in section 5 of this order;

(c) provide recommendations to the President and the Congress concerning the most pressing health issues confronting the United States and changes in Federal policy to achieve national wellness, health promotion, and public health goals, including the reduction of tobacco use, sedentary behavior, and poor nutrition;

(d) consider and propose evidence-based models, policies, and innovative approaches for the promotion of transformative models of prevention, integrative health, and public health on individual and community levels across the United States;

(e) establish processes for continual public input, including input from State, regional, and local leadership communities and other relevant stakeholders, including Indian tribes and tribal organizations;

(f) submit the reports required by section 6 of this order; and

(g) carry out such other activities as are determined appropriate by the President.


(a) There is established within the Department of Health and Human Services an Advisory Group on Prevention, Health Promotion, and Integrative and Public Health (Advisory Group), which shall report to the Chair of the Council.

(b) The Advisory Group shall be composed of not more than 25 members or representatives from outside the Federal Government appointed by the President and shall include a diverse group of licensed health professionals, including integrative health practitioners who are representative of or have expertise in:

(1) worksite health promotion;
(2) community services, including community health centers;
(3) preventive medicine;
(4) health coaching;
(5) public health education;
(6) geriatrics; and
(7) rehabilitation medicine.

(c) The Advisory Group shall develop policy and program recommendations and advise the Council on lifestyle-based chronic disease prevention and management, integrative health care practices, and health promotion.


Not later than March 23, 2011, the Chair, in consultation with the Council, shall develop and make public a national prevention, health promotion, and public health strategy (national strategy), and shall review and revise it periodically. The national strategy shall:

(a) set specific goals and objectives for improving the health of the United States through federally supported prevention, health promotion, and public health programs, consistent with ongoing goal setting efforts conducted by specific agencies;

(b) establish specific and measurable actions and timelines to carry out the strategy, and determine accountability for meeting those timelines, within and across Federal departments and agencies; and

(c) make recommendations to improve Federal efforts relating to prevention, health promotion, public health, and integrative health-care practices to ensure that Federal efforts are consistent with available standards and evidence.

SNC 6. Reports. Not later than July 1, 2010, and annually thereafter until January 1, 2015, the Council shall submit to the President and the relevant committees of the Congress, a report that:

(a) describes the activities and efforts on prevention, health promotion, and public health and activities to develop the national strategy conducted by the Council during the period for which the report is prepared;

(b) describes the national progress in meeting specific prevention, health promotion, and public health goals defined in the national strategy and further describes corrective actions recommended by the Council and actions taken by relevant agencies and organizations to meet these goals;

(c) contains a list of national priorities on health promotion and disease prevention to address lifestyle behavior modification (including smoking cessation, proper nutrition, appropriate exercise, mental health, obesity control, substance-use disorder, and domestic violence screenings) and the prevention measures for the five leading disease killers in the United States;

(d) contains specific science-based initiatives to achieve the measurable goals of the Healthy People 2020 program of the Department of Health and Human Services regarding nutrition, exercise, and smoking cessation, and targeting the five leading disease killers in the United States;

(e) contains specific plans for consolidating Federal health programs and centers that exist to promote healthy behavior and reduce disease risk (including eliminating programs and offices determined to be ineffective in meeting the priority goals of the Healthy People 2020 program of the Department of Health and Human Services);

(f) contains specific plans to ensure that all Federal health-care programs are fully coordinated with science-based prevention recommendations by the Director of the Centers for Disease Control and Prevention; and

(g) contains specific plans to ensure that all prevention programs outside the Department of Health and Human Services are based on the science-based guidelines developed by the Centers for Disease Control and Prevention under subsection (d) of this section.
SEC. 7. Administration.
(a) The Department of Health and Human Services shall provide funding and administrative support for the Council and the Advisory Group to the extent permitted by law and within existing appropriations.
(b) All executive departments and agencies shall provide information and assistance to the Council as the Chair may request for purposes of carrying out the Council’s functions, to the extent permitted by law.
(c) Members of the Advisory Group shall serve without compensation, but shall be allowed travel expenses, including per diem in lieu of subsistence, as authorized by law for persons serving intermittently in Government service (5 U.S.C. 5701–5707), consistent with the availability of funds.

(a) Insofar as the Federal Advisory Committee Act, as amended (5 U.S.C. App.) may apply to the Advisory Group, any functions of the President under that Act, except that of reporting to the Congress, shall be performed by the Secretary of Health and Human Services in accordance with the guidelines that have been issued by the Administrator of General Services.

(b) Nothing in this order shall be construed to impair or otherwise affect:
(1) authority granted by law to an executive department, agency, or the head thereof; or
(2) functions of the Director of the Office of Management and Budget relating to budgetary, administrative, or legislative proposals.

(c) This order is not intended to, and does not, create any right or benefit, substantive or procedural, enforceable at law or in equity by any party against the United States, its departments, agencies, or entities, its officers, employees, or agents, or any other person.

Barack Obama.

Extension of Term of Advisory Group on Prevention, Health Promotion, and Integrative and Public Health


Previous extension of term of Advisory Group on Prevention, Health Promotion, and Integrative and Public Health was contained in the following prior Executive Order:


§ 300u-11. Prevention and Public Health Fund

(a) Purpose

It is the purpose of this section to establish a Prevention and Public Health Fund (referred to in this section as the “Fund”), to be administered through the Department of Health and Human Services, Office of the Secretary, to provide for expanded and sustained national investment in prevention and public health programs to improve health and help restrain the rate of growth in private and public sector health care costs.

(b) Funding

There are hereby authorized to be appropriated, and appropriated, to the Fund, out of any moneys in the Treasury not otherwise appropriated—
(1) for fiscal year 2010, $500,000,000;
(2) for each of fiscal years 2012 through 2017, $1,000,000,000;
(3) for fiscal year 2018, $900,000,000;
(4) for fiscal year 2019, $900,000,000;
(5) for each of fiscal years 2020 and 2021, $950,000,000;
(6) for each of fiscal years 2022 and 2023, $1,000,000,000;
(7) for each of fiscal years 2024 and 2025, $1,300,000,000;
(8) for each of fiscal years 2026 and 2027, $1,800,000,000; and
(9) for fiscal year 2028 and each fiscal year thereafter, $2,000,000,000.

(c) Use of Fund

The Secretary shall transfer amounts in the Fund to accounts within the Department of Health and Human Services to increase funding, over the fiscal year 2008 level, for programs authorized by the Public Health Service Act [42 U.S.C. 201 et seq.], for prevention, wellness, and public health activities including prevention research, health screenings, and initiatives, such as the Community Transformation grant program, the Education and Outreach Campaign Regarding Preventive Benefits, and immunization programs.

(d) Transfer authority

The Committee on Appropriations of the Senate and the Committee on Appropriations of the
House of Representatives may provide for the transfer of funds in the Fund to eligible activities under this section, subject to subsection (c).


REFERENCES IN TEXT
The Public Health Service Act, referred to in subsec. (c), is act July 1, 1944, ch. 732, 58 Stat. 682, which is classified generally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 201 of this title and Tables.

CODIFICATION
Section was enacted as part of the Patient Protection and Affordable Care Act, and not as part of the Public Health Service Act which comprises this chapter.

AMENDMENTS
2018—Subsec. (b)(4) to (9). Pub. L. 115–123 added pars. (4) to (9) and struck out former pars. (4) to (9) which read as follows:

“(4) for fiscal year 2019, $800,000,000;”

“(5) for each of fiscal years 2020 and 2021, $800,000,000; and”

“(6) for fiscal year 2022, $1,250,000,000;”

“(7) for fiscal year 2023, $1,700,000,000; and”

“(8) for fiscal year 2024 and each fiscal year thereafter, $2,000,000,000.”


Subsec. (b)(5). Pub. L. 115–96, § 3103(2), (4), redesignated par. (4) as (5) and substituted “$800,000,000” for “$1,000,000,000”. Former par. (5) redesignated (6).

Subsec. (b)(6). Pub. L. 115–96, § 3103(2), (5), redesignated par. (5) as (6) and substituted “$1,250,000,000” for “$1,500,000,000”. Former par. (6) redesignated (7).

Subsec. (b)(7) to (9). Pub. L. 115–96, § 3103(2), redesignated pars. (6) to (8) as (7) to (9), respectively.

2016—Subsec. (b)(3). Pub. L. 114–255, § 5009(1), substituted “$800,000,000” for “$1,250,000,000”.

Subsec. (b)(4). Pub. L. 114–255, § 5009(2), substituted “$1,000,000,000” for “$1,500,000,000”.

Subsec. (b)(5) to (8). Pub. L. 114–255, § 5009(3), added pars. (5) to (8) and struck out former par. (5) which read as follows: “for fiscal year 2022, and each fiscal year thereafter, $2,000,000,000.”

2012—Subsec. (b)(2) to (6). Pub. L. 112–96 added pars. (2) to (5) and struck out former par. (5) which read as follows: “for fiscal year 2022, and each fiscal year thereafter, $2,000,000,000.”

2010—Subsec. (c). Pub. L. 111–148, § 5009(b), substituted “research, health screenings, and initiatives for “Regarding Preventive” for “for Preventive”.

WEBSITE

“(a) The Secretary shall establish a publicly accessible Web site to provide information regarding the uses of funds made available under section 4002 of the Patient Protection and Affordable Care Act of 2010 (‘ACA’) [42 U.S.C. 300u–11].

“(b) With respect to funds provided under section 4002 of the ACA, the Secretary shall include on the Web site established under subsection (a) at a minimum the following information:

“(1) In the case of each transfer of funds under section 4002(c), a statement indicating the program or activity receiving funds, the operating division or office that will administer the funds, and the planned uses of the funds, to be posted not later than the day after the transfer is made.

“(2) Identification (along with a link to the full text) of each funding opportunity announcement, request for proposals, or other announcement or solicitation of proposals for grants, cooperative agreements, or contracts intended to be awarded using such funds, to be posted not later than the day after the announcement or solicitation is issued.

“(3) Identification of each grant, cooperative agreement, or contract with a value of $25,000 or more awarded using such funds, including the purpose of the award and the identity of the recipient, to be posted not later than 30 days after the award is made.

“(4) A report detailing the uses of all funds transferred under section 4002(c) during the fiscal year, to be posted not later than 90 days after the end of the fiscal year.

“(c) With respect to awards made in fiscal years 2013 through 2017, the Secretary shall also include on the Web site established under subsection (a), semi-annual reports from each entity awarded a grant, cooperative agreement, or contract from such funds with a value of $25,000 or more, summarizing the activities undertaken and identifying any sub-grants or sub-contracts awarded (including the purpose of the award and the identity of the recipient), to be posted not later than 30 days after the end of each 6-month period.

“(d) In carrying out this section, the Secretary shall—

“(1) present the information required in subsection (b)(1) on a single webpage or on a single database;

“(2) ensure that all information required in this section is directly accessible from the single webpage or database; and

“(3) ensure that all information required in this section is able to be organized by program or State.”

Similar provisions were contained in the following prior appropriation acts:


§ 300u–12. Education and outreach campaign regarding preventive benefits

(a) In general
The Secretary of Health and Human Services (referred to in this section as the “Secretary”) shall provide for the planning and implementation of a national public–private partnership for a prevention and health promotion outreach and education campaign to raise public awareness of health improvement across the life span. Such campaign shall include the dissemination of information that—

(1) describes the importance of utilizing preventive services to promote wellness, reduce health disparities, and mitigate chronic disease;

(2) promotes the use of preventive services recommended by the United States Preventive Services Task Force and the Community Preventive Services Task Force;

(3) encourages healthy behaviors linked to the prevention of chronic diseases;

(4) explains the preventive services covered under health plans offered through an Exchange;
(5) describes additional preventive care supported by the Centers for Disease Control and Prevention, the Health Resources and Services Administration, the Substance Abuse and Mental Health Services Administration, the Advisory Committee on Immunization Practices, and other appropriate agencies; and
(6) includes general health promotion information.

(b) Consultation
In coordinating the campaign under subsection (a), the Secretary shall consult with the Institute of Medicine to provide ongoing advice on evidence-based scientific information for policy, program development, and evaluation.

(c) Media campaign
(1) In general
Not later than 1 year after March 23, 2010, the Secretary, acting through the Director of the Centers for Disease Control and Prevention, shall establish and implement a national science-based media campaign on health promotion and disease prevention.

(2) Requirement of campaign
The campaign implemented under paragraph (1)—
(A) shall be designed to address proper nutrition, regular exercise, smoking cessation, obesity reduction, the 5 leading disease killers in the United States, and secondary prevention through disease screening promotion;
(B) shall be carried out through competitively bid contracts awarded to entities providing for the professional production and design of such campaign;
(C) may include the use of television, radio, Internet, and other commercial marketing venues and may be targeted to specific age groups based on peer-reviewed social research;
(D) shall not be duplicative of any other Federal efforts relating to health promotion and disease prevention; and
(E) may include the use of humor and nationally recognized positive role models.

(3) Evaluation
The Secretary shall ensure that the campaign implemented under paragraph (1) is subject to an independent evaluation every 2 years and shall report every 2 years to Congress on the effectiveness of such campaigns towards meeting science-based metrics.

(d) Website
The Secretary, in consultation with private-sector experts, shall maintain or enter into a contract to maintain an Internet website to provide science-based information on guidelines for nutrition, regular exercise, obesity reduction, smoking cessation, and specific chronic disease prevention. Such website shall be designed to provide information to health care providers and consumers.

(e) Dissemination of information through providers
The Secretary, acting through the Centers for Disease Control and Prevention, shall develop and implement a plan for the dissemination of health promotion and disease prevention information consistent with national priorities, to health care providers who participate in Federal programs, including programs administered by the Indian Health Service, the Department of Veterans Affairs, the Department of Defense, and the Health Resources and Services Administration, and Medicare and Medicaid.

(f) Personalized prevention plans
(1) Contract
The Secretary, acting through the Director of the Centers for Disease Control and Prevention, shall enter into a contract with a qualified entity for the development and operation of a Federal Internet website personalized prevention plan tool.

(2) Use
The website developed under paragraph (1) shall be designed to be used as a source of the most up-to-date scientific evidence relating to disease prevention for use by individuals. Such website shall contain a component that enables an individual to determine their disease risk (based on personal health and family history, BMI, and other relevant information) relating to the 5 leading diseases in the United States, and obtain personalized suggestions for preventing such diseases.

(g) Internet portal
The Secretary shall establish an Internet portal for accessing risk-assessment tools developed and maintained by private and academic entities.

(h) Priority funding
Funding for the activities authorized under this section shall take priority over funding provided through the Centers for Disease Control and Prevention for grants to States and other entities for similar purposes and goals as provided for in this section. Not to exceed $500,000,000 shall be expended on the campaigns and activities required under this section.

(i) Public awareness of preventive and obesity-related services
(1) Information to States
The Secretary of Health and Human Services shall provide guidance and relevant information to States and health care providers regarding preventive and obesity-related services that are available to Medicaid enrollees, including obesity screening and counseling for children and adults.

(2) Information to enrollees
Each State shall design a public awareness campaign to educate Medicaid enrollees regarding availability and coverage of such services, with the goal of reducing incidences of obesity.

(3) Report
Not later than January 1, 2011, and every 3 years thereafter through January 1, 2017, the Secretary of Health and Human Services shall report to Congress on the status and effectiveness of efforts under paragraphs (1) and (2), including summaries of the States’ efforts to in-
crease awareness of coverage of obesity-related services.

(j) Authorization of appropriations
There are authorized to be appropriated such sums as may be necessary to carry out this section.


Codification
Section was enacted as part of the Patient Protection and Affordable Care Act, and not as part of the Public Health Service Act which comprises this chapter.

Amendments

§ 300u–13. Community transformation grants
(a) In general
The Secretary of Health and Human Services (referred to in this section as the “Secretary”), acting through the Director of the Centers for Disease Control and Prevention (referred to in this section as the “Director”), shall award competitive grants to State and local governmental agencies and community-based organizations for the implementation, evaluation, and dissemination of evidence-based community preventive health activities in order to reduce chronic disease rates, prevent the development of secondary conditions, address health disparities, and develop a stronger evidence-base of effective prevention programming, with not less than 20 percent of such grants being awarded to rural and frontier areas.

(b) Eligibility
To be eligible to receive a grant under subsection (a), an entity shall—

(1) be—
(A) a State governmental agency;
(B) a local governmental agency;
(C) a national network of community-based organizations;
(D) a State or local non-profit organization; or
(E) an Indian tribe; and

(2) submit to the Director an application at such time, in such a manner, and containing such information as the Director may require, including a description of the program to be carried out under the grant; and

(3) demonstrate a history or capacity, if funded, to develop relationships necessary to engage key stakeholders from multiple sectors within and beyond health care and across a community, such as healthy futures corps and health care providers.

(c) Use of funds
(1) In general
An eligible entity shall use amounts received under a grant under this section to carry out programs described in this subsection.

(2) Community transformation plan
(A) In general
An eligible entity that receives a grant under this section shall submit to the Direc-

1 So in original. Probably should be followed by a comma.
2 So in original. Probably should be followed by a period.
(i) changes in weight;
(ii) changes in proper nutrition;
(iii) changes in physical activity;
(iv) changes in tobacco use prevalence;
(v) changes in emotional well-being and overall mental health;
(vi) other factors using community-specific data from the Behavioral Risk Factor Surveillance Survey; and
(vii) other factors as determined by the Secretary.

(C) Reporting
An eligible entity shall annually submit to the Director a report containing an evaluation of activities carried out under the grant.

(5) Dissemination
A grantee under this section shall—
(A) meet at least annually in regional or national meetings to discuss challenges, best practices, and lessons learned with respect to activities carried out under the grant; and
(B) develop models for the replication of successful programs and activities and the mentoring of other eligible entities.

(d) Training
(1) In general
The Director shall develop a program to provide training for eligible entities on effective strategies for the prevention and control of chronic disease and the link between physical, emotional, and social well-being.

(2) Community transformation plan
The Director shall provide appropriate feedback and technical assistance to grantees to establish community transformation plans.

(3) Evaluation
The Director shall provide a literature review and framework for the evaluation of programs conducted as part of the grant program to determine effectiveness and best practices, and lessons learned with respect to activities carried out under the grant.

(e) Prohibition
A grantee shall not use funds provided under a grant under this section to create video games or to carry out any other activities that may lead to higher rates of obesity or inactivity.

(f) Authorization of appropriations
There are authorized to be appropriated to carry out this section, such sums as may be necessary for each of fiscal year 2010 through 2014.

§ 300u–14. Healthy aging, living well; evaluation of community-based prevention and wellness programs for Medicare beneficiaries

(a) Healthy aging, living well
(1) In general
The Secretary of Health and Human Services (referred to in this section as the “Secretary”), acting through the Director of the Centers for Disease Control and Prevention, shall award grants to State or local health departments and Indian tribes to carry out 5-year pilot programs to provide public health community interventions, screenings, and where necessary, clinical referrals for individuals who are between 55 and 64 years of age.

(2) Eligibility
To be eligible to receive a grant under paragraph (1), an entity shall—
(A) be—
(i) a State health department;
(ii) a local health department; or
(iii) an Indian tribe;

(B) submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require including a description of the program to be carried out under the grant;

(C) design a strategy for improving the health of the 55-to-64 year-old population through community-based public health interventions; and

(D) demonstrate the capacity, if funded, to develop the relationships necessary with relevant health agencies, health care providers, community-based organizations, and insurers to carry out the activities described in paragraph (3), such relationships to include the identification of a community-based clinical partner, such as a community health center or rural health clinic.

(3) Use of funds
(A) In general
A State or local health department shall use amounts received under a grant under this subsection to carry out a program to provide the services described in this paragraph to individuals who are between 55 and 64 years of age.

(B) Public health interventions
(i) In general
In developing and implementing such activities, a grantee shall collaborate with the Centers for Disease Control and Prevention and the Administration on Aging, and relevant local agencies and organizations.

(ii) Types of intervention activities
Intervention activities conducted under this subparagraph may include efforts to improve nutrition, increase physical activity, reduce tobacco use and substance
abuse, improve mental health, and promote healthy lifestyles among the target population.

(C) Community preventive screenings

(i) In general

In addition to community-wide public health interventions, a State or local health department shall use amounts received under a grant under this subsection to conduct ongoing health screening to identify risk factors for cardiovascular disease, cancer, stroke, and diabetes among individuals in both urban and rural areas who are between 55 and 64 years of age.

(ii) Types of screening activities

Screening activities conducted under this subparagraph may include—

(I) mental health/behavioral health and substance use disorders;

(II) physical activity, smoking, and nutrition; and

(III) any other measures deemed appropriate by the Secretary.

(iii) Monitoring

Grantees under this section shall maintain records of screening results under this subparagraph to establish the baseline data for monitoring the targeted population.

(D) Clinical referral/treatment for chronic diseases

(i) In general

A State or local health department shall use amounts received under a grant under this subsection to ensure that individuals between 55 and 64 years of age who are found to have chronic disease risk factors through the screening activities described in subparagraph (C)(ii), receive clinical referral/treatment for follow-up services to reduce such risk.

(ii) Mechanism

(I) Identification and determination of status

With respect to each individual with risk factors for or having heart disease, stroke, diabetes, or any other condition for which such individual was screened under subparagraph (C), a grantee under this section shall determine whether or not such individual is covered under any public or private health insurance program.

(II) Insured individuals

An individual determined to be covered under a health insurance program under subclause (I) shall be referred by the grantee to the existing providers under such program or, if such individual does not have a current provider, to a provider who is in-network with respect to the program involved.

(III) Uninsured individuals

With respect to an individual determined to be uninsured under subclause (I), the grantee’s community-based clinical partner described in paragraph (4)(D) shall assist the individual in determining eligibility for available public coverage options and identify other appropriate community health care resources and assistance programs.

(iii) Public health intervention program

A State or local health department shall use amounts received under a grant under this subsection to enter into contracts with community health centers or rural health clinics and mental health and substance use disorder service providers to assist in the referral/treatment of at risk patients to community resources for clinical follow-up and help determine eligibility for other public programs.

(E) Grantee evaluation

An eligible entity shall use amounts provided under a grant under this subsection to conduct activities to measure changes in the prevalence of chronic disease risk factors among participants.

(4) Pilot program evaluation

The Secretary shall conduct an annual evaluation of the effectiveness of the pilot program under this subsection. In determining such effectiveness, the Secretary shall consider changes in the prevalence of uncontrolled chronic disease risk factors among new Medicare enrollees (or individuals nearing enrollment, including those who are 63 and 64 years of age) who reside in States or localities receiving grants under this section as compared with national and historical data for those States and localities for the same population.

(5) Authorization of appropriations

There are authorized to be appropriated to carry out this subsection, such sums as may be necessary for each of fiscal years 2010 through 2014.

(b) Evaluation and plan for community-based prevention and wellness programs for Medicare beneficiaries

(1) In general

The Secretary shall conduct an evaluation of community-based prevention and wellness programs and develop a plan for promoting healthy lifestyles and chronic disease self-management for Medicare beneficiaries.

(2) Medicare evaluation of prevention and wellness programs

(A) In general

The Secretary shall evaluate community prevention and wellness programs including those that are sponsored by the Administration on Aging, are evidence-based, and have demonstrated potential to help Medicare beneficiaries (particularly beneficiaries that have attained 65 years of age) reduce their risk of disease, disability, and injury by making healthy lifestyle choices, including

1 So in original. Probably should be followed by a period.

2 So in original. Paragraph (4) does not contain subpars.
exercise, diet, and self-management of chronic diseases.

**B) Evaluation**

The evaluation under subparagraph (A) shall consist of the following:

**i) Evidence review**

The Secretary shall review available evidence, literature, best practices, and resources that are relevant to programs that promote healthy lifestyles and reduce risk factors for the Medicare population. The Secretary may determine the scope of the evidence review and such issues to be considered, which shall include, at a minimum—

(i) physical activity, nutrition, and obesity;
(ii) falls;
(iii) chronic disease self-management; and
(iv) mental health.

**ii) Independent evaluation of evidence-based community prevention and wellness programs**

The Administrator of the Centers for Medicare & Medicaid Services, in consultation with the Assistant Secretary for Aging, shall, to the extent feasible and practicable, conduct an evaluation of existing community prevention and wellness programs that are sponsored by the Administration on Aging to assess the extent to which Medicare beneficiaries who participate in such programs—

(I) reduce their health risks, improve their health outcomes, and adopt and maintain healthy behaviors;
(II) improve their ability to manage their chronic conditions; and
(III) reduce their utilization of health services and associated costs under the Medicare program for conditions that are amenable to improvement under such programs.

**3) Report**

Not later than September 30, 2013, the Secretary shall submit to Congress a report that includes—

(A) recommendations for such legislation and administrative action as the Secretary determines appropriate to promote healthy lifestyles and chronic disease self-management for Medicare beneficiaries;
(B) any relevant findings relating to the evidence review under paragraph (2)(B)(i); and
(C) the results of the evaluation under paragraph (2)(B)(ii).

**4) Funding**

For purposes of carrying out this subsection, the Secretary shall provide for the transfer, from the Federal Hospital Insurance Trust Fund under section 1817 of the Social Security Act (42 U.S.C. 1395i) and the Federal Supplemental Medical Insurance Trust Fund under section 1841 of such Act (42 U.S.C. 1395c), in such proportion as the Secretary determines appropriate, of $50,000,000 to the Centers for Medicare & Medicaid Services Program Management Account. Amounts transferred under the preceding sentence shall remain available until expended.

**5) Administration**

Chapter 35 of title 44 shall not apply to the this subsection.

**6) Medicare beneficiary**

In this subsection, the term “Medicare beneficiary” means an individual who is entitled to benefits under part A of title XVIII of the Social Security Act [42 U.S.C. 1395c et seq.] and enrolled under part B of such title [42 U.S.C. 1395 et seq.].


**REFERENCES IN TEXT**

The Social Security Act, referred to in subsec. (b)(6), is act Aug. 14, 1935, ch. 531, 49 Stat. 620. Parts A and B of title XVIII of the Act are classified generally to parts A (§ 1395c et seq.) and B (§ 1395j et seq.), respectively, of subchapter XVIII of chapter 7 of this title. For complete classification of this Act to the Code, see section 1305 of this title and Tables.

**CODIFICATION**

Section was enacted as part of the Patient Protection and Affordable Care Act, and not as part of the Public Health Service Act which comprises this chapter.

§ 300u–15. Research on optimizing the delivery of public health services

**a) In general**

The Secretary of Health and Human Services (referred to in this section as the “Secretary”), acting through the Director of the Centers for Disease Control and Prevention, shall provide funding for research in the area of public health services and systems.

**b) Requirements of research**

Research supported under this section shall include—

(1) examining evidence-based practices relating to prevention, with a particular focus on high priority areas as identified by the Secretary in the National Prevention Strategy or Healthy People 2020, and including comparing community-based public health interventions in terms of effectiveness and cost;
(2) analyzing the translation of interventions from academic settings to real world settings; and
(3) identifying effective strategies for organizing, financing, or delivering public health services in real world community settings, including comparing State and local health department structures and systems in terms of effectiveness and cost.

**c) Existing partnerships**

Research supported under this section shall be coordinated with the Community Preventive Services Task Force and carried out by building on existing partnerships within the Federal Gov-

---

*So in original. Probably should be “Supplementary”.*

*So in original. The word “the” probably should not appear.*
government while also considering initiatives at the State and local levels and in the private sector.

(d) Annual report

The Secretary shall, on an annual basis, submit to Congress a report concerning the activities and findings with respect to research supported under this section.


Codification

Section was enacted as part of the Patient Protection and Affordable Care Act, and not as part of the Public Health Service Act which comprises this chapter.

§ 300u–16. Establishment of substance use disorder information dashboard

(a) In general

Not later than 6 months after October 24, 2018, the Secretary of Health and Human Services shall, in consultation with the Director of National Drug Control Policy, establish and periodically update, on the Internet website of the Department of Health and Human Services, a public information dashboard that—

1. provides links to information on programs within the Department of Health and Human Services related to the reduction of opioid and other substance use disorders;
2. provides access, to the extent practicable and appropriate, to publicly available data, which may include data from agencies within the Department of Health and Human Services and—
   (A) other Federal agencies;
   (B) State, local, and Tribal governments;
   (C) nonprofit organizations;
   (D) law enforcement;
   (E) medical experts;
   (F) public health educators; and
   (G) research institutions regarding prevention, treatment, recovery, and other services for opioid and other substance use disorders;
3. provides data on substance use disorder prevention and treatment strategies in different regions of and populations in the United States;
4. identifies information on alternatives to controlled substances for pain management, such as approaches studied by the National Institutes of Health Pain Consortium, the National Center for Complimentary and Integrative Health, and other institutes and centers at the National Institutes of Health, as appropriate; and
5. identifies guidelines and best practices for health care providers regarding treatment of substance use disorders.

(b) Controlled substance defined

In this section, the term “controlled substance” has the meaning given that term in section 802 of title 21.


NATIONAL MILESTONES TO MEASURE SUCCESS IN CURTAILING THE OPIOID CRISIS


“(a) In General.—Not later than 180 days after the date of enactment of this Act [Oct. 24, 2018], the Secretary of Health and Human Services (referred to in this section as the ‘Secretary’), in coordination with the Administrator of the Drug Enforcement Administration and the Director of the Office of National Drug Control Policy, shall develop or identify existing national indicators (referred to in this section as the ‘national milestones’) to measure success in curtailing the opioid crisis, with the goal of significantly reversing the incidence and prevalence of opioid misuse and abuse, and opioid-related morbidity and mortality in the United States within 5 years of such date of enactment.

“(b) NATIONAL MILESTONES TO END THE OPIOID CRISIS.—The national milestones under subsection (a) shall include the following:

“(1) Not fewer than 10 indicators or metrics to accurately and expeditiously measure progress in meeting the goal described in subsection (a), which shall, as appropriate, include, indicators or metrics related to—
   “(A) the number of fatal and non-fatal opioid overdoses;
   “(B) the number of emergency room visits related to opioid misuse and abuse;
   “(C) the number of individuals in sustained recovery from opioid use disorder;
   “(D) the number of infections associated with illicit drug use, such as HIV, viral hepatitis, and infective endocarditis, and available capacity for treating such infections;
   “(E) the number of providers prescribing medication-assisted treatment for opioid use disorders, including in primary care settings, community health centers, jails, and prisons;
   “(F) the number of individuals receiving treatment for opioid use disorder; and
   “(G) additional indicators or metrics, as appropriate, such as metrics pertaining to specific populations, including women and children, American Indians and Alaskan Natives, individuals living in rural and non-urban areas, and justice-involved populations, that would further clarify the progress made in addressing the opioid crisis.

“(2) A reasonable goal, such as a percentage decrease or other specified metric, that signifies progress in meeting the goal described in subsection (a), and annual targets to help achieve that goal.

“(c) CONSIDERATION OF OTHER SUBSTANCE USE DISORDERS.—In developing the national milestones under subsection (b), the Secretary shall, as appropriate, consider other substance use disorders in addition to opioid use disorder.

“(d) EXTENSION OF PERIOD.—If the Secretary determines that the goal described in subsection (a) will not be achieved with respect to any indicator or metric established under subsection (b)(2) within 5 years of the date of enactment of this Act, the Secretary may extend the timeline for meeting such goal with respect to that indicator or metric. The Secretary shall include with any such extension a rationale for why additional time is needed and information on whether significant changes are needed in order to achieve such goal with respect to the indicator or metric.

“(e) ANNUAL STATUS UPDATE.—Not later than one year after the date of enactment of this Act, the Secretary shall make available on the Internet website of the Department of Health and Human Services, and submit to the Committee on Health, Education, Labor, and Pensions of the Senate and the Committee on Energy and Commerce of the House of Representatives, an update on the progress, including expected progress in the subsequent year, in achieving the goals detailed in the national milestones. Each such update shall include the progress made in the first year or since the previous report, as applicable, in meeting each indicator or metric in the national milestones.”
SUBCHAPTER XVI—PRESIDENT’S COMMISSION FOR THE STUDY OF ETHICAL PROBLEMS IN MEDICINE AND BIOMEDICAL AND BEHAVIORAL RESEARCH

§§ 300v to 300v–3. Omitted

CODIFICATION
Sections 300v to 300v–3, which provided for the establishment, duties, administration, funding, and termination of the President’s Commission for the Study of Ethical Problems in Medicine and Biomedical and Behavioral Research, were omitted pursuant to section 300v–3, which provided for the Commission’s termination on Dec. 31, 1982. See 48 F.R. 34406.


Section 300v–2, act July 1, 1944, ch. 373, title XVIII, §1801, as added Pub. L. 95–622, title III, §301, Nov. 9, 1978, 92 Stat. 3440, related to administrative provisions.


SUBCHAPTER XVII—BLOCK GRANTS

PART A—PREVENTIVE HEALTH AND HEALTH SERVICES BLOCK GRANTS

§ 300w. Authorization of appropriations

(a) For the purpose of allotments under section 300w–1 of this title, there are authorized to be appropriated $205,000,000 for fiscal year 1993, and such sums as may be necessary for each of the fiscal years 1994 through 1998.

(b) Of the amount appropriated for any fiscal year under subsection (a), at least $7,000,000 shall be made available for allotments under section 300w–1(b) of this title.


§ 300w–1. Allotments

(a) Availability based upon prior year distributions

(1) From the amounts appropriated under section 300w of this title for any fiscal year and available for allotment under this subsection, the Secretary shall allot to each State an amount which bears the same ratio to the available amounts for that fiscal year as the amounts provided by the Secretary under the provisions of law listed in paragraph (2) to the State and entities in the State for fiscal year 1981 bore to the total amount appropriated for such provisions of law for fiscal year 1981.

(2) The provisions of law referred to in paragraph (1) are the following provisions of law as in effect on September 30, 1981:

(A) The authority for grants under section 247b of this title for preventive health service programs for the control of rodents.

(B) The authority for grants under section 247b of this title for establishing and maintaining community and school-based fluoridation programs.

(C) The authority for grants under section 247b of this title for preventive health service programs for hypertension.

(D) Sections 247b–1 and 247b–2 of this title.

(E) Section 255(a)

(F) Section 255(a)

(G) Sections 300d–1, 300d–2, and 300d–3 of this title.

(b) Population

From the amount required to be made available under section 300w(b) of this title for allotments under this subsection for any fiscal year, the Secretary shall make allotments to each State on the basis of the population of the State.

(c) Distribution of appropriated funds not allotted

To the extent that all the funds appropriated under section 300w of this title for a fiscal year and available for allotment in such fiscal year are not otherwise allotted to States because—

(1) one or more States have not submitted an application or description of activities in accordance with section 300w–4 of this title for the fiscal year;

(2) one or more States have notified the Secretary that they do not intend to use the full amount of their allotment; or

(3) some State allotments are offset or repaid under section 300w–5(b)(3) of this title;

such excess shall be allotted among each of the remaining States in proportion to the amount allotted to such States...
otherwise allotted to such States for the fiscal year without regard to this subsection.

(d) Distributions to Indian tribes

(1) If the Secretary—

(A) receives a request from the governing body of an Indian tribe or tribal organization within any State that funds under this part be provided directly by the Secretary to such tribe or organization, and

(B) determines that the members of such tribe or tribal organization would be better served by means of grants made directly by the Secretary under this part,

the Secretary shall reserve from amounts which would otherwise be allotted to such State under subsection (a) for the fiscal year the amount determined under paragraph (2).

(2) The Secretary shall reserve for the purpose of paragraph (1) from amounts that would otherwise be allotted to such State under subsection (a) an amount equal to the amount which bears the same ratio to the State's allotment for the fiscal year involved as the total amount provided or allotted for fiscal year 1981 by the Secretary to such tribe or tribal organization under the provisions of law referred to in subsection (a) bore to the total amount provided or allotted for such fiscal year by the Secretary to the State and entities (including Indian tribes and tribal organizations) in the State under such provisions of law.

(3) The amount reserved by the Secretary on the basis of a determination under this subsection shall be granted to the Indian tribe or tribal organization serving the individuals for whom such a determination has been made.

(4) In order for an Indian tribe or tribal organization to be eligible for a grant for a fiscal year under this subsection, it shall submit to the Secretary a plan for such fiscal year which meets such criteria as the Secretary may prescribe.

(5) The terms “Indian tribe” and “tribal organization” have the same meaning given such terms in section 5304(b) and (c) of title 25.

(e) Report on equitable distribution of available funds

The Secretary shall conduct a study for the purpose of devising a formula for the equitable distribution of funds available for allotment to the States under this section. In conducting the study, the Secretary shall take into account—

(1) the financial resources of the various States,

(2) the populations of the States, and

(3) any other factor which the Secretary may consider appropriate.

Before June 30, 1982, the Secretary shall submit a report to the Congress respecting the development of a formula and make such recommendations as the Secretary may deem appropriate in order to ensure the most equitable distribution of funds under allotments under this section.

(July 1, 1944, ch. 373, title XIX, §902, as added Pub. L. 97-35, title IX, §901, Aug. 13, 1981, 95 Stat. 555.)

References in Text


Sections 300d-1, 300d-2, and 300d-3 of this title, referred to in subsec. (a)(2)(G), were in the original references to sections 1202, 1203, and 1204, respectively, of act July 1, 1944, which were repealed effective Oct. 1, 1981, by Pub. L. 97-35, title IX, §902(d)(1), (h), Aug. 13, 1981, 95 Stat. 560, 561. Pub. L. 100-572, §3, Nov. 16, 1988, 102 Stat. 2887, repealed section 1202 and renumbered sections 1203 and 1204 of act July 1, 1944, which were classified to sections 300d-1, 300d-2, and 300d-3, respectively, of this title.


Section 5304 of title 25, referred to in subsec. (d)(5), has been amended, and subsec. (b) and (c) of section 5304 no longer define the terms “Indian tribe” and “tribal organization”. However, such terms are defined elsewhere in that section.

Effective Date


§ 300w-2. Payments under allotments to States

(a)(1) For each fiscal year, the Secretary shall make payments, as provided by section 6503(a) of title 31, to each State from its allotment under section 300w-1 of this title (other than any amount reserved under section 300w-1(d) of this title) from amounts appropriated for that fiscal year.

(2) Any amount paid to a State for a fiscal year and remaining unobligated at the end of such year shall remain available for the next fiscal year to such State for the purposes for which it was made.

(b) The Secretary, at the request of a State, may reduce the amount of payments under subsection (a) by—

(1) the fair market value of any supplies or equipment furnished the State, and

(2) the amount of the pay, allowances, and travel expenses of any officer or employee of the Government when detailed to the State and the amount of any other costs incurred in connection with the detail of such officer or employee,

when the furnishing of supplies or equipment or the detail of an officer or employee is for the
convenience of and at the request of the State and for the purpose of conducting activities described in section 300w–3 of this title. The amount by which any payment is so reduced shall be available for payment by the Secretary of the costs incurred in furnishing the supplies or equipment or in detailing the personnel, on which the reduction of the payment is based, and the amount shall be deemed to be part of the payment and shall be deemed to have been paid to the State.

(July 1, 1944, ch. 373, title XIX, § 1903, as added Pub. L. 97–35, title IX, § 901, Aug. 13, 1981, 95 Stat. 537.)

CODIFICATION

Effective Date

§ 300w–3. Use of allotments
(a) Preventive health services, comprehensive public health services, emergency medical services, etc.

(1) Except as provided in subsections (b) and (c), payments made to a State under section 300w–2 of this title may be used for the following:

(A) Activities consistent with making progress toward achieving the objectives established by the Secretary for the health status of the population of the United States for the year 2000 (in this part referred to as “year 2000 health objectives”).

(B) Preventive health service programs for the control of rodents and for community and school-based fluoridation programs.

(C) Feasibility studies and planning for emergency medical services systems and the establishment, expansion, and improvement of such systems. Amounts for such systems may not be used for the costs of the operation of the systems or the purchase of equipment for the systems, except that such amounts may be used for the payment of not more than 50 percent of the costs of purchasing communications equipment for the systems. Amounts may be expended for feasibility studies or planning for the trauma-care components of such systems only if the studies or planning, respectively, is consistent with the requirements of section 300d–13(a) of this title.

(D) Providing services to victims of sex offenses and for prevention of sex offenses.

(E) The establishment, operation, and coordination of effective and cost-efficient systems to reduce the prevalence of illness due to asthma and asthma-related illnesses, especially among children, by reducing the level of exposure to cockroach allergen or other known asthma triggers through the use of integrated pest management, as applied to cockroaches or other known allergens. Amounts expended for such systems may include the costs of building maintenance and the costs of programs to promote community participation in the carrying out at such sites of integrated pest management, as applied to cockroaches or other known allergens. For purposes of this subparagraph, the term “integrated pest management” means an approach to the management of pests in public facilities that combines biological, cultural, physical, and chemical tools in a way that minimizes economic, health, and environmental risks.

(F) With respect to activities described in any of subparagraphs (A) through (E), related planning, administration, and educational activities.

(G) Monitoring and evaluation of activities carried out under any of subparagraphs (A) through (F).

(2) Except as provided in subsection (b), amounts paid to a State under section 300w–2 of this title from its allotment under section 300w–1(b) of this title may only be used for providing services to rape victims and for rape prevention.

(3) The Secretary may provide technical assistance to States in planning and operating activities to be carried out under this part.

(b) Prohibited uses
A State may not use amounts paid to it under section 300w–2 of this title to—

(1) provide inpatient services,

(2) make cash payments to intended recipients of health services,

(3) purchase or improve land, purchase, construct, or permanently improve (other than minor remodeling) any building or other facility, or purchase major medical equipment,

(4) satisfy any requirement for the expenditure of non-Federal funds as a condition for the receipt of Federal funds, or

(5) provide financial assistance to any entity other than a public or nonprofit private entity.

Except as provided in subsection (a)(1)(E), the Secretary may waive the limitation contained in paragraph (3) upon the request of a State if the Secretary finds that there are extraordinary circumstances to justify the waiver and that granting the waiver will assist in carrying out this part.

(c) Transfer of funds
A State may transfer not more than 7 percent of the amount allotted to the State under section 300w–1(a) of this title for any fiscal year for use by the State under part B of this subchapter and title V of the Social Security Act [42 U.S.C. 701 et seq.] in such fiscal year as follows: At any time in the first three quarters of the fiscal year a State may transfer not more than 3 percent of the allotment of the State for the fiscal year for such use, and in the last quarter of a fiscal year a State may transfer for such use not more than the remainder of the amount of its allotment which may be transferred.

(d) Limitation on administrative costs
Of the amount paid to any State under section 300w–2 of this title, not more than 10 percent
paid from each of its allotments under subsections (a) and (b) of section 300w-1 of this title may be used for administering the funds made available under section 300w-2 of this title. The State will pay from non-Federal sources the remaining costs of administering such funds.


REFERENCES IN TEXT

AMENDMENTS
Subsec. (a)(1)(F). Pub. L. 106–310, §511(1), (4), redesignated subpar. (E) as (F) and substituted “subparagraphs (A) through (E)” for “subparagraphs (A) through (D)”.
Former subpar. (F). Pub. L. 106–310, §511(1), (2), (5), redesignated subpar. (F) as (G) and substituted “subparagraphs (A) through (F)” for “subparagraphs (A) through (E)”.

1992—Subsec. (a)(1). Pub. L. 102–531, §102(a), amended par. (1) generally, substituting present provisions for provisions authorizing, except as provided in subsec. (b) and (c), use of the amounts paid to a State under section 300w–2 of this title from its allotment under section 300w–1(a) of this title and amounts transferred by the State, for use in preventive health service programs, including hypertension and high cholesterol services, health-risk reduction programs, immunization services, home health agencies, emergency medical services, services to victims of sex offenses, and uterine cancer and breast cancer services.

Subsec. (c). Pub. L. 102–531, §102(b), substituted “part B” for “parts B and C”.
Subsec. (a)(1)(C). Pub. L. 100–607, §301(b)(2), inserted “including programs designed to reduce the incidence of chronic diseases” before period at end.
Subsec. (a)(1)(D). Pub. L. 100–607, §301(b)(3), inserted “including immunization services” before period at end.

Subsec. (a)(1)(F). Pub. L. 100–607, §301(b)(4), substituted “systems” for “systems other than systems with respect to which grants were made as prescribed by section 300w–4(c)(2) of this title” after “equipment for the systems”.

The Secretary may make payments under section 300w–2 of this title to a State for a fiscal year only if—

(1) the State submits to the Secretary an application for the payments;

(2) the application contains a State plan in accordance with subsection (b);

(3) the application contains the certification described in subsection (c);

(4) the application contains such assurances as the Secretary may require regarding the compliance of the State with the requirements of this part (including assurances regarding compliance with the agreements described in subsection (c)); and

(5) the application is in such form and is submitted by such date as the Secretary may require.

(b) State plan
A State plan required in subsection (a)(2) for a fiscal year is in accordance with this subsection if the plan meets the following conditions:

(1) The plan is developed by the State agency with principal responsibility for public health programs, in consultation with the advisory committee established pursuant to subsection (c)(2).

(2) The plan specifies the activities authorized in section 300w–3 of this title that are to be carried out with payments made to the State under section 300w–2 of this title, including a specification of the year 2000 health objectives for which the State will expend the payments.

(3) The plan specifies the populations in the State for which such activities are to be carried out.

(4) The plan specifies any populations in the State that have a disparate need for such activities.

(5) With respect to each population specified under paragraph (3), the plan contains a strategy for expending such payments to carry out such activities to make progress toward improving the health status of the population, which strategy includes—

(A) a description of the programs and projects to be carried out;

(B) an estimate of the number of individuals to be served by the programs and projects; and

(C) an estimate of the number of public health personnel needed to carry out the strategy.

(6) The plan specifies the amount of such payments to be expended for each of such ac-
activities and, with respect to the activity involved—
(A) the amount to be expended for each population specified under paragraph (3); and
(B) the amount to be expended for each population specified under paragraph (4).

(c) State certification

The certification referred to in subsection (a)(3) for a fiscal year is a certification to the Secretary by the chief executive officer of the State involved as follows:

(1)(A) In the development of the State plan required in subsection (a)(2)—
(i) the chief health officer of the State held public hearings on the plan; and
(ii) proposals for the plan were made public in a manner that facilitated comments from public and private entities (including Federal and other public agencies).

(B) The State agrees that, if any revisions are made in such plan during the fiscal year, the State will, with respect to the revisions, hold hearings and make proposals public in accordance with subparagraph (A), and will submit to the Secretary a description of the revisions.

(2) The State has established an advisory committee in accordance with subsection (d).

(3) The State agrees to expend payments under section 300w–2 of this title only for the activities authorized in section 300w–3 of this title.

(4) The State agrees to expend such payments in accordance with the State plan submitted under subsection (a)(2) (with any revisions submitted to the Secretary under paragraph (1)(B)), including making expenditures to carry out the strategy contained in the plan pursuant to subsection (b)(5).

(5)(A) The State agrees that, in the case of each population for which such strategy is carried out, the State will measure the extent of progress being made toward improving the health status of the population.

(B) The State agrees that—
(i) the State will collect and report data in accordance with section 300w–5(a) of this title; and
(ii) for purposes of subparagraph (A), progress will be measured through use of each of the applicable uniform data items developed by the Secretary under paragraph (2) of such section, or if no such items are applicable, through use of the uniform criteria developed by the Secretary under paragraph (3) of such section.

(6) With respect to the activities authorized in section 300w–3 of this title, the State agrees to maintain State expenditures for such activities at a level that is not less than the average level of such expenditures maintained by the State for the 2-year period preceding the fiscal year for which the State is applying to receive payments under section 300w–2 of this title.

(7) The State agrees to establish reasonable criteria to evaluate the effective performance of entities that receive funds from such payments and procedures for procedural and substantial independent State review of the failure by the State to provide funds for any such entity.

(8) The State agrees to permit and cooperate with Federal investigations undertaken in accordance with section 300w–6 of this title.

(9) The State has in effect a system to protect from inappropriate disclosure patient and sex offense victim records maintained by the State in connection with an activity funded under this part or by any entity which is receiving payments from the allotment of the State under this part.

(10) The State agrees to provide the officer of the State government responsible for the administration of the State highway safety program with an opportunity to—
(A) participate in the development of any plan by the State relating to emergency medical services, as such plan relates to highway safety; and
(B) review and comment on any proposal by any State agency to use any Federal grant or Federal payment received by the State for the provision of emergency medical services as such proposal relates to highway safety.

(d) State Advisory Committee

(1) In general

For purposes of subsection (c)(2), an advisory committee is in accordance with this subsection if such committee is known as the State Preventive Health Advisory Committee (in this subsection referred to as the “Committee”) and the Committee meets the conditions described in the subsequent paragraphs of this subsection.

(2) Duties

A condition under paragraph (1) for a State is that the duties of the Committee are—
(A) to hold public hearings on the State plan required in subsection (a)(2); and
(B) to make recommendations pursuant to subsection (b)(1) regarding the development and implementation of such plan, including recommendations on—
(i) the conduct of assessments of the public health;
(ii) which of the activities authorized in section 300w–3 of this title should be carried out in the State;
(iii) the allocation of payments made to the State under section 300w–2 of this title;
(iv) the coordination of activities carried out under such plan with relevant programs of other entities; and
(v) the collection and reporting of data in accordance with section 300w–5(a) of this title.

(3) Composition

(A) A condition under paragraph (1) for a State is that the Committee is composed of such members of the general public, and such officials of the health departments of political subdivisions of the State, as may be necessary to provide adequate representation of the general public and of such health departments.

(B) With respect to compliance with subparagraph (A), the membership of advisory
committees established pursuant to subsection (c)(2) may include representatives of community-based organizations (including minority community-based organizations), schools of public health, and entities to which the State involved awarded grants or contracts to carry out activities authorized in section 300w–3 of this title.

(4) Chair; meetings

A condition under paragraph (1) for a State is that the State public health officer serves as the chair of the Committee, and that the Committee meets not less than twice each fiscal year.


AMENDMENTS

1992—Pub. L. 102–531 amended section generally, substituting present provisions for provisions relating to submission and form of application for assistance under this part as well as required assurances, public hearings on proposed use and distribution of funds, certifications by chief executive officer of State, and a description of intended use of funds as well as public access to and revision of such description.

1990—Subsec. (c). Pub. L. 101–500, which directed amendment of subsec. (c) by adding at the end thereof a new par. (7), was executed by adding par. (7) after par. (6) and before the last sentence to reflect the probable intent of Congress.

1988—Subsec. (d). Pub. L. 100–607 inserted at end “The description shall include a statement of the public health objectives expected to be achieved by the State through the use of the payments the State will receive under section 300w–2 of this title.”


1984—Subsec. (c)(2). Pub. L. 98–555, §5(a), redesignated par. (3) as (2). Former par. (2), which related to grants for fiscal year 1982, was struck out.

Subsec. (c)(3). Pub. L. 98–555, §5(a), redesignated par. (5) as (3). Former par. (3) redesignated (2).

Subsec. (c)(4). Pub. L. 98–555, §5(a), redesignated par. (6) as (4). Former par. (4), which related to grants for preventive health service programs for hypertension, was struck out.

Subsec. (c)(5) to (8). Pub. L. 98–555, §5(a), redesignated pars. (7) and (8) as (5) and (6), respectively. Former pars. (5) and (6) redesignated (3) and (4), respectively.

Subsec. (e) Pub. L. 98–555, §5(d), struck out subsec. (e) which related to grants to States.

Effective Date of 1986 Amendments


Effective Date


Delayed applicability of requirement regarding advisory committees

Pub. L. 102–531, title I, §103(b), Oct. 27, 1992, 106 Stat. 3473, provided that: “With respect to compliance with the requirement established in subsection (c)(2) of section 1905 of the Public Health Service Act [42 U.S.C. 300w–4(c)(2)] (as amended by subsection (a) of this section), a State is deemed, notwithstanding such section, to be in compliance with such requirement if the State establishes an advisory committee in accordance with subsection (d) of such section not later than 180 days after the date of the enactment of this Act [Oct. 27, 1992].”

§ 300w–5. Reports, data, and audits

(a) Annual reports; contents; data collection; copies

(1) For purposes of section 300w–4(c)(5)(B)(i) of this title, a State is collecting and reporting data for a fiscal year in accordance with this section if the State submits to the Secretary, not later than February 1 of the succeeding fiscal year, a report that—

(A) describes the purposes for which the State expended payments made to the State under section 300w–2 of this title;

(B) pursuant to section 300w–4(c)(5)(A) of this title, describes the extent of progress made by the State for purposes of such section;

(C) meets the conditions described in the subsequent paragraphs of this subsection; and

(D) contains such additional information regarding activities authorized in section 300w–3 of this title, and is submitted in such form, as the Secretary may require.

(2)(A) The Secretary, in consultation with the States, shall develop sets of data for uniformly defining health status for purposes of the year 2000 health objectives (which sets are in this subsection referred to as “uniform data sets”). Each of such sets shall consist of one or more categories of information (in this subsection individually referred to as a “uniform data item”). The Secretary shall develop formats for the uniform collecting and reporting of information on such items.

(B) A condition under paragraph (1)(C) for a fiscal year is that the State involved will, in accordance with the applicable format under subparagraph (A), collect during such year, and include in the report under paragraph (1), the necessary information for one uniform data item from each of the uniform data sets, which items are selected for the State by the Secretary.

(C) In the case of fiscal year 1995 and each subsequent fiscal year, a condition under paragraph (1) for a State is that the State will, in accordance with the applicable format under subparagraph (A), collect during such year, and include in the report under paragraph (1), the necessary information for each of the uniform data sets, which are selected for the State by the Secretary.

(3) The Secretary, in consultation with the States, shall establish criteria for the uniform collection and reporting of data on activities au-
authorized in section 300w–3 of this title with re-
spect to which no uniform data items exist.

(4) A condition under paragraph (1) for a fiscal
year is that the State involved will make copies
of the report submitted under such paragraph
for the fiscal year available for public inspec-
tion, and will upon request provide a copy of the
report to any individual for a charge not exceed-
ing the cost of providing the copy.

(b) Fiscal control; accounting procedures; annual
audits; repayments and offsets; public in-
spection; Comptroller General evaluations;
report to Congress

(1) Each State shall establish fiscal control
and fund accounting procedures as may be nec-
essary to assure the proper disbursal of and ac-
counting for Federal funds paid to the State
under section 300w–2 of this title and funds
transferred under section 300w–3(c) of this title
for use under this part.

(2) Each State shall annually audit its expend-
titures from payments received under section
300w–2 of this title. Such State audits shall be
conducted by an entity independent of any agen-
cy administering a program funded under this
part and, in so far as practical, in accordance
with the Comptroller General’s standards for au-
diting governmental organizations, programs,
activities, and functions. Within 30 days follow-
ing the date each audit is completed, the chief
executive officer of the State shall transmit a
copy of that audit to the Secretary.

(3) Each State shall, after being provided by
the Secretary with adequate notice and oppor-
tunity for a hearing within the State, repay to
the United States amounts found not to have
been expended in accordance with the require-
ments of this part or the certification provided
by the State under section 300w–4 of this title. If
such repayment is not made, the Secretary
shall, after providing the State with adequate
notice and opportunity for a hearing within the
State, offset such amounts against the amount
of any allotment to which the State is or may
become entitled under this part.

(4) The State shall make copies of the reports
and audits required by this section available for
public inspection within the State.

(5) The Comptroller General of the United
States shall, from time to time, evaluate the ex-
penditures by States of grants under this part in
order to assure that expenditures are consistent
with the provisions of this part and the certifi-
cation provided by the State under section
300w–4 of this title.

(6) Not later than October 1, 1990, the Sec-
retary shall report to the Congress on the activi-
ties of the States that have received funds under
this part and may include in the report any rec-
commendations for appropriate changes in legis-
lation.

(c) Inapplicability of title XVII of Omnibus Budg-
et Reconciliation Act of 1981

Title XVII of the Omnibus Budget Reconcili-
ation Act of 1981 shall not apply with respect to
audits of funds allotted under this part.

(7) Not later than October 1, 1990, the Sec-
retary shall report to the Congress on the activi-
ties of the States that have received funds under
this part and may include in the report any rec-
commendations for appropriate changes in legis-
lation.

(c) Inapplicability of title XVII of Omnibus Budg-
et Reconciliation Act of 1981

Title XVII of the Omnibus Budget Reconcili-
ation Act of 1981 shall not apply with respect to
audits of funds allotted under this part.

(1) Each State shall establish fiscal control
and fund accounting procedures as may be nec-
essary to assure the proper disbursal of and ac-
counting for Federal funds paid to the State
under section 300w–2 of this title and funds
transferred under section 300w–3(c) of this title
for use under this part.

(2) Each State shall annually audit its expend-
titures from payments received under section
300w–2 of this title. Such State audits shall be
conducted by an entity independent of any agen-
cy administering a program funded under this
part and, in so far as practical, in accordance
with the Comptroller General’s standards for au-
diting governmental organizations, programs,
activities, and functions. Within 30 days follow-
ing the date each audit is completed, the chief
executive officer of the State shall transmit a
copy of that audit to the Secretary.

(3) Each State shall, after being provided by
the Secretary with adequate notice and oppor-
tunity for a hearing within the State, repay to
the United States amounts found not to have
been expended in accordance with the require-
ments of this part or the certification provided
by the State under section 300w–4 of this title. If
such repayment is not made, the Secretary
shall, after providing the State with adequate
notice and opportunity for a hearing within the
State, offset such amounts against the amount
of any allotment to which the State is or may
become entitled under this part.

(4) The State shall make copies of the reports
and audits required by this section available for
public inspection within the State.

(5) The Comptroller General of the United
States shall, from time to time, evaluate the ex-
penditures by States of grants under this part in
order to assure that expenditures are consistent
with the provisions of this part and the certifi-
cation provided by the State under section
300w–4 of this title.

(6) Not later than October 1, 1990, the Sec-
retary shall report to the Congress on the activi-
ties of the States that have received funds under
this part and may include in the report any rec-
commendations for appropriate changes in legis-
lation.

(c) Inapplicability of title XVII of Omnibus Budg-
et Reconciliation Act of 1981

Title XVII of the Omnibus Budget Reconcili-
ation Act of 1981 shall not apply with respect to
audits of funds allotted under this part.

(7) Not later than October 1, 1990, the Sec-
retary shall report to the Congress on the activi-
ties of the States that have received funds under
this part and may include in the report any rec-
commendations for appropriate changes in legis-
lation.

(c) Inapplicability of title XVII of Omnibus Budg-
et Reconciliation Act of 1981

Title XVII of the Omnibus Budget Reconcili-
ation Act of 1981 shall not apply with respect to
audits of funds allotted under this part.
serious nature that a State has failed to use funds in accordance with the requirements of this part or certifications provided under section 300w–4 of this title.

(4) The Secretary may not withhold funds under this part or certifications provided under section 300w–4 of this title.

(b) Investigations

(1) The Secretary shall conduct in several States in each fiscal year investigations of the use of funds received by the States under this part in order to evaluate compliance with the requirements of this part and certifications provided under section 300w–4 of this title.

(2) The Comptroller General of the United States may conduct investigations of the use of funds received under this part by a State in order to insure compliance with the requirements of this part and certifications provided under section 300w–4 of this title.

(c) Availability of books, documents, papers, and records

Each State, and each entity which has received funds from an allotment made to a State under this part, shall make appropriate books, documents, papers, and records available to the Secretary or the Comptroller General of the United States, or any of their duly authorized representatives, for examination, copying, or mechanical reproduction on or off the premises of the appropriate entity upon a reasonable request therefor.

(d) Information not readily available

(1) In conducting any investigation in a State, the Secretary or the Comptroller General of the United States may not make a request for any information not readily available to such State or an entity which has received funds from an allotment made to the State under this part or make an unreasonable request for information to be compiled, collected, or transmitted in any form not readily available.

(2) Paragraph (1) does not apply to the collection, compilation, or transmittal of data in the course of a judicial proceeding.

(July 1, 1944, ch. 373, title XIX, §1907, as added Pub. L. 97–35, title IX, §901, Aug. 13, 1981, 95 Stat. 541.)

Effective Date


§ 300w–7. Nondiscrimination provisions

(a) Programs and activities receiving Federal financial assistance

(1) For the purpose of applying the prohibitions against discrimination on the basis of age under the Age Discrimination Act of 1975 [42 U.S.C. 6101 et seq.], on the basis of handicap under section 504 of the Rehabilitation Act of 1973 [29 U.S.C. 794], on the basis of sex under title IX of the Education Amendments of 1972 [20 U.S.C. 1681 et seq.], or on the basis of race, color, or national origin under title VI of the Civil Rights Act of 1964 [42 U.S.C. 2000d et seq.], programs and activities funded in whole or in part with funds made available under this part are considered to be programs and activities receiving Federal financial assistance.

(2) No person shall on the ground of sex or religion be excluded from participation in, be denied the benefits of, or be subjected to discrimination under, any program or activity funded in whole or in part with funds made available under this part.

(b) Failure to comply

Whenever the Secretary finds that a State, or an entity that has received a payment from an allotment to a State under section 300w–1 of this title, has failed to comply with a provision of law referred to in subsection (a)(1), with subsection (a)(2), or with an applicable regulation (including one prescribed to carry out subsection (a)(2)), the Secretary shall notify the chief executive officer of the State and shall request him to secure compliance. If within a reasonable period of time, not to exceed sixty days, the chief executive officer fails or refuses to secure compliance, the Secretary may—

(1) refer the matter to the Attorney General with a recommendation that an appropriate civil action be instituted;

(2) exercise the powers and functions provided by title VI of the Civil Rights Act of 1964 [42 U.S.C. 2000d et seq.], the Age Discrimination Act of 1975 [42 U.S.C. 6101 et seq.], or section 504 of the Rehabilitation Act of 1973 [29 U.S.C. 794], as may be applicable, or

(3) take such other action as may be provided by law.

(c) Civil actions by Attorney General

When a matter is referred to the Attorney General pursuant to subsection (b)(1), or whenever he has reason to believe that a State or an entity is engaged in a pattern or practice in violation of a provision of law referred to in subsection (a)(1) or in violation of subsection (a)(2), the Attorney General may bring a civil action in any appropriate district court of the United States for such relief as may be appropriate, including injunctive relief.

(July 1, 1944, ch. 373, title XIX, §1908, as added Pub. L. 97–35, title IX, §901, Aug. 13, 1981, 95 Stat. 542.)

References in Text


For complete classification of this Act to the Code, see Short Title note set out under Title XIX and Tables.


of chapter 21 of this title. For complete classification of this Act to the Code, see Short Title note set out under section 2006a of this title and Tables.

**Effective Date**

§ 300w–8. Criminal penalty for false statements

Whoever—

(1) knowingly and willfully makes or causes to be made any false statement or representation of a material fact in connection with the furnishing of items or services for which payment may be made by a State from funds allotted to the State under this part, or

(2) having knowledge of the occurrence of any event affecting his initial or continued right to any such payment conceals or fails to disclose such event with an intent fraudulently to secure such payment either in a greater amount than is due or when no such payment is authorized,

shall be fined not more than $25,000 or imprisoned for not more than five years, or both.


**References in Text**
Section 300w–3(a)(1) of this title, referred to in subsec. (a), was amended generally by Pub. L. 102–331, title I, §102(a), Oct. 27, 1992, 106 Stat. 3470, and, as so amended, provisions formerly appearing in subpar. (F) are contained in subpar. (C).

Section 292a of this title, referred to in subsec. (c), was in the original a reference to section 701 of that Act and was omitted in the general revision of subchapter V of this chapter by Pub. L. 105–392, title I, §102, Oct. 13, 1992, 106 Stat. 1994. Pub. L. 102–408 enacted a new section 701 of act July 1, 1944, relating to statement of purpose, and a new section 702, relating to scope and duration of loan insurance program, which are classified to sections 292 and 292a, respectively, of this title. For provisions relating to definitions, see section 290p of this title.

**Amendments**

2019—Subsec. (d). Pub. L. 116–49 substituted “2014,” for “2014,” and inserted before period at end “, and”, “3-year period” for “and 3-year period”, and inserted before period at end “, and”, “3-year period (with an optional 4th year based on performance)”, subject to annual evaluation by the Secretary. Only 3 grants under this subsection may be made in a State (to a State or to a school of medicine in such State) in any fiscal year.

(b) Renewals

The Secretary may renew a grant made under subsection (a) for one additional one-year period only if the Secretary determines that renewal of such grant will provide significant benefits through the collection, analysis, and dissemination of information or data which will be useful to States in which grants under such subsection have not been made.

(c) Definitions

For purposes of this section—

(1) the term “school of medicine” has the same meaning as in section 292a(4) of this title; and

(2) the term “accredited” has the same meaning as in section 292a(5) of this title.

(d) Authorization of appropriations

To carry out this section, there are authorized to be appropriated $2,000,000 for fiscal year 1985 and for each of the two succeeding fiscal years, $3,000,000 for fiscal year 1989, $4,000,000 for fiscal year 1990, $5,000,000 for each of the fiscal years 1991 and 1992, such sums as may be necessary for each of the fiscal years 1993 through 2005, $25,000,000 for fiscal year 2010, $26,250,000 for fiscal year 2011, $27,562,500 for fiscal year 2012, $28,940,625 for fiscal year 2013, $30,387,656 for fiscal year 2014, $30,213,000 for each of fiscal years 2015 through 2019, and $22,334,000 for each of fiscal years 2020 through 2024.

1990—Subsec. (a), Pub. L. 101–590, § 511(A), directed the substitution of “grants” for “not more that four grants in any fiscal year” could not be executed because the language to be stricken did not appear in text.


Subsec. (d), Pub. L. 101–590, § 5(c), substituted “each of the fiscal years 1991 and 1992” for “fiscal year 1991”.

1988—Subsec. (a), Pub. L. 100–607, § 302(a), substituted “shall be for not more that a two-year period, subject to annual evaluation by the Secretary” for “shall be for a one-year period”.

Subsec. (d), Pub. L. 100–607, § 302(b), inserted “... $3,000,000 for fiscal year 1989, $4,000,000 for fiscal year 1990, and $5,000,000 for fiscal year 1991” before period at end.

1986—Subsec. (a), Pub. L. 99–272, § 17004(1), directed substitution of “not more than four grants in any fiscal year to States or accredited schools of medicine in States” for “grant to not more than four States in any fiscal year”, as the probable intent of Congress.

Subsec. (d), Pub. L. 99–272, § 17004(2), inserted at end “Only one grant under this subsection may be made in State (to a State or to a school of medicine in such State) in any fiscal year.”

Subsec. (b), Pub. L. 99–272, § 17004(3), substituted “States in which grants under such subsection have not been made” for “other States”.

Subsec. (c), (d), Pub. L. 99–272, § 17004(4), (5), added subsec. (c) and redesignated former subsec. (c) as (d).


PART B—BLOCK GRANTS REGARDING MENTAL HEALTH AND SUBSTANCE ABUSE

SUBPART I—BLOCK GRANTS FOR COMMUNITY MENTAL HEALTH SERVICES

§ 300x. Formula grants to States

(a) In general

For the purpose described in subsection (b), the Secretary, acting through the Director of the Center for Mental Health Services, shall make an allotment each fiscal year for each State in an amount determined in accordance with section 300x–7 of this title, The Secretary shall make a grant to the State of the allotment made for the State for the fiscal year if the State submits to the Secretary an application in accordance with section 300x–5 of this title.

(b) Purpose of grants

A funding agreement for a grant under subsection (a) is that, subject to section 300x–5 of this title, the State involved will expend the grant only for purpose of—

Providing community mental health services for adults with a serious mental illness and children with a serious emotional disturbance as defined in accordance with section 300x–1(c) of this title;

(2) carrying out the plan submitted under section 300x–1(a) of this title by the State for the fiscal year involved;

(3) evaluating programs and services carried out under the plan; and

(4) planning, administration, and educational activities related to providing services under the plan.


PRIOR PROVISIONS


AMENDMENTS

2016—Subsec. (b). Pub. L. 114–255 added par. (1) and redesignated former pars. (1) to (3) as (2) to (4), respectively.

EFFECTIVE DATE

Part effective July 10, 1992, with programs making awards providing financial assistance in fiscal year 1993 and subsequent years effective for awards made on or after Oct. 1, 1992, and with provision that section 205(a) of Pub. L. 102–321, set out below, regarding allotments made for fiscal year 1992 under this part as in effect on the day before July 10, 1992, applies with respect to the program established in this part, see section 801(b), (d) of Pub. L. 102–321, set out as an Effective Date of 1992 Amendment note under section 236 of this title.

TEMPORARY PROVISIONS REGARDING FUNDING

Section 205 of Pub. L. 102–321, as amended by Pub. L. 102–352, § 2(c), Aug. 26, 2000, 114 Stat. 1639; Pub. L. 102–408, title II, §§ 101, 106(a), 106 Stat. 933, 938; Pub. L. 102–492, title III, § 312, Oct. 13, 1992, 106 Stat. 2391, provided that, with respect to allotments made for fiscal year 1992 under this part, as in effect on the day before July 10, 1992, any portion of the total of such allotments that has not been paid to the States as of the first day of the fourth quarter of such fiscal year be reallocated with the result that the total allotment made for a State for fiscal year 1992 be the amount indicated for the State in a specified table, authorized Secretary of Health and Human Services to make a grant to a State of the reallocation if the State agrees that the grant be subject to all conditions upon which allotments and payments under this part, as in effect on the day before July 10, 1992, are made for fiscal 1992, with specified exceptions, permitted transfers of allotments made in fiscal years 1993 and 1994 between this part and subpart II, section 300x–21 of this title, under certain circumstances, defined terms as used, and directed funding, subject to a limitation, of a program for pregnant and postpartum women for fiscal year 1993.

REPORT ON ALLOTMENT FORMULA

Section 707 of Pub. L. 102–321 directed Secretary of Health and Human Services to enter into a contract with National Academy of Sciences, or if such Academy declines, with another public or nonprofit private agency, for purpose of conducting a study or studies concerning statutory formulae under which funds made available under this section and section 300x–21 of this title are allocated among States and territories, specified findings to be made by the study or studies, directed Secretary to ensure that not later than 6 months after July 10, 1992, the study was completed and a report submitted to Committee on Energy and Commerce.
§ 300x-1. State plan for comprehensive community mental health services for certain individuals

(a) In general

The Secretary may make a grant under section 300x of this title only if—

(1) the State involved submits to the Secretary a plan for providing comprehensive community mental health services to adults with a serious mental illness and to children with a serious emotional disturbance;

(2) the plan meets the criteria specified in subsection (b); and

(3) the plan is approved by the Secretary.

(b) Criteria for plan

In accordance with subsection (a), a State shall submit to the Secretary a plan every two years that, at a minimum, includes each of the following:

(1) System of care

A description of the State’s system of care that contains the following:

(A) Comprehensive community-based health systems

The plan shall—

(i) identify the single State agency to be responsible for the administration of the program under the grant, including any third party who administers mental health services and is responsible for complying with the requirements of this part with respect to the grant;

(ii) provide for an organized community-based system of care for individuals with mental illness, and describe available services and resources in a comprehensive system of care, including services for individuals with co-occurring disorders;

(iii) include a description of the manner in which the State and local entities will coordinate services to maximize the efficiency, effectiveness, quality, and cost-effectiveness of services and programs to produce the best possible outcomes (including health services, rehabilitation services, employment services, housing services, educational services, substance use disorder services, legal services, law enforcement services, social services, child welfare services, medical and dental care services, and other support services to be provided with Federal, State, and local public and private resources) with other agencies to enable individuals receiving services to function outside of inpatient or residential institutions, to the maximum extent of their capabilities, including services to be provided by local school systems under the Individuals with Disabilities Education Act [20 U.S.C. 1400 et seq.];

(iv) include a description of how the State promotes evidence-based practices, including those evidence-based programs that address the needs of individuals with early serious mental illness regardless of the age of the individual at onset, provide comprehensive individualized treatment, or integrate mental and physical health services;

(v) include a description of case management services;

(vi) include a description of activities that seek to engage adults with a serious mental illness or children with a serious emotional disturbance and their caregivers where appropriate in making health care decisions, including activities that enhance communication among individuals, families, caregivers, and treatment providers; and

(vii) as appropriate to, and reflective of, the uses the State proposes for the block grant funds, include—

(I) a description of the activities intended to reduce hospitalizations and hospital stays using the block grant funds;

(II) a description of the activities intended to reduce incidents of suicide using the block grant funds;

(III) a description of how the State integrates mental health and primary care using the block grant funds, which may include providing, in the case of individuals with co-occurring mental and substance use disorders, both mental and substance use disorders services in primary care settings or arrangements to provide primary and specialty care services in community-based mental and substance use disorders settings; and

(IV) a description of recovery and recovery support services for adults with a serious mental illness and children with a serious emotional disturbance.

(B) Mental health system data and epidemiology

The plan shall contain an estimate of the incidence and prevalence in the State of serious mental illness among adults and serious emotional disturbance among children and present quantitative targets and outcome measures for programs and services provided under this subpart.

(C) Children’s services

In the case of children with a serious emotional disturbance (as defined pursuant to subsection (c)), the plan shall provide for a system of integrated social services, educational services, child welfare services, juvenile justice services, law enforcement services, and substance use disorder services that, together with health and mental health services, will be provided in order for such children to receive care appropriate for their multiple needs (such system to include services provided under the Individuals with Disabilities Education Act).

(D) Targeted services to rural and homeless populations

The plan shall describe the State’s outreach to and services for individuals who are
homeless and how community-based services will be provided to individuals residing in rural areas.

(E) Management services

The plan shall describe the financial resources available, the existing mental health workforce, and the workforce trained in treating individuals with co-occurring mental and substance use disorders, and shall provide for the training of providers of emergency health services regarding mental health. The plan shall further describe the manner in which the State intends to expend the grant under section 300x of this title for the fiscal year involved, and the manner in which the State intends to comply with each of the funding agreements in this subpart and subpart III.

(2) Goals and objectives

The establishment of goals and objectives for the period of the plan, including targets and milestones that are intended to be met, and the activities that will be undertaken to achieve those targets.

(c) Definitions regarding mental illness and emotional disturbance; methods for estimate of incidence and prevalence

(1) Establishment by Secretary of definitions; dissemination

For purposes of this subpart, the Secretary shall establish definitions for the terms “adults with a serious mental illness” and “children with a serious emotional disturbance”. The Secretary shall disseminate the definitions to the States.

(2) Standardized methods

The Secretary shall establish standardized methods for making the estimates required in subsection (b)(11) with respect to a State. A funding agreement for a grant under section 300x of this title for the State is that the State will utilize such methods in making the estimates.

(3) Date certain for compliance by Secretary

Not later than 90 days after July 10, 1992, the Secretary shall establish the definitions described in paragraph (1), shall begin dissemination of the definitions to the States, and shall establish the standardized methods described in paragraph (2).

(d) Requirement of implementation of plan

(1) Complete implementation

Except as provided in paragraph (2), in making a grant under section 300x of this title to a State for a fiscal year, the Secretary shall make a determination of the extent to which the State has implemented the plan required in subsection (a). If the Secretary determines that the State has not substantially implemented the plan, the Secretary shall, subject to subparagraph (B), reduce the amount of the allotment under section 300x of this title for the State for such fiscal year by an amount equal to 10 percent of the amount determined under section 300x–7 of this title for the State for the fiscal year.

(B) In carrying out subparagraph (A), if the Secretary determines that the State is making a good faith effort to implement the plan required in subsection (a), the Secretary may make a reduction under such subparagraph in an amount that is less than the amount specified in such subparagraph, except that the reduction may not be made in an amount that is less than 5 percent of the amount determined under section 300x–7 of this title for the State for fiscal year 1993.

(2) Substantial implementation and good faith effort regarding fiscal year 1993

(A) In making a grant under section 300x of this title to a State for fiscal year 1993, the Secretary shall make a determination of the extent to which the State has implemented the plan required in subsection (a). If the Secretary determines that the State has not substantially implemented the plan, the Secretary shall, subject to subparagraph (B), reduce the amount of the allotment under section 300x of this title for the State for such fiscal year by an amount equal to 10 percent of the amount determined under section 300x–7 of this title for the State for the fiscal year.

(B) In carrying out subparagraph (A), if the Secretary determines that the State is making a good faith effort to implement the plan required in subsection (a), the Secretary may make a reduction under such subparagraph in an amount that is less than the amount specified in such subparagraph, except that the reduction may not be made in an amount that is less than 5 percent of the amount determined under section 300x–7 of this title for the State for fiscal year 1993.

1 See References in Text note below.

REFERENCES IN TEXT

The Individuals with Disabilities Education Act, referred to in subsec. (b)(1)(A)(iii), (C), is title VI of Pub. L. 91–250, Apr. 13, 1970, 84 Stat. 175, which is classified generally to chapter 33 (§ 1400 et seq.) of Title 20, Education. For complete classification of this Act to the Code, see section 1400 of Title 20 and Tables.


PRIOR PROVISIONS


See References in Text note below.

AMENDMENTS
2016—Subsec. (b). Pub. L. 114–255, § 8001(b)(3), (10), substituted, in introductory provisions, "In accordance with subsection (a), a State shall submit to the Secretary a plan every two years that, at a minimum, includes each of the following:" for "With respect to the provision of comprehensive community mental health services to individuals who are either adults with a serious mental illness or children with a serious emotional disturbance, the criteria referred to in subsection (a) regarding a plan are as follows:" and struck out concluding provisions which read as follows: "Except as provided for in paragraph (3), the plan must contain the information required under this subsection with respect to both adults with serious mental illness and children with serious emotional disturbance." Subsec. (b)(1). Pub. L. 114–255, § 8001(b)(4), inserted par. (1) designation, heading, and introductory provisions. Former par. (1) redesignated subpar. (A) of par. (1). Subsec. (b)(1)(A). Pub. L. 114–255, § 8001(b)(5), added subpar. (A) and struck out former subpar. (A) which related to comprehensive community-based mental health systems. Pub. L. 114–255, § 8001(b)(2), redesignated par. (1) as subpar. (A) of par. (1) and realigned margins. Subsec. (b)(1)(B). Pub. L. 114–255, § 8001(b)(6), substituted "The plan shall contain" for "The plan contains" and "present quantitative targets and outcome measures for programs and services provided under this subpart for "present quantitative targets to be achieved in the implementation of the system described in paragraph (1)". Pub. L. 114–255, § 8001(b)(2), redesignated par. (2) as subpar. (B) of par. (1) and realigned margins. Subsec. (b)(1)(C). Pub. L. 114–255, § 8001(b)(7), substituted "serious emotional disturbance (as defined pursuant to subsection (c)), the plan shall provide for a system of integrated social services, educational services, law enforcement services, and substance use disorder services" for "serious emotional disturbance, the plan—subject to subparagraph (B), provides for a system of integrated social services, educational services, law enforcement services, and substance use disorder services" and "Education Act);" and struck out cls. (ii) and (iii), which related to use of grants under section 300x–1(b) of this title and to establish a system of integrated services described in section 300x–2. Certain agreements

(a) Allocation for systems of integrated services for children
(1) In general
With respect to children with a serious emotional disturbance, a funding agreement for a grant under section 300x of this title is that—
(A) in the case of a grant for fiscal year 1993, the State involved will spend not less than 10 percent of the grant to increase (relative to fiscal year 1992) funding for such system; and
(B) in the case of a grant for fiscal year 1994, the State will spend not less than 10 percent of the grant to increase (relative to fiscal year 1993) funding for such system; and
(C) in the case of a grant for any subsequent fiscal year, the State will spend for such system not less than an amount equal to the amount expended by the State for fiscal year 1994.

(2) Waiver
(A) Upon the request of a State, the Secretary may provide to the State a waiver of all or part of the requirement established in paragraph (1) if the Secretary determines that the State is providing an adequate level of comprehensive community mental health services for children with a serious emotional disturbance, as indicated by a comparison of the number of such children for which such services are sought with the availability in the State of the services.
(B) The Secretary shall approve or deny a request for a waiver under subparagraph (A) not later than 120 days after the date on which the request is made.

(C) Any waiver provided by the Secretary under subparagraph (A) shall be applicable only to the fiscal year involved.

(b) Providers of services
A funding agreement for a grant under section 300x of this title for a State is that, with respect to the plan submitted under section 300x–1(a) of this title for the fiscal year involved—
(1) services under the plan will be provided through appropriate, qualified community programs (which may include community mental health centers, child mental-health programs, psychosocial rehabilitation programs, mental health peer-support programs, and mental-health primary consumer-directed programs); and
(2) services under the plan will be provided through community mental health centers

1 See References in Text note below.
2 So in original. Probably should be "disturbance."
§ 300x–3

TITLE 42—THE PUBLIC HEALTH AND WELFARE

Page 1250

only if the centers meet the criteria specified in subsection (c).

(c) Criteria for mental health centers

The criteria referred to in subsection (b)(2) regarding community mental health centers are as follows:

1. With respect to mental health services, the centers provide services as follows:
   (A) Services principally to individuals residing in a defined geographic area (hereafter in this subsection referred to as a "service area").
   (B) Outpatient services, including specialized outpatient services for children, the elderly, individuals with a serious mental illness, and residents of the service areas of the centers who have been discharged from inpatient treatment at a mental health facility.
   (C) 24-hour-a-day emergency care services.
   (D) Day treatment or other partial hospitalization services, or psychosocial rehabilitation services.
   (E) Screening for patients being considered for admission to State mental health facilities to determine the appropriateness of such admission.

2. The mental health services of the centers are provided, within the limits of the capacities of the centers, to any individual residing or employed in the service area of the center regardless of ability to pay for such services.

3. The mental health services of the centers are available and accessible promptly, as appropriate and in a manner which preserves human dignity and assures continuity and high quality care.

(July 1, 1944, ch. 373, title XIX, §1913, as added Pub. L. 102–321, title II, §201(2), July 10, 1992, 106 Stat. 381.)

References in Text

Section 300x–1(b)(9) of this title, referred to in subsec. (a)(1)(A), was repealed by Pub. L. 106–310, div. B, title XXXII, §3204(a), Oct. 17, 2000, 114 Stat. 1192. Provisions relating to a system of integrated social services formerly contained in section 300x–1(b)(9) are now contained in section 300x–1(b)(3) of this title.

Prior Provisions


A prior section 1913 of act July 1, 1944, was classified to section 300x–1b of this title and repealed by Pub. L. 102–321.

§ 300x–3. State mental health planning council

(a) In general

A funding agreement for a grant under section 300x of this title is that the State involved will establish and maintain a State mental health planning council in accordance with the conditions described in this section.

(b) Duties

A condition under subsection (a) for a Council is that the duties of the Council are—

1. to review plans provided to the Council pursuant to section 300x–4(a) of this title by the State involved and to submit to the State any recommendations of the Council for modifications to the plans;
2. to serve as an advocate for adults with a serious mental illness, children with a severe emotional disturbance, and other individuals with mental illnesses or emotional problems; and
3. to monitor, review, and evaluate, not less than once each year, the allocation and adequacy of mental health services within the State.

(c) Membership

(1) In general

A condition under subsection (a) for a Council is that the Council be composed of residents of the State, including representatives of—

(A) the principal State agencies with respect to—
   (i) mental health, education, vocational rehabilitation, criminal justice, housing, and social services; and
   (ii) the development of the plan submitted pursuant to title XIX of the Social Security Act [42 U.S.C. 1396 et seq.];
(B) public and private entities concerned with the need, planning, operation, funding, and use of mental health services and related support services;
(C) adults with serious mental illnesses who are receiving (or have received) mental health services; and
(D) the families of such adults or families of children with emotional disturbance.

(2) Certain requirements

A condition under subsection (a) for a Council is that—

(A) with respect to the membership of the Council, the ratio of parents of children with a serious emotional disturbance to other members of the Council is sufficient to provide adequate representation of such children in the deliberations of the Council; and
(B) not less than 50 percent of the members of the Council are individuals who are not State employees or providers of mental health services.

(d) “Council” defined

For purposes of this section, the term “Council” means a State mental health planning council.

(July 1, 1944, ch. 373, title XIX, §1914, as added Pub. L. 102–321, title II, §201(2), July 10, 1992, 106 Stat. 382.)

References in Text


Prior Provisions

§ 300x–4. Additional provisions

(a) Review of State plan by mental health planning council

The Secretary may make a grant under section 300x of this title to a State only if—

(1) the plan submitted under section 300x–1(a) of this title with respect to the grant and the report of the State under section 300x–52(a) of this title concerning the preceding fiscal year has been reviewed by the State mental health planning council under section 300x–3 of this title; and

(2) the State submits to the Secretary any recommendations received by the State from such council for modifications to the plan (without regard to whether the State has made the recommended modifications) and any comments concerning the annual report.

(b) Maintenance of effort regarding State expenditures for mental health

(1) In general

A funding agreement for a grant under section 300x of this title is that the State involved will maintain State expenditures for community mental health services at a level that is not less than the average level of such expenditures maintained by the State for the 2-year period preceding the fiscal year for which the State is applying for the grant.

(2) Exclusion of certain funds

The Secretary may exclude from the aggregate State expenditures under subsection (a), funds appropriated to the principle agency for authorized activities which are of a non-recurring nature and for a specific purpose.

(3) Waiver

(A) In general

The Secretary may, upon the request of a State, waive the requirement established in paragraph (1) in whole or in part if the Secretary determines that extraordinary economic conditions in the State in the fiscal year involved or in the previous fiscal year justify the waiver.

(B) Date certain for action upon request

The Secretary shall approve or deny a request for a waiver under this paragraph not later than 120 days after the date on which the request is made.

(C) Applicability of waiver

A waiver provided by the Secretary under this paragraph shall be applicable only to the fiscal year involved.
§ 300x-5. Restrictions on use of payments

(a) In general

A funding agreement for a grant under section 300x of this title that is the State involved will not expend the grant—

(1) to provide inpatient services;

(2) to make cash payments to intended recipients of health services;

(3) to purchase or improve land, purchase, construct, or permanently improve (other than minor remodeling) any building or other facility, or purchase major medical equipment;

(4) to satisfy any requirement for the expenditure of non-Federal funds as a condition for the receipt of Federal funds; or

(5) to provide financial assistance to any entity other than a public or nonprofit private entity.

(b) Limitation on administrative expenses

A funding agreement for a grant under section 300x of this title that is the State involved will not expend more than 5 percent of the grant for administrative expenses with respect to the grant.

(1) the plan is received by the Secretary not later than September 1 of the fiscal year prior to the fiscal year for which a State is seeking funds, and the report from the previous fiscal year as required under section 300x-52(a) of this title is received by December 1 of the fiscal year of the grant;

(2) the application contains each funding agreement that is described in this subpart or subpart III for such a grant (other than any such agreement that is not applicable to the State);

(3) the agreements are made through certification from the chief executive officer of the State;

(4) with respect to such agreements, the application provides assurances of compliance satisfactory to the Secretary;

(5) the application contains the plan required in section 300x-1(a) of this title, the information required in section 300x-4(b) of this title, and the report required in section 300x-52(a) of this title;

(6) the application contains recommendations in compliance with section 300x-4(a) of this title, or if no such recommendations are received by the State, the application otherwise demonstrates compliance with such section;

(7) the application (including the plan under section 300x-1(a) of this title) is otherwise in such form, is made in such manner, and contains such agreements, assurances, and information as the Secretary determines to be necessary to carry out this subpart.

(b) Waivers regarding certain territories

In the case of any territory of the United States except Puerto Rico, the Secretary may waive such provisions of this subpart and subpart III as the Secretary determines to be appropriate, other than the provisions of section 300x-5 of this title.

(1) the plan is received by the Secretary not later than September 1 of the fiscal year prior to the fiscal year for which a State is seeking funds, and the report from the previous fiscal year as required under section 300x-52(a) of this title is received by December 1 of the fiscal year of the grant;

(2) the application contains each funding agreement that is described in this subpart or subpart III for such a grant (other than any such agreement that is not applicable to the State);

(3) the agreements are made through certification from the chief executive officer of the State;

(4) with respect to such agreements, the application provides assurances of compliance satisfactory to the Secretary;

(5) the application contains the plan required in section 300x-1(a) of this title, the information required in section 300x-4(b) of this title, and the report required in section 300x-52(a) of this title;

(6) the application contains recommendations in compliance with section 300x-4(a) of this title, or if no such recommendations are received by the State, the application otherwise demonstrates compliance with such section;

(7) the application (including the plan under section 300x-1(a) of this title) is otherwise in such form, is made in such manner, and contains such agreements, assurances, and information as the Secretary determines to be necessary to carry out this subpart.

§ 300x-6. Application for grant

(a) In general

For purposes of section 300x of this title, an application for a grant under such section for a fiscal year in accordance with this section if, subject to subsection (b)—

Prior provisions


Prior provisions

A prior section 1916 of act July 1, 1944, was classified to section 300x-4 of this title prior to repeal by Pub. L. 102-321.

AMENDMENTS


Prior provisions


Prior provisions

A prior section 1917 of act July 1, 1944, was classified to section 300x-5 of this title prior to repeal by Pub. L. 102-321.

AMENDMENTS


§ 300x-3. Restrictions on use of payments

(a) In general

A funding agreement for a grant under section 300x of this title is that the State involved will not expend the grant—

(1) to provide inpatient services;

(2) to make cash payments to intended recipients of health services;

(3) to purchase or improve land, purchase, construct, or permanently improve (other than minor remodeling) any building or other facility, or purchase major medical equipment;

(4) to satisfy any requirement for the expenditure of non-Federal funds as a condition for the receipt of Federal funds; or

(5) to provide financial assistance to any entity other than a public or nonprofit private entity.

(b) Limitation on administrative expenses

A funding agreement for a grant under section 300x of this title is that the State involved will not expend more than 5 percent of the grant for administrative expenses with respect to the grant.

(1) the plan is received by the Secretary not later than September 1 of the fiscal year prior to the fiscal year for which a State is seeking funds, and the report from the previous fiscal year as required under section 300x-52(a) of this title is received by December 1 of the fiscal year of the grant;

(2) the application contains each funding agreement that is described in this subpart or subpart III for such a grant (other than any such agreement that is not applicable to the State);

(3) the agreements are made through certification from the chief executive officer of the State;

(4) with respect to such agreements, the application provides assurances of compliance satisfactory to the Secretary;

(5) the application contains the plan required in section 300x-1(a) of this title, the information required in section 300x-4(b) of this title, and the report required in section 300x-52(a) of this title;

(6) the application contains recommendations in compliance with section 300x-4(a) of this title, or if no such recommendations are received by the State, the application otherwise demonstrates compliance with such section;

(7) the application (including the plan under section 300x-1(a) of this title) is otherwise in such form, is made in such manner, and contains such agreements, assurances, and information as the Secretary determines to be necessary to carry out this subpart.

(b) Waivers regarding certain territories

In the case of any territory of the United States except Puerto Rico, the Secretary may waive such provisions of this subpart and subpart III as the Secretary determines to be appropriate, other than the provisions of section 300x-5 of this title.

Prior provisions


Prior provisions

A prior section 1917 of act July 1, 1944, was classified to section 300x-5 of this title prior to repeal by Pub. L. 102-321.
§ 300x–7. Determination of amount of allotment

(a) States

(1) Determination under formula

Subject to subsection (b), the Secretary shall determine the amount of the allotment required in section 300x of this title for a State for a fiscal year in accordance with the following formula:

\[ A = \left( \frac{X}{U} \right) \]

(2) Determination of term “A”

For purposes of paragraph (1), the term “A” means the difference between—

(A) the amount appropriated under section 300x–9(a) of this title for allotments under section 300x of this title for the fiscal year involved; and

(B) an amount equal to 1.5 percent of the amount referred to in subparagraph (A).

(3) Determination of term “U”

For purposes of paragraph (1), the term “U” means the sum of the respective terms “X” determined for the States under paragraph (4).

(4) Determination of term “X”

For purposes of paragraph (1), the term “X” means the product of—

(A) an amount equal to the product of—

(i) the term “P”, as determined for the State involved under paragraph (5); and

(ii) the factor determined under paragraph (8) for the State; and

(B) the greater of—

(i) 0.4; and

(ii) an amount equal to an amount determined for the State in accordance with the following formula:

\[ 1 - 0.35 \left( \frac{R\%}{P\%} \right) \]

(5) Determination of term “P”

(A) For purposes of paragraph (4), the term “P” means the sum of—

(i) an amount equal to the product of 0.107 and the number of individuals in the State who are between 18 and 24 years of age (inclusive);

(ii) an amount equal to the product of 0.166 and the number of individuals in the State who are between 25 and 44 years of age (inclusive);

(iii) an amount equal to the product of 0.089 and the number of individuals in the State who are between 45 and 64 years of age (inclusive); and

(iv) an amount equal to the product of 0.082 and the number of individuals in the State who are 65 years of age or older.

(B) With respect to data on population that is necessary for purposes of making a determination under subparagraph (A), the Secretary shall use the most recent data that is available from the Secretary of Commerce pursuant to the decennial census and pursuant to reasonable estimates by such Secretary of changes occurring in the data in the ensuing period.

(6) Determination of term “R%”

(A) For purposes of paragraph (4), the term “R%”, except as provided in subparagraph (D), means the percentage constituted by the ratio of the amount determined under subparagraph (B) for the State involved to the amount determined under subparagraph (C).

(B) The amount determined under this subparagraph for the State involved is the quotient of—

(i) the most recent 3-year arithmetic mean of the total taxable resources of the State, as determined by the Secretary of the Treasury; divided by

(ii) the factor determined under paragraph (8) for the State.

(C) The amount determined under this subparagraph is the sum of the respective amounts determined for the States under subparagraph (B) (including the District of Columbia).

(D)(i) In the case of the District of Columbia, for purposes of paragraph (4), the term “R%” means the percentage constituted by the ratio of the amount determined under clause (ii) for such District to the amount determined under clause (iii).

(ii) The amount determined under this clause for the District of Columbia is the quotient of—

(I) the most recent 3-year arithmetic mean of total personal income in such District, as determined by the Secretary of Commerce; divided by

(II) the factor determined under paragraph (8) for the District.

(iii) The amount determined under this clause is the sum of the respective amounts determined for the States (including the District of Columbia) by making, for each State, the same determination as is described in clause (ii) for the District of Columbia.

(7) Determination of term “P%”

For purposes of paragraph (4), the term “P%” means the percentage constituted by the ratio of the term “P” determined under paragraph (5) for the State involved to the sum of the respective terms “P” determined for the States.

(8) Determination of certain factor

(A) The factor determined under this paragraph for the State involved is a factor whose purpose is to adjust the amount determined under clause (i) of paragraph (4)(A), and the
amounts determined under each of subparagraphs (B)(i) and (D)(i)(I) of paragraph (6), to reflect the differences that exist between the State and other States in the costs of providing comprehensive community mental health services to adults with a serious mental illness and to children with a serious emotional disturbance.

(B) Subject to subparagraph (C), the factor determined under this paragraph and in effect for the fiscal year involved shall be determined according to the methodology described in the report entitled “Adjusting the Alcohol, Drug Abuse and Mental Health Services Block Grant Allocations for Poverty Populations and Cost of Service”, dated March 30, 1990, and prepared by Health Economics Research, a corporation, pursuant to a contract with the National Institute on Drug Abuse.

(C) The factor determined under this paragraph for the State involved may not for any fiscal year be greater than 1.1 or less than 0.9.

(D)(i) Not later than October 1, 1992, the Secretary, after consultation with the Comptroller General, shall in accordance with this section make a determination for each State of the factor that is to be in effect for the State under this paragraph. The factor so determined shall remain in effect through fiscal year 1994, and shall be recalculated every third fiscal year thereafter.

(ii) After consultation with the Comptroller General, the Secretary shall, through publication in the Federal Register, periodically make such refinements in the methodology referred to in subparagraph (B) as are consistent with the purpose described in subparagraph (A).

(b) Minimum allotments for States

With respect to fiscal year 2000, and subsequent fiscal years, the amount of the allotment of a State under section 300x of this title shall not be less than the amount the State received under such section for fiscal year 1998.

(c) Territories

(1) Determination under formula

Subject to paragraphs (2) and (4), the amount of an allotment under section 300x of this title for a territory of the United States for a fiscal year shall be the product of—

(A) an amount equal to the amounts reserved under paragraph (3) for the fiscal year; and

(B) a percentage equal to the quotient of—

(i) the civilian population of the territory, as indicated by the most recently available data; divided by

(ii) the aggregate civilian population of the territories of the United States, as indicated by such data.

(2) Minimum allotment for territories

The amount of an allotment under section 300x of this title for a territory of the United States for a fiscal year shall be the greater of—

(A) the amount determined under paragraph (1) for the territory for the fiscal year;

(B) $50,000; and

(C) with respect to fiscal years 1993 and 1994, an amount equal to 20.6 percent of the amount received by the territory from allotments made pursuant to this part for fiscal year 1992.

(3) Reservation of amounts

The Secretary shall each fiscal year reserve for the territories of the United States 1.5 percent of the amounts appropriated under section 300x–9(a) of this title for allotments under section 300x of this title for the fiscal year.

(4) Availability of data on population

With respect to data on the civilian population of the territories of the United States, if the Secretary determines for a fiscal year that recent such data for purposes of paragraph (1)(B) do not exist regarding a territory, the Secretary shall for such purposes estimate the civilian population of the territory by modifying the data on the territory to reflect the average extent of change occurring during the ensuing period in the population of all territories with respect to which recent such data do exist.

(5) Applicability of certain provisions

For purposes of subsection (a), the term “State” does not include the territories of the United States.

(§ 300x–7)
“(1) In general.—With respect to fiscal year 1999, the amount of the allotment of a State under section 300x of this title shall not be less than the amount the State received under section 300x of this title for fiscal year 1998.”

See Effective and Termination Dates of 1998 Amendment note below.


EFFECTIVE AND TERMINATION DATES OF 1998 AMENDMENT


“(1) In general.—The amendments made by subsections (a) and (b) [amending this section and section 21, 1998, 112 Stat. 2681–337, 2681–363, provided that:

“(2) Application.—Upon the expiration of the fiscal year described in paragraph (1), the provisions of sections 1918(b) and 1933(b) of the Public Health Service Act (42 U.S.C. 300x–7(b) and 300x–33(b)), as in effect on September 30, 1998, shall be applied as if the amendments made by this section had not been enacted.

EFFECTIVE DATE OF 1992 AMENDMENTS


§ 300x–8. Definitions

For purposes of this subsection:

(1) The terms “adults with a serious mental illness” and “children with a serious emotional disturbance” have the meanings given such terms under section 300x–1(c)(1) of this title.

(2) The term “funding agreement”, with respect to a grant under section 300x of this title to a State, means that the Secretary may make such a grant only if the State makes the agreement involved.


PRIOR PROVISIONS

A prior section 1919 of act July 1, 1944, was classified to section 300x–7 of this title prior to repeal by Pub. L. 102–321.

§ 300x–9. Funding

(a) Authorization of appropriations
For the purpose of carrying out this subpart, and subpart III and section 290aa–4(c) of this title with respect to mental health and the purposes specified in paragraphs (2) and (3), the Secretary shall obligate 5 percent of the amounts appropriated under subsection (a) for a fiscal year.

(2) Data collection
The purpose specified in this paragraph is carrying out sections 290aa–4(c) and 300y of this title with respect to mental health.

(3) Program evaluation
The purpose specified in this paragraph is the conduct of evaluations of prevention and treatment programs and services with respect to mental health to determine methods for improving the availability and quality of such programs and services.

(c) Early serious mental illness

(1) In general
Except as provided in paragraph (2), a State shall expend not less than 10 percent of the amount the State receives for carrying out this section for each fiscal year to support evidence-based programs that address the needs of individuals with early serious mental illness, including psychotic disorders, regardless of the age of the individual at onset.

(2) State flexibility
In lieu of expending 10 percent of the amount the State receives under this section for a fiscal year as required under paragraph (1), a State may elect to expend not less than 20 percent of such amount by the end of such succeeding fiscal year.

(Prior to 1992 amendments)

§ 300x–21. Formula grants to States

(a) In general

For the purpose described in subsection (b), the Secretary, acting through the Center for Substance Abuse Treatment, shall make an allotment each fiscal year for each State in an amount determined in accordance with section 300x–33 of this title. The Secretary shall make a grant to the State of the allotment made for the State for the fiscal year if the State submits to the Secretary an application in accordance with section 300x–32 of this title.

(b) Authorized activities

A funding agreement for a grant under subsection (a) is that, subject to section 300x–31 of this title, the State involved will expend the grant only for the purpose of carrying out the plan developed in accordance with section 300x–32(b) of this title and for planning, carrying out, and evaluating activities to prevent and treat substance use disorders and for related activities authorized in section 300x–24 of this title.

(1) Subject to paragraph (2), a funding agreement for a grant under section 300x–21 of this title for a fiscal year is that—

(A) the Secretary may provide to the State a waiver of all requirements described in subsection (b); and

(B) in the case of a grant for fiscal year 1993, the State will expend not less than 5 percent of the grant for services for women and children that are at risk of developing a pattern of substance abuse; and

(b) Allocations regarding women

(1) In general

Subject to paragraph (2), a funding agreement for a grant under section 300x–21 of this title for a fiscal year is that—

(A) in the case of a grant for fiscal year 1993, the State involved will expend not less than 5 percent of the grant to increase (relative to fiscal year 1992) the availability of treatment services designed for pregnant women and women with dependent children (either by establishing new programs or expanding the capacity of existing programs); and

(B) in the case of a grant for any subsequent fiscal year, the State will expend for such services for such women not less than an amount equal to the amount expended by the State for fiscal year 1994.

(2) Waiver

(A) Upon the request of a State, the Secretary may provide to the State a waiver of all
or part of the requirement established in paragraph (1) if the Secretary determines that the State is providing an adequate level of treatments services for women described in such paragraph, as indicated by a comparison of the number of such women seeking the services with the availability in the State of the services.

(B) The Secretary shall approve or deny a request for a waiver under subparagraph (A) not later than 120 days after the date on which the request is made.

(C) Any waiver provided by the Secretary under subparagraph (A) shall be applicable only to the fiscal year involved.

(3) Childcare and prenatal care

A funding agreement for a grant under section 300x–21 of this title for a State is that each entity providing treatment services with amounts reserved under paragraph (1) by the State will, directly or through arrangements with other public or nonprofit private entities, make available prenatal care to women receiving such services and, while the women are receiving the services, childcare.


AMENDMENT OF SUBSECTION (b)(2), (3)

Pub. L. 106–310, div. B, title XXXIII, §3303(f)(2), Oct. 17, 2000, 114 Stat. 1211, provided that, effective upon publication of regulations developed in accordance with section 300x–32(e)(1) of this title, subsection (c) of this section (now subsection (b) is amended by striking out paragraph (2) and redesignating paragraph (3) as paragraph (2).

PRIOR PROVISIONS

A prior section 122 of act July 1, 1944, was classified to section 300x–9a of this title prior to repeal by Pub. L. 102–321.

Another prior section 122 of act July 1, 1944, was classified to section 300y–1 of this title prior to repeal by Pub. L. 100–690.

AMENDMENTS

2000—Subsec. (a). Pub. L. 106–310, §3303(a), redesignated subsec. (b) as (a) and struck out heading and text of former subsec. (a). Text read as follows: “A funding agreement for a grant under section 300x–21 of this title is that, in expending the grant, the State involved will expend—

“(1) not less than 35 percent for prevention and treatment activities regarding alcohol; and

“(2) not less than 35 percent for prevention and treatment activities regarding other drugs.”

Subsec. (b). Pub. L. 106–310, §3303(a)(2), redesignated subsec. (c) as (b), Former subsec. (b) redesignated (a).

Subsec. (c). Pub. L. 106–310, §3303(a)(2), redesignated subsec. (c) as (b).

EFFECTIVE DATE OF 2000 AMENDMENT

Pub. L. 106–310, div. B, title XXXIII, §3303(f)(2), Oct. 17, 2000, 114 Stat. 1211, provided that the amendment made by section 3303(f)(2) is effective upon the publication of the regulations developed in accordance with section 300x–32(e)(1) of this title.

§ 300x–23. Intravenous substance abuse

(a) Capacity of treatment programs

(1) Notification of reaching capacity

A funding agreement for a grant under section 300x–21 of this title is that the State involved will, in the case of programs of treatment for intravenous drug abuse, require that any such program receiving amounts from the grant, upon reaching 90 percent of its capacity to admit individuals to the program, provide to the State a notification of such fact.

(2) Provision of treatment

A funding agreement for a grant under section 300x–21 of this title is that the State involved will, with respect to notifications under paragraph (1), ensure that each individual who requests and is in need of treatment for intravenous drug abuse is admitted to a program of such treatment not later than—

(A) 14 days after making the request for admission to such a program; or

(B) 120 days after the date of such request, if no such program has the capacity to admit the individual on the date of such request and if interim services are made available to the individual not later than 48 hours after such request.

(b) Outreach to persons who inject drugs

A funding agreement for a grant under section 300x–21 of this title is that the State involved, in providing amounts from the grant to any entity for treatment services for persons who inject drugs, will require the entity to carry out activities to encourage individuals in need of such treatment to undergo treatment.


PRIOR PROVISIONS

A prior section 1923 of act July 1, 1944, was classified to section 300x–9b of this title prior to repeal by Pub. L. 102–321.

Another prior section 1923 of act July 1, 1944, was classified to section 300y–2 of this title prior to repeal by Pub. L. 100–690.

AMENDMENTS


§ 300x–24. Requirements regarding tuberculosis and human immunodeficiency virus

(a) Tuberculosis

(1) In general

A funding agreement for a grant under section 300x–21 of this title is that the State involved will require that any entity receiving amounts from the grant for operating a program of treatment for substance use disorders—

(A) will, directly or through arrangements with other public or nonprofit private entities, routinely make available tuberculosis services to each individual receiving treatment for such disorders; and
§ 300x–24  TITLE 42—THE PUBLIC HEALTH AND WELFARE  Page 1258

(B) in the case of an individual in need of such treatment who is denied admission to the program on the basis of the lack of the capacity of the program to admit the individual, will refer the individual to another provider of tuberculosis services.

(2) Tuberculosis services

For purposes of paragraph (1), the term "tuberculosis services", with respect to an individual, means—

(A) counseling the individual with respect to tuberculosis;

(B) testing to determine whether the individual has contracted such disease and testing to determine the form of treatment for the disease that is appropriate for the individual; and

(C) providing such treatment to the individual.

(b) Human immunodeficiency virus

(1) Requirement for certain States

In the case of a State described in paragraph (2), a funding agreement for a grant under section 300x–21 of this title is that—

(A) with respect to individuals undergoing treatment for substance use disorders, the State will, subject to paragraph (3), carry out 1 or more projects to make available to the individuals early intervention services for HIV disease at the sites at which the individuals are undergoing such treatment;

(B) for the purpose of providing such early intervention services through such projects, the State will make available from the grant the percentage that is applicable for the State under paragraph (4); and

(C) the State will, subject to paragraph (5), carry out such projects only in geographic areas of the State that have the greatest need for the projects.

(2) Designated States

For purposes of this subsection, a State described in this paragraph is any State whose rate of cases of acquired immune deficiency syndrome is 10 or more such cases per 100,000 individuals (as indicated by the number of such cases reported to and confirmed by the Director of the Centers for Disease Control and Prevention for the most recent calendar year for which such data are available).

(3) Use of existing programs regarding substance use disorders

With respect to programs that provide treatment services for substance use disorders, a funding agreement for a grant under section 300x–21 of this title for a designated State is that each such program participating in a project under paragraph (1) will be a program that began operation prior to the fiscal year for which the State is applying to receive the grant. A program that so began operation may participate in a project under paragraph (1) without regard to whether the program has been providing early intervention services for HIV disease.

(4) Applicable percentage regarding expenditures for services

(A)(i) For purposes of paragraph (1)(B), the percentage that is applicable under this para-

graph for a designated State is, subject to subparagraph (B), the percentage by which the amount of the grant under section 300x–21 of this title for the State for the fiscal year involved is an increase over the amount specified in clause (ii).

(ii) The amount specified in this clause is the amount that was reserved by the designated State involved from the allotment of the State under section 300x–1a1 of this title for fiscal year 1991 in compliance with section 300x–4(c)(6)(A)(ii) of this title (as such sections were in effect for such fiscal year).

(B) If the percentage determined under subparagraph (A) for a designated State for a fiscal year is less than 2 percent (including a negative percentage, in the case of a State for which there is no increase for purposes of such subparagraph), the percentage applicable under this paragraph for the State is 2 percent. If the percentage so determined is 2 percent or more, the percentage applicable under this paragraph for the State is the percentage determined under subparagraph (A), subject to not exceeding 5 percent.

(5) Requirement regarding rural areas

(A) A funding agreement for a grant under section 300x–21 of this title for a designated State is that, if the State will carry out 2 or more projects under paragraph (1), the State will carry out 1 such project in a rural area of the State, subject to subparagraph (B).

(B) The Secretary shall waive the requirement established in subparagraph (A) if the State involved certifies to the Secretary that—

(i) there is insufficient demand in the State to carry out a project under paragraph (1) in any rural area of the State; or

(ii) there are no rural areas in the State.

(6) Manner of providing services

With respect to the provision of early intervention services for HIV disease to an individual, a funding agreement for a grant under section 300x–21 of this title for a designated State is that—

(A) such services will be undertaken voluntarily by, and with the informed consent of, the individual; and

(B) undergoing such services will not be required as a condition of receiving treatment services for substance use disorders or any other services.

(7) Definitions

For purposes of this subsection:

(A) The term "designated State" means a State described in paragraph (2).

(B) The term "early intervention services", with respect to HIV disease, means—

(i) appropriate pretest counseling;

(ii) testing individuals with respect to such disease, including tests to confirm the presence of the disease, tests to diagnose the extent of the deficiency in the immune system, and tests to provide information on appropriate therapeutic measures for preventing and treating the dete-
roration of the immune system and for
preventing and treating conditions arising
from the disease;
(iii) appropriate post-test counseling; and
(iv) providing the therapeutic measures
described in clause (I).
(C) The term “HIV disease” means infec-
tion with the etiologic agent for acquired
immune deficiency syndrome.
(e) Expenditure of grant for compliance with
agreements
(1) In general
A grant under section 300x–21 of this title
may be expended for purposes of compliance
with the agreements required in this section,
subject to paragraph (2).
(2) Limitation
A funding agreement for a grant under sec-
tion 300x–21 of this title for a State is that the
grant will not be expended to make payment
for any service provided for purposes of com-
pliance with this section to the extent that
payment has been made, or can reasonably be
expected to be made, with respect to such ser-
vice:
(A) under any State compensation pro-
gram, under any insurance policy, or under
any Federal or State health benefits pro-
gram (including the program established in
title XVIII of the Social Security Act [42
U.S.C. 1395 et seq.] and the program estab-
lished in title XIX of such Act [42 U.S.C. 1396
et seq.]); or
(B) by an entity that provides health ser-
VICES on a prepaid basis.
(d) Applicability of certain provision
Section 300x–31 of this title applies to this sec-
tion (and to each other provision of this sub-
part).
(July 1, 1944, ch. 373, title XIX, §1924, as added
VIII, §8002(c), Dec. 13, 2016, 130 Stat. 1229.)
REFERENCES IN TEXT
Section 300x–1a of this title, referred to in subsec.
(b)(4)(A)(ii), was repealed by Pub. L. 102–321, title II,
300x–4 of this title, referred to in subsec.
(b)(4)(A)(ii), was in the original a reference to section
1916 of act July 1, 1944, which was repealed by Pub. L.
tion 201(2) of Pub. L. 102–321 enacted new sections 1915
and 1916 of act July 1, 1944, which are classified to sec-
tions 300x–4 and 300x–5, respectively, of this title.
The Social Security Act, referred to in subsec.
(c)(2)(A), is act Aug. 14, 1935, ch. 531, 49 Stat. 620, as
amended. Titles XVIII and XIX of the Act are classified
generally to subchapters XVIII (§1385 et seq.) and XIX
(§1396 et seq.) of chapter 7 of this title. For complete
classification of this Act to the Code, see section 1305
of this title and Tables.
PRIOR PROVISIONS
A prior section 1924 of act July 1, 1944, was classified
to section 300x–10 of this title prior to repeal by Pub. L.
102–321.
Another prior section 1924 of act July 1, 1944, was
classified to section 300x–3 of this title prior to repeal

§ 300x–25. Group homes for persons in recovery
from substance use disorders

(a) State revolving funds for establishment of
homes
A State, using funds available under section
300x–21 of this title, may establish and maintain
the ongoing operation of a revolving fund in ac-
cordance with this section to support group
homes for persons in recovery from substance
use disorders as follows:
(1) The purpose of the fund is to make loans
for the costs of establishing programs for the
 provision of housing in which individuals re-
covering from alcohol or drug abuse may re-
side in groups of not less than 6 individuals.
The fund is established directly by the State
through the provision of a grant or contract
to a nonprofit private entity.
(2) The programs are carried out in accord-
cence with guidelines issued under subsection
(b).
(3) Not less than $100,000 is available for the
fund.
(4) Loans made from the revolving fund do
not exceed $4,000 and each such loan is repaid
to the revolving fund by the residents of the
housing involved not later than 2 years after
the date on which the loan is made.
(5) Each such loan is repaid by such resi-
dents through monthly installments, and a
reasonable penalty is assessed for each failure
to pay such periodic installments by the date
specified in the loan agreement involved.
(6) Such loans are made only to nonprofit
private entities agreeing that, in the opera-
tion of the program established pursuant to
the loan—
(A) the use of alcohol or any illegal drug in
the housing provided by the program will be
prohibited;
(B) any resident of the housing who violates such prohibition will be expelled from the housing;
(C) the costs of the housing, including fees for rent and utilities, will be paid by the residents of the housing; and
(D) the residents of the housing will, through a majority vote of the residents, otherwise establish policies governing residence in the housing, including the manner in which applications for residence in the housing are approved.

(b) Issuance by Secretary of guidelines

The Secretary shall ensure that there are in effect guidelines under this subpart for the operation of programs described in subsection (a).

(c) Applicability to territories

The requirements established in subsection (a) shall not apply to any territory of the United States other than the Commonwealth of Puerto Rico.

1992—Pub. L. 102–321, title II, § 202, July 10, 1992, 106 Stat. 1301, substituted ''recovering substance abusers'' in introductory provision for ''A State, using funds available under section 300x–11 of this title is that the State involved has established, and is providing for the ongoing operation of, a revolving fund in which applications for residence in the housing are approved.''

"recovering substance abusers'' in section catchline, substituted ''persons in recovery from substance use disorders'' for ''recoverying substance abusers'' in section catchline.

2016—Pub. L. 114–255, div. B, title VIII, § 8002(d), Dec. 20, 2016, 130 Stat. 1526, substituted ''A State, using funds available under section 300x–21 of this title, may establish and maintain the ongoing operation of a revolving fund in accordance with this section to support group homes for recovering substance abusers as follows: for Fiscal year 1993 and subsequent fiscal years, the Secretary may make a grant under section 300x–21 of this title only if the State involved has established, and is providing for the ongoing operation of, a revolving fund as follows:"

§ 300x–26. Sale of tobacco products to individuals under age of 21

(a) In general

A funding agreement for a grant under section 300x–21 of this title is that the State involved will—

(1) annually conduct random, unannounced inspections to ensure that retailers do not sell tobacco products to individuals under the age of 21; and
(2) annually submit to the Secretary a report describing—

(A) the activities carried out by the State to ensure that retailers do not sell tobacco products to individuals under the age of 21;

(b) Noncompliance of State

(1) In general

Before making a grant under section 300x–21 of this title to a State, the Secretary shall make a determination of whether the State has maintained compliance with subsection (a). If, after notice to the State and an opportunity for a hearing, the Secretary determines that the State is not in compliance with such subsections, the Secretary shall reduce the amount of the allotment under such section for the State for the fiscal year involved by an amount up to 10 percent of the amount determined under section 300x–33 of this title for the State for the applicable fiscal year.

(2) Limitation

(A) In general

A State shall not have funds withheld pursuant to paragraph (i) if such State for which the Secretary has made a determination of noncompliance under such paragraph—

(i) certifies to the Secretary by May 1 of the fiscal year for which the funds are appropriated, consistent with subparagraph (B), that the State will commit additional State funds, in accordance with paragraph (1), to ensure that retailers do not sell tobacco products to individuals under 21 years of age;
(ii) agrees to comply with a negotiated agreement for a corrective action plan that is approved by the Secretary and carried out in accordance with guidelines issued by the Secretary; or
(iii) is a territory that receives less than $1,000,000 for a fiscal year under section 300x–21 of this title.

(B) Certification

(i) In general

The amount of funds to be committed by a State pursuant to subparagraph (A)(i) shall be equal to 1 percent of such State’s substance abuse allocation determined under section 300x–33 of this title for each percentage point by which the State misses the retailer compliance rate goal established by the Secretary.

(ii) State expenditures

For a fiscal year in which a State commits funds as described in clause (i), such State shall maintain State expenditures for tobacco prevention programs and for compliance activities at a level that is not less than the level of such expenditures maintained by the State for the preceding fiscal year, plus the additional funds for tobacco compliance activities required
under clause (i). The State shall submit a report to the Secretary on all State obligations of funds for such fiscal year and all State expenditures for the preceding fiscal year for tobacco prevention and compliance activities by program activity by July 31 of such fiscal year.

(iii) Discretion

The Secretary shall exercise discretion in enforcing the timing of the State obligation of the additional funds required by the certification described in subparagraph (A)(i) as late as July 31 of such fiscal year.

(C) Failure to certify

If a State described in subparagraph (A) fails to certify to the Secretary pursuant to subparagraph (A)(i) or enter into, or comply with, a negotiated agreement under subparagraph (A)(ii), the Secretary may take action pursuant to paragraph (1).

(c) Implementation of reporting requirements

(1) Transition period

The Secretary shall—

(A) not withhold amounts under subsection (b) for the 3-year period immediately following December 20, 2019; and

(B) use discretion in exercising its authority under subsection (b) during the 2-year period immediately following the 3-year period described in subparagraph (A), to allow for a transition period for implementation of the reporting requirements under subsection (a)(2).

(2) Regulations or guidance

Not later than 180 days after December 20, 2019, the Secretary shall update regulations under part 96 of title 45, Code of Federal Regulations for retailers issued under part 1140 of title 21, Code of Federal Regulations

(3) Coordination

The Secretary shall ensure the Assistant Secretary for Mental Health and Substance Use coordinates, as appropriate, with the Commissioner of Food and Drugs to ensure that the technical assistance provided to States under subsection (e) is consistent with applicable regulations for retailers issued under part 1140 of title 21, Code of Federal Regulations.

(d) Transitional grants

(1) In general

The Secretary shall award grants under this subsection to each State that receives funding under section 300x–21 of this title to ensure compliance of each such State with this section.

(2) Use of funds

A State receiving a grant under this subsection—

(A) shall use amounts received under such grant for activities to plan for or ensure compliance in the State with subsection (a); and

(B) in the case of a State for which the Secretary has made a determination under subsection (b) that the State is prepared to meet, or has met, the requirements of subsection (a), may use such funds for tobacco cessation activities, strategies to prevent the use of tobacco products by individuals under the age of 21, or allowable uses under section 300x–21 of this title.

(3) Supplement not supplant

Grants under this subsection shall be used to supplement and not supplant other Federal, State, and local public funds provided for activities under paragraph (2).

(4) Authorization of appropriations

To carry out this subsection, there are authorized to be appropriated $18,580,790 for each of fiscal years 2020 through 2024.

(5) Sunset

This subsection shall have no force or effect after September 30, 2024.

(e) Technical assistance

The Secretary shall provide technical assistance to States related to the activities required under this section.


PRIOR PROVISIONS

A prior section 1926 of act July 1, 1944, was classified to section 300x–12 of this title prior to repeal by Pub. L. 102–321.

Another prior section 1926 of act July 1, 1944, was classified to section 300y–5 of this title prior to repeal by Pub. L. 99–280.

AMENDMENTS


Subsec. (a). Pub. L. 116–94, §604(a)(3), (4), redesignated subsec. (b) as (a) and amended subsec. (a) generally.

Prior to amendment, subsec. (a) related to the requirement of State enforcement of law in a manner that can reasonably be expected to reduce the extent to which tobacco products are available to individuals under the age of 18 in order to qualify for funding agreements for grants under section 300x–21 of this title, and activities and reports regarding such enforcement.

Pub. L. 116–94, §604(a)(2), struck out subsec. (a), which required grants under section 300x–21 of this title for fiscal year 1994 and subsequent fiscal years to be based on the existence of State law forbidding sale or distribution of tobacco products to any individual under the age of 18, and providing delayed applicability of requirement for certain States.

Subsec. (b). Pub. L. 116–94, §604(a)(5), designated introductory provisions as par. (1), inserted par. heading, struck out “for the first applicable fiscal year or any subsequent fiscal year” after “a State”, substituted “subsection (a)” for “subsections (a) and (b)” and “up to 10 percent of the amount determined under section 300x–33 of this title for the State for the applicable fiscal year.” for “equal to—”, added par. (2), and struck out former pars. (1) to (4), which related to allotment reductions for first applicable fiscal years and three following fiscal years.

Pub. L. 116–94, §604(a)(3), redesignated subsec. (c) as (b). Former subsec. (b) redesignated (a).
§ 300x–26a  TITLE 42—THE PUBLIC HEALTH AND WELFARE  Page 1262

Subsec. (d). Pub. L. 116–94, § 604(a)(2), (6), added subsec. (d) and struck out former subsec. (d) which defined “first applicable fiscal year”.


§ 300x–27. Treatment services for pregnant women

(a) In general
A funding agreement for a grant under section 300x–21 of this title is that the State involved—

(1) will ensure that each pregnant woman in the State who seeks or is referred for and would benefit from such services is given preference in admissions to treatment facilities receiving funds pursuant to the grant; and

(2) will, in carrying out paragraph (1), publicize the availability to such women of services from the facilities and the fact that the women receive such preference.

(b) Referrals regarding States
A funding agreement for a grant under section 300x–21 of this title is that, in carrying out subsection (a)(1)—

(1) the State involved will require that, in the event that a treatment facility has insufficient capacity to provide treatment services to any woman described in such subsection who seeks the services from the facility, the facility refer the woman to the State; and

(2) the State, in the case of each woman for whom a referral under paragraph (1) is made to the State—

(A) will refer the woman to a treatment facility that has the capacity to provide treatment services to the woman; or

(B) will, if no treatment facility has the capacity to admit the woman, make interim services available to the woman not later than 48 hours after the woman seeks the treatment services.


PRIOR PROVISIONS
A prior section 1927 of act July 1, 1944, was classified to section 300x–12 of this title prior to repeal by Pub. L. 102–321.
Another prior section 1927 of act July 1, 1944, was classified to section 300y–6 of this title prior to repeal by Pub. L. 99–280.

AMENDMENTS

EFFECTIVE DATE OF 1992 AMENDMENT

§ 300x–28. Additional agreements

(a) Improvement of process for appropriate referrals for treatment
With respect to individuals seeking treatment services, a funding agreement for a grant under section 300x–21 of this title is that the State involved will improve the process in the State for referring the individuals to treatment facilities that can provide to the individuals the treatment modality that is most appropriate for the individuals.

(b) Professional development
A funding agreement for a grant under section 300x–21 of this title is that the State involved will ensure that prevention, treatment, and recovery personnel operating in the State's substance use disorder prevention, treatment, and recovery systems have an opportunity to receive training, on an ongoing basis, concerning—

(1) recent trends in substance use disorders in the State;

(2) improved methods and evidence-based practices for providing substance use disorder prevention and treatment services;

(3) performance-based accountability;

(4) data collection and reporting requirements; and

(5) any other matters that would serve to further improve the delivery of substance use disorder prevention and treatment services within the State.

(c) Coordination of various activities and services
A funding agreement for a grant under section 300x–21 of this title is that the State involved will coordinate prevention and treatment activities with the provision of other appropriate services (including health, social, correctional and criminal justice, educational, vocational rehabilitation, and employment services).

(d) Waiver of requirement

(1) In general
Upon the request of a State, the Secretary may provide to a State a waiver of any or all of the requirements established in this section if the Secretary determines that, with respect to services for the prevention and treatment of substance use disorders, the requirement involved is unnecessary for maintaining quality in the provision of such services in the State.

(2) Date certain for acting upon request
The Secretary shall approve or deny a request for a waiver under paragraph (1) not later than 120 days after the date on which the request is made.

(3) Applicability of waiver
Any waiver provided by the Secretary under paragraph (1) shall be applicable only to the fiscal year involved.

section 300x–32(e)(1) of this title.

17, 2000, 114 Stat. 1211, provided that the amendment

99–280.


AMENDMENTS
2016—Subsec. (a). Pub. L. 114–255, § 8002(g)(1), struck out “(relative to fiscal year 1992)” after “State involved will improve.”

Subsec. (b), Pub. L. 114–255, § 8002(g)(2), added subsec. (b) and struck out former subsec. (b). Prior to amendment, text read as follows: “With respect to any facility for treatment services or prevention activities that is receiving amounts from a grant under section 300x–21 of this title, a funding agreement for a State for a grant under such section is that continuing education in such services or activities (or both, as the case may be) will be made available to employees of the facility who provide the services or activities.”

Subsec. (d)(1), Pub. L. 114–255, § 8002(g)(3), substituted “substance use disorders” for “substance abuse”.

EFFECTIVE DATE OF 2000 AMENDMENT
Pub. L. 106–310, div. B, title XXXIII, § 3303(f)(2), Oct. 17, 2000, 114 Stat. 1211, provided that the amendment made by section 3303(f)(2) is effective upon the publication of the regulations developed in accordance with section 300x–32(e)(1) of this title.


A prior section 1929 of act July 1, 1944, was classified to section 300y–8 of this title prior to repeal by Pub. L. 99–280.

§ 300x–30. Maintenance of effort regarding State expenditures

(a) In general
With respect to the principal agency of a State for carrying out authorized activities, a funding agreement for a grant under section 300x–21 of this title for the State for a fiscal year is that such agency will for such year maintain aggregate State expenditures for authorized activities at a level that is not less than the average level of such expenditures maintained by the State for the 2-year period preceding the fiscal year for which the State is applying for the grant.

(b) Exclusion of certain funds
The Secretary may exclude from the aggregate State expenditures under subsection (a), funds appropriated to the principle agency for authorized activities which are of a non-recurring nature and for a specific purpose.

(c) Waiver
(1) In general
Upon the request of a State, the Secretary may waive all or part of the requirement established in subsection (a) if the Secretary determines that extraordinary economic conditions exist in the State, or any part of the State, to justify the waiver.

(2) Date certain for acting upon request
The Secretary shall approve or deny a request for a waiver under paragraph (1) not later than 120 days after the date on which the request is made.

(3) Applicability of waiver
Any waiver provided by the Secretary under paragraph (1) shall be applicable only to the fiscal year involved.

(d) Noncompliance by State

(1) In general
In making a grant under section 300x–21 of this title to a State for a fiscal year, the Secretary shall make a determination of whether, for the previous fiscal year, the State maintained material compliance with any agreement made under subsection (a). If the Secretary determines that a State has failed to maintain such compliance, the Secretary shall reduce the amount of the allotment under section 300x–21 of this title for the State for the fiscal year for which the grant is being made by an amount equal to the amount constituting such failure for the previous fiscal year.

(2) Submission of information to Secretary
The Secretary may make a grant under section 300x–21 of this title for a fiscal year only if the State involved submits to the Secretary information sufficient for the Secretary to make the determination required in paragraph (1).

(3) Alternative
A State that has failed to comply with this section and would otherwise be subject to a reduction in the State’s allotment under section 300x–21 of this title, may, upon request by the State, in lieu of having the State’s allotment under section 300x–21 of this title reduced, agree to comply with a negotiated agreement that is approved by the Secretary and carried out in accordance with guidelines issued by the Secretary. If a State fails to enter into or comply with a negotiated agreement, the Secretary may take action under this paragraph or the terms of the negotiated agreement.

(4) Prior provisions

Prior provisions

A prior section 1930 of act July 1, 1944, was classified to section 300y–9 of this title prior to repeal by Pub. L. 99–280.

AMENDMENTS
2016—Subsec. (c)(1). Pub. L. 114–255, § 8002(g)(1), substituted “exist in the State, or any part of the State, to justify the waiver” for “in the State justify the waiver”.

§ 300x–31. Restrictions on expenditure of grant

(a) In general

(1) Certain restrictions

A funding agreement for a grant under section 300x–21 of this title is that the State involved will not expend the grant—

(A) to provide inpatient hospital services, except as provided in subsection (b);

(B) to make cash payments to intended recipients of health services;

(C) to purchase or improve land, purchase, construct, or permanently improve (other than minor remodeling) any building or other facility, or purchase major medical equipment;

(D) to satisfy any requirement for the expenditure of non-Federal funds as a condition for the receipt of Federal funds;

(E) to provide financial assistance to any entity other than a public or nonprofit private entity; or

(F) to carry out any program prohibited by section 300ee–5 of this title.

(2) Limitation on administrative expenses

A funding agreement for a grant under section 300x–21 of this title is that the State involved will not expend more than 5 percent of the grant to pay the costs of administering the grant.

(3) Limitation regarding penal and correctional institutions

A funding agreement for a grant under section 300x–21 of this title is that in expending the grant for the purpose of providing treatment services in penal or correctional institutions of the State, the State will not expend more than an amount equal to the amount expended for such purpose by the State from the grant made under section 300x–1a1 of this title to the State for fiscal year 1991 (as section 300x–1a1 of this title was in effect for such fiscal year).

(b) Exception regarding inpatient hospital services

(1) Medical necessity as precondition

With respect to compliance with the agreement made under subsection (a), a State may expend a grant under section 300x–21 of this title to provide inpatient hospital services as treatment for substance use disorders only if it has been determined, in accordance with guidelines issued by the Secretary, that such treatment is a medical necessity for the individual involved, and that the individual cannot be effectively treated in a community-based, nonhospital, residential program of treatment.

(2) Rate of payment

In the case of an individual for whom a grant under section 300x–21 of this title is expended to provide inpatient hospital services described in paragraph (1), a funding agreement for the grant for the State involved is that the daily rate of payment provided to the hospital for providing the services to the individual will not exceed the comparable daily rate provided for community-based, nonhospital, residential programs of treatment for substance abuse.

(c) Waiver regarding construction of facilities

(1) In general

The Secretary may provide to any State a waiver of the restriction established in subsection (a)(1)(C) for the purpose of authorizing the State to expend a grant under section 300x–21 of this title for the construction of a new facility or rehabilitation of an existing facility, but not for land acquisition.

(2) Standard regarding need for waiver

The Secretary may approve a waiver under paragraph (1) only if the State demonstrates to the Secretary that adequate treatment cannot be provided through the use of existing facilities and that alternative facilities in existing suitable buildings are not available.

(3) Amount

In granting a waiver under paragraph (1), the Secretary shall allow the use of a specified amount of funds to construct or rehabilitate a specified number of beds for residential treatment and a specified number of slots for outpatient treatment, based on reasonable estimates by the State of the costs of construction or rehabilitation. In considering waiver applications, the Secretary shall ensure that the State has carefully designed a program that will minimize the costs of additional beds.

(4) Matching funds

The Secretary may grant a waiver under paragraph (1) only if the State agrees, with respect to the costs to be incurred by the State in carrying out the purpose of the waiver, to make available non-Federal contributions in cash toward such costs in an amount equal to not less than $1 for each $1 of Federal funds provided under section 300x–21 of this title.

(5) Date certain for acting upon request

The Secretary shall act upon a request for a waiver under paragraph (1) not later than 120 days after the date on which the request is made.

References in Text


Prior Provisions

A prior section 301 of act July 1, 1944, was classified to section 300y–21 of this title and subsequently omitted from the Code.

Another prior section 301 of act July 1, 1944, was classified to section 300y–10 of this title prior to repeal by Pub. L. 99–280.
§ 300x–32. Application for grant; approval of State plan

(a) In general
For purposes of section 300x–21 of this title, an application for a grant under such section for a fiscal year is in accordance with this section if, subject to subsection (c)—

(1) the application is received by the Secretary not later than October 1 of the fiscal year for which the State is seeking funds;

(2) the application contains each funding agreement that is described in this subpart or subpart III for such a grant (other than any such agreement that is not applicable to the State);

(3) the agreements are made through certification from the chief executive officer of the State;

(4) with respect to such agreements, the application provides assurances of compliance satisfactory to the Secretary;

(5) the application contains the report required in section 300x–52(a) of this title;

(B) the application contains a plan in accordance with subsection (b) and the plan is approved by the Secretary; and

(b) State plan

(1) In general
In order for a State to be in compliance with subsection (a)(6), the State shall submit to the Secretary a plan that, at a minimum, includes the following:

(A) A description of the State’s system of care that—

(i) identifies the single State agency responsible for the administration of the program, including any third party who administers substance use disorder services and is responsible for complying with the requirements of the grant;

(ii) provides information on the need for substance use disorder prevention and treatment services in the State, including estimates on the number of individuals who need treatment, who are pregnant women, women with dependent children, individuals with a co-occurring mental health and substance use disorder, persons who inject drugs, and persons who are experiencing homelessness;

(iii) provides aggregate information on the number of individuals in treatment within the State, including the number of such individuals who are pregnant women, women with dependent children, individuals with a co-occurring mental health and substance use disorder, persons who inject drugs, and persons who are experiencing homelessness;

(iv) provides a description of the system that is available to provide services by modality, including the provision of recovery support services;

(v) provides a description of the State’s comprehensive statewide prevention efforts, including the number of individuals being served in the system, target populations, and priority needs, and provides a description of the amount of funds from the prevention set-aside expended on primary prevention;

(vi) provides a description of the financial resources available;

(vii) describes the existing substance use disorders workforce and workforce trained in treating co-occurring substance use and mental disorders;

(viii) includes a description of how the State promotes evidence-based practices; and

(ix) describes how the State integrates substance use disorder services and primary health care, which in the case of those individuals with co-occurring mental health and substance use disorders may include providing both mental health and substance use disorder services in primary care settings or providing primary and specialty care services in community-based mental health and substance use disorder service settings.

(B) The establishment of goals and objectives for the period of the plan, including targets and milestones that are intended to be met, and the activities that will be undertaken to achieve those targets.

(C) A description of how the State will comply with each funding agreement for a grant under section 300x–21 of this title that is applicable to the State, including a description of the manner in which the State intends to expend grant funds.

(2) Modifications

(A) Authority of Secretary
As a condition: 1 of making a grant under section 300x–21 of this title to a State for a fiscal year, the Secretary may require that the State modify any provision of the plan submitted by the State under subsection (a)(6) (including provisions on priorities in carrying out authorized activities). If the Secretary approves the plan and makes the grant to the State for the fiscal year, the Secretary may not during such year require the State to modify the plan.

(B) State request for modification
If the State determines that a modification to such plan is necessary, the State may request the Secretary to approve the modification.

1 So in original. The semicolon probably should not appear.
modification. Any such modification shall be in accordance with paragraph (1) and section 300x–51 of this title.

(3) Authority of Center for Substance Abuse Prevention

With respect to plans submitted by the States under subsection (a)(6), including any modification under paragraph (2), the Secretary, acting through the Director of the Center for Substance Abuse Prevention, shall review and approve or disapprove the provisions of the plans that relate to prevention activities.

(c) Waivers regarding certain territories

In the case of any territory of the United States except Puerto Rico, the Secretary may waive such provisions of this part and subpart III as the Secretary determines to be appropriate, other than the provisions of section 300x–31 of this title.

(d) Issuance of regulations; precondition to making grants

(1) Regulations

Not later than August 25, 1992, the Secretary, acting as appropriate through the Director of the Center for Treatment Improvement or the Director of the Center for Substance Abuse Prevention, shall by regulation establish standards specifying the circumstances in which the Secretary will consider an application for a grant under section 300x–21 of this title to be in accordance with this section.

(2) Issuance as precondition to making grants

The Secretary may not make payments under any grant under section 300x–21 of this title for fiscal year 1993 on or after January 1, 1993, unless the Secretary has issued standards under paragraph (1).

(e) Waiver authority for certain requirements

(1) In general

Upon the request of a State, the Secretary may waive the requirements of all or part of the sections described in paragraph (2) using objective criteria established by the Secretary by regulation after consultation with the States and other interested parties including consumers and providers.

(2) Sections

The sections described in paragraph (1) are sections 300x–22(b), 300x–23, 300x–24 and 300x–28 of this title.

(3) Date certain for acting upon request

The Secretary shall approve or deny a request for a waiver under paragraph (1) and inform the State of that decision not later than 120 days after the date on which the request and all the information needed to support the request are submitted.

(4) Annual reporting requirement

The Secretary shall annually report to the general public on the States that receive a waiver under this subsection.

§ 300x–33. Determination of amount of allotment

(a) States

(1) In general

Subject to subsection (b), the Secretary shall determine the amount of the allotment required in section 300x–21 of this title for a State for a fiscal year as follows:

(A) The formula established in paragraph (1) of section 300x–7(a) of this title shall apply to this subsection to the same extent and in the same manner as the formula applies for purposes of section 300x–7(a) of this title, except that, in the application of such formula for purposes of this subsection, the modifications described in subparagraph (B) shall apply.

(B) For purposes of subparagraph (A), the modifications described in this subparagraph are as follows:

(i) The amount specified in paragraph (2)(A) of section 300x–7(a) of this title is
(b) Minimum allotments for States

(1) In general

With respect to fiscal year 2000, and each subsequent fiscal year, the amount of the allotment of a State under section 300x–21 of this title shall not be less than the amount the State received under such section for the previous fiscal year increased by an amount equal to 30.65 percent of the percentage by which the aggregate amount allotted to all States for such fiscal year exceeds the aggregate amount allotted to all States for the previous fiscal year.

(2) Limitations

(A) In general

Except as provided in subparagraph (B), a State shall not receive an allotment under section 300x–21 of this title for a fiscal year in an amount that is less than an amount equal to 0.375 percent of the amount appropriated under section 300x–35(a) of this title for such fiscal year.

(B) Exception

In applying subparagraph (A), the Secretary shall ensure that no State receives an increase in its allotment under section 300x–21 of this title for a fiscal year (as compared to the amount allotted to the State in the prior fiscal year) that is in excess of an amount equal to 300 percent of the percentage by which the amount appropriated under section 300x–35(a) of this title for such fiscal year exceeds the amount appropriated for the prior fiscal year.

(3) Decrease in or equal appropriations

If the amount appropriated under section 300x–35(a) of this title for a fiscal year is equal to or less than the amount appropriated under such section for the prior fiscal year, the amount of the State allotment under section 300x–21 of this title shall be equal to the amount that the State received under section 300x–21 of this title in the prior fiscal year decreased by the percentage by which the amount appropriated for such fiscal year is less than the amount appropriated or such section for the prior fiscal year.

(c) Territories

(1) Determination under formula

Subject to paragraphs (2) and (4), the amount of an allotment under section 300x–21 of this title for a territory of the United States for a fiscal year shall be the product of—

(A) an amount equal to the amounts reserved under paragraph (3) for the fiscal year; and

(B) a percentage equal to the quotient of—

(i) the civilian population of the territory, as indicated by the most recently available data; divided by

(ii) the aggregate civilian population of the territories of the United States, as indicated by such data.

(2) Minimum allotment for territories

The amount of an allotment under section 300x–21 of this title for a territory of the United States for a fiscal year shall be the greater of—

(A) the amount determined under paragraph (1) for the territory for the fiscal year;

(B) $50,000; and

(C) with respect to fiscal years 1993 and 1994, an amount equal to 79.4 percent of the amount received by the territory from allotments made pursuant to this part for fiscal year 1992.

(3) Reservation of amounts

The Secretary shall each fiscal year reserve for the territories of the United States 1.5 percent of the amounts appropriated under section 300x–35(a) of this title for allotments under section 300x–21 of this title for the fiscal year.

(4) Availability of data on population

With respect to data on the civilian population of the territories of the United States, if the Secretary determines for a fiscal year that recent such data for purposes of paragraph (1)(B) do not exist regarding a territory, the Secretary shall for such purposes estimate...
the civilian population of the territory by modifying the data on the territory to reflect the average extent of change occurring during the ensuing period in the population of all territories with respect to which recent such data do exist.

(5) Applicability of certain provisions

For purposes of subsections (a) and (b), the term ‘‘State’’ does not include the territories of the United States.

(d) Indian tribes and tribal organizations

(1) In general

If the Secretary—

(A) receives a request from the governing body of an Indian tribe or tribal organization within a State that funds under this subpart be provided directly by the Secretary to such tribe or organization; and

(B) makes a determination that the members of such tribe or tribal organization would be better served by means of grants made directly by the Secretary under this subpart;

the Secretary shall reserve from the allotment under section 300x–21 of this title for the State for the fiscal year involved an amount that bears the same ratio to the allotment as the amount provided under this subpart to the tribe or tribal organization for fiscal year 1991 for activities relating to the prevention and treatment of the abuse of alcohol and other drugs bore to the amount of the portion of the allotment under this subpart for the State for such fiscal year that was expended for such activities.

(2) Tribe or tribal organization as grantee

The amount reserved by the Secretary on the basis of a determination under this paragraph shall be granted to the Indian tribe or tribal organization serving the individuals for whom such a determination has been made.

(3) Application

In order for an Indian tribe or tribal organization to be eligible for a grant for a fiscal year under this paragraph, it shall submit to the Secretary a plan for such fiscal year that meets such criteria as the Secretary may prescribe.

(4) Definitions

The terms ‘‘Indian tribe’’ and ‘‘tribal organization’’ have the same meaning given such terms in subsections (b) and (c) of section 5304 of title 25.

(Prior Provisions)

A prior section 1933 of act July 1, 1944, was classified to section 300y–23 of this title and subsequently omitted from the Code.

(Amendments)

2000—Subsec. (b). Pub. L. 106–310 reenacted heading without change and amended text generally. Prior to amendment, text read as follows: ‘‘Each State’s allotment for fiscal year 2000 for programs under this subpart shall be equal to 90.375 percent of the amount appropriated in fiscal year 2001 and shall be reduced by the percentage by which the amount appropriated in fiscal year 1999 is less than the amount appropriated in fiscal year 1999.’’

1999—Subsec. (b). Pub. L. 106–113 amended heading and text of subsec. (b) generally. Prior to amendment, text read as follows: ‘‘For each of the fiscal years 1993 and 1994, the amount of the allotment required in section 300x–21 of this title for a State for the fiscal year involved shall be the greater of—

‘‘(1) the amount determined under subsection (a) of this section for the State for the fiscal year; and

‘‘(2) an amount equal to 79.4 percent of the amount received by the State from allotments made pursuant to this part for fiscal year 1992 (including reallocations under section 205(a) of the ADAMHA Reorganization Act).’’

1998—Subsec. (b). Pub. L. 105–277, temporarily amended subsec. (b) to read as follows: ‘‘(b) MINIMUM ALLOCATIONS FOR STATES.—

‘‘(1) IN GENERAL.—With respect to fiscal year 1999, the amount of the allotment of a State under section 300x–21 of this title shall not be less than the amount the State received under section 300x–21 of this title for fiscal year 1998 increased by 30.65 percent of the percentage by which the amount allotted to the States for fiscal year 1999 exceeds the amount allotted to the States for fiscal year 1998.

‘‘(2) LIMITATION.—

‘‘(A) IN GENERAL.—Except as provided in subparagraph (B), a State shall not receive an allotment under section 300x–21 of this title for fiscal year 1999 in an amount that is less than an amount equal to 0.375 percent of the amount appropriated under section 300x–35(a) of this title for such fiscal year.

‘‘(B) EXCEPTION.—In applying subparagraph (A), the Secretary shall ensure that no State receives an increase in its allotment under section 300x–21 of this title for fiscal year 1999 (as compared to the amount allotted to the State in the fiscal year 1998) that is in excess of an amount equal to 300 percent of the percentage by which the amount appropriated under section 300x–35(a) of this title for fiscal year 1998 exceeds the amount appropriated for the prior fiscal year.

‘‘(3) Only for the purposes of calculating minimum allocations under this subsection, any reference to the amount appropriated under section 300x–35(a) of this title for fiscal year 1998, allotments to States under section 300x–21 of this title and any references to amounts received by States in fiscal year 1998 shall include amounts appropriated or received under the amendments made by section 105 of the Contract with America Advancement Act of 1996 (Public Law 104–121).’’

See Effective and Termination Dates of 1998 Amendment note below.

§ 300x–34. Definitions

For purposes of this subpart:

(1) The term “authorized activities”, subject to section 300x–31 of this title, means the activities described in section 300x–21(b) of this title.

(2) The term “funding agreement”, with respect to a grant under section 300x–21 of this title to a State, means that the Secretary may make such a grant only if the State makes the agreement involved.

(3) The term “prevention activities”, subject to section 300x–31 of this title, means activities to prevent substance use disorders.

(4) The term “substance abuse” means the abuse of alcohol or other drugs.

(5) The term “treatment activities” means treatment services and, subject to section 300x–31 of this title, authorized activities that are related to treatment services.

(6) The term “treatment facility” means an entity that provides treatment services.

(7) The term “treatment services”, subject to section 300x–31 of this title, means treatment for substance use disorders.

P R I O R V I S I O N S

A prior section 1934 of act July 1, 1944, was classified to section 300y–24 of this title and subsequently omitted from the Code.

A M E N D M E N T S

2016—Subsec. (a). Pub. L. 114–255, § 8002(k)(1), substituted “section 290aa–4(d) of this title” for “section 290aa–4 of this title” and “$1,858,079,000 for each of fiscal years 2018 through 2022.” for “$2,000,000,000 for fiscal year 2001, and such sums as may be necessary for each of the fiscal years 2002 and 2003”.

Subsec. (b)(1)(B). Pub. L. 114–255, § 8002(k)(2), substituted “sections 290aa–4(d) and” for “sections 290aa–4 and”.

2000—Subsec. (a). Pub. L. 106–310, § 3303(g)(1), substituted “$2,000,000,000 for fiscal year 2001, and such sums as may be necessary for each of the fiscal years 2002 and 2003”.

Subsec. (b)(1)(B). Pub. L. 106–310, § 3303(g)(2), substituted “sections 290aa–4 and 300y of this title” for “section 290aa–4 of this title”.

Subsec. (b)(2). Pub. L. 106–310, § 3303(g)(3), made technical amendment to reference in original act which appears in text as reference to section 300x–58(a) of this title.

So in original. The words “is the collection of data in this paragraph” probably should not appear.
§ 300x–51. Opportunity for public comment on State plans

A funding agreement for a grant under section 300x or 300x–21 of this title is that the State involved will make the plan required in section 300x–1 of this title, and the plan required in section 300x–2 of this title, respectively, public within the State in such manner as to facilitate comment from any person (including any Federal or other public agency) during the development of the plan (including any revisions) and after the submission of the plan to the Secretary.

(July 1, 1944, ch. 373, title XIX, §1941, as added Pub. L. 102–321, title II, §203(a), July 10, 1992, 106 Stat. 403.)

§ 300x–52. Requirement of reports and audits by States

(a) Report

A funding agreement for a grant under section 300x or 300x–21 of this title is that the State involved will submit to the Secretary a report in such form and containing such information as the Secretary determines (after consultation with the States) to be necessary for securing a record and a description of—

(1) the purposes for which the grant received by the State for the preceding fiscal year under the program involved were expended and a description of the activities of the State under the program; and

(2) the recipients of amounts provided in the grant.

(b) Audits

A funding agreement for a grant under section 300x or 300x–21 of this title is that the State involved will—

(1) make copies of the reports and audits described in this section available for public inspection within the State; and

(2) provide copies of the report under subsection (a), upon request, to any interested person (including any public agency).


AMENDMENTS


Effective Date of 1992 Amendment


§ 300x–54. Disposition of certain funds appropriated for allotments

(a) In general

Amounts described in subsection (b) and available for a fiscal year pursuant to section 300x or 300x–21 of this title, as the case may be, shall be allotted by the Secretary and paid to the States receiving a grant under the program involved, other than any State referred to in subsection (b) with respect to such program. Such amounts shall be allotted in a manner equivalent to the manner in which the allotment under the program involved was determined.

(b) Specification of amounts

The amounts referred to in subsection (a) are any amounts that—

(1) are not paid to States under the program involved as a result of—

(A) the failure of any State to submit an application in accordance with the program;
§ 300x–55. Failure to comply with agreements

(a) Suspension or termination of payments

Subject to subsection (e), if the Secretary determines that a State has materially failed to comply with the agreements or other conditions required for the receipt of a grant under the program involved, the Secretary may in whole or in part suspend payments under the grant, terminate the grant for cause, or employ such other remedies (including the remedies provided for in subsections (b) and (c)) as may be legally available and appropriate in the circumstances involved.

(b) Repayment of payments

(1) In general

Subject to subsection (e), the Secretary may require a State to repay with interest any payments received by the State under section 300x or 300x–21 of this title that the Secretary determines were not expended by the State in accordance with the agreements required under the program involved.

(2) Offset against payments

If a State fails to make a repayment required in paragraph (1), the Secretary may offset the amount of the repayment against the amount of any payment due to be paid to the State under the program involved.

(c) Withholding of payments

(1) In general

Subject to subsections (e) and (g)(3), the Secretary may withhold payments due under section 300x or 300x–21 of this title if the Secretary determines that the State involved is not expending amounts received under the program involved in accordance with the agreements required under the program.

(2) Termination of withholding

The Secretary shall cease withholding payments from a State under paragraph (1) if the Secretary determines that there are reasonable assurances that the State will expend amounts received under the program involved in accordance with the agreements required under the program.

(d) Applicability of remedies to certain violations

(1) In general

With respect to agreements or other conditions for receiving a grant under the program involved, in the case of the failure of a State to maintain material compliance with a condition referred to in paragraph (2), the provisions for noncompliance with the condition that are provided in the section establishing the condition shall apply in lieu of subsections (a) through (c) of this section.

(2) Relevant conditions

For purposes of paragraph (1):

(A) In the case of the program established in section 300x of this title, a condition referred to in this paragraph is the condition established in section 300x–1(d) of this title and the condition established in section 300x–4(b) of this title.

(B) In the case of the program established in section 300x–21 of this title, a condition referred to in this paragraph is the condition established in section 300x–26 of this title and the condition established in section 300x–30 of this title.

(e) Opportunity for hearing

Before taking action against a State under any of subsections (a) through (c) of this section referred to for purposes of subsection (d), as the case may be, the Secretary shall provide to the State involved adequate notice and an opportunity for a hearing.

(f) Requirement of hearing in certain circumstances

(1) In general

If the Secretary receives a complaint that a State has failed to maintain material compliance with the agreements or other conditions required for receiving a grant under the program involved (including any condition referred to for purposes of subsection (d)), and there appears to be reasonable evidence to support the complaint, the Secretary shall promptly conduct a hearing with respect to the complaint.

(2) Finding of material noncompliance

If in a hearing under paragraph (1) the Secretary finds that the State involved has failed to maintain material compliance with the agreement or other condition involved, the Secretary shall take such action under this section as may be appropriate to ensure that material compliance is so maintained, or such action as may be required in a section referred to in subsection (d)(2), as the case may be.

(g) Certain investigations

(1) Requirement regarding Secretary

The Secretary shall in fiscal year 1994 and each subsequent fiscal year conduct in not less than 10 States investigations of the expenditure of grants received by the States under section 300x or 300x–21 of this title in order to evaluate compliance with the agreements required under the program involved.
(2) Provision of records, etc., upon request

Each State receiving a grant under section 300x or 300x–21 of this title, and each entity receiving funds from the grant, shall make appropriate books, documents, papers, and records available to the Secretary or the Comptroller General, or any of their duly authorized representatives, for examination, copying, or mechanical reproduction on or off the premises of the appropriate entity upon a reasonable request therefor.

(3) Limitations on authority

The Secretary may not institute proceedings under subsection (c) unless the Secretary has conducted an investigation concerning whether the State has expended payments under the program involved in accordance with the agreements required under the program. Any such investigation shall be conducted within the State by qualified investigators.

(July 1, 1944, ch. 373, title XIX, §1945, as added Pub. L. 102–321, title II, §203(a), July 10, 1992, 106 Stat. 405.)

§ 300x–56. Prohibitions regarding receipt of funds

(a) Establishment

(1) Certain false statements and representations

A person shall not knowingly and willfully make or cause to be made any false statement or representation of a material fact in connection with the furnishing of items or services for which payments may be made by a State from a grant made to the State under section 300x or 300x–21 of this title.

(2) Concealing or failing to disclose certain events

A person with knowledge of the occurrence of any event affecting the initial or continued right of the person to receive any payments from a grant made to a State under section 300x or 300x–21 of this title shall not conceal or fail to disclose any such event with an intent fraudulently to secure such payment either in a greater amount than is due or when no such amount is due.

(b) Criminal penalty for violation of prohibition

Any person who violates any prohibition established in subsection (a) shall be imprisoned for not more than 5 years, or both.


§ 300x–57. Nondiscrimination

(a) In general

(1) Rule of construction regarding certain civil rights laws

For the purpose of applying the prohibitions against discrimination on the basis of age under the Age Discrimination Act of 1975 [42 U.S.C. 6101 et seq.], on the basis of handicap under section 504 of the Rehabilitation Act of 1973 [29 U.S.C. 794], on the basis of sex under title IX of the Education Amendments of 1972 [20 U.S.C. 1681 et seq.], or on the basis of race, color, or national origin under title VI of the Civil Rights Act of 1964 [42 U.S.C. 2000d et seq.], programs and activities funded in whole or in part with funds made available under section 300x or 300x–21 of this title shall be considered to be programs and activities receiving Federal financial assistance.

(2) Prohibition

No person shall on the ground of sex (including, in the case of a woman, on the ground that the woman is pregnant), or on the ground of religion, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under, any program or activity funded in whole or in part with funds made available under section 300x or 300x–21 of this title.

(b) Enforcement

(1) Referrals to Attorney General after notice

Whenever the Secretary finds that a State, or an entity that has received a payment pursuant to section 300x or 300x–21 of this title, has failed to comply with a provision of law referred to in subsection (a)(1), with subsection (a)(2), or with an applicable regulation (including one prescribed to carry out subsection (a)(2)), the Secretary shall notify the chief executive officer of the State and shall request the chief executive officer to secure compliance. If within a reasonable period of time, not to exceed 60 days, the chief executive officer fails or refuses to secure compliance, the Secretary may—

(A) refer the matter to the Attorney General with a recommendation that an appropriate civil action be instituted;


(C) take such other actions as may be authorized by law.

(2) Authority of Attorney General

When a matter is referred to the Attorney General pursuant to paragraph (1)(A), or whenever the Attorney General has reason to believe that a State or an entity is engaged in a pattern or practice in violation of a provision of law referred to in subsection (a)(1) or in violation of subsection (a)(2), the Attorney General may bring a civil action in any appropriate district court of the United States for such relief as may be appropriate, including injunctive relief.


REFERENCES IN TEXT

The Age Discrimination Act of 1975, referred to in subsecs. (a)(1) and (b)(1)(B), is title III of Pub. L. 94–135, Nov. 28, 1975, 89 Stat. 728, as amended, which is classified generally to chapter 76 (§6101 et seq.) of this title.
For complete classification of this Act to the Code, see Short Title note set out under section 6101 of this title and Tables.

The Education Amendments of 1972, referred to in subsecs. (a)(1) and (b)(1)(B), is Pub. L. 92–318, June 23, 1972, 86 Stat. 235, as amended. Title IX of the Act, known as the Patsy Takemoto Mink Equal Opportunity in Education Act, is classified principally to chapter 38 (§1681 et seq.) of Title 20, Education. For complete classification of title IX to the Code, see Short Title note set out under section 1681 of Title 20 and Tables.


§ 300x–58. Technical assistance and provision of supplies and services in lieu of grant funds

(a) Technical assistance

The Secretary shall, without charge to a State receiving a grant under section 300x or 300x–21 of this title, provide to the State (or to any public or nonprofit private entity within the State) technical assistance with respect to the planning, development, and operation of any program or service carried out pursuant to the program involved. The Secretary may provide such technical assistance directly, through contract, or through grants.

(b) Provision of supplies and services in lieu of grant funds

(1) In general

Upon the request of a State receiving a grant under section 300x or 300x–21 of this title, the Secretary may, subject to paragraph (2), provide supplies, equipment, and services for the purpose of aiding the State in carrying out the program involved and, for such purpose, may detail to the State any officer or employee of the Department of Health and Human Services.

(2) Corresponding reduction in payments

With respect to a request described in paragraph (1), the Secretary shall reduce the amount of payments under the program involved to the State by an amount equal to the costs of detailing personnel and the fair market value of any supplies, equipment, or services provided by the Secretary. The Secretary shall, for the payment of expenses incurred in complying with such request, expend the amounts withheld.

§ 300x–59. Plans for performance partnerships

(a) Development

The Secretary in conjunction with States and other interested groups shall develop separate plans for the programs authorized under subparts I and II for creating more flexibility for States and accountability based on outcome and other performance measures. The plans shall each include—

(1) a description of the flexibility that would be given to the States under the plan;

(2) the common set of performance measures that would be used for accountability, including measures that would be used for the program under subpart II for pregnant addicts, HIV transmission, tuberculosis, and those with a co-occurring substance abuse and mental disorders, and for programs under subpart I for children with serious emotional disturbance and adults with serious mental illness and for individuals with co-occurring mental health and substance abuse disorders;

(3) the definitions for the data elements to be used under the plan;

(4) the obstacles to implementation of the plan and the manner in which such obstacles would be resolved;

(5) the resources needed to implement the performance partnerships under the plan; and

(6) an implementation strategy complete with recommendations for any necessary legislation.

(b) Submission

Not later than 2 years after October 17, 2000, the plans developed under subsection (a) shall be submitted to the Committee on Health, Education, Labor, and Pensions of the Senate and the Committee on Commerce of the House of Representatives.

(c) Information

As the elements of the plans described in subsection (a) are developed, States are encouraged to provide information to the Secretary on a voluntary basis.

(d) Participants

The Secretary shall include among those interested groups that participate in the development of the plan consumers of mental health or substance abuse services, providers, representatives of political divisions of States, and representatives of racial and ethnic groups including Native Americans.

October 17, 2000, referred to in subsec. (b), was in the original “the date of enactment of this Act”, which was translated as meaning the date of enactment of Pub. L. 106–310, which amended this section generally, to reflect the probable intent of Congress.

AMENDMENTS

2000—Pub. L. 106–310 amended section catchline and text generally. Prior to amendment, text read as follows: “Not later than January 24, 1994, the Secretary shall submit to the Committee on Energy and Commerce of the House of Representatives, and to the Committee on Labor and Human Resources of the Senate, a report on the activities of the States carried out pursuant to the programs established in sections 300x and 300x–21 of this title. Such report may include any recommendations of the Secretary for appropriate changes in legislation.”

CHANGE OF NAME

Committee on Commerce of House of Representatives changed to Committee on Energy and Commerce of House of Representatives, and jurisdiction over matters relating to securities and exchanges and insurance gen-
neally transferred to Committee on Financial Services of House of Representatives by House Resolution No. 5, One Hundred Seventh Congress, Jan. 3, 2003.

§ 300x–60. Rule of construction regarding delegation of authority to States

With respect to States receiving grants under section 300x or 300x–21 of this title, this part may not be construed to authorize the Secretary to delegate to the States the primary responsibility for interpreting the governing provisions of this part.


§ 300x–61. Solicitation of views of certain entities

In carrying out this part, the Secretary, as appropriate, shall solicit the views of the States and other appropriate entities.

(July 1, 1944, ch. 373, title XIX, § 1951, as added Pub. L. 102–321, title II, § 203(a), July 10, 1992, 106 Stat. 408.)

§ 300x–62. Availability to States of grant payments

Any amounts paid to a State for a fiscal year under section 300x or 300x–21 of this title shall be available for obligation and expenditure until the end of the fiscal year following the fiscal year for which the amounts were paid.


AMENDMENTS

2000—Pub. L. 106–310 reenacted section catchline without change and amended text generally. Prior to amendment, text read as follows:

“(a) IN GENERAL.—Subject to subsection (b) of this section, any amounts paid to a State under the program involved shall be available for obligation until the end of the fiscal year for which the amounts were paid, and if obligated by the end of such year, shall remain available for expenditure until the end of the succeeding fiscal year.

“(b) EXCEPTION REGARDING NONCOMPLIANCE OF SUBGRANTEES.—If a State in accordance with subsection (a) of this section obligated amounts paid to the State under the program involved, in any case in which the Secretary determines that the obligation consists of a grant or contract awarded by the State, and that the State has terminated or reduced the amount of such financial assistance on the basis of the failure of the recipient of the assistance to comply with the terms upon which the assistance was conditioned—

“(1) the amounts involved shall be available for reobligation by the State through September 30 of the fiscal year following the fiscal year for which the amounts were paid to the State; and

“(2) any of such amounts that are obligated by the State in accordance with paragraph (1) shall be available for expenditure through such date.”

§ 300x–63. Continuation of certain programs

(a) In general

Of the amount allotted to the State of Hawaii under section 300x of this title, and the amount allotted to such State under section 300x–21 of this title, an amount equal to the proportion of Native Hawaiians residing in the State to the total population of the State shall be available, respectively, for carrying out the program involved for Native Hawaiians.

(b) Expenditure of amounts

The amount made available under subsection (a) may be expended only through contracts entered into by the State of Hawaii with public and private nonprofit organizations to enable such organizations to plan, conduct, and administer comprehensive substance use disorder and treatment programs for the benefit of Native Hawaiians. In entering into contracts under this section, the State of Hawaii shall give preference to Native Hawaiian organizations and Native Hawaiian health centers.

(c) Definitions

For the purposes of this subsection, the terms “Native Hawaiian”, “Native Hawaiian organization”, and “Native Hawaiian health center” have the meaning given such terms in section 11707 of this title.


AMENDMENTS


§ 300x–64. Definitions

(a) Definitions for this subpart

For purposes of this subpart:

(1) The term “program involved” means the program of grants established in section 300x or 300x–21 of this title, or both, as indicated by whether the State involved is receiving or is applying to receive a grant under section 300x or 300x–21 of this title, or both.

(2) The term “funding agreement”, with respect to a grant under section 300x of this title, has the meaning given such term in section 300x–8 of this title.

(b) Definitions for this part

For purposes of this part:

(1) The term “Comptroller General” means the Comptroller General of the United States.

(2) The term “State”, except as provided in sections 300x–7(c)(5) of this title and 300x–33(c)(5) of this title, means each of the several States, the District of Columbia, and each of the territories of the United States.

(3) The term “territories of the United States” means each of the Commonwealth of Puerto Rico, American Samoa, Guam, the Commonwealth of the Northern Mariana Islands, the Virgin Islands, Palau, the Marshall Islands, and Micronesia.

(4) The term “interim services”, in the case of an individual in need of treatment for substance abuse who has been denied admission to

1 So in original. Probably should be “section.”.
§ 300x–65. Services provided by nongovernmental organizations

(a) Purposes
The purposes of this section are—
(1) to prohibit discrimination against nongovernmental organizations and certain individuals on the basis of religion in the distribution of government funds to provide substance abuse services under this subchapter and subchapter III–A, and the receipt of services under such subchapters; and
(2) to allow the organizations to accept the funds to provide the services to the individuals without impairing the religious character of the organizations or the religious freedom of the individuals.

(b) Religious organizations included as nongovernmental providers

(1) In general
A State may administer and provide substance abuse services under any program under this subchapter or subchapter III–A through grants, contracts, or cooperative agreements to provide assistance to beneficiaries under such subchapters with nongovernmental organizations.

(2) Requirement
A State that elects to utilize nongovernmental organizations as provided for under paragraph (1) shall consider, on the same basis as other nongovernmental organizations, religious organizations to provide services under substance abuse programs under this subchapter or subchapter III–A, so long as the programs under such subchapters are implemented in a manner consistent with the Establishment Clause of the first amendment to the Constitution. Neither the Federal Government nor a State or local government shall require a religious organization—
(A) to alter its form of internal governance; or
(B) to remove religious art, icons, scripture, or other symbols,
in order to be eligible to provide services under any substance abuse program under this subchapter or subchapter III–A.

(d) Employment practices

(1) Substance abuse
A religious organization that provides services under any substance abuse program under this subchapter or subchapter III–A may require that its employees providing services under such program adhere to rules forbidding the use of drugs or alcohol.

(2) Title VII exemption
The exemption of a religious organization provided under section 702 or 703(e)(2) of the Civil Rights Act of 1964 (42 U.S.C. 2000e–1, 2000e–2(e)(2)) regarding employment practices shall not be affected by the religious organization’s provision of services under, or receipt of funds from, any substance abuse program under this subchapter or subchapter III–A.

(e) Rights of beneficiaries of assistance

(1) In general
If an individual described in paragraph (3) has an objection to the religious character of the organization from which the individual receives, or would receive, services funded under any substance abuse program under this subchapter or subchapter III–A, the appropriate Federal, State, or local governmental entity shall provide to such individual (if otherwise eligible for such services) within a reasonable period of time after the date of such objection, services that—
(A) are from an alternative provider that is accessible to the individual; and
(B) have a value that is not less than the value of the services that the individual would have received from such organization.

(2) Notice
The appropriate Federal, State, or local governmental entity shall ensure that notice is provided to individuals described in paragraph (3) of the rights of such individuals under this section.

(3) Individual described
An individual described in this paragraph is an individual who receives or applies for services under any substance abuse program under this subchapter or subchapter III–A.

(f) Nondiscrimination against beneficiaries
A religious organization providing services through a grant, contract, or cooperative agreement under any substance abuse program under this subchapter or subchapter III–A shall not discriminate, in carrying out such program, against an individual described in subsection (e)(3) on the basis of religion, a religious belief, a refusal to hold a religious belief, or a refusal to actively participate in a religious practice.
§ 300x–66. Services for individuals with co-occurring disorders

States may use funds available for treatment under sections 300x and 300x–21 of this title to treat persons with co-occurring substance abuse and mental disorders as long as funds available under such sections are used for the purposes for which they were authorized by law and can be tracked for accounting purposes.


§ 300x–67. Public health emergencies

In the case of a public health emergency (as determined under section 247d of this title), the Secretary, on a State by State basis, may, as the circumstances of the emergency reasonably require and for the period of the emergency, grant an extension, or waive application deadlines or compliance with any other requirement, of a grant authorized under section 290cc–21, 300x, or 300x–21 of this title or an allotment authorized under Public Law 99–319 (42 U.S.C. 10801 et seq.).


REFERENCES IN TEXT


§ 300x–68. Joint applications

The Secretary, acting through the Assistant Secretary for Mental Health and Substance Use, shall permit a joint application to be submitted for grants under subpart I and subpart II upon the request of a State. Such application may be jointly reviewed and approved by the Secretary with respect to each such subpart, consistent with the purposes and authorized activities of each such grant program. A State submitting such a joint application shall otherwise meet the requirements with respect to each such subpart.


PART C—CERTAIN PROGRAMS REGARDING MENTAL HEALTH AND SUBSTANCE ABUSE

Codification


SUBPART I—DATA INFRASTRUCTURE DEVELOPMENT

Codification


§ 300y. Data infrastructure development

(a) In general

The Secretary may make grants to, and enter into contracts or cooperative agreements with
States for the purpose of developing and operating mental health or substance abuse data collection, analysis, and reporting systems with regard to performance measures including capacity, process, and outcomes measures.

(b) Projects

The Secretary shall establish criteria to ensure that services will be available under this section to States that have a fundamental basis for the collection, analysis, and reporting of mental health and substance abuse performance measures and States that do not have such basis. The Secretary will establish criteria for determining whether a State has a fundamental basis for the collection, analysis, and reporting of data.

(c) Condition of receipt of funds

As a condition of the receipt of an award under this section a State shall agree to collect, analyze, and report to the Secretary within 2 years of the date of the award on a core set of performance measures to be determined by the Secretary in conjunction with the States.

(d) Matching requirement

(1) In general

With respect to the costs of the program to be carried out under subsection (a) by a State, the Secretary may make an award under such subsection only if the applicant agrees to make available (directly or through donations from public or private entities) non-Federal contributions toward such costs in an amount that is not less than 50 percent of such costs.

(2) Determination of amount contributed

Non-Federal contributions under paragraph (1) may be in cash or in kind, fairly evaluated, including plant, equipment, or services. Amounts provided by the Federal Government, or services assisted or subsidized to any significant extent by the Federal Government, may not be included in determining the amount of such contributions.

(e) Duration of support

The period during which payments may be made for a project under subsection (a) may be not less than 3 years nor more than 5 years.

(f) Authorization of appropriation

(1) In general

For the purpose of carrying out this section, there are authorized to be appropriated such sums as may be necessary for each of the fiscal years 2001, 2002 and 2003.

(2) Allocation

Of the amounts appropriated under paragraph (1) for a fiscal year, 50 percent shall be expended to support data infrastructure development for mental health and 50 percent shall be expended to support data infrastructure development for substance abuse.

(1) In general

For the purpose of carrying out this section, there are authorized to be appropriated such sums as may be necessary for each of the fiscal years 2001, 2002 and 2003.

(2) Allocation

Of the amounts appropriated under paragraph (1) for a fiscal year, 50 percent shall be expended to support data infrastructure development for mental health and 50 percent shall be expended to support data infrastructure development for substance abuse.

Prior provisions


Prior sections 300y–1 and 300y–2 were repealed by Pub. L. 100–690, title II, §2038(1), Nov. 18, 1988, 102 Stat. 2430.


Prior sections 300y–3 to 300y–10 were repealed by Pub. L. 99–280, §5, Apr. 24, 1986, 100 Stat. 400.

Section 300y–3, act July 1, 1944, ch. 373, title XIX, §1924, as added Aug. 13, 1981, Pub. L. 97–35, title IX, §901, 95 Stat. 553, provided that allotments be based upon prior year distributions and provided for direct distributions to Indian tribes.


SUBPART II—INTERIM MAINTENANCE TREATMENT OF NARCOTICS DEPENDENCE

§ 300y–11. Interim maintenance treatment

(a) Requirement regarding Secretary

Subject to the following subsections of this section, for the purpose of reducing the inci-
dence of the transmission of HIV disease pursuant to the intravenous abuse of heroin or other morphine-like drugs, the Secretary, in establishing conditions for the use of methadone in public or nonprofit private programs of treatment for dependence on such drugs, shall authorize such programs—

(1) to dispense methadone for treatment purposes to individuals who—

(A) meet the conditions for admission to such programs that dispense methadone as part of comprehensive treatment for such dependence; and

(B) are seeking admission to such programs that so dispense methadone, but as a result of the limited capacity of the programs, will not gain such admission until 14 or more days after seeking admission to the programs; and

(2) in dispensing methadone to such individuals, to provide only minimum ancillary services during the period in which the individuals are waiting for admission to programs of comprehensive treatment.

(b) Inapplicability of requirement in certain circumstances

(1) In general

The requirement established in subsection (a) for the Secretary does not apply if any or all of the following conditions are met:

(A) The preponderance of scientific research indicates that the risk of the transmission of HIV disease pursuant to the intravenous abuse of drugs is minimal.

(B) The preponderance of scientific research indicates that the medically supervised dispensing of methadone is not an effective method of reducing the extent of dependence on heroin and other morphine-like drugs.

(C) The preponderance of available data indicates that, of treatment programs that dispense methadone as part of comprehensive treatment, a substantial majority admit all individuals seeking services to the programs not later than 14 days after the individuals seek admission to the programs.

(2) Evaluation by Secretary

In evaluating whether any or all of the conditions described in paragraph (1) have been met, the Secretary shall consult with the National Commission on Acquired Immune Deficiency Syndrome.

(c) Conditions for obtaining authorization from Secretary

(1) In general

In carrying out the requirement established in subsection (a), the Secretary shall, after consultation with the National Commission on Acquired Immune Deficiency Syndrome, by regulation issue such conditions for treatment programs to obtain authorization from the Secretary to provide interim maintenance treatment as may be necessary to carry out the purpose described in such subsection. Such conditions shall include conditions for preventing the unauthorized use of methadone.

(2) Counseling on HIV disease

The regulations issued under paragraph (1) shall provide that an authorization described in such paragraph may not be issued to a treatment program unless the program provides to recipients of the treatment counseling on preventing exposure to and the transmission of HIV disease.

(3) Permission of relevant State as condition of authorization

The regulations issued under paragraph (1) shall provide that the Secretary may not provide an authorization described in such paragraph to any treatment program in a State unless the chief public health officer of the State has certified to the Secretary that—

(A) such officer does not object to the provision of such authorizations to treatment programs in the State; and

(B) the provision of interim maintenance services in the State will not reduce the capacity of comprehensive treatment programs in the State to admit individuals to the programs (relative to the date on which such officer so certifies).

(4) Date certain for issuance of regulations; failure of Secretary

The Secretary shall issue the final rule for purposes of the regulations required in paragraph (1), and such rule shall be effective, not later than the expiration of the 180-day period beginning on July 10, 1992. If the Secretary fails to meet the requirement of the preceding sentence, the proposed rule issued on March 2, 1989, with respect to part 291 of title 21, Code of Federal Regulations (docket numbered 88N–0444; 54 Fed. Reg. 8973 et seq.) is deemed to take effect as a final rule upon the expiration of such period, and the provisions of paragraph (3) of this subsection are deemed to be incorporated into such rule.

(d) Definitions

For purposes of this section:

(1) The term “interim maintenance services” means the provision of methadone in a treatment program under the circumstances described in paragraphs (1) and (2) of subsection (a).

(2) The term “HIV disease” means infection with the etiologic agent for acquired immune deficiency syndrome.

(3) The term “treatment program” means a public or nonprofit private program of treatment for dependence on heroin or other morphine-like drugs.
Section 300y-21, act July 1, 1944, ch. 373, title XIX, §1931, as added Nov. 4, 1988, Pub. L. 100–607, title IV, §408(a), 102 Stat. 3117, provided definitions for this part.


Section 300y-22, act July 1, 1944, ch. 373, title XIX, §1932, as added Nov. 4, 1988, Pub. L. 100–607, title IV, §408(a), 102 Stat. 3117, authorized appropriations for this part.


Section 300y-23, act July 1, 1944, ch. 373, title XIX, §1933, as added Nov. 4, 1988, Pub. L. 100–607, title IV, §408(a), 102 Stat. 3117, provided for allotments under this part.

Section 300y-24, act July 1, 1944, ch. 373, title XIX, §1934, as added Nov. 4, 1988, Pub. L. 100–607, title IV, §408(a), 102 Stat. 3118, provided for payments under allotments to States.

Section 300y-25, act July 1, 1944, ch. 373, title XIX, §1935, as added Nov. 4, 1988, Pub. L. 100–607, title IV, §408(a), 102 Stat. 3118, specified use of allotments.

Section 300y-26, act July 1, 1944, ch. 373, title XIX, §1936, as added Nov. 4, 1988, Pub. L. 100–607, title IV, §408(a), 102 Stat. 3119, provided for applications, requirements of the application, and description of activities.


**Effective Date**

Section effective July 10, 1992, with programs making awards providing financial assistance in fiscal year 1993 and subsequent years effective for awards made on or after Oct. 1, 1992, see section 801(b), (d)(1) of Pub. L. 102–522, set out as an Effective Date of 1992 Amendment note under section 236 of this title.

**Subchapter XVIII—Adolescent Family Life Demonstration Projects**

**§ 300z. Findings and purposes**

(a) The Congress finds that—

(1) in 1978, an estimated one million one hundred thousand teenagers became pregnant, more than five hundred thousand teenagers carried their babies to term, and over one-half of the babies born to such teenagers were born out of wedlock;

(2) adolescents aged seventeen and younger accounted for more than one-half of the out of wedlock births to teenagers;

(3) in a high proportion of cases, the pregnancies to term live with their families after the birth of the child;

(4) it is estimated that approximately 80 per cent of unmarried teenagers who carry their pregnancies to term live with their families before and during their pregnancy and remain with their families after the birth of the child;

(5) pregnancy and childbirth among unmarried adolescents, particularly young adolescents, often results in severe adverse health, social, and economic consequences including: a higher percentage of pregnancy and childbirth complications; a higher incidence of low birth weight babies; a higher infant mortality and morbidity; a greater likelihood that an adolescent marriage will end in divorce; a decreased likelihood of completing schooling; and higher risks of unemployment and welfare dependency; and therefore, education, training, and job research services are important for adolescent parents;

(6)(A) adoption is a positive option for unmarried pregnant adolescents who are unwilling or unable to care for their children since adoption is a means of providing permanent families for such children from available approved couples who are unable or have difficulty in conceiving or carrying children of their own to term; and

(B) at present, only 4 per cent of unmarried pregnant adolescents who carry their babies to term enter into an adoption plan or arrange for their babies to be cared for by relatives or friends;

(7) an unmarried adolescent who becomes pregnant once is likely to experience recurrent pregnancies and childbearing, with increased risks;

(8)(A) the problems of adolescent premarital sexual relations, pregnancy, and parenthood are multiple and complex and are frequently associated with or are a cause of other troublesome situations in the family; and

(B) such problems are best approached through a variety of integrated and essential services provided to adolescents and their families by other family members, religious and charitable organizations, voluntary associations, and other groups in the private sector as well as services provided by publicly sponsored initiatives;

(9) a wide array of educational, health, and supportive services are not available to adolescents with such problems or to their families, or when available frequently are fragmented and thus are of limited effectiveness in discouraging adolescent premarital sexual relations and the consequences of such relations;

(10)(A) prevention of adolescent sexual activity and adolescent pregnancy depends primarily upon developing strong family values and close family ties, and since the family is the basic social unit in which the values and attitudes of adolescents concerning sexuality and pregnancy are formed, programs designed to deal with issues of sexuality and pregnancy will be successful to the extent that such programs encourage and sustain the role of the family in dealing with adolescent sexual activity and adolescent pregnancy;

(B) Federal policy therefore should encourage the development of appropriate health, educational, and social services where such services are now lacking or inadequate, and the better coordination of existing services where they are available; and

(C) services encouraged by the Federal Government should promote the involvement of parents with their adolescent children, and should emphasize the provision of support by
other family members, religious and charitable organizations, voluntary associations, and other groups in the private sector in order to help adolescents and their families deal with complex issues of adolescent premarital sexual relations and the consequences of such relations; and

(11)(A) there has been limited research concerning the societal causes and consequences of adolescent pregnancy;

(B) there is limited knowledge concerning which means of intervention are effective in mediating or eliminating adolescent premarital sexual relations and adolescent pregnancy; and

(C) it is necessary to expand and strengthen such knowledge in order to develop an array of approaches to solving the problems of adolescent premarital sexual relations and adolescent pregnancy in both urban and rural settings.

(b) Therefore, the purposes of this subchapter are—

(1) to find effective means, within the context of the family, of reaching adolescents before they become sexually active in order to maximize the guidance and support available to adolescents from parents and other family members, and to promote self discipline and other prudent approaches to the problem of adolescent premarital sexual relations, including adolescent pregnancy;

(2) to promote adoption as an alternative for adolescent parents;

(3) to establish innovative, comprehensive, and integrated approaches to the delivery of care services both for pregnant adolescents, with primary emphasis on unmarried adolescents who are seventeen years of age or under, and for adolescent parents, which shall be based upon an assessment of existing programs and, where appropriate, upon efforts to establish better coordination, integration, and linkages among such existing programs in order to—

(A) enable pregnant adolescents to obtain proper care and assist pregnant adolescents and adolescent parents to become productive independent contributors to family and community life; and

(B) assist families of adolescents to understand and resolve the societal causes of pregnancy which are associated with adolescent pregnancy;

(4) to encourage and support research projects and demonstration projects concerning the societal causes and consequences of adolescent premarital sexual relations, contraceptive use, pregnancy, and child rearing;

(5) to support evaluative research to identify effective services which alleviate, eliminate, or resolve any negative consequences of adolescent premarital sexual relations and adolescent childbearing for the parents, the child, and their families; and

(6) to encourage and provide for the dissemination of results, findings, and information from programs and research projects relating to adolescent premarital sexual relations, pregnancy, and parenthood.

(I) referral to licensed residential care or materninity home services; and
(J) mental health services and referral to mental health services and to other appropriate physical health services;
(3) child care sufficient to enable the adolescent parent to continue education or to enter into employment;
(L) consumer education and homemaking;
(M) counseling for the immediate and extended family members of the eligible person;
(N) transportation;
(O) outreach services to families of adolescents to discourage sexual relations among unemancipated minors;
(P) family planning services; and
(Q) such other services consistent with the purposes of this subchapter as the Secretary may approve in accordance with regulations promulgated by the Secretary;
(5) “core services” means those services which shall be provided by a grantee, as determined by the Secretary by regulation;
(6) “supplemental services” means those services which may be provided by a grantee, as determined by the Secretary by regulation;
(7) “care services” means necessary services for the provision of care to pregnant adolescents and adolescent parents and includes all core services with respect to the provision of such care prescribed by the Secretary by regulation;
(8) “prevention services” means necessary services to prevent adolescent sexual relations, including the services described in subparagraphs (A), (D), (E), (G), (H), (M), (N), (O), and (Q) of paragraph (4);
(9) “adolescent” means an individual under the age of nineteen; and
(10) “unemancipated minor” means a minor who is subject to the control, authority, and supervision of his or her parents or guardians, as determined under State law.
(b) Until such time as the Secretary promulgates regulations pursuant to the second sentence of this subsection, the Secretary shall use the regulations promulgated under title VI of the Health Services and Centers Amendments of 1978 [42 U.S.C. 300a-21 et seq.] which were in effect August 13, 1981, to determine which necessary services are core services for purposes of this subchapter. The Secretary may promulgate regulations to determine which necessary services are core services for purposes of this subchapter based upon an evaluation of and information concerning which necessary services are essential to carry out the purposes of this subchapter and taking into account (1) factors such as whether services are to be provided in urban or rural areas, the ethnic groups to be served, and the nature of the populations to be served, and (2) the results of the evaluations required under paragraph (b) of this section. The Secretary may from time to time revise such regulations.

$300z–3. Uses of grants for demonstration projects for services

(a) Covered projects

Except as provided in subsection (b), funds provided for demonstration projects for services under this subchapter may be used by grantees only to—
(1) provide to eligible persons—
(A) care services;
(B) prevention services; or
(C) care and prevention services (in the case of a grantee who is providing a combination of care and prevention services);
(2) coordinate, integrate, and provide linkages among providers of care, prevention, and other services for eligible persons in furtherance of the purposes of this subchapter;
(3) provide supplemental services where such services are not adequate or not available to eligible persons in the community and which are essential to the care of pregnant adolescents and to the prevention of adolescent premarital sexual relations and adolescent pregnancy;
§ 300z–4. Grants for demonstration projects for services

(a) Priorities
In approving applications for grants for demonstration projects for services under this subchapter, the Secretary shall give priority to applicants—

(1) serve an area where there is a high incidence of adolescent pregnancy;

(2) serve an area with a high proportion of low-income families and where the availability of programs of care for pregnant adolescents and adolescent parents is low;

(3) show evidence—
(A) in the case of an applicant who will provide care services, of having the ability to bring together a wide range of needed core services and, as appropriate, supplemental services in comprehensive single-site projects, or to establish a well-integrated network of such services (appropriate for the target population and geographic area to be served including the special needs of rural areas) for pregnant adolescents or adolescent parents; or
(B) in the case of an applicant who will provide prevention services, of having the ability to provide prevention services for adolescents and their families which are appropriate for the target population and the geographic area to be served, including the special needs of rural areas;

(4) will utilize to the maximum extent feasible existing available programs and facilities such as neighborhood and primary health care centers, maternity homes which provide or can be equipped to provide services to pregnant adolescents, agencies serving families, youth, and children with established programs of service to pregnant adolescents and vulnerable families, licensed adoption agencies, children and youth centers, maternal and infant health centers, regional rural health facilities, school and other educational programs, mental health programs, nutrition programs, recreation programs, and other ongoing pregnancy prevention services and programs of care for pregnant adolescents and adolescent parents;

(5) make use, to the maximum extent feasible, of other Federal, State, and local funds, programs, contributions, and other third-party reimbursements;

(6) can demonstrate a community commitment to the program by making available to the demonstration project non-Federal funds, personnel, and facilities;

(7) have involved the community to be served, including public and private agencies, adolescents, and families, in the planning and implementation of the demonstration project; and

(8) will demonstrate innovative and effective approaches in addressing the problems of adolescent premarital sexual relations, pregnancy, or parenthood, including approaches to provide pregnant adolescents with adequate information about adoption.

(b) Factors to be considered in making grants; special needs of rural areas

(1) The amount of a grant for a demonstration project for services under this subchapter shall be determined by the Secretary, based on factors such as the incidence of adolescent pregnancy in the geographic area to be served, and the adequacy of pregnancy prevention services and programs of care for pregnant adolescents and adolescent parents in such area.

(2) In making grants for demonstration projects for services under this subchapter, the Secretary shall consider the special needs of rural areas and, to the maximum extent practicable, shall distribute funds taking into con-
sideration the relative number of adolescents in such areas in need of such services.

(c) Duration; Federal share

(1) A grantee may not receive funds for a demonstration project for services under this subchapter for a period in excess of 5 years.

(2)(A) Subject to paragraph (3), a grant for a demonstration project for services under this subchapter may not exceed—

(i) 70 per centum of the costs of the project for the first and second years of the project;

(ii) 60 per centum of such costs for the third year of the project;

(iii) 50 per centum of such costs for the fourth year of the project; and

(iv) 40 per centum of such costs for the fifth year of the project.

(B) Non-Federal contributions required by subparagraph (A) may be in cash or in kind, fairly evaluated, including plant, equipment, or services.

(3) The Secretary may waive the limitation specified in paragraph (2)(A) for any year in accordance with criteria established by regulation.


§ 300z-5. Requirements for applications

(a) Form, content, and assurances

An application for a grant for a demonstration project for services under this subchapter shall be in such form and contain such information as the Secretary may require, and shall include—

(1) an identification of the incidence of adolescent pregnancy and related problems;

(2) a description of the economic conditions and income levels in the geographic area to be served;

(3) a description of existing pregnancy prevention services and programs of care for pregnant adolescents and adolescent parents (including adoption services), and including where, how, by whom, and to which population groups such services are provided, and the extent to which they are coordinated in the geographic area to be served;

(4) a description of the major unmet needs for services for adolescents at risk of initial or recurrent pregnancies and an estimate of the number of adolescents not being served in the area;

(5)(A) in the case of an applicant who will provide care services, a description of how all core services will be provided in the demonstration project using funds under this subchapter or will otherwise be provided by the grantee in the area to be served, the population to which such services will be provided, how such services will be coordinated, integrated, and linked with other related programs and services and the source or sources of funding of such core services in the public and private sectors; or

(B) in the case of an applicant who will provide prevention services, a description of the necessary services to be provided and how the applicant will provide such services;

(6) a description of the manner in which adolescents needing services other than the services provided directly by the applicant will be identified and how access and appropriate referral to such other services (such as medicaid; licensed adoption agencies; maternity home services; public assistance; employment services; child care services for adolescent parents; and other city, county, and State programs related to adolescent pregnancy) will be provided, including a description of a plan to coordinate such other services with the services supported under this subchapter;

(7) a description of the applicant’s capacity to continue services as Federal funds decrease and in the absence of Federal assistance;

(8) a description of the results expected from the provision of services, and the procedures to be used for evaluating those results;

(9) a summary of the views of public agencies, providers of services, and the general public in the geographic area to be served, concerning the proposed use of funds provided for a demonstration project for services under this subchapter and a description of procedures used to obtain those views, and in the case of applicants who propose to coordinate services administered by a State, the written comments of the appropriate State officials responsible for such services;

(10) assurances that the applicant will have an ongoing quality assurance program;

(11) assurances that, where appropriate, the applicant shall have a system for maintaining the confidentiality of patient records in accordance with regulations promulgated by the Secretary;

(12) assurances that the applicant will demonstrate its financial responsibility by the use of such accounting procedures and other requirements as may be prescribed by the Secretary;

(13) assurances that the applicant (A) has or will have a contractual or other arrangement with the agency of the State (in which the applicant provides services) that administers or supervises the administration of a State plan approved under title XIX of the Social Security Act [42 U.S.C. 1396 et seq.] for the payment of all or a part of the applicant’s costs in providing health services to persons who are eligible for medical assistance under such a State plan, or (B) has made or will make every reasonable effort to enter into such an arrangement;

(14) assurances that the applicant has made or will make and will continue to make every reasonable effort to collect appropriate reimbursement for its costs in providing health services to persons who are entitled to benefits under title V of the Social Security Act [42 U.S.C. 701 et seq.], to medical assistance under a State plan approved under title XIX of such Act [42 U.S.C. 1396 et seq.], or to assistance for medical expenses under any other public assistance program or private health insurance program;

(15) assurances that the applicant has or will make and will continue to make every reasonable effort to collect appropriate reimbursement for its costs in providing services to persons entitled to services under parts B and E of title IV [42 U.S.C. 620 et seq., 670 et seq.] and
§ 300z–5

1397 et seq.; chapter VIII of this chapter; maximum use of funds available under sub-

(16)(A) a description of—
(1) the schedule of fees to be used in the provision of services, which shall comply with section 300z–3(c) of this title and which shall be designed to cover all reasonable direct and indirect costs incurred by the applicant in providing services; and
(2) a corresponding schedule of discounts to be applied to the payment of such fees, which shall comply with section 300z–3(c) of this title and which shall be adjusted on the basis of the ability of the eligible person to pay;
(B) assurances that the applicant has made and will continue to make every reasonable ef-

(1) to secure from eligible persons payment for services in accordance with such sched-
ules;
(2) to collect reimbursement for health or other services provided to persons who are entitled to have payment made on their behalf for such services under any Federal or other government program or private insurance program; and
(3) to seek such reimbursement on the basis of the full amount of fees for services without application of any discount; and
(C) assurances that the applicant has sub-

mitted or will submit to the Secretary such reports as the Secretary may require to deter-
mine compliance with this paragraph;
(17) assurances that the applicant will make maximum use of funds available under sub-
chapter VIII of this chapter;
(18) assurances that the acceptance by any individual of family planning services or fam-
ily planning information (including educational materials) provided through financial assistance under this subchapter shall be voluntary and shall not be a prerequisite to eligi-

bility for or receipt of any other service fur-

nished by the applicant;
(19) assurances that fees collected by the ap-

licant for services rendered in accordance with this subchapter shall be used by the ap-

licant to further the purposes of this sub-

chapter;
(20) assurances that the applicant, if provid-

ing both prevention and care services will not exclude or discriminate against any adoles-
cent who receives prevention services and sub-
sequently requires care services as a pregnant adolescent;
(21) a description of how the applicant will, as appropriate in the provision of services—
(A) involve families of adolescents in a manner which will maximize the role of the family in the solution of problems relating to the parenthood or pregnancy of the ado-
scent;
(B) involve religious and charitable organi-

zations, voluntary associations, and other groups in the private sector as well as serv-
ices provided by publicly sponsored initia-

tives;
(22)(A) assurances that—
(1) except as provided in subparagraph (B) and subject to clause (ii), the applicant will notify the parents or guardians of any un-

emancipated minor requesting services from the applicant and, except as provided in sub-
paragraph (C), will obtain the permission of such parents or guardians with respect to the provision of such services; and
(ii) in the case of a pregnant unemanci-

pated minor requesting services from the ap-

licant, the applicant will notify the parents or guardians of such minor under clause (i) within a reasonable period of time;
(B) assurances that the applicant will not notify or request the permission of the parents or guardian of any unemancipated minor with-

out the consent of the minor—
(1) who solely is requesting from the applicant pregnancy testing or testing or treat-

ment for venereal disease;
(2) who is the victim of incest involving a parent;
(3) if an adult sibling of the minor or an adult aunt, uncle, or grandparent who is related to the minor by blood certifies to the grante that notification of the parents or guardians of such minor would result in physical injury to such minor; and
(C) assurances that the applicant will not re-

quire, with respect to the provision of services, the permission of the parents or guardi-

ans of any pregnant unemancipated minor if such parents or guardians are attempting to compel such minor to have an abortion;
(23) assurances that primary emphasis for services supported under this subchapter shall be given to adolescents seventeen and under who are not able to obtain needed assistance through other means;
(24) assurances that funds received under this subchapter shall supplement and not sup-

plent funds received from any other Federal, State, or local program or any private sources of funds; and
(25) a plan for the conduct of, and assurances that the applicant will conduct, evaluations of the effectiveness of the services supported under this subchapter in accordance with sub-
section (b).

(b) Evaluations: amount, conduct, and technical assistance

(1) Each grantee which receives funds for a demonstration project for services under this subchapter shall expend at least 1 per centum but not in excess of 5 per centum of the amounts received under this subchapter for the conduct of evaluations of the services supported under this subchapter. The Secretary may, for a par-

icular grantee upon good cause shown, waive the provisions of the preceding sentence with re-
respect to the amounts to be expended on evalua-
tions, but may not waive the requirement that such evaluations be conducted.
(2) Evaluations required by paragraph (1) shall be conducted by an organization or entity which is independent of the grantee providing services supported under this subchapter. To assist in conducting the evaluations required by para-

graph (1), each grantee shall develop a working relationship with a college or university located in the grantee’s State which will provide or as-
in providing monitoring and evaluation of services supported under this subchapter unless no college or university in the grantee's State is willing or has the capacity to provide or assist in providing such monitoring and assistance.

(3) The Secretary may provide technical assistance with respect to the conduct of evaluations required under this subsection to any grantee which is unable to develop a working relationship with a college or university in the applicant's State for the reasons described in paragraph (2).

(c) Reports

Each grantee which receives funds for a demonstration project for services under this subchapter shall make such reports concerning its use of Federal funds as the Secretary may require. Reports shall include, at such times as are considered appropriate by the Secretary, the results of the evaluations of the services supported under this subchapter.

(d) Notification of parents; "adult" defined

(1) A grantee shall periodically notify the Secretary of the exact number of instances in which a grantee does not notify the parents or guardians of a pregnant unemancipated minor under subsection (a)(22)(B)(i)(II).

(2) For purposes of subsection (a)(22)(B)(i), the term "adult" means an adult as defined by State law.

(e) Submission of applications to Governor; comments by Governor

Each applicant shall provide the Governor of the State in which the applicant is located a copy of each application submitted to the Secretary for a grant for a demonstration project for services under this subchapter. The Governor shall submit to the applicant comments on any such application within the period of sixty days beginning on the day when the Governor receives such copy. The applicant shall include the comments of the Governor with such application.

(f) Availability of core services

No application submitted for a grant for a demonstration project for care services under this subchapter may be approved unless the Secretary is satisfied that core services shall be available through the applicant within a reasonable time after such grant is received.

§ 300z–6. Coordination of programs

(a) The Secretary shall coordinate Federal policies and programs providing services relating to the prevention of adolescent sexual relations and initial and recurrent adolescent pregnancies and providing care services for pregnant adolescents. In achieving such coordination, the Secretary shall—

(1) require grantees who receive funds for demonstration projects for services under this subchapter to report periodically to the Secretary concerning Federal, State, and local policies and programs that interfere with the delivery of and coordination of pregnancy prevention services and other programs of care for pregnant adolescents and adolescent parents;

(2) provide technical assistance to facilitate coordination by State and local recipients of Federal assistance;

(3) review all programs administered by the Department of Health and Human Services which provide prevention services or care services to determine if the policies of such programs are consistent with the policies of this subchapter, consult with other departments and agencies of the Federal Government who administer programs that provide such services, and encourage such other departments and agencies to make recommendations, as appropriate, for legislation to modify such programs in order to facilitate the use of all Government programs which provide such services as a basis for delivery of more comprehensive prevention services and more comprehensive programs of care for pregnant adolescents and adolescent parents;

(4) give priority in the provision of funds, where appropriate, to applicants using single or coordinated grant applications for multiple programs; and

(5) give priority, where appropriate, to the provision of funds under Federal programs administered by the Secretary (other than the program established by this subchapter) to projects providing comprehensive prevention services and comprehensive programs of care for pregnant adolescents and adolescent parents.

(b) Any recipient of a grant for a demonstration project for services under this subchapter shall coordinate its activities with any other recipient of such a grant which is located in the same locality.

Reference(s in Text)

The Social Security Act, referred to in subsec. (a)(13) to (15), is act Aug. 14, 1935, ch. 531, 49 Stat. 620, as amended, Parts B and E of title IV of the Social Security Act are classified generally to part B (§620 et seq.) and part E (§670 et seq.) of subchapter IV of chapter 7 of this title. Titles V, XIX, and XX of the Social Security Act are classified generally to subchapters V (§4701 et seq.), XIX (§1396 et seq.), and XX (§1397 et seq.), respectively, of chapter 7 of this title. For complete classification of this Act to the Code, see section 1305 of this title and Tables.

§ 300z–7. Research

(a) Grants and contracts; duration; renewal; amount

(1) The Secretary may make grants and enter into contracts with public agencies or private organizations or institutions of higher education to support the research and dissemination activities described in paragraphs (4), (5), and (6) of section 300z(b) of this title.

(2) The Secretary may make grants or enter into contracts under this section for a period of one year. A grant or contract under this section for a project may be renewed for four additional one-year periods, which need not be consecutive.
(3) A grant or contract for any one-year period under this section may not exceed $100,000 for the direct costs of conducting research or dissemination activities under this section and may include such additional amounts for the indirect costs of conducting such activities as the Secretary determines appropriate. The Secretary may waive the preceding sentence with respect to a specific project if he determines that—

(A) exceptional circumstances warrant such waiver and that the project will have national impact; or

(B) additional amounts are necessary for the direct costs of conducting limited demonstration projects for the provision of necessary services in order to provide data for research carried out under this subchapter.

(4) The amount of any grant or contract made under this section may remain available for obligation or expenditure after the close of the one-year period for which such grant or contract is made in order to assist the recipient in preparing the report required by subsection (f)(1).

(b) Scope of permissible activities

(1) Funds provided for research under this section may be used for descriptive or explanatory surveys, longitudinal studies, or limited demonstration projects for services that are for the purpose of increasing knowledge and understanding of the matters described in paragraphs (4) and (5) of section 300z(b) of this title.

(2) Funds provided under this section may not be used for the purchase or improvement of land, or the purchase, construction, or permanent improvement (other than minor remodeling) of any building or facility.

(c) Applications

The Secretary may not make any grant or enter into any contract to support research or dissemination activities under this section unless—

(1) the Secretary has received an application for such grant or contract which is in such form and which contains such information as the Secretary may by regulation require;

(2) the applicant has demonstrated that the applicant is capable of conducting one or more of the types of research or dissemination activities described in paragraph (4), (5), or (6) of section 300z(b) of this title; and

(3) in the case of an application for a research project, the panel established by subsection (e)(2) has determined that the project is of scientific merit.

(d) Coordination with National Institutes of Health

The Secretary shall, where appropriate, coordinate research and dissemination activities carried out under this section with research and dissemination activities carried out by the National Institutes of Health.

(e) Review of applications for grants and contracts; establishment of review panel

(1) The Secretary shall establish a system for the review of applications for grants and contracts under this section. Such system shall be substantially similar to the system for scientific peer review of the National Institutes of Health and shall meet the requirements of paragraphs (2) and (3).

(2) In establishing the system required by paragraph (1), the Secretary shall establish a panel to review applications under this section. Not more than 25 per centum of the members of the panel shall be physicians. The panel shall meet as often as may be necessary to facilitate the expeditious review of applications under this section, but not less than once each year. The panel shall review each project for which an application is made under this section, evaluate the scientific merit of the project, determine whether the project is of scientific merit, and make recommendations to the Secretary concerning whether the application for the project should be approved.

(3) The Secretary shall make grants under this section from among the projects which the panel established by paragraph (2) has determined to be of scientific merit and may only approve an application for a project if the panel has made such determination with respect to such a project. The Secretary shall make a determination with respect to an application within one month after receiving the determinations and recommendations of such panel with respect to the application.

(f) Reports

(1)(A) The recipient of a grant or contract for a research project under this section shall prepare and transmit to the Secretary a report describing the results and conclusions of such research. Except as provided in subparagraph (B), such report shall be transmitted to the Secretary not later than eighteen months after the end of the year for which funds are provided under this section. The recipient may utilize reprints of articles published or accepted for publication in professional journals to supplement or replace such report if the research contained in such articles was supported under this section during the year for which the report is required.

(B) In the case of any research project for which assistance is provided under this section for two or more consecutive one-year periods, the recipient of such assistance shall prepare and transmit the report required by subparagraph (A) to the Secretary not later than twelve months after the end of each one-year period for which such funding is provided.

(2) Recipients of grants and contracts for dissemination under this section shall submit to the Secretary such reports as the Secretary determines appropriate.

(3) A grant or contract for any one-year period under this section may not exceed $100,000 for the direct costs of conducting research or dissemination activities under this section and may include such additional amounts for the indirect costs of conducting such activities as the Secretary determines appropriate. The Secretary may waive the preceding sentence with respect to a specific project if he determines that—

(A) exceptional circumstances warrant such waiver and that the project will have national impact; or

(B) additional amounts are necessary for the direct costs of conducting limited demonstration projects for the provision of necessary services in order to provide data for research carried out under this subchapter.

(4) The amount of any grant or contract made under this section may remain available for obligation or expenditure after the close of the one-year period for which such grant or contract is made in order to assist the recipient in preparing the report required by subsection (f)(1).

(b) Scope of permissible activities

(1) Funds provided for research under this section may be used for descriptive or explanatory surveys, longitudinal studies, or limited demonstration projects for services that are for the purpose of increasing knowledge and understanding of the matters described in paragraphs (4) and (5) of section 300z(b) of this title.

(2) Funds provided under this section may not be used for the purchase or improvement of land, or the purchase, construction, or permanent improvement (other than minor remodeling) of any building or facility.

(c) Applications

The Secretary may not make any grant or enter into any contract to support research or dissemination activities under this section unless—

(1) the Secretary has received an application for such grant or contract which is in such form and which contains such information as the Secretary may by regulation require;

(2) the applicant has demonstrated that the applicant is capable of conducting one or more of the types of research or dissemination activities described in paragraph (4), (5), or (6) of section 300z(b) of this title; and

(3) in the case of an application for a research project, the panel established by subsection (e)(2) has determined that the project is of scientific merit.

(d) Coordination with National Institutes of Health

The Secretary shall, where appropriate, coordinate research and dissemination activities carried out under this section with research and dissemination activities carried out by the National Institutes of Health.

(e) Review of applications for grants and contracts; establishment of review panel

(1) The Secretary shall establish a system for the review of applications for grants and contracts under this section. Such system shall be substantially similar to the system for scientific peer review of the National Institutes of Health and shall meet the requirements of paragraphs (2) and (3).

(2) In establishing the system required by paragraph (1), the Secretary shall establish a panel to review applications under this section. Not more than 25 per centum of the members of the panel shall be physicians. The panel shall meet as often as may be necessary to facilitate the expeditious review of applications under this section, but not less than once each year. The panel shall review each project for which an application is made under this section, evaluate the scientific merit of the project, determine whether the project is of scientific merit, and make recommendations to the Secretary concerning whether the application for the project should be approved.

(3) The Secretary shall make grants under this section from among the projects which the panel established by paragraph (2) has determined to be of scientific merit and may only approve an application for a project if the panel has made such determination with respect to such a project. The Secretary shall make a determination with respect to an application within one month after receiving the determinations and recommendations of such panel with respect to the application.

(f) Reports

(1)(A) The recipient of a grant or contract for a research project under this section shall prepare and transmit to the Secretary a report describing the results and conclusions of such research. Except as provided in subparagraph (B), such report shall be transmitted to the Secretary not later than eighteen months after the end of the year for which funds are provided under this section. The recipient may utilize reprints of articles published or accepted for publication in professional journals to supplement or replace such report if the research contained in such articles was supported under this section during the year for which the report is required.

(B) In the case of any research project for which assistance is provided under this section for two or more consecutive one-year periods, the recipient of such assistance shall prepare and transmit the report required by subparagraph (A) to the Secretary not later than twelve months after the end of each one-year period for which such funding is provided.

(2) Recipients of grants and contracts for dissemination under this section shall submit to the Secretary such reports as the Secretary determines appropriate.


Amendments

1984—Subsec. (g). Pub. L. 98–512 struck out subsec. (g) which provided for collection of survey data used primarily for generation of national population estimates.
than 1 per centum and not more than 3 per centum for the evaluation of activities carried out under this subchapter. The Secretary shall submit to the appropriate committees of the Congress a summary of each evaluation conducted under this section.

(b) The officer or employee of the Department of Health and Human Services designated by the Secretary to carry out the provisions of this subchapter shall report directly to the Assistant Secretary for Health with respect to the activities of such officer or employee in carrying out such provisions.


§ 300z–9. Authorization of appropriations

(a) For the purpose of carrying out this subchapter, there are authorized to be appropriated $30,000,000 for the fiscal year ending September 30, 1982, $30,000,000 for the fiscal year ending September 30, 1983, $30,000,000 for the fiscal year ending September 30, 1984, and $30,000,000 for the fiscal year ending September 30, 1985.

(b) At least two-thirds of the amounts appropriated to carry out this subchapter shall be used to make grants for demonstration projects for services.

(c) Not more than one-third of the amounts specified under subsection (b) for use for grants for demonstration projects for services shall be used for grants for demonstration projects for prevention services.


AMENDMENTS

§ 300z–10. Restrictions

(a) Grants or payments may be made only to programs or projects which do not provide abortions or abortion counseling or referral, or which do not subcontract with or make any payment to any person who provides abortions or abortion counseling or referral, except that any such program or project may provide referral for abortion counseling to a pregnant adolescent if such adolescent and the parents or guardians of such adolescent request such referral; and grants may be made only to projects or programs which do not advocate, promote, or encourage abortion.

(b) The Secretary shall ascertain whether programs or projects comply with subsection (a) and take appropriate action if programs or projects do not comply with such subsection, including withholding of funds.


SUBCHAPTER XIX—VACCINES

PRIOR PROVISIONS
A prior subchapter XIX (§ 300aa et seq.), comprised of title XXI of the Public Health Service Act, act July 1, 1944, ch. 373, §§ 2101 to 2116, was renumbered title XXIII, §§ 2301 to 2316, of the Public Health Service Act, and transferred to subchapter XXI (§ 330cc et seq.) of this chapter, renumbered title XXV, §§ 2501 to 2514, of the Public Health Service Act, and transferred to subchapter XXV (§ 300aa et seq.) of this chapter, renumbered title XXVI, §§ 2601 to 2614, of the Public Health Service Act, renumbered title XXVII, §§ 2701 to 2714, of the Public Health Service Act, and renumbered title II, part B, §§ 231 to 244, of the Public Health Service Act, and transferred to part B (§ 238 et seq.) of subchapter I of this chapter.

PART I—NATIONAL VACCINE PROGRAM

§ 300aa–1. Establishment

The Secretary shall establish in the Department of Health and Human Services a National Vaccine Program to achieve optimal prevention of human infectious diseases through immunization and to achieve optimal prevention against adverse reactions to vaccines. The Program shall be administered by a Director selected by the Secretary.

(July 1, 1944, ch. 373, title XXII, § 2101, as added Pub. L. 99–660, title III, § 311(a), Nov. 14, 1986, 100 Stat. 3756.)

PRIOR PROVISIONS
A prior section 300aa–1, act July 1, 1944, § 2102, was successively renumbered by subsequent acts and transferred, see section 238a of this title.

A prior section 2101 of act July 1, 1944, was successively renumbered by subsequent acts and transferred, see section 238 of this title.

EFFECTIVE DATE

SEVERABILITY
Pub. L. 99–660, title III, § 322, Nov. 14, 1986, 100 Stat. 3783, as amended by Pub. L. 100–203, title VI, § 6602, Dec. 19, 1989, 103 Stat. 2296; Pub. L. 101–502, § 5(g)(1), Nov. 3, 1990, 104 Stat. 1288, provided that: "(a) IN GENERAL.—Except as provided in subsection (b), if any provision of part A or B of subtitle 2 of title XXI of the Public Health Service Act [42 U.S.C. 300aa–10 et seq., 300aa–21 et seq.], as added by section 311(a), or the application of such a provision to any person or circumstance is held invalid by reason of a violation of the Constitution, both such parts shall be considered invalid.

"(b) SPECIAL RULE.—If any amendment made by section 6601 of the Omnibus Budget Reconciliation Act of 1989 [Pub. L. 101–239, amending sections 300aa–15 to 300aa–17, 300aa–21, 300aa–23, 300aa–25 to 300aa–31, and this title] to title XXI of the Public Health Service Act [42 U.S.C. 300aa–1 et seq.] or the application of such a
provision to any person or circumstance is held invalid by reason of the Constitution, subsection (a) shall not apply and such title XXI of the Public Health Service Act (42 U.S.C. 300aa–1 through such amendment shall continue in effect."

(Evaluation by section 5g(1) of Pub. L. 101-502 to section 2121(c) of Pub. L. 99-660, set out above, effective Nov. 14, 1986, see section 5(b) of Pub. L. 101-502, set out as an Effective Date of New Amended Note under section 201aa-11 of this title.)

EVALUATION OF PROGRAM: STUDY AND REPORT TO CONGRESS


RELATED STUDIES

Pub. L. 99-660, title III, §312, Nov. 14, 1986, 100 Stat. 3779, directed Secretary of Health and Human Services, not later than 3 years after the effective date of this title (see Effective Date note above), to conduct, through studies by the Institute of Medicine of the National Academy of Sciences or other appropriate nonprofit private groups or associations, a review of pertussis vaccines and related illnesses and conditions and MMR vaccines, vaccines containing material intended to prevent or confer immunity against measles, mumps, and rubella disease, and related illnesses and conditions, make specific findings and report these findings in the Federal Register not later than 3 years after the effective date of this title, and at the same time these findings are published in the Federal Register, promulgate such proposed regulations with such modifications as may be necessary after opportunity for public hearing.

STUDY OF OTHER VACCINE RISKS

Pub. L. 99-660, title III, §313, Nov. 14, 1986, 100 Stat. 3781, provided that:

(a) STUDY.—

"(1) Not later than 3 years after the effective date of this title [see Effective Date note above], the Secretary shall, after consultation with the Advisory Commission on Childhood Vaccines established under section 2119 of the Public Health Service Act (42 U.S.C. 300aa-19),

"(A) arrange for a broad study of the risks (other than the risks considered under section 102 [21 U.S.C. 382]) to children associated with each vaccine set forth in the Vaccine Injury Table under section 2114 of such Act (42 U.S.C. 300aa-18), and

"(B) establish guidelines, after notice and opportunity for public hearing and consideration of all relevant medical and scientific information, respecting the administration of such vaccines which shall include—

"(i) the circumstances under which any such vaccine should not be administered,

"(ii) the circumstances under which administration of any such vaccine should be delayed beyond its usual time of administration, and

"(iii) the groups, categories, or characteristics of potential recipients of such vaccine who may be at significantly higher risk of major adverse reactions to such vaccine than the general population of potential recipients.

"(2)(A) The Secretary shall request the Institute of Medicine of the National Academy of Sciences to conduct the study required by paragraph (1) under an arrangement by which the actual expenses incurred by such Academy in conducting such study will be paid by the Secretary.

"(B) If the Institute of Medicine is unwilling to conduct such study under such an arrangement, the Secretary shall enter into a similar arrangement with other appropriate nonprofit private groups or associations under which such groups or associations will conduct such study.

"(C) The Institute of Medicine or other group or association conducting the study required by paragraph (1) shall conduct such studies in consultation with the Advisory Commission on Childhood Vaccines established under section 2119 of the Public Health Service Act (42 U.S.C. 300aa-19).

"(b) REVISION OF GUIDELINES.—The Secretary shall periodically, but at least every 3 years after establishing guidelines under subsection (a), review and revise such guidelines after notice and opportunity for public hearing and consideration of all relevant medical and scientific information, unless the Secretary finds that on the basis of all relevant information no revision of such guidelines is warranted and publishes such finding in the Federal Register.

"(c) FACTORS AFFECTING GUIDELINES.—Guidelines under subsection (a) shall take into account—

"(1) the risk to potential recipients of the vaccines with respect to which the guidelines are established,

"(2) the medical and other characteristics of such potential recipients,

"(3) the risks to the public of not having such vaccines administered.

"(d) DISSEMINATION.—The Secretary shall widely disseminate the guidelines established under subsection (a) to—

"(1) physicians and other health care providers,

"(2) professional health associations,

"(3) State and local governments and agencies, and

"(4) other relevant entities.

REVIEW OF WARNINGS, USE INSTRUCTIONS, AND PRECAUTIONARY INFORMATION

Pub. L. 99-660, title III, §314, Nov. 14, 1986, 100 Stat. 3762, directed Secretary of Health and Human Services, not later than 1 year after the effective date of this title (see Effective Date note above) and after consultation with Advisory Commission on Childhood Vaccines and with other appropriate entities, to review the warnings, use instructions, and precautionary information presently issued by manufacturers of vaccines set forth in the Vaccine Injury Table set out in section 300aa-14 of this title and by rule determine whether such warnings, instructions, and information adequately warn health care providers of the nature and extent of dangers posed by such vaccines, and, if any such warning, instruction, or information is determined to be inadequate for such purpose in any respect, require at the same time that the manufacturers revise and reissue such warning, instruction, or information as expeditiously as practical, but not later than 18 months after the effective date of this title.

STUDY OF IMPACT ON SUPPLY OF VACCINES


"(1) an assessment of the impact of the amendments made by this title [enacting this subchapter, amending sections 218, 242c, 262, 286, and 289f of this title, redesignating former sections 300aa to 300aa-15 of this title as sections 300cc to 300cc-15 of this title, and enacting provisions set out as notes under this section and sections 201 and 300aa-1 of this title] on the supply of vaccines listed in the Vaccine Injury Table under section 2114 of the Public Health Service Act (42 U.S.C. 300aa-14), and

"(2) an assessment of the ability of the administrators of vaccines (including public clinics and private
§ 300aa-2. Program responsibilities

(a) The Director of the Program shall have the following responsibilities:

(1) Vaccine research

The Director of the Program shall, through the plan issued under section 300aa–3 of this title, coordinate and provide direction for research carried out in or through the National Institutes of Health, the Centers for Disease Control and Prevention, the Office of Biologics Research and Review of the Food and Drug Administration, the Department of Defense, and the Agency for International Development on means to induce human immunity against naturally occurring infectious diseases and to prevent adverse reactions to vaccines.

(2) Vaccine development

The Director of the Program shall, through the plan issued under section 300aa–3 of this title, coordinate and provide direction for activities carried out in or through the National Institutes of Health, the Office of Biologics Research and Review of the Food and Drug Administration, the Department of Defense, and the Agency for International Development to develop the techniques needed to produce safe and effective vaccines.

(3) Safety and efficacy testing of vaccines

The Director of the Program shall, through the plan issued under section 300aa–3 of this title, coordinate and provide direction for safety and efficacy testing of vaccines carried out in or through the National Institutes of Health, the Centers for Disease Control and Prevention, the Office of Biologics Research and Review of the Food and Drug Administration, the Department of Defense, and the Agency for International Development.

(4) Licensing of vaccine manufacturers and vaccines

The Director of the Program shall, through the plan issued under section 300aa–3 of this title, coordinate and provide direction for the allocation of resources in the implementation of the licensing program under section 263a of this title.

(5) Production and procurement of vaccines

The Director of the Program shall, through the plan issued under section 300aa–3 of this title, ensure that the governmental and nongovernmental production and procurement of safe and effective vaccines by the Public Health Service, the Department of Defense, and the Agency for International Development meet the needs of the United States population and fulfill commitments of the United States to prevent human infectious diseases in other countries.

(6) Distribution and use of vaccines

The Director of the Program shall, through the plan issued under section 300aa–3 of this title, coordinate and provide direction to the Centers for Disease Control and Prevention and assistance to States, localities, and health practitioners in the distribution and use of vaccines, including efforts to encourage public acceptance of immunizations and to make health practitioners and the public aware of potential adverse reactions and contraindications to vaccines.

(7) Evaluating the need for and the effectiveness and adverse effects of vaccines and immunization activities

The Director of the Program shall, through the plan issued under section 300aa–3 of this title, provide for the exchange of information between Federal agencies involved in the implementation of the Program and nongovernmental entities engaged in the development and production of vaccines and in vaccine research and encourage the investment of nongovernmental resources complementary to the governmental activities under the Program.

(8) Coordinating governmental and non-governmental activities

The Director of the Program shall, through the plan issued under section 300aa–3 of this title, provide for the exchange of information between Federal agencies involved in the implementation of the Program and nongovernmental entities engaged in the development and production of vaccines and in vaccine research and encourage the investment of nongovernmental resources complementary to the governmental activities under the Program.

(9) Funding of Federal agencies

The Director of the Program shall make available to Federal agencies involved in the implementation of the plan issued under section 300aa–3 of this title funds appropriated under section 300aa–6 of this title to supplement the funds otherwise available to such agencies for activities under the plan.

(b) In carrying out subsection (a) and in preparing the plan under section 300aa–3 of this title, the Director shall consult with all Federal agencies involved in research on and development, testing, licensing, production, procurement, distribution, and use of vaccines.

(July 1, 1944, ch. 373, title XXI, §2102, as added Pub. L. 99–660, title III, §321, Nov. 14, 1986, 100 Stat. 3783, provided that: ‘‘Chapter 35 of title 44, United States Code, shall not apply to information required for the purposes of carrying out this title and implementing the amendments made by this title [enacting this sub- title, amending sections 218, 242c, 262, 286, and 289f of this title, redesignating former sections 300aa to 300aa–15 of this title as sections 300cc to 300cc–15 of this title, and enacting provisions set out as notes under sections 201, 300aa–1, and 300aa–4 of this title].’’

PRIOR PROVISIONS

A prior section 300aa–2, act July 1, 1944, §2103, was successively renumbered by subsequent acts and transferred, see section 238b of this title.
A prior section 2102 of act July 1, 1944, was successively renumbered by subsequent acts and transferred, see section 238a of this title.

**AMENDMENTS**


**ENCOURAGING VACCINE INNOVATION; MEETINGS**

Pub. L. 114–255, div. A, title III, § 3093(a), Dec. 27, 2016, 130 Stat. 1151, provided that: “The Director of the Centers for Disease Control, shall acquire and maintain a supply of vaccines sufficient to provide vaccinations throughout a 6-month period.

“(2) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out paragraph (1) $5,000,000 for fiscal year 1988, and such sums as may be necessary for each of the fiscal years 1989 and 1990.”


### § 300aa–3. Plan

The Director of the Program shall prepare and issue a plan for the implementation of the responsibilities of the Director under section 300aa–2 of this title. The plan shall establish priorities in research and the development, testing, licensing, production, procurement, distribution, and effective use of vaccines, describe an optimal use of resources to carry out such priorities, and describe how each of the various departments and agencies will carry out their vaccine functions in consultation and coordination with the Program and in conformity with such priorities. The first plan under this section shall be prepared not later than January 1, 1987, and shall be revised not later than January 1 of each succeeding year.


**PRIOR PROVISIONS**

A prior section 300aa–3, act July 1, 1944, §2104, which was renumbered section 2304 by Pub. L. 98–621, § 10(s), Nov. 8, 1984, 98 Stat. 3381. A prior section 2103 of act July 1, 1944, was successively renumbered by subsequent acts and transferred, see section 238b of this title.


A prior section 2104 of act July 1, 1944, was renumbered section 2304 by Pub. L. 99–660 and classified to section 300cc–3 of this title, and was repealed by Pub. L. 98–621, §10(s), Nov. 8, 1984, 98 Stat. 3381.

### § 300aa–5. National Vaccine Advisory Committee

(a) There is established the National Vaccine Advisory Committee. The members of the Committee shall be appointed by the Director of the Program, in consultation with the National Academy of Sciences, from among individuals who are engaged in vaccine research or the manufacture of vaccines or who are physicians, members of parent organizations concerned with immunizations, or representatives of State or local health agencies or public health organizations.

(b) The Committee shall—

1. Study and recommend ways to encourage the availability of an adequate supply of safe and effective vaccination products in the States,
(2) recommend research priorities and other measures the Director of the Program should take to enhance the safety and efficacy of vaccines,

(3) advise the Director of the Program in the implementation of sections 300aa-2, 300aa-3, and 300aa-4 of this title, and

(4) identify annually for the Director of the Program the most important areas of government and non-government cooperation that should be considered in implementing sections 300aa-2, 300aa-3, and 300aa-4 of this title.

(July 1, 1944, ch. 373, title XXI, §2105, as added Pub. L. 99–660, title III, §311(a), Nov. 14, 1986, 100 Stat. 3758.)

REFERENCES IN TEXT


PRIOR PROVISIONS

A prior section 300aa-5, act July 1, 1944, §2106, was successively renumbered by subsequent acts and transferred, see section 238c of this title.


TERMINATION OF ADVISORY COMMITTEES

Advisory committees established after Jan. 5, 1973, to terminate not later than the expiration of the 2-year period beginning on the date of their establishment, unless, in the case of a committee established by the President or an officer of the Federal Government, such committee is renewed by appropriate action prior to the expiration of such 2-year period, or in the case of a committee established by the Congress, its duration is otherwise provided by law. See section 14 of Pub. L. 92–463, Oct. 6, 1972, 86 Stat. 776, set out in the Appendix to Title 5, Government Organization and Employees.

Pub. L. 93–641, §6, Jan. 4, 1975, 88 Stat. 2275, set out as a note under section 217b of this title, provided that an advisory committee established pursuant to the Public Health Service Act shall terminate at such time as may be specifically prescribed by an Act of Congress enacted after Jan. 4, 1975.

$300aa-6. Authorization of appropriations

(a) To carry out this part other than section 300aa-2(9) of this title there are authorized to be appropriated such sums as may be necessary for each of the fiscal years 2004 and 2005.

(b) To carry out section 300aa-2(9) of this title there are authorized to be appropriated such sums as may be necessary for each of the fiscal years 2004 and 2005.


PRIOR PROVISIONS

A prior section 300aa–10, act July 1, 1944, §2111, was successively renumbered by subsequent acts and transferred, see section 238h of this title.

A prior section 2110 of act July 1, 1944, was successively renumbered by subsequent acts and transferred, see section 238g of this title.

AMENDMENTS


PART 2—NATIONAL VACCINE INJURY COMPENSATION PROGRAM

SUBPART A—PROGRAM REQUIREMENTS

§300aa–10. Establishment of program

(a) Program established

There is established the National Vaccine Injury Compensation Program to be administered by the Secretary under which compensation may be paid for a vaccine-related injury or death.

(b) Attorney’s obligation

It shall be the ethical obligation of any attorney who is consulted by an individual with respect to a vaccine-related injury or death to advise such individual that compensation may be available under the program; for such injury or death.

(c) Publicity

The Secretary shall undertake reasonable efforts to inform the public of the availability of the Program.


PRIOR PROVISIONS

A prior section 300aa–10, established act July 1, 1944, §2111, was successively renumbered by subsequent acts and transferred, see section 238h of this title.

AMENDMENTS


EFFECTIVE DATE OF 1989 AMENDMENT


“(1) Except as provided in paragraph (2), the amendments made by this section [amending this section and sections 300aa–11 to 300aa–17, 300aa–21, 300aa–23, 300aa–26, and 300aa–27 of this title] shall apply as follows:

“(A) Petitions filed after the date of enactment of this section [Dec. 19, 1989] shall proceed under the National Vaccine Injury Compensation Program under title XXI of the Public Health Service Act (42 U.S.C. 300aa–1 et seq.) as amended by this section.

“(B) Petitions currently pending in which the evidentiary record is closed shall continue to proceed under the Program in accordance with the law in effect before the date of the enactment of this section, except that if the United States Court of Federal

1See References in Text note below.

1So in original. Probably should be capitalized.
Claims is to review the findings of fact and conclusions of law of a special master on such a petition, the court may receive further evidence in conducting such review.

"(C) Petitions currently pending in which the evidentiary record is not closed shall proceed under the Program in accordance with the law as amended by this section.

All pending cases which will proceed under the Program as amended by this section shall be immediately forwarded, petitions for compensation for a vaccine-related injury or death shall be considered the date the petition was filed if the petition was filed within one year of the date of the dismissal of the civil action.

(3) No vaccine administrator or manufacturer may be made a party to a civil action (other than a civil action which may be brought under paragraph (2)) for damages for a vaccine-related injury or death associated with the administration of a vaccine after October 1, 1988.

(4) If in a civil action brought against a vaccine administrator or manufacturer before October 1, 1988, damages were denied for a vaccine-related injury or death or if such civil action was dismissed with prejudice, the person who brought such action may file a petition under subsection (b) for such injury or death.

(5)(A) A plaintiff who on October 1, 1988, has pending a civil action for damages for a vaccine-related injury or death may, at any time within 2 years after October 1, 1988, or before judgment, whichever occurs first, petition to have such action dismissed without prejudice or costs and file a petition under subsection (b) for such injury or death.

(B) If a plaintiff has pending a civil action for damages for a vaccine-related injury or death, such person may not file a petition under subsection (b) for such injury or death.

(6) If a person brings a civil action after November 15, 1988 for damages for a vaccine-related injury or death associated with the administration of a vaccine before November 15, 1988, such person may not file a petition under subsection (b) for such injury or death.

(7) If in a civil action brought against a vaccine administrator or manufacturer for a vaccine-related injury or death damages are awarded under a judgment of a court or a settlement of such action, the person who brought such action may not file a petition under subsection (b) for such injury or death.

(8) If on October 1, 1988, there was pending an appeal or rehearing with respect to a civil action brought against a vaccine administrator or manufacturer and if the outcome of the last appellate review of such action or the last rehearing of such action is the denial of damages for a vaccine-related injury or death, the person who brought such action may file a petition under subsection (b) for such injury or death.

(9) This subsection applies only to a person who has sustained a vaccine-related injury or death and who is qualified to file a petition for compensation under the Program.

(10) The Clerk of the United States Claims Court2 is authorized to continue to receive, and forward, petitions for compensation for a vaccine-related injury or death associated with the administration of a vaccine on or after October 1, 1992.

(b) Petitioners

(1)(A) Except as provided in subparagraph (B), any person who has sustained a vaccine-related injury, the legal representative of such person if such person is a minor or is disabled, or the legal representative of any person who died as a result of the administration of a vaccine set forth in the Vaccine Injury Table, may, if the person meets the requirements of subsection

2See Change of Name note below.
(c)(1), file a petition for compensation under the Program.

(B) No person may file a petition for a vaccine-related injury or death associated with a vaccine administered before October 1, 1988, if compensation has been paid under this part for 3500 petitions for such injuries or deaths.

(2) Only one petition may be filed with respect to each administration of a vaccine. A covered vaccine administered to a pregnant woman shall constitute more than one administration, one to the mother and one to each child (as such term is defined in subsection (f)(2)) who was in utero at the time such woman was administered the vaccine.

(c) Petition content

A petition for compensation under the Program for a vaccine-related injury or death shall contain—

(1) except as provided in paragraph (3), an affidavit, and supporting documentation, demonstrating that the person who suffered such injury or who died—

(A) received a vaccine set forth in the Vaccine Injury Table or, if such person did not receive such a vaccine, contracted polio, directly or indirectly, from another person who received an oral polio vaccine,

(B)(i) if such person received a vaccine set forth in the Vaccine Injury Table—

(1) received the vaccine in the United States or in its trust territories,

(II) received the vaccine outside the United States or a trust territory and at the time of the vaccination such person was a citizen of the United States serving abroad as a member of the Armed Forces or otherwise as an employee of the United States or a dependent of such a citizen, or

(III) received the vaccine outside the United States or a trust territory and the vaccine was manufactured by a vaccine manufacturer located in the United States and such person returned to the United States not later than 6 months after the date of the vaccination,

(ii) if such person did not receive such a vaccine but contracted polio from another person who received an oral polio vaccine, was a citizen of the United States or a dependent of such a citizen,

(C)(i) sustained, or had significantly aggravated, any illness, disability, injury, or condition set forth in the Vaccine Injury Table in association with the vaccine referred to in subparagraph (A) or died from the administration of such vaccine, and the first symptom or manifestation of the onset or of the significant aggravation of any such illness, disability, injury, or condition or the death occurred within the time period after vaccine administration set forth in the Vaccine Injury Table, or

(ii)(I) sustained, or had significantly aggravated, any illness, disability, injury, or condition set forth in the Vaccine Injury Table but which was caused by a vaccine referred to in subparagraph (A), or

(II) sustained, or had significantly aggravated, any illness, disability, injury, or condition not set forth in the Vaccine Injury Table but which was caused by a vaccine referred to in subparagraph (A), if applicable, autopsy results, and

(E) has not previously collected an award or settlement of a civil action for damages for such vaccine-related injury or death.

(2) except as provided in paragraph (3), maternal prenatal and delivery records, newborn hospital records (including all physicians’ and nurses’ notes and test results), vaccination records associated with the vaccine allegedly causing the injury, pre- and post-injury physical or clinic records (including all relevant growth charts and test results), all post-injury inpatient and outpatient records (including all provider notes, test results, and medication records), if applicable, a death certificate, and

(3) an identification of any records of the type described in paragraph (1) or (2) which are unavailable to the petitioner and the reasons for their unavailability.

(d) Additional information

A petition may also include other available relevant medical records relating to the person who suffered such injury or who died from the administration of the vaccine.

(e) Schedule

The petitioner shall submit in accordance with a schedule set by the special master assigned to the petition assessments, evaluations, and prognoses and such other records and documents as are reasonably necessary for the determination of the amount of compensation to be paid to, or on behalf of, the person who suffered such injury or who died from the administration of the vaccine.

(f) Maternal immunization

(1) In general

Notwithstanding any other provision of law, for purposes of this subpart, both a woman who received a covered vaccine while pregnant and any child who was in utero at the time such woman received the vaccine shall be considered persons to whom the covered vaccine was administered and persons who received the covered vaccine.

(2) Definition

As used in this subsection, the term “child” shall have the meaning given that term by subsections (a) and (b) of section 8 of title 1 except that, for purposes of this subsection, such section 8 shall be applied as if the term “include” in subsection (a) of such section were replaced with the term “mean”.

(July 1, 1944, ch. 373, title XXI, §2111, as added Pub. L. 99–660, title III, §311(a), Nov. 14, 1986, 100

CODIFICATION

In subs. (a)(2)(A), (3), (4), (5)(A), (8), and (b)(1)(B), “October 1, 1988” substituted for “the effective date of this subpart” on authority of section 323 of Pub. L. 93–641, title XI, §1101(a). December 21, 1974, Title 38, chapter 1, subchapter II, section 5104, as in effect on October 1, 1988, substituted “after the effective date of this part” for “effective date of this subpart”. Pub. L. 101–239, §6601(c)(3)(A), substituted “petition to have such action dismissed without prejudice or costs” for “elect to withdraw such action”.

PRIORITY PROVISIONS

A prior section 300aa–11, act July 1, 1944, §2112, was successively renumbered by subsequent acts and transferred to section 328(b) of this title.

A prior section 2111 of act July 1, 1944, §2111, was successively renumbered by subsequent acts and transferred, see section 236h of this title.

AMENDMENTS

2016—Subsec. (b)(2). Pub. L. 114–255, §3093(c)(3), inserted at end “A covered vaccine administered to a pregnant woman shall constitute more than one administration, one to the mother and one to each child (as such term is defined in subsection (f)(2)) who was in utero at the time such woman was administered the vaccine.”


1998—Subsec. (c)(1)(D)(i). Pub. L. 105–277 struck out “and incurred unreimbursable expenses due in whole or in part to such illness, disability, injury, or condition in an amount greater than $1,000” before “(i) died”.


1987—Subsec. (a)(1). Pub. L. 100–203, §4307(1), which directed that par. (1) be amended by substituting “with the United States Claims Court” for “with the United States district court for the district in which the petitioner resides or the injury or death occurred”, was executed making the substitution for “with the United States district court for the district in which the petitioner resides or in which the injury or death occurred”, as probable intent of Congress.

Subsec. (a)(2)(A). Pub. L. 100–203, §4306, substituted “vaccine administrator or manufacturer” for “vaccine manufacturer”.

Pub. L. 100–203, §4302(b)(1), substituted “effective date of this subpart” for “effective date of this part”.


Pub. L. 100–203, §4302(b)(1), substituted “effective date of this subpart” for “effective date of this part”.

Subsec. (a)(4). Pub. L. 100–203, §4306, substituted “vaccine administrator or manufacturer” for “vaccine manufacturer”.

Pub. L. 100–203, §4302(b)(1), substituted “effective date of this subpart” for “effective date of this part”.

Subsec. (a)(5)(A). Pub. L. 100–203, §4302(b)(2), substituted “after the effective date of this subpart” for “after the effective date of this chapter”. 
Subsec. (a)(6). Pub. L. 100–203, §4302(b)(1), substituted “vaccine administrator or manufacturer” for “vaccine manufacturer”.

Subsec. (a)(8). Pub. L. 100–203, §4306, substituted “under section 300aa–1 of this title” for “under section 300aa–12 of this title”.

Subsec. (b)(1)(A). Pub. L. 100–203, §4304(b)(1), substituted “may, if the person meets the requirements of subsection (c)(1), file” for “may file”.

Subsec. (b)(1)(B). Pub. L. 100–203, §4302(b)(1), substituted “for more than 6 months” for “for more than 1 year”, “and incurred” for “(i) incurred”, and “(ii)” for “(iii)”.

CHANGE OF NAME
References to United States Claims Court deemed to refer to United States Court of Federal Claims, see section 903(b) of Pub. L. 102–572, set out as a note under section 171 of Title 26, Judiciary and Judicial Procedure.

EFFECTIVE DATE OF 2000 AMENDMENT
Pub. L. 106–310, div. A, title XVII, §1701(b), Oct. 27, 2000, 114 Stat. 1151, provided that: “The amendment made by subsection (a) [amending this section] takes effect upon the date of the enactment of this Act [Oct. 27, 2000], including with respect to petitions under section 2111 of the Public Health Service Act [42 U.S.C. 17, 2000], including with respect to petitions under section 300aa–11 of this title that are pending on such date.”

EFFECTIVE DATE OF 1992 AMENDMENT

EFFECTIVE DATE OF 1991 AMENDMENT
Pub. L. 101–213, §201(l), Nov. 26, 1991, 105 Stat. 1154, provided that: “(1) Except as provided in paragraph (2), the amendments made by this section [amending this section and sections 300aa–12, 300aa–15, 300aa–16, 300aa–19, and 300aa–21 of this title and provisions set out as a note under section 300aa–1 of this title] shall take effect on the date of the enactment of this Act [Nov. 26, 1991].

“(2) The amendments made by subsections (d) and (f) [amending sections 300aa–12, 300aa–15, 300aa–16, and 300aa–21 of this title] shall take effect as if the amendments had been in effect on and after October 1, 1988.”

EFFECTIVE DATE OF 1990 AMENDMENT
Pub. L. 101–203, §§5(b), Nov. 3, 1990, 104 Stat. 1289, provided that: “The amendments made by subsections (f)(1) and (g) [amending section 300aa–21 of this title and provisions set out as a note under section 300aa–1 of this title and enacting provisions set out as a note under section 300aa–12 of this title] shall take effect as of November 14, 1986, and the amendments made by subsections (a) through (e) and subsection (f)(2) [amending this section and sections 300aa–12, 300aa–13, 300aa–15, 300aa–16, and 300aa–21 of this title] shall take effect as of September 30, 1990.”

EFFECTIVE DATE OF 1989 AMENDMENT
For applicability of amendments by Pub. L. 101–213 to petitions filed after Dec. 19, 1988, petitions currently pending in which the evidentiary record is closed, and petitions currently pending in which the evidentiary record is not closed, with provision for an immediate suspension for 30 days of all pending cases, see section 6001(b)(1) of Pub. L. 101–213, set out as a note under section 300aa–10 of this title.

§300aa–12. Court jurisdiction
(a) General rule
The United States Court of Federal Claims and the United States Court of Federal Claims special masters shall, in accordance with this section, have jurisdiction over proceedings to determine if a petitioner under section 300aa–11 of this title is entitled to compensation under the Program and the amount of such compensation. The United States Court of Federal Claims may issue and enforce such orders as the court deems necessary to assure the prompt payment of any compensation awarded.

(b) Parties
(1) In all proceedings brought by the filing of a petition under section 300aa–11(b) of this title, the Secretary shall be named as the respondent, shall participate, and shall be represented in accordance with section 519(a) of Title 28.

(2) Within 30 days after the Secretary receives service of any petition filed under section 300aa–11 of this title the Secretary shall publish notice of such petition in the Federal Register. The special master designated with respect to such petition under subsection (c) shall afford all interested persons an opportunity to submit relevant, written information—
(A) relating to the existence of the evidence described in section 300aa–13(a)(1)(B) of this title, or
(B) relating to any allegation in a petition with respect to the matters described in section 300aa–11(c)(1)(C)(i) of this title.

(c) United States Court of Federal Claims special masters
(1) There is established within the United States Court of Federal Claims an office of special masters which shall consist of not more than 8 special masters. The judges of the United States Court of Federal Claims shall appoint the special masters, 1 of whom, by designation of the judges of the United States Court of Federal Claims, shall serve as chief special master. The appointment and reappointment of the special masters shall be by the concurrence of a majority of the judges of the court.

(2) The chief special master and other special masters shall be subject to removal by the judges of the United States Court of Federal Claims for incompetency, misconduct, or neglect of duty or for physical or mental disability or for other good cause shown.

(3) A special master’s office shall be terminated if the judges of the United States Court of Federal Claims determine, upon advice of the chief special master, that the services performed by that office are no longer needed.

(4) The appointment of any individual as a special master shall be for a term of 4 years, subject to termination under paragraphs (2) and (3). Individuals serving as special masters on December 19, 1989, shall serve for 4 years from the date of their original appointment, subject to
Chief special master in office on December 19, 1989, shall continue to serve as chief special master for the balance of the master’s term, subject to termination under paragraphs (2) and (3).

(5) The compensation of the special masters shall be determined by the judges of the United States Court of Federal Claims, upon advice of the chief special master. The salary of the chief special master shall be the annual rate of basic pay for level IV of the Executive Schedule, as prescribed by section 5316, title 5. The salaries of the other special masters shall not exceed the annual rate of basic pay for level V of the Executive Schedule, as prescribed by section 5316, title 5.

(6) The chief special master shall be responsible for the following:

(A) Administering the office of special masters and their staff, providing for the efficient, expeditious, and effective handling of petitions, and performing such other duties related to the Program as may be assigned to the chief special master by a concurrence of a majority of the United States Claims Court judges.

(B) Appointing and fixing the salary and duties of such administrative staff as are necessary. Such staff shall be subject to removal for good cause by the chief special master.

(C) Managing and executing all aspects of budgetary and administrative affairs affecting the special masters and their staff, subject to the rules and regulations of the Judicial Conference of the United States. The Conference rules and regulations pertaining to United States magistrate judges shall be applied to the special masters.

(D) Coordinating with the United States Court of Federal Claims the use of services, equipment, personnel, information, and facilities of the United States Court of Federal Claims without reimbursement.

(E) Reporting annually to the Congress and the judges of the United States Court of Federal Claims on the number of petitions filed under section 300aa–11 of this title and their disposition, the dates on which the vaccine-related injuries and deaths for which the petition was filed occurred, the types and amounts of awards, the length of time for the disposition of petitions, the cost of administering the Program, and recommendations for changes in the Program.

(d) Special masters

(1) Following the receipt and filing of a petition under section 300aa–11 of this title, the clerk of the United States Court of Federal Claims shall forward the petition to the chief special master who shall designate a special master to carry out the functions authorized by paragraph (3).

(2) The special masters shall recommend rules to the Court of Federal Claims and, taking into account such recommended rules, the Court of Federal Claims shall promulgate rules pursuant to section 2071 of title 28. Such rules shall—

1 So in original. Probably should be a reference to the United States Court of Federal Claims.

(A) provide for a less-adversarial, expeditious, and informal proceeding for the resolution of petitions,

(B) include flexible and informal standards of admissibility of evidence,

(C) include the opportunity for summary judgment,

(D) include the opportunity for parties to submit arguments and evidence on the record without requiring routine use of oral presentations, cross examinations, or hearings, and

(E) provide for limitations on discovery and allow the special masters to replace the usual rules of discovery in civil actions in the United States Court of Federal Claims.

(3)(A) A special master to whom a petition has been assigned shall issue a decision on such petition with respect to whether compensation is to be provided under the Program and the amount of such compensation. The decision of the special master shall—

(i) include findings of fact and conclusions of law, and

(ii) be issued as expeditiously as practicable but not later than 240 days, exclusive of suspended time under subparagraph (C), after the date the petition was filed.

The decision of the special master may be reviewed by the United States Court of Federal Claims in accordance with subsection (e).

(B) In conducting a proceeding on a petition a special master—

(i) may require such evidence as may be reasonable and necessary,

(ii) may require the submission of such information as may be reasonable and necessary,

(iii) may require the testimony of any person and the production of any documents as may be reasonable and necessary,

(iv) shall afford all interested persons an opportunity to submit relevant written information—

(I) relating to the existence of the evidence described in section 300aa–13(a)(1)(B) of this title, or

(II) relating to any allegation in a petition with respect to the matters described in section 300aa–11(c)(1)(C)(ii) of this title, and

(v) may conduct such hearings as may be reasonable and necessary.

There may be no discovery in a proceeding on a petition other than the discovery required by the special master.

(C) In conducting a proceeding on a petition a special master shall suspend the proceedings one time for 30 days on the motion of either party. After a motion for suspension is granted, further motions for suspension by either party may be granted by the special master, if the special master determines the suspension is reasonable and necessary, for an aggregate period not to exceed 150 days.

(D) If, in reviewing proceedings on petitions for vaccine-related injuries or deaths associated with the administration of vaccines before October 1, 1988, the chief special master determines that the number of filings and resultant workload place an undue burden on the parties or the
special master involved in such proceedings, the chief special master may, in the interest of justice, suspend proceedings on any petition for up to 30 months (but for not more than 6 months at a time) in addition to the suspension time under subparagraph (C).

(4)(A) Except as provided in subparagraph (B), information submitted to a special master or the court in a proceeding on a petition may not be disclosed to a person who is not a party to the proceeding without the express written consent of the person who submitted the information.

(B) A decision of a special master or the court in a proceeding shall be disclosed, except that if the decision is to include information—

(i) which is trade secret or commercial or financial information which is privileged and confidential, or

(ii) which are medical files and similar files the disclosure of which would constitute a clearly unwarranted invasion of privacy,

and if the person who submitted such information objects to the inclusion of such information in the decision, the decision shall be disclosed without such information.

(e) Action by United States Court of Federal Claims

(1) Upon issuance of the special master’s decision, the parties shall have 30 days to file with the clerk of the United States Court of Federal Claims a motion to have the court review the decision. If such a motion is filed, the other party shall file a response with the clerk of the United States Court of Federal Claims no later than 30 days after the filing of such motion.

(2) Upon the filing of a motion under paragraph (1) with respect to a petition, the United States Court of Federal Claims shall have jurisdiction to undertake a review of the record of the proceedings and may thereafter—

(A) uphold the findings of fact and conclusions of law of the special master and sustain the special master’s decision,

(B) set aside any findings of fact or conclusion of law of the special master found to be arbitrary, capricious, an abuse of discretion, or otherwise not in accordance with law and issue its own findings of fact and conclusions of law, or

(C) remand the petition to the special master for further action in accordance with the court’s direction.

The court shall complete its action on a petition within 120 days of the filing of a response under paragraph (1) excluding any days the petition is before a special master as a result of a remand under subparagraph (C). The court may allow not more than 90 days for remands under subparagraph (C).

(3) In the absence of a motion under paragraph (1) respecting the special master’s decision or if the United States Court of Federal Claims takes the action described in paragraph (2)(A) with respect to the special master’s decision, the clerk of the United States Court of Federal Claims shall immediately enter judgment in accordance with the special master’s decision.

(f) Appeals

The findings of fact and conclusions of law of the United States Court of Federal Claims on a petition shall be final determinations of the matters involved, except that the Secretary or any petitioner aggrieved by the findings or conclusions of the court may obtain review of the judgment of the court in the United States court of appeals for the Federal Circuit upon petition filed within 60 days of the date of the judgment with such court of appeals within 60 days of the date of entry of the United States Claims Court’s judgment with such court of appeals.

(g) Notice

If—

(1) a special master fails to make a decision on a petition within the 240 days prescribed by subsection (d)(3)(A)(ii) before a special master as a result of a remand under subsection (e)(2)(C)), or

(2) the United States Court of Federal Claims fails to enter a judgment under this section on a petition within 420 days (excluding (A) any period of suspension under subsection (d)(3)(C) or (d)(3)(D), and (B) any days the petition is before a special master as a result of a remand under subsection (e)(2)(C)), or

the special master or court shall notify the petitioner under such petition that the petitioner may withdraw the petition under section 300aa–21(b) of this title or the petitioner may choose under section 300aa–21(b) of this title to have the petition remain before the special master or court, as the case may be.

(71) R. 42 U.S.C. § 300aa–12
§ 300aa–12

TITLe 42—THE PUBLIC HEALTH AND WELFARE

1992—Subsecs. (a), (c) to (g). Pub. L. 102–572 substituted “United States Court of Federal Claims” for “United States Claims Court” and “Court of Federal Claims” for “Claims Court”, wherever appearing.

1991—Subsec. (d)(3)(D). Pub. L. 102–168, § 201(c), (h)(2), realigned margin and substituted “540 days” for “180 days”.


Pub. L. 102–168, § 201(d)(1), substituted “or the petitioner may choose under section 300aa–21(b) of this title to have the petition remain before the special master or court, as the case may be” for “and the petition will be considered withdrawn under such section if the petition, the special master, or the court do not take certain actions within such period.”


Subsec. (a). Pub. L. 101–239, § 6601(d), substituted “and shall be named as the respondent, shall participate, and shall be deemed to have jurisdiction (1)” for “shall have jurisdiction (1)”.

Subsec. (h)(1). Pub. L. 101–239, § 6601(f), substituted “In proceedings brought by the filing of a petition under section 300aa–11(b) of this title, the Secretary shall be named as the respondent, shall participate, and shall be represented in accordance with section 518(a) of title 28.” for “The Secretary shall be named as the respondent in all proceedings brought by the filing of a petition under section 300aa–11(b) of this title. Except as provided in paragraph (2), no other person may intervene in any such proceeding.”

Subsec. (b)(1). Pub. L. 101–239, § 6601(f), substituted “In all proceedings brought by the filing of a petition under section 300aa–11(b) of this title, the Secretary shall be named as the respondent, shall participate, and shall be represented in accordance with section 518(a) of title 28.” for “Following receipt of a petition under subsection (a) of this section, the United States Claims Court shall designate a special master to carry out the functions authorized by paragraph (2).”

Subsec. (b)(2) to (4). Pub. L. 101–239, § 6601(g)(2), added pars. (2) to (4) and struck out former par. (2) which prescribed functions of special masters.


Effective Date of 1992 Amendment


Effective Date of 1991 Amendment

Amendment by section 201(d)(1) of Pub. L. 102–168 effective as if in effect on and after Oct. 1, 1988, see section 201(i)(2) of Pub. L. 102–168, set out as a note under section 300aa–11 of this title.

Effective Date of 1990 Amendment


Effective Date of 1989 Amendment

For applicability of amendments by Pub. L. 101–239 to petitions filed after Dec. 19, 1989, petitions currently pending in which the evidentiary record is closed, and petitions currently pending in which the evidentiary record is not closed, with provision for an immediate suspension for 30 days of all pending cases, except that such suspension be excluded in determining the 240-day period prescribed in subsec. (d) of this section, see section 660(a)(1) of Pub. L. 101–239, set out as a note under section 300aa–10 of this title.

Effective Date of 1988 Amendment

Except as specifically provided in section 411 of Pub. L. 100–360, amendment by Pub. L. 100–360, as it relates to a provision in the Omnibus Budget Reconciliation Act of 1987, Pub. L. 100–203, effective as if included in the enactment of that provision in Pub. L. 100–203, see
section 411(a) of Pub. L. 100–360, set out as a Reference to OBRA; Effective Date note under section 106 of Title I, General Provisions.

Termination of Reporting Requirements

For termination, effective May 15, 2000, of provisions in subsec. (c)(6)(E) of this section relating to reporting annually to the Congress, see section 3003 of Pub. L. 104–66, as amended, set out as a note under section 3113 of Title 31, Money and Finance, and page 13 of House Document No. 103–7.

Review by 3-Judge Panel

Section 322(c) of Pub. L. 99–660, as added by Pub. L. 101–502, § 5(g)(2), Nov. 3, 1990, 104 Stat. 1287; Pub. L. 102–572, title IX, § 902(b)(1), Oct. 29, 1992, 106 Stat. 4516, provided that: “If the review authorized by section 2112(f) [42 U.S.C. 300aa–12(f)] is held invalid because the judgment of the United States Court of Federal Claims being reviewed did not arise from a case or controversy under Article III of the Constitution, such judgment shall be reviewed by a 3-judge panel of the United States Court of Federal Claims. Such panel shall not include the judge who participated in such judgment.”


§ 300aa–13. Determination of eligibility and compensation

(a) General rule

(1) Compensation shall be awarded under the Program to a petitioner if the special master or court finds on the record as a whole—

(A) that the petitioner has demonstrated by a preponderance of the evidence the matters required in the petition by section 300aa–11(c)(1) of this title, and

(B) that there is not a preponderance of the evidence that the illness, disability, injury, condition, or death described in the petition is due to factors unrelated to the administration of the vaccine described in the petition.

The special master or court may not make such a finding based on the claims of a petitioner alone, unsubstantiated by medical records or by medical opinion.

(2) For purposes of paragraph (1), the term “factors unrelated to the administration of the vaccine”:

(A) does not include any idiopathic, unexplained, unknown, hypothetical, or undocumented cause, factor, injury, illness, or condition, and

(B) may, as documented by the petitioner’s evidence or other material in the record, include infection, toxins, trauma (including birth trauma and related anoxia), or metabolic disturbances which have no known relation to the vaccine involved, but which in the particular case are shown to have been the agent or agents principally responsible for causing the petitioner’s illness, disability, injury, condition, or death.

(b) Matters to be considered

(1) In determining whether to award compensation to a petitioner under the Program, the special master or court shall consider, in addition to all other relevant medical and scientific evidence contained in the record—

(A) any diagnosis, conclusion, medical judgment, or autopsy or coroner’s report which is contained in the record regarding the nature, causation, and aggravation of the petitioner’s illness, disability, injury, condition, or death, and

(B) the results of any diagnostic or evaluative test which are contained in the record and the summaries and conclusions.

Any such diagnosis, conclusion, judgment, test result, report, or summary shall not be binding on the special master or court. In evaluating the weight to be afforded to any such diagnosis, conclusion, judgment, test result, report, or summary, the special master or court shall consider the entire record and the course of the injury, disability, illness, or condition until the date of the judgment of the special master or court.

(2) The special master or court may find the first symptom or manifestation of onset or significant aggravation of an injury, disability, illness, condition, or death described in a petition occurred within the time period described in the Vaccine Injury Table even though the occurrence of such symptom or manifestation was not recorded or was incorrectly recorded as having occurred outside such period. Such a finding may be made only upon demonstration by a preponderance of the evidence that the onset or significant aggravation did in fact occur within the time period described in the Vaccine Injury Table.

(c) “Record” defined

For purposes of this section, the term “record” means the record established by the special masters of the United States Court of Federal Claims in a proceeding on a petition filed under section 300aa–11 of this title.

(1) In determining whether the matters required in the petition by section 300aa–11(c)(1) of this title have been demonstrated by a preponderance of the evidence, the special master or court shall consider—

(A) any diagnosis, conclusion, medical judgment, or autopsy or coroner’s report which is contained in the record regarding the nature, causation, and aggravation of the petitioner’s illness, disability, injury, condition, or death, and

(B) the results of any diagnostic or evaluative test which are contained in the record and the summaries and conclusions.

Amendments


1990—Subsec. (c). Pub. L. 101–502 inserted “the” after “special masters of”.


1987—Subsec. (c). Pub. L. 100–203 substituted “the United States Claims Court” for “a district court of the United States”.

Effective Date of 1992 Amendment

under section 171 of Title 28, Judiciary and Judicial Procedure.

**Effective Date of 1990 Amendment**

**Effective Date of 1989 Amendment**
For applicability of amendments by Pub. L. 101–239 to petitions filed after Dec. 18, 1989, petitions currently pending in which the evidentiary record is not closed, and petitions currently pending in which the evidentiary record is closed, see section 6601(c)(1) of Pub. L. 101–239, set out as a note under section 300aa–10 of this title.

§ 300aa–14. Vaccine Injury Table

(a) Initial table

The following is a table of vaccines, the injuries, disabilities, illnesses, conditions, and deaths resulting from the administration of such vaccines, and the time period in which the first symptom or manifestation of onset of or of the significant aggravation of such injuries, disabilities, illnesses, conditions, and deaths is to occur after vaccine administration for purposes of receiving compensation under the Program:

**VACCINE INJURY TABLE**

I. DTP; P; DTP/Polio Combination; or Any Other Vaccine Containing Whole Cell Pertussis Bacteria, Extracted or Partial Cell Bacteria, or Specific Pertussis Antigen(s).

<table>
<thead>
<tr>
<th>Illness, disability, injury, or condition covered</th>
<th>Time period for first symptom or manifestation of onset or of significant aggravation after vaccine administration</th>
</tr>
</thead>
<tbody>
<tr>
<td>A. Anaphylaxis or anaphylactic shock</td>
<td>24 hours</td>
</tr>
<tr>
<td>B. Encephalopathy (or encephalitis)</td>
<td>3 days</td>
</tr>
<tr>
<td>C. Shock-collapse or hypotonic-hyporesponsive collapse</td>
<td>3 days</td>
</tr>
<tr>
<td>D. Residual seizure disorder in accordance with subsection (b)(2)</td>
<td>3 days</td>
</tr>
<tr>
<td>E. Any acute complication or sequel (including death) of an illness, disability, injury, or condition referred to above which illness, disability, injury, or condition arose within the time period prescribed</td>
<td>Not applicable</td>
</tr>
</tbody>
</table>

II. Measles, mumps, rubella, or any vaccine containing any of the foregoing as a component; DTP, Td, or Tetanus Toxoid.

<table>
<thead>
<tr>
<th>Illness, disability, injury, or condition covered</th>
<th>Time period for first symptom or manifestation of onset or of significant aggravation after vaccine administration</th>
</tr>
</thead>
<tbody>
<tr>
<td>A. Anaphylaxis or anaphylactic shock</td>
<td>24 hours</td>
</tr>
<tr>
<td>B. Encephalopathy (or encephalitis)</td>
<td>15 days (for mumps, rubella, measles, or any vaccine containing any of the foregoing as a component) 3 days (for DTP, Td, or tetanus toxoid)</td>
</tr>
<tr>
<td>C. Residual seizure disorder in accordance with subsection (b)(2)</td>
<td>15 days (for mumps, rubella, measles, or any vaccine containing any of the foregoing as a component) 3 days (for DTP, Td, or tetanus toxoid)</td>
</tr>
</tbody>
</table>

(b) Qualifications and aids to interpretation

The following qualifications and aids to interpretation shall apply to the Vaccine Injury Table in subsection (a):

1. A shock-collapse or a hypotonic-hyporesponsive collapse may be evidenced by indistinct or symptoms such as decrease or loss of muscle tone, paralysis (partial or complete), hemiplegia or hemiparesis, loss of color or turning pale white or blue, unresponsiveness to environmental stimuli, depression of consciousness, loss of consciousness, prolonged sleeping with difficulty arousing, or cardiovascular or respiratory arrest.

2. A petitioner may be considered to have suffered a residual seizure disorder if the petitioner did not suffer a seizure or convulsion unaccompanied by fever or accompanied by a fever of less than 102 degrees Fahrenheit before the first seizure or convulsion after the administration of the vaccine involved and if—
   (A) in the case of a measles, mumps, or rubella vaccine or any combination of such vaccines, the first seizure or convulsion occurred within 30 days after or during administration of the vaccine, and
   (B) in the case of any other vaccine, the first seizure or convulsion occurred within 3 days after or during administration of the vaccine involved.

3. (A) The term "encephalopathy" means any significant acquired abnormality of, or injury to, or impairment of function of the brain. Among the frequent manifestations of...
encephalopathy are focal and diffuse neurologic signs, increased intracranial pressure, or changes lasting at least 6 hours in level of consciousness, with or without convulsions. The neurological signs and symptoms of encephalopathy may be temporary with complete recovery, or may result in various degrees of permanent impairment. Signs and symptoms such as high pitched and unusual screaming, persistent unconsolable crying, and bulging fontanel are compatible with an encephalopathy, but in and of themselves are not conclusive evidence of encephalopathy. Encephalopathy usually can be documented by slow wave activity on an electroencephalogram.

(B) If in a proceeding on a petition it is shown by a preponderance of the evidence that an encephalopathy was caused by infection, toxins, trauma, or metabolic disturbances the encephalopathy shall not be considered to be a condition set forth in the table. If at the time a judgment is entered on a petition filed under section 300aa-11 of this title for a vaccine-related injury or death it is not possible to determine the cause, by a preponderance of the evidence, of an encephalopathy, the encephalopathy shall be considered to be a condition set forth in the table. In determining whether or not an encephalopathy is a condition set forth in the table, the court shall consider the entire medical record.

(4) For purposes of paragraphs (2) and (3), the terms "seizure" and "convulsion" include grand mal, petit mal, absence, myoclonic, tonic-clonic, and focal motor seizures and signs. If a provision of the table to which paragraph (1), (2), (3), or (4) applies is revised under subsection (c) or (d), such paragraph shall not apply to such provision after the effective date of the revision unless the revision specifies that such paragraph is to continue to apply.

(c) Administrative revision of table

(1) The Secretary may promulgate regulations to modify in accordance with paragraph (3) the Vaccine Injury Table. In promulgating such regulations, the Secretary shall provide for notice and opportunity for a public hearing and at least 180 days of public comment.

(2) Any person (including the Advisory Commission on Childhood Vaccines) may petition the Secretary to propose regulations to amend the Vaccine Injury Table. Unless clearly frivolous, or initiated by the Commission, any such petition shall be referred to the Commission, or

whichever occurs first, the Secretary shall conduct a rulemaking proceeding on the matters proposed in the petition or publish in the Federal Register a statement of reasons for not conducting such proceeding.

(3) A modification of the Vaccine Injury Table under paragraph (1) may add to, or delete from, the list of injuries, disabilities, illnesses, conditions, and deaths for which compensation may be provided or may change the time periods for the first symptom or manifestation of the onset or the significant aggravation of any such injury, disability, illness, condition, or death.

(4) Any modification under paragraph (1) of the Vaccine Injury Table shall apply only with respect to petitions for compensation under the Vaccine Injury Compensation Program which are filed after the effective date of such regulation.

(d) Role of Commission

Except with respect to a regulation recommended by the Advisory Commission on Childhood Vaccines, the Secretary may not propose a regulation under subsection (c) or any revision thereof, unless the Secretary has first provided to the Commission a copy of the proposed regulation or revision, requested recommendations and comments by the Commission, and afforded the Commission at least 90 days to make such recommendations.

(e) Additional vaccines

(1) Vaccines recommended before August 1, 1993

By August 1, 1995, the Secretary shall revise the Vaccine Injury Table included in subsection (a) to include—

(A) vaccines which are recommended to the Secretary by the Centers for Disease Control and Prevention before August 1, 1993, for routine administration to children,

(B) the injuries, disabilities, illnesses, conditions, and deaths associated with such vaccines, and

(C) the time period in which the first symptoms or manifestations of onset or other significant aggravation of such injuries, disabilities, illnesses, conditions, and deaths associated with such vaccines may occur.

(2) Vaccines recommended after August 1, 1993

When after August 1, 1993, the Centers for Disease Control and Prevention recommends a vaccine to the Secretary for routine administration to children, the Secretary shall, within 2 years of such recommendation, amend the Vaccine Injury Table included in subsection (a) to include—

(A) vaccines which were recommended for routine administration to children,

(B) the injuries, disabilities, illnesses, conditions, and deaths associated with such vaccines, and

(C) the time period in which the first symptoms or manifestations of onset or other significant aggravation of such injuries, disabilities, illnesses, conditions, and deaths associated with such vaccines may occur.

(3) Vaccines recommended for use in pregnant women

The Secretary shall revise the Vaccine Injury Table included in subsection (a), through the process described in subsection (c), to include vaccines recommended by the Centers for Disease Control and Prevention for routine administration in pregnant women and the information described in subparagraphs (B) and (C) of paragraph (2) with respect to such vaccines.

(July 1, 1944, ch. 373, title XXI, §2114, as added Pub. L. 99–660, title III, §311(a), Nov. 14, 1986, 100
§ 300aa–15  TITLE 42—THE PUBLIC HEALTH AND WELFARE

Compensation awarded under the Program to a petitioner under section 300aa–11 of this title for a vaccine-related injury or death associated with the administration of a vaccine after October 1, 1988, shall include the following:

(1)(A) Actual unreimbursable expenses incurred from the date of the judgment awarding such expenses and reasonable projected unreimbursable expenses which—

(i) result from the vaccine-related injury for which the petitioner seeks compensation,

(ii) have been or will be incurred by or on behalf of the person who suffered such injury, and

(iii)(I) have been or will be for diagnosis and medical or other remedial care determined to be reasonably necessary, or

(II) have been or will be for rehabilitation, developmental evaluation, special education, vocational training and placement, case management services, counseling, emotional or behavioral therapy, residential and custodial care and service expenses, special equipment, related travel expenses, and facilities determined to be reasonably necessary.

(B) Subject to section 300aa–16(a)(2) of this title, actual unreimbursable expenses incurred before the date of the judgment awarding such expenses which—

(i) resulted from the vaccine-related injury for which the petitioner seeks compensation,

(ii) were incurred by or on behalf of the person who suffered such injury, and

(iii) were for diagnosis, medical or other remedial care, rehabilitation, developmental evaluation, special education, vocational training and placement, case management services, counseling, emotional or behavioral therapy, residential and custodial care and service expenses, special equipment, related travel expenses, and facilities determined to be reasonably necessary.

(2) In the event of a vaccine-related death, an award of $250,000 for the estate of the deceased.

(3)(A) In the case of any person who has sustained a vaccine-related injury after attaining the age of 18 and whose earning capacity is or has been impaired by reason of such person’s vaccine-related injury for which compensation is to be awarded, compensation for actual and anticipated loss of earnings determined in accordance with generally recognized actuarial principles and projections.

(B) In the case of any person who has sustained a vaccine-related injury before attaining the age of 18 and whose earning capacity is or has been impaired by reason of such person’s vaccine-related injury for which compensation is to be awarded and whose vaccine-related injury is of sufficient severity to permit reasonable anticipation that such person is likely to suffer impaired earning capacity at age 18 and beyond, compensation after attaining the age of 18 for loss of earnings determined on the basis of the average gross weekly earnings of workers in the private, non-farm sector, less appropriate taxes and the average cost of a health insurance policy, as determined by the Secretary.

(4) For actual and projected pain and suffering and emotional distress from the vaccine-related injury, an award not to exceed $250,000.

(b) Vaccines administered before effective date

Compensation awarded under the Program to a petitioner under section 300aa–11 of this title for a vaccine-related injury or death associated with the administration of a vaccine before October 1, 1988, may include the compensation described in paragraphs (1)(A) and (2) of subsection (a) and may also include an amount, not to exceed a combined total of $30,000 for—

(1) lost earnings (as provided in paragraph (3) of subsection (a)),

(2) pain and suffering (as provided in paragraph (4) of subsection (a)), and

(3) reasonable attorneys’ fees and costs (as provided in subsection (e)).

1 So in original. Probably should be preceded by another closing parenthesis.
Residential and custodial care and service

The amount of any compensation for residential and custodial care and service expenses under subsection (a)(1) shall be sufficient to enable the compensated person to remain living at home.

d) Types of compensation prohibited

Compensation awarded under the Program may not include the following:

1. Punitive or exemplary damages.
2. Except with respect to compensation payments under paragraphs (2) and (3) of subsection (a), compensation for other than the health, education, or welfare of the person who suffered the vaccine-related injury with respect to which the compensation is paid.

(e) Attorneys' fees

1. In awarding compensation on a petition filed under section 300aa–11 of this title the special master or court shall also award as part of such compensation an amount to cover—
   A. reasonable attorneys' fees, and
   B. other costs,

   incurred in any proceeding on such petition. If the judgment of the United States Court of Federal Claims on such a petition does not award compensation, the special master or court may award an amount of compensation to cover—

   A. reasonable attorneys' fees and
   B. other costs,

   incurred in any proceeding on such petition if the special master or court determines that the petition was brought in good faith and there was a reasonable basis for the claim for which the petition was brought.

2. If the petitioner, before October 1, 1988, filed a civil action for damages for any vaccine-related injury or death for which compensation may be awarded under the Program, and petitioned under section 300aa–11(a)(5) of this title to have such action dismissed and to file a petition for compensation under the Program, the special master or court may include an amount of compensation limited to the costs and expenses incurred by the petitioner and the attorney of the petitioner before October 1, 1988, in preparing, filing, and prosecuting such civil action (including the reasonable value of the attorney's time if the civil action was filed under contingent fee arrangements).

3. No attorney may charge any fee for services in connection with a petition filed under section 300aa–11 of this title which is in addition to any amount awarded as compensation by the special master or court under paragraph (1).

(f) Payment of compensation

1. Except as provided in paragraph (2), no compensation may be paid until an election has been made, or has been deemed to have been made, under section 300aa–21(a) of this title to receive compensation.

2. Compensation described in subsection (a)(1)(A)(iii) shall be paid from the date of the judgment of the United States Court of Federal Claims under section 300aa–12 of this title awarding the compensation. Such compensation may not be paid after an election under section 300aa–21(a) of this title to file a civil action for damages for the vaccine-related injury or death for which such compensation was awarded.

3. Payments of compensation under the Program and the costs of carrying out the Program shall be exempt from reduction under any order issued under part C of the Balanced Budget and Emergency Deficit Control Act of 1985 [2 U.S.C. 900 et seq.].

4. A) Except as provided in subparagraph (B), payment of compensation under the Program shall be determined on the basis of the net present value of the elements of the compensation and shall be paid from the Vaccine Injury Compensation Trust Fund established under section 9510 of title 26 in a lump sum of which all or a portion may be used as ordered by the special master to purchase an annuity or otherwise be used, with the consent of the petitioner, in a manner determined by the special master to be in the best interests of the petitioner.

(B) In the case of a payment of compensation under the Program to a petitioner for a vaccine-related injury or death associated with the administration of a vaccine before October 1, 1988, the compensation shall be determined on the basis of the net present value of the elements of compensation and shall be paid from appropriations made available under subsection (j) in a lump sum of which all or a portion may be used as ordered by the special master to purchase an annuity or otherwise be used, with the consent of the petitioner, in a manner determined by the special master to be in the best interests of the petitioner. Any reasonable attorneys' fees and costs shall be paid in a lump sum. If the appropriations under subsection (j) are insufficient to make a payment of an annual installment, the limitation on civil actions prescribed by section 300aa–21(a) of this title shall not apply to a civil action for damages brought by the petitioner entitled to the payment.

(C) In purchasing an annuity under subparagraph (A) or (B), the Secretary may purchase a guarantee for the annuity, may enter into agreements regarding the purchase price for and rate of return of the annuity, and may take such other actions as may be necessary to safeguard the financial interests of the United States regarding the annuity. Any payment received by the Secretary pursuant to the preceding sentence shall be paid to the Vaccine Injury Compensation Trust Fund established under section 9510 of title 26, or to the appropriations account from which the funds were derived to purchase the annuity, whichever is appropriate.

(g) Program not primarily liable

Payment of compensation under the Program shall not be made for any item or service to the extent that payment has been made, or can reasonably be expected to be made, with respect to such item or service (1) under any State compensation program, under an insurance policy, or under any Federal or State health benefits program (other than under title XIX of the Social Security Act [42 U.S.C. 1396 et seq.]), or (2) by an entity which provides health services on a prepaid basis.

(h) Liability of health insurance carriers, prepaid health plans, and benefit providers

No policy of health insurance may make payment of benefits under the policy secondary to
the payment of compensation under the Program and—

(1) no State, and

(2) no entity which provides health services on a prepaid basis or provides health benefits, may make the provision of health services or health benefits secondary to the payment of compensation under the Program, except that this subsection shall not apply to the provision of services or benefits under title XIX of the Social Security Act [42 U.S.C. 1396 et seq.].

(i) Source of compensation

(1) Payment of compensation under the Program to a petitioner for a vaccine-related injury or death associated with the administration of a vaccine before October 1, 1988, shall be made by the Secretary from appropriations under subsection (j).

(2) Payment of compensation under the Program to a petitioner for a vaccine-related injury or death associated with the administration of a vaccine on or after October 1, 1988, shall be made from the Vaccine Injury Compensation Trust Fund established under section 9510 of title 26.

(j) Authorization

For the payment of compensation under the Program to a petitioner for a vaccine-related injury or death associated with the administration of a vaccine before October 1, 1988, there are authorized to be appropriated to the Department of Health and Human Services $80,000,000 for fiscal year 1989, $80,000,000 for fiscal year 1990, $80,000,000 for fiscal year 1991, $80,000,000 for fiscal year 1992, $110,000,000 for fiscal year 1993, and $110,000,000 for each succeeding fiscal year in which a payment of compensation is required under subsection (f)(4)(B). Amounts appropriated under this subsection shall remain available under subsection (f)(4)(B).

(1) Payment of compensation under the Program to a petitioner for a vaccine-related injury or death associated with the administration of a vaccine on or after October 1, 1988, shall be made from the Vaccine Injury Compensation Trust Fund established under section 9510 of title 26.

(k) Amounts appropriated under subsection (j) shall remain available until expended.

(l) Prior provisions

A prior section 300aa–15, act July 1, 1944, §2116, was successively renumbered by subsequent acts and transferred, see section 238m of this title.

(m) Amendments

1993—Subsec. (j). Pub. L. 102–66 subtracted “$110,000,000 for each succeeding fiscal year” for “$80,000,000 for each succeeding fiscal year”.


Subsec. (j), Pub. L. 102–531 increased authorization for fiscal year 1993 from $80,000,000 to $110,000,000.


Subsec. (f)(4)(B), Pub. L. 102–168, §201(e)(1)(B), which directed substitution of “shall be paid from appropriations made available under subsection (j) in a lump sum of which all or a portion” for “paid in 4 equal installments of which all or portion of the proceeds” was executed by making the substitution for “paid in 4 equal annual installments of which all or portion of the proceeds” to reflect the probable intent of Congress.


1990—Subsec. (e)(2), Pub. L. 101–502, §5(d)(1), inserted “of compensation” before “limited to the costs”.

Subsec. (f)(2), Pub. L. 101–502, §5(d)(2), substituted “section 300aa–21(a)” for “section 300aa–21(a)”.

Subsec. (f)(4)(B), Pub. L. 101–502, §5(d)(3), substituted “subsection (i)” for “subsection (i)” and “the limitation on civil actions prescribed by section 300aa–21(a) of this title” for “section 300aa–11(a) of this title”.

Subsec. (j), Pub. L. 101–502, §5(d)(3), inserted before period at end of first sentence “, and $80,000,000 for each succeeding fiscal year in which a payment of compensation is required under subsection (f)(4)(B)”.

1989—Subsec. (b), Pub. L. 101–239, §6001(a)(1), substituted “may include the compensation described in paragraphs (1)(A) and (2) of subsection (a) and may also include an amount, not to exceed a combined total of $30,000, for—” and cls. (1) to (3) for “may not include the compensation described in paragraph (1)(B) of subsection (a) of this section and may include attorneys’ fees and other costs included in a judgment under subsection (e) of this section, except that the total amount that may be paid as compensation under paragraphs (3) and (4) of subsection (a) of this section and included as attorneys’ fees and other costs under subsection (e) of this section may not exceed $30,000.”

Subsec. (e)(1), Pub. L. 101–239, §6001(2)(2)(B), (C), substituted “the special master or court may award an amount of compensation to cover” for “the court may include in the judgment an amount to cover” and “the special master or court determines that the petition was brought in
good faith and there was a reasonable basis for the claim for which the petition” for “the court determines that the civil action was brought in good faith and there was a reasonable basis for the claim for which the civil action”. 

Subsec. (e)(2). Pub. L. 101–239, §6601(l)(2)(D), which directed amendment of par. (2) by substituting “the special master or court may also award an amount of compensation” for “the judgment of the court on such petition may include an amount”, could not be executed because of the prior amendment by Pub. L. 101–239, §6601(l)(2)(B), see Amendment note below.

Pub. L. 101–239, §6601(c)(8)(B), substituted “and petitioned under section 300aa–1(a)(5) of this title to have such action dismissed” for “and elected under section 300aa–1(a)(4) of this title to withdraw such action” and “in awarding compensation on such petition the special master or court may include” for “the judgment of the court on such petition may include”.

Subsec. (f)(4)(A). Pub. L. 101–239, §6601(l)(3)(B), struck out “made in a lump sum” after “the Program shall be” and inserted “shall be paid from the trust fund”.

Subsec. (f)(4)(B). Pub. L. 101–239, §6601(l)(3)(C), substituted “determined on the basis of the net present value of the elements of the compensation and paid in 4 equal annual installments of which all or a portion of the proceeds may be used as ordered by the special master to purchase an annuity or otherwise be used, with the consent of the petitioner, in a manner determined by the special master to be in the best interests of the petitioner” after “elements of the compensation”.

Subsec. (f)(4)(C). Pub. L. 101–239, §6601(l)(3)(D), substituted “determined by the special master to be in the best interests of the petitioner. Any reasonable attorneys’ fees and other costs included in a lump sum of which all or a portion of the proceeds may be recovered under this subparagraph shall be limited to the amount in excess of the amount set forth in section 300aa–1(c)(1)(D)(i)(I) of this title.”

Subsec. (b). Pub. L. 100–203, §4303(e), substituted “may not include the compensation described in paragraph (1)(B) of subsection (a) of this section and may include attorneys’ fees and other costs included in a judgment under subsection (e) of this section, except that the total amount that may be paid as compensation under paragraphs (3) and (4) of subsection (a) of this section and included as attorneys’ fees and other costs under subsection (e) of this section may not exceed $30,000” for “shall only include the compensation described in paragraphs (1)(A) and (2) of subsection (a) of this section”.

Pub. L. 100–203, §4302(b)(1), substituted “effective date of this subpart” for “effective date of this part”.


Subsec. (e)(2). Pub. L. 100–203, §4302(b), substituted “effective date of this subpart, filed a” for “effective date of this subchapter, filed a” and “effective date of this subpart in preparing” for “effective date of this part in preparing”.


Subsecs. (g), (h). Pub. L. 100–203, §4303(g), redesignated a second subsec. (f), relating to the Program not being primarily liable, as subsec. (g).

Subsecs. (i), (j). Pub. L. 100–203, §4303(a), (b), added subsecs. (i) and (j).

**Effective Date of 1992 Amendment**


**Effective Date of 1991 Amendment**

Amendment by section 201(f) of Pub. L. 102–168 effective as if in effect on and after Oct. 1, 1988, see section 201(f)(2) of Pub. L. 102–168, set out as a note under section 300aa–11 of this title.

**Effective Date of 1990 Amendment**


**Effective Date of 1989 Amendment**

Amendment by Pub. L. 101–239 applicable to all pending and subsequently filed petitions, see section 6601(c)(2) of Pub. L. 101–239, set out as a note under section 300aa–10 of this title.

**Effective Date of 1988 Amendment**

Except as specifically provided in section 411 of Pub. L. 100–360, amendment by Pub. L. 100–360, as it relates to a provision in the Omnibus Budget Reconciliation Act of 1987, Pub. L. 100–203, effective as if included in the enactment of that provision in Pub. L. 100–203, see section 411(a)(1) of Pub. L. 100–360, set out as a Reference to OBRA; Effective Date note under section 106 of Title 1, General Provisions.

§ 300aa–16. Limitations of actions

(a) General rule

In the case of—

(1) a vaccine set forth in the Vaccine Injury Table which is administered before October 1, 1988, if a vaccine-related injury or death oc-
curred as a result of the administration of such vaccine, no petition may be filed for compensation under the Program for such injury or death after the expiration of 28 months after October 1, 1988, and no such petition may be filed if the first symptom or manifestation of onset or of the significant aggravation of such injury occurred more than 36 months after the date of administration of the vaccine. 

(2) a vaccine set forth in the Vaccine Injury Table which is administered after October 1, 1988, if a vaccine-related injury occurred as a result of the administration of such vaccine, no petition may be filed for compensation under the Program for such injury after the expiration of 24 months from the date of the death and no such petition may be filed more than 48 months after the date of the occurrence of the first symptom or manifestation of onset or of the significant aggravation of the injury from which the death resulted.

(b) Effect of revised table

If at any time the Vaccine Injury Table is revised and the effect of such revision is to permit an individual who was not, before such revision, eligible to seek compensation under the Program, or to significantly increase the likelihood of obtaining compensation, such person may, notwithstanding section 300aa–11(b)(2) of this title, file a petition for such compensation not later than 2 years after the effective date of the revision, except that no compensation may be provided under the Program with respect to a vaccine-related injury or death covered under the revision of the table if

(1) the vaccine-related death occurred more than 8 years before the date of the revision of the table, or

(2) the vaccine-related injury occurred more than 8 years before the date of the revision of the table.

(c) State limitations of actions

If a petition is filed under section 300aa–11 of this title for a vaccine-related injury or death, limitations of actions under State law shall be stayed with respect to a civil action brought for such injury or death for the period beginning on the date the petition is filed and ending on the date (1) an election is made under section 300aa–21(a) of this title to file the civil action, (2) an election is made under section 300aa–21(b) of this title to withdraw the petition, or (3) the petition is considered withdrawn under section 300aa–21(b) of this title; for “and ending on the date a final judgment is entered on the petition”. 

1993—Subsec. (b). Pub. L. 102–168 substituted “or to significantly increase the likelihood of obtaining compensation, such person may, notwithstanding section 300aa–11(b)(2) of this title, file” for “such person may file”.

1991—Subsec. (c). Pub. L. 102–168 substituted “(2)” for “(2)” and struck out “, (2)” and inserted before comma at end “and no such petition may be filed if the first symptom or manifestation of onset or of the significant aggravation of such injury occurred more than 36 months after the date of administration of the vaccine”.

1990—Subsec. (a)(1). Pub. L. 101–502, §5(e)(1), substituted “28 months” for “24 months” and inserted before comma at end “and no such petition may be filed if the first symptom or manifestation of onset or of the significant aggravation of the injury from which the death resulted”. 

1989—Subsec. (c). Pub. L. 100–203 substituted “and ending on the date (1) an election is made under section 300aa–21(a) of this title to file the civil action, (2) an election is made under section 300aa–21(b) of this title to withdraw the petition, or (3) the petition is considered withdrawn under section 300aa–21(b) of this title’’ for “and ending on the date a final judgment is entered on the petition’’.

1987—Subsec. (a). Pub. L. 100–203 substituted “effective date of this subpart” for “effective date of this subchapter” in pars. (1) to (3).

§ 300aa–17. Subrogation

(a) General rule

Upon payment of compensation to any petitioner under the Program, the trust fund which has been established to provide such compensation shall be subrogated[1] to all rights of the pe-
tioner with respect to the vaccine-related in-
jury or death for which compensation was paid,
except that the trust fund may not recover
under such rights an amount greater than the
amount of compensation paid to the petitioner.

(b) Disposition of amounts recovered

Amounts recovered under subsection (a) shall
be collected on behalf of, and deposited in, the
Vaccine Injury Compensation Trust Fund estab-
lished under section 9510 of title 26.

(1989—Subsec. (b). Pub. L. 101–239 substituted “the
Vaccine Injury Compensation Trust Fund established
under section 9510 of title 26” for “the trust fund which
has been established to provide compensation under the
Program”.

1987—Subsec. (a). Pub. L. 100–203 struck out par. (1)
designation before “Upon” and struck out par. (2) which read as follows: “In any case in which it deems
such action appropriate, a district court of the United
States may, after entry of a final judgment providing
for compensation to be paid under section 300aa–15 of
this title for a vaccine-related injury or death, refer the
record of such proceeding to the Secretary and the At-
torney General with such recommendation as the court
deems appropriate with respect to the investigation or
commencement of a civil action by the Secretary under
paragraph (1).”

EFFECTIVE DATE OF 1989 AMENDMENT

For applicability of amendments by Pub. L. 101–239 to
petitions filed after Dec. 19, 1989, petitions currently
pending in which the evidentiary record is closed, and
petitions currently pending in which the evidentiary
record is not closed, with provision for an immediate
suspension for 30 days of all pending cases, see section

AMENDMENTS

1989—Subsec. (b). Pub. L. 101–239 substituted “the
Vaccine Injury Compensation Trust Fund established
under section 9510 of title 26” for “the trust fund which
has been established to provide compensation under the
Program”.

1987—Subsec. (a). Pub. L. 100–203 struck out par. (1)
designation before “Upon” and struck out par. (2) which read as follows: “In any case in which it deems
such action appropriate, a district court of the United
States may, after entry of a final judgment providing
for compensation to be paid under section 300aa–15 of
this title for a vaccine-related injury or death, refer the
record of such proceeding to the Secretary and the At-
torney General with such recommendation as the court
deems appropriate with respect to the investigation or
commencement of a civil action by the Secretary under
paragraph (1).”

EFFECTIVE DATE OF 1989 AMENDMENT

For applicability of amendments by Pub. L. 101–239 to
petitions filed after Dec. 19, 1989, petitions currently
pending in which the evidentiary record is closed, and
petitions currently pending in which the evidentiary
record is not closed, with provision for an immediate
suspension for 30 days of all pending cases, see section
6601(s)(1) of Pub. L. 101–239, set out as a note under sec-
§ 300aa–19

(b) Term of office

Appointed members of the Commission shall
be appointed for a term of office of 3 years, ex-
cept that of the members first appointed, 3 shall
be appointed for a term of 1 year, 3 shall be ap-
pointed for a term of 2 years, and 3 shall be ap-
pointed for a term of 3 years, as determined by
the Secretary.

(c) Meetings

The Commission shall first meet within 60
days after all members of the Commission are
appointed, and thereafter shall meet not less
than four times per year and at the call of
the chair. A quorum for purposes of a meeting
shall consist of at least 5. A decision at a meeting is to be
made by a ballot of a majority of the voting members
of the Commission present at the meeting.

(d) Compensation

Members of the Commission who are officers
or employees of the Federal Government shall
serve as members of the Commission without
compensation in addition to that received in
their regular public employment. Members of the
Commission who are not officers or employ-
ees of the Federal Government shall be com-
penated at a rate not to exceed the daily equi-
herent of the rate in effect for grade GS–18 of
the General Schedule for each day (including travel-
time) they are engaged in the performance of
their duties as members of the Commission. All
members, while so serving away from their
homes or regular places of business, may be al-
lowed travel expenses, including per diem in lieu
of subsistence, in the same manner as such ex-
enses are authorized by section 5703 of title 5
for employees serving intermittently.

(e) Staff

The Secretary shall provide the Commission
with such professional and clerical staff, such
information, and the services of such consult-
ants as may be necessary to assist the Commis-
sion in carrying out effectively its functions
under this section.

(f) Functions

The Commission shall—
§ 300aa–21  TITLE 42—THE PUBLIC HEALTH AND WELFARE  Page 1308

(1) advise the Secretary on the implementation of the Program,

(2) on its own initiative or as the result of the filing of a petition, recommend changes in the Vaccine Injury Table,

(3) advise the Secretary in implementing the Secretary’s responsibilities under section 300aa–27 of this title regarding the need for childhood vaccination products that result in fewer or no significant adverse reactions,

(4) survey Federal, State, and local programs and activities relating to the gathering of information on injuries associated with the administration of childhood vaccines, including the adverse reaction reporting requirements of section 300aa–25(b) of this title, and advise the Secretary on means to obtain, compile, publish, and use credible data related to the frequency and severity of adverse reactions associated with childhood vaccines, and

(5) recommend to the Director of the National Vaccine Program research related to vaccine injuries which should be conducted to carry out this part.


Codification

In subsec. (a), “October 1, 1988” substituted for “the effective date of this part” on authority of section 323 of Pub. L. 99–660, as amended, set out as an Effective Date note under section 300aa–1 of this title.

Amendments


1991—Subsec. (c). Pub. L. 102–168 inserted “present at the meeting” before period at end.

1987—Subsec. (a). Pub. L. 100–203 substituted “effective date of this part” for “effective date of this part” in last sentence.

Termination of Advisory Commissions

Advisory commissions established after Jan. 5, 1973, to terminate not later than 90 days after the date of the commission’s expiration and employees associated with the administration of childhood vaccines, including the adverse reaction reporting requirements of section 300aa–25(b) of this title, and advise the Secretary on means to obtain, compile, publish, and use credible data related to the frequency and severity of adverse reactions associated with childhood vaccines, and

(2) recommend to the Director of the National Vaccine Program research related to vaccine injuries which should be conducted to carry out this part.

Termination of Advisory Commissions

Advisory commissions established after Jan. 5, 1973, to terminate not later than 90 days after the date of their establishment, unless, in the case of a commission established by the President or an officer of the Federal Government, such commission is renewed by appropriate action prior to the expiration of such 2-year period, or in the case of a commission established by the Congress, its duration is otherwise provided by law. See sections 3(2) and 14 of Pub. L. 92–463, Oct. 6, 1972, 86 Stat. 776, set out in the Appendix to Title 5, Government Organization and Employees.

Pub. L. 93–641, § 6, Jan. 4, 1975, 88 Stat. 2275, set out as a note under section 317a of this title, provided that an advisory committee established pursuant to the Public Health Service Act shall terminate at such time as may be specifically prescribed by an Act of Congress enacted after Jan. 1, 1975.

References in Other Laws to GS–16, 17, or 18 Pay Rates

References in laws to the rates of pay for GS–16, 17, or 18, or to maximum rates of pay under the General Schedule, to be considered references to rates payable under specified sections of Title 5, Government Organi-

§ 300aa–21. Authority to bring actions

(a) Election

After judgment has been entered by the United States Court of Federal Claims or, if an appeal is taken under section 300aa–12(f) of this title, after the appellate court’s mandate is issued, the petitioner who filed the petition under section 300aa–11 of this title shall file with the clerk of the United States Court of Federal Claims—

(1) if the judgment awarded compensation, an election in writing to receive the compensation or to file a civil action for damages for such injury or death, or

(2) if the judgment did not award compensation, an election in writing to accept the judgment or to file a civil action for damages for such injury or death.

An election shall be filed under this subsection not later than 90 days after the date of the court’s final judgment with respect to which the election is to be made. If a person required to file an election with the court under this subsection does not file the election within the time prescribed for filing the election, such person shall be deemed to have filed an election to accept the judgment of the court. If a person elects to receive compensation under a judgment of the court in an action for a vaccine-related injury or death associated with the administration of a vaccine before October 1, 1988, or is deemed to have accepted the judgment of the court in such an action, such person may not bring or maintain a civil action for damages against a vaccine administrator or manufacturer for the vaccine-related injury or death for which the judgment was entered. For limitations on the bringing of civil actions for vaccine-related injuries or deaths associated with the administration of a vaccine after October 1, 1988, see section 300aa–11(a)(2) of this title.

(b) Continuance or withdrawal of petition

A petitioner under a petition filed under section 300aa–11 of this title may submit to the United States Court of Federal Claims a notice in writing choosing to continue or to withdraw the petition if—

(1) a special master fails to make a decision on such petition within the 240 days prescribed by section 300aa–12(d)(3)(A)(ii) of this title (excluding (i) any period of suspension under section 300aa–12(d)(3)(C) or 300aa–12(d)(3)(D) of this title, and (ii) any days the petition is before a special master as a result of a remand under section 300aa–12(e)(2)(C) of this title), or

(2) the court fails to enter a judgment under section 300aa–12 of this title on the petition within 420 days (excluding (i) any period of suspension under section 300aa–12(d)(3)(C) or 300aa–12(d)(3)(D) of this title, and (ii) any days the petition is before a special master as a result of a remand under section 300aa–12(e)(2)(C) of this title) after the date on which the petition was filed.
Such a notice shall be filed within 30 days of the provision of the notice required by section 300aa–12(g) of this title.

(c) Limitations of actions

A civil action for damages arising from a vaccine-related injury or death for which a petition was filed under section 300aa–11 of this title shall, except as provided in section 300aa–16(c) of this title, be brought within the period prescribed by limitations of actions under State law applicable to such civil action.


CODIFICATION

In subsec. (a), “October 1, 1988,” and “October 1, 1988” substituted for “the effective date of this part”.

AMENDMENTS


1991—Subsec. (b). Pub. L. 102–168 substituted “Continuance or withdrawal of petition” for “Withdrawal of petition” in heading, redesignated introductory provisions of par. (1) as introductory provisions of subsec. (b) and substituted “a notice in writing choosing to continue or to withdraw the petition” for “a notice in writing withdrawing the petition”, redesignated subpars. (A) and (B) of former par. (1) as paras. (1) and (2), respectively, and realigned margins, struck out at end of former par. (1) “If such a notice is not filed before the expiration of such 30 days, the petition with respect to which the notice was to be filed shall be considered withdrawn under this paragraph.”, and struck out par. (2) which read as follows: “If a special master or the court does not enter a decision or make a judgment on a petition filed under section 300aa–11 of this title within 30 days of the provision of the notice in accordance with section 300aa–12(g) of this title, the special master or court shall no longer have jurisdiction over such petition and such petition shall be considered withdrawn under paragraph (1).”.

1990—Subsec. (a). Pub. L. 101–502, § 5(f)(1), in closing provisions, inserted after second sentence “If a person elects to receive compensation under a judgment of the court in an action for a vaccine-related injury or death associated with the administration of a vaccine before October 1, 1988, or is deemed to have accepted the judgment of the court in such an action, such person may not bring or maintain a civil action for damages against a vaccine administrator or manufacturer for the vaccine-related injury or death for which the judgment was entered.” and inserted “for vaccine-related injuries or deaths associated with the administration of a vaccine after October 1, 1988” after “actions in last sentence.”

Subsec. (b). Pub. L. 101–502, § 5(f)(2), amended subsec. (b) generally. Prior to amendment, subsec. (b) read as follows: “If the United States Claims Court fails to enter a judgment under section 300aa–12 of this title on a petition filed under section 300aa–11 of this title within 420 days (excluding any period of suspension under section 300aa–12(d) of this title and excluding any days the petition is before a special master as a result of a remand under section 300aa–12(e)(2)(C) of this title) after the date on which the petition was filed, the petitioner may submit to the court a notice in writing withdrawing the petition. An election shall be filed under this subsection not later than 90 days after the date of the entry of the Claims Court’s judgment or the appellate court’s mandate with respect to which the election is to be made. A person who has submitted a notice under this subsection may, notwithstanding section 300aa–11(a)(2) of this title, thereafter maintain a civil action for damages in a State or Federal court without regard to this subpart and consistent with otherwise applicable law.”.

1989—Subsec. (a). Pub. L. 101–239, § 6601(n)(1)(A), amended introductory provisions generally. Prior to amendment, introductory provisions read as follows: “After the judgment of the United States Claims Court under section 300aa–11 of this title on a petition filed for compensation under the Program for a vaccine-related injury or death has become final, the person who filed the petition shall file with the court—”.

Pub. L. 101–239, § 6601(n)(1)(B), amended last sentence generally. Prior to amendment, last sentence read as follows: “If a person elects to receive compensation under a judgment of the court or is deemed to have accepted the judgment of the court, such person may not bring or maintain a civil action for damages against a vaccine manufacturer for the vaccine-related injury or death for which the judgment was entered.”.

Subsec. (b). Pub. L. 101–239, § 6601(n)(2), substituted “within 420 days (excluding any period of suspension under section 300aa–12(d) of this title and excluding any days the petition is before a special master as a result of a remand under section 300aa–12(e)(2)(C) of this title)” for “within 365 days” in first sentence and amended second sentence generally. Prior to amendment, second sentence read as follows: “Such a notice shall be filed not later than 90 days after the expiration of such 365-day period.”.


1987—Subsec. (a). Pub. L. 100–203, § 4306(c), as added by Pub. L. 100–360, substituted “the court’s final judgment” for “the entry of the court’s judgment” in concluding provisions.

Pub. L. 100–203, § 4307(b), substituted “the United States Claims Court” for “a district court of the United States” and “the court” for “a court” in three places.

Subsecs. (b), (c). Pub. L. 100–203, § 4304(c), added subsec. (b) and redesignated former subsec. (b) as (c).

EFFECTIVE DATE OF 1992 AMENDMENT


EFFECTIVE DATE OF 1991 AMENDMENT

Amendment by Pub. L. 102–188 effective as in effect on and after Oct. 1, 1989, see section 201(i)(2) of Pub. L. 102–188, set out as a note under section 300aa–11 of this title.

EFFECTIVE DATE OF 1990 AMENDMENT


EFFECTIVE DATE OF 1989 AMENDMENT

For applicability of amendments by Pub. L. 101–239 to petitions filed after Dec. 19, 1989, petitions currently pending in which the evidentiary record is closed, and petitions currently pending in which the evidentiary record is not closed, with provision for an immediate suspension for 30 days of all pending cases, except that such suspension be excluded in determining the 420-day period prescribed in subsec. (b) of this section, see sec-
§ 300aa–22

TITLE 42—THE PUBLIC HEALTH AND WELFARE

Effective Date of 1988 Amendment

Except as specifically provided in section 411 of Pub. L. 100–360, amendment by Pub. L. 100–360, as it relates to a provision in the Omnibus Budget Reconciliation Act of 1987, Pub. L. 100–203, effective as if included in the enactment of that provision in Pub. L. 100–203, see section 411(a) of Pub. L. 100–360, set out as a Reference to OBRA; Effective Date note under section 106 of Title 1, General Provisions.

Effective Date


§ 300aa–22. Standards of responsibility

(a) General rule

Except as provided in subsections (b), (c), and (e) State law shall apply to a civil action brought for damages for a vaccine-related injury or death.

(b) Unavoidable adverse side effects; warnings

(1) No vaccine manufacturer shall be liable in a civil action for damages arising from a vaccine-related injury or death associated with the administration of a vaccine after October 1, 1988, if the injury or death resulted from side effects that were unavoidable even though the vaccine was properly prepared and was accompanied by proper directions and warnings.

(2) For purposes of paragraph (1), a vaccine shall be presumed to be accompanied by proper directions and warnings if the vaccine manufacturer shows that it complied in all material respects with all requirements under the Federal Food, Drug, and Cosmetic Act [21 U.S.C. 301 et seq.] and section 262 of this title (including regulations issued under such provisions) applicable to the vaccine and related to vaccine-related injury or death for which the civil action was brought unless the plaintiff shows—

(A) that the manufacturer engaged in the conduct set forth in subparagraph (A) or (B) of section 300aa–23(d)(2) of this title, or

(B) by clear and convincing evidence that the manufacturer failed to exercise due care notwithstanding its compliance with such Act and section (and regulations issued under such provisions).

(c) Direct warnings

No vaccine manufacturer shall be liable in a civil action for damages arising from a vaccine-related injury or death associated with the administration of a vaccine after October 1, 1988, solely due to the manufacturer’s failure to provide direct warnings to the injured party (or the injured party’s legal representative) of the potential dangers resulting from the administration of the vaccine manufactured by the manufacturer.

(d) Construction

The standards of responsibility prescribed by this section are not to be construed as authorizing a person who brought a civil action for damages against a vaccine manufacturer for a vaccine-related injury or death in which damages were denied or which was dismissed with prejudice to bring a new civil action against such manufacturer for such injury or death.

(e) Preemption

No State may establish or enforce a law which prohibits an individual from bringing a civil action against a vaccine manufacturer for damages for a vaccine-related injury or death if such civil action is not barred by this part.


References in Text

The Federal Food, Drug, and Cosmetic Act, referred to in subsec. (b)(2), is act June 25, 1938, ch. 675, 52 Stat. 1040, as amended, which is classified generally to chapter 9 (§301 et seq.) of Title 21, Food and Drugs. For complete classification of this Act to the Code, see Tables.

Codification

In subsecs. (b)(1), (c), “October 1, 1988” was substituted for “the effective date of this subpart” on authority of section 323 of Pub. L. 99–660, as amended, set out as an Effective Date note under section 300aa–1 of this title.

1987—Subsecs. (b)(1), (c). Pub. L. 100–203 substituted “effective date of this subpart” for “effective date of this part”.

§ 300aa–23. Trial

(a) General rule

A civil action against a vaccine manufacturer for damages for a vaccine-related injury or death associated with the administration of a vaccine after October 1, 1988, which is not barred by section 300aa–11(a)(2) of this title shall be tried in three stages.

(b) Liability

The first stage of such a civil action shall be held to determine if a vaccine manufacturer is liable under section 300aa–22 of this title.

(c) General damages

The second stage of such a civil action shall be held to determine the amount of damages (other than punitive damages) a vaccine manufacturer found to be liable under section 300aa–22 of this title shall be required to pay.

(d) Punitive damages

(1) If sought by the plaintiff, the third stage of such an action shall be held to determine the amount of punitive damages a vaccine manufacturer found to be liable under section 300aa–22 of this title shall be required to pay.

(2) If in such an action the manufacturer shows that it complied, in all material respects, with all requirements under the Federal Food, Drug, and Cosmetic Act [21 U.S.C. 301 et seq.] and this chapter applicable to the vaccine and related to the vaccine injury or death with respect to which the action was brought, the manufacturer shall not be held liable for punitive damages unless the manufacturer engaged in—

(A) fraud or intentional and wrongful withholding of information from the Secretary during any phase of a proceeding for approval of the vaccine under section 262 of this title,
(B) intentional and wrongful withholding of information relating to the safety or efficacy of the vaccine after its approval, or
(C) other criminal or illegal activity relating to the safety and effectiveness of vaccines, which activity related to the vaccine-related injury or death for which the civil action was brought.

(e) Evidence

In any stage of a civil action, the Vaccine Injury Table, any finding of fact or conclusion of law of the United States Court of Federal Claims or a special master in a proceeding on a petition filed under section 300aa–11 of this title and the final judgment of the United States Court of Federal Claims and subsequent appellate review on such a petition shall not be admissible.


REFERENCES IN TEXT

The Federal Food, Drug, and Cosmetic Act, referred to in subsec. (d)(2), is act June 29, 1906, ch. 3135, 32 Stat. 361, as amended, which is classified generally to chapter 15 (§301 et seq.) of Title 21, Food and Drugs. For complete classification of this Act to the Code, see Tables.

CODIFICATION

In subsec. (a), “October 1, 1988” substituted for “the effective date of this subpart” on authority of section 323 of Pub. L. 99–660, as amended, set out as an Effective Date note under section 300aa–1 of this title.

AMENDMENTS


1989—Subsec. (e). Pub. L. 101–239 substituted “finding of fact or conclusion of law” for “finding”, “special master” for “master appointed by such court”, and directed substitution of “of the United States Claims Court and subsequent appellate review” for “a district court of the United States” which was executed by inserting “and subsequent appellate review” after “the United States Claims Court” the second place it appeared to reflect the probable intent of Congress and the amendment by Pub. L. 100–203, §4307(a), see 1987 Amendment note below.

1987—Subsec. (a). Pub. L. 100–203, §4302(b)(1), substituted “effective date of this subpart” for “effective date of this part”.

Subsec. (e). Pub. L. 100–203, §4307(9), substituted “the United States Claims Court” for “a district court of the United States” in two places.

EFFECTIVE DATE OF 1992 AMENDMENT


EFFECTIVE DATE OF 1989 AMENDMENT

For applicability of amendments by Pub. L. 101–239 to petitions filed after Dec. 19, 1989, petitions currently pending in which the evidentiary record is closed, and petitions currently pending in which the evidentiary record is not closed, with provision for an immediate suspension for 30 days of all pending cases, see section 6601(a)(1) of Pub. L. 101–239, set out as a note under section 300aa–10 of this title.

SUBPART C—ASSURING A SAFER CHILDHOOD VACCINATION PROGRAM IN UNITED STATES

§ 300aa–25. Recording and reporting of information

(a) General rule

Each health care provider who administers a vaccine set forth in the Vaccine Injury Table to any person shall record, or ensure that there is recorded, in such person’s permanent medical record (or in a permanent office log or file to which a legal representative shall have access upon request) with respect to each such vaccine—

(1) the date of administration of the vaccine,
(2) the vaccine manufacturer and lot number of the vaccine,
(3) the name and address and, if appropriate, the title of the health care provider administering the vaccine, and
(4) any other identifying information on the vaccine required pursuant to regulations promulgated by the Secretary.

(b) Reporting

(1) Each health care provider and vaccine manufacturer shall report to the Secretary—

(A) the occurrence of any event set forth in the Vaccine Injury Table, including the events set forth in section 300aa–14(b) of this title which occur within 7 days of the administration of any vaccine set forth in the Table or within such longer period as is specified in the Table or section,
(B) the occurrence of any contraindicating reaction to a vaccine which is specified in the manufacturer’s package insert, and
(C) such other matters as the Secretary may by regulation require.

Reports of the matters referred to in subparagraphs (A) and (B) shall be made beginning 90 days after December 22, 1987. The Secretary shall publish in the Federal Register as soon as practicable after such date a notice of the reporting requirement.

(2) A report under paragraph (1) respecting a vaccine shall include the time periods after the administration of such vaccine within which vaccine-related illnesses, disabilities, injuries, or conditions, the symptoms and manifestations of such illnesses, disabilities, injuries, or conditions, or deaths occur, and the manufacturer and lot number of the vaccine.

(3) The Secretary shall issue the regulations referred to in paragraph (1)(C) within 180 days of December 22, 1987.

(c) Release of information

(1) Information which is in the possession of the Federal Government and State and local governments under this section and which may identify an individual shall not be made available under section 552 of title 5, or otherwise, to any person except—

(A) the person who received the vaccine, or
(B) the legal representative of such person.

(2) For purposes of paragraph (1), the term “information which may identify an individual”
shall be limited to the name, street address, and telephone number of the person who received the vaccine and of that person's legal representative and the medical records of such person relating to the administration of the vaccine, and shall not include the locality and State of vaccine administration, the name of the health care provider who administered the vaccine, the date of the vaccination, or information concerning any reported illness, disability, injury, or condition resulting from the administration of the vaccine, any symptom or manifestation of such illness, disability, injury, or condition, or death resulting from the administration of the vaccine.

(3) Except as provided in paragraph (1), all information reported under this section shall be available to the public.


CODIFICATION

In subsec. (b)(1), (3), “December 22, 1987” substituted for “the effective date of this subpart” on authority of section 323 of Pub. L. 99–660, as amended, set out as an Effective Date note under section 300aa–1 of this title.

AMENDMENTS

1987—Subsec. (b)(1), (3). Pub. L. 100–203 substituted “effective date of this subpart” for “effective date of this part”.

Effective Date


§ 300aa–26. Vaccine information

(a) General rule

Not later than 1 year after December 22, 1987, the Secretary shall develop and disseminate vaccine information materials for distribution by health care providers to the legal representatives of any child or to any other individual receiving a vaccine set forth in the Vaccine Injury Table. Such materials shall be published in the Federal Register and may be revised.

(b) Development and revision of materials

Such materials shall be developed or revised—

(1) after notice to the public and 60 days of comment thereon, and

(2) in consultation with the Advisory Commission on Childhood Vaccines, appropriate health care providers and parent organizations, the Centers for Disease Control and Prevention, and the Food and Drug Administration.

(c) Information requirements

The information in such materials shall be based on available data and information, shall be presented in understandable terms and shall include—

(1) a concise description of the benefits of the vaccine,

(2) a concise description of the risks associated with the vaccine,

(3) a statement of the availability of the National Vaccine Injury Compensation Program, and

(4) such other relevant information as may be determined by the Secretary.

(d) Health care provider duties

On and after a date determined by the Secretary which is—

(1) after the Secretary develops the information materials required by subsection (a), and

(2) not later than 6 months after the date such materials are published in the Federal Register,

each health care provider who administers a vaccine set forth in the Vaccine Injury Table shall provide to the legal representatives of any child or to any other individual to whom such provider intends to administer such vaccine a copy of the information materials developed pursuant to subsection (a), supplemented with visual presentations or oral explanations, in appropriate cases. Such materials shall be provided prior to the administration of such vaccine.


CODIFICATION

In subsec. (a), “December 22, 1987” substituted for “the effective date of this subpart” on authority of section 323 of Pub. L. 99–660, as amended, set out as an Effective Date note under section 300aa–1 of this title.

AMENDMENTS

1993—Subsec. (a). Pub. L. 103–183, §708(c), inserted “or to any other individual” after “to the legal representatives of any child”.

Subsec. (b). Pub. L. 103–183, §708(a), struck out “by rule” after “revised” in introductory provisions and substituted “and 60" for “", opportunity for a public hearing, and 90" in par. (1).

Subsec. (c). Pub. L. 103–183, §708(b), inserted in introductory provisions “shall be based on available data and information,” after “such materials”.

1992—Subsec. (a). Pub. L. 102–531, §312(d)(15), inserted “or to any other individual” after “to the legal representatives of any child”.

1989—Pub. L. 101–239, §6601(p), substituted “and 60" for ‘‘, opportunity for a public hearing, and 90‘‘ in par. (1).

1987—Subsec. (b). Pub. L. 100–203, §4302(b)(1), substituted “after the Secretary develops the information materials required by subsection (a),” for “within 6 months after December 22, 1987, and 90 days after December 22, 1987,” and added par. (3).
“(9) a summary of—
“(A) relevant Federal recommendations concerning a complete schedule of childhood immunizations, and
“(B) the availability of the Program, and
“(10) such other relevant information as may be determined by the Secretary.”
Subsec. (d). Pub. L. 103–183, § 708(c), (d), in concluding provisions, inserted “or to any other individual” after “the legal representatives of any child”, substituted “supplemented with visual presentations or oral explanations of appropriate cases” for “or other written information which meets the requirements of this section”, and struck out “or other information” after “Such materials”.
1989—Subsec. (c)(9). Pub. L. 101–239 amended par. (9) generally. Prior to amendment, par. (9) read as follows: “a summary of relevant State and Federal laws concerning the vaccine, including information on—
“(A) the number of vaccinations required for school attendance and the schedule recommended for such vaccinations, and
“(B) the availability of the Program, and”.
1987—Subsec. (a). Pub. L. 100–203 substituted “effective date of this subpart” for “effective date of this part”.

Effective Date of 1989 Amendment
For applicability of amendments by Pub. L. 101–239 to petitions filed after Dec. 19, 1989, petitions currently pending in which the evidentiary record is closed, and petitions currently pending in which the evidentiary record is not closed, with provision for an immediate suspension for 30 days of all pending cases, see section 6601(a)(1) of Pub. L. 101–239, set out as a note under section 300aa–10 of this title.

§ 300aa–27. Mandate for safer childhood vaccines
(a) General rule
In the administration of this part and other pertinent laws under the jurisdiction of the Secretary, the Secretary shall—
(1) promote the development of childhood vaccines that result in fewer and less serious adverse reactions than those vaccines on the market on December 22, 1987, and promote the refinement of such vaccines, and
(2) make or assure improvements in, and otherwise use the authorities of the Secretary with respect to, the licensing, manufacturing, processing, testing, labeling, warning, use instructions, distribution, storage, administration, field surveillance, adverse reaction reporting, and recall of reactogenic lots or batches of vaccines, and research on vaccines, in order to reduce the risks of adverse reactions to vaccines.

(b) Task force
(1) The Secretary shall establish a task force on safer childhood vaccines which shall consist of the Director of the National Institutes of Health, the Commissioner of the Food and Drug Administration, and the Director of the Centers for Disease Control.
(2) The Director of the National Institutes of Health shall serve as chairman of the task force.
(3) In consultation with the Advisory Commission on Childhood Vaccines, the task force shall prepare recommendations to the Secretary concerning implementation of the requirements of subsection (a).

(c) Report
Within 2 years after December 22, 1987, and periodically thereafter, the Secretary shall prepare and transmit to the Committee on Energy and Commerce of the House of Representatives and the Committee on Labor and Human Resources of the Senate a report describing the actions taken pursuant to subsection (a) during the preceding 2-year period.


Condensation
In subsecs. (a)(1), (c), “December 22, 1987” substituted for “the effective date of this subpart” on authority of section 325 of Pub. L. 99–660, as amended, set out as an Effective Date note under section 300aa–1 of this title.

Amendments
1989—Subsecs. (b), (c). Pub. L. 101–239 added subsec. (b) and redesignated former subsec. (b) as (c).
1987—Subsec. (a)(1), (b). Pub. L. 100–203 substituted “effective date of this subpart” for “effective date of this part”.

Change of Name
Committee on Labor and Human Resources of Senate changed to Committee on Health, Education, Labor, and Pensions of Senate by Senate Resolution No. 20, One Hundred Sixth Congress, Jan. 19, 1999.
Committee on Energy and Commerce of House of Representatives treated as referring to Committee on Commerce of House of Representatives by section 1(a) of Pub. L. 104–14, set out as a note preceding section 21 of Title 2, The Congress.
Committee on Commerce of House of Representatives changed to Committee on Energy and Commerce of House of Representatives, and jurisdiction over matters relating to securities and exchanges and insurance generally transferred to Committee on Financial Services of House of Representatives by House Resolution No. 5, One Hundred Seventh Congress, Jan. 3, 2001.

Effective Date of 1989 Amendment
For applicability of amendments by Pub. L. 101–239 to petitions filed after Dec. 19, 1989, petitions currently pending in which the evidentiary record is closed, and petitions currently pending in which the evidentiary record is not closed, with provision for an immediate suspension for 30 days of all pending cases, see section 6601(a)(1) of Pub. L. 101–239, set out as a note under section 300aa–10 of this title.

§ 300aa–28. Manufacturer recordkeeping and reporting
(a) General rule
Each vaccine manufacturer of a vaccine set forth in the Vaccine Injury Table or any other vaccine the administration of which is mandated by the law or regulations of any State, shall, with respect to each batch, lot, or other quantity manufactured or licensed after December 22, 1987—
(1) prepare and maintain records documenting the history of the manufacturing, processing, testing, repooling, and reworking of each batch, lot, or other quantity of such vaccine, including the identification of any significant problems encountered in the production, testing, or handling of such batch, lot, or other quantity,
(2) if a safety test on such batch, lot, or other quantity indicates a potential imminent or substantial public health hazard is presented, report to the Secretary within 24 hours of such safety test which the manufacturer (or manufacturer's representative) conducted, including the date of the test, the type of vaccine tested, the identity of the batch, lot, or other quantity tested, whether the batch, lot, or other quantity tested is the product of re-pooling or reworking of previous batches, lots, or other quantities (and, if so, the identity of the previous batches, lots, or other quantities which were re-pooled or reworked), the complete test results, and the name and address of the person responsible for conducting the test.

(3) include with each such report a certification signed by a responsible corporate official that such report is true and complete, and

(4) prepare, maintain, and upon request submit to the Secretary product distribution records for each such vaccine by batch, lot, or other quantity number.

(b) Sanction

Any vaccine manufacturer who intentionally destroys, alters, falsifies, or conceals any record or report required under paragraph (1) or (2) of subsection (a) shall—

(1) be subject to a civil penalty of up to $100,000 per occurrence, or

(2) be fined $50,000 or imprisoned for not more than 1 year, or both.

Such penalty shall apply to the person who intentionally destroyed, altered, falsified, or concealed such record or report, to the person who directed that such record or report be destroyed, altered, falsified, or concealed, and to the vaccine manufacturer for which such person is an agent, employee, or representative. Each act of destruction, alteration, falsification, or concealment shall be treated as a separate occurrence.


AMENDMENTS

1987—Subsec. (a). Pub. L. 100–203, which directed that subsec. (c) be amended by substituting “to any plaintiff who substantially prevails on one or more significant issues in the action” for “to any party, whenever the court determines that such award is appropriate”, was executed by making the substitution for “to any party, whenever the court determines such award is appropriate”, to reflect the probable intent of Congress.


(c) Costs of litigation

The court, in issuing any final order in any action under this section, may award costs of litigation (including reasonable attorney and expert witness fees) to any plaintiff who substantially prevails on one or more significant issues in the action.


AMENDMENTS

1987—Subsec. (c). Pub. L. 100–203 substituted “to any plaintiff who substantially prevails on one or more significant issues in the action” for “to any party, whenever the court determines that such award is appropriate”, was executed by making the substitution for “to any party, whenever the court determines such award is appropriate”, to reflect the probable intent of Congress.

EFFECTIVE DATE


§ 300aa–32. Judicial review

A petition for review of a regulation under this part may be filed in a court of appeals of the United States within 60 days from the date of the promulgation of the regulation or after such date if such petition is based solely on grounds arising after such 60th day.

(July 1, 1944, ch. 373, title XXI, §2132, as added Pub. L. 99–660, title III, §311(a), Nov. 14, 1986, 100 Stat. 3777.)

§ 300aa–33. Definitions

For purposes of this part:

(1) The term “health care provider” means any licensed health care professional, organization, or institution, whether public or private (including Federal, State, and local departments, agencies, and instrumentalities) under whose authority a vaccine set forth in the Vaccine Injury Table, meets and local departments, agencies, and instrumentalities) under whose authority a vaccine set forth in the Vaccine Injury Table, meets and local departments, agencies, and instrumentalities) under whose authority a vaccine set forth in the Vaccine Injury Table, except that, for purposes of section 300aa–28 of this title, such term shall include the manufacturer of any other vaccine covered by that section. The term “manufacturer” means to manufacture, import, process, or distribute a vaccine.

(2) The term “legal representative” means a parent or an individual who qualifies as a legal guardian under State law.

(3) The term “manufacturer” means any corporation, organization, or institution, whether public or private (including Federal, State, and local departments, agencies, and instrumentalities), which manufactures, imports, processes, or distributes under its label any vaccine set forth in the Vaccine Injury Table. This section. The term “manufacture” means to manufacture, import, process, or distribute a vaccine.

(4) The term “significant aggravation” means any change for the worse in a preexisting condition which results in markedly greater disability, pain, or illness accompanied by substantial deterioration of health.
(5) The term “vaccine-related injury or death” means an illness, injury, condition, or death associated with one or more of the vaccines set forth in the Vaccine Injury Table, except that the term does not include an illness, injury, condition, or death associated with an adulterant or contaminant intentionally added to such a vaccine.

(6)(A) The term “Advisory Commission on Childhood Vaccines” means the Commission established under section 300aa-19 of this title.

(B) The term “Vaccine Injury Table” means the table set out in section 300aa-14 of this title.


AMENDMENTS

2003—Pars. (3), (5), (7). Pub. L. 107–296 repealed Pub. L. 107–266, §§1714–1717, and provided that the chapter shall be applied as if the sections repealed had never been enacted. See 2002 Amendment notes below.

2002—Par. (3). Pub. L. 107–266, §1714, which directed amendment of first sentence by substituting “any vaccine set forth in the Vaccine Injury table, including any component or ingredient of any such vaccine” for “under its label any vaccine set forth in the Vaccine Injury Table” and of second sentence by inserting “including any component or ingredient of any such vaccine” before period at end, was repealed by Pub. L. 107–296.

Par. (5). Pub. L. 107–296, §1715, which directed insertion of “For purposes of the preceding sentence, an adulterant or contaminant shall not include any component or ingredient listed in a vaccine’s product license application or product label.” at end, was repealed by Pub. L. 108–7.

Par. (7). Pub. L. 107–296, §1716, which directed addition of subparagraph (B) to par. (7), was repealed by Pub. L. 108–7, §102(a). Par. (7) read as follows: “The term ‘vaccine’ means any preparation or suspension, including but not limited to a preparation or suspension containing an attenuated or inactive microorganism or subunit thereof or toxin, developed or administered to produce or enhance the body’s immune response to a disease or diseases and includes all components and ingredients listed in the vaccine’s product license application and product label.”

EFFECTIVE DATE OF 2002 AMENDMENT

Pub. L. 107–296, title XVII, §1717, Nov. 25, 2002, 116 Stat. 2321, which provided that the amendments made by sections 1714, 1715, and 1716 (amending this section) shall apply to actions or proceedings pending on or after Dec. 22, 1987, unless a court of competent jurisdiction has entered judgment (regardless of whether the time for appeal has expired) in such action or proceeding disposing of the entire action or proceeding, was repealed by Pub. L. 108–7, div. L, §102(a), Feb. 20, 2003, 117 Stat. 528.

CONSTRUCTION OF AMENDMENTS


“(b) APPLICATION OF THE PUBLIC HEALTH SERVICE ACT.—The Public Health Service Act (42 U.S.C. 201 et seq.) shall be applied and administered as if the sections repealed by subsection (a) (repealing sections 1714 to 1717 of Pub. L. 107–296, which amended this section and enacted provisions set out as a note under this section) had never been enacted.

“(c) RULE OF CONSTRUCTION.—No inference shall be drawn from the enactment of sections 1714 through 1717 of the Homeland Security Act of 2002 (Public Law 107–296), or from this repeal [repealing sections 1714 to 1717 of Pub. L. 107–296], regarding the law prior to enactment of sections 1714 through 1717 of the Homeland Security Act of 2002 (Public Law 107–296) (Nov. 25, 2002). Further, no inference shall be drawn that subsection (a) or (b) affects any change in that prior law, or that Leroy v. Secretary of Health and Human Services, Office of Special Master, No. 02–392V (October 11, 2002), was incorrectly decided.”

§300aa–34. Termination of program

(a) Reviews

The Secretary shall review the number of awards of compensation made under the program to petitioners under section 300aa–11 of this title for vaccine-related injuries and deaths associated with the administration of vaccines on or after December 22, 1987, as follows:

(1) The Secretary shall review the number of such awards made in the 12-month period beginning on December 22, 1987.

(2) At the end of each 3-month period beginning after the expiration of the 12-month period referred to in paragraph (1) the Secretary shall review the number of such awards made in the 3-month period.

(b) Report

(1) If in conducting a review under subsection (a) the Secretary determines that at the end of the period reviewed the total number of awards made by the end of that period and accepted under section 300aa–21(a) of this title exceeds the number of awards listed next to the period reviewed in the table in paragraph (2)—

(A) the Secretary shall notify the Congress of such determination, and

(B) beginning 180 days after the receipt by Congress of a notification under paragraph (1), no petition for a vaccine-related injury or death associated with the administration of a vaccine on or after December 22, 1987, may be filed under section 300aa–11 of this title.

Section 300aa–11(a) of this title and subpart B of this part shall not apply to civil actions for damages for a vaccine-related injury or death for which a petition may not be filed because of subparagraph (B).

(2) The table referred to in paragraph (1) is as follows:

<table>
<thead>
<tr>
<th>Period reviewed</th>
<th>Total number of awards by the end of the period reviewed</th>
</tr>
</thead>
<tbody>
<tr>
<td>12 months after December 22, 1987</td>
<td>150</td>
</tr>
<tr>
<td>13th through the 15th month after December 22, 1987</td>
<td>188</td>
</tr>
<tr>
<td>16th through the 18th month after December 22, 1987</td>
<td>225</td>
</tr>
<tr>
<td>19th through the 21st month after December 22, 1987</td>
<td>263</td>
</tr>
<tr>
<td>22nd through the 24th month after December 22, 1987</td>
<td>300</td>
</tr>
<tr>
<td>25th through the 27th month after December 22, 1987</td>
<td>338</td>
</tr>
<tr>
<td>28th through the 30th month after December 22, 1987</td>
<td>375</td>
</tr>
<tr>
<td>31st through the 33rd month after December 22, 1987</td>
<td>413</td>
</tr>
<tr>
<td>34th through the 36th month after December 22, 1987</td>
<td>450</td>
</tr>
</tbody>
</table>
§ 300bb–1. State and local governmental group health plans must provide continuation coverage to certain individuals

(a) In general

In accordance with regulations which the Secretary shall prescribe, each group health plan that is maintained by any State that receives funds under this subchapter, by any political subdivision of such a State, or by any agency or instrumentality of such a State or political subdivision, shall provide, in accordance with this subchapter, that each qualified beneficiary who would lose coverage under the plan as a result of a qualifying event is entitled, under the plan, to elect, within the election period, continuation coverage under the plan.

(b) Exception for certain plans

Subsection (a) shall not apply to—

(1) any group health plan for any calendar year if all employers maintaining such plan normally employ fewer than 20 employees on a typical business day during the preceding calendar year;

(2) any group health plan maintained for employees by the government of the District of Columbia or any territory or possession of the United States or any agency or instrumentality.

(July 1, 1944, ch. 373, title XXI, § 2134, as added Pub. L. 100–203, title IV, § 4303(f), Dec. 22, 1987, 101 Stat. 1330–222.)

AMENDMENTS

1989—Subsec. (b). Pub. L. 101–239 struck out at end "Under regulations, rules similar to the rules of subsections (a) and (b) of section 52 of title 26 (relating to employers under common control) shall apply for purposes of paragraph (1)."

EFFECTIVE DATE OF 1989 AMENDMENT


§ 300bb–2. Continuation coverage

For purposes of section 300bb–1 of this title, the term "continuation coverage" means coverage under the plan which meets the following requirements:

(1) Type of benefit coverage

The coverage must consist of coverage which, as of the time the coverage is being provided, is identical to the coverage provided under the plan to similarly situated beneficiaries under the plan with respect to whom a qualifying event has not occurred. If coverage is modified under the plan for any group of similarly situated beneficiaries, such coverage shall also be modified in the same manner for all individuals who are qualified beneficiaries under the plan pursuant to this part in connection with such group.

(2) Period of coverage

The coverage must extend for at least the period beginning on the date of the qualifying event and ending not earlier than the earliest of the following:

(A) Maximum required period

(i) General rule for terminations and reduced hours

In the case of a qualifying event described in section 300bb–3(2) of this title, except as provided in clause (ii), the date which is 18 months after the date of the qualifying event.

(ii) Special rule for multiple qualifying events

If a qualifying event occurs during the 18 months after the date of a qualifying event described in section 300bb–3(2) of this title, the date which is 36 months after the date of the qualifying event described in section 300bb–3(2) of this title.

SOCIAL SECURITY ACT

CERTAIN STATE AND LOCAL EMPLOYEES

CERTAIN GROUP HEALTH PLANS FOR CERTAIN STATE AND LOCAL EMPLOYEES

§ 300bb–1. State and local governmental group health plans must provide continuation coverage to certain individuals

(a) In general

In accordance with regulations which the Secretary shall prescribe, each group health plan that is maintained by any State that receives funds under this subchapter, by any political subdivision of such a State, or by any agency or instrumentality of such a State or political subdivision, shall provide, in accordance with this subchapter, that each qualified beneficiary who would lose coverage under the plan as a result of a qualifying event is entitled, under the plan, to elect, within the election period, continuation coverage under the plan.

(b) Exception for certain plans

Subsection (a) shall not apply to—

(1) any group health plan for any calendar year if all employers maintaining such plan normally employ fewer than 20 employees on a typical business day during the preceding calendar year;

(2) any group health plan maintained for employees by the government of the District of Columbia or any territory or possession of the United States or any agency or instrumentality.

(July 1, 1944, ch. 373, title XXII, § 2201, as added Pub. L. 99–272, title X, § 10003(a), Apr. 7, 1986, 100 Stat. 236, provided that:

"(1) GENERAL RULE.—The amendments made by this section [enacting this subchapter] shall apply to plan years beginning on or after July 1, 1986.

"(2) SPECIAL RULE FOR COLLECTIVE BARGAINING AGREEMENTS.—In the case of a group health plan maintained pursuant to one or more collective bargaining agreements between employee representatives and one or more employers ratified before the date of the enactment of this Act [Apr. 7, 1986], the amendments made by this section shall not apply to plan years beginning before the later of—

"(A) the date on which the last of the collective bargaining agreements relating to the plan terminates [determined without regard to any extension thereof agreed to after the date of the enactment of this Act], or


For purposes of subparagraph (A), any plan amendment made pursuant to a collective bargaining agreement relating to the plan which amends the plan solely to conform to any requirement added by this section shall not be treated as a termination of such collective bargaining agreement."

§ 300bb–2. Continuation coverage

For purposes of section 300bb–1 of this title, the term "continuation coverage" means coverage under the plan which meets the following requirements:

(1) Type of benefit coverage

The coverage must consist of coverage which, as of the time the coverage is being provided, is identical to the coverage provided under the plan to similarly situated beneficiaries under the plan with respect to whom a qualifying event has not occurred. If coverage is modified under the plan for any group of similarly situated beneficiaries, such coverage shall also be modified in the same manner for all individuals who are qualified beneficiaries under the plan pursuant to this part in connection with such group.

(2) Period of coverage

The coverage must extend for at least the period beginning on the date of the qualifying event and ending not earlier than the earliest of the following:

(A) Maximum required period

(i) General rule for terminations and reduced hours

In the case of a qualifying event described in section 300bb–3(2) of this title, except as provided in clause (ii), the date which is 18 months after the date of the qualifying event.

(ii) Special rule for multiple qualifying events

If a qualifying event occurs during the 18 months after the date of a qualifying event described in section 300bb–3(2) of this title, the date which is 36 months after the date of the qualifying event described in section 300bb–3(2) of this title.

TOTAL NUMBER OF AWARDS BY THE END OF THE PERIOD REVIEWED

<table>
<thead>
<tr>
<th>Period reviewed</th>
<th>Total number of awards</th>
</tr>
</thead>
<tbody>
<tr>
<td>37th through the 39th month after December 22, 1987</td>
<td>488</td>
</tr>
<tr>
<td>40th through the 42nd month after December 22, 1987</td>
<td>525</td>
</tr>
<tr>
<td>43rd through the 45th month after December 22, 1987</td>
<td>563</td>
</tr>
<tr>
<td>46th through the 48th month after December 22, 1987</td>
<td>600</td>
</tr>
</tbody>
</table>

(July 1, 1944, ch. 373, title XXII, § 236, provided that:

"For purposes of subpart (a), the date on which the last of the collective bargaining agreements relating to the plan terminates (determined without regard to any extension thereof agreed to after the date of the enactment of this Act), or


For purposes of subparagraph (A), any plan amendment made pursuant to a collective bargaining agreement relating to the plan which amends the plan solely to conform to any requirement added by this section shall not be treated as a termination of such collective bargaining agreement.

EFFECTIVE DATE

Pub. L. 99–272, title X, § 10003(b), Apr. 7, 1986, 100 Stat. 2296, provided that:

"(1) GENERAL RULE.—The amendments made by this section [enacting this subchapter] shall apply to plan years beginning on or after July 1, 1986.

"(2) SPECIAL RULE FOR COLLECTIVE BARGAINING AGREEMENTS.—In the case of a group health plan maintained pursuant to one or more collective bargaining agreements between employee representatives and one or more employers ratified before the date of the enactment of this Act [Apr. 7, 1986], the amendments made by this section shall not apply to plan years beginning before the later of—

"(A) the date on which the last of the collective bargaining agreements relating to the plan terminates [determined without regard to any extension thereof agreed to after the date of the enactment of this Act], or


For purposes of subparagraph (A), any plan amendment made pursuant to a collective bargaining agreement relating to the plan which amends the plan solely to conform to any requirement added by this section shall not be treated as a termination of such collective bargaining agreement."
(iii) General rule for other qualifying events

In the case of a qualifying event not described in section 300bb–3(2) of this title, the date which is 36 months after the date of the qualifying event.

(iv) Special rule for TAA-eligible individuals

In the case of a qualifying event described in section 300bb–3(2) of this title with respect to a covered employee who is (as of the date that the period of coverage would, but for this clause or clause (v), otherwise terminate under clause (i) or (ii)) a TAA-eligible individual (as defined in section 300bb–5(b)(4)(B) of this title), the period of coverage shall not terminate by reason of clause (i) or (ii), as the case may be, before the later of the date specified in such clause or the date on which such individual ceases to be such a TAA-eligible individual. The preceding sentence shall not require any period of coverage to extend beyond January 1, 2014.

(v) Medicare entitlement followed by qualifying event

In the case of a qualifying event described in section 300bb–3(2) of this title that occurs less than 18 months after the date the covered employee became entitled to benefits under title XVIII of the Social Security Act [42 U.S.C. 1395 et seq.], the period of coverage for qualified beneficiaries other than the covered employee shall not terminate under this subparagraph before the close of the 36-month period beginning on the date the covered employee became so entitled.

(vi) Special rule for disability

In the case of a qualified beneficiary who is determined, under title II or XVI of the Social Security Act [42 U.S.C. 401 et seq., 1381 et seq.], to have been disabled at any time during the first 60 days of continuation coverage under this subchapter, any reference in clause (i) or (ii) to 18 months is deemed a reference to 29 months (with respect to all qualified beneficiaries), but only if the qualified beneficiary has provided notice of such determination under section 300bb–6(3) of this title before the end of such 18 months.

(B) End of plan

The date on which the employer ceases to provide any group health plan to any employee.

(C) Failure to pay premium

The date on which coverage ceases under the plan by reason of a failure to make timely payment of any premium required under the plan with respect to the qualified beneficiary. The payment of any premium (other than any payment referred to in the last sentence of paragraph (3)) shall be considered to be timely if made within 30 days after the date due or within such longer period as applies to or under the plan.

(D) Group health plan coverage or medicare entitlement

The date on which the qualified beneficiary first becomes, after the date of the election—

(i) covered under any other group health plan (as an employee or otherwise) which does not contain any exclusion or limitation with respect to any preexisting condition of such beneficiary (other than such an exclusion or limitation which does not apply to (or is satisfied by) such beneficiary by reason of clause (v)) while such beneficiary is disabled at any time during the first 60 days of continuation coverage under this subchapter, any reference in subparagraph (A) to 102 percent is deemed a reference to 150 percent.

(ii) entitled to benefits under title XVIII of the Social Security Act [42 U.S.C. 1395 et seq.], the month that begins more than 30 days after the date of the final determination under title II or XVI of the Social Security Act [42 U.S.C. 1395 et seq.] that the qualified beneficiary is no longer disabled.

(3) Premium requirements

The plan may require payment of a premium for any period of continuation coverage, except that such premium—

(A) shall not exceed 102 percent of the applicable premium for such period, and

(B) may, at the election of the payor, be made in monthly installments.

In no event may the plan require the payment of any premium before the day which is 45 days after the day on which the qualified beneficiary made the initial election for continuation coverage. In the case of a qualified beneficiary who is determined, under title II or XVI of the Social Security Act [42 U.S.C. 401 et seq., 1381 et seq.], to have been disabled at any time during the first 60 days of continuation coverage under this subchapter, any reference in subparagraph (A) to 102 percent is deemed a reference to 150 percent.

(4) No requirement of insurability

The coverage may not be conditioned upon, or discriminate on the basis of lack of, evidence of insurability.

(5) Conversion option

In the case of a qualified beneficiary whose period of continuation coverage expires under paragraph (2)(A), the plan must, during the 180-day period ending on such expiration date, provide to the qualified beneficiary the option of enrollment under a conversion health plan otherwise generally available under the plan.

(6) Termination of extended coverage for disability

In the case of a qualified beneficiary who is disabled at any time during the first 60 days of continuation coverage under this subchapter, the month that begins more than 30 days after the date of the final determination under title II or XVI of the Social Security Act [42 U.S.C. 1395 et seq.] that the qualified beneficiary is no longer disabled.

(7) Medicare entitlement

The date on which the qualified beneficiary first becomes entitled to Medicare.

(8) No exclusion or limitation

Except that any exclusion or limitation which does not apply to (or is satisfied by) such beneficiary by reason of clause (v) while such beneficiary is disabled at any time during the first 60 days of continuation coverage under this subchapter, any reference in subparagraph (A) to 102 percent is deemed a reference to 150 percent.

(9) Coverage

The coverage may not be conditioned upon, or discriminate on the basis of lack of, evidence of insurability.

(10) Conversion option

In the case of a qualified beneficiary whose period of continuation coverage expires under paragraph (2)(A), the plan must, during the 180-day period ending on such expiration date, provide to the qualified beneficiary the option of enrollment under a conversion health plan otherwise generally available under the plan.

§ 300bb–2  TITLE 42—THE PUBLIC HEALTH AND WELFARE  Page 1318


REFERENCES IN TEXT

The Social Security Act, referred to in par. (2)(A)(v), (vi), (D)(i), and (E), is act Aug. 14, 1935, ch. 531, 49 Stat. 620, 7(2) (29 U.S.C. 1381 et seq.), and XVIII (§1385 et seq.), respectively, of chapter 7 of this title. For complete classification of this Act to the Code, see section 1385 of this title and Tables.


AMENDMENTS


Par. (2)(A)(v) to (vi). Pub. L. 111–5, § 1899F(c)(2), added cl. (iv) and redesignated former cls. (iv) and (v) as (v) and (vi), respectively.


Pub. L. 111–5, § 1899F(c)(3), redesignated former cls. (ii) and (i) as (i) and (ii), respectively.


Pub. L. 104–191, § 421(a)(1)(A)(iii), added heading “AMENDMENTS” generally. Prior to amendment, text read as follows: “In the case of an individual described in the last sentence of paragraph (2)(A), any reference in subparagraph (A) of paragraph (2)(A) to ‘150 percent’ is deemed a reference to ‘102 percent’ for any month after the 18th month of continuation coverage described in clause (i) or (ii) of paragraph (2)(A).” See Amendment note above.

1989—Par. (1). Pub. L. 99–514, § 1895(d)(1)(C), inserted at end “It coverage is modified under the plan for any group of similarly situated beneficiaries, such coverage shall also be modified in the same manner for all individuals who are qualified beneficiaries under the plan pursuant to this part in connection with such group.”


(i) a qualifying event described in section 300bb–3(2) of this title (relating to terminations and reduced hours), the date which is 18 months after the date of the qualifying event, and

(ii) any qualifying event not described in clause (i), the date which is 36 months after the date of the qualifying event.”

Par. (2)(C). Pub. L. 99–514, § 1895(d)(3)(C), inserted at end “The payment of any premium (other than any payment referred to in the last sentence of paragraph (3)) shall be considered to be timely if made within 30 days after the due date or within such longer period as applies to or under the plan.”

Par. (2)(D). Pub. L. 99–514, § 1895(d)(4)(C)(ii), (iii), (iv), substituted “Group health plan coverage” for “Reemployment benefits” in heading, added cl. (i), and struck out former cl. (i) which read as follows: “a covered employee under any other group health plan.”

Par. (2)(E). Pub. L. 99–514, § 1895(d)(4)(C)(i), struck out subpar. (E), remarriage of spouse, which read as follows: “In the case of an individual who is a qualified beneficiary by reason of being the spouse of a covered employee, the date on which the beneficiary remarries and becomes covered under a group health plan.”

Effectiveness Date of 2011 Amendments

Amendment by Pub. L. 112–40 applicable to periods of coverage which would (without regard to the amendments made by section 234 of Pub. L. 112–40) end on or after the date which is 30 days after Oct. 21, 2011, see
section 4980B of Title 26, Internal Revenue Code.

**Effective Date of 2010 Amendment**

Amendment by Pub. L. 111–344 applicable to periods of coverage which would (without regard to such amendment) end on or after Dec. 31, 2010, set out as a note under section 4980B of Title 26, Internal Revenue Code.

**Effective Date of 2009 Amendment**

Except as otherwise provided and subject to certain applicability provisions, amendment by Pub. L. 111–5 effective upon the expiration of the 90-day period beginning on Feb. 17, 2009, see section 1891 of Pub. L. 111–5, set out as an Effective and Termination Dates of 2009 Amendment note under section 2271 of Title 19, Customs Duties.

Amendment by Pub. L. 111–5 applicable to periods of coverage which would (without regard to amendment by Pub. L. 111–5) end on or after Feb. 17, 2009, see section 1899F(d) of Pub. L. 111–5, set out as a note under section 4980B of Title 26, Internal Revenue Code.

**Effective Date of 1996 Amendments**

Amendment by Pub. L. 104–191 effective Jan. 1, 1997, regardless of whether the qualifying event occurred before, on, or after such date, see section 421(d) of Pub. L. 104–191, set out as a note under section 4980B of Title 26, Internal Revenue Code.

Amendment by Pub. L. 104–188 applicable to plan years beginning after Dec. 31, 1989, see section 1704(g)(2) of Pub. L. 104–188, set out as a note under section 4980B of Title 26.

**Effective Date of 1989 Amendment**

Pub. L. 101–239, title VI, § 6702(d), 103 Stat. 2296, provided that: "The amendments made by this section [amending this section and section 300bb–6 of this title] shall apply to plan years beginning on or after the date of enactment of this Act [Dec. 19, 1989], regardless of whether the qualifying event occurred before, on, or after such date."

Pub. L. 101–239, title VI, § 6801(b)(1)(B), 103 Stat. 2297, provided that: "The amendments made by this subparagraph [amending this section] shall apply to plan years beginning after December 31, 1989."

Pub. L. 101–239, title VI, § 6801(b)(2)(B), 103 Stat. 2297, provided that: "The amendments made by subparagraph (A) [amending this section] shall apply to—"

"(i) qualifying events occurring after December 31, 1989, and

"(ii) in the case of qualified beneficiaries who elected continuation coverage after December 31, 1988, the period for which the required premium was paid (or was attempted to be paid but was rejected as such)."

Pub. L. 101–239, title VI, § 6801(b)(3)(B), 103 Stat. 2297, provided that: "The amendments made by subparagraphs (A) [amending this section] shall apply to plan years beginning after December 31, 1989."

**Effective Date of 1986 Amendment**


**PLAN AMENDMENTS NOT REQUIRED UNTIL JANUARY 1, 1989**

For purposes of this subchapter—

(1) In general

The term "applicable premium" means, with respect to any period of continuation coverage of qualified beneficiaries, the cost to the plan for such period of the coverage for similarly situated beneficiaries with respect to whom a qualifying event has not occurred (without regard to whether such cost is paid by the employer or employee).

(2) Special rule for self-insured plans

To the extent that a plan is a self-insured plan—

(A) In general

Except as provided in subparagraph (B), the applicable premium for any period of continuation coverage of qualified beneficiaries shall be equal to a reasonable estimate of the cost of providing coverage for such period for similarly situated beneficiaries which—

(i) is determined on an actuarial basis, and

(ii) takes into account such factors as the Secretary may prescribe in regulations.

(B) Determination on basis of past cost

If a plan administrator elects to have this subparagraph apply, the applicable premium for any period of continuation coverage of qualified beneficiaries shall be equal to—

(i) the cost to the plan for similarly situated beneficiaries for the same period oc-
§ 300bb–5

Election

(a) In general

For purposes of this subchapter—

(1) Election period

The term "election period" means the period which—

(A) begins not later than the date on which coverage terminates under the plan by reason of a qualifying event,

(B) is of at least 60 days' duration, and

(C) ends not earlier than 60 days after the later of—

(i) the date described in subparagraph (A), or

(ii) in the case of any qualified beneficiary who receives notice under section 300bb–6(4) of this title, the date of such notice.

(2) Effect of election on other beneficiaries

Except as otherwise specified in an election, any election of continuation coverage by a qualified beneficiary described in subparagraph (A)(i) or (B) of section 300bb–8(3) of this title shall be deemed to include an election of continuation coverage on behalf of any other qualified beneficiary who would lose coverage under the plan by reason of the qualifying event. If there is a choice among types of coverage under the plan, each qualified beneficiary is entitled to make a separate selection among such types of coverage.

(b) Temporary extension of COBRA election period for certain individuals

(1) In general

In the case of a nonelecting TAA-eligible individual and notwithstanding subsection (a), such individual may elect continuation coverage under this subchapter during the 60-day period that begins on the first day of the month in which the individual becomes a TAA-eligible individual, but only if such election is made not later than 6 months after the date of the TAA-related loss of coverage.

(2) Commencement of coverage; no reach-back

Any continuation coverage elected by a TAA-eligible individual under paragraph (1) shall commence at the beginning of the 60-day election period described in such paragraph and shall not include any period prior to such 60-day election period.

(3) Preexisting conditions

With respect to an individual who elects continuation coverage pursuant to paragraph (1), the period—

(A) beginning on the date of the TAA-related loss of coverage, and

(B) ending on the first day of the 60-day election period described in paragraph (1),

shall be disregarded for purposes of determining the 63-day periods referred to in section 270I(c)(2), section 1181(c)(2) of title 29, and section 9801(c)(2) of title 26.

(4) Definitions

For purposes of this subsection:

(A) Nonelecting TAA-eligible individual

The term "nonelecting TAA-eligible individual" means a TAA-eligible individual who—

(i) has a TAA-related loss of coverage; and

(ii) did not elect continuation coverage under this part during the TAA-related election period.

(B) TAA-eligible individual

The term "TAA-eligible individual" means—

(i) an eligible TAA recipient (as defined in paragraph (2) of section 35(c) of title 26), and

(ii) an eligible alternative TAA recipient (as defined in paragraph (3) of such section).

(C) TAA-related election period

The term "TAA-related election period" means, with respect to a TAA-related loss of coverage, the 60-day election period under this part which is a direct consequence of such loss.

(D) TAA-related loss of coverage

The term "TAA-related loss of coverage" means, with respect to an individual whose separation from employment gives rise to being a TAA-eligible individual, the loss of health benefits coverage associated with such separation.

1 See References in Text note below.
2 So in original. This subchapter is not divided into parts.
§ 300bb-6. Notice requirements

In accordance with regulations prescribed by the Secretary—

(1) the group health plan shall provide, at the time of commencement of coverage under the plan, written notice to each covered employee and spouse of the employee (if any) of the rights provided under this subdivision,

(2) the employer of an employee under a plan must notify the plan administrator of a qualifying event described in paragraph (1), (2), or (4) of section 300bb–3 of this title within 30 days of the date of the qualifying event,

(3) each covered employee or qualified beneficiary is responsible for notifying the plan administrator of the occurrence of any qualifying event described in paragraph (3) or (5) of section 300bb–3 of this title within 60 days after the date of the qualifying event and each qualified beneficiary who is determined, under title II or XVI of the Social Security Act [42 U.S.C. 401 et seq., 1311 et seq.], to have been disabled at any time during the first 60 days of continuation coverage under this subchapter is responsible for notifying the plan administrator of such determination within 60 days after the date of the determination and for notifying the plan administrator within 30 days after the date of any final determination under such title or titles that the qualified beneficiary is no longer disabled, and

(4) the plan administrator shall notify—

(A) in the case of a qualifying event described in paragraph (1), (2), or (4) of section 300bb–3 of this title, any qualified beneficiary with respect to such event, and

(B) in the case of a qualifying event described in paragraph (3) or (5) of section 300bb–3 of this title where the covered employee notifies the plan administrator under paragraph (3), any qualified beneficiary with respect to such event,

of such beneficiary’s rights under this subchapter.

For purposes of paragraph (4), any notification shall be made within 14 days of the date on which the plan administrator is notified under paragraph (2) or (3), whichever is applicable, and any such notification to an individual who is a qualified beneficiary as the spouse of the covered employee shall be treated as notification to the plan administrator of such determination within 60 days after the date of the determination and for notifying the plan administrator within 30 days after the date of any final determination under such title or titles that the qualified beneficiary is no longer disabled, and

(1) the group health plan shall provide, at the time of commencement of coverage under the plan, written notice to each covered employee and spouse of the employee (if any) of the rights provided under this subdivision,

(2) the employer of an employee under a plan must notify the plan administrator of a qualifying event described in paragraph (1), (2), or (4) of section 300bb–3 of this title within 30 days of the date of the qualifying event,

(3) each covered employee or qualified beneficiary is responsible for notifying the plan administrator of the occurrence of any qualifying event described in paragraph (3) or (5) of section 300bb–3 of this title within 60 days after the date of the qualifying event and each qualified beneficiary who is determined, under title II or XVI of the Social Security Act [42 U.S.C. 401 et seq., 1311 et seq.], to have been disabled at any time during the first 60 days of continuation coverage under this subchapter is responsible for notifying the plan administrator of such determination within 60 days after the date of the determination and for notifying the plan administrator within 30 days after the date of any final determination under such title or titles that the qualified beneficiary is no longer disabled, and

(4) the plan administrator shall notify—

(A) in the case of a qualifying event described in paragraph (1), (2), or (4) of section 300bb–3 of this title, any qualified beneficiary with respect to such event, and

(B) in the case of a qualifying event described in paragraph (3) or (5) of section 300bb–3 of this title where the covered employee notifies the plan administrator under paragraph (3), any qualified beneficiary with respect to such event,

of such beneficiary’s rights under this subchapter.

References in Text

The Social Security Act, referred to in par. (3), is act Aug. 14, 1935, ch. 531, 49 Stat. 620, as amended. Titles II and XVI of the Social Security Act are classified generally to subchapters II [§§ 2201 et seq.] and XVI [§§ 1311 et seq.], respectively, of chapter 7 of this title. For complete classification of this Act to the Code, see section 1305 of this title and Tables.

Amendments

1996—Par. (3). Pub. L. 104–191 substituted “at any time during the first 60 days of continuation coverage under this subchapter” for “at the time of a qualifying event described in section 300bb–3 of this title”.

1989—Par. (3). Pub. L. 101–239 inserted “and each qualified beneficiary who is determined, under title II
or XVI of the Social Security Act, to have been disabled at the time of a qualifying event described in section 300bb-3(2) of this title is responsible for notifying the plan administrator of such determination within 60 days after the date of the determination and for notifying the plan administrator within 30 days after the date of any final determination under such title or titles that the qualified beneficiary is no longer disabled’’ after ‘‘date of the qualifying event’’.


1986—Par. (3). Pub. L. 99–514, as amended by Pub. L. 100–203, inserted ‘‘within 60 days after the date of the qualifying event’’.

§300bb–8. Definitions

For purposes of this subchapter—

(1) Group health plan

The term ‘‘group health plan’’ has the meaning given such term in 5000(b) of title 26. Such term shall not include any plan substantially all of the coverage under which is for qualified long-term care services (as defined in section 7702B(c) of title 26). Such term shall not include any qualified small employer health reimbursement arrangement (as defined in section 9831(d)(2) of title 26).

(2) Covered employee

The term ‘‘covered employee’’ means an individual who is (or was) provided coverage under a group health plan by virtue of the performance of services by the individual for one or more persons maintaining the plan (including as an employee defined in section 401(c)(1) of title 26).

(3) Qualified beneficiary

(A) In general

The term ‘‘qualified beneficiary’’ means, with respect to a covered employee under a group health plan, any other individual who, on the day before the qualifying event for that employee, is a beneficiary under the plan—

(i) as the spouse of the covered employee, or

(ii) as the dependent child of the employee.

Such term shall also include a child who is born to or placed for adoption with the covered employee during the period of continuation coverage under this subchapter.

(B) Special rule for terminations and reduced employment

In the case of a qualifying event described in section 300bb–3(2) of this title, the term ‘‘qualified beneficiary’’ includes the covered employee.

(4) Plan administrator

The term ‘‘plan administrator’’ has the meaning given the term ‘‘administrator’’ by section 1002(16)(A) of title 29.

(1) Requirement.—The requirement of this paragraph, with respect to a group health plan for plan years beginning after the date of the enactment of this Act (Aug. 10, 1993), is that the group health plan not reduce its coverage of the costs of pediatric vaccines (as defined under section 1928(h)(6) of the Social Security Act (42 U.S.C. 1396u(h)(6))) below the coverage it provided as of May 1, 1993.

2 So in original. Probably should be preceded by ‘‘section’’.
health reimbursement arrangement (as defined in section 9831(d)(2) of title 26).

1996—Par. (1). Pub. L. 104–191, §321(d)(3), inserted at end “Such term shall not include any plan substantially all of the coverage under which is for qualified long-term care services (as defined in section 7702B(c) of title 26).”

Pub. L. 104–191, §102(d), substituted “5000(b)” for “section 162(i)(2)”.

Par. (3)(A). Pub. L. 104–191, §421(a)(3), inserted at end “Such term shall also include a child who is born to or placed for adoption with the covered employee during the period of continuation coverage under this subchapter.”

1989—Par. (2). Pub. L. 101–239 substituted “the performance of services by the individual for 1 or more persons maintaining the plan (including as an employee defined in section 401(c)(1) of title 26) for “the employee’s employment or previous employment with an employer”.

1988—Par. (1). Pub. L. 100–647 substituted “section 162(i)(2) of the Internal Revenue Code of 1986” for “section 162(i)(3) of the Internal Revenue Code of 1984”, which for purposes of codification was translated as “section 162(i)(2) of title 26”.

Effective Date of 2016 Amendment

Effective Date of 1996 Amendment
Amendment by section 321(d)(3) of Pub. L. 104–191 applicable to contracts issued after Dec. 31, 1996, see section 321(f) of Pub. L. 104–191, set out as an Effective Date note under section 7702B of Title 26, Internal Revenue Code.

Amendment by section 421(a)(3) of Pub. L. 104–191 effective Jan. 1, 1997, regardless of whether the qualifying event occurred before, on, or after such date, see section 421(d) of Pub. L. 104–191, set out as a note under section 4980B of Title 26.

Effective Date of 1989 Amendment

Effective Date of 1988 Amendment
Amendment by Pub. L. 100–647 applicable to taxable years beginning after Dec. 31, 1988, but not applicable to any plan year to which section 162(x) of Title 26, Internal Revenue Code (as in effect on the day before Nov. 10, 1988), did not apply because of reason of section 10001(e)(2) of Pub. L. 100–272, see section 3011(d) of Pub. L. 100–647, set out as a note under section 408 of Title 26.

SUBCHAPTER XXI—RESEARCH WITH RESPECT TO ACQUIRED IMMUNE DEFICIENCY SYNDROME

Prior Provisions
A prior subchapter XXI (§300cc et seq.), comprised of title XXIII of the Public Health Service Act, act July 1, 1944, ch. 373, 2301–2316, was renumbered title XXV, §§2501–2514, of the Public Health Service Act, and transferred to subchapter XXV (§300aaa et seq.) of this chapter, renumbered title XXVI, §§2601–2614, of the Public Health Service Act, renumbered title XXVII, §§2701–2714, of the Public Health Service Act, and renumbered title H, part H, §§211–214, of the Public Health Service Act, and transferred to part B (§238 et seq.) of subchapter I of this chapter.

PART A—ADMINISTRATION OF RESEARCH PROGRAMS


Section, act July 1, 1944, ch. 373, title XXIII, §2301, as added by Pub. L. 100–607, title II, §301(d), Nov. 4, 1988, 102 Stat. 3063; amended Pub. L. 102–531, title III, §312(d)(16), Oct. 7, 1992, 106 Stat. 3055, required an annual comprehensive report on all expenditures by Secretary with respect to AIDS. A prior section 300cc, act July 1, 1944, §2301, was successively renumbered by subsequent acts and transferred, see section 238 of this title.

Effective Date of Repeal
Repeal applicable only with respect to amounts appropriated for fiscal year 2007 or subsequent fiscal years, see section 109 of Pub. L. 109–482, set out as an Effective Date of 2007 Amendment note under section 281 of this title.

§300cc–1. Requirement of expediting awards of grants and contracts for research

(a) In general
The Secretary shall expedite the award of grants, contracts, and cooperative agreements for research projects relating to acquired immune deficiency syndrome (including such research projects initiated independently of any solicitation by the Secretary for proposals for such research projects).

(b) Time limitations with respect to certain applications
(1) With respect to programs of grants, contracts, and cooperative agreements described in subsection (a), any application submitted in response to a solicitation by the Secretary for proposals pursuant to such a program—

(A) may not be approved if the application is submitted after the expiration of the 3-month period beginning on the date on which the solicitation is issued; and

(B) shall be awarded, or otherwise finally acted upon, not later than the expiration of the 6-month period beginning on the expiration of the period described in subparagraph (A).

(2) If the Secretary makes a determination that it is not practicable to administer a program referred to in paragraph (1) in accordance with the time limitations described in such paragraph, the Secretary may adjust the time limitations accordingly.

(c) Requirements with respect to adjustments in time limitations
With respect to any program for which a determination described in subsection (b)(2) is made, the Secretary shall—

(1) if the determination is made before the Secretary issues a solicitation for proposals pursuant to the program, ensure that the solicitation describes the time limitations as adjusted by the determination; and

(2) if the determination is made after the Secretary issues such a solicitation for proposals, ensure that the solicitation describes the time limitations as adjusted by the determination and individually notify, with respect to the determination, each applicant whose application is
submitted before the expiration of the 3-month period beginning on the date on which the solicitation was issued.

(d) Annual reports to Congress

Except as provided in subsection (e), the Secretary shall annually prepare, for inclusion in the comprehensive report required in section 300cc of this title, a report—

(A) summarizing programs for which the Secretary has made a determination described in subsection (b)(2), including a description of the time limitations as adjusted by the determination and including a summary of the solicitation issued by the Secretary for proposals pursuant to the program; and

(B) summarizing applications that—

(i) were submitted pursuant to a program of grants, contracts, or cooperative agreements referred to in paragraph (1) of subsection (b) for which a determination described in paragraph (2) of such subsection has not been made; and

(ii) were not processed in accordance with the time limitations described in such paragraph (1).

(e) Quarterly reports for fiscal year 1989

For fiscal year 1989, the report required in subsection (d) shall, not less than quarterly, be prepared and submitted to the Committee on Energy and Commerce of the House of Representatives and the Committee on Labor and Human Resources of the Senate.

(July 1, 1944, ch. 373, title XXIII, §2302, as added Pub. L. 100–607, title II, §201(4), Nov. 4, 1988, 102 Stat. 3063.)

References in Text


Prior Provisions

A prior section 300cc–1, act July 1, 1944, §2302, was successively renumbered by subsequent acts and transferred, see section 238a of this title.

Change of Name

Committee on Labor and Human Resources of Senate changed to Committee on Health, Education, Labor, and Pensions of Senate by Senate Resolution No. 20, One Hundred Sixth Congress, Jan. 19, 1999.

Committee on Energy and Commerce of House of Representatives treated as referring to Committee on Commerce of House of Representatives by section 1(a) of Pub. L. 100–14, set out as a note preceding section 21 of Title 2, The Congress.

Committee on Energy and Commerce of House of Representatives, and jurisdiction over matters relating to securities and exchanges and insurance generally transferred to Committee on Financial Services of House of Representatives by House Resolution No. 5, One Hundred Seventh Congress, Jan. 3, 2001.

Development of Rapid HIV Test


“(a) Expansion, Intensification, and Coordination of Research and Other Activities.—

“(1) IN GENERAL.—The Director of NIH shall expand, intensify, and coordinate research and other activities of the National Institutes of Health with respect to the development of reliable and affordable tests for HIV disease that can rapidly be administered and whose results can rapidly be obtained (in this section referred to as ‘rapid HIV test’).

“(2) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of carrying out this subsection, there are authorized to be appropriated such sums as may be necessary for each of the fiscal years 2001 through 2005.

“(b) PRIOR MARKET REVIEW OF RAPID HIV TESTS.—

“(1) IN GENERAL.—Not later than 90 days after the date of the enactment of this Act [Oct. 20, 2000], the Secretary, in consultation with the Director of the Centers for Disease Control and Prevention and the Commissioner of Food and Drugs, shall submit to the appropriate committees of the Congress a report describing the progress made towards, and barriers to, the premarket review and commercial distribution of rapid HIV tests. The report shall—

“A assess the public health need for and public health benefits of rapid HIV tests, including the minimization of false positive results through the availability of multiple rapid HIV tests;

“B make recommendations regarding the need for the expedited review of rapid HIV test applications submitted to the Center for Biologics Evaluation and Research and, if such recommendations are favorable, specify criteria and procedures for such expedited review; and

“C specify whether the barriers to the premarket review of rapid HIV tests include the unnecessary application of requirements—

“(i) necessary to ensure the efficacy of devices for donor screening to rapid HIV tests intended for use in other screening situations; or

“(ii) for identifying antibodies to HIV subtypes of rare incidence in the United States to rapid HIV tests intended for use in screening situations other than donor screening.

“(c) GUIDELINES OF CENTERS FOR DISEASE CONTROL AND PREVENTION.—Promptly after commercial distribution of a rapid HIV test begins, the Secretary, acting through the Director of the Centers for Disease Control and Prevention, shall establish or update guidelines that include recommendations for States, hospitals, and other appropriate entities regarding the ready availability of such tests for administration to pregnant women who are in labor or in the late stage of pregnancy and whose HIV status is not known to the attending obstetrician."

Limitation on Expenditures for AIDS and HIV Activities

Pub. L. 104–146, §11, May 20, 1996, 110 Stat. 1373, provided that: “Notwithstanding any other provision of law, the total amounts of Federal funds expended in any fiscal year for AIDS and HIV activities may not exceed the total amounts expended in such fiscal year for activities related to cancer.”

Vaccines for Human Immunodeficiency Virus

Pub. L. 103–43, title XIX, §1901(b), June 10, 1993, 107 Stat. 200, provided that: “(1) IN GENERAL.—The Secretary of Health and Human Services, acting through the National Institutes of Health, shall develop a plan for the appropriate inclusion of HIV-infected women, including pregnant women, HIV-infected infants, and HIV-infected children in studies conducted by or through the National Institutes of Health concerning the safety and efficacy of HIV vaccines for the treatment and prevention of HIV infection. Such plan shall ensure the full participation of other Federal agencies currently conducting HIV vaccine studies and require that such studies conform fully to the requirements of part 46 of title 45, Code of Federal Regulations.

“(2) REPORT.—Not later than 180 days after the date of the enactment of this Act [June 10, 1993], the Sec-
retary of Health and Human Services shall prepare and submit to the Committee on Energy and Commerce of the House of Representatives, and the Committee on Labor and Human Resources (now Committee on Health, Education, Labor, and Pensions) of the Senate, a report concerning the plan developed under paragraph (1).

(3) IMPLEMENTATION.—Not later than 12 months after the date of the enactment of this Act, the Secretary of Health and Human Services shall implement the plan developed under paragraph (1), including measures for the full participation of other Federal agencies currently conducting HIV vaccine studies.

(4) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of carrying out this subsection, there are authorized to be appropriated such sums as may be necessary for each of the fiscal years 1994 through 1996.

EX. ORD. No. 12963, PRESIDENTIAL ADVISORY COUNCIL ON HIV/AIDS

By the authority vested in me as President by the Constitution and the laws of the United States of America, I hereby direct the Secretary of Health and Human Services to exercise her discretion as follows:

SECTION 1. Establishment. (a) The Secretary of Health and Human Services (the “Secretary”) shall establish an HIV/AIDS Advisory Council (the “Advisory Council”) or the “Council”), to be known as the Presidential Advisory Council on HIV/AIDS. The Advisory Council shall be composed of not more than 35 members to be appointed or designated by the Secretary. The Advisory Council shall comply with the Federal Advisory Committee Act, as amended (5 U.S.C. App.).

(b) The Secretary shall designate a Chairperson from among the members of the Advisory Council.

SIC. 2. Functions. The Advisory Council shall provide advice, information, and recommendations to the Secretary and to Congress concerning programs and policies intended to (a) promote effective prevention of HIV disease, (b) advance research on HIV and AIDS, and (c) promote quality services to persons living with HIV disease and AIDS. The functions of the Advisory Council shall be advisory in nature. The Secretary shall provide the President with copies of all written reports provided to the Secretary by the Advisory Council.

SIC. 3. Administration. (a) The heads of executive departments and agencies shall, to the extent permitted by law, provide the Advisory Council with such information as it may require for purposes of carrying out its functions.

(b) Any members of the Advisory Council that receive compensation shall be compensated in accordance with Federal law. Committee members may be allowed travel expenses, including per diem in lieu of subsistence, to the extent permitted by law for persons serving intermittently in the Government service (5 U.S.C. section 5701-5707).

(c) To the extent permitted by law, and subject to the availability of appropriations, the Department of Health and Human Services shall provide the Advisory Council with such funds and support as may be necessary for the performance of its functions.

(d) General Provisions. (a) Notwithstanding the provisions of any other Executive order, any functions of the President under the Federal Advisory Committee Act that are applicable to the Advisory Council, except the reporting annually to the Congress, shall be performed by the Department of Health and Human Services, in accordance with the guidelines and procedures established by the Administrator of General SIC.

(b) This order is intended only to improve the internal management of the executive branch, and it is not intended to create any right, benefit, or trust responsibility, procedural or substantive, or to create any right or authority for a party against the United States, its agencies, its officers, or any person.

WILLIAM J. CLINTON.
tion show that there are significant gaps along the HIV care continuum—the sequential stages of care from being diagnosed to receiving optimal treatment. Nearly one-fifth of the estimated 1.1 million people living with HIV in the United States are undiagnosed; one-third are not linked to medical care; nearly two-thirds are not engaged in ongoing care; and only one-quarter have the virus effectively controlled, which is necessary to maintain long-term health and reduce risk of transmission to others.

In light of these data, we must further clarify and focus our national efforts to prevent and treat HIV infection. It is the policy of my Administration that agencies implementing the Strategy prioritize addressing and removing barriers to accessing testing and treatment; and ensure that Federal resources are appropriately focused on implementing evidence-based interventions that improve outcomes along the HIV care continuum.

Sect. 2. Establishment of the HIV Care Continuum Initiative. There is established the HIV Care Continuum Initiative (Initiative), to be overseen by the Director of the Office of National AIDS Policy. The Initiative will mobilize and coordinate Federal efforts in response to recent advances regarding how to prevent and treat HIV infection. The Initiative will support further integration of HIV prevention and care efforts; promote expansion of successful HIV testing and service delivery models; encourage innovative approaches to addressing barriers to accessing testing and treatment; and ensure that Federal resources are appropriately focused on implementing evidence-based interventions that improve outcomes along the HIV care continuum.

Sect. 3. Establishment of the HIV Care Continuum Working Group. There is established the HIV Care Continuum Working Group (Working Group) to support the Initiative. The Working Group shall coordinate Federal efforts to improve outcomes nationally across the HIV care continuum.

(a) Membership. The Working Group shall be co-chaired by the Director of National AIDS Policy and the Secretary of Health and Human Services or designee (Co-Chairs). In addition to the Co-Chairs, the Working Group shall consist of representatives from:

(i) the Department of Justice;
(ii) the Department of Labor;
(iii) the Department of Health and Human Services;
(iv) the Department of Housing and Urban Development;
(v) the Department of Veterans Affairs;
(vi) the Office of Management and Budget; and
(vii) other agencies and offices, as designated by the Co-Chairs.

(b) Consultation. The Working Group shall consult with the Presidential Advisory Council on HIV/AIDS, as appropriate.

(c) Functions. As part of the Initiative, the Working Group shall:

(i) request and review information from agencies describing efforts to improve testing, care, and treatment outcomes, and determine if there is appropriate emphasis on addressing the HIV care continuum in relation to other work concerning the domestic epidemic;
(ii) review research on improving outcomes along the HIV care continuum;
(iii) obtain input from Federal grantees, affected communities, and other stakeholders to inform strategies to improve outcomes along the HIV care continuum;
(iv) identify potential impediments to improving outcomes along the HIV care continuum, including for populations at greatest risk for HIV infection, based on the efforts undertaken pursuant to paragraphs (i), (ii), and (iii) of this subsection;
(v) identify opportunities to address issues identified pursuant to paragraph (iv) of this subsection, and thereby improve outcomes along the HIV care continuum;
(vi) recommend ways to integrate efforts to improve outcomes along the HIV care continuum with other evidence-based strategies to combat HIV; and
(vii) specify how to better align and coordinate Federal efforts, both within and across agencies, to improve outcomes along the HIV care continuum.

(d) Reporting.

(i) Within 180 days of the date of this order, the Working Group shall provide recommendations to the President on actions that agencies can take to improve outcomes along the HIV care continuum.

(ii) Thereafter, the Director of the Office of National AIDS Policy shall include, as part of the annual report to the President pursuant to section 1(b) of my memorandum of July 13, 2010 (Implementation of the National HIV/AIDS Strategy), a report prepared by the Working Group on Government-wide progress in implementing this order. This report shall include a quantification of progress made in improving outcomes along the HIV care continuum.

Sect. 4. General Provisions. (a) Nothing in this order shall be construed to impair or otherwise affect:

(i) the authority vested in me as President by the Constitution and the laws of the United States of America, and in order to ensure improved health outcomes for Americans at risk for or living with HIV/AIDS and achieve greater coordination across the Federal Government, I hereby order as follows:

(ii) This order is not intended to, and does not, create any right or benefit, substantive or procedural, enforceable at law or in equity by any party against the United States, its departments, agencies, or entities, its officers, employees, or agents, or any other person.

BARACK OBAMA.

EX. ORD. No. 13703, IMPLEMENTING THE NATIONAL HIV/AIDS STRATEGY FOR THE UNITED STATES FOR 2015–2020

Ex. Ord. No. 13703, July 30, 2015, 80 F.R. 46181, provided:

By the authority vested in me as President by the Constitution and the laws of the United States of America, and in order to ensure improved health outcomes for Americans at risk for or living with HIV/AIDS and achieve greater coordination across the Federal Government, I hereby order as follows:

I. Establishment of the HIV Care Continuum Initiative

A. As part of the Initiative, the Working Group on Government-wide progress in implementing this order. This report shall include a quantification of progress made in improving HIV prevention and care.

B. Federal, State, and local agencies have contributed to significant improvements in health outcomes through their enhanced focus on the HIV care continuum—the sequential stages of care from being diagnosed to achieving viral suppression. Our partners across all levels of government and all sectors of society have also worked to ensure that all Americans living with HIV/AIDS receive our full support at every stage of their illness.

C. Further, my Administration has been committed to reducing the HIV-related disparities experienced by certain populations, including gay and bisexual men of all races and ethnicities, Black women and men, Latino women and men, people who inject drugs, youth aged 13-24, people in the Southern United States, and transgender women. Addressing the intersection between HIV/AIDS, violence against women and girls, and gender-related health disparities has also been a priority. The Working Group on the Intersection of HIV/AIDS, Violence Against Women and Girls, and Gender-related Health Disparities established in my memorandum of March 30, 2012, has focused its efforts on increasing screenings for HIV and intimate partner violence, addressing violence and trauma when supporting
women in HIV care, and expanding public education efforts across all levels of government regarding HIV and violence against women and girls.

Today, I am releasing the National HIV/AIDS Strategy for the United States: Updated to 2020 (Updated Strategy) to build on this progress. The Updated Strategy integrates the recommendations of the HIV Care Continuum Working Group on the Intersection of HIV/AIDS, Violence Against Women, and Girls, and Gender-related Health Disparities, so that their work can inform the Nation’s response to the domestic HIV/AIDS epidemic. The Updated Strategy also takes into account recent research advancements in our understanding of HIV/AIDS, and builds on the historic successes of the Affordable Care Act, which is helping millions of Americans, including those who are living with HIV, access affordable, quality health care.

This order is designed to ensure successful implementation of the Updated Strategy by requiring coordination and collaboration by, and accountability of, the Federal Government; fostering enhanced and innovative partnerships with State, tribal, and local governments; and encouraging the commitment of all parts of society. The duties and authorities this order assigns are in addition to those assigned by my memorandum of July 13, 2010 (Implementation of the National HIV/AIDS Strategy). In light of recent progress and continuing advances, we must continue to improve our national effort to reduce new HIV infections, increase access to care for people living with HIV, reduce HIV-related disparities and health inequities, and achieve greater coordination across all levels of government.

Sec. 2. Role of the White House Office of National AIDS Policy (ONAP). (a) The Director of ONAP, in consultation with the Director of the Office of Management and Budget (OMB), shall be responsible for monitoring the implementation of the Updated Strategy.

(b) The Director of ONAP shall annually report to the President on the implementation of the Updated Strategy, including progress in meeting key targets and taking key actions identified in the Updated Strategy and the Federal Action Plan, an annual guidepost developed by ONAP in conjunction with agencies, designed to implement new efforts to address the domestic HIV/AIDS epidemic.

Sec. 3. Lead Agency Responsibilities. While the Updated Strategy will require a Government-wide effort in order to succeed fully, certain agencies have primary responsibilities and competencies in implementing the Updated Strategy.

(a) Designation of Lead Agencies. Lead agencies for implementing the Updated Strategy shall be:

(i) the Department of Defense;
(ii) the Department of Justice;
(iii) the Department of the Interior;
(iv) the Department of Labor;
(v) the Department of Health and Human Services;
(vi) the Department of Housing and Urban Development;
(vii) the Department of Education;
(viii) the Department of Veterans Affairs;
(ix) the Department of Homeland Security; and
(x) the Social Security Administration.

(b) Lead Agency Action Plans. Within 100 days of the date of this order, the head of each lead agency shall submit a report to ONAP and OMB on the agency’s action plan for implementing the Updated Strategy. The plans shall assign responsibilities to agency officials, designate reporting structures for actions identified in the Federal Action Plan, and identify other appropriate actions to advance the Updated Strategy. The plans shall also include steps to strengthen coordination in planning, budgeting for, and evaluating domestic HIV/AIDS programs within and across agencies. Lead agencies are encouraged to consider, and reflect in their plans steps to streamline grantee reporting requirements and funding announcements related to HIV/AIDS programs and activities.

(c) Ongoing Responsibilities of Lead Agencies. The head of each lead agency shall:

(i) designate an official responsible for coordinating the agency’s ongoing efforts to implement the Updated Strategy;

(ii) develop and support a process for sharing progress reports, including status updates on achieving specific quantitative targets established by the Updated Strategy, with relevant agencies and ONAP on an annual basis, or at such other times as ONAP requests; and

(iii) in consultation with OMB, use the budget development process to prioritize programs and activities most critical to meeting the goals of the Updated Strategy.

Sec. 4. Other Agency Responsibilities. All agencies that support HIV/AIDS programs and activities shall ensure that, to the extent permitted by law, they are meeting the goals of the Updated Strategy.

(a) Department of State. Within 100 days of the date of this order, the Secretary of State shall submit to ONAP and OMB recommendations for improving the Government-wide response to the domestic HIV/AIDS epidemic, based on lessons learned in implementing the President’s Emergency Plan for AIDS Relief program.

(b) Equal Employment Opportunity Commission (Commission). Within 100 days of the date of this order, the Chair of the Commission shall submit to ONAP and OMB recommendations for increasing employment opportunities for people living with HIV and a plan for addressing employment-related discrimination against people living with HIV, consistent with the Commission’s authorities and other applicable law.

Sec. 5. Role of the Presidential Advisory Council on HIV/AIDS (PACHA). Within 100 days of the date of this order, the Secretary of State shall submit to ONAP, the Secretary or their designees. In addition to the Co-Chairs, the Federal Interagency Working Group shall consist of representatives from each lead agency, OMB, and any other agency or office designated by the Co-Chairs.

(b) Consultation. The Federal Interagency Working Group shall consult with the PACHA, as appropriate.

(c) Outreach. The Federal Interagency Working Group shall hold regular meetings and conduct outreach with representatives of private and nonprofit organizations, State, tribal, and local governments and agencies, elected officials, and other interested persons to assist the Federal Interagency Working Group in its efforts.

(d) Functions. As part of its efforts, the Federal Interagency Working Group shall:

(i) request and review information from agencies describing their efforts to implement the Updated Strategy;

(ii) share and disseminate best practices to combat the HIV epidemic among agencies and other stakeholders;

(iii) integrate new HIV-related research results into the overall implementation of the Updated Strategy;

(iv) obtain input from community partners, scientific and technical experts, and stakeholders in State, tribal, and local governments to inform implementation of the Updated Strategy;

(v) increase government and public awareness of HIV-related issues;

(vi) specify how to better align and coordinate Federal efforts, both within and across agencies, to improve health outcomes for Americans at risk for or living with HIV; and
(vii) integrate the Working Group on the Intersection of HIV/AIDS, Violence Against Women and Girls, and Gender-related Health Disparities into the implementation of the Updated Strategy.

(e) Reporting.

(i) Within 100 days of the date of this order, the Federal Interagency Working Group shall provide recommendations to the President, a report prepared by the Federal Interagency Working Group concerning Government-wide progress in implementing the Updated Strategy.

(f) Provisions. (a) Nothing in this order shall be construed to impair or otherwise affect: (i) the authority granted by law to an executive department, agency, or the head thereof; or (ii) the authority of the Office of Management and Budget (OMB), shall be responsible for setting the Administration’s domestic HIV/AIDS priorities and monitoring the implementation of the Strategy.

§ 300cc–1

(b) This order shall be implemented consistent with applicable law and subject to the availability of appropriations.

(c) This order is not intended to, and does not, create any right or benefit, substantive or procedural, enforceable at law or in equity by any party against the United States, its departments, agencies, or entities, its officers, employees, or agents, or any other person.

Barack Obama

IMPLEMENTATION OF THE NATIONAL HIV/AIDS STRATEGY

Memorandum of President of the United States, July 13, 2010. 75 F.R. 41687, provided:

Memorandum for the Heads of Executive Departments and Agencies.

As we approach 30 years from the onset of the HIV/AIDS epidemic in the United States, new actions are needed to prevent HIV infection and better serve people living with HIV. The actions we take now will build upon a legacy of global leadership, national commitment, and sustained efforts on the part of Americans from all parts of the country and all walks of life to end the HIV epidemic in the United States and around the world. I am committed to renewing national leadership to fight HIV/AIDS here at home, as we continue our efforts to fight HIV/AIDS around the world. My Administration has engaged in an extensive process to engage Americans and listen to their ideas for improving our national response to HIV/AIDS.

Today I am releasing a National HIV/AIDS Strategy for the United States (Strategy) and a National HIV/AIDS Strategy Federal Implementation Plan (Federal Implementation Plan), which identifies specific actions to be taken by Federal agencies to implement the Strategy’s goals. While agencies already undertake many actions to address HIV/AIDS, successful implementation of the Strategy will require new levels of coordination, collaboration, and accountability. This will require the Federal Government to work in new ways across agency lines, as well as in enhanced and innovative partnerships with State, tribal, and local governments. Government cooperation at all levels, moreover, is not enough. Success will require the commitment of all parts of society, including businesses, faith communities, philanthropic organizations, scientific and medical communities, educational institutions, people living with HIV, and others. It is also necessary to sustain public commitment to ending the epidemic, and this calls for regular communications between governments at all levels to identify the challenges we face and report the progress we are making. To these ends, I hereby direct the following:


(a) The Director of the ONAP, in consultation with the President’s Management and Budget (OMB), shall be responsible for setting the Administration’s domestic HIV/AIDS priorities and monitoring the implementation of the Strategy. The Director of the ONAP shall convene regular meetings with representatives of executive departments and agencies (agencies) to coordinate HIV/AIDS-related policies, programs, and activities.

(b) The Director of the ONAP shall annually report to the President on the implementation of the Strategy, including progress in meeting key targets and taking key actions identified in the Strategy and the Federal Implementation Plan.

Sec. 2. Lead Responsible Agencies. While the Strategy requires a Government-wide effort in order to succeed fully, certain agencies have primary responsibilities and competencies in implementing the Strategy.

(a) Designation of Lead Agencies. Lead agencies for implementing the Strategy shall be:

(i) the Department of Health and Human Services;
(ii) the Department of Justice;
(iii) the Department of Labor;
(iv) the Department of Housing and Urban Development;
(v) the Department of Veterans Affairs; and
(vi) the Social Security Administration.

(b) Lead Agency Implementation Plans. Within 150 days of the date of this memorandum, the head of each lead agency shall submit a report to the ONAP and the OMB on the agency’s operational plans for implementing the Strategy. The plans shall assign responsibilities to agency officials, designate reporting structures for actions identified in the Federal Implementation Plan, and identify other appropriate actions to advance the Strategy. The plans shall also include steps to strengthen coordination in planning, budgeting for, and evaluating domestic HIV/AIDS programs within and across agencies. Lead agencies are encouraged to consider, and reflect in their plans, steps to streamline grantee reporting requirements and funding announcements related to HIV/AIDS programs and activities.

(c) Ongoing Responsibilities of Lead Agencies. The head of each lead agency shall:

(i) designate an official responsible for coordinating the agency’s ongoing efforts to implement the Strategy;
(ii) develop a process for sharing progress reports, including status updates on achieving specific quantitative targets established by the Strategy, with relevant agencies and the ONAP on an annual basis, or at such other times as the ONAP requests; and
(iii) in consultation with the OMB, use the budget development process to prioritize programs and activities most critical to meeting the goals of the Strategy.

Sec. 3. Role of the Secretary of Health and Human Services. The Secretary of Health and Human Services (Secretary), or the Secretary’s designee, shall be responsible for improving coordination of domestic HIV/AIDS programs and activities across the Federal Government.

(a) Coordination within the Department of Health and Human Services. The Secretary, or the Secretary’s designee, shall develop and implement specific plans and procedures for improving intra-departmental coordination and collaboration on HIV/AIDS care, research, and prevention services.

(b) Coordination with Other Agencies. The Secretary, or the Secretary’s designee, shall be responsible for convening interagency efforts to improve coordination of HIV/AIDS programs and activities. This may include collaboration with governmental and nongovernmental entities to achieve the Federal Government’s implementation and research priorities in the areas of highest impact.

(c) Presidential Advisory Council on HIV/AIDS (PACHA). PACHA, which was established by Executive Order 12963 of June 14, 1995 (Presidential Advisory Council on HIV/AIDS), as amended, shall monitor the implementation of the Strategy and make recommendations to the Secretary and to the Director of the ONAP as appropriate, concerning implementation.

Sec. 4. Responsibilities of Other Agencies. All agencies that support HIV/AIDS programs and activities shall
ensure that, to the extent permitted by law, they are meeting the goals of the Strategy.

(a) Department of Defense. Within 150 days of the date of this memorandum, the Secretary of Defense shall submit to the ONAP and the OMB a plan for aligning the health-care services provided by the Department of Defense with the Strategy, to the extent feasible and permitted by law. The plan shall address, in particular, HIV/AIDS prevention, care, and treatment.

(b) Department of State. Within 150 days of the date of this memorandum, the Secretary of State shall submit to the ONAP and the OMB recommendations for improving the Government-wide response to the domestic HIV/AIDS epidemic, based on lessons learned in implementing the President’s Emergency Plan for AIDS Relief (PEPFAR) program.

(c) Equal Employment Opportunity Commission (Commission). Within 150 days of the date of this memorandum, the Chair of the Commission shall submit to the ONAP and the OMB recommendations for increasing employment opportunities for people living with HIV and a plan for addressing employment-related discrimination against people living with HIV, consistent with the Commission’s authorities and other applicable law.

SEC. 5. General Provisions.

(a) The heads of executive departments and agencies shall assist and provide information to the Director of the ONAP, consistent with applicable law, as may be necessary to implement the Strategy. Each agency shall bear its own expense for carrying out activities to implement the Strategy.

(b) Nothing in this memorandum shall be construed to impair or otherwise affect:

(i) authority granted by law to a department or agency or the head thereof, or to other executive branch officials; or

(ii) functions of the Director of the OMB relating to budgetary, administrative, or legislative proposals.

(c) This memorandum shall be implemented consistent with applicable law and subject to the availability of appropriations.

(d) This memorandum is not intended to, and does not, create any right or benefit, substantive or procedural, enforceable at law or in equity by any person against the United States, any department or agency thereof, its officers, employees, or agents, or any other person.

SEC. 6. Publication. The Secretary is authorized and directed to publish this memorandum in the Federal Register.

Barack Obama.

Establishing a Working Group on the Intersection of HIV/AIDS, Violence Against Women and Girls, and Gender-related Health Disparities

Memorandum of President of the United States, Mar. 30, 2012, 77 F.R. 20277, provided:

Memorandum for the Heads of Executive Departments and Agencies

Throughout our country, the spread of HIV/AIDS has had a devastating impact on many communities. In the United States, there are approximately 1.2 million people living with HIV/AIDS, including more than 290,000 women. Women and girls now account for 24 percent of all diagnoses of HIV infection among United States adults and adolescents. The domestic epidemic disproportionately affects women of color, with African Americans and Latinas constituting over 70 percent of new HIV cases in women. The spread of HIV/AIDS is, in and of itself, a primary concern to my Administration. However, gender-based violence and gender-related health disparities cannot be ignored when addressing the domestic public health threat of HIV/AIDS. HIV/AIDS programs often ignore the biological differences and the social, economic, and cultural inequities that make women and girls more vulnerable to HIV/AIDS. In our country, women and girls are all too frequently victimized by domestic violence and sexual assault, which can lead to greater risk for acquiring this disease. Teenage girls and young women ages 16–24 face the highest rates of dating violence and sexual assault. In addition, challenges in accessing proper health care can present obstacles to addressing HIV/AIDS. Gender-based violence continues to be an underreported, common problem that, if ignored, increases risks for HIV and may prevent women and girls from seeking prevention, treatment, and health services.

My Administration is committed to improving efforts to understand and address the intersection of HIV/AIDS, violence against women and girls, and gender-related health disparities. To do so, executive departments and agencies (agencies) must build on their current work addressing the intersection of these issues by improving data collection, research, intervention strategies, and training. In order to develop a comprehensive Government-wide approach to these issues that is data-driven, uses effective prevention and care interventions, engages families and communities, supports research and data collection, and mobilizes both public and private sector resources, I direct the following:

SECTION 1. Working Group on the Intersection of HIV/AIDS, Violence Against Women and Girls, and Gender-related Health Disparities. There is established within the Executive Office of the President a Working Group on the Intersection of HIV/AIDS, Violence Against Women and Girls, and Gender-related Health Disparities. This group, to be co-chaired by the White House Advisor on Violence Against Women and the Director of the Office of National AIDS Policy (Co-Chairs), will consist of representatives from:

(i) the Department of Justice;

(ii) the Department of the Interior;

(iii) the Department of Health and Human Services;

(iv) the Department of Education;

(v) the Department of Homeland Security;

(vi) the Department of Veterans Affairs;

(vii) the Department of Housing and Urban Development; and

(viii) the Office of Management and Budget.

(b) The Working Group shall consult with the Presidential Advisory Council on HIV/AIDS, as appropriate.

(c) The Working Group, providing information on lessons learned and evidence-based best practices based on their global experience addressing issues involving the intersection between HIV/AIDS and violence against women.


(a) The Working Group shall coordinate agency efforts to address issues involving the intersection of HIV/AIDS, violence against women and girls, and gender-related health disparities. Such efforts shall include, but not be limited to:

(i) increasing government and public awareness of the need to address the intersection of HIV/AIDS, violence against women and girls, and gender-related health disparities, including sexual and reproductive health and access to health care;

(ii) sharing best practices, including demonstration projects and international work by agencies, as well as successful gender-specific strategies aimed at addressing risks that influence women’s and girls’ vulnerability to HIV infection and violence;

(iii) integrating sexual and reproductive health services, gender-based violence services, and HIV/AIDS services, where research demonstrates that doing so will result in improved health outcomes;

(iv) emphasizing evidence-based prevention activities that engage men and boys and highlight their role in the prevention of violence against women and HIV/AIDS infection; and

(v) facilitating opportunities for partnerships among diverse organizations from the violence against women...
and girls, HIV/AIDS, and women’s health communities to address the intersection of these issues;

(vi) ensuring that the needs of vulnerable and under-served groups are considered in any efforts to address issues involving the intersection of HIV/AIDS, violence against women and girls, and gender-related health disparities;

(vii) promoting research to better understand the intersection of the biological, behavioral, and social sciences bases for the relationship between increased HIV/AIDS risk, domestic violence, and gender-related health disparities; and

(viii) prioritizing, as appropriate, the efforts described in paragraphs (a)(i)–(vii) of this section with respect to women and girls of color, who represent the majority of females living with and at risk for HIV infection in the United States.

(b) The Working Group shall annually provide the President recommendations for updating the National HIV/AIDS Strategy. In addition, the Working Group shall provide information on:

(i) coordinated actions taken by the Working Group to meet its objectives and identify areas where the Federal Government has achieved integration and coordination in addressing the intersection of HIV/AIDS, violence against women and girls, and gender-related health disparities;

(ii) alternative means of making available gender-sensitive health care for women and girls through the integration of HIV/AIDS prevention and care services with intimate partner violence prevention and counseling as well as mental health and trauma services;

(iii) specific, evidence-based goals for addressing HIV among women, including HIV-related disparities among women of color, to inform the National HIV/AIDS Strategy Implementation Plan (for its biannual review);

(iv) research and data collection needs regarding HIV/AIDS, violence against women and girls, and gender-related health disparities to help develop more comprehensive data and targeted research (disaggregated by sex, gender, and gender identity, where practicable); and

(v) existing partnerships and potential areas of collaboration with other public or nongovernmental actors, taking into consideration the types of implementation or research objectives that other public or nongovernmental actors may be particularly well-situated to accomplish.

Sec. 3. Outreach. Consistent with the objectives of this memorandum and applicable law, the Working Group, in addition to regular meetings, shall conduct outreach with representatives of private and nonprofit organizations, State, tribal, and local government agencies, elected officials, and other interested persons to assist the Working Group in developing a detailed set of recommendations.

Sec. 4. General Provisions. (a) The heads of agencies shall assist and provide information to the Working Group, consistent with applicable law, as may be necessary to carry out the functions of the Working Group. Each agency and office shall bear its own expense for carrying out activities related to the Working Group.

(b) Nothing in this memorandum shall be construed to impair or otherwise affect:

(i) the authority granted by law to an executive department, agency, or the head thereof; or

(ii) the functions of the Director of Management and Budget relating to budgetary, administrative, or legislative proposals.

(c) This memorandum shall be implemented consistent with applicable law and subject to the availability of appropriations.

(d) This memorandum is not intended to, and does not, create any right or benefit, substantive or procedural, enforceable at law or in equity by any party against the United States, its departments, agencies, or entities, its officers, employees, or agents, or any other person.
§ 300cc–3. Establishment of Research Advisory Committee

(a) In general

After consultation with the Commissioner of Food and Drugs, the Secretary, acting through the Director of the National Institute of Allergy and Infectious Diseases, shall establish within such Institute an advisory committee to be known as the AIDS Research Advisory Committee (hereafter in this section referred to as the "Committee").

(b) Composition

The Committee shall be composed of physicians whose clinical practice includes a significant number of patients with acquired immune deficiency syndrome.

(c) Duties

The Committee shall—

(1) advise the Director of such Institute (and may provide advice to the Directors of other agencies of the National Institutes of Health, as appropriate) on appropriate research activities to be undertaken with respect to clinical treatment of such syndrome, including advice with respect to—

(A) research on drugs for preventing or minimizing the development of symptoms or conditions arising from infection with the etiologic agent for such syndrome, including research with respect to diagnosing immune deficiency and with respect to predicting, diagnosing, preventing, and treating opportunistic cancers and infectious diseases; and

(B) research on the effectiveness of treating such symptoms or conditions with drugs that—

(i) are not approved by the Commissioner of Food and Drugs for the purpose of treating such symptoms or conditions; and

(ii) are being utilized for such purpose by individuals infected with such etiologic agent;

(2) review ongoing publicly and privately supported research on clinical treatment for acquired immune deficiency syndrome, including research on drugs described in paragraph (1); and

(B) periodically issue, and make available to health care professionals, reports describing and evaluating such research;

(3) conduct studies and convene meetings for the purpose of determining the recommendations among physicians in clinical practice on clinical treatment of acquired immune deficiency syndrome, including treatment with the drugs described in paragraph (1); and

(4) conduct a study for the purpose of developing, with respect to individuals infected with the etiologic agent for acquired immune deficiency syndrome, a consensus among health care professionals on clinical treatments for preventing or minimizing the development of symptoms or conditions arising from infection with such etiologic agent.

Effective Date of 1992 Amendment


Prior Provisions


Prior sections 300cc–5 to 300cc–10, act July 1, 1944, §§2306 to 2311, respectively, were successively renumbered by subsequent acts and transferred, see sections 298c to 298h of this title.

Amendments


PUBLICATIONS ACT OF 1944—CHANGES

§ 300cc–11  TITLE 42—THE PUBLIC HEALTH AND WELFARE

PART B—RESEARCH AUTHORITY

§ 300cc–11. Clinical evaluation units at National Institutes of Health

(a) In general

The Secretary, acting through the Director of the National Cancer Institute and the Director of the National Institute of Allergy and Infectious Diseases, shall for each such Institute establish a clinical evaluation unit at the Clinical Center at the National Institutes of Health. Each of the clinical evaluation units—

(1) shall conduct clinical evaluations of experimental treatments for acquired immune deficiency syndrome developed within the preclinical drug development program, including evaluations of methods of diagnosing immune deficiency and evaluations of methods of predicting, diagnosing, preventing, and treating opportunistic cancers and infectious diseases; and

(2) may conduct clinical evaluations of experimental treatments for such syndrome that are developed by any other national research institute of the National Institutes of Health or by any other entity.

(b) Personnel and administrative support

(1) For the purposes described in subsection (a), the Secretary, acting through the Director of the National Institutes of Health, shall provide each of the clinical evaluation units required in such subsection—

(A)(i) with not less than 50 beds; or

(ii) with an outpatient clinical capacity equal to not less than twice the outpatient clinical capacity, with respect to acquired immune deficiency syndrome, possessed by the Clinical Center of the National Institutes of Health on June 1, 1988; and

(B) with such personnel, such administrative support, and such other support services as may be necessary.

(2) Facilities, personnel, administrative support, and other support services provided pursuant to paragraph (1) shall be in addition to the number or level of facilities, personnel, administrative support, and other support services that otherwise would be available at the Clinical Center at the National Institutes of Health for the provision of clinical care for individuals with diseases or disorders.

(c) Authorization of appropriations

For the purpose of carrying out this section, there are authorized to be appropriated such sums as may be necessary.

JULY 1, 1944—Subsec. (a)(1). Pub. L. 103–43 inserted before semicolon at end “, including evaluations of methods of diagnosing immune deficiency and evaluations of methods of predicting, diagnosing, preventing, and treating opportunistic cancers and infectious diseases”.

§ 300cc–12. Use of investigational new drugs with respect to acquired immune deficiency syndrome

(a) Encouragement of applications with respect to clinical trials

(1) If, in the determination of the Secretary, there is preliminary evidence that a new drug has effectiveness in humans with respect to the prevention or treatment of acquired immune deficiency syndrome, the Secretary shall, through statements published in the Federal Register—

(A) announce the fact of such determination; and

(B) with respect to the new drug involved, encourage an application for an exemption for investigational use of the new drug under regulations issued under section 355(i) of title 21.

(2)(A) The AIDS Research Advisory Committee established pursuant to section 300cc–3 of this title shall make recommendations to the Secretary with respect to new drugs appropriate for determinations described in paragraph (1).

(B) The Secretary shall, as soon as is practicable, determine the merits of recommendations received by the Secretary pursuant to subparagraph (A).

(b) Encouragement of applications with respect to treatment use in circumstances other than clinical trials

(1) In the case of a new drug with respect to which the Secretary has made a determination described in subsection (a) and with respect to which an exemption is in effect for purposes of section 355(i) of title 21, the Secretary shall—

(A) as appropriate, encourage the sponsor of the investigation of the new drug to submit to the Secretary, in accordance with regulations issued under such section, an application to use the drug in the treatment of individuals—

(i) who are infected with the etiologic agent for acquired immune deficiency syndrome; and

(ii) who are not participating in the clinical trials conducted pursuant to such exemption; and

PRIORITY PROVISIONS


AMENDMENTS

1993—Subsec. (a)(1). Pub. L. 103–43 inserted before semicolon at end “, including evaluations of methods of diagnosing immune deficiency and evaluations of methods of predicting, diagnosing, preventing, and treating opportunistic cancers and infectious diseases”.

PROMulgation

Title 42: The Public Health and Welfare

Amendment by Pub. L. 103–43 effective immediately after enactment of Pub. L. 103–67, which was approved July 1, 1993, see section 1811(2), June 10, 1993, 107 Stat. 199.)

TERMINATION

Amendment by Pub. L. 103–43 effective immediately after enactment of Pub. L. 103–67, which was approved July 1, 1993, see section 1811(2), June 10, 1993, 107 Stat. 199.)
(B) if such an application is approved, encourage, as appropriate, licensed medical practitioners to obtain, in accordance with such regulations, the new drug from such sponsor for the purpose of treating such individuals.

(2) If the sponsor of the investigation of a new drug described in paragraph (1) does not submit to the Secretary an application described in such paragraph (relating to treatment use), the Secretary shall, through statements published in the Federal Register, encourage, as appropriate, licensed medical practitioners to submit to the Secretary such applications in accordance with regulations described in such paragraph.

(c) Technical assistance with respect to treatment use

In the case of a new drug with respect to which the Secretary has made a determination described in subsection (a), the Secretary may, directly or through grants or contracts, provide technical assistance with respect to the process of—

(1) submitting to the Secretary applications for exemptions described in paragraph (1)(B) of such subsection;
(2) submitting to the Secretary applications described in subsection (b); and
(3) with respect to sponsors of investigations of new drugs, facilitating the transfer of new drugs from such sponsors to licensed medical practitioners.

d) “New drug” defined

For purposes of this section, the term “new drug” has the meaning given such term in section 321 of title 21.


§300cc–13. Terry Beirn Community-Based AIDS Research Initiative

(a) In general

After consultation with the Commissioner of Food and Drugs, the Director of the National Institutes of Health, acting through the Director of the National Institute of Allergy and Infectious Diseases, may make grants to public entities and nonprofit private entities concerned with acquired immune deficiency syndrome, and may enter into contracts with public and private such entities, for the purpose of planning and conducting, in the community involved, clinical trials of experimental treatments for infection with the etiologic agent for such syndrome that are approved by the Commissioner of Food and Drugs for investigational use under regulations issued under section 355 of title 21.

(b) Requirement of certain projects

(1) Financial assistance under subsection (a) shall include such assistance to community-based organizations and community health centers for the purpose of—
(A) retaining appropriate medical supervision;
(B) assisting with administration, data collection and record management; and
(C) conducting training of community physicians, nurse practitioners, physicians’ assistants and other health professionals for the purpose of conducting clinical trials.

(2)(A) Financial assistance under subsection (a) shall include such assistance for demonstration projects designed to implement and conduct community-based clinical trials in order to provide access to the entire scope of communities affected by infections with the etiologic agent for acquired immune deficiency syndrome, including minorities, hemophiliacs and transfusion-exposed individuals, women, children, users of intravenous drugs, and individuals who are asymptomatic with respect to such infection.
(B) The Director of the National Institutes of Health may not provide financial assistance under this paragraph unless the application for such assistance is approved—
(i) by the Commissioner of Food and Drugs;
(ii) by a duly constituted Institutional Review Board that meets the requirements of part 56 of title 21, Code of Federal Regulations; and
(iii) by the Director of the National Institute of Allergy and Infectious Diseases.

c) Participation of private industry, schools of medicine and primary providers

Programs carried out with financial assistance provided under subsection (a) shall be designed to encourage private industry and schools of medicine, osteopathic medicine, and existing consortia of primary care providers organized to conduct clinical research concerning acquired immune deficiency syndrome to participate in, and to support, the clinical trials conducted pursuant to the programs.

d) Requirement of application

The Secretary may not provide financial assistance under subsection (a) unless—
(1) an application for the assistance is submitted to the Secretary;
(2) with respect to carrying out the purpose for which the assistance is to be made, the application provides assurances of compliance satisfactory to the Secretary; and
(3) the application otherwise is in such form, is made in such manner, and contains such agreements, assurances, and information as the Secretary determines to be necessary to carry out this section.

e) Authorization of appropriations

(1) For the purpose of carrying out subsection (b)(1), there are authorized to be appropriated such sums as may be necessary for each of the fiscal years 1989 through 1996.

1 So in original.
(2) For the purpose of carrying out subsection (b)(2), there are authorized to be appropriated such sums as may be necessary for each of the fiscal years 1989 through 1996.


PRIOR PROVISIONS

A prior section 300cc–13, act July 1, 1944, §2314, was successively renumbered by subsequent acts and transferred, see section 238K of this title.

AMENDMENTS


Subsec. (c). Pub. L. 102–96, §3(2), substituted “‘schools of medicine and primary providers’” for “‘and schools of medicine’”.

1988—Subsec. (a). Pub. L. 100–690, §2617(b)(1), which directed substitution of “through the Director of the National Institute of Allergy” for “through the National Institute of Allergy”, was executed by making substitution for “through the National Institute of Allergy” as the probable intent of Congress.

1989—Subsec. (c). Pub. L. 101–93 inserted “‘and osteopathic medicine’” after “‘schools of medicine’”.

1988—Subsec. (a). Pub. L. 100–690, §2617(b)(1), which directed substitution of “through the Director of the National Institute of Allergy” for “through the National Institute of Allergy, was executed by making substitution for “through the National Institute of Allergy” as the probable intent of Congress.

Effective Date of 1988 Amendment

Amendment by Pub. L. 100–690 effective immediately after enactment of Pub. L. 100–690, which was approved Nov. 4, 1988, see section 2608 of Pub. L. 100–690, set out as a note under section 242m of this title.

Reference to Community, Migrant, Public Housing, or Homeless Health Center Considered Reference to Health Center

Reference to community health center, migrant health center, public housing health center, or homeless health center considered reference to health center, see section 4(c) of Pub. L. 104–299, set out as a note under section 254 of this title.

Findings and Sense of Congress


“(a) FINDINGS.—Congress finds that—

“(1) community-based clinical trials complement the National Institute of Allergy and Infectious Diseases’ university-based research in order to provide increased access to experimental therapies;

“(2) community-based clinical trials provide an efficient and cost-effective means to develop new HIV-related treatments, benefiting all people living with HIV disease and other illnesses; and

“(3) because the community-based clinical trials model has a proven ability to conduct rapid trials that meet the very highest standards of scientific inquiry, this program should be reauthorized and significantly expanded.

“(b) SENSE OF CONGRESS.—It is the sense of Congress that, because of Terry Beirn’s tireless efforts to foster a partnership among all parties invested in AIDS research (including the National Institutes of Health university-based research system, primary care physicians practicing in the community, and patients), the community-based clinical trials program should be renamed as the ‘Terry Beirn Community-Based AIDS Research Initiative’ in his honor.”

§300cc–14. Evaluation of certain treatments

(a) Establishment of program

(1) After consultation with the AIDS Research Advisory Committee established pursuant to section 300cc–3 of this title, the Secretary shall establish a program for the evaluation of drugs that—

(A) are not approved by the Commissioner of Food and Drugs for the purpose of treatments with respect to acquired immune deficiency syndrome; and

(B) are being utilized for such purpose by individuals infected with the etiologic agent for such syndrome.

(2) The program established under paragraph (1) shall include evaluations of the effectiveness and the risks of the treatment involved, including the risks of foregoing treatments with respect to acquired immune deficiency syndrome that are approved by the Commissioner of Food and Drugs.

(b) Authority with respect to grants and contracts

(1) For the purpose of conducting evaluations required in subsection (a), the Secretary may make grants to, and enter into cooperative agreements and contracts with, public and nonprofit private entities.

(2) Nonprofit private entities under paragraph (1) may include nonprofit private organizations that—

(A) are established for the purpose of evaluating treatments with respect to acquired immune deficiency syndrome; and

(B) consist primarily of individuals infected with the etiologic agent for such syndrome.

(c) Scientific and ethical guidelines

(1) The Secretary shall establish appropriate scientific and ethical guidelines for the conduct of evaluations carried out pursuant to this section. The Secretary may not provide financial assistance under subsection (b)(1) unless the applicant for such assistance agrees to comply with such guidelines.

(2) The Secretary may establish the guidelines described in paragraph (1) only after consulting with—

(A) physicians whose clinical practice includes a significant number of individuals with acquired immune deficiency syndrome;

(B) individuals who are infected with the etiologic agent for such syndrome; and

(C) other individuals with appropriate expertise or experience.

(d) Authorization of appropriations

For the purpose of carrying out this section, there are authorized to be appropriated such sums as may be necessary.

(a) Grants and contracts for research

(1) Under section 242l of this title, the Secretary, acting through the Director of the National Institutes of Health—

(A) shall, for the purpose described in paragraph (2), make grants to, enter into cooperative agreements and contracts with, and provide technical assistance to, international organizations concerned with public health; and

(B) may, for such purpose, provide technical assistance to foreign governments.

(2) The purpose referred to in paragraph (1) is promoting and expediting international research and training concerning the natural history and pathogenesis of the human immunodeficiency virus and the development and evaluation of vaccines and treatments for acquired immune deficiency syndrome and opportunistic infections.

(b) Grants and contracts for additional purposes

After consultation with the Administrator of the Agency for International Development, the Secretary, acting through the Director of the Centers for Disease Control and Prevention, shall under section 242l of this title make grants to, enter into contracts with, and provide technical assistance to, international organizations concerned with public health and may provide technical assistance to foreign governments, in order to support—

(1) projects for training individuals with respect to developing skills and technical expertise for use in the prevention, diagnosis, and treatment of acquired immune deficiency syndrome; and

(2) epidemiological research relating to acquired immune deficiency syndrome.

(c) Special Programme of World Health Organization

Support provided by the Secretary pursuant to this section shall be in furtherance of the global strategy of the World Health Organization Special Programme on Acquired Immunodeficiency Syndrome.

(d) Preferences

In providing grants, cooperative agreements, contracts, and technical assistance under subsections (a) and (b), the Secretary shall—

(1) give preference to activities under such subsections conducted by, or in cooperation with, the World Health Organization or the World Health Organization.

(2) with respect to activities carried out under such subsections in the Western Hemisphere, give preference to activities conducted by, or in cooperation with, the Pan American Health Organization or the World Health Organization.

(e) Requirement of application

The Secretary may not make a grant or enter into a cooperative agreement or contract under this section unless—

(1) an application for such assistance is submitted to the Secretary;

(2) with respect to carrying out the purpose for which such assistance is to be provided, the application provides assurances of compliance satisfactory to the Secretary; and

(3) the application otherwise is in such form, is made in such manner, and contains such agreements, assurances, and information as the Secretary determines to be necessary to carry out this section.

(f) Authorization of appropriations

For the purpose of carrying out this section, there are authorized to be appropriated such sums as may be necessary for each fiscal year.


AMENDMENTS


1992—Subsec. (a)(2). Pub. L. 102–531 substituted “international research concerning the development and evaluation of vaccines and treatments for acquired immune deficiency syndrome and opportunistic infections” for “international research concerning the development and evaluation of vaccines and treatments for acquired immune deficiency syndrome”.

Subsec. (f). Pub. L. 102–531 substituted “such sums as may be necessary for each fiscal year” for “there are authorized to be appropriated $40,000,000 for fiscal year 1989 and such sums as may be necessary for each of the fiscal years 1990 and 1991”.


§ 300cc–16. Research centers

(a) In general

(1) The Secretary, acting through the Director of the National Institute of Allergy and Infectious Diseases, may make grants to, and enter into contracts with, public and nonprofit private entities to assist such entities in planning, establishing, or strengthening, and providing basic operating support for, centers for basic and clinical research into, and training in, advanced diagnostic, prevention, and treatment methods for acquired immune deficiency syndrome.

(2) A grant or contract under paragraph (1) shall be provided in accordance with policies established by the Secretary, acting through the Director of the National Institutes of Health, and after consultation with the advisory council for the National Institute of Allergy and Infectious Diseases.
(3) The Secretary shall ensure that, as appropriate, clinical research programs carried out under paragraph (1) include as research subjects women, children, hemophiliacs, and minorities.

(b) Use of financial assistance

(1) Financial assistance under subsection (a) may be expended for—

(A) the renovation or leasing of space;
(B) staffing and other basic operating costs, including such patient care costs as are required for clinical research;
(C) clinical training with respect to acquired immune deficiency syndrome (including such training for allied health professionals); and
(D) demonstration purposes, including projects in the long-term monitoring and outpatient treatment of individuals infected with the etiologic agent for such syndrome.

(2) Financial assistance under subsection (a) may not be expended to provide research training for which Ruth L. Kirschstein National Research Service Awards may be provided under section 288 of this title.

(c) Duration of support

Support of a center under subsection (a) may be for not more than five years. Such period may be extended by the Director for additional periods of not more than five years each if the operations of such center have been reviewed by an appropriate technical and scientific peer review group established by the Director and if such group has recommended to the Director that such period should be extended.

(d) Authorization of appropriations

For the purpose of carrying out this section, there are authorized to be appropriated such sums as may be necessary.


AMENDMENTS


§ 300cc–17. Information services

(a) Establishment of program

The Secretary shall establish, maintain, and operate a program with respect to information on research, treatment, and prevention activities relating to infection with the etiologic agent for acquired immune deficiency syndrome. The program shall, with respect to the agencies of the Department of Health and Human Services, be integrated and coordinated.

(b) Toll-free telephone communications for health care entities

(1) After consultation with the Director of the Office of AIDS Research, the Administrator of the Health Resources and Services Administration, and the Director of the Centers for Disease Control and Prevention, the Secretary shall provide for toll-free telephone communications to provide medical and technical information with respect to acquired immune deficiency syndrome to health care professionals, allied health care providers, and to professionals providing emergency health services.

(2) Information provided pursuant to paragraph (1) shall include—

(A) information on prevention of exposure to, and the transmission of, the etiologic agent for acquired immune deficiency syndrome; and
(B) information contained in the data banks established in subsections (c) and (d).

(c) Data bank on research information

(1) After consultation with the Director of the Office of AIDS Research, the Director of the Centers for Disease Control and Prevention, and the National Library of Medicine, the Secretary shall establish a data bank of information on the results of research with respect to acquired immune deficiency syndrome conducted in the United States and other countries.

(2) In carrying out paragraph (1), the Secretary shall collect, catalog, store, and disseminate the information described in such paragraph. To the extent practicable, the Secretary may make such information available to researchers, physicians, and other appropriate individuals, of countries other than the United States.

(d) Data bank on clinical trials and treatments

(1) After consultation with the Commissioner of Food and Drugs, the AIDS Research Advisory Committee established under section 300cc–3 of this title, and the Director of the Office of AIDS Research, the Secretary shall, in carrying out subsection (a), establish a data bank of information on clinical trials and treatments with respect to infection with the etiologic agent for acquired immune deficiency syndrome (hereafter in this section referred to as the “Data Bank”).

(2) In carrying out paragraph (1), the Secretary shall collect, catalog, store, and disseminate the information described in such paragraph. The Secretary shall disseminate such information through information systems available to individuals infected with the etiologic agent for acquired immune deficiency syndrome, to other members of the public, to health care providers, and to researchers.

(e) Requirements with respect to data bank on clinical trials and treatments

The Data Bank shall include the following:

(1) A registry of clinical trials of experimental treatments for acquired immune deficiency syndrome and related illnesses conducted under regulations promulgated pursuant to section 355 of title 21 that provides a description of the purpose of each experimental drug protocol either with the consent of the protocol sponsor, or when a trial to test efficacy begins. Information provided shall include eligibility criteria and the location of trial sites, and must be forwarded to the Data Bank by the sponsor of the trial not later than 21 days after the approval by the Food and Drug Administration.

(2) Information pertaining to experimental treatments for acquired immune deficiency syndrome that may be available under a treat-
ment investigational new drug application that has been submitted to the Food and Drug Administration pursuant to part 312 of title 21, Code of Federal Regulations. The Data Bank shall also include information pertaining to the results of clinical trials of such treatments, with the consent of the sponsor, of such experimental treatments, including information concerning potential toxicities or adverse effects associated with the use or administration of such experimental treatment. (July 1, 1944, ch. 373, title XXIII, §2317, as added Pub. L. 100–607, title II, §201(4), Nov. 4, 1988, 102 Stat. 3071; amended Pub. L. 100–690, title II, §2617(c), Nov. 18, 1988, 102 Stat. 3246; Pub. L. 102–531, title III, §312(d)(19), Oct. 27, 1992, 106 Stat. 3505; Pub. L. 103–43, title XX, §2008(d)(4), June 10, 1993, 107 Stat. 212.)

AMENDMENTS


§ 300cc–18. Development of model protocols for clinical care of infected individuals

(a) In general

(1) The Secretary, acting through the Director of the National Institutes of Health and after consultation with the Director of the Agency for Healthcare Research and Quality, may make grants to public and nonprofit private entities for the establishment of projects to develop model protocols for the clinical care of individuals infected with the etiologic agent for acquired immune deficiency syndrome, including treatment and prevention of HIV infection and related conditions among women.

(2) The Secretary may not make a grant under paragraph (1) unless—

(A) the applicant for the grant is a provider of comprehensive primary care; or

(B) the applicant for the grant agrees, with respect to the project carried out pursuant to paragraph (1), to enter into a cooperative arrangement with an entity that is a provider of comprehensive primary care.

(b) Requirement of provision of certain services

The Secretary may not make a grant under subsection (a) unless the applicant for the grant agrees that, with respect to patients participating in the project carried out with the grant, services provided pursuant to the grant will include—

(1) monitoring, in clinical laboratories, of the condition of such patients;

(2) clinical intervention for infection with the etiologic agent for acquired immune deficiency syndrome, including measures for the prevention of conditions arising from the infection;

(3) information and counseling on the availability of treatments for such infection approved by the Commissioner of Food and Drugs, on the availability of treatments for such infection not yet approved by the Commissioner, and on the reports issued by the AIDS Research Advisory Committee under section 300cc–3(c)(2)(B) of this title;

(4) support groups; and

(5) information on, and referrals to, entities providing appropriate social support services.

(c) Limitation on imposition of charges for services

The Secretary may not make a grant under subsection (a) unless the applicant for the grant agrees that, if the applicant will routinely impose a charge for providing services pursuant to the grant, the applicant will not impose the charge on any individual seeking such services who is unable to pay the charge.

(d) Evaluation and reports

(1) The Secretary may not make a grant under subsection (a) unless the applicant for the grant agrees, with respect to the project carried out pursuant to subsection (a), to submit to the Secretary—

(A) information sufficient to assist in the replication of the model protocol developed pursuant to the project; and

(B) such reports as the Secretary may require.

(2) The Secretary shall provide for evaluations of projects carried out pursuant to subsection (a) and shall annually submit to the Congress a report describing such projects. The report shall include the findings made as a result of such evaluations and may include any recommendations of the Secretary for appropriate administrative and legislative initiatives with respect to the program established in this section.

(e) Authorization of appropriations

For the purpose of carrying out this section, there are authorized to be appropriated such sums as may be necessary for each of the fiscal years 1989 through 1991, and such sums as may be necessary for each of the fiscal years 1994 through 1996.


AMENDMENTS


1993—Subsec. (a)(1). Pub. L. 103–43, §1811(4)(A), inserted “acting through the Director of the National Institutes of Health and after consultation with the Administrator for Health Care Policy and Research,” after “The Secretary” and “ including treatment and prevention of HIV infection and related conditions among women” after “syndrome”.

Effective Date of 1988 Amendment

Amendment by Pub. L. 100–690 effective immediately after enactment of Pub. L. 100–607, which was approved Nov. 4, 1988, see section 2600 of Pub. L. 100–607, set out as a note under section 242m of this title.

Subsec. (e). Pub. L. 103–43, §1811(4)(B), inserted before period at end “, and such sums as may be necessary for each of the fiscal years 1994 through 1996”.

Termination of reporting requirements

For termination, effective May 15, 2000, of provisions in subsec. (d)(2) of this section relating to annual submission to Congress of reports describing projects carried out pursuant to subsec. (a) of this section, see section 3003 of Pub. L. 104–66, as amended, set out as a note under section 1113 of Title 31, Money and Finance, and page 94 of House Document No. 103–7.

§ 300cc–19. National blood resource education program

After consultation with the Director of the National Heart, Lung, and Blood Institute and the Commissioner of Food and Drugs, the Secretary shall establish a program of research and education regarding blood donations and transfusions to maintain and improve the safety of the blood supply. Education programs shall be directed at health professionals, patients, and the community to—

(1) in the case of the public and patients undergoing treatment—

(A) increase awareness that the process of donating blood is safe;

(B) promote the concept that blood donors are contributors to a national need to maintain an adequate and safe blood supply;

(C) encourage blood donors to donate more than once a year; and

(D) encourage repeat blood donors to recruit new donors;

(2) in the case of health professionals—

(A) improve knowledge, attitudes, and skills of health professionals in the appropriate use of blood and blood components;

(B) increase the awareness and understanding of health professionals regarding the risks versus benefits of blood transfusion; and

(C) encourage health professionals to consider alternatives to the administration of blood or blood components for their patients; and

(3) in the case of the community, increase coordination, communication, and collaboration among community, professional, industry, and government organizations regarding blood donation and transfusion issues.

(July 1, 1944, ch. 373, title XXIII, §2319, as added Pub. L. 100–607, title II, §201(4), Nov. 4, 1988, 102 Stat. 3074.)

§ 300cc–20. Additional authority with respect to research

(a) Data collection with respect to national prevalence

(1) The Secretary, acting through the Director of the Centers for Disease Control and Prevention, may, through representative sampling and other appropriate methodologies, provide for the continuous collection of data on the incidence in the United States of cases of acquired immune deficiency syndrome and of cases of infection with the etiologic agent for such syndrome. The Secretary may carry out the program of data collection directly or through cooperative agreements and contracts with public and nonprofit private entities.

(2) The Secretary shall encourage each State to enter into a cooperative agreement or contract under paragraph (1) with the Secretary in order to facilitate the prompt collection of the most recent accurate data on the incidence of cases described in such paragraph.

(3) The Secretary shall ensure that data collected under paragraph (1) includes data on the demographic characteristics of the population of individuals with cases described in paragraph (1), including data on specific subpopulations at risk of infection with the etiologic agent for acquired immune deficiency syndrome.

(4) In carrying out this subsection, the Secretary shall, for the purpose of assuring the utility of data collected under this section, request entities with expertise in the methodologies of data collection to provide, as soon as is practicable, assistance to the Secretary and to the States with respect to the development and utilization of uniform methodologies of data collection.

(5) The Secretary shall provide for the dissemination of data collected pursuant to this subsection. In carrying out this paragraph, the Secretary may publish such data as frequently as the Secretary determines to be appropriate with respect to the protection of the public health. The Secretary shall publish such data not less than once each year.

(b) Epidemiological and demographic data

(1) The Secretary, acting through the Director of the Centers for Disease Control and Prevention, shall develop an epidemiological data base and shall provide for long-term studies for the purposes of—

(A) collecting information on the demographic characteristics of the population of individuals infected with the etiologic agent for acquired immune deficiency syndrome and the natural history of such infection; and

(B) developing models demonstrating the long-term domestic and international patterns of the transmission of such etiologic agent.

(2) The Secretary may carry out paragraph (1) directly or through grants to, or cooperative agreements or contracts with, public and nonprofit private entities, including Federal agencies.

(c) Long-term research

The Secretary may make grants to public and nonprofit private entities for the purpose of assisting grantees in conducting long-term research into treatments for acquired immune deficiency syndrome developed from knowledge of the genetic nature of the etiologic agent for such syndrome.

(d) Social sciences research

The Secretary, acting through the Director of the National Institute of Mental Health, may make grants to public and nonprofit private en-

1 So in original.
ties for the purpose of assisting grantees in conducting scientific research into the psychological and social sciences as such sciences relate to acquired immune deficiency syndrome.

(e) Authorization of appropriations

(1) For the purpose of carrying out this section, there are authorized to be appropriated such sums as may be necessary for each fiscal year.

(2) Amounts appropriated pursuant to paragraph (1) to carry out subsection (c) shall remain available until expended.

(1) Interagency coordination of AIDS activities

There is established within the National Institutes of Health an office to be known as the Office of AIDS Research. The Office shall be headed by a director, who shall be appointed by the Secretary.

(b) Duties

(1) Interagency coordination of AIDS activities

With respect to acquired immune deficiency syndrome, the Director of the Office shall plan, coordinate, and evaluate research and other activities conducted or supported by the agencies of the National Institutes of Health. In carrying out the preceding sentence, the Director of the Office shall evaluate the AIDS activities of each of such agencies and shall not be included in any determination of the number of full-time equivalent employees of the Department of Health and Human Services for the purpose of any limitation on the number of such employees established by law prior to, on, or after November 4, 1988.

(d) Authorization of appropriations

For the purpose of carrying out this section, there are authorized to be appropriated such sums as may be necessary for each fiscal year.

(1) Interagency coordination of AIDS activities

There is established within the National Institutes of Health an office to be known as the Office of AIDS Research. The Office shall be headed by a director, who shall be appointed by the Secretary.

(b) Duties

(1) Interagency coordination of AIDS activities

With respect to acquired immune deficiency syndrome, the Director of the Office shall plan, coordinate, and evaluate research and other activities conducted or supported by the agencies of the National Institutes of Health. In carrying out the preceding sentence, the Director of the Office shall evaluate the AIDS activities of each of such agencies and shall not be included in any determination of the number of full-time equivalent employees of the Department of Health and Human Services for the purpose of any limitation on the number of such employees established by law prior to, on, or after November 4, 1988.

(d) Authorization of appropriations

For the purpose of carrying out this section, there are authorized to be appropriated such sums as may be necessary for each fiscal year.

(1) Interagency coordination of AIDS activities

There is established within the National Institutes of Health an office to be known as the Office of AIDS Research. The Office shall be headed by a director, who shall be appointed by the Secretary.

(b) Duties

(1) Interagency coordination of AIDS activities

With respect to acquired immune deficiency syndrome, the Director of the Office shall plan, coordinate, and evaluate research and other activities conducted or supported by the agencies of the National Institutes of Health. In carrying out the preceding sentence, the Director of the Office shall evaluate the AIDS activities of each of such agencies and shall not be included in any determination of the number of full-time equivalent employees of the Department of Health and Human Services for the purpose of any limitation on the number of such employees established by law prior to, on, or after November 4, 1988.

(d) Authorization of appropriations
§ 300cc–40a  TITLE 42—THE PUBLIC HEALTH AND WELFARE  Page 1340

provide for the periodic reevaluation of such activities.

(2) Consultations

The Director of the Office shall carry out this subpart (including developing and revising the plan required in section 300cc–40c of this title) in consultation with the heads of the agencies of the National Institutes of Health, with the advisory councils of the agencies, and with the advisory council established under section 300cc–40b of this title.

(3) Coordination

The Director of the Office shall act as the primary Federal official with responsibility for overseeing all AIDS research conducted or supported by the National Institutes of Health, and

(A) shall serve to represent the National Institutes of Health AIDS Research Program at all relevant Executive branch task forces and committees; and

(B) shall maintain communications with all relevant Public Health Service agencies and with various other departments of the Federal Government, to ensure the timely transmission of information concerning advances in AIDS research and the clinical treatment of acquired immune deficiency syndrome and its related conditions, between these various agencies for dissemination to affected communities and health care providers.

(July 1, 1944, ch. 373, title XXIII, § 2351, as added Pub. L. 103–43, title XVIII, § 1801(a)(3), June 10, 1993, 107 Stat. 192.)

§ 300cc–40a. Microbicide research

(a) Federal strategic plan

The Director of the Office shall—

(1) expedite the implementation of the Federal strategic plans required by section 283(a) of this title regarding the conduct and support of research on, and development of, a microbicide to prevent the transmission of the human immunodeficiency virus; and

(2) review and, as appropriate, revise such plan to prioritize funding and activities relative to their scientific urgency and potential market readiness.

(b) Coordination

In implementing, reviewing, and prioritizing elements of the plan described in subsection (a), the Director of the Office shall consult, as appropriate, with—

(1) representatives of other Federal agencies involved in microbicide research, including the Coordinator of United States Government Activities to Combat HIV/AIDS Globally, the Director of the Centers for Disease Control and Prevention, and the Administrator of the United States Agency for International Development;

(2) the microbicide research and development community; and

(3) health advocates.

(July 1, 1944, ch. 373, title XXIII, § 2351A, as added Pub. L. 110–293, title II, § 203(b), July 30, 2008, 122 Stat. 2940.)

PRIOR PROVISIONS

A prior section 300cc–40a, act July 1, 1944, ch. 373, title XXIII, § 2352, as added Pub. L. 103–43, title XVIII, § 1801(a)(3), June 10, 1993, 107 Stat. 193, which required the establishment of an advisory council and coordinating committees, was transferred to section 300cc–40b of this title.

SENSE OF CONGRESS

Pub. L. 110–293, title II, § 203(a), July 30, 2008, 122 Stat. 2940, provided that: “Congress recognizes the need and urgency to expand the range of interventions for preventing the transmission of human immunodeficiency virus (HIV), including nonvaccine prevention methods that can be controlled by women.”

§ 300cc–40b. Advisory Council; coordinating committees

(a) Advisory Council

(1) In general

The Secretary shall establish an advisory council for the purpose of providing advice to the Director of the Office on carrying out this part. (Such council is referred to in this subsection as the “Advisory Council”.)

(2) Composition, compensation, terms, chair, etc.

Subsections (b) through (g) of section 284a of this title apply to the Advisory Council to the same extent and in the same manner as such subsections apply to advisory councils for the national research institutes, except that—

(A) in addition to the ex officio members specified in section 284a(b)(2) of this title, there shall serve as such members of the Advisory Council a representative from the advisory council of each of the National Cancer Institute and the National Institute on Allergy and Infectious Diseases; and

(B) with respect to the other national research institutes, there shall serve as ex officio members of such Council, in addition to such members specified in subparagraph (A), a representative from the advisory council of each of the 2 institutes that receive the greatest funding for AIDS activities.

(b) Individual coordinating committees regarding research disciplines

(1) In general

The Director of the Office shall establish, for each research discipline in which any activity under the plan required in section 300cc–40c of this title is carried out, a committee for the purpose of providing advice to the Director of the Office on carrying out this part with respect to such discipline. (Each such committee is referred to in this subsection as a “coordinating committee”.)

(2) Composition

Each coordinating committee shall be composed of representatives of the agencies of the National Institutes of Health with significant responsibilities regarding the research discipline involved.

(July 1, 1944, ch. 373, title XXIII, § 2352, as added Pub. L. 103–43, title XVIII, § 1801(a)(3), June 10, 1993, 107 Stat. 193.)

CONCILIATION

Section was formerly classified to section 300cc–40a of this title.
§ 300cc–40c. Comprehensive plan for expenditure of appropriations

(a) In general

Subject to the provisions of this section and other applicable law, the Director of the Office, in carrying out section 300cc–40 of this title, shall—

(1) establish a comprehensive plan for the conduct and support of all AIDS activities of the agencies of the National Institutes of Health (which plan shall be first established under this paragraph not later than 12 months after June 10, 1993);

(2) ensure that the Plan establishes priorities among the AIDS activities that such agencies are authorized to carry out;

(3) ensure that the Plan establishes objectives regarding such activities, describes the means for achieving the objectives, and designates the date by which the objectives are expected to be achieved;

(4) ensure that all amounts appropriated for such activities are expended in accordance with the Plan;

(5) review the Plan not less than annually, and revise the Plan as appropriate; and

(6) ensure that the Plan serves as a broad, binding statement of policies regarding AIDS activities of the agencies, but does not remove the responsibility of the heads of the agencies for the approval of specific programs or projects, or for other details of the daily administration of such activities, in accordance with the Plan.

(b) Certain components of Plan

With respect to AIDS activities of the agencies of the National Institutes of Health, the Director of the Office shall ensure that the Plan—

(1) provides for basic research;

(2) provides for applied research;

(3) provides for research that is conducted by the agencies;

(4) provides for research that is supported by the agencies;

(5) provides for proposals developed pursuant to solicitations by the agencies and for proposals developed independently of such solicitations; and

(c) Budget estimates

(1) Full-funding budget

(A) With respect to a fiscal year, the Director of the Office shall prepare and submit directly to the President, for review and transmittal to the Congress, a budget estimate for carrying out the Plan for the fiscal year, after reasonable opportunity for comment (but without change) by the Secretary, the Director of the National Institutes of Health, and the advisory council established under section 300cc–40b of this title. The budget estimate shall include an estimate of the number and type of personnel needs for the Office.

(B) The budget estimate submitted under subparagraph (A) shall estimate the amounts necessary for the agencies of the National Institutes of Health to carry out all AIDS activities determined by the Director of the Office to be appropriate, without regard to the probability that such amounts will be appropriated.

(2) Alternative budgets

(A) With respect to a fiscal year, the Director of the Office shall prepare and submit to the Secretary and the Director of the National Institutes of Health the budget estimates described in subparagraph (B) for carrying out the Plan for the fiscal year. The Secretary and such Director shall consider each of such estimates in making recommendations to the President regarding a budget for the Plan for such year.

(B) With respect to the fiscal year involved, the budget estimates referred to in subparagraph (A) for the Plan are as follows:

(i) The budget estimate submitted under paragraph (1).

(ii) A budget estimate developed on the assumption that the amounts appropriated will be sufficient only for—

(1) continuing the conduct by the agencies of the National Institutes of Health of existing AIDS activities (if approved for continuation), and continuing the support of such activities by the agencies in the case of projects or programs for which the agencies have made a commitment of continued support; and

(III) Where the Director determines there is the most substantial need.

(iii) Such other budget estimates as the Director of the Office determines to be appropriate.

(d) Funding

(1) Authorization of appropriations

For the purpose of carrying out AIDS activities under the Plan, there are authorized to be appropriated such sums as may be necessary for each of the fiscal years 1994 through 1996.

(2) Receipt of funds

For the first fiscal year beginning after the date on which the Plan first established under
In general
§ 300cc–41. Additional authorities
(a) In general
In carrying out AIDS research, the Director of the Office—
(1) shall develop and expand clinical trials of treatments and therapies for infection with the etiologic agent for acquired immune deficiency syndrome, including such clinical trials for women, infants, children, hemophiliacs, and minorities;
(2) may establish or support the large-scale development and preclinical screening, production, or distribution of specialized biological materials and other therapeutic substances for AIDS research and set standards of safety and care for persons using such materials;
(3) may support—
(A) AIDS research conducted outside the United States by qualified foreign professionals if such research can reasonably be expected to benefit the people of the United States;
(B) collaborative research involving American and foreign participants; and
(C) the training of American scientists abroad and foreign scientists in the United States;
(4) may encourage and coordinate AIDS research conducted by any industrial concern that evidences a particular capability for the conduct of such research;
(5)(A) may acquire, improve, repair, operate, and maintain laboratories, other research facilities, equipment, and such other real or personal property as the Director of the Office determines necessary;
(B) may make grants for the construction or renovation of facilities; and
(C) may acquire, without regard to section 8141 of title 40 by lease or otherwise through the Administrator of General Services, buildings or parts of buildings in the District of Columbia or communities located adjacent to the District of Columbia for the use of the National Institutes of Health for a period not to exceed ten years; and
(6) subject to section 284(b)(2) of this title and without regard to section 3324 of title 31 and section 6101 of title 41, may enter into such contracts and cooperative agreements with any public agency, or with any person, firm, association, corporation, or educational institution, as may be necessary to expedite and coordinate research relating to acquired immune deficiency syndrome.
(b) Projects for cooperation among public and private health entities
In carrying out subsection (a), the Director of the Office shall establish projects to promote cooperation among Federal agencies, State, local, and regional public health agencies, and private entities, in research concerning the diagnosis, prevention, and treatment of acquired immune deficiency syndrome.

CODIFICATION
Section was formerly classified to section 300cc–40b of this title.

§ 300cc–41. Additional authorities
(a) In general
In carrying out AIDS research, the Director of the Office—
(1) shall develop and expand clinical trials of treatments and therapies for infection with the etiologic agent for acquired immune deficiency syndrome, including such clinical trials for women, infants, children, hemophiliacs, and minorities;
(2) may establish or support the large-scale development and preclinical screening, production, or distribution of specialized biological materials and other therapeutic substances for AIDS research and set standards of safety and care for persons using such materials;
(3) may support—
(A) AIDS research conducted outside the United States by qualified foreign professionals if such research can reasonably be expected to benefit the people of the United States;
(B) collaborative research involving American and foreign participants; and
(C) the training of American scientists abroad and foreign scientists in the United States;
(4) may encourage and coordinate AIDS research conducted by any industrial concern that evidences a particular capability for the conduct of such research;
(5)(A) may acquire, improve, repair, operate, and maintain laboratories, other research facilities, equipment, and such other real or personal property as the Director of the Office determines necessary;
(B) may make grants for the construction or renovation of facilities; and
(C) may acquire, without regard to section 8141 of title 40 by lease or otherwise through the Administrator of General Services, buildings or parts of buildings in the District of Columbia or communities located adjacent to the District of Columbia for the use of the National Institutes of Health for a period not to exceed ten years; and
(6) subject to section 284(b)(2) of this title and without regard to section 3324 of title 31 and section 6101 of title 41, may enter into such contracts and cooperative agreements with any public agency, or with any person, firm, association, corporation, or educational institution, as may be necessary to expedite and coordinate research relating to acquired immune deficiency syndrome.
(b) Projects for cooperation among public and private health entities
In carrying out subsection (a), the Director of the Office shall establish projects to promote cooperation among Federal agencies, State, local, and regional public health agencies, and private entities, in research concerning the diagnosis, prevention, and treatment of acquired immune deficiency syndrome.

CODIFICATION

AMENDMENTS
2007—Subsecs. (b), (c). Pub. L. 109–482 redesignated subsec. (c) as (b) and struck out former subsec. (b). Subsec. (b) text read as follows: “The Director of the Office shall each fiscal year prepare and submit to the Secretary, for inclusion in the comprehensive report required in section 300cc(a) of this title, a report—
(1) describing and evaluating the progress made in such fiscal year in research, treatment, and training with respect to acquired immune deficiency syndrome conducted or supported by the Institutes; and
(2) summarizing and analyzing expenditures made in such fiscal year for activities with respect to acquired immune deficiency syndrome conducted or supported by the National Institutes of Health; and
(3) containing such recommendations as the Director considers appropriate.”
(a) the Director identifies the particular set of AIDS activities for which such amounts are to be expended;

(b) the set of activities so identified constitutes either a new project or additional AIDS activities for an existing project;

(C) the Director of the Office has made a determination that there is a significant need for such set of activities; and

(D) as of June 30 of the fiscal year preceding the fiscal year in which the determination is made, such need was not provided for in any appropriations Act passed by the House of Representatives to make appropriations for the Departments of Labor, Health and Human Services (including the National Institutes of Health), Education, and related agencies for the fiscal year in which the determination is made.

(3) Two-year use of Fund for project involved

In the case of an identified set of AIDS activities, obligations of amounts in the Fund may not be made for such set of activities after the expiration of the 2-year period beginning on the date on which the initial obligation of such amounts is made for such set.

(b) Peer review

With respect to an identified set of AIDS activities carried out with amounts in the Fund, this section may not be construed as waiving applicable requirements for peer review.

(c) Limitations on use of Fund

(1) Construction of facilities

Amounts in the Fund may not be used for the construction, renovation, or relocation of facilities, or for the acquisition of land.

(2) Congressional disapproval of projects

(A) Amounts in the Fund may not be expended for the fiscal year involved for an identified set of AIDS activities, or a category of AIDS activities, for which—

(i)(I) amounts were made available in an appropriations Act for the fiscal year involved;

(ii) amounts are by law prohibited from being expended.

(B) A determination under subparagraph (A)(i) of whether amounts have been made available in appropriations Acts for a fiscal year shall be made without regard to whether such Acts make available amounts for the Fund.

(c) Investment of Fund amounts

Amounts in the Fund may not be invested.

(d) Applicability of limitation regarding number of employees

The purposes for which amounts in the Fund may be expended include the employment of individuals necessary to carry out identified sets of AIDS activities approved under subsection (a). Any individual employed under the preceding sentence may not be included in any determination of the number of full-time equivalent employees.
employees for the Department of Health and Human Services for the purpose of any limitation on the number of such employees established by law prior to, on, or after June 10, 1993.

(e) Definitions

For purposes of this section:
(1) The term “Fund” means the fund established in subsection (a).
(2) The term “identified set of AIDS activities” means a particular set of AIDS activities identified under subsection (a)(2)(A).

(f) Funding

(1) Authorization of appropriations

For the purpose of providing amounts for the Fund, there is authorized to be appropriated $100,000,000 for each of the fiscal years 1994 through 1996.

(2) Availability

Amounts appropriated for the Fund are available until expended.

(p. 1345)

§ 300cc–51. Definitions

For purposes of this part:
(1) The term “AIDS activities” means AIDS research and other activities that relate to acquired immune deficiency syndrome.
(2) The term “AIDS research” means research with respect to acquired immune deficiency syndrome.
(3) The term “Office” means the Office of AIDS Research.

(4) The term “Plan” means the plan required in section 300cc–40c(a)(1) of this title.

(5) The term “AIDS” means acquired immune deficiency syndrome.

(6) The term “Fund” means the Fund established in subsection (a).

AMENDMENTS

2007—Subsec. (b). Pub. L. 109–482 substituted “Evaluation” for “Evaluation and report” in heading, struck out par. (1) designation before “Not later than”, redesignated subs. (A) to (C) as pars. (1) to (3), respectively, and struck out heading and text of former par. (2). Text read as follows: “Not later than 1 year after the date on which the evaluation is commenced under paragraph (1), the Secretary shall prepare and submit to the Committee on Energy and Commerce of the House of Representatives, a report concerning the results of such evaluation.”

PART E—GENERAL PROVISIONS

§ 300cc–51. Definitions

For purposes of this subchapter:
(1) The term “infection”, with respect to the etiologic agent for acquired immune deficiency syndrome, includes opportunistic cancers and infectious diseases and any other conditions arising from infection with such etiologic agent.

(2) The term “treatment”, with respect to the etiologic agent for acquired immune deficiency syndrome, includes primary and secondary prophylaxis.

(p. 1346)
SUBCHAPTER XXII—HEALTH SERVICES WITH RESPECT TO ACQUIRED IMMUNE DEFICIENCY SYNDROME

PART A—FORMULA GRANTS TO STATES FOR HOME AND COMMUNITY-BASED HEALTH SERVICES


Section 300dd–1, act July 1, 1944, ch. 373, title XXIV, § 2401, as added Nov. 4, 1988, Pub. L. 100–607, title II, § 211, 102 Stat. 3079, established program of formula grants for home and community-based health services.

Section 300dd–2, act July 1, 1944, ch. 373, title XXIV, § 2402, as added Nov. 4, 1988, Pub. L. 100–607, title II, § 211, 102 Stat. 3080; amended Nov. 18, 1988, Pub. L. 100–690, title II, § 2618(a), 102 Stat. 4240, provided requirements for carrying out purpose of grants.

Section 300dd–3, act July 1, 1944, ch. 373, title XXIV, § 2403, as added Nov. 4, 1988, Pub. L. 100–607, title II, § 211, 102 Stat. 3081, required submission of description of intended uses of grant.


Section 300dd–5, act July 1, 1944, ch. 373, title XXIV, § 2405, as added Nov. 4, 1988, Pub. L. 100–607, title II, § 211, 102 Stat. 3082, required reports and audits by States.

Section 300dd–6, act July 1, 1944, ch. 373, title XXIV, § 2406, as added Nov. 4, 1988, Pub. L. 100–607, title II, § 211, 102 Stat. 3083, required additional agreements.

Section 300dd–7, act July 1, 1944, ch. 373, title XXIV, § 2407, as added Nov. 4, 1988, Pub. L. 100–607, title II, § 211, 102 Stat. 3084, required submission of application containing certain agreements and assurances.

Section 300dd–8, act July 1, 1944, ch. 373, title XXIV, § 2408, as added Nov. 4, 1988, Pub. L. 100–607, title II, § 211, 102 Stat. 3085, provided for determination of amount of allotments for States.

Section 300dd–9, act July 1, 1944, ch. 373, title XXIV, § 2409, as added Nov. 4, 1988, Pub. L. 100–607, title II, § 211, 102 Stat. 3085; amended Nov. 18, 1988, Pub. L. 100–690, title II, § 2618(c), 102 Stat. 4241, related to failure to comply with agreements.

Section 300dd–10, act July 1, 1944, ch. 373, title XXIV, § 2410, as added Nov. 4, 1988, Pub. L. 100–607, title II, § 211, 102 Stat. 3086, prohibited certain false statements.

Section 300dd–11, act July 1, 1944, ch. 373, title XXIV, § 2411, as added Nov. 4, 1988, Pub. L. 100–607, title II, § 211, 102 Stat. 3087; amended Nov. 18, 1988, Pub. L. 100–690, title II, § 2618(d), 102 Stat. 4241, authorized the Secretary to provide technical assistance and supplies and services in lieu of grant funds.

Section 300dd–12, act July 1, 1944, ch. 373, title XXIV, § 2413, as added Nov. 4, 1988, Pub. L. 100–607, title II, § 211, 102 Stat. 3087; amended Nov. 18, 1988, Pub. L. 100–690, title II, § 2618(e), 102 Stat. 4241, defined terms for this part.

Section 300dd–13, act July 1, 1944, ch. 373, title XXIV, § 2414, as added Nov. 4, 1988, Pub. L. 100–607, title II, § 211, 102 Stat. 3088; amended Nov. 18, 1988, Pub. L. 100–690, title II, § 2618(f), 102 Stat. 4241, provided funding.

Section 300dd–14, act July 1, 1944, ch. 373, title XXIV, § 2415, as added Nov. 4, 1988, Pub. L. 100–607, title II, § 211, 102 Stat. 3088; amended Nov. 18, 1988, Pub. L. 100–690, title II, § 2618(g), 102 Stat. 4241, repealed this part effective with respect to appropriations made for any period after fiscal year 1990.

PART B—SUBLACUTE CARE

§ 300dd–21. Demonstration projects

(a) Definitions

As used in this section:

(1) The term “individuals infected with the etiologic agent for acquired immune deficiency syndrome” means individuals who have a disease, or are recovering from a disease, attributable to the infection of such individuals with such etiologic agent, and as a result of the effects of such disease, are in need of subacute-care services.

(2) The term “subacute care” means medical and health care services that are required for individuals recovering from acute care episodes that are less intensive than the level of care provided in acute-care hospitals, and includes skilled nursing care, hospice care, and other types of health services provided in other long-term-care facilities.

(b) Authorization to conduct three projects

The Secretary shall conduct three demonstration projects to determine the effectiveness and cost of providing the subacute-care services described in subsection (b) to individuals infected with the etiologic agent for acquired immune deficiency syndrome, and the impact of such services on the health status of such individuals.

(c) Services

(1) The services provided under each demonstration project shall be designed to meet the specific needs of individuals infected with the etiologic agent for acquired immune deficiency syndrome, and shall include—

(A) the care and treatment of such individuals by providing—

(i) subacute care;

(ii) emergency medical care and specialized diagnostic and therapeutic services as needed and where appropriate, either directly or through affiliation with a hospital that has experience in treating individuals with acquired immune deficiency syndrome; and

(iii) case management services to ensure, through existing services and programs whenever possible, appropriate discharge planning for such individuals; and

(B) technical assistance to other facilities in the region served by such facility, that is directed toward education and training of physicians, nurses, and other health-care professionals in the subacute care and treatment of individuals infected with the etiologic agent for acquired immune deficiency syndrome.

(2) Services provided under each demonstration project may also include—

(A) hospice services;

(B) outpatient care; and

(C) outreach activities in the surrounding community to hospitals and other health-care facilities that serve individuals infected with the etiologic agent for acquired immune deficiency syndrome.

Effective Date of Repeal

Repeal effective with respect to appropriations made for any period after fiscal year 1990, see section 2415 of act July 1, 1944, which was classified to former section 300dd–14 of this title.
§ 300dd–21

Title 42—The Public Health and Welfare

(d) Time and place

The demonstration projects shall be conducted—

(1) during a 4-year period beginning not later than 9 months after November 4, 1988; and

(2) at sites that—

(A) are geographically diverse and located in areas that are appropriate for the provision of the required and authorized services; and

(B) have the highest incidence of cases of acquired immune deficiency syndrome and the greatest need for subacute-care services.

(e) Evaluation and report

The Secretary shall evaluate the operations of the demonstration projects and shall submit to the Committee on Energy and Commerce of the House of Representatives and the Committee on Labor and Human Resources of the Senate—

(1) not later than 18 months after the beginning of the first project, a preliminary report that contains—

(A) a description of the sites at which the projects are being conducted and of the services being provided in each project; and

(B) a preliminary evaluation of the experience of the projects in the first 12 months of operation; and

(2) not later than 6 months after the completion of the last project, a final report that contains—

(A) an assessment of the costs of subacute care for individuals infected with the etiologic agent for acquired immune deficiency syndrome, including a breakdown of all other sources of funding for the care provided to cover subacute care; and

(B) recommendations for appropriate legislative changes.

(f) Other research

Each demonstration project shall provide for other research to be carried out at the site of such demonstration project including—

(1) clinical research on acquired immune deficiency syndrome, concentrating on research on the neurological manifestations resulting from infection with the etiologic agent for such syndrome; and

(2) the study of the psychological and mental health issues related to such syndrome.

(g) Authorization of appropriations

(1) To carry out this section, there are authorized to be appropriated $10,000,000 for fiscal year 1989 and such sums as are necessary for each of the fiscal years 1990 through 1992.

(2) Amounts appropriated pursuant to paragraph (1) shall remain available until September 10, 1992.

(h) Services to veterans

The Secretary shall enter into an agreement with the Secretary of the Department of Veterans Affairs to ensure that appropriate provision will be made for the furnishing, through demonstration projects, of services to eligible veterans, under contract with the Department of Veterans Affairs pursuant to section 1720 of title 38.

(1) To carry out this section, there are authorized to be appropriated $10,000,000 for fiscal year 1992.

(2) During a 4-year period beginning not later than 9 months after November 4, 1988, and thereafter, the Secretary shall submit to the Committee on Energy and Commerce of the House of Representatives and the Committee on Labor and Human Resources of the Senate a report that contains—

(A) a description of the sites at which the demonstration projects are being conducted and of the services to veterans provided; and

(B) an assessment of the costs of subacute-care services.

(3) The Secretary shall enter into an agreement with the Secretary of Veterans Affairs pursuant to section 1720 of title 38.

(4) Each demonstration project shall provide for the furnishing, through demonstration projects, of services to eligible veterans.

(i) Authorization of appropriations

(1) To carry out this section, there are authorized to be appropriated $10,000,000 for fiscal year 1989 and such sums as are necessary for each of the fiscal years 1990 through 1992.

(2) Amounts appropriated pursuant to paragraph (1) shall remain available until September 10, 1992.

(3) The Secretary shall enter into an agreement with the Secretary of Veterans Affairs pursuant to section 1720 of title 38 to carry out this section.

(4) The Secretary shall make grants to States for the furnishing of services to eligible veterans.

(5) The Secretary shall make provisions for the furnishing of services to eligible veterans for whom the Secretary determines to be in greatest need for subacute-care services.

(6) During a 4-year period beginning not later than 9 months after November 4, 1988, and thereafter, the Secretary shall submit to the Committee on Energy and Commerce of the House of Representatives and the Committee on Labor and Human Resources of the Senate a report that contains—

(A) a description of the sites at which the demonstration projects are being conducted and of the services to veterans provided; and

(B) an assessment of the costs of subacute-care services.

(j) MENDMENTS


1989—Subsec. (a)(1). Pub. L. 100–690, § 2618(h)(1), substituted “‘individuals infected with the etiologic agent for acquired immune deficiency syndrome’ means individuals who” for “‘patients infected with the human immunodeficiency virus’ means persons who” and “such individuals with such etiologic agent” for “such person with the human immunodeficiency virus”.

Subsec. (a)(2). Pub. L. 100–690, § 2618(h)(2), substituted “‘individuals’” for “‘persons’”.

Subsec. (b). Pub. L. 100–690, § 2618(h)(3), substituted “‘individuals infected with the etiologic agent for acquired immune deficiency syndrome’ for “‘patients infected with the human immunodeficiency virus’” and “such individuals for such patients”.

Subsec. (c)(1). Pub. L. 100–690, § 2618(h)(4)(A), in introductory provisions substituted “‘individuals infected with the etiologic agent for acquired immune deficiency syndrome’ for “‘patients infected with the human immunodeficiency virus’”.

Subsec. (c)(1)(A). Pub. L. 100–690, § 2618(h)(4)(B), substituted in introductory provisions “such individuals” for “such patients”, in cl. (ii) “individuals with acquired immune deficiency syndrome” for “AIDS patients”, and in cl. (iii) “such individuals” for “patients”.

Subsec. (c)(1)(B), (2)(C). Pub. L. 100–690, § 2618(h)(4)(C), (5), substituted “‘individuals infected with the etiologic agent for acquired immune deficiency syndrome’ for “‘patients infected with the human immunodeficiency virus’”.

Subsec. (d)(2)(B). Pub. L. 100–690, § 2618(h)(6), substituted “‘cases of acquired immune deficiency syndrome’ for “AIDS cases”.

Subsec. (e)(2)(A). Pub. L. 100–690, § 2618(h)(7), substituted “‘individuals infected with the etiologic agent for acquired immune deficiency syndrome’ for “patients infected with the human immunodeficiency virus’”.

Subsec. (f)(1). Pub. L. 100–690, § 2618(h)(8), substituted “‘acquired immune deficiency syndrome’ for “‘the acquired immunodeficiency syndrome’ and “etiologic agent for such syndrome’ for “‘human immunodeficiency virus’”.

Subsec. (f)(2). Pub. L. 100–690, § 2618(h)(9), substituted “‘such syndrome’ for “‘the acquired immunodeficiency syndrome’”.


Subsec. (h). Pub. L. 100–527 substituted “Secretary of the Department of Veterans Affairs” and “Department of Veterans Affairs” for “Administrator of the Veterans’ Administration” and “Veterans’ Administration”, respectively.

Change of Name

Committee on Labor and Human Resources of Senate changed to Committee on Health, Education, Labor, and Pensions of Senate by Senate Resolution No. 20, One Hundred Sixth Congress, Jan. 19, 1999.

Committee on Energy and Commerce of House of Representatives treated as referring to Committee on Commerce of House of Representatives by section 1(a) of Pub. L. 104–14, set out as a note preceding section 21 of Title 2, The Congress. Committee on Commerce of House of Representatives changed to Committee on Energy and Commerce of House of Representatives by section 1720 of title 38.

Effec
tive Date of 1988 Amendments
Amendment by Pub. L. 100–690 effective immediately after enactment of Pub. L. 100–607, which was approved Nov. 4, 1988, see section 2656 of Pub. L. 100–690, set out as a note under section 222m of this title.
Amendment by Pub. L. 100–527 effective Mar. 15, 1989, see section 18(a) of Pub. L. 100–527, set out as a Department of Veterans Affairs Act note under section 301 of Title 38, Veterans’ Benefits.

PART C—OTHER HEALTH SERVICES

Codification
Prior to revision by Pub. L. 102–321, this part was comprised of subpart I, consisting of sections 300dd–31 to 300dd–33, and subpart II, consisting of section 300dd–41.

§ 300dd–31. Grants for anonymous testing

The Secretary may make grants to the States for the purpose of providing opportunities for individuals—

(1) to undergo counseling and testing with respect to the etiologic agent for acquired immune deficiency syndrome without being required to provide any information relating to the identity of the individuals; and

(2) to undergo such counseling and testing through the use of a pseudonym.

(July 1, 1944, ch. 373, title XXIV, § 2431, as added Pub. L. 100–607, title II, § 211, Nov. 4, 1988, 102 Stat. 3090.)

§ 300dd–32. Requirement of provision of certain counseling services

(a) Counseling before testing

The Secretary may not make a grant under section 300dd–31 of this title to a State unless the State agrees that, before testing an individual pursuant to such section, the State will provide to the individual appropriate counseling with respect to acquired immune deficiency syndrome (based on the most recent scientific data relating to such syndrome), including—

(1) measures for the prevention of exposure to, and the transmission of, the etiologic agent for such syndrome;

(2) the accuracy and reliability of the results of such testing;

(3) the significance of the results of such testing, including the potential for developing acquired immune deficiency syndrome; and

(4) encouraging individuals, as appropriate, to undergo testing for such etiologic agent and providing information on the benefits of such testing.

(b) Counseling of individuals with negative test results

The Secretary may not make a grant under section 300dd–31 of this title to a State unless the State agrees that, if the results of testing conducted pursuant to such section indicate that an individual is not infected with the etiologic agent for acquired immune deficiency syndrome, the State will review for the individual the information provided pursuant to subsection (a) with respect to such syndrome, including—

(1) the information described in paragraphs (1) through (3) of such subsection; and

(2) the appropriateness of further counseling, testing, and education of the individual with respect to acquired immune deficiency syndrome.

(c) Counseling of individuals with positive test results

The Secretary may not make a grant under section 300dd–31 of this title to a State unless the State agrees that, if the results of testing conducted pursuant to such section indicate that an individual is infected with the etiologic agent for acquired immune deficiency syndrome, the State will provide to the individual appropriate counseling with respect to such syndrome, including—

(1) reviewing the information described in paragraphs (1) through (3) of subsection (a);

(2) reviewing the appropriateness of further counseling, testing, and education of the individual with respect to acquired immune deficiency syndrome;

(3) the importance of not exposing others to the etiologic agent for acquired immune deficiency syndrome;

(4) the availability in the geographic area of any appropriate services with respect to health care, including mental health care and social and support services;

(5) the benefits of locating and counseling any individual by whom the infected individual may have been exposed to the etiologic agent for acquired immune deficiency syndrome and any individual whom the infected individual may have exposed to such etiologic agent; and

(6) the availability, if any, of the services of public health authorities with respect to locating and counseling any individual described in paragraph (5).

(d) Rule of construction with respect to counseling without testing

Agreements entered into pursuant to subsections (a) through (c) may not be construed to prohibit any grantee under section 300dd–31 of this title from expending the grant for the purpose of providing counseling services described in such subsections to an individual who will not undergo testing described in such section as a result of the grantee or the individual determining that such testing of the individual is not appropriate.

(e) Use of funds

(1) The purpose of this subpart is to provide for counseling and testing services to prevent and reduce exposure to, and transmission of, the etiologic agent for acquired immune deficiency syndrome.

(2) All individuals receiving counseling pursuant to this subpart are to be counseled about the harmful effects of promiscuous sexual activity and intravenous substance abuse, and the benefits of abstaining from such activities.

(3) None of the fund appropriated to carry out this subpart may be used to provide counseling that is designed to promote or encourage, di—

1 So in original. Probably should be “part”. 
§ 300dd–33 TITLE 42—THE PUBLIC HEALTH AND WELFARE Page 1348

rectly, homosexual or heterosexual sexual activity or intravenous drug abuse.

(4) Paragraph (3) may not be construed to prohibit a counselor who has already performed the counseling of an individual required by paragraph (2), to provide accurate information about means to reduce an individual’s risk of exposure to, or the transmission of, the etiologic agent for acquired immune deficiency syndrome, provided that any informational materials used are not obscene.


Amendments


1988—Subsec. (c). Pub. L. 100–690, §2618(i)(1), substituted “indicate that an individual” for “indicate that the individual” in introductory provisions and “paragraph (5)” for “paragraph (4)” in par. (6).

Subsec. (e)(1) to (3). Pub. L. 100–690, §2618(i)(2), substituted “subpart” for “part”.

Effective Date of 1992 Amendment

Amendment by Pub. L. 102–321 effective Oct. 1, 1992, with provision for programs providing financial assistance, see section 801(c), (d) of Pub. L. 102–321, set out as a note under section 236 of this title.

Effective Date of 1988 Amendment

Amendment by Pub. L. 100–690 effective immediately after enactment of Pub. L. 100–690, which was approved Nov. 4, 1988, see section 2600 of Pub. L. 100–690, set out as a note under section 242m of this title.

§ 300dd–33. Funding

For the purpose of grants under section 300dd–31 of this title, there are authorized to be appropriated $100,000,000 for each of the fiscal years 1989 and 1990.

(July 1, 1944, ch. 373, title XXIV, §2433, as added Pub. L. 100–607, title II, §211, Nov. 4, 1988, 102 Stat. 3091.)

§ 300dd–41. Transferred

Codification


Subchapter XXIII—Prevention of Acquired Immune Deficiency Syndrome

§ 300ee. Use of funds

(a) In general

The purpose of this subchapter is to provide for the establishment of education and information programs to prevent and reduce exposure to, and the transmission of, the etiologic agent for acquired immune deficiency syndrome.

(b) Contents of programs

All programs of education and information receiving funds under this subchapter shall include information about the harmful effects of promiscuous sexual activity and intravenous substance abuse, and the benefits of abstaining from such activities.

(c) Limitation

None of the funds appropriated to carry out this subchapter may be used to provide education or information designed to promote or encourage, directly, homosexual or heterosexual sexual activity or intravenous substance abuse.

(d) Construction

Subsection (c) may not be construed to restrict the ability of an education program that includes the information required in subsection (b) to provide accurate information about various means to reduce an individual’s risk of exposure to, or the transmission of, the etiologic agent for acquired immune deficiency syndrome, provided that any informational materials used are not obscene.


Amendments

1988—Subsec. (a). Pub. L. 100–690 substituted “this subchapter” for “this part”.

Effective Date of 1988 Amendment

Amendment by Pub. L. 100–690 effective immediately after enactment of Pub. L. 100–690, which was approved Nov. 4, 1988, see section 2600 of Pub. L. 100–690, set out as a note under section 242m of this title.

§ 300ee–1. Establishment of office with respect to minority health and acquired immune deficiency syndrome

The Secretary of Health and Human Services, acting through the Director of the Centers for Disease Control and Prevention, shall establish an office for the purpose of ensuring that, in carrying out the duties of the Secretary with respect to prevention of acquired immune deficiency syndrome, the Secretary develops and implements prevention programs targeted at minority populations and provides appropriate technical assistance in the implementation of such programs.


Codification

Section was enacted as part of the AIDS Amendments of 1988 and as part of the Health Omnibus Programs Extension of 1988, and not as part of the Public Health Service Act which comprises this chapter.

Amendments

1992—Pub. L. 102–531 substituted “Centers for Disease Control and Prevention” for “Centers for Disease Control”.

1992—Pub. L. 102–531 substituted “Centers for Disease Control and Prevention” for “Centers for Disease Control”. 
§ 300ee–2. Information for health and public safety workers

(a) Development and dissemination of guidelines

Not later than 90 days after November 4, 1988, the Secretary of Health and Human Services (hereafter in this section referred to as the "Secretary") shall develop, issue, and disseminate emergency guidelines to all health workers and public safety workers (including emergency response employees) in the United States concerning—

(1) methods to reduce the risk in the workplace of becoming infected with the etiologic agent for acquired immune deficiency syndrome; and

(2) circumstances under which exposure to such etiologic agent may occur.

(b) Use in occupational standards

The Secretary shall transmit the guidelines issued under subsection (a) to the Secretary of Labor for use by the Secretary of Labor in the development of standards to be issued under the Occupational Safety and Health Act of 1970 [29 U.S.C. 651 et seq.].

(c) Development and dissemination of model curriculum for emergency response employees

(1) Not later than 90 days after November 4, 1988, the Secretary, acting through the Director of the Centers for Disease Control and Prevention, shall develop a model curriculum for emergency response employees with respect to the prevention of exposure to the etiologic agent for acquired immune deficiency syndrome during the process of responding to emergencies.

(2) In carrying out paragraph (1), the Secretary shall consider the guidelines issued by the Secretary under subsection (a).

(3) The model curriculum developed under paragraph (1) shall, to the extent practicable, include—

(A) information with respect to the manner in which the etiologic agent for acquired immune deficiency syndrome is transmitted; and

(B) information that can assist emergency response employees in distinguishing between conditions in which such employees are at risk with respect to such etiologic agent and conditions in which such employees are not at risk with respect to such etiologic agent.

(4) The Secretary shall establish a task force to assist the Secretary in developing the model curriculum required in paragraph (1). The Secretary shall appoint to the task force representatives of the Centers for Disease Control and Prevention, representatives of State governments, and representatives of emergency response employees.

(5) The Secretary shall—

(A) transmit to State public health officers copies of the guidelines and the model curriculum developed under paragraph (1) with the request that such officers disseminate such copies as appropriate throughout the State; and

(B) make such copies available to the public.

REFERENCES IN TEXT

The Occupational Safety and Health Act of 1970, referred to in subsec. (b), is Pub. L. 91–596, Dec. 29, 1970, 84 Stat. 2976, as amended, which is classified principally to chapter 15 (§ 651 et seq.) of Title 29, Labor. For complete classification of this Act to the Code, see Short Title note set out under section 651 of Title 29 and Tables.

CODIFICATION

Section was enacted as part of the AIDS Amendments of 1988 and as part of the Health Omnibus Programs Extension of 1988, and not as part of the Public Health Service Act which comprises this chapter.

AMENDMENTS


EFFECTIVE DATE OF 1988 AMENDMENT

Amendment by Pub. L. 100–690 effective immediately after enactment of Pub. L. 100–690, which was approved Nov. 4, 1988, see section 2600 of Pub. L. 100–690, set out as a note under section 242m of this title.

GUIDELINES FOR PREVENTION OF TRANSMISSION OF HUMAN IMMUNODEFICIENCY AND HEPATITIS B VIRUSES DURING INVASIVE PROCEDURES

Pub. L. 102–141, title VI, §633, Oct. 28, 1991, 105 Stat. 876, provided that: “Notwithstanding any other provision of law, each State Public Health Official shall, not later than one year after the date of enactment of this Act [Oct. 28, 1991], certify to the Secretary of Health and Human Services that guidelines issued by the Centers for Disease Control, or guidelines which are equivalent to those promulgated by the Centers for Disease Control and Prevention concerning recommendations for preventing the transmission of the human immunodeficiency virus and the hepatitis B virus during exposure prone invasive procedures, except for emergency situations when the patient’s life or limb is in danger, have been instituted in the State. State guidelines shall apply to health professionals practicing within the State and shall be consistent with Federal law. Compliance with such guidelines shall be the responsibility of the State Public Health Official. Said responsibilities shall include a process for determining what appropriate dis-

\[1\] So in original. Probably should be “respect to”. 
§ 300ee–3. Continuing education for health care providers

(a) In general

The Secretary of Health and Human Services (hereafter in this section referred to as the "Secretary") may make grants to nonprofit organizations composed of, or representing, health care providers to assist in the payment of the costs of projects to train such providers concerning—

(1) appropriate infection control procedures to reduce the transmission of the etiologic agent for acquired immune deficiency syndrome; and

(2) the provision of care and treatment to individuals with such syndrome or related illnesses.

(b) Limitation

The Secretary may make a grant under subsection (a) to an entity only if the entity will provide services under the grant in a geographic area, or to a population of individuals, not served by a program substantially similar to the program described in subsection (a).

(c) Requirement of matching funds

(1) The Secretary may not make a grant under subsection (a) unless the applicant for the grant agrees, with respect to the costs to be incurred by the applicant in carrying out the purpose described in such subsection, to make available, directly or through donations from public or private entities, non-Federal contributions (in cash or in kind under paragraph (2)) toward such costs in an amount equal to not less than $2 for each $1 of Federal funds provided in such payments.

(2) Non-Federal contributions required in paragraph (1) may be in cash or in kind, fairly evaluated, including plant, equipment, or services. Amounts provided by the Federal Government, or services assisted or subsidized to any significant extent by the Federal Government, may not be included in determining the amount of such non-Federal contributions.

(d) Requirement of application

The Secretary may not make a grant under subsection (a) unless—

(1) an application for the grant is submitted to the Secretary;

(2) with respect to carrying out the purpose for which the grant is to be made, the application provides assurances of compliance satisfactory to the Secretary; and

(3) the application otherwise is in such form, is made in such manner, and contains such agreements, assurances, and information as the Secretary determines to be necessary to carry out this section.

(e) Authorization of appropriations

For the purpose of carrying out this section, there are authorized to be appropriated such sums as may be necessary for each of the fiscal years 1989 through 1991.


Codification

Section was enacted as part of the AIDS Amendments of 1988 and as part of the Health Omnibus Programs Extension of 1988, and not as part of the Public Health Service Act which comprises this chapter.

§ 300ee–4. Technical assistance

The Secretary of Health and Human Services shall provide technical assistance to public and nonprofit private entities carrying out programs, projects, and activities relating to acquired immune deficiency syndrome.


Codification

Section was enacted as part of the AIDS Amendments of 1988 and as part of the Health Omnibus Programs Extension of 1988, and not as part of the Public Health Service Act which comprises this chapter.

§ 300ee–5. Use of funds to supply hypodermic needles or syringes for illegal drug use; prohibition

None of the funds provided under this Act or any amendment made by this Act shall be used to provide individuals with hypodermic needles or syringes so that such individuals may use illegal drugs, unless the Surgeon General of the Public Health Service determines that a demonstration needle exchange program would be effective in reducing drug abuse and the risk that the public will become infected with the etiologic agent for acquired immune deficiency syndrome.


References in Text

This Act, referred to in text, is Pub. L. 100–607, Nov. 4, 1988, 102 Stat. 3048, as amended, known as the "Health Omnibus Programs Extension of 1988". For complete classification of this Act to the Code, see Short Title of 1988 Amendments note set out under section 201 of this title and Tables.

Codification

Section was enacted as part of the AIDS Amendments of 1988 and as part of the Health Omnibus Programs Extension of 1988, and not as part of the Public Health Service Act which comprises this chapter.

Amendments


Effective Date of 1988 Amendment

Amendment by Pub. L. 100–690 effective immediately after enactment of Pub. L. 100–607, which was approved Nov. 4, 1988, see section 2600 of Pub. L. 100–690, set out as a note under section 242m of this title.
§ 300ee–6. Transferred

Codification


PART A—FORMULA GRANTS TO STATES

§ 300ee–11. Establishment of program

(a) Allotments for States

For the purpose described in subsection (b), the Secretary shall for each of the fiscal years 1989 through 1991 make an allotment for each State in an amount determined in accordance with section 300ee–17 of this title. The Secretary shall make payments each such fiscal year to each State from the allotment for the State if the Secretary approves for the fiscal year involved an application submitted by the State pursuant to section 300ee–13 of this title.

(b) Purpose of grants

The Secretary may not make payments under subsection (a) for a fiscal year unless the State involved agrees to expend the payments only for the purpose of carrying out, in accordance with section 300ee–12 of this title, public information activities with respect to acquired immune deficiency syndrome.


Prior Provisions

A prior section 2501 of act July 1, 1944, was successively renumbered by subsequent acts, see section 238 of this title.

§ 300ee–12. Provisions with respect to carrying out purpose of grants

A State may expend payments received under section 300ee–11(a) of this title—

(1) to develop, establish, and conduct public information activities relating to the prevention and diagnosis of acquired immune deficiency syndrome for those populations or communities in the State in which there are a significant number of individuals at risk of infection with the etiologic agent for such syndrome;

(2) to develop, establish, and conduct such public information activities for the general public relating to the prevention and diagnosis of such syndrome;

(3) to develop, establish, and conduct activities to reduce risks relating to such syndrome, including research into the prevention of such syndrome;

(4) to conduct demonstration projects for the prevention of such syndrome;

(5) to provide technical assistance to public entities, to nonprofit private entities concerned with such syndrome, to schools, and to employers, for the purpose of developing information programs relating to such syndrome;

(6) with respect to education and training programs for the prevention of such syndrome, to conduct such programs for health professionals (including allied health professionals), public safety workers (including emergency response employees), teachers, school administrators, and other appropriate education personnel;

(7) to conduct appropriate programs for educating school-aged children with respect to such syndrome, after consulting with local school boards;

(8) to make available to physicians and dentists in the State information with respect to acquired immune deficiency syndrome, including measures for the prevention of exposure to, and the transmission of, the etiologic agent for such syndrome (which information is updated not less than annually with the most recently available scientific data relating to such syndrome);

(9) to carry out the initial implementation of recommendations contained in the guidelines and the model curriculum developed under section 300ee–2 of this title; and

(10) to make grants to public entities, and to nonprofit private entities concerned with acquired immune deficiency syndrome, for the purpose of the development, establishment, and expansion of programs for education directed toward individuals at increased risk of infection with the etiologic agent for such syndrome and activities to reduce the risks of exposure to such etiologic agent, with preference to programs directed toward populations in which there is significant evidence of such infection.


Prior Provisions

A prior section 2502 of act July 1, 1944, was successively renumbered by subsequent acts, see section 238a of this title.

Amendments

1988—Par. (9). Pub. L. 100–690 made technical amendment to reference to section 300ee–2 of this title to correct reference to corresponding provision of original act.

Effective Date of 1988 Amendment

Amendment by Pub. L. 100–690 effective immediately after enactment of Pub. L. 100–690, which was approved Nov. 4, 1988, see section 2620 of Pub. L. 100–690, set out as a note under section 242m of this title.

§ 300ee–13. Requirement of submission of application containing certain agreements and assurances

(a) In general

The Secretary may not make payments under section 300ee–11(a) of this title for a fiscal year unless—

1 So in original. Probably should be “data.”
§ 300ee–14. Restrictions on use of grant

(a) In general

The Secretary may not make payments under section 300ee–11(a) of this title for a fiscal year unless the State involved agrees that the payments will not be expended—

(1) to provide inpatient services;
(2) to make cash payments to intended recipients of services;
(3) to purchase or improve real property (other than minor remodeling of existing improvements to real property) or to purchase major medical equipment; or
(4) to satisfy any requirement for the expenditure of non-Federal funds as a condition for the receipt of Federal funds.

(b) Limitation on administrative expenses

The Secretary may not make payments under section 300ee–11(a) of this title for a fiscal year unless the State involved agrees that the State will not expend more than 5 percent of the payments for administrative expenses with respect to carrying out the purpose described in section 300ee–11(b) of this title.

(§ 300ee–14)
General of the United States for the audit of governmental organizations, programs, activities, and functions.

(3) The Secretary may not make payments under section 300ee–11(a) of this title for a fiscal year unless the State involved agrees that, not later than 30 days after the completion of an audit under paragraph (2), the State will provide a copy of the audit report to the State legislature.

(4) For purposes of paragraph (2), the term “financial and compliance audit” means an audit to determine whether the financial statements of an audited entity present fairly the financial position, and the results of financial operations, of the entity in accordance with generally accepted accounting principles, and whether the entity has complied with laws and regulations that may have a material effect upon the financial statements.

(e) Availability to public

The Secretary may not make payments under section 300ee–11(a) of this title for a fiscal year unless the State involved agrees to make copies of the reports and audits described in this section available for public inspection.

(d) Evaluations by Comptroller General

The Comptroller General of the United States shall, from time to time, evaluate the expenditures of States of payments received under section 300ee–11(a) of this title in order to ensure that expenditures are consistent with the provisions of this part.


PRIOR PROVISIONS

A prior section 2505 of act July 1, 1944, was successively renumbered by subsequent acts, see section 238b of this title.

AMENDMENTS

1988—Subsec. (b)(1), (2). Pub. L. 100–690 substituted “make payments” for “payments”.

§300ee–16. Additional required agreements

(a) In general

The Secretary may not, except as provided in subsection (b), make payments under section 300ee–11(a) of this title for a fiscal year unless the State involved agrees that—

(1) all programs conducted or supported by the State with such payments will establish objectives for the program and will determine the extent to which the objectives are met;

(2) information provided under this part will be scientifically accurate and factually correct;

(3) in carrying out section 300ee–11(b) of this title, the State will give priority to programs described in section 300ee–12(10) of this title for individuals described in such section;

(4) with respect to a State in which there is a substantial number of individuals who are intravenous substance abusers, the State will place priority on activities under this part directed at such substance abusers;

(5) with respect to a State in which there is a significant incidence of reported cases of acquired immune deficiency syndrome, the State will—

(A) for the purpose described in subsection (b) of section 300ee–11 of this title, expend not less than 50 percent of payments received under subsection (a) of such section for a fiscal year—

(i) to make grants to public entities, to migrant health centers (as defined in section 254b(a) of this title), to community health centers (as defined in section 254c(a) of this title), and to nonprofit private entities concerned with acquired immune deficiency syndrome; or

(ii) to enter into contracts with public and private entities; and

(B) of the amounts reserved for a fiscal year by the State for expenditures required in subparagraph (A), expend not less than 50 percent to carry out section 300ee–12(10) of this title through grants to nonprofit private entities, including minority entities, concerned with acquired immune deficiency syndrome located in and representative of communities and subpopulations reflecting the local incidence of such syndrome;

(6) with respect to programs carried out pursuant to section 300ee–12(10) of this title, the State will ensure that any applicant for a grant under such section agrees—

(A) that any educational or informational materials developed with a grant pursuant to such section will contain material, and be presented in a manner, that is specifically directed toward the group for which such materials are intended;

(B) to provide a description of the manner in which the applicant has planned the program in consultation with, and of the manner in which such applicant will consult during the conduct of the program with—

(i) appropriate local officials and community groups for the area to be served by the program;

(ii) organizations comprised of, and representing, the specific population to which the education or prevention effort is to be directed; and

(iii) individuals having expertise in health education and in the needs of the population to be served;

(C) to provide information demonstrating that the applicant has continuing relationships, or will establish continuing relationships, with a portion of the population in the service area that is at risk of infection with the etiologic agent for acquired immune deficiency syndrome and with public and private entities in such area that provide

1 See References in Text note below.
health or other support services to individuals with such infection;
(D) to provide a description of—
   (i) the objectives established by the applicant for the conduct of the program;
   and
   (ii) the methods the applicant will use to evaluate the activities conducted under the program to determine if such objectives are met; and
(E) such other information as the Secretary may prescribe;
(7) with respect to programs carried out pursuant to section 300ee–12(10) of this title, the State will give preference to any applicant for a grant pursuant to such section that is located in, has a history of service in, and will serve under the program, any geographic area in which—
   (A) there is a significant incidence of acquired immune deficiency syndrome;
   (B) there has been a significant increase in the incidence of such syndrome; or
   (C) there is a significant risk of becoming infected with the etiologic agent for such syndrome;
(8) the State will establish reasonable criteria to evaluate the effective performance of entities that receive funds from payments made to the State under section 300ee–11(a) of this title and will establish procedures for procedural and substantive independent State review of the failure by the State to provide funds for any such entity;
(9) the State will permit and cooperate with Federal investigations undertaken in accordance with section 300ee–18(e) of this title.
(10) the State will maintain State expenditures for services provided pursuant to section 300ee–11 of this title at a level equal to not less than the average level of such expenditures maintained by the State for the 2-year period preceding the fiscal year for which the State is applying to receive payments.

(b) "Significant percentage" defined
For purposes of subsection (a)(5), the term "significant percentage" means at least a percentage of 1 percent of the number of reported cases of acquired immune deficiency syndrome in the United States.

References in Text
Sections 254b and 254c of this title, referred to in subsec. (a)(5)(A)(i), were in the original references to sections 329 and 330, meaning sections 329 and 330 of act July 1, 1944, which were omitted in the general amendment of part I ( §254b et seq.) of part D of subchapter II of this chapter by Pub. L. 104–299, §2, Oct. 11, 1996, 110 Stat. 3826. Sections 2 and 3(a) of Pub. L. 104–299 enacted new sections 339 and 339A of act July 1, 1944, which are classified, respectively, to sections 254b and 254c of this title.

Prior Provisions
A prior section 2506 of act July 1, 1944, was successively renumbered by subsequent acts, see section 238e of this title.

Amendments
Subsec. (a)(5). Pub. L. 100–690, §2619(d)(2) [(e)(2)], struck out concluding provisions which read as follows: "[(For purposes of this section, the term 'significant percentage' means at least a percentage of 1 percent of the number of reported cases of such syndrome in the United States)]."
Subsec. (a)(8). Pub. L. 100–690, §2619(d)(3) [(e)(3)], substituted "funds from payments" for "funds from to payments" and struck out "and" after semicolon.
Subsec. (a)(9). Pub. L. 100–690, §2619(d)(4) [(e)(4)], substituted “section 300ee–18(e) of this title” for “section 300ee–18(e) of this title’.

Effective Date of 1988 Amendment
Amendment by Pub. L. 100–690 effective immediately after enactment of Pub. L. 100–607, which was approved Nov. 4, 1988, see section 2609 of Pub. L. 100–690, set out as a note under section 262m of this title.

Reference to Community, Migrant, Public Housing, or Homeless Health Center Considered Reference to Health Center
Reference to community health center, migrant health center, public housing health center, or homeless health center considered reference to health center, see section 4(c) of Pub. L. 104–299, set out as a note under section 264b of this title.

§300ee–17. Determination of amount of allotments for States
(a) Minimum allotment
Subject to the extent of amounts made available in appropriation Acts, the allotment for a State under section 300ee–11(a) of this title for a fiscal year shall be the greater of—
(1) the applicable amount specified in subsection (b); or
(2) the amount determined in accordance with subsection (c).

(b) Determination of minimum allotment
(1) If the total amount appropriated under section 300ee–24(a) of this title for a fiscal year exceeds $100,000,000, the amount referred to in subsection (a)(1) shall be $300,000 for the fiscal year.
(2) If the total amount appropriated under section 300ee–24(a) of this title for a fiscal year equals or exceeds $50,000,000, but is less than $100,000,000, the amount referred to in subsection (a)(1) shall be $200,000 for the fiscal year.
(3) If the total amount appropriated under section 300ee–24(a) of this title for a fiscal year is less than $50,000,000, the amount referred to in subsection (a)(1) shall be $100,000 for the fiscal year.

(c) Determination under formula
(1) The amount referred to in subsection (a)(2) is the sum of—
(A) the amount determined under paragraph (2); and
(B) the amount determined under paragraph (3).
(2) The amount referred to in paragraph (1)(A) is the product of—
(A) an amount equal to 50 percent of the amounts appropriated pursuant to section 300ee–24(a) of this title; and
(B) a percentage equal to the quotient of—
   (i) the population of the State involved; di-
   vided by
   (ii) the population of the United States.

(3) The amount referred to in paragraph (1)(B) is the product of—
   (A) an amount equal to 50 percent of the amounts appropriated pursuant to section 300ee–24(a) of this title; and
   (B) a percentage equal to the quotient of—
      (i) the number of additional cases of ac-
           quired immune deficiency syndrome re-
           ported to and confirmed by the Secretary
           for the State involved for the most recent fis-
           cal year for which such data is available; di-
           vided by
      (ii) the number of additional cases of such
           syndrome reported to and confirmed by
           the Secretary for the United States for such fis-
           cal year.

(d) Disposition of certain funds appropriated for allotments

(1) Amounts described in paragraph (2) shall be allotted by the Secretary to States receiving payments under section 300ee–11(a) of this title for the fiscal year (other than any State referred to in paragraph (2)(C)). Such amounts shall be allotted according to a formula established by the Secretary. The formula shall be equivalent to the formula described in this section under which the allotment under section 300ee–11(a) of this title for the State for the fiscal year involved was determined.

(2) The amounts referred to in paragraph (1) are any amounts that are not paid to States under section 300ee–11(a) of this title as a result of—
   (A) the failure of any State to submit an applica-
       tion under section 300ee–13 of this title;
   (B) the failure, in the determination of the Secre-
       tary, of any State to prepare within a rea-
       sonable period of time such application in
       compliance with such section; or
   (C) any State informing the Secretary that
       the State does not intend to expend the full
       amount of the allotment made to the State.

(Prior to 1988—


Prior Provisions

A prior section 2507 of act July 1, 1944, was successively renumbered by subsequent acts, see section 238f of this title.

Amendments

1989—Subsec. (a). Pub. L. 101–93, § 5(e)(2), substituted “Subject to the extent of amounts made available in appropriation Acts, the allotment” for “The allot-

1988—Subsec. (a)(1). Pub. L. 100–690, § 2619(e)(1)(f)(x), substituted “applicable amount specified” for “amount described”.


Subsec. (b)(2), (3). Pub. L. 100–690, § 2619(e)(2)(B), (C) [(f)(2)(B), (C)], substituted “subsection (a)(1)” for “subsection (a)(1) is”.

Subsec. (d). Pub. L. 100–690, § 2619(e)(3) [(f)(3)], substituted “allotment under section 300ee–11(a) of this title” for “allotment” in par. (1) and “section 300ee–13 of this title” for “section 300ee–17 of this title” in par. (2)(A).

Effective Date of 1988 Amendment

Amendment by Pub. L. 100–690 effective immediately after enactment of Pub. L. 100–697, which was approved Nov. 4, 1988, see section 2680 of Pub. L. 100–690, set out as a note under section 242m of this title.

§ 300ee–18. Failure to comply with agreements

(a) Repayment of payments

(1) The Secretary may, subject to subsection (c), require a State to repay any payments received by the State under section 300ee–11(a) of this title that the Secretary determines were not expended by the State in accordance with the agreements required to be contained in the application submitted by the State pursuant to section 300ee–13 of this title.

(2) If a State fails to make a repayment required in paragraph (1), the Secretary may offset the amount of the repayment against the amount of any payment due to be paid to the State under section 300ee–11(a) of this title.

(b) Withholding of payments

(1) The Secretary may, subject to subsection (c), withhold payments due under section 300ee–11(a) of this title if the Secretary determines that the State involved is not expending amounts received under such section in accordance with the agreements required to be contained in the application submitted by the State pursuant to section 300ee–13 of this title.

(2) The Secretary shall cease withholding payments from a State under paragraph (1) if the Secretary determines that there are reasonable assurances that the State will expend amounts received under section 300ee–11(a) of this title in accordance with the agreements referred to in such paragraph.

(3) The Secretary may not withhold funds under paragraph (1) from a State for a minor failure to comply with the agreements referred to in such paragraph.

(c) Opportunity for hearing

Before requiring repayment of payments under subsection (a)(1), or withholding payments under subsection (b)(1), the Secretary shall pro-

(d) Prompt response to serious allegations

The Secretary shall promptly respond to any complaint of a substantial or serious nature that a State has failed to expend amounts received under section 300ee–11(a) of this title in accordance with the agreements required to be contained in the application submitted by the State pursuant to section 300ee–13 of this title.

(e) Investigations

(1) The Secretary shall conduct in several States in each fiscal year investigations of the
expenditure of payments received by the States under section 300ee–11(a) of this title in order to evaluate compliance with the agreements required to be contained in the applications submitted to the Secretary pursuant to section 300ee–13 of this title.

(2) The Comptroller General of the United States may conduct investigations of the expenditure of funds received under section 300ee–11(a) of this title by a State in order to ensure compliance with the agreements referred to in paragraph (1).

(3) Each State, and each entity receiving funds from payments made to a State under section 300ee–11(a) of this title, shall make appropriate books, documents, papers, and records available to the Secretary and the Comptroller General of the United States, or any of their duly authorized representatives, for examination, copying, or mechanical reproduction on or off the premises of the appropriate entity upon a reasonable request therefor.

(4)(A) In conducting any investigation in a State, the Secretary and the Comptroller General of the United States may not make a request for any information not readily available to the State, or to an entity receiving funds from payments made to the State under section 300ee–11(a) of this title, or make an unreasonable request for information to be compiled, collected, or transmitted in any form not readily available.

(B) Subparagraph (A) shall not apply to the collection, compilation, or transmittal of data in the course of a judicial proceeding.

(Amendment by Pub. L. 100–690 effective immediately after enactment of Pub. L. 100–690, which was approved Nov. 4, 1988, see section 2509 of Pub. L. 100–690, set out as a note under section 242m of this title.)

§ 300ee–19. Prohibition against certain false statements

(a) In general

(1) A person may not knowingly make or cause to be made any false statement or representation of a material fact in connection with the furnishing of items or services for which amounts may be paid by a State from payments received by the State under section 300ee–11(a) of this title.

(2) A person with knowledge of the occurrence of any event affecting the right of the person to receive any amounts from payments made to the State under section 300ee–11(a) of this title may not conceal or fail to disclose any such event with the intent of fraudulently securing such amounts.

(b) Criminal penalty for violation of prohibition

Any person who violates a prohibition established in subsection (a) may for each violation be fined in accordance with title 18, or imprisoned for not more than 5 years, or both.

(Amendment by Pub. L. 100–690, § 2619(f)(1), (g)(1), inserted '300ee–13 of this title' for '300ee–17 of this title'.

Subsec. (b). Pub. L. 100–690, § 2619(f)(2) [(g)(2)], inserted 'of payments' after 'Withholding' in heading and substituted '300ee–13 of this title' for '300ee–17 of this title' in par. (1).

Subsecs. (d), (e)(1), Pub. L. 100–690, § 2619(f)(3), (4) [(g)(3), (4)], substituted '300ee–13 of this title' for '300ee–17 of this title'.

§ 300ee–20. Technical assistance and provision by Secretary of supplies and services in lieu of grant funds

(a) Technical assistance

The Secretary may provide training and technical assistance to States with respect to the planning, development, and operation of any program or service carried out pursuant to this part. The Secretary may provide such technical assistance directly or through grants or contracts.

(b) Provision by Secretary of supplies and services in lieu of grant funds

(1) Upon the request of a State receiving payments under this part, the Secretary may, subject to paragraph (2), provide supplies, equipment, and services for the purpose of aiding the State in carrying out such part and, for such purpose, may detail to the State any officer or employee of the Department of Health and Human Services.

(2) With respect to a request described in paragraph (1), the Secretary shall reduce the amount of payments under section 300ee–11(a) of this title to the State by an amount equal to the costs of detailing personnel and the fair market value of any supplies, equipment, or services provided by the Secretary. The Secretary shall, for the payment of expenses incurred in complying with such request, expend the amounts withheld.

(Amendment by Pub. L. 100–690, § 2619(f)(2) [(g)(2)], inserted 'of payments' after 'Withholding' in heading and substituted '300ee–13 of this title' for '300ee–17 of this title'.

Subsec. (d), Pub. L. 100–690, § 2619(f)(3), (4) [(g)(3), (4)], substituted '300ee–13 of this title' for '300ee–17 of this title'.

Effective Date of 1988 Amendment

Amendment by Pub. L. 100–690 effective immediately after enactment of Pub. L. 100–690, which was approved Nov. 4, 1988, see section 2509 of Pub. L. 100–690, set out as a note under section 242m of this title.)
§ 300ee–21. Evaluations

The Secretary shall, directly or through grants or contracts, evaluate the services provided and activities carried out with payments to States under this part.


Prior Provisions
A prior section 2511 of act July 1, 1944, was successively renumbered by subsequent acts, see section 238m of this title.

§ 300ee–22. Report by Secretary

The Secretary shall annually prepare a report on the activities of the States carried out pursuant to this part. Such report may include any recommendations of the Secretary for appropriate administrative and legislative initiatives. The report shall be submitted to the Congress through inclusion in the comprehensive report required in section 300cc(a) of this title.


References in Text

Prior Provisions
A prior section 2512 of act July 1, 1944, was successively renumbered by subsequent acts, see section 238k of this title.

Amendments
1988—Pub. L. 100–690 substituted ‘‘section 300cc(a)’’ for ‘‘section 300cc’’.

Effective Date of 1988 Amendment
Amendment by Pub. L. 100–690 effective immediately after enactment of Pub. L. 100–607, which was approved Nov. 4, 1988, see section 2600 of Pub. L. 100–607, set out as a note under section 242m of this title.

§ 300ee–23. Definition

For purposes of this part, the term ‘‘infection with the etiologic agent for acquired immune deficiency syndrome’’ includes any condition arising from such etiologic agent.


Prior Provisions
A prior section 2513 of act July 1, 1944, was successively renumbered by subsequent acts, see section 238l of this title.

§ 300ee–24. Funding

(a) Authorization of appropriations

For the purpose of making allotments under section 300ee–11(a) of this title, there are authorized to be appropriated $165,000,000 for fiscal year 1989 and such sums as may be necessary for each of the fiscal years 1990 and 1991.

(b) Availability to States

Any amounts paid to a State under section 300ee–11(a) of this title shall remain available to the State until the expiration of the 1-year period beginning on the date on which the State receives such amounts.


Prior Provisions
A prior section 2514 of act July 1, 1944, was successively renumbered by subsequent acts, see section 238m of this title.

Part B—National Information Programs

§ 300ee–31. Availability of information to general public

(a) Comprehensive information plan

The Secretary, acting through the Director of the Centers for Disease Control and Prevention, shall annually prepare a comprehensive plan, including a budget, for a National Acquired Immune Deficiency Syndrome Information Program. The plan shall contain provisions to implement the provisions of this subchapter. The Director shall submit such plan to the Secretary. The authority established in this subsection may not be construed to be the exclusive authority for the Director to carry out information activities with respect to acquired immune deficiency syndrome.

(b) Clearinghouse

(1) The Secretary, acting through the Director of the Centers for Disease Control and Prevention, may establish a clearinghouse to make information concerning acquired immune deficiency syndrome available to Federal agencies, States, public and private entities, and the general public.

(2) The clearinghouse may conduct or support programs—

(A) to develop and obtain educational materials, model curricula, and methods directed toward reducing the transmission of the etiologic agent for acquired immune deficiency syndrome;

(B) to provide instruction and support for individuals who provide instruction in methods and techniques of education relating to the

1 See References in Text note below.
§ 300ee–32. Public information campaigns

(a) In general

The Secretary, acting through the Director of the Centers for Disease Control and Prevention, may make grants to public entities, and to nonprofit private entities concerned with acquired immune deficiency syndrome, for the purpose of assisting grantees in providing services to populations of individuals that are underserved with respect to programs providing information on the prevention of exposure to, and the transmission of, the etiologic agent for acquired immune deficiency syndrome.

(b) Requirement of application

The Secretary may not provide financial assistance under subsection (a) unless—

(1) an application for such assistance is submitted to the Secretary;

(2) with respect to carrying out the purpose for which the assistance is to be provided, the application provides assurances of compliance satisfactory to the Secretary; and

(3) the application otherwise is in such form, is made in such manner, and contains such agreements, assurances, and information as the Secretary determines to be necessary to carry out this section.

(Oct. 27, 1992, 106 Stat. 3505.)

$300ee-33. Provision of information to underserved populations

(a) In general

The Secretary may make grants to public entities, to migrant health centers (as defined in section 254b(a) of this title), to community health centers (as defined in section 254c(a) of this title), and to nonprofit private entities concerned with acquired immune deficiency syndrome, for the purpose of assisting grantees in providing services to populations of individuals that are underserved with respect to programs providing information on the prevention of exposure to, and the transmission of, the etiologic agent for acquired immune deficiency syndrome.

(b) Preferences in making grants

In making grants under subsection (a), the Secretary shall give preference to any applicant for such a grant that has the ability to disseminate rapidly the information described in subsection (a) (including any national organization with such ability).

(Oct. 27, 1992, 106 Stat. 3505.)

References in Text

Sections 254b and 254c of this title, referred to in subsection (a)(1), are the original references to sections 329 and 330, meaning sections 329 and 330 of act July 1, 1944, which were omitted in the general amendment of subpart I of part D of subchapter II of this chapter by Pub. L. 104-299, §2, Oct. 11, 1996, 110 Stat. 3626. Sections 2 and 3(a) of Pub. L. 104-299 enacted new sections 330 and 330A of act July 1, 1944, which are classified, respectively, to sections 254b and 254c of this title.

Reference to Community, Migrant, Public Housing, or Homeless Health Center Considered Reference to Health Center

Reference to community health center, migrant health center, public housing health center, or homeless health center considered reference to health center, see section 4(c) of Pub. L. 104-299, set out as a note under section 254b of this title.

§ 300ee–34. Authorization of appropriations

(a) In general

For the purpose of carrying out sections 300ee–31 through 300ee–33 of this title, there are authorized to be appropriated $105,000,000 for fiscal year 1989 and such sums as may be necessary for each of the fiscal years 1990 and 1991.

(b) Allocations

(1) Of the amounts appropriated pursuant to subsection (a), the Secretary shall make available $45,000,000 to carry out section 300ee–32 of this title and $30,000,000 to carry out this part through financial assistance to minority entities for the provision of services to minority populations.

(2) After consultation with the Director of the Office of Minority Health and with the Indian Health Service, the Secretary, acting through...
the Director of the Centers for Disease Control and Prevention, shall, not later than 90 days after November 4, 1988, publish guidelines to provide procedures for applications for funding pursuant to paragraph (1) and for public comment.


1988—Subsec. (b)(2). Pub. L. 100–607 substituted the date of the enactment of the AIDS Amendments of 1988 for the date of the enactment of this section.

Effective Date of 1988 Amendment
Amendment by Pub. L. 100–690 effective immediately after enactment of Pub. L. 100–607, which was approved Nov. 4, 1988, see section 2600 of Pub. L. 100–690, set out as a note under section 201 of this title and Tables.

SUBCHAPTER XXIV—HIV HEALTH CARE SERVICES PROGRAM

§ 300ff. Purpose
It is the purpose of this Act to provide emergency assistance to localities that are disproportionately affected by the Human Immunodeficiency Virus epidemic and to make financial assistance available to States and other public or private nonprofit entities to provide for the development, organization, coordination and operation of more effective and cost efficient systems for the delivery of essential services to individuals and families with HIV disease.


References in Text
This Act, referred to in text, is Pub. L. 101–381, Aug. 18, 1990, 104 Stat. 576, known as the Ryan White Comprehensive AIDS Resources Emergency Act of 1990, which enacted this subchapter, transferred section 300ee–6 of this title to section 300ff–48 of this title, amended sections 284a, 286, 287a, 287c–2, 289f, 290aa–3a, 298c–5, 300ff–48, and 300aaa to 300aaa–13 [now 238 to 258m] of this title, and enacted provisions set out as notes under sections 201, 300x–4, 300ff–11, 300ff–46, and 300ff–80 of this title. For complete classification of this Act to the Code, see Short Title of 1990 Amendment note set out under section 201 of this title and Tables.

Codification
Section was enacted as part of the Ryan White Comprehensive AIDS Resources Emergency Act of 1990, and not as part of the Public Health Service Act which comprises this chapter.

PART A—EMERGENCY RELIEF FOR AREAS WITH SUBSTANTIAL NEED FOR SERVICES

SUBPART I—GENERAL GRANT PROVISIONS

§ 300ff–11. Establishment of program of grants

(a) Eligible areas

The Secretary, acting through the Administrator of the Health Resources and Services Administration, shall, subject to subsections (b) through (c), make grants in accordance with section 300ff–13 of this title for the purpose of assisting in the provision of the services specified in section 300ff–14 of this title in any metropolitan area for which there has been reported to and confirmed by the Director of the Centers for Disease Control and Prevention a cumulative total of more than 2,000 cases of AIDS during the most recent period of 5 calendar years for which such data is available.

(b) Continued status as eligible area

Notwithstanding any other provision of this section, a metropolitan area that is an eligible area for a fiscal year continues to be an eligible area until the metropolitan area fails, for three consecutive fiscal years—

(1) to meet the requirements of subsection (a); and

(2) to have a cumulative total of 3,000 or more living cases of AIDS (reported to and confirmed by the Director of the Centers for Disease Control and Prevention) as of December 31 of the most recent calendar year for which such data is available.

(c) Boundaries

For purposes of determining eligibility under this subpart—

(1) with respect to a metropolitan area that received funding under this subpart in fiscal year 2006, the boundaries of such metropolitan area shall be the boundaries that were in effect for such area for fiscal year 1994; or

(2) with respect to a metropolitan area that becomes eligible to receive funding under this subpart in any fiscal year after fiscal year 2006, the boundaries of such metropolitan area shall be the boundaries that are in effect for such area when such area initially receives funding under this subpart.

(July 1, 1944, ch. 373, title XXVI, §2601, as added Pub. L. 101–381, title I, §101(3), Aug. 18, 1990, 104 Stat. 628.)
§ 300ff–12  TITLE 42—THE PUBLIC HEALTH AND WELFARE  Page 1360


Prior Provisions

A prior section 2601 of act July 1, 1944, was successively renumbered by subsequent acts and transferred, see section 238 of this title.

Amendments


Subsec. (a) Pub. L. 109–415, §702(1), substituted “AIDS” for “acquired immune deficiency syndrome.”

Pub. L. 109–415, §101(a), substituted “during” for “for” “the most recent period” for “for the most recent period”.

Pub. L. 109–415, §101(b), substituted “through (c)” for “through (d)” and inserted “and confirmed by” after “reported to”.

Subsecs. (b) to (d), Pub. L. 109–415, §§101(a), 107(b), added subsec. (c) and (d), substituted “subpart” for “this part” in subsec. (c) wherever appearing, and struck out former subsecs. (b) to (d) which related to requirement regarding confirmation of cases, requirements regarding population, and continued status as eligible area, respectively.


Pub. L. 104–146, §§3(a)(1)(B), substituted “metropolitan area for which there has been reported to the Director of the Centers for Disease Control and Prevention a cumulative total of more than 2,000 cases of acquired immune deficiency syndrome” for “metropolitan area for which, as of June 30, 1990, in the case of grants for fiscal year 1991, and as of March 31 of the most recent fiscal year for which such data is available in the case of a grant for any subsequent fiscal year, there has been reported to and confirmed by the Director of the Centers for Disease Control and Prevention a cumulative total of more than 2,000 cases of acquired immune deficiency syndrome and for which the per capita incidence of cumulative cases of such syndrome (computed on the basis of the most recently available data on the population of the area) is not less than 0.0625.”

Pub. L. 104–146, §3(a)(1)(A), substituted “subject to subsections (b) through (d)” for “subject to subsection (b)).”

Subsecs. (c), (d), Pub. L. 104–146, §3(a)(2), added subsec. (c) and (d).

1992—Subsecs. (a)(1), (b), Pub. L. 102–531 substituted “Centers for Disease Control and Prevention” for “Centers for Disease Control”.

Effective Date of 2009 Amendment; Revival of Section


“(2) EFFECTIVE DATE.—Paragraph (1) [repealing sec. 703 of Pub. L. 109–415, formerly set out as an Effective Date of Repeal note below] shall take effect as if enacted on September 30, 2009.


“(A) the provisions of title XXVI of the Public Health Service Act (42 U.S.C. 300ff et seq.), as in effect on September 30, 2009, are hereby revived; and

“(B) the amendments made by this Act to title XXVI of the Public Health Service Act (42 U.S.C. 300ff et seq.) [see Tables for classification] shall apply to such title as so revived and shall take effect as if enacted on September 30, 2009.”

Effective Date of Repeal


Effective Date of 1996 Amendment

Pub. L. 104–146, §13, May 20, 1996, 110 Stat. 1374, provided that:

“(a) IN GENERAL.—Except as provided in subsection (b), this Act [enacting sections 300ff–27a, 300ff–31, 300ff–33 to 300ff–37, 300ff–77, 300ff–78, and 300ff–101 of this title, amending this section and sections 294a, 300d, 300f–12 to 300f–17, 300f–21 to 300f–23, 300f–26 to 300f–29, 300f–47 to 300f–49, 300f–52, 300f–54, 300f–55, 300f–61, 300f–71, 300f–74, 300f–76, and 300f–84 of this title, transferring section 294a of this title to section 300f–11 of this title, repealing sections 300f–18 and 300f–30 of this title, and enacting provisions set out as notes under sections 201, 300c, and 300f–33 of this title and section 4108 of Title 5, Government Organization and Employees], and the amendments made by this Act, shall become effective on October 1, 1996.

“(b) EXCEPTION.—The amendments made by sections 3(a), 5, 6, and 7 of this Act to sections 2601(c), 2601(d), 2603(a), 2618(b), 2636, 2671, and 2691 of the Public Health Service Act [42 U.S.C. 300ff–28(b), 300ff–34, 300ff–77, 300ff–101] shall become effective on the date of enactment of this Act [May 20, 1996].”

Studies by Institute of Medicine

Pub. L. 106–345, title V, §501, Oct. 20, 2000, 114 Stat. 1352, required the Secretary of Health and Human Services to request the Institute of Medicine or another appropriate entity to conduct a study of State surveillance systems on the prevalence of HIV and a study concerning the relationship between epidemiological measures and health care for certain individuals with HIV and to ensure that the former study be completed and a report submitted to congressional committees not later than 3 years after Oct. 20, 2000, and that the latter study be completed and a report submitted to congressional committees not later than 2 years after Oct. 20, 2000.

Study Regarding HIV Disease in Rural Areas

Pub. L. 101–381, title IV, §403, Aug. 18, 1990, 104 Stat. 622 directed Secretary of Health and Human Services, after consultation with Director of the Office of Rural Health Policy, to conduct study for purpose of estimating incidence and prevalence in rural areas of cases of acquired immune deficiency syndrome and cases of infection with etiologic agent for such syndrome and determine adequacy in rural areas of services for diagnosing and providing treatment for such cases that are in early stages of infection, and provided that, not later than 1 year after Aug. 18, 1990, Secretary was to submit report to Congress.

§ 300ff–12. Administration and planning council

(a) Administration

(1) In general

Assistance made available under grants awarded under this subpart shall be directed...
to the chief elected official of the city or urban county that administers the public health agency that provides outpatient and ambulatory services to the greatest number of individuals with AIDS, as reported to and confirmed by the Centers for Disease Control and Prevention, in the eligible area that is awarded such a grant.

(2) Requirements

(A) In general

To receive assistance under section 300ff–11(a) of this title, the chief elected official of the eligible area involved shall—

(i) establish, through intergovernmental agreements with the chief elected officials of the political subdivisions described in subparagraph (B), an administrative mechanism to allocate funds and services based on—

(I) the number of AIDS cases in such subdivisions;

(II) the severity of need for outpatient and ambulatory care services in such subdivisions; and

(III) the health and support services personnel needs of such subdivisions; and

(ii) establish an HIV health services planning council in accordance with subsection (b).

(B) Local political subdivision

The political subdivisions referred to in subparagraph (A) are those political subdivisions in the eligible area—

(i) that provide HIV-related health services; and

(ii) for which the number of cases reported for purposes of section 300ff–11(a) of this title constitutes not less than 10 percent of the number of such cases reported for the eligible area.

(b) HIV health services planning council

(1) Establishment

To be eligible for assistance under this subpart, the chief elected official described in subsection (a)(1) shall establish or designate an HIV health services planning council that shall reflect in its composition the demographics of the population of individuals with HIV/AIDS in the eligible area involved, with particular consideration given to disproportionately affected and historically underserved groups and subpopulations. Nominations for membership on the council shall include representatives of—

(A) health care providers, including federally qualified health centers;

(B) community-based organizations serving affected populations and AIDS service organizations;

(C) social service providers, including providers of housing and homeless services;

(D) mental health and substance abuse providers;

(E) local public health agencies;

(F) hospital planning agencies or health care planning agencies;

(G) affected communities, including people with HIV/AIDS, members of a Federally recognized Indian tribe as represented in the population, individuals co-infected with hepatitis B or C and historically underserved groups and subpopulations;

(H) nonelected community leaders;

(I) State government (including the State Medicaid agency and the agency administering the program under part B);

(J) grantees under subpart II of part C;

(K) grantees under section 300ff–71 of this title, or, if none are operating in the area, representatives of organizations with a history of serving children, youth, women, and families living with HIV and operating in the area;

(L) grantees under other Federal HIV programs, including but not limited to providers of HIV prevention services; and

(M) representatives of individuals who formerly were Federal, State, or local prisoners, were released from the custody of the penal system during the preceding 3 years, and had HIV/AIDS as of the date on which the individuals were so released.

(3) Method of providing for council

(A) In general

In providing for a council for purposes of paragraph (1), a chief elected official receiving a grant under section 300ff–11(a) of this title may establish the council directly or designate an existing entity to serve as the council, subject to subparagraph (B).

(B) Consideration regarding designation of council

In making a determination of whether to establish or designate a council under subparagraph (A), a chief elected official receiving a grant under section 300ff–11(a) of this title shall give priority to the designation of an existing entity that has demonstrated experience in planning for the HIV health care service needs within the eligible area and in the implementation of such plans in addressing those needs. Any existing entity so designated shall be expanded to include a broad representation of the full range of entities that provide such services within the geographic area to be served.

(4) Duties

The planning council established or designated under paragraph (1) shall—

(A) determine the size and demographics of the population of individuals with HIV/AIDS, as well as the size and demographics of the estimated population of individuals with HIV/AIDS who are unaware of their HIV status;

(B) determine the needs of such population, with particular attention to—

(i) individuals with HIV/AIDS who know their HIV status and are not receiving HIV-related services;

1 See References in Text note below.
§ 300ff–12

The following applies regarding the membership of a planning council under paragraph (1):

(1) Not less than 33 percent of the council shall be individuals who are receiving HIV-related services pursuant to a grant under section 300ff–11(a) of this title, are not offi-
(6) Grievance procedures
A planning council under paragraph (1) shall develop procedures for addressing grievances with respect to funding under this subpart, including procedures for submitting grievances that cannot be resolved to binding arbitration. Such procedures shall be described in the by-laws of the planning council and be consistent with the requirements of subsection (c).

(7) Public deliberations
With respect to a planning council under paragraph (1), the following applies:

(A) The council may not be chaired solely by an employee of the grantee under section 300ff-11(a) of this title.

(B) In accordance with criteria established by the Secretary:

(i) The meetings of the council shall be open to the public and shall be held only after adequate notice to the public.

(ii) The records, reports, transcripts, minutes, agenda, or other documents which were made available to or prepared for or by the council shall be available for public inspection and copying at a single location.

(iii) Detailed minutes of each meeting of the council shall be kept. The accuracy of all minutes shall be certified to by the chair of the council.

(iv) This subparagraph does not apply to any disclosure of information of a personal nature that would constitute a clearly unwarranted invasion of personal privacy, including any disclosure of medical information or personnel matters.

(c) Grievance procedures

(1) Federal responsibility

(A) Models

The Secretary shall, through a process that includes consultations with grantees under this subpart and public and private experts in grievance procedures, arbitration, and mediation, develop model grievance procedures that may be implemented by the planning council under subsection (b)(1) and grantees under this subpart. Such model procedures shall describe the elements that must be addressed in establishing local grievance procedures and provide grantees with flexibility in the design of such local procedures.

(B) Review

The Secretary shall review grievance procedures established by the planning council and grantees under this subpart to determine if such procedures are adequate. In making such a determination, the Secretary shall assess whether such procedures permit legitimate grievances to be filed, evaluated, and resolved at the local level.

(2) Grantees

To be eligible to receive funds under this subpart, a grantee shall develop grievance procedures that are determined by the Secretary to be consistent with the model procedures developed under paragraph (1)(A). Such procedures shall include a process for submitting grievances to binding arbitration.

(d) Process for establishing allocation priorities

Promptly after the date of the submission of the report required in section 501(b) of the Ryan White CARE Act Amendments of 2000 (relating to the relationship between epidemiological measures and health care for certain individuals with HIV/AIDS), the Secretary, in consultation with planning councils and entities that receive amounts from grants under section 300ff-11(a) or 300ff-21 of this title, shall develop epidemiologic measures—

(1) for establishing the number of individuals living with HIV/AIDS who are not receiving HIV-related health services; and

(2) for carrying out the duties under subsection (b)(4) and section 300ff-27(b) of this title.

(e) Training guidance and materials

The Secretary shall provide to each chief elected official receiving a grant under section 300ff-11(a) of this title guidelines and materials for training members of the planning council under paragraph (1) regarding the duties of the council.

References in Text

Subpart II of part C, referred to in subsec. (b)(2)(J), was redesignated subpart I of part C of this subchapter by Pub. L. 106-345, title III, § 301(b)(1), Oct. 20, 2000, 114 Stat. 1345, and is classified to section 300ff-51 et seq. of this title.

The Social Security Act, referred to in subsec. (b)(4)(C)(v), is act Aug. 14, 1935, ch. 531, 49 Stat. 620. Titles XIX and XXI of the Act are classified generally to subchapters XIX (§§1396 et seq.) and XXI (§§1397aa et seq.), respectively, of chapter 7 of this title. For complete classification of this Act to the Code, see section 1395 of this title and Tables.

PRIOR PROVISIONS

A prior section 2602 of act July 1, 1944, was successively renumbered by subsequent acts and transferred, see section 238a of this title.

AMENDMENTS


Subsec. (b)(1). Pub. L. 106–345, § 103(2), redesignated par. (2) as (3).


Effective Date of 2007 Amendment

For provisions that repeal by section 2(a)(1) of Pub. L. 111–87 of section 703 of Pub. L. 110–415 be effective Sept. 30, 2009, that the provisions of this section as in effect on Sept. 30, 2009, be revived, and that amendment by section 6(a) of Pub. L. 111–87 be applicable to this section as so revived and effective as if enacted on Sept. 30, 2009, see section 2(a)(2), (3) of Pub. L. 111–87, set out as a note under section 300ff–11 of this title.

Effective Date of 2000 Amendment

Pub. L. 106–345, title VI, § 601, Oct. 20, 2000, 114 Stat. 1355, provided that: “This Act [see section 1 of Pub. L. 106–345, set out as a Short Title of 2000 Amendments note under section 201 of this title] and the amendments made by this Act take effect October 1, 2000, or upon the date of the enactment of this Act [Oct. 20, 2000], whichever occurs later.”

Effective Date of 1996 Amendment


§ 300ff–13. Type and distribution of grants

(a) Grants based on relative need of area

(1) In general

In carrying out section 300ff–11(a) of this title, the Secretary shall make a grant for each eligible area for which an application under section 300ff–15(a) of this title has been approved. Each such grant shall be made in an amount determined in accordance with paragraph (3).

(2) Expedited distribution

Not later than 60 days after an appropriation becomes available to carry out this subpart for a fiscal year, the Secretary shall, except in the case of waivers granted under section 300ff–15(a) of this title, disburse 66 2/3% percent of the amount made available under section 300ff–20(b) of this title for carrying out this subpart for such fiscal year through grants to eligible areas under section 300ff–11(a) of this title, in accordance with paragraphs (3) and (4).

(3) Amount of grant

(A) In general

Subject to the extent of amounts made available in appropriations Acts, a grant made for purposes of this paragraph to an eligible area shall be made in an amount equal to the product of—

(i) an amount equal to the amount available for distribution under paragraph (2) for the fiscal year involved; and

(ii) the percentage constituted by the ratio of the distribution factor for the eligible area to the sum of the respective distribution factors for all eligible areas;

which product shall then, as applicable, be increased under paragraph (4).

(B) Distribution factor

For purposes of subparagraph (A)(ii), the term “distribution factor” means an amount equal to the living cases of HIV/AIDS (re-
2008, the State in which the area is located is substantially in compliance with the agreement under clause (iii)(II).

(v) Progress toward names-based reporting

For fiscal year 2009 or a subsequent fiscal year, the Secretary may terminate an exemption under clause (i) for an eligible area if the State in which the area is located submitted a plan under clause (iii)(I)(aa) and the Secretary determines that the State is not substantially following the plan.

(vi) Counting of cases in areas with exemptions

(I) In general

With respect to an eligible area that is under a reporting system for living non-AIDS cases of HIV that is not names-based (referred to in this subparagraph as “code-based reporting”), the Secretary shall, for purposes of this subparagraph, modify the number of such cases reported for the eligible area in order to adjust for duplicative reporting in and among systems that use code-based reporting.

(II) Adjustment rate

The adjustment rate under subclause (I) for an eligible area shall be a reduction of 5 percent for fiscal years before fiscal year 2012 (and 6 percent for fiscal year 2012) in the number of living non-AIDS cases of HIV reported for the area.

(III) Increased adjustment for certain areas previously using code-based reporting

For purposes of this subparagraph for each of fiscal years 2010 through 2012, the Secretary shall deem the applicable number of living cases of HIV/AIDS in an area that were reported to and confirmed by the Centers for Disease Control and Prevention to be 3 percent higher than the actual number if—

(aa) for fiscal year 2007, such area was a transitional area;

(bb) fiscal year 2007 was the first year in which the count of living non-AIDS cases of HIV in such area, for purposes of this section, was based on a names-based reporting system; and

(cc) the amount of funding that such area received under this part for fiscal year 2007 was less than 70 percent of the amount of funding (exclusive of funds that were identified as being for purposes of the Minority AIDS Initiative) that such area received under such part for fiscal year 2006.

(vii) Multiple political jurisdictions

With respect to living non-AIDS cases of HIV, if an eligible area is not entirely within one political jurisdiction and as a result is subject to more than one reporting system for purposes of this subparagraph:

(I) Names-based reporting under clause (i) applies in a jurisdictional portion of the area, or an exemption under clause (ii) applies in such portion (subject to applicable provisions of this subparagraph), according to whether names-based reporting or code-based reporting is used in such portion.

(II) If under subclause (I) both names-based reporting and code-based reporting apply in the area, the number of code-based cases shall be reduced under clause (vi).

(ix) Rules of construction regarding acceptance of reports

(I) Cases of AIDS

With respect to an eligible area that is subject to the requirement under clause (i) and is not in compliance with the requirement for names-based reporting of living non-AIDS cases of HIV, the Secretary shall, notwithstanding such non-compliance, accept reports of living cases of AIDS that are in accordance with such clause.

(II) Applicability of exemption requirements

The provisions of clauses (ii) through (viii) may not be construed as having any legal effect for fiscal year 2013 or any subsequent fiscal year, and accordingly, the status of a State for purposes of such clauses may not be considered after fiscal year 2012.

(x) Program for detecting inaccurate or fraudulent counting

The Secretary shall carry out a program to monitor the reporting of names-based cases for purposes of this subparagraph and to detect instances of inaccurate reporting, including fraudulent reporting.

(xi) Future fiscal years

For fiscal years beginning with fiscal year 2013, determinations under this para-
graph shall be based only on living name-based cases of HIV/AIDS with respect to the area involved.

(D) Code-based areas; limitation on increase in grant

(i) In general

For each of the fiscal years 2007 through 2012, if code-based reporting (within the meaning of subparagraph (C)(vi)) applies in an eligible area or any portion thereof as of the beginning of the fiscal year involved, then notwithstanding any other provision of this paragraph, the amount of the grant pursuant to this paragraph for such area for such fiscal year may not—

(I) for fiscal year 2007, exceed by more than 5 percent the amount of the grant for the area that would have been made pursuant to this paragraph and paragraph (4) for fiscal year 2006 (as such paragraphs were in effect for such fiscal year) if paragraph (2) (as so in effect) had been applied by substituting “66% percent” for “50 percent”; and

(II) for each of the fiscal years 2008 through 2012, exceed by more than 5 percent the amount of the grant pursuant to this paragraph and paragraph (4) for the area for the preceding fiscal year.

(ii) Use of amounts involved

For each of the fiscal years 2007 through 2012, amounts available as a result of the limitation under clause (i) shall be made available by the Secretary as additional amounts for grants pursuant to subsection (b) for the fiscal year involved, subject to paragraph (4) and section 300ff–20(d)(2) of this title.

(4) Increases in grant

(A) In general

For each eligible area that received a grant pursuant to this subsection for fiscal year 2009, the Secretary shall, for each of the fiscal years 2010 through 2013, increase the amount of the grant made pursuant to paragraph (3) for the area to ensure that the amount of the grant for the fiscal year involved is not less than the following amount, as applicable to such fiscal year:

(i) For fiscal year 2010, an amount equal to 95 percent of the sum of the amount of the grant made pursuant to paragraph (3) and this paragraph for fiscal year 2009.

(ii) For each of the fiscal years 2011 and 2012, an amount equal to 100 percent of the amount of the grant made pursuant to paragraph (3) and this paragraph for fiscal year 2010.

(iii) For fiscal year 2013, an amount equal to 92.5 percent of the amount of the grant made pursuant to paragraph (3) and this paragraph for fiscal year 2012.

(B) Source of funds for increase

(i) In general

From the amounts available for carrying out the single program referred to in section 300ff–19(d)(2)(C) of this title for a fiscal year (relating to supplemental grants), the Secretary shall make available such amounts as may be necessary to comply with subparagraph (A), subject to section 300ff–20(d)(2) of this title.

(ii) Pro rata reduction

If the amounts referred to in clause (i) for a fiscal year are insufficient to fully comply with subparagraph (A) for the year, the Secretary, in order to provide the additional funds necessary for such compliance, shall reduce on a pro rata basis the amount of each grant pursuant to this subsection for the fiscal year, other than grants for eligible areas for which increases under subparagraph (A) apply. A reduction under the preceding sentence may not be made in an amount that would result in the eligible area involved becoming eligible for such an increase.

(C) Limitation

This paragraph may not be construed as having any applicability after fiscal year 2013.

(b) Supplemental grants

(1) In general

Subject to subsection (a)(4)(B)(i) and section 300ff–20(d) of this title, the Secretary shall disburse the remainder of amounts not disbursed under subsection (a)(2) for such fiscal year for the purpose of making grants under section 300ff–11(a) of this title to eligible areas whose application under section 300ff–15(b) of this title—

(A) contains a report concerning the dissemination of emergency relief funds under subsection (a) and the plan for utilization of such funds;

(B) demonstrates the need in such area, on an objective and quantified basis, for supplemental financial assistance to combat the HIV epidemic;

(C) demonstrates the existing commitment of local resources of the area, both financial and in-kind, to combating the HIV epidemic;

(D) demonstrates the ability of the area to utilize such supplemental financial resources in a manner that is immediately responsive and cost effective;

(E) demonstrates that resources will be allocated in accordance with the local demographic incidence of AIDS including appropriate allocations for services for infants, children, youth, women, and families with HIV/AIDS;

(F) demonstrates the inclusiveness of affected communities and individuals with HIV/AIDS;

(G) demonstrates the manner in which the proposed services are consistent with the local needs assessment and the statewide coordinated statement of need;

(H) demonstrates the ability of the applicant to expend funds efficiently by not having had, for the most recent grant year under subsection (a) for which data is available, more than 5 percent of grant funds under such subsection canceled, offset under subsection (c)(4), or covered by any waivers under subsection (c)(3); and
(I) demonstrates success in identifying individuals with HIV/AIDS as described in clauses (i) through (iii) of paragraph (2)(A).

(2) Amount of grant

(A) In general

The amount of each grant made for purposes of this subsection shall be determined by the Secretary based on a weighting of factors under paragraph (1), with demonstrated need under subparagraph (B) of such paragraph counting one-third, and demonstrated success in identifying individuals with HIV/AIDS who do not know their HIV status and making them aware of such status counting one-third. In making such determination, the Secretary shall consider—

(i) the number of individuals who have been tested for HIV/AIDS;

(ii) of those individuals described in clause (i), the number of individuals who tested for HIV/AIDS who are made aware of their status, including the number who test positive; and

(iii) of those individuals described in clause (i), the number who have been referred to appropriate treatment and care.

(B) Demonstrated need

The factors considered by the Secretary in determining whether an eligible area has a demonstrated need for purposes of paragraph (1)(B) may include any or all of the following:

(i) The unmet need for such services, as determined under section 300ff–12(b)(4) of this title or other community input process as defined under section 300ff–19(d)(1)(A) of this title.

(ii) An increasing need for HIV/AIDS-related services, including relative rates of increase in the number of cases of HIV/AIDS.

(iii) The relative rates of increase in the number of cases of HIV/AIDS within new or emerging subpopulations.

(iv) The current prevalence of HIV/AIDS.

(v) Relevant factors related to the cost and complexity of delivering health care to individuals with HIV/AIDS in the eligible area.

(vi) The impact of co-morbid factors, including co-occurring conditions, determined relevant by the Secretary.

(vii) The prevalence of homelessness.

(viii) The prevalence of individuals described under section 300ff–12(b)(2)(M) of this title.

(ix) The relevant factors that limit access to health care, including geographic variation, adequacy of health insurance coverage, and language barriers.

(x) The impact of a decline in the amount received pursuant to subsection (a) on services available to all individuals with HIV/AIDS identified and eligible under this subchapter.

(C) Priority in making grants

The Secretary shall provide funds under this subsection to an eligible area to address the decline or disruption of all EMA-provided services related to the decline in the amounts received pursuant to subsection (a) consistent with the grant award for the eligible area for fiscal year 2006, to the extent that the factor under subparagraph (B)(x) (relating to a decline in funding) applies to the eligible area.

(D) Increased adjustment for certain areas previously using code-based reporting

For purposes of this subsection for each of fiscal years 2010 through 2012, the Secretary shall deem the applicable number of living cases of HIV/AIDS in an area that were reported to and confirmed by the Centers for Disease Control and Prevention to be 3 percent higher than the actual number if the conditions described in items (aa) through (cc) of subsection (a)(3)(C)(vi)(III) are all satisfied.

(3) Remainder of amounts

In determining the amount of funds to be obligated under paragraph (1), the Secretary shall include amounts that are not paid to the eligible areas under expedited procedures under subsection (a)(2) as a result of—

(A) the failure of any eligible area to submit an application under section 300ff–15(c) of this title; or

(B) any eligible area informing the Secretary that such eligible area does not intend to expend the full amount of its grant under such section.

(4) Failure to submit

(A) In general

The failure of an eligible area to submit an application for an expedited grant under subsection (a)(2) shall not result in such area being ineligible for a grant under this subsection.

(B) Application

The application of an eligible area submitted under section 300ff–15(b) of this title shall contain the assurances required under subsection (a) of such section if such eligible area fails to submit an application for an expedited grant under subsection (a)(2).

(c) Timeframe for obligation and expenditure of grant funds

(1) Obligation by end of grant year

Effective for fiscal year 2007 and subsequent fiscal years, funds from a grant award made pursuant to subsection (a) or (b) for a fiscal year are available for obligation by the eligible area involved through the end of the one-year period beginning on the date in such fiscal year on which funds from the award first become available to the area (referred to in this subsection as the “grant year for the award”), except as provided in paragraph (3)(A).

(2) Supplemental grants; cancellation of unobligated balance of grant award

Effective for fiscal year 2007 and subsequent fiscal years, if a grant award made pursuant to subsection (b) for an eligible area for a fiscal
year has an unobligated balance as of the end of the grant year for the award—

(A) the Secretary shall cancel that unobligated balance of the award, and shall require the eligible area to return any amounts from such balance that have been disbursed to the area; and

(B) the funds involved shall be made available by the Secretary as additional amounts for grants pursuant to subsection (b) for the first fiscal year beginning after the fiscal year in which the Secretary obtains the information necessary for determining that the balance is required under subparagraph (a)(4) and section 300ff-20(d)(2) of this title as applied for such year.

(3) Formula grants; cancellation of unobligated balance of grant award; waiver permitting carryover

(A) In general

Effective for fiscal year 2007 and subsequent fiscal years, if a grant award made pursuant to subsection (a) for an eligible area for a fiscal year has an unobligated balance as of the end of the grant year for the award, the Secretary shall cancel that unobligated balance of the award, and shall require the eligible area to return any amounts from such balance that have been disbursed to the area, unless—

(i) before the end of the grant year, the chief elected official of the area submits to the Secretary a written application for a waiver of the cancellation, which application includes a description of the purposes for which the area intends to expend the funds involved; and

(ii) the Secretary approves the waiver.

(B) Expenditure by end of carryover year

With respect to a waiver under subparagraph (A) that is approved for a balance that is unobligated as of the end of a grant year for an award:

(i) The unobligated funds are available for expenditure by the eligible area involved for the one-year period beginning upon the expiration of the grant year (referred to in this subsection as the “carryover year”).

(ii) If the funds are not expended by the end of the carryover year, the Secretary shall cancel that unexpended balance of the award, and shall require the eligible area to return any amounts from such balance that have been disbursed to the area.

(C) Use of cancelled balances

In the case of any balance of a grant award that is cancelled under subparagraph (A) or (B)(ii), the grant funds involved shall be made available by the Secretary as additional amounts for grants pursuant to subsection (b) for the first fiscal year beginning after the fiscal year in which the Secretary obtains the information necessary for determining that the balance is required under such subparagraph to be canceled, except that the availability of the funds for such grants is subject to subsection (a)(4) and section 300ff-20(d)(2) of this title as applied for such year.

(D) Corresponding reduction in future grant

(i) In general

In the case of an eligible area for which a balance from a grant award under subsection (a) is unobligated as of the end of the grant year for the award—

(I) the Secretary shall reduce, by the same amount as such unobligated balance (less any amount of such balance that is the subject of a waiver of cancellation under subparagraph (A)), the amount of the grant under such subsection for the first fiscal year beginning after the fiscal year in which the Secretary obtains the information necessary for determining that such balance was unobligated as of the end of the grant year (which requirement for a reduction applies without regard to whether a waiver under subparagraph (A) has been approved with respect to such balance); and

(II) the grant funds involved in such reduction shall be made available by the Secretary as additional funds for grants pursuant to subsection (b) for such first fiscal year, subject to subsection (a)(4) and section 300ff-20(d)(2) of this title; except that this clause does not apply to the eligible area if the amount of the unobligated balance was 5 percent or less.

(ii) Relation to increases in grant

A reduction under clause (i) for an eligible area for a fiscal year may not be taken into account in applying subsection (a)(4) with respect to the area for the subsequent fiscal year.

(4) Authority regarding administration of provisions

In administering paragraphs (2) and (3) with respect to the unobligated balance of an eligible area, the Secretary may elect to reduce the amount of future grants to the area under subsection (a) or (b), as applicable, by the amount of any such unobligated balance in lieu of cancelling such amount as provided for in paragraph (2) or (3)(A). In such case, the Secretary may permit the area to use such unobligated balance for purposes of any such future grant. An amount equal to such reduction shall be available for use as additional amounts for grants pursuant to subsection (b), subject to subsection (a)(4) and section 300ff-20(d)(2) of this title. Nothing in this paragraph shall be construed to affect the authority of the Secretary under paragraphs (2) and (3), including the authority to grant waivers under paragraph (3)(A). The reduction in future grants authorized under this paragraph shall be notwithstanding the penalty required under paragraph (3)(D) with respect to unobligated funds.

(d) Compliance with priorities of HIV planning council

Notwithstanding any other provision of this subpart, the Secretary, in carrying out section
§ 300ff-13  TITLE 42—THE PUBLIC HEALTH AND WELFARE  Page 1370

300ff-11(a) of this title, may not make any grant under subsection (a) or (b) to an eligible area unless the application submitted by such area under section 300ff-15 of this title for the grant involved demonstrates that the grants made under subsections (a) and (b) to the area for the preceding fiscal year (if any) were expended in accordance with the priorities applicable to such year that were established, pursuant to section 300ff-12(b)(4)(C) of this title, by the planning council serving the area.

(e) Report on the awarding of supplemental funds

Not later than 45 days after the awarding of supplemental funds under this section, the Secretary shall submit to Congress a report concerning such funds. Such report shall include information detailing—

(1) the total amount of supplemental funds available under this section for the year involved;

(2) the amount of supplemental funds used in accordance with the hold harmless provisions of subsection (a)(4);

(3) the amount of supplemental funds disbursed pursuant to subsection (b)(2)(C);

(4) the disbursement of the remainder of the supplemental funds after taking into account the uses described in paragraphs (2) and (3);

and

(5) the rationale used for the amount of funds disbursed as described under paragraphs (2), (3), and (4).


REFERENCES IN TEXT

Section 300ff-15 of this title, referred to in subsec. (a)(2) and (b)(3)(A), was amended by Pub. L. 104-146, §3(b)(5)(C), (D), May 20, 1996, 110 Stat. 1535, to add a new subsec. (c), relating to single application and grant awards, and redesignate former subsec. (c), relating to date for submission of grant applications, as (d).

PRIOR PROVISIONS

A prior section 2603 of act July 1, 1944, was successively renumbered by subsequent acts and transferred, see section 238b of this title.

AMENDMENTS


Subsec. (a)(3)(C)(xi). Pub. L. 111-117, §3(a)(1)(F), added cl. (x). (1) the total amount of supplemental funds available under this section for the year involved;


Subsec. (b)(1)(H). Pub. L. 111-117, §8(a)(1), (b)(2)(C), substituted “5 percent” for “2 percent” and “canceled” for “canceled, offset under subsection (c)(4),”.


Subsec. (c)(3)(D)(i)(I). Pub. L. 111-117, §8(c)(1), inserted “less any amount of such balance that is the subject of a waiver of cancellation under subparagraph (A))’’ after “unobligated balance.”


Subsec. (a)(2). Pub. L. 109-415, §107(b), substituted “this subpart” for “this part”.

Pub. L. 109-145, §102(a), substituted “66 2/3 percent” for “66 2/3% percent” of the amount made available under section 300ff-20(b) of this title for carrying out this subpart.”


(reported to and confirmed by the Director of the Centers for Disease Control and Prevention) for “estimated living cases of acquired immune deficiency syndrome”, was executed by making the substitution for “estimated number of living cases of acquired immune deficiency syndrome”, to reflect the probable intent of Congress.

Subsec. (a)(3)(C) to (E), Pub. L. 100-145, §10(f)(b)(2), (c), added subpars. (C) and (D) and struck out former subpars. (C) to (E) which related to estimate of living cases, determination of Secretary regarding data on HIV-related deaths, and unexpended funds, respectively.

Subsec. (a)(4), Pub. L. 109-145, §102(d)(2), reenacted heading without change and amended text generally, substituting provisions relating to increases in grant for each of the fiscal years 2000 through 2009 for provisions relating to increases in grant for the first through fifth or subsequent fiscal years in a protection period.

Subsec. (b)(1). Pub. L. 109-145, §103(1)(A), in introductory provisions, substituted “Subject to subsection (a)(4)(B) and section 300ff-20(d) of this title, the Secretary shall” for “Not later than 150 days after the date on which appropriations are made under section 300ff-77 of this title for a fiscal year, the Secretary shall”.

Subsec. (b)(1)(B). Pub. L. 109-145, §103(1)(B), substituted “demonstrates the need in such area, on an objective and quantified basis,” for “demonstrates the severe need in such area”.


Subsec. (b)(1)(F). Pub. L. 109-145, §103(1)(C), added subpar. (F) and struck out former subpar. (F) which read as follows: “demonstrates the inclusiveness of the planning council membership, with particular emphasis on affected communities and individuals with HIV disease; and”.


Subsec. (b)(2)(C). Pub. L. 109-145, §103(2)(C), added subpar. (C) and struck out former subpars. (C) and (D) which related to mechanism to utilize data to determine prevalence of HIV disease and the phasing in, over a 3-year period beginning in fiscal year 1998, of the use of such mechanism to determine severe needs, respectively.


Subsec. (d). Pub. L. 109-145, §107(b), substituted “this subpart” for “this part”.

Pub. L. 109-145, §104(1), redesignated subsec. (c) as (d).


Subsec. (a)(3)(C)(I). Pub. L. 106-345, §111(b)(1)(A), inserted before semicolon “, except that (subject to subparagraph (D)), for grants made pursuant to this paragraph for fiscal year 2005 and subsequent fiscal years, the cases counted for each 12-month period beginning on or after July 1, 2004, shall be cases of HIV disease (as reported to and confirmed by such Director) rather than cases of acquired immune deficiency syndrome”.

Subsec. (a)(3)(C). Pub. L. 106-345, §111(b)(1)(B), in concluding provisions, inserted before period at end of first sentence “, and shall be reported to the congressional committees of jurisdiction “ and inserted at end “Updates shall as applicable take into account the counting of cases of HIV disease pursuant to clause (I).”

Subsec. (a)(3)(D), (E). Pub. L. 106-345, §111(b)(2), added subpar. (D) and redesignated former subpar. (D) as (E).

Subsec. (a)(4). Pub. L. 106-345, §111(c), amended heading and text of par. (4) generally. Prior to amendment, text read as follows: “With respect to an eligible area under section 300ff-11(a) of this title, the Secretary shall increase the amount of a grant under paragraph (2) for a fiscal year to ensure that such eligible area receives not less than—

• (A) with respect to fiscal year 1996, 100 percent;
• (B) with respect to fiscal years 1997, 99 percent;
• (C) with respect to fiscal year 1998, 98 percent;
• (D) with respect to fiscal year 1999, 96.5 percent;
• (E) with respect to fiscal year 2000, 95 percent;

of the amount allocated for fiscal year 1995 to such entity under this subsection.”


Subsec. (b)(2)(B). Pub. L. 106-345, §112(a)(2), (4), redesignated subpar. (A) as (B) and added cls. (iv) to (vi). Former subpar. (B) redesignated (C).

Subsec. (b)(2)(C). Pub. L. 106-345, §112(a)(5)(C), inserted after second sentence “Such a mechanism shall be modified to reflect the findings of the study under section 501(b) of the Ryan White CARE Act Amendments of 2000 (relating to the relationship between epidemiological measures and health care for certain individuals with HIV disease)”.


Pub. L. 106-345, §112(a)(2), redesignated subpar. (B) as (C), Former subpar. (C) redesignated (D).

Subsec. (b)(2)(D). Pub. L. 106-345, §112(a)(2), (6), redesignated subpar. (C) as (D) and substituted “subparagraph (C)” for “subparagraph (B)”.

Subsec. (b)(4). Pub. L. 106-345, §112(c)(1), (2), redesignated par. (5) as (4) and struck out heading and text of former par. (4). Text read as follows: “The amount of each grant made for purposes of this subsection shall be determined by the Secretary based on the application submitted by the eligible area under section 300ff-15(b) of this title.”

Subsec. (b)(4)(B). Pub. L. 106-345, §112(c)(3), substituted “an expedited grant” for “an expedited grants”.


Subsec. (c). Pub. L. 106-345, §102(d), substituted “section 300ff-12(b)(4)(C) of this title” for “section 300ff-12(b)(3)(A) of this title”.

1996—Subsec. (a)(2). Pub. L. 104-146, §6(c)(1)(A), substituted “section 300ff-77” for “section 300ff-18”.

Pub. L. 104-146, §6(c)(1)(A), inserted “, in accordance with paragraph (3)” after “section 300ff-11(a) of this title” and “The Secretary shall reserve an additional percentage of the amount appropriated under section 300ff-77 of this title for fiscal year for grants under this part to make grants to eligible areas under section 300ff-11(a) of this title in accordance with paragraph (4)”.

Pub. L. 104-146, §6(c)(1)(A), substituted “Not later than 60 days after an appropriation becomes available to carry out this part for each of the fiscal years 1996 through 2000, the Secretary shall” for “Not later than—

• (A) 90 days after an appropriation becomes available to carry out this part for fiscal year 1991; and
• (B) 60 days after an appropriation becomes available to carry out this part for each of fiscal years 1992 through 1995, the Secretary shall”.

Subsec. (a)(3). Pub. L. 104-146, §4, amended par. (3) generally, revising and restating provisions of former subpars. (A) to (C) relating to amount of grants under par. (3) as subpars. (A) to (D).


Subsec. (b)(1). Pub. L. 104-146, §6(c)(1)(B), substituted “section 300ff-77” for “section 300ff-18” in introductory provisions.
Subsec. (b)(1)(F), (G). Pub. L. 104-146, §3(b)(2)(B)(i), added subpars. (F) and (G).

Subsec. (b)(2) to (4). Pub. L. 104-146, §3(b)(2)(B)(i), (ii), added par. (2) and redesignated former par. (2) as (3) and (4), respectively. Former par. (4) redesignated (5).

Subsec. (b)(4)(B). Pub. L. 104-146, §12(o)(2), which directed substitution of ‘‘an expedited grant’’ for ‘‘an expedited grants’’ in par. (4)(B), could not be executed because the words ‘‘an expedited grants’’ did not appear in par. (4)(B) subsequent to redesignation of par. (4) as (5) by Pub. L. 104-146, §3(b)(2)(B)(i). See above.

Subsec. (b)(5). Pub. L. 104-146, §3(b)(2)(B)(ii), redesignated par. (4) as (5).

Subsec. (c). Pub. L. 104-146, §3(b)(3)(C), added subsec. (c).


1990—Subsec. (a)(3). Pub. L. 101-502 amended par. (3) generally. Prior to amendment, par. (3) read as follows:

‘‘(A) IN GENERAL.—Subject to the extent of amounts made available in appropriations Acts, a grant made for purposes of this paragraph for an eligible area shall be made in an amount equal to the sum of—

(i) an amount determined in accordance with subparagraph (B); and

(ii) an amount determined in accordance with subparagraph (C).

(B) AMOUNT RELATING TO CUMULATIVE NUMBER OF CASES.—The amount referred to in clause (i) of subparagraph (A) is an amount equal to the product of—

(i) an amount equal to 75 percent of the amounts available for distribution under paragraph (2) for the fiscal year involved; and

(ii) a percentage equal to the quotient of—

(I) the cumulative number of cases of acquired immune deficiency syndrome in the eligible area involved, as indicated by the number of such cases reported to and confirmed by the Director of the Centers for Disease Control on the applicable date described in section 300ff-11(a) of this title; divided by

(II) the sum of the cumulative number of such cases in all eligible areas for which an application for a grant under paragraph (1) has been approved.

(C) AMOUNT RELATING TO PER CAPITA INCIDENCE OF CASES.—The amount referred to in clause (ii) of subparagraph (A) is an amount equal to the product of—

(i) an amount equal to 25 percent of the amounts available for distribution under paragraph (2) for the fiscal year involved; and

(ii) a percentage developed by the Secretary through consideration of the ratio of—

(I) the per capita incidence of cumulative cases of acquired immune deficiency syndrome in the eligible area involved (computed on the basis of the most recently available data on the population of the area); to

(II) the per capita incidence of such cumulative cases in all eligible areas for which an application for a grant under paragraphs (1) and (5)(B)(i) of subsection (h), use not less than 75 percent to provide core medical services that are needed in the eligible area for individuals with HIV/AIDS who are identified and eligible under this subchapter (including services regarding the co-occurring conditions of the individuals).

**EFFECTIVE DATE OF 2009 AMENDMENT: REVIVAL OF SECTION**

For provisions that repeal by section 2(a)(1) of Pub. L. 111-87 of section 703 of Pub. L. 109-415 be effective Sept. 30, 2009, that the provisions of this section as in effect on Sept. 30, 2009, are not to be taken into account in determining the priority of such funds and services within the eligible area for purposes of paragraphs (1) and (5)(B)(i) of subsection (h), but the provisions of this section shall remain in effect and be applicable to this section as so revived and effective as if enacted on Sept. 30, 2009, see section 2(a)(2), (3) of Pub. L. 111-87, set out as a note under section 300ff-11 of this title.

**EFFECTIVE DATE OF 1996 AMENDMENT**

Amendment by sections 3(b)(2), (3), 4, 6(c)(1)(B), and 12(c)(2) of Pub. L. 104-146 effective Oct. 1, 1996, and amendment by section 6(c)(1)(A) of Pub. L. 104-146 effective May 20, 1996, see section 13 of Pub. L. 104-146, set out as a note under section 300ff-11 of this title.

§ 300ff-14. Use of amounts

(a) Requirements

The Secretary may not make a grant under section 300ff-11(a) of this title to the chief elected official of an eligible area unless such political subdivision agrees that—

(1) subject to paragraph (2), the allocation of funds and services within the eligible area will be made in accordance with the priorities established, pursuant to section 300ff-12(b)(4)(C) of this title, by the HIV health services planning council that serves such eligible area;

(2) funds provided under section 300ff-11 of this title will be expended only for—

(A) core medical services described in subsection (c);

(B) support services described in subsection (d); and

(C) administrative expenses described in subsection (h); and

(3) the use of such funds will comply with the requirements of this section.

(b) Direct financial assistance to appropriate entities

(1) In general

The chief elected official of an eligible area shall use amounts from a grant under section 300ff-11 of this title to provide direct financial assistance to entities described in paragraph (2) for the purpose of providing core medical services and support services.

(2) Appropriate entities

Direct financial assistance may be provided under paragraph (1) to public or nonprofit private entities, or private for-profit entities if such entities are the only available provider of quality HIV care in the area.

(c) Required funding for core medical services

(1) In general

With respect to a grant under section 300ff-11 of this title for an eligible area for a grant year, the chief elected official of the area shall, of the portion of the grant remaining after reserving amounts for purposes of paragraphs (1) and (5)(B)(i) of subsection (h), use not less than 75 percent to provide core medical services that are needed in the eligible area for individuals with HIV/AIDS who are identified and eligible under this subchapter (including services regarding the co-occurring conditions of the individuals).

(2) Waiver

(A) In general

The Secretary shall waive the application of paragraph (1) with respect to a chief elected official for a grant year if the Secretary determines that, within the eligible area involved—

(i) there are no waiting lists for AIDS Drug Assistance Program services under section 300ff-26 of this title; and

(ii) core medical services are available to all individuals with HIV/AIDS identified and eligible under this subchapter.
(B) Notification of waiver status

When informing the chief elected official of an eligible area that a grant under section 300ff–11 of this title is being made for the area for a grant year, the Secretary shall inform the official whether a waiver under subparagraph (A) is in effect for such year.

(3) Core medical services

For purposes of this subsection, the term “core medical services”, with respect to an individual with HIV/AIDS (including the co-occurring conditions of the individual), means the following services:

(A) Outpatient and ambulatory health services.

(B) AIDS Drug Assistance Program treatments in accordance with section 300ff-26 of this title.

(C) AIDS pharmaceutical assistance.

(D) Oral health care.

(E) Early intervention services described in subsection (e).

(F) Health insurance premium and cost sharing assistance for low-income individuals in accordance with section 300ff-25 of this title.

(G) Home health care.

(H) Medical nutrition therapy.

(I) Hospice services.

(J) Home and community-based health services as defined under section 300ff-24(c) of this title.

(K) Mental health services.

(L) Substance abuse outpatient care.

(M) Medical case management, including treatment adherence services.

(d) Support services

(1) In general

For purposes of this section, the term “support services” means services, subject to the approval of the Secretary, that are needed for individuals with HIV/AIDS to achieve their medical outcomes (such as respite care for persons caring for individuals with HIV/AIDS, outreach services, medical transportation, linguistic services, and referrals for health care and support services).

(2) Medical outcomes

In this subsection, the term “medical outcomes” means those outcomes affecting the HIV-related clinical status of an individual with HIV/AIDS.

(e) Early intervention services

(1) In general

For purposes of this section, the term “early intervention services” means HIV/AIDS early intervention services described in section 300ff-51(e) of this title, with follow-up referral provided for the purpose of facilitating the access of individuals receiving the services to HIV-related health services. The entities through which such services may be provided under the grant include public health departments, emergency rooms, substance abuse and mental health treatment programs, detoxification centers, detention facilities, clinics regarding sexually transmitted diseases, homeless shelters, HIV/AIDS counseling and testing sites, health care points of entry specified by eligible areas, federally qualified health centers, and entities described in section 300ff-52(a) of this title that constitute a point of access to services by maintaining referral relationships.

(2) Conditions

With respect to an entity that proposes to provide early intervention services under paragraph (1), such paragraph shall apply only if the entity demonstrates to the satisfaction of the chief elected official for the eligible area involved that—

(A) Federal, State, or local funds are otherwise inadequate for the early intervention services the entity proposes to provide; and

(B) the entity will expend funds pursuant to such paragraph to supplement and not supplant other funds available to the entity for the provision of early intervention services for the fiscal year involved.

(f) Priority for women, infants, children, and youth

(1) In general

For the purpose of providing health and support services to infants, children, youth, and women with HIV/AIDS, including treatment measures to prevent the perinatal transmission of HIV, the chief elected official of an eligible area, in accordance with the established priorities of the planning council, shall for each of such populations in the eligible area use, from the grants made for the area under section 300ff–11(a) of this title for a fiscal year, not less than the percentage constituted by the ratio of the population involved (infants, children, youth, or women in such area) with HIV/AIDS to the general population in such area of individuals with HIV/AIDS.

(2) Waiver

With respect to the population involved, the Secretary may provide to the chief elected official of an eligible area a waiver of the requirement of paragraph (1) if such official demonstrates to the satisfaction of the Secretary that the population is receiving HIV-related health services through the State medicaid program under title XIX of the Social Security Act [42 U.S.C. 1396 et seq.], the State children’s health insurance program under title XXI of such Act [42 U.S.C. 1397aa et seq.], or other Federal or State programs.

(g) Requirement of status as medicaid provider

(1) Provision of service

Subject to paragraph (2), the Secretary may not make a grant under section 300ff–11(a) of this title for the provision of services under this section in a State unless, in the case of any such service that is available pursuant to the State plan approved under title XIX of the Social Security Act [42 U.S.C. 1396 et seq.] for the State—

(A) the political subdivision involved will provide the service directly, and the political subdivision has entered into a participa-
§ 300ff–14

TIT Le 42—THE PUBLIC HEALTH AND WELFARE

Page 1374

tion agreement under the State plan and is qualified to receive payments under such plan; or

(B) the political subdivision will enter into an agreement with a public or nonprofit private entity under which the entity will provide the service, and the entity has entered into such a participation agreement and is qualified to receive such payments.

(2) Waiver

(A) In general

In the case of an entity making an agreement pursuant to paragraph (1)(B) regarding the provision of services, the requirement established in such paragraph shall be waived by the HIV health services planning council for the eligible area if the entity does not, in providing health care services, impose a charge or accept reimbursement available from any third-party payor, including reimbursement under any insurance policy or under any Federal or State health benefits program.

(B) Determination

A determination by the HIV health services planning council of whether an entity referred to in subparagraph (A) meets the criteria for a waiver under such subparagraph shall be made without regard to whether the entity accepts voluntary donations for the purpose of providing services to the public.

(h) Administration

(1) Limitation

The chief elected official of an eligible area shall not use in excess of 10 percent of amounts received under a grant under this subpart for administrative expenses.

(2) Allocations by chief elected official

In the case of entities and subcontractors to which the chief elected official of an eligible area allocates amounts received by the official under a grant under this subpart, the official may use for activities associated with the grant required in subparagraph (A) not to exceed the lesser of—

(I) 5 percent of amounts received under the grant; or

(II) $3,000,000.

(ii) Relation to limitation on administrative expenses

The costs of a clinical quality management program under subparagraph (A) may not be considered administrative expenses for purposes of the limitation established in paragraph (1).

(i) Construction

A chief elected official may not use amounts received under a grant awarded under this subpart to purchase or improve land, or to purchase, construct, or permanently improve (other than minor remodeling) any building or other facility, or to make cash payments to intended recipients of services.

 treatment for opportunistic infections,” after “treatment
services.”;

or private for-profit entities if such entities are the
only available provider of quality HIV care in the
area,” after “nonprofit private entities,” and substi-
tuted “homeless health centers, substance abuse
treatment programs, and mental health programs” for
“and homeless health centers”.

Subsec. (b)(3). Pub. L. 104–146, § 3(b)(4)(C), added par.
(3).

Subsec. (e). Pub. L. 104–146, § 3(b)(4)(C), struck out
“and planning” after “Administration” in heading, des-
gnated existing provisions as par. (1), inserted par.
heading, struck out “accounting, reporting, and pro-
gram oversight functions” after “for administration,”
inserted at end “In the case of entities and subcon-
tractors to which such officer allocates amounts received
by the officer under the grant, the officer shall ensure
that, of the aggregate amount so allocated, the total of
the expenditures by such entities for administrative ex-
enses does not exceed 10 percent (without regard to
whether particular entities expend more than 10 per-
cent for such expenses).”, and added pars. (2) and (3).

“Department of Veterans Affairs facilities” for “Veter-
ans Administration facilities”.

EFFECTIVE DATE OF 2009 AMENDMENT; REVIVAL OF
SECTION

For provisions that repeal by section 2(a)(1) of Pub.
L. 111–87 of section 703 of Pub. L. 109–415 be effective
in effect on Sept. 30, 2009, be revived, see section 2(a)(2),
(3)(A) of Pub. L. 111–87, set out as a note under section
300ff–11 of this title.

EFFECTIVE DATE OF 1996 AMENDMENT

Amendment by Pub. L. 104–146 effective Oct. 1, 1996,
see section 13 of Pub. L. 104–146, set out as a note under
section 300ff–11 of this title.

§ 300ff–15. Application

(a) In general

To be eligible to receive a grant under section
300ff–11 of this title, an eligible area shall pre-
pare and submit to the Secretary an application,
including assurance adequate to ensure—
For the purpose of providing health and support
services to infants, children, and women with HIV dis-
ase, including treatment measures to prevent the peri-
natal transmission of HIV, the chief elected official
of an eligible area, in accordance with the established pri-
orities of the planning council, shall use, from the
grants made for the area under section 300ff–11(a) of
this title for a fiscal year, not less than the percentage
constituted by the ratio of the population in such area
infants, children, and women with acquired immune
diciency syndrome to the general population in such
area of individuals with such syndrome.

Subsecs. (c) to (g). Pub. L. 108–354, § 321(d), added sub-
sec. (c) and redesignated former subsec. (c) to (f) as (d)
to (g), respectively.

erted “, substance abuse treatment and mental health
 treatment,” after “case management” and which
shall include treatment education and prophylactic
section 300ff–12 of this title, and has developed or will develop the comprehensive plan in accordance with section 300ff–12(b)(3)(B) of this title;

(3) that entities within the eligible area that receive funds under a grant under this subpart will maintain appropriate relationships with entities in the eligible area served that constitute key points of access to the health care system for individuals with HIV/AIDS (including emergency rooms, substance abuse treatment programs, detoxification centers, adult and juvenile detention facilities, sexually transmitted disease clinics, HIV counseling and testing sites, mental health programs, and homeless shelters), and other entities under section 300ff–14(b)(3) and 300ff–52(a) of this title, for the purpose of facilitating early intervention for individuals newly diagnosed with HIV/AIDS and individuals knowledgeable of their HIV status but not in care;

(4) that the chief elected official of the eligible area will satisfy all requirements under section 300ff–14(c) of this title;

(5) that entities within the eligible area that will receive funds under a grant provided under section 300ff–11(a) of this title shall participate in an established HIV community-based continuum of care if such continuum exists within the eligible area;

(6) that funds received under a grant awarded under this subpart will not be utilized to make payments for any item or service to the extent that payment has been made, or can reasonably be expected to be made, with respect to that item or service—

(A) under any State compensation program, under an insurance policy, or under any Federal or State health benefits program (except for a program administered by or providing the services of the Indian Health Service); or

(B) by an entity that provides health services on a prepaid basis;

(7) to the maximum extent practicable, that—

(A) HIV health care and support services provided with assistance made available under this subpart will be provided without regard—

(i) to the ability of the individual to pay for such services; and

(ii) to the current or past health condition of the individual to be served;

(B) such services will be provided in a setting that is accessible to low-income individuals with HIV/AIDS; and

(C) a program of outreach will be provided to low-income individuals with HIV/AIDS to inform such individuals of such services;

(8) that the applicant has procedures in place to ensure that services provided with funds received under this subpart meet the criteria specified in section 300ff–14(b)(1) of this title; and

(9) that the chief elected official will submit to the lead State agency under section 300ff–27(b)(4) of this title, audits, consistent with Office of Management and Budget circular A133, regarding funds expended in accordance with this subpart every 2 years and shall include necessary client-based data to compile unmet need calculations and Statewide coordinated statements of need process.

(b) Application

An eligible area that desires to receive a grant under section 300ff–13(b) of this title shall prepare and submit to the Secretary an application, in accordance with subsection (c) regarding a single application and grant award, at such time, in such form, and containing such information as the Secretary shall require, including the information required under such subsection and information concerning—

(1) the number of individuals to be served within the eligible area with assistance provided under the grant, including the identification of individuals with HIV/AIDS as described in clauses (i) through (iii) of section 300ff–13(b)(2)(A) of this title;

(2) demographic data on the population of such individuals;

(3) the average cost of providing each category of HIV-related health services and the extent to which such cost is paid by third-party payors;

(4) the aggregate amounts expended for each such category of services;

(5) the manner in which the expected expenditures are related to the planning process for States that receive funding under part B (including the planning process described in section 300ff–27(b) of this title); and

(6) the expected expenditures and how those expenditures will improve overall client outcomes, as described under the State plan under section 300ff–27(b) of this title, and through additional outcomes measures as identified by the HIV health services planning council under section 300ff–12(b) of this title.

(c) Single application and grant award

(1) Application

The Secretary may phase in the use of a single application that meets the requirements of subsections (a) and (b) of section 300ff–13 of this title with respect to an eligible area that desires to receive grants under section 300ff–13 of this title for a fiscal year.

(2) Grant award

The Secretary may phase in the awarding of a single grant to an eligible area that submits an approved application under paragraph (1) for a fiscal year.

(d) Date certain for submission

(1) Requirement

Except as provided in paragraph (2), to be eligible to receive a grant under section

1 See References in Text note below.
2 So in original. Probably should be “sections”.
300ff–15

§ 300ff–15

TITLE 42—THE PUBLIC HEALTH AND WELFARE

Page 1376

1 See References in Text note below.
2 So in original. Probably should be “sections”.

§ 300ff–15

TITLE 42—THE PUBLIC HEALTH AND WELFARE

Page 1376

1 See References in Text note below.
2 So in original. Probably should be “sections”. 
300ff-11(a) of this title for a fiscal year, an application under subsection (a) shall be submitted not later than 45 days after the date on which appropriations are made under section 300ff-77 of this title for the fiscal year.

(2) Exception

The Secretary may extend the time for the submission of an application under paragraph (1) for a period of not to exceed 60 days if the Secretary determines that the eligible area has made a good faith effort to comply with the requirement of such paragraph and has otherwise been unable to submit its application.

(3) Distribution by Secretary

Not later than 45 days after receiving an application that meets the requirements of subsection (a) from an eligible area, the Secretary shall distribute to such eligible area the amounts awarded under the grant for which the application was submitted.

(4) Redistribution

Any amounts appropriated in any fiscal year under this subpart and not obligated to an eligible entity as a result of the failure of such entity to submit an application shall be redistributed by the Secretary to other eligible entities in proportion to the original grants made to such eligible areas under section 300ff-11(a) of this title.

(e) Requirements regarding imposition of charges for services

(1) In general

The Secretary may not make a grant under section 300ff-11 of this title to an eligible area unless the eligible area provides assurances that in the provision of services with assistance provided under the grant—

(A) in the case of individuals with an income less than or equal to 100 percent of the official poverty line, the provider will not, for any calendar year, impose charges in an amount exceeding 10 percent of the annual gross income of the individual involved.

(B) in the case of individuals with an income greater than 100 percent of the official poverty line, the provider will not, for any calendar year, impose charges in an amount exceeding 200 percent of the annual gross income of the individual involved;

(D) in the case of individuals with an income greater than 200 percent of the official poverty line and not exceeding 300 percent of the official poverty line, the provider will not, for any calendar year, impose charges in an amount exceeding 5 percent of the annual gross income of the individual involved;

(E) in the case of individuals with an income greater than 300 percent of the official poverty line, the provider will not, for any calendar year, impose charges in an amount exceeding 10 percent of the annual gross income of the individual involved.

(2) Assessment of charge

With respect to compliance with the assurance made under paragraph (1), a grantee or entity receiving assistance under this subpart may, in the case of individuals subject to a charge for purposes of such paragraph—

(A) assess the amount of the charge in the discretion of the grantee, including imposing only a nominal charge for the provision of services, subject to the provisions of such paragraph regarding public schedules and regarding limitations on the maximum amount of charges; and

(B) take into consideration the medical expenses of individuals in assessing the amount of the charge, subject to such provisions.

(3) Applicability of limitation on amount of charge

The Secretary may not make a grant under section 300ff-11 of this title to an eligible area unless the eligible area agrees that the limitations established in subparagraphs (C), (D) and (E) of paragraph (1) regarding the imposition of charges for services applies to the annual aggregate of charges imposed for such services, without regard to whether they are characterized as enrollment fees, premiums, deductibles, cost sharing, copayments, coinsurance, or other charges.

(4) Waiver regarding secondary agreements

The requirements established in paragraphs (1) through (3) shall be waived in accordance with section 300ff-14(d)(2)(A) of this title.

References in Text

Section 300ff-12(b) of this title, referred to in subsec. (a)(3), was amended by Pub. L. 104-146, §3(b)(1)(B), May 20, 1996, 110 Stat. 1348, to redesignate pars. (2) and (3) as (3) and (4), respectively. As so redesignated, par. (3)(B) relates to consideration regarding designation of counsel and par. (4)(B) relates to development of a comprehensive plan.


Prior Provisions

A prior section 2605 of act July 1, 1944, was successively renumbered by subsequent acts and transferred, see section 238d of this title.

Amendments

§ 300ff-16  TITLE 42—THE PUBLIC HEALTH AND WELFARE

as in effect on Sept. 30, 2009. See 2006 Amendment note and Effective Date of 2009 Amendment; Revival of Section note below.

Subsec. (b)(1). Pub. L. 111–87, §6(c), inserted ‘‘, including the identification of individuals with HIV/AIDS as described in clauses (i) through (iii) of section 300ff–13(b)(2)(A) of this title’’ before semicolon.


Subsec. (c). Former subsec. (d) redesignated (e).

Former subsec. (d) redesignated (e).

Effective Date of 2009 Amendment; Revival of Section

For provisions that repeal by section 2(a)(1) of Pub. L. 111–87 of section 703 of Pub. L. 110–415 as effective Sept. 30, 2009, that the provisions of this section as in effect on Sept. 30, 2009, be revived, and that amendment by section 6(c) of Pub. L. 111–87 be applicable to this section as so revived and effective as if enacted on Sept. 30, 2009, see section 2(a)(2), (3) of Pub. L. 111–87, set out as a note under section 300ff–11 of this title.

EFFECTIVE DATE OF 1996 AMENDMENT


§ 300ff-16. Technical assistance

The Administrator of the Health Resources and Services Administration shall, beginning on August 18, 1990, provide technical assistance, including assistance from other grantees, contractors or subcontractors under this subchapter to assist newly eligible metropolitan areas in the establishment of HIV health services planning councils and, to assist entities in complying with the requirements of this subpart in order to make such entities eligible to receive a grant under this subpart. The Administrator may make planning grants available to metropolitan areas, in an amount not to exceed $75,000 for any metropolitan area, projected to be eligible for funding under section 300ff–11 of this title in the following fiscal year. Such grant amounts shall be deducted from the first year formula award to eligible areas accepting such grants. Not to exceed 1 percent of the amount appropriated for a fiscal year under section 300ff–77 of this title for grants under this subpart may be used to carry out this section.

Prior Provisions

A prior section 2606 of act July 1, 1944, was successively renumbered by subsequent acts and transferred, see section 238e of this title.

Amendments


Pursuant to section 238e of this title.
For provisions that repeal by section 2(a)(1) of Pub. L. 111–87 be effective Sept. 30, 2009, and that the provisions of this section as in effect on Sept. 30, 2009, be revived, see section 2(a)(2), (3)(A) of Pub. L. 111–87, set out as a note under section 300ff–11 of this title.

Effective Date of 1996 Amendment


§ 300ff–17. Definitions

For purposes of this subpart:

(1) Eligible area

The term “eligible area” means a metropolitan area meeting the requirements of section 300ff–11 of this title that are applicable to the area.

(2) Metropolitan area

The term “metropolitan area” means an area that is referred to in the HIV/AIDS Surveillance Report of the Centers for Disease Control and Prevention as a metropolitan area, and that has a population of 50,000 or more individuals.

Subpart II—Transitional Grants

§ 300ff–19. Establishment of program

(a) In general

The Secretary, acting through the Administrator of the Health Resources and Services Administration, shall make grants for the purpose of providing services described in section 300ff–14 of this title in transitional areas, subject to the same provisions regarding the allocation of grant funds as apply under subsection (c) of such section.

(b) Transitional areas

For purposes of this section, the term “transitional area” means, subject to subsection (c), a metropolitan area for which there has been reported to and confirmed by the Director of the Centers for Disease Control and Prevention a cumulative total of at least 1,000, but fewer than 2,000, cases of AIDS during the most recent period of 5 calendar years for which such data are available.

(c) Certain eligibility rules

(1) Fiscal year 2011

With respect to grants under subsection (a) for fiscal year 2011, a metropolitan area that received funding under subpart I for fiscal year 2010 but does not for fiscal year 2011 qualify under such subpart as an eligible area and does not qualify under subsection (b) as a transitional area shall, notwithstanding subsection (b), be considered a transitional area.

(2) Continued status as transitional area

(A) In general

Notwithstanding subsection (b), a metropolitan area that is a transitional area for a fiscal year continues, except as provided in subparagraph (B), to be a transitional area until the metropolitan area fails, for three consecutive fiscal years—

(i) to qualify under such subsection as a transitional area; and

(ii) subject to subparagraphs (B) and (C), to have a cumulative total of 1,500 or more
living cases of AIDS (reported to and confirmed by the Director of the Centers for Disease Control and Prevention) as of December 31 of the most recent calendar year for which such data is available.

(B) Permitting margin of error applicable to certain metropolitan areas

In applying subparagraph (A)(ii) for a fiscal year after fiscal year 2006, in the case of a metropolitan area that has a cumulative total of at least 1,400 (and fewer than 1,500) living cases of AIDS as of December 31 of the most recent calendar year for which such data is available, such area shall be treated as having met the criteria of such subparagraph if not more than 5 percent of the total from grants awarded to such area under this part is unobligated as of the end of the most recent fiscal year for which such data is available.

(C) Exception regarding status as eligible area

Subparagraphs (A) and (B) do not apply for a fiscal year if the metropolitan area involved qualifies under subpart I as an eligible area.

(d) Application of certain provisions of subpart I

(1) Administration; planning council

The provisions of section 300ff-12 of this title apply with respect to a grant under subsection (a) for a transitional area to the same extent and in the same manner as such provisions apply with respect to a grant under subpart I for an eligible area, except that, subject to subparagraph (B), the chief elected official of the transitional area may elect not to comply with the provisions of section 300ff-12(b) of this title if the official provides documentation to the Secretary that details the process used to obtain community input (particularly from those with HIV) in the transitional area for formulating the overall plan for priority setting and allocating funds from the grant under subsection (a).

(B) Exception

For each of the fiscal years 2007 through 2013, the exception described in subparagraph (A) does not apply if the transitional area involved received funding under subpart I for fiscal year 2006.

(2) Type and distribution of grants; timeframe for obligation and expenditure of grant funds

(A) Formula grants; supplemental grants

The provisions of section 300ff-13 of this title apply with respect to grants under subsection (a) to the same extent and in the same manner as such provisions apply with respect to grants under subpart I, subject to subparagraphs (B) and (C).

(B) Formula grants; increase in grant

For purposes of subparagraph (A), section 300ff-13(a)(4) of this title does not apply.

(C) Supplemental grants; single program with subpart I program

With respect to section 300ff-13(b) of this title as applied for purposes of subparagraph (A):

(i) The Secretary shall combine amounts available pursuant to such subparagraph with amounts available for carrying out section 300ff-13(b) of this title and shall administer the two programs as a single program.

(ii) In the single program, the Secretary has discretion in allocating amounts between eligible areas under subpart I and transitional areas under this section, subject to the eligibility criteria that apply under such section, and subject to section 300ff-13(b)(2)(C) of this title (relating to priority in making grants).

(iii) Pursuant to section 300ff-13(b)(1) of this title, amounts for the single program are subject to use under sections 300ff-13(a)(4) and 300ff-20(d)(1) of this title.

(3) Application; technical assistance; definitions

The provisions of sections 300ff-15, 300ff-16, and 300ff-17 of this title apply with respect to grants under subsection (a) to the same extent and in the same manner as such provisions apply with respect to grants under subpart I.

(AMENDMENTS)


Subsec. (c)(2)(A)(ii). Pub. L. 111–87, § 4(a)(2)(A), substituted “subject to subparagraphs (B) and (C), to have a” for “to have a”.


Subsec. (c)(2)(C). Pub. L. 111–87, § 4(a)(2)(C), redesignated subpar. (B) as (C) and substituted “Subparagraphs (A) and (B) do not apply” for “Subparagraph (A) does not apply”.


(EFFECTIVE DATE OF 2009 AMENDMENT; REVIVAL OF SECTION)

For provisions that repeal by section 2(a)(1) of Pub. L. 111–87 of section 703 of Pub. L. 109–415 be effective Sept. 30, 2009, that the provisions of this section as in effect on Sept. 30, 2009, be revived, and that amendment by section 4(a) of Pub. L. 111–87 be applicable to this section as so revived and effective as if enacted on Sept. 30, 2009, see section 2(a)(2), (3) of Pub. L. 111–87, set out as a note under section 300ff-11 of this title.
§ 300ff–20. Authorization of appropriations

(a) In general

For the purpose of carrying out this part, there are authorized to be appropriated $694,000,000 for fiscal year 2007, $626,300,000 for fiscal year 2008, $649,500,000 for fiscal year 2009, $681,975,000 for fiscal year 2010, $716,074,000 for fiscal year 2011, $751,877,000 for fiscal year 2012, and $789,471,000 for fiscal year 2013. Amounts appropriated under the preceding sentence for a fiscal year are available for obligation by the Secretary until the end of the second succeeding fiscal year.

(b) Reservation of amounts

(1) Fiscal year 2007

Of the amount appropriated under subsection (a) for fiscal year 2007, the Secretary shall reserve—

(A) $158,310,000 for grants under subpart I; and
(B) $145,690,000 for grants under section 300ff–19 of this title.

(2) Subsequent fiscal years

Of the amount appropriated under subsection (a) for fiscal year 2008 and each subsequent fiscal year—

(A) the Secretary shall reserve an amount for grants under subpart I; and
(B) the Secretary shall reserve an amount for grants under section 300ff–19 of this title.

(c) Transfer of certain amounts; change in status as eligible area or transitional area

Notwithstanding subsection (b):

(1) If a metropolitan area is an eligible area under subpart I for a fiscal year, but for a subsequent fiscal year ceases to be an eligible area by reason of section 300ff–11(b) of this title—

(A)(i) the amount reserved under paragraph (1)(A) or (2)(A) of subsection (b) of this section for the first such subsequent year of not being an eligible area is deemed to be reduced by an amount equal to the amount of the grant made pursuant to section 300ff–13(a) of this title for the metropolitan area for the preceding fiscal year; and
(ii) if the metropolitan area qualifies for such first subsequent fiscal year as a transitional area under 300ff–19 of this title, the amount reserved under paragraph (1)(B) or (2)(B) of subsection (b) for such fiscal year is deemed to be increased by an amount equal to the amount of the reduction under subparagraph (A) for such year; or

(II) if the metropolitan area not being a transitional area under section 300ff–19 of this title, an amount equal to the amount of such reduction is, notwithstanding subsection (a), transferred and made available for grants pursuant to section 300ff–28(a)(1) of this title, in addition to amounts available for such grants under section 300ff–31b of this title; and

(B) if a transfer under subparagraph (A)(ii)(II) is made with respect to the metropolitan area for such first subsequent fiscal year, then—

(i) the amount reserved under paragraph (1)(A) or (2)(A) of subsection (b) of this section for such year is deemed to be reduced by an additional $500,000; and
(ii) an amount equal to the amount of such additional reduction is, notwithstanding subsection (a), transferred and made available for grants pursuant to section 300ff–28(a)(1) of this title, in addition to amounts available for such grants under section 300ff–31b of this title.

(2) If a metropolitan area is a transitional area under section 300ff–19 of this title for a fiscal year, but for a subsequent fiscal year ceases to be a transitional area by reason of section 300ff–19(c)(2) of this title (and does not qualify for such subsequent fiscal year as an eligible area under subpart I)—

(A) the amount reserved under subsection (b)(2)(B) of this section for the first such subsequent fiscal year of not being a transitional area is deemed to be reduced by an amount equal to the total of—

(i) the amount of the grant that, pursuant to section 300ff–13(a) of this title, was made under section 300ff–19(d)(2)(A) of this title for the metropolitan area for the preceding fiscal year; and
(ii) $500,000; and

(B)(i) subject to clause (ii), an amount equal to the amount of the reduction under subparagraph (A) for such year is, notwithstanding subsection (a), transferred and made available for grants pursuant to section 300ff–28(a)(1) of this title, in addition to amounts available for such grants under section 300ff–31b of this title; and

(ii) an amount equal to the amount of such additional reduction is, notwithstanding subsection (a), transferred and made available for grants pursuant to section 300ff–28(a)(1) of this title, in addition to amounts available for such grants under section 300ff–31b of this title.

(I).
§ 300ff–21

(3) If a metropolitan area is a transitional area under section 300ff–19 of this title for a fiscal year, but for a subsequent fiscal year qualifies as an eligible area under part I—
(A) the amount reserved under subsection (b)(2)(B) of this section for the first such subsequent fiscal year of becoming an eligible area is deemed to be reduced by an amount equal to the amount of the grant that, pursuant to section 300ff–13(a) of this title, was made under section 300ff–19(d)(2)(A) of this title for the metropolitan area for the preceding fiscal year; and
(B) the amount reserved under subsection (b)(2)(A) for such fiscal year is deemed to be increased by an amount equal to the amount of the reduction under subparagraph (A) for such year.

(d) Certain transfers; allocations between programs under part I

With respect to paragraphs (1)(B)(i) and (2)(A)(ii) of subsection (c), the Secretary shall administer any reductions under such paragraphs for a fiscal year in accordance with the following:
(1) The reductions shall be made from amounts available for the single program referred to in section 300ff–19(d)(2)(C) of this title (relating to supplemental grants).
(2) The reductions shall be made before the amounts referred to in paragraph (1) are used for purposes of section 300ff–13(a)(4) of this title.
(3) If the amounts referred to in paragraph (1) are not sufficient for making all the reductions, the reductions shall be reduced until the total amount of the reductions equals the total of the amounts referred to in such paragraph.

(e) Rules of construction regarding first subsequent fiscal year

Paragraphs (1) and (2) of subsection (c) apply with respect to each series of fiscal years during which a metropolitan area is an eligible area under part I or a transitional area under section 300ff–19 of this title for a fiscal year and then for a subsequent fiscal year ceases to be such an area by reason of section 300ff–13(b) or 300ff–19(c)(2) of this title, respectively, rather than applying to a single such series. Paragraph (3) of subsection (c) applies with respect to each series of fiscal years during which a metropolitan area is a transitional area under section 300ff–19 of this title for a fiscal year and then for a subsequent fiscal year becomes an eligible area under part I, rather than applying to a single such series.


AMENDMENTS


Subsec. (a). Pub. L. 111–87, §2(b), substituted “$649,500,000 for fiscal year 2009, $681,975,000 for fiscal year 2010, $715,024,000 for fiscal year 2011, $751,877,000 for fiscal year 2012, and $789,471,000 for fiscal year 2013” for “and $649,500,000 for fiscal year 2009”.

Subsec. (c)(2)(B). Pub. L. 111–87, §4(b), designated existing provisions as cl. (i), inserted “subject to clause (ii),” before “an amount equal to the amount”, and added cl. (ii).


EFFECTIVE DATE OF 2009 AMENDMENT; REVIVAL OF SECTION

For provisions that repeal by section 2(a)(1) of Pub. L. 111–87 of section 703 of Pub. L. 109–415 be effective Sept. 30, 2009, that the provisions of this section as in effect on Sept. 30, 2009, be revived, and that amendment by sections 2(b) and 4(b) of Pub. L. 111–87 be applicable to this section as so revived and effective as if enacted on Sept. 30, 2009, see section 2(a)(2), (3) of Pub. L. 111–87, set out as a note under section 300ff–11 of this title.

PART B—CARE GRANT PROGRAM

SUBPART I—GENERAL GRANT PROVISIONS

CODIFICATION


§ 300ff–21. Grants

The Secretary shall, subject to the availability of appropriations, make grants to States to enable such States to improve the quality, availability and organization of health care and support services for individuals and families with HIV/AIDS. The authority of the Secretary to provide grants under this section is subject to section 300ff–34(e)(2) of this title (relating to the decrease in perinatal transmission of HIV/AIDS).


REFERENCES IN TEXT


PRIOR PROVISIONS

A prior section 2611 of act July 1, 1944, was successively renumbered by subsequent acts and transferred, see section 215 of this title.

AMENDMENTS


1 See References in Text note below.
(i) there are no waiting lists for AIDS Drug Assistance Program services under section 300ff-26 of this title; and
(ii) core medical services are available to all individuals with HIV/AIDS identified and eligible under this subchapter.

(b) Notification of waiver status

When informing a State that a grant under section 300ff–21 of this title is being made to the State for a fiscal year, the Secretary shall inform the State whether a waiver under subparagraph (A) is in effect for the fiscal year.

(3) Core medical services

For purposes of this subsection, the term “core medical services”, with respect to an individual infected with HIV/AIDS (including the co-occurring conditions of the individual) means the following services:

(A) Outpatient and ambulatory health services.

(B) AIDS Drug Assistance Program treatments in accordance with section 300ff-26 of this title.

(C) AIDS pharmaceutical assistance.

(D) Oral health care.

(E) Early intervention services described in subsection (d).

(F) Health insurance premium and cost sharing assistance for low-income individuals in accordance with section 300ff-25 of this title.

(G) Home health care.

(H) Medical nutrition therapy.

(I) Hospice services.

(J) Home and community-based health services as defined under section 300ff-24(c) of this title.

(K) Mental health services.

(L) Substance abuse outpatient care.

(M) Medical case management, including treatment adherence services.

(c) Support services

(1) In general

For purposes of this subsection, the term “support services” means services, subject to the approval of the Secretary, that are needed for individuals with HIV/AIDS to achieve their medical outcomes (such as respite care for persons caring for individuals with HIV/AIDS, outreach services, medical transportation, linguistic services, and referrals for health care and support services).

(2) Definition of medical outcomes

In this subsection, the term “medical outcomes” means those outcomes affecting the HIV-related clinical status of an individual with HIV/AIDS.

(d) Early intervention services

(1) In general

For purposes of this section, the term “early intervention services” means HIV/AIDS early intervention services described in section 300ff-51(e) of this title, with follow-up referral provided for the purpose of facilitating the access of individuals receiving the services to HIV-related health services. The entities


Pub. L. 109–415, §204(a), substituted “this section” for “this part”.

Pub. L. 109–415, §201(c)(1), struck out subsec. (a) designation and heading before “The Secretary” and struck out subsec. (b) which related to priority for women, infants, and children.

1996—Pub. L. 104–146, §7(b)(2), inserted at end “The authority of the Secretary to provide grants under this part is subject to section 300ff–34(e)(2) of this title (relating to the decrease in perinatal transmission of HIV disease).”

Effective Date of 2009 Amendment; Revival of Section

For provisions that repeal by section 2(a)(1) of Pub. L. 111–87 of this title, see section 2(a)(2) of Pub. L. 111–87, set out as a note under section 300ff–11 of this title.

Effective Date of 1996 Amendment


§ 300ff–22. General use of grants

(a) In general

A State may use amounts provided under grants made under section 300ff–21 of this title for—

(1) core medical services described in subsection (b);

(2) support services described in subsection (c); and

(3) administrative expenses described in section 300ff–28(b)(3) of this title.

(b) Required funding for core medical services

(1) In general

With respect to a grant under section 300ff–21 of this title for a State for a grant year, the State shall, of the portion of the grant remaining after reserving amounts for purposes of subparagraphs (A) and (E)(ii)(I) of section 300ff–28(b)(3) of this title, use not less than 75 percent to provide core medical services that are needed in the State for individuals with HIV/AIDS who are identified and eligible under this subchapter (including services regarding the co-occurring conditions of the individuals).

(A) In general

The Secretary shall waive the application of paragraph (1) with respect to a State for a grant year if the Secretary determines that, within the State—
through which such services may be provided under the grant include public health departments, emergency rooms, substance abuse and mental health treatment programs, detoxification centers, detention facilities, clinics regarding sexually transmitted diseases, homeless shelters, HIV/AIDS counseling and testing sites, health care points of entry specified by States, federally qualified health centers, and entities described in section 300ff–52(a) of this title that constitute a point of access to services by maintaining referral relationships.

(2) Conditions

With respect to an entity that proposes to provide early intervention services under paragraph (1), such paragraph shall apply only if the entity demonstrates to the satisfaction of the chief elected official for the State involved that—

(A) Federal, State, or local funds are otherwise inadequate for the early intervention services the entity proposes to provide; and

(B) the entity will expend funds pursuant to such subparagraph to supplement and not supplant other funds available to the entity for the provision of early intervention services for the fiscal year involved.

(e) Priority for women, infants, children, and youth

(1) In general

For the purpose of providing health and support services to infants, children, youth, and women with HIV/AIDS, including treatment measures to prevent the perinatal transmission of HIV, a State shall for each of such populations in the eligible area use, from the grants made for the area under section 300ff–11(a) of this title for a fiscal year, not less than the percentage constituted by the ratio of the population involved (infants, children, youth, or women in such area) with HIV/AIDS to the general population in such area of individuals with HIV/AIDS.

(2) Waiver

With respect to the population involved, the Secretary may provide to a State a waiver of the requirement of paragraph (1) if such State demonstrates to the satisfaction of the Secretary that the population is receiving HIV-related health services through the State medical aid program under title XIX of the Social Security Act [42 U.S.C. 1396 et seq.], the State children’s health insurance program under title XXI of such Act [42 U.S.C. 1397aa et seq.], or other Federal or State programs.

(f) Construction

A State may not use amounts received under a grant awarded under section 300ff–21 of this title to purchase or improve land, or to purchase, construct, or permanently improve (other than minor remodeling) any building or other facility, or to make cash payments to intended recipients of services.

(7) References in text

Sept. 30, 2009, and that the provisions of this section as in effect on Sept. 30, 2009, be revised, see section 2(a)(2), (3)(A) of Pub. L. 111–87, set out as a note under section 300ff–11 of this title.

**Effective Date of 1996 Amendment**


§ 300ff–23. Grants to establish HIV care consortia

(a) Consortia

A State may, subject to subsection (f), use amounts provided under a grant awarded under section 300ff–21 of this title to provide assistance under section 300ff–22(a) of this title to an entity that—

(1) is an association of one or more public, and one or more nonprofit private, 1 (or private for-profit providers or organizations if such entities are the only available providers of quality HIV care in the area) health care and support service providers and community based organizations operating within areas determined by the State to be most affected by HIV/AIDS; and

(2) agrees to use such assistance for the planning, development and delivery, through the direct provision of services or through entering into agreements with other entities for the provision of such services, of comprehensive outpatient health and support services for individuals with HIV/AIDS, that may include—

(A) essential health services such as case management services, medical, nursing, substance abuse treatment, mental health treatment, and dental care, diagnostics, monitoring, prophylactic treatment for opportunistic infections, treatment education to take place in the context of health care delivery, and medical follow-up services, mental health, developmental, and rehabilitation services, home health and hospice care; and

(B) essential support services such as transportation services, attendant care, homemaker services, day or respite care, benefits advocacy, advocacy services provided through public and nonprofit private entities, and services that are incidental to the provision of health care services for individuals with HIV/AIDS including nutrition services, housing referral services, and child welfare and family services (including foster care and adoption services).

An entity or entities of the type described in this subsection shall hereinafter be referred to in this subchapter as a “consortium” or “consortia”.

(b) Assurances

(1) Requirement

To receive assistance from a State under subsection (a), an applicant consortium shall provide the State with assurances that—

(A) within any locality in which such consortium is to operate, the populations and subpopulations of individuals and families with HIV/AIDS have been identified by the consortium, particularly those experiencing disparities in access and services and those who reside in historically underserved communities;

(B) the service plan established under subsection (c)(2) by such consortium is consistent with the comprehensive plan under section 300ff–27(b)(4) of this title and addresses the special care and service needs of the populations and subpopulations identified under subparagraph (A); and

(C) except as provided in paragraph (2), the consortium will be a single coordinating entity that will integrate the delivery of services among the populations and subpopulations identified under subparagraph (A).

(2) Exception

Subparagraph (C) of paragraph (1) shall not apply to any applicant consortium that the State determines will operate in a community or locality in which it has been demonstrated by the applicant consortium that—

(A) subpopulations exist within the community to be served that have unique service requirements; and

(B) such unique service requirements cannot be adequately and efficiently addressed by a single consortium serving the entire community or locality.

(c) Application

(1) In general

To receive assistance from the State under subsection (a), a consortium shall prepare and submit to the State, an application that—

(A) demonstrates that the consortium includes agencies and community-based organizations—

(i) with a record of service to populations and subpopulations with HIV/AIDS requiring care within the community to be served; and

(ii) that are representative of populations and subpopulations reflecting the local incidence of HIV and that are located in areas in which such populations reside;

(B) demonstrates that the consortium has carried out an assessment of service needs within the geographic area to be served and, after consultation with the entities described in paragraph (2), has established a plan to ensure the delivery of services to meet such identified needs that shall include—

(i) assurances that service needs will be addressed through the coordination and expansion of existing programs before new programs are created;

(ii) assurances that, in metropolitan areas, the geographic area to be served by the consortium corresponds to the geographic boundaries of local health and support services delivery systems to the extent practicable;

(iii) assurances that, in the case of services for individuals residing in rural areas, the applicant consortium shall deliver case management services that link available community support services to appropriate specialized medical services; and

1 So in original. The comma probably should follow parenthetical phrase.
§ 300ff–23  TITLE 42—THE PUBLIC HEALTH AND WELFARE  Page 1386

(iv) assurances that the assessment of service needs and the planning of the delivery of services will include participation by individuals with HIV/AIDS;

(C) demonstrates that adequate planning has occurred to meet the special needs of families with HIV/AIDS, including family centered and youth centered care;

(D) demonstrates that the consortium has created a mechanism to evaluate periodically—

(i) the success of the consortium in responding to identified needs; and

(ii) the effectiveness of the mechanisms employed by the consortium to deliver comprehensive care;

(E) demonstrates that the consortium will report to the State the results of the evaluations described in subparagraph (D) and shall make available to the State or the Secretary, on request, such data and information on the program methodology that may be required to perform an independent evaluation; and

(F) demonstrates that adequate planning occurred to address disparities in access and services and historically underserved communities.

(2) Consultation

In establishing the plan required under paragraph (1)(B), the consortium shall consult with—

(A)(i) the public health agency that provides or supports ambulatory and outpatient HIV-related health care services within the geographic area to be served; or

(ii) in the case of a public health agency that does not directly provide such HIV-related health care services such agency shall consult with an entity or entities that directly provide ambulatory and outpatient HIV-related health care services within the geographic area to be served;

(B) not less than one community-based organization that is organized solely for the purpose of providing HIV-related support services to individuals with HIV/AIDS;

(C) grantees under section 300ff–71 of this title, or, if none are operating in the area, representatives in the area of organizations with a history of serving children, youth, women, and families living with HIV; and

(D) the types of entities described in section 300ff–12(b)(2) of this title.

The organization to be consulted under paragraph (B) shall be at the discretion of the applicant consortium.

(d) “Family centered care” defined

As used in section 300ff–21 of this title, the term “family centered care” means the system of services described in this section that is targeted specifically to the special needs of infants, children, women, and families. Family centered care shall be based on a partnership between parents, professionals, and the community designed to ensure an integrated, coordinated, culturally sensitive, and community-based continuum of care for children, women, and families with HIV/AIDS.

(e) Priority

In providing assistance under subsection (a), the State shall, among applicants that meet the requirements of this section, give priority—

(1) first to consortia that are receiving assistance from the Health Resources and Services Administration for adult and pediatric HIV-related care demonstration projects; and then

(2) to any other existing HIV care consortia.

(f) Allocation of funds; treatment as support services

For purposes of the requirement of section 300ff–22(b)(1) of this title, expenditures of grants under section 300ff–21 of this title for or through consortia under this section are deemed to be support services, not core medical services. The preceding sentence may not be construed as having any legal effect on the provisions of subsection (a) that relate to authorized expenditures of the grant.


CODIFICATION

Another section 3(c)(2) of Pub. L. 104–146 amended section 300ff–22 of this title.

PRIOR PROVISIONS

A prior section 2613 of act July 1, 1944, was successively renumbered to section 2885 of this title.

AMENDMENTS


Subsec. (a). Pub. L. 109–415, § 204(a), substituted “section 300ff–21 of this title” for “this part” in introductory provisions.

Pub. L. 109–415, § 201(b)(1), in introductory provisions substituted “may, subject to subsection (f), use” for “may use” and “section 300ff–22(a) of this title” for “section 300ff–22(a)(1) of this title”.

Subsec. (d). Pub. L. 109–415, § 204(a), substituted “section 300ff–21 of this title” for “this part”.


Subsec. (b)(1)(B). Pub. L. 106–345, § 201(1)(B), inserted “is consistent with the comprehensive plan under section 300ff–27(b)(4) of this title and” after “by such consortium”.


Subsec. (a)(1). Pub. L. 104–146, §3(c)(2)(A)(i), inserted "(or private for-profit providers or organizations if such entities are the only available providers of quality HIV care in the area)" after "nonprofit private."


Subsec. (c)(1)(C). Pub. L. 104–146, §3(c)(2)(B)(i), inserted "and youth centered" after "family centered."


Effective Date of 2009 Amendment; Revival of Section


Effective Date of 1996 Amendment


§300ff–24. Grants for home- and community-based care

(a) Uses

A State may use amounts provided under a grant awarded under section 300ff–21 of this title to make grants under section 300ff–22(b)(3)(J) of this title to entities to—

1. provide home- and community-based health services for individuals with HIV/AIDS pursuant to written plans of care prepared by a case management team, that shall include appropriate health care professionals, in such State for providing such services to such individuals;
2. provide outreach services to individuals with HIV/AIDS, including those individuals in rural areas; and
3. provide for the coordination of the provision of services under this section with the provision of HIV-related health services, including specialty care and vaccinations for hepatitis co-infection, provided by public and private entities.

(b) Priority

In awarding grants under subsection (a), a State shall give priority to entities that provide assurances to the State that—

1. such entities will participate in HIV care consortia if such consortia exist within the State; and
2. such entities will utilize amounts provided under such grants for the provision of home- and community-based services to low-income individuals with HIV/AIDS.

(c) “Home- and community-based health services” defined

As used in section 300ff–21 of this title, the term “home- and community-based health services” means, with respect to an individual with HIV/AIDS, skilled health services furnished to the individual in the individual’s home pursuant to a written plan of care established by a case management team, that shall include appropriate health care professionals, for the provision of such services and items described in paragraph (2):

1. includes—
(A) durable medical equipment;
(B) home health aide services and personal care services furnished in the home of the individual;
(C) day treatment or other partial hospitalization services;
(D) home intravenous and aerosolized drug therapy (including prescription drugs administered as part of such therapy);
(E) routine diagnostic testing administered in the home of the individual; and
(F) appropriate mental health, developmental, and rehabilitation services; and
2. does not include—
(A) inpatient hospital services; and
(B) nursing home and other long term care facilities.

Prior Provisions

A prior section 2614 of Act July 1, 1944, was successively renumbered by subsequent acts and transferred, see section 236m of this title.

Amendments


Subsec. (a). Pub. L. 109–415, §204(a), substituted “section 300ff–21 of this title” for “this part” in introductory provisions.


Pub. L. 109–415, §204(b), inserted “including specialty care and vaccinations for hepatitis co-infection,” after “health services”.

Subsec. (c). Pub. L. 109–415, §204(a), substituted “section 300ff–21 of this title” for “this part” in introductory provisions.

Subsec. (c)(2)(B). Pub. L. 109–415, §201(c)(2)(B), struck out “homemaker or” before “home health”.

Effective Date of 2009 Amendment; Revival of Section


§300ff–25. Continuum of health insurance coverage

(a) In general

A State may use amounts received under a grant awarded under section 300ff–21 of this title
to establish a program of financial assistance under section 300ff–22(b)(3)(F) of this title to assist eligible low-income individuals with HIV/AIDS in—

(1) maintaining a continuity of health insurance; or

(2) receiving medical benefits under a health insurance program, including risk-pools.

(b) Limitations

Assistance shall not be utilized under subsection (a)—

(1) to pay any costs associated with the creation, capitalization, or administration of a liability risk pool (other than those costs paid on behalf of individuals as part of premium contributions to existing liability risk pools); and

(2) to pay any amount expended by a State under title XIX of the Social Security Act [42 U.S.C. 1396 et seq.].


REFERENCES IN TEXT


AMENDMENTS


Subsec. (a). Pub. L. 109–415, §§201(c)(3), 204(a), 702(3), in introductory provisions, substituted “HIV/AIDS” for “HIV disease,” “section 300ff–21 of this title” for “this part,” and “section 300ff–22(b)(3)(F) of this title” for “section 300ff–22(a)(3) of this title”.

EFFECTIVE DATE OF 2009 AMENDMENT; REVIVAL OF SECTION


§ 300ff–26. Provision of treatments

(a) In general

A State shall use a portion of the amounts provided under a grant awarded under section 300ff–21 of this title to establish a program under section 300ff–22(b)(3)(B) of this title to provide therapeutics to treat HIV/AIDS or prevent the serious deterioration of health arising from HIV/AIDS in eligible individuals, including measures for the prevention and treatment of opportunistic infections.

(b) Eligible individual

To be eligible to receive assistance from a State under this section an individual shall—

(1) have a medical diagnosis of HIV/AIDS; and

(2) be a low-income individual, as defined by the State.

(c) State duties

In carrying out this section the State shall—

(1) ensure that the therapeutics included on the list of classes of core antiretroviral therapeutics established by the Secretary under subsection (e) are, at a minimum, the treatments provided by the State pursuant to this section;

(2) provide assistance for the purchase of treatments determined to be eligible under paragraph (1), and the provision of such ancillary devices that are essential to administer such treatments;

(3) provide outreach to individuals with HIV/AIDS, and as appropriate to the families of such individuals;

(4) facilitate access to treatments for such individuals;

(5) document the progress made in making therapeutics described in subsection (a) available to individuals eligible for assistance under this section; and

(6) encourage, support, and enhance adherence to and compliance with treatment regimens, including related medical monitoring.

Of the amount reserved by a State for a fiscal year for use under this section, the State may not use more than 5 percent to carry out services under paragraph (6), except that the percentage applicable with respect to such paragraph is 10 percent if the State demonstrates to the Secretary that such additional services are essential and in no way diminish access to the therapeutics described in subsection (a).

(d) Duties of Secretary

In carrying out this section, the Secretary shall review the current status of State drug reimbursement programs established under section 300ff–22(2) of this title and assess barriers to the expanded availability of the treatments described in subsection (a). The Secretary shall also examine the extent to which States coordinate with other grantees under this subchapter to reduce barriers to the expanded availability of the treatments described in subsection (a).

(e) List of classes of core antiretroviral therapeutics

For purposes of subsection (c)(1), the Secretary shall develop and maintain a list of classes of core antiretroviral therapeutics, which list shall be based on the therapeutics included in the guidelines of the Secretary known as the Clinical Practice Guidelines for Use of HIV/AIDS Drugs, relating to drugs needed to manage symptoms associated with HIV. The preceding sentence does not affect the authority of the Secretary to modify such Guidelines.

(f) Use of health insurance and plans

(1) In general

In carrying out subsection (a), a State may expend a grant under section 300ff–21 of this title...
title to provide the therapeutics described in such subsection by paying on behalf of individuals with HIV/AIDS the costs of purchasing or maintaining health insurance or plans whose coverage includes a full range of such therapeutics and appropriate primary care services.

(2) Limitation

The authority established in paragraph (1) applies only to the extent that, for the fiscal year involved, the costs of the health insurance or plans to be purchased or maintained under such paragraph do not exceed the costs of otherwise providing therapeutics described in subsection (a).

(g) Drug rebate program

A State shall ensure that any drug rebates received on drugs purchased from funds provided pursuant to this section are applied to activities supported under this subgroup, with priority given to activities described under this section.


References in Text

Section 300ff–22 of this title, referred to in subsec. (d), was amended generally by Pub. L. 109–415, title II, § 201(a), Dec. 19, 2006, 120 Stat. 2785, and, as so amended, does not contain a par. (2).

AMENDMENTS


Pub. L. 109–415, § 204(a), substituted “section 300ff–21 of this title” for “this part”.

Pub. L. 109–415, § 201(c)(4), substituted “section 300ff–22(b)(3)(B) of this title” for “section 300ff–22(a)(3)(B) of this title”.


Subsec. (c)(1), Pub. L. 109–415, § 202(a)(1), added par. (1) and struck out former par. (1) which read as follows: “determine, in accordance with guidelines issued by the Secretary, which treatments are eligible to be included under the program established under this section”.


Subsec. (f), Pub. L. 109–415, § 202(a)(2), redesignated subsec. (e) as (f).


Pub. L. 109–415, § 204(a), substituted “section 300ff–21 of this title” for “this part”.

Subsec. (g), Pub. L. 109–415, § 202(b), added subsec. (g). 2009—Subsec. (c), Pub. L. 106–345, § 204(a), added par. (6) and concluding provisions.

Subsec. (e), Pub. L. 106–345, § 204(b), added subsec. (e).

1996—Subsec. (a). Pub. L. 104–146, § 3(c)(3)(A), substituted “shall use a portion of the amounts” for “may use amounts” and “section 300ff–22(a)(5) of this title to provide therapeutics to treat HIV disease” for “section 300ff–22(a)(4) of this title to provide treatments that have been determined to prolong life” and inserted before period “,”, including measures for the prevention and treatment of opportunistic infections”.

Subsec. (c)(5), Pub. L. 104–146, § 3(c)(3)(B), added par. (5).

Subsec. (d), Pub. L. 104–146, § 3(c)(3)(C), added subsec. (d).

EFFECTIVE DATE OF 2009 AMENDMENT; REVIVAL OF SECTION


EFFECTIVE DATE OF 1996 AMENDMENT


§ 300ff–27. State application
(a) In general

The Secretary shall not make a grant to a State under section 300ff–21 of this title for a fiscal year unless the State prepares and submits, to the Secretary, an application at such time, in such form, and containing such agreements, assurances, and information as the Secretary determines to be necessary to carry out section 300ff–21 of this title.

(b) Description of intended uses and agreements

The application submitted under subsection (a) shall contain—

(1) a detailed description of the HIV-related services provided in the State to individuals and families with HIV/AIDS during the year preceding the year for which the grant is requested, and the number of individuals and families receiving such services, that shall include—

(A) a description of the types of programs operated or funded by the State for the provision of HIV-related services during the year preceding the year for which the grant is requested and the methods utilized by the State to finance such programs;

(B) an accounting of the amount of funds that the State has expended for such services and programs during the year preceding the year for which the grant is requested; and

(C) information concerning—

(i) the number of individuals to be served with assistance provided under the grant;

(ii) demographic data on the population of the individuals to be served;

(iii) the average cost of providing each category of HIV-related health services and the extent to which such cost is paid by third-party payors; and

(iv) the aggregate amounts expended for each such category of services;

(2) a determination of the size and demographics of the population of individuals with HIV/AIDS in the State;
§ 300ff–27

(3) a determination of the needs of such population, with particular attention to—
(A) individuals with HIV/AIDS who know their HIV status and are not receiving HIV-related services; and
(B) disparities in access and services among affected subpopulations and historically underserved communities;

(4) the designation of a lead State agency that shall—
(A) administer all assistance received under this part;
(B) conduct the needs assessment and prepare the State plan under paragraph (3);
(C) prepare all applications for assistance under this part;
(D) receive notices with respect to programs under this subchapter;
(E) every 2 years, collect and submit to the Secretary all audits, consistent with Office of Management and Budget circular A133, from grantees within the State, including audits regarding funds expended in accordance with this part; and
(F) carry out any other duties determined appropriate by the Secretary to facilitate the coordination of programs under this subchapter.¹

(5) a comprehensive plan that describes the organization and delivery of HIV health care and support services to be funded with assistance received under section 300ff–21 of this title that shall include a description of the purposes for which the State intends to use such assistance, and that—
(A) establishes priorities for the allocation of funds within the State based on—
(i) size and demographics of the population of individuals with HIV/AIDS (as determined under paragraph (2)) and the needs of such population (as determined under paragraph (3));
(ii) availability of other governmental and non-governmental resources, including the State Medicaid plan under title XIX of the Social Security Act [42 U.S.C. 1396 et seq.] and the State Children’s Health Insurance Program under title XXI of such Act [42 U.S.C. 1397aaa et seq.] to cover health care costs of eligible individuals and families with HIV/AIDS;
(iii) capacity development needs resulting from disparities in the availability of HIV-related services in historically underserved communities and rural communities; and
(iv) the efficiency of the administrative mechanism of the State for rapidly allocating funds to the areas of greatest need within the State;
(B) includes a strategy for identifying individuals who know their HIV status and are not receiving such services and for informing the individuals of and enabling the individuals to utilize the services, giving particular attention to eliminating disparities in access and services among affected subpopulations and historically underserved communities, and including discrete goals, a timetable, and an appropriate allocation of funds;
(C) includes a strategy to coordinate the provision of such services with programs for HIV prevention (including outreach and early intervention) and for the prevention and treatment of substance abuse (including programs that provide comprehensive treatment services for such abuse);
(D) describes the services and activities to be provided and an explanation of the manner in which the elements of the program to be implemented by the State with such assistance will maximize the quality of health and support services available to individuals with HIV/AIDS throughout the State;
(E) provides a description of the manner in which services funded with assistance provided under section 300ff–21 of this title will be coordinated with other available related services for individuals with HIV/AIDS;
(F) provides a description of how the allocation and utilization of resources are consistent with the statewide coordinated statement of need (including traditionally underserved populations and subpopulations) developed in partnership with other grantees in the State that receive funding under this subchapter; and
(G) includes key outcomes to be measured by all entities in the State receiving assistance under this subchapter; and ²

(6) an assurance that the public health agency administering the grant for the State will periodically convene a meeting of individuals with HIV/AIDS, members of a Federally recognized Indian tribe as represented in the State, representatives of grantees under each part under this subchapter, providers, and public agency representatives for the purpose of developing a statewide coordinated statement of need;

(7) an assurance by the State that—
(A) the public health agency that is administering the grant for the State engages in a public advisory planning process, including public hearings, that includes the participants under paragraph (6), and the types of entities described in section 300ff–12(b)(2) of this title, in developing the comprehensive plan under paragraph (5) and commenting on the implementation of such plan;
(B) the State will—
(i) to the maximum extent practicable, ensure that HIV-related health care and support services delivered pursuant to a program established with assistance provided under section 300ff–21 of this title will be provided without regard to the ability of the individual to pay for such services and without regard to the current or past health condition of the individual with HIV/AIDS;
(ii) ensure that such services will be provided in a setting that is accessible to low-income individuals with HIV/AIDS;

¹So in original. The period probably should be a semicolon.
²So in original. The word “and” probably should not appear.
(iii) provide outreach to low-income individuals with HIV/AIDS to inform such individuals of the services available under section 300ff-21 of this title; and

(iv) in the case of a State that intends to use amounts provided under the grant for purposes described in section 300ff-23 of this title, submit a plan to the Secretary that demonstrates that the State has established a program that assures that—

(I) such amounts will be targeted to individuals who would not otherwise be able to afford health insurance coverage; and

(II) income, asset, and medical expense criteria will be established and applied by the State to identify those individuals who qualify for assistance under such program, and information concerning such criteria shall be made available to the public;

(C) the State will provide for periodic independent peer review to assess the quality and appropriateness of health and support services provided by entities that receive funds from the State under section 300ff-21 of this title;

(D) the State will maintain HIV-related activities at a level that is equal to or less than the level of such expenditures by the State for the 1-year period preceding the fiscal year for which the State is applying to receive a grant under section 300ff-21 of this title;

(F) the State will ensure that grant funds are not utilized to make payments for any item or service to the extent that payment has been made, or can reasonably be expected to be made, with respect to that item or service—

(i) under any State compensation program, under an insurance policy, or under any Federal or State health benefits program; or

(ii) by an entity that provides health services on a prepaid basis (except for a program administered by or providing the services of the Indian Health Service); and

(G) entities within areas in which activities under the grant are carried out will maintain appropriate relationships with entities in the area served that constitute key points of access to the health care system for individuals with HIV/AIDS (including emergency rooms, substance abuse treatment programs, detoxification centers, adult and juvenile detention facilities, sexually transmitted disease clinics, HIV counseling and testing sites, mental health programs, and homeless shelters), and other entities under section 300ff-22(c) and 300ff-52(a) of this title, for the purpose of facilitating early intervention for individuals newly diagnosed with HIV/AIDS and individuals knowledgeable of their HIV status but not in care; and

(B) a comprehensive plan—

(A) containing an identification of individuals with HIV/AIDS as described in clauses (i) through (iii) of section 300ff-13(b)(2)(A) of this title and the strategy required under section 300ff-12(b)(4)(D)(iv) of this title;

(B) describing the estimated number of individuals within the State with HIV/AIDS who do not know their status;

(C) describing activities undertaken by the State to find the individuals described in subparagraph (A) and to make such individuals aware of their status;

(D) describing the manner in which the State will provide undiagnosed individuals who are made aware of their status with access to medical treatment for their HIV/AIDS; and

(E) describing efforts to remove legal barriers, including State laws and regulations, to routine testing.

(c) Requirements regarding imposition of charges for services

(1) In general

The Secretary may not make a grant under section 300ff-21 of this title to a State unless the State provides assurances that in the provision of services with assistance provided under the grant—

(A) in the case of individuals with an income less than or equal to 100 percent of the official poverty line, the provider will not impose charges on any such individual for the provision of services under the grant;

(B) in the case of individuals with an income greater than 100 percent of the official poverty line, the provider—

(i) will impose charges on each such individual for the provision of such services; and

(ii) will impose charges according to a schedule of charges that is made available to the public;

(C) in the case of individuals with an income greater than 100 percent of the official poverty line and not exceeding 200 percent of such poverty line, the provider will not, for any calendar year, impose charges in an amount exceeding 5 percent of the annual gross income of the individual involved;

(D) in the case of individuals with an income greater than 200 percent of the official poverty line and not exceeding 300 percent of such poverty line, the provider will not, for any calendar year, impose charges in an amount exceeding 7 percent of the annual gross income of the individual involved; and

(E) in the case of individuals with an income greater than 300 percent of the official poverty line, the provider will not, for any calendar year, impose charges in an amount exceeding 10 percent of the annual gross income of the individual involved.

(2) Assessment of charges

With respect to compliance with the assurance made under paragraph (1), a grantee
§ 300ff–27

TITLE 42—THE PUBLIC HEALTH AND WELFARE

under section 300ff–21 of this title may, in the case of individuals subject to a charge for purposes of such paragraph—

(A) assess the amount of the charge in the discretion of the grantee, including imposing only a nominal charge for the provision of services, subject to the provisions of such paragraph regarding public schedules regarding limitation on the maximum amount of charges; and

(B) take into consideration the medical expenses of individuals in assessing the amount of the charge, subject to such provisions.

(3) Applicability of limitation on amount of charge

The Secretary may not make a grant under section 300ff–21 of this title unless the applicant of the grant agrees that the limitations established in subparagraphs (C), (D), and (E) of paragraph (1) regarding the imposition of charges for services applies to the annual aggregate of charges imposed for such services, without regard to whether they are characterized as enrollment fees, premiums, deductibles, cost sharing, copayments, coinsurance, or other charges.

(4) Waiver

(A) In general

The State shall waive the requirements established in paragraphs (1) through (3) in the case of an entity that does not, in providing health care services, impose a charge or accept reimbursement from any third-party payor, including reimbursement under any insurance policy or under any Federal or State health benefits program.

(B) Determination

A determination by the State of whether an entity referred to in subparagraph (A) meets the criteria for a waiver under such subparagraph shall be made without regard to whether the entity accepts voluntary donations regarding the provision of services to the public.

(d) Requirement of matching funds regarding State allotments

(1) In general

In the case of any State to which the criterion described in paragraph (3) applies, the Secretary may not make a grant under section 300ff–21 of this title unless the State agrees that, with respect to the costs to be incurred by the State in carrying out the program for which the grant was awarded, the State will, subject to subsection (b)(2), directly or through donations from public or private entities) non-Federal contributions toward such costs in an amount equal to—

(A) for the first fiscal year of payments under the grant, not less than 16% percent of such costs ($1 for each $5 of Federal funds provided in the grant); and

(B) for any second fiscal year of such payments, not less than 20 percent of such costs ($1 for each $4 of Federal funds provided in the grant).

(C) for any third fiscal year of such payments, not less than 25 percent of such costs ($1 for each $3 of Federal funds provided in the grant); and

(D) for any fourth fiscal year of such payments, not less than 33 1/3 percent of such costs ($1 for each $2 of Federal funds provided in the grant).

(2) Determination of amount of non-Federal contribution

(A) In general

Non-Federal contributions required in paragraph (1) may be in cash or in kind, fairly evaluated, including plant, equipment, or services. Amounts provided by the Federal Government, and any portion of any service subsidized by the Federal Government, may not be included in determining the amount of such non-Federal contributions.

(B) Inclusion of certain amounts

(i) In making a determination of the amount of non-Federal contributions made by a State for purposes of paragraph (1), the Secretary shall, subject to clause (ii), include any non-Federal contributions provided by the State for HIV-related services, without regard to whether the contributions are made for programs established pursuant to this subchapter;

(ii) In making a determination pursuant to clause (i), the Secretary may not include any non-Federal contributions provided by the State as a condition of receiving Federal funds under any program under this subchapter (except for the program established in section 300ff–21 of this title) or under other provisions of law.

(3) Applicability of requirement

(A) Number of cases

A State referred to in paragraph (1) is any State for which the number of cases of HIV/AIDS reported and confirmed by the Director of the Centers for Disease Control and Prevention for the period described in subparagraph (B) constitutes in excess of 1 percent of the aggregate number of such cases reported to and confirmed by the Director for such period for the United States.

(B) Period of time

The period referred to in subparagraph (A) is the 2-year period preceding the fiscal year for which the State involved is applying to receive a grant under subsection (a).

(C) Puerto Rico

For purposes of paragraph (1), the number of cases of HIV/AIDS reported and confirmed for the Commonwealth of Puerto Rico for any fiscal year shall be deemed to be less than 1 percent.

(4) Diminished State contribution

With respect to a State that does not make available the entire amount of the non-Fed
eral contribution referred to in paragraph (1), the State shall continue to be eligible to receive Federal funds under a grant under section 300ff–21 of this title, except that the Secretary in providing Federal funds under the grant shall provide such funds (in accordance with the ratios prescribed in paragraph (1)) only with respect to the amount of funds contributed by such State.


**REFERENCES IN TEXT**

The Social Security Act, referred to in subsec. (b)(5)(A)(i), is act Aug. 14, 1935, ch. 531, 49 Stat. 620. Titles XIX and XXI of the Act are classified generally to subchapters XIX (§1396 et seq.) and XXI (§1397aa et seq.), respectively, of chapter 7 of this title. For complete classification of this Act to the Code, see section 1301 (title XXVI of this title) and Tables.


**AMENDMENTS**


Subsec. (b)(6). Pub. L. 109–145, §204(c)(2), inserted “members of a Federally recognized Indian tribe as represented in the State,” before “representatives of grantees”.


2000—Subsec. (b)(2), (3). Pub. L. 106–345, §205(a)(2), added paras. (2) and (3). Former paras. (2) and (3) redesignated (4) and (5), respectively.

Subsec. (b)(4). Pub. L. 106–345, §205(a)(3)(A), (B), in introductory provisions substituted “comprehensive plan that describes the organization” for “comprehensive plan for the organization” and “, and that—” for “, including—”.


Subsec. (b)(4)(A) to (C). Pub. L. 106–345, §205(a)(3)(D), which directed the amendment of par. (4) by adding subpars. (A) to (C) “before subparagraph (C),” was executed by adding them before subpar. (D), to reflect the probable intent of Congress. Former subpars. (A) to (C) redesignated (D) to (F), respectively.

Subsec. (b)(4)(D). Pub. L. 106–345, §205(a)(3)(C), (E), redesignated subpar. (A) as (D) and inserted “describes” before “the services and activities”.

Subsec. (b)(4)(E). Pub. L. 106–345, §205(a)(3)(C), (F), redesignated subpar. (B) as (E) and inserted “provides” before “a description”.

Subsec. (b)(4)(F). Pub. L. 106–345, §205(a)(3)(C), (G), redesignated subpar. (C) as (F) and inserted “provides” before “a description”.

Subsec. (b)(5). Pub. L. 106–345, §205(a)(1), (b)(1), redesignated par. (3) as (5) and substituted “HIV disease” for “HIV”.


Subsec. (b)(6)(A). Pub. L. 106–345, §205(b)(2), amended subpar. (A) generally. Prior to amendment, subpar. (A) read as follows: “the public health agency that is administering the grant for the State will conduct public health hearings concerning the provision and distribution of the assistance to be received under this part;”.


Subsec. (b)(3). Pub. L. 104–146, §3(c)(4)(C), added par. (3). Former par. (3) redesignated.

Subsec. (b)(4). Pub. L. 104–146, §3(c)(4)(B), redesignated par. (3) as (4).


**EFFECTIVE DATE OF 2009 AMENDMENT; REVIVAL OF SECTION**

For provisions that repeal by section 2(a)(1) of Pub. L. 111–87 of section 703 of Pub. L. 109–145 be effective Sept. 30, 2009, that the provisions of this section as in effect on Sept. 30, 2009, be revived, and that amendment by section 9 of Pub. L. 111–87 be applicable to this section as so revived and effective as if enacted on Sept. 30, 2009, see section 2(a)(2), (3) of Pub. L. 111–87, set out as a note under section 300ff–11 of this title.

**EFFECTIVE DATE OF 1996 AMENDMENT**


§ 300ff–27a. Spousal notification

(a) In general

The Secretary of Health and Human Services shall not make a grant under part B of title XXVI of the Public Health Service Act (42 U.S.C. 200f–21 et seq.) to any State unless such State takes administrative or legislative action to require that a good faith effort be made to notify a spouse of a known HIV-infected patient that such spouse may have been exposed to the
§ 300ff–28  TITLE 42—THE PUBLIC HEALTH AND WELFARE

human immunodeficiency virus and should seek testing.

(b) Definitions

For purposes of this section:

(1) Spouse

The term “spouse” means any individual who is the marriage partner of an HIV-infected patient, or who has been the marriage partner of that patient at any time within the 10-year period prior to the diagnosis of HIV infection.

(2) HIV-infected patient

The term “HIV-infected patient” means any individual who has been diagnosed to be infected with the human immunodeficiency virus.

(3) State

The term “State” means any of the 50 States, the District of Columbia, or any territory of the United States.


REFERENCES IN TEXT

The Public Health Service Act, referred to in subsec. (a), is act July 1, 1944, ch. 373, 58 Stat. 682, as amended. Part B of title XXVI of the Act is classified generally to this part. For complete classification of this Act to Part B of title XXVI of the Act is classified generally to this part. For complete classification of this Act to Part B of title XXVI of the Act is classified generally to this part.

CODIFICATION

Section was enacted as part of the Ryan White CARE Act Amendments of 1996, and not as part of the Public Health Service Act which comprises this chapter.

EFFECTIVE DATE

Section effective Oct. 1, 1996, see section 13 of Pub. L. 104–146, set out as an Effective Date of 1996 Amendment note under section 300ff–11 of this title.

§ 300ff–28. Distribution of funds

(a) Amount of grant to State

(1) Minimum allotment

Subject to the extent of amounts made available under section 300ff–31b of this title, the amount of a grant to be made under section 300ff–21 of this title for a State for a fiscal year is, subject to subparagraphs (E) and (F)—

(i) an amount equal to the amount made available under section 300ff–31b of this title for the fiscal year involved for grants pursuant to paragraph (1), subject to subparagraph (F); and

(ii) the percentage constituted by the sum of—

(I) the product of 0.75 and the ratio of the State distribution factor for the State or territory (as determined under subsection (B)) to the sum of the respective State distribution factors for all States or territories;

(II) the product of .20 and the ratio of the non-EMA distribution factor for the State or territory (as determined under subparagraph (C)) to the sum of the respective non-EMA distribution factors for all States or territories; and

(III) if the State does not for such fiscal year contain any area that is an eligible area under subpart I of part A or any area that is a transitional area under section 300ff–19 of this title (referred to in this subclause as a “no-EMA State”), the product of 0.05 and the ratio of the number of cases that applies for the State under subparagraph (D) to the sum of the respective numbers of cases that so apply for all no-EMA States.

(b) State distribution factor

For purposes of subparagraph (A)(ii)(I), the term “State distribution factor” means an amount equal to the number of living cases of HIV/AIDS in the State involved, as determined under subparagraph (D).

(C) Non-EMA distribution factor

For purposes of subparagraph (A)(ii)(II), the term “non-EMA distribution factor” means an amount equal to the sum of—

(i) the number of living cases of HIV/AIDS in the State involved, as determined under subparagraph (D); less

(ii) a number equal to the sum of—

(I) the total number of living cases of HIV/AIDS that are within areas in such State that are eligible areas under subpart I of part A for the fiscal year involved; and

(II) the total number of such cases that are within areas in such State that are transitional areas under section 300ff–19 of this title for such fiscal year, which individual number for an area is the number that applies under such section for the fiscal year.

\(1\) So in original. Probably should be “non-EMA”.

(2) Determination

(A) Formula

For purposes of paragraph (1), the amount referred to in this paragraph for a State (including a territory) for a fiscal year is, subject to subparagraphs (E) and (F)—
(D) Living cases of HIV/AIDS

(i) Requirement of names-based reporting

Except as provided in clause (ii), the number determined under this subparagraph for a State for a fiscal year for purposes of subparagraph (B) is the number of living names-based cases of HIV/AIDS in the State that, as of December 31 of the most recent calendar year for which such data is available, have been reported to and confirmed by the Director of the Centers for Disease Control and Prevention.

(ii) Transition period; exemption regarding non-AIDS cases

For each of the fiscal years 2007 through 2012, a State is, subject to clauses (iii) through (v), exempt from the requirement under clause (i) that living non-AIDS names-based cases of HIV be reported unless—

(I) a system was in operation as of December 31, 2005, that provides sufficiently accurate and reliable names-based reporting of such cases throughout the State, subject to clause (vii); or

(II) no later than the beginning of fiscal year 2008 or a subsequent fiscal year through fiscal year 2012, the Secretary, after consultation with the chief executive of the State, determines that a system has become operational in the State that provides sufficiently accurate and reliable names-based reporting of such cases throughout the State.

(iii) Requirements for exemption for fiscal year 2007

For fiscal year 2007, an exemption under clause (i) for a State applies only if, by October 1, 2006—

(I)(aa) the State had submitted to the Secretary a plan for making the transition to sufficiently accurate and reliable names-based reporting of living non-AIDS cases of HIV; or

(bb) all statutory changes necessary to provide for sufficiently accurate and reliable reporting of such cases had been made; and

(II) the State had agreed that, by April 1, 2008, the State will begin accurate and reliable names-based reporting of such cases, except that such agreement is not required to provide that, as of such date, the system for such reporting be fully sufficient with respect to accuracy and reliability throughout the area.

(iv) Requirement for exemption as of fiscal year 2008

For each of the fiscal years 2008 through 2012, an exemption under clause (ii) for a State applies only if, as of April 1, 2008, the State is substantially in compliance with the agreement under clause (iii)(II).

(v) Progress toward names-based reporting

For fiscal year 2009 or a subsequent fiscal year, the Secretary may terminate an exemption under clause (ii) for a State if the State submitted a plan under clause (iii)(I)(aa) and the Secretary determines that the State is not substantially following the plan.

(vi) Counting of cases in areas with exemptions

(I) In general

With respect to a State that is under a reporting system for living non-AIDS cases of HIV that is not names-based (referred to in this subparagraph as “code-based reporting”), the Secretary shall, for purposes of this subparagraph, modify the number of such cases reported for the State in order to adjust for duplicative reporting in and among systems that use code-based reporting.

(II) Adjustment rate

The adjustment rate under subclause (I) for a State shall be a reduction of 5 percent for fiscal years before fiscal year 2012 (and 6 percent for fiscal year 2012) in the number of living non-AIDS cases of HIV reported for the State.

(III) Increased adjustment for certain States previously using code-based reporting

For purposes of this subparagraph for each of fiscal years 2010 through 2012, the Secretary shall deem the applicable number of living cases of HIV/AIDS in a State that were reported to and confirmed by the Centers for Disease Control and Prevention to be 3 percent higher than the actual number if—

(aa) there is an area in such State that satisfies all of the conditions described in items (aa) through (cc) of section 300ff-13(a)(3)(C)(vi)(III) of this title; or

(bb)(AA) fiscal year 2007 was the first year in which the count of living non-AIDS cases of HIV for purposes of this part, was based on a names-based reporting system; and

(BB) the amount of funding that such State received under this part for fiscal year 2007 was less than 70 percent of the amount of funding that such State received under such part for fiscal year 2006.

(vii) List of States meeting standard regarding December 31, 2005

(I) In general

If a State is specified in subclause (II), the State shall be considered to meet the standard described in clause (ii)(I). No other State may be considered to meet such standard.

(II) Relevant States

For purposes of subclause (I), the States specified in this subclause are the following: Alaska, Alabama, Arkansas, Arizona, Colorado, Florida, Indiana, Iowa, Idaho, Kansas, Louisiana, Michigan, Minnesota, Missouri, Mississippi, North Carolina, North Dakota, Nebraska, New Jersey, New Mexico, New
York, Nevada, Ohio, Oklahoma, South Carolina, South Dakota, Tennessee, Texas, Utah, Virginia, Wisconsin, West Virginia, Wyoming, Guam, and the Virgin Islands.

(viii) Rules of construction regarding acceptance of reports

(I) Cases of AIDS

With respect to a State that is subject to the requirement under clause (i) and is not in compliance with the requirement for names-based reporting of living non-AIDS cases of HIV, the Secretary shall, notwithstanding such noncompliance, accept reports of living cases of AIDS that are in accordance with such clause.

(II) Applicability of exemption requirements

The provisions of clauses (ii) through (vii) may not be construed as having any legal effect for fiscal year 2013 or any subsequent fiscal year, and accordingly, the status of a State for purposes of such clauses may not be considered after fiscal year 2012.

(ix) Program for detecting inaccurate or fraudulent counting

The Secretary shall carry out a program to monitor the reporting of names-based cases for purposes of this subparagraph and to detect instances of inaccurate reporting, including fraudulent reporting.

(x) Future fiscal years

For fiscal years beginning with fiscal year 2013, determinations under this paragraph shall be based only on living names-based cases of HIV/AIDS with respect to the State involved.

(E) Code-based States; limitation on increase in grant

(i) In general

For each of the fiscal years 2007 through 2012, if code-based reporting (within the meaning of subparagraph (D)(vi)) applies in a State as of the beginning of the fiscal year involved, then notwithstanding any other provision of this paragraph, the amount of the grant pursuant to paragraph (1) for the State may not for the fiscal year involved exceed by more than 5 percent the amount of the grant pursuant to this paragraph for the State for the preceding fiscal year, except that the limitation under this clause may not result in a grant pursuant to paragraph (1) for a fiscal year that is less than the minimum amount that applies to the State under such paragraph for such fiscal year.

(ii) Use of amounts involved

For each of the fiscal years 2007 through 2012, amounts available as a result of the limitation under clause (i) shall be made available by the Secretary as additional amounts for grants pursuant to section 300ff-29a of this title, subject to subparagraph (H).

(F) Appropriations for treatment drug program

(i) Formula grants

With respect to the fiscal year involved, if under section 300ff-31b of this title an appropriations Act provides an amount exclusively for carrying out section 300ff-26 of this title, the portion of such amount allocated to a State shall be the product of—

(1) 100 percent of such amount, less the percentage reserved under clause (ii)(V);

and

(2) the percentage constituted by the ratio of the State distribution factor for the State (as determined under subparagraph (B)) to the sum of the State distribution factors for all States; which product shall then, as applicable, be increased under subparagraph (H).

(ii) Supplemental treatment drug grants

(I) In general

From amounts made available under subclause (V), the Secretary shall award supplemental grants to States described in subclause (II) to enable such States to purchase and distribute to eligible individuals under section 300ff-26(b) of this title pharmaceutical therapeutics described under subsections (c)(2) and (e) of such section.

(II) Eligible States

For purposes of subclause (I), a State shall be an eligible State if the State did not have unobligated funds subject to reallocation under subsection (d) in the previous fiscal year and, in accordance with criteria established by the Secretary, demonstrates a severe need for a grant under this clause. For purposes of determining severe need, the Secretary shall consider eligibility standards, formulary composition, the number of eligible individuals to whom a State is unable to provide therapeutics described in section 300ff-26(b) of this title, and an unanticipated increase of eligible individuals with HIV/AIDS.

(III) State requirements

The Secretary may not make a grant to a State under this clause unless the State agrees that the State will make available (directly or through donations of public or private entities) non-Federal contributions toward the activities to be carried out under the grant in an amount equal to $1 for each $4 of Federal funds provided in the grant, except that the Secretary may waive this subclause if the State has otherwise fully complied with section 300ff-27(d) of this title with respect to the grant year involved. The provisions of this subclause shall apply to States that are not required to comply with such section 300ff-27(d) of this title.

(IV) Use and coordination

Amounts made available under a grant under this clause shall only be used by
the State to provide HIV/AIDS-related medications. The State shall coordinate the use of such amounts with the amounts otherwise provided under section 300ff-26(a) of this title in order to maximize drug coverage.

(V) Funding

For the purpose of making grants under this clause, the Secretary shall ensure that each fiscal year reserve 5 percent of the amount referred to in clause (i) with respect to section 300ff-26 of this title.

(iii) Code-based States; limitation on increase in formula grant

The limitation under subparagraph (E)(i) applies to grants pursuant to clause (i) of this subparagraph to the same extent and in the same manner as such limitation applies to grants pursuant to paragraph (1), except that the reference to minimum grants does not apply for purposes of this clause. Amounts available as a result of the limitation under the preceding sentence shall be made available by the Secretary as additional amounts for grants under clause (ii) of this subparagraph.


(H) Increase in formula grants

(i) Assurance of amount

(1) General rule

For fiscal year 2010, the Secretary shall ensure, subject to clauses (ii) through (iv), that the total for a State of the grant pursuant to paragraph (1) and the grant pursuant to subparagraph (F) is not less than 95 percent of such total for the State for fiscal year 2009.

(II) Rule of construction

With respect to the application of subclause (I), the 95 percent requirement under such subclause shall apply with respect to each grant awarded under paragraph (1) and with respect to each grant awarded under subparagraph (F).

(ii) Fiscal years 2011 and 2012

For each of the fiscal years 2011 and 2012, the Secretary shall ensure that the total for a State of the grant pursuant to paragraph (1) and the grant pursuant to subparagraph (F) is not less than 100 percent of such total for the State for fiscal year 2010.

(iii) Fiscal year 2013

For fiscal year 2013, the Secretary shall ensure that the total for a State of the grant pursuant to paragraph (1) and the grant pursuant to subparagraph (F) is not less than 92.5 percent of such total for the State for fiscal year 2012.

(iv) Source of funds for increase

(1) In general

From the amount reserved under section 300ff-31(b)(2) of this title for a fiscal year, and from amounts available for such section pursuant to subsection (d) of this section, the Secretary shall make available such amounts as may be necessary to comply with clause (i).

(II) Pro rata reduction

If the amounts referred to in subclause (I) for a fiscal year are insufficient to fully comply with clause (i) for the year, the Secretary, in order to provide the additional funds necessary for such compliance, shall reduce on a pro rata basis the amount of each grant pursuant to paragraph (1) for the fiscal year, other than grants for States for which increases under clause (i) apply and other than States described in paragraph (1)(A)(i)(I). A reduction under the preceding sentence may not be made in an amount that would result in the State involved becoming eligible for such an increase.

(v) Applicability

This paragraph may not be construed as having any applicability after fiscal year 2013.

(b) Allocation of assistance by States

(1) Allowances

Prior to allocating assistance under this subsection, a State shall consider the unmet needs of those areas that have not received financial assistance under part A.

(2) Planning and evaluations

Subject to paragraph (4) and except as provided in paragraph (5), a State may not use more than 10 percent of amounts received under a grant awarded under section 300ff–21 of this title for planning and evaluation activities.

(3) Administration

(A) In general

Subject to paragraph (4), and except as provided in paragraph (5), a State may not use more than 10 percent of amounts received under a grant awarded under section 300ff–21 of this title for administration.

(B) Allocations

In the case of entities and subcontractors to which a State allocates amounts received by the State under a grant under section 300ff–21 of this title, the State shall ensure that, of the aggregate amount so allocated, the total of the expenditures by such entities for administrative expenses does not exceed 10 percent (without regard to whether particular entities expend more than 10 percent for such expenses).

(C) Administrative activities

For the purposes of subparagraph (A), amounts may be used for administrative activities that include routine grant administration and monitoring activities, including a clinical quality management program under subparagraph (E).

(D) Subcontractor administrative costs

For the purposes of this paragraph, subcontractor administrative activities include—
§ 300ff–28

(i) usual and recognized overhead, including established indirect rates for agencies;
(ii) management oversight of specific programs funded under this subchapter; and
(iii) other types of program support such as quality assurance, quality control, and related activities.

(E) Clinical quality management

(i) Requirement

Each State that receives a grant under section 300ff–21 of this title shall provide for the establishment of a clinical quality management program to assess the extent to which HIV health services provided to patients under the grant are consistent with the most recent Public Health Service guidelines for the treatment of HIV/AIDS and related opportunistic infection, and as applicable, to develop strategies for ensuring that such services are consistent with the guidelines for improvement in the access to and quality of HIV health services.

(ii) Use of funds

(I) In general

From amounts received under a grant awarded under section 300ff–21 of this title for a fiscal year, a State may use for activities associated with the clinical quality management program required in clause (i) not to exceed the lesser of—

(aa) 5 percent of amounts received under the grant; or
(bb) $3,000,000.

(II) Relation to limitation on administrative expenses

The costs of a clinical quality management program under clause (i) may not be considered administrative expenses for purposes of the limitation established in subparagraph (A).

(4) Limitation on use of funds

Except as provided in paragraph (5), a State may not use more than a total of 15 percent of amounts received under a grant awarded under section 300ff–21 of this title for the purposes described in paragraphs (2) and (3).

(5) Exception

With respect to a State that receives the minimum allotment under subsection (a)(1) for a fiscal year, such State, from the amounts received under a grant awarded under section 300ff–21 of this title for such fiscal year for the activities described in paragraphs (2) and (3), may, notwithstanding paragraphs (2) through (4), use not more than that amount required to support one full-time-equivalent employee.

(6) Construction

A State may not use amounts received under a grant awarded under section 300ff–21 of this title to purchase or improve land, or to purchase, construct, or permanently improve (other than minor remodeling) any building or other facility, or to make cash payments to intended recipients of services.

(c) Expedited distribution

(1) In general

Not less than 75 percent of the amounts received under a grant awarded to a State under section 300ff–21 of this title shall be obligated to specific programs and projects and made available for expenditure not later than—

(A) in the case of the first fiscal year for which amounts are received, 150 days after the receipt of such amounts by the State; and

(B) in the case of succeeding fiscal years, 120 days after the receipt of such amounts by the State.

(2) Public comment

Within the time periods referred to in paragraph (1), the State shall invite and receive public comment concerning methods for the utilization of such amounts.

(d) Reallocation

Any portion of a grant made to a State under section 300ff–21 of this title for a fiscal year that has not been obligated as described in subsection (c) ceases to be available to the State and shall be made available by the Secretary for grants under section 300ff–29a of this title, in addition to amounts made available for such grants under section 300ff–31(b)(2) of this title.

(2009—Pub. L. 111–87, § 10(b), struck out “subject to subclause (VI)” before period.

MENDMENTS


Subsec. (a)(2)(A)(i), Pub. L. 111–87, § 5(c)(1), substituted “subparagraph (F)” for “subparagraph (G)”.


Subsec. (a)(2)(D)(ii). Pub. L. 111–87, § 3(b)(1)(B), substituted “or a subsequent fiscal year through fiscal year 2012” for “or 2009”.  

Subsec. (a)(2)(D)(iv). Pub. L. 111–87, § 3(b)(1)(C), inserted “or a subsequent fiscal year” after “2009”.  

Subsec. (a)(2)(D)(v). Pub. L. 111–87, § 3(b)(1)(D), inserted “for fiscal years before fiscal year 2012 (and 6 percent for fiscal year 2012)” after “3 percent”.  


Subsec. (b)(3). Pub. L. 109–415, § 203(e)(3), added subpar. (B) and (E), redesignated former subpars. (B) and (C) as (C) and (D), respectively, inserted ‘‘, including a clinical quality management program under subparagraph (E)’’ before period at end of subpar. (C), and, in subpar. (A), reenacted heading without change and amended text generally. Prior to amendment, text related to limitations on the amount of a grant awarded for a fiscal year 1996 to 2000 to a State or territory under this part in relation to the amount received by the State or territory for fiscal year 1995.

Pub. L. 106–345, § 206(b)(2), redesignated subpar. (G) as (H). Former subpar. (H) redesignated (I).

Subsec. (a)(2)(B). Pub. L. 106–345, § 206(b)(1), redesignated subsec. (a)(2)(D) to (G) as (F) and redesignated former subpars. (E) and (F) as (F) and (G), respectively. Former subpar. (G) redesignated (H).

Subsec. (a)(2)(H). Pub. L. 106–345, § 206(c)(2)(B), amended heading and text of subpar. (H) generally. Prior to amendment, text related to limitations on the amount of a grant awarded for a fiscal year 1996 to 2000 to a State or territory under this part in relation to the amount received by the State or territory for fiscal year 1995.

Pub. L. 106–345, § 206(b)(2), redesignated subpar. (G) as (H). Former subpar. (H) redesignated (I).

Subsec. (a)(2)(I). Pub. L. 106–345, § 206(e), reenacted heading without change, redesignated existing provisions as cl. (i), inserted cl. (i) heading, redesignated former cls. (i) and (ii) as subcls. (I) and (II), respectively, in subcl. (I) inserted ‘‘, less the percentage reserved under clause (ii)(V)’’ before semicolon.


Subsecs. (b) to (e). Pub. L. 106–345, § 206(a)(1), redesignated subsecs. (c) to (e) as (b) to (d), respectively.

1996—Subsec. (b)(3)(A). Pub. L. 104–146, § 3(g)(1), substituted ‘‘, the Commonwealth of Puerto Rico, the Virgin Islands, and Guam’’ for ‘‘and the Commonwealth of Puerto Rico’’.


1996—Subsec. (a). Pub. L. 104–146, § 3(g)(2), struck out subsec. (a) which related to special projects of national significance.

Subsec. (a)(1). Pub. L. 104–146, § 6(c)(3)(A), which directed amendment of subsec. (a)(1) by substituting ‘‘section 300F–77 for ‘‘section 300F–30’’’’ before semicolon, could not be executed because of the repeal of subsec. (a) by Pub. L. 104–146, § 3(g)(2). See above.

Subsec. (b)(1). Pub. L. 104–146, § 6(c)(3)(B), which directed amendment of subsec. (b)(1) by substituting ‘‘section 300F–77 of this title’’ for ‘‘section 300F–30 of this title’’ could not be executed because the words ‘‘section 300F–30 of this title’’ did not appear subsequent to the general amendment of subsec. (b)(1) by Pub. L. 104–146, § 5. See below.

Pub. L. 104–146, § 5, amended heading and text of par. (1) generally. Prior to amendment, text read as follows: ‘‘(1) generally. Prior to amendment, text read as follows: ‘‘(1) each of the several States and the District of Columbia for a fiscal year shall be the greater of—

‘‘(i) $100,000, and

‘‘(ii) an amount determined under paragraph (2); and

(2) ‘‘(B) each territory of the United States, as defined in paragraph 3, shall be an amount determined under paragraph (2).’’

1996—Subsec. (b)(2). Pub. L. 104–146, § 5, amended par. (2) generally, substituting subpars. (A) to (H) for former subpars. (A) and (B) relating to determination of amount of allotments.

Subsec. (c)(1). Pub. L. 104–146, § 3(c)(5)(A), struck out heading and text of par. (1). Text read as follows: ‘‘In a State that has reported 1 percent or more of all AIDS cases reported to and confirmed by the Centers for Disease Control and Prevention in all States, not less than 50 percent of the amount received by the State under a grant awarded under this part shall be utilized for the creation and operation of community-based comprehensive care consortia under section 300F–23 of this title, in those areas within the State in which the largest number of individuals with HIV disease reside.’’

Subsec. (c)(3), (4). Pub. L. 104–146, § 3(c)(5)(B), amended pars. (3) and (4) generally. Prior to amendment, pars. (3) and (4) read as follows:

‘‘(3) PLANNING AND EVALUATION.—A State may not use in excess of $5 percent of amounts received under a grant awarded under this part for planning and evaluation activities.”
“(4) ADMINISTRATION.—A State may not use in excess of 5 percent of amounts received under a grant awarded under this part for administration, accounting, reporting, and program oversight functions.

(c)(5) to (7). Pub. L. 104–146, §3(c)(5)(C), (D), added paras. (5) and (6) and redesignated former par. (5) as (7).


 EFFECTIVE DATE OF 2009 AMENDMENT; REVIVAL OF SECTION

For provisions that repeal by section 2(a)(1) of Pub. L. 111–87 of section 703 of Pub. L. 109–415 be effective Sept. 30, 2009, that the provisions of this section as in effect on Sept. 30, 2009, be revived, and that amendment by sections 3(b), 5(b), (c)(1), 7(b), and 10(b) of Pub. L. 111–87 be applicable to this section as so revived and effective as if enacted on Sept. 30, 2009, see section 2(a)(2), (3) of Pub. L. 111–87, set out as a note under section 300ff–11 of this title.

 EFFECTIVE DATE OF 1996 AMENDMENT


 § 300ff–29. Technical assistance

The Secretary shall provide technical assistance in administering and coordinating the activities authorized under section 300ff–22 of this title, including technical assistance for the development and implementation of statewide coordinated statements of need.


AMENDMENTS


Not later than 45 days after the awarding of funds, the Secretary shall submit to Congress a report containing—

(a) a description of the activities undertaken in carrying out the purposes of this section for the fiscal year; and

(b) summarized data concerning the activities supported by funds received under this section for the fiscal year, including—

(1) the total amount of supplemental funds available; and

(2) the number of individuals served by the State or eligible area.

The Secretary shall include in the report data in the form and detail that the Secretary deems appropriate.

The Secretary shall make grants to the State or eligible area for the purposes described in subsection (c) of this section for the fiscal year.

(b) Demonstrated need

The factors considered by the Secretary in determining whether an eligible area has a demonstrated need for purposes of subsection (a)(1) may include any or all of the following:

(1) The need for services, as determined under section 300ff–27 of this title.

(2) An increasing need for HIV/AIDS-related services, including relative rates of increase in the number of cases of HIV/AIDS.

(3) The relative rates of increase in the number of cases of HIV/AIDS within new or emerging subpopulations.

(4) The current prevalence of HIV/AIDS.

(5) Relevant factors related to the cost and complexity of delivering health care to individuals with HIV/AIDS in the eligible area.

(6) The impact of co-morbid factors, including co-occurring conditions, determined relevant by the Secretary.

(7) The prevalence of homelessness.

(8) The prevalence of individuals described under section 300ff–12(b)(2)(M) of this title.

(9) The relevant factors that limit access to health care, including geographic variation, adequacy of health insurance coverage, and language barriers.

(10) The impact of a decline in the amount received pursuant to section 300ff–28 of this title or services available to all individuals with HIV/AIDS identified and eligible under this subchapter.

(c) Priority in making grants

The Secretary shall make grants to States for the purposes described in subsection (b) of this section for the fiscal year, in accordance with the hold harmless provisions of section 300ff–28(a)(2) of this title.

(d) Report on the awarding of supplemental funds

The Secretary shall make grants to States for the purposes described in subsection (b) of this section for the fiscal year, in accordance with the hold harmless provisions of section 300ff–28(a)(2) of this title.
(4) the disbursement of the remainder of the supplemental funds after taking into account the uses described in paragraphs (2) and (3); and

(5) the rationale used for the amount of funds disbursed as described under paragraphs (2), (3), and (4).

(e) Core medical services

The provisions of section 300ff-22(b) of this title apply with respect to a grant under this section to the same extent and in the same manner as such provisions apply with respect to a grant made pursuant to section 300ff-28(a)(1) of this title.

(f) Applicability of grant authority

The authority to make grants under this section applies beginning with the first fiscal year for which amounts are made available for such grants under section 300ff-31b(b)(1) of this title.

§ 300ff-30. Emerging communities

(a) In general

The Secretary shall award supplemental grants to States determined to be eligible under subsection (b) to enable such States to provide comprehensive services of the type described in section 300ff-22(a) of this title to supplement the services otherwise provided by the State under a grant under this subpart in emerging communities within the State that are not eligible to receive grants under part A.

(b) Eligibility

To be eligible to receive a supplemental grant under subsection (a), a State shall—

(1) be eligible to receive a grant under this subpart;

(2) demonstrate the existence in the State of an emerging community as defined in subsection (d)(1);

(3) agree that the grant will be used to provide funds directly to emerging communities in the State, separately from other funds under this subchapter that are provided by the State to such communities; and

(4) submit the information described in subsection (c).

(c) Reporting requirements

A State that desires a grant under this section shall, as part of the State application submitted under section 300ff-27 of this title, submit a detailed description of the manner in which the State will use amounts received under the grant and of the severity of need. Such description shall include—

(1) a report concerning the dissemination of supplemental funds under this section and the plan for the utilization of such funds in the emerging community;

(2) a demonstration of the existing commitment of local resources, both financial and in-kind;

(3) a demonstration that the State will maintain HIV-related activities at a level that is equal to not less than the level of such activities in the State for the 1-year period preceding the fiscal year for which the State is applying to receive a grant under section 300ff-21 of this title;

(4) a demonstration of the ability of the State to utilize such supplemental financial resources in a manner that is immediately responsive and cost effective;

(5) a demonstration that the resources will be allocated in accordance with the local demographic incidence of AIDS including appropriate allocations for services for infants, children, women, and families with HIV/AIDS;

(6) a demonstration of the inclusiveness of the planning process, with particular emphasis on affected communities and individuals with HIV/AIDS; and

(7) a demonstration of the manner in which the proposed services are consistent with local needs assessments and the statewide coordinated statement of need.

(d) Definitions of emerging community

For purposes of this section, the term “emerging community” means a metropolitan area (as defined in section 300ff-17 of this title) for which there has been reported to and confirmed by the Director of the Centers for Disease Control and Prevention a cumulative total of at least 500, but fewer than 1,000, cases of AIDS during the most recent period of 5 calendar years for which such data are available.

(e) Continued status as emerging community

Notwithstanding any other provision of this section, a metropolitan area that is an emerging community for a fiscal year continues to be an emerging community until the metropolitan area falls, for three consecutive fiscal years—
(1) to meet the requirements of subsection (d); and
(2) to have a cumulative total of 750 or more living cases of AIDS (reported to and confirmed by the Director of the Centers for Disease Control and Prevention) as of December 31 of the most recent calendar year for which such data is available.

(f) Distribution

The amount of a grant under subsection (a) for a State for a fiscal year shall be an amount equal to the product of—

(1) the amount available under section 300ff–31(b)(1) of this title for the fiscal year; and
(2) a percentage equal to the ratio constituted by the number of living cases of HIV/AIDS in emerging communities in the State to the sum of the respective numbers of such cases in communities for all States.

(3)(A) and redesignated former par. (3) as (4).

(4) and redesignated former par. (4) as (5).

(5) and redesignated former par. (5) as (6).

(6) and redesignated former par. (6) as (7).

(b) Supplemental grants; cancellation of unobligated balance of grant award

Effective for fiscal year 2007 and subsequent fiscal years, if a grant award made to a State for a fiscal year pursuant to section 300F-28(a)(1) or 300F-28(a)(2)(F) of this title, or under section 300F-29a or 300F-30 of this title, has an unobligated balance as of the end of the grant year for the award—

(1) the Secretary shall cancel that unobligated balance of the award, and shall require the State to return any amounts from such balance that have been disbursted to the State; and
(2) the funds involved shall be made available by the Secretary as additional amounts for grants pursuant to section 300F-29a or 300F-30 of this title, for the fiscal year in which the Secretary obtains the information necessary for determining that the balance is required under paragraph (1) to be canceled, except that the availability of the funds for such grants is subject to section 300ff-28(a)(2)(H) of this title as applied for such year.

(c) Formula grants; cancellation of unobligated balance of grant award; waiver permitting carryover

(1) In general

Effective for fiscal year 2007 and subsequent fiscal years, if a grant award made to a State for a fiscal year pursuant to section 300F-28(a)(1) or 300F-28(a)(2)(F) of this title has an unobligated balance as of the end of the grant year for the award, the Secretary shall cancel that unobligated balance of the award, and shall require the State to return any amounts from such balance that have been disbursed to the State, unless—

(A) before the end of the grant year, the State submits to the Secretary a written application for a waiver of the cancellation, which application includes a description of the purposes for which the State intends to expend the funds involved; and
(B) the Secretary approves the waiver.

(2) Expenditure by end of carryover year

With respect to a waiver under paragraph (1) that is approved for a balance that is unobligated...
gated as of the end of a grant year for an award:

(A) The unobligated funds are available for expenditure by the State involved for the one-year period beginning upon the expiration of the grant year (referred to in this section as the “carryover year”).

(B) If the funds are not expended by the end of the carryover year, the Secretary shall cancel that unexpended balance of the award, and shall require the State to return any amounts from such balance that have been disbursed to the State.

(3) Use of cancelled balances

In the case of any balance of a grant award that is cancelled under paragraph (1) or (2)(B), the grant funds involved shall be made available by the Secretary as additional amounts for grants under section 300ff–29a of this title for the first fiscal year beginning after the fiscal year in which the Secretary obtains the information necessary for determining that the balance is required under such paragraph to be canceled, except that the availability of the funds for such grants is subject to section 300ff–28(a)(2)(H) of this title as applied for such year.

(4) Corresponding reduction in future grant

(A) In general

In the case of a State for which a balance from a grant award made pursuant to section 300ff–28(a)(1) or 300ff–28(a)(2)(F)(1) of this title is unobligated as of the end of the grant year for the award—

(1) the Secretary shall reduce, by the same amount as such unobligated balance (less any amount of such balance that is the subject of a waiver of cancellation under paragraph (1)), the amount of the grant under such section for the first fiscal year beginning after the fiscal year in which the Secretary obtains the information necessary for determining that such balance was unobligated as of the end of the grant year (which requirement for a reduction applies without regard to whether a waiver under paragraph (1) has been approved with respect to such balance); and

(2) the grant funds involved in such reduction shall be made available by the Secretary as additional funds for grants under section 300ff–29a of this title for such first fiscal year, subject to section 300ff–28(a)(2)(H) of this title; except that this subparagraph does not apply to the State if the amount of the unobligated balance was 5 percent or less.

(B) Relation to increases in grant

A reduction under subparagraph (A) for a State for a fiscal year may not be taken into account in applying section 300ff–28(a)(2)(H) of this title with respect to the State for the subsequent fiscal year.

(d) Treatment of drug rebates

For purposes of this section, funds that are drug rebates referred to in section 300ff–28(g) of this title may not be considered part of any grant award referred to in subsection (a). If an expenditure of ADAP rebate funds would trigger a penalty under this section or a higher penalty than would otherwise have applied, the State may request that for purposes of this section, the Secretary deem the State’s unobligated balance to be reduced by the amount of rebate funds in the proposed expenditure. Notwithstanding 300ff–28(a)(2)(F)1 of this title, any unobligated amount under section 300ff–28(a)(2)(F)(1)(V) of this title that is returned to the Secretary for reallocation shall be used by the Secretary for—

(1) the ADAP supplemental program if the Secretary determines appropriate; or

(2) for additional amounts for grants pursuant to section 300ff–29a of this title.

(e) Authority regarding administration of provisions

In administering subsections (b) and (c) with respect to the unobligated balance of a State, the Secretary may elect to reduce the amount of future grants to the State under section 300ff–28, 300ff–29a, or 300ff–30 of this title, as applicable, by the amount of any such unobligated balance in lieu of cancelling such amount as provided for in subsection (b) or (c)(1). In such case, the Secretary may permit the State to use such unobligated balance for purposes of any such future grant. An amount equal to such reduction shall be available for use as additional amounts for grants pursuant to section 300ff–29a of this title, subject to section 300ff–28(a)(2)(H) of this title. Nothing in this paragraph shall be construed to affect the authority of the Secretary under subsections (b) and (c), including the authority to grant waivers under subsection (c)(1). The reduction in future grants authorized under this subsection shall be notwithstanding the penalty required under subsection (c)(4) with respect to unobligated funds.


Amendments


Subsec. (c)(4)(A)(i). Pub. L. 111–87, §8(c)(2), inserted “(less any amount of such balance that is the subject of a waiver of cancellation under paragraph (1)” after “unobligated balance”.

1 So in original. Probably should be preceded by “section”. 

© 2023 ProQuest. All rights reserved.
Subsec. (d). Pub. L. 111–87, §10(a), inserted at end “If an expenditure of ADAP rebate funds would trigger a penalty under this section or a higher penalty than would otherwise have applied, the State may request that for purposes of this section, the Secretary deem the State’s unobligated balance to be reduced by the amount of rebate funds in the proposed expenditure. Notwithstanding section 300ff–28(a)(2)(F) of this title, any unobligated amount under section 300ff–28(a)(2)(F) of this title that is returned to the Secretary for reallocation shall be used by the Secretary for—

(1) the ADAP supplemental program if the Secretary determines appropriate; or

(2) for additional amounts for grants pursuant to section 300ff–29a of this title.”


Effective Date of 2009 Amendment: Revival of Section

For provisions that repeal by section 2(a)(1) of Pub. L. 111–87 of section 703 of Pub. L. 110–415 be effective Sept. 30, 2009, that the provisions of this section as in effect on Sept. 30, 2009, be revived, and that amendment by section 2(c) and 5(c)(3) of Pub. L. 111–87 be applicable to this section as so revived and effective as if enacted on Sept. 30, 2009, see section 2(a)(2), (3) of Pub. L. 111–87, set out as a note under section 300ff–1 of this title.

§ 300ff–31b. Authorization of appropriations

(a) In general

For the purpose of carrying out this subpart, there are authorized to be appropriated $1,195,500,000 for fiscal year 2007, $1,239,500,000 for fiscal year 2008, $1,285,200,000 for fiscal year 2009, $1,349,460,000 for fiscal year 2010, $1,416,933,000 for fiscal year 2011, $1,487,780,000 for fiscal year 2012, and $1,562,169,000 for fiscal year 2013.

(b) Reservation of amounts

(1) Emerging communities

Of the amount appropriated under subsection (a) for a fiscal year, the Secretary shall reserve $5,000,000 for grants under section 300ff–30 of this title.

(2) Supplemental grants

(A) In general

Of the amount appropriated under subsection (a) for a fiscal year in excess of the 2006 adjusted amount, the Secretary shall reserve ½ for grants under section 300ff–29a of this title, except that the availability of the reserved funds for such grants is subject to section 300ff–28(a)(2)(H) of this title as applied for such year, and except that any amount appropriated exclusively for carrying out section 300ff–26 of this title (and, accordingly, distributed under section 300ff–28(a)(2)(F) of this title) is not subject to this subparagraph.

(B) 2006 adjusted amount

For purposes of subparagraph (A), the term “2006 adjusted amount” means the amount appropriated for fiscal year 2006 under section 300ff–77(b) of this title (as such section was in effect for such fiscal year), excluding any amount appropriated for such year exclusively for carrying out section 300ff–26 of this title (and, accordingly, distributed under section 300ff–28(a)(2)(I) of this title, as so in effect).


Amendments


Subsec. (a). Pub. L. 111–87, §2(c), substituted “$1,285,200,000 for fiscal year 2009, $1,349,460,000 for fiscal year 2010, $1,416,933,000 for fiscal year 2011, $1,487,780,000 for fiscal year 2012, and $1,562,169,000 for fiscal year 2013” for “$1,285,200,000 for fiscal year 2009, $1,349,460,000 for fiscal year 2010, $1,416,933,000 for fiscal year 2011, $1,487,780,000 for fiscal year 2012, and $1,562,169,000 for fiscal year 2013”.


Effective Date of 2009 Amendment: Revival of Section

For provisions that repeal by section 2(a)(1) of Pub. L. 111–87 of section 703 of Pub. L. 110–415 be effective Sept. 30, 2009, that the provisions of this section as in effect on Sept. 30, 2009, be revived, and that amendment by sections 2(c) and 5(c)(3) of Pub. L. 111–87 be applicable to this section as so revived and effective as if enacted on Sept. 30, 2009, see section 2(a)(2), (3) of Pub. L. 111–87, set out as a note under section 300ff–11 of this title.

Subpart II—Provisions Concerning Pregnancy and Perinatal Transmission of HIV

§ 300ff–33. Early diagnosis grant program

(a) In general

In the case of States whose laws or regulations are in accordance with subsection (b), the Secretary, acting through the Centers for Disease Control and Prevention, shall make grants to such States for the purposes described in subsection (c).

(b) Description of compliant States

For purposes of subsection (a), the laws or regulations of a State are in accordance with this subsection if, under such laws or regulations (including programs carried out pursuant to the discretion of State officials), both of the policies described in paragraph (1) are in effect, or both of the policies described in paragraph (2) are in effect, as follows:

(1)(A) Voluntary opt-out testing of pregnant women

(B) Universal testing of newborns

(2)(A) Voluntary opt-out testing of clients at sexually transmitted disease clinics

(B) Voluntary opt-out testing of clients at substance abuse treatment centers.

The Secretary shall periodically ensure that the applicable policies are being carried out and recertify compliance.
(c) Use of funds
A State may use funds provided under subsection (a) for HIV/AIDS testing (including rapid testing), prevention counseling, treatment of newborns exposed to HIV/AIDS, treatment of mothers infected with HIV/AIDS, and costs associated with linking those diagnosed with HIV/AIDS to care and treatment for HIV/AIDS.

(d) Application
A State that is eligible for the grant under subsection (a) shall submit an application to the Secretary, in such form, in such manner, and containing such information as the Secretary may require.

(e) Limitation on amount of grant
A grant under subsection (a) to a State for a fiscal year may not be made in an amount exceeding $10,000,000.

(f) Rule of construction
Nothing in this section shall be construed to pre-empt State laws regarding HIV/AIDS counseling and testing.

(g) Definitions
In this section:

(1) The term “voluntary opt-out testing” means HIV/AIDS testing—

(A) that is administered to an individual seeking other health care services; and

(B) in which—

(i) pre-test counseling is not required but the individual is informed that the individual may opt out of such testing; and

(ii) for those individuals with a positive test result, post-test counseling (including referrals for care) is provided and confidentiality is protected.

(2) The term “universal testing of newborns” means HIV/AIDS testing that is administered within 48 hours of delivery to—

(A) all infants born in the State; or

(B) all infants born in the State whose mother’s HIV/AIDS status is unknown at the time of delivery.

(h) Authorization of appropriations
Of the funds appropriated annually to the Centers for Disease Control and Prevention for HIV/AIDS prevention activities, $30,000,000 shall be made available for each of the fiscal years 2007 through 2009 for grants under subsection (a), of which $20,000,000 shall be made available for grants to States with the policies described in subsection (b), and $10,000,000 shall be made available for grants to States with the policies described in subsection (b) of this section for the purposes of carrying out this section unless otherwise authorized. For purposes of carrying out this subsection, there are authorized to be appropriated $10,000,000 for each of the fiscal years 1996 through 2000.

AMENDMENTS


EFFECTIVE DATE OF 2009 AMENDMENT; REVIVAL OF SECTION

EFFECTIVE DATE
Section effective Oct. 1, 1996, see section 13 of Pub. L. 104–146, set out as an Effective Date of 1996 Amendment note under section 300ff–11 of this title.

PERINATAL TRANSMISSION OF HIV DISEASE; CONGRESSIONAL FINDINGS
Pub. L. 104–146, §7(a), May 20, 1996, 110 Stat. 1368, provided that: “The Congress finds as follows:

(1) Research studies and statewide clinical experiences have demonstrated that administration of antiretroviral medication during pregnancy can significantly reduce the transmission of the human immunodeficiency virus (commonly known as HIV) from an infected mother to her baby.

(2) The Centers for Disease Control and Prevention have recommended that all pregnant women receive HIV counseling; voluntary, confidential HIV testing; and appropriate medical treatment (including antiretroviral therapy) and support services.

(3) The provision of such testing without access to such counseling, treatment, and services will not improve the health of the woman or the child.

(4) The provision of such counseling, testing, treatment, and services can reduce the number of pediatric cases of acquired immune deficiency syndrome, can improve access to and provision of medical care for the woman, and can provide opportunities for counseling to reduce transmission among adults, and from mother to child.

(5) The provision of such counseling, testing, treatment, and services can reduce the overall cost of pediatric cases of acquired immune deficiency syndrome.

(6) The cancellation or limitation of health insurance or other health coverage on the basis of HIV status should be impermissible under applicable law. Such cancellation or limitation could result in disincentives for appropriate counseling, testing, treatment, and services.

(7) For the reasons specified in paragraphs (1) through (6)—

(a) routine HIV counseling and voluntary testing of pregnant women should become the standard of care; and
§ 300ff-34. Perinatal transmission of HIV/AIDS; contingent requirement regarding State grants under this part

(a) Annual determination of reported cases

A State shall annually determine the rate of reported cases of AIDS as a result of perinatal transmission among residents of the State.

(b) Causes of perinatal transmission

In determining the rate under subsection (a), a State shall also determine the possible causes of perinatal transmission. Such causes may include—

(1) the inadequate provision within the State of prenatal counseling and testing in accordance with the guidelines issued by the Centers for Disease Control and Prevention;

(2) the inadequate provision or utilization within the State of appropriate therapy or failure of such therapy to reduce perinatal transmission of HIV, including—

(A) that therapy is not available, accessible or offered to mothers; or

(B) that available therapy is offered but not accepted by mothers; or

(3) other factors (which may include the lack of prenatal care) determined relevant by the State.

c) CDC reporting system

Not later than 4 months after May 20, 1996, the Director of the Centers for Disease Control and Prevention shall develop and implement a system to be used by States to comply with the requirements of subsections (a) and (b). The Director shall issue guidelines to ensure that the data collected is statistically valid.


AMENDMENTS

2009—Pub. L. 111–87 repealed Pub. L. 104–145, § 703, and revived the provisions of this section as in effect on Sept. 30, 2009. See 2009 Amendment note and Effective Date of 2009 Amendment; Revival of Section note below.


2006—Subsec. (d) to (f). Pub. L. 106–345 struck out subsecs. (d) to (f), which related, respectively, to determination by Secretary, contingent applicability, and limitation regarding availability of funds.

1996—Subsec. (d), Pub. L. 104–166, § 5(1)(A), substituted “(1) through (4)” for “(1) through (5)”.


Effective Date of 2009 Amendment; Revival of Section


Effective Date

Section effective May 20, 1996, see section 13(b) of Pub. L. 104–146, set out as an Effective Date of 1996 Amendment note under section 300ff–11 of this title.


§ 300ff-37. State HIV testing programs established prior to or after May 20, 1996

Nothing in this subpart shall be construed to disqualify a State from receiving grants under this subchapter if such State has established at any time prior to or after May 20, 1996, a program of mandatory HIV testing.


Prior Provisions

A prior section 2627 of act July 1, 1944, was classified to section 300ff–35 of this title prior to repeal by Pub. L. 106–345.

AMENDMENTS


Effective Date of 2009 Amendment; Revival of Section


Effective Date

Section effective Oct. 1, 1996, see section 13 of Pub. L. 104–146, set out as an Effective Date of 1996 Amendment note under section 300ff–11 of this title.

§ 300ff–37a. Recommendations for reducing incidence of perinatal transmission

(a) Study by Institute of Medicine

(1) In general

The Secretary shall request the Institute of Medicine to enter into an agreement with the Secretary under which such Institute conducts a study to provide the following:
(A) For the most recent fiscal year for which the information is available, a determination of the number of newborn infants with HIV born in the United States with respect to whom the attending obstetrician for the birth did not know the HIV status of the mother.

(B) A determination for each State of any barriers, including legal barriers, that prevent or discourage an obstetrician from making it a routine practice to offer pregnant women an HIV test and a routine practice to test newborn infants for HIV/AIDS in circumstances in which the obstetrician does not know the HIV status of the mother of the infant.

(C) Recommendations for each State for reducing the incidence of cases of perinatal transmission of HIV, including recommendations on removing the barriers identified under subparagraph (B).

If such Institute declines to conduct the study, the Secretary shall enter into an agreement with another appropriate public or nonprofit private entity to conduct the study.

(2) Report

The Secretary shall ensure that, not later than 18 months after the effective date of this section, the study required in paragraph (1) is completed and a report describing the findings made in the study is submitted to the appropriate committees of the Congress, the Secretary, and the chief public health official of each of the States.

(b) Progress toward recommendations

In fiscal year 2004, the Secretary shall collect information from the States describing the actions taken by the States toward meeting the recommendations specified for the States under subsection (a)(1)(C).

(c) Submission of reports to Congress

The Secretary shall submit to the appropriate committees of the Congress reports describing the information collected under subsection (b).


REFERENCES IN TEXT


PRIOR PROVISIONS

A prior section 2628 of act July 1, 1944, was classified to section 300ff–36 of this title prior to repeal by Pub. L. 106–345.

AMENDMENTS


EFFECTIVE DATE OF 2009 AMENDMENT; REVIVAL OF SECTION


SUBPART III—CERTAIN PARTNER NOTIFICATION PROGRAMS

§ 300ff–38. Grants for partner notification programs

(a) In general

In the case of States whose laws or regulations are in accordance with subsection (b), the Secretary, subject to subsection (c)(2), may make grants to the States for carrying out programs to provide partner counseling and referral services.

(b) Description of compliant State programs

For purposes of subsection (a), the laws or regulations of a State are in accordance with this subsection if under such laws or regulations (including programs carried out pursuant to the discretion of State officials) the following policies are in effect:

(1) The State requires that the public health officer of the State carry out a program of partner notification to inform partners of individuals with HIV/AIDS that the partners may have been exposed to the disease.

(2)(A) In the case of a health entity that provides for the performance on an individual of a test for HIV/AIDS, or that treats the individual for the disease, the State requires, subject to subparagraph (B), that the entity confidentially report the positive test results to the State public health officer in a manner recommended and approved by the Director of the Centers for Disease Control and Prevention, together with such additional information as may be necessary for carrying out such program.

(B) The State may provide that the requirement of subparagraph (A) does not apply to the testing of an individual for HIV/AIDS if the individual underwent the testing through a program designed to perform the test and provide the results to the individual without the individual disclosing his or her identity to the program. This subparagraph may not be construed as affecting the requirement of subparagraph (A) with respect to a health entity that treats an individual for HIV/AIDS.

(3) The program under paragraph (1) is carried out in accordance with the following:

(A) Partners are provided with an appropriate opportunity to learn that the partners have been exposed to HIV/AIDS, subject to subparagraph (B).

(B) The State does not inform partners of the identity of the infected individuals involved.

(C) Counseling and testing for HIV/AIDS are made available to the partners and to infected individuals, and such counseling in-
includes information on modes of transmission for the disease, including information on prenatal and perinatal transmission and preventing transmission.

(D) Counseling of infected individuals and their partners includes the provision of information regarding therapeutic measures for preventing and treating the deterioration of the immune system and conditions arising from the disease, and the provision of other prevention-related information.

(E) Referrals for appropriate services are provided to partners and infected individuals, including referrals for support services and legal aid.

(F) Notifications under subparagraph (A) are provided in person, unless doing so is an unreasonable burden on the State.

(G) There is no criminal or civil penalty on, or civil liability for, an infected individual if the individual chooses not to identify the partners of the individual, or the individual does not otherwise cooperate with such program.

(H) The failure of the State to notify partners is not a basis for the civil liability of any health entity who under the program reported to the State the identity of the infected individual involved.

(I) The State provides that the provisions of the program may not be construed as prohibiting the State from providing a notification under subparagraph (A) without the consent of the infected individual involved.

(4) The State annually reports to the Director of the Centers for Disease Control and Prevention the number of individuals from whom the names of partners have been sought under the program paragraph (1), the number of such individuals who provided the names of partners, and the number of partners so named who were notified under the program.

(5) The State cooperates with such Director in carrying out a national program of partner notification, including the sharing of information between the public health officers of the State.

(c) Reporting system for cases of HIV/AIDS; preference in making grants

In making grants under subsection (a), the Secretary shall give preference to States whose reporting systems for cases of HIV/AIDS produce data on such cases that is sufficiently accurate and reliable for use for purposes of section 300ff–28(a)(2)(D)(i) of this title.

(d) Authorization of appropriations

For the purpose of carrying out this section, there is authorized to be appropriated $10,000,000 for each of the fiscal years 2007 through 2009.

(July 1, 1944, ch. 373, title XXVI, § 2631, as added Pub. L. 106–345, §703, which directed repeal of this section effective Oct. 1, 2009, was itself repealed by Pub. L. 111–87, §2(a)(1), effective Sept. 30, 2009.

Subsecs. (b), (c), Pub. L. 109–415, §704(c), substituted “HIV/AIDS” for “HIV disease” whenever appearing.

Subsec. (d), Pub. L. 109–415, §210, substituted “there is authorized to be appropriated $10,000,000 for each of the fiscal years 2007 through 2009.” for “there are authorized to be appropriated $30,000,000 for fiscal year 2001, and such sums as may be necessary for each of the fiscal years 2002 through 2005.”

Effective Date of 2009 Amendment; Revival of Section


PART C—EARLY INTERVENTION SERVICES


Section 300ff–42, act July 1, 1944, ch. 373, title XXVI, §2642, as added Pub. L. 101–381, title III, §301(a), Aug. 18, 1990, 104 Stat. 599, related to provision of services through medical providers.


Section 300ff–44, act July 1, 1944, ch. 373, title XXVI, §2644, as added Pub. L. 101–381, title III, §301(a), Aug. 18, 1990, 104 Stat. 601; related to the offering and encouraging of early intervention services.

Section 300ff–45, act July 1, 1944, ch. 373, title XXVI, §2645, as added Pub. L. 101–381, title III, §301(a), Aug. 18, 1990, 104 Stat. 602; related to notification of certain individuals receiving blood transfusions.

Section 300ff–46, act July 1, 1944, ch. 373, title XXVI, §2646, as added Pub. L. 101–381, title III, §301(a), Aug. 18, 1990, 104 Stat. 602, related to reporting and partner notification.


Section 300ff–4a, act July 1, 1944, ch. 373, title XXVI, §2649A, as added Pub. L. 101–381, title III, §301(a), Aug. 18, 1990, 104 Stat. 605, related to miscellaneous pre requisites for the Secretary to make a grant.
§ 300ff–51

TITLED—THE PUBLIC HEALTH AND WELFARE

Page 1410


SUBPART I—CATEGORICAL GRANTS

CODIFICATION


PRIOR PROVISIONS


§ 300ff–51. Establishment of a program

(a) In general

For the purposes described in subsection (b), the Secretary, acting through the Administrator of the Health Resources and Services Administration, may make grants to public and nonprofit private entities specified in section 300ff–52(a) of this title.

(b) Requirements

(1) In general

The Secretary may not make a grant under subsection (a) unless the applicant for the grant agrees to expend the grant only for—

(A) core medical services described in subsection (c);

(B) support services described in subsection (d); and

(C) administrative expenses as described in section 300ff–64(g)(3) of this title.

(2) Early intervention services

An applicant for a grant under subsection (a) shall expend not less than 50 percent of the amount received under the grant for the services described in subparagraphs (B) through (E) of subsection (e)(1) for individuals with HIV/AIDS.

(c) Required funding for core medical services

(1) In general

With respect to a grant under subsection (a) to an applicant for a fiscal year, the applicant shall, of the portion of the grant remaining after reserving amounts for purposes of paragraphs (3) and (5) of section 300ff–64(g) of this title, use not less than 75 percent to provide core medical services that are needed for the area involved for individuals with HIV/AIDS who are identified and eligible under this subchapter (including services regarding the co-occurring conditions of the individuals).

(2) Waiver

(A) The Secretary shall waive the application of paragraph (1) with respect to an applicant for a grant if the Secretary determines that, within the service area of the applicant—

(i) there are no waiting lists for AIDS Drug Assistance Program treatments under section 300ff–26 of this title; and

(ii) core medical services are available to all individuals with HIV/AIDS identified and eligible under this subchapter.

(B) Notification of waiver status.—When informing an applicant that a grant under subsection (a) is being made for a fiscal year, the Secretary shall inform the applicant whether a waiver under subparagraph (A) is in effect for the fiscal year.

(3) Core medical services

For purposes of this section, the term “core medical services”, with respect to an individual with HIV/AIDS (including the co-occurring conditions of the individual) means the following services:

(A) Outpatient and ambulatory health services.

(B) AIDS Drug Assistance Program treatments under section 300ff–26 of this title.

(C) AIDS pharmaceutical assistance.

(D) Oral health care.

(E) Early intervention services described in subsection (e).

(F) Health insurance premium and cost sharing assistance for low-income individuals in accordance with section 300ff–25 of this title.

(G) Home health care.

(H) Medical nutrition therapy.

(I) Hospice services.

(J) Home and community-based health services as defined under section 300ff–24(c) of this title.

(K) Mental health services.

(L) Substance abuse outpatient care.

(M) Medical case management, including treatment adherence services.

(d) Support services

(1) In general

For purposes of this section, the term “support services” means services, subject to the approval of the Secretary, that are needed for individuals with HIV/AIDS to achieve their medical outcomes (such as respite care for persons caring for individuals with HIV/AIDS, outreach services, medical transportation, linguistic services, and referrals for health care and support services).

(2) Definition of medical outcomes

In this section, the term “medical outcomes” means those outcomes affecting the HIV-related clinical status of an individual with HIV/AIDS.

(e) Specification of early intervention services

(1) In general

The early intervention services referred to in this section are—

(A) counseling individuals with respect to HIV/AIDS in accordance with section 300ff–62 of this title;

(B) testing individuals with respect to HIV/AIDS, including tests to confirm the presence of the disease, tests to diagnose the extent of the deficiency in the immune system, and tests to provide information on appropriate therapeutic measures for preventing and treating the deterioration of the immune system and for preventing and treating conditions arising from HIV/AIDS;

(C) referrals described in paragraph (2);

(D) other clinical and diagnostic services regarding HIV/AIDS, and periodic medical evaluations of individuals with HIV/AIDS; and
(E) providing the therapeutic measures described in subparagraph (B).

(2) Referrals

The services referred to in paragraph (1)(C) are referrals of individuals with HIV/AIDS to appropriate providers of health and support services, including, as appropriate—
(A) to entities receiving amounts under part A or B for the provision of such services;
(B) to biomedical research facilities of institutions of higher education that offer experimental treatment for such disease, or to community-based organizations or other entities that provide such treatment; or
(C) to grantees under section 300ff-71 of this title, in the case of a pregnant woman.

(3) Requirement of availability of all early intervention services through each grantee

(A) In general

The Secretary may not make a grant under subsection (a) unless the applicant for the grant agrees that each of the early intervention services specified in paragraph (2) will be available through the grantee. With respect to compliance with such agreement, such a grantee may expend the grant to provide the early intervention services directly, and may expend the grant to enter into agreements with public or nonprofit private entities, or private for-profit entities if such entities are the only available provider of quality HIV care in the area, under which the entities provide the services.

(B) Other requirements

Grantees described in—
(i) subparagraphs (A), (D), (E), and (F) of section 300ff-52(a)(1) of this title shall use not less than 50 percent of the amount of such a grant to provide the services described in subparagraphs (A), (B), (D), and (E) of paragraph (1) directly and on-site or at sites where other primary care services are rendered; and
(ii) subparagraphs (B) and (C) of section 300ff-52(a)(1) of this title shall ensure the availability of early intervention services through a system of linkages to community-based primary care providers, and to establish mechanisms for the referrals described in paragraph (1)(C), and for follow-up concerning such referrals.

(2) Eligible entities

(a) Minimum qualifications of grantees

(1) In general

The entities referred to in section 300ff-51(a) of this title are public entities and nonprofit private entities that are—
(B) grantees under section 300 of this title (regarding family planning) other than States;
(C) comprehensive hemophilia diagnostic and treatment centers;
(D) rural health clinics;
(E) health facilities operated by or pursuant to a contract with the Indian Health Service;
(F) community-based organizations, clinics, hospitals and other health facilities that provide early intervention services to those persons infected with HIV/AIDS through intravenous drug use; or
(G) nonprofit private entities that provide comprehensive primary care services to populations at risk of HIV/AIDS, including faith-based and community-based organizations.

(2) Underserved populations

Entities described in paragraph (1) shall serve underserved populations which may include minority populations and Native American populations, ex-offenders, individuals with comorbidities including hepatitis B or C, mental illness, or substance abuse, low-income
§ 300ff–53

TITLE 42—THE PUBLIC HEALTH AND WELFARE

Page 1412

populations, inner city populations, and rural populations.

(b) Status as medicaid provider

(1) In general

Subject to paragraph (2), the Secretary may not make a grant under section 300ff–51 of this title for the provision of services described in subsection (b) of such section in a State unless, in the case of any such service that is available pursuant to the State plan approved under title XIX of the Social Security Act [42 U.S.C. 1396 et seq.] for the State—

(A) the applicant for the grant will provide the service directly, and the applicant has entered into a participation agreement under the State plan and is qualified to receive benefits thereunder; or

(B) the applicant for the grant will enter into an agreement with a public or nonprofit private entity, or a private for-profit entity if such entity is the only available provider of quality HIV care in the area, under which the entity will provide the service, and the entity has entered into such a participation agreement and is qualified to receive such payments.

(2) Waiver regarding certain secondary agreements

(A) In the case of an entity making an agreement pursuant to paragraph (1)(B) regarding the provision of services, the requirement established in such paragraph regarding a participation agreement shall be waived by the Secretary if the entity does not, in providing health care services, impose a charge or accept reimbursement available from any third-party payor, including reimbursement under any insurance policy or under any Federal or State health benefits program.

(B) A determination by the Secretary of whether an entity referred to in subparagraph (A) meets the criteria for a waiver under such subparagraph shall be made without regard to whether the entity accepts voluntary donations regarding the provision of services to the public.


REFERENCES IN TEXT


AMENDMENTS


Subsec. (a). Pub. L. 109–415, §302(a), amended heading and text of subsec. (a) generally, substituting provisions listing eligible entities and directing that such entities serve underserved populations for provisions listing eligible entities.

2003—Subsec. (a)(2). Pub. L. 108–163 inserted "or a private for-profit entity if such entity is the only available provider of quality HIV care in the area,” after “nonprofit private entity".

1996—Subsec. (a). Pub. L. 101–557 substituted “referred to in section 300ff–51(a) of this title” for “referred to in subsection (b) of this section”, redesignated pars. (A) to (F) as (1) to (6), respectively, and substituted “nonprofit private entities that provide” for “a nonprofit private entity that provides” in par. (6).

EFFECTIVE DATE OF 2009 AMENDMENT; REVIVAL OF SECTION


EFFECTIVE DATE OF 2003 AMENDMENT


EFFECTIVE DATE OF 1996 AMENDMENT


REFERENCE TO COMMUNITY, MIGRANT, PUBLIC HOUSING, OR HOMELESS HEALTH CENTER CONSIDERED REFERENCE TO HEALTH CENTER

Reference to community health center, migrant health center, public housing health center, or homeless health center considered reference to health center, see section 6(c) of Pub. L. 104–209, set out as a note under section 254b of this title.

§ 300ff–53. Preferences in making grants

(a) In general

In making grants under section 300ff–51 of this title, the Secretary shall give preference to any qualified applicant experiencing an increase in the burden of providing services regarding HIV/AIDS, as indicated by the factors specified in subsection (b).

(b) Specification of factors

(1) In general

In the case of the geographic area with respect to which the entity involved is applying for a grant under section 300ff–51 of this title, the factors referred to in subsection (a), as determined for the period specified in paragraph (2), are—

(A) the number of cases of HIV/AIDS;

(B) the rate of increase in such cases;

(C) the lack of availability of early intervention services;
(D) the number of other cases of sexually transmitted diseases, and 1 the number of cases of tuberculosis and of drug abuse 2 and the number of cases of individuals co-infected with HIV/AIDS and hepatitis B or C; (E) the rate of increase in each of the cases specified in subparagraph (D); (F) the lack of availability of primary health services from providers other than such applicant; and (G) the distance between such area and the nearest community that has an adequate level of availability of appropriate HIV-related services, and the length of time required to travel such distance. 

(2) Relevant period of time

The period referred to in paragraph (1) is the 2-year period preceding the fiscal year for which the entity involved is applying to receive a grant under section 300ff–51 of this title.

(c) Equitable allocations

In providing preferences for purposes of subsection (b), the Secretary shall equitably allocate the preferences among urban and rural areas.

(d) Certain areas

Of the applicants who qualify for preference under this section—

(1) the Secretary shall give preference to applicants that will expend the grant under section 300ff–51 of this title to provide early intervention under such section in rural areas; and

(2) the Secretary shall give preference to areas that are underserved with respect to such services.

(3) Preference


§ 300ff–54. Miscellaneous provisions

(a) Services for individuals with hemophilia

In making grants under section 300ff–51 of this title, the Secretary shall ensure that any such grants made regarding the provision of early intervention services to individuals with hemophilia are made through the network of comprehensive hemophilia diagnostic and treatment centers.

(b) Technical assistance

The Secretary may, directly or through grants or contracts, provide technical assistance to nonprofit private entities regarding the process of submitting to the Secretary applications for grants under section 300ff–51 of this title, and may provide technical assistance with respect to the planning, development, and operation of any program or service carried out pursuant to such section.

(c) Planning and development grants

(1) In general

The Secretary may provide planning grants to public and nonprofit private entities for purposes of—

(A) enabling such entities to provide early intervention services; and

(B) assisting the entities in expanding their capacity to provide HIV/AIDS-related health services, including early intervention services, in low-income communities and affected subpopulations that are underserved with respect to such services (subject to the condition that a grant pursuant to this subparagraph may not be expended to purchase or improve land, or to purchase, construct, or permanently improve, other than minor remodeling, any building or other facility).

(2) Requirement

The Secretary may only award a grant to an entity under paragraph (1) if the Secretary determines that the entity will use such grant to assist the entity in qualifying for a grant under section 300ff–51 of this title.

(3) Preference

In awarding grants under paragraph (1), the Secretary shall give preference to entities that provide primary care services in rural areas or to underserved populations.

(4) Amount and duration of grants

(A) Early intervention services

A grant under paragraph (1)(A) may be made in an amount not to exceed $50,000.

(B) Capacity development

(i) Amount

A grant under paragraph (1)(B) may be made in an amount not to exceed $150,000.

(ii) Duration

The total duration of a grant under paragraph (1)(B), including any renewal, may not exceed 3 years.
(5) Limitation

Not to exceed 5 percent of the amount appropriated for a fiscal year under section 300ff-55 of this title may be used to carry out this section.


AMENDMENTS


Subsec. (c)(3). Pub. L. 109–415, §302(c)(2), substituted “or to underserved populations” for “or to underserved communities”.

2000—Subsec. (c)(1). Pub. L. 106–345, §312(a), substituted “planning grants to public and nonprofit private entities for purposes of—” and subpars. (A) and (B) for “planning grants, in an amount not to exceed $50,000 for each such grant, to public and nonprofit private entities for the purpose of enabling such entities to provide HIV early intervention services.”


Subsec. (c)(5). Pub. L. 106–345, §312(b)(1), (c), redesignated par. (4) as (5) and substituted “5 percent” for “1 percent”.


EFFECTIVE DATE OF 2009 AMENDMENT; REVIVAL OF SECTION


EFFECTIVE DATE OF 1996 AMENDMENT


§ 300ff-55. Authorization of appropriations

For the purpose of making grants under section 300ff–51 of this title, there are authorized to be appropriated, $218,600,000 for fiscal year 2007, $226,700,000 for fiscal year 2008, $235,100,000 for fiscal year 2009, $246,855,000 for fiscal year 2010, $259,198,000 for fiscal year 2011, $272,158,000 for fiscal year 2012, and $285,766,000 for fiscal year 2013 for “and $250,100,000 for fiscal year 2009”.


Pub. L. 109–415, §303, substituted “$218,600,000 for fiscal year 2007, $226,700,000 for fiscal year 2008, and $235,100,000 for fiscal year 2009” for “such sums as may be necessary for each of the fiscal years 2001 through 2005”.


1996—Pub. L. 104–146 substituted “such sums as may be necessary in each of the fiscal years 1996, 1997, 1998, 1999, and 2000” for “$75,000,000 for fiscal years 1991, and such sums as may be necessary for each of the fiscal years 1992 through 1996”.

EFFECTIVE DATE OF 2009 AMENDMENT; REVIVAL OF SECTION

For provisions that repeal by section 2(a)(1) of Pub. L. 111–87 of section 703 of Pub. L. 109–145 be effective Sept. 30, 2009, that the provisions of this section as in effect on Sept. 30, 2009, be revived, and that amendment by section 2(d) of Pub. L. 111–87 be applicable to this section as so revived and effective as if enacted on Sept. 30, 2009, see section 2(a)(2), (3) of Pub. L. 111–87, set out as a note under section 11 of this title.

EFFECTIVE DATE OF 1996 AMENDMENT


SUBPART II—GENERAL PROVISIONS

CONDIFICATION


PRIOR PROVISIONS

A prior subpart II, consisting of sections 300ff–51 to 300ff–55, was redesignated subpart I of this part by Pub. L. 106–345, title III, §301(b)(1), Oct. 20, 2000, 114 Stat. 1345.

§ 300ff-61. Confidentiality and informed consent

(a) Confidentiality

The Secretary may not make a grant under this part unless, in the case of any entity applying for a grant under section 300ff–51 of this title, the entity agrees to ensure that information regarding the receipt of early intervention services pursuant to the grant is maintained confidentially in a manner not inconsistent with applicable law.

(b) Informed consent

The Secretary may not make a grant under this part unless the applicant for the grant agrees that, in testing an individual for HIV/AIDS, the applicant will test an individual only if, in the case of any entity applying for a grant under section 300ff–51 of this title, the entity agrees to ensure that informed consent of the individual with respect to undergoing such testing is voluntarily made.

AMENDMENTS


Pub. L. 109–415, §304, reenacted section catchline without change and amended text generally, substituting provisions relating to confidentiality and informed consent for provisions relating to confidentiality, informed written consent, and anonymous testing.

2000—Subsec. (a). Pub. L. 106–345 struck out par. (1) and par. (2) designation. Prior to amendment, par. (1) read as follows: “In the case of any State applying for a grant under section 300ff–41 of this title, the State agrees to ensure that information regarding the receipt of early intervention services is maintained confidentially pursuant to law or regulations in a manner not inconsistent with applicable law; and”.

EFFECTIVE DATE OF 2009 AMENDMENT; REVIVAL OF SECTION

§300ff–62. Provision of certain counseling services
(a) Counseling of individuals with negative test results
The Secretary may not make a grant under this part unless the applicant for the grant agrees that, if the results of testing conducted for HIV/AIDS indicate that the individual has such condition, the applicant will provide to the individual appropriate counseling regarding the condition, including—
(1) information regarding—
(A) measures for prevention of, exposure to, and transmission of HIV/AIDS, hepatitis B, and hepatitis C;
(B) the accuracy and reliability of results of testing for HIV/AIDS, hepatitis B, and hepatitis C; and
(C) the significance of the results of such testing, including the potential for developing AIDS, hepatitis B, or hepatitis C;
(2) reviewing the appropriateness of further counseling, testing, and education of the individual regarding HIV/AIDS and other sexually transmitted diseases; and
(3) providing counseling—
(A) on the availability, through the applicant, of early intervention services;
(B) on the availability in the geographic area of appropriate health care, mental health care, and social and support services, including providing referrals for such services, as appropriate;
(C)(i) that explains the benefits of locating and counseling any individual by whom the infected individual may have been exposed to HIV/AIDS, hepatitis B, or hepatitis C and any individual whom the infected individual may have exposed to HIV/AIDS, hepatitis B, or hepatitis C; and
(ii) that emphasizes it is the duty of infected individuals to disclose their infected status to their sexual partners and their partners in the sharing of hypodermic needles, that provides advice to infected individuals on the manner in which such disclosures can be made; and that emphasizes that it is the continuing duty of the individuals to avoid any behaviors that will expose others to HIV/AIDS, hepatitis B, or hepatitis C; and
(D) on the availability of the services of public health authorities with respect to locating and counseling any individual described in subparagraph (C);
(4) if diagnosed with chronic hepatitis B or hepatitis C co-infection, the potential of developing hepatitis-related liver disease and its impact on HIV/AIDS; and
(5) information regarding the availability of hepatitis B vaccine.

(b) Counseling of individuals with positive test results
The Secretary may not make a grant under this part unless the applicant for the grant agrees that, if the results of testing for HIV/AIDS indicate that the individual has such condition, the applicant will provide to the individual appropriate counseling regarding the condition, including—
(1) information regarding—
(A) measures for prevention of, exposure to, and transmission of HIV/AIDS, hepatitis B, and hepatitis C;
(B) the accuracy and reliability of results of testing for HIV/AIDS, hepatitis B, and hepatitis C; and
(C) the significance of the results of such testing, including the potential for developing AIDS, hepatitis B, or hepatitis C;
(2) reviewing the appropriateness of further counseling, testing, and education of the individual regarding HIV/AIDS and other sexually transmitted diseases; and
(3) providing counseling—
(A) on the availability, through the applicant, of early intervention services;
(B) on the availability in the geographic area of appropriate health care, mental health care, and social and support services, including providing referrals for such services, as appropriate;
(C)(i) that explains the benefits of locating and counseling any individual by whom the infected individual may have been exposed to HIV/AIDS, hepatitis B, or hepatitis C and any individual whom the infected individual may have exposed to HIV/AIDS, hepatitis B, or hepatitis C; and
(ii) that emphasizes it is the duty of infected individuals to disclose their infected status to their sexual partners and their partners in the sharing of hypodermic needles, that provides advice to infected individuals on the manner in which such disclosures can be made; and that emphasizes that it is the continuing duty of the individuals to avoid any behaviors that will expose others to HIV/AIDS, hepatitis B, or hepatitis C; and
(D) on the availability of the services of public health authorities with respect to locating and counseling any individual described in subparagraph (C);
(4) if diagnosed with chronic hepatitis B or hepatitis C co-infection, the potential of developing hepatitis-related liver disease and its impact on HIV/AIDS; and
(5) information regarding the availability of hepatitis B vaccine.

(c) Additional requirements regarding appropriate counseling
The Secretary may not make a grant under this part unless the applicant for the grant agrees that, in counseling individuals with respect to HIV/AIDS, the applicant will ensure that the counseling is provided under conditions appropriate to the needs of the individuals.

(d) Counseling of emergency response employees
The Secretary may not make a grant under this part to a State unless the State agrees that, in counseling individuals with respect to HIV/AIDS, the State will ensure that, in the case of emergency response employees, the counseling
is provided to such employees under conditions appropriate to the needs of the employees regarding the counseling.

(e) Rule of construction regarding counseling without testing
Agreements made pursuant to this section may not be construed to prohibit any grantee under this part from expending the grant for the purpose of providing counseling services described in this section to an individual who does not undergo testing for HIV/AIDS as a result of the grantee or the individual determining that such testing of the individual is not appropriate.

Sept. 30, 2009, and that the provisions of this section as in effect on Sept. 30, 2009. See 2006 Amendment note and Effective Date of 2009 Amendment; Revival of Section note below.


§ 300ff–64. Additional required agreements

(a) Reports to Secretary
The Secretary may not make a grant under this part unless—

(1) the applicant submits to the Secretary—
   (A) a specification of the expenditures made by the applicant for early intervention services for the fiscal year preceding the fiscal year for which the applicant is applying to receive the grant;
   (B) an estimate of the number of individuals to whom the applicant has provided such services for such fiscal year;
   (C) information regarding how the expected expenditures of the grant are related to the planning process for localities funded under part A (including the planning process described in section 300ff–12 of this title) and for States funded under part B (including the planning process described in section 300ff–27(b) of this title); and
   (D) a specification of the expected expenditures and how those expenditures will improve overall client outcomes, as described in the State plan under section 300ff–27(b) of this title;

(2) the applicant agrees to submit to the Secretary a report providing—
   (A) the number of individuals to whom the applicant provides early intervention services pursuant to the grant;
   (B) epidemiological and demographic data on the population of such individuals;
   (C) the extent to which the costs of HIV-related health care for such individuals are paid by third-party payors;
   (D) the average costs of providing each category of early intervention service; and
   (E) the aggregate amounts expended for each such category;

(3) the applicant agrees to provide additional documentation to the Secretary regarding the process used to obtain community input into the design and implementation of activities related to such grant; and

AMENDMENTS


(b) Provision of opportunities for anonymous counseling and testing

The Secretary may not make a grant under this part unless the applicant for the grant agrees that, to the extent permitted under State law, regulation or rule, the applicant will offer substantial opportunities for an individual—

1. to undergo counseling and testing regarding HIV/AIDS without being required to provide any information relating to the identity of the individual; and

2. to undergo such counseling and testing through the use of a pseudonym.

(c) Prohibition against requiring testing as condition of receiving other health services

The Secretary may not make a grant under this part unless the applicant for the grant agrees that, with respect to an individual seeking health services from the applicant, the applicant will not require the individual to undergo testing for HIV as a condition of receiving any health services unless such testing is medically indicated in the provision of the health services sought by the individual.

(d) Maintenance of support

The Secretary may not make a grant under this part unless the applicant for the grant agrees to maintain the expenditures of the applicant for early intervention services at a level equal to not less than the level of such expenditures maintained by the State for the fiscal year preceding the fiscal year for which the applicant is applying to receive the grant.

(e) Requirements regarding imposition of charges for services

(1) In general

The Secretary may not make a grant under this part unless, subject to paragraph (5), the applicant for the grant agrees that—

A. in the case of individuals with an income less than or equal to 100 percent of the official poverty line, the applicant will not impose a charge on any such individual for the provision of early intervention services under the grant;

B. in the case of individuals with an income greater than 100 percent of the official poverty line, the applicant—

(i) will impose a charge on each such individual for the provision of such services; and

(ii) will impose the charge according to a schedule of charges that is made available to the public.

(2) Limitation on charges regarding individuals subject to charges

With respect to the imposition of a charge for purposes of paragraph (1)(B)(ii), the Secretary may not make a grant under this part unless, subject to paragraph (5), the applicant for the grant agrees that—

A. in the case of individuals with an income greater than 100 percent of the official poverty line, the applicant will not, for any calendar year, impose charges in an amount exceeding 5 percent of the annual gross income of the individual involved;

B. in the case of individuals with an income greater than 200 percent of the official poverty line and not exceeding 300 percent of such poverty line, the applicant will not, for any calendar year, impose charges in an amount exceeding 7 percent of the annual gross income of the individual involved; and

C. in the case of individuals with an income greater than 300 percent of the official poverty line, the applicant will not, for any calendar year, impose charges in an amount exceeding 10 percent of the annual gross income of the individual involved.

(f) Relationship to items and services under other programs

(1) In general

The Secretary may not make a grant under this part unless the applicant for the grant agrees that, subject to paragraph (2), the grant will not be expended by the applicant, or by any entity receiving amounts from the applicant for the provision of early interventionservices, subject to the provisions of such paragraph regarding public schedules and of paragraph (2) regarding limitations on the maximum amount of charges; and

(f) Waiver regarding certain secondary agreements

The requirement established in paragraph (1)(B)(i) shall be waived by the Secretary in the case of any entity for whom the Secretary has granted a waiver under section 300ff-52(b)(2) of this title.

(f) Relationship to items and services under other programs

(1) In general

The Secretary may not make a grant under this part unless the applicant for the grant agrees that, subject to paragraph (2), the grant will not be expended by the applicant, or by any entity receiving amounts from the applicant for the provision of early intervention services, subject to the provisions of such paragraph regarding public schedules and of paragraph (2) regarding limitations on the maximum amount of charges; and
services, to make payment for any such service to the extent that payment has been made, or can reasonably be expected to be made, with respect to such service—

(A) under any State compensation program, under an insurance policy, or under any Federal or State health benefits program (except for a program administered by or providing the services of the Indian Health Service); or

(B) by an entity that provides health services on a prepaid basis.

(2) Applicability to certain secondary agreements for provision of services

An agreement made under paragraph (1) shall not apply in the case of an entity through which a grantee under this part provides early intervention services if the Secretary has provided a waiver under section 300ff–52(b) of this title regarding the entity.

(g) Administration of grant

The Secretary may not make a grant under this part unless the applicant for the grant agrees that—

1. the applicant will not expend amounts received pursuant to this part for any purpose other than the purposes described in the subpart under which the grant involved is made;

2. the applicant will establish such procedures for fiscal control and fund accounting as may be necessary to ensure proper disbursement and accounting with respect to the grant;

3. the applicant will not expend more than 10 percent of the grant for administrative expenses with respect to the grant, including planning and evaluation, except that the costs of a clinical quality management program under paragraph (5) may not be considered administrative expenses for purposes of such limitation;

4. the applicant will submit evidence that the proposed program is consistent with the statewide coordinated statement of need and agree to participate in the ongoing revision of such statement of need; and

5. the applicant will provide for the establishment of a clinical quality management program—

(A) to assess the extent to which medical services funded under this subchapter that are provided to patients are consistent with the most recent Public Health Service guidelines for the treatment of HIV/AIDS and related opportunistic infections, and as applicable, to develop strategies for ensuring that such services are consistent with the guidelines; and

(B) to ensure that improvements in the access to and quality of HIV health services are addressed.

(Amendments)


Subsec. (a)(1)(C), (D), Pub. L. 110–415, §702(b)(1), added subpars. (C) and (D).

Subsec. (a)(3), (4), Pub. L. 110–415, §306(b)(2), (3), added paras. (3) and (4).


Subsec. (f)(1)(A). Pub. L. 110–415, §306(c), inserted “(except for a program administered by or providing the services of the Indian Health Service)” before semicolon.

Subsec. (g)(3). Pub. L. 110–415, §301(b)(1), amended par. (3) generally. Prior to amendment, par. (3) read as follows: “the applicant will not expend more than 10 percent including planning and evaluation of the grant for administrative expenses with respect to the grant;”.


2000—Subsecs. (e)(5), (f)(2). Pub. L. 106–345, §301(b)(3)(A), (B), struck out “300ff–42(b) or” after “a waiver under section”.

Subsec. (g)(3). Pub. L. 106–345, §322(1)(A), substituted “10 percent” for “7.5 percent”.


Subsec. (h). Pub. L. 106–345, §301(b)(3)(C), struck out heading and text of subsec. (h). Text read as follows: “A State may not use amounts received under a grant awarded under section 300ff–41 of this title to purchase or improve land, or to purchase, construct, or permanently improve (other than with remodeling) any building or other facility, or to make cash payments to intended recipients of services.”

1996—Subsec. (g)(3). Pub. L. 104–146, §3(d)(5)(B)(i), substituted “7.5 percent including planning and evaluation” for “5 percent”.


Effective Date of 2009 Amendment; Revival of Section


Effective Date of 1996 Amendment


§ 300ff–65. Requirement of submission of application containing certain agreements and assurances

The Secretary may not make a grant under this part unless—

1. an application for the grant is submitted to the Secretary containing agreements and assurances in accordance with this part and containing the information specified in section 300ff–64(a)(1) of this title;

2. with respect to such agreements, the application provides assurances of compliance satisfactory to the Secretary; and
(3) the application otherwise is in such form, is made in such manner, and contains such agreements, assurances, and information as the Secretary determines to be necessary to carry out this part.


AMENDMENTS


EFFECTIVE DATE OF 2009 AMENDMENT; REVIVAL OF SECTION

§ 300ff–66. Provision by Secretary of supplies and services in lieu of grant funds

(a) In general
Upon the request of a grantee under this part, the Secretary may, subject to subsection (b), provide supplies, equipment, and services for the purpose of aiding the grantee in providing early intervention services and, for such purpose, may detail to the State any officer or employee of the Department of Health and Human Services.

(b) Limitation
With respect to a request described in subsection (a), the Secretary shall reduce the amount of payments under the grant involved by an amount equal to the costs of detailing personnel and the fair market value of any supplies, equipment, or services provided by the Secretary. The Secretary shall, for the payment of expenses incurred in complying with such request, expend the amounts withheld.


AMENDMENTS


EFFECTIVE DATE OF 2009 AMENDMENT; REVIVAL OF SECTION

§ 300ff–67. Use of funds
Counseling programs carried out under this part—
(1) shall not be designed to promote or encourage, directly, intravenous drug abuse or sexual activity, homosexual or heterosexual;
(2) shall be designed to reduce exposure to and transmission of HIV/AIDS by providing accurate information;
(3) shall provide information on the health risks of promiscuous sexual activity and intravenous drug abuse; and
(4) shall provide information on the transmission and prevention of hepatitis A, B, and C, including education about the availability of hepatitis A and B vaccines and assisting patients in identifying vaccination sites.


AMENDMENTS


EFFECTIVE DATE OF 2009 AMENDMENT; REVIVAL OF SECTION

PART D—WOMEN, INFANTS, CHILDREN, AND YOUTH

CODIFICATION

§ 300ff–71. Grants for coordinated services and access to research for women, infants, children, and youth

(a) In general
The Secretary, acting through the Administrator of the Health Resources and Services Administration, shall award grants to public and
nonprofit private entities (including a health facility operated by or pursuant to a contract with the Indian Health Service) for the purpose of providing family-centered care involving outpatient or ambulatory care (directly or through contracts or memoranda of understanding) for women, infants, children, and youth with HIV/AIDS.

(b) Additional services for patients and families

Funds provided under grants awarded under subsection (a) may be used for the following support services:

(1) Family-centered care including case management.
(2) Referrals for additional services including—
   (A) referrals for inpatient hospital services, treatment for substance abuse, and mental health services; and
   (B) referrals for other social and support services, as appropriate.
(3) Additional services necessary to enable the patient and the family to participate in the program established by the applicant pursuant to such subsection including services designed to recruit and retain youth with HIV.
(4) The provision of information and education on opportunities to participate in HIV/AIDS-related clinical research.

(c) Coordination with other entities

A grant awarded under subsection (a) may be made only if the applicant provides an agreement that includes the following:

(1) The applicant will coordinate activities under the grant with other providers of health care services under this chapter, and under title V of the Social Security Act [42 U.S.C. 701 et seq.], including programs promoting the reduction and elimination of risk of HIV/AIDS for youth.
(2) The applicant will participate in the statewide coordinated statement of need under part B (where it has been initiated by the public health agency responsible for administering grants under part B) and in revisions of such statement.
(3) The applicant will every 2 years submit to the lead State agency under section 300ff–27(b)(4) of this title audits regarding the operation during the current fiscal year, the Secretary may provide for the conduct and completion of a review of the operation during the year of the program carried out under such subsection by the entity. The purpose of such review shall be the development of recommendations, as appropriate, for improvements in the following:
   (A) Procedures used by the entity to allocate opportunities and services under subsection (a) among patients of the entity who are women, infants, children, or youth.
   (B) Other procedures or policies of the entity regarding the participation of such individuals in such program.

(2) Evaluations

The Secretary shall, directly or through contracts with public and private entities, provide for evaluations of programs carried out pursuant to subsection (a).

(f) Administrative expenses

(1) Limitation

A grantee may not use more than 10 percent of amounts received under a grant awarded under this section for administrative expenses.

(2) Clinical quality management program

A grantee under this section shall implement a clinical quality management program to assess the extent to which HIV health services provided to patients under the grant are consistent with the most recent Public Health Service guidelines for the treatment of HIV/AIDS and related opportunistic infection, and as applicable, to develop strategies for ensuring that such services are consistent with the guidelines for improvement in the access to and quality of HIV health services.

(g) Training and technical assistance

From the amounts appropriated under subsection (j) for a fiscal year, the Secretary may use not more than 5 percent to provide, directly or through contracts with public and private entities (which may include grantees under subsection (a)), training and technical assistance to assist applicants and grantees under subsection (a) in complying with the requirements of this section.

(h) Definitions

In this section:

(1) Administrative expenses

The term “administrative expenses” means funds that are to be used by grantees for grant management and monitoring activities, in-
including costs related to any staff or activity unrelated to services or indirect costs. (2) Indirect costs

The term "indirect costs" means costs included in a Federally negotiated indirect rate. (3) Services

The term "services" means—

(A) services that are provided to clients to meet the goals and objectives of the program under this section, including the provision of professional, diagnostic, and therapeutic services by a primary care provider or a referral to and provision of specialty care; and

(B) services that sustain program activity and contribute to or help improve services under subparagraph (A).

(i) Application to primary care services

Nothing in this part shall be construed as requiring funds under this part to be used for primary care services when payments are available for such services from other sources (including under titles XVIII, XIX, and XXI of the Social Security Act [42 U.S.C. 1395 et seq., 1396 et seq., 1397aa et seq.]).

(j) Authorization of appropriations

For the purpose of carrying out this section, there are authorized to be appropriated, $71,800,000 for each of the fiscal years 2007 through 2009, $75,390,000 for fiscal year 2010, $79,160,000 for fiscal year 2011, $83,117,000 for fiscal year 2012, and $87,273,000 for fiscal year 2013.


REFERENCES IN TEXT

The Social Security Act, referred to in subsec. (c)(1) and (i), is act Aug. 14, 1935, ch. 531, 49 Stat. 620. Titles V, XVIII, XIX, and XXI of the Act are classified generally to subchapters V (§701 et seq.), XVIII (§1395 et seq.), XIX ($1396 et seq.), and XXI ($1397aa et seq.), respectively, of chapter 7 of this title. For complete classification of this Act to the Code, see section 1305 of this title and Tables.

PRIOR PROVISIONS

Prior sections 300ff–71 to 300ff–78 were omitted in the general amendment of this part by Pub. L. 109–415.


AMENDMENTS


Subsec. (a). Pub. L. 111–87, § 11(b), substituted "(directly or through contracts or memoranda of understanding)" for "(directly or through contracts)".

Subsec. (g). Pub. L. 111–87, § 11(a)(2), substituted "subsection (j)" for "subsection (i)".


EFFECTIVE DATE OF 2009 AMENDMENT; REVIVAL OF SECTION

For provisions that repeal by section 2(a)(1) of Pub. L. 111–87 of section 703 of Pub. L. 109–415 be effective on Sept. 30, 2009, that the provisions of this section as in effect on Sept. 30, 2009, be revived, and that amendment by sections 2(e) and 11 of Pub. L. 111–87 be applicable to this section as so revived and effective as if enacted on Sept. 30, 2009, see section 2(a)(2), (3) of Pub. L. 111–87, set out as a note under section 300ff–11 of this title.

PART E—GENERAL PROVISIONS

CODIFICATION


PRIOR PROVISIONS

A prior section 300ff–80, act July 1, 1944, ch. 373, title XXVI, § 2680, as added Pub. L. 101–381, title IV, § 411(a),
§ 300ff–81. Coordination

(a) Requirement

The Secretary shall ensure that the Health Resources and Services Administration, the Centers for Disease Control and Prevention, the Substance Abuse and Mental Health Services Administration, and the Centers for Medicare & Medicaid Services coordinate the planning, funding, and implementation of Federal HIV programs (including all minority AIDS initiatives of the Public Health Service, including under section 300ff–121 of this title) to enhance the continuity of care and prevention services for individuals with HIV/AIDS or those at risk of such disease. The Secretary shall consult with other Federal agencies, including the Department of Veterans Affairs, as needed and utilize planning information submitted to such agencies by the States and entities eligible for assistance under this subchapter.

(b) Report

The Secretary shall biennially prepare and submit to the appropriate committees of the Congress a report concerning the coordination efforts at the Federal, State, and local levels described in this section, including a description of Federal barriers to HIV program integration and a strategy for eliminating such barriers and enhancing the continuity of care and prevention services for individuals with HIV/AIDS or those at risk of such disease.

(c) Integration by State

As a condition of receipt of funds under this subchapter, a State shall provide assurances to the Secretary that health support services funded under this subchapter will be integrated with other such services, that programs will be coordinated with other available programs (including Medicaid), and that the continuity of care and prevention services of individuals with HIV/AIDS is enhanced.

(d) Integration by local or private entities

As a condition of receipt of funds under this subchapter, a local government or private non-profit entity shall provide assurances to the Secretary that services funded under this subchapter will be integrated with other such services, that programs will be coordinated with other available programs (including Medicaid), and that the continuity of care and prevention services of individuals with HIV is enhanced.

§ 300ff–82. Audits

(a) In general

For fiscal year 2009, and each subsequent fiscal year, the Secretary may reduce the amounts of grants under this subchapter to a State or political subdivision of a State for a fiscal year if, with respect to such grants for the second preceding fiscal year, the State or subdivision fails to prepare audits in accordance with the procedures of section 7502 of title 31. The Secretary shall annually select representative samples of such audits, prepare summaries of the selected audits, and submit the summaries to the Congress.

(b) Posting on the Internet

All audits that the Secretary receives from the State lead agency under section 300ff–27(b)(4) of this title shall be posted, in their entirety, on the Internet website of the Health Resources and Services Administration.

§ 300ff–83. Public health emergency

(a) In general

In an emergency area and during an emergency period, the Secretary shall have the au-
authority to waive such requirements of this subchapter to improve the health and safety of those receiving care under this subchapter and the general public, except that the Secretary may not expend more than 5 percent of the funds allocated under this subchapter for sections 300ff-29a of this title and section 300ff-13(b) of this title.

(b) Emergency area and emergency period

In this section:

(1) Emergency area

The term ‘‘emergency area’’ means a geographic area in which there exists—

(A) an emergency or disaster declared by the President pursuant to the National Emergencies Act (50 U.S.C. 1601 et seq.) or the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.); or

(B) a public health emergency declared by the Secretary pursuant to section 247d of this title.

(2) Emergency period

The term ‘‘emergency period’’ means the period in which there exists—

(A) an emergency or disaster declared by the President pursuant to the National Emergencies Act or the Robert T. Stafford Disaster Relief and Emergency Assistance Act; or

(B) a public health emergency declared by the Secretary pursuant to section 247d of this title.

(c) Unobligated funds

If funds under a grant under this section are not expended for an emergency in the fiscal year in which the emergency is declared, such funds shall be returned to the Secretary for reallocation under sections 300ff-13(b) and 300ff-29a of this title.


References in Text


Prior Provisions


AMENDMENTS

2009—Pub. L. 111-87 repealed Pub. L. 109-415, § 703, and revised the provisions of this section as in effect on Sept. 30, 2009. See 2006 Amendment note and Effective Date of 2009 Amendment; Revival of Section note below.


Effective Date of 2009 Amendment; Revival of Section


§ 300ff-84. Prohibition on promotion of certain activities

None of the funds appropriated under this subchapter shall be used to fund AIDS programs, or to develop materials, designed to promote or encourage, directly, intravenous drug use or sexual activity, whether homosexual or heterosexual. Funds authorized under this subchapter may be used to provide medical treatment and support services for individuals with HIV.


Prior Provisions


AMENDMENTS

2009—Pub. L. 111-87 repealed Pub. L. 109-415, § 703, and revised the provisions of this section as in effect on Sept. 30, 2009. See 2006 Amendment note and Effective Date of 2009 Amendment; Revival of Section note below.


Effective Date of 2009 Amendment; Revival of Section


§ 300ff-85. Privacy protections

(a) In general

The Secretary shall ensure that any information submitted to, or collected by, the Secretary under this subchapter excludes any personally identifiable information.

(b) Definition

In this section, the term ‘‘personally identifiable information’’ has the meaning given such term under the regulations promulgated under section 264(c) of the Health Insurance Portability and Accountability Act of 1996.

So in original. The word ‘‘section’’ probably should not appear.
§ 300ff-86. GAO report

The Comptroller General of the Government Accountability Office shall, not less than 1 year after October 30, 2009, submit to the appropriate committees of Congress a report describing Minority AIDS Initiative activities across the Department of Health and Human Services, including programs under this subchapter and programs at the Centers for Disease Control and Prevention, the Substance Abuse and Mental Health Services Administration, and other departmental agencies. Such report shall include a history of program activities within each relevant agency and a description of activities conducted, people served and types of grantees funded, and shall collect and describe best practices in community outreach and capacity-building of community based organizations serving the communities that are disproportionately affected by HIV/AIDS.

(1) Methodology for and rationale behind developing the severity of need index, including information related to the field testing of the severity of need index.

(2) An independent contractor analysis of activities carried out under paragraph (1).

(3) Information regarding the process by which the Secretary received community input regarding the application and development of the severity of need index.

(d) Annual reports

If the Secretary fails to submit the severity of need index under subsection (a) in either of fiscal years 2007 or 2008, the Secretary shall pre-
§ 300ff–87a. National HIV/AIDS testing goal

(a) In general

Not later than January 1, 2010, the Secretary shall establish a national HIV/AIDS testing goal of 5,000,000 tests for HIV/AIDS annually through federally-supported HIV/AIDS prevention, treatment, and care programs, including programs under this subchapter and other programs administered by the Centers for Disease Control and Prevention.

(b) Annual report

Not later than January 1, 2011, and annually thereafter, the Secretary, acting through the Director of the Centers for Disease Control and Prevention, shall submit to Congress a report describing, with regard to the preceding 12-month reporting period—

(1) whether the testing goal described in subsection (a) has been met;

(2) the total number of individuals tested through federally-supported and other HIV/AIDS prevention, treatment, and care programs in each State;

(3) the number of individuals who—

(A) prior to such 12-month period, were unaware of their HIV status; and

(B) through federally-supported and other HIV/AIDS prevention, treatment, and care programs, were diagnosed and referred into treatment and care during such period;

(4) any barriers, including State laws and regulations, that the Secretary determines to be a barrier to meeting the testing goal described in subsection (a);

(5) the amount of funding the Secretary determines necessary to meet the annual testing goal in the following 12 months and the amount of Federal funding expended to meet the testing goal in the prior 12-month period; and

(6) the most cost-effective strategies for identifying and diagnosing individuals who were unaware of their HIV status, including voluntary testing with pre-test counseling, routine screening including opt-out testing, partner counseling and referral services, and mass media campaigns.

(c) Review of program effectiveness

Not later than 1 year after October 30, 2009, the Secretary, in consultation with the Director of the Centers for Disease Control and Prevention, shall submit a report to Congress based on a comprehensive review of each of the programs and activities conducted by the Centers for Disease Control and Prevention as part of the Domestic HIV/AIDS Prevention Activities, including the following:

(1) The amount of funding provided for each program or activity.

(2) The primary purpose of each program or activity.

(3) The annual goals for each program or activity.

(4) The relative effectiveness of each program or activity with relation to the other programs and activities conducted by the Centers for Disease Control and Prevention, based on the—

(A) number of previously undiagnosed individuals with HIV/AIDS made aware of their status and referred into the appropriate treatment;

(B) amount of funding provided for each program or activity compared to the number of undiagnosed individuals with HIV/AIDS made aware of their status;

(C) program’s contribution to the National HIV/AIDS testing goal; and

(D) progress made toward the goals described in paragraph (3).

(5) Recommendations if any to Congress on ways to allocate funding for domestic HIV/AIDS prevention activities and programs in order to achieve the National HIV/AIDS testing goal.

(d) Coordination with other Federal activities

In pursuing the National HIV/AIDS testing goal, the Secretary, where appropriate, shall consider and coordinate with other national strategies conducted by the Federal Government to address HIV/AIDS.

(Prior Provisions)

A prior section 300ff–87, act July 1, 1944, ch. 373, title XXVI, §2687, as added Pub. L. 101–381, title IV, §411(a), Aug. 18, 1990, 104 Stat. 627, related to limitations with respect to duties of medical facilities, prior to the general amendment of this part by Pub. L. 109–415.

§ 300ff–88

Another prior section 2688 of act July 1, 1944, was classified to section 300ff–88 of this title prior to the general amendment of this part by Pub. L. 109–415.

**Effective Date**

Section effective as if enacted on Sept. 30, 2009, see section 2(a)(3)(B) of Pub. L. 111–87, set out as an Effective Date of 2009 Amendment; Revival of Section note below.

§ 300ff–88. Definitions

For purposes of this subchapter:

(1) AIDS

The term “AIDS” means acquired immune deficiency syndrome.

(2) Co-occurring conditions

The term “co-occurring conditions” means one or more adverse health conditions in an individual with HIV/AIDS, without regard to whether the individual has AIDS and without regard to whether the conditions arise from HIV.

(3) Counseling

The term “counseling” means such counseling provided by an individual trained to provide such counseling.

(4) Family-centered care

The term “family-centered care” means the system of services described in this subchapter that is targeted specifically to the special needs of infants, children, women, and families. Family-centered care shall be based on a partnership between parents, professionals, and the community designed to ensure an integrated, coordinated, culturally sensitive, and community-based continuum of care for children, women, and families with HIV/AIDS.

(5) Families with HIV/AIDS

The term “families with HIV/AIDS” means families in which one or more members have HIV/AIDS.

(6) HIV

The term “HIV” means infection with the human immunodeficiency virus.

(7) HIV/AIDS

(A) In general

The term “HIV/AIDS” means HIV, and includes AIDS and any condition arising from AIDS.

(B) Counting of cases

The term “living cases of HIV/AIDS”, with respect to the counting of cases in a geographic area during a period of time, means the sum of—

(i) the number of living non-AIDS cases of HIV in the area; and

(ii) the number of living cases of AIDS in the area.

(C) Non-AIDS cases

The term “non-AIDS”, with respect to a case of HIV, means that the individual involved has HIV but does not have AIDS.

(8) Human immunodeficiency virus

The term “human immunodeficiency virus” means the etiologic agent for AIDS.

(9) Official poverty line

The term “official poverty line” means the poverty line established by the Director of the Office of Management and Budget and revised by the Secretary in accordance with section 9902(2) of this title.

(10) Person

The term “person” includes one or more individuals, governments (including the Federal Government and the governments of the States), governmental agencies, political subdivisions, labor unions, partnerships, associations, corporations, legal representatives, mutual companies, joint-stock companies, trusts, unincorporated organizations, receivers, trustees, and trustees in cases under title 11.

(11) State

(A) In general

The term “State” means each of the 50 States, the District of Columbia, and each of the territories.

(B) Territories

The term “territory” means each of American Samoa, Guam, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands, the Virgin Islands, the Republic of the Marshall Islands, the Federated States of Micronesia, and Palau.

(12) Youth with HIV

The term “youth with HIV” means individuals who are 13 through 24 years old and who have HIV/AIDS.


Prior Provisions


Amendments


Effective Date of 2009 Amendment; Revival of Section

For provisions that repeal by section 2(a)(1) of Pub. L. 111–87 of section 703 of Pub. L. 109–415 be effective...
§ 300ff–101. Special projects of national significance

(a) In general
Of the amount appropriated under each of parts A, B, C, and D for each fiscal year, the Secretary shall use the greater of $20,000,000 or an amount equal to 3 percent of such amount appropriated under each such part, but not to exceed $25,000,000, to administer special projects of national significance to—

(1) quickly respond to emerging needs of individuals receiving assistance under this subchapter; and
(2) to fund special programs to develop a standard electronic client information data system to improve the ability of grantees under this subchapter to report client-level data to the Secretary.

(b) Grants
The Secretary shall award grants under subsection (a) to entities eligible for funding under parts A, B, C, and D based on—

(1) whether the funding will promote obtaining client level data as it relates to the creation of a severity of need index, including funds to facilitate the purchase and enhance the utilization of qualified health information technology systems;
(2) demonstrated ability to create and maintain a qualified health information technology system;
(3) the potential replicability of the proposed activity in other similar localities or nationally;
(4) the demonstrated reliability of the proposed qualified health information technology system across a variety of providers, geographic regions, and clients; and
(5) the demonstrated ability to maintain a safe and secure qualified health information system; or
(6) newly emerging needs of individuals receiving assistance under this subchapter.

(c) Coordination
The Secretary may not make a grant under this section unless the applicant submits evidence that the proposed program is consistent with the statewide coordinated statement of need, and the applicant agrees to participate in the ongoing revision process of such statement of need.

(d) Privacy protection
The Secretary may not make a grant under this section for the development of a qualified health information technology system unless the applicant provides assurances to the Secretary that the system will, at a minimum, comply with the privacy regulations promulgated under section 264(c) of the Health Insurance Portability and Accountability Act of 1996.

(e) Replication
The Secretary shall make information concerning successful models or programs developed under this part available to grantees under this subchapter for the purpose of coordination, replication, and integration. To facilitate efforts under this subsection, the Secretary may provide for peer-based technical assistance for grantees funded under this part.

References in Text
Section 264(c) of the Health Insurance Portability and Accountability Act of 1996, referred to in subsec. (d), is section 264(c) of Pub. L. 104–191, which is set out as a note under section 1320d–2 of this title.

Ammendments


Effective Date of 2009 Amendment; Revival of Section

Subpart II—AIDS education and training centers
§ 300ff–111. HIV/AIDS communities, schools, and centers

(a) Schools; centers

(1) In general
The Secretary may make grants and enter into contracts to assist public and nonprofit private entities and schools and academic health science centers in meeting the costs of projects—

(A) to train health personnel, including practitioners in programs under this subchapter and other community providers, in the diagnosis, treatment, and prevention of HIV/AIDS, including the prevention of the perinatal transmission of the disease, including measures for the prevention and treatment of opportunistic infections, and including (as applicable to the type of health professional involved), prenatal and other gynecological care for women with HIV/AIDS;

(B) to train the faculty of schools of, and graduate departments or programs of, medicine, nursing, osteopathic medicine, dentistry, public health, allied health, and men-
tional health practice to teach health professionals students to provide for the health care needs of individuals with HIV/AIDS;

(C) to develop and disseminate curricula and resource materials relating to the care and treatment of individuals with such disease and the prevention of the disease among individuals who are at risk of contracting the disease; and

(D) to develop protocols for the medical care of women with HIV/AIDS, including prenatal and other gynecological care for such women.

(2) Preference in making grants

In making grants under paragraph (1), the Secretary shall give preference to qualified projects which will—

(A) train, or result in the training of, health professionals who will provide treatment for minority individuals and Native Americans with HIV/AIDS and other individuals who are at high risk of contracting such disease;

(B) train, or result in the training of, minority health professionals and minority allied health professionals to provide treatment for individuals with such disease; and

(C) train or result in the training of health professionals and allied health professionals to provide treatment for hepatitis B or C co-infected individuals.

(3) Application

No grant or contract may be made under paragraph (1) unless an application is submitted to the Secretary in such form, at such time, and containing such information, as the Secretary may prescribe.

(b) Dental schools

(1) In general

(A) Grants

The Secretary may make grants to dental schools and programs described in subparagraph (B) to assist such schools and programs with respect to oral health care to patients with HIV/AIDS.

(B) Eligible applicants

For purposes of this subsection, the dental schools and programs referred to in this subparagraph are dental schools and programs that were described in section 294o(b)(4)(B) of this title as such section was in effect on the day before November 13, 1998, and in addition dental hygiene programs that are accredited by the Commission on Dental Accreditation.

(2) Application

Each dental school or program described in section 294o(b)(4)(B) of this title may annually submit an application documenting the unreimbursed costs of oral health care provided to patients with HIV/AIDS by that school or hospital during the prior year.

(3) Distribution

The Secretary shall distribute the available funds among all eligible applicants, taking into account the number of patients with HIV/AIDS served and the unreimbursed oral health care costs incurred by each institution as compared with the total number of patients served and costs incurred by all eligible applicants.

(4) Maintenance of effort

The Secretary shall not make a grant under this subsection if doing so would result in any reduction in State funding allotted for such purposes.

(5) Community-based care

The Secretary may make grants to dental schools and programs described in paragraph (1)(B) that partner with community-based dentists to provide oral health care to patients with HIV/AIDS in unserved areas. Such partnerships shall permit the training of dental students and residents and the participation of community dentists as adjunct faculty.

(c) Authorization of appropriations

(1) Schools; centers

For the purpose of awarding grants under subsection (a), there are authorized to be appropriated $34,700,000 for each of the fiscal years 2007 through 2009, $36,535,000 for fiscal year 2010, $38,257,000 for fiscal year 2011, $40,170,000 for fiscal year 2012, and $42,178,000 for fiscal year 2013.

(2) Dental schools

For the purpose of awarding grants under subsection (b), there are authorized to be appropriated $13,000,000 for each of the fiscal years 2007 through 2009, $13,650,000 for fiscal year 2010, $14,333,000 for fiscal year 2011, $15,049,000 for fiscal year 2012, and $15,802,000 for fiscal year 2013.


CODIFICATION

Section was formerly classified to section 294n of this title prior to renumbering by Pub. L. 104–146.

AMENDMENTS


Subsec. (c)(1). Pub. L. 111–87, §2(c)(1)(A), substituted “are authorized” for “is authorized” and inserted “, $36,535,000 for fiscal year 2010, $38,257,000 for fiscal year 2011, $40,170,000 for fiscal year 2012, and $42,178,000 for fiscal year 2013” before period at end.

Subsec. (c)(2). Pub. L. 111–87, §2(c)(1)(B), substituted “are authorized” for “is authorized” and inserted “, $13,650,000 for fiscal year 2010, $14,333,000 for fiscal
year 2011, $15,049,000 for fiscal year 2012, and $15,802,000 for fiscal year 2013.” before period at end.


2000—Subsec. (a)(1)(A). Pub. L. 106–345, § 402(a)(1)(A), substituted “to train” for “training”, substituted ‘‘including’’ for “and Including” after “transmission of the disease”, and inserted ‘‘, and including (as applicable to the type of health professional involved), prenatal and other gynecological care for women with HIV disease’’ before semicolon after end.


Subsec. (b)(1). Pub. L. 106–345, § 402(b)(1), amended heading and text of par. (1) generally. Prior to amendment, text read as follows: “The Secretary may make grants to assist dental and medical schools and programs described in section 294(h)(4)(B) of this title with respect to oral health care to patients with HIV disease.”

Subsec. (b)(2). Pub. L. 106–345, § 402(b)(2), substituted “the section referred to in paragraph (1)(B)” for “section 294(h)(4)(B) of this title”.


Subsec. (c)(2). Pub. L. 106–345, § 402(c)(2), amended heading and text of par. (2) generally. Prior to amendment, text read as follows: “For the purpose of grants under subsection (b) of this section, there are authorized to be appropriated such sums as may be necessary for each of the fiscal years 1996 through 2000.”


1992—Subsec. (a)(3). Pub. L. 102–531, which directed the substitution of “No grant” for “no grant” in par. (3), could not be executed because the words “no grant” did not appear in par. (3).

EFFECTIVE DATE OF 2009 AMENDMENT; REVIVAL OF SECTION

For provisions that repeal by section 2(a)(1) of Pub. L. 111–87 of title 703 of Pub. L. 109–415 be effective Sept. 30, 2009, that the provisions of this section as in effect on Sept. 30, 2009, be revived, and that amendment by section 2(f)(1) of Pub. L. 111–87 be applicable to this section as so revived and effective as if enacted on Sept. 30, 2009, see section 2(a)(2), (3) of Pub. L. 111–87, set out as a note under section 300ff–11 of this title.

EFFECTIVE DATE OF 1996 AMENDMENT


EFFECTIVE DATE OF 1992 AMENDMENT


DISSEMINATION OF TREATMENT GUIDELINES; MEDICAL CONSULTATION ACTIVITIES

Pub. L. 106–345, title IV, § 402(a)(2), Oct. 20, 2000, 114 Stat. 1349, provided that: “Not later than 90 days after the date of the enactment of this Act [Oct. 20, 2000], the Secretary of Health and Human Services shall issue guidelines and other information necessary for each of the fiscal years 1996 through 1999. Such guidelines and other information shall include the following:

(1) The term ‘HIV disease’ means infection with the human immunodeficiency virus, and includes any condition arising from such infection.

(2) The term ‘human immunodeficiency virus’ means the etiologic agent for acquired immune deficiency syndrome.

(3) The term ‘HIV/AIDS communities, schools, and centers’ for ‘Acquired immune deficiency syndrome’ as section catchline.

(4) The term ‘in programs under this subchapter’ for ‘in subchapter XVII programs and struck out ‘infection and after prevention of HIV disease’.


Former subpar. (A) redesignated (B).


Pub. L. 104–146, § 3(h)(2)(B)(v), (ii), redesignated subpar. (A) as (B) and struck out former subpar. (B) which read as follows: ‘‘to train practitioners to provide for the health care needs of such individuals’’.

Subsec. (a)(1)(C), (D). Pub. L. 104–146, § 3(h)(2)(B)(vi), (i), redesignated subpar. (D) as (C) and struck out former subpar. (C) which read as follows: ‘‘with respect to improving clinical skills in the diagnosis, treatment, and prevention of such disease, to educate and train the health professionals and clinical staff of schools of medicine, osteopathic medicine, and dentistry; and’’.

Subsec. (c). Pub. L. 104–146, § 5(2)(B), added subsec. (c) and struck out heading and text of former subsec. (c).

Text read as follows: ‘‘For purposes of this section:

(1) The term ‘HIV disease’ means infection with the human immunodeficiency virus, and includes any condition arising from such infection.

(2) The term ‘human immunodeficiency virus’ means the etiologic agent for acquired immune deficiency syndrome.

(3) The term ‘HIV/AIDS communities, schools, and centers’ for ‘Acquired immune deficiency syndrome’ as section catchline.

(4) The term ‘in programs under this subchapter’ for ‘in subchapter XVII programs and struck out ‘infection and after prevention of HIV disease’.

Pub. L. 104–146, § 5(2)(B), struck out heading and text of subsec. (d) relating to authorization of appropriations for fiscal years 1995 through 1996. Text read as follows:

(1) SCHOOLS; CENTERS.—For the purpose of grants under subsection (a) of this section, there is authorized to be appropriated $23,000,000 for each of the fiscal years 1995 through 1996.

(2) DENTAL SCHOOLS.—For the purpose of grants under subsection (b) of this section, there is authorized to be appropriated $77,000,000 for each of the fiscal years 1995 through 1996.


1992—Subsec. (a)(3). Pub. L. 102–531, which directed the substitution of “No grant” for “no grant” in par. (3), could not be executed because the words “no grant” did not appear in par. (3).

Minority AIDS Initiative

For the purpose of carrying out activities under this section to evaluate and address the disproportionate impact of HIV/AIDS on, and the disparities in access, treatment, care, and outcomes for, racial and ethnic minorities (including African Americans, Alaska Natives, Latinos, American Indians, Asian Americans, Native Hawaiians, and Pacific Islanders), there are authorized to be appropriated $131,200,000 for fiscal year 2007, $135,100,000 for fiscal year 2008, $139,100,000 for fiscal year 2009, $146,055,000 for fiscal year 2010, $153,358,000 for fiscal year 2011, $161,026,000 for fiscal year 2012, and $169,077,000 for fiscal year 2013. The Secretary shall develop a formula for the awarding of grants under sub-
sections (b)(1)(A) and (b)(1)(B) that ensures that funding is provided based on the distribution of populations disproportionately impacted by HIV/AIDS.

(b) Certain activities

(1) In general

In carrying out the purpose described in subsection (a), the Secretary shall provide for—
(A) emergency assistance under part A;
(B) care grants under part B;
(C) early intervention services under part C;
(D) services through projects for HIV-related care under part D; and
(E) activities through education and training centers under section 300ff–111 of this title.

(2) Allocations among activities

Activities under paragraph (1) shall be carried out by the Secretary in accordance with the following:
(A) For supplemental grants to improve HIV-related health outcomes to reduce existing racial and ethnic health disparities, the Secretary shall, of the amount appropriated under subsection (a) for a fiscal year, reserve the following, as applicable:
(i) For fiscal year 2007, $43,800,000.
(ii) For fiscal year 2008, $45,400,000.
(iii) For fiscal year 2009, $47,100,000.
(iv) For fiscal year 2010, $49,750,000.
(v) For fiscal year 2011, $51,528,000.
(vi) For fiscal year 2012, $54,105,000.
(B) For grants used for supplemental support education and outreach services to increase the number of eligible racial and ethnic minorities who have access to treatment through the program under section 300ff–26 of this title for therapeutics, the Secretary shall, of the amount appropriated for a fiscal year under subsection (a), reserve the following, as applicable:
(i) For fiscal year 2007, $7,000,000.
(ii) For fiscal year 2008, $7,300,000.
(iii) For fiscal year 2009, $7,500,000.
(iv) For fiscal year 2010, $8,763,000.
(v) For fiscal year 2011, $9,202,000.
(vi) For fiscal year 2012, $9,662,000.
(vii) For fiscal year 2013, $10,145,000.
(C) For planning grants, capacity-building grants, and services grants to health care providers who have a history of providing culturally and linguistically appropriate care and services to racial and ethnic minorities, the Secretary shall, of the amount appropriated for a fiscal year under subsection (a), reserve the following, as applicable:
(i) For fiscal year 2007, $53,400,000.
(ii) For fiscal year 2008, $55,400,000.
(iii) For fiscal year 2009, $57,400,000.
(iv) For fiscal year 2010, $61,343,000.
(v) For fiscal year 2011, $64,100,000.
(vi) For fiscal year 2012, $67,631,000.
(vii) For fiscal year 2013, $71,012,000.
(D) For eliminating racial and ethnic disparities in the delivery of comprehensive, culturally and linguistically appropriate care services for HIV/AIDS for women, infants, children, and youth, the Secretary shall, of the amount appropriated under subsection (a), reserve the following, as applicable:
(i) For fiscal year 2010, $20,448,000.
(ii) For fiscal year 2011, $21,470,000.
(iii) For fiscal year 2012, $22,543,000.
(iv) For fiscal year 2013, $23,671,000.
(E) For increasing the training capacity of centers to expand the number of health care professionals with treatment expertise and knowledge about the most appropriate standards of HIV/AIDS-related treatments and medical care for racial and ethnic minority adults, adolescents, and children with HIV/AIDS, the Secretary shall, of the amount appropriated under subsection (a), reserve the following, as applicable:
(i) For fiscal year 2010, $8,763,000.
(ii) For fiscal year 2011, $9,201,000.
(iii) For fiscal year 2012, $9,662,000.
(iv) For fiscal year 2013, $10,144,000.

(c) Consistency with prior program

With respect to the purpose described in subsection (a), the Secretary shall carry out this section consistent with the activities carried out under this subchapter by the Secretary pursuant to the departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 2002 (Public Law 107–116).

(d) Synchronization of minority AIDS initiative

For fiscal year 2010 and each subsequent fiscal year, the Secretary shall incorporate and synchronize the schedule of application submissions and funding availability under this section with the schedule of application submissions and funding availability under the corresponding provisions of this subchapter as follows:
(1) The schedule for carrying out subsection (b)(1)(A) shall be the same as the schedule applicable to emergency assistance under part A.
(2) The schedule for carrying out subsection (b)(1)(B) shall be the same as the schedule applicable to care grants under part B.
(3) The schedule for carrying out subsection (b)(1)(C) shall be the same as the schedule applicable to grants for early intervention services under part C.
(4) The schedule for carrying out subsection (b)(1)(D) shall be the same as the schedule applicable to grants for services through projects for HIV-related care under part D.
(5) The schedule for carrying out subsection (b)(1)(E) shall be the same as the schedule applicable to grants and contracts for activities through education and training centers under section 300ff–111 of this title.

(REFEHNS IN TEXT

The Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropria-

AMENDMENTS
Subsec. (a). Pub. L. 111–87, § 2(f)(2)(A), substituted '$139,100,000 for fiscal year 2009, $146,055,000 for fiscal year 2010, $153,056,000 for fiscal year 2011, $161,026,000 for fiscal year 2012, and $169,077,000 for fiscal year 2013. The Secretary shall develop a formula for the awarding of grants under subsections (b)(1)(A) and (b)(1)(B) that ensures that funding is provided based on the distribution of populations disproportionately impacted by HIV/AIDS, ''for ''and $139,100,000 for fiscal year 2009.'''
Subsec. (b)(2)(D). Pub. L. 111–87, § 2(f)(2)(B)(iv), substituted ''the following, as applicable:'' for ''$18,500,000 for each of the fiscal years 2007 through 2009,'' and added cls. (i) to (iv).
Subsec. (b)(2)(E). Pub. L. 111–87, § 2(f)(2)(B)(v), substituted ''the following, as applicable:'' for ''$8,500,000 for each of the fiscal years 2007 through 2009,'' and added cls. (i) to (iv).

EFFECTIVE DATE OF 2009 AMENDMENT; REVIVAL OF SECTION
For provisions that repeal by section 2(a)(1) of Pub. L. 111–87 of section 703 of Pub. L. 109–415 be effective Sept. 30, 2009, that the provisions of this section as in effect on Sept. 30, 2009, be revied, and that amendment by section 2(f)(2) of Pub. L. 111–87 be applicable to this section as so revied and effective as if enacted on Sept. 30, 2009, see section 2(a)(2), (3) of Pub. L. 111–87, set out as a note under section 300ff–11 of this title.

PART G—NOTIFICATION OF POSSIBLE EXPOSURE TO INFECTIOUS DISEASES
§ 300ff–131. Infectious diseases and circumstances relevant to notification requirements
(a) In general
Not later than 180 days after October 30, 2009, the Secretary shall complete the development of—
(1) a list of potentially life-threatening infectious diseases, including emerging infectious diseases, to which emergency response employees may be exposed in responding to emergencies;
(2) guidelines describing the circumstances in which such employees may be exposed to such diseases, taking into account the conditions under which emergency response is provided; and
(3) guidelines describing the manner in which medical facilities should make determinations for purposes of section 300ff–133(d) of this title.
(b) Specification of airborne infectious diseases
The list developed by the Secretary under subsection (a)(1) shall include a specification of those infectious diseases on the list that are routinely transmitted through airborne or aerosolized means.

(c) Dissemination
The Secretary shall—
(1) transmit to State public health officers copies of the lists and guidelines developed by the Secretary under subsection (a) with the request that the officers disseminate such copies as appropriate throughout the States; and
(2) make such copies available to the public.
(July 1, 1944, ch. 373, title XXVI, § 2695, as added Pub. L. 111–87, § 13, Oct. 30, 2009, 123 Stat. 2897.)

EFFECTIVE DATE
Section effective as if enacted on Sept. 30, 2009, see section 2(a)(3)(B) of Pub. L. 111–87, set out as an Effective Date of 2009 Amendment; Revival of Section note under section 300ff–11 of this title.

§ 300ff–132. Routine notifications with respect to airborne infectious diseases in victims assisted
(a) Routine notification of designated officer
(1) Determination by treating facility
If a victim of an emergency is transported by emergency response employees to a medical facility and the medical facility makes a determination that the victim has an airborne infectious disease, the medical facility shall notify the designated officer of the emergency response employees who transported the victim to the medical facility of the determination.
(2) Determination by facility ascertaining cause of death
If a victim of an emergency is transported by emergency response employees to a medical facility and the victim dies at or before reaching the medical facility, the medical facility ascertaining the cause of death shall notify the designated officer of the emergency response employees who transported the victim to the initial medical facility of any determination by the medical facility that the victim had an airborne infectious disease.

(1) Requirement of prompt notification
With respect to a determination described in paragraph (1) or (2) of subsection (a), the notification required in each of such paragraphs shall be made as soon as is practicable, but not later than 48 hours after the determination is made.
§ 300ff–133. Request for notification with respect to victims assisted

(a) Initiation of process by employee

If an emergency response employee believes that the employee may have been exposed to an infectious disease by a victim of an emergency who was transported to a medical facility as a result of the emergency, and if the employee attended, treated, assisted, or transported the victim pursuant to the emergency, then the designated officer of the employee shall, upon the request of the employee, carry out the duties described in subsection (b) regarding a determination of whether the employee may have been exposed to an infectious disease by the victim.

(b) Initial determination by designated officer

The duties referred to in subsection (a) are that—

(1) the designated officer involved collect the facts relating to the circumstances under which, for purposes of subsection (a), the employee involved may have been exposed to an infectious disease; and

(2) the designated officer evaluate such facts and make a determination of whether, if the victim involved had any infectious disease included on the list issued under paragraph (1) of section 300ff–131(a) of this title, the employee would have been exposed to the disease under such facts, as indicated by the guidelines issued under paragraph (2) of such section.

(c) Submission of request to medical facility

(1) In general

If a designated officer makes a determination under subsection (b)(2) that an emergency response employee may have been exposed to an infectious disease, the designated officer shall submit to the medical facility to which the victim involved was transported a request for a response under subsection (d) regarding the victim of the emergency involved.

(2) Form of request

A request under paragraph (1) shall be in writing and be signed by the designated officer involved, and shall contain a statement of the facts collected pursuant to subsection (b)(1).

(d) Evaluation and response regarding request to medical facility

(1) In general

If a medical facility receives a request under subsection (c), the medical facility shall evaluate the facts submitted in the request and make a determination of whether, on the basis of the medical information possessed by the facility regarding the victim involved, the emergency response employee was exposed to an infectious disease included on the list issued under paragraph (1) of section 300ff–131(a) of this title, as indicated by the guidelines issued under paragraph (2) of such section.

(2) Notification of exposure

If a medical facility makes a determination under paragraph (1) that the emergency response employee involved has been exposed to an infectious disease, the medical facility shall, in writing, notify the designated officer who submitted the request under subsection (c) of the determination.

(3) Finding of no exposure

If a medical facility makes a determination under paragraph (1) that the emergency response employee involved has not been exposed to an infectious disease, the medical facility shall, in writing, inform the designated officer who submitted the request under subsection (c) of the determination.

(4) Insufficient information

(A) If a medical facility finds in evaluating facts for purposes of paragraph (1) that the facts are insufficient to make the determination described in such paragraph, the medical facility shall, in writing, inform the designated officer who submitted the request under subsection (c) of the insufficiency of the facts.

(B)(i) If a medical facility finds in making a determination under paragraph (1) that the facility possesses no information on whether the victim involved has an infectious disease included on the list under section 300ff–131(a) of this title, the medical facility shall, in writing, inform the designated officer who submitted the request under subsection (c) of the insufficiency of such medical information.

(ii) If after making a response under clause (i) a medical facility determines that the victim involved has an infectious disease, the medical facility shall make the determination described in paragraph (1) and provide the applicable response specified in this subsection.

(e) Time for making response

After receiving a request under subsection (c) (including any such request resubmitted under subsection (g)(2)), a medical facility shall make the applicable response specified in subsection (d) as soon as is practicable, but not later than 48 hours after receiving the request.

(f) Death of victim of emergency

(1) Facility ascertaining cause of death

If a victim described in subsection (a) dies at or before reaching the medical facility involved, and the medical facility receives a request under subsection (c), the medical facility shall provide a copy of the request to the medical facility ascertaining the cause of death of the victim, if such facility is a different medical facility than the facility that received the original request.

(2) Responsibility of facility

Upon the receipt of a copy of a request for purposes of paragraph (1), the duties otherwise established in this part regarding medical facilities shall apply to the medical facility ascertaining the cause of death of the victim in the same manner and to the same extent as such duties apply to the medical facility originally receiving the request.

(g) Assistance of public health officer

(1) Evaluation of response of medical facility regarding insufficient facts

(A) In the case of a request under subsection (c) to which a medical facility has made the
response specified in subsection (d)(4)(A) regarding the insufficiency of facts, the public health officer for the community in which the medical facility is located shall evaluate the request and the response, if the designated officer involved submits such documents to the officer with the request that the officer make such an evaluation.

(B) As soon as is practicable after a public health officer receives a request under subparagraph (A), but not later than 48 hours after receipt of the request, the public health officer shall complete the evaluation required in such paragraph and inform the designated officer of the results of the evaluation.

(2) Findings of evaluation

(A) If an evaluation under paragraph (1)(A) indicates that the facts provided to the medical facility pursuant to subsection (c) were sufficient for purposes of determinations under subsection (d)(1)—

(i) the public health officer shall, on behalf of the designated officer involved, re-submit the request to the medical facility: and

(ii) the medical facility shall provide to the designated officer the applicable response specified in subsection (d).

(B) If an evaluation under paragraph (1)(A) indicates that the facts provided in the request to the medical facility were insufficient for purposes of determinations specified in subsection (c)—

(i) the public health officer shall provide advice to the designated officer regarding the collection and description of appropriate facts; and

(ii) if sufficient facts are obtained by the designated officer—

(I) the public health officer shall, on behalf of the designated officer involved, re-submit the request to the medical facility; and

(II) the medical facility shall provide to the designated officer the appropriate response under subsection (c).


\section*{§ 300ff–134. Procedures for notification of exposure}

(a) Contents of notification to officer

In making a notification required under section 300ff–132 of this title or section 300ff–133(d)(2) of this title, a medical facility shall provide—

(1) the name of the infectious disease involved; and

(2) the date on which the victim of the emergency involved was transported by emergency response employees to the medical facility involved.

(b) Manner of notification

If a notification under section 300ff–132 of this title or section 300ff–133(d)(2) of this title is mailed or otherwise indirectly made—

(1) the medical facility sending the notification shall, upon sending the notification, inform the designated officer to whom the notification is sent of the fact that the notification has been sent; and

(2) such designated officer shall, not later than 10 days after being informed by the medical facility that the notification has been sent, inform such medical facility whether the designated officer has received the notification.


\section*{Effective Date}

Section effective as if enacted on Sept. 30, 2009, see section 2(a)(3)(B) of Pub. L. 111–87, set out as an Effective Date of 2009 Amendment; Revival of Section note under section 300ff–11 of this title.

\section*{§ 300ff–135. Notification of employee}

(a) In general

After receiving a notification for purposes of section 300ff–132 or 300ff–133(d)(2) of this title, a designated officer of emergency response employees shall, to the extent practicable, immediately notify each of such employees who—

(1) responded to the emergency involved; and

(2) as indicated by guidelines developed by the Secretary, may have been exposed to an infectious disease.

(b) Certain contents of notification to employee

A notification under this subsection to an emergency response employee shall inform the employee of—

(1) the fact that the employee may have been exposed to an infectious disease and the name of the disease involved;

(2) any action by the employee that, as indicated by guidelines developed by the Secretary, is medically appropriate; and

(3) if medically appropriate under such criteria, the date of such emergency.

(c) Responses other than notification of exposure

After receiving a response under paragraph (3) or (4) of subsection (d) of section 300ff–133 of this title, or a response under subsection (g)(1) of such section, the designated officer for the employee shall, to the extent practicable, immediately inform the employee of the response.


\section*{Effective Date}

Section effective as if enacted on Sept. 30, 2009, see section 2(a)(3)(B) of Pub. L. 111–87, set out as an Effective Date of 2009 Amendment; Revival of Section note under section 300ff–11 of this title.

\section*{§ 300ff–136. Selection of designated officers}

(a) In general

For the purposes of receiving notifications and responses and making requests under this part on behalf of emergency response employees, the public health officer of each State shall designate 1 official or officer of each employer of emergency response employees in the State.

(b) Preference in making designations

In making the designations required in subsection (a), a public health officer shall give
preference to individuals who are trained in the provision of health care or in the control of infectious diseases.


**Effective Date**

Section effective as if enacted on Sept. 30, 2009, see section 2(a)(3)(B) of Pub. L. 111–87, set out as an Effective Date of 2009 Amendment; Revival of Section note under section 300ff–11 of this title.

§ 300ff–137. Limitation with respect to duties of medical facilities

The duties established in this part for a medical facility—

(1) shall apply only to medical information possessed by the facility during the period in which the facility is treating the victim for conditions arising from the emergency, or during the 60-day period beginning on the date on which the victim is transported by emergency response employees to the facility, whichever period expires first; and

(2) shall not apply to any extent after the expiration of the 30-day period beginning on the expiration of the applicable period referred to in paragraph (1), except that such duties shall apply with respect to any request under section 300ff–133(c) of this title received by a medical facility before the expiration of such 30-day period.


**Effective Date**

Section effective as if enacted on Sept. 30, 2009, see section 2(a)(3)(B) of Pub. L. 111–87, set out as an Effective Date of 2009 Amendment; Revival of Section note under section 300ff–11 of this title.

§ 300ff–138. Miscellaneous provisions

(a) Liability of medical facilities, designated officers, public health officers, and governing entities

This part may not be construed to authorize any cause of action for damages or any civil penalty against any medical facility, any designated officer, any other public health officer, or any governing entity of such facility or officer for failure to comply with the duties established in this part.

(b) Testing

This part may not, with respect to victims of emergencies, be construed to authorize or require a medical facility to test any such victim for any infectious disease.

(c) Confidentiality

This part may not be construed to authorize or require any medical facility, any designated officer of emergency response employees, or any such employee, to disclose identifying information with respect to a victim of an emergency or with respect to an emergency response employee.

(d) Failure to provide emergency services

This part may not be construed to authorize any emergency response employee to fail to respond, or to deny services, to any victim of an emergency.

(e) Notification and reporting deadlines

In any case in which the Secretary determines that, wholly or partially as a result of a public health emergency that has been determined pursuant to section 247d(a) of this title, individuals or public or private entities are unable to comply with the requirements of this part, the Secretary may, notwithstanding any other provision of law, temporarily suspend, in whole or in part, the requirements of this part as the circumstances reasonably require. Before or promptly after such a suspension, the Secretary shall notify the Congress of such action and publish in the Federal Register a notice of the suspension.

(f) Continued application of State and local law

Nothing in this part shall be construed to limit the application of State or local laws that require the provision of data to public health authorities.


**Effective Date**

Section effective as if enacted on Sept. 30, 2009, see section 2(a)(3)(B) of Pub. L. 111–87, set out as an Effective Date of 2009 Amendment; Revival of Section note under section 300ff–11 of this title.

§ 300ff–139. Injunctions regarding violation of prohibition

(a) In general

The Secretary may, in any court of competent jurisdiction, commence a civil action for the purpose of obtaining temporary or permanent injunctive relief with respect to any violation of this part.

(b) Facilitation of information on violations

The Secretary shall establish an administrative process for encouraging emergency response employees to provide information to the Secretary regarding violations of this part. As appropriate, the Secretary shall investigate alleged such violations and seek appropriate injunctive relief.


**Effective Date**

Section effective as if enacted on Sept. 30, 2009, see section 2(a)(3)(B) of Pub. L. 111–87, set out as an Effective Date of 2009 Amendment; Revival of Section note under section 300ff–11 of this title.

§ 300ff–140. Applicability of part

This part shall not apply in a State if the chief executive officer of the State certifies to the Secretary that the law of the State is substantially consistent with this part.

(July 1, 1944, ch. 373, title XXVI, §2695I, as added Pub. L. 111–87, §13, Oct. 30, 2009, 123 Stat. 2903.)

**Effective Date**

Section effective as if enacted on Sept. 30, 2009, see section 2(a)(3)(B) of Pub. L. 111–87, set out as an Effective Date of 2009 Amendment; Revival of Section note under section 300ff–11 of this title.

1 So in original.
PROVISIONS

A prior subchapter XXV (§ 300aaa et seq.), comprised of title XXVII of the Public Health Service Act, act July 1, 1944, ch. 373, §§ 2701 to 2714, was renumbered title II, part B, §§ 231 to 244, of the Public Health Service Act, and transferred to part B (§ 236 et seq.) of subchapter I of this chapter.

PART A—INDIVIDUAL AND GROUP MARKET REFORMS

CODIFICATION


SUBPART I—GENERAL REFORM

CODIFICATION


§ 300gg. Fair health insurance premiums

(a) 1 Prohibiting discriminatory premium rates

(1) In general

With respect to the premium rate charged by a health insurance issuer for health insurance coverage offered in the individual or small group market—

(A) such rate shall vary with respect to the particular plan or coverage involved only by—

(i) whether such plan or coverage covers an individual or family;

(ii) rating area, as established in accordance with paragraph (2);

(iii) age, except that such rate shall not vary by more than 3 to 1 for adults (consistent with section 300gg–6(c) of this title); and

(iv) tobacco use, except that such rate shall not vary by more than 1.5 to 1; and

(B) such rate shall not vary with respect to the particular plan or coverage involved by any other factor not described in subparagraph (A).

(2) Rating area

(A) In general

Each State shall establish 1 or more rating areas within that State for purposes of applying the requirements of this subchapter.

(B) Secretarial review

The Secretary shall review the rating areas established by each State under subparagraph (A) to ensure the adequacy of such areas for purposes of carrying out the requirements of this subchapter. If the Secretary determines a State’s rating areas are not adequate, or that a State does not establish such areas, the Secretary may establish rating areas for that State.

(3) Permissible age bands

The Secretary, in consultation with the National Association of Insurance Commissioners, shall define the permissible age bands for rating purposes under paragraph (1)(A)(iii).

(4) Application of variations based on age or tobacco use

With respect to family coverage under a group health plan or health insurance coverage, the rating variations permitted under clauses (ii) and (iv) of paragraph (1)(A) shall be applied based on the portion of the premium that is attributable to each family member covered under the plan or coverage.

(5) Special rule for large group market

If a State permits health insurance issuers that offer coverage in the large group market in the State to offer such coverage through the State Exchange (as provided for under section 18032(f)(2)(B) of this title), the provisions of this subsection shall apply to all coverage offered in such market (other than self-insured group health plans offered in such market) in the State.


AMENDMENTS

2010—Subsec. (a)(5). Pub. L. 111–148, § 10103(a), inserted “(other than self-insured group health plans offered in such market)” after “such market”.

EFFECTIVE DATE

§ 300gg  TITLE 42—THE PUBLIC HEALTH AND WELFARE  Page 1436

300gg of this title to section 300gg–3 of this title] (and the amendments made by this subtitle) shall become effective for plan years beginning on or after January 1, 1991, provided that—

"(1) section 1251I (enacting section 18011 of this title) shall take effect on the date of enactment of this Act [Mar. 23, 2010]; and

"(2) the provisions of section 2704 of the Public Health Service Act (42 U.S.C. 300gg–3) (as amended by section 1201I), as they apply to enrollees who are under 19 years of age, shall become effective for plan years beginning on or after the date that is 6 months after the date of enactment of this Act [Mar. 23, 2010]. [etc]"


"(1) In general.—Except as provided in this subsection, part A of title XXVII of the Public Health Service Act [42 U.S.C. 300gg et seq.] (as added by subsection (a)) shall apply with respect to group health plans, and health insurance coverage offered in connection with group health plans, for plan years beginning after June 30, 1997.

"(2) Determination of creditable coverage.—

"(A) Period of coverage.—

"(i) In general.—Subject to clause (ii), no period before July 1, 1996, shall be taken into account under part A of title XXVII of the Public Health Service Act [42 U.S.C. 300gg et seq.] (as added by this section) in determining creditable coverage.

"(ii) Special rule for certain periods.—The Secretary of Health and Human Services, consistent with section 104 [42 U.S.C. 300gg–92 note], shall provide for a process whereby individuals who need to establish creditable coverage for periods before July 1, 1996, and who would have such coverage credited but for clause (i) may be given credit for creditable coverage for such periods through the presentation of documents or other means.

"(B) Certifications, etc.—

"(i) In general.—Subject to clauses (ii) and (iii), section (e) of section 2701 (now 2704) of the Public Health Service Act [42 U.S.C. 300gg–3(e)] (as added by this section) shall apply to events occurring after June 30, 1996.

"(ii) No certification required to be provided before June 1, 1997.—In no case is a certification required to be provided under such subsection before June 1, 1997.

"(iii) Certification only on written request for events occurring before October 1, 1996.—In the case of an event occurring after June 30, 1996, and before October 1, 1996, a certification is not required to be provided under such subsection unless an individual (with respect to whom the certification is otherwise required to be made) requests such certification in writing.

"(C) Transitional rule.—In the case of an individual who seeks to establish creditable coverage for any period for which certification is not required because it relates to an event occurring before June 30, 1996—

"(i) the individual may present other credible evidence of such coverage in order to establish the period of creditable coverage; and

"(ii) a group health plan and a health insurance issuer shall not be subject to any penalty or enforcement action with respect to the plan’s or issuer’s crediting (or not crediting) such coverage if the plan or issuer has sought to comply in good faith with the applicable requirements under the amendments made by this section (enacting this section and sections 300gg–1 to 300gg–11, 300gg–13, 300gg–21 to 300gg–23, 300gg–91, and 300gg–92 of this title and amending sections 300e and 300bb–8 of this title).

"(D) Special rule for collective bargaining agreements.—Except as provided in paragraph (2)(B), in the case of a group health plan maintained pursuant to 1 or more collective bargaining agreements between employee representatives and one or more employers ratified before the date of the enactment of this Act [Aug. 21, 1996], part A of title XXVII of the Public Health Service Act [42 U.S.C. 300gg et seq. (other than section 2701(e) (now 2704(e)) thereof (42 U.S.C. 300gg–3(e)(i)) shall not apply to plan years beginning before the last day on which such agreements are in effect for purposes of subparagraph (A), the date on which the last of the collective bargaining agreements relating to the plan terminates (determined without regard to any extension thereof agreed to after the date of the enactment of this Act), or

"(B) July 1, 1997.

For purposes of subparagraph (A), any plan amendment made pursuant to a collective bargaining agreement relating to the plan which amends the plan solely to conform to any requirement of such part shall not be treated as a termination of such collective bargaining agreement.

"(4) Timely regulations.—The Secretary of Health and Human Services, consistent with section 104 [42 U.S.C. 300gg–92 note], shall first issue by not later than April 1, 1997, such regulations as may be necessary to carry out the amendments made by this section (enacting this section and sections 300gg–1, 300gg–11 to 300gg–13, 300gg–21 to 300gg–23, 300gg–91, and 300gg–92 of this title and amending sections 300e and 300bb–8 of this title) and section 111 (enacting sections 300gg–41 to 300gg–44 and 300gg–61 to 300gg–63 of this title).

"(5) Limitation on actions.—No enforcement action shall be taken, pursuant to the amendments made by this section, against a group health plan or health insurance issuer with respect to a violation of a requirement imposed by such amendments before January 1, 1998, or, if later, the date of issuance of regulations referred to in paragraph (4), if the plan or issuer has sought to comply in good faith with such requirements.

CONGRESSIONAL FINDINGS RELATING TO EXERCISE OF COMMERCE CLAUSE AUTHORITY; SEVERABILITY


"(a) Findings relating to exercise of Commerce Clause authority.—Congress finds the following in relation to the provisions of this title [enacting this chapter and sections 1181 to 1183 and 1191 to 1191c of Title 29, Labor, amending sections 233, 300e, and 300bb–8 of this title and sections 1003, 1021, 1022, 1132, 1136, and 1144 of Title 29, and enacting provisions set out as notes under this section, section 300gg–92 of this title, and section 1181 of Title 29]:

"(1) Provisions in group health plans and health insurance coverage that impose certain preexisting condition exclusions impact the ability of employees to seek employment in interstate commerce, thereby impeding such commerce.

"(2) Health insurance coverage is commercial in nature and is in and affects interstate commerce.

"(3) It is a necessary and proper exercise of Congressional authority to impose requirements under this title on group health plans and health insurance coverage (including coverage offered to individuals previously covered under group health plans) in order to promote commerce among the States.

"(4) Congress, however, intends to defer to States, to the maximum extent practicable, in carrying out such requirements with respect to insurers and health maintenance organizations that are subject to State regulation, consistent with the provisions of the Employee Retirement Income Security Act of 1974 [29 U.S.C. 1001 et seq.].

"(b) Severability.—If any provision of this title or the application of such provision to any person or circumstance is held to be unconstitutional, the remainder of this title and the application of the provisions of such to any person or circumstance shall not be affected thereby.

HEALTH COVERAGE AVAILABILITY STUDIES

ices to provide for a study on the effectiveness of the provisions of title I of Pub. L. 104–191 and the various State laws, in ensuring the availability of reasonably priced health coverage to employers and individuals and a study on access to, and choice of, health care providers and the cost and cost-effectiveness to health insurance issuers of providing access to out-of-network providers, and the potential impact of providing such access on the cost and quality of health insurance coverage, and to report to the appropriate committees of Congress on each of such studies not later than Jan. 1, 2000.

§ 300gg–1. Guaranteed availability of coverage

(a) Guaranteed issuance of coverage in the individual and group market

Subject to subsections (b) through (e), 1 each health insurance issuer that offers health insurance coverage in the individual or group market in a State must accept every employer and individual in the State that applies for such coverage.

(b) Enrollment

(1) Restriction

A health insurance issuer described in subsection (a) may restrict enrollment in coverage described in such subsection to open or special enrollment periods.

(2) Establishment

A health insurance issuer described in subsection (a) shall, in accordance with the regulations promulgated under paragraph (3), establish special enrollment periods for qualifying events (under section 1163 of title 29).

(3) Regulations

The Secretary shall promulgate regulations with respect to enrollment periods under paragraphs (1) and (2).

(c) Special rules for network plans

(1) In general

In the case of a health insurance issuer that offers health insurance coverage in the group and individual market through a network plan, the issuer may—

(A) limit the employers that may apply for such coverage to those with eligible individuals who live, work, or reside in the service area for such network plan; and

(B) within the service area of such plan, deny such coverage to such employers and individuals if the issuer has demonstrated, if required, to the applicable State authority that—

(i) it will not have the capacity to deliver services adequately to enrollees of any additional groups or any additional individuals because of its obligations to existing group contract holders and enrollees; and

(ii) it is applying this paragraph uniformly to all employers and individuals without regard to the claims experience of those individuals, employers and their employees (and their dependents) or any health status-related factor relating to such individuals 1 employees and dependents.


CODIFICATION


PRIOR PROVISIONS


Another prior section 2702 of act July 1, 1944, was successively renumbered by subsequent acts and transferred, see section 238a of this title.

1 So in original.
AMENDMENTS

2010—Pub. L. 111–148, §1562(c)(8), transferred section 300gg-11 of this title to the end of this section after amending it by striking out the section catchline “Guaranteed availability of coverage for employers in group market”, by striking out subsec. (a) which related to issuance of coverage in small group market, subsec. (b) which related to assurance of access in large group market, subsec. (e) which related to exception to requirement for failure to meet certain minimum participation or contribution rules, and subsec. (f) which related to exception for coverage offered only to bona fide association members, by amending subsec. (c) by substituting “group and individual” for “small group” in introductory provisions of par. (1), inserting “and individuals” after “employers” in introductory provisions of par. (1)(B), inserting “or any additional individuals” after “additional groups” in par. (1)(B)(i), substituting “and individuals without regard to the claims experience of those individuals, employers and their employees (and their dependents) or any health status-related factor relating to such individuals” for “without regard to the claims experience of those employers and their employees (and their dependents) or any health status-related factor relating to such” in par. (1)(B)(ii), and substituting “group or individual” for “small group” in par. (2), and by amending subsec. (d) by substituting “group or individual” for “small group” wherever appearing and substituting “all employers and individuals” for “all employers”, “those individuals, employers” for “those employers”, and “such individuals, employees” for “such employees” in par. (1)(B).

§ 300gg–2. Guaranteed renewability of coverage

(a) In general

Except as provided in this section, if a health insurance issuer offers health insurance coverage in the individual or group market, the issuer must renew or continue in force such coverage in accordance with applicable State law in such market only if—

(1) Nonpayment of premiums

The plan sponsor, or individual, as applicable, has failed to pay premiums or contributions in accordance with the terms of the health insurance coverage or the issuer has not received timely premium payments.

(2) Fraud

The plan sponsor, or individual, as applicable, has performed an act or practice that constitutes fraud or made an intentional misrepresentation of material fact under the terms of the coverage.

(3) Violation of participation or contribution rates

In the case of a group health plan, the plan sponsor has failed to comply with a material plan provision relating to employer contribution or group participation rules, pursuant to applicable State law.

(b) General exceptions

The issuer is ceasing to offer coverage in such market in accordance with subsection (c) and applicable State law.

(5) Movement outside service area

In the case of a health insurance issuer that offers health insurance coverage in the market through a network plan, there is no longer any enrollee in connection with such plan who lives, resides, or works in the service area of the issuer or (in the area for which the issuer is authorized to do business) and, in the case of the small group market, the issuer would deny enrollment with respect to such plan under section 2711(c)(1)(A).1

(c) Requirements for uniform termination of coverage

(1) Particular type of coverage not offered

In any case in which an issuer decides to discontinue offering a particular type of group or individual health insurance coverage, coverage of such type may be discontinued by the issuer in accordance with applicable State law in such market only if—

(A) the issuer provides notice to each plan sponsor or individual, as applicable, provided coverage of this type in such market (and participants and beneficiaries covered under such coverage) of such discontinuation at least 90 days prior to the date of the discontinuation of such coverage;

(B) the issuer provides notice to each plan sponsor or individual, as applicable, provided coverage of this type in such market, the option to purchase all (or, in the case of the large group market, any) other health insurance coverage currently being offered by the issuer to a group health plan or individual health insurance coverage in such market; and

(C) in exercising the option to discontinue coverage of this type and in offering the option of coverage under subparagraph (B), the issuer acts uniformly without regard to the claims experience of the sponsors or individuals, as applicable, or any health status-related factor relating to any participants or beneficiaries covered or new participants or beneficiaries who may become eligible for such coverage.

(2) Discontinuance of all coverage

(A) In general

In any case in which a health insurance issuer elects to discontinue offering all health

1See References in Text note below.
insurance coverage in the individual or group market, or all markets, in a State, health insurance coverage may be discontinued by the issuer only in accordance with applicable State law and if—
(i) the issuer provides notice to the applicable State authority and to each plan sponsor or individual, as applicable, (2) (and participants and beneficiaries covered under such coverage) of such discontinuation at least 180 days prior to the date of the discontinuation of such coverage; and
(ii) all health insurance issued or delivered for issuance in the State in such market (or markets) are discontinued and coverage under such health insurance coverage in such market (or markets) is not renewed.

(B) Prohibition on market reentry

In the case of a discontinuation under subparagraph (A) in a market, the issuer may not provide for the issuance of any health insurance coverage in the market and State involved during the 5-year period beginning on the date of the discontinuation of the last health insurance coverage not so renewed.

(d) Exception for uniform modification of coverage

At the time of coverage renewal, a health insurance issuer may modify the health insurance coverage for a product offered to a group health plan—
(1) in the large group market; or
(2) in the small group market if, for coverage that is available in such market other than only through one or more bona fide associations, such modification is consistent with State law and effective on a uniform basis among group health plans with that product.

(e) Application to coverage offered only through associations

In applying this section in the case of health insurance coverage that is made available by a health insurance issuer in the small or large group market to employers only through one or more associations, a reference to “plan sponsor” is deemed, with respect to coverage provided to an employer member of the association, to include a reference to such employer.

(1) Preexisting condition exclusion

For purposes of this part—

(1) Preexisting condition exclusion

(A) In general

The term “preexisting condition exclusion” means, with respect to coverage, a
limitation or exclusion of benefits relating to a condition based on the fact that the condition was present before the date of enrollment for such coverage, whether or not any medical advice, diagnosis, care, or treatment was recommended or received before such date.

(B) Treatment of genetic information

Genetic information shall not be treated as a condition described in subsection (a)(1) in the absence of a diagnosis of the condition related to such information.

(2) Enrollment date

The term “enrollment date” means, with respect to an individual covered under a group health plan or health insurance coverage, the date of enrollment of the individual in the plan or coverage or, if earlier, the first day of the waiting period for such enrollment.

(3) Late enrollee

The term “late enrollee” means, with respect to coverage under a group health plan, a participant or beneficiary who enrolls under the plan other than during—

(A) the first period in which the individual is eligible to enroll under the plan, or
(B) a special enrollment period under subsection (f).

(4) Waiting period

The term “waiting period” means, with respect to a group health plan and an individual who is a potential participant or beneficiary in the plan, the period that must pass with respect to the individual before the individual is eligible to be covered for benefits under the terms of the plan.

(c) Rules relating to crediting previous coverage

(1) “Creditable coverage” defined

For purposes of this subchapter, the term “creditable coverage” means, with respect to an individual, coverage of the individual under any of the following:

(A) A group health plan.
(B) Health insurance coverage.
(C) Part A or part B of title XVIII of the Social Security Act [42 U.S.C. 1395c et seq., 1395f et seq.].
(D) Title XIX of the Social Security Act [42 U.S.C. 1396 et seq.], other than coverage consisting solely of benefits under section 1928 [42 U.S.C. 1396s].
(E) Chapter 55 of title 10.
(F) A medical care program of the Indian Health Service or of a tribal organization.
(G) A State health benefits risk pool.
(H) A health plan offered under chapter 89 of title 5.
(I) A public health plan (as defined in regulations).
(J) A health benefit plan under section 300bb–5(b)(4) of this title.

Such term does not include coverage consisting solely of coverage of excepted benefits (as defined in section 300gg–91(c) of this title).

(2) Not counting periods before significant breaks in coverage

(A) In general

A period of creditable coverage shall not be counted, with respect to enrollment of an individual under a group or individual health plan, if, after such period and before the enrollment date, there was a 63-day period during all of which the individual was not covered under any creditable coverage.

(B) Waiting period not treated as a break in coverage

For purposes of subparagraph (A) and subsection (d)(4), any period that an individual is in a waiting period for any coverage under a group or individual health plan (or for group health insurance coverage) or is in an affiliation period (as defined in subsection (g)(2)) shall not be taken into account in determining the continuous period under subparagraph (A).

(C) TAA-eligible individuals

In the case of plan years beginning before January 1, 2014—

(i) TAA pre-certification period rule

In the case of a TAA-eligible individual, the period beginning on the date the individual has a TAA-related loss of coverage and ending on the date that is 7 days after the date of the issuance by the Secretary (or by any person or entity designated by the Secretary) of a qualified health insurance costs credit eligibility certificate for such individual for purposes of section 7527 of title 26 shall not be taken into account in determining the continuous period under subparagraph (A).

(ii) Definitions

The terms “TAA-eligible individual” and “TAA-related loss of coverage” have the meanings given such terms in section 300bb–5(b)(4) of this title.

(3) Method of crediting coverage

(A) Standard method

Except as otherwise provided under subparagraph (B), for purposes of applying subsection (a)(3), a group health plan, and a health insurance issuer offering group or individual health insurance coverage, shall count a period of creditable coverage without regard to the specific benefits covered during the period.

(B) Election of alternative method

A group health plan, or a health insurance issuer offering group or individual health insurance, may elect to apply subsection (a)(3) based on coverage of benefits within each of several classes or categories of benefits specified in regulations rather than as provided under subparagraph (A). Such election shall be made on a uniform basis for all participants and beneficiaries. Under such election a group health plan or issuer shall count a period of creditable coverage with respect to any class or category of benefits if any level of benefits is covered within such class or category.

---

1 See References in Text note below.
(C) Plan notice

In the case of an election with respect to a group health plan under subparagraph (B) (whether or not health insurance coverage is provided in connection with such plan), the plan shall—

(i) prominently state in any disclosure statements concerning the plan, and state to each enrollee at the time of enrollment under the plan, that the plan has made such election, and
(ii) include in such statements a description of the effect of this election.

(D) Issuer notice

In the case of an election under subparagraph (B) with respect to health insurance coverage offered by an issuer in the individual or group group2 market, the issuer—

(i) shall prominently state in any disclosure statements concerning the coverage, and to each employer at the time of the offer or sale of the coverage, that the issuer has made such election, and
(ii) shall include in such statements a description of the effect of such election.

(4) Establishment of period

Periods of creditable coverage with respect to an individual shall be established through presentation of certifications described in subsection (e) or in such other manner as may be specified in regulations.

(d) Exceptions

(1) Exclusion not applicable to certain newborns

Subject to paragraph (4), a group health plan, and a health insurance issuer offering group or individual health insurance coverage, may not impose any preexisting condition exclusion in the case of an individual who, as of the last day of the 30-day period beginning with the date of birth, is covered under creditable coverage.

(2) Exclusion not applicable to certain adopted children

Subject to paragraph (4), a group health plan, and a health insurance issuer offering group or individual health insurance coverage, may not impose any preexisting condition exclusion in the case of a child who is adopted or placed for adoption before attaining 18 years of age and who, as of the last day of the 30-day period beginning on the date of the adoption or placement for adoption, is covered under creditable coverage. The previous sentence shall not apply to coverage before the date of such adoption or placement for adoption.

(3) Exclusion not applicable to pregnancy

A group health plan, and health insurance issuer offering group or individual health insurance coverage, may not impose any preexisting condition exclusion relating to pregnancy as a preexisting condition.

(4) Loss if break in coverage

Paragraphs (1) and (2) shall no longer apply to an individual after the end of the first 63-day period during all of which the individual was not covered under any creditable coverage.

(e) Certifications and disclosure of coverage

(1) Requirement for certification of period of creditable coverage

(A) In general

A group health plan, and a health insurance issuer offering group or individual health insurance coverage, shall provide the certification described in subparagraph (B)—

(i) at the time an individual ceases to be covered under the plan or otherwise becomes covered under a COBRA continuation provision,
(ii) in the case of an individual becoming covered under such a provision, at the time the individual ceases to be covered under such provision, and
(iii) on the request on behalf of an individual made not later than 24 months after the date of cessation of the coverage described in clause (i) or (ii), whichever is later.

The certification under clause (i) may be provided, to the extent practicable, at a time consistent with notices required under any applicable COBRA continuation provision.

(B) Certification

The certification described in this subparagraph is a written certification of—

(i) the period of creditable coverage of the individual under such plan and the coverage (if any) under such COBRA continuation provision, and
(ii) the waiting period (if any) (and affiliation period, if applicable) imposed with respect to the individual for any coverage under such plan.

(C) Issuer compliance

To the extent that medical care under a group health plan consists of group health insurance coverage, the plan is deemed to have satisfied the certification requirement under this paragraph if the health insurance issuer offering the coverage provides for such certification in accordance with this paragraph.

(2) Disclosure of information on previous benefits

In the case of an election described in subsection (c)(3)(B) by a group health plan or health insurance issuer, if the plan or issuer enrolls an individual for coverage under the plan and the individual provides a certification of coverage of the individual under paragraph (1)—

(A) upon request of such plan or issuer, the entity which issued the certification provided by the individual shall promptly disclose to such requesting plan or issuer information on coverage of classes and categories of health benefits available under such entity’s plan or coverage, and
(B) such entity may charge the requesting plan or issuer for the reasonable cost of disclosing such information.
§ 300gg–3

(3) Regulations

The Secretary shall establish rules to prevent an entity's failure to provide information under paragraph (1) or (2) with respect to previous coverage of an individual from adversely affecting any subsequent coverage of the individual under another group health plan or health insurance coverage.

(f) Special enrollment periods

(1) Regulations

A group health plan, and a health insurance issuer offering group health insurance coverage in connection with a group health plan, shall permit an employee who is eligible, but not enrolled, for coverage under the terms of the plan (or a dependent of such an employee if the dependent is eligible, but not enrolled, for coverage under such terms) to enroll for coverage under the terms of the plan if each of the following conditions is met:

(A) The employee or dependent was covered under a group health plan or had health insurance coverage at the time coverage was previously offered to the employee or dependent.

(B) The employee stated in writing at such time that coverage under a group health plan or health insurance coverage was the reason for declining enrollment, but only if the plan sponsor or issuer (if applicable) required such a statement at such time and provided the employee with notice of such requirement (and the consequences of such requirement) at such time.

(C) The employee’s or dependent’s coverage described in subparagraph (A)—

(i) was under a COBRA continuation provision and the coverage under such provision was exhausted; or

(ii) was not under such a provision and either the coverage was terminated as a result of loss of eligibility for the coverage (including as a result of legal separation, divorce, death, termination of employment, or reduction in the number of hours of employment) or employer contributions toward such coverage were terminated.

(D) Under the terms of the plan, the employee requests such enrollment not later than 30 days after the date of exhaustion of coverage described in subparagraph (C)(i) or termination of coverage or employer contribution described in subparagraph (C)(ii).

(2) For dependent beneficiaries

(A) In general

If—

(i) a group health plan makes coverage available with respect to a dependent of an individual,

(ii) the individual is a participant under the plan (or has met any waiting period applicable to becoming a participant under the plan and is eligible to be enrolled under the plan but for a failure to enroll during a previous enrollment period), and

(iii) a person becomes such a dependent of the individual through marriage, birth, or adoption or placement for adoption,

the group health plan shall provide for a dependent special enrollment period described in subparagraph (B) during which the person (or, if not otherwise enrolled, the individual) may be enrolled under the plan as a dependent of the individual, and in the case of the birth or adoption of a child, the spouse of the individual may be enrolled as a dependent of the individual if such spouse is otherwise eligible for coverage.

(B) Dependent special enrollment period

A dependent special enrollment period under this subparagraph shall be a period of not less than 30 days and shall begin on the later of—

(i) the date dependent coverage is made available, or

(ii) the date of the marriage, birth, or adoption or placement for adoption (as the case may be) described in subparagraph (A)(ii).

(C) No waiting period

If an individual seeks to enroll a dependent during the first 30 days of such a dependent special enrollment period, the coverage of the dependent shall become effective—

(i) in the case of marriage, not later than the first day of the first month beginning after the date the completed request for enrollment is received;

(ii) in the case of a dependent’s birth, as of the date of such birth; or

(iii) in the case of a dependent’s adoption or placement for adoption, the date of such adoption or placement for adoption.

(3) Special rules for application in case of Medicaid and CHIP

(A) In general

A group health plan, and a health insurance issuer offering group health insurance coverage in connection with a group health plan, shall permit an employee who is eligible, but not enrolled, for coverage under the terms of the plan (or a dependent of such an employee if the dependent is eligible, but not enrolled, for coverage under such terms) to enroll for coverage under the terms of the plan if either of the following conditions is met:

(i) Termination of Medicaid or CHIP coverage

The employee or dependent is covered under a Medicaid plan under title XXI of the Social Security Act [42 U.S.C. 1396 et seq.] or under a State child health plan under title XXI of such Act [42 U.S.C. 1397aa et seq.] and coverage of the employee or dependent under such a plan is terminated as a result of loss of eligibility for such coverage and the employee requests coverage under the group health plan (or health insurance coverage) not later than 60 days after the date of termination of such coverage.

(ii) Eligibility for employment assistance under Medicaid or CHIP

The employee or dependent becomes eligible for assistance, with respect to cov-
erage under the group health plan or health insurance coverage, under such Medicaid plan or State child health plan (including under any waiver or demonstration project conducted under or in relation to such plan), if the employee requests coverage under the group health plan or health insurance coverage not later than 60 days after the date the employee or dependent is determined to be eligible for such assistance.

(B) Coordination with Medicaid and CHIP

(i) Outreach to employees regarding availability of Medicaid and CHIP coverage

(I) In general

Each employer that maintains a group health plan in a State that provides medical assistance under a State Medicaid plan under title XIX of the Social Security Act [42 U.S.C. 1396 et seq.], or child health assistance under a State child health plan under title XXI of such Act [42 U.S.C. 1397aa et seq.], in the form of premium assistance for the purchase of coverage under a group health plan, shall provide to each employee a written notice informing the employee of potential opportunities then currently available in the State in which the employee resides for premium assistance under such plans for health coverage of the employee or the employee’s dependents. For purposes of compliance with this subclause, the employer may use any State-specific model notice developed in accordance with section 1181(f)(3)(B)(i)(II) of title 29.

(II) Option to provide concurrent with provision of plan materials to employee

An employer may provide the model notice applicable to the State in which an employee resides concurrent with the furnishing of materials notifying the employee of health plan eligibility, concurrent with materials provided to the employee in connection with an open season or election process conducted under the plan, or concurrent with the furnishing of the summary plan description as provided in section 1024(b) of title 29.

(ii) Disclosure about group health plan benefits to States for Medicaid and CHIP eligible individuals

In the case of an enrollee in a group health plan who is covered under a Medicaid plan of a State under title XIX of the Social Security Act [42 U.S.C. 1396 et seq.], or under a State child health plan under title XXI of such Act [42 U.S.C. 1397aa et seq.], the plan administrator of the group health plan shall disclose to the State, upon request, information about the benefits available under the group health plan in sufficient specificity, as determined under regulations of the Secretary of Health and Human Services in consultation with the Secretary that require use of the model coverage coordination discl

(g) Use of affiliation period by HMOS as alternative to preexisting condition exclusion

(1) In general

A health maintenance organization which offers health insurance coverage in connection with a group health plan and which does not impose any preexisting condition exclusion allowed under subsection (a) with respect to any particular coverage option may impose an affiliation period for such coverage option, but only if—

(A) such period is applied uniformly without regard to any health status-related factors; and

(B) such period does not exceed 2 months (or 3 months in the case of a late enrollee).

(2) Affiliation period

(A) “Affiliation period” defined

For purposes of this subchapter, the term “affiliation period” means a period which, under the terms of the health insurance coverage offered by the health maintenance organization, must expire before the health insurance coverage becomes effective. The organization is not required to provide health care services or benefits during such period and no premium shall be charged to the participant or beneficiary for any coverage during the period.

(B) Beginning

Such period shall begin on the enrollment date.

(C) Runs concurrently with waiting periods

An affiliation period under a plan shall run concurrently with any waiting period under the plan.

(3) Alternative methods

A health maintenance organization described in paragraph (1) may use alternative methods, from those described in such paragraph, to address adverse selection as approved by the State insurance commissioner or official or officials designated by the State to enforce the requirements of this part for the State involved with respect to such issuer.


8So in original. Probably should be followed by the word “Program”.

REFERENCES IN TEXT

Subsection (a), referred to in subsecs. (b)(1)(B) and (c)(3)(A), (B), was struck out and a new subsec. (a) was added, by Pub. L. 111–148, title I, §1201(2)(A), Mar. 23, 2010, 124 Stat. 154, and as so amended, subsec. (a) no longer contains paragraphs.

The Social Security Act, referred to in subsecs. (c)(1)(C), (D) and (f)(3)(A)(i), (B)(i)(I), (ii), is act Aug. 14, 1935, ch. 531, 49 Stat. 620. Parts A and B of title XVIII of the Act are classified generally to parts A (§1395c et seq.) and B (§1395 et seq.), respectively, of subchapter XVIII of chapter 7 of this title. Titles XIX and XXI of the Act are classified generally to subchapters XIX (§1396c et seq.) and XXI (§1396aa et seq.), respectively, of chapter 7 of this title. For complete classification of this Act to the Code, see section 1305 of this title and Tables.


Codification

Section was classified to section 300gg of this title prior to amendment and renumbering by Pub. L. 111–148.

Section 242(a)(3) of Pub. L. 112–40 amended section 2701 of act July 1, 1944, “as in effect for plan years beginning before January 1, 2014”, which was classified to section 300gg of this title prior to amendment and renumbering by Pub. L. 111–148. Section 242(a)(4) of Pub. L. 112–40 made identical amendment to section 2704 of act July 1, 1944, “as in effect for plan years beginning on or after January 1, 2014”, which is set out as this section. See 2011 Amendment note below. For effective date of renumbering by section 1201(2) of Pub. L. 111–148, see Effective Date of 2010 Amendment note below.

Prior Provisions

A prior section 2704 of act July 1, 1944, was renumbered section 2725 and is classified to section 300gg–25 of this title.

Another prior section 2704 of act July 1, 1944, was successively renumbered by subsequent acts and transferred, see section 238c of this title.

Amendments


2010—Pub. L. 111–148, §1201(2)(A), substituted “Prohibition of preexisting condition exclusions or other discrimination based on health status” for “Increased portability through limitation on preexisting condition exclusions” in section catchline, added subsec. (a), and struck out former subsec. (a) which related to limitation on preexisting condition exclusion period.


Subsec. (d)(1) to (3). Pub. L. 111–148, §1563(c)(1)(B), formerly §1562(c)(1)(B), as renumbered by Pub. L. 111–148, §10107(b)(1), substituted “group or individual health insurance” for “group health insurance”.


Effective Date of 2011 Amendment

Amendment by Pub. L. 112–40 applicable to plan years beginning after Feb. 12, 2011, with transitional rules, see section 242(b) of Pub. L. 112–40, set out as a note under section 9801 of Title 26, Internal Revenue Code.

Effective Date of 2010 Amendment


Amendment by section 1201(2) of Pub. L. 111–148 effective for plan years beginning on or after Jan. 1, 2014, except that the provisions of this section, as they apply to enrollees who are under 19 years of age, effective for plan years beginning on or after the date that is 6 months after Mar. 23, 2010, see section 1255 of Pub. L. 111–148, set out as an Effective Date note under section 300gg of this title.

Effective Date of 2009 Amendment

Except as otherwise provided and subject to certain applicability provisions, amendment by Pub. L. 111–5 effective upon the expiration of the 90-day period beginning on Feb. 17, 2009, see section 1891 of Pub. L. 111–5, set out as an Effective and Termination Dates of 2009 Amendment note under section 2271 of Title 19, Customs Duties.

Amendment by Pub. L. 111–5 applicable to plan years beginning after Feb. 17, 2009, see section 1899D(d) of Pub. L. 111–5, set out as a note under section 9801 of Title 26, Internal Revenue Code.

Amendment by Pub. L. 111–3 effective Apr. 1, 2009, and applicable to child health assistance and medical assistance provided on or after that date, with certain exceptions, see section 3 of Pub. L. 111–3, set out as an Effective Date note under section 1396 of this title.

§ 300gg–4. Prohibiting discrimination against individual participants and beneficiaries based on health status

(a) In general

A group health plan and a health insurance issuer offering group or individual health insurance coverage may not establish rules for eligibility (including continued eligibility) of any individual to enroll under the terms of the plan or coverage based on any of the following health status-related factors in relation to the individual or a dependent of the individual:

(1) Health status.

(2) Medical condition (including both physical and mental illnesses).

(3) Claims experience.

(4) Receipt of health care.

(5) Medical history.

(6) Genetic information.

(7) Evidence of insurability (including conditions arising out of acts of domestic violence).
(8) Disability.
(9) Any other health status-related factor determined appropriate by the Secretary.

(b) In premium contributions

(1) In general
A group health plan, and a health insurance issuer offering group or individual health insurance coverage, may not require any individual (as a condition of enrollment or continued enrollment under the plan) to pay a premium or contribution which is greater than such premium or contribution for a similarly situated individual enrolled in the plan on the basis of any health status-related factor in relation to the individual or to an individual enrolled under the plan as a dependent of the individual.

(2) Construction
Nothing in paragraph (1) shall be construed—
(A) to restrict the amount that an employer or individual may be charged for coverage under a group health plan except as provided in paragraph (3) or individual health coverage, as the case may be; or
(B) to prevent a group health plan, and a health insurance issuer offering group health insurance coverage, from establishing premium discounts or rebates or modifying otherwise applicable copayments or deductibles in return for adherence to programs of health promotion and disease prevention.

(3) No group-based discrimination on basis of genetic information

(A) In general
For purposes of this section, a group health plan, and a health insurance issuer offering group health insurance coverage in connection with a group health plan, may not adjust premium or contribution amounts for the group covered under such plan on the basis of genetic information.

(B) Rule of construction
Nothing in subparagraph (A) or in paragraph (1) shall be construed to limit the ability of a health insurance issuer offering group or individual health insurance coverage to increase the premium for an employer based on the manifestation of a disease or disorder of an individual who is enrolled in the plan. In such case, the manifestation of a disease or disorder in one individual cannot also be used as genetic information about other group members and to further increase the premium for the employer.

(c) Genetic testing

(1) Limitation on requesting or requiring genetic testing
A group health plan, and a health insurance issuer offering health insurance coverage in connection with a group health plan, shall not request or require an individual or a family member of such individual to undergo a genetic test.

(2) Rule of construction
Paragraph (1) shall not be construed to limit the authority of a health care professional who is providing health care services to an individual to request that such individual undergo a genetic test.

(3) Rule of construction regarding payment

(A) In general
Nothing in paragraph (1) shall be construed to preclude a group health plan, or a health insurance issuer offering health insurance coverage in connection with a group health plan, from obtaining and using the results of a genetic test in making a determination regarding payment (as such term is defined for the purposes of applying the regulations promulgated by the Secretary under part C of title XI of the Social Security Act [42 U.S.C. 1320d et seq.] and section 264 of the Health Insurance Portability and Accountability Act of 1996, as may be revised from time to time) consistent with subsection (a).

(B) Limitation
For purposes of subparagraph (A), a group health plan, or a health insurance issuer offering health insurance coverage in connection with a group health plan, may request only the minimum amount of information necessary to accomplish the intended purpose.

(4) Research exception
Notwithstanding paragraph (1), a group health plan, or a health insurance issuer offering health insurance coverage in connection with a group health plan, may require, but not require, that a participant or beneficiary undergo a genetic test if each of the following conditions is met:

(A) The request is made pursuant to research that complies with part 46 of title 45, Code of Federal Regulations, or equivalent Federal regulations, and any applicable State or local law or regulations for the protection of human subjects in research.

(B) The plan or issuer clearly indicates to each participant or beneficiary, or in the case of a minor child, to the legal guardian of such beneficiary, to whom the request is made that—
(i) compliance with the request is voluntary; and
(ii) non-compliance will have no effect on enrollment status or premium or contribution amounts.

(C) No genetic information collected or acquired under this paragraph shall be used for underwriting purposes.

(D) The plan or issuer notifies the Secretary in writing that the plan or issuer is conducting activities pursuant to the exception provided for under this paragraph, including a description of the activities conducted.

(E) The plan or issuer complies with such other conditions as the Secretary may by regulation require for activities conducted under this paragraph.

---

1 So in original. Probably should be preceded by “a.”
(d) Prohibition on collection of genetic information

(1) In general

A group health plan, and a health insurance issuer offering health insurance coverage in connection with a group health plan, shall not request, require, or purchase genetic information for underwriting purposes (as defined in section 300gg–91 of this title).

(2) Prohibition on collection of genetic information prior to enrollment

A group health plan, and a health insurance issuer offering health insurance coverage in connection with a group health plan, shall not request, require, or purchase genetic information with respect to any individual prior to such individual’s enrollment under the plan or coverage in connection with such enrollment.

(3) Incidental collection

If a group health plan, or a health insurance issuer offering health insurance coverage in connection with a group health plan, obtains genetic information incidental to the requesting, requiring, or purchasing of other information concerning any individual, such request, requirement, or purchase shall not be considered a violation of paragraph (2) if such request, requirement, or purchase is not in violation of paragraph (1).

(e) Application to all plans

The provisions of subsections (a)(6), (b)(3), (c), and (d) and subsection (b)(1) and section 300gg–3 of this title with respect to genetic information, shall apply to group health plans and health insurance issuers without regard to section 300gg–21(a) of this title.

(f) Genetic information of a fetus or embryo

Any reference in this part to genetic information concerning an individual or family member of an individual shall—

(1) with respect to such an individual or family member of an individual who is a pregnant woman, include genetic information of any fetus carried by such pregnant woman; and

(2) with respect to an individual or family member utilizing an assisted reproductive technology, include genetic information of any embryo legally held by the individual or family member.

(j) Programs of health promotion or disease prevention

(1) General provisions

(A) General rule

For purposes of subsection (b)(2)(B), a program of health promotion or disease prevention (referred to in this subsection as a “wellness program”) shall be a program offered by an employer that is designed to promote health or prevent disease that meets the applicable requirements of this subsection.

(B) No conditions based on health status factor

If none of the conditions for obtaining a premium discount or rebate or other reward for participation in a wellness program is based on an individual satisfying a standard that is related to a health status factor, such wellness program shall not violate this section if participation in the program is made available to all similarly situated individuals and the requirements of paragraph (2) are complied with.

(C) Conditions based on health status factor

If any of the conditions for obtaining a premium discount or rebate or other reward for participation in a wellness program is based on an individual satisfying a standard that is related to a health status factor, such wellness program shall not violate this section if the requirements of paragraph (3) are complied with.

(2) Wellness programs not subject to requirements

If none of the conditions for obtaining a premium discount or rebate or other reward under a wellness program as described in paragraph (1)(B) are based on an individual satisfying a standard that is related to a health status factor (or if such a wellness program does not provide such a reward), the wellness program shall not violate this section if participation in the program is made available to all similarly situated individuals. The following programs shall not have to comply with the requirements of paragraph (3) if participation in the program is made available to all similarly situated individuals:

(A) A program that reimburses all or part of the cost for memberships in a fitness center.

(B) A diagnostic testing program that provides a reward for participation and does not base any part of the reward on outcomes.

(C) A program that encourages preventive care related to a health condition through the waiver of the copayment or deductible requirement under group

1 health plan for the costs of certain items or services related to a health condition (such as prenatal care or well-baby visits).

(D) A program that reimburses individuals for the costs of smoking cessation programs without regard to whether the individual quits smoking.

(E) A program that provides a reward to individuals for attending a periodic health education seminar.

(3) Wellness programs subject to requirements

If any of the conditions for obtaining a premium discount, rebate, or other reward under a wellness program as described in paragraph (1)(C) is based on an individual satisfying a standard that is related to a health status factor, the wellness program shall not violate this section if the following requirements are complied with:

(A) The reward for the wellness program, together with the reward for other wellness programs with respect to the plan that requires satisfaction of a standard related to a health status factor, shall not exceed 30 percent of the cost of employee-only coverage under the plan. If, in addition to employees

\(^1\) See References in Text note below.

\(^2\) As in original. No subsec. (g) to (i) have been enacted.
or individuals, any class of dependents (such as spouses or spouses and dependent children) may participate fully in the wellness program, such reward shall not exceed 30 percent of the cost of the coverage in which an employee or individual and any dependents are enrolled. For purposes of this paragraph, the cost of coverage shall be determined based on the total amount of employer and employee contributions for the benefit package under which the employee is (or the employee and any dependents are) receiving coverage. A reward may be in the form of a discount or rebate of a premium or contribution, a waiver of all or part of a cost-sharing mechanism (such as deductibles, copayments, or coinsurance), the absence of a surcharge, or the value of a benefit that would otherwise not be provided under the plan. The Secretaries of Labor, Health and Human Services, and the Treasury may increase the reward available under this subparagraph to up to 50 percent of the cost of coverage if the Secretaries determine that such an increase is appropriate.

(B) The wellness program shall be reasonably designed to promote health or prevent disease. A program complies with the preceding sentence if the program has a reasonable chance of improving the health of, or preventing disease in, participating individuals and it is not overly burdensome, is not a subterfuge for discriminating based on a health status factor, and is not highly suspect in the method chosen to promote health or prevent disease.

(C) The plan shall give individuals eligible for the program the opportunity to qualify for the reward under the program at least once each year.

(D) The full reward under the wellness program shall be made available to all similarly situated individuals. For such purpose, among other things:

(i) The reward is not available to all similarly situated individuals for a period unless the wellness program allows—

(I) for a reasonable alternative standard (or waiver of the otherwise applicable standard) for obtaining the reward for any individual for whom, for that period, it is medically inadvisable to attempt to satisfy the otherwise applicable standard; and

(II) for a reasonable alternative standard (or waiver of the otherwise applicable standard) for obtaining the reward for any individual for whom, for that period, it is medically inadvisable to attempt to satisfy the otherwise applicable standard.

(ii) If reasonable under the circumstances, the plan or issuer may seek verification, such as a statement from an individual’s physician, that a health status factor makes it unreasonably difficult or medically inadvisable for the individual to satisfy or attempt to satisfy the otherwise applicable standard.

(E) The plan or issuer involved shall disclose in all plan materials describing the terms of the wellness program the availability of a reasonable alternative standard (or the possibility of waiver of the otherwise applicable standard) required under subparagraph (D). If plan materials disclose that such a program is available, without describing its terms, the disclosure under this subparagraph shall not be required.

(k) Existing programs

Nothing in this section shall prohibit a program of health promotion or disease prevention that was established prior to March 23, 2010, and applied with all applicable regulations, and that is operating on such date, from continuing to be carried out for as long as such regulations remain in effect.

(f) Wellness program demonstration project

(1) In general

Not later than July 1, 2014, the Secretary, in consultation with the Secretary of the Treasury and the Secretary of Labor, shall establish a 10-State demonstration project under which participating States shall apply the provisions of subsection (j) to programs of health promotion offered by a health insurance issuer that offers health insurance coverage in the individual market in such State.

(2) Expansion of demonstration project

If the Secretary, in consultation with the Secretary of the Treasury and the Secretary of Labor, determines that the demonstration project described in paragraph (1) is effective, such Secretaries may, beginning on July 1, 2017 expand such demonstration project to include additional participating States.

(3) Requirements

(A) Maintenance of coverage

The Secretary, in consultation with the Secretary of the Treasury and the Secretary of Labor, shall not approve the participation of a State in the demonstration project under this section unless the Secretaries determine that the State’s project is designed in a manner that—

(i) will not result in any decrease in coverage; and

(ii) will not increase the cost to the Federal Government in providing credits under section 36B of title 26 or cost-sharing assistance under section 18071 of this title.

(B) Other requirements

States that participate in the demonstration project under this subsection—

(i) may permit premium discounts or rebates or the modification of otherwise applicable copayments or deductibles for adherence to, or participation in, a reasonably designed program of health promotion and disease prevention;

(ii) shall ensure that requirements of consumer protection are met in programs of health promotion in the individual market;

(iii) shall require verification from health insurance issuers that offer health insurance coverage in the individual mar-
Section 300gg–21(a) of this title, referred to in subsec. (e), was in the original a reference to section 2735(a) of act July 1, 1944, and was translated as if it referred to section 2732(a) of that act to reflect the probable intent of Congress because of the renumbering of section 2735 as 2722 by Pub. L. 111–148, title I, §1563(c)(12)(D), formerly §1562(c)(12)(D), title X, §10107(b)(1), Mar. 23, 2010, 124 Stat. 269, 911. The act July 1, 1944, does not contain a section 2735.

CODIFICATION

The text of section 300gg–1 of this title, which was amended and transferred to subsecs. (b) to (f) of this section by Pub. L. 111–148, §1201(3), was based on act July 1, 1944, ch. 373, title XXVII, §2702, as added Pub. L. 104–191, §102(a), Aug. 21, 1996, 110 Stat. 1961; amended Pub. L. 110–233, title I, §102(a)(1)–(3), May 21, 2008, 122 Stat. 888, 890.

PRIOR PROVISIONS


A prior section 2705 of act July 1, 1944, was renumbered section 2726 and is classified to section 300gg–26 of this title.

Another prior section 2705 of act July 1, 1944, was successively renumbered by subsequent acts and transferred, see section 238d of this title.

AMENDMENTS

2010—Pub. L. 111–148, §1201(3), transferred section 300gg–1 of this title to subsecs. (b) to (f) of this section after amending it by striking out the section catchline “Prohibiting discrimination against individual participants and beneficiaries based on health status”, by striking subsec. (a) which prohibited discrimination against individual participants in group health plans based on certain health status-related factors, by amending subsec. (b) by substituting “health insurance issuer offering group or individual health insurance coverage” for “health insurance issuer offering health insurance coverage in connection with a group health plan” in pars. (1) and (3)(B) and by inserting “or individual” after “employer” and “or individual health coverage, as the case may be” before semicolon in par. (2)(A), and by amending subsec. (e) by substituting “(a)(b)” for “(a)(1)(F)”, “300gg–1” for “300gg” and making technical amendment to reference in original act which appears in text as reference to section 300gg–21(a) of this title.

EFFECTIVE DATE

Section effective for plan years beginning on or after Jan. 1, 2014, see section 1255 of Pub. L. 111–148, set out as a note under section 300gg of this title.

§ 300gg–5. Non-discrimination in health care

(a) Providers

A group health plan and a health insurance issuer offering group or individual health insurance coverage shall not discriminate with respect to participation under the plan or coverage against any health care provider who is acting within the scope of that provider’s license or certification under applicable State law. This section shall not require that a group health plan or health insurance issuer contract with any health care provider willing to abide by the terms and conditions for participation established by the plan or issuer. Nothing in this
section shall be construed as preventing a group health plan, a health insurance issuer, or the Secretary from establishing varying reimbursement rates based on quality or performance measures.

(b) Individuals

The provisions of section 218c of title 29 (relating to non-discrimination) shall apply with respect to a group health plan or health insurance issuer offering group or individual health insurance coverage.

(1) of which relates to annual limitation on cost-sharing, to reflect the probable intent of Congress.

References in Text

Section 218c of title 29, referred to in subsec. (b), was in the original "section 1558 of the Patient Protection and Affordable Care Act", meaning section 1558 of Pub. L. 111–148, and was translated as meaning section 18C of Pub. L. 111–148, to reflect the probable intent of Congress.

Prior Provisions

A prior section 300gg–6, act July 1, 1944, ch. 373, title XXVII, § 2706, as added Pub. L. 111–148, set out as a note under section 238g of this title.

$300gg–7. Prohibition on excessive waiting periods

(a) Coverage for essential health benefits package

A health insurance issuer that offers health insurance coverage in the individual or small group market shall ensure that such coverage includes the essential health benefits package required under section 18032(a) of this title.

(b) Cost-sharing under group health plans

A group health plan shall ensure that any annual cost-sharing imposed under the plan does not exceed the limitations provided for under paragraph (1) of section 18022(c) of this title.

(c) Child-only plans

If a health insurance issuer offers health insurance coverage in any level of coverage specified under section 18022(d) of this title, the issuer shall also offer such coverage in that level as a plan in which the only enrollees are individuals who, as of the beginning of a plan year, have not attained the age of 21.

(d) Dental only

This section shall not apply to a plan described in section 18031(d)(2)(B)(ii) of this title.

See References in Text note below.

1 See References in Text note below.

2 See References in Text note below.
§ 300gg-8. Coverage for individuals participating in approved clinical trials

(a) Coverage

(1) In general

If a group health plan or a health insurance issuer offering group or individual health insurance coverage provides coverage to a qualified individual, then such plan or issuer—

(A) may not deny the individual participation in the clinical trial referred to in subsection (b)(2);

(B) subject to subsection (c), may not deny (or limit or impose additional conditions on) the coverage of routine patient costs for items and services furnished in connection with participation in the trial; and

(C) may not discriminate against the individual on the basis of the individual's participation in such trial.

(2) Routine patient costs

(A) Inclusion

For purposes of paragraph (1)(B), subject to subparagraph (B), routine patient costs include all items and services consistent with the coverage provided in the plan (or coverage) that is typically covered for a qualified individual who is not enrolled in a clinical trial.

(B) Exclusion

For purposes of paragraph (1)(B), routine patient costs does not include—

(i) the investigational item, device, or service, itself;

(ii) items and services that are provided solely to satisfy data collection and analysis needs and that are not used in the direct clinical management of the patient; or

(iii) a service that is clearly inconsistent with widely accepted and established standards of care for a particular diagnosis.

(3) Use of in-network providers

If one or more participating providers is participating in a clinical trial, nothing in paragraph (1) shall be construed as preventing a plan or issuer from requiring that a qualified individual participate in the trial through such a participating provider if the provider will accept the individual as a participant in the trial.

(4) Use of out-of-network

Notwithstanding paragraph (3), paragraph (1) shall apply to a qualified individual participating in an approved clinical trial that is conducted outside the State in which the qualified individual resides.

(b) Qualified individual defined

For purposes of subsection (a), the term "qualified individual" means an individual who is a participant or beneficiary in a health plan or with coverage described in subsection (a)(1) and who meets the following conditions:

(1) The individual is eligible to participate in an approved clinical trial according to the trial protocol with respect to treatment of cancer or other life-threatening disease or condition.

(2) Either—

(A) the referring health care professional is a participating health care provider and has concluded that the individual's participation in such trial would be appropriate based upon the individual meeting the conditions described in paragraph (1); or

(B) the participant or beneficiary provides medical and scientific information establishing that the individual's participation in such trial would be appropriate based upon the individual meeting the conditions described in paragraph (1).

(c) Limitations on coverage

This section shall not be construed to require a group health plan, or a health insurance issuer offering group or individual health insurance coverage, to provide benefits for routine patient care services provided outside of the plan's (or coverage's) health care provider network unless out-of-network benefits are otherwise provided under the plan (or coverage).

(d) Approved clinical trial defined

(1) In general

In this section, the term "approved clinical trial" means a phase I, phase II, phase III, or phase IV clinical trial that is conducted in relation to the prevention, detection, or treatment of cancer or other life-threatening disease or condition and is described in any of the following subparagraphs:

(A) FEDERALLY FUNDED TRIALS.—The study or investigation is approved or funded (which may include funding through in-kind contributions) by one or more of the following:

(i) The National Institutes of Health.

(ii) The Centers for Disease Control and Prevention.

(iii) The Agency for Health Care Research and Quality.

(iv) The Centers for Medicare & Medicaid Services.

(v) cooperative group or center of any of the entities described in clauses (i) through (iv) or the Department of Defense or the Department of Veterans Affairs.

(vi) A qualified non-governmental research entity identified in the guidelines issued by the National Institutes of Health for center support grants.

(vii) Any of the following if the conditions described in paragraph (2) are met:

(I) The Department of Veterans Affairs.

(II) The Department of Defense.

(III) The Department of Energy.

(B) The study or investigation is conducted under an investigational new drug application reviewed by the Food and Drug Administration.

\footnote{So in original. Probably should be preceded by "A".}
(C) The study or investigation is a drug trial that is exempt from having such an investigational new drug application.

(2) Conditions for departments

The conditions described in this paragraph, for a study or investigation conducted by a Department, are that the study or investigation has been reviewed and approved through a system of peer review that the Secretary determines—

(A) to be comparable to the system of peer review of studies and investigations used by the National Institutes of Health, and

(B) assures unbiased review of the highest scientific standards by qualified individuals who have no interest in the outcome of the review.

(e) Life-threatening condition defined

In this section, the term "life-threatening condition" means any disease or condition from which the likelihood of death is probable unless the course of the disease or condition is interrupted.

(f) Construction

Nothing in this section shall be construed to limit a plan's or issuer's coverage with respect to clinical trials.

(g) Application to FEHBP

Notwithstanding any provision of chapter 89 of title 5, this section shall apply to health plans offered under the program under such chapter.

(h) Preemption

Notwithstanding any other provision of this chapter, nothing in this section shall preemp State laws that require a clinical trials policy for State regulated health insurance plans that is in addition to the policy required under this section.

(July 1, 1944, ch. 373, title XXVII, § 2709, as added Pub. L. 111–148, title X, § 10103(c), Mar. 23, 2010, 124 Stat. 892.)

CODIFICATION

Another section 2709 of act July 1, 1944, is classified to section 300gg–8 of this title.

PRIOR PROVISIONS

A prior section 2709 of act July 1, 1944, was successively renumbered by subsequent acts and transferred, see section 238h of this title.

§ 300gg-9. Disclosure of information

(a) Disclosure of information by health plan issuers

In connection with the offering of any health insurance coverage to a small employer or an individual, a health insurance issuer—

(1) shall make a reasonable disclosure to such employer, or individual, as applicable, as part of its solicitation and sales materials, of the availability of information described in subsection (b), and

(2) upon request of such a employer, or individual, as applicable, provide such information.

(b) Information described

(1) In general

Subject to paragraph (3), with respect to a health insurance issuer offering health insurance coverage to an employer, or individual, as applicable, information described in this subsection is information concerning—

(A) the provisions of such coverage concerning issuer's right to change premium rates and the factors that may affect changes in premium rates; and

(B) the benefits and premiums available under all health insurance coverage for which the employer, or individual, as applicable, is qualified.

(2) Form of information

Information under this subsection shall be provided to employers, or individuals, as applicable, in a manner determined to be understandable by the average employer, or individual, as applicable, and shall be sufficient to reasonably inform employers, or individuals, as applicable, of their rights and obligations under the health insurance coverage.

(3) Exception

An issuer is not required under this section to disclose any information that is proprietary and trade secret information under applicable law.


AMENDMENTS

2010—Subsec. (a). Pub. L. 111–148, §1563(c)(10)(A), formerly §1562(c)(10)(A), as renumbered by Pub. L. 111–148, §10107(b)(1), in introductory provisions substituted "small employer or an individual" for "small employer", in par. (1) inserted "or individual, as applicable," after "employer", and in par. (2) substituted "employer, or individual, as applicable," for "small employer".


Subsec. (b)(2). Pub. L. 111–148, §1563(c)(10)(B)(ii), formerly §1562(c)(10)(B)(ii), as renumbered by Pub. L. 111–148, §10107(b)(1), substituted "employer, or individual, as applicable," for "small employer" and "employ-
ers, or individuals, as applicable." for "small employers" in two places.

Effective Date
Section applicable with respect to group health plans, and health insurance coverage offered in connection with group health plans, for plan years beginning after Dec. 30, 1995, except as otherwise provided, see section 102(c) of Pub. L. 104–191, set out as a note under section 300gg of this title.

Subpart II—Improving Coverage
A prior subpart 2, consisting of sections 300gg–4 to 300gg–7, related to other requirements, prior to repeal of the subpart designation and heading and transfer of sections 300gg–4 to 300gg–7 to 300gg–25 to 300gg–28, respectively, of this title by Pub. L. 111–148, title I, §§1001(3), 1563(c)(8), formerly §1562(c)(8), title X, §10107(b)(1), Mar. 23, 2010, 124 Stat. 268, 911.

Another prior subpart 2, consisting of sections 300gg–11 to 300gg–13, related to provisions applicable only to health insurance issuers, was redesignated subpart 3 of this part by Pub. L. 104–204, title VI, §604(a)(2), Sept. 26, 1996, 110 Stat. 2693.

A prior subpart 3, consisting of sections 300gg–11 to 300gg–13, related to provisions applicable only to health insurance issuers, prior to repeal of the subpart designation and heading by Pub. L. 111–148, title I, §1563(c)(7), formerly §1562(c)(7), title X, §10107(b)(1), Mar. 23, 2010, 124 Stat. 266, 911.

A prior subpart 4, consisting of sections 300gg–21 to 300gg–23, which related to exclusion of plans, enforcement, and preemption, was redesignated subpart 2 of this part by Pub. L. 111–148, title I, §1563(c)(11), formerly §1562(c)(11), title X, §10107(b)(1), Mar. 23, 2010, 124 Stat. 266, 911.

§ 300gg–11. No lifetime or annual limits

(a) Prohibition

(1) In general
A group health plan and a health insurance issuer offering group or individual health insurance coverage may not establish—

(A) lifetime limits on the dollar value of benefits for any participant or beneficiary; or

(B) except as provided in paragraph (2), annual limits on the dollar value of benefits for any participant or beneficiary.

(2) Annual limits prior to 2014
With respect to plan years beginning prior to January 1, 2014, a group health plan and a health insurance issuer offering group or individual health insurance coverage may only establish a restricted annual limit on the dollar value of benefits for any participant or beneficiary with respect to the scope of benefits that are essential health benefits under section 18022(b) of this title, as determined by the Secretary. In defining the term "restricted annual limit" for purposes of the preceding sentence, the Secretary shall ensure that access to needed services is made available with a minimal impact on premiums.

(b) Per beneficiary limits
Subsection (a) shall not be construed to prevent a group health plan or health insurance coverage from placing annual or lifetime per beneficiary limits on specific covered benefits that are not essential health benefits under section 18022(b) of this title, to the extent that such limits are otherwise permitted under Federal or State law.


"(a) In General.—Except as provided for in subsection (b), this subtitle (subtitle A (§§1001–1004) of title I of Pub. L. 111–148, enacting this section and sections 300gg–12 to 300gg–15, 300gg–16 to 300gg–19, 300gg–93, and 300gg–94 of this title, amending former sections 300gg–11 and 300gg–12 of this title and sections 300gg–21 to 300gg–23 of this title, and transferring section 300gg–13 of this title to section 300gg–9 of this title and sections 300gg–4 to 300gg–7 of this title to sections 300gg–25 to 300gg–28 of this title, respectively) (and the amendments made by this subtitle) shall become effective for plan years beginning on or after the date that is 6 months after the date of enactment of this Act [Mar. 23, 2010], except that the amendments made by sections 1002 and 1003 (enacting sections 300gg–93 and 300gg–94 of this title) shall become effective for fiscal years beginning with fiscal year 2010.

"(b) Special Rule.—The amendments made by sections 1002 and 1003 (enacting sections 300gg–93 and 300gg–94 of this title) shall take effect on the date of enactment of this Act [Mar. 23, 2010]."

§ 300gg–12. Prohibition on rescissions
A group health plan and a health insurance issuer offering group or individual health insurance coverage shall not rescind such plan or coverage with respect to an enrollee once the enrollee is covered under such plan or coverage involved, except that this section shall not apply to a covered individual who has performed an act or practice that constitutes fraud or makes an intentional misrepresentation of material fact as prohibited by the terms of the plan or coverage. Such plan or coverage may not be cancelled except with prior notice to the enrollee,
and only as permitted under section 300gg–2(b)(1) or 300gg–2(b) of this title.


REFERENCES IN TEXT

Section 300gg–2(b) of this title, referred to in text, was in the original a reference to section “2702(c)” of act July 1, 1944, which was translated as meaning section 2703(b) of act July 1, 1944, to reflect the probable intent of Congress. Section 2702(c), which is classified to section 300gg–1 of this title, relates to special rules for network plans, while section 2703(b) specifies the reasons for which a health insurance issuer may nonrenew or discontinue health insurance coverage offered in connection with a health insurance coverage offering in the group or individual market. Section 300gg–2(b) also parallels section 300gg–42(b) which appears in the same context in this section as the reference to section 300gg–2(b).

PRIOR PROVISIONS

A prior section 300gg–12, act July 1, 1944, ch. 373, title XXVII, §2712, as added Pub. L. 104–191, title I, §102(a), Aug. 21, 1996, 110 Stat. 1964, which related to guaranteed renewability of coverage for employers in a group market, was renumbered section 2732 of act July 1, 1944, amended, and transferred to subsecs. (b) to (e) of section 300gg–2 of this title, by Pub. L. 111–148, title I, §§1001(3), 1563(c)(9), formerly §1562(c)(9), title X, §10107(b)(1), Mar. 23, 2010, 124 Stat. 120, 267, 911.

Another prior section 2712 of act July 1, 1944, was successively renumbered by subsequent acts and transferred, see section 228E of this title.

Effective Date

Section effective for plan years beginning on or after the date that is 6 months after Mar. 23, 2010, see section 1004 of Pub. L. 111–148, set out as a note under section 300gg–11 of this title.

§ 300gg–13. Coverage of preventive health services

(a) In general

A group health plan and a health insurance issuer offering group or individual health insurance coverage shall, at a minimum provide coverage for and shall not impose any cost sharing requirements for—

(1) evidence-based items or services that have in effect a rating of “A” or “B” in the current recommendations of the United States Preventive Services Task Force;

(2) immunizations that have in effect a recommendation from the Advisory Committee on Immunization Practices of the Centers for Disease Control and Prevention with respect to the individual involved; and

(3) with respect to infants, children, and adolescents, evidence-informed preventive care and screenings provided for in the comprehensive guidelines supported by the Health Resources and Services Administration.

(4) with respect to women, such additional preventive care and screenings not described in paragraph (1) as provided for in comprehensive guidelines supported by the Health Resources and Services Administration for purposes of this paragraph.²

(5) for the purposes of this chapter, and for the purposes of any other provision of law, the current recommendations of the United States Preventive Service Task Force regarding breast cancer screening, mammography, and prevention shall be considered the most current other than those issued in or around November 2009.

Nothing in this subsection shall be construed to prohibit a plan or issuer from providing coverage for services in addition to those recommended by United States Preventive Services Task Force or to deny coverage for services that are not recommended by such Task Force.

(b) Interval

(1) In general

The Secretary shall establish a minimum interval between the date on which a recommendation described in subsection (a)(1) or (a)(2) or a guideline under subsection (a)(3) is issued and the plan year with respect to which the requirement described in subsection (a) is effective with respect to the service described in such recommendation or guideline.

(2) Minimum

The interval described in paragraph (1) shall not be less than 1 year.

(c) Value-based insurance design

The Secretary may develop guidelines to permit a group health plan and a health insurance issuer offering group or individual health insurance coverage to utilize value-based insurance designs.


PRIOR PROVISIONS


Another prior section 2713 of act July 1, 1944, was successively renumbered by subsequent acts and transferred, see section 238I of this title.

Effective Date

Section effective for plan years beginning on or after the date that is 6 months after Mar. 23, 2010, see section 1004 of Pub. L. 111–148, set out as a note under section 300gg–11 of this title.

§ 300gg–14. Extension of dependent coverage

(a) In general

A group health plan and a health insurance issuer offering group or individual health insurance coverage that provides dependent coverage of children shall continue to make such coverage available for an adult child until the child turns 26 years of age. Nothing in this section shall require a health plan or a health insurance issuer described in the preceding sentence to make coverage available for a child of a child receiving dependent coverage.

(b) Regulations

The Secretary shall promulgate regulations to define the dependents to which coverage shall be made available under subsection (a).
§ 300gg–15  TITLE 42—THE PUBLIC HEALTH AND WELFARE

(c) Rule of construction

Nothing in this section shall be construed to modify the definition of ‘‘dependent’’ as used in title 26 with respect to the tax treatment of the cost of coverage.


PRIOR PROVISIONS

A prior section 2714 of act July 1, 1944, was successively renumbered by subsequent acts and transferred, see section 238m of this title.

AMENDMENTS

2010—Subsec. (a). Pub. L. 111–152 struck out ‘‘(who is not married)’’ after ‘‘adult child’’.

EFFECTIVE DATE

Section effective for plan years beginning on or after the date that is 6 months after Mar. 23, 2010, see section 18022(b)(1) of this title.

§ 300gg–15. Development and utilization of uniform explanation of coverage documents and standardized definitions

(a) In general

Not later than 12 months after March 23, 2010, the Secretary shall develop standards for use by a group health plan and a health insurance issuer offering group or individual health insurance coverage, in compiling and providing to applicants, enrollees, and policyholders or certificate holders a summary of benefits and coverage explanation that accurately describes the benefits and coverage under the applicable plan or coverage. In developing such standards, the Secretary shall consult with the National Association of Insurance Commissioners (referred to in this section as the ‘‘NAIC’’), a working group composed of representatives of health insurance-related consumer advocacy organizations, health insurance issuers, health care professionals, patient advocates including those representing individuals with limited English proficiency, and other qualified individuals.

(b) Requirements

The standards for the summary of benefits and coverage developed under subsection (a) shall provide for the following:

(1) Appearance

The standards shall ensure that the summary of benefits and coverage is presented in a uniform format that does not exceed 4 pages in length and does not include print smaller than 12-point font.

(2) Language

The standards shall ensure that the summary is presented in a culturally and linguistically appropriate manner and utilizes terminology understandable by the average plan enrollee.

(3) Contents

The standards shall ensure that the summary of benefits and coverage includes—

(A) uniform definitions of standard insurance terms and medical terms (consistent with subsection (g)) so that consumers may compare health insurance coverage and understand the terms of coverage (or exception to such coverage);

(B) a description of the coverage, including cost sharing for—

(i) each of the categories of the essential health benefits described in subparagraphs (A) through (J) of section 18022(b)(1) of this title; and

(ii) other benefits, as identified by the Secretary;

(C) the exceptions, reductions, and limitations on coverage;

(D) the cost-sharing provisions, including deductible, coinsurance, and co-payment obligations;

(E) the renewability and continuation of coverage provisions;

(F) a coverage facts label that includes examples to illustrate common benefits scenarios, including pregnancy and serious or chronic medical conditions and related cost sharing, such scenarios to be based on recognized clinical practice guidelines;

(G) a statement of whether the plan or coverage—

(i) provides minimum essential coverage (as defined under section 5000A(f) of title 26); and

(ii) ensures that the plan or coverage share of the total allowed costs of benefits provided under the plan or coverage is not less than 60 percent of such costs;

(H) a statement that the outline is a summary of the policy or certificate and that the coverage document itself should be consulted to determine the governing contractual provisions; and

(I) a contact number for the consumer to call with additional questions and an Internet web address where a copy of the actual individual coverage policy or group certificate of coverage can be reviewed and obtained.

(c) Periodic review and updating

The Secretary shall periodically review and update, as appropriate, the standards developed under this section.

(d) Requirement to provide

(1) In general

Not later than 24 months after March 23, 2010, each entity described in paragraph (3) shall provide, prior to any enrollment restriction, a summary of benefits and coverage explanation pursuant to the standards developed by the Secretary under subsection (a) to—

(A) an applicant at the time of application;

(B) an enrollee prior to the time of enrollment or reenrollment, as applicable; and

(C) a policyholder or certificate holder at the time of issuance of the policy or delivery of the certificate.

(2) Compliance

An entity described in paragraph (3) is deemed to be in compliance with this section if the summary of benefits and coverage described in subsection (a) is provided in paper or electronic form.
(3) Entities in general

An entity described in this paragraph is—

(A) a health insurance issuer (including a group health plan that is not a self-insured plan) offering health insurance coverage within the United States; or

(B) in the case of a self-insured group health plan, the plan sponsor or designated administrator of the plan (as such terms are defined in section 1002(16) of title 29).

(4) Notice of modifications

If a group health plan or health insurance issuer makes any material modification in any of the terms of the plan or coverage involved (as defined for purposes of section 1022 of title 29) that is not reflected in the most recently provided summary of benefits and coverage, the plan or issuer shall provide notice of such modification to enrollees not later than 60 days prior to the date on which such modification will become effective.

(e) Preemption

The standards developed under subsection (a) shall preempt any related State standards that require a summary of benefits and coverage that provides less information to consumers than that required to be provided under this section, as determined by the Secretary.

(f) Failure to provide

An entity described in subsection (d)(3) that willfully fails to provide the information required under this section shall be subject to a fine of not more than $1,000 for each such failure. Such failure with respect to each enrollee shall constitute a separate offense for purposes of this subsection.

(g) Development of standard definitions

(1) In general

The Secretary shall, by regulation, provide for the development of standards for the definitions of terms used in health insurance coverage, including the insurance-related terms described in paragraph (2) and the medical terms described in paragraph (3).

(2) Insurance-related terms

The insurance-related terms described in this paragraph are premium, deductible, co-insurance, co-payment, out-of-pocket limit, preferred provider, non-preferred provider, out-of-network co-payments, UCR (usual, customary and reasonable) fees, excluded services, grievance and appeals, and such other terms as the Secretary determines are important to define so that consumers may compare health insurance coverage and understand the terms of their coverage.

(3) Medical terms

The medical terms described in this paragraph are hospitalization, hospital outpatient care, emergency room care, physician services, prescription drug coverage, durable medical equipment, home health care, skilled nursing care, rehabilitation services, hospice services, emergency medical transportation, and such other terms as the Secretary determines are important to define so that consumers may compare the medical benefits offered by health insurance and understand the extent of those medical benefits (or exceptions to those benefits).


AMENDMENTS

2010—Subsec. (a). Pub. L. 111–148, §10101(b), substituted “and providing to applicants, enrollees, and policyholders or certificate holders’’ for “and providing to enrollees’’.

§300gg–15a. Provision of additional information

A group health plan and a health insurance issuer offering group or individual health insurance coverage shall comply with the provisions of section 18031(e)(3) of this title, except that a plan or coverage that is not offered through an Exchange shall only be required to submit the information required to the Secretary and the State insurance commissioner, and make such information available to the public.

(July 1, 1944, ch. 373, title XXVII, §2715A, as added Pub. L. 111–148, title X, §10101(c), Mar. 23, 2010, 124 Stat. 884.)

§300gg–16. Prohibition on discrimination in favor of highly compensated individuals

(a) In general

A group health plan (other than a self-insured plan) shall satisfy the requirements of section 105(h)(2) of title 26 (relating to prohibition on discrimination in favor of highly compensated individuals).

(b) Rules and definitions

For purposes of this section—

(1) Certain rules to apply

Rules similar to the rules contained in paragraphs (3), (4), and (8) of section 105(h) of title 26 shall apply.

(2) Highly compensated individual

The term “highly compensated individual” has the meaning given such term by section 105(h)(5) of title 26.


AMENDMENTS

2010—Pub. L. 111–148, §10101(d), amended section generally. Prior to amendment, text read as follows:

“(a) IN GENERAL.—The plan sponsor of a group health plan (other than a self-insured plan) may not establish rules relating to the health insurance coverage eligibility (including continued eligibility) of any full-time employee under the terms of the plan that are based on the total hourly or annual salary of the employee or otherwise establish eligibility rules that have the effect of discriminating in favor of higher wage employees.

“(b) LIMITATION.—Subsection (a) shall not be construed to prohibit a plan sponsor from establishing con-
trubution requirements for enrollment in the plan or coverage that provide for the payment by employees with lower hourly or annual compensation of a lower dollar or percentage contribution than the payment required of similarly situated employees with a higher hourly or annual compensation.”

**Effective Date**
Section effective for plan years beginning on or after the date that is 6 months after Mar. 23, 2010, see section 1094 of Pub. L. 111–148, set out as a note under section 300gg–11 of this title.

§ 300gg–17. Ensuring the quality of care

(a) Quality reporting

(1) In general

Not later than 2 years after March 23, 2010, the Secretary, in consultation with experts in health care quality and stakeholders, shall develop reporting requirements for use by a group health plan, and a health insurance issuer offering group or individual health insurance coverage, with respect to plan or coverage benefits and health care provider reimbursement structures that—

(A) improve health outcomes through the implementation of activities such as quality reporting, effective case management, care coordination, chronic disease management, and medication and care compliance initiatives, including through the use of the medical homes model as defined for purposes of section 3602 of the Patient Protection and Affordable Care Act, for treatment or services under the plan or coverage;

(B) implement activities to prevent hospital readmissions through a comprehensive program for hospital discharge that includes patient-centered education and counseling, comprehensive discharge planning, and post discharge reinforcement by an appropriate health care professional;

(C) implement activities to improve patient safety and reduce medical errors through the appropriate use of best clinical practices, evidence based medicine, and health information technology under the plan or coverage; and

(D) implement wellness and health promotion activities.

(2) Reporting requirements

(A) In general

A group health plan and a health insurance issuer offering group or individual health insurance coverage shall annually submit to the Secretary, and to enrollees under the plan or coverage, a report on whether the benefits under the plan or coverage satisfy the elements described in subparagraphs (A) through (D) of paragraph (1).

(B) Timing of reports

A report under subparagraph (A) shall be made available to an enrollee under the plan or coverage during each open enrollment period.

(C) Availability of reports

The Secretary shall make reports submitted under subparagraph (A) available to the public through an Internet website.

(D) Penalties

In developing the reporting requirements under paragraph (1), the Secretary may develop and impose appropriate penalties for non-compliance with such requirements.

(E) Exceptions

In developing the reporting requirements under paragraph (1), the Secretary may provide for exceptions to such requirements for group health plans and health insurance issuers that substantially meet the goals of this section.

(b) Wellness and prevention programs

For purposes of subsection (a)(1)(D), wellness and health promotion activities may include personalized wellness and prevention services, which are coordinated, maintained or delivered by a health care provider, a wellness and prevention plan manager, or a health, wellness or prevention services organization that conducts health risk assessments or offers ongoing face-to-face, telephonic or web-based intervention efforts for each of the program’s participants, and which may include the following wellness and prevention efforts:

(1) Smoking cessation.

(2) Weight management.

(3) Stress management.

(4) Physical fitness.

(5) Nutrition.

(6) Heart disease prevention.

(7) Healthy lifestyle support.

(8) Diabetes prevention.

(c) Protection of Second Amendment gun rights

(1) Wellness and prevention programs

A wellness and health promotion activity implemented under subsection (a)(1)(D) may not require the disclosure or collection of any information relating to—

(A) the presence or storage of a lawfully-possessed firearm or ammunition in the residence or on the property of an individual; or

(B) the lawful use, possession, or storage of a firearm or ammunition by an individual.

(2) Limitation on data collection

None of the authorities provided to the Secretary under the Patient Protection and Affordable Care Act or an amendment made by that Act shall be construed to authorize or may be used for the collection of any information relating to—

(A) the lawful ownership or possession of a firearm or ammunition;

(B) the lawful use of a firearm or ammunition; or

(C) the lawful storage of a firearm or ammunition.

(3) Limitation on databases or data banks

None of the authorities provided to the Secretary under the Patient Protection and Affordable Care Act or an amendment made by that Act shall be construed to authorize or may be used to maintain records of individual ownership or possession of a firearm or ammunition.

(4) Limitation on determination of premium rates or eligibility for health insurance

A premium rate may not be increased, health insurance coverage may not be denied,
and a discount, rebate, or reward offered for participation in a wellness program may not be reduced or withheld under any health benefit plan issued pursuant to or in accordance with the Patient Protection and Affordable Care Act or an amendment made by that Act on the basis of, or on reliance upon—

(A) the lawful ownership or possession of a firearm or ammunition; or

(B) the lawful use or storage of a firearm or ammunition.

(5) Limitation on data collection requirements for individuals

No individual shall be required to disclose any information under any data collection activity authorized under the Patient Protection and Affordable Care Act or an amendment made by that Act relating to—

(A) the lawful ownership or possession of a firearm or ammunition; or

(B) the lawful use, possession, or storage of a firearm or ammunition.

(d) Regulations

Not later than 2 years after March 23, 2010, the Secretary shall promulgate regulations that provide criteria for determining whether a reimbursement structure is described in subsection (a).

(e) Study and report

Not later than 180 days after the date on which regulations are promulgated under subsection (c), the Government Accountability Office shall review such regulations and conduct a study and submit to the Committee on Health, Education, Labor, and Pensions of the Senate and the Committee on Energy and Commerce of the House of Representatives a report regarding the impact the activities under this section have had on the quality and cost of health care.

(2) of subsection (a) to the total amount of premium revenue expended by the issuer on costs described in paragraphs (1) and (2) of subsection (a) to the total amount of premium revenue (excluding Federal and State taxes and licensing or regulatory fees and after accounting for payments or receipts for risk adjustment, risk corridors, and reinsurance under sections 18061, 18062, and 18063 of this title) for the plan year (except as provided in subparagraph (B)(ii)), is less than—

(i) with respect to a health insurance issuer offering coverage in the large group market, 85 percent, or such higher percentage as a State may by regulation determine; or

(ii) with respect to a health insurance issuer offering coverage in the small group market or in the individual market, 80 percent, or such higher percentage as a State may by regulation determine, except that the Secretary may adjust such percentage with respect to a State if the Secretary determines that the application of such 80 percent may destabilize the individual market in such State.

REFERENCES IN TEXT

Section 3602 of the Patient Protection and Affordable Care Act, referred to in subsec. (a)(1)(A), is section 3602 of Pub. L. 111–148 which is set out as a note under section 256a–1 of this title but the reference probably should be to section 3502 of the Act which is set out as a note under section 1305w–21 of this title.

AMENDMENTS

2010—Subsecs. (c) to (e), Pub. L. 111–148, §10101(e), added subsec. (c) and redesignated former subsecs. (c) and (d) as (d) and (e), respectively.

 EFFECTIVE DATE

Section effective for plan years beginning on or after the date that is 6 months after Mar. 23, 2010, see section 1004 of Pub. L. 111–148, set out as a note under section 390gg–11 of this title.
§ 300gg–19

TITLE 42—THE PUBLIC HEALTH AND WELFARE

Page 1458

(B) Rebate amount

(i) Calculation of amount

The total amount of an annual rebate required under this paragraph shall be in an amount equal to the product of—

(I) the amount by which the percentage described in clause (i) or (ii) of subparagraph (A) exceeds the ratio described in such subparagraph; and

(II) the total amount of premium revenue (excluding Federal and State taxes and licensing or regulatory fees and after accounting for payments or receipts for risk adjustment, risk corridors, and reinsurance under sections 18061, 18062, and 18063 of this title) for such plan year.

(ii) Calculation based on average ratio

Beginning on January 1, 2014, the determination made under subparagraph (A) for the year involved shall be based on the averages of the premiums expended on the costs described in such subparagraph and total premium revenue for each of the previous 3 years for the plan.

(2) Consideration in setting percentages

In determining the percentages under paragraph (1), a State shall seek to ensure adequate participation by health insurance issuers, competition in the health insurance market in the State, and value for consumers so that premiums are used for clinical services and quality improvements.

(3) Enforcement

The Secretary shall promulgate regulations for enforcing the provisions of this section and may provide for appropriate penalties.

(c) Definitions

Not later than December 31, 2010, and subject to the certification of the Secretary, the National Association of Insurance Commissioners shall establish uniform definitions of the activities reported under subsection (a) and standardized methodologies for calculating measures of such activities, including definitions of which activities, and in what regard such activities, constitute activities described in subsection (a)(2). Such methodologies shall be designed to take into account the special circumstances of smaller plans, different types of plans, and newer plans.

(d) Adjustments

The Secretary may adjust the rates described in subsection (b) if the Secretary determines appropriate on account of the volatility of the individual market due to the establishment of State Exchanges.

(e) Standard hospital charges

Each hospital operating within the United States shall for each year establish (and update) and make public (in accordance with guidelines developed by the Secretary) a list of the hospital’s standard charges for items and services provided by the hospital, including for diagnosis-related groups established under section 1395ww(d)(4) of this title.
(1) shall comply with the applicable State external review process for such plans and issuers that, at a minimum, includes the consumer protections set forth in the Uniform External Review Model Act promulgated by the National Association of Insurance Commissioners and is binding on such plans; or
(2) shall implement an effective external review process that meets minimum standards established by the Secretary through guidance and that is similar to the process described under paragraph (1)–
(A) if the applicable State has not established an external review process that meets the requirements of paragraph (1); or
(B) if the plan is a self-insured plan that is not subject to State insurance regulation (including a State law that establishes an external review process described in paragraph (1)).

(c) Secretary authority

The Secretary may deem the external review process of a group health plan or health insurance issuer, in operation as of March 23, 2010, to be in compliance with the applicable process established under subsection (b), as determined appropriate by the Secretary.

(2) Definitions

In this subsection:

(A) Emergency medical condition

The term "emergency medical condition" means, with respect to an emergency medical condition—
(i) a medical screening examination (as required under section 1395dd of this title) that is within the capability of the emergency department of a hospital, including ancillary services routinely available at the hospital, such further medical examination and treatment as are required under section 1395dd of this title to stabilize the patient.

(C) Stabilize

The term "to stabilize", with respect to an emergency medical condition (as defined in subparagraph (A)), has the meaning given in section 1395dd(e)(3) of this title.

1 So in original. Probably should be "coverage.”.

2 So in original. The word “and” probably should appear.

3 See References in Text note below.

4 So in original. Probably should be “given”.
(c) Access to pediatric care

(1) Pediatric care

In the case of a person who has a child who is a participant, beneficiary, or enrollee under a group health plan, or health insurance coverage offered by a health insurance issuer in the group or individual market, if the plan or issuer requires or provides for the designation of a participating primary care provider for the child, the plan or issuer shall permit such person to designate a physician (allopathic or osteopathic) who specializes in pediatrics as the child’s primary care provider if such provider participates in the network of the plan or issuer.

(2) Construction

Nothing in paragraph (1) shall be construed to waive any exclusions of coverage under the terms and conditions of the plan or health insurance coverage with respect to coverage of pediatric care.

(d) Patient access to obstetrical and gynecological care

(1) General rights

(A) Direct access

A group health plan, or health insurance issuer offering group or individual health insurance coverage, described in paragraph (2) may not require authorization or referral by the plan, issuer, or any person (including a primary care provider described in paragraph (2)(B)) in the case of a female participant, beneficiary, or enrollee who seeks coverage for obstetrical or gynecological care provided by a participating health care professional who specializes in obstetrics or gynecology. Such professional shall agree to otherwise adhere to the terms and conditions of the plan or issuer.

(B) Obstetrical and gynecological care

A group health plan or health insurance issuer described in paragraph (2) shall treat the provision of obstetrical and gynecological care, and the ordering of related obstetrical and gynecological items and services, pursuant to the direct access described under subparagraph (A), by a participating health care professional who specializes in obstetrics or gynecology as the authorization of the primary care provider.

(2) Application of paragraph

A group health plan, or health insurance issuer offering group or individual health insurance coverage, described in this paragraph is a group health plan or coverage that—

(A) provides coverage for obstetric or gynecologic care; and

(B) requires the designation by a participant, beneficiary, or enrollee of a participating primary care provider.

(3) Construction

Nothing in paragraph (1) shall be construed to—

(A) waive any exclusions of coverage under the terms and conditions of the plan or health insurance coverage with respect to coverage of obstetrical or gynecological care; or

(B) preclude the group health plan or health insurance issuer involved from requiring that the obstetrical or gynecological provider notify the primary care health care professional or the plan or issuer of treatment decisions.

(2010, 124 Stat. 155, 892, and is classified to section 300gg–3 of this title.

(b) Information on prescription drugs

(a) In general

A group health plan or a health insurance coverage shall—

(1) not restrict, directly or indirectly, any pharmacy that dispenses a prescription drug to an enrollee of any differential between the enrollee’s out-of-pocket cost under the plan or coverage with respect to acquisition of the drug and the amount an individual would pay for acquisition of the drug without using any health plan or health insurance coverage; and

(2) ensure that any entity that provides pharmacy benefits management services under a contract with any such health plan or health insurance coverage does not, with respect to such plan or coverage, restrict, directly or indirectly, a pharmacy that dispenses a prescription drug from informing (or penalize such pharmacy for informing) an enrollee of any differential between the enrollee’s out-of-pocket cost under the plan or coverage with respect to acquisition of the drug and the amount an individual would pay for acquisition of the drug without using any health plan or health insurance coverage.

(b) Definition

For purposes of this section, the term “out-of-pocket cost”, with respect to acquisition of a
drug, means the amount to be paid by the enrollee under the plan or coverage, including any cost-sharing (including any deductible, copayment, or coinsurance) and, as determined by the Secretary, any other expenditure.

(July 1, 1944, ch. 373, title XXVII, §2729, as added Pub. L. 115–263, §2, Oct. 10, 2018, 132 Stat. 3672.)

Subpart 2—Exclusion of Plans; Enforcement; Preemption

Codification


§ 300gg–21. Exclusion of certain plans

(a) Limitation on application of provisions relating to group health plans

(1) In general

The requirements of subparts 1 and 21 shall apply with respect to group health plans only—

(A) subject to paragraph (2), in the case of a plan that is a nonfederal governmental plan, and

(B) with respect to health insurance coverage offered in connection with a group health plan (including such a plan that is a church plan or a governmental plan).

(2) Treatment of non-Federal governmental plans

(A) Election to be excluded

Except as provided in subparagraph (D) or (E), if the plan sponsor of a nonfederal governmental plan which is a group health plan is subject to paragraph (2), in the case of a plan that is a nonfederal governmental plan, and (B) with respect to health insurance coverage offered in connection with a group health plan (including such a plan that is a church plan or a governmental plan).

(B) Period of election

An election under subparagraph (A) shall apply—

(i) for a single specified plan year, or

(ii) in the case of a plan provided pursuant to a collective bargaining agreement, for the term of such agreement.

An election under clause (i) may be extended through subsequent elections under this paragraph.

(C) Notice to enrollees

Under such an election, the plan shall provide for—

(i) notice to enrollees (on an annual basis and at the time of enrollment under the plan) of the fact and consequences of such election, and

(ii) certification and disclosure of creditable coverage under the plan with respect to enrollees in accordance with section 2701(e).1

(D) Election not applicable to requirements concerning genetic information

The election described in subparagraph (A) shall not be available with respect to the provisions of subsections (a)(1)(F), (b)(3), (c), and (d) of section 27021 and the provisions of sections 27011 and 2702(b)1 to the extent that such provisions apply to genetic information.

(E) Election not applicable

The election described in subparagraph (A) shall not be available with respect to the provisions of subparts I and II.

(b) Exception for certain benefits

The requirements of subparts 1 and 21 shall not apply to any individual coverage or any group health plan (or group health insurance coverage) in relation to its provision of excepted benefits described in section 300gg–91(c)(1) of this title.

(c) Exception for certain benefits if certain conditions met

(1) Limited, excepted benefits

The requirements of subparts 1 and 21 shall not apply to any individual coverage or any group health plan (or group health insurance coverage offered in connection with a group health plan) in relation to its provision of excepted benefits described in section 300gg–91(c)(2) of this title if the benefits—

(A) are provided under a separate policy, certificate, or contract of insurance; or

(B) are otherwise not an integral part of the plan.

(2) Noncoordinated, excepted benefits

The requirements of subparts 1 and 21 shall not apply to any individual coverage or any group health plan (and group health insurance coverage offered in connection with a group health plan) in relation to its provision of excepted benefits described in section 300gg–91(c)(3) of this title if all of the following conditions are met:

(A) The benefits are provided under a separate policy, certificate, or contract of insurance.

(B) There is no coordination between the provision of such benefits and any exclusion of benefits under any group health plan maintained by the same plan sponsor.

(C) Such benefits are paid with respect to an event without regard to whether benefits are provided with respect to such an event under any group health plan maintained by the same plan sponsor or, with respect to individual coverage, under any health insurance coverage maintained by the same health insurance issuer.

(3) Supplemental excepted benefits

The requirements of this part shall not apply to any individual coverage or any group

1See References in Text note below.
health plan (and group health insurance coverage) in relation to its provision of excepted benefits described in section 300gg–91(c)(4) of this title if the benefits are provided under a separate policy, certificate, or contract of insurance.

(d) Treatment of partnerships

For purposes of this part:

(1) Treatment as a group health plan

Any plan, fund, or program which would not be (but for this subsection) an employee welfare benefit plan and which is established or maintained by a partnership, to the extent that such plan, fund, or program provides medical care (including items and services paid for as medical care) to present or former partners in the partnership or to their dependents (as defined under the terms of the plan, fund, or program), directly or through insurance, reimbursement, or otherwise, shall be treated (subject to paragraph (2)) as an employee welfare benefit plan which is a group health plan.

(2) Employer

In the case of a group health plan, the term “employer” also includes the partnership in relation to any partner.

(3) Participants of group health plans

In the case of a group health plan, the term “participant” also includes—

(A) in connection with a group health plan maintained by a partnership, an individual who is a partner in relation to the partnership, or

(B) in connection with a group health plan maintained by a self-employed individual (under which one or more employees are participants), the self-employed individual, if such individual is, or may become, eligible to receive a benefit under the plan or such individual’s beneficiaries may be eligible to receive any such benefit.


REFERENCES IN TEXT

Subparts 1 and 2, referred to in subsecs. (a)(1), (2)(A), (b), and (c)(1), (2), were amended by Pub. L. 111–148, title I, §§ 10100(5), 1201(1), 1569(c)(2), (11), formerly §1562(c)(2), (11), title X, § 10107(b)(1), Mar. 23, 2010, 124 Stat. 130, 154, 265, 268, 911. The subpart 1 designation and heading “PORTABILITY, ACCESS, AND RENEWABILITY REQUIREMENTS” were struck out and a new subpart 1 designation and heading “GENERAL REFORM” were enacted preceding section 300gg of this title, effective for plan years beginning on or after Jan. 1, 2014. A new subpart II designation and heading “IMPROVING COVERAGE” were enacted preceding section 300gg–11 of this title. The subpart 2 designation and heading “EXCLUSION OF PLANS; ENFORCEMENT; PREEMPTION” were struck out preceding section 300gg–4 of this title.

Section 2701, referred to in subsections (a)(2)(C)(i), (D), is a reference to section 2701 of act July 1, 1944. Section 2701, which was classified to section 300gg of this title, was renumbered section 2704, effective for plan years beginning on or after Jan. 1, 2014, with certain exceptions, and amended, by Pub. L. 111–148, title I, §§ 1201(2), 1563(c)(1), formerly §1562(c)(1), title X, § 10107(b)(1), Mar. 23, 2010, 124 Stat. 154, 264, 911, and was transferred to section 300gg–3 of this title. A new section 2701 of act July 1, 1944, related to fair health insurance premiums, was added, effective for plan years beginning on or after Jan. 1, 2014, and amended, by Pub. L. 111–148, title I, § 1201(4), title X, § 10103(a), Mar. 23, 2010, 124 Stat. 155, 892, and is classified to section 300gg of this title.

Section 2702, referred to in subsection (a)(3)(D), is a reference to section 2702 of act July 1, 1944. Section 2702, which was classified to section 300gg–1 of this title, was amended by Pub. L. 111–148, title I, § 1201(3), Mar. 23, 2010, 124 Stat. 156, effective for plan years beginning on or after Jan. 1, 2014. A new section 2702 of act July 1, 1944, related to guaranteed availability of coverage, was added by Pub. L. 110–191, § 102(a), to reflect the probable intent of Congress. Act July 1, 1944, does not contain a section 27971.

PRIORITY PROVISIONS

A prior section 2722 of act July 1, 1944, was renumbered section 2723 and is classified to section 300gg–22 of this title.

AMENDMENTS


Pub. L. 111–148, §§ 1569(a)(1) and 1563(c)(12)(A), formerly §§ 1562(a)(1) and 1563(c)(12)(A), as renumbered by Pub. L. 111–148, § 10107(b)(1), made identical amendment, striking out subsec. (a). Prior to amendment, text read as follows: “The requirements of subparts 1 and 3 shall not apply to any group health plan and (health insurance coverage offered in connection with a group health plan) for any plan year if, on the first day of such plan year, such plan has less than 2 participants who are current employees.”

Subsec. (b). Pub. L. 111–148, § 1569(c)(12)(C), formerly §1562(c)(12)(C), as renumbered by Pub. L. 111–148, § 10107(b)(1), redesignated subsec. (c) as (b). Former subsec. (b), redesignated (a).


Pub. L. 111–148, § 1563(a)(2)(B)(i), formerly §1562(a)(2)(B)(i), as renumbered by Pub. L. 111–148, § 10107(b)(1), substituted subparagraph (D) or (E) for “subparagraph (D)”.

Subsec. (b)(2)(E). Pub. L. 111–148, § 10107(a), substituted “subparts 1 and II” for “subpart 1”.

Subsec. (c). Pub. L. 111–148, §1562(c)(12)(C), formerly §1562(c)(12)(C), as renumbered by Pub. L. 111–148, §10107(b)(1), redesignated subsec. (d) as (c). Former subsec. (c) redesignated (b).

Pub. L. 111–148, §1562(a)(3), formerly §1562(a)(3), as renumbered by Pub. L. 111–148, §10107(b)(1), substituted “subparts 1 and 2 shall not apply to any individual coverage” for “subparts 1 through 3 shall not apply to any group”.


Pub. L. 111–148, §1563(a)(4)(A), formerly §1562(a)(4)(A), as renumbered by Pub. L. 111–148, §10107(b)(1), substituted “subparts 1 and 2 shall not apply to any individual coverage or any group” for “subparts 1 through 3 shall not apply to any group” in introductory provisions.

Pub. L. 111–148, §1563(a)(4)(B)(i), formerly §1562(a)(4)(B)(i), as renumbered by Pub. L. 111–148, §10107(b)(1), substituted “subparts 1 and 2 shall not apply to any individual coverage or any group” for “subparts 1 through 3 shall not apply to any group” in introductory provisions.

Subsec. (d)(2)(C). Pub. L. 111–148, §1563(a)(4)(B)(ii), formerly §1562(a)(4)(B)(ii), as renumbered by Pub. L. 111–148, §10107(b)(1), directed amendment of subpar. (C) by inserting “or, with respect to individual coverage, under any health insurance coverage maintained by the same health insurance issuer” without language specifying placement, was executed by making the insertion before period at end to reflect the probable intent of Congress.


2008—Subsec. (b)(2)(A). Pub. L. 110–233, §102(c)(1), substituted “Except as provided in subparagraph (D), if the plan sponsor” for “If the plan sponsor”.


1996—Subsec. (a). Pub. L. 104–204, §604(b)(1)(A), substituted “subparts 1 and 3” for “subparts 1 and 2”.

Subsec. (b) to (d). Pub. L. 104–204, §604(b)(1)(B), substituted “subparts 1 through 3” for “subparts 1 and 2” wherever appearing.

SECTION 22

The provisions of this subsection shall apply to enforcement of a provision (or provisions) of this part with respect to health insurance issuers in the State, the Secretary shall enforce such provision (or provisions) under subsection (b) insofar as they relate to the issuance, sale, renewal, and offering of health insurance coverage in connection with group health plans or individual health insurance coverage in such State.

(1) Limitation

The provisions of this subsection shall apply to enforcement of a provision (or provisions) of this part only—

(A) as provided under subsection (a)(2); and

(B) with respect to individual health insurance coverage or group health plans that are non-Federal governmental plans.
§ 300gg–22

(2) Imposition of penalties

In the cases described in paragraph (1)—

(A) In general

Subject to the succeeding provisions of this subsection, any non-Federal governmental plan that is a group health plan and any health insurance issuer that fails to meet a provision of this part applicable to such plan or issuer is subject to a civil money penalty under this subsection.

(B) Liability for penalty

In the case of a failure by—

(i) a health insurance issuer, the issuer is liable for such penalty, or

(ii) a group health plan that is a non-Federal governmental plan which is—

(I) sponsored by 2 or more employers,

(ii) not so sponsored, the employer is liable for such penalty.

(C) Amount of penalty

(i) In general

The maximum amount of penalty imposed under this paragraph is $100 for each day for each individual with respect to which such a failure occurs.

(ii) Considerations in imposition

In determining the amount of any penalty to be assessed under this paragraph, the Secretary shall take into account the previous record of compliance of the entity being assessed with the applicable provisions of this part and the gravity of the violation.

(iii) Limitations

(I) Penalty not to apply where failure not discovered exercising reasonable diligence

No civil money penalty shall be imposed under this paragraph on any failure during any period for which it is established to the satisfaction of the Secretary that none of the entities against whom the penalty would be imposed knew, or exercising reasonable diligence would have known, that such failure existed.

(II) Penalty not to apply to failures corrected within 30 days

No civil money penalty shall be imposed under this paragraph on any failure if such failure was due to reasonable cause and not to willful neglect, and such failure is corrected during the 30-day period beginning on the first day any of the entities against whom the penalty would be imposed knew, or exercising reasonable diligence would have known, that such failure existed.

(D) Administrative review

(i) Opportunity for hearing

The entity assessed shall be afforded an opportunity for hearing by the Secretary upon request made within 30 days after the date of the issuance of a notice of assessment. In such hearing the decision shall be made on the record pursuant to section 554 of title 5. If no hearing is requested, the assessment shall constitute a final and unappealable order.

(ii) Hearing procedure

If a hearing is requested, the initial agency decision shall be made by an administrative law judge, and such decision shall become the final order unless the Secretary modifies or vacates the decision.

Notice of intent to modify or vacate the decision of the administrative law judge shall be issued to the parties within 30 days after the date of the decision of the judge. A final order which takes effect under this paragraph shall be subject to review only as provided under subparagraph (E).

(E) Judicial review

(i) Filing of action for review

Any entity against whom an order imposing a civil money penalty has been entered after an agency hearing under this paragraph may obtain review by the United States district court for any district in which any such entity is located or the United States District Court for the District of Columbia by filing a notice of appeal in such court within 30 days from the date of such order, and simultaneously sending a copy of such notice by registered mail to the Secretary.

(ii) Certification of administrative record

The Secretary shall promptly certify and file in such court the record upon which the penalty was imposed.

(iii) Standard for review

The findings of the Secretary shall be set aside only if found to be unsupported by substantial evidence as provided by section 706(2)(E) of title 5.

(iv) Appeal

Any final decision, order, or judgment of the district court concerning such review shall be subject to appeal as provided in chapter 83 of title 28.

(F) Failure to pay assessment; maintenance of action

(i) Failure to pay assessment

If any entity fails to pay an assessment after it has become a final and unappealable order, or after the court has entered final judgment in favor of the Secretary, the Secretary shall refer the matter to the Attorney General who shall recover the amount assessed by action in the appropriate United States district court.

(ii) Nonreviewability

In such action the validity and appropriateness of the final order imposing the penalty shall not be subject to review.

(G) Payment of penalties

Except as otherwise provided, penalties collected under this paragraph shall be paid...
to the Secretary (or other officer) imposing the penalty and shall be available without appropriation and until expended for the purpose of enforcing the provisions with respect to which the penalty was imposed.

(3) Enforcement authority relating to genetic discrimination

(A) General rule

In the cases described in paragraph (1), notwithstanding the provisions of paragraph (2)(C), the succeeding subparagraphs of this paragraph shall apply with respect to an action under this subsection by the Secretary with respect to any failure of a health insurance issuer in connection with a group health plan, to meet the requirements of subsection (a)(1)(F), (b)(3), (c), or (d) of section 2702 1 or section 2701 1 or 2702(b)(1) 1 with respect to genetic information in connection with the plan.

(B) Amount

(i) In general

The amount of the penalty imposed under this paragraph shall be $100 for each day in the noncompliance period with respect to any failure, the period—

(I) beginning on the date such failure first occurs; and

(II) ending on the date the failure is corrected.

(C) Minimum penalties where failure discovered

Notwithstanding clauses (i) and (ii) of subparagraph (D):

(i) In general

In the case of 1 or more failures with respect to an individual—

(I) which are not corrected before the date on which the plan receives a notice from the Secretary of such violation; and

(II) which occurred or continued during the period involved;

the amount of penalty imposed by subparagraph (A) by reason of such failures with respect to such individual shall not be less than $2,500.

(ii) Higher minimum penalty where violations are more than de minimis

To the extent violations for which any person is liable under this paragraph for any year are more than de minimis, clause (i) shall be applied by substituting "$15,000" for "$2,500" with respect to such person.

(D) Limitations

(i) Penalty not to apply where failure not discovered exercising reasonable diligence

No penalty shall be imposed by subparagraph (A) on any failure during any period for which it is established to the satisfaction of the Secretary that the person otherwise liable for such penalty did not know, and exercising reasonable diligence would not have known, that such failure existed.

(ii) Penalty not to apply to failures corrected within certain periods

No penalty shall be imposed by subparagraph (A) on any failure if—

(I) such failure was due to reasonable cause and not to willful neglect; and

(II) such failure is corrected during the 30-day period beginning on the first date the person otherwise liable for such penalty knew, or exercising reasonable diligence would have known, that such failure existed.

(iii) Overall limitation for unintentional failures

In the case of failures which are due to reasonable cause and not to willful neglect, the penalty imposed by subparagraph (A) for failures shall not exceed the amount equal to the lesser of—

(I) 10 percent of the aggregate amount paid or incurred by the employer (or predecessor employer) during the preceding taxable year for group health plans; or

(II) $500,000.

(E) Waiver by Secretary

In the case of a failure which is due to reasonable cause and not to willful neglect, the Secretary may waive part or all of the penalty imposed by subparagraph (A) to the extent that the payment of such penalty would be excessive relative to the failure involved.


REFERENCES IN TEXT

Section 300gg–23 of this title, referred to in subsec. (a)(1), was in the original section “2723”, and was translated as meaning section 2724 of act July 1, 1944, to reflect the probable intent of Congress and the renumbering of section 2724 as 2723 by Pub. L. 111–148, title I, §§ 10107(b)(1), 1563(c)(14)(B), formerly §1562(c)(14)(B), title X, §10107(b)(1), Mar. 23, 2010, 124 Stat. 130, 269, 911.

Section 300gg–22 of this title, referred to in subsec. (b)(3)(A), is a reference to section 300gg–23 of this title, which was classified to section 300gg–2 of this title, effective for plan years beginning on or after Jan. 1, 1994, and was reclassified to section 300gg–1 of this title, effective for plan years beginning on or after Jan. 1, 2014, and is classified to section 300gg–1 of this title, which was classified to section 300gg of this title, was renumbered section 300gg–4, effective for plan years beginning on or after Jan. 1, 2014.
§ 300gg–23  TITLE 42—THE PUBLIC HEALTH AND WELFARE  Page 1466

(a) Continued applicability of State law with respect to health insurance issuers

(1) In general

Subject to paragraph (2) and except as provided in subsection (b), this part and part C insofar as it relates to this part shall not be construed to supersede any provision of State law which establishes, implements, or continues in effect any standard or requirement solely relating to health insurance issuers in connection with individual or group health insurance coverage except to the extent that such standard or requirement prevents the application of a requirement of this part.

(2) Continued preemption with respect to group health plans

Nothing in this part shall be construed to affect or modify the provisions of section 1144 of title 29 with respect to group health plans.

(b) Special rules in case of portability requirements

(1) In general

Subject to paragraph (2), the provisions of this part relating to health insurance coverage offered by a health insurance issuer supersede any provision of State law which establishes, implements, or continues in effect any standard or requirement applicable to imposition of a preexisting condition exclusion specifically governed by section 701 of which differs from the standards or requirements specified in such section.

(2) Exceptions

Only in relation to health insurance coverage offered by a health insurance issuer, the provisions of this part do not supersede any provision of State law to the extent that such provision—

(i) substitutes for the reference to ''6-month period'' in section 2701(a)(1) a reference to any shorter period of time;

(ii) substitutes for the reference to ''12 months'' and ''18 months'' in section 2701(a)(2) a reference to any shorter period of time;

(iii) substitutes for the references to ''63'' days in sections 2701(c)(2)(A) and 2701(d)(4)(A) a reference to any greater number of days;

(iv) substitutes for the reference to ''30-day period'' in sections 2701(b)(2) and 2701(d)(1) a reference to any greater period;

(v) prohibits the imposition of any preexisting condition exclusion in cases not described in section 2701(d) or expands the exceptions described in such section;

(vi) requires special enrollment periods in addition to those required under section 2701(f); or

(vii) reduces the maximum period permitted in an affiliation period under section 2701(g)(1)(B).

(c) Rules of construction

Nothing in this part (other than section 2704) shall be construed as requiring a group health plan or health insurance coverage to provide specific benefits under the terms of such plan or coverage.

(d) Definitions

For purposes of this section—

(1) State law

The term “State law” includes all laws, decisions, rules, regulations, or other State action having the effect of law, of any State. A law of the United States applicable only to the District of Columbia shall be treated as a State law rather than a law of the United States.

(2) State

The term “State” includes a State (including the Northern Mariana Islands), any political subdivisions of a State or such Islands, or any agency or instrumentality of either.

1 See References in Text note below.

REFERENCES IN TEXT
Section 2701, referred to in subsec. (b), is a reference to section 2701 of act July 1, 1944. Section 2701, which was classified to section 300gg of this title, was renumbered section 2704, effective for plan years beginning on or after Jan. 1, 2014, with certain exceptions, and amended, by Pub. L. 111-148, title I, §§1201(4), 1563(c)(1), formerly §1562(c)(1), title X, §10107(b)(1), Mar. 23, 2010, 124 Stat. 190, 269, 911, and was transferred to section 300gg-3 of this title. A new section 2701 of act July 1, 1944, related to fair health insurance premiums, was added, effective for plan years beginning on or after Jan. 1, 2014, and amended, by Pub. L. 111-148, title I, §1201(4), title X, §10103(a), Mar. 23, 2010, 124 Stat. 155, 892, and is classified to section 300gg of this title.

Section 701, referred to in subsec. (b)(1), probably means “section 2701” of act July 1, 1944. See note above.

Section 2704, referred to in subsec. (c), is a reference to section 2704 of act July 1, 1944. Section 2704, which was classified to section 300gg-4 of this title, was renumbered section 2725, and amended by Pub. L. 111-148, title I, §§1001(2), 1563(c)(3), formerly §1562(c)(3), title X, §10107(b)(1), Mar. 23, 2010, 124 Stat. 154, 264, 911, and was transferred to section 300gg-3 of this title. A new section 2704 of act July 1, 1944, related to prohibition of preexisting condition exclusions or other discrimination based on health status, was added, effective for plan years beginning on or after Jan. 1, 2014, with certain exceptions, and amended, by Pub. L. 111-148, title I, §§1201(4), 1563(c)(1), formerly §1562(c)(1), title X, §10107(b)(1), Mar. 23, 2010, 124 Stat. 154, 264, 911, and is classified to section 300gg of this title.

Amendments
2010—Subsec. (a)(1). Pub. L. 111-148, §1563(c)(14)(A), inserted “individual or” before “group health insurance”.

1996—Subsec. (c). Pub. L. 104-204 inserted “(other than section 2704)” after “part”.

Effective Date of 1996 Amendment
Amendment by Pub. L. 104-204 applicable with respect to group health plans for plan years beginning on or after Jan. 1, 1996, see section 604(c) of Pub. L. 104-204 set out as an Effective Date note under section 300gg-25 of this title.

Effective Date
Section applicable with respect to group health plans, and health insurance coverage offered in connection with group health plans, for plan years beginning after June 30, 1997, except as otherwise provided, see section 102(c) of Pub. L. 104-191, set out as a note under section 300gg of this title.

§ 300gg-25. Standards relating to benefits for mothers and newborns

(a) Requirements for minimum hospital stay following birth

(1) In general

A group health plan, and a health insurance issuer offering group or individual health insurance coverage, may not—

(A) except as provided in paragraph (2)—

(i) restrict benefits for any hospital length of stay in connection with childbirth for the mother or newborn child, fol-

owing a normal vaginal delivery, to less than 48 hours, or

(ii) restrict benefits for any hospital length of stay in connection with childbirth for the mother or newborn child, following a cesarean section, to less than 96 hours, or

(B) require that a provider obtain authorization from the plan or the issuer for prescribing any length of stay required under subparagraph (A) (without regard to paragraph (2)).

(2) Exception

Paragraph (1)(A) shall not apply in connection with any group health plan or health insurance issuer in any case in which the decision to discharge the mother or her newborn child prior to the expiration of the minimum length of stay otherwise required under paragraph (1)(A) is made by an attending provider in consultation with the mother.

(b) Prohibitions

A group health plan, and a health insurance issuer offering group or individual health insurance coverage, may not—

(1) deny to the mother or her newborn child eligibility, or continued eligibility, to enroll or to renew coverage under the terms of the plan or coverage, solely for the purpose of avoiding the requirements of this section;

(2) provide monetary payments or rebates to mothers to encourage such mothers to accept less than the minimum protections available under this section;

(3) penalize or otherwise reduce or limit the reimbursement of an attending provider because such provider provided care to an individual participant or beneficiary in accordance with this section;

(4) provide incentives (monetary or other-

wise) to an attending provider to induce such provider to provide care to an individual participant or beneficiary in a manner inconsistent with this section; or

(5) subject to subsection (c)(3), restrict benefits for any portion of a period within a hospital length of stay required under subsection (a) in a manner which is less favorable than the benefits provided for any preceding portion of such stay.

(c) Rules of construction

(1) Nothing in this section shall be construed to require a mother who is a participant or beneficiary—

(A) to give birth in a hospital; or

(B) to stay in the hospital for a fixed period of time following the birth of her child.

(2) This section shall not apply with respect to any group health plan, or any health insurance issuer offering group or individual health insurance coverage, which does not provide benefits for hospital lengths of stay in connection with childbirth for a mother or her newborn child.

(3) Nothing in this section shall be construed as preventing a group health plan or health insurance issuer from imposing deductibles, coinsurance, or other cost-sharing in relation to benefits for hospital lengths of stay in connect-
tion with childbirth for a mother or newborn child under the plan (or under health insurance coverage offered in connection with a group health plan), except that such coinsurance or other cost-sharing for any portion of a period within a hospital length of stay required under subsection (a) may not be greater than such coinsurance or cost-sharing for any preceding portion of such stay.

(d) Notice

A group health plan under this part shall comply with the notice requirement under section 1185(d) of title 29 with respect to the requirements of this section as if such section applied to such plan.

(e) Level and type of reimbursements

Nothing in this section shall be construed to prevent a group health plan or a health insurance issuer offering group or individual health insurance coverage from negotiating the level and type of reimbursement with a provider for care provided in accordance with this section.

(f) Preemption; exception for health insurance coverage in certain States

(1) In general

The requirements of this section shall not apply with respect to health insurance coverage if there is a State law (as defined in section 300gg–23(d)(1)) for a State that regulates such coverage that is described in any of the following subparagraphs:

(A) Such State law requires such coverage to provide for at least a 48-hour hospital length of stay following a normal vaginal delivery and at least a 96-hour hospital length of stay following a cesarean section.

(B) Such State law requires such coverage to provide for maternity and pediatric care in accordance with guidelines established by the American College of Obstetricians and Gynecologists, the American Academy of Pediatrics, or other established professional medical associations.

(C) Such State law requires, in connection with such coverage for maternity care, that the hospital length of stay for such care is left to the decision of (or required to be made by) the attending provider in consultation with the mother.

(2) Construction

Section 300gg–23(a)(1) of this title shall not be construed as superseding a State law described in paragraph (1).


References in Text

Section 300gg–23 of this title, referred to in subsec. (f), was in the original section “2723”, and was translated as meaning section 2724 of act july 1, 1944, to reflect the probable intent of congress and the renumbering of section 2723 as 2724 by pub. l. 111–148, title i.

1 See references in text note below.

§ 300gg–26 Parity in mental health and substance use disorder benefits

(a) In general

(1) Aggregate lifetime limits

In the case of a group health plan or a health insurance issuer offering group or individual health insurance coverage that provides both medical and surgical benefits and mental health or substance use disorder benefits—

(A) No lifetime limit

If the plan or coverage does not include an aggregate lifetime limit on substantially all...
medical and surgical benefits, the plan or coverage may not impose any aggregate lifetime limit on mental health or substance use disorder benefits.

**(B) Lifetime limit**

If the plan or coverage includes an aggregate lifetime limit on substantially all medical and surgical benefits (in this paragraph referred to as the “applicable lifetime limit”), the plan or coverage shall either—

(i) apply the applicable lifetime limit both to the medical and surgical benefits to which it otherwise would apply and to mental health and substance use disorder benefits and not distinguish in the application of such limit between such medical and surgical benefits and mental health and substance use disorder benefits; or

(ii) not include any aggregate lifetime limit on mental health or substance use disorder benefits that is less than the applicable lifetime limit.

**(C) Rule in case of different limits**

In the case of a group health plan or a health insurance issuer offering group or individual health insurance coverage that provides both medical and surgical benefits and mental health or substance use disorder benefits, the Secretary shall establish rules under which subparagraph (B) is applied to substantially all medical and surgical benefits, the Secretary shall establish rules under which subparagraph (B) is applied to substantially all medical and surgical benefits, the plan or coverage shall either—

(i) apply the applicable lifetime limit both to the medical and surgical benefits to which it otherwise would apply and to mental health and substance use disorder benefits and not distinguish in the application of such limit between such medical and surgical benefits and mental health and substance use disorder benefits; or

(ii) not include any aggregate lifetime limit on mental health or substance use disorder benefits that is less than the applicable lifetime limit.

**(2) Annual limits**

In the case of a group health plan or a health insurance issuer offering group or individual health insurance coverage that provides both medical and surgical benefits and mental health or substance use disorder benefits—

**(A) No annual limit**

If the plan or coverage does not include an annual limit on substantially all medical and surgical benefits, the plan or coverage may not impose any annual limit on mental health or substance use disorder benefits.

**(B) Annual limit**

If the plan or coverage includes an annual limit on substantially all medical and surgical benefits (in this paragraph referred to as the “applicable annual limit”), the plan or coverage shall either—

(i) apply the applicable annual limit both to medical and surgical benefits to which it otherwise would apply and to mental health and substance use disorder benefits and not distinguish in the application of such limit between such medical and surgical benefits and mental health and substance use disorder benefits; or

(ii) not include any annual limit on mental health or substance use disorder benefits that is less than the applicable annual limit.

**(C) Rule in case of different limits**

In the case of a plan or coverage that is not described in subparagraph (A) or (B) and that includes no or different annual limits on different categories of medical and surgical benefits, the Secretary shall establish rules under which subparagraph (B) is applied to substantially all medical and surgical benefits covered by the plan (or coverage) and to substantially all mental health and substance use disorder benefits by substituting for the applicable annual limit an average annual limit that is computed taking into account the weighted average of the annual limits applicable to such categories.

**(3) Financial requirements and treatment limitations**

**(A) In general**

In the case of a group health plan or a health insurance issuer offering group or individual health insurance coverage that provides both medical and surgical benefits and mental health or substance use disorder benefits, such plan or coverage shall ensure that—

(i) the financial requirements applicable to such mental health or substance use disorder benefits are no more restrictive than the predominant financial requirements applied to substantially all medical and surgical benefits covered by the plan (or coverage), and there are no separate cost sharing requirements that are applicable only with respect to mental health or substance use disorder benefits; and

(ii) the treatment limitations applicable to such mental health or substance use disorder benefits are no more restrictive than the predominant treatment limitations applied to substantially all medical and surgical benefits covered by the plan (or coverage) and there are no separate treatment limitations that are applicable only with respect to mental health or substance use disorder benefits.

**(B) Definitions**

In this paragraph:

(i) **Financial requirement**

The term “financial requirement” includes deductibles, copayments, coinsurance, and out-of-pocket expenses, but excludes an aggregate lifetime limit and an annual limit subject to paragraphs (1) and (2).

(ii) **Predominant**

A financial requirement or treatment limit is considered to be predominant if it is the most common or frequent of such type of limit or requirement.

(iii) **Treatment limitation**

The term “treatment limitation” includes limits on the frequency of treatment, number of visits, days of coverage, or other similar limits on the scope or duration of treatment.

**(4) Availability of plan information**

The criteria for medical necessity determinations made under the plan with respect to
mental health or substance use disorder benefits (or the health insurance coverage offered in connection with the plan with respect to such benefits) shall be made available by the plan administrator (or the health insurance issuer offering such coverage) in accordance with regulations to any current or potential participant, beneficiary, or contracting provider upon request. The reason for any denial under the plan (or coverage) of reimbursement or payment for services with respect to mental health or substance use disorder benefits in the case of any participant or beneficiary shall, on request or as otherwise required, be made available by the plan administrator (or the health insurance issuer offering such coverage) to the participant or beneficiary in accordance with regulations.

(5) Out-of-network providers

In the case of a plan or coverage that provides medical and surgical benefits and mental health or substance use disorder benefits, if the plan or coverage provides coverage for medical or surgical benefits provided by out-of-network providers, the plan or coverage shall provide coverage for mental health or substance use disorder benefits provided by out-of-network providers in a manner that is consistent with the requirements of this section.

(6) Compliance program guidance document

(A) In general

Not later than 12 months after December 13, 2016, the Secretary, the Secretary of Labor, and the Secretary of the Treasury, in consultation with the Inspector General of the Department of Health and Human Services, the Inspector General of the Department of Labor, and the Inspector General of the Department of the Treasury, shall issue a compliance program guidance document to help improve compliance with this section, section 1185a of title 29, section 9812 of title 26, and section 1185a of title 29, or section 9812 of title 26, as applicable. In carrying out this paragraph, the Secretaries may take into consideration the 2016 publication of the Department of Health and Human Services and the Department of Labor, entitled “Warning Signs - Plan or Policy Non-Quantitative Treatment Limitations (NQTLs) that Require Additional Analysis to Determine Mental Health Parity Compliance”.

(B) Examples illustrating compliance and noncompliance

(i) In general

The compliance program guidance document required under this paragraph shall provide illustrative, de-identified examples (that do not disclose any protected health information or individually identifiable information) of previous findings of compliance and noncompliance with this section, section 1185a of title 29, or section 9812 of title 26, as applicable, based on investigations of violations of such sections, including—

(I) examples illustrating requirements for information disclosures and nonquantitative treatment limitations; and

(II) descriptions of the violations uncovered during the course of such investigations.

(ii) Nonquantitative treatment limitations

To the extent that any example described in clause (i) involves a finding of compliance or noncompliance with regard to any requirement for nonquantitative treatment limitations, the example shall provide sufficient detail to fully explain such finding, including a full description of the criteria involved for approving medical and surgical benefits and the criteria involved for approving mental health and substance use disorder benefits.

(iii) Access to additional information regarding compliance

In developing and issuing the compliance program guidance document required under this paragraph, the Secretaries specified in subparagraph (A)—

(I) shall enter into interagency agreements with the Inspector General of the Department of Health and Human Services, the Inspector General of the Department of Labor, and the Inspector General of the Department of the Treasury to share findings of compliance and noncompliance with this section, section 1185a of title 29, or section 9812 of title 26, as applicable; and

(II) shall seek to enter into an agreement with a State to share information on findings of compliance and noncompliance with this section, section 1185a of title 29, or section 9812 of title 26, as applicable.

(C) Recommendations

The compliance program guidance document shall include recommendations to advance compliance with this section, section 1185a of title 29, or section 9812 of title 26, as applicable, and encourage the development and use of internal controls to monitor adherence to applicable statutes, regulations, and program requirements. Such internal controls may include illustrative examples of nonquantitative treatment limitations on mental health and substance use disorder benefits, which may fail to comply with this section, section 1185a of title 29, or section 9812 of title 26, as applicable, in relation to nonquantitative treatment limitations on medical and surgical benefits.

(D) Updating the compliance program guidance document

The Secretary, the Secretary of Labor, and the Secretary of the Treasury, in consultation with the Inspector General of the Department of Health and Human Services, the Inspector General of the Department of Labor, and the Inspector General of the Department of the Treasury, shall update the compliance program guidance document every 2 years to include illustrative, de-identified examples (that do not disclose any protected health information or individually identifiable information) of previous find-
(7) Additional guidance

(A) In general

Not later than 12 months after December 13, 2016, the Secretary, the Secretary of Labor, and the Secretary of the Treasury shall issue guidance to group health plans and health insurance issuers offering group or individual health insurance coverage to assist such plans and issuers in satisfying the requirements of this section, section 1185a of title 29, or section 9812 of title 26, as applicable.

(B) Disclosure

(i) Guidance for plans and issuers

The guidance issued under this paragraph shall include clarifying information and illustrative examples of methods that group health plans and health insurance issuers offering group or individual health insurance coverage may use for disclosing information to ensure compliance with the requirements under this section, section 1185a of title 29, or section 9812 of title 26, as applicable, (and any regulations promulgated pursuant to such sections, as applicable).

(ii) Documents for participants, beneficiaries, contracting providers, or authorized representatives

The guidance issued under this paragraph shall include clarifying information and illustrative examples of methods that group health plans and health insurance issuers offering group or individual health insurance coverage may use to provide any participant, beneficiary, contracting provider, or authorized representative, as applicable, with documents containing information that the health plans or issuers are required to disclose to participants, beneficiaries, contracting providers, or authorized representatives to ensure compliance with this section, section 1185a of title 29, or section 9812 of title 26, as applicable, compliance with any regulation issued pursuant to such respective section, or compliance with any other applicable law or regulation. Such guidance shall include information that is comparative in nature with respect to—

(I) nonquantitative treatment limitations for both medical and surgical benefits and mental health and substance use disorder benefits;

(II) the processes, strategies, evidentiary standards, and other factors used to apply the limitations described in subclause (I); and

(III) the application of the limitations described in subclause (I) to ensure that such limitations are applied in parity with respect to both medical and surgical benefits and mental health and substance use disorder benefits.

(C) Nonquantitative treatment limitations

The guidance issued under this paragraph shall include clarifying information and illustrative examples of methods, processes, strategies, evidentiary standards, and other factors that group health plans and health insurance issuers offering group or individual health insurance coverage may use regarding the development and application of nonquantitative treatment limitations to ensure compliance with this section, section 1185a of title 29, or section 9812 of title 26, as applicable, (and any regulations promulgated pursuant to such respective section), including—

(i) examples of methods of determining appropriate types of nonquantitative treatment limitations with respect to both medical and surgical benefits and mental health and substance use disorder benefits, including nonquantitative treatment limitations pertaining to—

(I) medical management standards based on medical necessity or appropriateness, or whether a treatment is experimental or investigational;

(II) limitations with respect to prescription drug formulary design; and

(III) use of fail-first or step therapy protocols;

(ii) examples of how specific evidentiary standards may be used to determine whether treatments are considered experimental or investigative;

(iii) examples of how specific evidentiary standards may be applied to each service category or classification of benefits;

(iv) examples of methods of reaching appropriate coverage determinations for new mental health or substance use disorder treatments, such as evidence-based early intervention programs for individuals with a serious mental illness and types of medical management techniques;

(v) examples of methods of reaching appropriate coverage determinations for which there is an indirect relationship between the covered mental health or substance use disorder benefit and a traditional covered medical and surgical benefit, such as residential treatment or hospitalizations involving voluntary or involuntary commitment; and
§ 300gg–26

(b) Construction

Prior to issuing any final guidance under this section, the Secretary shall provide a public comment period of not less than 60 days during which any member of the public may provide comments on a draft of the guidance.

(b) Construction

Nothing in this section shall be construed—

(1) as requiring a group health plan or a health insurance issuer offering group or individual health insurance coverage to provide any mental health or substance use disorder benefits; or

(2) in the case of a group health plan or a health insurance issuer offering group or individual health insurance coverage that provides mental health or substance use disorder benefits, as affecting the terms and conditions of the plan or coverage relating to such benefits under the plan or coverage, except as provided in subsection (a).

(c) Exemptions

(1) Small employer exemption

This section shall not apply to any group health plan and a health insurance issuer offering group or individual health insurance coverage for any plan year of a small employer (as defined in section 300gg–91(e)(4) of this title, except that for purposes of this paragraph such term shall include employers with 1 employee in the case of an employer residing in a State that permits small groups to include a single individual).

(2) Cost exemption

(A) In general

With respect to a group health plan or a health insurance issuer offering group or individual health insurance coverage, if the application of this section to such plan (or coverage) results in an increase for the plan year involved of the actual total costs of coverage with respect to medical and surgical benefits and mental health and substance use disorder benefits under the plan (as determined and certified under subparagraph (C)) by an amount that exceeds the applicable percentage described in subparagraph (B) of the actual total plan costs, the provisions of this section shall not apply to such plan (or coverage) during the following plan year, and such exemption shall apply to the plan (or coverage) for 1 plan year. An employer may elect to continue to apply mental health and substance use disorder parity pursuant to this section with respect to the group health plan (or coverage) involved regardless of any increase in total costs.

(B) Applicable percentage

With respect to a plan (or coverage), the applicable percentage described in this subparagraph shall be—

(i) 2 percent in the case of the first plan year in which this section is applied; and

(ii) 1 percent in the case of each subsequent plan year.

(C) Determinations by actuaries

Determinations as to increases in actual costs under a plan (or coverage) for purposes of this section shall be made and certified by a qualified and licensed actuary who is a member in good standing of the American Academy of Actuaries. All such determinations shall be in a written report prepared by the actuary. The report, and all underlying documentation relied upon by the actuary, shall be maintained by the group health plan or health insurance issuer for a period of 6 years following the notification made under subparagraph (E).

(D) 6-month determinations

If a group health plan (or a health insurance issuer offering coverage in connection with a group health plan) seeks an exemption under this paragraph, determinations under subparagraph (A) shall be made after such plan (or coverage) has complied with this section for the first 6 months of the plan year involved.

(E) Notification

(i) In general

A group health plan (or a health insurance issuer offering coverage in connection with a group health plan) that, based upon a certification described in paragraph (C), qualifies for an exemption under this paragraph, and elects to implement the exemption, shall promptly notify the Secretary, the appropriate State agencies, and participants and beneficiaries in the plan of such election.

(ii) Requirement

A notification to the Secretary under clause (i) shall include—

(I) a description of the number of covered lives under the plan (or coverage) involved at the time of the notification, and as applicable, at the time of any prior election of the cost-exemption under this paragraph by such plan (or coverage);

(II) for both the plan year upon which a cost exemption is sought and the year prior, a description of the actual total costs of coverage with respect to medical and surgical benefits and mental health and substance use disorder benefits under the plan; and

(iii) Confidentiality

A notification to the Secretary under clause (i) shall be confidential. The Sec-
retary shall make available, upon request and on not more than an annual basis, an anonymous itemization of such notifications, that includes—

(I) a breakdown of States by the size and type of employers submitting such notification; and

(II) a summary of the data received under clause (I).

(F) Audits by appropriate agencies

To determine compliance with this paragraph, the Secretary may audit the books and records of a group health plan or health insurance issuer relating to an exemption, including any actuarial reports prepared pursuant to subparagraph (C), during the 6 year period following the notification of such exemption under subparagraph (E). A State agency receiving a notification under subparagraph (E) may also conduct such an audit with respect to an exemption covered by such notification.

(d) Separate application to each option offered

In the case of a group health plan that offers a participant or beneficiary two or more benefit package options under the plan, the requirements of this section shall be applied separately with respect to each such option.

(e) Definitions

For purposes of this section—

(1) Aggregate lifetime limit

The term “aggregate lifetime limit” means, with respect to benefits under a group health plan or health insurance coverage, a dollar limitation on the total amount that may be paid with respect to such benefits under the plan or health insurance coverage with respect to an individual or other coverage unit.

(2) Annual limit

The term “annual limit” means, with respect to benefits under a group health plan or health insurance coverage, a dollar limitation on the total amount of benefits that may be paid with respect to such benefits in a 12-month period under the plan or health insurance coverage with respect to an individual or other coverage unit.

(3) Medical or surgical benefits

The term “medical or surgical benefits” means benefits with respect to medical or surgical services, as defined under the terms of the plan or coverage (as the case may be), but does not include mental health or substance use disorder benefits.

(4) Mental health benefits

The term “mental health benefits” means benefits with respect to services for mental health conditions, as defined under the terms of the plan and in accordance with applicable Federal and State law.

(5) Substance use disorder benefits

The term “substance use disorder benefits” means benefits with respect to services for substance use disorders, as defined under the terms of the plan and in accordance with applicable Federal and State law.
that for purposes of this paragraph such term shall include employers with 1 employee in the case of an employer residing in a State that permits small groups to include a single individual) before period at end."

Subsec. (c)(3). Pub. L. 110–343, §512(b)(3)(B), added par. (2) and struck out former par. (2). Prior to amendment, text read as follows: "This section shall not apply with respect to a group health plan (or health insurance coverage offered in connection with a group health plan) if the application of this section to such plan (or to such coverage) results in an increase in the cost under the plan (or for such coverage) of at least 1 percent."

Subsec. (e)(4). Pub. L. 110–343, §512(b)(7), which directly substituted of "mental health or substance use disorder benefits" for "mental health benefits" where ever appearing in section (other than in any provision amended by section 512(b)(6) of Pub. L. 110–343), was not executed to par. (4) as added by Pub. L. 110–343, §512(b)(4), to reflect the probable intent of Congress. See below.

Pub. L. 110–343, §512(b)(4), added par. (4) and struck out former par. (4). Prior to amendment, text read as follows: "The term ‘mental health benefits’ means benefits with respect to mental health services, as defined under the terms of the plan or coverage (as the case may be), but does not include benefits with respect to treatment of substance abuse or chemical dependency."


Pub. L. 110–343, §512(b)(5), struck out former par. (5). Prior to amendment, text read as follows: "This section shall not apply to benefits for services furnished—

"(1) on or after January 1, 2008, and before June 17, 2008; and

"(2) after December 31, 2008."

Pub. L. 110–245 substituted "services furnished—" for "services furnished after December 31, 2007" and added par. (2).


Effective Date of 2008 Amendment


"(1) in general.—In the case that the Secretary of Health and Human Services, the Secretary of Labor, or the Secretary of the Treasury determines that a group health plan or health insurance issuer offering group or individual health insurance coverage has violated, at least 5 times, section 2726 of the Public Health Service Act (42 U.S.C. 300gg–26), section 712 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1185a), or section 9812 of the Internal Revenue Code of 1986 (26 U.S.C. 9812), respectively, the appropriate Secretary shall audit plan documents for such health plan or issuer in the plan year following the Secretary’s determination in order to help improve compliance with such section.

"(2) rule of construction.—Nothing in this subsection shall be construed to limit the authority, as in effect on the day before the date of enactment of this Act [Dec. 13, 2016], of the Secretary of Health and Human Services, the Secretary of Labor, or the Secretary of the Treasury to audit documents of health plans or health insurance issuers.

Clarification of Existing Parity Rules

Pub. L. 114–255, div. B, title XIII, §13007, Dec. 13, 2016, 130 Stat. 1287, provided that: "If a group health plan or a health insurance issuer offering group or individual health insurance coverage provides coverage for eating disorder benefits, including residential treatment, such group health plan or health insurance issuer shall provide such benefits consistent with the requirements of section 2726 of the Public Health Service Act (42 U.S.C. 300gg–26), section 712 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1185a), and section 9812 of the Internal Revenue Code of 1986 (26 U.S.C. 9812)."

Assuring Coordination

Pub. L. 110–343, div. C, title V, §512(f), Oct. 3, 2008, 122 Stat. 3892, provided that: "The Secretary of Health and Human Services, the Secretary of Labor, and the Secretary of the Treasury may ensure, through the execution or revision of an interagency memorandum of understanding among such Secretaries, that—

"(1) regulations, rulings, and interpretations issued by such Secretaries relating to the same matter over which two or more such Secretaries have responsibility under this section [amending this section, section

nates (determined without regard to any extension thereof agreed to after the date of the enactment of this Act), or

(3) January 1, 2010.

For purposes of subparagraph (A), any plan amendment made pursuant to a collective bargaining agreement relating to the plan which amends the plan solely to conform to any requirements added by this section, shall not be treated as a termination of such collective bargaining agreement."

Effective Date

Pub. L. 104–204, title VII, §736(b), Sept. 26, 1996, 110 Stat. 2950, provided that: "The amendments made by this section [enacting this section] shall apply with respect to group health plans for plan years beginning on or after January 1, 1996."

Regulations

Pub. L. 110–343, div. C, title V, §512(d), Oct. 3, 2008, 122 Stat. 3891, provided that: "Not later than 1 year after the date of enactment of this Act [Oct. 3, 2008], the Secretaries of Labor, Health and Human Services, and the Treasury shall issue regulations to carry out the amendments made by subsections (a), (b), and (c) [amending this section, section 9812 of ‘Title 26, Internal Revenue Code, and section 1185a of Title 29, Labor], respectively."

Improving Compliance

Pub. L. 111–255, div. B, title XIII, §13001(d), Dec. 30, 2015, 130 Stat. 1287, provided that: "In general.—The amendments made by this section shall not apply to plan years beginning before January 1, 2018."

Pub. L. 114–255, div. B, title XIII, §13007, Dec. 13, 2016, 130 Stat. 1287, provided that: "If a group health plan or a health insurance issuer offering group or individual health insurance coverage provides coverage for eating disorder benefits, including residential treatment, such group health plan or health insurance issuer shall provide such benefits consistent with the requirements of section 2726 of the Public Health Service Act (42 U.S.C. 300gg–26), section 712 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1185a), and section 9812 of the Internal Revenue Code of 1986 (26 U.S.C. 9812)."

Coordination of Existing Parity Rules
Mental Health and Substance Use Disorder Parity Task Force

Memorandum of President of the United States, Mar. 29, 2016, 81 FR 19015, provided:

Memorandum for the Heads of Executive Departments and Agencies

My Administration has made behavioral health a priority and taken a number of steps to improve the prevention, early intervention, and treatment of mental health and substance use disorders. These actions are especially important in light of the prescription drug abuse and heroin epidemic as well as the suicide and substance use-related fatalities that have reversed increases in longevity in certain populations. One important response has been the expansion and implementation of mental health and substance use disorder parity protections to ensure that coverage for these benefits is comparable to coverage for medical and surgical care. The Affordable Care Act builds on the Paul Wellstone and Pete Domenici Mental Health Parity and Addiction Equity Act to expand mental health and substance use disorder benefits and Federal parity protections for more than 60 million Americans. To realize the promise of coverage expansion and parity protections in helping individuals with mental health and substance use disorders, executive departments and agencies need to work together to ensure that Americans are benefitting from the Federal parity protections the law intends. To that end, I hereby direct the following:

Section 1. Mental Health and Substance Use Disorder Parity Task Force. There is established an interagency Mental Health and Substance Use Disorder Parity Task Force (Task Force), which will identify and promote best practices for executive departments and agencies (agencies), as well as State agencies, to better ensure compliance with and implementation of requirements related to mental health and substance use disorder parity, and determine areas that would benefit from further guidance. The Director of the Domestic Policy Council shall serve as Chair of the Task Force.

(a) Membership of the Task Force. In addition to the Director of the Domestic Policy Council, the Task Force shall consist of the heads of the following agencies or offices, or their designees:

(i) the Department of the Treasury;
(ii) the Department of Defense;
(iii) the Department of Justice;
(iv) the Department of Labor;
(v) the Department of Health and Human Services;
(vi) the Department of Veterans Affairs;
(vii) the Office of Personnel Management;
(viii) the Office of National Drug Control Policy; and
(ix) such other agencies or offices as the President may designate.

At the request of the Chair, the Task Force may establish subgroups consisting exclusively of Task Force members or their designees under this section, as appropriate.

(b) Administration of the Task Force. The Department of Health and Human Services shall provide funding and administrative support for the Task Force to the extent permitted by law and within existing appropriations.

Section 2. Mission and Functions of the Task Force. The Task Force shall coordinate across agencies to:

(a) identify and promote best practices for compliance and implementation;
(b) identify and address gaps in guidance, particularly with regard to substance use disorder parity; and
(c) implement actions during its tenure and at its conclusion to advance parity in mental health and substance use disorder treatment.

Sec. 3. Outreach. Consistent with the objectives set out in section 2 of this memorandum, the Task Force, in accordance with applicable law, shall conduct outreach to patients, consumer advocates, health care providers, specialists in mental health care and substance use disorder treatment, employers, insurers, State regulators, and other stakeholders as the Task Force deems appropriate.

Sec. 4. Transparency and Reports. The Task Force shall present to the President a report before October 31, 2016, on its findings and recommendations, which shall be made public.

(b) Nothing in this memorandum shall be construed to impair or otherwise affect:

(i) the authority granted by law to an executive department, agency, or the head thereof; or
(ii) the functions of the Director of the Office of Management and Budget relating to budgetary, administrative, or legislative proposals.

(c) This memorandum shall be implemented consistent with applicable law and subject to the availability of appropriations.

(d) This memorandum is not intended to, and does not, create any right or benefit, substantive or procedural, enforceable at law or in equity by any party against the United States, its departments, agencies, or entities, its officers, employees, or agents, or any other person.

(e) The Secretary of Health and Human Services is authorized and directed to publish this memorandum in the Federal Register.

Barack Obama.

§ 300gg–27. Required coverage for reconstructive surgery following mastectomies

The provisions of section 1185b of title 29 shall apply to group health plans, and health insurance issuers offering group or individual health insurance coverage, as if included in this subpart.


Amendments

2010—Pub. L. 111–148, §1563(c)(5), formerly §1562(c)(5), as renumbered by Pub. L. 111–148, §10107(b)(1), substituted “and health insurance issuers offering group or individual health insurance coverage” for “‘health insurance issuers providing health insurance coverage in connection with group health plans’”.

Effective Date


“(A) IN GENERAL.—The amendment made by subsection (a) [enacting this section] shall apply to group health plans for plan years beginning on or after the date of enactment of this Act [Oct. 21, 1998].

§ 300gg–27. Required coverage for reconstructive surgery following mastectomies

So in original.
§ 300gg–28. Coverage of dependent students on medically necessary leave of absence

(a) Medically necessary leave of absence

In this section, the term “medically necessary leave of absence” means, with respect to a dependent child described in subsection (b)(2) in connection with a group health plan or individual health insurance coverage, a leave of absence of such child from a postsecondary educational institution (including an institution of higher education as defined in section 1002 of title 20), or any other change in enrollment of such child at such an institution, that—

(1) commences while such child is suffering from a serious illness or injury;
(2) is medically necessary; and
(3) causes such child to lose student status for purposes of coverage under the terms of the plan or coverage.

(b) Requirement to continue coverage

(1) In general

In the case of a dependent child described in paragraph (2), a group health plan, or a health insurance issuer that offers group or individual health insurance coverage, a leave of absence of such child under such plan or health insurance coverage due to a medically necessary leave of absence before the date that is the earlier of—

(A) the date that is 1 year after the first day of the medically necessary leave of absence; or
(B) the date on which such coverage would otherwise terminate under the terms of the plan or health insurance coverage.

(2) Dependent child described

A dependent child described in this paragraph is, with respect to a group health plan or individual health insurance coverage, a beneficiary under the plan who—

(A) is a dependent child, under the terms of the plan or coverage, of a participant or beneficiary under the plan or coverage; and
(B) was enrolled in the plan or coverage, on the basis of being a student at a post-secondary educational institution (as described in subsection (a)), immediately before the first day of the medically necessary leave of absence involved.

(3) Certification by physician

Paragraph (1) shall apply to a group health plan or individual health insurance coverage only if the plan or issuer of the coverage has received written certification by a treating physician of the dependent child which states that the child is suffering from a serious illness or injury and that the leave of absence (or other change of enrollment) described in subsection (a) is medically necessary.

(c) Notice

A group health plan, and a health insurance issuer that offers group or individual health insurance coverage, shall include, with any notice regarding a requirement for certification of student status for coverage under the plan or coverage, a description of the terms of this section for continued coverage during medically necessary leaves of absence. Such description shall be in language which is understandable to the typical plan participant.

(d) No change in benefits

A dependent child whose benefits are continued under this section shall be entitled to the same benefits as if (during the medically necessary leave of absence) the child continued to be a covered student at the institution of higher education and was not on a medically necessary leave of absence.

(e) Continued application in case of changed coverage

If—

(1) a dependent child of a participant or beneficiary is in a period of coverage under a group health plan or individual health insurance coverage, pursuant to a medically necessary leave of absence of the child described in subsection (b);
(2) the manner in which the participant or beneficiary is covered under the plan changes, whether through a change in health insurance coverage or health insurance issuer, a change between health insurance coverage and self-insured coverage, or otherwise; and
(3) the coverage as so changed continues to provide coverage of beneficiaries as dependent children,

this section shall apply to coverage of the child under the changed coverage for the remainder of the period of the medically necessary leave of absence of the dependent child under the plan in the same manner as it would have applied if the changed coverage had been the previous coverage.


CODIFICATION

Section was formerly classified to section 300gg–7 of this title prior to renumbering by Pub. L. 111–148.

AMENDMENTS


Subsec. (b)(1). Pub. L. 111–148, § 1563(c)(6)(B)(i), formerly § 1562(c)(6)(B)(i), as renumbered by Pub. L. 111–148, § 10107(b)(1), substituted “or a health insurance issuer that offers group or individual health insurance coverage” for “or a health insurance issuer that provides health insurance coverage in connection with a group health plan” in introductory provisions.

Subsec. (b)(2). Pub. L. 111–148, § 1563(c)(6)(B)(ii), formerly § 1562(c)(6)(B)(ii), as renumbered by Pub. L. 111–148, § 10107(b)(1), substituted “with any notice regarding a requirement for certification of student status for coverage under the plan or coverage, a description of the terms of this section for continued coverage during medically necessary leaves of absence. Such description shall be in language which is understandable to the typical plan participant.” for “with any notice regarding a requirement for certification of student status for coverage under the plan or coverage, a description of the terms of this section for continued coverage during medically necessary leaves of absence. Such description shall be in language which is understandable to the typical plan participant.”.
111–148. §10107(b)(1), substituted “individual health insurance coverage” for “health insurance coverage offered in connection with the plan” in introductory provisions. Subsec. (b)(3), Pub. L. 111–148, §1563(c)(6)(B)(iii), formerly §1562(c)(6)(B)(iii), as renumbered by Pub. L. 111–148. §10107(b)(1), substituted “individual health insurance coverage” for “health insurance coverage offered by an issuer in connection with such plan”. Subsec. (c), Pub. L. 111–148, §1563(c)(6)(C), formerly §1562(c)(6)(C), as renumbered by Pub. L. 111–148, §10107(b)(1), substituted “health insurance issuer that offers group or individual health insurance coverage” for “health insurance issuer providing health insurance coverage in connection with a group health plan”. 

Section applicable with respect to plan years beginning on or after the date that is one year after Oct. 9, 2008, and to medically necessary leaves of absence beginning during such plan years, see section 2(d) of Pub. L. 110–381, set out as a note under section 9613 of Title 26, Internal Revenue Code. 

PART B—INDIVIDUAL MARKET RULES

SUBPART I—PORTABILITY, ACCESS, AND RENEWABILITY REQUIREMENTS

§300gg–41. Guaranteed availability of individual health insurance coverage to certain individuals with prior group coverage

(a) Guaranteed availability

(1) In general
Subject to the succeeding subsections of this section and section 300gg–44 of this title, each health insurance issuer that offers health insurance coverage (as defined in section 300gg–91(b)(1) of this title) in the individual market in a State may not, with respect to an eligible individual (as defined in subsection (b)) desiring to enroll in individual health insurance coverage—

(A) decline to offer such coverage to, or deny enrollment of, such individual; or

(B) impose any preexisting condition exclusion (as defined in section 2701(b)(1)(A))

with respect to such coverage.

(2) Substitution by State of acceptable alternative mechanism
The requirement of paragraph (1) shall not apply to health insurance coverage offered in the individual market in a State in which the State is implementing an acceptable alternative mechanism under section 300gg–44 of this title.

(b) “Eligible individual” defined
In this part, the term “eligible individual” means an individual—

(1)(A) for whom, as of the date on which the individual seeks coverage under this section, the aggregate of the periods of creditable coverage (as defined in section 2701(c)) is 18 or more months and (B) whose most recent prior creditable coverage was under a group health plan, governmental plan, or church plan (or health insurance coverage offered in connection with any such plan);

(2) who is not eligible for coverage under (A) a group health plan, (B) part A or part B of title XVIII of the Social Security Act [42 U.S.C. 1395c et seq., 1395j et seq.], or (C) a State plan under title XIX of such Act [42 U.S.C. 1396 et seq.] (or any successor program), and does not have other health insurance coverage;

(3) with respect to whom the most recent coverage within the coverage period described in paragraph (1)(A) was not terminated based on a factor described in paragraph (1) or (2) of section 2712(b) (relating to nonpayment of premiums or fraud);

(4) if the individual had been offered the option of continuation coverage under a COBRA continuation provision or under a similar State program, who elected such coverage; and

(5) who, if the individual elected such continuation coverage, has exhausted such continuation coverage under such provision or program.

(c) Alternative coverage permitted where no State mechanism

(1) In general
In the case of health insurance coverage offered in the individual market in a State in which the State is not implementing an acceptable alternative mechanism under section 300gg–44 of this title, the health insurance issuer may elect to limit the coverage offered under subsection (a) so long as it offers at least two different policy forms of health insurance coverage both of which—

(A) are designed for, made generally available to, and actively marketed to, and enroll both eligible and other individuals by the issuer; and

(B) meet the requirement of paragraph (2) or (3), as elected by the issuer.

For purposes of this subsection, policy forms which have different cost-sharing arrangements or different riders shall be considered to be different policy forms.

(2) Choice of most popular policy forms
The requirement of this paragraph is met, for health insurance coverage policy forms offered by an issuer in the individual market, if the issuer offers the policy forms for individual health insurance coverage with the largest, and next to largest, premium volume of all such policy forms offered by the issuer in the State or applicable marketing or service area (as may be prescribed in regulation) by the issuer in the individual market in the period involved.

(3) Choice of 2 policy forms with representative coverage

(A) In general
The requirement of this paragraph is met, for health insurance coverage policy forms offered by an issuer in the individual market, if the issuer offers a lower-level coverage policy form (as defined in subparagraph (B)) and a higher-level coverage policy form

1 See References in Text note below.
form (as defined in subparagraph (C)) each of which includes benefits substantially similar to other individual health insurance coverage offered by the issuer in that State and each of which is covered under a method described in section 300gg-44(o)(3)(A) of this title (relating to risk adjustment, risk spreading, or financial subsidization).

(B) Lower-level of coverage described
A policy form is described in this subparagraph if the actuarial value of the benefits under the coverage is at least 85 percent but not greater than 100 percent of a weighted average (described in subparagraph (D)).

(C) Higher-level of coverage described
A policy form is described in this subparagraph if—
(i) the actuarial value of the benefits under the coverage is at least 15 percent greater than the actuarial value of the coverage described in subparagraph (B) offered by the issuer in the area involved; and
(ii) the actuarial value of the benefits under the coverage is at least 100 percent but not greater than 120 percent of a weighted average (described in subparagraph (D)).

(D) Weighted average
For purposes of this paragraph, the weighted average described in this subparagraph is the average actuarial value of the benefits provided by all the health insurance coverage issued (as elected by the issuer) either by that issuer or by all issuers in the State in the individual market during the previous year (not including coverage issued under this section), weighted by enrollment for the different coverage.

(4) Election
The issuer elections under this subsection shall apply uniformly to all eligible individuals in the State for that issuer. Such an election shall be effective for policies offered during a period of not shorter than 2 years.

(5) Assumptions
For purposes of paragraph (3), the actuarial value of benefits provided under individual health insurance coverage shall be calculated based on a standardized population and a set of standardized utilization and cost factors.

d Special rules for network plans
(1) In general
In the case of a health insurance issuer that offers health insurance coverage in the individual market through a network plan, the issuer may—
(A) limit the individuals who may be enrolled under such coverage to those who live, reside, or work within the service area for such network plan; and
(B) within the service area of such plan, deny such coverage to such individuals if the issuer has demonstrated, if required, to the applicable State authority that—
(i) it will not have the capacity to deliver services adequately to additional individual enrollees because of its obligations to existing group contract holders and enrollees and individual enrollees, and
(ii) it is applying this paragraph uniformly to individuals without regard to any health status-related factor of such individuals and without regard to whether the individuals are eligible individuals.

(2) 180-day suspension upon denial of coverage
An issuer, upon denying health insurance coverage in any service area in accordance with paragraph (1)(B), may not offer coverage in the individual market within such service area for a period of 180 days after such coverage is denied.

(e) Application of financial capacity limits
(1) In general
A health insurance issuer may deny health insurance coverage in the individual market to an eligible individual if the issuer has demonstrated, if required, to the applicable State authority that—
(A) it does not have the financial reserves necessary to underwrite additional coverage; and
(B) it is applying this paragraph uniformly to all individuals in the individual market in the State consistent with applicable State law and without regard to any health status-related factor of such individuals and without regard to whether the individuals are eligible individuals.

(2) 180-day suspension upon denial of coverage
An issuer upon denying individual health insurance coverage in any service area in accordance with paragraph (1) may not offer such coverage in the individual market within such service area for a period of 180 days after the date such coverage is denied or until the issuer has demonstrated, if required under applicable State law, to the applicable State authority that the issuer has sufficient financial reserves to underwrite additional coverage, whichever is later. A State may provide for the application of this paragraph on a service-area-specific basis.

(e) Market requirements
(1) In general
The provisions of subsection (a) shall not be construed to require that a health insurance issuer offering health insurance coverage only in connection with group health plans or through one or more bona fide associations, or both, offer such health insurance coverage in the individual market.

(2) Conversion policies
A health insurance issuer offering health insurance coverage in connection with group health plans under this subchapter shall not be deemed to be a health insurance issuer offering individual health insurance coverage solely because such issuer offers a conversion policy.

(f) Construction
Nothing in this section shall be construed—

\*So in original. Two subsecs. (e) have been enacted.
(1) to restrict the amount of the premium rates that an issuer may charge an individual for health insurance coverage provided in the individual market under applicable State law; or

(2) to prevent a health insurance issuer offering health insurance coverage in the individual market from establishing premium discounts or rebates or modifying otherwise applicable copayments or deductibles in return for adherence to programs of health promotion and disease prevention.

(July 1, 1944, ch. 373, title XXVII, §2741, as added Pub. L. 104–191, title I, §111(a), Aug. 21, 1996, 110 Stat. 1978.)

REFERENCES IN TEXT

Section 2701 of this Act, referred to in subsecs. (a)(1)(B) and (b)(1)(A), is a reference to section 2701 of act July 1, 1944. Section 2701, which was classified to section 300gg–2 of this title, was renumbered section 2704, effective for plan years beginning on or after Jan. 1, 2014, with certain exceptions, and amended, by Pub. L. 111–148, title I, §§1001(4), 1563(c)(9), formerly §1562(c)(9), title X, §10107(b)(1), Mar. 23, 2010, 124 Stat. 154, 264, 911, and was transferred to section 300gg–3 of this title. A new section 2701 of act July 1, 1944, related to fair health insurance premiums, was added, effective for plan years beginning on or after Jan. 1, 2014, and amended, by Pub. L. 111–148, title I, §1201(4), title X, §10109(a), Mar. 23, 2010, 124 Stat. 155, 892, and is classified to section 300gg–42 of this title.

The Social Security Act, referred to in subsec. (b)(2), is act Aug. 14, 1935, ch. 531, 49 Stat. 620, as amended. Parts A and B of title XVIII of the Act are classified generally to parts A (§1395c et seq.) and B (§1395j et seq.) of subchapter XVIII of chapter 7 of this title. Title XIX of the Act is classified generally to subchapter XIX (§1396 et seq.) of chapter 7 of this title. For complete classification of this Act to the Code, see section 1305 of this title and Tables.

Section 2712, referred to in subsec. (b)(3), is a reference to section 2712 of act July 1, 1944. Section 2712, which was classified to section 300gg–12 of this title, was renumbered section 2732 and amended and transferred to subsecs. (b) to (e) of section 300gg–2 of this title by Pub. L. 111–148, title I, §§1001(3), 1563(c)(9), formerly §1562(c)(9), title X, §10107(b)(1), Mar. 23, 2010, 124 Stat. 130, 267, 911. A new section 2712 of act July 1, 1944, related to prohibition on rescissions, was added by Pub. L. 111–148, title I, §1001(5), Mar. 23, 2010, 124 Stat. 131, effective for plan years beginning on or after the date that is 6 months after Mar. 23, 2010, and is classified to section 300gg–12 of this title.

EFFECTIVE DATE


“(1) In general.—Except as provided in this subsection, part H of title XXVII of the Public Health Service Act (42 U.S.C. 300gg–41 et seq.) (as inserted by section (a) shall apply with respect to health insurance coverage offered, sold, issued, renewed, in effect, or operated in the individual market after June 30, 1997, regardless of when a period of creditable coverage occurs.

“(2) Application of certification rules.—The provisions of sections 102(d)(2)(B)(ii)(III) of this Act (42 U.S.C. 300gg–24b(3)) shall apply to section 2732 of the Public Health Service Act (42 U.S.C. 300gg–43) in the same manner as it applies to section 2701(e) (now 2701(e)) of such Act (42 U.S.C. 300gg–3(e)).”

§ 300gg–42. Guaranteed renewability of individual health insurance coverage

(a) In general

Except as provided in this section, a health insurance issuer that provides individual health insurance coverage to an individual shall renew or continue in force such coverage at the option of the individual.

(b) General exceptions

A health insurance issuer may nonrenew or discontinue health insurance coverage of an individual in the individual market based only on one or more of the following:

(1) Nonpayment of premiums

The individual has failed to pay premiums or contributions in accordance with the terms of the health insurance coverage or the issuer has not received timely premium payments.

(2) Fraud

The individual has performed an act or practice that constitutes fraud or made an intentional misrepresentation of material fact under the terms of the coverage.

(3) Termination of plan

The issuer is ceasing to offer coverage in the individual market in accordance with subsection (c) and applicable State law.

(4) Movement outside service area

In the case of a health insurance issuer that offers health insurance coverage in the market through a network plan, the individual no longer resides, lives, or works in the service area (or in an area for which the issuer is authorized to do business) but only if such coverage is terminated under this paragraph uniformly without regard to any health status-related factor of covered individuals.

(5) Association membership ceases

In the case of health insurance coverage that is made available in the individual market only through one or more bona fide associations, the membership of the individual in the association (on the basis of which the coverage is provided) ceases but only if such coverage is terminated under this paragraph uniformly without regard to any health status-related factor of covered individuals.

(c) Requirements for uniform termination of coverage

(1) Particular type of coverage not offered

In any case in which an issuer decides to discontinue offering a particular type of health insurance coverage offered in the individual market, coverage of such type may be discontinued by the issuer only if:

(A) the issuer provides notice to each covered individual provided coverage of such type in such market of such discontinuation at least 90 days prior to the date of the discontinuation of such coverage;

(B) the issuer offers to each individual in the individual market provided coverage of this type, the option to purchase any other individual health insurance coverage currently being offered by the issuer for individuals in such market; and

(C) in exercising the option to discontinue coverage of this type and in offering the option of coverage under subparagraph (B), the issuer acts uniformly without regard to any health status-related factor of enrolled indi-
individuals or individuals who may become eligible for such coverage.

(2) Discontinuance of all coverage

(A) In general

Subject to subparagraph (C), in any case in which a health insurance issuer elects to discontinue offering all health insurance coverage in the individual market in a State, health insurance coverage may be discontinued by the issuer only if—

(i) the issuer provides notice to the applicable State authority and to each individual of such discontinuation at least 180 days prior to the date of the expiration of such coverage, and

(ii) all health insurance issued or delivered for issuance in the State in such market are discontinued and coverage under such health insurance coverage in such market is not renewed.

(B) Prohibition on market reentry

In the case of a discontinuation under subparagraph (A) in the individual market, the issuer may not provide for the issuance of any health insurance coverage in the market and State involved during the 5-year period beginning on the date of the discontinuation of the last health insurance coverage not so renewed.

(d) Exception for uniform modification of coverage

At the time of coverage renewal, a health insurance issuer may modify the health insurance coverage for a policy form offered to individuals in the individual market so long as such modification is consistent with State law and effective on a uniform basis among all individuals with that policy form.

(e) Application to coverage offered only through associations

In applying this section in the case of health insurance coverage that is made available by a health insurance issuer in the individual market to individuals only through one or more associations, a reference to an “individual” is deemed to include a reference to such an association (of which the individual is a member).

(July 1, 1944, ch. 373, title XXVII, § 2742, as added Pub. L. 104–191, title I, § 111(a), Aug. 21, 1996, 110 Stat. 110)

Effective Date

Section applicable with respect to health insurance coverage offered, sold, issued, renewed, in effect, or operated in the individual market after June 30, 1997, regardless of when a period of creditable coverage occurs, and provisions of section 102(c)(2) of Pub. L. 104–191, set out as a note under section 300gg of this title, applicable to this section in the same manner as it applies to section 300gg(e) of this title, see section 111(b) of Pub. L. 104–191, set out as a note under section 300gg–41 of this title.

§ 300gg–44. State flexibility in individual market reforms

(a) Waiver of requirements where implementation of acceptable alternative mechanism

(1) In general

The requirements of section 300gg–41 of this title shall not apply with respect to health insurance coverage offered in the individual market in the State so long as a State is found to be implementing, in accordance with this section and consistent with section 300gg–62(b) of this title, an alternative mechanism (in this section referred to as an “acceptable alternative mechanism”)—

(A) under which all eligible individuals are provided a choice of health insurance coverage;

(B) under which such coverage does not impose any preexisting condition exclusion with respect to such coverage;

(C) under which such choice of coverage includes at least one policy form of coverage that is comparable to comprehensive health insurance coverage offered in the individual market in such State or that is comparable to a standard option of coverage available under the group or individual health insurance laws of such State; and

(D) in a State which is implementing—

(i) a model act described in subsection (c)(1),

(ii) a qualified high risk pool described in subsection (c)(2), or

(iii) a mechanism described in subsection (c)(3).

(2) Permissible forms of mechanisms

A private or public individual health insurance mechanism (such as a health insurance

---

1 See References in Text note below.
coverage pool or programs, mandatory group conversion policies, guaranteed issue of one or more plans of individual health insurance coverage, or open enrollment by one or more health insurance issuers), or combination of such mechanisms, that is designed to provide access to health benefits for individuals in the individual market in the State in accordance with this section may constitute an acceptable alternative mechanism.

(b) Application of acceptable alternative mechanisms

(1) Presumption

(A) In general

Subject to the succeeding provisions of this subsection, a State is presumed to be implementing an acceptable alternative mechanism in accordance with this section.

(i) Subject to the succeeding provisions of this subsection, a State is presumed to be implementing an acceptable alternative mechanism in accordance with this section as of July 1, 1997, if, by not later than April 1, 1997, the chief executive officer of a State—

(A) notifies the Secretary that the State has enacted any necessary legislation to provide for the implementation of a mechanism reasonably designed to be an acceptable alternative mechanism as of January 1, 1998; and

(B) provides the Secretary with such information as the Secretary may require to review the mechanism and its implementation (or proposed implementation) under this subsection.

(B) Delay permitted for certain States

(i) Effect of delay

In the case of a State described in clause (A)(i), for the presumption to continue on and after July 1, 1998, the chief executive officer of the State by April 1, 1998—

(I) must notify the Secretary that the State has enacted any necessary legislation to provide for the implementation of a mechanism reasonably designed to be an acceptable alternative mechanism as of July 1, 1998; and

(II) must provide the Secretary with such information as the Secretary may require to review the mechanism and its implementation (or proposed implementation) under this subsection.

(ii) States described

A State described in this clause is a State that has a legislature that does not meet within the 12-month period beginning on August 21, 1996.

(C) Continued application

In order for a mechanism to continue to be presumed to be an acceptable alternative mechanism, the State shall provide the Secretary every 3 years with information described in subparagraph (A)(ii) or (B)(i)(II) (as the case may be).

(2) Notice

If the Secretary finds, after review of information provided under paragraph (1) and in consultation with the chief executive officer of the State and the insurance commissioner or chief insurance regulatory official of the State, that such a mechanism is not an acceptable alternative mechanism or is not (or no longer) being implemented, the Secretary—

(A) shall notify the State of—

(i) such preliminary determination, and

(ii) the consequences under paragraph (3) of a failure to implement such a mechanism; and

(B) shall permit the State a reasonable opportunity in which to modify the mechanism (or to adopt another mechanism) in a manner so that may be an acceptable alternative mechanism or to provide for implementation of such a mechanism.

(3) Final determination

If, after providing notice and opportunity under paragraph (2), the Secretary finds that the mechanism is not an acceptable alternative mechanism or the State is not implementing such a mechanism, the Secretary shall notify the State that the State is no longer considered to be implementing an acceptable alternative mechanism and that the requirements of section 300gg–41 of this title shall apply to health insurance coverage offered in the individual market in the State, effective as of a date specified in the notice.

(4) Limitation on secretarial authority

The Secretary shall not make a determination under paragraph (2) or (3) on any basis other than the basis that a mechanism is not an acceptable alternative mechanism or is not being implemented.

(5) Future adoption of mechanisms

If a State, after January 1, 1997, submits the notice and information described in paragraph (1), unless the Secretary makes a finding described in paragraph (3) within the 90-day period beginning on the date of submission of the notice and information, the mechanism shall be considered to be an acceptable alternative mechanism for purposes of this section, effective 90 days after the end of such period, subject to the second sentence of paragraph (1).

(c) Provision related to risk

(1) Adoption of NAIC models

The model act referred to in subsection (a)(1)(D)(i) is the Small Employer and Individual Health Insurance Availability Model Act (adopted by the National Association of Insurance Commissioners on June 3, 1996) insofar as it applies to individual health insurance coverage or the Individual Health Insurance Portability Model Act (also adopted by such Association on such date).

(2) Qualified high risk pool

For purposes of subsection (a)(1)(D)(ii), a “qualified high risk pool” described in this paragraph is a high risk pool that—

1 So in original. The comma probably should not appear.
(A) provides to all eligible individuals health insurance coverage (or comparable coverage) that does not impose any preexisting condition exclusion with respect to such coverage for all eligible individuals, and

(B) provides for premium rates and covered benefits for such coverage consistent with standards included in the NAIC Model Health Plan for Uninsurable Individuals Act (as in effect as of August 21, 1996).

(3) Other mechanisms

For purposes of subsection (a)(1)(D)(iii), a mechanism described in this paragraph—

(A) provides for risk adjustment, risk spreading, or a risk spreading mechanism (among issuers or policies of an issuer) or otherwise provides for some financial subsidization for eligible individuals, including through assistance to participating issuers; or

(B) is a mechanism under which each eligible individual is provided a choice of all individual health insurance coverage otherwise available.


AMENDMENTS

1996—Subsec. (a)(1). Pub. L. 104–204 made technical amendment to reference in original act which appears in text as reference to section 300gg–62(b) of this title.

EFFECTIVE DATE OF 1996 AMENDMENT

Pub. L. 104–204, title VI, §605(c), Sept. 26, 1996, 110 Stat. 2942, provided that: "The amendments made by this section [enacting section 300gg–51 of this title and amending this section and sections 300gg–61 and 300gg–62 of this title] shall apply with respect to health insurance coverage offered, sold, issued, renewed, in effect, or operated in the individual market on or after January 1, 1998."

EFFECTIVE DATE

Section applicable with respect to health insurance coverage offered, sold, issued, renewed, in effect, or operated in the individual market after June 30, 1997, regardless of when a period of creditable coverage occurs, see section 111(b) of Pub. L. 104–191, set out as a note under section 300gg–41 of this title.

§ 300gg–45. Relief for high risk pools

(a) Seed grants to States

The Secretary shall provide from the funds appropriated under subsection (d)(1)(A) a grant of up to $1,000,000 to each State that has not created a qualified high risk pool as of February 10, 2006, for the State’s costs of creation and initial operation of such a pool.

(b) Grants for operational losses

(1) In general

In the case of a State that has established a qualified high risk pool that—

(A) restricts premiums charged under the pool to no more than 200 percent of the premium for applicable standard risk rates;

(B) offers a choice of two or more coverage options through the pool; and

(C) has in effect a mechanism reasonably designed to ensure continued funding of losses incurred by the State in connection with operation of the pool after the end of the last fiscal year for which a grant is provided under this paragraph;

the Secretary shall provide, from the funds appropriated under paragraphs (1)(B)(i) and (2)(A) of subsection (d) and allotted to the State under paragraph (2), a grant for the losses incurred by the State in connection with the operation of the pool.

(2) Allotment

Subject to paragraph (4), the amounts appropriated under paragraphs (1)(B)(i) and (2)(A) of subsection (d) for a fiscal year shall be allotted and made available to the States (or the entities that operate the high risk pool under applicable State law) that qualify for a grant under paragraph (1) as follows:

(A) An amount equal to 40 percent of such appropriated amount for the fiscal year shall be allotted in equal amounts to each qualifying State that is one of the 50 States or the District of Columbia and that applies for a grant under this subsection.

(B) An amount equal to 30 percent of such appropriated amount for the fiscal year shall be allotted among qualifying States that apply for such a grant so that the amount allotted to such a State bears the same ratio to such appropriated amount as the number of uninsured individuals in the State bears to the total number of uninsured individuals (as determined by the Secretary) in all qualifying States that so apply.

(C) An amount equal to 30 percent of such appropriated amount for the fiscal year shall be allotted among qualifying States that apply for such a grant so that the amount allotted to such a State bears the same ratio to such appropriated amount as the number of uninsured individuals enrolled in health care coverage through the qualified high risk pool of the State bears to the total number of individuals so enrolled through qualified high risk pools (as determined by the Secretary) in all qualifying States that so apply.

(3) Special rule for pools charging higher premiums

In the case of a qualified high risk pool of a State which charges premiums that exceed 150 percent of the premium for applicable standard risks, the State shall use at least 50 percent of the amount of the grant provided to the State to carry out this subsection to reduce premiums for enrollees.

(4) Limitation for territories

In no case shall the aggregate amount allotted and made available under paragraph (2) for a fiscal year to States that are not the 50 States or the District of Columbia exceed $1,000,000.
(c) Bonus grants for supplemental consumer benefits

(1) In general

In the case of a State that is one of the 50 States or the District of Columbia, that has established a qualified high risk pool, and that is receiving a grant under subsection (b)(1), the Secretary shall provide, from the funds appropriated under paragraphs (1)(B)(ii) and (2)(B) of subsection (d) and allotted to the State under paragraph (3), a grant to be used to provide supplemental consumer benefits to enrollees or potential enrollees (or defined subsets of such enrollees or potential enrollees) in qualified high risk pools.

(2) Benefits

A State shall use amounts received under a grant under this subsection to provide one or more of the following benefits:

(A) Low-income premium subsidies.

(B) A reduction in premium trends, actual premiums, or other cost-sharing requirements.

(C) An expansion or broadening of the pool of individuals eligible for coverage, such as through eliminating waiting lists, increasing enrollment caps, or providing flexibility in enrollment rules.

(D) Less stringent rules, or additional waiver authority, with respect to coverage of pre-existing conditions.

(E) Increased benefits.

(F) The establishment of disease management programs.

(3) Allotment; limitation

The Secretary shall allot funds appropriated under paragraphs (1)(B)(ii) and (2)(B) of subsection (d) among States qualifying for a grant under paragraph (1) in a manner specified by the Secretary, but in no case shall the amount so allotted to a State for a fiscal year exceed 10 percent of the funds so appropriated for the fiscal year.

(4) Rule of construction

Nothing in this subsection shall be construed to prohibit a State that, on February 10, 2006, is in the process of implementing a program to provide benefits of the type described in paragraph (2), from being eligible for a grant under this subsection.

(d) Funding

(1) Appropriation for fiscal year 2006

There are authorized to be appropriated for fiscal year 2006—

(A) $15,000,000 to carry out subsection (a); and

(B) $75,000,000, of which, subject to paragraph (4)—

(i) two-thirds of the amount appropriated shall be made available for allotments under subsection (b)(2); and

(ii) one-third of the amount appropriated shall be made available for allotments under subsection (c)(3).

(2) Authorization of appropriations for fiscal years 2007 through 2010

There are authorized to be appropriated $75,000,000 for each of fiscal years 2007 through 2010, of which, subject to paragraph (4)—

(A) two-thirds of the amount appropriated for a fiscal year shall be made available for allotments under subsection (b)(2); and

(B) one-third of the amount appropriated for a fiscal year shall be made available for allotments under subsection (c)(3).

(5) Availability

Funds appropriated for purposes of carrying out this section for a fiscal year shall remain available for obligation through the end of the following fiscal year.

(e) Applications

To be eligible for a grant under this section, a State shall submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require.

(f) Annual report

The Secretary shall submit to Congress an annual report on grants provided under this section. Each such report shall include information on the distribution of such grants among States and the use of grant funds by States.

(g) Definitions

In this section:

(1) Qualified high risk pool

(A) In general

The term “qualified high risk pool” has the meaning given such term in section 300gg–44(c)(2) of this title, except that a State may elect to meet the requirement of subparagraph (A) of such section (insofar as it requires the provision of coverage to all eligible individuals) through providing for the enrollment of eligible individuals through an acceptable alternative mechanism (as defined for purposes of section 300gg–44 of this title) that includes a high risk pool as a component.

(B) Standard risk rate

The term “standard risk rate” means a rate—

(A) determined under the State high risk pool by considering the premium rates charged by other health insurers offering health insurance coverage to individuals in the insurance market served; and

(B) that is established using reasonable actuarial techniques; and

1 So in original. No subpar. (b) has been enacted.
§ 300gg–51

C. that reflects anticipated claims experience and expenses for the coverage involved.

(3) State

The term “State” means any of the 50 States and the District of Columbia and includes Puerto Rico, the Virgin Islands, Guam, American Samoa, and the Northern Mariana Islands.


AMENDMENTS


CONSTRUCTION

Nothing in the amendments made by title II of Pub. L. 107–210, other than provisions relating to COBRA continuation coverage and reporting requirements, to be construed as creating a new mandate on any party regarding health insurance coverage, see section 203(f) of Pub. L. 107–210, set out as a note under section 35 of Title 26, Internal Revenue Code.

SUBPART 2—OTHER REQUIREMENTS

CODIFICATION

Pub. L. 110–238, title I, § 102(b)(1)(A), May 21, 2008, 122 Stat. 892, redesignated this subpart, which was originally enacted as part B of title XXVII of act July 1, 1944, as subpart 2.

§ 300gg–51. Standards relating to benefits for mothers and newborns

(a) In general

The provisions of section 2704 1 (other than subsections (d) and (f)) shall apply to health insurance coverage offered by a health insurance issuer in the individual market in the same manner as they apply to health insurance coverage offered by a health insurance issuer in connection with a group health plan in the small or large group market.

(b) Notice requirement

A health insurance issuer under this part shall comply with the notice requirement under section 1185(d) of title 29 with respect to the requirements referred to in subsection (a) as if such section applied to such issuer and such issuer were a group health plan.

(c) Preemption; exception for health insurance coverage in certain States

(1) In general

The requirements of this section shall not apply with respect to health insurance coverage if there is a State law (as defined in section 300gg–23(d)(1)) of this title for a State that regulates such coverage that is described in any of the following subparagraphs:

(A) Such State law requires such coverage to provide for at least a 48-hour hospital length of stay following a normal vaginal delivery and at least a 96-hour hospital length of stay following a cesarean section.

(B) Such State law requires such coverage to provide for maternity and pediatric care in accordance with guidelines established by the American College of Obstetricians and Gynecologists, the American Academy of Pediatrics, or other established professional medical associations.

(C) Such State law requires, in connection with such coverage for maternity care, that the hospital length of stay for such care is left to the decision of (or required to be made by) the attending provider in consultation with the mother.

(2) Construction

Section 300gg–62(a) of this title shall not be construed as superseding a State law described in paragraph (1).

(July 1, 1944, ch. 373, title XXVII, § 2751, as added Pub. L. 104–204, title VI, § 605(a)(4), Sept. 26, 1996, 110 Stat. 2941.)

REFERENCES IN TEXT

Section 2704, referred to in subsec. (a), is a reference to section 2704 of act July 1, 1944. Section 2704, which was classified to section 300gg–4 of this title, was renumbered section 2723, and amended by Pub. L. 111–148, title I, §§ 1001(2), 1563(c)(3), formerly § 1562(c)(3), title X, § 10107(b)(1), Mar. 23, 2010, 124 Stat. 265, 911, and was transferred to section 300gg–25 of this title. A new section 2704 of act July 1, 1944, related to prohibition of preexisting condition exclusions or other discrimination based on health status, was added, effective for plan years beginning on or after Jan. 1, 2014, with certain exceptions, and amended, by Pub. L. 111–148, title I, §§ 1201(2), 1563(c)(1), formerly § 1562(c)(1), title X, § 10107(b)(1), Mar. 23, 2010, 124 Stat. 265, 911, and is classified to section 300gg–3 of this title.

Section 300gg–23(d)(1) of this title, referred to in subsec. (c)(1), was in the original ‘‘section 2723(d)(1)’’, and was translated as meaning section 2723(d)(1) of act July 1, 1944, to reflect the probable intent of Congress and the renumbering of section 2723 as 2724 by Pub. L. 111–148, title I, §§ 1001(4), 1563(c)(14)(B), formerly § 1562(c)(14)(B), title X, § 10107(b)(1), Mar. 23, 2010, 124 Stat. 265, 911.

EFFECTIVE DATE

Section applicable to health insurance coverage offered, sold, issued, renewed, in effect, or operated in the individual market on or after Jan. 1, 1998, see section 605(c) of Pub. L. 104–204, set out as an Effective Date of 1996 Amendment note under section 300gg–44 of this title.

§ 300gg–52. Required coverage for reconstructive surgery following mastectomies

The provisions of section 2706 1 shall apply to health insurance coverage offered by a health insurance issuer in the individual market in the same manner as they apply to health insurance coverage offered by a health insurance issuer in connection with a group health plan in the small or large group market.


REFERENCES IN TEXT

Section 2706, referred to in text, is a reference to section 2706 of act July 1, 1944. Section 2706, which was

1 See References in Text note below.

1 See References in Text note below.

**Effective Date**

Pub. L. 105–277, div. A, §101(f) [title IX, §903(c)(2)], Oct. 21, 1998, 112 Stat. 2681–337, 2681–438, provided that: ‘‘The amendment made by subsection (b) [enacting this section] shall apply with respect to health insurance coverage offered, sold, issued, renewed, in effect, or operated in the individual market on or after the date of enactment of this Act [Oct. 21, 1998].’’

§ 300gg–53. Prohibition of health discrimination on the basis of genetic information

(a) Prohibition on genetic information as a condition of eligibility

(1) In general

A health insurance issuer offering health insurance coverage in the individual market may not establish rules for the eligibility (including continued eligibility) of any individual to enroll in individual health insurance coverage based on genetic information.

(2) Rule of construction

Nothing in paragraph (1) or in paragraph (1) and (2) of subsection (e) shall be construed to preclude a health insurance issuer from establishing rules for eligibility for an individual to enroll in individual health insurance coverage based on the manifestation of a disease or disorder in that individual, or in a family member of such individual where such family member is covered under the policy that covers such individual.

(b) Prohibition on genetic information in setting premium rates

(1) In general

A health insurance issuer offering health insurance coverage in the individual market shall not adjust premium or contribution amounts for an individual on the basis of genetic information concerning the individual or a family member of the individual.

(2) Rule of construction

Nothing in paragraph (1) or in paragraphs (1) and (2) of subsection (e) shall be construed to preclude a health insurance issuer from adjusting premium or contribution amounts for an individual on the basis of a manifestation of a disease or disorder in that individual, or in a family member of such individual where such family member is covered under the policy that covers such individual. In such case, the manifestation of a disease or disorder in one individual cannot also be used as genetic information about other individuals covered under the policy issued to such individual and to further increase premiums or contribution amounts.

(c) Prohibition on genetic information as pre-existing condition

(1) In general

A health insurance issuer offering health insurance coverage in the individual market may not, on the basis of genetic information, impose any preexisting condition exclusion (as defined in section 2701(b)(1)(A)) with respect to such coverage.

(2) Rule of construction

Nothing in paragraph (1) or in paragraphs (1) and (2) of subsection (e) shall be construed to preclude a health insurance issuer from imposing any preexisting condition exclusion for an individual with respect to health insurance coverage on the basis of a manifestation of a disease or disorder in that individual.

(d) Genetic testing

(1) Limitation on requesting or requiring genetic testing

A health insurance issuer offering health insurance coverage in the individual market shall not request or require an individual or a family member of such individual to undergo a genetic test.

(2) Rule of construction

Paragraph (1) shall not be construed to limit the authority of a health care professional who is providing health care services to an individual to request that such individual undergo a genetic test.

(3) Rule of construction regarding payment

(A) In general

Nothing in paragraph (1) shall be construed to preclude a health insurance issuer offering health insurance coverage in the individual market from obtaining and using the results of a genetic test in making a determination regarding payment (as such term is defined for the purposes of applying the regulations promulgated by the Secretary under part C of title XI of the Social Security Act [42 U.S.C. 1320d et seq.] and section 264 of the Health Insurance Portability and Accountability Act of 1996, as may be revised from time to time) consistent with subsection 2 (a) and (c).

(B) Limitation

For purposes of subparagraph (A), a health insurance issuer offering health insurance coverage in the individual market may request only the minimum amount of information necessary to accomplish the intended purpose.

(4) Research exception

Notwithstanding paragraph (1), a health insurance issuer offering health insurance coverage in the individual market may request, but not require, that an individual or a family member of such individual undergo a genetic test if each of the following conditions is met:

(A) The request is made pursuant to research that complies with part 46 of title 45,

1 See References in Text note below.

2 So in original. Probably should be “subsections”. 
(e) Prohibition on collection of genetic information

(1) In general
A health insurance issuer offering health insurance coverage in the individual market shall not request, require, or purchase genetic information for underwriting purposes (as defined in section 300gg–91 of this title).

(2) Prohibition on collection of genetic information prior to enrollment
A health insurance issuer offering health insurance coverage in the individual market shall not request, require, or purchase genetic information with respect to any individual prior to such individual’s enrollment under the plan in connection with such enrollment.

(3) Incidental collection
If a health insurance issuer offering health insurance coverage in the individual market obtains genetic information incidental to the requesting, requiring, or purchasing of other information concerning any individual, such request, requirement, or purchase shall not be considered a violation of paragraph (2) if such request, requirement, or purchase is not in violation of paragraph (1).

(f) Genetic information of a fetus or embryo
Any reference in this part to genetic information concerning an individual or family member of an individual shall—
(1) with respect to such an individual or family member of an individual who is a pregnant woman, include genetic information of any fetus carried by such pregnant woman; and
(2) with respect to an individual or family member utilizing an assisted reproductive technology, include genetic information of any embryo legally held by the individual or family member.

References in Text
Section 2701, referred to in subsec. (c)(1), is a reference to section 2701 of act July 1, 1944. Section 2701, which was classified to section 300gg of this title, was renumbered section 2704, effective for plan years beginning on or after Jan. 1, 2014, with certain exceptions, and amended, by Pub. L. 111–148, title I, §§1201(2), 1563(c)(1), formerly §1562(c)(1), title X, §10107(b)(1), Mar. 23, 2010, 124 Stat. 154, 293, 911, and was transferred to section 300gg–3 of this title. A new section 2701 of act July 1, 1944, related to fair health insurance premiums, was added, effective for plan years beginning on or after Jan. 1, 2014, and amended, by Pub. L. 111–148, title I, §1201(4), title X, §10103(a), Mar. 23, 2010, 124 Stat. 892, and is classified to section 300gg of this title.


Codification
Another section 2753 of act July 1, 1944, is classified to section 300gg–54 of this title.

Effective Date
Section applicable, with respect to group health plans and health insurance coverage offered in connection with group health plans, for plan years beginning after the date that is one year after May 21, 2008, and, with respect to health insurance coverage offered, sold, issued, renewed, in effect, or operated in the individual market, after the date that is one year after May 21, 2008, see section 102(d)(2) of Pub. L. 110–233, set out as an Effective Date of 2008 Amendment note under section 300gg–21 of this title.

§ 300gg–54. Coverage of dependent students on medically necessary leave of absence

The provisions of section 2707 of act July 1, 1944 shall apply to health insurance coverage offered by a health insurance issuer in the individual market in the same manner as they apply to health insurance coverage offered by a health insurance issuer in connection with a group health plan in the small or large group market.

(July 1, 1944, ch. 373, title XXVII, §2753, as added Pub. L. 110–381, §2(b)(2), Oct. 9, 2008, 122 Stat. 4064.)

References in Text
Section 2707, referred to in text, is a reference to section 2707 of act July 1, 1944. Section 2707, which was classified to section 300gg–7 of this title, was renumbered section 2728 and amended by Pub. L. 111–148, title I, §§1001(2), 1563(c)(6), formerly §1562(c)(6), title X, §10107(b)(1), Mar. 23, 2010, 124 Stat. 130, 266, 911, and was transferred to section 300gg–28 of this title. A new section 2707 of act July 1, 1944, related to comprehensive health insurance coverage, was added, effective for plan years beginning on or after Jan. 1, 2014, by Pub. L. 111–148, title I, §1201(4), Mar. 23, 2010, 124 Stat. 161, and is classified to section 300gg–6 of this title.

Codification
Section 2(b)(2) of Pub. L. 110–381, which directed amendment of subpart 3 of part B of title XXVII of act July 1, 1944, by adding this section at the end, was exe-

1 See References in Text note below.
cuted in this subpart, which is subpart 2 of part B of title XXVII of act July 1, 1944, to reflect the probable intent of Congress and the redesignation of subpart 3 as section 300gg–53 of this title.

Another section 2753 of act July 1, 1944, is classified to section 300gg–53 of this title.

**Effective Date**

Section applicable with respect to plan years beginning on or after the date that is one year after Oct. 9, 2008, and to medically necessary leaves of absence beginning during such plan years, see section 2(d) of Pub. L. 110–231, set out as a note under section 9613 of Title 26, Internal Revenue Code.

**SUBPART 3—GENERAL PROVISIONS**

**Codification**

Another subpart 3 of part B of title XXVII of act July 1, 1944, was redesignated subpart 2 by Pub. L. 110–231, title I, § 102(b)(1)(A), May 21, 2008, 122 Stat. 892, and is classified to subpart 2 (§300gg–51 et seq.) of this part.

§ 300gg–61. Enforcement

(a) State enforcement

(1) State authority

Subject to section 300gg–62 of this title, each State may require that health insurance issuers that issue, sell, renew, or offer health insurance coverage in the State in the individual market meet the requirements established under this part with respect to such issuers.

(2) Failure to implement requirements

In the case of a State that fails to substantially enforce the requirements set forth in this part with respect to health insurance issuers in the State, the Secretary shall enforce the requirements of this part under subsection (b) insofar as they relate to the issuance, sale, renewal, and offering of health insurance coverage in the individual market in such State.

(b) Secretarial enforcement authority

The Secretary shall have the same authority in relation to enforcement of the provisions of this part with respect to issuers of health insurance coverage in the individual market in a State as the Secretary has under section 300gg–22(b)(2) of this title, and section 300gg–22(b)(3) of this title with respect to violations of genetic nondiscrimination provisions, in relation to the enforcement of the provisions of part A with respect to issuers of health insurance coverage in the small group market in the State.


**REFERENCES IN TEXT**

Section 300gg–22(b)(2) of this title, and section 300gg–22(b)(3) of this title, referred to in subsec. (b), was in the original “section 2722(b)(2) and section 2722(b)(3)” and was translated as meaning section 2723(b)(2) and section 2723(b)(3) of act July 1, 1944, to reflect the probable intent of Congress and the renumbering of section 2722 as 2723 by Pub. L. 111–148, title I, §§1001(a), 1563(c)(13)(C), formerly §1562(c)(15)(C), title X, §10107(b)(1), Mar. 23, 2010, 124 Stat. 139, 569, 911.

**Amendments**

2008—Subsec. (b). Pub. L. 110–233 amended subsec. (b) generally. Prior to amendment, text read as follows: “The Secretary shall have the same authority in relation to enforcement of the provisions of this part with respect to issuers of health insurance coverage in the individual market in a State as the Secretary has under section 300gg–22(b)(2) of this title in relation to the enforcement of the provisions of part A of this subchapter with respect to issuers of health insurance coverage in the small group market in the State.”


**Effective Date of 2008 Amendment**

Amendment by Pub. L. 110–233 applicable, with respect to group health plans and health insurance coverage offered in connection with group health plans, for plan years beginning after the date that is one year after May 21, 2008, and, with respect to health insurance coverage offered, sold, issued, renewed, in effect, or operated in the individual market, after the date that is one year after May 21, 2008, see section 102(d)(2) of Pub. L. 110–233, set out as a note under section 300gg–21 of this title.

**Effective Date of 1996 Amendment**

Amendment by Pub. L. 104–204 applicable to health insurance coverage offered, sold, issued, renewed, in effect, or operated in the individual market on or after Jan. 1, 1998, see section 605(c) of Pub. L. 104–204, set out as a note under section 300gg–44 of this title.

**§ 300gg–62. Preemption and application**

(a) In general

Subject to subsection (b), nothing in this part (or part C insofar as it applies to this part) shall be construed to prevent a State from establishing, implementing, or continuing in effect standards and requirements unless such standards and requirements prevent the application of a requirement of this part.

(b) Rules of construction

(1) Nothing in this part (or part C insofar as it applies to this part) shall be construed to affect or modify the provisions of section 1114 of title 29.

(2) Nothing in this part (other than section 300gg–51 of this title) shall be construed as requiring health insurance coverage offered in the individual market to provide specific benefits under the terms of such coverage.

(c) Application of part A provisions

(1) In general

The provisions of part A shall apply to health insurance issuers providing health insurance coverage in the individual market in a State as provided for in such part.

(2) Clarification

To the extent that any provision of this part conflicts with a provision of part A with re-

**AMENDMENTS**


1996—Subsec. (b). Pub. L. 104–204, § 605(b)(3), designated existing provisions as par. (1) and added par. (2).

**EFFECTIVE DATE OF 1996 AMENDMENT**

Amendment by Pub. L. 104–204 applicable to health insurance coverage offered, sold, issued, renewed, in effect, or operated in the individual market on or after Jan. 1, 1996, see section 605(c) of Pub. L. 104–204, set out as a note under section 300gg–41 of this title.

**EFFECTIVE DATE**

Section applicable with respect to health insurance coverage offered, sold, issued, renewed, in effect, or operated in the individual market after June 30, 1997, regardless of when a period of creditable coverage occurs, see section 111(b) of Pub. L. 104–191, set out as a note under section 300gg–41 of this title.

**§ 300gg–63. General exceptions**

(a) Exception for certain benefits

The requirements of this part shall not apply to any health insurance coverage in relation to its provision of excepted benefits described in section 300gg–91(c)(1) of this title.

(b) Exception for certain benefits if certain conditions met

The requirements of this part shall not apply to any health insurance coverage in relation to its provision of excepted benefits described in paragraph (2), (3), or (4) of section 300gg–91(c) of this title if the benefits are provided under a separate policy, certificate, or contract of insurance.


**EFFECTIVE DATE**

Section applicable with respect to health insurance coverage offered, sold, issued, renewed, in effect, or operated in the individual market after June 30, 1997, regardless of when a period of creditable coverage occurs, see section 111(b) of Pub. L. 104–191, set out as a note under section 300gg–41 of this title.

**PART C—DEFINITIONS; MISCELLANEOUS PROVISIONS**

**§ 300gg–91. Definitions**

(a) Group health plan

(1) Definition

The term “group health plan” means an employee welfare benefit plan (as defined in section 3(1) of the Employee Retirement Income Security Act of 1974 [29 U.S.C. 1001(1)]) to the extent that the plan provides medical care (as defined in paragraph (2) and including items and services paid for as medical care) to employees or their dependents (as defined under the terms of the plan) directly or through insurance, reimbursement, or otherwise. Except for purposes of part C of title XI of the Social Security Act (42 U.S.C. 1320d et seq.), such term shall not include any qualified small employer health reimbursement arrangement (as defined in section 9831(d)(2) of title 26).

(2) Medical care

The term “medical care” means amounts paid for—

(A) the diagnosis, cure, mitigation, treatment, or prevention of disease, or amounts paid for the purpose of affecting any structure or function of the body,

(B) amounts paid for transportation primarily for and essential to medical care referred to in subparagraph (A), and

(C) amounts paid for insurance covering medical care referred to in subparagraphs (A) and (B).

(3) Treatment of certain plans as group health plan for notice provision

A program under which creditable coverage described in subparagraph (C), (D), (E), or (F) of section 2701(c)(1) is provided shall be treated as a group health plan for purposes of applying section 2701(e).

(b) Definitions relating to health insurance

(1) Health insurance coverage

The term “health insurance coverage” means benefits consisting of medical care (provided directly, through insurance or reimbursement, or otherwise and including items and services paid for as medical care) under any hospital or medical service policy or certificate, hospital or medical service plan contract, or health maintenance organization contract offered by a health insurance issuer.

(2) Health insurance issuer

The term “health insurance issuer” means an insurance company, insurance service, or insurance organization (including a health maintenance organization, as defined in paragraph (3)) which is licensed to engage in the business of insurance in a State and which is subject to State law which regulates insurance (within the meaning of section 514(b)(2) of the Employee Retirement Income Security Act of 1974 [29 U.S.C. 1144(b)(2)]). Such term does not include a group health plan.

(3) Health maintenance organization

The term “health maintenance organization” means—

1. See References in Text note below.
(A) a Federally qualified health maintenance organization (as defined in section 300e(a) of this title),
(B) an organization recognized under State law as a health maintenance organization, or
(C) a similar organization regulated under State law for solvency in the same manner and to the same extent as such a health maintenance organization.

(4) Group health insurance coverage
The term “group health insurance coverage” means, in connection with a group health plan, health insurance coverage offered in connection with such plan.

(5) Individual health insurance coverage
The term “individual health insurance coverage” means health insurance coverage offered to individuals in the individual market, but does not include short-term limited duration insurance.

(c) Excepted benefits
For purposes of this subchapter, the term “excepted benefits” means benefits under one or more (or any combination thereof) of the following:

(1) Benefits not subject to requirements
(A) Coverage only for accident, or disability income insurance, or any combination thereof.
(B) Coverage issued as a supplement to liability insurance.
(C) Liability insurance, including general liability insurance and automobile liability insurance.
(D) Workers’ compensation or similar insurance.
(E) Automobile medical payment insurance.
(F) Credit-only insurance.
(G) Coverage for on-site medical clinics.
(H) Other similar insurance coverage, specified in regulations, under which benefits for medical care are secondary or incidental to other insurance benefits.

(2) Benefits not subject to requirements if offered separately
(A) Limited scope dental or vision benefits.
(B) Benefits for long-term care, nursing home care, home health care, community-based care, or any combination thereof.
(C) Such other similar, limited benefits as are specified in regulations.

(3) Benefits not subject to requirements if offered as independent, noncoordinated benefits
(A) Coverage only for a specified disease or illness.
(B) Hospital indemnity or other fixed indemnity insurance.

(4) Benefits not subject to requirements if offered as separate insurance policy
Medicare supplemental health insurance (as defined under section 1395ss(g)(1) of this title), coverage supplemental to the coverage provided under chapter 55 of title 10, and similar supplemental coverage provided to coverage under a group health plan.

(d) Other definitions
(1) Applicable State authority
The term “applicable State authority” means, with respect to a health insurance issuer in a State, the State insurance commissioner or official or officials designated by the State to enforce the requirements of this subchapter for the State involved with respect to such issuer.

(2) Beneficiary
The term “beneficiary” has the meaning given such term under section 3(b) of the Employee Retirement Income Security Act of 1974 [29 U.S.C. 1002(3)].

(3) Bona fide association
The term “bona fide association” means, with respect to health insurance coverage offered in a State, an association which—
(A) has been actively in existence for at least 5 years;
(B) has been formed and maintained in good faith for purposes other than obtaining insurance;
(C) does not condition membership in the association on any health status-related factor relating to an individual (including an employee of an employer or a dependent of an employee); and
(D) makes health insurance coverage offered through the association available to all members regardless of any health status-related factor relating to such members (or individuals eligible for coverage through a member);

(E) does not make health insurance coverage offered through the association available other than in connection with a member of the association; and
(F) meets such additional requirements as may be imposed under State law.

(4) COBRA continuation provision
The term “COBRA continuation provision” means any of the following:
(A) Section 4980B of title 26, other than subsection (f)(1) of such section so far as it relates to pediatric vaccines.

(C) Subchapter XX of this chapter.

(5) Employee
The term “employee” has the meaning given such term under section 3(6) of the Employee Retirement Income Security Act of 1974 [29 U.S.C. 1002(6)].

(6) Employer
The term “employer” has the meaning given such term under section 3(5) of the Employee Retirement Income Security Act of 1974 [29 U.S.C. 1002(5)], except that such term shall include only employers of two or more employees.

(7) Church plan
The term “church plan” has the meaning given such term under section 3(33) of the Em-
(8) **Governmental plan**

(A) The term “governmental plan” has the meaning given such term under section 3(32) of the Employee Retirement Income Security Act of 1974 [29 U.S.C. 1002(32)] and any Federal governmental plan.

(B) **FEDERAL GOVERNMENTAL PLAN**—The term “Federal governmental plan” means a governmental plan established or maintained for its employees by the Government of the United States or by any agency or instrumentality of such Government.

(C) **NON-FEDERAL GOVERNMENTAL PLAN**—The term “non-Federal governmental plan” means a governmental plan that is not a Federal governmental plan.

(9) **Health status-related factor**

The term “health status-related factor” means any of the factors described in section 2702(a)(1). \(^1\)

(10) **Network plan**

The term “network plan” means health insurance coverage of a health insurance issuer under which the financing and delivery of medical care (including items and services paid for as medical care) are provided, in whole or in part, through a defined set of providers under contract with the issuer.

(11) **Participant**

The term “participant” has the meaning given such term under section 3(7) of the Employee Retirement Income Security Act of 1974 [29 U.S.C. 1002(7)].

(12) **Placed for adoption defined**

The term “placement”, or being “placed”, for adoption, in connection with any placement for adoption of a child with any person, means the assumption and retention by such person of a legal obligation for total or partial support of such child in anticipation of adoption of such child. The child’s placement with such person terminates upon the termination of such legal obligation.

(13) **Plan sponsor**

The term “plan sponsor” has the meaning given such term under section 3(16)(B) of the Employee Retirement Income Security Act of 1974 [29 U.S.C. 1002(16)(B)].

(14) **State**

The term “State” means each of the several States, the District of Columbia, Puerto Rico, the Virgin Islands, Guam, American Samoa, and the Northern Mariana Islands.

(15) **Family member**

The term “family member” means, with respect to any individual—

(A) a dependent (as such term is used for purposes of section 2701(f)(2)) \(^1\) of such individual; and

(B) any other individual who is a first-degree, second-degree, third-degree, or fourth-degree relative of such individual or of an individual described in subparagraph (A).

(16) **Genetic information**

(A) **In general**

The term “genetic information” means, with respect to any individual, information about—

(i) such individual’s genetic tests,

(ii) the genetic tests of family members of such individual, and

(iii) the manifestation of a disease or disorder in family members of such individual.

(B) **Inclusion of genetic services and participation in genetic research**

Such term includes, with respect to any individual, any request for, or receipt of, genetic services, or participation in clinical research which includes genetic services, by such individual or any family member of such individual.

(C) **Exclusions**

The term “genetic information” shall not include information about the sex or age of any individual.

(17) **Genetic test**

(A) **In general**

The term “genetic test” means an analysis of human DNA, RNA, chromosomes, proteins, or metabolites, that detects genotypes, mutations, or chromosomal changes.

(B) **Exceptions**

The term “genetic test” does not mean—

(i) an analysis of proteins or metabolites that does not detect genotypes, mutations, or chromosomal changes; or

(ii) an analysis of proteins or metabolites that is directly related to a manifested disease, disorder, or pathological condition that could reasonably be detected by a health care professional with appropriate training and expertise in the field of medicine involved.

(18) **Genetic services**

The term “genetic services” means—

(A) a genetic test;

(B) genetic counseling (including obtaining, interpreting, or assessing genetic information); or

(C) genetic education.

(19) **Underwriting purposes**

The term “underwriting purposes” means, with respect to any group health plan, or health insurance coverage offered in connection with a group health plan—

(A) rules for, or determination of, eligibility (including enrollment and continued eligibility) for benefits under the plan or coverage;

(B) the computation of premium or contribution amounts under the plan or coverage;

(C) the application of any pre-existing condition exclusion under the plan or coverage; and

(D) other activities related to the creation, renewal, or replacement of a contract of health insurance or health benefits.
(20) Qualified health plan

The term "qualified health plan" has the meaning given such term in section 18021(a) of this title.

(21) Exchange

The term "Exchange" means an American Health Benefit Exchange established under section 18031 of this title.

(e) Definitions relating to markets and small employers

For purposes of this subchapter:

(1) Individual market

(A) In general

The term "individual market" means the health insurance market under which individuals obtain health insurance coverage (directly or through any arrangement) on behalf of themselves (and their dependents) through a group health plan maintained by a small employer.

(B) Treatment of very small groups

(i) In general

Subject to clause (ii), such terms inclusion of health insurance coverage offered to individuals other than in connection with a group health plan.

(ii) State exception

Clause (i) shall not apply in the case of a State that elects to regulate the coverage described in such clause as coverage in the small group market.

(2) Large employer

The term "large employer" means, in connection with a group health plan with respect to a calendar year and a plan year, an employer who employed an average of at least 51 employees on business days during the preceding calendar year and who employs at least 2 employees on the first day of the plan year.

(3) Large group market

The term "large group market" means the health insurance market under which individuals obtain health insurance coverage (directly or through any arrangement) on behalf of themselves (and their dependents) through a group health plan maintained by a large employer.

(4) Small employer

The term "small employer" means, in connection with a group health plan with respect to a calendar year and a plan year, an employer who employed an average of at least 1 but not more than 50 employees on business days during the preceding calendar year and who employs at least 1 employees on the first day of the plan year.

(5) Small group market

The term "small group market" means the health insurance market under which individuals obtain health insurance coverage (directly or through any arrangement) on behalf of themselves (and their dependents) through a group health plan maintained by a small employer.

(6) Application of certain rules in determination of employer size

For purposes of this subsection—

(A) Application of aggregation rule for employers

all 4 persons treated as a single employer under subsection (b), (c), (m), or (o) of section 414 of title 26 shall be treated as 1 employer.

(B) Employers not in existence in preceding year

In the case of an employer which was not in existence throughout the preceding calendar year, the determination of whether such employer is a small or large employer shall be based on the average number of employees that it is reasonably expected such employer will employ on business days in the current calendar year.

(C) Predecessors

Any reference in this subsection to an employer shall include a reference to any predecessor of such employer.

(7) State option to extend definition of small employer

Notwithstanding paragraphs (2) and (4), nothing in this section shall prevent a State from applying this subsection by treating as a small employer, with respect to a calendar year and a plan year, an employer who employed an average of at least 1 but not more than 100 employees on business days during the preceding calendar year and who employs at least 1 employee on the first day of the plan year.

References in Text


References in Text


Section 2701, referred to in subsecs. (a)(3) and (d)(15)(A), is a reference to section 2701 of act July 1, 1944. Section 2701, which was classified to section 300gg of this title, was renumbered section 2704, effective for plan years beginning on or after Jan. 1, 2014, with certain exceptions, and amended, by Pub. L. 111–148, title I, §§1201(2), 1563(c)(1), formerly §1562(c)(1), title X, §10107(b)(1), Mar. 23, 2010, 124 Stat. 264, 269, 911, and was transferred to section 300gg–3 of this title. A new section 2701 of act July 1, 1944, related to fair health insurance premiums, was added, effective for plan years beginning on or after Jan. 1, 2014, and amended, by Pub. L. 114–60, title I, §§1201(4), title X, §10103(a), Mar. 23, 2010, 124 Stat. 135, 892, and is classified to section 300gg of this title.

Sept. 2, 1974, 88 Stat. 829, as amended. Part 6 of subtitle B of title I of the Act is classified generally to part 6 (§1161 et seq.) of subtitle B of subchapter I of chapter 18 of Title 29, Labor. For complete classification of this Act to the Code, see Short Title note set out under section 1001 of Title 29 and Tables.

Section 2702, referred to in subsec. (d)(9), is a reference to section 2702 of act July 1, 1944, Section 2702, which was classified to section 300gg-1 of this title, was amended by Pub. L. 111–148, title I, §1201(3), Mar. 23, 2010, 124 Stat. 154, and was transferred to subsecs. (b) to (f) of section 300gg-4 of this title, effective for plan years beginning on or after Jan. 1, 2014. A new section 2702, related to guaranteed availability of coverage, was added by Pub. L. 111–148, title I, §1201(4), Mar. 23, 2010, 124 Stat. 156, effective for plan years beginning on or after Jan. 1, 2014, and is classified to section 300gg-1 of this title.

AMENDMENTS
2016—Subsec. (a)(1). Pub. L. 114–255 inserted at end "Except for purposes of part C of title XI of the Social Security Act (42 U.S.C. 1320d et seq.), such term shall not include any qualified small employer health reimbursement arrangement (as defined in section 9831(d)(2) of title 26)."
Subsec. (e)(4). Pub. L. 114–60, §2(b)(2), substituted "50" for "100".

§ 300gg–92. Health insurance consumer information
(a) In general

The Secretary shall award grants to States to enable such States (or the Exchanges operating in such States) to establish, expand, or provide support for—
(1) offices of health insurance consumer assistance; or
(2) health insurance ombudsman programs.

(b) Eligibility

(1) In general

To be eligible to receive a grant, a State shall designate an independent office of health insurance consumer assistance, or an ombudsman, that, directly or in coordination with State health insurance regulators and consumer assistance organizations, receives and responds to inquiries and complaints concerning health insurance coverage with respect to Federal health insurance requirements and under State law.

(2) Criteria

A State that receives a grant under this section shall comply with criteria established by the Secretary for carrying out activities under such grant.

(c) Duties

The office of health insurance consumer assistance or health insurance ombudsman shall—
(1) assist with the filing of complaints and appeals, including filing appeals with the internal appeal or grievance process of the group health plan or health insurance issuer involved and providing information about the external appeal process;
(2) collect, track, and quantify problems and inquiries encountered by consumers;
(3) educate consumers on their rights and responsibilities with respect to group health plans and health insurance coverage;
(4) assist consumers with enrollment in a group health plan or health insurance coverage by providing information, referral, and assistance; and
(5) resolve problems with obtaining premium tax credits under section 36B of title 26.

(d) Data collection

As a condition of receiving a grant under subsection (a), an office of health insurance consumer assistance or ombudsman program shall be required to collect and report data to the Secretary on the types of problems and inquiries encountered by consumers. The Secretary shall utilize such data to identify areas where more enforcement action is necessary and shall share such information with State insurance regulators, the Secretary of Labor, and the Secretary of the Treasury for use in the enforcement activities of such agencies.

(e) Funding

(1) Initial funding

There is hereby appropriated to the Secretary, out of any funds in the Treasury not otherwise appropriated, $30,000,000 for the first fiscal year for which this section applies to carry out this section. Such amount shall remain available without fiscal year limitation.

(2) Authorization for subsequent years

There is authorized to be appropriated to the Secretary for each fiscal year following the fiscal year described in paragraph (1), such sums as may be necessary to carry out this section.


§ 300gg–94. Ensuring that consumers get value for their dollars

(a) Initial premium review process

(1) In general

The Secretary, in conjunction with States, shall establish a process for the annual review, beginning with the 2010 plan year and subject to subsection (b)(2)(A), of unreasonable increases in premiums for health insurance coverage.

(2) Justification and disclosure

The process established under paragraph (1) shall require health insurance issuers to submit to the Secretary and the relevant State a justification for an unreasonable premium increase prior to the implementation of the increase. Such issuers shall prominently post such information on their Internet websites. The Secretary shall ensure the public disclosure of information on such increases and justifications for all health insurance issuers.

(b) Continuing premium review process

(1) Informing Secretary of premium increase patterns

As a condition of receiving a grant under subsection (c)(1), a State, through its Commissioner of Insurance, shall—

(A) provide the Secretary with information about trends in premium increases in health insurance coverage in premium rating areas in the State; and

(B) make recommendations, as appropriate, to the State Exchange about whether particular health insurance issuers should be excluded from participation in the Exchange based on a pattern or practice of excessive or unjustified premium increases.

(2) Monitoring by Secretary of premium increases

(A) In general

Beginning with plan years beginning in 2014, the Secretary, in conjunction with the States and consistent with the provisions of subsection (a)(2), shall monitor premium increases of health insurance coverage offered through an Exchange and outside of an Exchange.

(B) Consideration in opening Exchange

In determining under section 18032(f)(2)(B) of this title whether to offer qualified health plans in the large group market through an Exchange, the State shall take into account any excess of premium growth outside of the Exchange as compared to the rate of such growth inside the Exchange.

(c) Grants in support of process

(1) Premium review grants during 2010 through 2014

The Secretary shall carry out a program to award grants to States during the 5-year period beginning with fiscal year 2010 to assist such States in carrying out subsection (a), including—

(A) in reviewing and, if appropriate under State law, approving premium increases for health insurance coverage;

(B) in providing information and recommendations to the Secretary under subsection (b)(1); and

(C) in establishing centers (consistent with subsection (d)) at academic or other nonprofit institutions to collect medical reimbursement information from health insurance issuers, to analyze and organize such information, and to make such information available to such issuers, health care providers, health researchers, health care policy makers, and the general public.

(2) Funding

(A) In general

Out of all funds in the Treasury not otherwise appropriated, there are appropriated to the Secretary $250,000,000, to be available for expenditure for grants under paragraph (1) and subparagraph (B).
§ 300gg–95

**Medical reimbursement data centers**

(D) Medical reimbursement data centers

(1) Functions

(A) develop fee schedules and other database tools that fairly and accurately reflect market rates for medical services and the geographic differences in those rates;

(B) use the best available statistical methods and data processing technology to develop such fee schedules and other database tools;

(C) regularly update such fee schedules and other database tools to reflect changes in charges for medical services;

(D) make health care cost information readily available to the public through an Internet website that allows consumers to understand the amounts that health care providers in their area charge for particular medical services; and

(E) regularly publish information concerning the statistical methodologies used by the center to analyze health charge data and make such data available to researchers and policy makers.

(2) Conflicts of interest

A center established under subsection (c)(1)(C) shall adopt by-laws that ensures that

(i) the Secretary shall consider the number of plans of health insurance coverage offered in each State and the population of the State; and

(ii) no State qualifying for a grant under paragraph (1) shall receive less than $1,000,000, or more than $5,000,000 for a grant year.

(d) Medical reimbursement data centers

(1) Functions

A center established under subsection (c)(1)(C) shall—

(A) develop fee schedules and other database tools that fairly and accurately reflect market rates for medical services and the geographic differences in those rates;

(B) use the best available statistical methods and data processing technology to develop such fee schedules and other database tools;

(C) regularly update such fee schedules and other database tools to reflect changes in charges for medical services;

(D) make health care cost information readily available to the public through an Internet website that allows consumers to understand the amounts that health care providers in their area charge for particular medical services; and

(E) regularly publish information concerning the statistical methodologies used by the center to analyze health charge data and make such data available to researchers and policy makers.

(2) Conflicts of interest

A center established under subsection (c)(1)(C) shall adopt by-laws that ensures that

(i) the Secretary shall consider the number of plans of health insurance coverage offered in each State and the population of the State; and

(ii) no State qualifying for a grant under paragraph (1) shall receive less than $1,000,000, or more than $5,000,000 for a grant year.

§ 300gg–95. Uniform fraud and abuse referral format

The Secretary shall request the National Association of Insurance Commissioners to develop a model uniform report form for private health insurance issuers seeking to refer suspected fraud and abuse to State insurance departments or other responsible State agencies for investigation. The Secretary shall request that the National Association of Insurance Commissioners develop recommendations for uniform reporting standards for such referrals.

(July 1, 1944, ch. 373, title XXVI, § 2794, as added Pub. L. 111–148, title VI, § 6603, Mar. 23, 2010, 124 Stat. 780.)
Transportation, the Secretary of Defense, the Secretary of Homeland Security, and the head of any other relevant Federal agency, shall establish an interagency agreement, consistent with the National Response Plan or any successor plan, under which agreement the Secretary of Health and Human Services shall assume operational control of emergency public health and medical response assets, as necessary, in the event of a public health emergency, except that members of the armed forces under the authority of the Secretary of Defense shall remain under the command and control of the Secretary of Defense, as shall any associated assets of the Department of Defense. (July 1, 1944, ch. 373, title XXVIII, §2801, as added Pub. L. 107–188, title I, §101(a), June 12, 2002, 116 Stat. 596; amended Pub. L. 109–417, title I, §101(2), Dec. 19, 2006, 120 Stat. 2832.)

REFERENCES IN TEXT

AMENDMENTS
2006—Pub. L. 109–417 amended section generally. Prior to amendment, section consisted of subsecs. (a) to (d) relating to a national preparedness plan for carrying out health-related activities to prepare for and respond effectively to bioterrorism and other public health emergencies.

GUIDANCE FOR PARTICIPATION IN EXERCISES AND DRILLS
Pub. L. 116–22, title III, §306, June 24, 2019, 133 Stat. 941, provided that: “Not later than 2 years after the date of enactment of this Act [June 24, 2019], the Secretary of Health and Human Services shall issue final guidance regarding the ability of personnel funded by programs authorized under this Act [see Tables for classification] (including the amendments made by this Act) to participate in drills and operational exercises related to all-hazards medical and public health preparedness and response. Such drills and operational exercises may include activities that incorporate medical surge capacity planning, medical countermeasure distribution and administration, and preparing for and responding to identified threats for that region. Such personnel may include State, local, Tribal, and territorial public health department or agency personnel funded under this Act (including the amendments made by this Act) to participate in drills and operational exercises related to all-hazards medical and public health preparedness and response. Such drills and operational exercises may include activities that incorporate medical surge capacity planning, medical countermeasure distribution and administration, and preparing for and responding to identified threats for that region. Such personnel may include State, local, Tribal, and territorial public health department or agency personnel funded under this Act (including the amendments made by this Act) to participate in drills and operational exercises related to all-hazards medical and public health preparedness and response. Such drills and operational exercises may include activities that incorporate medical surge capacity planning, medical countermeasure distribution and administration, and preparing for and responding to identified threats for that region. Such personnel may include State, local, Tribal, and territorial public health department or agency personnel funded under this Act (including the amendments made by this Act) to participate in drills and operational exercises related to all-hazards medical and public health preparedness and response. Such drills and operational exercises may include activities that incorporate medical surge capacity planning, medical countermeasure distribution and administration, and preparing for and responding to identified threats for that region.

GOVERNMENT ACCOUNTABILITY OFFICE REPORT

‘‘(a) IN GENERAL.—The Comptroller General shall submit to the Committee on Health, Education, Labor, and Pensions and the Committee on Appropriations of the Senate, and to the Committee on Energy and Commerce and the Committee on Appropriations of the House of Representatives, a report that describes—

‘‘(1) Federal activities primarily related to research on, preparedness for, and the management of the public health and medical consequences of a bioterrorist attack against the civilian population;

‘‘(2) the coordination of the activities described in paragraph (1);

‘‘(3) the effectiveness of such efforts in preparing national, State, and local authorities to address the public health and medical consequences of a potential bioterrorist attack against the civilian population;

‘‘(4) the activities and costs of the Civil Support Teams of the National Guard in responding to biological threats or attacks against the civilian population;

‘‘(5) the activities of the working group under subsection (a) and the efforts made by such group to carry out the activities described in such subsection; and

‘‘(6) the ability of private sector contractors to enhance governmental responses to biological threats or attacks.’’

§300hh–1. National Health Security Strategy

(a) In general

(1) Preparedness and response regarding public health emergencies

Beginning in 2018 and every four years thereafter, the Secretary shall prepare and submit to the relevant committees of Congress a coordinated strategy (to be known as the National Health Security Strategy) and any revisions thereof, and an accompanying implementation plan for public health emergency preparedness and response. Such National Health Security Strategy shall describe potential emergency health security threats and identify the processes for achieving the preparedness goals described in subsection (b) to be prepared to identify and respond to such threats and shall be consistent with the national preparedness goal (as described in section 314(a)(19) of title 6), the National Incident Management System (as defined in section 311(7) of such title), and the National Response Plan developed pursuant to section 314 of such title, or any successor plan.

(2) Evaluation of progress

The National Health Security Strategy shall include an evaluation of the progress made by Federal, State, local, and tribal entities, based on the evidence-based benchmarks and objective standards that measure levels of preparedness established pursuant to section 247d–3a(g) of this title. Such evaluation shall include aggregate and State-specific breakdowns of obligated funding spent by major category (as defined by the Secretary) for activities funded through awards pursuant to sections 247d–3a and 247d–3b of this title, and an analysis of any changes to the evidence-based benchmarks and objective standards under sections 247d–3a and 247d–3b of this title.

(3) Public health workforce

In 2022, the National Health Security Strategy shall include a national strategy for establishing an effective and prepared public health workforce, including defining the functions, capabilities, and gaps in such workforce (including gaps in the environmental health and animal health workforces, as applicable), describing the status of such workforce, identifying strategies to recruit, retain, and protect such workforce from workplace exposures dur-
preparedness for public health emergencies, and identifying current capabilities to meet the requirements of section 300hh–2 of this title.

(b) Preparedness goals

The National Health Security Strategy shall include provisions in furtherance of the following:

(1) Integration

Integrating public health and public and private medical capabilities with other first responder systems, including through—

(A) the periodic evaluation of Federal, State, local, and tribal preparedness and response capabilities through drills and exercises, including drills and exercises to ensure medical surge capacity for events without notice; and

(B) integrating public and private sector public health and medical donations and volunteers.

(2) Public health

Developing and sustaining Federal, State, local, and tribal essential public health security capabilities, including the following:

(A) Disease situational awareness domestically and abroad, including detection, identification, investigation, and related information technology activities.

(B) Disease containment including capabilities for isolation, quarantine, social distancing, decontamination, relevant health care services and supplies, and transportation and disposal of medical waste.

(C) Risk communication and public preparedness.

(D) Rapid distribution and administration of medical countermeasures.

(E) Response to environmental hazards.

(3) Medical

Increasing the preparedness, response capabilities, and surge capacity of hospitals, other health care facilities (including pharmacies, mental health facilities, and ambulatory care facilities and which may include dental health facilities), and trauma care, critical care, and emergency medical service systems, with respect to public health emergencies (including related availability, accessibility, and coordination), which shall include developing plans for the following:

(A) Strengthening public health emergency medical and trauma management and treatment capabilities.

(B) Fatality management.

(C) Coordinated medical triage and evacuation to appropriate medical institutions based on patient medical need, taking into account regionalized systems of care.

(D) Rapid distribution and administration of medical countermeasures.

(E) Effective utilization of any available public and private mobile medical assets (which may include such dental health assets) and integration of other Federal assets.

(F) Protecting health care workers and health care first responders from workplace exposures during a public health emergency or exposures to agents that could cause a public health emergency.

(G) Optimizing a coordinated and flexible approach to the emergency response and medical surge capacity of hospitals, other health care facilities, critical care, trauma care (which may include trauma centers), and emergency medical systems.

(4) At-risk individuals

(A) Taking into account the public health and medical needs of at-risk individuals, including the unique needs and considerations of individuals with disabilities, in the event of a public health emergency.

(B) For the purpose of this chapter, the term “at-risk individuals” means children, pregnant women, senior citizens and other individuals who have access or functional needs in the event of a public health emergency, as determined by the Secretary.

(5) Coordination

Minimizing duplication of, and ensuring coordination between, Federal, State, local, and tribal planning, preparedness, and response activities (including the State Emergency Management Assistance Compact and other applicable compacts). Such planning shall be consistent with the National Response Plan, or any successor plan, and National Incident Management System and the National Preparedness Goal.

(6) Continuity of operations

Maintaining vital public health and medical services to allow for optimal Federal, State, local, and tribal operations in the event of a public health emergency.

(7) Countermeasures

(A) Promoting strategic initiatives to advance countermeasures to diagnose, mitigate, prevent, or treat harm from any biological agent or toxin, chemical, radiological, or nuclear agent or agents, whether naturally occurring, unintentional, or deliberate.

(B) For purposes of this paragraph, the term “countermeasures” has the same meaning as the terms “qualified countermeasures” under section 247d–6a of this title, “qualified pandemic and epidemic products” under section 247d–6d of this title, and “security countermeasures” under section 247d–6b of this title.

(8) Medical and public health community resiliency

Strengthening the ability of States, local communities, and tribal communities to prepare for, respond to, and be resilient in the event of public health emergencies, whether naturally occurring, unintentional, or deliberate by—

(A) optimizing alignment and integration of medical and public health preparedness and response planning and capabilities with and into routine daily activities; and

(B) promoting familiarity with local medical and public health systems.

(9) Zoonotic disease, food, and agriculture

Improving coordination among Federal, State, local, Tribal, and territorial entities (including through consultation with the Secretary of Agriculture) to prevent, detect, and
respond to outbreaks of plant or animal disease (including zoonotic disease) that could compromise national security resulting from a deliberate attack, a naturally occurring threat, the intentional adulteration of food, or other public health threats, taking into account interactions between animal health, human health, and animals’ and humans’ shared environment as directly related to public health emergency preparedness and response capabilities, as applicable.

(10) **Global health security**

Assessing current or potential health security threats from abroad to inform domestic public health preparedness and response capabilities.


**AMENDMENTS**

2019—Subsec. (a)(1). Pub. L. 116–22, § 101(1)(A), substituted “2018” for “2014” and “Such National Health Security Strategy shall describe potential emergency health security threats and identify the process for achieving the preparedness goals described in subsection (b) to be prepared to identify and respond to such threats and shall be consistent with the national preparedness goal (as described in section 314(a)(19) of title 6), the National Incident Management System (as defined in section 311(7) of such title), and the National Response Plan developed pursuant to section 314 of such title, or any successor plan.” for “Such National Health Security Strategy shall describe potential emergency health security threats and identify the process for achieving the preparedness goals described in subsection (b) and shall be consistent with the National Pre paredness Goal, the National Incident Management System, and the National Response Plan developed pursuant to section 314(e) of title 6, or any successor plan.”

Subsec. (a)(2). Pub. L. 116–22, § 101(1)(B), inserted before period at end “, and an analysis of any changes to the evidence-based benchmarks and objective standards under sections 247d–3a and 247d–3b of this title”.

Subsec. (a)(3). Pub. L. 116–22, § 101(1)(C), substituted “2022” for “2018” and “gaps in such workforce (including gaps in the environmental health and animal health workforces, as applicable), describing the status of such workforce, identifying strategies” for “gaps in such workforce, and identifying strategies” and inserted “and decontamination, relevant health care facilities and which may include dental health facilities, and trauma care, critical care,” for “facilities), and trauma care and inserted “including related availability, accessibility, and coordination)” after “public health emergencies”.


Subsec. (b)(7), (8). Pub. L. 113–5, § 101(a)(2)(D), added pars. (7) and (8).

**EX. ORD. NO. 13527. ESTABLISHING FEDERAL CAPABILITY FOR THE TIMELY PROVISION OF MEDICAL COUNTERMEASURES FOLLOWING A BIOLOGICAL ATTACK**

Ex. Ord. No. 13527, Dec. 30, 2009, 75 F.R. 737, provided: By the authority vested in me as President by the Constitution and the laws of the United States of America, it is hereby ordered as follows:

**SECTION 1. Policy.** It is the policy of the United States to plan and prepare for the timely provision of medical countermeasures to the American people in the event of a biological attack in the United States through a rapid Federal response in coordination with State, local, territorial, and tribal governments. This policy would seek to: (1) mitigate illness and prevent death; (2) sustain critical infrastructure; and (3) complement and supplement State, local, territorial, and tribal government medical countermeasure distribution capacity.

**SEC. 2. United States Postal Service Delivery of Medical Countermeasures.** (a) The U.S. Postal Service has the capacity for rapid residential delivery of medical countermeasures for self administration across all communities in the United States. The Federal Government shall pursue a national U.S. Postal Service medical countermeasures dispensing model to respond to a large-scale biological attack.

(b) The Secretaries of Health and Human Services and Homeland Security, in coordination with the U.S. Postal Service, within 180 days of the date of this order, shall establish a national U.S. Postal Service medical countermeasures dispensing model for U.S. cities to respond to a large-scale biological attack, with anthrax as the primary threat consideration.

(c) In support of the national U.S. Postal Service model, the Secretaries of Homeland Security, Health
§ 300hh–2. Enhancing medical surge capacity

(a) Study of enhancing medical surge capacity

As part of the joint review described in section 300hh–11(b) of this title, the Secretary shall evaluate the benefits and feasibility of improving the capacity of the Department of Health and Human Services to provide additional medical surge capacity to local communities in the event of a public health emergency. Such study shall include an assessment of the need for and feasibility of improving surge capacity through—

(1) acquisition and operation of mobile medical assets by the Secretary to be deployed, on a contingency basis, to a community in the event of a public health emergency;

(2) integrating the practice of telemedicine within the National Disaster Medical System; and

(3) other strategies to improve such capacity as determined appropriate by the Secretary.

(b) Authority to acquire and operate mobile medical assets

In addition to any other authority to acquire, deploy, and operate mobile medical assets, the Secretary may acquire, deploy, and operate mobile medical assets if, taking into consideration the evaluation conducted under subsection (a), such acquisition, deployment, and operation is determined to be beneficial and feasible in improving the capacity of the Department of Health and Human Services to provide additional medical surge capacity to local communities in the event of a public health emergency.

(c) Using Federal facilities to enhance medical surge capacity

(1) Analysis

The Secretary shall conduct an analysis of whether there are Federal facilities which, in the event of a public health emergency, could practically be used as facilities in which to provide health care.

(2) Memoranda of understanding

If, based on the analysis conducted under paragraph (1), the Secretary determines that there are Federal facilities which, in the event of a public health emergency, could be used as facilities in which to provide health care, the Secretary shall, with respect to each such facility, seek to conclude a memorandum of understanding with the head of the Department or agency that operates such facility that permits the use of such facility to provide health care in the event of a public health emergency.

(2006, 120 Stat. 2855.)

PART B—ALL-HAZARDS EMERGENCY PREPAREDNESS AND RESPONSE

CODIFICATION


§ 300hh–10. Coordination of preparedness for and response to all-hazards public health emergencies

(a) In general

There is established within the Department of Health and Human Services the position of the Assistant Secretary for Preparedness and Response. The President, with the advice and consent of the Senate, shall appoint an individual to serve in such position. Such Assistant Secretary shall report to the Secretary.

(b) Duties

Subject to the authority of the Secretary, the Assistant Secretary for Preparedness and Response shall utilize experience related to public health emergency preparedness and response, biodefense, medical countermeasures, and other relevant topics to carry out the following functions:

(1) Leadership

Serve as the principal advisor to the Secretary on all matters related to Federal public
health and medical preparedness and response for public health emergencies.

(2) Personnel

Register, credential, organize, train, equip, and have the authority to deploy Federal public health and medical personnel under the authority of the Secretary, including the National Disaster Medical System, and coordinate such personnel with the Medical Reserve Corps and the Emergency System for Advance Registration of Volunteer Health Professionals.

(3) Countermeasures

Oversee advanced research, development, and procurement of qualified countermeasures (as defined in section 247d–6a of this title), security countermeasures (as defined in section 247d–6b of this title), and qualified pandemic or epidemic products (as defined in section 247d–6d of this title).

(4) Coordination

(A) Federal integration

Coordinate with relevant Federal officials to ensure integration of Federal preparedness and response activities for public health emergencies.

(B) State, local, and tribal integration

Coordinate with State, local, and tribal public health officials, the Emergency Management Assistance Compact, health care systems, and emergency medical service systems to ensure effective integration of Federal public health and medical assets during a public health emergency.

(C) Emergency medical services

Promote improved emergency medical services medical direction, system integration, research, and uniformity of data collection, treatment protocols, and policies with regard to public health emergencies.

(D) Policy coordination and strategic direction

Provide integrated policy coordination and strategic direction, before, during, and following public health emergencies, with respect to all matters related to Federal public health and medical preparedness and execution and deployment of the Federal response for public health emergencies and incidents covered by the National Response Plan described in section 317(a)(6) of title 6, or any successor plan; and such Federal responses covered by the National Cybersecurity Incident Response Plan developed under section 660(c)1 of title 6, including public health emergencies or incidents related to cybersecurity threats that present a threat to national health security.

(E) Identification of inefficiencies

Identify and minimize gaps, duplication, and other inefficiencies in medical and public health preparedness and response activities and the actions necessary to overcome these obstacles.

(F) Coordination of grants and agreements

Align and coordinate medical and public health grants and cooperative agreements as applicable to preparedness and response activities authorized under this chapter, to the extent possible, including program requirements, timelines, and measurable goals, and in consultation with the Secretary of Homeland Security, to—

(i) optimize and streamline medical and public health preparedness and response capabilities and the ability of local communities to respond to public health emergencies; and

(ii) gather and disseminate best practices among grant and cooperative agreement recipients, as appropriate.

(G) Drill and operational exercises

Carry out drills and operational exercises, in consultation with the Department of Homeland Security, the Department of Defense, the Department of Veterans Affairs, and other applicable Federal departments and agencies, as necessary and appropriate, to identify, inform, and address gaps in and policies related to all-hazards medical and public health preparedness and response, including exercises based on—

(i) identified threats for which countermeasures are available and for which no countermeasures are available; and

(ii) unknown threats for which no countermeasures are available.

(H) National security priority

On a periodic basis consult with, as applicable and appropriate, the Assistant to the President for National Security Affairs, to provide an update on, and discuss, medical and public health preparedness and response activities pursuant to this chapter and the Federal Food, Drug, and Cosmetic Act [21 U.S.C. 301 et seq.], including progress on the development, approval, clearance, and licensure of medical countermeasures.

(I) Threat awareness

Coordinate with the Director of the Centers for Disease Control and Prevention, the Director of National Intelligence, the Secretary of Homeland Security, the Assistant to the President for National Security Affairs, the Secretary of Defense, and other relevant Federal officials, such as the Secretary of Agriculture, to maintain a current assessment of national security threats and inform preparedness and response capabilities based on the range of the threats that have the potential to result in a public health emergency.

(5) Logistics

In coordination with the Secretary of Veterans Affairs, the Secretary of Homeland Security, the General Services Administration, and other public and private entities, provide logistical support for medical and public health aspects of Federal responses to public health emergencies. Such logistical support shall include working with other relevant Federal, State, local, Tribal, and territorial public
health officials and private sector entities to identify the critical infrastructure assets, systems, and networks needed for the proper functioning of the health care and public health sectors that need to be maintained through any emergency or disaster, including entities capable of assisting with, responding to, and mitigating the effect of a public health emergency, including a public health emergency determined by the Secretary pursuant to section 247d–a of this title or an emergency or major disaster declared by the President under the Robert T. Stafford Disaster Relief and Emergency Assistance Act or the National Emergencies Act, including by establishing methods to exchange critical information and deliver products consumed or used to preserve, protect, or sustain life, health, or safety, and sharing of specialized expertise.

(6) Leadership

Provide leadership in international programs, initiatives, and policies that deal with public health and medical emergency preparedness and response.

(7) Countermeasures budget plan

Develop, and update not later than March 15 of each year, a coordinated 5-year budget plan based on the medical countermeasure priorities described in subsection (d), including with respect to chemical, biological, radiological, and nuclear agent or agents that may present a threat to the Nation, including such agents that are novel or emerging infectious diseases, and the corresponding efforts to develop qualified countermeasures (as defined in section 247d–6a of this title), security countermeasures (as defined in section 247d–6b of this title), and qualified pandemic or epidemic products (as defined in section 247d–6d of this title) for each such threat. Each such plan shall—

(A) include consideration of the entire medical countermeasures enterprise, including—

(i) basic research and advanced research and development;

(ii) approval, clearance, licensure, and authorized uses of products;

(iii) procurement, stockpiling, maintenance, and potential replenishment (including manufacturing capabilities) of all products in the Strategic National Stockpile;

(iv) the availability of technologies that may assist in the advanced research and development of countermeasures and opportunities to use such technologies to accelerate and navigate challenges unique to countermeasure research and development;

(v) potential deployment, distribution, and utilization of medical countermeasures; development of clinical guidance and emergency use instructions for the use of medical countermeasures; and,

as applicable, potential postdeployment activities related to medical countermeasures;

(B) inform prioritization of resources and include measurable outputs and outcomes to allow for the tracking of the progress made toward identified priorities;

(C) identify medical countermeasure lifecycle costs to inform planning, budgeting, and anticipated needs within the continuum of the medical countermeasure enterprise consistent with section 247d–6b of this title;

(D) identify the full range of anticipated medical countermeasure needs related to research and development, procurement, and stockpiling, including the potential need for indications, dosing, and administration technologies, and other countermeasure needs as applicable and appropriate;

(E) be made available, not later than March 15 of each year, to the Committee on Appropriations and the Committee on Health, Education, Labor, and Pensions of the Senate and the Committee on Appropriations and the Committee on Energy and Commerce of the House of Representatives; and

(F) not later than March 15 of each year, be made publicly available in a manner that does not compromise national security.

(e) Functions

The Assistant Secretary for Preparedness and Response shall—

(1) have lead responsibility within the Department of Health and Human Services for emergency preparedness and response policy coordination and strategic direction;

(2) have authority over and responsibility for—

(A) the National Disaster Medical System pursuant to section 300hh–11 of this title;

(B) the Hospital Preparedness Cooperative Agreement Program pursuant to section 247d–3b of this title;

(C) the Biomedical Advanced Research and Development Authority pursuant to section 247d–7e of this title;

(D) the Medical Reserve Corps pursuant to section 300hh–15 of this title;

(E) the Emergency System for Advance Registration of Volunteer Health Professionals pursuant to section 247d–7b of this title; and

(F) administering grants and related authorities related to trauma care under parts A through C of subchapter X, such authority to be transferred by the Secretary from the Administrator of the Health Resources and Services Administration to such Assistant Secretary;

(3) exercise the responsibilities and authorities of the Secretary with respect to the coordination of—

(A) the Public Health Emergency Preparedness Cooperative Agreement Program pursuant to section 247d–3a of this title;

(B) the Strategic National Stockpile pursuant to section 247d–6b of this title; and

(C) the Cities Readiness Initiative; and

(4) assume other duties as determined appropriate by the Secretary.
(d) **Public Health Emergency Medical Countermeasures Enterprise Strategy and Implementation Plan**

(1) **In general**

Not later than March 15, 2020, and biennially thereafter, the Assistant Secretary for Preparedness and Response shall develop and submit to the appropriate committees of Congress a coordinated strategy and accompanying implementation plan for medical countermeasures to address chemical, biological, radiological, and nuclear threats. In developing such a plan, the Assistant Secretary for Preparedness and Response shall consult with the Public Health Emergency Medical Countermeasures Enterprise established under section 300hh–10a of this title. Such strategy and plan shall be known as the “Public Health Emergency Medical Countermeasures Enterprise Strategy and Implementation Plan”.

(2) **Requirements**

The plan under paragraph (1) shall—

(A) describe the chemical, biological, radiological, and nuclear agent or agents that may present a threat to the Nation and the corresponding efforts to develop qualified countermeasures (as defined in section 247d–6a of this title), security countermeasures (as defined in section 247d–6b of this title), or qualified pandemic or epidemic products (as defined in section 247d–6d of this title) for each threat;

(B) evaluate the progress of all activities with respect to such countermeasures or products, including research, advanced research, development, procurement, stockpiling, deployment, distribution, and utilization;

(C) identify and prioritize near-, mid-, and long-term needs with respect to such countermeasures or products, and ancillary medical supplies to assist with the utilization of such countermeasures or products, to address a chemical, biological, radiological, and nuclear threat or threats;

(D) identify, with respect to each category of threat, a summary of all awards and contracts, including advanced research and development and procurement, that includes—

(i) the time elapsed from the issuance of the initial solicitation or request for a proposal to the adjudication (such as the award, denial of award, or solicitation termination); and

(ii) an identification of projected timelines, anticipated funding allocations, benchmarks, and milestones for each medical countermeasure priority under subparagraph (C), including projected needs with regard to replenishment of the Strategic National Stockpile;

(E) be informed by the recommendations of the National Biodefense Science Board pursuant to section 247d–7g of this title;

(F) evaluate progress made in meeting timelines, allocations, benchmarks, and milestones as appropriate under subparagraph (D)(ii);

(G) report on the amount of funds available for procurement in the special reserve fund as defined in section 247d–6b(h) of this title and the impact this funding will have on meeting the requirements under section 247d–6b of this title;

(H) incorporate input from Federal, State, local, and tribal stakeholders;

(I) identify the progress made in meeting the medical countermeasure priorities for at-risk individuals (as defined in 300hh–1(b)(4)(B) of this title), as applicable under subparagraph (C), including with regard to the projected needs for related stockpiling and replenishment of the Strategic National Stockpile, including by addressing the needs of pediatric populations with respect to such countermeasures and products in the Strategic National Stockpile, including—

(i) a list of such countermeasures and products necessary to address the needs of pediatric populations;

(ii) a description of measures taken to coordinate with the Office of Pediatric Therapeutics of the Food and Drug Administration to maximize the labeling, dosages, and formulations of such countermeasures and products for pediatric populations;

(iii) a description of existing gaps in the Strategic National Stockpile and the development of such countermeasures and products to address the needs of pediatric populations; and

(iv) an evaluation of the progress made in addressing priorities identified pursuant to subparagraph (C);

(J) identify the use of authority and activities undertaken pursuant to sections 247d–6a(b)(1), 247d–6a(b)(2), 247d–6a(b)(3), 247d–6a(c), 247d–6a(d), 247d–6a(e), 247d–6b(c)(7)(C)(i), 247d–6b(c)(7)(C)(ii), 247d–6b(c)(7)(C)(iii), and 247d–6b(c)(7)(C)(iv) of this title, and subsections (a)(1), (b)(1), and (e) of section 564 of the Federal Food, Drug, and Cosmetic Act [21 U.S.C. 360bb–3], by summarizing—

(i) the particular actions that were taken under the authorities specified, including, as applicable, the identification of the threat agent, emergency, or the biomedical countermeasure with respect to which the authority was used;

(ii) the reasons underlying the decision to use such authorities, including, as applicable, the options that were considered and rejected with respect to the use of such authorities;

(iii) the number of, nature of, and other information concerning the persons and entities that received a grant, cooperative agreement, or contract pursuant to the use of such authorities, and the persons and entities that were considered and rejected for such a grant, cooperative agreement, or contract, except that the report need not disclose the identity of any such person or entity;

(iv) whether, with respect to each procurement that is approved by the Presi-
(d) Protection of national security from threats

In carrying out subsections (b)(7) and (d), the Assistant Secretary for Preparedness and Response shall implement strategic initiatives or activities to address threats, including pandemic influenza and which may include a chemical, biological, radiological, or nuclear agent (including any such agent with a significant potential to become a pandemic), that pose a significant level of risk to public health and national security based on the characteristics of such threat. Such initiatives shall include activities to—

(A) accelerate and support the advanced research, development, manufacturing capacity, procurement, and stockpiling of countermeasures, including initiatives under section 247d–7e(c)(4)(F) of this title;

(B) support the development and manufacturing of virus seeds, clinical trial lots, and stockpiles of novel virus strains; and

(C) maintain or improve preparedness activities, including for pandemic influenza.

(2) Authorization of appropriations

(A) In general

To carry out this subsection, there is authorized to be appropriated $250,000,000 for each of fiscal years 2019 through 2023.

(B) Supplement, not supplant

Amounts appropriated under this paragraph shall be used to supplement and not supplant funds provided under sections 247d–7e(d) and 247d–6b(g) of this title.

(C) Documentation required

The Assistant Secretary for Preparedness and Response, in accordance with subsection (b)(7), shall document amounts expended for purposes of carrying out this subsection, including amounts appropriated under the heading “Public Health and Social Services Emergency Fund” under the heading “Office of the Secretary” under title II of division H of the Consolidated Appropriations Act, 2018 (Public Law 115–141) and allocated to carrying out section 247d–7e(c)(4)(F) of this title.

(3) GAO report

(A) In general

Not later than 1 year after the date of the submission to the Congress of the first Public Health Emergency Medical Countermeasures Enterprise Strategy and Implementation Plan, the Comptroller General of the United States shall conduct an independent evaluation, and submit to the appropriate committees of Congress a report, concerning such Strategy and Implementation Plan.

(B) Content

The report described in subparagraph (A) shall—

(i) review and assess—

(I) the near-term, mid-term, and long-term medical countermeasure needs and identified priorities of the Federal Government pursuant to paragraph (2)(C);

(II) the activities of the Department of Health and Human Services with respect to advanced research and development pursuant to section 247d–7e of this title; and

(III) the progress made toward meeting the timelines, allocations, benchmarks, and milestones identified in the Public Health Emergency Medical Countermeasures Enterprise Strategy and Implementation Plan under this subsection.

(e) Protection of national security

In carrying out subsections (b)(7) and (d), the Secretary shall ensure that information and items that could compromise national security, contain confidential commercial information, or contain proprietary information are not disclosed.

(f) Protection of national security from threats

(1) In general

In carrying out subsection (b)(3), the Assistant Secretary for Preparedness and Response shall implement strategic initiatives or activities to address threats, including pandemic influenza and which may include a chemical, biological, radiological, or nuclear agent (including any such agent with a significant potential to become a pandemic), that pose a significant level of risk to public health and national security, based on the characteristics of such threat. Such initiatives shall include activities to—

(A) accelerate and support the advanced research, development, manufacturing capacity, procurement, and stockpiling of countermeasures, including initiatives under section 247d–7e(c)(4)(F) of this title;
2833, which amended sections 247d-6 and 300hh-11 of this title and sections 313 and 314 of Title 6, Domestic Security, and enacted provisions set out as notes under section 312-11 of this title and section 313 of Title 6.


PRIOR PROVISIONS

A prior section 2811 of act July 1, 1944, was renumbered section 2812 and is classified to section 300hh-11 of this title.

AMENDMENTS


Subsec. (b)(4)(D). Pub. L. 116-22, § 703(b), amended subpar. (D) generally. Prior to amendment, text read as follows: “Provide integrated policy coordination and strategic direction with respect to all matters related to Federal public health and medical preparedness and execution and deployment of the Federal response for public health emergencies and incidents covered by the National Response Plan developed pursuant to section 314U of this title, or any successor plan, before, during, and following public health emergencies.”


Subsec. (b)(5). Pub. L. 116-22, § 303(a), inserted at end “Such logistical support shall include working with other relevant Federal, State, local, Tribal, and territorial public health officials and private sector entities to identify the critical infrastructure assets, systems, and networks needed for the proper functioning of the health care and public health sectors that need to be maintained through any emergency or disaster, including entities capable of assisting with, responding to, and mitigating the effect of a public health emergency, including a public health emergency determined by the Secretary pursuant to section 247d(a) of this title or an emergency or major disaster declared by the President under the Robert T. Stafford Disaster Relief and Emergency Assistance Act or the National Emergencies Act, including by establishing methods to exchange critical information and deliver products consumed or used to preserve, protect, or sustain life, health, or safety, and sharing of specialized expertise.”


Subsec. (b)(7)(A)(ii) to (v). Pub. L. 116-22, § 501(2), added clis. (iii) to (v) and struck out former cl. (iii) which read as follows: “procurement, stockpiling, maintenance, and replenishment of all products in the Strategic National Stockpile;”.

Subsec. (b)(7)(D) to (F). Pub. L. 116-22, § 501(3), (4), added subpars. (D) and redesignated former subpars. (D) and (E) as (E) and (F), respectively.

Subsec. (d)(1). Pub. L. 116-22, § 402(a)(1), substituted “Not later than March 15, 2020, and biennially thereafter” for “Not later than 180 days after March 13, 2013, and every year thereafter” and “Public Health Emergency Medical Countermeasures Enterprise established under section 300hh-10a of this title” for “Director of the Biomedical Advanced Research and Development Authority, the Director of the National Institutes of Health, the Director of the Centers for Disease Control and Prevention, and the Commissioner of Food and Drugs.”

Subsec. (d)(2)(C). Pub. L. 116-22, § 302(b), inserted “and ancillary medical supplies to assist with the utilization of such countermeasures or products,” after “products.”


2016—Subsec. (b)(7). Pub. L. 114-253, § 3083(1), in introductory provisions, substituted “Develop, and update not later than March 1 of each year, a coordinated 5-year budget plan based on the medical countermeasure priorities described in subsection (d), including with respect to chemical, biological, radiological, and nuclear agents or agents that may present a threat to the Nation, including such agents that are novel or emerging infectious diseases, and the corresponding efforts to develop qualified countermeasures (as defined in section 247d-6a of this title), security countermeasures (as defined in section 247d-6b of this title), and qualified pandemic or epidemic products (as defined in section 247d-6d of this title) for each such threat,” for “Develop, and update on an annual basis, a coordinated 5-year budget plan based on the medical countermeasure priorities described in subsection (d).”

Subsec. (b)(7)(D). Pub. L. 114-255, § 3083(3), substituted “not later than March 15 of each year, to the Committee on Appropriations and the Committee on Health, Education, Labor, and Pensions of the Senate and the Committee on Appropriations and the Committee on Energy and Commerce of the House of Representatives;” for “to the appropriate committees of Congress upon request.”


2013—Subsec. (b)(3). Pub. L. 113-5, § 102(a)(1)(A), inserted “security countermeasures (as defined in section 247d-6b of this title),” after “qualified countermeasures (as defined in section 247d-6a of this title).”

Subsec. (b)(4)(D) to (H). Pub. L. 113-5, § 102(a)(1)(B), added subpars. (D) to (H).


Subsec. (c). Pub. L. 113-5, § 102(a)(2), added subsec. (c) and struck out former subsec. (c) which directed that the Assistant Secretary would have authority over and responsibility for the National Disaster Medical System and the Hospital Preparedness Cooperative Agreement Program, would exercise the responsibilities and authorities of the Secretary with respect to the coordination of the Medical Reserve Corps, the Emergency System for Advance Registration of Volunteer Health Professionals, the Strategic National Stockpile, and the Cities Readiness Initiative, and would assume other duties as determined appropriate by the Secretary.

Subsecs. (d), (e). Pub. L. 113-5, § 102(a)(3), added subsecs. (d) and (e).

TRANSFER OF FUNCTIONS

Pub. L. 109-417, title I, § 102(b), Dec. 19, 2006, 120 Stat. 2834, provided that:

“(1) TRANSFER OF FUNCTIONS.—There shall be transferred to the Office of the Assistant Secretary for Preparedness and Response the functions, personnel, assets, and liabilities of the Assistant Secretary for Public Health Emergency Preparedness as in effect on the day before the date of enactment of this Act [Dec. 19, 2006].

“(2) REFERENCES.—Any reference in any Federal law, Executive order, rule, regulation, or delegation of authority, or any document of or pertaining to the Assistant Secretary for Public Health Emergency Preparedness as in effect in the year before the date of enactment of this Act, shall be deemed to be a reference to the Assistant Secretary for Preparedness and Response.”

INTERAGENCY COORDINATION PLAN

Pub. L. 113-5, title I, § 102(b), Mar. 13, 2013, 127 Stat. 168, provided that: “In the first Public Health Emergency Medical Countermeasures Enterprise Strategy and Implementation Plan submitted under subsection (d) of section 2811 of the Public Health Service Act (42 U.S.C. 300hh-10) (as added by subsection (a)(3)), the Secretary of Health and Human Services, in consultation with the Secretary of Defense, shall include a description of the manner in which the Department of Health
and Human Services is coordinating with the Department of Defense regarding countermeasure activities to address chemical, biological, radiological, and nuclear threats. Such report shall include information with respect to—

“(1) the research, advanced research, development, procurement, stockpiling, and distribution of countermeasures to meet identified needs; and

“(2) the coordination of efforts between the Department of Health and Human Services and the Department of Defense to address countermeasure needs for various segments of the population.”

§ 300hh–10a. Public Health Emergency Medical Countermeasures Enterprise

(a) In general

The Secretary shall establish the Public Health Emergency Medical Countermeasures Enterprise (referred to in this section as the “PHEMCE”). The Assistant Secretary for Preparedness and Response shall serve as chair of the PHEMCE.

(b) Members

The PHEMCE shall include each of the following members, or the designee of such members:

(1) The Assistant Secretary for Preparedness and Response.

(2) The Director of the Centers for Disease Control and Prevention.

(3) The Director of the National Institutes of Health.

(4) The Commissioner of Food and Drugs.

(5) The Secretary of Defense.


(7) The Secretary of Agriculture.

(8) The Secretary of Veterans Affairs.

(9) The Director of National Intelligence.

(10) Representatives of any other Federal agency, which may include the Director of the Biomedical Advanced Research and Development Authority, the Director of the Strategic National Stockpile, the Director of the National Institute of Allergy and Infectious Diseases, and the Director of the Office of Public Health Preparedness and Response, as the Secretary determines appropriate.

(c) Functions

(1) In general

The functions of the PHEMCE shall include the following:

(A) Utilize a process to make recommendations to the Secretary regarding research, advanced research, development, procurement, stockpiling, deployment, distribution, and utilization with respect to countermeasures, as defined in section 247d–6(b)(c) of this title, including prioritization based on the health security needs of the United States. Such recommendations shall be informed by, when available and practicable, the National Health Security Strategy pursuant to section 300hh–1 of this title, the Strategic National Stockpile needs pursuant to section 247d–6 of this title, and assessments of current national security threats, including chemical, biological, radiological, and nuclear threats, including emerging infectious diseases. In the event that members of the PHEMCE do not agree upon a recommendation, the Secretary shall provide a determination regarding such recommendation.

(B) Identify national health security needs, including gaps in public health preparedness and response related to countermeasures and challenges to addressing such needs (including any regulatory challenges), and support alignment of countermeasure procurement with recommendations to address such needs under subparagraph (A).

(C) Assist the Secretary in developing strategies related to logistics, deployment, distribution, dispensing, and use of countermeasures that may be applicable to the activities of the strategic national stockpile under section 247d–6b(a) of this title.

(D) Provide consultation for the development of the strategy and implementation plan under section 300hh–10(d) of this title.

(2) Input

In carrying out subparagraphs (B) and (C) of paragraph (1), the PHEMCE shall solicit and consider input from State, local, Tribal, and territorial public health departments or officials, as appropriate.

(3) The Assistant Secretary for Preparedness and Response shall serve as chair of the PHEMCE.

Prior Provisions


§ 300hh–10b. National Advisory Committee on Children and Disasters

(a) Establishment

The Secretary, in consultation with the Secretary of Homeland Security, shall establish an advisory committee to be known as the “National Advisory Committee on Children and Disasters” (referred to in this section as the “Advisory Committee”).

(b) Duties

The Advisory Committee shall—

(1) provide advice and consultation with respect to the activities carried out pursuant to section 300hh–16 of this title, as applicable and appropriate;

(2) evaluate and provide input with respect to the medical, mental and behavioral, and public health needs of children as they relate to preparation for, response to, and recovery from all-hazards emergencies; and

(3) provide advice and consultation with respect to State emergency preparedness and response activities and children, including related drills and exercises pursuant to the preparedness goals under section 300hh–1(b) of this title.

(c) Additional duties

The Advisory Committee may provide advice and recommendations to the Secretary with respect to children and the medical and public health grants and cooperative agreements as ap
Membership
(1) In general
The Secretary, in consultation with such other Secretaries as may be appropriate, shall appoint not to exceed 25 members to the Advisory Committee. In appointing such members, the Secretary shall ensure that the total membership of the Advisory Committee is an odd number.

(2) Required non-Federal members
The Secretary, in consultation with such other heads of Federal agencies as may be appropriate, shall appoint to the Advisory Committee under paragraph (1) at least 13 individuals, including—

(A) at least 2 non-Federal professionals with expertise in pediatric medical disaster planning, preparedness, response, or recovery;

(B) at least 2 representatives from State, local, Tribal, or territorial agencies with expertise in pediatric disaster planning, preparedness, response, or recovery;

(C) at least 4 members representing health care professionals, which may include members with expertise in pediatric emergency medicine; pediatric trauma, critical care, or surgery; the treatment of pediatric patients affected by chemical, biological, radiological, or nuclear agents, including emerging infectious diseases; pediatric mental or behavioral health related to children affected by a public health emergency; or pediatric primary care; and

(D) other members as the Secretary determines appropriate, of whom—

(i) at least one such member shall represent a children’s hospital;

(ii) at least one such member shall be an individual with expertise in schools or child care settings;

(iii) at least one such member shall be an individual with expertise in children and youth with special health care needs; and

(iv) at least one such member shall be an individual with expertise in the needs of parents or family caregivers, including the parents or caregivers of children with disabilities.

(3) Federal members
The Advisory Committee under paragraph (1) shall include the following Federal members or their designees (who may be nonvoting members, as determined by the Secretary):

(A) The Assistant Secretary for Preparedness and Response.

(B) The Director of the Biomedical Advanced Research and Development Authority.

(C) The Director of the Centers for Disease Control and Prevention.

(D) The Commissioner of Food and Drugs.

(E) The Director of the National Institutes of Health.

(F) The Assistant Secretary of the Administration for Children and Families.

(G) The Administrator of the Health Resources and Services Administration.


(I) The Administrator of the Administration for Community Living.

(J) The Secretary of Education.

(K) Representatives from such Federal agencies (such as the Substance Abuse and Mental Health Services Administration and the Department of Homeland Security) as the Secretary determines appropriate to fulfill the duties of the Advisory Committee under subsections (b) and (c).

(4) Term of appointment
Each member of the Advisory Committee appointed under paragraph (2) shall serve for a term of 3 years, except that the Secretary may adjust the terms of the Advisory Committee appointees serving on June 24, 2019, or appointees who are initially appointed after such date, in order to provide for a staggered term of appointment for all members.

(5) Consecutive appointments; maximum terms
A member appointed under paragraph (2) may serve no more than 3 terms on the Advisory Committee, and not more than two of such terms may be served consecutively.

(e) Meetings
The Advisory Committee shall meet not less than biannually. At least one meeting per year shall be an in-person meeting.

(f) Coordination
The Secretary shall coordinate duties and activities authorized under this section in accordance with section 300hh–10e of this title.

(g) Sunset
The Advisory Committee shall terminate on September 30, 2023.


Subsec. (d)(2) to (5). Pub. L. 116–22, § 305(a)(2)(B), added pars. (2) to (5) and struck out former par. (2) which related to required members of the Advisory Committee.

Subsec. (e). Pub. L. 116–22, § 305(a)(3), inserted at end "At least one meeting per year shall be an in-person meeting."


Subsec. (g). Pub. L. 116–22, § 305(a)(6), redesignated subsec. (f) as (g) and substituted "2023" for "2018".

§ 300hh–10c. National Advisory Committee on Seniors and Disasters
(a) Establishment
The Secretary, in consultation with the Secretary of Homeland Security and the Secretary
of Veterans Affairs, shall establish an advisory committee to be known as the National Advisory Committee on Seniors and Disasters (referred to in this section as the “Advisory Committee”).

(b) Duties

The Advisory Committee shall—

(1) provide advice and consultation with respect to the activities carried out pursuant to section 300hh–16 of this title, as applicable and appropriate;

(2) evaluate and provide input with respect to the medical and public health needs of seniors related to preparation for, response to, and recovery from all-hazards emergencies; and

(3) provide advice and consultation with respect to State emergency preparedness and response activities relating to seniors, including related drills and exercises pursuant to the preparedness goals under section 300hh–1(b) of this title.

(c) Additional duties

The Advisory Committee may provide advice and recommendations to the Secretary with respect to seniors and the medical and public health needs of seniors related to preparation for, response to, and recovery from all-hazards emergencies; and

(3) provide advice and consultation with respect to State emergency preparedness and response activities relating to seniors, including related drills and exercises pursuant to the preparedness goals under section 300hh–1(b) of this title.

(d) Membership

(1) In general

The Secretary, in consultation with such other heads of agencies as appropriate, shall appoint not more than 17 members to the Advisory Committee. In appointing such members, the Secretary shall ensure that the total membership of the Advisory Committee is an odd number.

(2) Required members

The Advisory Committee shall include Federal members or their designees (who may be nonvoting members, as determined by the Secretary) and non-Federal members, as follows:

(A) The Assistant Secretary for Preparedness and Response.

(B) The Director of the Biomedical Advanced Research and Development Authority.

(C) The Director of the Centers for Disease Control and Prevention.

(D) The Commissioner of Food and Drugs.

(E) The Director of the National Institutes of Health.

(F) The Administrator of the Centers for Medicare & Medicaid Services.

(G) The Administrator of the Administration for Community Living.


(I) The Under Secretary for Health of the Department of Veterans Affairs.

(J) At least 2 non-Federal health care professionals with expertise in geriatric medical disaster planning, preparedness, response, or recovery.

(K) At least 2 representatives of State, local, Tribal, or territorial agencies with expertise in geriatric disaster planning, preparedness, response, or recovery.

(L) Representatives of such other Federal agencies (such as the Department of Energy and the Department of Homeland Security) as the Secretary determines necessary to fulfill the duties of the Advisory Committee.

(e) Meetings

The Advisory Committee shall meet not less frequently than biannually. At least one meeting per year shall be an in-person meeting.

(f) Coordination

The Secretary shall coordinate duties and activities authorized under this section in accordance with section 300hh–10e of this title.

(g) Sunset

(1) In general

The Advisory Committee shall terminate on September 30, 2023.

(2) Extension of Committee

Not later than October 1, 2022, the Secretary shall submit to Congress a recommendation on whether the Advisory Committee should be extended.

§ 300hh–10d. National Advisory Committee on Indi

(a) Establishment

The Secretary, in consultation with the Secretary of Homeland Security, shall establish a national advisory committee to be known as the National Advisory Committee on Individuals with Disabilities and Disasters (referred to in this section as the “Advisory Committee”).

(b) Duties

The Advisory Committee shall—

(1) provide advice and consultation with respect to activities carried out pursuant to section 300hh–16 of this title, as applicable and appropriate;

(2) evaluate and provide input with respect to the medical, public health, and accessibility needs of individuals with disabilities related to preparation for, response to, and recovery from all-hazards emergencies; and

(3) provide advice and consultation with respect to State emergency preparedness and response activities, including related drills and exercises pursuant to the preparedness goals under section 300hh–1(b) of this title.

(c) Membership

(1) In general

The Secretary, in consultation with such other heads of agencies and departments as appropriate, shall appoint not more than 17 members to the Advisory Committee. In appointing such members, the Secretary shall ensure that the total membership of the Advisory Committee is an odd number.

(2) Required members

The Advisory Committee shall include Federal members or their designees (who may be nonvoting members, as determined by the Secretary) and non-Federal members, as follows:
(A) The Assistant Secretary for Preparedness and Response.
(B) The Administrator of the Administration for Community Living.
(C) The Director of the Biomedical Advanced Research and Development Authority.
(D) The Director of the Centers for Disease Control and Prevention.
(E) The Commissioner of Food and Drugs.
(F) The Director of the National Institutes of Health.
(G) The Administrator of the Federal Emergency Management Agency.
(H) The Chair of the National Council on Disability.
(I) The Chair of the United States Access Board.
(J) The Under Secretary for Health of the Department of Veterans Affairs.
(K) At least 2 non-Federal health care professionals with expertise in disability accessibility before, during, and after disasters, medical and mass care disaster planning, preparedness, response, or recovery.
(L) At least 2 representatives from State, local, Tribal, or territorial agencies with expertise in disaster planning, preparedness, response, or recovery for individuals with disabilities.
(M) At least 2 individuals with a disability with expertise in disaster planning, preparedness, response, or recovery for individuals with disabilities.

(d) Meetings
The Advisory Committee shall meet not less frequently than biannually. At least one meeting per year shall be an in-person meeting.

(e) Disability defined
For purposes of this section, the term “disability” has the meaning given such term in section 12102 of this title.

(f) Coordination
The Secretary shall coordinate duties and activities authorized under this section in accordance with section 300hh–10c(e) of this title.

(g) Sunset
(1) In general
The Advisory Committee shall terminate on September 30, 2023.

(2) Recommendation
Not later than October 1, 2022, the Secretary shall submit to Congress a recommendation on whether the Advisory Committee should be extended.

(3) Purpose of System
The Secretary may activate the National Disaster Medical System to—
(1) provide health services, health-related social services, other appropriate human services, and appropriate auxiliary services;
services to respond to the needs of victims of a public health emergency, including at-risk individuals as applicable (whether or not determined to be a public health emergency under section 247d of this title); or
(ii) be present at locations, and for limited periods of time, specified by the Secretary on the basis that the Secretary has determined that a location is at risk of a public health emergency during the time specified, or there is a significant potential for a public health emergency.

(B) Ongoing activities
The National Disaster Medical System shall carry out such ongoing activities as may be necessary to prepare for the provision of services described in subparagraph (A) in the event that the Secretary activates the National Disaster Medical System for such purposes.

(C) Considerations for at-risk populations
The Secretary shall take steps to ensure that an appropriate specialized and focused range of public health and medical capabilities are represented in the National Disaster Medical System, which take into account the needs of at-risk individuals, in the event of a public health emergency.

(D) Administration
The Secretary may determine and pay claims for reimbursement for services under subparagraph (A) directly or through contracts that provide for payment in advance or by way of reimbursement.

(E) Test for mobilization of System
During the one-year period beginning on December 19, 2006, the Secretary shall conduct an exercise to test the capability and timeliness of the National Disaster Medical System to mobilize and otherwise respond effectively to a bioterrorist attack or other public health emergency that affects two or more geographic locations concurrently.
Thereafter, the Secretary may periodically conduct such exercises regarding the National Disaster Medical System as the Secretary determines to be appropriate.

(b) Modifications
(1) In general
Taking into account the findings from the joint review described under paragraph (2), the Secretary shall modify the policies of the National Disaster Medical System as necessary.

(2) Joint review and medical surge capacity strategic plan
(A) Review
Not later than 180 days after June 24, 2019, the Secretary, in coordination with the Secretary of Homeland Security, the Secretary of Defense, and the Secretary of Veterans Affairs, shall conduct a joint review of the National Disaster Medical System. Such review shall include—

- an evaluation of medical surge capacity, as described in section 300hh-2(a) of this title;
- an assessment of the available workforce of the intermittent disaster response personnel described in subsection (c);
- the capacity of the workforce described in clause (ii) to respond to all hazards, including capacity to simultaneously respond to multiple public health emergencies and the capacity to respond to a nationwide public health emergency;
- the effectiveness of efforts to recruit, retain, and train such workforce; and
- gaps that may exist in such workforce and recommendations for addressing such gaps.

(B) Updates
As part of the National Health Security Strategy under section 300hh-1 of this title, the Secretary shall update the findings from the review under subparagraph (A) and provide recommendations to modify the policies of the National Disaster Medical System as necessary.

(3) Participation agreements for non-Federal entities
In carrying out paragraph (1), the Secretary shall establish criteria regarding the participation of States and private entities in the National Disaster Medical System, including criteria regarding agreements for such participation. The criteria shall include the following:

- Provisions relating to the custody and use of Federal personal property by such entities, which may in the discretion of the Secretary include authorizing the custody and use of such property to respond to emergency situations for which the National Disaster Medical System has not been activated by the Secretary pursuant to subsection (a)(3)(A). Any such custody and use of Federal personal property shall be on a reimbursable basis.

- Provisions relating to circumstances in which an individual or entity has agreements with both the National Disaster Medical System and another entity regarding the provision of emergency services by the individual. Such provisions shall address the issue of priorities among the agreements involved.

(c) Intermittent disaster-response personnel
(1) In general
For the purpose of assisting the National Disaster Medical System in carrying out duties under this section, the Secretary may appoint individuals to serve as intermittent personnel of such System in accordance with applicable civil service laws and regulations.

(2) Liability
For purposes of section 233(a) of this title and the remedies described in such section, an individual appointed under paragraph (1) shall, while acting within the scope of such appointment, be considered to be an employee of the
Public Health Service performing medical, surgical, dental, or related functions. With respect to the participation of individuals appointed under paragraph (1) in training programs authorized by the Assistant Secretary for Preparedness and Response or a comparable official of any Federal agency specified in subsection (a)(2)(B), acts of individuals so appointed that are within the scope of such participation shall be considered within the scope of the appointment under paragraph (1) (regardless of whether the individuals receive compensation for such participation).

(3) Notification

Not later than 30 days after the date on which the Secretary determines the number of intermittent disaster-response personnel of the National Disaster Medical System is insufficient to address a public health emergency or potential public health emergency, the Secretary shall submit to the congressional committees of jurisdiction a notification detailing—

(A) the impact such shortage could have on meeting public health needs and emergency medical personnel needs during a public health emergency; and

(B) any identified measures to address such shortage.

(4) Certain appointments

(A) In general

If the Secretary determines that the number of intermittent disaster response personnel within the National Disaster Medical System under this section is insufficient to address a public health emergency or potential public health emergency, the Secretary may appoint candidates directly to personnel positions for intermittent disaster response within such system. The Secretary shall provide updates on the number of vacant or unfilled positions within such system to the congressional committees of jurisdiction each quarter for which this authority is in effect.

(B) Sunset

The authority under this paragraph shall expire on September 30, 2021.

(5) Service benefit

Individuals appointed to serve under this subsection shall be considered eligible for benefits under part L of title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 10261 et seq.). The Secretary shall provide notification to any eligible individual of any effect such designation may have on other benefits for which such individual is eligible, including benefits from private entities.

(d) Certain employment issues regarding intermittent appointments.

(1) Intermittent disaster-response appointee

For purposes of this subsection, the term “intermittent disaster-response appointee” means an individual appointed by the Secretary under subsection (c).

(2) Compensation for work injuries

(A) In general

An intermittent disaster-response appointee shall, while acting in the scope of such appointment, be considered to be an employee of the Public Health Service performing medical, surgical, dental, or related functions, and an injury sustained by such an individual shall be deemed “in the performance of duty”, for purposes of chapter 81 of title 5 pertaining to compensation for work injuries.

(B) Application to training programs

With respect to the participation of individuals appointed under subsection (c) in training programs authorized by the Assistant Secretary for Preparedness and Response or a comparable official of any Federal agency specified in subsection (a)(2)(B), injuries sustained by such an individual, while acting within the scope of such participation, shall be deemed “in the performance of duty” for purposes of chapter 81 of title 5 (regardless of whether the individuals receive compensation for such participation).

(C) Responsibility of Labor Secretary

In the event of an injury to such an intermittent disaster-response appointee, the Secretary of Labor shall be responsible for making determinations as to whether the claimant is entitled to compensation or other benefits in accordance with chapter 81 of title 5.

(D) Computation of pay

In the event of an injury to such an intermittent disaster response appointee, the position of the employee shall be deemed to be “one which would have afforded employment for substantially a whole year”, for purposes of section 8114(d)(2) of such title.

(E) Continuation of pay

The weekly pay of such an employee shall be deemed to be the hourly pay in effect on the date of the injury multiplied by 40, for purposes of computing benefits under section 8118 of such title.

(3) Employment and reemployment rights

(A) In general

Service as an intermittent disaster-response appointee when the Secretary activates the National Disaster Medical System or when the individual participates in a training program authorized by the Assistant Secretary for Preparedness and Response or a comparable official of any Federal agency specified in subsection (a)(2)(B) shall be deemed “service in the uniformed services” for purposes of chapter 43 of title 38 pertaining to employment and reemployment rights of individuals who have performed service in the uniformed services (regardless of whether the individual receives compensation for such participation). All rights and obligations of such persons and procedures for assistance, enforcement, and investigation shall be as provided for in chapter 43 of title 38.

(B) Notice of absence from position of employment

Preclusion of giving notice of service by necessity of Service as an intermittent dis-
aster-response appointee when the Secretary activates the National Disaster Medical System shall be deemed preclusion by “military necessity” for purposes of section 4312(b) of title 38 pertaining to giving notice of absence from a position of employment. A determination of such necessity shall be made by the Secretary, in consultation with the Secretary of Defense, and shall not be subject to judicial review.

(4) Limitation

An intermittent disaster-response appointee shall not be deemed an employee of the Department of Health and Human Services for purposes other than those specifically set forth in this section.

(e) Rule of construction regarding use of commissioned corps

If the Secretary assigns commissioned officers of the Regular or Reserve Corps to serve with the National Disaster Medical System, such assignments do not affect the terms and conditions of their appointments as commissioned officers of the Regular or Reserve Corps, respectively (including with respect to pay and allowances, retirement, benefits, rights, privileges, and immunities).

(f) Definition

For purposes of this section, the term “auxiliary services” includes mortuary services, veterinary services, and other services that are determined by the Secretary to be appropriate with respect to the needs referred to in subsection (a)(3)(A).

(g) Authorization of appropriations

For the purpose of providing for the Assistant Secretary for Preparedness and Response and the operations of the National Disaster Medical System, other than purposes for which amounts in the Public Health Emergency Fund under section 247d of this title are available, there are authorized to be appropriated $57,400,000 for each of fiscal years 2019 through 2023.

(Amendment of Section)

For termination of amendment by section 301(d)(3) of Pub. L. 116–22, see Termination Date of 2019 Amendment note below.

REFERENCES IN TEXT


Subsec. (c)(2). Pub. L. 109–417, §102(a)(4), substituted “Assistant Secretary for Preparedness and Response” for “Assistant Secretary for Public Health Emergency Preparedness”.


Pub. L. 109–417, §301(a)(3), redesignated subsec. (g) as (f). Former subsec. (f) redesignated (e).


Pub. L. 109–417, §301(a)(3), redesignated subsec. (h) as (g). Former subsec. (g) redesignated (f).


Pub. L. 109–417, §102(a)(4), substituted “Assistant Secretary for Preparedness and Response” for “Assistant Secretary for Public Health Emergency Preparedness”.

TERM IN 2019 AMENDMENT

Amendment by section 301(d)(1) of Pub. L. 116–22 to cease to have force or effect on Oct. 1, 2021, see section 10294 of Title 34, Crime Control and Law Enforcement.

TRANSFER OF FUNCTIONS


For transfer of functions, personnel, assets, and liabilities of the National Disaster Medical System of the Department of Health and Human Services, including the functions of the Secretary of Health and Human Services and the Assistant Secretary for Public Health Emergency Preparedness (now Assistant Secretary for Preparedness and Response) relating thereto, to the Secretary of Homeland Security, and for treatment of related references, see former section 313(5) and sections 551(d), 552(d), and 557 of Title 6, Domestic Security, and the Department of Homeland Security Reorganization Plan of November 25, 2002, as modified, set out as a note under section 542 of Title 6.

§ 300hh–12. Transferred

CODIFICATION

Section, Pub. L. 107–188, title I, §121, June 12, 2002, 116 Stat. 611, as amended, which related to Strategic National Stockpile, was renumbered section 319F–2 of the


§ 300hh–13. Evaluation of new and emerging technologies regarding bioterrorist attack and other public health emergencies

(a) In general

The Secretary of Health and Human Services (referred to in this section as the “Secretary”) shall promptly carry out a program to periodically evaluate new and emerging technologies that, in the determination of the Secretary, are designed to improve or enhance the ability of public health or safety officials to conduct public health surveillance activities relating to a bioterrorist attack or other public health emergency.

(b) Certain activities

In carrying out this subsection, the Secretary shall, to the extent practicable—

(1) survey existing technology programs funded by the Federal Government for potentially useful technologies;

(2) promptly issue a request, as necessary, for information from non-Federal public and private entities for ongoing activities in this area; and

(3) evaluate technologies identified under paragraphs (1) and (2) pursuant to subsection (c).

(c) Consultation and evaluation

In carrying out subsection (b)(3), the Secretary shall consult with the working group under section 247d–6(a) 1 of this title, as well as other appropriate public, nonprofit, and private entities, to develop criteria for the evaluation of such technologies and to conduct such evaluations.

(d) Report

Not later than 180 days after June 12, 2002, and periodically thereafter, the Secretary shall submit to the Committee on Energy and Commerce of the House of Representatives, and the Committee on Health, Education, Labor, and Pensions of the Senate, a report on the activities under this section.


REFERENCES IN TEXT

Section 247d–6 of this title, referred to in subsection (c), was amended by Pub. L. 109–417, title III, §304, Dec. 19, 2006, 120 Stat. 2859, and as so amended, subsection (a) of section 247d–6 no longer relates to a working group.

CODIFICATION

Section was enacted as part of the Public Health Security and Bioterrorism Preparedness and Response Act of 2002, and not as part of the Public Health Service Act which comprises this chapter.

§ 300hh–14. Protection of health and safety during disasters

(a) Definitions

In this section:

1 See References in Text note below.
§ 300hh–14  TITLE 42—THE PUBLIC HEALTH AND WELFARE  Page 1512

(1) Certified monitoring program
The term “certified monitoring program” means a medical monitoring program—
(A) in which a participating responder is a participant as a condition of the employment of such participating responder; and
(B) that the Secretary of Health and Human Services certifies includes an adequate baseline medical screening.

(2) Disaster area
The term “disaster area” means an area in which the President has declared a major disaster (as that term is defined in section 5122 of this title), during the period of such declaration.

(3) High exposure level
The term “high exposure level” means a level of exposure to a substance of concern that is for such a duration, or of such a magnitude, that adverse effects on human health can be reasonably expected to occur, as determined by the President, acting through the Secretary of Health and Human Services, in accordance with human monitoring or environmental or other appropriate indicators.

(4) Individual
The term “individual” includes—
(A) a worker or volunteer who responds to a disaster, either natural or manmade, involving any mode of transportation in the United States or disrupting the transportation system of the United States, including—
(i) a police officer;
(ii) a firefighter;
(iii) an emergency medical technician;
(iv) any participating member of an urban search and rescue team; and
(v) any other relief or rescue worker or volunteer that the President, acting through the Secretary of Health and Human Services, determines to be appropriate;

(B) a worker who responds to a disaster, either natural or manmade, involving any mode of transportation in the United States or disrupting the transportation system of the United States, by assisting in the cleanup or restoration of critical infrastructure in and around a disaster area;

(C) a person whose place of residence is in a disaster area, caused by either a natural or manmade disaster involving any mode of transportation in the United States or disrupting the transportation system of the United States;

(D) a person who is employed in or attends school, child care, or adult day care in a building located in a disaster area, caused by either a natural or manmade disaster involving any mode of transportation in the United States or disrupting the transportation system of the United States, of the United States;

(E) any other person that the President, acting through the Secretary of Health and Human Services, determines to be appropriate.

(5) Participating responder
The term “participating responder” means an individual described in paragraph (4)(A).

(6) Program
The term “program” means a program described in subsection (b) that is carried out for a disaster area.

(7) Substance of concern
The term “substance of concern” means a chemical or other substance that is associated with potential acute or chronic human health effects, the risk of exposure to which could potentially be increased as the result of a disaster, as determined by the President, acting through the Secretary of Health and Human Services, and in coordination with the Agency for Toxic Substances and Disease Registry, the Environmental Protection Agency, the Centers for Disease Control and Prevention, the National Institutes of Health, the Federal Emergency Management Agency, the Occupational Health and Safety Administration, and other agencies.

(b) Program

(1) In general
If the President, acting through the Secretary of Health and Human Services, determines that 1 or more substances of concern are being, or have been, released in an area declared to be a disaster area and disrupts the transportation system of the United States, the President, acting through the Secretary of Health and Human Services, may carry out a program for the coordination, protection, assessment, monitoring, and study of the health and safety of individuals with high exposure levels to ensure that—
(A) the individuals are adequately informed about and protected against potential health impacts of any substance of concern in a timely manner;
(B) the individuals are monitored and studied over time, including through baseline and follow-up clinical health examinations, for—
(i) any short- and long-term health impacts of any substance of concern; and
(ii) any mental health impacts;
(C) the individuals receive health care referrals as needed and appropriate; and
(D) information from any such monitoring and studies is used to prevent or protect against similar health impacts from future disasters.

(2) Activities
A program under paragraph (1) may include such activities as—
(A) collecting and analyzing environmental exposure data;
(B) developing and disseminating information and educational materials;
(C) performing baseline and follow-up clinical health and mental health examinations and taking biological samples;
(D) establishing and maintaining an exposure registry;
(E) studying the short- and long-term human health impacts of any exposures...
through epidemiological and other health studies; and
(F) providing assistance to individuals in determining eligibility for health coverage and identifying appropriate health services.

(3) Timing

To the maximum extent practicable, activities under any program carried out under paragraph (1) (including baseline health examinations) shall be commenced in a timely manner that will ensure the highest level of public health protection and effective monitoring.

(4) Participation in registries and studies

(A) In general

Participation in any registry or study that is part of a program carried out under paragraph (1) shall be voluntary.

(B) Protection of privacy

The President, acting through the Secretary of Health and Human Services, shall take appropriate measures to protect the privacy of any participant in a registry or study described in subparagraph (A).

(C) Priority

(i) In general

Except as provided in clause (ii), the President, acting through the Secretary of Health and Human Services, shall give priority in any registry or study described in subparagraph (A) to the protection, monitoring and study of the health and safety of individuals with the highest level of exposure to a substance of concern.

(ii) Modifications

Notwithstanding clause (i), the President, acting through the Secretary of Health and Human Services, may modify the priority of a registry or study described in subparagraph (A), if the President, acting through the Secretary of Health and Human Services, determines such modification to be appropriate.

(5) Cooperative agreements

(A) In general

The President, acting through the Secretary of Health and Human Services, may carry out a program under paragraph (1) through a cooperative agreement with a medical institution, including a local health department, or a consortium of medical institutions.

(B) Selection criteria

To the maximum extent practicable, the President, acting through the Secretary of Health and Human Services, shall select, to carry out a program under paragraph (1), a medical institution or a consortium of medical institutions that—

(i) is located near—

(I) the disaster area with respect to which the program is carried out; and

(II) any other area in which there reside groups of individuals that worked or volunteered in response to the disaster; and

(ii) has appropriate experience in the areas of environmental or occupational health, toxicology, and safety, including experience in—

(I) developing clinical protocols and conducting clinical health examinations, including mental health assessments;

(II) conducting long-term health monitoring and epidemiological studies;

(III) conducting long-term mental health studies; and

(IV) establishing and maintaining medical surveillance programs and environmental exposure or disease registries.

(6) Involvement

(A) In general

In carrying out a program under paragraph (1), the President, acting through the Secretary of Health and Human Services, shall involve interested and affected parties, as appropriate, including representatives of—

(i) Federal, State, and local government agencies;

(ii) groups of individuals that worked or volunteered in response to the disaster in the disaster area;

(iii) local residents, businesses, and schools (including parents and teachers);

(iv) health care providers;

(v) faith based organizations; and

(vi) other organizations and persons.

(B) Committees

Involvement under subparagraph (A) may be provided through the establishment of an advisory or oversight committee or board.

(7) Privacy

The President, acting through the Secretary of Health and Human Services, shall carry out each program under paragraph (1) in accordance with regulations relating to privacy promulgated under section 264(c) of the Health Insurance Portability and Accountability Act of 1996 (42 U.S.C. 1320d–2 note; Public Law 104–191).

(8) Existing programs

In carrying out a program under paragraph (1), the President, acting through the Secretary of Health and Human Services, may—

(A) include the baseline clinical health examination of a participating responder under a certified monitoring program; and

(B) substitute the baseline clinical health examination of a participating responder under a certified monitoring program for a baseline clinical health examination under paragraph (1).

(c) Reports

Not later than 1 year after the establishment of a program under subsection (b)(1), and every 5 years thereafter, the President, acting through the Secretary of Health and Human Services, or the medical institution or consortium of such institutions having entered into a cooperative agreement under subsection (b)(5), may submit a report to the Secretary of Homeland Security.

1 So in original. Probably should be “program”;

§300hh–14
(d) National Academy of Sciences report on disaster area health and environmental protection and monitoring

(1) In general

The Secretary of Health and Human Services, the Secretary of Homeland Security, and the Administrator of the Environmental Protection Agency shall jointly enter into a contract with the National Academy of Sciences to conduct a study and prepare a report on disaster area health and environmental protection and monitoring.

(2) Participation of experts

The report under paragraph (1) shall be prepared with the participation of individuals who have expertise in—

(A) environmental health, safety, and medicine;
(B) occupational health, safety, and medicine;
(C) clinical medicine, including pediatrics;
(D) environmental toxicology;
(E) epidemiology;
(F) mental health;
(G) medical monitoring and surveillance;
(H) environmental monitoring and surveillance;
(I) environmental and industrial hygiene;
(J) emergency planning and preparedness;
(K) public outreach and education;
(L) State and local health departments;
(M) State and local environmental protection departments;
(N) functions of workers that respond to disasters, including first responders;
(O) public health; and
(P) family services, such as counseling and other disaster-related services provided to families.

(3) Contents

The report under paragraph (1) shall provide advice and recommendations regarding protecting and monitoring the health and safety of individuals potentially exposed to any chemical or other substance associated with potential acute or chronic human health effects as the result of a disaster, including advice and recommendations regarding—

(A) the establishment of protocols for monitoring and responding to chemical or substance releases in a disaster area to protect public health and safety, including—
   (i) chemicals or other substances for which samples should be collected in the event of a disaster, including a terrorist attack;
   (ii) chemical- or substance-specific methods of sample collection, including sampling methodologies and locations;
   (iii) chemical- or substance-specific methods of sample analysis;
   (iv) health-based threshold levels to be used and response actions to be taken in the event that thresholds are exceeded for individual chemicals or other substances;

(v) procedures for providing monitoring results to—
   (I) appropriate Federal, State, and local government agencies;
   (II) appropriate response personnel; and
   (III) the public;
(vi) responsibilities of Federal, State, and local agencies for—
   (I) collecting and analyzing samples;
   (II) reporting results; and
   (III) taking appropriate response actions; and
(vii) capabilities and capacity within the Federal Government to conduct appropriate environmental monitoring and response in the event of a disaster, including a terrorist attack; and
(B) other issues specified by the Secretary of Health and Human Services, the Secretary of Homeland Security, and the Administrator of the Environmental Protection Agency.

(4) Authorization of appropriations

There are authorized to be appropriated such sums as are necessary to carry out this subsection.


REFERENCES IN TEXT

Section 264(c) of the Health Insurance Portability and Accountability Act of 1996, referred to in subsec. (b)(7), is section 264(c) of Pub. L. 104–191, which is set out as a note under section 1220d–2 of this title.

CODIFICATION

Section was enacted as part of the Security and Accountability For Every Port Act of 2006, also known as the SAFE Port Act, and not as part of the Public Health Service Act which comprises this chapter.

§ 300hh–15. Volunteer Medical Reserve Corps

(a) In general

Not later than 180 days after December 19, 2006, the Secretary, in collaboration with State, local, and tribal officials, shall build on State, local, and tribal programs in existence on December 19, 2006, to establish and maintain a Medical Reserve Corps (referred to in this section as the “Corps”) to provide for an adequate supply of volunteers in the case of a Federal, State, local, or tribal public health emergency. The Secretary may appoint a Director to head the Corps and oversee the activities of the Corps chapters that exist at the State, local, Tribal, and territorial levels.

(b) State, local, and tribal coordination

The Corps shall be established using existing State, local, and tribal teams and shall not alter such teams.

(c) Composition

The Corps shall be composed of individuals who—

(1)(A) are health professionals who have appropriate professional training and expertise as determined appropriate by the Director of the Corps; or
(B) are non-health professionals who have an interest in serving in an auxiliary or support capacity to facilitate access to health care services in a public health emergency;

(2) are certified in accordance with the certification program developed under subsection (d);

(3) are geographically diverse in residence;

(4) have registered and carry out training exercises with a local chapter of the Medical Reserve Corps; and

(5) indicate whether they are willing to be deployed outside the area in which they reside in the event of a public health emergency.

(d) Certification; drills

(1) Certification

The Director, in collaboration with State, local, and tribal officials, shall establish a process for the periodic certification of individuals who volunteer for the Corps, as determined by the Secretary, which shall include the completion by each individual of the core training programs developed under section 247d–6 of this title, as required by the Director. Such certification shall not supercede State licensing or credentialing requirements.

(2) Drills

In conjunction with the core training programs referred to in paragraph (1), and in order to facilitate the integration of trained volunteers into the health care system at the local level, Corps members shall engage in periodic training exercises to be carried out at the local level. Such training exercises shall, as appropriate and applicable, incorporate the needs of at-risk individuals in the event of a public health emergency.

(e) Deployment

During a public health emergency, the Secretary shall have the authority to activate and deploy willing members of the Corps to areas of need, taking into consideration the public health and medical expertise required, with the concurrence of the State, local, or tribal officials from the area where the members reside.

(f) Expenses and transportation

While engaged in performing duties as a member of the Corps pursuant to an assignment by the Secretary (including periods of travel to facilitate such assignment), members of the Corps who are not otherwise employed by the Federal Government shall be allowed travel or transportation expenses, including per diem in lieu of subsistence.

(g) Identification

The Secretary, in cooperation and consultation with the States, shall develop a Medical Reserve Corps Identification Card that describes the licensure and certification information of Corps members, as well as other identifying information determined necessary by the Secretary.

(h) Intermittent disaster-response personnel

(1) In general

For the purpose of assisting the Corps in carrying out duties under this section, during a public health emergency, the Secretary may appoint selected individuals to serve as intermittent personnel of such Corps in accordance with applicable civil service laws and regulations. In all other cases, members of the Corps are subject to the laws of the State in which the activities of the Corps are undertaken.

(2) Applicable protections

Subsections (c)(2), (d), and (e) of section 300hh–11 of this title shall apply to an individual appointed under paragraph (1) in the same manner as such subsections apply to an individual appointed under section 300hh–11(c) of this title.

(3) Limitation

State, local, and tribal officials shall have no authority to designate a member of the Corps as Federal intermittent disaster-response personnel, but may request the services of such members.

(i) Authorization of appropriations

There is authorized to be appropriated to carry out this section, $11,200,000 for each of fiscal years 2019 through 2023.


AMENDMENTS

2019—Subsec. (a). Pub. L. 116–22, §301(b)(1), substituted “The Secretary may appoint a Director to head the Corps and oversee the activities of the Corps chapters that exist at the State, local, Tribal, and territorial levels.” for “The Corps shall be headed by a Director who shall be appointed by the Secretary and shall oversee the activities of the Corps chapters that exist at the State, local, and tribal levels.”

Subsec. (i), Pub. L. 116–22, §301(b)(2), substituted “2019 through 2023” for “2014 through 2018”.

2013—Subsec. (d)(2). Pub. L. 113–5, §203(b)(2)(A), inserted at end “Such training exercises shall, as appropriate and applicable, incorporate the needs of at-risk individuals in the event of a public health emergency.”

Subsec. (i), Pub. L. 113–5, §203(b)(2)(B), substituted “$22,000,000 for each of fiscal years 2007, and such sums as may be necessary for each of fiscal years 2008 through 2011” for “$11,200,000 for each of fiscal years 2014 through 2018”.

§300hh–16. At-risk individuals

The Secretary, acting through such employee of the Department of Health and Human Services as determined by the Secretary and designated publicly (which may, at the discretion of the Secretary, involve the appointment or designation of an individual as the Director of At-Risk Individuals), shall—

(1) monitor emerging issues and concerns as they relate to medical and public health preparedness and response for at-risk individuals in the event of a public health emergency declared by the Secretary under section 247d of this title;

(2) oversee the implementation of the preparedness goals described in section 300hh–1(b) of this title with respect to the public health and medical needs of at-risk individuals in the
event of a public health emergency, as described in section 300hh–1(b)(4) of this title;

(3) assist other Federal agencies responsible for planning for, responding to, and recovering from public health emergencies in addressing the needs of at-risk individuals;

(4) provide guidance to and ensure that recipients of State and local public health grants include preparedness and response strategies and capabilities that take into account the medical and public health needs of at-risk individuals in the event of a public health emergency, as described in section 247d–3a(b)(2)(A)(iii) of this title;

(5) ensure that the contents of the strategic national stockpile take into account at-risk populations as described in section 300hh–1(b)(4)(B) of this title;

(6) oversee curriculum development for the public health and medical response training program on medical management of casualties, as it concerns at-risk individuals as described in subparagraphs (A) through (C) of section 247d–6(a)(2) of this title;

(7) disseminate and, as appropriate, update novel and best practices of outreach to and care of at-risk individuals before, during, and following public health emergencies in a timely manner as is practicable, including from the time a public health threat is identified;

(8) ensure that public health and medical information distributed by the Department of Health and Human Services during a public health emergency is delivered in a manner that takes into account the range of communication needs of the intended recipients, including at-risk individuals; and

(9) facilitate coordination to ensure that, in implementing the situational awareness and biosurveillance network under section 247d–4 of this title, the Secretary considers incorporating data and information from Federal, State, local, Tribal, and territorial public health officials and entities relevant to detecting emerging public health threats that may affect at-risk individuals, such as pregnant and postpartum women and infants, including adverse health outcomes of such populations related to such emerging public health threats.

(1) provide guidance and technical assistance to health centers funded under section 254b of this title and to State and local health departments and emergency managers to integrate health centers into State and local emergency response plans and to better meet the primary care needs of populations served by health centers during public health emergencies; and

(2) encourage employees at health centers funded under section 254b of this title to participate in emergency medical response programs including the National Disaster Medical System authorized in section 300hh–11 of this title, the Volunteer Medical Reserve Corps authorized in section 300hh–15 of this title, and the Emergency System for Advance Registration of Health Professions Volunteers authorized in section 247d–7b of this title.

Amendments


2013—Par. (1). Pub. L. 113–5, § 102(b)(1), (3), redesignated par. (1) as (4) and amended it generally. Prior to amendment, par. (2) read as follows: “oversee the implementation of the National Preparedness goal of taking into account the public health and medical needs of at-risk individuals in the event of a public health emergency, as described in section 300hh–1(b)(4) of this title;”.

Par. (2). Pub. L. 113–5, § 102(b)(2), redesignated par. (2) as (3). Former par. (3) redesignated (4).

Par. (3). Pub. L. 113–5, § 101(b)(3), redesignated par. (2) as (3). Former par. (3) redesignated (4).


Par. (5). Pub. L. 113–5, § 101(b)(1), (3), redesignated par. (4) as (5) and struck out former par. (5) which read as follows: “oversee the progress of the Advisory Committee on At-Risk Individuals and Public Health Emergencies established under section 247d–6(b)(2) of this title and make recommendations with a focus on opportunities for action based on the work of the Committee;”.

Par. (7), (8). Pub. L. 113–5, § 101(b)(1), (6), added pars. (7) and (8) and struck out former pars. (7) and (8) which read as follows: “(7) disseminate novel and best practices of outreach to and care of at-risk individuals before, during, and following public health emergencies; and

(8) not later than one year after December 19, 2006, prepare and submit to Congress a report describing the progress made on implementing the duties described in this section.”

§ 300hh–17. Emergency response coordination of primary care providers

The Secretary, acting through Administrator of the Health Resources and Services Administration, and in coordination with the Assistant Secretary for Preparedness and Response, shall

(a) In general

Subject to the availability of appropriations, the Secretary, acting through the Director of the Centers for Disease Control and Prevention, shall establish an Epidemiology and Laboratory Capacity Grant Program to award grants to State health departments as well as local health departments and tribal jurisdictions that meet such criteria as the Director determines appropriate. Academic centers that assist State and eligible local and tribal health departments may also be eligible for funding under this section as the Director determines appropriate. Grants shall be awarded under this section to assist...
public health agencies in improving surveillance for, and response to, infectious diseases and other conditions of public health importance by—

(1) strengthening epidemiologic capacity to identify and monitor the occurrence of infectious diseases, including mosquito and other vector-borne diseases, and other conditions of public health importance;

(2) enhancing laboratory practice as well as systems to report test orders and results electronically;

(3) improving information systems including developing and maintaining an information exchange using national guidelines and complying with capacities and functions determined by an advisory council established and appointed by the Director; and

(4) developing and implementing prevention and control strategies.

(b) Authorization of appropriations

There are authorized to be appropriated to carry out this section $190,000,000 for each of fiscal years 2019 through 2023, of which—

(1) not less than $95,000,000 shall be made available each such fiscal year for activities under paragraphs (1) and (4) of subsection (a);

(2) not less than $60,000,000 shall be made available each such fiscal year for activities under subsection (a)(3); and

(3) not less than $32,000,000 shall be made available each such fiscal year for activities under subsection (a)(2).

For the purposes of carrying out this section, there are authorized to be appropriated $20,000,000 for each of fiscal years 2021 through 2025.

(c) Authorization of appropriations

The term “adult with a special need” means a person 18 years of age or older who requires care or supervision to—

(A) meet the person’s basic needs;

(B) prevent physical self-injury or injury to others; or

(C) avoid placement in an institutional facility.

(2) Aging and disability resource center

The term “aging and disability resource center” means an entity administering a program established by the State, as part of the State’s system of long-term care, to provide a coordinated system for providing—

(A) comprehensive information on available public and private long-term care programs, options, and resources;

(B) personal counseling to assist individuals in assessing their existing or anticipated long-term care needs, and developing and implementing a plan for long-term care designed to meet their specific needs and circumstances; and

(C) consumer access to the range of publicly supported long-term care programs for which consumers may be eligible, by serving as a convenient point of entry for such programs.

(3) Child with a special need

The term “child with a special need” means an individual less than 18 years of age who requires care or supervision beyond that required of children generally to—

(A) meet the child’s basic needs; or
§ 300ii–1. Lifespan respite care grants and cooperative agreements

(a) Purposes

The purposes of this section are—

(1) to expand and enhance respite care services to family caregivers;

(2) to improve the statewide dissemination and coordination of respite care; and

(3) to provide, supplement, or improve access and quality of respite care services to family caregivers, thereby reducing family caregiver strain.

(b) Authorization

Subject to subsection (e), the Secretary is authorized to award grants or cooperative agreements for the purposes described in subsection (a) to eligible State agencies for which an application is submitted pursuant to subsection (d).

(c) Federal lifespan approach

In carrying out this section, the Secretary shall work in cooperation with the National Family Caregiver Support Program of the Administration on Aging and other respite care programs within the Department of Health and Human Services to ensure coordination of respite care services for family caregivers of children and adults with special needs.

(d) Application

(1) Submission

Each Governor desiring the eligible State agency of his or her State to receive a grant or cooperative agreement under this section shall submit an application on behalf of such agency to the Secretary at such time, in such manner, and containing such information as the Secretary shall require.

(2) Contents

Each application submitted under this section shall include—

(A) a description of the eligible State agency’s—

(i) ability to work with other State and community-based agencies;

(ii) understanding of respite care and family caregiver issues across all age groups, disabilities, and chronic conditions; and

(iii) capacity to ensure meaningful involvement of family members, family caregivers, and care recipients;

(B) with respect to the population of family caregivers to whom respite care information or services will be provided or for whom respite care workers and volunteers will be recruited and trained, a description of—

(i) the population of family caregivers;

(ii) the extent and nature of the respite care needs of that population;

(iii) existing respite care services for that population, including numbers of family caregivers being served and extent of unmet need;

(iv) existing methods or systems to coordinate respite care information and services to the population at the State and local level and extent of unmet need;

(v) how respite care information dissemination and coordination, respite care serv-
ices, respite care worker and volunteer recruitment and training programs, or training programs for family caregivers that assist such family caregivers in making informed decisions about respite care services will be provided using grant or cooperative agreement funds;

(vi) a plan for administration, collaboration, and coordination of the proposed respite care activities with other related services or programs offered by public or private, nonprofit entities, including area agencies on aging;

(vii) how the population, including family caregivers, care recipients, and relevant public or private agencies, will participate in the planning and implementation of the proposed respite care activities;

(viii) how the proposed respite care activities will make use, to the maximum extent feasible, of other Federal, State, and local funds, programs, contributions, other forms of reimbursements, personnel, and facilities;

(ix) respite care services available to family caregivers in the eligible State agency’s State or locality, including unmet needs and how the eligible State agency’s plan for use of funds will improve the coordination and distribution of respite care services for family caregivers of children and adults with special needs;

(x) the criteria used to identify family caregivers eligible for respite care services;

(xi) how the quality and safety of any respite care services provided will be monitored, including methods to ensure that respite care workers and volunteers are appropriately screened and possess the necessary skills to care for the needs of the care recipient in the absence of the family caregiver; and

(xii) the results expected from proposed respite care activities and the procedures to be used for evaluating those results;

(C) assurances that, where appropriate, the eligible State agency will have a system for maintaining the confidentiality of care recipient and family caregiver records; and

(D) a memorandum of agreement regarding the joint responsibility for the eligible State agency’s lifespan respite program between—

(i) the eligible State agency; and

(ii) a public or private nonprofit statewide respite coalition or organization.

(e) Priority; considerations

When awarding grants or cooperative agreements under this section, the Secretary shall—

(1) give priority to eligible State agencies that the Secretary determines show the greatest likelihood of implementing or enhancing lifespan respite care statewide; and

(2) give consideration to eligible State agencies that are building or enhancing the capacity of their long-term care systems to respond to the comprehensive needs, including respite care needs, of their residents.

(f) Use of grant or cooperative agreement funds

(1) In general

(A) Required uses of funds

Each eligible State agency awarded a grant or cooperative agreement under this section shall use all or part of the funds—

(i) to develop or enhance lifespan respite care at the State and local levels;

(ii) to provide respite care services for family caregivers caring for children or adults;

(iii) to train and recruit respite care workers and volunteers;

(iv) to provide information to caregivers about available respite and support services; and

(v) to assist caregivers in gaining access to such services.

(B) Optional uses of funds

Each eligible State agency awarded a grant or cooperative agreement under this section may use part of the funds for—

(i) training programs for family caregivers to assist such family caregivers in making informed decisions about respite care services; or

(ii) other services essential to the provision of respite care as the Secretary may specify; or

(iii) training and education for new caregivers.

(2) Subcontracts

Each eligible State agency awarded a grant or cooperative agreement under this section shall use all or part of the funds—

(A) Required uses of funds

(1) In general

Each eligible State agency awarded a grant or cooperative agreement under this section shall use all or part of the funds—

(2) Renewal

(3) Matching funds

(A) In general

With respect to the costs of the activities to be carried out under paragraph (1), a condition for the receipt of a grant or cooperative agreement under this section is that the eligible State agency agrees to make available (directly or through donations from public or private entities) non-Federal contributions toward such costs in an amount that is not less than 25 percent of such costs.

(B) Determination of amount contributed

Non-Federal contributions required by subparagraph (A) may be in cash or in kind, fairly evaluated, including plant, equipment, or services. Amounts provided by the Federal Government, or services assisted or subsidized to any significant extent by the Federal Government, may not be included in determining the amount of such non-Federal contributions.

(g) Term of grants or cooperative agreements

(1) In general

The Secretary shall award grants or cooperative agreements under this section for terms that do not exceed 5 years.

(2) Renewal

The Secretary may renew a grant or cooperative agreement under this section at the end
§ 300ii–2
TITLE 42—THE PUBLIC HEALTH AND WELFARE
Page 1520

of the term of the grant or cooperative agreement determined under paragraph (1).

(h) Maintenance of effort
Funds made available under this section shall be used to supplement and not supplant other Federal, State, and local funds available for respite care services.

(July 1, 1944, ch. 373, title XXIX, §2902, as added Pub. L. 109–442, §2, Dec. 21, 2006, 120 Stat. 3292.)

§ 300ii–2. National lifespan respite resource center

(a) Establishment
The Secretary may award a grant or cooperative agreement to a public or private nonprofit entity to establish a National Resource Center on Lifespan Respite Care (referred to in this section as the “center”).

(b) Purposes of the center
The center shall—
(1) maintain a national database on lifespan respite care;
(2) provide training and technical assistance to State, community, and nonprofit respite care programs; and
(3) provide information, referral, and educational programs to the public on lifespan respite care.

(July 1, 1944, ch. 373, title XXIX, §2903, as added Pub. L. 109–442, §2, Dec. 21, 2006, 120 Stat. 3295.)

§ 300ii–3. Report
Not later than January 1, 2009, the Secretary shall report to the Congress on the activities undertaken under this subchapter. Such report shall evaluate—
(1) the number of States that have lifespan respite care programs;
(2) the demographics of the caregivers receiving respite care services through grants or cooperative agreements under this subchapter; and
(3) the effectiveness of entities receiving grants or cooperative agreements under this subchapter.

(July 1, 1944, ch. 373, title XXIX, §2904, as added Pub. L. 109–442, §2, Dec. 21, 2006, 120 Stat. 3295.)

§ 300ii–4. Authorization of appropriations
There are authorized to be appropriated to carry out this subchapter—
(1) $30,000,000 for fiscal year 2007;
(2) $40,000,000 for fiscal year 2008;
(3) $53,330,000 for fiscal year 2009;
(4) $71,110,000 for fiscal year 2010; and
(5) $94,810,000 for fiscal year 2011.

(July 1, 1944, ch. 373, title XXIX, §2905, as added Pub. L. 109–442, §2, Dec. 21, 2006, 120 Stat. 3296.)

SUBCHAPTER XXVIII—HEALTH INFORMATION TECHNOLOGY AND QUALITY

§ 300jj. Definitions
In this subchapter:
(1) Certified EHR technology
The term “certified EHR technology” means a qualified electronic health record that is certified pursuant to section 300jj–11(c)(5) of this title as meeting standards adopted under section 300jj–14 of this title that are applicable to the type of record involved (as determined by the Secretary, such as an ambulatory electronic health record for office-based physicians or an inpatient hospital electronic health record for hospitals).

(2) Enterprise integration
The term “enterprise integration” means the electronic linkage of health care providers, health plans, the government, and other interested parties, to enable the electronic exchange and use of health information among all the components in the health care infrastructure in accordance with applicable law, and such term includes related application protocols and other related standards.

(3) Health care provider
The term “health care provider” includes a hospital, skilled nursing facility, nursing facility, home health entity or other long term care facility, health care clinic, community mental health center (as defined in section 300x–2(b)(1) of this title), renal dialysis facility, blood center, ambulatory surgical center described in section 1395f(i) of this title, emergency medical services provider, Federally qualified health center, group practice, a pharmacist, a pharmacy, a laboratory, a physician (as defined in section 1395x(r) of this title), a practitioner (as described in section 1395u(b)(1B)(C) of this title), a provider operated by, or under contract with, the Indian Health Service or by an Indian tribe (as defined in the Indian Self-Determination and Education Assistance Act (25 U.S.C. 5301 et seq.), tribal organization, or urban Indian organization (as defined in section 1603 of title 25), a rural health clinic, a covered entity under section 256b of this title, an ambulatory surgical center described in section 1395f(i) of this title, a therapist (as described in section 1395w–4(k)(3)(B)(iii) of this title), and any other category of health care facility, entity, practitioner, or clinician determined appropriate by the Secretary.

(4) Health information
The term “health information” has the meaning given such term in section 1320d(4) of this title.

(5) Health information technology
The term “health information technology” means hardware, software, integrated technologies or related licenses, intellectual property, upgrades, or packaged solutions sold as services that are designed for or support the use by health care entities or patients for the electronic creation, maintenance, access, or exchange of health information.

(6) Health plan
The term “health plan” has the meaning given such term in section 1320d(5) of this title.

1So in original. The words “ambulatory surgical center described in section 1395f(i) of this title” appear in two places.

2So in original. Probably should be followed by a period.
(7) HIT Advisory Committee

The term “HIT Advisory Committee” means such Committee established under section 300jj–12(a) of this title.

(8) Individually identifiable health information

The term “individually identifiable health information” has the meaning given such term in section 3320d(6) of this title.

(9) Interoperability

The term “interoperability”, with respect to health information technology, means such health information technology that—

(A) enables the secure exchange of electronic health information with, and use of electronic health information from, other health information technology without special effort on the part of the user;

(B) allows for complete access, exchange, and use of all electronically accessible health information for authorized use under applicable State or Federal law; and

(C) does not constitute information blocking as defined in section 300jj–52(a) of this title.

(10) Laboratory

The term “laboratory” has the meaning given such term in section 263a(a) of this title.

(11) National Coordinator

The term “National Coordinator” means the head of the Office of the National Coordinator for Health Information Technology established under section 300jj–11(a) of this title.

(12) Pharmacist

The term “pharmacist” has the meaning given such term in section 384(2) of title 21.

(13) Qualified electronic health record

The term “qualified electronic health record” means an electronic record of health-related information on an individual that—

(A) includes patient demographic and clinical health information, such as medical history and problem lists; and

(B) has the capacity—

(i) to provide clinical decision support;

(ii) to support physician officer entry;

(iii) to capture and query information relevant to health care quality; and

(iv) to exchange electronic health information with, and integrate such information from other sources.

(15) State

The term “State” means each of the several States, the District of Columbia, Puerto Rico, the Virgin Islands, Guam, American Samoa, and the Northern Mariana Islands.

REFERENCES IN TEXT

The Indian Self-Determination and Education Assistance Act, referred to in par. (3), is Pub. L. 93–638, Jan. 20, 1975, 88 Stat. 2203, which is classified principally to chapter 46 (§5301 et seq.) of Title 25, Indians. For complete classification of this Act to the Code, see Short Title note set out under section 5301 of Title 25 and Tables.

AMENDMENTS

2016—Par. (7). Pub. L. 114–255, § 4003(e)(2)(B), added par. (7) and struck out former par. (7). Prior to amendment, text read as follows: ‘‘The term ‘HIT Policy Committee’ means such Committee established under section 300jj–12(a) of this title.’’

Par. (8). Pub. L. 114–255, § 4003(e)(2)(B)(i), redesignated par. (9) as (8) and struck out former par. (8). Prior to amendment, text of par. (8) read as follows: ‘‘The term ‘HIT Standards Committee’ means such Committee established under section 300jj–13(a) of this title.’’


Assisting Doctors and Hospitals in Improving Quality of Care for Patients


(a) REDUCTION IN BURDENS GOAL.—The Secretary of Health and Human Services (referred to in this section as the ‘Secretary’), in consultation with providers of health services, health care suppliers of services, health care payers, health professional societies, health information technology developers, health care quality organizations, health care accreditation organizations, public health entities, States, and other appropriate entities, shall, in accordance with subsection (b)—

(1) establish a goal with respect to the reduction of regulatory or administrative burdens (such as documentation requirements) relating to the use of electronic health records;

(2) develop a strategy for meeting the goal established under paragraph (1) and

(3) develop recommendations for meeting the goal established under paragraph (1).

(b) STRATEGY AND RECOMMENDATIONS.—

(1) IN GENERAL.—To achieve the goal established under subsection (a)(1), the Secretary, in consultation with the entities described in such subsection, shall, not later than 1 year after the date of enactment of the 21st Century Cures Act [Dec. 13, 2016], develop a strategy and recommendations to meet the goal in accordance with this subsection.

(2) STRATEGY.—The strategy developed under paragraph (1) shall address the regulatory and administrative burdens (such as documentation requirements) relating to the use of electronic health records. Such strategy shall include broad public comment and shall prioritize

(A)(i) incentives for meaningful use of certified EHR technology for eligible professionals and hospitals under sections 1875(a)(7) and 1866(b)(3)(B)(ix), respectively, of the Social Security Act (42 U.S.C. 1395w–4(a)(7), 1395ww(b)(3)(B)(ix));

(ii) the program for making payments under section 1902(a)(3)(F) of the Social Security Act (42 U.S.C. 1396a(a)(3)(F)) to encourage the adoption and use of certified EHR technology by Medicaid providers;

(iii) the Merit-based Incentive Payment System under section 1848(q) of the Social Security Act (42 U.S.C. 1395w–4(q));
§ 300jj–11. Office of the National Coordinator for Health Information Technology

(a) Establishment

There is established within the Department of Health and Human Services an Office of the National Coordinator for Health Information Technology (referred to in this section as the “Office”). The Office shall be headed by a National Coordinator who shall be appointed by the Secretary and shall report directly to the Secretary.

(b) Purpose

The National Coordinator shall perform the duties under subsection (c) in a manner consistent with the development of a nationwide health information technology infrastructure that allows for the electronic use and exchange of information and that—

(1) ensures that each patient’s health information is secure and protected, in accordance with applicable law;

(2) improves health care quality, reduces medical errors, reduces health disparities, and advances the delivery of patient-centered medical care;

(3) reduces health care costs resulting from inefficiency, medical errors, inappropriate care, duplicative care, and incomplete information;

(4) provides appropriate information to help guide medical decisions at the time and place of care;

(5) ensures the inclusion of meaningful public input in such development of such infrastructure;

(6) improves the coordination of care and information among hospitals, laboratories, physician offices, and other entities through an effective infrastructure for the secure and authorized exchange of health care information;

(7) improves public health activities and facilitates the early identification and rapid response to public health threats and emergencies, including bioterror events and infectious disease outbreaks;

(8) facilitates health and clinical research and health care quality;

(9) promotes early detection, prevention, and management of chronic diseases;

(10) promotes a more effective marketplace, greater competition, greater systems analysis, increased consumer choice, and improved outcomes in health care services; and

(11) improves efforts to reduce health disparities.

(c) Duties of the National Coordinator

(1) Standards

The National Coordinator shall—

(A) review and determine whether to endorse each standard, implementation specification, and certification criterion for the electronic exchange and use of health information that is recommended by the HIT Advisory Committee under section 300jj–12 of this title for purposes of adoption under section 300jj–14 of this title;

(B) make such determinations under subparagraph (A), and report to the Secretary such determinations, not later than 45 days after the date the recommendation is received by the Coordinator; and

(C) review Federal health information technology investments to ensure that Federal health information technology programs are meeting the objectives of the strategic plan published under paragraph (3).

(2) HIT policy coordination

(A) In general

The National Coordinator shall coordinate health information technology policy and programs of the Department with those of other relevant executive branch agencies with a goal of avoiding duplication of efforts and of helping to ensure that each agency undertakes health information technology activities primarily within the areas of its greatest expertise and technical capability and in a manner towards a coordinated national goal.

(B) HIT Advisory Committee

The National Coordinator shall be a leading member in the establishment and oper-
(3) Strategic plan

(A) In general

The National Coordinator shall, in consultation with other appropriate Federal agencies (including the National Institute of Standards and Technology), update the Federal Health IT Strategic Plan (developed as of June 3, 2008) to include specific objectives, milestones, and metrics with respect to the following:

(i) The electronic exchange and use of health information and the enterprise integration of such information.


(iii) The incorporation of privacy and security protections for the electronic exchange of an individual’s individually identifiable health information.

(iv) Ensuring security methods to ensure appropriate authorization and electronic authentication of health information and specifying technologies or methodologies for rendering health information unusable, unreadable, or indecipherable.

(v) Specifying a framework for coordination and flow of recommendations and policies under this part among the Secretary, the National Coordinator, the HIT Advisory Committee, and other health information exchanges and other relevant entities.

(vi) Methods to foster the public understanding of health information technology.

(vii) Strategies to enhance the use of health information technology in improving the quality of health care, reducing medical errors, reducing health disparities, improving public health, increasing prevention and coordination with community resources, and improving the continuity of care among health care settings.

(viii) Specific plans for ensuring that populations with unique needs, such as children, are appropriately addressed in the technology design, as appropriate, which may include technology that automates enrollment and retention for eligible individuals.

(B) Collaboration

The strategic plan shall be updated through collaboration of public and private entities.

(C) Measurable outcome goals

The strategic plan update shall include measurable outcome goals.

(D) Publication

The National Coordinator shall republish the strategic plan, including all updates.

(4) Website

The National Coordinator shall maintain and frequently update an Internet website on which there is posted information on the work, schedules, reports, recommendations, and other information to ensure transparency in promotion of a nationwide health information technology infrastructure.

(5) Certification

(A) In general

The National Coordinator, in consultation with the Director of the National Institute of Standards and Technology, shall keep or recognize a program or programs for the voluntary certification of health information technology as being in compliance with applicable certification criteria adopted under this part. Such program shall include, as appropriate, testing of the technology in accordance with section 17931(b) of this title.

(B) Certification criteria described

In this subchapter, the term “certification criteria” means, with respect to standards and implementation specifications for health information technology, criteria to establish that the technology meets such standards and implementation specifications.

(C) Health information technology for medical specialties and sites of service

(i) In general

The National Coordinator shall encourage, keep, or recognize, through existing authorities, the voluntary certification of health information technology under the program developed under subparagraph (A) for use in medical specialties and sites of service for which no such technology is available or where more technological advancement or integration is needed.

(ii) Specific medical specialties

The Secretary shall accept public comment on specific medical specialties and sites of service, in addition to those described in clause (i), for the purpose of selecting additional specialties and sites of service as necessary.

(iii) Health information technology for pediatrics

Not later than 18 months after December 13, 2016, the Secretary, in consultation with relevant stakeholders, shall make recommendations for the voluntary certification of health information technology for use by pediatric health providers to support the health care of children.

Not later than 2 years after December 13, 2016, the Secretary shall adopt certification criteria under section 300jj–14 of this title to support the voluntary certification of health information technology for use by pediatric health providers to support the health care of children.

(D) Conditions of certification

Not later than 1 year after December 13, 2016, the Secretary, through notice and comment rulemaking, shall require, as a condition of certification and maintenance of certification for programs maintained or recog-
nized under this paragraph, consistent with other conditions and requirements under this subchapter, that the health information technology developer or entity—

(i) does not take any action that constitutes information blocking as defined in section 300jj–32(a) of this title;
(ii) provides assurances satisfactory to the Secretary that such developer or entity, unless for legitimate purposes specified by the Secretary, will not take any action described in clause (i) or any other action that may inhibit the appropriate exchange, access, and use of electronic health information;
(iii) does not prohibit or restrict communication regarding—
(I) the usability of the health information technology;
(II) the interoperability of the health information technology;
(III) the security of the health information technology;
(IV) relevant information regarding users’ experiences when using the health information technology;
(V) the business practices of developers of health information technology related to exchanging electronic health information; and
(VI) the manner in which a user of the health information technology has used such technology;
(iv) has published application programming interfaces and allows health information from such technology to be accessed, exchanged, and used without special effort through the use of application programming interfaces or successor technology or standards, as provided for under applicable law, including providing access to all data elements of a patient’s electronic health record to the extent permissible under applicable privacy laws;
(v) has successfully tested the real world use of the technology for interoperability (as defined in section 300jj of this title) in the type of setting in which such technology would be marketed;
(vi) provides to the Secretary an attestation that the developer or entity—
(I) has not engaged in any of the conduct described in clause (i);
(II) has provided assurances satisfactory to the Secretary in accordance with clause (ii);
(III) does not prohibit or restrict communication as described in clause (iii);
(IV) has published information in accordance with clause (iv);
(V) ensures that its technology allows for health information to be exchanged, accessed, and used, in the manner described in clause (iv); and
(VI) has undertaken real world testing as described in clause (v); and
(vii) submits reporting criteria in accordance with section 300jj–19a(b) of this title.

(E) Compliance with conditions of certification
The Secretary may encourage compliance with the conditions of certification described in subparagraph (D) and take action to discourage noncompliance, as appropriate.

(6) Reports and publications
(A) Report on additional funding or authority needed
Not later than 12 months after February 17, 2009, the National Coordinator shall submit to the appropriate committees of jurisdiction of the House of Representatives and the Senate a report on any additional funding or authority the Coordinator or the HIT Policy Committee or HIT Standards Committee requires to evaluate and develop standards, implementation specifications, and certification criteria, or to achieve full participation of stakeholders in the adoption of a nationwide health information technology infrastructure that allows for the electronic use and exchange of health information.

(B) Implementation report
The National Coordinator shall prepare a report that identifies lessons learned from major public and private health care systems in their implementation of health information technology, including information on whether the technologies and practices developed by such systems may be applicable to and usable in whole or in part by other health care providers.

(C) Assessment of impact of HIT on communities with health disparities and uninsured, underinsured, and medically underserved areas
The National Coordinator shall assess and publish the impact of health information technology in communities with health disparities and in areas with a high proportion of individuals who are uninsured, underinsured, and medically underserved individuals (including urban and rural areas) and identify practices to increase the adoption of such technology by health care providers in such communities, and the use of health information technology to reduce and better manage chronic diseases.

(D) Evaluation of benefits and costs of the electronic use and exchange of health information
The National Coordinator shall evaluate and publish evidence on the benefits and costs of the electronic use and exchange of health information and assess to whom these benefits and costs accrue.

(E) Resource requirements
The National Coordinator shall estimate and publish resources required annually to reach the goal of utilization of an electronic health record for each person in the United States by 2014, including—

(i) the required level of Federal funding;
(ii) expectations for regional, State, and private investment;
(iii) the expected contributions by volunteers to activities for the utilization of such records; and
(iv) the resources needed to establish a health information technology workforce sufficient to support this effort (including education programs in medical informatics and health information management).

(7) Assistance

The National Coordinator may provide financial assistance to consumer advocacy groups and not-for-profit entities that work in the public interest for purposes of defraying the cost to such groups and entities to participate under, whether in whole or in part, the National Technology Transfer Act of 1995 (15 U.S.C. 272 note).1

(8) Governance for nationwide health information network

The National Coordinator shall establish a governance mechanism for the nationwide health information network.

(9) Support for interoperable networks exchange

(A) In general

The National Coordinator shall, in collaboration with the National Institute of Standards and Technology and other relevant agencies within the Department of Health and Human Services, for the purpose of ensuring full network-to-network exchange of health information, convene public-private and public-public partnerships to build consensus and develop or support a trusted exchange framework, including a common agreement among health information networks nationally. Such convention may occur at a frequency determined appropriate by the Secretary.

(B) Establishing a trusted exchange framework

(i) In general

Not later than 6 months after December 13, 2016, the National Coordinator shall convene appropriate public and private stakeholders to develop or support a trusted exchange framework for trust policies and practices and for a common agreement for exchange between health information networks. The common agreement may include—

(I) a common method for authenticating trusted health information network participants;

(II) a common set of rules for trusted exchange;

(III) organizational and operational policies to enable the exchange of health information among networks, including minimum conditions for such exchange to occur; and

(IV) a process for filing and adjudicating noncompliance with the terms of the common agreement.

(ii) Technical assistance

The National Coordinator, in collaboration with the National Institute of Standards and Technology, shall provide technical assistance on how to implement the trusted exchange framework and common agreement under this paragraph.

(iii) Pilot testing

The National Coordinator, in consultation with the National Institute of Standards and Technology, shall provide for the pilot testing of the trusted exchange framework and common agreement established or supported under this subsection (as authorized under section 17911 of this title). The National Coordinator, in consultation with the National Institute of Standards and Technology, may delegate pilot testing activities under this clause to independent entities with appropriate expertise.

(C) Publication of a trusted exchange framework and common agreement

Not later than 1 year after convening stakeholders under subparagraph (A), the National Coordinator shall publish on its public Internet website, and in the Federal register,2 the trusted exchange framework and common agreement developed or supported under subparagraph (B). Such trusted exchange framework and common agreement shall be published in a manner that protects proprietary and security information, including trade secrets and any other protected intellectual property.

(D) Directory of participating health information networks

(i) In general

Not later than 2 years after convening stakeholders under subparagraph (A), and annually thereafter, the National Coordinator shall publish on its public Internet website a list of the health information networks that have adopted the common agreement and are capable of trusted exchange pursuant to the common agreement developed or supported under paragraph 3 (B).

(ii) Process

The Secretary shall, through notice and comment rulemaking, establish a process for health information networks that voluntarily elect to adopt the trusted exchange framework and common agreement to attest to such adoption of the framework and agreement.

(E) Application of the trusted exchange framework and common agreement

As appropriate, Federal agencies contracting or entering into agreements with health information exchange networks may require that as each such network upgrades health information technology or trust and operational practices, such network may adopt, where available, the trusted exchange framework and common agreement published under subparagraph (C).

---

1 See References in Text note below.
2 So in original. Probably should be “Register.”.
3 So in original. Probably should be “paragraph.”.
§ 300jj–11

(F) Rule of construction

(i) General adoption

Nothing in this paragraph shall be construed to require a health information network to adopt the trusted exchange framework or common agreement.

(ii) Adoption when exchange of information is within network

Nothing in this paragraph shall be construed to require a health information network to adopt the trusted exchange framework or common agreement for the exchange of electronic health information between participants of the same network.

(iii) Existing frameworks and agreements

The trusted exchange framework and common agreement published under subparagraph (C) shall take into account existing trusted exchange frameworks and agreements used by health information networks to avoid the disruption of existing exchanges between participants of health information networks.

(iv) Application by Federal agencies

Notwithstanding clauses (i), (ii), and (iii), Federal agencies may require the adoption of the trusted exchange framework and common agreement published under subparagraph (C) for health information exchanges contracting with or entering into agreements pursuant to subparagraph (E).

(v) Consideration of ongoing work

In carrying out this paragraph, the Secretary shall ensure the consideration of activities carried out by public and private organizations related to exchange between health information exchanges to avoid duplication of efforts.

(d) Detail of Federal employees

(1) In general

Upon the request of the National Coordinator, the head of any Federal agency is authorized to detail, with or without reimbursement from the Office, any of the personnel of such agency to the Office to assist it in carrying out its duties under this section.

(2) Effect of detail

Any detail of personnel under paragraph (1) shall—

(A) not interrupt or otherwise affect the civil service status or privileges of the Federal employee; and
(B) be in addition to any other staff of the Department employed by the National Coordinator.

(3) Acceptance of detailees

Notwithstanding any other provision of law, the Office may accept detailled personnel from other Federal agencies without regard to whether the agency described under paragraph (1) is reimbursed.

(e) Chief Privacy Officer of the Office of the National Coordinator

Not later than 12 months after February 17, 2009, the Secretary shall appoint a Chief Privacy Officer of the Office of the National Coordinator, whose duty it shall be to advise the National Coordinator on privacy, security, and data stewardship of electronic health information and to coordinate with other Federal agencies (and similar privacy officers in such agencies), with State and regional efforts, and with foreign countries with regard to the privacy, security, and data stewardship of electronic individually identifiable health information.


REFERENCES IN TEXT

The National Technology Transfer Act of 1995 (15 U.S.C. 272 note), referred to in subsec. (c)(7), probably means section 12(d) of Pub. L. 104–113, known as the National Technology Transfer and Advancement Act of 1995, which is set out as a note under section 272 of Title 15, Commerce and Trade.

AMENDMENTS


Pub. L. 114–255, §4003(e)(2)(A)(i), substituted “HIT Advisory Committee” for “HIT Standards Committee”.

Subsec. (c)(2)(B). Pub. L. 114–255, §4000(e)(2)(C)(ii), added subpar. (B) and struck out former subpar. (B).

Prior to amendment, text read as follows: “The National Coordinator shall be a leading member in the establishment and operations of the HIT Policy Committee and the HIT Standards Committee and shall serve as a liaison among those two committees and the Federal Government.”

Subsec. (c)(3)(A)(v). Pub. L. 114–255, §4003(c)(2)(A)(ii), which directed amendment of this section by substituting “HIT Advisory Committee” for “HIT Policy Committee and the HIT Standards Committee” wherever appearing, was executed to cl. (v) by making the substitution for “HIT Policy Committee, the HIT Standards Committee”, to reflect the probable intent of Congress.


Subsec. (c)(5)(D), (E). Pub. L. 114–255, §4002(a), added subpars. (D) and (E).

Subsec. (c)(6)(A). Pub. L. 114–255, §4003(e)(2)(A)(i), which directed amendment of this section by substituting “HIT Advisory Committee” for both “HIT Policy Committee” and “HIT Standards Committee” wherever appearing, but not within the term “HIT Policy Committee or the HIT Standards Committee”, was not executed to subpar. (A) as provided in the exception, notwithstanding text that reads “HIT Policy Committee or HIT Standards Commission’, to reflect the probable intent of Congress.

Subsec. (c)(9). Pub. L. 114–255, §4003(b), added par. (9).

PROVIDER DIGITAL CONTACT INFORMATION INDEX


“(1) In General.—Not later than 3 years after the date of enactment of this Act [Dec. 13, 2016], the Secretary of Health and Human Services (referred to in this subsection as the ‘Secretary’) shall, directly or through a partnership with a private entity, establish a provider digital contact information index to provide digital contact information for health professionals and health facilities.

“(2) Use of existing index.—In establishing the initial index under paragraph (1), the Secretary may utilize an existing provider directory to make such digital contact information available.
§ 300jj–12. Health Information Technology Advisory Committee

(a) Establishment

There is established a Health Information Technology Advisory Committee (referred to in this section as the “HIT Advisory Committee”) to recommend to the National Coordinator, consistent with the implementation of the strategic plan described in section 300jj–11(c)(3) of this title, policies, and, for purposes of adoption under section 300jj–14 of this title, standards, implementation specifications, and certification criteria, relating to the implementation of a health information technology infrastructure, nationally and locally, that advances the electronic access, exchange, and use of health information. Such Committee shall serve to unify the roles of, and replace, the HIT Policy Committee and the HIT Standards Committee, as in existence before December 13, 2016.

(b) Duties

(1) Recommendations on policy framework to advance an interoperable health information technology infrastructure

(A) In general

The HIT Advisory Committee shall recommend to the National Coordinator a policy framework for adoption by the Secretary consistent with the strategic plan under section 300jj–11(c)(3) of this title for advancing the target areas described in this subsection. Such policy framework shall seek to prioritize achieving advancements in the target areas specified in paragraph (B) of this subsection, and may, to the extent consistent with this section, incorporate policy recommendations made by the HIT Policy Committee, as in existence before December 13, 2016.

(B) Updates

The HIT Advisory Committee shall propose updates to such recommendations to the policy framework and make new recommendations, as appropriate.

(2) General duties and target areas

(A) In general

The HIT Advisory Committee shall recommend to the National Coordinator for purposes of adoption under section 300jj–14 of this title, standards, implementation specifications, and certification criteria and an order of priority for the development, harmonization, and recognition of such standards, specifications, and certification criteria. Such recommendations shall include recommended standards, architectures, and software schemes for access to electronic individually identifiable health information across disparate systems including user vetting, authentication, privilege management, and access control.

(B) Priority target areas

For purposes of this section, the HIT Advisory Committee shall make recommendations under subparagraph (A) with respect to at least each of the following target areas:

(i) Achieving a health information technology infrastructure, nationally and locally, that allows for the electronic access, exchange, and use of health information, including through technology that provides accurate patient information for the correct patient, including exchanging such information, and avoids the duplication of patient records.

(ii) The promotion and protection of privacy and security of health information in health information technology, including technologies that allow for an accounting of disclosures and protections against disclosures of individually identifiable health information made by a covered entity for purposes of treatment, payment, and health care operations (as such terms are defined for purposes of the regulation promulgated under section 264(c) of the Health Insurance Portability and Accountability Act of 1996), including for the segmentation and protection from disclosure of specific and sensitive individually identifiable health information with the goal of minimizing the reluctance of patients to seek care.

(iii) The facilitation of secure access by an individual to such individual’s protected health information and access to such information by a family member, caregiver, or guardian acting on behalf of a patient, including due to age-related and other disability, cognitive impairment, or dementia.

(iv) Subject to subparagraph (D), any other target area that the HIT Advisory Committee identifies as an appropriate target area to be considered under this subparagraph.

(C) Additional target areas

For purposes of this section, the HIT Advisory Committee may make recommendations under subparagraph (A), in addition to areas described in subparagraph (B), with respect to any of the following areas:

(i) The use of health information technology to improve the quality of health care, such as by promoting the coordination of care and improving continuity of health care among health care providers, reducing medical errors, improving population health, reducing chronic disease, and advancing research and education.
§ 300jj–12

(3) Rules relating to recommendations for standards, implementation specifications, and certification criteria

(A) In general

The HIT Advisory Committee shall recommend to the National Coordinator standards, implementation specifications, and certification criteria described in subsection (a), which may include standards, implementation specifications, and certification criteria that have been developed, harmonized, or recognized by the HIT Advisory Committee or predecessor committee. The HIT Advisory Committee shall update such recommendations and make new recommendations as appropriate, including in response to a notification sent under section 300jj–14(a)(2)(B) of this title. Such recommendations shall be consistent with the latest recommendations made by the Committee.

(B) Harmonization

The HIT Advisory Committee may recognize harmonized or updated standards from an entity or entities for the purpose of harmonizing or updating standards and implementation specifications in order to achieve uniform and consistent implementation of the standards and implementation specifications.

(C) Pilot testing of standards and implementation specifications

In the development, harmonization, or recognition of standards and implementation specifications, the HIT Advisory Committee for purposes of recommendations under paragraph (2)(B), shall, as appropriate, provide for the testing of such standards and specifications by the National Institute for Standards and Technology under section 17911(a) of this title.

(D) Consistency

The standards, implementation specifications, and certification criteria recommended under paragraph (2)(B) shall be consistent with the standards for information transactions and data elements adopted pursuant to section 1320d–2 of this title.

(E) Special rule related to interoperability

Any recommendation made by the HIT Advisory Committee after December 13, 2016, with respect to interoperability of health information technology shall be consistent with interoperability as described in section 300jj of this title.

(4) Forum

The HIT Advisory Committee shall serve as a forum for the participation of a broad range of stakeholders with specific expertise in policies, including technical expertise, relating to the matters described in paragraphs (1), (2), and (3) to provide input on the development, harmonization, and recognition of standards, implementation specifications, and certification criteria necessary for the development and adoption of health information technology infrastructure nationally and locally that allows for the electronic access, exchange, and use of health information.

(5) Schedule

Not later than 30 days after the date on which the HIT Advisory Committee first meets, such HIT Advisory Committee shall develop a schedule for the assessment of policy recommendations developed under paragraph (1). The HIT Advisory Committee shall update such schedule annually. The Secretary shall publish such schedule in the Federal Register.
(6) Public input

The HIT Advisory Committee shall conduct open public meetings and develop a process to allow for public comment on the schedule described in paragraph (5) and recommendations described in this subsection. Under such process comments shall be submitted in a timely manner after the date of publication of a recommendation under this subsection.

(c) Measured progress in advancing priority areas

(1) In general

For purposes of this section, the National Coordinator, in collaboration with the Secretary, shall establish, and update as appropriate, objectives and benchmarks for advancing and measuring the advancement of the priority target areas described in subsection (b)(2)(B).

(2) Annual progress reports on advancing interoperability

(A) In general

The HIT Advisory Committee, in consultation with the National Coordinator, shall annually submit to the Secretary and Congress a report on the progress made during the preceding fiscal year in—

(i) achieving a health information technology infrastructure, nationally and locally, that allows for the electronic access, exchange, and use of health information; and

(ii) meeting the objectives and benchmarks described in paragraph (1).

(B) Content

Each such report shall include, for a fiscal year—

(i) a description of the work conducted by the HIT Advisory Committee during the preceding fiscal year with respect to the areas described in subsection (b)(2)(B);

(ii) an assessment of the status of the infrastructure described in subparagraph (A), including the extent to which electronic health information is appropriately and readily available to enhance the access, exchange, and use of electronic health information between users and across technology offered by different developers;

(iii) the extent to which advancements have been achieved with respect to areas described in subsection (b)(2)(B);

(iv) an analysis identifying existing gaps in policies and resources for—

(I) achieving the objectives and benchmarks established under paragraph (1); and

(II) furthering interoperability throughout the health information technology infrastructure;

(v) recommendations for addressing the gaps identified in clause (iii); and

(vi) a description of additional initiatives as the HIT Advisory Committee and National Coordinator determine appropriate.

(3) Significant advancement determination

The Secretary shall periodically, based on the reports submitted under this subsection, review the target areas described in subsection (b)(2)(B), and, based on the objectives and benchmarks established under paragraph (1), the Secretary shall determine if significant advancement has been achieved with respect to such an area. Such determination shall be taken into consideration by the HIT Advisory Committee when determining to what extent the Committee makes recommendations for an area other than an area described in subsection (b)(2)(B).

(d) Membership and operations

(1) In general

The National Coordinator shall take a leading position in the establishment and operations of the HIT Advisory Committee.

(2) Membership

The membership of the HIT Advisory Committee shall—

(A) include at least 25 members of which—

(i) no fewer than 2 members are advocates for patients or consumers of health information technology;

(ii) 3 members are appointed by the Secretary, 1 of whom shall be appointed to represent the Department of Health and Human Services and 1 of whom shall be a public health official;

(iii) 2 members are appointed by the majority leader of the Senate;

(iv) 2 members are appointed by the minority leader of the Senate;

(v) 2 members are appointed by the Speaker of the House of Representatives;

(vi) 2 members are appointed by the minority leader of the House of Representatives; and

(vii) such other members are appointed by the Comptroller General of the United States; and

(B) at least reflect providers, ancillary health care workers, consumers, purchasers, health plans, health information technology developers, researchers, patients, relevant Federal agencies, and individuals with technical expertise on health care quality, system functions, privacy, security, and on the electronic exchange and use of health information, including the use standards for such activity.

(3) Participation

The members of the HIT Advisory Committee shall represent a balance among various sectors of the health care system so that no single sector unduly influences the recommendations of the Committee.

(4) Terms

(A) In general

The terms of the members of the HIT Advisory Committee shall be for 3 years, except that the Secretary shall designate staggered terms of the members first appointed.

(B) Vacancies

Any member appointed to fill a vacancy in the membership of the HIT Advisory Com-
committee that occurs prior to the expiration of the term for which the member’s predecessor was appointed shall be appointed only for the remainder of that term. A member may serve after the expiration of that member’s term until a successor has been appointed. A vacancy in the HIT Advisory Committee shall be filled in the manner in which the original appointment was made.

(C) Limits
Members of the HIT Advisory Committee shall be limited to two 3-year terms, for a total of not to exceed 6 years of service on the Committee.

(5) Outside involvement
The HIT Advisory Committee shall ensure an opportunity for the participation in activities of the Committee of outside advisors, including individuals with expertise in the development of policies and standards for the electronic exchange and use of health information, including in the areas of health information privacy and security.

(6) Quorum
A majority of the members of the HIT Advisory Committee shall constitute a quorum for purposes of voting, but a lesser number of members may meet and hold hearings.

(7) Consideration
The National Coordinator shall ensure that the relevant and available recommendations and comments from the National Committee on Vital and Health Statistics are considered in the development of policies.

(8) Assistance
For the purposes of carrying out this section, the Secretary may provide or ensure that financial assistance is provided by the HIT Advisory Committee to defray in whole or in part any membership fees or dues charged by such Committee to those consumer advocacy groups and not-for-profit entities that work in the public interest as a party of their mission.

(e) Application of FACA
The Federal Advisory Committee Act (5 U.S.C. App.), other than section 14 of such Act, shall apply to the HIT Advisory Committee.

(f) Publication
The Secretary shall provide for publication in the Federal Register and the posting on the Internet website of the Office of the National Coordinator for Health Information Technology of all policy recommendations made by the HIT Advisory Committee under this section.


REFERENCES IN TEXT
Section 264(c) of the Health Insurance Portability and Accountability Act of 1996, referred to in subsec. (b)(2)(B)(i), is section 264(c) of Pub. L. 104-191, which is set out as a note under section 1320d-2 of this title.

The Federal Advisory Committee Act, referred to in subsec. (e), is Pub. L. 92-463, Oct. 6, 1972, §20 Stat. 770, which is set out in the Appendix to Title 5, Government Organization and Employees.

PRIOR PROVISIONS

TRANSITION TO THE HIT ADVISORY COMMITTEE
Pub. L. 114-255, div. A, title IV, §4003(e)(3), Dec. 13, 2016, 130 Stat. 1175, provided that: ‘‘The Secretary of Health and Human Services shall provide for an orderly and timely transition to the HIT Advisory Committee established under amendments made by this section (enacting this section and section 300jj-13 of this title, amending sections 300jj, 300jj-11, 300jj-14, 300jj-17, 300jj-18, and 300jj-53 of this title, and repealing former sections 300jj-12 and 300jj-13 of this title).’’

§300jj-13. Setting priorities for standards adoption

(a) Identifying priorities

(1) In general
Not later than 6 months after the date on which the HIT Advisory Committee first meets, the National Coordinator shall periodically convene the HIT Advisory Committee to—

(A) identify priority uses of health information technology, focusing on priorities—
(i) arising from the implementation of the incentive programs for the meaningful use of certified EHR technology, the Merit-based Incentive Payment System, Alternative Payment Models, the Hospital Value-Based Purchasing Program, and any other value-based payment program determined appropriate by the Secretary;
(ii) related to the quality of patient care;
(iii) related to public health;
(iv) related to clinical research;
(v) related to the privacy and security of electronic health information;
(vi) related to innovation in the field of health information technology;
(vii) related to patient safety;
(ix) related to individuals’ access to electronic health information; and
(x) other priorities determined appropriate by the Secretary;

(B) identify existing standards and implementation specifications that support the use and exchange of electronic health information needed to meet the priorities identified in subparagraph (A); and

(C) publish a report summarizing the findings of the analysis conducted under subparagraphs (A) and (B) and make appropriate recommendations.

(2) Prioritization
In identifying such standards and implementation specifications under paragraph (1)(B), the HIT Advisory Committee shall prioritize standards and implementation specifications developed by consensus-based standards development organizations.

(3) Guidelines for review of existing standards and specifications
In consultation with the consensus-based entity described in section 1395aaa of this title...
§ 300jj–14. Process for adoption of endorsed recommendations; adoption of initial set of standards, implementation specifications, and certification criteria

(a) Process for adoption of endorsed recommendations

(1) Review of endorsed standards, implementation specifications, and certification criteria

Not later than 90 days after the date of receipt of standards, implementation specifications, or certification criteria endorsed under section 300jj–11(c) of this title, the Secretary, in consultation with representatives of other relevant Federal agencies, shall jointly review such standards, implementation specifications, or certification criteria and shall determine whether or not to propose adoption of such standards, implementation specifications, or certification criteria.

(2) Determination to adopt standards, implementation specifications, and certification criteria

If the Secretary determines—

(A) to propose adoption of any grouping of such standards, implementation specifications, or certification criteria, the Secretary shall, by regulation under section 553 of title 5, determine whether or not to adopt such grouping of standards, implementation specifications, or certification criteria; or

(B) not to propose adoption of any grouping of standards, implementation specifications, or certification criteria, the Secretary shall notify the National Coordinator and the HIT Advisory Committee in writing of such determination and the reasons for not proposing the adoption of such recommendation.

(3) Publication

The Secretary shall provide for publication in the Federal Register of all determinations made by the Secretary under paragraph (1).

(b) Adoption of standards, implementation specifications, and certification criteria

(1) In general

Not later than December 31, 2009, the Secretary shall, through the rulemaking process consistent with subsection (a)(2)(A), adopt an initial set of standards, implementation specifications, and certification criteria for the areas required for consideration under section 300jj–12(b)(2)(B) of this title. The rulemaking for the initial set of standards, implementation specifications, and certification criteria may be issued on an interim, final basis.

(2) Application of current standards, implementation specifications, and certification criteria

The standards, implementation specifications, and certification criteria adopted before February 17, 2009, through the process existing through the Office of the National Coordinator for Health Information Technology may be applied towards meeting the requirement of section 300jj–12(b)(4) of this title.

(c) Deference to standards development organizations

In adopting and implementing standards under this section, the Secretary shall give deference to standards published by standards development organizations and voluntary consensus-based standards bodies.

(3) Subsequent standards activity

The Secretary shall adopt additional standards, implementation specifications, and certification criteria as necessary and consistent with the schedule published under section 300jj–12(b)(4) of this title.

References in Text

Section 300jj–12(b)(2)(B) of this title, referred to in subsec. (b)(1), related to areas of health information technology required to be considered by the HIT Policy
Registry means a clinical data repository—

For classification, the term 'clinician-led clinical data registry' means a clinical data repository operated by a clinician- or controlled, tax-exempt (pursuant to section 501(c) of the Internal Revenue Code of 1986 (26 U.S.C. 501(c))), professional society or other similar clinician-led or -controlled organization, or such organization's controlled affiliate, devoted to the care of a population defined by a particular disease, condition, exposure or therapy;

(2) RULE OF CONSTRUCTION.—Nothing in this subsection shall be construed to require the certification of registries beyond the technical capability to exchange data in accordance with applicable recognized standards.

(b) DEFINITION.—For purposes of this Act [see Tables for classification], the term 'clinician-led clinical data registry' means a clinical data repository—

(1) that is established and operated by a clinician-led or controlled, tax-exempt (pursuant to section 501(c) of the Internal Revenue Code of 1986 (26 U.S.C. 501(c))), professional society or other similar clinician-led or -controlled organization, or such organization's controlled affiliate, devoted to the care of a population defined by a particular disease, condition, exposure or therapy;

(2) that is designed to collect detailed, standardized data on an ongoing basis for medical procedures, services, or therapies for particular diseases, conditions, or exposures;

(3) that provides feedback to participants who submit reports to the repository;

(4) that meets standards for data quality including—

(A) systematically collecting clinical and other health care data, using standardized data elements and having procedures in place to verify the completeness and validity of such data; and

(B) being subject to regular data checks or audits to verify completeness and validity; and

(5) that provides ongoing participant training and support;

(c) TREATMENT OF HEALTH INFORMATION TECHNOLOGY DEVELOPERS WITH RESPECT TO PATIENT SAFETY ORGANIZATIONS.—

(1) IN GENERAL.—In applying part C of title IX of the Public Health Service Act (42 U.S.C. 299b–21 et seq.), a health information technology developer shall be treated as a provider (as defined in section 921 of such Act [42 U.S.C. 299b–21]) for purposes of reporting and conducting patient safety activities concerning improving clinical care through the use of health information technology that could result in improved patient safety, health care quality, or health care outcomes.

(2) REPORT.—Not later than 4 years after the date of enactment of this Act [Dec. 13, 2016], the Secretary of Health and Human Services shall submit to the Committee on Health, Education, Labor, and Pension of the Senate and the Committee on Energy and Commerce of the House of Representatives, a report concerning best practices and current trends voluntarily provided, without identifying individual providers or disclosing or using protected health information or individually identifiable information, by patient safety organizations to improve the integration of health information technology into clinical practice.

§ 300jj–15. Application and use of adopted standards and implementation specifications by Federal agencies

For requirements relating to the application and use by Federal agencies of the standards and implementation specifications adopted under section 300jj–14 of this title, see section 17901 of this title.


§ 300jj–16. Voluntary application and use of adopted standards and implementation specifications by private entities

(a) In general

Except as provided under section 13112 of the HITECH Act (42 U.S.C. 17902), nothing in such Act or in the amendments made by such Act shall be construed—

(1) to require a private entity to adopt or comply with a standard or implementation specification adopted under section 300jj–14 of this title; or

(2) to provide a Federal agency authority, other than the authority such agency may have under other provisions of law, to require a private entity to comply with such a standard or implementation specification.

(b) Rule of construction

Nothing in this part shall be construed to require that a private entity that enters into a contract with the Federal Government apply or use the standards and implementation specifications adopted under section 300jj–14 of this title with respect to activities not related to the contract.


REFERENCES IN TEXT


§ 300jj–17. Federal health information technology

(a) In general

The National Coordinator shall support the development and routine updating of qualified electronic health record technology (as defined in section 300jj) of this title) consistent with subsections (b) and (c) and make available such qualified electronic health record technology unless the Secretary determines through an assessment that the needs and demands of provid-
ers are being substantially and adequately met through the marketplace.

(b) Certification

In making such electronic health record technology publicly available, the National Coordinator shall ensure that the qualified electronic health record technology described in subsection (a) is certified under the program developed under section 300jj–11(c)(3) of this title to be in compliance with applicable standards adopted under section 300jj–12(a)(2) of this title.

(c) Authorization to charge a nominal fee

The National Coordinator may impose a nominal fee for the adoption by a health care provider of the health information technology system developed or approved under subsection (a) and (b). Such fee shall take into account the financial circumstances of smaller providers, lower income providers, and providers located in rural or other medically underserved areas.

(d) Rule of construction

Nothing in this section shall be construed to require that a private or government entity adopt or use the technology provided under this section.


AMENDMENTS


§ 300jj–18. Transitions

(a) ONCHIT

To the extent consistent with section 300jj–11 of this title, all functions, personnel, assets, liabilities, and administrative actions applicable to the National Coordinator for Health Information Technology appointed under Executive Order No. 13335 or the Office of such National Coordinator on the date before February 17, 2009, shall be transferred to the National Coordinator appointed under section 300jj–11(a) of this title and the Office of such National Coordinator as of February 17, 2009.

(b) National eHealth Collaborative

Nothing in sections 300jj–12 of this title or this subsection shall be construed as prohibiting the AHIC Successor, Inc. doing business as the National eHealth Collaborative from modifying its charter, duties, membership, and any other structure or function required to be consistent with section 2 of 300jj–12 and 300jj–13 of this title so as to allow the Secretary to recognize such AHIC Successor, Inc. as the HIT Advisory Committee.

(c) Consistency of recommendations

In carrying out section 300jj–12 of this title, until recommendations are made by the HIT Advisory Committee, recommendations of the HIT Advisory Committee shall be consistent with the most recent recommendations made by such AHIC Successor, Inc.


REFERENCES IN TEXT

Executive Order No. 13335, referred to in subsec. (a), is set out as a note under section 300jj of this title.

Section 300jj–13 of this title, referred to in subsec. (b), was repealed, and a new section 300jj–13 was enacted by Pub. L. 114–255, div. A, title IV, § 4003(e)(1), (f), Dec. 13, 2016, 130 Stat. 1168, 1175.

AMENDMENTS


Pub. L. 114–255, § 4003(e)(2)(F)(ii), substituted “HIT Advisory Committee” for “HIT Policy Committee”.


Pub. L. 114–255, § 4003(e)(2)(F)(ii), substituted “HIT Advisory Committee” for “HIT Policy Committee” after “recommendations are made by the” and “HIT Advisory Committee” for “HIT Standards Committee” after “recommendations of the”. See section 300jj–12(a) of this title.

§ 300jj–19. Miscellaneous provisions

(a) Relation to HIPAA privacy and security law

(1) In general

With respect to the relation of this subchapter to HIPAA privacy and security law:

(A) This subchapter may not be construed as having any effect on the authorities of the Secretary under HIPAA privacy and security law.

(B) The purposes of this subchapter include ensuring that the health information technology standards and implementation specifications adopted under section 300jj–14 of this title take into account the requirements of HIPAA privacy and security law.

(2) Definition

For purposes of this section, the term “HIPAA privacy and security law” means—

(A) the provisions of part C of title XI of the Social Security Act [42 U.S.C. 1320d et seq.], section 264 of the Health Insurance Portability and Accountability Act of 1996, and subtitle D of title IV of the Health Information Technology for Economic and Clinical Health Act; and

(B) regulations under such provisions.

(b) Flexibility

In administering the provisions of this subchapter, the Secretary shall have flexibility in applying the definition of health care provider under section 300jj–3 of this title, including the authority to omit certain entities listed in such definition when applying such definition under this subchapter, where appropriate.
(c) Promoting patient access to electronic health information through health information exchanges

(1) In general

The Secretary shall use existing authorities to encourage partnerships between health information exchange organizations and networks and health care providers, health plans, and other appropriate entities with the goal of offering patients access to their electronic health information in a single, longitudinal format that is easy to understand, secure, and may be updated automatically.

(2) Education of providers

The Secretary, in coordination with the Office for Civil Rights of the Department of Health and Human Services, shall—

(A) educate health care providers on ways of leveraging the capabilities of health information exchanges (or other relevant platforms) to provide patients with access to their electronic health information;

(B) clarify misunderstandings by health care providers about using health information exchanges (or other relevant platforms) for patient access to electronic health information; and

(C) to the extent practicable, educate providers about health information exchanges (or other relevant platforms) that employ some or all of the capabilities described in paragraph (1).

(3) Requirements

In carrying out paragraph (1), the Secretary, in coordination with the Office for Civil Rights, shall issue guidance to health information exchanges related to best practices to ensure that the electronic health information provided to patients is—

(A) private and secure;

(B) accurate;

(C) verifiable; and

(D) where a patient’s authorization to exchange information is required by law, easily exchanged pursuant to such authorization.

(4) Rule of construction

Nothing in this subsection shall be construed to preempt State laws applicable to patient consent for the access of information through a health information exchange (or other relevant platform) that provide protections to patients that are greater than the protections otherwise provided for under applicable Federal law.

d) Efforts to promote access to health information

The National Coordinator and the Office for Civil Rights of the Department of Health and Human Services shall jointly promote patient access to health information in a manner that would ensure that such information is available in a form convenient for the patient, in a reasonable manner, without burdening the health care provider involved.

e) Accessibility of patient records

(1) Accessibility and updating of information

(A) In general

The Secretary, in consultation with the National Coordinator, shall promote policies that ensure that a patient’s electronic health information is accessible to that patient and the patient’s designee, in a manner that facilitates communication with the patient’s health care providers and other individuals, including researchers, consistent with such patient’s consent.

(B) Updating education on accessing and exchanging personal health information

To promote awareness that an individual has a right of access to inspect, obtain a copy of, and transmit to a third party a copy of such individual’s protected health information pursuant to the Health Information Portability and Accountability Act, Privacy Rule (subpart E of part 164 of title 45, Code of Federal Regulations), the Director of the Office for Civil Rights, in consultation with the National Coordinator, shall assist individuals and health care providers in understanding a patient’s rights to access and protect personal health information under the Health Insurance Portability and Accountability Act of 1996 (Public Law 104–191), including providing best practices for requesting personal health information in a computable format, including using patient portals or third-party applications and common cases when a provider is permitted to exchange and provide access to health information. 2

(2) Certifying usability for patients

In carrying out certification programs under section 300jj–11(c)(5) of this title, the National Coordinator may require that—

(A) the certification criteria support—

(i) patient access to their electronic health information, including in a single longitudinal format that is easy to understand, secure, and may be updated automatically;

(ii) the patient’s ability to electronically communicate patient-reported information (such as family history and medical history); and

(iii) patient access to their personal electronic health information for research at the option of the patient; and

(B) the HIT Advisory Committee develop and prioritize standards, implementation specifications, and certification criteria required to help support patient access to electronic health information, patient usability, and support for technologies that offer patients access to their electronic health information in a single, longitudinal format that is easy to understand, secure, and may be updated automatically.


2So in original.
REFERENCES IN TEXT

AMENDMENTS
2016—Subsecs. (c) to (e). Pub. L. 114–255 added subsecs. (c) to (e).

§ 300jj–19a. Electronic health record reporting program

(a) Reporting criteria

(1) Convening of stakeholders

Not later than 1 year after December 13, 2016, the Secretary shall convene stakeholders, as described in paragraph (2), for the purpose of developing the reporting criteria in accordance with paragraph (3).

(2) Development of reporting criteria

The reporting criteria under this subsection shall be developed through a public, transparent process that reflects input from relevant stakeholders, including—

(A) health care providers, including primary care and specialty care health care professionals;
(B) hospitals and hospital systems;
(C) health information technology developers;
(D) patients, consumers, and their advocates;
(E) data sharing networks, such as health information exchanges;
(F) authorized certification bodies and testing laboratories;
(G) security experts;
(H) relevant manufacturers of medical devices;
(I) experts in health information technology market economics;
(J) public and private entities engaged in the evaluation of health information technology performance;
(K) quality organizations, including the consensus based entity described in section 3385aa of this title;
(L) experts in human factors engineering and the measurement of user-centered design; and
(M) other entities or individuals, as the Secretary determines appropriate.

(3) Considerations for reporting criteria

The reporting criteria developed under this subsection—

(A) shall include measures that reflect categories including—

(i) security;
(ii) usability and user-centered design;
(iii) interoperability;
(iv) conformance to certification testing; and
(v) other categories, as appropriate to measure the performance of electronic health record technology;

(B) may include categories such as—

(i) enabling the user to order and view the results of laboratory tests, imaging tests, and other diagnostic tests;
(ii) submitting, editing, and retrieving data from registries such as clinician-led clinical data registries;
(iii) accessing and exchanging information and data from and through health information exchanges;
(iv) accessing and exchanging information and data from medical devices;

(v) accessing and exchanging information from other health care providers or applicable users;
(vi) accessing and exchanging patient generated information;
(vii) providing the patient or an authorized designee with a complete copy of their health information from an electronic record in a computable format;
(viii) providing accurate patient information for the correct patient, including exchanging such information, and avoiding the duplication of patients records; and
(x) other categories regarding performance, accessibility,1 as the Secretary determines appropriate; and
(C) shall be designed to ensure that small and startup health information technology developers are not unduly disadvantaged by the reporting criteria.

(4) Modifications

After the reporting criteria have been developed under paragraph (3), the Secretary may convene stakeholders and conduct a public comment period for the purpose of modifying the reporting criteria developed under such paragraph.

(b) Participation

As a condition of maintaining certification under section 300jj–11(c)(5)(D) of this title, a developer of certified electronic health records shall submit to an appropriate recipient of a grant, contract, or agreement under subsection (c)(1) responses to the criteria developed under subsection (a), with respect to all certified technology offered by such developer.

1 So in original. Probably should be "performance or accessibility."
(c) Reporting program

(1) In general

Not later than 1 year after December 13, 2016, the Secretary shall award grants, contracts, or agreements to independent entities on a competitive basis to support the convening of stakeholders as described in subsection (a)(2), collect the information required to be reported in accordance with the criteria established as described subsection (a)(3), and develop and implement a process in accordance with paragraph (5) and report such information to the Secretary.

(2) Applications

An independent entity that seeks a grant, contract, or agreement under this subsection shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may reasonably require, including a description of—

(A) the proposed method for reviewing and summarizing information gathered based on reporting criteria established under subsection (a);

(B) if applicable, the intended focus on a specific subset of certified electronic health record technology users, such as health care providers, including primary care, specialty care, and care provided in rural settings; hospitals and hospital systems; and patients, consumers, and patients and consumer advocates;

(C) the plan for widely distributing reports described in paragraph (6);

(D) the period for which the grant, contract, or agreement is requested, which may be up to 2 years; and

(E) the budget for reporting program participation, and whether the eligible independent entity intends to continue participation after the period of the grant, contract, or agreement.

(3) Considerations for independent entities

In awarding grants, contracts, and agreements under paragraph (1), the Secretary shall give priority to independent entities with appropriate expertise in health information technology usability, interoperability, and security (especially entities with such expertise in electronic health records) with respect to—

(A) health care providers, including primary care, specialty care, and care provided in rural settings;

(B) hospitals and hospital systems; and

(C) patients, consumers, and patient and consumer advocates.

(4) Limitations

(A) Assessment and redetermination

Not later than 4 years after December 13, 2016, and every 2 years thereafter, the Secretary, in consultation with stakeholders, shall—

(i) assess performance of the recipients of the grants, contracts, and agreements under paragraph (1) based on quality and usability of reports described in paragraph (6); and

(ii) re-determine grants, contracts, and agreements as necessary.

(B) Prohibitions on participation

The Secretary may not award a grant, contract, or cooperative agreement under paragraph (1) to—

(i) a proprietor of certified health information technology or a business affiliate of such a proprietor;

(ii) a developer of certified health information technology; or

(iii) a State or local government agency.

(5) Feedback

Based on reporting criteria established under subsection (a), the recipients of grants, contracts, and agreements under paragraph (1) shall develop and implement a process to collect and verify confidential feedback on such criteria from—

(A) health care providers, patients, and other users of certified electronic health record technology; and

(B) developers of certified electronic health record technology.

(6) Reports

(A) Development of reports

Each recipient of a grant, contract, or agreement under paragraph (1) shall report on the information reported to such recipient pursuant to subsection (a) and the user feedback collected under paragraph (5) by preparing summary reports and detailed reports of such information.

(B) Distribution of reports

Each recipient of a grant, contract, or agreement under paragraph (1) shall submit the reports prepared under subparagraph (A) to the Secretary for public distribution in accordance with subsection (d).

(d) Publication

The Secretary shall distribute widely, as appropriate, and publish, on the Internet website of the Office of the National Coordinator—

(1) the reporting criteria developed under subsection (a); and

(2) the summary and detailed reports under subsection (c)(6).

(e) Review

Each recipient of a grant, contract, or agreement under paragraph (1) shall develop and implement a process through which participating electronic health record technology developers may review and recommend changes to the reports created under subsection (c)(6) for products developed by such developer prior to the publication of such report under subsection (d).

(f) Additional resources

The Secretary may provide additional resources on the Internet website of the Office of the National Coordinator to better inform consumers of health information technology. Such reports may be carried out through partnerships with private organizations with appropriate expertise.

(July 1, 1944, ch. 373, title XXX, §3009A, as added Pub. L. 114–255, div. A, title IV, §4002(c), Dec. 13, 2016, 130 Stat. 1161.)
PART B—INCENTIVES FOR THE USE OF HEALTH INFORMATION TECHNOLOGY

§ 300jj–31. Immediate funding to strengthen the health information technology infrastructure

(a) In general
The Secretary shall, using amounts appropriated under section 300jj–38 of this title, invest in the infrastructure necessary to allow for and promote the electronic exchange and use of health information for each individual in the United States consistent with the goals outlined in the strategic plan developed by the National Coordinator (and as available) under section 300jj–11 of this title. The Secretary shall invest funds through the different agencies with expertise in such goals, such as the Office of the National Coordinator for Health Information Technology, the Health Resources and Services Administration, the Agency for Healthcare Research and Quality, the Centers of Medicare & Medicaid Services, the Centers for Disease Control and Prevention, and the Indian Health Service to support the following:

(1) Health information technology architecture that will support the nationwide electronic exchange and use of health information in a secure, private, and accurate manner, including connecting health information exchanges, and which may include updating and implementing the infrastructure necessary within different agencies of the Department of Health and Human Services to support the electronic use and exchange of health information.

(2) Development and adoption of appropriate certified electronic health records for categories of health care providers not eligible for support under title XVIII or XIX of the Social Security Act [42 U.S.C. 1395 et seq., 1396 et seq.] for the adoption of such records.

(3) Training on and dissemination of information on best practices to integrate health information technology, including electronic health records, into a provider’s delivery of care, consistent with best practices learned from the Health Information Technology Research Center developed under section 300jj–32(b) of this title, including community health centers receiving assistance under section 254b of this title, covered entities under section 256b of this title, and providers participating in one or more of the programs under titles XVIII, XIX, and XXI of the Social Security Act [42 U.S.C. 1395 et seq., 1396 et seq., 1397aa et seq.] (relating to Medicare, Medicaid, and the State Children’s Health Insurance Program).

(4) Infrastructure and tools for the promotion of telemedicine, including coordination among Federal agencies in the promotion of telemedicine.

(5) Promotion of the interoperability of clinical data repositories or registries.

(6) Promotion of technologies and best practices that enhance the protection of health information by all holders of individually identifiable health information.

(7) Improvement and expansion of the use of health information technology by public health departments.

(b) Coordination
The Secretary shall ensure funds under this section are used in a coordinated manner with other health information promotion activities.

(c) Additional use of funds
In addition to using funds as provided in subsection (a), the Secretary may use amounts appropriated under section 300jj–38 of this title to carry out health information technology activities that are provided for under laws in effect on February 17, 2009.

(d) Standards for acquisition of health information technology
To the greatest extent practicable, the Secretary shall ensure that where funds are expended under this section for the acquisition of health information technology, such funds shall be used to acquire health information technology that meets applicable standards adopted under section 300jj–14 of this title. Where it is not practicable to expend funds on health information technology that meets such applicable standards, the Secretary shall ensure that such health information technology meets applicable standards otherwise adopted by the Secretary.

(7) Improvement and expansion of the use of health information technology by public health departments.

§ 300jj–32. Health information technology implementation assistance

(a) Health information technology extension program
To assist health care providers to adopt, implement, and effectively use certified EHR technology that allows for the electronic exchange and use of health information, the Secretary, acting through the Office of the National Coordinator, shall establish a health information technology extension program to provide health information technology assistance services to be carried out through the Department of Health and Human Services. The National Coordinator shall consult with other Federal agencies with demonstrated experience and expertise in information technology services, such as the National Institute of Standards and Technology, in developing and implementing this program.

(b) Health Information Technology Research Center

(1) In general
The Secretary shall create a Health Information Technology Research Center (in this section referred to as the “Center”) to provide technical assistance and develop or recognize best practices to support and accelerate efforts to adopt, implement, and effectively utilize health information technology that allows for the electronic exchange and use of information.
mation in compliance with standards, implementation specifications, and certification criteria adopted under section 300jj–14 of this title.

(2) Input

The Center shall incorporate input from—

(A) other Federal agencies with demonstrated experience and expertise in information technology services such as the National Institute of Standards and Technology;

(B) users of health information technology, such as providers and their support and clerical staff and others involved in the care and care coordination of patients, from the health care and health information technology industry; and

(C) others as appropriate.

(3) Purposes

The purposes of the Center are to—

(A) provide a forum for the exchange of knowledge and experience;

(B) accelerate the transfer of lessons learned from existing public and private sector initiatives, including those currently receiving Federal financial support;

(C) assemble, analyze, and widely disseminate evidence and experience related to the adoption, implementation, and effective use of health information technology that allows for the electronic exchange and use of information including through the regional centers described in subsection (c);

(D) provide technical assistance for the establishment and evaluation of regional and local health information networks to facilitate the electronic exchange of information across health care settings and improve the quality of health care;

(E) provide technical assistance for the development and dissemination of solutions to barriers to the exchange of electronic health information; and

(F) learn about effective strategies to adopt and utilize health information technology in medically underserved communities.

(c) Health information technology regional extension centers

(1) In general

The Secretary shall provide assistance for the creation and support of regional centers (in this subsection referred to as “regional centers”) to provide technical assistance and disseminate best practices and other information learned from the Center to support and accelerate efforts to adopt, implement, and effectively utilize health information technology that allows for the electronic exchange and use of information in compliance with standards, implementation specifications, and certification criteria adopted under section 300jj–14 of this title. Activities conducted under this subsection shall be consistent with the strategic plan developed by the National Coordinator, (and, as available) under section 300jj–11 of this title.

(2) Affiliation

Regional centers shall be affiliated with any United States-based nonprofit institution or organization, or group thereof, that applies and is awarded financial assistance under this section. Individual awards shall be decided on the basis of merit.

(3) Objective

The objective of the regional centers is to enhance and promote the adoption of health information technology through—

(A) assistance with the implementation, effective use, upgrading, and ongoing maintenance of health information technology, including electronic health records, to healthcare providers nationwide;

(B) broad participation of individuals from industry, universities, and State governments;

(C) active dissemination of individuals from health professionals and others in the healthcare industry that would be instrumental to improving the quality of healthcare through the smooth and accurate electronic use and exchange of health information.

(4) Regional assistance

Each regional center shall aim to provide assistance and education to all providers in a region, but shall prioritize any direct assistance first to the following:

(A) Public or not-for-profit hospitals or critical access hospitals.

(B) Federally qualified health centers (as defined in section 1395x(aa)(4) of this title).

(C) Entities that are located in rural and other areas that serve uninsured, underinsured, and medically underserved individuals (regardless of whether such area is urban or rural).

(D) Individual or small group practices (or a consortium thereof) that are primarily focused on primary care.

(5) Financial support

The Secretary may provide financial support to any regional center created under this subsection for a period not to exceed four years. The Secretary may not provide more than 50 percent of the capital and annual operating and maintenance funds required to create and maintain such a center, except in an instance of national economic conditions which would render this cost-share requirement detrimental to the program and upon notification to Congress as to the justification to waive the cost-share requirement.
(6) Notice of program description and availability of funds

The Secretary shall publish in the Federal Register, not later than 90 days after February 17, 2009, a draft description of the program for establishing regional centers under this subsection. Such description shall include the following:

(A) A detailed explanation of the program and the program’s goals.
(B) Procedures to be followed by the applicants.
(C) Criteria for determining qualified applicants.
(D) Maximum support levels expected to be available to centers under the program.

(7) Application review

The Secretary shall subject each application under this subsection to merit review. In making a decision whether to approve such application and provide financial support, the Secretary shall consider at a minimum the merits of the application, including those portions of the application regarding—

(A) the ability of the applicant to provide assistance under this subsection and utilization of health information technology appropriate to the needs of particular categories of health care providers;
(B) the types of service to be provided to health care providers;
(C) geographical diversity and extent of service area; and
(D) the percentage of funding and amount of in-kind commitment from other sources.

(8) Biennial evaluation

Each regional center which receives financial assistance under this subsection shall be evaluated biennially by an evaluation panel appointed by the Secretary. Each evaluation panel shall be composed of private experts, none of whom shall be connected with the center involved, and of Federal officials. Each evaluation panel shall measure the involved center’s performance against the objective specified in paragraph (3). The Secretary shall not continue to provide funding to a regional center unless its evaluation is overall positive.

(9) Continuing support

After the second year of assistance under this subsection, a regional center may receive additional support under this subsection if it has received positive evaluations and a finding by the Secretary that continuation of Federal funding to the center was in the best interest of provision of health information technology extension services.


§ 300jj–33. State grants to promote health information technology

(a) In general

The Secretary, acting through the National Coordinator, shall establish a program in accordance with this section to facilitate and expand the electronic movement and use of health information among organizations according to nationally recognized standards.

(b) Planning grants

The Secretary may award a grant to a State or qualified State-designated entity (as described in subsection (f)) that submits an application to the Secretary at such time, in such manner, and containing such information as the Secretary may specify, for the purpose of planning activities described in subsection (d).

(c) Implementation grants

The Secretary may award a grant to a State or qualified State-designated entity that—

(1) has submitted, and the Secretary has approved, a plan described in subsection (e) (regardless of whether such plan was prepared using amounts awarded under subsection (b));
(2) submits an application at such time, in such manner, and containing such information as the Secretary may specify.

(d) Use of funds

Amounts received under a grant under subsection (c) shall be used to conduct activities to facilitate and expand the electronic movement and use of health information among organizations according to nationally recognized standards through activities that include—

(1) enhancing broad and varied participation in the authorized and secure nationwide electronic use and exchange of health information;
(2) identifying State or local resources available towards a nationwide effort to promote health information technology;
(3) complementing other Federal grants, programs, and efforts towards the promotion of health information technology;
(4) providing technical assistance for the development and dissemination of solutions to barriers to the exchange of electronic health information;
(5) promoting effective strategies to adopt and utilize health information technology in medically underserved communities;
(6) assisting patients in utilizing health information technology;
(7) encouraging clinicians to work with Health Information Technology Regional Extension Centers described in section 300(jj–32) of this title, to the extent they are available and valuable;
(8) supporting public health agencies’ authorized use of and access to electronic health information;
(9) promoting the use of electronic health records for quality improvement including through quality measures reporting; and
(10) such other activities as the Secretary may specify.

(e) Plan

(1) In general

A plan described in this subsection is a plan that describes the activities to be carried out

---

1 So in original. Probably should be “State-designated”.
2 So in original. Another closing parenthesis probably should precede the semicolon.
A plan described in paragraph (1) shall—
(A) be pursued in the public interest;
(B) be consistent with the strategic plan developed by the National Coordinator, (and, as available) under section 300jj–11 of this title;
(C) include a description of the ways the State or qualified State-designated entity will carry out the activities described in subsection (b); and
(D) contain such elements as the Secretary may require.

(f) Qualified State-designated entity
For purposes of this section, to be a qualified State-designated entity, with respect to a State, an entity shall—
(1) be designated by the State as eligible to receive awards under this section;
(2) be a not-for-profit entity with broad stakeholder representation on its governing board;
(3) demonstrate that one of its principal goals is to use information technology to improve health care quality and efficiency through the authorized and secure electronic exchange and use of health information;
(4) adopt nondiscrimination and conflict of interest policies that demonstrate a commitment to open, fair, and nondiscriminatory participation by stakeholders; and
(5) conform to such other requirements as the Secretary may establish.

(g) Required consultation
In carrying out activities described in subsections (b) and (c), a State or qualified State-designated entity shall consult with and consider the recommendations of—
(1) health care providers (including providers that provide services to low income and underserved populations);
(2) health plans;
(3) patient or consumer organizations that represent the population to be served;
(4) health information technology vendors;
(5) health care purchasers and employers;
(6) public health agencies;
(7) health professions schools, universities and colleges;
(8) clinical researchers;
(9) other users of health information technology such as the support and clerical staff of providers and others involved in the care and care coordination of patients; and
(10) such other entities, as may be determined appropriate by the Secretary.

(h) Continuous improvement
The Secretary shall annually evaluate the activities conducted under this section and shall, in awarding grants under this section, implement the lessons learned from such evaluation in a manner so that awards made subsequent to each such evaluation are made in a manner that, in the determination of the Secretary, will lead towards the greatest improvement in quality of care, decrease in costs, and the most effective authorized and secure electronic exchange of health information.

(i) Required match
(1) In general
For a fiscal year (beginning with fiscal year 2011), the Secretary may not make a grant under this section to a State unless the State agrees to make available non-Federal contributions (which may include in-kind contributions) toward the costs of a grant awarded under subsection (c) in an amount equal to—
(A) for fiscal year 2011, not less than $1 for each $10 of Federal funds provided under the grant;
(B) for fiscal year 2012, not less than $1 for each $7 of Federal funds provided under the grant; and
(C) for fiscal year 2013 and each subsequent fiscal year, not less than $1 for each $3 of Federal funds provided under the grant.

(2) Authority to require State match for fiscal years before fiscal year 2011
For any fiscal year during the grant program under this section before fiscal year 2011, the Secretary may determine the extent to which there shall be required a non-Federal contribution from a State receiving a grant under this section.

(3) Funding match for Indian tribes
For purposes of this subsection, the term “eligible entity” means a State or Indian tribe (as defined in the Indian Self-Determination and Education Assistance Act [25 U.S.C. 5301 et seq.]) that—
(1) submits to the National Coordinator an application at such time, in such manner, and containing such information as the National Coordinator may require;
(2) submits to the National Coordinator a strategic plan in accordance with subsection (d) and provides to the National Coordinator assurances that the entity will establish a Loan Fund in accordance with subsection (c); and
(3) provides assurances to the National Coordinator that the entity will establish a Loan Fund in accordance with subsection (c).

(j) Authorization of appropriations
For any fiscal year during the grant program under this section, not less than $1 for each $3 of Federal funds provided under this section.
loan from the Loan Fund to a health care provider unless the provider agrees to—

(A) submit reports on quality measures adopted by the Federal Government (by not later than 90 days after the date on which such measures are adopted), to—

(i) the Administrator of the Centers for Medicare & Medicaid Services (or his or her designee), in the case of an entity participating in the Medicare program under title XVIII of the Social Security Act [42 U.S.C. 1395 et seq.] or the Medicaid program under title XIX of such Act [42 U.S.C. 1396 et seq.]; or

(ii) the Secretary in the case of other entities;

(B) demonstrate to the satisfaction of the Secretary (through criteria established by the Secretary) that any certified EHR technology purchased, improved, or otherwise financially supported under a loan under this section is used to exchange health information in a manner that, in accordance with law and standards (as adopted under section 300jj–14 of this title) applicable to the exchange of information, improves the quality of health care, such as promoting care coordination; and

(C) comply with such other requirements as the entity or the Secretary may require;

(D) include a plan on how health care providers involved intend to maintain and support the certified EHR technology over time;

(E) include a plan on how the health care providers involved intend to maintain and support the certified EHR technology that would be purchased with such loan, including the type of resources expected to be involved and any such other information as the State or Indian Tribe, respectively, may require; and

(5) agrees to provide matching funds in accordance with subsection (b).

(c) Establishment of fund

For purposes of subsection (b)(3), an eligible entity shall establish a certified EHR technology loan fund (referred to in this subsection as a “Loan Fund”) and comply with the other requirements contained in this section. A grant to an eligible entity under this section shall be deposited in the Loan Fund established by the eligible entity. No funds authorized by other provisions of this subchapter to be used for purposes specified in this subchapter shall be deposited in any Loan Fund.

(d) Strategic plan

(1) In general

For purposes of subsection (b)(2), a strategic plan of an eligible entity under this subsection shall identify the intended uses of amounts available to the Loan Fund of such entity.

(2) Contents

A strategic plan under paragraph (1), with respect to a Loan Fund of an eligible entity, shall include for a year the following:

(A) A list of the projects to be assisted through the Loan Fund during such year.

(B) A description of the criteria and methods established for the distribution of funds from the Loan Fund during the year.

(C) A description of the financial status of the Loan Fund as of the date of submission of the plan.

(D) The short-term and long-term goals of the Loan Fund.

(e) Use of funds

Amounts deposited in a Loan Fund, including loan repayments and interest earned on such amounts, shall be used only for awarding loans or loan guarantees, making reimbursements described in subsection (g)(4)(A), or as a source of reserve and security for leveraged loans, the proceeds of which are deposited in the Loan Fund established under subsection (c). Loans under this section may be used by a health care provider to—

(1) facilitate the purchase of certified EHR technology;

(2) enhance the utilization of certified EHR technology (which may include costs associated with upgrading health information technology so that it meets criteria necessary to be a certified EHR technology);

(3) train personnel in the use of such technology; or

(4) improve the secure electronic exchange of health information.

(f) Types of assistance

Except as otherwise limited by applicable State law, amounts deposited into a Loan Fund under this section may only be used for the following:

(1) To award loans that comply with the following:

(A) The interest rate for each loan shall not exceed the market interest rate.

(B) The principal and interest payments on each loan shall commence not later than 1 year after the date the loan was awarded, and each loan shall be fully amortized not later than 10 years after the date of the loan.

(C) The Loan Fund shall be credited with all payments of principal and interest on each loan awarded from the Loan Fund.

(2) To guarantee, or purchase insurance for, a local obligation (all of the proceeds of which are deposited into the Loan Fund) if the guarantee or purchase would improve credit market access or reduce the interest rate applicable to the obligation involved.

(3) As a source of revenue or security for the payment of principal and interest on revenue or general obligation bonds issued by the eligible entity if the proceeds of the sale of the bonds will be deposited into the Loan Fund.

(4) To earn interest on the amounts deposited into the Loan Fund.

(5) To make reimbursements described in subsection (g)(4)(A).

(g) Administration of loan funds

(1) Combined financial administration

An eligible entity may (as a convenience and to avoid unnecessary administrative costs)
§ 300jj–35  TITLE 42—THE PUBLIC HEALTH AND WELFARE  Page 1542

combine, in accordance with applicable State law, the financial administration of a Loan Fund established under this subsection with the financial administration of any other revolving fund established by the entity if otherwise not prohibited by the law under which the Loan Fund was established.

(2) Cost of administering fund

Each eligible entity may annually use not to exceed 4 percent of the funds provided to the entity under a grant under this section to pay the reasonable costs of the administration of the programs under this section, including the recovery of reasonable costs expended to establish a Loan Fund which are incurred after February 17, 2009.

(3) Guidance and regulations

The National Coordinator shall publish guidance and promulgate regulations as may be necessary to carry out the provisions of this section, including—

(A) provisions to ensure that each eligible entity commits and expends funds allotted to the entity under this section as efficiently as possible in accordance with this subchapter and applicable State laws; and

(B) guidance to prevent waste, fraud, and abuse.

(4) Private sector contributions

(A) In general

A Loan Fund established under this section may accept contributions from private sector entities, except that such entities may not specify the recipient or recipients of any loan issued under this subsection. An eligible entity may agree to reimburse a private sector entity for any contribution made under this subparagraph, except that the amount of such reimbursement may not be greater than the principal amount of the contribution made.

(B) Availability of information

An eligible entity shall make publicly available the identity of, and amount contributed by, any private sector entity under subparagraph (A) and may issue letters of commendation or make other awards (that have no financial value) to any such entity.

(h) Matching requirements

(1) In general

The National Coordinator may not make a grant under subsection (a) to an eligible entity unless the entity agrees to make available (directly or through donations from public or private entities) non-Federal contributions in cash to the costs of carrying out the activities for which the grant is awarded in an amount equal to not less than $1 for each $5 of Federal funds provided under the grant.

(2) Determination of amount of non-Federal contribution

In determining the amount of non-Federal contributions that an eligible entity has provided pursuant to subparagraph (A), the Na-

2So in original. Probably means “paragraph (1).”
nology, in the delivery of health care services; and
(5) provide matching funds in accordance with subsection (d).

(c) Use of funds
(1) In general
With respect to a grant under subsection (a), an eligible entity shall—
(A) use grant funds in collaboration with 2 or more disciplines; and
(B) use grant funds to integrate certified EHR technology into community-based clinical education.

(2) Limitation
An eligible entity shall not use amounts received under a grant under subsection (a) to purchase hardware, software, or services.

(d) Financial support
The Secretary may not provide more than 50 percent of the costs of any activity for which assistance is provided under subsection (a), except in an instance of national economic conditions which would render the cost-share requirement under this subsection detrimental to the program and upon notification to Congress as to the justification to waive the cost-share requirement.

(e) Evaluation
The Secretary shall take such action as may be necessary to evaluate the projects funded under this section and publish, make available, and disseminate the results of such evaluations on as wide a basis as is practicable.

(f) Reports
Not later than 1 year after February 17, 2009, and annually thereafter, the Secretary shall submit to the Committee on Health, Education, Labor, and Pensions and the Committee on Finance of the Senate, and the Committee on Energy and Commerce of the House of Representatives a report that—
(1) describes the specific projects established under this section; and
(2) contains recommendations for Congress based on the evaluation conducted under subsection (e).


§ 300jj–37. General grant and loan provisions

(a) Reports
The Secretary may require that an entity receiving assistance under this part shall submit to the Secretary, not later than the date that is 1 year after the date of receipt of such assistance, a report that includes—
(1) an analysis of the effectiveness of the activities for which the entity receives such assistance, as compared to the goals for such activities; and
(2) an analysis of the impact of the project on health care quality and safety.

(b) Requirement to improve quality of care and decrease in costs
The National Coordinator shall annually evaluate the activities conducted under this part and shall, in awarding grants, implement the lessons learned from such evaluation in a manner so that awards made subsequent to each such evaluation are made in a manner that, in the determination of the National Coordinator, will result in the greatest improvement in the quality and efficiency of health care.


§ 300jj–38. Authorization for appropriations
For the purposes of carrying out this part, there is authorized to be appropriated such sums as may be necessary for each of the fiscal years 2009 through 2013.

§ 300jj–51. Health information technology enrollment standards and protocols

(a) In general

(1) Standards and protocols

Not later than 180 days after March 23, 2010, the Secretary, in consultation with the HIT Advisory Committee, shall develop interoperable and secure standards and protocols that facilitate enrollment of individuals in Federal and State programs, as determined by the Secretary.

(2) Methods

The Secretary shall facilitate enrollment in such programs through methods determined appropriate by the Secretary, which shall include providing individuals and third parties authorized by such individuals and their designees notification of eligibility verification of eligibility required under such programs.

(b) Content

The standards and protocols for electronic enrollment in the Federal and State programs described in subsection (a) shall allow for the following:

(1) Electronic matching against existing Federal and State data, including vital records, employment history, enrollment systems, tax records, and other data determined appropriate by the Secretary to serve as evidence of eligibility and in lieu of paper-based documentation.

(2) Simplification and submission of electronic documentation, digitization of documents, and systems verification of eligibility.

(3) Reuse of stored eligibility information (including documentation) to assist with retention of eligible individuals.

(4) Methods for individuals to apply, recertify, and manage their eligibility information online, including at home, at points of service, and other community-based locations.

(5) Ability to expand the enrollment system to integrate new programs, rules, and functionalities, to operate at increased volume, and to apply streamlined verification and eligibility processes to other Federal and State programs, as appropriate.

(6) Notification of eligibility, recertification, and other needed communication regarding eligibility, which may include communication via email and cellular phones.

(7) Other functionalities necessary to provide eligibles with streamlined enrollment process.

(c) Approval and notification

With respect to any standard or protocol developed under subsection (a) that has been approved by the HIT Advisory Committee, the Secretary—

(1) shall notify States of such standards or protocols; and

(2) may require, as a condition of receiving Federal funds for the health information technology investments, that States or other entities incorporate such standards and protocols into such investments.

(d) Grants for implementation of appropriate enrollment HIT

(1) In general

The Secretary shall award grants to eligible entities to develop new, and adapt existing, technology systems to implement the HIT enrollment standards and protocols developed under subsection (a) (referred to in this subsection as “appropriate HIT technology”).

(2) Eligible entities

To be eligible for a grant under this subsection, an entity shall—

(A) be a State, political subdivision of a State, or a local governmental entity; and

(B) submit to the Secretary an application at such time, in such manner, and containing—

(i) a plan to adopt and implement appropriate enrollment technology that includes—

(I) proposed reduction in maintenance costs of technology systems;

(II) elimination or updating of legacy systems; and

(III) demonstrated collaboration with other entities that may receive a grant under this section that are located in the same State, political subdivision, or locality;

(ii) an assurance that the entity will share such appropriate enrollment technology in accordance with paragraph (4); and

(iii) such other information as the Secretary may require.

(3) Sharing

(A) In general

The Secretary shall ensure that appropriate enrollment HIT adopted under grants under this subsection is made available to other qualified State, qualified political subdivisions of a State, or other appropriate qualified entities (as described in subparagraph (B)) at no cost.

(B) Qualified entities

The Secretary shall determine what entities are qualified to receive enrollment HIT under subparagraph (A), taking into consideration the recommendations of the HIT Advisory Committee.


References in Text

March 23, 2010, referred to in subsec. (a)(1), was in the original “the date of enactment of this title”, which was translated as meaning the date of enactment of Pub. L. 111–148, which enacted this part, to reflect the probable intent of Congress.

1 See References in Text note below.

2 So in original. Probably should be “grants”.
§ 300jj-52. Information blocking

(a) Definition

(1) In general

In this section, the term “information blocking” means a practice that—

(A) except as required by law or specified by the Secretary pursuant to rulemaking under paragraph (3), is likely to interfere with, prevent, or materially discourage access, exchange, or use of electronic health information; and

(B)(i) if conducted by a health information technology developer, exchange, or network, such developer, exchange, or network knows, or should know, that such practice is likely to interfere with, prevent, or materially discourage the access, exchange, or use of electronic health information; or

(ii) if conducted by a health care provider, such provider knows that such practice is unreasonable and is likely to interfere with, prevent, or materially discourage access, exchange, or use of electronic health information.

(2) Practices described

The information blocking practices described in paragraph (1) may include—

(A) practices that restrict authorized access, exchange, or use under applicable State or Federal law of such information for treatment and other permitted purposes under such applicable law, including transitions between certified health information technologies;

(B) implementing health information technology in nonstandard ways that are likely to substantially increase the complexity or burden of accessing, exchanging, or using electronic health information; and

(C) implementing health information technology in ways that are likely to—

(i) restrict the access, exchange, or use of electronic health information with respect to exporting complete information sets or in transitioning between health information technology systems; or

(ii) lead to fraud, waste, or abuse, or impede innovations and advancements in health information access, exchange, and use, including care delivery enabled by health information technology.

(3) Rulemaking

The Secretary, through rulemaking, shall identify reasonable and necessary activities that do not constitute information blocking for purposes of paragraph (1).

(4) No enforcement before exception identified

The term “information blocking” does not include any practice or conduct occurring prior to the date that is 30 days after December 13, 2016.

(5) Consultation

The Secretary may consult with the Federal Trade Commission in promulgating regulations under this subsection, to the extent that such regulations define practices that are necessary to promote competition and consumer welfare.

(6) Application

The term “information blocking”, with respect to an individual or entity, shall not include an act or practice other than an act or practice committed by such individual or entity.

(7) Clarification

In carrying out this section, the Secretary shall ensure that health care providers are not penalized for the failure of developers of health information technology or other entities offering health information technology to such providers to ensure that such technology meets the requirements to be certified under this subchapter.

(b) Inspector General authority

(1) In general

The inspector general of the Department of Health and Human Services (referred to in this section as the “Inspector General”) may investigate any claim that—

(A) a health information technology developer of certified health information technology or other entity offering certified health information technology—

(i) submitted a false attestation under section 300jj-11(c)(5)(D)(vii) of this title; or

(ii) engaged in information blocking;

(B) a health care provider engaged in information blocking; or

(C) a health information exchange or network engaged in information blocking.

(2) Penalties

(A) Developers, networks, and exchanges

Any individual or entity described in subparagraph (A) or (C) of paragraph (1) that the Inspector General, following an investigation conducted under this subsection, determines to have committed information blocking shall be subject to a civil monetary penalty determined by the Secretary for all such violations identified through such investigation, which may not exceed $1,000,000 per violation. Such determination shall take into account factors such as the nature and extent of the information blocking and harm resulting from such information blocking, including, where applicable, the number of patients affected, the number of providers affected, and the number of days the information blocking persisted.

(B) Providers

Any individual or entity described in subparagraph (B) of paragraph (1) determined by the Inspector General to have committed information blocking shall be referred to the appropriate agency to be subject to appropriate disincentives using authorities under applicable Federal law, as the Secretary sets forth through notice and comment rulemaking.

(C) Procedure

The provisions of section 1320a-7a of this title (other than subsections (a) and (b) of
such section) shall apply to a civil money penalty applied under this paragraph in the same manner as such provisions apply to a civil money penalty or proceeding under such section 1320a–7a(a) of this title.

(D) Recovered penalty funds

The amounts recovered under this paragraph shall be allocated as follows:

(i) Annual operating expenses

Each year following the establishment of the authority under this subsection, the Office of the Inspector General shall provide to the Secretary an estimate of the costs to carry out investigations under this section. Such estimate may include reasonable reserves to account for variance in annual amounts recovered under this paragraph. There is authorized to be appropriated for purposes of carrying out this section an amount equal to the amount specified in such estimate for the fiscal year.

(ii) Application to other programs

The amounts recovered under this paragraph and remaining after amounts are made available under clause (i) shall be transferred to the Federal Hospital Insurance Trust Fund under section 1395i of this title and the Federal Supplemental Medical Insurance Trust Fund under section 1395t of this title, in such proportion as the Secretary determines appropriate.

(E) Authorization of appropriations

There is authorized to be appropriated to the Office of the Inspector General to carry out this section $10,000,000, to remain available until expended.

(3) Resolution of claims

(A) In general

The Office of the Inspector General, if such Office determines that a consultation regarding the health privacy and security rules promulgated under section 264(c) of the Health Insurance Portability and Accountability Act of 1996 (42 U.S.C. 1320d–2 note) will resolve an information blocking claim, may refer such instances of information blocking to the Office for Civil Rights of the Department of Health and Human Services for resolution.

(B) Limitation on liability

If a health care provider or health information technology developer makes information available based on a good faith reliance on consultations with the Office for Civil Rights of the Department of Health and Human Services pursuant to a referral under subparagraph (A), with respect to such information, the health care provider or developer shall not be liable for such disclosure or disclosures made pursuant to subparagraph (A).

(c) Identifying barriers to exchange of certified health information technology

(1) Trusted exchange defined

In this section, the term “trusted exchange” with respect to certified electronic health records means that the certified electronic health record technology has the technical capability to enable secure health information exchange between users and multiple certified electronic health record technology systems.

(2) Guidance

The National Coordinator, in consultation with the Office for Civil Rights of the Department of Health and Human Services, shall issue guidance on common legal, governance, and security barriers that prevent the trusted exchange of electronic health information.

(3) Referral

The National Coordinator and the Office for Civil Rights of the Department of Health and Human Services may refer to the Inspector General instances or patterns of refusal to exchange health information with an individual or entity using certified electronic health record technology that is technically capable of trusted exchange and under conditions when exchange is legally permissible.

(d) Additional provisions

(1) Information sharing provisions

The National Coordinator may serve as a technical consultant to the Inspector General and the Federal Trade Commission for purposes of carrying out this section. The National Coordinator may, notwithstanding any other provision of law, share information related to claims or investigations under subsection (b) with the Federal Trade Commission for purposes of such investigations and shall share information with the Inspector General, as required by law.

(2) Protection from disclosure of information

Any information that is received by the National Coordinator in connection with a claim or suggestion of possible information blocking and that could reasonably be expected to facilitate identification of the source of the information—

(A) shall not be disclosed by the National Coordinator except as may be necessary to carry out the purpose of this section;

(B) shall be exempt from mandatory disclosure under section 552 of title 5, as provided by subsection (b)(3) of such section; and

(C) may be used by the Inspector General or Federal Trade Commission for reporting purposes to the extent that such information could not reasonably be expected to facilitate identification of the source of such information.

(3) Standardized process

(A) In general

The National Coordinator shall implement a standardized process for the public to submit reports on claims of—

(i) health information technology products or developers of such products (or other entities offering such products to health care providers) not being interoperable or resulting in information blocking;

(ii) actions described in subsection (b)(i) that result in information blocking as described in subsection (a); and
(ii) any other act described in subsection (a).

(B) Collection of information

The standardized process implemented under subparagraph (A) shall provide for the collection of such information as the originating institution, location, type of transaction, system and version, timestamp, terminating institution, locations, system and version, failure notice, and other related information.

(4) Nonduplication of penalty structures

In carrying out this subsection, the Secretary shall, to the extent possible, ensure that penalties do not duplicate penalty structures that would otherwise apply with respect to information blocking and the type of individual or entity involved as of the day before December 13, 2016.


REFERENCES IN TEXT

Section 264(c) of the Health Insurance Portability and Accountability Act of 1996, referred to in subsec. (b)(3)(A), is section 264(c) of Pub. L. 104–191, which is set out as a note under section 1320d–2 of this title.

SUBCHAPTER XXIX—DATA COLLECTION, ANALYSIS, AND QUALITY

§ 300kk. Data collection, analysis, and quality

(a) Data collection

(1) In general

The Secretary shall ensure that, by not later than 2 years after March 23, 2010, any federally conducted or supported health care or public health program, activity or survey (including Current Population Surveys and American Community Surveys conducted by the Bureau of Labor Statistics and the Bureau of the Census) collects and reports, to the extent practicable—

(A) data on race, ethnicity, sex, primary language, and disability status for applicants, recipients, or participants;

(B) data at the smallest geographic level such as State, local, or institutional levels if such data can be aggregated;

(C) sufficient data to generate statistically reliable estimates by racial, ethnic, sex, primary language, and disability status subgroups for applicants, recipients or participants using, if needed, statistical oversamples of these subpopulations; and

(D) any other demographic data as deemed appropriate by the Secretary regarding health disparities.

(2) Collection standards

In collecting data described in paragraph (1), the Secretary or designee shall—

(A) use Office of Management and Budget standards, at a minimum, for race and ethnicity measures;

(B) develop standards for the measurement of sex, primary language, and disability status;

(C) develop standards for the collection of data described in paragraph (1) that, at a minimum—

(i) collects self-reported data by the applicant, recipient, or participant; and

(ii) collects data from a parent or legal guardian if the applicant, recipient, or participant is a minor or legally incapacitated;

(D) survey health care providers and establish other procedures in order to assess access to care and treatment for individuals with disabilities and to identify—

(i) locations where individuals with disabilities access primary, acute (including intensive), and long-term care;

(ii) the number of providers with accessible facilities and equipment to meet the needs of the individuals with disabilities, including medical diagnostic equipment that meets the minimum technical criteria set forth in section 794f of title 29; and

(iii) the number of employees of health care providers trained in disability awareness and patient care of individuals with disabilities; and

(E) require that any reporting requirement imposed for purposes of measuring quality under any ongoing or federally conducted or supported health care or public health program, activity, or survey includes requirements for the collection of data on individuals receiving health care items or services under such programs activities by race, ethnicity, sex, primary language, and disability status.

(3) Data management

In collecting data described in paragraph (1), the Secretary, acting through the National Coordinator for Health Information Technology—

(A) develop national standards for the management of data collected; and

(B) develop interoperability and security systems for data management.

(b) Data analysis

(1) In general

For each federally conducted or supported health care or public health program or activity, the Secretary shall analyze data collected under paragraph (a) to detect and monitor trends in health disparities (as defined for purposes of section 285t of this title) at the Federal and State levels.

(c) Data reporting and dissemination

(1) In general

The Secretary shall make the analyses described in (b) available to—

(A) the Office of Minority Health;

(B) the National Center on Minority Health and Health Disparities;

(C) the Agency for Healthcare Research and Quality;
(D) the Centers for Disease Control and Prevention;
(E) the Centers for Medicare & Medicaid Services;
(F) the Indian Health Service and epidemiologic centers funded under the Indian Health Care Improvement Act [25 U.S.C. 1601 et seq.];
(G) the Office of Rural Health;
(H) other agencies within the Department of Health and Human Services; and
(I) other entities as determined appropriate by the Secretary.

(2) Reporting of data
The Secretary shall report data and analyses described in (a) and (b) through—
(A) public postings on the Internet websites of the Department of Health and Human Services; and
(B) any other reporting or dissemination mechanisms determined appropriate by the Secretary.

(3) Availability of data
The Secretary may make data described in (a) and (b) available for additional research, analyses, and dissemination to other Federal agencies, non-governmental entities, and the public, in accordance with any Federal agency’s data user agreements.

(d) Limitations on use of data
Nothing in this section shall be construed to permit the use of information collected under this section in a manner that would adversely affect any individual.

(e) Protection and sharing of data

(1) Privacy and other safeguards
The Secretary shall ensure (through the promulgation of regulations or otherwise) that—
(A) all data collected pursuant to subsection (a) is protected—
(i) under privacy protections that are at least as broad as those that the Secretary applies to other health data under the regulations promulgated under section 264(c) of the Health Insurance Portability and Accountability Act of 1996 (Public Law 104–191; 110 Stat. 2033); and
(ii) from all inappropriate internal use by any entity that collects, stores, or receives the data, including use of such data in determinations of eligibility (or continued eligibility) in health plans, and from other inappropriate uses, as defined by the Secretary; and
(B) all appropriate information security safeguards are used in the collection, analysis, and sharing of data collected pursuant to subsection (a).

(2) Data sharing
The Secretary shall establish procedures for sharing data collected pursuant to subsection (a), measures relating to such data, and analyses of such data, with other relevant Federal and State agencies including the agencies, centers, and entities within the Department of Health and Human Services specified in subsection (c)(1).1

(f) Data on rural underserved populations
The Secretary shall ensure that any data collected in accordance with this section regarding racial and ethnic minority groups are also collected regarding underserved rural and frontier populations.

(g) Authorization of appropriations
For the purpose of carrying out this section, there are authorized to be appropriated such sums as may be necessary for each of fiscal years 2010 through 2014.

(h) Requirement for implementation
Notwithstanding any other provision of this section, data may not be collected under this section unless funds are directly appropriated for such purpose in an appropriations Act.

(i) Consultation
The Secretary shall consult with the Director of the Office of Personnel Management, the Secretary of Defense, the Secretary of Veterans Affairs, the Director of the Bureau of the Census, the Commissioner of Social Security, and the head of other appropriate Federal agencies in carrying out this section.

(July 1, 1944, ch. 373, title XXXI, §3101, as added Pub. L. 111–148, title IV, §4302(a), Mar. 23, 2010, 124 Stat. 578.)

References in Text
Section 285et of this title, referred to in subsec. (b)(1), was in the original “section 485E,” meaning section 485E of act July 1, 1944, which was renumbered section 462–3 by Pub. L. 111–148, title X, §10334(c)(1)(D)(i), Mar. 23, 2010, 124 Stat. 973, and is classified to section 285et of this title. The act of July 1, 1944, no longer contains a section 485E.

The Indian Health Care Improvement Act, referred to in subsec. (c)(1)(F), is Pub. L. 94–437, Sept. 30, 1976, 90 Stat. 1400, which is classified principally to chapter 18 (§1601 et seq.) of Title 25, Indians. For complete classification of this Act to the Code, see Short Title note set out under title 1601 of Title 25 and Tables.


SUBCHAPTER XXX—COMMUNITY LIVING ASSISTANCE SERVICES AND SUPPORTS

§ 300mm. Establishment of World Trade Center Health Program

(a) In general

There is hereby established within the Department of Health and Human Services a program to be known as the World Trade Center Health Program, which shall be administered by the WTC Program Administrator, to provide beginning on July 1, 2011—

(1) medical monitoring and treatment benefits to eligible emergency responders and recovery and cleanup workers (including those who are Federal employees) who responded to the September 11, 2001, terrorist attacks; and

(2) initial health evaluation, monitoring, and treatment benefits to residents and other building occupants and area workers in New York City who were directly impacted and adversely affected by such attacks.

(b) Components of program

The WTC Program includes the following components:

(1) Medical monitoring for responders

Medical monitoring under section 300mm–21 of this title, including clinical examinations and long-term health monitoring and analysis for enrolled WTC responders who were likely to have been exposed to airborne toxins that were released, or to other hazards, as a result of the September 11, 2001, terrorist attacks.

(2) Initial health evaluation for survivors

An initial health evaluation under section 300mm–31 of this title, including an evaluation to determine eligibility for follow-up monitoring and treatment.

(3) Followup monitoring and treatment for WTC-related health conditions for responders and survivors

Provision under sections 300mm–22, 300mm–32, and 300mm–33 of this title of follow-up monitoring and treatment and payment, subject to the provisions of subsection (d), for all medically necessary health and mental health care expenses of an individual with respect to a WTC-related health condition (including necessary prescription drugs).

(4) Outreach

Establishment under section 300mm–2 of this title of an education and outreach program to potentially eligible individuals concerning the benefits under this subchapter.

(5) Clinical data collection and analysis

Collection and analysis under section 300mm–3 of this title of health and mental health data relating to individuals receiving monitoring or treatment benefits in a uniform manner in collaboration with the collection of epidemiological data under section 300mm–52 of this title.

(6) Research on health conditions

Establishment under part C of a research program on health conditions resulting from the September 11, 2001, terrorist attacks.

(c) No cost sharing

Monitoring and treatment benefits and initial health evaluation benefits are provided under part B without any deductibles, copayments, or other cost sharing to an enrolled WTC responder or certified-eligible WTC survivor. Initial health evaluation benefits are provided under part B without any deductibles, copayments, or other
cost sharing to a screening-eligible WTC survivor.

(d) Preventing fraud and unreasonable administrative costs

(1) Fraud

The Inspector General of the Department of Health and Human Services shall develop and implement a program to review the WTC Program’s health care expenditures to detect fraudulent or duplicate billing and payment for inappropriate services. This subchapter is a Federal health care program (as defined in section 1320a–7(b) of this title) and is a health plan (as defined in section 1320a–7c(c) of this title) for purposes of applying sections 1320a–7 through 1320a–7e of this title.

(2) Unreasonable administrative costs

The Inspector General of the Department of Health and Human Services shall develop and implement a program to review the WTC Program for unreasonable administrative costs, including with respect to infrastructure, administration, and claims processing.

(e) Quality assurance

The WTC Program Administrator working with the Clinical Centers of Excellence shall develop and implement a quality assurance program for the monitoring and treatment delivered by such Centers of Excellence and any other participating health care providers. Such program shall include:

(1) adherence to monitoring and treatment protocols;
(2) appropriate diagnostic and treatment referrals for participants;
(3) prompt communication of test results to participants; and
(4) such other elements as the Administrator specifies in consultation with the Clinical Centers of Excellence.

(f) Annual program report

(1) In general

Not later than 6 months after the end of each fiscal year in which the WTC Program is in operation, the WTC Program Administrator shall submit an annual report to the Congress on the operations of this subchapter for such fiscal year and for the entire period of operation of the program.

(2) Contents included in report

Each annual report under paragraph (1) shall include at least the following:

(A) Eligible individuals

Information for each clinical program described in paragraph (3)—

(i) on the number of individuals who applied for certification under part B and the number of such individuals who were so certified;
(ii) of the individuals who were certified, on the number who received monitoring under the program and the number of such individuals who received medical treatment under the program;
(iii) with respect to individuals so certified who received such treatment, on the number of such individuals who received medical treatment for WTC-related health conditions for which they were treated; and
(iv) on the projected number of individuals who will be certified under part B for the succeeding fiscal year.

(B) Monitoring, initial health evaluation, and treatment costs

For each clinical program so described—

(i) information on the costs of monitoring and initial health evaluation and the costs of treatment and on the estimated costs of such monitoring, evaluation, and treatment in the succeeding fiscal year; and
(ii) an estimate of the cost of medical treatment for WTC-related health conditions that have been paid for or reimbursed by workers’ compensation, by public or private health plans, or by New York City under section 300mm–4l of this title.

(C) Administrative costs

Information on the cost of administering the program, including costs of program support, data collection and analysis, and research conducted under the program.

(D) Administrative experience

Information on the administrative performance of the program, including—

(i) the performance of the program in providing timely evaluation of and treatment to eligible individuals; and
(ii) a list of the Clinical Centers of Excellence and other providers that are participating in the program.

(E) Scientific reports

A summary of the findings of any new scientific reports or studies on the health effects associated with exposure described in section 300mm–5(l) of this title, including the findings of research conducted under section 300mm–31(a) of this title.

(F) Advisory Committee recommendations

A list of recommendations by the WTC Scientific/Technical Advisory Committee on additional WTC Program eligibility criteria and on additional WTC-related health conditions and the action of the WTC Program Administrator concerning each such recommendation.

(3) Separate clinical programs described

In paragraph (2), each of the following shall be treated as a separate clinical program of the WTC Program:

(A) Firefighters and related personnel

The benefits provided for enrolled WTC responders described in section 300mm–2l(a)(2)(A) of this title.

(B) Other WTC responders

The benefits provided for enrolled WTC responders not described in subparagraph (A).

(C) WTC survivors

The benefits provided for screening-eligible WTC survivors and certified-eligible WTC survivors in section 300mm–3l(a) of this title.
(g) Notification to Congress upon reaching 80 percent of eligibility numerical limits

The Secretary shall promptly notify the Congress of each of the following:

(1) When the number of enrollments of WTC responders subject to the limit established under section 300mm–21(a)(4) of this title has reached 80 percent of such limit.

(2) When the number of certifications for certified-eligible WTC survivors subject to the limit established under section 300mm–31(a)(3) of this title has reached 80 percent of such limit.

(h) Consultation

The WTC Program Administrator shall engage in ongoing outreach and consultation with relevant stakeholders, including the WTC Health Program Steering Committees and the Advisory Committee under section 300mm–1 of this title, regarding the implementation and improvement of programs under this subchapter.

(i) GAO studies

(1) Report

Not later than 18 months after December 18, 2015, the Comptroller General of the United States shall submit to the Committee on Energy and Commerce of the House of Representatives and the Committee on Health, Education, Labor, and Pensions of the Senate a report that assesses, with respect to the WTC Program, the effectiveness of each of the following:

(A) The quality assurance program developed and implemented under subsection (e).

(B) The procedures for providing certifications of coverage of conditions as WTC-related health conditions for enrolled WTC responders subject to the limit established under section 300mm–21(b)(2)(B)(ii) of this title and for screening-eligible WTC survivors and certified-eligible WTC survivors under such section as applied under section 300mm–32(a) of this title.

(C) Any action under the WTC Program to ensure appropriate payment (including the avoidance of improper payments), including determining the extent to which individuals enrolled in the WTC Program are eligible for workers compensation or sources of health coverage, asserting the liability of such compensation or sources of health coverage, and making recommendations for ensuring effective and efficient coordination of benefits for individuals enrolled in the WTC Program that does not place an undue burden on such individuals.

(2) Subsequent assessments

Not later than 6 years and 6 months after December 18, 2015, and every 5 years thereafter through fiscal year 2042, the Comptroller General of the United States shall:

(A) consult the Committee on Energy and Commerce of the House of Representatives and the Committee on Health, Education, Labor, and Pensions of the Senate on the objectives in assessing the WTC Program; and

(B) prepare and submit to such Committees a report that assesses the WTC Program for the applicable reporting period, including the objectives described in subparagraph (A).

(j) Regulations

The WTC Program Administrator is authorized to promulgate such regulations as the Administrator determines necessary to administer this subchapter.

(k) Termination

The WTC Program shall terminate on October 1, 2090.

(AMENDMENTS

2015—Subsecs. (i) to (k). Pub. L. 114–113 added subsecs. (i) to (k).

§ 300mm–1. WTC Health Program Scientific/Technical Advisory Committee; WTC Health Program Steering Committees

(a) Advisory Committee

(1) Establishment

The WTC Program Administrator shall establish an advisory committee to be known as the WTC Health Program Scientific/Technical Advisory Committee (in this subsection referred to as the “Advisory Committee”) to review scientific and medical evidence and to make recommendations to the Administrator on additional WTC Program eligibility criteria and on additional WTC-related health conditions.

(2) Composition

The WTC Program Administrator shall appoint the members of the Advisory Committee and shall include at least—

(A) 4 occupational physicians, at least 2 of whom have experience treating WTC rescue and recovery workers;

(B) 1 physician with expertise in pulmonary medicine;

(C) 2 environmental medicine or environmental health specialists;

(D) 2 representatives of WTC responders;

(E) 2 representatives of certified-eligible WTC survivors;

(F) an industrial hygienist;

(G) a toxicologist;

(H) an epidemiologist; and

(I) a mental health professional.

(3) Meetings

The Advisory Committee shall meet at such frequency as may be required to carry out its duties.

(4) Reports

The WTC Program Administrator shall provide for publication of recommendations of the Advisory Committee on the public Web site established for the WTC Program.

(5) Duration

Notwithstanding any other provision of law, the Advisory Committee shall continue in operation during the period in which the WTC Program is in operation.

(6) Application of FACA

Except as otherwise specifically provided, the Advisory Committee shall be subject to the Federal Advisory Committee Act.
(b) WTC Health Program Steering Committees

(1) Consultation

The WTC Program Administrator shall consult with 2 steering committees (each in this section referred to as a “Steering Committee”) that are established as follows:

(A) WTC Responders Steering Committee

One Steering Committee, to be known as the WTC Responders Steering Committee, for the purpose of receiving input from affected stakeholders and facilitating the coordination of monitoring and treatment programs for the enrolled WTC responders under subpart 1 of part B.

(B) WTC Survivors Steering Committee

One Steering Committee, to be known as the WTC Survivors Steering Committee, for the purpose of receiving input from affected stakeholders and facilitating the coordination of initial health evaluations, monitoring, and treatment programs for screening-eligible and certified-eligible WTC survivors under subpart 2 of part B.

(2) Membership

(A) WTC Responders Steering Committee

(i) Representation

The WTC Responders Steering Committee shall include—

(I) representatives of the Centers of Excellence providing services to WTC responders;

(II) representatives of labor organizations representing firefighters, police, other New York City employees, and recovery and cleanup workers who responded to the September 11, 2001, terrorist attacks; and

(III) 3 representatives of New York City, 1 of whom will be selected by the police commissioner of New York City, 1 by the health commissioner of New York City, and 1 by the mayor of New York City.

(ii) Initial membership

The WTC Responders Steering Committee shall initially be composed of members of the WTC Monitoring and Treatment Program Steering Committee (as in existence on the day before January 2, 2011).

(B) WTC Survivors Steering Committee

(i) Representation

The WTC Survivors Steering Committee shall include representatives of—

(I) the Centers of Excellence providing services to screening-eligible and certified-eligible WTC survivors;

(II) the population of residents, students, and area and other workers affected by the September 11, 2001, terrorist attacks;

(III) screening-eligible and certified-eligible survivors receiving initial health evaluations, monitoring, or treatment under subpart 2 of part B and organizations advocating on their behalf; and

(IV) New York City.

(ii) Initial membership

The WTC Survivors Steering Committee shall initially be composed of members of the WTC Environmental Health Center Survivor Advisory Committee (as in existence on the day before January 2, 2011).

(C) Additional appointments

Each Steering Committee may recommend, if approved by a majority of voting members of the Committee, additional members to the Committee.

(D) Vacancies

A vacancy in a Steering Committee shall be filled by an individual recommended by the Steering Committee.

(References in Text)


§ 300mm–2. Education and outreach

The WTC Program Administrator shall institute a program that provides education and outreach on the existence and availability of services under the WTC Program. The outreach and education program—

(1) shall include—

(A) the establishment of a public Web site with information about the WTC Program;

(B) meetings with potentially eligible populations;

(C) development and dissemination of outreach materials informing people about the program; and

(D) the establishment of phone information services; and

(2) shall be conducted in a manner intended—

(A) to reach all affected populations; and

(B) to include materials for culturally and linguistically diverse populations.

(References in Text)


§ 300mm–3. Uniform data collection and analysis

(a) In general

The WTC Program Administrator shall provide for the uniform collection of data, including claims data (and analysis of data and regular reports to the Administrator) on the prevalence of WTC-related health conditions and the identification of new WTC-related health conditions. Such data shall be collected for all individuals provided monitoring or treatment benefits under part B and regardless of their place of residence or Clinical Center of Excellence through which the benefits are provided. The WTC Program Administrator shall provide, through the Data Centers or otherwise, for the integration of such data into the monitoring and treatment program activities under this subchapter.
(b) Coordinating through Centers of Excellence

Each Clinical Center of Excellence shall collect data described in subsection (a) and report such data to the corresponding Data Center for analysis by such Data Center.

(c) Collaboration with WTC Health Registry

The WTC Program Administrator shall provide for collaboration between the Data Centers and the World Trade Center Health Registry described in section 300mm–52 of this title.

(d) Privacy

The data collection and analysis under this section shall be conducted and maintained in a manner that protects the confidentiality of individually identifiable health information consistent with applicable statutes and regulations, including, as applicable, HIPAA privacy and security law (as defined in section 300j–19(a)(2) of this title) and section 552a of title 5.


§ 300mm–4. Clinical Centers of Excellence and Data Centers

(a) In general

(1) Contracts with Clinical Centers of Excellence

The WTC Program Administrator shall, subject to subsection (b)(1)(B), enter into contracts with Clinical Centers of Excellence (as defined in subsection (b)(1)(A))—

(A) for the provision of monitoring and treatment benefits and initial health evaluation benefits under part B;

(B) for the provision of outreach and retention activities to individuals eligible for such monitoring and treatment benefits, for initial health evaluation benefits, and for followup to individuals who are enrolled in the monitoring program;

(C) for the provision of counseling for benefits under part B, with respect to WTC-related health conditions, for individuals eligible for such benefits;

(D) for the provision of counseling for benefits for WTC-related health conditions that may be available under workers’ compensation or other benefit programs for work-related injuries or illnesses, health insurance, disability insurance, or other insurance plans or through public or private social service agencies and assisting eligible individuals in applying for such benefits;

(E) for the provision of translational and interpretive services for program participants who are not English language proficient; and

(F) for the collection and reporting of data, including claims data, in accordance with section 300mm–3 of this title.

(2) Contracts with Data Centers

(A) In general

The WTC Program Administrator shall enter into contracts with one or more Data Centers (as defined in subsection (b)(2))—

(i) for receiving, analyzing, and reporting to the WTC Program Administrator on data, in accordance with section 300mm–3 of this title, that have been collected and reported to such Data Centers by the corresponding Clinical Centers of Excellence under subsection (b)(1)(B)(iii);

(ii) for the development of monitoring, initial health evaluation, and treatment protocols, with respect to WTC-related health conditions;

(iii) for coordinating the outreach and retention activities conducted under paragraph (1)(B) by each corresponding Clinical Center of Excellence;

(iv) for establishing criteria for the credentialing of medical providers participating in the nationwide network under section 300mm–23 of this title;

(v) for coordinating and administering the activities of the WTC Health Program Steering Committees established under section 300mm–1(b)1 of this title; and

(vi) for meeting periodically with the corresponding Clinical Centers of Excellence to obtain input on the analysis and reporting of data collected under clause (i) and on the development of monitoring, initial health evaluation, and treatment protocols under clause (ii).

(B) Contract with Medical provider selection

The medical providers under subparagraph (A)(iv) shall be selected by the WTC Program Administrator on the basis of their experience treating or diagnosing the health conditions included in the list of WTC-related health conditions.

(C) Clinical discussions

In carrying out subparagraph (A)(ii), a Data Center shall engage in clinical discussions across the WTC Program to guide treatment approaches for individuals with a WTC-related health condition.

(D) Transparency of data

A contract entered into under this subsection with a Data Center shall require the Data Center to make any data collected and reported to such Center under subsection (b)(1)(B)(iii) available to health researchers and others as provided in the CDC/ATSDR Policy on Releasing and Sharing Data.

(3) Authority for contracts to be class specific

A contract entered into under this subsection with a Clinical Center of Excellence or a Data Center may be with respect to one or more class of enrolled WTC responders, screening-eligible WTC survivors, or certified-eligible WTC survivors.

(4) Use of cooperative agreements

Any contract under this subchapter between the WTC Program Administrator and a Data Center or a Clinical Center of Excellence may be in the form of a cooperative agreement.

(5) Review on feasibility of consolidating Data Centers

Not later than July 1, 2011, the Comptroller General of the United States shall submit to

1 See References in Text note below.
(b) Centers of Excellence
(1) Clinical Centers of Excellence
(A) Definition
For purposes of this subchapter, the term “Clinical Center of Excellence” means a Center that demonstrates to the satisfaction of the Administrator that the Center—
(i) uses an integrated, centralized health care provider approach to create a comprehensive suite of health services under this subchapter that are accessible to enrolled WTC responders, screening-eligible WTC survivors, or certified-eligible WTC survivors;
(ii) has experience in caring for WTC responders and screening-eligible WTC survivors or includes health care providers who have been trained pursuant to section 300mm–23(c) of this title;
(iii) employs health care provider staff with expertise that includes, at a minimum, occupational medicine, environmental medicine, trauma-related psychiatry and psychology, and social services counseling; and
(iv) meets such other requirements as specified by the Administrator.
(B) Contract requirements
The WTC Program Administrator shall not enter into a contract with a Clinical Center of Excellence under subsection (a)(2) unless the Center agrees to do each of the following:
(i) Establish a formal mechanism for consulting with and receiving input from representatives of eligible populations receiving monitoring and treatment benefits under part B from such Center.
(ii) Coordinate monitoring and treatment benefits under part B with routine medical care provided for the treatment of conditions other than WTC-related health conditions.
(iii) Collect and report to the corresponding Data Center data, including claims data, in accordance with section 300mm–3(b) of this title.
(iv) Have in place safeguards against fraud that are satisfactory to the Administrator, in consultation with the Inspector General of the Department of Health and Human Services.
(v) Treat or refer for treatment all individuals who are enrolled WTC responders or certified-eligible WTC survivors with respect to such Center who present themselves for treatment of a WTC-related health condition.
(vi) Have in place safeguards, consistent with section 300mm–3(d) of this title, to ensure the confidentiality of an individual’s individually identifiable health information, including requiring that such information not be disclosed to the individual’s employer without the authorization of the individual.
(vii) Use amounts paid under subsection (c)(1) only for costs incurred in carrying out the activities described in subsection (a), other than those described in subsection (a)(1)(A).
(viii) Utilize health care providers with occupational and environmental medicine expertise to conduct physical and mental health assessments, in accordance with protocols developed under subsection (a)(2)(A)(ii).
(ix) Communicate with WTC responders and screening-eligible and certified-eligible WTC survivors in appropriate languages and conduct outreach activities with relevant stakeholder worker or community associations.
(x) Meet all the other applicable requirements of this subchapter, including regulations implementing such requirements.
(C) Transition rule to ensure continuity of care
The WTC Program Administrator shall to the maximum extent feasible ensure continuity of care in any period of transition from monitoring and treatment of an enrolled WTC responder or certified-eligible WTC survivor by a provider to a Clinical Center of Excellence or a health care provider participating in the nationwide network under section 300mm–23 of this title.

(2) Data Centers
For purposes of this subchapter, the term “Data Center” means a Center that the WTC Program Administrator determines has the capacity to carry out the responsibilities for a Data Center under subsection (a)(2).

(3) Corresponding centers
For purposes of this subchapter, a Clinical Center of Excellence and a Data Center shall be treated as “corresponding” to the extent that such Clinical Center and Data Center serve the same population group.

(c) Payment for infrastructure costs
(1) In general
The WTC Program Administrator shall reimburse a Clinical Center of Excellence for the fixed infrastructure costs of such Center in carrying out the activities described in part B at a rate negotiated by the Administrator and such Centers. Such negotiated rate shall be fair and appropriate and take into account the number of enrolled WTC responders receiving services from such Center under this subchapter.

(2) Fixed infrastructure costs
For purposes of paragraph (1), the term “fixed infrastructure costs” means, with respect to a Clinical Center of Excellence, the costs incurred by such Center that are not otherwise reimbursable by the WTC Program Administrator under section 300mm–22(c) of this title for patient evaluation, monitoring, or treatment but which are needed to operate
the WTC program such as the costs involved in outreach to participants or recruiting participants, data collection and analysis, social services for counseling patients on other allowable assistance outside the WTC program, and the development of treatment protocols. Such term does not include costs for new construction or other capital costs.

(d) GAO analysis

Not later than July 1, 2011, the Comptroller General shall submit to the Committee on Energy and Commerce of the House of Representatives and the Committee on Health, Education, Labor, and Pensions of the Senate an analysis on whether Clinical Centers of Excellence with which the WTC Program Administrator enters into a contract under this section have financial systems that will allow for the timely submission of claims data for purposes of section 300m–3 of this title and subsections (a)(1)(F) and (b)(1)(B)(ii).


REFERENCES IN TEXT

Section 300m–1(b) of this title, referred to in subsec. (a)(2)(A)(v), was in the original “section 3002(b)” and was translated as meaning section 3302(b) of act July 1, 1944, to reflect the probable intent of Congress.

AMENDMENTS


Subsec. (a)(2)(A)(iii). Pub. L. 114–113, §302(c)(2), substituted “section 300m–3(d)” for “section 300m–3(c)”.

§ 300m–5. Definitions

In this subchapter:

(1) The term “aggravating” means, with respect to a health condition, a health condition that existed on September 11, 2001, and that, as a result of exposure to airborne toxins, any other hazard, or any other adverse condition resulting from the September 11, 2001, terrorist attacks, requires medical treatment that is (or will be) in addition to, more frequent than, or of longer duration than the medical treatment that would have been required for such condition in the absence of such exposure.

(2) The term “certified-eligible WTC survivor” has the meaning given such term in section 300m–31(a)(2) of this title.

(3) The terms “Clinical Center of Excellence” and “Data Center” have the meanings given such terms in section 300m–4 of this title.

(4) The term “enrolled WTC responder” means a WTC responder enrolled under section 300m–21(a)(3) of this title.

(5) The term “initial health evaluation” includes, with respect to an individual, a medical and exposure history, a physical examination, and additional medical testing as needed to evaluate whether the individual has a WTC-related health condition and is eligible for treatment under the WTC Program.

(6) The term “list of WTC-related health conditions” means—

(A) for WTC responders, the health conditions listed in section 300m–22(a)(3) of this title; and

(B) for screening-eligible and certified-eligible WTC survivors, the health conditions listed in section 300m–32(b) of this title.

(7) The term “New York City disaster area” means the area within New York City that is—

(A) the area of Manhattan that is south of Houston Street; and

(B) any block in Brooklyn that is wholly or partially contained within a 1.5-mile radius of the former World Trade Center site.

(8) The term “New York metropolitan area” means an area, specified by the WTC Program Administrator, within which WTC responders and eligible WTC screening-eligible survivors who reside in such area are reasonably able to access monitoring and treatment benefits and initial health evaluation benefits under this subchapter through a Clinical Center of Excellence described in subparagraphs (A), (B), or (C) of section 300m–4(b)(1) of this title.

(9) The term “screening-eligible WTC survivor” has the meaning given such term in section 300m–31(a)(1) of this title.

(10) Any reference to “September 11, 2001” shall be deemed a reference to the period on such date subsequent to the terrorist attacks at the World Trade Center, Shanksville, Pennsylvania, or the Pentagon, as applicable, on such date.

(11) The term “September 11, 2001, terrorist attacks” means the terrorist attacks that occurred on September 11, 2001, in New York City, in Shanksville, Pennsylvania, and at the Pentagon, and includes the aftermath of such attacks.

(12) The term “WTC Health Program Steering Committee” means such a Steering Committee established under section 300m–1(b) of this title.

(13) The term “WTC Program” means the Word Trade Center Health Program established under section 300m(a) of this title.

(14)(A) The term “WTC Program Administrator” means—

(i) subject to subparagraph (B), with respect to paragraphs (3) and (4) of section 300m–21(a) of this title (relating to enrollment of WTC responders), section 300m–22(c) of this title and the corresponding provisions of section 300m–32 of this title (relating to payment for initial health evaluation, monitoring, and treatment, 1 paragraphs (1)(C), (2)(B), and (3) of section 300m–31(a) of this title (relating to determination or certification of screening-eligible or certified-eligible WTC responders), and subpart 3 of part B (relating to payor provisions), an official in the Department of Health and Human Services, to be designated by the Secretary; and

(ii) with respect to any other provision of this subchapter, the Director of the National

1 So in original. A closing parenthesis probably should precede the comma.
§ 300mm–21 Identification of WTC responders and provision of WTC-related monitoring services

(a) WTC responder defined

(1) In general

For purposes of this subchapter, the term “WTC responder” means any of the following individuals, subject to paragraph (4):

(A) Currently identified responder

An individual who has been identified as eligible for monitoring under the arrangements as in effect on January 2, 2011, between the National Institute for Occupational Safety and Health and—

(i) the consortium coordinated by Mt. Sinai Hospital in New York City that coordinates the monitoring and treatment for enrolled WTC responders other than with respect to those covered under the arrangement with the Fire Department of New York City; or

(ii) the Fire Department of New York City.

(B) Responder who meets current eligibility criteria

An individual who—

(i) performed rescue, recovery, demolition, debris cleanup, or other related services in the New York City disaster area in response to the September 11, 2001, terrorist attacks, regardless of whether such services were performed by a State or Federal employee or member of the National Guard or otherwise; and

(ii) meets such eligibility criteria relating to exposure to airborne toxins, other hazards, or adverse conditions resulting from the September 11, 2001, terrorist attacks as the WTC Program Administrator, after consultation with the WTC Scientific/Technical Advisory Committee, determines appropriate.

The WTC Program Administrator shall not modify such eligibility criteria on or after the date that the number of enrollments of WTC responders has reached 80 percent of the limit described in paragraph (4) or on or after the date that the number of certifications for certified-eligible WTC survivors under section 300mm–31(a)(2)(B) of this title has reached 80 percent of the limit described in section 300mm–31(a)(3) of this title.

(2) Current eligibility criteria

The eligibility criteria described in this paragraph for an individual is that the individual is described in any of the following categories:

(A) Firefighters and related personnel

The individual—

(i) was a member of the Fire Department of New York City (whether fire or emergency personnel, active or retired) who participated at least one day in the rescue and recovery effort at any of the former World Trade Center sites (including Ground Zero, Staten Island Landfill, and the New York City Chief Medical Examiner’s Office) for any time during the period beginning on September 11, 2001, and ending on July 31, 2002; or

(ii)(I) is a surviving immediate family member of an individual who was a member of the Fire Department of New York City (whether fire or emergency personnel, active or retired) and was killed at the World Trade site on September 11, 2001; and

(ii)(II) received any treatment for a WTC-related health condition described in section 300mm–22(a)(1)(A)(ii) of this title (relating to mental health conditions) on or before September 1, 2008.

(B) Law enforcement officers and WTC rescue, recovery, and cleanup workers

The individual—

(i) worked or volunteered onsite in rescue, recovery, debris cleanup, or related support services in lower Manhattan (south of Canal St.), the Staten Island Landfill, or the barge loading piers, for at least 4 hours during the period beginning on September 11, 2001, and ending on September 14, 2001, for at least 24 hours during the period beginning on September 11, 2001, and ending on September 30, 2001, or for at least 80 hours during the period beginning on September 11, 2001, and ending on July 31, 2002; and

(ii)(I) was a member of the Police Department of New York City (whether active or retired) or a member of the Port Authority Police of the Port Authority of New York and New Jersey (whether active or retired) who participated onsite in rescue, recovery, debris cleanup, or related services in lower Manhattan (south of
Canal St.), including Ground Zero, the Staten Island Landfill, or the barge loading piers, for at least 4 hours during the period beginning September 11, 2001, and ending on September 14, 2001;

(II) participated onsite in rescue, recovery, debris cleanup, or related services at Ground Zero, the Staten Island Landfill, or the barge loading piers, for at least one day during the period beginning on September 11, 2001, and ending on July 31, 2002;

(III) participated onsite in rescue, recovery, debris cleanup, or related services in lower Manhattan (south of Canal St.) for at least 24 hours during the period beginning on September 11, 2001, and ending on September 30, 2001; or

(IV) participated onsite in rescue, recovery, debris cleanup, or related services in lower Manhattan (south of Canal St.) for at least 80 hours during the period beginning on September 11, 2001, and ending on July 31, 2002;

(iii) was an employee of the Office of the Chief Medical Examiner of New York City involved in the examination and handling of human remains from the World Trade Center attacks, or other morgue worker who performed similar post-September 11 functions for such Office staff, during the period beginning on September 11, 2001, and ending on July 31, 2002;

(iv) was a worker in the Port Authority Trans-Hudson Corporation Tunnel for at least 24 hours during the period beginning on February 1, 2002, and ending on July 1, 2002; or

(v) was a vehicle-maintenance worker who was exposed to debris from the former World Trade Center while retrieving, driving, cleaning, repairing, and maintaining vehicles contaminated by airborne toxins from the September 11, 2001, terrorist attacks during a duration and period described in subparagraph (A).

(C) Responders to the September 11 attacks at the Pentagon and Shanksville, Pennsylvania

The individual—

(i) was a member of a fire or police department (whether fire or emergency personnel, active or retired), worked for a recovery or cleanup contractor, or was a volunteer; and performed rescue, recovery, demolition, debris cleanup, or other related services at the Pentagon site of the terrorist-related aircraft crash of September 11, 2001, during the period beginning on September 11, 2001, and ending on the date on which the cleanup of the site was concluded, as determined by the WTC Program Administrator; and

(ii) is determined by the WTC Program Administrator to be at an increased risk of developing a WTC-related health condition as a result of exposure to airborne toxins, other hazards, or adverse conditions resulting from the September 11, 2001, terrorist attacks, and meets such eligibility criteria related to such exposures, as the WTC Program Administrator determines are appropriate, after consultation with the WTC Scientific/Technical Advisory Committee.

(3) Enrollment process

(A) In general

The WTC Program Administrator shall establish a process for enrolling WTC responders in the WTC Program. Under such process—

(i) WTC responders described in paragraph (1)(A) shall be deemed to be enrolled in such Program;

(ii) subject to clause (iii), the Administrator shall enroll in such program individuals who are determined to be WTC responders;

(iii) the Administrator shall deny such enrollment to an individual if the Administrator determines that the numerical limitation in paragraph (4) on enrollment of WTC responders has been met;

(iv) there shall be no fee charged to the applicant for making an application for such enrollment;

(v) the Administrator shall make a determination on such an application not later than 60 days after the date of filing the application; and

(vi) an individual who is denied enrollment in such Program shall have an opportunity to appeal such determination in a manner established under such process.

(B) Timing

(i) Currently identified responders

In accordance with subparagraph (A)(i), the WTC Program Administrator shall enroll an individual described in paragraph (1)(A) in the WTC Program not later than July 1, 2011.

(ii) Other responders

In accordance with subparagraph (A)(ii) and consistent with paragraph (4), the WTC Program Administrator shall enroll any other individual who is determined to be a WTC responder in the WTC Program at the time of such determination.

(4) Numerical limitation on eligible WTC responders

(A) In general

The total number of individuals not described in paragraph (1)(A) or (2)(A)(ii) who may be enrolled under paragraph (3)(A)(ii) shall not exceed 75,000 at any time, of which...
no more than 2,500 may be individuals enrolled based on modified eligibility criteria established under paragraph (1)(C).

(B) Process
In implementing subparagraph (A), the WTC Program Administrator shall—
(i) limit the number of enrollments made under paragraph (3)—
(I) in accordance with such subparagraph; and
(II) to such number, as determined by the Administrator based on the best available information and subject to amounts available under section 300mm–61 of this title, that will ensure sufficient funds will be available to provide treatment and monitoring benefits under this subchapter, with respect to all individuals who are enrolled; and
(ii) provide priority (subject to paragraph (3)(A)(i)) in such enrollments in the order in which individuals apply for enrollment under paragraph (3).

(5) Disqualification of individuals on terrorist watch list
No individual who is on the terrorist watch list maintained by the Department of Homeland Security shall qualify as an eligible WTC responder. Before enrolling any individual as a WTC responder in the WTC Program under paragraph (3), the Administrator, in consultation with the Secretary of Homeland Security, shall determine whether the individual is on such list.

(b) Monitoring benefits

(1) In general
In the case of an enrolled WTC responder (other than one described in subsection (a)(2)(A)(i)), the WTC Program shall provide for monitoring benefits that include monitoring consistent with protocols approved by the WTC Program Administrator and including clinical examinations and long-term health monitoring and analysis. In the case of an enrolled WTC responder who is an active member of the Fire Department of New York City, the responder shall receive such benefits as part of the individual’s periodic company medical exams.

(2) Provision of monitoring benefits
The monitoring benefits under paragraph (1) shall be provided through the Clinical Center of Excellence for the type of individual involved or, in the case of an individual residing outside the New York metropolitan area, under an arrangement under section 300mm–23 of this title.

(July 1, 1944, ch. 373, title XXXIII, §3311, as added Pub. L. 111–347, title I, §101, Jan. 2, 2011, 124 Stat. 3635; amended Pub. L. 114–113, div. O, title VI, §1602(a), Sept. 27, 2019, 133 Stat. 1107, provided that: “Nothing in this section (amending this section and section 300mm–31 of this title), or the amendments made by this section, shall alter the annual limitations on amounts appropriated to the World Trade Center Health Program Fund under section 3351(a)(2) of the Public Health Service Act (42 U.S.C. 300mm–61(a)(2)).”

§ 300mm–22. Treatment of enrolled WTC responders for WTC-related health conditions
(a) WTC-related health condition defined

(1) In general
For purposes of this subchapter, the term “WTC-related health condition” means a condition that—
(A)(i) is an illness or health condition for which exposure to airborne toxins, any other hazard, or any other adverse condition resulting from the September 11, 2001, terrorist attacks, based on an examination by a medical professional with experience in treating or diagnosing the health conditions included in the applicable list of WTC-related health conditions, is substantially likely to be a significant factor in aggravating, contributing to, or causing the illness or health condition, as determined under paragraph (2); and
(ii) is a mental health condition for which such attacks, based on an examination by a medical professional with experience in treating or diagnosing the health conditions included in the applicable list of WTC-related health conditions, is substantially likely to be a significant factor in aggravating, contributing to, or causing the condition, as determined under paragraph (2); and
(B) is included in the applicable list of WTC-related health conditions or—
(i) with respect to a WTC responder, is provided certification of coverage under subsection (b)(2)(B)(i); or
(ii) with respect to a screening-eligible WTC survivor or certified-eligible WTC survivor, is provided certification of coverage under subsection (b)(2)(B)(ii), as applied under section 300mm–32(a) of this title.

In the case of a WTC responder described in section 300mm–21(a)(2)(A)(ii) of this title (relating to a surviving immediate family member of a firefighter), such term does not include an illness or health condition described in subparagraph (A)(i).

(2) Determination
The determination under paragraph (1) or subsection (b) of whether the September 11, 2001, terrorist attacks were substantially likely to be a significant factor in aggravating, contributing to, or causing an individual’s illness or health condition shall be made based on an assessment of the following:

(A) The individual’s exposure to airborne toxins, any other hazard, or any other adverse condition resulting from the terrorist attacks. Such exposure shall be—
(i) evaluated and characterized through the use of a standardized, population-appropriate questionnaire approved by the Director of the National Institute for Occupational Safety and Health; and

(ii) assessed and documented by a medical professional with experience in treating or diagnosing health conditions included on the list of WTC-related health conditions.

(B) The type of symptoms and temporal sequence of symptoms. Such symptoms shall be—

(i) assessed through the use of a standardized, population-appropriate medical questionnaire approved by the Director of the National Institute for Occupational Safety and Health and a medical examination; and

(ii) diagnosed and documented by a medical professional described in subparagraph (A)(ii).

(3) List of health conditions for WTC responders

The list of health conditions for WTC responders consists of the following:

(A) Aerodigestive disorders

(i) Interstitial lung diseases.

(ii) Chronic respiratory disorder—fumes/vapors.

(iii) Asthma.

(iv) Reactive airways dysfunction syndrome (RADS).

(v) WTC-exacerbated chronic obstructive pulmonary disease (COPD).

(vi) Chronic cough syndrome.

(vii) Upper airway hyperreactivity.

(viii) Chronic rhinosinusitis.

(ix) Chronic nasopharyngitis.

(x) Chronic laryngitis.

(xi) Gastroesophageal reflux disorder (GERD).

(xii) Sleep apnea exacerbated by or related to a condition described in a previous clause.

(B) Mental health conditions

(i) Posttraumatic stress disorder (PTSD).

(ii) Major depressive disorder.

(iii) Panic disorder.

(iv) Generalized anxiety disorder.

(v) Anxiety disorder (not otherwise specified).

(vi) Depression (not otherwise specified).

(vii) Acute stress disorder.

(viii) Dysthymic disorder.

(ix) Adjustment disorder.

(x) Substance abuse.

(C) Musculoskeletal disorders for certain WTC responders

In the case of a WTC responder described in paragraph (4), a condition described in such paragraph.

(D) Additional conditions

Any cancer (or type of cancer) or other condition added, pursuant to paragraph (5) or (6), to the list under this paragraph.

(4) Musculoskeletal disorders

(A) In general

For purposes of this subchapter, in the case of a WTC responder who received any treatment for a WTC-related musculoskeletal disorder on or before September 11, 2003, the list of health conditions in paragraph (3) shall include:

(i) Low back pain.

(ii) Carpal tunnel syndrome (CTS).

(iii) Other musculoskeletal disorders.

(B) Definition

The term “WTC-related musculoskeletal disorder” means a chronic or recurrent disorder of the musculoskeletal system caused by heavy lifting or repetitive strain on the joints or musculoskeletal system occurring during rescue or recovery efforts in the New York City disaster area in the aftermath of the September 11, 2001, terrorist attacks.

(5) Cancer

(A) In general

The WTC Program Administrator shall periodically conduct a review of all available scientific and medical evidence, including findings and recommendations of Clinical Centers of Excellence, published in peer-reviewed journals to determine if, based on such evidence, cancer or a certain type of cancer should be added to the applicable list of WTC-related health conditions. The WTC Program Administrator shall conduct the first review under this subparagraph not later than 180 days after January 2, 2011.

(B) Proposed regulations and rulemaking

Based on the periodic reviews under subparagraph (A), if the WTC Program Administrator determines that cancer or a certain type of cancer should be added to such list of WTC-related health conditions, the WTC Program Administrator shall propose regulations, through rulemaking, to add cancer or the certain type of cancer to such list.

(C) Final regulations

Based on all the available evidence in the rulemaking record, the WTC Program Administrator shall make a final determination of whether cancer or a certain type of cancer should be added to such list of WTC-related health conditions. If such a determination is made to make such an addition, the WTC Program Administrator shall by regulation add cancer or the certain type of cancer to such list.

(D) Determinations not to add cancer or certain types of cancer

In the case that the WTC Program Administrator determines under subparagraph (B) or (C) that cancer or a certain type of cancer should not be added to such list of WTC-related health conditions, the WTC Program Administrator shall publish an explanation for such determination in the Federal Register. Any such determination to not make such an addition shall not preclude the addition of cancer or the certain type of cancer to such list at a later date.

(6) Addition of health conditions to list for WTC responders

(A) In general

Whenever the WTC Program Administrator determines that a proposed rule
§ 300mm–22

should be promulgated to add a health condition to the list of health conditions in paragraph (3), the Administrator may request a recommendation of the Advisory Committee or may publish such a proposed rule in the Federal Register in accordance with subparagraph (D).

(B) Administrator’s options after receipt of petition

In the case that the WTC Program Administrator receives a written petition by an interested party to add a health condition to the list of health conditions in paragraph (3), not later than 90 days after the date of receipt of such petition the Administrator shall—

(i) request a recommendation of the Advisory Committee;

(ii) publish a proposed rule in the Federal Register to add such health condition, in accordance with subparagraph (D);

(iii) publish in the Federal Register the Administrator’s determination not to publish such a proposed rule and the basis for such determination; or

(iv) publish in the Federal Register a determination that insufficient evidence exists to take action under clauses (i) through (iii).

(C) Action by Advisory Committee

In the case that the Administrator requests a recommendation of the Advisory Committee under this paragraph, with respect to adding a health condition to the list in paragraph (3), the Advisory Committee shall submit to the Administrator such recommendation not later than 90 days after the date of such request or by such date (not to exceed 180 days after such date of request) as specified by the Administrator. Not later than 90 days after the date of receipt of such recommendation, the Administrator shall, in accordance with subparagraph (D), publish in the Federal Register a proposed rule with respect to such recommendation or a determination not to propose such a proposed rule and the basis for such determination.

(D) Publication

The WTC Program Administrator shall, with respect to any proposed rule under this paragraph—

(i) publish such proposed rule in accordance with section 553 of title 5; and

(ii) provide interested parties a period of 30 days after such publication to submit written comments on the proposed rule.

The WTC Program Administrator may extend the period described in clause (ii) upon a finding of good cause. In the case of such an extension, the Administrator shall publish such extension in the Federal Register.

(E) Interested party defined

For purposes of this paragraph, the term “interested party” includes a representative of any organization representing WTC responders, a nationally recognized medical association, a Clinical or Data Center, a State or political subdivision, or any other interested person.

(F) Independent peer reviews

Prior to issuing a final rule to add a health condition to the list in paragraph (3), the WTC Program Administrator shall provide for an independent peer review of the scientific and technical evidence that would be the basis for issuing such final rule.

(G) Additional advisory committee recommendations

(i) Program policies

(I) Existing policies

Not later than 1 year after December 18, 2015, the WTC Program Administrator shall request the Advisory Committee to review and evaluate the policies and procedures, in effect at the time of the review and evaluation, that are used to determine whether sufficient evidence exists to support adding a health condition to the list in paragraph (3).

(II) Subsequent policies

Prior to establishing any substantive new policy or procedure used to make the determination described in subclause (I) or prior to making any substantive amendment to any policy or procedure described in such subclause, the WTC Program Administrator shall request the Advisory Committee to review and evaluate such substantive policy, procedure, or amendment.

(ii) Identification of individuals conducting independent peer reviews

Not later than 1 year after December 18, 2015, and not less than every 2 years thereafter, the WTC Program Administrator shall seek recommendations from the Advisory Committee regarding the identification of individuals to conduct the independent peer reviews under subparagraph (F).

(b) Coverage of treatment for WTC-related health conditions

(1) Determination for enrolled WTC responders based on a WTC-related health condition

(A) In general

If a physician at a Clinical Center of Excellence that is providing monitoring benefits under section 300mm–21 of this title for an enrolled WTC responder makes a determination that the responder has a WTC-related health condition that is in the list in subsection (a)(3) and that exposure to airborne toxins, other hazards, or adverse conditions resulting from the September 11, 2001, terrorist attacks is substantially likely to be a significant factor in aggravating, contributing to, or causing the condition—

(i) the physician shall promptly transmit such determination to the WTC Program Administrator and provide the Administrator with the medical facts supporting such determination; and

(ii) on and after the date of such transmittal and subject to subparagraph (B),
the WTC Program shall provide for payment under subsection (c) for medically necessary treatment for such condition.

(B) Review; certification; appeals

(i) Review

A Federal employee designated by the WTC Program Administrator shall review determinations made under subparagraph (A).

(ii) Certification

The Administrator shall provide a certification of such condition based upon reviews conducted under clause (i). Such a certification shall be provided unless the Administrator determines that the responder’s condition is not a WTC-related health condition described in subsection (a)(3) or that exposure to airborne toxins, other hazards, or adverse conditions resulting from the September 1, 2001, terrorist attacks is not substantially likely to be a significant factor in aggravating, contributing to, or causing the condition.

(iii) Appeal process

The Administrator shall establish, by rule, a process for the appeal of determinations under clause (ii).

(2) Determination based on medically associated WTC-related health conditions

(A) In general

If a physician at a Clinical Center of Excellence determines pursuant to subsection (a) that the enrolled WTC responder has a WTC-related health condition described in subsection (a)(1)(A) and medically associated with a WTC-related health condition—

(i) the physician shall promptly transmit such determination to the WTC Program Administrator and provide the Administrator with the facts supporting such determination; and

(ii) the Administrator shall make a determination under subparagraph (B) with respect to such physician’s determination.

(B) Procedures for review, certification, and appeal

The WTC Program Administrator shall, by rule, establish procedures for the review and certification of physician determinations under subparagraph (A). Such rule shall provide for—

(i) the timely review of such a determination by a physician panel with appropriate expertise for the condition and recommendations to the WTC Program Administrator;

(ii) not later than 60 days after the date of the transmittal under subparagraph (A)(i), a determination by the WTC Program Administrator on whether or not the condition involved is described in subsection (a)(1)(A) and is medically associated with a WTC-related health condition;

(iii) certification in accordance with paragraph (1)(B)(ii) of coverage of such condition if determined to be described in subsection (a)(1)(A) and medically associated with a WTC-related health condition; and

(iv) a process for appeals of determinations relating to such conditions.

(C) Inclusion in list of health conditions

If the WTC Program Administrator provides certification under subparagraph (B)(ii) for coverage of a condition, the Administrator may, pursuant to subsection (a)(6), add the condition to the list in subsection (a)(3).

(D) Conditions already declined for inclusion in list

If the WTC Program Administrator publishes a determination under subsection (a)(6)(B) not to include a condition in the list in subsection (a)(3), the WTC Program Administrator shall not provide certification under subparagraph (B)(iii) for coverage of the condition. In the case of an individual who is certified under subparagraph (B)(iii) with respect to such condition before the date of the publication of such determination the previous sentence shall not apply.

(3) Requirement of medical necessity

(A) In general

In providing treatment for a WTC-related health condition, a physician or other provider shall provide treatment that is medically necessary and in accordance with medical treatment protocols established under subsection (d).

(B) Regulations relating to medical necessity

For the purpose of this subchapter, the WTC Program Administrator shall issue regulations specifying a standard for determining medical necessity with respect to health care services and prescription pharmaceuticals, a process for determining whether treatment furnished and pharmaceuticals prescribed under this subchapter meet such standard (including any prior authorization requirement), and a process for appeal of a determination under subsection (c)(3).

(4) Scope of treatment covered

(A) In general

The scope of treatment covered under this subsection includes services of physicians and other health care providers, diagnostic and laboratory tests, prescription drugs, inpatient and outpatient hospital services, and other medically necessary treatment.

(B) Pharmaceutical coverage

With respect to ensuring coverage of medically necessary outpatient prescription drugs, such drugs shall be provided, under arrangements made by the WTC Program Administrator, directly through participating Clinical Centers of Excellence or through one or more outside vendors.

(C) Transportation expenses for nationwide network

The WTC Program Administrator may provide for necessary and reasonable transpor-
(5) Provision of treatment pending certification

With respect to an enrolled WTC responder for whom a determination is made by an examining physician under paragraph (1) or (2), but for whom the WTC Program Administrator has not yet determined whether to certify the determination, the WTC Program Administrator may establish by rule a process through which the Administrator may approve the provision of medical treatment under this subsection (and payment under subsection (c)) with respect to such responder and such responder’s WTC-related health condition (under such terms and conditions as the Administrator may provide) until the Administrator makes a decision on whether to certify the determination.

(c) Payment for initial health evaluation, monitoring, and treatment of WTC-related health conditions

(1) Medical treatment

(A) Use of FECA payment rates

(i) In general

Subject to clause (ii):

(I) Subject to subparagraphs (B) and (C), the WTC Program Administrator shall reimburse costs for medically necessary treatment under this subchapter for WTC-related health conditions according to the payment rates that would apply to the provision of such treatment and services by the facility under the Federal Employees Compensation Act.

(II) For treatment not covered under subclause (i) or subparagraph (B), the WTC Program Administrator shall establish by regulation a reimbursement rate for such treatment.

(ii) Exception

In no case shall payments for products or services under clause (i) be made at a rate higher than the Office of Worker’s Compensation Programs in the Department of Labor would pay for such products or services rendered at the time such products or services were provided.

(B) Pharmaceuticals

(i) In general

The WTC Program Administrator shall establish a program for paying for the medically necessary outpatient prescription pharmaceuticals prescribed under this subchapter for WTC-related health conditions through one or more contracts with outside vendors.

(ii) Competitive bidding

Under such program the Administrator shall—

(I) select one or more appropriate vendors through a Federal competitive bid process; and

(II) select the lowest bidder (or bidders) meeting the requirements for providing pharmaceutical benefits for participants in the WTC Program.

(iii) Treatment of FDNY participants

Under such program the Administrator may enter into an agreement with a separate vendor to provide pharmaceutical benefits to enrolled WTC responders for whom the Clinical Center of Excellence is described in section 300mm–4 of this title if such an arrangement is deemed necessary and beneficial to the program by the WTC Program Administrator.

(iv) Pharmaceuticals

Not later than July 1, 2011, the Controller General of the United States shall submit to the Committee on Energy and Commerce of the House of Representatives and the Committee on Health, Education, Labor, and Pensions of the Senate a report on whether existing Federal pharmaceutical purchasing programs can provide pharmaceutical benefits more efficiently and effectively than through the WTC program.

(C) Improving quality and efficiency through modification of payment amounts and methodologies

The WTC Program Administrator may modify the amounts and methodologies for making payments for initial health evaluations, monitoring, or treatment, if, taking into account utilization and quality data furnished by the Clinical Centers of Excellence under section 300mm–4(b)(1)(B)(iii) of this title, the Administrator determines that a bundling, capitation, pay for performance, or other payment methodology would better ensure high quality and efficient delivery of initial health evaluations, monitoring, or treatment to an enrolled WTC responder, screening-eligible WTC survivor, or certified-eligible WTC survivor.

(2) Monitoring and initial health evaluation

The WTC Program Administrator shall reimburse the costs of monitoring and the costs of an initial health evaluation provided under this subchapter at a rate set by the Administrator by regulation.

(3) Determination of medical necessity

(A) Review of medical necessity and protocols

As part of the process for reimbursement or payment under this subsection, the WTC Program Administrator shall provide for the review of claims for reimbursement or payment for the provision of medical treatment to determine if such treatment is medically

1So in original. The word “of” probably should appear.
necessary and in accordance with medical treatment protocols established under subsection (d).

(B) Withholding of payment for medically unnecessary treatment

The Administrator shall withhold such reimbursement or payment for treatment that the Administrator determines is not medically necessary or is not in accordance with such medical treatment protocols.

(d) Medical treatment protocols

(1) Development

The Data Centers shall develop medical treatment protocols for the treatment of enrolled WTC responders and certified-eligible WTC survivors for health conditions included in the applicable list of WTC-related health conditions.

(2) Approval

The medical treatment protocols developed under paragraph (1) shall be subject to approval by the WTC Program Administrator.

(REFERENCES IN TEXT)


(a) In general

In order to ensure reasonable access to benefits under this part for individuals who are enrolled WTC responders, screening-eligible WTC survivors, or certified-eligible WTC survivors and who reside in any State, as defined in section 201(l) of this title, outside the New York metropolitan area, the WTC Program Administrator shall establish a nationwide network of health care providers to provide monitoring and treatment services to individuals under this section more efficiently and effectively than through the nationwide network to be established under subsection (a).

300mm-23. National arrangement for benefits for eligible individuals outside New York

(a) In general

In order to ensure reasonable access to benefits for individuals who are enrolled WTC responders, screening-eligible WTC survivors, or certified-eligible WTC survivors and who reside in any State, as defined in section 201(l) of this title, outside the New York metropolitan area, the WTC Program Administrator shall establish a nationwide network of health care providers to provide monitoring and treatment services to individuals under this section more efficiently and effectively than through the nationwide network to be established under subsection (a).

(b) Network requirements

Any health care provider participating in the network under subsection (a) shall—

(1) meet criteria for credentialing established by the Data Centers;
(2) follow the monitoring, initial health evaluation, and treatment protocols developed under section 300mm-4(a)(2)(A)(i) of this title;
(3) collect and report data in accordance with section 300mm-3 of this title; and
(4) meet such fraud, quality assurance, and other requirements as the WTC Program Administrator establishes, including sections 1320a-7 through 1320a-7e of this title, as applied by section 300mm(d) of this title.

(c) Training and technical assistance

The WTC Program Administrator may provide, including through contract, for the provision of training and technical assistance to health care providers participating in the network under subsection (a).

(d) Provision of services through the VA

(1) In general

The WTC Program Administrator may enter into an agreement with the Secretary of Veterans Affairs for the Secretary to provide services under this section through facilities of the Department of Veterans Affairs.

(2) National program

Not later than July 1, 2011, the Comptroller General of the United States shall submit to the Committee on Energy and Commerce of the House of Representatives and the Committee on Health, Education, Labor, and Pensions of the Senate a report on whether the Department of Veterans Affairs can provide monitoring and treatment services to individuals under this section more efficiently and effectively than through the nationwide network to be established under subsection (a).

300mm-31. Identification and initial health evaluation of screening-eligible and certified-eligible WTC survivors

(a) Identification of screening-eligible WTC survivors and certified-eligible WTC survivors

(1) Screening-eligible WTC survivors

(A) Definition

In this subchapter, the term “screening-eligible WTC survivor” means, subject to subparagraph (C) and paragraph (3), an individual who is described in any of the following clauses:

(i) Currently identified survivor

An individual, including a WTC responder, who has been identified as eligible for medical treatment and monitoring by the WTC Environmental Health Center as of January 2, 2011.

(ii) Survivor who meets current eligibility criteria

An individual who is not a WTC responder, for purposes of the initial health evaluation under subsection (b), claims

1 So in original. Probably should be “Administrator.”
symptoms of a WTC-related health condition and meets any of the current eligibility criteria described in subparagraph (B).

(iii) **Survivor who meets modified eligibility criteria**

An individual who is not a WTC responder, for purposes of the initial health evaluation under subsection (b), claims symptoms of a WTC-related health condition and meets such eligibility criteria relating to exposure to airborne toxins, other hazards, or adverse conditions resulting from the September 11, 2001, terrorist attacks as the WTC Administrator determines, after consultation with the Data Centers described in section 300mm–4 of this title and the WTC Scientific/Technical Advisory Committee and WTC Health Program Steering Committees under section 300mm–1 of this title.

The Administrator shall not modify such criteria under clause (iii) on or after the date that the number of certifications for certified-eligible WTC survivors under paragraph (2)(B) has reached 80 percent of the limit described in paragraph (3) or on or after the date that the number of enrollments of WTC responders has reached 80 percent of the limit described in section 300mm–21(a)(4) of this title.

(B) **Current eligibility criteria**

The eligibility criteria described in this subparagraph for an individual are that the individual is described in any of the following clauses:

(i) A person who was present in the New York City disaster area in the dust or dust cloud on September 11, 2001.

(ii) A person who worked, resided, or attended school, childcare, or adult daycare in the New York City disaster area for—

   (I) at least 4 days during the 4-month period beginning on September 11, 2001, and ending on January 10, 2002; or

   (II) at least 30 days during the period beginning on September 11, 2001, and ending on July 31, 2002.

(iii) Any person who worked as a cleanup worker or performed maintenance work in the New York City disaster area during the 4-month period described in subparagraph (B) and had extensive exposure to WTC dust as a result of such work.

(iv) A person who was deemed eligible to receive a grant from the Lower Manhattan Development Corporation WTC Small Firms Attraction and Retention Act program or other government incentive program designed to revitalize the lower Manhattan economy after the September 11, 2001, terrorist attacks.

(C) **Application and determination process for screening eligibility**

(i) **In general**

The WTC Program Administrator in consultation with the Data Centers shall establish a process for individuals, other than individuals described in subparagraph (A)(i), to be determined to be screening-eligible WTC survivors. Under such process—

(I) there shall be no fee charged to the applicant for making an application for such determination;

(II) the Administrator shall make a determination on such an application not later than 60 days after the date of filing the application;

(III) the Administrator shall make such a determination relating to an applicant’s compliance with this subchapter and shall not determine that an individual is not so eligible or deny written documentation under clause (ii) to such individual unless the Administrator determines that—

   (aa) based on the application submitted, the individual does not meet the eligibility criteria; or

   (bb) the numerical limitation on certifications of certified-eligible WTC survivors set forth in paragraph (3) has been met; and

(IV) an individual who is determined not to be a screening-eligible WTC survivor shall have an opportunity to appeal such determination in a manner established under such process.

(ii) **Written documentation of screening-eligibility**

(I) **In general**

In the case of an individual who is described in subparagraph (A)(i) or who is determined under clause (i) (consistent with paragraph (3)) to be a screening-eligible WTC survivor, the WTC Program Administrator shall provide an appropriate written documentation of such fact.

(II) **Timing**

(aa) **Currently identified survivors**

In the case of an individual who is described in subparagraph (A)(i), the WTC Program Administrator shall provide the written documentation under subclause (I) not later than July 1, 2011.

(bb) **Other members**

In the case of another individual who is determined under clause (i) and consistent with paragraph (3) to be a
screening-eligible WTC survivor, the
WTC Program Administrator shall pro-
vide the written documentation under
subclause (I) at the time of such deter-
mination.

(2) Certified-eligible WTC survivors

(A) Definition

The term “certified-eligible WTC sur-
vivor” means, subject to paragraph (3), a
screening-eligible WTC survivor who the
WTC Program Administrator certifies under
subparagraph (B) to be eligible for followup
monitoring and treatment under this sub-
part.

(B) Certification of eligibility for monitoring
and treatment

(i) In general

The WTC Program Administrator shall
establish a certification process under
which the Administrator shall provide ap-
propriate certification to screening-eligible
WTC survivors who, pursuant to the
initial health evaluation under subsection
(b), are determined to be eligible for fol-
lowup monitoring and treatment under
this subpart.

(ii) Timing

(I) Currently identified survivors

In the case of an individual who is de-
scribed in paragraph (1)(A)(i), the WTC
Program Administrator shall provide the
certification under clause (i) not later
than July 1, 2011.

(II) Other members

In the case of another individual who
is determined under clause (i) to be eligi-
ble for followup monitoring and treat-
ment, the WTC Program Administrator
shall provide the certification under
such clause at the time of such deter-
mination.

(3) Numerical limitation on certified-eligible
WTC survivors

(A) In general

The total number of individuals not de-
scribed in paragraph (1)(A)(i) who may be
certified as certified-eligible WTC survivors
under paragraph (2)(B) shall not exceed 75,000
at any time.

(B) Process

In implementing subparagraph (A), the
WTC Program Administrator shall—

(i) limit the number of certifications
provided under paragraph (2)(B)—

(I) in accordance with such subpara-
graph; and

(II) to such number, as determined by
the Administrator based on the best
available information and subject to
amounts made available under section
300mm–61 of this title, that will ensure
sufficient funds will be available to pro-
vide treatment and monitoring benefits
under this subchapter, with respect to all
individuals receiving such certifi-
cations; and

(ii) provide priority in such certifi-
cations in the order in which individuals
apply for a determination under paragraph
(2)(B).

(4) Disqualification of individuals on terrorist
watch list

No individual who is on the terrorist watch
list maintained by the Department of Home-
land Security shall qualify as a screening-eli-
gible WTC survivor or a certified-eligible WTC
survivor. Before determining any individual to
be a screening-eligible WTC survivor under
paragraph (1) or certifying any individual as a
certified eligible1 WTC survivor under para-
graph (2), the Administrator, in consultation
with the Secretary of Homeland Security,
shall determine whether the individual is on
such list.

(b) Initial health evaluation to determine eligi-
bility for followup monitoring or treatment

(1) In general

In the case of a screening-eligible WTC sur-
vivor, the WTC Program shall provide for an
initial health evaluation to determine if the
survivor has a WTC-related health condition
and is eligible for followup monitoring and
treatment benefits under the WTC Program.
Initial health evaluation protocols under sec-
tion 300mm–4(a)(2)(A)(ii) of this title shall be
subject to approval by the WTC Program Ad-
ministrator.

(2) Initial health evaluation providers

The initial health evaluation described in
paragraph (1) shall be provided through a Clin-
ical Center of Excellence with respect to the
individual involved.

(3) Limitation on initial health evaluation ben-
efits

Benefits for an initial health evaluation
under this subpart for a screening-eligible
WTC survivor shall consist only of a single
medical initial health evaluation consistent
with initial health evaluation protocols de-
scribed in paragraph (1). Nothing in this para-
graph shall be construed as preventing such an
individual from seeking additional medical
initial health evaluations at the expense of
the individual.

(July 1, 1944, ch. 373, title XXXIII, §3321, as
L. 116–59, div. B, title VI, §1602(b), Sept. 27, 2019,
133 Stat. 1107.)

AMENDMENTS
“75,000” for “25,000”.

“through the end of fiscal year 2020” after “certifi-
cations”.

RULE OF CONSTRUCTION

Nothing in amendment made by Pub. L. 116–59 to
alter the annual limitations on amounts appropriated
to the World Trade Center Health Program Fund under

1 So in original. Probably should be “certified-eligible”.

"WTC"
§ 300mm–32. Followup monitoring and treatment of certified-eligible WTC survivors for WTC-related health conditions

(a) In general

Subject to subsection (b), the provisions of sections 300mm–21 and 300mm–22 of this title shall apply to followup monitoring and treatment of WTC-related health conditions for certified-eligible WTC survivors in the same manner as such provisions apply to the monitoring and treatment of WTC-related health conditions for enrolled WTC responders.

(b) List of WTC-related health conditions for survivors

The list of health conditions for screening-eligible WTC survivors and certified-eligible WTC survivors consists of the following:

1. Aerodigestive disorders
   a. Intersitial lung diseases.
   b. Chronic respiratory disorder—fumes/vapors.
   c. Asthma.
   d. Reactive airways disorder (RADS).
   e. WTC-exacerbated chronic obstructive pulmonary disease (COPD).
   f. Chronic cough syndrome.
   g. Upper airway hyperreactivity.
   h. Chronic rhinosinusitis.
   i. Chronic nasopharyngitis.
   j. Chronic laryngitis.
   k. Gastroesophageal reflux disorder (GERD).
   l. Sleep apnea exacerbated by or related to a condition described in a previous clause.

2. Mental health conditions
   b. Major depressive disorder.
   c. Panic disorder.
   d. Generalized anxiety disorder.
   e. Anxiety disorder (not otherwise specified).
   f. Depression (not otherwise specified).
   g. Acute stress disorder.
   h. Dysthymic disorder.
   i. Adjustment disorder.
   j. Substance abuse.

3. Additional conditions

Any cancer (or type of cancer) or other condition added to the list in section 300mm–22(a)(3) of this title pursuant to paragraph (5) or (6) of section 300mm–22(a) of this title, as such provisions are applied under subsection (a) with respect to certified-eligible WTC survivors.

§ 300mm–33. Followup monitoring and treatment of other individuals with WTC-related health conditions

(a) In general

Subject to subsection (c), the provisions of section 300mm–32 of this title shall apply to the followup monitoring and treatment of WTC-related health conditions in the case of individuals described in subsection (b) in the same manner as such provisions apply to the followup monitoring and treatment of WTC-related health conditions for certified-eligible WTC survivors.

(b) Individuals described

An individual described in this subsection is an individual who, regardless of location of residence—

1. is not an enrolled WTC responder or a certified-eligible WTC survivor; and

2. is diagnosed at a Clinical Center of Excellence with a WTC-related health condition for certified-eligible WTC survivors.

(c) Limitation

1. In general

The WTC Program Administrator shall limit benefits for any fiscal year under subsection (a) in a manner so that payments under this section for such fiscal year do not exceed the amount specified in paragraph (2) for such fiscal year.

2. Limitation

The amount specified in this paragraph for—

A. the last calendar quarter of fiscal year 2011 is $5,000,000;

B. fiscal year 2012 is $20,000,000; or

C. a succeeding fiscal year is the amount specified in this paragraph for the previous fiscal year increased by the annual percentage increase in the medical care component of the consumer price index for all urban consumers.


SUBPART 3—PAYOR PROVISIONS

§ 300mm–41. Payment of claims

(a) In general

Except as provided in subsections (b) and (c), the cost of monitoring and treatment benefits and initial health evaluation benefits provided under subparts 1 and 2 of this part shall be paid for by the WTC Program from the World Trade Center Health Program Fund.

(b) Workers’ compensation payment

1. In general

Subject to paragraph (2), payment for treatment under subparts 1 and 2 of this part of a WTC-related health condition of an individual that is work-related shall be reduced or recouped to the extent that the WTC Program Administrator determines that payment has been made, or can reasonably be expected to be made, under a workers’ compensation law or plan of the United States, a State, or a locality, or other work-related injury or illness benefit plan of the employer of such individual, for such treatment. The provisions of clauses (ii), (iv), (v), and (vi) of paragraph (2)(B) of section 1862(b) of the Social Security Act [42 U.S.C. 1395y(b)] and paragraphs (3) and (4) of such section shall apply to the recoupment under this subsection of a pay-
ment to the WTC Program (with respect to a workers’ compensation law or plan, or other work-related injury or illness plan of the employer involved, and such individual) in the same manner as such provisions apply to the reimbursement of a payment under section 1862(b)(2) of such Act [42 U.S.C. 1395y(b)(2)] to the Secretary (with respect to such a law or plan and an individual entitled to benefits under title XVIII of such Act [42 U.S.C. 1395 et seq., 1397aa et seq.]) except that any reference in such paragraph (i) to payment rates under title XVIII of the Social Security Act shall be deemed a reference to payment rates under this subchapter.

(2) Exception

Paragraph (1) shall not apply for any quarter, with respect to any workers’ compensation law or plan, including line of duty compensation, to which New York City is obligated to make payments, if, in accordance with terms specified under the contract under subsection (d)(1)(A), New York City has made the full payment required under such contract for such quarter.

(3) Rules of construction

Nothing in this subchapter shall be construed to affect, modify, or relieve any obligations under a worker’s compensation law or plan, other work-related injury or illness benefit plan of an employer, or any health insurance plan.

(c) Health insurance coverage

(1) In general

In the case of an individual who has a WTC-related health condition that is not work-related and has health coverage for such condition through any public or private health plan (including health benefits under title XVIII, XIX, or XXI of the Social Security Act [42 U.S.C. 1395 et seq., 1396 et seq., 1397aa et seq.,]) the provisions of section 1862(b) of the Social Security Act [42 U.S.C. 1395y(b)] shall apply to such a health plan and such individual in the same manner as they apply to group health plan, and an individual entitled to benefits under title XVIII of such Act pursuant to section 226(a) of such Act [42 U.S.C. 226(a)]. Any costs for items and services covered under such plan that are not reimbursed by such health plan, due to the application of deductibles, copayments, coinsurance, other cost sharing, or otherwise, are reimbursable under this subchapter to the extent that they are covered under the WTC Program. The program under this subchapter shall not be treated as a legally liable party for purposes of applying section 1902(a)(25) of the Social Security Act [42 U.S.C. 1396a(a)(25)].

(2) Recovery by individual providers

Nothing in paragraph (1) shall be construed as requiring an entity providing monitoring and treatment under this subchapter to seek reimbursement under a health plan with which the entity has no contract for reimbursement.

(3) Maintenance of required minimum essential coverage

No payment may be made for monitoring and treatment under this subchapter for an individual for a month (beginning with July 2014) if with respect to such month the individual—

(A) is an applicable individual (as defined in subsection (d) of section 5000A of title 26) for whom the exemption under subsection (e) of such section does not apply; and

(B) is not covered under minimum essential coverage, as required under subsection (a) of such section.

(d) Required contribution by New York City in program costs

(1) Contract requirement

(A) In general

No funds may be disbursed from the World Trade Center Health Program Fund under section 300mm–61 of this title unless New York City has entered into a contract with the WTC Program Administrator under which New York City has agreed, in a form and manner specified by the Administrator, to pay the full contribution described in subparagraph (B) in accordance with this subsection on a timely basis, plus any interest owed pursuant to subparagraph (E)(i). Such contract shall specify the terms under which New York City shall be considered to have made the full payment required for a quarter for purposes of subsection (b)(2).

(B) Full contribution amount

Under such contract, with respect to each calendar quarter of fiscal year 2016 and of each subsequent fiscal year through fiscal year 2090, the full contribution amount under this subparagraph shall be equal to 10 percent of the expenditures in carrying out this subchapter for the respective quarter.

(C) Satisfaction of payment obligation

The payment obligation under such contract may not be satisfied through any of the following:

(i) An amount derived from Federal sources.

(ii) An amount paid before January 2, 2011.

(iii) An amount paid to satisfy a judgment or as part of a settlement related to injuries or illnesses arising out of the September 11, 2001, terrorist attacks.

(D) Timing of contribution

The payment obligation under such contract for a calendar quarter in a fiscal year shall be paid not later than the last day of the second succeeding calendar quarter.

(E) Compliance

(i) Interest for late payment

If New York City fails to pay to the WTC Program Administrator pursuant to such contract the amount required for any calendar quarter by the day specified in subparagraph (D), interest shall accrue on the amount not so paid at the rate (deter-
§ 300mm–42

TITeL 42—THE PUBLIC HEALTH AND WELFARE

mined by the Administrator) based on the average yield to maturity, plus 1 percentage point, on outstanding municipal bonds issued by New York City with a remaining maturity of at least 1 year.

(ii) Recovery of amounts owed

The amounts owed to the WTC Program Administrator under such contract shall be recoverable by the United States in an action in the same manner as payments made under title XVIII of the Social Security Act [42 U.S.C. 1395 et seq.] may be recoverable in an action brought under section 1862(b)(2)(B)(iii) of such Act [42 U.S.C. 1395y(b)(2)(B)(iii)].

(F) Deposit in fund

The WTC Program Administrator shall deposit amounts paid under such contract into the World Trade Center Health Program Fund under section 300mm–61 of this title.

(2) Payment of New York City share of monitoring and treatment costs

With respect to each calendar quarter for which a contribution is required by New York City under the contract under paragraph (1), the WTC Program Administrator shall—

(A) provide New York City with an estimate of such amount of the required contribution at the beginning of such quarter and with an updated estimate of such amount at the beginning of each of the subsequent 2 quarters;

(B) bill such amount directly to New York City; and

(C) certify periodically, for purposes of this subsection, whether or not New York City has paid the amount so billed.

Such amount shall initially be estimated by the WTC Program Administrator and shall be subject to adjustment and reconciliation based upon actual expenditures in carrying out this subchapter.

(3) Rule of construction

Nothing in this subsection shall be construed as authorizing the WTC Administrator, with respect to a fiscal year, to reduce the numerical limitation under section 300mm–21(a)(4) or 300mm–31(a)(3) of this title for such fiscal year if New York City fails to comply with paragraph (1) for a calendar quarter in such fiscal year.

(e) Work-related described

For the purposes of this section, a WTC-related health condition shall be treated as a condition that is work-related if—

(1) the condition is diagnosed in an enrolled WTC responder, or in an individual who qualifies as a certified-eligible WTC survivor on the basis of being a rescue, recovery, or cleanup worker; or

(2) with respect to the condition the individual has filed and had established a claim under a workers’ compensation law or plan of the United States or a State, or other work-related injury or illness benefit plan of the employer of such individual.

(2015—Subsec. (d)(1)(B). Pub. L. 114–113 substituted “each calendar quarter of fiscal year 2016 and of each subsequent fiscal year through fiscal year 2090” for “the last calendar quarter of fiscal year 2011 and each calendar quarter in fiscal years 2012 through 2015” and struck out “and with respect to calendar quarters in fiscal year 2016, such full contribution amount shall be equal to 1⁄5 of the Federal expenditures in carrying out this subchapter for the respective quarter” before period at end.

§ 300mm–42. Administrative arrangement authority

The WTC Program Administrator may enter into arrangements with other government agencies, insurance companies, or other third-party administrators to provide for timely and accurate processing of claims submitted under sections 300mm–22, 300mm–23, 300mm–32, and 300mm–33 of this title.


REFERENCES IN TEXT

The Social Security Act, referred to in subsecs. (b)(1), (c)(1), and (d)(1)(E)(ii), is act Aug. 14, 1935, ch. 531, 49 Stat. 620. Titles XVIII, XIX, and XXI of the Act are classified generally to subchapters XVIII (§ 1395 et seq.), XIX (§ 1396 et seq.), and XXI (§ 1397aa et seq.), respectively, of chapter 7 of this title. For complete classification of this Act to the Code, see section 1305 of this title and Tables.

AMENDMENTS

2015—Subsec. (d)(1)(B). Pub. L. 114–113 substituted “each calendar quarter of fiscal year 2016 and of each subsequent fiscal year through fiscal year 2090” for “the last calendar quarter of fiscal year 2011 and each calendar quarter in fiscal years 2012 through 2015” and struck out “and with respect to calendar quarters in fiscal year 2016, such full contribution amount shall be equal to 1⁄5 of the Federal expenditures in carrying out this subchapter for the respective quarter” before period at end.

§ 300mm–51. Research regarding certain health conditions related to September 11 terrorist attacks

(a) In general

With respect to individuals, including enrolled WTC responders and certified-eligible WTC survivors, receiving monitoring or treatment under part B, the WTC Program Administrator shall conduct or support—

(1) research on physical and mental health conditions that may be related to the September 11, 2001, terrorist attacks; and

(2) research on diagnosing WTC-related health conditions of such individuals, in the case of conditions for which there has been diagnostic uncertainty; and

(3) research on treating WTC-related health conditions of such individuals, in the case of conditions for which there has been treatment uncertainty.

(b) Types of research

The research under subsection (a)(1) shall include epidemiologic and other research studies on WTC-related health conditions or emerging conditions—
(1) among enrolled WTC responders and certified-eligible WTC survivors under treatment; and
(2) in sampled populations outside the New York City disaster area in Manhattan as far north as 14th Street and in Brooklyn, along with control populations, to identify potential for long-term adverse health effects in less exposed populations.

c) Consultation
The WTC Program Administrator shall carry out this section in consultation with the WTC Scientific/Technical Advisory Committee.

d) Application of privacy and human subject protections
The privacy and human subject protections applicable to research conducted under this section shall not be less than such protections applicable to research conducted or funded by the Department of Health and Human Services.


§ 300mm–52. World Trade Center Health Registry
For the purpose of ensuring ongoing data collection relating to victims of the September 11, 2001, terrorist attacks, the WTC Program Administrator shall ensure that a registry of such victims is maintained that is at least as comprehensive as the World Trade Center Health Registry maintained under the arrangements in effect as of January 1, 2015, with the New York City Department of Health and Mental Hygiene.


AMENDMENTS

PART D—FUNDING

§ 300mm–61. World Trade Center Health Program Fund

a) Establishment of Fund

(1) In general
There is established a fund to be known as the World Trade Center Health Program Fund (referred to in this section as the “Fund”).

(2) Funding
Out of any money in the Treasury not otherwise appropriated, there shall be deposited into the Fund for fiscal year 2016 and each subsequent fiscal year through fiscal year 2090—

(A) the Federal share, consisting of an amount equal to—

(i) for fiscal year 2016, $330,000,000;
(ii) for fiscal year 2017, $345,610,000;
(iii) for fiscal year 2018, $360,000,000;
(iv) for fiscal year 2019, $380,000,000;
(v) for fiscal year 2020, $415,000,000;
(vi) for fiscal year 2021, $501,000,000;
(vii) for fiscal year 2022, $518,000,000;
(viii) for fiscal year 2023, $535,000,000;

and (B) the New York City share, consisting of the amount contributed under the contract under section 300mm–41(d) of this title.

(3) Contract requirement

(A) In general

No funds may be disbursed from the Fund unless New York City has entered into a contract with the WTC Program Administrator under section 300mm–41(d)(1) of this title.

(B) Breach of contract

In the case of a failure to pay the amount so required under the contract—

(i) the amount is recoverable under sub-paragraph (E)(ii) of such section;

(ii) such failure shall not affect the disbursement of amounts from the Fund; and

(iii) the Federal share described in paragraph (2)(A) shall not be increased by the amount so unpaid.

(4) Amounts from prior fiscal years

Amounts that were deposited, or identified for deposit, into the Fund for any fiscal year under paragraph (2), as such paragraph was in effect on the day before December 18, 2015, that were not expended in carrying out this subchapter for any such fiscal year, shall remain deposited, or be deposited, as the case may be, into the Fund.

(5) Amounts to remain available until expended

Amounts deposited into the Fund under this subsection, including amounts deposited under paragraph (2) as in effect on the day before December 18, 2015, for a fiscal year shall remain available, for the purposes described in this subchapter, until expended for such fiscal year and any subsequent fiscal year through fiscal year 2090.

(b) Mandatory funds for monitoring, initial health evaluations, treatment, and claims processing

(1) In general

The amounts deposited into the Fund under subsection (a)(2) shall be available, without further appropriation, consistent with paragraph (2) and subsection (c), to carry out part B and sections 300mm(e), 300mm(f), 300mm–1(a), 300mm–1(b), 300mm–2, 300mm–3, 300mm–4(a)(1), 300mm–4(a)(2), 300mm–4(c), 300mm–51, and 300mm–52 of this title.

(2) Limitation on mandatory funding

This subchapter does not establish any Federal obligation for payment of amounts in excess of the amounts available from the Fund for such purpose.
(3) Limitation on authorization for further appropriations

This subchapter does not establish any authorization for appropriation of amounts in excess of the amounts available from the Fund under paragraph (1).

(c) Limits on spending for certain purposes

Of the amounts made available under subsection (b)(1), not more than each of the following amounts may be available for each of the following purposes:

(1) Surviving immediate family members of firefighters

For the purposes of carrying out part B with respect to WTC responders described in section 300mm–21(a)(2)(A)(ii) of this title—

(A) for fiscal year 2016, the amount determined for such fiscal year under subparagraph (C) as in effect on the day before December 18, 2015; and

(B) for each subsequent fiscal year, the amount specified under this paragraph for the previous fiscal year increased by the percentage increase in the consumer price index for all urban consumers (all items; United States city average) as estimated by the Secretary for the 12-month period ending with March of the previous year.

(2) WTC Health Program Scientific/Technical Advisory Committee

For the purpose of carrying out section 300mm–1(a) of this title—

(A) for fiscal year 2016, $200,000; 2

(B) for each subsequent fiscal year, the amount specified under this paragraph for the previous fiscal year increased by the percentage increase in the consumer price index for all urban consumers (all items; United States city average) as estimated by the Secretary for the 12-month period ending with March of the previous year.

(3) Education and outreach

For the purpose of carrying out section 300mm–2 of this title, for fiscal year 2016 and each subsequent fiscal year, $750,000.

(4) Uniform data collection

For the purpose of carrying out section 300mm–3 of this title and for reimbursing Data Centers (as defined in section 300mm–4(b)(2) of this title) for the costs incurred by such Centers in carrying out activities under contracts entered into under section 300mm–4(a)(2) of this title—

(A) for fiscal year 2016, the amount determined for such fiscal year under subparagraph (C) as in effect on the day before December 18, 2015;

(B) for fiscal year 2017, $15,000,000; and

(C) for each subsequent fiscal year, the amount specified under this paragraph for the previous fiscal year increased by the percentage increase in the consumer price index for all urban consumers (all items; United States city average) as estimated by the Secretary for the 12-month period ending with March of the previous year.

(5) Research regarding certain health conditions

For the purpose of carrying out section 300mm–51 of this title—

(A) for fiscal year 2016, the amount determined for such fiscal year under subparagraph (C) as in effect on the day before December 18, 2015; and

(B) for each subsequent fiscal year, the amount specified under this paragraph for the previous fiscal year increased by the percentage increase in the consumer price index for all urban consumers (all items; United States city average) as estimated by the Secretary for the 12-month period ending with March of the previous year.

(6) World Trade Center Health Registry

For the purpose of carrying out section 300mm–52 of this title—

(A) for fiscal year 2016, the amount determined for such fiscal year under subparagraph (C) as in effect on the day before December 18, 2015; and

(B) for each subsequent fiscal year, the amount specified under this paragraph for the previous fiscal year increased by the percentage increase in the consumer price index for all urban consumers (all items; United States city average) as estimated by the Secretary for the 12-month period ending with March of the previous year.


REFERENCES IN TEXT

Subparagraph (C) as in effect on the day before December 18, 2015, referred to in subsec. (c)(1)(A), (5)(A), (6)(A), refers to subpar. (C) as in effect on the day before the amendments made by Pub. L. 114–113, which redesignated subpar. (C) as (B) in pars. (1), (5), and (6) of subsec. (c). See 2015 Amendment notes below.

PRIOR PROVISIONS


A prior section 300aaa–2, act July 1, 1944, ch. 373, title XXVII, §2703, formerly title V, §503, 58 Stat. 710, as amended, which related to disposition of money collected for care of patients, was renumbered section 233 of title II of act July 1, 1944, by Pub. L. 105–343, title XX, §2010(a)(1)–(3), June 10, 1993, 107 Stat. 213, and transferred to section 238b of this title.

A prior section 300aaa–3, act July 1, 1944, ch. 373, title XXVII, §2704, formerly title V, §504, 58 Stat. 710, as amended, which related to transportation of remains of officers, was renumbered section 234 of title II of act July 1, 1944, by Pub. L. 105–343, title XX, §2010(a)(1)–(3),

A prior section 300a-a, act July 1, 1944, ch. 373, title XVII, §2709, formerly title V, §510, 58 Stat. 711, as amended, which related to availability of appropriations for grants to Federal institutions, was renumbered section 238f of this title, act July 1, 1944, by Pub. L. 103–43, title XX, §2010(a)(1)–(3), June 10, 1993, 107 Stat. 213, and transferred to section 238f of this title.

A prior section 300a-a, act July 1, 1944, ch. 373, title XVII, §2709, formerly title V, §510, 58 Stat. 711, as amended, which related to transfer of funds for continuation of transferred functions, was renumbered section 238f of this title, act July 1, 1944, by Pub. L. 103–43, title XX, §2010(a)(1)–(3), June 10, 1993, 107 Stat. 213, and transferred to section 238f of this title.

A prior section 300a-a, act July 1, 1944, ch. 373, title XVII, §2709, formerly title V, §510, as added, June 10, 1993, 107 Stat. 213, and transferred to section 238f of this title.

A prior section 300a-a, act July 1, 1944, ch. 373, title XVII, §2709, formerly title V, §512, as added Oct. 15, 1968, Pub. L. 90–574, title V, §503(a), 82 Stat. 1012, and amended, which related to annual report of Surgeon General, was renumbered section 239g of title II of act July 1, 1944, by Pub. L. 103–43, title XX, §2010(a)(1)–(3), June 10, 1993, 107 Stat. 213, and transferred to section 238g of this title.

A prior section 300a-a, act July 1, 1944, ch. 373, title XVII, §2710, formerly title V, §511, 58 Stat. 711, as amended, which related to availability of appropriations, was renumbered section 239h of title II of act July 1, 1944, by Pub. L. 103–43, title XX, §2010(a)(1)–(3), June 10, 1993, 107 Stat. 213, and transferred to section 238h of this title.

A prior section 300a-a, act July 1, 1944, ch. 373, title XVII, §2721, formerly title V, §513, as added June 30, 1970, Pub. L. 91–296, title IV, §401(a), 84 Stat. 351, and amended, which related to avail ability of funds deposited into the Fund under paragraph (2) for such fiscal year and previous fiscal years and quarters the sum of the amounts specified in paragraph (2)(A)(i).''

Subsec. (b)(1). Pub. L. 114–113, §302(a)(2), substituted "sections 300mm(e), 300mm(f), 300mm–1(a), 300mm–1(b), 300mm–2, 300mm–3, 300mm–4(a), 300mm–4(b), 300mm–4(c), 300mm–51, and 300mm–52 of this title" for "sections 300mm–1(a), 300mm–2, 300mm–3, 300mm–4(a), 300mm–4(c), 300mm–51, and 300mm–52 of this title".

Subsec. (c)(1)(A). Pub. L. 114–113, §302(a)(3)(A)(iii), amended subpar. (A) generally. Prior to amendment, subpar. (A) read as follows: "for the last calendar quarter of fiscal year 2011, $100,000;"

Subsec. (c)(1)(B). Pub. L. 114–113, §302(a)(3)(A)(iv), (v), redesignated subpar. (C) as (B) and struck out former subpar. (B) which read as follows: "for fiscal year 2012, $400,000; and"

Subsec. (c)(2)(A). Pub. L. 114–113, §302(a)(3)(B)(i), (ii), redesignated subpar. (A) as (B) and struck out former subpar. (B) which read as follows: "for fiscal year 2012, $100,000; and"

Subsec. (c)(3). Pub. L. 114–113, §302(a)(3)(C), substituted "section 300mm–2 of this title, for fiscal year 2016 and each subsequent fiscal year, $750,000. For the purpose of carrying out this section, the Secretary shall, in each of the fiscal years 2015 through 2016 and each subsequent fiscal year, allocate the amounts appropriated for this section for such fiscal years among the agencies and programs described in subsections (a) and (b) and among the States on the basis of the estimates under subsection (b)." for "section 300mm–2 of this title—

"(A) for the last calendar quarter of fiscal year 2011, $500,000;

"(B) for fiscal year 2012, $2,000,000; and

"(C) for each subsequent fiscal year, the amount specified under this paragraph for the previous fiscal year increased by the percentage increase in the consumer price index for all urban consumers (all items; United States city average) as estimated by the Secretary for the 12-month period ending with March of the previous year;"

Subsec. (c)(4)(A). Pub. L. 114–113, §302(a)(3)(D), added subpars. (A) and (B) and struck out former subpar. (A) which read as follows:

"(A) for the last calendar quarter of fiscal year 2011, $2,500,000;"

Subsec. (c)(5)(A). Pub. L. 114–113, §302(a)(3)(E)(ii), amended subpar. (A) generally. Prior to amendment, subpar. (A) read as follows: "for the last calendar quarter of fiscal year 2011, $3,750,000;"

Subsec. (c)(5)(C). Pub. L. 114–113, §302(a)(3)(F)(i), (ii), redesignated subpar. (C) as (B) and struck out former subpar. (B) which read as follows: "for fiscal year 2012, $15,000,000; and"

Subsec. (c)(6)(A). Pub. L. 114–113, §302(a)(3)(F)(iii), amended subpar. (A) generally. Prior to amendment, subpar. (A) read as follows: "for the last calendar quarter of fiscal year 2011, $1,750,000;"
Subsec. (c)(6)(B), (C). Pub. L. 114–113, § 302(a)(3)(F)(ii), (i), redesignated subpar. (C) as (B) and struck out former subpar. (B) which read as follows: “for fiscal year 2012, $7,000,000; and’’.

CHAPTER 7—SOCIAL SECURITY

SUBCHAPTER I—GRANTS TO STATES FOR OLD-AGE ASSISTANCE

Sec. 301. Authorization of appropriations.
302. State old-age plans.
303. Payments to States and certain territories; computation of amount; eligibility of State to receive payment.
304. Stopping payment on deviation from required provisions of plan or failure to comply therewith.
305. Omitted.
306. Definitions.

SUBCHAPTER II—FEDERAL OLD-AGE, SURVIVORS, AND DISABILITY INSURANCE BENEFITS

401. Trust Funds.
401a. Omitted.
402. Old-age and survivors insurance benefit payments.
403. Reduction of insurance benefits.
404. Overpayments and underpayments.
405. Evidence, procedure, and certification for payments.
405a. Regulations pertaining to frequency or due dates of payments and reports under voluntary agreements covering State and local employees; effective date.
405b. Reducing identity fraud.
406. Representation of claimants before Commissioner.
408. Penalties.
409. ‘‘Wages’’ defined.
410. Definitions relating to employment.
410a. Transferred.
411. Definitions relating to self-employment.
412. Self-employment income credited to calendar years.
413. Quarter and quarter of coverage.
414. Insured status for purposes of old-age and survivors insurance benefits.
415. Computation of primary insurance amount.
416. Additional definitions.
418. Voluntary agreements for coverage of State and local employees.
418a. Voluntary agreements for coverage of Indian tribal council members.
419. Repealed.
420. Disability provisions inapplicable if benefit rights impaired.
421. Disability determinations.
422. Rehabilitation services.
423. Disability insurance benefit payments.
424. Repealed.
424a. Reduction of disability benefits.
425. Additional rules relating to benefits based on disability.
426. Entitlement to hospital insurance benefits.
426–1. End stage renal disease program.
426a. Transitional provision on eligibility of uninsured individuals for hospital insurance benefits.
427. Transitional insured status for purposes of old-age and survivors benefits.
428. Benefits at age 72 for certain uninsured individuals.
429. Benefits in case of members of uniformed services.

Sec. 430. Adjustment of contribution and benefit base.
431. Benefits for certain individuals interned by United States during World War II.
432. Processing of tax data.
433. International agreements.
434. Demonstration project authority.

SUBCHAPTER III—GRANTS TO STATES FOR UNEMPLOYMENT COMPENSATION ADMINISTRATION

501. Use of available funds.
502. Payments to States; computation of amounts.
503. State laws.
504. Judicial review.
505. Demonstration projects.
506. Grants to States for reemployment services and eligibility assessments.

SUBCHAPTER IV—GRANTS TO STATES FOR AID AND SERVICES TO NEEDY FAMILIES WITH CHILDREN AND FOR CHILD-WELFARE SERVICES

PART A—BLOCK GRANTS TO STATES FOR TEMPORARY ASSISTANCE FOR NEEDY FAMILIES

601. Purpose.
602. Eligible States; State plan.
603. Grants to States.
603a. Transferred.
604. Use of grants.
604a. Services provided by charitable, religious, or private organizations.
605. Administrative provisions.
606. Federal loans for State welfare programs.
607. Mandatory work requirements.
608. Prohibitions; requirements.
608a. Fraud under means-tested welfare and public assistance programs.
609. Penalties.
610. Appeal of adverse decision.
611. Data collection and reporting.
611a. State required to provide certain information.
612. Direct funding and administration by Indian tribes.
613. Evaluation of temporary assistance for needy families and related programs.
614. Repealed.
615. Waivers.
616. Administration.
617. Limitation on Federal authority.
618. Funding for child care.
619. Definitions.

PART B—CHILD AND FAMILY SERVICES

SUBPART 1—CHILD WELFARE SERVICES

620. Repealed.
621. Purpose.
622. State plans for child welfare services.
623. Allotments to States.
624. Payment to States.
625. Limitations on authorization of appropriations.
626. Research, training, or demonstration projects.
627. Family connection grants.
628. Payments to Indian tribal organizations.
628a. Transferred.

SUBPART 2—PROMOTING SAFE AND STABLE FAMILIES

629. Purpose.
629a. Definitions.
629b. State plans.
671. State plan for foster care and adoption assistance.
672. Foster care maintenance payments program.
673. Adoption and guardianship assistance program.
673a. Interstate compacts.
673b. Adoption and legal guardianship incentive payments.
673c. Timely interstate home study incentive payments.
674. Payments to States.
675. Definitions.
675a. Additional case plan and case review system requirements.
676. Administration.
677. John H. Chafee Foster Care Program for Successful Transition to Adulthood.
678. Rule of construction.
679. Collection of data relating to adoption and foster care.
679b. Annual report.
679c. Programs operated by Indian tribal organizations.

PART F—JOB OPPORTUNITIES AND BASIC SKILLS TRAINING PROGRAM
681 to 687. Repealed.

SUBCHAPTER V—MATERNAL AND CHILD HEALTH SERVICES BLOCK GRANT
701. Authorization of appropriations; purposes; definitions.
702. Allotment to States and Federal set-aside.
703. Payments to States.
703a. Omitted.
704. Use of allotment funds.
704a. Omitted.
704b. Nonavailability of allotments after close of fiscal year.
705. Application for block grant funds.
706. Administrative and fiscal accountability.
707. Criminal penalty for false statements.
708. Nondiscrimination provisions.
709. Administration of Federal and State programs.
710. Sexual risk avoidance education.
711. Maternal, infant, and early childhood home visiting programs.
712. Services to individuals with a postpartum condition and their families.
713. Personal responsibility education.
714 to 731. Omitted or Repealed.

SUBCHAPTER VI—TEMPORARY STATE FISCAL RELIEF
801. Repealed.

SUBCHAPTER VII—ADMINISTRATION
801. Social Security Administration.
801a. Repealed.
802. Commissioner; Deputy Commissioner; other officers.
803. Social Security Advisory Board.
804. Administrative duties of Commissioner.
805, 805a. Transferred.
805a. Training grants for public welfare personnel.
807. Repealed.
808. Omitted.
809. Delivery of benefit checks.
810. Recommendations by Board of Trustees to remedy inadequate balances in Social Security trust funds.
1320a–7h. Transparency reports and reporting of physician ownership or investment interests.

1320a–7i. Reporting of information relating to drug samples.

1320a–7j. Accountability requirements for facilities.

1320a–7k. Medicare and Medicaid program integrity provisions.

1320a–7l. Nationwide program for national and State background checks on direct patient access employees of long-term care facilities and providers.

1320a–7m. Use of predictive modeling and other analytics technologies to identify and prevent waste, fraud, and abuse in the Medicare fee-for-service program.

1320a–7n. Disclosure of predictive modeling and other analytics technologies to identify and prevent waste, fraud, and abuse.

1320a–7o. Civil monetary penalties and assessments for subchapters II, VIII and XVI.

1320a–8a. Administrative procedure for imposing penalties for false or misleading statements.

1320a–8b. Attempts to interfere with administration of this chapter.

1320a–9. Demonstration projects.

1320a–10. Effect of failure to carry out State plan.


1320b. Repealed.

1320b–2. Period within which certain claims must be filed.

1320b–3. Applicants or recipients under public assistance programs not to be required to make election respecting certain veterans’ benefits.


1320b–5. Authority to waive requirements during national emergencies.

1320b–6. Exclusion of representatives and health care providers convicted of violations from participation in social security programs.

1320b–7. Income and eligibility verification system.

1320b–8. Hospital protocols for organ procurement and standards for organ procurement agencies.

1320b–9. Improved access to, and delivery of, health care for Indians under subchapters XIX and XXI.

1320b–9a. Child health quality measures.

1320b–9b. Adult health quality measures.

1320b–10. Prohibitions relating to references to Social Security or Medicare.


1320b–12. Research on outcomes of health care services and procedures.


1320b–14. Outreach efforts to increase awareness of the availability of medicare cost-sharing and subsidies for low-income individuals under subchapter XVIII.


1320b–16. Public disclosure of certain information on hospital financial interest and referral patterns.

1320b–17. Cross-program recovery of overpayments from benefits.

1320b–18. Repealed.


1320b–21. State grants for work incentives assistance to disabled beneficiaries.

1320b–22. Grants to develop and establish State infrastructures to support working individuals with disabilities.

1320b–23. Pharmacy benefit managers transparency requirements.


1320b–25. Reporting to law enforcement of crimes occurring in federally funded long-term care facilities.

PART B—PEER REVIEW OF UTILIZATION AND QUALITY OF HEALTH CARE SERVICES

1320c. Purpose.

1320c–1. Definition of quality improvement organization.

1320c–2. Contracts with quality improvement organizations.

1320c–3. Functions of quality improvement organizations.

1320c–4. Right to hearing and judicial review.

1320c–5. Obligations of health care practitioners and providers of health care services; sanctions and penalties; hearings and review.

1320c–6. Limitation on liability.

1320c–7. Application of this part to certain State programs receiving Federal financial assistance.

1320c–8. Authorization for use of certain funds to administer provisions of this part.

1320c–9. Prohibition against disclosure of information.

1320c–10. Annual reports.

1320c–11. Exemptions for religious nonmedical health care institutions.

1320c–12. Medical officers in American Samoa, the Northern Mariana Islands, and the Trust Territory of the Pacific Islands to be included in the quality improvement program.

1320c–13 to 1320c–22. Repealed or Omitted.

PART C—ADMINISTRATIVE SIMPLIFICATION

1320d. Definitions.

1320d–1. General requirements for adoption of standards.

1320d–2. Standards for information transactions and data elements.

1320d–3. Timetables for adoption of standards.

1320d–4. Requirements.

1320d–5. General penalty for failure to comply with requirements and standards.

1320d–6. Wrongful disclosure of individually identifiable health information.


1320d–8. Processing payment transactions by financial institutions.


PART D—COMPARATIVE CLINICAL EFFECTIVENESS RESEARCH

1320e. Comparative clinical effectiveness research.

1320e–1. Limitations on certain uses of comparative clinical effectiveness research.

1320e–2. Trust Fund transfers to Patient-Centered Outcomes Research Trust Fund.

1320e–3. Information exchange with payroll data providers.

SUBCHAPTER XII—ADVANCES TO STATE UNEMPLOYMENT FUNDS

1321. Eligibility requirements for transfer of funds; reimbursement by State; application; certification; limitation.
1382a. Income; earned and unearned income de-
1382e. Supplementary assistance by State or
1383. Procedure for payment of benefits.
1382. Eligibility for benefits.
1382b. Resources.
1382c. Definitions.
1382d. Rehabilitation services for blind and dis-
1382h. Benefits for individuals who perform
1383b. Administration.
1383d. Outreach program for children.
1383e. Treatment referrals for individuals with
1383f. Annual report on program.
1384, 1385. Omitted.

SUBCHAPTER XVIII—HEALTH INSURANCE FOR
AGED AND DISABLED
1385. Prohibition against any Federal inter-
erence.
1385a. Free choice by patient guaranteed.
1385b. Option to individuals to obtain other
health insurance protection.
1385b−1. Incentives for economy while maintain-
ing or improving quality in provision of
health services.
1385b−2. Notice of medicare benefits; medicare
and medigap information.
1385b−3. Health insurance advisory service for
medicare beneficiaries.
1385b−4. Health insurance information, counsel-
ing, and assistance grants.
1385b−5. Beneficiary incentive programs.
1385b−6. Medicare Payment Advisory Commiss-
ion.
1385b−7. Explanation of medicare benefits.
1385b−8. Chronic care improvement.
1385b−10. Addressing health care disparities.

PART A—HOSPITAL INSURANCE BENEFITS FOR AGED
AND DISABLED
1385c. Description of program.
1385d. Scope of benefits.
1385e. Deductibles and coinsurance.
1385f. Conditions of and limitations on pay-
ment for services.
1385g. Payments to providers of services.
1385h. Provisions relating to the administra-
tion of part A.
1385i. Federal Hospital Insurance Trust Fund.
1385i−1. Authorization of appropriations.
1385i−2. Hospital insurance benefits for disabled
individuals.
1385i−3. Requirements for, and assuring quality
of care in, skilled nursing facilities.
1385i−4. Medicare rural hospital flexibility pro-
gram.
1385i−5. Conditions for coverage of religious non-
medical health care institutional serv-
ices.

PART B—SUPPLEMENTARY MEDICAL INSURANCE
BENEFITS FOR AGED AND DISABLED
1385j. Establishment of supplementary medical
insurance program for aged and dis-
abled.
1385k. Scope of benefits; definitions.
1385l. Payment of benefits.
1385m. Special payment rules for particular
items and services.
1385m−1. Improving policies for clinical diagnostic
laboratory tests.
1385n. Procedure for payment of claims of pro-
viders of services.
1385o. Eligible individuals.
1385p. Enrollment periods.
1385q. Coverage period.
1385r. Amount of premiums for individuals en-
rolled under this part.
1385s. Payment of premiums.
1385t. Federal Supplementary Medical Insur-
ance Trust Fund.
Sec. 1395w–1. 1395t–2. Repealed.

1395w. Provisions relating to the administration of part B.

1395v. Agreements with States.

1395w. Appropriations to cover Government contributions and contingency reserve. Repealed.

1395w–1. Intermediate sanctions for providers or suppliers of clinical diagnostic laboratory tests.

1395w–3. Competitive acquisition of certain items and services.

1395w–3a. Use of average sales price methodology.

1395w–3b. Competitive acquisition of outpatient drugs and biologicals.

1395w–4. Payment for physicians’ services.


1395w–6. Empowering beneficiary choices through continued access to information on physicians’ services.

PART C—MEDICARE+CHOICE PROGRAM

1395w–21. Eligibility, election, and enrollment.


1395w–24. Premiums and bid amounts.

1395w–25. Organizational and financial requirements for Medicare+Choice organizations; provider-sponsored organizations.


1395w–27. Contracts with Medicare+Choice organizations.

1395w–27a. Special rules for MA regional plans.


Repealed.

PART D—VOLUNTARY PRESCRIPTION DRUG BENEFIT PROGRAM

SUBPART 1—PART D ELIGIBLE INDIVIDUALS AND PRESCRIPTION DRUG BENEFITS


1395w–102. Prescription drug benefits.

1395w–103. Access to a choice of qualified prescription drug coverage.

1395w–104. Beneficiary protections for qualified prescription drug coverage.

SUBPART 2—PRESCRIPTION DRUG PLANS; PDP SPONSORS; FINANCING

1395w–111. PDP regions; submission of bids; plan approval.

1395w–112. Requirements for and contracts with prescription drug plan (PDP) sponsors.

1395w–113. Premium; late enrollment penalty.


1395w–114a. Medicare coverage gap discount program.

1395w–115. Subsidies for part D eligible individuals for qualified prescription drug coverage.


SUBPART 3—APPLICATION TO MEDICARE ADVANTAGE PROGRAM AND TREATMENT OF EMPLOYER-SPONSORED PROGRAMS AND OTHER PRESCRIPTION DRUG PLANS

1395w–131. Application to Medicare Advantage program and related managed care programs.

1395w–132. Special rules for employer-sponsored programs.

Sec. 1395w–133. State Pharmaceutical Assistance Programs.

1395w–134. Coordination requirements for plans providing prescription drug coverage.

SUBPART 4—MEDICARE PRESCRIPTION DRUG DISCOUNT CARD AND TRANSITIONAL ASSISTANCE PROGRAM

1395w–141. Medicare prescription drug discount card and transitional assistance program.

SUBPART 5—DEFINITIONS AND MISCELLANEOUS PROVISIONS

1395w–151. Definitions; treatment of references to provisions in part C. Miscellaneous provisions.

1395w–152. Condition for coverage of drugs under this part.

1395w–154. Improved Medicare prescription drug plan and MA–PD plan complaint system.

PART E—MISCELLANEOUS PROVISIONS

1395x. Definitions.

1395y. Exclusions from coverage and medicare as secondary payer.

1395z. Consultation with State agencies and other organizations to develop conditions of participation for providers of services.

1395aa. Agreements with States.

1395bb. Effect of accreditation.

1395cc. Agreements with providers of services; enrollment processes.

1395cc–1. Demonstration of application of physician volume increases to group practices.

1395cc–2. Provisions for administration of demonstration program.

1395cc–3. Health care quality demonstration program.


1395cc–5. Independence at home medical practice demonstration program.

1395cc–6. Opioid use disorder treatment demonstration program.

1395dd. Examination and treatment for emergency medical conditions and women in labor.


1395ff. Determinations; appeals.

1395gg. Overpayment on behalf of individuals and settlement of claims for benefits on behalf of deceased individuals.

1395hh. Regulations.

1395ii. Application of certain provisions of subchapter II.

1395jj. Designation of organization or publication by name.

1395kk. Administration of insurance programs.

1395kk–1. Contracts with medicare administrative contractors.

1395kk–2. Expanding availability of Medicare data.

1395ll. Studies and recommendations.

1395mm. Payments to health maintenance organizations and competitive medical plans.

1395nn. Limitation on certain physician referrals.

1395oo. Provider Reimbursement Review Board.

1395pp. Limitation on liability where claims are disallowed.

1395qq. Indian Health Service facilities.

1395rr. End stage renal disease program.

1395rr–1. Medicare coverage for individuals exposed to environmental health hazards.

1395ss. Certification of medicare supplemental health insurance policies.
Sec. 1395ss–1. Clarification.
Sec. 1395tt. Hospital providers of extended care services.
Sec. 1395uu. Payments to promote closing or conversion of underutilized hospital facilities.
Sec. 1395vv. Withholding payments from certain medicaid providers.
Sec. 1395ww. Payments to hospitals for inpatient hospital services.
Sec. 1395xx. Payment of provider-based physicians and payment under certain percentage arrangements.
Sec. 1395yy. Payment to skilled nursing facilities for routine service costs.
Sec. 1395zz. Provider education and technical assistance.
Sec. 1395aaa. Contract with a consensus-based entity regarding performance measurement.
Sec. 1395aaa–1. Quality and efficiency measurement.
Sec. 1395bbb. Conditions of participation for home health agencies; home health quality.
Sec. 1395ccc. Offset of payments to individuals to collect past due obligations arising from breach of scholarship and loan contract.
Sec. 1395dd. Medicare Integrity Program.
Sec. 1395ee. Payments to, and coverage of benefits under, programs of all inclusive care for elderly (PACE).
Sec. 1395ff. Prospective payment for home health services.
Sec. 1395gg. Omitted.
Sec. 1395hh. Health care infrastructure improvement program.
Sec. 1395ii. Medicare Improvement Fund.
Sec. 1395jj. Shared savings program.
Sec. 1395kk, 1395kk–1. Repealed.
Sec. 1395ll. Standardized post-acute care (PAC) assessment data for quality, payment, and discharge planning.

**SUBCHAPTER XIX—GRANTS TO STATES FOR MEDICAL ASSISTANCE PROGRAMS**

**1396.** Medicaid and CHIP Payment and Access Commission.
- **1396a.** Appropriations.
- **1396b.** State plans for medical assistance.
- **1396c.** Payment to States.
- **1396d.** Agreement adjustment for health care-acquired conditions.
- **1396e.** Operation of State plans.
- **1396f.** Definitions.
- **1396g.** Enrollment of individuals under group health plans.
- **1396h.** Medicaid Integrity Program.
- **1396i.** Observe of religious beliefs.
- **1396j.** State programs for licensing of administrators of nursing homes.
- **1396k.** Required laws relating to medical child support.
- **1396l.** State false claims act.
- **1396m.** Certification and approval of rural health clinics and intermediate care facilities for mentally retarded.
- **1396n.** Indian Health Service facilities.
- **1396o.** Assignment, enforcement, and collection of rights of payments for medical care; establishment of procedures pursuant to State plan; amounts retained by State.
- **1396p.** Hospital providers of nursing facility services.
- **1396q.** Withholding of Federal share of payments for certain medicare providers.
- **1396r.** Compliance with State plan and payment provisions.
- **1396s.** Use of enrollment fees, premiums, deductions, costs sharing, and similar charges.
- **1396t.** State option for alternative premiums and cost sharing.
- **1396u.** Lien, adjustments and recoveries, and transfers of assets.
- **1396v.** Application of provisions of subchapter II relating to subpoenas.
- **1396w.** Requirements for nursing facilities.
- **1396x.** Presumptive eligibility for pregnant women.
- **1396y.** Presumptive eligibility for children.
- **1396z.** Presumptive eligibility for certain breast or cervical cancer patients.
- **1396–1.** Information concerning sanctions taken by State licensing authorities against health care practitioners and providers.
- **1396–2.** Correction and reduction plans for intermediated care facilities for mentally retarded.
- **1396–3.** Adjustment in payment for inpatient hospital services furnished by disproportionate share hospitals.
- **1396–4.** Treatment of income and resources for certain institutionalized persons.
- **1396–5.** Extension of eligibility for medical assistance. Repealed.
- **1396–6.** Payment for covered outpatient drugs.
- **1396w.** Program for distribution of pediatric vaccine.
- **1396w.** Home and community care for functionally disabled elderly individuals.
- **1396w.** Community supported living arrangements.
- **1396w.** Assuring coverage for certain low-income families.
- **1396w.** Provisions relating to managed care.
- **1396w.** State coverage of medicare cost-sharing for additional low-income medicare beneficiaries.
- **1396w.** Program of all-inclusive care for elderly (PACE).
- **1396w.** Special provisions relating to medicare prescription drug benefit.
- **1396w.** Medicaid Integrity Program.
- **1396w.** State flexibility in benefit packages.
- **1396w.** Health opportunity accounts.
- **1396w.** Asset verification through access to information held by financial institutions.
- **1396w.** Medicaid Improvement Fund.
- **1396w.** Authorization to receive relevant information.
- **1396w.** Enrollment simplification and coordination with State health insurance exchanges.
- **1396w.** Requirements relating to qualified prescription drug monitoring programs and prescribing certain controlled substances.
- **1396w.** State option to provide coordinated care through a health home for individuals with chronic conditions.
- **1396w.** State option to provide coordinated care through a health home for children with medically complex conditions.

**SUBCHAPTER XX—BLOCK GRANTS AND PROGRAMS FOR SOCIAL SERVICES AND ELDER JUSTICE**

**DIVISION A—BLOCK GRANTS TO STATES FOR SOCIAL SERVICES**

**1397.** Purposes of division; authorization of appropriations.
SUBCHAPTER I—GRANTS TO STATES FOR OLD-AGE ASSISTANCE

REPEAL OF SUBCHAPTER I OF THIS CHAPTER; INAPPLICABILITY OF REPEAL TO PUERTO RICO, GUAM, AND VIRGIN ISLANDS

Pub. L. 92–603, title III, § 303(a), (b), Oct. 30, 1972, 86 Stat. 1484, provided that this subchapter is repealed effective January 1, 1974, except with respect to Puerto Rico, Guam, and the Virgin Islands.

CODIFICATION


§ 301. Authorization of appropriations

For the purpose of enabling each State, as far as practicable under the conditions in such State, to furnish financial assistance to aged needy individuals, there is hereby authorized to be appropriated for each fiscal year a sum sufficient to carry out the purposes of this subchapter. The sums made available under this section shall be used for making payments to States which have submitted, and had approved section shall be used for making payments to States which have submitted, and had approved State plans for old-age assistance.


§ 301. Authorization of appropriations

For the purpose of enabling each State, as far as practicable under the conditions in such State, to furnish financial assistance to aged needy individuals, there is hereby authorized to be appropriated for each fiscal year a sum sufficient to carry out the purposes of this subchapter. The sums made available under this section shall be used for making payments to States which have submitted, and had approved State plans for old-age assistance.


REPEAL OF SECTION

Pub. L. 92–603, title III, § 303(a), (b), Oct. 30, 1972, 86 Stat. 1484, provided that this section is repealed effective January 1, 1974, except with respect to Puerto Rico, Guam, and the Virgin Islands.

AMENDMENTS

1981—Pub. L. 97–35 substituted “purpose of enabling” for “purpose (a) of enabling”, struck out provisions designated as cls. (b) and (c) which authorized appropriations for the purpose of enabling each State to furnish medical assistance to aged individuals who are not recipients of old-age assistance but whose income and re-
sources are insufficient to meet the cost of necessary medical care and of encouraging each State to furnish rehabilitation and other services to individuals to attain and retain capability for self-care, and struck out "or for medical assistance for the aged, or for old-age assistance and medical assistance for the aged" after "plans for old-age assistance".

1958—Pub. L. 85–743 amended first sentence generally, striking from cl. (a) provision relating to the purpose of encouraging each State, as far as practicable under the conditions in the State, to help aged needy individuals attain self-care, and adding cl. (c) incorporating the struck out provision.


1950—Act Aug. 28, 1950, § 361(a), substituted "federal security administrator" for "social security administrator" for "social security board established by subchapter I of this chapter".

Effective Date of 1960 Amendment

Pub. L. 86–776 to标题VI, §604, Sept. 13, 1960, 74 Stat. 992, provided that: "The amendments made by section 601 of this Act [amending this section and sections 302 to 306, 1201 to 1206, and 1351 to 1355 of this title] shall take effect on October 1, 1960, and the amendments made by section 602 [amending section 1308 of this title] shall be effective with respect to fiscal years ending after 1960."

Change of Name

Secretary of Health and Human Services substituted in title I, subparts I, V, and VI of this chapter, as specified in section 3516(b) of Title 20, Education, for "Secretary of Health, Education, and Welfare" in section 509(b) of Pub. L. 96–88 which is classified to section 1305(b) of Title 20, Education.

Short Title

For short title of this chapter and of amendments thereto, see section 1305 of this title and Short Title notes set out thereunder.

Declaration of Purpose of Title III of Act August 1, 1956

Act Aug. 1, 1956, ch. 836, title III, § 300, 70 Stat. 846, provided that: "It is the purpose of this title (enacting sections 906 and 1310 of this title and amending this section and sections 302, 303, 601, 602, 603, 606, 1201, 1202, 1203, 1301, 1306, 1351, 1352, and 1353 of this title) (a) to promote the welfare of the Nation by encouraging each State to extend and broaden their provisions for meeting the costs of medical care for persons eligible for public assistance by providing for separate matching of assistance expenditures for medical care, (b) to promote the well-being of the Nation by encouraging the States to place greater emphasis on helping to strengthen family life and helping needy families and individuals attain the maximum economic and personal independence of which they are capable, (c) to assist in improving the administration of public assistance programs (1) through making grants and contracts, and entering into jointly financed cooperative arrangements, for research or demonstration projects and (2) through Federal-State programs of grants to institutions and traineeships and fellowships so as to provide training of public welfare personnel, thereby securing more adequately trained personnel, and (d) to improve aid to dependent children."

Puerto Rico, Guam, and the Virgin Islands

Pub. L. 92–603, title III, §303(b), Oct. 30, 1972, 86 Stat. 1484, provided that: "The amendments made by sections 301 [enacting sections 1381 to 1383 of this title and 302 [enacting sections 801 to 805 of this title] and the repeals made by subsection (a) [repealing this section and sections 302 to 306, 1201 to 1206, and 1351 to 1355 of this title] shall not be applicable in the case of Puerto Rico, Guam, and the Virgin Islands."

§ 302. State old-age plans

(a) Contents

A State plan for old-age assistance must—

(1) except to the extent permitted by the Secretary with respect to services, provide that it shall be in effect in all political subdivisions of the State, and, if administered by the State, be mandatory upon them;

(2) provide for financial participation by the State;

(3) either provide for the establishment or designation of a single State agency to administer the plan, or provide for the establishment or designation of a single State agency to supervise the administration of the plan;

(4) provide (A) for granting an opportunity for a fair hearing before the State agency to any individual whose claim for assistance under the plan is denied or is not acted upon with reasonable promptness, and (B) that if the State plan is administered in each of the political subdivisions of the State by a local agency and such local agency provides a hearing at which evidence may be presented prior to a hearing before the State agency, such local agency may put into effect immediately upon issuance its decision upon the matter considered at such hearing;

(5) provide (A) such methods of administration (including methods relating to the establishment and maintenance of personnel standards on a merit basis, except that the Secretary shall exercise no authority with respect to the selection, tenure of office, and compensation of any individual employed in accordance with such methods) as are found by the Secretary to be necessary for the proper and efficient operation of the plan, and (B) for the training and effective use of paid subprofessional staff, with particular emphasis on the full-time or part-time employment of recipients and other persons of low income, as community service aides, in the administration of the plan and for the use of nonpaid or partially paid volunteers in a social service volunteer program in providing services to applicants and recipients and in assisting any advisory committees established by the State agency;

(6) provide that the State agency will make such reports, in such form and containing such information, as the Secretary may from time to time require, and comply with such provisions as the Secretary may from time to time find necessary to assure the correctness and verification of such reports;

(7) provide safeguards which permit the use or disclosure of information concerning applicants or recipients only (A) to public officials who require such information in connection with their official duties, or (B) to other persons for purposes directly connected with the administration of the State plan;

(8) provide that all individuals wishing to make application for assistance under the plan...
shall have opportunity to do so, and that such assistance shall be furnished with reasonable promptness to all eligible individuals;

(9) provide, if the plan includes assistance for or on behalf of individuals in private or public institutions, for the establishment or designation of a State authority or authorities which shall be responsible for establishing and maintaining standards for such institutions;

(10) if the State plan includes old-age assistance—

(A) provide that the State agency shall, in determining need for such assistance, take into consideration any other income and resources of an individual claiming old-age assistance, as well as any expenses reasonably attributable to the earning of any such income; except that, in making such determination, (1) the State agency may disregard not more than $7.50 per month of any income and (ii) of the first $80 per month of additional income which is earned the State agency may disregard not more than the first $20 thereof plus one-half of the remainder;

(B) include reasonable standards, consistent with the objectives of this subchapter, for determining eligibility for and the extent of such assistance; and

(C) provide a description of the services (if any) which the State agency makes available (using whatever internal organizational arrangement it finds appropriate for this purpose) to applicants for and recipients of such assistance to help them attain self-care, including a description of the steps taken to assure, in the provision of such services, maximum utilization of other agencies providing similar or related services; and

(11) provide that information is requested and exchanged for purposes of income and eligibility verification in accordance with a State system which meets the requirements of section 1320b-7 of this title.

(b) Approval by Secretary

The Secretary shall approve any plan which fulfills the conditions specified in subsection (a), except that he shall not approve any plan which imposes, as a condition of eligibility for assistance under the plan—

(1) an age requirement of more than sixty-five years; or

(2) any residence requirement which (A) in the case of applicants for old-age assistance, excludes any resident of the State who has resided therein five years during the nine years immediately preceding the application for old-age assistance and has resided therein continuously for one year immediately preceding the application, and (B) in the case of applicants for medical assistance for the aged, concludes any individual who resides in the State; or

(3) any citizenship requirement which excludes any citizen of the United States.

At the option of the State, the plan may provide that manuals and other policy issuances will be furnished to persons without charge for the reasonable cost of such materials, but such provision shall not be required by the Secretary as a condition for the approval of such plan under this subchapter.

(c) Limitation on number of plans

Nothing in this subchapter shall be construed to permit a State to have in effect with respect to any period more than one State plan approved under this subchapter.


REPEAL OF SECTION

Pub. L. 92–603, title III, § 303(a), (b), Oct. 30, 1972, 86 Stat. 1444, provided that this section is repealed effective Jan. 1, 1974, except with respect to Puerto Rico, Guam, and the Virgin Islands.

AMENDMENTS


1981—Subsec. (a). Pub. L. 97–35 struck out in provision preceding par. (1) ‘‘, or for medical assistance for the aged, or for old-age assistance and medical assistance for the aged’’ par. (11) which specified the contents the State plan must contain if it includes medical assistance for the aged, par. (12) which specified the contents the State plan must contain if it includes assistance to or in behalf of individuals who are patients in institutions for mental diseases, and par. (13) which provided that if the State plan includes assistance to or in behalf of patients in public institutions for mental diseases, it show that the State is making satisfactory progress towards developing and implementing a comprehensive mental health program.

1972—Subsec. (a)(1). Pub. L. 92–603, § 410(a), inserted ‘‘except to the extent permitted by the Secretary with respect to services’’ before ‘‘provide’’.

Subsec. (a)(4). Pub. L. 92–603, § 407(a), added existing provisions as cl. (A) and added cl. (B).

Subsec. (a)(7). Pub. L. 92–603, § 412(a), substituted provisions permitting use or disclosure of information concerning applicants or recipients to public officials requiring such information in connection with their official duties and to other persons for purposes directly connected with administration of the State plan, for provisions restricting use or disclosure of such information to purposes directly connected with administration of the State plan.

Subsec. (a)(10)(C). Pub. L. 92–603, § 405(a), inserted provision relating to use of whatever internal organizational arrangement found appropriate.

Subsec. (b). Pub. L. 92–603, § 406(a), inserted provision relating to furnishing of manuals and other policy issuances to persons without charge and at option of the State.

1968—Subsec. (a)(5). Pub. L. 90–248, § 210(a)(1), designated existing provisions as subpar. (A) and added subpar. (B).
§ 303. Payments to States and certain territories; computation of amount; eligibility of State to receive payment

(a) Computation of amounts

From the sums appropriated therefor, the Secretary of the Treasury shall pay to each State which has a plan approved under this subchapter, for each quarter, beginning with the quarter commencing October 1, 1960—
(b) Method of computing and paying amounts

The method of computing and paying such amounts shall be as follows:

(1) The Secretary of Health and Human Services shall, prior to the beginning of each quarter, estimate the amount to be paid to the State for such quarter under the provisions of subsection (a), such estimate to be based on (A) a report filed by the State containing its estimate of the total sum to be expended in such quarter in accordance with the provisions of this subsection, and stating the amount appropriated or made available by the State and its political subdivisions for such expenditures in such quarter, and if such amount is less than the State's proportionate share of the total sum of such estimated expenditures, the source or sources from which the difference is expected to be derived, (B) records showing the number of aged individuals in the State, and (C) such other investigation as the Secretary of Health and Human Services may find necessary.

(2) The Secretary of Health and Human Services shall then certify to the Secretary of the Treasury the amount so estimated by the Secretary of Health and Human Services, (A) reduced or increased, as the case may be, by any sum by which he finds that his estimate for any prior quarter was greater or less than the amount which should have been paid to the State under subsection (a) for such quarter, and (B) reduced by a sum equivalent to the proportional share of the total sum of such estimated expenditures, the source or sources from which the difference is expected to be derived, through grants to such institutions or by direct financial assistance to students enrolled in such institutions of personnel employed or preparing for employment by the State agency or by the local agency administering the plan in the political subdivision; plus for the training (including both short- and long-term training at educational institutions through grants to such institutions or by direct financial assistance to students enrolled in such institutions) of personnel employed or preparing for employment by the State agency or by the local agency administering the plan in the political subdivision, plus

(A) 75 per centum of so much of such expenditures as are for the training (including both short- and long-term training at educational institutions through grants to such institutions or by direct financial assistance to students enrolled in such institutions) of personnel employed or preparing for employment by the State agency or by the local agency administering the plan in the political subdivision; plus

(B) 100 percent of so much of such expenditures as are for the costs of the implementation and administration of the immigration status verification system described in section 1320b-7(d) of this title; plus

(C) one-half of the remainder of such expenditures.

(3) The Secretary of the Treasury shall thereupon, through the Fiscal Service of the Treasury Department and prior to audit or settlement by the Government Accountability Office, pay to the State, at the time or times fixed by the Secretary of Health and Human Services, the amount so certified.

(4) in the case of any State, an amount equal to 50 percent of the total amounts expended during such quarter as found necessary by the Secretary for the proper and efficient administration of the State plan.

303

REPEAL OF SECTION

Pub. L. 92–603, title III, §303(a), (b), Oct. 30, 1972, 86 Stat. 1484, provided that this section is repealed effective Jan. 1, 1974, except with respect to Puerto Rico, Guam, and the Virgin Islands.

AMENDMENTS


1993—Subsec. (a)(4). Pub. L. 103–66 substituted “50 percent of the total amounts expended during each such quarter as found necessary by the Secretary for the proper and efficient administration of the State plan” for “the sum of the following proportions of the total amounts expended during such quarter as found necessary by the Secretary of Health and Human Services for the proper and efficient administration of the State plan—(A) 75 percent of so much of such expenditures as are for the training (including both short- and long-term training at educational institutions through grants to such institutions or by direct financial assistance to students enrolled in such institutions) of personnel employed or preparing for employment by the State agency or by the local agency administering the plan in the political subdivision; plus (B) 100 percent of so much of such expenditures as are for the costs of the implementation and administration of the immigration status verification system described in section 1320b–7(d) of this title; plus (C) one-half of the remainder of such expenditures.”

1986—Subsec. (a)(4)(B), (C). Pub. L. 99–603 added subpar. (B) and redesignated former subpar. (B) as (C).

Subsec. (a)(2). Pub. L. 97–35, § 218(a)(4)(B), amended par. (2) generally, striking out provisions including as old-age assistance under the State plan expenditures for educational institutions through grants to such institutions or by direct financial assistance to students enrolled in such institutions, and struck out provisions which included in the computation of the amount payable services and provisions which specified what services were includable.

Subsec. (a)(3). Pub. L. 97–35, § 218(a)(4)(A), struck out par. (3) which provided for payment, in the case of any State, of an amount equal to the Federal medical percentage of total amounts expended for each quarter as medical assistance for the aged under the State plan, including expenditures for medical or any other type of remedial care or cost thereof.

Subsec. (a)(4). Pub. L. 97–35, § 225(a)(1)(A), substituted provision making payments available to any State for provision making payments available to any State whose State plan approved under section 302 of this title meets the requirements of subsec. (c)(1) of this section and “Secretary of Health and Human Services” for “Secretary of Health, Education, and Welfare”, inserted provision including within the meaning of training both short and long term training at educational institutions through grants to such institutions or by direct financial assistance to students enrolled in such institutions, and struck out provisions which included in the computation of the amount payable services and provisions which specified what services were includable.

Subsec. (a)(5). Pub. L. 97–35, § 233(a)(1)(B), struck out par. (5) which provided payment, in the case of any State whose State plan approved under section 302 of this title which did not meet the requirements of subsections (a)(4) and (c) of this section, of an amount equal to one-half of the total of the sums expended during such quarter as found necessary by the Secretary for the proper and efficient administration of the State plan.

Subsec. (b). Pub. L. 97–35, § 233(a)(1)(B), struck out subsec. (c) which provided for an eligibility requirement in order for a State to qualify for payments under subsec. (a)(4) of this section and prescribed action to be taken by the Secretary upon failure of the State to comply.

Subsec. (d). Pub. L. 97–35, § 218(a)(4)(C), struck out subsec. (d) which provided that the amount determined for any State for any quarter which is attributable to expenditures with respect to individuals who are recipients of money payments for medical or any other type of remedial care or cost thereof.

1975—Subsec. (a). Pub. L. 93–647, § 3(e)(2), struck out “subject to section 1320b of this title” after “the Secretary of the Treasury shall”.

Subsec. (a)(4)(A)(iv). Pub. L. 93–647, § 5(a), inserted “including both short- and long-term training at educational institutions through grants to such institutions or by direct financial assistance to students enrolled in such institutions” after “training”.

Subsec. (a)(5). Pub. L. 92–512, § 301(b), substituted “shall (subject to section 1320b of this title)” for “shall pay” in text preceding par. (1).

Subsec. (a)(4)(E). Pub. L. 92–512, § 301(b), substituted “under conditions which shall be” for “subject to limitations”.

1968—Subsec. (a)(4)(D). Pub. L. 90–248 inserted “except to the extent specified by the Secretary” after “shall” in introductory text to subpar. (D).

1965—Subsec. (a)(1). Pub. L. 89–97, § 122, 401(a), inserted “premiums under part B of subchapter XVIII of this chapter for individuals who are recipients of money payments under such plan and other” after “expenditures for” in parenthetical phrase appearing in so much of par. (1) as precedes (A) and changed first step of formula for determining Federal payments to States with approved plans for old-age assistance under this subchapter, contained in cl. (A), by providing Federal share of expenses of administration of State public assistance plans by providing quarterly payments of one-half of the quarterly payments for certain prescribed services to help attain and retain capability for self-care, services likely to prevent or reduce dependency, and services appropriate for individuals who were or are likely to become applicants for or recipients of assistance and request such services, and training of State or local public assistance personnel administering such plans and one-half of any other administrative expenses for other services, permitted State health or vocational rehabilitation or other appropriate State agencies to furnish such services, except vocational rehabilitation services, and required the determination of the portion of expenses for medical care before applying the Federal percentage payment instead of the average monthly assistance payments, extended the application of the Federal percentage in second step of formula to an additional $35 of the average monthly assistance payment, restated formula for second and third steps by striking out cl. (C) and combining such steps in cl. (B) and making provision therein to give recognition to the Secretary’s expenditures for medical care before applying the Federal percentage to remaining expenditures for which Federal participation is available, respectively.

Subsec. (b)(2). Pub. L. 89–97, § 122, inserted “premiums under part B of subchapter XVIII of this chapter for individuals who are recipients of money payments under such plan and other” after “expenditures for” in parenthetical phrase.


1962—Subsec. (a)(1). Pub. L. 87–543, § 132(a), substituted “‘$31’” for “‘$30’” and “‘$66’” for “‘$65’” respectively, in subpar. (A), “‘$70’” for “‘$65’” in subpar. (B), and “‘$85’” and “‘$70’” for “‘$81’” and “‘$66’” respectively, in subpar. (C).

Subsec. (a)(2). Pub. L. 87–543, § 132(a), substituted “‘$37.50’” for “‘$35.50’”, in subpar. (A) and “‘$45’” and “‘$37.50’” for “‘$43’” and “‘$35.50’”, respectively, in subpar. (B).

Subsec. (a)(4). Pub. L. 87–543, § 101(a)(1), (b)(1)(A), inserted in opening provisions “where State plan approved under section 302 of this title meets the requirements of subsection (c) of this section” after “any State”, and substituted provisions which increased the Federal share of expenses of administration of State public assistance plans by providing quarterly payments of the sum of 75 per centum of the quarterly expenses for certain prescribed services to help attain and retain capability for self-care, services likely to prevent or reduce dependency, and services appropriate for individuals who were or are likely to become applicants for or recipients of assistance and request such services, and training of State or local public assistance personnel administering such plans and one-half of any other administrative expenses for other services, permitted State health or vocational rehabilitation or other appropriate State agencies to furnish such services, except vocational rehabilitation services, and required the determination of the portion of expenses for medical care before applying the Federal percentage payment instead of the average monthly assistance payments, extended the application of the Federal percentage in second step of formula to an additional $35 of the average monthly assistance payment, restated formula for second and third steps by striking out cl. (C) and combining such steps in cl. (B) and making provision therein to give recognition to the Secretary’s expenditures for medical care before applying the Federal percentage to remaining expenditures for which Federal participation is available, respectively.


1961—Subsec. (a)(1). Pub. L. 87–64, § 303(a)(1), substituted “‘$31’” for “‘$30’” in subpar. (A), “‘$66’” for “‘$65’” in subpar. (B), and “‘$81’” for “‘$80’” and “‘$66’” respectively, in subpar. (C).

Pub. L. 87–31, § 5(a), substituted “‘$30’” and “‘$15’” for “‘$77’” and “‘$12’”, respectively, in subpar. (C).

Subsec. (a)(2). Pub. L. 87–64, § 303(a)(2), substituted “‘$35.50’” for “‘$35’” in subpar. (A), and “‘$35.50’” for “‘$35’” and “‘$45’” for “‘$43’” and “‘$45.50’” respectively, in subpar. (B).

Pub. L. 87–31, § 5(b), substituted “‘$42.50’” and “‘$57.50’” for “‘$41’” and “‘$36’”, respectively, in subpar. (B).

1960—Subsec. (a). Pub. L. 86–778, § 601(c), added pars. (1)(C), (2)(B), and (3).

Subsec. (b)(2). Pub. L. 86–778, § 601(d), substituted “assistances furnished under the State plan” for “old-age assistance furnished under the State plan” in cl. (B).
1958—Subsec. (a). Pub. L. 85–840 increased payments to the States to four-fifths of the first $30 of the average monthly payment per recipient, including assistance in the form of money payments and in the form of medical or any other type of remedial care, plus Federal percentage of the amount by which the expenditures exceed the maximum which may be counted under cl. (A), but excluding that part of the average monthly payment per recipient in excess of $65, increased average monthly payment to Puerto Rico and the Virgin Islands from $30 to $35, excluded Guam from provisions which authorize an average monthly payment of $65 and included Guam within provisions which authorize an average monthly payment of $35, and permitted the counting of individuals with respect to whom expenditures were made as old-age assistance in the form of medical or any other type of remedial care in determining the total number of recipients.

1956—Subsec. (a). Act Aug. 1, 1956, §301, substituted "during such quarter as old-age assistance in the form of money payments under the State plan" for "during such quarter as old-age assistance under the State plan" in cls. (1) and (2), "who received old-age assistance in the form of money payments for such month" for "who received old-age assistance for such month" in par. (A) of cl. (1), and inserted cl. (4).

1954—Subsec. (b)(1). Act Aug. 1, 1956, §311(c), struck out "section 1396(b)(1)".


1946—Subsec. (a). Act Aug. 10, 1946, §301(b), temporarily increased maximum monthly State expenditure for an individual to which Federal Government will contribute from $40 to $65, increased Federal contribution for assistance from one-half the State's expenditure to two-thirds the State's expenditure up to $15 monthly per individual plus one-half the State's expenditures over $15 and changed the Federal contribution for administration from 5 percent of Federal contribution for assistance to one-half the State expenditure for administration. See Effective and Termination Date of 1946 Amendment note below.

Subsec. (b). Act Aug. 10, 1946, §301(b), temporarily changed references to cl. (1) of subsec. (a) to refer to entire subsection, substituted "the State's proportionate share" for "one-half" in par. (1) and struck out "increased by 5 per centum" at end of par. (3). See Effective and Termination Date of 1946 Amendment note below.

1939—Act Aug. 10, 1939, amended section generally, including substitution of $40 for $30 in subsec. (a).
U.S.C. 1397aa(a)(1)) with respect to expenditures made prior to October 1, 1978, in connection with the provision of child day care services in day care centers and group day care homes, in the case of children between the ages of six weeks and six years, may be made without regard to the requirements relating to staffing standards which are imposed by or under section 2002(a)(3)(A) of such Act (42 U.S.C. 1397aa(a)(3)(A)), so long as the staffing standards actually being applied in the provision of the services involved (A) comply with applicable State law (as in effect at the time the services are provided), (B) are no lower than the corresponding staffing standards which were imposed or required by applicable State law on September 15, 1975, and (C) are no lower, in the case of any day care center or group day care home, than the staffing standards actually being applied in such center or home on September 15, 1975.

(b) The amendments made by section 3 of this Act [amending this section and sections 602, 603, 606, 622, 1203, 1308, 1315, 1316, 1320b note, and 1383 note of this title, repealing sections 801 to 805 and 1320b of this title, and enacting provisions set out as notes under section 1320b and 1397a of this title] shall be effective with respect to payments under sections 403 and 603 of the Social Security Act [42 U.S.C. 603, 603] for quarters commencing after September 30, 1975, except that the amendments made by subsection (a)(4) [amending sections 602, 603, 606, and 623 of this title] shall not be effective with respect to the Commonwealth of Puerto Rico, the Virgin Islands, or Guam.

Effective Date of 1972 Amendment
Pub. L. 92–512, title III, §301(e), Oct. 20, 1972, 86 Stat. 947, provided that: "The amendments made by this section (other than by subsection (b)(2) [amending section 1320b of this title and amending this section and sections 603, 1203, 1253, and 1383] shall be effective July 1, 1972, and the amendments made by subsection (b) [amending this section and sections 603, 1203, 1353, and 1383 of this title] shall be effective January 1, 1973." 

Effective Date of 1968 Amendment
Pub. L. 90–248, title II, §212(e), Jan. 2, 1968, 81 Stat. 896, provided that: "The amendments made by the preceding subsections of this section [amending this section and sections 1203, 1353, and 1383 of this title] shall take effect January 1, 1968." 

Effective Date of 1965 Amendment
Amendment by section 221 of Pub. L. 89–97 applicable in the case of expenditures made after Dec. 31, 1965, under a State plan approved under this subchapter, see section 221(e) of Pub. L. 89–97, set out as a note under section 302 of this title.


Effective Date of 1962 Amendment
Pub. L. 87–543, title II, §202(d), July 25, 1962, 76 Stat. 208, provided that: "The amendments made by sections 109 and 132 (other than subsections (d) and (e) thereof) [amending this section and sections 606, 1316, and 1353 of this title] shall be applicable in the case of expenditures, under a State plan approved under title I, IV, X, or XIV of the Social Security Act [42 U.S.C. 301 et seq., 601 et seq., 1201 et seq., 1351 et seq.], as the case may be, made after September 30, 1962." 

Pub. L. 87–543, title II, §202(f), July 25, 1962, 76 Stat. 206, provided that: "The amendments made by section 109(b) [amending this section and sections 603, 1203, and 1353 of this title] shall be applicable in the case of expenditures, under a State plan approved under title I, IV, X, or XIV of the Social Security Act [42 U.S.C. 301 et seq., 601 et seq., 1201 et seq., 1351 et seq.], as the case may be, made after August 31, 1962. The amendments made by section 101(b) [amending this section and sections 603, 608, 609, 1203, and 1353 of this title] shall be applicable in the case of expenditures, under a State plan approved under title I, IV, X, or XIV of the Social Security Act, as the case may be, made after June 30, 1963."

Effective Date of 1961 Amendment
Pub. L. 87–64, title III, §303(e), June 30, 1961, 75 Stat. 143, as amended by Pub. L. 87–543, title I, §132(e), July 25, 1962, 76 Stat. 196, provided that: "The amendments made by subsections (a), (b), and (c) of this section [amending this section and sections 1203 and 1353 of this title] shall apply only in the case of expenditures made after September 30, 1961, and before October 1, 1962, under a State plan approved under title I, X, or XIV, as the case may be, of the Social Security Act [42 U.S.C. 301 et seq., 1201 et seq., 1351 et seq.]."

Pub. L. 87–31, §5(c), May 8, 1961, 75 Stat. 77, provided that: "The amendments made by subsections (a) and (b) [amending this section] shall apply in the case of expenditures made after June 30, 1961, under a State plan approved under title I of the Social Security Act [42 U.S.C. 301 et seq.]."

Effective Date of 1960 Amendment

Effective Date of 1958 Amendment
Pub. L. 85–840, title V, §512, Aug. 28, 1958, 72 Stat. 1052, provided that: "Notwithstanding the provisions of sections 305 and 345 of the Social Security Amendments of 1956, as amended [set out as notes below], the amendments made by sections 501, 502, 503, 504, 505, and 506 [amending this section and sections 603, 1203, 1301, and 1353 of this title] shall be effective—"

"(1) in the case of payments, under a State plan approved under title I, IV, X, or XIV of the Social Security Act [42 U.S.C. 301 et seq., 601 et seq., 1201 et seq., 1351 et seq.], for months after September 1958, and

"(2) in the case of assistance in the form of medical or any other type of remedial care, under such a plan, with respect to expenditures made after September 1958."

The amendments made by section 506 [amending section 1301 of this title] shall also become effective, for purposes of title V of the Social Security Act [42 U.S.C. 701 et seq.], for fiscal years ending after June 30, 1959. The amendments made by section 507 [amending section 1308 of this title] shall be effective for fiscal years ending after June 30, 1958. The amendment made by section 508 [amending section 1304 of this title] shall be effective for fiscal years ending after June 30, 1959. The amendment made by section 510 shall become effective October 1, 1958."

Effective and Termination Date of 1956 Amendment

Act Aug. 1, 1956, ch. 836, title III, §345, 70 Stat. 854, provided that: "The amendments made by this part [part V (§§341–345) of title III of act Aug. 1, 1956, amending this section and sections 603, 1203, and 1353 of this title] shall be effective for the period beginning October 1, 1956, and ending with the close of June 30, 1959, and after such amendments cease to be in effect any provision of law amended thereby shall be in full force and effect as though this part had not been enacted."

Effective Date of 1956 Amendment

effective Jan. 1, 1957.

The amendments made by any section of this part shall not apply to any State (as defined in section 1101 of the Social Security Act [42 U.S.C. 1301] for purposes of title I thereof [42 U.S.C. 301 et seq.]) for any fiscal year for which there is in effect an election by it not to have the amendments made by such section apply to it. Any such election shall be in effect for a fiscal year only if notice of the election has been filed with the Secretary of Health, Education, and Welfare [now Health and Human Services] at some time prior to May 16 of the preceding fiscal year, except that any such election shall be in effect for the fiscal year beginning July 1, 1957, if notice of the election is filed with the Secretary prior to August 1, 1957. An election by a State under this subsection shall continue in effect until the close of any fiscal year designated in a notice of termination of such election which is filed with the Secretary of Health, Education, and Welfare [now Health and Human Services] prior to May 16 of such year. Elections hereunder shall be made, and notices thereof and notices of termination shall be filed, on such form or forms and in such manner as the Secretary of Health, Education, and Welfare [now Health and Human Services] may prescribe.

**Effective and Termination Date of 1952 Amendment**

Act July 18, 1952, ch. 945, § 18(e), 66 Stat. 780, as amended by act Sept. 1, 1954, ch. 1236, title III, § 301, 68 Stat. 1097, provided that: “The amendments made by this section [amending this section and sections 603, 1203, and 1353 of this title] shall be effective for the period beginning October 1, 1952, and ending with the close of September 30, 1956, and after such amendments cease to be in effect any provision of law amended thereby shall be in full force and effect as though this Act [July 18, 1952] had not been enacted.”

**Effective Date of 1950 Amendment**

Act Aug. 28, 1950, ch. 809, title III, § 302(b), 64 Stat. 549, provided that: “The amendment made by subsection (a) [amending this section] shall take effect October 1, 1950.”

**Effective Date of 1948 Amendment**

Act June 14, 1948, ch. 468, § 3(d), 62 Stat. 449, provided that: “The amendments made by this section [amending this section and sections 603 and 1203 of this title] shall become effective on October 1, 1948.”

**Effective and Termination Date of 1946 Amendment**

Act Aug. 10, 1946, ch. 951, title V, § 504, 60 Stat. 993, as amended by act Aug. 6, 1947, ch. 510, § 3, 61 Stat. 794, provided that: “Sections 501, 502, and 503 (amending this section and sections 603 and 1203 of this title) shall be effective with respect to the period commencing October 1, 1946, and ending on June 30, 1950.”

**Effective Date of 1939 Amendment**

Act Aug. 10, 1939, ch. 666, title I, § 102, 53 Stat. 1361, provided that the amendment made by that section is effective Jan. 1, 1940.

**Transfer of Functions**

Functions of Federal Security Administrator transferred to Secretary of Health, Education, and Welfare and all agencies of Federal Security Agency transferred to Department of Health, Education, and Welfare by section 5 of Reorg. Plan No. 1 of 1933, set out in the Appendix to Title 5, Government Organization and Employees, which consolidated such division into Fiscal Service of Treasury Department. See section 306 of Title 31, Money and Finance.

**Nonduplication of Payments to States: Prohibition of Payments After December 31, 1969**

Prohibition of payments under this subsection to States with respect to aid or assistance in form of medical or other type of remedial care for any period for which States received payments under subchapter XIX of this chapter or for any period after Dec. 31, 1969, see section 121(b) of Pub. L. 89–97, set out as a note under section 1396b of this title.

§ 304. Stopping payment on deviation from required provisions of plan or failure to comply therewith

In the case of any State plan which has been approved under this subchapter by the Secretary, if the Secretary, after reasonable notice and opportunity for hearing to the State agency administering or supervising the administration of such plan, finds—

1. that the plan has been so changed as to impose any age, residence, or citizenship requirement prohibited by section 302(b) of this title, or that in the administration of the plan any such prohibited requirement is imposed, with the knowledge of such State agency, in a substantial number of cases; or

2. that in the administration of the plan there is a failure to comply substantially with any provision required by section 302(a) of this title to be included in the plan;

the Secretary shall notify such State agency that further payments will not be made to the State (or, in his discretion, that payments will be limited to categories under or parts of the State plan not affected by such failure) until the Secretary is satisfied that such prohibited requirement is no longer so imposed, and that there is no longer any such failure to comply. Until he is so satisfied he shall make no further payments to such State (or shall limit payments to categories under or parts of the State plan not affected by such failure).


**Repeal of Section**

Pub. L. 92–603, title III, § 303(a), (b), Oct. 30, 1972, 86 Stat. 1404, provided that this section is repealed effective Jan. 1, 1974, except with respect to Puerto Rico, Guam, and the Virgin Islands.

**Amendments**

1968—Pub. L. 90–248 inserted “or, in his discretion, that payments will be limited to categories under or
parts of the State plan not affected by such failure); after “further payments will not be made to the State” and substituted in last sentence “further payments to such State or shall limit payments to categories under or parts of the State plan not affected by such failure); for “further certification to the Secretary of the Treasury with respect to such State”.

1956—Act Aug. 28, 1956, substituted “Administrator” for “Board”; and “him” or “his” for “it”, “its”, wherever appearing.

§ 305. Omitted

Codification


§ 306. Definitions

(a) For the purposes of this subchapter, the term “old-age assistance” means money payments to, or (if provided in or after the third month before the month in which the recipient makes application for assistance) medical care in behalf of or any type of remedial care recognized under State law in behalf of, needy individuals who are 65 years of age or older, but does not include any such payments to or care in behalf of any individual who is an inmate of a public institution (except as a patient in a medical institution). Such term also includes payments which are not included within the meaning of such term under the preceding sentence, but which would be so included except that they are made on behalf of such a needy individual to another individual who (as determined in accordance with standards prescribed by the Secretary) is interested in or concerned with the welfare of such needy individual, but only with respect to a State whose State plan approved under section 302 of this title includes provision for—

(1) determination by the State agency that such needy individual has, by reason of his physical or mental condition, such inability to manage funds that making payments to him would be contrary to his welfare and, therefore, it is necessary to provide such assistance through payments described in this sentence;

(2) making such payments only in cases in which such payments will, under the rules otherwise applicable under the State plan for determining need and the amount of old-age assistance to be paid (and in conjunction with other income and resources), meet all the need of the individuals with respect to whom such payments are made;

(3) undertaking and continuing special efforts to protect the welfare of such individual and to improve, to the extent possible, his capacity for self-care and to manage funds;

(4) periodic review by such State agency of the determination under paragraph (1) of this subsection to ascertain whether conditions justifying such determination still exist, with provision for termination of such payments if they do not and for seeking judicial appointment of a guardian or other legal representative, as described in section 1311 of this title, if and when it appears that such action will best serve the interests of such needy individual; and

(5) opportunity for a fair hearing before the State agency on the determination referred to in paragraph (1) of this subsection for any individual with respect to which it is made.

At the option of a State (if its plan approved under this subchapter so provides), such term (i) need not include money payments to an individual who has been absent from such State for a period in excess of 90 consecutive days (regardless of whether he has maintained his residence in such State during such period) until he has been present in such State for 30 consecutive days in the case of such an individual who has maintained his residence in such State during such period or 90 consecutive days in the case of any other such individual, and (ii) may include rent payments made directly to a public housing agency on behalf of a recipient or a group or groups of recipients of assistance under such plan.


Repeal of Section

Pub. L. 92–603, title III, § 203(a), (b), Oct. 30, 1972, 86 Stat. 1484, provided that this section is repealed effective Jan. 1, 1974, except with respect to Puerto Rico, Guam, and the Virgin Islands.

Amendments

1981—Subsecs. (b), (c). Pub. L. 97–35 struck out subsecs. (b) and (c) which defined “medical assistance for the aged” and “Federal medical percentage”, respectively.

1972—Subsec. (a). Pub. L. 92–603 authorized the State, at its option, to include within term “old-age assistance” provisions relating to money payments to an individual absent from such State for more than 90 consecutive days, and provisions relating to rent payments made directly to a public housing agency.
1965—Subsec. (a). Pub. L. 89-97, § 221(a)(1), struck out from definition of "old-age assistance" the exclusion of (1) payments to or medical care in behalf of any individual who is a patient in a medical institution for tuberculosis or mental diseases, or (2) payments to any individual who has been diagnosed as having tuberculosis or psychosis and is a patient in a medical institution as a result of a diagnosis that he has tuberculosis or psychosis, with respect to any period after the individual has been a patient in such an institution, as a result of such diagnosis, for forty-two days.

Subsec. (b). Pub. L. 89-97, § 221(a)(2), struck out from provision at end of cl. (12) excluding certain payments from definition of "medical assistance for the aged" payments with respect to care or services provided in or after the third month before the month in which the recipient makes application for assistance, respectively.

1962—Subsec. (a). Pub. L. 87-543, § 156(a)(1), inserted "(if provided in or after the third month before the month in which the recipient makes application for assistance)" before "medical care".

Subsec. (b). Pub. L. 87-543, § 156(a)(2), inserted "(if provided in or after the third month before the month in which the recipient makes application for assistance)" after "care and services".

1960—Subsec. (a). Pub. L. 86-778, § 601(c)(1), (2), designated existing provisions as subsec. (a) and inserted provisions excluding from definition of "old-age assistance" any care in behalf of any individual who is a patient in a medical institution as a result of a diagnosis that he has tuberculosis or psychosis, with respect to any period after the individual has been a patient in such an institution, as a result of such diagnosis, for forty-two days.

Subsecs. (b), (c). Pub. L. 86-778, § 601(f)(2), added subsec. (b) and (c).

1950—Act Aug. 28, 1950, redefined "old-age assistance".

1939—Act Aug. 10, 1939, inserted "needy" before "individuals who".

§ 401. Trust Funds

(a) Federal Old-Age and Survivors Insurance Trust Fund

There is hereby created on the books of the Treasury of the United States a trust fund to be known as the "Federal Old-Age and Survivors Insurance Trust Fund". The Federal Old-Age and Survivors Insurance Trust Fund shall consist of the securities held by the Secretary of the Treasury for the Old-Age Reserve Account and the amount standing to the credit of the Old-Age Reserve Account on the books of the Treasury on January 1, 1940, which securities and amount the Secretary of the Treasury is authorized and directed to transfer to the Federal Old-Age and Survivors Insurance Trust Fund, and, in addition, such gifts and bequests as may be made as provided in subsection (1)(a), and such amounts as may be appropriated to, or deposited in, the Federal Old-Age and Survivors Insurance Trust Fund as hereinafter provided.

There is hereby appropriated to the Federal Old-Age and Survivors Insurance Trust Fund for the fiscal year ending June 30, 1941, and for each fiscal year thereafter, out of any moneys in the Treasury not otherwise appropriated, amounts equivalent to 100 per cent of—

(1) the taxes (including interest, penalties, and additions to the taxes) received under subchapter A of chapter 9 of the Internal Revenue Code of 1939 (and covered into the Treasury) which are deposited into the Treasury by collectors of internal revenue before January 1, 1951; and
(2) the taxes certified each month by the Commissioner of Internal Revenue as taxes received under subchapter A of chapter 9 of such Code which are deposited into the Treasury by collectors of internal revenue after December 31, 1956, and before January 1, 1951; and

(3) the taxes imposed by subchapter A of chapter 9 of such Code with respect to wages (as defined in section 1422 of such Code), and by chapter 21 (other than sections 3101(b) and 3111(b)) of the Internal Revenue Code of 1954 with respect to wages (as defined in section 3121 of such Code) reported to the Commissioner of Internal Revenue pursuant to section 1420(c) of the Internal Revenue Code of 1959 after December 31, 1950, or to the Secretary of the Treasury or his delegates pursuant to subtitl F of the Internal Revenue Code of 1954 after December 31, 1954, as determined by the Secretary of the Treasury by applying the applicable rates of tax under such subchapter or chapter 21 (other than sections 3101(b) and 3111(b)) to such wages, which wages shall be certified by the Commissioner of Social Security on the basis of the records of wages established and maintained by such Commissioner in accordance with such reports, less the amounts specified in clause (1) of this section; and

(4) the taxes imposed by subchapter E of chapter 1 of the Internal Revenue Code of 1939, with respect to self-employment income (as defined in section 1401(b)) of the Internal Revenue Code of 1954 with respect to self-employment income (as defined in section 1402 of such Code) reported to the Commissioner of Internal Revenue on tax returns under such subchapter or to the Secretary of the Treasury or his delegate on tax returns under subtitle F of such Code, as determined by the Secretary of the Treasury by applying the applicable rate of tax under such subchapter or chapter (other than section 1401(b)) to such self-employment income, which self-employment income shall be certified by the Commissioner of Social Security on the basis of the records of self-employment income established and maintained by the Commissioner of Social Security in accordance with such reports, less the amounts specified in clause (2) of this section.

The amounts appropriated by clauses (3) and (4) of this subsection shall be transferred from time to time from the general fund in the Treasury to the Federal Old-Age and Survivors Insurance Trust Fund, and the amounts appropriated by clauses (1) and (2) of subsection (b) shall be transferred from time to time from the general fund in the Treasury to the Federal Disability Insurance Trust Fund, such amounts to be determined on the basis of estimates by the Secretary of the Treasury of the taxes, specified in clauses (3) and (4) of this subsection, paid to or deposited into the Treasury; and proper adjustments shall be made in amounts subsequently transferred to the extent prior estimates were in excess of or were less than the taxes specified in such clauses (3) and (4) of this subsection. All amounts transferred to either Trust Fund under the preceding sentence shall be invested by the Managing Trustee in the same manner and to the same extent as the other assets of such Trust Fund. Notwithstanding the preceding sentence, in any case in which the Secretary of the Treasury determines that the assets of either such Trust Fund would otherwise be inadequate to meet such Fund's obligations for any month, the Secretary of the Treasury shall transfer to such Trust Fund on the first day of such month an amount which would have been transferred to such Fund under this section as in effect on October 1, 1990; and such Trust Fund shall pay interest to the general fund on the amount so transferred on the first day of any month at a rate (calculated on a daily basis, and applied against the difference between the amount so transferred on such first day and the amount which would have been transferred to the Trust Fund up to that day under the procedures in effect on January 1, 1983) equal to the rate earned by the investments of such Fund in the same month under subsection (d).

(b) Federal Disability Insurance Trust Fund

There is hereby created on the books of the Treasury of the United States a trust fund to be known as the "Federal Disability Insurance Trust Fund". The Federal Disability Insurance Trust Fund shall consist of such gifts and bequests as may be made as provided in subsection (1)(1), and such amounts as may be appropriated to, or deposited in, such fund as provided in this section. There is hereby appropriated to the Federal Disability Insurance Trust Fund for the fiscal year ending June 30, 1957, and for each fiscal year thereafter, out of any moneys in the Treasury not otherwise appropriated, amounts equivalent to 100 per centum of—

(1)(A) ½ of 1 per centum of the wages (as defined in section 3121 of the Internal Revenue Code of 1954) paid after December 31, 1956, and before January 1, 1966, and reported to the Secretary of the Treasury or his delegate pursuant to subtitl F of the Internal Revenue Code of 1954 (B) 0.70 of 1 per centum of the wages (as so defined) paid after December 31, 1965, and before January 1, 1966, and so reported, (C) 0.95 of 1 per centum of the wages (as so defined) paid after December 31, 1967, and before January 1, 1970, and so reported, (D) 1.10 per centum of the wages (as so defined) paid after December 31, 1969, and before January 1, 1973, and so reported, (E) 1.1 per centum of the wages (as so defined) paid after December 31, 1972, and before January 1, 1974, and so reported, (F) 1.15 per centum of the wages (as so defined) paid after December 31, 1973, and before January 1, 1976, and so reported, (G) 1.55 per centum of the wages (as so defined) paid after December 31, 1977, and before January 1, 1980, and so reported, (H) 1.50 per centum of the wages (as so defined) paid after December 31, 1978, and before January 1, 1981, and so reported, (I) 1.30 per centum of the wages (as so defined) paid after December 31, 1980, and before January 1, 1982, and so reported, (K) 1.65 per centum of
§ 401

the wages (as so defined) paid after December 31, 1981, and before January 1, 1983, and so reported, (L) 1.25 per centum of the wages (as so defined) paid after December 31, 1982, and before January 1, 1984, and so reported, (M) 1.00 per centum of the amount of self-employment income (as so defined) paid after December 31, 1983, and before January 1, 1988, and so reported, (N) 1.06 per centum of the wages (as so defined) paid after December 31, 1987, and before January 1, 1990, and so reported, (O) 1.20 per centum of the wages (as so defined) paid after December 31, 1993, and before January 1, 1997, and so reported, (P) 1.88 per centum of the wages (as so defined) paid after December 31, 1999, and before January 1, 2000, and so reported, (Q) 1.70 per centum of the wages (as so defined) paid after December 31, 2000, and before January 1, 2003, and so reported, (R) 1.80 per centum of the wages (as so defined) paid after December 31, 1999, and before January 1, 2003, and so reported, (S) 2.37 per centum of the wages (as so defined) paid after December 31, 2000, and before January 1, 2004. (T) 1.80 per centum of the wages (as so defined) paid after December 31, 1993, and before January 1, 1997, and so reported, (Q) 1.70 per centum of the amount of self-employment income (as so defined) paid after December 31, 1993, and before January 1, 1997, which self-employment income shall be certified by the Commissioner of Social Security on the basis of the records of wages established and maintained by such Commissioner in accordance with such reports; and

(2)(A) 3⁄8 of 1 per centum of the amount of self-employment income (as defined in section 1402 of the Internal Revenue Code of 1954) reported to the Secretary of the Treasury or delegate on tax returns under subtitle F of the Internal Revenue Code of 1954 for any taxable year beginning after December 31, 1956, and before January 1, 1966, (B) 0.525 of 1 per centum of the amount of self-employment income (as so defined) so reported for any taxable year beginning after December 31, 1965, and before January 1, 1968, (C) 0.7125 of 1 per centum of the amount of self-employment income (as so defined) so reported for any taxable year beginning after December 31, 1972, and before January 1, 1974, (F) 0.815 of 1 per centum of the amount of self-employment income (as so defined) so reported for any taxable year beginning after December 31, 1973, (E) 0.795 of 1 per centum of the amount of self-employment income (as so defined) so reported for any taxable year beginning after December 31, 1973, and before January 1, 1976, (G) 1.090 per centum of the amount of self-employment income (as so defined) so reported for any taxable year beginning after December 31, 1973, and before January 1, 1976, (H) 1.0400 per centum of the amount of self-employment income (as so defined) so reported for any taxable year beginning after December 31, 1978, and before January 1, 1980, (I) 0.7775 per centum of the amount of self-employment income (as so defined) so reported for any taxable year beginning after December 31, 1979, and before January 1, 1981. (J) 0.9750 per centum of the amount of self-employment income (as so defined) so reported for any taxable year beginning after December 31, 1980, and before January 1, 1982, (K) 1.2375 per centum of the amount of self-employment income (as so defined) so reported for any taxable year beginning after December 31, 1981, and before January 1, 1983, (L) 0.9375 per centum of the amount of self-employment income (as so defined) so reported for any taxable year beginning after December 31, 1981, and before January 1, 1983, (M) 1.00 per centum of the amount of self-employment income (as so defined) so reported for any taxable year beginning after December 31, 1983, and before January 1, 1988, and so reported, (N) 1.06 per centum of the amount of self-employment income (as so defined) so reported for any taxable year beginning after December 31, 1983, and before January 1, 1988, (O) 1.20 per centum of the amount of self-employment income (as so defined) so reported for any taxable year beginning after December 31, 1988, and before January 1, 1992, (P) 1.88 per centum of the amount of self-employment income (as so defined) so reported for any taxable year beginning after December 31, 1989, and before January 1, 1993, (Q) 1.70 per centum of the amount of self-employment income (as so defined) so reported for any taxable year beginning after December 31, 1993, and before January 1, 1997, (R) 1.80 per centum of the amount of self-employment income (as so defined) so reported for any taxable year beginning after December 31, 1997, and before January 1, 2000, (S) 2.37 per centum of the amount of self-employment income (as so defined) so reported for any taxable year beginning after December 31, 2000, and before January 1, 2004.

(c) Board of Trustees; duties; reports to Congress

With respect to the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund (hereinafter in this subchapter called the “Trust Funds”) there is hereby created a body to be known as the Board of Trustees of the Trust Funds (hereinafter in this subchapter called the “Board of Trustees”) which Board of Trustees shall be composed of the Commissioner of Social Security, the Secretary of the Treasury, the Secretary of Labor, and the Secretary of Health and Human Services, all ex officio, and of two members of the public (both of whom may not be from the same political party), who shall be nominated by the President for a term of four years and subject to confirmation by the Senate. A member of the Board of Trustees (as so defined) so nominated by the President shall serve as a member of the public and nominated and confirmed to fill a vacancy occurring during a term shall be nominated and confirmed only for the remainder of such term. An individual nomi-

1 So in original.
nated and confirmed as a member of the public may serve in such position after the expiration of such member’s term until the earlier of the time at which the member’s successor takes office or the time at which a report of the Board is first issued under paragraph (2) after the expiration of the member’s term. The Secretary of the Treasury shall be the Managing Trustee of the Board of Trustees (hereinafter in this subchapter called the “Managing Trustee”).

The Deputy Commissioner of Social Security shall serve as Secretary of the Board of Trustees. The Board of Trustees shall meet not less frequently than once each calendar year. It shall be the duty of the Board of Trustees to—

(1) Hold the Trust Funds;

(2) Report to the Congress not later than the first day of April of each year on the operation and status of the Trust Funds during the preceding fiscal year and on their expected operation and status during the next ensuing five fiscal years;

(3) Report immediately to the Congress whenever the Board of Trustees is of the opinion that the amount of either of the Trust Funds is unduly small;

(4) Recommend improvements in administrative procedures and policies designed to effectuate the proper coordination of the old-age and survivors insurance and Federal-State unemployment compensation program; and

(5) Review the general policies followed in managing the Trust Funds, and recommend changes in such policies, including necessary changes in the provisions of the law which govern the way in which the Trust Funds are to be managed.

The report provided for in paragraph (2) of this subsection shall include a statement of the assets of, and the disbursements made from, the Trust Funds during each of the next ensuing five fiscal years, and a statement of the actuarial status of the Trust Funds. Such statement shall include a finding by the Board of Trustees as to whether the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund, individually and collectively, are in close actuarial balance (as defined by the Board of Trustees). Such report shall include a finding by the Board of Trustees as to whether the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund, individually and collectively, are in close actuarial balance (as defined by the Board of Trustees).

(e) Sale of acquired obligations

Any obligations acquired by the Trust Funds (except public-debt obligations issued exclusively to the Trust Funds) may be sold by the Managing Trustee at the market price, and such public-debt obligations may be redeemed at par plus accrued interest.

(f) Proceeds from sale or redemption of obligations; interest

The interest on, and the proceeds from the sale or redemption of, any obligations held in the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund shall be credited to and form a part of the Federal Old-Age and Survivors Insurance Trust Fund and the Disability Insurance Trust Fund, respectively. Payment from the general fund of the Treasury to either of the Trust Funds of any such interest or proceeds shall be in the form of paper checks drawn on such general fund to the order of such Trust Fund.
(g) Payments into Treasury

(A) The Managing Trustee of the Trust Funds (which for purposes of this paragraph shall include also the Federal Hospital Insurance Trust Fund and the Federal Supplementary Medical Insurance Trust Fund established by subchapter XVIII) is directed to pay from the Trust Funds into the Treasury—

(i) the amounts estimated by the Managing Trustee, the Commissioner of Social Security, and the Secretary of Health and Human Services which will be expended, out of moneys appropriated from the general fund in the Treasury, during a three-month period by the Department of Health and Human Services for the administration of subchapter XVIII of this chapter, and by the Department of the Treasury for the administration of subchapters II and XVIII of this chapter and chapters 2 and 21 of the Internal Revenue Code of 1986, less:

(ii) the amounts estimated (pursuant to the applicable method prescribed under paragraph (4) of this subsection) by the Commissioner of Social Security which will be expended, out of moneys made available for expenditures from the Trust Funds, during such three-month period to cover the cost of carrying out the functions of the Social Security Administration, specified in section 432 of this title, which relate to the administration of provisions of the Internal Revenue Code of 1986 other than those referred to in clause (i) and the functions of the Social Security Administration in connection with the withholding of taxes from benefits, as described in section 407(c) of this title, pursuant to requests by persons entitled to such benefits or such persons' representative payee.

Such payments shall be carried into the Treasury as the net amount of repayments due the general fund account for reimbursement of expenses incurred in connection with the administration of subchapters II and XVIII of this chapter and chapters 2 and 21 of the Internal Revenue Code of 1986. A final accounting of such payments for any fiscal year shall be made at the earliest practicable date after the close thereof. There are hereby authorized to be made available out of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund under the preceding sentence, there are hereby authorized to be made available from either or both of such Trust Funds for continuing disability reviews—

(i) for fiscal year 1996, $260,000,000;
(ii) for fiscal year 1997, $360,000,000;
(iii) for fiscal year 1998, $570,000,000;
(iv) for fiscal year 1999, $720,000,000;
(v) for fiscal year 2000, $720,000,000;
(vi) for fiscal year 2001, $720,000,000; and
(vii) for fiscal year 2002, $720,000,000.

For purposes of this subparagraph, the term "continuing disability review" means a review conducted pursuant to section 421(i) of this title and a review or disability eligibility redetermination conducted to determine the continuing disability and eligibility of a recipient of benefits under the supplemental security income program under subchapter XVI, including any review or redetermination conducted pursuant to section 207 or 208 of the Social Security Independence and Program Improvements Act of 1994 (Public Law 103–296).

(B) After the close of each fiscal year—

(i) the Commissioner of Social Security shall determine—

(I) the portion of the costs, incurred during such fiscal year, of administration of this subchapter, subchapter VIII, subchapter XVI, and subchapter XVIII for which the Commissioner is responsible and of carrying out the functions of the Social Security Administration, specified in section 432 of this title, which relate to the administration of provisions of the Internal Revenue Code of 1986 (other than those referred to in clause (i) of the first sentence of subparagraph (A)) and the functions of the Social Security Administration in connection with the withholding of taxes from benefits, as described in section 407(c) of this title, pursuant to requests by persons entitled to such benefits or such persons' representative payee, which should have been borne by the general fund of the Treasury,

(II) the portion of such costs which should have been borne by the Federal Old-Age and Survivors Insurance Trust Fund,

(III) the portion of such costs which should have been borne by the Federal Disability Insurance Trust Fund,

(IV) the portion of such costs which should have been borne by the Federal Hospital Insurance Trust Fund, and

(V) the portion of such costs which should have been borne by the Federal Supplementary Medical Insurance Trust Fund (and, of such portion, the portion of such costs which should have been borne by the Medicare Prescription Drug Account in such Trust Fund), and

(ii) the Secretary of Health and Human Services shall determine—

(I) the portion of the costs, incurred during such fiscal year, of the administration of

\[\text{\textsuperscript{2}}\text{So in original. Two cls. (i) and (ii) have been enacted.}\]

\[\text{\textsuperscript{3}}\text{So in original. Probably should be "(vii)".}\]
§ 401

subchapter XVIII for which the Secretary is responsible, which should have been borne by the general fund of the Treasury.

(II) the portion of such costs which should have been borne by the Federal Hospital Insurance Trust Fund and

(III) the portion of such costs which should have been borne by the Federal Supplementary Medical Insurance Trust Fund (and, of such portion, the portion of such costs which should have been borne by the Medicare Prescription Drug Account in such Trust Fund).

(C) After the determinations under subparagraph (B) have been made for any fiscal year, the Commissioner\(^4\) of Social Security and the Secretary shall each certify to the Managing Trustee the amounts, if any, which should be transferred between the Trust Funds (or one of the Trust Funds) and the general fund of the Treasury, in order to ensure that each of the Trust Funds and the general fund of the Treasury have borne their proper share of the costs incurred during such fiscal year; for—

(i) the parts of the administration of this subchapter, subchapter VIII, subchapter XVI, and subchapter XVIII for which the Commissioner of Social Security is responsible,

(ii) the parts of the administration of subchapter XVIII for which the Secretary is responsible, and

(iii) carrying out the functions of the Social Security Administration, specified in section 432 of this title, which relate to the administration of provisions of the Internal Revenue Code of 1986 (other than those referred to in clause (i) of the first sentence of subparagraph (A)) and the functions of the Social Security Administration in connection with the withholding of taxes from benefits, as described in section 407(c) of this title, pursuant to requests by persons entitled to such benefits or such persons’ representative payee.

The Managing Trustee shall transfer any such amounts in accordance with any certification so made.

(D) The determinations required under subclauses (IV) and (V) of subparagraph (B)(i) shall be made in accordance with the cost allocation methodology in existence on August 15, 1994, until such time as the methodology for making the determinations required under such subclauses is revised by agreement of the Commissioner and the Secretary, except that the determination of the amounts to be borne by the general fund of the Treasury with respect to expenditures incurred in carrying out the functions of the Social Security Administration specified in section 432 of this title and the functions of the Social Security Administration in connection with the withholding of taxes from benefits as described in section 407(c) of this title shall be made pursuant to the applicable method prescribed under paragraph (4).

(2) The Managing Trustee is directed to pay from time to time from the Trust Funds into the Treasury the amount estimated by him as taxes imposed under section 3101(a) of the Internal Revenue Code of 1986 which are subject to refund under section 6413(c) of such Code with respect to wages (as defined in section 3121 of such Code). Such taxes shall be determined on the basis of the records of wages maintained by the Commissioner of Social Security in accordance with the wages reported to the Secretary of the Treasury or his delegate pursuant to subtitle F of such Code, and the Commissioner of Social Security shall furnish the Managing Trustee with such information as may be required by the Trustee for such purpose. The payments by the Managing Trustee shall be covered into the Treasury as repayments to the account for refunding internal revenue collections. Payments pursuant to the first sentence of this paragraph shall be made from the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund in the ratio in which amounts were appropriated to such Trust Funds under clause (3) of subsection (a) of this section and clause (1) of subsection (b) of this section.

(3) Repayments made under paragraph (1) or (2) of this subsection shall not be available for expenditures but shall be carried to the surplus fund of the Treasury. If it subsequently appears that the estimates under either such paragraph in any particular period were too high or too low, appropriate adjustments shall be made by the Managing Trustee in future payments.

(4) The Commissioner of Social Security shall utilize the method prescribed pursuant to this paragraph, as in effect immediately before August 15, 1994, for determining the costs which should be borne by the general fund of the Treasury of carrying out the functions of the Commissioner, specified in section 432 of this title, which relate to the administration of provisions of the Internal Revenue Code of 1986 (other than those referred to in clause (i) of the first sentence of paragraph (1)(A)). The Board of Trustees of such Trust Funds shall prescribe the method of determining the costs which should be borne by the general fund in the Treasury of carrying out the functions of the Social Security Administration in connection with the withholding of taxes from benefits, as described in section 407(c) of this title, pursuant to requests by persons entitled to such benefits or such persons’ representative payee. If at any time or times thereafter the Boards of Trustees of such Trust Funds consider such action advisable, they may modify the method of determining such costs.

(h) Benefit payments

Benefit payments required to be made under section 423 of this title, and benefit payments required to be made under subsection (b) or (d) of section 402 of this title to individuals entitled to benefits on the basis of the wages and self-employment income of an individual entitled to disability insurance benefits, shall be made only from the Federal Disability Insurance Trust Fund. All other benefit payments required to be made under this subchapter (other than section 426 of this title) shall be made only from the Federal Old-Age and Survivors Insurance Trust Fund.

\(^4\) So in original. Probably should be “Commissioner”.
(i) Gifts and bequests

(1) The Managing Trustee may accept on behalf of the United States money gifts and bequests made unconditionally to the Federal Old-Age and Survivors Insurance Trust Fund, the Federal Disability Insurance Trust Fund, the Federal Hospital Insurance Trust Fund, or the Federal Supplementary Medical Insurance Trust Fund (and for the Medicare Prescription Drug Account and the Transitional Assistance Account in such Trust Fund) or to the Social Security Administration, the Department of Health and Human Services, or any part or officer thereof, for the benefit of any of such Funds or any activity financed through such Funds.

(2) Any such gift accepted pursuant to the authority granted in paragraph (1) of this subsection shall be deposited in—

(A) the specific trust fund designated by the donor or

(B) if the donor has not so designated, the Federal Old-Age and Survivors Insurance Trust Fund.

(j) Travel expenses

There are authorized to be made available for expenditure, out of the Federal Old-Age and Survivors Insurance Trust Fund, or the Federal Disability Insurance Trust Fund (as determined appropriate by the Commissioner of Social Security), such amounts as are required to pay travel expenses, either on an actual cost or commuted basis, to individuals for travel incident to medical examinations requested by the Commissioner of Social Security in connection with disability determinations under this subchapter, and to parties, their representatives, and all reasonably necessary witnesses for travel within the United States (as defined in section 410(i) of this title) to attend reconsideration interviews and proceedings before administrative law judges with respect to any determination under this subchapter. The amount available under the preceding sentence for payment for air travel by any person shall not exceed the coach fare for air travel between the points involved unless the use of first-class accommodations is required (as determined under regulations of the Commissioner of Social Security) because of such person’s health condition or the unavailability of alternative accommodations; and the amount available for payment for other travel by any person shall not exceed the cost of travel (between the points involved) by the most economically and expeditious means of transportation appropriate to such person’s health condition, as specified in such regulations. The amount available for payment under this subsection for such travel originating within the geographic area of the office having jurisdiction over such proceeding.

(k) Experiment and demonstration project expenditures

Expenditures made for experiments and demonstration projects under section 434 of this title shall be made from the Federal Disability Insurance Trust Fund and the Federal Old-Age and Survivors Insurance Trust Fund, as determined appropriate by the Commissioner of Social Security.

(l) Interfund borrowing

(1) If at any time prior to January 1988 the Managing Trustee determines that borrowing authorized under this subsection is appropriate in order to best meet the need for financing the benefit payments from the Federal Old-Age and Survivors Insurance Trust Fund or the Federal Disability Insurance Trust Fund, the Managing Trustee may borrow such amounts as he determines to be appropriate from the other such Trust Fund or, subject to paragraph (5), from the Federal Hospital Insurance Trust Fund established under section 1395i of this title, for transfer to and deposit in the Trust Fund whose need for financing is involved.

(2) In any case where a loan has been made to a Trust Fund under paragraph (1), there shall be transferred on the last day of each month after such loan is made, from the borrowing Trust Fund to the lending Trust Fund, the total interest accrued to such day with respect to the unrepaid balance of such loan at a rate equal to the rate which the lending Trust Fund would earn on the amount involved if the loan were an investment under subsection (d) (even if such an investment would earn interest at a rate different than the rate earned by investments redeemed by the lending fund in order to make the loan).

(3)(A) If in any month after a loan has been made to a Trust Fund under paragraph (1), the Managing Trustee determines that the assets of such Trust Fund are sufficient to permit repayment of all or part of any loans made to such Fund under paragraph (1), he shall make such repayments as he determines to be appropriate.

(B)(i) If on the last day of any year after a loan has been made under paragraph (1), the Managing Trustee determines that the OASDI trust fund ratio exceeds 15 percent, he shall transfer from the borrowing Trust Fund to the Federal Hospital Insurance Trust Fund an amount that—

(I) together with any amounts transferred from another borrowing Trust Fund under this paragraph for such year, will reduce the OASDI trust fund ratio to 15 percent; and

(II) does not exceed the outstanding balance of such loan.

(ii) Amounts required to be transferred under clause (i) shall be transferred on the last day of the first month of the year succeeding the year in which the determination described in clause (i) is made.

(iii) For purposes of this subparagraph, the term “OASDI trust fund ratio” means, with respect to any calendar year, the ratio of—

(I) the combined balance in the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund, as of the last day of such calendar year, to

(II) the amount estimated by the Commissioner of Social Security to be the total...
amount to be paid from the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund during the calendar year following such calendar year for all purposes authorized by this section other than payments of interest on, and repayments of, loans from the Federal Hospital Insurance Trust Fund under paragraph (1), but excluding any transfer payments between such trust funds and reducing the amount of any transfer to the Railroad Retirement Account by the amount of any transfers into either such trust fund from that Account).

(C)(i) The full amount of all loans made under paragraph (1) (whether made before or after January 1, 1983) shall be repaid at the earliest feasible date and in any event no later than December 31, 1989.

(ii) For the period after December 31, 1987, and before January 1, 1990, the Managing Trustee shall transfer each month to the Federal Hospital Insurance Trust Fund from any Trust Fund with any amount outstanding on a loan made from the Federal Hospital Insurance Trust Fund under paragraph (1) an amount not less than an amount equal to (I) the amount owed to the Federal Hospital Insurance Trust Fund by such Trust Fund at the beginning of such month (plus the interest accrued on the outstanding balance of such loan during such month), divided by (II) the number of months elapsing after the preceding month and before January 1990. The Managing Trustee may, during this period, transfer larger amounts than prescribed by the preceding sentence.

(4) The Board of Trustees shall make a timely report to the Congress of any amounts transferred (including interest payments) under this subsection.

(5)(A) No amounts may be borrowed from the Federal Hospital Insurance Trust Fund under paragraph (1) during any month if the Hospital Insurance Trust Fund ratio for such month is less than 10 percent.

(B) For purposes of this paragraph, the term “Hospital Insurance Trust Fund ratio” means, with respect to any month, the ratio of—

(i) the balance in the Federal Hospital Insurance Trust Fund, reduced by the outstanding amount of any loan (including interest thereon) theretofore made to such Trust Fund under this subsection, as of the last day of the second month preceding such month, to

(ii) the amount obtained by multiplying by twelve the total amount which (as estimated by the Secretary) will be paid from the Federal Hospital Insurance Trust Fund during the month for which such ratio is to be determined (other than payments of interest on, or repayments of loans from another Trust Fund under this subsection), and reducing the amount of any transfers to the Railroad Retirement Account by the amount of any transfer into the Hospital Insurance Trust Fund from that Account.

(m) Accounting for unnegotiated benefit checks

(1) The Secretary of the Treasury shall implement procedures to permit the identification of each check issued for benefits under this subchapter that has not been presented for payment by the close of the sixth month following the month of its issuance.

(2) The Secretary of the Treasury shall, on a monthly basis, credit each of the Trust Funds for the amount of all benefit checks (including interest thereon) drawn on such Trust Fund more than 6 months previously but not presented for payment and not previously credited to such Trust Fund, to the extent provided in advance in appropriation Acts.

(3) If a benefit check is presented for payment to the Treasury and the amount thereof has been previously credited pursuant to paragraph (2) to one of the Trust Funds, the Secretary of the Treasury shall nevertheless pay such check, if otherwise proper, recharge such Trust Fund, and notify the Commissioner of Social Security.

(4) A benefit check bearing a current date may be issued to an individual who did not negotiate the original benefit check and who surrenders such check for cancellation if the Secretary of the Treasury determines it is necessary to effect proper payment of benefits.

(n) Payments to Funds in satisfaction of obligations

Not later than July 1, 2004, the Secretary of the Treasury shall transfer, from amounts in the general fund of the Treasury that are not otherwise appropriated—

(1) $624,971,854 to the Federal Old-Age and Survivors Insurance Trust Fund;

(2) $105,379,671 to the Federal Disability Insurance Trust Fund; and

(3) $173,396,134 to the Federal Hospital Insurance Trust Fund.

Amounts transferred in accordance with this subsection shall be in satisfaction of certain outstanding obligations for deemed wage credits for 2000 and 2001.


REFERENCES IN TEXT

Subchapter A of chapter 9 of the Internal Revenue Code of 1939, referred to in subsec. (a)(1) to (3), was comprised of sections 1400 to 1432, and was repealed (subject to certain exceptions) by section 7851(a)(3) of the Internal Revenue Code of 1986. Sections 1425 and 1426(c) of the Internal Revenue Code of 1939, referred to in subsec. (a)(2), were a part of subchapter A of chapter 9 of the 1939 Code. See above.


Subchapter E of chapter 1 of the Internal Revenue Code of 1939, referred to in subsec. (a)(4), was comprised of sections 490 to 492, and was repealed (subject to certain exceptions) by section 7851(a)(1)(A) of the Internal Revenue Code of 1986.

Section 481 of the Internal Revenue Code of 1939, referred to in subsec. (a)(5) and (6), was a part of subchapter E of chapter 1 of the 1939 Code. See above.

For provision deeming a reference in other laws to a provision of the 1939 Code as a reference to the corresponding provision of the 1986 Code, see section 7853(b) if the 1986 Code. For table of comparisons of the 1939 Code to the 1986 Code, see table preceding section 1 of Title 26, Internal Revenue Code. The Internal Revenue Code of 1986 is classified generally to Title 26.

Chapters 2 and 21 and subtitle F of the Internal Revenue Code of 1969, referred to in subsec. (1), are classified to sections 1401 et seq., 3101 et seq., and 6001 et seq., respectively, of Title 26, Internal Revenue Code.


AMENDMENTS

2015—Subsec. (b)(1)(R) to (T). Pub. L. 114–74, §833(1), substituted “(R) 1.80 per centum of the wages (as so defined) paid after December 31, 2018, and before January 1, 2019, and so reported,” for “(R) 1.80 per centum of the wages (as so defined) paid after December 31, 2015, and before January 1, 2016, and so reported,” and, (T) 1.80 per centum of the wages (as so defined) paid after December 31, 2015, and before January 1, 2016, and so reported, and subsec. (b)(2) to (T), Pub. L. 114–74, §§833(2), substituted “(R) 1.80 per centum of the amount of self-employment income (as so defined) so reported for any taxable year beginning after December 31, 1999, and before January 1, 2016, (S) 2.37 per centum of the amount of self-employment income (as so defined) so reported for any taxable year beginning after December 31, 2015, and before January 1, 2016, and so reported,” for “(R) 1.80 per centum of the amount of self-employment income (as so defined) so reported for any taxable year beginning after December 31, 2018, and before January 1, 2019, and so reported,”.


2003—Subsec. (g)(1)(B)(i)(V), (ii)(III). Pub. L. 108–173, §101(e)(3)(A), inserted “(and, of such portion, the portion of such costs which should have been borne by the Medicare Prescription Drug Account in such Trust Fund)” after “Trust Fund”.


1998—Subsec. (g)(1)(A). Pub. L. 105–277, §4005(b)(2), which directed the amendment of subsec. (g) by inserting “and the functions of the Social Security Administration in connection with the withholding of taxes from benefits, as described in section 407(c) of this title, pursuant to requests by persons entitled to such benefits or such persons’ representative payee” before period at end of paragraph (1)(A), was executed by inserting this material after “the first sentence of this subparagraph” in provisions following cl. (ii) to reflect the probable intent of Congress.

Subsec. (g)(1)(A)(i). Pub. L. 105–277, §4005(b)(1), inserted before period at end “and the functions of the Social Security Administration in connection with the withholding of taxes from benefits, as described in section 407(c) of this title, pursuant to requests by persons entitled to such benefits or such persons’ representative payee” before period at end of paragraph (1)(A), was executed by inserting this material after “the first sentence of this subparagraph” in provisions following cl. (ii) to reflect the probable intent of Congress.

Subsec. (g)(1)(A)(ii). Pub. L. 105–277, §4005(b)(3), substituted “subsection (A) and the functions of the Social Security Administration in connection with the withholding of taxes from benefits, as described in section 407(c) of this title, pursuant to requests by persons entitled to such benefits or such persons’ representative payee,” for “subsection (A),”.

Subsec. (g)(1)(C)(ii). Pub. L. 105–277, §4005(b)(4), inserted before period at end “and the functions of the Social Security Administration in connection with the withholding of taxes from benefits, as described in section 407(c) of this title, pursuant to requests by persons entitled to such benefits or such persons’ representative payee”.

Subsec. (g)(1)(D). Pub. L. 105–277, §4005(b)(5), inserted “and the functions of the Social Security Administration in connection with the withholding of taxes from benefits as described in section 407(c) of this title” after “section 432 of this title”.

Subsec. (g)(4). Pub. L. 105–277, §4005(b)(6), inserted after first sentence “The Board of Trustees of such Trust Funds shall prescribe the method of determining the costs which should be borne by the general fund in the Treasury of carrying out the functions of the Social Security Administration in connection with the withholding of taxes from benefits, as described in section 407(c) of this title, pursuant to requests by persons entitled to such benefits or such persons’ representative payee.”

1996—Subsec. (g)(1)(A). Pub. L. 104–121 inserted at end “Of the amounts authorized to be made available out of

§401
the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund under the preceding sentence, there are hereby authorized to be made available from either or both of such Trust Funds for continuing disability reviews—

"(i) for fiscal year 1996, $290,000,000;"

"(ii) for fiscal year 1997, $360,000,000;"

"(iii) for fiscal year 1998, $410,000,000;"

"(iv) for fiscal year 1999, $500,000,000;"

"(v) for fiscal year 2000, $720,000,000;"

"(vi) for fiscal year 2001, $720,000,000; and"

"(vii) for fiscal year 2002, $700,000,000."

For purposes of this subparagraph, the term ‘continuing disability review’ means a review conducted pursuant to section 421(l) of this title and a redetermination conducted pursuant to section 207 or 208 of the Social Security Act or a review or disability eligibility redetermination conducted to determine the continuing disability and eligibility of a recipient of benefits under the supplemental security income program under subchapter XVI, including any review or redetermination conducted pursuant to section 207 or 208 of the Social Security Act and Program Improvements Act of 1994 (Public Law 103–296)."


Subsec. (a)(3). Pub. L. 103–296, § 107(b)(1), (2), substituted “Commissioner of Social Security“ for “Secretary of Health and Human Services” and “such Secretary”, respectively.


Subsec. (b)(1). Pub. L. 103–296, § 107(b)(1), (2), substituted “Commissioner of Social Security” and “such Secretary” for “Secretary of Health and Human Services” and “such Secretary”, respectively.

Subsec. (b)(1)(B). Pub. L. 103–296, added subpar. (B) to (R). Pub. L. 103–387, § 3(a), substituted “(O) 1.20 per centum of the wages (as so defined) paid after December 31, 1989, and before January 1, 1994, and so reported, (P) 1.88 per centum of the wages (as so defined) paid after December 31, 1993, and before January 1, 1997, and so reported, (Q) 1.70 per centum of the wages (as so defined) paid after December 31, 1996, and before January 1, 2000, and so reported, and (R) 1.89 per centum of the wages (as so defined) paid after December 31, 1999, and so reported,” for “(O) 1.20 per centum of the wages (as so defined) paid after December 31, 1989, and before January 1, 1994, and so reported, (P) 1.88 per centum of the wages (as so defined) paid after December 31, 1993, and before January 1, 1997, (Q) 1.70 per centum of the amount of self-employment income (as so defined) so reported for any taxable year beginning after December 31, 1996, and before January 1, 2000, and (R) 1.89 per centum of the amount of self-employment income (as so defined) so reported for any taxable year beginning after December 31, 1999, and before January 1, 2000,” and so reported for any taxable year beginning after December 31, 1999, and before January 1, 2000, and substituted “Commissioner of Social Security” for “Secretary of Health and Human Services.”

Subsec. (c). Pub. L. 103–296, § 107(b)(3), in introductory provisions, inserted “the Commissioner of Social Security” after “shall be composed of” and inserted “Dep- uty” before “Commissioner of Social Security shall serve as.”

Subsec. (d). Pub. L. 103–296, § 301(a), inserted after fifth sentence “Each obligation issued for purchase by the Trust Funds under this subsection shall be evidenced by a paper instrument in the form of a bond, note, or certificate of indebtedness issued by the Secretary of the Treasury in an amount, date of maturity, and interest rate of the obligation, and stating on its face that the obligation shall be incontestable in the hands of the Trust Fund to which it is issued, that the obligation is supported by the full faith and credit of the United States, and that the United States is pledged to the payment of the obligation with respect to both principal and interest.”

Subsec. (f). Pub. L. 103–296, § 301(b), inserted at end “Payment from the general fund of the Treasury to either of the Trust Funds of any such interest or proceeds shall be in the form of paper checks drawn on such general fund to the order of such Trust Fund.”


Subsec. (g)(1)(B). Pub. L. 103–296, § 107(b)(4)(A), added subpar. (B) and struck out former subpar. (B), as amended by Pub. L. 103–296, § 321(c)(1)(A)(i)(IV), which read as follows: “After the close of each fiscal year the Secretary of Health and Human Services shall determine the portion of the costs, incurred during the fiscal year, of administration of this subchapter, subchapter XVI, and subchapter XVIII of this chapter and of carrying out the functions of the Department of Health and Human Services, specified in section 321 of this title, which it is issued, that the obligation is supported by the full faith and credit of the United States, and that the United States is pledged to the payment of the obligation with respect to both principal and interest.”

Subsec. (g)(1)(C). Pub. L. 103–296, § 301(b), added subpar. (C) and struck out former subpar. (C), as amended by Pub. L. 103–296, § 321(c)(1)(A)(i)(IV), which read as follows: “After the close of each fiscal year the Secretary of Health and Human Services shall determine the portion of the costs, incurred during the fiscal year, of administration of this subchapter, subchapter XVI, and subchapter XVIII of this chapter and of carrying out the functions of the Department of Health and Human Services, specified in section 321 of this title, which relate to the administration of provisions of the Internal Revenue Code of 1986 (other than..."
those referred to in clause (i) of the first sentence of subparagraph (A)), which should have been borne by the general fund in the Treasury and the portion of such costs which should have been borne by each of the Trust Funds; except that the determination of the amounts to be borne by the general fund in the Treasury with respect to expenditures incurred in carrying out functions specified in section 432 of this title shall be made pursuant to the method prescribed by the Board of Trustees under paragraph (4) of this subsection. After such determination has been made, the Secretary of Health and Human Services shall certify to the Managing Trustee the amounts, if any, which should be transferred from one to any of the other of such Trust Funds and the amounts, if any, which should be transferred between the Trust Funds (or any of the Trust Funds) and the general fund in the Treasury, in order to insure that each of the Trust Funds and the general fund in the Treasury have borne their proper share of the costs, incurred during such fiscal year, for the part of the administration of this subchapter, subchapter XVI, and subchapter XVIII of this chapter for which the Secretary of Health and Human Services is responsible and of carrying out the functions of the Department of Health and Human Services, specified in section 432 of this title, which relate to the administration of provisions of the Internal Revenue Code of 1986 (other than those referred to in clause (i) of the first sentence of subparagraph (A)). The Managing Trustee is authorized and directed to transfer any such amounts in accordance with any certification so made.

Subsec. (g)(2). Pub. L. 103–296, § 107(b)(4)(A), added subpars. (C) and (D).

Subsec. (g)(2). Pub. L. 103–296, § 321(c)(1)(B)(i), in first sentence substituted “section 3101(a) of the Internal Revenue Code of 1986 which are subject to refund under section 6413(c) of such Code with respect to wages (as defined in section 3121 of such Code),” for “section 3101(a) which are subject to refund under section 6413(c) of the Internal Revenue Code of 1986 with respect to wages (as defined in section 1426 of the Internal Revenue Code of 1939 and section 3121 of the Internal Revenue Code of 1954) paid after December 31, 1954,” and in second sentence substituted “wages reported to the Secretary of the Treasury or his delegate pursuant to subtitle F of such Code,” for “wages reported to the Commissioner of Internal Revenue pursuant to section 1510(c) of the Internal Revenue Code of 1939 and to the Secretary of the Treasury or his delegate pursuant to subtitle F of the Internal Revenue Code of 1954.”

Subsec. (g)(2). Pub. L. 103–296, § 107(b)(5), struck out end “If at any time or times thereafter the Boards of Trustees of such Trust Funds deem such action advisable they may modify the method so determined.”

Subsec. (i)(1). Pub. L. 103–296, § 107(b)(7), amended par. (1) generally. Prior to amendment, par. (1) read as follows: “The Managing Trustee of the Federal Old-Age and Survivors Insurance Trust Fund, the Federal Disability Insurance Trust Fund, the Federal Hospital Insurance Trust Fund, and the Federal Supplementary Medical Insurance Trust Fund is authorized to accept on behalf of the United States money gifts and bequests made unconditionally to any one or more of such Trust Funds or to the Department of Health and Human Services, or any part or officer thereof, for the benefit of any of such Funds or any activity financed through such Funds.”

Subsec. (j). Pub. L. 103–296, § 107(b)(8), substituted “Commissioner of Social Security” for “Secretary” wherever appearing.


Subsec. (m)(3). Pub. L. 103–296, § 107(b)(10), substituted “Commissioner of Social Security” for “Secretary of Health and Human Services.”

1990—Subsec. (a). Pub. L. 101–508, § 5115(a), inserted first sentence following cl. (4), substituted “from time to time” for “monthly on the first day of each calendar month” in two places and “paid to or deposited into the Treasury” for “to be paid to or deposited into the Treasury during such month”, and in last sentence substituted “Fund. Notwithstanding the preceding sentence, in any case in which the Secretary of the Treasury determines that the assets of either such Trust Fund would otherwise be inadequate to meet such Fund’s obligations for any month, the Secretary of the Treasury shall transfer to such Trust Fund on the first day of such month the amount which would have been transferred to such Fund under this section as in effect on October 1, 1990; and” for “Fund;”.

Subsec. (o). Pub. L. 103–508, § 12304, inserted after first sentence following cl. (5) “Such statement shall include a finding by the Board of Trustees as to whether the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund, individually and collectively, are in close actuarial balance (as defined by the Board of Trustees).”

Subsec. (j). Pub. L. 101–508, § 108(c), inserted at end “The amount available for payment under this subsection for travel by a representative to attend an administrative proceeding before an administrative law judge or other adjudicator shall not exceed the maximum amount allowable under this subsection for such travel originating within the geographic area of the office having jurisdiction over such proceeding.”

1989—Subsecs. (g)(1)(A), (g)(1). Pub. L. 101–234 repealed Pub. L. 100–360, § 321(c)(1)(C), and provided that the provisions of law amended or repealed by such section are restored or revised as if such section had not been enacted, see 1988 Amendment note below.

1986—Subsec. (c). Pub. L. 99–457 inserted after first sentence “A member of the Board of Trustees serving as a member of the public and nominated and confirmed for a vacancy occurring during a term shall be nominated and confirmed only for the remainder of such term. An individual nominated and confirmed as a member of the public may serve in such position after the expiration of such member’s term until the earlier of the time at which the member’s successor takes office or the time at which a report of the Board is first issued under paragraph (2) after the expiration of the member’s term.”
employment income (as so defined) so reported for any taxable year beginning after December 31, 1977, and before January 1, 1979, (H) 1.960 per centum of the amount of self-employment income (as so defined) so reported for any taxable year beginning after December 31, 1978, and before January 1, 1981, (I) 1.2375 per centum of the amount of self-employment income (as so defined) so reported for any taxable year beginning after December 31, 1980, and before January 1, 1984, and (J) 1.650 per centum of the amount of self-employment income (as so defined) so reported for any taxable year beginning after December 31, 1981, and before January 1, 1985.

1978—Subsec. (g)(1). Pub. L. 95–203, §8(d)(1), incorporated changes in the operations and responsibilities of the Managing Trustee of the Trust Funds and the Secretary of Health, Education, and Welfare occasioned by changes in the annual method of reporting wages for social security purposes, by directing that estimated amounts paid from the Trust Funds into the Treasury, to replace amounts expended in the general fund in the Treasury, be estimated by both the Managing Trustee and the Secretary that the Secretary determine the portion of costs attributable to the general fund in the Treasury and the portion attributable to the Trust Funds for the clos of the fiscal year, by striking out reference to section 1381 of this title, and by inserting reference to par. (4) of this section, section 432 of this title, and subchapter E of chapter 1 and subchapter A of chapter 9 of the Internal Revenue Code of 1939.


Subsec. (b)(2) to (J). Pub. L. 93–233, §7(b), substituted in: cl. (E) “January 1, 1974” for “January 1, 1978”; cl. (F) “0.815 of 1 per centum” for “0.84 per centum” as so reported for any taxable year beginning after December 31, 1977, and before January 1, 1981 for “as so reported for any taxable year beginning after December 31, 1977, and before January 1, 1981”; cl. (G) “0.850 of 1 centum” for “0.885 per centum” and “taxable year beginning after December 31, 1977, and before January 1, 1981” for “taxable year beginning after December 31, 2010”; and added cl. (H) to (J).

Subsec. (b). Pub. L. 92–603, §132(a), inserted “such gifts and bequests as may be made as provided in subsection (i)(1), and” after “in addition,” in provisions preceding par. (1).

Subsec. (b). Pub. L. 92–603, §132(b), inserted “such gifts and bequests as may be made as provided in subsection (i)(1), and” after “consist of” in provisions preceding par. (1).

Subsec. (b)(1). Pub. L. 92–603, §136(a), substituted “1.1” for “1.0” in cl. (E), “1.15” for “1.1” in cl. (F), and “1.5” for “1.4” in cl. (G).

Pub. L. 92–336, §205(a), struck out “and” before “(D),” inserted reference to wages paid before January 1, 1973, in cl. (D), and added cl. (E), (F), and (G).

Subsec. (g)(1)(A). Pub. L. 92–603, §305(a), inserted references to subchapter XVI of this chapter and provisions relating to the general revenues of the United States with respect to subchapter XVI of this chapter and to the appropriated made pursuant to section 1381 of this title.


1968—Subsec. (b)(1). Pub. L. 90–248, §110(a), designated existing provisions as cl. (A) and (B), inserted “and” before January 1, 1968,” after “1965,” in cl. (B), and added cl. (C).

Subsec. (b)(2). Pub. L. 90–248, §110(b), designated existing provisions as cl. (A) and (B), inserted “and” before January 1, 1968,” after “1965,” in cl. (B), and added cl. (C).

Subsec. (c). Pub. L. 90–248, §119(a), substituted “April” for “March”.

Subsec. (c). Pub. L. 90–248, §119(b), inserted penultimate sentence for inclusion in reports of board of trustees to Congress of an actuarial analysis of the benefit disbursements made from the Federal Old-Age and Survivors Insurance Trust Fund with respect to disabled beneficiaries.

1965—Subsec. (a)(3). Pub. L. 89–97, §108(a)(1), inserted “‘other than sections 3101(b) and 3111(b)” after “chapter 2” and “such subchapter or chapter”.


Subsec. (b)(2). Pub. L. 89–97, §303(b), inserted “and before January 1, 1966, and” and 0.52 of 1 centum of the amount of self-employment income (as so defined) so reported for any taxable year beginning after December 31, 1965,” after “1954.”.

Subsec. (c). Pub. L. 89–97, §327, extended from once each six months to once each calendar year the minimum number of times the Board of Trustees must meet.

Subsec. (g)(1). Pub. L. 89–97, §108(a)(3), included the Federal Hospital Insurance Trust Fund and the Federal Supplementary Medical Insurance Trust Fund among the Trust Funds available for reimbursement of the Treasury for administrative costs of this subchapter and subchapter XVIII of this chapter, deleted references to administrative costs of subchapter VIII of this chapter and subchapter E of chapter 1 and subchapter 9 of the Internal Revenue Code of 1939, and also provided for adjustment among the Trust Funds during each fiscal year so that the Funds bear the proportionate share of the administration costs.

Subsec. (g)(2). Pub. L. 89–97, §108(a)(4), inserted “imposed under section 3101(a)” after “the amount estimated by him as taxes”.

Subsec. (h). Pub. L. 89–97, §108(a)(5), inserted “‘other than section 342 of this title’” after “this subchapter”.

1960—Subsec. (c). Pub. L. 86–778, §701(a)–(c), required the Board of Trustees to meet not less frequently than once each six months, struck out provisions from cl. (3) which required the Board to report immediately to the Congress whenever the Board is of the opinion that during the ensuing five fiscal years either of the Trust Funds will exceed three times the highest annual ex-
penditures from such Trust Fund anticipated during that five-fiscal-year period, and added cl. (5).

Subsec. (d). Pub. L. 86–778, §101(d), substituted “shall be equal to the average market yield (computed by the Managing Trustee on the basis of market quotations as of the end of the calendar month next preceding the date of such issue) on all marketable interest-bearing obligations of the United States then forming a part of the public debt which are not due or callable until after the expiration of four years from the end of such calendar month” for “bear interest at a rate equal to the average rate of interest, computed as to the end of the calendar month next preceding the date of such issue, borne by all marketable interest-bearing obligations of the United States then forming a part of the Public Debt that are not due or callable until after the expiration of five years from the date of original issue; and substituted provisions authorizing the purchase of other interest-bearing obligations when the Managing Trustee determines that it is in the public interest for provisions which authorized the issuance of obligations by the Trust Funds only if the Managing Trustee determined that the purchase of other obligations was not in the public interest.

Subsec. (e). Pub. L. 86–778, §701(e), substituted “public-debt obligations” for “special obligations” in two places.

1959—Subsec. (d). Pub. L. 86–146 substituted “on original issue at the issue price” for “on original issue at par”.

1958—Subsec. (b). Pub. L. 85–440 provided that benefit payments required to be made under subsection (b), (c), or section 402 of this title to individuals entitled to benefits on the basis of the wages and self-employment income of an individual entitled to disability insurance benefits be made only from the Federal Disability Insurance Trust Fund.

1956—Act Aug. 1, 1956, amended section generally, inserting references to taxes imposed by the Internal Revenue Code of 1954, substituting “Secretary of Health, Education, and Welfare” for “Federal Security Administrator,” creating the Federal Disability Insurance Trust Fund, requiring obligations issued for purchase by the Trust Funds to have maturities fixed with due regard for the needs of the Trust Funds, authorizing to be made available for expenditure out of the Trust Funds such amounts as Congress deems necessary to pay costs of administration of subchapter, and requiring the Secretary of Health, Education, and Welfare to analyze costs of administration so that each Trust Fund may be charged with its proper share.

1950—Subsec. (a). Act Aug. 28, 1950, §109(a)(1)–(3), substituted “such amounts as may be appropriated to, or derived from, the Trust Fund” for “such amount necessary to be appropriated to the Trust Fund” in second sentence, simplified the accounting and collection processes required for determining the amounts appropriated to the trust fund, set out in third sentence and struck out fourth sentence authorizing appropriation of additional funds.

Subsec. (b). Act Aug. 28, 1950, §109(a)(4)–(8), substituted “Federal Security Administrator” for “Chairman of the Social Security Board”, changed filing date for annual report from first day of each regular session of Congress to March 1 of each year, added par. (4), inserted sentence to require report to be printed as a House document, and made Commissioner of Social Security the Secretary of the Board of Trustees.

Subsec. (f). Act Aug. 28, 1950, §109(a)(9), changed reference in text from Title II of the Federal Insurance Contributions Act to subchapter A of chapter 9 and subchapter B of chapter 1 of the Internal Revenue Code of 1939 to avoid confusion and to include the new provisions of such Code relating to the collection of taxes from the self-employed.

1944—Subsec. (a). Act Feb. 25, 1944, inserted sentence authorizing appropriation of additional funds.


**Effective Date of 2015 Amendment**
Pub. L. 114–74, title VIII, §833(k), Nov. 2, 2015, 129 Stat. 614, provided that: “The amendments made by this section [amending this section] shall apply with respect to wages paid after December 31, 2015, and self-employment income for taxable years beginning after such date.”

**Effective Date of 1998 Amendment**
Pub. L. 105–277, div. J, title IV, §4005(c), Oct. 21, 1998, 112 Stat. 2681–912, provided that: “The amendments made by subsection (b) [amending this section] shall apply to benefits paid on or after the first day of the second month beginning after the month in which this Act is enacted [October 1998].”

**Effective Date of 1994 Amendment**


“(a) In General.—Except as otherwise provided in this title, this title [see Tables for classification], and the amendments made by such title, shall take effect March 31, 1995.

“(b) Transition Rules.—Section 106 [amending section 3515 of Title 5, Government Organization and Employees, and enacting provisions set out as a note under section 901 of this title] shall take effect on the date of the enactment of this Act [Aug. 15, 1994].

“(c) Exceptions.—The amendments made by section 103 [amending section 903 of this title], subsections (b)(4) and (c) of section 105 [enacting provisions set out in a note under section 901 of this title], and subsections (a)(1), (e)(1), (e)(2), (e)(3), and (j)(2) of section 108 [enacting section 913 of this title and amending sections 5312, 5313, and 5315 of Title 5 and section 11 of Pub. L. 95–452, Inspector General Act of 1978, set out in the Appendix to Title 5] shall take effect on the date of the enactment of this Act.”

Pub. L. 101–296, title III, §301(c), Aug. 15, 1994, 108 Stat. 1518, provided that:

“(1) In General.—The amendments made by this section [amending this section] shall apply with respect to obligations issued, and payments made, after 60 days after the date of the enactment of this Act [Aug. 15, 1994].

“(2) Treatment of Outstanding Obligations.—Not later than 60 days after the date of the enactment of this Act, the Secretary of the Treasury shall issue to the Federal Old-Age and Survivors Insurance Trust Fund or the Federal Disability Insurance Trust Fund, as applicable, a paper instrument, in the form of a bond, note, or certificate of indebtedness, for each obligation which has been issued to the Trust Fund under section 201(d) of the Social Security Act [42 U.S.C. 401(d)] and which is outstanding as of such date. Each such document shall set forth the principal amount, date of maturity, and interest rate of the obligation, and shall state on its face that the obligation shall be incontestable in the hands of the Trust Fund to which it was issued, that the obligation is supported by the full faith and credit of the United States, and that the United States is pledged to the payment of the obligation with respect to both principal and interest.”

Pub. L. 103–296, title III, §321(c)(1)(A)(ii), Aug. 15, 1994, 108 Stat. 1357, provided that: “The amendments made by clause (i) [amending this section] shall apply only with respect to periods beginning on or after the date of the enactment of this Act [Aug. 15, 1994].”


**Effective Date of 1990 Amendment**
section [amending this section and sections 406, 1320a–6, 1383, and 1396i of this title] shall apply with respect to determinations made on or after July 1, 1991, and to reimbursement for travel expenses incurred on or after April 1, 1991.”

Pub. L. 101–508, title V, §511(b)(b), Nov. 5, 1990, 104 Stat. 1388–274, provided that: “The amendments made by this section [amending this section] shall become effective on the first day of the month following the month in which this Act is enacted [November 1991].” Amendment by section 13304 of Pub. L. 101–508 effective for annual reports of the Board of Trustees issued in or after calendar year 1991, see section 13306 of Pub. L. 101–508, set out as a note under section 632 of Title 2, The Congress.

Effective Date of 1989 Amendment


Effective Date of 1988 Amendment

Pub. L. 100–647, title VIII, §8005(b), Nov. 10, 1988, 102 Stat. 3781, provided that: “The amendments made by this section [amending this section and sections 1395i and 1395t of this title] shall apply with respect to remuneration paid, and taxable years beginning after August 1989.”

Effective Date of 1987 Amendment

Pub. L. 98–21, title III, §341(d), Apr. 20, 1983, 97 Stat. 136, provided that: “The amendments made by this section [amending this section and sections 1395i and 1395t of this title] shall become effective on the date of enactment of this Act [Apr. 20, 1983].”

Effective Date of 1981 Amendment

Pub. L. 97–123, §1(c), Dec. 29, 1981, 95 Stat. 1660, provided that: “The amendments made by this section [amending this section and section 1395i of this title] shall be effective on the date of enactment of this Act [Dec. 29, 1981].”

Effective Date of 1980 Amendment

Pub. L. 96–403, §2, Oct. 9, 1980, 94 Stat. 1710, provided that: “The amendments made by the first section of this Act [amending this section] shall apply with respect to remuneration paid, and taxable years beginning after December 31, 1979.”

Effective Date of 1977 Amendment

Amendment by Pub. L. 95–216 applicable with respect to remuneration paid or received, and taxable years beginning after 1977, see section 104 of Pub. L. 95–216, set out as a note under section 1401 of Title 26, Internal Revenue Code.

Effective Date of 1972 Amendment


Effective Date of 1969 Amendment

Pub. L. 96–778, title VII, §701(i), Sept. 13, 1969, 74 Stat. 993, provided that: “The amendments made by this section [amending this section] shall take effect on the first day of the first month beginning after the date of the enactment of this Act [Sept. 13, 1969].”

Effective Date of 1958 Amendment

Amendment by Pub. L. 85–840 applicable with respect to monthly benefits under this subchapter for months after August 1958, but only if an application for such
benefits is filed on or after Aug. 28, 1958, see section 207(a) of Pub. L. 85–840, set out as a note under section 416 of this title.

EFFECTIVE DATE OF 1939 AMENDMENT
Act Aug. 10, 1939, ch. 666, title II, §201, 53 Stat. 1362, provided that the amendment made by that section is effective Jan. 1, 1940.

CONSTRUCTION OF 1994 AMENDMENT

“(1) The preceding provisions of this section (amending this section and sections 402, 403, 405, 408 to 411, 413, 415, 416, 419, 423, 430, and 432 of this title, and enacting provisions set out as notes under this section and sections 402 and 430 of this title) shall be construed only as technical and clerical corrections and as reflecting the original intent of the provisions amended thereby.

“(2) Any reference in title II of the Social Security Act [42 U.S.C. 401 et seq.] to the Internal Revenue Code of 1986 [26 U.S.C. 1 et seq.] shall be construed to include only as technical and clerical corrections and as reflecting the original intent of the provisions amended thereby.

“(a) In General.—Nothing in this Act [see Short Title of 2002 Amendment note set out under section 1 of Title 26, Internal Revenue Code] (or any amendment made by this Act) shall be construed to alter or amend title II of the Social Security Act [42 U.S.C. 401 et seq.] (or any regulation promulgated under that Act [42 U.S.C. 401 et seq.]).

“(b) TRANSFERS.—

“(1) ESTIMATE OF SECRETARY.—The Secretary of the Treasury shall annually estimate the impact that the enactment of this Act has on the income and balances of the trust funds established under section 201 of the Social Security Act [42 U.S.C. 401].

“(2) TRANSFER OF FUNDS.—If, under paragraph (1), the Secretary of the Treasury estimates that the enactment of this Act has a negative impact on the income and balances of the trust funds established under section 201 of the Social Security Act [42 U.S.C. 401], the Secretary shall transfer, not less frequently than quarterly, from the general revenues of the Federal Government an amount sufficient so as to ensure that the income and balances of such trust funds are not reduced as a result of the enactment of this Act.”

STUDY BY GENERAL ACCOUNTING OFFICE OF EXISTING COORDINATION OF THE DI AND SSI PROGRAMS AS THEY RELATE TO INDIVIDUALS ENTERING OR LEAVING CONCURRENT ENTITLEMENT
Pub. L. 106–170, title III, §303(b), Dec. 17, 1999, 113 Stat. 1309, provided that, as soon as practicable after Dec. 17, 1999, the Comptroller General was to undertake a study to evaluate the coordination of the disability insurance program under title II of the Social Security Act [42 U.S.C. 401 et seq.] and the supplemental security income program under title XVI (42 U.S.C. 1381 et seq.) of that Act, as such programs related to individuals entering or leaving concurrent entitlement under such programs, specifically addressing the effectiveness of work incentives under such programs and the effectiveness of coverage of such individuals under titles XVIII and XIX of that Act (42 U.S.C. 1385 et seq.) and the supplementary security income program, and the results of the continuing disability reviews and redeterminations under title XVI of the Social Security Act (42 U.S.C. 1381 et seq.) (or any regulation promulgated thereunder).

USE OF CONTINUING DISABILITY REVIEW FUNDS AND REPORT REQUIREMENT

“(1) IN GENERAL.—The Commissioner of Social Security shall ensure that funds made available for continuing disability reviews (as defined in section 201(g)(1)(A) of the Social Security Act [42 U.S.C. 401(g)(1)(A)]) are used, to the greatest extent practicable, to maximize the combined savings in the old-age, survivors, and disability insurance, supplemental security income, Medicare, and medicaid programs, except that the amounts appropriated pursuant to the authorization and discretionary spending allocation provisions in section 211(d)(2)(S) of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (probably means section 211(d)(5) of Pub. L. 104–193, which amended sections 665e and 901 of Title 2, The Congress, enacted provisions set out as a note under section 1382c of this title, and amended this note) shall be used only for continuing disability reviews and redeterminations under title XVI of the Social Security Act [42 U.S.C. 1381 etseq.] (or any regulation promulgated thereunder).

“(2) REPORT.—The Commissioner of Social Security shall provide annually (at the conclusion of each of the fiscal years 1996 through 2002) to the Congress a report on continuing disability reviews which includes—

“(A) the amount spent on continuing disability reviews in the fiscal year covered by the report, and the number of reviews conducted, by category of review;

“(B) the results of the continuing disability reviews in terms of cessations of benefits or determinations of continuing eligibility, by program; and
“(C) the estimated savings over the short-, medium-, and long-term to the old-age, survivors, and disability insurance, supplemental security income, Medicare, and Medicaid programs from continuing disability reviews which result in cessations of benefits and the estimated present value of such savings.”

REPEAL OF CHANGES IN MEDICARE PART B MONTHLY PREMIUM AND FINANCING

Pub. L. 101–234, title II, § 202(a), Dec. 13, 1989, 103 Stat. 1981, provided that: “Sections 211 through 213 (other than sections 211(b) and 211(c)(3)(B)) of MCCA [Pub. L. 100–360, which enacted sections 1395t–1 and 1395t–2 of this title, amended this section and sections 1395f, 1395h, 1395i, 1395m, 1395t, 1395w, and 1395mm of this title, and in each of the succeeding 30 months, such sums as may be necessary to reimburse such Trust Funds in the total amount of all checks (including interest thereof) which he and the Secretary of Health and Human Services jointly determine to be unnegotiated benefit checks, to the extent provided in advance in appropriation Acts. After any amounts authorized by this subsection have been transferred to a Trust Fund with respect to any benefit check, the provisions of paragraphs (3) and (4) of section 201(m) of the Social Security Act [42 U.S.C. 401(m)(3), (4)] (as added by subsection (a) of this section) shall be applicable to such check.

“(2) As used in paragraph (1), the term ‘unnegotiated benefit checks’ means checks for benefits under title II of the Social Security Act [42 U.S.C. 401 et seq.], which are issued prior to the twenty-fourth month following the month in which this Act is enacted [April 1983] and at which no transfers have previously been made in accordance with the first sentence of such paragraph.”

STUDY OF FLOAT PERIOD OF MONTHLY INSURANCE BENEFIT CHECKS


“(A) the transfers made under this subsection during the year, and the methodology used in determining the amount of such transfers and the funds or accounts to which they were transferred.

“(B) the anticipated operation of this subsection during the next 5 years.”

[For termination, effective May 15, 2000, of provisions relating to submission of annual reports to Congress in section 121(e)(4) of Pub. L. 98–21, set out above, see section 3003 of Pub. L. 101–234, as amended, set out as a note under section 1113 of Title 31, Money and Finance, and item 17 on page 143 of House Document No. 103–7.]
submit to Congress, no later than July 1, 1980, a report recommending establishment of appropriate time limitations governing decisions on claims for benefits under this subchapter; taking into account both need for expeditious processing of claims for benefits and need to assure that all such claims will be thoroughly considered and accurately determined.


Pub. L. 96–365, title III, §312, June 9, 1980, 94 Stat. 460, directed Secretary of Health and Human Services to submit to Congress, not later than Jan. 1, 1985, a full and complete report as to effects produced by reason of preceding provisions of this Act and amendments made thereby (see Tables for classification).

**Appointment and Compensation of Individuals Necessary to Assist the Board of Trustees**

Pub. L. 94–202, §8(e), Jan. 2, 1976, 89 Stat. 1139, provided that: “Any persons the Board of Trustees finds necessary to employ to assist in performing its functions under section 201(g)(4) of the Social Security Act (42 U.S.C. 401(g)(4)) may be appointed without regard to civil service or classification laws, shall be compensated, while so employed at rates fixed by the Board of Trustees, but not exceeding $100 per day, and, while away from their homes or regular places of business, they may be allowed traveling expenses, including per diem in lieu of subsistence, as authorized by law for persons in the Government service employed intermittently.”

**Method of Determining Costs Prescribed by the Board of Trustees Certification and Transfer of Funds**

Pub. L. 94–202, §8(f), Jan. 2, 1976, 89 Stat. 1139, as amended by Pub. L. 99–514, §2, Oct. 22, 1986, 100 Stat. 2096, provided that: “The Secretary shall not make any estimates pursuant to section 201(g)(1)(A)(i) of the Social Security Act (42 U.S.C. 401(g)(1)(A)(i)) before the Board of Trustees prescribes the method of determining costs as provided in section 201(g)(4) of such Act (42 U.S.C. 401(g)(4)). The determinations pursuant to section 201(g)(1)(B) of the Social Security Act (42 U.S.C. 401(g)(1)(B)) with respect to the carrying out of the functions of the Department of Health, Education, and Welfare (now Health and Human Services) specified in section 232 of such Act (42 U.S.C. 432), which relate to the administration of provisions of the Internal Revenue Code of 1966 [formerly I.R.C. 1954] (other than those referred to in clause (i) of the first sentence of section 201(g)(1)(A) of the Social Security Act (42 U.S.C. 401(g)(1)(A))), during fiscal years ending before the Board of Trustees prescribes the method of making such determinations, shall be made after the Board of Trustees has prescribed such method. The Secretary of Health, Education, and Welfare (now Health and Human Services) shall certify to the Managing Trustee the amounts that should be transferred from the general fund in the Treasury to the Trust Funds (as referred to in section 201(g)(1)(A) of the Social Security Act (42 U.S.C. 401(g)(1)(A))) to insure that the general fund in the Treasury bears its proper share of the costs of carrying out such functions in such fiscal years. The Managing Trustee is authorized and directed to transfer any such amounts in accordance with any certification so made.”

**Advances From Trust Funds for Administrative Expenses**

Pub. L. 92–603, title I, §132(g), Oct. 30, 1972, 86 Stat. 1361, provided that: “For the purpose of Federal income, estate, and gift taxes, any gift or bequest to the Federal Old-Age and Survivors Insurance Fund, the Federal Disability Insurance Trust Fund, the Federal Hospital Insurance Trust Fund, or the Federal Supplementary Medical Insurance Trust Fund, or to the Department of Health, Education, and Welfare [now Health and Human Services] or any part or officer thereof, for the benefit of any of such Funds or any activity financed through any of such Funds, which is accepted by the Managing Trustee of such Federal Trust Funds under the authority of section 201(i) of the Social Security Act (42 U.S.C. 401(i)), shall be considered as a gift or bequest to or for the use of the United States and as made for exclusively public purposes.”

**Taxes on Services Rendered by Employees of International Organizations Prior to Jan. 1, 1946**

Act Dec. 29, 1945, ch. 652, title I, §5(b), 59 Stat. 671, prohibited collection of tax under title VII or IX of the Social Security Act or under the Federal Insurance Contributions Act or the Federal Unemployment Tax Act with respect to services rendered prior to January 1, 1946, which were described in paragraph (16) of sections 1426(b) and 1607(c) of the Internal Revenue Code of 1939, and authorized refund of taxes collected.

**Executive Order No. 12335**

section 14 of the Federal Advisory Committee Act in the Appendix to Title 5, Government Organization and Employees.

§ 401a. Omitted

Codification
Section, acts Aug. 1, 1956, ch. 836, title I, §116, 70 Stat. 833; Sept. 13, 1966, Pub. L. 89-749, title VII, §704, 74 Stat. 994; July 30, 1965, Pub. L. 89-97, title I, §109(b), 79 Stat. 340, which established an initial Advisory Council on Social Security Financing to review the status of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund in relation to long term commitments to old-age, survivors, and disability insurance programs, appointed personnel and provided for their compensation, required a report of the findings and recommendations of the Council to be submitted to the Secretary of the Board of Trustees of the abovementioned Trust Funds not later than Jan. 1, 1959, at which time the Council terminated, provided for subsequent Advisory Councils to be appointed in 1963, 1966, and every fifth year thereafter and to submit reports to Congress, and required additional information to be included in these reports, was omitted in view of the termination of the initial Advisory Council on submission of their report not later than Jan. 1, 1959, the repeal of subsec. (e) by Pub. L. 89-97, title I, §109(b), July 30, 1965, 79 Stat. 340, which provided for the subsequent Advisory Councils, and the obsolescence of subsec. (f), which provided for additional information in reports to Congress, upon the repeal of subsec. (e).

§ 402. Old-age and survivors insurance benefit payments

(a) Old-age insurance benefits
Every individual who—

(1) is a fully insured individual (as defined in section 414(a) of this title),
(2) has attained age 62, and
(3) has filed application for old-age insurance benefits or was entitled to disability insurance benefits for the month preceding the month in which he attained retirement age (as defined in section 416(l) of this title),

shall be entitled to an old-age insurance benefit for each month, beginning with—

(A) in the case of an individual who has attained retirement age (as defined in section 416(l) of this title), the first month in which such individual meets the criteria specified in paragraphs (1), (2), and (3), or
(B) in the case of an individual who has attained age 62, but has not attained retirement age (as defined in section 416(l) of this title), the first month throughout which such individual meets the criteria specified in paragraphs (1) and (2) (if in that month he meets the criterion specified in paragraph (3)),

and ending with the month preceding the month in which he dies. Except as provided in subsection (q) and subsection (w), such individual's old-age insurance benefit for any month shall be equal to his primary insurance amount (as defined in section 415(a) of this title) for such month.

(b) Wife's insurance benefits

(1) The wife (as defined in section 416(b) of this title) and every divorced wife (as defined in section 416(d) of this title) of an individual entitled to old-age or disability insurance benefits, if such wife or such divorced wife—

(A) has filed application for wife's insurance benefits,
(B)(i) has attained age 62, or
(ii) in the case of a wife, has in her care (individually or jointly with such individual) at the time of filing such application a child entitled to a child's insurance benefit on the basis of the wages and self-employment income of such individual,
(C) in the case of a divorced wife, is not married, and
(D) is not entitled to old-age or disability insurance benefits, or is entitled to old-age or disability insurance benefits based on a primary insurance amount which is less than one-half of the primary insurance amount of such individual,

shall (subject to subsection (s)) be entitled to a wife's insurance benefit for each month, beginning with—

(i) in the case of a wife or divorced wife (as so defined) of an individual entitled to old-age benefits, if such wife or divorced wife has attained retirement age (as defined in section 416(l) of this title), the first month in which she meets the criteria specified in subparagraphs (A), (B), (C), and (D), or
(ii) in the case of a wife or divorced wife (as so defined) of—

(I) an individual entitled to old-age insurance benefits, if such wife or divorced wife has not attained retirement age (as defined in section 416(l) of this title), or
(II) an individual entitled to disability insurance benefits, the first month throughout which she is such a wife or divorced wife and meets the criteria specified in subparagraphs (B), (C), and (D) (if in such month she meets the criterion specified in subparagraph (A)),

whichever is earlier, and ending with the month preceding the month in which any of the following occurs—

(E) she dies,
(F) such individual dies,
(G) in the case of a wife, they are divorced and either (i) she has not attained age 62, or
(ii) she has attained age 62 but has not been married to such individual for a period of 10 years immediately before the date the divorce became effective,
(H) in the case of a divorced wife, she marries a person other than such individual,
(I) in the case of a wife who has not attained age 62, no child of such individual is entitled to a child's insurance benefit,
(J) she becomes entitled to an old-age or disability insurance benefit based on a primary insurance amount which is equal to or exceeds one-half of the primary insurance amount of such individual, or
(K) such individual is not entitled to disability insurance benefits and is not entitled to old-age insurance benefits,

(2) Except as provided in subsections (k)(5) and (q), such wife's insurance benefit for each month shall be equal to one-half of the primary insurance amount of her husband (or, in the case of a divorced wife, her former husband) for such month.
§ 402

(3) In the case of any divorced wife who marries—

(A) an individual entitled to benefits under subsection (c), (f), (g), or (h) of this section, or

(B) an individual who has attained the age of 18 and is entitled to benefits under subsection (d),

such divorced wife’s entitlement to benefits under this subsection shall, notwithstanding the provisions of paragraph (1) (but subject to subsection (a)), not be terminated by reason of such marriage.

(4)(A) Notwithstanding the preceding provisions of this subsection, except as provided in subparagraph (B), the divorced wife of an individual who is not entitled to old-age or disability insurance benefits, but who has attained age 62 and is a fully insured individual (as defined in section 416(d) of this title), if such divorced wife—

(i) meets the requirements of subparagraphs (A) through (D) of paragraph (1), and

(ii) has been divorced from such insured individual for not less than 2 years,

shall be entitled to a wife’s insurance benefit under this subsection for each month, in such amount, and beginning and ending with such months, as determined (under regulations of the Commissioner of Social Security) in the manner otherwise provided for wife’s insurance benefits under this subsection, as if such insured individual had become entitled to old-age insurance benefits on the date on which the divorced wife first meets the criteria for entitlement set forth in clauses (i) and (ii).

(B) A wife’s insurance benefit provided under this paragraph which has not otherwise terminated in accordance with subparagraph (E), (F), (H), or (J) of paragraph (1) shall terminate with the month preceding the first month in which the insured individual is no longer a fully insured individual.

(c) Husband’s insurance benefits

(1) The husband (as defined in section 416(f) of this title) and every divorced husband (as defined in section 416(d) of this title) of an individual entitled to old-age or disability insurance benefits, if such husband or such divorced husband—

(A) has filed application for husband’s insurance benefits,

(B)(i) has attained age 62, or

(ii) in the case of a husband, has in his care (individually or jointly with such individual) at the time of filing such application a child entitled to a child’s insurance benefit on the basis of the wages and self-employment income of such individual,

(C) in the case of a divorced husband, is not married, and

(D) is not entitled to old-age or disability insurance benefits, or is entitled to old-age or disability insurance benefits based on a primary insurance amount which is less than one-half of the primary insurance amount of such individual,

shall (subject to subsection (a)) be entitled to a husband’s insurance benefit for each month, beginning with—

(i) in the case of a husband or divorced husband (as so defined) of an individual who is entitled to an old-age insurance benefit, if such husband or divorced husband has attained retirement age (as defined in section 416(l) of this title), the first month in which he meets the criteria specified in subparagraphs (A), (B), (C), and (D), or

(ii) in the case of a husband or divorced husband (as so defined) of—

(I) an individual entitled to old-age insurance benefits, if such husband or divorced husband has not attained retirement age (as defined in section 416(l) of this title), or

(II) an individual entitled to disability insurance benefits,

the first month throughout which he is such a husband or divorced husband and meets the criteria specified in subparagraphs (B), (C), and (D) (if in such month he meets the criterion specified in subparagraph (A)),

whichever is earlier, and ending with the month preceding the month in which any of the following occurs:

(E) he dies,

(F) such individual dies,

(G) in the case of a husband, they are divorced and either (i) he has not attained age 62, or (ii) he has attained age 62 but has not been married to such individual for a period of 10 years immediately before the divorce became effective,

(H) in the case of a divorced husband, he marries a person other than such individual,

(I) in the case of a husband who has not attained age 62, no child of such individual is entitled to a child’s insurance benefit,

(J) he becomes entitled to an old-age or disability insurance benefit based on a primary insurance amount which is equal to or exceeds one-half of the primary insurance amount of such individual, or

(K) such individual is not entitled to disability insurance benefits and is not entitled to old-age insurance benefits.

(2) Except as provided in subsections (k)(5) and (q), such husband’s insurance benefit for each month shall be equal to one-half of the primary insurance amount of his wife (or, in the case of a divorced husband, his former wife) for such month.

(3) In the case of any divorced husband who marries—

(A) an individual entitled to benefits under subsection (b), (e), (g), or (h) of this section, or

(B) an individual who has attained the age of 18 and is entitled to benefits under subsection (d), by reason of paragraph (1)(B)(ii) thereof,

such divorced husband’s entitlement to benefits under this subsection, notwithstanding the provisions of paragraph (1) (but subject to subsection (a)), shall not be terminated by reason of such marriage.

(4)(A) Notwithstanding the preceding provisions of this subsection, except as provided in subparagraph (B), the divorced husband of an individual who is not entitled to old-age or disability insurance benefits, but who has attained age 62 and is a fully insured individual (as defined in section 416 of this title), if such divorced husband—
(i) meets the requirements of subparagraphs (A) through (D) of paragraph (1), and
(ii) has been divorced from such insured individual for not less than 2 years,

shall be entitled to a husband’s insurance benefit under this subsection for each month, in such amount, and beginning and ending with such months, as determined (under regulations of the Commissioner of Social Security) in the manner otherwise provided for husband’s insurance benefits under this subsection, as if such insured individual had become entitled to old-age insurance benefits on the date on which the divorced husband first meets the criteria for entitlement set forth in clauses (i) and (ii).

(B) A husband’s insurance benefit provided under this paragraph which has not otherwise terminated in accordance with subparagraph (A), (F), (H), or (J) of paragraph (1) shall terminate with the month preceding the first month in which the insured individual is no longer a fully insured individual.

(d) Child’s insurance benefits

(1) Every child (as defined in section 416(e) of this title) of an individual entitled to old-age or disability insurance benefits, or of an individual who dies a fully or currently insured individual, if such child—

(A) has filed application for child’s insurance benefits,

(B) at the time such application was filed was unmarried and (i) either had not attained the age of 18 or was a full-time elementary or secondary school student and had not attained the age of 19, or (ii) is under a disability (as defined in section 423(d) of this title) which began before he attained the age of 22, and

(C) was dependent upon such individual—

(i) if such individual is living, at the time such application was filed,

(ii) if such individual has died, at the time of such death, or

(iii) if such individual had a period of disability which continued until he became entitled to old-age or disability insurance benefits, or (if he has died) until the month of his death, at the beginning of such period of disability or at the time he became entitled to such benefits,

shall be entitled to a child’s insurance benefit for each month, beginning with—

(i) in the case of a child (as so defined) of such an individual who has died, the first month in which such child meets the criteria specified in subparagraphs (A), (B), and (C), or

(ii) in the case of a child (as so defined) of an individual entitled to an old-age insurance benefit or a disability insurance benefit, the first month throughout which such child is a child (as so defined) and meets the criteria specified in subparagraphs (B) and (C) (if in such month he meets the criterion specified in subparagraph (A)),

whichever is earlier, and ending with the month preceding whichever of the following first occurs,

(D) the month in which such child dies, or

(E) the month in which such child attains the age of 18, but only if he (i) is not under a disability (as so defined) at the time he attains such age, and (ii) is not a full-time elementary or secondary school student during any part of such month.

(F) if such child was not under a disability (as so defined) at the time he attained the age of 18, the earlier of—

(i) the first month during no part of which he is a full-time elementary or secondary school student, or

(ii) the month in which he attains the age of 19,

but only if he was not under a disability (as so defined) in such earlier month;

(G) if such child was under a disability (as so defined) at the time he attained the age of 18 or if he was not under a disability (as so defined) at such time but was under a disability (as so defined) at or prior to the time he attained (or would attain) the age of 22—

(i) the termination month, subject to section 423(e) of this title (and for purposes of this subparagraph, the termination month for any individual shall be the third month following the month in which his disability ceases; except that, in the case of an individual who has a period of trial work which ends as determined by application of section 422(c)(4)(A) of this title, the termination month shall be the earlier of (I) the third month following the earliest month after the end of such period of trial work with respect to which such individual is determined to no longer be suffering from a disabling physical or mental impairment, or (II) the third month following the earliest month in which such individual engages or is determined able to engage in substantial gainful activity, but in no event earlier than the first month occurring after the 36 months following such period of trial work in which he engages or is determined able to engage in substantial gainful activity),

or (if later) the earlier of—

(ii) if such child was under a disability (as so defined) at the time he attained the age of 18,

the month in which he attains the age of 19,

but only if he was not under a disability (as so defined) in such earlier month; or

(H) if the benefits under this subsection are based on the wages and self-employment income of a stepparent who is subsequently divorced from such child’s natural parent, the month after the month in which such divorce becomes final.

Entitlement of any child to benefits under this subsection on the basis of the wages and self-employment income of an individual entitled to disability insurance benefits shall also end with the month before the first month for which such individual is not entitled to such benefits unless such individual is, for such later month, entitled to old-age insurance benefits or unless he dies in such month. No payment under this paragraph may be made to a child who would not meet the definition of disability in section 423(d) of this title except for paragraph (1)(B) thereof.
month in which he engages in substantial gainful activity.

(2) Such child's insurance benefit for each month shall, if the individual on the basis of whose wages and self-employment income the child is entitled to such benefit has not died prior to the end of such month, be equal to one-half of the primary insurance amount of such individual for such month. Such child's insurance benefit for each month shall, if such individual has died in or prior to such month, be equal to three-fourths of the primary insurance amount of such individual.

(3) A child shall be deemed dependent upon his father or adopting father or his mother or adopting mother at the time specified in paragraph (1)(C) of this subsection unless, at such time, such individual was not living with or contributing to the support of such child and—

(A) such child is neither the legitimate nor adopted child of such individual, or

(B) such child has been adopted by some other individual.

For purposes of this paragraph, a child deemed to be a child of a fully or currently insured individual pursuant to section 416(h)(2)(B) or section 416(h)(3) of this title shall be deemed to be the legitimate child of such individual.

(4) A child shall be deemed dependent upon his stepfather or stepmother at the time specified in paragraph (1)(C) of this subsection if, at such time, the child was receiving at least one-half of his support from such stepfather or stepmother.

(5) In the case of a child who has attained the age of eighteen and who marries—

(A) an individual entitled to benefits under subsection (a), (b), (c), (e), (f), (g), or (h) of this section or under section 423(a) of this title, or subsection (a), (b), (c), (e), (f), (g), or (h) of this section or under section 423(e) of this title, or (if later) the earlier of—

(i) the first month during no part of which he is a full-time elementary or secondary school student, or

(ii) the month in which he attains the age of 19.

For the purposes of this subsection—

(A) "full-time elementary or secondary school student" is an individual who is in full-time attendance as a student at an elementary or secondary school, as determined by the Commissioner of Social Security (in accordance with regulations prescribed by the Commissioner) in the light of the standards and practices of the schools involved, except that no individual shall be considered a "full-time elementary or secondary school student" if he is paid by his employer while attending an elementary or secondary school at the request, or pursuant to a requirement, of his employer.

An individual shall not be considered a "full-time elementary or secondary school student" for the purpose of this section while that individual is confined in a jail, prison, or other penal institution or correctional facility, pursuant to his conviction of an offense (committed after the effective date of this sentence \(^1\)) which constituted a felony under applicable law. An individual who is determined to be a full-time elementary or secondary school student shall be deemed to be such a student throughout the month with respect to which such determination is made.

(B) Except to the extent provided in such regulations, an individual shall be deemed to be a full-time elementary or secondary school student during any period of nonattendance at an elementary or secondary school at which he has been in full-time attendance if (i) such period is 4 calendar months or less, and (ii) he shows to the satisfaction of the Commissioner of Social Security that he intends to continue to be in full-time attendance at an elementary or secondary school immediately following such period. An individual who does not meet the requirement of clause (ii) with respect to such period of nonattendance shall be deemed to have met such requirement (as of the beginning of such period) if he is in full-time attendance at an elementary or secondary school immediately following such period.

(C)(i) An "elementary or secondary school" is a school which provides elementary or sec-

---

\(^1\) See References in Text note below.
Ordinary education, respectively, as determined under the law of the State or other jurisdiction in which it is located.

(ii) For the purpose of determining whether a child is a “full-time elementary or secondary school student” or “intends to continue to be in full-time attendance at an elementary or secondary school”, within the meaning of this subsection, there shall be disregarded any education provided, or to be provided, beyond grade 12.

(D) A child who attains age 19 at a time when he is a full-time elementary or secondary school student (as defined in subparagraph (A) of this paragraph and without application of subparagraph (B) of such paragraph) but has not (at such time) completed the requirements for, or received, a diploma or equivalent certificate from a secondary school (as defined in subparagraph (C)(i)) shall be deemed (for purposes of determining whether his entitlement to benefits under this subsection has terminated under paragraph (1)(F) and for purposes of determining his initial entitlement to such benefits under clause (1) of paragraph (1)(B)) not to have attained such age until the first day of the first month following the end of the quarter or semester in which he is enrolled at such time (or, if the elementary or secondary school (as defined in this paragraph) in which he is enrolled is not operated on a quarter or semester system, until the first day of the first month following the completion of the course in which he is so enrolled or until the first day of the third month beginning after such time, whichever first occurs).

(8) In the case of—

(A) an individual entitled to old-age insurance benefits (other than an individual referred to in subparagraph (B)), or

(B) an individual entitled to disability insurance benefits, or an individual entitled to old-age insurance benefits who was entitled to disability insurance benefits for the month preceding the first month for which he was entitled to old-age insurance benefits,

a child of such individual adopted after such individual became entitled to such old-age or disability insurance benefits shall be deemed not to meet the requirements of clause (i) or (iii) of paragraph (1)(C) of this subsection unless (i) such child was living with such individual in the United States and receiving at least one-half of his income of such individual, for the month preceding the month in which such period of dependency began, and (ii) the period during which such child was living with such individual began before the child attained age 18.

(B) In the case of a child who was born in the one-year period during which such child must have been living with and receiving at least one-half of his support from such individual, such child shall be deemed to meet such requirements for such period if, as of the close of such period, such child has lived with such individual in the United States and received at least one-half of his support from such individual for substantially all of the period which begins on the date of such child’s birth.

(10) For purposes of paragraph (1)(H)—

(A) each stepparent shall notify the Commissioner of Social Security of any divorce upon such stepparent becoming final; and

(B) the Commissioner shall annually notify any stepparent of the rule for termination described in paragraph (1)(H) and of the requirement described in subparagraph (A).

(e) Widow’s insurance benefits

(1) The widow (as defined in section 416(c) of this title) and every surviving divorced wife (as defined in section 416(d) of this title) of an individual who died a fully insured individual, if such widow or such surviving divorced wife—

(A) is not married,

(B) (i) has attained age 60, or (ii) has attained age 50 but has not attained age 60 and is under a disability (as defined in section 416(d) of this title) which began before the end of the period specified in paragraph (4),

(C) (i) has filed application for widow’s insurance benefits,

(ii) was entitled to wife’s insurance benefits, on the basis of the wages and self-employment income of such individual, for the month preceding the month in which such individual died, and—

(I) has attained retirement age (as defined in section 416(f) of this title),

(II) is not entitled to benefits under subsection (a) or section 423 of this title, or

(III) has in effect a certificate (described in paragraph (8)) filed by her with the Commissioner of Social Security, in accordance with regulations prescribed by the Commissioner of Social Security, in which she elects to receive widow’s insurance benefits (subject to reduction as provided in section 402(q)), or

(iii) was entitled, on the basis of such wages and self-employment income, to mother’s insurance benefits for the month preceding the month in which she attained retirement age (as defined in section 416(f) of this title), and
(D) is not entitled to old-age insurance benefits 
or is entitled to old-age insurance benefits 
each of which is less than the primary insur-
ance amount (as determined after application 
of subparagraphs (B) and (C) of paragraph (2)) 
of such deceased individual, 
shall be entitled to a widow’s insurance benefit 
for each month, beginning with—
(E) if she satisfies subparagraph (B) by rea-
son of clause (i) thereof, the first month in 
which she becomes so entitled to such insur-
ance benefits, or 
(F) if she satisfies subparagraph (B) by rea-
son of clause (ii) thereof— 
(1) the first month after her waiting period 
(as defined in paragraph (5)) in which she 
becomes so entitled to such insurance benefits, or 
(2) the first month during all of which she 
is under a disability and in which she 
becomes so entitled to such insurance benefits, but 
only if she was previously entitled to in-
surance benefits under this subsection on the 
basis of being under a disability and such 
first month occurs in (i) the period specified 
in paragraph (4) and (II) the month in 
which a previous entitlement to such ben-
efits on such basis terminated, 
and ending with the month preceding the first 
month in which any of the following occurs: she 
remarries, dies, becomes entitled to an old-age 
insurance benefit equal to or exceeding the pri-
mary insurance amount (as determined after 
application of subparagraphs (B) and (C) of para-
graph (2)) of such deceased individual. 

shall be entitled to a widow’s insurance benefit 
in the second year after the year specified in clause 
(II), 

(E) if such deceased individual was (or upon 
basis of which the deceased individual died, whichever 
is later.

(iii) This subparagraph shall apply with re-
spect to any benefit under this subsection only 
when its application does not result in a 
primary insurance amount for purposes of this 
subsection which is less than the primary insur-
ance amount otherwise determined for such de-
ceased individual under section 415 of this title.

(C) If such deceased individual was (or upon 
application have received) for the month prior 
to the month in which he died, shall be deemed 
to be equal to such old-age insurance benefit, 
and (notwithstanding the provisions of para-
graph (3) of such subsection (w)) the number of 
increment months shall include any month in 
the months of the calendar year in which he 
died, prior to the month in which he died, which 
he was receiving (or would upon 
application be entitled) to an old-
age insurance benefit which was increased (or 
subject to being increased) on account of de-
layed retirement under the provisions of sub-
section (w), then, for purposes of this subsection, 
such individual’s primary insurance amount, if 
less than, the old-age insurance benefit (in-
creased, where applicable, under section 415(f)(5), 
415(f)(6), or 415(f)(9)(B) of this title and under 
section 415(i) of this title as if such individual 
were still alive in the case of an individual who 
has died) which he was receiving (or would upon 
application have received) for the month prior 
to the month in which he died, shall be deemed 
to be equal to such old-age insurance benefit, 
and (notwithstanding the provisions of para-
graph (3) of such subsection (w)) the number of 
increment months shall include any month in 
the months of the calendar year in which he 
died, prior to the month in which he died, which 
satisfy the conditions in paragraph (2) of such 
subsection (w).

(D) If the deceased individual (on the basis of 
whose wages and self-employment income a 
widow or surviving divorced wife is entitled to 
old-age insurance benefits under this sub-
section) was, at any time, entitled to an old-age 
insurance benefit which was reduced by reason 
of the application of subsection (q), the widow’s 
insurance benefit of such widow or surviving di-
vored wife for any month shall, if the amount of the widow's insurance benefit of such widow or surviving divorced wife (as determined under subparagraph (A) and after application of subsection (q)) is greater than—

(i) the amount of the old-age insurance benefit to which such deceased individual would have been entitled (after application of subsection (q)) for such month if such individual were still living and section 415(f)(5), 415(f)(6), or 415(f)(9)(B) of this title were applied, where applicable, and

(ii) 82% percent of the primary insurance amount (as determined without regard to subparagraph (C)) of such deceased individual,

be reduced to the amount referred to in clause (i), or (if greater) the amount referred to in clause (ii).

(3) For purposes of paragraph (1), if—

(A) a widow or surviving divorced wife marries after attaining age 60 (or after attaining age 50 if she was entitled before such marriage occurred to benefits based on disability under this subsection), or

(B) a disabled widow or disabled surviving divorced wife described in paragraph (1)(B)(ii) marries after attaining age 50,

such marriage shall be deemed not to have occurred.

(4) The period referred to in paragraph (1)(B)(ii), in the case of any widow or surviving divorced wife, is the period beginning with whichever of the following is the latest:

(A) the month in which occurred the death of the fully insured individual referred to in paragraph (1) on whose wages and self-employment income her benefits are or would be based, or

(B) the last month for which she was entitled to mother's insurance benefits on the basis of the wages and self-employment income of such individual, or

(C) the month in which a previous entitlement to widow's insurance benefits on the basis of such wages and self-employment income terminated because her disability had ceased,

and ending with the month before the month in which she attains age 60, or, if earlier, with the close of the eighty-fourth month following the month with which such period began.

(5)(A) The waiting period referred to in paragraph (1)(F), in the case of any widow or surviving divorced wife, is the earliest period of five consecutive calendar months—

(i) throughout which she has been under a disability, and

(ii) which begins not earlier than with whichever of the following is the later: (I) the first day of the seventeenth month before the month in which her application is filed, or (II) the first day of the fifth month before the month in which the period specified in paragraph (4) begins.

(B) For purposes of paragraph (1)(F)(i), each month in the period commencing with the first month for which such widow or surviving divorced wife is first eligible for supplemental security income benefits under subchapter XVI, or State supplementary payments of the type referred to in section 1382e(a) of this title (or payments of the type described in section 212(a) of Public Law 93–66) which are paid by the Commissioner of Social Security under an agreement referred to in section 1382e(a) of this title (or in section 212(b) of Public Law 93–66), shall be included as one of the months of such waiting period for which the requirements of subparagraph (A) have been met.

(6) In the case of an individual entitled to monthly insurance benefits payable under this section for any month prior to January 1973 whose benefits were not redetermined under section 102(g) of the Social Security Amendments of 1972, such benefits shall not be redetermined pursuant to such section, but shall be increased pursuant to any general benefit increase (as defined in section 415(i)(3) of this title) or any increase in benefits made under or pursuant to section 415(i) of this title, including for this purpose the increase provided effective for March 1974, as though such redetermination had been made.

(7) Any certificate filed pursuant to paragraph (1)(C)(i)(III) shall be effective for purposes of this subsection—

(A) for the month in which it is filed and for any month thereafter, and

(B) for months, in the period designated by the individual filing such certificate, of one or more consecutive months (not exceeding 12) immediately preceding the month in which such certificate is filed;

except that such certificate shall not be effective for any month before the month in which she attains age 62.

(8) An individual shall be deemed to be under a disability for purposes of paragraph (1)(B)(ii) if such individual is eligible for supplemental security income benefits under subchapter XVI, or State supplementary payments of the type referred to in section 1382e(a) of this title (or payments of the type described in section 212(a) of Public Law 93–66) which are paid by the Commissioner of Social Security under an agreement referred to in section 1382e(a) of this title (or in section 212(b) of Public Law 93–66), for the month for which all requirements of paragraph (1) for entitlement to benefits under this subsection (other than being under a disability) are met.

(f) Widower's insurance benefits

(1) The widower (as defined in section 416(g) of this title) and every surviving divorced husband (as defined in section 416(d) of this title) of an individual who died a fully insured individual, if such widower or such surviving divorced husband—

(A) is not married,

(B)(i) has attained age 60, or (ii) has attained age 50 but has not attained age 60 and is under a disability (as defined in section 223(d) of the title) which began before the end of the period specified in paragraph (4),

(C)(i) has filed application for widower's insurance benefits,

(ii) was entitled to husband's insurance benefits, on the basis of the wages and self-employment income of such individual, for the
§ 402

TITLE 42—THE PUBLIC HEALTH AND WELFARE

Page 1614

month preceding the month in which such individual died, and—

(I) has attained retirement age (as defined in section 416(l) of this title),

(II) is not entitled to benefits under subsection (a) or section 423 of this title, or

(III) has in effect a certificate (described in paragraph (b) filed by him with the Commissioner of Social Security, in accordance with regulations prescribed by the Commissioner of Social Security, in which he elects to receive widower’s insurance benefits (subject to reduction as provided in subsection (q)), or

(iii) was entitled, on the basis of such wages and self-employment income, to father’s insurance benefits for the month preceding the month in which he attained retirement age (as defined in section 416(i) of this title), and

(D) is not entitled to old-age insurance benefits, or is entitled to old-age insurance benefits each of which is less than the primary insurance amount (as determined after application of subparagraphs (B) and (C) of paragraph (3)) of such deceased individual,

shall be entitled to a widower’s insurance benefit for each month, beginning with—

(E) if he satisfies subparagraph (B) by reason of clause (i) thereof, the first month in which he becomes so entitled to such insurance benefits, or

(F) if he satisfies subparagraph (B) by reason of clause (ii) thereof—

(i) the first month after his waiting period (as defined in paragraph (5)) in which he becomes so entitled to such insurance benefits, or

(ii) the first month during all of which he is under a disability and in which he becomes so entitled to such insurance benefits, but only if he was previously entitled to insurance benefits under this subsection on the basis of being under a disability and such first month occurs (I) in the period specified in paragraph (4) and (II) in which a previous entitlement to such benefits on such basis terminated, and

and ending with the month preceding the first month in which any of the following occurs: he remarries, dies, or becomes entitled to an old-age insurance benefit equal to or exceeding the primary insurance amount (as determined after application of subparagraphs (B) and (C) of paragraph (3)) of such deceased individual, or, if he became entitled to such benefits before he attained age 60, subject to section 423(e) of this title, the termination month (unless he attains retirement age (as defined in section 416(l) of this title) on or before the last day of such termination month). For purposes of the preceding sentence, the termination month for any individual shall be the third month following the month in which his disability ceases; except that, in the case of an individual who has a period of trial work which ends as determined by application of section 422(c)(4)(A) of this title, the termination month shall be the earlier of (I) the third month following the earliest month after the end of such period of trial work with respect to which such individual is determined to no longer be suffering from a disabling physical or mental impairment, or (II) the third month following the earliest month in which such individual engages or is determined able to engage in substantial gainful activity, but in no event earlier than the first month occurring after the 36 months following such period of trial work in which he engages or is determined able to engage in substantial gainful activity.

(2)(A) Except as provided in subsection (k)(5), subsection (q), and subparagraph (D) of this paragraph, such widower’s insurance benefit for each month shall be equal to the primary insurance amount (as determined for purposes of this subsection after application of subparagraphs (B) and (C)) of such deceased individual.

(B)(i) For purposes of this subsection, in any case in which such deceased individual dies before attaining age 62 and section 415(a)(1) of this title (as in effect after December 1978) is applicable in determining such individual’s primary insurance amount—

(I) such primary insurance amount shall be determined under the formula set forth in section 415(a)(1)(B)(i) and (II) of this title which is applicable to individuals who initially become eligible for old-age insurance benefits in the second year after the year specified in clause (ii),

(II) the year specified in clause (ii) shall be substituted for the second calendar year specified in section 415(b)(3)(A)(i)(I) of this title, and

(III) such primary insurance amount shall be increased under section 415(i) of this title as if it were the primary insurance amount referred to in section 415(i)(2)(A)(i)(II) of this title, except that it shall be increased only for years beginning after the first year after the year specified in clause (i).

(ii) The year specified in this clause is the earlier of—

(I) the year in which the deceased individual attained age 60, or would have attained age 60 had she lived to that age, or

(II) the second year preceding the year in which the widower or surviving divorced husband first meets the requirements of paragraph (1)(B) or the second year preceding the year in which the deceased individual died, whichever is later.

(iii) This subparagraph shall apply with respect to any benefit under this subsection only to the extent its application does not result in a primary insurance amount for purposes of this subsection which is less than the primary insurance amount otherwise determined for such deceased individual under section 415 of this title.

(C) If such deceased individual was (or upon application would have been) entitled to an old-age insurance benefit which was increased (or subject to being increased) on account of delayed retirement under the provisions of subsection (w), then, for purposes of this subsection, such individual’s primary insurance amount, if less than the old-age insurance benefit (increased, where applicable, under section 415(f)(5), 415(f)(6), or 415(f)(9)(B) of this title and under section 415(i) of this title as if such individual were still alive in the case of an individual who...
has died) which she was receiving (or would upon application have received) for the month prior to the month in which she died, shall be deemed to be equal to such old-age insurance benefit, and (notwithstanding the provisions of paragraph (3) of such subsection (w)) the number of increment months shall include any month in the months of the calendar year in which she died, prior to the month in which she died, which satisfy the conditions in paragraph (2) of such subsection (w).

(D) If the deceased individual (on the basis of whose wages and self-employment income a widower or surviving divorced husband is entitled to widower’s insurance benefits under this subsection) was, at any time, entitled to an old-age insurance benefit which was reduced by reason of the application of subsection (q), the widower’s insurance benefit of such widower or surviving divorced husband for any month shall, if the amount of the widower’s insurance benefit of such widower or surviving divorced husband (as determined under subparagraph (A) and after application of subsection (q)) is greater than—

(i) the amount of the old-age insurance benefit to which such deceased individual would have been entitled (after application of subsection (q)) for such month if such individual were still living and section 415(f)(5), 415(f)(6), or 415(f)(9)(B) of this title were applicable, and

(ii) 82 1⁄2 percent of the primary insurance amount (as determined without regard to subparagraph (C)) of such deceased individual;

be reduced to the amount referred to in clause (1), or (if greater) the amount referred to in clause (ii).

(3) For purposes of paragraph (1), if—

(A) a widower or surviving divorced husband marries after attaining age 60 (or after attaining age 50 if he was entitled before such marriage occurred to benefits based on disability under this subsection), or

(B) a disabled widower or surviving divorced husband described in paragraph (1)(B)(ii) marries after attaining age 50,

such marriage shall be deemed not to have occurred.

(4) The period referred to in paragraph (1)(B)(ii), in the case of any widower or surviving divorced husband, is the period beginning with whichever of the following is the latest:

(A) the month in which occurred the death of the fully insured individual referred to in paragraph (1) on whose wages and self-employment income his benefits are or would be based.

(B) the last month for which he was entitled to father’s insurance benefits on the basis of the wages and self-employment income of such individual, or

(C) the month in which a previous entitlement to widower’s insurance benefits on the basis of such wages and self-employment income terminated because his disability had ceased,

and ending with the month before the month in which he attains age 60, or, if earlier, with the close of the eighty-fourth month following the month with which such period began.

(5)(A) The waiting period referred to in paragraph (1)(F)(i), in the case of any widower or surviving divorced husband, is the earliest period of five consecutive calendar months—

(i) throughout which he has been under a disability, and

(ii) which begins not earlier than with whichever of the following is the later: (I) the first day of the seventeenth month before the month in which his application is filed, or (II) the first day of the fifth month before the month in which the period specified in paragraph (4) begins.

(B) For purposes of paragraph (1)(F)(i), each month in the period commencing with the first month for which such widower or surviving divorced husband is first eligible for supplemental security income benefits under subchapter XVI, or State supplementary payments of the type referred to in section 1382e(a) of this title (or payments of the type described in section 212(a) of Public Law 93–66) which are paid by the Commissioner of Social Security under an agreement referred to in section 1382e(a) of this title (or in section 212(b) of Public Law 93–66), shall be included as one of the months of such waiting period for which the requirements of subparagraph (A) have been met.

(C) The waiting period referred to in paragraph (1)(F)(ii), in the case of any widow or surviving divorced wife, (B) (or in section 212(b) of Public Law 93–66), shall be included as one of the months of such waiting period for which the requirements of subparagraph (A) have been met.

(D) If the deceased individual (on the basis of whose wages and self-employment income a widower or surviving divorced husband is entitled to widower’s insurance benefits under this subsection) was, at any time, entitled to an old-age insurance benefit which was reduced by reason of the application of subsection (q), the widower’s insurance benefit of such widower or surviving divorced husband for any month shall, if the amount of the widower’s insurance benefit of such widower or surviving divorced husband (as determined under subparagraph (A) and after application of subsection (q)) is greater than—

(i) the amount of the old-age insurance benefit to which such deceased individual would have been entitled (after application of subsection (q)) for such month if such individual were still living and section 415(f)(5), 415(f)(6), or 415(f)(9)(B) of this title were applicable, and

(ii) 82 1⁄2 percent of the primary insurance amount (as determined without regard to subparagraph (C)) of such deceased individual;

be reduced to the amount referred to in clause (1), or (if greater) the amount referred to in clause (ii).

(3) For purposes of paragraph (1), if—

(A) a widower or surviving divorced husband marries after attaining age 60 (or after attaining age 50 if he was entitled before such marriage occurred to benefits based on disability under this subsection), or

(B) a disabled widower or surviving divorced husband described in paragraph (1)(B)(ii) marries after attaining age 50,

such marriage shall be deemed not to have occurred.

(4) The period referred to in paragraph (1)(B)(ii), in the case of any widower or surviving divorced husband, is the period beginning with whichever of the following is the latest:

(A) the month in which occurred the death of the fully insured individual referred to in paragraph (1) on whose wages and self-employment income his benefits are or would be based.

(B) the last month for which he was entitled to father’s insurance benefits on the basis of the wages and self-employment income of such individual, or

(C) the month in which a previous entitlement to widower’s insurance benefits on the basis of such wages and self-employment income terminated because his disability had ceased,

and ending with the month before the month in which he attains age 60, or, if earlier, with the close of the eighty-fourth month following the month with which such period began.

(5)(A) The waiting period referred to in paragraph (1)(F)(i), in the case of any widower or surviving divorced husband, is the earliest period of five consecutive calendar months—

(i) throughout which he has been under a disability, and

(ii) which begins not earlier than with whichever of the following is the later: (I) the first day of the seventeenth month before the month in which his application is filed, or (II) the first day of the fifth month before the month in which the period specified in paragraph (4) begins.

(B) For purposes of paragraph (1)(F)(i), each month in the period commencing with the first month for which such widower or surviving divorced husband is first eligible for supplemental security income benefits under subchapter XVI, or State supplementary payments of the type referred to in section 1382e(a) of this title (or payments of the type described in section 212(a) of Public Law 93–66) which are paid by the Commissioner of Social Security under an agreement referred to in section 1382e(a) of this title (or in section 212(b) of Public Law 93–66), shall be included as one of the months of such waiting period for which the requirements of subparagraph (A) have been met.

(C) The waiting period referred to in paragraph (1)(F)(ii), in the case of any widow or surviving divorced wife, (B) (or in section 212(b) of Public Law 93–66), shall be included as one of the months of such waiting period for which the requirements of subparagraph (A) have been met.

(D) If the deceased individual (on the basis of whose wages and self-employment income a widower or surviving divorced husband is entitled to widower’s insurance benefits under this subsection) was, at any time, entitled to an old-age insurance benefit which was reduced by reason of the application of subsection (q), the widower’s insurance benefit of such widower or surviving divorced husband for any month shall, if the amount of the widower’s insurance benefit of such widower or surviving divorced husband (as determined under subparagraph (A) and after application of subsection (q)) is greater than—

(i) the amount of the old-age insurance benefit to which such deceased individual would have been entitled (after application of subsection (q)) for such month if such individual were still living and section 415(f)(5), 415(f)(6), or 415(f)(9)(B) of this title were applicable, and

(ii) 82 1⁄2 percent of the primary insurance amount (as determined without regard to subparagraph (C)) of such deceased individual;

be reduced to the amount referred to in clause (1), or (if greater) the amount referred to in clause (ii).

(3) For purposes of paragraph (1), if—

(A) a widower or surviving divorced husband marries after attaining age 60 (or after attaining age 50 if he was entitled before such marriage occurred to benefits based on disability under this subsection), or

(B) a disabled widower or surviving divorced husband described in paragraph (1)(B)(ii) marries after attaining age 50,

such marriage shall be deemed not to have occurred.

(4) The period referred to in paragraph (1)(B)(ii), in the case of any widower or surviving divorced husband, is the period beginning with whichever of the following is the latest:

(A) the month in which occurred the death of the fully insured individual referred to in paragraph (1) on whose wages and self-employment income his benefits are or would be based.

(B) the last month for which he was entitled to father’s insurance benefits on the basis of the wages and self-employment income of such individual, or

(C) the month in which a previous entitlement to widower’s insurance benefits on the basis of such wages and self-employment income terminated because his disability had ceased,
(g) Mother’s and father’s insurance benefits

(1) The surviving spouse and every surviving divorced parent (as defined in section 416(d) of this title) of an individual who died a fully or currently insured individual, if such surviving spouse or surviving divorced parent—

(A) is not married,

(B) is not entitled to a surviving spouse’s insurance benefit,

(C) is not entitled to old-age insurance benefits, or is entitled to old-age insurance benefits each of which is less than three-fourths of the primary insurance amount of such individual.

(D) has filed application for mother’s or father’s insurance benefits, or was entitled to a spouse’s insurance benefit on the basis of the wages and self-employment income of such individual for the month preceding the month in which such individual died,

(E) at the time of filing such application has in his or her care a child of such individual entitled to a child’s insurance benefit, and

(F) in the case of a surviving divorced parent—

(i) the child referred to in subparagraph (E) is his or her son, daughter, or legally adopted child, and

(ii) the benefits referred to in such subparagraph are payable on the basis of such individual’s wages and self-employment income.

shall (subject to subsection (s)) be entitled to a mother’s or father’s insurance benefit for each month, beginning with the first month in which he or she becomes so entitled to such insurance benefits and ending with the month preceding the first month in which any of the following occurs: no child of such deceased individual is entitled to a child’s insurance benefit, such surviving spouse or surviving divorced parent becomes entitled to an old-age insurance benefit equal to or exceeding three-fourths of the primary insurance amount of such deceased individual, he or she becomes entitled to a surviving spouse’s insurance benefit, he or she remarries, or he or she dies. Entitlement to such benefits shall also end, in the case of a surviving divorced parent, with the month immediately preceding the first month in which no son, daughter, or legally adopted child of such surviving divorced parent is entitled to a child’s insurance benefit on the basis of the wages and self-employment income of such deceased individual.

(2) Such mother’s or father’s insurance benefit for each month shall be equal to three-fourths of the primary insurance amount of such deceased individual.

(3) In the case of a surviving spouse or surviving divorced parent who marries—

(A) an individual entitled to benefits under this subsection or subsection (a), (b), (c), (e), (f), or (h), or under section 423(a) of this title, or

(B) an individual who has attained the age of eighteen and is entitled to benefits under subsection (d),

the entitlement of such surviving spouse or surviving divorced parent to benefits under this subsection shall, notwithstanding the provisions of paragraph (1) of this subsection but subject to subsection (s), not be terminated by reason of such marriage.

(h) Parent’s insurance benefits

(1) Every parent (as defined in this subsection) of an individual who died a fully insured individual, if such parent—

(A) has attained age 62,

(B) was receiving at least one-half of his support from such individual at the time of such individual’s death or, if such individual had a period of disability which did not end prior to the month in which he died, at the time such period began or at the time of such death, and (i) filed proof of such support within two years after the date of such death, or, if such individual had such a period of disability, within two years after the month in which such individual filed application with respect to such period of disability or two years after the date of such death, as the case may be,

(C) has not married since such individual’s death,

(D) is not entitled to old-age insurance benefits, or is entitled to old-age insurance benefits each of which is less than 82 1⁄2 percent of the primary insurance amount of such deceased individual if the amount of the parent’s insurance benefit for such month is determinable under paragraph (2)(A) (or 75 percent of such primary insurance amount in any other case), and

(E) has filed application for parent’s insurance benefits,

shall be entitled to a parent’s insurance benefit for each month beginning with the first month after August 1950 in which such parent becomes so entitled to such parent’s insurance benefits and ending with the month preceding the first month in which any of the following occurs: such parent dies, marries, or becomes entitled to an old-age insurance benefit equal to or exceeding 82 1⁄2 percent of the primary insurance amount of such deceased individual if the amount of the parent’s insurance benefit for such month is determinable under paragraph (2)(A) (or 75 percent of such primary insurance amount in any other case).

(2)(A) Except as provided in subparagraphs (B) and (C), such parent’s insurance benefit for each month shall be equal to 82 1⁄2 percent of the primary insurance amount of such deceased individual.

(B) For any month for which more than one parent is entitled to parent’s insurance benefits on the basis of such deceased individual’s wages and self-employment income, such benefit for each such parent for such month shall (except as provided in subparagraph (C)) be equal to 75 percent of the primary insurance amount of such deceased individual.

(C) In any case in which—

(i) any parent is entitled to a parent’s insurance benefit for a month on the basis of a deceased individual’s wages and self-employment income, and

(ii) another parent of such deceased individual is entitled to a parent’s insurance benefit for such month on the basis of such wages and self-employment income, and on the basis of
an application filed after such month and after the month in which the application for the parent’s benefits referred to in clause (i) was filed,

the amount of the parent’s insurance benefit of the parent referred to in clause (i) for the month referred to in such clause shall be determined under subparagraph (A) instead of subparagraph (B) and the amount of the parent’s insurance benefit of a parent referred to in clause (ii) for such month shall be equal to 150 percent of the primary insurance amount of the deceased individual minus the amount (before the application of section 403(a) of this title) of the benefit for such month of the parent referred to in clause (i).

(3) As used in this subsection, the term “parent” means the mother or father of an individual, a stepparent of an individual by a marriage contracted before such individual attained the age of sixteen, or an adopting parent by whom an individual was adopted before he attained the age of sixteen.

(4) In the case of a parent who marries—

(A) an individual entitled to benefits under this subsection or subsection (b), (c), (e), (f), or (g), or

(B) an individual who has attained the age of eighteen and is entitled to benefits under subsection (d),

such parent’s entitlement to benefits under this subsection shall, notwithstanding the provisions of paragraph (1) of this subsection but subject to subsection (s), not be terminated by reason of such marriage.

(i) Lump-sum death payments

Upon the death, after August 1950, of an individual who died a fully or currently insured individual, an amount equal to three times such individual’s primary insurance amount (as determined without regard to the amendments made by section 2201 of the Omnibus Budget Reconciliation Act of 1981, relating to the repeal of the minimum benefit provisions), or an amount equal to $255, whichever is the smaller, shall be paid in a lump sum to the person, if any, determined by the Commissioner of Social Security to be the widow or widower of the deceased and to have been living in the same household with the deceased at the time of death. If there is no such person, or if such person dies before receiving payment, then such amount shall be paid—

(1) to a widow (as defined in section 416(c) of this title) or widower (as defined in section 416(g) of this title) who is entitled (or would have been so entitled had a timely application been filed), on the basis of the wages and self-employment income of such insured individual, to benefits under subsection (e), (f), or (g) of this section for the month in which occurred such individual’s death; or

(2) if no person qualifies for payment under paragraph (1), or if such person dies before receiving payment, in equal shares to each person who is entitled (or would have been so entitled had a timely application been filed), on the basis of the wages and self-employment income of such insured individual, to benefits under subsection (d) of this section for the month in which occurred such individual’s death.

No payment shall be made to any person under this subsection unless application therefor shall have been filed, by or on behalf of such person (whether or not legally competent, prior to the expiration of two years after the date of death of such insured individual, or unless such person was entitled to wife’s or husband’s insurance benefits, on the basis of the wages and self-employment income of such insured individual, for the month preceding the month in which such individual died. In the case of any individual who died outside the forty-eight States and the District of Columbia after December 1953 and before January 1, 1957, whose death occurred while he was in the active military or naval service of the United States, and who is returned to any of such States, the District of Columbia, Alaska, Hawaii, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, or American Samoa for interim or reinterment, the provisions of the preceding sentence shall not prevent payment to any person under the second sentence of this subsection if application for a lump-sum death payment with respect to such deceased individual is filed by or on behalf of such person (whether or not legally competent) prior to the expiration of two years after the date of such interim or reinterment. In the case of any individual who died outside the fifty States and the District of Columbia after December 1956 while he was performing service, as a member of a uniformed service, to which the provisions of section 410(h)(1) of this title are applicable, and who is returned to any State, or to any Territory or possession of the United States, for interim or reinterment, the provisions of the third sentence of this subsection shall not prevent payment to such person under the second sentence of this subsection if application for a lump-sum death payment with respect to such deceased individual is filed by or on behalf of such person (whether or not legally competent) prior to the expiration of two years after the date of such interim or reinterment.

(j) Application for monthly insurance benefits

(1) Subject to the limitations contained in paragraph (4), an individual who would have been entitled to a benefit under subsection (a), (b), (c), (d), (e), (f), (g), or (h) for any month after August 1950 had he filed application therefor prior to the end of such month shall be entitled to such benefit for such month if he files application therefor prior to—

(A) the end of the twelfth month immediately succeeding such month in any case where the individual (i) is filing application for a benefit under subsection (e) or (f), and satisfies paragraph (1)(B) of such subsection by reason of clause (ii) thereof, or (ii) is filing application for a benefit under subsection (b), (c), or (d) on the basis of the wages and self-employment income of a person entitled to disability insurance benefits, or

(B) the end of the sixth month immediately succeeding such month in any case where subparagraph (A) does not apply.

Any benefit under this subsection for a month prior to the month in which application is filed
shall be reduced, to any extent that may be necessary, so that it will not render erroneous any benefit which, before the filing of such application, the Commissioner of Social Security has certified for payment for such prior month.

§ 402  An application for any monthly benefits under this section filed before the first month in which the applicant satisfies the requirements for such benefits shall be deemed a valid application (and shall be deemed to have been filed in such first month) only if the applicant satisfies the requirements for such benefits before the Commissioner of Social Security makes a final decision on the application and no request under section 405(b) of this title for notice and opportunity for a hearing thereon is made or, if such a request is made, before a decision based upon the evidence adduced at the hearing is made (regardless of whether such decision becomes the final decision of the Commissioner of Social Security).

(3) Notwithstanding the provisions of paragraph (1), an individual may, at his option, waive any benefit referred to in paragraph (1) for any one or more consecutive months (beginning with the earliest month for which such individual would otherwise be entitled to such benefit) which occur before the month in which such individual files application for such benefit; and, in such case, such individual shall not be considered as entitled to such benefits for any such month or months before such individual filed such application. An individual shall be deemed to have waived such entitlement for any such month for which such benefit would, under the second sentence of paragraph (2) of this subsection, to child’s insurance benefits on the basis of the wages and self-employment income of such other individual if an application for child’s insurance benefits on the basis of the wages and self-employment income of such other individual has been filed by any other child who would, on filing application, be entitled to child’s insurance benefits on the basis of the wages and self-employment income of both such insured individuals.

(4)(A) Except as provided in subparagraph (B), no individual shall be entitled to a monthly benefit under subsection (a), (b), (c), (e), or (f) for any month prior to the month in which he or she files an application for benefits under that subsection if the amount of the monthly benefit to which such individual would otherwise be entitled for any such month would be subject to reduction pursuant to subsection (g).

(B)(i) If the individual applying for retroactive benefits is a widow, surviving divorced wife, or widower and is under a disability (as defined in section 423(d) of this title), and such individual would, except for subparagraph (A), be entitled to retroactive benefits as a disabled widow or widower or disabled surviving divorced wife for any month before attaining the age of 60, then subparagraph (A) shall not apply with respect to such month or any subsequent month.

(ii) Subparagraph (A) does not apply to a benefit under subsection (e) or (f) for the month immediately preceding the month of application, if the insured individual died in that preceding month.

(iii) As used in this subparagraph, the term “retroactive benefits” means benefits to which an individual becomes entitled for a month prior to the month in which application for such benefits is filed.

(5) In any case in which it is determined to the satisfaction of the Commissioner of Social Security that an individual failed as of any date to apply for monthly insurance benefits under this subchapter by reason of misinformation provided to such individual by any officer or employee of the Social Security Administration relating to such individual’s eligibility for benefits under this subchapter, such individual shall be deemed to have applied for such benefits on the later of:

(A) the date on which such misinformation was provided to such individual, or

(B) the date on which such individual met all requirements for entitlement to such benefits (other than application therefor).

(k) Simultaneous entitlement to benefits

(1) A child, entitled to child’s insurance benefits on the basis of the wages and self-employment income of an insured individual, who would be entitled, on filing application, to child’s insurance benefits on the basis of the wages and self-employment income of some other insured individual, shall be deemed entitled, subject to the provisions of paragraph (2) of this subsection, to child’s insurance benefits on the basis of the wages and self-employment income of such other individual as applicable if such child were entitled to child’s insurance benefits on the basis of the wages and self-employment income of both such insured individuals.

(2)(A) Any child who under the preceding provisions of this section is entitled for any month to child’s insurance benefits on the wages and self-employment income of more than one insured individual shall, notwithstanding such provisions, be entitled to only one of such child’s insurance benefits for such month. Such child’s insurance benefits for such month shall be the benefit based on the wages and self-employment income of the insured individual who has the greatest primary insurance amount, except that such child’s insurance benefits for such month shall be the largest benefit to which such child could be entitled under subsection (d) (without the application of section 403(a) of this title) or subsection (m) if entitlement to such benefit would not, with respect to any person, result in a benefit lower (after the application of section 403(a) of this title) than the benefit which would be applicable if such child were entitled on the wages and self-employment income of the individual with the greatest primary insurance amount. Where more than one child is entitled to child’s insurance benefits pursuant to the preceding provisions of this paragraph, each such child who is entitled on the wages and self-employment income of the same insured individuals shall be entitled on the wages and self-employment income of the same such insured individual.

(B) Any individual (other than an individual to whom subsection (e)(3) or (f)(3) applies) who, under the preceding provisions of this section and under the provisions of section 423 of this title, is entitled for any month to more than one monthly insurance benefit (other than an old-age or disability insurance benefit) under this subchapter shall be entitled to only one such monthly benefit for such month, such benefit to be the largest of the monthly benefits to which
he (but for this subparagraph) would otherwise be entitled for such month. Any individual who is entitled for any month to more than one widow’s or widower’s insurance benefit to which subsection (e)(3) or (f)(3) applies shall be entitled to only one such benefit for such month, such benefit to be the largest of such benefits.

(3)(A) If an individual is entitled to an old-age or disability insurance benefit for any month and to any other monthly insurance benefit for such month, such other insurance benefit for such month, after any reduction under subsection (q), subsection (e)(2) or (f)(2), and any reduction under section 403(a) of this title, shall be reduced, but not below zero, by an amount equal to such old-age or disability insurance benefit (after reduction under such subsection (q)).

(B) If an individual is entitled for any month to a widow’s or widower’s insurance benefit to which subsection (e)(3) or (f)(3) applies and to any other monthly insurance benefit under this section (other than an old-age insurance benefit), such other insurance benefit for such month, after any reduction under subparagraph (A) of this paragraph, any reduction under subsection (q), and any reduction under section 403(a) of this title, shall be reduced, but not below zero, by an amount equal to such widow’s or widower’s insurance benefit after any reduction or reductions under such subparagraph (A) and such section 403(a).

(4) Any individual who, under this section and section 423 of this title, is entitled for any month to both an old-age insurance benefit and a disability insurance benefit under this subchapter shall be entitled to only the larger of such benefits for such month, except that, if such individual so elects, he shall instead be entitled to only the smaller of such benefits for such month.

(5)(A) The amount of a monthly insurance benefit of any individual for each month under subsection (b), (c), (e), (f), or (g) (as determined after application of the provisions of subsection (g)) and the preceding provisions of this subchapter shall be reduced (but not below zero) by an amount equal to two-thirds of the amount of any monthly periodic benefit payable to such individual for such month which is based upon such individual’s earnings while in the service of the Federal Government or any State (or political subdivision thereof, as defined in section 410(m) of this title).

(B) If an individual is entitled for any month to such benefits under this subchapter and has made a valid application for such benefits.

The amount of the reduction in any benefit under this subparagraph, if not a multiple of $0.10, shall be rounded to the next higher multiple of $0.10.

(B)(i) Subparagraph (A)(i) shall not apply with respect to monthly periodic benefits based wholly on service as a member of a uniformed service (as defined in section 410(m) of this title).

(ii) Subparagraph (A)(ii) shall not apply with respect to monthly periodic benefits based in whole or in part on service which constituted “employment” as defined in section 410 of this title if such service was performed for at least 60 months in the aggregate during the period beginning January 1, 1988, and ending with the close of the first calendar month as of the end of which such individual is eligible for benefits under this subchapter and has made a valid application for such benefits.

(C) For purposes of this paragraph, any periodic benefit which otherwise meets the requirements of subparagraph (A), but which is paid on other than a monthly basis, shall be allocated on a basis equivalent to a monthly benefit (as determined by the Commissioner of Social Security) and such equivalent monthly benefit shall constitute a monthly periodic benefit for purposes of subparagraph (A). For purposes of this subparagraph, the term “periodic benefit” includes a benefit payable in a lump sum if it is a commutation of, or a substitute for, periodic payments.

(l) Entitlement to survivor benefits under railroad retirement provisions

If any person would be entitled, upon filing application therefor to an annuity under section 2 of the Railroad Retirement Act of 1974 [45 U.S.C. 231a], or to a lump-sum payment under section 1182(a)(6) of such Act [45 U.S.C. 231e(b)], with respect to the death of an employee (as defined in such Act) no lump-sum death payment, and no monthly benefit for the month in which such employee died or for any month thereafter, shall be paid under this section to any person on the basis of the wages and self-employment income of such employee.


(n) Termination of benefits upon removal of primary beneficiary

(1) If any individual is (after September 1, 1954) removed under section 1227(a) of title 8 (other than under paragraph (1)(C) of such section) or under section 1182(a)(6)(A) of title 8, then, notwithstanding any other provisions of this subchapter—

(A) no monthly benefit under this section or section 423 of this title shall be paid to such individual, on the basis of his wages and self-employment income, for any month occurring (i) after the month in which the Commissioner
of Social Security is notified by the Attorney General or the Secretary of Homeland Security that such individual has been so removed, and (ii) before the month in which such individual is thereafter lawfully admitted to the United States for permanent residence.

(B) if no benefit could be paid to such individual (or if no benefit could be paid to him if he were alive) for any month by reason of subparagraph (A), no monthly benefit under this section shall be paid, on the basis of his wages and self-employment income, for such month to any other person who is not a citizen of the United States and is outside the United States for any part of such month, and

(C) no lump-sum death payment shall be made on the basis of such individual's wages and self-employment income if he dies (i) in or after the month in which such notice is received, and (ii) before the month in which he is thereafter lawfully admitted to the United States for permanent residence.

Section 403(b), (c), and (d) of this title shall not apply with respect to any such individual for any month for which no monthly benefit may be paid to him by reason of this paragraph.

(2)(A) In the case of the removal of any individual under any of the paragraphs of section 1227(a) of title 8 (other than under paragraph (1)(C) of such section) or under section 1182(a)(6)(A) of title 8, the revocation and setting aside of citizenship of any individual under section 1451 of title 8 in any case in which the revocation and setting aside is based on conduct described in section 1182(a)(3)(E)(i) of title 8 (relating to participation in Nazi persecution), or the renunciation of nationality by any individual occurring after December 18, 2014, the Attorney General shall certify to the Committee on Finance of the Senate that such individual's benefits were terminated under this subsection.

(3) For purposes of paragraphs (1) and (2) of this subsection—

(A) an individual against whom a final order of removal has been issued under section 1227(a)(4)(D) of title 8 on grounds of participation in Nazi persecution shall be considered to have been removed under such section as of the date on which such order became final;

(B) an individual with respect to whom an order admitting the individual to citizenship has been revoked and set aside under section 1451 of title 8 in any case in which the revocation and setting aside is based on conduct described in section 1182(a)(3)(E)(i) of title 8 (relating to participation in Nazi persecution), concealment of a material fact about such conduct, or willful misrepresentation about such conduct shall be considered to have been removed as described in paragraph (1) as of the date of such revocation and setting aside; and

(C) an individual who pursuant to a settlement agreement with the Attorney General has admitted to conduct described in section 1182(a)(3)(E)(i) of title 8 (relating to participation in Nazi persecution) and who pursuant to such settlement agreement has lost status as a national of the United States by a renunciation under section 1481(a)(5) of title 8 shall be considered to have been removed as described in paragraph (1) as of the date of such renunciation.

(4) In the case of any individual described in paragraph (3) whose monthly benefits are terminated under paragraph (1)—

(A) no benefits otherwise available under this section based on the wages and self-employment income of any other individual shall be paid to such individual for any month after such termination; and

(B) no supplemental security income benefits under subchapter XVI shall be paid to such individual for any such month, including supplementary payments pursuant to an agreement for Federal administration under section 1382a(a) of this title and payments pursuant to an agreement entered into under section 212(b) of Public Law 93-66.

(o) Application for benefits by survivors of members and former members of uniformed services

In the case of any individual who would be entitled to benefits under subsection (d), (e), (g), or (h) upon filing proper application therefor, the filing with the Administrator of Veterans' Affairs by or on behalf of such individual of an application for such benefits, on the form described in section 5105 of title 38, shall satisfy the requirement of such subsection (d), (e), (g), or (h) that an application for such benefits be filed.

(p) Extension of period for filing proof of support and applications for lump-sum death payment

In any case in which there is a failure—

(1) to file proof of support under subparagraph (B) of subsection (h)(1), or under clause

So in original. Probably should be "or".

So in original. Probably should be followed by a period.
(B) of subsection (f)(1) of this section as in effect prior to the Social Security Act Amendments of 1950, within the period prescribed by such subparagraph or clause, or
(2) to file, in the case of a death after 1946, application for a lump-sum death payment under subsection (i), or under subsection (g) of this section as in effect prior to the Social Security Act Amendments of 1950, within the period prescribed by such subsection,

any such proof or application, as the case may be, which is filed after the expiration of such period shall be deemed to have been filed within such period if it is shown to the satisfaction of the Commissioner of Social Security that there was good cause for failure to file such proof or application within such period. The determination of what constitutes good cause for purposes of this subsection shall be made in accordance with regulations of the Commissioner of Social Security.

(q) Reduction of benefit amounts for certain beneficiaries

(1) Subject to paragraph (9), if the first month for which an individual is entitled to an old-age, wife’s, husband’s, widow’s, or widower’s insurance benefit is a month before the month in which such individual attains retirement age, the amount of such benefit for such month and for any subsequent month shall, subject to the succeeding paragraphs of this subsection, be reduced by—

(A) 1% of 1 percent of such amount if such benefit is an old-age insurance benefit, \( \frac{1}{9} \) of 1 percent of such amount if such benefit is a wife’s or husband’s insurance benefit, or \( \frac{1}{9} \)% of 1 percent of such amount if such benefit is a widow’s or widower’s insurance benefit, multiplied by

(B)(i) the number of months in the reduction period for such benefit (determined under paragraph (6)), if such benefit is for a month before the month in which such individual attains retirement age, or
(ii) if less, the number of such months in the adjusted reduction period for such benefit (determined under paragraph (7)), if such benefit is (I) for the month in which such individual attains age 62, or (II) for the month in which such individual attains retirement age.

(2) If an individual is entitled to a disability insurance benefit for a month after a month for which such individual was entitled to an old-age insurance benefit, such disability insurance benefit for each month shall be reduced by the amount such old-age insurance benefit would be reduced under paragraphs (1) and (4) for such month had such individual attained retirement age (as defined in section 416(i) of this title), or

(ii) a disability insurance benefit,

then in lieu of any reduction under paragraph (1) (but subject to the succeeding paragraphs of this subsection) such wife’s, husband’s, widow’s, or widower’s insurance benefit for each month shall be reduced as provided in subparagraph (B), (C), or (D).

(B) For any month for which such individual is entitled to an old-age insurance benefit and is not entitled to a disability insurance benefit, such individual’s wife’s or husband’s insurance benefit shall be reduced by the sum of—

(i) the amount by which such old-age insurance benefit is reduced under paragraph (1) for such month, and

(ii) the amount by which such wife’s or husband’s insurance benefit would be reduced under paragraph (1) for such month if it were equal to the excess of such wife’s or husband’s insurance benefit (before reduction under this subsection) over such old-age insurance benefit (before reduction under this subsection).

(C) For any month for which such individual is entitled to a disability insurance benefit, such individual’s wife’s, husband’s, widow’s, or widower’s insurance benefit shall be reduced by the sum of—

(i) the amount by which such disability insurance benefit is reduced under paragraph (1) for such month (if such paragraph applied to such benefit), and

(ii) the amount by which such wife’s, husband’s, widow’s, or widower’s insurance benefit would be reduced under paragraph (1) for such month if it were equal to the excess of such wife’s, husband’s, widow’s, or widower’s insurance benefit (before reduction under this subsection) over such disability insurance benefit (before reduction under this subsection).

(D) For any month for which such individual is entitled neither to an old-age insurance benefit nor to a disability insurance benefit, such individual’s wife’s, husband’s, widow’s, or widower’s insurance benefit shall be reduced by the amount by which it would be reduced under paragraph (1).

(E) Notwithstanding subparagraph (A) of this paragraph, if the first month for which an individual is entitled to a widow’s or widower’s insurance benefit is a month for which such individual is also entitled to an old-age insurance benefit to which such individual was first entitled for that month or for a month before she or he became entitled to a widow’s or widower’s benefit, the reduction in such widow’s or widower’s insurance benefit shall be determined under paragraph (1).

(4) If—

(A) an individual is or was entitled to a benefit subject to reduction under paragraph (1) or (3) of this subsection, and

(B) such benefit is increased by reason of an increase in the primary insurance amount of the individual on whose wages and self-employment income such benefit is based, then the amount of the reduction of such benefit (after the application of any adjustment under
paragraph (7) for each month beginning with the month of such increase in the primary insurance amount shall be computed under paragraph (1) or (3), whichever applies, as though the increased primary insurance amount had been in effect for and after the month in which the individual first became entitled to such monthly benefit reduced under such paragraph (1) or (3).

(5)(A) No wife’s or husband’s insurance benefit shall be reduced under this subsection—

(i) for any month before the first month for which there is in effect a certificate filed by him or her with the Commissioner of Social Security, in accordance with regulations prescribed by the Commissioner of Social Security, in which he or she elects to receive wife’s or husband’s insurance benefits reduced as provided in this subsection, or

(ii) for any month in which he or she has in his or her care (individually or jointly with the person on whose wages and self-employment income the wife’s or husband’s insurance benefit is based) a child of such person entitled to child’s insurance benefits.

(B) Any certificate described in subparagraph (A)(i) shall be effective for purposes of this subsection (and for purposes of preventing deductions under section 403(c)(2) of this title)—

(i) for the month in which it is filed and for any month thereafter, and

(ii) for months, in the period designated by the individual filing such certificate, of one or more consecutive months (not exceeding 12) immediately preceding the month in which such certificate is filed;

except that such certificate shall not be effective for any month before the month in which he or she attains age 62, nor shall it be effective for any month to which subparagraph (A)(ii) applies.

(C) If an individual does not have in his or her care a child described in subparagraph (A)(i) in the first month for which he or she is entitled to a wife’s or husband’s insurance benefit, and if such first month is a month before the month in which he or she attains retirement age (as defined in section 416(i) of this title), he or she shall be deemed to have filed in such first month the certificate described in subparagraph (A)(i).

(D) No widow’s or widower’s insurance benefit for a month in which he or she has in his or her care a child of his or her deceased spouse (or deceased former spouse) entitled to child’s insurance benefits shall be reduced under this subsection below the amount to which he or she would have been entitled had he or she been entitled for such month to mother’s or father’s insurance benefits on the basis of his or her deceased spouse’s (or deceased former spouse’s) wages and self-employment income.

(6) For purposes of this subsection, the “reduction period” for an individual’s old-age, wife’s, husband’s, widow’s, or widower’s insurance benefit is the period—

(A) beginning—

(i) in the case of an old-age insurance benefit, with the first day of the first month for which such individual is entitled to such benefit,

(ii) in the case of a wife’s or husband’s insurance benefit, with the first day of the first month for which a certificate described in paragraph (5)(A)(i) is effective, or

(iii) in the case of a widow’s or widower’s insurance benefit, with the first day of the first month for which such individual is entitled to such benefit or the first day of the month in which such individual attains age 60, whichever is the later, and

(B) ending with the last day of the month before the month in which such individual attains retirement age.

(7) For purposes of this subsection, the “adjusted reduction period” for an individual’s old-age, wife’s, husband’s, widow’s, or widower’s insurance benefit is the reduction period prescribed in paragraph (6) for such benefit, excluding—

(A) any month in which such benefit was subject to deductions under section 403(b), 403(c)(1), 403(d)(1), or 422(b) of this title,

(B) in the case of wife’s or husband’s insurance benefits, any month in which such individual had in his or her care (individually or jointly with the person on whose wages and self-employment income such benefit is based) a child of such person entitled to child’s insurance benefits,

(C) in the case of wife’s or husband’s insurance benefits, any month for which such individual was not entitled to such benefits because of the occurrence of an event that terminated her or his entitlement to such benefits,

(D) in the case of widow’s or widower’s insurance benefits, any month in which the reduction in the amount of such benefit was determined under paragraph (5)(D),

(E) in the case of widow’s or widower’s insurance benefits, any month before the month in which she or he attained age 62, and also for any later month before the month in which she or he attained retirement age, for which she or he was not entitled to such benefit because of the occurrence of an event that terminated her or his entitlement to such benefits, and

(F) in the case of old-age insurance benefits, any month for which such individual was entitled to a disability insurance benefit.

(8) This subsection shall be applied after reduction under section 403(a) of this title and before application of section 415(g) of this title. If the amount of any reduction computed under paragraph (1), (2), or (3) is not a multiple of $0.10, it shall be increased to the next higher multiple of $0.10.

(9) The amount of the reduction for early retirement specified in paragraph (1)—

(A) for old-age insurance benefits, wife’s insurance benefits, and husband’s insurance benefits, shall be the amount specified in such paragraph for the first 36 months of the reduction period (as defined in paragraph (6)) or adjusted reduction period (as defined in paragraph (7)), and five-twelfths of 1 percent for any additional months included in such periods; and

(B) for widow’s insurance benefits and widower’s insurance benefits, shall be periodically revised by the Commissioner of Social Security such that—
(i) the amount of the reduction at early retirement age as defined in section 416(l) of this title shall be 28.5 percent of the full benefit; and
(ii) the amount of the reduction for each month in the reduction period (specified in paragraph (6)) or the adjusted reduction period (specified in paragraph (7)) shall be established by linear interpolation between 28.5 percent at the month of attainment of early retirement age and 0 percent at the month of attainment of retirement age.

(10) For purposes of applying paragraph (4), with respect to monthly benefits payable for any month after December 1977 to an individual who was entitled to a monthly benefit as reduced under paragraph (1) or (3) prior to January 1978, the amount of reduction in such benefit for the first month for which such benefit is increased by reason of an increase in the primary insurance amount of the individual on whose wages and self-employment income such benefit is based and for all subsequent months (and similarly for all subsequent increases) shall be increased by a percentage equal to the percentage increase in such primary insurance amount (such increase being made in accordance with the provisions of paragraph (8)). In the case of an individual whose reduced benefit under this section is increased as a result of the use of an adjusted reduction period (in accordance with paragraphs (1) and (3) of this subsection), then for the first month for which such increase is effective, and for all subsequent months, the amount of such reduction (after the application of the previous sentence, if applicable) shall be determined—
(A) in the case of old-age, wife’s, and husband’s insurance benefits, by multiplying such amount by the ratio of (i) the number of months in the adjusted reduction period to (ii) the number of months in the reduction period,
(B) in the case of widow’s and widower’s insurance benefits for the month in which such individual attains age 62, by multiplying such amount by the ratio of (i) the number of months in the reduction period beginning with age 62 multiplied by 19/40 of 1 percent, plus the number of months in the adjusted reduction period prior to age 62 multiplied by 19/40 of 1 percent to (ii) the number of months in the reduction period multiplied by 19/40 of 1 percent, and
(C) in the case of the month in which such individual attains retirement age (as defined in section 416(i) of this title), by multiplying such amount by the ratio of (i) the number of months in the reduction period multiplied by 19/40 of 1 percent to (ii) the number of months in the reduction period beginning with age 62 multiplied by 19/40 of 1 percent, plus the number of months in the adjusted reduction period prior to age 62 multiplied by 19/40 of 1 percent, such determination being made in accordance with the provisions of paragraph (8).

(11) When an individual is entitled to more than one monthly benefit under this subchapter and one or more of such benefits are reduced under this subsection, paragraph (10) shall apply separately to each such benefit reduced under this subsection before the application of subsection (k) (pertaining to the method by which monthly benefits are offset when an individual is entitled to more than one kind of benefit) and the application of this paragraph shall operate in conjunction with paragraph (3).

(r) Presumed filing of application by individuals eligible for old-age insurance benefits and for wife’s or husband’s insurance benefits

(1) If an individual is eligible for a wife’s or husband’s insurance benefit (except in the case of eligibility pursuant to clause (ii) of subsection (b)(1)(B) or subsection (c)(1)(B), as appropriate), in any month for which the individual is entitled to an old-age insurance benefit, such individual shall be deemed to have filed an application for wife’s or husband’s insurance benefits for such month.

(2) If an individual is eligible (but for subsection (k)(4)) for an old-age insurance benefit in any month for which the individual is entitled to a wife’s or husband’s insurance benefit (except in the case of entitlement pursuant to clause (ii) of subsection (b)(1)(B) or subsection (c)(1)(B), as appropriate), such individual shall be deemed to have filed an application for old-age insurance benefits—
(A) for such month, or
(B) if such individual is also entitled to a disability insurance benefit for such month, in the first subsequent month for which such individual is not entitled to a disability insurance benefit.

(3) For purposes of this subsection, an individual shall be deemed eligible for a benefit for a month if, upon filing application therefor in such month, he would be entitled to such benefit for such month.

(s) Child over specified age to be disregarded for certain benefit purposes unless disabled

(1) For the purposes of subsections (b)(1), (c)(1), (g)(1), (q)(5), and (q)(7) of this section and paragraphs (2), (3), and (4) of section 403(c) of this title, a child who is entitled to child’s insurance benefits under subsection (d) for any month, and who has attained the age of 16 but is not in such month under a disability (as defined in section 423(d) of this title), shall be deemed not entitled to such benefits for such month, unless he was under such a disability in the third month before such month.

(2) So much of subsections (b)(3), (c)(4), (d)(5), (g)(3), and (h)(4) of this section as precedes the semicolon, shall not apply in the case of any child unless such child, at the time of the marriage referred to therein, was under a disability (as defined in section 423(d) of this title) or had been under such a disability in the third month before the month in which such marriage occurred.

(3) The last sentence of subsection (c) of section 403 of this title, subsection (b)(1)(C) of section 403 of this title, and subsections (b)(3)(B), (c)(6)(B), (f)(3)(B), and (g)(6)(B) of section 416 of this title shall not apply in the case of any child with respect to any month referred to therein unless in such month or the third month prior
thereto such child was under a disability (as defined in section 423(d) of this title).

(4) Suspension of benefits of aliens who are outside United States; residency requirements for dependents and survivors

(1) Notwithstanding any other provision of this subchapter, no monthly benefits shall be paid under this section or under section 423 of this title to any individual who is not a citizen or national of the United States for any month which is—

(A) after the sixth consecutive calendar month during all of which the Commissioner of Social Security finds, on the basis of information furnished to the Commissioner by the Attorney General or information which otherwise comes to the Commissioner’s attention, that such individual is outside the United States, and

(B) prior to the first month thereafter for all of which such individual has been in the United States.

For purposes of the preceding sentence, after an individual has been outside the United States for any period of thirty consecutive days he shall be treated as remaining outside the United States until he has been in the United States for a period of thirty consecutive days.

(2) Subject to paragraph (11), paragraph (1) of this subsection shall not apply to any individual who is a citizen of a foreign country which the Commissioner of Social Security finds has in effect a social insurance or pension system which is of general application in such country and under which—

(A) periodic benefits, or the actuarial equivalent thereof, are paid on account of old age, retirement, or death, and

(B) individuals who are citizens of the United States but not citizens of such foreign country and who qualify for such benefits are permitted to receive such benefits or the actuarial equivalent thereof while outside such foreign country without regard to the duration of the absence.

(3) Paragraph (1) of this subsection shall not apply in any case where its application would be contrary to any treaty obligation of the United States in effect on August 1, 1956.

(4) Subject to paragraph (11), paragraph (1) of this subsection shall not apply to any benefit for any month if—

(A) not less than forty of the quarters elapsed before such month are quarters of coverage for the individual on whose wages and self-employment income such benefit is based, or

(B) the individual on whose wages and self-employment income such benefit is based has, before such month, resided in the United States for a period or periods aggregating ten years or more, or

(C) the individual entitled to such benefit is outside the United States while in the active military or naval service of the United States, or

(D) the individual on whose wages and self-employment income such benefit is based died, before such month, either (i) while on active duty or inactive duty training (as those terms are defined in section 410(l)(2) and (3) of this title) as a member of a uniformed service (as defined in section 410(m) of this title), or (ii) as the result of a disease or injury which the Secretary of Veterans Affairs determines was incurred or aggravated in line of duty while on active duty (as defined in section 410(l)(2) of this title), or (iii) an injury which he determines was incurred or aggravated in line of duty while on inactive duty training (as defined in section 410(l)(3) of this title), as a member of a uniformed service (as defined in section 410(m) of this title), or

(E) the individual on whose employment such benefit is based had been in service covered by the Railroad Retirement Act of 1937 or 1974 [45 U.S.C. 228a et seq., 231 et seq.] which was treated as employment covered by this chapter pursuant to the provisions of section 5(k)(1) of the Railroad Retirement Act of 1937 [45 U.S.C. 223(k)(1)] or section 18(2) of the Railroad Retirement Act of 1974 [45 U.S.C. 231q(2)]

except that subparagraphs (A) and (B) of any paragraph shall not apply in the case of any individual who is a citizen of a foreign country that has in effect a social insurance or pension system which is of general application in such country and which satisfies subparagraph (A) but not subparagraph (B) of paragraph (2), or who is a citizen of a foreign country that has no social insurance or pension system of general application if at any time within five years prior to the month in which the Social Security Amendments of 1967 are enacted (or the first month thereafter for which his benefits are subject to suspension under paragraph (1) payments to individuals residing in such country were withheld by the Treasury Department under sections 3329(a) and 3330(a) of title 31.

(5) No person who is, or upon application would be, entitled to a monthly benefit under this section for December 1956 shall be deprived, by reason of paragraph (1) of this subsection, of such benefit or any other benefit based on the wages and self-employment income of the individual on whose wages and self-employment income such monthly benefit for December 1956 is based.

(6) If an individual is outside the United States when he dies and no benefit may, by reason of paragraph (1) of this subsection, be paid to him for the month preceding the month in which he dies, no lump-sum death payment may be made on the basis of such individual’s wages and self-employment income.

(7) Subsections (b), (c), and (d) of section 403 of this title shall not apply with respect to any individual for any month for which no monthly benefit may be paid to him by reason of paragraph (1) of this subsection.

(8) The Attorney General shall certify to the Commissioner of Social Security such inform-
tion regarding aliens who depart from the United States to any foreign country (other than a foreign country which is territorially contiguous to the continental United States) as may be necessary to enable the Commissioner of Social Security to carry out the purposes of this subsection and shall otherwise aid, assist, and cooperate with the Commissioner of Social Security in obtaining such other information as may be necessary to enable the Commissioner of Social Security to carry out the purposes of this subsection.

(9) No payments shall be made under part A of subchapter XVIII with respect to items or services furnished to an individual in any month for which the prohibition in paragraph (1) against payment of benefits to him is applicable (or would be if he were entitled to any such benefits).

(10) Notwithstanding any other provision of this subchapter, no monthly benefits shall be paid under this section or under section 423 of this title for any month beginning after June 30, 1968, to an individual who is not a citizen or national of the United States and who resides during such month in a foreign country if payments for such month to individuals residing in such country are withheld by the Treasury Department under sections 3329(a) and 3330(a) of title 31.

(11)(A) Paragraph (2) and subparagraphs (A), (B), (C), and (E) of paragraph (4) shall apply with respect to an individual's monthly benefits under subsection (b), (c), (d), (e), (f), (g), or (h) only if such individual meets the residency requirements of this paragraph with respect to those benefits.

(B) An individual entitled to benefits under subsection (b), (c), (d), (e), (f), (g), or (h) only if such individual meets the residency requirements of this paragraph with respect to those benefits.

(C) An individual entitled to benefits under subsection (b), (c), (d), (e), (f), (g), or (h) only if such individual has resided in the United States, and while so residing bore a spousal relationship to the person on whose wages and self-employment income such entitlement is based, for a total period of not less than 5 years. For purposes of this subparagraph, a period of time for which an individual bears a spousal relationship to another person consists of a period throughout which the individual has been, with respect to such other person, a wife, a husband, a widow, a widower, a divorced wife, a divorced husband, a surviving divorced wife, a surviving divorced husband, a surviving divorced mother, a surviving divorced father, or (as applicable in the course of such period) any two or more of the foregoing.

(D) An individual entitled to benefits under subsection (h) meets the residency requirements of this paragraph with respect to those benefits only if—

(I) such individual has resided in the United States (as the child of the person on whose wages and self-employment income such entitlement is based) for a total period of not less than 5 years, or

(II) the person on whose wages and self-employment income such entitlement is based, and the individual's other parent (within the meaning of subsection (h)(3)), if any, have each resided in the United States for a total period of not less than 5 years (or died while residing in the United States), and

(ii) in the case of an individual entitled to such benefits as an adopted child, such individual was adopted within the United States by the person on whose wages and self-employment income such entitlement is based, and has lived in the United States with such person and received at least one-half of his or her support from such person for a period (beginning before such individual attained age 18) consisting of—

(I) the year immediately before the month in which such person became eligible for old-age insurance benefits or disability insurance benefits or died, whichever occurred first, or

(II) if such person had a period of disability which continued until he or she became entitled to old-age insurance benefits or disability insurance benefits or died, the year immediately before the month in which such period of disability began.

(E) This paragraph shall not apply with respect to any individual who is a citizen or resident of a foreign country with which the United States has an agreement in force concluded pursuant to section 433 of this title, except to the extent provided by such agreement.

(u) Conviction of subversive activities, etc.

(1) If any individual is convicted of any offense (committed after August 1, 1956) under—

(A) chapter 37 (relating to espionage and censorship), chapter 105 (relating to sabotage), or chapter 115 (relating to treason, sedition, and subversive activities) of title 18, or

(B) section 783 of title 50,

then the court may, in addition to all other penalties provided by law, impose a penalty that in determining whether any monthly insurance benefit under this section or section 423 of this title is payable to such individual for the month in which he is convicted or for any month thereafter, in determining the amount of any such benefit payable to such individual for any such month, and in determining whether such individual is entitled to insurance benefits under part A of subchapter XVIII for any such month, there shall not be taken into account—

(C) any wages paid to such individual or to any other individual in the calendar year in which such conviction occurs or in any prior calendar year, and

(D) any net earnings from self-employment derived by such individual or by any other individual during a taxable year in which such conviction occurs or during any prior taxable year.

(2) As soon as practicable after an additional penalty has, pursuant to paragraph (1) of this subsection, been imposed with respect to any individual, the Attorney General shall notify the
payments under this subchapter shall be payable to any other person, after the filing of
income to any other person, after the filing of
on the basis of his wages and self-employment
ments shall be made on his behalf under part A
of subchapter XVIII, and no benefits or other payments under this subchapter shall be payable
on the basis of his wages and self-employment income to any other person, after the filing of
such waiver.
(2) Notwithstanding any other provision of
this subchapter, and subject to paragraph (3), in
the case of any individual who files a waiver
pursuant to section 1402(g) of the Internal Revenue Code of 1986 and is granted a tax exemption
thereunder, no benefits or other payments shall
be payable under this subchapter to him, no pay-
ments shall be made on his behalf under part A
of subchapter XVIII, and no benefits or other payments under this subchapter shall be payable
on the basis of his wages and self-employment income to any other person, after the filing of
such waiver.
(3) If, after an exemption referred to in para-
graph (1) or (2) is granted to an individual, such
exemption ceases to be effective, the waiver re-
ferred to in such paragraph shall cease to be ap-
plicable in the case of benefits and other pay-
ments under this subchapter and part A of sub-
chapter XVIII to the extent based on—
(a) his wages for and after the calendar year
following the calendar year in which occurs the failure to meet the requirements of sec-
tion 1402(g) or 3127 of the Internal Revenue
Code of 1986 on which the cessation of such ex-
emption is based, and
(b) his self-employment income for and after
the taxable year in which occurs such failure.
(v) Waiver of benefits
(1) Notwithstanding any other provisions of
this subchapter, and subject to paragraph (3), in
the case of any individual who files a waiver
pursuant to section 3127 of the Internal Revenue
Code of 1986 and is granted a tax exemption
thereunder, no benefits or other payments shall
be payable under this subchapter to him, no pay-
ments shall be made on his behalf under part A
of subchapter XVIII, and no benefits or other payments under this subchapter shall be payable
on the basis of his wages and self-employment income to any other person, after the filing of
such waiver.
(2) Notwithstanding any other provision of
this subchapter, and subject to paragraph (3), in
the case of any individual who files a waiver
pursuant to section 1402(g) of the Internal Revenue Code of 1986 and is granted a tax exemption
thereunder, no benefits or other payments shall
be payable under this subchapter to him, no pay-
ments shall be made on his behalf under part A
of subchapter XVIII, and no benefits or other payments under this subchapter shall be payable
on the basis of his wages and self-employment income to any other person, after the filing of
such waiver.
(3) If, after an exemption referred to in para-
graph (1) or (2) is granted to an individual, such
exemption ceases to be effective, the waiver re-
ferred to in such paragraph shall cease to be ap-
plicable in the case of benefits and other pay-
ments under this subchapter and part A of sub-
chapter XVIII to the extent based on—
(a) his wages for and after the calendar year
following the calendar year in which occurs the failure to meet the requirements of sec-
tion 1402(g) or 3127 of the Internal Revenue
Code of 1986 on which the cessation of such ex-
emption is based, and
(b) his self-employment income for and after
the taxable year in which occurs such failure.
(w) Increase in old-age insurance benefit
amounts on account of delayed retirement
(1) The amount of an old-age insurance benefit
(other than a benefit based on a primary insur-
ance amount determined under section 415(a)(3)
of this title as in effect in December 1978 or sec-
tion 415(a)(1)(C)(i) of this title as in effect there-
after) which is payable without regard to this
subsection to an individual shall be increased
by—
(A) which have elapsed after the month be-
fore the month in which such individual at-
tained retirement age (as defined in section
416(j) of this title) or (if later) December 1970
and prior to the month in which such individual
attained age 70, and
(B) with respect to which—
(i) such individual was a fully insured indi-
vidual (as defined in section 414(a) of this
title),
(ii) such individual either was not entitled
to an old-age insurance benefit or, if so enti-
titled, did not receive benefits pursuant to a
request under subsection (z) by such individ-
ual that benefits not be paid, and
(iii) such individual was not subject to a
penalty imposed under section 1320a-8a of
this title.
(2) For purposes of applying the provisions of
paragraph (1), a determination shall be made
under paragraph (2) for each year, beginning
with 1972, of the total number of an individual’s
increment months through the year for which
the determination is made and the total so de-
termined shall be applicable to such individual’s
old-age insurance benefits beginning with bene-
fits for January of the year following the year
for which such determination is made; except
that the total number applicable in the case of
an individual who attains age 70 after 1972 shall
be determined through the month before the
month in which he attains such age and shall be
applicable to his old-age insurance benefit be-
ginning with the month in which he attains such
age.
(3) This subsection shall be applied after re-
duction under section 403(a) of this title.
(4) If an individual’s primary insurance amount
is determined under section 415(a) of this title as in effect in December 1978, or section
415(a)(1)(C)(i) of this title as in effect thereafter, and, as a result of this sub-
section, he would be entitled to a higher old-age
insurance benefit if his primary insurance amount were determined under section 415(a) of
this title (whether before, in, or after December
1978) without regard to such paragraph, such in-
dividual’s old-age insurance benefit based upon
his primary insurance amount determined under
such paragraph shall be increased by an amount
equal to the difference between such benefit and
the benefit to which he would be entitled if his
primary insurance amount were determined
under such section without regard to such para-
graph.
(5) For purposes of paragraph (1)(A), the “ap-
plicable percentage” is—
(A) 1⁄42 of 1 percent in the case of an individ-
ual who first becomes eligible for an old-age
insurance benefit in any calendar year before
1978;
(B) 1⁄4 of 1 percent in the case of an individ-
ual who first becomes eligible for an old-age
insurance benefit in any calendar year after
1978 and before 1987;
(C) in the case of an individual who first be-
comes eligible for an old-age insurance benefit
in a calendar year after 1986 and before 2005, a
percentage equal to the applicable percentage
in effect under this paragraph for persons who
first became eligible for an old-age insurance
benefit in the preceding calendar year (as increased pursuant to this subparagraph), plus \(\frac{1}{2}\) of 1 percent if the calendar year in which that particular individual first becomes eligible for such benefit is not evenly divisible by 2; and

(D) \(\frac{1}{2}\) of 1 percent in the case of an individual who first becomes eligible for an old-age insurance benefit in a calendar year after 2004.

(x) Limitation on payments to prisoners, certain other inmates of publicly funded institutions, fugitives, probationers, and parolees

(1) Notwithstanding any other provision of this subchapter, no monthly benefits shall be paid under this section or under section 423 of this title to any individual for any month ending with or during or beginning with or during a period of more than 30 days throughout all of which such individual—

(i) is confined in a jail, prison, or other penal institution or correctional facility pursuant to his conviction of a criminal offense,

(ii) is confined by court order in an institution at public expense in connection with—

(I) a verdict or finding that the individual is guilty but insane, with respect to a criminal offense,

(II) a verdict or finding that the individual is not guilty of such an offense by reason of insanity,

(III) a finding that such individual is incompetent to stand trial under an allegation of such an offense, or

(iv) a similar verdict or finding with respect to such an offense based on similar factors (such as a mental disease, a mental defect, or mental incompetence),

(iii) immediately upon completion of confinement as described in clause (i) pursuant to conviction of a criminal offense an element of which is sexual activity, is confined by court order in an institution at public expense pursuant to a finding that the individual is a sexual dangerous person or a sexual predator or a similar finding,

(iv) is fleeing to avoid prosecution, or custody or confinement after conviction, under the laws of the place from which the person flees, for a crime, or an attempt to commit a crime, which is a felony under the laws of the place from which the person flees, or, in jurisdictions that do not define crimes as felonies, is punishable by death or imprisonment for a term exceeding 1 year regardless of the actual sentence imposed, or

(v) is violating a condition of probation or parole imposed under Federal or State law.

(B)(i) For purposes of clause (i) of subparagraph (A), an individual shall not be considered confined in an institution comprising a jail, prison, or other penal institution or correctional facility during any month throughout which such individual is residing outside such institution at no expense (other than the cost of monitoring) to such institution or the penal system or to any agency to which the penal system has transferred jurisdiction over the individual.

(ii) For purposes of clauses (ii) and (iii) of subparagraph (A), an individual confined in an institution as described in such clause (ii) shall be treated as remaining so confined until—

(I) he or she is released from the care and supervision of such institution, and

(II) such institution ceases to meet the individual’s basic living needs.

(iii) Notwithstanding subparagraph (A), the Commissioner shall, for good cause shown, pay the individual benefits that have been withheld or would otherwise be withheld pursuant to clause (iv) or (v) of subparagraph (A) if the Commissioner determines that—

(I) a court of competent jurisdiction has found the individual not guilty of the criminal offense, dismissed the charges relating to the criminal offense, vacated the warrant for arrest of the individual for the criminal offense, or issued any similar exonerating order (or taken similar exonerating action), or

(II) the individual was erroneously implicated in connection with the criminal offense by reason of identity fraud.

(iv) Notwithstanding subparagraph (A), the Commissioner may, for good cause shown based on mitigating circumstances, pay the individual benefits that have been withheld or would otherwise be withheld pursuant to clause (iv) or (v) of subparagraph (A) if the Commissioner determines that—

(I) the offense described in clause (iv) or underlying the imposition of the probation or parole described in clause (v) was nonviolent and not drug-related, and

(II) in the case of an individual from whom benefits have been withheld or otherwise would be withheld pursuant to subparagraph (A)(v), the action that resulted in the violation of a condition of probation or parole was nonviolent and not drug-related.

(2) Benefits which would be payable to any individual (other than a confined individual to whom benefits are not payable by reason of paragraph (1)) under this subchapter on the basis of the wages and self-employment income of such a confined individual but for the provisions of paragraph (1), shall be payable as though such confined individual were receiving such benefits under this section or section 423 of this title.

(3) Notwithstanding the provisions of section 552a of title 5 or any other provision of Federal or State law, any agency of the United States Government or of any State (or political subdivision thereof) shall make available to the Commissioner of Social Security, upon written request, the name and social security account number of any individual who is confined as described in paragraph (1) if the confinement is under the jurisdiction of such agency and the Commissioner of Social Security requires such information to carry out the provisions of this section.

(B)(i) The Commissioner shall enter into an agreement under this subparagraph with any interested State or local institution comprising a jail, prison, penal institution, or correctional facility, or comprising any other institution a purpose of which is to confine individuals as described in paragraph (1)(A)(ii). Under such agreement—

(I) the institution shall provide to the Commissioner, on a monthly basis and in a manner
specified by the Commissioner, the first, middle, and last names, Social Security account numbers or taxpayer identification numbers, prison assigned inmate numbers, last known addresses, dates of birth, confinement commencement dates, dates of release, and any other personally identifiable information concerning the individuals confined in the institution as the Commissioner may require for the purpose of identifying, prevention, and recovery of improper payments under Federal, State, or local law enforcement officer, an entity administering a Federal program or activity, and may disclose such comparison of information to any paying or administering agency, and to the head of the Federal Bureau of Prisons and the head of any State agency charged with the administration of prisons with respect to inmates whom the Secretary of the Treasury has determined may have been issued, or facilitated in the issuance of, an improper payment.

(III) The comparison of information disclosed under subclause (I) shall not be considered a matching program for purposes of section 552a of title 5.

(C) Notwithstanding the provisions of section 552a of title 5 or any other provision of Federal or State law (other than section 6103 of the Internal Revenue Code of 1986 and section 1306(c) of this title), the Commissioner shall furnish any Federal, State, or local law enforcement officer, upon the written request of the officer, with the current address, Social Security number, and photograph (if applicable) of any beneficiary under this subchapter, if the officer furnishes the Commissioner with the name of the beneficiary, and other identifying information as reasonably required by the Commissioner to establish the unique identity of the beneficiary, and notifies the Commissioner that—

(i) the beneficiary is described in clause (iv) or (v) of paragraph (1)(A); and

(ii) the location or apprehension of the beneficiary is within the officer’s official duties.

(y) Limitation on payments to aliens

Notwithstanding any other provision of law, no monthly benefit under this subchapter shall be payable to any alien in the United States for any month during which such alien is not lawfully present in the United States as determined by the Attorney General.

(2) Voluntary suspension

(1) Notwithstanding the provisions of section 552a of title 5 or any other provision of Federal or State law, the Secretary of the Treasury may compare information disclosed under subclause (I) with any other personally identifiable information derived from a Federal system of records or similar records maintained by a Federal contractor, a Federal grantee, or an entity administering a Federal program or activity, and may disclose such comparison of information to any paying or administering agency and to the head of the Federal Bureau of Prisons and the head of any State agency charged with the administration of prisons with respect to inmates whom the Secretary of the Treasury has determined may have been issued, or facilitated in the issuance of, an improper payment.

(III) The comparison of information disclosed under subclause (I) shall not be considered a matching program for purposes of section 552a of title 5.
Page 1629

TITLE 42—THE PUBLIC HEALTH AND WELFARE

fective with respect to any month in which the
individual becomes subject to—
(A) mandatory suspension of such benefits
under subsection (x);
(B) termination of such benefits under subsection (n);
(C) a penalty under section 1320a–8a of this
title imposing nonpayment of such benefits; or
(D) any other withholding, in whole or in
part, of such benefits under any other provision of law that authorizes recovery of a debt
by withholding such benefits.
(3) In the case of an individual who requests
that such benefits be suspended under this subsection, for any month during the period in
which the suspension is in effect—
(A) no retroactive benefits (as defined in
subsection (j)(4)(B)(iii)) shall be payable to
such individual;
(B) no monthly benefit shall be payable to
any other individual on the basis of such individual’s wages and self-employment income;
and
(C) no monthly benefit shall be payable to
such individual on the basis of another individual’s wages and self-employment income.
Aug. 10, 1939, ch. 666, title II, § 201, 53 Stat. 1362,
1363; Aug. 10, 1946, ch. 951, title IV, §§ 402, 403(a),
404(a), 405(a), 60 Stat. 986, 987; Aug. 28, 1950, ch.
809, title I, § 101(a), 64 Stat. 482; Aug. 14, 1953, ch.
483, § 2, 67 Stat. 580; Sept. 1, 1954, ch. 1206, title
I, §§ 102(i), 105(a), 107, 110, 68 Stat. 1073, 1079, 1083,
1085; Aug. 9, 1955, ch. 685, § 2, 69 Stat. 621; Aug. 1,
1956, ch. 836, title I, §§ 101(a)–(c), 102(c), (d)(1)–(10),
103(c)(1)–(3), 113, 114(a), 118(a), 121(a), 70 Stat. 807,
810–814, 818, 831, 832, 835, 838; Aug. 1, 1956, ch. 837,
title IV, §§ 403(a), 407, 70 Stat. 871, 876; Pub. L.
85–238, §§ 1, 3(a)–(g), Aug. 30, 1957, 71 Stat. 518;
L. 85–840, title I, § 101(e), title II, § 205(b)–(i), title
III, §§ 301(a)(1), (b)(1), (c)(1), 303, 304(a)(1), 305(a),
306(a), 307(a)–(e), Aug. 28, 1958, 72 Stat. 1017,
1021–1024, 1026, 1027, 1029–1032; Pub. L. 85–857,
§ 13(i)(1), Sept. 2, 1958, 72 Stat. 1265; Pub. L.
85–927, § 301, Sept. 6, 1958, 72 Stat. 1783; Pub. L.
86–70, § 32(c)(1), June 25, 1959, 73 Stat. 149; Pub. L.
86–624, § 30(c)(1), July 12, 1960, 74 Stat. 420; Pub.
L. 86–778, title I, § 103(a)(1), (j)(2)(C), (D), title II,
§§ 201(a), (b), 202(a), 203(a), 205(a), (b), 208(d),
211(i)–(l), title III, § 301(a), title IV, § 403(d), Sept.
13, 1960, 74 Stat. 936, 937, 946, 947, 949, 952, 957–959,
1969; Pub. L. 87–64, title I, §§ 102(a), (b)(1), (2)(A),
(3), (e), 104(a)–(d), June 30, 1961, 75 Stat. 131,
134–136, 138, 139; Pub. L. 89–97, title I, § 104(a),
title III, §§ 303(d), 304(a)–(j), 306(a), (b), (c)(1)–(9),
307(a), (b), 308(a), (b), (d)(1), (2)(A), (3)–(5), (12),
(13), 319(d), 323(a), 324(a), 328(a), 333(a)–(c), 334(e),
(f), 339(b), 343(a), July 30, 1965, 79 Stat. 334,
367–379, 392, 397, 398, 400, 403–405, 410, 412; Pub. L.
90–248, title I, §§ 103(a)–(d), 104(a)–(c), 112(a),
151(a)–(d)(1), (2), 157(a), (b), 158(c)(1), (2), 162(a)(1),
(b)(1), (c)(1), (2), Jan. 2, 1968, 81 Stat. 828–830, 838,
860, 867, 868, 871; Pub. L. 91–172, title X,
§ 1004(a)–(c), Dec. 30, 1969, 83 Stat. 741; Pub. L.
92–603, title I, §§ 102(a), (b), (d)–(f), 103(a), (b),
107(a), 108(a)–(e), 109(a), 110(a), 111(a), 112(a),
113(b), 114(a)–(c), 116(b), (c), Oct. 30, 1972, 86 Stat.
1335, 1336, 1338–1340, 1343–1348, 1350; Pub. L. 93–66,

§ 402

title II, § 240(a), July 9, 1973, 87 Stat. 161; Pub. L.
93–233, §§ 1(f), (g), 18(b), Dec. 31, 1973, 87 Stat. 947,
948, 967; Pub. L. 93–445, title III, § 301, Oct. 16,
1974, 88 Stat. 1357; Pub. L. 95–216, title II, §§ 203,
204(a)–(d), 205(a), (b), title III, §§ 331(a)–(c),
332(a)(1), (2), 334(a)–(d)(4)(A), (5), (6), (e), 336(a),
1527–1529, 1541–1548, 1554; Pub. L. 95–600, title VII,
§ 703(j)(14)(A), Nov. 6, 1978, 92 Stat. 2942; Pub. L.
96–265, title III, §§ 303(b)(1)(B)–(D), 306(a), June 9,
6(a), Oct. 19, 1980, 94 Stat. 2265; Pub. L. 96–499,
L. 97–35, title XXII, §§ 2201(b)(10), (11), (d), (f),
2202(a)(1), 2203(a), (b)(1), (c)(1), (d)(1), (2), 2205(a),
2206(b)(1), 2210(a), Aug. 13, 1981, 95 Stat. 831–838,
2501; Pub. L. 98–21, title I, §§ 111(a)(7), 113(d),
114(a)–(c)(1), 131(a)(1)–(3)(G), (b)(1)–(3)(F), (c),
132(a), 133(a), (b), 134(a), (b), title II, § 201(b),
(c)(1)(A), title III, §§ 301(a), (b), 302, 306(a), (b),
(d)–(h), 307(a), 309(a)–(e), 334(a), 337(a), 339(a),
340(a), (b), Apr. 20, 1983, 97 Stat. 72, 79, 92, 93,
div. B, title VI, §§ 2661(b)–(f), 2662(c)(1), 2663(a)(2),
July 18, 1984, 98 Stat. 1156, 1159, 1160; Pub. L.
99–272, title XII, §§ 12104(a), 12107(a), Apr. 7, 1986,
100 Stat. 285, 286; Pub. L. 99–514, title XVIII,
L. 100–203, title IX, §§ 9007(a)–(e), 9010(b)–(d), Dec.
100–647, title VIII, §§ 8004(a), (b), 8007(b), 8010(a),
(b), 8014(a), Nov. 10, 1988, 102 Stat. 3780, 3782, 3788,
3790; Pub. L. 101–239, title X, §§ 10203(a), 10301(a),
(b), 10302(a)(1), Dec. 19, 1989, 103 Stat. 2473, 2481;
Pub. L. 101–508, title V, §§ 5103(c)(2)(A), (B), (d),
5116(a), Nov. 5, 1990, 104 Stat. 1388–252, 1388–253,
29, 1990, 104 Stat. 5085; Pub. L. 102–40, title IV,
Pub. L. 103–296, title I, § 107(a)(4), title III,
§§ 308(a), 321(a)(2)–(5), (b)(1), (c)(2), Aug. 15, 1994,
108 Stat. 1478, 1522, 1535–1538; Pub. L. 103–387,
title I, § 104(a)(1), (b)(1), (2), Mar. 29, 1996, 110
Stat. 851, 852; Pub. L. 104–208, div. C, title III,
§ 308(g)(1), title V, § 503(a), Sept. 30, 1996, 110 Stat.
3009–622, 3009–671; Pub. L. 106–169, title II, § 207(b),
IV, § 402(a)(1), (b)(1), (d)(1), (2), 113 Stat. 1907–1909;
Pub. L. 108–203, title II, § 203(a), title IV, §§ 412(a),
(b), 418(a)–(b)(4)(B)(vi), (5), 420A(a), Mar. 2, 2004,
118 Stat. 509, 527, 528, 531–533, 535; Pub. L. 113–67,
Stat. 1179, 1180; Pub. L. 113–270, §§ 3, 4, Dec. 18,
2014, 128 Stat. 2948, 2949; Pub. L. 114–74, title VIII,
§ 831(a)(1), (2), (b)(1), (2), Nov. 2, 2015, 129 Stat.
611–613.)
REFERENCES IN TEXT
The effective date of this sentence, referred to in subsec. (d)(7)(A), is the effective date of section 5 of Pub.
L. 96–473, which added such sentence effective with respect to benefits payable for months beginning on or
after October 1, 1980. See Effective Date of 1980 Amendments note below.
Section 212 of Public Law 93–66, referred to in subsecs. (e)(5)(B), (8), (f)(5)(B), (8), and (n)(4), is set out as
a note under section 1382 of this title.


Section 102(g) of the Social Security Amendments of 1972, referred to in subsecs. (e)(6) and (f)(6), is section 102(g) of Pub. L. 97-258, Oct. 20, 1982, 96 Stat. 1329, which is set out as a Redetermination of Widow's and Widow-er's Benefits note under this section.


Clause (5) of subsection (f)(1) of this section as in effect prior to the Social Security Act Amendments of 1950, and subsection (g) of this section as in effect prior to the Social Security amendments of 1950, referred to in subsec. (g), mean such subsections as in effect prior to September 1, 1950, which was the effective date of section 101(a) of act Aug. 28, 1950. See section 101(b), (1), (3) of act Aug. 28, 1950, set out as an Effective date of section 101(a) of act Aug. 28, 1950. See section 101(b), (1), (3) of act Aug. 28, 1950, set out as Effective date of section 101(a) of act Aug. 28, 1950. See 2004 Amendment note below.


The Railroad Retirement Act of 1974, referred to in subsec. (v)(4)(E), is act Aug. 29, 1935, ch. 121, 49 Stat. 967, as amended generally by Pub. L. 95–445, title I, §101, Oct. 16, 1974, 88 Stat. 1365, which is classified generally to subchapter IV (§2301 et seq.) of chapter 9 of Title 45, Railroads. Pub. L. 95–445 amended and revised the Railroad Retirement Act of 1937 (approved June 24, 1937, ch. 382, 50 Stat. 397), and as thus amended and revised, the 1937 Act provided that the Railroad Retirement Act of 1937, as in force prior to amendment by the 1937 Act, may be cited as the Railroad Retirement Act of 1935; and that the 1935 Act, as amended by the 1937 Act, may be cited as the Railroad Retirement Act of 1937. The Railroad Retirement Acts of 1935 and 1937 were classified to subchapter II (§215 et seq.) and subchapter III (§228a et seq.), respectively, of chapter 9 of Title 45. For further details and complete classification of these Acts to the Code, see Codification note set out preceding section 231 of Title 45, section 2311 of Title 45, and Tables.

The month in which the Social Security Amendments of 1967 were enacted, referred to in the provisions following subsec. (v)(4)(E), is Jan. 66, date of approval of Pub. L. 90-248; the Internal Revenue Code of 1986, referred to in subsecs. (v) and (x)(3)(C), is classified generally to Title 26, Internal Revenue Code.

Codification

In subsec. (1), (10), "(sections 3329(a) and 3330(a) of title 31" substituted for "the first section of the Act of October 9, 1940 (31 U.S.C. 123)" on authority of Pub. L. 97-258, §4(b), Sept. 13, 1982, 96 Stat. 1007, the first section of which enacted Title 31, Money and Finance.

AMENDMENTS

2015—Subsec. (b)(1)(B). Pub. L. 114–74, §831(a)(2)(A), added subpar. (B) and struck out former subpar. (B) which read as follows: "has attained age 62 or (in the case of a wife) has in her care (individually or jointly with such individual) at the time of filing such application a child entitled to a child's insurance benefit on the basis of the wages and self-employment income of such individual.".

Subsec. (c)(1)(B). Pub. L. 114–74, §831(a)(2)(B), added subpar. (B) and struck out former subpar. (B) which read as follows: "has attained age 62 or (in the case of a husband) has in his care (individually or jointly with such individual) at the time of filing such application a child entitled to a child's insurance benefit on the basis of the wages and self-employment income of such individual.".

Subsec. (f)(1), (2). Pub. L. 114–74, §831(a)(1), added pars. (1) and (2) and struck out former pars. (1) and (2) which read as follows:

"(1) If the first month for which an individual is entitled to an old-age insurance benefit is a month before the month in which such individual attains retirement age (as defined in section 416(l) of this title), and if such individual is eligible for a wife's or husband's insurance benefit for such first month, such individual shall be deemed to have filed an application in such month for wife's or husband's insurance benefits.

"(2) If the first month for which an individual is entitled to a wife's or husband's insurance benefit reduced under subsection (q) of this section is a month before the month in which such individual attains retirement age (as defined in section 416(l) of this title), and if such individual is eligible (but for subsection (l)(4) of this section) for an old-age insurance benefit for such first month, such individual shall be deemed to have filed an application for old-age insurance benefits—"

"(A) in such month, or"

"(B) if such individual is also entitled to a disability insurance benefit for such month, in the first subsequent month to which such individual is not entitled to a disability insurance benefit."


2014—Subsec. (n)(2). Pub. L. 113–270, §4, amended par. (2) generally. Prior to amendment, par. (2) read as follows:

"As soon as practicable after the removal of any individual under any of the paragraphs of section 1227(a) of title 8 (other than under paragraph (1)(C) of such section) or under section 1182(a)(6)(A) of title 8, the Attorney General or the Secretary of Homeland Security shall notify the Commissioner of Social Security of such removal."

Subsec. (n)(3). Pub. L. 113–270, §3(a), amended par. (3) generally. Prior to amendment, par. (3) read as follows:

"For purposes of paragraphs (1) and (2) of this subsection, an individual against whom a final order of removal has been issued under paragraph (4)(D) of section 1227(a) of title 8 (relating to participating in Nazi persecutions or genocide) shall be considered to have been removed under such paragraph (4)(D) as of the date on which such order became final."


2013—Subsec. (x)(3)(B)(i)(1). Pub. L. 113–67, §204(a)(1)(C), (D), inserted "dates of release or anticipated dates of release, dates of work release," after "confinement commencement dates," and "and clause (iv) of this subparagraph" after "paragraph (1)"

Pub. L. 113–67, §204(a)(1)(B), which directed amendment of subcl. (I) by substituting "or taxpayer identification numbers, prison assigned inmate numbers, last known addresses," for the comma after "social security account numbers", was executed by making the substitution for the comma after "Social Security account numbers" to reflect the probable intent of Congress.
Former par. (6) redesignated (5).

Designated pars. (7) to (9) as (6) to (8), respectively.


2004—Subsec. (b)(2). Pub. L. 108–203, § 418(b)(1)(A), substituted “sections (k)(5) and (q)” for “subsection (q) and paragraph (4) of this subsection”.

Subsec. (b)(4), (5). Pub. L. 108–203, § 418(b)(1)(B), redesignated par. (5) as (4) and struck out former par. (4), which related to reduction of a wife’s insurance benefit for each month, in certain circumstances, by an amount equal to two-thirds of the amount of any monthly periodic benefit payable to the wife for such month which is based upon her earnings while in the service of the Federal Government or any State or political subdivision thereof.

Subsec. (c)(2). Pub. L. 108–203, § 418(b)(2), redesignated par. (3) as (2), substituted “sections (k)(5) and (q)” for “subsection (q) and paragraph (2) of this subsection”, and struck out former par. (2), which related to reduction of a husband’s insurance benefit for each month, in certain circumstances, by an amount equal to two-thirds of the amount of any monthly periodic benefit payable to the husband for such month which is based upon his earnings while in the service of the Federal Government or any State or political subdivision thereof.

Subsec. (c)(3) to (5). Pub. L. 108–203, § 418(b)(2)(A), redesignated pars. (4) and (5) as (3) and (4), respectively.

Former par. (3) redesignated (2).}


Subsec. (e)(2)(A). Pub. L. 108–203, § 418(b)(3)(A), substituted “subsection (k)(5), subsection (q),” for “subsection (q), paragraph (7) of this subsection.”.

Subsec. (e)(7) to (9). Pub. L. 108–203, § 418(b)(3)(B), redesignated pars. (8) and (9) as (7) and (8), respectively, and struck out former par. (7), which related to reduction of a widow’s insurance benefit for each month, in certain circumstances, by an amount equal to two-thirds of the amount of any monthly periodic benefit payable to the widow for such month which is based upon her earnings while in the service of the Federal Government or any State or political subdivision thereof.


Subsec. (f)(2). Pub. L. 108–203, § 418(b)(4)(A)(i), redesignated par. (3) as (2) and struck out former par. (2), which related to reduction of a widower’s insurance benefit for each month, in certain circumstances, by an amount equal to two-thirds of the amount of any monthly periodic benefit payable to the widower for such month which is based upon his earnings while in the service of the Federal Government or any State or political subdivision thereof.


Subsec. (f)(3). Pub. L. 108–203, § 418(b)(4)(A)(ii), redesignated pars. (4) and (5) as (3) and (4), respectively.

Former par. (3) redesignated (2).


Subsec. (g)(2). Pub. L. 108–203, § 418(b)(5)(A), substituted “Such” for “Except as provided in paragraph (4) of this subsection, such”.

Subsec. (g)(4). Pub. L. 108–203, § 418(b)(5)(B), struck out par. (4), which related to reduction of a mother’s or father’s insurance benefit for each month, in certain circumstances, by an amount equal to two-thirds of the amount of any monthly periodic benefit payable to the individual for such month which is based upon the individual’s earnings while in the service of the Federal Government or any State or political subdivision thereof.


Subsec. (n)(4). Pub. L. 108–203, § 412(a)(1), substituted “Secretary” for “Except as provided in paragraph (4) of this subsection, such”.

Subsec. (n)(5). Pub. L. 108–203, § 412(a)(2), substituted “section 1227(a) of title 8 (other than under paragraph (1)(C) of such section) or under section 1122(a)(6)(A) of title 8 for ‘section 1227(a) of title 8 other than under paragraph (1)(C) or (1)(E) thereof’” in introductory provisions.


Subsec. (n)(4). Pub. L. 108–203, § 412(a)(1), substituted “Secretary” for “Except as provided in paragraph (4) of this subsection, such”.

Subsec. (n)(5). Pub. L. 108–203, § 412(a)(2), substituted “section 1227(a) of title 8 (other than under paragraph (1)(C) of such section) or under section 1122(a)(6)(A) of title 8 for ‘section 1227(a) of title 8 (other than under paragraph (1)(C) or (1)(E) thereof)’” in introductory provisions.

Subsec. (n)(3)(A). Pub. L. 108–203, § 412(a)(4), (b)(1)(A), (B), substituted “removed” for “deported” and “removal” for “deportation” and made technical amendment to reference in original act which appears in text as reference to section 1227(a) of title 8.

Pub. L. 108–203, § 412(a)(3), substituted “paragraph (4)(D) of section 1227(a) of title 8 (relating to participating in Nazi persecutions or genocide) shall be considered to have been deported under such paragraph (4)(D)” for “paragraph (4)(D)” of section 1227(a) of title 8 (relating to persecution of others on account of race, religion, national origin, or political opinion, under the direction of or in association with the Nazi government of Germany or its allies) shall be considered to have been deported under such paragraph (19)”.

Pub. L. 108–203, § 203(a)(1), substituted “prisoners, certain other inmates of publicly funded institutions, fugitives, probationers, and parolees” for “prisoners and certain other inmates of publicly funded institutions” in heading.


2000—Subsec. (w)(2)(B)(ii). Pub. L. 106–182 substituted “or, if so entitled, did not receive benefits pursuant to a request by such individual that benefits not be paid” for “or submitted deductions under section 403(b) or 403(c) of this title in amounts equal to the amount of such benefit”.


Subsec. (x)(1)(A). Pub. L. 106–170, § 402(b)(1)(A), substituted “ending with or during or beginning with or
during a period of more than 30 days throughout all of which for “of this section” for “any individual who is confined in a jail, prison, or other penal institution...”

Subsec. (d)(10). Pub. L. 103–296, § 321(a)(3), struck out "was living with or" before "was receiving at least one-half of his support".


Subsec. (n). Pub. L. 103–208, § 308(g)(1), substituted "section 1277(a)" for "section 1251(a)" in pars. (1) to (3).


Subsec. (v)(1). Pub. L. 103–296, § 321(c)(2)(A), substituted "the Commissioner's attention" for "his attention".


Subsec. (x)(1). Pub. L. 103–387, § 4(a)(2), amended par. (1) generally. Prior to amendment, par. (1) read as follows: "Notwithstanding any other provision of this chapter, no monthly benefits shall be paid under this section or under section 423 of this title to any individual for any month during which such individual is confined in a jail, prison, or other penal institution or correctional facility, pursuant to his conviction of an offense which constituted a felony under applicable law, unless such individual is actively and satisfactorily participating in a rehabilitation program which has been specifically approved for such individual by a court of law and, as determined by the Commissioner of Social Security, is expected to result in such individual being able to engage in substantial gainful activity upon release and within a reasonable time."

Subsec. (x)(3). Pub. L. 103–387, § 4(a)(3), substituted "any individual who is confined as described in paragraph (1) if the confinement is under the jurisdiction of such agency, pursuant to his conviction of an offense which constituted a felony under applicable law, which the Commissioner of Social Security, is expected to result in such individual being able to engage in substantial gainful activity upon release and within a reasonable time."
Social Security may require to carry out the provisions of this subsection:

Pub. L. 103–296, §107(a)(4), substituted “Commissioner of Social Security” for “Secretary” in two places.


Subsec. (c)(4)(A). Pub. L. 102–54 substituted “Secretary of Veterans Affairs” for “Administrator of Veterans Affairs” before “determines was,”, “Secretary of Veterans Affairs” for “the Administrator” before “determines that,”, and “Secretary of Veterans Affairs” for “if the Administrator before “certifies”.

1990—Subsec. (e)(5). Pub. L. 101–508, §5103(c)(2)(A), designated existing provision as subpar. (A), redesignated former subpars. (A) and (B) as cls. (i) and (ii), respectively, in cl. (ii) substituted “(I)” and “(II)” for “(i)” and “(ii)”, respectively, and added subpar. (B).


Subsec. (f)(6). Pub. L. 101–508, §5103(c)(2)(B), designated existing provision as subpar. (A), redesignated former subpars. (A) and (B) as cls. (i) and (ii), respectively, in cl. (ii) substituted “(I)” and “(II)” for “(i)” and “(ii)”, respectively, and added subpar. (B).


Subsec. (g)(4)(A). Pub. L. 101–508, §5116(a)(1), substituted “‘if the amount of the monthly benefit to which such individual would otherwise be entitled for any such month would be subject to reduction pursuant to subsection (q)’ for ‘if the amount of the monthly benefit to which such individual would otherwise be entitled for the month in which such application is filed’.

Subsec. (i)(4)(B)(2). Pub. L. 101–508, §5116(a)(2), redesignated cl. (i) as (ii) and struck out former cl. (i) which read as follows: “If the individual applying for retroactive benefits is applying for such benefits under subsection (a) of this section, and there are one or more other persons who would (except for subparagraph (A)) become entitled for any month, on the basis of the wages and self-employment income of such individual and because of such individual’s entitlement to such retroactive benefits, to retroactive benefits under subsection (b), (c), or (d) of this section not subject to reduction under subsection (q) of this section, then subparagraph (A) shall not apply with respect to such month or any subsequent month.”

Subsec. (i)(4)(B)(i) to (v). Pub. L. 101–508, §5116(a)(2), redesignated cls. (ii) and (v) as (ii) and (iii), respectively, and struck out cl. (iv) which read as follows: “If the individual applying for retroactive benefits has exceeded earnings (as defined in section 416(l) of this title) in the year in which he or she files an application for such benefits which could, except for subparagraph (A), be charged to months in such year prior to the month of application, then subparagraph (A) shall not apply to so many of such months immediately preceding the month of application as are required to charge such excess earnings to the maximum extent possible.”

Former cl. (ii) redesignated (i).

Subsec. (n)(1). Pub. L. 101–649, §603(b)(5)(A), as amended by Pub. L. 103–296, §321(b)(1), substituted “under section 1251(a) of title 8 other than under paragraph (1)(C) or (1)(E) thereof” for “under paragraph (1), (2), (4), (5), (6), (7), (10), (11), (12), (14), (15), (16), (17), or (19) of section 1251(a) of title 8”.

Subsec. (n)(2). Pub. L. 101–649, §603(b)(5)(B), substituted “other than under paragraph (1)(C) or (1)(E) thereof” for “enumerated in paragraph (1) in this subsection”.

1989—Subsec. (d)(8). Pub. L. 101–239, §100301(b), struck out at end “In the case of a child who was born in the one-year period during which such child must have been living with and receiving at least one-half of his support from such individual, such child shall be deemed to meet such requirements for such period if, as of the close of such period, such child has lived with such individual in the United States and received at least one-half of his support from such individual for substantially all of the period which begins on the date of birth of such child.”

Subsec. (d)(10)(A). Pub. L. 101–239, §10303(a), inserted “and” after comma at end of cl. (1), added cl. (ii), and struck out former clss. (ii) and (iii) which related to children living with such individual in the United States and receiving at least one-half of support from such individual and who had not attained the age of 18 before living with such individual.


Subsec. (q)(3). Pub. L. 101–239, §10203(a), redesignated subpar. (H) as (E) and struck out former subpars. (E), (F), and (G) which related to reductions in benefits for individuals entitled to both old-age and widow’s or widower’s insurance, reductions in benefits for individuals age 62 or over who are entitled to both disability insurance and widow’s or widower’s insurance, and reductions in benefits for individuals under age 62 who are entitled to both disability insurance and widow’s or widower’s insurance.


Subsec. (e)(1)(C). Pub. L. 100–647, §8010(a)(1), (2), redesignated former cl. (i) as (ii), added clss. (i) and (ii), and struck out former cl. (i) which read as follows: “has filed application for widow’s insurance benefits, or was entitled to wife’s insurance benefits, on the basis of the wages and self-employment income of such individual, for the month preceding the month in which he died, and (I) has attained retirement age (as defined in section 416(l) of this title) or (II) is not entitled to benefits under subsection (a) of this section or section 423 of this title, or”.

Subsec. (e)(7)(A)(i)(II). Pub. L. 100–647, §8014(a), substituted “the Federal Employees’ Retirement System provided in chapter 84 of title 5 or the Foreign Service Pension System provided in subchapter II of chapter 8 of title I of the Foreign Service Act of 1960” for “chapter 84 of title 5”.


Subsec. (f)(1)(C). Pub. L. 100–647, §8010(b)(1), (2), redesignated former cl. (i) as (ii), added clss. (i) and (ii), and struck out former cl. (i) which read as follows: “has filed application for widow’s insurance benefits, or was entitled to husband’s insurance benefits, on the basis of the wages and self-employment income of such individual, for the month preceding the month in which she died, and (I) has attained retirement age (as defined in section 416(l) of this title) or (II) is not entitled to benefits under subsection (a) of this section or section 423 of this title, or”.

Subsec. (f)(2)(A)(I)(II). Pub. L. 100–647, §8014(a), substituted “the Federal Employees’ Retirement System provided in chapter 84 of title 5 or the Foreign Service Pension System provided in subchapter II of chapter 8 of title I of the Foreign Service Act of 1960” for “chapter 84 of title 5”.


Subsec. (g)(4)(A)(i)(II). Pub. L. 100–647, §8014(a), substituted “the Federal Employees’ Retirement System provided in chapter 84 of title 5 or the Foreign Service Pension System provided in subchapter II of chapter 8 of title I of the Foreign Service Act of 1960” for “chapter 84 of title 5”.


Subsec. (h)(4)(A)(i)(I). Pub. L. 100–647, §8009(b), redesignated existing provisions as par. (1), and struck out former par. (1) which read as follows: “if the Administrator before “certifies”.

Subsec. (i)(3). Pub. L. 100–647, §8004(a), inserted reference to par. (19) of section 1251(a) of title 8 in introductory provisions.

Subsec. (j)(3). Pub. L. 100–647, §8004(b), inserted par. (3).

Subsec. (v). Pub. L. 100–647, §8007(b), designated existing provisions as par. (1), and inserted “and” after comma at end of cl. (1), added cl. (ii), and struck out former clss. (ii) and (iii) which related to children living with such individual in the United States and receiving at least one-half of support from such individual and who had not attained the age of 18 before living with such individual.”


Subsec. (q)(3). Pub. L. 101–239, §10203(a), redesignated subpar. (H) as (E) and struck out former subpars. (E), (F), and (G) which related to reductions in benefits for individuals entitled to both old-age and widow’s or widower’s insurance, reductions in benefits for individuals age 62 or over who are entitled to both disability insurance and widow’s or widower’s insurance, and reductions in benefits for individuals under age 62 who are entitled to both disability insurance and widow’s or widower’s insurance.
thereafter such individual's tax exemption under such section 1402(g) ceases to be effective, such waiver shall cease to be applicable in the case of benefits and other payments under this subchapter. The amount of any monthly periodic benefit payable to such widow for such month which is based upon her earnings while in the service of the Federal Government or any State (or any political subdivision thereof, as defined in section 418(b)(2) of this title) if, on the last day she was employed by such entity, such service did not constitute "employment" as defined in section 410 of this title for purposes of this subchapter. The amount of the reduction in any benefit under this subparagraph, if not a multiple of $0.10, shall be rounded to the next highest multiple of $0.10."

1986—Subsec. (b)(5)(B). Pub. L. 99–514, § 1883(a)(1), substituted "or (J)" for "or (I)".

Subsec. (d)(6)(E). Pub. L. 99–272, § 12107(a), substituted the "the termination month (as defined in paragraph (1)(G)(ii)) subject to section 423(e) of this title," for "the third month following the month in which he ceases to be under such disability".


Subsec. (q)(5)(A). Pub. L. 99–514, § 1883(a)(2), substituted "prescribed by the Secretary" for "prescribed by him".

Subsec. (q)(5)(C). Pub. L. 99–514, § 1883(a)(3), which directed substitution of "he or she shall be deemed" for "she shall be deemed" was not executed because of prior amendment substituting "he or she" for "she" by Pub. L. 98–21, § 309(c)(4). See 1983 Amendment note below.


Subsec. (c)(1). Pub. L. 98–369, § 2661(b)(1)(A), (B), substituted "retirement age (as defined in section 416(l) of this title)" for "age 65" and "ii" and "i" in provisions following subpar. (D) and preceding subpar. (E).

Subsec. (c)(5)(A). Pub. L. 98–369, § 2661(b)(2), substituted "clauses (i) and (ii)" for "classes (i) and (ii)".


Pub. L. 98–369, § 2661(b)(1)(C), substituted "in which" for "to which" in provisions following cl. (i) of provisions following subpar. (D) and preceding subpar. (E).

Subsec. (c)(5)(A). Pub. L. 98–369, § 2661(b)(2), substituted "clauses (i) and (ii)" for "classes (i) and (ii)".

Subsec. (d)(1). Pub. L. 98–369, § 2663(a)(2)(A)(ii), substituted "subparagaphs" for "paragraphs" and "paragraph" in cl. (ii) of provisions following subpar. (C) and preceding subpar. (D).

Subsec. (d)(1)(O). Pub. L. 98–369, § 2663(a)(2)(A)(ii), in restructuring subpar. (G), struck out the comma after "age of 18", substituted a dash for a comma after "age of 22", substituted "(i) the termination month, subject to section 423(e) of this title (and for purposes of this subchapter, the termination month and for purposes", and inserted closing parenthesis after "activity" and substituted "(ii)" and "(iii)" for "(III) and (IV)" respectively.

Subsec. (d)(7)(A). Pub. L. 98–369, § 2669(a)(2)(A)(iii), substituted "the effective date of this section" for "the date of enactment of this paragraph".
tion 416(l) of this title for reference to age 65 in two places.

Subsec. (e)(1)(D). Pub. L. 98–21, §131(a)(2)(A), inserted "(as determined after application of subparagraphs (B) and (C) of paragraph (2))" after "primary insurance amount".


Subsec. (e)(1)(F)(ii). Pub. L. 98–21, §131(a)(3)(C), inserted "for purposes of this subchapter" after "as defined in section 410 of this title".

Subsec. (f)(1). Pub. L. 98–21, §301(b)(1), inserted "and every surviving divorced husband (as defined in section 416(d) of this title)" before "of an individual", and "or such surviving divorced husband" after "if such widower in provisions preceding subpar. (A)."

Subsec. (f)(1)(A). Pub. L. 98–21, §301(b)(2), substituted "such deceased individual" for "his deceased wife" in provisions following subpar. (F).

Subsec. (f)(1)(A). Pub. L. 98–21, §301(c)(1)(A), substituted reference to retirement age as defined in section 416(l) of this title for reference to age 65 in provisions following subpar. (F).

Subsec. (f)(1)(A). Pub. L. 98–21, §313(b)(2)(A), inserted "(as determined after application of subparagraphs (B) and (C) of paragraph (3))" after "primary insurance amount" in provisions following subpar. (F).


Subsec. (f)(2)(A). Pub. L. 98–21, §301(c)(1)(A), which directed the substitution of "reirement age (as defined in section 416(l) of this title)" for "age 65" in cl. (ii) was executed to those provisions after the execution of section 306(g) of Pub. L. 98–21 as the probable intent of Congress.


Subsec. (f)(1)(D). Pub. L. 98–21, §301(b)(2), substituted "such deceased individual" for "his deceased wife".

Subsec. (f)(1)(D). Pub. L. 98–21, §301(c)(1)(A), which directed the substitution of "retirement age (as defined in section 416(l) of this title)" for "age 65" in cl. (ii) was executed to those provisions after the execution of section 306(g) of Pub. L. 98–21 as the probable intent of Congress.
(A) read as follows: "Except as provided in subsection (q) of this section, paragraph (2) of this subsection, and subparagraph (B) of this paragraph, such widower’s insurance benefit for each month shall equal to the primary insurance amount (as determined after application of the following sentence) of his deceased wife. If such deceased individual was (or upon application would have been) entitled to an old-age insurance benefit which was increased (or subject to being increased) on account of delayed retirement under the provisions of paragraph (w) of this section, then, for purposes of this subsection, such individual’s primary insurance amount, if less than the old-age insurance benefit (increased, where applicable, under section 415(f)(5), 415(f)(6), or 415(f)(9)(B) of this title and under section 415(i) of this title as if such individual were still alive in the case of an individual who has died) which she was receiving (or would upon application have received) for the month prior to the month in which she died, shall be deemed to be equal to such old-age insurance benefit, and (notwithstanding the provisions of paragraph (3) of subsection (w) of this section) the number of increment months shall include any month in the months of the calendar year in which she died, prior to the month in which she died, which satisfy the condition of subparagraph (2) of subsection (w) of this section.

Pub. L. 98–21, §113(d), substituted ‘‘section 415(f)(5), 415(f)(6), or 415(f)(9)(B)’’ for ‘‘section 415(f)(5) or (6)’’.

Subsec. (f)(3)(D). Pub. L. 98–21, §133(b)(1), added subpar. (D) and redesignated former subpar. (B) as (D).

Pub. L. 98–21, §113(d), substituted ‘‘section 415(f)(5), 415(f)(6), or 415(f)(9)(B)’’ for ‘‘section 415(f)(5) or (6)’’.


Pub. L. 98–21, §301(b)(5), substituted ‘‘individual’’ for ‘‘wife’’ wherever appearing.

Pub. L. 98–21, §133(b)(1)(A), redesignated former subpar. (B) as (D).

Subsec. (f)(3)(D)(i). Pub. L. 98–21, §133(b)(2)(A), inserted ‘‘(as determined without regard to subparagraph (C))’’ after ‘‘primary insurance amount’’.


Pub. L. 98–21, §133(b)(1)–(3)(A), redesignated par. (5) as (4), and amended par. (4) as so redesignated generally, substituting provision that for purposes of par. (1), if a widow married after attaining age 60 or after attaining age 50 if entitled before such marriage occurred to benefits based on disability under this subsection, or a disabled widow described in paragraph (1)(B)(ii) married after attaining age 50, such marriage would be deemed not to have occurred, for provision that if a widow married after attaining age 60, such marriage would be deemed not to have occurred for purposes of par. (1). Former par. (4), which had provided that if a widow, before attaining age 60, remarried an individual entitled to benefits under subsec. (b), (e), (g), or (h) or an individual who had attained the age of eighty and was entitled to benefits under subsec. (d), such widow’s entitlement to benefits under this subsection would, notwithstanding the provisions of par. (1) of this subsection with respect to subsec. (c), not be terminated by reason of such marriage, was struck out.


Sub. (f)(5)(B). Pub. L. 98–21, §306(h), added subpar. (B) and redesignated former subpar. (B) as (C).

Subsec. (f)(6). Pub. L. 98–21, §301(b)(4), inserted ‘‘or surviving divorced husband’’ after ‘‘widower’’.

Pub. L. 98–21, §133(b)(3)(A), redesignated par. (7) as (6) and substituted reference to par. (5) for reference to par. (6). Former par. (6) redesignated (5).
(j)(1) of this section) entitled to a monthly benefit under this section for that month on the basis of such wages and self-employment income, the individual's benefit amount for that month, prior to reduction under subsection (k)(3) of this section, shall not be less than that provided by subparagraph (C)(1)(I) of section 415(a)(1) of this title and increased under section 415(i) of this title for months after November of the year in which the insured individual died as though such benefit were a primary insurance amount.

"(2) In the case of any such individual who is entitled to a monthly benefit under subsection (e) or (f) of this section, such individual's benefit amount, after reduction under subsection (q)(1) of this section, shall be not less than—

"(A) $84.50, if his first month of entitlement to such benefit is the month in which such individual attained age 62 or a subsequent month, or

"(B) $84.50 reduced under subsection (q)(1) of this section as if retirement age as defined in section 415(a)(1) of this title for reference to age 65 wherever appearing.

"(3) In the case of any individual whose benefit amount was computed (or recomputed) under the provisions of paragraph (2) and such individual was entitled to benefits under subsection (e) or (f) of this section for a period prior to any month after 1972 for which a general benefit increase under this subchapter (as defined in section 415(i)(3) of this title) or a benefit increase under section 415(l) of this title becomes effective, the benefit amount of such individual as computed under paragraph (2) without regard to the reduction specified in subparagraph (B) thereof shall be increased by the percentage increase applicable for such benefit increase, prior to the application of subsection (q)(1) of this section pursuant to paragraph (2)(B) and subsection (q)(4) of this section.

Subsec. (q)(1). Pub. L. 98–21, § 201(b)(2), substituted "Subject to paragraph (9), if" for "If" at beginning of par. (1).

Pub. L. 98–21, § 134(a)(1), struck out provisions following subpar. (B)(1) which directed that in the case of a widow or widower whose first month of entitlement to a widow's or widower's insurance benefit was a month before the month in which such widow or widower attained age 60, such benefit, reduced pursuant to preceding provisions of this paragraph (and before the application of the second sentence of paragraph (8)), had to be further reduced by 1 percent of the amount of reduction for early retirement specified in subparagraph (B) thereof before the month in which such individual attained age 60, or if less, the number of months in the additional adjustment period for such benefit (determined under paragraph (7)), if such benefit was for a month before the month in which such individual attained age 62 or any month thereafter.

Subsec. (q)(1)(B)(1). Pub. L. 98–21, § 134(a)(2)(C), substituted "paragraph (6)" for "paragraph (6)(A)".

Subsec. (q)(2). Pub. L. 98–21, § 201(c)(1)(A), substituted reference to retirement age as defined in section 416(l) of this title for reference to age 65.


Subsec. (q)(3)(F). Pub. L. 98–21, § 309(b), inserted "surviving divorced husband" after "widower".


Subsec. (q)(3)(G). Pub. L. 98–21, § 309(b), inserted "or surviving divorced husband" after "widower".

Pub. L. 98–21, § 134(a)(2)(B), substituted "paragraph (6)" for "paragraph (6)(A)" or "paragraph (6)(B)" if such paragraph does not apply, the period specified in paragraph (6)(B)"

Subsec. (q)(5). Pub. L. 98–21, § 309(c)(4), substituted "he or she" for "she" wherever appearing.

Pub. L. 98–21, § 309(c)(1), inserted "or husband's" after "wife's" wherever appearing.

Subsec. (q)(5)(A)(1). Pub. L. 98–21, § 309(c)(2), substituted "him or her" for "her".

Subsec. (q)(5)(A)(ii). Pub. L. 98–21, § 309(c)(3), substituted "the" for "her" after "income".

Subsec. (q)(6)(B)(1). Pub. L. 98–21, § 309(c)(6), substituted "the individual" for "such individual".

Subsec. (q)(5)(C). Pub. L. 98–21, § 309(c)(6), substituted "individual" for "a woman".

Pub. L. 98–21, § 309(c)(6), substituted "his or her" for "her".

Pub. L. 98–21, § 201(c)(1)(A), substituted reference to retirement age as defined in section 416(l) of this title for reference to age 65 wherever appearing.

Subsec. (q)(5)(D). Pub. L. 98–21, § 309(c)(7), inserted "or widower's" after "widower's", substituted "spouse" for "husband" wherever appearing, substituted "spouse's" for "husband's" wherever appearing, and inserted "or father's" after "mother's".

Pub. L. 98–21, § 309(c)(5), substituted "his or her" for "her" in three places.

Subsec. (q)(6). Pub. L. 98–21, § 134(a)(2)(A), amended par. (6) generally, striking out subpart, designation (A) after "this subsection" and redesignated cl. (1) as subpar. (A), in subpar. (A) as so redesignated, redesignated subcls. (I) to (III) as clss. (I) to (III), respectively, redesignated former cl. (ii) as subpar. (B), and struck out former subpar. (B), which had provided that the "additional reduction period" for an individual's widow's or widower's insurance benefit was the period beginning with the first day of the first month for which such individual was entitled to such benefit, but only if such individual had not attained age 60 in such first month, and ending with the last day of the month before the month in which such individual attained age 60.

Subsec. (q)(6)(A)(1). Pub. L. 98–21, § 309(d)(1), struck out "or husband's" after "old-age".

Subsec. (q)(6)(A)(11). Pub. L. 98–21, § 309(d)(1), inserted "or husband's" after "wife's".

Subsec. (q)(7). Pub. L. 98–21, § 134(a)(3), amended provisions preceding subpar. (A) generally, substituting reference to par. (6) for reference to par. (6)(A), and striking out provision that the additional adjustment period for an individual's widow's, or widower's insurance benefit was the additional adjustment period prescribed by par. (6)(B) for such benefit, with the same exclusions as from the adjusted reduction period.

Subsec. (q)(7)(B). Pub. L. 98–21, § 309(d)(2)(A), inserted "or husband's" after "wife's", substituted "such individual" for "she", and inserted "his or" before "her".

Subsec. (q)(7)(D). Pub. L. 98–21, § 309(c)(2)(B), inserted "or widower's" after "widower's".

Subsec. (q)(9). Pub. L. 98–21, § 201(b)(1), amended par. (9) generally, substituting provisions defining the amount of reduction for early retirement specified in par. (1) for provision that, for purposes of this subsection, the term "retirement age" meant age 65.

Subsec. (q)(10). Pub. L. 98–21, § 134(a)(4)(A), in that part of second sentence preceding cl. (A) struck out "or an additional adjustment period" after "the use of an adjusted reduction period".

Subsec. (q)(10)(B)(1). Pub. L. 98–21, § 134(a)(4)(B), struck out "plus the number of months in the additional adjustment period multiplied by 4/120 of 1 percent" before "to (ii)".

Subsec. (q)(10)(C)(11). Pub. L. 98–21, § 134(a)(4)(C), struck out "plus the number of months in the additional reduction period multiplied by 4/120 of 1 percent", after "1 percent".

percentage (as determined under paragraph (6)) of such amount for a definition of the multiplicand as struck out, plus the number of months in the adjusted additional reduction period multiplied by % of 1 percent "before "to (i)"

Subsec. (t)(1). Pub. L. 98–21, § 201(c)(1)(A), substituted reference to retirement age as defined in section 416(l) of this title for reference to age 65.


Pub. L. 98–21, 131(c)(1), substituted "So much of subsections (b)(3), (d)(5), (g)(3), and (h)(4)" for "Section (1)(4), and so much of subsections (b)(3), (d)(5), (e)(3), (g)(3), and (h)(4)" of this section as follows the semicolon, the last sentence".

Pub. L. 98–21, § 313(c)(2), struck out "(e)(3)" after "(d)(5)".

Subsec. (a)(2). (4). Pub. L. 98–21, § 346(b), substituted "Section to paragraph (11), paragraph (1)" for "Paragraph (1)".


Subsec. (w)(1)(A). Pub. L. 98–21, § 311(a)(1), substituted definition of the multiplicant as the applicable percentage (as determined under paragraph (6)) of such amount for a definition of the multiplicand as 1⁄2% of 1 percent such amount, or, in the case of an individual who first becomes eligible for an old-age insurance benefit after December 1978, one-quarter of 1 percent such amount.


Pub. L. 98–21, § 311(c)(3), substituted "age 70" for "age 72".

Subsec. (w)(3). Pub. L. 98–21, § 314(c)(1), substituted "age 70" for "age 72".


1981—Subsec. (a). Pub. L. 97–35, § 2203(a), substituted in provision following par. (3) provision specifying the beginning month of entitlement in the case of an individual who has attained age 65 and in the case of an individual who has attained the age of 62, but not the age of 65, for provision specifying the beginning month of entitlement as the first month of August 1950 in which the individual becomes entitled.

Subsec. (b)(1). Pub. L. 97–35, § 2203(b)(1), substituted in provision following subpar. (D) provision specifying the beginning month of entitlement in the case of a wife or divorced wife who has attained the age of 65 and in the case of a wife or divorced wife who has not attained the age of 65 or of an individual entitled to disability insurance benefits for provision specifying the beginning month of entitlement as the first month after August 1950 in which the individual becomes entitled.

Subsec. (c)(1). Pub. L. 97–35, § 2203(c)(1), substituted in provision following subpar. (C) provision specifying the beginning month of entitlement in the case of a husband who has attained the age of 65 and in the case of a husband who has not attained the age of 65 or of an individual entitled to disability benefits for provision specifying the beginning month of entitlement as the first month after August 1950 in which he becomes entitled to benefits.

Subsec. (d)(1). Pub. L. 97–35, § 2203(d)(1), substituted "increased" and "increased" for "changed" and "changed", respectively, wherever appearing.

Pub. L. 97–35, § 2201(d)(1), substituted "increased" and "increased" for "changed" and "changed", respectively, wherever appearing.

Subsec. (q)(4). Pub. L. 97–123, § 220(e)(1), substituted "increased" and "increased" for "changed" and "changed", respectively, wherever appearing.

Pub. L. 97–35, § 2201(d)(1), substituted "increased" and "increased" for "changed" and "changed", respectively, wherever appearing.

Subsec. (q)(8). Pub. L. 97–35, § 2201(b)(1), substituted "before application of" for "after application of" and has died and of a child of an individual entitled to an old-age insurance benefit or a disability insurance benefit for provision specifying the beginning month of entitlement as the first month after August 1950 in which such child becomes entitled to benefits.

Subsec. (d)(6)(A). Pub. L. 97–35, § 2201(a)(5)(B), substituted "full-time elementary or secondary school student and has not attained the age of 19, or (ii) is under a disability (as defined in section 423(d) of this title) and has not attained the age of 22" for "full-time student or is under a disability (as defined in section 423(d) of this title), and (ii) had not attained the age of 22".

Subsec. (d)(6)(D), (E). Pub. L. 97–35, § 2210(a)(1), (5)(A), substituted in cl. (i) "full-time elementary or secondary school student" for "full-time student" and in cl. (ii) "19" for "22".

Subsec. (d)(7)(A). Pub. L. 97–35, §§ 2203(d)(2), 2210(a)(1), (2), substituted "full-time elementary or secondary school student" for "full-time student" wherever appearing, "elementary or secondary school" for "educational institution" wherever appearing, and "schools involved for "institutions involved" and inserted provision that an individual who is determined to be a full-time elementary or secondary school student be deemed to be such a student throughout the month with respect to which such determination is made.

Subsec. (d)(7)(B). Pub. L. 97–35, § 2210(a)(1), substituted "full-time elementary or secondary school student" for "full-time student" and "elementary or secondary school" for "educational institution" wherever appearing.

Subsec. (d)(7)(C). Pub. L. 97–35, § 2210(a)(3), substituted provision defining "elementary or secondary school" and provision that for the purpose of determining whether a child is a "full-time elementary or secondary school student" or "intends to continue to be in full-time attendance at an elementary or secondary school" there be disregarded any education provided, or to be provided, beyond grade 12 for provision defining the term "educational institution".

Subsec. (d)(7)(D). Pub. L. 97–35, § 2210(a)(1), (2)(A), (4), (5)(A), substituted "19" for "22", "full-time elementary or secondary school student" for "full-time student", "diploma or equivalent certificate from a secondary school (as defined in subparagraph (C)(i)) for "degree from a four-year college or university", and "elementary or secondary school" for "educational institution".

Subsec. (e). Pub. L. 97–35, § 2201(b)(10), struck out subsec. (m) which related to the minimum survivor's benefit.

Subsec. (f). Pub. L. 97–35, § 2201(d)(1), substituted "changed" and "changed" for "increased" and "increased", respectively, wherever appearing.

Pub. L. 97–35, § 2201(b)(10), struck out subsec. (m) which related to the minimum survivor's benefit.
increased to the next higher'" for "reduced to the next lower".

Subsec. (q)(3). Pub. L. 95–216, § 336(c)(2), inserted provisions relating to entitlement of the deceased to an old-age insurance benefit which was increased or was to be increased on account of delayed retirement, and substituted reference to par. (5) of this subsection for reference to par. (4) of this subsection.


Subsec. (c)(3). Pub. L. 95–216, § 334(d)(5), struck out provisions relating to entitlement to monthly benefits under this section on the basis of primary insurance amounts computed under section 415(a) (other than a benefit based on a primary insurance amount, after application of any adjustment under par. (7) of this subsection, for provisions setting forth factors for the computation of the amount of the reduction of the benefit for each month, beginning with the month of the increase in the primary insurance amount, after application of any adjustment under par. (7) of this subsection, for provisions setting forth factors for the computation of the amount of the reduction of the benefit for each month.

Subsec. (q)(7)(C). Pub. L. 95–216, § 331(c)(1), substituted "of the occurrence of an event that terminated her or his entitlement to such benefits" for "the spouse on whose wages and self-employment income such benefits were based ceased to be under a disability".

Subsec. (q)(10)(B). Pub. L. 95–216, § 331(b), added par. (10) and (11).

Subsec. (e)(3). Pub. L. 95–216, § 334(d)(6), substituted "So" for "Subsections (c)(2)(B) and (f)(2)(B) of this section so".


Subsec. (w)(1). Pub. L. 95–216, § 203(1), 205(b)(1), substituted "The amount of an old-age insurance benefit (other than a benefit based on a primary insurance amount determined under section 415(a)(3) of this title as in effect in December 1978 or section 415(a)(1)(C)(i)(II) of this title as in effect thereafter) which is payable to an individual is not earlier than the age of 16" for "The amount of an old-age insurance benefit (other than a benefit based on a primary insurance amount determined under section 415(a)(3) of this title as in effect in December 1978 or section 415(a)(1)(C)(i)(II) of this title as in effect thereafter) which is payable to an individual is not earlier than the age of 18".

Subsec. (t)(5). Pub. L. 95–216, § 336(b)(3), struck out reference to an individual (other than one described in subsec. (f)(4)(A) or (B) of this section) as the wife, and provisions relating to benefits during the marriage.


than the month in which such individual attains age 65 (or his benefit payable at such age is not reduced under subsection (q) of this section), the amount of the old-age insurance benefit (other than a benefit based on a primary insurance amount determined under section 415(a)(3) of this title) which is payable without regard to this subsection to such individual.


Subsec. (w)(5). Pub. L. 95–216, §205(b)(2), (3), inserted "as in effect in December 1976, or section 415(a)(3) of this title and provisions following subpar. (G), as so redesignated, substitute "the primary insurance amount" for "82 percent of the primary insurance amount" in subpar. (D) and in the provisions following subpar. (F), substituted "entitled to wife's insurance benefits," for "entitled, after attainment of age 62, to wife's insurance benefits in subpar. (B)(v) and (I) has attained age 65 or (II) is not entitled to benefits under subsection (a) or section 423 of this title," at end of subpar. (C)(i), and substituted "age 65" for "age 62" in subpar. (C)(i) and in provisions following subpar. (F).

Subsec. (e)(2). Pub. L. 92–603, §102(a)(2), designated existing provisions as subpar. (A), added subpar. (B), in subpar. (A) as so designated inserted reference to subpar. (B) of this par., and substituted "the primary insurance amount" for "82 percent of the primary insurance amount".


Subsec. (f)(1). Pub. L. 92–603, §102(b)(1), 107(a)(1), (2), substituted "age 60" for "age 62" in subpar. (B), substituted "the primary insurance amount" for "82 percent of the primary insurance amount" in subpar. (B) and provisions following subpar. (B) (as so designated) which is payable without regard to this subsection to such individual.

Subsec. (f)(5). Pub. L. 92–603, §107(a)(3), replaced (m)(2)(A) with (m)(1)(C), and substituted "five", "seventeenth", and "fifth" for "six", "eighteenth", and "sixth", respectively.

Subsec. (f)(7). Pub. L. 92–603, §107(a)(1), substituted "the age of 60" for "the age of 62".

Subsec. (f)(8). Pub. L. 92–603, §107(a)(2), inserted provision prohibiting payments under par. (1) to a child who would not meet the definition of disability in section 422(d) of this title except for par. (1)(B) thereof for any month in which he engages in substantial gainful activity.

Subsec. (e)(7). Pub. L. 92–603, §108(d), designated existing provisions as subpar. (A), (B), and (C), and added subpars. (D) and (E), inserted "or is under a disability (as defined in section 422(d) of this title)" in subpar. (A) as so redesignated, and inserted "but only if he is not under a disability (as so defined) in such earlier month" in subpar. (D), inserted "but only if he was not under a disability (as so defined) in such earlier month" in subpar. (D), and inserted provision prohibiting payments under par. (1) to a child who would not meet the definition of disability in section 422(d) of this title except for par. (1)(B) thereof for any month in which he engages in substantial gainful activity.


Subsec. (f)(5). Pub. L. 92–603, §107(a)(3), substituted (m)(2)(A) with (m)(1)(C), and substituted "five", "seventeenth", and "fifth" for "six", "eighteenth", and "sixth", respectively.

Subsec. (m). Pub. L. 92–603, §102(f), amended subsec. (m) generally to increase the minimums on survivor's benefits.
rate references to subpars. (A) and (B) of par. (6) in the provisions preceding subpar. (A) and, in subpar. (E), substituted "attained age 62, and also for any later month before the month in which he attained retirement age," for "attained retirement age".

Subsec. (q)(9). Pub. L. 92-603, §108(e), struck out provisions which had set age 62 as the meaning of "retirement age," with respect to a widow's and widower's insurance benefits.

Subsec. (s). Pub. L. 92-603, §108(e), struck out "which began before such individual attained the age of 18" after "disability (as defined in section 423(d) of this title)" in par. (1) and struck out "which began before such child attained the age of 18" after "disability (as defined in section 423(d) of this title)" in pars. (2) and (3).

Subsec. (w). Pub. L. 92-693, §103(a), added subsec. (w).


Subsec. (1)(d). Pub. L. 92-223, §1(a), (b), redesignated former cl. (3) as (4) and included reference to cl. (3) in the second sentence.

1969—Subsec. (b)(2). Pub. L. 91-172, §100(a), removed $105 ceiling on insurance benefits of husbands.

Subsec. (e)(3). Pub. L. 91-172, §100(a), removed $105 ceiling on insurance benefits of widows.

Subsec. (f)(5). Pub. L. 91-172, §100(a), removed $105 ceiling on insurance benefits of widowers.

1968—Subsec. (b)(2). Pub. L. 90-248, §103(a), provided that a wife's insurance benefit may not exceed $105.

Subsec. (c)(1). Pub. L. 90-248, §103(a), substituted "in text preceding subpar. (A) "an individual" for "a currently insured individual (as defined in section 414(b) of this title)".

Subsec. (c)(2). Pub. L. 90-248, §157(a)(2), substituted in text preceding subpar. (A) "The provisions of subparagraph (C) of paragraph (1) of this subsection for "The requirement in paragraph (1) of this subsection that the individual entitled to old-age or disability insurance benefits be a currently insured individual, and the provisions of subparagraph (C) of such paragraph"

Subsec. (c)(3). Pub. L. 90-248, §103(b), provided that a husband's insurance benefit may not exceed $105.

Subsec. (d)(1)(B). Pub. L. 90-248, §158(c)(1), substituted "section 423(d)" for "section 423(c)".

Subsec. (d)(3). Pub. L. 90-248, §151(a), inserted in first sentence "or his mother or adopting mother after "adopting father"," and struck out in second sentence, "if such individual is the child's father," after "title shall"

Subsec. (d)(4). Pub. L. 90-248, §151(b), inserted, "or stepmother" after "stepfather" in two places.

Subsec. (d)(5) to (8). Pub. L. 90-248, §151(c), struck out former par. (5) which provided that (1) a child is deemed dependent on his mother or adopting mother if she is currently insured, and (2) a child is deemed dependent on a mother who is not currently insured only if she is contributing one-half of the child's support or, if the child is not living with his father nor being supported by him, only if she is then living with or supporting the child, and redesignated former par. (6) to (9) as (5) to (8), respectively.

Subsec. (d)(8). Pub. L. 90-248, §§112(a), 151(c), added subpar. (E) and redesignated former par. (9) as (8), respectively. Former par. (8) redesignated (7).

Subsec. (d)(9). Pub. L. 90-248, §151(c), redesignated former par. (10) as (9) and substituted "paragraph (8)" for "paragraph (9)". Former par. (9) redesignated (8).

Subsec. (d)(10). Pub. L. 90-248, §151(c), redesignated former par. (10) as (9).

Subsec. (e)(1). Pub. L. 90-248, §109(a)(2), set out part of text formerly following subpar. (E) after subpar. (G) and inserted therein: "or, if she became entitled to such benefits before she attained age 60, the third month following the month in which her disability ceases (unless she attains age 62 on or before the last day of such third month)"

Subsec. (e)(1)(B). Pub. L. 90-248, §104(a)(1), provided that a widow or surviving divorced wife may become entitled to widow's insurance benefits if she is disabled and her disability began within the period specified in subsec. (e)(5) even though she has not attained age 60.

Subsec. (e)(1)(F). Pub. L. 90-248, §104(a)(2), designated part of material formerly following subpar. (E) as subpar. (F) and inserted provision requiring satisfaction with subpar. (B) clause (1).


Subsec. (e)(4). Pub. L. 90-248, §103(c), provided that a remarried widow's insurance benefit may not exceed $105.


Subsec. (f)(1). Pub. L. 90-248, §157(b)(1), struck out in text preceding subpar. (A) "and currently" before "insured individual" and in cl. (ii) of subpar. (D) "and, she was a currently insured individual," after "from such individual"

Subsec. (f)(1)(B). Pub. L. 90-248, §104(b)(1), provided that a dependent widower may become entitled to widower's insurance benefits if he is disabled and his disability began within the specified period even though such individual has not attained age 62.

Subsec. (f)(1)(D). Pub. L. 90-248, §104(b)(2), set out part of text formerly following subpar. (E) after subpar. (G) and inserted: "or the third month following the month in which his disability ceases (unless he attains age 62 on or before the last day of such third month)"

Subsec. (f)(1)(F). Pub. L. 90-248, §104(b)(3), designated part of text formerly following subpar. (F) as subpar. (G) and inserted provision requiring satisfaction with subpar. (B) clause (1).


Subsec. (f)(2). Pub. L. 90-248, §157(b)(2), substituted in text preceding subpar. (A) "The provisions of subparagraph (D) of paragraph (1) of this subsection for "The requirement in paragraph (1) of this subsection that the deceased fully insured individual also be a currently insured individual, and the provisions of subparagraph (D) of such paragraph"


Subsec. (f)(5). Pub. L. 90-248, §103(d), provided that a remarried widower's insurance benefit may not exceed $105.


Subsec. (g). Pub. L. 90-248, §104(c)(1), substituted "Reduction of benefit amounts for certain beneficiaries" for "Reduction of old-age, widow's, or widower's insurance benefits amounts" in heading.

Subsec. (q)(1). Pub. L. 90-248, §104(c)(2)–(4), substituted "widow's, or widower's" for "or widow's" in text preceding subpar. (A), "widow's, or widower's" for "or widow's" in subpar. (A), and added subpar. (C) and (D) provisions for further reduction of a widow's or widower's insurance benefit.

Subsec. (q)(3)(A). Pub. L. 90-248, §104(c)(5), substituted "widow's, or widower's" for "or widow's" where appearing, "$50" for "$60", and inserted "or widow's" after "in the case of a widow's"

Subsec. (q)(3)(C). Pub. L. 90-248, §104(c)(6), substituted "widow's, or widower's" for "or widow's" where appearing.

Subsec. (q)(3)(D). Pub. L. 90-248, §104(c)(7), substituted "widow's, or widower's" for "or widow's" in text appearing.

Subsec. (q)(3)(E). Pub. L. 90-248, §104(c)(8), inserted "in the case of a widow or surviving divorced wife or subsection (f)(1) in the case of a widow after ", in this section", and "or he" after "she", and substituted "widow's or widower's" for "widow's" where appearing.

Subsec. (q)(3)(F). Pub. L. 90-248, §104(c)(9), inserted "in the case of a widow or surviving divorced wife or subdivision (f)(1) in the case of a widow after ", in this section", and "or he" after "she", and substituted "widow's or widower's" for "widow's" where appearing.

Subsec. (q)(3)(G). Pub. L. 90-248, §104(c)(10), inserted "in the case of a widow or surviving divorced wife or
subsection (f)(1) in the case of a widower before "(e)(1) of this section"
and "she or" before "he", and substituted "widow's or widowers'" for "widow's" when appearing.

Subsec. (q)(6). Pub. L. 90–248, § 104(c)(11), extended definition of "reduction period" to apply to widow's insurance benefit, inserted second alternative in subpar. (A)(ii) that the reduction period for a widow's or widower's insurance benefit begins with the "first day of the month in which such individual attains age 60, whichever is the later", substituted paragraph "(5)" for "(4)" in item (II) of subpar. (A)(ii), and added subpar. (B).

Subsec. (q)(7). Pub. L. 90–248, § 104(c)(12), in text preceding subpar. (A), inserted "or additional adjusted reduction period" after "the adjusted reduction period"", or additional reduction period (as the case may be) after "the reduction period", and substituted "widow's, or widower's" for "widow's", and in subpars. (B) and (C) "she or her" for "widow's", "she", and "her", respectively.


Subsec. (s). Pub. L. 90–248, § 158(c)(2), substituted "section 423(d) for "section 423(c)" in pars. (1) to (3).

Subsec. (t)(1). Pub. L. 90–248, § 162(a)(1), provided that "For purposes of the preceding sentence, after an individual has been outside the United States for any period of thirty consecutive days he shall be treated as remaining outside the United States until he has been in the United States for a period of thirty consecutive days."

Subsec. (t)(4). Pub. L. 90–248, § 162(b)(1), provided for exception to application of subparas. (A) and (B) of par. (4).


1965—Subsec. (b)(1). Pub. L. 89–97, § 308(a), made provisions applicable to divorced wife by inclusion of references to divorced wife in provisions preceding subpar. (A), substituted "such individual" for "her husband" in subpars. (B), (E), (G), (J) to (L); inserted in subpar. (B) "(in the case of a wife)" after "age 62 or"; added subpars. (C) and (D); redesignated former subpar. (C) as (E); in provisions after subpar. (E), inserted "(subject to subsection (s) of this section)" after "shall", and added subpar. (C).

Subsec. (b)(2). Pub. L. 89–97, § 308(a), made provisions applicable to divorced wife by inclusion of references to divorced wife in provisions preceding subpar. (A), substituted "such individual" for "her husband" in subpars. (B), (E), (G), (J) to (L); inserted in subpar. (B) "(in the case of a wife)" after "age 62 or"; added subpars. (C) and (D); redesignated former subpar. (C) as (E); in provisions after subpar. (E), inserted "(subject to subsection (s) of this section)" after "shall", and added subpar. (C).

Subsec. (b)(3). Pub. L. 89–97, § 308(a), added par. (3).

Subsec. (c)(1). Pub. L. 89–97, § 308(a), substituted "divorced for "divorced a vinculo matrimonii" in provisions following and paragraph (D).

Subsec. (c)(2). Pub. L. 89–97, § 308(c)(2), 333(e), inserted in text preceding subpar. (A) "subject to subsection (s) of this section)" after "shall" and added subpar. (C).

Subsec. (d)(1). Pub. L. 89–97, §§ 308(a), (b)(1), (2), 328(a)(1), 343(a), inserted in subpart. (B)(i) and (ii) "or was a full-time student and had not attained the age of 22" and "which began before he attained the age of 22", respectively, and substituted "is" for "was" in cl. (ii) substituted "preceding whichever of the following first occurs" for "preceding the first month in which any of the foregoing occurs" following provisions of subpar. (C), incorporated existing provisions in subpar. (D) and (E), substituting in such subpar. (E) "but only if he is not under a disability (as so defined) at the time he attains such age, and (ii) is not suffering any part of such month" for former provision and is not under a disability (as defined in section 423(c) of this title), which began before he attained such age", added subpars. (F) and (G), and repealed the second sentence which provided for the termination of entitlements of any child to benefits under this subsection with the month preceding the third month following the month in which he ceases to be under a disability after the month in which he attains age eighteen; and substituted related to a deceased worker, and substituted "uncle, brother, or sister" for "or uncle" in subpar. (D), respectively.


Subsec. (d)(6). Pub. L. 89–97, § 308(c)(3), inserted in text following subpar. (B) "but subject to subsection (s) of this section)" after "notwithstanding the provisions of paragraph (1)".


Subsec. (d)(7). Pub. L. 89–97, § 308(b)(3), added pars. (7) and (8).

Subsec. (d)(9). Pub. L. 89–97, § 323(a)(2), added pars. (9) and (10).

Subsec. (e)(1). Pub. L. 89–97, §§ 307(a)(1), 308(b)(1), substituted "age 60" for "age 62" in subpar. (B); and inserted references to surviving divorced wife in the provisions preceding subpar. (A), substituted in subpar. (A) "is not married" for "has not remarried", added subpar. (D), redesignated former subpar. (D) as (E) substituted in subpar. (E) and following provision "such deceased individual" "her deceased husband"; and struck out from provisions following subpar. (E) "after August 1950" after "beginning with the first month", respectively.

Subsec. (e)(2). Pub. L. 89–97, §§ 307(a)(2), 308(b)(1), 333(a)(2), inserted introductory phrase "Except as provided in subsection (q) of this section); substituted "such deceased individual" for "her deceased husband"; and inserted "(and paragraph (4) of this subsection) before the comma, respectively.

Subsec. (e)(3). Pub. L. 89–97, §§ 306(c)(4), 308(b)(2), (3), inserted "but subject to subsection (s) of this section)" after "notwithstanding the provisions of paragraph (1)" following subpar. (B); repealed former par. (3) which provided for reinstatement of benefits to a widow if she married a person who died within one year and was not a fully insured individual; and redesignated former par. (4) as (3), and substituted "widow or surviving divorced wife and widow's or surviving divorced wife's" for "widow and "widower's", respectively.


Former par. (4) redesignated (3).

Subsec. (f)(2). Pub. L. 89–97, §§ 308(c)(5), 334(f), inserted in text preceding subpar. (A) "subject to subsection (s) of this section) after "shall" and added subpar. (C).

Subsec. (f)(3). Pub. L. 89–97, § 333(b)(2), substituted "Except as provided in paragraph (5), such" for "Such".

Subsec. (f)(4). Pub. L. 89–97, § 308(c)(6), inserted in text following subpar. (B) "but subject to subsection (s) of this section) after "notwithstanding the provisions of paragraph (1) of this subsection".


Subsec. (g)(1). Pub. L. 89–97, §§ 306(c)(7), 308(d)(3)–(5), inserted "subject to subsection (s) of this section) after "shall" in provisions following subpar. (F); substituted in subpar. (A) "is not married" for "has not remarried"; in subpar. (F), substituted surviving divorced mother for "former wife divorced", incorporated existing provisions in cl. (i) (other than (I) to (III), (ii), and (iii), and substituted provision of cl. (I)(i) to (III) for receipt of one-half of support under administrative regulations and substantial contributions pursuant to written agreement or court order for former provision for receipt of one-half of support pursuant to agreements or court order; and substituted "surviving divorced mother" for "former wife divorced" twice in provisions before subpar. (A) and thrice in provisions following subpar. (F), respectively.

Subsec. (g)(3). Pub. L. 89–97, §§ 306(c)(8), 308(d)(5), (13), inserted "but subject to subsection (s) of this section) after "notwith-
standing the provisions of paragraph (1) "following subpar. (B), substituted "surviving divorced mother" for "former wife divorced" in two places, and redesignated former par. (4) as (5), respectively. Pub. L. 89–97, §308(d)(12), repealed former par. (3) which had provided that: "In the case of any widow or former wife divorced of an individual—

(A) who marries another individual, and

(B) whose marriage to the individual referred to in subpar. (A) is terminated by death but she is entitled to good and substantial reason in the month in which she died not to be entitled to benefits for such month on the basis of his wages and self-employment income,

the marriage to the individual referred to in clause (A) shall, for purpose of paragraph (1), be deemed not to have occurred. No benefits shall be payable under this subsection by reason of the preceding sentence for any month prior to whichever of the following is the latest: (i) the month in which the death referred to in subparagraph (B) of the preceding sentence occurs, (ii) the twelfth month before the month in which such widow or former wife divorced filed application for purposes of this paragraph or (iii) September 1958."


Subsec. (b)(4). Pub. L. 89–97, §308(d)(9), inserted in text following subpar. (B) "but subject to subsection (a)" after "notwithstanding the provisions of paragraph (1) of this subsection".


Subsec. (j)(1). Pub. L. 89–97, §308(d)(4), inserted "under this subchapter" after "any benefit."

Subsec. (j)(2). Pub. L. 89–97, §328(a), provided that an application for monthly benefits filed before the first month in which the applicant satisfies the requirements for such benefits before the Secretary makes a final decision on the application and that the application shall be deemed to have been filed in the first month if the applicant is found to satisfy the requirements for entitlement.

Subsec. (k)(2)(B). Pub. L. 89–97, §333(c)(1), inserted "as defined in section 416(a) of this title)".

Subsec. (q)(3)(A). Pub. L. 89–97, §308(d)(5), substituted "benefit" for "amount which is less than one-half" for "each of which in the case of a wife's or husband's insurance benefit or age 60 (in the case of a widow's or husband's insurance benefit)" after "age 62", respectively. Former par. (3) redesignated (4).

Subsec. (q)(3)(B). Pub. L. 89–97, §308(d), (d), redesignated former par. (2) as (3), and redesignated (8). Former par. (1) and (4) redesignated (3) and is not entitled to a disability insurance benefit" for "benefit" the first time it appeared and inserted in cls. (i) and (ii) "for such month" after "paragraph (1)", respectively. Former par. (3) redesignated (4).

Subsec. (q)(3)(C). Pub. L. 89–97, §308(d), (e), redesignated former par. (2) as (3), and made provisions of subpar. (C) applicable to widow's insurance benefit, inserted cl. (i), incorporated existing provisions in cl. (ii), and inserted in such cl. (ii) "for such month" and "before reduction under this subsection" after "disability insurance benefit", respectively. Former par. (3) redesignated (4).

Subsec. (q)(3)(D). Pub. L. 89–97, §§308(c), 307(b), (3), (4), redesignated former par. (2) as (3), and made provisions of subpar. (D) applicable to widow's insurance benefit, and added subpar. (E), respectively. Former par. (3) redesignated (4).

Subsec. (q)(3)(F). (G). Pub. L. 89–97, §308(c), (f), redesignated former par. (2) as (3) and added subpars. (F) and (G) respectively. Former par. (5) redesignated (4).

Subsec. (q)(4). Pub. L. 89–97, §308(c), (g), redesignated former par. (3) as (4) and redesignated (4). Subpar. (B) cross references to par. (2) as (3) in three places, and substituted in subpar. (A) "under paragraph (1) or (3) of this subsection" for "under this subsection", respectively. Former par. (4) redesignated (5).

Subsec. (q)(5)(D). Pub. L. 89–97, §§308(c), 307(b)(5), redesignated former par. (4) as (5) and added subpar. (D), respectively. Former par. (5) redesignated (6).


Subsec. (q)(7). Pub. L. 89–97, §§308(c), (h), 307(b)(7), redesignated former par. (6) as (7) and redesignated (7). Pub. L. 89–97, §308(d)(2)(A), inserted (A)" applicable to widow's insurance benefit and subparagraph (A)" after "age 65", respectively. Former par. (7), redesignated (8).

Subsec. (q)(8). Pub. L. 89–97, §308(c), (1), redesignated former par. (7) and (8) and redesignated (8) as (7) and redesignated (7). Pub. L. 89–97, §308(d)(2)(A), inserted (A)" applicable to widow's insurance benefit and subparagraph (A)" after "age 65", respectively. Former par. (7), redesignated (8).


Subsec. (r)(2). Pub. L. 89–97, §308(l), inserted "but for subsection (k)(4) of this section" after "(3)".


Subsec. (1)(1). Pub. L. 89–97, §104(a)(2), inserted "in determining whether such individual is entitled to insurance benefits under part A of subchapter XVII for any such month."

is less than one-half” in cl. (D), and “based on a primary insurance amount which is equal to or exceeds one-half” for “equal to or exceeding one-half” in closing provisions.

Subsec. (c)(2)(A). Pub. L. 87–67–64, §102(a), substituted “attainment of age 62” for “attainment of retirement age” in subpar. (A), and “attainment of age 62” for “attained age 62” in subpar. (C), and “82% percent” for “three-fourths” in subpar. (D) and in closing provisions.

Subsec. (c)(3). Pub. L. 87–67–64, §102(e)(6), substituted “Except as provided in subsection (q) of this section, such” for “Such”.

Subsec. (e)(1). Pub. L. 87–67–64, §§102(a), 104(d)(1), substituted “has attained age 62” for “has attained retirement age” in subpar. (B), “attainment of age 62” for “attainment of retirement age” and “attained age 62” for “attained age” in subpar. (C), and “82% percent” for “three-fourths” in subpar. (D) and in closing provisions.

Subsec. (e)(2). Pub. L. 87–67–64, §104(a), substituted “82% percent” for “three-fourths”.

Subsec. (f)(1). Pub. L. 87–67–64, §§102(a), 104(d)(1), substituted “has attained age 62” for “has attained retirement age” in subpar. (A), and “82% percent” for “three-fourths” in subpar. (D) and in closing provisions.


Subsec. (h)(1). Pub. L. 87–67–64, §§102(a), 104(d)(2), substituted “has attained age 62” for “has attained retirement age” in subpar. (A), and “82% percent of the primary insurance amount of such deceased individual if the amount of the parent’s insurance benefit for such month is determinable under paragraph (2)(A) (or 75 percent of such primary insurance amount in any other case)” for “three-fourths of the primary insurance amount of such deceased individual” in subpar. (D) and in closing provisions.

Subsec. (i)(2). Pub. L. 87–67–64, §104(c), designated existing provisions as subpar. (A), increased the benefit from three-fourths to 82% percent of the primary insurance amount in any other case, added subpars. (B) and (C).

Subsec. (j). Pub. L. 87–67–64, §102(b)(3), extended provisions which formerly authorized waiver of old-age benefits or wife’s benefits by a woman to permit waiver of any benefit by any individual.

Subsec. (k). Pub. L. 87–67–64, §102(b)(1), among other changes, authorized adjustment of the old-age insurance benefits for men and of the husband’s insurance benefits for months prior to the month in which the individual attains age 65, simplified the formula for reducing benefits, and, in cases where an individual is entitled to a reduced benefit and such benefit is increased by reason of an increase in the primary insurance amount, required separate computation of the increase for and after the first month for which such increase is effective.

Subsec. (l). Pub. L. 87–67–64, §102(b)(1), extended application of the subsection to men, and provided in cases where an individual is entitled to a disability insurance benefit for the same month for which an application for a reduced wife’s or husband’s insurance benefit is effective, that the individual will be deemed to have filed an application for old-age insurance benefit in the first subsequent month for which the individual is not entitled to a disability insurance benefit.


1960—Pub. L. 86–778, §201(a), (b), 205(a), 403(d), among other changes, struck out “after 1939” after “fully or currently insured individual” in opening clause, substituted “a period of disability which did not end prior to the month in which he became entitled to old-age or disability insurance benefits or (if he has died) prior to the month in which he died, at the beginning of such period or at the time he became entitled to such benefits or died” in subpar. (C), and inserted provisions making subpar. (C)(1) inapplicable, in the case of an individual entitled to disability insurance benefits, to a child of such individual unless he is the natural child or stepchild of such individual (including such a child born subsequent to the death of such individual) or legally adopted by such individual before the end of the 24-month period beginning with the month after the month in which such individual most recently became entitled to disability insurance benefits, substituted provisions authorizing the payment of benefits until the month preceding the third month following the month in which a child ceases to be under a disability (as so defined) after the month in which he attains age 18 for provisions which authorized payment of benefits until the child ceases to be under a disability (as so defined) on or after the day on which he attains age 18.

Subsec. (d)(2). Pub. L. 86–778, §301(a), struck out provisions which required each child’s insurance benefit, if there is more than one child entitled to benefits on the basis of an individual’s wages and self-employment income, to be equal to the sum of (A) one-half of the primary insurance amount of the individual, and (B) one-fourth of the primary insurance amount divided by the number of such children.

Subsec. (d)(3). Pub. L. 86–778, §§202(a), 208(d), inserted provisions requiring that for purposes of such paragraph, a child deemed to be a child of a fully currently insured individual pursuant to section 410(b)(2)(B) of this title, shall, if such individual is the child’s father, be deemed to be the legitimate child of such individual, and, if such individual is the child’s mother, deemed to be the child’s legitimate child or illegitimate child depending on whether the individual’s marriage to the child’s father ceased prior to the child’s birth or at any time after the child’s birth.

Subsec. (e)(1). Pub. L. 86–778, §205(a), struck out “after August 1939” after “died a fully insured individual” in opening clause.

Subsec. (f)(1). Pub. L. 86–778, §205(b), struck out “after August 1939” after “died a fully or currently insured individual” in opening clause.

Subsec. (h)(1). Pub. L. 86–778, §§103(a), (j)(2)(C), 208(a), amended second and third sentences to require payment to the funeral home to the extent of the unpaid expenses if all or part of the burial expenses remain unpaid, and to prescribe the manner of payment of any balance that may remain after the funeral home and persons equitably entitled thereto have received payment, and substituted “the Commonwealth of Puerto Rico, the Virgin Islands, Guam, or American Samoa” for “Puerto Rico, or the Virgin Islands”, “section 410(b)(1) of this title” for “section 410(b)(1) of this title”, and “is returned to any State” for “is returned to any of such States, or the District of Columbia”, Pub. L. 86–624 substituted “fifty States” for “forty-nine States”.

Subsec. (n). Pub. L. 86–778, §211(i), substituted “Section 403(b), (c), and (d) of this title” for “Section 403(b) and (c) of this title” in last sentence of cl. (1).

Subsec. (q)(6). Pub. L. 86–778, §211(i), substituted “under section 403(b) of this title or paragraph (1) of section 403(c) of this title” for “under paragraph (1) of section 403(b) of this title” in cl. (A), and “section 403(b), under section 403(c), or under section 403(d)” for “paragraph (1) or (2) of section 403(b) of this title”.

1976—Pub. L. 94–455, §3(d), substituted “section 403(b), under section 403(c)(1), under section 403(d)(1), or under section 422(b) of this title” for “section 403(b), under section 403(c)(1), under section 403(d)(1), or under section 422(b) of this title” in cl. (A), and “under section 403(b) of this title or paragraph (1) of section 403(c) of this title” for “under paragraph (1) or (2) of section 403(b) of this title” in cl. (B).

tion 410(h)(3)” for “section 410(m)(3)” and “section 410(m)” for “section 410(n)” wherever appearing.

Subsec. (t)(7). Pub. L. 86–778, §211(i), substituted “’forty-nine States’” for “’forty-eight States’”.

Subsec. (b)(2). Pub. L. 85–840, §205(b), substituted “old-age or disability insurance” for “old-age insurance” wherever appearing, inserted provisions in subpar. (a) and redesignated former subpar. (b) as (a).

Subsec. (c)(2) to (5). Pub. L. 85–840, §301(a)(1), added par. (2) and redesignated former par. (2) as (3).

Subsec. (d)(1). Pub. L. 85–840, §205(d), inserted provisions entitling the child of an individual entitled to disability insurance benefits to insurance benefits if the child was dependent upon such individual if such individual had a period of disability which did not end prior to the month in which the child became entitled to old-age or disability insurance benefits, at the beginning of such period or at the time the child became entitled to such benefits provided he filed proof of such support within two years after the month in which he filed application with respect to such period of disability which began before the month in which he died, at the time such period began or at the time of his death.

Subsec. (c)(2) to (5). Pub. L. 85–840, §306(a), struck out “which did not end prior to the month in which he became entitled to old-age or disability insurance benefits or (if he has died) prior to the month in which he died, at the beginning of such period or at the time he became entitled to such benefits or died, and providing that the benefits to a child of a disability insurance beneficiary shall cease with the same effect as if he died within two years after the month in which the application for benefits was filed.”

Subsec. (d)(6). Pub. L. 85–840, §307(a), added par. (6), and struck out former par. (6), which related to dependency of a child who has attained the age of sixteen and who is under a disability which began before he attained the age of sixteen.

Subsec. (e)(2). Pub. L. 85–840, §301(b)(1), substituted “which occurs within one year after such marriage and he did not die a fully insured individual” for “but she is not his widow (as defined in section 416(c) of this title)”.

Subsec. (f)(1)(D). Pub. L. 85–840, §205(e), inserted provisions entitling a widow to an insurance benefit if he was receiving at least one-half of his support from an individual, if the individual had a period of disability which did not end prior to the month in which he died, at the time such period began or at the time of his death.

Subsec. (g)(3). Pub. L. 85–840, §303(a), added par. (3). Another par. (3), which was added by Pub. L. 85–788, was stricken, effective with respect to benefits payable for any month following August 1958.


Subsec. (h)(1). Pub. L. 85–840, §309(a)(1), struck out from opening clause provisions which prevented payment of a parent’s benefit if the deceased individual left a widow who met the conditions in subsec. (e)(1)(D) of this section, a widow who met the conditions in subsec. (f)(1)(D) of this section, an unmarried child under the age of eighteen deemed dependent on such individual under subsec. (d)(3), (4), or (5) of this section, or an unmarried child who had attained the age of eighteen and was under a disability which began before he attained such age and who is deemed dependent on such individual under subsec. (d)(6) of this section.

Subsec. (h)(1)(B). Pub. L. 85–840, §205(g), inserted provisions entitling a parent to an insurance benefit if the parent was receiving at least one-half of his support from the individual, if the individual had a period of disability which did not end prior to the month in which he died, at the time such period began or at the time of such death, and the parent filed proof of such support within two years after the month in which the individual filed application with respect to such period of disability or two years after the date of such death.


Subsec. (1). Pub. L. 85–840, §305(a), required a widow or widower to be living in the same household with the deceased at the time of death in order to receive a lump-sum death payment.

Subsec. (k). Pub. L. 85–840, §205(k), substituted “old-age or disability insurance” for “old-age insurance” wherever appearing.

Subsec. (m). Pub. L. 85–840, §101(e), substituted “less than the first figure in column IV of the table in section 415(a) of this title” for “less than the first figure in column IV of the table prescribed under section 3005 of Title 38” for “prescribed under section 415(a) of this title”.

Subsec. (q)(5). Pub. L. 85–840, §205(i)(1), (2), inserted reference to section 422(b) of this title in subpar. (B), and substituted “subpar. (D), and substituted “clauses (A), (B), and (C)” for “clauses (A), (B), and (C)” in closing provisions.

Subsec. (q)(6). Pub. L. 85–840, §205(i)(3), (4), inserted reference to section 422(b) of this title in subpar. (A), added subpar. (C), redesignated former subpar. (C) as (D), and substituted “clauses (A), (B), and (C)” for “clauses (A), (B), and (C)” in closing provisions.


1957—Subsec. (b)(1). Pub. L. 85–238, §3(a), redesignated subpar. (D) as (C), and repealed former subpar. (D) which required the husband to be living with his wife at the time the application for benefits was filed.

Subsec. (c)(1). Pub. L. 85–238, §3(b), redesignated subpars. (D) and (E) as (C) and (D), respectively, and repealed former subpar. (E) which required the husband to be living with his wife at the application for benefits was filed.

Subsec. (e)(1). Pub. L. 85–238, §3(c), redesignated subpar. (E) as (D), and repealed former subpar. (D) which required the widow to be living with her husband at the time of her death.

Subsec. (f)(1). Pub. L. 85–238, §3(d), redesignated subpars. (E) and (F) as (D) and (E), respectively, and repealed former subpar. (D) which required the widow to be living with her husband at the time of her death.

Subsec. (g)(1)(F). Pub. L. 85–238, §8(e), struck out provisions which required the widow to be living with her husband at the time of his death.
Subsecs. (h)(1). Pub. L. 85-238, §3(f), struck out reference to subparagraph (E) of subsec. (e)(1) of this section and to subparagraph (F) of subsec. (f)(1) of this section.

Subsec. (j)(1). Pub. L. 85-238, §3(g), substituted “subparagraph (C) of subsection (e)(1)’’ for “subparagraph (D) of subsection (e)(1)’’ and “subparagraph (D) of subsection (f)(1)’’ for “subparagraph (E) of subsection (f)(1)’’.

Subsec. (c)(4)(D). Pub. L. 85-238, §1, added subpar. (D).

1956—Subsec. (a). Act Aug. 1, 1956, ch. 836, §102(d)(1), inserted “Except as provided in subsection (q)”.

Subsec. (a)(3). Act Aug. 1, 1956, ch. 836, §103(c)(1), included an individual entitled to disability insurance benefits for the month preceding the month in which he attained the age of 65.

Subsec. (b)(1). Act Aug. 1, 1956, ch. 836, §102(d)(2), (3), substituted “old-age insurance benefits based on a primary insurance amount which” for “old-age insurance benefits each” in cl. (D), and “old-age insurance benefit based on a primary insurance amount which is equal to or exceeds” for “old-age insurance benefit equal to or exceeding” in provisions following cl. (D).

Subsec. (b)(2). Act Aug. 1, 1956, ch. 836, §102(d)(4), inserted “Except as provided in subsection (q) of this section”.

Subsec. (c)(1). Act Aug. 1, 1956, ch. 836, §102(d)(5), (6), substituted the “primary insurance amount of his wife” for “an old-age insurance benefit of his wife” in cl. (A), (B), (C), and D in provisions following cl. (E).

Subsec. (c)(2). Act Aug. 1, 1956, ch. 836, §102(d)(7), substituted “primary insurance amount” for “old-age insurance benefit”.

Subsec. (d)(1). Act Aug. 1, 1956, ch. 836, §101(a), authorized child’s insurance benefit for children, who at the time of filing the application, are under a disability which began before they attained the age of 18, and permitted payment of such benefit until such disability ceases.

Subsec. (d)(2). Act Aug. 1, 1956, ch. 836, §102(d)(7), substituted “primary insurance amount” for “old-age insurance benefit”.

Subsec. (d)(3). Act Aug. 1, 1956, ch. 836, §101(b)(1), substituted “A child who has not attained the age of eighteen” for “A child” wherever appearing in such paragraphs.


Subsec. (h)(1). Act Aug. 1, 1956, ch. 836, §101(c), precluded payment of parent’s benefit if an individual dies leaving an unmarried child over 18 who is under a disability which began before the age of 18 and who is deemed dependent on such individual.

Subsec. (i). Act Aug. 1, 1956, ch. 87, §403(a), substituted “January 1, 1957” for “April 1956”, and inserted provisions authorizing payment of lump-sum death payment in the case of any individual who died outside the United States and the District of Columbia after December 1956 while performing service, as a member of a uniformed service, to which the provisions of section 410(m)(1) of this title are applicable.


Subsec. (m). Act Sept. 1, 1954, §§101(a)(1), 107, added subsecs. (m) and (n), respectively.


1950—Subsec. (a). Act Aug. 28, 1950, changed the name of this subsection from “primary insurance benefits” to “old-age insurance benefits”.

Subsec. (b). Act Aug. 28, 1950, continued the conditions required for the wife to be entitled to benefits.

Subsec. (c). Act Aug. 28, 1950, provided benefits for the dependent husband of a female old-age insurance beneficiary who was currently insured at the time of her entitlement to the old-age insurance benefit.

Subsec. (d). Act Aug. 28, 1950, increased the total amount of the family benefits in a survivor family in which there is at least one entitled child by one-fourth of the worker’s old-age benefit and restates the circumstances under which an individual becomes entitled to the benefits.

Subsec. (e). Act Aug. 28, 1950, permitted a wife entitled to widow’s insurance benefits to become entitled to widow’s insurance benefits upon the husband’s death without filling a new application.

Subsec. (f). Act Aug. 28, 1950, provided benefits for the dependent widower of a woman who is fully and currently insured at the time of her death.

Subsec. (g). Act Aug. 28, 1950, permitted title of widow’s current insurance benefits to mother’s insurance benefits and provided for payment of such benefits to the divorced wife of a deceased insured worker if she had been receiving at least half her support from the worker, and if she is caring for her son, daughter, or legally adopted child who is receiving benefits on the worker’s wage record.

Subsec. (h). Act Aug. 28, 1950, changed the requirement that a parent must have been chiefly dependent upon and supported by the wage earner to the requirement that the parent only need have been receiving one-half his support in order for the parent to be found a dependent.

Subsec. (i). Act Aug. 28, 1950, limited the amount of the lump-sum death payment to three times the worker’s primary insurance amount instead of six times the amount.

Subsec. (j). Act Aug. 28, 1950, increased from 3 to 6 the number of months for which benefits may be paid retroactively to individuals who failed to file their applications as soon as they were otherwise eligible.

Subsecs. (k), (l). Act Aug. 28, 1950, added subsecs. (k) and (l).

1946—Subsec. (c). Act Apr. 10, 1946, §402, changed par. (1) to prevent termination of benefits on adoption by a stepparent, grandparent, aunt or uncle and changed...
par. (3)(C) to omit qualification as to the time of such individual’s death and to require the child to be chiefly supported by the stepfather.

Subsec. (c).—Act Aug. 10, 1946, § 405(a), provided that benefits payments to parents are prevented only if the individual leaves a widow or child who could become entitled to benefits and required parents to be chiefly instead of wholly dependent.

Subsec. (g).—Act Aug. 10, 1946, § 405(a), required that a widow or widower must have been living with deceased at time of death to be entitled to a lump sum payment and provided that if there was no such spouse, the payment will be made to the person or persons equitably entitled thereto in the proportion and to the extent that he or they have paid the burial expenses.

Subsec. (h). Act Aug. 10, 1946, § 405(a), extended provision for payment of benefits retroactively for three months to the primary beneficiary and provided that retroactive benefits shall be reduced so as not to render erroneous any benefit previously paid.


CHANGE OF NAME

Reference to Administrator of Veterans’ Affairs deemed to refer to Secretary of Veterans Affairs pursuant to section 10 of Pub. L. 100–527, set out as a Department of Veterans Affairs Act note under section 301 of Title 38, Veterans’ Benefits.

EFFECTIVE DATE OF 2015 AMENDMENT


Pub. L. 114–74, title VIII, § 831(b)(3), Nov. 2, 2015, 129 Stat. 613, provided that: “The amendments made by this subsection [amending this section] shall apply with respect to requests for benefit suspension submitted beginning at least 180 days after the date of the enactment of this Act [Nov. 2, 2015].”

EFFECTIVE DATE OF 2014 AMENDMENT


EFFECTIVE DATE OF 2004 AMENDMENT

Pub. L. 108–203, title II, § 203(d), Mar. 2, 2004, 118 Stat. 511, provided that: “The amendments made by this section (amending this section and sections 1004 and 1382 of this title) shall take effect on the first day of the first month that begins on or after the date that is 9 months after the date of enactment of this Act [Mar. 2, 2004].”

Pub. L. 108–203, title IV, § 412(c), Mar. 2, 2004, 118 Stat. 528, provided that:

“(1) IN GENERAL.—The amendment made by—

“(A) subsection (a)(1) [amending this section] shall apply to individuals with respect to whom the Commissioner of Social Security receives a removal notice after the date of the enactment of this Act [Mar. 2, 2004];

“(B) subsection (a)(2) [amending this section] shall apply with respect to notifications of removals received by the Commissioner of Social Security after the date of enactment of this Act; and

“(C) subsection (a)(3) [amending this section] shall be effective as if enacted on March 1, 1991.

“(2) SUBSEQUENT CORRECTION OF CROSS-REFERENCE AND TERMINOLOGY.—The amendments made by subsections (a)(4) and (b)(1) [amending this section] shall be effective as if enacted on April 1, 1997.

“(3) REFERENCES TO THE SECRETARY OF HOMELAND SECURITY.—The amendments made by subsection (b)(2) [amending this section] shall be effective as if enacted on March 1, 2003.”

Pub. L. 108–203, title IV, § 418(c), Mar. 2, 2004, 118 Stat. 533, provided that:

“(1) IN GENERAL.—The amendments made by this section (amending this section and section 426 of this title) shall apply with respect to applications for benefits under title II of the Social Security Act [42 U.S.C. 401 et seq.] filed on or after the first day of the first month that begins after the date of enactment of this Act [Mar. 2, 2004], except that such amendments shall not apply in connection with monthly periodic benefits of any individual based on earnings while in service described in section 202(k)(5)(A) of the Social Security Act [42 U.S.C. 402(k)(5)(A)] (in the matter preceding clause (i) thereof) if the last day of such service occurs before July 1, 2004.

“(2) TRANSITIONAL RULE.—In the case of any individual whose last day of service described in subparagraph (A) of section 202(k)(5) of the Social Security Act (as added by subsection (a) of this section) occurs within 5 years after the date of enactment of this Act—

“(a) the 60-month period described in such subparagraph (A) shall be reduced (but not to less than 1 month) by the number of months of such service (in the aggregate and without regard to whether such months of service were continuous) which—

“(i) were performed by the individual under the same retirement system on or before the date of enactment of this Act, and

“(ii) constituted ‘employment’ as defined in section 210 of the Social Security Act [42 U.S.C. 410]; and

“(b) months of service necessary to fulfill the 60-month period as reduced by subparagraph (A) of this paragraph must be performed after the date of enactment of this Act.”

Pub. L. 108–203, title IV, § 420A(b), Mar. 2, 2004, 118 Stat. 535, provided that: “The amendments made by subsection (a) [amending this section] shall be effective with respect to benefits payable for months beginning with the 7th month that begins after the date of enactment of this Act [Mar. 2, 2004].”

EFFECTIVE DATE OF 2000 AMENDMENT


EFFECTIVE DATE OF 1999 AMENDMENT

Pub. L. 106–170, title IV, § 420A(a)(4), Dec. 17, 1999, 113 Stat. 1908, provided that: “The amendments made by this Act [amending this section, section 1320a–8a of this title, and section 552 of Title 5, Government Organization and Employees] shall apply in connection with monthly periodic benefits of any individual whose period of confinement in an institution commences on or after the first day of the fourth month beginning after the month in which this Act is enacted [Dec. 1999].”

Pub. L. 106–170, title IV, § 420B(b)(3), Dec. 17, 1999, 113 Stat. 1908, provided that: “The amendments made by this subsection [amending this section] shall apply to individuals whose period of confinement in an institution commences on or after the first day of the fourth month beginning after the month in which this Act is enacted [Dec. 1999].”

Pub. L. 106–170, title IV, § 420B(b)(3), Dec. 17, 1999, 113 Stat. 1908, provided that: “The amendments made by this subsection [amending this section] shall apply with respect to benefits for months ending after the date of the enactment of this Act [Dec. 17, 1999].”

Pub. L. 106–169, title II, § 207(c), Dec. 14, 1999, 113 Stat. 1839, provided that: “The amendments made by this section [enacting section 1332a–8a of this title, amending this section and section 1382 of this title, and enacting provisions set out as a note under section 1332a–8a of this title] shall apply to statements and notifications made on or after the date of the enactment of this Act [Dec. 14, 1999].”
Effective Date of 1996 Amendment  
Amendment by section 308(g)(1) of Pub. L. 104–208 effective, with certain transitional provisions, on the first day of the first month beginning more than 180 days after Sept. 30, 1996, see section 309 of Pub. L. 104–208, set out as a note under section 1101 of Title 8, Aliens and Nationality.

Pub. L. 104–208, div. C, title V, §508(b), Sept. 30, 1996, 110 Stat. 3009–471, provided that: "The amendment made by subsection (a) [amending this section] shall apply with respect to benefits for which applications are filed on or after the first day of the first month that begins at least 60 days after the date of the enactment of this Act [Sept. 30, 1996]."

Pub. L. 104–121, title I, §110(a)(2), Mar. 29, 1996, 110 Stat. 851, provided that: "The amendment made by paragraph (1) [amending this section] shall apply with respect to benefits of individuals who become entitled to such benefits for months after the third month following the month in which this Act is enacted [March 1996]."

Pub. L. 104–121, title I, §110(b)(3), Mar. 29, 1996, 110 Stat. 852, provided that:

"(A) The amendments made by paragraph (1) [amending this section] shall apply with respect to final divorces occurring after the third month following the month in which this Act is enacted [March 1996].

"(B) The amendment made by paragraph (2) [amending this section] shall take effect on the date of the enactment of this Act [Mar. 29, 1996]."

Effective Date of 1994 Amendment  

Amendment by section 107(a)(4) of Pub. L. 103–296 effective Mar. 31, 1995, see section 110(a) of Pub. L. 103–296, set out as a note under section 1101 of Title 8, Aliens and Nationality.


Effective Date of 1990 Amendment  
Amendment by Pub. L. 101–649 not applicable to deportation proceedings for which notice has been provided to the alien before Mar. 1, 1991, see section 602(d) of Pub. L. 101–649, set out as a note under section 1227 of Title 8, Aliens and Nationality.

Pub. L. 101–508, title V, §503(e), Nov. 5, 1990, 104 Stat. 1388–253, provided that:

"(1) In general.—The amendments made by this section [amending this section and sections 416, 423, 426, and 1383c of this title] (other than paragraphs (1) and (2)(C) of subsection (c) [amending sections 426 and 1383c of this title]) shall apply with respect to monthly insurance benefits for months after December 1990 for which applications are filed on or after January 1, 1991, or are pending on such date. The amendments made by subsection (c)(1) [amending section 1383c of this title] shall apply with respect to medical assistance provided after December 1990. The amendments made by subsection (c)(2)(C) [amending section 426 of this title] shall apply with respect to items and services furnished after December 1990.

"(2) Application requirements for certain individuals on benefit rolls.—In the case of any individual who—

"(A) is entitled to disability insurance benefits under section 223 of the Social Security Act (42 U.S.C. 423) for December 1990 or is eligible for supplemental security income benefits under title XVI of such Act (42 U.S.C. 1381 et seq.), or State supplementary payments of the type referred to in section 1616(a) of such Act (42 U.S.C. 1382a(e)(1) (for payments of the type described in section 212(a) of Public Law 93–66 (set out as a note under section 1382 of this title)) which are paid by the Secretary under an agreement referred to in such section 1616(a) (or in section 212(b) of Public Law 93–66 (set out as a note under section 1382 of this title)), for January 1991.

"(B) applied for widow's or widower's insurance benefits under subsection (e) or (f) of section 202 of the Social Security Act during 1990 (42 U.S.C. 402(e), (f)), and

"(C) is not entitled to such benefits under such subsection (e) or (f) for any month on the basis of such application by reason of the definition of disability under section 223(d)(2)(B) of the Social Security Act (as in effect immediately before the date of the enactment of this Act [Nov. 5, 1990]), and would have been so entitled for such month on the basis of such application if the amendments made by this section had been applied with respect to such application, for purposes of determining such individual's entitlement to such benefits under subsection (e) or (f) of section 202 of the Social Security Act for months after December 1990, the requirement of paragraph (1)(C)(i) of such subsection shall be deemed to have been met.

Pub. L. 101–508, title V, §5116(b), Nov. 5, 1990, 104 Stat. 1388–274, provided that: "The amendments made by this section [amending this section] shall apply with respect to applications for benefits filed on or after January 1, 1991."

Effective Date of 1989 Amendment  

"(1) in the case of any individual's old-age insurance benefit referred to in section 202(q)(3)(E) of the Social Security Act (42 U.S.C. 402(q)(3)(E)) (as in effect before the amendments made by this section), only if such individual attains age 62 on or after January 1, 1990, and

"(2) in the case of any individual's disability insurance benefit referred to in section 202(q)(3)(F) or (G) of such Act (as so in effect), only if such individual both attains age 62 and becomes disabled on or after such date."

Pub. L. 101–239, title X, §10301(c), Dec. 19, 1989, 103 Stat. 2481, provided that: "The amendments made by this section [amending this section] shall apply with respect to benefits payable for months after December 1989, but only on the basis of applications filed on or after January 1, 1990."


Effective Date of 1988 Amendment  
Pub. L. 100–647, title VIII, §8004(c), Nov. 10, 1988, 102 Stat. 3768, provided that: "The amendments made by this section [amending this section] shall apply only in the case of deportations occurring, and final orders of deportation issued, on or after the date of enactment of this Act [Nov. 10, 1988], and only to benefits for months beginning (and deaths occurring on or after such date).

Amendment by section 8007(b) of Pub. L. 100–647 applicable to benefits paid for (and items and services furnished in) months after December 1988, see section 8007(d) of Pub. L. 100–647, set out as a note under section 1402 of Title 26, Internal Revenue Code.

Pub. L. 100–647, title VIII, §8010(c), Nov. 10, 1988, 102 Stat. 3768, provided that: "The amendments made by this section [amending this section] shall apply to benefits payable under section 202(e) or section 202(f) of the
Social Security Act (42 U.S.C. 402(e), (f)) on the basis of the wages and self-employment income of an individual who dies after the month in which this Act is enacted [Nov. 10, 1988]."

Pub. L. 100–647, title VIII, §804(c), Nov. 10, 1988, 102 Stat. 3790, provided that: "The preceding provisions of this section [including the amendments made by subsection (a) [amending this section and enacting provisions set out below]] shall apply as if they had been included or reflected in the provisions of section 9007 of the Omnibus Budget Reconciliation Act of 1987 (101 Stat. 1300–289) [Pub. L. 100–203, amending this section and enacting provisions set out below] at the time of its enactment [Dec. 22, 1987]."

**Effective Date of 1987 Amendment**

Pub. L. 100–203, title IX, §907(f), Dec. 22, 1987, 101 Stat. 1330–292, provided that: "The amendments made by this section [amending this section] shall apply only with respect to benefits for months after December 1987; except that nothing in such amendments shall affect any exemption (from the application of the pension offset provisions contained in subsection (b)(4), (c)(2), (e)(7), (f)(2), or (g)(4) of section 202 of the Social Security Act [42 U.S.C. 402]) which any individual may have by reason of subsection (g) or (h) of section 334 of the Social Security Amendments of 1977 [section 334(g), (h) of this title] as notes below)."

(E) The amendments made by this section [amending this section and sections 416, 423, and 426 of this title] shall take effect January 1, 1988, and shall apply with respect to—


(2) individuals who are entitled to benefits which are payable under any provision referred to in paragraph (1) for any month before January 1988 and with respect to whom the 15-month period described in the applicable provision amended by this section has not elapsed as of January 1, 1988."

**Effective Date of 1986 Amendments**

Pub. L. 99–514, title XVIII, §1883(f), Oct. 22, 1986, 100 Stat. 2919, provided that: "Except as otherwise provided in this section, the amendments made by this section [amending this section and enacting provisions set out below] shall apply with respect to benefits for months after December 1986 but not to be construed as changing or affecting any right, liability, status, or interpretation which existed (under the provisions of law involved) before that date, see section 2664(b) of Pub. L. 98–369, set out as a note under section 401 of this title.

**Effective Date of 1983 Amendments**

Pub. L. 98–21, title I, §111(a)(8), Apr. 20, 1983, 97 Stat. 72, provided that: "The amendments made by this section [amending this section and sections 403, 415, and 430 of this title] shall apply with respect to cost-of-living increases determined under section 215(c) of the Social Security Act [42 U.S.C. 415(c)] for years after 1982."

Pub. L. 98–21, title I, §114(c)(2), Apr. 20, 1983, 97 Stat. 79, provided that: "The amendments made by paragraph (1) [amending this section] shall apply with respect to increment months in calendar years after 1983."

Pub. L. 98–21, title I, §131(d), Apr. 20, 1983, 97 Stat. 93, provided that:

(1) "The amendments made by this section [amending this section and section 426 of this title] shall be effective with respect to monthly benefits payable under title II of the Social Security Act [42 U.S.C. 401 et seq.] for months after December 1983.

(2) In the case of an individual who was not entitled to a monthly benefit of the type involved under title II of such Act for December 1983, no benefit shall be paid under such title by reason of such amendments unless proper application for such benefit is made."

Pub. L. 98–21, title I, §132(c)(1), Apr. 20, 1983, 97 Stat. 95, provided that: "The amendments made by subsection (a) [amending this section] shall apply with respect to monthly insurance benefits for months after December 1984, but only on the basis of applications filed on or after January 1, 1985."

Pub. L. 98–21, title I, §133(c), Apr. 20, 1983, 97 Stat. 97, provided that: "The amendments made by this section [amending this section] shall apply with respect to monthly insurance benefits for months after December 1984 for individuals who first meet all criteria for entitlement to benefits under section 202(e) or (f) of the Social Security Act [42 U.S.C. 402(e), (f)] other than making application for such benefits) after December 1984."

Pub. L. 98–21, title I, §134(c), Apr. 20, 1983, 97 Stat. 98, provided that: "The amendments made by this section [amending this section] shall apply with respect to benefits for months after December 1983."


Pub. L. 98–21, title III, §307(b), Apr. 20, 1983, 97 Stat. 115, provided that: "The amendments made by subsection (a) [amending this section] shall apply with respect to benefits under title II of the Social Security Act [42 U.S.C. 401 et seq.] for months after the month in which this Act is enacted [April 1983], but only in cases in which the 'last month' referred to in the provision amended is a month after the month in which this Act is enacted."

Pub. L. 98–21, title III, §310, Apr. 20, 1983, 97 Stat. 117, provided that:

(a) Except as otherwise specifically provided in this title, the amendments made by this part [part A (§§301–310) of title III of Pub. L. 98–21, amending this section and sections 403, 405, 415, 417, 422, 423, 424, 426, 427, and 428 of this title] apply only with respect to monthly benefits payable under title II of the Social Security Act [42 U.S.C. 401 et seq.] for months after the month in which this Act is enacted [April 1983].

(b) Nothing in any amendment made by this part shall be construed as affecting the validity of any benefit which was paid, prior to the effective date of such amendment, as a result of a judicial determination.

Pub. L. 98–21, title III, §334(b), Apr. 20, 1983, 97 Stat. 130, provided that: "The amendments made by sub-
section (a) [amending this section] shall apply with respect to survivors whose applications for monthly benefits are filed after the second month following the month in which this Act is enacted (April 1981)."


Pub. L. 98–21, title III, §337(c), Apr. 20, 1983, 97 Stat. 134, provided that: "The amendments made by subsections (a) and (b) [amending this section and section 423 of this title] shall apply with respect to monthly benefits payable for months beginning on or after the date of enactment of this Act [Apr. 20, 1983]."


Pub. L. 97–35, title XXII, §337(d), Jan. 12, 1983, 96 Stat. 2502, provided that: "The amendments made by subsections (a) [enacting and amending provisions set out as notes under this section] and (c) [amending this section] of this section shall be effective with respect to monthly insurance benefits for months after November 1982.''

**Effective Date of 1981 Amendments**

Amendment by section 2201(b)(10), (11), (d)(1), (2) of Pub. L. 97–35 and amendment by section 2(e) of Pub. L. 97–123 applicable with respect to benefits for months after December 1981, and amendment by section 2201(f) of Pub. L. 97–35 applicable with respect to deaths occurring after December 1981, with certain exceptions, see section 2(d)(2)-(4) of Pub. L. 97–123, set out as a note under section 415 of this title.

Pub. L. 97–35, title XXII, §2202(b), Aug. 13, 1981, 95 Stat. 835, provided that: "The amendments made by subsection (a) [amending this section and section 416 of this title] shall apply only with respect to deaths occurring after August 1981.''

Pub. L. 97–35, title XXII, §2203(r)(1), (2), Aug. 13, 1981, 95 Stat. 837, provided that: "The amendments made by subsections (a), (b), and (c) [amending this section and section 416 of this title] of this section shall apply only to monthly insurance benefits payable to individuals who attain age 62 after August 1981.''

"(2) The amendments made by subsection (d) of this section [amending this section and section 416 of this title] shall apply to monthly insurance benefits for months after August 1981, and only in the case of individuals who were not entitled to such insurance benefits for August 1981 or any preceding month.''

Pub. L. 97–35, title XXII, §2208(b), Aug. 13, 1981, 95 Stat. 837, provided that: "The amendments made by subsection (a) [amending this section] shall apply with respect to wife's and mother's insurance benefits for months after the month in which this Act is enacted [August 1981], except that, in the case of an individual who is entitled to such a benefit (on the basis of having a child in her care) for the month in which this Act is enacted [August 1981], such amendments shall not take effect until the first day of the first month which begins 2 years or more after the date of the enactment of this Act [Aug. 13, 1981]."

Pub. L. 97–35, title XXII, §2208(c), Aug. 13, 1981, 95 Stat. 838, provided that: "The amendments made by this section [amending this section and sections 403 and 415 of this title] shall apply only with respect to initial calculations and adjustments of primary insurance amounts and benefit amounts which are attributable to periods after August 1981.''

Pub. L. 97–35, title XXII, §2210(b), Aug. 13, 1981, 95 Stat. 842, provided that: "Except as provided in subsection (c) [section 2210(c) of Pub. L. 97–35, set out below], the amendments made by subsection (a) [amending this section] shall apply to child's insurance benefits under section 202(d) of the Social Security Act [42 U.S.C. 402(d)] for months after July 1982.''

**Effective Date of 1980 Amendments**

Pub. L. 96–499, title X, §1011(b), Dec. 5, 1980, 94 Stat. 2656, provided that: "The amendment made by subsection (a) [amending this section] shall be effective with respect to applications filed on or after the first day of the first month which begins 60 days or more after the date of the enactment of this Act [Dec. 5, 1980]."

Pub. L. 96–473, §5(d), Oct. 19, 1980, 94 Stat. 2265, provided that: "The amendments made by this section [amending this section and sections 416 and 423 of this title] shall be effective with respect to benefits payable for months beginning on or after October 1, 1980.''

Pub. L. 96–365, title III, §303(d), June 9, 1980, 94 Stat. 453, provided that: "The amendments made by section 204 of Pub. L. 95–364, title IV, §403, Dec. 16, 1977, 91 Stat. 1429, and 1306c of this title shall become effective on the first day of the sixth month which begins after the date of enactment of this Act [June 9, 1980], and shall apply with respect to any individual whose disability has not been determined to have ceased prior to such first day.''

Pub. L. 96–365, title III, §306(d), June 9, 1980, 94 Stat. 458, provided that: "The amendments made by this section [amending this section and sections 416 and 423 of this title] shall apply to applications filed after the month in which this Act is enacted [June 9, 1980]."

**Effective Date of 1978 Amendment**

Amendment by Pub. L. 95–600 effective Oct. 4, 1976, see section 703(r) of Pub. L. 95–600, set out as a note under section 46 of Title 25, Internal Revenue Code.

**Effective Date of 1977 Amendment**

Pub. L. 95–216, title II, §206, Dec. 20, 1977, 91 Stat. 1529, provided that: "The amendments made by the provisions of this title other than sections 201(d), 204, and 205(a) [amending this section and sections 403, 415, 417, 428, and 1360c of this title] shall be effective with respect to monthly benefits under title II of the Social Security Act [42 U.S.C. 401 et seq.] payable for months after December 1977 and with respect to lump-sum death payments with respect to deaths occurring after such month. The amendments made by section 201(d) [amending section 415 of this title] shall be effective with respect to monthly benefits of an individual who becomes eligible for an old age or disability insurance benefit, or dies, after December 1977. The amendments made by section 204 [amending this section and section 403 of this title] shall be effective with respect to monthly benefits for months after May 1978. The amendment made by section 205(a) [amending this section] shall be effective with respect to monthly benefits payable for months after December 1977 based on the wages and self-employment income of individuals who die after December 1977.''

Pub. L. 95–216, title III, §331(d), Dec. 20, 1977, 91 Stat. 1542, provided that: "The amendments made by this section [amending this section] shall be effective with respect to monthly benefits payable for months after December 1977.''

Pub. L. 95–216, title III, §332(b), Dec. 20, 1977, 91 Stat. 1543, provided that: "The amendments made by subsection (a) [amending this section and section 426 of this title] shall be effective with respect to monthly insurance benefits under title II of the Social Security Act [42 U.S.C. 401 et seq.] to which an individual becomes entitled on the basis of an application filed on or after January 1, 1978.'"
sections (a), (b), and (c) [amending this section] shall apply with respect to monthly benefits under title II of the Social Security Act [42 U.S.C. 401 et seq.] for months after December 1968.

**Effective Date of 1968 Amendment**

Pub. L. 90–248, title I, §110(e), Jan. 2, 1968, 81 Stat. 628, provided: "The amendments made by subsections (a), (b), and (c) [amending this section] shall apply with respect to monthly benefits under title II of the Social Security Act [42 U.S.C. 401 et seq.] for and after the second month following the month [July 1968] in which this Act is enacted, but only on the basis of applications filed in or after the month in which this Act is enacted [January 1968]."

Pub. L. 90–248, title I, §112(b), Jan. 2, 1968, 81 Stat. 839, provided that: "The amendments made by subsection (a) [amending this section] shall apply with respect to monthly benefits payable under title II of the Social Security Act [42 U.S.C. 401 et seq.] for months after January 1968, but only on the basis of applications filed in or after the month in which this Act is enacted [January 1968]."

Pub. L. 90–248, title I, §157(d), Jan. 2, 1968, 81 Stat. 867, provided that: "The amendments made by this section [amending this section and sections 403, 416, 422, and 425 of this title] shall apply with respect to monthly benefits under title II of the Social Security Act [42 U.S.C. 401 et seq.] for and after the month of February 1968, but only on the basis of applications filed in or after the month in which this Act is enacted [January 1968]."

Amendment by section 158(c)(1), (2) of Pub. L. 90–248, applicable with respect to applications for disability insurance benefits under section 423 of this title and to disability determinations under section 416(i) of this title, see section 158(e) of Pub. L. 90–248, set out as a note under section 423 of this title.

Pub. L. 90–248, title I, §160(a)(2), Jan. 2, 1968, 81 Stat. 871, provided that: "The amendments made by paragraph (1) [amending this section] shall apply only with respect to disability determinations under section 416(i) of this title, section 158(e) of Pub. L. 90–248, set out as a note under section 423 of this title, and section 303(7)(c)(2) of this title; and for disability determinations under section 416(i) of this title, as amended by section 160(a)(1) of this title, see section 158(e) of Pub. L. 90–248, set out as a note under section 423 of this title.


**Effective Date of 1965 Amendment**

Amendment by section 303(d) of Pub. L. 89–97 effective with respect to applications for disability insurance benefits under section 423 of this title, and for disability determinations under section 416(i) of this title, filed in or after July 1965 or before July 1965, if the application has not died before such month and notice of final administrative decision has not been given to the applicant before such month, see section 303(7)(1), of Pub. L. 89–97, set out as a note under section 423 of this title.

Pub. L. 89–97, title III, §304(c), July 30, 1965, 79 Stat. 370, provided that: "The amendments made by this section [amending this section and sections 415, 416, and 423 of this title] shall apply with respect to monthly insurance benefits under title II of the Social Security Act [42 U.S.C. 401 et seq.] for and after the month following the month [July 1965] in which this Act is enacted, but only on the basis of applications filed in or after the month in which this Act is enacted [July 1965]."

Pub. L. 89–97, title III, §306(d), July 30, 1965, 79 Stat. 373, provided that: "The amendments made by this section [amending this section and sections 403, 416, 422, and 425 of this title] shall apply with respect to monthly insurance benefits under section 202 of the Social Security Act [42 U.S.C. 402] for months after December 1964, except that:

(1) in the case of an individual who was not entitled to a child's insurance benefit under subsection (d) of such section [42 U.S.C. 402(d)] for the month in which this Act is enacted [July 1965], such amendments shall apply only on the basis of an application filed in or after the month in which this Act is enacted, and

(2) no monthly insurance benefit shall be payable for any month before the second month following the month in which this Act is enacted [July 1965] by reason of section 202(d)(1)(B)(ii) of the Social Security Act [42 U.S.C. 402(d)(1)(B)(ii)] as amended by this section.

Pub. L. 89–97, title III, §307(c), July 30, 1965, 79 Stat. 375, provided that: "The amendments made by this section [amending this section and sections 403, 416, 422, and 425 of this title] shall be applicable with respect to monthly insurance benefits under section 202 of the Social Security Act [42 U.S.C. 402] for and after the second month following the month [July 1965] in which this Act is enacted, but only on the basis of applications filed in or after the month in which this Act is enacted.

Pub. L. 89–97, title III, §308(e), July 30, 1965, 79 Stat. 379, provided that: "The amendments made by this section [amending this section and sections 403, 405, 416, and 422 of this title] shall be applicable with respect to monthly insurance benefits under title II of the Social Security Act [42 U.S.C. 401 et seq.] beginning with the second month following the month in which this Act is enacted [July 1965]; but, in the case of an individual who was not entitled to a monthly insurance benefit under section 202 of such Act [42 U.S.C. 402] for the first month following the month in which this Act is enacted [July 1965], only on the basis of an application filed in or after the month in which this Act is enacted under section 141(b) of such Act [42 U.S.C. 402(b)]."

Amendment by section 318(d) of Pub. L. 89–97 applicable with respect to taxable years beginning after December 31, 1965, see section 318(a) of Pub. L. 89–97, set out as a note under section 1402 of Title 26.

Pub. L. 89–97, title III, §323(b), July 30, 1965, 79 Stat. 396, provided that: "The amendments made by subsection (a) of this section [amending this section] shall be applicable to persons who file applications, or on whose behalf applications are filed, for benefits under section 202(d) of the Social Security Act [42 U.S.C. 402(d)] on or after this section is enacted [July 30, 1965]. The time limit provided by section 202(d)(10)(B) of such Act [42 U.S.C. 402(d)(10)(B)] as amended by this section for legally adopting a child shall not apply in the case of any child who is adopted before the end of the 12-month period following the month in which this section is enacted."

Pub. L. 89–97, title III, §324(b), July 30, 1965, 79 Stat. 399, provided that: "The amendments made by this section [amending this section] shall be effective with respect to (1) applications for lump-sum death payments filed in or after the month [July 1965] in which this Act is enacted, and (2) monthly benefits based on applications filed in or after such month."

Amendment by section 328(a) of Pub. L. 89–97 applicable with respect to applications filed on or after July 1, 1965, applications to which the Secretary of the Treasury has made a final decision before July 30, 1965, and, if a civil action with respect to a final decision of the Secretary
has been commenced under section 405(g) of this title before July 30, 1965, applications as to which there has been no final judicial decision before July 30, 1965, see section (a) of Pub. L. 89–97, set out as a note under section 416 of this title.

Pub. L. 89–97, title III, §333(d), July 30, 1965, 79 Stat. 491, provided that: ‘‘The amendments made by this section [amending this section and section 416 of this title] shall be applicable only with respect to monthly insurance benefits under section 202 of the Social Security Act [42 U.S.C. 402] beginning with the second month following the month in which this Act is enacted [July 1965], but, in the case of an individual who was not entitled to monthly insurance benefits under such section 202(e) or (f) of such Act [42 U.S.C. 402(e), (f)] for the first month following the month in which this Act is enacted, only on the basis of an application filed in or after the month in which this Act is enacted.’’

Pub. L. 89–97, title III, §334(g), July 30, 1965, 79 Stat. 465, provided that: ‘‘The amendments made by this section [amending this section and section 416 of this title] shall be applicable only with respect to monthly insurance benefits under title II of the Social Security Act [42 U.S.C. 401 et seq.] beginning with the second month following the month in which this Act is enacted [July 1965], but only on the basis of applications filed in or after the month in which this Act is enacted.’’

Amendment by section 333(b) of Pub. L. 89–97 applicable with respect to monthly insurance benefits under subchapter II of this chapter beginning with September 1965 but only on the basis of an application filed in or after July 1965, see section 333(c) of Pub. L. 89–97, set out as a note under section 416 of this title.

Pub. L. 89–97, title III, §334(b), July 30, 1965, 79 Stat. 412, provided that: ‘‘The amendment made by subsection (a) [amending this section] shall apply only with respect to monthly insurance benefits under title II of the Social Security Act [42 U.S.C. 401 et seq.] for months beginning on or after the month in which this Act is enacted [July 1965]; except that, in the case of an individual who was not entitled to child’s insurance benefits under section 202(d) of such Act [42 U.S.C. 402(d)] for the month in which this Act was enacted, such amendment shall apply only on the basis of an application filed in or after the month in which this Act is enacted.’’

**Effective Date of 1961 Amendment**

Pub. L. 87–64, title I, §102(f), June 30, 1961, 75 Stat. 136, provided that:

‘‘(1) The amendments made by subsection (a) [amending this section] shall apply with respect to monthly benefits for months beginning on or after the effective date of this title [see Effective Date of 1961 Amendment note set out above] based on applications filed in or after March 1961.

‘‘(2)(A) Except as provided in subparagraphs (B), (C), and (D), section 202(q) of such Act [42 U.S.C. 402(q)], as amended by subsection (b)(1), shall apply with respect to monthly benefits for months beginning on or after the effective date of this title [see Effective Date of 1961 Amendment note set out above].

‘‘(B) Section 202(q)(3) of such Act, as amended by subsection (b)(1), shall apply with respect to monthly benefits for months beginning on or after the effective date of this title [see Effective Date of 1961 Amendment note set out above], but only if the increase described in such section 202(q)(3)–

‘‘(i) is not effective for any month beginning before the effective date of this title, or

‘‘(ii) is based on an application for a recomputation filed (a) or (b) of section 202(q)(6) of such Act [42 U.S.C. 402(q)(6)], as amended by subsection (b)(1), shall not apply to such individual unless the total of the months specified in subparagraphs (A), (B), and (C) of such section 202(q)(6) is not less than the effective date of this title, if the amount of such benefit for any month thereafter is, solely by reason of the change in section 202(q) of such Act [42 U.S.C. 402(q)] made by subsection (b)(1), lower than the amount of such benefit for such last month, then it shall be increased to the amount of such benefit for such last month.

‘‘(3) Section 202(r) of such Act [42 U.S.C. 402(r)], as amended by subsection (b)(1), shall apply only with respect to monthly benefits for months beginning on or after the effective date of this title [see Effective Date of 1961 Amendment note set out above], except that subparagraph (B) of section 202(r)(2) (as so amended) shall apply only if the first subsequent month described in such subparagraph (B) is a month beginning on or after the effective date of this title.

‘‘(4) The amendments made by subsection (b)(2) [amending this section and sections 413 and 423 of this title] shall take effect on the effective date of this title [see Effective Date of 1961 Amendment note set out above].

‘‘(5) The amendments made by subsection (b)(3) [amending this section] shall apply with respect to applications for monthly benefits filed on or after the effective date of this title [see Effective Date of 1961 Amendment note set out above].

‘‘(6) The amendments made by subsections (c) and (d)(1) and (2) [amending sections 409, 413, 415, 416, and 423 of this title] shall apply with respect to—

‘‘(A) monthly benefits for months beginning on or after the Effective Date of this title [see Effective Date of 1961 Amendment note set out above]

‘‘(B) lump-sum death payments under title II of the Social Security Act [42 U.S.C. 401 et seq.] in the case of deaths on or after the effective date of this title.

‘‘(7) The amendment made by subsection (d)(3) [amending section 415 of this title] shall apply only with respect to monthly benefits for months beginning on or after the effective date of this title [see Effective Date of 1961 Amendment note set out above].

‘‘(8) The amendments made by subsection (e) [amending this section] shall apply with respect to monthly benefits for months beginning on or after the effective date of this title [see Effective Date of 1961 Amendment note set out above].

‘‘(9) For purposes of this subsection, the term ‘monthly benefits’ means monthly insurance benefits under title II of the Social Security Act [42 U.S.C. 401 et seq.]’’.

Pub. L. 87–64, title I, §104(e), June 30, 1961, 75 Stat. 139, provided that: ‘‘The amendments made by this section [amending this section] shall apply only with respect to monthly benefits under section 202 of the Social Security Act [42 U.S.C. 402] for months beginning on or after the effective date of this title [see Effective Date of 1961 Amendment note set out above],’’

Pub. L. 87–64, title I, §108, June 30, 1961, 75 Stat. 140, provided that: ‘‘Except as otherwise provided, the effective date of this title [see Tables for classifications] is the first day of the first calendar month which begins on or after the 30th day after the date of the enactment of this Act [June 30, 1961].’’

**Effective Date of 1960 Amendments**


‘‘(1) The amendments made by subsection (a) [amending this section and provisions set out as notes under this section] shall apply only with respect to amendments after the date of the enactment of this Act [Sept. 13, 1960]. The amendments made by subsections (b), (e), and (f) [amending sections 403 and 410 of this title] shall apply only with respect to services performed after 1960; except that insofar as the carrying on of a trade or business (other than performance of service as an employee) is concerned, such amendments shall apply only in the case of taxable years beginning after 1960. The amendments made by subsections (d), (i), (o), and (p) [amending section 410 of this title and}
section 3121 of Title 26, Internal Revenue Code, and amending section 418 of this title and section 3121 of Title 28 shall apply only with respect to service performed after 1960. The amendments made by subsections (h) and (l) [amending section 411 of this title and section 1402 of Title 26] shall apply only in the case of taxable years beginning after 1960. The amendments made by subsections (c), (n), and (r) [amending section 3125 of Title 26 and amending section 410 of this title and sections 3211, 6205, and 6413 of Title 26] shall apply only with respect to service performed after 1960 and after the calendar quarter in which the Secretary of the Treasury receives a certification by the Governor of Guam that legislation has been enacted by the Government of Guam expressing its desire to have the insurance system established by Title II of the Social Security Act [42 U.S.C. 401 et seq.] extended to the officers and employees of such Government and such political subdivisions and instrumentalities, and (2) service in the employ of the Government of American Samoa or any political subdivision thereof or any instrumentality of any one or more of the foregoing wholly owned thereby, which is performed after 1960 and after the calendar quarter in which the Secretary of the Treasury receives a certification by the Governor of American Samoa that the Government of American Samoa desires to have the insurance system established by such title II extended to the officers and employees of such Government and such political subdivisions and instrumentalities. The amendments made by subsections (g) and (k) [amending section 411 of this title and section 1402 of Title 26] shall apply only in the case of taxable years beginning after 1960, except that, insofar as they involve the nonapplication of section 902 of the Internal Revenue Code of 1986 [former I.R.C. 1954] [26 U.S.C. 902] to the Virgin Islands for purposes of chapter 2 of such Code and section 211 of the Social Security Act [42 U.S.C. 411], such amendments shall be effective in the case of all taxable years with respect to which such chapter 2 (and corresponding provisions of prior law) and such section 211 [42 U.S.C. 411] are applicable. The amendments made by subsections (j), (o), and (t) [amending this section and sections 405, 409, 410, 411, 415, 417, and 418 of this title and sections 7213 and 7701 of Title 26 and repealing section 419 of this title] shall take effect on the date of the enactment of this Act [Sept. 13, 1960]; and there are authorized to be appropriated such sums as may be necessary for the performance by any officer or employee of functions delegated to him by the Secretary of the Treasury in accordance with the amendment made by such subsection (t) [amending section 7701 of Title 26].

"(2) The amendments made by subsections (c) and (n) [amending section 410 of this title and section 3121 of Title 26] shall have application only as expressly provided therein, and determinations as to whether an officer or employee of the Government of Guam or the Government of American Samoa or any political subdivision thereof, or of any instrumentality of any one or more of the foregoing which is wholly owned thereby, is an employee of the United States or any agency or instrumentality thereof within the meaning of any provision of law not affected by such amendments, shall be made without any inferences drawn from such amendments.

"(5) The repeal by subsection (j)(1) of section 219 of the Social Security Act [42 U.S.C. 419], and the elimination by (subsections (e), (f), (h), (j)(2), and (j)(3)) of other provisions of such Act (from sections 410 and 411 of this title) making reference to such section 219, shall not be construed as changing or otherwise affecting the effective date specified in such section for the extension to the Commonwealth of Puerto Rico of the insurance system under title II of such Act [42 U.S.C. 401 et seq.] or for the purposes of such extension, the status of any individual with respect to whom the provisions so eliminated are applicable."
that: "The amendments made by the first section of § 402 of the Social Security Act [42 U.S.C. 402] for months after December 1956, and with respect to lump-sum death payments under such section 202 in the case of deaths occurring after December 1956."
of the pilot study not later than 60 days after the completion of the study.

TREATMENT OF EMPLOYEES WHOSE FEDERAL EMPLOYMENT TERMINATED AFTER MAKING ELECTION INTO SOCIAL SECURITY COVERAGE BUT BEFORE EFFECTIVE DATE OF ELECTION

Pub. L. 100–647, title VIII, §804(b), Nov. 10, 1988, 102 Stat. 3796, provided that: "Subsections (b)(4)(A)(i), (c)(2)(A)(i), (d)(2)(A)(i), and (g)(4)(A)(i) of section 202 of the Social Security Act (42 U.S.C. 402(b)(4)(A)(i), (c)(2)(A)(i), and (d)(2)(A)(i), and (g)(4)(A)(i)) shall not apply with respect to monthly periodic benefits of any individual based solely on service which was performed while in the service of the Federal Government if—

"(1) such person made, before January 1, 1988, an election pursuant to law to become subject to the Federal Employees' Retirement System provided in chapter 84 of title 5, United States Code, or the Foreign Service Pension System provided in subchapter II of chapter 6 of title I of the Foreign Service Act of 1980 (22 U.S.C. 4071 et seq.) by reason of having the child of such member or former member of the Armed Forces described in subsection (c); and

"(2) service terminated before the date on which such election became effective."

MONTHLY PAYMENTS TO SURVIVING SPOUSE OF MEMBER OR FORMER MEMBER OF ARMED FORCES WHERE SUCH PERSON HAS IN CARE A CHILD OF SUCH MEMBER; AMOUNT, CRITERIA, ETC.


"(a)(1) The head of the agency shall pay each month an amount determined under paragraph (2) to a person—

"(A) who is the surviving spouse of a member or former member of the Armed Forces described in subsection (c); and

"(B) who has in such person's care a child of such member or former member of the Armed Forces who has attained sixteen years of age but not eighteen years of age and is entitled to the equivalent of such benefit provided under section 202(g) of the Social Security Act (42 U.S.C. 402(g)), or to the equivalent of such benefit based on meeting the requirements for entitlement to the equivalent of such benefit provided under section 1312(a) of title 38, United States Code; and

"(C) who is not entitled for such month to a mother's insurance benefit under section 202(g) of the Social Security Act (42 U.S.C. 402(g)), or to the equivalent of such benefit based on meeting the requirements for entitlement to such benefit provided under section 1312(a) of title 38, United States Code, by reason of having such child (or any other child of such member or former member) in her care.

"(2) A payment under paragraph (1) for any month shall be in the amount of the mother's insurance benefit, if any, that such person would receive for such month under section 202(g) of the Social Security Act (42 U.S.C. 402(g)) if such child were under sixteen years of age, disregarding any adjustments made under section 215(i) of the Social Security Act (42 U.S.C. 415(i)) after August 1961. However, if such person is entitled for such month to a mother's insurance benefit under section 202(g) of such Act by reason of having the child of a person other than such member or former member of the Armed Forces in such person's care, the amount of the payment under the preceding sentence for such month shall be reduced (but not below zero) by the amount of the benefit payable by reason of having such child in such person's care.

"(b)(1) The head of the agency shall pay each month an amount determined under paragraph (2) to a person—
“(A) who is the child of a member or former member of the Armed Forces described in subsection (c); “(B) who has attained eighteen years of age but not two years before the date on which such child was not under a disability as defined in section 223(d) of the Social Security Act (42 U.S.C. 423(d)); “(C) who is a full-time student at a postsecondary school, college, or university that is an educational institution (as such terms were defined in section 202(d)(7)(A) and (C) of the Social Security Act (42 U.S.C. 402(d)(7)(A), (C)) as in effect before the amendments made by section 221(a)(2) of the Omnibus Budget Reconciliation Act of 1981 (Public Law 97–35; 95 Stat. 841); and “(D) who is entitled for such month to a child’s insurance benefit under section 202(d) of the Social Security Act (42 U.S.C. 402(d)) or is entitled for such month to benefit only by reason of section 221(c) of the Omnibus Budget Reconciliation Act of 1981 (95 Stat. 842) [section 221(c) of Pub. L. 97–35, set out below].

“(2) A payment under paragraph (1) for any month shall be in the amount that the person concerned would have been entitled to receive for such month as a child’s insurance benefit under section 202(d) of the Social Security Act (42 U.S.C. 402(d)) (as in effect before the amendments made by section 221(a)(2) of the Omnibus Budget Reconciliation Act of 1981 (95 Stat. 841) [section 221(a)(2) of Pub. L. 97–35, set out above].

“(d)(1) The Secretary of Health and Human Services shall provide to the head of the agency such information as the head of the agency may require to carry out this section.

“(2) The head of the agency shall carry out this section under regulations which the head of the agency shall prescribe. Such regulations shall be prescribed not later than ninety days after the date of the enactment of this section [Dec. 21, 1982].

“(e)(1) Unless otherwise provided by law— “(A) each time after December 31, 1961, that an increase is made by law in the dependency and indemnity compensation paid under section 1311 of title 38, United States Code, the head of the agency shall, at the same time and effective as of the same date on which such increase takes effect, increase the benefits paid under subsection (a) by a percentage that is equal to the overall average (rounded to the nearest one-tenth of 1 per centum) of the percentages by which each of the dependency and indemnity compensation rates under section 1311 of such title are increased above the rates as in effect immediately before such increase; and “(B) each time after December 31, 1961, that an increase is made by law in the rates of educational assistance allowances provided for under section 353(b) of title 38, United States Code, the head of the agency shall, at the same time and effective as of the same date on which such increase takes effect, increase the benefits paid under subsection (b) by a percentage that is equal to the overall average (rounded to the nearest one-tenth of 1 per centum) of the percentages by which each of the educational assistance allowance rates provided for under section 353(b) of such title are increased above the rates as in effect immediately before such increase.

“(f) Payments under subsections (a) and (b) shall be made only for months after the month in which this section is enacted.

“(g)(1) During each fiscal year the Secretary of Defense shall transfer from time to time to the head of the agency such amounts as the head of the agency determines to be necessary to pay the benefits provided for under subsections (a) and (b) during such fiscal year and to pay the administrative expenses incurred in paying such benefits during such fiscal year. During fiscal year 1983, transfers under this subsection shall be made from the ‘Retired Pay, Defense’ account of the Department of Defense. During subsequent fiscal years, such transfers shall be made from such account or from funds otherwise available to the Secretary for the purpose of the payment of such benefits and expenses. The Secretary of Defense may transfer funds under this subsection in advance of the payment of benefits and expenses by the head of the agency.

“(2) The head of the agency shall establish on the books of the agency over which he exercises jurisdiction a new account to be used for the payment of benefits under subsections (a) and (b) and shall credit to such account all funds transferred to him for such purpose by the Secretary of Defense.

“(h)(1) The head of the agency and the Secretary of Health and Human Services may enter into an agreement to provide for the payment by the Secretary or the head of the agency of benefits provided for under subsection (a) and benefits provided for under section 202(d) of the Social Security Act (42 U.S.C. 402(d)) in a single monthly payment and for the payment by the Secretary or the head of the agency of benefits provided for under subsection (b) and benefits provided for under section 202(d) of the Social Security Act (42 U.S.C. 402(d)) in a single monthly payment, if the head of the agency and the Secretary agree that such action would be practicable and cost effective to the Government.

“(i) For the purposes of this section: “(1) The term ‘head of the agency’ means the head of such department or agency of the Government as the President shall designate to administer the provisions of this section.

“(2) The terms ‘active military, naval, or air service’ and ‘service-connected’ have the meanings given those terms in paragraphs (24) and (16), respectively, of section 101 of title 38, United States Code, except that for the purposes of this section such terms do not apply to any service in the commissioned corps of the Public Health Service or the National Oceanic and Atmospheric Administration.”

CHILD’S INSURANCE BENEFITS; CONTINUED ELIGIBILITY OF CERTAIN INDIVIDUALS; LIMITATIONS

Pub. L. 97–35, title XXII, §221(c), Aug. 13, 1981, 95 Stat. 842, provided that:

“(1) Notwithstanding the provisions of section 222(d) of the Social Security Act (42 U.S.C. 422(d)) (as in effect prior to or after the amendments made by subsection (a)), any individual who— “(A) has attained the age of 18; “(B) is not under a disability (as defined in section 223(d) of such Act) (42 U.S.C. 423(d)); “(C) is entitled to a child’s insurance benefit under such section 222(d) (42 U.S.C. 422(d)) for August 1981; and “(D) is a full-time student at a postsecondary school, college, or university that is an educational institution (as such terms are defined in section 202(d)(7)(A) and (C) of such Act as in effect prior to the amendments made by subsection (a)) for any month prior to May 1982, shall be entitled to a child’s benefit under section 222(d) of such Act in accordance with the provisions of such section as in effect prior to the amendments made by subsection (a) for any month after July 1981 and prior to October 1981 if such individual would be entitled to such child’s benefit for such month under such section 222(d) if subsections (a) and (b) of this section (amend-
(d) of this section and enacting a provision set forth in this subsection, any other persons or circumstances shall also be considered invalid.’’


OFFSET AGAINST SPOUSES’ BENEFITS ON ACCOUNT OF PUBLIC PENSIONS

Pub. L. 95–216, title III, §334(h), as added by Pub. L. 97–455, §7(a)(1), Jan. 12, 1983, 96 Stat. 2501, and amended by Pub. L. 98–617, §2(b)(2), Nov. 8, 1984, 98 Stat. 3294, provided that: ‘‘In addition, the amendments made by the preceding provisions of this section [see section 334(f) of Pub. L. 95–216, set out as an Effective Date of 1977 Amendment note above] shall not apply with respect to any monthly insurance benefit payable, under subsection (b), (c), (e), (f), or (g) (as the case may be) of section 202 of the Social Security Act [42 U.S.C. 402], to an individual—

‘‘(1)(A) to whom there is payable for any month prior to July 1983 (or who is eligible in any such month for) a monthly periodic benefit (within the meaning of such provisions) based upon such individual’s earnings while in the service of the Federal Government or any State (or political subdivision thereof), as defined in section 218(b)(2) of the Social Security Act [42 U.S.C. 418(b)(2)], or (B) who would have been eligible for such a monthly periodic benefit (within the meaning of subsection (g)(2) [set out as a note above]) prior to the close of June 1983, except for a requirement which postponed eligibility (as so defined) for such monthly periodic benefit until the month following the month in which all other requirements were met; and

‘‘(2) who at the time of application for or initial entitlement to such monthly insurance benefit under such subsection (b), (c), (e), (f), or (g)—

‘‘(A) meets the dependency test of one-half support set forth in paragraph (1)(C) of such subsection (c) as it read prior to the enactment of the amendments made by this section [see section 334(f) of Pub. L. 95–216, set out as an Effective Date of 1977 Amendment note above], or an equivalent dependency test (if the individual is a woman), in the case of an individual applying for or becoming entitled to benefits under such subsection (b) or (c), or

‘‘(B) who at the time of application for or initial entitlement to such monthly insurance benefit under such subsection (b), (c), (e), (f), or (g) meets the requirements of that subsection as it was in effect and being administered in January 1977.

‘‘(C) as it read prior to the enactment of the amendments made by this section, or an equivalent dependency test (if the individual is a woman), in the case of an individual applying for or becoming entitled to benefits under such subsection (b) or (c), or

‘‘(2)(A) to whom there is payable for any month within the 60-month period beginning with the month in which this Act [December 1977] is enacted (or who is eligible in any such month for) a monthly periodic benefit (within the meaning of such provisions) based upon such individual’s earnings while in the service of the Federal Government or any State (or political subdivision thereof, as defined in section 218(b)(2) of the Social Security Act [42 U.S.C. 418(b)(2)], or (ii) who would have been eligible for such a monthly periodic benefit (within the meaning of paragraph (2)) before the close of such 60-month period, except for a requirement which postponed eligibility (as so defined) for such monthly periodic benefit until the month following the month in which all other requirements were met; and

‘‘(2) who at the time of application for or initial entitlement to such monthly insurance benefit under such subsection (b), (c), (e), (f), or (g)—

‘‘(A) meets the dependency test of one-half support set forth in paragraph (1)(C) of such subsection (c) as it read prior to the enactment of the amendments made by this section, or an equivalent dependency test (if the individual is a woman), in the case of an individual applying for or becoming entitled to benefits under such subsection (b) or (c), or

‘‘(B) who at the time of application for or initial entitlement to such monthly insurance benefit under such subsection (b), (c), (e), (f), or (g) meets the requirements of that subsection as it was in effect and being administered in January 1977.

‘‘(2) For purposes of paragraph (1)(A), an individual is eligible for a monthly periodic benefit for any month if such benefit would be payable to such individual for that month if such individual were not employed during that month and had made proper application for such benefit.

‘‘(3) If any provision of this subsection, or the application therefor to any person or circumstance, is held invalid, the remainder of this section shall not be affected thereby, but the application of this subsection to

REDETERMINATION OF WIDOW’S AND WIDOWER’S MONTHLY INSURANCE BENEFITS FOR MONTHS AFTER DECEMBER 1978

Pub. L. 95–216, title III, §336(c)(2), Dec. 20, 1977, 91 Stat. 1548, provided that: ‘‘In the case of an individual who was entitled for the month of December 1978 to monthly insurance benefits under subsection (e) or (f) of section 202 of the Social Security Act [42 U.S.C. 402(e), (f)] (as the case may be) of such subsection (e)(4) or (f)(5) applied, the Secretary shall, if such benefits would be increased by the amendments made by this section, recomputed the amount of such benefits for months after December 1978 as if such amendments had been in effect for the first
§ 402

TITLED 42—THE PUBLIC HEALTH AND WELFARE

Page 1660

TITLE 42—THE PUBLIC HEALTH AND WELFARE

Chapter 70—Social Security

Title II—Old-Age, Survivors, and Disability Insurance

§ 402

MINIMUM MONTHLY INSURANCE BENEFITS FOR MONTHS AFTER DECEMBER 1978, FOR WidOW OR WidOER AND OTHER JoINTLY ENTITLED INDIVIDUALS

Pub. L. 95-216, title III, § 336(d), Dec. 20, 1977, 91 Stat. 1548, provided that: "Where—``(1) two or more persons are entitled to monthly benefits under section 202 of the Social Security Act [42 U.S.C. 402] for December 1978 on the basis of the wages and self-employment income of a deceased individual, and one or more of such persons is so entitled under subsection (e) or (f) of such section 202 [42 U.S.C. 402(e), (f)], and
``(2) one or more of such persons is entitled on the basis of such wages and self-employment income to monthly benefits under subsection (e) or (f) of such section 202 (as amended by this section) for January 1979, and
``(3) the total of benefits to which all persons are entitled under section 202 of such Act on the basis of such wages and self-employment income for January 1979 is reduced by reason of section 203(a) of such Act as amended by this Act [42 U.S.C. 403(a)] (or would, but for the first sentence of section 203(a), be so reduced), then the amount of the benefit to which each such person referred to in paragraph (1) is entitled for months after December 1978 shall in no case be less after the application of this section [see section 336(c)(1) of Pub. L. 95-216, set out as an Effective Date of 1977 Amendment note under this section] and such section 203(a) [42 U.S.C. 403(a)] than the amount it would have been without the application of this section."

TERMINATION OF SPECIAL $50 PAYMENTS UNDER TAX REDUCTION ACT OF 1975

Pub. L. 95-30, title IV, § 406, May 23, 1977, 91 Stat. 156, provided that: "Notwithstanding the provisions of section 702(a) of the Tax Reduction Act of 1975 (see Pub. L. 94-12, § 702, set out as a note under this section), no payment shall, after the date of the enactment of this Act [May 23, 1977], be made under that section."

SPECIAL $50 PAYMENT UNDER TAX REDUCTION ACT OF 1975

Pub. L. 94-12, title VII, § 702, Mar. 29, 1975, 89 Stat. 66, provided that the Secretary of the Treasury, at the earliest practicable date after Mar. 29, 1975, make a $50 payment to each individual, who for the month of March, 1975, was entitled, without regard to section 402(j)(1) or 423(b) of this title or section 233(a)(i)(I) of Title 42, Railroad Retirement Act of 1937, the Railroad Retirement Act of 1935, or the Railroad Retirement Act of 1937, or any benefit under the supplemental security income benefits program under subchapter VI of this title, except that payment be made only to individuals who were paid a benefit for March 1973 in a check issued no later than Aug. 31, 1975, that no payment be made to any individual who is not a resident of the United States as defined in section 410(i) of this title, and if an individual is entitled under two or more programs, this individual receive only one $50 payment, and that this payment received not be considered as income, or for the calendar year 1975, as a resource, for purposes of any Federal or State program which undertakes to furnish aid or assistance to individuals or families, where eligibility for the program is based upon need of the individual or family involved or as income for federal income tax purposes.

MARCH THROUGH MAY 1974 MONTHLY INSURANCE BENEFITS FOR ONLY INDIVIDUAL ENTITLED TO BENEFIT ON BASIS OF WAGES AND SELF-EMPLOYMENT INCOME OF DECEASED INDIVIDUAL

Section 1(i) of Pub. L. 93-233 provided that: "In the case of an individual to whom monthly benefits are payable under title II of the Social Security Act [42 U.S.C. 401 et seq.] for February 1974 (without the application of section 202(j)(1) or 223(b) of such Act [42 U.S.C. 402(j)(1), 423(b)], and to whom section 202(m) of such Act [42 U.S.C. 402(m)] is applicable for such month, such section shall continue to be applicable to such benefits for the months of March through May 1974 for which such individual remains the only individual entitled to a monthly benefit on the basis of the wages and self-employment income of the deceased insured individual."

COST-OF-LIVING INCREASE IN SOCIAL SECURITY BENEFITS; EFFECTIVE DATE; CONSUMER PRICE INDEX PERCENTAGE


"(a)(1) The Secretary of Health, Education, and Welfare [now Health and Human Services] (hereinafter in this section referred to as the 'Secretary') shall, in accordance with the provisions of this section, increase the monthly benefits and lump-sum death payments under title II of the Social Security Act [42 U.S.C. 401 et seq.] by 7 per centum.

"(2) The provisions of this section (and the increase in benefits made hereunder) shall be effective, in the case of monthly benefits under title II of the Social Security Act [42 U.S.C. 401 et seq.], only for months after February 1974 and prior to June 1974, and to whom section 203(m) of such Act [42 U.S.C. 403(m)] is applicable for such month, only with respect to deaths which occur after February 1974 and prior to June 1974.

"(b) The increase in social security benefits authorized under this section shall be provided, and any determinations by the Secretary in connection with the provisions of such increase in benefits shall be made, in the manner prescribed in section 215(i) of the Social Security Act [42 U.S.C. 415(i)] for the implementation of cost-of-living increases authorized under title II of such Act [42 U.S.C. 401 et seq.], except that:

``(1) the amount of such increase shall be 7 per centum,
``(2) in the case of any individual entitled to monthly insurance benefits payable pursuant to section 202(e) of such Act [42 U.S.C. 402(e)] for February 1974 (without the application of section 202(j)(1) or 223(b) of such Act [42 U.S.C. 402(j)(1), 423(b)], including such benefits based on a primary insurance amount determined under section 215(a)(3) of such Act [42 U.S.C. 415(a)(3)] as amended by this section, such increase shall be determined without regard to paragraph (2)(B) of such section 202(e), and
``(3) in the case of any individual entitled to monthly insurance benefits payable pursuant to section 202(f) of such Act for February 1974 (without the application of section 202(j)(1) or 223(b) of such Act), including such benefits based on a primary insurance amount determined under section 215(a)(3) of such Act as amended by this section, such increase shall be determined without regard to paragraph (3)(B) of such section 202(f).

"(c) The increase in social security benefits provided by this section shall—

``(1) not be considered to be an increase in benefits made under or pursuant to section 215(i) of the Social Security Act [42 U.S.C. 415(i)], and
``(2) not (except for purposes of section 203(a)(2) of such Act [42 U.S.C. 403(a)(2)], as in effect after February 1974) be considered to be a 'general benefit increase under this title' [42 U.S.C. 401 et seq. (as such term is defined in section 215(i)(3) of such Act) [42 U.S.C. 415(i)(3)]]; and nothing in this section shall be construed as authorizing any increase in the 'contribution and benefit base' (as that term is employed in section 230 of such Act) [42 U.S.C. 430], or any increase in the 'exempt amount' (as such term is used in section 203(f)(8) of such Act [42 U.S.C. 403(f)(8)]).

"(d) Nothing in this section shall be construed to authorize (directly or indirectly) any increase in monthly
benefits under title II of the Social Security Act [42 U.S.C. 401 et seq.] for any month after May 1974, or any increase in lump-sum death payments payable under such title in the case of deaths occurring after May 1974. The recognition of the existence of the increase in benefits authorized by the preceding subsections of this section (during the period it was in effect) in the application of the amendments made by this section shall not, for purposes of the preceding sentence, be considered to be an increase in a monthly benefit for a month after May 1974.

Redetermination of Widow's and Widower's Benefits for December 1972 and After To Provide for 1972 Increases

Pub. L. 92–603, title I, §102(g), Oct. 30, 1972, 86 Stat. 1338, provided that: “(1) In the case of an individual who is entitled to widow's or widower's insurance benefits for the month of December 1972 the Secretary shall, if it would increase such benefits, redetermine the amount of such benefits for months after December 1972 under title II of the Social Security Act [42 U.S.C. 401 et seq.] as if the amendments made by this section [amending this section and section 403 of this title] had been in effect for the first month of such individual's entitlement to such benefits; “(2) For purposes of paragraph (1)— “(A) any deceased individual on whose wages and self-employment income the benefits of an individual referred to in paragraph (1) are based, shall be deemed not to have been entitled to benefits if the record, of insured individuals who were entitled to benefits, that is readily available to the Secretary contains no entry for such deceased individual; and “(B) any deductions under subsections (b) and (c) of section 203 of such Act [42 U.S.C. 403(b), (c)], applicable to the benefits of an individual referred to in paragraph (1) are disregarded in applying the provisions of section 203(q)(7) of such Act (42 U.S.C. 403(q)(7)) (as amended by this Act) [Pub. L. 92–603].”

Adjustment of Benefits Based on Disability Which Began Between Age 18 and 22

Pub. L. 92–603, title I, §108(g), Oct. 30, 1972, 86 Stat. 1344, provided that: “Where— “(1) one or more persons are entitled (without the application of subsections (j)(1) and (2) of the Social Security Act) [42 U.S.C. 402(j)(1), 423(b)] to monthly benefits under section 202 or 223 of such Act for December 1972 on the basis of the wages and self-employment income of an insured individual, and “(2) one or more persons (not included in paragraph (1)) are entitled to monthly benefits under such section 202 or 223 [42 U.S.C. 402, 423] for January 1973 solely by reason of the amendments made by this section on the basis of such wages and self-employment income, and “(3) the total of benefits to which all persons are entitled under such sections 202 and 223 on the basis of such wages and self-employment income for January 1973 is reduced by reason of section 203(a) of such Act [42 U.S.C. 403(a)] as amended by this Act, or would, but for the penultimate sentence of such section 203(a), be so reduced, then the amount of the benefit to which each such person referred to in paragraph (1) is entitled for the first month of such individual's entitlement to such benefits (other than the application of such section 203(a)) as a surviving divorced mother (as defined in section 216(h)(3) [42 U.S.C. 416(h)(3)] for a month after December 1972 on the basis of such wages and self-employment income, and “(3) the total of benefits to which all persons are entitled under such section[s] 202 and 223 [42 U.S.C. 402, 423] on the basis of such wages and self-employment income for any month after December 1972 is reduced by reason of section 203(a) of such Act [42 U.S.C. 403(a)] as amended by this Act (or would, but for the penultimate sentence of such section 203(a), be so reduced) then the amount of the benefit to which each person referred to in paragraph (1) of this subsection is entitled for months after December 1972 shall be adjusted, after the application of such section 203(a) [42 U.S.C. 403(a)], to an amount no less than the amount it would have been if the person or persons referred to in paragraph (2) of this subsection were not entitled to a benefit referred to in such paragraph (2).”

Termination of Child's Insurance Benefits by Reason of Adoption

Pub. L. 92–603, title I, §112(c), Oct. 30, 1972, 86 Stat. 1347, provided that: “Any child— “(1) whose entitlement to child's insurance benefits under section 202(d) of the Social Security Act [42 U.S.C. 402(d)] was terminated by reason of his adoption, prior to the date of the enactment of this Act (Oct. 30, 1972), and “(2) who, except for such adoption, would be entitled to child's insurance benefits under such section for a month after the month in which this Act is enacted (October 1972), may, upon filing application for child's insurance benefits under the Social Security Act after the date of enactment of this Act, become reentitled to such benefits; except that no child shall, by reason of the enactment of this section, become reentitled to such benefits for any month prior to the month in which this Act is enacted.”

Savings Provisions

1972—Pub. L. 92–603, title I, §102(h), Oct. 30, 1972, 86 Stat. 1338, provided that: “(1) two or more persons are entitled to monthly benefits under section 202 of the Social Security Act [42 U.S.C. 402] for December 1972 on the basis of the wages and self-employment income of an insured individual, and one or more of such persons is so entitled under subsection (e) or (f) of such section 202, and “(2) one or more of such persons is entitled on the basis of such wages and self-employment income to monthly benefits under subsection (e) or (f) of such section 202 (as amended by this section) for January 1973, and “(3) the total of benefits to which all persons are entitled under section 202 of such Act on the basis of such wages and self-employment income for January 1973 is reduced by reason of section 203(a) of such Act [42 U.S.C. 403(a)], as amended by this Act (or would, but for the penultimate sentence of such section 203(a), be so reduced), then the amount of the benefit to which each such person referred to in paragraph (1) is entitled for months after December 1972 shall in no case be less after the application of this section and such section 203(a) than the amount it would have been without the application of this section.”

Pub. L. 92–603, title I, §114(e), Oct. 30, 1972, 86 Stat. 1348, provided that: “Where— “(1) one or more persons are entitled (without the application of sections 202(j)(1) and 223(b) of the Social Security Act) [42 U.S.C. 402(j)(1), 423(b)] to monthly benefits under section 202 or 223 of such Act for December 1972 on the basis of the wages and self-employment income of an insured individual, and “(2) one or more persons (not included in paragraph (1)) are entitled to monthly benefits under such section 202 or 223 [42 U.S.C. 402, 423] for January 1973 solely by reason of the amendments made by this section on the basis of such wages and self-employment income, and “(3) the total of benefits to which all persons are entitled under such section[s] 202 and 223 [42 U.S.C. 402, 423] on the basis of such wages and self-employment income for any month after December 1972 is reduced by reason of section 203(a) of such Act [42 U.S.C. 403(a)] as amended by this Act (or would, but for the penultimate sentence of such section 203(a), be so reduced) then the amount of the benefit to which each person referred to in paragraph (1) of this subsection is entitled for months after December 1972 shall be adjusted, after the application of such section 203(a), to an amount no less than the amount it would have been if the person or persons referred to in paragraph (2) of this subsection were not entitled to a benefit referred to in such paragraph (2).”

1961—Pub. L. 87–64, title I, §104(f), June 30, 1961, 75 Stat. 139, provided that: “Where— “(1) two or more persons were entitled (without the application of subsection (j)(1) of section 202 of the
Social Security Act [42 U.S.C. 402(j)(1)] to monthly benefits under such section 202 for the last month beginning before the effective date of this title [see Effective Date of 1961 Amendment note set out above] on the basis of the wages and self-employment income of a deceased individual, and one or more of such persons is entitled to a monthly insurance benefit under subsection (e), (f), or (g) of section 202 for such last month; and

"(2) no person, other than the persons referred to in paragraph (1) of this subsection, is entitled to benefits under such section 202 on the basis of such individual's wages and self-employment income for a subsequent month or for any month after such last month and before such subsequent month; and

"(3) the total of the benefits to which all persons are entitled under such section 202 on the basis of such individual's wages and self-employment income for such subsequent month is reduced by reason of the application of section 203(a) of such Act [42 U.S.C. 403(a)],

then the amount of the benefit to which each such person referred to in paragraph (1) of this subsection is entitled for such subsequent month shall be determined without regard to this Act if, after the application of this Act, such benefit for such month is less than the amount of such benefit for such last month. The preceding provisions of this subsection shall not apply to any monthly benefit of any person for any month beginning after the effective date of this title [see Effective Date note of 1961 Amendment note set out above] unless paragraph (3) also applies to such benefit for the month beginning on such effective date (or would so apply but for the next to the last sentence of section 203(a) of the Social Security Act) after the application of such section 203(a), to the amount of such benefit.

"(4) in case such person is entitled to benefits under section 202(a), (e), (g), or (h), as though this section and section 208 [42 U.S.C. 408] had not been enacted, or

"(5) in case such person is entitled to benefits under section 202(d), as though (i) no person is entitled to benefits under section 202(e), (f), (g), or (h) for such subsequent month, and (ii) the maximum of benefits payable, as described in paragraph (3), is such maximum less the amount of each person's benefit for such subsequent month, therefore determined pursuant to paragraph (4)."


"(1) one or more persons were entitled (without the application of section 203(a)) to benefits under section 202 of such Act for the month in which this Act is enacted [August 1958] on the basis of the wages and self-employment income of an individual; and

"(2) any person is entitled to benefits under subsection (b), (c), (d), (e), (f), or (g) of section 202 of the Social Security Act for any subsequent month on the basis of such individual's wages and self-employment income and such person would not be entitled to such benefits but for the enactment of this section; and

"(3) the total of the benefits to which all persons are entitled under section 202 of the Social Security Act on the basis of such individual's wages and self-employment income for such subsequent month is reduced by reason of the application of section 203(a) of such Act [42 U.S.C. 403(a)],

then the amount of the benefit to which each such person referred to in paragraph (1) of this subsection is entitled under section 202 of the Social Security Act on the basis of such individual's wages and self-employment income for such subsequent month exceeds the maximum of benefits payable, as provided in section 203(a) of such Act [42 U.S.C. 403(a)], on the basis of such wages and self-employment income, then the amount of the benefit to which each such person referred to in paragraph (1) of this subsection is entitled for such subsequent month shall be determined—

"(a) in case such person is entitled to benefits under section 202(a), (e), (g), or (h), as though this section and section 208 [42 U.S.C. 408] had not been enacted, or

"(b) a person becomes entitled to a widow's, widower's or mother's insurance benefit under section 202(e), (f), (g), or (h) of the Social Security Act for any subsequent month on the basis of such wages and self-employment income;

"(c) the total of the benefits to which all persons are entitled under section 202 of the Social Security Act, on the basis of such wages and self-employment income for such subsequent month are reduced by reason of the application of section 203(a) of such Act [42 U.S.C. 403(a)],

then the amount of the benefit to which each such person referred to in paragraph (a) or (b) is entitled for
such subsequent month shall be increased, after the application of such section 203(a), to the amount it would have been.

“(e) If, in the case of a parent’s insurance benefit, the person referred to in paragraph (b) was not entitled to the benefit referred to in such paragraph, or in the case of a benefit referred to in paragraph (b), no person was entitled to a parent’s insurance benefit for such subsequent month on the basis of such wages and self-employment income.”

**FILING OF PROOF OF SUPPORT**

1968—Pub. L. 90–248, title I, § 157(c), Jan. 2, 1968, 81 Stat. 867, provided that: “In the case of any husband who would not be entitled to husband’s insurance benefits under section 202(c) of the Social Security Act [42 U.S.C. 402(c)] or any widower who would not be entitled to widower’s insurance benefits under section 202(f) of such Act except for the enactment of this section, the requirement in section 202(c)(1)(C) or 202(f)(1)(D) of such Act relating to the time within which proof of support must be filed shall not apply if such proof of support is filed within two years after the month following the month in which this Act is enacted (January 1968).”

1961—Pub. L. 87–64, title I, § 103(c), June 30, 1961, 75 Stat. 138, provided that: “In the case of any widower or parent who would not be entitled to widow’s or parent’s insurance benefits under section 202(h), of the Social Security Act except for the enactment of this Act (other than this subsection), the requirement in section 202(h)(1)(B), respectively, of the Social Security Act relating to the time within which proof of support must be filed shall not apply if such proof of support is filed within the two-year period beginning on the effective date of this title [see Effective Date of 1961 Amendment note set out above].”

1958—Pub. L. 85–940, title II, § 207(b), Aug. 28, 1958, 72 Stat. 1028, provided that: “In the case of any husband, widower, or parent who would not be entitled to benefits under section 202(c), section 202(f), and section 202(b), respectively, of the Social Security Act [42 U.S.C. 402(c), (f), (b)] except for the enactment of section 203 of this Act [amending this section and sections 401, 403, 414, 415, 422, and 425 of this title], the requirement in such section 202(c), section 202(f), or section 202(b), as the case may be, that proof of support be filed within a two-year period shall not apply if such proof is filed within two years after the month in which this Act is enacted [August 1958].”

Pub. L. 85–940, title III, § 304(c), Aug. 28, 1958, 72 Stat. 1030, provided that: “In the case of any parent who would not be entitled to parent’s benefits under section 202(h) of the Social Security Act [42 U.S.C. 402(h)] except for the enactment of this section, the requirement in section 202(h)(1)(B) that proof of support be filed within two years of the date of death of the insured individual referred to therein shall not apply if such proof is filed within the two-year period beginning with the first day of the month after the month in which this Act is enacted [August 1958].”

1954—Act Sept. 1, 1954, ch. 1206, title I, § 113, 68 Stat. 1066, provided that:

“(a) For the purpose of determining the entitlement to insurance benefits under subsection (c) of subsection 202 of the Social Security Act [42 U.S.C. 402(c)] on the basis of his wife’s wages and self-employment income, the requirements of paragraph (1)(D) of such subsection shall be deemed to be met if—

“(1) such individual was receiving at least one-half of his support, as determined in accordance with regulations prescribed by the Secretary of Health, Education, and Welfare [now Health and Human Services], from his wife on the first day of the first month (A) for which she was entitled to monthly benefits under subsection (a) of such section 202, and (B) in which an event described in paragraph (1) or (2) of section 203(b) of such Act [42 U.S.C. 403(b)] (as in effect before or after the enactment of this Act [Sept. 1, 1954]) did not occur.

“(2) such individual has filed proof of such support within two years after such first month, and

“(3) such individual was, without the application of subsection (j)(1) of such section 202, entitled to a primary insurance benefit under such Act for August 1950.

“(b) For the purpose of determining the entitlement of any individual to widow’s insurance benefits under subsection (f) of section 202 of the Social Security Act on the basis of his deceased wife’s wages and self-employment income, the requirements of paragraph (1)(E)(ii) of such subsection shall be deemed to be met if—

“(1) such individual was receiving at least one-half of his support, as determined in accordance with regulations prescribed by the Secretary of Health, Education, and Welfare [now Health and Human Services], from his wife, and she was a currently insured individual, on the first day of the first month (A) for which she was entitled to a monthly benefit under section 202(a) of such Act, and (B) in which an event described in paragraph (1) or (2) of section 203(b) of such Act (as in effect before or after the enactment of this Act [Sept. 1, 1954]) did not occur.

“(2) such individual has filed proof of such support within two years after such first month, and

“(3) such wife was, without the application of subsection (j)(1) of such section 202, entitled to a primary insurance benefit under such Act for August 1950.

“(c) For purposes of subsection (b)(1) of this section, and for purposes of section 202(c)(1) of the Social Security Act in cases to which subsection (a) of this section is applicable, the wife of an individual who was deceased shall be deemed a currently insured individual if she had not less than six quarters of coverage (as determined under section 213 of the Social Security Act) [42 U.S.C. 413] during the thirteenth-quarter period ending with the calendar quarter in which occurs the first month (1) for which such wife was entitled to a monthly benefit under section 202(a) of such Act, and (2) in which an event described in paragraph (1) or (2) of section 203(b) of such Act (as in effect before or after the enactment of this Act [Sept. 1, 1954]) did not occur.

“(d) This section shall apply only with respect to husband’s insurance benefits under section 202(c) of the Social Security Act [42 U.S.C. 402(c)], and widower’s insurance benefits under section 202(f) of such Act [42 U.S.C. 402(f)], for months after August 1954, and only with respect to benefits based on applications filed after such month.”

1950—Act Aug. 28, 1950, ch. 809, title I, § 101(c), 64 Stat. 488, provided that:

“(1) Any individual entitled to primary insurance benefits or widow’s current insurance benefits under section 202 of the Social Security Act [42 U.S.C. 402] as in effect prior to its amendment by this Act who would, but for the enactment of this Act, be entitled to such benefits for September 1950 shall be deemed to be entitled to old-age insurance benefits or mother’s insurance benefits (as the case may be) under section 202 of the Social Security Act, as amended by this Act, as though such individual became entitled to such benefits in such month.

“(2) Any individual entitled to any other monthly insurance benefits under section 202 of the Social Security Act as in effect prior to its amendment by this Act who would, but for the enactment of this Act, be entitled to such benefits under section 202 of the Social Security Act, as amended by this Act, as though such individual became entitled to such benefits in such month.

“(3) Any individual who files application after August 1950 for monthly benefits under any subsection of section 202 of the Social Security Act who would, but for the enactment of this Act, be entitled to benefits under such subsection (as in effect prior to such enactment) for any month prior to September 1950 shall be deemed
entitled to such benefits for such month prior to September 1950 to the same extent and in the same amounts as though this Act had not been enacted.”

EXTENSION OF FILING PERIOD FOR HUSBAND’S, WIDOWER’S, OR PARENT’S BENEFITS IN CERTAIN CASES

Pub. L. 86–778, title II, §210, Sept. 13, 1960, 74 Stat. 953, provided that:

“(a) In the case of any husband who would not be entitled to husband’s insurance benefits under section 202(c) of the Social Security Act (42 U.S.C. 402(c)) except for the enactment of this Act, the requirement in section 202(c)(1)(C) of the Social Security Act relating to the time within which proof of support must be filed shall not apply if such proof of support is filed within two years after the month in which this Act is enacted [September 1960].

“(b) In the case of any widower who would not be entitled to widower’s insurance benefits under section 202(c) of the Social Security Act except for the enactment of this Act, the requirement in section 202(f)(1)(D) of the Social Security Act relating to the time within which proof of support must be filed shall not apply if such proof of support is filed within two years after the month in which this Act is enacted.

“(c) In the case of any parent who would not be entitled to parent’s insurance benefits under section 202(h) of the Social Security Act except for the enactment of this Act, the requirement in section 202(h)(1)(B) of the Social Security Act relating to the time within which proof of support must be filed shall not apply if such proof of support is filed within two years after the month in which this Act is enacted.

DISREGARDING OASDI BENEFIT INCREASES AND CHILD’S INSURANCE BENEFIT PAYMENTS BEYOND AGE 18 TO THE EXTENT ATTRIBUTABLE TO RETROACTIVE EFFECTIVE DATE OF 1965 AMENDMENTS

Authorization to disregard, in determining need for aid or assistance under an approved State plan, amounts paid under this subchapter for months occurring after December 1964 and before October 1965 to the extent to which payment is attributable to the payment of child’s insurance benefits under the old-age, survivors, and disability insurance system after attainment of age 18, in the case of individuals attending school, resulting from enactment of section 306 of Pub. L. 89–97, see section 406 of Pub. L. 89–97, set out as a note under section 415 of this title.

LUMP-SUM PAYMENTS WHERE DEATH OCCURRED PRIOR TO SEPTEMBER 1, 1950

Act Aug. 28, 1950, ch. 809, title I, §101(d), 64 Stat. 488, as amended July 18, 1952, ch. 945, §5(e)(1), 66 Stat. 775; Sept. 13, 1960, Pub. L. 86–778, title I, §103(a)(2), 74 Stat. 936, provided that: “Lump-sum death payments shall be made in the case of individuals who died prior to September 1950 as though this Act had not been enacted; except that in the case of any individual who died outside the forty-eight States and the District of Columbia after December 1, 1941, and prior to August 10, 1946, the last sentence of section 202(g) of the Social Security Act (42 U.S.C. 402(g)) as in effect prior to the enactment of this Act shall not be applicable if application for a lump-sum death payment is filed prior to September 1952, and except that in the case of any individual who died outside the forty-eight States and the District of Columbia on or after June 25, 1950, and prior to September 1952, whose death occurred while he was in the active military or naval service of the United States, and who is returned to any of such States, the District of Columbia, Alaska, Hawaii, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, or American Samoa for interment or reinterment, the last sentence of section 202(g) of the Social Security Act as in effect prior to the enactment of this Act [July 18, 1952] shall not prevent payment to any person under the second sentence thereof if application for a lump-sum death payment under such section with respect to such deceased individual is filed by or on behalf of such person (whether or not legally competent) prior to the expiration of two years after the date of such interment or reinterment.”

LUMP-SUM PAYMENTS FOR DEATHS BEFORE 1940; TIME LIMITATION

Lump-sum payments of 3% percent of total wages paid with respect to employment after Dec. 31, 1938 and before reaching the age of 65 were provided for persons who were not qualified individuals upon reaching that age by act Aug. 14, 1935, ch. 531, title II, §204, 49 Stat. 624, before amendment in 1939. Such lump-sum payments, except to the estate of an individual who died prior to Jan. 1, 1940, were prohibited after Aug. 10, 1939, by act Aug. 10, 1939, ch. 666, title IX, §902(g), 53 Stat. 1400. Section 415 of act Aug. 10, 1946, provided that no lump-sum payments shall be made under section 204 of the 1935 act or section 902(g) of the 1939 act unless application therefor has been filed prior to the expiration of six months after Aug. 10, 1946.

DEATH OUTSIDE U.S.; EXTENSION OF FILING TIME FOR LUMP-SUM PAYMENTS

Act July 18, 1952, ch. 945, §5(e)(2), 66 Stat. 775, as amended by Pub. L. 86–778, title I, §103(a)(2), Sept. 13, 1960, 74 Stat. 936, provided that: “In the case of any individual who died outside the District of Columbia after August 15, 1950 and prior to January 1954, whose death occurred while he was in the active military or naval service of the United States, and who is returned to any of such States, the District of Columbia, Alaska, Hawaii, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, or American Samoa for interment or reinterment, the last sentence of section 202(i) of the Social Security Act (42 U.S.C. 402(l)) shall not prevent payment to any person under the second sentence thereof if application for a lump-sum death payment with respect to such deceased individual is filed under such section by or on behalf of such person (whether or not legally competent) prior to the expiration of two years after the date of such interment or reinterment.”

PAYMENT OF ANNUITIES TO OFFICERS AND EMPLOYEES OF THE UNITED STATES CONVICTED OF CERTAIN OFFENSES

Act Aug. 1, 1956, ch. 836, title I, §121(b), 70 Stat. 838, provided that: “The amendment made by subsection (a) of this section [amending this section] shall not be construed to restrict or otherwise affect any of the provisions of the Act entitled ‘An Act to prohibit the payment of annuities to officers and employees of the United States convicted of certain offenses, and for other purposes’, approved September 1, 1954 (Public Law 79, eighty-third Congress) (sections 2391 to 2398 of former Title 5, Executive Departments and Government Officers and Employees, and are covered by section 8311 et seq. of Title 5, Government Organization and Employees).”

APPLICATION FOR BENEFITS BY SURVIVORS OF MEMBERS AND FORMER MEMBERS OF UNIFORMED SERVICES

Forms for use by survivors of members and former members of the uniformed services in filing applications for benefits under this subchapter to be prescribed jointly by the Secretary of Veterans Affairs and the Secretary of Health and Human Services, see section 5105 of Title 38, Veterans’ Benefits.

PAYMENTS OF ALIENS’ BENEFITS WITHHELD UNDER FOREIGN DELIVERY RESTRICTION OF CHECKS AGAINST FEDERAL FUNDS

Pub. L. 90–248, title I, §162(c)(3), Jan. 2, 1968, 81 Stat. 871, provided that: ‘Whenever benefits which an individual who is not a citizen or national of the United States was entitled to receive under the second sentence of section 202(g) of the Social Security Act [this subchapter] are, on June 30, 1968, being withheld by the Treasury Department under the
first section of the Act of October 9, 1940 (31 U.S.C. 123) [31 U.S.C. 3329(a) and 3330(a)], any such benefits, payable to such individual for months after the month in which the determination by the Treasury Department that the benefits should be so withheld was made, shall not be paid—

(A) to any person other than such individual, or,

(B) in excess of the equivalent of the last twelve months’ benefits that would have been payable to such individual.

STUDY OF RETIREMENT TEST AND OF DRUG STANDARDS AND COVERAGE

Pub. L. 90–248, title IV, § 405, Jan. 2, 1968, 81 Stat. 933, authorized the Secretary of Health, Education, and Welfare (now Health and Human Services) to make a study of the existing retirement test and proposals for the modification of the test, the quality and cost standards for drugs for which payments are made under this Act, and the coverage of drugs under part B of subchapter VIII of this chapter, and submit a report to the President and to Congress concerning his findings and recommendations on or before Jan. 1, 1969.

EX. ORD. NO. 12436. PAYMENT OF CERTAIN BENEFITS TO SURVIVORS OF PERSONS WHO DIED IN OR AS A RESULT OF MILITARY SERVICE

Ex. Ord. No. 12436, July 29, 1963, 48 F.R. 34931, provided:

By the authority vested in me as President by the Constitution and laws of the United States of America, including Section 156 of Public Law 97–377 (96 Stat. 1920; 42 U.S.C. 402 note), in order to provide certain benefits to the surviving spouses and children of certain persons who died in or as a result of military service, it is hereby ordered as follows:

Section 1. The Administrator of Veterans’ Affairs is designated to administer the provisions of Section 156 of Public Law 97–377.

Section 2. The Secretary of Health and Human Services shall provide to the Administrator of Veterans’ Affairs such information and such technical assistance as the Administrator may reasonably require to discharge his responsibilities under Section 156. The Administrator of Veterans’ Affairs shall reimburse the Department of Health and Human Services for all expenses it incurs in providing such information and technical assistance to the Administrator. Such expenses shall be paid from the Veterans’ Administration account designated to administer the provisions of Section 156.

Section 3. During fiscal year 1963 and each succeeding fiscal year, the Secretary of Defense shall transfer, from time to time, from the “Retired Pay, Defense” account of the Department of Defense to an account established in the Veterans’ Administration, such amounts as the Secretary of Veterans’ Affairs determines to be necessary to pay the benefits authorized by Section 156 during fiscal year 1963 and each succeeding fiscal year, and the expenses incurred by the Veterans’ Administration in paying such benefits during fiscal year 1963 and each succeeding fiscal year. Such transfers shall, to the extent feasible, be made in advance of the determination of benefits and expenses by the Veterans’ Administration.

Section 4. This Order shall be effective as of January 1, 1963.

RONALD REAGAN.

§ 403. Reduction of insurance benefits

(a) Maximum benefits

(1) In the case of an individual whose primary insurance amount has been computed or recomputed under section 415(a)(1) or (4) of this title, or section 415(d) of this title, as in effect after December 1978, the total monthly benefits to which beneficiaries may be entitled under section 402 or 423 of this title for a month on the basis of the wages and self-employment income of such individual shall, except as provided by paragraphs (3) and (6) (but prior to any increases resulting from the application of paragraph (2)(A)(ii)(III) of section 415(i) of this title), be reduced as necessary so as not to exceed—

(A) 150 percent of such individual’s primary insurance amount to the extent that it does not exceed the amount established with respect to this subparagraph by paragraph (2),

(B) 272 percent of such individual’s primary insurance amount to the extent that it exceeds the amount established with respect to subparagraph (A) but does not exceed the amount established with respect to this subparagraph by paragraph (2),

(C) 134 percent of such individual’s primary insurance amount to the extent that it exceeds the amount established with respect to subparagraph (B) but does not exceed the amount established with respect to this subparagraph by paragraph (2),

(D) 175 percent of such individual’s primary insurance amount to the extent that it exceeds the amount established with respect to subparagraph (C).

Any such amount that is not a multiple of $0.10 shall be decreased to the next lower multiple of $0.10.

(2)(A) For individuals who initially become eligible for old-age or disability insurance benefits, or who die (before becoming so eligible for such benefits), in the calendar year 1979, the amounts established with respect to subparagraphs (A), (B), and (C) of paragraph (1) shall be $230, $332, and $433, respectively.

(B) For individuals who initially become eligible for old-age or disability insurance benefits, or who die (before becoming so eligible for such benefits), in any calendar year after 1978, each of the amounts so established shall equal the product of the corresponding amount established for the calendar year 1979 by the quotient obtained under this paragraph and the quotient obtained under subparagraph (B)(i) of section 415(e)(1) of this title, with such product being rounded in the manner prescribed by section 415(e)(1)(B)(iii) of this title.

(C) In each calendar year after 1978 the Commissioner of Social Security shall publish in the Federal Register, on or before November 1, the formula which (except as provided in section 415(e)(1) of this title) is to be applicable under this paragraph to individuals who become eligible for old-age or disability insurance benefits, or who die (before becoming eligible for such benefits), in the following calendar year.

(D) A year shall not be counted as the year of an individual’s death or eligibility for purposes of this paragraph or paragraph (8) in any case where such individual was entitled to a disability insurance benefit for any of the 12 months immediately preceding the month of such death or eligibility (but there shall be counted instead the year of the individual’s eligibility for the disability insurance benefits to which he was entitled during such 12 months).
(3)(A) When an individual who is entitled to
benefits on the basis of the wages and self-em-
ployment income of any insured individual and
to whom this subsection applies would (but for
the provisions of section 402(k)(2)(A) of this
title) be entitled to child's insurance benefits
for a month on the basis of the wages and self-em-
ployment income of one or more other insured
individuals, the total monthly benefits to which
all beneficiaries are entitled on the basis of such
wages and self-employment income shall not be
reduced under this subsection to less than the
smaller of—
(i) the sum of the maximum amounts of ben-
efits payable on the basis of the wages and
self-employment income of all such insured in-
dividuals, or
(ii) an amount (I) initially equal to the prod-
uct of 1.75 and the primary insurance amount
that would be computed under section 415(a)(1)
of this title, for January of the year deter-
mined for purposes of this clause under the
following two sentences, with respect to aver-
age indexed monthly earnings equal to one-
welfth of the contribution and benefit base
determined for that year under section 430 of
this title, and (II) thereafter increased in ac-
cordance with the provisions of section
415(i)(2)(A)(ii) of this title.

The year established for purposes of clause (ii)
shall be 1983 or, if it occurs later with respect to
any individual, the year in which occurred the
month that the application of the reduction pro-
visions contained in this subparagraph began
with respect to benefits payable on the basis of
the wages and self-employment income of the
insured individual. If for any month subsequent
to the first month for which clause (ii) applies
(with respect to benefits payable on the basis of
the wages and self-employment income of the
insured individual) the reduction under this sub-
paragraph ceases to apply, then the year deter-
mined under the preceding sentence shall be re-
determined (for purposes of any subsequent ap-
lication of this subparagraph with respect to
benefits payable on the basis of such wages and
self-employment income) as though this sub-
paragraph had not been previously applicable.

(B) When two or more persons were entitled
(without the application of section 402(j)(1) of
this title and section 423(b) of this title) to
monthly benefits under section 402 or 423 of
this title for January 1971 or any prior month on
the basis of the wages and self-employment income
of such insured individual and the provisions
of this subsection as in effect for any such month
were applicable in determining the benefit
amount of any persons on the basis of such
wages and self-employment income, the total of
benefits for any month after January 1971 shall
not be reduced to less than the largest of—
(i) the amount determined under this sub-
section without regard to this subparagraph,
(ii) the largest amount which has been deter-
mined for any month under this subsection for
persons entitled to monthly benefits on the basis
of such insured individual’s wages and
self-employment income, or
(iii) if any persons are entitled to benefits on
the basis of such wages and self-employment
income for the month before the effective
month (after September 1972) of a general ben-
efit increase under this title (as defined in sec-
tion 415(i)(3) of this title) or a benefit increase
under the provisions of section 415(i) of this
title, an amount equal to the sum of amounts
derived by multiplying the benefit amount de-
termined under this subchapter (excluding any
part thereof determined under section 402(w)
of this title) for the month before such effective
month (including this subsection, but
without the application of section 422(b) of
this title, section 402(q) of this title, and sub-
sections (b), (c), and (d) of this section), for
each such person for such month, by a percent-
age equal to the percentage of the increase
provided under such benefit increase (with any
such increased amount which is not a multiple
of $0.10 being rounded to the next lower mul-
tiple of $0.10);

but in any such case (I) subparagraph (A) of this
paragraph shall not be applied to such total of
benefits after the application of clause (ii) or
(iii), and (II) if section 402(k)(2)(A) of this title
was applicable in the case of any such benefits
for a month, and ceases to apply for a month
after such month, the provisions of clause (ii) or
(iii) shall be applied, for and after the month,
in which section 402(k)(2)(A) of this title ceases
to apply, as though subparagraph (A) of this para-
graph had not been applicable to such total of
benefits for the last month for which clause (ii)
or (iii) was applicable.

(C) When any of such individuals is entitled to
monthly benefits as a divorced spouse under sec-
tion 402(b) or (c) of this title or as a surviving di-
vided spouse under section 402(e) or (f) of this
title for any month, the benefit to which he or
she is entitled on the basis of the wages and self-
employment income of such insured individual
for such month shall be determined without re-
gard to this subsection, and the benefits of all
other individuals who are entitled for such
month to monthly benefits under section 402 of
this title on the wages and self-employment in-
come of such insured individual shall be deter-
mimed as if no such divorced spouse or surviving
divorced spouse were entitled to benefits for such
month.

(D) In any case in which—
(i) two or more individuals are entitled to
monthly benefits for the same month as a
spouse under subsection (b) or (c) of section
402 of this title, or as a surviving di-
vided spouse under section 402(e) or (f) of this
title for any month, the benefit to which he or
she is entitled on the basis of the wages and self-
employment income of such insured individual
for such month shall be determined with-out re-
gard to this subsection, and the benefits of all
other individuals who are entitled for such
month to monthly benefits under section 402 of
this title on the wages and self-employment in-
come of such insured individual shall be deter-
mimed as if no such divorced spouse or surviving
divorced spouse were entitled to benefits for such
month,

(ii) at least one of such individuals is enti-
tled by reason of subparagraph (A) or (B) of
section 416(h)(1) of this title, and

(iii) such entitlements are based on the
wages and self-employment income of the
same insured individual,

the benefit of the entitled individual whose enti-
titlement is based on a valid marriage (as deter-
mimed without regard to subparagraphs (A) or
(B) of section 416(h)(1) of this title) to such
insured individual shall, for such month and all
months thereafter, be determined without re-
gard to this subsection, and the benefits of all

1See References in Text note below.
other individuals who are entitled, for such month or any month thereafter, to monthly benefits under section 402 of this title based on the wages and self-employment income of such insured individual shall be determined as if such entitled individual were not entitled to benefits for such month.

(4) In any case in which benefits are reduced pursuant to the provisions of this subsection, the reduction shall be made after any deductions under this section and after any deductions under section 422(b) of this title for any month on the basis of the same wages and self-employment income as another person—

(A) who also is entitled to a benefit under subsection (b), (c), (d), (e), (f), (g), or (h) of section 402 of this title for such month,

(B) who does not live in the same household as such individual, and

(C) whose benefit for such month is suspended (in whole or in part) pursuant to subsection (h)(3) of this section,

shall be made before the suspension under subsection (h)(3). Whenever a reduction is made under this subsection in the total of monthly benefits to which individuals are entitled for any month on the basis of the wages and self-employment income of an insured individual, each such benefit other than the old-age or disability insurance benefit shall be proportionately decreased.

(5) Notwithstanding any other provision of law, when—

(A) two or more persons are entitled to monthly benefits for a particular month on the basis of the wages and self-employment income of an insured individual and (for such particular month) the provisions of this subsection are applicable to such monthly benefits, and

(B) such individual’s primary insurance amount is increased for the following month under any provision of this subchapter,

then the total of monthly benefits for all persons on the basis of such wages and self-employment income for such particular month, as determined under the provisions of this subsection, shall for purposes of determining the total monthly benefits for all persons on the basis of such wages and self-employment income for months subsequent to such particular month be considered to have been increased by the smallest amount that would have been required in order to assure that the total of monthly benefits payable on the basis of such wages and self-employment income for such subsequent month will not be less (after the application of the other provisions of this subsection and section 402(q) of this title) than the total of monthly benefits (after the application of the other provisions of this subsection and section 402(q) of this title) payable on the basis of such wages and self-employment income for such particular month.

(6) Notwithstanding any of the preceding provisions of this subsection other than paragraphs (3)(A), (3)(C), (3)(D), (4), and (5) (but subject to section 415(i)(2)(A)(ii) of this title), the total monthly benefits to which beneficiaries may be entitled under sections 402 and 423 of this title for any month on the basis of the wages and self-employment income of an individual entitled to disability insurance benefits shall be reduced before the application of section 424a of this title to the smaller of—

(A) 85 percent of such individual’s average indexed monthly earnings (or 100 percent of his primary insurance amount, if larger), or

(B) 150 percent of such individual’s primary insurance amount.

(7) In the case of any individual who is entitled for any month to benefits based upon the primary insurance amounts of two or more insured individuals, one or more of which primary insurance amounts were determined under section 415(a) or (d) of this title as in effect (without regard to the table contained therein) prior to January 1979 and one or more of which primary insurance amounts were determined under section 415(a)(1) or (4) of this title, or section 415(d) of this title, as in effect after December 1978, the total benefits payable to that individual and all other individuals entitled to benefits for that month based upon those primary insurance amounts shall be reduced to an amount equal to the amount determined in accordance with the provisions of paragraphs (3)(A)(ii) of this subsection, except that for this purpose the references to subparagraph (A) in the last two sentences of paragraph (3)(A) shall be deemed to references to paragraph (7).

(8) Subject to paragraph (7) and except as otherwise provided in paragraph (10)(C), this subsection as in effect in December 1978 shall remain in effect with respect to a primary insurance amount computed under section 415(a) or (d) of this title, as in effect (without regard to the table contained therein) in December 1978 and as amended by section 5117 of the Omnibus Budget Reconciliation Act of 1990, except that a primary insurance amount so computed with respect to an individual who first becomes eligible for an old-age or disability insurance benefit, or dies (before becoming eligible for such a benefit), after December 1978, shall instead be governed by this section as in effect after December 1978. For purposes of the preceding sentence, the phrase “rounded to the next higher multiple of $0.10”, as it appeared in subsection (a)(2)(C) of this section as in effect in December 1978, shall be deemed to read “rounded to the next lower multiple of $0.10”.

(9) When—

(A) one or more persons were entitled (without the application of section 402)(1)(1) of this title) to monthly benefits under section 402 of this title for May 1978 on the basis of the wages and self-employment income of an individual,

(B) the benefit of at least one such person for June 1978 is increased by reason of the amendments made by section 294 of the Social Security Amendments of 1978 entitling such person to benefits, and

(C) the total amount of benefits to which all such persons are entitled under such section 402 of this title are reduced under the provisions of this subsection (or would be so re-
such person is entitled for months after May 1978 shall be increased (after such reductions are made under this subsection) to the amount such benefits would have been if the benefit of the person or persons referred to in subparagraph (B) had not been so increased.

(10)(A) Subject to subparagraphs (B) and (C)—

(i) the total monthly benefits to which beneficiaries may be entitled under sections 402 and 423 of this title for a month on the basis of the wages and self-employment income of an individual whose primary insurance amount is computed under section 415(a)(2)(B)(i) of this title shall equal the total monthly benefits which were authorized by this section with respect to such individual’s primary insurance amount for the last month of his prior entitlement to disability insurance benefits, increased for this purpose by the general benefit increases and other increases under section 415(i) of this title that would have applied to such total monthly benefits had the individual remained entitled to disability insurance benefits until the month in which he became entitled to old-age insurance benefits or reentitled to disability insurance benefits or died, and

(ii) the total monthly benefits to which beneficiaries may be entitled under sections 402 and 423 of this title for a month on the basis of the wages and self-employment income of an individual whose primary insurance amount is computed under section 415(a)(2)(C) of this title shall equal the total monthly benefits which were authorized by this section with respect to such individual’s primary insurance amount for the last month of his prior entitlement to disability insurance benefits.

(B) In any case in which—

(i) the total monthly benefits with respect to such individual’s primary insurance amount for the last month of his prior entitlement to disability insurance benefits was computed under paragraph (6), and

(ii) the individual’s primary insurance amount is computed under subparagraph (B)(i) or (C) of section 415(a)(2) of this title by reason of the individual’s entitlement to old-age insurance benefits or death,

the total monthly benefits shall equal the total monthly benefits that would have been authorized with respect to the primary insurance amount for the last month of his prior entitlement to disability insurance benefits if such total monthly benefits had been computed without regard to paragraph (6).

(C) This paragraph shall apply before the application of paragraph (3)(A), and before the application of subsection (a)(1) of this section as in effect in December 1978.

(b) Deductions on account of work

(1) Deductions, in such amounts and at such time or times as the Commissioner of Social Security shall determine, shall be made from any payment or payments under this subchapter to which an individual is entitled, and from any payment or payments to which any other persons are entitled on the basis of such individual’s wages and self-employment income, until the total of such deductions equals—

(A) such individual’s benefit or benefits under section 402 of this title for any month, and

(B) if such individual was entitled to old-age insurance benefits under section 402(a) of this title for such month, the benefit or benefits of all other persons for such month under section 402 of this title based on such individual’s wages and self-employment income,

if for such month he is charged with excess earnings, under the provisions of subsection (f) of this section, equal to the total of benefits referred to in clauses (A) and (B). If the excess earnings so charged are less than such total of benefits, such deductions with respect to such month shall be equal only to the amount of such excess earnings. If a child who has attained the age of 18 and is entitled to child’s insurance benefits, or a person who is entitled to mother’s or father’s insurance benefits, is married to an individual entitled to old-age insurance benefits under section 402(a) of this title, such child or such person, as the case may be, shall, for the purposes of this subsection and subsection (f), be deemed to be entitled to such benefits on the basis of the wages and self-employment income of such individual entitled to old-age insurance benefits. If a deduction has already been made under this subsection with respect to a person’s benefit or benefits under section 402 of this title for a month, he shall be deemed entitled to payments under such section for such month for purposes of further deductions under this subsection, and for purposes of charging of each person’s excess earnings under subsection (f), only to the extent of the total of his benefits remaining after such earlier deductions have been made. For purposes of this subsection and subsection (f)—

(i) an individual shall be deemed to be entitled to payments under section 402 of this title equal to the amount of the benefit or benefits to which he is entitled under such section after the application of subsection (a) of this section, but without the application of the first sentence of paragraph (4) thereof; and

(ii) if a deduction is made with respect to an individual’s benefit or benefits under section 402 of this title because of the occurrence in any month of an event specified in subsection (c) or (d) of this section or in section 422(b)1 of this title, such individual shall not be considered to be entitled to any benefits under such section 402 for such month.

(2)(A) Except as provided in subparagraph (B), in any case in which—

(i) any of the other persons referred to in paragraph (1)(B) is entitled to monthly benefits as a divorced spouse under section 402(b) or (c) of this title for any month, and

(ii) such person has been divorced for not less than 2 years,

the benefit to which he or she is entitled on the basis of the wages and self-employment income of the individual referred to in paragraph (1) for
such month shall be determined without regard to deductions under this subsection as a result of excess earnings of such individual, and the benefits of all other individuals who are entitled for such month to monthly benefits under section 402 of this title on the basis of the wages and self-employment income of such individual referred to in paragraph (1) shall be determined as if no such divorced spouse were entitled to benefits for such month.

(B) Clause (ii) of subparagraph (A) shall not apply with respect to any divorced spouse in any case in which the individual referred to in paragraph (1) became entitled to old-age insurance benefits under section 402(a) of this title before the date of the divorce.

c) Deductions on account of noncovered work outside United States or failure to have child in care

Deductions, in such amounts and at such time or times as the Commissioner of Social Security shall determine, shall be made from any payment or payments under this subchapter to which an individual is entitled, until the total of such deductions equals such individual’s benefits or benefit under section 402 of this title for any month—

(1) in which such individual is under retirement age (as defined in section 416(l) of this title) and for more than forty-five hours of which such individual engaged in noncovered remunerative activity outside the United States;

(2) in which such individual, if a wife or husband under retirement age (as defined in section 416(l) of this title) entitled to a wife’s or husband’s insurance benefit, did not have in his or her care (individually or jointly with his or her spouse) a child of such spouse entitled to a child’s insurance benefit and such wife’s or husband’s insurance benefit for such month was not reduced under the provisions of section 402(q) of this title;

(3) in which such individual, if a widow or widower entitled to a mother’s or father’s insurance benefit, did not have in his or her care a child of his or her deceased spouse entitled to a child’s insurance benefit; or

(4) in which such an individual, if a surviving divorced mother or father entitled to a mother’s or father’s insurance benefit, did not have in his or her care a child of his or her deceased former spouse who (A) is his or her son, daughter, or legally adopted child and (B) is entitled to a child’s insurance benefit on the basis of the wages and self-employment income of such deceased former spouse.

For purposes of paragraphs (2), (3), and (4) of this subsection, a child shall not be considered to be entitled to a child’s insurance benefit for any month in which paragraph (1) of section 402(e) of this title applies or an event specified in section 422(b) of this title occurs with respect to such child. Subject to paragraph (3) of such section 402(e) of this title, no deduction shall be made under this subsection from any child’s insurance benefit for the month in which the child entitled to such benefit attained the age of eighteen or any subsequent month; nor shall any deduction be made under this subsection from any widow’s or widower’s insurance benefit if the widow, surviving divorced wife, widower, or surviving divorced husband involved became entitled to such benefit prior to attaining age 60.

(d) Deductions from dependents’ benefits on account of noncovered work outside United States by old-age insurance beneficiary

(1)(A) Deductions shall be made from any wife’s, husband’s, or child’s insurance benefit, based on the wages and self-employment income of an individual entitled to old-age insurance benefits, to which a wife, divorced wife, husband, divorced husband, or child is entitled, until the total of such deductions equals such wife’s, husband’s, or child’s insurance benefit or benefits under section 402 of this title for any month in which such individual is under retirement age (as defined in section 416(l) of this title) and for more than forty-five hours of which such individual engaged in noncovered remunerative activity outside the United States.

(B)(i) Except as provided in clause (ii), in any case in which—

(I) a divorced spouse is entitled to monthly benefits under section 402(b) or (c) of this title for any month, and

(II) such divorced spouse has been divorced for not less than 2 years,

the benefit to which he or she is entitled for such month on the basis of the wages and self-employment income of the individual entitled to old-age insurance benefits referred to in subparagraph (A) shall be determined without regard to deductions under this paragraph as a result of excess earnings of such individual, and

the benefits of all other individuals who are entitled for such month to monthly benefits under section 402 of this title on the basis of the wages and self-employment income of such individual referred to in subparagraph (A) shall be determined as if no such divorced spouse were entitled to benefits for such month.

(ii) Subclause (II) of clause (i) shall not apply with respect to any divorced spouse in any case in which the individual entitled to old-age insurance benefits referred to in subparagraph (A) became entitled to such benefits before the date of the divorce.

(2) Deductions shall be made from any child’s insurance benefit to which a child who has attained the age of eighteen is entitled, or from any mother’s or father’s insurance benefit to which a person is entitled, until the total of such deductions equals such child’s insurance benefit or benefits or mother’s or father’s insurance benefit or benefits under section 402 of this title for any month in which such child or person entitled to mother’s or father’s insurance benefits is married to an individual under retirement age (as defined in section 416(l) of this title) who is entitled to old-age insurance benefits.

(e) Occurrence of more than one event

If more than one of the events specified in subsections (c) and (d) and section 422(b) of this title occurs in any one month which would occasion deductions equal to a benefit for such
§ 403 TITe 42—THE PUBLIC HEALTH AND WELFARE}

month, only an amount equal to such benefit shall be deducted.

(f) Months to which earnings are charged

For purposes of subsection (b)—

(1) The amount of an individual’s excess earnings (as defined in paragraph (3)) shall be charged to months as follows: There shall be charged to the first month of such taxable year an amount of his excess earnings equal to the sum of the payments to which he and all other persons (excluding divorced spouses referred to in subsection (b)(2)) are entitled for such month under section 402 of this title on the basis of his wages and self-employment income (or the total of his excess earnings if such excess earnings are less than such sum), and the balance, if any, of such excess earnings shall be charged to each succeeding month in such year to the extent, in the case of each such month, of the sum of the payments to which such individual and all such other persons are entitled for such month under section 402 of this title on the basis of his wages and self-employment income, until the total of such excess has been so charged.

Where an individual is entitled to benefits under section 402(a) of this title and other persons (excluding divorced spouses referred to in subsection (b)(2)) are entitled to benefits under section 402(b), (c), or (d) of this title on the basis of the wages and self-employment income of such individual, the excess earnings of such individual for any taxable year shall be charged in accordance with the provisions of this subsection before the excess earnings of such persons for a taxable year are charged to months in such individual’s taxable year. Notwithstanding the preceding provisions of this paragraph but subject to section 402(a) of this title, no part of the excess earnings of an individual shall be charged to any month (A) for which such individual was not entitled to a benefit under this subchapter, (B) in which such individual was at or above retirement age (as defined in section 416(l) of this title), (C) in which such individual, if a child entitled to child’s insurance benefits, has attained the age of 18, (D) for which such individual was entitled to widow’s or widower’s insurance benefits if such individual became so entitled prior to attaining age 60, (E) in which such individual did not engage in self-employment and did not render services for wages (determined as provided in paragraph (5) of this subsection) of more than the applicable exempt amount as determined under paragraph (8), if such month is in the taxable year in which occurs the first month after December 1977 that is both (i) a month for which the individual is entitled to benefits under subsection (a), (b), (c), (d), (e), (f), (g), or (h) of section 402 of this title (without having been entitled for the preceding month to a benefit under any other of such subsections), and (ii) a month in which the individual did not engage in self-employment and did not render services for wages (determined as provided in paragraph (5) of this subsection) of more than the applicable exempt amount as determined under paragraph (8), or (F) in which such individual did not engage in self-employment and did not render services for wages (determined as provided in paragraph (5) of this subsection) of more than the applicable exempt amount as determined under paragraph (8), if such individual was at or above retirement age (as defined in paragraph (1)(B) of subsection (b) or (c), as may be applicable) under section 402(d) or (g) of this title, if such month is in a year in which such entitlement ends for a reason other than the death of such individual, and such individual is not entitled to any benefits under this subchapter for the month following the month during which such entitlement under section 402(b), (d), or (g) of this title ended.

(2) As used in paragraph (1), the term “first month of such taxable year” means the earliest month in such year to which the charging of excess earnings described in such paragraph is not prohibited by the application of clauses (A), (B), (C), (D), (E), and (F) thereof.

(3) For purposes of paragraph (1) and subsection (h), an individual’s excess earnings for a taxable year shall be 33⅓ percent of his earnings for such year in excess of the applicable exempt amount as determined under paragraph (8) in the case of an individual who has attained (or, for the individual’s death, would have attained) retirement age (as defined in section 416(l) of this title) before the close of such taxable year, or 50 percent of his earnings for such year in excess of such product in the case of any other individual, multiplied by the number of months in such year, except that, in determining an individual’s excess earnings for the taxable year in which he attains retirement age (as defined in section 416(l) of this title), there shall be excluded any earnings of such individual for the month in which he attains such age and any subsequent month (with any net earnings or net loss from self-employment in such year being prorated in an equitable manner under regulations of the Commissioner of Social Security). For purposes of the preceding sentence, notwithstanding section 411(e) of this title, the number of months in the taxable year in which an individual dies shall be 12.

(4) For purposes of clause (E) of paragraph (1)—

(A) An individual will be presumed, with respect to any month, to have been engaged in self-employment in such month until it is shown to the satisfaction of the Commissioner of Social Security that such individual rendered no substantial services in such month with respect to any trade or business the net income or loss of which is includible in computing (as provided in paragraph (5) of this subsection) his net earnings or net loss from self-employment for any taxable year. The Commissioner of Social Security shall by regulations prescribe the methods and criteria for determining whether or not an individual has rendered substantial services with respect to any trade or business.
(B) An individual will be presumed, with respect to any month, to have rendered services for wages (determined as provided in paragraph (5) of this subsection) of more than the applicable exempt amount as determined under paragraph (8) until it is shown to the satisfaction of the Commissioner of Social Security that such individual did not render such services in such month for more than such amount.

(5)(A) An individual's earnings for a taxable year shall be (i) the sum of his wages for services rendered in such year and his net earnings from self-employment for such year, minus (ii) any net loss from self-employment for such year.

(B) For purposes of this section—

(i) an individual's net earnings from self-employment for any taxable year shall be determined as provided in section 411 of this title, except that paragraphs (1), (4), and (5) of section 411(c) of this title shall not apply and the gross income shall be computed by excluding the amounts provided by subparagraph (D) of this paragraph, and

(ii) an individual's net loss from self-employment for any taxable year is the excess of the deductions (plus his distributive share of loss described in section 702(a)(8) of the Internal Revenue Code of 1986) taken into account under clause (i) over the gross income (plus his distributive share of income so described) taken into account under clause (i).

(C) For purposes of this subsection, an individual's wages shall be computed without regard to the limitations as to amounts of remuneration specified in paragraphs (1), (6)(B), (6)(C), (7)(B), and (8) of section 409(a) of this title, except that paragraphs (1), (4), and (5) of section 411(c) of this title shall not apply and the gross income shall be computed by excluding the amounts provided by subparagraph (D) of this paragraph, and

(i) the amount of any payment made to, or on behalf of, an employee or any of his dependents (including any amount paid by an employer for insurance or annuities, or into a fund, to provide for any such payment) on account of retirement, or

(ii) any payment or series of payments by an employer to an employee or any of his dependents upon or after the termination of the employee's employment relationship because of retirement after attaining an age specified in a plan referred to in section 401(k)(3) of this title or in a pension plan of the employer.

(D) In the case of—

(i) an individual who has attained retirement age (as defined in section 416(l) of this title) on or before the last day of the taxable year, and who shows to the satisfaction of the Commissioner of Social Security that he or she is receiving royalties attributable to a copyright or patent obtained before the taxable year in which he or she attained such age and that the property to which the copyright or patent relates was created by his or her own personal efforts, or

(ii) an individual who has become entitled to insurance benefits under this subchapter, other than benefits under section 423 of this title or benefits payable under section 402(d) of this title by reason of being under a disability, and who shows to the satisfaction of the Commissioner of Social Security that he or she is receiving, in a year after his or her initial year of entitlement to such benefits, any other income not from self-employment performed after the month in which he or she initially became entitled to such benefits, there shall be excluded from gross income any such royalties or other income.

(E) For purposes of this section, any individual's net earnings from self-employment which result from or are attributable to the performance of services by such individual as a director of a corporation during any taxable year shall be deemed to have been derived (and received) by such individual in that year, at the time the services were performed, regardless of when the income, on which the computation of such net earnings from self-employment is based, is actually paid to or received by such individual (unless such income was actually paid and received prior to that year).

(F) For purposes of this subsection, wages (determined as provided in paragraph (5)(C)) which, according to reports received by the Commissioner of Social Security, are paid to an individual during a taxable year shall be presumed to have been paid to him for services performed in such year until it is shown to the satisfaction of the Commissioner of Social Security that they were paid for services performed in another taxable year. If such presumption with respect to an individual show his wages for a calendar year, such individual's taxable year shall be presumed to be a calendar year for purposes of this subsection until it is shown to the satisfaction of the Commissioner of Social Security that his taxable year is not a calendar year.

(G) Where an individual's excess earnings are charged to a month and the excess earnings so charged are less than the total of the payments (without regard to such charging) to which all persons (excluding divorced spouses referred to in subsection (b)(2)) are entitled under section 402 of this title for such month on the basis of his wages and self-employment income, the difference between such total and the excess so charged to such month shall be paid (if it is otherwise payable under this subchapter) to such individual and other persons in the proportion that the benefit to which each of them is entitled (without regard to such charging, without the application of section 402(k)(3) of this title, and prior to the application of section 403(a) of this title) bears to the total of the benefits to which all of them are entitled.
§ 403

Social Security under subparagraph (A) (and notwithstanding any publication thereof under such subparagraph or any notification thereof under the last sentence of subparagraph (B)), such new exempt amount shall not take effect pursuant to any determination made under such subparagraph or any notification thereof under the last sentence of subparagraph (B) if such determination is made a law increasing the exempt amount is enacted.

(D) Notwithstanding any other provision of this subsection, the exempt amount which is applicable to an individual who has attained retirement age (as defined in section 416(l) of this title) before the close of the taxable year involved shall be:

(1) for each month of any taxable year ending after 1999 and before 2001, $1,041.66;

(2) if such failure is the second one with respect to which an additional deduction is imposed by this subsection, such additional deduction shall be equal to his benefit or benefits for the first month of the period for which there is a failure to report even though such failure is with respect to more than one month;

(2) if such failure is the second one with respect to which an additional deduction is im-

posed by this subsection, such additional deduction shall be equal to two times his benefit or benefits for the first month of the period for which there is a failure to report even though such failure is with respect to more than two months; and

(3) If such failure is the third or a subsequent one for which an additional deduction is imposed under this subsection, such additional deduction shall be equal to three times his benefit or benefits for the first month of the period for which there is a failure to report even though the failure to report is with respect to more than three months;

except that the number of additional deductions required by this subsection shall not exceed the number of months in the period for which there is a failure to report. As used in this subsection, the term “period for which there is a failure to report” with respect to any individual means the period for which such individual received and accepted insurance benefits under section 402 of this title without making a timely report and for which deductions are required under subsection (c).

(h) Report of earnings to Commissioner

(1)(A) If an individual is entitled to any monthly insurance benefit under section 402 of this title during any taxable year in which he has earnings or wages, as computed pursuant to paragraph (5) of subsection (f), in excess of the product of the applicable exempt amount as determined under subsection (f)(8) times the number of months in such year, such individual (or the individual who is in receipt of such benefit on his behalf) shall make a report to the Commissioner of Social Security of his earnings (or wages) for such taxable year. Such report shall be made on or before the fifteenth day of the month following the close of such year, and shall contain such information and be made in such manner as the Commissioner of Social Security may by regulations prescribe. Such report need not be made for any taxable year—

(i) beginning with or after the month in which such individual attained retirement age (as defined in section 416(l) of this title), or

(ii) if benefit payments for all months (in such taxable year) in which such individual is under retirement age (as defined in section 416(l) of this title) have been suspended under the provisions of the first sentence of paragraph (3) of this subsection, unless—

(I) such individual is entitled to benefits under subsection (b), (c), (d), (e), (f), (g), or (h) of section 402 of this title;

(II) such benefits are reduced under subsection (a) of this section for any month in such taxable year, and

(III) in any such month there is another person who also is entitled to benefits under subsection (b), (c), (d), (e), (f), (g), or (h) of section 402 of this title on the basis of the same wages and self-employment income and who does not live in the same household as such individual.

The Commissioner of Social Security may grant a reasonable extension of time for making the report of earnings required in this paragraph if the Commissioner finds that there is valid reason for a delay, but in no case may the period be extended more than four months.

(B) If the benefit payments of an individual have been suspended for all months in any taxable year under the provisions of the first sentence of paragraph (3) of this subsection, no benefit payment shall be made to such individual for any such month in such taxable year after the expiration of the period of three months, three months, and fifteen days following the close of such taxable year unless within such period the individual, or some other person entitled to benefits under this subchapter on the basis of the same wages and self-employment income, files with the Commissioner of Social Security information showing that a benefit for such month is payable to such individual.

(2) If an individual fails to make a report required under paragraph (1) of this subsection, within the time prescribed by or in accordance with such paragraph, for any taxable year and any deduction is imposed under subsection (b) by reason of his earnings for such year, he shall suffer additional deductions as follows:

(A) if such failure is the first one with respect to which an additional deduction is imposed under this paragraph, such additional deduction shall be equal to two times his benefit or benefits for the last month of such year for which he was entitled to a benefit under section 402 of this title, except that the number of the additional deduction shall not exceed the number of months in such year for which he was entitled to a benefit under section 402 of this title, the additional deduction shall be equal to the amount of the deduction imposed under subsection (b) but not less than $10;

(B) if such failure is the second one for which an additional deduction is imposed under this paragraph, such additional deduction shall be equal to three times his benefit or benefits for the last month of such year for which he was entitled to a benefit under section 402 of this title; 

(C) if such failure is the third or a subsequent one for which an additional deduction is imposed under this paragraph, such additional deduction shall be equal to three times his benefit or benefits for the last month of such year for which he was entitled to a benefit under section 402 of this title except that if the deduction imposed under this paragraph, such additional deduction shall be equal to two times his benefit or benefits for the last month of such year for which he was entitled to a benefit under section 402 of this title; 

except that the number of the additional deductions required by this paragraph with respect to a failure to report earnings for a taxable year shall not exceed the number of months in such year for which such individual received and accepted insurance benefits under section 402 of this title and for which deductions are imposed under subsection (b) by reason of his earnings. In determining whether a failure to report earnings is the first or a subsequent failure for any individual, all taxable years ending prior to the imposition of the first additional deduction under this paragraph, other than the latest one of such years, shall be disregarded.

(3) If the Commissioner of Social Security determines, on the basis of information obtained by or submitted to the Commissioner, that it
may reasonably be expected that an individual entitled to benefits under section 402 of this title for any taxable year will suffer deductions imposed under subsection (b) by reason of his earnings for such year, the Commissioner of Social Security may, before the close of such taxable year, suspend the total or less than the total payment for each month in such year (or for only such months as the Commissioner of Social Security may specify) of the benefits payable on the basis of such individual’s wages and self-employment income; and such suspension shall remain in effect with respect to the benefits for any month until the Commissioner of Social Security has determined whether or not any deduction is imposed for such month under subsection (b). The Commissioner of Social Security is authorized, before the close of the taxable year of an individual entitled to benefits during such year, to request of such individual that he make, at such time or times as the Commissioner of Social Security may specify, a declaration of his estimated earnings for the taxable year and that he furnish to the Commissioner of Social Security such other information with respect to such earnings as the Commissioner of Social Security may specify. A failure by such individual to comply with any such request shall in itself constitute justification for a determination under this paragraph that it may reasonably be expected that the individual will suffer deductions imposed under subsection (b) by reason of his earnings for such year. If, after the close of a taxable year of an individual entitled to benefits under section 402 of this title for such year, the Commissioner of Social Security requests such individual to furnish a report of his earnings (as computed pursuant to paragraph (5) of subsection (f)) for such taxable year or any other information with respect to such earnings which the Commissioner of Social Security may specify, and the individual fails to comply with such request, such failure shall in itself constitute justification for a determination that such individual’s benefits are subject to deductions under subsection (b) for each month in such taxable year (or only for such months as the Commissioner of Social Security may specify) by reason of his earnings for such year.

(4) The Commissioner of Social Security shall develop and implement procedures in accordance with this subsection to avoid paying more than the correct amount of benefits to any individual under this subchapter as a result of such individual’s failure to file a correct report or estimate of earnings or wages. Such procedures may include identifying categories of individuals who are likely to be paid more than the correct amount of benefits and requesting that they estimate their earnings or wages more frequently than other persons subject to deductions under this section on account of earnings or wages.


(j) Attainment of retirement age

For the purposes of this section, an individual shall be considered as having attained retirement age (as defined in section 416(l) of this title) during the entire month in which he attains such age.

(k) Noncovered remunerative activity outside United States

An individual shall be considered to be engaged in noncovered remunerative activity outside the United States if he performs services outside the United States as an employee and such services do not constitute employment as defined in section 410 of this title and are not performed in the active military or naval service of the United States, or if he carries on a trade or business outside the United States (other than the performance of service as an employee) the net income or loss of which (1) is not includable in computing his net earnings from self-employment for a taxable year and (2) would not be excluded from net earnings from self-employment, if carried on in the United States, by any of the numbered paragraphs of section 411(a) of this title. When used in the preceding sentence with respect to a trade or business (other than the performance of service as an employee), the term “United States” does not include the Commonwealth of Puerto Rico, the Virgin Islands, Guam, or American Samoa in the case of an alien who is not a resident of the United States (including the Commonwealth of Puerto Rico, the Virgin Islands, Guam, and American Samoa); and the term “trade or business” shall have the same meaning as when used in section 162 of the Internal Revenue Code of 1986.

(l) Good cause for failure to make reports required

The failure of an individual to make any report required by subsection (g) or (h)(1)(A) within the time prescribed therein shall not be regarded as such a failure if it is shown to the satisfaction of the Commissioner of Social Security that he had good cause for failing to make such report within such time. The determination of what constitutes good cause for purposes of this subsection shall be made in accordance with regulations of the Commissioner of Social Security, except that in making any such determination, the Commissioner of Social Security shall specifically take into account any physical, mental, educational, or linguistic limitation such individual may have (including any lack of facility with the English language).
only if she became so entitled prior to attaining age 60), or from any widower's insurance benefit for any month in which the widower or surviving divorced husband is entitled and has not attained retirement age (as defined in section 416(i) of this title) (but only if he became so entitled prior to attaining age 60).

Subsec. (c)(1). Pub. L. 106–182, §2(1), substituted "retirement age (as defined in section 416(i) of this title)" for "the age of seventy".

Subsec. (d)(2)(A). Pub. L. 106–182, §2(2), substituted "retirement age (as defined in section 416(i) of this title)" for "the age of seventy or over".

Subsec. (f)(3)(B). Pub. L. 106–182, §4(a)(2), added cl. (D) and struck out former cl. (D) which read as follows: "for which such individual is entitled to widow's insurance benefits and has not attained retirement age (as defined in section 416(i) of this title) (but only if she became so entitled prior to attaining age 60), or widow's insurance benefits and has not attained retirement age (as defined in section 416(i) of this title) (but only if he became so entitled prior to attaining age 60)."

Subsec. (f)(3). Pub. L. 106–182, §2(4), substituted "retirement age (as defined in section 416(i) of this title)" for "age 70".


Subsec. (f)(9). Pub. L. 106–182, §3(b), substituted "(A) who also is entitled to a benefit under sub-

Subsec. (h)(1)(A)(i), (ii). Pub. L. 106–182, §2(5), substituted "retirement age (as defined in section 416(i) of this title)" for "age 70".

Subsec. (i). Pub. L. 106–182, §2(6), substituted "retirement age" for "age seventy or over".

Subsec. (k). Pub. L. 104–121, §102(b)(1)(A), substituted "the taxable year ending after 2000 and before 2003 (with respect to individuals described in subparagraph (D)) or the taxable year ending after 1993 and before 1995 (with respect to other individuals)" for "the taxable year ending after 1993 and before 1995".

Subsec. (k)(8)(B)(ii)(II). Pub. L. 104–121, §102(b)(1)(B), substituted "for 2000 (with respect to individuals described in subparagraph (D) or 1992 (with respect to other individuals))" for "for 1992".

Subsec. (k)(8)(D). Pub. L. 104–121, §102(a)(2), amended subpar. (D). Generally. Prior to amendment, subpar. (D) read as follows: "Notwithstanding any other provision of this subsection, the exempt amount which is applicable to an individual who has attained retirement age (as defined in section 416(i) of this title) before the close of the taxable year involved—

(i) shall be $350.33 for each month of the taxable year ending after 1977 and before 1981, and

(ii) shall be $375 for each month of any taxable year ending after 1977 and before 1981, and

(iii) shall be $416.66 for each month of any taxable year ending after 1977 and before 1981, and

(iv) shall be $458.33 for each month of any taxable year ending after 1977 and before 1981, and

(v) shall be $500 for each month of any taxable year ending after 1980 and before 1982, and

"(vi) shall be $500 for each month of any taxable year ending after 1980 and before 1982, and

Subsec. (k)(8)(D). Pub. L. 104–121, §102(a)(2), amended subpar. (D). Generally. Prior to amendment, subpar. (D) read as follows: "Notwithstanding any other provision of this subsection, the exempt amount which is applicable to an individual who has attained retirement age (as defined in section 416(i) of this title) before the close of the taxable year involved—

(i) shall be $350.33 for each month of any taxable year ending after 1977 and before 1981, and

(ii) shall be $375 for each month of any taxable year ending after 1977 and before 1981, and

(iii) shall be $416.66 for each month of any taxable year ending after 1977 and before 1981, and

(iv) shall be $458.33 for each month of any taxable year ending after 1977 and before 1981, and

(v) shall be $500 for each month of any taxable year ending after 1980 and before 1982, and

Subsec. (a)(4). Pub. L. 103–296, §309(b), substituted "section 422(b) of this title. Notwithstanding the preceding sentence, any reduction under this subsection in the case of an individual who is entitled to a benefit under subsection (b), (c), (d), (e), (f), (g), or (h) of section 402 of this title for any month on the basis of the same wages and self-employment income as another person—

(A) who also is entitled to a benefit under subsection (b), (c), (d), (e), (f), (g), or (h) of section 402 of this title for such month,
(B) who does not live in the same household as such individual, and

(C) whose benefit for such month is suspended (in whole or in part) pursuant to subsection (h)(3) of this section,

shall be made before the suspension under subsection (h)(3). Whenever for "section 422(b) of this title. Whenever"

Subsec. (a)(8). Pub. L. 103–296, § 310(b), substituted "Subject to paragraph (7) and except as otherwise provided in paragraph (10)(c)" for "Subject to paragraph (7)"


Subsec. (f)(8)(C), (g). Pub. L. 103–296, § 321(g)(2), amended cl. (ii) generally. Prior to amendment, cl. (ii) read as follows: "the product of the exempt amount described in clause (i) and the ratio of (I) the deemed average total wages (as defined in section 409(k)(1) of this title) for the calendar year before the calendar year in which the determination under subparagraph (A) is made to (II) the deemed average total wages (as so defined) for the calendar year before the most recent calendar year in which an increase in the exempt amount was enacted or a determination resulting in such an increase was made under subparagraph (A), with such product, if not a multiple of $10, being rounded to the next higher multiple of $10 where such product is a multiple of $5 but not of $10 and to the nearest multiple of $10 in any other case"

Subsec. (f)(8)(C), (g). Pub. L. 103–296, § 310(a)(4), substituted "Commissioner of Social Security" for "Secretary"


Pub. L. 103–296, § 107(a)(4), in subpar. (A) as amended by Pub. L. 103–296, § 309(a), substituted "Commissioner of Social Security" for "Secretary" wherever appearing and "the Commissioner" for "he"

Pub. L. 103–296, § 309(a), substituted "Secretary" for "he"


Subsec. (i). Pub. L. 103–296, § 309(a), struck out subsec. (i) which read as follows: "In the case of any individual, reductions by reason of the provisions of this section (by benefits as a divorced spouse under section 402(b) or (c) of this title for any month and such person has been so divorced for not less than 2 years, and added subpar. (B)

Subsec. (d)(1)(B). Pub. L. 101–508, § 5127(b), designated existing provisions as cl. (i), substituted "Except as provided in clause (ii), in any case in which—" and subcls. (i) and (II) for "When any of the other persons referred to in paragraph (1)(B) or (C) of this section, any individual's net earnings from self-employment income, to such individual is attributable to", "the income is actually paid", "Any income of an individual which results from or is attributable to", "the income is attributable to", "the income, on which the computation of such net earnings from self-employment is based, is actually paid", "the income is actually paid", and "unless such income was" for "unless it was"

1989—Subsec. (f)(5)(C). Pub. L. 101–239, § 10208(d)(2)(A)(ii), (vi), substituted paragraphs "subparagraphs (1), (6)(B), (6)(C), (7)(B), and (B) of section 409(a)"

Subsec. (f)(5)(C). Pub. L. 101–239, § 10208(d)(2)(A)(ii), substituted "subparagraphs (1), (6)(B), (6)(C), (7)(B), and (B) of section 409(a)" for "sections (a), (g)(2), (g)(3), (b)(2), and (j) of section 409" in introductory provisions and "409(a)(11)(B)" for "409(m)(2)" in cl. (i)

Subsec. (f)(8)(B)(i)(I). Pub. L. 101–239, § 10208(d)(1)(A), substituted "the deemed average total wages (as defined in section 409(k)(1) of this title) for the average of the total wages (as defined in regulations of the Secretary and computed without regard to the limitations specified in section 409(a) of this title) reported to the Secretary of the Treasury or his delegate"


Subsec. (f)(8)(B)(i)(II). Pub. L. 101–239, § 10208(d)(1)(B), substituted "the deemed average total wages (as so de-
fined) for “the average of the total wages (as so defined and computed) reported to the Secretary of the Treasury or his delegate”.

Subsec. (i). Pub. L. 98–21, §309(f), inserted “or father’s” after “mother’s” in provisions following subpar. (b).

Subsec. (b)(1). Pub. L. 98–21, §309(f), inserted “or father’s” after “mother’s” in provisions following subpar. (b).


Subsec. (c). Pub. L. 98–21, §301(c)(2), substituted “retirement age (as defined in section 416(l) of this title)” for “age sixty-five”.


Subsec. (f)(9). Pub. L. 98–369, §2663(a)(3)(A), in subsec. (i), substituted “for more than forty-five hours” for “on seven or more different calendar days”.

Subsec. (d)(2). Pub. L. 98–21, §309(a), amended subsec. (c) generally, substituting in par. (1) specification of more than forty-five hours of noncovered remunerative activity for specification of seven or more different days of such activity, and in pars. (2) to (4) provisions not distinguishing between the sexes for provisions relating only to the entitlements of women, and in provisions following par. (4) inserting “or surviving divorced husband” after “widower”.


Subsec. (f)(1). Pub. L. 98–21, §312(b)(1)(B)(ii), inserted “(excluding divorced spouses referred to in subsection (b)(2))” after “and all other persons” and after “other persons” and inserted “such” after “payments to which such individual and all” in first sentence.

Subsec. (f)(1)(D). Pub. L. 98–21, §301(c)(1)(B), substituted “retirement age (as defined in section 416(l) of this title)” for “age sixty-five” in two places.

Subsec. (f)(1)(F). Pub. L. 98–21, §306(b), substituted “(excluding divorced spouses referred to in subsection (b)(2))” after “and all other persons” and after “other persons” and inserted “such” after “payments to which such individual and all” in first sentence.

Subsec. (f)(1)(D). Pub. L. 98–21, §301(c)(1)(B), substituted “retirement age (as defined in section 416(l) of this title)” for “age sixty-five” in two places.


Subsec. (f)(1). Pub. L. 98–21, §309(h), added “or father’s” after “mother’s” in provisions following subpar. (b).


Subsec. (f)(1)(D). Pub. L. 98–21, §301(c)(1)(B), substituted “retirement age (as defined in section 416(l) of this title)” for “age sixty-five” in two places.


Subsec. (f)(1). Pub. L. 98–21, §309(h), inserted “or father’s” after “mother’s” in provisions following subpar. (b).


Subsec. (f)(1)(D). Pub. L. 98–21, §301(c)(1)(B), substituted “retirement age (as defined in section 416(l) of this title)” for “age sixty-five” in two places.


Subsec. (f)(1). Pub. L. 98–21, §309(h), inserted “or father’s” after “mother’s” in provisions following subpar. (b).


Subsec. (f)(1)(D). Pub. L. 98–21, §301(c)(1)(B), substituted “retirement age (as defined in section 416(l) of this title)” for “age sixty-five” in two places.


Subsec. (f)(1). Pub. L. 98–21, §309(h), inserted “or father’s” after “mother’s” in provisions following subpar. (b).


Subsec. (f)(1)(D). Pub. L. 98–21, §301(c)(1)(B), substituted “retirement age (as defined in section 416(l) of this title)” for “age sixty-five” in two places.


Subsec. (a)(8). Pub. L. 97–123, § 2(f), struck out “modified by the application of section 415(a)(6) of this title”.

Pub. L. 97–35, §§ 2201(c)(6), 2206(b)(4), inserted “modified by the application of section 415(a)(6) of this title” and inserted provision that for the purposes of the preceding sentence, the phrase “rounded to the next higher multiple of $0.10”, as it appeared in subsection (a)(2)(C) of this section as in effect in December 1978, he deemed to read “rounded to the next lower multiple of $0.10”.

1980—Subsec. (a). Pub. L. 96–265 added par. (6), redesignated former pars. (6), (7) and (8), respectively, and made conforming amendments to pars. (1), (2)(D), and (8).


Subsec. (f)(5)(D). Pub. L. 96–473, § 3(a), substituted former cl. (i) and (ii) into cl. (i), inserted reference to women, and added cl. (i).

1977—Subsec. (a)(1) to (7). Pub. L. 95–216, § 202, generally restated the provisions of existing pars. (1) to (6) with changes to take into account the revised system for computing primary insurance amounts based on wage-indexed earnings and redirected those existing provisions as thus restated into pars. (1) to (7).

Subsec. (a)(8). Pub. L. 95–216, § 200(e), added par. (8).


Subsec. (f)(1)(E). Pub. L. 95–216, § 301(d), substituted “the applicable exempt amount” for “$200 or the exempt amount”.

Pub. L. 95–216, § 302(c), substituted “age 70” for “the age of 72” and “age 72”.


1976—Subsec. (f)(5)(B)(ii). Pub. L. 94–202 substituted “of all employees as reported to the Secretary of the Treasury”, for “of the wages of all employees as reported to the Secretary of the Treasury”, substituted “the new exempt amount”, and struck out reference to wages for calendar year 1978.


Subsec. (h)(1)(A). Pub. L. 95–216, § 301(d), substituted “the applicable exempt amount” for “$200 or the exempt amount”.

Pub. L. 95–216, § 302(c), substituted “age 70” for “the age of 72” and “age 72”.

Subsec. (i). Pub. L. 95–216, § 302(a), substituted “seventy” for “seventy-two”.

Subsec. (j). Pub. L. 95–216, § 302(a), substituted “seventy” for “seventy-two”.

1975—Subsec. (f)(4)(D). Pub. L. 94–202 substituted “of all employees as reported to the Secretary of the Treasury” for “of the wages of all employees as reported to the Secretary of the Treasury”, for “of the wages of all employees as reported to the Secretary of the Treasury”, substituted “the new exempt amount”, and struck out reference to wages for calendar year 1978.

Subsec. (f)(6)(A). Pub. L. 94–202, § 302(c), substituted “the applicable exempt amount” for “$200 or the exempt amount”.

Pub. L. 95–216, § 302(c), substituted “age 70” for “the age of 72” and “age 72”.


Subsec. (h)(1)(A). Pub. L. 95–216, § 301(d), substituted “the applicable exempt amount” for “$200 or the exempt amount”.

Pub. L. 95–216, § 302(c), substituted “age 70” for “the age of 72” and “age 72”.

Subsec. (i). Pub. L. 95–216, § 302(a), substituted “seventy” for “seventy-two”.

Subsec. (j). Pub. L. 95–216, § 302(a), substituted “seventy” for “seventy-two”.


Subsec. (h)(3)(A). Pub. L. 93–233, § 3(k)(1), substituted: “with the month of June following” for “with the first month of the calendar year following”, “which ends after the calendar year in which such benefit increase is effective” for “which ends with the close of or after the calendar year with the first month of which such benefit increase is effective”, and “during the calendar year after the calendar year in which the benefit increase is effective” for “during such calendar year”, and struck out after “such quarter occurs” and before “a new exempt amount” parenthetical “(along with the publication of such benefit increased as required by section 415(i)(2)(D) of this title)”.


Subsec. (h)(8)(B). Pub. L. 93–233, § 3(k)(3), struck out “or providing a general benefit increase under this subchapter (as defined in section 415(i)(2)(D) of this title)”.


§ 403 TITLE 42—THE PUBLIC HEALTH AND WELFARE Page 1678
Subsec. (a)(2). Pub. L. 92–336, §202(a)(2)(B), as amended by Pub. L. 92–603, §§183(c), 144(a)(3), substituted provisions relating to the reduction in the total benefits for September 1972 or any subsequent month where two or more persons were entitled to monthly benefits under section 402 or 423 of this title for January 1971 or any prior month, for provisions relating to the reduction in the total benefits for September 1972 or any subsequent month where two or more persons were entitled to monthly benefits under section 402 or 423 of this title for August, 1972.

Subsec. (a)(5). Pub. L. 92–603, §100(b), added par. (5).

Subsec. (c). Pub. L. 92–603, §§102(c)(1), 107(b)(1), substituted “attained age 65 (but only if she became so entitled prior to attaining age 60)” for “attained age 62 (but only if she became so entitled prior to attaining age 60)” in first sentence subpar. (D) and redesignated “$140” for “$125” in third sentence subpar. (E). Pub. L. 90–248, §107(a)(1), inserted last sentence authorizing the Secretary to establish provisions to assure an increase in the family benefits for each child born after September 19, 1965.


Subsec. (a)(5). Pub. L. 92–603, §100(b), added par. (5).

Subsec. (c). Pub. L. 92–603, §§102(c)(1), 107(b)(1), substituted “attained age 65 (but only if she became so entitled prior to attaining age 60)” for “attained age 62 (but only if she became so entitled prior to attaining age 60)” in first sentence subpar. (D) and redesignated “$140” for “$125” in third sentence subpar. (E). Pub. L. 90–248, §107(a)(1), inserted last sentence authorizing the Secretary to establish provisions to assure an increase in the family benefits for each child born after September 19, 1965.


Subsec. (a)(5). Pub. L. 92–603, §100(b), added par. (5).

Subsec. (c). Pub. L. 92–603, §§102(c)(1), 107(b)(1), substituted “attained age 65 (but only if she became so entitled prior to attaining age 60)” for “attained age 62 (but only if she became so entitled prior to attaining age 60)” in first sentence subpar. (D) and redesignated “$140” for “$125” in third sentence subpar. (E). Pub. L. 90–248, §107(a)(1), inserted last sentence authorizing the Secretary to establish provisions to assure an increase in the family benefits for each child born after September 19, 1965.


Subsec. (a)(5). Pub. L. 92–603, §100(b), added par. (5).

Subsec. (c). Pub. L. 92–603, §§102(c)(1), 107(b)(1), substituted “attained age 65 (but only if she became so entitled prior to attaining age 60)” for “attained age 62 (but only if she became so entitled prior to attaining age 60)” in first sentence subpar. (D) and redesignated “$140” for “$125” in third sentence subpar. (E). Pub. L. 90–248, §107(a)(1), inserted last sentence authorizing the Secretary to establish provisions to assure an increase in the family benefits for each child born after September 19, 1965.
for families who were on the benefit rolls after December 1964 and whose benefits were determined under former provisions by providing that the maximum family benefits of people who became disabled before 1959 from whom the benefits were determined under such paragraph (3) are now covered by subsec. (a)(2) of this section, and added par. (3), respectively.

Subsec. (c). Pub. L. 89–97, §306(c)(10), (11), inserted in penultimate sentence "paragraph (1) of section 402(e) of this title applies or" after "for any month in which" and in last sentence the introductory phrase "Subject to paragraph (3) of such section 402(a)".

Subsec. (c)(4). Pub. L. 89–97, §308(d)(7), substituted "surviving divorced mother" for "former wife divorced".

Subsec. (d)(1). Pub. L. 89–97, §308(d)(8), inserted "divorced wife," after "wife.".

Subsec. (f)(1). Pub. L. 89–97, §§306(c)(12), 310(a)(1), inserted "but subject to section 402(e) of this title" after "Notwithstanding the preceding provisions of this paragraph" in last sentence and substituted "$125" for "$100".


Subsec. (f)(5)(B). Pub. L. 89–97, §325(a)(1), broke down existing provisions into cls. (i) and (ii), provided, in cl. (ii), for exclusion from gross income of amounts provided by subpar. (D) of this par., and, in cl. (ii), inserted reference to distributive share of loss described in section 702(a)(9) of Title 26.


1960—Subsec. (a)(3). Pub. L. 86–787, §302(a), substituted "70%" for "65%", and struck out "other than an event specified in section (b)(1) or (c)(1)" after "of an event specified therein." Former subsec. (g) redesignated (h).

Subsec. (b). Pub. L. 86–787, §211(c), (f), redesignated former subsec. (g) as (h), and substituted therein "paragraph (5) of subsection (f)" for "paragraph (4) of subsection (e)" in two places, inserted "section (f)" for "section (e)" in two places, and struck out "(A)" for "(a)" in two places.

Subsec. (c). Pub. L. 86–787, §211(c), (g), redesignated former subsec. (h) as (i) and substituted therein "subsection (c)" for "subsection (b) or (c)" in two places, and struck out "other than an event specified in subsection (b)(1) or (c)(1)" after "of an event specified therein." Former subsec. (g) redesignated (h).

Subsec. (d). Pub. L. 86–778, §211(c), redesignated former subsec. (e) as (f), and inserted therein "paragraph (5) of subsection (e) of this section" for "paragraph (5) of subsection (f)", "paragraph (b) for "paragraph (b)(1)" in five places, and "suspend the total or less than the total payment" for "suspend the payment." Former subsec. (h) redesignated (i).

Subsec. (e). Pub. L. 86–778, §211(c), (g), redesignated former subsec. (h) as (i) and substituted therein "subsection (b) or (c)" for "subsection (b), (f), or (g)."

Former subsec. (i) was repealed by Act Sept. 1, 1954, ch. 1206, title I, §112(a), 68 Stat. 1085.

Subsec. (k). Pub. L. 86–778, §103(b), substituted "the Commonwealth of Puerto Rico, the Virgin Islands, Guam or American Samoa" for "Puerto Rico or the Virgin Islands", and "the Commonwealth of Puerto Rico, the Virgin Islands, Guam, and American Samoa" for "Puerto Rico and the Virgin Islands".

Subsec. (l). Pub. L. 86–778, §211(h), substituted "subsection (g)" for "subsection (g) or (h)(1)(A)" for "subsection (f) or (g)(1)(A)".

1958—Subsec. (a). Pub. L. 85–588, §101(f), substituted provisions limiting the total of monthly benefits under sections 402 and 423 of this title to the amount provided in column V of the table in section 415(a) of this title for provisions which limited the total of monthly benefits under section 402 of this title to $30, or the average monthly wage, or one and one-half times the primary insurance amount, whichever is greater, with

Page 1680 TITLE 42—THE PUBLIC HEALTH AND WELFARE
a maximum amount of $200 and inserted provisions limiting the reduction for individuals who were entitled to monthly benefits under section 402 or 423 of this title for the month in which such individual is under age 72, and inserted "and $300" for "$80" in cl. (D).

Subsec. (e)(2). Pub. L. 85–840, § 308(a), (c), substituted "first month" for "last month" and "successing month" for "preceeding month" wherever appearing, and "$100" for "$80" in cl. (D).

Subsec. (e)(3). Pub. L. 85–840, § 308(b), (c), substituted "the term 'first month of such taxable year' means the earliest month for 'the last month of such taxable year' means the latest month" in cl. (A), and "$100" for "$300" in cl. (B)(ii).

Subsec. (f). Pub. L. 85–840, § 308(d), designated existing provisions thereof as subpar. (A) and inserted provisions therein dispensing with the need for a report for any taxable year if benefit payments for all months (in which such individual is under age 72) have been suspended under the provisions of the first sentence of par. (3) of this subsection, and added subpar. (B).

Subsec. (b). Pub. L. 85–840, § 205(k), struck out provisions that related to reductions by reason of the provisions of section 424 of this title.

Subsec. (i). Pub. L. 85–840, § 308(e), substituted "subsection (b)(1)" for "subsection (b)".

1956—Subsec. (a). Act Aug. 1, 1956, § 101(d), inserted "after any deductions under section 422(b) of this title, and after any deduction under section 424 of this title" in two places.

Subsec. (b). Act Aug. 1, 1956, § 101(e), inserted paragraph providing that a child should not be considered to be entitled to a child's insurance benefit for any month in which an event specified in section 422(b) of this title occurs with respect to such child, and prohibiting any deduction from any child's insurance benefit for the month in which the child entitled to such benefit attained the age of 18 or any subsequent month.

Subsec. (c)(3). Act Aug. 1, 1956, § 102(d)(11), substituted "age 65" for "retirement age" and inserted "any such worker's insurance benefit for such month was not reduced under the provisions of section 402(g) of this title".

Subsec. (g). Act Aug. 1, 1956, § 101(f), included events specified in section 422(b) of this title.

Subsec. (e)(4)(C). Act Aug. 1, 1956, § 112(a), inserted "or performed outside the United States in the active military or naval service of the United States" after "performed within the United States by the individual as an employee".

Subsec. (g)(1). Act Aug. 1, 1956, § 107(a), permitted reports to be made on or before the fifteenth day of the fourth month following the close of the year.

Subsec. (h). Act Aug. 1, 1956, § 101(g), included deductions by reason of the provisions of section 422(b) of this title, and reductions by reason of the provisions of section 424 of this title.

Subsec. (k). Act Aug. 1, 1956, § 112(b), inserted "and are not performed in the active military or naval service of the United States" after "section 410 of this title".


Subsec. (b)(1). Act Sept. 1, 1954, § 103(a), (i)(3), put into effect an annual retirement test for beneficiaries whether they have wage or self-employment earnings, or both, inserted provision for making deductions on account of nonrecovered remunerative activity outside the United States, and provided that deductions because of such provisions shall be made from an individual's benefits only for months in which he is under the age of 72, rather than 75.

Subsec. (c). Act Sept. 1, 1954, § 103(b), (i)(3), provided that deductions be made from a dependent's benefit for any month in which the primary beneficiary was under the age of 72, and for which he was charged with any earnings for work deduction purposes under subsec. (e) or on 7 or more different calendar days of which he engaged in noncovered remunerative activity outside the United States.

Subsec. (d). Act Sept. 1, 1954, § 103(c), provided that the charging of earnings shall be treated as an event occurring in the month to which such earnings are charged.

Subsec. (e)(1). Act Sept. 1, 1954, § 103(d)(1), (2), (i)(5), provided a method for charging earnings to particular months of the year for purposes of determining the deductions required under subsecs. (b) and (c).

Subsec. (f). Act Sept. 1, 1954, § 103(d)(4), added pars. (4) and (5).

Subsec. (f). Act Sept. 1, 1954, § 103(e), clarified the penalty provisions.


Subsec. (g)(1). Act Sept. 1, 1954, § 103(f)(2), (3), provided that if an individual entitled to any monthly benefit in a taxable year has earnings or wages in excess of $100 at any time during such year, he must make a report to the Secretary of his earnings for such taxable year, and substituted "seventy-two" for "seventy-five".

Subsec. (g)(2). Act Sept. 1, 1954, § 103(f)(4), provided a schedule of penalty deductions for failure to make required reports within the time prescribed by subsec. (g)(1) if any deduction is imposed because of earnings in such year.

Subsec. (g)(3). Act Sept. 1, 1954, § 103(f)(5), substituted "subsection (b)(1)" for "subsection (b)(2)", "earnings for "net earnings from self-employment", and "such earnings" for "such net earnings", and added a new sentence at the end.

Subsec. (h). Act Sept. 1, 1954, § 112(a), repealed subsec. (1), effective Sept. 1, 1954, and also provided that no deductions should be made pursuant to such subsec. (i) from any benefits for any month after August 1954.

Subsec. (j). Act Sept. 1, 1954, § 103(g)(1), (i)(3), substituted "seventy-two" for "seventy-five".

Subsec. (k). Act Sept. 1, 1954, § 103(g), added subsec. (k).


Subsec. (b)(1), (2), (c)(1), (2), (e), (g). Act July 18, 1952, § 4(a)(c), (d), substituted $75 for $50 wherever appearing.

1950—Subsec. (a). Act Aug. 28, 1950, § 102(a), amended subsec. (a) generally to consolidate provisions of former subsecs. (a) to (c) of this section and to liberalize the maximum amount of monthly benefits payable.

Subsec. (b). Act Aug. 28, 1950, § 103(a), provided that deductions are to be made from benefits for any month in which a beneficiary is under age 75 and either renders services for wages of more than $50, or is charged with net earnings from self-employment of more than $50, and provided that deductions are to be made for any month in which a wife, widow or divorced wife does not have in her care a child or her husband or former husband entitled to a child's insurance benefit.

Subsec. (c). Act Aug. 28, 1950, § 103(a), provided for the making of deductions from dependents' benefits for any month in which the old-age beneficiary suffers a reduction in his benefit.
Subsec. (d). Act Aug. 28, 1950, §103(a), inserted second sentence.

Subsec. (e). Act Aug. 28, 1950, §103(a), provided the method for charging net earnings from self-employment to the particular months of the taxable year for the purpose of determining deductions under subsecs. (b)(2) and (c)(2) of this section.

Subsec. (f). Act Aug. 28, 1950, §103(a), continued provisions requiring the reporting of any event which causes a deduction from benefits.

Subsec. (g). Act Aug. 28, 1950, §103(a), outlined circumstances under which beneficiaries with net earnings from self-employment are required to file report with the Federal Security Administrator.

Subsec. (h). Act Aug. 28, 1950, §103(a), pointed out circumstances under which deductions otherwise required under subsecs. (b), (f), and (g) of this section will not be made.

Subsecs. (i), (j). Act Aug. 28, 1950, §103(a), added subsecs. (i) and (j).

1946—Subsec. (g). Act Aug. 10, 1946, §406(b), inserted exception limiting the first deduction for failure to report to one month's benefit.

Subsec. (h). Act Aug. 10, 1946, §406(a), struck out par. (2) which related to deductions for failure to attend school.


**Effective Date of 2000 Amendment**

Amendment by Pub. L. 106–182 applicable with respect to taxable years ending after Dec. 31, 1999, see section 5 of Pub. L. 106–182, set out as a note under section 402 of this title.

**Effective Date of 1996 Amendment**


**Effective Date of 1994 Amendment**

Amendment by section 107(a)(4) of Pub. L. 103–296 effective Mar. 31, 1995, see section 118(a) of Pub. L. 103–296, set out as a note under section 401 of this title.

Pub. L. 103–296, title III, §309(e)(1), Aug. 13, 1994, 108 Stat. 1524, provided that: “The amendments made by subsections (a), (b), and (c) [amending this section] shall apply with respect to benefits payable for months after December 1994.”

Pub. L. 103–296, title III, §310(c), Aug. 15, 1994, 108 Stat. 1527, provided that: “The amendments made by this section [amending this section] shall apply for the purpose of determining the total monthly benefits to which beneficiaries may be entitled under sections 202 and 223 of the Social Security Act [42 U.S.C. 402(b), (c), (e), (f)] for December 1990 and the individual on whose wages and self-employment income such benefit for December 1990 is based is the same individual on the basis of whose wages and self-employment income application would otherwise be required under subparagraph (A).”


(2) Application Requirement.—

(A) General Rule.—Except as provided in subparagraph (B), the amendments made by this section shall apply only with respect to benefits for which application is filed with the Secretary of Health and Human Services after December 31, 1990.

(B) Exception from Application Requirement.—Subparagraph (A) shall not apply with respect to the benefits of any individual if such individual is entitled to a benefit under subsection (b), (c), (e), or (f) of section 202 of the Social Security Act [42 U.S.C. 402(b), (c), (e), (f)] for December 1990 and the individual on whose wages and self-employment income such benefit for December 1990 is based is the same individual on the basis of whose wages and self-employment income application would otherwise be required under subparagraph (A).”

(B) Recomputations.—The amendments made by this subsection shall apply with respect to any primary insurance amount upon the recomputation of such primary insurance amount if such recomputation is first effective for monthly benefits for months after the 18-month period following the month in which this Act is enacted.”


“(1) In General.—The amendments made by this section [amending this section and section 416 of this title] shall apply with respect to benefits for 2 months after December 1990.”

**Effective Date of 1993 Amendment**

Amendment by section 10208(b)(1)(A), (B) of Pub. L. 101–239 applicable with respect to computation of average total wage amounts (under amended provisions) for calendar years after 1990, see section 10208(c) of Pub. L. 101–239, set out as a note under section 430 of this title.

Pub. L. 101–239, title X, §10305(f), Dec. 19, 1989, 103 Stat. 2484, provided that: “The amendments made by this section [amending this section and sections 401, 423, and 1383 of this title] shall apply with respect to determinations made on or after July 1, 1990.”

**Effective Date of 1992 Amendment**

Amendment by section 10228(b)(1)(A), (B) of Pub. L. 101–239 applicable with respect to computation of average total wage amounts (under amended provisions) for calendar years after 1990, see section 10228(c) of Pub. L. 101–239, set out as a note under section 430 of this title.

Pub. L. 101–239, title X, §10305(f), Dec. 19, 1989, 103 Stat. 2484, provided that: “The amendments made by this section [amending this section and sections 401, 423, and 1383 of this title] shall apply with respect to determinations made on or after July 1, 1990.”

**Effective Date of 1988 Amendment**

Amendment by section 10228(b)(1)(A), (B) of Pub. L. 101–239 applicable with respect to computation of average total wage amounts (under amended provisions) for calendar years after 1990, see section 10228(c) of Pub. L. 101–239, set out as a note under section 430 of this title.

Pub. L. 101–239, title X, §10305(f), Dec. 19, 1989, 103 Stat. 2484, provided that: “The amendments made by this section [amending this section and sections 401, 423, and 1383 of this title] shall apply with respect to determinations made on or after July 1, 1990.”

**Effective Date of 1988 Amendment**

Pub. L. 101–667, title VIII, §8002(c), Nov. 10, 1988, 102 Stat. 3783, provided that: “The amendments made by this section [amending this section] shall apply to deaths after the date of the enactment of this Act [Nov. 10, 1988].”

**Effective Date of 1986 Amendment**

$1989(a), Oct. 22, 1986, 100 Stat. 2931, provided that: "The amendments made by subsection (a) [amending this section] shall apply with respect to benefits payable for months after December 1986."

**Effective Date of 1984 Amendments**

Pub. L. 98–369, div. B, title VI, §2602(b), July 18, 1984, 98 Stat. 1129, provided that: "The amendment made by subsection (a) [amending this section] shall be effective upon the date of the enactment of this Act [July 18, 1984]."

Pub. L. 98–369, div. B, title VI, §2601(c)(1)(B), July 18, 1984, 98 Stat. 1157, provided that: "The amendments made by subparagraph (A) [amending this section] shall apply only with respect to months beginning with the second month after the month in which this Act is enacted [July 1984]."

Pub. L. 98–369, div. B, title VI, §2601(c)(2)(B), July 18, 1984, 98 Stat. 1157, provided that: "The amendment made by subparagraph (A) [amending this section] shall be effective as though it had been enacted on April 20, 1983, as a part of section 201 of the Social Security Amendments of 1983 [section 201 of Pub. L. 98–21]."

Amendment by section 324(c)(4) of Pub. L. 98–21 effective July 18, 1984, but not to be construed as changing or affecting any right, liability, status, or interpretation which existed (under the provisions of law involved) before that date, see section 2604(b) of Pub. L. 98–369, out as a note under section 401 of this title.

Amendment by section 2603(a)(3) of Pub. L. 98–369 effective July 18, 1984, but not to be construed as changing or affecting any right, liability, status, or interpretation which existed (under the provisions of law involved) before that date, see section 2604(b) of Pub. L. 98–369, out as a note under section 401 of this title.

**Effective Date of 1983 Amendment**

Amendment by section 111(a)(4) of Pub. L. 98–21 applicable with respect to cost-of-living increases determined under section 415(1) of this title for years after 1982, see section 111(a)(8) of Pub. L. 98–21, set out as a note under section 402 of this title.

Pub. L. 98–21, title I, §132(c)(2), Apr. 20, 1983, 97 Stat. 95, provided that: "The amendments made by subsection (b) [amending this section] shall apply with respect to monthly insurance benefits for months after December 1984."

Amendment by sections 306(a) and 306(f)(1)(h) of Pub. L. 98–21 applicable only with respect to monthly payments payable under this subchapter for months after April, 1983, see section 310 of Pub. L. 98–21, set out as a note under section 402 of this title.

Amendment by section 324(c)(4) of Pub. L. 98–21 applicable to remuneration paid after Dec. 31, 1983, except for certain employer contributions made during 1984 under a qualified cash or deferred arrangement, and except in the case of an agreement with certain non-qualified deferred compensation plans in existence on March 24, 1983, see section 324(d) of Pub. L. 98–21, set out as a note under section 3212 of Title 26, Internal Revenue Code.

Pub. L. 98–21, title III, §331(c), Apr. 20, 1983, 97 Stat. 129, provided that: "The amendments made by subsection (a) [amending this section] shall be effective with respect to payments made for months after December 1983."

Pub. L. 98–21, title III, §347(b), Apr. 20, 1983, 97 Stat. 138, provided that: "The amendment made by subsection (a) [amending this section] shall apply only with respect to taxable years beginning after December 1989, and only in the case of individuals who have attained retirement age (as defined in section 216(f) of the Social Security Act (42 U.S.C. 416(f)))."

**Effective Date of 1961 Amendments**

Amendment by section 2201(c)(6) of Pub. L. 97–35 and by section 2(1) of Pub. L. 97–123, applicable with respect to benefits for months after December 1961 with certain exceptions, see section 2(1)(2)(4) of Pub. L. 97–123, set out as a note under section 415 of this title.

Amendment by section 2206(b)(2)(c) of Pub. L. 97–35 applicable only with respect to initial calculations and adjustments of primary insurance amounts and benefit amounts which are attributable to periods after August 1981, see section 2206(c) of Pub. L. 97–35, set out as a note under section 402 of this title.

**Effective Date of 1980 Amendments**

Pub. L. 96–473, §1(b), Oct. 19, 1980, 94 Stat. 2263, provided that: "The amendment made by subsection (a) [amending this section] shall apply with respect to benefits payable for months after December 1977."

Pub. L. 96–473, §3(b), Oct. 19, 1980, 94 Stat. 2264, provided that: "The amendment made by subsection (a) [amending this section] shall apply with respect to taxable years ending after December 31, 1977, but only with respect to benefits payable for months after December 1977.

Pub. L. 96–473, §4(b), Oct. 19, 1980, 94 Stat. 2264, provided that: "The amendment made by subsection (a) [amending this section] shall apply with respect to monthly benefits payable for months after December 1977."

Pub. L. 96–265, title I, §101(c), June 9, 1980, 94 Stat. 443, provided that: "The amendments made by subsection (a) [amending this section] shall apply with respect to monthly benefits payable for months after December 1977."

**Effective Date of 1977 Amendment**

Amendment by section 202 of Pub. L. 95–216 effective with respect to monthly benefits under this subchapter payable for months after Dec. 1978 and with respect to lump-sum death payments with respect to deaths occurring after such month, and amendment by section 204(e) of Pub. L. 95–216 effective with respect to monthly benefits for months after May 1978, see section 206 of Pub. L. 95–216, set out as a note under section 402 of this title.

Pub. L. 95–216, title III, §301(e), Dec. 20, 1977, 91 Stat. 1531, provided that: "The amendments made by this section [amending this section] shall apply with respect to taxable years ending after December 1977."

Pub. L. 95–216, title III, §302(e), Dec. 20, 1977, 91 Stat. 1531, provided that: "The amendments made by this section [amending this section] shall apply only with respect to taxable years ending after December 31, 1981."

Pub. L. 95–216, title III, §303(b), Dec. 20, 1977, 91 Stat. 1531, provided that: "The amendment made by subsection (a) [amending this section] shall apply only with respect to monthly benefits payable for months after December 1977."

Amendment by section 333(a) of Pub. L. 95–216 effective Jan. 1, 1979, see section 333(g) of Pub. L. 95–216, set out as a note under section 418 of this title.

**Effective Date of 1973 Amendment**


**Effective Date of 1972 Amendments**

Amendment by section 101(b) of Pub. L. 92–603 applicable with respect to monthly insurance benefits under this subchapter for months after December 1972 and with respect to lump-sum death payments under this subchapter in the case of deaths occurring after such month, see section 101(g) of Pub. L. 92–603, set out as a note under section 415 of this title.

Pub. L. 92–336, title II, §202(a)(2)(A), (B), July 1, 1972, 86 Stat. 415, provided that the amendments made by that section are effective Jan. 1, 1974.
Amendment by section 201(b) of Pub. L. 92–336 applicable with respect to monthly benefits under subchapter II of this chapter for months after August 1972 and with respect to lump-sum death payments under such subchapter in the case of deaths occurring after such month, see section 201(i) of Pub. L. 92–336, set out as a note under section 415 of this title.

Pub. L. 92–603, title I, § 140, Oct. 30, 1972, 86 Stat. 1370, provided that: "The amendments made by each of the paragraphs in subsection (a) [amending this section and sections 415 and 430 of this title] shall be effective in like manner as if such amendment had been included in title II of Public Law 92–336 in the particular provision of such title referred to in such paragraph."

Amendment by section 201(h)(1) of Pub. L. 92–336 applicable with respect to monthly benefits under subchapter II of this chapter for months after December 1971, see section 201(i) of Pub. L. 92–336, set out as a note under section 415 of this title.

Amendment by section 102(c) of Pub. L. 92–603 applicable with respect to monthly benefits under this subchapter for months after December 1972, see section 102(d) of Pub. L. 92–603, set out as a note under section 402 of this title.

Amendment by section 107(b)(1), (2) of Pub. L. 92–603 applicable with respect to monthly benefits under this subchapter for months after December 1972, with specifications, see section 107(c)(5) of Pub. L. 92–603, set out as a note under section 402 of this title.

Pub. L. 92–603, title I, § 105(c), Oct. 30, 1972, 86 Stat. 1342, provided that: "The amendments made by this section [amending this section] shall apply with respect to taxable years ending after December 1972."

Pub. L. 92–603, title I, § 106(b), Oct. 30, 1972, 86 Stat. 1343, provided that: "The amendment made by subsection (a) [amending this section to provide for the exclusion of certain earnings in year of attaining age 72] shall apply with respect to taxable years ending after December 1972."

Effective Date of 1971 Amendment

Amendment by Pub. L. 92–5 applicable with respect to monthly benefits under subchapter II of this chapter for months after December 1970 and with respect to lump-sum death payments under such subchapter in the case of deaths occurring in and after March 1971, see section 201(e) of Pub. L. 92–5, set out as a note under section 415 of this title.

Effective Date of 1969 Amendment

Amendment by Pub. L. 91–172 applicable with respect to monthly benefits under this subchapter for months after December 1969 and with respect to lump-sum death payments under such subchapter in the case of deaths occurring after December 1969, see section 102(e) of Pub. L. 91–172, set out as a note under section 415 of this title.

Effective Date of 1968 Amendment

Amendment by section 203(b) of Pub. L. 90–248 applicable with respect to monthly benefits and lump-sum death payments in the case of deaths occurring after January 1968, under this subchapter for months after January 1968, see section 203(e) of Pub. L. 90–248, set out as a note under section 415 of this title.

Amendment by section 104(d)(1) of Pub. L. 90–248 applicable with respect to monthly benefits under this subchapter for and after the month of February 1968, but only on the basis of applications for such benefits filed in or after January 1968, see section 104(e) of Pub. L. 90–248, set out as a note under section 402 of this title.

Pub. L. 90–248, title I, § 117(b), Jan. 2, 1968, 81 Stat. 834, provided that: "The amendments made by subsection (a) [amending this section] shall apply with respect to taxable years ending after December 1967."

Pub. L. 90–248, title I, § 110, Jan. 2, 1968, 81 Stat. 872, provided that: "The amendments made by paragraph (1) [amending this section] shall apply only with respect to monthly benefits payable under title II of the Social Security Act [42 U.S.C. 401 et seq.] with respect to individuals who become entitled to benefits under section 202(d) of such Act solely by reason of section 216(h)(3) of such Act [42 U.S.C. 416(h)(3)] in or after January 1968 (but without regard to section 202(j)(1) of such Act [42 U.S.C. 402(j)(1)]). The provisions of section 170 of this Act [set out at Revenue Provisions note below] shall not apply with respect to any such individual."

Effective Date of 1965 Amendment

Amendment by section 301(c) of Pub. L. 89–97 applicable with respect to monthly benefits under this subchapter for months after December 1964 and with respect to lump-sum death benefits payments under this subchapter in the case of deaths occurring in or after July 1965, see section 301(d) of Pub. L. 89–97, set out as a note under section 415 of this title.

Amendment by section 308(d)(6)–(8) of Pub. L. 89–97 applicable with respect to monthly insurance benefits under this subchapter beginning with the second month following July 1965, but, in the case of an individual who was not entitled to a monthly insurance benefit under section 402 of this title for the first month following July 1965, only on the basis of an application filed in or after July 1965, see section 308(e) of Pub. L. 89–97, set out as a note under section 402 of this title.

Pub. L. 89–97, title III, § 310(b), July 30, 1965, 79 Stat. 380, provided that: "The amendments made by subsection (a) [amending this section] shall apply with respect to taxable years ending after December 31, 1965."

Pub. L. 89–97, title III, § 325(b), July 30, 1965, 79 Stat. 399, provided that: "The amendments made by subsection (a) [amending this section] shall apply with respect to the computation of net earnings from self-employment and the net loss from self-employment for taxable years beginning after 1964."

Effective Date of 1961 Amendment

Pub. L. 87–64, title I, § 108(b), July 30, 1961, 75 Stat. 140, provided that: "The amendment made by subsection (a) [amending this section] shall apply in the case of taxable years ending after the enactment of this Act [June 30, 1961]."

Effective Date of 1960 Amendment

Amendment by section 103(b) of Pub. L. 89–738 applicable only with respect to service performed after 1960, except that insofar as the carrying on of a trade or business (other than performance of service as an employee) is concerned, the amendment shall be applicable only in the case of taxable years beginning after 1960, see section 103(v)(1) of Pub. L. 89–738, set out as a note under section 402 of this title.

Pub. L. 89–738, title II, § 211(p)–(s), Sept. 13, 1960, 74 Stat. 958, provided that: "(p) Section 203(c), (d), (e), (g), and (l) of the Social Security Act [42 U.S.C. 403(c), (d), (e), (g), (l)] as amended by this Act shall be effective with respect to monthly benefits for months after December 1960."

"(q) Section 203(b), (f), and (h) of the Social Security Act [42 U.S.C. 403(b), (f), (h)] as amended by this Act shall be effective with respect to taxable years beginning after December 1960."

"(r) Section 203(l) of the Social Security Act [42 U.S.C. 403(l)] as amended by this Act, to the extent that it applies to section 203(g) of the Social Security Act as amended by this Act, shall be effective with respect to monthly benefits for months after December 1960 and, to the extent that it applies to section 203(h)(1)(A) of the Social Security Act as amended by this Act, shall be effective with respect to taxable years beginning after December 1960."

"(s) The amendments made by subsections (l), (j), (k), (l), (m), (n), and (o) [amending sections 402, 405, and 415 of this title and sections 228c and 228e of Title 45, Railroads], to the extent that they make changes in references to provisions of section 203 of the Social Secu-
Amendment by section 101(f) of Pub. L. 85–840 applicable in the case of monthly benefits under subchapter II of this chapter for months in any taxable year (of the individual entitled to such benefits) beginning after December 1954.

Amendment by section 101(g) of Pub. L. 85–840 applicable with respect to monthly benefits under this subchapter for months after August 1958, but only if an application for such benefits is filed on or after Aug. 28, 1958, and amendment by section 205(k) of Pub. L. 85–840 applicable with respect to monthly benefits under this subchapter for August 1958 and succeeding months, see section 207(a) of Pub. L. 85–840, set out as a note under section 416 of this title.

Amendment by section 203(j) of Pub. L. 85–840 applicable with respect to monthly benefits under this subchapter for months after August 1958, but only if an application for such benefits is filed on or after Aug. 28, 1958, and amendment by section 205(k) of Pub. L. 85–840 applicable with respect to monthly benefits under this subchapter for August 1958 and succeeding months, see section 207(a) of Pub. L. 85–840, set out as a note under section 416 of this title.

Amendment by section 307(h)(2) of Pub. L. 85–840, Aug. 28, 1958, 72 Stat. 1033, provided that: "The amendments made by subsection (f) [amending this section] shall apply with respect to monthly benefits under subsection (d) or (g) of section 202 of the Social Security Act [42 U.S.C. 402(d), (g)] for months in any taxable year, of the individual to whom the person entitled to such benefits is entitled (without the application of section 202(j)(1) or section 223(b) of such Act) on the basis of such wages and self-employment income such monthly benefits are payable became entitled (without the application of section 202(j)(1) or section 223(b) of such Act) after the month following the month in which this Act is enacted, or (2) if such insured individual died before becoming so entitled and no person was entitled (without the application of section 202(j)(1) or section 223(b) of such Act) on the basis of such wages and self-employment income to monthly benefits under title II of the Social Security Act [42 U.S.C. 401 et seq.] for the month following the month in which this Act is enacted [September 1956] or any prior month."

Effective Date of 1956 Amendment

Amendment by section 101(d)–(g) of act Aug. 1, 1956, applicable with respect to monthly benefits under section 402 of this title for months after December 1956, but only on the basis of an application filed after September 1956, see section 101(h) of act Aug. 1, 1956, set out as a note under section 402 of this title.

Act Aug. 1, 1956, ch. 836, title I, § 107(a), 70 Stat. 829, provided that: "The amendment made by section (a) [amending this section] shall be applicable in the case of monthly benefits under this subchapter for months in any taxable year (of the individual entitled to such benefits) beginning after 1954.

Act Aug. 1, 1956, ch. 836, title I, § 112(c), 70 Stat. 831, provided that: "The amendments made by subsections (a) and (b) [amending this section] shall be applicable with respect to taxable years ending after 1955."

Effective Date of 1956 Amendment

Amendment by section 101(d)–(g) of act Aug. 1, 1956, applicable with respect to monthly benefits under section 402 of this title for months after December 1956, but only on the basis of an application filed after September 1956, see section 101(h) of act Aug. 1, 1956, set out as a note under section 402 of this title.

Act Aug. 1, 1956, ch. 836, title I, § 107(a), 70 Stat. 829, provided that: "The amendments made by section (a) [amending this section] shall be applicable in the case of monthly benefits under title II of the Social Security Act [42 U.S.C. 401 et seq.] for months in any taxable year (of the individual entitled to such benefits) beginning after 1954.

The amendments made by subsection (b) [amending this section] shall apply in the case of monthly benefits under such title II for months in any taxable year (of the individual entitled to such benefits) beginning after December 1954 and, insofar as they are related to the monthly benefits of an individual which are based on his wages and self-employment income, in the case of monthly benefits under such title II for months in any taxable year (of such individual) beginning after December 1954 and, insofar as they are related to the monthly benefits of an individual which are based on the wages and self-employment income of someone else, in the case of monthly benefits under such title II for months in any taxable year (of the individual on whose wages and self-employment income such benefits are payable) beginning after December 1954.

No deduction shall be imposed on or after the date of the enactment of this Act [Sept. 1, 1954] under subsection (f) or (g) of section 203 of the Social Security Act [42 U.S.C. 403(f), (g)], as in effect prior to such date, on account of failure to file a report of an event described in subsection (b)(1), (b)(2), or (c)(1) of such section (as in effect prior to such date); and no such deduction imposed prior to such date shall be collected after such date. In determining whether, under section 203(g)(2) of the Social Security Act, as amended by this Act, a failure to file a report is a first or subsequent failure, any failure with respect to a taxable year which began prior to January 1955 shall be disregarded."

Effective Date of 1956 Amendment

For effective date of amendment by section 2(b)(2) of act July 18, 1952, see section 2(c)(2) of act July 18, 1952, set out as a note under section 415 of this title.

Act July 18, 1952, ch. 454, § 4(e), 66 Stat. 773, provided that: "The amendments made by subsection (a) [amending this section] shall apply in the case of monthly benefits under title II of the Social Security Act [42 U.S.C. 401 et seq.] for months after August 1952. The amendments made by subsection (b) [amending this section] shall apply in the case of monthly benefits under such title II for months in any taxable year (of the individual entitled to such benefits) beginning after December 1954 and, insofar as they are related to the monthly benefits of an individual which are based on his wages and self-employment income, such benefits are payable) ending after August 1952. The amendments
made by subsection (d) [amending this section] shall apply in the case of taxable years ending after August 1962. As used in this subsection, the term "taxable year" shall mean the calendar year assigned to it by section 211(e) of the Social Security Act [section 411(e) of this title]."

**Effective Date of 1950 Amendment**

Act Aug. 28, 1950, ch. 809, title I, §102(b), 64 Stat. 489, provided that: "The amendment made by subsection (a) of this section [amending this section] shall be applicable with respect to benefits for months after August 1950."

Act Aug. 28, 1950, ch. 809, title I, §103(b), 64 Stat. 492, provided that: "The amendments made by this section [amending subsections (a), (c), (d), and (e)] of section 203 of the Social Security Act [42 U.S.C. 403(d), (e), (d), (e)] as in effect prior to the enactment of the Act [Aug. 28, 1950] shall be applicable for months prior to September 1950."

**Effective Date of 1959 Amendment**

Act Aug. 10, 1959, ch. 866, title II, §201, 73 Stat. 1362, provided that the amendment made by that section is effective Jan. 1, 1940.

**Savings Provision**

Pub. L. 92-336, title II, §201(b)(2), July 1, 1972, 86 Stat. 412, provided that: "In any case in which the provisions of section 1002(b)(2) of the Social Security Amendments of 1971 [set out as a note under this section] were applicable for months prior to January 1971 on the basis of an application filed before January 1971, the total of monthly benefits as determined under section 203(a) of the Social Security Act [42 U.S.C. 403(a)] shall, for months after 1969, be increased to the amount that would be required in order to assure that the total of such monthly benefits (after the application of section 202(q) of such Act [42 U.S.C. 402(q)]) will not be less than the total of monthly benefits that was applicable (after the application of section 203(a) and 203(b)) for the first month for which the provisions of section 1002(b)(2) applied."

Pub. L. 91-172, title X, §1002(b)(2), Dec. 30, 1969, 83 Stat. 740, provided that: "Notwithstanding any other provisions of law, when two or more persons are entitled to monthly insurance benefits under title II of the Social Security Act [42 U.S.C. 401 et seq.] for any month after 1969 on the basis of the wages and self-employment income of an insured individual (and at least one of such persons was so entitled for a month before January 1971 on the basis of an application filed before January 1971), the total of the benefits to which such persons are entitled under such title of such month on the basis of such individual's wages and self-employment income for any subsequent month for which he is entitled to an old-age insurance benefit under such title, would (but for the provisions of this paragraph) be reduced by reason of the application of section 203(a) of the Social Security Act [42 U.S.C. 403(a)], as amended by this Act, then the total of benefits referred to in clause (C) for such subsequent month shall be reduced to whichever of the following is the larger—

"(D) the amount determined pursuant to section 203(a) of the Social Security Act [42 U.S.C. 403(a)], as amended by this Act; or

"(E) the amount determined pursuant to such section, as in effect prior to the enactment of this Act [Sept. 1, 1954], for August 1954 plus the excess of (i) the amount of his old-age insurance benefit for such month computed as if the amendments made by the preceding subsections of this section [amending section 415 of this title] had been applicable in the case of such benefit for such month over (ii) the amount of his old-age insurance benefit for such month, or

"(F) the amount determined pursuant to section 202(j)(1) of the Social Security Act [42 U.S.C. 402(j)(1)] to monthly benefits under title II of such Act [42 U.S.C. 402(j)(1)] for August 1954 plus the excess of (i) the amount of his old-age insurance benefit for such month computed as if the amendments made by the preceding subsections of this section [amending section 415 of this title] had been applicable in the case of such benefit for such month over (ii) the amount of his old-age insurance benefit for such month, or

"(2) Where—

"(A) two or more persons were entitled (without the application of section 202(j)(1) of the Social Security Act [42 U.S.C. 402(j)(1)] to monthly benefits under such title for February 1968 on the basis of such deceased individual's wages and self-employment income of a deceased individual; and

"(B) to total of the benefits to which all such persons are entitled on the basis of such deceased individual's wages and self-employment income for any subsequent month would (but for the provisions of this paragraph) be reduced by reason of the application of the first sentence of section 203(a) of the Social Security Act [42 U.S.C. 403(a)], as amended by this Act, then, notwithstanding any other provision in title II of the Social Security Act [42 U.S.C. 401 et seq.], such de-
ceased individual's average monthly wage shall, for purposes of such section 203(a), be whichever of the following is the larger:

(‘(C) his average monthly wage determined pursuant to section 215 of such Act [42 U.S.C. 415], as amended by this Act; or

(D) his average monthly wage determined under section 215, as in effect prior to the enactment of this Act [Sept. 1, 1954], plus $7.’)

TEMPORARY EXTENSION OF EARNINGS LIMITATIONS TO INCLUDE ALL PERSONS AGED LESS THAN SEVENTY-TWO


“(a) Notwithstanding subsection (e) of section 302 of the Social Security Amendments of 1977 [91 Stat. 1531; Public Law 95–216] (set out as an Effective Date of 1977 Amendment note above), the amendments made to section 203 of the Social Security Act [42 U.S.C. 403] by subsections (a) through (d) of such section 302 shall, except as provided in subsection (b) of this section, apply only with respect to monthly insurance benefits payable under title II of the Social Security Act [42 U.S.C. 401 et seq.] for months after December 1982.

“(b) In the case of any individual whose first taxable year (as in effect on the date of the enactment of this Act [Aug. 13, 1981]) ending after December 31, 1981, begins before January 1, 1982, the amendments made by section 302 of the Social Security Amendments of 1977 (amending this section) shall apply with respect to taxable years beginning with such taxable year.

INCREASED EXEMPT AMOUNTS FOR INDIVIDUALS DESCRIBED IN SUBSEC. (INCLUSION OF AID TO THE AGED, BLIND, OR DISABLED) [amending this section] shall apply with respect to tax-

RETIREMENT TEST EXEMPT AMOUNT FOR 1976

By notice of the Secretary of Health, Education, and Welfare [now Health and Human Services], Oct. 22, 1975, 40 F.R. 50554, it was determined and announced that, pursuant to authority contained in subsec. (f)(8) of this section, the monthly exempt amount under the retirement test would be $230 with respect to taxable years ending in calendar year 1976.

COST-OF-LIVING INCREASE IN BENEFITS

For purposes of benefits provided by section 2 of Pub. L. 90–248, revising benefits table of section 415(a) of this title and amending sections 427(a), (b) and 428(b)(1), (2), (c)(3)(A), (B) of this title considered an increase under section 415(d) of this title, see section 3(i) of Pub. L. 97–253, set out as a note under section 415 of this title.

PENALTIES FOR FAILURE TO FILE TIMELY REPORTS OF EARNINGS AND OTHER EVENTS

Pub. L. 90–248, title I, § 161(c), Jan. 2, 1968, 81 Stat. 871, provided that: ‘‘The amendments made by this section [amending this section] shall apply with respect to any deductions imposed on or after the date of the enactment of this Act [Jan. 2, 1968] under subsections (g) and (h) of section 263 of the Social Security Act [42 U.S.C. 403(g), (h)] on account of failure to make a report required thereby.’’

COMPUTATION OF BENEFITS FOR CERTAIN CHILDREN


‘‘(1) one or more persons were entitled (without the application of section 203(c)(1) of the Social Security Act [42 U.S.C. 402(c)(1)]) to monthly benefits under section 202 or 223 of such Act [42 U.S.C. 402, 423] for January 1968 on the basis of the wages and self-employment income of an individual, and

‘‘(2) one or more persons became entitled to monthly benefits before January 1968 under section 202(d) of such Act [42 U.S.C. 402(d)] by reason of section 216(h)(3) of such Act [42 U.S.C. 416(h)(3)] (but without regard to section 202(j)(1)), on the basis of such wages and self-employment income and are so entitled for January 1968, and

‘‘(3) the total of benefits to which all persons are entitled under such section 202 or 223 of such Act [42 U.S.C. 402, 423] on the basis of such wages and self-employment for January 1968 are reduced by reason of section 203(a) of such Act [42 U.S.C. 403(a)], as amended by this Act (or would, but for the penultimate sentence of such section 203(a), be so reduced), then the amount of the benefit to which each such person referred to in paragraph (1) above (but not persons referred to in paragraph (2) above) is entitled for months after January 1968 shall be increased, after the application of such section 203(a), to the extent that it would have been if the person or persons referred to in paragraph (2) were not entitled to a benefit referred to in such paragraph (2).’’

PROHIBITION ON IMPOSITION OF DEDUCTION FOR FAILURE TO FILE CERTAIN REPORTS

Pub. L. 90–787, title II, § 220(b), Sept. 13, 1960, 74 Stat. 953, provided that: ‘‘No deduction shall be imposed on or after the date of the enactment of this Act [Sept. 13, 1960] under section 203(f) of the Social Security Act [42 U.S.C. 403(f)], as in effect prior to such date, on account of failure to file a report of an event described in section 203(c) of such Act, as in effect prior to such date; and no such deduction imposed prior to such date shall be collected after such date.’’

PROHIBITION ON PAYMENT OF BENEFITS TO CERTAIN SPOUSES OR CHILDREN

Pub. L. 90–787, title II, § 211(t), Sept. 13, 1960, 74 Stat. 958, provided that: ‘‘In any case where—

‘‘(1) an individual has earnings (as defined in section 203(c)(4) of the Social Security Act [42 U.S.C. 403(c)(4)]) as in effect prior to the enactment of this Act [Sept. 13, 1960]) in a taxable year which begins before January 1961 and ends in 1961 (but not on December 31, 1961), and

‘‘(2) such individual’s spouse or child entitled to monthly benefits on the basis of such individual’s self-employment income has excess earnings (as defined in section 203(f)(3) of the Social Security Act [42 U.S.C. 403(f)(3)] as amended by this Act) in a taxable year which begins after 1960, and

‘‘(3) one or more months in the taxable year specified in paragraph (2) are included in the taxable year specified in paragraph (1), then, if a deduction is imposed against the benefits payable to such individual with respect to a month described in paragraph (3), such spouse or child, as the case may be, shall not, for purposes of subsections (b) and (f) of section 205 of the Social Security Act [42 U.S.C. 405(b), (f)] as amended by this Act, be entitled to a payment for such month.’’

§ 404. Overpayments and underpayments

(a) Procedure for adjustment or recovery

(1) Whenever the Commissioner of Social Security finds that more or less than the correct amount of payment has been made to any person under this subchapter, proper adjustment or re-
covery shall be made, under regulations prescribed by the Commissioner of Social Security, as follows:

(A) With respect to payment to a person of more than the correct amount, the Commissioner of Social Security shall decrease any payment under this subchapter to which such overpaid person is entitled, or shall require such overpaid person or his estate to refund the amount in excess of the correct amount, or shall decrease any payment under this subchapter payable to his estate or to any other person on the basis of the wages and self-employment income which were the basis of the payments to such overpaid person, or shall obtain recovery by means of reduction in tax refunds based on notice to the Secretary of the Treasury as permitted under section 3720A of title 31, or shall apply any combination of the foregoing. A payment made under this subchapter on the basis of an erroneous report of death by the Department of Defense of an individual in the line of duty while he is a member of the uniformed services (as defined in section 410(m) of this title) shall not be considered an incorrect payment for any month prior to the month such Department notifies the Commissioner of Social Security that such individual is alive.

(B)(i) Subject to clause (ii), with respect to payment to a person of less than the correct amount, the Commissioner of Social Security shall make payment of the balance of the amount due such underpaid person, or, if such person dies before payments are completed or before negotiating one or more checks representing correct payments, disposition of the amount due shall be made in accordance with subsection (d).

(ii) No payment shall be made under this subparagraph to any person during any period for which monthly insurance benefits of such person—

(I) are subject to nonpayment by reason of section 402(x)(1) of this title, or

(II) in the case of a person whose monthly insurance benefits have terminated for a reason other than death, would be subject to nonpayment by reason of section 402(x)(1) of this title but for the termination of such benefits, until section 402(x)(1) of this title no longer applies, or would no longer apply in the case of benefits that have terminated.

(iii) Nothing in clause (ii) shall be construed to limit the Commissioner’s authority to withhold amounts, make adjustments, or recover amounts due under this subchapter, subchapter VIII or subchapter XVI that would be deducted from a payment that would otherwise be payable to such person but for such clause.

(2) Notwithstanding any other provision of this section, when any payment of more than the correct amount is made to or on behalf of an individual who has died, and such payment—

(A) is made by direct deposit to a financial institution;

(B) is credited by the financial institution to a joint account of the deceased individual and another person; and

(C) such other person was entitled to a monthly benefit on the basis of the same wages and self-employment income as the deceased individual for the month preceding the month in which the deceased individual died,

the amount of such payment in excess of the correct amount shall be treated as a payment of more than the correct amount to such other person. If any payment of more than the correct amount is made to a representative payee on behalf of an individual after the individual’s death, the representative payee shall be liable for the repayment of the overpayment, and the Commissioner of Social Security shall establish an overpayment control record under the social security account number of the representative payee.

(3)(A) When any payment of more than the correct amount is made on behalf of an individual who is a represented minor beneficiary for a month in which such individual is in foster care under the responsibility of a State and the State is the representative payee of such individual, the State shall be liable for the repayment of the overpayment, and there shall be no adjustment of payments to, or recovery by the United States from, such individual.

(b) Access to financial information for old-age, survivors, and disability insurance waivers

(1) In any case in which more than the correct amount of payment has been made, there shall be no adjustment of payments to, or recovery by the United States from, any person who is without fault if such adjustment or recovery would defeat the purpose of this subchapter or would be against equity and good conscience.

(2) In making for purposes of this subsection any determination of whether any individual is without fault, the Commissioner of Social Security shall specifically take into account any physical, mental, educational, or linguistic limitation such individual may have (including any lack of facility with the English language).

(3)(A) In making for purposes of this subsection any determination of whether such adjustment or recovery would defeat the purpose of this subchapter, the Commissioner of Social Security shall require an individual to provide authorization for the Commissioner to obtain (subject to the cost reimbursement requirements of section 1115(a) of the Right to Financial Privacy Act [12 U.S.C. 3415]) from any financial institution (within the meaning of section 1101(1) of such Act [12 U.S.C. 3401(1)]) any financial record (within the meaning of section 1101(2) of such Act [12 U.S.C. 3401(2)]) held by the institution with respect to such individual whenever the Commissioner determines the record is needed in connection with a determination with respect to such adjustment or recovery.

(B) Notwithstanding section 1106(a)(1) of the Right to Financial Privacy Act [12 U.S.C.

See References in Text note below.
§ 404 - The Public Health and Welfare

404(a)(1)], an authorization provided by an individual pursuant this paragraph shall remain effective until the earlier of—

(i) the rendering of a final decision on whether adjustment or recovery would defeat the purpose of this subchapter; or

(ii) the express revocation by the individual of the authorization, in a written notification to the Commissioner.

(C)(i) An authorization obtained by the Commissioner of Social Security pursuant this paragraph shall be considered to meet the requirements of the Right to Financial Privacy Act [12 U.S.C. 3401 et seq.] for purposes of section 1104(a) of such Act [12 U.S.C. 3403(a)], and need not be furnished to the financial institution, notwithstanding section 1104(a) of such Act [12 U.S.C. 3404(a)].

(ii) The certification requirements of section 1103(b) of the Right to Financial Privacy Act [12 U.S.C. 3403(b)] shall not apply to requests by the Commissioner of Social Security pursuant to an authorization provided under this paragraph.

(iii) A request by the Commissioner pursuant to an authorization provided under this paragraph is deemed to meet the requirements of section 1104(a)(3) and the flush language of section 1102 of such Act [12 U.S.C. 3402].

(D) The Commissioner shall inform any person who provides authorization pursuant to this paragraph of the duration and scope of the authorization.

(E) If an individual refuses to provide, or revokes, any authorization for the Commissioner of Social Security to obtain from any financial institution any financial record, the Commissioner may, on that basis, determine that adjustment or recovery would not defeat the purpose of this subchapter.

(c) Nonliability of certifying and disbursing officers

No certifying or disbursing officer shall be held liable for any amount certified or paid by him to any person where the adjustment or recovery of such amount is waived under subsection (b), or where adjustment under subsection (a) is not completed prior to the death of all persons against whose benefits deductions are authorized.

(d) Payment to survivors or heirs when eligible person is deceased

If an individual dies before any payment due him under this subchapter is completed, payment of the amount due (including the amount of any unnegotiated checks) shall be made—

(1) to the person, if any, who is determined by the Commissioner of Social Security to be the surviving spouse of the deceased individual and who either (i) was living in the same household with the deceased at the time of his death or (ii) was, for the month in which the deceased individual died, entitled to a monthly benefit on the basis of the same wages and self-employment income as was the deceased individual; or

(2) if there is no person who meets the requirements of paragraph (1), or if the person who meets such requirements dies before the payment due him under this subchapter is completed, to the child or children, if any, of the deceased individual who were, for the month in which the deceased individual died, entitled to monthly benefits on the basis of the same wages and self-employment income as was the deceased individual (and, in case there is more than one such child, in equal parts to each such child);

(3) if there is no person who meets the requirements of paragraph (1) or (2), or if each person who meets such requirements dies before the payment due him under this subchapter is completed, to the parent or parents, if any, of the deceased individual who were, for the month in which the deceased individual died, entitled to monthly benefits on the basis of the same wages and self-employment income as was the deceased individual (and, in case there is more than one such parent, in equal parts to each such parent);

(4) if there is no person who meets the requirements of paragraph (1), or (2), or (3), or if each person who meets such requirements dies before the payment due him under this subchapter is completed, to the person, if any, determined by the Commissioner of Social Security to be the surviving spouse of the deceased individual;

(5) if there is no person who meets the requirements of paragraph (1), (2), (3), or (4), or if each person who meets such requirements dies before the payment due him under this subchapter is completed, to the person or persons, if any, determined by the Commissioner of Social Security to be the child or children of the deceased individual (and, in case there is more than one such child, in equal parts to each such child);

(6) if there is no person who meets the requirements of paragraph (1), (2), (3), (4), or (5), or if each person who meets such requirements dies before the payment due him under this subchapter is completed, to the person or persons, if any, of the deceased individual (and, in case there is more than one such parent, in equal parts to each such parent); or

(7) if there is no person who meets the requirements of paragraph (1), (2), (3), (4), (5), or (6), or if each person who meets such requirements dies before the payment due him under this subchapter is completed, to the legal representative of the estate of the deceased individual, if any.

(e) Adjustments due to supplemental security income payments

For payments which are adjusted by reason of payment of benefits under the supplemental security income program established by subchapter XVI, see section 1320a–6 of this title.

(f) Collection of delinquent amounts

(1) With respect to any delinquent amount, the Commissioner of Social Security may use the collection practices described in sections 3711(f), 3716, 3717, and 3718 of title 31 and in section 5514 of title 5, all as in effect immediately after April 26, 1996.

(2) For purposes of paragraph (1), the term “delinquent amount” means an amount—

8So in original. Probably should be “delinquent”.
(A) in excess of the correct amount of payment under this subchapter;
(B) paid to a person after such person has attained 18 years of age; and

(c) determined by the Commissioner of Social Security, under regulations, to be otherwise unrecoverable under this section after such person ceases to be a beneficiary under this subchapter.

(g) Cross-program recovery of overpayments

For provisions relating to the cross-program recovery of overpayments made under programs administered by the Commissioner of Social Security, see section 1320b–17 of this title.


REFERENCES IN TEXT


For complete classification of this Act to the Code, see Short Title note set out under section 3401 of Title 12, Banks and Bank- ing, and Tables.

AMENDMENTS

2004—Subsec. (g). Pub. L. 108–203 amended subsec. (g) generally. Prior to amendment, subsec. (g) read as follows: "For payments which are adjusted or withheld to recover an overpayment of supplemental security income benefits paid under subchapter XVI of this chapter (including State supplementary payments paid under an agreement pursuant to section 1382a(a) of this title or section 212(b) of Public Law 96–66), see section 1320b–17 of this title."

1999—Subsec. (a)(2). Pub. L. 106–169, § 201(a), inserted at end "If any payment of more than the correct amount is made to a representative payee on behalf of an individual after the individual’s death, the representative payee shall be liable for the repayment of the overpayment, and the Commissioner of Social Security shall establish an overpayment control record under the social security account number of the representative payee."

Subsec. (f)(1). Pub. L. 106–169, § 203(c), substituted "3711(e)" for "3711(e)" and inserted "all" before "as in effect."


1996—Subsec. (f). Pub. L. 104–134, which directed that subsec. (f) be amended to read as follows: "(f)(1) With respect to any delinquent amount, the Commissioner of Social Security may use the collection practices described in sections 3711(f), 3716, 3717, and 3718 of title 31 as in effect immediately after April 26, 1996."

Subsec. (f)(1). Pub. L. 104–316 substituted "sections 3711(e)" for "sections 3711(f)".


1990—Subsec. (a)(2)(A). Pub. L. 101–568 inserted "or shall obtain recovery by means of reduction in tax refunds based on notice to the Secretary of the Treasury as permitted under section 3720A of title 31," after "payments to such overpaid person."

1989—(b) Pub. L. 101–239 inserted at end "In making for purposes of this subsection any determination of whether any individual is without fault, the Secretary shall specifically take into account any physical, mental, educational, or linguistic limitation of such individual may have (including any lack of facility with the English language)."

1986—Subsec. (a). Pub. L. 99–272 redesignated existing subsec. (a) as (a)(1) and pars. (1) and (2) thereof as subpars. (A) and (B), respectively, and added par. (2).


1978—Subsec. (a). Pub. L. 95–248, § 152(a), incorporated in text preceding par. (1) of existing provisions and broadened the Secretary’s authority to include recovery of overpayments.

Subsec. (a)(1). Pub. L. 95–248, § 152(a), inserted last sentence which provided that payments made on an erroneous report by the Defense Department of the death, in the line of duty, of a member of the uniformed services on active duty are not to be deemed incorrect payments until the Department notifies the Secretary that he is alive.

Subsec. (a)(2). Pub. L. 95–248, § 152(a), incorporated in par. (2) of existing provisions and broadened Secretary’s authority to provide that in the case of underpayments, the Secretary is to pay the balance due the underpaid person but if he dies before receiving the full amount due him or before negotiating checks representing the correct payments, the balance due or the amount for which the checks were issued but not negotiated are to be paid under subsec. (d) of this section.

Subsec. (b). Pub. L. 95–248, § 152(b), authorized the Secretary to waive adjustment or recovery of overpayments from any person who is without fault, even if..."
where he is not the overpaid person and the latter is at fault, whereas heretofore a condition for waiver was that the overpaid person be without fault.

Subsec. (d), Pub. L. 90–248, §154(a), struck out, in text preceding par. (1), provision excepting subsec. (d) from subsection (a) and provision that the total amount due at the time of death may not exceed the amount of the monthly insurance benefit to which an individual was entitled for the month preceding the month in which he died, added cl. (ii) in par. (1), added pars. (2) to (6), designated existing provisions as par. (7) and inserted therein references to pars. (1) to (6).


1950—Act Aug. 28, 1950, substituted “Administrator” for “board”.

1939—Act Aug. 10, 1939, omitted former provisions relating to payments to aged individuals not qualified for benefits and substituted the present section relating to overpayments and underpayments.

Effective Date of 2018 Amendment
Pub. L. 115–165, title I, §104(c), Apr. 13, 2018, 132 Stat. 1264, provided that: “The amendment made by subsection (a) [amending this section] shall apply with respect to overpayment determinations made on or after the date of the enactment of this Act [Apr. 13, 2018] and to any other overpaid amounts that have not been recovered as of such date.”

Effective Date of 2015 Amendment
Pub. L. 114–74, title VIII, §834(c), Nov. 2, 2015, 129 Stat. 615, provided that: “The amendments made by this section [amending this section and section 1383 of this title] shall apply with respect to determinations made on or after the date that is 3 months after the date of the enactment of this section [Nov. 2, 2015].”

Effective Date of 2009 Amendment
Pub. L. 111–115, §2(c), Dec. 15, 2009, 123 Stat. 3030, provided that: “The amendments made by this section [amending this section and section 1383 of this title] shall be effective for payments that would otherwise be made on or after the date of the enactment of this Act [Dec. 15, 2009].”

Effective Date of 2004 Amendment
Pub. L. 108–203, title II, §210(c), Mar. 2, 2004, 118 Stat. 517, provided that: “The amendments and repeal made by this section [amending this section and section 1008, 1320b–17, and 1383 of this title and repealing section 1320b–18 of this title] shall take effect on the date of enactment of this Act [Mar. 2, 2004], and shall be effective with respect to overpayments under titles II, VIII, and XVI of the Social Security Act [42 U.S.C. 401 et seq., 1001 et seq., 1381 et seq.] that are outstanding on or after such date.”

Effective Date of 1999 Amendment
Pub. L. 106–169, title II, §201(c), Dec. 14, 1999, 113 Stat. 1831, provided that: “The amendments made by this section [amending this section and section 1383 of this title] shall apply to overpayments made 12 months or more after the date of the enactment of this Act [Dec. 14, 1999].”

Amendment by section 203(c) of Pub. L. 106–169 applicable to debt outstanding on or after Dec. 14, 1999, see section 203(d) of Pub. L. 106–169, set out as a note under section 3701 of Title 31, Money and Finance.

Effective Date of 1998 Amendment
Pub. L. 103–306, §8(c), Oct. 28, 1998, 112 Stat. 2930, provided that: “The amendments made by this section [amending section 1320b–17 of this title and amending this section and section 1383 of this title] shall take effect on the date of the enactment of this Act [Oct. 28, 1998] and shall apply to amounts incorrectly paid which remain outstanding on or after such date.”

Effective Date of 1994 Amendments
Amendment by Pub. L. 103–387 applicable to collection activities begun on or after Oct. 22, 1994, see section 5(c) of Pub. L. 103–387, as amended, set out as a note under section 3701 of Title 31, Money and Finance.


Effective Date of 1990 Amendment

Effective Date of 1989 Amendment
Amendment by Pub. L. 101–239 applicable with respect to determinations made on or after July 1, 1990, see section 10305(f) of Pub. L. 101–239, set out as a note under section 403 of this title.

Effective Date of 1986 Amendment
Pub. L. 99–272, title XII, §12113(c), Apr. 7, 1986, 100 Stat. 289, provided that: “The amendments made by this section [amending this section and section 1383 of this title] shall apply only in the case of deaths of which the Secretary is first notified on or after the date of the enactment of this Act [Apr. 7, 1986].”

Effective Date of 1980 Amendment
Amendment by Pub. L. 96–265 applicable in the case of payments of monthly insurance benefits under this subchapter, entitlement for which is determined on or after July 1, 1981, see section 501(d) of Pub. L. 96–265, set out as an Effective Date note under section 1320a–6 of this title.

Effective Date of 1979 Amendment
Pub. L. 90–248, title I, §153(b), Jan. 2, 1968, 81 Stat. 861, provided that: “The amendment made by this section [amending this section] shall apply with respect to benefits under title II of the Social Security Act [this subchapter] if the individual to whom such benefits were paid would have been entitled to such benefits in or after the month in which this Act was enacted [Jan. 1, 1968] if the report mentioned in the amendment made by subsection (a) of this section had been correct (but without regard to the provisions of section 202(h)(1) of such Act [42 U.S.C. 402(h)(1)]).”

Effective Date of 1979 Amendment
Act Aug. 10, 1939, ch. 666, title II, §201, 53 Stat. 1362, provided that the amendment made by that section is effective Jan. 1, 1940.

Report on Overpayment Waivers
Pub. L. 114–74, title VIII, §845(c), Nov. 2, 2015, 129 Stat. 619, provided that: ‘‘Not later than January 1 of each calendar year, the Commissioner of Social Security shall submit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate a report on—

‘‘(1) the number and total value of overpayments recovered or scheduled to be recovered by the Social Security Administration during the previous fiscal year of benefits under title II and title XVI [probably means title II and title XVI of act Aug. 14, 1935, ch. 531, which are classified to 42 U.S.C. 401 et seq. and 42 U.S.C. 1301 et seq.], respectively, including the terms and conditions of repayment of such overpayments; and

‘‘(2) the number and total value of overpayments waived by the Social Security Administration during
§ 405. Evidence, procedure, and certification for payments

(a) Rules and regulations; procedures

The Commissioner of Social Security shall have full power and authority to make rules and regulations and to establish procedures, not inconsistent with the provisions of this subchapter, which are necessary or appropriate to carry out such provisions, and shall adopt reasonable and proper rules and regulations to regulate and provide for the nature and extent of the proofs and evidence and the method of taking and furnishing the same in order to establish the right to benefits hereunder.

(b) Administrative determination of entitlement to benefits; findings of fact; investigations; evidentiary hearings in reconsiderations of disability benefit terminations; subsequent applications

(1) The Commissioner of Social Security is directed to make findings of fact, and decisions as to the rights of any individual applying for a payment under this subchapter. Any such decision by the Commissioner of Social Security which involves a determination of disability and which is in whole or in part unfavorable to such individual shall contain a statement of the case, in understandable language, setting forth a discussion of the evidence, and stating the Commissioner’s determination and the reason or reasons upon which it is based. Upon request by any such individual or upon request by a wife, divorced wife, surviving divorced wife, surviving divorced mother, surviving divorced father, husband, deceased husband, widower, surviving divorced husband, child, or parent who makes a showing in writing that his or her rights may be prejudiced by any decision the Commissioner of Social Security has rendered, the Commissioner shall give such applicant and such other individual reasonable notice and opportunity for a hearing with respect to such decision, and, if a hearing is held, shall, on the basis of evidence adduced at the hearing, affirm, modify, or reverse the Commissioner’s findings of fact and such decision. Any such request with respect to such a decision must be filed within sixty days after notice of such decision is received by the individual making such request.

(2) In any case where—

(A) an individual is a recipient of disability insurance benefits, or of child’s, widow’s, or widower’s insurance benefits based on disability,

(B) the physical or mental impairment on the basis of which such benefits are payable is found to have ceased, not to have existed, or to no longer be disabling; and

(C) as a consequence of the finding described in subparagraph (B), such individual is determined by the Commissioner of Social Security not to be entitled to such benefits,

any reconsideration of the finding described in subparagraph (B), in connection with a reconsideration by the Commissioner of Social Security (before any hearing under paragraph (1) on the issue of such entitlement) of the Commissioner’s determination described in subparagraph (C), shall be made only after opportunity for an evidentiary hearing, with regard to the finding described in subparagraph (B), which is reasonably accessible to such individual. Any reconsideration of a finding described in subparagraph (B) may be made either by the State agency or the Commissioner of Social Security where the finding was originally made by the State agency, and shall be made by the Commissioner of Social Security where the finding was originally made by the Commissioner of Social Security. In the case of a reconsideration by a State agency of a finding described in subparagraph (B) which was originally made by such State agency, the evidentiary hearing shall be held by an adjudicatory unit of the State agency other than the unit that made the finding described in subparagraph (B). In the case of a reconsideration by the Commissioner of Social Security of a finding described in subparagraph (B) which was originally made by the Commissioner of Social Security, the evidentiary hearing shall be held by a person other than the person or persons who made the finding described in subparagraph (B).

(3)(A) A failure to timely request review of an initial adverse determination with respect to an application for any benefit under this subchapter or an adverse determination on reconsideration of such an initial determination shall not serve as a basis for denial of a subsequent application for any benefit under this subchapter if the applicant demonstrates that the applicant, or any other individual referred to in paragraph (1), failed to so request such a review acting in good faith reliance upon incorrect, incomplete, or misleading information, relating to the consequences of reapplying for benefits in lieu of seeking review of an adverse determination, provided by any officer or employee of the Social Security Administration or any State agency acting under section 421 of this title.

(B) In any notice of an adverse determination with respect to which a review may be requested under paragraph (1), the Commissioner of Social Security shall describe in clear and specific language the effect on possible entitlement to benefits under this subchapter of choosing to reapply in lieu of seeking review of the determination.

(c) Wage records

(1) For the purposes of this subsection—

(A) The term “year” means a calendar year when used with respect to wages and a taxable year when used with respect to self-employment income.
(B) The term “time limitation” means a period of three years, three months, and fifteen days.

(C) The term “survivor” means an individual’s spouse, surviving divorced wife, surviving divorced husband, surviving divorced mother, surviving divorced father, child, or parent, who survives such individual.

(D) The term “period” when used with respect to self-employment income means a taxable year and when used with respect to wages means—

(i) a quarter if wages were reported or should have been reported on a quarterly basis on tax returns filed with the Secretary of the Treasury or his delegate under section 601 of the Internal Revenue Code of 1986 or regulations thereunder (or on reports filed by a State under section 418(e) of this title (as in effect prior to December 31, 1986) or regulations thereunder),

(ii) a year if wages were reported or should have been reported on a yearly basis on such tax returns or reports, or

(iii) the half year beginning January 1 or July 1 in the case of wages which were reported or should have been reported for calendar year 1937.

(2)(A) On the basis of information obtained by or submitted to the Commissioner of Social Security, and after such verification thereof as the Commissioner deems necessary, the Commissioner of Social Security shall establish and maintain records of the amounts of wages paid to, and the amounts of self-employment income derived by, each individual and of the periods in which such wages were paid and such income was derived and, upon request, shall inform any individual or his survivor, or the legal representative of such individual or his estate, of the amounts of wages and self-employment income of such individual and the periods during which such wages were paid and such income was derived, as shown by such records at the time of such request.

(B)(i) In carrying out the Commissioner’s duties under subparagraph (A) and subparagraph (B), the Commissioner of Social Security shall take affirmative measures to assure the issuance of social security numbers:

(I) to aliens at the time of their lawful admission to the United States either for permanent residence or under other authority of law permitting them to engage in employment in the United States and to other aliens at such time as their status is so changed as to make it lawful for them to engage in such employment;

(II) to any individual who is an applicant for or recipient of benefits under any program financed in whole or in part from Federal funds including any child on whose behalf such benefits are claimed by another person; and

(III) to any other individual when it appears that he could have been but was not assigned an account number under the provisions of subclauses (I) or (II) but only after such investigation as is necessary to establish to the satisfaction of the Commissioner of Social Security, the identity of such individual, the fact that an account number has not already been assigned to such individual, and the fact that such individual is a citizen or a noncitizen who is not, because of his alien status, prohibited from engaging in employment;

and, in carrying out such duties, the Commissioner of Social Security is authorized to take affirmative measures to assure the issuance of social security numbers:

(IV) to or on behalf of children who are below school age at the request of their parents or guardians; and

(V) to children of school age at the time of their first enrollment in school.

(ii) The Commissioner of Social Security shall require of applicants for social security account numbers such evidence as may be necessary to establish the age, citizenship, or alien status, and true identity of such applicants, and to determine which (if any) social security account number has previously been assigned to such individual. With respect to an application for a social security account number for an individual who has not attained the age of 18 before such application, such evidence shall include the information described in subparagraph (C)(ii).

(iii) In carrying out the requirements of this subparagraph, the Commissioner of Social Security shall enter into such agreements as may be necessary with the Attorney General and other officials and with State and local welfare agencies and school authorities (including nonpublic school authorities).

(C)(i) It is the policy of the United States that any State (or political subdivision thereof) may, in the administration of any tax, general public assistance, driver’s license, or motor vehicle registration law within its jurisdiction, utilize the social security account numbers issued by the Commissioner of Social Security for the purpose of establishing the identification of individuals affected by such law, and may require any individual who is or appears to be so affected to furnish to such State (or political subdivision thereof) or any agency thereof having administrative responsibility for the law involved, the social security account number (or numbers, if he has more than one such number) issued to him by the Commissioner of Social Security.

(ii) In the administration of any law involving the issuance of a birth certificate, each State shall require each parent to furnish to such State (or political subdivision thereof) or any agency thereof having administrative responsibility for the law involved, the social security account number (or numbers, if the parent has more than one such number) issued to the parent unless the State (in accordance with regulations prescribed by the Commissioner of Social Security) finds good cause for not requiring the furnishing of such number. The State shall make numbers furnished under this subclause available to the Commissioner of Social Security and the agency administering the State’s plan under part D of subchapter IV in accord-

1 See References in Text note below.
ance with Federal or State law and regulation. Such numbers shall not be recorded on the birth certificate. A State shall not use any social security account number, obtained with respect to the issuance by the State of a birth certificate, for any purpose other than for the enforcement of child support orders in effect in the State, unless section 7(a) of the Privacy Act of 1974 does not prohibit the State from requiring the disclosure of such number, by reason of the State having adopted, before January 1, 1975, a statute or regulation requiring such disclosure.

(iii)(I) In the administration of section 9 of the Food and Nutrition Act of 2008 [7 U.S.C. 2018] involving the determination of the qualifications of applicants under such Act [7 U.S.C. 2021 et seq.], the Secretary of Agriculture may require each applicant retail store or wholesale food concern to furnish to the Secretary of Agriculture the social security account number of each individual who is an owner of the store or concern and, in the case of a privately owned applicant, furnish the social security account numbers of the owners of such applicant. No officer or employee of the Department of Agriculture shall have access to any such number for any purpose other than the establishment and maintenance of a list of the names and social security account numbers of such individuals for use in determining those applicants who have been previously sanctioned or convicted under section 12 or 15 of such Act [7 U.S.C. 2021 or 2024].

(II) The Secretary of Agriculture may share any information contained in any list referred to in subclause (I) with any other agency or instrumentality of the United States which otherwise has access to social security account numbers in accordance with this subsection or other applicable Federal law, except that the Secretary of Agriculture may share such information only to the extent that such Secretary determines such sharing would assist in verifying and matching such information against information maintained by such other agency or instrumentality. Any such information shared pursuant to this subclause may be used by such other agency or instrumentality only for the purpose of effective administration and enforcement of the Food and Nutrition Act of 2008 [7 U.S.C. 2021 et seq.] or for the purpose of investigation of violations of other Federal laws or enforcement of such laws.

(III) The Secretary of Agriculture, and the head of any other agency or instrumentality referred to in this subclause, shall restrict, to the satisfaction of the Commissioner of Social Security, access to social security account numbers obtained pursuant to this clause only to officers and employees of the United States whose duties or responsibilities require access for the purposes described in subclause (II).

(IV) The Secretary of Agriculture, and the head of any agency or instrumentality with which information is shared pursuant to clause 2 (II), shall provide such other safeguards as the Commissioner of Social Security determines to be necessary or appropriate to protect the confidentiality of the social security account numbers.

(iv) In the administration of section 506 of the Federal Crop Insurance Act [7 U.S.C. 1506], the Federal Crop Insurance Corporation may require each policyholder and each reinsured company to furnish to the insurer or to the Corporation the social security account number of such policyholder, subject to the requirements of this clause. No officer or employee of the Federal Crop Insurance Corporation shall have access to any such number for any purpose other than the establishment of a system of records necessary for the effective administration of such Act [7 U.S.C. 1501 et seq.]. The Manager of the Corporation may require each policyholder to provide to the Manager, at such times and in such manner as prescribed by the Manager, the social security account number of each individual that holds or acquires a substantial beneficial interest in the policyholder. For purposes of this clause, the term "substantial beneficial interest" means not less than 5 percent of all beneficial interest in the policyholder. The Secretary of Agriculture shall restrict, to the satisfaction of the Commissioner of Social Security, access to social security account numbers obtained pursuant to this clause only to officers and employees of the United States or authorized persons whose duties or responsibilities require access for the administration of the Federal Crop Insurance Act. The Secretary of Agriculture shall provide such other safeguards as the Commissioner of Social Security determines to be necessary or appropriate to protect the confidentiality of such social security account numbers. For purposes of this clause the term "authorized person" means an officer or employee of an insurer whom the Manager of the Corporation designates by rule, subject to appropriate safeguards including a prohibition against the release of such social security account number (other than to the Corporation) by such person.

(v) If and to the extent that any provision of Federal law heretofore enacted is inconsistent with the policy set forth in clause (i), such provision shall, on and after October 4, 1976, be null, void, and of no effect. If and to the extent that any such provision is inconsistent with the requirement set forth in clause (ii), such provision shall, on and after October 13, 1988, be null, void, and of no effect.

(vi)(I) For purposes of clause (i) of this subparagraph, an agency of a State (or political subdivision thereof) charged with the administration of any general public assistance, driver's license, or motor vehicle registration law which did not use the social security account number for identification under a law or regulation adopted before January 1, 1975, may require an individual to disclose his or her social security number to such agency solely for the purpose of administering the laws referred to in clause (i) above and for the purpose of responding to requests for information from an agency administering a program funded under part A of subchapter IV or an agency operating pursuant to the provisions of part D of such subchapter.

(II) Any State or political subdivision thereof (and any person acting as an agent of such an agency or instrumentality), in the administra-
tion of any driver’s license or motor vehicle registration law within its jurisdiction, may not display a social security account number issued by the Commissioner of Social Security (or any derivative of such number) on any driver’s license, motor vehicle registration, or personal identification card (as defined in section 7212(a)(2) of the 9/11 Commission Implementation Act of 2004), or include, on any such license, registration, or personal identification card, a magnetic strip, bar code, or other means of communication which conveys such number (or derivative thereof).

(vi) For purposes of this subparagraph, the term “State” includes the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, the Commonwealth of the Northern Marianas, and the Trust Territory of the Pacific Islands.

(vii) Social security account numbers and related records that are obtained or maintained by authorized persons pursuant to any provision of law enacted on or after October 1, 1990, shall be confidential, and no authorized person shall disclose any such social security account number or related record.

(II) Paragraphs (1), (2), and (3) of section 7213(a) of the Internal Revenue Code of 1986 shall apply with respect to the unauthorized willful disclosure to any person of social security account numbers and related records obtained or maintained by an authorized person pursuant to a provision of law enacted on or after October 1, 1990, in the same manner and to the same extent as such paragraphs apply with respect to unauthorized disclosures of return and return information described in such paragraphs. Paragraph (4) of section 7213(a) of such Code shall apply with respect to the willful offer of any item of material value in exchange for any such social security account number or related record in the same manner and to the same extent as such paragraph applies with respect to offers (in exchange for any return or return information) described in such paragraph.

(III) For purposes of this clause, the term “authorized person” means an officer or employee of the United States, an officer or employee of any State, political subdivision of a State, and any other person (or officer or employee thereof), who has or had access to social security account numbers or related records pursuant to any provision of law enacted on or after October 1, 1990. For purposes of this subclause, the term “officer or employee” includes a former officer or employee.

(IV) For purposes of this clause, the term “related record” means any record, list, or compilation that indicates, directly or indirectly, the identity of any individual with respect to whom a social security account number or a request for a social security account number is maintained pursuant to this clause.

(x) The Secretary of Health and Human Services, and the Exchanges established under section 1311 of the Patient Protection and Affordable Care Act [42 U.S.C. 18031], are authorized to collect and use the names and social security account numbers of individuals as required to administer the provisions of, and the amendments made by, the such Act.

(xi) No Federal, State, or local agency may display the Social Security account number of any individual, or any derivative of such number, on any check issued for any payment by the Federal, State, or local agency.

(xii) No Federal, State, or local agency may employ, or enter into a contract for the use or employment of, prisoners in any capacity that would allow such prisoners access to the Social Security account numbers of other individuals. For purposes of this clause, the term “prisoner” means an individual confined in a jail, prison, or other penal institution or correctional facility pursuant to such individual’s conviction of a criminal offense.

(xiii) The Secretary of Health and Human Services, in consultation with the Commissioner of Social Security, shall establish cost-effective procedures to ensure that a Social Security account number (or derivative thereof) is not displayed, coded, or embedded on the Medicare card issued to an individual who is entitled to benefits under part A of subchapter XVIII or enrolled under part B of subchapter XVIII and that any other identifier displayed on such card is not identifiable as a Social Security account number (or derivative thereof).

(D)(i) It is the policy of the United States that—

(I) any State (or any political subdivision of a State) and any authorized blood donation facility may utilize the social security account numbers issued by the Commissioner of Social Security for the purpose of identifying blood donors, and

(II) any State (or political subdivision of a State) may require any individual who donates blood within such State (or political subdivision) to furnish to such State (or political subdivision), to any agency thereof having

8So in original. Probably should be “amendments made by, such Act.”

9So in original.
related administrative responsibility, or to any authorized blood donation facility the social security account number (or numbers, if the donor has more than one such number) issued to the donor by the Commissioner of Social Security.

(ii) If and to the extent that any provision of Federal law enacted before November 10, 1988, is inconsistent with the policy set forth in clause (i), such provision shall, on and after November 10, 1988, be null, void, and of no effect.

(iii) For purposes of this subparagraph—

(I) the term "authorized blood donation facility" means an entity described in section 1320b–11(h)(3)(B) of this title, and

(II) the term "State" includes the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, the Commonwealth of the Northern Marianas, and the Trust Territory of the Pacific Islands.

(E)(i) It is the policy of the United States that—

(I) any State (or any political subdivision of a State) may utilize the social security account numbers issued by the Commissioner of Social Security for the additional purposes described in clause (ii) if such numbers have been collected and are otherwise utilized by such State (or political subdivision) in accordance with applicable law, and

(II) any district court of the United States may use, for such additional purposes, any such social security account numbers which have been so collected and are so utilized by any State.

(ii) The additional purposes described in this clause shall be the following:

(I) Identifying duplicate names of individuals on master lists used for jury selection purposes.

(II) Identifying on such master lists those individuals who are ineligible to serve on a jury by reason of their conviction of a felony.

(iii) To the extent that any provision of Federal law enacted before August 15, 1994, is inconsistent with the policy set forth in clause (i), such provision shall, on and after August 15, 1994, be null, void, and of no effect.

(iv) For purposes of this subparagraph, the term "State" has the meaning such term has in subparagraph (D).

(F) The Commissioner of Social Security shall require, as a condition for receipt of benefits under this subchapter, that an individual furnish satisfactory proof of a social security account number assigned to such individual by the Commissioner of Social Security or, in the case of an individual to whom no such number has been assigned, that such individual make proper application for assignment of such a number.

(G) The Commissioner of Social Security shall issue a social security card to each individual at the time of the issuance of a social security account number to such individual. The social security card shall be made of banknote paper, and (to the maximum extent practicable) shall be a card which cannot be counterfeited.

(H) The Commissioner of Social Security shall share with the Secretary of the Treasury the information obtained by the Commissioner pursuant to the second sentence of subparagraph (B)(ii) and to subparagraph (C)(ii) for the purpose of administering those sections of the Internal Revenue Code of 1986 which grant tax benefits based on support or residence of children.

(3) The Commissioner's records shall be evidence for the purpose of proceedings before the Commissioner of Social Security or any court of the amounts of wages paid to, and self-employment income derived by, an individual and of the periods in which such wages were paid and such income was derived. The absence of an entry in such records as to wages alleged to have been paid to, or as to self-employment income alleged to have been derived by, an individual in any period shall be evidence that no such alleged wages were paid to, or that no such alleged income was derived by, such individual during such period.

(4) Prior to the expiration of the time limitation following any year the Commissioner of Social Security may, if it is brought to the Commissioner's attention that any entry of wages or self-employment income in the Commissioner's records for such year is erroneous or that any item of wages or self-employment income for such year has been omitted from such records, correct such entry or include such omitted item in the Commissioner's records, as the case may be. After the expiration of the time limitation following any year—

(A) the Commissioner's records (with changes, if any, made pursuant to paragraph (5) of this subsection) of the amounts of wages paid to, and self-employment income derived by, an individual during any period in such year shall be conclusive for the purposes of this subchapter;

(B) the absence of an entry in the Commissioner's records as to the wages alleged to have been paid by an employer to an individual during any period in such year shall be presumptive evidence for the purposes of this subchapter that no such alleged wages were paid to such individual in such period; and

(C) the absence of an entry in the Commissioner's records as to the self-employment income alleged to have been derived by an individual in such year shall be conclusive for the purposes of this subchapter that no such alleged self-employment income was derived by such individual in such year unless it is shown that he filed a tax return of his self-employment income for such year before the expiration of the time limitation following such year, in which case the Commissioner of Social Security shall include in the Commissioner's records the self-employment income of such individual for such year.

(5) After the expiration of the time limitation following any year in which wages were paid or alleged to have been paid to, or self-employment income was derived or alleged to have been derived by, an individual, the Commissioner of Social Security may change or delete any entry with respect to wages or self-employment income in the Commissioner's records of such year for such individual or include in the Commissioner's records of such year for such individual any omitted item of wages or self-employment income but only—
(A) if an application for monthly benefits or for a lump-sum death payment was filed within the time limitation following such year; except that no such change, deletion, or inclusion may be made pursuant to this subparagraph after a final decision upon the application for monthly benefits or lump-sum death payment;

(B) if within the time limitation following such year an individual or his survivor makes a request for a change or deletion, or for an inclusion of an omitted item, and alleges in writing that the Commissioner's records of the wages paid to, or the self-employment income derived by, such individual in such year are in one or more respects erroneous; except that no such change, deletion, or inclusion may be made pursuant to this subparagraph after a final decision upon such request. Written notice of the Commissioner's decision on any such request shall be given to the individual who made the request;

(C) to correct errors apparent on the face of such records;

(D) to transfer items to records of the Railroad Retirement Board if such items were credited under this subchapter when they should have been credited under the Railroad Retirement Act of 1937 or 1974 [45 U.S.C. 228a et seq.], or to enter items transferred by the Railroad Retirement Board which have been credited under the Railroad Retirement Act of 1937 or 1974 when they should have been credited under this subchapter;

(E) to delete or reduce the amount of any entry which is erroneous as a result of fraud;

(F) to conform the Commissioner's records to—

(i) tax returns or portions thereof (including information returns and other written statements) filed with the Commissioner of Internal Revenue under title VIII of the Social Security Act, under subchapter E of chapter 1 or subchapter A of chapter 9 of the Internal Revenue Code of 1939, under chapter 2 or 21 of the Internal Revenue Code of 1964 or the Internal Revenue Code of 1986, or under regulations made under authority of such title, subchapter, or chapter;

(ii) wage reports filed by a State pursuant to an agreement under section 418 of this title, or regulations of the Commissioner of Social Security thereunder; or

(iii) assessments of amounts due under an agreement pursuant to section 418 of this title (as in effect prior to December 31, 1986), if such assessments are made within the period specified in subsection (q) of such section (as so in effect), or allowances of credits or refunds of overpayments by a State under an agreement pursuant to such section; except that no amount of self-employment income of an individual for any taxable year (if such return or statement was filed after the expiration of the time limitation following the taxable year) shall be included in the Commissioner's records pursuant to this subparagraph;

(G) to correct errors made in the allocation, to individuals or periods, of wages or self-employment income entered in the records of the Commissioner of Social Security;

(H) to include wages paid during any period in such year to an individual by an employer;

(I) to enter items which constitute remuneration for employment under subsection (o), such entries to be in accordance with certified reports of records made by the Railroad Retirement Board pursuant to section 5(k)(3) of the Railroad Retirement Act of 1937 [45 U.S.C. 228e(k)(3)] or section 7(b)(7) of the Railroad Retirement Act of 1974 [45 U.S.C. 231(f)(7)]; or

(J) to include self-employment income for any taxable year, up to, but not in excess of, the amount of wages deleted by the Commissioner of Social Security as payments erroneously included in such records as wages paid to such individual, if such income (or net earnings from self-employment), not already included in such records as self-employment income, is included in a return or statement (referred to in subparagraph (F) of this subsection) filed before the expiration of the time limitation following the taxable year in which such deletion of wages is made.

(6) Written notice of any deletion or reduction under paragraph (4) or (5) of this subsection shall be given to the individual whose record is involved or to his survivor, except that (A) in the case of a deletion or reduction with respect to any entry of wages such notice shall be given to such individual only if he has previously been notified by the Commissioner of Social Security of the amount of his wages for the period involved, and (B) such notice shall be given to such survivor only if he or the individual whose record is involved has previously been notified by the Commissioner of Social Security of the amount of such individual's wages and self-employment income for the period involved.

(7) Upon request in writing (within such period, after any change or refusal of a request for a change of the Commissioner's records pursuant to this subsection, as the Commissioner of Social Security may prescribe), opportunity for hearing with respect to such change or refusal shall be afforded to any individual or his survivor. If a hearing is held pursuant to this paragraph the Commissioner of Social Security shall make findings of fact and a decision based upon the evidence adduced at such hearing and shall include any omitted items, or change or delete any entry, in the Commissioner's records as may be required by such findings and decision.

(8) A translation into English by a third party of a statement made in a foreign language by an applicant for or beneficiary of monthly insurance benefits under this subchapter shall not be regarded as reliable for any purpose under this subchapter unless the third party, under penalty of perjury—

(A) certifies that the translation is accurate; and

(B) discloses the nature and scope of the relationship between the third party and the applicant or recipient, as the case may be.

(9) Decisions of the Commissioner of Social Security under this subsection shall be reviewable by commencing a civil action in the United States district court as provided in subsection (g).
(d) Issuance of subpoenas in administrative proceedings

For the purpose of any hearing, investigation, or other proceeding authorized or directed under this subchapter, or relative to any other matter within the Commissioner’s jurisdiction hereunder, the Commissioner of Social Security shall have power to issue subpoenas requiring the attendance and testimony of witnesses and the production of any evidence that relates to any matter under investigation or in question before the Commissioner of Social Security. Such attendance of witnesses and production of evidence at the designated place of such hearing, investigation, or other proceeding may be required from any place in the United States or in any Territory or possession thereof. Subpoenas of the Commissioner of Social Security shall be served by anyone authorized by the Commissioner (1) by delivering a copy thereof to the individual named therein, or (2) by registered mail or by certified mail addressed to such individual at his last dwelling place or principal place of business. A verified return by the individual so serving the subpoena setting forth the manner of service, or, in the case of service by registered mail or by certified mail, the return post-office receipt therefor signed by the individual so served, shall be proof of service. Witnesses so subpoenaed shall be paid the same fees and mileage as are paid witnesses in the district courts of the United States.

(e) Judicial enforcement of subpoenas; contempt

In case of contumacy by, or refusal to obey a subpoena duly served upon, any person, any district court of the United States for the judicial district in which said person charged with contumacy or refusal to obey is found or resides or transacts business, upon application by the Commissioner of Social Security, shall have jurisdiction to issue an order requiring such person to appear and give testimony, or to appear and produce evidence, or both; any failure to obey such order of the court may be punished by said court as contempt thereof.


(g) Judicial review

Any individual, after any final decision of the Commissioner of Social Security made after a hearing to which he was a party, irrespective of the amount in controversy, may obtain a review of such decision by a civil action commenced within sixty days after the mailing to him of notice of such decision or within such further time as the Commissioner of Social Security may allow. Such action shall be brought in the district court of the United States for the judicial district in which the plaintiff resides or transacts business, or, if he does not reside or have his principal place of business within any such judicial district, in the United States District Court for the District of Columbia. As part of the Commissioner’s answer the Commissioner of Social Security shall file a certified copy of the transcript of the record including the evidence upon which the findings and decision complained of are based. The court shall have power to enter, upon the pleadings and transcript of the record, a judgment affirming, modifying, or reversing the decision of the Commissioner of Social Security, with or without remanding the cause for a rehearing. The findings of the Commissioner of Social Security as to any fact, if supported by substantial evidence, shall be conclusive, and where a claim has been denied by the Commissioner of Social Security or a decision is rendered under subsection (b) of this section which is adverse to an individual who was a party to the hearing before the Commissioner of Social Security, because of failure of the claimant or such individual to submit proof in conformity with any regulation prescribed under subsection (a) of this section, the court shall review only the question of conformity with such regulations and the validity of such regulations. The court may, on motion of the Commissioner of Social Security made for good cause shown before the Commissioner files the Commissioner’s answer, remand the case to the Commissioner of Social Security for further action by the Commissioner of Social Security, and it may at any time order additional evidence to be taken before the Commissioner of Social Security, but only upon a showing that there is new evidence which is material and that there is good cause for the failure to incorporate such evidence into the record in a prior proceeding; and the Commissioner of Social Security shall, after the case is remanded, and after hearing such additional evidence if so ordered, modify or affirm the Commissioner’s findings of fact or the Commissioner’s decision, or both, and shall file with the court any such additional and modified findings of fact and decision, and, in any case in which the Commissioner has not made a decision fully favorable to the individual, a transcript of the additional record and testimony upon which the Commissioner’s action in modifying or affirming was based. Such additional or modified findings of fact and decision shall be reviewable only to the extent provided for review of the original findings of fact and decision. The judgment of the court shall be final except that it shall be subject to review in the same manner as a judgment in other civil actions. Any action instituted in accordance with this subsection shall survive notwithstanding any change in the person occupying the office of Commissioner of Social Security or any vacancy in such office.

(h) Finality of Commissioner’s decision

The findings and decision of the Commissioner of Social Security after a hearing shall be binding upon all individuals who were parties to such hearing. No findings of fact or decision of the Commissioner of Social Security shall be reviewed by any person, tribunal, or governmental agency except as herein provided. No action against the United States, the Commissioner of Social Security, or any officer or employee thereof shall be brought under section 1331 or 1346 of title 28 to recover on any claim arising under this subchapter.

(i) Certification for payment

Upon final decision of the Commissioner of Social Security, or upon final judgment of any court of competent jurisdiction, that any person is entitled to any payment or payments under
this subchapter, the Commissioner of Social Security shall certify to the Managing Trustee the name and address of the person so entitled to receive such payment or payments, the amount of such payment or payments, and the time at which such payment or payments should be made, and the Managing Trustee, through the Fiscal Service of the Department of the Treasury, and prior to any action thereon by the Government Accountability Office, shall make payment in accordance with the certification of the Commissioner of Social Security (except that in the case of (A) an individual who will have completed ten years of service (or five or more years of service, all of which accrues after December 31, 1995) creditable under the Railroad Retirement Act of 1937 (45 U.S.C. 201 et seq.) or the Railroad Retirement Act of 1974 (45 U.S.C. 231 et seq.), (B) the wife or husband or divorced wife or divorced husband of such an individual, (C) any survivor of such an individual if such survivor is entitled, or could upon application become entitled, to an annuity under section 2 of the Railroad Retirement Act of 1974 (45 U.S.C. 231a), and (D) any other person entitled to benefits under section 402 of this title on the basis of the wages and self-employment income of such an individual (except a survivor of such an individual where such individual did not have a current connection with the railroad industry, as defined in the Railroad Retirement Act of 1974, at the time of his death), such certification shall be made to the Railroad Retirement Board which shall provide for such payment or payment to such individual or an organization, with respect to whom the requirements of paragraph (2) have been met (hereinafter in this subsection referred to as the individual’s “representative payee”). If the Commissioner of Social Security determines that such payment or payments should be made to a representative payee pursuant to this subsection or section 1007 or 1383(a)(2) of this title, the Commissioner of Social Security shall promptly revoke certification for payment of benefits to such representative payee pursuant to this subsection and certify payment to an alternative representative payee or, if the interest of the individual under this subchapter would be served thereby, to the individual.

(B) In the case of an individual entitled to benefits based on disability, the payment of such benefits shall be made to a representative payee if the Commissioner of Social Security determines that such payment would serve the interest of the individual because the individual also has an alcoholism or drug addiction condition (as determined by the Commissioner) and the individual is incapable of managing such benefits.

(2) Any certification made under paragraph (1) for payment of benefits to an individual’s representative payee shall be made on the basis of—

(i) an investigation by the Commissioner of Social Security of the person to serve as representative payee, which shall be conducted in advance of such certification and shall, to the extent practicable, include a face-to-face interview with such person, and

(ii) adequate evidence that such certification is in the interest of such individual (as determined by the Commissioner of Social Security in regulations).

(B)(1) As part of the investigation referred to in subparagraph (A)(1), the Commissioner of Social Security shall—

(I) require the person being investigated to submit documented proof of the identity of such person, unless information establishing such identity has been submitted with an application for benefits under this subchapter, subchapter VIII, or subchapter XVI;

(II) verify such person’s social security account number (or employer identification number),

(III) determine whether such person has been convicted of a violation of section 408, 1011, or 1383a of this title,

(IV) obtain information concerning whether such person has been convicted of any other offense under Federal or State law which resulted in imprisonment for more than 1 year,

(V) obtain information concerning whether such person is a person described in section 402(x)(1)(A)(ii) of this title,

(VI) determine whether certification of payment of benefits to such person has been revoked pursuant to this subsection, the designation of such person as a representative payee has been revoked pursuant to section 1007(a) of this title, or payment of benefits to such person has been terminated pursuant to section 1383a(2)(A)(iii) of this title by reason of misuse of funds paid as benefits under this subchapter, subchapter VIII, or subchapter XVI, and

(VII) determine whether such person has been convicted (and not subsequently exonerated), under Federal or State law, of a felony provided under clause (iv), or of an attempt or a conspiracy to commit such a felony.

(ii) The Commissioner of Social Security shall establish and maintain a centralized file, which shall be updated periodically and which shall be in a form which renders it readily retrievable by each servicing office of the Social Security Administration. Such file shall consist of—

(I) a list of the names and social security account numbers (or employer identification numbers) of all persons with respect to whom
§ 405

The Commissioner of Social Security may promulgate regulations to provide for additional felony crimes under this clause.

(v)(1) For the purpose of carrying out the activities required under subparagraph (B)(i) as part of the investigation under subparagraph (A)(i), the Commissioner may conduct a background check of any individual seeking to serve as a representative payee under this subsection and may disqualify from service as a representative payee any such individual who fails to grant permission for the Commissioner to conduct such a background check.

(ii) The Commissioner may revoke certification of payment of benefits under this subsection to any individual serving as a representative payee on or after January 1, 2019 who fails to grant permission for the Commissioner to conduct such a background check.

The Commissioner of Social Security may promulgate regulations to provide for additional felony crimes under this clause.

(i) such person has previously been convicted as described in subparagraph (B)(i)(I),

(ii) except as provided in clause (ii), certification of payment of benefits to such person under this subsection has previously been revoked as described in subparagraph (B)(i)(VI),

(iii) except as provided in clause (iii), such person is a creditor of such individual who provides such individual with goods or services for consideration,

(iv) such person has previously been convicted as described in subparagraph (B)(i)(IV), unless the Commissioner determines that such certification would be appropriate notwithstanding such conviction,

(v) such person is a person described in section 402(x)(1)(A)(iv) of this title,

(vi) except as provided in clause (vi), such person has previously been convicted (and not subsequently exonerated) as described in subparagraph (B)(i)(VII), or

(vii) such person’s benefits under this subchapter, subchapter VIII, or subchapter XVI are certified for payment to a representative payee during the period for which the individual’s benefits would be certified for payment to another person.

(ii) The Commissioner of Social Security shall prescribe regulations under which the Commissioner of Social Security may grant exemptions to any person from the provisions of clause (i)(II) on a case-by-case basis if such exemption is in the best interest of the individual whose benefits would be paid to such person pursuant to this subsection.

(iii) Clause (i)(III) shall not apply with respect to any person who is a creditor referred to therein if such creditor is—

(I) a relative of such individual if such relative resides in the same household as such individual,
(II) a legal guardian or legal representative of such individual,
(III) a facility that is licensed or certified as a care facility under the law of a State or a political subdivision of a State,
(IV) a person who is an administrator, owner, or employee of a facility referred to in subclause (III) if such individual resides in such facility, and the certification of payment to such facility or such person is made only after good faith efforts have been made by the local servicing office of the Social Security Administration to locate an alternative representative payee to whom such certification of payment would serve the best interests of such individual, or
(V) an individual who is determined by the Commissioner of Social Security, on the basis of written findings and under procedures which the Commissioner of Social Security shall prescribe by regulation, to be acceptable to serve as a representative payee.

(iv) The procedures referred to in clause (iii)(V) shall require the individual who will serve as representative payee to establish, to the satisfaction of the Commissioner of Social Security, that—
(I) such individual poses no risk to the beneficiary,
(II) the financial relationship of such individual to the beneficiary poses no substantial conflict of interest, and
(III) no other more suitable representative payee can be found.
(v) In the case of an individual described in paragraph (1)(B), when selecting such individual's representative payee, preference shall be given to—
(I) a certified community-based nonprofit social service agency (as defined in paragraph (10)),
(II) a Federal, State, or local government agency whose mission is to carry out income maintenance, social service, or health care-related activities,
(III) a State or local government agency with fiduciary responsibilities, or
(IV) a designee of an agency (other than of a Federal agency) referred to in the preceding subclauses of this clause, if the Commissioner of Social Security deems it appropriate, unless the Commissioner of Social Security determines that selection of a family member would be appropriate.
(vi)(I) With respect to any person described in subclause (II)—
(aa) subparagraph (B)(i)(VII) shall not apply; and
(bb) the Commissioner may grant an exemption from the provisions of clause (i)(VI) if the Commissioner determines that such exemption is in the best interest of the individual entitled to benefits.
(ii) A person is described in this subclause if the person—
(aa) is the custodial parent of a minor child for whom the person applies to serve;
(bb) is the custodial spouse of the beneficiary for whom the person applies to serve;
(cc) is the custodial parent of a beneficiary who is under a disability (as defined in section 423(d) of this title) which began before the beneficiary attained the age of 22, for whom the person applies to serve;
(dd) is the custodial court appointed guardian of the beneficiary for whom the person applies to serve;
(ee) is the custodial grandparent of a minor grandchild for whom the person applies to serve;
(ff) is the parent who was previously representative payee for his or her minor child who has since turned 18 and continues to be eligible for such benefit; or
(gg) received a presidential or gubernatorial pardon for the relevant conviction.

(D)(i) Subject to clause (ii), if the Commissioner of Social Security makes a determination described in the first sentence of paragraph (1) with respect to any individual's benefit and determines that direct payment of the benefit to the individual would cause substantial harm to the individual, the Commissioner of Social Security may defer (in the case of initial entitlement) or suspend (in the case of existing entitlement) direct payment of such benefit to the individual, until such time as the selection of a representative payee is made pursuant to this subsection.
(ii)(I) Except as provided in subclause (II), any deferral or suspension of direct payment of a benefit pursuant to clause (i) shall be for a period of not more than 1 month.
(II) Subclause (I) shall not apply in any case in which the individual is, as of the date of the Commissioner's determination, legally incompetent, under the age of 15 years, or described in paragraph (1)(B).
(iii) Payment pursuant to this subsection of any benefits which are deferred or suspended pending the selection of a representative payee shall be made to the individual or the representative payee as a single sum or over such period of time as the Commissioner of Social Security determines is in the best interest of the individual entitled to such benefits.
(E)(i) Any individual who is dissatisfied with a determination by the Commissioner of Social Security to certify payment of such individual's benefit to a representative payee under paragraph (1) or with the designation of a particular person to serve as representative payee shall be entitled to a hearing by the Commissioner of Social Security to the same extent as is provided in subsection (b), and to judicial review of the Commissioner's final decision as is provided in subsection (g).
(ii) In advance of the certification of payment of an individual's benefit to a representative payee under paragraph (1), the Commissioner of Social Security shall provide written notice of the Commissioner's initial determination to certify such payment. Such notice shall be provided to such individual, except that, if such individual—
(I) is under the age of 15,
(II) is an unemancipated minor under the age of 18, or
(III) is legally incompetent,
then such notice shall be provided solely to the legal guardian or legal representative of such individual.

(iii) Any notice described in clause (ii) shall be clearly written in language that is easily understandable to the reader, shall identify the person to be designated as such individual's representative payee, and shall explain to the reader the right under clause (i) of such individual or of such individual’s legal guardian or legal representative—

(I) to appeal a determination that a representative payee is necessary for such individual,

(II) to appeal the designation of a particular person to serve as the representative payee of such individual, and

(III) to review the evidence upon which such designation is based and submit additional evidence.

(3)(A) In any case where payment under this subchapter is made to a person other than the individual entitled to such payment, the Commissioner of Social Security shall establish a system of accountability monitoring whereby such person shall report not less often than annually with respect to the use of such payments. The Commissioner of Social Security shall establish and implement statistically valid procedures for reviewing such reports in order to identify instances in which such persons are not properly using such payments.

(B) Subparagraph (A) shall not apply in any case where the other person to whom such payment is made is a State institution. In such cases, the Commissioner of Social Security shall establish a system of accountability monitoring for institutions in each State.

(C) Subparagraph (A) shall not apply in any case where the individual entitled to such payment is a resident of a Federal institution and the other person to whom such payment is made is the institution.

(D)(i) Subparagraph (A) shall not apply in any case where the other person to whom such payment is made is—

(I) a parent, or other individual who is a legal guardian of, a minor child entitled to such payment who primarily resides in the same household;

(II) a parent of an individual entitled to such payment who is under a disability (as defined in section 423(d) of this title) who primarily resides in the same household; or

(III) the spouse of the individual entitled to such payment.

(ii) The Commissioner of Social Security shall establish and implement procedures as necessary for the Commissioner to determine the eligibility of such parties for the exemption provided in clause (i). The Commissioner shall prescribe such regulations as may be necessary to determine eligibility for such exemption.

(E) Notwithstanding subparagraphs (A), (B), (C), and (D), the Commissioner of Social Security may require a report at any time from any person receiving payments on behalf of another, if the Commissioner of Social Security has reason to believe that the person receiving such payments is misusing such payments.

(F) In any case in which the person described in subparagraph (A) or (E) receiving payments on behalf of another fails to submit a report required by the Commissioner of Social Security under subparagraph (A) or (E), the Commissioner may, after furnishing notice to such person and the individual entitled to such payment, require that such person appear in person at a field office of the Social Security Administration serving the area in which the individual resides in order to receive such payments.

(G) The Commissioner of Social Security shall maintain a centralized file, which shall be updated periodically and which shall be in a form which will be readily retrievable by each servicing office of the Social Security Administration, of—

(i) the address and the social security account number (or employer identification number) of each representative payee who is receiving benefit payments pursuant to this subsection, section 1007 of this title, or section 1383(a)(2) of this title, and

(ii) the address and social security account number of each individual for whom each representative payee is reported to be providing services as representative payee pursuant to this subsection, section 1007 of this title, or section 1383(a)(2) of this title.

(H) Each servicing office of the Administration shall maintain a list, which shall be updated periodically, of public agencies and certified community-based nonprofit social service agencies (as defined in paragraph (10)) which are qualified to serve as representative payees pursuant to this subsection or section 1007 or 1383(a)(2) of this title and which are located in the area served by such servicing office.

(4)(A)(I) Except as provided in the next sentence, a qualified organization may collect from an individual a monthly fee for expenses (including overhead) incurred by such organization in providing services performed as such individual’s representative payee pursuant to this subsection if such fee does not exceed the lesser of—

(1) 10 percent of the monthly benefit involved, or

(II) $25.00 per month ($50.00 per month in any case in which the individual is described in paragraph (1)(B)).

A qualified organization may not collect a fee from an individual for any month with respect to which the Commissioner of Social Security or a court of competent jurisdiction has determined that the organization misused all or part of the individual’s benefit, and any amount so collected by the qualified organization for such month shall be treated as a misused part of the individual’s benefit for purposes of paragraphs (5) and (6). The Commissioner shall adjust annually (after 1995) each dollar amount set forth in subclause (II) under procedures providing for adjustments in the same manner and to the same extent as adjustments are provided for under the procedures used to adjust benefit amounts under section 415(i)(2)(A) of this title, except that any amount so adjusted that is not a multiple of $1.00 shall be rounded to the nearest multiple of $1.00. Any agreement providing for a fee in excess of the amount permitted under this sub-
paragraph shall be void and shall be treated as
misuse by such organization of such individual’s
benefits.

(i) In the case of an individual who is no
longer currently entitled to monthly insurance
benefits under this subchapter but to whom all
past-due benefits have not been paid, for pur-
poses of clause (i), any amount of such past-due
benefits payable in any month shall be treated
as a monthly benefit referred to in clause (i)(1).

(B) For purposes of this paragraph, the term
“qualified organization” means any State or
local government agency whose mission is to
carry out income maintenance, social service, or
health care-related activities, any State or local
government agency with fiduciary responsibil-
ities, or any certified community-based non-
profit social service agency (as defined in para-
graph (10)), if such agency, in accordance with
any applicable regulations of the Commissioner
of Social Security—

(i) regularly provides services as the rep-
resentative payee, pursuant to this subsection
or section 1007 or 1383(a)(2) of this title, con-
currently to 5 or more individuals;6

(ii) demonstrates to the satisfaction of the
Commissioner of Social Security that such
agency is not otherwise a creditor of any such
individual.

The Commissioner of Social Security shall pre-
scribe regulations under which the Commiss-
ioner of Social Security may grant an excep-
tion from clause (ii) for any individual on a
case-by-case basis if such exception is in the
best interests of such individual.

(C) Any qualified organization which know-
ingly charges or collects, directly or indirectly,
any fee in excess of the maximum fee prescribed
under subparagraph (A) or makes any agree-
ment, directly or indirectly, to charge or collect
any fee in excess of such maximum fee, shall be
fined in accordance with title 18, or imprisoned
not more than 6 months, or both.

(5) In cases where the negligent failure of the
Commissioner of Social Security to investigate
or monitor a representative payee results in
misuse of benefits by the representative payee,
the Commissioner of Social Security shall cer-
tify for payment to the beneficiary or the ben-
eficiary’s alternative representative payee an
amount equal to such misused benefits. In any
case in which a representative payee that—

(A) is not an individual (regardless of wheth-
er it is a “qualified organization” within the
meaning of paragraph (4)(B)); or

(B) is an individual who, for any month dur-
ing a period when misuse occurs, serves 15 or
more individuals who are beneficiaries under
this subchapter, subchapter VIII, subchapter
XVI, or any combination of such subchapters;
is misuses all or part of an individual’s benefit
paid to such representative payee, the Commis-
sioner of Social Security shall certify for pay-
ment to the beneficiary or the beneficiary’s al-
ternative representative payee an amount equal
to the amount of such benefit so misused. The
provisions of this paragraph are subject to the
limitations of paragraph (7)(B). The Commiss-
sioner of Social Security shall make a good
faith effort to obtain restitution from the termi-
nated representative payee.

(6) In addition to such other reviews of rep-
resentative payees as the Commissioner of So-
cial Security may otherwise conduct, the Com-
missioner shall provide for the periodic onsite
review of any person or agency located in the
United States that receives the benefits payable
under this subchapter (alone or in combination
with benefits payable under subchapter VIII or
subchapter XVI) to another individual pursuant
to the appointment of such person or agency as
a representative payee under this subsection,
section 1007 of this title, or section 1383(a)(2) of
this title in any case in which—

(i) the representative payee is a person who
serves in that capacity with respect to 15 or
more such individuals;

(ii) the representative payee is a certified
community-based nonprofit social service
agency (as defined in paragraph (10) of this
subsection or section 1383(a)(2)(1) of this title);

(iii) the representative payee is an agency
(other than an agency described in clause (ii))
that serves in that capacity with respect to 50
or more such individuals; or

(iv) the representative payee collects a fee
for its services.

The Commissioner shall also conduct periodic
onsite reviews of individual and organizational
payees, including payees who are related to the
beneficiary and primarily reside in the same
household, selected on the basis of risk-factors
for potential misuse or unsuitability associated
with such payees or beneficiaries.

(C)7(i) The Commissioner of Social Security
shall make annual grants directly to the protec-
tion and advocacy system serving each of the
States and the American Indian consortium
for the purpose of conducting reviews of representa-
tive payees in accordance with this subpara-
graph. The total amount used by the Commis-
sioner for such grants each year—

(I) shall be an amount sufficient, as deter-
mined by the Commissioner in consultation
with each of the protection and advocacy sys-
tems, to carry out all of the activities de-
scribed in clause (ii); and

(II) shall not be less than $25,000,000.

(ii) A protection and advocacy system awarded
a grant under this subparagraph shall use the
grant funds to—

(I) conduct all periodic onsite reviews pursu-
ant to this paragraph and such other reviews
of representative payees as the Commissioner
may request, including reviews conducted in
response to allegations or concerns about the
performance or suitability of the payee;

(II) conduct additional reviews that the protec-
tion and advocacy system has reason to be-
lieve are warranted;

(III) develop corrective action plans to assist
representative payees in conforming to re-
quirements specified by the Commissioner;

(IV) submit a report to the Commissioner on
each completed review containing such infor-
mation as the Commissioner shall require; and

—6 So in original. Probably should be followed by “and”.

—7 So in original. There are no subs. (A) and (B).
(V) conduct an initial onsite assessment of any organization that begins collecting a fee for its services as a representative payee to ensure that such organization is established as such a representative payee in accordance with requirements specified by the Commissioner.

A protection and advocacy system may refer beneficiaries to other programs or services as the protection and advocacy system considers appropriate.

(iii) To be eligible to receive grants under this section, a protection and advocacy system shall submit an initial application to the Commissioner at such time, in such form and manner, and accompanied by such information and assurances as the Commissioner may require.

(iv)(I) Subject to subclause (II), the Commissioner shall ensure that any funds used for protection and advocacy systems serving each of the States and the American Indian consortium in a manner such that the amount provided to each protection and advocacy system bears the same ratio to the total of such funds as the number of represented beneficiaries in the State or American Indian consortium in which such protection and advocacy system is located bears to the total number of represented beneficiaries.

(II) The amount of an annual grant to a protection and advocacy system under clause (i) shall—

(aa) in the case of a protection and advocacy system serving American Samoa, Guam, the United States Virgin Islands, or the Commonwealth of the Northern Mariana Islands, or the American Indian consortium, not be less than $30,000; and

(bb) in the case of a protection and advocacy system serving any other State, not be less than $60,000.

(III) Funds provided to a protection and advocacy system through a grant under clause (i) for a 1-year period shall remain available through the end of the following 1-year period.

(IV) For purposes of this clause, the term "represented beneficiary" means an individual—

(aa) who is entitled to benefits under this subchapter, subchapter VIII, or subchapter XVI; and

(bb) whose benefits have been certified for payment to a representative payee.

(v)(I) The Commissioner shall make annual grants, in an amount equal to 4 percent of the total amount of grants awarded each year under clause (i), to an eligible national association for the provision of training and technical assistance, administrative support, and data collection services to protection and advocacy systems in connection with grants awarded under clause (i).

(II) In this clause, the term "eligible national association" means a national disability association with extensive knowledge and demonstrated experience in providing training, technical assistance, and administrative oversight to protection and advocacy systems that monitor representative payees.

(vi) In conducting reviews under this section, a protection and advocacy system shall have the same authorities, including access to records, facilities, and persons, as such system would have for purposes of providing services under subtitle C of title I of the Developmental Disabilities Assistance and Bill of Rights Act of 2000 (42 U.S.C. 15041 et seq.).

(vii) Whenever benefit amounts under this subchapter are increased by any percentage effective with any month after November 2018 as a result of a determination made under section 415(i) of this title, each of the dollar amounts specified in clauses (i)(II) and (iv)(II) shall be increased by the same percentage.

(viii) No additional funds are authorized to be appropriated to carry out the requirements of this subparagraph. Such requirements shall be carried out using amounts otherwise authorized.

(ix) In this subparagraph:


(II) The term "protection and advocacy system" means a protection and advocacy system established under subtitle C of title I of the Developmental Disabilities Assistance and Bill of Rights Act of 2000 (42 U.S.C. 15041 et seq.).

(III) The term "State" means the several States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the United States Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands.

(7)(A) If the Commissioner of Social Security or a court of competent jurisdiction determines that a representative payee that is not a Federal, State, or local government agency has misused all or part of an individual's benefit that was paid to such representative payee under this subsection, the representative payee shall be liable for the amount misused, and such amount (to the extent not repaid by the representative payee) shall be treated as an overpayment of benefits under this subchapter to the representative payee for all purposes of this chapter and related laws pertaining to the recovery of such overpayments. Subject to subparagraph (B), upon recovering all or any part of such amount, the Commissioner shall certify an amount equal to the recovered amount for payment to such individual or such individual's alternative representative payee.

(B) The total of the amount certified for payment to such individual or such individual's alternative representative payee under subparagraph (A) and the amount certified for payment under paragraph (5) may not exceed the total benefit amount misused by the representative payee with respect to such individual.

(8) For purposes of this subsection, the term "benefit based on disability" of an individual means a disability insurance benefit of such individual under section 423 of this title or a child's, widow's, or widower's insurance benefit of such individual under section 402 of this title based on such individual's disability.

(9) For purposes of this subsection, misuse of benefits by a representative payee occurs in any case in which the representative payee receives payment under this subchapter for the use and
benefit of another person and converts such pay-
ment, or any part thereof, to a use other than
for the use and benefit of such other person. The
Commissioner of Social Security may prescribe
by regulation the meaning of the term “use and
benefit” for purposes of this paragraph.

(10) For purposes of this subsection, the term
“certified community-based nonprofit social
service agency” means a community-based non-
profit social service agency which is in compli-
ance with requirements, under regulations
which shall be prescribed by the Commissioner,
for annual certification to the Commissioner
that it is bonded in accordance with require-
ments specified by the Commissioner and that it
is licensed in each State in which it serves as a
representative payee (if licensing is available in
the State) in accordance with requirements
specified by the Commissioner. Any such annual
certification shall include a copy of any inde-
pendent audit on the agency which may have
been performed since the previous certification.

(11)(A) The Commissioner of Social Security
shall—

(i) enter into agreements with each State
with a plan approved under part E of sub-
chapter IV for the purpose of sharing and
matching data, on an automated monthly
basis, in the system of records of the Social
Security Administration with each Statewide
and Tribal Automated Child Welfare Informa-
tion System to identify represented minor
beneficiaries who are in foster care under the
responsibility of the State for such month; and
(ii) in any case in which a represented minor
beneficiary has entered or exited foster care or
changed foster care placement in such month,
redetermine the appropriate representative
payee for such individual.

(B) For purposes of this paragraph—

(i) the term “State” has the meaning given
such term for purposes of part E of subchapter
IV;
(ii) the term “Statewide and Tribal Auto-
mated Child Welfare Information System”
means a statewide mechanized data collection
and information retrieval system described in
section 674(a)(3)(C) of this title; and
(iii) the term “represented minor ben-
eficiary”, with respect to an individual for a
month, means a child (as defined for purposes
of section 675(8) of this title) entitled to ben-
efits under this subchapter for such month
whose benefits are certified for payment to a
representative payee.

(12)(A) Not later than January 31 of each fiscal
year, the Commissioner shall submit to the
Committee on Ways and Means of the House of
Representatives and the Committee on Finance
of the Senate a report on the total number of in-
dividuals entitled to benefits under subchapters
II, VIII, and XVI, respectively, (and the number
of individuals concurrently entitled to benefits
under more than one such subchapter) who have
a representative payee, the total number of such
representative payees, and the results of all re-
vIEWS of representative payees conducted during
the previous fiscal year in connection with ben-
efits under this subchapter, subchapter VIII, or
subchapter XVI. Such report shall summarize
problems identified in such reviews and correc-
tive actions taken or planned to be taken to cor-
rect such problems, and shall include—

(i) the number of such reviews;
(ii) the results of such reviews;
(iii) the number of cases in which the rep-
resentative payee was changed and why;
(iv) the number of reviews conducted in re-
sponse to allegations or concerns about the
performance or suitability of the payee;
(v) the number of cases discovered in which
there was a misuse of funds, and the total dol-
lar amount of benefits determined by the Com-
missioner during such fiscal year to have been
misused by a representative payee (regardless
of the fiscal year in which such misuse oc-
curred);
(vi) the number of cases discovered in which
such misuse of funds resulted from the neg-
ligent failure of the Commissioner to inves-
tigate or monitor a representative payee;
(vii) the final disposition of such cases of
misuse of funds, including—

(I) any criminal, civil, and administrative
penalties imposed;
(II) the total dollar amount of misused
benefits repaid to beneficiaries and alter-
native representative payees under each of—
(aa) paragraph (5) (on the basis of a neg-
ligent failure of the Commissioner de-
scribed in such paragraph);
(bb) paragraph (5) (on any other basis);
and
(cc) paragraph (7);
(III) the total dollar amount of misused
benefits recovered under each of—
(aa) paragraph (5); and
(bb) paragraph (7);
(viii) any updates to prior year reports nec-
essary to reflect subsequent recoveries and re-
payments pertaining to misuse determinations
made in prior years; and
(ix) such other information as the Commis-
sioner deems appropriate.

(B) Each report required under this paragraph
for a fiscal year shall include the information
described in clauses (i) through (ix) of subpara-
graph (A) with respect to—

(i) all representative payees reviewed during
such fiscal year;
(ii) all such representative payees that are
organizations, separated by whether such or-
ganization collects a fee for its services as a
representative payee;
(iii) all such representative payees that are
individuals serving 15 or more individuals; and
(iv) all such representative payees that are
individuals serving less than 15 individuals,
separated by whether such representative
payee is a family member.

(k) Payments to incompetents

Any payment made after December 31, 1939,
under conditions set forth in subsection (j), any
payment made before January 1, 1940, to, or on
behalf of, a legally incompetent individual, and
any payment made after December 31, 1939, to a
legally incompetent individual without knowl-
edge by the Commissioner of Social Security of
incompetency prior to certification of payment,
§ 405

TITLE 42—THE PUBLIC HEALTH AND WELFARE

Page 1706

if otherwise valid under this subchapter, shall be a complete settlement and satisfaction of any claim, right, or interest in and to such payment.

(l) Delegation of powers and duties by Commissioner

The Commissioner of Social Security is authorized to delegate to any member, officer, or employee of the Social Security Administration designated by the Commissioner any of the powers conferred upon the Commissioner by this section, and is authorized to be represented by the Commissioner’s own attorneys in any court in any case or proceeding arising under the provisions of subsection (e).


(n) Joint payments

The Commissioner of Social Security may, in the Commissioner’s discretion, certify to the Managing Trustee any two or more individuals of the same family for joint payment of the total benefits payable to such individuals for any month, and if one of such individuals dies before a check representing such joint payment is negotiated, payment of the amount of such unnegotiated check to the surviving individual or individuals may be authorized in accordance with regulations of the Secretary of the Treasury; except that appropriate adjustment or reconsideration shall be made under section 404(a) of this title with respect to so much of the amount of such check as exceeds the amount to which such surviving individual or individuals are entitled under this subchapter for such month.

(o) Crediting of compensation under Railroad Retirement Act

If there is no person who would be entitled, upon application therefor, to an annuity under section 2 of the Railroad Retirement Act of 1974 [45 U.S.C. 231a], or to a lump-sum payment under section 6(b) of such Act [45 U.S.C. 231e(b)], with respect to the death of an employee (as defined in such Act), then, notwithstanding section 410(a)(9) of this title, compensation (as defined in such Railroad Retirement Act, but excluding compensation attributable as having been paid during any month on account of military service creditable under section 3(1) of such Act [45 U.S.C. 231h(1)] if wages are deemed to have been paid to such employee during such month under subsection (a) or (e) of section 417 of this title) of such employee shall constitute remuneration for employment for purposes of determining (A) entitlement to and the amount of any lump-sum death payment under this subchapter on the basis of such employee’s wages and self-employment income and (B) entitlement to and the amount of any monthly benefit under this subchapter, for the month in which such employee died or for any month thereafter, on the basis of such wages and self-employment income. For such purposes, compensation (as so defined) paid in a calendar year before 1978 shall, in the absence of evidence to the contrary, be presumed to have been paid in equal proportions with respect to all months in the year in which the employee rendered services for such compensation.

(p) Special rules in case of Federal service

(1) With respect to service included as employment under section 410 of this title which is performed in the employ of the United States or in the employ of any instrumentality which is wholly owned by the United States, including service, performed as a member of a uniformed service, to which the provisions of subsection (l)(1) of such section are applicable, and including service, performed as a volunteer or volunteer leader within the meaning of the Peace Corps Act [22 U.S.C. 2561 et seq.], to which the provisions of section 410(o) of this title are applicable, the Commissioner of Social Security shall not make determinations as to the amounts of remuneration for such service, or the periods in which or for which such remuneration was paid, but shall accept the determinations with respect thereto of the head of the appropriate Federal agency or instrumentality, and of such agents as such head may designate, as evidenced by returns filed in accordance with the provisions of section 3122 of the Internal Revenue Code of 1954 and certifications made pursuant to this subsection. Such determinations shall be final and conclusive. Nothing in this paragraph shall be construed to affect the Commissioner’s authority to determine under sections 409 and 410 of this title whether any such service constitutes employment, the periods of such employment, and whether remuneration paid for any such service constitutes wages.

(2) The head of any such agency or instrumentality is authorized and directed, upon written request of the Commissioner of Social Security, to make certification to the Commissioner with respect to any matter determinable for the Commissioner of Social Security by such head or his agents under this subsection, which the Commissioner of Social Security finds necessary in administering this subchapter.

(3) The provisions of paragraphs (1) and (2) of this subsection shall be applicable in the case of service performed by a civilian employee, not compensated from funds appropriated by the Congress, in the Army and Air Force Exchange Service, Army and Air Force Motion Picture Service, Navy Exchanges, Marine Corps Exchanges, or other activities, conducted by an instrumentality of the United States subject to the jurisdiction of the Secretary of Defense, at installations of the Department of Defense for the comfort, pleasure, contentment, and mental and physical improvement of personnel of such Department; and for purposes of paragraphs (1) and (2) of this subsection the Secretary of Defense shall be deemed to be the head of such instrumentality. The provisions of paragraphs (1) and (2) shall be applicable also in the case of service performed by a civilian employee, not compensated from funds appropriated by the Congress, in the Coast Guard Exchanges or other activities, conducted by an instrumentality of the United States subject to the jurisdiction of the Secretary of Homeland Security, at installations of the Coast Guard for the comfort, pleasure, contentment, and mental and physical improvement of personnel of the Coast Guard; and for purposes of paragraphs (1) and (2) the Secretary of Homeland Security shall be deemed to be the head of such instrumentality.
(q) Expedited benefit payments

(1) The Commissioner of Social Security shall establish and put into effect procedures under which expedited payment of monthly insurance benefits under this subchapter will, subject to paragraph (4) of this subsection, be made as set forth in paragraphs (2) and (3) of this subsection.

(2) In any case in which—

(A) an individual makes an allegation that a monthly benefit under this subchapter was due him in a particular month but was not paid to him, and

(B) such individual submits a written request for the payment of such benefit—

(i) in the case of an individual who received a regular monthly benefit in the month preceding the month with respect to which such allegation is made, not less than 30 days after the 15th day of the month with respect to which such allegation is made (and in the event that such request is submitted prior to the expiration of such 30-day period, it shall be deemed to have been submitted upon the expiration of such period), and

(ii) in any other case, not less than 90 days after the later of (I) the date on which such benefit is alleged to have been due, or (II) the date on which such individual furnished the last information requested by the Commissioner of Social Security (and such written request will be deemed to be filed on the day on which it was filed, or the ninetieth day after the first day on which the Commissioner of Social Security has evidence that such allegation is true, whichever is later), the Commissioner of Social Security shall, if the Commissioner finds that benefits are due, certify such benefits for payment, and payment shall be made within 15 days immediately following the date on which the written request is deemed to have been filed.

(3) In any case in which the Commissioner of Social Security determines that there is evidence, although additional evidence might be required for a final decision, that an allegation described in paragraph (2)(A) is true, the Commissioner may make a preliminary certification of such benefit for payment even though the 30-day or 90-day periods described in paragraph (2)(B)(i) and (B)(ii) have not elapsed.

(4) Any payment made pursuant to a certification under paragraph (3) of this subsection shall not be considered an incorrect payment for purposes of determining the liability of the certifying or disbursing officer.

(5) For purposes of this subsection, benefits payable under section 428 of this title shall be treated as monthly insurance benefits payable under this subchapter. However, this subsection shall not apply with respect to any benefit for which a check has been negotiated, or with respect to any benefit alleged to be due under either section 423 of this title, or section 402 of this title to a wife, husband, or child of an individual entitled to or applying for benefits under section 423 of this title, or to a child who has attained age 18 and is under a disability, or to a widow or widower on the basis of being under a disability.

(r) Use of death certificates to correct program information

(1) The Commissioner of Social Security shall undertake to establish a program under which—

(A) States (or political subdivisions thereof) voluntarily contract with the Commissioner of Social Security to furnish the Commissioner of Social Security periodically with information (in a form established by the Commissioner of Social Security in consultation with the States) concerning individuals with respect to whom death certificates (or equivalent documents maintained by the States or subdivisions) have been officially filed with them; and

(B) there will be (i) a comparison of such information on such individuals with information on such individuals in the records being used in the administration of this chapter, (ii) validation of the results of such comparisons, and (iii) corrections in such records to accurately reflect the status of such individuals.

(2) Each State (or political subdivision thereof) which furnishes the Commissioner of Social Security with information on records of deaths in the State or subdivision under this subsection may be paid by the Commissioner of Social Security from amounts available for administration of this chapter the reasonable costs (established by the Commissioner of Social Security in consultations with the States) for transcribing and transmitting such information to the Commissioner of Social Security.

(3) In the case of individuals with respect to whom federally funded benefits are provided by (or through) a Federal or State agency other than under this chapter, the Commissioner of Social Security shall to the extent feasible provide such information through a cooperative arrangement with such agency, for ensuring proper payment of those benefits with respect to such individuals if—

(A) under such arrangement the agency provides reimbursement to the Commissioner of Social Security for the reasonable cost of carrying out such arrangement, and

(B) such arrangement does not conflict with the duties of the Commissioner of Social Security under paragraph (1).

(4) The Commissioner of Social Security may enter into similar agreements with States to provide information for their use in programs wholly funded by the States if the requirements of subparagraphs (A) and (B) of paragraph (3) are met.

(5) The Commissioner of Social Security may use or provide for the use of such records as may be corrected under this section, subject to such safeguards as the Commissioner of Social Security determines are necessary or appropriate to protect the information from unauthorized use or disclosure, for statistical and research activities conducted by Federal and State agencies.

(6) Information furnished to the Commissioner of Social Security under this subsection may not be used for any purpose other than the purpose described in this subsection and is exempt from disclosure under section 552 of title 5 and from the requirements of section 552a of such title.
(7) The Commissioner of Social Security shall include information on the status of the program established under this section and impediments to the effective implementation of the program in the 1984 report required under section 904 of this title.

(8)(A) The Commissioner of Social Security shall, upon the request of the official responsible for a State driver’s license agency pursuant to the Help America Vote Act of 2002—

(i) enter into an agreement with such official for the purpose of verifying applicable information, so long as the requirements of subparagraphs (A) and (B) of paragraph (3) are met; and

(ii) include in such agreement safeguards to assure the maintenance of the confidentiality of any applicable information disclosed and procedures to permit such agency to use the applicable information for the purpose of maintaining its records.

(B) Information provided pursuant to an agreement under this paragraph shall be provided at such time, in such place, and in such manner as the Commissioner determines appropriate.

(C) The Commissioner shall develop methods to verify the accuracy of information provided by the agency with respect to applications for voter registration, for whom the last 4 digits of a social security number are provided instead of a driver’s license number.

(D) For purposes of this paragraph—

(i) the term “applicable information” means information regarding whether—

(1) the name (including the first name and any family forename or surname), the date of birth (including the month, day, and year), and social security number of an individual provided to the Commissioner match the information contained in the Commissioner’s records, and

(II) such individual is shown on the records of the Commissioner as being deceased; and

(ii) the term “State driver’s license agency” means the State agency which issues driver’s licenses to individuals within the State and maintains records relating to such licensure.

(E) Nothing in this paragraph may be construed to require the provision of applicable information with regard to a request for a record of an individual if the Commissioner determines there are exceptional circumstances warranting an exception (such as safety of the individual or interference with an investigation).

(F) Applicable information provided by the Commissioner pursuant to an agreement under this paragraph or by an individual to any agency that has entered into an agreement under this paragraph shall be considered as strictly confidential and shall be used only for the purposes described in this paragraph and for carrying out an agreement under this paragraph. Any officer or employee of the Department of Health and Human Services; and

(ii) include in such agreement safeguards to assure the maintenance of the confidentiality of any information disclosed.

(B) For purposes of this paragraph, the term “system of records” has the meaning given such term in section 552a(a)(5) of title 5.

(s) Notice requirements

The Commissioner of Social Security shall take such actions as are necessary to ensure that any notice to one or more individuals issued pursuant to this subchapter by the Commissioner of Social Security or by a State agency—

(1) is written in simple and clear language, and

(2) includes the address and telephone number of the local office of the Social Security Administration which serves the recipient.

In the case of any such notice which is not generated by a local servicing office, the requirements of paragraph (2) shall be satisfied if such notice includes the address of the local office of the Social Security Administration which serves the recipient and a telephone number through which such office can be reached.

(t) Same-day personal interviews at field offices in cases where time is of essence

In any case in which an individual visits a field office of the Social Security Administration and represents during the visit to an officer or employee of the Social Security Administration in the office that the individual’s visit is occasioned by—

(1) the receipt of a notice from the Social Security Administration indicating a time limit for response by the individual, or

(2) the theft, loss, or nonreceipt of a benefit payment under this subchapter,

the Commissioner of Social Security shall ensure that the individual is granted a face-to-face interview at the office with an officer or employee of the Social Security Administration before the close of business on the day of the visit.

(u) Redetermination of entitlement

(1)(A) The Commissioner of Social Security shall immediately redetermine the entitlement of individuals to monthly insurance benefits under this subchapter if there is reason to believe that fraud or similar fault was involved in the application of the individual for such benefits, unless a United States attorney, or equivalent State prosecutor, with jurisdiction over potential or actual related criminal cases, cer-
tifies, in writing, that there is a substantial risk that such action by the Commissioner of Social Security with regard to beneficiaries in a particular investigation would jeopardize the criminal prosecution of a person involved in a suspected fraud.

(B) When redetermining the entitlement, or making an initial determination of entitlement, of an individual under this subchapter, the Commissioner of Social Security shall disregard any evidence if there is reason to believe that fraud or similar fault was involved in the providing of such evidence.

(2) For purposes of paragraph (1), similar fault is involved with respect to a determination if—

(A) an incorrect or incomplete statement that is material to the determination is knowingly made; or

(B) information that is material to the determination is knowingly concealed.

(3) If, after redetermining pursuant to this subsection the entitlement of an individual to monthly insurance benefits, the Commissioner of Social Security determines that there is insufficient evidence to support such entitlement, the Commissioner of Social Security may terminate such entitlement and may treat benefits paid on the basis of such insufficient evidence as overpayments.


AMENDMENT OF SUBSECTION (j)(1)

Pub. L. 111–117, title II, §201(a), Apr. 13, 2012, 132 Stat. 1266, provided that, effective 2 years after Apr. 13, 2018, subsection (j)(1) of this section is amended by adding at the end the following:

(C)(i) An individual who is entitled to or is an applicant for a benefit under this subchapter, subchapter VIII, or subchapter XVI, who has attained 16 years of age or is an emancipated minor, may, at any time, designate one or more other individuals to serve as a representative payee for such individual in the event that the Commissioner of Social Security determines under subparagraph (A) that the interest of such individual would be served by certification for payment of such benefits to which the individual is entitled to a representative payee. If the Commissioner of Social Security makes such a determination with respect to such individual at any time after such designation has been made, the Commissioner shall—

(I) certify payment of such benefits to the designated individual, subject to the requirements of paragraph (2); or

(II) if the Commissioner determines that certification for payment of such benefits to the designated individual would not satisfy the requirements of paragraph (2), that the designated individual is unwilling or unable to serve as a representative payee, or that other good cause exists, certify payment of such benefits to another individual or organization, in accordance with paragraph (1).
(ii) An organization may not be designated to serve as a representative payee under this subparagraph.

See 2018 Amendment note below.

REFERENCES IN TEXT

Subsecs. (e) and (g) of section 418 of this title, referred to in subsec. (c)(1)(D)(i), (5)(F)(iii), which related to payments and reports by States, and to time limitations on assessments, respectively, were repealed, and subsec. (f) of section 418 of this title was redesignated as subsec. (e), by Pub. L. 99–995, title IX, § 9002(c)(1), Oct. 21, 1986, 100 Stat. 1971.


Section 7212(a)(2) of the 9/11 Commission Implementation Act of 2004, referred to in subsec. (c)(2)(C)(v)(II), is section 7212(a)(2) of Pub. L. 108–446, which was formerly set out as a note under section 30301 of Title 49, Transportation.

The Internal Revenue Code of 1986, referred to in subsecs. (c)(2)(C)(vi)(I), (II), and (j)(2)(B)(ii), is classified generally to Title 26, Internal Revenue Code.

The Longshore and Harbor Workers’ Compensation Act, referred to in subsec. (c)(2)(C)(ix), is act Mar. 4, 1927, ch. 509, 44 Stat. 1424, which is classified generally to chapter 14 (§ 1301 et seq.) of Title 33, Navigation and Navigable Waters. For complete classification of this Act to the Code, see section 1301 of Title 33 and Tables.


The Railroad Retirement Act of 1974, referred to in subsecs. (c)(5)(D), (i), and (o), is act Aug. 29, 1935, ch. 812, as amended generally by Pub. L. 93–445, title I, § 101, Oct. 16, 1974, 88 Stat. 1305, which is classified generally to subchapter IV (§ 231 et seq.) of chapter 9 of Title 45, Railroads. Pub. L. 93–445 was subsequently amended and revised. The 1937 Act was redesignated the Railroad Retirement Act of 1974. Previously, the 1937 Act had completely amended and revised the Railroad Retirement Act of 1935 (approved Aug. 29, 1935, ch. 812, 49 Stat. 967). Section 201 of the 1937 Act provided that the 1935 Act, as in force prior to amendment by the 1937 Act, may be cited as the Railroad Retirement Act of 1935 and that the 1935 Act, as amended by the 1937 Act, may be cited as the Railroad Retirement Act of 1937. The Railroad Retirement Acts of 1935 and 1937 were classified to subchapter II (§ 215 et seq.) and subchapter III (§ 221 et seq.), respectively, of chapter 9 of Title 45. For further details and complete classification of these Acts to the Code, see Codification note set out preceding section 231 of Title 45, section 231a of Title 45, and Tables.

Title VIII of the Social Security Act, referred to in subsec. (c)(5)(F)(i), probably means former title VIII of the Social Security Act, which was classified to subchapter VIII (§ 1001 et seq.) of this chapter, and was omitted from the Code as superseded by the provisions of the Internal Revenue Code of 1939 and the Internal Revenue Code of 1966.

Subchapter E of chapter 1 and subchapter A of chapter 9 of the Internal Revenue Code of 1939, referred to in subsec. (c)(5)(F)(i), were comprised of sections 242 to 1412, inclusive, as amended generally by Pub. L. 99–514, § 2, Oct. 22, 1986, 100 Stat. 2905. For table of comparisons of the 1939 Code to the 1966 Code, see Table I preceding section 1 of Title 26, Internal Revenue Code. See also section 7852(b) of Title 26 for provision that references in any other law to the provision of the 1939 Code, unless expressly incompatible with the intent thereof, shall be deemed a reference to the corresponding provision of the 1966 Code.

For provision deeming a reference in other laws to a provision of the 1939 Code as a reference to the corresponding provisions of the 1966 Code, see section 7852(b) of the 1966 Code. For table of comparisons of the 1939 Code to the 1966 Code, see table preceding section 1 of Title 26, Internal Revenue Code. The Internal Revenue Code of 1966 is classified generally to Title 26.

Sections 2 and 21 of the Internal Revenue Code of 1964, referred to in subsec. (c)(5)(F)(i), were redesignated sections 2 and 21 of the Internal Revenue Code of 1966, and are classified to sections 1401 et seq. and 3101 et seq., respectively, of Title 26.


The Peace Corps Act, referred to in subsec. (p)(1), is Pub. L. 87–296, Sept. 22, 1961, 75 Stat. 612, which is classified principally to chapter 34 (§ 2501 et seq.) of Title 22, Foreign Relations and Intercourse. For complete classification of this Act to the Code, see Short Title note set out under section 2501 of Title 22 and Tables.


CODIFICATION

October 13, 1988, referred to in subsec. (c)(2)(C)(v), was in the original "the date of the enactment of such subclause", and was translated as if it read "the date of the enactment of such clause", as the probable intent of Congress. The clause in question, cl. (i) of subsec. (c)(2)(C)(v), was originally enacted as subcl. (ii) of subsec. (c)(2)(C)(i), as added by Pub. L. 98–241, which added subsec. (c)(2)(E) and redesignated former subsec. (c)(2)(E) as (c)(2)(F).

In subsec. (g), act June 25, 1948, as amended by act May 24, 1949, substituted United States District Court
for the District of Columbia, for District Court of the United States for the District of Columbia.

In subsec. (b), Pub. L. 98–369, div. B, title VI, §202(a)(4)(D), July 18, 1984, 98 Stat. 1162, substituted “section 1331 or 1346 of title 26” for which text, in the original, was “section 24 of the Judicial Code of the United States”. See 1984 Amendment note below. Prior to amendment of subsec. (b) of Title 28, Judiciary and Judicial Procedure, by act June 25, 1948, ch. 646, 62 Stat. 889, section 24 of the Judicial Code was classified to section 41 of former Title 28, Judicial Code and Judiciary. For disposition of other sections of former Title 28, see Table I.


AMENDMENTS


Subsec. (j)(3)(D) to (H). Pub. L. 115–165, § 102(a), added subpar. (D), redesignated former subpars. (D) to (G) as (E) to (H), respectively, in subpar. (E), substituted “(C)” and “(D)” for “(A)” and “(B)”, substituted “(E)” for “(D)” in two places.

Subsec. (j)(6). Pub. L. 115–165, § 106(a)(1), struck out subpar. (A) designation and subpar. (B) which related to report on periodic onsite reviews and other reviews of representative payees in connection with benefits under this subchapter.


Subsec. (c)(2)(C)(xi). Pub. L. 114–10, § 501(a)(2), redesignated cl. (x) from prohibiting use of social security account numbers on checks issued for payment by governmental agencies, and cl. (xii) as clss. (xii) and (xii), respectively.


Subsec. (i). Pub. L. 114–74 inserted “or divorced wife or divorced husband” after “the wife or husband”.


Subsec. (g). Pub. L. 108–203, § 411(a), substituted °in any case in which the Commissioner has not made a decision fully favorable to the individual, a transcript of the additional record and testimony” for °and a transcript of the additional record and testimony”.


Subsec. (j)(2)(C)(i)(vi). Pub. L. 108–203, § 105(a)(2), substituted °a certified community-based nonprofit social service agency (as defined in paragraph (9))” for °a community-based nonprofit social service agency licensed or bonded by the State”.


Pub. L. 108–203, § 105(a)(2), substituted °paragraph (10)” for °paragraph (9)”.

Pub. L. 108–203, § 102(a)(1)(B), substituted °certified community-based nonprofit social service agencies (as defined in paragraph (9))” for °community-based nonprofit social service agencies”.


Subsec. (j)(4)(A)(i). Pub. L. 108–203, § 104(a)(2), which directed amendment of cl. (i) in concluding provisions by substituting °A qualified organization may not collect a fee from an individual for any month with respect to which the Commissioner of Social Security or a court of competent jurisdiction has determined that the organization misused all or part of the individual’s benefit, and any amount so collected by the qualified organization for such month shall be treated as a misuse of part of the individual’s benefit for purposes of paragraphs (5) and (6). The Commissioner” for °The Secretary”, was executed by making the substitution °for °The Commissioner of Social Security” to reflect the probable intent of Congress. See 1994 Amendment note below.


Pub. L. 108–203, § 102(a)(1)(C), substituted °any certified community-based nonprofit social service agency (as defined in paragraph (9))” for °any community-based nonprofit social service agency which is bonded or licensed in each State in which it serves as a representative payee” in introductory provisions.

Subsec. (j)(5). Pub. L. 108–203, § 101(a)(1), designated first sentence of existing provisions as introductory provisions and inserted °in any case in which a representative payee that ° after °misused benefits,”, added subpars. (A) and (B), and designated second sentence of existing provisions as concluding provisions and inserted °misuses all or part of an individual’s benefit paid to such representative payee, the Commissioner of Social Security shall certify for payment to the beneficiary or the beneficiary’s alternative representative payee an amount equal to the amount of such benefit so misused. The provisions of this para-
This page contains a series of legal provisions and legislative changes affecting various sections of Title 42 of the United States Code, concerning the Commissioner of Social Security. The text includes numerous references to amendments and changes made by various pieces of legislation, such as Pub. L. 103-296, Pub. L. 104-121, and Pub. L. 103-296, among others. The text is organized in a way that highlights changes to specific sections, such as subpart (B) of section 1383(a)(2) of this title, and discusses the implications of these changes for the Commissioner's determination of eligibility for benefits. The legal provisions also mention the role of representative payees in administering benefits to individuals who are under a disability.

The text is a part of a larger document that deals with the Public Health and Welfare, specifically focusing on the Social Security Administration. It is rich in legal terminology and citations to specific sections and paragraphs of the United States Code, indicating a detailed and comprehensive approach to legislative changes and their implications.

The document is structured in a way that is typical of legal and legislative texts, with a focus on clarity and precision in the communication of legal changes and their effects. The text is not only informative but also serves as a reference for legal professionals and those interested in the legislative process and its impact on Social Security benefits.
stuting subcls. (II) to (IV) for “The Secretary of Agriculture shall restrict, to the satisfaction of the Secretary of Health and Human Services, access to social security account numbers obtained pursuant to this clause only to officers and employees of the United States whose duties or responsibilities require access for the administration or enforcement of the Food Stamp Act of 1977. The Secretary shall provide such other safeguards as the Secretary of Health and Human Services determines to be necessary or appropriate to protect the confidentiality of the social security account numbers.”


Subsec. (c)(2)(C)(V). Pub. L. 103–296, §321(a)(9)(B), (C), redesignated cl. (iv) as (v), and substituted “policy set forth in clause (i)” for “policy set forth in subclause (i) of clause (i)” and “clause (ii)” for “subclause (II) of clause (i)”.

Former cl. (v) redesignated (vi).


Subsec. (c)(2)(C)(VIII). Pub. L. 103–296, §321(a)(9)(B), (D), redesignated the cl. (vii) added by Pub. L. 101–624, §173(b), as (viii) and inserted “a social security account number or” before “a request for” in subcl. (IV).


Subsec. (c)(2)(F). (G) Pub. L. 103–296, §304(a)(2), redesignated subpars. (E) and (F) as (F) and (G), respectively.

Pub. L. 103–296, §107(a)(4), in subpars. (F) and (G) as redesignated by Pub. L. 103–296, §304(a)(2), substituted “Commissioner of Social Security” for “Secretary” wherever appearing.

Subsec. (c)(3). Pub. L. 103–296, §107(a)(4), substituted “Commissioner’s” for “Secretary’s” and “Commissioner of Social Security” for “Secretary”.

Subsec. (c)(4). Pub. L. 103–296, §107(a)(4), in introductory provisions, substituted “Commissioner of Social Security” for “Secretary” and substituted “the Commissioner’s” for “his” wherever appearing in subpars. (A) and (B), substituted “Commissioner’s” for “Secretary’s” and, in subpar. (C), substituted “Commissioner’s records as” for “Secretary’s records as”.

Subsec. (c)(5). Pub. L. 103–296, §107(a)(4), in introductory provisions substituted “Commissioner of Social Security” for “Secretary” and substituted “the Commissioner’s” for “his” in two places.
“Commissioner’s” for “Secretary’s” in par. (2)(E)(1) and (ii).

Subsec. (j)(4)(A). Pub. L. 103–296, § 201(a)(2)(B)(ii), designated existing provisions as cl. (i) redesignated former cls. (i) and (ii) as subcls. (I) and (II), respectively, added new subcl. (II) and struck out former subcl. (II) (as redesignated) which read “$25.00 per month”. Inserted “The Secretary shall adjust annually (after 1995) each dollar amount set forth in subclause (II) under procedures providing for adjustments in the same manner and to the same extent as adjustments are provided for under the procedures used to adjust benefit amounts under section 415(i)(2)(A) of this title, except that any amount so adjusted that is not a multiple of $1.00 shall be rounded to the nearest multiple of $1.00.” before “Any agreement” in concluding provisions, and added cl. (ii).


Subsec. (j)(4)(D). Pub. L. 103–296, § 201(a)(2)(B)(iii), struck out subpar. (D) which read as follows: “This paragraph shall cease to be effective on July 1, 1994.”

Subsec. (j)(6), Pub. L. 103–296, § 201(a)(2)(B)(iii), substituted “Commissioner of Social Security” for “Secretary” wherever appearing.


Subsec. (m). Pub. L. 103–296, § 101(a)(2), substituted “Commissioner of Social Security Administration” for “Department of Health and Human Services”, “by the Commissioner” for “by him”, “upon the Commissioner” for “upon his” and “the Commissioner’s” for “his”.

Subsec. (n). Pub. L. 103–296, § 101(a)(4), substituted “Commissioner of Social Security may, in the Commissioner’s discretion” for “Secretary may, in his discretion”.

Subsec. (p)(1), (2). Pub. L. 103–296, § 101(a)(4), substituted “Commissioner of Social Security” for “Secretary” wherever appearing, “the Commissioner’s” for “Secretary’s” in par. (1), and “to the Commissioner” for “to him” in par. (2).

Subsecs. (q), (r). Pub. L. 103–296, § 101(a)(4), substituted “Commissioner of Social Security” for “Secretary” wherever appearing, “the Commissioner finds” for “he finds” in subsec. (q)(2), and “the Commissioner may” for “he may” in subsec. (q)(3).

Subsec. (s). Pub. L. 103–296, § 321(a)(11), made technical amendment to heading.


Pub. L. 103–296, § 101–508, § 5105(a)(1)(A), amended par. (1) generally. Prior to amendment, par. (1) read as follows: “When it appears to the Secretary that the interest of an applicant entitled to a payment would be served thereby, certification of payment may be made, regardless of the legal competency or incompetency of the individual entitled thereto, either for direct payment to such applicant, or for his use and benefit to a relative or some other person.”

Subsec. (j)(2). Pub. L. 101–508, § 5105(a)(2)(A)(i), amended par. (2) generally. Prior to amendment, par. (2) read as follows: “Any certification made under paragraph (1) for payment to a person other than the individual entitled to such payment must be made on the basis of an investigation, carried out either prior to such certification or within forty-five days after such certification, and on the basis of adequate evidence that such certification is in the interest of the individual entitled to such payment (as determined by the Secretary in regulations). The Secretary shall ensure that such certifications are adequately reviewed.”

Subsec. (j)(3)(B), (C). Pub. L. 101–508, § 5105(b)(1)(A)(i), (ii), redesignated subpars. (C) and (D) as (B) and (C), respectively, and struck out former subpar. (B) which read as follows: “Subparagraph (A) shall not apply in any case where the other person to whom such payment is made is a parent or spouse of the individual entitled to such payment who lives in the same household as such individual. The Secretary shall require such parent or spouse to verify on a periodic basis that such parent or spouse continues to live in the same household as such individual.”

Subsec. (j)(3)(D). Pub. L. 100–518, § 5105(b)(1)(A)(ii), (iii), redesignated subpars. (E) as (D) and substituted “(A), (B), and (C)” for “(A), (B), (C), and (D)”.

Subsec. (j)(3)(E), (F). Pub. L. 101–508, § 5105(b)(1)(A)(ii), (iv), added subpars. (E) and (F) and redesignated former subpar. (E) as (D).


“(A) The Secretary shall make an initial report to each House of the Congress on the implementation of paragraphs (2) and (3) within 270 days after October 9, 1984.

“(B) The Secretary shall include as a part of the annual report required under section 904 of this title, information with respect to the implementation of paragraphs (2) and (3), including the number of cases in which the payee was changed, the number of cases discovered where there has been a misuse of funds, how any such cases were dealt with by the Secretary, the
final disposition of such cases, including any criminal penalties imposed, and such other information as the Secretary determines to be appropriate.

Pub. L. 101–508, §1505(c)(1), redesignated par. (5), relating to annual report, as (6).


1989—Subsec. (c)(5)(H). Pub. L. 101–239, §10304, struck out “if there is an absence of an entry in the Secretary’s records of wages having been paid by such employer to such individual in such period” before semicolon at end.


Subsec. (c)(2)(C)(II). Pub. L. 100–148, §125(a)(2), substituted “subclause (I) of clause (I)” for “clause (I) of this subparagraph” and inserted at end “If and to the extent that any such provision is inconsistent with the requirement set forth in clause (II) of clause (I), such provision shall, on and after October 13, 1988, be null, void, and of no effect.”

Subsec. (c)(2)(C)(III). Pub. L. 100–647, §8016(a)(1), substituted “of this Act” for “of the Social Security Act”, which for purposes of codification was translated as “of this chapter”.


Pub. L. 100–647, §8008(a)(1), redesignated former subpar. (D) as (E).


Subsec. (p)(1). Pub. L. 100–647, §8015(a)(1), substituted “the Secretary shall not make determinations as to the amounts of remuneration for such service, or the periods in which or for which such remuneration was paid” for “the Secretary shall not make determinations as to whether an individual has performed such service, the periods of such service, the amounts of remuneration for such service which constitute wages under the provisions of section 409 of this title, or the periods in which or for which such wages were paid” and inserted at end “Nothing in this paragraph shall be construed to affect the Secretary’s authority to determine under sections 409 and 410 of this title whether any such service constitutes employment, the periods of such employment, and whether remuneration paid for any such service constitutes wages.”


Subsec. (c)(5)(F)(III). Pub. L. 99–509, §9002(c)(2)(B), inserted “as in effect prior to December 31, 1986” and “as so in effect”.


Subsec. (e). Pub. L. 98–369, §2663(a)(4)(C), substituted “an order” for “on order”.


Subsec. (j). Pub. L. 98–460 designated existing provisions as par. (1) and added pars. (2) to (4).


Subsec. (r)(4). Pub. L. 98–369, §2661(h)(1), substituted “subparagaphs (A) and (B) of paragraph (3)” for “paragraph (3)(A) and (B)”. 1972—Subsec. (c)(2). Pub. L. 92–603 designated existing provisions as par. (1) and added par. (2).

authorize corrections after the time limitations if an application for monthly benefits or a lump-sum death payment is filed within the time limitation and no final decision has been made on it, to continue the requirement that written notice of any deletion or reduction of wages be given to the individual whose record is involved, to give the Administrator discretion to prescribe the period, after any change or refusal to change his records, within which an individual may be granted a hearing, and to provide for judicial review.


Subsecs. (o), (p) Act Aug. 28, 1950, §108(c), added subsecs. (o) and (p).

1939—Act Aug. 10, 1939, omitted former section 405 relating to payments of $500 or less to estates, and added subsecs. (a) to (n).

Effective Date of 2018 Amendment

Pub. L. 115–165, title I, §102(d), Apr. 13, 2018, 132 Stat. 1261, provided that: "The amendments made by this section [amending this section and sections 1007 and 1383 of this title] shall take effect on the date of the enactment of this Act [Apr. 13, 2018]."


"(A) IN GENERAL—The amendments made by this subsection [amending this section and section 671 of this title] shall apply with respect to months beginning on or after the date that is 1 year after the date of the enactment of this Act [Apr. 13, 2018]."

"(B) EXCEPTION IF STATE LEGISLATION REQUIRED.—In the case of a State plan under part E of title IV of the Social Security Act [42 U.S.C. 670 et seq.] that the Secretary of Health and Human Services determines requires State legislation (other than legislation appropriating funds) in order for the plan to meet the additional requirement imposed by the amendments made under this subsection, such plan shall not be regarded as failing to comply with the requirements of such title [42 U.S.C. 601 et seq.] solely on the basis of its failure to meet this additional requirement before the first day of the first calendar quarter beginning after the close of the first regular session of the State legislature that begins after the date of the enactment of this Act. For purposes of the previous sentence, in the case of a State that has a 2-year legislative session, each year of such session shall be deemed to be a separate regular session of the State legislature."

Pub. L. 115–165, title II, §201(b), Apr. 13, 2018, 132 Stat. 1266, provided that: "The amendment made by subsection (a) [amending this section] shall take effect on the date that is 2 years after the date of the enactment of this section [Apr. 13, 2018]."

Pub. L. 115–165, title II, §202(d), Apr. 13, 2018, 132 Stat. 1271, provided that: "Subject to subsection (e) [set out as a note under this section], the amendments made by subsections (a), (b), and (c) [amending this section and sections 1007 and 1383 of this title] shall apply with respect to any individual appointed to serve as a representative payee pursuant to section 205(j), 807, or 1631A(a)(2) of the Social Security Act [42 U.S.C. 405(j), 1097, 1383(a)(2)] on or after January 1, 2019."

Pub. L. 115–165, title II, §203(d), Apr. 13, 2018, 132 Stat. 1273, provided that:

"(1) NEW APPOINTMENTS.—Subject to paragraph (2), the amendments made by this section [amending this section and sections 1007 and 1383 of this title] shall apply with respect to any individual appointed to serve as a representative payee under title II, title VIII, or title XVI of the Social Security Act [42 U.S.C. 401 et seq., 1001 et seq., 1381 et seq.] on or after January 1, 2019.

"(2) PRIOR APPOINTMENTS.—With respect to individuals serving as a representative payee whose benefits under this title [probably means title II], title VIII, or title XVI [42 U.S.C. 401 et seq., 1001 et seq., 1381 et seq.] were certified for payment to the payee as of January 1, 2019, the Commissioner shall take any steps necessary to terminate such individual’s
service as a representative payee as soon as possible, but no later than January 1, 2024.

**Effective Date of 2015 Amendment**
Pub. L. 114–10, title V, §561(d), Apr. 16, 2015, 129 Stat. 161, provided that:

“(1) IN GENERAL.—Clause (xiii) of section 205(c)(2)(C) of the Social Security Act [42 U.S.C. 405(c)(2)(C)], as added by subsection (a)(3), shall apply with respect to Medicare cards issued on and after an effective date specified by the Secretary of Health and Human Services, but in no case shall such effective date be later than the date that is four years after the date of the enactment of this Act [Apr. 16, 2015].

“(2) REISSUANCE.—The Secretary shall provide for the reissuance of Medicare cards that comply with the requirements of such clause not later than four years after the effective date specified by the Secretary under paragraph (1).”

**Effective Date of 2010 Amendment**
Pub. L. 111–318, §2(a)(2), Dec. 18, 2010, 124 Stat. 3455, provided that: “The amendment made by this subsection [amending section 7007 of this title] shall apply to any case of benefit misuse by a representative payee in any case with respect to which the Commissioner of Social Security or a court of competent jurisdiction makes the determination of misuse after 180 days after the date of the enactment of this Act [Mar. 2, 2004].”


**Effective Date of 2008 Amendment**

Pub. L. 110–234, title V, §501(d), Apr. 16, 2015, 129 Stat. 505, provided that: “The amendments made by this section [amending this section and sections 1007 and 1383 of this title] shall apply to information obtained on, before, or after the date of the enactment of this Act [Apr. 16, 2015].”

**Effective Date of 2007 Amendment**
Pub. L. 110–9, title X, §1090(b)(2), Aug. 5, 1997, 111 Stat. 962, provided that:

“(A) The amendments made by paragraph (1)(A) [amending this section] shall apply to applications made after the date which is 180 days after the date of the enactment of this Act [Aug. 5, 1997].

“(B) The amendments made by subparagraphs (B) and (C) of paragraph (1) [amending this section] shall apply to information obtained on, before, or after the date of the enactment of this Act.”

**Effective Date of 1999 Amendment**
Amendment by Pub. L. 106–170, title IV, §401(a), (b), Dec. 17, 1999, 113 Stat. 1906, provided that:

“(A) The amendments made by paragraphs (1) and (4) [amending sections 423 and 425 of this title] shall apply to any individual who applied for, or whose claim is finally adjudicated with respect to, benefits under title II of the Social Security Act [42 U.S.C. 401 et seq.] based on disability on or after the date of the enactment of this Act [Mar. 2, 2004].

“(B) The amendments made by paragraphs (2) and (3) [amending sections 423 and 425 of this title] shall apply to any individual who applies for, or whose claim is finally adjudicated with respect to, benefits under title II of the Social Security Act [42 U.S.C. 401 et seq.] based on disability on or after the date of the enactment of this Act [Mar. 2, 2004], and, in the case of any individual who has applied for, and whose claim has been finally adjudicated with respect to, such benefits before such date of enactment, such amendments shall apply only with respect to such benefits for months beginning on or after January 1, 1999.”

**Effective Date of 1997 Amendment**
Amendment of Pub. L. 104–193 effective July 1, 1997, with transition rules relating to State options to accelerate such date, rules relating to claims adjudications, and proceedings commenced before such date, rules relating to closing out of accounts for terminated or substantially modified programs and discontinuance in office of Assistant Secretary for Family Support, and provisions relating to termination of entitlement under AFDC program, see section 116 of Pub. L. 104–193, as amended, set out as an Effective Date note under section 601 of this title.

**Effective Date of 1995 Amendment**
Amendment by Pub. L. 104–193 effective July 1, 1997, with transition rules relating to State options to accelerate such date, rules relating to claims adjudications, and proceedings commenced before such date, rules relating to closing out of accounts for terminated or substantially modified programs and discontinuance in office of Assistant Secretary for Family Support, and provisions relating to termination of entitlement under AFDC program, see section 116 of Pub. L. 104–193, as amended, set out as an Effective Date note under section 601 of this title.


“(A) The amendments made by paragraphs (1) and (4) [amending sections 423 and 425 of this title] shall apply to any individual who applied for, or whose claim is finally adjudicated with respect to, benefits under title II of the Social Security Act [42 U.S.C. 401 et seq.] based on disability on or after the date of the enactment of this Act [Mar. 29, 1996], and, in the case of any individual who has applied for, and whose claim has been finally adjudicated with respect to, such benefits before such date of enactment, such amendments shall apply only with respect to such benefits for months beginning on or after January 1, 1997.

“(B) The amendments made by paragraphs (2) and (3) [amending sections 423 and 425 of this title] shall take effect on July 1, 1996, with respect to any individual—

“(i) whose claim for benefits is finally adjudicated on or after the date of the enactment of this Act [Mar. 29, 1996]; or

“(ii) whose entitlement to benefits is based upon an entitlement redetermination made pursuant to subparagraph (C).”
“(C) Within 90 days after the date of the enactment of this Act [Mar. 29, 1996], the Commissioner of Social Security shall notify each individual who is entitled to monthly insurance benefits under title II of the Social Security Act based on disability for the month in which this Act is enacted and whose entitlement to such benefits would terminate by reason of the amendments made by this subsection (amending this section and sections 422, 423, and 425 of this title). If such an individual reapplies for benefits under title II of such Act (as amended by this Act) based on disability within 120 days after the date of the enactment of this Act, the Commissioner of Social Security shall, not later than January 1, 1997, complete the entitlement determination (including a new medical determination) with respect to such individual pursuant to the procedures of such title.

“(D) For purposes of this paragraph, an individual’s claim, with respect to benefits under title II based on disability, which has been denied in whole before the date of the enactment of this Act, may not be considered to be finally adjudicated before such date if, on or after such date—

(i) there is pending a request for either administrative or judicial review with respect to such claim; or

(ii) there is pending, with respect to such claim, a readjudication by the Commissioner of Social Security pursuant to relief in a class action or implementation by the Commissioner of a court remand order.

“(E) Notwithstanding the provisions of this paragraph, with respect to any individual for whom the Commissioner of Social Security does not perform the entitlement determination before the date prescribed in subparagraph (C), the Commissioner shall perform such entitlement determination in lieu of a continuing disability review whenever the Commissioner determines that the individual’s entitlement is subject to re-determination based on the preceding provisions of this paragraph, and the provisions of section 223(f) [42 U.S.C. 423(f)] shall not apply to such determination.”


**Effective Date of 1994 Amendment**

Amendment by section 107(a)(1), (2), (4) of Pub. L. 103–296 effective Mar. 31, 1995, see section 110(a) of Pub. L. 103–296, set out as a note under section 401 of this title.


“(i) certifications of payment of benefits under title II of the Social Security Act [42 U.S.C. 401 et seq.] to representative payees made on or after such date; and

“(ii) provisions for payment of benefits under title XVI of such Act [42 U.S.C. 1318 et seq.] to representative payees made on or after such date.

“(B) Compensation of Representative Payees.—The amendments made by paragraph (3) [amending this section and section 1383 of this title] shall take effect July 1, 1991, and shall apply only with respect to—

“(i) certifications of payment of benefits under title II of the Social Security Act [42 U.S.C. 401 et seq.] to representative payees made on or after such date; and

“(ii) provisions for payment of benefits under title XVI of such Act [42 U.S.C. 1318 et seq.] to representative payees made on or after such date.

**Effective Date of 1990 Amendments**

Amendment by section 1735(a), (b) of Pub. L. 101–624 effective and implemented first day of month beginning 120 days after publication of implementing regulations to be promulgated not later than Oct. 1, 1991, see section 1781(a) of Pub. L. 101–624, set out as a note under section 102 of Title 7, Agriculture.


“(A) Use and Selection of Representative Payees.—The amendments made by paragraphs (1) and (2) [amending this section and section 1383 of this title] shall take effect July 1, 1991, and shall apply only with respect to—

“(i) certifications of payment of benefits under title II of the Social Security Act [42 U.S.C. 401 et seq.] to representative payees made on or after such date; and

“(ii) provisions for payment of benefits under title XVI of such Act [42 U.S.C. 1318 et seq.] to representative payees made on or after such date.

“(B) Compensation of Representative Payees.—The amendments made by paragraph (3) [amending this section and section 1383 of this title] shall take effect July 1, 1991, and the Secretary of Health and Human Services shall prescribe initial regulations necessary to carry out such amendments not later than such date.”

Pub. L. 101–508, title V, § 505(b)(1)(B), Nov. 5, 1990, 104 Stat. 1388–283, provided that: “The amendments made by subparagraph (A) [amending this section] shall take effect October 1, 1992, and the Secretary of Health and Human Services shall take such actions as are necessary to ensure that the requirements of section 206(j)(3)(E) of the Social Security Act [42 U.S.C. 406(j)(3)(E)] are satisfied as of such date.”

Amendment by sections 301(d) and 309(i) of Pub. L. 98–21 applicable only with respect to monthly payments payable under this subchapter for months after April, 1983, see section 310 of Pub. L. 98–21, set out as a note under section 402 of this title.

Pub. L. 98–21, title III, §345(b), Apr. 20, 1983, 97 Stat. 137, provided that: "The amendment made by this section [amending this section] shall apply with respect to all new and replacement social security cards issued more than 193 days after the date of the enactment of this Act [Apr. 20, 1983]."

Pub. L. 97–455, §4(b), Jan. 12, 1983, 96 Stat. 2500, provided that: "The amendments made by subsection (a) [amending this section] shall apply with respect to reconsiderations (of findings described in section 205(b)(2)(B) of the Social Security Act [42 U.S.C. 405(b)(2)(B)]) which are requested on or after such date as the Secretary of Health and Human Services may specify, but in any event not later than January 1, 1984."

Pub. L. 96–365, title III, §305(c), June 9, 1980, 94 Stat. 457, provided that: "The amendments made by this section [amending this section] shall apply to decisions made on or after the first day of the 13th month following the month in which this Act is enacted [June, 1980]."

Amendment by Pub. L. 96–600 effective Oct. 4, 1976, see section 703(b) of Pub. L. 96–600, set out as a note under section 46 of Title 26, Internal Revenue Code.

Amendment by Pub. L. 95–216 effective Jan. 1, 1978, see section 353(g) of Pub. L. 95–216, set out as a note under section 418 of this title.

Amendment by Pub. L. 94–920, §5, Jan. 2, 1976, 89 Stat. 1136, provided that: "The amendments made by the first two sections of this Act [amending section 1383 of this title], and the provisions of section 3 [enacting provisions set out as a note under section 1383 of this title], shall take effect on the date of the enactment of this Act [Jan. 2, 1976]. The amendment made by section 4 of this Act [amending this section] shall apply with respect to any decision or determination of which notice is received, by the individual requesting the hearing involved, after February 29, 1976. The amendment made by the first section of this Act [amending section 1383 of this title], to the extent that it changes the period within which hearings must be requested, shall apply with respect to any decision or determination of which notice is received, by the individual requesting the hearing involved, on or after the date of the enactment of this Act."

Effective Date of 1974 Amendment


Effective Date of 1970 Amendment

Amendment by Pub. L. 91–432 effective on sixtieth day following Oct. 15, 1970, and not to affect any immunity to which any individual is entitled under this section by reason of any testimony given before sixtieth day following Oct. 15, 1970, see section 260 of Pub. L. 91–452, set out as an Effective Date; Savings Provisions
note under section 6001 of Title 18, Crimes and Criminal Procedure.

**Effective Date of 1968 Amendment**

Pub. L. 90-248, title I, §171(b), Jan. 2, 1968, 81 Stat. 877, provided that: "The amendment made by subsection (a) of this section [amending this section] shall be effective with respect to written requests filed under section 203(b) of the Social Security Act [42 U.S.C. 403(b)] after June 30, 1968."

**Effective Date of 1965 Amendment**

Amendment by section 308(d)(9), (10) of Pub. L. 89-97 applicable with respect to monthly insurance benefits under this subchapter beginning with the second month following July 1965, but, in the case of an individual who was not eligible to amend to amend to apply only with respect to taxable years of subsection (g) [amending section 411 of this title] shall be effective January 1, 1955. The other amendments made by subsection (g) [amending section 411 of this title] shall be applicable only with respect to services performed after 1954. For purposes of section 203 of the Social Security Act, the amendments made by subsection (h), (j) and (m) [amending section 410 of this title] shall be applicable only with respect to services performed after 1954. For purposes of the preceding sentence of this subsection, net earnings from self-employment derived during any taxable year ending in, and not with the close of, 1955 shall be credited equally to the calendar quarter in which such taxable year ends and to each of the three or fewer preceding quarters any part of which is in such taxable year; and, for purposes of the preceding sentence of this subsection, net earnings from self-employment so credited to calendar quarters in 1955 shall be deemed to have been derived after 1954."

**Effective Date of 1960 Amendment**

Amendment by section 102(f)(2) of Pub. L. 86-778 effective on first day of second calendar year following 1960, see section 102(f)(3) of Pub. L. 86-778, set out as a note under section 418 of this title. Amendment by section 103(j)(1)(E) of Pub. L. 86-778 effective Sept. 13, 1960, see section 103(j)(1) of Pub. L. 86-778, set out as a note under section 402 of this title. Pub. L. 86-778, title VII, §708(b), Sept. 13, 1960, 74 Stat. 993, provided that: "The amendment made by subsection (a) [amending this section] shall apply to actions which are pending in court on the date of the enactment of this Act or are commenced after such date."

**Effective Date of 1956 Amendments**

Amendment by act Aug. 1, 1956, ch. 837, effective Jan. 1, 1957, see Act Aug. 1, 1956, ch. 837, title VI, §603(a), 70 Stat. 887. Act Aug. 1, 1956, ch. 836, title I, §111(b), 70 Stat. 831, provided that: "The amendment made by subsection (a) [amending this section] shall be effective upon enactment [Aug. 1, 1956]; except that the period of time prescribed by the Secretary pursuant to the third sentence of section 205(b) of the Social Security Act [42 U.S.C. 405(b)], as amended by subsection (a) of this section, with respect to decisions notice of which has been mailed by him to any individual prior to the enactment of this Act may not terminate for such individual less than six months after the date of enactment of this Act."

**Effective Date of 1954 Amendment**

Act Sept. 1, 1954, ch. 1206, title I, §101(n), 68 Stat. 661, provided that: "The amendment made by paragraph (3) of subsection (g) [amending section 411 of this title] shall be applicable only with respect to taxable years beginning after 1950. The amendments made by paragraphs (1), (2), and (4) of such subsection [amending section 411 of this title] and by subsection (d) [amending section 411 of this title] shall, except for purposes of section 203 of the Social Security Act [42 U.S.C. 403], be applicable only with respect to taxable years ending after 1954. The amendments made by paragraphs (1), (2), and (3) of subsection (a) [amending section 409 of this title] shall be applicable only with respect to remuneration paid after 1954. The amendments made by paragraphs (4), (5), and (6) of subsection (a) [amending sections 410 and 418 of this title] shall be applicable only with respect to services (whether performed after 1964 or prior to 1955) for which the remuneration is paid after 1954. The amendment made by paragraph (3) of subsection (c) [amending this section] shall become effective January 1, 1955. The other amendments made by this section (other than the amendments made by subsections (h), (j), and (m)) [amending section 410 of this title] shall be applicable only with respect to services performed after 1954. For purposes of the preceding sentence of this subsection, net earnings from self-employment derived during any taxable year ending in, and not with the close of, 1955 shall be credited equally to the calendar quarter in which such taxable year ends and to each of the three or fewer preceding quarters any part of which is in such taxable year; and, for purposes of the preceding sentence of this subsection, net earnings from self-employment so credited to calendar quarters in 1955 shall be deemed to have been derived after 1954."

**Effective Date of 1950 Amendment**

Act Aug. 28, 1950, ch. 809, title I, §106(d), 64 Stat. 521, provided that: "The amendments made by subsections (a) and (c) of this section [amending this section] shall take effect on September 1, 1950. The amendment made by subsection (b) of this section [amending this section] shall take effect January 1, 1951, except that, effective on September 1, 1950, the husband or former wife divorced of an individual shall be treated the same as a parent of such individual, and the legal representative of an individual or his estate shall be treated the same as the individual, for purposes of section 205(c) of the Social Security Act [42 U.S.C. 405(c)] as in effect prior to the enactment of this Act (Aug. 28, 1950)."

Act Aug. 28, 1950, ch. 809, title I, §101(b)(2), 64 Stat. 486, provided that: "Section 205(m) of the Social Security Act [42 U.S.C. 405(m)] is repealed effective with respect to monthly payments under section 202 of the Social Security Act [42 U.S.C. 402], as amended by this Act, for months after August 1950."

**Effective Date of 1939 Amendment**

Act Aug. 10, 1939, ch. 666, title II, §201, 53 Stat. 1362, provided that the amendment made by that section is effective Jan. 1, 1940.

**Repeals: Amendments and Application of Amendments Unaffected**

Section 202(b)(3) of Pub. L. 87-293, cited as a credit to this section, was repealed by Pub. L. 89-572, §5(a), Sept. 13, 1966, 80 Stat. 765. Such repeal not deemed to affect amendments to this section contained in such provisoiy but modified by appropriate authority of all determinations, authorization, regulation, orders, contracts, agreements, and other actions issued, undertaken, or entered into under authority of the repealed provisions, see section 5(b) of Pub. L. 89-572, set out as a note under section 2515 of Title 22, Foreign Relations and Intercourse.

**Termination of Trust Territory of the Pacific Islands**

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

**Regulations**

Pub. L. 115-165, title II, §201(c), Apr. 13, 2018, 132 Stat. 1269, provided that: ‘‘Not later than 18 months after the date of the enactment of this section (Apr. 13, 2018), the Commissioner of Social Security shall promulgate reg-
ulations specifying the information an individual is required to provide to the Commissioner in order to designate another individual to serve as the individual’s representative payee under section 205(j)(1)(C) of the Social Security Act (42 U.S.C. 405(j)(1)(C)) (as added by subsection (a))."

Pub. L. 115–165, title II, § 202(d), Apr. 13, 2018, 132 Stat. 1272, provided that: ‘‘Not later than 1 year after the date of enactment of this section [Apr. 13, 2018], the Commissioner of Social Security shall issue regulations to establish a process for reviewing each individual serving as a representative payee pursuant to section 205(j), 807, or 1631(a)(2) of the Social Security Act (42 U.S.C. 405(j), 1007, 1383(a)(2)) (other than individuals with respect to whom an exemption has been granted under section 205(j)(2)(C)(vi), 807(d)(2)(D), or 1631(a)(2)(B)(xvii) [42 U.S.C. 405(j)(2)(C)(vi), 1007(d)(2)(D), 1383(a)(2)(B)(xvii)] not less than once every 5 years to determine whether any such individual has been convicted of a felony as described in subsection (e)(1) of this section.’’

CONSTRUCTION AND IMPLEMENTATION OF PROVISIONS IN PUB. L. 114–10
Pub. L. 114–10, title V, §§ 519, Apr. 16, 2015, 129 Stat. 175, provided that: ‘‘Except as explicitly provided in this subtitle (subtitles A (§§ 601–619) of title V of Pub. L. 114–10, amending this section and sections 1203a–7a, 135b–7, 1395m, 1395w–104, 1395x, 1395y, 1395kk, 1395kk–1, 1395ddi, and 1395hii of this title and enacting provisions set out as notes under this section and sections 1203a–7a, 135b–7, 1395m, 1395w–104, 1395x, 1395y, 1395kk, and 1395kk–1 of this title), nothing in this subtitle, including the amendments made by this subtitle, shall be construed as preventing the use of notice and comment rulemaking in the implementation of the provisions of, and the amendments made by, this subtitle.’’

Pub. L. 114–10, title V, §§ 501(a)(1), Apr. 16, 2015, 129 Stat. 163, provided that: ‘‘In implementing clause (xii) of section 205(c)(2)(C) of the Social Security Act (42 U.S.C. 405(c)(2)(C)), as added by subsection (a)(3), the Secretary of Health and Human Services shall do the following:

‘‘(1) In general.—Establish a cost-effective process that involves the least amount of disruption to, as well as necessary assistance for, Medicare beneficiaries and health care providers, such as a process that provides such beneficiaries with access to assistance through a toll-free telephone number and provides outreach to providers.

‘‘(2) Consideration of Medicare beneficiary identified.—Consider implementing a process, similar to the process involving Railroad Retirement Board beneficiaries, under which a Medicare beneficiary identifier which is not a Social Security account number (or derivative thereof) is used external to the Department of Health and Human Services and is comparable to a Social Security account number (or derivative thereof) for use internal to such Department and the Social Security Administration.’’

AVAILABILITY OF GRANT FUNDS
Pub. L. 115–165, title I, § 101(c), Apr. 13, 2018, 132 Stat. 1259, provided that:

‘‘(1) Protection and advocacy system grants.—Grants described under clause (i) of subparagraph (C) of section 205(c)(6) of the Social Security Act (42 U.S.C. 405(c)(6)) (as added by subsection (a)) shall be awarded on August 1, 2018, and annually thereafter, and funds provided by such grants to a protection and advocacy system may be used to reimburse the protection and advocacy system for amounts expended by the protection and advocacy system during the period beginning on May 1, 2018, and ending on such date for hiring and startup costs in preparation to carry out reviews of representative payees in accordance with such subparagraph.

‘‘(2) National association grants.—Grants described under clause (v) of such subparagraph shall be awarded on May 1, 2018, and annually thereafter.’’

NOTIFICATION TO BENEFICIARIES
Pub. L. 115–165, title II, § 201(d), Apr. 13, 2018, 132 Stat. 1266, provided that: ‘‘Not later than January 1, 2020, and annually thereafter, the Commissioner of Social Security shall award any individual entitled to benefits under title II, VIII, or XVI of the Social Security Act (42 U.S.C. 401 et seq., 101 et seq., 1381 et seq.) the name of any individual designated to serve as the individual’s representative payee under section 205(k)(1)(C) of such Act (42 U.S.C. 405(k)(1)(C)) (as added by subsection (a)).’’

APPLICATION TO PRIOR APPOINTMENTS.
Pub. L. 115–165, title II, § 202(e), Apr. 13, 2018, 132 Stat. 1271, provided that:

‘‘(1) In general.—Not later than January 1, 2024, the Commissioner of Social Security shall conduct a review of each individual serving as a representative payee pursuant to [section 205(j), 807, or 1631(a)(2) of the Social Security Act (42 U.S.C. 405(j)), 1007, 1383(a)(2)), to determine whether such individual has been convicted of a felony as described in section 205(j)(2)(B)(i)(VII), 807(b)(2)(G), or 1631(a)(2)(B)(xi)(VII), respectively [42 U.S.C. 405(j)(2)(B)(i)(VII), 1007(b)(2)(G), 1383(a)(2)(B)(xi)(VII)] (as such provisions added by this section). Except as provided in section 205(j)(2)(B)(i)(VII), 807(d)(2)(D), or 1631(a)(2)(B)(xi)(VII) [42 U.S.C. 405(j)(2)(B)(i)(VII), respectively [42 U.S.C. 405(j)(2)(B)(i)(VII), 1007(b)(2)(G), 1383(a)(2)(B)(xi)(VII)] (as so added), any individual determined by the Commissioner to have been so convicted may not serve as a representative payee on or after the date of such determination.

‘‘(2) Priority.—In conducting reviews under paragraph (1), the Commissioner shall prioritize reviews of the following categories of individuals, in the following order:

‘‘(A) An individual serving as representative payee for 15 or more individuals.

‘‘(B) An individual serving as representative payee for an individual who is not related to the representative payee.

‘‘(C) An individual serving as representative payee for an individual who has attained the age of 18 and is not the spouse of the representative payee.’’

SOCIAL SECURITY NUMBER FRAUD PREVENTION
Pub. L. 115–59, Sept. 15, 2017, 131 Stat. 1152, provided that:

‘‘SECTION 1. SHORT TITLE.

‘‘This Act may be cited as the ‘Social Security Number Fraud Prevention Act of 2017.’

‘‘SEC. 2. RESTRICTION OF SOCIAL SECURITY NUMBERS ON DOCUMENTS SENT BY MAIL.

‘‘(a) Restriction.—An agency may not include the social security account number of an individual on any document sent by mail unless the head of the agency determines that the inclusion of the social security account number on the document is necessary.

‘‘(b) Regulations.—Not later than 5 years after the date of the enactment of this Act [Sept. 15, 2017], the head of each CFO Act agency shall issue regulations specifying the circumstances under which inclusion of a social security account number on a document sent by mail is necessary. Such regulations shall include—

‘‘(1) instructions for the partial redaction of social security account numbers where feasible; and

‘‘(2) a requirement that social security account numbers not be visible on the outside of any package sent by mail.

‘‘(c) Report.—Not later than 30 days after the date of the enactment of this Act, and not later than the first, second, third, fourth, and fifth-year anniversary of such date of enactment, the head of each CFO Act agency shall submit to the Committee on Ways and Means and the Committee on Oversight and Government Reform (representative payees under title VIII or XVI of the Social Security Act) a report, including:

‘‘(1) data on the number of adverse actions taken by government agencies to prevent the unauthorized use of the social security account numbers on documents sent by mail; and

‘‘(2) any issue that the head of the agency believes will prevent the implementation of the restrictions required by this section.''

This Act may be cited as the ‘Social Security Number Fraud Prevention Act of 2017.’
Affairs of the Senate, and any other appropriate authorizing committees of the House of Representatives and the Senate, a report on the implementation of subsection (a) that includes the following:

"(1) The title and identification number of any document used by the CFO Act agency during the previous year that includes the complete social security account number of an individual;

"(2) For the first report submitted, a plan that describes how the CFO Act agency will comply with the requirements of subsection (a);

"(3) For the final report submitted, the title and identification number of each document used by the CFO Act agency for which the head of the agency has determined, in accordance with regulations issued pursuant to subsection (b), that the inclusion of a social security account number on such document is necessary, and the rationale for such determination;

"(4) For any other report that is not the first or final report submitted, an update on the implementation of the plan described under paragraph (2),

"(d) DEFINITIONS.—In this section:

"(1) AGENCY.—The term 'agency' means the agencies listed in paragraphs (1) and (2) of section 901(b) of title 31, United States Code.

"(2) CFO ACT AGENCY.—The term 'CFO Act agency' means the agencies listed in paragraphs (1) and (2) of section 551 of title 5, United States Code, but includes an establishment in the legislative or judicial branch of the Government (except the Senate, the House of Representatives, and the Architect of the Capitol, and any activities under the direction of the Architect of the Capitol).

"(3) TIME PERIOD.—The term 'time period' means the time period beginning with the date of enactment of this Act and ending on the date of the first report submitted under paragraph (1).

"(4) REPORT TO CONGRESS.—Not later than 1 year after the date of enactment of this Act, the Commissioner shall transmit to each House of Congress a report specifying in detail the extent to which the improvements required under paragraph (1) have been made.

"(e) EFFECTIVE DATE.—Subsection (a) shall apply with respect to any document sent by mail on or after the date that is 5 years after the date of the enactment of this Act.

SOCIAL SECURITY CARDS AND NUMBERS

"(a) SECURITY ENHANCEMENTS.—The Commissioner of Social Security shall—

"(1) not later than 1 year after the date of enactment of this Act [Dec. 17, 2004]—

"(A) restrict the issuance of multiple replacement social security cards to any individual to 3 per year and 10 for the life of the individual, except that the Commissioner may allow for reasonable exceptions from the limits under this paragraph on a case-by-case basis in compelling circumstances;

"(B) establish minimum standards for the verification of documents or records submitted by an individual to establish eligibility for an original or replacement social security card, other than for purposes of enumeration at birth; and

"(C) require independent verification of any birth record submitted by an individual to establish eligibility for a social security account number, other than for purposes of enumeration at birth, except that the Commissioner may allow for reasonable exceptions from the requirement for independent verification under this subparagraph on a case by case basis in compelling circumstances; and

"(2) notwithstanding section 205(r) of the Social Security Act (42 U.S.C. 405(r)) and any agreement entered into thereunder, not later than 18 months after the date of enactment of this Act with respect to death indicators and not later than 36 months after the date of enactment of this Act with respect to fraud indicators, add death and fraud indicators to the social security number verification systems for employers, State agencies issuing driver’s licenses and identity cards, and other verification routines that the Commissioner determines to be appropriate.

"(b) INTERAGENCY SECURITY TASK FORCE.—The Commissioner of Social Security, in consultation with the Secretary of Homeland Security, shall form an interagency task force for the purpose of safeguarding the security of social security cards and numbers. Not later than 18 months after the date of enactment of this Act [Dec. 17, 2004], the task force shall establish, and the Commissioner shall provide for the implementation of, security requirements, including:

"(1) standards for safeguarding social security cards from counterfeiting, tampering, alteration, and theft;

"(2) requirements for verifying documents submitted for the issuance of replacement cards; and

"(3) actions to increase enforcement against the fraudulent use or issuance of social security numbers and cards.

"(c) ENUMERATION AT BIRTH.—

"(1) IMPROVEMENT OF APPLICATION PROCESS.—As soon as practicable after the date of enactment of this Act [Dec. 17, 2004], the Commissioner of Social Security shall undertake to make improvements to the enumeration at birth program for the issuance of social security account numbers to newborns. Such improvements shall be designed to prevent—

"(A) the assignment of social security account numbers to unnamed children;

"(B) the issuance of more than 1 social security account number to the same child; and

"(C) other opportunities for fraudulently obtaining a social security account number.

"(2) REPORT TO CONGRESS.—Not later than 1 year after the date of enactment of this Act, the Commissioner shall submit a report to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate regarding the results of the study conducted under paragraph (1).

"(d) STUDY REGARDING PROCESS FOR ENUMERATION AT BIRTH.—

"(1) IN GENERAL.—As soon as practicable after the date of enactment of this Act [Dec. 17, 2004], the Commissioner of Social Security shall conduct a study to determine the most efficient options for ensuring the integrity of the process for enumeration at birth. This study shall include an examination of available methods for reconciling hospital birth records with birth registrations submitted to agencies of States and political subdivisions thereof and with information provided to the Commissioner as part of the process for enumeration at birth.

"(2) REPORT.—

"(A) IN GENERAL.—Not later than 18 months after the date of enactment of this Act, the Commissioner shall submit a report to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate containing such recommendations as the Commissioner considers necessary to implement needed improvements in the process for enumeration at birth.

"(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Commissioner of Social Security for each of the fiscal years 2005 through 2009, such sums as may be necessary to carry out this section.''

DEVELOPMENT OF PROTOTYPE OF COUNTERFEIT-RESISTANT SOCIAL SECURITY CARD

"(a) DEVELOPMENT.—

"(1) IN GENERAL.—The Commissioner of Social Security (in this section referred to as the ‘Commissioner’) shall, in accordance with the provisions of this section, develop a prototype of a counterfeit-resistant social security card. Such prototype card—

"(A) shall be made of a durable, tamper-resistant material such as plastic or polyester;

"(B) shall employ technologies that provide security features, such as magnetic stripes, holograms, and integrated circuits; and

"(C) shall be developed so as to provide individuals with reliable proof of citizenship or legal resident alien status.
“(2) ASSISTANCE BY ATTORNEY GENERAL.—The Attorney General shall provide such information and assistance as the Commissioner deems necessary to achieve the purposes of this section.

“(b) STUDIES AND REPORTS.—

“(1) IN GENERAL.—The Comptroller General and the Commissioner of Social Security shall each conduct a study, and issue a report to the Congress, that examines different methods of improving the social security card application process.

“(2) ELEMENTS OF STUDIES.—The studies shall include evaluations of the cost and work load implications of issuing a counterfeit-resistant social security card for all individuals over a 3, 5, and 10 year period. The studies shall also evaluate the feasibility and cost implications of imposing a user fee for replacement cards and cards issued to individuals who apply for such a card prior to the scheduled 3, 5, and 10 year phase-in options.

“(3) DISTRIBUTION OF REPORTS.—Copies of the reports described in this subsection, along with facsimiles of the prototype cards as described in subsection (a), shall be submitted to the Committees on Ways and Means and Judiciary of the House of Representatives and the Committees on Finance and Judiciary of the Senate not later than 1 year after the date of the enactment of this Act [Sept. 30, 1990].”

Similar provisions were contained in the following prior acts:


NINETY-DAY DELAY IN DEFERRAL OR SUSPENSION OF BENEFITS FOR CURRENT BENEFICIARIES

Pub. L. 103-296, title II, §201(a)(1)(C), Aug. 15, 1994, 108 Stat. 1481, provided that: “In the case of an individual who, as of 180 days after the date of the enactment of this Act [Aug. 15, 1994], has been determined to be under a disability, if alcoholism or drug addiction is a contributing factor material to the determination of the Secretary of Health and Human Services that the individual is under a disability, the Secretary may, notwithstanding clauses (i) and (ii) of section 206(j)(2)(D) of the Social Security Act [42 U.S.C. 405(j)(2)(D)], make direct payment of benefits to such individual during the 90-day period commencing with the date on which such individual is provided the notice described in subparagraph (D)(i) of this paragraph [set out above], until such time during such period as the Secretary elects to undertake a study of the advantages and disadvantages of allowing qualified organizations serving as representative payees to charge such fees and to transmit a report to the appropriate committees of Congress by July 1, 1992.

STUDY REGARDING FEASIBILITY, COST, AND EQUITY OF REQUIRING REPRESENTATIVE PAYEES FOR ALL DISABILITY BENEFICIARIES SUFFERING FROM ALCOHOLISM OR DRUG ADDICTION

Pub. L. 103-296, title II, §201(a)(1)(ED), Aug. 15, 1994, 108 Stat. 1491, required the Secretary of Health and Human Services, as soon as practicable after Aug. 15, 1994, to conduct a study of the feasibility, cost, and equity of requiring representative payees for all disability beneficiaries under title II or XVI of the Social Security Act (42 U.S.C. 401 et seq., 1381 et seq.) who suffer from alcoholism or drug addiction, irrespective of whether the alcoholism or drug addiction was material to the determination of disability; the feasibility, cost, and equity of providing benefits through non-cash means; and the extent to which child beneficiaries and children’s representative payees are affiliated by drug addiction or alcoholism and ways of addressing such affliction, and required the Secretary to submit a report to the appropriate committees of Congress by Dec. 31, 1995.

ANNUAL REPORTS ON REVIEWS OF OASDI AND SSI CASES


REPORT ON FEASIBILITY OF OBTAINING READY ACCESS TO CERTAIN CRIMINAL FRAUD RECORDS

Pub. L. 101-508, title V, §5105(a)(2)(B), Nov. 5, 1990, 104 Stat. 1388-260, provided that, as soon as practicable after Nov. 5, 1990, the Secretary of Health and Human Services, in consultation with the Attorney General of the United States and the Secretary of the Treasury, was to study the feasibility of establishing and maintaining a current list of the names and social security account numbers of individuals who had been convicted of a violation of 18 U.S.C. 495 for use in investigations undertaken pursuant to 42 U.S.C. 406(b)(2) or 42 U.S.C. 1383(a)(2)(B), and to submit study results and recommendations to the appropriate committees of Congress by July 1, 1992.

REPORTS ON ORGANIZATIONS SERVING AS REPRESENTATIVE PAYEES AND FEES FOR SERVICES

Pub. L. 101-508, title V, §5105(a)(3)(B), Nov. 5, 1990, 104 Stat. 1388-262, required the Secretary of Health and Human Services to transmit a report to the appropriate committees of Congress by Jan. 1, 1993, setting forth the number and types of qualified organizations which had served as representative payees and had collected fees for such service pursuant to any amendment made by section 5105(a)(3)(A) of Pub. L. 101-508 (amending this section and section 1383 of this title), and required the Comptroller General of the United States to conduct a study of the advantages and disadvantages of allowing qualified organizations serving as representative payees to charge such fees and to transmit a report to the appropriate committees of Congress by July 1, 1992.

STUDY RELATING TO FEASIBILITY OF SCREENING OF INDIVIDUALS WITH CRIMINAL RECORDS

Pub. L. 101-508, title V, §5105(a)(4), Nov. 5, 1990, 104 Stat. 1388-262, required the Secretary of Health and Human Services, as soon as practicable after Nov. 5, 1990, to conduct a study of the feasibility of determining the type of representative payee applicant most likely to have a felony or misdemeanor conviction, the suitability of individuals with prior convictions to serve as representative payees, and the circumstances under which such applicants could be allowed to serve as representative payees and to transmit study results to the appropriate committees of Congress by July 1, 1992.

STUDY RELATING TO MORE STRINGENT OVERSIGHT OF HIGH-RISK REPRESENTATIVE PAYEES

Pub. L. 101-508, title V, §5105(b)(2), Nov. 5, 1990, 104 Stat. 1388-263, required the Secretary of Health and Human Services, as soon as practicable after Nov. 5, 1990, to conduct a study of the need for a more stringent accounting system for high-risk representative payees than was otherwise generally provided under 42 U.S.C. 405(j)(3) or 42 U.S.C. 1383(a)(2)(C), and to report to the appropriate committees of Congress the results of the study and any recommendations by July 1, 1992.

DEMONSTRATION PROJECTS RELATING TO PROVIDER OF INFORMATION TO LOCAL AGENCIES PROVIDING CHILD AND ADULT PROTECTIVE SERVICES

Pub. L. 101-508, title V, §5105(b)(3), Nov. 5, 1990, 104 Stat. 1388-264, required the Secretary of Health and Human Services, as soon as practicable after Nov. 5, 1990, to conduct certain demonstration projects in one or more States to test the effectiveness of provider of information to local agencies providing child and adult protective services.
1990, to implement a demonstration project to make available to the State agencies responsible for regulating care facilities or providing for child and adult protective services a list of addresses where benefits under titles II and XVI of the Social Security Act (42 U.S.C. 401 et seq., 1381 et seq.) were received by five or more individuals, and to report to the appropriate committees of Congress by July 1, 1992, on the feasibility and desirability of legislation implementing the programs established pursuant to section 5105(b)(3) of Pub. L. 101–508 on a permanent basis.

**Counterfeiting of Social Security Account Number Cards**

Pub. L. 99–603, title I, § 101(f), Nov. 6, 1986, 100 Stat. 3373, directed the Comptroller General of the United States to investigate technological alternatives for producing and issuing social security account number cards that are more resistant to counterfeiting and to report to the appropriate committees of Congress not later than one year after Nov. 6, 1986.

**Conduct of Face-to-Face Reconsiderations in Disability Cases**

Pub. L. 97–455, § 5, Jan. 12, 1983, 96 Stat. 2500, provided that: "The Secretary of Health and Human Services shall take such steps as may be necessary or appropriate to assure public understanding of the importance the Congress attaches to the face-to-face reconsiderations provided for in section 205(b)(2) of the Social Security Act [42 U.S.C. 405(b)(2)] (as added by section 4 of this Act). For this purpose the Secretary shall—

'(1) provide for the establishment and implementation of procedures for the conduct of such reconsiderations in a manner which assures that beneficiaries will receive reasonable notice and information with respect to the time and place of reconsideration and the opportunities afforded to introduce evidence and be represented by counsel; and

'(2) advise beneficiaries who request or are entitled to request such reconsiderations of the procedures so established, of their opportunities to introduce evidence and be represented by counsel at such reconsiderations, and of the importance of submitting all evidence that relates to the question before the Secretary or the State agency at such reconsiderations.'"

**Inclusion of Self-Employment Income in Records of Secretary of Health, Education, and Welfare**

Pub. L. 89–97, title III, § 331(c), July 30, 1965, 79 Stat. 402, provided that: "Notwithstanding any provision of section 205(c)(5)(F) of the Social Security Act [42 U.S.C. 405(c)(5)(F)], the Secretary of Health, Education, and Welfare [now Health and Human Services] may conform, before April 16, 1970, his records to tax returns or statements of earnings which constitute self-employment income solely by reason of the filing of a certificate which is effective under section 1402(e)(5) of such Code [section 1402(e)(5) of Title 26, Internal Revenue Code]."

Pub. L. 96–779, title I, § 181(e), Sept. 13, 1960, 74 Stat. 928, as amended by Pub. L. 99–514, § 2, Oct. 22, 1986, 100 Stat. 2095, provided that: "The provisions of section 205(c)(5)(F) of the Social Security Act [42 U.S.C. 405(c)(5)(F)], insofar as they prohibit inclusion in the records of the Secretary of Health, Education, and Welfare [now Health and Human Services] of self-employment income for a taxable year when the return or statement including such income is filed after the time limitation following such taxable year, shall not be applicable to earnings which are derived in any taxable year ending before 1960 and which constitute self-employment income solely by reason of the filing of a certificate which is effective under section 1402(e)(3)(B) or (5) of the Internal Revenue Code of 1986 [former section 1402(e)(3)(B) or (5) of Title 26]."

**605b. Reducing identity fraud**

(a) Purpose

The purpose of this section is to reduce the prevalence of synthetic identity fraud, which disproportionally affects vulnerable populations, such as minors and recent immigrants, by facilitating the validation by permitted entities of fraud protection data, pursuant to electronically received consumer consent, through the use of a database maintained by the Commissioner.

(b) Definitions

In this section:

(1) Commissioner

The term 'Commissioner' means the Commissioner of the Social Security Administration.

1See References in Text note below.
(2) Financial institution
The term “financial institution” has the meaning given the term in section 509 of the Gramm-Leach-Bliley Act (15 U.S.C. 6809).

(3) Fraud protection data
The term “fraud protection data” means a combination of the following information with respect to an individual:
(A) The name of the individual (including the first name and any family forename or surname of the individual).
(B) The social security number of the individual.
(C) The date of birth (including the month, day, and year) of the individual.

(4) Permitted entity
The term “permitted entity” means a financial institution or a service provider, subsidiary, affiliate, agent, subcontractor, or assignee of a financial institution.

(c) Efficiency

(1) Reliance on existing methods
The Commissioner shall evaluate the feasibility of making modifications to any database that is in existence as of May 24, 2018, or a similar resource such that the database or resource—
(A) is reasonably designed to effectuate the purpose of this section; and
(B) meets the requirements of subsection (d).

(2) Execution
The Commissioner shall make the modifications necessary to any database that is in existence as of May 24, 2018, or similar resource, or develop a database or similar resource, to effectuate the requirements described in paragraph (1).

(d) Protection of vulnerable consumers
The database or similar resource described in subsection (c) shall—
(1) compare fraud protection data provided in an inquiry by a permitted entity against such information maintained by the Commissioner in order to confirm (or not confirm) the validity of the information provided;
(2) be scalable and accommodate reasonably anticipated volumes of verification requests from permitted entities with commercially reasonable uptime and availability; and
(3) allow permitted entities to submit—
(A) 1 or more individual requests electronically for real-time machine-to-machine (or similar functionality) accurate responses; and
(B) multiple requests electronically, such as those provided in a batch format, for accurate electronic responses within a reasonable period of time from submission, not to exceed 24 hours.

(e) Certification required
Before providing confirmation of fraud protection data to a permitted entity, the Commissioner shall ensure that the Commissioner has a certification from the permitted entity that is dated not more than 2 years before the date on which that confirmation is provided that includes the following declarations:
(1) The entity is a permitted entity.
(2) The entity is in compliance with this section.
(3) The entity is, and will remain, in compliance with its privacy and data security requirements, as described in title V of the Gramm-Leach-Bliley Act (15 U.S.C. 6801 et seq.), with respect to information the entity receives from the Commissioner pursuant to this section.
(4) The entity will retain sufficient records to demonstrate its compliance with its certification and this section for a period of not less than 2 years.

(f) Consumer consent

(1) In general
Notwithstanding any other provision of law or regulation, a permitted entity may submit a request to the database or similar resource described in subsection (c) only—
(A) pursuant to the written, including electronic, consent received by a permitted entity from the individual who is the subject of the request; and
(B) in connection with a credit transaction or any circumstance described in section 1681b of title 15.

(2) Electronic consent requirements
For a permitted entity to use the consent of an individual received electronically pursuant to paragraph (1)(A), the permitted entity must obtain the individual’s electronic signature, as defined in section 7006 of title 15.

(3) Effectuating electronic consent
No provision of law or requirement, including section 552a of title 5, shall prevent the use of electronic consent for purposes of this subsection or for use in any other consent based verification under the discretion of the Commissioner.

(g) Compliance and enforcement

(1) Audits and monitoring
The Commissioner may—
(A) conduct audits and monitoring to—
(i) ensure proper use by permitted entities of the database or similar resource described in subsection (c); and
(ii) deter fraud and misuse by permitted entities with respect to the database or similar resource described in subsection (c); and
(B) terminate services for any permitted entity that prevents or refuses to allow the Commissioner to carry out the activities described in subparagraph (A).

(2) Enforcement

(A) In general
Notwithstanding any other provision of law, including the matter preceding paragraph (1) of section 505(a) of the Gramm-Leach-Bliley Act (15 U.S.C. 6805(a)), any violation of this section and any certification made under this section shall be enforced in accordance with paragraphs (1) through (7)
of such section 505(a) by the agencies described in those paragraphs.

(B) Relevant information

Upon discovery by the Commissioner, pursuant to an audit described in paragraph (1), of any violation of this section or any certification made under this section, the Commissioner shall forward any relevant information pertaining to that violation to the appropriate agency described in subparagraph (A) for evaluation by the agency for purposes of enforcing this section.

(h) Recovery of costs

(1) In general

(A) In general

Amounts obligated to carry out this section shall be fully recovered from the users of the database or verification system by way of advances, reimbursements, user fees, or other recoveries as determined by the Commissioner. The funds recovered under this paragraph shall be deposited as an offsetting collection to the account providing appropriations for the Social Security Administration, to be used for the administration of this section without fiscal year limitation.

(B) Prices fixed by Commissioner

The Commissioner shall establish the amount to be paid by the users under this paragraph, including the costs of any services or work performed, such as any appropriate upgrades, maintenance, and associated direct and indirect administrative costs, in support of carrying out the purposes described in this section, by reimbursement or in advance as determined by the Commissioner. The amount of such prices shall be periodically adjusted by the Commissioner to ensure that amounts collected are sufficient to fully offset the cost of the administration of this section.

(2) Initial development

The Commissioner shall not begin development of a verification system to carry out this section until the Commissioner determines that amounts equal to at least 50 percent of program start-up costs have been collected under paragraph (1).

(3) Existing resources

The Commissioner may use funds designated for information technology modernization to carry out this section.

(4) Annual report

The Commissioner shall annually submit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate a report on the amount of indirect costs to the Social Security Administration arising as a result of the implementation of this section.


REFERENCES IN TEXT


CODIFICATION

Section was enacted as part of the Economic Growth, Regulatory Relief, and Consumer Protection Act, and not as part of the Social Security Act which comprises this chapter.

§ 406. Representation of claimants before Commissioner

(a) Recognition of representatives; fees for representation before Commissioner

(1) The Commissioner of Social Security may prescribe rules and regulations governing the recognition of agents or other persons, other than attorneys as hereinafter provided, representing claimants before the Commissioner of Social Security, and may require of such agents or other persons, before being recognized as representatives of claimants that they shall show that they are of good character and in good repute, possessed of the necessary qualifications to enable them to render such claimants valuable service, and otherwise competent to advise and assist such claimants in the presentation of their cases. An attorney in good standing who is admitted to practice before the highest court of the State, Territory, District, or insular possession of his residence or before the Supreme Court of the United States or the inferior Federal courts, shall be entitled to represent claimants before the Commissioner of Social Security. Notwithstanding the preceding sentences, the Commissioner, after due notice and opportunity for hearing, may refuse to recognize as a representative, and may disqualify a representative already recognized, any attorney who has been disbarred or suspended from any court or bar to which he or she was previously admitted to practice or who has been disqualified from participating in or appearing before any Federal program or agency, and (B) may refuse to recognize, and may disqualify, as a non-attorney representative any attorney who has been disbarred or suspended from any court or bar to which he or she was previously admitted to practice. A representative who has been disqualified or suspended pursuant to this section from appearing before the Social Security Administration as a result of collecting or receiving a fee in excess of the amount authorized shall be barred from appearing before the Social Security Administration as a representative until full restitution is made to the claimant and, thereafter, may be considered for reinstatement only under such rules as the Commissioner may prescribe. The Commissioner of Social Security may, after due notice and opportunity for hearing, suspend or prohibit from further practice before the Commissioner any such person, agent, or attorney who refuses to comply with the Commissioner’s rules and regulations or who violates any provision of this section for which a penalty is prescribed. The Commissioner of Social Security may, by rule and regulation, prescribe the maximum fees which may be charged for services performed in connection with any
claim before the Commissioner of Social Security under this subchapter, and any agreement in violation of such rules and regulations shall be void. Except as provided in paragraph (2)(A), whenever the Commissioner of Social Security, in any claim before the Commissioner for benefits under this subchapter, makes a determination favorable to the claimant, the Commissioner shall, if the claimant was represented by an attorney in connection with such claim, fix (in accordance with the regulations prescribed pursuant to the preceding sentence) a reasonable fee to compensate such attorney for the services performed by him in connection with such claim.

(2)(A) In the case of a claim of entitlement to past-due benefits under this subchapter, if—

(i) an agreement between the claimant and another person regarding any fee to be recovered by such person to compensate such person for services with respect to the claim is presented in writing to the Commissioner of Social Security prior to the time of the Commissioner's determination regarding the claim,

(ii) the fee specified in the agreement does not exceed the lesser of—

(I) 25 percent of the total amount of such past-due benefits (as determined before any applicable reduction under section 1320a-6(a) of this title), or

(II) $4,000, and

(iii) the determination is favorable to the claimant,

then the Commissioner of Social Security shall approve that agreement at the time of the favorable determination, and (subject to paragraph (3)) the fee specified in the agreement shall be the maximum fee. The Commissioner of Social Security may from time to time increase the dollar amount under clause (i)(II) to the extent that the rate of increase in such amount, as determined over the period since January 1, 1991, does not at any time exceed the rate of increase in primary insurance amounts under section 415(i) of this title since such date. The Commissioner of Social Security shall publish any such increased amount in the Federal Register.

(B) For purposes of this subsection, the term "past-due benefits" excludes any benefits with respect to which payment has been continued pursuant to subsection (g) or (h) of section 423 of this title.

(C) In any case involving—

(i) an agreement described in subparagraph (A) with any person relating to both a claim of entitlement to past-due benefits under this subchapter and a claim of entitlement to past-due benefits under subchapter XVI, and

(ii) a favorable determination made by the Commissioner of Social Security with respect to both such claims,

the Commissioner of Social Security may approve such agreement only if the total fee or fees specified in such agreement does not exceed, in the aggregate, the dollar amount in effect under subparagraph (A)(ii)(II).

(D) In the case of a claim with respect to which the Commissioner of Social Security has approved an agreement pursuant to subparagraph (A), the Commissioner of Social Security shall provide the claimant and the person representing the claimant a written notice of—

(i) the dollar amount of the past-due benefits (as determined before any applicable reduction under section 1320a-6(a) of this title) and the dollar amount of the past-due benefits payable to the claimant,

(ii) the dollar amount of the maximum fee which may be charged or recovered as determined under this paragraph, and

(iii) a description of the procedures for review under paragraph (3).

(3)(A) The Commissioner of Social Security shall provide by regulation for review of the amount which would otherwise be the maximum fee as determined under paragraph (2) if, within 15 days after receipt of the notice provided pursuant to paragraph (2)(D)—

(i) the claimant, or the administrative law judge or other adjudicator who made the favorable determination, submits a written request to the Commissioner of Social Security to reduce the maximum fee, or

(ii) the person representing the claimant submits a written request to the Commissioner of Social Security to increase the maximum fee.

Any such review shall be conducted after providing the claimant, the person representing the claimant, and the adjudicator with reasonable notice of such request and an opportunity to submit written information in favor of or in opposition to such request. The adjudicator may request the Commissioner of Social Security to reduce the maximum fee only on the basis of evidence of the failure of the person representing the claimant to represent adequately the claimant's interest or on the basis of evidence that the fee is clearly excessive for services rendered.

(B)(i) In the case of a request for review under subparagraph (A) by the claimant or by the person representing the claimant, such review shall be conducted by the administrative law judge who made the favorable determination or, if the Commissioner of Social Security determines that such administrative law judge is unavailable or if the determination was not made by an administrative law judge, such review shall be conducted by another person designated by the Commissioner of Social Security for such purpose.

(ii) In the case of a request by the adjudicator for review under subparagraph (A), the review shall be conducted by the Commissioner of Social Security or by an administrative law judge or other person (other than such adjudicator) who is designated by the Commissioner of Social Security.

(C) Upon completion of the review, the administrative law judge or other person conducting the review shall affirm or modify the amount which would otherwise be the maximum fee. Any such amount so affirmed or modified shall be considered the amount of the maximum fee which may be recovered under paragraph (2). The decision of the administrative law judge or other person conducting the review shall not be subject to further review.

(4) Subject to subsection (d), if the claimant is determined to be entitled to past-due benefits
under this subchapter and the person represent-
ing the claimant is an attorney, the Commis-
sioner of Social Security shall, notwithstanding
section 405(i) of this title, certify for payment
out of such past-due benefits (as determined be-
fore any applicable reduction under section
1320a–6(a) of this title) to such attorney an
amount equal to so much of the maximum fee as
does not exceed 25 percent of such past-due bene-
fits (as determined before any applicable reduc-
tion under section 1320a–6(a) of this title).

(5) Any person who shall, with intent to de-
clude, mislead, or threaten any claimant or
prospective claimant or beneficiary under this
subchapter by word, circular, letter or adver-
tisement, or who shall knowingly charge or col-
clect directly or indirectly any fee in excess of
the maximum fee or make any agreement di-
rectly or indirectly to charge or collect any fee
in excess of the maximum fee, prescribed by the
Commissioner of Social Security shall be
deemed guilty of a misdemeanor and, upon convi-
cction thereof, shall for each offense be pun-
ished by a fine not exceeding $500 or by impris-
onment not exceeding one year, or both. The
Commissioner of Social Security shall maintain
in the electronic information retrieval system
used by the Social Security Administration a
current record, with respect to any claimant be-
fore the Commissioner of Social Security, of the
identity of any person representing such claim-
ant in accordance with this subsection.

(b) Fees for representation before court

(1)(A) Whenever a court renders a judgment fa-
vorable to a claimant under this subchapter who
was represented before the court by an attorney,
the court may determine and allow as part of its
judgment a reasonable fee for such representa-
tion, not in excess of 25 percent of the total of
the past-due benefits to which the claimant is
entitled by reason of such judgment, and the
Commissioner of Social Security may, notwith-
standing the provisions of section 405(i) of this
title, but subject to subsection (d) of this sec-
tion, certify the amount of such fee for payment
to such attorney out of, and not in addition to,
the amount of such past-due benefits. In case of
any such judgment, no other fee may be payable
or certified for payment for such representation
except as provided in this paragraph.

(B) For purposes of this paragraph—

(i) the term “past-due benefits” excludes
any benefits with respect to which payment
has been continued pursuant to subsection (g)
or (h) of section 423 of this title, and
(ii) amounts of past-due benefits shall be de-
termined before any applicable reduction
under section 1320a–6(a) of this title.

(2) Any attorney who charges, demands, re-
ceives, or collects for services rendered in con-
nection with proceedings before a court to which
paragraph (1) of this subsection is applicable any
amount in excess of that allowed by the court
thereunder shall be guilty of a misdemeanor and
upon conviction thereof shall be subject to a
fine of not more than $500, or imprisonment for
not more than one year, or both.

(c) Notification of options for obtaining attor-
neys

The Commissioner of Social Security shall no-
tify each claimant in writing, together with the
notice to such claimant of an adverse deter-
mination, of the options for obtaining attorneys
to represent individuals in presenting their
cases before the Commissioner of Social Secu-
ry. Such notification shall also advise the
claimant of the availability to qualifying claim-
ants of legal services organizations which pro-
vide legal services free of charge.

(d) Assessment on attorneys

(1) In general

Whenever a fee for services is required to be
certified for payment to an attorney from a
claimant’s past-due benefits pursuant to sub-
section (a)(4) or (b)(1), the Commissioner shall
impose on the attorney an assessment cal-
culated in accordance with paragraph (2).

(2) Amount

(A) The amount of an assessment under
paragraph (1) shall be equal to the product ob-
tained by multiplying the amount of the rep-
resentative’s fee that would be required to be
so certified by subsection (a)(4) or (b)(1) before
the application of this subsection, by the per-
centage specified in subparagraph (B), except
that the maximum amount of the assessment
may not exceed the greater of $75 or the ad-
justed amount as provided pursuant to the fol-
lowing two sentences. In the case of any cal-
endar year beginning after the amendments
made by section 301 of the Social Security
Protection Act of 2003 take effect, the dollar
amount specified in the preceding sentence
(including a previously adjusted amount) shall
be adjusted annually under the procedures
used to adjust benefit amounts under section
415(i)(2)(A)(ii) of this title, except such adjust-
ment shall be based on the higher of $75 or the
previously adjusted amount that would have
been in effect for December of the preceding
year, but for the rounding of such amount pur-
suant to the following sentence. Any amount
so adjusted that is not a multiple of $1 shall be
rounded to the next lowest multiple of $1, but
in no case less than $75.

(B) The percentage specified in this subpara-
graph is—

(i) for calendar years before 2001, 6.3 per-
cent, and

(ii) for calendar years after 2000, such per-
centage rate as the Commissioner deter-
mines is necessary in order to achieve full
recovery of the costs of determining and cer-
tifying fees to attorneys from the past-due
benefits of claimants, but not in excess of 6.3
percent.

(3) Collection

The Commissioner may collect the assess-
ment imposed on an attorney under paragraph
(1) by offset from the amount of the fee other-
wise required by subsection (a)(4) or (b)(1) to
be certified for payment to the attorney from a
claimant’s past-due benefits.

\[\text{(See References in Text note below.)}\]
(4) Prohibition on claimant reimbursement

An attorney subject to an assessment under paragraph (1) may not, directly or indirectly, request or otherwise obtain reimbursement for such assessment from the claimant whose claim gave rise to the assessment.

(5) Disposition of assessments

Assessments on attorneys collected under this subsection shall be credited to the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund, as appropriate.

(6) Authorization of appropriations

The assessments authorized under this section shall be collected and available for obligation only to the extent and in the amount provided in advance in appropriations Acts.

The assessments authorized under this section shall be collected and available for obligation only to the extent and in the amount provided in advance in appropriations Acts.

The Commissioner may assess representatives reasonable fees to cover the cost to the Social Security Administration of administering the prerequisites described in paragraph (2).

(3)(A) The Commissioner may assess representatives reasonable fees to cover the cost to the Social Security Administration of administering the prerequisites described in paragraph (2).

(B) Fees collected under subparagraph (A) shall be credited to the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund, or deposited as miscellaneous receipts in the general fund of the Treasury, based on such allocations as the Commissioner determines appropriate.

(C) The fees authorized under this paragraph shall be collected and available for obligation only to the extent and in the amount provided in advance in appropriations Acts. Amounts so appropriated are authorized to remain available until expended for administering the prerequisites described in paragraph (2).

References in Text


Contributors

406


Subsec. (d)(2)(A). Pub. L. 108–203, §301(a), inserted , except that the maximum amount of the assessment may not exceed the greater of $75 or the adjusted

---

*So in original. Probably should be “non-attorney”.*
amount as provided pursuant to the following two sentences" after "subparagraph (B)" and inserted at end "in the case of any calendar year beginning after the amendments made by section 101(a) of the Social Security Protection Act of 2003 take effect, the dollar amount specified in the preceding sentence (including a previously adjusted amount) shall be adjusted annually under the procedures used to adjust benefit amounts under section 415(j)(2)(A)(ii) of this title, except such adjustment shall be based on the higher of $75 or the previously adjusted amount that would have been in effect for December of the preceding year, but for the rounding of such amount pursuant to the following sentence. Any amount so adjusted that is not a multiple of $1 shall be rounded to the next lowest multiple of $1, but in no case less than $75."

1999—Subsec. (a)(4). Pub. L. 106–170, § 406(a)(2)(A), (b), struck out "(A)" after "(4)"; inserted "subsection (d)" for "subparagraph (B)"; and struck out subpar. (B) which read as follows: "The Commissioner of Social Security shall not in any case certify any amount for payment to the attorney pursuant to this paragraph before the expiration of the 15-day period referred to in paragraph (3)(A) or, in the case of any review conducted under paragraph (3), before the completion of such review." Subsec. (b)(1)(A). Pub. L. 106–170, § 406(a)(2)(B), inserted "the" but subject to subsection (d) of this section after "section 405(i) of this title".

1994—Subsec. (a)(1), (2)(A). Pub. L. 103–296, § 107(a)(4), substituted "Commissioner of Social Security" for "Secretary" wherever appearing, "before the Commissioner" for "before him" in two places, "Commissioner’s" for "Secretary’s" in two places, and "the Commissioner shall, if the" for "he shall, if the" in par. (1).


1996—Subsec. (a). Pub. L. 101–508 designated existing provisions as par. (1), substituted "Except as provided in paragraph (2)(A)" for "Whenever" in fifth sentence, substituted paras. (2) to (4) for "If as a result of such determination, such claimant is entitled to past-due benefits under this subchapter, the Secretary shall, notwithstanding section 405(i) of this title, certify for payment (out of such past-due benefits) to such attorney an amount equal to whichever of the following is the smaller: (A) 25 percent of the total amount of such past-due benefits; (B) the amount of the attorney’s fee so fixed, or (C) the amount agreed upon between the claimant and such attorney as the fee for such attorney’s services.", and inserted "(5)" before "(Any person who)"


1965—Pub. L. 89–97 designated existing provisions as subsec. (a) and added subsec. (b).

1964—Pub. L. 88–369 substituted "Secretary" for "Commissioner of Social Security" after the words "made by subsection (a) and the amendments made by subsection (b) (amending section 1333 of this title and provisions set out as a note under this section) not later than March 1, 2010."

1963—Subsec. (a)(4) or (b)(1) of section 206 of the Social Security Act [42 U.S.C. 406(e)] (as added by subsection (a)) and the amendments made by subsection (b) (amending section 1333 of this title and provisions set out as a note under this section) effective Mar. 31, 1995, see section 110(a) of Pub. L. 101–239.

1962—Pub. L. 87–940 struck out provisions which required attorneys to file a certificate of their right to practice.

1950—Act Aug. 28, 1950, substituted "Administrator" for "Board" and "Administrator’s" for "Board’s".

1939—Act Aug. 10, 1939, substituted the provisions of this section for former provisions relating to overpayments during life, now covered by section 404 of this title.

****

Effective Date of 2010 Amendment

Pub. L. 111–142, § 3(c), Feb. 27, 2010, 124 Stat. 39, provided that: "The Commissioner of Social Security shall provide for full implementation of the provisions of section 206(e) of the Social Security Act [42 U.S.C. 406(e)] (as added by subsection (a)) and the amendments made by subsection (b) (amending section 1333 of this title and provisions set out as a note under this section) not later than March 1, 2010."

Effective Date of 2004 Amendment

Pub. L. 108–203, title III, § 301(b), Mar. 2, 2004, 118 Stat. 519, provided that: "The amendments made by this section [amending this section] shall apply with respect to fees for representation of claimants which are first required to be certified or paid under section 206 of the Social Security Act [42 U.S.C. 406(e)] on or after the first day of the first month that begins after 180 days after the date of the enactment of this Act [Mar. 2, 2004]."

Effective Date of 1999 Amendment

Pub. L. 106–170, title IV, § 406(d), Dec. 17, 1999, 113 Stat. 1913, provided that: "The amendments made by this section [amending this section and enacting provisions set out as a note under this section] shall apply in the case of any attorney with respect to whom a fee for services is required to be certified for payment from a claimant’s past-due benefits pursuant to subsection (a)(4) or (b)(1) of section 206 of the Social Security Act [42 U.S.C. 406] after the later of—

"(1) December 31, 1999, or

"(2) the last day of the first month beginning after the month in which this Act is enacted [Dec. 1999]."

Effective Date of 1994 Amendment


Effective Date of 1990 Amendment

Amendment by Pub. L. 101–508 applicable with respect to determinations made on or after July 1, 1991,
and to reimbursement for travel expenses incurred on or after Apr. 1, 1991, see section 5106(d) of Pub. L. 101–506, set out as a note under section 401 of this title.

**Effective Date of 1989 Amendment**


**Effective Date of 1939 Amendment**

Act Aug. 10, 1939, ch. 666, title II, §201, 53 Stat. 1362, provided that the amendment made by that section is effective Jan. 1, 1940.

**Nationwide Demonstration Project Providing for Extension of Fee Withholding Procedures to Non-Attorney Representatives**


"(a) IN GENERAL.—The Commissioner of Social Security (hereafter in this section referred to as the ‘Commissioner’) shall develop and carry out a nationwide demonstration project under this section with respect to agents and other persons, other than attorneys, who represent claimants under titles II and XVI of the Social Security Act (42 U.S.C. 401 et seq., 1381 et seq.) before the Commissioner. The demonstration project shall be designed to determine the potential results of extending to such representatives the fee withholding procedures and assessment procedures that apply under sections 206 and section [sic] 1631(d)(2) to attorneys seeking direct payment out of past due benefits under such titles and shall include an analysis of the effect of such extension on claimants and program administration.

"(b) STANDARDS FOR INCLUSION IN DEMONSTRATION PROJECT.—Fee-withholding procedures may be extended under the demonstration project carried out pursuant to subsection (a) to any non-attorney representative only if such representative meets all the following prerequisites:

"(1) The representative has been awarded a bachelor’s degree from an accredited institution of higher education, or has been determined by the Commissioner to have equivalent qualifications derived from training and work experience.

"(2) The representative has attended and passed an examination, written and administered by the Commissioner, which tests knowledge of the relevant provisions of the Social Security Act [42 U.S.C. 401 et seq., 1381 et seq.] and the most recent developments in agency and court decisions affecting titles II and XVI of such Act [42 U.S.C. 401 et seq., 1381 et seq.].

"(3) The representative has secured professional liability insurance, or equivalent insurance, which the Commissioner has determined to be adequate to protect claimants in the event of malpractice by the representative.

"(4) The representative has undergone a criminal background check to ensure the representative's fitness to practice before the Commissioner.

"(5) The representative demonstrates ongoing completion of qualified courses of continuing education, including education regarding ethics and professional conduct, which are designed to enhance professional knowledge in matters related to entitlement to, or eligibility for, benefits based on disability under titles II and XVI of such Act. Such continuing education, and the instructors providing such education, shall meet such standards as the Commissioner may prescribe.

"(c) ASSESSMENT OF FEES.—

"(1) IN GENERAL.—The Commissioner may assess representatives reasonable fees to cover the cost to the Social Security Administration of administering the prerequisites described in subsection (b).

"(2) DISPOSITION OF FEES.—Fees collected under paragraph (1) shall be credited to the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund, or deposited as miscellaneous receipts in the general fund of the Treasury, based on such allocations as the Commissioner of Social Security determines appropriate.

"(3) AUTHORIZATION OF APPROPRIATIONS.—The fees authorized under this subparagraph shall be collected and available for obligation only to the extent and in the amount provided in advance in appropriations Acts. Amounts so appropriated are authorized to remain available until expended for administering the prerequisites described in subsection (b).

"(d) NOTICE TO CONGRESS AND APPLICABILITY OF FEE WITHHOLDING PROCEDURES.—Not later than 1 year after the date of enactment of this Act [Mar. 2, 2004], the Commissioner shall complete such actions as are necessary to fully implement the requirements for full operation of the demonstration project and shall submit to each House of Congress a written notice of the completion of such actions (Such notices submitted Feb. 28, 2005.). The applicability under this section to non-attorney representatives of the fee withholding procedures and assessment procedures under sections 206 and 1631(d)(2) of the Social Security Act [42 U.S.C. 406, 1383(d)(2)] shall be effective with respect to representation of claimants in the case of claims for benefits with respect to which the agreement for representation is entered into by such non-attorney representatives during the period beginning with the date of the submission of such notice by the Commissioner to Congress and ending with the termination date of the demonstration project.

"(e) REPORTS BY THE COMMISSIONER; TERMINATION.—

"(1) INTERIM REPORTS.—On or before the date which is 1 year after the date of enactment of this Act [Mar. 2, 2004], and annually thereafter, the Commissioner shall transmit to the Committee on Ways and Means of the House of Representatives and to the Committee on Finance of the Senate an annual interim report on the progress of the demonstration project carried out under this section, together with any related data and materials that the Commissioner may consider appropriate.

"(2) TERMINATION DATE.—The termination date of the demonstration project under this section is the date which is 5 years after the date of the submission of the notice by the Commissioner to each House of Congress pursuant to subsection (d). The authority under the preceding provisions of this section shall not apply in the case of claims for benefits with respect to which the agreement for representation is entered into after the termination date.

**GAO Study Regarding the Fee Payment Process for Claimant Representatives**


**GAO Study and Report**

Pub. L. 106–170, title IV, §406(c), Dec. 17, 1999, 113 Stat. 1912, directed the Comptroller General of the United States to study and evaluate the appointment and payment of attorney and non-attorney claimant representatives appearing before the Commissioner of Social Security in connection with benefit claims under titles II and XVI of the Social Security Act (42 U.S.C. 401 et seq., 1381 et seq.) and to report to the appropriate committees of Congress not later than 3 years after the date of the submission by the Commissioner of Social Security to Congress pursuant to section 303(d) of Pub. L. 108–203.
States to conduct a study, and to submit a report on the study’s results to the appropriate committees of Congress not later than 1 year after Dec. 17, 1999, that examined the costs incurred by the Social Security Administration in administering 42 U.S.C. 406(a)(4), (b)(1) and itemized the components of such costs; identified efficiencies that the Administration could implement to reduce such costs; examined the feasibility and advisability of linking the payment of, or the amount of, the assessment under 42 U.S.C. 406(d) to the timeliness of the payment of the fee to the attorney as certified by the Commissioner of Social Security pursuant to 42 U.S.C. 406(a)(4), (b)(1); determined whether 42 U.S.C. 406(a)(4), (b)(1) should be applied to claimants under title XVI of the Social Security Act (42 U.S.C. 1381 et seq.); determined the feasibility and advisability of stating fees under 42 U.S.C. 406(d) in terms of a fixed dollar amount as opposed to a percentage; determined whether the dollar limit specified in 42 U.S.C. 406(a)(2)(A)(ii)(II) should be raised; and determined whether the assessment on attorneys required under 42 U.S.C. 406(d) impaired access to legal representation for claimants.

§ 407. Assignment of benefits

(a) In general

The right of any person to any future payment under this subchapter shall not be transferable or assignable, at law or in equity, and none of the moneys paid or payable or rights existing under this subchapter shall be subject to execution, levy, attachment, garnishment, or other legal process, or to the operation of any bankruptcy or insolvency law.

(b) Amendment of section

No other provision of law, enacted before, on, or after April 20, 1983, may be construed to limit, supersede, or otherwise modify the provisions of this section except to the extent that it does so by express reference to this section.

(c) Withholding of taxes

Nothing in this section shall be construed to prohibit withholding taxes from any benefit under this subchapter, if such withholding is done pursuant to a request made in accordance with section 3402(p)(1) of the Internal Revenue Code of 1986 by the person entitled to such benefit or such person’s representative payee.


REFERENCES IN TEXT

The Internal Revenue Code of 1986, referred to in subsec. (c), is classified generally to Title 26, Internal Revenue Code.

CODIFICATION

In subsec. (b), “April 20, 1983” substituted for “the date of the enactment of this section”, which was translated as meaning the date of enactment of this subchapter, as the probable intent of Congress.

AMENDMENTS


1983—Pub. L. 98–21 designated existing provisions as subsec. (a) and added subsec. (b).


 EFFECTIVE DATE OF 1983 AMENDMENT

Pub. L. 98–21, title III, §335(c), Apr. 20, 1983, 97 Stat. 130, provided that: “The amendments made by subsection (a) [amending this section] shall apply only with respect to benefits payable or rights existing under the Social Security Act (42 U.S.C. 301 et seq.) on or after the date of the enactment of this Act [Apr. 20, 1983].”

 EFFECTIVE DATE OF 1939 AMENDMENT

Act Aug. 10, 1939, ch. 666, title II, §201, 53 Stat. 1362, provided that the amendment made by that section is effective Jan. 1, 1940.

§ 408. Penalties

(a) In general

Whoever—

(1) for the purpose of causing an increase in any payment authorized to be made under this subchapter, or for the purpose of causing any payment to be made where no payment is authorized under this subchapter, shall make or cause to be made any false statement or representation (including any false statement or representation in connection with any matter arising under subchapter E of chapter 1, or subchapter A or E of chapter 9 of the Internal Revenue Code of 1939, or chapter 2 or 21 or sub-title F of the Internal Revenue Code of 1954) as to—

(A) whether wages were paid or received for employment (as said terms are defined in this subchapter and the Internal Revenue Code), or the amount of wages or the period during which paid or the person to whom paid; or

(B) whether net earnings from self-employment (as such term is defined in this subchapter and in the Internal Revenue Code) were derived, or as to the amount of such net earnings or the period during which or the person by whom derived; or

(C) whether a person entitled to benefits under this subchapter had earnings in or for a particular period (as determined under section 403(f) of this title for purposes of deductions from benefits), or as to the amount thereof; or

(2) makes or causes to be made any false statement or representation of a material fact in any application for any payment or for a disability determination under this subchapter; or

(3) at any time makes or causes to be made any false statement or representation of a material fact for use in determining rights to payment under this subchapter; or

(4) having knowledge of the occurrence of any event affecting (1) his initial or continued right to any payment under this subchapter, or (2) the initial or continued right to any payment of any other individual in whose behalf he has applied for or is receiving such payment, conceals or fails to disclose such event with an intent fraudulently to secure payment either in a greater amount than is due or when no payment is authorized; or

(5) having made application to receive payment under this subchapter for the use and benefit of another and having received such a payment, knowingly and willfully converts

amendment or insolvency law.

such a payment, or any part thereof, to a use other than for the use and benefit of such other person; or
(6) willfully, knowingly, and with intent to deceive the Commissioner of Social Security as to his true identity (or the true identity of any other person) furnishes or causes to be furnished false information to the Commissioner of Social Security with respect to any information required by the Commissioner of Social Security in connection with the establishment and maintenance of the records provided for in section 405(c)(2) of this title; or
(7) for the purpose of causing an increase in any payment authorized under this subchapter (or any other program financed in whole or in part from Federal funds), or for the purpose of causing a payment under this subchapter (or any such other program) to be made when no payment is authorized thereunder, or for the purpose of obtaining (for himself or any other person) any payment or any other benefit to which he (or such other person) is not entitled, or for the purpose of obtaining anything of value from any person, or for any other purpose—
(A) willfully, knowingly, and with intent to deceive, uses a social security account number assigned by the Commissioner of Social Security (in the exercise of the Commissioner's authority under section 405(c)(2) of this title to establish and maintain records) on the basis of false information furnished to the Commissioner of Social Security by him or by any other person; or
(B) with intent to deceive, falsely represents a number to be the social security account number assigned by the Commissioner of Social Security to him or to such other person; or
(C) knowingly alters a social security card issued by the Commissioner of Social Security, buys or sells a card that is, or purports to be, a card so issued, counterfeits a social security card, or possesses a social security card or counterfeited social security card with intent to sell or alter it;
(8) discloses, uses, or compels the disclosure of the social security number of any person in violation of the laws of the United States; or
(9) conspires to commit any offense described in any of paragraphs (1) through (4), shall be guilty of a felony and upon conviction thereof shall be fined under title 18 or imprisoned for not more than five years, or both, except that in the case of a person who receives a fee or other income for services performed in connection with any determination with respect to benefits under this subchapter (including a claimant representative, translator, or current or former employee of the Social Security Administration), or who is a physician or other health care provider who submits, or causes the submission of, medical or other evidence in connection with any such determination, such person shall be guilty of a felony and upon conviction thereof shall be fined under title 18, or imprisoned for not more than ten years, or both.

(b) Restitution

(1) Any Federal court, when sentencing a defendant convicted of an offense under subsection (a), may order, in addition to or in lieu of any other penalty authorized by law, that the defendant make restitution to the victims of such offense specified in paragraph (4).
(2) Sections 3612, 3663, and 3664 of title 18 shall apply with respect to the issuance and enforcement of orders of restitution to victims of such offense under this subsection.
(3) If the court does not order restitution, or orders only partial restitution, under this subsection, the court shall state on the record the reasons therefor.
(4) For purposes of paragraphs (1) and (2), the victims of an offense under subsection (a) are the following:
(A) Any individual who suffers a financial loss as a result of the defendant's violation of subsection (a).
(B) The Commissioner of Social Security, to the extent that the defendant's violation of subsection (a) results in—
(i) the Commissioner of Social Security making a benefit payment that should not have been made; or
(ii) an individual suffering a financial loss due to the defendant's violation of subsection (a) in his or her capacity as the individual's representative payee appointed pursuant to section 405(j) of this title.
(5)(A) Except as provided in subparagraph (B), funds paid to the Commissioner of Social Security as restitution pursuant to a court order shall be deposited in the Federal Old-Age and Survivors Insurance Trust Fund, or the Federal Disability Insurance Trust Fund, as appropriate.
(B) In the case of funds paid to the Commissioner of Social Security pursuant to paragraph (4)(B)(ii), the Commissioner of Social Security shall certify for payment to the individual described in such paragraph an amount equal to the lesser of the amount of the funds so paid or the individual's outstanding financial loss, except that such amount may be reduced by the amount of any overpayments of benefits owed under this subchapter, subchapter VIII, or subchapter XVI by the individual.
(c) Violations by certified payees

Any person or other entity who is convicted of a violation of any of the provisions of this section, if such violation is committed by such person or entity in his role as, or in applying to become, a certified payee under section 405(j) of this title on behalf of another individual (other than such person's spouse), upon his second or any subsequent such conviction shall, in lieu of the penalty set forth in the preceding provisions of this section, be guilty of a felony and shall be fined under title 18 or imprisoned for not more than five years, or both.
(d) Effect upon certification as payee; definitions

Any individual or entity convicted of a felony under this section or under section 1383a(b)(1) of this title may not be certified as a payee under section 405(j) of this title. For the purpose of

\(^1\) See References in Text note below.
subsection (a)(7), the terms "social security number" and "social security account number" mean such numbers as are assigned by the Commissioner of Social Security under section 405(c)(2) of this title whether or not, in actual use, such numbers are called social security numbers.

(e) Application of subsection (a)(6) and (7) to certain aliens

(1) Except as provided in paragraph (2), an alien—

(A) whose status is adjusted to that of lawful temporary resident under section 1160 or 1255a of title 8 or under section 902 of the Foreign Relations Authorization Act, Fiscal Years 1988 and 1989,

(B) whose status is adjusted to that of permanent resident—

(i) under section 202 of the Immigration Reform and Control Act of 1986, or

(ii) pursuant to section 1259h of title 8, or

(C) who is granted special immigrant status under section 1101(a)(27)(I) of title 8, shall not be subject to prosecution for any alleged conduct described in paragraph (6) or (7) of subsection (a) if such conduct is alleged to have occurred prior to 60 days after November 5, 1990. Paragraph (1) shall not apply with respect to conduct (described in subsection (a)(7)(C)) consisting of—

(A) selling a card that is, or purports to be, a social security card issued by the Commissioner of Social Security,

(B) possessing a social security card with intent to sell it, or

(C) counterfeiting a social security card with intent to sell it.

(3) Paragraph (1) shall not apply with respect to any criminal conduct involving both the conduct described in subsection (a)(7) to which paragraph (1) applies and any other criminal conduct if the conduct described in subsection (a)(7) were not committed.

(4) Paragraph (1) applies only to conduct that occurred on or after December 29, 1981.

(5) The provisions of subsection (a)(7) are not applicable to any conduct that was committed before the date of enactment of the Immigration Reform and Control Act of 1986.

Subchapter E of chapter 1 and subchapters A and E of chapter 9 of the Internal Revenue Code of 1939, referred to in subsec. (a)(1), were redesignated subsecs. (c) and (d), respectively.

Subsec. (a)(8) to (10). Pub. L. 106–553, which included in Pub. L. 106–553 on Dec. 21, 2000. Pars. (9) and (10) read as follows:
“(9) except as provided in section 1320b-23(d) of this title, knowingly and willfully displays or sells to the general public (as defined in section 1320b-23(g) of this title) an individual’s social security number, or any identifiable derivative of such number, without the affirmatively expressed consent (as defined in section 1320b-23(c) of this title), electronically or in writing, of such individual; or

“(10) obtains any individual’s social security number, or any identifiable derivative of such number, for purposes of locating or identifying an individual with the intent to physically injure, harm, or use the identity of the individual for illegal purposes;;”.


Subsec. (c). Pub. L. 103–296, §321(a)(12), substituted “subsection (a)(7)” for “subsection (g)”.

Pub. L. 103–296, §107(a)(4), substituted “Commissioner of Social Security” for “Secretary”.


1990—Pub. L. 101–108, §5121, inserted “(a)(1)” before “Whoever—”. redesignated former subsecs. (a) to (h) as pars. (1) to (h), respectively, of subsec. (a), in pars. (1) and (7) redesignated former pars. (1) to (3) as subpars. (A) to (C), respectively, inserted “(b)” before “Any person or entity who is convicted”, inserted “(c)” before “Any individual or entity convicted of a felony”, and added subsec. (d).

Pub. L. 101–108, §5130(a)(1), in the last undesignated paragraph substituted “section 405(c)(2)” of this title for “section 405(c)(2)” of this title.

1988—Pub. L. 100–690 substituted “under title 18” for “not more than $5,000” in first undesignated par., substituted “under title 18 for “not more than $25,000” in second undesignated par., and inserted provisions at end defining for purposes of subsec. (g) “social security number” and “social security account number”.

1984—Pub. L. 98–460 inserted provisions imposing a penalty of $25,000 or imprisonment for not more than five years, or both, on any person or other entity convicted for a second or subsequent violation of this section, if such violation is committed by such person or entity in his role as, or in applying to become, a certified payee under section 405(j) of this title, and also granting the court discretion, in any case, including a first offense, involving a willful misuse of funds, to require full or partial restitution, and prohibiting the certification of any individual or entity convicted of a felony under this section or under section 1383a(b) of this title.

Subsecs. (f) to (h). Pub. L. 98–369 realigned margins of subsecs. (f) to (h).

1981—Pub. L. 97–123 substituted provisions making violation of section a felony for provisions making it a misdemeanor, increased the punishment from one to five years and penalty from $1,000 to $5,000, and in subsec. (g), in opening paragraph, substituted “or for the purpose of obtaining anything of value from any person, or for any other purpose” for “or for any other purpose”, and added par. (3).

1976—Subsec. (g). Pub. L. 94–455, §1211(a), inserted “or for any other purpose” after “entitled in provisions preceding cl. (1).”


1972—Subsecs. (f), (g). Pub. L. 92–603 added subsecs. (f) and (g).

1960—Subsec. (a)(3). Pub. L. 86–778 substituted “section 405(f) of this title” for “section 405(e) of this title”.

1950—Act Aug. 28, 1950, substituted “chapter E of chapter 1, or chapter A or chapter B of chapter 9 of the Internal Revenue Code of 1939” for “the Federal Insurance Contributions Act”.


EFFECTIVE DATE OF 2004 AMENDMENT
Pub. L. 108–205, title II, §209(d), Mar. 2, 2004, 118 Stat. 516, provided that: “The amendments made by subparts (a), (b), and (c) [amending this section and sections 1011 and 1383a of this title] shall apply with respect to violations occurring on or after the date of enactment of this Act (Mar. 2, 2004).

EFFECTIVE DATE OF 2000 AMENDMENT
Pub. L. 106–554, §1(a)(4) [div. A, §233(b)], Dec. 21, 2000, 114 Stat. 2763, 2763A–180, provided that: ‘‘The amendments made by sections (a), (b), and (c) [amending this section and sections 10601 of this title, and section 2707 of Title 22, Foreign Relations and Intercourse, repealing section 1320b–23 of this title, amending provisions set out as notes under sections 4001 and 4013 of Title 18, Crimes and Criminal Procedure, and section 524 of Title 28, Judiciary and Judicial Procedure, and repealing provisions set out as notes under this section and sections 1305 and 1320b–25 of this title] shall take effect as if included in H.R. 4942 of the 106th Congress [Pub. L. 106–553] on the date of its enactment [Dec. 21, 2000].’’

Pub. L. 106–553, §1(a)(2) [title VI, §655(c)(2)(A)], Dec. 21, 2000, 114 Stat. 2762, 2762A–117, which provided that the amendments made by §1(a)(2) [title VI, §655(c)] of Pub. L. 106–553, enacting section 1320b–23 of this title and amending this section, would apply with respect to violations occurring on and after the date that is 2 years after Dec. 21, 2000, was repealed by Pub. L. 106–554, §1(a)(4) [div. A, §233(a)(6)], Dec. 21, 2000, 114 Stat. 2763, 2763A–180, see above.

EFFECTIVE DATE OF 1994 AMENDMENT

EFFECTIVE DATE OF 1990 AMENDMENT
Amendment by section 5130(a)(1) of Pub. L. 101–508 effective as if included in the enactment of Pub. L. 100–690, §7088, see section 5130(b) of Pub. L. 161–508, set out as a note under section 1462 of Title 26, Internal Revenue Code.

EFFECTIVE DATE OF 1984 AMENDMENTS
Amendment by Pub. L. 98–460 effective Oct. 9, 1984, and applicable with respect to violations occurring on or after such date, see section 16(d) of Pub. L. 98–460, set out as a note under section 405 of this title.

Amendment by Pub. L. 98–369 effective July 18, 1984, but not to be construed as changing or affecting any right, liability, status, or interpretation which existed (under the provisions of law involved) before that date, see section 286(a)(1) of Pub. L. 98–369, set out as a note under section 401 of this title.

EFFECTIVE DATE OF 1981 AMENDMENT
Pub. L. 97–123, §4(c), Dec. 29, 1981, 95 Stat. 1664, provided that: ‘‘The amendments made by subsections (a)
and (b) [amending this section] shall be effective with respect to violations committed after the date of the enactment of this Act [Dec. 29, 1981].”

**Effective Date of 1972 Amendment**

Pub. L. 92–603, title I, §130(b), Oct. 30, 1972, 86 Stat. 1360, provided that: “The amendments made by subsection (a) [amending this section] shall apply with respect to information furnished to the Secretary after the date of the enactment of this Act [Oct. 30, 1972].”

**Effective Date of 1960 Amendment**

Amendment by Pub. L. 86–778 effective in the manner provided in section 211(p), (q) of Pub. L. 86–778, section 211(s) of Pub. L. 86–778, set out as a note under section 405 of this title.

**Effective Date of 1939 Amendment**

Act Aug. 10, 1939, ch. 666, title II, §201, 53 Stat. 1362, provided that the amendment made by that section is effective Jan. 1, 1940.

§ 409. “Wages” defined

(a) In general

For the purposes of this subchapter, the term “wages” means remuneration paid prior to 1951 which was wages for the purposes of this subchapter under the law applicable to the payment of such remuneration, and remuneration paid after 1950 for employment, including the cash value of all remuneration (including benefits paid in any medium other than cash; except that, in the case of remuneration paid after 1950, such term shall not include—

(1)(A) That part of remuneration which, after remuneration (other than remuneration referred to in the succeeding subsections of this section) equal to $3,600 with respect to employment has been paid to an individual during any calendar year prior to 1955, is paid to such individual during such calendar year;

(B) That part of remuneration which, after remuneration (other than remuneration referred to in the succeeding subsections of this section) equal to $4,200 with respect to employment has been paid to an individual during any calendar year after 1954 and prior to 1959, is paid to such individual during such calendar year;

(C) That part of remuneration which, after remuneration (other than remuneration referred to in the succeeding subsections of this section) equal to $4,800 with respect to employment has been paid to an individual during any calendar year after 1959 and prior to 1966, is paid to such individual during such calendar year;

(D) That part of remuneration which, after remuneration (other than remuneration referred to in the succeeding subsections of this section) equal to $6,600 with respect to employment has been paid to an individual during any calendar year after 1965 and prior to 1968, is paid to such individual during such calendar year;

(E) That part of remuneration which, after remuneration (other than remuneration referred to in the succeeding subsections of this section) equal to $7,800 with respect to employment has been paid to an individual during any calendar year after 1967 and prior to 1972, is paid to such individual during such calendar year;

(F) That part of remuneration which, after remuneration (other than remuneration referred to in the succeeding subsections of this section) equal to $9,000 with respect to employment has been paid to an individual during any calendar year after 1971 and prior to 1973, is paid to such individual during any such calendar year;

(G) That part of remuneration which, after remuneration (other than remuneration referred to in the succeeding subsections of this section) equal to $10,800 with respect to employment has been paid to an individual during any calendar year after 1972 and prior to 1974, is paid to such individual during such calendar year;

(H) That part of remuneration which, after remuneration (other than remuneration referred to in the succeeding subsections of this section) equal to $13,200 with respect to employment has been paid to an individual during any calendar year after 1973 and prior to 1975, is paid to such individual during such calendar year;

(1) That part of remuneration which, after remuneration (other than remuneration referred to in the succeeding subsections of this section) equal to the contribution and benefit base (determined under section 430 of this title) with respect to employment has been paid to an individual during any calendar year after 1974 with respect to which such contribution and benefit base is effective, is paid to such individual during such calendar year;

(2) The amount of any payment (including any amount paid by an employer for insurance or annuities, or into a fund, to provide for any such payment) made to, or on behalf of, an employee or any of his dependents under a compensation law), or (B) medical or hospitalization expenses in connection with sickness or accident disability, or (C) death, except that this subsection does not apply to a payment for group-term life insurance to the extent that such payment is includible in the gross income of the employee under the Internal Revenue Code of 1986;

(3) Any payment on account of sickness or accident disability, or medical or hospitalization expenses in connection with sickness or accident disability, made by an employer to, or on behalf of, an employee after the expiration of six calendar months following the last calendar month in which the employee worked for such employer;

(4) Any payment made to, or on behalf of, an employee or his beneficiary (A) from or to a trust exempt from tax under section 165(a) of the Internal Revenue Code of 1939 at the time of such payment or, in the case of a payment
after 1954, under sections 401 and 501(a) of the Internal Revenue Code of 1954 or the Internal Revenue Code of 1986, unless such payment is made to an employee of the trust as remunera-
tion for services rendered as such employee and not as a beneficiary of the trust, or (B) under or to an annuity plan which, at the time of such payment, meets the requirements of section 165(a)(3), (4), (5), and (6) of the Internal Revenue Code of 1939 or, in the case of a pay-
ment after 1954 and prior to 1963, the require-
ments of section 401(a)(3), (4), (5), and (6) of the Internal Revenue Code of 1954, or (C) under or to an annuity plan which, at the time of any such payment after 1962, is a qualified bond purchase plan de-
scribed in section 405(a) of the Internal Re-
venue Code of 1954 (as in effect before July 18, 1984), or (D) under or to a bond purchase plan which, at the time of any such payment after 1962, is a qualified bond purchase plan de-
scribed in section 405(a) of the Internal Re-
venue Code of 1954 and maintained by an eligible employer under a plan described in section 403(b) of the Internal Re-

A54 A

§ 409

Code applies, other than any elective contribu-
tions described in section 403(b) of the Internal Revenue Code of 1954 or the Internal Revenue Code of 1939 or, in the case of a pay-
ment after 1954, under sections 401 and 501(a) of the Internal Revenue Code of 1954, or (E) under or to a cafeteria plan (within the meaning of section 125 of the Employee Retirement Income Security Act of 1974 [29 U.S.C. 1002(2)(B)(ii)], or (F) under or to an exempt govern-
mental deferred compensation plan (as de-

A54 A

defined in section 3121(v)(3) of such Code), or (G) to supplement pension benefits under a plan or trust described in any of the foregoing provi-
sions of this subsection to take into account some portion or all of the increase in the cost of living (as determined by the Secretary of Labor) since retirement but only if such supplemental payments are under a plan which is treated as a welfare plan under section 3(2)(B)(ii) of the Employee Retirement Income Security Act of 1974 [29 U.S.C. 1002(2)(B)(ii)], or (H) under a simplified employee pension plan (as defined in section 403(b)(1) of such Code), other than any contributions described in section 403(b)(6) of such Code, or (I) under a cafeteria plan (within the meaning of section 125 of the Internal Revenue Code of 1986) if such pay-
ment would not be treated as wages without regard to such plan and it is reasonable to be-

A54 A

lieve that (if section 125 applied for purposes of this section) section 125 would not treat any wages as constructively received; or (J) under an arrangement to which section 403(b)(p) of such Code applies, other than any elective contribu-
tions under paragraph (2)(A)(i) thereof; or (K) under a plan described in section 457(e)(1)(A)(i) of the Internal Revenue Code of 1986 and maintained by an eligible employer (as defined in section 457(e)(1) of such Code); (5) The payment by an employer (without deduction from the remunera-
tion of the employee) (A) of the tax imposed upon an employee under section 3101 of the Internal Revenue Code of 1986, or (B) of any payment required from an employee under a State unemployment compensa-
tion law, with respect to remuneration paid to an em-

A54 A

ployee for domestic service in a private home of the employer or for agricultural labor; (6)(A) Remuneration paid in any medium other than cash to an employee for service not in the course of the employer’s trade or business or for domestic service in a private home of the employer; (B) Cash remuneration paid by an employer in any calendar year to an employee for do-

A54 A

mestic service in a private home of the employer (including domestic service on a farm operated for profit), if the cash remuneration paid in such year by the employer to the em-

A54 A

ployee for such service is less than the applica-
tible dollar threshold (as defined in section 3121(x) of the Internal Revenue Code of 1986) for such year; (C) Cash remuneration paid by an employer in any calendar year to an employee for service not in the course of the employer’s trade or business, if the cash remuneration paid in such year by the employer to the employee for such service is less than $100. As used in this para-

A54 A

graph, the term “service not in the course of the employer’s trade or business” does not include domestic service in a private home of the employer and does not include service de-
scribed in section 410(f)(5) of this title; (7)(A) Remuneration paid in any medium other than cash for agricultural labor; (B) Cash remuneration paid by an employer in any calendar year to an employee for agri-
cultural labor unless— (i) the cash remunera-
tion paid in such year by the employer to the employee for such labor is $150 or more, or (ii) the employer’s expenditures for agri-
cultural labor in such year equal or exceed $2,500, except that clause (ii) shall not apply in deter-
mining whether remuneration paid to an em-
ployee constitutes “wages” under this section if such employee (I) is employed as a hand har-
vest laborer and is paid on a piece rate basis in an operation which has been, and is customar-
ily and generally recognized as having been, paid on a piece rate basis in the region of em-

A54 A

ployment, (II) commutes daily from his per-

A54 A

manent residence to the farm on which he is so employed, and (III) has been employed in agriculture for less than 33 weeks during the pre-
ceding calendar year; (8) Remuneration paid by an employer in any year to an employee for service described in section 410(j)(3)(C) of this title (relating to home workers), if the cash remuneration paid in such year by the employer to the employee for such service is less than $100; (9) Remuneration paid to or on behalf of an employee if (and to the extent that) at the time of the payment of such remuneration it is reasonable to believe that a corresponding deduction is allowable under section 217 of the Internal Revenue Code of 1986 (determined without regard to section 274(n) of such Code); (10)(A) Tips paid in any medium other than cash; (B) Cash tips received by an employee in any calendar month in the course of his employ-

A54 A

ment by an employer unless the amount of such cash tips is $20 or more; (11) Any payment or series of payments by an employer to an employee or any of his de-

A54 A

pendents which is paid— (A) upon or after the termination of an employee’s employment relationship be-
cause of (A)\(^1\) death, or (B)\(^1\) retirement for disability, and

(B) under a plan established by the employer which makes provision for his employees generally or a class or classes of his employees (or for such employees or class or classes of employees and their dependents),

other than any such payment or series of payments which would have been paid if the employee’s employment relationship had not been so terminated;

(12) Any payment made by an employer to a survivor or the estate of a former employee after the calendar year in which such employee died;

(13) Any payment made by an employer to an employee, if at the time such payment is made such employee is entitled to disability insurance benefits under section 423(a) of this title and such entitlement commenced prior to the calendar year in which such payment is made, and if such employee did not perform any services for such employer during the period for which such payment is made;

(14) Remuneration paid by an organization exempt from income tax under section 501 of the Internal Revenue Code of 1986 in any calendar year to an employee for service rendered in the employ of such organization, if the remuneration paid in such year by the organization to the employee for such service is less than $100;

(15) Any payment made, or benefit furnished, to or for the benefit of an employee if at the time of such payment or such furnishing it is reasonable to believe that the employee will be able to exclude such payment or benefit from income under section 127 or 129 of the Internal Revenue Code of 1986;

(16) The value of any meals or lodging furnished by or on behalf of the employer if at the time of such furnishing it is reasonable to believe that the employee will be able to exclude such meals or lodging as such from income under section 119 of the Internal Revenue Code of 1986;

(17) Any benefit provided to or on behalf of an employee if at the time such benefit is provided it is reasonable to believe that the employee will be able to exclude such benefit from income under section 410(l)(1) of this title and such entitlement commenced prior to the calendar year in which such payment is made, and if such employee did not perform any services for such employer during the period for which such payment is made;

(18) Remuneration consisting of income excluded from taxation under section 7873 of the Internal Revenue Code of 1986 (relating to income tax withholding) which provides an exclusion from “wages” as used in such chapter shall be construed to require a similar exclusion from “wages” in the regulations prescribed for purposes of this subchapter.

(c) **Individuals performing domestic services**

For purposes of this subchapter, in the case of domestic service described in subsection (a)(6)(B), any payment of cash remuneration for such service which is more or less than a whole-dollar amount shall, under such conditions and to such extent as may be prescribed by regulations made under this subchapter, be computed to the nearest dollar. For the purpose of the computation to the nearest dollar, the payment of a fractional part of a dollar shall be disregarded unless it amounts to one-half dollar or more, in which case it shall be increased to $1. The amount of any payment of cash remuneration so computed to the nearest dollar shall, in lieu of the amount actually paid, be deemed to constitute the amount of cash remuneration for purposes of subsection (a)(6)(B).

(d) **Members of uniformed services**

For purposes of this subchapter, in the case of an individual performing service, as a member of a uniformed service, to which the provisions of section 410(l)(1) of this title are applicable, the term “wages” shall, subject to the provisions of subsection (a)(1) of this section, include as such individual’s remuneration for such service only (1) his basic pay as described in chapter 3 and section 108(f)(4), 117, or 132 of the Internal Revenue Code of 1986; (2) any benefit provided to or on behalf of an employee if at the time such benefit is provided it is reasonable to believe that the employee will be able to exclude such benefit from income under section 410(l)(1) of this title; or (3) his compensation for such service as determined under section 410(l)(1) of this title.

(e) **Peace Corps volunteers**

For purposes of this subchapter, in the case of an individual performing service, as a volunteer or volunteer leader within the meaning of the Peace Corps Act [22 U.S.C. 2501 et seq.], to which the provisions of section 410(o) of this title are applicable, (1) the term “wages” shall, subject to the provisions of subsection (a) of this section, include as such individual’s remuneration for such service only amounts certified as payable pursuant to section 5(c) or 6(l) of the Peace Corps Act [22 U.S.C. 2504(c) or 2505(1)], and (2) any such amount shall be deemed to have been paid to such individual at the time such individual is performing service, with respect to which it is paid, is performed.

(f) **Tips**

For purposes of this subchapter, tips received by an employee in the course of his employment shall be considered remuneration for employ-
ment. Such remuneration shall be deemed to be paid at the time a written statement including such tips is furnished to the employer pursuant to section 6053(a) of the Internal Revenue Code of 1986 or (if no statement including such tips is so furnished) at the time received.

(g) Members of religious orders
For purposes of this subchapter, in any case where an individual is a member of a religious order (as defined in section 3121(r)(2) of the Internal Revenue Code of 1986) performing service in the exercise of duties required by such order, and an election of coverage under section 3121(r) of such Code is in effect with respect to such order or with respect to the autonomous subdivision thereof to which such member belongs, the term "wages" shall, subject to the provisions of subsection (a) of this section, include as such individual's remuneration for such service the fair market value of any board, lodging, clothing, and other perquisites furnished to such member by such order or subdivision thereof or by any other person or organization pursuant to an agreement with such order or subdivision, except that the amount included as such individual's remuneration under this paragraph shall not be less than $100 a month.

(h) Retired justices and judges
For purposes of this subchapter, in the case of an individual performing service under the provisions of section 294 of title 28 (relating to assignment of retired justices and judges to active duty), the term "wages" shall not include any payment under section 371(b) of such title 28 which is received during the period of such service.

(i) Employer contributions under sections 401(k) and 414(h)(2) of Internal Revenue Code
Nothing in any of the foregoing provisions of this section (other than subsection (a)) shall exclude from the term "wages"—

(1) Any employer contribution under a qualified cash or deferred arrangement (as defined in section 401(k) of the Internal Revenue Code of 1986) to the extent not included in gross income by reason of section 402(a)(8) of such Code, or

(2) Any amount which is treated as an employer contribution under section 414(h)(2) of such Code where the pickup referred to in such section is pursuant to a salary reduction agreement under section 408(h)(1)(B), or 457(a) of such Code or by reason of a salary reduction agreement under section 408(h) of such Code.

(j) Amounts deferred under nonqualified deferred compensation plans
Any amount deferred under a nonqualified deferred compensation plan (within the meaning of section 3121(v)(2)(C) of the Internal Revenue Code of 1986) shall be taken into account for purposes of this subchapter as of the later of when the services are performed, or when there is no substantial risk of forfeiture of the rights to such amount. Any amount taken into account as wages by reason of the preceding sentence (and the income attributable thereto) shall not thereafter be treated as wages for purposes of this subchapter.

(k) "National average wage index" and "deferred compensation amount" defined

(1) For purposes of sections 403(f)(8)(B)(i)(1), 413(d)(2)(B), 415(a)(1)(B)(i)(1), 415(a)(1)(C)(ii), 415(a)(1)(D), 415(b)(3)(A)(ii), 415(l)(1)(E), 415(l)(2)(C)(ii), 424(f)(2)(B), and 430(b)(2) and (430)(b)(3) of this title as in effect immediately prior to the enactment of the Social Security Amendments of 1977, the term 'national average wage index' for any particular calendar year means, subject to regulations of the Commissioner of Social Security under paragraph (2), the average of the total wages for such particular calendar year.

(2) The Commissioner of Social Security shall prescribe regulations under which the national average wage index for any calendar year shall be computed—

(A) on the basis of amounts reported to the Secretary of the Treasury or his delegate for such year.

(B) by disregarding the limitation on wages specified in subsection (a)(1).

(C) with respect to calendar years after 1990, by incorporating deferred compensation amounts and factoring in for such years the rate of change from year to year in such amounts, in a manner consistent with the requirements of section 10208 of the Omnibus Budget Reconciliation Act of 1989, and

(D) with respect to calendar years before 1978, in a manner consistent with the manner in which the average of the total wages for each of such calendar years was determined as provided by applicable law as in effect for such years.

(3) For purposes of this subsection, the term "deferred compensation amount" means—

(A) any amount excluded from gross income under chapter 1 of the Internal Revenue Code of 1986 by reason of section 402(a)(8), 402(h)(1)(B), or 457(a) of such Code or by reason of a salary reduction agreement under section 408(h) of such Code.

(B) any amount with respect to which a deduction is allowable under chapter 1 of such Code by reason of a contribution to a plan described in section 501(c)(18) of such Code, and

(C) to the extent provided in regulations of the Commissioner of Social Security, deferred compensation provided under any arrangement, agreement, or plan referred to in subsection (i) or (j).


1987—Pub. L. 100–203, §9001(a)(2), in second indented par. of closing provisions, substituted “only (1) his basic pay as described in chapter 3 and section 1009 of title 37 in the case of an individual performing service to which subparagraph (A) of such section 410(h)(1) of this title applies, or (2) his compensation for such service as determined under section 206(a) of title 37 in the case of an individual performing service to which subparagraph (B) of such section 410(h)(1) of this title applies.” for “only his basic pay as described in chapter 3 and section 1009 of title 37.”

1986—Subsec. (b)(3). Pub. L. 100–203, §9002(a)(1), substituted “death, except that this subsection does not apply to a payment for group-term life insurance to the extent that such payment is includible in the gross income of the employee under the Internal Revenue Code of 1986” for “death.”


1983—Subsec. (b)(2). Pub. L. 98–369, §2661(i)(2), in undesignated par. relating to the meaning of “wages” in the case of a member of a uniformed service to which section 410(h)(1) of this title is applicable, substituted “chapter 3 and section 1009 of title 37” for “section 102(10) of the Servicemen’s and Veterans’ Survivor Benefits Act”.

1982—Subsec. (b)(3). Pub. L. 97–353, §1082(c), added subsec. (d) to (f) respectively, redesignated subsec. (a)(8) as (a)(11), added subsec. (g), redesignated subsec. (h)(2) as (h)(3).
Subsec. (e)(8). Pub. L. 98–21, §328(b), added cl. (8).
Subsec. (l). Pub. L. 98–21, §328(c)(3)(B), struck out subsec. (i) which related to any payment (other than vacation or sick pay) made to an employee after the month in which he attained age 62, if he did not work for the employer in the period for which such payment was made, and provided for this subsection that “sick pay” included for remuneration for service in the employ of a State, a political subdivision (as defined in section 418(b)(2) of this title) of a State, or an instrumentality of two or more States, paid to an employee thereof for a period during which he was absent from work because of sickness.

Subsec. (m)(1)(C). Pub. L. 98–21, §328(c)(3)(C), struck out subpart. (C) which related to retirement after attaining an age specified in the plan referred to in par. (2) or in a pension plan of the employer.

Subsec. (r). Pub. L. 98–21, §327(a)(2), added subsec. (r). Pub. L. 98–21, §327(b)(2), inserted, immediately following subsec. (r), provision that nothing in the regulations prescribed for purposes of chapter 24 of the Internal Revenue Code of 1954 (relating to income tax withholding) which provides an exclusion from “wages” as used in such chapter shall be construed to require a similar exclusion from “wages” in the regulations prescribed for purposes of this subchapter.

Pub. L. 98–21, §101(c)(1), inserted, at end of section, undesignated pars. defining “wages” for purposes of this subchapter in the case of an individual performing service under provisions of section 294 of title 28 (relating to assignment of retired judges and judges to active duty) to include payments under section 371(b) of title 28 that is received during the period of such service.

1961—Subsec. (b)(2). Pub. L. 97–123 inserted “but, in the case of payments made to an employee or any of his dependents, this clause shall exclude from the term ‘wages’ only payments which are received under a worker’s compensation law)” directing that any amount deferred under a nonqualified deferred compensation plan be taken into account under certain conditions but not treated as wages thereafter for purposes of this subchapter.

Pub. L. 98–21, §101(c)(1), inserted, at end of section, undesignated pars. specifying the inclusion of certain employer contributions as “wages” and directing that at time of any payment after 1962, is a qualified bond purchase plan described in section 405(a), I.R.C. 1954.

Subsec. (i). Pub. L. 98–21, §101(c)(1), added at end defining “wages” in the case of members of a religious order when an election under section 312(r) of the Internal Revenue Code of 1954 is in effect.


Subsec. (m). Pub. L. 90–248, §594(c), added subsec. (m).


Subsec. (l). Pub. L. 89–97, §313(a)(1), added subsec. (l). Pub. L. 89–97, §313(a)(2), added paragraph at end providing that tips be considered remuneration and that such remuneration be deemed paid as of the filing of a written statement or as of the time received.

1964—Subsec. (e). Pub. L. 88–272 included as “wages” payments after 1954 under or to trust exempt under sections 401 and 403(a), I.R.C. 1954, under annuity plans after 1964 and prior to 1966, under section 401(a)(3), (4), (5), and (6), I.R.C. 1954, under or to annuity plans which at time of payment after 1962, are described in section 403(a), I.R.C. 1954, and under or to a bond purchase plan which at time of any payment after 1962, is a qualified bond purchase plan described in section 403(a), I.R.C. 1954.


1961—Subsec. (1). Pub. L. 87–84 substituted “attains age 62 (if a woman) or age 65 (if a man)” for “attains retirement age (as defined in section 416(a) of this title)”.

Subsec. (l). Pub. L. 87–293 added last paragraph providing for computation of wages for Peace Corps volunteer service.


Pub. L. 86–778, §103(j)(2)(C), substituted “section 410(m)(1)” of this title for “section 410(m)(1) of this title” in last par.


Subsec. (i). Pub. L. 85–786 inserted sentence to include remuneration for service in State employment paid to employee for period he was absent for illness in term “sick pay”.

1958—Subsec. (b)(2). Act Aug. 1, 1956, ch. 836, included within definition of “wages” cash remuneration of $150 or more, and cash remuneration computed on a time basis where the employee performs agricultural labor for the employer on 20 days or more during the calendar year.

Act Aug. 1, 1956, ch. 837, added penultimate par. to define “wages” in the case of an individual performing service, as a member of a uniformed service, to which the provisions of section 410(m)(1) of this title are applicable.

1954—Subsec. (a). Act Sept. 1, 1954, §104(a), provided that for years after 1954 “wages” would exclude any remuneration in excess of $4,200 paid to an individual with respect to employment during a calendar year.

Subsec. (g)(2). Act Sept. 1, 1954, §101(a)(1), made coverage of domestic service depend solely on receipt by the employee, in a quarter, of $50 in cash remuneration from one employer for such service.


1946—Subsec. (a). Act Aug. 10, 1946, §414, in amending subsec. (a), made pars. (1) and (2) applicable only to payments before Jan. 1, 1947, added new par. (3), applicable to payments after that date, and renumbered former pars. (3) to (6) to be pars. (4) to (7), respectively.
Subsec. (h). Act Aug. 10, 1946, §407(a), in amending subsec. (h), required a currently insured individual to have not less than six quarters of coverage during the period consisting of the quarter in which he died and the twelve preceding quarters.

Subsec. (i). Act Aug. 10, 1946, §408(a), in amending subsec. (i), required only that a wife be married to the insured individual for 36 months instead of requiring that they be married before Jan. 1, 1939, or before he became 60 years of age, as was formerly the case.

Subsec. (k). Act Aug. 10, 1946, §409(a), in amending subsec. (k), changed requirement that a stepchild or adopted child must have been such before the individual reached age 60 to require, in the case of a living individual, that the child must have been a stepchild or adopted child for 36 months.


1944—Subsec. (o)(1). Act Apr. 4, 1944, §2, inserted "but shall not include any such service performed (1) under a contract entered into without the United States and documented under the laws of any foreign country and bareboat chartered to the War Shipping Administration".


**Effective Date of 2014 Amendments**


**Effective Date of 2008 Amendments**

Amendment by Pub. L. 110–245 effective as if included in section 151(c) of Pub. L. 110–245 (Supplemental Appropriations Act, 2008), see section 110(b) of Pub. L. 110–245, set out as a note under section 221(b) of Pub. L. 113–295, as amended, effective as if included in amendment made by section 122(e)(5) of Pub. L. 99–514.

**Effective Date of 2004 Amendments**


Amendment by section 320(b)(5) of Pub. L. 108–357 applicable to amounts received by an individual in taxable years beginning after Dec. 31, 2003, see section 320(c) of Pub. L. 108–357, set out as a note under section 108 of Title 26, Internal Revenue Code.

**Effective Date of 1996 Amendments**

Amendment by section 1421(b)(8)(B) of Pub. L. 104–188 applicable to taxable years beginning after Dec. 31, 1996, see section 1421(e) of Pub. L. 104–188, set out as a note under section 72 of Title 26, Internal Revenue Code.

**Effective Date of 1994 Amendments**

Amendment by section 1548(b)(3)(B) of Pub. L. 104–188 applicable to remuneration paid after Dec. 31, 1996, see section 1548(c)(2) of Pub. L. 104–188, set out as a note under section 3121 of Title 26.

**Effective Date of 1990 Amendments**

Amendment by Pub. L. 101–508 effective as if included in the enactment of Pub. L. 101–239, §10208, see section 5130(b) of Pub. L. 101–508, set out as a note under section 1402 of Title 26, Internal Revenue Code.

**Effective Date of 1989 Amendments**

Amendment by section 10238(a) of Pub. L. 101–239 applicable with respect to computation of average total wage amounts (under amended provisions) for calendar years after 1990, see section 10219(c) of Pub. L. 101–239, set out as a note under section 1402 of this title.

Amendment by Pub. L. 101–140 effective as if included in section 1151 of Pub. L. 99–514, see section 203(c) of Pub. L. 101–140, set out as a note under section 79 of Title 26, Internal Revenue Code.

**Effective Date of 1988 Amendments**

Amendment by section 1001(g)(4)(C), 1011(f)(8), and 1011(a)(25)(B) of Pub. L. 100–647 effective, except as otherwise provided, as if included in the provision of the Tax Reform Act of 1986, Pub. L. 99–514, to which such amendment relates, see section 1011(a) of Pub. L. 100–647, set out as a note under section 1 of Title 26, Internal Revenue Code.

Amendment by section 1011a(a)(22)(E) of Pub. L. 100–647 not applicable to any individual who separated from service with the employer before Jan. 1, 1989, see section 1011a(a)(22)(F) of Pub. L. 100–647, set out as a note under section 3121 of Title 26.

Amendment by section 3043(a) of Pub. L. 100–647 applicable to all periods beginning before, on, or after Nov. 10, 1988, with no inference created as to existence or non-existence or scope of any exemption from tax for income derived from fishing rights secured as of Mar. 17, 1988, by any treaty, law, or Executive Order, see section 3044 of Pub. L. 100–647, set out as an Effective Date note under section 7673 of Title 26.

Amendment by section 8017(a) of Pub. L. 100–647 effective as if included in amendments made by section 9002 of Omnibus Budget Reconciliation Act of 1987, Pub. L. 99–203, see section 8017(c) of Pub. L. 100–647, set out as a note under section 3121 of Title 26.

**Effective Date of 1987 Amendments**

Amendment by section 9001(a)(2) of Pub. L. 100–203 applicable with respect to remuneration paid after Dec. 31, 1987, see section 9001(d) of Pub. L. 100–203, set out as a note under section 3121 of Title 26, Internal Revenue Code.

Amendment by section 9002(a) of Pub. L. 100–203 applicable with respect to remuneration for agricultural labor paid after Dec. 31, 1987, see section 9002(c) of Pub. L. 100–203, set out as a note under section 3121 of Title 26.

Amendment by section 9003(a)(1) of Pub. L. 100–203 applicable with respect to group-term life insurance coverage in effect after Dec. 31, 1987, with exception for employer’s group-term life insurance payments for certain former employees, see section 9003(b) of Pub. L. 100–203, as amended, set out as a note under section 3121 of Title 26.

**Effective Date of 1986 Amendments**

Amendment by section 122(e)(5) of Pub. L. 99–514 applicable to prizes and awards granted after Dec. 31, 1986, see section 151(c) of Pub. L. 99–514, set out as a note under section 1 of Title 26, Internal Revenue Code.


**Effective Date of 1984 Amendments**

ing sections 411 and 413 of this title and section 1402 of Title 26] shall apply only with respect to taxable years ending after 1967. The amendment made by subsection (a)(4) [amending section 415 of this title] shall apply only with respect to calendar years after 1967.

Amendment by section 504(c) of Pub. L. 90-248 applicable with respect to remuneration paid after Jan. 2, 1968, see section 504(d) of Pub. L. 90-248, set out as a note under section 3211 of Title 26.

**Effective Date of 1965 Amendment**

Amendment by section 313(a) of Pub. L. 89-97 applicable only with respect to tips received by employees after 1955, see section 313(f) of Pub. L. 89-97, set out as an Effective Date note under section 6053 of Title 26, Internal Revenue Code.

Amendment by section 322(a)(1) of Pub. L. 89-97 applicable with respect to remuneration paid after Dec. 1965, see section 322(c) of Pub. L. 89-97, set out as a note under section 3211 of Title 26.

**Effective Date of 1964 Amendment**

Amendment by Pub. L. 88-650 applicable with respect to remuneration paid on or after the first day of the first calendar month which begins more than ten days after Oct. 13, 1964, see section 88-650, set out as a note under section 3211 of Title 26, Internal Revenue Code.

Amendment by Pub. L. 88-272 applicable to remuneration paid after Dec. 31, 1962, see section 220(d) of Pub. L. 88-272, set out as an Effective Date note under section 406 of Title 26.

**Effective Date of 1961 Amendment**

Amendment by Pub. L. 87-283 applicable with respect to services performed after Sept. 22, 1961, but in the case of persons serving under the Peace Corps agency established by executive order, applicable with respect to services performed on or after the effective date of enrollment, see section 202(c) of Pub. L. 87-283, set out as a note under section 3211 of Title 26, Internal Revenue Code.

Amendment by Pub. L. 87-64 applicable with respect to monthly benefits for months beginning on or after August 1, 1961, based on applications filed in or after March 1961, and with respect to lump-sum death payments under this subchapter in the case of deaths on or after August 1, 1961, see sections 102(f) and 109 of Pub. L. 87-64, set out as an 1961 Increase in Monthly Benefits; Effective Date, and Effective Date of 1961 Amendment notes, respectively, under section 402 of this title.

**Effective Date of 1960 Amendment**


**Effective Date of 1958 Amendment**

Pub. L. 85-786, §2, Aug. 27, 1958, 72 Stat. 938, provided that: "The amendment made by section 1 [amending this section] shall be applicable to remuneration paid after the enactment of this Act [Aug. 27, 1958], except that, in the case of any coverage group which is included under the agreement of a State under section 218 of the Social Security Act [42 U.S.C. 418], the amendment made by section 1 shall also be applicable to remuneration for any member of such coverage group with respect to services performed after the effective date, specified in such agreement, for such coverage group, if such State has paid or agreed, prior to January 1, 1959, to pay, prior to such date, the amounts which under section 218(e) [42 U.S.C. 418(e)] would have been payable with respect to remuneration of all members of such coverage group had the amendment made by section 1 been in effect on and after January 1, 1951. Failure by a State to make such payments prior to January 1, 1959, shall be treated the same as failure to make payments when due under section 218(e)."

**Effective Date of 1956 Amendment**


Act Aug. 1, 1956, ch. 836, title I, §105(d), 70 Stat. 828, provided that: "The amendment made by subsection (a) of this section [amending this section] shall apply with respect to remuneration paid after 1956, and the amendment made by subsection (b) of this section [amending section 410 of this title] shall apply with respect to service performed after 1956.

**Effective Date of 1954 Amendment**

Amendment by act Aug. 28, 1950, ch. 809, title I, §104(b), 64 Stat. 512, provided that: "The amendment made by subsection (a) [amending this section] shall take effect January 1, 1961, except that sections 214, 215, and 216 of the Social Security Act [42 U.S.C. 414, 415, 416] shall be applicable (1) in the case of monthly benefits for months after August 1956, and (2) in the case of lump-sum death payments with respect to deaths after August 1956.

**Effective Date of 1948 Amendment**

Act Apr. 20, 1948, ch. 222, §1(b), 62 Stat. 195, provided in part that: "The amendment made by subsection (a) [amending this section] shall be applicable with respect to services performed after the date of the enactment of this Act [Apr. 20, 1948]."

**Effective Date of 1946 Amendment**

Act Aug. 10, 1946, ch. 951, title IV, §§407(b), 408(b), 409(b), 60 Stat. 988, each provided that: "The amendment made by subsection (a) [amending this section] shall be applicable only in cases of applications for benefits under this title [this subchapter] filed after December 31, 1946."

**Effective Date of 1945 Amendment**

Act Dec. 29, 1945, ch. 652, title I, §6(a), 59 Stat. 671, provided that the amendment made by that section is effective Jan. 1, 1946.

**Effective Date of 1939 Amendment**

Act Aug. 10, 1939, ch. 666, title II, §201, 53 Stat. 1362, provided that the amendment made by that section is effective Jan. 1, 1940.

**Repeals: Amendments and Application of Amendments Unaffected**

Pub. L. 87-293, title II, §202(b)(2), Sept. 22, 1961, 75 Stat. 626, cited as a credit to this section, was repealed by Pub. L. 89-572, §9(a), Sept. 13, 1966, 80 Stat. 765. Such repeal not deemed to affect amendments to this section contained in such provisions, and continuation in full force and effect until modified by appropriate authority of all determinations, authorization, regulations, orders, contracts, agreements, and other actions issued, undertaken, or entered into under authority of the repealed provisions, see section 5(b) of Pub. L. 89-572, set out as a note under former section 2515 of Title 22, Foreign Relations and Intercourse.

**Exclusion From Wages and Compensation of Funds Required from Employers To Compensate For Duplication of Medicare Benefits by Health Care Benefits Provided by Employers**

For purposes of this subchapter, the term "wages" shall not include the amount of any refund required under section 421 of Pub. L. 100-360 [42 U.S.C. 1395b...
§ 410. Definitions relating to employment

For the purposes of this subchapter—

(a) Employment

The term “employment” means any service performed after 1936 and prior to 1951 which was employment for the purposes of this subchapter under the law applicable to the period in which such service was performed, and any service, of whatever nature, performed after 1950 (A) by an employee for the person employing him, irrespective of the citizenship or residence of either, (i) within the United States, or (ii) on or in connection with an American vessel or American aircraft under a contract of service which is entered into within the United States or during the performance of which and while the employee is employed on the vessel or aircraft it touches at a port in the United States, if the employee is employed on and in connection with such vessel or aircraft when outside the United States, or (B) outside the United States by a citizen or resident of the United States as an employee (i) of an American employer (as defined in subsection (e) of this section), or (ii) of a foreign affiliate (as defined in section 3121(f)(6) of the Internal Revenue Code of 1986) of an American employer during any period for which there in effect an agreement, entered into pursuant to section 3121(f) of such Code, with respect to such affiliate, or (C) if it is service, regardless of where or by whom performed, which is designated as employment or recognized as equivalent to employment under an agreement entered into under section 433 of this title; except that, in the case of service performed after 1950, such term shall not include—

1. Service performed by foreign agricultural workers lawfully admitted to the United States from the Bahamas, Jamaica, and the other British West Indies, or from any other foreign country or possession thereof, on a temporary basis to perform agricultural labor;

2. Domestic service performed in a local college club, or local chapter of a college fraternity or sorority, by a student who is enrolled and is regularly attending classes at a school, college, or university;

3. (A) Service performed by a child under the age of 18 in the employment of his father or mother;

(B) Service not in the course of the employer’s trade or business, or domestic service in a private home of the employer, performed by an individual under the age of 21 in the employ of his father or mother, or performed by an individual in the employ of his spouse or son or daughter; except that the provisions of this subparagraph shall not be applicable to such domestic service performed by an individual in the employ of his son or daughter if—

(i) the employer is a surviving spouse or a divorced individual and has not remarried, or has a spouse living in the home who has a mental or physical condition which results in such spouse’s being incapable of caring for a son, daughter, stepson, or stepdaughter.
(referred to in clause (ii)) for at least 4 continuous weeks in the calendar quarter in which the service is rendered, and
(ii) a son, daughter, stepson, or stepdaughter of such employer is living in the home, and
(iii) the son, daughter, stepson, or stepdaughter (referred to in clause (ii)) has not attained age 18 or has a mental or physical condition which requires the personal care and supervision of an adult for at least 4 continuous weeks in the calendar quarter in which the service is rendered;
(4) Service performed by an individual on or in connection with a vessel not an American vessel, or on or in connection with an aircraft not an American aircraft, if (A) the individual is employed on and in connection with such vessel or aircraft when outside the United States and (B)(i) such individual is not a citizen of the United States or (ii) the employer is not an American employer;
(5) Service performed in the employ of the United States or any instrumentality of the United States, if such service—
(A) would be excluded from the term “employment” for purposes of this subchapter if the provisions of paragraphs (5) and (6) of this subsection as in effect in January 1983 had remained in effect, and
(B) is performed by an individual who—
(i) has been continuously performing service described in subparagraph (A) since December 31, 1983, and for purposes of this clause—
(I) if an individual performing service described in subparagraph (A) returns to the performance of such service after being separated therefrom for a period of less than 366 consecutive days, regardless of whether the period began before, on, or after December 31, 1983, then such service shall be considered continuous,
(II) if an individual performing service described in subparagraph (A) returns to the performance of such service after being detailed or transferred to an international organization as described under section 3349 of subchapter III of chapter 83 of title 3, if the maximum rate of basic pay for such position is at or above the rate for level V of the Executive Schedule,
(III) if an individual performing service described in subparagraph (A) is reemployed or reinstated after being separated from such service for the purpose of accepting employment with the American Institute of Taiwan as provided under section 3310 of title 22, then the service performed for that Institute shall be considered service described in subparagraph (A),
(IV) if an individual performing service described in subparagraph (A) returns to the performance of such service after performing service as a member of a uniformed service (including, for purposes of this clause, service in the National Guard and temporary service in the Coast Guard Reserve) and after exercising restoration or reemployment rights as provided under chapter 43 of title 38, then the service so performed as a member of a uniformed service shall be considered service described in subparagraph (A), and
(V) if an individual performing service described in subparagraph (A) returns to the performance of such service after employment (by a tribal organization) to which section 5323(e)(2) of title 25 applies, then the service performed for that tribal organization shall be considered service described in subparagraph (A); or
(ii) is receiving an annuity from the Civil Service Retirement and Disability Fund, or benefits (for service as an employee) under another retirement system established by a law of the United States for employees of the Federal Government (other than for members of the uniformed services);
except that this paragraph shall not apply with respect to any such service performed on or after any date on which such individual performs—
(C) service performed as the President or Vice President of the United States,
(D) service performed—
(i) in a position placed in the Executive Schedule under sections 5312 through 5317 of title 5,
(ii) as a noncareer appointee in the Senior Executive Service or a noncareer member of the Senior Foreign Service, or
(iii) in a position to which the individual is appointed by the President (or his designee) or the Vice President under section 105(a)(1), 106(a)(1), or 107(a)(1) or (b)(1) of title 3, if the maximum rate of basic pay for such position is at or above the rate for level V of the Executive Schedule,
(E) service performed as the Chief Justice of the United States, an Associate Justice of the Supreme Court, a judge of a United States court of appeals, a judge of a United States district court (including the district court of a territory), a judge of the United States Court of Federal Claims, a judge of the United States Court of International Trade, a judge of the United States Tax Court, a United States magistrate judge, or a referee in bankruptcy or United States bankruptcy judge,
(F) service performed as a Member, Delegate, or Resident Commissioner of or to the Congress,
(G) any other service in the legislative branch of the Federal Government if such service—
(i) is performed by an individual who was not subject to subchapter III of chapter 83 of title 5 or to another retirement system established by a law of the United States for employees of the Federal Government (other than for members of the uniformed services), on December 31, 1983, or
(ii) is performed by an individual who has, at any time after December 31, 1983,
received a lump-sum payment under section 8342(a) of title 5 or under the corresponding provision of the law establishing the other retirement system described in clause (i), or (iii) is performed by an individual after such individual has otherwise ceased to be subject to subchapter III of chapter 83 of title 5, (without having an application pending for coverage under such subchapter), while performing service in the legislative branch (determined without regard to the provisions of subparagraph (B) relating to continuity of employment), for any period of time after December 31, 1983, and for purposes of this subparagraph (G) an individual is subject to such subchapter III or to any such other retirement system at any time only if (a) such individual’s pay is subject to deductions, contributions, or similar payments (concurrent with the service being performed at that time) under section 8334(a) of such title or the corresponding provision of the law establishing such other system, or (in a case to which section 8332(k)(1) of such title applies) such individual is making payments of amounts equivalent to such deductions, contributions, or similar payments while on leave without pay, or (b) such individual is receiving an annuity from the Civil Service Retirement and Disability Fund, or is receiving benefits (for service as an employee) under another retirement system established by a law of the United States for employees of the Federal Government (other than for members of the uniformed services), or (H) service performed by an individual—

(i) on or after the effective date of an election by such individual, under section 301 of the Federal Employees’ Retirement System Act of 1986, section 2157 of title 50, or the Federal Employees’ Retirement System Open Enrollment Act of 19971 to become subject to the Federal Employees’ Retirement System provided in chapter 84 of title 5, or

(ii) on or after the effective date of an election by such individual, under regulations issued under section 860 of the Foreign Service Act of 1980 [22 U.S.C. 4071], to become subject to the Foreign Service Pension System provided in subchapter II of chapter 8 of title I of such Act [22 U.S.C. 4071 et seq.];

(6) Service performed in the employ of the United States or any instrumentality of the United States if such service is performed—

(A) in a penal institution of the United States by an inmate thereof;

(B) by any individual as an employee included under section 5351(2) of title 5 (relating to certain interns, student nurses, and other student employees of hospitals of the Federal Government), other than as a medical or dental intern or a medical or dental resident in training; or

(C) by any individual as an employee serving on a temporary basis in case of fire, storm, earthquake, flood, or other similar emergency;

(7) Service performed in the employ of a State, or any political subdivision thereof, or any instrumentality of any one or more of the foregoing which is wholly owned thereby, except that this paragraph shall not apply in the case of—

(A) service included under an agreement under section 418 of this title,

(B) service which, under subsection (k), constitutes covered transportation service,

(C) service in the employ of the Government of Guam or the Government of American Samoa or any political subdivision thereof, or of any instrumentality of any one or more of the foregoing which is wholly owned thereby, performed by an officer or employee thereof (including a member of the legislature of any such Government or political subdivision), and, for purposes of this subchapter—

(i) any person whose service as such an officer or employee is not covered by a retirement system established by a law of the United States shall not, with respect to such service, be regarded as an officer or employee of the United States or any agency or instrumentality thereof, and

(ii) the remuneration for service described in clause (i) (including fees paid to a public official) shall be deemed to have been paid by the Government of Guam or the Government of American Samoa or by a political subdivision thereof or an instrumentality of any one or more of the foregoing which is wholly owned thereby, whichever is appropriate.

(D) service performed in the employ of the District of Columbia or any instrumentality which is wholly owned thereby, if such service is not covered by a retirement system established by a law of the United States (other than the Federal Employees Retirement System provided in chapter 84 of title 5); except that the provisions of this subparagraph shall not be applicable to service performed—

(i) in a hospital or penal institution by a patient or inmate thereof;

(ii) by any individual as an employee included under section 5351(2) of title 5 (relating to certain interns, student nurses, and other student employees of hospitals of the District of Columbia Government), other than as a medical or dental intern or as a medical or dental resident in training;

(iii) by any individual as an employee serving on a temporary basis in case of fire, storm, snow, earthquake, flood, or other similar emergency; or

(iv) by a member of a board, committee, or council of the District of Columbia, paid on a per diem, meeting, or other fee basis,

(E) service performed in the employ of the Government of Guam (or any instrumentality which is wholly owned by such Government) by an employee properly classified as a temporary or intermittent employee, if such service is not covered by a retirement

---

1 So in original. Probably should be followed by a comma.
system established by a law of Guam; except that (i) the provisions of this subparagraph shall not be applicable to services performed by an elected official or a member of the legislature or in a hospital or penal institution by a patient or inmate thereof, and (ii) for purposes of this subparagraph, clauses (i) and (ii) of subparagraph (C) shall apply, or

(F) service in the employ of a State (other than the District of Columbia, Guam, or American Samoa), of any political subdivision thereof, or of any instrumentality of any one or more of the foregoing which is wholly owned thereby, by an individual who is not a member of a retirement system of such State, political subdivision, or instrumentality, except that the provisions of this subparagraph shall not be applicable to service performed—

(i) by an individual who is employed to relieve such individual from unemploy-

ment;

(ii) in a hospital, home, or other institution by a patient or inmate thereof;

(iii) by any individual as an employee serving on a temporary basis in case of fire, storm, snow, earthquake, flood, or other similar emergency;

(iv) by an election official or election worker if the remuneration paid in a cal-

endar year for such service is less than $1,000 with respect to service performed during any calendar year commencing on or after December 31, 1999, and the adjusted amount determined under section 418(c)(8)(B) of this title for any calendar year commencing on or after January 1, 2000, with respect to service performed during such calendar year; or

(v) by an employee in a position compens-

ated solely on a fee basis which is treated pursuant to section 411(c)(2)(E) of this title as a trade or business for pur-

poses of inclusion of such fees in net earn-

ings from self employment;

for purposes of this subparagraph, except as provided in regulations prescribed by the Secretary of the Treasury, the term "retire-

ment system" has the meaning given such term by section 418(b)(4) of this title;

(B) Service performed by a duly ordained, commissioned, or licensed minister of a church in the exercise of his ministry or by a member of a religious order in the exercise of duties required by such order, except that this subparagraph shall not apply to service performed by a member of such an order in the exercise of such duties, if an election of coverage under section 3121(v) of the Internal Revenue Code of 1986 is in effect with respect to such order, or with respect to the autonomous subdivision thereof to which such member belongs;

(B) Service performed in the employ of a church or qualified church-controlled organization if such church or organization has in ef-

fect an election under section 3121(w) of the Internal Revenue Code of 1986, other than service in an unrelated trade or business (within the meaning of section 513(a) of such Code);

(9) Service performed by an individual as an employee or employee representative as defined in section 3331 of the Internal Revenue Code of 1986;

(10) Service performed in the employ of—

(A) a school, college, or university, or

(B) an organization described in section 509(a)(3) of the Internal Revenue Code of 1986 if the organization is organized, and at all times thereafter is operated, exclusively for the benefit of, to perform the functions of, or to carry out the purposes of a school, college, or university and is operated, supervised, or controlled by or in connection with such school, college, or university, unless it is a school, college, or university of a State or a political subdivision thereof and the services in its employ performed by a student referred to in section 418(c)(5) of this title are covered under the agreement between the Commissioner of Social Security and such State entered into pursuant to section 418 of this title;

if such service is performed by a student who is enrolled and regularly attending classes at such school, college, or university;

(11) Service performed in the employ of a foreign government (including service as a consular or other officer or employee or a non-

diplomatic representative);

(12) Service performed in the employ of an instrumentality wholly owned by a foreign government—

(A) If the service is of a character similar to that performed in foreign countries by employees of the United States Government or of an instrumentality thereof; and

(B) If the Secretary of State shall certify to the Secretary of the Treasury that the foreign government, with respect to whose instrumentality and employees thereof exemption is claimed, grants an equivalent exemption with respect to similar service per-

formed in the foreign country by employees of the United States Government and of instrumentalities thereof;

(13) Service performed as a student nurse in the employ of a hospital or a nurses' training school by an individual who is enrolled and is regularly attending classes in a nurses' training school chartered or approved pursuant to State law;

(14)(A) Service performed by an individual under the age of eighteen in the delivery or distribution of newspapers or shopping news, not including delivery or distribution to any point for subsequent delivery or distribution;

(B) Service performed by an individual in, and at the time of, the sale of newspapers or magazines to ultimate consumers, under an arrangement under which the newspapers or magazines are to be sold by him at a fixed price, his compensation being based on the retention of the excess of such price over the amount at which the newspapers or magazines are charged to him, whether or not he is guaranteed a minimum amount of compensation for such service, or is entitled to be credited with the unsold newspapers or magazines turned back;
§ 410  TITLE 42—THE PUBLIC HEALTH AND WELFARE  Page 1750

(15) Service performed in the employ of an international organization entitled to enjoy privileges, exceptions, and immunities as an international organization under the International Organizations Immunities Act (59 Stat. 669) [22 U.S.C. 288 et seq.], except service which constitutes “employment” under subsection (r);

(16) Service performed by an individual under an arrangement with the owner or tenant of land pursuant to which—

(A) such individual undertakes to produce agricultural or horticultural commodities (including livestock, bees, poultry, and fur-bearing animals and wildlife) on such land, (B) the agricultural or horticultural commodities produced by such individual, or the proceeds therefrom, are to be divided between such individual and such owner or tenant, and

(C) the amount of such individual’s share depends on the amount of the agricultural or horticultural commodities produced;


(18) Service performed in Guam by a resident of the Republic of the Philippines while in Guam on a temporary basis as a non-immigrant alien admitted to Guam pursuant to section 1101(a)(15) of title 8, and

(19) Service which is performed by a non-resident alien individual for the period he is temporarily present in the United States as a non-immigrant alien admitted to Guam pursuant to section 1101(a)(15) of title 8, and

(20) Service (other than service described in paragraph (19)) performed by an individual on a boat engaged in catching fish or other forms of aquatic animal life under an arrangement with the owner or operator of such boat pursuant to which—

(A) such individual does not receive any additional compensation other than as provided in subparagraph (B) and other than cash remuneration—

(i) which does not exceed $100 per trip;

(ii) which is contingent on a minimum catch; and

(iii) which is paid solely for additional duties (such as mate, engineer, or cook) for which additional cash remuneration is traditional in the industry,

(B) such individual receives a share of the boat’s (or the boats’ in the case of a fishing operation involving more than one boat) catch of fish or other forms of aquatic animal life or a share of the proceeds from the sale of such catch, and

(C) the amount of such individual’s share depends on the amount of the boat’s (or boats’ in the case of a fishing operation involving more than one boat) catch of fish or other forms of aquatic animal life, but only if the operating crew of such boat (or each boat from which the individual receives a share in the case of a fishing operation involving more than one boat) is normally made up of fewer than 10 individuals;

(21) Domestic service in a private home of the employer which—

(A) is performed in any year by an individual under the age of 18 during any portion of such year; and

(B) is not the principal occupation of such employee; or

(22) Service performed by members of Indian tribal councils as tribal council members in the employ of an Indian tribal government, except that this paragraph shall not apply in the case of service included under an agreement under section 418a of this title.

For purposes of paragraph (20), the operating crew of a boat shall be treated as normally made up of fewer than 10 individuals if the average size of the operating crew on trips made during the preceding 4 calendar quarters consisted of fewer than 10 individuals.

(b) Included and excluded service

If the services performed during one-half or more of any pay period by an employee for the person employing him constitute employment, all the services of such employee for such period shall be deemed to be employment; but if the services performed during more than one-half of any such pay period by an employee for the person employing him do not constitute employment, then none of the services of such employee for such period shall be deemed to be employment. As used in this subsection, the term “pay period” means a period (of not more than thirty-one consecutive days) for which a payment of remuneration is ordinarily made to the employee by the person employing him. This subsection shall not be applicable with respect to services performed in a pay period by an employee for the person employing him, who is a resident of the United States, if any such service is excepted by paragraph (9) of subsection (a).

(c) American vessel

The term “American vessel” means any vessel documented or numbered under the laws of the United States; and includes any vessel which is neither documented or numbered under the laws of the United States nor documented under the laws of any foreign country, if its crew is employed solely by one or more citizens or residents of the United States or corporations organized under the laws of the United States or of any State.

(d) American aircraft

The term “American aircraft” means an aircraft registered under the laws of the United States.

(e) American employer

(1) The term “American employer” means an employer which is (A) the United States or any political subdivision thereof, (B) a State or any political subdivision thereof, or any instrumentality of any one or more of the foregoing, (C) an individual who is a resident of the United States, (D) a partnership, if two-thirds or more of the partners are residents of the United States, (E) a trust, if all of the trustees are residents of the United States, or (F) a corporation organized under the laws of the United States or of any State.
(2)(A) If any employee of a foreign person is performing services in connection with a contract between the United States Government (or any instrumentality thereof) and any member of any domestically controlled group of entities which includes such foreign person, such foreign person shall be treated as an American employer with respect to such services performed by such employee.

(B) For purposes of this paragraph—

(1) The term “domestically controlled group of entities” means a controlled group of entities the common parent of which is a domestic corporation.

(2) The term “controlled group of entities” means a controlled group of corporations as defined in section 1563(a)(1) of the Internal Revenue Code of 1986, except that—

(I) “more than 50 percent” shall be substituted for “at least 80 percent” each place it appears therein, and

(II) the determination shall be made without regard to subsections (a)(4) and (b)(2) of section 1563 of such Code.

A partnership or any other entity (other than a corporation) shall be treated as a member of a controlled group of entities if such entity is controlled (within the meaning of section 954(d)(3) of such Code) by members of such group (including any entity treated as a member of such group by reason of this sentence).

(C) Subparagraph (A) shall not apply to any services to which paragraph (1) of section 3121(z) of the Internal Revenue Code of 1986 does not apply by reason of paragraph (4) of such section.

(f) Agricultural labor

The term “agricultural labor” includes all service performed—

(1) On a farm, in the employ of any person, in connection with cultivating the soil, or in connection with raising or harvesting any agricultural or horticultural commodity, including the raising, shearing, feeding, caring for, training, and management of livestock, bees, poultry, and fur-bearing animals and wildlife.

(2) In the employ of the owner or tenant or other operator of a farm, in connection with the operation, management, conservation, improvement, or maintenance of such farm and its tools and equipment, or in salvaging timber or clearing land of brush and other debris left by a hurricane, if the major part of such service is performed on a farm.

(3) In connection with the production or harvesting of any commodity defined as an agricultural commodity in section 1141(j) of title 12, or in connection with the ginning of cotton, or in connection with the operation or maintenance of ditches, canals, reservoirs, or waterways, not owned or operated for profit, used exclusively for supplying and storing water for farming purposes.

(4)(A) In the employ of the operator of a farm in handling, planting, person, drying, packing, packaging, processing, freezing, grading, storing, or delivering to storage or to market or to a carrier for transportation to market, in its

unmanufactured state, any agricultural or horticultural commodity; but only if such operator produced more than one-half of the commodity with respect to which such service is performed.

(B) In the employ of a group of operators of farms (other than a cooperative organization) in the performance of service described in subparagraph (A) of this paragraph, but only if such operators produced all of the commodity with respect to which such service is performed. For the purposes of this subparagraph, any unincorporated group of operators shall be deemed a cooperative organization if the number of operators comprising such group is more than twenty at any time during the calendar year in which such service is performed.

(5) On a farm operated for profit if such service is not in the course of the employer’s trade or business.

The provisions of subparagraphs (A) and (B) of paragraph (4) of this subsection shall not be deemed to be applicable with respect to service performed in connection with commercial canning or commercial freezing or in connection with any agricultural or horticultural commodity after its delivery to a terminal market for distribution for consumption.

(g) Farm

The term “farm” includes stock, dairy, poultry, fruit, fur-bearing animal, and truck farms, plantations, ranches, nurseries, ranges, greenhouses or other similar structures used primarily for the raising of agricultural or horticultural commodities, and orchards.

(h) State

The term “State” includes the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, and American Samoa.

(i) United States

The term “United States” when used in a geographical sense means the States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, and American Samoa.

(j) Employee

The term “employee” means—

(1) any officer of a corporation; or

(2) any individual who, under the usual common law rules applicable in determining the employer-employee relationship, has the status of an employee; or

(3) any individual (other than an individual who is an employee under paragraph (1) or (2) of this subsection) who performs services for remuneration for any person—

(A) as an agent-driver or commission-driver engaged in distributing meat products, vegetable products, fruit products, bakery products, beverages (other than milk), or laundry or dry-cleaning services, for his principal;

(B) as a full-time life insurance salesman;

(C) as a home worker performing work, according to specifications furnished by the person for whom the services are performed, on materials or goods furnished by such person which are required to be returned to such person or a person designated by him; or

See References in Text note below.
(D) as a traveling or city salesman, other than as an agent-driver or commission-driver, engaged upon a full-time basis in the solicitation on behalf of, and the transmission to, his principal (except for side-line sales activities on behalf of some other person) of orders from wholesalers, retailers, contractors, or operators of hotels, restaurants, or other similar establishments for merchandise for resale or supplies for use in their business operations;

if the contract of service contemplates that substantially all of such services are to be performed personally by such individual; except that an individual shall not be included in the term “employee” under the provisions of this paragraph if such individual has a substantial investment in facilities used in connection with the performance of such services (other than in facilities for transportation), or if the services are in the nature of a single transaction not part of a continuing relationship with the person for whom the services are performed.

(k) Covered transportation service

(1) Except as provided in paragraph (2) of this subsection, all service performed in the employ of a State or political subdivision in connection with its operation of a public transportation system shall constitute covered transportation service if any part of the transportation system was acquired from private ownership after 1936 and prior to 1951.

(2) Service performed in the employ of a State or political subdivision in connection with the operation of its public transportation system shall not constitute covered transportation service if—

(A) any part of the transportation system was acquired from private ownership after 1936 and prior to 1951, and substantially all service in connection with the operation of the transportation system is, on December 31, 1950, covered under a general retirement system providing benefits which, by reason of a provision of the State constitution dealing specifically with retirement systems of the State or political subdivisions thereof, cannot be diminished or impaired; or

(B) no part of the transportation system operated by the State or political subdivision on December 31, 1950, was acquired from private ownership after 1936 and prior to 1951, except that if such State or political subdivision makes an acquisition after 1950 from private ownership of any part of its transportation system, then, in the case of any employee who—

(C) became an employee of such State or political subdivision in connection with and at the time of its acquisition after 1950 of such part, and

(D) prior to such acquisition rendered service in employment in connection with the operation of such part of the transportation system acquired by the State or political subdivision, the service of such employee in connection with the operation of the transportation system shall constitute covered transportation service, commencing with the first day of the third calendar quarter following the calendar quarter in which the acquisition of such part took place, unless on such first day such service of such employee is covered by a general retirement system which does not, with respect to such employee, contain special provisions applicable only to employees described in subparagraph (C) of this paragraph.

(3) All service performed in the employ of a State or political subdivision thereof in connection with its operation of a public transportation system shall constitute covered transportation service if the transportation system was not operated by the State or political subdivision prior to 1951 and, at the time of its first acquisition (after 1950) from private ownership of any part of its transportation system, the State or political subdivision did not have a general retirement system covering substantially all service performed in connection with the operation of the transportation system.

(4) For the purposes of this subsection—

(A) The term “general retirement system” means any pension, annuity, retirement, or similar fund or system established by a State or by a political subdivision thereof for employees of the State, political subdivision, or both; but such term shall not include such a fund or system which covers only service performed in positions connected with the operation of its public transportation system.

(B) A transportation system or a part thereof shall be considered to have been acquired by a State or political subdivision from private ownership if prior to the acquisition service performed by employees in connection with the operation of the system or part thereof acquired constituted employment under this subchapter, and some of such employees became employees of the State or political subdivision in connection with and at the time of such acquisition.

(C) The term “political subdivision” includes an instrumentality of (i) a State, (ii) one or more political subdivisions of a State, or (iii) a State and one or more of its political subdivisions.

(l) Service in uniformed services

(1) Except as provided in paragraph (4), the term “employment” shall, notwithstanding the provisions of subsection (a) of this section, include—

(A) service performed after December 1956 by an individual as a member of a uniformed service on active duty, but such term shall not include any such service which is performed while on leave without pay, and

(B) service performed after December 1987 by an individual as a member of a uniformed service on inactive duty training.

(2) The term “active duty” means “active duty” as described in paragraph (21) of section 101 of title 38, except that it shall also include “active duty for training” as described in paragraph (22) of such section.

(3) The term “inactive duty training” means “inactive duty training” as described in paragraph (23) of such section.

(4)(A) Paragraph (1) of this subsection shall not apply in the case of any service, performed
by an individual as a member of a uniformed service, which is creditable under section 231b(i) of title 45. The Railroad Retirement Board shall notify the Commissioner of Social Security,\(^3\) with respect to all such service which is so creditable.

(B) In any case where benefits under this subchapter are already payable on the basis of such individual’s wages and self-employment income at the time such notification (with respect to such individual) is received by the Commissioner of Social Security, the Commissioner of Social Security shall certify no further benefits for payment under this subchapter on the basis of such individual’s wages and self-employment income, or shall recompute the amount of any further benefits payable on the basis of such wages and self-employment income, as may be required as a consequence of subparagraph (A) of this paragraph. No payment of a benefit to any person on the basis of such individual’s wages and self-employment income, certified by the Commissioner of Social Security prior to the end of the month in which the Commissioner receives such notification from the Railroad Retirement Board, shall be deemed by reason of this subparagraph to have been an erroneous payment or a payment to which such person was not entitled. The Commissioner of Social Security shall, as soon as possible after the receipt of such notification from the Railroad Retirement Board, advise such Board whether or not any such notification from the Railroad Retirement Board, shall be deemed by reason of subparagraph (A) of this paragraph, and if any such benefit will be so reduced or terminated, specify the first month with respect to which such reduction or termination will be effective.

(m) Member of a uniformed service

The term “member of a uniformed service” means any person appointed, enlisted, or inducted in a component of the Army, Navy, Air Force, Marine Corps, or Coast Guard (including a reserve component as defined in section 101(27) of title 38), or in one of those services without specification of component, or as a commissioned officer of the Coast and Geodetic Survey, the National Oceanic and Atmospheric Administration, the respective armed forces of the District of Columbia, and any person serving in the Coast and Geodetic Survey, and any person serving in the Army or Air Force under call or conscription. The term includes—

1. a retired member of any of those services;
2. a member of the Fleet Reserve or Fleet Marine Corps Reserve;
3. a cadet at the United States Military Academy, a midshipman at the United States Naval Academy, and a cadet at the United States Coast Guard Academy or United States Air Force Academy;
4. a member of the Reserve Officers’ Training Corps, the Naval Reserve Officers’ Training Corps, or the Air Force Reserve Officers’ Training Corps, when ordered to annual training duty for fourteen days or more, and while performing authorized travel to and from that duty;
5. any person while en route to or from, or at, a place for final acceptance or for entry upon active duty in the military, naval, or air service—
   (A) who has been provisionally accepted for such duty; or
   (B) who, under the Military Selective Service Act [50 U.S.C. 3801 et seq.], has been selected for active military, naval, or air service;
and has been ordered or directed to proceed to such place.

The term does not include a temporary member of the Coast Guard Reserve.

(n) Crew leader

The term “crew leader” means an individual who furnishes individuals to perform agricultural labor for another person, if such individual pays (either on his own behalf or on behalf of such person) the individuals so furnished by him for the agricultural labor performed by them and if such individual has not entered into a written agreement with such person whereby such individual has been designated as an employee of such person; and such individuals furnished by the crew leader to perform agricultural labor for another person shall be deemed to be the employees of such crew leader. A crew leader shall, with respect to services performed in furnishing individuals to perform agricultural labor for another person and service performed as a member of the crew, be deemed not to be an employee of such other person.

(o) Peace Corps volunteer service

The term “employment” shall, notwithstanding the provisions of subsection (a), include service performed by an individual as a volunteer or volunteer leader within the meaning of the Peace Corps Act [22 U.S.C. 2501 et seq.].

(p) Medicare qualified government employment

(1) For purposes of sections 426 and 426–1 of this title, the term “medicare qualified government employment” means any service which would constitute “employment” as defined in subsection (a) of this section but for the application of the provisions of—

(A) subsection (a)(5), or
(B) subsection (a)(7), except as provided in paragraphs (2) and (3).

(2) Service shall not be treated as employment by reason of paragraph (1)(B) if the service is performed—

(A) by an individual who is employed by a State or political subdivision thereof to relieve him from unemployment,
(B) in a hospital, home, or other institution by a patient or inmate thereof as an employee of a State or political subdivision thereof or of the District of Columbia,
(C) by an individual, as an employee of a State or political subdivision thereof or of the District of Columbia, serving on a temporary basis in case of fire, storm, snow, earthquake, flood or other similar emergency,
(D) by any individual as an employee included under section 3351(2) of title 5 (relating to certain interns, student nurses, and other student employees of hospitals of the District of Columbia Government), other than as a medical or dental intern or a medical or dental resident in training, or

\(^3\)So in original. The comma probably should not appear.
§ 410

(E) by an election official or election worker if the remuneration paid in a calendar year for such service is less than $1,000 with respect to service performed during any calendar year beginning on or after January 1, 1986, ending on or before December 31, 1989, and the adjusted amount determined under section 418(c)(2)(B) of this title for any calendar year beginning on or after January 1, 2000, with respect to service performed during such calendar year.

As used in this paragraph, the terms “State” and “political subdivision” have the meanings given those terms in section 418(b) of this title.

(3) Service performed for an employer shall not be treated as employment by reason of paragraph (1)(B) if—

(A) such service would be excluded from the term “employment” for purposes of this section if paragraph (1)(B) did not apply;

(B) such service is performed by an individual—

(i) who was performing substantial and regular service for remuneration for that employer before April 1, 1986;

(ii) who is a bona fide employee of that employer on March 31, 1986, and

(iii) whose employment relationship with that employer was not entered into for purposes of meeting the requirements of this subparagraph; and

(C) the employment relationship with that employer has not been terminated before March 31, 1986.

(4) For purposes of paragraph (3), under regulations (consistent with regulations established under section 3121(u)(2)(D) of the Internal Revenue Code of 1986)—

(A) all agencies and instrumentalities of a State (as defined in section 418(b) of this title) or of the District of Columbia shall be treated as a single employer, and

(B) all agencies and instrumentalities of a political subdivision of a State (as so defined) shall be treated as a single employer and shall not be treated as described in subparagraph (A).

(q) Treatment of real estate agents and direct sellers

Notwithstanding any other provision of this subchapter, the rules of section 3508 of the Internal Revenue Code of 1986 shall apply for purposes of this subchapter.

(r) Service in employ of international organizations by certain transferred Federal employees

(1) For purposes of this subchapter, service performed in the employ of an international organization by an individual pursuant to a transfer of such individual to such international organization pursuant to section 3582 of title 5 shall constitute “employment” if—

(A) immediately before such transfer, such individual performed service with a Federal agency which constituted “employment” as defined in subsection (a), and

(B) such individual would be entitled, upon separation from such international organization and proper application, to reemployment with such Federal agency under such section 3582.

(2) For purposes of this subsection:

(A) the term “Federal agency” means an agency, as defined in section 3581(1) of title 5.

(B) The term “international organization” has the meaning provided such term by section 3581(3) of title 5.


REFERENCES IN TEXT

The Internal Revenue Code of 1986, referred to in text, is classified to Title 26, Internal Revenue Code.

The Civil Service Retirement and Disability Fund, referred to in subsec. (a)(5)(ii), (G), is provided for in section 8348 of Title 5, Government Organization and Employees.

Section 301 of the Federal Employees’ Retirement System Act of 1966, referred to in subsec. (a)(5)(H)(i), is section 301 of Pub. L. 99–335, which is set out as a note under section 8331 of Title 5, Government Organization and Employees. For complete classification of this Act to the Code, see Tables.


The International Organizations Immunities Act, referred to in subsec. (a)(15), is act Dec. 29, 1945, ch. 652, title I, 59 Stat. 669, which is classified principally to subchapter XVIII (§2386 et seq.) of chapter 7 of Title 22. For complete classification of that Act to the Code, see Short Title note set out under section 2386 of Title 22 and Tables.

Section 1441(g) of title 12, referred to in subsec. (f)(3), was redesignated section 1441(f) by Pub. L. 110–196, title I, §1610, June 18, 2008, 122 Stat. 1746.

The Military Selective Service Act, referred to in subsec. (m)(5)(B), is act June 24, 1948, ch. 625, 62 Stat. 604, which is classified principally to chapter 49 (§3801 et seq.) of Title 50, War and National Defense. For complete classification of this Act to the Code, see Tables.

The Peace Corps Act, referred to in subsec. (a), is Pub. L. 87–293, Sept. 22, 1962, 76 Stat. 272, which is classified principally to chapter 4 (§5901 et seq.) of Title 22, Foreign Relations and Intercourse. For complete classification of that Act to the Code, see Short Title note set out under section 2501 of Title 22 and Tables.

AMENDMENTS


2014—Subsec. (a)(17). Pub. L. 113–295 struck out par. (17) which read as follows: “Service in the employ of any organization which is performed (A) in any year during any part of which such organization is registered, or there is in effect a final order of the Subversive Activities Control Board requiring such organization to register, under the Internal Security Act of 1950, as amended, as a Communist-action organization, a Communist-front organization, or a Communist-infiltrated organization, and (B) after June 30, 1956.”


Subsec. (e). Pub. L. 110–245 designated existing provisions as par. (1), redesignated former cl. (1) to (6) as cl. (A) to (F), respectively, of par. (1), and added par. (2).


2004—Subsec. (f)(5). Pub. L. 108–203 struck out “or is domestic service in a private home of the employer” before period at end.


1996—Subsec. (a). Pub. L. 104–188, §1116(a)(2)(A), inserted at end “For purposes of paragraph (20), the operating crew of a boat shall be treated as normally made up of fewer than 10 individuals if the average size of the operating crew on trips made during the preceding 4 calendar quarters consisted of fewer than 10 individuals.”

Subsec. (a)(20)(A). Pub. L. 104–188, §1116(a)(2)(B), amended subpar. (A) generally. Prior to amendment, subpar. (A) read as follows: “such individual does not receive any cash remuneration (other than as provided in subparagraph (B)).”


Subsec. (a)(7)(F)(iv). Pub. L. 103–296, §303(a)(1), substituted “$1,000 with respect to service performed during any calendar year commencing on or after January 1, 1995, ending on or before December 31, 1999, and the adjusted amount determined under section 418(c)(8)(B) of this title for any calendar year commencing on or after January 1, 2000, with respect to service performed during such calendar year” for “$1000”.

Subsec. (a)(8)(A), (B), Pub. L. 103–296, §321(c)(6)(C), substituted “1986” for “1954” after “Code of”.


Pub. L. 103–296, §321(a)(4), substituted “Commissioner of Social Security” for “Secretary”.

Subsec. (a)(15). Pub. L. 103–296, §319(b)(3), inserted before semicolon at end “, except service which constitutes employment under subsection (r)”.

Subsec. (a)(19). Pub. L. 103–296, §320(b), substituted “(J), (M), or (Q)” for “(J), or (M)” in two places.


Subsec. (i)(4). Pub. L. 103–296, §107(a)(4), substituted “Commissioner of Social Security” for “Secretary” wherever appearing and “the Commissioner receives” for “he receives” in subpar. (B).

Subsec. (p)(2)(E). Pub. L. 103–296, §303(b)(1), substituted “$1,000 with respect to service performed during any calendar year commencing on or after January 1, 1995, ending on or before December 31, 1999, and the adjusted amount determined under section 418(c)(8)(B) of this title for any calendar year commencing on or after January 1, 2000, with respect to service performed during such calendar year” for “$1000”.


Intelligence Agency Retirement Act of 1964 for Certain Employees''.


1988—Subsec. (a)(5)(H). Pub. L. 100–647, §6015(b)(1), amended subdiv. (H) generally. Prior to amendment, subdiv. (H) read as follows: "service performed by an individual on or after the effective date of an election by such individual under section 301(a) of the Federal Employees' Retirement System Act of 1986, or under regulations issued under section 860 of the Foreign Service Act of 1980 or section 307 of the Central Intelligence Agency Retirement Act of 1964 for Certain Employees, to become subject to chapter V of this title." Subsec. (a)(19). Pub. L. 100–647, §1001(d)(2)(E), substituted "(F), (J), or (M)" for "(F) or (J)" in two places.


Subsec. (a)(20). Pub. L. 100–203, §9004(a)(2), substituted introductory provisions for former introductory provisions which read as follows: "Service not in the course of the employer's trade or business, or domestic service in a private home of the employer, performed by an individual in the employ of his son or daughter; except that the provisions of this subparagraph shall not be applicable to such domestic service if—"

Subsec. (j)(11). Pub. L. 100–203, §9001(a)(1), amended par. (1) generally. Prior to amendment, par. (1) read as follows: "Except as provided in paragraph (4) of this subsection, the term 'employment' shall, notwithstanding the provisions of subsection (a) of this section, include service performed after December 1966 by an individual as a member of a uniformed service on active duty; but such term shall not include any such service which is performed while on leave without pay." Subsec. (p). Pub. L. 100–203, §9023(p), directed that the heading of subsec. (p) be amended to read the same as it was set out in the general amendment of subsec. (p) by Pub. L. 99–272. See 1986 Amendment note below.


Subsec. (p). Pub. L. 99–272, §13205(b)(1), amended subsec. (p) generally. Prior to amendment, subsec. (p) read as follows: "For purposes of sections 126 and 126–1 of this title, the term 'medicare qualified Federal employment' means any service which would constitute 'employment' as defined in section (a) of this section but for the application of the provisions of subsection (a)(5) of this section." Subsec. (p)(2)(E). Pub. L. 99–514, §1895(b)(18)(B), added subdiv. (E).


1984—Subsec. (a). Pub. L. 98–369, §2661(i), struck out the second comma after "such affiliate".

Subsec. (a)(1). Pub. L. 98–369, §2663(a)(7)(A), struck out "(A) under contracts entered into in accordance with title V of the Agricultural Act of 1949, as amended, or (B)".

Subsec. (a)(5)(B). Pub. L. 98–369, §2661(a)(1), in amending subdiv. (B) generally, substituted "(i) has been continuously in the employ of the United States or an instrumentality thereof since December 31, 1983 and for purposes of this clause—(I) if an individual performing service described in subparagraph (A) returns to the performance of such service after being separated therefrom for a period of less than 366 consecutive days, regardless of whether the period began before, on, or after December 31, 1983, then such service shall be considered continuous," for "(i) has been continuously in the employ of the United States or an instrumentality thereof since December 31, 1983 and for this purpose an individual who returns to the performance of such service after being separated therefrom following a previous period of such service shall nevertheless be considered upon such return as having been continuously in the employ of the United States or an instrumentality thereof, regardless of whether the period of such separation does not exceed 365 consecutive days," added subcl. (II) to (IV), and reenacted cl. (I).

Subsec. (a)(5)(C) to (F). Pub. L. 98–369, §2601(a)(2)(A), (B), in provisions following "except that this paragraph shall not apply with respect to—" redesignated cl. (i), (ii), (iii), and (iv) as subpars. (C), (D), (E), and (F), respectively, and redesignated former subcl. (C), (D), (E), and (F) as cl. (i), (ii), and (iii), respectively, of the redesignated subpar. (D).

Subsec. (a)(5)(G). Pub. L. 98–369, §2661(a)(2)(A), (C), in provisions following "except that this paragraph shall not apply with respect to—" redesignated cl. (v) as subpar. (G), and in subpar. (G) as so redesignated, designated the existing provisions of subpar. (G) as the introductory language and the first phrase of cl. (i) and added the remainder of cl. (i) following "chapter 38 of title 5", cl. (ii), and (iii), and the provisions following cl. (ii).


Subsec. (a)(8). Pub. L. 98–369, §2663(a)(1), designated existing provisions as subpar. (A), substituted "this subparagraph" for "this paragraph", and added subdiv. (B).


Subsec. (a)(19). Pub. L. 98–369, §2663(a)(7)(D), struck out the comma after "or".

Subsec. (l)(2). Pub. L. 98–369, §2663(a)(7)(E), substituted "paragraph (21) of section 101 of title 38" for "section 102 of the Servicemen's and Veterans' Survivor Benefits Act" and "paragraph (22) of such section" for "such section".

Subsec. (l)(3). Pub. L. 98–369, §2663(a)(7)(F), substituted "paragraph (21) of such section 101" for "such section 102".


Subsec. (m). Pub. L. 98–369, §2663(a)(7)(G)(i), (ii), in provisions preceding par. (1), substituted "a reserve component as defined in section 101(27) of title 38" for "a reserve component of a uniformed service as defined in section 102(3) of the Servicemen's and Veterans' Survivor Benefits Act" and inserted reference to the National Oceanic and Atmospheric Administration.

Subsec. (m)(5). Pub. L. 98–369, §2663(a)(7)(G)(III), substituted "military, naval, or air" for "military or naval" wherever appearing.

1983—Subsec. (a). Pub. L. 98–21, § 322(a)(1), added cl. (C) and struck out “‘either’ before “‘A’” in provisions preceding par. (1).

Subsec. (a). Pub. L. 98–21, § 322(b), amended cl. (B) in provisions preceding par. (1) generally, substituting reference to section 3121(b) of the Internal Revenue Code of 1954 for reference to section 3121(l) of such Code “an American employer” for “a domestic corporation (as determined in accordance with section 7701 of the Internal Revenue Code of 1954)”, and “affiliate” for “subsidiary” after “with respect to such”.

Pub. L. 98–21, § 322(a)(2), substituted “a citizen or resident of the United States” for “a citizen of the United States” in cl. (B) in provisions preceding par. (1).

(a)(6) generally. Prior to amendment, par. (6) read as follows: “Service performed in the employment of any instrumentality of the United States, if such instrumentality is exempt from the tax imposed by section 1419 of the Internal Revenue Code of 1939, by virtue of any provision of law which specifically refers to such section in granting such exemption.”

Subsec. (a). Pub. L. 98–21, § 101(a)(1), amended par. (6) generally. Prior to amendment, par. (6) read as follows:

(A) Service performed in the employment of the United States or in the employment of any instrumentality of the United States, if such service is covered by a retirement system established by a law of the United States; (B) Service performed by an individual in the employment of an instrumentality of the United States if such an instrumentality was exempt from the tax imposed by section 1410 of the Internal Revenue Code of 1939, on December 31, 1959, and if such service is covered by a retirement system established by such instrumentality; except that the provisions of this subparagraph shall not be applicable to—

(i) Service performed in the employment of a corporation which is wholly owned by the United States;
(ii) Service performed in the employment of a Federal land bank, a Federal Intermediate credit bank, a bank for cooperatives, a Federal land bank association, a production credit association, a Federal Reserve Bank, a Federal Home Loan Bank, or a Federal Credit Union;
(iii) Service performed in the employment of a State, county, or community committee under the Production and Marketing Administration;
(iv) Service performed by a civilian employee, not compensated from funds appropriated by the Congress, in the Army and Air Force Exchange Service, Army and Air Force Motion Picture Service, Navy Exchanges, Marine Corps Exchanges, or other activities, conducted by an instrumentality of the United States subject to the jurisdiction of the Secretary of Defense, at installations of the Department of Defense, for the comfort, pleasure, contentment, and mental and physical improvement of personnel of such Department; or

Service performed by a civilian employee, not compensated from funds appropriated by the Congress, in the Coast Guard Exchanges or other activities, conducted by an instrumentality of the United States subject to the jurisdiction of the Secretary of Transportation, at installations of the Coast Guard for the comfort, pleasure, contentment, and mental and physical improvement of personnel of the Coast Guard;

(C) Service performed in the employment of the United States or in the employment of any instrumentality of the United States, if such service is performed—

(i) as the President or Vice President of the United States or as a Member, Delegate, or Resident Commissioner of or to the Congress;
(ii) in the legislative branch;

(iii) in a penal institution of the United States by an inmate thereof;

(iv) by any individual as an employee included under section 5302 of title 5, other than as a medical or dental intern or a medical or dental resident in training;

(v) by any individual as an employee serving on a temporary basis in case of fire, storm, earthquake, flood, or other similar emergency; or

(vi) by any individual to whom chapter III of chapter 83 of title 5 does not apply because such individual is subject to another retirement system (other than the retirement system of the Tennessee Valley Authority).

Subsec. (b)(8). Pub. L. 98–21, § 102(a), struck out subpar. (A) designation, struck out subpar. (B) which had related to service performed by employees of nonprofit organizations, and substituted “this paragraph” for “this subparagraph”.

Subsec. (p). Pub. L. 98–21, § 101(a)(2), struck out designations for pars. (1) and struck out par. (1) which related to application of the provisions of subparagraph (A), (B), or (C)(i), (ii), or (vi) of subsection (a)(6) of this section.

Pub. L. 97–438 redesignated subsec. (p), relating to treatment of real estate agents and direct sellers, as (q).


1979—Subsec. (a)(6)(B)(v). Pub. L. 95–600 substituted “Secretary of Transportation” for “Secretary of the Treasury”.

1977—Subsec. (a)(10). Pub. L. 95–216, § 351(a)(3)(B), struck out subpar. (A) which related to service performed in the employment of any exempt organization under section 401 of the Internal Revenue Code of 1959, as designated existing provisions of subpar. (B) as entire subsec. (a)(10) and, as so designated, redesignated cls. (i) and (ii) as subpars. (A) and (B).


1976—Subsec. (a)(8)(B). Pub. L. 94–563 inserted “or (deemed to have been so filed under paragraph (4) or (5) or designated existing provisions of subpar. (B) as entire subsec. (a)(10) and, as so designated, redesignated cls. (i) and (ii) as subpars. (A) and (B).


1965—Subsec. (a)(6)(C)(iv). Pub. L. 89–97, § 311(a)(3), inserted “, other than as a medical or dental intern or a medical or dental resident in training”.

Subsec. (a)(13)(D). Pub. L. 89–97, § 311(a)(4), struck out from definition of employment the exclusion of service performed as an intern in the employ of a hospital by an individual who has completed a four years’ course in a medical school chartered or approved pursuant to State law.
American Samoa.

the employ of his son or daughter, and added cl. (B).

which related to service performed by an individual in

performed by an officer or employee thereof.

sion thereof, or of any instrumentality of any one or

government of American Samoa or any political subdivi-

existing provisions as cl. (A), struck out provisions

American Samoa.

§ 410

formed outside the United States by citizens of the

cluded within definition of "employment" service per-

formed in connection with the ginning of cotton, and

added an exception for services performed by West In-

American Samoa.

§ 104(a), excluded service performed by

§ 104(b)(1), included service performed in the employ of

§ 104(b)(2), substituted "Civil Service Retirement Act"

§ 104(c)(1), 121(c), added pars. (16) and (17).

§ 104(d), 121(c), added par. (19).

§ 104(e), included Guam and American Samoa.

Pub. L. 86–624 substituted "includes the District of

"Hawaii," before "the Dis-

"Alaska," before "Hawaii".


Subsec. (o), Pub. L. 87–283 added subsec. (o).

1980—Pub. L. 96–800, § 501(a), removed certain con-

1968—Pub. L. 90–245, set out in the Appendix to Title 5,

Subsec. (a), Pub. L. 86–778, § 104(a), redesignated

Subsec. (b), Pub. L. 86–778, § 103(e), included Guam and

American Samoa.

Pub. L. 86–624 struck out "Hawaii," before "the Dis-

Subsec. (j) to (o), Pub. L. 86–778, § 103(j)(2)(A), (B), re-

pealed subsec. (j) and redesignated subsecs. (k) to (o) as

(j) to (n), respectively.


Subsecs. (h), (i), Pub. L. 86–70 struck out "Alaska," before "Hawaii".

Subsec. (a)(1). Pub. L. 85–840, § 311(a), struck out provisions which excluded from coverage service performed in connection with the production or harvesting of any commodity defined as an agricultural commodity in section 1141j(g) of title 12.

Subsec. (a)(3). Pub. L. 85–840, § 312(a), substituted references to the Internal Revenue Code of 1954 for references to the Internal Revenue Code of 1939, and inserted provisions making subparagraph inapplicable to service performed during the period for which a certificate is in effect if such service is performed by an employee who, after the calendar quarter in which the certificate was filed with respect to a group described in section 3212(k)(1)(E) of the Internal Revenue Code of 1954 became a member of such group, and making such paragraph applicable with respect to service performed by an employee as a member of a group described in section 3212(k)(1)(E) with respect to which no certificate is in effect.

1968—Subsec. (a)(1)(B). Act Aug. 1, 1968, ch. 836, § 104(a), excluded from coverage service performed by foreign agricultural workers lawfully admitted on a temporary basis from any foreign country or possession thereof.


Subsec. (a)(16), (17). Act Aug. 1, 1966, ch. 836, §§ 104(c)(1), 121(c), added pars. (16) and (17).


1954—Subsec. (a)(B). Act Sept. 1, 1954, § 101(m), included within definition of "employment" service performed outside the United States by citizens of the United States as employees for foreign subsidiaries of domestic corporations under certain conditions.

Subsec. (a)(1). Act Sept. 1, 1954, § 101(a)(4), removed specific exception from employment of services performed in connection with the ginning of cotton, and added an exception for services performed by West Indian agricultural workers lawfully admitted to the United States on a temporary basis.
Amendment by section 801(b)(1) of Pub. L. 100–647 applicable as if such amendment had been included or reflected in section 304 of Federal Employees’ Retirement System Act of 1966, Pub. L. 99–333, at the time of its enactment (June 6, 1966), see section 8015(b)(3) of Pub. L. 100–647, set out as a note under section 3121 of Title 26.

Amendment by section 801(c)(1) of Pub. L. 100–647 applicable to any individual only upon the performance by such individual of service described in subpar. (C), (D), (E), (F), (G), or (H) of subsec. (a)(5) of this section on or after Nov. 10, 1988, see section 8015(c)(3) of Pub. L. 100–647, set out as a note under section 3121 of Title 26.

Amendment by section 8016(a)(4)(B), (C) of Pub. L. 100–647 effective Nov. 10, 1988, except that any amendment to a provision of a particular Public Law which is referred to by its number, or to a provision of the Social Security Act [42 U.S.C. 301 et seq.], or to Title 26, as added or amended by a provision of a particular Public Law which is so referred to, effective as though included or reflected in the relevant provisions of that Public Law at the time of its enactment, see section 8016(b) of Pub. L. 100–647, set out as a note under section 3111 of Title 26.

Amendment by section 9001(a)(1) of Pub. L. 100–203 applicable with respect to remuneration paid after Dec. 31, 1987, see section 9001(d) of Pub. L. 100–203, set out as a note under section 3121 of Title 26, Internal Revenue Code.

Amendment by section 900(a) of Pub. L. 100–203 applicable with respect to remuneration paid after Dec. 31, 1987, see section 900(c) of Pub. L. 100–203, set out as a note under section 3121 of Title 26.

Amendment by section 905(a) of Pub. L. 100–203 applicable with respect to remuneration paid after Dec. 31, 1987, see section 905(c) of Pub. L. 100–203, set out as a note under section 3121 of Title 26.


Amendment by section 1895(b)(18)(B) of Pub. L. 99–514 applicable to services performed after Mar. 31, 1986, see section 1895(b)(18)(C) of Pub. L. 99–514, set out as a note under section 3121 of Title 26, Internal Revenue Code.


Amendment by section 99–221, § 3(c), Dec. 26, 1985, 99 Stat. 1736, provided that: "The amendments made by subsection (b) [amending this section and section 3121 of Title 26, Internal Revenue Code] apply to any return to the performance of service in the employ of the United States, or of an instrumentality thereof, after 1983."
the Government of Guam or any political subdivision thereof, or any instrumentality of any one or more of the foregoing wholly owned thereby, which is performed after 1960 and after the calendar quarter in which the Secretary of the Treasury receives a certification by the Governor of Guam that legislation has been enacted by the Government of Guam expressing its desire to have the insurance system established by Title II of the Social Security Act, this subchapter, extended to the officers and employees of such Government and such political subdivisions and instrumentalities, and (2) service in the employ of the Government of American Samoa or any political subdivision thereof or any instrumentality of any one or more of the foregoing wholly owned thereby, which is performed after 1960 and after the calendar quarter in which the Secretary of the Treasury receives a certification by the Governor of American Samoa that the Government of American Samoa desires to have the insurance system established by this subchapter extended to the officers and employees of such Government and such political subdivisions and instrumentalities, see section 103(v)(1), (2) of Pub. L. 86-778, set out as a note under section 402 of this title.

Amendment by section 103(d) of Pub. L. 86-778 applicable only with respect to service performed after 1960, see section 103(v)(1) of Pub. L. 86-778, set out as a note under section 402 of this title.

Amendment by section 103(e), (f) of Pub. L. 86-778 applicable only with respect to service performed after 1960, except that insofar as the carrying on of a trade or business (other than performance of service as an employee) is concerned, the amendment shall be applicable only in the case of taxable years beginning after 1960, see section 103(v)(1), (3) of Pub. L. 86-778, set out as a note under section 402 of this title.

Amendment by section 103(j)(2)(A), (B) of Pub. L. 86-778 effective Sept. 13, 1960, see section 103(v)(1), (3) of Pub. L. 86-778, set out as a note under section 402 of this title.

Pub. L. 86-778, title I, §104(c), Sept. 13, 1960, 74 Stat. 942, provided that: “The amendments made by subsections (a) and (b) [amending this section and section 3121 of Title 29, Internal Revenue Code] shall apply only with respect to services performed after 1960.”

Amendment by Pub. L. 86-624 effective Aug. 21, 1959, see section 47(f) of Pub. L. 86-624, set out as a note under section 402 of this title.

Effective Date of 1959 Amendment


Effective Date of 1958 Amendment

Pub. L. 85-840, title III, §311(b), Aug. 28, 1958, 72 Stat. 1035, provided that: “The amendment made by subsection (a) [amending this section] shall apply with respect to service performed after 1958.”


Effective Date of 1956 Amendment

Amendment by act Aug. 1, 1956, ch. 836, applicable with respect to service performed after 1956, see section 105(d) of such act Aug. 1, 1956, set out as a note under section 402 of this title.

Effective Date of 1954 Amendment

Amendment by section 101(a)(4), (5) of act Sept. 1, 1954, applicable only with respect to services (whether performed after 1954 or prior to 1955) for which the renumeration is paid after 1954, and amendment by section 101(b), (c)(1), (2), (e), and (f) of act Sept. 1, 1954, applicable only with respect to services performed after 1954, see section 101(a) of act Sept. 1, 1954, set out as a note under section 402 of this title.

Effective Date of 1950 Amendment

Section as added by section 104(a) of act Aug. 28, 1950, effective Jan. 1, 1951, see section 104(b) of act Aug. 28, 1950, set out as a note under section 402 of this title.
Former section 410 was struck out effective Sept. 1, 1950, by section 105 of act Aug. 28, 1950.

**LINE ITEM VETO**


**REPEALS: AMENDMENTS AND APPLICATION OF AMENDMENTS UNAFFECTED**

Section 202(b)(1) of Pub. L. 87–283, cited as a credit to this section, was repealed by Pub. L. 89–572, §5(a), Sept. 13, 1966, 80 Stat. 765. Such repeal not deemed to affect amendments to this section contained in such provisions, and continuation in full force and effect until modified by appropriate authority of all determinations, authorization, regulations, orders, contracts, agreements, and other actions issued, undertaken, or entered into under authority of the repealed provisions, see section 5(b) of Pub. L. 89–572, set out as a note under section 2515 of Title 22, Foreign Relations and Intercourse.

**CONSTRUCTION OF 2018 AMENDMENT**

Nothing in amendment by Pub. L. 115–243 to be construed to affect application of any Federal income tax withholding requirements under Title 26, Internal Revenue Code, see section 2(c) of Pub. L. 115–243, set out as a note under section 2515 of Title 22, Foreign Relations and Intercourse.

**TRANSFER OF FUNCTIONS**

For transfer of authorities, functions, personnel, and assets of the Coast Guard, including the authorities and functions of the Secretary of Transportation relating thereto, to the Department of Homeland Security, and for treatment of related references, see sections 468(b), 551(d), 555(d), and 557 of Title 6, Domestic Security, and the Department of Homeland Security Reorganization Plan of November 25, 2002, set out as a note under section 542 of Title 6.

**PLAN AMENDMENTS NOT REQUIRED UNTIL JANUARY 1, 1989**

For provisions directing that if any amendments made by subtitle A or subtitle C of title XI [§§1101–1147 and 1171–1177] or title XVIII [§§1800–1899A] of Pub. L. 99–514 require an amendment to any plan, such amendment shall not be required to be made before the first plan year beginning on or after Jan. 1, 1989, see section 1140 of Pub. L. 99–514, set out as a note under section 401 of Title 26, Internal Revenue Code.

**FEDERAL LEGISLATIVE BRANCH EMPLOYEES WHO CONTRIBUTE REDUCED AMOUNTS BY REASON OF THE FEDERAL EMPLOYEES' RETIREMENT CONTRIBUTION TEMPORARY ADJUSTMENT ACT OF 1983**


"(A) was subject to subchapter III of chapter 83 of title 5, United States Code, or to another retirement system established by a law of the United States for employees of the Federal Government (other than for members of the uniformed services), on December 31, 1983 (as determined for purposes of section 210(a)(5)(G) of the Social Security Act [42 U.S.C. 410(a)(5)(G)]), and

"(B) received a lump-sum payment under section 8342(a) of such title 5, or under the corresponding provision of the law establishing the other retirement system described in subparagraph (A), after December 31, 1983, and prior to June 15, 1984, or received such a payment on or after June 15, 1984, pursuant to an application which was filed in accordance with such section 8342(a) or the corresponding provision of the law establishing such other retirement system prior to that date, or

"(ii) otherwise ceased to be subject to subchapter III of chapter 83 of title 5, United States Code, for a period after December 31, 1983, to which section 210(a)(5)(G)(ii) of the Social Security Act applies, shall, if such individual again becomes subject to subchapter III of chapter 83 of title 5 (or effectively applies for coverage under such subchapter) after the date on which he last ceased to be subject to such subchapter but prior to, or within 30 days after, the date of the enactment of this Act [July 18, 1984], requalify for the exemption from social security coverage and taxes under section 210(a)(5) of the Social Security Act and section 321(b)(5) of the Internal Revenue Code of 1986 (formerly I.R.C. 1954) (26 U.S.C. 321(b)(5)) as if the cessation of coverage under title 5 had not occurred.

"(2) An individual meeting the requirements of subparagraphs (A) and (B) of paragraph (1) who is not in the employ of the United States or an instrumentality thereof on the date of the enactment of this Act [July 18, 1984] may requalify for such exemptions in the same manner as under paragraph (1) if such individual again becomes subject to subchapter III of chapter 83 of title 5 (or effectively applies for coverage under such subchapter) within 30 days after the date on which he first returns to service in the legislative branch after such date of enactment, if such date (on which he returns to service) is within 365 days after he was last in the employ of the United States or an instrumentality thereof.

"(3) If an individual meeting the requirements of subparagraphs (A) and (B) of paragraph (1) does not again become subject to subchapter III of chapter 83 of title 5 (or effectively apply for coverage under such subchapter) prior to the date of the enactment of this Act or within the relevant 30-day period as provided in paragraph (1) or (2), social security coverage and taxes by reason of section 210(a)(5)(G) of the Social Security Act and section 321(b)(5)(G) of the Internal Revenue Code of 1986 shall, with respect to such individual’s service in the legislative branch of the Federal Government, become effective with the first month beginning after such 30-day period.

"(4) The provisions of paragraphs (1) and (2) shall apply only for purposes of reestablishing an exemption from social security coverage and taxes, and do not affect the amount of service to be credited to an individual for purposes of title 5, United States Code."

SERVICES PERFORMED FOR NONPROFIT ORGANIZATIONS BY FEDERAL EMPLOYEES


“(1) For purposes of section 210(a)(5) of the Social Security Act (42 U.S.C. 410(a)(5)) (as in effect in January 1983 and as in effect on and after January 1, 1984) and section 3121(b)(5) of the Internal Revenue Code of 1986 [formerly I.R.C. 1954] (26 U.S.C. 3121(b)(5)) (as so in effect), service performed in the employ of a nonprofit organization described in section 501(c)(3) of the Internal Revenue Code of 1986 (26 U.S.C. 501(c)(3)) by an employee who is required by law to be subject to subchapter III of chapter 83 of title 5, Government Organization and Employees, service described in paragraph (1) which is also ‘employment’ for purposes of title II of the Social Security Act (42 U.S.C. 401 et seq.), shall be considered to be ‘covered service.’”

“(2) For purposes of section 203 of the Federal Employees’ Retirement Contribution Temporary Adjustment Act of 1983 (section 203 of Pub. L. 98–168, set out as a note under section 8331 of Title 5, Government Organization and Employees), service described in paragraph (1) which is also ‘employment’ for purposes of title II of the Social Security Act (42 U.S.C. 401 et seq.), shall be considered to be ‘covered service.’”

ACCURED FEDERAL RETIREMENT ENTITLEMENTS; REDUCTION PROHIBITED


‘‘(1) with respect to all service performed in the employ of a Federal home loan bank on and after the first day of the first calendar quarter which begins on or after the date of the enactment of this Act [Oct. 30, 1972]; and

‘‘(2) in the case of individuals who are in the employ of a Federal home loan bank on such first day, with respect to any service performed in the employ of a Federal home loan bank after the last day of the sixth calendar year preceding the year in which this Act is enacted [1972]; but this paragraph shall be effective only if an amount equal to the taxes imposed by sections 3101 and 3111 of such Code [26 U.S.C. 3101, 3111] with respect to the services of all such individuals performed in the employ of Federal home loan banks after the last day of the sixth calendar year preceding the year in which this Act is enacted [1972] are paid under the provisions of section 3122 of such Code [26 U.S.C. 3122] by July 1, 1973, or by such later date as may be provided in an agreement entered into before such date with the Secretary of the Treasury or his delegate for purposes of this paragraph.’’

COVERAGE EMPLOYMENT NOT COUNTERED UNDER OTHER FEDERAL RETIREMENT SYSTEMS

Act Sept. 1, 1954, ch. 1206, title I, §115, 68 Stat. 1097, which prohibited counting employment under other Federal retirement systems in determining eligibility for benefits under this subchapter, was repealed by Pub. L. 91–630, §1, Dec. 31, 1970, 84 Stat. 1875. Pub. L. 91–630, §2, Dec. 31, 1970, 84 Stat. 1875, provided that such repeal shall not apply in the case of a person who, on Dec. 31, 1970, is receiving or is entitled to receive benefits under any retirement system established by the United States or any instrumentality thereof unless he requests, in writing, the office which administers his retirement system to apply it in this case, and that any additional benefits payable pursuant to such request shall commence on Jan. 1, 1971.

TERMINATION OF WAR AND EMERGENCIES

Joint Res. July 25, 1947, ch. 327, §3, 61 Stat. 451, provided that in the interpretation of this section, the date July 25, 1947, shall be deemed to be the date of termination of any state of war theretofore declared by Congress and of the national emergencies proclaimed by the President on Sept. 8, 1939, and May 27, 1941.

§ 410a. Transferred

Codification

Section, act Aug. 29, 1935, ch. 812, §17, as added June 24, 1937, ch. 382, Pt. I, §1, 50 Stat. 317; amended Oct. 30, 1951, ch. 632, §24, 65 Stat. 690, was transferred to section 229q of Title 45, Railroads, and subsequently superseded. See section 231q of Title 45.

§ 411. Definitions relating to self-employment

For the purposes of this subchapter—

(a) Net earnings from self-employment

The term “net earnings from self-employment” means the gross income, as computed under subtitle A of the Internal Revenue Code of 1986, derived by an individual from any trade or business carried on by such individual, less the deductions allowed under such subtitle which are attributable to such trade or business, plus his distributive share of (whether or not distributed) of the ordinary net income or loss, as computed under section 702(a)(8) of such Code, from any trade or business carried on by a partnership of which he is a member; except that in computing such gross income and deductions and such distributive share of partnership ordinary net income or loss—

1 There shall be excluded rentals from real estate and from personal property leased with the real estate (including such rentals paid in crop shares, and including payments under section 3833(2) of title 161 to individuals receiving benefits under section 402 or 423 of this title), together with the deductions attributable thereto, unless such rentals are received in the course of a trade or business as a real estate dealer; except that the preceding provisions of this paragraph shall not apply to any income derived by the owner or tenant of land if (A) such income is derived under an arrangement, between the owner or tenant and another individual, which provides that such other individual shall produce agricultural or horticultural commodities (including livestock, bees, poultry, and fur-bearing animals and wildlife) on such land, and that there shall be material participation by the owner or tenant (as determined without regard to any activities of an agent of such owner or tenant) in the production or the management of the production of such agricultural or horticultural commodities, and (B) there is material participation by the owner or tenant (as determined without regard to any activities of an agent of

1 See References in Text note below.
such owner or tenant) with respect to any such agricultural or horticultural commodity;

(2) There shall be excluded dividends on any share of stock, and interest on any bond, debenture, note, or certificate, or other evidence of indebtedness, issued with interest benefits or in registered form by any corporation (including one issued by a government or political subdivision thereof), unless such dividends and interest are received in the course of a trade or business as a dealer in stocks or securities;

(3) There shall be excluded any gain or loss (A) which is considered under subtitle A of the Internal Revenue Code of 1986 as gain or loss from the sale or exchange of a capital asset, (B) from the cutting of timber, or the disposal of timber, coal, or iron ore, if section 631 of the Internal Revenue Code of 1986 applies to such gain or loss, or (C) from the sale, exchange, involuntary conversion, or other disposition of property if such property is neither (1) stock in trade or other property of a kind which would properly be includable in inventory if on hand at the close of the taxable year, nor (ii) property held primarily for sale to customers in the ordinary course of the trade or business;

(4) The deduction for net operating losses provided in section 172 of the Internal Revenue Code of 1986 shall not be allowed;

(5)(A) If any of the income derived from a trade or business (other than a trade or business carried on by a partnership) is community income under community property laws applicable to such income, the gross income and deductions attributable to such trade or business shall be treated as the gross income and deductions of the spouse carrying on such trade or business or, if such trade or business is jointly operated, treated as the gross income and deductions of each spouse on the basis of their respective distributive share of the gross income and deductions;

(B) If any portion of a partner's distributive share of the ordinary net income or loss from a trade or business carried on by a partnership is community income or loss under the community property laws applicable to such income, all of such distributive share shall be included in computing the net earnings from self-employment of such partner, and no part of such share shall be taken into account in computing the net earnings from self-employment of the spouse of such partner;

(6) A resident of the Commonwealth of Puerto Rico shall compute his net earnings from self-employment in the same manner as a citizen of the United States but without regard to the provisions of section 933 of the Internal Revenue Code of 1986;

(7) An individual who is a duly ordained, commissioned, or licensed minister of a church or a member of a religious order shall compute his net earnings from self-employment derived from the performance of service described in subsection (c)(4) without regard to section 107 (relating to rental value of parsonages), section 119 (relating to meals and lodging furnished for the convenience of the employer), and section 911 (relating to earned income from sources without the United States) of the Internal Revenue Code of 1986, but shall not include in any such net earnings from self-employment the rental value of any parsonage or any parsonage allowance (whether or not excluded under section 107 of the Internal Revenue Code of 1986) provided after the individual retires, or any other retirement benefit received by such individual from a church plan (as defined in section 414(e) of such Code) after the individual retires;

(8) The exclusion from gross income provided by section 931 of the Internal Revenue Code of 1986 shall not apply;

(9) There shall be excluded amounts received by a partner pursuant to a written plan of the partnership, which meets such requirements as are prescribed by the Secretary of the Treasury or his delegate, and which provides for payments on account of retirement, on a periodic basis, to partners generally or to a class or classes of partners, such payments to continue at least until such partner's death, if—

(A) such partner rendered no services with respect to any trade or business carried on by such partnership (or its successors) during the taxable year of such partnership (or its successors), ending within or with his taxable year, in which such amounts were received, and

(B) no obligation exists (as of the close of the partnership's taxable year referred to in subparagraph (A)) from the other partners to such partner except with respect to retirement payments under such plan, and

(C) such partner's share, if any, of the capital of the partnership has been paid to him in full before the close of the partnership's taxable year referred to in subparagraph (A);

(10) The exclusion from gross income provided by section 911(a)(1) of the Internal Revenue Code of 1986 shall not apply;

(11) In lieu of the deduction provided by section 164(f) of the Internal Revenue Code of 1986 (relating to deduction for one-half of self-employment taxes), there shall be allowed a deduction equal to the product of—

(A) the taxpayer's net earnings from self-employment for the taxable year (determined without regard to this paragraph), and

(B) one-half of the sum of the rates imposed by subsections (a) and (b) of section 1401 of such Code for such year;

(12) There shall be excluded the distributive share of any item of income or loss of a limited partner, as such, other than guaranteed payments described in section 707(c) of the Internal Revenue Code of 1986 to that partner for services actually rendered to or on behalf of the partnership to the extent that those payments are established to be in the nature of remuneration for those services;

(13) In the case of church employee income, the special rules of subsection (i)(1) shall apply;
(14) There shall be excluded income excluded from taxation under section 7873 of the Internal Revenue Code of 1986 (relating to income derived by Indians from exercise of fishing rights).

(15) The deduction under section 162(l) of the Internal Revenue Code of 1986 (relating to health insurance costs of self-employed individuals) shall not be allowed; and

(16) Notwithstanding the preceding provisions of this subsection, each spouse's share of income or loss from a qualified joint venture shall be taken into account as provided in section 761(f) of the Internal Revenue Code of 1986 in determining net earnings from self-employment of such spouse.

If the taxable year of a partner is different from that of the partnership, the distributive share of income or loss from the trade or business of the partnership allocable to such partner for such taxable year shall be taken into account as provided in subsection (d). The term "self-employment income" means the net earnings from self-employment derived by an individual (other than a nonresident alien individual, except as provided by an agreement under section 433 of this title) during any taxable year beginning after 1950; except that such term shall not include—

(c) (computed under this subsection without regard to this sentence) is less than the lower limit, his distributive share of income described in such section 702(a)(8) derived from such trade or business may, at his option, be deemed to be the lower limit.

For purposes of the preceding sentence, gross income means—

(v) in the case of any such trade or business in which the income is computed under a cash receipts and disbursements method, the gross receipts from such trade or business reduced by the cost or other basis of property which was purchased and sold in carrying on such trade or business, adjusted (after such reduction) in accordance with the provisions of paragraphs (1) through (6) and paragraph (8) of this subsection; and

(vi) in the case of any such trade or business in which the income is computed under an accrual method, the gross income from such trade or business, adjusted in accordance with the provisions of paragraphs (1) through (6) and paragraph (8) of this subsection; and

and, for purposes of such sentence, if an individual (including a member of a partnership) derives gross income from more than one such trade or business, such gross income (including his distributive share of the gross income of any partnership derived from any such trade or business) shall be deemed to have been derived from one trade or business.

The preceding sentence and clauses (i) through (iv) of the second preceding sentence shall also apply in the case of any trade or business (other than a trade or business specified in such second preceding sentence) which is carried on by an individual who is self-employed on a regular basis as defined in subsection (g), or by a partnership of which an individual is a member on a regular basis as defined in subsection (g), but only if such individual's net earnings from self-employment in the taxable year as determined without regard to this sentence are less than the lower limit and less than 66 2/3 percent of the sum (in such taxable year) of such individual's gross income derived from all trades or businesses carried on by him and his distributive share of the income or loss from all trades or businesses carried on by all the partnerships of which he is a member; except that this sentence shall not apply to more than 5 taxable years in the case of any individual, and in no case in which an individual elects to determine the amount of his net earnings from self-employment for a taxable year under the provisions of the two preceding sentences with respect to a trade or business to which the second preceding sentence applies and with respect to a trade or business to which this sentence applies shall such net earnings for such year exceed the lower limit.

(b) Self-employment income

The term "self-employment income" means the net earnings from self-employment derived by an individual (other than a nonresident alien individual, except as provided by an agreement under section 433 of this title) during any taxable year beginning after 1950; except that such term shall not include—

For purposes of the preceding sentence, gross income means—

(v) in the case of any such trade or business in which the income is computed under a cash receipts and disbursements method, the gross receipts from such trade or business reduced by the cost or other basis of property which was purchased and sold in carrying on such trade or business, adjusted (after such reduction) in accordance with the provisions of paragraphs (1) through (6) and paragraph (8) of this subsection; and

(vi) in the case of any such trade or business in which the income is computed under an accrual method, the gross income from such trade or business, adjusted in accordance with the provisions of paragraphs (1) through (6) and paragraph (8) of this subsection; and

and, for purposes of such sentence, if an individual (including a member of a partnership) derives gross income from more than one such trade or business, such gross income (including his distributive share of the gross income of any partnership derived from any such trade or business) shall be deemed to have been derived from one trade or business.

The preceding sentence and clauses (i) through (iv) of the second preceding sentence shall also apply in the case of any trade or business (other than a trade or business specified in such second preceding sentence) which is carried on by an individual who is self-employed on a regular basis as defined in subsection (g), or by a partnership of which an individual is a member on a regular basis as defined in subsection (g), but only if such individual's net earnings from self-employment in the taxable year as determined without regard to this sentence are less than the lower limit and less than 66 2/3 percent of the sum (in such taxable year) of such individual's gross income derived from all trades or businesses carried on by him and his distributive share of the income or loss from all trades or businesses carried on by all the partnerships of which he is a member; except that this sentence shall not apply to more than 5 taxable years in the case of any individual, and in no case in which an individual elects to determine the amount of his net earnings from self-employment for a taxable year under the provisions of the two preceding sentences with respect to a trade or business to which the second preceding sentence applies and with respect to a trade or business to which this sentence applies shall such net earnings for such year exceed the lower limit.
An individual who is not a citizen of the United States but who is a resident of the Commonwealth of Puerto Rico, the Virgin Islands, Guam, or American Samoa shall not, for the purpose of this subsection, be considered to be a nonresident alien individual. In the case of the term "trade or business" shall have the same meaning as when used in subchapter K of chapter 1 of the Internal Revenue Code of 1986, except that such term shall not include—

(1) The performance of the functions of a public office, other than the functions of a public office of a State or a political subdivision thereof with respect to fees received in any period in which the functions are performed in a position compensated solely on a fee basis and in which such functions are not covered under an agreement entered into by such State and the Commissioner of Social Security pursuant to section 418 of this title;

(c) Trade or business

The term "trade or business", when used with reference to self-employment income or net earnings from self-employment, shall have the same meaning as when used in section 162 of the Internal Revenue Code of 1986, except that such term shall not include—

(1) The performance of the functions of a public office, other than the functions of a public office of a State or a political subdivision thereof with respect to fees received in any period in which the functions are performed in a position compensated solely on a fee basis and in which such functions are not covered under an agreement entered into by such State and the Commissioner of Social Security pursuant to section 418 of this title;

(2) The performance of service by an individual as an employee, other than—

(A) service described in section 410(a)(14)(B) of this title performed by an individual who has attained the age of eighteen;

(B) service described in section 410(a)(16) of this title,

(C) service described in section 410(a)(11), (12), or (15) of this title performed in the United States by a citizen of the United States, except service which constitutes "employment" under section 410(r) of this title,

(D) service described in paragraph (4) of this subsection,

(E) service performed by an individual as an employee of a State or a political subdivision thereof in a position compensated solely on a fee basis with respect to fees received in any period in which such service is not covered under an agreement entered into by such State and the Commissioner of Social Security pursuant to section 418 of this title,

(F) service described in section 410(a)(20) of this title, and

(G) service described in section 410(a)(8)(B) of this title;

(3) The performance of service by an individual as an employee or employee representative as defined in section 3231 of the Internal Revenue Code of 1986;

(4) The performance of service by a duly ordained, commissioned, or licensed minister of a church in the exercise of his ministry or by a member of a religious order in the exercise of duties required by such order;

(5) The performance of service by an individual in the exercise of his profession as a Christian Science practitioner; or

(6) The performance of service by an individual during the period for which an exemption under section 1402(g) of the Internal Revenue Code of 1986 is effective with respect to him.

The provisions of paragraph (4) or (5) shall not apply to service (other than service performed by a member of a religious order who has taken a vow of poverty as a member of such order) performed by an individual unless an exemption under section 1402(e) of the Internal Revenue Code of 1986 is effective with respect to him.

(d) Partnership and partner

The term "partnership" and the term "partner" shall have the same meaning as when used in subchapter K of chapter 1 of the Internal Revenue Code of 1986.

(e) Taxable year

The term "taxable year" shall have the same meaning as when used in subtitl e A of the Internal Revenue Code of 1986; and the taxable year of any individual shall be a calendar year unless he has a different taxable year for the purposes of subtitle A of such Code, in which case his taxable year for the purposes of this subchapter shall be the same as his taxable year under such subtitl e A.

(f) Partner's taxable year ending as result of death

In computing a partner's net earnings from self-employment for his taxable year which ends...
as a result of his death (but only if such taxable year ends within, and not with, the taxable year of the partnership), there shall be included so much of the deceased partner's distributive share of the partnership's ordinary income or loss for the partnership taxable year as is not attributable to an interest in the partnership during any period beginning on or after the first day of the first calendar month following the month in which such partner died. For purposes of this subsection—

(1) in determining the portion of the distributive share which is attributable to any period specified in the preceding sentence, the ordinary income or loss of the partnership shall be treated as having been realized or sustained ratably over the partnership taxable year; and

(2) the term "deceased partner's distributive share" includes the share of his estate or of any other person succeeding, by reason of his death, to rights with respect to his partnership interest.

(g) Regular basis

An individual shall be deemed to be self-employed on a regular basis in a taxable year, or to be a member of a partnership on a regular basis in such year, if he had net earnings from self-employment, as defined in the first sentence of subsection (a), of not less than $400 in at least two of the three consecutive taxable years immediately preceding such taxable year from trades or businesses carried on by such individual or such partnership.

(h) Option dealers and commodity dealers

(1) In determining the net earnings from self-employment of any option dealer or commodity dealers—

(A) notwithstanding subsection (a)(3)(A), there shall not be excluded any gain or loss (in the normal course of the taxpayer's activity of dealing in or trading section 1256 contracts) from section 1256 contracts or property related to such contracts, and

(B) the deduction provided by section 1202 of the Internal Revenue Code of 1986 shall not apply.

(2) For purposes of this subsection—

(A) The term "options dealer" has the meaning given such term by section 1256(g)(8) of such Code.

(B) The term "commodities dealer" means a person who is actively engaged in trading section 1256 contracts and is registered with a domestic board of trade which is designated as a contract market by the Commodities Futures Trading Commission.

(C) The term "section 1256 contracts" has the meaning given to such term by section 1256(b) of such Code.

(i) Church employee income

(1) In applying subsection (a)—

(A) church employee income shall not be reduced by any deduction;

(B) church employee income and deductions attributable to such income shall not be taken into account in determining the amount of other net earnings from self-employment.

(2) if subsection (b)(2) shall be applied separately—

(i) to church employee income, and

(ii) to other net earnings from self-employment.

(B) In applying subsection (b)(2) to church employee income, "$300" shall be substituted for "$400".

(3) Paragraph (1) shall not apply to any amount allowable as a deduction under subsection (a)(11), and paragraph (1) shall be applied before determining the amount so allowable.

(4) For purposes of this section, the term "church employee income" means gross income for services which are described in section 410(a)(8)(B) of this title and are not described in section 410(a)(8)(A) of this title.

(j) Codification of treatment of certain termination payments received by former insurance salesmen

Nothing in subsection (a) shall be construed as including in the net earnings from self-employment of an individual any amount received during the taxable year from an insurance company on account of services performed by such individual as an insurance salesman for such company if—

(1) such amount is received after termination of such individual's agreement to perform such services for such company,

(2) such individual performs no services for such company after such termination and before the close of such taxable year,

(3) such individual enters into a covenant not to compete against such company which applies to at least the 1-year period beginning on the date of such termination, and

(4) the amount of such payment—

(A) depends primarily on policies sold by or credited to the account of such individual during the last year of such agreement or the extent to which such policies remain in force for some period after such termination, or both, and

(B) does not depend to any extent on length of service or overall earnings from services performed for such company (without regard to whether eligibility for payment depends on length of service).

(k) Upper and lower limits

For purposes of subsection (a)—

(1) The lower limit for any taxable year is the sum of the amounts required under section 413(d) of this title for a quarter of coverage in effect with respect to each calendar quarter ending with or within such taxable year.

(2) The upper limit for any taxable year is the amount equal to 150 percent of the lower limit for such taxable year.

is classified to Title 26, Internal Revenue Code.

15352(b)(1), (2), May 22, 2008, 122 Stat. 1109, 1501, IV, § 4115(c)(1)(A)(i), (B)(iii), title XV, §§ 15301(b), 2263, 2288.)


REFERENCES IN TEXT

The Internal Revenue Code of 1986, as amended, is classified to Title 26, Internal Revenue Code.

Section 3833(a)(2) of title 16, referred to in subsec. (a)(1), was in the original a reference to “section 1233(2) of the Food Security Act of 1985 (16 U.S.C. 3833(2))”, which is section 1233(2) of Pub. L. 99–198, and which was classified to section 3833(2) of Title 16, Conservation, prior to the general amendment of section 1233 by Pub. L. 113–79, title II, § 2004, Feb. 7, 2014, 128 Stat. 715. As so amended, the substance of former section 1233(2) now appears in section 1233(a)(2), which is classified to section 3833(a)(2) of Title 16.

CORRECTIONS


AMENDMENTS

2008—Subsec. (a). Pub. L. 110–246, § 15352(b)(1), in concluding provisions, substituted “‘$2,600’ wherever appearing and ‘the lower limit’ for ‘$1,600’ wherever appearing”.

Subsec. (d). Pub. L. 110–246, § 15301(b), inserted “. and including payments under section 4062 of title 16 to individuals receiving benefits under section 402 or 423 of this title after ‘crop shares’”,


2004—Subsec. (a)(5)(A). Pub. L. 108–203, § 425(a), substituted “the gross income and deductions attributable to such trade or business shall be treated as the gross income and deductions of the spouse carrying on such trade or business or, if such trade or business is jointly operated, treated as the gross income and deductions of each spouse on the basis of their respective distributive share of the gross income and deductions;” for “all of the gross income and deductions attributable to such trade or business shall be treated as the gross income and deductions of the husband unless the wife exercises substantially all of the management and control of such trade or business, in which case all of such gross income and deductions shall be treated as the gross income and deductions of the wife;”.

Subsec. (a)(7). Pub. L. 108–203, § 422(a), inserted “. but shall not include in any such net earnings from self-employment the rental value of any parsonage or any parsonage allowance (whether or not not included under section 107 of the Internal Revenue Code of 1986) provided after the individual retires, or any other retirement benefit received by such individual from a church plan (as defined in section 114(e) of such Code) after the individual retires” before semicolon at end.

Subsec. (a)(15). Pub. L. 108–203, § 414(a), substituted “section 162(d)” for “section 162(m)”.


1994—Subsec. (a). Pub. L. 103–296, § 321(c)(6)(F), substituted “1986” for “1954” after “Code of” wherever appearing in introductory provisions, in pars. (3), (4), (6), (10), (11), and (12), and in cls. (iii) and (iv) of closing provisions.

Subsec. (a)(13) to (15). Pub. L. 103–296, § 321(a)(14), (c)(5), struck out “and” at end of par. (13), substituted “. and” for “and” at end of par. (14), and inserted “of the Internal Revenue Code of 1986” after “section 162(m)” in par. (15).


Subsec. (c)(1). Pub. L. 103–296, § 107(a)(4), substituted “Commissioner of Social Security” for “Secretary”.

Subsec. (c)(2)(C). Pub. L. 103–296, § 319(b)(2), which directed that subpar. (C) be amended by inserting “. except service which constitutes ‘employment’ under section 418(p) of this title” before the semicolon, was executed by making the insertion before the comma at end, to reflect the probable intent of Congress.


1990—Subsec. (a). Pub. L. 101–508, § 5123(a)(1), redesignated last undesignated paragraph, relating to income of an individual which results from or is attributable to performance of services by such individual as a director of a corporation, as subsec. (f)(5) of section 403 of this title.

Subsec. (a)(14), (15). Pub. L. 101–508, § 5130(a)(3), redesignated par. (14), relating to nonallowability of deduction under section 162(m) (health insurance costs of self-employed individuals), as (15).


Pub. L. 100–647, § 1011B(b)(4), added par. (14) relating to nonallowability of deduction under section 162(m) (health insurance costs of self-employed individuals).
1987—Subsec. (a). Pub. L. 100–203, § 9022(a), inserted par. at end relating to income of an individual which results from or is attributable to the performance of services by such individual as a director of a corporation.


Subsec. (a)(8). Pub. L. 100–203, § 9023(b)(2), amended par. (8) generally. Prior to amendment, par. (8) read as follows:

"(8) if the amount of such remuneration from an employer for the taxable year is less than $100, such remuneration from that employer shall not be included in self-employment income."

Subsec. (b). Pub. L. 99–314, § 1882(b)(2)(B)(i), inserted at end "in the case of church employee income, the special rules of subsection (1)(2) shall apply for purposes of paragraph (2)."


Pub. L. 98–369, § 2663(a)(8)(D), in provisions following num. under par., substituted "702(a)(8)" for "702(a)(9)" in cl. (iii) and in two places in cl. (iv).


Subsec. (b)(1)(D). Pub. L. 98–369, § 2663(a)(8)(E), realigned margins of subpars. (D) and (G) to (I).


1982—Subsec. (a)(10). Pub. L. 98–21, § 233(b)(2)(A), substituted "The exclusion from gross income provided by section 911(a)(1) of the Internal Revenue Code of 1954 shall not apply" for "In the case of an individual described in section 911(d)(1)(B) of the Internal Revenue Code of 1954, the exclusion from gross income provided by section 911(a)(1) of such Code shall not apply"

Pub. L. 98–21, § 233(b)(2)(B), temporarily amended par. (10) by substituting "In the case of an individual described in section 911(d)(1)(B) of the Internal Revenue Code of 1954, the exclusion from gross income provided by section 911(a)(1) of such Code shall not apply" for "In the case of an individual who has been a resident of the United States during the entire taxable year, the exclusion from gross income provided by section 911(a)(2) of the Internal Revenue Code of 1954 shall not apply". See Effective and Termination Dates of 1983 Amendment note below.


Subsec. (b). Pub. L. 98–21, § 222(b)(1), as amended by Pub. L. 101–508, § 5130(a)(2), inserted "except as provided by an agreement under section 433 of this title", after "non-resident alien individual", in provisions preceding par. (1).

1978—Subsec. (a)(2). Pub. L. 95–600, § 7003(d)(14)(D), which directed that "(other than interest described in section 35 of the Internal Revenue Code of 1954) be struck out from subsection (a)(2) of this section, was executed by striking out "other than interest described in section 25(a) of the Internal Revenue Code of 1939") as the probable intent of Congress.

Subsec. (c)(6). Pub. L. 95–600, § 7003(d)(14)(E), substituted "section 1402(g)" for "section 1402(h)".


1974—Subsec. (a)(1). Pub. L. 93–368 inserted "(as determined without regard to any activities of an agent of such owner or tenant)" after "material participation by the owner or tenant", wherever appearing.

1973—Subsec. (b)(1)H. Pub. L. 93–231 substituted "$13,200" for "$12,600"

Pub. L. 93–66 substituted "$12,600" for "$12,000".

1972—Subsec. (a). Pub. L. 92–663, §§ 121(a)(1), 124(a), 140(a), struck out provisions of par. (7) relating to citizens of the United States performing the specified services as an employee of an American employer (as defined in section 410(e) of this title) or a minister in a foreign country who has a congregation composed predominantly of United States citizens, inserted provisions in par. (7) relating to the applicability of sections 911 and 931 of title 26, and added par. (10) and provisions for an optional method for determining self-employment earnings.


Subsec. (c). Pub. L. 90–248, § 115(a), substituted in last sentence "unless an exemption under section 1402(e) of the Internal Revenue Code of 1954 is effective with respect to him" for "‘during the period for which a certificate filed by him under section 1402(e) of the Internal Revenue Code of 1954 is in effect’".

Subsec. (c)(1). Pub. L. 90–248, § 122(a)(1), included in term “trade or business” functions of a public office of
a State or political subdivision thereof with respect to fees received in a position compensated solely on a fee basis and which position is not covered under a State social security coverage agreement.


1966—Subsec. (a). Pub. L. 89–97, §312(a), substituted “$2,000” for “$1,800” in cls. (i) to (iv) and “$1,600” for “$1,200” in cls. (i) and (iv) of second sentence following par. (8), wherever appearing.

(b)(1)(C). Pub. L. 89–97, §320(a)(2)(A), inserted “and prior to 1966” after “1958” and substituted “and” for “or” after the semicolon.


Subsec. (c). Pub. L. 89–97, §311(a)(1), (2), struck out from par. (5) “doctor of medicine or” before, and “; or the performance of such service by a partnership” after “Christian Science practitioner” and consolidated into one sentence former last two sentences.


1964—Subsec. (a)(9)(B), Pub. L. 88–172 amended cl. (B) generally, substituting “coals, or iron ore, if section 631 of the Internal Revenue Code of 1954 applies” for “or coal, if section 117(j) of the Internal Revenue Code of 1954 is applicable”.


Subsec. (a)(8). Pub. L. 86–778, §108(g), added par. (8) and inserted a reference to paragraph (8) in cls. (v) and (vi) of last sentence.

Subsec. (b). Pub. L. 86–778, §103(b), provided that individuals who are not citizens of the United States but who are residents of Guam or American Samoa shall not, for the purposes of this subsection, be considered nonresident alien individuals, and struck out provisions which related to individuals who were citizens of Puerto Rico prior to the effective date specified in section 419 of this title.

Subsec. (c)(2). Pub. L. 86–778, §106(a), excluded service described in section 410(a)(11), (12), or (15) of this title performed in the United States by a citizen of the United States.

1958—Subsec. (b)(1). Pub. L. 85–840, §102(b), inserted “and prior to 1959” after “year ending after 1954” in cl. (B), and added cl. (C).


1956—Subsec. (a). Act Aug. 1, 1956, §106(a), amended last two sentences generally, to include those businesses in which the income is computed under an accrual method, and partnerships, to change the method of computation of net earnings for individuals by permitting those whose gross income is not more than $1,800 to deem their net earnings to be 66% percent of such gross income, and those whose gross income is more than $1,800 and the net earnings are less than $1,200, to deem the net earnings to be $1,200, and to provide for the computation of net earnings for members of partnerships.

Subsec. (a)(1). Act Aug. 1, 1956, §104(c)(2), struck out from exclusion, income derived by an owner or tenant to land if such income is derived under an arrangement with another individual for the production by such other individual of agricultural or horticultural commodities if such arrangement provides for material participation by the owner or tenant in the production or the management of the production of such commodities, and there is material participation by the owner or tenant with respect to any such commodity.

Subsec. (a)(7)(B). Act Aug. 1, 1956, §104(h), included citizens of the United States who are ministers in foreign countries and have congregations composed predominantly of citizens of the United States.
set out as a note under section 1402 of Title 26, Internal Revenue Code.

**Effective Date of 1994 Amendment**

Amendment by section 319(b)(2) of Pub. L. 103–296 applicable with respect to services performed after calendar quarter following calendar quarter in which Aug. 15, 1994, occurs, see section 319(c) of Pub. L. 103–296, set out as a note under section 1402 of Title 26, Internal Revenue Code.

**Effective Date of 1990 Amendment**
Amendment by section 512(a)(1) of Pub. L. 101–508 applicable with respect to income received for services performed in taxable years beginning after Dec. 31, 1990, see section 5123(b) of Pub. L. 101–508, set out as a note under section 465 of this title.

Amendment by section 5130(a)(2) of Pub. L. 101–508 effective as if included in the enactment of Pub. L. 98–21, §322(b)(1), and amendment by section 5130(a)(3) of Pub. L. 101–508 effective as if included in the enactment of Pub. L. 98–21, §1011B(b)(4), see section 5130(b) of Pub. L. 101–508, set out as a note under section 1402 of Title 26, Internal Revenue Code.

**Effective Date of 1988 Amendment**
Amendment by section 1011B(b)(4) of Pub. L. 100–647 effective, except as otherwise provided, as if included in the provision of the Tax Reform Act of 1986, Pub. L. 99–514, to which such amendment relates, see section 1019(a) of Pub. L. 100–647, set out as a note under section 1 of Title 26, Internal Revenue Code.

Amendment by section 3043(b) of Pub. L. 100–647 applicable to all periods beginning before, on, or after Nov. 10, 1988, with no inference created as to existence or non-existence or scope of any exemption from tax for income derived from fishing rights secured as of Mar. 17, 1988, by any treaty, law, or Executive Order, see section 3044 of Pub. L. 100–647, set out as an Effective Date of 1983 Amendment note under section 3121 of Title 26.

Amendment by section 323(b)(2)(A) of Pub. L. 98–21 applicable to taxable years beginning after Dec. 31, 1983, see section 323(c)(2) of Pub. L. 98–21, set out as an Effective Date of 1983 Amendment note under section 1402 of Title 26.


**Effective Date of 1978 Amendment**
Amendment by Pub. L. 95–600 effective Oct. 4, 1976, see section 703(d) of Pub. L. 95–600, set out as a note under section 46 of Title 26, Internal Revenue Code.

**Effective Date of 1977 Amendment**
Pub. L. 95–216, title III, §313(c), Dec. 20, 1977, 91 Stat. 1356, provided that: "The amendment made by this section [amending this section and section 1402 of Title 26, Internal Revenue Code] shall apply with respect to taxable years beginning after December 31, 1977."

**Effective Date of 1974 Amendment**
Pub. L. 93–368, §10(c), Aug. 7, 1974, 88 Stat. 422, provided that: "The amendments made by this section [amending this section and section 1402 of Title 26, Internal Revenue Code] shall apply with respect to taxable years beginning after December 31, 1973."

**Effective Date of 1973 Amendment**
Amendment by Pub. L. 93–233 applicable only with respect to remuneration paid after, and taxable years beginning after, 1973, see section 5(e) of Pub. L. 93–233, set out as a note under section 409 of this title.

Amendment by Pub. L. 93–66 applicable only with respect to remuneration paid after, and taxable years beginning after, 1973, see section 203(e) of Pub. L. 93–66, set out as a note under section 409 of this title.

**Effective Date of 1972 Amendment**
Pub. L. 92–603, title I, §121(c), Oct. 30, 1972, 86 Stat. 1354, provided that: "The amendments made by this section [amending this section and section 1402 of Title 26, Internal Revenue Code] shall apply only with respect to taxable years beginning after December 31, 1972."

Pub. L. 92–603, title I, §124(c), Oct. 30, 1972, 86 Stat. 1357, provided that: "The amendments made by this section [amending this section and section 1402 of Title 26] shall apply with respect to taxable years beginning after December 31, 1972."

Pub. L. 92–603, title I, §140(c), Oct. 30, 1972, 86 Stat. 1366, provided that: "The amendments made by this section [amending this section and section 1402 of Title
§ 411

to amounts received or accrued in taxable years beginning after December 31, 1965, see section 1402 of Title 26, set out as a note under section 402 of this title.


Amendment by section 101(d), (g)(1), (2), (4) of act Aug. 1, 1956, applicable only with respect to taxable years ending after 1954, see section 101(c)(2), (d) of such act Aug. 1, 1956, set out as a note under section 410 of this title.

Amendment by section 104(c)(3) of act Aug. 1, 1956, applicable with respect to taxable years ending after 1954, see section 104(i) of such act Aug. 1, 1956, set out as a note under section 410 of this title.

Amendment by section 10(h) of act Aug. 1, 1956, applicable with respect to taxable years ending after 1955, see section 104(i) of such act Aug. 1, 1956, set out as a note under section 410 of this title.

Amendment by section 104(h) of act Aug. 1, 1956, applicable with respect to taxable years ending after 1954, see section 104(i) of such act Aug. 1, 1956, set out as a note under section 410 of this title.

Amendment by section 104(h) of act Aug. 1, 1956, applicable with respect to taxable years ending after 1955, see section 104(i) of such act Aug. 1, 1956, set out as a note under section 410 of this title.

Amendment by section 104(h) of act Aug. 1, 1956, applicable with respect to taxable years ending after 1954, see section 104(i) of such act Aug. 1, 1956, set out as a note under section 410 of this title.

Amendment by section 104(h) of act Aug. 1, 1956, applicable with respect to taxable years ending after 1954, see section 104(i) of such act Aug. 1, 1956, set out as a note under section 410 of this title.

Amendment by section 104(h) of act Aug. 1, 1956, applicable with respect to taxable years ending after 1954, see section 104(i) of such act Aug. 1, 1956, set out as a note under section 410 of this title.

Amendment by section 104(h) of act Aug. 1, 1956, applicable with respect to taxable years ending after 1954, see section 104(i) of such act Aug. 1, 1956, set out as a note under section 410 of this title.

Amendment by section 104(h) of act Aug. 1, 1956, applicable with respect to taxable years ending after 1954, see section 104(i) of such act Aug. 1, 1956, set out as a note under section 410 of this title.

Amendment by section 104(h) of act Aug. 1, 1956, applicable with respect to taxable years ending after 1954, see section 104(i) of such act Aug. 1, 1956, set out as a note under section 410 of this title.

Amendment by section 104(h) of act Aug. 1, 1956, applicable with respect to taxable years ending after 1954, see section 104(i) of such act Aug. 1, 1956, set out as a note under section 410 of this title.

Amendment by section 104(h) of act Aug. 1, 1956, applicable with respect to taxable years ending after 1954, see section 104(i) of such act Aug. 1, 1956, set out as a note under section 410 of this title.

Amendment by section 104(h) of act Aug. 1, 1956, applicable with respect to taxable years ending after 1954, see section 104(i) of such act Aug. 1, 1956, set out as a note under section 410 of this title.

Amendment by section 104(h) of act Aug. 1, 1956, applicable with respect to taxable years ending after 1954, see section 104(i) of such act Aug. 1, 1956, set out as a note under section 410 of this title.

Amendment by section 104(h) of act Aug. 1, 1956, applicable with respect to taxable years ending after 1954, see section 104(i) of such act Aug. 1, 1956, set out as a note under section 410 of this title.

Amendment by section 104(h) of act Aug. 1, 1956, applicable with respect to taxable years ending after 1954, see section 104(i) of such act Aug. 1, 1956, set out as a note under section 410 of this title.

Amendment by section 104(h) of act Aug. 1, 1956, applicable with respect to taxable years ending after 1954, see section 104(i) of such act Aug. 1, 1956, set out as a note under section 410 of this title.

Amendment by section 104(h) of act Aug. 1, 1956, applicable with respect to taxable years ending after 1954, see section 104(i) of such act Aug. 1, 1956, set out as a note under section 410 of this title.

Amendment by section 104(h) of act Aug. 1, 1956, applicable with respect to taxable years ending after 1954, see section 104(i) of such act Aug. 1, 1956, set out as a note under section 410 of this title.
§ 412. Self-employment income credited to calendar years

(a) Taxable years prior to 1978
For the purposes of determining average indexed monthly wage and quarters of coverage the amount of self-employment income derived during any taxable year which begins before 1978 shall—

(1) in the case of a taxable year which is a calendar year, be credited equally to each quarter of such calendar year; and

(2) in the case of any other taxable year, be credited equally to the calendar quarter in which such taxable year ends and to each of the next three or fewer preceding quarters any part of which is in such taxable year.

(b) Taxable years after 1977
Except as provided in subsection (c), for the purposes of determining average indexed monthly earnings, average monthly wage, and quarters of coverage the amount of self-employment income derived during any taxable year which begins after 1977 shall—

(1) in the case of a taxable year which is a calendar year or which begins with or during a calendar year and ends with or during such year, be credited to such calendar year; and

(2) in the case of any other taxable year, be allocated proportionately to the two calendar years, portions of which are included within such taxable year, on the basis of the number of months in each such calendar year which are included completely within the taxable year.

For purposes of clause (2), the calendar month in which a taxable year ends shall be treated as included completely within that taxable year.

(c) Proportional allocation
For the purpose of determining average indexed monthly earnings, average monthly wage, and quarters of coverage in the case of any individual who elects the option described in clause (ii) or (iv) in the matter following section 411(a)(16) of this title for any taxable year that does not begin with or during a particular calendar year and end with or during such year, the self-employment income of such individual deemed to be derived during such taxable year shall be allocated to the two calendar years, portions of which are included within such taxable year, in the same proportion to the total of such deemed self-employment income as the sum of the amounts applicable under section 413(d) of this title for the calendar quarters ending with or within each such calendar year bears to the lower limit for such taxable year specified in section 411(c)(1) of this title.

§ 413. Quarter and quarter of coverage

(a) Definitions
For the purposes of this subchapter—

(1) The term “quarter”, and the term “calendar quarter”, mean a period of three calendar months ending on March 31, June 30, September 30, or December 31.

(2)(A) The term “quarter of coverage” means—

(i) for calendar years before 1978, and subject to the provisions of subparagraph (B), a quarter in which an individual has been paid $50 or more in wages (except wages for agricultural labor paid after 1954) or for which he has been credited (as determined under section 412 of this title) with $100 or more of self-employment income; and

(ii) for calendar years after 1977, and subject to the provisions of subparagraph (B), each portion of the total of the wages paid and the self-employment income credited (pursuant to section 412 of this title) to an individual in a calendar year which equals the amount required for a quarter of coverage in that calendar year (as determined under subsection (d)), with such quarter of coverage being assigned to a specific calendar quarter in such calendar year only if necessary in the case of any individual who has attained age 62 or died or is under a disability and the requirements for insured status in subsection (a) or (b) of section 414 of this title, the requirements for
entitlement to a computation or recomputation of his primary insurance amount, or the requirements of paragraph (3) of section 416(i) of this title would not otherwise be met.

(B) Notwithstanding the provisions of subparagraph (A)—

(1) no quarter after the quarter in which an individual dies shall be a quarter of coverage, and no quarter any part of which is included in a period of disability (other than the initial quarter and the last quarter of such period) shall be a quarter of coverage;

(ii) if the wages paid to an individual in any calendar year equal $3,000 in the case of a calendar year before 1951, or $3,600 in the case of a calendar year after 1950 and before 1955, or $4,200 in the case of a calendar year after 1954 and before 1959, or $4,800 in the case of a calendar year after 1958 and before 1966, or $6,000 in the case of a calendar year after 1965 and before 1968, or $7,800 in the case of a calendar year after 1967 and before 1972, or $9,000 in the case of the calendar year 1972, or $10,800 in the case of the calendar year 1973, or $13,200 in the case of the calendar year 1974, or an amount equal to the contribution and benefit base (as determined under section 430 of this title) in the case of any calendar year after 1974 and before 1978 with respect to which such contributions and benefit base is effective, each quarter of such year shall (subject to clauses (i) and (v)) be a quarter of coverage;

(iii) if an individual has self-employment income for a taxable year, and if the sum of such income and the wages paid to him during such year equal $3,600 in the case of a taxable year beginning after 1950 and before 1955, or $4,200 in the case of a taxable year ending after 1954 and before 1959, or $4,800 in the case of a taxable year ending after 1958 and before 1966, or $6,000 in the case of a taxable year ending after 1965 and before 1968, or $7,800 in the case of a taxable year ending after 1967 and before 1972, or $9,000 in the case of a taxable year beginning after 1971 and before 1973, or $10,800 in the case of a taxable year beginning after 1972 and before 1974, or $13,200 in the case of a taxable year beginning after 1973 and before 1975, or an amount equal to the contribution and benefit base (as determined under section 430 of this title) which is effective for the calendar year in which he had any covered employment had been determined on the basis of the period during which wages were earned rather than on the basis of the period during which wages were paid (any such wages paid that are reallocated on an earned basis shall not be used in determining quarters of coverage for subsequent calendar years), then upon application filed by the individual or his survivors and satisfactory proof of such earnings being furnished by such individual or his survivors, the quarters of coverage in such calendar year may be determined on the basis of the periods during which wages were earned.

(b) Crediting of wages paid in 1937

With respect to wages paid to an individual in the six-month periods commencing either January 1, 1937, or July 1, 1937; (A) if wages of not less than $100 were paid in any such period, one-half of the total amount thereof shall be deemed to have been paid in each of the calendar quarters in such period; and (B) if wages of less than $100 were paid in any such period, the total amount thereof shall be deemed to have been paid in the latter quarter of such period, except that if in any such period, the individual attained age sixty-five, all of the wages paid in such period shall be deemed to have been paid before such age was attained.

(c) Alternative method for determining quarters of coverage with respect to wages in period from 1937 to 1950

For purposes of sections 414(a) and 415(d) of this title, an individual shall be deemed to have
one quarter of coverage for each $400 of his total wages prior to 1951 (as defined in section 415(d) of this title), except where such individual is not a fully insured individual on the basis of the number of quarters of coverage so derived plus the number of quarters of coverage derived from the wages and self-employment income credited to such individual for periods after 1950.

(d) Amount required for a quarter of coverage

(1) The amount of wages and self-employment income which an individual must have in order to be credited with a quarter of coverage in any year under subsection (a)(2)(A)(ii) shall be $250 in the calendar year 1978 and the amount determined under paragraph (2) of this subsection for years after 1978.

(2) The Commissioner of Social Security shall, on or before November 1 of 1978 and of every year thereafter, determine and publish in the Federal Register the amount of wages and self-employment income which an individual must have in order to be credited with a quarter of coverage in the succeeding calendar year. The amount required for a quarter of coverage shall be the larger of—

(A) the amount in effect in the calendar year in which the determination under this subsection is made, or

(B) the product of the amount prescribed in paragraph (1) which is required for a quarter of coverage in 1978 and the ratio of the national average wage index (as defined in section 409(k)(1) of this title) for the calendar year before the year in which the determination under this paragraph is made to the national average wage index (as so defined) for 1976, with such product, if not a multiple of $10, being rounded to the next higher multiple of $10 where such amount is a multiple of $5 but not of $10 and to the nearest multiple of $10 in any other case.

base which is effective for the calendar year in the case of any taxable year beginning in any calendar year after 1974.


1963—Subsec. (a). Pub. L. 87-64 substituted “has attained age 62” for “who attained retirement age” and “who attained age 62 (if a woman) or age 65 (if a man)” for “who attained retirement age”.

1963—Subsec. (a)(2). Pub. L. 87-787 required each quarter of a calendar year before 1951 to be counted as a quarter of coverage if the individual received wages equal to $3,000 in the calendar year.

1962—Subsec. (a)(2)(B). Pub. L. 86-492 inserted sentence in cl. (B) to permit the quarters of coverage in a calendar year to be determined on the basis of the periods during which wages were earned in the case of individuals who did not die prior to Jan. 1, 1955, and who attained retirement age or died before July 1, 1957, who did not meet the requirements for insured status because of having too few quarters of coverage but who would meet the requirements if the quarters of coverage in the first calendar year in which they had any covered employment had been determined on the basis of the period during which wages were earned rather than on the basis of the period during which wages were paid.


1956—Subsec. (a)(2)(B)(iv). Act Aug. 1, 1956, substituted “if such wages equal or exceed $100 but are less than $200” for “if such wages are less than $200”.

1954—Subsec. (a)(2)(A). Act Sept. 1, 1954, §104(a)(1), redefined “quarter of coverage,” in the case of quarters occurring before 1951, to exclude any quarter any part of which was included in a period of disability, other than the initial quarter of such period, which provided that any quarter any part of which was included in a period of disability, other than the first quarter of such period, could not be counted as a quarter of coverage in a calendar year in which wages of $3,000 or more were paid.

1954—Subsec. (a)(2)(B). Act Sept. 1, 1954, §104(c), provided that for calendar years after 1954 an individual shall be credited with a quarter of coverage for each quarter of the year if his wages for the year equal $4,200 and he shall be credited with a quarter of coverage for each quarter of a taxable year ending after 1954 in which the sum of his wages and self-employment income equal $4,200.

Act Sept. 1, 1954, §108(b), provided for crediting quarters of coverage on basis of annual amounts of wages received for agricultural labor.


Subsec. (a)(2)(B)(i). Act July 18, 1952, §3(a)(2), inserted “and no quarter any part of which was included in a period of disability (other than the initial quarter and the last quarter of such period) shall be a quarter of coverage”.

Subsec. (a)(2)(B)(iii). Act July 18, 1952, §3(a)(3), substituted “shall (subject to clause (i) of this subparagraph) be a quarter of coverage” for “shall be a quarter of coverage”.

Effective Date of 1994 Amendment


Effective Date of 1990 Amendment

Pub. L. 101-506, title V, §5117(c)(3), Nov. 5, 1990, 104 Stat. 1388-278, provided that: “The amendments made by this subsection (amending this section and provisions set out as a note below) shall apply only with respect to individuals who—

‘‘(A) make application for benefits under section 202 of the Social Security Act [42 U.S.C. 402] after the 18-month period following the month in which this Act is enacted [November 1990], and

‘‘(B) are not entitled to benefits under section 227 or 228 of such Act [42 U.S.C. 427, 428] for the month in which such application is made.”

Effective Date of 1899 Amendment

Amendment by Pub. L. 102-208 applicable only with respect to remuneration paid after, and taxable years beginning after 1990, see section 101208(a) of Pub. L. 102-208, set out as a note under section 401 of this title.

Effective Date of 1984 Amendment

Amendment by Pub. L. 98-369 effective July 18, 1984, but not to be construed as changing or affecting any right, liability, status, or interpretation which existed (under the provisions of law involved) before that date, see section 2664(a) of Pub. L. 98-369, set out as a note under section 401 of this title.

Effective Date of 1977 Amendment

Amendment by section 351(c) of Pub. L. 95-216 applicable only with respect to remuneration paid after, and taxable years beginning after 1972, see section 203(c) of Pub. L. 95-216, set out as a note under section 409 of this title.

Effective Date of 1973 Amendment

Amendment by Pub. L. 93-233 applicable only with respect to remuneration paid after, and taxable years beginning after 1973, see section 5(e) of Pub. L. 93-233, set out as a note under section 409 of this title.

Amendment by Pub. L. 93-66 applicable only with respect to remuneration paid after, and taxable years beginning after 1973, see section 203(e) of Pub. L. 93-66, set out as a note under section 409 of this title.

Effective Date of 1972 Amendment

Amendment by section 203(a)(3)(A) of Pub. L. 92-336 applicable only with respect to remuneration paid after December 1971, and amendment by section 203(a)(3)(B) of Pub. L. 92-336 applicable only with respect to taxable years beginning after 1971, see section 203(c) of Pub. L. 92-336, set out as a note under section 409 of this title.
Effective Date of 1968 Amendment
Amendment by section 108(a)(3)(A) of Pub. L. 90–248 applicable only with respect to remuneration paid after December 1967, and amendment by section 108(a)(3)(B) applicable only with respect to taxable years ending after 1967, see section 108(c) of Pub. L. 90–248, set out as a note under section 409 of this title.

Pub. L. 90–248, title I, §115(b)(2), Jan. 2, 1968, 81 Stat. 866, as amended by Pub. L. 101–508, title V, §5117(c)(2), Nov. 5, 1990, 104 Stat. 1388–278, provided that: “The amendment made by paragraph (1) [amending this section] shall apply only in the case of an individual who applies for benefits under section 202(a) or 223 of the Social Security Act [42 U.S.C. 402(a), 423] under the basis of his wages and self-employment income for the one-year period beginning on or after August 1, 1961, and with respect to lump-sum death payments under title II of the Social Security Act (42 U.S.C. 401 et seq.), be entitled to a recomputation of his primary insurance amount under section 215(f)(4)(A) [of such Act] (2 U.S.C. 415(f)), and (ii) on the basis of whose wages and self-employment income no individual was entitled to such a benefit, without the filing of an application, for any month prior to the month in which this Act is enacted [September 1960]; or

“(F) who files an application for a recomputation under section 102(f)(2)(B) of the Social Security Amendments of 1954 [set out as a note under section 415 of this title] in or after the month in which this Act is enacted [September 1960] and is (or would, but for the fact that such recomputation would not result in a higher primary insurance amount, be) entitled to have his primary insurance amount recomputed under such subparagraph; or

“(G) who dies and whose survivors are (or would, but for the fact that such recomputation would not result in a higher primary insurance amount for such individual, be) entitled, on the basis of an application filed in or after the month in which this Act is enacted [September 1960] and is (or would, but for the fact that such recomputation would not result in a higher primary insurance amount for such individual) entitled, on the basis of an application filed in or after the month in which this Act is enacted [September 1960] and whose survivors are (or would, but for the fact that such recomputation would not result in a higher primary insurance amount for such individual) entitled, on the basis of an application filed in or after the month in which this Act is enacted [September 1960] and whose survivors are (or would, but for the fact that such recomputation would not result in a higher primary insurance amount for such individual) entitled, on the basis of an application filed in or after the month in which this Act is enacted [September 1960] and whose survivors are (or would, but for the fact that such recomputation would not result in a higher primary insurance amount for such individual) entitled, on the basis of an application filed in or after the month in which this Act is enacted [September 1960]; or

“Notwithstanding any other provisions of this subsection, in the case of any individual who would not be a fully insured individual under section 214(a) of the Social Security Act [42 U.S.C. 414(a)] except for the enactment of this section, no benefits shall be payable on the basis of his wages and self-employment income for any month prior to the month in which this Act is enacted [September 1960].”

Pub. L. 90–248, §3, Apr. 22, 1960, 74 Stat. 82, provided in part that: “This amendment [amending this section] shall be applicable in the case of monthly benefits under title II of the Social Security Act [42 U.S.C. 401 et seq.] for months after June 1967, and in the case of the lump-sum death payments under such title, with respect to deaths occurring after such month; the requirements for filing applications for such benefits and payments within certain time limits, as prescribed in sections 202(l) and 203(l) of this title [42 U.S.C. 402(l) and 403(l)], shall not apply if an application is filed within the one-year period beginning with the first day of the month after the month in which this Act is enacted [April 1960].”

Effective Date of 1954 Amendment
Act Sept. 1, 1954, ch. 1206, title I, §106(b), 68 Stat. 1083, provided that: “Notwithstanding the provisions of section 215(f)(1) of the Social Security Act [42 U.S.C. 415(f)(1)], the amendments made by subsections (a), (b), (c), (d), (e), and (f) of this section [amending this section and sections 414 to 417 of this title and section 229e of Title 45, Railroads] shall apply with respect to monthly benefits under title II of the Social Security Act [42 U.S.C. 401 et seq.] for months after June 1955, and with respect to lump-sum death payments under such title in the case of deaths occurring after June 1955, but no recomputation of benefits by reason of such amendments shall be regarded as a recomputation for purposes of section 215(f) of the Social Security Act [42 U.S.C. 415(f)].”

Effective and Termination Date of 1952 Amendment
Act July 18, 1952, ch. 945, §3(f), 66 Stat. 773, provided that: “Notwithstanding the provisions of section
§ 414. Insured status for purposes of old-age and survivors insurance benefits

For the purposes of this subchapter—

(a) **Fully insured individual** defined

The term “fully insured individual” means any individual who had not less than—

1. one quarter of coverage (whenever acquired) for each calendar year elapsing after 1950 (or, if later, the year in which he attained age 21) and before the year in which he died or (if earlier) the year in which he attained age 62, except that in no case shall an individual be a fully insured individual unless he has at least 6 quarters of coverage; or
2. 40 quarters of coverage; or
3. in the case of an individual who died before 1951, 6 quarters of coverage;

not counting as an elapsed year for purposes of paragraph (1) any year any part of which was included in a period of disability (as defined in section 416(i) of this title), and who satisfies the criterion specified in subsection (c).

(b) **Currently insured individual** defined

The term “currently insured individual” means any individual who had not less than six quarters of coverage during the thirteen-quarter period ending with (1) the quarter in which he died, (2) the quarter in which he became entitled to old-age insurance benefits, (3) the quarter in which he became entitled to primary insurance benefits under this subchapter as in effect prior to August 28, 1950, or (4) in the case of any individual entitled to disability insurance benefits, the quarter in which he most recently became entitled to disability insurance benefits, not counting as part of such thirteen-quarter period any quarter any part of which was included in a period of disability unless such quarter was a quarter of coverage, and who satisfies the criterion specified in subsection (c).

(c) Criterion described

For purposes of subsections (a) and (b), the criterion specified in this subsection is that the individual, if not a United States citizen or national—

1. has been assigned a social security account number that was, at the time of assignment, or at any later time, consistent with the requirements of subclause (I) or (III) of section 405(c)(2)(B)(1) of this title; or
2. at the time any such quarters of coverage are earned—
   (A) is described in subparagraph (B) or (D) of section 1101(a)(15) of title 8;
   (B) is lawfully admitted temporarily to the United States for business (in the case of an individual described in such subparagraph (B)) or the performance as a crewman (in the case of an individual described in such subparagraph (D)), and
   (C) the business engaged in or service as a crewman performed is within the scope of the terms of such individual's admission to the United States.
quarters elapsing after 1954 and prior to July 1, 1957, or if later, the quarter in which he attained retirement age or died, whichever first occurred, are quarters of coverage.

1954—Subsec. (a)(2)(B). Act Sept. 1, 1954, §106(b)(1), exc. from the elapsed period under subsec. (a)(2)(A) any quarter any part of which was included in a period of disability, unless such quarter was a quarter of coverage.

Subsec. (a)(3), (4), Act Sept. 1, 1954, §108(a), added par. (3) and redesignated former par. (3) as (4).

Subsec. (b). Act Sept. 1, 1954, §106(b)(2), inserted ‘‘not counting as part of such thirteen-quarter period any quarter any part of which was included in a period of disability unless such quarter was a quarter of coverage’’.

1952—Subsec. (a)(2)(B). Act July 18, 1952, §3(b)(1), inserted ‘‘not counting as an elapsed quarter for purposes of subparagraph (A) any quarter any part of which was included in a period of disability (as defined in section 416(i) of this title unless such quarter was a quarter of coverage’’.

Subsec. (b). Act July 18, 1952, §3(b)(2), inserted ‘‘not counting as part of such thirteen-quarter period any quarter any part of which was included in a period of disability unless such quarter was a quarter of coverage’’ after ‘‘August 28, 1950’’.

**Effective Date of 2004 Amendment**

Pub. L. 108–203, title II, §211(c), Mar. 2, 2004, 118 Stat. 518, provided that: ‘‘The amendments made by this section [amending this section and sections 415, 416, 423, and 427 of this title and provisions set out as notes under section 415 of this title] except the amendment made by subsection (i) [amending section 3121 of Title 26, Internal Revenue Code, and the amendment made by subsection (g) to section 209 of the Social Security Act [42 U.S.C. 409]) shall apply only in the case of a man who attains (or would attain) age 62 after December 1974. The amendment made by subsection (i), and the amendment made by subsection (g) to section 209 of the Social Security Act, shall apply only with respect to payments after 1974.’’

**Effective Date of 1972 Amendment**

Pub. L. 92–603, title I, §104(j), Oct. 30, 1972, 86 Stat. 1341, provided that:

‘‘(1) The amendments made by this section [amending this section and sections 415, 416, 423, and 427 of this title and provisions set out as a note under section 415 of this title] except the amendment made by subsection (i) [amending section 3121 of Title 26, Internal Revenue Code, and the amendment made by subsection (g) to section 209 of the Social Security Act [42 U.S.C. 409]) shall apply only in the case of a man who attains (or would attain) age 62 after December 1974. The amendment made by subsection (i), and the amendment made by subsection (g) to section 209 of the Social Security Act, shall apply only with respect to payments after 1974.

(2) In the case of a man who attains age 62 prior to 1975, the number of his elapsed years for purposes of section 216(b)(3) of the Social Security Act [42 U.S.C. 416(b)(3)] shall be equal to (A) the number determined under such section as in effect on September 1, 1972, or (B) if less, the number determined as though he attained age 65 in 1975, except that monthly benefits under title II of the Social Security Act [42 U.S.C. 401 et seq.] for months prior to January 1973 payable on the basis of his wages and self-employment income shall be determined as though this section had not been enacted.

(3) (A) In the case of a man who attains or will attain age 62 in 1973, the figure ‘‘65’’ in sections 214(a)(1), 223(c)(1)(A), and 216(b)(3)(A) of the Social Security Act [42 U.S.C. 414(a)(1), 423(c)(1)(A), 416(b)(3)(A)] shall be deemed to read ‘‘64’’.

(B) In the case of a man who attains or will attain age 62 in 1974, the figure ‘‘65’’ in sections 214(a)(1), 223(c)(1)(A), and 216(b)(3)(A) of the Social Security Act shall be deemed to read ‘‘63’’.

**Effective Date of 1961 Amendment**

Pub. L. 88–223, title II, §223(c)(1)(A), and 216(i)(3)(A) of the Social Security Act [42 U.S.C. 414(a)(1), 416(i)(3)(A)] shall be deemed to read ‘‘64’’.

(2) in the case of lump-sum death payments under such title with respect to deaths on or after the effective date of this title, and

(3) in the case of an application for a disability determination (with respect to a period of disability, as defined in section 216(i) of such Act [42 U.S.C. 416(i)]) filed in or after March 1961.’’

**Effective Date of 1960 Amendment**

Pub. L. 86–778, title II, §204(d)(1), Sept. 13, 1960, 74 Stat. 946, provided that: ‘‘The amendments made by subsections (a) and (b) of this section [amending this section and provisions set out as a note under section 415 of this title] shall be applicable (A) in the case of monthly benefits under title II of the Social Security Act [42 U.S.C. 401 et seq.], for months after the month in which this Act is enacted [September 1960], on the basis of applications filed in or after such month, (B) in the case of lump-sum death payments under such title with respect to deaths occurring after such month, and (C) in the case of a disability determination with respect to a period of disability (as defined in section 216(i) of the Social Security Act [42 U.S.C. 416(i)]) filed after such month.’’

**Effective Date of 1958 Amendment**

Amendment by section 205(l) of Pub. L. 85–840 applicable with respect to monthly benefits under subchapter II of this chapter for months after August 1958, but only if an application for such benefits is filed on or after Aug. 28, 1958, see section 207(a) of Pub. L. 85–840, set out as a note under section 416 of this title.

**Effective Date of 1954 Amendment**

Amendment by section 106(b) of act Sept. 1, 1954, applicable with respect to monthly benefits under subchapter II of this chapter for months after September 1955, and with respect to lump-sum death payments under such subchapter in the case of deaths occurring after June 1955, but that no recomputation of benefits by reason of such amendments shall be regarded as a recomputation for purposes of section 415(f) of this title, see section 106(h) of act Sept. 1, 1954, set out as a note under section 413 of this title.

**Effective and Termination Date of 1952 Amendment**

For effective and termination dates of amendment by act July 18, 1952, see section 3(f), (g) of act July 18, 1952, set out as a note under section 413 of this title.

**Employees of Nonprofit Organizations as Fully Insured Individuals**


‘‘(1) Any individual—

(A) on January 1, 1984, is age 55 or over, and is an employee of an organization described in section 218(a)(8)(B) of the Social Security Act [42 U.S.C. 418(a)(8)(B)] (A) which does not have in effect (on that date) a waiver certificate under section 3121(k) of the Internal Revenue Code of 1986 [formerly I.R.C. 1954] (26 U.S.C. 3121(k)) and (B) to the employees of which section 3121(k) of the Internal Revenue Code, and enacting provisions set out as notes under section 3121 of Title 26, and

(B) after December 31, 1983, acquires the number of quarters of coverage (within the meaning of section 213) of the Social Security Act [42 U.S.C. 413] which is required for purposes of this subparagraph under paragraph (2),
§ 415. Computation of primary insurance amount

then such individual shall be deemed to be a fully
insured individual (as defined in section 214 of the Social
Security Act [42 U.S.C. 414]) for all of the purposes of
title II of such Act [42 U.S.C. 401 et seq.].

(2) The number of quarters of coverage which is re-
quired for purposes of subparagraph (B) of paragraph (1) shall be

determined as follows:

"In the case of an individual who on
January 1, 1984, is—

<table>
<thead>
<tr>
<th>Age</th>
<th>Required Quarters</th>
</tr>
</thead>
<tbody>
<tr>
<td>60 or over</td>
<td>6</td>
</tr>
<tr>
<td>59 or over but less than 60</td>
<td>8</td>
</tr>
<tr>
<td>58 or over but less than 59</td>
<td>12</td>
</tr>
<tr>
<td>57 or over but less than 58</td>
<td>16</td>
</tr>
<tr>
<td>56 or over but less than 57</td>
<td>20..</td>
</tr>
</tbody>
</table>

Determination of Entitlement to Monthly Bene-
fits for Sept. 1960 and Prior Months and Individ-
ual's Closing Date Prior to 1960

Pub. L. 86–778, title II, § 204(d)(2), Sept. 13, 1960, 74 Stat. 948, provided that the provisions of subsec. (a) of this section in effect prior to Sept. 13, 1960, and the provi-
sions of section 109 of act Sept. 1, 1954, ch. 1206, 68 Stat. 1084, set out as a note under section 415 of this title, in effect prior to Sept. 1960 and prior months with respect to wages and self-employment in-
come of an individual and for purposes of determining an individual's closing date prior to 1960 under section 415(b) of this title.

§ 415. Computation of primary insurance amount

For purposes of this subchapter—

(a) Primary insurance amount

(i) 90 percent of the individual's average in-
dexed monthly earnings (determined under subsection (b)) to the extent that such earn-
ings do not exceed the amount established for purposes of this clause by subparagraph (B).

(ii) 32 percent of the individual's average in-
dexed monthly earnings to the extent that
such earnings exceed the amount established
for purposes of clause (i) but do not exceed the
amount established for purposes of this clause
by subparagraph (B), and

(iii) 15 percent of the individual's average in-
dexed monthly earnings to the extent that
such earnings exceed the amount established
for purposes of clause (ii),

rounded, if not a multiple of $0.10, to the next lower multiple of $0.10, and thereafter increased as provided in subsection (i).

(B) For individuals who initially become eligi-
ble for old-age or disability insurance benefits, or who die (before becoming eligible for such benefits), in any calendar year after 1979, each of the amounts so established shall equal the product of the corresponding amount established with respect to the calendar year 1979 under clause (i) of this subparagraph and the quotient obtained by dividing—

(I) the national average wage index (as defined in section 409(k)(1) of this title) for the second calendar year preceding the calendar year for which the determination is made, by

(II) the national average wage index (as so defined) for 1977.

(iii) Each amount established under clause (ii) for any calendar year shall be rounded to the nearest $1, except that any amount so established which is a multiple of $0.50 but not of $1 shall be rounded to the nearest $0.50.

(C)(i) No primary insurance amount computed
under subparagraph (A) may be less than an amount equal to $11.50 multiplied by the individual's years of coverage in excess of 10, or the increased amount determined for purposes of this clause under subsection (i).

(ii) For purposes of clause (i), the term "years of coverage" with respect to any individual means the number (not exceeding 30) equal to the sum of (I) the number (not exceeding 14 and disregarding any fraction) determined by dividing (a) the total of the wages credited to such individual (including wages deemed to be paid prior to 1951 to such individual under section 417 of this title, compensation under the Railroad Retirement Act of 1937 [45 U.S.C. 228a et seq.] prior to 1951 which is creditable to such individual pursuant to this subchapter, and wages deemed to be paid prior to 1951 to such individual under section 431 of this title) for years after 1936 and before 1951 by (b) $900, plus (II) the number equal to the number of years after 1950 each of which is a computational year (within the meaning of subsection (b)(2)(B)(ii)) and in each of which he is credited with wages (including wages deemed to be paid to such individual under section 417 of this title, compensation under the Railroad Retirement Act of 1937 or 1974 [45 U.S.C. 228a et seq., 231 et seq.] which is creditable to such individual pursuant to this subchapter, and wages deemed to be paid to such individual under section 429 of this title) and self-employment income of not less than 25 percent (in the case of a year after 1970) of the maximum amount which (pursuant to subsection (e)) may be counted for such year, or 25 percent (in the case of a year after 1977 and before 1991) or 15 percent (in the case of a year after 1990) of the maximum amount which (pursuant to subsection (e)) could be counted for such year if section 430 of this title as in effect immediately prior to December 20, 1977, had re-
mained in effect without change (except that, for purposes of subsection (b) of such section 430 of this title as so in effect, the reference to the contribution and benefit base in paragraph (i) of such subsection (b) shall be deemed a reference to an amount equal to $45,000, each reference in paragraph (2) of such subsection (b) to the average of the wages of all employees as reported to the Secretary of the Treasury shall be deemed a reference to the national average wage index (as defined in section 409(k)(1) of this title), the reference to a preceding calendar year in paragraph (2)(A) of such subsection (b) shall be deemed a reference to the calendar year before the calendar year in which the determination under subsection (a) of such section 430 of this title is
made, and the reference to a calendar year in paragraph (2)(B) of such subsection (b) shall be deemed a reference to 1992).

(D) In each calendar year the Commissioner of Social Security shall publish in the Federal Register, on or before November 1, the formula for computing benefits under this paragraph and for adjusting wages and self-employment income under subsection (b)(3) in the case of an individual who becomes eligible for an old-age insurance benefit, or (if earlier) becomes eligible for a disability insurance benefit or dies, in the following year, and the national average wage index (as defined in section 409(c)(1) of this title) on which that formula is based.

(2)(A) A year shall not be counted as the year of an individual’s death or eligibility for purposes of this subsection or subsection (i) in any case where such individual was entitled to a disability insurance benefit for any of the 12 months immediately preceding the month of such death or eligibility (but there shall be counted instead the year of the individual’s eligibility for the disability insurance benefit or benefits to which he was entitled during such 12 months).

(B) In the case of an individual who was entitled to a disability insurance benefit for any of the 12 months before the month in which he became entitled to an old-age insurance benefit, became reentitled to a disability insurance benefit, or died, the primary insurance amount for determining any benefit attributable to that entitlement, reentitlement, or death is the greater of—

(i) the primary insurance amount upon which such disability insurance benefit was based, increased by the amount of each general benefit increase (as defined in subsection (i)(3)), and each increase provided under subsection (i)(2), that would have applied to such primary insurance amount had the individual remained entitled to such disability insurance benefit until the month in which he became so entitled or reentitled or died, or

(ii) the amount computed under paragraph (1)(C).

(C) In the case of an individual who was entitled to a disability insurance benefit for any month, and with respect to whom a primary insurance amount is required to be computed at any time after the close of the period of the individual’s disability (whether because of such individual’s subsequent entitlement to old-age insurance benefits or to a disability insurance benefit based upon a subsequent period of disability, or because of such individual’s death), the primary insurance amount so computed may in no case be less than the primary insurance amount with respect to which such former disability insurance benefit was most recently determined.

(3)(A) Paragraph (1) applies only to an individual who was not eligible for an old-age insurance benefit prior to January 1979 and who in that or any succeeding month—

(i) becomes eligible for such a benefit,

(ii) becomes eligible for a disability insurance benefit, or

(iii) dies,

and (except for subparagraph (C)(i) thereof) it applies to every such individual except to the extent otherwise provided by paragraph (4).

(B) For purposes of this subchapter, an individual is deemed to be eligible—

(i) for old-age insurance benefits, for months beginning with the month in which he attains age 62, or

(ii) for disability insurance benefits, for months beginning with the month in which his period of disability began as provided under section 416(i)(2)(C) of this title,

except as provided in paragraph (2)(A) in cases where fewer than 12 months have elapsed since the termination of a prior period of disability.

(4) Paragraph (1) (except for subparagraph (C)(i) thereof) does not apply to the computation or recomputation of a primary insurance amount for—

(A) an individual who was eligible for a disability insurance benefit for a month prior to January 1979 unless, prior to the month in which occurs the event described in clause (i), (ii), or (iii) of paragraph (3)(A), there occurs a period of at least 12 consecutive months for which he was not entitled to a disability insurance benefit,

(B) an individual who had wages or self-employment income credited for one or more years prior to 1979, and who was not eligible for an old-age or disability insurance benefit, and did not die, prior to January 1979, if in the year for which the computation or recomputation would be made the individual’s primary insurance amount would be greater if computed or recomputed—

(i) under this subsection as in effect in December 1978, for purposes of old-age insurance benefits, for months prior to January 1979 unless, prior to the month in which occurs the event described in clause (i), (ii), or (iii) of paragraph (3)(A) thereof, there occurs a period of at least 12 consecutive months for which he was not entitled to such disability insurance benefit prior to 1984, or

(ii) as provided by subsection (d), in the case of an individual to whom such section applies.

In determining whether an individual’s primary insurance amount would be greater if computed or recomputed as provided in subparagraph (B), (I) the table of benefits in effect in December 1978, as modified by paragraph (6), shall be applied without regard to any increases in that table which may become effective (in accordance with subsection (i)(4)) for years after 1978 (subject to clause (iii) of subsection (i)(2)(A)) and (II) such individual’s average monthly wage shall be computed as provided by subsection (b)(4).

(5)(A) Subject to subparagraphs (B), (C), (D) and (E), for purposes of computing the primary insurance amount (after December 1978) of an individual to whom paragraph (1) does not apply (other than an individual described in paragraph (4)(B)), this section as in effect in December 1978 shall remain in effect, except that, effective for January 1979, the dollar amount specified in paragraph (3) of this subsection shall be increased to $11,500.

(B)(i) Subject to clauses (ii), (iii), and (iv), and notwithstanding any other provision of law, the primary insurance amount of any individual described in subparagraph (C) shall be, in lieu of
the primary insurance amount as computed pursuant to any of the provisions referred to in subparagraph (D), the primary insurance amount computed under subsection (a) of this section as in effect in December 1978, without regard to subsections (b)(4) and (c) of this section as so in effect.

(ii) The computation of a primary insurance amount under this subparagraph shall be subject to section 104(c)(2) of the Social Security Amendments of 1972 relating to the number of elapsed years under subsection (b).

(iii) In computing a primary insurance amount under this subparagraph, the dollar amount specified in paragraph (3) of subsection (a) (as in effect in December 1978) shall be increased to $11.50.

(iv) In the case of an individual to whom subsection (d) applies, the primary insurance amount of such individual shall be the greater of—

(I) the primary insurance amount computed under the preceding clauses of this subparagraph, or

(II) the primary insurance amount computed under subsection (d).

(C) An individual is described in this subparagraph if—

(i) paragraph (1) does not apply to such individual by reason of such individual’s eligibility for an old-age or disability insurance benefit, or the individual’s death, prior to 1979, and

(ii) such individual’s primary insurance amount computed under this section as in effect immediately before November 5, 1990, would have been computed under the provisions described in subparagraph (D).

(D) The provisions described in this subparagraph are—

(i) the provisions of this subsection as in effect prior to July 30, 1965, if such provisions would preclude the use of wages prior to 1961 in the computation of the primary insurance amount,

(ii) the provisions of section 409 of this title as in effect prior to August 28, 1950, and

(iii) the provisions of subsection (d) as in effect prior to December 20, 1977.

(E) For purposes of this paragraph, the table for determining primary insurance amounts and maximum family benefits contained in this section in December 1978 shall be revised as provided by subsection (i) for each year after 1978.

(6)(A) In applying the table of benefits in effect in December 1978 under this section for purposes of the last sentence of paragraph (4), such table, revised as provided by subsection (i), as applicable, shall be extended for average monthly wages of less than $76.00 and primary insurance benefits (as determined under subsection (d)) of less than $16.20.

(B) The Commissioner of Social Security shall determine and promulgate in regulations the methodology for extending the table under subparagraph (A).

(7)(A) In the case of an individual whose primary insurance amount would be computed under paragraph (1) of this subsection, who—

(i) attains age 62 after 1985 (except where he or she became entitled to a disability insurance benefit before 1986 and remained so entitled in any of the 12 months immediately preceding his or her attainment of age 62), or

(ii) would attain age 62 after 1985 and becomes eligible for a disability insurance benefit after 1985, and who first becomes eligible after 1985 for a monthly periodic payment (including a payment determined under subparagraph (C), but excluding (I) a payment under the Railroad Retirement Act of 1974 or 1937 [45 U.S.C. 231 et seq., 228a et seq.], (II) a payment by a social security system of a foreign country based on an agreement concluded between the United States and such foreign country pursuant to section 433 of this title, and (III) a payment based wholly on service as a member of a uniformed service (as defined in section 410(m) of this title) which is based in whole or in part upon his or her earnings for service which did not constitute “employment” as defined in section 410 of this title for purposes of this subchapter (hereafter in this paragraph and in subsection (d)(3) referred to as ”noncovered service”), the primary insurance amount of that individual during his or her concurrent entitlement to such monthly periodic payment and to old-age or disability insurance benefits shall be computed or recomputed under subparagraph (B).

(B)(i) If paragraph (1) of this subsection would apply to such an individual (except for subparagraph (A) of this paragraph), there shall first be computed an amount equal to the individual’s primary insurance amount under paragraph (1) of this subsection, except that for purposes of such computation the percentage of the individual’s average indexed monthly earnings established by subparagraph (A)(i) of paragraph (1) shall be the percent specified in clause (ii).

(ii) For purposes of clause (i), the percent specified in this clause is—

(I) 80.0 percent with respect to individuals who become eligible (as defined in paragraph (3)(B)) for old-age insurance benefits (or became eligible as so defined for disability insurance benefits before attaining age 62) in 1986;

(II) 70.0 percent with respect to individuals who so become eligible in 1987;

(III) 60.0 percent with respect to individuals who so become eligible in 1988;
(IV) 50.0 percent with respect to individuals who so become eligible in 1989; and
(V) 40.0 percent with respect to individuals who so become eligible in 1990 or thereafter.

(C)(i) Any periodic payment which otherwise meets the requirements of subparagraph (A), but which is paid on other than a monthly basis, shall be allocated on a basis equivalent to a monthly payment (as determined by the Commissioner of Social Security), and such equivalent monthly payment shall constitute a monthly periodic payment for purposes of this paragraph.

(ii) In the case of an individual who has elected to receive a periodic payment that has been reduced so as to provide a survivor’s benefit to any other individual, the payment shall be deemed to be increased (for purposes of any computation under this paragraph or subsection (d)(3)) by the amount of such reduction.

(iii) For purposes of this paragraph, the term “periodic payment” includes a payment payable in a lump sum if it is a commutation of, or a substitute for, periodic payments.

(D) This paragraph shall not apply in the case of an individual who has 30 years or more of coverage. In the case of an individual who has more than 20 years of coverage but less than 30 years of coverage (as so defined), the percent specified in the applicable subdivision of subparagraph (B)(ii) shall (if such percent is smaller than the applicable percent specified in the following table) be deemed to be the applicable percent specified in the following table:

<table>
<thead>
<tr>
<th>If the number of such individual’s years of coverage (as so defined) is:</th>
<th>The applicable percent is:</th>
</tr>
</thead>
<tbody>
<tr>
<td>29 ......................................................</td>
<td>85 percent</td>
</tr>
<tr>
<td>28 ......................................................</td>
<td>80 percent</td>
</tr>
<tr>
<td>27 ......................................................</td>
<td>75 percent</td>
</tr>
<tr>
<td>26 ......................................................</td>
<td>70 percent</td>
</tr>
<tr>
<td>25 ......................................................</td>
<td>65 percent</td>
</tr>
<tr>
<td>24 ......................................................</td>
<td>60 percent</td>
</tr>
<tr>
<td>23 ......................................................</td>
<td>55 percent</td>
</tr>
<tr>
<td>22 ......................................................</td>
<td>50 percent</td>
</tr>
<tr>
<td>21 ......................................................</td>
<td>45 percent</td>
</tr>
</tbody>
</table>

For purposes of this subparagraph, the term “year of coverage” shall have the meaning provided in paragraph (1)(C)(ii), except that the reference to “15 percent” therein shall be deemed to be a reference to “25 percent”.

(E) This paragraph shall not apply in the case of an individual whose eligibility for old-age or disability insurance benefits is based on an agreement concluded pursuant to section 432 of this title or an individual who on January 1, 1984—

(i) is an employee performing service to which social security coverage is extended on that date solely by reason of the amendments made by section 101 of the Social Security Amendments of 1983; or

(ii) is an employee of a nonprofit organization which (on December 31, 1983) did not have in effect a waiver certificate under section 3121(k) of the Internal Revenue Code of 1954 and to the employees of which social security coverage is extended on that date solely by reason of the amendments made by section 102 of that Act, unless social security coverage had previously extended to service performed by such individual as an employee of that organization under a waiver certificate which was subsequently (prior to December 31, 1983) terminated.

(b) Average indexed monthly earnings; average monthly wage

(1) An individual’s average indexed monthly earnings shall be equal to the quotient obtained by dividing

(A) the total (after adjustment under paragraph (3) of his wages paid in and self-employment income credited to his benefit computation years (determined under paragraph (2)), by

(B) the number of months in those years.

(2)(A) The number of an individual’s benefit computation years equals the number of elapsed years reduced—

(i) in the case of an individual who is entitled to old-age insurance benefits (except as provided in the second sentence of this subparagraph), or who has died, by 5 years, and

(ii) in the case of an individual who is entitled to disability insurance benefits, by the number of years equal to one-fifth of such individual’s elapsed years (disregarding any resulting fractional part of a year), but not by more than 5 years.

Clause (ii), once applicable with respect to any individual, shall continue to apply for purposes of determining such individual’s primary insurance amount for purposes of any subsequent eligibility for disability or old-age insurance benefits unless prior to the month in which such eligibility begins there occurs a period of at least 12 consecutive months for which he was not entitled to a disability or an old-age insurance benefit. If an individual described in clause (ii) is living with a child (of such individual or his or her spouse) under the age of 3 in any calendar year which is included in such individual’s computation base years, but which is not disregarded pursuant to clause (ii) or to subparagraph (B) (in determining such individual’s benefit computation years) by reason of the reduction in the number of such individual’s elapsed years under clause (ii), the number by which such elapsed years are reduced under this subparagraph pursuant to clause (ii) shall be increased by one (up to a combined total not exceeding 3) for each such calendar year; except that (I) no calendar year shall be disregarded by reason of this sentence (in determining such individual’s benefit computation years) unless the individual was living with such child substantially throughout the period in which the child was alive and under the age of 3 in such year and the individual had no earnings as described in section 403(f)(5) of this title in such year, (II) the particular calendar years to be disregarded under this sentence (in determining such benefit computation years) shall be those years (not otherwise disregarded under clause (ii)) which, before the application of subsection (f), meet the conditions of subclause (I), and (III) this sentence shall apply only to the extent that its application would not result in a lower primary insurance amount. The number of an individual’s benefit computation years as determined under
2. this subparagraph shall in no case be less than 2.

(B) For purposes of this subsection with respect to any individual—

(i) the term “benefit computation years” means those computation base years, equal in number to the number determined under subparagraph (A), for which the total of such individual’s wages and self-employment income, after adjustment under paragraph (3), is the largest;

(ii) the term “computation base years” means the calendar years after 1950 and before—

(I) in the case of an individual entitled to old-age insurance benefits, the year in which occurred (whether by reason of section 402(j)(1) of this title or otherwise) the first month of that entitlement; or

(II) in the case of an individual who has died (without having become entitled to old-age insurance benefits), the year succeeding the year of his death;

except that such term excludes any calendar year entirely included in a period of disability; and

(iii) the term “number of elapsed years” means (except as otherwise provided by section 104(j)(2) of the Social Security Amendments of 1972) the number of calendar years after 1950 (or, if later, the year in which the individual attained age 21) and before the year in which the individual died, or, if it occurred earlier (but after 1960), the year in which he attained age 62; except that such term excludes any calendar year any part of which is included in a period of disability.

(3)(A) Except as provided by subparagraph (B), the wages paid in and self-employment income credited to each of an individual’s computation base years for purposes of the selection therefrom of benefit computation years under paragraph (2) shall be deemed to be equal to the product of—

(i) the wages and self-employment income paid in or credited to such year (as determined without regard to this subparagraph), and

(ii) the quotient obtained by dividing—

(I) the national average wage index (as defined in section 408(c)(1) of this title) for the second calendar year preceding the earliest of the year of the individual’s death, eligibility for an old-age insurance benefit, or eligibility for a disability insurance benefit (except that the year in which the individual dies, or becomes eligible, shall not be considered as such year if the individual was entitled to disability insurance benefits for any month in the 12-month period immediately preceding such death or eligibility, but there shall be counted instead the year of the individual’s eligibility for the disability insurance benefit to which he was entitled in such 12-month period), by

(II) the national average wage index (as so defined) for the computation base year for which the determination is made.

(B) Wages paid in or self-employment income credited to an individual’s computation base year which—

(i) occurs after the second calendar year specified in subparagraph (A)(ii)(I), or

(ii) is a year treated under subsection (f)(2)(C) as though it were the last year of the period specified in paragraph (2)(B)(ii),

shall be available for use in determining an individual’s benefit computation years, but without applying subparagraph (A) of this paragraph.

(4) For purposes of determining the average monthly wage of an individual whose primary insurance amount is computed (after 1978) under subsection (a) or (d) as in effect (except with respect to the table contained therein) in December 1978, by reason of subsection (a)(4)(B), this subsection as in effect in December 1978 shall remain in effect, except that paragraph (2)(C) (as then in effect) shall be deemed to provide that “computation base years” include only calendar years in the period after 1950 (or 1936, if applicable) and prior to the year in which occurred the first month for which the individual was eligible (as defined in subsection (a)(3)(B) as in effect in January 1979) for an old-age or disability insurance benefit, or, if earlier, the year in which he died. Any calendar year all of which is included in a period of disability shall not be included as a computation base year for such purposes.

(c) Application of prior provisions in certain cases

Subject to the amendments made by section 5117 of the Omnibus Budget Reconciliation Act of 1990, this subsection as in effect in December 1978 shall remain in effect with respect to an individual to whom subsection (a)1 does not apply by reason of the individual’s eligibility for an old-age or disability insurance benefit, or the individual’s death, prior to 1979.

(d) Primary insurance amount under 1939 Act

(1) For purposes of column I of the table appearing in subsection (a), as that subsection was in effect in December 1977, an individual’s primary insurance benefit shall be computed as follows:

(A) The individual’s average monthly wage shall be determined as provided in subsection (b), as in effect in December 1977 (but without regard to paragraph (4) thereof and subject to the amendments made by section 104(j)(2) of the Social Security Amendments of 1972, except that for purposes of paragraphs (2)(C) and (3) of that subsection (as so in effect) 1936 shall be used instead of 1956.

(B) For purposes of subparagraphs (B) and (C) of subsection (b)(2) (as so in effect)

(i) the total wages prior to 1951 (as defined in subparagraph (C) of this paragraph) of an individual—

(I) shall, in the case of an individual who attained age 21 prior to 1950, be divided by the number of years (hereinafter in this subparagraph referred to as the “divisor”) elapsing after the year in which the individual attained age 20, or 1936 if later, and prior to the earlier of the year of death or 1951, except that such divisor shall not include any calendar year entirely included in a period of disability, and in no case shall the divisor be less than one, and

(II) shall, in the case of an individual who died before 1950 and before attaining
amount of the divisor, except that—

(i) the total wages prior to 1951 (as defined in subparagraph (C) of this paragraph) of an individual who either attained age 21 after 1949 or died after 1949 before attaining age 21, shall be divided by the number of years (hereinafter in this subparagraph referred to as the “divisor”) elapsing after 1949 and prior to 1951.

The quotient so obtained shall be deemed to be the individual’s wages credited to each of the years which were used in computing the amount of the divisor, except that—

(iii) if the quotient exceeds $3,000, only $3,000 shall be deemed credited to the individual’s wages for each of the years which were used in computing the amount of the divisor, and the remainder of the individual’s total wages prior to 1951 (I) if less than $3,000, shall be deemed credited to the computation base year (as defined in subsection (b)(2) as in effect in December 1977) immediately preceding the earliest year used in computing the amount of the divisor, or (II) if $3,000 or more, shall be deemed credited, in $3,000 increments, to the computation base year (as so defined) immediately preceding the earliest year used in computing the amount of the divisor and to each of the computation base years (as so defined) consecutively preceding that year, with any remainder less than $3,000 being credited to the computation base year (as so defined) immediately preceding the earliest year to which a full $3,000 increment was credited; and

(iv) no more than $42,000 may be taken into account, for purposes of this subparagraph, as total wages after 1936 and prior to 1951.

(C) For the purposes of subparagraph (B), “total wages prior to 1951” with respect to an individual means the sum of (i) remuneration credited to such individual prior to 1951 on the records of the Commissioner of Social Security, (ii) wages deemed paid prior to 1951 to such individual under section 410(m) of this title, (iii) compensation under the Railroad Retirement Act of 1937 [45 U.S.C. 228a et seq.], (IV) a payment by a social security system of a foreign country based on an agreement concluded between the United States and such foreign country pursuant to section 433 of this title, and (III) a payment based wholly on service as a member of a uniformed service (as defined in section 410(m) of this title) which is based (in whole or in part) upon his or her earnings in noncovered service, the primary insurance amount of such individual during his or her concurrent entitlement to such monthly periodic payment and to old-age or disability insurance benefits shall be the primary insurance amount computed or recomputed under this subsection (without regard to this paragraph and before the application of subsection (i)) reduced by an amount equal to the smaller of—

(i) one-half of the primary insurance amount (computed without regard to this paragraph and before the application of subsection (i)), or

(ii) one-half of the portion of the monthly periodic payment (or payment determined under subsection (a)(7)(C)) which is attributable to noncovered service performed after 1956 (with such attribution being based on the proportionate number of years of such noncovered service) and to which that individual is entitled (or is deemed to be entitled) for the initial month of such concurrent entitlement.

This paragraph shall not apply in the case of any individual to whom subsection (a)(7) would not apply by reason of subparagraph (E) or the first sentence of subparagraph (D) thereof.

(e) Certain wages and self-employment income not to be counted

For the purposes of subsections (b) and (d)—

(1) in computing an individual’s average indexed monthly earnings or, in the case of an individual whose primary insurance amount is...
§ 415

recomputed under subsection (a) as in effect prior to January 1979, average monthly wage, there shall not be counted the excess over $3,600 in the case of any calendar year after 1950 and before 1955, the excess over $4,200 in the case of any calendar year after 1955 and before 1959, the excess over $4,800 in the case of any calendar year after 1959 and before 1966, the excess over $6,600 in the case of any calendar year after 1965 and before 1968, the excess over $7,800 in the case of any calendar year after 1967 and before 1972, the excess over $9,000 in the case of any calendar year after 1971 and before 1973, the excess over $10,800 in the case of any calendar year after 1972 and before 1974, the excess over $13,200 in the case of any calendar year after 1973 and before 1975, and the excess over an amount equal to the contribution and benefit base (as determined under section 430 of this title) in the case of any calendar year after 1974 with respect to which such contribution and benefit base is effective, (before the application, in the case of average indexed monthly earnings, of subsection (a)(3)(A)) of (A) the wages paid to him in such year, plus (B) the self-employment income credited to such year (as determined under section 412 of this title); and

(2) if an individual’s average indexed monthly earnings or, in the case of an individual whose primary insurance amount is computed under subsection (a) as in effect prior to January 1979, average monthly wage, computed under subsection (b) or for the purposes of subsection (d) is not a multiple of $1, it shall be reduced to the next lower multiple of $1.

(4) A recomputation shall be effective under this subsection only if it increases the primary insurance amount by at least $1.

(5) In the case of a man who became entitled to old-age insurance benefits and died before the month in which he attained retirement age (as defined in section 416(l) of this title), the Commissioner of Social Security shall recompute the primary insurance amount as provided in subsection (a) as though he became entitled to old-age insurance benefits in the month in which he died; except that (i) his computation base years referred to in subsection (b)(2) shall include the year in which he died, and (ii) his elapsed years referred to in subsection (b)(3) shall not include the year in which he died or any year thereafter. Such recomputation of such primary insurance amount shall be effective for and after the month in which he died.

(6) Upon the death after 1967 of an individual entitled to benefits under section 402(a) or section 423 of this title, if any person is entitled to monthly benefits or a lump-sum death payment, on the wages and self-employment income of such individual, the Commissioner of Social Security shall recompute the decedent’s primary insurance amount, but only if the decedent during his lifetime was paid compensation which was treated under section 405(o) of this title as remuneration for employment.

(7) This subsection as in effect in December 1978 shall continue to apply to the recomputation of a primary insurance amount computed under subsection (a) or (d) as in effect (without regard to the table in subsection (a)) in that month, and, where appropriate, under subsection (d) as in effect in December 1977, including a primary insurance amount computed under any such subsection whose operation is modified as a result of the amendments made by section 5117 of the Omnibus Budget Reconciliation Act of 1990. For purposes of recomputing a primary insurance amount determined under subsection (a) or (d) (as so in effect) in the case of an individual to whom those subsections apply by reason of subsection (a)(4)(B) as in effect after December 1978, no remuneration shall be taken into account for the year in which the individual initially became eligible for an old-age or disability insurance benefit or died, or for any year thereafter. and, (effective January 1982) the recomputation shall be modified by the application of subsection (a)(6) where applicable.

(8) The Commissioner of Social Security shall recompute the primary insurance amounts ap-
applicable to beneficiaries whose benefits are based on a primary insurance amount which was computed under subsection (a)(3) effective prior to January 1979, or would have been so computed if the dollar amount specified therein were $11.50. Such recomputation shall be effective as of January 1979, and shall include the effect of the increase in the dollar amount provided by subsection (a)(1)(C)(i). Such primary insurance amount shall be deemed to be provided under such section for purposes of subsection (i).

(9)(A) In the case of an individual who becomes entitled to a periodic payment determined under subsection (a)(7)(A) (including a payment determined under subsection (a)(7)(C)) in a month subsequent to the first month in which he or she becomes entitled to an old-age or disability insurance benefit, and whose primary insurance amount has been computed without regard to either such subsection or subsection (d)(3), such individual's primary insurance amount shall be recomputed (notwithstanding paragraph (4)), in accordance with either such subsection or subsection (d)(3), as may be applicable, effective with the first month of his or her concurrent entitlement to such benefit and such periodic payment.

(B) If an individual's primary insurance amount has been computed under subsection (a)(7) or (d)(3), and it becomes necessary to recompute that primary insurance amount under this subsection—

(i) so as to increase the monthly benefit amount payable with respect to such primary insurance amount (except in the case of the individual's death), such increase shall be determined as though the recomputed primary insurance amount were being computed under subsection (a)(7) or (d)(3), or

(ii) by reason of the individual's death, such primary insurance amount shall be recomputed without regard to (and as though it had never been computed with regard to) subsection (a)(7) or (d)(3).

(g) Rounding of benefits

The amount of any monthly benefit computed under section 402 or 423 of this title which (after any reduction under sections 403(a) and 424a of this title and any deduction under section 402) is not a multiple of $1 shall be rounded to the next lower multiple of $1.

(h) Service of certain Public Health Service Officers

(1) Notwithstanding the provisions of subchapter III of chapter 83 of title 5, remuneration paid for service to which the provisions of section 410(l)(1) of this title are applicable and which is performed by an individual as a commissioned officer of the Reserve Corps of the Public Health Service prior to July 1, 1960, shall not be included in computing entitlement to or the amount of any monthly benefit under this subchapter, on the basis of his wages and self-employment income, for any month after June 1960 and prior to the first month with respect to which the Director of the Office of Personnel Management certifies to the Commissioner of Social Security that, by reason of a waiver filed as provided in paragraph (2), no further annuity will be paid to him, his wife, and his children, or, if he has died, to his widow and children, under subchapter III of chapter 83 of title 5 on the basis of such service.

(2) In the case of a monthly benefit for a month prior to that in which the individual, on whose wages and self-employment income such benefit is based, dies, the waiver must be filed by such individual; and such waiver shall be irrevocable and shall constitute a waiver on behalf of himself, his wife, and his children. If such individual did not file such a waiver before he died, then in the case of a benefit for the month in which he died or any month thereafter, such waiver must be filed by his widow, if any, and by or on behalf of all his children, if any; and such waivers shall be irrevocable. Such a waiver by a child shall be filed by his legal guardian or guardians, or, in the absence thereof, by the person (or persons) who has the child in his care.

(i) Cost-of-living increases in benefits

(1) For purposes of this subsection—

(A) the term "base quarter" means (i) the calendar quarter ending on September 30 in each year after 1982, or (ii) any other calendar quarter in which occurs the effective month of a general benefit increase under this subchapter;

(B) the term "cost-of-living computation quarter" means a base quarter, as defined in subparagraph (A), with respect to which a general benefit increase becomes effective under this subchapter or if in such prior year such a general benefit increase becomes effective;

(C) the term "applicable increase percentage" means—

(i) with respect to a base quarter or cost-of-living computation quarter in any calendar year before 1984, or in any calendar year after 1983 and before 1989 for which the OASDI fund ratio is 15.0 percent or more, or in any calendar year after 1988 for which the OASDI fund ratio is 20.0 percent or more, the CPI increase percentage; and

(ii) with respect to a base quarter or cost-of-living computation quarter in any calendar year after 1983 and before 1989 for which the OASDI fund ratio is less than 15.0 percent, or in any calendar year after 1988 for which the OASDI fund ratio is less than 20.0 percent, the CPI increase percentage, whichever (with respect to that quarter) is the lower;

(D) the term "CPI increase percentage", with respect to a base quarter or cost-of-living computation quarter in any calendar year, means the percentage (rounded to the nearest one-tenth of 1 percent) by which the Consumer Price Index for that quarter (as prepared by the Department of Labor) exceeds such index for the most recent prior calendar quarter which was a base quarter under subparagraph (A) or, if later, the most recent cost-of-living computation quarter under subparagraph (B);
§ 415 TITLE 42—THE PUBLIC HEALTH AND WELFARE

(E) the term "wage increase percentage", with respect to a base quarter or cost-of-living computation quarter in any calendar year, means the percentage (rounded to the nearest one-tenth of 1 percent) by which the national average wage index (as defined in section 409(k)(1) of this title) for the year immediately preceding such calendar year exceeds such index for the year immediately preceding the most recent prior calendar year which included a base quarter under subparagraph (A)(ii) or, if later, which included a cost-of-living computation quarter;

(F) the term "OASDI fund ratio", with respect to any calendar year, means the ratio of—

(i) the combined balance in the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund as of the beginning of such year, including the taxes transferred under section 401(a) of this title on the first day of such year and reduced by the outstanding amount of any loan (including interest thereon) thereto made to either such Fund from the Federal Hospital Insurance Trust Fund under section 401(f) of this title, to

(ii) the total amount which (as estimated by the Commissioner of Social Security) will be paid from the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund during such calendar year for all purposes authorized by section 401 of this title (other than payments of interest on, or repayments of, loans from the Federal Hospital Insurance Trust Fund under section 401 of this title), reduced by the amount of any transfers to the Railroad Retirement Account by amount of any transfers into either such trust fund from that Account; ¹

(G) the Consumer Price Index for a base quarter, a cost-of-living computation quarter, or any other calendar quarter shall be the arithmetical mean of such index for the 3 months in such quarter.

(2)(A)(i) The Commissioner of Social Security shall determine each year beginning with 1975 (subject to the limitation in paragraph (1)(B)) whether the base quarter (as defined in paragraph (1)(B)) in such year is a cost-of-living computation quarter.

(ii) If the Commissioner of Social Security determines that the base quarter in any year is a cost-of-living computation quarter, the Commissioner, shall, effective with the month of December of that year as provided in subparagraph (B), increase—

(I) the benefit amount to which individuals are entitled for that month under section 427 or 428 of this title,

(II) the primary insurance amount of each other individual on which benefit entitlement is based under this subchapter, and in subsection (a) as in effect within 30 days after the close of such quarter, indicating the amount of the benefit increase to be provided, the Commissioner’s estimate of the extent to which the cost of such increase would be met by an increase in the —

¹ So in original. Probably should be followed by “and”. ¹
tribution and benefit base under section 403 of this title and the estimated amount of the increase in such base, the actuarial estimates of the effect of such increase, and the actuarial assumptions and methodology used in preparing such estimates.

(ii) The Commissioner of Social Security shall determine and promulgate the OASDI fund ratio for the current calendar year on or before November 1 of the current calendar year, based upon the most recent data then available. The Commissioner of Social Security shall include a statement of the fund ratio and the national average wage index (as defined in section 409(c)(1) of this title) and a statement of the effect such ratio and the level of such index may have upon benefit increases under this subsection in any notification made under clause (i) and any determination published under subparagraph (D).

(D) If the Commissioner of Social Security determines that a base quarter in a calendar year is also a cost-of-living computation quarter, the Commissioner shall publish in the Federal Register within 45 days after the close of such quarter a determination that a benefit increase is subsequently required and the percentage thereof. The Commissioner shall also publish in the Federal Register at that time (i) a revision of the range of the primary insurance amounts which are possible after the application of this subsection based on the dollar amount specified in subparagraph (C)(i) of subsection (a)(1) (with such revised primary insurance amounts constituting the increased amounts determined for purposes of such subparagraph (C)(i) under this subsection), or specified in subsection (a)(3) as in effect prior to 1979, and (ii) a revision of the range of maximum family benefits which correspond to such primary insurance amounts (with such maximum benefits being effective notwithstanding section 403(a) of this title except for paragraph (3)(B) thereof (or paragraph (2) thereof as in effect prior to 1979)). Notwithstanding the preceding sentence, such revision of maximum family benefits shall be subject to paragraph (6) of section 403(a) of this title (as added by section 101(a)(3) of the Social Security Disability Amendments of 1980).

(ii) The Commissioner of Social Security shall publish such revision of the table of benefits in the Federal Register shall table of benefits in the Federal Register shall be revised to the next lower multiple of $0.10'' shall be deemed to read ''decreased to the next lower multiple of $0.10''. For purposes of computing primary insurance amounts and maximum family benefits (other than primary insurance amounts and maximum family benefits for individuals to whom such paragraph (4)(B) applies), the Commissioner of Social Security shall revise the table of benefits contained in subsection (a), as in effect in December 1978, in accordance with the requirements of paragraph (2)(D) of this subsection as then in effect, except that the requirement in such paragraph (2)(D) that the Commissioner of Social Security publish such revision of the table of benefits in the Federal Register shall not apply.

(i) with respect to any calendar year the "applicable increase percentage" was determined under clause (ii) of paragraph (1)(C) rather than under clause (i) of such paragraph, and the increase becoming effective under paragraph (2) in such year was accordingly determined on the basis of the wage increase percentage rather than the CPI increase percentage (or there was no such increase becoming effective under paragraph (2) in that year because there was no wage increase percentage greater than zero), and

(ii) for any subsequent calendar year in which an increase under paragraph (2) becomes effective the OASDI fund ratio is greater than 32.0 percent,

then each of the amounts described in subdivisions (I), (II), and (III) of paragraph (2)(A)(ii), as increased under paragraph (2) effective with the month of December in such subsequent calendar year, shall be further increased (effective with such month) by an additional percentage, which shall be determined under subparagraph (B) and shall apply as provided in subparagraph (C). Any amount so increased that is not a multiple of $0.10 shall be decreased to the next lower multiple of $0.10.

(B) The applicable additional percentage by which the amounts described in subdivisions (I), (II), and (III) of paragraph (2)(A)(ii) are to be further increased under subparagraph (A) in the subsequent calendar year involved shall be the amount derived by—

(i) subtracting (I) the compounded percentage benefit increases that were actually paid under paragraph (2) and this paragraph from (II) the compounded percentage benefit increases that would have been paid if all increases under paragraph (2) had been made on the basis of the CPI increase percentage,

(ii) dividing the difference by the sum of the compounded percentage in clause (i)(I) and 100 percent, and

(iii) multiplying such quotient by 100 so as to yield such applicable additional percentage (which shall be rounded to the nearest one-tenth of 1 percent),

with the compounded increases referred to in clause (i) being measured—
(iv) in the case of amounts described in subdivision (I) of paragraph (2)(A)(ii), over the period beginning with the calendar year in which monthly benefits described in such subdivision were first increased on the basis of the wage increase percentage and ending with the year before such subsequent calendar year, and

(v) in the case of amounts described in subdivisions (II) and (III) of paragraph (2)(A)(ii), over the period beginning with the calendar year in which the individual whose primary insurance amount is increased under such subdivision (II) became eligible (as defined in subsection (a)(3)(B)) for the old-age or disability insurance benefit that is being increased under this subsection, or died before becoming so eligible, and ending with the year before such subsequent calendar year;

except that if the Commissioner of Social Security determines in any case that the application of paragraph (2)(A)(ii) would cause the OASDI fund ratio to fall below 32.0 percent in the calendar year immediately following such subsequent year, the Commissioner shall reduce such applicable additional percentage to the extent necessary to ensure that the OASDI fund ratio will remain at or above 32.0 percent through the end of such following year.

(C) Any applicable additional percentage increase in an amount described in subdivision (I), (II), or (III) of paragraph (2)(A)(ii), made under this paragraph in any calendar year, shall thereafter be treated for all the purposes of this chapter as a part of the increase made in such amount under paragraph (2) for that year.


References in Text


The Railroad Retirement Act of 1974, referred to in subsections (a)(1)(C)(ii), (7)(A) and (d)(3), is act Aug. 29, 1937, ch. 812, as amended generally by Pub. L. 93–445, title I, §101, Oct. 16, 1974, 88 Stat. 1305, which is classified generally to subchapter IV (§231 et seq.) of chapter 45 of Title 45, Railroads. Pub. L. 93–445 completely amended and revised the Railroad Retirement Act of 1937 (approved June 24, 1937, ch. 382, 50 Stat. 97), and as thus amended and replaced, the 1937 Act was redesignated the Railroad Retirement Act of 1974. Previously, the 1973 Act had completely amended and revised the Railroad Retirement Act of 1935 (approved Aug. 29, 1935, ch. 812, 49 Stat. 967). Section 201 of the 1973 Act provided that the 1935 Act, as in force prior to amendment by the 1973 Act, may be cited as the Railroad Retirement Act of 1935; and that the 1935 Act, as amended by the 1973 Act, may be cited as the Railroad Retirement Act of 1937. The Railroad Retirement Acts of 1935 and 1937 were classified to subchapter II (§231 et seq.) and subchapter III (§233a et seq.), respectively, of chapter 45 of Title 45. For further details and complete classification of these Acts to the Code, see Codification note set out preceding section 231 of Title 45, section 231 of Title 45, and Tables.


Section 102 of that Act, referred to in subsections (a)(7)(E)(ii), was classified to section 3121(k) of Title 26, and was repealed by Pub. L. 98–21, title I, §102(b)(2), Apr. 20, 1983, 97 Stat. 71.

Section 102 of that Act, referred to in subsection (a)(7)(E)(ii), is section 102 of Pub. L. 98–21, title I, Apr. 20, 1983, 97 Stat. 70, which amended section 410 of this title and section 3121 of Title 26 and enacted provisions set out as notes under section 410 of this title and section 3121 of Title 26.

Section 5117 of the Omnibus Budget Reconciliation Act of 1990, referred to in subsections (c), (f)(7), and (i)(4).
is section 5117 of Pub. L. 101–508, title V, Nov. 5, 1990, 104 Stat. 1388–274, which amended this section and sections 403, 413, and 417 of this title, amended provisions set out as a note under section 415 of this title, and enacted provisions set out as notes under sections 493 and 413 of this title.

The 1939 Act, referred to in subsec. (d), probably means Aug. 10, 1939, ch. 666, 53 Stat. 1395, known as the Social Security Act Amendments of 1939, which enacted sections 901a, 1306 and 1307 of this title, amended sections 302, 303, 306, 401, 402 to 409, 502, 565, 662, 693, 606, 701, 702, 703, 711, 712, 713, 714, 721, 801, 1011, 1202, 1203, 1206, 1301, of this title, section 642 of Title 7, Agriculture, section 1464 of Title 12, Banks and Banking, section 1601 of former Title 26, Internal Revenue Code of 1939, section 450 of Title 29, Labor, and enacted provisions set out as notes under section 363 of Title 45, Railroads. For complete classification of this Act to the Code, see Tables.


Sections 111(a)(6), 111(b)(2), and 112 of the Social Security Amendments of 1983, referred to in subsec. (i)(4), are sections 111(a)(6), 111(b)(2), and 112 of Pub. L. 98–21, title I, Apr. 20, 1983, 97 Stat. 73, which amended subsec. (i) of this section and enacted provisions set out as notes below. See 1983 Amendment notes below.


**AMENDMENTS**

1994—Subsec. (a)(1)(B)(ii). Pub. L. 103–296, § 321(e)(2)(B), in subcl. (I) substituted “national average wage index” for “deemed average total wages” and in subcl. (II) substituted “the national average wage index (as so defined) for 1977.’’ for “the average of the total wages (as defined in regulations of the Secretary and computed without regard to the limitations specified in section 409(k)(1) of this title)’, and in par. (2)(A)(ii)(I) substituted “the national average wage index (as defined in section 409(k)(1) of this title)” for “SSA average wage index’’.


Subsec. (d)(3). Pub. L. 103–296, § 308(b), in closing provisions struck out “and” before “(II)” and inserted “, and (III) a payment based wholly on service as a member of a uniformed service (as defined in section 410(m) of this title)” after “section 433 of this title’’.

Pub. L. 103–296, § 307(a)(1), in closing provisions substituted “but excluding (I) a payment under the Railroad Retirement Act of 1974 or 1937, and (II) a payment by a social security system of a foreign country based on an agreement concluded between the United States and such foreign country pursuant to section 433 of this title’’ for “but excluding a payment under the Railroad Retirement Act of 1974 or 1937’’.


Subsec. (a)(7)(E). Pub. L. 103–296, § 307(a)(2), in introductory provisions inserted “whose eligibility for old-age or disability insurance benefits is based on an agreement concluded pursuant to section 433 of this title or an individual’’ before “who on January’’.


Subsec. (d)(3). Pub. L. 103–296, § 308(b), in closing provisions struck out “and” before “(II)” and inserted “, and (III) a payment based wholly on service as a member of a uniformed service (as defined in section 410(m) of this title)” after “section 433 of this title’’.

Pub. L. 103–296, § 307(b), in closing provisions substituted “but excluding (I) a payment under the Railroad Retirement Act of 1974 or 1937, and (II) a payment by a social security system of a foreign country based on an agreement concluded between the United States and such foreign country pursuant to section 433 of this title’’ for “but excluding a payment under the Railroad Retirement Act of 1974 or 1937’’.

Subsec. (f)(2)(A). Pub. L. 103–296, § 310(a)(4), substituted “Commissioner of Social Security’’ for “Secretary’’ and “the Commissioner may’’ for “he may’’.


Subsec. (i)(1)(E). Pub. L. 103–296, § 321(e)(2)(F)(i), substituted “national average wage index (as defined in section 409(k)(1) of this title)” for “SSA average wage index’’.


Subsec. (i)(1)(G), (H). Pub. L. 103–296, § 321(e)(2)(F)(i), redesignated subpar. (H) as (G) and struck out former subpar. (G) which read as follows: “the term ‘SSA average wage index’, with respect to any calendar year, means the average determined for such calendar year under subsection (b)(3)(A)(i)(I) of this section; and’’.

Subsec. (i)(2)(A)(i), (ii), (C)(i). Pub. L. 103–296, § 310(a)(4), substituted “Commissioner of Social Security’’ for “Secretary’’ where it appeared, “the Commissioner shall’’ for “he shall” in introductory provisions of par. (2)(A)(i) and in par. (2)(C)(i), and “the Secretary shall also publish in the Federal Register the average of the total wages (as so described) for each calendar year after 1980’’.
Commissioner’s estimate” for “his estimate” in par. (2)(C)(i). Subsec. (i)(2)(C)(ii). Pub. L. 103–296, §321(e)(2)(G), amended cl. (ii) generally. Prior to amendment, cl. (ii) read as follows: “The Secretary shall determine and promulgate the OASDI fund ratio for the current calendar year and the SSA wage index for the preceding calendar year before November 1 of the current calendar year, based upon the most recent data then available, and shall include a statement of such fund ratio and wage index (and of the effect such ratio and the level of such index may have upon benefit increases under this subsection) in any notification made under clause (i) and any determination published under subparagraph (D).” Pub. L. 103–296, §107(a)(4), in cl. (i) as amended by Pub. L. 103–296, §321(e)(2)(G), substituted “Commissioner of Social Security” for “Secretary” in two places. Subsec. (i)(2)(D). Pub. L. 103–296, §107(a)(4), substituted “Commissioner of Social Security” for “Secretary” and “the Commissioner shall publish” for “he shall publish”. Pub. L. 103–296, §107(a)(4), which directed that this subsection be amended by substituting “the Commissioner” for “he” wherever referring to the Secretary of Health and Human Services, was executed by substituting “The Commissioner” for “He” before “shall also publish”, to reflect the probable intent of Congress. Subsec. (i)(4), (5)(B). Pub. L. 103–296, §107(a)(4), substituted “subsection (d)(1)” generally. Prior to amendment, cl. (i) read as follows: “(i) the total wages prior to 1951 (as defined in subparagraph (C) of this paragraph) of an individual who had a period of disability which began prior to 1951, but only if the primary insurance amount resulting therefrom is higher than the primary insurance amount resulting from the application of subsection (e) which (pursuant to subsection (e)) could be counted for such year if “of not less than 25 percent of the maximum amount which, pursuant to subsection (e), may be counted for such year, or of not less than 25 percent of the maximum amount which could be so counted for such year (in the case of a year after 1977)” if... (cont.)
and computed without regard to the limitations specified in section 409(a)(1) of this title)" for "(as so defined and computed)"

Subsec. (a)(2)(A)(i)(II). Pub. L. 101–239, § 10208(b)(4), substituted "change (except that, for purposes of sub-section (b)(2)(A) of such section 430 of this title as so in effect, the reference therein to the average of the wages of all employees as reported to the Secretary of the Treasury for any calendar year shall be deemed a reference to the deemed average total wages (within the meaning of section 409(a)(1) of this title) for such calendar year)" for "change (except that, in effect in December 1978, and as applied in certain cases under the provisions of this chapter as in effect after December 1978)".


Pub. L. 101–239, § 10208(b)(1)(A), substituted "the deemed average total wages (as defined in this section 409(a)(1) of this title)" for "the average of the total wages (as defined in regulations of the Secretary and computed without regard to the limitations specified in section 409(a)(1) of this title) reported to the Secretary of the Treasury or his delegate".


Subsec. (b)(3)(A)(ii)(II). Pub. L. 101–239, § 10208(b)(1)(B), substituted "the deemed average total wages (as so defined)" for "the average of the total wages (as so defined and computed) reported to the Secretary of the Treasury or his delegate".

Subsec. (i)(1)(G). Pub. L. 101–239, § 10208(b)(3), substituted "the amount determined for purposes of section 417 of this title" for "the average of the total wages reported to the Secretary of the Treasury or his delegate as determined for purposes of subsection (b)(3)(A)(ii)"

1986—Subsec. (a)(7)(A). Pub. L. 100–647, § 801(a)(1), struck out "with respect to the initial month in which the individual becomes eligible for such benefits" before period at end.

Subsec. (a)(7)(B)(i). Pub. L. 100–647, § 801(a)(2), substituted "concurrent entitlement to such monthly periodic payment and old-age or disability insurance benefits for 'eligibility for old-age or disability insurance benefits'".

Subsec. (a)(7)(C)(iii). (iv). Pub. L. 100–647, § 801(a)(3), redesignated cl. (iv) as (iii) and struck out former cl. (iii) which read as follows: "If an individual to whom subparagraph (A) applies is eligible for a periodic payment beginning with a month that is subsequent to the month in which he or she becomes eligible for old-age or disability insurance benefits, the amount of that payment (for purposes of subparagraph (B)) shall be deemed to be the amount to which he or she is, or is deemed to be, entitled (subject to clauses (i), (ii), and (iv) of this subparagraph) in such subsequent month.

Subsec. (a)(7)(D). Pub. L. 100–647, § 800(a), in introductory provisions, substituted "20 years" for "25 years" and "shall (if such percent is smaller than the applicable percent specified in the following table)" for "shall (if such percent is smaller than the percent specified in whichever of the following clauses applies) be deemed to be—", and substituted table for former cl. (i) to (iv) which read as follows:

"(i) 80 percent, in the case of an individual who has 29 of such years of coverage;  
(ii) 70 percent, in the case of an individual who has 28 of such years;  
(iii) 60 percent, in the case of an individual who has 27 of such years; and  
(iv) 50 percent, in the case of an individual who has 26 of such years."

Subsec. (d)(5)(ii). Pub. L. 100–647, § 801(b), substituted "such concurrent entitlement" for "his or her eligibility for old-age or disability insurance benefits".

1986—Subsec. (1)(C)(B). Pub. L. 99–509, § 9001(a), substituted "percentage is greater than zero" for "because there was no wage increase percentage was less than 3 percent"

and computed without regard to the limitations specified in section 409(a)(1) of this title reporting the amount of such excess to the House Committee on Ways and Means and the Senate Committee on Finance.

Pub. L. 99–569, § 9001(b)(2)(B), amended subpar. (C), as in effect in December 1978, and as applied in certain cases under the provisions of this chapter as in effect after December 1978, by striking out cl. (i) which read as follows: "Whenever the level of the Consumer Price Index as published for any month exceeds by 2.5 percent or more the level of such index for the most recent base quarter (as defined in paragraph (1)(A)(ii)) or, if later, the most recent cost-of-living computation quarter, the Secretary shall (within 5 days after such publication) report the amount of such excess to the House Committee on Ways and Means and the Senate Committee on Finance."

Subsec. (1)(2)(C)(i). Pub. L. 99–509, § 9001(b)(1)(A)(i), redesignated cl. (iii) as (ii) and substituted "under clause (ii)" for "under clause (ii)".

Pub. L. 99–599, § 9001(b)(2)(B), amended subpar. (C), as in effect in December 1978, and as applied in certain cases under the provisions of this chapter as in effect after December 1978, by striking out cl. (ii) which read as follows: "Because the wage increase percentage was greater than zero" for "because the wage increase percentage was less than 3 percent"

Subsec. (i)(1)(G). Pub. L. 99–514, § 1883(a)(7), substituted "(as so defined for purposes of subparagraph (2)(D)) that the Secretary publish such revision of the table of benefits in the Federal Register shall not apply" for "the Secretary shall publish in the Federal Register revisions of the table of benefits contained in subsection (a), as in effect in December 1978, as required by paragraph (2)(D) of this subsection as then in effect".

Subsec. (i)(5)(A)(i). Pub. L. 99–509, § 9001(b)(1)(C), substituted "because there was no wage increase percentage greater than zero" for "because the wage increase percentage was less than 3 percent"

Subsec. (i)(5)(B). Pub. L. 99–514, § 1883(a)(7), substituted "clause (i)(I) for 'subdivision (I)' in cl. (ii) and clause (ii)(I) in (i) and (II) in provisions between cls. (i)(II) and (iv)"


Subsec. (a)(1)(C)(i). Pub. L. 98–369, § 2663(a)(10)(A)(ii), substituted "section 417 of this title" for "section 417 of this title after deemed to be paid to such individual under"


Subsec. (a)(7)(B)(ii)(I). Pub. L. 98–369, § 2661(c)(1), substituted "who become eligible (as defined in paragraph (3)(B)) for old-age insurance benefits (or became eligible as so defined for disability insurance benefits before attaining age 62)" for "who initially become eligible for old-age or disability insurance benefits".


Subsec. (b)(5). Pub. L. 96–271, § 112(b)(5), substituted "as the percentage by which the Consumer Price Index prepared by the Department of Labor exceeded, by not less than 3 percentum, such Index in the period of time during which such index was computed" for "as the percentage by which the Consumer Price Index prepared by the Department of Labor exceeded, by not less than 3 percentum, such Index in the period of time during which such index was computed".


Subsec. (f)(10). Pub. L. 97–35, § 2201(c)(2), substituted "For the purposes of clause (i)" for "For the purposes of clause (ii)".


1981—Subsec. (a)(1)(A). Pub. L. 97–35, § 2206(b)(5), substituted in provision following cl. (iii) "rounded, if not a multiple of $0.10, to the nearest smaller multiple of $0.10" for "rounded in accordance with subsection (g) of this section".

Subsec. (a)(1)(C)(i). Pub. L. 97–35, § 2201(b)(1), substituted "For the purposes of clause (i)" for "For the purposes of clause (ii)".


Subsec. (a)(4). Pub. L. 97–35, § 2201(b)(3), (c)(2), substituted in provision preceding subpar. (A) "subparagraph (C)(ii)" for "subparagraph (C)(i)" and in provision following subpar. (B) inserted 

Subsec. (i)(2)(C)(ii). Pub. L. 97–35, § 2201(c)(3), inserted provision that the recomputation be modified by the application of subsec. (a)(6) of this section, where applicable.


Subsec. (g). Pub. L. 97–35, § 2206(a), struck out "any primary insurance amount and the amount of" after "any deduction under section 403(b) of this title, and after any deduction under section 1395s(a)(1) of this title is not
a multiple of $1 shall be rounded to the next lower multiple of $1 for "(after reduction under section 403(a) of this title and deductions under section 403(b) of this title) exist, a multiple of $10.00 shall be raised to the next higher multiple of $10.00".

Subsec. (1)(2)(A)(ii). Pub. L. 97–35, § 2201(b)(5), (6), in subcl. (II), struck out "including a primary insurance amount determined under subsection (a)(1)(C)(i)(I) of this section, but subject to the provisions of such subsection (a)(1)(C)(i) of this section and clauses (iv) and (v) of this subparagraph" after "under this subclau-

Subsec. (b). Pub. L. 95–216, § 201(b), substituted provisions setting up a formula for determining an individ-

Subsec. (c). Pub. L. 95–216, § 201(c), substituted provisions that this subsection as in effect in Dec. 1978, will remain in effect with respect to an individual to whom subsec. (a)(1) of this section does not apply by reason of the individual's eligibility for an old-age or disability insurance benefit, or the individual's death, prior to 1979, for provisions under which, for the purposes of column II of the latest table that had appeared in (or was deemed to have appeared in) subsec. (a) of this section, an individual's primary insurance amount was to be computed on the basis of the law in effect prior to the month in which the latest such table had become effective, but with a limitation that this subsection was to be applicable only in the case of an individual who had become entitled to benefits under section 423 of this title, or who had died, before such effective month.

Subsec. (d)(1)(A). Pub. L. 95–216, § 201(d)(1), inserted provisions in subsec. (d)(1)(A) and preceding intro-

Subsec. (d)(1)(B). Pub. L. 95–216, § 201(d)(1), made a parenthetical insertion which limited the existing refer-

Subsec. (e)(1). Pub. L. 95–216, § 201(e), substituted "average indexed monthly earnings or, in the case of an indi-

Subsec. (f)(2). Pub. L. 95–216, § 201(f)(1), generally ex-

Subsec. (g)(2). Pub. L. 95–216, § 201(g)(2), generally ex-

Subsec. (h)(2). Pub. L. 95–216, § 201(h)(2), substituted "maximum family benefit amounts for individuals with wages or self-employment income for years after 1978 for any part of which the in-

Portions of the individual's average indexed monthly earnings for provisions under which the primary insurance amount of an insured individual was determined through references to a five-column table covering primary insurance amounts and maximum family benefits.

Subsec. (b). Pub. L. 95–216, § 201(b), substituted provi-

Subsec. (c). Pub. L. 95–216, § 201(c), substituted provi-

Subsec. (d). Pub. L. 95–216, § 201(d), substituted provi-

Subsec. (e). Pub. L. 95–216, § 201(e), substituted "average indexed monthly earnings or, in the case of an indi-

individuals are entitled to old-age or disability insurance benefits.


Subsec. (a)(3). Pub. L. 92–603, §101(a)(2), added par. (3) and provisions following such par. (3) covering the individual’s “years of coverage” for purposes of par. (3).

Subsec. (b)(3). Pub. 92–603, §104(b), struck out provisions setting a separate age computation point for women and reduced from age 65 to age 62 the age computed point for men.
tied to benefits in or after the month in which a new table appears in (or is deemed by subsec. (1)(2)(D) to appear in) subsec. (b), becomes effective for provisions relating to an individual who becomes entitled to benefits after August 1972 in subpar. (A), treated provisions relating to an individual who dies in or after the month in which such table becomes effective for purposes relating to an individual who died after August 1972 in subpar. (B), and added subpar. (C).


Pub. L. 92–336, §201(a)(3)(C), substituted provisions relating to the computation of an individual’s primary insurance amount based on the law in effect prior to the month in which the latest table appearing in (or is deemed to be appearing in) subsec. (a) of this section becomes effective, for provisions relating to the computation of an individual’s primary insurance amount based on the law in effect prior to September 1972 in subpar. (1), and substituted “, or who died, before such effective month” for “before September 1972, or who died before such month” in subpar. (2).

Pub. L. 92–336, §201(e), substituted “September 1972” for “March 17, 1971” in two places, and “and month” for “date”.

Subsec. (d)(1)(C)(iv). Pub. L. 92–603, §134(b), (142(c), inserted references to subsec. (f)(6) of this section and section 431 of this title.

Subsec. (e)(1). Pub. L. 92–336, §203(a)(4), inserted provisions eliminating from the computation of an individual’s average monthly wage excess amounts in calendar years after 1971 and before 1975, and excess over amounts equal to the contribution and benefit base in the case of any calendar year after 1974 with respect to which such contribution and benefit base is effective.

Subsec. (f)(2). Pub. L. 92–603, §101(d), (134(a)), inserted references to subsections (a)(3) of this section in provisions preceding subpar. (A) and in subpar. (B). struck out provision relating to any individual whose increase in his primary insurance amount is attributable to compensation which, upon his death, is treated as renumeration for employment under section 408(e) of this title.

Pub. L. 92–336, §201(f), substituted “subsection (a)(1) (A) and (C) of this section” for “subsection (a)(1) and (3) of this section.”


Subsec. (1)(i)(A)(ii). Pub. L. 92–603, §101(e), inserted ”(but not including a primary insurance amount determined under subsection (a)(3) of this section)” after “under this subsection”.

1971—Subsec. (a). Pub. L. 92–5, §201(a), revised benefits table by: substituting “Primary insurance amount under 1969 Act” for “Primary insurance amount under 1958 Act,” and $64.00 or less—$368.00 to $218.00 in column II, adding $653–$746 under minimum average monthly wage subcolumn of column III, substituting $70.40—$295.40 for $64.00—$250.70 in column IV, and $218.00 in column II, adding $653–$746 under minimum average monthly wage subcolumn of column III, substituting $70.40—$295.40 for $64.00—$250.70 in column IV, and $105.60—$317.00 for $96.00—$434.40 in column V.


Subsec. (c). Pub. L. 92–5, §201(d), substituted “prior to March 17, 1971” for “prior to December 30, 1969” in subpar. 1, and substituted “before March 17, 1971, or who died before such date” for “before January 1970, or who died before such month” in subpar. 2.

Subsec. (e)(1). Pub. L. 92–5, §208(a)(4), substituted “the excess over $7,800 in the case of any calendar year after 1967 and before 1972, and the excess over $9,000 in the case of any calendar year after 1971” for “the excess over $7,800 in the case of any calendar year after 1967.”

1969—Subsec. (a). Pub. L. 91–172, §1002(a), revised benefits table to increase: the primary insurance amount limits to $64.00—$250.70 for people whose average monthly wage is $76.00 or less for the minimum, and $650.00 for the maximum, the primary insurance amounts of retired workers on the benefit rolls from $48.00 or less to $55.40 at the minimum, and $650.00 for the maximum, and the family benefits limits to $96.00—$343.40 from $82.50—$343.40.


1968—Subsec. (a). Pub. L. 90–248, §101(a), revised benefits table to increase: the primary insurance amount limits to $55.00—$218.00 for people whose average monthly wage is $71.00 or less for the minimum and $650.00 for the maximum, the primary insurance amounts of retired workers on the benefit rolls from $48.00 or less to $55.00 at the minimum and from $189.90 to $199.90 at the maximum, and the family benefit limits to $82.50—$343.40 from $66.00—$338.00.

Subsec. (b)(4). Pub. L. 90–248, §101(c)(1), amended par. (4) generally, substituting “January 1966” for “December 1965” in subparas. (A) and (B), striking out “, as amended by the Social Security Amendments of 1965,” at end of subpar. (C), and striking out provision that the subsection would not apply to any individual described therein for purposes of monthly benefits for months before January 1966.

Subsec. (b)(5). Pub. L. 90–248, §140(c)(2), struck out par. (5) which preserved the method in effect before the enactment of the 1965 amendments of computing average monthly earnings for people who become entitled to benefits or a recomputation of benefits before 1966.

Subsec. (c). Pub. L. 90–248, §101(d), substituted “1965 Act” for “1958 Act, as modified” in heading and “on the basis of the law in effect prior to the enactment of the Social Security Amendments of 1967” for “as provided in, and subject to the limitations specified in, (A) this section as in effect prior to July 30, 1965 and (B) the applicable provisions of the Social Security Amendments of 1960” in par. (1) and “the month of February 1968, or who died before such month” for “July 30, 1965 or who died before such date” in par. (2).

Subsec. (d)(1). Pub. L. 90–248, §155(a)(1), amended par. (1) generally. Prior to amendment, par. (1) read as follows: “For the purposes of column I of the table appearing in subsection (a) of this section, an individual’s primary insurance benefit shall be computed as provided in this subchapter as in effect prior to August 28, 1950, except that—

(A) in the computation of such benefit, such individual’s average monthly wage shall (in lieu of being determined under section 409(f) of this title as in effect prior to August 28, 1950) be determined as provided in subsection (b) of this section (but without regard to paragraphs (4) and (5) thereof), except that for the purposes of paragraphs (4) and (5) of subsection (b) of this section, 1936 shall be used instead of 1950.

(B) For purposes of such computation, the date he became entitled to old-age insurance benefits shall be deemed to be the date he became entitled to primary insurance benefits.

(C) The 1 per centum addition provided for in section 409(e)(2) of this title as in effect prior to August 28, 1950 shall be applicable only with respect to calendar years prior to 1951, except that any wages paid in any year prior to such year all of which was included in a period of disability shall not be counted. Prior to August 28, 1950, such addition was not provided for in this subchapter.

(D) The provisions of subsection (c) of this section shall be applicable to such computation.”

Subsec. (d)(2)(B), (C). Pub. L. 90–248, §155(a)(2), struck out subpar. (B), redesignated subpar. (C) as (B), inserted exception phrase at beginning of subpar. (B), and added subpar. (C).

Subsec. (d)(3). Pub. L. 90–248, §155(a)(3), amended par. (3) generally. Prior to amendment, par. (3) read as follows: “The provisions of this subsection as in effect prior to September 13, 1960 shall be applicable in the case of an individual who meets the requirements of
subsection (b)(5) of this section (as in effect after September 13, 1965)."

the excess over $6,600 in the case of any calendar year after 1965 and before 1968, and the excess over $7,800 in the case of any calendar year after 1967" for "and the excess over $6,600 in the case of any calendar year after 1967 for "and the excess over $7,800 in the case of any calendar year after 1967 for "and the excess over $7,800 in the case of any calendar year after 1967 for "the year in which he died or attained age 65" for "the year in which he attained (or would attain) age 65" for "the first year in which he attained (or would attain) age 65 or (if later) the first year in which he was fully insured"

Subsec. (f)(2). Pub. L. 89–248, § 155(a)(4), (5), struck out subpars. (A) to (D) and text preceding (A) by substituting provisions that if an individual has wages or self-employment income for a year after 1965 and any part of which he is entitled to old-age insurance benefits, the Secretary is to recompute his primary insurance amount with respect to each such year, and that such recomputation shall be made as provided in subsection (a)(1) and (3) as though the year with respect to which such recomputation is made is the last year of the period specified in subsection (b)(2)(C) for former provisions for a recomputation with respect to each year after Dec. 31, 1964, and for any part of which an individual was entitled to old-age insurance benefits, that such recomputation was to be made as provided in subsection (a)(1) and (3) if such year was either the year in which he became entitled to such old-age insurance benefits or the preceding year or as provided in subsection (a)(1) in any other case, and that in all cases such recomputation was to be made as though the year with respect to which it was to be made was the last year of the period specified in subsection (b)(2)(C); and redesignated subpars. (E) and (F) as (A) and (B).


Subsec. (h)(1). Pub. L. 90–248, § 403(b), substituted "subchapter III of chapter 83 of title 5" for "the Civil Service Retirement Act" in two places.

1965—Subsec. (a). Pub. L. 89–97, § 301(a), revised the benefits table to increase: the primary insurance amount limits to $44–$168 for people whose average monthly wage is $67 or less for the minimum and $350 for the maximum from $40–$127 for people whose average monthly wage is $67 or less for the minimum and $400 for the maximum (representing an increase of 5 percent for average monthly wages of $40 or less with minimum increase of $4); the primary insurance amounts of retired workers on the benefit rolls from $40 to $44 at the minimum and from $127 to $135.90 at the maximum; and the family benefit limits to $66–$368 representing minimum increase of $6).

Subsec. (a)(4). Pub. L. 89–97, § 304(c), substituted the "primary insurance amount limits" for which disability insurance benefit is based for "of which disability insurance benefit"

Pub. L. 89–97, § 309(a), amended introductory provisions generally. Prior to amendment, introductory provisions read as follows: "In the case of—

(a) a woman who was entitled to a disability insurance benefit for the month before the month in which she died or became entitled to old-age insurance benefits, or

(b) a man who was entitled to a disability insurance benefit for the month before the month in which he died or attained age 65,".

Subsec. (b)(2)(C). Pub. L. 89–97, § 302(a)(1), excluded from an insured individual's computation base years the year in which he became entitled to benefits and included in his computation base years (for purposes of survivors' benefits) the year in which he died and a man's individual's computation base years the calendar years occurring after 1950 and up to the year in which his first month of entitlement to a benefit occurred or the year after the year in which he died.

Subsec. (b)(3)(D). Pub. L. 89–97, § 302(a)(2), substituted in cl. (A) "if it occurred earlier but after 1960, the year in which she attained age 62," for "‘if earlier’ the first year after 1960 in which she both was fully insured and had attained age 62;" cl. (B) "if it occurred earlier but after 1960, the year in which he attained age 65 for ‘if earlier’ the first year after 1960 in which he both was fully insured and had attained age 65;" and cl. (C) "the year occurring after 1960 in which he attained (or would attain) age 65 for ‘the year in which he attained (or would attain) age 65 or (if later) the first year in which he was fully insured’."

Subsec. (b)(4), (5). Pub. L. 89–97, § 320(a)(3), amended pars. (4) and (5) generally. Prior to amendment, pars. (4) and (5) read as follows:

"(4) The provisions of this subsection shall be applicable only in the case of an individual with respect to whose wage or self-employment income for a year after 1950 are quarters of coverage, and—

(A) who becomes entitled to benefits after December 1960 under section [section 402(a) or section 423 of this title]; or

(B) who dies after December 1960 without being entitled to benefits under section [section 423 of this title]; or

(C) who files an application for a recomputation under subsection (f)(2)(A) of this section after December 1960 and is (or would, but for the provisions of subsection (f)(6) of this section, be) entitled to have his primary insurance amount recomputed under subsection (f)(2)(A) of this section; or

(D) who dies after December 1960 and whose survivors are (or would, but for the provisions of section (f)(6) of this section, be) entitled to a recomputation of his primary insurance amount under subsection (f)(4) of this section.

"In the case of any individual—

(A) to whom the provisions of this subsection are not made applicable by paragraph (4), but

(B)(i) prior to 1961, met the requirements of this paragraph (including subparagraph (E) thereof) as in effect prior to the enactment of the Social Security Amendments of 1960, or (ii) after 1960, meets the conditions of subparagraph (B) of this paragraph as in effect prior to such enactment, then the provisions of this subsection as in effect prior to such enactment shall apply to such individual for the purposes of column III of the table appearing in subsection (a) of this section.

Subsec. (c). Pub. L. 89–97, § 301(b), substituted in par. (1)(A) "prior to the enactment of the Social Security Amendments of 1965 and in the Code “prior to July 30, 1965” for “prior to the enactment of the Social Security Amendments of 1958” and executed in the Code “prior to August 28, 1958”; in par. (1)(B) “Social Security Amendments of 1960” for “Social Security Amendments of 1954”; in par. (2), formerly designated (2)(A), “before July 30, 1965 or who died before such date” for “after 1960, but before 1966” and par. (2)(B) making the provisions of the subsection applicable only in the case of an individual “to whom the provisions of neither paragraph (4) nor paragraph (5) of subsection (b) of this section are applicable.”


Subsec. (d)(3). Pub. L. 89–97, § 302(b)(2), substituted "‘1965' for ‘1960' and struck out before period at end "but without regard to whether such individual has six quarters of coverage after 1950’.”

Subsec. (e)(1). Pub. L. 89–97, § 320(a)(4), substituted "the excess over $4,800 in the case of any calendar year after 1958 and before 1966, and the excess over $6,600 in the case of any calendar year after 1965 for ‘the year in which he attained (or would attain) age 65 or (if later) the first year in which he was fully insured’" for "the first year in which he attained (or would attain) age 65 or (if later) the first year in which he was fully insured’".

Subsec. (e)(3). Pub. L. 89–97, § 302(c), struck out par. (3) which provided that for the purposes of subsections (b) and (d) of this section, if an individual had self-employment income in a taxable year which began prior to the calendar year in which he became entitled to old-age insurance benefits and ended after the last day of the month preceding the month in which he became so entitled, his self-employment income in such taxable year should not be counted in determining his benefit computation years, except as provided in subsection (f)(3)(C) of this section.
Subsec. (f)(2). Pub. L. 89–97, §302(d)(1), substituted provisions for annual automatic recomputation of benefits, taking into account any earnings the person had in or after the year in which he became entitled to benefits, and effective in the case of a living beneficiary with January of the year following the year in which the earnings were received and in death cases for survivors of individuals who died after 1950 and who had been entitled to old-age insurance benefits and is now covered by the annual automatic recomputation of benefits provision of subsec. (f)(2) of this section.

Subsec. (f)(3). Pub. L. 89–97, §302(d)(2), redesignated par. (5) as (3) and repealed former par. (3) which provided for a recomputation of benefits for the purpose of paying benefits to survivors of an individual who died after 1960 and who had been entitled to old-age insurance benefits and is now covered by the annual automatic recomputation of benefits provision of subsec. (f)(2) of this section.

Subsec. (f)(4). Pub. L. 89–97, §302(d)(2), redesignated par. (6) as (4) and repealed former par. (4) which provided for a recomputation of benefits for the purpose of paying benefits to survivors of an individual who died after 1960 and who had been entitled to old-age insurance benefits and is now covered by the annual automatic recomputation of benefits provision of subsec. (f)(2) of this section.

Subsec. (f)(5). Pub. L. 89–97, §302(d)(2), repealed par. (2)(C) and (3)(A)(i) of subsection (b) of this section, and prior years were quarters of coverage and the months in any year part of which was included in a period of disability except the months in the year in which such period of disability began if their inclusion would result in a higher primary insurance amount.

Subsec. (b)(2). Pub. L. 86–778, §303(a), substituted provisions relating to benefit computation years and to computation base years for provisions which defined an individual's starting date as December 31, 1950, or if later, the last day of the year in which he attains the age of 21, whichever results in the higher primary insurance amount.

Subsec. (b)(3). Pub. L. 86–778, §303(a), substituted provisions defining an individual's elapsed years for provisions which defined an individual's closing date as the first day of the year in which he died or became entitled to old-age insurance benefits, whichever first occurred, or the first day of the first year in which he both was fully insured and had attained retirement age, whichever results in the higher primary insurance amount.

Subsec. (b)(4). Pub. L. 86–778, §303(a), substituted provisions prescribing the applicability of subsec. (f) for provisions which required the Secretary to determine the five or fewer calendar years after an individual's starting date and prior to his closing date which, if the months of such years and his wages and self-employment income for such years were excluded in computing his average monthly wage, would produce the highest primary insurance amount, and which required exclusion of such months and such wages and self-employment income for purposes of computing an individual's average monthly wage.

Subsec. (b)(5). Pub. L. 86–778, §303(a), substituted provisions making subsec. (f) applicable in the case of an individual to whom the provisions of subsec. (f) are not made applicable by par. (4) but prior to 1961, met the requirements of this paragraph as in effect prior to Sept. 13, 1960, or, after 1960, meets the conditions of subparagraph (E) of this paragraph as in effect prior to Sept. 13, 1960, for provisions which prescribed the applicability of subsec. (f) of this section. Former provisions of par. (5) were covered by par. (4) of this section.

Subsec. (c)(2)(B). Pub. L. 86–778, §303(b), substituted “to whom the provisions of neither paragraph (4) nor paragraph (5) of subsection (b) of this section are applicable” for “to whom the provisions of paragraph (5) of subsection (b) of this section are not applicable”.

Subsec. (d)(1)(A). Pub. L. 86–778, §303(c)(1), substituted “be determined as provided in subsection (b) of this section (but without regard to paragraphs (4) and (5) thereof)” for “be determined as provided in subsection (b) of this section (without regard to paragraph (5) thereof)”.

Subsec. (d)(1)(C). Pub. L. 86–778, §303(c)(2), substituted “all of which was included” for “any part of which was included”, and struck out provisions which required the wages paid in the year in which the period of disability began to be counted if the counting of such wages would result in a higher primary insurance amount.

Subsec. (d)(2)(B). Pub. L. 86–778, §303(c)(3), substituted “paragraph (4) of subsection (b) of this section” for “paragraph (5) of subsection (b) of this section”.


Subsec. (e)(3). Pub. L. 86–778, §303(d)(1), substituted “if an individual has self-employment income for any tax year which begins prior to the calendar year in which he becomes entitled to old-age insurance benefits defined the term as the quotient obtained by dividing the total of his wages and self-employment income after his starting date and prior to his closing date by the number of months elapsed after such starting date and prior to such closing date, excluding the months in any year prior to the year in which the individual attained the age of 21 if less than two quarters of such individual's wages paid in any year and prior to such closing date, excluding the months in any year part of which was included in a period of disability except the months in the year in which such period of disability began if their inclusion would result in a higher primary insurance amount.

Subsec. (f)(1). Pub. L. 86–778, §303(d)(2), substituted provisions making subsec. (f) applicable in the case of an individual to whom the provisions of subsec. (f) are not made applicable by par. (4) but prior to 1961, met the requirements of this paragraph as in effect prior to Sept. 13, 1960, or, after 1960, meets the conditions of subparagraph (E) of this paragraph as in effect prior to Sept. 13, 1960, for provisions which prescribed the applicability of subsec. (f) of this section. Former provisions of par. (5) were covered by par. (4) of this section.

Subsec. (c)(2)(B). Pub. L. 86–778, §303(b), substituted “to whom the provisions of neither paragraph (4) nor paragraph (5) of subsection (b) of this section are applicable” for “to whom the provisions of paragraph (5) of subsection (b) of this section are not applicable”.

Subsec. (d)(1)(A). Pub. L. 86–778, §303(c)(1), substituted “be determined as provided in subsection (b) of this section (but without regard to paragraphs (4) and (5) thereof)” for “be determined as provided in subsection (b) of this section (without regard to paragraph (5) thereof)”.

Subsec. (d)(1)(C). Pub. L. 86–778, §303(c)(2), substituted “all of which was included” for “any part of which was included”, and struck out provisions which required the wages paid in the year in which the period of disability began to be counted if the counting of such wages would result in a higher primary insurance amount.

Subsec. (d)(2)(B). Pub. L. 86–778, §303(c)(3), substituted “paragraph (4) of subsection (b) of this section” for “paragraph (5) of subsection (b) of this section”.


Subsec. (e)(3). Pub. L. 86–778, §303(d)(1), substituted “if an individual has self-employment income for any tax year which begins prior to the calendar year in which he becomes entitled to old-age insurance benefits defined the term as the quotient obtained by dividing the total of his wages and self-employment income after his starting date and prior to his closing date by the number of months elapsed after such starting date and prior to such closing date, excluding the months in any year prior to the year in which the individual attained the age of 21 if less than two quarters of such individual's wages paid in any year and prior to such closing date, excluding the months in any year part of which was included in a period of disability except the months in the year in which such period of disability began if their inclusion would result in a higher primary insurance amount.”
and ends after the last day of the month preceding the month in which he becomes so entitled, his self-employment income in such taxable year shall not be counted in determining his benefit computation years for “if an individual’s closing date is determined under paragraph (3)(A) of this section and he has self-employment income in a taxable year which begins prior to such closing date, in which he was entitled to old-age insurance benefits, or in case he was entitled to old-age insurance benefits, the day following the year in which his closing date was determined under paragraph (3)(A) of this section and he has self-employment income in a taxable year which begins prior to such closing date and ends after the last day of the month preceding the month in which he becomes entitled to old-age insurance benefits, there shall not be counted, in determining his average monthly wage, his self-employment income in such taxable year”.

Subsec. (e)(4). Pub. L. 86–778, § 303(d)(2), struck out par. (4) which prohibited, in computing an individual’s average monthly wage, the counting of any wages paid such individual in any year any part of which was included in a period of disability, or any self-employment income of such individual credited pursuant to section 412 of this title to any year any part of which was included in a period of disability, unless the months of such year are included as elapsed months pursuant to subsec. (b)(1)(B) of this section.

Subsec. (f)(2)(A). Pub. L. 86–778, § 303(e)(1), substituted “‘1960’ for ‘1954’ in opening provisions, and ‘‘filed such application after such calendar year’’ for ‘‘filed such application no earlier than six months after such calendar year’’ in cl. (ii).

Subsec. (f)(2)(B). Pub. L. 86–778, § 303(e)(2), substituted provisions requiring a recomputation pursuant to subpar. (A) to be made only as provided in subsec. (a)(1) of this section, if the provisions of subsec. (b) of this section, as amended by Pub. L. 86–778, were applicable to the last previous computation of the individual’s primary insurance amount, or as provided in subsec. (a)(1) and (3) of this section in all other cases for provisions which required a recomputation to be made only as provided in subsec. (a)(1) of this section, inserted provisions requiring the computation base years, if cl. (i) of this subparagraph is applicable to such recomputation, to include only calendar years occurring prior to the year in which he filed his application for such recomputation, and struck out provisions which prescribed the method of making the recomputation if subsec. (b)(4) of this section were applicable to the previous computation.

Subsec. (f)(3)(A). Pub. L. 86–778, § 303(e)(3), substituted “‘December 1960’ for ‘August 1954’ in two places, struck out provisions which related to applications by individuals whose primary insurance amount was recomputed under section 102(e)(5) or 102(f)(2)(B) of the Social Security Amendments of 1954, and substituted “except that such individual’s computation base years referred to in subsection (b)(2) of this section shall include the calendar year referred to in the preceding sentence’ for “except that his closing date for purposes of subsection (b) of this section shall be the first day of the year following the year in which he became entitled to old-age insurance benefits or in which he filed his application for the last recomputation (to which he was entitled) of his primary insurance amount under any provision of law referred to in clause (i) or (iii) of the preceding sentence, whichever is later’”.

Subsec. (f)(3)(B). Pub. L. 86–778, § 303(e)(3), substituted “‘December 1960’ for ‘August 1954’ in three places, struck out provisions which related to individuals whose primary insurance amount was recomputed under section 102(e)(5) or section 102(f)(2) of the Social Security Amendments of 1954, and individuals with respect to whom the last previous recomputation of their primary insurance amount was based upon a closing date determined under subpar. (A) or (B) of subsec. (b)(3) of this section, and substituted “except that such individual’s computation base years referred to in subsection (b)(2) of this section shall include the calendar year in which he died in the case of an individual who was not entitled to old-age insurance benefits, or in the case of the time of death in case he died without becoming entitled to old-age insurance benefits, or in case he was entitled to old-age insurance benefits, the day following the year in which his closing date was determined under paragraph (3)(A) of this section, if the provisions of subsec. (b) of this section and he has self-employment income in a taxable year which begins prior to such closing date and ends after the last day of the month preceding the month in which he became entitled to old-age insurance benefits, in a calendar year after 1960, if such individual has self-employment income in a taxable year which begins prior to such calendar year and ends after the last day of the month preceding the month in which he became so entitled, the Secretary shall recompute such individual’s primary insurance amount after the close of such taxable year and shall take into account in determining the individual’s benefit computation years only such self-employment income in such taxable year as is credited, pursuant to section 412 of this title, to the year preceding the year in which he became so entitled” for “If an individual’s closing date is determined under paragraph (3)(A) of subsection (b) of this section and he has self-employment income in a taxable year which begins prior to such closing date and ends after the last day of the month preceding the month in which he became entitled to old-age insurance benefits, the Secretary shall recompute his primary insurance amount after the close of such taxable year, taking into account only such self-employment income in such taxable year as is paid to him in the years in which such wages were paid or to which such self-employment income was credited” for “which were taken into account in the last previous computation of his primary insurance amount and the compensation (described in section 405(e) of this title) paid to him in the years in which such wages were paid or to which such self-employment income was credited” for “which were taken into account in the last previous computation of his primary insurance amount and the compensation (described in section 405(e) of this title) paid to him prior to the closing date which would have been applicable under such paragraph, and substituted “which were considered in the last previous computation of his primary insurance amount and the compensation (described in section 405(e) of this title) paid to him prior to the closing date applicable to such computation” in third sentence.

Subsec. (f)(5). Pub. L. 86–778, § 304(a), substituted “then upon application filed by such individual after the close of such taxable year and prior to January 1961 or (if he died without filing such application and such death occurred prior to January 1961) for ‘then upon application filed after the close of such taxable year by such individual (or if he died without filing such application)’”.

Subsec. (g). Pub. L. 86–778, § 211(n), inserted “and deductions under section 403(b) of this title’’.

Subsec. (h). Pub. L. 86–778, § 103(j)(2)(C), substituted “section 410(m)(1) of this title’’ for “section 410(m)(1) of this title”, in par. (1).

Subsec. (c). Pub. L. 85–840, §101(c), amended subsec. (c) generally, and, among other changes, substituted provisions for computation of the primary insurance amount of an individual under the 1954 Act for provisions which related to determinations made under use of the conversion table.

Subsec. (d). Pub. L. 85–840, §101(d), substituted provisions for computation of the primary insurance benefit under the 1939 Act for provisions which related to determination of the primary insurance benefit and primary insurance amount for purposes of the conversion table in former subsec. (c) of this section.

Subsec. (e). Pub. L. 85–840, §102(d), substituted “subsections (b) and (d)” for “subsections (b) and (d)(4)” in opening provisions.


Subsec. (e)(2). Pub. L. 85–840, §102(d), substituted “subsection (d)” for “subsection (d)(4)”.

Subsec. (g). Pub. L. 85–840, §205(m), struck out provisions which related to reduction under section 424 of this title.


Subsec. (b)(1). Act Aug. 1, 1956, §115(a), excluded from computation of an individual’s average wage the months in any year any part of which was included in a period of disability, except the months in any year in which a period of disability began if their inclusion would result in a higher primary insurance amount.

Subsec. (b)(4). Act Aug. 1, 1956, §106(c), substituted “five” for “four”, and struck out provisions which required the maximum number of calendar years determined under this clause to be five in the case of any individual who has not less than 20 quarters of coverage.

Subsec. (d)(5). Act Aug. 1, 1956, §115(b), excluded from the computation all quarters in any year prior to 1951 any part of which was included in a period of disability, except the quarters in the year in which a period of disability began if the inclusion of such quarters would result in a higher primary insurance amount.

Subsec. (e)(4). Act Aug. 1, 1956, §115(c), excluded any wages paid to an individual in any year any part of which was included in a period of disability, and any self-employment income credited to such year unless the months of such year are included as elapsed months.

Subsec. (g). Act Aug. 1, 1956, §105(c)(5), inserted references to sections 423 and 424 of this title.

1954—Subsec. (a). Act Sept. 1, 1954, §102(a), provided a new benefit formula, for computing primary insurance amount for certain individuals, of 55 percent of the first $110 of average monthly wage plus 20 percent of the next $240 and provided that other individuals have their primary insurance amount computed under subsection (c) of this section.

Subsec. (b). Act Sept. 1, 1954, §102(b), provided standard end-of-the-year starting and beginning-of-the-year closing dates, applicable to both wage earners and self-employed individuals, for computation of the average monthly wage, and provided for the exclusion of up to 5 years in which earnings were lowest (or non-existent) from the average monthly wage computation.

Subsec. (b)(1). Act Sept. 1, 1954, §106(c)(1), inserted “and any month in any quarter any part of which was included in a period of disability (as defined in section 416(i) of this title) unless such quarter was a quarter of coverage” after “quarter of coverage”.

Subsec. (c). Act Sept. 1, 1954, §102(c), provided a new conversion table with increased benefits for individuals already on the rolls and computed the primary insurance amount of certain individuals who come on the rolls after the enactment of the act.

Subsec. (d). Act Sept. 1, 1954, §102(d), inserted provisions for computation of a primary insurance amount for classes of the conversion table.

Subsec. (d)(5). Act Sept. 1, 1954, §106(c)(2), added subsec. (d)(5). Former subsec. (d)(5), which was added by act July 18, 1952, §3(c)(3), ceased to be in effect at the close of June 30, 1953. See Termination Date of 1952 Amendment note set out under section 413 of this title.


Subsec. (e). Act Sept. 1, 1954, §104(d), provided that earnings up to $4,200, in any calendar year after 1954, shall be used in the computation of an individual’s average monthly wage.


Subsec. (f)(2). Act Sept. 1, 1954, §102(e)(2), substituted a new test for determining eligibility for a recomputation to take into account additional earnings after entitlement.


Subsec. (f)(4). Act Sept. 1, 1954, §102(e)(4), provided for recomputation of the primary insurance on the death after 1964 of an old-age insurance beneficiary, if any person is entitled to monthly survivors benefits or to a lump-sum death payment on the basis of his wages and self-employment income.

1952—Subsec. (a)(1). Act July 18, 1952, §2(b)(1), provided a new benefit formula for the computation of benefits based entirely on wages paid and self-employment income derived after 1950 of 55 percent of the first $100 of average monthly wage and 15 percent of next $200 and increased the primary insurance amount.

Subsec. (b)(1). Act July 18, 1952, §3(c)(1), inserted “and any month in any quarter any part of which was included in a period of disability (as defined in section 416(i) of this title) unless such quarter was quarter of coverage” after “not a quarter of coverage”.

Subsec. (b)(4). Act July 18, 1952, §3(c)(2), inserted provisions of subpars. (B) and (C).


Subsec. (c)(2). Act July 18, 1952, §2(a)(2), provided that individuals, whose primary insurance amounts are governed by regulations, shall have the same increase as is provided for individuals governed by the new conversion table.


Subsec. (f)(2). Act July 18, 1952, §6(a), provided that upon application an individual will have his benefit recomputed by the new formula prescribed in subsec. (a)(1) of this section under certain conditions.

Subsec. (f)(5), (6). Act July 18, 1952, §6(b), added par. (5) and redesignated former par. (5) as (6).

**Effective Date of 1994 Amendment**

Amendment by section 107(a)(4) of Pub. L. 103–296 effective Mar. 31, 1994, see section 110(a) of Pub. L. 103–296, set out as a note under section 401 of this title.


Amendment by section 308(b) of Pub. L. 103–296 applicable (notwithstanding subsection (f) of this section) with respect to benefits payable for months after Dec. 1994, see section 308(c) of Pub. L. 103–296, set out as a note under section 402 of this title.

Pub. L. 103–296, title III, §321(g)(3)(A), Aug. 15, 1994, 108 Stat. 1543, provided that: “The amendments made by paragraph (1) [amending this section and section 410 of this title] shall be effective with respect to the determination of the contribution and benefit base for years after 1994.”
Amendment by section 111(a)(1)–(3), (6), (b)(1), (2), (c) of Pub. L. 98–21 applicable with respect to cost-of-living increases determined under subsec. (i) of this section for years after 1982, see section 111(a)(8) of Pub. L. 98–21, set out as a note under section 401 of this title.

Effective Date of 1983 Amendment

Amendment by section 12201 shall apply with respect to deaths occurring after December 1981; and the amendment made by subsection (f) of such section shall apply with respect to deaths occurring after December 1981.

Effective Date of 1981 Amendment


"(2) Except as provided in paragraphs (3) and (4), the amendments made by section 2201 of the Omnibus Budget Reconciliation Act of 1981 [enacting section 1382k of this title, amending this section and sections 402, 403, 417, and 433 of this title] (other than subsection (f) thereof [amending section 402 of this title], together with the amendments made by the preceding subsections of this section [amending this section and sections 402, 403, and 417 of this title and repealing section 1382k of this title and a provision set out as a note under section 402(k) of this title]), shall apply with respect to benefits for months after December 1981, and the amendment made by subsection (f) of such section 2201 shall apply with respect to deaths occurring after December 1981.

"(3) Such amendments shall not apply—

"(A) in the case of an old-age insurance benefit, if the individual who is entitled to such benefit first became eligible (as defined in section 213(a)(3)(B) of the Social Security Act [42 U.S.C. 415(a)(3)(B)]) for such benefit before January 1982,

"(B) in the case of a disability insurance benefit, if the individual who is entitled to such benefit first became eligible (as so defined) for such benefit before January 1982, or attained age sixty-two before January 1982,

"(C) in the case of a wife's or husband's insurance benefit, or a child's insurance benefit based on the wages and self-employment income of a living individual, if the individual on whose wages and self-employment income such benefit is based died before January 1982, or dies in or after January 1982 and at the time of his death is eligible (as so defined) for such benefit;

"(D) in the case of a survivors insurance benefit, if the individual on whose wages and self-employment income such benefit is based died before January 1982, or dies in or after January 1982 and at the time of his death is eligible (as so defined) for an old-age or disability insurance benefit with respect to which such amendments do not apply;

"(4) in the case of an individual who is a member of a religious order (within the meaning of section 3121(r)(2) of the Internal Revenue Code of 1986 [former 26 U.S.C. 3121(r)(2)], or an autonomous subdivision of such order, whose members are required to take a vow of poverty, and which subdivision
elected coverage under title II of the Social Security Act [42 U.S.C. 401 et seq.] before the date of the enactment of this Act [Dec. 29, 1961], or who would be such a "covered individual" except that such individual is considered retired because of old age or total disability, paragraphs (2) and (3) shall apply, except that each reference therein to 'December 1961' or 'January 1962' shall be considered a reference to 'December 1961' or 'January 1992', respectively.''

Amendment by section 220(a), (b)(5)–(7) of Pub. L. 97–35 applicable only with respect to initial calculations and adjustments of primary insurance amounts and benefit amounts which are attributable to periods after August 1981, see section 220(c) of Pub. L. 97–35, set out as a note under section 402 of this title.

**Effective Date of 1980 Amendment**

Pub. L. 96–265, title I, §102(c), June 9, 1980, 94 Stat. 443, provided that: "The amendments made by this section (amending this section, and section 423 of this title) shall apply only with respect to monthly benefits payable on the basis of the wages and self-employment income of an individual who first becomes entitled to disability insurance benefits on or after July 1, 1980; except that the third sentence of section 215(b)(2)(A) of the Social Security Act [42 U.S.C. 415(b)(2)(A)] (as added by such amendments) shall apply only with respect to monthly benefits payable for months beginning on or after July 1, 1981.''

For effective date of amendment by section 101(b)(3), (4) of Pub. L. 96–265, see section 101(c) of Pub. L. 96–265, set out as a note under section 403 of this title.

**Effective Date of 1977 Amendment**

Amendment by section 101(d) of Pub. L. 95–216 applicable only with respect to calendar years after 1977, see section 101(e) of Pub. L. 95–216, set out as a note under section 404 of this title.

**Effective Date of 1973 Amendment**

Pub. L. 93–233, §1(h)(2), Dec. 31, 1973, 87 Stat. 948, provided that: "The amendments made by paragraph (1) [amending this section] shall be effective with respect to benefits payable for months after February 1974.''

Pub. L. 93–233, §2(c), Dec. 31, 1973, 87 Stat. 952, provided that: "The amendment made by subsections (a) and (b) [amending this section and sections 727 and 728 of this title and repealing section 202(a)(4) of Pub. L. 92–336, title II, July 1, 1972, 86 Stat. 416] shall apply with respect to monthly benefits under title II of the Social Security Act [42 U.S.C. 401 et seq.] for months after May 1974, and with respect to lump-sum death payments under section 202(1) of such Act [42 U.S.C. 402(1)] in the case of deaths occurring after such month.''

Amendment by section 5(a)(1) of Pub. L. 93–233 applicable with respect to calendar years after 1973, see section 5(e) of Pub. L. 93–233, set out as a note under section 409 of this title.

Amendment by Pub. L. 93–66 applicable with respect to calendar years after 1973, see section 203(e) of Pub. L. 93–66, set out as a note under section 409 of this title.

**Effective Date of 1972 Amendment**

Pub. L. 92–603, title I, §101(g), Oct. 30, 1972, 86 Stat. 1355, provided that: "The amendments made by this section (amending this section and section 403 of this title) shall apply with respect to monthly insurance benefits under title II of the Social Security Act [42 U.S.C. 401 et seq.] for months after December 1972 (without regard to when the insured individual became entitled to such benefits or when he died) and with respect to lump-sum death payments under such title in the case of deaths occurring after such month.''

Amendment by section 104(b) of Pub. L. 92–603 applicable only in the case of a man who attains age 62 prior to 1975, see section 104(j) of Pub. L. 92–603, set out as a note under section 414 of this title.

Amendment by section 144(a)(1) of Pub. L. 92–603 effective in like manner as if such amendment had been included in title II of Pub. L. 92–336, see section 144(b) of Pub. L. 92–603, set out as a note under section 403 of this title.

Pub. L. 92–336, title II, §201(i), July 1, 1972, 86 Stat. 412, provided that: "The amendments made by this section (amending this section and section 403 of this title) shall apply with respect to monthly benefits under title II of the Social Security Act [42 U.S.C. 401 et seq.] for months after August 1972 and with respect to lump-sum death payments under such title in the case of deaths occurring after such month. The amendments made by subsection (g) (amending sections 427 and 428 of this title) shall apply with respect to monthly benefits under title II of such Act for months after August 1972. The amendments made by subsection (h)(1) (amending section 403 of this title) shall apply with respect to monthly benefits under title II of such Act for months after December 1971.''


Amendment by section 203(a)(4) of Pub. L. 92–336 applicable only with respect to calendar years after 1972, see section 203(c) of Pub. L. 92–336, set out as a note under section 409 of this title.

**Effective Date of 1971 Amendment**

Pub. L. 92–5, title II, §201(e), Mar. 17, 1971, 85 Stat. 9, provided that: "The amendments made by this section (amending this section and section 403 of this title) shall apply with respect to monthly benefits under title II of the Social Security Act [42 U.S.C. 401 et seq.] for months after December 1969 and with respect to lump-sum death payments under such title in the case of deaths occurring in and after the month in which this Act is enacted [March 1971].''

Amendment by section 203(a)(4) of Pub. L. 92–5 applicable only with respect to calendar years after 1971, see section 203(c) of Pub. L. 92–5, set out as a note under section 409 of this title.

**Effective Date of 1969 Amendment**

Pub. L. 91–172, title X, §102(b), Dec. 30, 1969, 83 Stat. 740, provided that: "The amendments made by this section (amending this section and section 403 of this title) shall apply with respect to monthly benefits under title II of the Social Security Act [42 U.S.C. 401 et seq.] for months after December 1968 and with respect to lump-sum death payments under such title in the case of deaths occurring after December 1968.''

**Effective Date of 1968 Amendment**

Pub. L. 90–248, title I, §101(e), Jan. 2, 1968, 81 Stat. 827, provided that: "The amendments made by this section (amending this section and section 403 of this title) shall apply with respect to monthly benefits under title II of the Social Security Act [42 U.S.C. 401 et seq.] for months after January 1968 and with respect to lump-sum death payments under such title in the case of deaths occurring after January 1968.''

Amendment by section 108(a)(4) of Pub. L. 90–248 applicable only with respect to calendar years after 1967.
see section 108(c) of Pub. L. 90–248, set out as a note under section 499 of this title.
Pub. L. 90–248, title I, §135(a)(7), (9), Jan. 2, 1968, 81 Stat. 365, provided that:

"(7)(A) The amendments made by paragraphs (4) and (5) [amending this section] shall apply with respect to recomputations made under section 215(f)(2) of the Social Security Act [42 U.S.C. 415(f)(2)] after the date of the enactment of this Act [Jan. 2, 1968].

"(B) The amendments made by paragraph (6) [amending this section] shall apply with respect to individuals who die after the date of enactment of this Act [Jan. 2, 1968]."

"(8) The amendment made by paragraphs (1) and (2) [amending this section] shall not apply with respect to monthly benefits for any month prior to January 1967."

**Effective Date of 1965 Amendment**

Pub. L. 89–97, title III, §301(d), July 30, 1965, 79 Stat. 364, provided that: "The amendments made by subsections (a), (b), and (c) of this section [amending this section and section 403 of this title] shall apply with respect to monthly benefits under title II of the Social Security Act [42 U.S.C. 401 et seq.] for months after December 1964 and with respect to lump-sum death payments under such title in the case of deaths occurring after or before the date in which this Act is enacted [July 1965]."

Pub. L. 89–97, title III, §302(c)(1)–(5), July 30, 1965, 79 Stat. 366, provided as follows:

"(1) The amendments made by subsection (c) [amending this section] shall apply only to individuals who become entitled to old-age insurance benefits under section 202(a) of the Social Security Act [42 U.S.C. 402(a)] after 1965.

"(2) Any individual who would, upon filing an application prior to January 2, 1966, be entitled to a recomputation of his monthly benefit amount for purposes of title II of the Social Security Act [42 U.S.C. 401 et seq.] shall be deemed to have filed such application on the earliest date on which such application could have been filed, or on the day on which this Act is enacted [July 30, 1965], whichever is the later.

"(3) In the case of an individual who died after 1960 and prior to 1966 and who was entitled to old-age insurance benefits under section 202(a) of the Social Security Act [42 U.S.C. 402(a)] after 1965.

"(4) Any individual who would, upon filing an application after September 13, 1960, be entitled to lump-sum death payments under this subchapter in the case of deaths occurring after July 30, 1965 and prior to 1966.

"(5) The provisions of section 215(f)(7) of the Social Security Act as in effect before the enactment of this Act [July 30, 1965] shall apply in the case of monthly insurance benefits under title II of the Social Security Act [42 U.S.C. 402(a)] at the time of his death, the primary insurance amount under subsection (f)(2)(A) of such section 215 based on an application filed on or after September 13, 1965, and in the case of lump-sum death payments under such title, with respect to deaths occurring after such month.

"(6) The amendments made by subsection (e) of this section [amending section 423 of this title] shall apply in the case of individuals who become entitled to disability insurance benefits under section 223 of the Social Security Act [42 U.S.C. 423] after December 1965."

Pub. L. 89–97, title III, §303(b)(2), July 30, 1965, 79 Stat. 368, provided that: "The amendment made by subsection (e) [amending this section] shall apply in the case of the primary insurance amounts of individuals who attain age 65 after the date of enactment of this Act [July 30, 1965]."

Amendment by section 304(k) of Pub. L. 89–97 applicable with respect to monthly insurance benefits under this subchapter for and after the second month following July 1965 but only on the basis of applications filed in or after July 1965, see section 304(c) of Pub. L. 89–97, set out as a note under section 410 of this title.

Amendment by section 323(a)(4) of Pub. L. 89–97 applicable with respect to calendar years after 1965, see section 323(c) of Pub. L. 89–97, set out as a note under section 3211 of Title 26, Internal Revenue Code.

**Effective Date of 1961 Amendment**

Pub. L. 87–64, title I, §101(b), June 30, 1961, 75 Stat. 131, provided that: "The amendment made by subsection (a) [amending this section] shall apply only in the case of monthly insurance benefits under title II of the Social Security Act [42 U.S.C. 401 et seq.] for months beginning on or after the date of enactment of this title [see note set out under section 402 of this title], and in the case of lump-sum death payments under such title with respect to deaths on or after such effective date.

Amendment by section 102(d)(1), (2) of Pub. L. 87–64 applicable with respect to monthly benefits for months beginning on or after Aug. 1, 1961, based on applications filed in or after March 1961, and with respect to lump-sum death payments under this subchapter in the case of deaths on or after Aug. 1, 1961, and amendment by section 102(d)(3) of Pub. L. 87–64 effective Aug. 1, 1961, see sections 102(f)(6), (7) and 109 of Pub. L. 87–64, set out as notes under section 402 of this titled.

**Effective Date of 1960 Amendment**


Amendment by section 211(m) of Pub. L. 86–778 effective in the manner provided in section 211(p) and (q) of Pub. L. 86–778, see section 211(s) of Pub. L. 86–778, set out as a note under section 402 of this title.


"(1) The amendments made by subsection (c) [amending this section] shall apply only to individuals who become entitled to old-age insurance benefits under section 202(a) of the Social Security Act [42 U.S.C. 402(a)] after 1965.

"(2) Any individual who would, upon filing an application prior to January 2, 1966, be entitled to a recomputation of his monthly benefit amount for purposes of title II of the Social Security Act [42 U.S.C. 401 et seq.] shall be deemed to have filed such application on the earliest date on which such application could have been filed, or on the day on which this Act is enacted [July 30, 1965], whichever is the later.

"(3) In the case of an individual who died after 1960 and prior to 1966 and who was entitled to old-age insurance benefits under section 202(a) of the Social Security Act [42 U.S.C. 402(a)] after 1965.

"(4) Any individual who would, upon filing an application after September 13, 1960, be entitled to lump-sum death payments under this subchapter in the case of deaths occurring after July 30, 1965 and prior to 1966.

"(5) The provisions of section 215(f)(7) of the Social Security Act as in effect before the enactment of this Act [July 30, 1965] shall apply in the case of monthly insurance benefits under title II of the Social Security Act [42 U.S.C. 402(a)] at the time of his death, the primary insurance amount under subsection (f)(2)(A) of such section 215 based on an application filed on or after September 13, 1965, and in the case of lump-sum death payments under such title, with respect to deaths occurring after such month."

Amendment by section 205(m) of Pub. L. 85–840 applicable with respect to monthly benefits under this subchapter for August 1958 and succeeding months, see section 207(a) of Pub. L. 85–840, set out as a note under section 416 of this title.

**Effective Date of 1958 Amendment**

Act Aug. 1, 1956, ch. 836, title I, §109(g), Aug. 28, 1958, 72 Stat. 1018, provided that: "The amendments made by this section [amending this section and sections 402 and 403 of this title] shall be applicable with respect to monthly benefits under title II of the Social Security Act [42 U.S.C. 401 et seq.] for months after December 1958, and in the case of the lump-sum death payments under such title, with respect to deaths occurring after such month."

"(1) who becomes entitled to benefits under subsection (a) [amending this section] on or after the date of enactment of this Act [Aug. 1, 1956]; or

"(2) who is (but for the provisions of subsection (f)(6) of section 215 of the Social Security Act [42 U.S.C. 415(f)(6)]) entitled to recomputation of his primary insurance amount under subsection (f)(2)(A) of such section 215 based on an application filed on or
after the date of enactment of this Act [Aug. 1, 1956]; or
(3) who was entitled to benefits under subsection (a) of such section 202 [42 U.S.C. 402(a)] and no individual was entitled to survivor’s benefits and no lump-sum death payment was payable under such section 202 [42 U.S.C. 402(a)] after the date of enactment of this Act [Aug. 1, 1956] and whose survivors are (but for the provisions of subsection (f)(6) of such section 215 [42 U.S.C. 415(f)(6)]) entitled to a recomputation of his primary insurance amount under subsection (f)(4)(A) of such section 215; or
(4) who dies on or after such date of enactment [Aug. 1, 1956] and (A) whose survivors are (but for the provisions of subsection (f)(6) of such section 215 [42 U.S.C. 415(f)(6)]) entitled to a recomputation of his primary insurance amount under subsection (f)(4)(A) of such section 215, and (B) on the basis of whose wages and self-employment income no individual was entitled to survivor’s benefits under such section 202 [42 U.S.C. 402], and no lump-sum death payment was payable under such section, on the basis of an application filed prior to such date of enactment and no individual was entitled to such a benefit, without the filing of an application for the month in which this Act is enacted [August 1956] or any month prior thereto."

Act Aug. 1, 1956, ch. 836, title I, §115(d), 70 Stat. 833, provided that: "The amendments made by this section [amending this section] shall apply in the case of an individual (1) who becomes entitled (without the application of section 202(j)(1) of the Social Security Act [42 U.S.C. 422(j)(1)]) to benefits under section 202(a) [42 U.S.C. 402(a)] after the date of enactment of this Act [Aug. 1, 1956], or (2) who dies without becoming entitled to benefits under such section 202(a) and on the basis of whose wages and self-employment income an application for benefits or a lump-sum death payment under section 202 of such Act is filed after the date of enactment of this Act, or (3) who becomes entitled to benefits under section 223 of such Act [42 U.S.C. 423], or (4) who files, after the date of enactment of this Act, an application for a disability determination which is accepted as an application for purposes of section 216(i) of such Act [42 U.S.C. 416(i)]."

**Effective Date of 1954 Amendment**


(1) The amendments made by the preceding subsections of this section and section 403 of this title, other than subsection (b) and paragraphs (1), (2), (3), and (4) of subsection (e), shall (subject to the provisions of paragraph (2) and notwithstanding the provisions of section 215(f)(1) of the Social Security Act [42 U.S.C. 415(f)(1)]) apply in the case of lump-sum death payments under section 202 of such Act [42 U.S.C. 402] with respect to deaths occurring after, and in the case of monthly benefits under such section for months after, August 1954.

(2) The amendment made by subsection (b)(2) [amending this section] shall be applicable only in the case of monthly benefits for months after August 1954, and the lump-sum death payment in the case of death after August 1954, based on the wages and self-employment income of an individual (i) who does not become eligible for benefits under such section 202(a) [42 U.S.C. 402(a)] until after August 1954, or (ii) who dies after August 1954, and without becoming entitled to such benefits, or whose survivors are (or would, but for the provisions of section 215(f)(6) of such Act, be) entitled to a recomputation of his primary insurance amount under section 215(f)(4)(A) of such Act, for purposes of the preceding sentence an individual shall be deemed eligible for benefits under section 202(a) of the Social Security Act for any month if he was, or would upon filing application therefor in such month have been, entitled to such benefits for such month.

(3) The amendments made by subsections (b)(1), (e)(1), and (e)(3)(B) [amending this section] shall be applicable only in the case of monthly benefits based on the wages and self-employment income of an individual who does not become entitled to old-age insurance benefits under section 202(a) of the Social Security Act [42 U.S.C. 402(a)] until after August 1954, or who dies after August 1954 without becoming entitled to such benefits, or who files an application after August 1954 and is entitled to a recomputation under paragraph (2) or (4) of section 215(f) of the Social Security Act, as amended by this Act [42 U.S.C. 415(f)(4)], who is entitled to a recomputation under paragraph (2)(B) of this subsection, or who is entitled to a recomputation under paragraph (5) of subsection (e) [set out as a note under this section].

(4) The amendments made by subsection (e)(4) [amending this section] shall be applicable only in the case of applications for recomputation filed after August 1954.

(5) The amendments made by subparagraph (A) of subsection (e)(3) [amending this section] shall be applicable only in the case of applications for recomputation filed, or deaths occurring, after August 1954.

(6) No increase in any benefit by reason of the amendments made by this section (other than subsection (e)) or by reason of subparagraph (B) of paragraph (2) of this subsection shall be regarded as a recomputation for purposes of section 215(f) of the Social Security Act [42 U.S.C. 415(f)]."

**Amendment by section 106(c) of act Sept. 1, 1954**

Applicable with respect to monthly benefits under this subchapter for months after June 1955, and with respect to lump-sum death payments under such subchapter in the case of deaths occurring after June 1955; but that no recomputation of benefits by reason of such amendments should be regarded as a recomputation for purposes of subsec. (1) of this section, shall be regarded as a recomputation for purposes of section 215(f) of the Social Security Act [42 U.S.C. 415(f)]."

**Effective and Termination Date of 1952 Amendment**

For effective and termination dates of amendment by act July 18, 1952, see section 3(3), (g) of act July 18, 1952, set out as a note under section 413 of this title.

Act July 18, 1952, ch. 495, §2(c)(1), (3), 66 Stat. 788, 789, provided that:

(1) The amendments made by subsection (a) [amending this section] shall, subject to the provisions of paragraph (2) of this subsection and notwithstanding the provisions of section 215(f)(1) of the Social Security Act [42 U.S.C. 415(f)(1)] apply in the case of lump-sum death payments under section 202 of such Act [42 U.S.C. 402] with respect to deaths occurring after, and in the case of monthly benefits under such section for any month after, August 1952.

(2) The amendments made by subsection (b) [amending this section] shall (notwithstanding the provisions of section 215(f)(1) of the Social Security Act [42 U.S.C. 415(f)(1)] apply in the case of lump-sum death payments under section 202 of such Act [42 U.S.C. 402] with respect to deaths occurring after, and in the case of monthly benefits under such section for any month after, August 1952.
ring after August 1952, and in the case of monthly ben-
fits under such section for months after August 1952.’’

SAVINGS PROVISION

1960—Pub. L. 86–778, title III, § 303(l), Sept. 13, 1960, 74 Stat. 965, provided that in the case of an application for recomputation under subsec. (f)(2) of this section, the provisions of subsection (f)(2) as in effect prior to Sept. 13, 1960, were to apply where the application was filed after 1954 and before 1961, and that in the case of an individual who died after 1954 and before 1961 and who was enti-
tled to an old-age insurance benefit under section 402(a) of this title, the provisions of subsection (f)(4) as in effect prior to Sept. 13, 1960 were to apply.

1958—Pub. L. 85–840, title I, § 101(i), Aug. 28, 1958, 72 Stat. 1918, provided that: ‘‘In the case of any individual to whom the provisions of subsection (b)(5) of section 215 of the Social Security Act [42 U.S.C. 415(b)(5)], as amended by this Act, are applicable and on the basis of whose wages and self-employment income benefits are payable for months prior to January 1959, his primary insurance amount for purposes of benefits for such prior months shall, if based on an application for such benefits or for a recomputation of such amount, as the case may be, be determined under such section 215 [42 U.S.C. 415], as in effect prior to the enactment of this Act [Aug. 28, 1958], and, if such individual’s primary insurance amount as so deter-
mined is larger than the primary insurance amount de-
termined for him under section 215 as amended by this Act, such larger primary insurance amount (increased to the next higher dollar if it is not a multiple of a dol-
lar) shall, for months after December 1958, be determined under such section 215 (and of the other provisions) of the Social Security Act as amended by this Act in lieu of the amount deter-
mined without regard to this subsection.’’

1952—Act July 18, 1952, ch. 945, § 2(d), 66 Stat. 769, pro-
vided that:

‘‘(1) Where—

‘‘(A) an individual was entitled (without the appli-
cation of section 202(j)(1) of the Social Security Act [42 U.S.C. 402(j)(1)]) to an old-age insurance benefit under title II of such Act [42 U.S.C. 401 et seq.] for Au-
gust 1952;

‘‘(B) two or more other persons were entitled (with-
out the application of such section 202(j)(1) [42 U.S.C. 402(j)(1)]) to monthly benefits under such title for such month on the basis of such individual's wages and self-
employment income of such individual; and

‘‘(C) the total of the benefits to which all persons are entitled under such title [this subchapter] on the basis of such individual's wages and self-
employment income for any subsequent month for which he is enti-
tled to an old-age insurance benefit under such title, would (but for the provisions of this paragraph) be reduced by reason of the application of section 203(a) of the Social Security Act, as amended by this Act [42 U.S.C. 403(a)],
then the total of benefits, referred to in clause (C), for such subsequent month shall be reduced to whichever of the following is the larger:

‘‘(D) the amount determined pursuant to section 203(a) of the Social Security Act, as amended by this Act [42 U.S.C. 403(a)]; or

‘‘(E) the amount determined pursuant to such sec-
tion, as in effect prior to the enactment of this Act [July 18, 1952], for August 1952 plus the excess of (i) the amount of his old-age insurance benefit for Au-
gust 1952 computed as if the amendments made by the preceding subsections of this section had been appli-
cable in the case of such benefit for August 1952, over (ii) the amount of his old-age insurance benefit for August 1952.

‘‘(2) No increase in any benefit by reason of the amendments made by this section or by reason of para-
graph (2) of subsection (c) of this section shall be re-
garded as a recomputation for purposes of section 215(f) of the Social Security Act [42 U.S.C. 415(f)].’’

TRANSFER OF FUNCTIONS

Functions of Public Health Service, Surgeon General of Public Health Service, and all other officers and em-
ployees of Public Health Service, and functions of all agencies of or in Public Health Service transferred to Secretary of Health, Education, and Welfare by Reorg. Plan No. 3 of 1966, 31 F.R. 8855, 80 Stat. 1610, effective June 23, 1966, set out in the Appendix to Title 5, Gov-
ernment Organization and Employees. Secretary and Department of Health, Education, and Welfare redesign-
ned Secretary and Department of Health and Human Services by section 509(b) of Pub. L. 96–88 which is clas-
sified to section 3509(b) of Title 20, Education.

COMMISSION ON THE SOCIAL SECURITY ‘‘NOTCH’’ ISSUE

oposition, directed Commission to conduct a comprehen-
sive study of what had become known as the ‘‘notch’’ issue and transmit to Congress, not later than Dec. 31, 1994, a report with a detailed statement of its findings and conclusions, together with any recommendations, and provided the Commission terminate 30 days after transmittal of report.

COST-OF-LIVING INCREASES; COST-OF-LIVING COMPUTATION QUARTER DETERMINATIONS

Pub. L. 98–604, § 1, Oct. 30, 1984, 98 Stat. 3161, provided: ‘‘That (a) in determining whether the base quarter ending on September 30, 1984, is a cost-of-living computation quarter for the purposes of the cost-of-living increases under sections 215(i) and 1917 of the Social Security Act [42 U.S.C. 415(i), 1903(i)], the phrase ‘is 3 per-
cent or more’ appearing in section 215(i)(1)(B) of such Act shall be deemed to read ‘is greater than zero’ (and the phrase ‘exceeds, by not less than 3 per centum, such Index’ appearing in section 215(i)(1)(B) of such Act as in effect in December 1978 shall be deemed to read ‘exceeds such Index’).

(b) For purposes of section 215(i) of such Act, the provisions of subsection (a) shall not constitute a ‘general benefit increase’.’’

‘‘BASE QUARTER’’ IN CALENDAR YEAR 1983

Pub. L. 98–21, title I, § 111(d), Apr. 20, 1983, 97 Stat. 72, provided that: ‘‘Notwithstanding any provision to the contrary in section 215(i) of the Social Security Act [42 U.S.C. 415(i)], the ‘base quarter’ (as defined in para-
graph (1)(A)(i) of such section) in the calendar year 1983 shall be a ‘cost-of-living computation quarter’ within the meaning of paragraph (1)(B) of such section (and shall be deemed to have been determined by the Sec-
retary of Health and Human Services to be a ‘cost-of-
living computation quarter’ under paragraph (2)(A) of such section) for all of the purposes of such Act [42 U.S.C. 401 et seq.] as amended by this section and by other provisions of this Act, without regard to the ex-
tent by which the Consumer Price Index has increased since the last prior cost-of-living computation quarter which was established under such paragraph (1)(B).’’

COMBINED BALANCE IN TRUST FUNDS USED IN DETER-
MINING OASDI FUND RATIO WITH RESPECT TO CALENDAR YEAR 1964

standing anything to the contrary in section 215(i)(1)(F) of the Social Security Act [42 U.S.C. 415(i)(1)(F)] (as added by subsection (a)(4) of this section), the com-
bined balance in the Trust Funds which is to be used in determining the ‘OASDI fund ratio’ with respect to the calendar year 1964 under such section shall be the esti-
minated combined balance of such Funds as of the close-
ning of that year (rather than as of its beginning), including the taxes transferred under section 203(a) of such Act.
(42 U.S.C. 401(a)) on the first day of the year following that year."

Recalculation of Primary Insurance Amounts Applicable to Certain Beneficiaries


Cost-of-Living Increase in Benefits

Pub. L. 93–233, §3(1), Dec. 31, 1973, 87 Stat. 962, provided that: ‘‘For purposes of section 203(f)(8) [42 U.S.C. 403(f)(8)], so much of section 215(i)(1)(B) [42 U.S.C. 415(i)(1)(B)] as follows the semicolon, and section 230(a) of the Social Security Act [42 U.S.C. 430(a)], the increase in benefits provided by section 2 of this Act [amending this section and sections 427 and 428 of this title] shall be considered an increase under section 215(i) of the Social Security Act.’’

Increase of Old-age or Disability Insurance Benefits Following Increase in Primary Insurance Amount or Entitlement to Benefits on a Higher Amount

Pub. L. 92–663, title I, §101(f), Oct. 30, 1972, 86 Stat. 1354, provided that: ‘‘Whenever an insured individual is entitled to benefits for a month which are based on a primary insurance amount under paragraph (1) or paragraph (3) of section 215(a) of the Social Security Act [42 U.S.C. 415(a)(1), (3)] and for the following month such primary insurance amount is increased or such individual becomes entitled to benefits on a higher primary insurance amount under a different paragraph of such section 215(a), such individual’s old-age or disability insurance benefit (beginning with the effective month of the increased primary insurance amount) shall be increased by an amount equal to the difference between the higher primary insurance amount and the primary insurance amount on which such benefit was based for the month prior to such effective month, after the application of section 202(q) of such Act [42 U.S.C. 402(q)] where applicable, to such difference.’’

Table Modification and Extension; Effective Date; Publication in Federal Register

Pub. L. 93–66, title II, §203(f), July 9, 1973, 87 Stat. 1353, provided that effective June 1, 1973, the Secretary of Health, Education, and Welfare [now Health and Human Services] would prescribe and publish in the Federal Register all necessary modifications and extensions in the table formerly contained in subsec. (a) of this section.

Conversion of Disability Insurance Benefits to Old-age Insurance Benefits

Pub. L. 92–5, title II, §201(f), Mar. 17, 1971, 85 Stat. 9, provided that: ‘‘If an individual was entitled to a disability insurance benefit under section 223 of the Social Security Act [42 U.S.C. 423] for December 1970 on the basis of an application filed in or after the month in which this Act is enacted [March 1971], and became entitled to old-age insurance benefits under section 202(a) of such Act [42 U.S.C. 402(a)] for January 1971, then, for purposes of section 215(a)(4) of the Social Security Act [42 U.S.C. 415(a)(4)] (if applicable), the amount in column IV of the table appearing in such section 215(a) for such individual shall be the amount in such column on the line on which in column II appears his primary insurance amount (as determined under section 215(c) of such Act) instead of the amount in column IV equal to the primary insurance amount on which his disability insurance benefit is based.’’

Pub. L. 90–246, title I, §101(f), Jan. 2, 1968, 81 Stat. 827, provided that: ‘‘If an individual was entitled to a disability insurance benefit under section 223 of the Social Security Act [42 U.S.C. 423] for the month of January 1968 and became entitled to old-age insurance benefits under section 202(a) of such Act [42 U.S.C. 402(a)] for the month of February 1968, or who died in such month, then, for purposes of section 215(a)(4) of the Social Security Act [42 U.S.C. 415(a)(4)] (if applicable) the amount in column IV of the table appearing in such section 215(a) for such individual shall be the amount in such column on the line on which in column II appears his primary insurance amount (as determined under section 215(c) of such Act) instead of the amount in column IV equal to the primary insurance amount on which his disability insurance benefit is based.’’

Pub. L. 89–97, title III, §301(e), July 30, 1965, 79 Stat. 364, provided that: ‘‘If an individual is entitled to a disability insurance benefit under section 223 of the Social Security Act [42 U.S.C. 423] for December 1964 on the basis of an application filed after enactment of this Act (July 30, 1965) and is entitled to old-age insurance benefits under section 202(a) of such Act [42 U.S.C. 402(a)] for January 1965, then, for purposes of section 215(a)(4) of the Social Security Act [42 U.S.C. 415(a)(4)] (if applicable) the amount in column IV of the table appearing in such section 215(a) for such individual shall be the amount in such column on the line on which in column II appears his primary insurance amount (as determined under section 215(c) of such Act) instead of the amount in column IV equal to his disability insurance benefit.’’

Pub. L. 85–840, title I, §101(h), Aug. 28, 1958, 72 Stat. 1018, provided that: ‘‘If an individual was entitled to a disability insurance benefit under section 223 of the Social Security Act [42 U.S.C. 423] for December 1958, and became entitled to old-age insurance benefits under section 202(a) of such Act [42 U.S.C. 402(a)], or died, in January 1959, then, for purposes of paragraph (4) of section 215(a) of the Social Security Act [42 U.S.C. 415(a)(4)], as amended by this Act, the amount in column IV of the table appearing in such section 215(a) for such individual shall be the amount in such column on the line on which in column II appears his primary insurance amount (as determined under subsection (c) of such section 215) instead of the amount in column IV equal to his disability insurance benefit.’’

Computation of Primary Insurance Amount for Persons Entitled to Benefits After January 2 and Before February 1968

Pub. L. 90–246, title I, §155(a)(8), Jan. 2, 1968, 81 Stat. 865, provided that: ‘‘In any case in which—

(A) any person became entitled to a monthly benefit under section 202 or 223 of the Social Security Act [42 U.S.C. 402, 423] after the date of enactment of this Act [Jan. 2, 1968] and before February 1968, and

(B) the primary insurance amount on which the amount of such benefit is based was determined by applying section 215(d) of the Social Security Act [42 U.S.C. 415(d)] as amended by this Act, such primary insurance amount shall, for purposes of section 215(c) of the Social Security Act [42 U.S.C. 415(c)], as amended by this Act, be deemed to have been computed on the basis of the Social Security Act [42 U.S.C. 415(d)] as amended by this Act.”
§ 415 TITLe 42—THE PUBLIC HEALTH AND WELFARE Page 1808

U.S.C. 301 et seq.) in effect prior to the enactment of this Act [Jan. 2, 1968].”

COMPUTATION OF PRIMARY INSURANCE AMOUNT FOR CERTAIN INDIVIDUALS WHO WERE FULLY INSURED AND HAD ATTAINED RETIREMENT AGE PRIOR TO 1961

Pub. L. 86–778, title III, § 303(g)(1), Sept. 13, 1960, 74 Stat. 668; Pub. L. 87–64, title I, § 108(d)(1), June 30, 1961, 75 Stat. 138; Pub. L. 89–97, title III, § 302(a)(6), July 30, 1965, 79 Stat. 386; Pub. L. 90–248, title I, § 155(c), Jan. 2, 1968, 81 Stat. 866; Pub. L. 92–603, title I, § 141(h), Oct. 30, 1972, 86 Stat. 1941, provided that: “In the case of any individual who both was fully insured and had attained retirement age prior to 1961 and (A) who becomes entitled to old-age insurance benefits after 1960, or (B) who dies after 1960 without being entitled to such benefits, then, notwithstanding the amendments made by the preceding subsections of this section [amending this section and section 423 of this title], or the amendments made by the Social Security Amendments of 1965, 1967, 1969, and 1972 (and by Public Law 92–9) [see Tables for classification of Pub. L. 89–97, title III, § 302(a)(10), 602(a)(7), 1202(a)(8), 1352(a)(8), and 1382(a)(13) and (14) of the Social Security Act [42 U.S.C. 202(a)(10), 1522(a)(7), 1222(a)(8), 1322(a)(13), (14)], each State, in determining need for aid or assistance under a State plan approved under title I X, XIV, or XVI, or part A of title IV of such Act [42 U.S.C. 301 et seq.], may disregard (and the plan may be deemed to require the State to disregard), in addition to any other amounts which the State is required or permitted to disregard in determining such need, any amount paid to an individual under title II of such Act [42 U.S.C. 401 et seq.] (or under the Railroad Retirement Act of 1937 [45 U.S.C. 228a et seq.] by reason of the first proviso in section 3(e) thereof [45 U.S.C. 228b(e)]), in any month after the month in which this Act is enacted [March 1971], to the extent that (1) such payment is attributable to the increase in monthly benefits under the old-age, survivors, and disability insurance system for January, February, March, or April 1971 resulting from the enactment of this title, and (2) the amount of such increase is paid separately from the rest of the monthly benefit of such individual for January, February, March, or April 1971.”

Pub. L. 91–172, title X, § 1006, Dec. 30, 1969, 83 Stat. 741, as amended by Pub. L. 91–306, § 2(a)(1), July 6, 1970, 84 Stat. 407, provided that: “Notwithstanding the provisions of sections 2(a)(10), 402(a)(7), 1002(a)(8), 1402(a)(8), and 1602(a)(13) and (14) of the Social Security Act [42 U.S.C. 202(a)(10), 1522(a)(7), 1222(a)(8), 1322(a)(13), (14)], each State, in determining need for aid or assistance under a State plan approved under title I X, XIV, or XVI [42 U.S.C. 301 et seq., 1201 et seq., 1351 et seq.], may disregard (and the plan shall be deemed to require the State to disregard), in addition to any other amounts which the State is required or permitted to disregard in determining such need, any amount paid to any individual (1) under title I, II, XVII, or XIX of such Act [42 U.S.C. 301 et seq.] (or under the Railroad Retirement Act of 1937 [45 U.S.C. 228a et seq.] by reason of the first proviso in section 3(e) thereof [45 U.S.C. 228b(e)]), in any month after December 1969, to the extent that (a) such payment is attributable to the increase in monthly benefits under the old-age, survivors, and disability insurance system for January or February 1970 resulting from the enactment of this title, and (b) the amount of such increase is paid separately from the rest of the monthly benefit of such individual for January or February 1970; or (2) as annuity or pension under the Railroad Retirement Act of 1937 or the Railroad Retirement Act of 1935, if such amount is paid in a lump-sum to carry out any retroactive increase in annuities or pensions payable under the Railroad Retirement Act of 1937 or the Railroad Retirement Act of 1935 [45 U.S.C. 215 et seq.] brought about by reason of the enactment of this Act (after May 30, 1970 and prior to December 31, 1970) of any Act which increases, retroactively, the amount of such annuities or pensions.”

DISREGARDING OASDI BENEFIT INCREASES AND CHILD’S INSURANCE BENEFIT PAYMENTS BEYOND AGE 18 TO THE EXTENT ATTRIBUTABLE TO RETROACTIVE EFFECTIVE DATE OF 1966 AMENDMENTS

Pub. L. 89–97, title IV, § 406, July 30, 1965, 79 Stat. 421, authorized a State to disregard, in determining the need for aid or assistance under State plans approved under subchapter I IV, X, XIV, or XVI of this chapter, any amount paid to an individual under subchapter II of this chapter or the Railroad Retirement Act of 1937, section 228a et seq. of Title 45, Railroads, by reason of the amendments made by Pub. L. 89–97, title III, § 326(a), July 30, 1965, 79 Stat. 400, to sections 228a(q) and 228c(1)(9) of Title 45, for months occurring after Decem-
ber 1964 and before the third month following July 1965, in certain instances.

**COMPUTATION OF AVERAGE MONTHLY WAGE FOR CERTAIN INDIVIDUALS ENTITLED TO DISABILITY INSURANCE BENEFITS PRIOR TO 1961**

Pub. L. 86-778, title III, §303(g)(2), Sept. 13, 1960, 74 Stat. 964, provided that: "Notwithstanding the amendments made by the preceding subsections of this section [amending this section and section 423 of this title], in the case of any individual who was entitled (without regard to the provisions of section 223(b) of the Social Security Act [42 U.S.C. 423(b)]) to a disability insurance benefit under such section 223 for the month before the month in which he became entitled to an old-age insurance benefit under section 202(a) of such Act [42 U.S.C. 402(a)], or in which he died, and such disability insurance benefit was based upon a primary insurance amount determined under the provisions of section 215 of the Social Security Act [42 U.S.C. 415] in effect prior to the enactment of this Act, the Secretary shall, in applying the provisions of such section 215(a) (except paragraph (4) thereof), for purposes of determining benefits payable under section 202 of such Act on the basis of such individual's wages and self-employment income, determine such individual's average monthly wage under the provisions of section 215 of the Social Security Act in effect prior to the enactment of this Act [Sept. 13, 1960]. The provisions of this paragraph shall not apply with respect to any such individual, entitled to such old-age insurance benefits, (1) who applied after 1960, for a recomputation (to which he is entitled) of his primary insurance amount under section 215(f)(2) of such Act [42 U.S.C. 415(f)(2)], or (2) who dies after 1960 and meets the conditions for a recomputation of his primary insurance amount under section 215(f)(4) of such Act.

**AVERAGE MONTHLY WAGE FOR CERTAIN INDIVIDUALS ENTITLED TO MONTHLY BENEFITS OR TO RECOMPUTATION OF PRIMARY INSURANCE AMOUNT FOR MONTHS PRIOR TO JANUARY 1961**

Pub. L. 86-778, title III, §303(j), Sept. 13, 1960, 74 Stat. 964, provided that: "In the case of an individual whose average monthly wage is computed under the provisions of section 215(b) of the Social Security Act [42 U.S.C. 415(b)], as amended by this Act, and—

'(i) who is entitled, by reason of the provisions of section 202(j)(1) of such Act, to have his primary insurance amount recomputed for a month prior to January 1961,

'(ii) who is (or would, but for the fact that such recomputation would not result in a higher primary insurance amount for such individual, be) entitled, by reason of section 215(f) of such Act [42 U.S.C. 415(f)], to have his primary insurance amount recomputed effective for a month prior to January 1961,

his average monthly wage as determined under the provisions of such section 215(b) [42 U.S.C. 415(b)] shall be his average monthly wage for the purposes of determining his primary insurance amount for such prior month.

**LAE RECOMPUTATION RESERVED FOR CERTAIN INDIVIDUALS ELIGIBLE OR DEAD PRIOR TO SEPTEMBER 1964**

Act Sept. 1, 1964, ch. 1206, title I, §102(e)(8), 88 Stat. 1670, as amended by Pub. L. 86-778, title III, §303(c), Sept. 13, 1960, 74 Stat. 966, provided that: "In the case of an individual who became (without the application of section 202(j)(1) [42 U.S.C. 402(j)(1)]) entitled to old-age insurance benefits or died prior to September 1964, the provisions of section 215(f)(3) [42 U.S.C. 415(f)(3)] as in effect prior to the enactment of this Act [Sept. 1, 1964] shall be applicable as though this Act had not been enacted but only if such individual files the application referred to in subparagraph (A) of such section prior to January 1961 or (if he dies without filing such application) his death occurred prior to January 1961."
the month in which the person filing the application for monthly survivors benefits becomes entitled to such benefits.

"(2) An individual, or, in case of his death, his survivors entitled to a lump-sum death payment or to monthly benefits under section 202 of the Social Security Act on the basis of his wages and self-employment income shall be entitled to a recomputation of his primary insurance amount under section 215(f)(2) or section 215(f)(4) of the Social Security Act (42 U.S.C. 415(f)(2), (4)) as in effect prior to the date of enactment of this Act (Sept. 13, 1960) only if (i) he had not less than six quarters of coverage in the period after 1950 and prior to January 1, 1955, and (ii) either the twelfth month referred to in subparagraph (A) of such section 215(f)(2) occurred prior to January 1, 1955, or he attained the age of 75 prior to 1955, and (iii) he meets the other conditions of entitlement to such a recomputation. No individual shall be entitled to a computation under subparagraph (A) or (B) of this paragraph if his primary insurance amount has previously been recomputed under either of such subparagraphs.

"(D) Notwithstanding the provisions of subparagraphs (A), (B), and (C), the primary insurance amount of an individual shall not be recomputed under such provisions unless such individual files the application referred to in subparagraph (A) or (B) prior to January 1, 1961 or, if he dies without filing such application, his death occurred prior to January 1, 1961."

**Recomputation of Primary Insurance Amount in Certain Cases Where Application for Recomputation is Filed on or After September 13, 1960**

Pub. L. 86–778, title III, § 303(h), Sept. 13, 1960, 74 Stat. 965, provided that: "In any case where application for recomputation under section 215(f)(3) of the Social Security Act (42 U.S.C. 415(f)(3)) is filed on or after the date of the enactment of this Act (Sept. 13, 1960) with respect to an individual for whom the last previous computation of the primary insurance amount was based on an application filed prior to 1961, or who died before 1961, the provisions of section 215 of such Act (42 U.S.C. 415) as in effect prior to the enactment of this Act shall apply except that—

"(1) such recomputation shall be made as provided in section 215(a) of the Social Security Act (42 U.S.C. 415(a)) (as in effect prior to the enactment of this Act) and as though such individual first became entitled to old-age insurance benefits in the month in which he filed his application for such recomputation or died without filing such an application, and his closing date for such purposes shall be as specified in such section 215(f)(3); and

"(2) the provisions of section 215(b)(4) of the Social Security Act (42 U.S.C. 415(b)(4)) (as in effect prior to the enactment of this Act) shall apply only if they were applicable to the last previous computation of such individual’s primary insurance amount, or would have been applicable to such computation if there had been taken into account—

"(A) his wages and self-employment income in the year in which he became entitled to old-age insurance benefits or filed application for the last previous recomputation of his primary insurance amount, where he is living at the time of the application for recomputation under this subsection, or

"(B) his wages and self-employment income in the year in which he died without becoming entitled to old-age insurance benefits, or (if he was entitled to such benefits) the year in which application was filed for the last previous computation of his primary insurance amount or in which he died, whichever first occurred, where he has died at the time of the application for such recomputation. If the primary insurance amount of an individual was recomputed under section 215(f)(3) of the Social Security Act (42 U.S.C. 415(f)(3)) as in effect prior to the enactment of this Act, and such recomputation was larger if the recomputation had been made under such section as modified by this subsection, then the Secretary shall recompute such primary insurance amount under such section as so modified, but only if an application for such recomputation is filed on or after the date of the enactment of this Act (Sept. 13, 1960). A recomputation under the preceding sentence shall be effective for and after the first month for which the last previous recomputation of such individual’s primary insurance amount under section 215(f)(3) of such Act (42 U.S.C. 415(f)(3)) was effective, but in no event for any month prior to the twenty-fourth month before the month in which the application for a recomputation is filed under the preceding sentence."

**Special Starting and Closing Dates for Certain Individuals for Computation of 1967 Benefit Amounts**

Act Aug. 1, 1956, ch. 836, title I, § 110, 70 Stat. 830, provided that: "In the case of an individual who died or became (without the application of section 202(j)(1)) of the Social Security Act (42 U.S.C. 402(j)(1)) entitled to old-age insurance benefits in 1957 and with respect to whom not less than six of the quarters elapsing after 1955 and prior to the quarter following the quarter in which he died or became entitled to old-age insurance benefits, whichever first occurred, are quarters of coverage, his primary insurance amount shall be computed under section 215(a)(1)(A) of such Act (42 U.S.C. 415(a)(1)(A)), with a starting date of December 31, 1955, and a closing date of July 1, 1957, but only if it would result in a higher primary insurance amount. For the purposes of section 215(f)(3)(C) of such Act, the determination of an individual’s closing date under the preceding sentence shall be considered as a determination of the individual’s closing date under section 215(b)(3)(A) of such Act and the recomputation provided for by such section 215(f)(3)(C) shall be made using July 1, 1957, as the closing date, but only if it would result in a higher primary insurance amount. In any such computation on the basis of a July 1, 1957, closing date, the total of his wages and self-employment income after December 31, 1956, shall, if it is in excess of $2,100, be reduced to such amount."

**Special Starting and Closing Dates for Certain Individuals for Computation of 1966 Benefit Amounts**

Act Sept. 1, 1954, ch. 1206, title I, § 102(c)(6), 68 Stat. 1069, provided that: "In the case of an individual who died or became (without the application of section 202(j)(1)) of the Social Security Act (42 U.S.C. 402(j)(1)) entitled to old-age insurance benefits in 1956 and with respect to whom not less than six of the quarters elapsing after 1954 and prior to the quarter following the quarter in which he died or became entitled to old-age insurance benefits, whichever first occurred, are quarters of coverage, his primary insurance amount shall be computed under section 215(a)(1)(A) of such Act, as amended by this Act (42 U.S.C. 415(a)(1)(A)), with a starting date of December 31, 1954, and a closing date of July 1, 1956, but only if it would result in a higher primary insurance amount. For the purposes of section 215(f)(3)(C) of such Act, the determination of an individual’s closing date under the preceding sentence shall be considered as a determination of the individual’s closing date under section 215(b)(3)(A) of such Act, and the recomputation provided for by such section 215(f)(3)(C) shall be made using July 1, 1956, as the closing date, but only if it would result in a higher primary insurance amount. In any such computation on the basis of a July 1, 1956, closing date, the total of his wages and self-employment income after December 31, 1955, shall, if it is in excess of $2,100, be reduced to such amount."

**Study of Feasibility of Increasing Benefits**

Act Sept. 1, 1954, ch. 1206, title IV, § 404, 68 Stat. 1099, authorized the Secretary of Health, Education, and Welfare (now Health and Human Services) to conduct a feasibility study with a view toward increasing the minimum old-age insurance benefit under this sub-
chapter to $55, $60, or $75 per month and required him to report the results of his study to the Congress at the earliest practicable date.

**Change of Wage Closing Date of Certain Individuals Dead or Eligible in 1952 to the First Week of the Quarter of Death or Entitlement**

Act July 18, 1952, ch. 945, §6(c), 66 Stat. 777, provided that: "In the case of an individual who died or became (without the application of section 202(j)(1) of the Social Security Act [42 U.S.C. 402(j)(1)] entitled to old-age insurance benefits in 1952 and with respect to whom not less than six of the quarters elapsing after 1950 and prior to the quarter following the quarter in which he died or became entitled to old-age insurance benefits, whichever first occurred, are quarters of coverage, his wage closing date shall be the first day of such quarter of death or entitlement instead of the day specified in section 215(b)(3) of such Act [42 U.S.C. 415(b)(3)], but only if it would result in a higher primary insurance amount for such individual. The terms used in this paragraph shall have the same meaning as when used in title II of the Social Security Act [42 U.S.C. 401 et seq.]."

**Computation of Increased Benefits to Individuals Entitled Therefor for August 1952**

Act July 18, 1952, ch. 945, §2(c)(2), 66 Stat. 778, as amended by act Sept. 1, 1954, §102(c), eff. Sept. 1, 1954, provided that: "(A) In the case of any individual for whom $5 by the fraction applied to the primary insurance amount which was used in determining such benefit, and further increased, if such product is not a multiple of $0.10, to the next higher multiple of $0.10. The provisions of section 205(c) of the Social Security Act, as amended by this section (and, for purposes of title II of the Social Security Act, as amended by section 203(a), the provisions of section 215(c)(4) of the Social Security Act, as amended by this section), shall apply to such benefit as computed under the preceding sentence of this subparagraph and the resulting amount, if not a multiple of $0.10, shall be increased to the next higher multiple of $0.10.

(B) The provisions of subparagraph (A) shall cease to apply to the benefit of any individual under title II of the Social Security Act [42 U.S.C. 401 et seq.] for any month after August 1954."

**Determination of Primary Insurance Amount of Individuals Who Died After 1939 and Prior to 1951**

Pub. L. 86–778, title II, §204(b), Sept. 13, 1960, 74 Stat. 948, provided that: "The primary insurance amount (for purposes of title II of the Social Security Act [42 U.S.C. 401 et seq.]) of any individual who died after 1939 and prior to 1951 shall be determined as provided in section 215(a)(2) of such Act [42 U.S.C. 415(a)(2)]."

**Benefits in Certain Cases of Deaths Before September 1950**

Act Sept. 1, 1954, ch. 1206, title I, §109, 68 Stat. 1084, as amended by Pub. L. 86–778, title II, §204(c), Sept. 13, 1960, 74 Stat. 948, provided that: "The primary insurance amount (for purposes of title II of the Social Security Act [42 U.S.C. 401 et seq.]) of any individual who died prior to Sept. 1, 1950, and was not a fully insured individual when he died and who had at least six quarters of coverage under this subchapter, such individual was generally to be deemed to have died fully insured, his primary insurance amount was to be deemed to be computed under subsec. (a)(2) of this section, the proof of support requirement in section 402(b) of this title was not to be applicable where such proof was filed before Sept. 1956, and that the provisions of this section were to apply to monthly benefits under section 402 of this title for months after Aug. 1954 and in or prior to Sept. 1960.

**Computation of Primary Insurance Amount of Individuals Who Died Prior to 1940**

Pub. L. 86–778, title II, §205(c), Sept. 13, 1960, 74 Stat. 949, provided that: "The primary insurance amount (for purposes of title II of the Social Security Act [42 U.S.C. 401 et seq.]) of any individual who died prior to 1940, and who had not less than six quarters of coverage (as defined in section 213 of such Act [42 U.S.C. 413]), shall be computed under section 215(a)(2) of such Act [42 U.S.C. 415(a)(2)]."

(Section 205(c) of Pub. L. 86–778 as applicable only in the case of monthly benefits under this subchapter for months after September 1960, on the basis of applications filed in or after such month, see section 205(d) of Pub. L. 86–778, set out as an Effective Date of 1960 Amendment note under section 402 of this title.)

§416. Additional definitions

For the purposes of this subchapter—

(a) Spouse; surviving spouse

(1) The term ‘‘spouse’’ means a wife as defined in subsection (b) or a husband as defined in subsection (f).

(2) The term ‘‘surviving spouse’’ means a widow as defined in subsection (c) or a widower as defined in subsection (g).

(b) Wife

The term ‘‘wife’’ means the wife of an individual, but only if she (1) is the mother of his son or daughter, (2) was married to him for a period of not less than one year immediately preceding the day on which her application is filed, or (3) in the month prior to the month of her marriage
to him (A) was entitled to, or on application therefor and attainment of age 62 in such prior month would have been entitled to, benefits under subsection (h), (e), or (h) of section 402 of this title, (B) had attained age eighteen and was entitled to, or on application therefor would have been entitled to, benefits under subsection (d) of such section (subject, however, to section 402(a) of this title), (C) was entitled to, or upon application therefor and attainment of the required age (if any) would have been entitled to, a widow's, child's (after attainment of age 18), or parent's insurance annuity under section 231a of title 45. For purposes of clause (2), a wife shall be deemed to have been married to an individual for a period of one year throughout the month in which occurs the first anniversary of her marriage to such individual. For purposes of subparagraph (C) of section 402(b)(1) of this title, a divorced wife shall be deemed not to be married throughout the month in which she becomes divorced.

(c) Widow

(1) The term “widow” (except when used in the first sentence of section 402(a) of this title) means the surviving wife of an individual, but only if (A) she is the mother of his son or daughter, (B) she legally adopted his son or daughter while she was married to him and while such son or daughter was under the age of eighteen, (C) he legally adopted her son or daughter while she was married to him and while such son or daughter was under the age of eighteen, (D) she was married to him at the time both of them legally adopted a child under the age of eighteen, (E) except as provided in paragraph (2), she was married to him for a period of not less than nine months immediately prior to the day on which he died, or (F) in the month prior to the month of her marriage to him (i) she was entitled to, or on application therefor and attainment of age 62 in such prior month would have been entitled to, benefits under subsection (b), (e), or (h) of section 402 of this title, (ii) she had attained age eighteen and was entitled to, or on application therefor would have been entitled to, benefits under subsection (d) of such section (subject, however, to section 402(a) of this title), or (iii) she was entitled to, or upon application therefor and attainment of the required age (if any) would have been entitled to, a widow's, child's (after attainment of age 18), or parent's insurance annuity under section 231a of title 45.

(2) The requirements of paragraph (1)(E) in connection with the surviving wife of an individual shall be treated as satisfied if—

(A) the individual had been married prior to the individual's marriage to the surviving wife;

(B) the prior wife was institutionalized during the individual's marriage to the prior wife due to mental incompetence or similar incapacity;

(C) during the period of the prior wife's institutionalization, the individual would have divorced the prior wife and married the surviving wife, but the individual did not do so because such divorce would have been unlawful, by reason of the prior wife's institutionalization, under the laws of the State in which the individual was domiciled at the time (as determined based on evidence satisfactory to the Commissioner of Social Security);

(D) the prior wife continued to remain institutionalized up to the time of her death, and

(E) the individual married the surviving wife within 60 days after the prior wife's death.

(d) Divorced spouses; divorce

(1) The term “divorced wife” means a woman divorced from an individual, but only if she had been married to such individual for a period of 10 years immediately before the date the divorce became effective.

(2) The term “surviving divorced wife” means a woman divorced from an individual who has died, but only if she had been married to the individual for a period of 10 years immediately before the date the divorce became effective.

(3) The term “surviving divorced mother” means a woman divorced from an individual who has died, but only if (A) she is the mother of his son or daughter, (B) she legally adopted his son or daughter while she was married to him and while such son or daughter was under the age of 18, (C) he legally adopted her son or daughter while she was married to him and while such son or daughter was under the age of 18, or (D) she was married to him at the time both of them legally adopted a child under the age of 18.

(4) The term “divorced husband” means a man divorced from an individual, but only if he had been married to such individual for a period of 10 years immediately before the date the divorce became effective.

(5) The term “surviving divorced husband” means a man divorced from an individual who has died, but only if he had been married to the individual for a period of 10 years immediately before the date the divorce became effective.

(6) The term “surviving divorced father” means a man divorced from an individual who has died, but only if (A) he is the father of her son or daughter, (B) he legally adopted her son or daughter while he was married to her and while such son or daughter was under the age of 18, (C) she legally adopted his son or daughter while he was married to her and while such son or daughter was under the age of 18, or (D) he was married to her at the time both of them legally adopted a child under the age of 18.

(7) The term “surviving divorced parent” means a surviving divorced mother as defined in paragraph (3) of this subsection or a surviving divorced father as defined in paragraph (6).

(8) The terms “divorce” and “divorced” refer to a divorce a vinculo matrimonii.

(e) Child

The term “child” means (1) the child or legally adopted child of an individual, (2) a step-child who has been such stepchild for not less than one year immediately preceding the day on which application for child's insurance benefits is filed or (if the insured individual is deceased) not less than nine months immediately preceding the day on which such individual died, and (3) a person who is the grandchild or step-grandchild of an individual or his spouse, but only if (A) there was no natural or adoptive parent (other than such a parent who was under a disability, as defined in section 423(d) of this

§ 416 TITLE 42—THE PUBLIC HEALTH AND WELFARE Page 1812
title) of such person living at the time (i) such individual became entitled to old-age insurance benefits or disability insurance benefits or died, or (ii) if such individual had a period of disability which continued until such individual became entitled to old-age insurance benefits or disability insurance benefits, or died, at the time such period of disability began, or (B) such person was legally adopted after the death of such individual by such individual's surviving spouse in an adoption that was decreed by a court of competent jurisdiction within the United States and such person's natural or adopting parent or stepparent was not living in such individual's household and making regular contributions toward such person's support at the time such individual died. For purposes of clause (1), a person shall be deemed, as of the date of death of an individual, to be the legally adopted child of such individual if such person was either living with or receiving at least one-half of his support from such individual at the time of such individual's death and was legally adopted by such individual's surviving spouse after such individual's death but only if (A) proceedings for the adoption of the child had been instituted by such individual before his death, or (B) such child was adopted by such individual's surviving spouse before the end of two years after (i) the day on which such individual died or (ii) August 28, 1958. For purposes of clause (2), a person who is not the stepchild of such individual if such individual was not the mother or adopting mother or the father or adopting father of such person, or (B) such individual's surviving spouse in an adoption that was decreed by a court of competent jurisdiction within the United States and such person's natural or adoptive parent living (other than a natural or adoptive parent who was under a disability) throughout the period of not less than one year immediately preceding the day on which his application is filed, or (3) in the month prior to the month of his marriage to her (A) he was married to her at the time both of them legally adopted a child under the age of eighteen, (B) she legally adopted his son or daughter while he was married to her and while such son or daughter was under the age of eighteen, (C) he was married to her for a period of not less than nine months immediately prior to the day on which she died, or (D) such person went through a marriage ceremony resulting in a purported marriage between them which, for a legal impediment described in the last sentence of subsection (b)(1)(B), would have been a valid marriage. For purposes of clause (2), a child shall be deemed to have been the stepchild of an individual for a period of one year throughout the month in which occurs the expiration of such one year. For purposes of clause (3), a person shall be deemed to have no natural or adoptive parent living (other than a parent who was under a disability) throughout the most recent month in which a natural or adoptive parent (not under a disability) dies.

(f) Husband

The term "husband" means the husband of an individual, but only if (1) he is the father of her son or daughter, (2) he was married to her for a period of not less than one year immediately preceding the day on which his application is filed, or (3) in the month prior to the month of his marriage to her (A) he was entitled to, or on application therefor and attainment of age 62 in such prior month would have been entitled to, benefits under subsection (c), (f) or (h) of section 402 of this title, (B) he had attained age eighteen and was entitled to, or on application therefor and attainment of age 62 in such prior month would have been entitled to, benefits under subsection (d) of such section (subject, however, to section 402(a) of this title), or (C) he was entitled to, or upon application therefor and attainment of the required age (if any) he would have been entitled to, a widower's, child's (after attainment of age 18), or parent's insurance annuity under section 231a of title 45. For purposes of subparagraph (C) of section 402(c)(1) of this title, a divorced husband shall be deemed not to be married throughout the month which he becomes divorced.

(g) Widower

(1) The term "widower" (except when used in the first sentence of section 402(i) of this title) means the surviving husband of an individual, but only if (A) he is the father of her son or daughter, (B) he legally adopted her son or daughter while he was married to her and while such son or daughter was under the age of eighteen, (C) she legally adopted his son or daughter while he was married to her and while such son or daughter was under the age of eighteen, (D) he was married to her at the time both of them legally adopted a child under the age of eighteen, (E) except as provided in paragraph (2), he was married to her for a period of not less than nine months immediately prior to the day on which she died, or (F) in the month before the month of his marriage to her (i) he was entitled to, or on application therefor and attainment of age 62 in such prior month would have been entitled to, benefits under subsection (c), (f) or (h) of section 402 of this title, (ii) he had attained age eighteen and was entitled to, or on application therefor and attainment of the required age (if any) he would have been entitled to, a widower's, child's (after attainment of age 18), or parent's insurance annuity under section 231a of title 45.

(2) The requirements of paragraph (1)(E) in connection with the surviving husband of an individual shall be treated as satisfied if—

(A) the individual had been married prior to the individual's marriage to the surviving husband,

(B) the prior husband was institutionalized during the individual's marriage to the prior husband due to mental incompetence or similar incapacity,

(C) during the period of the prior husband's institutionalization, the individual would have divorced the prior husband and married the surviving husband, but the individual did not do so because such divorce would have been unlawful, by reason of the prior husband's institutionalization, under the laws of the State in which the individual was domiciled at the time (as determined based on evidence satisfactory to the Commissioner of Social Security),

(D) the prior husband continued to remain institutionalized up to the time of his death, and

(E) the individual married the surviving husband within 60 days after the prior husband's death.
(h) Determination of family status

(1)(A)(i) An applicant is the wife, husband, widow, or widower of a fully or currently insured individual for purposes of this subchapter if the courts of the State in which such insured individual is domiciled at the time such applicant entered into such purported marriage, or, if such insured individual is dead, the courts of the State in which he was domiciled at the time of death, or, if such insured individual is or was not so domiciled in any State, the courts of the District of Columbia, would find that such applicant and such insured individual were validly married at the time such applicant files such application or, if such insured individual is dead, at the time he died.

(ii) If such courts would not find that such applicant and such insured individual were validly married at such time, such applicant shall, nevertheless be deemed to be the wife, husband, widow, or widower, as the case may be, of such insured individual if such applicant would, under the laws applied by such courts in determining the devolution of personal property, have the same status with respect to the taking of such property as a wife, husband, widow, or widower of such insured individual.

(B)(i) In any case where under subparagraph (A) an applicant is not (and is not deemed to be) the wife, widow, husband, or widower of a fully or currently insured individual, or where under subsection (b), (c), (d), (f), or (g) such applicant is not the wife, divorced wife, widow, surviving divorced wife, husband, divorced husband, widower, or surviving divorced husband of such individual, but it is established to the satisfaction of the Commissioner of Social Security that such applicant in good faith went through a marriage ceremony with such individual resulting in a purported marriage between them which, but for a legal impediment not known to the applicant at the time of such ceremony, would have been a valid marriage, then, for purposes of subparagraph (A) and subsections (b), (c), (d), (f), and (g), such purported marriage shall be deemed a valid marriage. Notwithstanding the preceding sentence, in the case of any person who would be deemed under the preceding sentence a wife, widow, husband, or widower of the insured individual, such marriage shall not be deemed to be a valid marriage unless the applicant and the insured individual were living in the same household at the time of the death of the insured individual or (if the insured individual is living) at the time the applicant files the application. A marriage that is deemed to be a valid marriage by reason of the preceding sentence shall continue to be deemed a valid marriage if the insured individual and the person entitled to benefits as the wife or husband of the insured individual are no longer living in the same household at the time of the death of such insured individual.

(ii) The provisions of clause (i) shall not apply if the Commissioner of Social Security determines, on the basis of information brought to the Commissioner’s attention, that such applicant entered into such purported marriage with such insured individual with knowledge that it would not be a valid marriage.

(iii) The entitlement to a monthly benefit under subsection (b) or (c) of section 402 of this title, based on the wages and self-employment income of such insured individual, of a person who would not be deemed to be a wife or husband of such insured individual but for this subparagraph, shall end with the month before the month in which such person enters into such purported marriage, valid without regard to this subparagraph, with a person other than such insured individual.

(iv) For purposes of this subparagraph, a legal impediment to the validity of a purported marriage includes only an impediment (I) resulting from the lack of dissolution of a previous marriage or otherwise arising out of such previous marriage or its dissolution, or (II) resulting from a defect in the procedure followed in connection with such purported marriage.

(2)(A) In determining whether an applicant is the child or parent of a fully or currently insured individual for purposes of this subchapter, the Commissioner of Social Security shall apply such law as would be applied in determining the devolution of intestate personal property by the courts of the State in which such insured individual is domiciled at the time such applicant files application, or, if such insured individual is dead, by the courts of the State in which he was domiciled at the time of his death, or, if such insured individual is or was not so domiciled in any State, by the courts of the District of Columbia. Applicants who according to such law would have the same status relative to taking intestate personal property as a child or parent shall be deemed such.

(B) If an applicant is a son or daughter of a fully or currently insured individual but is not (and is not deemed to be) the child of such insured individual under subparagraph (A), such applicant shall nevertheless be deemed to be the child of such insured individual if such insured individual and the mother or father, as the case may be, of such applicant went through a marriage ceremony resulting in a purported marriage between them which, but for a legal impediment described in the last sentence of paragraph (1)(B), would have been a valid marriage.

(3) An applicant who is the son or daughter of a fully or currently insured individual, but who is not (and is not deemed to be) the child of such insured individual under paragraph (2) of this subsection, shall nevertheless be deemed to be the child of such insured individual if:

(A) in the case of an insured individual entitled to old-age insurance benefits (who was not, in the month preceding such entitlement, entitled to disability insurance benefits)—

(i) such insured individual—

(I) has acknowledged in writing that the applicant is his or her son or daughter;

(II) has been decreed by a court to be the mother or father of the applicant, or

(III) has been ordered by a court to contribute to the support of the applicant because the applicant is his or her son or daughter,

and such acknowledgment, court decree, or court order was made not less than one year before such insured individual became entitled to old-age insurance benefits or attained retirement age (as defined in subsection (l), whichever is earlier; or
(ii) such insured individual is shown by evidence satisfactory to the Commissioner of Social Security to be the mother or father of the applicant and was living with or contributing to the support of the applicant at the time such insured individual’s application for benefits was filed;

(B) in the case of an insured individual entitled to disability insurance benefits, or who was entitled to such benefits in the month preceding the first month for which he or she was entitled to old-age insurance benefits—

(i) such insured individual—

(I) has acknowledged in writing that the applicant is his or her son or daughter,

(II) has been decreed by a court to be the mother or father of the applicant, or

(III) has been ordered by a court to contribute to the support of the applicant because the applicant is his or her son or daughter,

and such acknowledgment, court decree, or court order was made before such insured individual’s most recent period of disability began; or

(ii) such insured individual is shown by evidence satisfactory to the Commissioner of Social Security to be the mother or father of the applicant and was living with or contributing to the support of the applicant at the time such applicant’s application for benefits was filed;

(C) in the case of a deceased individual—

(i) such insured individual—

(I) had acknowledged in writing that the applicant is his or her son or daughter,

(II) had been decreed by a court to be the mother or father of the applicant, or

(III) had been ordered by a court to contribute to the support of the applicant because the applicant was his or her son or daughter,

and such acknowledgment, court decree, or court order was made before the death of such insured individual, or

(ii) such insured individual is shown by evidence satisfactory to the Commissioner of Social Security to have been the mother or father of the applicant, and such insured individual was living with or contributing to the support of the applicant at the time such insured individual died.

For purposes of subparagraphs (A)(i) and (B)(i), an acknowledgement, court decree, or court order shall be deemed to have occurred on the first day of the month in which it actually occurred.

(i) Disability; period of disability

(1) Except for purposes of sections 402(d), 402(e), 402(f), 423, and 425 of this title, the term “disability” means (A) inability to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or has lasted or can be expected to last for a continuous period of not less than 12 months, or (B) blindness; and the term “blindness” means central visual acuity of 20/200 or less in the better eye with the use of a correcting lens. An eye which is accompanied by a limitation in the fields of vision such that the widest diameter of the visual field subtends an angle no greater than 20 degrees shall be considered for purposes of this paragraph as having a central visual acuity of 20/200 or less. The provisions of paragraphs (2)(A), (2)(B), (3), (4), (5), and (6) of section 423(d) of this title shall be applied for purposes of determining whether an individual is under a disability within the meaning of the first sentence of this paragraph in the same manner as they are applied for purposes of paragraph (1) of such section. Nothing in this subsection shall be construed as authorizing the Commissioner of Social Security or any other officer or employee of the United States to interfere in any way with the practice of medicine or with relationships between practitioners of medicine and their patients, or to exercise any supervision or control over the administration or operation of any hospital.

(2)(A) The term “period of disability” means a continuous period (beginning and ending as hereinafter provided in this subsection) during which an individual was under a disability (as defined in paragraph (1)), but only if such period is of not less than five full calendar months’ duration or such individual was entitled to benefits under section 423 of this title for one or more months in such period.

(B) No period of disability shall begin as to any individual unless such individual files an application for a disability determination with respect to such period; and no such period shall begin as to any individual after such individual attains retirement age (as defined in subsection (i)). In the case of a deceased individual, the requirement of an application under the preceding sentence may be satisfied by an application for a disability determination filed with respect to such individual within 3 months after the month in which he died.

(C) A period of disability shall begin—

(i) on the day the disability began, but only if the individual satisfies the requirements of paragraph (3) on such day; or

(ii) if such individual does not satisfy the requirements of paragraph (3) on such day, then on the first day of the first quarter thereafter in which he satisfies such requirements.

(D) A period of disability shall end with the close of whichever of the following months is the earlier: (i) the month preceding the month in which the individual attains retirement age (as defined in subsection (i)), or (ii) the month preceding the month in which the individual attains retirement age (as defined in subsection (i)), or (ii) the month preceding the termination month (as defined in section 423(a)(1) of this title), or, if earlier (II) the first month for which no benefit is payable by reason of section 423(e) of this title, where no benefit is payable for any of the succeeding months during the 36-month period referred to in such section. The provisions set forth in section 423(f) of this title with respect to determinations of whether entitlement to benefits under this subchapter or subchapter XVIII based on the disability of any individual is terminated (on the basis of a finding that the physical or mental impairment on the basis of which such benefits are provided has ceased, does not exist, or is not disabling) shall apply in the same man-
ner and to the same extent with respect to determinations of whether a period of disability has ended (on the basis of a finding that the physical or mental impairment on the basis of which the finding of disability was made has ceased, does not exist, or is not disabling).

(E) Except as is otherwise provided in subparagraph (F), no application for a disability determination which is filed more than 12 months after the month prescribed by subparagraph (D) as the month in which the period of disability ends (determined without regard to subparagraphs (B) and (E)) shall be accepted as an application for purposes of this paragraph.

(F) An application for a disability determination which is filed more than 12 months after the month prescribed by subparagraph (D) as the month in which the period of disability ends (determined without regard to subparagraphs (B) and (E)) shall be accepted as an application for purposes of this paragraph if—

(1) in the case of an application filed by or on behalf of an individual with respect to a disability which ends after January 1968, such application is filed not more than 36 months after the month in which such disability ended, such individual is alive at the time the application is filed, and the Commissioner of Social Security finds in accordance with regulations prescribed by the Commissioner that the failure of such individual to file an application for a disability determination within the time specified in subparagraph (E) was attributable to a physical or mental condition of such individual which rendered him incapable of executing such an application, and

(ii) in the case of an application filed by or on behalf of an individual with respect to a period of disability which ends in or before January 1968—

(I) such application is filed not more than 12 months after January 1968,

(II) a previous application for a disability determination has been filed by or on behalf of such individual (in or before January 1968) and (2) not more than 36 months after the month in which his disability ended, and

(III) the Commissioner of Social Security finds in accordance with regulations prescribed by the Commissioner, that the failure of such individual to file an application within the time specified in subparagraph (E) was attributable to a physical or mental condition of such individual which rendered him incapable of executing such an application.

In making a determination under this subsection, with respect to the disability or period of disability of any individual whose application for a determination thereof is accepted solely by reason of the provisions of subparagraph (F), the provisions of this subsection (other than the provisions of this subparagraph) shall be applied as such provisions are in effect at the time such determination is made.

(G) An application for a disability determination filed before the first day on which the applicant satisfies the requirements for a period of disability under this subsection shall be deemed a valid application (and shall be deemed to have been filed on such first day) only if the applicant satisfies the requirements for a period of disability before the Commissioner of Social Security makes a final decision on the application and no request under section 405(b) of this title for notice and opportunity for a hearing thereon is made or, if such a request is made, before a decision based upon the evidence adduced at the hearing is made (regardless of whether such decision becomes the final decision of the Commissioner of Social Security).

(3) The requirements referred to in clauses (i) and (ii) of paragraph (2)(C) of this subsection are satisfied by an individual with respect to any quarter only if—

(A) he would have been a fully insured individual (as defined in section 416 of this title) had he attained age 62 and filed application for benefits under section 402(a) of this title on the first day of such quarter; and

(B)(i) he had not less than 20 quarters of coverage during the 40-quarter period which ends with such quarter, or

(ii) if such quarter ends before he attains (or would attain) age 62, not less than one-half (and not less than 6) of the quarters during the period ending with such quarter and beginning after he attained the age of 21 were quarters of coverage, or (if the number of quarters in such period is less than 12) not less than 6 of the quarters in the 12-quarter period ending with such quarter were quarters of coverage, or

(iii) in the case of an individual (not otherwise insured under clause (i)) who, by reason of clause (ii), had a prior period of disability that began during a period before the quarter in which he or she attained age 31, not less than one-half of the quarters beginning after such individual attained age 21 and ending with such quarter are quarters of coverage, or

(iv) if the number of quarters in such period is less than 12) not less than 6 of the quarters in the 12-quarter period ending with such quarter are quarters of coverage;

except that the provisions of subparagraph (B) of this paragraph shall not apply in the case of an individual who is blind (within the meaning of “blindness” as defined in paragraph (1)). For purposes of subparagraph (B) of this paragraph, when the number of quarters in any period is an odd number, such number shall be reduced by one, and a quarter shall not be counted as part of any period if any part of such quarter was included in a prior period of disability unless such quarter was a quarter of coverage.

(j) Periods of limitation ending on nonwork days

Where this subchapter, any provision of another law of the United States (other than the Internal Revenue Code of 1986) relating to or changing the effect of this subchapter, or any regulation issued by the Commissioner of Social Security pursuant thereto provides for a period within which an act is required to be done which affects eligibility for or the amount of any benefit or payment under this subchapter or is necessary to establish or protect any rights under this subchapter, and such period ends on a Saturday, Sunday, or legal holiday, or on any other day all or part of which is declared to be a nonwork day for Federal employees by statute or Executive order, then such act shall be consid-
ered as done within such period if it is done on the first day thereafter which is not a Saturday, Sunday, or legal holiday or any other day all or part of which is declared to be a nonwork day for Federal employees by statute or Executive order. For purposes of this subsection the day on which a period ends shall include the day on which an extension of such period, as authorized by law or by the Commissioner of Social Security pursuant to law, ends. The provisions of this subsection shall not extend the period during which benefits under this subchapter may (pursuant to section 402(j)(2) or 423(b) of this title) be paid for months prior to the day application for such benefits is filed, or during which an application for benefits under this subchapter may (pursuant to section 402(j)(2) or 423(b) of this title) be accepted as such.

(k) Waiver of nine-month requirement for widow, stepchild, or widower in case of accidental death or in case of serviceman dying in line of duty, or in case of remarriage to same individual

The requirement in clause (E) of subsection (c)(1) or clause (E) of subsection (g)(1) that the surviving spouse of an individual who has been married to such individual for a period of not less than nine months immediately prior to the day on which such individual died in order to qualify as such individual’s widow or widower, and the requirement in subsection (e) that the stepchild of a deceased individual have been such stepchild for not less than nine months immediately preceding the day on which such individual died in order to qualify as such individual’s stepchild, or the requirement in subsection (d) that the individual and subsequently divorced and such requirement would have been satisfied at the time of such divorce if such previous marriage had been terminated by the death of such individual at such time instead of by divorce; or

(B) the stepchild of such individual had been the stepchild of such individual during a previous marriage of such stepchild’s parent to such individual which ended in divorce and such requirement would have been satisfied at the time of such divorce if such previous marriage had been terminated by the death of such individual at such time instead of by divorce;

except that paragraph (2) of this subsection shall not apply if the Commissioner of Social Security determines that at the time of the marriage involved the individual could not have reasonably been expected to live for nine months. For purposes of paragraph (1)(A) of this subsection, the death of an individual is accidental if he receives bodily injuries solely through violent, external, and accidental means and, as a direct result of the bodily injuries and independently of all other causes, loses his life not later than three months after the day on which he receives such bodily injuries.

(l) Retirement age

(1) The term “retirement age” means—

(A) with respect to an individual who attains early retirement age (as defined in paragraph (2)) before January 1, 2000, 65 years of age;

(B) with respect to an individual who attains early retirement age after December 31, 1999, and before January 1, 2005, 65 years of age plus the number of months in the age increase factor (as determined under paragraph (3)) for the calendar year in which such individual attains early retirement age;

(C) with respect to an individual who attains early retirement age after December 31, 2004, and before January 1, 2017, 66 years of age;

(D) with respect to an individual who attains early retirement age after December 31, 2016, and before January 1, 2022, 66 years of age plus the number of months in the age increase factor (as determined under paragraph (3)) for the calendar year in which such individual attains early retirement age; and

(E) with respect to an individual who attains early retirement age after December 31, 2021, 67 years of age.

(2) The term “early retirement age” means age 62 in the case of an old-age, wife’s, or husband’s insurance benefit, and age 60 in the case of a widow’s or widower’s insurance benefit.

(3) The age increase factor for any individual who attains early retirement age in a calendar year within the period to which subparagraph (B) or (D) of paragraph (1) applies shall be determined as follows:

(A) With respect to an individual who attains early retirement age in the 5-year period consisting of the calendar years 2000 through 2004, the age increase factor shall be equal to two-twelfths of the number of months in the period beginning with January 2000 and ending with December of the year in which the individual attains early retirement age.

(B) With respect to an individual who attains early retirement age in the 5-year period consisting of the calendar years 2017 through 2021, the age increase factor shall be equal to two-twelfths of the number of months in the period beginning with January 2017 and ending with December of the year in which the individual attains early retirement age.


REFERENCES IN TEXT
The Internal Revenue Code of 1986, referred to in subsec. (l), is classified generally to Title 26, Internal Revenue Code.

CONSTITUTIONALITY

AMENDMENTS
2004—Subsec. (c). Pub. L. 108–203, § 414(a), designated existing provisions as par. (1), redesignated former cls. (1) to (6) as cls. (A) to (F), respectively, of par. (1), in cl. (E) inserted “except as provided in paragraph (2),” before “she was married,” in cl. (F) redesignated former subcls. (A) to (C) as subcls. (i) to (iii), respectively, and added par. (2).

Subsec. (g). Pub. L. 108–203, § 414(b), designated existing provisions as par. (1), redesignated former cls. (1) to (6) as cls. (A) to (F), respectively, of par. (1), in cl. (B) inserted “except as provided in paragraph (2),” before “he was married,” in cl. (F) redesignated former subcls. (A) to (C) as subcls. (i) to (iii), respectively, and added par. (2).

Subsec. (h). Pub. L. 108–203, § 414(c), substituted “clause (E) of subsection (c)(1) or clause (E) of subsection (g)(1)” for “clause (5) of subsection (c) or clause (5) of subsection (g)” in introductory provisions.


1990—Subsec. (e). Pub. L. 101–508, § 5119(a), substituted “either living with or receiving at least one-half of his support from such individual at the time of such individual’s death” for “at the time of such death in such individual’s household” and struck out before period at end of second sentence “; except that this sentence shall not apply if at the time of such individual’s death such person was receiving regular contributions toward his support from someone other than such individual or his spouse, or from any public or private welfare organization which furnishes services or assistance for children”.

Subsec. (h)(1)(A). Pub. L. 101–508, § 5119(a)(1), designated first and second sentences as cls. (i) and (ii), respectively.

Subsec. (h)(1)(B)(i). Pub. L. 101–508, § 5119(b), substituted “where under subsection (b), (c), (d), (f), or (g) such applicant is not the wife, divorced wife, widow, surviving divorced wife, husband, divorced husband, surviving divorced husband, or surviving divorced husband of such individual” for “where under subsection (b), (c), (f), or (g) such applicant is not the wife, widow, or surviving divorced wife of such individual”, struck out “; except such individual and the insured individual were living in the same household at the time of the death of such insured individual or if such insured individual is living at the time the application files the application,” after “valid marriage,” substituted “subsections (b), (c), (d), (f), and (g)” for “subsections (b), (c), (f), and (g)” and inserted at end “Notwithstanding the preceding sentence, in the case of any person who would be deemed under the preceding sentence a wife, widow, or widower of the insured individual, such marriage shall not be deemed to be a valid marriage if the insured individual were living in the same household at the time of the death of the insured individual or (if the insured individual is living) at the time the applicant files the application. A marriage that is deemed to be a valid marriage by reason of the preceding sentence shall continue to be deemed a valid marriage if the insured individual and the person entitled to benefits as the wife or husband of the insured individual are no longer living in the same household at the time of the death of such insured individual.”

Pub. L. 101–508, § 5119(a)(2)(A), inserted “(i)” after “(B).”

Subsec. (h)(1)(B)(ii). Pub. L. 101–508, § 5119(a)(2)(B), (C), substituted “(ii) The provisions of clause (i) shall not apply” for “The provisions of the preceding sentence shall not apply (i) if another person is or has been entitled to a benefit under subsection (b), (c), (e), (f), or (g) of section 402 of this title on the basis of the wages and self-employment income of such insured individual” and such other person is (or is deemed to be) a wife, widow, husband, or widower of such insured individual under subparagraph (A) at the time such applicant files the application, or (ii)”.

Subsec. (h)(1)(B)(iii). Pub. L. 101–508, § 5119(a)(2)(C), substituted “(iii) The entitlement to a monthly benefit under subsection (b) or (c)” for “The entitlement to a monthly benefit under subsection (b), (c), (e), (f), or (g)” and inserted at end “Notwithstanding the preceding sentence, in the case of any person who would be deemed under the preceding sentence a wife, widow, husband, or widower of the insured individual, such marriage shall not be deemed to be a valid marriage if the insured individual were living in the same household at the time of the death of such insured individual.”
Subsec. (e). Pub. L. 90–248, §§150(a), 150(b), inserted in first sentence “not less than nine months immediately preceding” before “the day on which such individual died”, and added, in second sentence, cl. (A) and incorporated existing provisions in cl. (B).

Subsec. (g)(b). Pub. L. 90–248, §156(c), substituted “not less than nine months” for “not less than one year”.

Subsec. (h). Pub. L. 90–248, §§150(d)(2), 158(d), 172(a), (b), inserted “402(c), 402(f),” after “402(d),” referred “blindness” to mean central visual acuity of 20/200 rather than 5/200 or less in the better eye and substituted provision deeming an eye accompanied by a limitation in the fields of vision such that the widest diameter of the visual field subtends an angle no greater than 20 degrees as having a central visual acuity of 20/200 or less for former provision deeming an eye in which visual field is reduced to five degrees or less in concentric contraction as having a central visual acuity of 5/200 or less, respectively, and deleted former third sentence which provided that an individual was not deemed under a disability unless he furnished proof of a required and added third sentence making section 423(d)(2)(A), (B), (4), and (5) of this title applicable to determine if an individual is under a disability.

Subsec. (i)(1)(B) to (G). Pub. L. 90–248, §111(a), inserted introductory exception phrase, added subpar. (F), and redesignated former subpar. (F) as (G).

Subsec. (i)(3). Pub. L. 89–97, §338(a), added par. (3).

Subsec. (c). Pub. L. 85–840, §301(b)(2) included within definition of “widow” a woman whose husband had legally adopted her son or daughter while she was married to him and while such son or daughter was under the age of eighteen, and a woman who, in the month prior to the month of her marriage, was entitled to, or on application therefor and attainment of retirement age in such prior month would have been entitled to, benefits under subsection (e) or (h) of section 402 of this title, or had attained age eighteen and was entitled to, or on application therefor would have been entitled to, benefits under subsection (d) of section 402 of this title.

Subsec. (d). Pub. L. 85–840, §301(e), included within definition of “former wife divorced” a woman whose husband legally adopted her son or daughter while she was married to him and while such son or daughter was under the age of eighteen.

Subsec. (e). Pub. L. 85–840, §302(a), struck out requirement that an adopted child of a living individual must have been adopted for not less than three years immediately preceding the day on which application for child’s benefits is filed, and inserted provisions requiring a child to be deemed, as of the date of death of an individual, to be the legally adopted child of such individual if the child was living in the decedent’s household at the time of his death and was legally adopted by the surviving spouse after the individual’s death but before the end of two years after the day on which the individual died or Aug. 28, 1958, and the child was not receiving regular contributions toward his support from someone other than the individual or his spouse, or from any public or private welfare organization.

Subsec. (f). Pub. L. 85–840, §301(a)(2), included within definition of “husband” a person who in the month prior to the month of his marriage was entitled to, or on application therefor and attainment of retirement age in such prior month would have been entitled to, benefits under subsection (f) or (h) of section 402 of this title, or who had attained age eighteen and was entitled to, or on application therefor would have been entitled to, benefits under subsection (d) of section 402 of this title.

Subsec. (g). Pub. L. 85–840, §301(c)(2), included within definition of “widower” a person whose wife had legally adopted his son or daughter while he was married to her and while such son or daughter was under the age of eighteen, and a person who, in the month before the month of his marriage, was entitled to, or on application therefor and attainment of retirement age in such prior month would have been entitled to, benefits under subsection (f) or (h) of section 402 of this title, or who had attained age eighteen and was entitled to, or on application therefor would have been entitled to, benefits under subsection (d) of section 402 of this title.

Subsec. (h). Pub. L. 85–840, §301(b), repealed par. (3) which defined “living with” for purposes of section 402 of this title.

Subsec. (i)(3). Pub. L. 85–840, §301(d), struck out provisions requiring, for a period of disability to begin with respect to any quarter, an individual to have not less than six quarters of coverage during the thirteenth quarter period which ends with such quarter, and inserted provisions requiring an individual to be fully insured.


Subsec. (j). Pub. L. 85–840, §302(b), added subsec. (j), which defined “one year” for “three years”.


Subsec. (l). Pub. L. 85–840, §204(a), struck out provisions that required, for a period of disability to begin with respect to any quarter, an individual to have not less than six quarters of coverage during the thirteenth quarter period which ends with such quarter, and inserted provisions requiring an individual to be fully insured.

been living with his or her spouse, and which related to
determination of status of parent.
for “July 1957” and “July 1956”.
1956—Subsec. (a). Act Aug. 1, 1956, §102(a), reduced the
retirement age in the case of a woman from age sixty-
five to age sixty-two.
Subsec. (i)(1). Act Aug. 1, 1956, §103(c)(6), inserted
“Except for purposes of sections 402(d), 423, and 425 of
this title”.
Subsec. (i)(2). Act Aug. 1, 1956, §102(d)(12), substituted
“the age of sixty-five” for “retirement age” in two
places.
1954—Subsec. (i). Act Sept. 1, 1954, §106(d), added sub-
sec. (i). Former subsec. (i), which was added by act July
18, 1952, §3(d), ceased to be in effect at the close of June
30, 1953. See Effective and Termination Date of 1952
Amendment note set out under section 413 of this title.

Effective Date of 2004 Amendment
530, provided that: “The amendments made by this sec-
tion [amending this section] shall be effective with re-
spect to applications for benefits under title II of the
Social Security Act [this subchapter] filed during months
ending after the date of the enactment of this Act [Mar. 2, 2004].”

Effective Date of 1994 Amendment
Amendment by section 107(a)(4) of Pub. L. 101–296 ef-
fective Mar. 31, 1995, see section 110(a) of Pub. L.
103–296, set out as a note under section 401 of this title.

Effective Date of 1990 Amendment
Amendment by section 5103(b)(1) of Pub. L. 101–508 ap-
pllicable with respect to monthly insurance benefits for
months after December 1987, and applicable with respect to
monthly payments payable under this subchapter for
months after April 1983, see section 310 of Pub. L. 98–21,
set out as a note under section 402 of this title.

Amendment by section 9010 of Pub. L. 100–203 has not
become effective.

Effective Date of 1987 Amendment
Amendment by Pub. L. 100–203 effective Jan. 1, 1988,
and applicable with respect to individuals entitled to
benefits under specific provisions of sections 402 and 423
of this title for any month after December 1987, and
individuals entitled to benefits payable under specific
provisions of sections 402 and 423 of this title for any
month before January 1988 and with respect to whom
the 15-month period described in the applicable provi-
sion amended by section 9010 of Pub. L. 100–203 has not
elapsed as of Jan. 1, 1988, see section 9010(f) of Pub. L.
100–203, set out as a note under section 402 of this title.

Effective Date of 1984 Amendment
Amendment by section 2(b) of Pub. L. 98–460 appli-
cable to determinations made by the Secretary on or
after Oct. 1, 1980, see section 5(d) of Pub. L. 98–463, set out
as a note under section 423 of this title.
Amendment by section 4(a)(2) of Pub. L. 98–460 appli-
cable with respect to determinations made on or after
the first day of the first month beginning after 30 days
after Oct. 1, 1984, see section 4(c) of Pub. L. 98–460, set
out as a note under section 423 of this title.
Title 42—The Public Health and Welfare

Effective Date of 1972 Amendment

Amendment by section 104(g) of Pub. L. 92–603 applicable only in the case of a man who attains (or would attain) age 62 after December 1974, with the figure "62" in subsection (1)(v)(A) of this section to be deemed to read "64" in the case of a man who attains age 62 in 1973, and deemed to read "63" in the case of a man who attains age 62 in 1974, see section 104(i) of Pub. L. 92–603, set out as a note under section 414 of this title.

Amendment by section 119(a) of Pub. L. 92–603 applicable with respect to monthly benefits payable under this subchapter for months after December 1972, but only on the basis of applications filed on or after October 30, 1972, see section 113(c) of Pub. L. 92–603, set out as a note under section 402 of this title.

Pub. L. 92–603, title I, §116(c), Oct. 30, 1972, 86 Stat. 1349, provided that: "The amendments made by this section [amending this section] shall apply only with respect to benefits payable under title II of the Social Security Act [42 U.S.C. 401 et seq.] for months after December 1972 on the basis of applications filed in or after the month in which this Act is enacted [October 1972]."

Amendment by section 116(d) of Pub. L. 92–603 effective with respect to applications for disability determinations under subsec. (i) of this section filed on or after October 1972 or before October 1972 under specified conditions, see section 116(e) of Pub. L. 92–603, set out as a note under section 423 of this title.

Amendment by section 117(a) of Pub. L. 92–603 effective with respect to applications for disability determinations under subsec. (i) of this section filed in or after October 1972 or before October 1972 under specified conditions, see section 117(c) of Pub. L. 92–603, set out as a note under section 423 of this title.

Pub. L. 92–603, title I, §118(c), Oct. 30, 1972, 86 Stat. 1551, provided that: "The amendments made by this section [amending this section and section 423 of this title] shall apply in the case of deaths occurring after December 31, 1969. For purposes of such amendments (and for purposes of sections 202(j)(j) and 223(b) of the Social Security Act [42 U.S.C. 402(j)(j), 426(b)], any application with respect to an individual whose death occurred after December 31, 1969, but before the date of the enactment of this Act [Oct. 30, 1972] which is filed in, or within 3 months after the month in which this Act is enacted [October 1972] shall be deemed to have been filed in the month in which such death occurred."

Pub. L. 92–603, title I, §114(b), Oct. 30, 1972, 86 Stat. 1370, provided that: "The amendments made by this section [amending this section] shall apply only with respect to benefits payable under title II of the Social Security Act [42 U.S.C. 401 et seq.] for months after December 1972 on the basis of applications filed in or after the month in which this Act is enacted [October 1972]."

Effective Date of 1968 Amendment

Amendment by section 104 of Pub. L. 90–248 applicable with respect to monthly benefits under this subchapter for and after the month of February 1968, but only on the basis of applications for such benefits filed in or after January 1968, see section 104(e) of Pub. L. 90–248, set out as a note under section 402 of this title.

Pub. L. 90–248, title I, §105(c), Jan. 2, 1968, 81 Stat. 833, provided that: "The amendment made by subsection (a) [amending this section] shall apply only with respect to applications for disability determinations filed under section 421(i) of the Social Security Act [42 U.S.C. 416(i)] in or after the month in which this Act is enacted [January 1968]. The amendments made by subsection (b) [amending section 423 of this title] shall apply with respect to monthly benefits under title II of such Act [42 U.S.C. 401 et seq.] for months after January 1968, but only on the basis of an application filed in or after the month in which this Act is enacted [January 1968]."

Pub. L. 90–248, title I, §116(b), Jan. 2, 1968, 81 Stat. 887, provided that: "The amendments made by this section [amending this section] shall apply with respect to monthly benefits under title II of the Social Security Act [42 U.S.C. 401 et seq.] for months after January 1968, but only on the basis of applications filed in or after the month in which this Act is enacted [January 1968]."

Amendment by section 158(d) of Pub. L. 90–248 applicable with respect to applications for disability insurance benefits under section 423 of this title and to disability determinations under subsec. (i) of this section, see section 158(e) of Pub. L. 90–248, set out as a note under section 423 of this title.


Effective Date of 1965 Amendment

Amendment by section 308(c), (d)(2)(B) of Pub. L. 89–97 applicable with respect to monthly insurance benefits under this subchapter beginning with the second month following July 1965, but, in the case of an individual who was not entitled to a monthly insurance benefit under section 402 of this title for the first month following July 1965, only on the basis of an application filed in or after July 1965, see section 308(e) of Pub. L. 89–97, set out as a note under section 402 of this title.

Amendment by section 334(a)–(d) of Pub. L. 89–97 applicable only with respect to monthly insurance benefits under section 401 et seq. of this title beginning with September 1965 but only on the basis of applications filed in or after July 1965, see section 334(g) of Pub. L. 89–97, set out as a note under section 402 of this title.

Pub. L. 89–97, title III, §339(c), July 30, 1965, 79 Stat. 411, provided that: "The amendments made by subsections (a) and (b) [amending this section and section 422 of this title] shall be applicable with respect to monthly insurance benefits under title II of the Social Security Act [42 U.S.C. 401 et seq.] beginning with the second month following the month in which this Act is enacted [July 1965] but only on the basis of an application filed in or after the month in which this Act is enacted."

Amendment by section 303(a)(1), (b)(1), (2) of Pub. L. 89–97 effective with respect to applications for disability insurance benefits under section 422 of this title, and for disability determinations under subsec. (i) of this section, filed in or after July 1965 or before July 1965, if the applicant has not died before such month, and notice of final administrative decision has not been given to the applicant before such month, except that monthly insurance benefits under this subchapter shall not be payable or increased by reason of amendments made to subsec. (i)(1)(A), (2), (3) of this section for months before the second month following July 1965, see section 303(1)(1) of Pub. L. 89–97, set out as a note under section 425 of this title.

Amendment by section 304(1) of Pub. L. 89–97 applicable with respect to monthly insurance benefits under this subchapter for and after the second month follow-
§ 416 TITLED—THE PUBLIC HEALTH AND WELFARE Page 1824

ing July 1965 but only on the basis of applications filed in or after July 1965, see section 306(e) of Pub. L. 89-97, set out as a note under section 402 of this title.

Pub. L. 89-97, title III, § 336(e), July 30, 1965, 79 Stat. 401, provided that: “The amendments made by this section [amending this section and sections 402 and 423 of this title] shall apply with respect to (1) applications filed on or after the date of enactment of this Act [July 30, 1965], (2) applications as to which the Secretary has not made a final decision before the date of enactment of this Act, and (3) if a civil action with respect to final decision by the Secretary has been commenced under section 205(g) of the Social Security Act [42 U.S.C. 405(g)] before the date of enactment of this Act, applications as to which there has been no final judicial decision before the date of enactment of this Act.”

Pub. L. 89-97, title III, § 334(e), July 30, 1965, 79 Stat. 413, provided that: “The amendments made by this section [amending this section and section 429 of this title] shall apply only with respect to monthly benefits under title II of the Social Security Act [42 U.S.C. 401 et seq.] for months after the first month following the month in which this Act is enacted [July 1965], on the basis of applications for such benefits filed in or after the month in which this Act is enacted.”

EFFECTIVE DATE OF 1964 AMENDMENT

Pub. L. 88-650, § 1(d), Oct. 13, 1964, 78 Stat. 1075, provided that: “(1) The amendments made by subsections (a), (b), and (c) [amending this section] shall apply in the case of applications for disability determinations under section 216(i) of the Social Security Act [42 U.S.C. 416(i)] filed after the month following the month in which this Act is enacted [October 1964].

“(2) Except as provided in the succeeding paragraphs, such amendments shall also apply, and as though such amendments had been enacted on July 1, 1962, in the case of applications for disability determinations filed under section 216(i) of the Social Security Act [42 U.S.C. 416(i)] during the period beginning July 1, 1962, and ending with the close of the month following the month in which this Act is enacted [October 1964], by an individual who—

“(A) has been under a disability (as defined in such section 216(i)) continuously since he filed such application and up to (i) the first day of the second month following the month in which this Act is enacted or (ii) if earlier, the first day of the month in which he attained the age of 65, and

“(B) is living on the day specified in subparagraph (A)(i).”

“(3) In the case of an individual to whom paragraph (2) applies and who filed an application for disability insurance benefits under section 223 of the Social Security Act [42 U.S.C. 423] during the period specified in such paragraph—

“(A) if such individual was under a disability (as defined in section 223(c) of such Act) throughout such period and was not entitled to disability insurance benefits under such section 223 for any month in such period (except for the amendments made by this section), such application and any application filed during such period for benefits under section 202 of the Social Security Act [42 U.S.C. 402] on the basis of the wages and self-employment income of such individual shall, notwithstanding section 202(i)(2) and the first sentence of section 223(b), be deemed an effective application, or

“(B) if such individual was entitled (without the application of this section) to disability insurance benefits under section 223 [42 U.S.C. 423] for a continuous period of months immediately preceding—

“(i) the second month following the month in which this Act was enacted [October 1964], or

“(ii) if earlier, the month in which he became entitled to benefits under section 202(a) [42 U.S.C. 402(a)], his primary insurance amount shall be recomputed, but only if such amount would be increased solely by reason of the enactment of this section.”

“(4) No monthly insurance benefits, and no increase in monthly insurance benefits, may be paid under title II of the Social Security Act [42 U.S.C. 401 et seq.] by reason of the enactment for a month before the eleventh month before the month in which this Act is enacted [October 1964].

“(5) In the case of an individual (A) who is entitled under section 202 of the Social Security Act [42 U.S.C. 402] (but without the application of subsection (j)(1) of such section) to a widow’s, widower’s, or parent’s insurance benefit, or to an old-age, wife’s or husband’s insurance benefit which is reduced under section 202(a) of such Act, for any month in the period referred to in paragraph (2) of this subsection, (B) who was under a disability (as defined in section 223(c) of the Social Security Act [42 U.S.C. 423(c)]) which began prior to the sixth month before the first month for which the benefits referred to in clause (A) are payable and which continued through the month following the month in which this Act is enacted [October 1964].

“(C) who files an application for disability insurance benefits under section 223(a)(1) of the Social Security Act—

“(i) such subsection (a)(3) of section 223 of the Social Security Act shall not prevent him from being entitled to such disability insurance benefits;

“(ii) the provisions of subsection (a)(1) of such section 223 terminating entitlement to disability insurance benefits by reason of entitlement to old-age insurance benefits shall not apply with respect to him unless and until he again becomes entitled to such old-age insurance benefits under the provisions of section 202 of such Act;

“(iii) such individual shall, for any month for which he is thereby entitled to both old-age insurance benefits and disability insurance benefits, be entitled only to such disability insurance benefits; and

“(iv) in case the benefits reduced under subsection (q) of section 202 of such Act are old-age insurance benefits (I) such old-age insurance benefits for the months in the period referred to in paragraph (2) of this subsection shall not be recomputed solely by reason of the enactment of this section, and, if otherwise recomputed, the provisions of and amendments made by this section shall not apply to such recomputation; and (II) the months for which he received such old-age insurance benefits before or during the period for which he becomes entitled, by reason of such enactment, to disability insurance benefits under such section 223 and the months for which he received such disability insurance benefits shall be excluded from the ‘reduction period’ and the ‘adjusted reduction period’, as defined in paragraphs (5) and (6), respectively, of such subsection (q) for purposes of determining the amount of the old-age insurance benefits to which he may subsequently become entitled.

“(6) The entitlement of any individual to benefits under section 202 of the Social Security Act [section 423 of this title] shall not be terminated solely by reason of the enactment of this section, except where such individual is entitled to benefits under section 202(a) or 223 of such Act [42 U.S.C. 402(a), 423] in an amount which (but for this subsection) would have required termination of such benefits under such section 202.”

EFFECTIVE DATE OF 1961 AMENDMENT

Amendment by section 102(b)(2)(D) of Pub. L. 87-64 effective Aug. 1, 1961, and amendment by section 102(c)(1), (2)(B), (3)(C) of Pub. L. 87-64 applicable with respect to monthly benefits for months beginning on or after August 1, 1961, based on applications filed in or after March 1961, and with respect to lump-sum death payments under this subchapter in the case of death on or after August 1, 1961, see sections 102(f)(1), (6) and 109 of Pub. L. 87-64, set out as notes under section 402 of this title.

Pub. L. 87-64, title I, § 105, June 30, 1961, 75 Stat. 139, provided that the amendment made by that section is effective with respect to applications for disability determinations filed on or after July 1, 1961.
amendments made by section 204 of this Act, and (B) of U.S.C. 402[amending section 402 of this Act] (but no such recomputation shall be re -
of monthly benefits under section 202 of such Act [42 U.S.C. 415(f)(1)] shall not prevent recomputation of monthly benefits under title II of the Social Security Act [42 U.S.C. 401 et seq.] for the month in which this Act is enacted and succeeding months."

Amendment by section 301(a)(2), (b)(2), (c)(2), (d), (e) of Pub. L. 85–840 applicable with respect to monthly benefits under section 402 of this title for months beginning after Aug. 28, 1958, but only if an application for such benefits is filed on or after such date, see section 301(f) of Pub. L. 85–840, set out as a note under section 402 of this title.

Pub. L. 85–840, title III, §302(b), Aug. 28, 1958, 72 Stat. 1028, provided that: "The amendment made by this section [amending this section] shall apply with respect to monthly benefits under section 402 of this title for months after August 1957, but not to operate to deprive any such par -
ent of benefits to which he would otherwise be entitled under section 402(b) of this title, see section 3(i) of Pub. L. 85–238, set out as a note under section 402 of this title.

Amendment by Pub. L. 85–238 applicable to monthly benefits under section 402 of this title for months after August 1957, and in the case of benefits under section 402 of this title for months beginning after Aug. 28, 1958, see section 305(c) of Pub. L. 85–840, set out as a note under section 402 of this title.

Amendment by Pub. L. 85–840 applicable in the case of lump-sum death payments under section 402(i) of this title on the basis of the wages and self-employment income of such individual who dies after August 1958, see section 305(b) of Pub. L. 85–840 applicable to monthly benefits under section 402 of this title for months after August 1957, but not to operate to deprive any such par -
ent of benefits to which he would otherwise be entitled under section 402(b) of this title, see section 3(i) of Pub. L. 85–238, set out as a note under section 402 of this title.

Amendment by Pub. L. 85–840 applicable with respect to applications for disability benefits under section 423 of this title filed after October 1956, see section 402(f) of Pub. L. 85–840, set out as a note under section 402 of this title.

Amendment by Pub. L. 85–238 applicable to monthly benefits under section 402 of this title for months after August 1957, but not to operate to deprive any such par -
ent of benefits to which he would otherwise be entitled under section 402(b) of this title, see section 3(i) of Pub. L. 85–238, set out as a note under section 402 of this title.

"(1) The amendment made by subsection (a) [amend -ing this section] shall apply in the case of benefits under subsection (e) of section 202 of the Social Security Act [42 U.S.C. 402(e)] for months after October 1956, but only, except in the case of an individual who was entitled to wife's or mother's insurance benefits under such section 202 for October 1956, or any month there -after, on the basis of applications filed after the date of enactment of this Act [Aug. 1, 1956]. The amendment made by subsection (a) shall apply in the case of benefits under subsection (h) of such section 202 for months after October 1956 on the basis of applications filed after the date of enactment of this Act.

"(2) Except as provided in paragraphs (1) and (4), the amendment made by subsection (a) shall apply in the case of lump-sum death payments under section 202(i) of the Social Security Act with respect to deaths after October 1956, and in the case of benefits under title II of such Act [42 U.S.C. 401 et seq.] for months after October 1956 on the basis of applications filed after the date of enactment of this Act.

"(3) For purposes of section 215(b)(3)(B) of the Social Security Act [42 U.S.C. 415(b)(3)(B)] (but subject to paragraphs (1) and (2) of this subsection)—

"(A) a woman who attains the age of sixty-two prior to November 1956 and who was not eligible for old-age insurance benefits under section 202 of such Act (as in effect prior to the enactment of this Act) for any month prior to November 1956 shall be deemed to have attained the age of sixty-two in 1956 or, if earlier, the year in which she died;

"(B) a woman who shall not, by reason of the amendment made by subsection (a), be deemed to be a fully insured individual before November 1956, and who died in the month in which she died, whichever month is the earlier; and

The amendments made by subsection (a) shall apply in the case of benefits under subsection (e) of section 202 of the Social Security Act [42 U.S.C. 402(e)] for months after October 1956, but only, except in the case of an individual who was entitled to wife's or mother's insurance benefits under such section 202 for October 1956, or any month thereafter, on the basis of applications filed after the date of enactment of this Act [Aug. 1, 1956]. The amendment made by subsection (a) shall apply in the case of benefits under subsection (h) of such section 202 for months after October 1956 on the basis of applications filed after the date of enactment of this Act.
“(C) the amendment made by subsection (a) shall not be applicable in the case of any woman who was eligible for old-age insurance benefits under such section before November 1956. A woman shall, for purposes of this paragraph, be deemed eligible for old-age insurance benefits under section 202 of the Social Security Act for any month if she was or would have been, upon filing application therefor in such month, entitled to such benefits for such month.

“(4) For purposes of section 209(i) of such Act [42 U.S.C. 409(i)], the amendment made by subsection (a) shall apply only with respect to remuneration paid after October 1956.’’

**Effective Date of 1954 Amendment**

Amendment by section 106(d) of act Sept. 1, 1954, applicable with respect to monthly benefits under subchapter II of this chapter for months after June 1955, and with respect to lump-sum death payments under such subchapter in the case of deaths occurring after June 1955, but that no recomputation of benefits by reason of such amendments shall be regarded as a recomputation for purposes of section 415(f) of this title, see section 106(h) of act Sept. 1, 1954, set out as a note under section 415 of this title.

**Effective and Termination Date of 1952 Amendment**

For effective and termination dates of amendment by Act July 18, 1952, see section 3(f), (g) of act July 18, 1952, set out as a note under section 413 of this title.

**§ 417. Benefits for veterans**

### (a) Determination of benefits

1. For purposes of determining entitlement to and the amount of any monthly benefit for any month after August 1950, or entitlement to and the amount of any lump-sum death payment in case of a death after such month, payable under this subchapter on the basis of the wages and self-employment income of any World War II veteran, and for purposes of section 418(1)(3) of this title, such veteran shall be deemed to have been paid wages (in addition to the wages, if any, actually paid to him) of $160 in each month during any part of which he served in the active military or naval service of the United States during World War II. This subsection shall not be applicable in the case of any monthly benefit or lump-sum death payment if—

   - (A) a larger such benefit or payment, as the case may be, would be payable without its application; or
   - (B) a benefit (other than a benefit payable in a lump sum unless it is a commutation of, or a substitute for, periodic payments) which is based, in whole or in part, upon the active military or naval service of such veteran during World War II is determined by any agency or wholly owned instrumentality of the United States (other than the Department of Veterans Affairs) to be payable by it under any other law of the United States or under a system established by such agency or instrumentality.

The provisions of clause (B) of this paragraph shall not apply in the case of any monthly benefit or lump-sum death payment under this subchapter if its application would reduce by $5.50 or less the primary insurance amount (as computed under section 415 of this title prior to any recomputation thereof pursuant to section 415(f) of this title) of the individual on whose wages and self-employment income such benefit or
payment is based. The provisions of clause (B) of this paragraph shall also not apply for purposes of section 416(i)(3) of this title.

(2) Upon application for benefits or a lump-sum death payment on the basis of the wages and self-employment income of any World War II veteran, the Commissioner of Social Security shall make a decision without regard to clause (B) of paragraph (1) of this subsection unless the Commissioner has been notified by some other agency or instrumentality of the United States that, on the basis of the military or naval service of such veteran during World War II, a benefit described in clause (B) of paragraph (1) of this subsection has been determined by such agency or instrumentality to be payable by it. If the Commissioner has not been so notified, the Commissioner of Social Security shall then ascertain whether some other agency or wholly owned instrumentality of the United States has decided that a benefit described in clause (B) of paragraph (1) of this subsection is payable by it. If any such agency or instrumentality has decided, or thereafter decides, that such a benefit is payable by it, it shall so notify the Commissioner of Social Security, and the Commissioner of Social Security shall certify no further benefits for payment or shall recompute the amount of any further benefits payable, as may be required by paragraph (1) of this subsection.

(3) Any agency or wholly owned instrumentality of the United States which is authorized by any law of the United States to pay benefits, or has a system of benefits which are based, in whole or in part, on military or naval service during World War II shall, at the request of the Commissioner of Social Security, certify to the Commissioner, with respect to any veteran, such information as the Commissioner of Social Security deems necessary to carry out the Commissioner’s functions under paragraph (2) of this subsection.

(b) Determination of insurance status

(1) Subject to paragraph (3), any World War II veteran who died during the period of three years immediately following his separation from the active military or naval service of the United States shall be deemed to have died a fully insured individual whose primary insurance amount is the amount determined under section 415(c) of this title as in effect in December 1978. Notwithstanding section 415(d) of this title as in effect in December 1978, the primary insurance benefit (for purposes of section 415(c) of this title as in effect in December 1978) of such veteran shall be determined as provided in this subchapter as in effect prior to August 28, 1950, except that the 1 per centum addition provided for in section 409(a)(4)(B) of this title as in effect prior to August 28, 1950, shall be applicable only with respect to calendar years prior to 1951. This subsection shall not be applicable in the case of any monthly benefit or lump-sum death payment if—

(A) a larger such benefit or payment, as the case may be, would be payable without its application;

(B) any pension or compensation is determined by the Secretary of Veterans Affairs to be payable by him on the basis of the death of such veteran;

(C) the death of the veteran occurred while he was in the active military or naval service of the United States; or

(D) such veteran has been discharged or released from the active military or naval service of the United States subsequent to July 26, 1951.

(2) Upon an application for benefits or a lump-sum death payment on the basis of the wages and self-employment income of any World War II veteran, the Commissioner of Social Security shall make a decision without regard to paragraph (1)(B) of this subsection unless the Commissioner has been notified by the Secretary of Veterans Affairs that pension or compensation is determined to be payable by that Secretary by reason of the death of such veteran. The Commissioner of Social Security shall thereupon report such decision to the Secretary of Veterans Affairs. If the Secretary of Veterans Affairs in any such case has made an adjudication or thereafter makes an adjudication that any pension or compensation is payable under any law administered by it, the Secretary of Veterans Affairs shall notify the Commissioner of Social Security, and the Commissioner of Social Security shall certify no further benefits for payment, or shall recompute the amount of any further benefits payable, as may be required by paragraph (1) of this subsection. Any payments theretofore certified by the Commissioner of Social Security on the basis of paragraph (1) of this subsection to any individual, not exceeding the amount of any accrued pension or compensation payable to him by the Secretary of Veterans Affairs, shall (notwithstanding the provisions of section 5301 of title 38) be deemed to have been paid to him by that Secretary on account of such accrued pension or compensation. No such payment certified by the Commissioner of Social Security, and no payment certified by the Commissioner for any month prior to the first month for which any pension or compensation is paid by the Secretary of Veterans Affairs, shall be deemed by reason of this subsection to have been an erroneous payment.

(3)(A) The preceding provisions of this subsection shall apply for purposes of determining the entitlement to benefits under section 402 of this title based on the primary insurance amount of the deceased World War II veteran, of any surviving individual only if such surviving individual makes application for such benefits before the end of the 18-month period after November 1990.

(B) Subparagraph (A) shall not apply if any person is entitled to benefits under section 402 of this title based on the primary insurance amount of such veteran for the month preceding the month in which such application is made.

(c) Filing proof of support

In the case of any World War II veteran to whom subsection (a) is applicable, proof of support required under section 408(h) of this title may be filed by a parent at any time prior to July 1951 or prior to the expiration of two years after the date of the death of such veteran, whichever is the later.

(d) Definitions

For the purposes of this section—
(1) The term “World War II” means the period beginning with September 16, 1940, and ending at the close of July 24, 1947.

(2) The term “World War II veteran” means any individual who served in the active military or naval service of the United States at any time during World War II and who, if discharged or released therefrom, was so discharged or released under conditions other than dishonorable after active service of ninety days or more or by reason of a disability or injury incurred or aggravated in service in line of duty; but such term shall not include any individual who died while in the active military or naval service of the United States if his death was inflicted (other than by an enemy of the United States) as lawful punishment for a military or naval offense.

e) Determination based on wages and self-employment income of any veteran (as defined in paragraph (4) of this subsection), and for purposes of this subsection shall not be applicable in the case of any monthly benefit or lump-sum death payment payable under this subchapter for months after December 1956 and prior to January 1, 1957, a benefit described in clause (B) of paragraph (1) of this subchapter for months after December 1956 (and before December 1957) based on the wages and self-employment income of any veteran, the Commissioner of Social Security shall make a decision without regard to clause (B) of paragraph (1) of this subchapter unless the Commissioner has been notified by some other agency or instrumentality of the United States that, on the basis of the military or naval service of such veteran on or after July 25, 1947, and prior to January 1, 1957, a benefit described in clause (B) of paragraph (1) of this subchapter has been determined by such agency or instrumentality to be payable by it. If the Commissioner has not been so notified, the Commissioner of Social Security shall then ascertain whether some other agency or wholly owned instrumentality of the United States has decided that a benefit described in clause (B) of paragraph (1) of this subchapter is payable by it. If any such agency or instrumentality has decided, or thereafter decides, that such a benefit is payable by it, it shall so notify the Commissioner of Social Security, and the Commissioner of Social Security shall certify no further benefits for payment or shall recompute the amount of any further benefits payable, as may be required by paragraph (1) of this subsection.

(3) Any agency or wholly owned instrumentality of the United States which is authorized by any law of the United States to pay benefits or has a system of benefits which are based in whole or in part, on military or naval service on or after July 25, 1947, and prior to January 1, 1957, shall, at the request of the Commissioner of Social Security, certify to the Commissioner, with respect to any veteran, such information as the Commissioner of Social Security deems necessary to carry out the Commissioner’s functions under paragraph (2) of this subsection.

(4) For the purposes of this subsection, the term “veteran” means any individual who served in the active military or naval service of the United States at any time on or after July 25, 1947, and prior to January 1, 1957, and who, if discharged or released therefrom, was so discharged or released under conditions other than dishonorable after active service of ninety days or more or by reason of a disability or injury incurred or aggravated in service in line of duty; but such term shall not include any individual who died while in the active military or naval service of the United States if his death was inflicted (other than by an enemy of the United States) as lawful punishment for a military or naval offense.
(f) Right to annuity; waiver

(1) In any case where a World War II veteran (as defined in subsection (d)(2)) or a veteran (as defined in subsection (e)(4)) has died or shall hereafter die, and his or her surviving spouse or child is entitled under subchapter III of chapter 83 of title 5 to an annuity in the computation of which his or her active military or naval service was included, clause (B) of subsection (a)(1) or clause (B) of subsection (e)(1) shall not operate (solely by reason of such annuity) to make such subsection inapplicable in the case of any monthly benefit under section 402 of this title to any monthly benefit in the computation of which such service is included by reason of this subsection (A) unless such surviving spouse or child shall be entitled under section 402 of this title to any monthly benefit in the computation of which is based on his or her wages and self-employment income; except that no such surviving spouse or child shall be entitled under section 402 of this title to any monthly benefit in the computation of which such service is included by reason of this subsection (A) unless such surviving spouse or child after December 1956 waives his or her right to receive such annuity, or (B) for any month prior to the first month with respect to which the Director of the Office of Personnel Management certifies to the Commissioner of Social Security that (by reason of such waiver) no further annuity will be paid to such surviving spouse or child under such subchapter III on the basis of such veteran's military or civilian service. Any such waiver shall be irrevocable.

(2) Whenever a surviving spouse waives his or her right to receive such annuity such waiver shall constitute a waiver on his or her own behalf; a waiver by a legal guardian or guardians, or, in the absence of a legal guardian, the person (or persons) who has the child in his or her care, of the child's right to receive such annuity shall constitute a waiver on behalf of such child. Such a waiver with respect to an annuity based on a veteran's service shall be valid only if the surviving spouse and all children, or, if there is no surviving spouse, all the children, waive their rights to receive annuities under subchapter III of chapter 83 of title 5 based on such veteran's military or civilian service.

(g) Appropriation to trust funds

(1) Within thirty days after April 20, 1983, the Commissioner of Social Security shall determine the amount equal to the excess of—

(A) the actuarial present value as of April 20, 1983, of the past and future benefit payments from the Federal Old-Age and Survivors Insurance Trust Fund, the Federal Disability Insurance Trust Fund, and the Federal Hospital Insurance Trust Fund under this subchapter and subchapter XVIII, together with associated administrative costs, resulting from the operation of this section (other than this subsection) and section 410 of this title as in effect before the enactment of the Social Security Amendments of 1950; 1

(B) any amounts previously transferred from the general fund of the Treasury to such Trust Funds pursuant to the provisions of this subsection as in effect immediately before April 20, 1983.

Such actuarial present value shall be based on the relevant actuarial assumptions set forth in the report of the Board of Trustees of each such Trust Fund for 1983 under sections 401(c) and 1951(b) of this title. Within thirty days after April 20, 1983, the Secretary of the Treasury shall transfer the amount determined under this paragraph with respect to each such Trust Fund to such Trust Fund from amounts in the general fund of the Treasury not otherwise appropriated.

(2) The Commissioner of Social Security shall revise the amount determined under paragraph (1) with respect to each such Trust Fund in 1985 and each fifth year thereafter through 2010, as determined appropriate by the Commissioner of Social Security from data which becomes available to the Commissioner after the date of the determination under paragraph (1) on the basis of the amount of benefits and administrative expenses actually paid from such Trust Fund under this subchapter or subchapter XVIII and the relevant actuarial assumptions set forth in the report of the Board of Trustees of such Trust Fund for such year under section 401(c) or 1951(b) of this title. The Secretary of Health and Human Services shall revise the amount determined under paragraph (1) with respect to the Federal Hospital Insurance Trust Fund under subchapter XVIII in 2015 and each fifth year thereafter through such date, and using such data, as the Secretary determines appropriate on the basis of the amount of benefits and administrative expenses actually paid from such Trust Fund under subchapter XVIII and the relevant actuarial assumptions set forth in the report of the Board of Trustees of such Trust Fund for such year under section 1951(b) of this title. The Secretary of Health and Human Services shall revise the amount determined under paragraph (1) with respect to the Federal Disability Insurance Trust Fund under subchapter XVIII in 2015 and each fifth year thereafter through such date, and using such data, as the Secretary determines appropriate on the basis of the amount of benefits and administrative expenses actually paid from such Trust Fund under subchapter XVIII and the relevant actuarial assumptions set forth in the report of the Board of Trustees of such Trust Fund for such year under section 1951(b) of this title.

(h) Determination of veterans status

(1) For the purposes of this section, any individual who the Commissioner of Social Security finds—

(A) served during World War II (as defined in subsection (d)(1)) in the active military or naval service of a country which was on September 16, 1940, at war with a country with which the United States was at war during World War II;

(B) entered into such active service on or before December 8, 1941;

(C) was a citizen of the United States throughout such period of service or lost his United States citizenship solely because of his entrance into such service;

(D) had resided in the United States for a period or periods aggregating four years during the five-year period ending on the day of, and was domiciled in the United States on the day of, such entrance into such active service; and

(E) was discharged or released from such service under conditions other than dishonorable after active service of ninety days or more or by reason of a disability or injury incurred or aggravated in service in line of duty, or

1 See References in Text note below.
shall be considered a World War II veteran (as defined in subsection (d)(2)) and such service shall be considered to have been performed in the active military or naval service of the United States.

(2) In the case of any individual to whom paragraph (1) applies, proof of support required under section 402(f) or (h) of this title may be filed at any time prior to the expiration of two years after the date of such individual’s death or August 28, 1958, whichever is the later.


REFERENCES IN TEXT


AMENDMENTS

2015—Subsec. (g)(2). Pub. L. 114–74 inserted “through 2016” after “each fifth year thereafter” in first sentence and inserted after first sentence “The Secretary of Health and Human Services shall revise the amount of benefits and administrative expenses the Secretary determines appropriate on the basis of the amount of benefits and administrative expenses actually paid from such Trust Fund under subchapter XVIII and the relevant actuarial assumptions set forth in the report of the Board of Trustees of such Trust Fund for such year under section 1395u(b) of this title.”

1994—Subsec. (a)(2), (3). Pub. L. 103–296, §107(a)(4), substituted “Commissioner of Social Security” for “Secretary” where appearing except where appearing before “of Veterans Affairs” or after “that” and substituted “less the Commissioner” for “unless he” and “certified by the Commissioner” for “certified by him”.

Subsec. (e)(2), (3). Pub. L. 103–296, §107(a)(4), substituted “Commissioner of Social Security” for “Secretary” where appearing, “the Commissioner has” for “he has” in two places in par. (2), and “certify to the Commissioner” for “certify to him” and “the Commissioner’s” for “his” in par. (3).


Subsec. (g). Pub. L. 103–296, §107(a)(4), substituted “Commissioner of Social Security” for “Secretary” where appearing, except where appearing before “of the Treasury” and substituted “the Commissioner” for “him after” in par. (2).


Subsec. (b)(1)(B). Pub. L. 102–54, §13(q)(3)(D), substituted “Secretary of Veterans Affairs to be payable by him” for “Veterans’ Administration to be payable by him”.

Subsec. (b)(2). Pub. L. 102–54, §13(q)(3)(E), substituted references to Secretary of Veterans Affairs and Secretary for references to Veterans’ Administration and Administration, wherever appearing.

Pub. L. 102–40 substituted “section 301 of title 38” for “section 301 of title 38”.


1989—Subsec. (b)(1). Pub. L. 101–508, §5117(b)(1), substituted “Subject to paragraph (3), any” for “Any”.


1983—Subsec. (f). Pub. L. 98–21, §308(2), substituted “his or her” for “his” and “her” wherever appearing, except in cl. (A) of par. (1).

Pub. L. 98–21, §308(1), substituted “surviving spouse” for “widow” wherever appearing.

Subsec. (g). Pub. L. 98–21, §151(a), amended subsec. generally, substituting provisions relating to determination of amounts to be appropriated to trust funds and to revisions of such amounts for provisions which had formerly required that, in September of 1965, 1970, and 1975, and in October 1980 and in every fifth October thereafter up to and including October 2010, the Secretary determine the amount which, if paid in equal installments at the beginning of each fiscal year in the period beginning (A) with July 1, 1965, in the case of the first such determination, and (B) with the beginning of the first fiscal year commencing after the determination in the case of all other such determinations, and ending with the close of September 30, 2015, would accumulate, with interest compounded annually, to an amount equal to the sum of the amount of benefits and administrative expenses the Secretary determined appropriate on the basis of the amount of benefits and administrative expenses actually paid from such Trust Fund under subchapter XVIII and the relevant actuarial assumptions set forth in the report of the Board of Trustees of such Trust Fund for such year under section 1395u(b) of this title.”
amount equal to the amount needed to place each of the Trust Funds and the Federal Hospital Insurance Trust Fund in the same position at the close of September 30, 2015, as he estimated it would otherwise be in at the close of that date if section 410 of this title as in effect prior to the Social Security Act Amendments of 1956, and this section, had not been enacted, was to be used in determining such amount to be the rate determined under section 401(d) of this title for public-debt obligations which were or could have been issued for purchase by the Trust Funds in the same position at the close of the month in which the determinations in 1965, 1970, and 1975 were made and in the September preceding the October in which all other determinations were made.

1981—Subsec. (b)(1). Pub. L. 97–123 struck out “, and as modified by the application of section 415(a)(6) of this title”.

Pub. L. 97–35 inserted “, and as modified by the application of section 415(a)(6) of this title”.

1977—Subsec. (b)(1). Pub. L. 95–216 substituted “section 415(c) of this title as in effect in December 1978”, for “section 415(c) of this title” in two places and “section 415(d) of this title as in effect in December 1978”, for “section 415(d) of this title”.

1976—Subsec. (g)(1). Pub. L. 94–273, § 15, substituted provisions relating to determination of the required amount for payment in September of 1965, 1970, and 1975, and in October 1980 and in every fifth October thereafter up to and including October 2010, and ending with the close of September 30, 2015, for provisions relating to determination of the required amount for payment in September 1965, and in every fifth September thereafter up to and including September 2010, and ending with the close of June 30, 2015, and inserted provisions relating to the rate of interest for the determination of the required amount in the September preceding the Octobers for all the other determinations subsequent to the 1975 determination.


1970—Subsec. (f)(1). Pub. L. 90–244, § 403(c)(1), substituted “‘subchapter III of chapter 83 of title 5’’ and ‘‘such subchapter III for the ‘Civil Service Retirement Act of May 29, 1930, as amended, and such Act of May 29, 1930, as amended, as elsewhere modified.’’ respectively.

Subsec. (i)(2). Pub. L. 90–244, § 403(c)(2), substituted ‘‘subchapter III of chapter 83 of title 5 for the ‘Civil Service Retirement Act of May 29, 1930, as amended’’.

1965—Subsec. (g)(1). Pub. L. 89–97 substituted provisions requiring the Secretary to determine, in September 1965, and every fifth September thereafter, up to and including September 2010, the amount necessary to place the Federal Hospital Insurance Trust Fund in the same position at the close of June 30, 2015, as they would otherwise have been in at the close of that date if section 410 of this title, as in effect prior to the Social Security Act Amendments of 1950, and this section had not been enacted and providing for determination of interest in accordance with section 401(d) of this title, for provisions authorizing the appropriation of sums necessary to meet additional costs resulting from payment of benefits after June 1956 under subsecs. (a), (b), and (e), including lump-sum death payments.

Subsec. (g)(2). Pub. L. 89–97 substituted provisions authorizing appropriation to the Trust Funds and the Federal Hospital Insurance Trust Fund in the fiscal years ending with the close of June 30, 1955, for provisions requiring the Secretary to determine before October 1, 1958, the amount necessary to place the Federal Old-Age and Survivors Insurance Trust Fund in the same position in which it would have been at the close of June 30, 1955, if section 410 of this title, as in effect prior to the Social Security Act Amendments of 1950, and this section had not been enacted and authorizing appropriations during the first ten years beginning after such determination had been made aggregating the sum so determined plus interest.

Subsec. (g)(3). Pub. L. 89–97 added pars. (3) and (4).

1960—Subsec. (e)(1). Pub. L. 86–778 substituted “section 410(h)(1) of this title” for “section 410(m)(1) of this title”.


Subsec. (g). Pub. L. 85–440, § 314(b), substituted “Trust Funds” for “Trust Fund” in par. (1), and “the Federal Old-Age and Survivors Insurance Trust Fund” for “the Trust Fund in”, “such Trust Fund annually”, for “the Trust Fund annually”, and “such Trust Fund during” for “the Trust Fund during” in par. (3).


1956—Subsec. (e). Act Aug. 1, 1956, § 404(a), amended subsec. (e) generally, substituting “January 1, 1957” for “April 1, 1956” in five places, and inserting provisions in par. (1) relating to monthly benefits for months after December 1956 and any lump-sum death payment under this subchapter with respect to a death occurring after December 1956.

Subsecs. (f), (g). Act Aug. 1, 1956, §§ 404(b), 406, added subsecs. (f) and (g), respectively.


1954—Subsec. (a)(1). Act Sept. 1, 1954, § 106(e)(1), (3), inserted “and for purposes of section 415(c) of this title” after “World War II veteran” in first sentence, and inserted sentence at end.

Subsec. (e)(1). Act Sept. 1, 1954, § 106(e)(2), (3), inserted “and for purposes of section 415(c) of this title” after “veteran (as defined in paragraph (4) of this subsection)” and inserted sentence at end.


Subsec. (a)(1). Act July 5, 1952, § 404(1), inserted provision following cl. (B) that cl. (B) not apply in the case of any monthly benefits or lump-sum death payments under this subchapter.

to benefits for months after December 1981 with certain exceptions, see section 2(j)(2)(v) of Pub. L. 97–123, set out as a note under section 415 of this title.

**Effective Date of 1977 Amendment**

Amendment by Pub. L. 95–216 effective with respect to monthly benefits and lump-sum death payments for deaths occurring after December 1976, see section 206 of Pub. L. 95–216, set out as a note under section 402 of this title.

**Effective Date of 1960 Amendment**


**Effective Date of 1958 Amendment**

Amendment by Pub. L. 85–857 effective Jan. 1, 1959, see section 2 of Pub. L. 85–857, set out as an Effective Date note preceding Part I of Title 38, Veterans’ Benefits.

Pub. L. 85–840, title III, §314(c)(2), Aug. 28, 1958, 72 Stat. 1037, provided: "That the amendment made by subsection (a) (amending this section) shall apply only with respect to (A) monthly benefits under sections 202 and 223 of the Social Security Act, and (B) lump-sum death payments under such section 202 in the case of deaths occurring after the month in which this Act is enacted [August 1958], (B) lump-sum death payments under such section 202 in the case of deaths occurring after the month in which this Act is enacted, and (C) periods of disability under section 216(i) (42 U.S.C. 416(i)) in the case of applications for a disability determination filed after the month in which this Act is enacted."}

**Effective Date of 1956 Amendment**

Act Aug. 1, 1956, ch. 837, title IV, §404(d), 70 Stat. 874, provided: "Except for the last sentence of section 217(e)(1) of the Social Security Act (42 U.S.C. 417(e)(1)) as amended by subsection (a) of this section, the amendments made by such subsection (a) of this section, the amendments made by such subsection (a) [amending this section] shall be effective as though they had been enacted on March 31, 1956. Such last sentence of section 217(e)(1) of the Social Security Act shall become effective January 1, 1957."


**Effective Date of 1954 Amendment**

Amendment by section 106(e) of act Sept. 1, 1954, applicable with respect to monthly benefits under subchapter II of chapter V of Act July 18, 1952, ch. 945, §5(c)(2), 66 Stat. 775, as amended by Pub. L. 86–778, title III, §904(d), Sept. 13, 1960, 74 Stat. 966, provided that:

"(i) The amendments made by subsections (a) and (b) [amending this section and section 405 of this title] shall apply with respect to monthly benefits under section 202 of the Social Security Act [42 U.S.C. 402] for months after August 1952, and with respect to lump-sum death payments under such subchapter in the case of deaths occurring after August 1952, but that no recomputation of benefits by reason of such amendments shall be regarded as a recomputation for purposes of section 415(f) of this title, see section 106(h) of act Sept. 1, 1954, set out as a note under section 415 of this title.

**Effective Date of 1952 Amendment**


"(i) The amendments made by subsections (a) and (b) [amending this section and section 405 of this title] shall apply with respect to monthly benefits under section 202 of the Social Security Act [42 U.S.C. 402] for months after August 1952, and with respect to lump-sum death payments in the case of deaths occurring after August 1952, except that, in the case of any individual who is entitled, on the basis of the wages and self-employment income of any individual to whom section 217(e) of the Social Security Act [42 U.S.C. 417(e)] applies, to monthly benefits under such section 202 for August 1952, such amendment shall apply only if an application for recomputation by reason of such amendments is filed by such individual, or any other individual, entitled to benefits under such section 202 on the basis of such wages and self-employment income, and (B) only with respect to such benefits for months after whichever of the following dates: August 1952 of the seventh month before the month in which such application was filed. Recomputations of benefits as required to carry out the provisions of this paragraph shall be made notwithstanding the provisions of section 215(f)(1) of the Social Security Act [42 U.S.C. 415(f)(1)]; but no such recomputation shall be regarded as a recomputation for purposes of section 215(f)(1) of such act. Notwithstanding the preceding provisions of this paragraph, the primary insurance amount of an individual shall not be recomputed under such provisions unless such individual files the application referred to in clause (A) of the first sentence of this paragraph prior to January 1961 or, if he dies without filing such application, his death occurred prior to January 1961."
provisions of section 215(f)(1) of the Social Security Act. Any such recomputation shall be effective for an additional month after the thirteenth month before the month in which the application is filed, but in no case for any month after September 15, 1940, and before January 1, 1957, was included; and

(3) whose widow or child is entitled under section 202 of the Social Security Act [42 U.S.C. 402], on the basis of his wages and self-employment income, to a recomputation of such monthly benefit, the Secretary of Health, Education, and Welfare [now Health and Human Services] shall, notwithstanding the provisions of section 215(f)(1) of the Social Security Act [42 U.S.C. 415(f)(1)], recompute the primary insurance amount of such individual upon the filing of an application, after the first month with respect to which such individual's death, and as though application thereafter was filed in the month in which he died. No recomputation made under this subsection shall be regarded as a recomputation under section 215(f) of the Social Security Act. Any such recomputation shall be made only in the manner provided in title II of the Social Security Act [42 U.S.C. 401 et seq.] as in effect at the time of the last previous computation or recomputation of such individual's primary insurance amount, and as though the application therefor was filed in the month of such recomputation, after the thirteenth month before the month in which the application is filed, but in no case for the month in which this Act is enacted or any prior month.''

Recomputation of Social Security Benefits of Widows and Children Who Waive Right to Annuity Under Civil Service Retirement Act

Act Aug. 1, 1956, ch. 837, title IV, § 404(c), 70 Stat. 874, provided that: “In the case of any deceased individual—

(1) who is a World War II veteran (as defined in section 217(d)(2) of the Social Security Act [42 U.S.C. 417(d)(2)]) or a veteran (as defined in section 217(e)(4) of such Act); and

(2) whose widow or child is entitled under the Civil Service Retirement Act of May 29, 1930, as amended [see section 8301 et seq. of Title 5, Government Organization and Employees], to an annuity in the computation of which his active military or naval service after September 15, 1940, and before January 1, 1957, was included; and

(3) whose widow or child is entitled under section 202 of the Social Security Act [42 U.S.C. 402], on the basis of his wages and self-employment income, to a monthly benefit in the computation of which such active military or naval service was excluded (under clause (b) of subsection (a)(1) or (c)(1) of section 217 of such Act) solely by reason of the annuity described in the preceding paragraph; and

(4) whose widow or child is entitled by reason of section 217(f) of the Social Security Act to have such active military or naval service included in the computation of such monthly benefit, the Secretary of Health, Education, and Welfare [now Health and Human Services] shall, notwithstanding the provisions of section 215(f)(1) of the Social Security Act [42 U.S.C. 415(f)(1)], recompute the primary insurance amount of such individual upon the filing of an application, after December 1956, by or on behalf of such widow or child. Such recomputation shall be made only in the manner provided in title II of the Social Security Act [42 U.S.C. 401 et seq.] as in effect at the time of such individual’s death, and as though application therefor was filed in the month in which he died. No recomputation made under this subsection shall be regarded as a recomputation under section 215(f) of the Social Security Act. Any such recomputation shall be effective for an additional month after the twelfth month before the month in which the application is filed, but in no case for any month before the first month with respect to which such widow or child is entitled by reason of section 217(f) of the Social Security Act to have such active military or naval service included in the computation of such monthly benefits. The terms used in this subsection shall have the same meaning as when used in title II of the Social Security Act.”

§ 418. Voluntary agreements for coverage of State and local employees

(a) Purpose of agreement

(1) The Commissioner of Social Security shall, at the request of any State, enter into an agreement with such State for the purpose of extending the insurance system established by this subchapter to services performed by individuals as employees of such State or any political subdivision thereof. Each such agreement shall contain such provisions, not inconsistent with the provisions of this section, as the State may request.

(2) Notwithstanding section 410(a) of this title, for the purposes of this subchapter the term “employment” includes any service included under an agreement entered into under this section.

(b) Definitions

For the purposes of this section—

(1) The term “State” does not include the District of Columbia, Guam, or American Samoa.

(2) The term “political subdivision” includes an instrumentality of (A) a State, (B) one or more political subdivisions of a State, or (C) a State and one or more of its political subdivisions.

(3) The term “employee” includes an officer of a State or political subdivision.

(4) The term “retirement system” means a pension, annuity, retirement, or similar fund or system established by a State or by a political subdivision thereof.

(5) The term “coverage group” means (A) employees of the State other than those engaged in performing service in connection with a proprietary function; (B) employees of a political subdivision of a State other than those engaged in performing service in connection with a proprietary function; (C) employees of a State engaged in performing service in connection with a single proprietary function; or (D) employees of a political subdivision of a State engaged in performing service in connection with a single proprietary function. If under the preceding sentence an employee would be included in more than one coverage group by reason of the fact that he performs service in connection with two or more proprietary functions or in connection with both a proprietary function and a nonproprietary function, he shall be included in only one such coverage group. The determination of the coverage group in which such employee shall be included shall be made in such manner as may be specified in the agreement. Persons employed under section 709 of title 32, who elected under section 6 of the National Guard Technicians Act of 1968 to remain covered by an employee retirement system of, or plan sponsored by, a State or the Commonwealth of Puerto Rico, shall, for the purposes of this chapter, be employees of the State or the Commonwealth of Puerto Rico and notwithstanding the preceding provisions of this para-
§ 418

(c) Services covered

(1) An agreement under this section shall be applicable to any one or more coverage groups designated by the State.

(2) In the case of each coverage group to which the agreement applies, the agreement must include all services (other than services excluded by or pursuant to subsection (d) or paragraph (3), (5), or (6) of this subsection) performed by individuals as members of such group.

(3) Such agreement shall, if the State requests it, exclude (in the case of any coverage group) any one or more of the following:

(A) All services in any class or classes of (i) elective positions, (ii) part-time positions, or (iii) positions the compensation for which is on a fee basis;

(B) All services performed by individuals as members of a coverage group in positions covered by a retirement system on the date such agreement is made applicable to such coverage group, but only in the case of individuals who, on such date (or, if later, the date on which they first occupy such positions), are not eligible to become members of such system and whose services in such positions have not already been included under such agreement pursuant to subsection (d)(3).

(4) The Commissioner of Social Security shall, at the request of any State, modify the agreement with such State so as to (A) include any coverage group to which the agreement did not previously apply, or (B) include, in the case of any coverage group to which the agreement applies, services previously excluded from the agreement; but the agreement as so modified may not be inconsistent with the provisions of this section applicable in the case of an original agreement with a State. A modification of an agreement pursuant to clause (B) of the preceding sentence may apply to individuals to whom paragraph (3)(B) of this subsection is applicable unless such agreement provides (in the case of each coverage group involved) either that the service of any individual to whom such paragraph is applicable and who is a member of such coverage group shall continue to be covered by such agreement in case he thereafter becomes eligible to be a member of a retirement system, or that such service shall cease to be so covered when he becomes eligible to be a member of such a system (but only if the agreement is not already applicable to such system pursuant to subsection (d)(3)), whichever may be desired by the State.

(8)(A) Notwithstanding any other provision of this section, the agreement with any State entered into under this section may at the option of the State be modified at any time to exclude service performed by election officials or election workers if the remuneration paid in a calendar year for such service is less than $1,000 with respect to service performed during any calendar year commencing on or after January 1, 1995, ending on or before December 31, 1999, and the adjusted amount determined under subparagraph (B) for any calendar year commencing on or after January 1, 2000, with respect to service performed during such calendar year. Any modification of an agreement pursuant to this paragraph shall be effective with respect to services performed in and after the calendar year in which the modification is mailed or delivered by other means to the Commissioner of Social Security.

(B) For each year after 1999, the Commissioner of Social Security shall adjust the amount referred to in paragraph (A) of this subsection and in the same manner as is provided under section 415(a)(1)(B)(i) of this title with respect to the amounts referred to in section 415(a)(1)(B)(i) of this title, except that—

(i) for purposes of this subparagraph, 1997 shall be substituted for the calendar year referred to in section 415(a)(1)(B)(i)(II) of this title, and

(ii) such amount as so adjusted, if not a multiple of $100, shall be rounded to the next high-
er multiple of $100 where such amount is a multiple of $50 and to the nearest multiple of $100 in any other case.

The Commissioner of Social Security shall determine and publish in the Federal Register each adjusted amount determined under this subparagraph not later than November 1 preceding the year for which the adjustment is made.

(d) Positions covered by retirement systems

(1) No agreement with any State may be made applicable (either in the original agreement or by any modification thereof) to any service performed by employees as members of any coverage group in positions covered by a retirement system either (A) on the date such agreement is made applicable to such coverage group, or (B) on September 1, 1954 (except in the case of positions which are, by reason of action by such State or political subdivision thereof, as may be appropriate, taken prior to September 1, 1954, no longer covered by a retirement system on the date referred to in clause (A), and except in the case of positions excluded by paragraph (5)(A) of this subsection). The preceding sentence shall not be applicable to any service performed by an employee as a member of any coverage group in a position (other than a position excluded by paragraph (5)(A) of this subsection) covered by a retirement system on the date an agreement is made applicable to such coverage group if, on such date (or, if later, the date on which such individual first occupies such position), such individual is ineligible to be a member of such system.

(2) It is declared to be the policy of the Congress in enacting the succeeding paragraphs of this subsection that the protection afforded employees in positions covered by a retirement system on the date an agreement under this section is made applicable to service performed in such positions, or receiving periodic benefits under such retirement system at such time, will not be impaired as a result of making the agreement so applicable or as a result of legislative enactment in anticipation thereof.

(3) Notwithstanding paragraph (1) of this subsection, an agreement with a State may be made applicable (either in the original agreement or by any modification thereof) to service performed by employees in positions covered by a retirement system on the date an agreement under this section is made applicable to service performed in such positions, or receiving periodic benefits under such retirement system at such time, will not be impaired as a result of making the agreement so applicable or as a result of legislative enactment in anticipation thereof.

(4) For the purposes of subsection (c) of this section, the following employees shall be deemed to be a separate coverage group:

(A) all employees in positions which were covered by the same retirement system on the date the agreement was made applicable to such system (other than employees to whose services the agreement already applied on such date);

(B) all employees in positions which became covered by such system at any time after such date; and

(C) all employees in positions which were covered by a retirement system at any time before such date and to whose services the insurance system established by this subchapter has not been extended before such date because the positions were covered by such retirement system (including employees to whose services the agreement was not applicable on such date because such services were excluded pursuant to subsection (c)(3)(B)).

(5)(A) Nothing in paragraph (3) of this subsection shall authorize the extension of the insurance system established by this subchapter to service in any policeman’s or fireman’s position.

(B) At the request of the State, any class or classes of positions covered by a retirement system which may be excluded from the agreement pursuant to paragraph (3) or (5) of subsection (c), and to which the agreement does not already apply, may be excluded from the agreement at the time it is made applicable to such retirement system; except that, notwithstanding the provisions of paragraph (3)(B) of such subsection, such exclusion may not include any services to which such paragraph (3)(B) is applicable. In the case of any such exclusion, each such class so excluded shall, for purposes of this subsection, constitute a separate retirement system in case of any modification of the agreement thereafter agreed to.

(E) A majority of the eligible employees voted in favor of including service in such positions under an agreement under this section.

An employee shall be deemed an “eligible employee” for purposes of any referendum with respect to any retirement system if, at the time such referendum was held, he was in a position covered by such retirement system and was a member of such system, and if he was in such a position at the time notice of such referendum was given as required by clause (C) of the preceding sentence; except that he shall not be deemed an “eligible employee” if, at the time the referendum was held, he was in a position to which the State agreement already applied, or if he was in a position excluded by or pursuant to paragraph (5). No referendum with respect to a retirement system shall be valid for purposes of this paragraph unless held within the two-year period which ends on the date of execution of the agreement or modification which extends the insurance system established by this subchapter to such retirement system, nor shall any referendum with respect to a retirement system be valid for purposes of this paragraph if held less than one year after the last previous referendum held with respect to such retirement system.

(4) For the purposes of subsection (c) of this section, the following employees shall be deemed to be a separate coverage group:

(A) all employees in positions which were covered by the same retirement system on the date the agreement was made applicable to such system (other than employees to whose services the agreement already applied on such date);

(B) all employees in positions which became covered by such system at any time after such date; and

(C) all employees in positions which were covered by such system at any time before such date and to whose services the insurance system established by this subchapter has not been extended before such date because the positions were covered by such retirement system (including employees to whose services the agreement was not applicable on such date because such services were excluded pursuant to subsection (c)(3)(B)).

(5)(A) Nothing in paragraph (3) of this subsection shall authorize the extension of the insurance system established by this subchapter to service in any policeman’s or fireman’s position.

(B) At the request of the State, any class or classes of positions covered by a retirement system which may be excluded from the agreement pursuant to paragraph (3) or (5) of subsection (c), and to which the agreement does not already apply, may be excluded from the agreement at the time it is made applicable to such retirement system; except that, notwithstanding the provisions of paragraph (3)(B) of such subsection, such exclusion may not include any services to which such paragraph (3)(B) is applicable. In the case of any such exclusion, each such class so excluded shall, for purposes of this subsection, constitute a separate retirement system in case of any modification of the agreement thereafter agreed to.
(6)(A) If a retirement system covers positions of employees of the State and positions of employees of one or more political subdivisions of the State, or covers positions of employees of two or more political subdivisions of the State, then, for purposes of the preceding paragraphs of this subsection, there shall, if the State so desires, be deemed to be a separate retirement system with respect to any one or more of the political subdivisions concerned and, where the retirement system covers positions of employees of the State, a separate retirement system with respect to the State or with respect to the State and any one or more of the political subdivisions concerned. Where a retirement system covering positions of employees of a State and positions of employees of two or more political subdivisions of the State, is not divided into separate retirement systems pursuant to the preceding sentence or pursuant to subparagraph (C), then the State may, for purposes of subsection (e) only, deem the system to be one separate retirement system with respect to any one or more of the political subdivisions concerned and, where the retirement system covers positions of employees of the State, a separate retirement system with respect to the State or with respect to the State and any one or more of the political subdivisions concerned.

(B) If a retirement system covers positions of employees of one or more institutions of higher learning, then, for purposes of such preceding paragraphs there shall, if the State so desires, be deemed to be a separate retirement system for the employees of each such institution of higher learning. For the purposes of this subparagraph, the term "institutions of higher learning" includes junior colleges and teachers colleges. If a retirement system covers positions of employees of a hospital which is an integral part of a political subdivision, then, for purposes of the preceding paragraphs there shall, if the State so desires, be deemed to be a separate retirement system for the employees of such hospital.

(C) For the purposes of this subsection, any retirement system established by the State of Alaska, California, Connecticut, Florida, Georgia, Illinois, Kentucky, Louisiana, Massachusetts, Minnesota, Nevada, New Jersey, New Mexico, New York, North Dakota, Pennsylvania, Rhode Island, Tennessee, Texas, Vermont, Washington, Wisconsin, or Hawaii, or any political subdivision of any such State, which, on, before, or after August 1, 1956, is divided into two divisions or parts, one of which is composed of positions of members of such system who desire coverage under an agreement under this section and the other of which is composed of positions of members of such system who do not desire such coverage, shall, if the State so desires and if it is provided that there shall be included in such division or part composed of members desiring such coverage the positions of individuals who become members of such system after such coverage is extended, be deemed to be a separate retirement system with respect to each such division or part. If, in the case of a separate retirement system which is deemed to exist by reason of subparagraph (A) and which has been divided into two divisions or parts pursuant to the first sentence of this subparagraph, individuals become members of such system by reason of action taken by a political subdivision after coverage under an agreement under this section has been extended to the division or part thereof composed of positions of individuals who desire such coverage, the positions of such individuals who become members of such retirement system by reason of the action so taken shall be included in the division or part of such system composed of positions of members who do not desire such coverage if such individuals, on the day before becoming such members, were in the division or part of another separate retirement system (deemed to exist by reason of subparagraph (A)) composed of positions of members of such system who do not desire coverage under an agreement under this section, and (ii) all of the positions in the separate retirement system of which such individuals so become members and all of the positions in the separate retirement systems referred to in clause (i) would have been covered by a single retirement system if the State had not taken action to provide for separate retirement systems under this paragraph.

(D)(i) The position of any individual which is covered by any retirement system to which subparagraph (A) is applicable shall, if such individual is ineligible to become a member of such system on August 1, 1956, or, if later, the day he first occupies such position, be deemed to be covered by the separate retirement system consisting of the positions of members of the division or part who do not desire coverage under the insurance system established under this subchapter.

(ii) Notwithstanding clause (i), the State may, pursuant to subsection (c)(4)(B) and subject to the conditions of continuation or termination of coverage provided for in subsection (c)(7), modify its agreement under this section to include services performed by all individuals described in clause (i) other than those individuals to whose services the agreement already applies. Such individuals shall be deemed (on and after the effective date of the modification) to be in positions covered by the separate retirement system consisting of the positions of members of the division or part who desire coverage under the insurance system established under this subchapter.

(E) An individual who is in a position covered by a retirement system to which subparagraph (C) is applicable and who is not a member of such system but is eligible to become a member thereof shall, for purposes of this subsection (other than paragraph (8) of this subsection), be regarded as a member of such system; except that, in the case of any retirement system a division or part of which is covered under the agreement (either in the original agreement or by a modification thereof), which coverage is agreed to prior to 1980, the preceding provisions of this subparagraph shall apply only if the State so requests and any such individual referred to in such preceding provisions shall, if the State so requests, be treated, after division of the retirement system pursuant to such sub-
paragraph (C), the same as individuals in positions referred to in subparagraph (F).

(F) In the case of any retirement system divided pursuant to subparagraph (C), the position of any member of the division or part composed of positions of members who do not desire coverage may be transferred to the separate retirement system composed of positions of members who desire such coverage if it is so provided in a modification of such agreement which is mailed, or delivered by other means, to the Commissioner of Social Security prior to 1970 or, if later, the expiration of two years after the date on which such agreement, or the modification thereof making the agreement applicable to such separate retirement system, as the case may be, is agreed to, but only if, prior to such modification or such later modification, as the case may be, the individual occupying such position files with the State a written request for such transfer. Notwithstanding subsection (e)(1), any such modification or later modification, providing for the transfer of additional positions within a retirement system previously divided pursuant to subparagraph (C) to the separate retirement system composed of positions of members who desire coverage, shall be effective with respect to services performed after the same effective date as that which was specified in the case of such previous division.

(G) For the purposes of this subsection, in the case of any retirement system of the State of Florida, Georgia, Minnesota, North Dakota, Pennsylvania, Washington, or Hawaii which covers positions of employees of such State who are compensated in whole or in part from grants made to such State under subchapter III, there shall be deemed to be, if such State so desires, a separate retirement system with respect to any of the following:

(i) the positions of such employees;
(ii) the positions of all employees of such State covered by such retirement system who are employed in the department of such State in which the employees referred to in clause (i) are employed; or
(iii) employees of such State covered by such retirement system who are employed in such department of such State in positions others than those referred to in clause (i).

(7) The certification by the governor (or an official of the State designated by him for the purpose) required under paragraph (3) of this subsection shall be deemed to have been made, in the case of a division or part (created under subparagraph (C) of paragraph (6) of this subsection or the corresponding provision of prior law) consisting of the positions of members of a retirement system who desire coverage under the agreement under this section, if the governor (or the official so designated) certifies to the Commissioner of Social Security prior to 1959, to service in positions covered by any retirement system if such individual, on the day the agreement is made applicable to service performed in positions covered by such retirement system, is a member of such system and is a member of another system.

(C) If an agreement is made applicable, prior to 1959, to service in positions covered by any retirement system, the preceding provisions of this paragraph shall be applicable in the case of such system if the agreement is modified to so provide.

(D) Except in the case of State agreements modified as provided in subsection (l) and agreements with interstate instrumentalities, nothing in this paragraph shall authorize the application of an agreement to service in any policeman’s or fireman’s position.

(e) Effective date of agreement; retroactive coverage

(1) Any agreement or modification of an agreement under this section shall be effective with respect to services performed after an effective date specified in such agreement or modification; except that such date may not be earlier than the last day of the sixth calendar year preceding the year in which such agreement or modification, as the case may be, is mailed or delivered by other means to the Commissioner of Social Security.

(2) In the case of service performed by members of any coverage group,

(A) to which an agreement under this section is made applicable, and

(B) with respect to which the agreement, or modification thereof making the agreement so applicable, specifies an effective date earlier than the date of execution of such agreement and such modification, respectively,

the agreement shall, if so requested by the State, be applicable to such services to the extent the agreement was not already applicable performed before such date of execution and after such effective date by any individual as a member of such coverage group if he is such a member on a date, specified by the State, which
is earlier than such date of execution, except that in no case may the date so specified be earlier than the date such agreement or such modification, as the case may be, is mailed, or delivered by other means, to the Commissioner of Social Security.

(3) Notwithstanding the provisions of paragraph (2) of this subsection, in the case of services performed by individuals as members of any coverage group to which an agreement under this section is made applicable, and with respect to which there were timely paid in good faith to the Secretary of the Treasury amounts equivalent to the sum of the taxes which would have been imposed by sections 3101 and 3111 of the Internal Revenue Code of 1986 had such services constituted employment for purposes of chapter 21 of such Code at the time they were performed, and with respect to which refunds were not obtained, such individuals may, if so requested by the State, be deemed to be members of such coverage group on the date designated pursuant to paragraph (2).

(f) Duration of agreement

No agreement under this section may be terminated, either in its entirety or with respect to any coverage group, on or after April 20, 1983.

(g) Instrumentalities of two or more States

(1) The Commissioner of Social Security may, at the request of any instrumentality of two or more States, enter into an agreement with such instrumentality for the purpose of extending the insurance system established by this subchapter to services performed by individuals as employees of such instrumentality. Such agreement, to the extent practicable, shall be governed by the provisions of this section applicable in the case of an agreement with a State.

(2) In the case of any instrumentality of two or more States, if—

(A) employees of such instrumentality are in positions covered by a retirement system of such instrumentality or of any of such States or any of the political subdivisions thereof, and

(B) such retirement system is (on, before, or after August 30, 1957) divided into two divisions or parts, one of which is composed of positions of members of such system who are employees of such instrumentality and who desire coverage under an agreement under this section and the other of which is composed of positions of members of such system who are employees of such instrumentality and who do not desire such coverage, and

(C) it is provided that there shall be included in such division or part composed of the positions of members desiring such coverage the positions of employees of such instrumentality who become members of such system after such coverage is extended,

then such retirement system shall, if such instrumentality so desires, be deemed to be a separate retirement system with respect to each such division or part. An individual who is in a position covered by a retirement system divided pursuant to the preceding sentence and who is not a member of such system but is eligible to become a member thereof shall, for purposes of this subsection, be regarded as a member of such system. Coverage under the agreement of any such individual shall be provided under the same conditions, to the extent practicable, as are applicable in the case of the States to which the provisions of subsection (d)(3)(C) apply. The position of any employee of any such instrumentality which is covered by any retirement system to which the first sentence of this paragraph is applicable shall, if such individual is ineligible to become a member of such system on August 30, 1957, or, if later, the day he first occupies such position, be deemed to be covered by the separate retirement system consisting of the positions of members of the division or part who do not desire coverage under the insurance system established under this subchapter. Services in positions covered by a separate retirement system created pursuant to this subsection (and consisting of the positions of members who desire coverage under an agreement under this section) shall be covered under such agreement on compliance, to the extent practicable, with the same conditions as are applicable to coverage under an agreement under this section of services in positions covered by a separate retirement system created pursuant to subparagraph (C) of subsection (d)(6) or the corresponding provision of prior law (and consisting of the positions of members who desire coverage under such agreement).

(3) Any agreement with any instrumentality of two or more States entered into pursuant to this chapter may, notwithstanding the provisions of subsection (d)(6)(A) and the references thereto in subsections (d)(1) and (d)(3), apply to services performed by employees of such instrumentality in any policeman’s or fireman’s position covered by a retirement system, but only upon compliance, to the extent practicable, with the requirements of subsection (d)(3). For the purpose of the preceding sentence, a retirement system which covers positions of policemen or firemen or both, and other positions shall, if the instrumentality concerned so desires, be deemed to be a separate retirement system with respect to the positions of such policemen or firemen, or both, as the case may be.

(h) Delegation of functions

The Commissioner of Social Security is authorized, pursuant to agreement with the head of any Federal agency, to delegate any of the Commissioner’s functions under this section to any officer or employee of such agency and otherwise to utilize the services and facilities of such agency in carrying out such functions, and payment therefor shall be in advance or by way of reimbursement, as may be provided in such agreement.

(i) Wisconsin Retirement Fund

(1) Notwithstanding paragraph (1) of subsection (d), the agreement with the State of Wisconsin may, subject to the provisions of this subsection, be modified so as to apply to service performed by employees in positions covered by the Wisconsin retirement fund or any successor system.

(2) All employees in positions covered by the Wisconsin retirement fund at any time on or after January 1, 1951, shall, for the purposes of
subsection (c)(4) to apply to service performed by employees of such State or any political subdivision thereof in any policeman’s or fireman’s position covered by a retirement system in effect on or after August 1, 1956, but only upon compliance with the requirements of subsection (d)(3). For the purposes of the preceding sentence, a retirement system which covers positions of policemen or firemen, or both, and other positions shall, if the State concerned so desires, be deemed to be a separate retirement system with respect to the positions of such policemen or firemen, or both, as the case may be.

(m) Positions compensated solely on a fee basis

(1) Notwithstanding any other provision in this section, an agreement entered into under this section may be made applicable to service performed after 1967 in any class or classes of positions compensated solely on a fee basis to which such agreement did not apply prior to 1968 only if the State specifically requests that its agreement be made applicable to such service in such class or classes of positions.

(2) Notwithstanding any other provision in this section, an agreement entered into under this section may be modified, at the option of the State, at any time after 1967, so as to exclude services performed in any class or classes of positions compensation for which is solely on a fee basis.

(3) Any modification made under this subsection shall be effective with respect to services performed after the last day of the calendar year in which the modification is mailed or delivered by other means to the Commissioner of Social Security.

(4) If any class or classes of positions have been excluded from coverage under the State agreement by a modification agreed to under this subsection, the Commissioner of Social Security and the State may not thereafter modify such agreement so as to again make the agreement applicable with respect to such class or classes of positions.

(n) Optional medicare coverage of current employees

(1) The Commissioner of Social Security shall, at the request of any State, enter into or modify an agreement with such State under this section for the purpose of extending the provisions of subchapter XVIII, and sections 426 and 426-1 of this title, to services performed by employees of such State or any political subdivision thereof who are described in paragraph (2).

(2) This subsection shall apply only with respect to employees—

(A) whose services are not treated as employment as that term applies under section 410(p) of this title by reason of paragraph (3) of such section; and

(B) who are not otherwise covered under the State’s agreement under this section.

(3) For purposes of sections 426 and 426-1 of this title, services covered under an agreement pursuant to this subsection shall be treated as “medicare qualified government employment.”

(4) Except as otherwise provided in this subsection, the provisions of this section shall apply with respect to services covered under the agreement pursuant to this subsection.

References in Text
Section 6 of the National Guard Technicians Act of 1968, referred to in subsec. (b)(5), is section 6 of Pub. L. 90–486, which is set out as a note under section 769 of Title 32, National Guard.

The Internal Revenue Code of 1966, referred to in subsec. (e)(3), is classified to Title 26, Internal Revenue Code.

Amendments
1989—Subsec. (c)(5). Pub. L. 101–239 substituted “subparagraph (B) of section 409(a)(7)” for “paragraph (2) of section 409(h)”.

1987—Subsec. (n). Pub. L. 100–203, § 9023(c), redesignated subsec. (v) as (n), redesignated pars. (4) and (5) as (3) and (4), respectively, and struck out former par. (3) which had previously been struck out of subsec. (v) by section 409(h)(7) of Pub. L. 100–203 prior to its redesignation as subsec. (n) by Pub. L. 100–203, § 9023(c)(1). See below.

Subsec. (v). Pub. L. 100–203, § 9023(c)(1), redesignated subsec. (v) as (n).

Subsec. (v)(3). Pub. L. 100–203, § 4009(j)(7), struck out par. (3) which read as follows: “Payments by the State required under subsection (e) of this section with respect to employees covered under this subsection shall not be included in the calculation of the amount determined under subsection (b) for the year.”


Subsec. (d)(3), (6)(F). Pub. L. 103–296, § 107(a)(4), substituted “Commissioner of Social Security” for “Secretary” in subsecs. (a)(1) and (b) and “the Commissioner’s” for “his” in subsec. (h).

Subsec. (l). Pub. L. 103–296, § 305(a), struck out par. (1) designation before “Any agreement with”, substituted “State entered into pursuant to this section” for “any agreement with the States named in”, and substituted “Secretary of Labor” for “Commissioner of Social Security” in the post-amendment section.

Subsec. (m)(3), (4), (n)(1). Pub. L. 103–296, § 107(a)(4), substituted “Commissioner of Social Security” for “Secretary” in subsecs. (a)(1) and (b) and “the Commissioner’s” for “his” in subsec. (h).

Subsec. (n). Pub. L. 100–203, § 9023(c), redesignated subsec. (v) as (n), redesignated pars. (4) and (5) as (3) and (4), respectively, and struck out former par. (3) which had previously been struck out of subsec. (v) by section 409(h)(7) of Pub. L. 100–203 prior to its redesignation as subsec. (n) by Pub. L. 100–203, § 9023(c)(1). See above.

Subsec. (v). Pub. L. 100–203, § 9023(c)(1), redesignated subsec. (v) as (n).

Subsec. (v)(3). Pub. L. 100–203, § 4009(j)(7), struck out par. (3) which read as follows: “Payments by the State required under subsection (e) of this section with respect to employees covered under this subsection shall
be limited to amounts equivalent to the sum of the taxes which would be imposed by sections 3101(b) and 3111(b) of the Internal Revenue Code of 1954 if such services of which wages were paid to such employees constituted ‘employment’ as defined in section 3121 of such Code.”


Subsec. (e). Pub. L. 99–509, § 9002(c)(1), redesignated subsec. (j) as (g), Former subsec. (g) redesignated (f).

Subsec. (f). Pub. L. 99–509, § 9002(c)(1), redesignated subsec. (k) as (g), Former subsec. (g) redesignated (f).

Subsec. (g). Pub. L. 99–509, § 9002(c)(1), redesignated subsec. (k) as (g), Former subsec. (g) redesignated (f).

Subsec. (h). Pub. L. 99–509, § 9002(c)(1), redesignated subsec. (l) as (h) and struck out former subsec. (h) which required that amounts received by the Secretary of the Treasury under an agreement made under this section be deposited in the Trust Funds and the Federal Hospital Insurance Trust Fund in certain ratio and provided for adjustment of amount due if more or less than correct amount due is paid.

Subsec. (i). Pub. L. 99–509, § 9002(c)(1), redesignated subsec. (m) as (l), Former subsec. (l) redesignated (h).

Subsec. (j). Pub. L. 99–509, § 9002(c)(1), redesignated subsec. (n) as (j) and struck out former subsec. (j) which read as follows: “In case any State does not make, at the time or times due, the payments provided for under an agreement pursuant to this section, there shall be added, as part of the amounts due, interest at the rate of 6 percentum per annum from the date due until paid, and the Secretary may, in his discretion, deduct such amounts plus interest from any amounts certified to him by the Secretary of the Treasury for payment to such State under any other provision of this chapter.

Amounts so deducted shall be deemed to have been paid to the State under such other provision of this chapter.

Amounts equal to the amounts deducted under this subsection are hereby appropriated to the Trust Funds in such ratio in which amounts are deposited in such Funds pursuant to subsection (h)(1) of this section.”

Subsec. (k). Pub. L. 99–509, § 9002(c)(1), redesignated subsec. (s) as (k), Former subsec. (k) redesignated (g).


Subsec. (n) to (p). Pub. L. 99–509, § 9002(c)(1), redesignated subsec. (n) to (p) as (l) to (i), respectively.

Subsec. (q). Pub. L. 99–509, § 9002(c)(1), struck out subsec. (q) which provided time limitations on liability of States for amounts due under agreements under this section.

Subsec. (r). Pub. L. 99–509, § 9002(c)(1), struck out subsec. (r) which provided time limitations on credits and refunds of overpayments by States under agreements under this section.

Subsec. (s). Pub. L. 99–509, § 9002(c)(1), struck out subsec. (s) which related to review by Secretary.

Subsec. (t). Pub. L. 99–509, § 9002(c)(1), struck out subsec. (t) which provided for judicial review of decisions by Secretary of Health and Human Services under former subsec. (s) of this section.

Subsec. (u). Pub. L. 99–509, § 9002(c)(1), redesignated subsec. (u) as (m).

Subsec. (u)(3). Pub. L. 99–509, § 9121(b)(10), substituted “is mailed or delivered by other means to the Secretary” for “is agreed to by the Secretary and the State”.


Subsec. (w). Pub. L. 99–509, § 9002(c)(1), struck out subsec. (w) which read as follows: “Notwithstanding sections 3125(a), 6205(a)(5), 6413(a)(5), and 6413(c)(2)(G) of the Internal Revenue Code of 1954, any State shall make payments of the taxes imposed with respect to services of employees of such State and of a political subdivision thereof under sections 3101(b) and 3111(b) of such Code, and reports of such services, under the same procedures as apply to payments and reports under subsection (e) of this section, but only if any employees of such State or of such political subdivision thereof respectively are covered under an agreement pursuant to this section.”


1983—Subsec. (e)(1)(A). Pub. L. 98–21, § 342(a), amended subpar. (A) generally, designating existing provisions as cl. (i), and in (i) as so designated, substituting “on the last day of each calendar month” for “within the thirty-day period immediately following the last day of each calendar month” and inserting “with respect to the period which includes the first fifteen days of such calendar month” before “if the services”, and adding cl. (ii).

Subsec. (g). Pub. L. 98–21, § 103(a), amended subsec. (g) generally, substituting provision that no agreement under this section may be terminated on or after April 20, 1983, for provision that had authorized the termination of agreements of States with the Secretary conditioned upon the giving of advance notice.

Subsec. (o). Pub. L. 98–21, § 325(a), inserted provision that coverage provided for in this subsection shall not be affected by a subsequent change in the name of a group.

1980—Subsec. (e)(1)(A). Pub. L. 96–265, § 503(a), substituted “(A) that the State will pay to the Secretary of the Treasury, within the thirty-day period immediately following the last day of each calendar month, amounts equivalent to the sum of the taxes which would be imposed by sections 3101 and 3111 of the Internal Revenue Code of 1954 if the services of which wages were paid in such month to employees covered by the agreement constituted employment as defined in section 3121 of such Code” for “(A) that the State will pay to the Secretary of the Treasury, at such time or times as the Secretary shall by regulations prescribe, amounts equivalent to the sum of the taxes which would be imposed by sections 1400 and 1410 of the Internal Revenue Code of 1939, if the services of employees covered by the agreement constituted employment as defined in section 3121 of such Code”.

1977—Subsec. (c)(8). Pub. L. 95–216, § 533(b)(1)(A), substituted “year” for “quarter” and “$100” for “$50”.

Subsec. (g)(1). Pub. L. 95–216, §33(b)(2), substituted "'year' for "'quarter'".

Subsec. (m)(1). Pub. L. 95–216, §321, inserted "or any successor system" after "Wisconsin retirement fund".


Subsec. (q)(6)(B). Pub. L. 95–216, §33(b)(4), substituted "calendar quarters designates by the State in such wage reports as the".

Subsec. r(1). Pub. L. 95–216, §353(b)(5), in provisions preceding cl. (A) and in cl. (B) substituted "'year" for "'quarter", and in cl. (A) struck out "in which occurred the calendar quarter" after "'year".


1968—Subsec. (b)(5). Pub. L. 90–486 substituted provisions pertaining to the coverage of persons employed under section 709 of title 32, who elected pursuant to subpar. (C) to the separate retirement system with respect to any one or more of the political subdivisions concerned, for provisions pertaining to the coverage of civilian employees of National Guard units of a state who are employed pursuant to section 42 of title 32, and who are paid from funds allotted to such units by the Department of the Defense, such persons, for the purposes of this section, to be deemed employees of the state.

Subsec. (c)(3). Pub. L. 90–248, §116(b)(1)(A), struck out subpar. (A) which provided for the exclusion of any service of an emergency nature and redesignated subpars. (B) and (C) as (A) and (B), respectively.

Subsec. (c)(4). Pub. L. 90–248, §116(b)(1)(B), redesignated former pars. (1) and (2) as (A) and (B), respectively.


Subsec. (e)(6)(D). Pub. L. 90–248, §116(a), designated existing provisions as cl. (i) and added cl. (ii).


Subsec. (p). Pub. L. 90–248, §§119(a), 120(a), designated existing provisions as par. (1), inserted "'Puerto Rico,'" after "'Oregon,'" and added par. (2).


Subsec. (h)(1). Pub. L. 89–97, §108(b), substituted "'Trust Funds and the Federal Hospital Insurance Trust Fund in the ratio in which amounts are appropriated to successions pursuant to subpar. (a)(4) of section 401 of this title, subsection (b)(1) of such section, and subsection (a)(1) of section 1395i of this title, respectively' for "'Trust Funds in the ratio in which amounts are appropriated to such Funds pursuant to subsections (a)(4) and (b)(1) of section 401 of this title'".


in which amounts are appropriated to such Funds pursuant to section 401(a)(3), (b)(1), of this title.

Subsec. (i). Act Aug. 1, 1956, §108(g), substituted "Secretary of Health, Education, and Welfare" for "Administrator", and provided for appropriation of amounts in the ratio in which amounts are deposited in the Trust Funds pursuant to subsection (b)(1) of this section.


1954—Subsec. (b)(5). Act Sept. 1, 1954, §101(h)(1), (2), inserted sentence at end relating to civilian employees of State National Guard units and a sentence relating to certain State inspectors of agricultural products.

Subsec. (c)(3). Act Sept. 1, 1954, §101(h)(3), inserted an additional optional exclusion with respect to all services performed by individuals as members of any coverage group who are in positions covered by a retirement system on the date when the group is brought under the agreement if these individuals are not eligible to become members of the system on that date, or on any later date when they first occupy the positions, and if they have not already been included under the agreement by means of a referendum.


Subsec. (c)(5). Act Sept. 1, 1954, §101(a)(5), (6), substituted "paragraph (7)" for "paragraph (8)," and inserted at end "and service the remuneration for which is excluded from wages by paragraph (2) of section 209(h)".

Subsec. (c)(6)(D). Act Sept. 1, 1954, §101(a)(5), substituted "paragraph (7)" for "paragraph (8)".


Subsec. (d). Act Sept. 1, 1954, §101(h)(1)(A), struck out "Exclusion of" in heading, redesignated the subsection as (d)(1), and inserted sentence at end.

Subsec. (d)(1). Act Sept. 1, 1954, §101(h)(1)(B), inserted provision in first sentence making the prohibition inapplicable to service in positions which though covered by a retirement system on the enactment date, were, by reason of action taken prior to the enactment date by the appropriate governmental unit, no longer covered by a retirement system when the coverage group which included employees in such positions was brought under an agreement.


Subsec. (f). Act Sept. 1, 1954, §101(h)(6), permitted agreements or modifications entered into during 1955, 1956, and 1957 to be made retroactive to a date not earlier than December 31, 1951.

Subsec. (m)(1). Act Sept. 1, 1954, §101(h)(7), substituted "paragraph (1) of subsection (d)" for "subsection (d)".


**Effective Date of 2004 Amendment**


**Effective Date of 1994 Amendment**


Amendment by section 303(c) of Pub. L. 103–296 applicable with respect to service performed on or after Jan. 1, 1995, see section 303(e) of Pub. L. 103–296, set out as a note under section 410 of this title.

Pub. L. 103–296, title III, §955(c), Aug. 15, 1994, 108 Stat. 1521, provided that: "The amendments made by this section [amending this section] shall apply with
respect to modifications filed by States after the date of the enactment of this Act [Aug. 15, 1994]."

**Effective Date of 1990 Amendment**

Amendment by Pub. L. 101–508 applicable with respect to wages paid on or after April 20, 1990, see section 11332(d) of Pub. L. 101–508, set out as a note under section 3126 of Title 26, Internal Revenue Code.

**Effective Date of 1986 Amendment**


Pub. L. 99–599, title IX, § 9002(d), Oct. 21, 1986, 100 Stat. 237, provided that: "The amendments made by this section [enacting section 3128 of Title 26, Internal Revenue Code, amending this section and sections 405 and 424a of this title and sections 1402, 3121, and 3306 of Title 26, and renumbering former section 3126 of Title 26 as section 3127] are effective with respect to payments due with respect to wages paid after December 31, 1986, including wages paid after such date by a State (or political subdivision thereof) that modified its agreement pursuant to the provisions of section 218(e)(2) of the Social Security Act [subsec. (e)(2) of this section] prior to the date of the enactment of this Act [Oct. 21, 1986]; except that in cases where, in accordance with the currently applicable schedule, deposits of taxes due under an agreement entered into pursuant to section 218 of the Social Security Act would be required within 3 days after the close of an eighth-monthly period, such 3-day requirement shall be changed to a 7-day requirement for wages paid prior to October 1, 1987, and to a 5-day requirement for wages paid after September 30, 1987, and prior to October 1, 1988. For wages paid prior to October 1, 1988, the deposit schedule for taxes imposed under sections 3101 and 3111 shall be determined separately from the deposit schedule for taxes withheld under section 3402 (26 U.S.C. 3402) if the taxes imposed under sections 3101 and 3111 are due with respect to service included under an agreement entered into pursuant to section 218 of the Social Security Act."

Pub. L. 99–272, title XII, §12110(c), Apr. 7, 1986, 100 Stat. 287, provided that: "The amendments made by this section [amending this section] shall apply with respect to agreements and modifications of agreements which are mailed or delivered to the Secretary of Health and Human Services (under section 218 of the Social Security Act [this section]) on or after the date of the enactment of this Act [Apr. 7, 1986]."

Pub. L. 99–272, title XIII, §13503(d)(3), Apr. 7, 1986, 100 Stat. 318, provided that: "The amendment made by subsection (c) [amending this section] shall apply to services performed after March 31, 1986."

**Effective Date of 1984 Amendment**

Amendment by Pub. L. 98–369 effective July 18, 1984, but not to be construed as changing or affecting any right, liability, status, or interpretation which existed (under the provisions of law involved) before that date, see section 2664(b) of Pub. L. 98–369, set out as a note under section 402 of this title.

**Effective Date of 1983 Amendment**

Pub. L. 98–21, title I, §103(b), Apr. 20, 1983, 97 Stat. 72, provided that: "The amendment made by subsection (a) [amending this section] shall apply to any agreement in effect under section 218 of the Social Security Act (42 U.S.C. 418) on the date of the enactment of this Act [Apr. 20, 1983], without regard to whether a notice of termination is in effect on such date, and to any agreement or modification thereof which may become effective under such section 218 after that date."

Pub. L. 98–21, title III, §326(b), Apr. 20, 1983, 97 Stat. 126, provided that: "The amendment made by subsection (a) [amending this section] shall apply with respect to name changes made before, on, or after the date of the enactment of this section [Apr. 20, 1983]."


**Effective Date of 1980 Amendment**

Pub. L. 96–265, title V, §503(b), June 9, 1980, 94 Stat. 471, provided that: "The amendment made by subsection (a) [amending this section] shall be effective with respect to the payment of taxes (referred to in section 218(e)(1)(A) of the Social Security Act (42 U.S.C. 418(e)(1)(A)), as amended by subsection (a)) on account of wages paid on or after July 1, 1980."

**Effective Date of 1977 Amendment**

Pub. L. 95–216, title III, §353(g), Dec. 20, 1977, 91 Stat. 1555, provided that: "The amendments made by subsection (b) of this section [amending this section] shall apply with respect to remuneration paid after December 31, 1977, except that the amendment made by subsection (b)(2) shall apply with respect to notices submitted by the States to the Secretary after the date of the enactment of this Act [Dec. 20, 1977]. The amendments made by subsections (d) and (f)(2) [amending sections 465 and 429 of this title] shall be effective January 1, 1978. Except as otherwise specifically provided, the remaining amendments made by this section [amending sections 463, 424a, and 430 of this title] shall be effective January 1, 1979."

**Effective Date of 1968 Amendment**

Amendment by Pub. L. 90–986 effective Jan. 1, 1968, except that no deductions or withholding from salary which result therefrom shall commence before first day of first pay period that begins on or after Jan. 1, 1968, see section 11 of Pub. L. 90–986, set out as a note under section 709 of Title 32, National Guard.

Pub. L. 90–248, title I, §116(b)(3), Jan. 2, 1968, 81 Stat. 840, provided that: "The amendments made by this section [amending this section] shall be effective with respect to services performed on or after January 1, 1968."

Pub. L. 90–248, title I, §1320(c), Jan. 2, 1968, 81 Stat. 843, provided that: "The amendment made by this section [amending this section] shall apply in the case of any State with respect to modifications of such State agreement under section 218 of the Social Security Act (42 U.S.C. 418) made after the date of enactment of this Act (Jan. 2, 1968)."

**Effective Date of 1961 Amendment**


**Effective Date of 1960 Amendment**

Pub. L. 86–778, title I, §102(b)(2), Sept. 13, 1960, 74 Stat. 929, provided that: "The amendment made by paragraph (1) [amending this section] shall apply in the case of any transfers in any State which occurred prior to such date, but only upon request of the Governor (or other official designated by him for the purpose) filed with the Secretary of Health, Education, and Welfare [now Health and Human Services] before July 1, 1961; and, in the case of any such request, such amendment shall apply only with respect to wages paid on and after the date on which such request is filed."

Pub. L. 86–778, title I, §102(c)(3), Sept. 13, 1960, 74 Stat. 929, provided that: "The amendment made by paragraph (1) [amending this section] shall apply in the case of any agreement or modification of an agreement under section 218 of the Social Security Act (42 U.S.C. 418) which is agreed to on or after January 1, 1960; except that in the case of any such agreement or modification agreed to before January 1, 1961, the effective date specified therein shall not be earlier than December 31, 1955. The amendment made by paragraph (2) [amending this section] shall apply in the case of any
such agreement or modification which is agreed to on or after the date of the enactment of this Act [Sept. 13, 1960].

Pub. L. 86-778, title I, §102(o)(3), Sept. 13, 1960, 74 Stat. 934, provided that:

“(A) The amendments made by paragraphs (1) and (2) [amending this section and section 405 of this title] shall become effective on the first day of the second calendar year following the year in which this Act is enacted [1960].

(B) In any case in which the Secretary of Health, Education, and Welfare (now Health and Human Services) has notified a State prior to the beginning of such second calendar year that there is an amount due by such State, that such State's claim for a credit or refund of an overpayment is disallowed, or that such State has been allowed a credit or refund of an overpayment, under an agreement pursuant to section 218 of the Social Security Act [42 U.S.C. 418], then the Secretary shall be deemed to have made an assessment of such amount due as provided in section 218(q) of such Act or notified the State of such allowance or disallowance as of the first day of such second calendar year. In such a case the 90-day limitation in section 218(e) of such Act shall not be applicable with respect to the assessment so deemed to have been made or the notification of allowance or disallowance so deemed to have been given to such State. However, the preceding sentences of this subparagraph shall not apply if the Secretary makes an assessment of such amount due or notifies the State of such allowance or disallowance on or before the first day of the second calendar year following the year in which this Act is enacted [1960] and within the period specified in section 218(q) of the Social Security Act or the period specified in section 218(e) of such Act, as the case may be.

Amendments by section 103(i) of Pub. L. 86-778 applicable only with respect to service performed after 1960, and amendment by section 103(i)(2)(O) of Pub. L. 86-778 effective on Sept. 13, 1960, see section 103(y)(1) of Pub. L. 86-778, set out as a note under section 402 of this title.

Effective Date of 1965 Amendment

Pub. L. 85-840, title III, §315(c)(2), Aug. 28, 1958, 72 Stat. 1040, provided that: “The amendment made by this subsection [amending this section] shall apply in the case of any agreement, or modification of an agreement, under section 218 of the Social Security Act [42 U.S.C. 418], which is executed after the date of enactment of this Act [Aug. 28, 1958].”

Effective Date of 1954 Amendment

Act Sept. 1, 1954, ch. 1206, title I, §101(h)(9), 68 Stat. 1099, provided that: “The amendments made by this subsection, other than paragraph (1)(B) [amending this section], shall take effect January 1, 1955.

Act Sept. 1, 1954, ch. 1206, title I, §101(d)(1), 68 Stat. 1099, provided that the amendment made by that section is effective as of January 1, 1961.

Act Sept. 1, 1954, ch. 1206, title I, §101(d)(2), 68 Stat. 1099, provided that the amendment made by that section is effective January 1, 1955.

Act Sept. 1, 1954, ch. 1206, title I, §101(d)(3), 68 Stat. 1099, provided that: “In the case of any coverage group to which the amendment made by paragraph (1) [amending this section] is applicable, any agreement or modification of an agreement agreed to prior to January 1, 1956, may, notwithstanding section 218(f) of the Social Security Act [42 U.S.C. 418(f)], be made effective with respect to services performed by employees as members of such coverage group after any effective date specified therein, but in no case may such effective date be earlier than December 31, 1956.

Act Sept. 1, 1954, ch. 1206, title I, §101(j), 68 Stat. 1099, provided that the amendment made by that section is effective as of January 1, 1955.

Amendment by section 101(a)(5), (6) of act Sept. 1, 1954, shall be applicable only with respect to services (whether performed after 1954 or prior to 1955) for which the remuneration is paid after 1954, see section 101(n) of act Sept. 1, 1964, set out as a note under section 405 of this title.

Effective Date of 1953 Amendment

Act Aug. 15, 1953, ch. 504, §2, 67 Stat. 588, provided that: ‘‘For the purposes of section 418(f) of the Social Security Act (relating to effective date of agreements) [42 U.S.C. 418(f)], the amendment made by the first section of this Act [amending this section] shall take effect as of January 1, 1953.’’

Exemption for Students Employed by State Schools, Colleges, or Universities


“(a) IN GENERAL.—Notwithstanding section 218 of the Social Security Act [42 U.S.C. 418], any agreement with a State (or any modification thereof) entered into pursuant to such section may, at the option of such State, be modified at any time on or after January 1, 1999, and on or before March 31, 1999, so as to exclude service performed in the employ of a school, college, or university if such service is performed by a student who is enrolled and is regularly attending classes at such school, college, or university.

“(b) EFFECTIVE DATE OF MODIFICATION.—Any modification of an agreement pursuant to subsection (a) shall be effective with respect to services performed after June 30, 2000.

“(c) IRREVOCABILITY OF MODIFICATION.—If any modification of an agreement pursuant to subsection (a) terminates coverage with respect to service performed in the employ of a school, college, or university, by a student who is enrolled and regularly attending classes at such school, college, or university, the Commissioner of Social Security and the State may not thereafter modify such agreement so as to again make the agreement applicable to such service performed in the employ of such school, college, or university.’’

Treatment of Certain Credits as Amounts Deposited in Social Security Trust Funds Pursuant to Agreement

Pub. L. 98-21, title I, §123(b)(4), Apr. 20, 1983, 97 Stat. 89, as amended by Pub. L. 99-514, §2, Oct. 22, 1986, 100 Stat. 2065, provided that: ‘‘For purposes of subsection (h) of section 218 of the Social Security Act [42 U.S.C. 418(h)] (relating to deposits in social security trust funds of amounts received under section 218 agreements), amounts allowed as a credit pursuant to section (d) of section 3510 of the Internal Revenue Code of 1986 [formerly I.R.C. 1954] (26 U.S.C. 3510(d)) (relating to credit for remuneration paid during 1984 which is covered under an agreement under section 218 of the Social Security Act) shall be treated as amounts received under such an agreement.’’

Modification of Agreement With State of Iowa to Provide Coverage for Certain Policemen and Firemen


“(a) IN GENERAL.—Notwithstanding subsection (d)(5)(A) of section 218 of the Social Security Act [42 U.S.C. 418(d)(5)(A)] and the references thereto in subsections (d)(1) and (d)(3) of such section 218, the agreement with the State of Iowa heretofore entered into pursuant to such section 218 may, at any time prior to January 1, 1989, be modified pursuant to subsection (c)(4) of such section 218 so as to apply to services performed in policemen’s or firemen’s positions required to be covered by a retirement system pursuant to section 410.1 of the Iowa Code as in effect on July 1, 1953, if the State of Iowa has at any time prior to the date of the enactment of this Act [Dec. 22, 1987] paid to the Secretary of the Treasury, with respect to any of the services performed in such positions, the sum pre-
scribed pursuant to subsection (e)(1) of such section 218 (as in effect on December 31, 1986, with respect to payments due with respect to wages paid on or before such date) except:

“(b) SERVICE TO BE COVERED.—Notwithstanding the provisions of subsection (e) of section 218 of the Social Security Act (as so redesignated by section 902(c)(1) of the Omnibus Budget Reconciliation Act of 1986), any modification in the agreement with the State of Iowa under subsection (a) shall be made effective with respect to—

“(1) all services performed in any policeman’s or firemen’s position to which the modification relates on or after January 1, 1987, and

“(2) all services performed in such a position before January 1, 1987, with respect to which the State of Iowa has paid to the Secretary of the Treasury the sums prescribed pursuant to subsection (e)(1) of such section 218 (as in effect on December 31, 1986, with respect to payments due with respect to wages paid on or before such date) at the time or times established pursuant to such subsection (e)(1), if and to the extent that—

“(A) no refund of the sums so paid has been obtained, or

“(B) a refund of part or all of the sums so paid has been obtained but the State of Iowa repays to the Secretary of the Treasury, within 90 days after the date on which the modification is agreed to by the State and the Secretary of Health and Human Services.”

MODIFICATION OF AGREEMENT WITH STATE OF CONNECTICUT TO PROVIDE COVERAGE FOR CONNECTICUT STATE POLICE


“(a) Notwithstanding the provisions of subsection (d)(5)(A) of section 218 of the Social Security Act [42 U.S.C. 418(d)(5)(A)] and the references thereto in subsections (d)(1) and (d)(3) of such section 218, the agreement with the State of West Virginia heretofore entered into pursuant to such section 218 [42 U.S.C. 418] may, at any time prior to 1977, be modified pursuant to subsection (c)(4) of such section 218 so as to apply to services performed in policeman’s or firemen’s positions covered by a retirement system on the date of the enactment of this Act [Jan. 2, 1976] by individuals as employees of any class III or class IV municipal corporation (as defined in or under the laws of the State) if the State of West Virginia has at any time prior to the date of the enactment of this Act paid to the Secretary of the Treasury, with respect to any of the services performed in such positions by individuals as employees of such municipal corporation, the sums prescribed pursuant to subsection (e)(1) of such section 218.

“For purposes of this subsection, a retirement system which covers positions of policeman or firemen, or both, and other positions, shall, if the State of West Virginia so desires, be deemed to be a separate retirement system with respect to the positions of such policemen or firemen, or both, as the case may be.

“(b) Notwithstanding the provisions of subsection (f) of section 218 of the Social Security Act, any modification in the agreement with the State of West Virginia under subsection (a) of this section, to the extent it involves services performed by individuals as employees of any class III or class IV municipal corporation, may be made effective with respect to—

“(1) all services performed by such individual, in any policeman’s or fireman’s position to which the modification relates, on or after the date of the enactment of this Act; and

“(2) all services performed by such individual in such a position before such date of enactment with respect to which the State of West Virginia has paid to the Secretary of the Treasury the sums prescribed pursuant to subsection (e)(1) of such section 218 at the time or times established pursuant to such subsection (e)(1) if and to the extent that—

“(A) no refund of the sums so paid has been obtained, or

“(B) a refund of part or all of the sums so paid has been obtained but the State of West Virginia repays to the Secretary of the Treasury the amount of such refund within ninety days after the date that the modification is agreed to by the State and the Secretary of Health, Education, and Welfare [now Health and Human Services].”

MODIFICATION OF REPORTING PROCEDURES IN EFFECT DECEMBER 1, 1975, UNDER FEDERAL-STATE AGREEMENTS

Pub. L. 99–232, § 8(c), Jan. 2, 1976, 89 Stat. 1140, provided that: “Notwithstanding the provisions of section 218(b) of the Social Security Act [42 U.S.C. 418(b)], nothing contained in the amendments made by the preceding provisons of this section [enacting section 432 of this title and amending sections 401, 403, 423a, and 430 of this title and section 6103 of Title 26, Internal Revenue Code, and enacting provisions set out as notes under sections 401 and 432 of this title] shall be construed to authorize or require the Secretary, in promulgating regulations or amendments thereto under such section 218(b), substantially to modify the procedures, as in effect on December 1, 1975, for the reporting by States to the Secretary of the wages of individuals covered by social security pursuant to Federal-State agreements entered into pursuant to section 218 of the Social Security Act [42 U.S.C. 418].”
if the State of West Virginia has at any time prior to the date of the enactment of this Act paid to the Secretary of the Treasury, with respect to any of the services performed in such positions by individuals as employees of such municipal corporation, the sums prescribed pursuant to subsection (e)(1) of such section 218. For purposes of this subsection, a retirement system which covers positions of policemen or firemen, or both, and other positions, shall, if the State of West Virginia so desires, be deemed to be a separate retirement system with respect to the positions of such policemen or firemen, or both, as the case may be.

"(b) Notwithstanding the provisions of subsection (f) of section 218 of the Social Security Act, any modification in the agreement with the State of West Virginia under subsection (a) of this section, to the extent it involves services performed by individuals as employees of any class III or class IV municipal corporation, may be made effective with respect to—

"(1) all services performed by such individual, in any policeman’s or fireman’s position to which the modification relates, on or after the date of the enactment of this Act; and

"(2) all services performed by such individual in such a position before such date of enactment with respect to which the State of West Virginia has paid to the Secretary of the Treasury the sums prescribed pursuant to subsection (e)(1) of such section 218 at the time or times established pursuant to such subsection (e)(1), if and to the extent that—

"(A) no refund of the sums so paid has been obtained, or

"(B) a refund of part or all of the sums so paid has been obtained but the State of West Virginia repays to the Secretary of the Treasury the amount of such refund within ninety days after the date that the modification is agreed to by the State and the Secretary of Health, Education, and Welfare [now Health and Human Services]."

MODIFICATION OF EXISTING AGREEMENT WITH STATE OF NEW MEXICO TO COVER CERTAIN HOSPITAL EMPLOYEES

Pub. L. 92–603, title I, §127, Oct. 30, 1972, 86 Stat. 1358, provided that: "Notwithstanding any provisions of section 218 of the Social Security Act [42 U.S.C. 418], the Agreement with the State of New Mexico heretofore entered into pursuant to such section may at the option of such State be modified at any time prior to the first day of the fourth month after the month in which this Act is enacted [October 1972], so as to apply to the services of employees of a hospital which is an integral part of a political subdivision to which an agreement under this section has not been made applicable, as a separate coverage group within the meaning of section 218(b)(5) of such Act [42 U.S.C. 418(b)(5)], but only if such hospital has prior to 1966 withdrawn from a retirement system which had been applicable to the employees of such hospital."

MODIFICATION OF AGREEMENT WITH STATE OF LOUISIANA WITH RESPECT TO VOTER REGISTRARS

Pub. L. 92–603, title I, §139, Oct. 30, 1972, 86 Stat. 1366, provided that:

"(a) Notwithstanding the provisions of section 218(g)(1) of the Social Security Act [42 U.S.C. 418(g)(1)], the Secretary may, under such conditions as he deems appropriate, permit the State of Louisiana to modify its agreement entered into under section 218 of such Act [42 U.S.C. 418] so as to terminate the coverage of all employees who are in positions under the Registrars of Voters Employees’ Retirement System, effective after December 1973, but only if such State files with him notice of termination on or before December 31, 1973.

"(b) If the coverage of such employees in positions under such retirement system is terminated pursuant to subsection (a), coverage cannot later be extended to employees in positions under such retirement system."

MODIFICATION OF AGREEMENTS WITH STATES WITH RESPECT TO CERTAIN STUDENTS AND PART-TIME EMPLOYEES


"(a) Notwithstanding any provision of section 218 of the Social Security Act [42 U.S.C. 418], the agreement with any State (or any modification thereof) entered into pursuant to such section may, at the option of such State, be modified at any time prior to January 1, 1974, so as to exclude either or both of the following:

"(1) service in any class or classes of part-time positions; or

"(2) service performed in the employ of a school, college, or university if such service is performed by a student who is enrolled and is regularly attending classes at such school, college, or university.

"(b) Any modification of such agreement pursuant to this section shall be effective with respect to services performed after the end of the calendar quarter following the calendar quarter in which such agreement is modified.

"(c) If any such modification terminates coverage with respect to service in any class or classes of part-time positions in the coverage group, the Secretary, in his discretion, may permit the State of Massachusetts to modify its agreement entered into under section 218 of the Social Security Act [42 U.S.C. 418] so as to again make the agreement applicable to service in such positions in such coverage group; if such modification terminates coverage with respect to service performed in the employ of a school, college, or university, by a student who is enrolled and regularly attending classes at such school, college, or university, the Secretary of Health, Education, and Welfare [now Health and Human Services] and the State may not thereafter modify such agreement so as to again make the agreement applicable to such service performed in the employ of such school, college, or university."

MODIFICATION OF AGREEMENT WITH STATE OF MASSACHUSETTS WITH RESPECT TO EMPLOYEES OF THE MASSACHUSETTS TURNPIKE AUTHORITY

Pub. L. 90–248, title I, §124, Jan. 2, 1968, 81 Stat. 845, provided that:

"(a) Notwithstanding the provisions of section 218(g)(1) of the Social Security Act [42 U.S.C. 418(g)(1)] the Secretary may, under such conditions as he deems appropriate, permit the State of Massachusetts to modify its agreement entered into under section 218 of such Act [42 U.S.C. 418] so as to terminate the coverage of the employees of the Massachusetts Turnpike Authority effectively at the end of any calendar year during the two years next following the date on which such agreement is so modified.

"(b) If the coverage of employees of the Massachusetts Turnpike Authority is terminated pursuant to subsection (a), coverage cannot later be extended to the employees of such Authority."

MODIFICATION OF AGREEMENTS WITH STATES OF NORTH DAKOTA AND IOWA WITH RESPECT TO CERTAIN STUDENTS

Pub. L. 89–97, title III, §338, July 30, 1965, 79 Stat. 499, provided that: ‘‘Notwithstanding any provision of section 218 of the Social Security Act [42 U.S.C. 418], the agreements with the States of North Dakota and Iowa entered into pursuant to such section may, at the option of the State, be modified so as to exclude service performed in any calendar quarter in the employ of a school, college, or university if such service is performed by a student who is enrolled and is regularly attending classes at such school, college, or university and if the remuneration for such service is less than $50. Any modification of either of such agreements pursuant to this Act shall be effective with respect to serv-
ices performed after an effective date specified in such modification, except that such date shall not be earlier than the date of enactment of this Act [July 30, 1965]."

**Modification of Existing Agreement With State of Nebraska for Exclusion of Services Performed by Juvenile Officers of the Peace and Constables**

Pub. L. 86–779, title I, § 102(1), Sept. 13, 1960, 74 Stat. 935, provided that: “Notwithstanding any provision of section 218 of the Social Security Act [42 U.S.C. 418], the agreement with the State of Nebraska entered into pursuant to such section may, at the option of such State, be modified so as to exclude services performed within such State by individuals as justices of the peace or constables, if such individuals are compensated for such services on a fee basis. Any modification of such agreement pursuant to this subsection shall be effective with respect to services performed after an effective date specified in such modification, except that such date shall not be earlier than the date of enactment of this Act [Sept. 13, 1960].”

**Modification of Existing Agreement With State of California Prior to February 1966**

Pub. L. 86–779, title I, § 102(2), Sept. 13, 1960, 74 Stat. 935, as amended by Pub. L. 89–97, title III, § 318, July 30, 1965, 79 Stat. 390; Pub. L. 99–514, § 2, Oct. 22, 1986, 100 Stat. 2095, provided that: “Notwithstanding any provision of section 218 of the Social Security Act [42 U.S.C. 418], the agreement with the State of California heretofore entered into pursuant to such section may at the option of such State be modified, at any time prior to 1962, pursuant to subsection (c)(4) of such section 218 [42 U.S.C. 418(c)(4)], so as to apply to services performed by any individual who, on or after January 1, 1957, and on or before December 31, 1959, was employed by such State (or any political subdivision thereof) in any hospital employee’s position which, on September 1, 1954, was covered by a retirement system, but which, prior to 1960, was removed from coverage by such retirement system if, prior to July 1, 1960, there have been paid in good faith to the Secretary of the Treasury, with respect to any of the services performed by such individual in any such position, amounts equivalent to the sum of the taxes which would have been imposed by sections 3101 and 3111 of the Internal Revenue Code of 1966 (formerly I.R.C. 1954) [26 U.S.C. 3101, 3111] if such services had constituted employment for purposes of section 21 of such Code [26 U.S.C. 3101 et seq.] at the time they were performed. Notwithstanding the provisions of subsection (f) of such section 218 such modification shall be effective with respect to (i) all services performed by such individual in any such position on or after January 1, 1960, and (2) all such services, performed before such date, with respect to which amounts equivalent to such taxes have, prior to the date of enactment of this subsection [Sept. 13, 1960], been paid.”

“(2) Such agreement, as modified pursuant to paragraph (1), may at the option of such State be further modified, at any time prior to the seventh month after the month [July 1965] in which this paragraph is enacted, so as to apply to services performed for any hospital affected by such earlier modification by any individual who after December 31, 1959, is or was employed by such State (or any political subdivision thereof) in any position described in paragraph (1). Such modification shall be effective with respect to (A) all services performed by such individual in any such position on or after January 1, 1962, and (B) all such services, performed before such date, with respect to which amounts equivalent to the sum of the taxes which would have been imposed by sections 3101 and 3111 of the Internal Revenue Code of 1966 (26 U.S.C. 3101, 3111) if such services had constituted employment for purposes of section 21 of such Code which were performed have, prior to the date of the enactment of this paragraph [July 30, 1965], been paid.”

**Modification of Existing Agreement With State of Oklahoma Prior to 1962**

Pub. L. 86–284, § 3, Sept. 16, 1959, 73 Stat. 566, provided that: “Notwithstanding the provisions of subsection (d)(5)(A) of section 218 of the Social Security Act [42 U.S.C. 418(d)(5)(A)] and the references therein to sections (d)(1) and (d)(3) of such section 218, the agreement with the State of Oklahoma heretofore entered into pursuant to such section 218 [42 U.S.C. 418] may, at any time prior to 1962, be modified pursuant to subsection (c)(4) of such section 218 so as to apply to services performed by any individual employed by such State (or any political subdivision thereof) in any police officer’s position covered by a retirement system in effect on the date of enactment of this Act [Sept. 16, 1959] if (1) in the case of an individual performing such services on such date, such individual is ineligible to become a member of such retirement system, and (2) such State has, prior to 1959, paid to the Secretary of the Treasury, with respect to any of the services performed by such individual in any such position, the sum prescribed pursuant to subsection (e)(1) of such section 218. Notwithstanding the provisions of subsection (f) of such section 218, such modification shall be effective with respect to (i) all services performed by such individual in any such position on or after the date of enactment of this Act, and (ii) all such services, performed before such date, with respect to which such State has paid to the Secretary of the Treasury the sum prescribed pursuant to subsection (e) of such section 218, at the time or times established pursuant to such subsection.”

**Modification of Existing Agreement With State of Maine Prior to July 1, 1967**

Pub. L. 85–840, title III, § 316, Aug. 28, 1958, 72 Stat. 1040, as amended by Pub. L. 86–779, title I, § 102(3), Sept. 13, 1960, 74 Stat. 935; Pub. L. 88–350, § 1, July 2, 1964, 78 Stat. 246; Pub. L. 99–514, §§ 2, Oct. 22, 1986, 100 Stat. 2095, provided that: “For the purpose of any modification which might be made after the date of enactment of this Act [Aug. 28, 1958] and prior to July 1, 1967, by the State of Maine of its existing agreement made under section 218 of the Social Security Act [42 U.S.C. 418], any retirement system of such State which covers positions of teachers and positions of other employees shall, if such State elects, be deemed (notwithstanding the provisions of subsection (d) of such section) to consist of a separate retirement system created pursuant to the fourth sentence of subsection (d)(6) of such section and with respect to the positions of such other employees; and for the purposes of this sentence, the term ‘teacher’ shall mean any teacher, principal, supervisor, school nurse, school dietitian, school secretary or superintendent employed in any public school, including teachers in unorganized territory.”

**Modification of Existing Agreements With States of California, Connecticut, Minnesota, or Rhode Island Prior to 1960**

Pub. L. 85–227, § 2, Aug. 30, 1957, 71 Stat. 512, provided that: “Notwithstanding subsection (f) of section 218 of the Social Security Act [42 U.S.C. 418(f)], any modifications of the agreement with the State of California, Connecticut, Minnesota, or Rhode Island under such section which makes such agreement applicable to services performed in positions covered by a separate retirement system created pursuant to the fourth sentence of subsection (d)(6) of such section (and consisting of the positions of members who desire coverage under the agreement) may, if such modification is agreed to prior to 1960, be made effective with respect to services performed in such positions after an effective date specified in such modification, except that in
no case may such date be earlier than December 31, 1955.’’

**MODIFICATION OF EXISTING AGREEMENTS WITH STATES OF FLORIDA, NEVADA, NEW MEXICO, MINNESOTA, OKLAHOMA, PENNSYLVANIA, TEXAS, WASHINGTON, OR HAWAII PRIOR TO JULY 1, 1962**

Act Aug. 1, 1956, ch. 836, title I, §104(f), 70 Stat. 826, as amended by Pub. L. 86-284, §1, provided that: ‘‘Notwithstanding the provisions of subsection (d) of section 218 of the Social Security Act [42 U.S.C. 418(d)], any agreement under such section entered into prior to the date of enactment of this Act [Aug. 1, 1956] by the State of Florida, Nevada, New Mexico, Minnesota, Oklahoma, Pennsylvania, Texas, Washington, or the Territory of Hawaii shall if the State or Territory concerned so requests, be modified prior to July 1, 1962, so as to apply to services performed by employees of the respective public school districts of such State or Territory who, on the date such agreement is made applicable to such services, are not in positions the incumbents of which are required by State or Territorial law or regulation to have valid State or Territorial teachers’ or administrators’ certificates in order to receive pay for their services. The provisions of this subsection shall not apply to services of any such employees to which any such agreement applies without regard to this subsection.’’

**MODIFICATION OF EXISTING AGREEMENT WITH STATE OF ARIZONA PRIOR TO JANUARY 1, 1956**

Act Sept. 1, 1954, ch. 1206, title I, §101(k), 68 Stat. 1060, provided that: ‘‘If, prior to January 1, 1956, the agreement with the State of Arizona entered into pursuant to section 218 of the Social Security Act [42 U.S.C. 418] is modified pursuant to subsection (d)(3) of such section so as to apply to service performed by employees in positions covered by the Arizona Teachers’ Retirement System the modification may, notwithstanding section 218(c) of the Social Security Act, be made effective with respect to service performed in such positions after an effective date specified in the modification, but in no case such effective date may be earlier than December 31, 1956. For the purposes of any such modification, all employees in positions covered by the Arizona Teachers’ Retirement System shall be deemed, notwithstanding the provisions of section 218(d)(6) of such Act, to constitute a separate coverage group.’’

**EXTENSION OF COVERAGE TO SERVICE IN FIREMEN’S POSITION**

Pub. L. 90-248, title I, §120(b), Jan. 2, 1968, 81 Stat. 842, provided that: ‘‘Nothing in the amendments made by subsection (a) [amending this section] shall authorize the extension of the insurance system established by title II of the Social Security Act [42 U.S.C. 401 et seq.] under the provisions of sections 218(d)(6)(C) of such Act [42 U.S.C. 418(d)(6)(C)] to service in any fireman’s position.’’

**VALIDATION OF COVERAGE FOR CERTAIN FIREMEN IN THE STATE OF NEBRASKA**


‘‘(1) an individual has performed services prior to the enactment of this Act [Jan. 2, 1968] in the employ of a political subdivision of the State of Nebraska in a fireman’s position, and

‘‘(2) amounts, equivalent to the sum of the taxes which would have been imposed by sections 3101 and 3111 of the Internal Revenue Code of 1954 [former I.R.C. 1954] [26 U.S.C. 3101, 3111] had such services constituted employment for purposes of section 21 of such Code [26 U.S.C. 21] at the time they were performed, were timely paid in good faith to the Secretary of the Treasury, and

‘‘(3) no refunds of such amounts paid in lieu of taxes have been obtained, the amount of the remuneration for such services with respect to which such amounts have been paid shall be deemed to constitute remuneration for employment as defined in section 209 of the Social Security Act [42 U.S.C. 409].’’

**VALIDATION OF COVERAGE FOR CERTAIN EMPLOYEES OF AN INTEGRAL UNIT OF A POLITICAL SUBDIVISION OF ALASKA**

Pub. L. 89-97, title III, §342, July 30, 1965, 79 Stat. 412, provided that: ‘‘For purposes of the agreement under section 218 of the Social Security Act [42 U.S.C. 418] entered into by the State of Alaska, or its predecessor the Territory of Alaska, where employees of an integral unit of a political subdivision of the State or Territory of Alaska have in good faith been included under the State or Territory’s agreement as a coverage group on the basis that such integral unit of a political subdivision was a political subdivision, then such unit of the political subdivision shall, for purposes of section 218(b)(2) of such Act, be deemed to be a political subdivision, and employees performing services within such unit shall be deemed to be a coverage group, effective with the effective date specified in such agreement or modification of such agreement with respect to such coverage group and ending with the last day of the year in which this Act is enacted [1965].’’

**VALIDATION OF COVERAGE FOR DISTRICT ENGINEERING AIDES OF SOIL AND WATER CONSERVATION DISTRICTS OF OKLAHOMA**

Pub. L. 88-650, §3, Oct. 13, 1964, 78 Stat. 1077, provided that: ‘‘For purposes of the agreement under section 218 of the Social Security Act [42 U.S.C. 418] entered into by the State of Oklahoma, remuneration paid to district engineering aides of soil and water conservation districts of the State of Oklahoma which was reported to the State as amounts paid to such aides as employees of the State for services performed by them during the period beginning January 1, 1951, and ending with the close of June 30, 1962, shall be deemed to have been paid to such aides for services performed by them in the employ of the State.’’

**VALIDATION OF COVERAGE FOR CERTAIN EMPLOYEES OF AN INTEGRAL UNIT OF A POLITICAL SUBDIVISION OF ARKANSAS**

Pub. L. 97-878, §1, Oct. 24, 1962, 76 Stat. 1202, provided that: ‘‘That, for purposes of the agreement under section 218 of the Social Security Act [42 U.S.C. 418] entered into by the State of Arkansas, where employees of an integral unit of a political subdivision of the State of Arkansas have in good faith been included under the State’s agreement as a coverage group on the basis that such integral unit of a political subdivision was a political subdivision, then such unit of the political subdivision shall, for purposes of section 218(b)(2) of such Act, be deemed to be a political subdivision, and employees performing services within such unit shall be deemed to be a coverage group, effective with the effective date specified in such agreement or modification of such agreement with respect to such coverage group and ending with the last day of the year in which this Act is enacted [1962].’’

**VALIDATION OF COVERAGE FOR CERTAIN MISSISSIPPI TEACHERS**

Pub. L. 86-778, title I, §182(b), Sept. 13, 1950, 74 Stat. 934, provided that: ‘‘For purposes of the agreement under section 218 of the Social Security Act [42 U.S.C. 418] entered into by the State of Mississippi, services of teachers in such State performed after February 28, 1951, and prior to October 1, 1959, shall be deemed to have been performed by such teachers as employees of the State. The term ‘teacher’ as used in the preceding sentence means—

‘‘(1) any individual who is licensed to serve in the capacity of teacher, librarian, registrar, supervisor, principal, or superintendent and who is principally
engaged in the public elementary or secondary school system of the State in any one or more of such capacities:

"(2) any employee in the office of the county superintendent of education or the county school supervisor, or in the office of the principal of any county or municipal public elementary or secondary school in the State; and

"(3) any individual licensed to serve in the capacity of teacher who is engaged in any educational capacity in any day or night school conducted under the supervision of the State department of education as a part of the adult education program provided for under the laws of Mississippi or under the laws of the United States."

**Presumption of Work Deductions for Services Performed Prior to 1955 in Case of Certain Retroactive State Agreements; Recomputation**

Act Sept. 1, 1954, c. 1206, title I, §101(l), 68 Stat. 1060, provided that:

(1) in the case of any services performed prior to 1955 to which an agreement under section 218 of the Social Security Act [42 U.S.C. 418] was made applicable, deductions which—

"(A) were not imposed under section 203 of such Act [section 403 of this title] with respect to such services performed prior to the date the agreement was agreed to or, if the original agreement was not applicable to such services, performed prior to the date the modification making such agreement applicable to such services was agreed to, and

"(B) would have been imposed under such section 203 had such agreement, or modification, as the case may be, been agreed to on the date it became effective, shall be deemed to have been imposed, but only for purposes of section 215(f)(2)(A) or section 215(f)(4)(A) of such Act [42 U.S.C. 415(f)(2)(A), (4)(A)] as in effect prior to the enactment of this Act [Sept. 1, 1954]. An individual entitled to benefits under section 202 of the Social Security Act [42 U.S.C. 402] on the basis of such wages and self-employment income, shall be entitled to a recomputation of his primary insurance amount under such section 215(f)(2)(A) or section 215(f)(4)(A), as the case may be, if the conditions specified therein are met and if, with respect to a recomputation under such section 215(f)(2)(A), such individual files the application referred to in such section after August 1954 and prior to January 1956, or, with respect to a recomputation under such section 215(f)(4)(A), such individual died prior to January 1956 and any of such survivors entitled to monthly benefits files an application in addition to the application filed for such monthly benefits, for a recomputation under such section 215(f)(4)(A).

"(2) For purposes of a recomputation made by reason of paragraph (1) of this subsection, the primary insurance amount of the individual who performed the services referred to in such paragraph shall be computed under subsection (a)(2) of section 215 of the Social Security Act, as amended by this Act (but, for such purposes, without application of subsection (d)(4) of such section, as in effect prior to the enactment of this Act or as amended by this Act) and as though he became entitled to old-age insurance benefits in whichever of the following months yields the highest primary insurance amount:

"(A) the month following the last month for which deductions are deemed, pursuant to paragraph (1) of this subsection, to have been made; or

"(B) the first month after the month determined under subparagraph (A) (and prior to September 1954) in which his benefits under section 202(a) of the Social Security Act were subject to deductions under section 203(b) of such Act; or

"(D) the month in which such individual filed his application for recomputation referred to in paragraph (1) of this subsection or, if he died without filing such application and prior to January 1, 1956, the month in which he died, and in any such case (but, if the individual is deceased, only if death occurred after August 1954) the amendments made by subsections (b)(1), (e)(1) and (e)(3)(B) of section 102 of this Act [amending section 415 of this title] shall be applicable.

Such recomputation shall be effective for and after the month in which the application required by paragraph (1) of this subsection is filed. The provisions of this subsection shall not be applicable in the case of any individual if his primary insurance amount has been recomputed under section 215(f)(2) of the Social Security Act on the basis of an application filed prior to September 1954.

"(3) If any recomputation under section 215(f) of the Social Security Act is made by reason of deductions deemed pursuant to paragraph (1) of this subsection to have been imposed with respect to benefits based on the wages and self-employment income of any individual, the total of the benefits based on such wages and self-employment income for months for which such deductions are so deemed to have been imposed shall be recovered by making, in addition to any other deductions under section 203 of such Act, deductions from any increase in benefits, based on such wages and self-employment income, resulting from such recomputation."

§418a. Voluntary agreements for coverage of Indian tribal council members

(a) Purpose of agreement

(1) The Commissioner of Social Security shall, at the request of any Indian tribe, enter into an agreement with such Indian tribe for the purpose of extending the insurance system established by this subchapter to services performed by individuals as members of such Indian tribe’s tribal council. Any agreement with an Indian tribe under this section applies to all members of the tribal council, and shall include all services performed by individuals in their capacity as council members.

(2) Notwithstanding section 410(a) of this title, for the purposes of this subchapter, the term “employment” includes any service included under an agreement entered into under this section.

(b) Definitions

For the purposes of this section:

(1) the term “member” means, with respect to a tribal council, an individual appointed or elected to serve as a member or the head of the tribal council.

(2) the term “tribal council” means the appointed or elected governing body of a federally recognized Indian tribe.

(c) Effective date of agreement

(1) Any agreement under this section shall be effective with respect to services performed after an effective date specified in such agreement, provided that such date may not be earlier than the first day of the next calendar month after the month in which the agreement is executed by both parties.

(2) At the request of the Indian tribe at the time of the agreement, such agreement may apply with respect to services performed before such effective date for which there were timely
§ 420. Disability provisions inapplicable if benefit rights impaired

None of the provisions of this subchapter relating to periods of disability shall apply in any case in which their application would result in the denial of monthly benefits or a lump-sum death payment which would otherwise be payable under this subchapter; nor shall they apply in the case of any monthly benefit or lump-sum death payment under this subchapter if such benefit or payment would be greater without the application.


PRIOR PROVISIONS

A prior section 420, act Aug. 14, 1935, ch. 531, title II, §220, as added July 18, 1952, ch. 945, §3(e), 66 Stat. 772, relating to inapplicability of disability provisions if benefits were reduced, ceased to be in effect at the close of June 30, 1953. See Effective and Termination Date of 1952 Amendment note set out under section 413 of this title.

§ 421. Disability determinations

(a) State agencies

(1) In the case of any individual, the determination of whether or not he is under a disability (as defined in section 416(i) or 423(d) of this title) and of the day such disability began, and the determination of the day on which such disability ceases, shall be made by a State agency, notwithstanding any other provision of law, in any State that notifies the Commissioner of Social Security in writing that it wishes to make such disability determinations commencing with such month as the Commissioner of Social Security and the State agree upon, but only if (A) the Commissioner of Social Security has not found, under subsection (b)(1), that the State agency has substantially failed to make disability determinations in accordance with the applicable provisions of this section or rules issued thereunder, and (B) the State has not notified the Commissioner of Social Security, under subsection (b)(2), that it does not wish to make such determinations. If the Commissioner of Social Security once makes the finding described in clause (A) of the preceding sentence, or the State gives the notice referred to in clause (B) of such sentence, the Commissioner of Social Security may thereafter determine whether (and, if so, beginning with which month and under what conditions) the State may again make disability determinations under this paragraph.

(2) The disability determinations described in paragraph (1) made by a State agency shall be made in accordance with the pertinent provisions of this subchapter and the standards and criteria contained in regulations or other written guidelines of the Commissioner of Social Security pertaining to matters such as disability determinations, the class or classes of individuals with respect to which a State may make disability determinations, the class or classes of individuals or organizations performing tasks for the State, and the conditions under which it may choose not to make all such determinations. In addition, the Commissioner of Social Security shall promulgate regulations specifying, in such detail as the Commissioner deems appropriate, performance standards and administrative requirements and procedures to be followed in performing the disability determination function in order to assure effective and uniform administration of the disability insurance program throughout the United States. The regulations may, for example, specify matters such as—

(A) the administrative structure and the relationship between various units of the State agency responsible for disability determinations,

(B) the physical location of and relationship among agency staff units, and other individuals or organizations performing tasks for the State agency, and standards for the availability to applicants and beneficiaries of facilities for making disability determinations,

(C) State agency performance criteria, including the rate of accuracy of decisions, the time periods within which determinations must be made, the procedures for and the scope of review by the Commissioner of Social Security, and, as the Commissioner finds ap-
propriate, by the State, of its performance in individual cases and in classes of cases, and rules governing access of appropriate Federal officials to State offices and to State records relating to its administration of the disability determination function.

(D) fiscal control procedures that the State agency may be required to adopt, and

(E) the submission of reports and other data, in such form and at such time as the Commissioner of Social Security may require, concerning the State agency’s activities relating to the disability determination.

Nothing in this section shall be construed to authorize the Commissioner of Social Security to take any action except pursuant to law or to regulations promulgated pursuant to law.

(b) Determinations by Commissioner

(1) If the Commissioner of Social Security finds, after notice and opportunity for a hearing, that a State agency is substantially failing to make disability determinations in a manner consistent with the Commissioner’s regulations and other written guidelines, the Commissioner of Social Security shall, not earlier than 180 days following the Commissioner’s finding, and after the Commissioner has complied with the requirements of paragraph (3), make the disability determinations referred to in subsection (a)(1).

(2) If a State, having notified the Commissioner of Social Security of its intent to make disability determinations under subsection (a)(1), no longer wishes to make such determinations, it shall notify the Commissioner of Social Security in writing of that fact, and, if an agency of the State is making disability determinations at the time such notice is given, it shall continue to do so for not less than 180 days, or (if later) until the Commissioner of Social Security has complied with the requirements of paragraph (3). Thereafter, the Commissioner of Social Security shall make the disability determinations referred to in subsection (a)(1).

(3)(A) The Commissioner of Social Security shall develop and initiate all appropriate procedures to implement a plan with respect to any partial or complete assumption by the Commissioner of Social Security of the disability determination function from a State agency, as provided in this section, under which employees of the affected State agency who are capable of performing duties in the disability determination process for the Commissioner of Social Security shall, notwithstanding any other provision of law, have a preference over any other individual in filling an appropriate employment position with the Commissioner of Social Security (subject to any system established by the Commissioner of Social Security for determining hiring priority among such employees of the State agency) unless any such employee is the administrator, the deputy administrator, or assistant administrator (or his equivalent) of the State agency, in which case the Commissioner of Social Security may accord such priority to such employee.

(B) The Commissioner of Social Security shall not make such assumption of the disability determination function until such time as the Secretary of Labor determines that, with respect to employees of such State agency who will be displaced from their employment on account of such assumption by the Commissioner of Social Security and who will not be hired by the Commissioner of Social Security to perform functions in the disability determination process, the State has made fair and equitable arrangements to protect the interests of employees so displaced. Such protective arrangements shall include only those provisions which are provided under all applicable Federal, State and local statutes including, but not limited to, (i) the preservation of rights, privileges, and benefits (including continuation of pension rights and benefits) under existing collective-bargaining agreements; (ii) the continuation of collective-bargaining rights; (iii) the assignment of affected employees to other jobs or to retraining programs; (iv) the protection of individual employees against a worsening of their positions with respect to their employment; (v) the protection of health benefits and other fringe benefits; and (vi) the provision of severance pay, as may be necessary.

(c) Review of determination by Commissioner

(1) The Commissioner of Social Security may on the Commissioner’s own motion or as required under paragraphs (2) and (3) review a determination, made by a State agency under this section, that an individual is or is not under a disability (as defined in section 416(i) or 423(d) of this title) and, as a result of such review, may modify such agency’s determination and determine that such individual is or is not under a disability (as so defined) or that such individual’s disability began on a day earlier or later than that determined by such agency, or that such disability ceased on a day earlier or later than that determined by such agency. A review by the Commissioner of Social Security on the Commissioner’s own motion of a State agency determination under this paragraph may be made before or after any action is taken to implement such determination.

(2) The Commissioner of Social Security (in accordance with paragraph (3)) shall review determinations, made by State agencies pursuant to this section, that determinations, made by State agencies pursuant to this section, that individuals are under disabilities (as defined in section 416(i) or 423(d) of this title). Any review by the Commissioner of Social Security of a State agency determination under this paragraph shall be made before any action is taken to implement such determination.

(3)(A) In carrying out the provisions of paragraph (2) with respect to the review of determinations made by State agencies pursuant to this section that individuals are under disabilities (as defined in section 416(i) or 423(d) of this title), the Commissioner of Social Security shall review—

(i) at least 50 percent of all such determinations made by State agencies on applications for benefits under this subchapter, and

(ii) other determinations made by State agencies pursuant to this section to the extent necessary to assure a high level of accuracy in such other determinations.

(B) In conducting reviews pursuant to subparagraph (A), the Commissioner of Social Security...
shall, to the extent feasible, select for review those determinations which the Commissioner of Social Security identifies as being the most likely to be incorrect.

(C) Not later than April 1, 1992, and annually thereafter, the Commissioner of Social Security shall submit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate a written report setting forth the number of reviews conducted under subparagraph (A)(ii) during the preceding fiscal year and the findings of the Commissioner of Social Security based on such reviews of the accuracy of the determinations made by State agencies pursuant to this section.

(d) Hearings and judicial review

Any individual dissatisfied with any determination under subsection (a), (b), (c), or (g) shall be entitled to a hearing thereon by the Commissioner of Social Security to the same extent as is provided in section 405(b) of this title with respect to decisions of the Commissioner of Social Security, and to judicial review of the Commissioner's final decision after such hearing as is provided in section 405(g) of this title.

(e) State's right to cost from Trust Funds

Each State which is making disability determinations under subsection (a)(1) shall be entitled to receive from the Trust Funds, in advance or by way of reimbursement, as determined by the Commissioner of Social Security, the cost to the State of making disability determinations under subsection (a)(1). The Commissioner of Social Security shall from time to time certify such amount as is necessary for this purpose to the Managing Trustee, reduced or increased, as the case may be, by any sum (for which adjustment hereunder has not previously been made) by which the amount certified for any prior period was greater or less than the amount which should have been paid to the State under this subsection for such period; and the Managing Trustee, prior to audit or settlement by the Government Accountability Office, shall make payment from the Trust Funds at the time or times fixed by the Commissioner of Social Security, in accordance with such certification. Appropriate adjustments between the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund with respect to the payments made under this subsection shall be made in accordance with paragraph (1) of subsection (g) of section 431 of this title (but taking into account any refunds under subsection (f) of this section) to insure that the Federal Disability Insurance Trust Fund is charged with all expenses incurred which are attributable to the administration of section 423 of this title and the Federal Old-Age and Survivors Insurance Trust Fund is charged with all other expenses.

(f) Use of funds

All money paid to a State under this section shall be used solely for the purposes for which it is paid; and any money so paid which is not used for such purposes shall be returned to the Treasury of the United States for deposit in the Trust Funds.

(g) Regulations governing determinations in certain cases

In the case of individuals in a State which does not undertake to perform disability determinations under subsection (a)(1), or which has been found by the Commissioner of Social Security to have substantially failed to make disability determinations in a manner consistent with the Commissioner's regulations and guidelines, in the case of individuals outside the United States, and in the case of any class or classes of individuals for whom no State undertakes to make disability determinations, the determinations referred to in subsection (a) shall be made by the Commissioner of Social Security in accordance with regulations prescribed by the Commissioner.

(h) Evaluation of impairments by qualified medical professionals

An initial determination under subsection (a), (c), (g), or (i) shall not be made until the Commissioner of Social Security has made every reasonable effort to ensure:

(1) in any case where there is evidence which indicates the existence of a mental impairment, that a qualified psychiatrist or psychologist has completed the medical portion of the case review and any applicable residual functional capacity assessment; and

(2) in any case where there is evidence which indicates the existence of a physical impairment, that a qualified physician has completed the medical portion of the case review and any applicable residual functional capacity assessment.

(i) Review of disability cases to determine continuing eligibility; permanent disability cases; appropriate number of cases reviewed; reporting requirements

(1) In any case where an individual is or has been determined to be under a disability, the case shall be reviewed by the applicable State agency or the Commissioner of Social Security (as may be appropriate), for purposes of continuing eligibility, at least once every 3 years, subject to paragraph (2); except that where a finding has been made that such disability is permanent, such reviews shall be made at such times as the Commissioner of Social Security determines to be appropriate. Reviews of cases under the preceding sentence shall be in addition to, and shall not be considered as a substitute for, any other reviews which are required or provided for under or in the administration of this subchapter.

(2) The requirement of paragraph (1) that cases be reviewed at least every 3 years shall not apply to the extent that the Commissioner of Social Security determines, on a State-by-State basis, that such requirement should be waived to insure that only the appropriate number of such cases are reviewed. The Commissioner of Social Security shall determine the appropriate number of cases to be reviewed in each State after consultation with the State agency performing such reviews, based upon the backlog of pending reviews, the projected number of new applications for disability insurance benefits, and the current and projected staffing levels of the State.
agency, but the Commissioner of Social Security shall provide for a waiver of such requirement only in the case of a State which makes a good faith effort to meet proper staffing requirements for the State agency and to process case revisions in a timely fashion. The Commissioner of Social Security shall report annually to the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives with respect to the determinations made by the Commissioner of Social Security under the preceding sentence.

(3) The Commissioner of Social Security shall report annually to the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives with respect to the number of reviews of continuing disability carried out under paragraph (1), the number of such reviews which result in an initial termination of benefits, the number of requests for reconsideration of such initial termination or for a hearing with respect to such termination under subsection (d), or both, and the number of such initial terminations which are overturned as the result of a reconsideration or hearing.

(4) In any case in which the Commissioner of Social Security initiates a review under this subsection of the case of an individual who has been determined to be under a disability, the Commissioner of Social Security shall notify such individual of the nature of the review to be carried out, the possibility that such review could result in the termination of benefits, and the right of the individual to provide medical evidence with respect to such review.

(5) For suspension of reviews under this subsection in the case of an individual using a ticket to work and self-sufficiency, see section 1320b–19(i) of this title.

(j) Rules and regulations; consultative examinations

The Commissioner of Social Security shall prescribe regulations which set forth, in detail—

(1) the standards to be utilized by State disability determination services and Federal personnel in determining when a consultative examination should be obtained in connection with disability determinations;

(2) standards for the type of referral to be made; and

(3) procedures by which the Commissioner of Social Security will monitor both the referral processes used and the product of professionals to whom cases are referred.

Nothing in this subsection shall be construed to preclude the issuance, in accordance with section 553(b)(A) of title 5, of interpretive rules, general statements of policy, and rules of agency organization relating to consultative examinations if such rules and statements are consistent with such regulations.

(k) Establishment of uniform standards for determination of disability

(1) The Commissioner of Social Security shall establish by regulation uniform standards which shall be applied at all levels of determination, review, and adjudication in determining whether individuals are under disabilities as defined in section 416(i) or 423(d) of this title.

(2) Regulations promulgated under paragraph (1) shall be subject to the rulemaking procedures established under section 553 of title 5.

(l) Special notice to blind individuals with respect to hearings and other official actions

(1) In any case where an individual who is applying for or receiving benefits under this subchapter on the basis of disability by reason of blindness is entitled to receive notice from the Commissioner of Social Security of any decision or determination made or other action taken or proposed to be taken with respect to his or her rights under this subchapter, such individual shall at his or her election be entitled either (A) to receive a supplementary notice of such decision, determination, or action, by telephone, within 5 working days after the initial notice is mailed, (B) to receive the initial notice in the form of a certified letter, or (C) to receive notification by some alternative procedure established by the Commissioner of Social Security and agreed to by the individual.

(2) The election under paragraph (1) may be made at any time, but an opportunity to make such an election shall in any event be given, to every individual who is an applicant for benefits under this subchapter on the basis of disability by reason of blindness, at the time of his or her application. Such an election, once made by an individual, shall apply with respect to all notices of decisions, determinations, and actions which such individual may thereafter be entitled to receive under this subchapter until such time as it is revoked or changed.

(m) Work activity as basis for review

(1) In any case where an individual entitled to disability insurance benefits under section 423 of this title or to monthly insurance benefits under section 402 of this title based on such individual's disability (as defined in section 423(d) of this title) has received such benefits for at least 24 months—

(A) no continuing disability review conducted by the Commissioner may be scheduled for the individual solely as a result of the individual's work activity;

(B) no work activity engaged in by the individual may be used as evidence that the individual is no longer disabled; and

(C) no cessation of work activity by the individual may give rise to a presumption that the individual is unable to engage in work.

(2) An individual to which paragraph (1) applies shall continue to be subject to—

(A) continuing disability reviews on a regularly scheduled basis that is not triggered by work; and

(B) termination of benefits under this subchapter in the event that the individual has earnings that exceed the level of earnings established by the Commissioner to represent substantial gainful activity.
Subsec. (e). Act Aug. 1, 1956, §103(h), substituted “Trust Funds” for “Trust Fund”, and provided for adjustments between the Federal Old-Age and Survivors Insurance Fund and the Federal Disability Insurance Trust Fund with respect to payments made under this subsection.

Subsec. (f). Act Aug. 1, 1956, §103(h), substituted “Trust Funds” for “Trust Fund”.

**Effective Date of 2015 Amendment**

Pub. L. 114–74, title VIII, §832(b), Nov. 2, 2015, 129 Stat. 613, provided that: “The amendment made by subsection (a) [amending this section] shall apply with respect to determinations of disability made on or after the date that is one year after the date of the enactment of this Act [Nov. 2, 2015].”

**Effective Date of 2019 Amendment**

Amendment by section 101(b)(1)(A) of Pub. L. 106–170 effective with the first month following one year after Dec. 17, 1999, subject to section 101(d) of Pub. L. 106–170, see section 101(c) of Pub. L. 106–170, set out as an Effective Date note under section 1320b–19 of this title.


**Effective Date of 1994 Amendment**


**Effective Date of 1990 Amendment**

Pub. L. 101–508, title V, §5128(b), Nov. 5, 1990, 104 Stat. 1864, provided that: “The amendment made by section (a) [amending this section] shall apply with respect to determinations made by State agencies in fiscal years after fiscal year 1990.”

**Effective Date of 1989 Amendment**


**Effective Date of 1988 Amendment**

Pub. L. 100–164, §802(b), Nov. 10, 1988, 102 Stat. 1789, provided that: “The amendment made by this section [amending this section] shall apply to determinations made after the date of enactment of this Act [Jan. 12, 1988].”

**Effective and Termination Dates of 1984 Amendment**

Pub. L. 98–460, §8(c), Oct. 9, 1984, 98 Stat. 1812, provided that: “The amendments made by subsection (a) of this section [amending this section] shall become effective on the date of the enactment of this Act [Oct. 9, 1984].”

**Effective Date of 1983 Amendment**

Pub. L. 97–455, §3(b), Jan. 12, 1983, 96 Stat. 2499, provided that: “The amendments made by subsection (a) [amending this section] shall become effective on the date of the enactment of this Act [Jan. 12, 1983].”

**Effective Date of 1980 Amendment**

Pub. L. 96–265, title III, §304(h), June 9, 1980, 94 Stat. 456, provided that: “The amendments made by subsections (a), (b), (d), (e), and (f) [amending this section] shall be effective beginning with the twelfth month following the month in which this Act is enacted [June 1980]. Any State that, on the effective date of the amendments made by this section, has in effect an agreement with the Secretary of Health and Human Services under section 221(a) of the Social Security Act [42 U.S.C. 421(a)] (as in effect prior to such amendments) will be deemed to have given to the Secretary the notice specified in section 221(a)(v) of such Act as amended by this section, in lieu of continuing such agreement in effect after the effective date of such amendments. Thereafter, a State may notify the Secretary in writing that it no longer wishes to make disability determinations, effective not less than 180 days after the notification is given.”


**Effective Date of 1968 Amendment**

Amendment by Pub. L. 90–248 applicable with respect to application for disability insurance benefits under section 423 of this title and to disability determinations under section 416(i) of this title, see section 158(e) of Pub. L. 90–248, set out as a note under section 423 of this title.

**Expansion of Cooperative Disability Investigations Units**

Pub. L. 114–74, title VIII, §811, Nov. 2, 2015, 129 Stat. 601, provided that:

(a) In General.—Not later than October 1, 2022, the Commissioner of Social Security shall take any necessary actions, subject to the availability of appropriations, to ensure that cooperative disability investigations units have been established, in areas where there is cooperation with local law enforcement agencies, that would cover each of the 50 States, the District of Columbia, Puerto Rico, Guam, the Northern Mariana Islands, the Virgin Islands, and American Samoa.

(b) Report.—Not later than 90 days after the date of enactment of this Act [Nov. 2, 2015] and annually thereafter until the earlier of 2022 or the date on which nationwide coverage is achieved, the Commissioner of Social Security shall submit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate a report describing a plan to implement the nationwide coverage described in subsection (a) and outlining areas where the Social Security Administration did not receive the cooperation of local law enforcement agencies.”

**Report on Work-Related Continuing Disability Reviews**

Pub. L. 114–74, title VIII, §845(b), Nov. 2, 2015, 129 Stat. 618, provided that:

“The Commissioner of Social Security shall annually submit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate a report on the number of work-related continuing disability reviews conducted each year to determine whether earnings derived from services demonstrate an individual’s ability to engage in substantial gainful activity. Such report shall include—

(1) the number of individuals receiving benefits based on disability under title II of such Act [probably means title II of act Aug. 14, 1935, ch. 531, which is classified to 42 U.S.C. 401 et seq.], for whom reports of earnings were received from any source by the Commissioner in the previous calendar year, reported...
as a total number and separately by the source of the report;

(2) the number of individuals for whom such reports resulted in a determination to conduct a work-related continuing disability review, and the basis on which such determinations were made;

(3) in the case of a beneficiary selected for a work-related continuing disability review on the basis of a report of earnings from any source—

(A) the average number of days—

(i) between the receipt of the report and the initiation of the review;

(ii) between the initiation and the completion of the review; and

(iii) the average amount of overpayment, if any;

(B) the number of such reviews completed during such calendar year, and the number of such reviews that resulted in a suspension or termination of benefits;

(C) the number of such reviews initiated in the current year that had not been completed as of the end of such calendar year;

(4) the total savings to the Trust Funds and the Treasury generated from benefits suspended or terminated as a result of such reviews; and

(5) with respect to individuals for whom a work-related continuing disability review was completed during such calendar year—

(A) the number who participated in the Ticket to Work program under section 1148 [probably means section 1148 of act Aug. 14, 1935, ch. 531, which is classified to 42 U.S.C. 11160–19] during such calendar year;

(B) the number who used any program work incentives during such calendar year; and

(C) the number who received vocational rehabilitation services during such calendar year with respect to which the Commissioner of Social Security reimbursed a State agency under section 222(d) [probably means section 222(d) of act Aug. 14, 1935, ch. 531, which is classified to 42 U.S.C. 222(d)].

ELECTION UNDER SUBSECTION (b)(1) BY CURRENT RECIPIENTS

Pub. L. 101–239, title X, § 10306(a)(2), Dec. 19, 1989, 103 Stat. 2384, provided that: ‘‘Not later than July 1, 1990, the Secretary of Health and Human Services shall provide every individual receiving benefits under title II of the Social Security Act [42 U.S.C. 401 et seq.] on the basis of disability by reason of blindness an opportunity to make an election under section 222(b)(1) of such Act [42 U.S.C. 422(b)(1)] (as added by paragraph (1)).’’

MORATORIUM ON MENTAL IMPAIRMENT REVIEWS

Pub. L. 98–460, § 5, Oct. 9, 1984, 98 Stat. 1801, provided that:

‘‘(a) The Secretary of Health and Human Services (hereafter in this section referred to as the ‘Secretary’) shall retain the criteria embodied under the category ‘Mental Disorders’ in the ‘Listing of Impairments’ in effect on the date of the enactment of this Act [Oct. 9, 1984] under appendix P to part 404 of title 20 of the Code of Federal Regulations. The revised criteria and listings, alone and in combination with assessments of the residual functional capacity of the individuals involved, shall be designed to realistically evaluate the ability of a mentally impaired individual to engage in substantial gainful activity in a competitive workplace environment. Regulations establishing such revised criteria and listings shall be published no later than 120 days after the date of the enactment of this Act as a final rule.’’

‘‘(b)(1) Until such time as revised criteria have been established by regulation in accordance with subsection (a), no continuing eligibility review shall be carried out under section 222(i) of the Social Security Act [42 U.S.C. 422(i)], or under the corresponding requirements established for disability determinations and reviews under title XVI of such Act [42 U.S.C. 1381 et seq.], with respect to any individual previously determined to be under a disability by reason of a mental impairment, if—

(A) no initial decision on such review has been rendered with respect to such individual prior to the date of the enactment of this Act, or

(B) an initial decision on such review was rendered with respect to such individual prior to the date of the enactment of this Act but a timely appeal from such decision was filed or was pending on or after June 7, 1983.

For purposes of this paragraph and subsection (c)(1) the term ‘continuing eligibility review’, when used to refer to a review of a previous determination of disability, includes any reconsideration of or hearing on the initial decision rendered in such review as well as such initial decision itself, and any review by the Appeals Council of the hearing decision.

‘‘(2) Paragraph (1) shall not apply in any case where the Secretary determines that fraud was involved in the prior determination, or where an individual (other than an individual eligible to receive benefits under section 1619 of the Social Security Act [42 U.S.C. 1381 et seq.]) is determined by the Secretary to be engaged in substantial gainful activity (or gainful activity, in the case of a widow, surviving divorced wife, widower, or surviving divorced husband) during the calendar year.

‘‘(3) in the case of a beneficiary selected for a work-related continuing disability review on the basis of a disability determination made under or in accordance with title II or XVI of the Social Security Act [42 U.S.C. 401 et seq.], the term ‘continuing eligibility review’, when used to refer to a review of a previous determination of disability, includes any reconsideration of or hearing on an initial disability determination, made or held under title II or XVI of the Social Security Act [42 U.S.C. 401 et seq.] after the date of the enactment of this Act [Oct. 9, 1984] and prior to the date on which revised criteria are established by regulation in accordance with subsection (a) and any determination that an individual is not under a disability by reason of a mental impairment in a reconsideration of or hearing on an initial disability determination, made or held under title II or XVI of such Act in a reconsideration of, hearing on, review by the Appeals Council of, or judicial review of a decision rendered in any continuing eligibility review to which subsection (b)(1) applies, shall be redetermined by the Secretary as soon as feasible after the date on which such criteria are so established, applying such revised criteria.

‘‘(2) In the case of a redetermination under paragraph (1) of a prior action which found that an individual was not under a disability, if such individual is found on such redetermination to be under a disability, such redetermination shall be applied as though it had been made at the time of such prior action.

‘‘(3) Any individual with a mental impairment who was found to be not disabled pursuant to an initial disability determination or a continuing eligibility review between March 1, 1981, and the date of the enactment of this Act [Oct. 9, 1984], and who reapplies for benefits under title II or XVI of the Social Security Act, may be determined to be under a disability during the period considered in the most recent prior determination. Any reapplication under this paragraph must be filed no later than one year after the date of the enactment of this Act, and benefits payable as a result of the preceding sentence shall be paid only on the basis of the re-application.’’

INSTITUTION OF NOTIFICATION SYSTEM

Pub. L. 98–460, §6(c), Oct. 9, 1984, 98 Stat. 1802, provided that: ‘‘The Secretary shall institute a system of notification required by the amendments made by subsections (a) and (b) [amending this section and section
1383b of this title] as soon as is practicable after the date of the enactment of this Act [Oct. 9, 1984].”

DEMONSTRATION PROJECTS; OPPORTUNITY FOR PERSONAL APPEARANCE PRIOR TO DISABILITY DETERMINATIONS; REPORT TO CONGRESSIONAL COMMITTEES

Pub. L. 98–460, §6(d), (e), Oct. 9, 1984, 98 Stat. 1802, 1883, required the Secretary of Health and Human Services, as soon as practicable after Oct. 9, 1984, to implement demonstration projects in at least five States in which the opportunity for a personal appearance prior to a determination of ineligibility for disability benefits under 42 U.S.C. 421(i) or prior to initial disability determinations under 42 U.S.C. 421(a), (c), (g), and title XVI of the Social Security Act (42 U.S.C. 1381 et seq.) was substituted for the face to face evidentiary hearing required by 42 U.S.C. 405(b)(2), and to report to the appropriate committees of Congress by Dec. 31, 1986.

PROMULGATION OF REGULATIONS


FREQUENCY OF CONTINUING ELIGIBILITY REVIEWS

Pub. L. 98–460, §15, Oct. 9, 1984, 98 Stat. 1808, provided that: “The Secretary of Health and Human Services shall promulgate final regulations, within 180 days after the date of the enactment of this Act [Oct. 9, 1984], which establish the standards to be used by the Secretary in determining the frequency of reviews under section 221(i) of the Social Security Act [42 U.S.C. 421(i)].” Until such regulations have been issued as final regulations, no individual may be reviewed more than once under section 221(i) of the Social Security Act.

TRAVEL EXPENSES FOR MEDICAL EXAMINATIONS, RECONSIDERATIONS, AND PROCEEDINGS BEFORE ADMINISTRATIVE LAW JUDGES

Provisions authorizing payment of travel expenses either on an actual cost or commuted basis, to an individual for travel incident to medical examinations, and to parties, their representatives and all reasonably necessary witnesses for travel within the United States, Puerto Rico, and the Virgin Islands, to reconsider interviews and to proceedings before administrative law judges under subchapters II, XVI, and XVIII of this chapter were contained in the following appropriation acts:


REVIEWS OF DECISIONS RENDERED BY ADMINISTRATIVE LAW JUDGES AS RESULT OF DISABILITY HEARINGS; REPORT TO CONGRESS

Pub. L. 96–365, title III, §304(g), June 9, 1980, 94 Stat. 456, provided that: “The Secretary of Health and Human Services shall implement a program of reviewing, on his own motion, decisions rendered by administrative law judges as a result of hearings under section 221(d) of the Social Security Act [42 U.S.C. 421(d)], and shall report to the Congress by January 1, 1982, on his progress.”

ASSUMPTION BY SECRETARY OF FUNCTIONS AND OPERATIONS OF STATE DISABILITY DETERMINATION UNITS

Pub. L. 96–365, title III, §304(1), June 9, 1980, 94 Stat. 457, directed Secretary of Health and Human Services to carry out such function, and was to include recommendations for any amendment of Federal law or regulation required to carry out such plan.

§ 422. Rehabilitation services


(c) “Period of trial work” defined

(1) The term “period of trial work”, with respect to an individual entitled to benefits under section 423, 402(d), 402(e), or 402(f) of this title, means a period of months beginning and ending as provided in paragraphs (3) and (4).

(2) For purposes of sections 416(i) and 423 of this title, any services rendered by an individual during a period of trial work shall be deemed not to have been rendered by such individual in determining whether his disability has ceased in the case of an individual entitled to disability insurance benefits, or, in the case of an individual entitled to widow’s or widower’s insurance benefits under section 402(e) or (f) of this title who has attained the age of eighteen, with the month in which in he attains the age of eighteen, whichever is later, or, in the case of an individual entitled to widow’s or widower’s insurance benefits under section 402(e) or (f) of this title who became entitled to such benefits prior to attaining age 60, with the month in which such individual becomes so entitled. Notwithstanding the preceding sentence, no period of trial work may begin for any individual prior to the beginning of the month following September 1960; and no such period may begin for an individual in a period of disability of such individual in which he had a previous period of trial work.

(4) A period of trial work for any individual shall end with the close of whichever of the following months is the earlier:

(A) the ninth month, in any period of 60 consecutive months, in which the individual renders services (whether or not such nine months are consecutive); or

(B) the month in which his disability (as defined in section 423(d) of this title) ceases (as defined in section 402(f) of this title).
determined after application of paragraph (2) of this subsection).

(5) Upon conviction by a Federal court, or the imposition of a civil monetary penalty under section 1320a–8 of this title, that an individual has fraudulently concealed work activity during a period of trial work from the Commissioner of Social Security by—

(A) providing false information to the Commissioner of Social Security as to whether the individual had earnings in or for a particular period, or as to the amount thereof;

(B) receiving disability insurance benefits under this subchapter while engaging in work activity under another identity, including under another social security account number or a number purporting to be a social security account number; or

(C) taking other actions to conceal work activity with an intent fraudulently to secure payment in a greater amount than is due or when no payment is authorized,

no benefit shall be payable to such individual under this subchapter with respect to a period of disability for any month before such conviction during which the individual rendered services during the period of trial work with respect to which the fraudulently concealed work activity occurred, and amounts otherwise due under this subchapter as restitution, penalties, assessments, fines, or other repayments shall in all cases be in addition to any amounts for which such individual is liable as overpayments by reason of such concealment.

d) Cost of rehabilitation services from trust funds

(1) For purposes of making vocational rehabilitation services more readily available to disabled individuals who are—

(A) entitled to disability insurance benefits under section 423 of this title,

(B) entitled to child’s insurance benefits under section 402(d) of this title after having attained age 18 (and are under a disability),

(C) entitled to widow’s insurance benefits under section 402(e) of this title prior to attaining age 60, or

(D) entitled to widower’s insurance benefits under section 402(f) of this title prior to attaining age 60,

to the end that savings will accrue to the Trust Funds as a result of rehabilitating such individuals, there are authorized to be transferred from the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund each fiscal year such sums as may be necessary to enable the Commissioner of Social Security to reimburse the State for the reasonable and necessary costs of vocational rehabilitation services furnished such individuals (including services during their waiting periods), under a State plan for vocational rehabilitation services approved under title I of the Rehabilitation Act of 1973 [29 U.S.C. 720 et seq.], in cases where the furnishing of such services results in the performance by such individuals of substantial gainful activity for a continuous period of nine months, except that such services may be limited in type, scope, or amount in accordance with regulations of the Commissioner of Social Security designed to achieve the purpose of this subsection.

(A) providing false information to the Commissioner of Social Security as to whether the individual had earnings in or for a particular period, or as to the amount thereof;

(B) receiving disability insurance benefits under this subchapter while engaging in work activity under another identity, including under another social security account number or a number purporting to be a social security account number; or

(C) taking other actions to conceal work activity with an intent fraudulently to secure payment in a greater amount than is due or when no payment is authorized,

no benefit shall be payable to such individual under this subchapter with respect to a period of disability for any month before such conviction during which the individual rendered services during the period of trial work with respect to which the fraudulently concealed work activity occurred, and amounts otherwise due under this subchapter as restitution, penalties, assessments, fines, or other repayments shall in all cases be in addition to any amounts for which such individual is liable as overpayments by reason of such concealment.

(2) In the case of any State which is unwilling to participate or does not have a plan which meets the requirements of paragraph (1), the Commissioner of Social Security may provide such services in such State by agreement or contract with other public or private agencies, organizations, institutions, or individuals. The provision of such services shall be subject to the same conditions as otherwise apply under paragraph (1).

(3) Payments under this subsection shall be made in advance or by way of reimbursement, with necessary adjustments for overpayments and underpayments.

(4) Money paid from the Trust Funds under this subsection for the reimbursement of the costs of providing services to individuals who are entitled to benefits under section 423 of this title (including services during their waiting periods), or who are entitled to benefits under section 402(d) of this title on the basis of the wages and self-employment income of such individuals, shall be charged to the Federal Disability Insurance Trust Fund, and all other money paid from the Trust Funds under this subsection shall be charged to the Federal Old-Age and Survivors Insurance Trust Fund. The Commissioner of Social Security shall determine according to such methods and procedures as the Commissioner may deem appropriate—

(A) the total amount to be reimbursed for the cost of services under this subsection, and

(B) subject to the provisions of the preceding sentence, the amount which should be charged to each of the Trust Funds.

(5) For purposes of this subsection the term “vocational rehabilitation services” shall have the meaning assigned to it in title I of the Rehabilitation Act of 1973 [29 U.S.C. 720 et seq.], except that such services may be limited in type, scope, or amount in accordance with regulations of the Commissioner of Social Security designed to achieve the purpose of this subsection.
(e) Treatment referrals for individuals with alcoholism or drug addiction condition

In the case of any individual whose benefits under this subchapter are paid to a representative payee pursuant to section 405(j)(1)(B) of this title, the Commissioner of Social Security shall refer such individual to the appropriate State agency administering the State plan for substance abuse treatment services approved under part II of part B of title XIX of the Public Health Service Act (42 U.S.C. 300x–21 et seq.).


REFERENCES IN TEXT


The Public Health Service Act, referred to in subsec. (e), is act July 1, 1944, ch. 373, 58 Stat. 682, as amended.

Subpart II of part B of title XIX of the Act is classified generally to subpart II (§ 300x–21 et seq.) of part B of title XIX of the Public Health Service Act (42 U.S.C. 300x–21 et seq.).

The Public Health Service Act, referred to in subsec. (c)(4), is act July 1, 1944, ch. 373, 58 Stat. 682, as amended.

Subpart II of part B of title XIX of the Act is classified generally to subpart II (§ 300x–21 et seq.) of part B of subchapter XVII of chapter 6A of this title. For complete classification of this Act to the Code, see Short Title note set out under section 201 of Title 29 and Tables.

AMENDMENTS

2015—Subsec. (c)(5). Pub. L. 114–74 inserted “, or the imposition of a civil monetary penalty under section 1220a–8 of this title,” after “conviction by a Federal court” in introductory provisions.


1999—Subsec. (a). Pub. L. 106–170, § 101(b)(1)(B), struck out heading and text of subsec. (a). Text read as follows added: “, and referred to be the policy of the Congress that disabled individuals applying for a determination of disability, and disabled individuals who are entitled to child’s insurance benefits, widow’s insurance benefits, or widower’s insurance benefits, shall be promptly referred to the State agency or agencies administering or supervising the administration of the State plan approved under title I of the Rehabilitation Act of 1973 for necessary vocational rehabilitation services, to the extent that the maximum number of such individuals may be rehabilitated into productive activity.”

Subsec. (b). Pub. L. 106–170, § 101(b)(1)(C), struck out heading and text of subsec. (b), which authorized deductions from payments under this subchapter up to amount of benefits on account of refusal without cause to accept rehabilitation services, and authorized deductions from payments to husbands, wives, or children of individuals who refuse to accept such services with exception for children between 18 and 22 who are full-time students.


Subsec. (c)(2). Pub. L. 103–296, § 201(a)(4)(B), inserted “(whether legal or illegal)” after “activity”.

Pub. L. 103–296, § 107(a)(4), substituted “Commissioner of Social Security” for “Secretary”.


Pub. L. 103–296, § 107(a)(4), which directed the amendment of this subchapter by substituting “the Commissioner” for “him” where such word referred to the Secretary of Health and Human Services, was executed in closing provisions by substituting “the Commissioner” for “him” where referring to the Commissioner of Social Security, to reflect the probable intent of Congress.

Subsec. (d)(4). Pub. L. 103–296, § 107(a)(4), substituted “Commissioner of Social Security” for “Secretary” and “the Commissioner may” for “he may”.

Subsec. (d)(5). Pub. L. 103–296, § 107(a)(4), substituted “Commissioner of Social Security” for “Secretary”.

1990—Subsec. (c)(4)(A). Pub. L. 101–508, § 5112(a)(1), substituted “in any period of 60 consecutive months” for “beginning on or after the first day of such period”.

Subsec. (c)(5). Pub. L. 101–508, § 5112(a)(2), struck out par. (5) which read as follows: “In the case of an individual who becomes entitled to benefits under section 423 of this title for any month as provided in clause (ii) of subsection (a)(1) of such section, the preceding provisions of this subsection shall not apply with respect to services in any month beginning with the first month for which he is so entitled and ending with the first month thereafter for which he is not entitled to benefits under section 423 of this title.”


Subsec. (b)(4). Pub. L. 98–369, § 2663(a)(15)(C), substituted “full-time elementary or secondary school student” for “full-time student”.

Subsec. (d)(1). Pub. L. 98–460, § 111(a), in provisions following subpar. (D) struck out “into substantial gainful activity” after “rehabilitating such individuals”, designated existing provisions as cl. (i), added cls. (ii) and (iii), and substituted “of an individual to substantial gainful activity, the determination that an individual, without good cause, refused to continue to accept vocational rehabilitation services to allow to cooperate in such a manner as to preclude successful rehabilitation,” for “of such individuals to substantial gainful activity” after cl. (iii).

1983—Subsec. (b)(1). Pub. L. 98–21, § 309(h), substituted “, surviving divorced wife, or surviving divorced husband” for “or surviving divorced wife”.

Subsec. (b)(2). Pub. L. 98–21, § 309(m), inserted “or father’s” after “mother’s” wherever appearing.

Subsec. (b)(3). Pub. L. 98–21, § 309(n), inserted “divorced husband,” after “husband”.

1981—Subsec. (d). Pub. L. 97–35 substituted provisions authorizing the transfer of funds as may be necessary to enable the Secretary to reimburse the State for the reasonable and necessary costs of vocational rehabilitation, under a State plan approved under title I of the Rehabilitation Act of 1973, which results in performance of substantial gainful activity for a continuous pe-
period of nine months, with the determination that the vocational rehabilitation services contributed to the successful return to substantial gainful activity and the amount of costs to be reimbursed made by the Commissioner of Social Security for provisions authorizing the transfer of funds as may be necessary to enable the Secretary to pay the cost of vocational rehabilitation services, restricting the amount such cost that may be expended in any one fiscal year, establishing specific criteria which a State plan must meet, and providing that the selection of individuals to receive services be made in conformance with criteria formulated by the Secretary.

1980—Subsec. (c)(1). Pub. L. 96–265, §303(a)(1), inserted references to sections 402(e) and 402(f) of this title.

Subsec. (c)(3). Pub. L. 96–265, §303(a)(2), inserted reference to individuals entitled to widow’s or widower’s insurance benefits under section 402(e) or (f) of this title who became entitled to such benefits prior to attainment of age 62.

1972—Subsec. (b)(1). Pub. L. 92–663, §107(b)(3), substituted “a widow, widower or surviving divorced wife who has not attained age 60” or “a widow or surviving divorced wife who has not attained age 60, a widower who has not attained age 62”.

Subsec. (d)(1). Pub. L. 92–663, §§107(b)(4), 131, substituted “age 60” for “age 62”, and inserted provisions increasing applicable percentages so that the total amount made available pursuant to subsec. (d) may not exceed 1.25 percent, in fiscal year ending June 30, 1973, and 1.5 percent, in fiscal year ending June 30, 1974, and thereafter, of the total of the benefits under section 402(d) of this title for children who have attained age 18 and are under a disability.


Subsec. (b)(1). Pub. L. 90–248, §104(d)(3)(B), substituted “child’s insurance benefits, a widow or surviving divorced wife who has not attained age 60, a widower who has not attained age 62” or “child’s insurance benefits or if”.

Subsec. (c)(4)(B). Pub. L. 90–248, §104(c)(5), substituted reference to “422(d)” for “422(c)(2)”.

Subsec. (d)(1). Pub. L. 90–248, §104(d)(4), added subpars. (C) and (D), and inserted “the benefits under section 402(e) of this title for widows and surviving divorced wives who have not attained age 60 and are under a disability, the benefits under section 402(f) of this title for widowers who have not attained age 62, and section 225(b) of the Social Security Act [42 U.S.C. 422(b), 1383a(a)(6)], or who refuse to continue to accept rehabilitation services or fail to cooperate in an approved vocational rehabilitation program, in or after the first month following the month in which this Act is enacted [Oct. 1984].”

Amendment by Pub. L. 98–369 effective July 18, 1984, but not to be construed as changing or affecting any right, liability, status, or interpretation which existed (under the provisions of law involved) before that date, see section 286(a) of Pub. L. 98–369, set out as a note under section 403 of this title.

1983—Subsec. Pub. L. 98–21 applicable only with respect to individuals who receive benefits as a result of section 225(b) or section 1631(a)(6) of the Social Security Act [42 U.S.C. 422(b), 1383a(a)(6)], or who refuse to continue to accept rehabilitation services or fail to cooperate in an approved vocational rehabilitation program, in or after the first month following the month in which this Act is enacted [Oct. 1984].”

Effective Date of 1990 Amendment
Amendment by Pub. L. 101–508, title V, §512(b), Nov. 5, 1990, 104 Stat. 1388, provided that: “The amendments made by subsection (a) [amending this section] shall take effect on January 1, 1992.”

Effective Date of 1994 Amendment

Effective Date of 1996 Amendment
Amendment by Pub. L. 104–121 effective July 1, 1996, with respect to any individual whose claim for benefits is finally adjudicated on or after Mar. 29, 1996, or whose entitlement to benefits is based upon an entitlement redetermination made pursuant to section 105(a)(5)(C) of Pub. L. 104–121, see section 105(a)(5) of Pub. L. 104–121, as amended, set out as a note under section 405 of this title.

Effective Date of 1999 Amendment

Effective Date of 2004 Amendment

Effective Date of 2006 Amendment
Amendment by Pub. L. 109–171, set out as an Effective Date note under section 1220–19 of this title.

Effective Date of 2007 Amendment
Amendment by Pub. L. 110–156, set out as an Effective Date note under section 1220–19 of this title.

Effective Date of 2008 Amendment

Effective Date of 2009 Amendment
Amendment by Pub. L. 111–152, set out as an Effective Date note under section 1220–19 of this title.

Effective Date of 2010 Amendment
Amendment by Pub. L. 111–312, set out as an Effective Date note under section 1220–19 of this title.

Effective Date of 2011 Amendment
Amendment by Pub. L. 112–69, set out as an Effective Date note under section 1220–19 of this title.

Effective Date of 2012 Amendment
Amendment by Pub. L. 112–143, set out as an Effective Date note under section 1220–19 of this title.

Effective Date of 2013 Amendment
Amendment by Pub. L. 113–64, set out as an Effective Date note under section 1220–19 of this title.

Effective Date of 2014 Amendment
Amendment by Pub. L. 113–295, set out as an Effective Date note under section 1220–19 of this title.

Effective Date of 2015 Amendment
Amendment by Pub. L. 114–255, set out as an Effective Date note under section 1220–19 of this title.

Effective Date of 2016 Amendment
Amendment by Pub. L. 114–223, set out as an Effective Date note under section 1220–19 of this title.

Effective Date of 2017 Amendment
Amendment by Pub. L. 115–43, set out as an Effective Date note under section 1220–19 of this title.

Effective Date of 2018 Amendment
Amendment by Pub. L. 115–123, set out as an Effective Date note under section 1220–19 of this title.

Effective Date of 2019 Amendment
Amendment by Pub. L. 116–9, set out as an Effective Date note under section 1220–19 of this title.

Effective Date of 2020 Amendment
Amendment by Pub. L. 116–194, set out as an Effective Date note under section 1220–19 of this title.

Effective Date of 2021 Amendment
Amendment by Pub. L. 117–29, set out as an Effective Date note under section 1220–19 of this title.
subchapter for and after the month of February 1968, but only on the basis of applications for such benefits filed in or after January 1968, see section 10(e)(e) of Pub. L. 90–248, set out as a note under section 402 of this title.

Amendment by section 158(c)(5) of Pub. L. 90–248 applicable with respect to applications for disability insurance benefits under section 423 of this title and to disability determinations under section 416(i) of this title, see section 158(e) of Pub. L. 90–248, set out as a note under section 423 of this title.

Effective Date of 1965 Amendment

Amendment by section 308(d)(11) of Pub. L. 89–97 applicable with respect to monthly insurance benefits under this subchapter beginning with the second month following July 1965, but, in the case of an individual who was not entitled to a monthly insurance benefit under section 402 of this title for the first month following July 1965, only on the basis of an application filed in or after July 1965, see section 308(e) of Pub. L. 89–97, set out as a note under section 402 of this title.

Effective Date of 1960 Amendment

Pub. L. 86–778, title IV, §403(e), Sept. 13, 1960, 74 Stat. 969, provided that:

“(1) The amendment made by subsection (a) [amending this section] shall be effective only with respect to months beginning after the month in which this Act is enacted (September 1960).

“(2) The amendments made by subsections (b) and (d) [amending sections 423 and 402 of this title] shall apply only with respect to benefits under section 222(a) or 202(d) of the Social Security Act [42 U.S.C. 423(a), 402(d)] for months after the month in which this Act is enacted in the case of individuals who, without regard to such amendments, would have been entitled to such benefits for the month in which this Act is enacted or for any succeeding month.

“(3) The amendment made by subsection (c) [amending section 416 of this title] shall apply only in the case of individuals who have a period of disability (as defined in section 216(i) of the Social Security Act [42 U.S.C. 416(i)]) beginning on or after the date of the enactment of this Act [Sept. 13, 1960], or beginning before such date and continuing, without regard to such amendment, beyond the end of the month in which this Act is enacted.”

Effective Date of 1958 Amendment

Amendment by section 205(n) of Pub. L. 85–840 applicable with respect to monthly benefits under this subchapter for months after August 1958, but only if an application for such benefits is filed on or after August 28, 1958, see section 207(a) of Pub. L. 85–840, set out as a note under section 416 of this title.

Pub. L. 85–840, title III, §307(h)(3), Aug. 28, 1958, 72 Stat. 1033, provided that: “The amendments made by subsection (g) [amending this section] shall apply with respect to monthly benefits under section 202 of the Social Security Act [42 U.S.C. 402] for months occurring after the month in which this Act is enacted [August 1958], in which a deduction is incurred under paragraph (1) of section 222(b) of the Social Security Act [42 U.S.C. 422(b)(1)].”

§ 423. Disability insurance benefit payments

(a) Disability insurance benefits

(1) Every individual who—

(A) is insured for disability insurance benefits (as determined under subsection (c)(1)),

(B) has not attained retirement age (as determined under section 416(i) of this title),

(C) if not a United States citizen or national—

(i) has been assigned a social security account number that was, at the time of as-

ignment, or at any later time, consistent with the requirements of subclause (I) or (II) at the time any quarters of coverage are earned—

(I) is described in subparagraph (B) or (D) of section 405(a)(15) of title 8.

(II) is lawfully admitted temporarily to the United States for business (in the case of an individual described in such subparagraph (B) or the performance as a crew

man (in the case of an individual described in such subparagraph (D)), and

(III) the business engaged in or service as a crewman performed is within the scope of the terms of such individual’s admission to the United States; shall be entitled to a disability insurance benefit (i) for each month beginning with the first month after his waiting period (as defined in subsection (c)(2)) in which he becomes so entitled to such insurance benefits, or (ii) for each month beginning with the first month during all of which he is under a disability and in which he becomes so entitled to such insurance benefits, but only if he was entitled to disability insurance benefits which terminated, or had a period of disability (as defined in section 416(i) of this title) which ceased, within the 60-month period preceding the first month in which he is under such disability, and ending with the month preceeding whichever of the following months is the earliest: the month in which he dies, the month in which he attains retirement age (as defined in section 416(i) of this title), or, subject to subsection (e), the termination month. For purposes of the preceding sentence, the termination month for any individual shall be the third month following the month in which his disability ceases; except that, in the case of an individual who has a period of trial work which ends as determined by application of section 422(c)(4)(A) of this title, the termination month shall be the earlier of (I) the third month following the earliest month after the end of such period of trial work with respect to which such individual is determined to no longer be suffering from a disabling physical or mental impairment, or (II) the third month following the earliest month in which such individual engages or is determined able to engage in substantial gainful activity, but in no event earlier than the first month occurring after the 36 months following such period of trial work in which he engages or is determined able to engage in substantial gainful activity. No payment under this paragraph may be made to an individual who would not meet the definition of disability in subsection (d) except for paragraph (1)(B) thereof for any month in which he engages in substantial gainful activity. No payment may be made for such month under subsection (b), (c), or (d) of section 402 of this title to any person on the basis of the wages and self-employment income of such indi-

1 So in original. The period probably should be a comma.
individual. In the case of a deceased individual, the requirement of subparagraph (C) may be satisfied by an application for benefits filed with respect to such individual within 3 months after the month in which he died.

(2) Except as provided in section 402(q) of this title and section 415(b)(2)(A)(ii) of this title, such individual’s disability insurance benefit for any month shall be equal to his primary insurance amount for such month determined under section 415 of this title as though he had attained age 62 in—

(A) the first month of his waiting period, or

(B) in any case in which clause (ii) of paragraph (1) of this subsection is applicable, the first month for which he becomes entitled to such disability insurance benefits,

and as though he had become entitled to old-age insurance benefits in the month in which the application for disability insurance benefits was filed and he was entitled to an old-age insurance benefit for each month for which (pursuant to subsection (b)) he was entitled to a disability insurance benefit. For the purposes of the preceding sentence, in the case of an individual who attained age 62 in or before the first month referred to in subparagraph (A) or (B) of such sentence, as the case may be, the elapsed years referred to in section 415(b)(3) of this title shall not include the year in which he attained age 62, or any year thereafter.

(b) Filing application

An application for disability insurance benefits filed before the first month in which the applicant satisfies the requirements for such benefits (as prescribed in subsection (a)(1)) shall be deemed a valid application (and shall be deemed to have been filed in such first month) only if the applicant satisfies the requirements for such benefits before the Commissioner of Social Security makes a final decision on the application and no request under section 405(b) of this title for notice and opportunity for a hearing thereon is made, or if such a request is made, before a decision based upon the evidence adduced at the hearing is made (regardless of whether such decision becomes the final decision of the Commissioner of Social Security). An individual who would have been entitled to a disability insurance benefit for any month had he filed application therefor before the end of such month shall be entitled to such benefit for such month if such application is filed before the end of the 12th month immediately succeeding such month.

(c) Definitions; insured status; waiting period

For purposes of this section—

(1) An individual shall be insured for disability insurance benefits in any month if—

(A) he would have been a fully insured individual (as defined in section 414 of this title) had he attained age 62 and filed application for benefits under section 402(a) of this title on the first day of such month, and

(B)(i) he had not less than 20 quarters of coverage during the 40-quarter period which ends with the quarter in which such month occurred, or

(ii) if such month ends before the quarter in which he attains (or would attain) age 31, not less than one-half (and not less than 6) of the quarters during the period ending with the quarter in which such month occurred and beginning after he attained the age of 21 were quarters of coverage, or (if the number of quarters in such period is less than 12) not less than 6 of the quarters in the 12-quarter period ending with such quarter were quarters of coverage, or

(iii) in the case of an individual (not otherwise insured under clause (i)) who, by reason of section 416(i)(3)(B)(i) of this title, had a prior period of disability that began during a period before the quarter in which he or she attained age 21 and ending with the quarter in which such month occurs are quarters of coverage, or (if the number of quarters in such period is less than 12) not less than 6 of the quarters in the 12-quarter period ending with such quarter are quarters of coverage; except that the provisions of subparagraph (B) of this paragraph shall not apply in the case of an individual who is blind (within the meaning of “blindness” as defined in section 416(i)(1) of this title). For purposes of subparagraph (B) of this paragraph, when the number of quarters in any period is an odd number, such number shall be reduced by one, and a quarter shall not be counted as part of any period if any part of such quarter was included in a period of disability unless such quarter was a quarter of coverage.

(2) The term “waiting period” means, in the case of any application for disability insurance benefits, the earliest period of five consecutive calendar months—

(A) throughout which the individual with respect to whom such application is filed has been under a disability, and

(B)(i) which begins not earlier than with the first day of the seventeenth month before the month in which such application is filed if such individual is insured for disability insurance benefits in such seventeenth month, or (ii) if he is not so insured in such month, which begins not earlier than with the first day of the first month after such seventeenth month in which he is so insured.

Notwithstanding the preceding provisions of this paragraph, no waiting period may begin for any individual before January 1, 1957.

(d) “Disability” defined

(1) The term “disability” means—

(A) inability to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or which has lasted or can be expected to last for a continuous period of not less than 12 months; or

(B) in the case of an individual who has attained the age of 55 and is blind (within the meaning of “blindness” as defined in section 416(i)(1) of this title), inability by reason of such blindness to engage in substantial gainful activity requiring skills or abilities comparable to those of any gainful activity in
which he has previously engaged with some regularity and over a substantial period of time.

(2) For purposes of paragraph (1)(A)—
(A) An individual shall be determined to be under a disability only if his physical or mental impairment or impairments are of such severity that he is not only unable to do his previous work but cannot, considering his age, education, and work experience, engage in any other kind of substantial gainful work which exists in the national economy, regardless of whether such work exists in the immediate area in which he lives, or whether a specific job vacancy exists for him, or whether he would be hired if he applied for work. For purposes of the preceding sentence (with respect to any individual), “work which exists in the national economy” means work which exists in significant numbers either in the region where such individual lives or in several regions of the country.

(B) In determining whether an individual’s physical or mental impairment or impairments are of a sufficient medical severity that such impairments or impairments could be the basis of eligibility under this section, the Commissioner of Social Security shall consider the combined effect of all of the individual’s impairments without regard to whether any such impairment, if considered separately, would be of such severity. If the Commissioner of Social Security does find a medically severe combination of impairments, the combined impact of the impairments shall be considered throughout the disability determination process.

(C) An individual shall not be considered to be disabled for purposes of this subchapter if alcoholism or drug addiction would (but for this subparagraph) be a contributing factor material to the Commissioner’s determination that the individual is disabled.

(3) For purposes of this subsection, a “physical or mental impairment” is an impairment that results from anatomical, physiological, or psychological abnormalities which are demonstrable by medically acceptable clinical and laboratory diagnostic techniques.

(4)(A) The Commissioner of Social Security shall by regulations prescribe the criteria for determining when services performed or earnings derived from services demonstrate an individual’s ability to engage in substantial gainful activity. No individual who is blind shall be regarded as having demonstrated an ability to engage in substantial gainful activity on the basis of earnings that do not exceed an amount equal to the exempt amount which would be applicable under section 403(f)(8) of this title, to individuals described in subparagraph (D) thereof, if section 102 of the Senior Citizens’ Right to Work Act of 1996 had not been enacted. Notwithstanding the provisions of paragraph (2), an individual whose services or earnings meet such criteria shall, except for purposes of section 422(c) of this title, be found not to be disabled. In determining whether an individual is able to engage in substantial gainful activity by reason of his earnings, where his disability is sufficiently severe to result in a functional limitation requiring assistance in order for him to work, there shall be excluded from such earnings an amount equal to the cost (to such individual) of any attendant care services, medical devices, equipment, prostheses, and similar items and services (including routine drugs or routine medical services unless such drugs or services are necessary for the control of the disabling condition) which are necessary (as determined by the Commissioner of Social Security in regulations) for that purpose, whether or not such assistance is also needed to enable him to carry out his normal daily functions; except that the amounts to be excluded shall be subject to such reasonable limits as the Commissioner of Social Security may prescribe.

(B) In determining under subparagraph (A) when services performed or earnings derived from services demonstrate an individual’s ability to engage in substantial gainful activity, the Commissioner of Social Security shall apply the criteria described in subparagraph (A) with respect to services performed by any individual without regard to the legality of such services.

(C)(i) Subject to clause (ii), in determining when earnings derived from services demonstrate an individual’s ability to engage in substantial gainful activity, such earnings shall be presumed to have been earned—
(I) in making a determination of initial entitlement on the basis of disability, in the month in which the services were performed from which such earnings were derived; and
(II) in any other case, in the month in which such earnings were paid.

(ii) A presumption made under clause (i) shall not apply to a determination described in such clause if—
(I) the Commissioner can reasonably establish, based on evidence readily available at the time of such determination, that the earnings were earned in a different month than when paid; or
(II) in any case in which there is a determination that no benefit is payable due to earnings, after the individual is notified of the presumption made and provided with an opportunity to submit additional information along with an explanation of what additional information is needed, the individual shows to the satisfaction of the Commissioner that such earnings were earned in another month.

(5)(A) An individual shall not be considered to be under a disability unless he furnishes such medical and other evidence of the existence thereof as the Commissioner of Social Security may require. An individual’s statement as to pain or other symptoms shall not alone be conclusive evidence of disability as defined in this section; there must be medical signs and findings, established by medically acceptable clinical or laboratory diagnostic techniques, which show the existence of a medical impairment that results from anatomical, physiological, or psychological abnormalities which could reasonably be expected to produce the pain or other symptoms alleged and which, when considered with all evidence required to be furnished under this paragraph (including statements of the in-
individual or his physician as to the intensity and persistence of such pain or other symptoms which may reasonably be accepted as consistent with the medical signs and findings), would lead to a conclusion that the individual is under a disability. Objective medical evidence of pain or other symptoms established by medically acceptable clinical or laboratory techniques (for example, deteriorating nerve or muscle tissue) must be considered in reaching a conclusion as to whether the individual is under a disability. Any non-Federal hospital, clinic, laboratory, or other provider of medical services, or physician not in the employ of the Federal Government, which supplies medical evidence required and requested by the Commissioner of Social Security under this paragraph shall be entitled to payment from the Commissioner of Social Security for the reasonable cost of providing such evidence.

(B) In making any determination with respect to whether an individual is under a disability or continues to be under a disability, the Commissioner of Social Security shall consider all evidence available in such individual’s case record, and shall develop a complete medical history of at least the preceding twelve months for any case in which a determination is made that the individual is not under a disability. In making any determination the Commissioner of Social Security shall make every reasonable effort to obtain from the individual’s treating physician (or other treating health care provider) all medical evidence, including diagnostic tests, necessary in order to properly make such determination, prior to evaluating medical evidence obtained from any other source on a consultative basis.

(C)(i) In making any determination with respect to whether an individual is under a disability or continues to be under a disability, the Commissioner of Social Security may not consider (except for good cause as determined by the Commissioner) any evidence furnished by—

(I) any individual or entity who has been convicted of a felony under section 408 of this title or under section 1383a of this title;

(II) any individual or entity who has been excluded from participation in any Federal health care program under section 1320a-7 of this title; or

(III) any person with respect to whom a civil money penalty or assessment has been imposed under section 1320a-8 of this title for the submission of false evidence.

(ii) To the extent and at such times as is necessary for the effective implementation of clause (i) of this subparagraph—

(I) the Inspector General of the Social Security Administration shall transmit to the Commissioner of Social Security, information relating to persons described in subclause (I) or (II) of clause (i); ²

(II) the Secretary of Health and Human Services shall transmit to the Commissioner information relating to persons described in subclause (II) of clause (i); and

(III) notwithstanding any other provision of this subchapter, any physical or mental impairment which arises in connection with the commission by an individual (after October 19, 1980) of an offense which constitutes a felony under applicable law and for which such individual is subsequently convicted, or which is aggravated in connection with such an offense (but only to the extent so aggravated), shall not be considered in determining whether an individual is under a disability.

(B) Notwithstanding any other provision of this subchapter, any physical or mental impairment which arises in connection with an individual’s confinement in a jail, prison, or other penal institution or correctional facility pursuant to such individual’s conviction of an offense (committed after October 19, 1980) constituting a felony under applicable law, or which is aggravated in connection with such a confinement (but only to the extent so aggravated), shall not be considered in determining whether such individual is under a disability for purposes of benefits payable for any month during which such individual is so confined.

(e) Engaging in substantial gainful activity

(1) No benefit shall be payable under subsection (a)(1)(A)(i), A)(ii), (d)(6)(A), (d)(6)(B), (e)(1)(B)(ii), or (f)(1)(B)(ii) of section 402 of this title or under subsection (a)(1) of this section to an individual for any month, after the third month, in which he engages in substantial gainful activity during the 36-month period following the end of his trial work period determined by application of section 422(c)(4)(A) of this title.

(2) No benefit shall be payable under section 402 of this title on the basis of the wages and self-employment income of an individual entitled to a benefit under subsection (a)(1) of this section for any month for which the benefit of such individual under subsection (a)(1) is not payable under paragraph (1).

(f) Standard of review for termination of disability benefits

A recipient of benefits under this subchapter or subchapter XVIII based on the disability of any individual may be determined not to be entitled to such benefits on the basis of any finding that the physical or mental impairment on the basis of which such benefits are provided has ceased, does not exist, or is not disabling only if such finding is supported by—

(1) substantial evidence which demonstrates that—

(A) there has been any medical improvement in the individual’s impairment or combination of impairments (other than medical improvement which is not related to the individual’s ability to work); and

(B) the individual is now able to engage in substantial gainful activity; or

(2) substantial evidence which—

(A) consists of new medical evidence and a new assessment of the individual’s residual functional capacity, and demonstrates that—

(I) although the individual has not improved medically, he or she is nonetheless a beneficiary of advances in medical or vocational therapy or technology (related to the individual’s ability to work), and

² So in original. Probably should be followed by “and”.

³ So in original. The “;” and “)” probably should be a period.
(ii) the individual is now able to engage in substantial gainful activity, or

(B) demonstrates that—

(i) although the individual has not improved medically, he or she has undergone vocational therapy (related to the individual’s ability to work), and

(ii) the individual is now able to engage in substantial gainful activity; or

(3) substantial evidence which demonstrates that, as determined on the basis of new or improved diagnostic techniques or evaluations, the individual’s impairment or combination of impairments is not as disabling as it was considered to be at the time of the most recent prior decision that he or she was under a disability or continued to be under a disability, and that therefore the individual is able to engage in substantial gainful activity; or

(4) substantial evidence (which may be evidence on the record at the time any prior determination of the entitlement to benefits based on disability was made, or newly obtained evidence which relates to that determination) which demonstrates that a prior determination was in error.

Nothing in this subsection shall be construed to require a determination that a recipient of benefits under this subchapter or subchapter XVIII based on an individual’s disability is entitled to such benefits if the prior determination was made in good faith, or if the individual is engaged in substantial gainful activity, cannot be located, or fails, without good cause, to cooperate in a review of the entitlement to such benefits or to follow prescribed treatment which would be expected to restore his or her ability to engage in substantial gainful activity. In making for purposes of the preceding sentence any determination relating to fraudulent behavior by any individual or failure by any individual without good cause to cooperate or to take any required action, the Commissioner of Social Security shall specifically take into account any physical, mental, educational, or linguistic limitation which such individual may have (including any lack of facility with the English language). Any determination under this section shall be made on the basis of all the evidence available in the individual’s case file, including new evidence concerning the individual’s prior or current condition which is presented by the individual or secured by the Commissioner of Social Security. Any determination made under this section shall be made on the basis of the weight of the evidence and on a neutral basis with regard to the individual’s condition, without any initial inference as to the presence or absence of disability being drawn from the fact that the individual has previously been determined to be disabled. For purposes of this subsection, a benefit under this subchapter is based on an individual’s disability if it is a disability insurance benefit, a child’s, widow’s, or widower’s insurance benefit based on disability, or a mother’s or father’s insurance benefit based on the disability of the mother’s or father’s child who has attained age 16.

(g) Continued payment of disability benefits during appeal

(1) In any case where—

(A) an individual is a recipient of disability insurance benefits, or of child’s, widow’s, or widower’s insurance benefits based on disability,

(B) the physical or mental impairment on the basis of which such benefits are payable is found to have ceased, not to have existed, or to no longer be disabling, and as a consequence such individual is determined not to be entitled to such benefits, and

(C) a timely request for a hearing under section 421(d) of this title, or for an administrative review prior to such hearing, is pending with respect to the determination that he is not so entitled,

such individual may elect (in such manner and form and within such time as the Commissioner of Social Security shall by regulations prescribe) to have the payment of such benefits, the payment of any other benefits under this subchapter based on such individual’s wages and self-employment income, the payment of mother’s or father’s insurance benefits to such individual’s mother or father based on the disability of such individual as a child who has attained age 16, and the payment of benefits under subchapter XVIII based on such individual’s disability, continued for an additional period beginning with the first month beginning after January 12, 1983, for which (under such determination) such benefits are no longer otherwise payable, and ending with the earlier of (i) the month preceding the month in which a decision is made after such a hearing, or (ii) the month preceding the month in which no such request for a hearing or an administrative review is pending.

(2) (A) If an individual elects to have the payment of his benefits continued for an additional period under paragraph (1), and the final decision of the Commissioner of Social Security affirms the determination that he is not entitled to such benefits, any benefits paid under this subchapter pursuant to such election (for months in such additional period) shall be considered overpayments for all purposes of this subchapter, except as otherwise provided in subparagraph (B).

(B) If the Commissioner of Social Security determines that the individual’s appeal of his termination of benefits was made in good faith, all of the benefits paid pursuant to such individual’s election under paragraph (1) shall be subject to waiver consideration under the provisions of section 404 of this title. In making for purposes of this subparagraph any determination of whether any individual’s appeal is made in good faith, the Commissioner of Social Security shall specifically take into account any physical, mental, educational, or linguistic limitation such individual may have (including any lack of facility with the English language).

(h) Interim benefits in cases of delayed final decisions

(1) In any case in which an administrative law judge has determined after a hearing as provided under section 405(b) of this title that an individual is entitled to disability insurance benefits or
child’s, widow’s, or widower’s insurance benefits based on disability and the Commissioner of Social Security has not issued the Commissioner’s final decision in such case within 110 days after the date of the administrative law judge’s determination, such benefits shall be currently paid for the months during the period beginning with the month preceding the month in which such 110-day period expires and ending with the month preceding the month in which such final decision is issued.

(2) For purposes of paragraph (1), in determining whether the 110-day period referred to in paragraph (1) has elapsed, any period of time for which the action or inaction of such individual or such individual’s representative without good cause results in the delay in the issuance of the Commissioner’s final decision shall not be taken into account to the extent that such period of time exceeds 20 calendar days.

(3) Any benefits currently paid under this subchapter pursuant to this subsection (for the months described in paragraph (1)) shall not be considered overpayments for any purpose of this subchapter (unless payment of such benefits was fraudulently obtained), and such benefits shall not be treated as past-due benefits for purposes of section 406(b)(1) of this title.

(i) Reinstatement of entitlement

(1)(A) Entitlement to benefits described in subparagraph (B)(i)(I) shall be reinstated in any case where the Commissioner determines that an individual described in subparagraph (B) has filed a request for reinstatement meeting the requirements of paragraph (2)(A) during the period prescribed in subparagraph (C). Reinstatement of such entitlement shall be in accordance with the terms of this subsection.

(B) An individual is described in this subparagraph if—

(i) prior to the month in which the individual files a request for reinstatement—

(I) the individual was entitled to benefits under this section or section 402 of this title on the basis of disability pursuant to an application filed therefor; and

(II) such entitlement terminated due to the performance of substantial gainful activity;

(ii) the individual is under a disability and the physical or mental impairment that is the basis for the finding of disability is the same as (or related to) the physical or mental impairment that was the basis for the finding of disability that gave rise to the entitlement described in clause (i); and

(iii) the individual’s disability renders the individual unable to perform substantial gainful activity.

(C)(i) Except as provided in clause (ii), the period prescribed in this subparagraph with respect to an individual is 60 consecutive months beginning with the month following the most recent month for which the individual was entitled to a benefit described in subparagraph (B)(i)(I) prior to the entitlement termination described in subparagraph (B)(i)(II).

(ii) In the case of an individual who fails to file a reinstatement request within the period prescribed in clause (i), the Commissioner may extend the period if the Commissioner determines that the individual had good cause for the failure to so file.

(ii) A request for reinstatement shall include express declarations by the individual that the individual meets the requirements specified in clauses (ii) and (iii) of paragraph (1)(B).

(B) A request for reinstatement filed in accordance with subparagraph (A) may constitute an application for benefits in the case of any individual who the Commissioner determines is not entitled to reinstated benefits under this subsection.

(3) In determining whether an individual meets the requirements of paragraph (1)(B)(ii), the provisions of subsection (f) shall apply.

(4)(A)(i) Subject to clause (ii), entitlement to benefits reinstated under this subsection shall commence with the benefit payable for the month in which a request for reinstatement is filed.

(ii) An individual whose entitlement to a benefit for any month would have been reinstated under this subsection had the individual filed a request for reinstatement before the end of such month shall be entitled to such benefit for such month if such request for reinstatement is filed before the end of the twelfth month immediately succeeding such month.

(B)(i) Subject to clauses (ii) and (iii), the amount of the benefit payable for any month pursuant to the reinstatement of entitlement under this subsection shall be determined in accordance with the provisions of this subchapter.

(ii) An individual whose entitlement to a benefit for any month would have been reinstated under this subsection had the individual filed a request for reinstatement before the end of such month shall be entitled to such benefit for such month if such request for reinstatement is filed before the end of the twelfth month immediately succeeding such month.

(iii) Benefits under this section or section 402 of this title payable on the basis of an application filed in such form, and containing such information, as the Commissioner may prescribe.

(ii) An individual whose entitlement to a benefit for any month would have been reinstated under this subsection had the individual filed a request for reinstatement before the end of such month shall be entitled to such benefit for such month if such request for reinstatement is filed before the end of the twelfth month immediately succeeding such month.

(C)(i) Entitlement to benefits described in subparagraph (B)(i)(I) shall be reinstated in any case where the Commissioner determines that an individual described in subparagraph (B) has filed a request for reinstatement meeting the requirements of paragraph (2)(A) during the period prescribed in subparagraph (C). Reinstatement of such entitlement shall be in accordance with the terms of this subsection.

(B) An individual is described in this subparagraph if—

(i) prior to the month in which the individual files a request for reinstatement—

(I) the individual was entitled to benefits under this section or section 402 of this title on the basis of disability pursuant to an application filed therefor; and

(II) such entitlement terminated due to the performance of substantial gainful activity;

(ii) the individual is under a disability and the physical or mental impairment that is the basis for the finding of disability is the same as (or related to) the physical or mental impairment that was the basis for the finding of disability that gave rise to the entitlement described in clause (i); and

(iii) the individual’s disability renders the individual unable to perform substantial gainful activity.

(C)(i) Except as provided in clause (ii), the period prescribed in this subparagraph with respect to an individual is 60 consecutive months beginning with the month following the most recent month for which the individual was entitled to a benefit described in subparagraph (B)(i)(I) prior to the entitlement termination described in subparagraph (B)(i)(II).

(ii) In the case of an individual who fails to file a reinstatement request within the period prescribed in clause (i), the Commissioner may extend the period if the Commissioner determines that the individual had good cause for the failure to so file.

(ii) A request for reinstatement shall include express declarations by the individual that the individual meets the requirements specified in clauses (ii) and (iii) of paragraph (1)(B).

(B) A request for reinstatement filed in accordance with subparagraph (A) may constitute an application for benefits in the case of any individual who the Commissioner determines is not entitled to reinstated benefits under this subsection.

(3) In determining whether an individual meets the requirements of paragraph (1)(B)(ii), the provisions of subsection (f) shall apply.

(4)(A)(i) Subject to clause (ii), entitlement to benefits reinstated under this subsection shall commence with the benefit payable for the month in which a request for reinstatement is filed.

(ii) An individual whose entitlement to a benefit for any month would have been reinstated under this subsection had the individual filed a request for reinstatement before the end of such month shall be entitled to such benefit for such month if such request for reinstatement is filed before the end of the twelfth month immediately succeeding such month.

(B)(i) Subject to clauses (ii) and (iii), the amount of the benefit payable for any month pursuant to the reinstatement of entitlement under this subsection shall be determined in accordance with the provisions of this subchapter.

(ii) For purposes of computing the primary insurance amount of an individual whose entitlement to benefits under this section is reinstated under this subsection, the date of onset of the individual’s disability shall be the date of onset used in determining the individual’s most recent period of disability arising in connection with such benefits payable on the basis of an application.

(iii) Benefits under this section or section 402 of this title payable on the basis of an application filed in such form, and containing such information, as the Commissioner may prescribe.

(ii) An individual whose entitlement to a benefit for any month would have been reinstated under this subsection had the individual filed a request for reinstatement before the end of such month shall be entitled to such benefit for such month if such request for reinstatement is filed before the end of the twelfth month immediately succeeding such month.

(C)(i) Entitlement to benefits described in subparagraph (B)(i)(I) shall be reinstated in any case where the Commissioner determines that an individual described in subparagraph (B) has filed a request for reinstatement meeting the requirements of paragraph (2)(A) during the period prescribed in subparagraph (C). Reinstatement of such entitlement shall be in accordance with the terms of this subsection.

(B) An individual is described in this subparagraph if—

(i) prior to the month in which the individual files a request for reinstatement—

(I) the individual was entitled to benefits under this section or section 402 of this title on the basis of disability pursuant to an application filed therefor; and

(II) such entitlement terminated due to the performance of substantial gainful activity;

(ii) the individual is under a disability and the physical or mental impairment that is the basis for the finding of disability is the same as (or related to) the physical or mental impairment that was the basis for the finding of disability that gave rise to the entitlement described in clause (i); and

(iii) the individual’s disability renders the individual unable to perform substantial gainful activity.

(C)(i) Except as provided in clause (ii), the period prescribed in this subparagraph with respect to an individual is 60 consecutive months beginning with the month following the most recent month for which the individual was entitled to a benefit described in subparagraph (B)(i)(I) prior to the entitlement termination described in subparagraph (B)(i)(II).

(ii) In the case of an individual who fails to file a reinstatement request within the period prescribed in clause (i), the Commissioner may extend the period if the Commissioner determines that the individual had good cause for the failure to so file.

(ii) A request for reinstatement shall include express declarations by the individual that the individual meets the requirements specified in clauses (ii) and (iii) of paragraph (1)(B).

(B) A request for reinstatement filed in accordance with subparagraph (A) may constitute an application for benefits in the case of any individual who the Commissioner determines is not entitled to reinstated benefits under this subsection.

(3) In determining whether an individual meets the requirements of paragraph (1)(B)(ii), the provisions of subsection (f) shall apply.

(4)(A)(i) Subject to clause (ii), entitlement to benefits reinstated under this subsection shall commence with the benefit payable for the month in which a request for reinstatement is filed.

(ii) An individual whose entitlement to a benefit for any month would have been reinstated under this subsection had the individual filed a request for reinstatement before the end of such month shall be entitled to such benefit for such month if such request for reinstatement is filed before the end of the twelfth month immediately succeeding such month.

(B)(i) Subject to clauses (ii) and (iii), the amount of the benefit payable for any month pursuant to the reinstatement of entitlement under this subsection shall be determined in accordance with the provisions of this subchapter.

(ii) For purposes of computing the primary insurance amount of an individual whose entitlement to benefits under this section is reinstated under this subsection, the date of onset of the individual’s disability shall be the date of onset used in determining the individual’s most recent period of disability arising in connection with such benefits payable on the basis of an application.

(iii) Benefits under this section or section 402 of this title payable on the basis of an application filed in such form, and containing such information, as the Commissioner may prescribe.
employment income may be reinstated with respect to any person previously entitled to such benefits on the basis of an application if the Commissioner determines that such person satisfies all the requirements for entitlement to such benefits except requirements related to the filing of an application. The provisions of paragraph (4) shall apply to the reinstated entitlement of any such person to the same extent that they apply to the reinstated entitlement of such individual.

(6) An individual to whom benefits are payable under this section or section 402 of this title pursuant to a reinstatement of entitlement under this subsection for 24 months (whether or not consecutive) shall, with respect to benefits so payable after such twenty-fourth month, be deemed for purposes of paragraph (1)(B)(i)(I) and paragraph (1)(B)(ii) Provisional benefits shall end with the earliest of—

(A) an amount equal to the exempt amount as (D) and (E), respectively.

(B) the month in which a request for reinstatement is filed in accordance with paragraph (2)(A).

(C)(i) Provisional benefits shall begin with the month in which a request for reinstatement is filed in accordance with paragraph (2)(A).

(ii) Provisional benefits shall end with the earliest of—

(I) the month in which the Commissioner makes a determination regarding the individual’s entitlement to reinstated benefits;

(II) the month following the month described in clause (I);

(III) the month in which the individual performs substantial gainful activity; or

(IV) the month in which the Commissioner determines that the individual does not meet the requirements of paragraph (1)(B)(i) or that the individual’s declaration made in accordance with paragraph (2)(A)(ii) is false.

(D) In any case in which the Commissioner determines that an individual is not entitled to reinstated benefits, any provisional benefits paid to the individual under this paragraph shall not be subject to recovery as an overpayment unless the Commissioner determines that the individual knew or should have known that the individual did not meet the requirements of paragraph (1)(B).
which would be applicable under section 403(f)(8) of this title, to individuals described in subparagraph (D) thereof, if section 102 of the Senior Citizens' Right to Work Act of 1996 had not been enacted for "the exempt amount under section 403(f)(8) of this title which is applicable to individuals described in subparagraph (D) thereof."


Subsec. (d)(4). Pub. L. 103–296, §201(a)(4)(A), designated existing provisions as subpar. (A) and added subpar. (B).


Subsec. (d)(5). Pub. L. 103–296, §321(7)(A)(A), struck out "(in a case to which clause (i)(II) does not apply)" after "new medical evidence and" in introductory provisions.

Subsec. (f)(2)(B)(ii). Pub. L. 103–296, §321(8)(1)(B), added cl. (ii) and struck out former cl. (ii) which read as follows: "the requirements of clause (I) or (II) of subparagraph (A)(ii) are met; or".


Subsec. (d)(3).Pub. L. 101–508, §5102(1), inserted "or" before "(i)" and substituted "pending" for "pending, or (iii) January 1991" before period at end.

Subsec. (g)(3). Pub. L. 101–508, §5102(2), struck out par. (3) which read as follows: "The provisions of paragraphs (1) and (2) shall apply with respect to determinations (that individuals are not entitled to benefits) which are made--

"(A) on or after January 12, 1983, or prior to such date but only on the basis of a timely request for a hearing under section 421(d) of this title, or for an administrative review prior to such hearing, and

"(B) prior to January 1, 1991."

1989—Subsec. (f). Pub. L. 101–239, §10305(c), inserted after first sentence of concluding provisions "In making for purposes of the preceding sentence any determination relating to fraudulent behavior by any individual or failure by any individual without good cause to cooperate or to take any required action, the Secretary shall specifically take into account any physical, mental, educational, or linguistic limitation such individual may have (including any lack of facility with the English language)."


Subsec. (g)(2)(B). Pub. L. 101–239, §10305(d), inserted at end "In making for purposes of this subparagraph any determination of whether any individual's appeal is made in good faith, the Secretary shall specifically take into account any physical, mental, educational, or linguistic limitation such individual may have (including any lack of facility with the English language)."


Subsec. (h). (i). Pub. L. 100–647, §8001(a), added subsec. (h) and redesignated former subsec. (i) as (ii).

Subsec. (i). Pub. L. 100–647, §8001(a), added subsec. (i) and redesignated former subsec. (i) as (ii).

Subsec. (j)(1). Pub. L. 100–647, §8001(a), redesignated subpar. (B) as (i).
Public Law 98-460, §3(a)(1), inserted provisions requiring, in making determinations as to whether an individual is under a disability, that subjective statements as to pain or other symptoms alone be discredited by medical evidence of the existence of a medical impairment resulting from anatomical, physiological, or psychological abnormalities.

Subsection (f). Public Law 98-460, §2(a), amended subsection (f) generally, substituting provisions relating to the standard of review for termination of disability benefits for provisions relating to suspension of benefits for inmates of penal institutions.

Subsection (g)(1). Public Law 98-460, §7(a)(1), in provisions following subpar. (C) substituted reference to benefits under this subchapter for reference to benefits under this chapter, inserted references to the payment to the owner's or father's insurance benefits to such individual's mother or father based on the disability of such individual as a child who has attained age 16, substituted reference to benefits under subchapter XVIII of this chapter based on such individual's disability for reference to benefits under subchapter XVIII of this chapter, and substituted “June 1988” for “January 1988” in cl. (iii).


Subsection (h). Public Law 98-369, §§2662(i), struck out subsec. (f) relating to extraordinary work expenses due to severe disability.

Subsection (i). Public Law 98-369, §§2662(c)(2), substituted “retirement age (as defined in section 416(l) of this title)” for “age 65”.

Subsection (a)(1). Public Law 98-21, §201(c)(1)(E), substituted “retirement age (as defined in section 416(l) of this title)” for “the age of sixty-five”.


Subsection (d)(2). Public Law 98-21, §320(b), substituted “widower, or surviving divorced husband” for “or widower” wherever appearing.

Subsection (i). Public Law 98-21, §329(b), before amendment by Public Law 98-369, §2662(1), struck out subsec. (f) relating to suspension of benefits for inmates of penal institutions. See note below for subsec. (h).

Subsection (j). Public Law 97-455 added subsec. (g).

Subsection (g)(3)(B). Public Law 98-118, §201(c)(3), as amended by Public Law 98-369, §2662(c)(2), substituted “retirement age (as defined in section 416(l) of this title)” for “age 65”.


Subsection (f). Public Law 98-460, §2(a), amended section (f) to read “Except as provided in section 402(q) of this title”.

Subsection (c). Public Law 98-460, §2(a), substituted in (i) “the quarter in which he attains” for “before he attains” and struck out “and he is under a disability by reason of blindness (as defined in section 416(l)(1) of this title)” after “age 31”.

Subsection (d). Public Law 98-460, §2(a), redesignated former first sentence of former subsec. (c)(2), comprising subpars. (A) and (B), as par. (1)(A), (B), added par. (2) to (4), and redesignated former second sentence of former subsec. (c)(2) as par. (5).

Subsection (c)(2). Public Law 98-460, §2(a), substituted for provisions relating to the standard of review for termination of disability benefits for inmates of penal institutions, “as defined in section 416(l) of this title” for “age 65”.

Subsection (a)(1). Public Law 98-97, §§303(b)(3), 344(c), struck out from subpar. (D) “at the time such application is filed,” after parenthetical provision and from provisions following subpar. (D) “the first month for which he is entitled to old-age insurance benefits” after “age 65,” and prohibit payment to an individual who would not meet the definition of disability in subsec. (c)(2) except for subpar. (B) thereof for any month in which he is entitled to old-age insurance benefits if he is entitled to a disability insurance benefit and “Except as provided in section 402(q) of this title” and in last sentence substituted “shall not include the year” for “shall not include the first year” and struck out “both was fully insured and had” before “attained age 62” in two places, respectively.

Subsection (a)(3). Public Law 98-97, §304(1), repealed par. (3) which prohibited an individual from becoming entitled to disability insurance benefits if he is entitled to a widow’s, widower’s, or parent’s insurance benefit, or an old-age, widows’, or husband’s insurance benefit.

Subsection (b). Public Law 98-97, §§303(c), 328(b), struck out from last sentence “after June 1967” after “for any month” and substituted “before” for “after” in the first appearing “and if he fills such application before the end of the 12th month immediately succeeding such month” for “if he is continuously under a disability after such month and unless he files application in a month prior to the effective date of the application” in paragraph “and if he files such application prior to the end of the 12th month immediately succeeding such month”
and substituted provisions calling for an application for benefits filed before the first month in which the applicant satisfies the requirements for such benefits to be deemed a valid application only if the applicant satisfies the requirements before the Secretary makes a final decision on the application and calling for the application to be deemed filed in the first month if the application is found to satisfy the requirements for provisions placing an outer limit on the time prior to entitlement during which an application would be deemed filed during the first month prior to entitlement, respectively.

Subsec. (c)(1). Pub. L. 89–97, § 344(b), removed from existing subpar. (B) provision prohibiting the inclusion, as part of such 40-quarter period, of any quarter any part of which was included in a prior period of disability unless such quarter was a quarter of coverage and designated such subpar., as so amended as subpar. (B)(i), added subpar. (B)(ii), and added the material following subpar. (B)(ii) prohibiting inclusion of any quarter as part of any period if any part of such quarter was included in a prior period of disability unless such quarter was a quarter of coverage and calling for reduction by one of the number of quarters in any period whenever such number of quarters is an odd number.

Subsec. (c)(2)(A). Pub. L. 89–97, § 303(a)(2), designated existing provisions as subpar. (A) and substituted "which has lasted or can be expected to last for a continuous period of not less than 12 months; or" for "to be long-continued and indefinite duration".


Subsec. (c)(3)(A). Pub. L. 89–97, § 303(b)(4), struck out "which continues until such application is filed" after "disability".

1961—Subsec. (a)(1). Pub. L. 87–64, § 102(b)(2)(C), substituted "the month in which he attains age 65, the first month for which he is entitled to old-age insurance benefits" for "the month in which he attains age 65, or the second or third month following the first month in which he attains age 65, whichever is the earliest: the month in which he attains age 65, or the third month following the first month in which he attains age 65".

Subsec. (c)(2)(A). Pub. L. 87–64, § 102(c)(2)(C), (3)(D), substituted "as though he had attained age 62 (if a woman) or age 65 (if a man)" for "as though he had attained retirement age", and "fully insured and had attained age 62" for "fully insured and had attained retirement age", in two places.


Subsec. (c)(1)(A). Pub. L. 87–64, § 102(c)(3)(E), substituted "attained age 62 (if a woman) or age 65 (if a man)" for "attained retirement age".

1968. Pub. L. 90–248, § 502(a), 502(b), struck out provisions from cl. (B) which required an individual to have attained the age of 60, inserted provisions authorizing payment of benefits to an individual for each month beginning with the first month during all of which he is under a disability and in which he becomes so entitled to such insurance benefits, but only if he was entitled to disability insurance benefits which terminated, or had a period of disability which ceased, within the 60-month period preceding the first month in which he is under such disability, and substituted provisions requiring benefits to end with the month preceding whichever of the following is the earliest: the month in which he dies, the month in which he attains the age of 65, or the third month following the month in which his disability ceases for provisions which required the benefits to end with the month preceding the first month in which any of the following occurs: his disability ceases, he dies, or he attains the age of 65.

Subsec. (a)(2). Pub. L. 86–778, § 303(f), amended generally subsec. (a)(2), as amended by section 402(b) of Pub. L. 86–778 which read as follows: "Such individual's disability insurance benefit for any month shall be equal to his primary insurance amount for such month determined under section 415 of this title as though he became entitled to old-age insurance benefits in—

(1) the first month of his waiting period, or

(2) in any case in which clause (ii) of paragraph (1) of this subsection is applicable, the first month for which he becomes so entitled to such disability insurance benefits."

Pub. L. 86–778, § 402(b), amended subsec. (a)(2) generally. Prior to amendment by subsection (a)(2), section (a)(2) read as follows: "Such individual's disability insurance benefit for any month shall be equal to his primary insurance amount for such month determined under section 415 of this title as though he became entitled to old-age insurance benefits in the first month of his waiting period."

Subsec. (b). Pub. L. 86–778, § 402(c), (d), prohibited acceptance of an application, in any case in which cl. (i) of par. (1) of subsec. (a) is applicable, if it is filed more than six months before the first month for which the applicant becomes entitled to benefits, inserted provisions requiring any application filed within the nine months' period or six months' period, as the case may be, to be deemed to have been filed in such first month, and substituted "if he is continuously under a disability after such month and until he files application therefor, and he files such application for certain satisfies the requirements for such benefits to be deemed a valid application only if the applicant satisfies the requirements before the Secretary makes a final decision on the application and calling for the application to be deemed filed in the first month if the application is found to satisfy the requirements for provisions placing an outer limit on the time prior to entitlement during which an application would be deemed filed during the first month prior to entitlement, respectively.

Subsec. (c)(3). Pub. L. 86–778, § 401(b), struck out provisions which prohibited a waiting period for any individual from beginning before the first day of the sixth month before the month in which he attains the age of 50.

1938—Subsec. (b). Pub. L. 85–840, § 202(a), provided that individuals who would have been entitled to disability insurance benefits for any month after June 1957 had they filed application therefor prior to the end of such month shall be entitled to disability benefits for such month if they file application therefor prior to the end of the twelfth month immediately succeeding such month.


Subsec. (c)(3). Pub. L. 85–840, § 203(b), inserted "which continues until such application is filed" after "under a disability" in cl. (A), and substituted "eighteenth month" for "sixth month" in three instances in cl. (B).

Effective Date of 2015 Amendment
Pub. L. 114–74, title VIII, § 812(c), Nov. 2, 2015, 129 Stat. 602, provided that: "The amendment made by subsection (a) [amending this section] shall apply with respect to determinations of disability made on or after the earlier of—

(1) the effective date of the regulations issued by the Commissioner under subsection (b) [set out as a note under this section]; or

(2) one year after the date of the enactment of this Act [Nov. 2, 2015]."

Pub. L. 114–74, title VIII, § 823(b), Nov. 2, 2015, 129 Stat. 611, provided that: "The amendment made by subsection (a) [amending this section] shall take effect upon the date of the enactment of this Act [Nov. 2, 2015], or as soon as practicable thereafter."

Effective Date of 2004 Amendment
Amendment by Pub. L. 108–203 applicable to benefit applications based on social security account numbers issued on or after Jan. 1, 2004, see section 211(c) of Pub. L. 108–203, set out as a note under section 414 of this title.

Effective Date of 1999 Amendment
Pub. L. 106–170, title I, § 112(c), Dec. 17, 1999, 113 Stat. 1886, provided that:

(1) IN GENERAL.—The amendments made by this section [amending this section and section 1383 of this title] shall take effect on the first day of the thirteenth month beginning after the date of the enactment of this Act [Dec. 17, 1999].

(2) LIMITATION.—No benefit shall be payable under title II or XVI (of the Social Security Act, 42 U.S.C. 401 et seq., 1381 et seq.) on the basis of a request for reinstatement filed under section 226(i) or 1631(p) of the Social Security Act (42 U.S.C. 423(1), 1383(p)) before the effective date described in paragraph (1)."
Effective Date of 1996 Amendment
Amendment by section 102(b)(2) of Pub. L. 104–121 applicable with respect to taxable years ending after 1995, see section 102(c) of Pub. L. 104–121, set out as a note under section 405 of this title.

Amendment by section 105(a)(1) of Pub. L. 104–121 applicable to individual who applies for, or whose claim is finally adjudicated with respect to, benefits under this subchapter based on disability on or after Mar. 29, 1996, with special rule for any individual who applied, and whose claim has been finally adjudicated, before Mar. 29, 1996, see section 105(a)(5) of Pub. L. 104–121, set out as a note under section 405 of this title.

Effective Date of 1994 Amendment


Effective Date of 1990 Amendment
Amendment by section 5103(a), (b)(2)–(5) of Pub. L. 101–508 applicable with respect to monthly insurance benefits for months after December 1990 for which applications are filed on or after Jan. 1, 1991, or are pending on such date, see section 5103(e) of Pub. L. 101–508, set out as a note under section 402 of this title.

Pub. L. 101–508, title V, § 5118(b), Nov. 5, 1990, 104 Stat. 1388–278, provided that: "(A) determinations made by the Secretary for review in accordance with the provisions of this section and sections 416 and 1382c of this title and amendments made by this section shall apply only as provided in this subsection.

(2) The amendments made by this section shall apply to—

(A) determinations made by the Secretary on or after the date of the enactment of this Act (Oct. 9, 1984); and

(B) determinations with respect to which a final decision of the Secretary has not yet been made as of the date of the enactment of this Act (Oct. 9, 1984) and with respect to which a request for administrative review is made in conformity with the time limits, exhaustion requirements, and other provisions of section 205 of the Social Security Act [42 U.S.C. 405] and regulations of the Secretary;

(C) determinations with respect to which a request for judicial review was pending on September 19, 1984, and which involve an individual litigant or a member of a class in a class action who is identified by name in such pending action on such date; and

(D) determinations with respect to which a timely request for judicial review is or has been made by an individual litigant of a final decision of the Secretary made within 60 days prior to the date of the enactment of this Act (Oct. 9, 1984).

In the case of determinations described in subparagraphs (C) and (D) in actions relating to medical improvement, the court shall remand such cases to the Secretary for review in accordance with the provisions of the Social Security Act as amended by this section.

(3) In the case of a recipient of benefits under title II, XVI, or XVIII of the Social Security Act [42 U.S.C. 401 et seq., 1381 et seq.]—

(A) who has been determined not to be entitled to such benefits on the basis of a finding that the physical or mental impairment on the basis of which such benefits were provided has ceased, does not exist, or is not disabling, and

(B) who was a member of a classcertified on or before September 19, 1984, in a class action relating to medical improvement pending on September 19, 1984, but was not identified by name as a member of the class on such date,

the court shall remand such case to the Secretary. The Secretary shall notify such individual by certified mail that he may request a review of the determination described in subparagraph (A) based on the provisions of this section and amendments made by this section. Such notification shall specify that the individual must request such review within 120 days after the date on which such notification is received. If such request is made in a timely manner, the Secretary shall make a review of the determination described in subparagraph (A) in accordance with the provisions of this section and amendments made by this section. The amendments made by this section shall apply with respect to such review, and the determination described in subparagraph (A) and any redetermination resulting from such review shall be subject to further administrative and judicial review, only if such request is made in a timely manner.

(4) The decision by the Secretary on a case remanded by a court pursuant to this subsection shall be regarded as a new decision on the individual’s claim for benefits, which supersedes the final decision of the Secretary. The new decision shall be subject to further administrative review and judicial review only in conformity with the time limits, exhaustion requirements, and other provisions of section 205 of the Social Security Act [42 U.S.C. 405] and regulations issued by the Secretary in conformity with such section.

(5) No class in a class action relating to medical improvement may be certified after September 19, 1984, if the class action seeks judicial review of a decision terminating entitlement (or a period of disability) by the Secretary of Health and Human Services prior to September 19, 1984.
“(6) For purposes of this subsection, the term ‘action relating to medical improvement’ means an action raising the issue of whether an individual who has had his entitlement to benefits under title II, XVI, or XVIII of the Social Security Act [42 U.S.C. 401 et seq., 1381 et seq., 1395 et seq.] based on disability terminated (or period of disability ended) should not have had such entitlement terminated (or period of disability ended) without consideration of whether there has been medical improvement in the condition of such individual (or another individual on whose disability such entitlement is based) since the time of a prior determination that the individual was under a disability.’’

Pub. L. 98–460, § 3(a)(3), Oct. 9, 1984, 98 Stat. 1799, provided that: ‘‘The amendments made by this section [amending this section and section 1385c of this title] shall apply to determinations made prior to January 1, 1987.’’

Pub. L. 98–460, § 4(c), Oct. 9, 1984, 98 Stat. 1801, provided that: ‘‘The amendments made by this subsection [amending this section] shall apply with respect to determinations made on or after the first day of the first month beginning after 30 days after the date of the enactment of this Act [Oct. 9, 1984].’’

Pub. L. 98–460, § 9(b)(2), Oct. 9, 1984, 98 Stat. 1805, provided that: ‘‘The amendments made by this subsection [amending this section] shall apply to determinations made on or after the date of the enactment of this Act [Oct. 9, 1984].’’

Amendment by sections 2661(m) and 2662(c)(2), (1) of Pub. L. 98–369 effective as though included in the enactment of the Social Security Amendments of 1983, Pub. L. 98–21, set out as a note under section 601 of this title.

Amendment by section 2663(a)(16) of Pub. L. 98–369 effective July 18, 1984, but not to be construed as changing or affecting any right, liability, status, or interpretation which existed (under the provisions of law involved) before that date, see section 2664(a) of Pub. L. 98–369, set out as a note under section 401 of this title.

EFFECTIVE DATE OF 1983 AMENDMENT

Amendment by section 300(e) of Pub. L. 98–21 applicable only with respect to monthly payments payable under this subchapter for months after April, 1983, see section 310 of Pub. L. 98–21, set out as a note under section 402 of this title.

Amendment by section 332(b) of Pub. L. 98–21 effective with respect to applications for disability insurance benefits under this section filed after Apr. 20, 1983, except that no monthly benefits under this subchapter shall be payable or increased by reason of such amendment for months before the month following April, 1983, see section 332(c) of Pub. L. 98–21, set out as a note under section 402 of this title.

Amendment by section 339(b) of Pub. L. 98–21 applicable with respect to monthly benefits payable for months beginning on or after April 20, 1983, see section 339(c) of Pub. L. 98–21, set out as a note under section 402 of this title.

EFFECTIVE DATE OF 1980 AMENDMENT

Amendment by Pub. L. 96–473 effective with respect to benefits payable for months beginning on or after Oct. 1, 1980, see section 5(d) of Pub. L. 96–473, set out as a note under section 402 of this title.

For effective date of amendment by section 102(b) of Pub. L. 96–265, see section 102(c) of Pub. L. 96–265, set out as a note under section 415 of this title.

Pub. L. 96–265, title III, § 309(b), June 9, 1980, 94 Stat. 451, provided that: ‘‘The amendments made by this section [amending this section and sections 1352a and 1382c of this title] shall apply with respect to expenses incurred on or after the first day of the sixth month which begins after the date of the enactment of this Act [June 9, 1980].’’

For effective date of amendment by section 303(b)(1)(A), (2)(A) of Pub. L. 96–265, see section 303(d) of Pub. L. 96–265, set out as a note under section 402 of this title.

Amendment by section 306(c) of Pub. L. 96–265 applicable to applications filed after June 1980, see section 306(d) of Pub. L. 96–265, set out as a note under section 402 of this title.

Pub. L. 96–265, title III, § 309(b), June 9, 1980, 94 Stat. 459, provided that: ‘‘The amendment made by subsection (a) [amending this section] shall apply with respect to evidence requested on or after the first day of the sixth month which begins after the date of the enactment of this Act [June 9, 1980].’’

EFFECTIVE DATE OF 1972 AMENDMENT

Amendment by section 104(c), (d) of Pub. L. 92–603 applicable only in the case of a man who attains (or would attain) age 62 after Dec. 1974, with the figure ‘‘65’’ in subsec. (c)(1)(A) of this section to be deemed to read ‘‘64’’ in the case of a man who attains age 62 in 1973, and deemed to read ‘‘63’’ in the case of a man who attains age 62 in 1974, see section 104(j) of Pub. L. 92–603, set out as an Effective Date of 1972 Amendment note under section 414 of this title.

Pub. L. 92–603, title I, § 116(e), Oct. 30, 1972, 86 Stat. 1350, provided that: ‘‘The amendments made by this section [amending this section and sections 402 and 416 of this title] shall be effective with respect to applications for disability insurance benefits under section 223 of the Social Security Act [42 U.S.C. 423], applications for widow’s and widower’s insurance benefits based on disability under section 202 of such Act [42 U.S.C. 402], and applications for disability determinations under section 216(i) of such Act [42 U.S.C. 416(i)], filed—

‘‘(1) in or after the month in which this Act is enacted [October 1972], or

‘‘(2) before the month in which this Act is enacted, if—

‘‘(A) notice of the final decision of the Secretary of Health, Education, and Welfare [now Health and Human Services] has not been given to the applicant before such month, or

‘‘(B) the notice referred to in subparagraph (A) has been so given before such month but a civil action with respect to such final decision is commenced under section 205(g) of the Social Security Act [42 U.S.C. 405(g)] (whether before, in, or after such month) and the decision in such civil action has not become final before such month;

except that no monthly benefits under title II of the Social Security Act [42 U.S.C. 401 et seq.] shall be payable or increased by reason of the amendments made by this section for any month before January 1973.’’

Pub. L. 92–603, title I, § 117(c), Oct. 30, 1972, 86 Stat. 1351, provided that: ‘‘The amendments made by this section [amending this section and section 416 of this title] shall be effective with respect to applications for disability insurance benefits under section 223 of the Social Security Act [42 U.S.C. 423], and for disability determinations under section 216(i) of such Act [42 U.S.C. 416(i)], filed—

‘‘(1) in or after the month in which this Act is enacted, or

‘‘(2) before the month in which this Act is enacted, if—

‘‘(A) notice of the final decision of the Secretary of Health, Education, and Welfare [now Health and Human Services] has not been given to the applicant before such month; or

‘‘(B) the notice referred to in subparagraph (A) has been so given before such month but a civil action with respect to such final decision is commenced under section 205(g) of the Social Security Act [42 U.S.C. 405(g)] (whether before, in, or after such month) and the decision in such civil action has not become final before such month; except that no monthly benefits under title II of the Social Security Act [42 U.S.C. 401 et seq.] shall be payable or increased by reason of the amendments made by this section for any month before January 1973.’’

Amendment by section 118(a) of Pub. L. 92–603 applicable in the case of deaths occurring after Dec. 31, 1969,
with any applications with respect to an individual whose death occurred after Dec. 31, 1969, but before Oct. 30, 1972, to be deemed to have been filed in the month in which death occurred if filed in or within three months after Oct. 1972, see section 118(c) of Pub. L. 92–663, set out as a note under section 416 of this title.

**Effective Date of 1968 Amendment**

Amendment by section 155(b) of Pub. L. 90–248 applicable with respect to monthly benefits under this subchapter for months after January 1968, but only on the basis of applications for such benefits filed in or after January 1968, see section 155(c) of Pub. L. 90–248, set out as a note under section 416 of this title.

Pub. L. 90–248, title I, § 155(e), Jan. 2, 1968, 81 Stat. 869, provided that: "The amendments made by this section [amending this section and sections 402, 416, 421, 422, and 425 of this title] shall be effective with respect to applications for disability insurance benefits under section 423 in or after the month in which this Act is enacted [July 1965]. The preceding sentence shall also be applicable in the case of applications for monthly insurance benefits under title II of the Social Security Act based on the wages and self-employment income of an applicant with respect to whose application for disability insurance benefits under section 223 of such Act [42 U.S.C. 423] such preceding sentence is applicable.

Amendment by section 304(m), (n) ofPub. L. 89–97 applicable with respect to monthly insurance benefits under this subchapter for and after the second month following July 1965 but only on the basis of applications filed in or after July 1965, see section 304(o) of Pub. L. 89–97, set out as a note under section 402 of this title.

Amendment by section 328(c) of Pub. L. 89–97 applicable with respect to applications filed on or after July 30, 1965, applications as to which the Secretary has not made a final decision before July 30, 1965, and, if a civil action with respect to a final decision of the Secretary has been commenced under section 405(g) of this title before July 30, 1965, applications as to which there has been no final judicial decision before July 30, 1965, see section 328(d) of Pub. L. 89–97, set out as a note under section 416 of this title.

Amendment by section 344(b)–(d) of Pub. L. 89–97 applicable only with respect to monthly benefits under subchapter II of this chapter for months after August 1965 on the basis of applications for such benefits filed in or after July 1965, see section 344(e) of Pub. L. 89–97, set out as a note under section 416 of this title.

**Effective Date of 1961 Amendment**

Amendment by section 102(b)(2)(B), (C) of Pub. L. 89–97, effective Aug. 1, 1961, and amendment by section 102(c)(2)(C), (3)(D), (E) of Pub. L. 87–64 applicable with respect to monthly benefits for months beginning before August 1, 1961, based on applications filed in or after March 1961, and with respect to lump-sum death payments under this subchapter in the case of deaths on or after August 1, 1961, see sections 102(f)(4), (6) and 109 of Pub. L. 87–64, set out as notes under section 402 of this title.

**Effective Date of 1960 Amendment**

Pub. L. 86–779, title III, § 303(f), Sept. 13, 1960, 74 Stat. 964, provided that the amendment made by such section 303(f) is effective with respect to individuals who become entitled to benefits under this section after 1960.

Pub. L. 86–779, title IV, § 401(c), Sept. 13, 1960, 74 Stat. 967, provided that: "The amendments made by this section [amending this section] shall apply only with respect to monthly benefits under sections 202 and 223 of the Social Security Act [42 U.S.C. 402, 423] for months after the seventh month before the month in which this Act is enacted [September 1960] and with respect to monthly benefits for months beginning the month following the month in which this Act is enacted, but only where applications for such benefits are filed in or after the month in which this Act is enacted, and except in the case of an individual who did not attain the age of fifty in the month preceding the month in which this Act is enacted, and except in the case of an individual who become entitled to benefits under such section 223 in or after the month in which this Act is enacted."
Amendment by section 493(b) of Pub. L. 86–778 applicable only with respect to benefits under this section for months after September 1960, in the case of individuals who, without regard to such amendment, would have been entitled to such benefits for September 1960, or for any succeeding month, see section 493(e) of Pub. L. 86–778, set out as a note under section 422 of this title.

**Effective Date of 1958 Amendment**

Amendment by section 202 of Pub. L. 85–840 applicable with respect to applications for disability insurance benefits under this section filed after December 1957, see section 207(a) of Pub. L. 85–840, set out as a note under section 416 of this title.

For applicability of amendment by section 204(b) of Pub. L. 85–840, see section 207(a) of Pub. L. 85–840, set out as a note under section 416 of this title.

**Effective Date**

Act Aug. 1, 1956, ch. 836, title I, §105(d), 70 Stat. 818, provided that:

“(1) The amendment made by subsection (a) [enacting this section and sections 424 and 425 of this title] shall apply only with respect to monthly benefits under title II of the Social Security Act [42 U.S.C. 401 et seq.] for months after June 1957.

“(2) For purposes of determining entitlement to a disability insurance benefit for any month after June 1957 and before December 1957, an application for disability insurance benefits filed by any individual after July 1957 and before January 1958 shall be deemed to have been filed during the first month after June 1957 for which such individual would (without regard to this paragraph) have been entitled to a disability insurance benefit had he filed application before the end of such month.”

**Regulations**

Pub. L. 114–74, title VIII, §826, Nov. 2, 2015, 129 Stat. 611, provided that:

“(a) IN GENERAL.—Not later than September 30, 2017, the Commissioner of Social Security shall establish and implement a system that—

“(1) allows an individual entitled to a monthly income benefit based on disability under title II of the Social Security Act [42 U.S.C. 401 et seq.] (or a representative of the individual) to report to the Commissioner the individual’s earnings derived from sources through electronic means, including by telephone and Internet; and

“(2) automatically issues a receipt to the individual (or representative) after receiving each such report.

“(b) SUPPLEMENTAL SECURITY INCOME REPORTING SYSTEM AS MODEL.—The Commissioner shall model the system established under subsection (a) on the electronic wage reporting systems for recipients of supplemental security income under title XVI of such Act [42 U.S.C. 1381 et seq.].”

**Election of Payments**

Pub. L. 98–460, §2(e), Oct. 9, 1984, 98 Stat. 1798, provided that: “Any individual whose case is remanded to the Secretary pursuant to subsection (d) [set out as a note above] or whose request for a review is made in a timely manner pursuant to subsection (d), may elect, in accordance with section 223(g) or 1631(a)(7) of the Social Security Act [42 U.S.C. 423(g), 1382a(7)], to have payments made beginning with the month in which he makes such election, and ending as under section 223(g) or 1631(a)(7). Notwithstanding such section 223(g) or 1631(a)(7), such payments (if elected)—

“(1) shall be made at least until an initial redetermination is made by the Secretary; and

“(2) shall begin with the payment for the month in which such individual makes such election.”

**Retroactive Benefits**

Pub. L. 98–460, §2(f), Oct. 9, 1984, 98 Stat. 1799, provided that: “In the case of any individual who is found to be under a disability after a review required under this section, such individual shall be entitled to retroactive benefits beginning with benefits payable for the first month to which the most recent termination of benefits applied.”

**Promulgation of Regulations**

Pub. L. 98–460, §2(g), Oct. 9, 1984, 98 Stat. 1799, provided that: “The Secretary of Health and Human Services shall prescribe regulations necessary to implement the amendments made by this section [amending this section and sections 416 and 1382c of this title] and subsection (a) of section 202 of Pub. L. 86–778, set out as a note under section 422 of this title] by not later than 180 days after the date of the enactment of this Act [Oct. 9, 1984].”

**Commission on Evaluation of Pain**

Pub. L. 98–460, §3(b), Oct. 9, 1984, 98 Stat. 1799, provided that:

“(1) The Secretary of Health and Human Services shall appoint a Commission on the Evaluation of Pain (hereafter in this section referred to as the ‘Commission’ or the ‘Commission on evaluation’ [hereafter in this section referred to as the ‘Commission’]) to conduct a study concerning the evaluation of pain in determining under titles II and XVI of the Social Security Act [42 U.S.C. 401 et seq., 1381 et seq.] whether an individual is under a disability. Such study shall be conducted in consultation with the National Academy of Sciences.

“(2) The Commission shall consist of at least twelve experts, including a significant representation from the field of medicine who are involved in the study of pain, and representation from the fields of law, administration of disability insurance programs, and other appropriate fields of expertise.

“(3) The Commission shall be appointed by the Secretary of Health and Human Services (without regard to the requirements of the Federal Advisory Committee Act [Pub. L. 92–463, set out in the Appendix to Title 5, Government Organization and Employees]) within 60 days after the date of the enactment of this Act [Oct. 9, 1984]. The Secretary shall from time to time appoint one of the members to serve as Chairman. The Commission shall meet as often as the Secretary deems necessary.

“(4) Members of the Commission shall be appointed without regard to the provisions of title 5, United States Code, governing appointments in the competitive service. Members who are not employees of the United States, while attending meetings of the Commission or otherwise serving on the business of the Commission, shall be paid at a rate equal to the per diem equivalent of the rate provided for level IV of the Executive Schedule under section 5315 of title 5, United States Code, for each day, including traveltime, during which they are engaged in the actual performance of duties vested in the Commission. While engaged in the performance of such duties away from their homes or regular places of business they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for persons in the Government service employed intermittently.

“(5) The Commission may engage such technical assistance from individuals skilled in medical and other aspects of pain as may be necessary to carry out its functions. The Secretary shall make available to the Commission such secretarial, clerical, and other assistance and any pertinent data prepared by the Department of Health and Human Services as the Commission may require to carry out such assistance.

“(6) The Secretary shall submit the results of the study under paragraph (1), together with any recom-


Effective Date of Repeal
Repeal applicable with respect to monthly benefits under this subchapter for August 1958 and succeeding months, see section 207(a) of Pub. L. 85–840, set out as an Effective Date of 1958 Amendment note under section 416 of this title.

§ 424a. Reduction of disability benefits
(a) Conditions for reduction; computation
If for any month prior to the month in which an individual attains retirement age (as defined in section 416(c)(1) of this title)...

(1) such individual is entitled to benefits under section 423 of this title, and

(2) such individual is entitled for such month...

(A) periodic benefits on account of his or her total or partial disability (whether or not permanent) under a workmen’s compensation law or plan of the United States or a State, or

(B) periodic benefits on account of his or her total or partial disability (whether or not permanent) under any other law or plan of the United States, a State, a political subdivision (as that term is used in section 418(b)(2) of this title), or an instrumentality of two or more States (as that term is used in section 418(g) of this title), other than (i) benefits payable under title 38, (ii) benefits payable under a program of assistance which is based on need, (iii) benefits based on service all or substantially all of which was included under an agreement entered into by a State and the Commissioner of Social Security under section 418 of this title, and (iv) benefits under a law or plan of the United States based on service all or substantially all of which is employment as defined in section 410 of this title, the total of his benefits under section 423 of this title for such month and of any benefits under section 402 of this title for such month based on his wages and self-employment income shall be reduced (but not below zero) by the amount by which the sum of...

(3) such total of benefits under sections 423 and 402 of this title for such month, and

(4) such periodic benefits payable (and actually paid) for such month to such individual under such laws or plans, exceeds the higher of—

the basis of an application filed after the date of enactment of this section.”

SPECIAL INSURED STATUS TEST IN CERTAIN CASES FOR DISABILITY PURPOSES

Individuals not insured for disability benefits as determined under subsec. (c)(1) of this section with respect to any month in a quarter deemed to have met such requirements in certain cases, see section 404 of Pub. L. 86–778, set out as a note under section 416 of this title.
(5) 80 per centum of his “average current earnings”, or
(6) the total of such individual’s disability insurance benefits under section 423 of this title for such month and of any monthly insurance benefits under section 402 of this title for such month based on his wages and self-employment income, prior to reduction under this section.

In no case shall the reduction in the total of such benefits under sections 423 and 402 of this title for a month (in a continuous period of months) reduce such total below the sum of—

(7) the total of the benefits under sections 423 and 402 of this title, after reduction under this section, with respect to all persons entitled to benefits on the basis of such individual’s wages and self-employment income for such month which were determined for such individual and such persons for the first month in which such reduction under this section was made (or which would have been so determined if all of them had been so entitled in such first month), and

(8) any increase in such benefits with respect to such individual and such persons, before reduction under this section, which is made effective for months after the first month for which reduction under this section is made.

For purposes of clause (5), an individual’s average current earnings means the largest of (A) the average monthly wage (determined under section 415(b) of this title as in effect prior to January 1979) used for purposes of computing his benefits under section 423 of this title, (B) one-sixtieth of the total of his wages and self-employment income (computed without regard to the limitations specified in sections 409(a)(1) and 411(b)(1) of this title) for the five consecutive calendar years after 1950 for which such wages and self-employment income were highest, or (C) the ratio of (i) the national average wage index (as so defined) for the calendar year in which reduction under this section in the total of the benefits under sections 402 and 418 of this title for such month was made, to (ii) the product of—

(A) his average current earnings as initially determined under subsection (a); and

(B) the ratio of (i) the national average wage index (as defined in section 409(k)(1) of this title) for the calendar year before the year in which such redetermination is made to (ii) the national average wage index (as so defined) for the calendar year before the year in which the reduction was first computed (but not count-
ing any reduction made in benefits for a previous period of disability).

Any amount determined under this paragraph which is not a multiple of $1 shall be reduced to the next lower multiple of $1.

(g) Proportionate reduction; application of excess

Whenever a reduction in the total of benefits for any month based on an individual’s wages and self-employment income is made under this section, each benefit, except the disability insurance benefit, shall first be proportionately decreased, and any excess of such reduction over the sum of all such benefits other than the disability insurance benefits shall then be applied to such disability insurance benefit.

(h) Furnishing of information

(1) Notwithstanding any other provision of law, the head of any Federal agency shall provide such information within its possession as the Commissioner of Social Security may require for purposes of making a timely determination of the amount of the reduction, if any, required by this section in benefits payable under this subchapter, or verifying other information necessary in carrying out the provisions of this section.

(2) The Commissioner of Social Security is authorized to enter into agreements with States, political subdivisions, and other organizations that administer a law or plan subject to the provisions of this section, in order to obtain such information as the Commissioner may require to carry out the provisions of this section.

(3) Any amount determined under this paragraph for “the age of 65” in introductory provisions.

Subsec. (f)(2). Pub. L. 103–296, §321(e)(2)(H), inserted “and” at end of subpars. (A), added subpar. (B), and struck out former subpars. (B) and (C) which read as follows:

“(B) the ratio of (i) the deemed average total wages (as defined in section 409(k)(1) of this title) for the calendar year before the year in which such redetermination is made to (ii) the average of the total wages (as defined in regulations of the Secretary and computed without regard to the limitations specified in section 409(a)(1) of this title) reported to the Secretary of the Treasury or his delegate for the calendar year before the year in which the reduction was first computed (but not counting any reduction made in benefits for a previous period of disability), if such calendar year is before 1990, or (ii) the deemed average total wages (as defined in section 409(k)(1) of this title) for the calendar year before the year in which the reduction was first computed (but not counting any reduction made in benefits for a previous period of disability), if such calendar year is after 1990; and

“(C) in any case in which the reduction was first computed before 1978, the ratio of (i) the average of the taxable wages reported to the Secretary for the first calendar quarter of 1977 to (ii) the average of the taxable wages reported to the Secretary for the first calendar quarter of the calendar year before the year in which the reduction was first computed (but not counting any reduction made in benefits for a previous period of disability).”

Subsec. (h). Pub. L. 103–296, §107(a)(4), substituted “Commissioner of Social Security” for “Secretary” in pars. (1) and (2) and “the Commissioner may” for “he may” in par. (2).


Subsec. (f)(2)(B)(i). Pub. L. 101–239, §10208(b)(2)(A), substituted “the deemed average total wages (as defined in section 409(k)(1) of this title)” for “the average of the total wages (as defined in regulations of the Secretary and computed without regard to the limitations specified in section 409(a)(1) of this title)” reported to the Secretary of the Treasury or his delegate.


Subsec. (f)(2)(B)(ii). Pub. L. 101–239, §10208(b)(2)(C), inserted “(ii)” after “(i)”, substituted “(as defined in regulations of the Secretary and computed without regard to the limitations specified in section 409(a)(1) of this title)” for “as so defined and computed)” and inserted “, if such calendar year is before 1991, or (ii) the deemed average total wages (as defined in section 409(k)(1) of this title)” for the calendar year before the year in which the reduction was first computed (but not counting any reduction made in benefits for a previous period of disability), if such calendar year is after 1990” before “,” and “at end.

1986—Subsec. (a)(2). Pub. L. 99–272, §12109(a)(1), amended par. (2) generally. Prior to amendment, par. (2) read as follows: “such individual is entitled for such month to periodic benefits on account of such individual’s total or partial disability (whether or not permanent) under—

“(A) a workmen’s compensation law or plan of the United States or a State, or

“(B) any other law or plan of the United States, a State, a political subdivision (as that term is used in section 418(b)(2) of this title), or an instrumentality of two or more States (as that term is used in section 418(k) of this title), other than benefits payable under title 38, benefits payable under a program of assistance which is based on need, benefits based on service all, or substantially all, of which was included under an agreement entered into by a State and the Secretary under section 418 of this title, and benefits under a law or plan of the United States based on service all or part of which is employment as defined in section 410 of this title,”.

References in Text

Section 422(b) of this title, referred to in subsec. (c), was repealed by Pub. L. 106–170, title I, §101(b)(1)(C), Dec. 17, 1999, 113 Stat. 1373.

Prior Provisions


Amendments


Wages of such persons reported to the Secretary for the first calendar quarter of the taxable year before the termination is made, to (ii) the average of the taxable calendar year’s total wages (as so defined and computed) reported to the Secretary of the Treasury or his delegate for the calendar year before the year in which he had attained the age of 65 or, (iii) the average of the total wages (as so defined and computed) reported to the Secretary or his delegate for the calendar year before the end year 1977 or, if later, the calendar year before the end of the calendar year in which he became disabled and the five years preceding the calendar year in which he was disabled.

Subsec. (a)(1). Pub. L. 95–216, §§205(d), 333(c)(1), struck out provisions following par. (1) under which the Secretary, in cases where an individual’s wages and self-employment income reported to the Secretary for a calendar year reached the limitations specified in sections 409(a) and 411(b)(1) of this title, was required to estimate the total of such wages and self-employment income on the basis of such information as might be available to him indicating the extent (if any) by which the wages and self-employment income exceeded the limitations and, effective with respect to lump-sum death payments (with respect to monthly benefits under such laws or plans) for the workmen’s compensation law or plan.

Subsec. (a)(5). Pub. L. 97–35, §2208(a)(5), substituted “for a total or partial disability under a law or plan described in subsection (a)(7)” for “for a workmen’s compensation law or plan”.

Subsec. (d). Pub. L. 97–35, §2208(a)(9), substituted “law of the State (or political subdivision thereof) that modified its agreement pursuant to section 418(e)(2) of this title prior to Oct. 21, 1986, with certain exceptions, see section 9002(d) of Pub. L. 99–509 set out as a note under section 418 of this title”.


1977—Subsec. (a). Pub. L. 95–216, §§205(d), 333(c)(1), struck out provisions following par. (b) under which the Secretary, in cases where an individual’s wages and self-employment income reported to the Secretary for a calendar year reached the limitations specified in sections 409(a) and 411(b)(1) of this title, was required to estimate the total of such wages and self-employment income on the basis of such information as might be available to him indicating the extent (if any) by which the wages and self-employment income exceeded the limitations and, effective with respect to monthly benefits under this subchapter payable for months after Dec. 1978, and with respect to lump-sum death payments with respect to death occurring after Dec. 1978, inserted “(determined under section 415(b) of this title as in effect prior to January 1979)” after “(A) the average monthly wage” in provisions following par. (8).

Subsec. (c)(1). Pub. L. 95–216, §333(c)(2), divided existing provisions into subpars. (A) and (B), added subpar. (C), and in subpar. (B) as so redesignated substituted “(i) the average of the total wages (as defined in regulations of the Secretary and computed without regard to the limitations specified in section 409(a) of this title) reported to the Secretary of the Treasury or his delegate for the calendar year before the year in which such determination is made” for “(B) the average of the total wages (as defined in regulations of the Secretary and computed without regard to the limitations specified in section 409(a) of this title) reported to the Secretary of the Treasury or his delegate for the calendar year before the year in which such determination is made to (ii) the average of the taxable wages of such persons reported to the Secretary for the first calendar quarter of the taxable year before the calendar year”.

1976—Subsec. (f)(2). Pub. L. 94–202 substituted “calendar year before the calendar year” for “calendar year”.

1972—Subsec. (a). Pub. L. 92–603 added cl. (C) in provisions for the determination of an individual’s average current earnings so as to introduce into the formula a factor of one-twelfth of the total wages and self-employment income for the calendar year in which he had the highest such wages and income during the year in which he became disabled and the five years preceding that calendar year.

1968—Subsec. (a). Pub. L. 90–248 inserted in cl. (B) of first sentence following par. (8) “(computed without regard to the limitations specified in sections 409(a) and 411(b)(1) of this title)” before “for the five”, and inserted last sentence authorizing the Secretary, in certain cases, to estimate the total of wages and self-employment income for purposes of cl. (b) indicating the extent such earnings exceed the limitations in sections 409(a) and 411(b)(1) of this title.

Effective Date of 2014 Amendment
Pub. L. 113–295, div. B, title II, §201(b), Dec. 19, 2014, 128 Stat. 4991, provided that: “The amendment made by subsection (a) [amending this section and applying with respect to any individual who attains 65 years of age on or after the date that is 12 months after the date of the enactment of this Act [Dec. 19, 2014].”

Effective Date of 1994 Amendment
Amendment by section 167(a)(4) of Pub. L. 103–296 effective Mar. 31, 1995, see section 110(a) of Pub. L. 103–296, set out as a note under section 418 of this title.

Effective Date of 1989 Amendment
Amendment by section 10208(b)(2)(A), (C) of Pub. L. 101–239 applicable with respect to computation of average total wage amounts (under amended provisions) for calendar years after 1990, see section 10208(c) of Pub. L. 101–239, set out as a note under section 430 of this title.

Effective Date of 1986 Amendment
Amendment by Pub. L. 99–509 effective with respect to payments due with respect to wages paid after Dec. 31, 1986, including wages paid after such date by a State (or political subdivision thereof) that modified its agreement pursuant to section 418(e)(2) of this title prior to Oct. 21, 1986, with certain exceptions, see section 9002(d) of Pub. L. 99–509 set out as a note under section 418 of this title.

Effective Date of 1981 Amendment

(2) The amendments made by subsection (a)(2) [amending this section] shall apply only with respect to monthly benefits payable on the basis of the wages and self-employment income of individuals who become disabled (within the meaning of section 223(d) of the Social Security Act [42 U.S.C. 423(d)]) after the month in which this Act is enacted [April 1981].”

Effective Date of 1981 Amendment
Pub. L. 96–374 effective with respect to monthly benefits under this subchapter payable for months after December 1978 and with respect to lump-sum death payments with respect to deaths occurring after December 1978, see section 206 of Pub. L. 95–216, set out as a note under section 402 of this title.

Pub. L. 95–216, title III, §333(c)(1), Dec. 20, 1977, 91 Stat. 1553, provided that the amendment made by that section is effective with respect to the estimates for calendar years beginning after Dec. 31, 1977.

Amendment by section 353(c) of Pub. L. 95–216, set out as a note under section 430 of this title.
Effective Date of 1972 Amendment

Pub. L. 92–603, title I, § 119(c), Oct. 30, 1972, 86 Stat. 1352, provided that: "The amendments made by subsections (a) and (b) [amending this section] shall apply with respect to monthly benefits under title II of the Social Security Act [42 U.S.C. 401 et seq.] for months after December 1972."

Effective Date of 1968 Amendments; Determination of Average Current Earnings Upon Redetermination of Benefits Subject to Reduction


"(2) For purposes of any redetermination which is made under section 224(f) of the Social Security Act [42 U.S.C. 424a(f)] in the case of benefits subject to reduction under section 224 of such Act, where such reduction as first computed was effective with respect to benefits for the month in which this Act is enacted [January 1968] or a prior month, the amendments made by subsection (a) of this section [amending subsec. (a) of this section] shall also be deemed to have applied in the initial determination of the 'average current earnings' of the individual whose wages and self-employment income are involved."

Effective Date

Pub. L. 90–238, title III, § 335, July 30, 1965, 79 Stat. 406, provided that this section is effective with respect to benefits under this subchapter for months after December 1965 based on the wages and self-employment income of individuals entitled to benefits under section 423 of this title whose period of disability (as defined in section 402(d) of this title) has ceased or until the Commissioner of Social Security may suspend the payment of benefits under such section 423 of this title.

§ 425. Additional rules relating to benefits based on disability

(a) Suspension of benefits

If the Commissioner of Social Security, on the basis of information obtained by or submitted to the Commissioner, believes that an individual entitled to benefits under section 423 of this title, or that a child who has attained the age of eighteen and is entitled to benefits under section 402(d) of this title, or that a widow or surviving divorced wife who has not attained age 60 and is entitled to benefits under section 402(e) of this title, or that a widower or surviving divorced husband who has not attained age 60 and is entitled to benefits under section 402(f) of this title, may have ceased to be under a disability, the Commissioner of Social Security may suspend the payment of benefits under such section 402(d), 402(e), 402(f), or 423 of this title until it is determined (as provided in section 421 of this title) whether or not such individual’s disability has ceased or until the Commissioner of Social Security believes that such disability has not ceased. In the case of any individual whose disability is subject to determination under an agreement with a State under section 421(b) of this title, the Commissioner of Social Security shall promptly notify the appropriate State of the Commissioner’s action under this subsection and shall request a prompt determination of whether such individual’s disability has ceased. For purposes of this subsection, the term “disability” has the meaning assigned to such term in section 423(d) of this title. Whenever the benefits of an individual entitled to a disability insurance benefit are suspended for any month, the benefits of any individual entitled thereto under subsection (b), (c), or (d) of section 402 of this title, on the basis of the wages and self-employment income of such individual, shall be suspended for such month. The first sentence of this subsection shall not apply to any child entitled to benefits under section 402(d) of this title, if he has attained the age of 18 but has not attained the age of 22, for any month during which he is a full-time student (as defined and determined under section 402(d) of this title).

(b) Continued payments during rehabilitation program

Notwithstanding any other provision of this subchapter, payment to an individual of benefits based on disability (as described in the first sentence of subsection (a)) shall not be terminated or suspended because the physical or mental impairment, on which the individual’s entitlement to such benefits is based, has or may have ceased, if—

(1) such individual is participating in a program consisting of the Ticket to Work and Self-Sufficiency Program under section 1320b–19 of this title or another program of vocational rehabilitation services, employment services, or other support services approved by the Commissioner of Social Security, and

(2) the Commissioner of Social Security determines that the completion of such program, or its continuation for a specified period of time, will increase the likelihood that such individual may (following his participation in such program) be permanently removed from the disability benefit rolls.

(c) Access to information held by payroll data providers

(1) The Commissioner of Social Security may require each individual who applies for or is entitled to monthly insurance benefits under subsections (d)(1)(B)(ii), (d)(6)(A)(ii), (d)(6)(B), (e)(1)(B)(ii), and (f)(1)(B)(ii) of section 402 of this title and subsection (a)(1) of section 423 of this title to provide authorization by the individual for the Commissioner to obtain from any payroll data provider (as defined in section 1320c–3(c)(1) of this title) any record held by the payroll data provider with respect to the individual whenever the Commissioner determines the record is needed in connection with a determination of initial or ongoing entitlement to such benefits.

(2) An authorization provided by an individual under this subsection shall remain effective until the earliest of—

(A) the rendering of a final adverse decision on the individual’s application or entitlement to benefits under this subchapter; or

(B) the termination of the individual’s entitlement to benefits under this subchapter; or

(C) the express revocation by the individual of the authorization, in a written notification to the Commissioner.

(3) The Commissioner of Social Security is not required to furnish any authorization obtained pursuant to this subsection to the payroll data provider.

(4) The Commissioner shall inform any person who provides authorization pursuant to this
clause of the duration and scope of the authorization.

(5) If an individual who applies for or is entitled to benefits under this chapter refuses to provide, or revokes, any authorization under this subsection, subsection (d) shall not apply to such individual beginning with the first day of the first month in which he or she refuses or revokes such authorization.

(d) Reporting responsibilities for beneficiaries subject to information exchange with payroll data provider

An individual who has authorized the Commissioner of Social Security to obtain records from a payroll data provider under subsection (c) shall not be subject to a penalty under section 1320a–8a of this title for any omission or error with respect to such individual's wages as reported by the payroll data provider.


AMENDMENTS


1995—Subsec. (b). Pub. L. 105–170 substituted “a program consisting of the Ticket to Work and Self-Sufficiency Program under section 1320–19 of this title or another program of vocational rehabilitation services, employment services, or other support services” for “a program of vocational rehabilitation services”.

1985—Subsec. (b) substituted “1972—Pub. L. 92–603 substituted “age 60” for “age 62”.

1980—Pub. L. 96–265 designated existing provisions as subsec. (a), made conforming amendments in subsec. (a) as so designated, and added subsec. (b).

1972—Pub. L. 92–603 substituted “age 60” for “age 62”.

1968—Pub. L. 90–248 in first sentence inserted “or that a widow or surviving divorced wife who has not attained age 60 and is entitled to benefits under section 402(d) of this title, or that a widower who has not attained age 62 and is entitled to benefits under section 402(d) of this title,” after “section 402(d) of this title,” and substituted “402(d), 402(e), 402(f), or 423” for “423 or 402(d)”, and substituted in third sentence reference to “423(d)” for “423(c)(2)”. ...

1965—Pub. L. 85–840 provided that whenever the benefits of an individual entitled to a disability insurance benefit are suspended for any month, the benefits of any individual entitled thereto under subsection (b), (c), or (d) of section 402 of this title, on the basis of the wages and self-employment income of such individual, shall be suspended for such month.

 EFFECTIVE DATE OF 2015 AMENDMENT

Pub. L. 114–74, title VII, § 824(e), Nov. 2, 2015, 129 Stat. 610, provided that: “The amendments made by this section and section 1320b–19 of this title shall be effective on the date that is 1 year after the date of the enactment of this Act [Nov 2, 2015].”

 EFFECTIVE DATE OF 1999 AMENDMENT

Amendment by Pub. L. 106–170 effective with the first month following one year after Dec. 17, 1999, subject to section 101(d) of Pub. L. 106–170, set out as an Effective Date note under section 1320b–19 of this title.

 EFFECTIVE DATE OF 1996 AMENDMENT

Amendment by Pub. L. 104–121 applicable to any individual who applies for, or whose claim is finally adjudicated with respect to, benefits under this chapter based on disability on or after Mar. 29, 1996, with special rule for any individual who applied and whose claim was finally adjudicated before Mar. 29, 1996, see section 105(a)(5) of Pub. L. 104–121, set out as a note under section 406 of this title.

 EFFECTIVE DATE OF 1994 AMENDMENT; SUNSET PROVISION

Amendment by section 107(a)(4) of Pub. L. 103–296 effective Mar. 31, 1995, see section 110(a) of Pub. L. 103–296, set out as a note under section 401 of this title. Pub. L. 103–296, title II, § 201(a)(3)(C). (E), Aug. 15, 1994, 108 Stat. 1497, provided that: “(C) SUNSET OF 36-MONTH RULE.—Section 225(c)(7) of the Social Security Act (42 U.S.C. 423(c)(7)) (added by subparagraph (A)) shall cease to be effective with respect to benefits for months after September 2004. “(E) EFFECTIVE DATE.— “(1) IN GENERAL.—Except as otherwise provided in this paragraph, the amendments made by this paragraph [amending this section and sections 426 and 425–1 of this title] shall apply with respect to benefits based on disability (as defined in section 225(c)(9) of the Social Security Act (42 U.S.C. 423(c)(9)), added by...
this section) which are otherwise payable in months beginning after 180 days after the date of the enactment of this Act (Aug. 15, 1994). The Secretary of Health and Human Services shall issue regulations necessary to carry out the amendments made by this paragraph not later than 180 days after the date of the enactment of this Act.

"(ii) Referral and Monitoring Agencies.—Section 225(c)(5) of the Social Security Act (42 U.S.C. 425(c)(5)) (added by this subsection) shall take effect 180 days after the date of the enactment of this Act."

"(iii) Termination after 36 months.—Section 225(c)(7) of the Social Security Act (42 U.S.C. 425(c)(7)) (added by this subsection) shall apply with respect to benefits based on disability (as so defined) for months beginning after 180 days after the date of the enactment of this Act.""

**Effective Date of 1990 Amendment**

Pub. L. 101–508, title V, §5113(c), Nov. 5, 1990, 104 Stat. 1388–273, provided that: "The amendments made by this section (amending this section and section 1383 of this title) shall be effective with respect to benefits payable for months after the eleventh month following the month in which this Act is enacted (November 1990) and shall apply only with respect to individuals whose blindness or disability has or may have ceased after such eleventh month."

**Effective Date of 1983 Amendment**

Amendment by Pub. L. 98–21 applicable only with respect to monthly payments payable under this subchapter for months after April 1983, see section 310 of Pub. L. 98–21, set out as a note under section 402 of this title.

**Effective Date of 1980 Amendment**

Pub. L. 96–265, title III, §301(c), June 9, 1980, 94 Stat. 450, provided that: "The amendments made by this section (amending this section and section 1383 of this title) shall become effective on the first day of the sixth month which begins after the date of the enactment of this Act (June 9, 1980), and shall apply with respect to individuals whose blindness or disability has not been determined to have ceased prior to such first day."

**Effective Date of 1972 Amendment**

Amendment by Pub. L. 92–603 applicable with respect to monthly benefits under this subchapter for months after December 1972, with specified exceptions, see section 107(c) of Pub. L. 92–603, set out as a note under section 402 of this title.

**Effective Date of 1968 Amendment**

Amendment by section 104(d)(5) of Pub. L. 90–248 applicable with respect to monthly benefits under this subchapter for and after the month of February 1968, but only on the basis of applications for such benefits filed in or after January 1968, see section 104(e) of Pub. L. 90–248, set out as a note under section 402 of this title.

Amendment by section 158(c)(9) of Pub. L. 90–248 applicable with respect to applications for disability insurance benefits under section 423 of this title and to disability determinations under section 416(i) of this title, see section 158(e) of Pub. L. 90–248, set out as a note under section 423 of this title.

**Effective Date of 1958 Amendment**

Amendment by section 205(e) of Pub. L. 85–840 applicable with respect to monthly benefits under this subchapter for months after August 1958, but only if an application for such benefits is filed on or after Aug. 26, 1958, see section 207(a) of Pub. L. 85–840, set out as a note under section 416 of this title.

**Effective Date**

Section applicable only with respect to monthly benefits under this subchapter for months after June 1957, see section 103(a) of act Aug. 1, 1956, set out as a note under section 423 of this title.

**Report on Referral, Monitoring, Testing and Treatment of Individuals Where Entitlement to or Termination of Benefits Involves Alcoholism or Drug Addiction**

Pub. L. 103–296, title II, §201(a)(3)(B), Aug. 15, 1994, 108 Stat. 1497, provided that: "(i) Treatment Requirement.—Paragraphs (1) through (4) of section 225(c) of the Social Security Act (42 U.S.C. 425(c)(1)–(4)) (added by this subsection) shall apply only with respect to benefits paid in months after the month in which such individual is undergoing treatment required under section 1611(e)(3) of the Social Security Act [42 U.S.C. 425(c)(7)] and alcoholism or drug addiction is a contributing factor material to the Secretary's determination that the individual is under a disability—

"(I) In general.—For purposes of this paragraph, paragraphs (1) through (4) of section 225(c) of the Social Security Act (42 U.S.C. 425(c)(1)–(4)) (added by this subsection) shall apply to benefits paid to an individual who is undergoing treatment required under section 1611(e)(3) of the Social Security Act (42 U.S.C. 425(c)(7)) as of 180 days after the date of the enactment of this Act [Aug. 15, 1994], and alcoholism or drug addiction is a contributing factor material to the Secretary's determination that the individual is under a disability—

"(A) In the case of an individual who is also entitled to benefits under title XVI (42 U.S.C. 1381 et seq.) as of 180 days after the date of the enactment of this Act, the Secretary of Health and Human Services shall notify such individual of the provisions of section 225(c)(7) of the Social Security Act (added by this subsection) not later than 180 days after the date of the enactment of this Act.

"(B) In the case of an individual who is not also entitled to benefits under title XVI (42 U.S.C. 1381 et seq.) as of 180 days after the date of the enactment of this Act, the Secretary of Health and Human Services shall notify such individual of the provisions of section 225(c)(7) of the Social Security Act (added by this subsection) not later than 180 days after the date of the enactment of this Act.

"(II) Concurrent beneficiaries not currently under treatment.—In any case in which the individual is entitled to benefits based on disability, the determination of disability was made by the Secretary of Health and Human Services during or before the 180-day period following the date of the enactment of this Act [Aug. 15, 1994], and alcoholism or drug addiction is a contributing factor material to the Secretary's determination that the individual is under a disability—

"(A) In general.—For purposes of this paragraph, paragraphs (1) through (4) of section 225(c) of the Social Security Act (42 U.S.C. 425(c)(1)–(4)) (added by this subsection) shall apply to benefits paid in months after the month in which such individual is undergoing treatment required under section 1611(e)(3) of the Social Security Act (42 U.S.C. 425(c)(7)) and alcoholism or drug addiction is a contributing factor material to the Secretary's determination that the individual is under a disability—

"(I) In general.—For purposes of this paragraph, paragraphs (1) through (4) of section 225(c) of the Social Security Act (42 U.S.C. 425(c)(1)–(4)) (added by this subsection) shall apply to benefits paid to an individual who is undergoing treatment required under section 1611(e)(3) of the Social Security Act (42 U.S.C. 425(c)(7)) as of 180 days after the date of the enactment of this Act [Aug. 15, 1994], and alcoholism or drug addiction is a contributing factor material to the Secretary's determination that the individual is under a disability—

"(A) In the case of an individual who is also entitled to benefits under title XVI (42 U.S.C. 1381 et seq.) as of 180 days after the date of the enactment of this Act, the Secretary of Health and Human Services shall notify such individual of the provisions of section 225(c)(7) of the Social Security Act (added by this subsection) not later than 180 days after the date of the enactment of this Act.

"(B) In the case of an individual who is not also entitled to benefits under title XVI (42 U.S.C. 1381 et seq.) as of 180 days after the date of the enactment of this Act, the Secretary of Health and Human Services shall notify such individual of the provisions of section 225(c)(7) of the Social Security Act (added by this subsection) not later than 180 days after the date of the enactment of this Act.

"(III) Transition rules for current beneficiaries.—In any case in which the individual is entitled to benefits based on disability, the determination of disability was made by the Secretary of Health and Human Services during or before the 180-day period following the date of the enactment of this Act [Aug. 15, 1994], and alcoholism or drug addiction is a contributing factor material to the Secretary's determination that the individual is under a disability—

"(A) In general.—For purposes of this paragraph, paragraphs (1) through (4) of section 225(c) of the Social Security Act (42 U.S.C. 425(c)(1)–(4)) (added by this subsection) shall apply to benefits paid in months after the month in which such individual is undergoing treatment required under section 1611(e)(3) of the Social Security Act (42 U.S.C. 425(c)(7)) and alcoholism or drug addiction is a contributing factor material to the Secretary's determination that the individual is under a disability—

"(I) In general.—For purposes of this paragraph, paragraphs (1) through (4) of section 225(c) of the Social Security Act (42 U.S.C. 425(c)(1)–(4)) (added by this subsection) shall apply to benefits paid to an individual who is undergoing treatment required under section 1611(e)(3) of the Social Security Act (42 U.S.C. 425(c)(7)) as of 180 days after the date of the enactment of this Act [Aug. 15, 1994], and alcoholism or drug addiction is a contributing factor material to the Secretary's determination that the individual is under a disability—

"(A) In the case of an individual who is also entitled to benefits under title XVI (42 U.S.C. 1381 et seq.) as of 180 days after the date of the enactment of this Act, the Secretary of Health and Human Services shall notify such individual of the provisions of section 225(c)(7) of the Social Security Act (added by this subsection) not later than 180 days after the date of the enactment of this Act.

"(B) In the case of an individual who is not also entitled to benefits under title XVI (42 U.S.C. 1381 et seq.) as of 180 days after the date of the enactment of this Act, the Secretary of Health and Human Services shall notify such individual of the provisions of section 225(c)(7) of the Social Security Act (added by this subsection) not later than 180 days after the date of the enactment of this Act.
§ 426. Entitlement to hospital insurance benefits

(a) Individuals over 65 years

Every individual who—
(1) has attained age 65, and
(2)(A) is entitled to monthly insurance benefits under section 402(e) of this title or widower’s insurance benefits under section 402(e) of this title or widower’s insurance benefits under section 402(f) of this title by reason of a disability (as defined in section 423(d) of this title), or
(B) is, and has been for not less than 24 months, a disabled qualified railroad retirement beneficiary, within the meaning of section 231(d) of title 45, or
(C)(i) has filed an application, in conformity with regulations of the Secretary, for hospital insurance benefits under part A of subchapter XVIII pursuant to this subparagraph, and
(ii) would meet the requirements of subparagraph (A) (as determined under the disability criteria, including reviews, applied under this subchapter), including the requirement that he has been entitled to the specified benefits for 24 months, if—
(I) medicare qualified government employment (as defined in section 410(p) of this title) were treated as employment (as defined in section 410(a) of this title) for purposes of this subchapter, and
(II) the filing of the application under clause (i) of this subparagraph were deemed to be the filing of an application for the disability-related benefits referred to in clause (I), (ii), or (iii) of subparagraph (A),
shall be entitled to hospital insurance benefits under part A of subchapter XVIII for each month beginning with the later of (I) July 1973 or (II) the twenty-fifth month of his entitlement or status as a qualified railroad retirement beneficiary described in paragraph (2), and ending (subject to the last sentence of this subsection) with the month following the month in which notice of termination of such entitlement to benefits or status as a qualified railroad retirement beneficiary described in paragraph (2) is mailed to him, or if earlier, with the month before the month in which he attains age 65. In applying the previous sentence in the case of an individual described in paragraph (2)(C), the “twenty-fifth month of his entitlement” refers to the first month after the twenty-fourth month of entitlement to specified benefits referred to in paragraph (2)(C) and “notice of termination of such entitlement” refers to a notice that the individual would no longer be determined to be entitled to such specified benefits under the conditions described in that paragraph. For purposes of this subsection, an individual who has had a period of trial work which ended as provided in section 422(c)(4)(A) of this title, and whose entitlement to benefits or status as a qualified railroad retirement beneficiary as described in paragraph (2) has subsequently terminated, shall be deemed to be entitled to such benefits or to occupy such status (notwithstanding the termination of such entitlement or status) for the period of consecutive months throughout all of which the physical or mental impairment, on which such entitlement or status was based, continues, and throughout all of which such individual would have been entitled to monthly insurance benefits under this subchapter or as a qualified railroad retirement beneficiary had such individual been unable to engage in substantial gainful activity, but not in excess of 78 such months. In determining
when an individual’s entitlement or status terminates for purposes of the preceding sentence, the term “36 months” in the second sentence of section 423(a)(1) of this title, in section 402(d)(1)(G)(i) of this title, in the last sentence of section 402(e)(1) of this title, and in the last sentence of section 402(f)(1) of this title shall be applied as though it read “15 months”.

(c) Conditions

For purposes of subsection (a)—

(1) entitlement of an individual to hospital insurance benefits for a month shall consist of entitlement to have payment made under, and subject to the limitations in, part A of subchapter XVIII on his behalf for inpatient hospital services, post-hospital extended care services, and home health services (as such terms are defined in part E of subchapter XVIII) furnished him in the United States (or outside the United States in the case of inpatient hospital services furnished under the conditions described in section 1395f(f) of this title) during such month; except that (A) no such payment may be made for post-hospital extended care services furnished before January 1967, and (B) no such payment may be made for post-hospital extended care services unless the discharge from the hospital required to qualify such services for payment under part A of subchapter XVIII occurred (i) after June 30, 1966, or on or after the first day of the month in which he attains age 65, whichever is later, or (ii) if he was entitled to hospital insurance benefits pursuant to subsection (b), at a time when he was so entitled; and

(2) an individual shall be deemed entitled to monthly insurance benefits under section 402 or section 423 of this title, or to be a qualified railroad retirement beneficiary, for the month in which he died if he would have been entitled to such benefits, or would have been a qualified railroad retirement beneficiary, for such month had he died in the next month.

(d) “Qualified railroad retirement beneficiary” defined

For purposes of this section, the term “qualified railroad retirement beneficiary” means an individual whose name has been certified to the Secretary by the Railroad Retirement Board under section 231f(d) of title 45. An individual shall cease to be a qualified railroad retirement beneficiary as the month in which he ceased to meet the requirements of section 231f(d) of title 45.

(e) Benefits for widows and widowers

(1) (A) For purposes of determining entitlement to hospital insurance benefits under subsection (b) in the case of widows and widowers described in paragraph (2)(a)(iii) thereof—

(i) the term “age 60” in sections 402(d)(1)(G)(i), 402(e)(4), 402(f)(1)(B)(ii), and 402(f)(4) of this title shall be deemed to read “age 65”; and

(ii) the phrase “before she attained age 60” in the matter following subparagraph (F) of section 402(e)(1) of this title and the phrase “before he attained age 60” in the matter following subparagraph (F) of section 402(f)(1) of this title shall each be deemed to read “based on a disability”.

(B) For purposes of subsection (b)(2)(A)(iii), each month in the period commencing with the first month for which an individual is first eligible for supplemental security income benefits under subchapter XVI, or State supplementary payments of the type referred to in section 1382e(a) of this title (or payments of the type described in section 212(a) of Public Law 93–66) which are paid by the Secretary under an agreement referred to in section 1382e(a) of this title (or in section 212(b) of Public Law 93–66), shall be included as one of the 24 months for which such individual must have been entitled to widow’s or widower’s insurance benefits on the basis of disability in order to become entitled to hospital insurance benefits on that basis.

(2) For purposes of determining entitlement to hospital insurance benefits under subsection (b) in the case of an individual under age 65 who is entitled to benefits under section 402 of this title, and who was entitled to widow’s insurance benefits or widower’s insurance benefits based on disability for the month before the first month in which such individual was so entitled to old-age insurance benefits (but ceased to be entitled to such widow’s or widower’s insurance benefits upon becoming entitled to such old-age insurance benefits), such individual shall be deemed to have continued to be entitled to such widow’s insurance benefits or widower’s insurance benefits for and after such first month.

(3) For purposes of determining entitlement to hospital insurance benefits under subsection (b), any disabled widow aged 50 or older who is entitled to mother’s insurance benefits (and who would have been entitled to widow’s insurance benefits by reason of disability if she had filed for such widow’s benefits), and any disabled widower aged 50 or older who is entitled to father’s insurance benefits (and who would have been entitled to widower’s insurance benefits by reason of disability if he had filed for such widower’s benefits), shall, upon application for such hospital insurance benefits be deemed to have filed for such widow’s or widower’s insurance benefits.

(4) For purposes of determining entitlement to hospital insurance benefits under subsection (b) in the case of an individual described in clause (iii) of subsection (b)(2)(A), the entitlement of such individual to widow’s or widower’s insurance benefits under section 402(e) or (f) of this title by reason of a disability shall be deemed to be the entitlement to such benefits that would result if such entitlement were determined without regard to the provisions of section 402(j)(4) of this title.

(f) Medicare waiting period for recipients of disability benefits

For purposes of subsection (b) (and for purposes of section 1395p(g)(1) of this title and section 231f(d)(2)(ii) of title 45), the 24 months for which an individual has to have been entitled to specified monthly benefits on the basis of disability in order to become entitled to hospital insurance benefits on such basis effective with
any particular month (or to be deemed to have enrolled in the supplementary medical insurance program, on the basis of such entitlement, by reason of section 1395p(f) of this title), where such individual had been entitled to specified monthly benefits of the same type during a previous period which terminated—

(1) more than 60 months before the month in which his current disability began in any case where such monthly benefits were of the type specified in clause (A)(i) or (B) of subsection (b)(2), or

(2) more than 84 months before the month in which his current disability began in any case where such monthly benefits were of the type specified in clause (A)(ii) or (A)(iii) of such subsection,

shall not include any month which occurred during such previous period, unless the physical or mental impairment which is the basis for disability in such previous period, unless the physical or mental impairment which served as the basis for disability in such previous period.

(g) Information regarding eligibility of Federal employees

The Secretary and Director of the Office of Personnel Management shall jointly prescribe and carry out procedures designed to assure that all individuals who perform medicare qualified government employment by virtue of service described in section 410(a)(5) of this title are fully informed with respect to (1) their eligibility or potential eligibility for hospital insurance benefits (based on such employment) under part A of subchapter XVIII, (2) the requirements for and conditions of such eligibility, and (3) the necessity of timely application as a condition of entitlement under subsection (b)(2)(C), giving particular attention to individuals who apply for an annuity under chapter 831 of title 5 or under another similar Federal retirement program, and whose eligibility for such an annuity is or would otherwise be based on a disability.

(b) Waiver of waiting period for individuals with ALS

For purposes of applying this section in the case of an individual medically determined to have amyotrophic lateral sclerosis (ALS), the following special rules apply:

(1) Subsection (b) shall be applied as if there were no requirement for any entitlement to benefits, or status, for a period longer than 1 month.

(2) The entitlement under such subsection shall begin with the first month (rather than twenty-fifth month) of entitlement or status.

(3) Subsection (f) shall not be applied.

(i) Certain uninsured individuals

For entitlement to hospital insurance benefits in the case of certain uninsured individuals, see section 426a of this title.


References in Text

Section 212 of Public Law 93–66, referred to in subsec. (e)(1)(B), is section 212 of Public Law 93–66 which is set out as a note under section 1362 of this title.

Amendments


2000—Subsecs. (b), (h). Pub. L. 106–554 added subsec. (h) and redesignated former subsec. (h) as (j) and transferred such subsec. to appear at end of section.


1990—Subsec. (e)(1). Pub. L. 101–508 designated existing provisions as subpar. (A), redesignated former subpars. (A) and (B) as clis. (i) and (ii), respectively, and added subpar. (B).

1989—Subsec. (a). Pub. L. 100–485 substituted ‘‘condition specified in paragraph (2)’’ for ‘‘condition specified in paragraph (1)’’ in concluding provisions.

Subsec. (b). Pub. L. 100–360, §§ 411(n)(1), amended last sentence generally. Prior to amendment, last sentence read as follows: ‘‘In determining when an individual’s entitlement or status terminates for purposes of the
preceding sentence, the second sentence of section 423(a) of this title shall be applied as though the term ‘‘36 months’’ (in such second sentence) read ‘‘15 months’’.

Subsec. (b). Pub. L. 96–265, § 401(e)(3), inserted sentence at end which related to determining when an individual’s entitlement or status terminates for purposes of preceding sentence.

Subsec. (f). Pub. L. 100–203, § 463(a), inserted before period at end ‘‘; unless the physical or mental impairment which is the basis for disability is the same as (or directly related to) the physical or mental impairment which served as the basis for disability in such previous period’’.


Subsec. (g). Pub. L. 99–272, § 13205(b)(2)(C)(ii), substituted ‘‘medicare qualified government employment’’ for ‘‘medicare qualified Federal government employment’’ by virtue of service described in section 410(a)(5) of this title for ‘‘medicare qualified Federal employment’’.


Subsec. (c)(3). Pub. L. 98–21, § 309(a)(1), amended par. (3) generally, inserting provisions relating to any disability or condition for which a covered employee, on furnishing proof of such disability prior to July 1, 1974, under such procedures as the Secretary prescribed, would be deemed to have been entitled to such widow’s benefits as of the time such widow would have been entitled to such widow’s benefits if she had filed a timely application therefor.

1982—Subsec. (a)(2). Pub. L. 97–248, § 278(b)(2)(A), amended existing provisions as subpar. (A), struck out ‘‘or is a qualified railroad retirement beneficiary,’’ after ‘‘subchapter XVIII,’’ and added subpars. (B) and (C).

Subsec. (b). Pub. L. 97–248, § 278(b)(2)(B), in par. (2)(B) inserted a comma after ‘‘24 months’’ and ‘‘or’’ after ‘‘title 45,’’ added par. (2)(C), and in provisions following par. (2) inserted provision defining ‘‘twenty-fifth month of his entitlement’’ and ‘‘notice of termination of such entitlement’’ with regards to applying first sentence of this subsection to individuals described in par. (2)(C).

Subsec. (c)(4), (5). Pub. L. 97–248, § 278(b)(4), added subsec. (g) and redesignated former subsec. (g) as (h).

1981—Subsec. (a)(2). Pub. L. 97–35 substituted ‘‘would be entitled’’ for ‘‘or would be entitled’’ and inserted ‘‘(as such terms are defined in section 414 of this chapter’’, after ‘‘employment’’ as defined in this chapter’’. Pub. L. 97–35 substituted ‘‘and home health services’’ for ‘‘and post-hospital home health services’’ and struck out ‘‘or post-hospital home health services’’ before ‘‘unless the physical or mental impairment which is the basis for disability is the same as (or directly related to) the physical or mental impairment which served as the basis for disability in such previous period’’.

1979—Subsec. (a). Pub. L. 95–292, § 3(a), substituted ‘‘condition specified in paragraph (1), beginning with the first month after June 1966 for which he meets the conditions specified in paragraphs (1) and (2)’’ for ‘‘condition specified in subparagraph (F) of section 402(f)(1)’’.

Subsec. (b). Pub. L. 95–292, §§ 1(b)(1), (2), redesignated subsec. (h) as (e) and, in subsec. (e) as so redesignated, corrected a technical error resulting from the 1973 amendment of pars. (2) and (3) by Pub. L. 93–233 under which a reference to subsec. (b) of this section had been inserted without the required parentheses. Former subsec. (e), relating to Medicare eligibility of persons medically determined to have chronic renal disease requiring hemodialysis or renal transplantation, was struck out. See section 426–1 of this title.

Subsec. (c). Pub. L. 95–292, § 1(b)(1), (2), redesignated subsec. (i) as (f). Former subsec. (f), relating to the duration of Medicare coverage of persons medically determined to have chronic renal disease requiring hemodialysis or renal transplantation, was struck out. See section 426–1 of this title.

Subsec. (d). Pub. L. 95–292, § 3(b), struck out subsec. (g) which related to reimbursement for kidney transplant and kidney treatment. See section 1395rr of this title.

Subsecs. (b), (i). Pub. L. 95–292, § 1(b)(2), redesignated subsecs. (h) and (i) as (e) and (f), respectively.


Subsec. (a)(1)(B). Pub. L. 93–233, § 18(f)(1)(B), redesignated cls. (A) and (B) as (1) and (2), respectively.

Subsec. (e)(2). Pub. L. 93–58, inserted in: item (2)(A) ‘‘or would be fully or currently insured if his service as an employee (as defined in the Railroad Retirement Act of 1937) after December 31, 1936, were included in the term ‘employment’ as defined in this chapter’’ after ‘‘as such terms are defined in section 414 of this title’’; item (2)(B) ‘‘or an annuity under the Railroad Retirement Act of 1937’’ after ‘‘this subchapter’’; item (2)(C) ‘‘or ‘would be fully or currently insured if his service as an employee (as defined in the Railroad Retirement Act of 1937) after December 31, 1936, were included in the term ‘employment’ as defined in this chapter’’ after ‘‘fully or currently insured’’; and item (2)(D) ‘‘or an annuity under the Railroad Retirement Act of 1937’’ after ‘‘this subchapter’’.

Subsec. (h). Pub. L. 93–233, § 18(f)(1)(C), (2)(4), redesignated as subsec. (b) provisions originally enacted as subsec. (e) by section 201(b)(5) of Pub. L. 92–403 and redesignated as subsec. (f) by section 2984 of Pub. L. 92–663, and in par. (1)(A) substituted ‘‘twenty-four’’ for ‘‘24’’ and ‘‘402(e)(5) of this title’’ and the term ‘‘age 62’’ in sections’’, in par. (1)(B) substituted ‘‘the phrase ‘be-
fore he attained age 60 in the matter following sub-
paragraph (G) of section 402(f)(1) of this title shall each "for "shall", and in pars. (2) and (3) substituted "(b)" for "(a)". 1972—Subsec. (a). Pub. L. 92–603, § 201(b)(1), incor-
porated provisions of former subsec. (a) and subsec. (a)(1), and redesignated pars. (1) and (2) as subsars. (A) and (B). Subsec. (b). Pub. L. 92–603, § 201(b)(1), added subsec. (b). Former subsec. (b) redesignated subsec. (c). Subsec. (c)(1). Pub. L. 92–603, § 201(b)(2), (5), redesignated subsec. (b)(1) as subsec. (c)(1) and, in subsec. (c)(1) as so redesignated, inserted reference to entitlemen to hospital insurance benefits pursuant to subsec. (b) of this section. Former subsec. (c) redesignated subsec. (d). Subsec. (d)(3), (5), redesignated subsec. (b)(2) as subsec. (c)(2) and inserted reference to section 423 of this title. Former subsec. (c)(2) redesignated subsec. (d)(4). Subsec. (d)(4), redesignated former subsec. (c) as subsec. (d) and inserted reference to section 22 of the Railroad Retirement Act of 1875. Former subsec. (d) redesignated subsec. (1). Subsecs. (e) to (h). Pub. L. 92–603, §§ 201(b)(5), 299F, added subsecs. (e) to (h). See 1973 Amendment note above. 1968—Subsec. (b)(1). Pub. L. 90–203 struck out out-
patient hospital diagnostic services from services for which hospital insurance benefits are payable. 

**Effective Date of 2004 Amendment** Amendment by Pub. L. 108–203 applicable with re-
spect to applications for benefits under this subchapter filed on or after the first day of the first month that be-

**Effective Date of 2000 Amendment** Pub. L. 106–554, § 1(a)(6) (title I, § 115(c)), Dec. 21, 2000, 114 Stat. 2766, 2763A–474, provided that: "The amend-
ments made by this section [amending this section and section 1395p of this title] shall apply to months begin-
ing after the end of the 60-day period beginning on the date of enactment of this Act [Dec. 22, 1967]." 

**Effective Date of 1994 Amendment** Amendment by Pub. L. 103–296 applicable with re-
spect to benefits based on disability (as defined in section 423(c)(9) of this title) which are otherwise payable in months beginning after 180 days after Aug. 15, 1994, with Secretary of Health and Human Services to issue regulations necessary to carry out such amendment not later than 180 days after Aug. 15, 1994, see section 201(a)(3)(E)(1) of Pub. L. 103–296, set out as an Effective Date of 1994 Amendment; Sunset Provision note under section 425 of this title. 

**Effective Date of 1990 Amendment** Amendment by Pub. L. 101–508 applicable with re-
spect to items and services furnished after December 1990, see section 5103(e) of Pub. L. 101–508, set out as a note under section 402 of this title. 

**Effective Date of 1988 Amendment** Pub. L. 100–485, title VI, § 608(c)(7), Oct. 13, 1988, 102 Stat. 2424, provided that the amendment made by such 
section 608(c)(5) is effective as of the date of enactment of Pub. L. 95–292, which was approved June 13, 1978. 

**Effective Date of 1985 Amendment** Amendment by section 131(a)(3)(H), (b)(3)(G) of Pub. L. 98–21 effective with respect to monthly payments payable under this subchapter for months after December 1983, and in the case of an individual who was not enti-
tled to a monthly benefit of the type involved under this subchapter for December 1983, no benefit shall be paid under this subchapter by reason of such amend-
ment unless proper application for such benefit is made, see section 131(d) of Pub. L. 98–21 set out as a note under section 402 of this title. 

**Effective Date of 1984 Amendment** Amendment by section 309(q)(1) of Pub. L. 98–21 applicable only with respect to monthly payments payable under this subchapter for months after April 1, 1983, see section 310 of Pub. L. 98–21, set out as a note under section 402 of this title. 

**Effective Date of 1983 Amendment** Amendment by section 131(a)(3)(H), (b)(3)(G) of Pub. L. 98–21 effective with respect to monthly benefits pay-
able under this subchapter for months after December 1983, and in the case of an individual who was not enti-
tled to a monthly benefit of the type involved under this subchapter for December 1983, no benefit shall be paid under this subchapter by reason of such amend-
ments unless proper application for such benefit is made, see section 131(d) of Pub. L. 98–21 set out as a note under section 402 of this title. 

**Effective Date of 1982 Amendment** Amendment by Pub. L. 97–246, Sept. 3, 1982, 96 Stat. 2324 made by this section (amending sections 1356c, 1356cc, and 1306a of this title and amending provisions set out as notes under this section and sections 1320c, 1395b–1, 1395f, 1395u, 1395w,
1395xx, and 1396c of this title] shall be effective as if it had been originally included in the provision of such Act to which such amendment relates."  

**Effective Date of 1982 Amendment; Transitional Provisions**


"(c) Effective Dates.—

(1) In General.—The amendments made by subsection (b) [amending this section and sections 410, 426–1, 1395c of this title] shall be effective on and after January 1, 1983, and the amendments made by paragraph (2) of that subsection [amending this section and section 426–1 of this title] apply to remuneration (for Medicare qualified Federal employment) paid after December 31, 1982.

(2) Treatment of Current Disabilities.—For purposes of establishing entitlement to hospital insurance benefits under part A of title XVIII of the Social Security Act [42 U.S.C. 1395 et seq.] pursuant to the amendments made by subsection (b) or the provisions of subsection (d), no individual may be considered to be under a disability for any period before January 1, 1983.

(d) Transitional Provisions.—

(1) In General.—For purposes of sections 226, 226A, and 1395k of the Social Security Act [42 U.S.C. 426, 426–1, 1395c], in the case of any individual who performs service both during January 1983, and before January 1, 1983, which constitutes Medicare qualified Federal employment (as defined in section 210(p) of such Act [42 U.S.C. 410(p)]), the individual's Medicare qualified Federal employment (as so defined) performed before January 1, 1983, for which remuneration was paid before such date, shall be considered to be 'employment' (as defined for purposes of title II of such Act [42 U.S.C. 401 et seq.]), but only for the purpose of providing the individual (or another person) with entitlement to hospital insurance benefits under part A of title XVIII of such Act [42 U.S.C. 1395 et seq.].

(2) Appropriations.—There are authorized to be appropriated to the Federal Hospital Insurance Trust Fund from time to time such sums as the Secretary of Health and Human Services deems necessary for any fiscal year, on account of—

(A) payments made or to be made during such fiscal year from such Trust Fund with respect to individuals who are entitled to benefits under title XVIII of the Social Security Act [42 U.S.C. 1395 et seq.] solely by reason of paragraph (1) of this subsection,

(B) the additional administrative expenses resulting or expected to result therefrom, and

(C) any loss in interest to such Trust Fund resulting from the payment of those amounts, in order to place such Trust Fund in the same position at the end of such fiscal year as it would have been in if this subsection had not been enacted.

**Effective Date of 1981 Amendment**


**Effective Date of 1980 Amendment**

Amendment by Pub. L. 96–499 effective with respect to services furnished on or after July 1, 1981, see section 930(e)(1) of Pub. L. 96–499, set out as a note under section of this title.

Pub. L. 96–473, §2(d), Oct. 19, 1980, 94 Stat. 2264, provided that: "The amendments made by subsections (a) and (b) [amending this section and section 1395c of this title] shall be effective after the second month beginning after the date on which this Act is enacted [Oct. 19, 1980]."

Pub. L. 96–265, title I, §103(c), June 9, 1980, 94 Stat. 444, provided that: "The amendments made by this section [amending this section and section 1395c and 1395p of Title 42, Railroads] shall apply with respect to hospital insurance or supplementary medical insurance benefits for services provided on or after the first day of the sixth month which begins after the date of the enactment of this Act [June 9, 1980]."

Pub. L. 96–265, title I, §104(b), June 9, 1980, 94 Stat. 445, provided that: "The amendments made by subsection (a) [amending this section] shall become effective on the first day of the sixth month which begins after the date of the enactment of this Act [June 9, 1980], and shall apply with respect to any individual whose disability has not been determined to have ceased prior to such first day."

**Effective Date of 1978 Amendment**

Pub. L. 95–292, §6, June 13, 1978, 92 Stat. 315, provided that: "The amendments made by the preceding sections of this Act [enacting sections 426–1 and 1395tr of this title and amending this section and sections 1395c, 1395l, 1395j, 1395x, 1395cc, and 1395mm of this title] shall become effective with respect to services, supplies, and equipment furnished after the third calendar month which begins after the date of the enactment of this Act [June 13, 1978], except that amendments providing for the implementation of an incentive reimbursement system for dialysis services furnished in facilities and providers shall become effective with respect to a facility's or provider's first accounting period which begins after the last day of the twelfth month following the month of the enactment of this Act [June 1978], and those amendments providing for reimbursement rates for home dialysis shall become effective on April 1, 1979."

**Effective Date of 1977 Amendment**

Amendment by section 332(a)(3) of Pub. L. 95–216 effective with respect to monthly insurance benefits under this subchapter to which an individual becomes entitled on the basis of an application filed on or after Jan. 1, 1978, see section 332(b) of Pub. L. 95–216, set out as a note under section 402 of this title.

Amendment by section 334(d)(4)(B) of Pub. L. 95–216 applicable with respect to monthly insurance benefits payable under this subchapter for months beginning with December 1977, on the basis of applications filed in or after December 1977, see section 334(f) of Pub. L. 95–216, set out as a note under section 402 of this title.

**Effective Date of 1974 Amendment**


**Effective Date of 1973 Amendment**

Pub. L. 93–58, §4(a), July 6, 1973, 87 Stat. 142, provided that: "The provisions of this Act [amending this section and sections 226 and 226A of Title 45, Railroads], except the provisions of section 1, shall be effective as of the date the corresponding provisions of Public Law 92–603 are effective as follows: clause (xi) [45 U.S.C. 228c(e)(xi)] effective with respect to services provided on and after July 1, 1973. The provisions of clauses (xi) and (xii), which are added by section 1 of this Act, shall be effective as follows: clause (xi) [45 U.S.C. 228c(e)(xi)] shall be effective with respect to calendar years after 1971 for annuities accruing after December 1972; and clause (xii) [45 U.S.C. 228c(e)(xii)] shall be effective as of the date the delayed retirement provision of Public Law 92–603 is effective [42 U.S.C. 402] applicable with respect to old-age insurance benefits payable under this subchapter for months beginning after 1972."
Effective Date of 1972 Amendment
Pub. L. 92–601, title II, §299I, Oct. 30, 1972, 86 Stat. 1463, provided that the amendment made by that section is effective with respect to services provided on and after July 1, 1973.

Effective Date of 1968 Amendment
Amendment by Pub. L. 90–248 applicable with respect to services furnished after March 31, 1968, see section 128(d) of Pub. L. 90–248, set out as a note under section 1395d of this title.

Applicability of Pub. L. 96–473 to Applications for Hospital Insurance Benefits
Pub. L. 96–473, §2(c), Oct. 19, 1980, 94 Stat. 2363, provided that: ‘‘For purposes of section 226 of such Act [42 U.S.C. 226] as amended by subsection (a) of this section, an individual who filed an application for monthly insurance benefits under section 202 of such Act [42 U.S.C. 1395c et seq.] prior to the effective date of the amendment made by subsection (a) [see section 2(c) of Pub. L. 96–473, set out above as an Effective Date of 1980 Amendment note] shall be deemed to have filed an application for hospital insurance benefits under part A of title XVIII of such Act [42 U.S.C. 1395c et seq.] at the time he applied for such benefits under section 202 regardless of the continuing status or effect of the application for benefits under section 202, if he would have been entitled to benefits under that section had such application remained in effect.’’

GAO Report
Pub. L. 106–170, title II, §202(c), Dec. 17, 1999, 113 Stat. 1694, provided that: ‘‘Not later than 5 years after the date of the enactment of this Act [Dec. 17, 1999], the Comptroller General of the United States shall submit a report to the Congress that—

‘‘(1) examines the effectiveness and cost of the amendment made by subsection (a) [amending this section];

‘‘(2) examines the necessity and effectiveness of providing continuation of medicare coverage under section 226(b) of the Social Security Act [42 U.S.C. 226(b)] to individuals whose annual income exceeds the contribution and benefit base (as determined under section 230 of such Act [42 U.S.C. 430]);

‘‘(3) examines the viability of providing the continuation of medicare coverage under such section 226(b) based on a sliding scale premium for individuals whose annual income exceeds such contribution and benefit base;

‘‘(4) examines the viability of providing the continuation of medicare coverage under such section 226(b) based on a premium buy-in by the beneficiary’s employer in lieu of coverage under private health insurance;

‘‘(5) examines the interrelation between the use of the continuation of medicare coverage under such section 226(b) and the use of private health insurance coverage by individuals during the extended period; and

‘‘(6) recommends such legislative or administrative changes relating to the continuation of medicare coverage for recipients of social security disability benefits as the Comptroller General determines are appropriate.’’

Time in Which To Furnish Proof of Disability for Hospital Benefits
Pub. L. 98–21, title III, §309(q)(2), Apr. 20, 1983, 97 Stat. 117, provided that: ‘‘For purposes of determining entitlement to hospital insurance benefits under section 226(e)(3) of such Act [42 U.S.C. 226(e)(3)], as amended by paragraph (1), an individual becoming entitled to such hospital insurance benefits as a result of the amendment made by such paragraph shall, upon furnishing proof of his or her disability within twelve months after the month in which this Act is enacted [April 1983], under such procedures as the Secretary of Health and Human Services may prescribe, be deemed to have been entitled to the widow’s or widower’s benefits referred to in such section 226(e)(3), as so amended, as of the time such individual would have been entitled to such widow’s or widower’s benefits if he or she had filed a timely application therefor.’’

Special §50 Payment Under Tax Reduction Act of 1975
Special payment of §50 as soon as practicable after Mar. 29, 1975, by the Secretary of the Treasury to each individual who, for the month of March 1975, was entitled to a monthly insurance benefit payable under this subchapter, see section 702 of Pub. L. 94–12, set out as a note under section 402 of this title.

Adopted Child’s Reenlistment to Annuity
Pub. L. 93–58, §4(b), July 6, 1973, 87 Stat. 142, provided that: ‘‘Any child (1) whose entitlement to an annuity under section 5(c) of the Railroad Retirement Act [of 1937] [former 45 U.S.C. 228e(c)] was terminated by reason of his adoption prior to the enactment of such Act [July 6, 1973], and (2) who, except for such adoption, would be entitled to an annuity under such section for a month after the month in which this Act is enacted [July 6, 1973], may, upon filing application for an annuity under the Railroad Retirement Act [former 45 U.S.C. 228e et seq.] after the date of enactment of this Act [July 6, 1973], become reentitled to such annuity; except that no child shall, by reason of the enactment of this Act [amending this section and sections 228c, 228e of Title 45] become reentitled to such annuity for any month prior to the effective date of the relevant amendments made by this Act to section 5(c)(1)(A) of the Railroad Retirement Act [former 45 U.S.C. 228e(j)(1)(A)].’’

§426–1. End stage renal disease program
(a) Entitlement to benefits
Notwithstanding any provision to the contrary in section 426 of this title or subchapter XVIII, every individual who—

(1)(A) is fully or currently insured (as such terms are defined in section 414 of this title), or would be fully or currently insured if (i) his service as an employee (as defined in the Railroad Retirement Act of 1974 [45 U.S.C. 231 et seq.] after December 31, 1936, were included within the meaning of the term ‘‘employment’’ for purposes of this subchapter, and (ii) his medicare qualified government employment (as defined in section 410(p) of this title) were included within the meaning of the term ‘‘employment’’ for purposes of this subchapter;

(B)(i) is entitled to monthly insurance benefits under this subchapter, (ii) is entitled to an annuity under the Railroad Retirement Act of 1974 [45 U.S.C. 231 et seq.], or (iii) would be entitled to a monthly insurance benefit under this subchapter if medicare qualified government employment (as defined in section 410(p) of this title) were included within the meaning of the term ‘‘employment’’ for purposes of this subchapter; or

(C) is the spouse or dependent child (as defined in regulations) of an individual described in subparagraph (A) or (B);

(2) is medically determined to have end stage renal disease; and

(3) has filed an application for benefits under this section;

shall, in accordance with the succeeding provisions of this section, be entitled to benefits

\[426-1\]
under part A and eligible to enroll under part B of subchapter XVIII, subject to the deductible, premium, and coinsurance provisions of that subchapter.

(b) Duration of period of entitlement

Subject to subsection (c), entitlement of an individual to benefits under part A and eligibility to enroll under part B of subchapter XVIII shall begin with the month in which such regular course of renal dialysis is resumed.


REFERENCES IN TEXT


AMENDMENTS

2015—Subsec. (c). Pub. L. 114–74 struck out subsec. (c) relating to continuing eligibility of certain terminated individuals.


1982—Subsec. (a)(1)(A). Pub. L. 97–248 designated existing provisions as cl. (i), substituted “within the meaning of the term ‘employment’ for purposes of this subchapter” for “in the term ‘employment’ as defined in this chapter”, and added cl. (ii).

Subsec. (a)(1)(B). Pub. L. 97–248 designated “is entitled to monthly insurance benefits under this subchapter” as cl. (i), substituted “(ii) is entitled to an annuity under the Railroad Retirement Act of 1974” for “an annuity under the Railroad Retirement Act of 1974”, and added cl. (iii).

Subsec. (a)(1)(C). Pub. L. 97–248 combined former subpars. (C) and (D) into subpar. (C) and substituted a reference to individuals described in subpar. (A) or (B) for a more detailed definition of such individuals.

EFFECTIVE DATE OF 1994 AMENDMENT

Amendment by Pub. L. 103–296 applicable with respect to benefits based on disability (as defined in section 425(c)(9) of this title) which are otherwise payable in months beginning after 180 days after Aug. 15, 1994, with Secretary of Health and Human Services to issue regulations necessary to carry out such amendment not later than 180 days after Aug. 15, 1994, see section 201(a)(3)(B)(ii) of Pub. L. 103–296, set out as an Effective Date of 1994 Amendment; Sunset Provision note under section 425 of this title.

EFFECTIVE DATE OF 1986 AMENDMENT

Amendment by Pub. L. 99–272 effective after Mar. 31, 1986, with no individual to be considered under disability for any period beginning after Apr. 1, 1986, for purposes of hospital insurance benefits, see section 13205(d)(2) of Pub. L. 99–272, set out as a note under section 410 of this title.

EFFECTIVE DATE OF 1983 AMENDMENT

cial Security Act [42 U.S.C. 301 et seq.] made by this section [amending this section and sections 410, 1230c-2, 1230c-3, 1396d, 1396f, 1396r, 1396y, 1396cc, 1396mm, 1396ww, 1396yi, 1396cc, and 1396pp of this title] shall be effective as if it had been originally included as a part of that provision of the Social Security Act to which it relates, as such provision of such Act was amended or added by the Tax Equity and Fiscal Responsibility Act of 1982 [Pub. L. 97–248, Sept. 3, 1982, 96 Stat. 324].”

**Effective Date of Amendment**


**Effective Date**

Section effective with respect to services, supplies, and equipment furnished after the third calendar month beginning after June 13, 1978, except that provisions for the implementation of an incentive reimbursement system for dialysis services furnished in facilities and providers to become effective with respect to a facility’s or provider’s first accounting period beginning after the last day of the twelfth month following the month of June 1978, and except that provisions for reimbursement rates for home dialysis to become effective on Apr. 1, 1979, see section 6 of Pub. L. 95–292, set out as an Effective Date of 1978 Amendment note under section 426 of this title.

§ 426a. Transitional provision on eligibility of uninsured individuals for hospital insurance benefits

(a) Entitlement to benefits

Anyone who—

(1) has attained the age of 65,

(2)(A) attained such age before 1968, or (B) has not less than 3 quarters of coverage (as defined in this subchapter or section 228u(l) of title 45), whenever acquired, for each calendar year elapsing after 1966 and before the year in which he attained such age,

(3) is not, and upon filing application for monthly insurance benefits under section 402 of this title would not be, entitled to hospital insurance benefits under section 426 of this title, and is not certifiable as a qualified railroad retirement beneficiary under section 228–2 of title 45,

(4) is a resident of the United States (as defined in section 410(i) of this title), and is (A) a citizen of the United States or (B) an alien lawfully admitted for permanent residence who has resided in the United States (as so defined) continuously during the 5 years immediately preceding the month in which he files application under this section, and

(5) has filed an application under this section in such manner and in accordance with such other requirements as may be prescribed in regulations of the Secretary,

shall (subject to the limitations in this section) be deemed, solely for purposes of section 426 of this title, to be entitled to monthly insurance benefits under such section 402 for each month, beginning with the first month in which he meets the requirements of this subsection and ending with the month in which he dies, or, if earlier, the month before in which he becomes (or upon filing application for monthly insurance benefits under section 402 of this title would become) entitled to hospital insurance benefits under section 426 of this title or becomes certifiable as a qualified railroad retirement beneficiary. An individual who would have met the preceding requirements of this subsection in any month had he filed an application under paragraph (5) hereof before the end of such month shall be deemed to have met such requirements in such month if he files such application before the end of the twelfth month following such month. No application under this section which is filed by an individual more than 3 months before the first month in which he meets the requirements of paragraphs (1), (2), (3), and (4) shall be accepted as an application for purposes of this section.

(b) Persons ineligible

The provisions of subsection (a) shall not apply to any individual who—

(1) is, at the beginning of the first month in which he meets the requirements of subsection (a), a member of any organization referred to in section 410(a)(17) of this title,

(2) has, prior to the beginning of such first month, been convicted of any offense listed in section 402(u) of this title, or

(3)(A) at the beginning of such first month is covered by an enrollment in a health benefits plan under chapter 89 of title 5,

(B) was so covered on February 16, 1965, or

(C) could have been so covered for such first month if he or some other person had availed himself of opportunities to enroll in a health benefits plan under such chapter and to continue such enrollment (but this subparagraph shall not apply unless he or such other person was a Federal employee at any time after February 15, 1965).

Paragraph (3) shall not apply in the case of any individual for the month (or any month thereafter) in which coverage under such a health benefits plan ceases (or would have ceased if he had had such coverage) by reason of his or some other person’s separation from Federal service, if he or such other person was not (or would not have been) eligible to continue such coverage after such separation.

(c) Authorization of appropriations

There are authorized to be appropriated to the Federal Hospital Insurance Trust Fund (established by section 1395i of this title) from time to time such sums as the Secretary deems necessary for any fiscal year, on account of—

(1) payments made or to be made during such fiscal year from such Trust Fund under part A of subchapter XVIII of this chapter with respect to individuals who are entitled to hospital insurance benefits under section 426 of this title solely by reason of this section,

(2) the additional administrative expenses resulting or expected to result therefrom, and

(3) any loss in interest to such Trust Fund resulting from the payment of such amounts, in order to place such Trust Fund in the same condition at the end of such fiscal year in which it would have been if the preceding subsections of this section had not been enacted.


See References in Text note below.
§ 427. Transitional insured status for purposes of old-age and survivors benefits

(a) Determination of entitlement to benefits under section 402(a) to (c) of this title

In the case of any individual who attains the age of 72 before 1969 but who does not meet the requirements of section 414(a) of this title, the 6 quarters of coverage referred to in paragraph (1) of section 414(a) of this title shall, instead, be 3 quarters of coverage for purposes of determining entitlement of such individual to benefits under section 402(a) of this title, and of the spouse to benefits under section 402(b) or section 402(c) of this title, but, in the case of such spouse, only if he or she attains the age of 72 before 1969 and only with respect to spouse’s insurance benefits under section 402(b) or section 402(c) of this title for and after the month in which he or she attains such age. For each month before the month in which any such individual meets the requirements of section 414(a) of this title, the amount of the old-age insurance benefit shall, notwithstanding the provisions of section 402(a) of this title, be the larger of $64.40 or the amount most recently established in lieu thereof under section 415(i) of this title.

(b) Determination of entitlement to surviving spouse’s benefits under section 402(e) or (f) of this title

In the case of any individual who has died, who does not meet the requirements of section 414(a) of this title, and whose surviving spouse attains age 72 before 1969, the 6 quarters of coverage referred to in paragraph (3) of section 414(a) of this title in paragraph (1) thereof shall, for purposes of determining the entitlement to surviving spouse’s insurance benefits under section 402(e) or section 402(f) of this title, instead be—

(1) 3 quarters of coverage if such surviving spouse attains the age of 72 in or before 1966,
(2) 4 quarters of coverage if such surviving spouse attains the age of 72 in 1967, or
(3) 5 quarters of coverage if such surviving spouse attains the age of 72 in 1968.

The amount of the surviving spouse’s insurance benefit for each month shall, notwithstanding the provisions of section 402(e) or section 402(f) of this title (and section 402(m) of this title), be the larger of $64.40 or the amount most recently established in lieu thereof under section 415(i) of this title.

(c) Deceased individual entitled to benefits by reason of subsection (b) deemed to meet requirements of subsection (b)

In the case of any individual who becomes, or upon filing application therefor would become, entitled to benefits under section 402(a) of this title by reason of the application of subsection (a) of this section, who dies, and whose surviving spouse attains the age of 72 before 1969, such deceased individual shall be deemed to meet all the requirements of subsection (b) of this section for purposes of determining entitlement of such surviving spouse to surviving spouse’s insurance benefits under section 402(e) or section 402(f) of this title.

REFERENCES IN TEXT

Sections 228e(l) and 228s–2 of title 45, referred to in subsec. (a)(2), (3), are references to sections 5(1) and 21 of the Railroad Retirement Act of 1937. That Act was amended in its entirety and completely revised by Pub. L. 93–445, Oct. 16, 1974, 88 Stat. 1305. That Act, as thus amended and revised, was redesignated the Railroad Retirement Act of 1974, and is classified generally to subchapter IV (§ 321 et seq.) of chapter 9 of Title 45, Railroads. Sections 228s and 228s–2 of title 45 are covered by sections 231e and 231f of Title 45, respectively.


The Federal Employees Health Benefits Act of 1959, as amended and revised, was redesignated the Federal Employee Health Benefits Act of 1966, and is classified generally to sections 231e and 231f of Title 45, respectively.

For purposes of determining entitlement of such surviving spouse to surviving spouse’s insurance benefits under section 402(e) or section 402(f) of this title, and in paragraph (1) thereof, substitute “chapter 89 of title 5” and “such chapter” for “the Federal Employees Health Benefits Act of 1959” and “such Act” in subpars. (A) and (C), respectively.

AMENDMENTS


Subsec. (b)(3)(A), (C). Pub. L. 90–248, § 403(h)(1), (2), substituted “chapter 89 of title 5” and “such chapter” for “the Federal Employees Health Benefits Act of 1959” and “such Act” in subpars. (A) and (C), respectively.

§ 427. Transitional insured status for purposes of old-age and survivors benefits

(a) Determination of entitlement to benefits under section 402(a) to (c) of this title

(b) Determination of entitlement to surviving spouse’s benefits under section 402(e) or (f) of this title

In the case of any individual who attains the age of 72 before 1969 but who does not meet the requirements of section 414(a) of this title, the 6 quarters of coverage referred to in paragraph (1) of section 414(a) of this title shall, instead, be 3 quarters of coverage for purposes of determining entitlement of such individual to benefits under section 402(a) of this title, and of the spouse to benefits under section 402(b) or section 402(c) of this title, but, in the case of such spouse, only if he or she attains the age of 72 before 1969 and only with respect to spouse’s insurance benefits under section 402(b) or section 402(c) of this title for and after the month in which he or she attains such age. For each month before the month in which any such individual meets the requirements of section 414(a) of this title, the amount of the old-age insurance benefit shall, notwithstanding the provisions of section 402(a) of this title, be the larger of $64.40 or the amount most recently established in lieu thereof under section 415(i) of this title.

(b) Determination of entitlement to surviving spouse’s benefits under section 402(e) or (f) of this title

In the case of any individual who has died, who does not meet the requirements of section 414(a) of this title, and whose surviving spouse attains age 72 before 1969, the 6 quarters of coverage referred to in paragraph (3) of section 414(a) of this title in paragraph (1) thereof shall, for purposes of determining the entitlement to surviving spouse’s insurance benefits under section 402(e) or section 402(f) of this title, instead be—

(1) 3 quarters of coverage if such surviving spouse attains the age of 72 in or before 1966,
(2) 4 quarters of coverage if such surviving spouse attains the age of 72 in 1967, or
(3) 5 quarters of coverage if such surviving spouse attains the age of 72 in 1968.

The amount of the surviving spouse’s insurance benefit for each month shall, notwithstanding the provisions of section 402(e) or section 402(f) of this title (and section 402(m) of this title), be the larger of $64.40 or the amount most recently established in lieu thereof under section 415(i) of this title.

(c) Deceased individual entitled to benefits by reason of subsection (b) deemed to meet requirements of subsection (b)

In the case of any individual who becomes, or upon filing application therefor would become, entitled to benefits under section 402(a) of this title by reason of the application of subsection (a) of this section, who dies, and whose surviving spouse attains the age of 72 before 1969, such deceased individual shall be deemed to meet all the requirements of subsection (b) of this section for purposes of determining entitlement of such surviving spouse to surviving spouse’s insurance benefits under section 402(e) or section 402(f) of this title.

REFERENCES IN TEXT


AMENDMENTS

1963—Subsec. (a). Pub. L. 88–21, § 304(a), substituted “spouse” for “wife”, “spouse’s” for “wife’s”, and “he or she” for “she”, wherever appearing, substituted “the for “his” after “402(a) of this title, and of” and preceding “spouse” in two places and preceding “old-age insurance”, and inserted “or section 402(c)” after “section 402(b)” wherever appearing.

Subsec. (b). Pub. L. 88–21, § 304(b), substituted “surviving spouse” for “widow” and “surviving spouse’s” for “widow’s” wherever appearing, substituted “the” for “her” after “determining” and “The amount of”, and inserted “or section 402(f)” after “section 402(e)” wherever appearing.

Subsec. (c). Pub. L. 90–248, § 304(b)(1), (2), (4), substituted “surviving spouse” for “widow” wherever appearing and “surviving spouse’s” for “widow’s”, and inserted “or section 402(f)” after “section 402(e)”.

1973—Subsec. (a). Pub. L. 93–233, § 2(b)(1), substituted “the larger of $64.40 or the amount most recently established in lieu thereof under section 415(i) of this title” for “$58.00” and “the larger of $32.20 or the amount most recently established in lieu thereof under section 415(i) of this title”. 

Subsec. (b). Pub. L. 93–233, § 2(b)(1), substituted “the larger of $64.40 or the amount most recently established in lieu thereof under section 415(i) of this title” for “$29.00”. 

1 See References in Text note below.
in lieu thereof under section 415(i) of this title' for '
'58.00'.

1972—Subsec. (a), Pub. L. 92-336, § 201(g)(1)(A), sub-
stituted '$58.00' for '$48.30' and '$29.00' for '$23.70'.

Subsec. (a)(1), Pub. L. 92-603, § 104(e), substituted 'parag-
raph (1) of section 414(a) of this title' for 'so much of paragraph (1) of section 414(a) of this title as follows clause (C)'.

Subsec. (b), Pub. L. 92-336, § 201(g)(1)(B), substituted '$58.00' for '$48.30'.

1971—Subsec. (a), Pub. L. 92-5, § 202(a)(1), substituted 'paragraph (1) thereof' for 'so much of paragraph (1) thereof as follows clause (C)'.

Subsec. (b), Pub. L. 92-5, § 202(a)(2), substituted '$48.30' for '$46' and '$23.70' for '$23'.

1969—Subsec. (a), Pub. L. 91-172, § 1003(a)(1), sub-
stituted '$46' for '$40', and '$30' for '$23'.

Subsec. (b), Pub. L. 91-172, § 1003(a)(2), substituted '$46' for '$40'.

1968—Subsec. (a), Pub. L. 90-248, § 102(a)(1), sub-
stituted '$40' for '$35' and '$30' for '$23'.

Subsec. (b), Pub. L. 90-248, § 102(a)(2), substituted '$40' for '$35'.

**Effective Date of 1983 Amendment**
 Amendment by Pub. L. 98-21 applicable only with respect to monthly payments payable under this sub-
chapter for months after April 1983, see section 310 of Pub. L. 98-21 set out as a note under section 402 of this title.

**Effective Date of 1973 Amendment**
 Amendment by Pub. L. 93-233 applicable only with respect to monthly benefits under this sub-
chapter for months after August 1972, see section 312 of Pub. L. 93-233, set out as a note under section 415 of this title.

**Effective Date of 1972 Amendment**
 Amendment by Pub. L. 92-683 applicable only in the case of a man who attains (or would attain) age 62 after December 1974, see section 104(j) of Pub. L. 92-683, set out as a note under section 414 of this title.

**Effective Date of 1971 Amendment**
 Amendment by Pub. L. 92-363 applicable with respect to monthly benefits under subchapter II of this chapter for months after August 1972, see section 201(i) of Pub. L. 92-363, set out as a note under section 415 of this title.

**Effective Date of 1970 Amendment**
 Amendment by Pub. L. 91-172 applicable only with respect to monthly benefits under subchapter II of this chapter for months after June 1970, see section 101 of Pub. L. 91-172, set out as a note under section 415 of this title.

**Effective Date of 1969 Amendment**
 Pub. L. 91-172, title X, § 1003(c), Dec. 30, 1969, 83 Stat. 741, provided that: 'The amendments made by subsections (a) and (b) [amending this section and section 428 of this title] shall apply with respect to monthly benefits under title II of the Social Security Act [42 U.S.C. 401 et seq.] for months after December 1969.'

**Effective Date of 1968 Amendment**
 Pub. L. 90-248, title I, § 102(c), Jan. 2, 1968, 81 Stat. 828, provided that: 'The amendments made by subsections (a) and (b) [amending this section and section 428 of this title] shall apply with respect to monthly benefits under title II of the Social Security Act [42 U.S.C. 401 et seq.] for months after August 1968.'
not below zero) by the amount of any periodic benefit under a governmental pension system for which he or she is eligible for such month.

(2) In the case of a husband and wife only one of whom is entitled to benefits under this section for any month, the benefit amount, after any reduction under paragraph (1), shall be further reduced (but not below zero) by the excess (if any) of (A) the total amount of any periodic benefits under governmental pension systems for which the other spouse is entitled to benefits under this section is eligible for such month, over (B) the benefit amount as determined without regard to this subsection.

(3) In the case of a husband or wife both of whom are entitled to benefits under this section for any month, the benefit amount of each spouse, after any reduction under paragraph (1), shall be further reduced (but not below zero) by the excess (if any) of (A) the total amount of any periodic benefits under governmental pension systems for which the spouse is entitled to benefits under this section is eligible for such month, over (B) the benefit amount of such other spouse as determined without regard to this subsection.

(4) For purposes of this subsection, in determining whether an individual is eligible for periodic benefits under a governmental pension system—

(A) such individual shall be deemed to have filed application for such benefits,

(B) to the extent that entitlement depends on an application by such individual’s spouse, such spouse shall be deemed to have filed application, and

(C) to the extent that entitlement depends on such individual or his or her spouse having retired, such individual and his or her spouse shall be deemed to have retired before the month for which the determination of eligibility is being made.

(5) For purposes of this subsection, if any periodic benefit is payable on any basis other than a calendar month, the Commissioner of Social Security shall allocate the amount of such benefit to the appropriate calendar months.

(6) If, under the foregoing provisions of this section, the amount payable for any month would be less than $1, such amount shall be reduced to zero. In the case of a husband and wife both of whom are entitled to benefits under this section for the month, the preceding sentence shall be applied with respect to the aggregate amount so payable for such month.

(7) If any benefit amount computed under the foregoing provisions of this section is not a multiple of $0.10, it shall be raised to the next higher multiple of $0.10.

(d) Suspension for months in which cash payments are made under public assistance or in which supplemental security income benefits are payable

The benefit to which any individual is entitled under this section for any month shall not be paid for such month if—

(1) such individual receives aid or assistance in the form of money payments in such month under a State plan approved under subchapter I, X, XIV, or XVI, or under a State program funded under part A of subchapter IV, or

(2) such individual receives such aid or assistance in such month, and under the State plan the needs of such individual were taken into account in determining eligibility for (or amount of) such aid or assistance,

unless the State agency administering or supervising the administration of such plan notifies the Commissioner of Social Security, at such time and in such manner as may be prescribed in accordance with regulations of the Commissioner of Social Security, that such payments to such individual (or such individual’s husband or wife) under such plan are being terminated with the payment or payments made in such month and such individual is not an individual with respect to whom supplemental security income benefits are payable pursuant to subchapter XVI or section 211 of Public Law 93–66 for the following month, nor shall such benefit be paid for such month if such individual is an individual with respect to whom supplemental security income benefits are payable pursuant to subchapter XVI or section 211 of Public Law 93–66 for such month, unless the Commissioner of Social Security determines that such benefits are not payable with respect to such individual for the month following such month.

(e) Suspension where individual is residing outside United States

The benefit to which any individual is entitled under this section for any month shall not be paid if, during such month, such individual is not a resident of the United States. For purposes of this subsection, the term “United States” means the States and the District of Columbia.

(f) Treatment as monthly insurance benefits

For purposes of subsections (t) and (u) of section 402 of this title, and of section 1395s of this title, a monthly benefit under this section shall be treated as a monthly insurance benefit payable under section 402 of this title.

(g) Annual reimbursement of Federal Old-Age and Survivors Insurance Trust Fund

There are authorized to be appropriated to the Federal Old-Age and Survivors Insurance Trust Fund for the fiscal year ending June 30, 1969, and for each fiscal year thereafter, such sums as the Commissioner of Social Security deems necessary on account of—

(1) payments made under this section during the second preceding fiscal year and all fiscal years prior thereto to individuals who, as of the beginning of the calendar year in which falls the month for which payment was made, had less than 3 quarters of coverage,

(2) the additional administrative expenses resulting from the payments described in paragraph (1), and

(3) any loss in interest to such Trust Fund resulting from such payments and expenses, in order to place such Trust Fund in the same position at the end of such fiscal year as it
would have been in if such payments had not been made.

(h) Definitions

For purposes of this section—

(1) The term “quarter of coverage” includes a quarter of coverage as defined in section 228e(l) of title 45.

(2) The term “governmental pension system” means the insurance system established by this subchapter or any other system or fund established by the United States, a State, any political subdivision of a State, or any wholly owned instrumentality of any one or more of the foregoing which provides for payment of (A) pensions, (B) retirement or retired pay, or (C) annuities or similar amounts payable on account of personal services performed by any individual (not including any payment under any workmen’s compensation law or any payment by the Secretary of Veterans Affairs as compensation for service-connected disability or death).

(3) The term “periodic benefit” includes a benefit payable in a lump sum if it is a commutation of, or a substitute for, periodic payments.

(4) The determination of whether an individual is a husband or wife for any month shall be made under subsection (h) of section 416 of this title without regard to subsections (b) and (f) of section 416 of this title.


REFERENCES IN TEXT

Section 211 of Pub. L. 93–66, referred to in subsec. (d), is set out as a note under section 1382 of this title.

Section 228e(l) of title 45, referred to in subsec. (b)(1), is a reference to section 5(l) of the Railroad Retirement Act of 1937. That Act was amended in its entirety and completely revised by Pub. L. 93–445, Oct. 16, 1974, 88 Stat. 1305. The Act, as thus amended and revised, was redesignated the Railroad Retirement Act of 1974, and is classified generally to subchapter IV (§ 231 et seq.) of chapter 4 of Title 45, Railroads. Section 228e(l) of title 45 is covered by section 251e of Title 45.

AMENDMENTS

1996—Subsec. (d)(1). Pub. L. 104–183 inserted “under a State program funded under” before “part A of subchapter IV”.

1994—Subsecs. (c)(5), (8), (d), (g). Pub. L. 103–296 substituted “Commissioner of Social Security” for “Secretary” wherever appearing.


1983—Subsec. (a). Pub. L. 98–21, § 305(d)(1), substituted “he or she” for “he” wherever appearing.

Subsec. (b). Pub. L. 98–21, § 305(a), substituted “The” for “(1) Except as provided in paragraph (2), the” and struck out par. (2), which had provided that if both husband and wife were entitled or would have been entitled upon application to benefits under this section for any month, the amount of the husband’s benefit for such month would be the larger of $64.40 or the amount most recently established in lieu thereof under section 415(i) of this title, and the amount of the wife’s benefit for such month the larger of $32.20 or the amount most recently established in lieu thereof under section 415(i) of this title.

Subsec. (c)(1). Pub. L. 98–21, § 305(d)(1), substituted “he or she” for “he”.

Subsec. (c)(2). Pub. L. 98–21, § 305(b), substituted “(B) the benefit amount as determined without regard to this subsection” for “(B) the larger of $32.20 or the amount most recently established in lieu thereof under section 415(i) of this title.”

Subsec. (c)(3). Pub. L. 98–21, § 305(c), amended par. (3) generally, substituting provisions relating to either a husband or wife for provision that the benefit amount of the wife, after any reduction under paragraph (1), would be further reduced (but not below zero) by the excess (if any) of (i) the total amount of any periodic benefits under governmental pension systems for which the husband was eligible for such month, or (ii) the larger of $64.40 or the amount most recently established in lieu thereof under section 415(i) of this title, and that the benefit amount of the husband, after any reduction under paragraph (1), would be further reduced (but not below zero) by the excess (if any) of (i) the total amount of any periodic benefits under governmental pension systems for which the wife was eligible for such month, over (ii) the larger of $64.40 or the amount most recently established in lieu thereof under section 415(i) of this title.

Subsec. (c)(4)(C). Pub. L. 98–21, § 305(d)(2), as amended by Pub. L. 98–369, § 2062(a), substituted “his or her” for “his” wherever appearing.

1973—Subsec. (b). Pub. L. 93–233, § 2(b)(1), substituted “the larger of $64.40 or the amount most recently established in lieu thereof under section 415(i) of this title” for “$58.00” in pars. (1) and (2) and “the larger of $32.20 or the amount most recently established in lieu thereof under section 415(i) of this title” for “$29.00” in par. (2).

Subsec. (c). Pub. L. 93–233, § 2(b)(1), substituted “the larger of $64.40 or the amount most recently established in lieu thereof under section 415(i) of this title” for “$58.00” in par. (3), subpar. (A) and “the larger of $32.20 or the amount most recently established in lieu thereof under section 415(i) of this title” for “$29.00” in par. (2) and par. (3) subpar. (B).

Subsec. (d). Pub. L. 93–233, § 2(b)(1), substituted “the larger of $64.40 or the amount most recently established in lieu thereof under section 415(i) of this title” for “$58.00” in par. (3), subpar. (A) and “the larger of $32.20 or the amount most recently established in lieu thereof under section 415(i) of this title” for “$29.00” in par. (2) and par. (3) subpar. (B).
Subsec. (c)(2), Pub. L. 92–5, § 202(b)(3), substituted “$24.20” for “$23”.


Subsec. (c)(3)(B), Pub. L. 92–5, § 202(b)(5), substituted “$24.20” for “$23”.

1969—Subsec. (b)(1), Pub. L. 91–172, § 1003(b)(1), substituted “$46” for “$40”.

Subsec. (b)(2), Pub. L. 91–172, § 1003(b)(2), substituted “$46” for “$40” and “$33” for “$30”.

Subsec. (c)(2), Pub. L. 91–172, § 1003(b)(3), substituted “$23” for “$20”.

Subsec. (c)(3)(A), Pub. L. 91–172, § 1003(b)(4), substituted “$46” for “$40”.

Subsec. (c)(3)(B), Pub. L. 91–172, § 1003(b)(5), substituted “$23” for “$20”.

1968—Subsec. (b)(1), Pub. L. 90–248, § 102(b)(1), substituted “$40” for “$35”.

Subsec. (b)(2), Pub. L. 90–248, § 102(b)(2), substituted “$40” for “$35” and “$20” for “$17.50”.

Subsec. (c)(2), Pub. L. 90–248, § 102(b)(3), substituted “$20” for “$17.50”.

Subsec. (c)(3)(A), Pub. L. 90–248, § 102(b)(4), substituted “$40” for “$35”.

Subsec. (c)(3)(B), Pub. L. 90–248, § 102(b)(5), substituted “$20” for “$17.50”.

Subsec. (d)(1), Pub. L. 90–248, § 241(a), struck out “IV, after ‘1,’ and inserted ‘or part A of subchapter IV’” after “XVI”.

Effective Date of 1996 Amendment
Amendment by Pub. L. 104–193 effective July 1, 1997, with transition rules relating to State options to accelerate such date, rules relating to claims, actions, and proceedings commenced before such date, rules relating to closing out of accounts for terminated or substantially modified programs and continuance in office of Assistant Secretary for Family Support, and provisions relating to termination of entitlement under AFDC program, see section 116 of Pub. L. 104–193, as amended, set out as an Effective Date note under section 901 of this title.

Effective Date of 1994 Amendment

Effective Date of 1990 Amendment
Pub. L. 101–508, title V, § 5114(b), Nov. 5, 1990, 104 Stat. 1388–274, provided that: “The amendment made by subsection (a) [amending this section] shall apply with respect to benefits payable on the basis of applications filed after the date of the enactment of this Act [Nov. 5, 1990].”

Effective Date of 1984 Amendment
Amendment by section 2662(c) of Pub. L. 98–369 effective as though included in the enactment of the Social Security Amendments of 1983, Pub. L. 98–21, see section 2664(a) of Pub. L. 98–369, set out as a note under section 401 of this title.

Amendment by section 2663(j)(3)(A)(iv) of Pub. L. 98–369 effective July 18, 1984, but not to be construed as changing or affecting any right, liability, status, or interpretation which existed under the provisions of law involved before that date, see section 2664(b) of Pub. L. 98–369, set out as a note under section 401 of this title.

Effective Date of 1983 Amendment
Amendment by Pub. L. 98–21 applicable only with respect to monthly payments payable under this subchapter for months after April 1983, see section 310 of Pub. L. 98–21, set out as a note under section 602 of this title.

Effective Date of 1973 Amendment
Pub. L. 93–233, § 2(b)(1), Dec. 31, 1973, 87 Stat. 952, provided that the amendment made by that section is effective June 1, 1974.

Amendment by section 2(b)(1) of Pub. L. 93–233 applicable with respect to monthly benefits under this subchapter for months after May 1974, and with respect to lump-sum death payments under section 402(i) of this title, see section 2(c) of Pub. L. 93–233, set out as a note under section 415 of this title.

Effective Date of 1972 Amendment
Amendment by Pub. L. 92–336 applicable with respect to monthly benefits under subchapter II of this chapter for months after August 1972, see section 201(i) of Pub. L. 92–336, set out as a note under section 415 of this title.

Effective Date of 1971 Amendment
Amendment by Pub. L. 92–5 applicable with respect to monthly benefits under subchapter II of this chapter for months after December 1970, see section 202(c) of Pub. L. 92–5, set out as a note under section 427 of this title.

Effective Date of 1969 Amendment
Amendment by Pub. L. 91–172 applicable for months after December 1969, see section 1003(c) of Pub. L. 91–172, set out as a note under section 427 of this title.

Effective Date of 1968 Amendment
Amendment by section 102(b) of Pub. L. 90–248 applicable with respect to monthly benefits under this subchapter for months after January 1968, see section 102(c) of Pub. L. 90–248, set out as a note under section 427 of this title.

Repeal of Amendment of Subsecs. (b)(1), (2) and (c)(3)(A), (B) Prior to Effective Date
Pub. L. 92–336, title II, § 202(a)(4), July 1, 1972, 86 Stat. 416, which, effective Jan. 1, 1975, substituted “the larger of $58.00 or the amount most recently established in lieu thereof under section 415(i) of this title” for “$58.00” and “the larger of $29.00 or the amount most recently established in lieu thereof under section 415(i) of this title” for “$29.00”, was repealed prior to its effective date by Pub. L. 93–233, § 2(b)(2), Dec. 31, 1973, 87 Stat. 952, applicable with respect to monthly benefits under this subchapter for months after May 1974, and with respect to lump-sum death payments under section 402(i) of this title. See section 2(c) of Pub. L. 93–233, set out as an Effective Date of 1973 Amendment note under section 415 of this title.

Application to Northern Mariana Islands
For applicability of this section to the Northern Mariana Islands, see section 602(a)(1) of the Covenant to Establish a Commonwealth of the Northern Mariana Islands in Political Union with the United States of America and Proc. No. 4534, Oct. 24, 1977, 42 F.R. 56593, set out as notes under section 1801 of Title 48, Territories and Insular Possessions.

Increases to Take Into Account General Benefit Increases
Pub. L. 98–21, title III, § 305(e), Apr. 20, 1983, 97 Stat. 113, provided that: “The Secretary shall increase the amounts specified in section 228 of the Social Security Act (this section), as amended by this section, to take into account any general benefit increases (as referred to in section 215(i)(3) of such Act [42 U.S.C. 415(i)(3)]), and any increases under section 215(i) of such Act, which have occurred after June 1974 or may hereafter occur.”

Special $50 Payment Under Tax Reduction Act of 1975
Special payment of $50 as soon as practicable after Mar. 29, 1975, by Secretary of the Treasury to each individual who, for month of March 1975, was entitled to a monthly insurance benefit payable under this sub-
chapter, see section 702 of Pub. L. 94–12, set out as a note under section 402 of this title.

APPLICATIONS FOR TRANSITIONAL COVERAGE OF UNINSURED INDIVIDUALS FOR HOSPITAL INSURANCE BENEFITS

Pub. L. 89–368, title III, §302(b), Mar. 15, 1966, 80 Stat. 70, provided that: “For purposes of paragraph (4) of section 228(a) of the Social Security Act [42 U.S.C. 428(a)(4)] (added by subsection (a) of this section), an application filed under section 103 of the Social Security Amendments of 1965 [set out as a note under section 428(a)(4)] (added by subsection (a) of this section), an application filed under section 228(a) of the Social Security Act [42 U.S.C. 70, provided that: “For purposes of paragraph (4) of section 410(a) of this title as a result of the provisions of section 410(f)(1)(A) of this title, shall be deemed to have been paid—

(1) in each calendar quarter occurring after 1956 and before 1978 in which he was paid such wages, additional wages of $300, and such calendar year occurring after 1977 and before 2002 in which he was paid such wages, additional wages of $100 for each $300 of such wages, up to a maximum of $1,200 of additional wages for any calendar year.


AMENDMENTS

2004—Pub. L. 108–203, §420(b)(1), struck out subsec. (a) designation before “For purposes of” and struck out subsec. (b), which authorized to be appropriated to each of the Trust Funds, for transfer on July 1 of each calendar year to such Fund, an amount equal to the total of the additional wages which would be appropriated to such Fund for the fiscal year ending Sept. 30 of such calendar year under section 401 or 1081 of this title if the amounts of the additional wages deemed to have been paid for such calendar year constituted remuneration for employment for purposes of the taxes imposed by sections 3101 and 3111 of the Internal Revenue Code of 1986, and added the amount which the Secretary, on the basis of appropriate data, determines should have been so transferred.”


1984—Subsec. (b). Pub. L. 98–369 inserted at end “Additional adjustments may be made in the amounts so authorized to be appropriated to the extent that the amounts transferred in accordance with clauses (i) and (ii) of section 151(b)(3)(B) of the Social Security Amendments of 1983 with respect to wages deemed to have been paid in 1983 were in excess of or were less than the amount which the Secretary, on the basis of appropriate data, determines should have been so transferred.”

1983—Subsec. (b). Pub. L. 98–21 amended subsec. (b) generally, substituting provisions relating to authorization of appropriations to each of the Trust Funds for transfer on July 1 of each calendar year for provisions that had authorized appropriations to the Federal Old-Age and Survivors Insurance Trust Fund, the Federal Disability Insurance Trust Fund, and the Federal Hospital Insurance Trust Fund, as benefits under this subchapter and part A of subchapter XVIII of this chapter were paid after December 1967, such sums as the Secretary determined to be necessary to meet (1) the additional costs, resulting from subsec. (a), of such benefits (including lump-sum death payments), (2) the additional administrative expenses resulting therefrom, and (3) any loss in interest to such trust funds resulting from the payment of such amounts, and that such additional costs would be determined after any increases in such benefits arising from the application of section 417 of this title had been made.

1977—Subsec. (a). Pub. L. 95–216 substituted provisions relating to applicability of benefits for wages deemed to have been paid in each calendar quarter occurring after 1966 and before 1978 and provisions relating to applicability of benefits for wages deemed to have been paid in each calendar quarter occurring after 1966.

1972—Subsec. (a). Pub. L. 92–603 substituted “December 1972” for “December 1967” and “after 1956” for “after 1967” and struck out provisions limiting the wages deemed to have been paid an individual in addition to the wages actually paid him for his service to $100 if the wages actually paid to him in a quarter were $100 or less or to $200 if the wages actually paid to him in a quarter were more than $100 but not more than $200.

EFFECTIVE DATE OF 1994 AMENDMENT


EFFECTIVE DATE OF 1987 AMENDMENT

Amendment by Pub. L. 100–203 applicable with respect to remuneration paid after Dec. 31, 1987, see section 9001(d) of Pub. L. 100–203, set out as a note under section 3121 of Title 26, Internal Revenue Code.

EFFECTIVE DATE OF 1984 AMENDMENT


EFFECTIVE DATE OF 1983 AMENDMENT

Pub. L. 98–21, title I, §151(b)(2), Apr. 20, 1983, 97 Stat. 104, provided that: “The amendment made by paragraph (1) [amending this section] shall be effective with respect to wages deemed to have been paid for calendar years after 1983.”
with respect to each such Trust Fund within one year after the date of the transfer made to such Trust Fund under clause (i), as determined appropriate by such Secretary from data which becomes available to him after the date of the transfer under clause (i). Within 30 days after any such revision, the Secretary of the Treasury shall transfer to such Trust Fund, from such amounts in the general fund of the Treasury not otherwise appropriated, or from such Trust Fund to the general fund of the Treasury, such amounts as the Secretary of Health and Human Services certifies as necessary to take into account such revision.

§ 430. Adjustment of contribution and benefit base

(a) Determination and publication by Commissioner in Federal Register subsequent to cost-of-living benefit increase; effective date

Whenever the Commissioner of Social Security pursuant to section 415(i) of this title increases benefits effective with the December following a cost-of-living computation quarter, the Commissioner shall also determine and publish in the Federal Register on or before November 1 of the calendar year in which such quarter occurs the contribution and benefit base determined under subsection (b) or (c) which shall be effective with respect to remuneration paid after the calendar year in which such quarter occurs and taxable years beginning after such year.

(b) Determination of amount

The amount of such contribution and benefit base shall (subject to subsection (c)) be the amount of the contribution and benefit base in effect in the year in which the determination is made or, if larger, the product of—

(1) $60,600, and

(2) the ratio of (A) the national average wage index (as defined in section 409(k)(1) of this title) for the calendar year before the calendar year in which the determination under subsection (a) is made to (B) the national average wage index (as so defined) for 1992,

with such product, if not a multiple of $300, being rounded to the next higher multiple of $300 where such product is a multiple of $150 but not of $300 and to the nearest multiple of $300 in any other case.

(c) Amount of base for period prior to initial cost-of-living benefit increase

For purposes of this section, and for purposes of determining wages and self-employment income under sections 409, 411, 413, and 415 of this title and sections 1402, 3121, 3122, 3125, 6413, and 6654 of the Internal Revenue Code of 1986, (1) the "contribution and benefit base" with respect to remuneration paid in (and taxable years beginning in) any calendar year after 1973 and prior to the calendar year with the June of which the first increase in benefits pursuant to section 415(i) of this title becomes effective shall be $13,200 or (if applicable) such other amount as may be specified in a law enacted subsequent to the law which added this section, and (2) the "contribution and benefit base" with respect to remuneration paid (and taxable years beginning)—

(A) in 1978 shall be $17,700,

(B) in 1979 shall be $22,900,
For purposes of determining under subsection (b) the “contribution and benefit base” with respect to remuneration paid (and taxable years beginning) in 1982 and subsequent years, the dollar amounts specified in clause (2) of the preceding sentence shall be considered to have resulted from the application of such subsection (b) and to be the amount determined (with respect to the years involved) under that subsection.

(d) Determinations for calendar years after 1976 for purposes of retirement benefit plans

Notwithstanding any other provision of law, the contribution and benefit base determined under this section for any calendar year after 1976 for purposes of section 1322(b)(3)(B) of title 29, with respect to any plan, shall be the contribution and benefit base that would have been determined for such year if this section as in effect immediately prior to the enactment of the Social Security Amendments of 1977 had remained in effect without change (except that, for purposes of subsection (b) of such section 430 of this title as so in effect, the reference to the contribution and benefit base in paragraph (1) of such subsection (b) shall be deemed a reference to an amount equal to $45,000, each reference in paragraph (2) of such subsection (b) to the average of the wages of all employees as reported to the Secretary of the Treasury shall be deemed a reference to the national average wage index (as defined in section 409(k)(1) of this title), the reference to a preceding calendar year in paragraph (3)(A) of such subsection (b) shall be deemed a reference to the calendar year before the calendar year in which the determination under subsection (a) of such section 430 of this title is made, and the reference to a calendar year in paragraph (2)(B) of such subsection (b) shall be deemed a reference to 1992).


REFERENCES IN TEXT

The Internal Revenue Code of 1986, referred to in subsec. (c), is classified generally to Title 26, Internal Revenue Code. 
45, except with respect to annuity amounts determined under section 231(b)(a) or (f)(3) of title 45, clause (2) and the preceding sentence of this subsection shall be disregarded.

Pub. L. 98–76, §211(d), temporarily substituted “12.75 percent” for “11.75 percent”. See Effective and Termination Dates of 1983 Amendments note below.

Subsec. (c). Pub. L. 97–34 substituted in last sentence “employee and employer” for “employer”, “sections 3201(a) and 3221(a)” for “section 3221(a)”, and “11.75” for “9.5”.

1977—Subsec. (a). Pub. L. 95–216, §103(a)(1), substituted “determined under subsection (b) or (c)” for “determined under subsection (b)”. Subsec. (b). Pub. L. 95–216, §103(a)(2), in provisions preceding par. (1), substituted “shall (subject to subsection (c)) be the amount” for “shall be the amount”. Subsec. (c). Pub. L. 95–216, §103(a)(3), substituted “determination under subsection (a) of this section made” for “determination under subsection (a) of this section with respect to such particular calendar year was made”.

subsec. (b)(2), Pub. L. 95–216, §103(c)(3), substituted “(A) the average of the total wages (as defined in regulations of the Secretary and computed without regard to the limitations specified in section 409(a) of this title) reported to the Secretary of the Treasury or his delegate for the calendar year in which the determination under subsection (a) of this section is made to” for “(A) the average of the wages of all employees as reported to the Secretary of the Treasury for the calendar year preceding”.

Subsec. (b)(1), Pub. L. 95–216, §103(c)(2), substituted “determination under subsection (a) of this section is made” for “determination under subsection (a) of this section with respect to such particular calendar year was made” to (B) the average of the wages of all employees as reported to the Secretary of the Treasury for the calendar year preceding the calendar year in which the determination under subsection (a) of this section with respect to such particular calendar year was made to (B) the average of the wages of all employees as reported to the Secretary of the Treasury for the calendar year 1973 or, if later, the calendar year preceding”.

Subsec. (b). Pub. L. 95–216, §103(e)(1), in provisions following par. (2), struck out directive that, for purposes of this subsection, the average of the wages for the calendar year 1978 (or any prior calendar year), in the case of this subsection, the average of the total wages for the calendar year preceding the calendar year in which the determination under subsection (a) of this section is made to “shall be the amount”. Subsec. (c). Pub. L. 95–216, §103(e)(2), substituted “determination under subsection (a) of this section made” for “determination under subsection (a) of this section with respect to such particular calendar year was made”.

Subsec. (b). Pub. L. 95–216, §103(e)(3), substituted “(A) the average of the total wages for 1978, or any prior calendar year, be deemed equal to 400% of the average wages for the calendar year 1978, or any prior calendar year” for “(A) the average of the total wages (as so defined and computed reported to the Secretary of the Treasury or his delegate for the calendar year before)” for “(A) the average of the wages of all employees as reported to the Secretary of the Treasury for the calendar year preceding”. Subsec. (b). Pub. L. 95–216, §103(e)(4), substituted “determination under subsection (a) of this section made” for “determination under subsection (a) of this section with respect to such particular calendar year was made”.

Subsec. (c). Pub. L. 95–216, §103(b), designated existing provisions as introductory material and cl. (1) and added cl. (2) and closing material.


1976—Subsec. (b). Pub. L. 94–202 substituted “wages of all employees as reported to the Secretary of the Treasury for the first calendar quarter of the calendar year” for “taxable wages of all employees as reported to the Secretary for the first calendar quarter of the calendar year” and “made to” for “made to the latest of” in cl. (A) of par. (2), substituted “wages of all employees as reported to the Secretary of the Treasury for the calendar year 1973 or, if later, the calendar year preceding” for “taxable wages of all employees as reported to the Secretary for the first calendar quarter of the calendar year” and “made to” for “made to the latest of” in cl. (A) of par. (2), substituted “wages of all employees as reported to the Secretary of the Treasury for the first calendar quarter of 1973 or the first calendar quarter of” in cl. (B) of par. (2), and inserted, following par. (2), provision directing that the average wages for the calendar year 1978, or any prior calendar year, he deemed equal to 400% of the average wages reported for the first quarter of that calendar year.

1973—Subsec. (a). Pub. L. 93–233, §3(j)(1), substituted “with the June” for “with the first month of the calendar year” and struck out “(along with the publica- tion of such benefit increase as required by section 415(l)(2)(D) of this title)” after “such quarter occurs” and “unless such increase is prevented from becoming effective by section 415(l)(2)(E) of this title)” after “shall be effective”, respectively.

Pub. L. 92–603 substituted “for ‘or’” for “for ‘or’”.

Subsec. (c). Pub. L. 93–233, §§3(j)(2), (c)(6), substituted “the June” for “the first month” and “$13,200” for “$12,600”, respectively.

Pub. L. 93–233 substituted “$12,600” for “$12,000”.


Subsec. (d). Pub. L. 92–603 substituted “the June” for “the first month” and “$13,300” for “$12,600”. Subsec. (e). Pub. L. 92–603 substituted “the June” for “the first month” and “$13,300” for “$12,600”.

Subsec. (c). Pub. L. 93–233, §3(j)(1), substituted “with the June” for “with the first month of the calendar year” and struck out “(along with the publica- tion of such benefit increase as required by section 415(l)(2)(D) of this title)” after “such quarter occurs” and “unless such increase is prevented from becoming effective by section 415(l)(2)(E) of this title)” after “shall be effective”, respectively.

Subsec. (c). Pub. L. 93–233, §§3(j)(2), (c)(6), substituted “the June” for “the first month” and “$13,200” for “$12,600”, respectively.

Subsec. (c). Pub. L. 93–233, §§3(j)(2), (c)(6), substituted “the June” for “the first month” and “$13,200” for “$12,600”, respectively.
ament of this Act [Dec. 19, 1989], the Secretary of Health and Human Services shall revise and publish, in accordance with the provisions of this Act [Pub. L. 101–239, see Tables for classification] and the amendments made thereby, the contribution and benefit base under section 230 of the Social Security Act with respect to remuneration paid after 1989 and taxable years beginning after calendar year 1989.”

**Effective Date of 1984 Amendment**

Amendment by Pub. L. 98–369 effective July 18, 1984, but not to be construed as changing or affecting any right, liability, status, or interpretation which existed (under the provisions of law involved) before that date, see section 266(a) of Pub. L. 98–369, set out as a note under section 401 of this title.

**Effective and Termination Dates of 1983 Amendments**


Amendment by section 225(a)(4) of Pub. L. 98–76 applicable to remuneration paid after Dec. 31, 1984, see section 227(a) of Pub. L. 98–76, set out as a note under section 3201 of Title 26.

Amendment by Pub. L. 98–21 applicable with respect to cost-of-living increases determined under section 227(a) of Pub. L. 98–76, set out as a note under section 225(a)(4) of Title 26.

**Effective Date of 1981 Amendment**

Amendment by Pub. L. 97–34 applicable to compensation paid for services rendered after Sept. 30, 1981, see section 741(e) of Pub. L. 97–34, set out as a note under section 3201 of Title 26, Internal Revenue Code.

**Effective Date of 1977 Amendment**

Amendment by section 103(a), (b) of Pub. L. 95–216 applicable with respect to remunerations paid or received, and taxable years beginning after, 1977, see section 104 of Pub. L. 95–216, set out as a note under section 3201 of Title 26, Internal Revenue Code.

**Effective Date of 1976 Amendment**

Amendment by section 111(a) of Pub. L. 95–216 applicable to remuneration paid after Dec. 31, 1982, see section 111(a) of Pub. L. 98–21, set out as an Effective Date of 1983 Amendment note under section 402 of this title.

**Effective Date of 1981 Amendment**

Amendment by Pub. L. 97–34 applicable to compensation paid for services rendered after Sept. 30, 1981, see section 741(e) of Pub. L. 97–34, set out as a note under section 3201 of Title 26, Internal Revenue Code.

**Effective Date of 1977 Amendment**

Amendment by section 103(a), (b) of Pub. L. 95–216 applicable with respect to remunerations paid or received, and taxable years beginning after, 1977, see section 104 of Pub. L. 95–216, set out as a note under section 3201 of Title 26, Internal Revenue Code.

Amendment by section 111(a) of Pub. L. 95–216 applicable to remuneration paid after Dec. 31, 1982, see section 111(a) of Pub. L. 98–21, set out as an Effective Date of 1983 Amendment note under section 402 of this title.

**Effective Date of 1973 Amendments**

Amendment by Pub. L. 93–233 applicable only with respect to remuneration paid after, and taxable years beginning after, 1973, see section 5(e) of Pub. L. 93–233, set out as a note under section 409 of this title.

Amendment by Pub. L. 93–66 applicable only with respect to remuneration paid after, and taxable years beginning after, 1973, see section 5(e) of Pub. L. 93–66, set out as a note under section 409 of this title.

**Effective Date of 1972 Amendment**

Amendment by Pub. L. 92–603 effective in like manner as if such amendment had been included in title II of Pub. L. 92–336, see Tables for classification.

**Social Security Contribution and Benefit Base**

2019—By notice of the Commissioner of Social Security, Oct. 24, 2019, 83 F.R. 53702, it was determined and announced that the contribution and benefit base for remuneration paid in, and for self-employment income earned in taxable years beginning in, 2018 is $128,400.

2017—By notice of the Commissioner of Social Security, Oct. 26, 2016, 81 F.R. 74854, it was determined and announced that the contribution and benefit base for remuneration paid in, and for self-employment income earned in taxable years beginning in, 2017 is $127,200.

2016—By notice of the Commissioner of Social Security, Oct. 26, 2015, 80 F.R. 66693, it was determined and announced that the contribution and benefit base for remuneration paid in, and for self-employment income earned in taxable years beginning in, 2016 is $118,500.

2015—By notice of the Commissioner of Social Security, Oct. 29, 2014, 79 F.R. 64425, as corrected Nov. 4, 2014, 79 F.R. 65772, it was determined and announced that the contribution and benefit base for remuneration paid in, and for self-employment income earned in taxable years beginning in, 2015 is $119,500.

2014—By notice of the Commissioner of Social Security, Oct. 31, 2013, 78 F.R. 66413, it was determined and announced that the contribution and benefit base for remuneration paid in, and for self-employment income earned in taxable years beginning in, 2014 is $117,000.

2013—By notice of the Commissioner of Social Security, Oct. 23, 2012, 77 F.R. 67554, it was determined and announced that the contribution and benefit base for remuneration paid in, and for self-employment income earned in taxable years beginning in, 2013 is $113,700.

2012—By notice of the Commissioner of Social Security, Oct. 24, 2011, 76 F.R. 66111, it was determined and announced that the contribution and benefit base for remuneration paid in, and for self-employment income earned in taxable years beginning in, 2012 is $110,100.

2011—By notice of the Commissioner of Social Security, Oct. 26, 2010, 75 F.R. 65696, as corrected Nov. 30, 2010, 75 F.R. 74123, it was determined and announced that the contribution and benefit base for remuneration paid in, and for self-employment income earned in taxable years beginning in, 2011 will remain $106,800.

2010—By notice of the Commissioner of Social Security, Oct. 20, 2009, 74 F.R. 55614, it was determined and announced that the contribution and benefit base for remuneration paid in, and for self-employment income earned in taxable years beginning in, 2010 will remain $106,800.

2009—By notice of the Commissioner of Social Security, Oct. 24, 2008, 73 F.R. 64561, it was determined and announced that, pursuant to authority contained in this section, the contribution and benefit base for remuneration paid in, and for self-employment income earned in taxable years beginning in, 2009 is $106,800.

2008—By notice of the Commissioner of Social Security, Oct. 19, 2007, 72 F.R. 66070, it was determined and announced that, pursuant to authority contained in this section, the contribution and benefit base for remuneration paid in, and for self-employment income earned in taxable years beginning in, 2008 is $102,000.

2007—By notice of the Commissioner of Social Security, Oct. 19, 2006, 71 F.R. 62686, it was determined and announced that, pursuant to authority contained in this section, the contribution and benefit base for remuneration paid in, and for self-employment income earned in taxable years beginning in, 2007 is $97,500.

2006—By notice of the Commissioner of Social Security, Oct. 18, 2005, 70 F.R. 61677, it was determined and announced that, pursuant to authority contained in this section, the contribution and benefit base for remuneration paid in, and for self-employment income earned in taxable years beginning in, 2006 is $93,000.

2005—By notice of the Commissioner of Social Security, Oct. 26, 2004, 69 F.R. 62497, it was determined and announced that, pursuant to authority contained in this section, the contribution and benefit base for remuneration paid in, and for self-employment income earned in taxable years beginning in, 2005 is $90,000.

2004—By notice of the Commissioner of Social Security, Oct. 16, 2003, 68 F.R. 65437, it was determined and announced that, pursuant to authority contained in this section, the contribution and benefit base for re-
muneration paid in, and for self-employment income earned in taxable years beginning in, 2001 is $57,600.

1999—By notice of the Commissioner of Social Security, Oct. 31, 1998, 63 F.R. 58446, it was determined and announced that, pursuant to authority contained in this section, the contribution and benefit base for remuneration paid in, and for self-employment income earned in taxable years beginning in, 1999 is $72,600.

1998—By notice of the Commissioner of Social Security, Oct. 22, 1997, 62 F.R. 58762, it was determined and announced that, pursuant to authority contained in this section, the contribution and benefit base for remuneration paid in, and for self-employment income earned in taxable years beginning in, 1998 is $66,800.

1997—By notice of the Commissioner of Social Security, Oct. 18, 1996, 61 F.R. 55346, it was determined and announced that, pursuant to authority contained in this section, the contribution and benefit base for remuneration paid in, and for self-employment income earned in taxable years beginning in, 1997 is $65,400.

1996—By notice of the Commissioner of Social Security, Oct. 18, 1995, 60 F.R. 55753, it was determined and announced that, pursuant to authority contained in this section, the contribution and benefit base for remuneration paid in, and for self-employment income earned in taxable years beginning in, 1996 is $61,200.

1995—By notice of the Secretary of Health and Human Services, Oct. 25, 1994, 59 F.R. 54464, it was determined and announced that, pursuant to authority contained in this section, the contribution and benefit base for remuneration paid in, and for self-employment income earned in taxable years beginning in, 1995 is $57,600.

1994—By notice of the Secretary of Health and Human Services, Oct. 8, 1993, 53 F.R. 58004, it was determined and announced that, pursuant to authority contained in this section, the contribution and benefit base for remuneration paid in, and for self-employment income earned in taxable years beginning in, 1994 is $60,600.

1993—By notice of the Secretary of Health and Human Services, Oct. 20, 1992, 57 F.R. 48109, it was determined and announced that, pursuant to authority contained in this section, the contribution and benefit base for remuneration paid in, and for self-employment income earned in taxable years beginning in, 1993 is $57,600.

1992—By notice of the Secretary of Health and Human Services, Oct. 21, 1991, 56 F.R. 55325, it was determined and announced that, pursuant to authority contained in this section, the contribution and benefit base for remuneration paid in, and for self-employment income earned in taxable years beginning in, 1992 is $55,200.

1991—By notice of the Secretary of Health and Human Services, Oct. 5, 1990, 55 F.R. 43866, it was determined and announced that, pursuant to authority contained in this section, the contribution and benefit base for remuneration paid in, and for self-employment income earned in taxable years beginning in, 1991 is $53,400.

1990—By notice of the Secretary of Health and Human Services, Oct. 20, 1989, 54 F.R. 45602, it was determined and announced that, pursuant to authority contained in this section, the contribution and benefit base for remuneration paid in, and for self-employment income earned in taxable years beginning in, 1990 is $50,400.

1989—By notice of the Secretary of Health and Human Services, Oct. 27, 1988, 53 F.R. 43932, it was determined and announced that, pursuant to authority contained in this section, the contribution and benefit base for remuneration paid in, and for self-employment income earned in taxable years beginning in, 1989 is $48,000.

1988—By notice of the Secretary of Health and Human Services, Oct. 19, 1987, 52 F.R. 41772, it was determined and announced that, pursuant to authority contained in this section, the contribution and benefit base for remuneration paid in, and for self-employment income earned in taxable years beginning in, 1988 is $45,000.

1987—By notice of the Secretary of Health and Human Services, Oct. 31, 1986, 51 F.R. 40256, it was determined and announced that, pursuant to authority contained in this section, the contribution and benefit base for remuneration paid in, and for self-employment income earned in taxable years beginning in, 1987 is $43,800.

1986—By notice of the Secretary of Health and Human Services, Oct. 29, 1985, 50 F.R. 45559, it was determined and announced that, pursuant to authority contained in this section, the contribution and benefit base for remuneration paid in, and for self-employment income earned in taxable years beginning in, 1986 is $42,000.

1985—By notice of the Secretary of Health and Human Services, Oct. 29, 1984, 49 F.R. 43775, it was determined and announced that, pursuant to authority contained in this section, the contribution and benefit base for remuneration paid in, and for self-employment income earned in taxable years beginning in, 1985 is $39,600.

1984—By notice of the Secretary of Health and Human Services, Nov. 4, 1982, 47 F.R. 51003, it was determined and announced that, pursuant to authority contained in this section, the contribution and benefit base for remuneration paid in, and for self-employment income earned in taxable years beginning in, 1983 is $35,700.

1982—By notice of the Secretary of Health and Human Services, Oct. 30, 1981, 46 F.R. 57711, it was determined and announced that, pursuant to authority contained in this section, the contribution and benefit base for remuneration paid in, and for self-employment income earned in taxable years beginning in, 1982 is $32,400.

1981—By notice of the Secretary of Health, Education, and Welfare, Oct. 31, 1977, 42 F.R. 57574, it was determined and announced that, pursuant to authority contained in this section, the contribution and benefit base with respect to remuneration paid in, and taxable years beginning in, 1981 is $31,400.

1980—By notice of the Secretary of Health, Education, and Welfare, Oct. 22, 1975, 40 F.R. 50556, it was determined and announced that, pursuant to authority contained in this section, the contribution and benefit base with respect to remuneration paid in, and taxable years beginning in, 1980 is $28,600.

COST-OF-LIVING INCREASE IN BENEFITS

For purposes of subsec. (a) of this section, the increase in benefits provided by section 2 of Pub. L.
§ 431. Benefits for certain individuals interned by United States during World War II

(a) "Internee" defined

For the purposes of this section the term "internee" means an individual who was interned during any period of time from December 7, 1941, through December 31, 1946, at a place within the United States operated by the Government of the United States for the internment of United States citizens of Japanese ancestry.

(b) Applicability in determining entitlement to and amount of monthly benefits and lump-sum death payments, and period of disability; effect of payment of benefits by other agency or instrumentality of United States

(1) For purposes of determining entitlement to and the amount of any monthly benefit for any month after December 1972, or entitlement to and the amount of any lump-sum death payment in the case of a death after such month, payable under this subchapter on the basis of the wages and self-employment income of any individual, and for purposes of section 416(i)(3) of this title, such individual shall be deemed to have been paid during any period after he attained age 18 and for which he was an internee, wages (in addition to any wages actually paid to him) at a weekly rate of basic pay during such period as follows—

(A) in the case such individual was not employed prior to the beginning of such period, 40 multiplied by the minimum hourly rate or rates in effect at any such time under section 206(a)(1) of title 29, for each full week during such period; and

(B) in the case such individual who was employed prior to the beginning of such period, 40 multiplied by the greater of (i) the highest hourly rate received during any such employment, or (ii) the minimum hourly rate or rates in effect at any such time under section 206(a)(1) of title 29, for each full week during such period.

(2) This subsection shall not be applicable in the case of any monthly benefit or lump-sum death payment if—

(A) a larger such benefit or payment, as the case may be, would be payable without its application; or

(B) a benefit (other than a benefit payable in a lump-sum unless it is a commutation of, or a substitute for, periodic payments) which is based, in whole or in part, upon internment during any period from December 7, 1941, through December 31, 1946, at a place within the United States operated by the Government of the United States for the internment of United States citizens of Japanese ancestry, is determined by any agency or wholly owned instrumentality of the United States to be payable by it under any other law of the United States or under a system established by such agency or instrumentality.

The provisions of clause (B) shall not apply in the case of any monthly benefit or lump-sum death payment under this subchapter if its application would reduce by $0.50 or less the primary insurance amount (as computed under section 415 of this title prior to any recomputation thereof pursuant to subsection (f) of such section) of the individual on whose wages and self-employment income such benefit or payment is based. The provisions of clause (B) shall also not apply for purposes of section 416(i)(3) of this title.

(3) Upon application for benefits, a recalculation of benefits (by reason of this section), or a lump-sum death payment on the basis of the wages and self-employment income of any individual who was an internee, the Commissioner of Social Security shall accept the certification of the Secretary of Defense or his designee concerning any period of time for which an internee is to receive credit under paragraph (1) and shall make a decision without regard to clause (B) of paragraph (2) of this subsection unless the Commissioner has been notified by some other agency or instrumentality of the United States that, on the basis of the period for which such individual was an internee, a benefit described in clause (B) of paragraph (2) has been determined by such agency or instrumentality to be payable by it. If the Commissioner of Social Security has not been so notified, the Commissioner shall then ascertain whether some other agency or wholly owned instrumentality of the United States has decided that a benefit described in clause (B) of paragraph (2) is payable by it. If any such agency or instrumentality has decided, or thereafter decides, that such a benefit is payable by it, it shall so notify the Commissioner of Social Security, and the Commissioner of Social Security shall certify no further benefits for payment or shall recompute the amount of any further benefits payable, as may be required by this section.

(4) Any agency or wholly owned instrumentality of the United States which is authorized by any law of the United States to pay benefits, or has a system of benefits which are based, in whole or in part, on any period for which any individual who was an internee shall, at the request of the Commissioner of Social Security, certify to the Commissioner, with respect to any individual who was an internee, such information as the Commissioner of Social Security deems necessary to carry out the Commissioner's functions under paragraph (3) of this subsection.

(c) Authorization of appropriations

There are authorized to be appropriated to the Trust Funds and the Federal Hospital Insurance Trust Fund for the fiscal year ending June 30, 1978, such sums as the Commissioner of Social Security and the Secretary jointly determine would place the Trust Funds and the Federal Hospital Insurance Trust Fund in the position in which they would have been if the preceding provisions of this section had not been enacted.

§ 432 TITLE 42—THE PUBLIC HEALTH AND WELFARE

AMENDMENTS

1994—Subsec. (b)(3). Pub. L. 103–296, §107(a)(1), (4), substituted “Commissioner of Social Security” for “Secretary of Health and Human Services” after “an internee, the”, and after “If the”, and after “so notify the”, substituted “the Commissioner for ‘he’ before “has been notified” and before “shall then ascertain”, and substituted “Commissioner of Social Security” for “Secretary” before “shall certify no”.

Subsec. (b)(4). Pub. L. 103–296, §107(a)(1), (4), substituted “Commissioner of Social Security, certify to the Commissioner, with respect to any individual who was an internee, such information as the Commissioner of Social Security deems necessary to carry out the Commissioner’s functions under paragraph (3) of this subsection” for “Secretary of Health and Human Services, certify to him, with respect to any individual who was an internee, such information as the Secretary deems necessary to carry out his functions under paragraph (3) of this subsection”.

1984—Subsec. (c). Pub. L. 98–369 substituted “Commissioner of Social Security and the Secretary jointly determine” for “Secretary determines”.

1965—Subsec. (a). Pub. L. 89–152 substituted “§ 232 of the Social Security Act [42 U.S.C. 432], as added by subsection (b) of this section, shall be effective with respect to statements reporting” for “§ 232 of the Social Security Act [42 U.S.C. 432], as added by subsection (b) of this section, shall be effective with respect to statements reporting”.

§ 432. Processing of tax data

The Secretary of the Treasury shall make available information returns filed pursuant to part III of subchapter A of chapter 61 of subtitle F of the Internal Revenue Code of 1986, to the Commissioner of Social Security for the purposes of this subchapter and subchapter XI. The Commissioner of Social Security and the Secretary of the Treasury are authorized to enter into an agreement for the processing by the Commissioner of Social Security of information contained in returns filed pursuant to part III of subchapter A of chapter 61 of subtitle F of the Internal Revenue Code of 1986. Notwithstanding the provisions of section 6103(a) of the Internal Revenue Code of 1986, the Secretary of the Treasury shall make available to the Commissioner of Social Security such documents as may be agreed upon as being necessary for purposes of such processing. For purposes of carrying out the return processing program described in the preceding sentence, the Commissioner of Social Security shall request, not less than annually, such information described in section 7529(b)(2) of the Internal Revenue Code of 1986 as may be necessary to ensure the accuracy of the

records maintained by the Commissioner of Social Security related to the amounts of wages paid to, and the amounts of self-employment income derived by, individuals. The Commissioner of Social Security shall process any withholding tax statements or other documents made available to the Commissioner by the Secretary of the Treasury pursuant to this section. Any agreement made pursuant to this section shall remain in full force and effect until modified or otherwise changed by mutual agreement of the Commissioner of Social Security and the Secretary of the Treasury.


REFERENCES IN TEXT


AMENDMENTS

2019—Pub. L. 116–25 inserted “For purposes of carrying out the return processing program described in the preceding sentence, the Commissioner of Social Security shall request, not less than annually, such information described in section 7529(b)(2) of the Internal Revenue Code of 1986 as may be necessary to ensure the accuracy of the records maintained by the Commissioner of Social Security related to the amounts of wages paid to, and the amounts of self-employment income derived by, individuals.” after “such processing.”


Pub. L. 103–296, §107(a)(4), substituted “Commissioner of Social Security” for “Secretary” wherever appearing, except where appearing before “of the Treasury” and substituted “available to the Commissioner” for “available to him”.

Effective Date of 2019 Amendment

Amendment by Pub. L. 116–25 applicable to determinations made after the date that is 6 months after July 1, 2019, see section 2007(d) of Pub. L. 116–25, set out as a note under section 7529 of Title 26, Internal Revenue Code.

Effective Date of 1994 Amendment


§ 433. International agreements

(a) Purpose of agreement

The President is authorized (subject to the succeeding provisions of this section) to enter into agreements establishing totalization arrangements between the social security system established by this subchapter and the social security system of any foreign country, for the purposes of establishing entitlement to and the
amount of old-age, survivors, disability, or derivative benefits based on a combination of an individual's periods of coverage under the social security system established by this subchapter and the social security system of such foreign country.

(b) Definitions

For the purposes of this section—

(1) the term "social security system" means, with respect to a foreign country, a social insurance or pension system which is of general application in the country and under which periodic benefits, or the actuarial equivalent thereof, are paid on account of old age, death, or disability; and

(2) the term "period of coverage" means a period of payment of contributions or a period of earnings based on wages for employment or on self-employment income, or any similar period recognized as equivalent thereto under this subchapter or under the social security system of a country which is a party to an agreement entered into under this section.

(c) Crediting periods of coverage; conditions of payment of benefits

(1) Any agreement establishing a totalization arrangement pursuant to this section shall provide—

(A) that in the case of an individual who has at least 6 quarters of coverage as defined in section 413 of this title and periods of coverage under the social security system of a foreign country which is a party to such agreement, periods of coverage of such individual under such social security system of such foreign country may be combined with periods of coverage under this subchapter and otherwise considered for the purposes of establishing entitlement to and the amount of old-age, survivors, and disability insurance benefits under this subchapter;

(B)(i) that employment or self-employment, or any service which is recognized as equivalent to employment or self-employment under this subchapter or the social security system of a foreign country which is a party to such agreement, shall, on or after the effective date of such agreement, result in a period of coverage under the laws of such foreign country, but not under both, and (ii) the methods and conditions for determining under which system employment, self-employment, or other service shall result in a period of coverage; and

(C) that where an individual's periods of coverage are combined, the benefit amount payable under this subchapter shall be based on the proportion of such individual's periods of coverage which was completed under this subchapter.

(2) Any such agreement may provide that an individual who is entitled to cash benefits under this subchapter shall, notwithstanding the provisions of section 421(e) of this title, receive such benefits while he resides in a foreign country which is a party to such agreement.

(3) Section 426 of this title shall not apply in the case of any individual to whom it would not be applicable but for this section or any agreement or regulation under this section.

(4) Any such agreement may contain other provisions which are not inconsistent with the other provisions of this subchapter and which the President deems appropriate to carry out the purposes of this section.

(d) Regulations

The Commissioner of Social Security shall make rules and regulations and establish procedures which are reasonable and necessary to implement and administer any agreement which has been entered into in accordance with this section.

(e) Reports to Congress; effective date of agreements

(1) Any agreement to establish a totalization arrangement entered into pursuant to this section shall be transmitted by the President to the Congress together with a report on the estimated number of individuals who will be affected by the agreement and the effect of the agreement on the estimated income and expenditures of the programs established by this chapter.

(2) Such an agreement shall become effective on any date, provided in the agreement, which occurs after the expiration of the period (following the date on which the agreement is transmitted in accordance with paragraph (1)) during which at least one House of the Congress has been in session on each of 60 days; except that such agreement shall not become effective if, during such period, either House of the Congress adopts a resolution of disapproval of the agreement.


AMENDMENTS

1994—Subsec. (c)(2). Pub. L. 103-296 substituted “Commissioner of Social Security” for “Secretary”.


1983—Subsec. (e)(2). Pub. L. 98-21 substituted “during which at least one House of the Congress has been in session on each of 60 days” for “during which each House of the Congress has been in session on each of 90 days”.

1981—Subsec. (c)(2). Pub. L. 97-35 struck out provision permitting the agreement to provide that if the benefit paid by the United States to an individual who legally resides in the United States when added to the benefit paid by the foreign country is less than the benefit amount payable to such individual based on the first figure in, or deemed to be in, column IV of the table in section 415(a) of this title in the case of an individual becoming eligible before Jan. 1, 1979, or based on a primary insurance amount determined under section 415(a)(1)(C)(i)(I) of this title in the case of an individual becoming eligible for such benefit on or after such date, the benefit paid by the United States be increased so that the two benefits equal the benefit amount that would be payable.
§ 434. Demonstration project authority

(a) Authority

(1) In general

The Commissioner of Social Security (in this section referred to as the “Commissioner”) shall develop and carry out experiments and demonstration projects designed to promote attachment to the labor force and to determine the relative advantages and disadvantages of—

(A) various alternative methods of treating the work activity of individuals entitled to disability insurance benefits under section 423 of this title or to monthly Insurance benefits under section 402 of this title based on such individual’s disability (as defined in section 423(d) of this title), including such methods as a reduction in benefits based on earnings, designed to encourage the return to work of such individuals;

(B) altering other limitations and conditions applicable to such individuals (including lengthening the trial work period (as defined in section 422(c) of this title), altering the 24-month waiting period for hospital insurance benefits under section 426 of this title, altering the manner in which the program under this subchapter is administered, earlier referral of such individuals for rehabilitation, and greater use of employers and others to develop, perform, and otherwise stimulate new forms of rehabilitation); and

(C) implementing sliding scale benefit offsets using variations in—

(i) the amount of the offset as a proportion of earned income;

(ii) the duration of the offset period; and

(iii) the method of determining the amount of income earned by such individuals,

to the end that savings will accrue to the Trust Funds, or to otherwise promote the objectives or facilitate the administration of this subchapter.

(2) Authority for expansion of scope

The Commissioner may expand the scope of any such experiment or demonstration project to include any group of applicants for benefits under the program established under this subchapter with impairments that reasonably may be presumed to be disabling for purposes of such demonstration project, and may limit any such demonstration project to a single group of applicants, subject to the terms of such demonstration project which shall define the extent of any such presumption.

(b) Requirements

The experiments and demonstration projects developed under subsection (a) shall be of sufficient scope and shall be carried out on a wide enough scale to permit a thorough evaluation of the alternative methods under consideration while giving assurance that the results derived from the experiments and projects will obtain generally in the operation of the disability insurance program under this subchapter without committing such program to the adoption of any particular system either locally or nationally.

(c) Authority to waive compliance with benefits requirements

In the case of any experiment or demonstration project initiated under subsection (a) on or before December 30, 2021, the Commissioner may waive compliance with the benefit requirements of this subchapter and the requirements of section 1320b-19 of this title as they relate to the program established under this subchapter, and the Secretary may (upon the request of the Commissioner) waive compliance with the benefits requirements of subchapter XVIII, insofar as is necessary for a thorough evaluation of the alternative methods under consideration. No such experiment or project shall be actually placed in operation unless at least 90 days prior thereto a written report, prepared for purposes of notification and information only and containing a full and complete description thereof, including the objectives of the experiment or demonstration project, the expected annual and total costs, and the dates on which the experiment or demonstration project is expected to start and finish, has been transmitted by the Commissioner to the Committee on Ways and Means of the House of Representatives and to the Committee on Finance of the Senate. Periodic reports on the progress of such experiments and demonstration projects shall be submitted by the Commissioner to such committees. When appropriate, such reports shall include detailed recommendations for changes in administration or law, or both, to carry out the objectives stated in subsection (a).

(d) Reports

(1) Interim reports

On or before September 30 of each year, the Commissioner shall submit to the Committee on Ways and Means of the House of Representatives and to the Committee on Finance of the Senate an annual interim report on the progress of the experiments and demonstration projects carried out under this subsection together with any related data and

1 So in original. Probably should be “section”.

EFFECTIVE DATE OF 1994 AMENDMENT

EFFECTIVE DATE OF 1991 AMENDMENT
Amendment by Pub. L. 102–19 effective Mar. 31, 1991, see section 2664(b) of Pub. L. 98–369, set out as a note under the provisions of law involved before that date.

EFFECTIVE DATE OF 1984 AMENDMENT
Amendment by Pub. L. 98–369 effective July 18, 1984, but not to be construed as changing or affecting any right, liability, status, or interpretation which existed (under the provisions of law involved) before that date, see section 2664(b) of Pub. L. 98–369, set out as a note under section 401 of this title.

EFFECTIVE DATE OF 1983 AMENDMENT
Pub. L. 98–21, title III, §329(b), Apr. 20, 1983, 97 Stat. 126, provided that: “The amendment made by subsection (a) of section 434 shall be effective as of the date of the enactment of this Act [Apr. 20, 1983].”

EFFECTIVE DATE OF 1981 AMENDMENT
Amendment by Pub. L. 97–35 applicable with respect to benefits for months after December 1981, with certain exceptions, see section 2(j)(2)-(4) of Pub. L. 97–123, set out as a note under section 415 of this title.
materials that the Commissioner may consider appropriate.

(2) Termination and final report

The authority to initiate projects under the preceding provisions of this section shall terminate on December 31, 2021, and the authority to carry out such projects shall terminate on December 31, 2022. Not later than 90 days after the termination of any experiment or demonstration project carried out under this section, the Commissioner shall submit to the Committee on Ways and Means of the House of Representatives and to the Committee on Finance of the Senate a final report with respect to that experiment or demonstration project.

(e) Additional requirements

In developing and carrying out any experiment or demonstration project under this section, the Commissioner may not require any individual to participate in such experiment or demonstration project and shall ensure—

(1) that the voluntary participation of individuals in such experiment or demonstration project is obtained through informed written consent which satisfies the requirements for informed consent established by the Commissioner for use in such experiment or demonstration project in which human subjects are at risk;

(2) that any individual's voluntary agreement to participate in any such experiment or demonstration project may be revoked by such individual at any time; and

(3) that such experiment or demonstration project is expected to yield statistically significant results.

(f) Promoting opportunity demonstration project

(1) In general

The Commissioner shall carry out a demonstration project under this subsection as described in paragraph (2) during a 5-year period beginning not later than January 1, 2017.

(2) Benefit offset

Under the demonstration project described in this paragraph, with respect to any individual participating in the project who is otherwise entitled to a benefit under section 423(a)(1) of this title for a month—

(A) any such benefit otherwise payable to the individual for such month (other than a benefit payable for any month prior to the 1st month beginning after the date on which the individual's entitlement to such benefit is determined) shall be reduced by $1 for each $2 by which the individual's earnings derived from services paid during such month exceed an amount equal to the individual's impairment-related work expenses for such month (as determined under paragraph (3)), except that such benefit may not be reduced below $0; and

(B) no benefit shall be payable under section 402 of this title on the basis of the wages and self-employment income of the individual for any month for which the benefit of such individual under section 423(a)(1) of this title is reduced to $0 pursuant to subparagraph (A);

(C) entitlement to any benefit described in subparagraph (A) or (B) shall not terminate due to earnings derived from services except following the first month for which such benefit has been reduced to $0 pursuant to subparagraph (A) and the trial work period (as defined in section 422(c) of this title) and extended period of eligibility shall not apply to any such individual for any such month; and

(D) in any case in which such an individual is entitled to hospital insurance benefits under part A of subchapter XVIII by reason of section 426(b) of this title and such individual's entitlement to a benefit described in subparagraph (A) or (B) or status as a qualified railroad retirement beneficiary is terminated pursuant to subparagraph (C), such individual shall be deemed to be entitled to such benefits or to occupy such status (notwithstanding the termination of such entitlement or status) for the period of consecutive months throughout all of which the physical or mental impairment, on which such entitlement or status was based, continues, and throughout all of which such individual would have been entitled to monthly insurance benefits under subchapter II or as a qualified railroad retirement beneficiary had such termination of entitlement or status not occurred, but not in excess of 93 such months.

(3) Impairment-related work expenses

(A) In general

For purposes of paragraph (2)(A) and except as provided in subparagraph (C), the amount of an individual's impairment-related work expenses for a month is deemed to be the minimum threshold amount.

(B) Minimum threshold amount

In this paragraph, the term "minimum threshold amount" means an amount, to be determined by the Commissioner, which shall not exceed the amount sufficient to demonstrate that an individual has rendered services in a month, as determined by the Commissioner under section 422(c)(4)(A) of this title. The Commissioner may test multiple minimum threshold amounts.

(C) Exception for itemized impairment-related work expenses

(i) In general

Notwithstanding subparagraph (A), in any case in which the amount of such an individual's itemized impairment-related work expenses (as defined in clause (ii)) for a month is greater than the minimum threshold amount, the amount of the individual's impairment-related work expenses for the month shall be equal to the amount of the individual's itemized impairment-related work expenses (as so defined) for the month.

(ii) Definition

In this subparagraph, the term "itemized impairment-related work expenses" means the amount excluded under section 423(d)(4)(A) of this title from an individ-
ual’s earnings for a month in determining whether an individual is able to engage in substantial gainful activity by reason of such earnings in such month, except that such amount does not include the cost to the individual of any item or service for which the individual does not provide to the Commissioner a satisfactory itemized accounting. 

(D) Limitation

Notwithstanding the other provisions of this paragraph, for purposes of paragraph (2)(A), the amount of an individual’s impairment-related work expenses for a month shall not exceed the amount of earnings derived from services, prescribed by the Commissioner under regulations issued pursuant to section 423(d)(4)(A) of this title, sufficient to demonstrate an individual’s ability to engage in substantial gainful activity.


AMENDMENTS

2015—Subsec. (a)(1). Pub. L. 114–74, §822(a), in introductory provisions, inserted “to promote attachment to the labor force and” after “designated”.

Subsec. (c). Pub. L. 114–74, §§821(b), 822(b), substituted “December 30, 2021” for “December 17, 2003” and inserted “including the objectives of the experiment or demonstration project, the expected annual and total costs, and the dates on which the experiment or demonstration project is expected to start and finish,” after “thereof.”


Subsec. (d)(2)(A), Pub. L. 114–74, §822(a), substituted “December 31, 2021, and the authority to carry out such projects shall terminate on December 31, 2022” for “December 18, 2003”.

Subsec. (e), Pub. L. 114–74, §823(c), added subsec. (e).


2004—Subsec. (c). Pub. L. 108–203, §401(1), substituted “initiated under subsection (a) on or before December 17, 2003” for “conducted under subsection (a)”.

Subsec. (h)(2), Pub. L. 108–203, §401(2), substituted “The authority to initiate projects under the preceding provisions of this section shall terminate on December 18, 2003,” for “The authority under the preceding provisions of this section (including any waiver granted pursuant to subsection (c) of this section) shall terminate 5 years after December 17, 1999.”

DEMONSTRATION PROJECTS PROVIDING FOR REDUCTIONS IN DISABILITY INSURANCE BENEFITS BASED ON EARNINGS


“(a) AUTHORITY.—The Commissioner of Social Security shall conduct demonstration projects for the purpose of evaluating, through the collection of data, a program for title II disability beneficiaries (as defined in section 1148(k)(3) of the Social Security Act [42 U.S.C. 1320–19(k)(3)]) under which benefits payable under section 223 of such Act [42 U.S.C. 423] or under section 202 of such Act [42 U.S.C. 402] based on the beneficiary’s disability, are reduced by $1 for each $2 of the beneficiary’s earnings that is above a level to be determined by the Commissioner. Such projects shall be conducted at a number of localities which the Commissioner shall determine is sufficient to adequately evaluate the appropriateness of national implementation of such a program. Such projects shall identify reductions in Federal expenditures that may result from the permanent implementation of such a program.

“(b) SCOPE AND MOUNT TO BE DETERMINED.—

“(1) IN GENERAL.—The demonstration projects developed under subsection (a) shall be of sufficient duration, shall be of sufficient scope, and shall be carried out on a wide enough scale to permit a thorough evaluation of the project to determine:

“(A) the effects, if any, of induced entry into the project and reduced exit from the project;

“(B) the extent, if any, to which the project being tested is affected by whether it is in operation in a locality within an area under the administration of the Ticket to Work and Self-Sufficiency Program established under section 1148 of the Social Security Act [42 U.S.C. 1320b–19]; and

“(C) the savings that accrue to the Federal Old-Age and Survivors Insurance Trust Fund, the Federal Disability Insurance Trust Fund, and other Federal programs under the project being tested.

The Commissioner shall take into account advice provided by the Ticket to Work and Work Incentives Advisory Panel pursuant to section 101(f)(2)(B)(i) of this Act [set out as a note under section 1230b–19 of this title].

“(2) ADDITIONAL MATTERS.—The Commissioner shall also determine with respect to each project—

“(A) the annual cost (including net cost) of the project and the annual cost (including net cost) that would have been incurred in the absence of the project;

“(B) the determinants of return to work, including the characteristics of the beneficiaries who participate in the project; and

“(C) the employment outcomes, including wages, occupations, benefits, and hours worked, of beneficiaries who return to work as a result of participation in the project.

The Commissioner may include within the matters evaluated under the project the merits of trial work periods and periods of extended eligibility.

“(c) WAIVERS.—The Commissioner may waive compliance with the benefit provisions of title II of the Social Security Act (42 U.S.C. 401 et seq.) and the requirements of section 1148 of such Act (42 U.S.C. 1320b–19) as they relate to the program established under title II of such Act, and the Secretary of Health and Human Services may waive compliance with the benefit requirements of title XVIII of such Act (42 U.S.C. 1395 et seq.), insofar as is necessary for a thorough evaluation of the alternative methods under consideration. No such project shall be actually placed in operation unless at least 90 days prior thereto a written report, prepared for purposes of notification and information only and containing a full and complete description of the demonstration project and reduced exit from the project.

The Commissioner may determine with respect to any demonstration project and the annual cost (including net cost) of the project and the annual cost (including net cost) that would have been incurred in the absence of the project.

“(d) REPORTS.—Not later than 2 years after the date of the enactment of this Act [Dec. 17, 1999], and annually thereafter, the Commissioner of Social Security shall submit to the Congress an interim report on the progress of the demonstration projects carried out under this subsection together with any related data and materials that the Commissioner of Social Security may consider appropriate.

“(e) FINAL REPORT.—The Commissioner of Social Security shall submit to the Congress a final report with respect to all demonstration projects provided for in this section not later than 1 year after their completion.
§ 502. Payments to States; computation of amounts

(a) Certification of amounts

The Secretary of Labor shall from time to time certify to the Secretary of the Treasury for payment to each State which has an unemployment compensation law approved by the Secretary of Labor under the Federal Unemployment Tax Act, such amounts as the Secretary of Labor determines to be necessary for the proper and efficient administration of such law during the fiscal year for which such payment is to be made, including 100 percent of so much of the reasonable expenditures of the State as are attributable to the costs of the implementation and operation of the immigration status verification system described in section 1230b–7(d) of this title. The Secretary of Labor's determination shall be based on (1) the population of the State; (2) an estimate of the number of persons covered by the State law and of the cost of proper and efficient administration of such law; and (3) such other factors as the Secretary of Labor finds relevant. The Secretary of Labor shall not certify for payment under this section in any fiscal year a total amount in excess of the amount appropriated therefor for such fiscal year.

(b) Payment of amounts

Out of the sums appropriated therefor, the Secretary of the Treasury shall, upon receiving a certification under subsection (a), pay through the Fiscal Service of the Department of the Treasury and prior to audit or settlement by the Government Accountability Office, to the State agency charged with the administration of such law the amount so certified.

(c) Mailing costs

No portion of the cost of mailing a statement under section 6050B(b) of the Internal Revenue Code of 1986 (relating to unemployment compensation) shall be treated as not being a cost for the proper and efficient administration of the State unemployment compensation law by reason of including with such statement information about the earned income credit provided under section 32 of the Internal Revenue Code of 1986. The preceding sentence shall not apply if the inclusion of such information increases the postage required to mail such statement.

§ 501. Use of available funds

The amounts made available pursuant to section 1101(c)(1)(A) of this title for the purpose of assisting the States in the administration of their unemployment compensation laws shall be used as hereinafter provided.


REFERENCES IN TEXT

The Federal Unemployment Tax Act, referred to in subsec. (a), comprised subchapter C (§§ 1800 to 1811) of chapter 9 of the Internal Revenue Code of 1939. Chapter 9 of the 1939 Code was repealed (subject to certain exceptions) by section 7851(a)(3) of the Internal Revenue Code of 1954. Title 26. The Internal Revenue Code of 1954...
was redesignated the Internal Revenue Code of 1986 by Pub. L. 99–514, §2, Oct. 22, 1986, 100 Stat. 2959. The Federal Unemployment Tax Act also comprises chapter 23 (§3301 et seq.) of the Internal Revenue Code of 1986. For table of comparisons of the 1939 Code to the 1986 Code, see Table I preceding section 1 of Title 26, Internal Revenue Code. See also section 7852(b) of Title 26 for provisions that references in any other law to a provision of the 1939 Code, unless expressly incompatible with the intent thereof, shall be deemed a reference to the corresponding provision of the 1986 Code.

**AMENDMENTS**


1986—Subsec. Pub. L. 99–369 inserted at end of first sentence “, including 100 percent of so much of the reasonable expenditures of the State as are attributable to the costs of the implementation and operation of the Immigration status verification system described in section 1320b–7(d) of this title”.

1984—Subsec. (b). Pub. L. 98–369 substituted “the Fiscal Service of the Department of the Treasury” for “the Division of Disbursement of the Treasury Department”.


**EFFECTIVE DATE OF 1992 AMENDMENT**


**EFFECTIVE DATE OF 1986 AMENDMENT**

Pub. L. 99–369, title I, §121(c)(2), Nov. 6, 1986, 100 Stat. 3391, provided that: “The amendments made by subsection (b) [enacting section 1337 of this title, amending this section and sections 303, 603, 1203, 1333, and 1396 of this title, section 2025 of Title 7, Agriculture, and section 1096 of Title 26, Education, and amending provisions set out as a Puerto Rico, Guam, and Virgin Islands note under section 1383 of this title] take effect on October 1, 1987.”

**EFFECTIVE DATE OF 1984 AMENDMENT**

Amendment by Pub. L. 98–369 effective July 18, 1984, but not to be construed as changing or affecting any right, liability, status, or interpretation which existed (under the provisions of law involved) before that date, see section 2064(b) of Pub. L. 98–369, set out as a note under section 401 of this title.

**TRANSFER OF FUNCTIONS**

For transfer of functions of other officers, employees, and agencies of Department of Labor, with certain exceptions, to Secretary of Labor, with power to delegate, see Reorg. Plan No. 6 of 1950, §§1, 2, eff. May 24, 1950, 15 F.R. 3174, 64 Stat. 1263, set out in the Appendix to Title 5, Government Organization and Employees.

Functions of Federal Security Administrator with respect to unemployment compensation transferred to Secretary of Labor by Reorg. Plan No. 2 of 1949, set out in the Appendix to Title 5.

Section 1 of Reorg. Plan No. 2 of 1949, also provided that functions transferred by this section shall be performed by Secretary of Labor, or subject to his direction and control, by such officers, agencies, and employees of Department of Labor as he shall designate. “Administrator” substituted for “Board” by section 4 of Reorg. Plan No. 2 of 1946, set out in the Appendix to Title 5.

**REPORT ON METHOD OF ALLOCATING ADMINISTRATIVE FUNDS AMONG STATES**


“(a) IN GENERAL.—The Secretary of Labor shall submit to the Congress, before December 31, 1994, a comprehensive report setting forth a proposal for revising the method of allocating grants among the States under section 302 of the Social Security Act (42 U.S.C. 502).

“(b) SPECIFIC REQUIREMENTS.—The report required by subsection (a) shall include an analysis of—

“(1) the use of unemployment insurance workload levels as the primary factor in allocating grants among the States under section 302 of the Social Security Act (42 U.S.C. 502),

“(2) ways to ensure that each State receive not less than a minimum grant amount for each fiscal year,

“(3) the use of nationally available objective data to determine the unemployment compensation administrative costs of each State, with consideration of legitimate cost differences among the States,

“(4) ways to simplify the method of allocating such grants among the States,

“(5) ways to eliminate the disincentives to productivity and efficiency which exist in the current method of allocating such grants among the States,

“(6) ways to promote innovation and cost-effective practices in the method of allocating such grants among the States, and

“(7) the effect of the proposal set forth in such report on the grant amounts allocated to each State.

“(c) CONGRESSIONAL REVIEW PERIOD.—The Secretary of Labor may not revise the method in effect on the date of the enactment of this Act [Nov. 15, 1991] for allocating grants among the States under section 302 of the Social Security Act (42 U.S.C. 502), until after the expiration of the 12-month period beginning on the date on which the report required by subsection (a) is submitted to the Congress.”

§ 503. State laws

(a) Provisions required

The Secretary of Labor shall make no certification for payment to any State unless he finds that the law of such State, approved by the Secretary of Labor under the Federal Unemployment Tax Act [26 U.S.C. 3301 et seq.], includes provision for—

(1) Such methods of administration (including after January 1, 1940, methods relating to the establishment and maintenance of personnel standards on a merit basis, except that the Secretary of Labor shall exercise no authority with respect to the selection, tenure of office, and compensation of any individual employed in accordance with such methods) as are found by the Secretary of Labor to be reasonably calculated to insure full payment of unemployment compensation when due; and

(2) Payment of unemployment compensation solely through public employment offices or such other agencies as the Secretary of Labor may approve; and

(3) Opportunity for a fair hearing, before an impartial tribunal, for all individuals whose claims for unemployment compensation are denied; and

(4) The payment of all money received in the unemployment fund of such State (except for refunds of sums erroneously paid into such fund and except for refunds paid in accordance with the provisions of section 3305(b) of the
Federal Unemployment Tax Act (26 U.S.C. 3305(b)), immediately upon such receipt, to the Secretary of the Treasury to the credit of the unemployment trust fund established by section 1104 of this title; and

(5) Expenditure of all moneys withdrawn from an unemployment fund of such State, in the payment of unemployment compensation, exclusive of expenses of administration, and for refunds of sums erroneously paid into such fund and refunds paid in accordance with the provisions of section 3305(b) of the Federal Unemployment Tax Act (26 U.S.C. 3305(b)); Provided, That an amount equal to the amount of employee payments into the unemployment fund of a State may be used in the payment of cash benefits to individuals with respect to their disability, exclusive of expenses of administration: Provided further, That the amounts specified by section 1103(c)(2) or 1103(d)(4) of this title may, subject to the conditions prescribed in such section, be used for expenses incurred by the State for administration of its unemployment compensation law and public employment offices: Provided further, That nothing in this paragraph shall be construed to prohibit deducting an amount from unemployment compensation of an otherwise payable to an individual and using the amount so deducted to pay for health insurance, or the withholding of Federal, State, or local individual income tax, if the individual elected to have such deduction made and such deduction was made under a program approved by the Secretary of Labor: Provided further, That amounts may be deducted from unemployment benefits and used to repay overpayments as provided in subsection (g): Provided further, That amounts may be withdrawn for the payment of short-time compensation under a short-time compensation program (as defined in section 3306(v) of the Internal Revenue Code of 1986): Provided further, That amounts may be withdrawn for the payment of allowances under a self-employment assistance program (as defined in section 3306(t) of the Internal Revenue Code of 1986); and

(6) The making of such reports, in such form and containing such information, as the Secretary of Labor may from time to time require, and compliance with such provisions as the Secretary of Labor may from time to time find necessary to assure the correctness and verification of such reports; and

(7) Making available upon request to any agency of the United States charged with the administration of public works or assistance through public employment, the name, address, ordinary occupation and employment status of each recipient of unemployment compensation, and a statement of such recipient’s rights to further compensation under such law; and

(8) Effective July 1, 1941, the expenditure of all moneys received pursuant to section 502 of this title solely for the purposes and in the amounts found necessary by the Secretary of Labor for the proper and efficient administration of such State law; and

(9) Effective July 1, 1941, the replacement, within a reasonable time, of any moneys received pursuant to section 502 of this title, which, because of any action or contingency, have been lost or have been expended for purposes other than, or in amounts in excess of, those found necessary by the Secretary of Labor for the proper administration of such State law; and

(10) A requirement that, as a condition of eligibility for regular compensation for any week, any claimant who has been referred to reemployment services pursuant to the profiling system under subsection (j)(1)(B) participate in such services or in similar services unless the State agency charged with the administration of the State law determines—

(A) such claimant has completed such services; or

(B) there is justifiable cause for such claimant’s failure to participate in such services; and

(11)(A) At the time the State agency determines an erroneous payment from its unemployment fund was made to an individual due to fraud committed by such individual, the assessment of a penalty on the individual in an amount of not less than 15 percent of the amount of the erroneous payment; and

(B) The immediate deposit of all assessments paid pursuant to subparagraph (A) into the unemployment fund of the State.

(12) A requirement that, as a condition of eligibility for regular compensation for any week, a claimant must be able to work, available to work, and actively seeking work.

(b) Failure to comply; payments stopped

Whenever the Secretary of Labor, after reasonable notice and opportunity for hearing to the State agency charged with the administration of the State law, finds that in the administration of the law there is—

(1) a denial, in a substantial number of cases, of unemployment compensation to individuals entitled thereto under such law; or

(2) a failure to comply substantially with any provision specified in subsection (a);

the Secretary of Labor shall notify such State agency that further payments will not be made to the State until the Secretary of Labor is satisfied that there is no longer any such denial or failure to comply. Until he is so satisfied he shall make no further certification to the Secretary of the Treasury with respect to such State: Provided, That there shall be no finding under clause (1) until the question of entitlement shall have been decided by the highest judicial authority given jurisdiction under such State law: Provided further, That any costs may be paid with respect to any claimant by a State and included as costs of administration of its law.

(c) Denial of certification; availability of records to Railroad Retirement Board; cooperation with Federal agencies

The Secretary of Labor shall make no certification for payment to any State if he finds,
after reasonable notice and opportunity for hearing to the State agency charged with the administration of the State law—

(1) that such State does not make its records available to the Railroad Retirement Board, and furnish to the Railroad Retirement Board at the expense of the Railroad Retirement Board such copies thereof as the Railroad Retirement Board deems necessary for its purposes;

(2) that such State is failing to afford reasonable cooperation with every agency of the United States charged with the administration of any unemployment insurance law; or

(3) that any interest required to be paid on advances under subchapter XII of this chapter has not been paid by the date on which such interest is required to be paid or has been paid directly or indirectly (by an equivalent reduction in State unemployment taxes or otherwise) by such State from amounts in such State's unemployment fund, until such interest is properly paid.

(d) Disclosure of unemployment compensation information; coordination with supplemental nutrition assistance program benefits agencies; non-compliance of State agency

(1) The State agency charged with the administration of the State law—

(A) shall disclose, upon request and on a reimbursable basis, to officers and employees of the Department of Agriculture and to officers or employees of any State supplemental nutrition assistance program benefits agency any of the following information contained in the records of such State agency—

(i) wage information,

(ii) whether an individual is receiving, has received, or has made application for, unemployment compensation, and the amount of any such compensation being received (or to be received) by such individual,

(iii) the current (or most recent) home address of such individual, and

(iv) whether an individual has refused an offer of employment and, if so, a description of the employment so offered and the terms, conditions, and rate of pay therefor, and

(B) shall establish such safeguards as are necessary (as determined by the Secretary of Labor in regulations) to insure that information disclosed under subparagraph (A) is used only for purposes of determining an individual’s eligibility for benefits, or the amount of benefits, under the supplemental nutrition assistance program established under the Food and Nutrition Act of 2008 (7 U.S.C. 2011 et seq.), and

(ii) may notify the State supplemental nutrition assistance program benefits agency to which the uncollected overissuance is owed that the applicant has been determined to be eligible for unemployment compensation if the applicant discloses under clause (i) that the applicant owes an uncollected overissuance and the applicant is determined to be so eligible,

(iii) may deduct and withhold from any unemployment compensation otherwise payable to an individual—

(I) the amount specified by the individual to the State agency to be deducted and withheld under this clause,

(ii) the amount (if any) determined pursuant to an agreement submitted to the State supplemental nutrition assistance program benefits agency under section 13(c)(3)(A) of the Food and Nutrition Act of 2008 (7 U.S.C. 2022(c)(3)(A)), or

(iii) any amount otherwise required to be deducted and withheld from the unemployment compensation pursuant to section 13(c)(3)(B) of such Act (7 U.S.C. 2022(c)(3)(B)), and

(iv) shall pay any amount deducted and withheld under clause (iii) to the appropriate State supplemental nutrition assistance program benefits agency.

(C) Any amount deducted and withheld under subparagraph (B)(iii) shall for all purposes be treated as if it were paid to the individual as unemployment compensation and paid by the individual to the State supplemental nutrition assistance program benefits agency to which the uncollected overissuance is owed as repayment of the individual’s uncollected overissuance.

(D) A State supplemental nutrition assistance program benefits agency to which an uncollected overissuance is owed shall reimburse the State agency charged with the administration of the State unemployment compensation law for the administrative costs incurred by the State agency under this paragraph that are attributable to repayment of uncollected overissuance.

(3) Whenever the Secretary of Labor, after reasonable notice and opportunity for hearing to the State agency charged with the administration of the State law, finds that there is a failure to comply substantially with the requirements of paragraph (1), the Secretary of Labor shall notify such State agency that further payments will not be made to the State until he is satisfied that there is no longer any such failure. Until the Secretary of Labor is so satisfied, he shall make no further certification to the Secretary of the Treasury with respect to such State.

(4) For purposes of this subsection, the term “State supplemental nutrition assistance program benefits agency” means any agency de-
scribed in section 3(t)(1) of the Food and Nutrition Act of 2008 which administers the supplemental nutritional assistance program established under such Act.

(e) Disclosure of wage information; non-compliance of State agency

(1) The State agency charged with the administration of the State law—

(A) shall disclose, upon request and on a reimbursable basis, directly to officers or employees of any State or local child support enforcement agency any wage information contained in the records of such State agency, and

(B) shall establish such safeguards as are necessary (as determined by the Secretary of Labor in regulations) to ensure that information disclosed under subparagraph (A) is used only for purposes of establishing and collecting child support obligations from, and locating, individuals owing such obligations.

For purposes of this subsection, the term “child support obligations” only includes obligations which are being enforced pursuant to a plan described in section 654 of this title which has been approved by the Secretary of Health and Human Services under part D of subchapter IV of this chapter.

(2)(A) The State agency charged with the administration of the State law—

(i) shall require each new applicant for unemployment compensation to disclose whether or not such applicant owes child support obligations (as defined in the last sentence of paragraph (1)),

(ii) shall notify the State or local child support enforcement agency enforcing such obligations, if any applicant discloses under clause (i) that he owes child support obligations and he is determined to be eligible for unemployment compensation, that such applicant has so determined to be eligible,

(iii) shall deduct and withhold from any unemployment compensation otherwise payable to an individual—

(I) the amount specified by the individual to the State agency to be deducted and withheld under this clause,

(II) the amount (if any) determined pursuant to an agreement submitted to the State agency under section 664(19)(B)(i) of this title, or

(III) any amount otherwise required to be so deducted and withheld from such unemployment compensation through legal process (as defined in section 662(e)(4) of this title), and

(iv) shall pay any amount deducted and withheld under clause (iii) to the appropriate State or local child support enforcement agency.

Any amount deducted and withheld under clause (iii) shall for all purposes be treated as if it were paid to the individual as unemployment compensation and paid by such individual to the State or local child support enforcement agency in satisfaction of his child support obligations.

(B) For purposes of this paragraph, the term “unemployment compensation” means any compensation payable under the State law (including amounts payable pursuant to agreements under any Federal unemployment compensation law).

(C) Each State or local child support enforcement agency shall reimburse the State agency charged with the administration of the State unemployment compensation law for the administrative costs incurred by such State agency under this paragraph which are attributable to child support obligations being enforced by the State or local child support enforcement agency.

(3) Whenever the Secretary of Labor, after reasonable notice and opportunity for hearing to the State agency charged with the administration of the State law, finds that there is a failure to comply substantially with the requirements of paragraph (1) or (2), the Secretary of Labor shall notify such State agency that further payments will not be made to the State until he is satisfied that there is no longer any such failure. Until the Secretary of Labor is so satisfied, he shall make no further certification to the Secretary of the Treasury with respect to such State.

(4) For purposes of this subsection, the term “State or local child support enforcement agency” means any agency of a State or political subdivision thereof, operating pursuant to a plan described in the last sentence of paragraph (1).

(5) A State or local child support enforcement agency may disclose to any agent of the agency that is under contract with the agency to carry out the purposes described in paragraph (1)(B) wage information that is disclosed to an officer or employee of the agency under paragraph (1)(A). Any agent of a State or local child support agency that receives wage information under this paragraph shall comply with the safeguards established pursuant to paragraph (1)(B).

(f) Income and eligibility verification system

The State agency charged with the administration of the State law shall provide that information shall be requested and exchanged for purposes of income and eligibility verification in accordance with a State system which meets the requirements of section 1320b–7 of this title.

(g) Recovery of unemployment benefit payments

(1) A State shall deduct from unemployment benefits otherwise payable to an individual an amount equal to any overpayment made to such individual under an unemployment benefit program of the United States or of any other State, and not previously recovered. The amount so deducted shall be paid to the jurisdiction under whose program such overpayment was made. Any such deduction shall be made only in accordance with the same procedures relating to notice and opportunity for a hearing as apply to the recovery of overpayments of regular unemployment compensation paid by such State.

(2) Any State may enter into an agreement with the Secretary of Labor under which—

(A) the State agrees to recover from unemployment benefits otherwise payable to an individual by such State any overpayments made under an unemployment benefit program of the United States to such individual and not previously recovered, in accordance with paragraph (1), and to pay such amounts recov-
(i) Access to State employment records

(1) The State agency charged with the administration of the State law—

(A) shall disclose, upon request and on a reimbursable basis, only to officers and employees of the Department of Housing and Urban Development and to representatives of a public housing agency, any of the following information contained in the records of such State agency with respect to individuals applying for or participating in any housing assistance program administered by the Department who have signed an appropriate consent form approved by the Secretary of Housing and Urban Development—

(i) wage information, and

(ii) whether an individual is receiving, has received, or has made application for, unemployment compensation, and the amount of any such compensation being received (or to be received) by such individual, and

(B) shall establish such safeguards as are necessary (as determined by the Secretary of Labor in regulations) to ensure that information disclosed under subparagraph (A) is used only for purposes of determining an individual’s eligibility for benefits, or the amount of benefits, under a housing assistance program of the Department of Housing and Urban Development.

(2) The Secretary of Labor shall prescribe regulations governing how often and in what form information may be disclosed under paragraph (1)(A).

(3) Whenever the Secretary of Labor, after reasonable notice and opportunity for hearing to the State agency charged with the administration of the State law, finds that there is a failure to comply substantially with the requirements of paragraph (1), the Secretary of Labor shall notify such State agency that further payments will not be made to the State until he or she is satisfied that there is no longer any such failure. Until the Secretary of Labor is so satisfied, he or she shall make no future certification to the Secretary of the Treasury with respect to such State.

(4) For purposes of this subsection, the term “public housing agency” means any agency described in section 1437a(b)(6) of this title.

(j) Worker profiling

(1) The State agency charged with the administration of the State law shall establish and utilize a system of profiling all new claimants for regular compensation that—

(A) identifies which claimants will be likely to exhaust regular compensation and will need job search assistance services to make a successful transition to new employment;

(B) refers claimants identified pursuant to subparagraph (A) to reemployment services, such as job search assistance services, available under any State or Federal law;

(C) collects follow-up information relating to the services received by such claimants and the employment outcomes for such claimants subsequent to receiving such services and utilizes such information in making identifications pursuant to subparagraph (A); and
(D) meets such other requirements as the Secretary of Labor determines are appropriate.

(2) Whenever the Secretary of Labor, after reasonable notice and opportunity for hearing to the State agency charged with the administration of the State law, finds that there is a failure to comply substantially with the requirements of paragraph (1), the Secretary of Labor shall notify such State agency that further payments will not be made to the State until he is satisfied that there is no longer any such failure. Until the Secretary of Labor is so satisfied, he shall make no further certification to the Secretary of the Treasury with respect to such State.

(k) Transfer of unemployment experience upon transfer of business

(1) For purposes of subsection (a), the unemployment compensation law of a State must provide—

(A) that if an employer transfers its business to another employer, and both employers are (at the time of transfer) under substantially common ownership, management, or control, then the unemployment compensation attributable to the transferred business shall also be transferred to (and combined with the unemployment experience attributable to) the employer to whom such business is so transferred,

(B) that unemployment experience shall not, by virtue of the transfer of a business, be transferred to the person acquiring such business if—

(i) such person is not otherwise an employer at the time of such acquisition, and

(ii) the State agency finds that such person acquired the business solely or primarily for the purpose of obtaining a lower rate of contributions,

(C) that unemployment experience shall (or shall not) be transferred in accordance with such regulations as the Secretary of Labor may prescribe to ensure that higher rates of contributions are not avoided through the transfer or acquisition of a business,

(D) that meaningful civil and criminal penalties are imposed with respect to—

(i) persons that knowingly violate or attempt to violate any provisions of the State law which implement subparagraph (A) or (B) or regulations under subparagraph (C), and

(ii) persons that knowingly advise another person to violate those provisions of the State law which implement subparagraph (A) or (B) or regulations under subparagraph (C), and

(E) for the establishment of procedures to identify the transfer or acquisition of a business for purposes of this subsection.

(2) For purposes of this subsection—

(A) the term “unemployment experience”, with respect to any person, refers to such person’s experience with respect to unemployment or other factors bearing a direct relation to such person’s unemployment risk;

(B) the term “employer” means an employer as defined under the State law;

(C) the term “business” means a trade or business (or a part thereof);

(D) the term “contributions” has the meaning given such term by section 3306(g) of the Internal Revenue Code of 1986;

(E) the term “knowingly” means having actual knowledge of or acting with deliberate ignorance of or reckless disregard for the prohibition involved; and

(F) the term “person” has the meaning given such term by section 7701(a)(1) of the Internal Revenue Code of 1986.

(i) No interference with State laws regarding applicant’s unlawful use of controlled substances

(1) Nothing in this chapter or any other provision of Federal law shall be considered to prevent a State from enacting legislation to provide for—

(A) testing an applicant for unemployment compensation for the unlawful use of controlled substances as a condition for receiving such compensation, if such applicant—

(i) was terminated from employment with the applicant’s most recent employer (as defined under the State law) because of the unlawful use of controlled substances; or

(ii) is an individual for whom suitable work (as defined under the State law) is only available in an occupation that regularly conducts drug testing (as determined under regulations issued by the Secretary of Labor); or

(B) denying such compensation to such applicant on the basis of the result of the testing conducted by the State under legislation described in subparagraph (A).

(2) For purposes of this subsection—

(A) the term “unemployment compensation” has the meaning given such term in subsection (d)(2)(A); and

(B) the term “controlled substance” has the meaning given such term in section 802 of title 21.

(m) Uncollected covered unemployment compensation debt

In the case of a covered unemployment compensation debt (as defined under section 602(f)(4) of the Internal Revenue Code of 1986) that remains uncollected as of the date that is 1 year after the debt was finally determined to be due and collected, the State to which such debt is owed shall take action to recover such debt under section 6402(f) of the Internal Revenue Code of 1986.


REFERENCES IN TEXT


CODIFICATION


AMENDMENTS

2012—Subsec. (a)(5). Pub. L. 112–96, §2161(b)(2), substituted “the payment of short-time compensation under a short-time compensation program (as defined in section 3306(v) of the Internal Revenue Code of 1986)” for “the payment of short-time compensation under a plan approved by the Secretary of Labor”. Subsec. (a)(12). Pub. L. 112–96, §2103(a), substituted “shall deduct” for “may deduct”.


Subsec. (d)(4). Pub. L. 110–246, §4115(c)(2)(F), substituted “section 3(c)(1)” for “section 3(n)(1)”.

Pub. L. 110–246, §4002(b)(1)(A), (B), (D), (2)(V), substituted “supplemental nutrition assistance program benefits agency” for “food stamp agency” and “Food and Nutrition Act of 2008” for “Food Stamp Act of 1977”, and “supplemental nutrition assistance program established” for “food stamp program established”.

2002—Subsec. (a)(5). Pub. L. 107–147 substituted “section 1103(c)(2)” for “section 1103(c)(2) of this title”.


Subsec. (a)(5). Pub. L. 107–145 struck out par. (5) which read as follows: “The provisions of this subsection shall cease to be effective beginning on October 1, 1994.”


Subsec. (b). Pub. L. 104–193, §316(g)(3), amended subsec. (b) generally. Prior to amendment, subsec. (b) read as follows:

“(1) The State agency charged with the administration of the State law shall take such actions (in such manner as may be provided in the agreement between the Secretary of Health and Human Services and the Secretary of Labor under section 653(a)(3) of this title) as may be necessary to enable the Secretary of Health and Human Services to obtain prompt access to any wage and unemployment compensation claims information (including any information that might be useful in locating an absent parent or such parent’s employer) for use by the Secretary of Health and Human Services, for purposes of section 653 of this title, in carrying out the child support enforcement program under subchapter IV of this chapter.”

“(2) Whenever the Secretary of Labor, after reasonable notice and opportunity for hearing to the State agency charged with the administration of the State law, finds that there is a failure to comply substantially with the requirement of paragraph (1), the Secretary of Labor shall notify such State agency that further payments will not be made to the State until such Secretary is satisfied that there is no longer any such failure. Until the Secretary of Labor is so satisfied, such Secretary shall make no further certification to the Secretary of the Treasury with respect to such State.”


1993—Subsec. (a)(5). Pub. L. 102–182 substituted “Provided further, That amounts may be withdrawn...” for “Provided further, That amounts may be withdrawn...”
for the payment of allowances under a self-employment assistance program (as defined in section 3305(c) of the Internal Revenue Code of 1986); and for "; and" at end. Subsec. (a)(10). Pub. L. 105-152, § 4(b), added par. (10).
1986—Subsec. (a)(5). Pub. L. 99-272, § 12401(a)(1), inserted provision at end that amounts may be deducted from unemployment benefits and used to repay overpayments as provided in subsection (g) of this section.
1985—Subsec. (d)(2) to (4). Pub. L. 99-198 added par. (2) and redesignated former pars. (2) and (3) as (3) and (4), respectively.
1983—Subsec. (a)(5). Pub. L. 98-21, § 523(b), inserted provision that nothing in this paragraph shall be construed to prohibit deducting an amount from unemployment compensation otherwise payable to an individual and using the amount so deducted to pay for health insurance if the individual elected to have such deduction made and such deduction was made under a program approved by the Secretary of Labor.
Subsec. (c)(3). Pub. L. 98-21, § 515(a), added par. (3).
Subsec. (e)(2). Pub. L. 97-35, § 2325(b)(1), added par. (2) and redesignated former par. (2) as (3). Subsec. (e)(3), (4). Pub. L. 97-35, § 2325(b)(1), (2), redesignated former par. (2) as (3) and substituted "paragraph (1) or (2)" for "paragraph (1)". Former par. (3) redesignated (4).
1954—Subsec. (a)(5). Act Aug. 5, 1954, made it clear that the funds credited to the State account may, subject to certain restrictions, be used for administrative expenses of the State in connection with its unemployment compensation law.
1939—Subsec. (a). Act Aug. 10, 1939, substituted "Federal Unemployment Tax Act" for "sections 1101-1110 of this title", amended pars. (1), (4), and (5) generally, and added pars. (8) and (9).
Subsec. (c)(2). Act June 26, 1939, substituted "unemployment" for "employment".

**Effective Date of 2012 Amendment**

Pub. L. 112-96, title II, § 2101(b), Feb. 22, 2012, 126 Stat. 159, provided that: "The amendment made by subsection (a) [amending this section] shall apply to weeks beginning after the end of the first session of the State legislature which begins after the date of enactment of this Act [Feb. 22, 2012]."

Amendment by section 2103(a), (b), of Pub. L. 112-96 applicable to weeks beginning after the end of the first session of the State legislature which begins after Feb. 22, 2012, see section 2103(c) of Pub. L. 112-96, set out as a note under section 3304 of Title 26, Internal Revenue Code.

**Effective Date of 2011 Amendment**

Pub. L. 112-40, title II, § 251(c), Oct. 21, 2011, 125 Stat. 421, provided that:

"(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section [amending this section] shall apply to erroneous payments established after the end of the 2-year period beginning on the date of the enactment of this Act [Oct. 21, 2011]."

"(2) AUTHORITY.—A State may amend its State law to apply such amendments to erroneous payments established prior to the end of the period described in paragraph (1)."

**Effective Date of 2008 Amendment**

Amendment of this section and repeal of Pub. L. 110-234 by Pub. L. 110-246 effective May 22, 2008, the date of enactment of Pub. L. 110-234, except as otherwise provided, see section 4 of Pub. L. 110-246, set out as an Effective Date note under section 701 of Title 7, Agriculture.

Amendment by sections 4002(b)(1)(A), (B), (D), (2)(V), and 4115(c)(1)(A)(i), (B)(i)(III), (2)(F) of Pub. L. 110-246 effective Oct. 1, 2008, see section 4007 of Pub. L. 110-246, set out as a note under section 1161 of Title 2, The Congress.

**Effective Date of 2004 Amendment; Definitions**

Pub. L. 108-295, § 2(c), (d), Aug. 9, 2004, 118 Stat. 1091, provided that:

"(c) EFFECTIVE DATE.—The amendment made by subsection (a) [amending this section] shall, with respect to a State, apply to certifications for payments (under section 302(a) of the Social Security Act [42 U.S.C. 502(a)]) in rate years beginning after the end of the 26-week period beginning on the first day of the first regularly scheduled session of the State legislature beginning on or after the date of the enactment of this Act [Aug. 9, 2004]."

"(d) DEFINITIONS.—For purposes of this section—

"(1) the term 'State' includes the District of Columbia, the Commonwealth of Puerto Rico, and the Virgin Islands;

"(2) the term 'rate year' means the rate year as defined in the applicable State law; and

"(3) the term 'State law' means the unemployment compensation law of the State, approved by the Secretary of Labor under section 3304 of the Internal Revenue Code of 1986 [26 U.S.C. 3304]."

**Effective Date of 1997 Amendment**


**Effective Date of 1996 Amendment**

For effective date of amendment by Pub. L. 104-193, see section 369(a)(c) of Pub. L. 104-193, set out as a note under section 654 of this title.

**Effective Date of 1994 Amendment**

Amendment by Pub. L. 103-465 applicable to payments made after Dec. 31, 1996, see section 702(d) of...
Pub. L. 103–465, set out as a note under section 3304 of Title 26, Internal Revenue Code.

**Effective Date of 1993 Amendment**

Pub. L. 103–152, §4(f), Nov. 24, 1993, 107 Stat. 1518, provided that:

"(1) The amendments made by subsections (a) and (b) [amending this section and section 504 of this title] shall take effect on the date one year after the date of the enactment of this Act [Nov. 24, 1993].

"(2) The provisions of subsections (c), (d), and (e) [amending provisions set out as notes below and repealing provisions set out as a note under section 3304 of Title 26, Internal Revenue Code] shall take effect on the date of enactment of this Act."

**Effective Date of 1988 Amendment**

Amendment by Pub. L. 100–628 effective Sept. 30, 1989, with provision for optional early implementation and provision for States whose legislatures have not been in session for at least 30 days between Nov. 7, 1988, and Sept. 30, 1989, see section 3544(d) of this title.

Amendment by Pub. L. 100–40 effective on first day of first calendar quarter beginning one year or more after Oct. 1, 1988, see section 124(c)(1) of Pub. L. 100–40, set out as a note under section 635 of this title.

**Effective Date of 1986 Amendment**

Pub. L. 99–272, title XII, §12401(c), Apr. 7, 1986, 100 Stat. 298, provided that: "The amendments made by this section [amending this section and sections 3304 and 3306 of Title 26, Internal Revenue Code] shall apply to recoveries made on or after the date of the enactment of this Act [Apr. 7, 1986] and shall apply with respect to overpayments made before, on, or after such date."

**Effective Date of 1984 Amendment**

Amendment by section 2551(d) of Pub. L. 98–369 effective Apr. 1, 1985, except as otherwise provided, see section 2551(n)(2) of Pub. L. 98–369, set out as an Effective Date note under section 1320b–7 of this title.

Amendment by section 2583(b)(2)–(6) of Pub. L. 98–369 effective July 18, 1984, but not to be construed as changing or affecting any right, liability, status, or interpretation which existed (under the provisions of law involved) before that date, see section 2664(b) of Pub. L. 98–369, set out as a note under section 401 of this title.

**Effective Date of 1983 Amendment**

Amendment by section 523(b) of Pub. L. 98–21 effective Apr. 29, 1983, see section 523(c) of Pub. L. 98–21 set out as a note under section 3304 of Title 26, Internal Revenue Code.

**Effective Date of 1982 Amendment**


Pub. L. 97–248, title I, §175(b), Sept. 3, 1982, 96 Stat. 403, provided that: "The amendments made by this section [amending this section and section 652 of this title] shall be effective as of October 1, 1981."

**Effective Date of 1981 Amendment**


**Effective Date of 1980 Amendment**


**Transfer of Functions**

Functions, powers, and duties of Secretary of Labor under subsec. (a)(1) of this section, insofar as relates to the prescription of personnel standards on a merit basis, transferred to Office of Personnel Management, see section 7702(a)(2)(B) of this title.

For transfer of functions of other officers, employees, and agencies of Department of Labor, with certain exceptions, to Secretary of Labor, see section 1301 of Reorg. Plan No. 6 of 1950, §1, 2, eff. May 24, 1950, 15 F.R. 3174, 64 Stat. 1263, set out in the Appendix to Title 5, Government Organization and Employees.

Functions of Federal Security Administrator with respect to unemployment compensation transferred to Secretary of Labor by section 1 of Reorg. Plan No. 2 of 1949 set out in the Appendix to Title 5.

**Application to Federal Payments**

Pub. L. 112–40, title II, §251(b), Oct. 21, 2011, 125 Stat. 421, provided that:

"(1) IN GENERAL.—As a condition for administering any unemployment compensation program of the United States (as defined in paragraph (2)) as an agent of the United States, if the State determines that an erroneous payment was made by the State to an individual under any such program due to fraud committed by such individual, the State shall assess a penalty on such individual and deposit any such penalty received by such individual, the State shall assess a penalty on

"(2) DEFINITION.—For purposes of this subsection, the term "unemployment compensation program of the United States" means—

"(A) unemployment compensation for Federal civilian employees under subchapter I of chapter 85 of title 5, United States Code;

"(B) unemployment compensation for ex-service members under subchapter II of chapter 85 of title 5, United States Code;

"(C) trade readjustment allowances under sections 231 through 234 of the Trade Act of 1974 (19 U.S.C. 1229A–1229G);

"(D) disaster unemployment assistance under section 410(a) of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5177(a));

"(E) any Federal temporary extension of unemployment compensation;

"(F) any Federal program which increases the weekly amount of unemployment compensation payable to individuals; and

"(G) any other Federal program providing for the payment of unemployment compensation."

**Clarifying Provision Relating to Base Periods**

Pub. L. 105–33, title V, §5401, Aug. 5, 1997, 111 Stat. 603, provided that:

"(a) IN GENERAL.—No provision of a State law under which the base period for such State is defined or otherwise determined shall, for purposes of section 3304(a)(1) of the Social Security Act (42 U.S.C. 653(a)(1)), be considered a provision for a method of administration.
(b) DEFINITIONS.—For purposes of this section, the terms ‘State law’, ‘base period’, and ‘State’ shall have the meanings given them under section 265 of the Federal State Extended Unemployment Compensation Act of 1970 (Pub. L. 91–373) (26 U.S.C. 3304 note).

(c) EFFECTIVE DATE.—This section shall apply for purposes of any period beginning before, on, or after the date of the enactment of this Act (Aug. 5, 1997).

PROFILING SYSTEM TECHNICAL ASSISTANCE

Pub. L. 103–152, § 4(c), Nov. 24, 1993, 107 Stat. 1518, provided that—"The Secretary of Labor shall provide technical assistance and advice to the States in implementing the profiling system required under the amendments made by subsection (a) [amending this section and section 504 of this title]. Such assistance shall include the development and identification of model profiling systems."

PROFILING SYSTEM REPORT TO CONGRESS

Pub. L. 103–152, § 4(d), Nov. 24, 1993, 107 Stat. 1518, provided that, not later than 3 years after Nov. 24, 1993, the Secretary of Labor was to report to the Congress on the operation and effectiveness of the profiling system required under the amendments made by section 4(a) of Pub. L. 103–152 (amending this section and section 504 of this title) and the participation requirement provided by the amendments made under section 4(b) of Pub. L. 103–152 (amending this section).

§ 504. Judicial review

(a) Finding by Secretary of Labor; petition for review; filing of record

Whenever the Secretary of Labor—
(1) finds that a State law does not include any provision specified in section 503(a) of this title, or
(2) makes a finding with respect to a State under subsection (b), (c), (d), (e), (h), (i), or (j) of section 503 of this title,
such State may, within 60 days after the Governor of the State has been notified of such action, file with the United States court of appeals for the circuit in which such State is located or with the United States Court of Appeals for the District of Columbia, a petition for review of such action. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Secretary of Labor. The Secretary of Labor thereupon shall file in the court the record of the proceedings on which he based his action as provided in section 2122 of title 28.

(b) Findings of fact by Secretary of Labor; new or modified findings

The findings of fact by the Secretary of Labor, if supported by substantial evidence, shall be conclusive; but the court, for good cause shown, may remand the case to the Secretary of Labor to take further evidence and the Secretary of Labor may thereupon make new or modified findings of fact and may modify his previous action, and shall certify to the court the record of the further proceedings. Such new or modified findings of fact shall likewise be conclusive if supported by substantial evidence.

(c) Affirmance or setting aside of Secretary's action; review by Supreme Court

The court shall have jurisdiction to affirm the action of the Secretary of Labor or to set it aside, in whole or in part. The judgment of the court shall be subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28.

(d) Stay of Secretary's action

(1) The Secretary of Labor shall not withhold any certification for payment to any State under section 502 of this title until the expiration of 60 days after the Governor of the State has been notified of the action referred to in paragraph (1) or (2) of subsection (a) or until the State has filed a petition for review of such action, whichever is earlier.

(2) The commencement of judicial proceedings under this section shall stay the Secretary's action for a period of 30 days, and the court may thereafter grant interim relief if warranted, including a further stay of the Secretary's action and including such other relief as may be necessary to preserve status or rights.

Amendments

1993—Subsec. (a)(2). Pub. L. 103–152 substituted ‘‘(i), or (j)’’ for ‘‘or (i)’’.
1988—Subsec. (a)(2). Pub. L. 100–628 substituted ‘‘(e), (h), or (j)’’ for ‘‘(e), or (h)’’.
1984—Subsec. (e). Pub. L. 98–620 struck out subsec. (e) which provided that any judicial proceedings under this section were entitled to, and upon request of the Secretary or the State would receive, a preference and be heard and determined as expeditiously as possible.
Pub. L. 96–265 made identical amendments, substituting ‘‘subsection (b), (c), or (d)’’ for ‘‘subsection (b) or (c)’’.

Effective Date of 1993 Amendment

Amendment by Pub. L. 103–152 effective on the date one year after Nov. 24, 1993, see section 4(d)(1) of Pub. L. 103–152, set out as a note under section 503 of this title.

Effective Date of 1988 Amendments

Amendment by Pub. L. 100–628 effective Sept. 30, 1989, with provision for optional early implementation and provision for States whose legislatures have not been in session for at least 30 days between Nov. 7, 1988, and Sept. 30, 1989, see section 354(d) of this title.
Amendment by Pub. L. 100–628 effective on first day of first calendar quarter beginning one year or more after Oct. 13, 1988, see section 125(c)(1) of Pub. L. 100–485, set out as a note under section 503 of this title.

Effective Date of 1984 Amendment

Amendment by Pub. L. 98–620 not applicable to cases pending on Nov. 8, 1984, see section 406 of Pub. L. 98–620, set out as an Effective Date note under section 1557 of Title 28, Judiciary and Judicial Procedure.

Effective Date of 1980 Amendments

§ 505. Demonstration projects

(a) State demonstration projects authorized

The Secretary of Labor may enter into agreements, with up to 10 States that submit an application described in subsection (b), for the purpose of allowing such States to conduct demonstration projects to test and evaluate measures designed—
(1) to expedite the reemployment of individuals who have established a benefit year and are otherwise eligible to claim unemployment compensation under the State law of such State; or
(2) to improve the effectiveness of a State in carrying out its State law with respect to reemployment.

(b) Application for demonstration project; required content

The Governor of any State desiring to conduct a demonstration project under this section shall submit an application to the Secretary of Labor. Any such application shall include—
(1) a general description of the proposed demonstration project, including the authority (under the laws of the State) for the measures to be tested, as well as the period of time during which such demonstration project would be conducted;
(2) if a waiver under subsection (c) is requested, a statement describing the specific aspects of the project to which the waiver would apply and the reasons why such waiver is needed;
(3) a description of the goals and the expected programmatic outcomes of the demonstration project, including how the project would contribute to the objective described in subsection (a)(1), subsection (a)(2), or both;
(4) assurances (accompanied by supporting analysis) that the demonstration project would operate for a period of at least 1 calendar year and not result in any increased net costs to the State’s account in the Unemployment Trust Fund;
(5) a description of the manner in which the State—
   (A) will conduct an impact evaluation, using a methodology appropriate to determine the effects of the demonstration project, including on individual skill levels, earnings, and employment retention; and
   (B) will determine the extent to which the goals and outcomes described in paragraph (3) were achieved;
(6) assurances that the State will provide any reports relating to the demonstration project, after its approval, as the Secretary of Labor may require; and
(7) assurances that employment meets the State’s suitable work requirement and the requirements of section 330(a)(4) of the Internal Revenue Code of 1986.

(c) Waiver of certain requirements allowed

The Secretary of Labor may waive any of the requirements of section 330(a)(4) of the Internal Revenue Code of 1986 or of paragraph (1) or (5) of section 503(a) of this title, to the extent and for the period the Secretary of Labor considers necessary to enable the State to carry out a demonstration project under this section.

(d) Time for demonstration project

A demonstration project under this section—
(1) may be commenced any time after February 22, 2012;
(2) may not be approved for a period of time greater than 3 years; and
(3) must be completed by not later than December 31, 2015.

(e) Limitations on activities

Activities that may be pursued under a demonstration project under this section are limited to—
(1) subsidies for employer-provided training, such as wage subsidies; and
(2) direct disbursements to employers who hire individuals receiving unemployment compensation, not to exceed the weekly benefit amount for each such individual, to pay part of the cost of wages that exceed the unemployed individual’s prior benefit level.

(f) Notification of approval or denial of application

The Secretary of Labor shall, in the case of any State for which an application is submitted under subsection (b)—
(1) notify the State as to whether such application has been approved or denied within 30 days after receipt of a complete application; and
(2) provide public notice of the decision within 10 days after providing notification to the State in accordance with paragraph (1).

Public notice under paragraph (2) may be provided through the Internet or other appropriate means. Any application under this section that has not been denied within the 30-day period described in paragraph (1) shall be deemed approved, and public notice of any approval under this sentence shall be provided within 10 days thereafter.

(g) Termination of demonstration project

The Secretary of Labor may terminate a demonstration project under this section if the Secretary determines that the State has violated the substantive terms or conditions of the project.

(h) Funding

Funding certified under section 502(a) of this title may be used for an approved demonstration project.


References in Text

The Internal Revenue Code of 1986, referred to in subsec. (b)(7) and (c), is classified generally to Title 26, Internal Revenue Code.

§ 506. Grants to States for reemployment services and eligibility assessments

(a) In general

The Secretary of Labor (in this section referred to as the “Secretary”) shall award grants
under this section for a fiscal year to eligible States to conduct a program of reemployment services and eligibility assessments for individuals referred to reemployment services as described in section 503(j) of this title for weeks in such fiscal year for which such individuals receive unemployment compensation.

(b) Purposes

The purposes of this section are to accomplish the following goals:

(1) To improve employment outcomes of individuals that receive unemployment compensation and to reduce the average duration of receipt of such compensation through employment.

(2) To strengthen program integrity and reduce improper payments of unemployment compensation by States through the detection and prevention of such payments to individuals who are not eligible for such compensation.

(3) To promote alignment with the broader vision of the Workforce Innovation and Opportunity Act (29 U.S.C. 3101 et seq.) of increased job seekers, including claimants for unemployment compensation.

(4) To establish reemployment services and eligibility assessments as an entry point for individuals receiving unemployment compensation into other workforce system partner programs.

c) Evidence-based standards

(1) In general

In carrying out a State program of reemployment services and eligibility assessments using grant funds awarded to the State under this section, a State shall use such funds only for interventions demonstrated to reduce the number of weeks for which program participants receive unemployment compensation by improving employment outcomes for program participants.

(2) Expanding evidence-based interventions

In addition to the requirement imposed by paragraph (1), a State shall—

(A) for fiscal years 2023 and 2024, use no less than 25 percent of the grant funds awarded to the State under this section for interventions with a high or moderate causal evidence rating that show a demonstrated capacity to improve employment and earnings outcomes for program participants;

(B) for fiscal years 2025 and 2026, use no less than 40 percent of such grant funds for interventions described in subparagraph (A); and

(C) for fiscal years beginning after fiscal year 2026, use no less than 50 percent of such grant funds for interventions described in subparagraph (A).

d) Evaluations

(1) Required evaluations

Any intervention without a high or moderate causal evidence rating used by a State in carrying out a State program of reemployment services and eligibility assessments under this section shall be under evaluation at the time of use.

(2) Funding limitation

A State shall use not more than 10 percent of grant funds awarded to the State under this section to conduct or cause to be conducted evaluations of interventions used in carrying out a program under this section (including evaluations conducted pursuant to paragraph (1)).

e) State plan

(1) In general

As a condition of eligibility to receive a grant under this section for a fiscal year, a State shall submit to the Secretary, at such time and in such manner as the Secretary may require, a State plan that outlines how the State intends to conduct a program of reemployment services and eligibility assessments under this section, including—

(A) assurances that, and a description of how, the program will provide—

(i) proper notification to participating individuals of the program’s eligibility conditions, requirements, and benefits, including the issuance of warnings and simple, clear notifications to ensure that participating individuals are fully aware of the consequences of failing to adhere to such requirements, including policies related to non-attendance or non-fulfillment of work search requirements; and

(ii) reasonable scheduling accommodations to maximize participation for eligible individuals;

(B) assurances that, and a description of how, the program will conform with the purposes outlined in subsection (b) and satisfy the requirement to use evidence-based standards under subsection (c), including—

(i) a description of the evidence-based interventions the State plans to use to speed reemployment;

(ii) an explanation of how such interventions are appropriate to the population served; and

(iii) if applicable, a description of the evaluation structure the State plans to use for interventions without at least a moderate or high causal evidence rating, which may include national evaluations conducted by the Department of Labor or by other entities; and

(C) a description of any reemployment activities and evaluations conducted in the prior fiscal year, and any data collected on—

(i) characteristics of program participants;

(ii) the number of weeks for which program participants receive unemployment compensation; and

(iii) employment and other outcomes for program participants consistent with State performance accountability measures provided by the State unemployment compensation program and in section 116(b) of the Workforce Innovation and Opportunity Act (29 U.S.C. 3141(b)).

(2) Approval

The Secretary shall approve any State plan, that is timely submitted to the Secretary, in
such manner as the Secretary may require, that satisfies the conditions described in paragraph (1).

(3) Disapproval and revision

If the Secretary determines that a State plan submitted pursuant to this subsection fails to satisfy the conditions described in paragraph (1), the Secretary shall—

(A) disapprove such plan;

(B) provide to the State, not later than 30 days after the date of receipt of the State plan, a written notice of such disapproval that includes a description of any portion of the plan that was not approved and the reason for the disapproval of each such portion; and

(C) provide the State with an opportunity to correct any such failure and submit a revised State plan.

(f) Allocation of funds

(1) Base funding

(A) In general

For each fiscal year after fiscal year 2020, the Secretary shall allocate a percentage equal to the base funding percentage for such fiscal year of the funds made available for grants under this section among the States awarded such a grant for such fiscal year using a formula prescribed by the Secretary based on the rate of insured unemployment (as defined in section 203(e)(1) of the Federal-State Extended Unemployment Compensation Act of 1970 (26 U.S.C. 3304 note)) in the State for a period to be determined by the Secretary. In developing such formula with respect to a State, the Secretary shall consider the importance of avoiding sharp reductions in grant funding to a State over time.

(B) Base funding percentage

For purposes of subparagraph (A), the term “base funding percentage” means—

(i) for fiscal years 2021 through 2026, 89 percent; and

(ii) for fiscal years after 2026, 84 percent.

(2) Reservation for outcome payments

(A) In general

Of the amounts made available for grants under this section for each fiscal year after 2020, the Secretary shall reserve a percentage equal to the outcome reservation percentage for such fiscal year for outcome payments to increase the amount otherwise awarded to a State under paragraph (1). Such outcome payments shall be paid to States conducting reemployment services and eligibility assessments under this section that, during the previous fiscal year, met or exceeded the outcome goals provided in subsection (b)(1) related to reducing the average duration of receipt of unemployment compensation by improving employment outcomes.

(B) Outcome reservation percentage

For purposes of subparagraph (A), the term “outcome reservation percentage” means—

(i) for fiscal years 2021 through 2026, 10 percent; and

(ii) for fiscal years after 2026, 15 percent.

(3) Reservation for research and technical assistance

Of the amounts made available for grants under this section for each fiscal year after 2020, the Secretary may reserve not more than 1 percent to conduct research and provide technical assistance to States.

(4) Consultation and public comment

Not later than September 30, 2019, the Secretary shall—

(A) consult with the States and seek public comment in developing the allocation formula under paragraph (1) and the criteria for carrying out the reservations under paragraph (2); and

(B) make publicly available the allocation formula and criteria developed pursuant to subclause (A).

(g) Notification to Congress

Not later than 90 days prior to making any changes to the allocation formula or the criteria developed pursuant to subsection (f)(5)(A), the Secretary shall submit to Congress, including to the Committee on Ways and Means and the Committee on Appropriations of the House of Representatives and the Committee on Finance and the Committee on Appropriations of the Senate, a notification of any such change.

(h) Supplement not supplant

Funds made available to carry out this section shall be used to supplement the level of Federal, State, and local public funds that, in the absence of such availability, would be expended to provide reemployment services and eligibility assessments to individuals receiving unemployment compensation, and in no case to supplant such Federal, State, or local public funds.

(i) Definitions

In this section:

(1) Causal evidence rating

The terms “high causal evidence rating” and “moderate causal evidence rating” shall have the meaning given such terms by the Secretary of Labor.

(2) Eligible state

The term “eligible State” means a State that has in effect a State plan approved by the Secretary in accordance with subsection (e).

(3) Intervention

The term “intervention” means a service delivery strategy for the provision of State reemployment services and eligibility assessment activities under this section.

(4) State

The term “State” has the meaning given the term in section 205 of the Federal-State Extended Unemployment Compensation Act of 1970 (26 U.S.C. 3304 note).

(5) Unemployment compensation

The term unemployment compensation means “regular compensation”, “extended compensation”, and “additional compensation” (as such terms are defined by section 205.


REFERENCES IN TEXT

The Workforce Innovation and Opportunity Act, referred to in subsec. (b)(3), is Pub. L. 113–128, July 22, 2014, 128 Stat. 1425, which enacted chapter 32 (§ 3101 et seq.) of Title 29, Labor, repealed chapter 30 (§ 2801 et seq.) of Title 20, Education, and made amendments to numerous other sections and notes in the Code. For complete classification of this Act to the Code, see section 1(a) of Pub. L. 113–128, set out as a Short Title note under section 3101 of Title 29 and Tables.


SUBCHAPTER IV—GRANTS TO STATES FOR AID AND SERVICES TO NEEDY FAMILIES WITH CHILDREN AND FOR CHILD-WELFARE SERVICES

CODIFICATION


PART A—BLOCK GRANTS TO STATES FOR TEMPORARY ASSISTANCE FOR NEEDY FAMILIES

PRIOR PROVISIONS


§ 601. Purpose

(a) In general

The purpose of this part is to increase the flexibility of States in operating a program designed to—

(1) provide assistance to needy families so that children may be cared for in their own homes or in the homes of relatives;

(2) end the dependence of needy parents on public assistance programs; (3) prevent and reduce the incidence of out-of-wedlock pregnancies and establish annual numerical goals for preventing and reducing the incidence of these pregnancies; and

(4) encourage the formation and maintenance of two-parent families.

(b) No individual entitlement

This part shall not be interpreted to entitle any individual or family to assistance under any State program funded under this part.


PRIOR PROVISIONS


AMENDMENTS


EFFECTIVE DATE OF 1997 AMENDMENT

Amendment by Pub. L. 105–33 effective as if included in the provision of Pub. L. 104–193 amended at the time the provision became law, see section 551b(d) of Pub. L. 105–33, set out as a note under section 626a of Title 21, Food and Drugs.

EFFECTIVE DATE

penditures in fiscal year 1997 shall not exceed an amount equal to the State family assistance grant.

Federal Government to a State under such section 403(a)(1)—

103(a)(1) of this Act), the total obligations of the Federal Government to a State under such section 403(a)(1) are not included in the obligations of the Federal Government to the State under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.) (as in effect pursuant to the amendments made by section 103(a)(1) of this Act).

(B) LIMITATIONS ON FEDERAL OBLIGATIONS.—

(i) Under temporary family assistance program.—The total obligations of the Federal Government to a State under part A of title IV of the Social Security Act (as in effect pursuant to the amendments made by section 103(a)(1) of this Act), the total obligations of the Federal Government to a State under section 403(a)(1)—

(I) for fiscal year 1996, shall be an amount equal to—

(aa) the State family assistance grant; multiplied by

(bb) \( \frac{1}{365} \) of the number of days during the period that begins on the date the Secretary of Health and Human Services first receives from the State a plan described in section 402(a) of the Social Security Act (42 U.S.C. 602(a)) (as added by the amendment made by section 103(a)(1) of this Act) and ends on September 30, 1996; and

(ii) during the period that begins on the date of such receipt and ends on the later of June 30, 1997, or the day before the date described in subsection (a)(2)(B) of this section, there shall remain in effect with respect to the State—

(I) section 403(h) of the Social Security Act (42 U.S.C. 603(h)) (as in effect on September 30, 1995); and

(ii) all State reporting requirements under parts A and F of title IV of the Social Security Act (42 U.S.C. 601 et seq., 601 et seq.) as in effect on September 30, 1995), modified by the Secretary as appropriate, taking into account the State program under part A of title IV of the Social Security Act (as in effect pursuant to the amendments made by such section 103(a)(1)).

(B) LIMITATIONS ON FEDERAL OBLIGATIONS.—

(i) Under temporary family assistance program.—The total obligations of the Federal Government to a State under part A of title IV of the Social Security Act (as in effect pursuant to the amendments made by section 103(a)(1) of this Act), the total obligations of the Federal Government to a State under section 403(a)(1)—

(I) for fiscal year 1996, shall be an amount equal to—

(aa) the State family assistance grant; multiplied by

(bb) \( \frac{1}{365} \) of the number of days during the period that begins on the date the Secretary of Health and Human Services first receives from the State a plan described in section 402(a) of the Social Security Act (42 U.S.C. 602(a)) (as added by the amendment made by section 103(a)(1) of this Act) and ends on September 30, 1996; and

(ii) during the period that begins on the date of such receipt and ends on the later of June 30, 1997, or the day before the date described in subsection (a)(2)(B) of this section, there shall remain in effect with respect to the State—

(I) section 403(h) of the Social Security Act (42 U.S.C. 603(h)) (as in effect on September 30, 1995); and

(ii) all State reporting requirements under parts A and F of title IV of the Social Security Act (42 U.S.C. 601 et seq., 601 et seq.) as in effect on September 30, 1995), modified by the Secretary as appropriate, taking into account the State program under part A of title IV of the Social Security Act (as in effect pursuant to the amendments made by such section 103(a)(1)).

(B) LIMITATIONS ON FEDERAL OBLIGATIONS.—

(i) Under temporary family assistance program.—The total obligations of the Federal Government to a State under part A of title IV of the Social Security Act (as in effect pursuant to the amendments made by section 103(a)(1) of this Act), the total obligations of the Federal Government to a State under section 403(a)(1)—

(I) for fiscal year 1996, shall be an amount equal to—

(aa) the State family assistance grant; multiplied by

(bb) \( \frac{1}{365} \) of the number of days during the period that begins on the date the Secretary of Health and Human Services first receives from the State a plan described in section 402(a) of the Social Security Act (42 U.S.C. 602(a)) (as added by the amendment made by section 103(a)(1) of this Act) and ends on September 30, 1996; and

(ii) during the period that begins on the date of such receipt and ends on the later of June 30, 1997, or the day before the date described in subsection (a)(2)(B) of this section, there shall remain in effect with respect to the State—

(I) section 403(h) of the Social Security Act (42 U.S.C. 603(h)) (as in effect on September 30, 1995); and

(ii) all State reporting requirements under parts A and F of title IV of the Social Security Act (42 U.S.C. 601 et seq., 601 et seq.) as in effect on September 30, 1995), modified by the Secretary as appropriate, taking into account the State program under part A of title IV of the Social Security Act (as in effect pursuant to the amendments made by such section 103(a)(1)).

(B) LIMITATIONS ON FEDERAL OBLIGATIONS.—

(i) Under temporary family assistance program.—The total obligations of the Federal Government to a State under part A of title IV of the Social Security Act (as in effect pursuant to the amendments made by section 103(a)(1) of this Act), the total obligations of the Federal Government to a State under section 403(a)(1)—

(I) for fiscal year 1996, shall be an amount equal to—

(aa) the State family assistance grant; multiplied by

(bb) \( \frac{1}{365} \) of the number of days during the period that begins on the date the Secretary of Health and Human Services first receives from the State a plan described in section 402(a) of the Social Security Act (42 U.S.C. 602(a)) (as added by the amendment made by section 103(a)(1) of this Act) and ends on September 30, 1996; and

(ii) during the period that begins on the date of such receipt and ends on the later of June 30, 1997, or the day before the date described in subsection (a)(2)(B) of this section, there shall remain in effect with respect to the State—

(I) section 403(h) of the Social Security Act (42 U.S.C. 603(h)) (as in effect on September 30, 1995); and

(ii) all State reporting requirements under parts A and F of title IV of the Social Security Act (42 U.S.C. 601 et seq., 601 et seq.) as in effect on September 30, 1995), modified by the Secretary as appropriate, taking into account the State program under part A of title IV of the Social Security Act (as in effect pursuant to the amendments made by such section 103(a)(1)).
findings: (as in effect on September 30, 1995).'' of the Social Security Act [42 U.S.C. 601 et seq., 681 et seq.] (as in effect before such effective date); and

(ii) have the powers and duties of the Assistant Secretary for Family Support under section 416 of the Social Security Act [42 U.S.C. 616] (as in effect pursuant to the amendment made by section 103(a)(1) of this Act).

(c) Termination of Entitlement Under AFDC Program.—Effective October 1, 1996, no individual or family shall be entitled to any benefits or services under any State plan approved under part A or F of title IV of the Social Security Act [42 U.S.C. 611 et seq.] (as in effect on September 30, 1995).

Congressional Findings

Pub. L. 104–198, title I, §101, Aug. 22, 1996, 110 Stat. 2110, provided that: "The Congress makes the following findings:

(1) Marriage is the foundation of a successful society.

(2) Marriage is an essential institution of a successful society which promotes the interests of children.

(3) Promotion of responsible fatherhood and motherhood is integral to successful child rearing and the well-being of children.

(4) In 1992, only 54 percent of single-parent families with children had a child support order established and, of that 54 percent, only about one-half received the full amount due. Of the cases enforced through the public child support enforcement system, only 18 percent of the caseload has a collection.

(5) The number of individuals receiving aid to families with dependent children (in this section referred to as 'AFDC') has more than tripled since 1965. More than two-thirds of these recipients are children.

(6) Eighty-nine percent of children receiving AFDC benefits now live in homes in which no father is present.

(A)(i) The average monthly number of children receiving AFDC benefits:

(I) was 3,300,000 in 1965;

(II) was 6,200,000 in 1970;

(III) was 7,400,000 in 1980; and

(IV) was 9,300,000 in 1992.

(ii) While the number of children receiving AFDC benefits increased nearly threefold between 1965 and 1992, the total number of children in the United States aged 6 to 18 has declined by 5.5 percent.

(B) The Department of Health and Human Services has estimated that 12,000,000 children would receive AFDC benefits within 10 years.

(C) The increase in the number of children receiving public assistance is closely related to the increase in births to unmarried women. Between 1970 and 1991, the percentage of live births to unmarried women increased nearly threefold, from 10.7 percent to 29.5 percent.

(6) The increase of out-of-wedlock pregnancies and births is well documented as follows:

(A) It is estimated that the rate of nonmarital teen pregnancy rose 23 percent from 54 pregnancies per 1,000 unmarried teenagers in 1976 to 66.7 pregnancies per 1,000 unmarried teenagers in 1991. The overall pregnancy rate for unmarried teenagers rose from 48.5 pregnancies per 1,000 unmarried women in 1980 to 103 in both 1991 and 1992. In contrast, the overall pregnancy rate for married couples decreased 7.3 percent between 1980 and 1991, from 126.9 pregnancies per 1,000 married women in 1980 to 117.6 pregnancies in 1991.

(B) The total of all out-of-wedlock births between 1970 and 1991 has risen from 10.7 percent to 29.5 percent and if the current trend continues, 50 percent of all births by the year 2015 will be out-of-wedlock.

(7) An effective strategy to combat teenage pregnancy must address the issue of male responsibility, including statutory rape culpability and prevention. The increase of teenage pregnancies among the youngest girls is particularly severe and is linked to predatory sexual practices by men who are significantly older.

(A) It is estimated that in the late 1980's, the rate for girls age 14 and under giving birth increased 26 percent.

(B) Data indicates that at least half of the children born to teenage mothers are fathered by adult men. Available data suggests that almost 70 percent of births to teenage girls are fathered by men over age 20.

(C) Surveys of teen mothers have revealed that a majority of such mothers have histories of sexual and physical abuse, primarily with older adult men.

(8) The negative consequences of an out-of-wedlock birth on the mother, the child, the family, and society are well documented as follows:

(A) Young women 17 and under who give birth outside of marriage are more likely to go on public assistance and to spend more years on welfare once enrolled. These combined effects of "younger and longer" increase total AFDC costs per household by 25 percent to 30 percent for 17-year-olds.

(B) Children born out-of-wedlock have a substantially higher risk of being born at a very low or moderately low birth weight.

(C) Children born out-of-wedlock are more likely to experience low verbal cognitive attainment, as well as more child abuse, and neglect.

(D) Children born out-of-wedlock were more likely to have lower cognitive scores, lower educational aspirations, and a greater likelihood of becoming teenage parents themselves.

(E) Being born out-of-wedlock significantly reduces the chances of the child growing up to have an intact marriage.

(F) Children born out-of-wedlock are 3 times more likely to be on welfare when they grow up.

(9) Currently 35 percent of children in single-parent homes were born out-of-wedlock, nearly the same percentage as that of children in single-parent homes, whose parents are divorced (37 percent). While many parents find themselves, through divorce or tragic circumstances beyond their control, facing the difficult task of raising children alone, nevertheless, the negative consequences of raising children in single-parent homes are well documented as follows:

(A) Only 9 percent of married-couple families with children under 18 years of age have income below the national poverty level. In contrast, 46 percent of female-headed households with children under 18 years of age are below the national poverty level.

(B) Among single-parent families, nearly ½ of the mothers who never married received AFDC while only ¼ of divorced mothers received AFDC.

(C) Children born into families receiving welfare assistance are 3 times more likely to be on welfare when they reach adulthood than children not born into families receiving welfare.

(D) Mothers under 20 years of age are at the greatest risk of bearing low birth weight babies.

(E) The younger the single-parent mother, the less likely she is to finish high school.

(F) Young women who have children before finishing high school are more likely to receive welfare assistance for a longer period of time.
(G) Between 1985 and 1990, the public cost of births to teenage mothers under the aid to families with dependent children program, the food stamp program, and the medicaid program has been estimated at $120,000,000,000.

(H) The absence of a father in the life of a child has a negative effect on school performance and peer adjustment.

(I) Children of teenage single parents have lower cognitive scores, lower educational aspirations, and a greater likelihood of becoming teenage parents themselves.

(J) Children of single-parent homes are 3 times more likely to fail and repeat a year in grade school than are children from intact 2-parent families.

(K) Children from single-parent homes are almost 4 times more likely to be expelled or suspended from school.

(L) Neighborhoods with larger percentages of youth aged 12 through 20 and areas with higher percentages of single-parent households have higher rates of violent crime.

(M) Of those youth held for criminal offenses within the State juvenile justice system, only 29.8 percent lived primarily in a home with both parents. In contrast to these incarcerated youth, 73.9 percent of the 62,800,000 children in the Nation’s resident population were living with both parents.

(N) Therefore, in light of this demonstration of the crisis in our Nation, it is the sense of the Congress that prevention of out-of-wedlock pregnancy and reduction in out-of-wedlock birth are very important Government interests and the policy contained in part A of title IV of the Social Security Act [42 U.S.C. 601 et seq.] (as amended by section 103(a) of this Act) is intended to address the crisis.

([References to the food stamp program established under the Food and Nutrition Act of 2008 considered to refer to the supplemental nutrition assistance program established under that Act, see section 4902(c) of Pub. L. 110–246, set out as a note under section 2012 of Title 7, Agriculture.]

APPROPRIATION BY STATE LEGISLATURES

Pub. L. 104–193, title IX, § 901, Aug. 22, 1996, 110 Stat. 2347, provided that:

(a) In general.—Any funds received by a State under the provisions of law specified in subsection (b) shall be subject to appropriation by the State legislature, consistent with the terms and conditions required under such provisions of law.

(b) Provisions of law.—The provisions of law specified in this subsection are the following:


§ 602. Eligible States; State plan

(a) In general

As used in this part, the term “eligible State” means, with respect to a fiscal year, a State that, during the 27-month period ending with the close of the 1st quarter of the fiscal year, has submitted to the Secretary a plan that the Secretary has found includes the following:

(1) Outline of family assistance program

(A) General provisions

A written document that outlines how the State intends to do the following:

(i) Conduct a program, designed to serve all political subdivisions in the State (not necessarily in a uniform manner), that provides assistance to needy families with (or expecting) children and provides parents with job preparation, work, and support services to enable them to leave the program and become self-sufficient.

(ii) Require a parent or caretaker receiving assistance under the program to engage in work (as defined by the State) once the State determines the parent or caretaker is ready to engage in work, or once the parent or caretaker has received assistance under the program for 24 months (whether or not consecutive), whichever is earlier, consistent with section 607(c)(2) of this title.

(iii) Ensure that parents and caretakers receiving assistance under the program engage in work activities in accordance with section 607 of this title.

(iv) Take such reasonable steps as the State deems necessary to restrict the use and disclosure of information about individuals and families receiving assistance under the program attributable to funds provided by the Federal Government.

(v) Establish goals and take action to prevent and reduce the incidence of out-of-wedlock pregnancies, with special emphasis on teenage pregnancies, and establish numerical goals for reducing the illegitimacy ratio of the State (as defined in section 603(a)(2)(C)(ii) of this title) for calendar years 1996 through 2005.

(vi) Conduct a program, designed to reach State and local law enforcement officials, the education system, and relevant counseling services, that provides education and training on the problem of statutory rape so that teenage pregnancy prevention programs may be expanded in scope to include men.

(vii) Implement policies and procedures as necessary to prevent access to assistance provided under the State program funded under this part through any electronic fund transaction in an automated teller machine or point-of-sale device located in a place described in section 608(a)(12) of this title, including a plan to ensure that recipients of the assistance have adequate access to their cash assistance.

(viii) Ensure that recipients of assistance provided under the State program funded under this part have access to using or withdrawing assistance with minimal fees or charges, including an opportunity to access assistance with no fee or charges, and are provided information on applicable fees and surcharges that apply to electronic fund transactions involving the assistance, and that such information is made publicly available.

(B) Special provisions

(i) The document shall indicate whether the State intends to treat families moving into the State from another State differently than other families under the program, and if so, how the State intends to treat such families under the program.

1 See References in Text note below.
(ii) The document shall indicate whether the State intends to provide assistance under the program to individuals who are not citizens of the United States, and if so, shall include an overview of such assistance.

(iii) The document shall set forth objective criteria for the delivery of benefits and the determination of eligibility and for fair and equitable treatment, including an explanation of how the State will provide opportunities for recipients who have been adversely affected to be heard in a State administrative or appeal process.

(iv) Not later than 1 year after August 22, 1996, unless the chief executive officer of the State opts out of this provision by notifying the Secretary, a State shall, consistent with the exception provided in section 607(e)(2) of this title, require a parent or caretaker receiving assistance under the program who, after receiving such assistance for 2 months is not exempt from work requirements and is not engaged in work, as determined under section 607(c) of this title, to participate in community service employment, with minimum hours per week and tasks to be determined by the State.

(v) The document shall indicate whether the State intends to assist individuals to train for, seek, and maintain employment—

(A) by providing direct care in a long-term care facility (as such terms are defined under section 1397 of this title); or

(B) in other occupations related to elder care determined appropriate by the State for which the State identifies an unmet need for service personnel,

and, if so, shall include an overview of such assistance.

(2) Certification that the State will operate a child support enforcement program

A certification by the chief executive officer of the State that, during the fiscal year, the State will operate a child support enforcement program under the State plan approved under part D.

(3) Certification that the State will operate a foster care and adoption assistance program

A certification by the chief executive officer of the State that, during the fiscal year, the State will operate a foster care and adoption assistance program under the State plan approved under part E, and that the State will take such actions as are necessary to ensure that children receiving assistance under such part are eligible for medical assistance under the State plan under subchapter XIX.

(4) Certification of the administration of the program

A certification by the chief executive officer of the State specifying which State agency or agencies will administer and supervise the program referred to in paragraph (1) for the fiscal year, which shall include assurances that local governments and private sector organizations—

(A) have been consulted regarding the plan and design of welfare services in the State so that services are provided in a manner appropriate to local populations; and

(B) have had at least 45 days to submit comments on the plan and the design of such services.

(5) Certification that the State will provide Indians with equitable access to assistance

A certification by the chief executive officer of the State that, during the fiscal year, the State will provide each member of an Indian tribe, who is domiciled in the State and is not eligible for assistance under a tribal family assistance plan approved under section 612 of this title, with equitable access to assistance under the State program funded under this part attributable to funds provided by the Federal Government.

(6) Certification of standards and procedures to ensure against program fraud and abuse

A certification by the chief executive officer of the State that the State has established and is enforcing standards and procedures to ensure against program fraud and abuse, including standards and procedures concerning nepotism, conflicts of interest among individuals responsible for the administration and supervision of the State program, kickbacks, and the use of political patronage.

(7) Optional certification of standards and procedures to ensure that the State will screen for and identify domestic violence

(A) In general

At the option of the State, a certification by the chief executive officer of the State that the State has established and is enforcing standards and procedures to—

(i) screen and identify individuals receiving assistance under this part with a history of domestic violence while maintaining the confidentiality of such individuals;

(ii) refer such individuals to counseling and supportive services; and

(iii) waive, pursuant to a determination of good cause, other program requirements such as time limits (for so long as necessary) for individuals receiving assistance, residency requirements, child support cooperation requirements, and family cap provisions, in cases where compliance with such requirements would make it more difficult for individuals receiving assistance under this part to escape domestic violence or unfairly penalize such individuals who are or have been victimized by such violence, or individuals who are at risk of further domestic violence.

(B) “Domestic violence” defined

For purposes of this paragraph, the term “domestic violence” has the same meaning as the term “battered or subjected to extreme cruelty”, as defined in section 608(a)(7)(C)(ii) of this title.

(b) Plan amendments

Within 30 days after a State amends a plan submitted pursuant to subsection (a), the State shall notify the Secretary of the amendment.
(c) Public availability of State plan summary  

The State shall make available to the public a summary of any plan or plan amendment submitted by the State under this section.  


REFERENCES IN TEXT  

Section 603(a)(2) of this title, referred to in subsec. (a)(1)(A)(v), was amended generally by Pub. L. 109–171, title VII, § 7103(a), Feb. 8, 2006, 120 Stat. 138, and, as so amended, no longer defines "illegitimacy ratio".  

Prior Provisions  


Amendments  


Subsec. (a), Pub. L. 105–33, § 5501(a), substituted "2-month period ending with the close of the last quarter of" for "2-year period immediately preceding" in introductory provisions.  

Subsec. (a)(1)(A)(vii). Pub. L. 105–33, § 5501(b), inserted "consistent with section 607(e)(2) of this title" before period at end.  


Subsec. (c). Pub. L. 105–34, § 5501(d)(2), inserted "or plan amendment" after "plan".  

Pub. L. 105–33, § 5501(d)(1), redesignated subsec. (b) as (c).

Effective Date of 2010 Amendment  


Effective Date of 1999 Amendment  

Pub. L. 106–169, title IV, § 401(q), Dec. 14, 1999, 113 Stat. 1389, provided that: "Except as provided in subsection (b) [amending this section and enacting provisions set out as a note under section 604 of this title], the amendments made by this section and amendments to this section and sections 604, 609, 613, 616, 629a, 632, 654, 655, 657, 658, 661, 713, and 1320b–7 of this title shall take effect as if included in the enactment of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (Public Law 104–193; 110 Stat. 2105)."

Effective Date of 1997 Amendment  

Amendment by section 5514(c) of Pub. L. 105–33 effective as if included in the provision of Pub. L. 104–193 amended at the time the provision became law, see section 5518(d) of Pub. L. 105–33, set out as a note under section 682a of Title 21, Food and Drugs.


Effective Date Section effective July 1, 1997, with transition rules relating to State options to accelerate such date, rules relating to claims, actions, and proceedings commenced before such date, rules relating to closing out of accounts for terminated or substantially modified programs and continuity of services to needy families with children prior to repeal by Pub. L. 104–193, title III, § 103(a)(1), (2)(A), 110 Stat. 2161, related to State plans for aid and services to needy families, see 1997–Pub. L. 105–33, § 5514(c), Aug. 5, 1997, 111 Stat. 620, effective July 1, 1997.
§ 603. Grants to States

(a) Grants

(1) Family assistance grant

(A) In general

Each eligible State shall be entitled to receive from the Secretary, for each of fiscal years 2017 and 2018, a grant in an amount equal to the State family assistance grant.

(B) State family assistance grant

The State family assistance grant payable to a State for a fiscal year shall be the amount that bears the same ratio to the amount specified in subparagraph (C) of this paragraph (as in effect just before February 22, 2012), reduced by the percentage specified in section 613(b)(1) of this title with respect to the fiscal year, as the amount required to be paid to the State under this paragraph (as so in effect) for fiscal year 2002 (determined without regard to any reduction pursuant to section 609 or 612(a)(1) of this title) bears to the total amount required to be paid under this paragraph for fiscal year 2002 (as so determined).

(C) Appropriation

Out of any money in the Treasury of the United States not otherwise appropriated, there are appropriated for each of fiscal years 2017 and 2018 $16,566,542,000 for grants under this paragraph.

(ii) Use of funds

Subject to subparagraphs (B), (C), and (E), the Secretary may use the funds made available under subparagraph (D) for the purpose of conducting and supporting research and demonstration projects by public or private entities, and providing technical assistance to States, Indian tribes and tribal organizations, and such other entities as the Secretary may specify that are receiving a grant under another provision of this part.

(ii) Limitations

The Secretary may not award funds made available under this paragraph on a noncompetitive basis, and may not provide any such funds to an entity for the purpose of carrying out healthy marriage promotion activities or for the purpose of carrying out activities promoting responsible fatherhood unless the entity has submitted to the Secretary an application (or, in the case of an entity seeking funding to carry out healthy marriage promotion activities and activities promoting responsible fatherhood, a combined application that contains assurances that the entity will carry out such activities under separate programs and shall not combine any funds awarded to carry out either such activities) which—

(aa) how the programs or activities proposed in the application will ad-
§ 603

B) Limitation on use of funds for demonstration projects for coordination of provision of child welfare and TANF services to tribal families at risk of child abuse or neglect

(i) In general

Of the amounts made available under subparagraph (D) for a fiscal year, the Secretary may not award more than $2,000,000 on a competitive basis to fund demonstration projects designed to test the effectiveness of tribal governments or tribal consortia in coordinating the provision to tribal families at risk of child abuse or neglect of child welfare services and services under tribal programs funded under this part.

(ii) Limitation on use of funds

A grant made pursuant to clause (i) to such a project shall not be used for any purpose other than—

(I) to improve case management for families eligible for assistance from such a tribal program;

(II) for supportive services and assistance to tribal children in out-of-home placements and the tribal families caring for such children, including families who adopt such children; and

(III) for prevention services and assistance to tribal families at risk of child abuse and neglect.

(iii) Reports

The Secretary may require a recipient of funds awarded under this subparagraph to provide the Secretary with such information as the Secretary deems relevant to enable the Secretary to facilitate and oversee the administration of any project for which funds are provided under this subparagraph.

(C) Limitation on use of funds for activities promoting responsible fatherhood

(i) In general

Of the amounts made available under subparagraph (D) for a fiscal year, the Secretary may not award more than $75,000,000 on a competitive basis to States, territories, Indian tribes and tribal organizations, and public and nonprofit community entities, including religious organizations, for activities promoting responsible fatherhood.

(ii) Activities promoting responsible fatherhood

In this paragraph, the term “activities promoting responsible fatherhood” means the following:

(I) Activities to promote marriage or sustain marriage through activities such as counseling, mentoring, disseminating information about the benefits of marriage and 2-parent involvement for children, enhancing relationship skills, education regarding how to control aggressive behavior; disseminating information on the causes of domestic violence and child abuse, marriage preparation programs, premarital counseling, marital inventories, skills-based marriage education, financial planning seminars, including improving a family’s ability to effectively manage family business affairs by means such as education, counseling, or mentoring on matters related to family finances, including household management, budgeting, banking, and handling of financial transactions and home maintenance, and divorce education and reduction programs, including mediation and counseling.

(II) Activities to promote responsible parenting through activities such as counseling, mentoring, and mediation, disseminating information about good parenting practices, skills-based parenting education, encouraging child support payments, and other methods.

(III) Activities to foster economic stability by helping fathers improve their relationship skills, and budgeting.

(iii) Healthy marriage promotion activities

In clause (ii), the term “healthy marriage promotion activities” means the following:

(I) Public advertising campaigns on the value of marriage and the skills needed to increase marital stability and health.

(II) Education in high schools on the value of marriage, relationship skills, and budgeting.

(III) Marriage education, marriage skills, and relationship skills programs, that may include parenting skills, financial management, conflict resolution, and job and career advancement.

(IV) Pre-marital education and marriage skills training for engaged couples and for couples or individuals interested in marriage.

(V) Marriage enhancement and marriage skills training programs for married couples.

(VI) Divorce reduction programs that teach relationship skills.

(VII) Marriage mentoring programs which use married couples as role models and mentors in at-risk communities.

(VIII) Programs to reduce the disincentives to marriage in means-tested aid programs, if offered in conjunction with any activity described in this subparagraph.
economic status by providing activities such as work first services, job search, job training, subsidized employment, job retention, job enhancement, and encouraging education, including career-advancing education, dissemination of employment materials, coordination with existing employment services such as welfare-to-work programs, referrals to local employment training initiatives, and other methods.

(IV) Activities to promote responsible fatherhood that are conducted through a contract with a nationally recognized, nonprofit fatherhood promotion organization, such as the development, promotion, and distribution of a media campaign to encourage the appropriate involvement of parents in the life of any child and specifically the issue of responsible fatherhood, and the development of a national clearinghouse to assist States and communities in efforts to promote and support marriage and responsible fatherhood.

(D) Appropriation

Out of any money in the Treasury of the United States not otherwise appropriated, there are appropriated for each of fiscal years 2017 and 2018 for expenditure in accordance with this paragraph—

(i) $75,000,000 for awarding funds for the purpose of carrying out healthy marriage promotion activities; and

(ii) $75,000,000 for awarding funds for the purpose of carrying out activities promoting responsible fatherhood.

If the Secretary makes an award under subparagraph (B)(i) for fiscal year 2017 or 2018, the funds for such award shall be taken in equal portion from the amounts appropriated under clauses (i) and (ii).

(E) Preference

In awarding funds under this paragraph for fiscal year 2011, the Secretary shall give preference to entities that were awarded funds under this paragraph for any prior fiscal year and that have demonstrated the ability to successfully carry out the programs funded under this paragraph.

(3) Supplemental grant for population increases in certain States

(A) In general

Each qualifying State shall, subject to subparagraph (F), be entitled to receive from the Secretary—

(i) for fiscal year 1998 a grant in an amount equal to 2.5 percent of the total amount required to be paid to the State under former section 605 of this title (as in effect during fiscal year 1994) for fiscal year 1994; and

(ii) for each of fiscal years 1999, 2000, and 2001, a grant in an amount equal to the sum of—

(I) the amount (if any) required to be paid to the State under this paragraph for the immediately preceding fiscal year; and

(II) 2.5 percent of the sum of—

(aa) the total amount required to be paid to the State under former section 605 of this title (as in effect during fiscal year 1994) for fiscal year 1994; and

(bb) the amount (if any) required to be paid to the State under this paragraph for the fiscal year preceding the fiscal year for which the grant is to be made.

(B) Preservation of grant without increases for States failing to remain qualifying States

Each State that is not a qualifying State for a fiscal year specified in subparagraph (A)(ii) but was a qualifying State for a prior fiscal year shall, subject to subparagraph (F), be entitled to receive from the Secretary for the specified fiscal year, a grant in an amount equal to the amount required to be paid to the State under this paragraph for the most recent fiscal year for which the State was a qualifying State.

(C) Qualifying State

(i) In general

For purposes of this paragraph, a State is a qualifying State for a fiscal year if—

(I) the level of welfare spending per poor person by the State for the immediately preceding fiscal year is less than the national average level of State welfare spending per poor person for such preceding fiscal year; and

(II) the population growth rate of the State (as determined by the Bureau of the Census) for the most recent fiscal year for which information is available exceeds the average population growth rate for all States (as so determined) for such most recent fiscal year.

(ii) State must qualify in fiscal year 1998

Notwithstanding clause (i), a State shall not be a qualifying State for any fiscal year after 1998 by reason of clause (i) if the State is not a qualifying State for fiscal year 1998 by reason of clause (i).

(iii) Certain States deemed qualifying States

For purposes of this paragraph, a State is deemed to be a qualifying State for fiscal years 1998, 1999, 2000, and 2001 if—

(I) the level of welfare spending per poor person by the State for fiscal year 1994 is less than 35 percent of the national average level of State welfare spending per poor person for fiscal year 1994; or

(II) the population of the State increased by more than 10 percent from April 1, 1990 to July 1, 1994, according to the population estimates in publication CB94–204 of the Bureau of the Census.

(D) Definitions

As used in this paragraph:

(i) Level of welfare spending per poor person

The term “level of State welfare spending per poor person” means, with respect to a State and a fiscal year—
(I) the sum of—
   (aa) the total amount required to be paid to the State under former section 603 of this title (as in effect during fiscal year 1994) for fiscal year 1994; and
   (bb) the amount (if any) paid to the State under this paragraph for the immediately preceding fiscal year; divided by
   (II) the number of individuals, according to the 1990 decennial census, who were residents of the State and whose income was below the poverty line.

(ii) National average level of State welfare spending per poor person
The term “national average level of State welfare spending per poor person” means, with respect to a fiscal year, an amount equal to—
(I) the total amount required to be paid to the States under former section 603 of this title (as in effect during fiscal year 1994) for fiscal year 1994; divided by
(II) the number of individuals, according to the 1990 decennial census, who were residents of any State and whose income was below the poverty line.

(iii) State
The term “State” means each of the 50 States of the United States and the District of Columbia.

(E) Appropriation
Out of any money in the Treasury of the United States not otherwise appropriated, there are appropriated for fiscal years 1998, 1999, 2000, and 2001 such sums as are necessary for grants under this paragraph, in a total amount not to exceed $800,000,000.

(F) Grants reduced pro rata if insufficient appropriations
If the amount appropriated pursuant to this paragraph for a fiscal year (or portion of a fiscal year) is less than the total amount of payments otherwise required to be made under this paragraph for the fiscal year (or portion of the fiscal year), then the amount otherwise payable to any State for the fiscal year (or portion of the fiscal year) under this paragraph shall be reduced by a percentage equal to the amount so appropriated divided by such total amount.

(G) Budget scoring
Notwithstanding section 907(b)(2) of title 2, the baseline shall assume that no grant shall be made under this paragraph after fiscal year 2001.

(H) Reauthorization
Notwithstanding any other provision of this paragraph—
(I) any State that was a qualifying State under this paragraph for fiscal year 2001 or any prior fiscal year shall be entitled to receive from the Secretary for each of fiscal years 2002 and 2003 a grant in an amount equal to the amount required to be paid to the State under this paragraph for the most recent fiscal year in which the State was a qualifying State;

(ii) subparagraph (G) shall be applied as if “fiscal year 2011” were substituted for “fiscal year 2001”;

(iii) out of any money in the Treasury of the United States not otherwise appropriated, there are appropriated for each of fiscal years 2002 and 2003 such sums as are necessary for grants under this subparagraph.

(4) Bonus to reward high performance States

(A) In general
The Secretary shall make a grant pursuant to this paragraph to each State for each bonus year for which the State is a high performing State.

(B) Amount of grant
(i) In general
Subject to clause (ii) of this subparagraph, the Secretary shall determine the amount of the grant payable under this paragraph to a high performing State for a bonus year, which shall be based on the score assigned to the State under subparagraph (D)(i) for the fiscal year that immediately precedes the bonus year.

(ii) Limitation
The amount payable to a State under this paragraph for a bonus year shall not exceed 5 percent of the State family assistance grant.

(C) Formula for measuring State performance
Not later than 1 year after August 22, 1996, the Secretary, in consultation with the National Governors’ Association and the American Public Welfare Association, shall develop a formula for measuring State performance in operating the State program funded under this part so as to achieve the goals set forth in section 601(a) of this title.

(D) Scoring of State performance; setting of performance thresholds
For each bonus year, the Secretary shall—
(i) use the formula developed under subparagraph (C) to assign a score to each eligible State for the fiscal year that immediately precedes the bonus year; and
(ii) prescribe a performance threshold in such a manner so as to ensure that—
(I) the average annual total amount of grants to be made under this paragraph for each bonus year equals $200,000,000; and
(II) the total amount of grants to be made under this paragraph for all bonus years equals $1,000,000,000.

(E) Definitions
As used in this paragraph:
(i) Bonus year

(ii) High performing State
The term “high performing State” means, with respect to a bonus year, an el-
igible State whose score assigned pursuant to subparagraph (D)(i) for the fiscal year immediately preceding the bonus year equals or exceeds the performance threshold prescribed under subparagraph (D)(i) for such preceding fiscal year.

(F) Appropriation

Out of any money in the Treasury of the United States not otherwise appropriated, there are appropriated for fiscal years 1999 through 2003 $1,000,000,000 for grants under this paragraph.

(5) Welfare-to-work grants

(A) Formula grants

(i) Entitlement

A State shall be entitled to receive from the Secretary of Labor a grant for each fiscal year specified in subparagraph (H) of this paragraph for which the State is a welfare-to-work State, in an amount that does not exceed the lesser of—

(I) 2 times the total of the expenditures by the State (excluding qualified State expenditures (as defined in section 609(a)(7)(B)(i) of this title) and any expenditure described in subclause (I), (II), or (IV) of section 609(a)(7)(B)(iv) of this title) during the period permitted under subparagraph (C)(vii) of this paragraph for the expenditure of funds under the grant for activities described in subparagraph (C)(i) of this paragraph for which the State is a welfare-to-work State, or

(ii) Welfare-to-work State

A State shall be considered a welfare-to-work State for a fiscal year for purposes of this paragraph if the Secretary of Labor determines that the State meets the following requirements:

(I) The State has submitted to the Secretary of Labor an estimate of the amount that the State intends to expend during the period permitted under subparagraph (C)(vii) of this paragraph for the expenditure of funds under the grant (excluding expenditures described in section 609(a)(7)(B)(iv) of this title (other than subclause (III) thereof)) pursuant to this paragraph.

(II) The State has provided to the Secretary of Labor an estimate of the amount of historic State expenditures (within the meaning of section 609(a)(7) of this title) with respect to the substance and funding of any evaluation under section 613(j) of this title, and to cooperate with the conduct of any such evaluation.

(IV) The State is an eligible State for the fiscal year.

(V) The State certifies that qualified State expenditures (within the meaning of section 609(a)(7) of this title) for the fiscal year will be not less than the applicable percentage of historic State expenditures (within the meaning of section 609(a)(7) of this title) with respect to the fiscal year.

(ii) Allotments to welfare-to-work States

(1) In general

Subject to this clause, the allotment of a welfare-to-work State for a fiscal year shall be the available amount for the fiscal year, multiplied by the State percentage for the fiscal year.

(II) Minimum allotment

The allotment of a welfare-to-work State (other than Guam, the Virgin Islands, or American Samoa) for a fiscal year shall not be less than 0.25 percent of the available amount for the fiscal year.

II See References in Text note below.
(III) Pro rata reduction

Subject to subparagraph (II), the Secretary of Labor shall make pro rata reductions in the allotments to States under this clause for a fiscal year as necessary to ensure that the total of the allotments does not exceed the available amount for the fiscal year.

(iv) Available amount

As used in this subparagraph, the term "available amount" means, for a fiscal year, the sum of—

(I) 75 percent of the sum of—

(aa) the amount specified in subparagraph (H) for the fiscal year, minus the total of the amounts reserved pursuant to subparagraphs (E), (F), and (G) for the fiscal year; and

(bb) any amount reserved pursuant to subparagraph (E) for the immediately preceding fiscal year that has not been obligated; and

(II) any available amount for the immediately preceding fiscal year that has not been obligated by a State, other than funds reserved by the State for distribution under clause (vi)(III) and funds distributed pursuant to clause (vi)(I) in any State in which the service delivery area is the State.

(v) State percentage

As used in clause (iii), the term "State percentage" means, with respect to a fiscal year, the sum of—

(I) the percentage represented by the number of individuals in the State whose income is less than the poverty line divided by the number of such individuals in the United States; and

(II) the percentage represented by the number of adults who are recipients of assistance under the State program funded under this part divided by the number of adults who are recipients of assistance under the State program funded under this part.

(vi) Procedure for distribution of funds within States

(I) Allocation formula

A State to which a grant is made under this subparagraph shall devise a formula for allocating not less than 85 percent of the amount of the grant among the service delivery areas in the State, which—

(aa) determines the amount to be allocated for the benefit of a service delivery area in proportion to the number of adults residing in the area who have been recipients of assistance under the State program funded under this part (whether in effect before or after the amendments made by section 103(a) of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 first applied to the State) for at least 30 months (whether or not consecutive) relative to the number of such adults residing in the State; and

(bb) may determine the amount to be allocated for the benefit of such an area in proportion to the number of adults residing in the area who have been recipients of assistance under the State program funded under this part (whether in effect before or after the amendments made by section 103(a) of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 first applied to the State) for at least 30 months (whether or not consecutive) relative to the number of such adults residing in the State.

(II) Distribution of funds

(aa) In general

If the amount allocated by the formula to a service delivery area is at least $100,000, the State shall distribute the amount to the entity administering the grant in the area.

(bb) Special rule

If the amount allocated by the formula to a service delivery area is less than $100,000, the sum shall be available for distribution in the State under subclause (III) during the fiscal year.

(III) Projects to help long-term recipients of assistance enter unsubsidized jobs

The Governor of a State to which a grant is made under this subparagraph may distribute not more than 15 percent of the grant funds (plus any amount required to be distributed under this subclause by reason of subclause (II)(bb)) to projects that appear likely to help long-term recipients of assistance under the State program funded under this part (whether in effect before or after the amendments made by section 103(a) of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 first applied to the State) enter unsubsidized employment.

(vii) Administration

(I) Private industry councils

The private industry council for a service delivery area in a State shall have sole authority, in coordination with the chief elected official (as defined in section 3 of the Workforce Innovation and Opportunity Act [29 U.S.C. 3102]) of the area, to expend the amounts distributed under clause (vi)(II)(aa) for the benefit of the service delivery area in accordance with the assurances described in clause (ii)(I)(dd) provided by the Governor of the State.

(II) Enforcement of coordination of expenditures with other expenditures under this part

Notwithstanding subclause (I) of this clause, on a determination by the Gov-
So in original. The period probably should be a semicolon.

(B) Competitive grants

(iii) Determination of grant amount

In determining the amount of a grant to be made under this subparagraph for a project proposed by an applicant, the Secretary of Labor shall provide the applicant with an amount sufficient to ensure that the project has a reasonable opportunity to be successful, taking into account the number of long-term recipients of assistance under a State program funded under this part, the level of unemployment, the job opportunities and job growth, the poverty rate, and such other factors as the Secretary of Labor deems appropriate, in the area to be served by the project.

(iv) Consideration of needs of rural areas and cities with large concentrations of poverty

In making grants under this subparagraph, the Secretary of Labor shall consider the needs of rural areas and cities with large concentrations of residents with an income that is less than the poverty line.

(v) Funding

For grants under this subparagraph for each fiscal year specified in subparagraph (H), there shall be available to the Secretary of Labor an amount equal to the sum of—

(I) 25 percent of the sum of—

(aa) the amount specified in subparagraph (H) for the fiscal year, minus the

(aa) the amount specified in subparagraph (H) for the fiscal year, minus the
total of the amounts reserved pursuant to subparagraphs (E), (F), and (G) for the fiscal year; and

(bb) any amount reserved pursuant to subparagraph (E) for the immediately preceding fiscal year that has not been obligated; and

(ii) any amount available for grants under this subparagraph for the immediately preceding fiscal year that has not been obligated.

(C) Limitations on use of funds

(i) Allowable activities

An entity to which funds are provided under this paragraph shall use the funds to move individuals into and keep individuals in lasting unsubsidized employment by means of any of the following:

(I) The conduct and administration of community service or work experience programs.

(II) Job creation through public or private sector employment wage subsidies.

(III) On-the-job training.

(IV) Contracts with public or private providers of readiness, placement, and post-employment services, or if the entity is not a private industry council or workforce investment board, the direct provision of such services.

(V) Job vouchers for placement, readiness, and postemployment services.

(VI) Job retention or support services if such services are not otherwise available.

(VII) Not more than 6 months of vocational educational or job training.

Contracts or vouchers for job placement services supported by such funds must require that at least ½ of the payment occur after an eligible individual placed into the workforce has been in the workforce for 6 months.

(ii) General eligibility

An entity that operates a project with funds provided under this paragraph may expend funds provided to the project for the benefit of recipients of assistance under the program funded under this part of the State in which the entity is located who—

(I) has received assistance under the State program funded under this part (whether in effect before or after the amendments made by section 103 of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 first apply to the State) for at least 30 months (whether or not consecutive); or

(II) within 12 months, will become ineligible for assistance under the State program funded under this part by reason of a durational limit on such assistance, without regard to any exemption provided pursuant to section 608(a)(7)(C) of this title that may apply to the individual.

(iii) Noncustodial parents

An entity that operates a project with funds provided under this paragraph may use the funds to provide services in a form described in clause (i) to noncustodial parents with respect to whom the requirements of the following subclauses are met:

(I) The noncustodial parent is employed, underemployed, or having difficulty in paying child support obligations.

(II) At least 1 of the following applies to a minor child of the noncustodial parent (with preference in the determination of the noncustodial parents to be provided services under this paragraph to be provided by the entity to those noncustodial parents with minor children who meet, or who have custodial parents who meet, the requirements of item (aa)):

(aa) The minor child or the custodial parent of the minor child meets the requirements of subclause (I) or (II) of clause (ii).

(bb) The minor child is eligible for, or is receiving, benefits under the program funded under this part.

(cc) The minor child received benefits under the program funded under this part in the 12-month period preceding the date of the determination but no longer receives such benefits.

(dd) The minor child is eligible for, or is receiving, assistance under the Food and Nutrition Act of 2008 [7 U.S.C. 2011 et seq.], benefits under the supplemental security income program under subchapter XVI of this chapter, medical assistance under subchapter XIX of this chapter, or child health assistance under subchapter XXI of this chapter.

(III) In the case of a noncustodial parent who becomes enrolled in the project on or after November 29, 1999, the noncustodial parent is in compliance with the terms of an oral or written personal responsibility contract entered into among the noncustodial parent, the entity, and (unless the entity demonstrates to the Secretary that the entity is not capable of coordinating with such agency) the agency responsible for administering the State plan under part D, which was developed taking into account the employment and child support status of the noncustodial parent, which was entered into not later than 30 (or, at the option of the entity, not later than 90) days after the noncustodial parent was enrolled in the project, and which, at a minimum, includes the following:

(aa) A commitment by the noncustodial parent to cooperate, at the earliest opportunity, in the establishment of the paternity of the minor child, through voluntary acknowledgement or other procedures, and in the establishment of a child support order.

(bb) A commitment by the noncustodial parent to cooperate in the payment of child support for the minor child, which may include a modifica-
tion of an existing support order to take into account the ability of the noncustodial parent to pay such support and the participation of such parent in the project.

(c) A commitment by the noncustodial parent to participate in employment or related activities that will enable the noncustodial parent to make regular child support payments, and if the noncustodial parent has not attained 20 years of age, such related activities may include completion of high school, a general equivalency degree, or other education directly related to employment.

(d) A description of the services to be provided under this paragraph, and a commitment by the noncustodial parent to participate in such services, that are designed to assist the noncustodial parent obtain and retain employment, increase earnings, and enhance the financial and emotional contributions to the well-being of the minor child.

In order to protect custodial parents and children who may be at risk of domestic violence, the preceding provisions of this subclause shall not be construed to affect any other provision of law requiring a custodial parent to cooperate in establishing the paternity of a child or establishing or enforcing a support order with respect to a child, or entitling a custodial parent to refuse, for good cause, to provide such cooperation as a condition of assistance or benefit under any program, shall not be construed to require such cooperation by the custodial parent as a condition of participation of either parent in the program authorized under this paragraph, and shall not be construed to require a custodial parent to cooperate with or participate in any activity under this clause. The entity operating a project under this clause with funds provided under this paragraph shall consult with domestic violence prevention and intervention organizations in the development of the project.

(iv) Targeting of hard to employ individuals with long-term welfare dependence

An entity that operates a project with funds provided under this paragraph may expend not more than 30 percent of all funds provided to the project for programs that provide assistance in a form described in clause (i)—

(I) to recipients of assistance under the program funded under this part of the State in which the entity is located who have characteristics associated with long-term welfare dependence (such as school dropout, teen pregnancy, or poor work history), including, at the option of the State, by providing assistance in such form as a condition of receiving assistance under the State program funded under this part;

(II) to children—

(aa) who have attained 18 years of age but not 25 years of age; and

(bb) who, before attaining 18 years of age, were recipients of foster care maintenance payments (as defined in section 675(4) of this title) under part E or were in foster care under the responsibility of a State;

(III) to recipients of assistance under the State program funded under this part, determined to have significant barriers to self-sufficiency, pursuant to criteria established by the local private industry council; or

(IV) to custodial parents with incomes below 100 percent of the poverty line (as defined in section 902(2) of this title, including any revision required by such section, applicable to a family of the size involved).

To the extent that the entity does not expend such funds in accordance with the preceding sentence, the entity shall expend such funds in accordance with clauses (ii) and (iii) and, as appropriate, clause (v).

(v) Authority to provide work-related services to individuals who have reached the 5-year limit

An entity that operates a project with funds provided under this paragraph may use the funds to provide assistance in a form described in clause (i) of this subparagraph to, or for the benefit of, individuals who (but for section 608(a)(7) of this title) would be eligible for assistance under the program funded under this part of the State in which the entity is located.

(vi) Relationship to other provisions of this part

(I) Rules governing use of funds

The rules of section 604 of this title, other than subsections (b), (f), and (h) of section 604 of this title, shall not apply to a grant made under this paragraph.

(II) Rules governing payments to States

The Secretary of Labor shall carry out the functions otherwise assigned by section 605 of this title to the Secretary of Health and Human Services with respect to the grants payable under this paragraph.

(III) Administration

Section 616 of this title shall not apply to the programs under this paragraph.

(vii) Prohibition against use of grant funds for any other fund matching requirement

An entity to which funds are provided under this paragraph shall not use any part of the funds, nor any part of State expenditures made to match the funds, to fulfill any obligation of any State, political subdivision, or private industry council to contribute funds under subsection (b) or section 618 of this title or any other provision of this chapter or other Federal law.
(viii) Deadline for expenditure
An entity to which funds are provided under this paragraph shall remit to the Secretary of Labor any part of the funds that are not expended within 5 years after the date the funds are so provided.

(ix) Regulations
Within 90 days after August 5, 1997, the Secretary of Labor, after consultation with the Secretary of Health and Human Services and the Secretary of Housing and Urban Development, shall prescribe such regulations as may be necessary to implement this paragraph.

(x) Reporting requirements
The Secretary of Labor, in consultation with the Secretary of Health and Human Services, States, and organizations that represent State or local governments, shall establish requirements for the collection and maintenance of financial and participant information and the reporting of such information by entities carrying out activities under this paragraph.

(D) Definitions
(i) Individuals with income less than the poverty line
For purposes of this paragraph, the number of individuals with an income that is less than the poverty line shall be determined for a fiscal year—
(I) based on the methodology used by the Bureau of the Census to produce and publish intercensal poverty data for States and counties (or, in the case of Puerto Rico, the Virgin Islands, Guam, and American Samoa, other poverty data selected by the Secretary of Labor); and
(II) using data for the most recent year for which such data is available before the beginning of the fiscal year.

(ii) Private industry council
As used in this paragraph, the term “private industry council” means, with respect to a service delivery area, the private industry council or local workforce development board established for the local workforce development area pursuant to title I of the Workforce Innovation and Opportunity Act [29 U.S.C. 3111 et seq.], as appropriate.

(iii) Service delivery area
As used in this paragraph, the term “service delivery area” shall have the meaning given such term for purposes of the Job Training Partnership Act or.

(E) Funding for Indian tribes
1 percent of the amount specified in subparagraph (H) for fiscal year 1998 and $15,000,000 of the amount so specified for fiscal year 1999 shall be reserved for grants to Indian tribes under section 612(a)(3) of this title.

(F) Funding for evaluations of welfare-to-work programs
0.6 percent of the amount specified in subparagraph (H) for fiscal year 1998 and $9,000,000 of the amount so specified for fiscal year 1999 shall be reserved for use by the Secretary to carry out section 613(j) of this title.

(G) Funding for evaluation of abstinence education programs
(i) In general
0.2 percent of the amount specified in subparagraph (H) for fiscal year 1998 and $3,000,000 of the amount so specified for fiscal year 1999 shall be reserved for use by the Secretary to evaluate programs under section 710 of this title, directly or through grants, contracts, or interagency agreements.

(ii) Authority to use funds for evaluations of welfare-to-work programs
Any such amount not required for such evaluations shall be available for use by the Secretary to carry out section 613(j) of this title.

(iii) Deadline for outlays
Outlays from funds used pursuant to clause (i) for evaluation of programs under section 710 of this title shall not be made after fiscal year 2005.

(iv) Interim report
Not later than January 1, 2002, the Secretary shall submit to the Congress an interim report on the evaluations referred to in clause (i).

(H) Appropriations
(i) In general
Out of any money in the Treasury of the United States not otherwise appropriated, there are appropriated for grants under this paragraph—
(I) $1,500,000,000 for fiscal year 1998; and
(II) $1,400,000,000 for fiscal year 1999.

(ii) Availability
The amounts made available pursuant to clause (i) shall remain available for such period as is necessary to make the grants provided for in this paragraph.

(I) Worker protections

(i) Nondisplacement in work activities
(1) General prohibition
Subject to this clause, an adult in a family receiving assistance attributable to funds provided under this paragraph may fill a vacant employment position in order to engage in a work activity.

(2) Prohibition against violation of contracts
A work activity engaged in under a program operated with funds provided under this paragraph shall not violate an existing contract for services or a collective bargaining agreement, and such a work activity that would violate a col-
selective bargaining agreement shall not be undertaken without the written concurrence of the labor organization and employer concerned.

(III) Other prohibitions
An adult participant in a work activity engaged in under a program operated with funds provided under this paragraph shall not be employed or assigned—

(aa) when any other individual is on layoff from the same or any substantially equivalent job;

(bb) if the employer has terminated the employment of any regular employee or otherwise caused an involuntary reduction in its workforce with the intention of filling the vacancy so created with the participant; or

(cc) if the employer has caused an involuntary reduction to less than full time in hours of any employee in the same or a substantially equivalent job.

(ii) Health and safety
Health and safety standards established under Federal and State law otherwise applicable to working conditions of employees shall be equally applicable to working conditions of employees engaged in work activities under a program operated with funds provided under this paragraph.

(iii) Nondiscrimination
In addition to the protections provided under the provisions of law specified in section 608(c) of this title, an individual may not be discriminated against by reason of gender with respect to participation in work activities engaged in under a program operated with funds provided under this paragraph.

(iv) Grievance procedure
(I) In general
Each State to which a grant is made under this paragraph shall establish and maintain a procedure for grievances or complaints from employees alleging violations of clause (i) and participants in work activities alleging violations of clause (i), (ii), or (iii).

(II) Hearing
The procedure shall include an opportunity for a hearing.

(III) Remedies
The procedure shall include remedies for violation of clause (i), (ii), or (iii), which may continue during the pendency of the procedure, and which may include—

(aa) suspension or termination of payments from funds provided under this paragraph;

(bb) prohibition of placement of a participant with an employer that has violated clause (i), (ii), or (iii); and

(cc) where applicable, reinstatement of an employee, payment of lost wages and benefits, and reestablishment of other relevant terms, conditions and privileges of employment; and

(dd) where appropriate, other equitable relief.

(IV) Appeals
(aa) Filing
Not later than 30 days after a grievant or complainant receives an adverse decision under the procedure established pursuant to subclause (I), the grievant or complainant may appeal the decision to a State agency designated by the State which shall be independent of the State or local agency that is administering the programs operated with funds provided under this paragraph and the State agency administering, or supervising the administration of, the State program funded under this part.

(bb) Final determination
Not later than 120 days after the State agency designated under item (aa) receives a grievance or complaint made under the procedure established by a State pursuant to subclause (I), the State agency shall make a final determination on the appeal.

(v) Rule of interpretation
This subparagraph shall not be construed to affect the authority of a State to provide or require workers’ compensation.

(vi) Nonpreemption of State law
The provisions of this subparagraph shall not be construed to preempt any provision of State law that affords greater protections to employees or to other participants engaged in work activities under a program funded under this part than is afforded by such provisions of this subparagraph.

(J) Information disclosure
If a State to which a grant is made under this section establishes safeguards against the use or disclosure of information about applicants or recipients of assistance under the State program funded under this part, the safeguards shall not prevent the State agency administering the program from furnishing to a private industry council the names, addresses, telephone numbers, and identifying case number information in the State program funded under this part, of noncustodial parents residing in the service delivery area of the private industry council, for the purpose of identifying and contacting noncustodial parents regarding participation in the program under this paragraph.

(b) Contingency Fund
(1) Establishment
There is hereby established in the Treasury of the United States a fund which shall be known as the “Contingency Fund for State Welfare Programs” (in this section referred to as the “Fund”).

(2) Deposits into fund
Out of any money in the Treasury of the United States not otherwise appropriated,
there are appropriated for fiscal year 2018 such sums as are necessary for payment to the Fund in a total amount not to exceed $608,000,000.

(3) Grants

(A) Provisional payments

If an eligible State submits to the Secretary a request for funds under this paragraph during an eligible month, the Secretary shall, subject to this paragraph, pay to the State, from amounts appropriated pursuant to paragraph (2), an amount equal to the amount of funds so requested.

(B) Payment priority

The Secretary shall make payments under subparagraph (A) in the order in which the Secretary receives requests for such payments.

(C) Limitations

(i) Monthly payment to a State

The total amount paid to a single State under subparagraph (A) during a month shall not exceed \( \frac{1}{12} \) of 20 percent of the State family assistance grant.

(ii) Payments to all States

The total amount paid to all States under subparagraph (A) during fiscal year 2011 and 2012, respectively, shall not exceed the total amount appropriated pursuant to paragraph (2) for each such fiscal year.

(4) “Eligible month” defined

As used in paragraph (3)(A), the term “eligible month” means, with respect to a State and a fiscal year—

(A) the average rate of—

(i) total unemployment in such State (seasonally adjusted) for the period consisting of the most recent 3 months for which data for all States are published equals or exceeds 6.5 percent; and

(ii) total unemployment in such State (seasonally adjusted) for the 3-month period equals or exceeds 110 percent of such average rate for either (or both) of the corresponding 3-month periods ending in the 2 preceding calendar years; or

(B) as determined by the Secretary of Agriculture (in the discretion of the Secretary of Agriculture), the monthly average number of individuals (as of the last day of each month) participating in the supplemental nutrition assistance program in the State in the most recently concluded 3-month period for which data are available exceeds by not less than 10 percent the lesser of—

(i) the monthly average number of individuals (as of the last day of each month) in the State that would have participated in the supplemental nutrition assistance program in the corresponding 3-month period in fiscal year 1994 if the amendments made by titles IV and VIII of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 had been in effect throughout fiscal year 1994; or

(ii) the monthly average number of individuals (as of the last day of each month) in the State that would have participated in the supplemental nutrition assistance program in the corresponding 3-month period in fiscal year 1995 if the amendments made by titles IV and VIII of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 had been in effect throughout fiscal year 1995.

(5) Needy State

For purposes of paragraph (4), a State is a needy State for a month if—

(A) the average rate of—

(i) total unemployment in such State (seasonally adjusted) for the period consisting of the most recent 3 months for which data for all States are published equals or exceeds 6.5 percent; and

(ii) total unemployment in such State (seasonally adjusted) for the 3-month period equals or exceeds 110 percent of such average rate for either (or both) of the corresponding 3-month periods ending in the 2 preceding calendar years; or

(B) as determined by the Secretary of Agriculture (in the discretion of the Secretary of Agriculture), the monthly average number of individuals (as of the last day of each month) participating in the supplemental nutrition assistance program in the State in the most recently concluded 3-month period for which data are available exceeds by not less than 10 percent the lesser of—

(i) the monthly average number of individuals (as of the last day of each month) in the State that would have participated in the supplemental nutrition assistance program in the corresponding 3-month period in fiscal year 1994 if the amendments made by titles IV [8 U.S.C. 1601 et seq.] and VIII of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 had been in effect throughout fiscal year 1994; or

(ii) the monthly average number of individuals (as of the last day of each month) in the State that would have participated in the supplemental nutrition assistance program in the corresponding 3-month period in fiscal year 1995 if the amendments made by titles IV and VIII of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 had been in effect throughout fiscal year 1995.

(6) Annual reconciliation

(A) In general

Notwithstanding paragraph (3), if the Secretary makes a payment to a State under this subsection in a fiscal year, then the State shall remit to the Secretary, within 1 year after the end of the first subsequent period of 3 consecutive months for which the State is not a needy State, an amount equal to the amount (if any) by which—

(i) the total amount paid to the State under paragraph (3) of this subsection in the fiscal year; exceeds

(ii) the product of—

(I) the Federal medical assistance percentage for the State (as defined in section 1396d(b) of this title, as such section was in effect on September 30, 1995);

(II) the State’s reimbursable expenditures for the fiscal year; and

(III) \( \frac{1}{12} \) times the number of months during the fiscal year for which the Secretary made a payment to the State under such paragraph (3).

(B) Definitions

As used in subparagraph (A):

(i) Reimbursable expenditures

The term “reimbursable expenditures” means, with respect to a State and a fiscal year, the amount (if any) by which—

(I) countable State expenditures for the fiscal year; exceeds

(II) historic State expenditures (as defined in section 609(a)(7)(B)(iii) of this title), excluding any amount expended by the State for child care under subsection (g) or (i) of section 602 of this title (as in effect during fiscal year 1994) for fiscal year 1994.

(ii) Countable State expenditures

The term “countable expenditures” means, with respect to a State and a fiscal year—

(I) the qualified State expenditures (as defined in section 609(a)(7)(B)(ii) of this title (other than the expenditures described in subclause (I)(bb) of such section)) under the State program funded under this part for the fiscal year; plus

(II) any amount paid to the State under paragraph (3) during the fiscal year that is expended by the State under the State program funded under this part.
Page 1941

TITLE 42—THE PUBLIC HEALTH AND WELFARE

(C) Adjustment of State remittances
(i) In general
The amount otherwise required by subparagraph (A) to be remitted by a State for
a fiscal year shall be increased by the lesser of—
(I) the total adjustment for the fiscal
year, multiplied by the adjustment percentage for the State for the fiscal year;
or
(II) the unadjusted net payment to the
State for the fiscal year.
(ii) Total adjustment
As used in clause (i), the term ‘‘total adjustment’’ means—
(I) in the case of fiscal year 1998,
$2,000,000;
(II) in the case of fiscal year 1999,
$9,000,000;
(III) in the case of fiscal year 2000,
$16,000,000; and
(IV) in the case of fiscal year 2001,
$13,000,000.
(iii) Adjustment percentage
As used in clause (i), the term ‘‘adjustment percentage’’ means, with respect to a
State and a fiscal year—
(I) the unadjusted net payment to the
State for the fiscal year; divided by
(II) the sum of the unadjusted net payments to all States for the fiscal year.
(iv) Unadjusted net payment
As used in this subparagraph, the term,
‘‘unadjusted net payment’’ means with respect to a State and a fiscal year—
(I) the total amount paid to the State
under paragraph (3) in the fiscal year;
minus
(II) the amount that, in the absence of
this subparagraph, would be required by
subparagraph (A) or by section 609(a)(10)
of this title to be remitted by the State
in respect of the payment.
(7) ‘‘State’’ defined
As used in this subsection, the term ‘‘State’’
means each of the 50 States and the District of
Columbia.
(8) Annual reports
The Secretary shall annually report to the
Congress on the status of the Fund.
(Aug. 14, 1935, ch. 531, title IV, § 403, as added
110 Stat. 2115; amended Pub. L. 104–327, § 1(b),
577, 606, 620; Pub. L. 105–78, title VI, § 608, Nov. 13,
1997, 111 Stat. 1522; Pub. L. 105–89, title IV,
§ 404(a), (b), Nov. 19, 1997, 111 Stat. 2134; Pub. L.
106–113, div. B, § 1000(a)(4) [title VIII, §§ 801(a),
(b)(1), (c), 802, 803, 804(b), 805(a)(2), (b), 806], Nov.
29, 1999, 113 Stat. 1535, 1501A–280, 1501A–281,
1501A–283 to 1501A–286; Pub. L. 106–246, div. B,

§ 603

title II, § 2402, July 13, 2000, 114 Stat. 555; Pub. L.
106–554, § 1(a)(1) [title I, §§ 103, 107(a)–(b)(4), (c),
title V, § 513], Dec. 21, 2000, 114 Stat. 2763,
2763A–11, 2763A–12, 2763A–71; Pub. L. 107–147, title
108–40, § 3(a), (c)–(e), June 30, 2003, 117 Stat. 836,
837; Pub. L. 108–89, title I, § 101(b)(1), (2), Oct. 1,
2003, 117 Stat. 1131; Pub. L. 108–210, § 2(b), Mar. 31,
2004, 118 Stat. 564; Pub. L. 108–262, § 2(b), June 30,
July 1, 2005, 119 Stat. 344; Pub. L. 109–68,
8, 2006, 120 Stat. 135, 138; Pub. L. 110–234, title IV,
1095–1097; Pub. L. 110–246, § 4(a), title IV,
§ 4002(b)(1)(A), (B), (2)(V), June 18, 2008, 122 Stat.
1664, 1857, 1858; Pub. L. 110–275, title III, § 301(b),
446, 449; Pub. L. 111–242, § 131(b)(1), (2), Sept. 30,
2010, 124 Stat. 2612; Pub. L. 111–291, title VIII,
§ 811(b)–(d), Dec. 8, 2010, 124 Stat. 3159; Pub. L.
112–96, title IV, § 4002(a), (b), Feb. 22, 2012, 126
Stat. 194, 195; Pub. L. 112–275, § 9(a), Jan. 14, 2013,
126 Stat. 2465; Pub. L. 113–128, title V, § 512(dd)(1),
M, title I, § 102(a)(1), (2), (b), (c)(2), May 5, 2017,
131 Stat. 800, 803.)
REFERENCES IN TEXT
Section 603(a)(5)(K) of this title, referred to in subsec.
(a)(5)(A)(ii)(I)(ff),
was
redesignated
as
section
603(a)(5)(J) by Pub. L. 106–554, § 1(a)(1) [title I, § 107(a)],
Section 103 of the Personal Responsibility and Work
Opportunity Reconciliation Act of 1996, referred to in
subsec. (a)(5)(A)(vi)(I)(bb), (III), (C)(ii)(I), is section 103
of Pub. L. 104–193, which enacted this part, amended
sections 602, 603, and 1308 of this title, and repealed provisions formerly set out as this part. For complete classification of section 103 to the Code, see Tables.
The Food and Nutrition Act of 2008, referred to in
subsec. (a)(5)(C)(iii)(II)(dd), is Pub. L. 88–525, Aug. 31,
1964, 78 Stat. 703, which is classified generally to chapter 51 (§ 2011 et seq.) of Title 7, Agriculture. For complete classification of this Act to the Code, see Short
Title note set out under section 2011 of Title 7 and
Tables.
22, 2014, 128 Stat. 1425. Title I of the Act is classified
generally to subchapter I (§ 3111 et seq.) of chapter 32 of
Title 29, Labor. For complete classification of this Act
to the Code, see Short Title note set out under section
3101 of Title 29 and Tables.
1322, which was classified generally to chapter 19 (§ 1501
et seq.) of Title 29, Labor, and was repealed by Pub. L.
1059, effective July 1, 2000. Pursuant to former section
2940(b) of Title 29, references to a provision of the Job
Training Partnership Act, effective Aug. 7, 1998, were
deemed to refer to that provision or the corresponding
1, 2000, were deemed to refer to the corresponding provision of the Workforce Investment Act of 1998. The
Workforce Investment Act of 1998 was repealed by Pub.
1703, 1705, effective July 1, 2015. For complete classification of the Job Training Partnership Act and the Workforce Investment Act of 1998 to the Code, see Tables.


§ 603

TITLE 42—THE PUBLIC HEALTH AND WELFARE

The Personal Responsibility and Work Opportunity
Title IV of the Act is classified principally to chapter
14 (§ 1601 et seq.) of Title 8, Aliens and Nationality. For
complete classification of titles IV and VIII of the Act
to the Code, see Tables.
CODIFICATION
amendments to this section. The amendments by Pub.
L. 110–234 were repealed by section 4(a) of Pub. L.
110–246.
PRIOR PROVISIONS
A prior section 603, acts Aug. 14, 1935, ch. 531, title IV,
§ 403, 49 Stat. 628; Aug. 10, 1939, ch. 666, title IV, § 402, 53
992; June 14, 1948, ch. 468, § 3(b), 62 Stat. 439; Aug. 28,
1950, ch. 809, title III, pt. 2, § 322(a), pt. 6, § 361(c), (d), 64
Sept. 1, 1954, ch. 1206, title III, § 303(a), 68 Stat. 1097;
Aug. 1, 1956, ch. 836, title III, §§ 302, 312(c), 342, 351(a), 70
I, §§ 101(a)(2), (b)(2)(A)–(C), 104(a)(3)(C), 108(b), (c), 76
I, § 122, title IV, § 401(c), 79 Stat. 353, 415; Jan. 2, 1968,
Pub. L. 90–248, title II, §§ 201(c)–(e)(3), 205(b), 206(a),
207(b), 208, 241(b)(2), (3), 81 Stat. 879, 880, 892–894, 916;
Pub. L. 92–223, § 3(a)(8), (9), 85 Stat. 805; Oct. 20, 1972,
5(b), 101(c)(6)(A), 88 Stat. 2348–2350, 2360; Aug. 9, 1975,
Pub. L. 94–88, title II, § 204, 89 Stat. 435; Nov. 12, 1977,
L. 95–216, title IV, §§ 401, 402(a), 91 Stat. 1559, 1560; June
9, 1980, Pub. L. 96–265, title IV, §§ 401(g), (h), 406(a),
title XXI, §§ 2181(a)(1), 2184(b)(1), title XXIII, §§ 2307(b),
2315(b), 2317(a), 2319(a)–(c), 2353(b)(1), (d), 95 Stat. 815,
817, 848, 855–857, 872; Sept. 3, 1982, Pub. L. 97–248, title I,
§§ 154(b), 156(a)–(c), 157(a), 96 Stat. 397–399; July 18, 1984,
98–378, § 9(b), 98 Stat. 1316; Nov. 6, 1986, Pub. L. 99–603,
100–203, title IX, § 9102(c), 101 Stat. 1330–300; Oct. 13, 1988,
Pub. L. 100–485, title II, §§ 201(c), (d), 202(b)(4)–(6),
204(b)(2), title III, §§ 302(b)(2), 304(b)(2), title VI,
§§ 601(c)(1), 606, 609(a), 102 Stat. 2372, 2377, 2381, 2384, 2393,
2407, 2410, 2424; Dec. 19, 1989, Pub. L. 101–239, title VIII,
§ 8004(b), 103 Stat. 2460; Nov. 5, 1990, Pub. L. 101–508, title
103–66, title XIII, § 13741(a), 107 Stat. 663; July 27, 1995,
L. 104–193, title I, § 103(c)(2)(B), 110 Stat. 2161; June 12,
1997, Pub. L. 105–18, title II, 111 Stat. 204, related to payments to States with approved plans for aid and services to needy families with children, prior to repeal by
Pub. L. 104–193, § 103(a)(1), as amended by Pub. L. 105–33,
title V, § 5514(c), Aug. 5, 1997, 111 Stat. 620, effective
July 1, 1997.
AMENDMENTS
year 2012’’.
‘‘, reduced by the percentage specified in section
613(h)(1) of this title with respect to the fiscal year,’’
before ‘‘as the amount’’.
‘‘each of fiscal years 2017 and 2018’’ for ‘‘fiscal year
2012’’.

Page 1942

year 2012’’ in introductory provisions and ‘‘fiscal year
2017 or 2018’’ for ‘‘fiscal year 2012’’ in concluding provisions.
Subsec. (b)(2). Pub. L. 115–31, § 102(b), amended par. (2)
generally. Prior to amendment, text read as follows:
‘‘Out of any money in the Treasury of the United
States not otherwise appropriated, there are appropriated for fiscal years 2013 and 2014 such sums as are
necessary for payment to the Fund in a total amount
not to exceed $612,000,000 for each fiscal year, of which
$2,000,000 shall be reserved for carrying out the activities of the commission established by the Protect our
Kids Act of 2012 to reduce fatalities resulting from
child abuse and neglect.’’
2014—Subsec.
Pub.
L.
113–128,
§ 512(dd)(1)(A), substituted ‘‘chief elected official (as defined in section 3 of the Workforce Innovation and Opportunity Act)’’ for ‘‘chief elected official (as defined in
section 101 of the Workforce Investment Act of 1998)’’.
which directed the substitution of ‘‘local workforce development board established for the local workforce development area pursuant to title I of the Workforce Innovation and Opportunity Act, as appropriate’’ for
‘‘local workforce investment board established for the
service delivery area pursuant to title I of the Workforce Investment Act of 1998, as appropriate’’, was executed by making the substitution for ‘‘local workforce
investment board established for the service delivery
area pursuant to title I of the Workforce Investment
Area of 1998, as appropriate’’ to reflect the probable intent of Congress.
2013—Subsec. (b)(2). Pub. L. 112–275 substituted ‘‘for
fiscal years 2013 and 2014 such sums as are necessary for
payment to the Fund in a total amount not to exceed
$612,000,000 for each fiscal year, of which $2,000,000 shall
be reserved for carrying out the activities of the commission established by the Protect our Kids Act of 2012
to reduce fatalities resulting from child abuse and neglect.’’ for ‘‘for fiscal years 2011 and 2012 such sums as
are necessary for payment to the Fund in a total
amount not to exceed, in the case of fiscal year 2011,
such sums as are necessary for amounts obligated on or
after October 1, 2010, and before December 8, 2010, and
in the case of fiscal year 2012, $612,000,000.’’
‘‘(as in effect just before February 22, 2012)’’ after ‘‘subparagraph (C) of this paragraph’’ and ‘‘(as so in effect)’’
after ‘‘State under this paragraph’’.
Subsec. (a)(2)(D). Pub. L. 112–96, § 4002(b), substituted
‘‘2012’’ for ‘‘2011’’ in two places.
substituted ‘‘, (C), and (E)’’ for ‘‘and (C)’’.
carry out healthy marriage promotion activities and
activities promoting responsible fatherhood, a combined application that contains assurances that the entity will carry out such activities under separate programs and shall not combine any funds awarded to
carry out either such activities)’’ after ‘‘an application’’ in introductory provisions.
added subcl. (III) and struck out former subcl. (III)
which read as follows: ‘‘Marriage education, marriage
skills, and relationship skills programs, that may include parenting skills, financial management, conflict
resolution, and job and career advancement, for nonmarried pregnant women and non-married expectant
fathers.’’
Subsec. (a)(2)(C)(i). Pub. L. 111–291, § 811(b)(2), substituted ‘‘$75,000,000’’ for ‘‘$50,000,000’’.
added subpars. (D) and (E) and struck out former sub-


Subsec. (a)(5)(G). Pub. L. 106–554, § 1(a)(1) [title V, § 513], which directed the amendment of subpar. (H) by substituting “2001” for “2003” in cl. (ii) and adding cl. (i), was executed by making amendments to subpar. (G), to reflect the probable intent of Congress and the redesignation of subpar. (H) as (G) by Pub. L. 106–554, § 1(a)(1) [title V, § 107(a)]. See below.

§ 107(a), redesignated subpars. (J) and (K) as (I) and (J), respectively. Former subpar. (I) redesignated (H).

Former subpar. (H) redesignated (G).

“$900,000”.

(iv), was executed by making amendments to subpar. (G) redesignated subpar. (H) as (G) and substituted “subparagraph (I)” for “subparagraph (I)” in cl. (i). Former subpar. (I) redesignated (F).

§ 1(a)(1) [title V, § 107(a), (b)(4)]. See below.

§ 1(a)(1) [title V, § 803], inserted before period at end “or, if the entity is not a private industry council or workforce investment board, the direct provision of such services”.

Subsec. (a)(5)(C)(iv). Pub. L. 106–113, § 1000(a)(4) [title VIII, § 801(b)(1)(A)], added cl. (iv) before period at end cl. (v) and, as appropriate, clause (v) for “clause (iv)” before period at end of concluding provisions, added subcls. (I) to (IV), and struck out former subcl. (II) which read as follows: “to individuals—

(‘‘(aa) who are noncustodial parents of minors whose custodial parent is such a recipient; and

(bb) who have such characteristics.’’)

(b) was executed by making amendments to subpar. (G), redesignated subpar. (H) as (G) and substituted “$1,400,000,000” for “$3,150,000,000” in cl. (i)(II).

§ 107(a), (b)(4), redesignated former subpar. (I) as (H) and substituted “$9,000,000” for “$900,000”.

Subsec. (a)(5)(H). Pub. L. 106–554, § 1(a)(1) [title I, § 107(a)], redesignated subpars. (J) and (K) as (I) and (J), respectively. Former subpar. (I) redesignated (H).

Pub. L. 106–246, § 20202(3), substituted “$3,000,000” for “$1,500,000” in cl. (i).
As used in this subsection: “calendar year 1995” for “fiscal year 1995”.

Public Law 110-234 by Pub. L. 110-234 effective May 22, 2008, the date of enactment of Pub. L. 110-234, except as otherwise provided, see section 4407 of Pub. L. 110-234, set out as an Effective Date note under section 8701 of Title 7, Agriculture.


As an effective date section effective July 1, 2001, see section 4407 of Pub. L. 110-234.
[amending this section] shall take effect as if included in the enactment of section 5001 of the Balanced Budget Act of 1997 [Pub. L. 105-33].

Amendment by section 301(f) [title VIII, §405(d)(30)] of Pub. L. 105-277 effective Oct. 21, 1998, and amendment by section 101(f) [title VIII, §405(c)(22)] of Pub. L. 105-277 effective July 1, 2000, see section 101(f) [title VIII, §405(g)(1), (2)(B)] of Pub. L. 105-277, set out as a note under section 3502 of Title 5, Government Organization and Employees.

**Effective Date of 1997 Amendments**

Amendment by Pub. L. 105-89 effective Nov. 19, 1997, except as otherwise provided, with delay permitted if State legislation is required, see section 501 of Pub. L. 105-89, set out as a note under section 622 of this title.

Amendment by section 5502 of Pub. L. 105-33 effective as if included in section 103(a) of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, Pub. L. 104-193, at the time such section 103(a) became law, see section 5518(a) of Pub. L. 105-33, set out as a note under section 662 of this title.

Amendment by section 5514(c) of Pub. L. 105-33 effective as if included in the provision of Pub. L. 104-193 amended at the time the provision became law, see section 5518(d) of Pub. L. 105-33, set out as a note under section 662a of Title 21, Food and Drugs.

**Effective Date of 1996 Amendment**


**Effective Date**

Subsec. (a)(1)(C), (D) of this section effective Oct. 1, 1996, and remainder of this section effective July 1, 1997, with transition rules relating to State options to accelerate such date, rules relating to claims, actions, and proceedings commenced before such date, rules relating to closing out of accounts for terminated or substantially modified programs and continuance in office of Assistant Secretary for Family Support, and provisions relating to termination of entitlement under AFDC program, see section 116 of Pub. L. 104-193, as amended, set out as a note under section 601 of this title.

**Regulations**

Pub. L. 106-113, div. B, §1000(a)(4) [title VIII, §405(f)], Nov. 29, 1999, 113 Stat. 1383, 1351A-284, provided that: "Interim final regulations shall be prescribed within 90 days after the date of the enactment of this Act [Nov. 29, 1999] to implement the amendments made by this Act [amending this section and sections 604 and 612 of this title] not later than January 1, 2000. Final regulations shall be prescribed within 90 days after the date of the enactment of this Act (Nov. 29, 1999) to implement the amendments made by this Act to section 403(a)(5) of the Social Security Act [42 U.S.C. 603(a)(5)], in the same manner as described in section 403(a)(5)(C)(ix) of the Social Security Act (as so redesignated by subsection (b)(1)(A) of this section)."

§ 603a. Transferred

**Codification**

Section, Pub. L. 94-566, title V, §508(b), Oct. 20, 1976, 90 Stat. 2689; Pub. L. 104-193, title I, §110(a), Aug. 22, 1996, 110 Stat. 2171, which related to reimbursement to State employment offices for expenses incurred for furnishing information requested of such offices by State or local agency administering this part, was transferred to section 653a of this title.

§ 604. Use of grants

(a) General rules

Subject to this part, a State to which a grant is made under section 603 of this title may use the grant—

(1) in any manner that is reasonably calculated to accomplish the purpose of this part, including to provide low income households with assistance in meeting home heating and cooling costs; or

(2) in any manner that the State was authorized to use amounts received under part A or F, as such parts were in effect on September 30, 1995, or (at the option of the State) August 21, 1996.

(b) Limitation on use of grant for administrative purposes

(1) Limitation

A State to which a grant is made under section 603 of this title shall not expend more than 15 percent of the grant for administrative purposes.

(2) Exception

Paragraph (1) shall not apply to the use of a grant for information technology and computerization needed for tracking or monitoring required by this part.

(c) Authority to treat interstate immigrants under rules of former State

A State operating a program funded under this part may apply to a family the rules (including benefit amounts) of the program funded under this part of another State if the family has moved to the State from the other State and has resided in the State for less than 12 months.

(d) Authority to use portion of grant for other purposes

(1) In general

Subject to paragraph (2), a State may use not more than 30 percent of the amount of any grant made to the State under section 603(a) of this title for a fiscal year to carry out a State program pursuant to any or all of the following provisions of law:

(A) Division A of subchapter XX of this chapter.

(B) The Child Care and Development Block Grant Act of 1990 [42 U.S.C. 9357 et seq.].

(2) Limitation on amount transferable to division A of subchapter XX programs

(A) In general

A State may use not more than the applicable percent of the amount of any grant made to the State under section 603(a) of this title for a fiscal year to carry out State programs pursuant to division A of subchapter XX.

(B) Applicable percent

For purposes of subparagraph (A), the applicable percent is 4.25 percent in the case of fiscal year 2001 and each succeeding fiscal year.

See References in Text note below.
(3) Applicable rules

(A) In general

Except as provided in subparagraph (B) of this paragraph, any amount paid to a State under this part that is used to carry out a State program pursuant to a provision of law specified in paragraph (1) shall not be subject to the requirements of this part, but shall be subject to the requirements that apply to Federal funds provided directly under the provision of law to carry out the program, and the expenditure of any amount so used shall not be considered to be an expenditure under this part.

(B) Exception relating to division A of subchapter XX programs

All amounts paid to a State under this part that are used to carry out State programs pursuant to division A of subchapter XX shall be used only for programs and services to children or their families whose income is less than 200 percent of the income official poverty line (as defined by the Office of Management and Budget, and revised annually in accordance with section 9902(2) of this title) applicable to a family of the size involved.

(e) Authority to carry over certain amounts for benefits or services or for future contingencies

A State or tribe may use a grant made to the State or tribe under this part for any fiscal year to provide, without fiscal year limitation, any benefit or service that may be provided under the State or tribal program funded under this part.

(f) Authority to operate employment placement program

A State to which a grant is made under section 603 of this title may use the grant to make payments (or provide job placement vouchers) to State-approved public and private job placement agencies that provide employment placement services to individuals who receive assistance under the State program funded under this part.

(g) Implementation of electronic benefit transfer system

A State to which a grant is made under section 603 of this title may use the grant to implement an electronic benefit transfer system for providing assistance under the State program funded under this part, and may use the grant for such purpose.

(h) Use of funds for individual development accounts

(1) In general

A State to which a grant is made under section 603 of this title may use the grant to carry out a program to fund individual development accounts (as defined in paragraph (2)) established by individuals eligible for assistance under the State program funded under this part.

(2) Individual development accounts

(A) Establishment

Under a State program carried out under paragraph (1), an individual development account may be established by or on behalf of an individual eligible for assistance under the State program operated under this part for the purpose of enabling the individual to accumulate funds for a qualified purpose described in subparagraph (B).

(B) Qualified purpose

A qualified purpose described in this subparagraph is 1 or more of the following, as provided by the qualified entity providing assistance to the individual under this subsection:

(i) Postsecondary educational expenses

Postsecondary educational expenses paid from an individual development account directly to an eligible educational institution.

(ii) First home purchase

Qualified acquisition costs with respect to a qualified principal residence for a qualified first-time homebuyer, if paid from an individual development account directly to the persons to whom the amounts are due.

(iii) Business capitalization

Amounts paid from an individual development account directly to a business capitalization account which is established in a federally insured financial institution and is restricted to use solely for qualified business capitalization expenses.

(C) Contributions to be from earned income

An individual may only contribute to an individual development account such amounts as are derived from earned income, as defined in section 911(d)(2) of the Internal Revenue Code of 1986.

(D) Withdrawal of funds

The Secretary shall establish such regulations as may be necessary to ensure that funds held in an individual development account are not withdrawn except for 1 or more of the qualified purposes described in subparagraph (B).

(3) Requirements

(A) In general

An individual development account established under this subsection shall be a trust created or organized in the United States and funded through periodic contributions by the establishing individual and matched by or through a qualified entity for a qualified purpose (as described in paragraph (B)).

(B) “Qualified entity” defined

As used in this subsection, the term “qualified entity” means—

(i) a not-for-profit organization described in section 501(c)(3) of the Internal Revenue Code of 1986 and exempt from taxation under section 501(a) of such Code; or

(ii) a State or local government agency acting in cooperation with an organization described in clause (i).

(4) No reduction in benefits

Notwithstanding any other provision of Federal law (other than the Internal Revenue
Code of 1986) that requires consideration of 1 or more financial circumstances of an individual, for the purpose of determining eligibility to receive, or the amount of, any assistance or benefit authorized by such law to be provided to or for the benefit of such individual, funds (including interest accruing) in an individual development account under this subsection shall be disregarded for such purpose with respect to any period during which such individual maintains or makes contributions into such an account.

(5) Definitions

As used in this subsection—

(A) Eligible educational institution

The term “eligible educational institution” means the following:

(i) An institution described in section 1088(a)(1) or 1141(a) of title 20, as such sections are in effect on August 22, 1996.

(ii) An area vocational education school (as defined in subparagraph (C) or (D) of section 2471(4) of title 20) which is in any State (as defined in section 2471(33) of title 20), as such sections are in effect on August 22, 1996.

(B) Post-secondary educational expenses

The term “post-secondary educational expenses” means—

(i) tuition and fees required for the enrollment or attendance of a student at an eligible educational institution, and

(ii) fees, books, supplies, and equipment required for courses of instruction at an eligible educational institution.

(C) Qualified acquisition costs

The term “qualified acquisition costs” means the costs of acquiring, constructing, or reconstructing a residence. The term includes any usual or reasonable settlement, financing, or other closing costs.

(D) Qualified business

The term “qualified business” means any business that does not contravene any law or public policy (as determined by the Secretary).

(E) Qualified business capitalization expenses

The term “qualified business capitalization expenses” means qualified expenditures for the capitalization of a qualified business pursuant to a qualified plan.

(F) Qualified expenditures

The term “qualified expenditures” means expenditures included in a qualified plan, including capital, plant, equipment, working capital, and inventory expenses.

(G) Qualified first-time homebuyer

(i) In general

The term “qualified first-time homebuyer” means a taxpayer (and, if married, the taxpayer’s spouse) who has no present ownership interest in a principal residence during the 3-year period ending on the date of acquisition of the principal residence to which this subsection applies.

(ii) Date of acquisition

The term “date of acquisition” means the date on which a binding contract to acquire, construct, or reconstruct the principal residence to which this subparagraph applies is entered into.

(H) Qualified plan

The term “qualified plan” means a business plan which—

(i) is approved by a financial institution, or by a nonprofit loan fund having demonstrated fiduciary integrity,

(ii) includes a description of services or goods to be sold, a marketing plan, and projected financial statements, and

(iii) may require the eligible individual to obtain the assistance of an experienced entrepreneurial advisor.

(I) Qualified principal residence

The term “qualified principal residence” means a principal residence (within the meaning of section 1034 of the Internal Revenue Code of 1986), the qualified acquisition costs of which do not exceed 100 percent of the average area purchase price applicable to such residence (determined in accordance with paragraphs (2) and (3) of section 143(e) of such Code).

(i) Sanction welfare recipients for failing to ensure that minor dependent children attend school

A State to which a grant is made under section 603 of this title shall not be prohibited from sanctioning a family that includes an adult who has received assistance under any State program funded under this part attributable to funds provided by the Federal Government or under the supplemental nutrition assistance program, as defined in section 1212(l)1 of title 7, if such adult fails to ensure that the minor dependent children of such adult attend school as required by the law of the State in which the minor children reside.

(j) Requirement for high school diploma or equivalent

A State to which a grant is made under section 603 of this title shall not be prohibited from sanctioning a family that includes an adult who is older than age 20 and younger than age 51 and who has received assistance under any State program funded under this part attributable to funds provided by the Federal Government or under the supplemental nutrition assistance program, as defined in section 1212(l)1 of title 7, if such adult does not have, or is not working toward obtaining, a secondary school diploma or its recognized equivalent unless such adult has been determined in the judgment of medical, psychiatric, or other appropriate professionals to lack the requisite capacity to complete successfully a course of study that would lead to a secondary school diploma or its recognized equivalent.

(k) Limitations on use of grant for matching under certain Federal transportation program

(1) Use limitations

A State to which a grant is made under section 603 of this title may not use any part of
the grant to match funds made available under section 3037 of the Transportation Equity Act for the 21st Century, unless—

(A) the grant is used for new or expanded transportation services (and not for construction) that benefit individuals described in subparagraph (C), and not to subsidize current operating costs;

(B) the grant is used to supplement and not supplant other State expenditures on transportation;

(C) the preponderance of the benefits derived from such use of the grant accrues to individuals who are—

(i) recipients of assistance under the State program funded under this part;

(ii) former recipients of such assistance;

(iii) noncustodial parents who are described in section 603(a)(5)(C)(iii) of this title; and

(iv) low-income individuals who are at risk of qualifying for such assistance; and

(D) the services provided through such use of the grant promote the ability of such recipients to engage in work activities (as defined in section 607(d) of this title).

(2) Amount limitation

From a grant made to a State under section 603(a) of this title, the amount that a State uses to match funds described in paragraph (1) of this subsection shall not exceed the amount (if any) by which 30 percent of the total amount of the grant exceeds the amount (if any) by which 30 percent of the total current operating costs; in subparagraph (C), and not to subsidize the risk of qualifying for such assistance; and 

(f) the services provided through such use of the grant promote the ability of such recipients to engage in work activities (as defined in section 607(d) of this title).

(2) Amount limitation

From a grant made to a State under section 603(a) of this title, the amount that a State uses to match funds described in paragraph (1) of this subsection shall not exceed the amount (if any) by which 30 percent of the total amount of the grant exceeds the amount (if any) by which 30 percent of the total current operating costs; in subparagraph (C), and not to subsidize the risk of qualifying for such assistance; and (D) the services provided through such use of the grant promote the ability of such recipients to engage in work activities (as defined in section 607(d) of this title).

(3) Rule of interpretation

The provision by a State of a transportation benefit under a program conducted under section 3037 of the Transportation Equity Act for the 21st Century, to an individual who is not otherwise a recipient of assistance under the State program funded under this part, using funds from a grant made under section 603(a) of this title, shall not be considered to be the provision of assistance to the individual under the State program funded under this part.


REFERENCES IN TEXT

Subsec. (c) of Pub. L. 110–246, § 4115(c)(2)(G), effective Oct. 1, 2008, see reference in original act which appears in text as reference to section 2012(h) of this title.

1999—Subsec. (e). Pub. L. 106–169 inserted “‘or tribe’ after “A State” and “to the State” and inserted “or tribal” after “under the State”.

1998—Subsec. (d)(2). Pub. L. 105–178 amended heading and text of par. (2) generally. Prior to amendment, text read as follows: “A State may use not more than 10 percent of the amount of any grant made to the State under section 603(a) of this title for a fiscal year to carry out State programs pursuant to subchapter XX of this chapter.”


Subsec. (a)(2). Pub. L. 105–33, § 5505, inserted “or tribe” after “A State” and “to the State” and inserted “or tribal” after “under the State.”

1996—Subsec. (c)(1) of Pub. L. 105–33, § 5002(a)(1), substituted “‘section 603(a)(5)(C)(ii)(I) of this title’” for “‘item (aa) or (bb) of section 603(a)(5)(C)(ii)(II) of this title’”.


103(a) of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (Pub. L. 104–193).”

Amendment by section 5503 of Pub. L. 105–33 effective as if included in the enactment of Pub. L. 104–193 at the time such section 103(a) became law, see section 5518(a) of Pub. L. 105–33, set out as a note under section 602 of this title.

Amendment by section 5514(c) of Pub. L. 105–33 effective as if included in the provision of Pub. L. 104–193 amended at the time the provision became law, see section 5518(d) of Pub. L. 105–33, set out as a note under section 602 of Title 21, Food and Drugs.

**Effective Date**

Section effective July 1, 1997, with transition rules relating to State options to accelerate such date, rules relating to claims, actions, and proceedings commenced before such date, rules relating to closing out of accounts for terminated or substantially modified programs, and rules delaying the effective date of termination of entitlement under AFDC program, see section 116 of Pub. L. 104–193, as amended, set out as a note under section 601 of this title.

**Assets for Independence**


“SEC. 401. SHORT TITLE.

"This title may be cited as the ‘Assets for Independence Act’.

"SEC. 402. FINDINGS.

"Congress makes the following findings:

“(1) Economic well-being does not come solely from income, spending, and consumption, but also requires savings, investment, and accumulation of assets because assets can improve economic independence and stability, connect individuals with a viable and hopeful future, stimulate development of human and other capital, and enhance the welfare of offspring.

“(2) Fully ½ of all Americans have either no, negligible, or negative assets available for investment, just as the price of entry to the economic mainstream, the cost of a house, an adequate education, and starting a business, is increasing. Further, the household savings rate of the United States lags far behind other industrial nations, presenting a barrier to economic growth.

“(3) In the current tight fiscal environment, the United States should invest existing resources in high-yield initiatives. There is reason to believe that the financial returns, including increased income, tax revenue, and decreased welfare cash assistance, resulting from individual development accounts will far exceed the cost of investment in those accounts.

“(4) Traditional public assistance programs concentrating on income and consumption have rarely been successful in promoting and supporting the transition to increased economic self-sufficiency. Income-based domestic policy should be complemented with asset-based policy because, while income-based policies ensure that consumption needs (including food, child care, rent, clothing, and health care) are met, asset-based policies provide the means to achieve greater independence and economic well-being.

“SEC. 403. PURPOSES.

"The purposes of this title are to provide for the establishment of demonstration projects designed to determine—

“(1) the social, civic, psychological, and economic effects of providing to individuals and families with...
limited means an incentive to accumulate assets by saving a portion of their earned income;

(2) the extent to which an asset-based policy that promotes saving for postsecondary education, homeownership, and microenterprise development may be used to enable individuals and families with limited means to increase their economic self-sufficiency; and

(3) the extent to which an asset-based policy stabilizes and improves families and the community in which the families live.

SEC. 404. DEFINITIONS.

In this title:

(1) APPLICABLE PERIOD.—The term ‘applicable period’ means, with respect to amounts to be paid from a grant made for a project year, the calendar year immediately preceding the calendar year in which the grant is made.

(2) ELIGIBLE INDIVIDUAL.—The term ‘eligible individual’ means an individual who is selected to participate in a demonstration project by a qualified entity under section 409.

(3) EMERGENCY WITHDRAWAL.—The term ‘emergency withdrawal’ means a withdrawal by an eligible individual that—

(A) is a withdrawal of only those funds, or a portion of those funds, deposited by the individual in the individual development account of the individual;

(B) is permitted by a qualified entity on a case-by-case basis; and

(C) is made for—

(i) one or more not-for-profit organizations described in section 501(c)(3) of the Internal Revenue Code of 1986 (26 U.S.C. 501(c)(3)) and exempt from taxation under section 501(a) of such Code;

(ii) a State or local government agency, or a tribal government, submitting an application under section 405 jointly with an organization described in clause (i); or

(iii) an entity that—

(aa) is a credit union designated as a low-income credit union by the National Credit Union Administration (NCUA); or

(bb) an organization designated as a community development financial institution by the Secretary of the Treasury (or the Community Development Financial Institutions Fund); and

(ii) can demonstrate a collaborative relationship with a local community-based organization whose activities are designed to address poverty in the community and the needs of community members for economic independence and stability.

(4) HOUSEHOLD.—The term ‘household’ means all individuals who share use of a dwelling unit as primary quarters for living and eating separate from other individuals.

(5) INDIVIDUAL DEVELOPMENT ACCOUNT.—

(A) IN GENERAL.—The term ‘individual development account’ means a trust created or organized in the United States exclusively for the purpose of saving the qualified expenses of an eligible individual, or enabling the eligible individual to make an emergency withdrawal, but only if the written governing instrument creating the trust contains the following requirements:

(i) No contribution will be accepted unless the contribution is in cash or by check.

(ii) The trustee is a federally insured financial institution, or a State insured financial institution if no federally insured financial institution is available.

(iii) The assets of the trust will be invested in accordance with the direction of the eligible individual after consultation with the qualified entity providing deposits for the individual under section 410.

(iv) The assets of the trust will not be commingled with other property except in a common trust fund or common investment fund.

(v) Except as provided in clause (vi), any amount in the trust that is attributable to a deposit provided under section 410 may be paid or distributed out of the trust only for the purpose of paying the qualified expenses of the eligible individual.

(vi) Any balance in the trust on the day after the date on which the individual for whose benefit the trust is established dies shall be distributed within 30 days of that date as directed by that individual to another individual development account established for the benefit of an eligible individual.

(B) CUSTODIAL ACCOUNTS.—For purposes of subparagraph (A), a custodial account shall be treated as a trust if the assets of the custodial account are held by a bank (as defined in section 408(n) of the Internal Revenue Code of 1986 [26 U.S.C. 408(n)]) or another person who demonstrates, to the satisfaction of the Secretary, that the manner in which such person will administer the custodial account will be consistent with the requirements of this title, and if the custodial account would, except for the fact that it is not a trust, constitute an individual development account described in subparagraph (A).

For purposes of this title, in the case of a custodial account treated as a trust by reason of the preceding sentence, the custodian of that custodial account shall be treated as the trustee of the account.

(6) PROJECT YEAR.—The term ‘project year’ means, with respect to a demonstration project, any of the 5 consecutive 12-month periods beginning on the date the project is originally authorized to be conducted.

(7) QUALIFIED ENTITY.—

(A) IN GENERAL.—The term ‘qualified entity’ means:

(i) one or more not-for-profit organizations described in section 501(c)(3) of the Internal Revenue Code of 1986 (26 U.S.C. 501(c)(3)) and exempt from taxation under section 501(a) of such Code;

(ii) a State or local government agency, or a tribal government, submitting an application under section 405 jointly with an organization described in clause (i); or

(iii) an entity that—

(aa) is a credit union designated as a low-income credit union by the National Credit Union Administration (NCUA); or

(bb) an organization designated as a community development financial institution by the Secretary of the Treasury (or the Community Development Financial Institutions Fund); and

(ii) can demonstrate a collaborative relationship with a local community-based organization whose activities are designed to address poverty in the community and the needs of community members for economic independence and stability.

(B) RULE OF CONSTRUCTION.—Nothing in this paragraph shall be construed as preventing an organization described in subparagraph (A)(i) from collaborating with a financial institution or for-profit community development corporation to carry out the purposes of this title.

(8) QUALIFIED EXPENSES.—The term ‘qualified expenses’ means one or more of the following, as provided by a qualified entity:

(A) POSTSECONDARY EDUCATIONAL EXPENSES.—Postsecondary educational expenses paid from an individual development account directly to an eligible educational institution. In this subparagraph:

(i) POSTSECONDARY EDUCATIONAL EXPENSES.—The term ‘postsecondary educational expenses’ means the following:

(aa) Tuition and fees.—Tuition and fees required for the enrollment or attendance of a student at an eligible educational institution.

(bb) Fees, books, supplies, and equipment.—Fees, books, supplies, and equipment required for courses of instruction at an eligible educational institution.

(ii) ELIGIBLE EDUCATIONAL INSTITUTION.—The term ‘eligible educational institution’ means the following:

(aa) INSTITUTION OF HIGHER EDUCATION.—An institution described in section 101 or 102 of the

"§ 604

"(II) POSTSECONDARY VOCATIONAL EDUCATION SCHOOL.—An area vocational education school (as defined in subparagraph (C) or (D) of section 521(4) of the Carl D. Perkins Vocational and Applied Technology Education Act (20 U.S.C. 2471(4)) which is in any State (as defined in section 521(33) of such Act), as such sections are in effect on the date of enactment of this title [Oct. 27, 1998]."

"(B) FIRST-HOME PURCHASE.—Qualified acquisition costs with respect to a principal residence for a qualified first-time homebuyer, if paid from an individual development account directly to the persons to whom the amounts are due. In this subparagraph:

"(i) PRINCIPAL RESIDENCE.—The term ‘principal residence’ means a main residence, the qualified acquisition costs of which do not exceed 120 percent of the average area purchase price applicable to such residence.

"(ii) QUALIFIED ACQUISITION COSTS.—The term ‘qualified acquisition costs’ means the costs of acquiring, constructing, or reconstructing a residence. The term includes any usual or reasonable settlement, financing, or other closing costs.

"(iii) QUALIFIED FIRST-TIME HOMEBUYER.—

"(I) IN GENERAL.—The term ‘qualified first-time homebuyer’ means an individual participating in the project involved (and, if married, the individual’s spouse) who has no present ownership interest in a principal residence during the 4-year period ending on the date of acquisition of the principal residence to which this subparagraph applies.

"(II) DATE OF ACQUISITION.—The term ‘date of acquisition’ means the date on which a binding contract to acquire, construct, or reconstruct the principal residence to which this subparagraph applies is entered into.

"(C) BUSINESS CAPITALIZATION.—Amounts paid from an individual development account directly to a business capitalization account that is established for the benefit of an eligible individual who obtains the assistance of an experienced entrepreneur.

"(D) TRANSFERS TO IDAS OF FAMILY MEMBERS.—Amounts paid from an individual development account directly into another such account established for the benefit of an eligible individual who

"(1) the individual’s spouse; or

"(2) any dependent of the individual with respect to whom the individual is allowed a deduction under section 151 of the Internal Revenue Code of 1986 [26 U.S.C. 151]."

"(9) QUALIFIED SAVINGS OF THE INDIVIDUAL FOR THE PERIOD.—The term ‘qualified savings of the individual for the period’ means the aggregate of the amounts contributed by an individual to the individual development account of the individual during the period.

"(10) SECRETARY.—The term ‘Secretary’ means the Secretary of Health and Human Services, acting through the Director of Community Services.

"(11) TRIBAL GOVERNMENT.—The term ‘tribal government’ means a tribal organization, as defined in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b) [now 25 U.S.C. 5394] or a Native Hawaiian organization, as defined in section 6207 of the Native Hawaiian Education Act (20 U.S.C. 7517).

"SEC. 405. APPLICATIONS.

"(a) ANNOUNCEMENT OF DEMONSTRATION PROJECTS.—Not later than 3 months after the date of enactment of this title [Oct. 27, 1998], the Secretary shall publicly announce the availability of funding under this title for demonstration projects and shall ensure that applications to conduct the demonstration projects are widely available to qualified entities.

"(b) SUBMISSION.—Not more than 6 months after the date of enactment of this title, a qualified entity may submit to the Secretary an application to conduct a demonstration project under this title.

"(c) CRITERIA.—In considering whether to approve an application to conduct a demonstration project under this title, the Secretary shall assess the following:

"(1) SUFFICIENCY OF PROJECT.—The degree to which the project described in the application appears likely to aid project participants in achieving economic self-sufficiency through activities requiring one or more qualified expenses.

"(2) ADMINISTRATIVE ABILITY.—The experience and ability of the applicant to responsibly administer the project.

"(3) ABILITY TO ASSIST PARTICIPANTS.—The experience and ability of the applicant in recruiting, educating, and assisting project participants to increase their economic independence and general well-being through the development of assets.

"(4) COMMITMENT OF NON-FEDERAL FUNDS.—The aggregate amount of direct funds from non-Federal public and private sources; and

"(5) OTHER FACTORS.—Such other factors relevant to the purposes of this title as the Secretary may specify.

"(d) PREFERENCES.—In considering an application to conduct a demonstration project under this title, the Secretary shall give preference to an application that—

"(1) demonstrates the willingness and ability to select individuals described in section 408 who are predominantly from households in which a child (or children) is living with the child’s biological or adoptive mother or father, or with the child’s legal guardian;

"(2) provides a commitment of non-Federal funds with a proportionately greater amount of such funds contributed from private sector sources; and

"(3) targets such individuals residing within one or more relatively well-defined neighborhoods or communities (including rural communities) that experience high rates of poverty or unemployment.

"(e) APPROVAL.—Not later than 9 months after the date of enactment of this title [Oct. 27, 1998], the Secretary shall, on a competitive basis, approve applications to conduct demonstration projects under this title as the Secretary considers to be appropriate,
taking into account the assessments required by subsections (c) and (d). The Secretary shall ensure, to the maximum extent practicable, that the applications that are approved involve a range of communities (both rural and urban) and diverse populations.

“(1) CONTRACTS WITH NONPROFIT ENTITIES.—The Secretary shall enter into contracts with any entity described in section 501(c)(3) of the Internal Revenue Code of 1986 [26 U.S.C. 501(c)(3)] and exempt from taxation under section 501(a) of such Code to carry out any responsibility of the Secretary under this section.

“(2) such entity demonstrates the ability to carry out such responsibility; and

“(3) the Secretary can demonstrate that such responsibility would not be carried out by the Secretary at a lower cost.

“(g) GRANDFATHERING OF EXISTING STATEWIDE PROGRAMS.—Any statewide individual asset-building program that is carried out in a manner consistent with the purposes of this title, that is established under State law as of the date of enactment of this Act [Oct. 27, 1998], and that as of such date is operating with an annual State appropriation of not less than $1,000,000 in non-Federal funds, shall be deemed to meet the eligibility requirements of this subtitle (title), and the entity carrying out the program shall be deemed to be a qualified entity. The Secretary shall consider funding the statewide program as a demonstration project described in this subtitle (title). In assessing the statewide program for funding, the Secretary shall review an application submitted by the entity carrying out such statewide program under this section, notwithstanding the requirements listed in subsection (d). Any program requirements under sections 407 through 411 that are inconsistent with State statutory requirements in effect on the date of enactment of this Act, governing such statewide program, shall not apply to the program.

“SEC. 406. DEMONSTRATION AUTHORITY: ANNUAL GRANTS.

“(a) DEMONSTRATION AUTHORITY.—If the Secretary approves an application to conduct a demonstration project under this title, the Secretary shall, not later than 10 months after the date of enactment of this title [Oct. 27, 1998], authorize the applicant to conduct the project for 5 project years in accordance with the approved application and the requirements of this title.

“(b) GRANT AUTHORITY.—For each project year of a demonstration project conducted under this title, the Secretary may make a grant to the qualified entity authorized to conduct the project. In making such a grant, the Secretary shall make the grant on the first day of the project year in an amount not to exceed the lesser of—

“(1) the aggregate amount of funds committed as matching contributions from non-Federal public or private sector sources; or

“(2) $1,000,000.

“SEC. 407. RESERVE FUND.

“(a) ESTABLISHMENT.—A qualified entity under this title, other than a State or local government agency or a tribal government, shall establish a Reserve Fund that shall be maintained in accordance with this section.

“(b) AMOUNTS IN RESERVE FUND.—

“(1) IN GENERAL.—As soon after receipt as is practicable, a qualified entity shall deposit in the Reserve Fund established under subsection (a)—

“(A) all funds provided to the qualified entity from any public or private source in connection with the demonstration project; and

“(B) the proceeds from any investment made under subsection (c)(2).

“(2) UNIFORM ACCOUNTING REGULATIONS.—The Secretary shall prescribe regulations with respect to accounting for amounts in the Reserve Fund established under subsection (a).

“(c) USE OF AMOUNTS IN THE RESERVE FUND.—

“(1) IN GENERAL.—A qualified entity shall use the amounts in the Reserve Fund established under subsection (a) to—

“(A) assist participants in the demonstration project in obtaining the skills (including economic literacy, budgeting, credit, and counseling skills) and information necessary to achieve or increase self-sufficiency through activities requiring qualified expenses;

“(B) provide deposits in accordance with section 410 for individuals selected by the qualified entity to participate in the demonstration project;

“(C) administer the demonstration project; and

“(D) provide the research organization evaluating the demonstration project under section 414 with such information with respect to the demonstration project as may be required for the evaluation.

“(2) AUTHORITY TO INVEST FUNDS.—

“(A) GUIDELINES.—The Secretary shall establish guidelines for investing amounts in the Reserve Fund established under subsection (a) in a manner that provides an appropriate balance between return, liquidity, and risk.

“(B) INVESTMENT.—A qualified entity shall invest the amounts in its Reserve Fund that are not immediately needed to carry out the provisions of paragraph (1), in accordance with the guidelines established under subparagraph (A).

“(3) LIMITATION ON USES.—Not more than 15 percent of the amounts provided to a qualified entity under section 406(b) shall be used by the qualified entity for the purposes described in subparagraphs (A), (C), and (D) of paragraph (1), of which not less than 2 percent of the amounts shall be used by the qualified entity for the purposes described in paragraph (1)(D). Of the total amount specified in this paragraph, not more than 5 percent shall be used for administrative functions under paragraph (1)(C), including program management, reporting requirements, recruitment and enrollment of individuals, and monitoring. The remainder of the total amount specified in this paragraph (not including the amount specified for use for the purposes described in paragraph (1)(D)) shall be used for nonadministrative functions described in paragraph (1)(A), including case management, budgeting, economic literacy, and credit counseling. If the cost of nonadministrative functions described in paragraph (1)(A) is less than 5.5 percent of the total amount specified in this paragraph, such excess funds may be used for administrative functions. If two or more qualified entities are jointly administering a project, no qualified entity shall use more than its proportional share for the purposes described in subparagraphs (A), (C), and (D) of paragraph (1).

“(d) UNUSED FEDERAL GRANT FUNDS TRANSFERRED TO THE SECRETARY WHEN PROJECT TERMINATES.—Notwithstanding subsection (c), upon the termination of a demonstration project authorized under this section, the qualified entity conducting the project shall transfer to the Secretary an amount equal to—

“(1) the amounts in its Reserve Fund at the time of the termination; multiplied by

“(2) a percentage equal to—

“(A) the aggregate amount of grants made to the qualified entity under section 406(b); divided by

“(B) the aggregate amount of all funds provided to the qualified entity from all sources to conduct the project.

“SEC. 408. ELIGIBILITY FOR PARTICIPATION.

“(a) IN GENERAL.—Any individual who is a member of a household that is eligible for assistance under the State temporary assistance for needy families program established under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.), or that meets each of the following requirements shall be eligible to participate in a demonstration project conducted under this title:

“(1) INCOME TEST.—The Federal poverty line for the household is equal to or less than 200 percent of the poverty line (as determined by the Office of Management and Budget) or the earned income amount described in section 32 of the Internal Revenue Code of 1986 [26 U.S.C. 32] (taking into account the size of the household).
prove a withdrawal from such an account in writing.

(1) the aggregate market value of all assets that are owned in whole or in part by any member of the household; minus

(ii) the obligations or debts of any member of the household.

(C) Exclusions.—For purposes of determining the net worth of a household, the following assets shall not be considered to include the primary dwelling unit and one motor vehicle owned by a member of the household:

(i) Accounts under paragraph (1) or (2) on behalf of an individual.

(ii) The amounts deposited in the individual development accounts.

(iii) Any development accounts and the purposes for which such amounts were withdrawn.

(iv) The amounts withdrawn from the individual development accounts and the purposes for which such amounts were withdrawn.

(v) The balances remaining in the individual development accounts.

(iv) Exclusions.—The savings account balances, (such as threshold amounts and match rates) required to stimulate participation in the demonstration project and how such characteristics vary among different populations or communities.

(7) What service configurations of the qualified entity (such as configurations relating to peer support, structured planning exercises, mentoring, and case management) increased the rate and consistency of participation in the demonstration project and how such configurations varied among different populations or communities.

(8) Such other information as the Secretary may require to evaluate the demonstration project.

(b) Submission of Reports.—The qualified entity shall submit each report required to be prepared under subsection (a) to—

(1) The Secretary; and

(2) the Treasurer (or equivalent official) of the State in which the project is conducted, if the State or local government agency or a tribal government, shall, subject to the provisions of section 413, have sole authority over the administration of the project. The Secretary may prescribe only such regulations or guidelines with respect to demonstration projects conducted under this title as are necessary to ensure compliance with the approved applications and the requirements of this title.

(c) Timing.—The first report required by subsection (a) shall be submitted not later than 60 days after the end of the project year in which the Secretary authorized the qualified entity to conduct the demonstration project, and subsequent reports shall be submitted every 12 months thereafter, until the conclusion of the project.

SEC. 413. SANCTIONS.

(a) Authority To Terminate Demonstration Project.—If the Secretary determines that a qualified entity under this title is not operating a demonstration project in accordance with the entity’s approved application under section 405 or the requirements of this title (and has not implemented any corrective recommendations directed by the Secretary), the Secretary shall terminate such entity’s authority to conduct the demonstration project.
“(b) Actions Required Upon Termination.—If the Secretary terminates the authority to conduct a demonstration project, the Secretary—

“(1) shall suspend the demonstration project;

“(2) shall take control of the Reserve Fund established pursuant to section 407;

“(3) shall make every effort to identify another qualified entity (or entities) willing and able to conduct the project in accordance with the approved application (or, if modification is necessary to incorporate the recommendations, the application as modified) and the requirements of this title;

“(4) shall, if the Secretary identifies an entity (or entities) described in paragraph (3)—

“(A) authorize the entity (or entities) to conduct the project over the Reserve Fund established pursuant to section 407; and

“(B) from the amount remaining in the Reserve Fund established as part of the project, remit to each source that provided funds under section 405(c)(4) to the entity originally authorized to conduct the project, an amount that bears the same ratio to the amount so remaining as the amount provided from the source under section 405(c)(4) bears to the amount provided from all such sources under that section.

“SEC. 414. EVALUATIONS.

“(a) In General.—Not later than 12 months after the date of enactment of this title (Oct. 27, 1998), the Secretary shall enter into a contract with an independent research organization to evaluate the demonstration projects conducted under this title, individually and as a group, including evaluating all qualified entities participating in and sources providing funds for the demonstration projects conducted under this title.

“(b) Factors to Evaluate.—In evaluating any demonstration project conducted under this title, the research organization shall address the following factors:

“(1) The effects of incentives and organizational or institutional support on savings behavior in the demonstration project.

“(2) The savings rates of individuals in the demonstration project based on demographic characteristics including gender, age, family size, race or ethnic background, and income.

“(3) The economic, civic, psychological, and social effects of asset accumulation, and how such effects vary among different populations or communities.

“(4) The effects of individual development accounts on savings rates, homeownership, level of postsecondary education attained, and self-employment, and how such effects vary among different populations or communities.

“(5) The potential financial returns to the Federal Government and to other public sector and private sector investors in individual development accounts over a 5-year and 10-year period of time.

“(6) The lessons to be learned from the demonstration projects conducted under this title and if a permanent program of individual development accounts should be established.

“(7) Such other factors as may be prescribed by the Secretary.

“(c) Methodological Requirements.—In evaluating any demonstration project conducted under this title, the research organization shall—

“(1) for at least one site, use control groups to compare participants with nonparticipants;

“(2) before, during, and after the project, obtain such quantitative data as are necessary to evaluate the project thoroughly; and

“(3) develop a qualitative assessment, derived from sources such as in-depth interviews, of how asset accumulation affects individuals and families.

“(d) Reports by the Secretary.—

“(1) Interim Reports.—Not later than 90 days after the end of the project year in which the Secretary first authorizes a qualified entity to conduct a demonstration project under this title, and every 12 months thereafter until all demonstration projects conducted under this title are completed, the Secretary shall submit to Congress an interim report setting forth the results of the reports submitted pursuant to section 412(b).

“(2) Final Reports.—Not later than 12 months after the conclusion of all demonstration projects conducted under this title, the Secretary shall submit to Congress a final report setting forth the results and findings of all reports and evaluations conducted pursuant to this title.

“(e) Evaluation Expenses.—Of the amount appropriated under section 416 for a fiscal year, the Secretary may expend not more than $500,000 for such fiscal year to carry out the objectives of this section.

“SEC. 415. NO REDUCTION IN BENEFITS.

“Notwithstanding any other provision of Federal law (other than the Internal Revenue Code of 1986 (26 U.S.C. 1 et seq.)) that requires consideration of one or more financial circumstances of an individual, for the purpose of determining eligibility to receive, or the amount of, any assistance or benefit authorized by such law to be provided to or for the benefit of such individual, funds (including interest accruing) in an individual development account under this Act [see Short Title of the Amendment note set out under section 9801 of this title] shall be disregarded for such purpose with respect to any period during which such individual maintains or makes contributions into such an account.

“SEC. 416. AUTHORIZATION OF APPROPRIATIONS.

“There is authorized to be appropriated to carry out this title, $25,000,000 for each of fiscal years 1999, 2000, 2001, 2002, and 2003, to remain available until expended.”

[Pub. L. 106–554, § 1(a)(1) [title VI, § 607(b)], Dec. 21, 2000, 114 Stat. 2783, 2763A–76, provided that: “Notwithstanding the amendment made by subsection (a) [amending section 414(d)(1) of Pub. L. 105–285, set out above], the submission of the initial report of a qualified entity under section 412(c) [section 412(c) of Pub. L. 105–285, set out above] shall not be required prior to the date that is 90 days after the date of enactment of this title [Dec. 21, 2000].”]

[Pub. L. 106–554, § 1(a)(1) [title VI, § 608(b)], Dec. 21, 2000, 114 Stat. 2783, 2763A–76, provided that: “Notwithstanding the amendment made by subsection (a) [amending section 414(d)(1) of Pub. L. 105–285, set out above], the submission of the initial interim report of the Secretary under section 412(c) [section 412(c) of Pub. L. 105–285, set out above] shall not be required prior to the date that is 90 days after the date of enactment of this title [Dec. 21, 2000].”]

§ 604a. Services provided by charitable, religious, or private organizations

(a) In general

(1) State options

A State may—

(A) administer and provide services under the programs described in subparagraphs (A)
§ 604a

(b) Religious organizations

The programs described in this paragraph are the following programs:

(A) A State program funded under this part (as amended by section 105(a) of this Act).

(B) Any other program established or modified under title I or II of this Act, that—

(i) permits contracts with organizations; or

(ii) permits certificates, vouchers, or other forms of disbursement to be provided to beneficiaries, as a means of providing assistance.

(b) Religious organizations

The purpose of this section is to allow States to contract with religious organizations, or to allow religious organizations to accept certificates, vouchers, or other forms of disbursement under any program described in subsection (a)(2), on the same basis as any other nongovernmental provider without impairing the religious character of such organizations, and without diminishing the religious freedom of beneficiaries of assistance funded under such program.

(c) Nondiscrimination against religious organizations

In the event a State exercises its authority under subsection (a), religious organizations are eligible, on the same basis as any other private organization, as contractors to provide assistance, or to accept certificates, vouchers, or other forms of disbursement under any program described in subsection (a)(2), on the same basis as any other nongovernmental provider without impairing the religious character of such organizations, and without diminishing the religious freedom of beneficiaries of assistance funded under such program.

(d) Religious character and freedom

(1) Religious organizations

A religious organization with a contract described in subsection (a)(1)(A), or which accepts certificates, vouchers, or other forms of disbursement under subsection (a)(1)(B), shall retain its independence from Federal, State, and local governments, including such organization’s control over the definition, development, practice, and expression of its religious beliefs.

(2) Additional safeguards

Neither the Federal Government nor a State shall require a religious organization to—

(A) alter its form of internal governance;

or

(B) remove religious art, icons, scripture, or other symbols;

in order to be eligible to contract to provide assistance, or to accept certificates, vouchers, or other forms of disbursement, funded under a program described in subsection (a)(2).

(e) Rights of beneficiaries of assistance

(1) In general

If an individual described in paragraph (2) has an objection to the religious character of the organization or institution from which the individual receives, or would receive, assistance funded under any program described in subsection (a)(2), the State in which the individual resides shall provide such individual (if otherwise eligible for such assistance) within a reasonable period of time after the date of such objection with assistance from an alternative provider that is accessible to the individual and the value of which is not less than the value of the assistance which the individual would have received from such organization.

(2) Individual described

An individual described in this paragraph is an individual who receives, applies for, or requests to apply for, assistance under a program described in subsection (a)(2).

(f) Employment practices

A religious organization’s exemption provided under section 2000e–1 of this title regarding employment practices shall not be affected by its participation in, or receipt of funds from, programs described in subsection (a)(2).

(g) Nondiscrimination against beneficiaries

Except as otherwise provided in law, a religious organization shall not discriminate against an individual in regard to rendering assistance funded under any program described in subsection (a)(2) on the basis of religion, a religious belief, or refusal to actively participate in a religious practice.

(h) Fiscal accountability

(1) In general

Except as provided in paragraph (2), any religious organization contracting to provide assistance funded under any program described in subsection (a)(2) shall be subject to the same regulations as other contractors to account in accord with generally accepted auditing principles for the use of such funds provided under such programs.

(2) Limited audit

If such organization segregates Federal funds provided under such programs into separate accounts, then only the financial assistance provided with such funds shall be subject to audit.

(i) Compliance

Any party which seeks to enforce its rights under this section may assert a civil action for injunctive relief exclusively in an appropriate State court against the entity or agency that allegedly commits such violation.
(j) Limitations on use of funds for certain purposes

No funds provided directly to institutions or organizations to provide services and administer programs under subsection (a)(1)(A) shall be expended for sectarian worship, instruction, or proselytization.

(k) Preemption

Nothing in this section shall be construed to preempt any provision of a State constitution or State statute that prohibits or restricts the expenditure of State funds in or by religious organizations.


REFERENCES IN TEXT

Section 103(a) of this Act, referred to in subsec. (a)(2)(A), means section 103(a) of Pub. L. 104–193, which enacted this part and struck out former part A of this subchapter, except for section 618. For complete classification of section 103(a) to the Code, see Tables.


CODIFICATION

Section was enacted as part of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, and not as part of the Social Security Act which comprises this chapter.

EFFECTIVE DATE

Section effective July 1, 1997, with transition rules relating to State options to accelerate such date, rules relating to claims, actions, and proceedings commenced before such date, rules relating to closing out of accounts for terminated or substantially modified programs and continuance in office of Assistant Secretary for Family Support, and provisions relating to termination of entitlement under AFDC program, see section 116 of Pub. L. 104–193, Aug. 22, 1996, 110 Stat. 2110, 2185. For complete classification of these titles to the Code, see Tables.

§605. Administrative provisions

(a) Quarterly

The Secretary shall pay each grant payable to a State under section 603 of this title in quarterly installments, subject to this section.

(b) Notification

Not later than 3 months before the payment of any such quarterly installment to a State, the Secretary shall notify the State of the amount of any reduction determined under section 612(a)(1)(B) of this title with respect to the State.

(c) Computation and certification of payments to States

(1) Computation

The Secretary shall estimate the amount to be paid to each eligible State for each quarter under this part, such estimate to be based on a report filed by the State containing an estimate by the State of the total sum to be expended by the State in the quarter under the State program funded under this part and such other information as the Secretary may find necessary.

(2) Certification

The Secretary of Health and Human Services shall certify to the Secretary of the Treasury the amount estimated under paragraph (1) with respect to a State, reduced or increased to the extent of any overpayment or underpayment which the Secretary of Health and Human Services determines was made under this part to the State for any prior quarter and with respect to which adjustment has not been made under this paragraph.

(d) Payment method

Upon receipt of a certification under subsection (c)(2) with respect to a State, the Secretary of the Treasury shall, through the Fiscal Service of the Department of the Treasury and before audit or settlement by the Government Accountability Office, pay to the State, at the time or times fixed by the Secretary of Health and Human Services, the amount so certified.


PRIOR PROVISIONS


AMENDMENTS


EFFECTIVE DATE OF 1997 AMENDMENT

Amendment by Pub. L. 105–33 effective as if included in the provision of Pub. L. 104–193 amended at the time the provision became law, see section 5518(d) of Pub. L. 105–33, set out as a note under section 692a of Title 21, Food and Drugs.

EFFECTIVE DATE

Section effective July 1, 1997, with transition rules relating to State options to accelerate such date, rules relating to claims, actions, and proceedings commenced before such date, rules relating to closing out of accounts for terminated or substantially modified programs and continuance in office of Assistant Secretary for Family Support, and provisions relating to termination of entitlement under AFDC program, see section 116 of Pub. L. 104–193, as amended, set out as a note under section 601 of this title.

§606. Federal loans for State welfare programs

(a) Loan authority

(1) In general

The Secretary shall make loans to any loan-eligible State, for a period to maturity of not more than 3 years.

(2) Loan-eligible State

As used in paragraph (1), the term “loan-eligible State” means a State against which a penalty has not been imposed under section 609(a)(1) of this title.

(b) Rate of interest

The Secretary shall charge and collect interest on any loan made under this section at a
rate equal to the current average market yield on outstanding marketable obligations of the United States with remaining periods to maturity comparable to the period to maturity of the loan.

(c) Use of loan

A State shall use a loan made to the State under this section only for any purpose for which grant amounts received by the State under section 603(a) of this title may be used, including—

1. welfare anti-fraud activities; and

2. the provision of assistance under the State program to Indian families that have moved from the service area of an Indian tribe with a tribal family assistance plan approved under section 612 of this title.

(d) Limitation on total amount of loans to State

The cumulative dollar amount of all loans made to a State under this section during fiscal years 1997 through 2003 shall not exceed 10 percent of the State family assistance grant.

(e) Limitation on total amount of outstanding loans

The total dollar amount of loans outstanding under this section may not exceed $1,700,000,000.

(f) Appropriation

Out of any money in the Treasury of the United States not otherwise appropriated, there are appropriated such sums as may be necessary for the cost of loans under this section.


PRIORITY PROVISIONS


AMENDMENTS


EFFECTIVE DATE OF 2003 AMENDMENT


§607. Mandatory work requirements

(a) Participation rate requirements

(1) All families

A State to which a grant is made under section 603 of this title for a fiscal year shall achieve the minimum participation rate specified in the following table for the fiscal year with respect to all families receiving assistance under the State program funded under this part or any other State program funded with qualified State expenditures (as defined in section 608(a)(7)(B)(i) of this title):

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Participation Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1997</td>
<td>25</td>
</tr>
<tr>
<td>1998</td>
<td>30</td>
</tr>
<tr>
<td>1999</td>
<td>35</td>
</tr>
<tr>
<td>2000</td>
<td>40</td>
</tr>
<tr>
<td>2001</td>
<td>45</td>
</tr>
<tr>
<td>2002 or thereafter</td>
<td>50.</td>
</tr>
</tbody>
</table>

(2) 2-parent families

A State to which a grant is made under section 603 of this title for a fiscal year shall achieve the minimum participation rate specified in the following table for the fiscal year with respect to 2-parent families receiving assistance under the State program funded under this part or any other State program funded with qualified State expenditures (as defined in section 608(a)(7)(B)(i) of this title):

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Participation Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1997</td>
<td>75</td>
</tr>
<tr>
<td>1998</td>
<td>75</td>
</tr>
<tr>
<td>1999 or thereafter</td>
<td>90.</td>
</tr>
</tbody>
</table>

(b) Calculation of participation rates

(1) All families

(A) Average monthly rate

For purposes of subsection (a)(1), the participation rate for all families of a State for a fiscal year is the average of the participation rates for all families of the State for each month in the fiscal year.

(B) Monthly participation rates

The participation rate of a State for all families of the State for a month, expressed as a percentage, is—

(i) the number of families receiving assistance under the State program funded...
under this part or any other State program funded with qualified State expenditures (as defined in section 609(a)(7)(B)(i) of this title) that include an adult or a minor child head of household who is engaged in work for the month; divided by

(ii) the amount by which—

(I) the number of families receiving such assistance during the month that include an adult or a minor child head of household receiving such assistance; exceeds

(II) the number of families receiving such assistance that are subject in such month to a penalty described in subsection (c)(1) but have not been subject to such penalty for more than 3 months within the preceding 12-month period (whether or not consecutive).

(2) 2-parent families

(A) Average monthly rate

For purposes of subsection (a)(2), the participation rate for 2-parent families of a State for a fiscal year is the average of the participation rates for 2-parent families of the State for each month in the fiscal year.

(B) Monthly participation rates

The participation rate of a State for 2-parent families of the State for a month shall be calculated by use of the formula set forth in paragraph (1)(B), except that in the formula the term “number of 2-parent families” shall be substituted for the term “number of families” each place such latter term appears.

(C) Family with a disabled parent not treated as a 2-parent family

A family that includes a disabled parent shall not be considered a 2-parent family for purposes of subsections (a) and (b) of this section.

(3) Pro rata reduction of participation rate due to caseload reductions not required by Federal law and not resulting from changes in State eligibility criteria

(A) In general

The Secretary shall prescribe regulations for reducing the minimum participation rate otherwise required by this section for a fiscal year by the number of percentage points equal to the number of percentage points (if any) by which—

(i) the average monthly number of families receiving assistance during the immediately preceding fiscal year under the State program funded under this part or any other State program funded with qualified State expenditures (as defined in section 609(a)(7)(B)(i) of this title) is less than

(ii) the average monthly number of families that received assistance under any State program referred to in clause (i) during fiscal year 2005.

The minimum participation rate shall not be reduced to the extent that the Secretary determines that the reduction in the number of families receiving such assistance is required by Federal law.

(B) Eligibility changes not counted

The regulations required by subparagraph (A) shall not take into account families that are diverted from a State program funded under this part as a result of differences in eligibility criteria under a State program funded under this part and the eligibility criteria in effect during fiscal year 2005. Such regulations shall place the burden on the Secretary to prove that such families were diverted as a direct result of differences in such eligibility criteria.

(4) State option to include individuals receiving assistance under a tribal family assistance plan or tribal work program

For purposes of paragraphs (1)(B) and (2)(B), a State may, at its option, include families in the State that are receiving assistance under a tribal family assistance plan approved under section 612 of this title or under a tribal work program to which funds are provided under this part.

(5) State option for participation requirement exemptions

For any fiscal year, a State may, at its option, not require an individual who is a single custodial parent caring for a child who has not attained 12 months of age to engage in work, and may disregard such an individual in determining the participation rates under subsection (a) for not more than 12 months.

(c) Engaged in work

(1) General rules

(A) All families

For purposes of subsection (b)(1)(B)(i), a recipient is engaged in work for a month in a fiscal year if the recipient is participating in work activities for at least the minimum average number of hours per week specified in the following table during the month, not fewer than 20 hours per week of which are attributable to an activity described in paragraph (1), (2), (3), (4), (5), (6), (7), (8), or (12) of subsection (d), subject to this subsection:

<table>
<thead>
<tr>
<th>Year</th>
<th>Minimum Average Hours per Week</th>
</tr>
</thead>
<tbody>
<tr>
<td>1997</td>
<td>20</td>
</tr>
<tr>
<td>1998</td>
<td>20</td>
</tr>
<tr>
<td>1999</td>
<td>25</td>
</tr>
<tr>
<td>2000 or thereafter</td>
<td>30.</td>
</tr>
</tbody>
</table>

(B) 2-parent families

For purposes of subsection (b)(2)(B), an individual is engaged in work for a month in a fiscal year if—

(i) the individual and the other parent in the family are participating in work activities for a total of at least 35 hours per week during the month, not fewer than 30 hours per week of which are attributable to an activity described in paragraph (1), (2), (3), (4), (5), (6), (7), (8), or (12) of subsection (d), subject to this subsection; and

(ii) if the family of the individual receives federally-funded child care assist-
§ 607
TITLE 42—THE PUBLIC HEALTH AND WELFARE
Page 1960

ance and an adult in the family is not disabled or caring for a severely disabled child, the individual and the other parent in the family are participating in work activities for a total of at least 55 hours per week during the month, not fewer than 50 hours per week of which are attributable to an activity described in paragraph (1), (2), (3), (4), (5), (6), (7), (8), or (12) of subsection (d).

(2) Limitations and special rules

(A) Number of weeks for which job search counts as work

(i) Limitation

Notwithstanding paragraph (1) of this subsection, an individual shall not be considered to be engaged in work by virtue of participation in an activity described in subsection (d)(6) of a State program funded under this part or any other State program funded with qualified State expenditures (as defined in section 609(a)(7)(B)(i) of this title), after the individual has participated in such an activity for 6 weeks (or, if the unemployment rate of the State is at least 50 percent greater than the unemployment rate of the United States or the State is a needy State (within the meaning of section 603(b)(5) of this title), 12 weeks), or if the participation is for a week that immediately follows 4 consecutive weeks of such participation.

(ii) Limited authority to count less than full week of participation

For purposes of clause (i) of this subparagraph, on not more than 1 occasion per individual, the State shall consider participation of the individual in an activity described in subsection (d)(6) for 3 or 4 days during a week as a week of participation in the activity by the individual.

(B) Single parent or relative with child under age 6 deemed to be meeting work participation requirements if parent or relative is engaged in work for 20 hours per week

For purposes of determining monthly participation rates under subsection (b)(1)(B)(i), a recipient who is the only parent or caretaker relative in the family of a child who has not attained 6 years of age is deemed to be engaged in work for a month if the recipient is engaged in work for an average of at least 20 hours per week during the month.

(C) Single teen head of household or married teen who maintains satisfactory school attendance deemed to be meeting work participation requirements

For purposes of determining monthly participation rates under subsection (b)(1)(B)(i), a recipient who is a single teenage head of household and has not attained 20 years of age is deemed to be engaged in work for a month in a fiscal year if the recipient—

(i) maintains satisfactory attendance at secondary school or the equivalent during the month; or

(ii) participates in education directly related to employment for an average of at least 20 hours per week during the month.

(D) Limitation on number of persons who may be treated as engaged in work by reason of participation in educational activities

For purposes of determining monthly participation rates under paragraphs (1)(B)(i) and (2)(B) of subsection (b), not more than 30 percent of the number of individuals in all families and in 2-parent families, respectively, in a State who are treated as engaged in work for a month may consist of individuals who are determined to be engaged in work for the month by reason of participation in vocational educational training, or (if the month is in fiscal year 2000 or thereafter) deemed to be engaged in work for the month by reason of subparagraph (C) of this paragraph.

(d) “Work activities” defined

As used in this section, the term “work activities” means—

(1) unsubsidized employment;

(2) subsidized private sector employment;

(3) subsidized public sector employment;

(4) work experience (including work associated with the refurbishing of publicly assisted housing) if sufficient private sector employment is not available;

(5) on-the-job training;

(6) job search and job readiness assistance;

(7) community service programs;

(8) vocational educational training (not to exceed 12 months with respect to any individual);

(9) job skills training directly related to employment;

(10) education directly related to employment, in the case of a recipient who has not received a high school diploma or a certificate of high school equivalency;

(11) satisfactory attendance at secondary school or in a course of study leading to a certificate of general equivalency, in the case of a recipient who has not completed secondary school or received such a certificate; and

(12) the provision of child care services to an individual who is participating in a community service program.

(e) Penalties against individuals

(1) In general

Except as provided in paragraph (2), if an individual in a family receiving assistance under the State program funded under this part or any other State program funded with qualified State expenditures (as defined in section 609(a)(7)(B)(i) of this title) refuses to engage in work required in accordance with this section, the State shall—

(A) reduce the amount of assistance otherwise payable to the family pro rata (or more, at the option of the State) with respect to any period during a month in which the individual so refuses; or

(B) terminate such assistance, subject to such good cause and other exceptions as the State may establish.

(2) Exception

Notwithstanding paragraph (1), a State may not reduce or terminate assistance under the
State program funded under this part or any other State program funded with qualified State expenditures (as defined in section 609(a)(7)(B)(i) of this title) based on a refusal of an individual to engage in work required in accordance with this section if the individual is a single custodial parent caring for a child who has not attained 6 years of age, and the individual proves that the individual has a demonstrated inability (as determined by the State) to obtain needed child care, for 1 or more of the following reasons:

(A) Unavailability of appropriate child care within a reasonable distance from the individual's home or work site.

(B) Unavailability or unsuitability of informal child care by a relative or under other arrangements.

(C) Unavailability of appropriate and affordable formal child care arrangements.

(f) Nondisplacement in work activities

(1) In general

Subject to paragraph (2), an adult in a family receiving assistance under a State program funded under this part attributable to funds provided by the Federal Government may fill a vacant employment position in order to engage in a work activity described in subsection (d).

(2) No filling of certain vacancies

No adult in a work activity described in subsection (d) which is funded, in whole or in part, by funds provided by the Federal Government shall be employed or assigned—

(A) when any other individual is on layoff from the same or any substantially equivalent job; or

(B) if the employer has terminated the employment of any regular employee or otherwise caused an involuntary reduction of its workforce in order to fill the vacancy so created with an adult described in paragraph (1).

(3) Grievance procedure

A State with a program funded under this part shall establish and maintain a grievance procedure for resolving complaints of alleged violations of paragraph (2).

(4) No preemption

Nothing in this subsection shall preempt or supersede any provision of State or local law that provides greater protection for employees from displacement.

(g) Sense of Congress

It is the sense of the Congress that in complying with this section, each State that operates a program funded under this part is encouraged to assign the highest priority to requiring adults in 2-parent families and adults in single-parent families that include older preschool or school-age children to be engaged in work activities.

(h) Sense of Congress that States should impose certain requirements on noncustodial, non-supporting minor parents

It is the sense of the Congress that the States should require noncustodial, nonsupporting parents who have not attained 18 years of age to fulfill community work obligations and attend appropriate parenting or money management classes after school.

(i) Verification of work and work-eligible individuals in order to implement reforms

(1) Secretarial direction and oversight

(A) Regulations for determining whether activities may be counted as "work activities", how to count and verify reported hours of work, and determining who is a work-eligible individual

(i) In general

Not later than June 30, 2006, the Secretary shall promulgate regulations to ensure consistent measurement of work participation rates under State programs funded under this part and State programs funded with qualified State expenditures (as defined in section 609(a)(7)(B)(i) of this title), which shall include information with respect to—

(I) determining whether an activity of a recipient of assistance may be treated as a work activity under subsection (d);

(II) uniform methods for reporting hours of work by a recipient of assistance;

(III) the type of documentation needed to verify reported hours of work by a recipient of assistance; and

(IV) the circumstances under which a parent who resides with a child who is a recipient of assistance should be included in the work participation rates.

(ii) Issuance of regulations on an interim final basis

The regulations referred to in clause (i) may be effective and final immediately on an interim basis as of the date of publication of the regulations. If the Secretary provides for an interim final regulation, the Secretary shall provide for a period of public comment on the regulation after the date of publication. The Secretary may change or revise the regulation after the public comment period.

(B) Oversight of State procedures

The Secretary shall review the State procedures established in accordance with paragraph (2) to ensure that such procedures are consistent with the regulations promulgated under subparagraph (A) and are adequate to ensure an accurate measurement of work participation under the State programs funded under this part and any other State programs funded with qualified State expenditures (as so defined).

(2) Requirement for States to establish and maintain work participation verification procedures

Not later than September 30, 2006, a State to which a grant is made under section 603 of this title shall establish procedures for determining, with respect to recipients of assistance under the State program funded under this part or under any State programs funded with qualified State expenditures (as so defined),
whether activities may be counted as work activities, how to count and verify reported hours of work, and who is a work-eligible individual, in accordance with the regulations promulgated pursuant to paragraph (1)(A)(i) and shall establish internal controls to ensure compliance with the procedures. 


PRIOR PROVISIONS


AMENDMENTS


2009—Subsec. (b)(3)(A)(i). Pub. L. 111–5, § 2101(d)(2), struck out “or if the immediately preceding fiscal year is fiscal year 2008, 2009, or 2010, then, at State option, during the emergency fund base year of the State with respect to the average monthly assistance caseload of the State (within the meaning of section 603(c)(9) of this title), except that, if a State elects such option for fiscal year 2008, the emergency fund base year of the State with respect to such caseload shall be fiscal year 2007)” before “under the State”.

Pub. L. 111–5, § 2101(d)(2), added subpar. (B). Pub. L. 105–33, § 5003(a), amended heading and text of subpar. (D) generally. Prior to amendment, text read as follows: “For purposes of determining monthly participation rates under paragraph (1)(B)(i) and (2) of subsection (b) of this section, not more than 20 percent of individuals in all families and in 2-parent families may be determined to be engaged in work in the State for a month by reason of participation in vocational educational training or deemed to be engaged in work by reason of subparagraph (C) of this paragraph.”
§ 608. Prohibitions; requirements
(a) In general
(1) No assistance for families without a minor child

A State to which a grant is made under section 603 of this title shall not use any part of the grant to provide assistance to a family, unless the family includes a minor child who resides with the family (consistent with paragraph (10)) or a pregnant individual.

(2) Reduction or elimination of assistance for noncooperation in establishing paternity or obtaining child support

If the agency responsible for administering the State plan approved under part D determines that an individual is not cooperating with the State in establishing paternity or in establishing, modifying, or enforcing a support order with respect to a child of the individual, and the individual does not qualify for any good cause or other exception established by the State pursuant to section 654(29) of this title, then the State—

(A) shall deduct from the assistance that would otherwise be provided to the family of the individual under the State program funded under this part an amount equal to not less than 25 percent of the amount of such assistance; and

(B) may deny the family any assistance under the State program.

(3) No assistance for families not assigning certain support rights to the State

A State to which a grant is made under section 603 of this title shall require, as a condition of paying assistance to a family under the State program funded under this part, that a member of the family assign to the State any right the family member may have (on behalf of the family member or of any other person for whom the family member has applied for or is receiving such assistance) to support from any other person, not exceeding the total amount of assistance so paid to the family, which accrues during the period that the family receives assistance under the program.

(4) No assistance for teenage parents who do not attend high school or other equivalent training program

A State to which a grant is made under section 603 of this title shall not use any part of the grant to provide assistance to an individual who has not attained 18 years of age, is not married, has a minor child at least 12 weeks of age in his or her care, and has not successfully completed a high-school education (or its equivalent), if the individual does not participate in—

(A) educational activities directed toward the attainment of a high school diploma or its equivalent; or

(B) an alternative educational or training program that has been approved by the State.

(5) No assistance for teenage parents not living in adult-supervised settings

(A) In general

(i) Requirement

Except as provided in subparagraph (B), a State to which a grant is made under section 603 of this title shall not use any part of the grant to provide assistance to an individual described in clause (ii) of this subparagraph if the individual and the minor child referred to in clause (ii) do not reside in a place of residence maintained by a parent, legal guardian, or other adult relative of the individual as such parent’s, guardian’s, or adult relative’s own home.

(ii) Individual described

For purposes of clause (i), an individual described in this clause is an individual who—

(I) has not attained 18 years of age; and

(II) is not married, and has a minor child in his or her care.

(B) Exception

(i) Provision of, or assistance in locating, adult-supervised living arrangement

In the case of an individual who is described in clause (ii), the State agency re-
ferred to in section 602(a)(4) of this title shall provide, or assist the individual in locating, a second chance home, maternity home, or other appropriate adult-supervised supportive living arrangement, taking into consideration the needs and concerns of the individual, unless the State agency determines that the individual’s current living arrangement is appropriate, and thereafter shall require that the individual and the minor child referred to in subparagraph (A)(ii) reside in such living arrangement as a condition of the continued receipt of assistance under the State program funded under this part attributable to funds provided by the Federal Government (or in an alternative appropriate arrangement, should circumstances change and the current arrangement cease to be appropriate).

(ii) Individual described

For purposes of clause (i), an individual is described in this clause if the individual is described in subparagraph (A)(ii), and—

(I) the individual has no parent, legal guardian, or other appropriate adult relative described in subclause (II) of his or her own who is living or whose whereabouts are known;

(II) no living parent, legal guardian, or other appropriate adult relative, who would otherwise meet applicable State criteria to act as the individual’s legal guardian, of such individual allows the individual to live in the home of such parent, guardian, or relative;

(III) the State agency determines that—

(aa) the individual or the minor child referred to in subparagraph (A)(ii) is being or has been subjected to serious physical or emotional harm, sexual abuse, or exploitation in the residence of the individual’s own parent or legal guardian; or

(bb) substantial evidence exists of an act or failure to act that presents an imminent or serious harm if the individual and the minor child lived in the same residence with the individual’s own parent or legal guardian; or

(IV) the State agency otherwise determines that it is in the best interest of the minor child to waive the requirement of subparagraph (A) with respect to the individual or the minor child.

(iii) Second-chance home

For purposes of this subparagraph, the term “second-chance home” means an entity that provides individuals described in clause (ii) with a supportive and supervised living arrangement in which such individuals are required to learn parenting skills, including child development, family budgeting, health and nutrition, and other skills to promote their long-term economic independence and the well-being of their children.

(6) No medical services

(A) In general

A State to which a grant is made under section 603 of this title shall not use any part of the grant to provide medical services.

(B) Exception for prepregnancy family planning services

As used in subparagraph (A), the term “medical services” does not include prepregnancy family planning services.

(7) No assistance for more than 5 years

(A) In general

A State to which a grant is made under section 603 of this title shall not use any part of the grant to provide assistance to a family that includes an adult who has received assistance under any State program funded under this part attributable to funds provided by the Federal Government, for 60 months (whether or not consecutive) after the date the State program funded under this part commences, subject to this paragraph.

(B) Minor child exception

In determining the number of months for which an individual who is a parent or pregnant has received assistance under the State program funded under this part, the State shall disregard any month for which such assistance was provided with respect to the individual and during which the individual was—

(i) a minor child; and

(ii) not the head of a household or married to the head of a household.

(C) Hardship exception

(i) In general

The State may exempt a family from the application of subparagraph (A) by reason of hardship or if the family includes an individual who has been battered or subjected to extreme cruelty.

(ii) Limitation

The average monthly number of families with respect to which an exemption made by a State under clause (i) is in effect for a fiscal year shall not exceed 20 percent of the average monthly number of families to which assistance is provided under the State program funded under this part during the fiscal year or the immediately preceding fiscal year (but not both), as the State may elect.

(iii) Battered or subject to extreme cruelty defined

For purposes of clause (i), an individual has been battered or subjected to extreme cruelty if the individual has been subjected to—

(I) physical acts that resulted in, or threatened to result in, physical injury to the individual;

(II) sexual abuse;

(III) sexual activity involving a dependent child;
(IV) being forced as the caretaker relative of a dependent child to engage in nonconsensual sexual acts or activities;
(V) threats of, or attempts at, physical or sexual abuse;
(VI) mental abuse; or
(VII) neglect or deprivation of medical care.

(D) Disregard of months of assistance received by adult while living in Indian country or an Alaskan Native village with 50 percent unemployment

(i) In general
In determining the number of months for which an adult has received assistance under a State or tribal program funded under this part, the State or tribe shall disregard any month during which the adult lived in Indian country or an Alaskan Native village if the most reliable data available with respect to the month (or a period including the month) indicate that at least 50 percent of the adults living in Indian country or in the village were not employed.

(ii) “Indian country” defined
As used in clause (i), the term “Indian country” has the meaning given such term in section 1151 of title 18.

(E) Rule of interpretation
Subparagraph (A) shall not be interpreted to require any State to provide assistance to any individual for any period of time under the State program funded under this part.

(F) Rule of interpretation
This part shall not be interpreted to prohibit any State from expending State funds not originating with the Federal Government on benefits for children or families that have become ineligible for assistance under the State program funded under this part by reason of subparagraph (A).

(G) Inapplicability to welfare-to-work grants and assistance
For purposes of subparagraph (A) of this paragraph, a grant made under section 603(a)(5) of this title shall not be considered a grant made under section 603 of this title, and noncash assistance from funds provided under section 603(a)(5) of this title shall not be considered assistance.

(8) Denial of assistance for 10 years to a person found to have fraudulently misrepresented residence in order to obtain assistance in 2 or more States
A State to which a grant is made under section 603 of this title shall not use any part of the grant to provide cash assistance to an individual during the 10-year period that begins on the date the individual is convicted in Federal or State court of having made a fraudulent statement or representation with respect to the place of residence of the individual in order to receive assistance simultaneously from 2 or more States under programs that are funded under this subchapter, subchapter XIX, or the Food and Nutrition Act of 2008 [7 U.S.C. 2011 et seq.], or benefits in 2 or more States under the supplemental security income program under subchapter XVI. The preceding sentence shall not apply with respect to a conviction of an individual, for any month beginning after the President of the United States grants a pardon with respect to the conduct which was the subject of the conviction.

(9) Denial of assistance for fugitive felons and probation and parole violators
(A) In general
A State to which a grant is made under section 603 of this title shall not use any part of the grant to provide assistance to any individual who is—
(i) fleeing to avoid prosecution, or custody or confinement after conviction, under the laws of the place from which the individual flees, for a crime, or an attempt to commit a crime, which is a felony under the laws of the place from which the individual flees, or which, in the case of the State of New Jersey, is a high misdemeanor under the laws of such State; or
(ii) violating a condition of probation or parole imposed under Federal or State law.

The preceding sentence shall not apply with respect to conduct of an individual, for any month beginning after the President of the United States grants a pardon with respect to the conduct.

(B) Exchange of information with law enforcement agencies
If a State to which a grant is made under section 603 of this title establishes safeguards against the use or disclosure of information about applicants or recipients of assistance under the State program funded under this part, the safeguards shall not prevent the State agency administering the program from furnishing a Federal, State, or local law enforcement officer, upon the request of the officer, with the current address of any recipient if the officer furnishes the agency with the name of the recipient and notifies the agency that—
(i) the recipient—
(I) is described in subparagraph (A); or
(II) has information that is necessary for the officer to conduct the official duties of the officer; and
(ii) the location or apprehension of the recipient is within such official duties.

(10) Denial of assistance for minor children who are absent from the home for a significant period
(A) In general
A State to which a grant is made under section 603 of this title shall not use any part of the grant to provide assistance for a minor child who has been, or is expected by a parent (or other caretaker relative) of the child to be, absent from the home for a period of 45 consecutive days or, at the option of the State, such period of not less than 30 and not more than 180 consecutive days as the State may provide for in the State plan
submitted pursuant to section 602 of this title.

(B) State authority to establish good cause exceptions

The State may establish such good cause exceptions to subparagraph (A) as the State considers appropriate if such exceptions are provided for in the State plan submitted pursuant to section 602 of this title.

(C) Denial of assistance for relative who fails to notify State agency of absence of child

A State to which a grant is made under section 603 of this title shall not use any part of the grant to provide assistance for an individual who is a parent (or other caretaker relative) of a minor child and who fails to notify the agency administering the State program funded under this part of the absence of the minor child from the home for the period specified in or provided for pursuant to subparagraph (A), by the end of the 5-day period that begins with the date that it becomes clear to the parent (or relative) that the minor child will be absent for such period so specified or provided for.

(11) Medical assistance required to be provided for certain families having earnings from employment or child support

(A) Earnings from employment

A State to which a grant is made under section 603 of this title and which has a State plan approved under subchapter XIX shall provide that in the case of a family that is treated (under section 1396a–1(b)(1)(A) of this title for purposes of subchapter XIX) as receiving aid under a State plan approved under this part (as in effect on July 16, 1996), that would become ineligible for such aid because of hours of or income from employment of the caretaker relative (as defined under this part as in effect on such date) or because of section 602(a)(8)(B)(i)(II) of this title (as so in effect), and that was so treated as receiving such aid in at least 3 of the 6 months immediately preceding the month in which such ineligibility begins, the family shall remain eligible for medical assistance under the State’s plan approved under subchapter XIX for an extended period or periods as provided in section 1396u–1(c)(1) of this title.

(12) State requirement to prevent unauthorized spending of benefits

(A) In general

A State to which a grant is made under section 603 of this title shall maintain policies and practices as necessary to prevent assistance provided under the State program funded under this part from being used in any electronic benefit transfer transaction in—

(i) any liquor store;

(ii) any casino, gambling casino, or gaming establishment; or

(iii) any retail establishment which provides adult-oriented entertainment in which performers disrobe or perform in an unclothed state for entertainment.

(B) Definitions

For purposes of subparagraph (A)—

(i) Liquor store

The term “liquor store” means any retail establishment which sells exclusively or primarily intoxicating liquor. Such term does not include a grocery store which sells both intoxicating liquor and groceries including staple foods (within the meaning of section 3(r) of the Food and Nutrition Act of 2008 (7 U.S.C. 2012(r))).

(ii) Casino, gambling casino, or gaming establishment

The terms “casino”, “gambling casino”, and “gaming establishment” do not include—

(I) a grocery store which sells groceries including such staple foods and which also offers, or is located within the same building or complex as, casino, gambling, or gaming activities; or

(II) any other establishment that offers casino, gambling, or gaming activities incidental to the principal purpose of the business.

(iii) Electronic benefit transfer transaction

The term “electronic benefit transfer transaction” means the use of a credit or debit card service, automated teller machine, point-of-sale terminal, or access to an online system for the withdrawal of funds or the processing of a payment for merchandise or a service.

(b) Individual responsibility plans

(1) Assessment

The State agency responsible for administering the State program funded under this part shall make an initial assessment of the skills, prior work experience, and employability of each recipient of assistance under the program who—

1 See References in Text note below.
(A) has attained 18 years of age; or
(B) has not completed high school or obtained a certificate of high school equivalency, and is not attending secondary school.

(2) Contents of plans

(A) In general

On the basis of the assessment made under subsection (a) with respect to an individual, the State agency, in consultation with the individual, may develop an individual responsibility plan for the individual, which—

(i) sets forth an employment goal for the individual and a plan for moving the individual immediately into private sector employment;

(ii) sets forth the obligations of the individual, which may include a requirement that the individual attend school, maintain certain grades and attendance, keep school age children of the individual in school, immunize children, attend parenting and money management classes, or do other things that will help the individual become and remain employed in the private sector;

(iii) to the greatest extent possible is designed to move the individual into whatever private sector employment the individual is capable of handling as quickly as possible, and to increase the responsibility and amount of work the individual is to handle over time;

(iv) describes the services the State will provide the individual so that the individual will be able to obtain and keep employment in the private sector, and describe the job counseling and other services that will be provided by the State; and

(v) may require the individual to undergo appropriate substance abuse treatment.

(B) Timing

The State agency may comply with paragraph (1) with respect to an individual—

(i) within 90 days (or, at the option of the State, 180 days) after the effective date of this part, in the case of an individual who, as of such effective date, is a recipient of aid under the State plan approved under part A (as in effect before such effective date); or

(ii) within 30 days (or, at the option of the State, 90 days) after the individual is determined to be eligible for such assistance, in the case of any other individual.

(3) Penalty for noncompliance by individual

In addition to any other penalties required under the State program funded under this part, the State may reduce, by such amount as the State considers appropriate, the amount of assistance otherwise payable under the State program to a family that includes an individual who fails without good cause to comply with an individual responsibility plan signed by the individual.

(4) State discretion

The exercise of the authority of this subsection shall be within the sole discretion of the State.

(c) Sanctions against recipients not considered wage reductions

A penalty imposed by a State against the family of an individual by reason of the failure of the individual to comply with a requirement under the State program funded under this part shall not be construed to be a reduction in any wage paid to the individual.

(d) Nondiscrimination provisions

The following provisions of law shall apply to any program or activity which receives funds provided under this part:

(1) The Age Discrimination Act of 1975 (42 U.S.C. 6101 et seq.).

(2) Section 794 of title 29.


(4) Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d et seq.).

(e) Special rules relating to treatment of certain aliens

For special rules relating to the treatment of certain aliens, see title IV of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 [8 U.S.C. 1601 et seq.].

(f) Special rules relating to treatment of non-213A aliens

The following rules shall apply if a State elects to take the income or resources of any sponsor of a non-213A alien into account in determining whether the alien is eligible for assistance under the State program funded under this part, or in determining the amount or types of such assistance to be provided to the alien:

(1) Deeming of sponsor's income and resources

For a period of 3 years after a non-213A alien enters the United States:

(A) Income deeming rule

The income of any sponsor of the alien and of any spouse of the sponsor is deemed to be income of the alien, to the extent that the total amount of the income exceeds the sum of—

(i) the lesser of—

(I) 20 percent of the total of any amounts received by the sponsor or any such spouse in the month as wages or salary or as net earnings from self-employment, plus the full amount of any costs incurred by the sponsor and any such spouse in producing self-employment income in such month; or

(II) $175;

(ii) the cash needs standard established by the State for purposes of determining eligibility for assistance under the State program funded under this part for a family of the same size and composition as the sponsor and any other individuals living in the same household as the sponsor who are claimed by the sponsor as dependents for purposes of determining the sponsor's Federal personal income tax liability but whose needs are not taken into account in determining whether the sponsor's family has met the cash needs standard;

(iii) any amounts paid by the sponsor or any such spouse to individuals not living...
in the household who are claimed by the sponsor as dependents for purposes of determining the sponsor’s Federal personal income tax liability; and

(iv) any payments of alimony or child support with respect to individuals not living in the household.

(B) Resource deeming rule

The resources of a sponsor of the alien and of any spouse of the sponsor are deemed to be resources of the alien to the extent that the aggregate value of the resources exceeds $1,500.

(C) Sponsors of multiple non-213A aliens

If a person is a sponsor of 2 or more non-213A aliens who are living in the same home, the income and resources of the sponsor and any spouse of the sponsor that would be deemed income and resources of any such alien under subparagraph (A) shall be divided into a number of equal shares equal to the number of such aliens, and the State shall deem the income and resources of each such alien to include 1 such share.

(2) Ineligibility of non-213A aliens sponsored by agencies; exception

A non-213A alien whose sponsor is or was a public or private agency shall be ineligible for assistance under a State program funded under this part, during a period of 3 years after the alien enters the United States, unless the State agency administering the program determines that the sponsor either no longer exists or has become unable to meet the alien’s needs.

(3) Information provisions

(A) Duties of non-213A aliens

A non-213A alien, as a condition of eligibility for assistance under a State program funded under this part during the period of 3 years after the alien enters the United States, shall be required to provide to the State agency administering the program—

(i) such information and documentation with respect to the alien’s sponsor as may be necessary in order for the State agency to make any determination required under this subsection, and to obtain any cooperation from the sponsor necessary for any such determination; and

(ii) such information and documentation as the State agency may request and which the alien or the alien’s sponsor provided in support of the alien’s immigration application.

(B) Duties of Federal agencies

The Secretary shall enter into agreements with the Secretary of State and the Attorney General under which any information available to them and required in order to make any determination under this subsection will be provided by them to the Secretary (who may, in turn, make the information available, upon request, to a concerned State agency).

(4) “Non-213A alien” defined

An alien is a non-213A alien for purposes of this subsection if the affidavit of support or similar agreement with respect to the alien that was executed by the sponsor of the alien’s entry into the United States was executed other than pursuant to section 213A of the Immigration and Nationality Act [8 U.S.C. 1183a].

(5) Inapplicability to alien minor sponsored by a parent

This subsection shall not apply to an alien who is a minor child if the sponsor of the alien or any spouse of the sponsor is a parent of the alien.

(6) Inapplicability to certain categories of aliens

This subsection shall not apply to an alien who is—

(A) admitted to the United States as a refugee under section 207 of the Immigration and Nationality Act [8 U.S.C. 1157];

(B) paroled into the United States under section 212(d)(5) of such Act [8 U.S.C. 1182(d)(5)] for a period of at least 1 year; or

(C) granted political asylum by the Attorney General under section 208 of such Act [8 U.S.C. 1158].

(g) State required to provide certain information

Each State to which a grant is made under section 603 of this title shall, at least 4 times annually and upon request of the Immigration and Naturalization Service, furnish the Immigration and Naturalization Service with the name and address of, and other identifying information on, any individual who the State knows is not lawfully present in the United States.


REFERENCES IN TEXT

Part D, referred to in subsec. (a)(2), (11)(B), is classified to section 651 et seq. of this title.


Stat. 327, which is classified principally to chapter 126 (§12101 et seq.) of this title. For complete classification of this Act to the Code, see Short Title note set out under section 12101 of this title and Tables.

The Civil Rights Act of 1964, referred to in subsec. (d)(4), is Pub. L. 88–352, July 2, 1964, 78 Stat. 241. Title VI of the Act is classified generally to subchapter V of this Act to the Code, see Short Title note set out under this title and Tables. VI of the Act is classified generally to subchapter V of this Act to the Code, see Short Title note set out under section 12000a of this title and Tables. VI of the Act is classified generally to subchapter V of this Act to the Code, see Short Title note set out under section 12000a of this title and Tables. VI of the Act is classified generally to subchapter V of this Act to the Code, see Short Title note set out under section 12000a of this title and Tables. VI of the Act is classified generally to subchapter V of this Act to the Code, see Short Title note set out under section 12000a of this title and Tables.


CODIFICATION


PRIOR PROVISIONS

A prior section 608, act Aug. 14, 1935, ch. 531, §501, which enacted this section, was renumbered (a)(3) of this section.

AMENDMENTS


2006—Subsec. (a)(3). Pub. L. 109–171 amended par. (3) generally. Prior to amendment, par. (3) prohibited a State from giving assistance under this part to families not assigning to the State certain rights to support accruing before the date the family ceased to receive assistance, with certain limitations, and prohibited a State from requiring the assignment of future support rights as a condition of providing assistance to a family.


Subsec. (a)(1). Pub. L. 105–33, §5005(a), made heading and text of par. (1) generally. Prior to amendment, text read as follows: “A State to which a grant is made under section 603 of this title shall not use any part of the grant to provide assistance to a family—

(A) unless the family includes—

(1) a minor child who resides with a custodial parent or other adult caretaker relative of the child; or

(2) (B) if the family includes an adult who has received assistance under any State program funded under this part attributable to funds provided by the Federal Government, for 60 months (whether or not consecutive) after the date the State program funded under this part commences (unless an exception described in subparagraph (B), (C), or (D) of paragraph (7) applies)."

Subsec. (a)(3). Pub. L. 105–33, §5505(b), substituted “ceases to receive assistance under” for “leaves in introductory provisions and cl. (ii) of subpar. (a) and in introductory provisions of subpart (b) and subpart (c).” Notwithstanding paragraph (1), a State may elect to “for after such date” for “for after such date the family leaves the program” in introductory provisions of subpart (A). Subsec. (a)(3)(A). Pub. L. 105–33, §5532(b)(2), redesignated cls. (i) and (ii) as subcls. (I) and (II), respectively, of (c), and added a new cl. (ii). Subsec. (a)(5)(A)(i). Pub. L. 105–33, §5505(c), made technical correction to heading in original. Subsec. (a)(7)(C)(ii). Pub. L. 105–33, §5505(d)(1), substituted “The average monthly number for ‘The number’” and inserted “during the fiscal year or the immediately preceding fiscal year (but not both), as the State may elect” before period at end. Subsec. (a)(7)(D). Pub. L. 105–33, §5505(d)(2), amended heading and text of subpar. (D) generally. Prior to amendment, text read as follows: “In determining the number of months for which an adult has received assistance under the State program funded under this part, the State shall disregard any month during which the adult lived on an Indian reservation or in an Alaskan Native village if, during the month—

(1) at least 1,000 individuals were living in the reservation or in the village; and

(ii) at least 50 percent of the adults living on the reservation or in the village were unemployed.” Subsec. (a)(7)(G). Pub. L. 105–33, §5501(d), added subpar. (G). Subsecs. (c), (d). Pub. L. 105–33, §5001(h)(1), added subsec. (c) and redesignated former subsec. (c) as (d). Former subsec. (d) redesignated (e).

Subsec. (e). Pub. L. 105–33, §5505(e), added subsec. (e) and struck out heading and text of former subsec. (e). Text read as follows: “For special rules relating to the treatment of aliens, see section 1612 of title 8.” Pub. L. 105–33, §5001(h)(1)(A), redesignated subsec. (d) as (e).


EFFECTIVE DATE OF 2008 AMENDMENT


EFFECTIVE DATE OF 2006 AMENDMENT

Pub. L. 110–191, title VII, §7301(c), Feb. 8, 2006, 120 Stat. 144, provided that:

“(1) IN GENERAL.—Except as otherwise provided in this section, the amendments made by the preceding provisions of this section (amending this section, sections 654 and 657 of this title, and section 6402 of Title 26, Internal Revenue Code) shall take effect on October 1, 2009, and shall apply to payments under parts A and D of title IV of the Social Security Act (42 U.S.C. 601 et seq., 651 et seq.) for calendar quarters beginning on or after such date, and without regard to whether regulations to implement the amendments (in the case of State programs operated under such part D) are promulgated by such date.

(2) STATE OPTION TO ACCELERATE EFFECTIVE DATE.—Notwithstanding paragraph (1), a State may elect to have the amendments made by the preceding provisions of this section apply to the State and to amounts collected by the State (and the payments under parts A and D, and on and after such date as the State may select that is not earlier than October 1, 2008, and not later than September 30, 2009.”

EFFECTIVE DATE OF 1997 AMENDMENT

paragraph (1) [amending this section] shall take effect as if included in the enactment of section 103(a) of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 [Pub. L. 104–193]. Amendment by section 5505 of Pub. L. 105–33 effective as if included in section 103(a) of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996; Pub. L. 104–193, at the time such section 103(a) became law, see section 5518(a) of Pub. L. 105–33, set out as a note under section 602 of this title.

Amendment by section 5514(c) of Pub. L. 105–33 effective as if included in the provision of Pub. L. 104–193 amended at the time the provision became law, see section 5518(d) of Pub. L. 105–33, set out as a note under section 662a of Title 21, Food and Drugs.


“(a) IN GENERAL.—Except as provided in subsection (b), the amendments made by this chapter [chapter 3 (§§5531–5557) of subtitle F of title V of Pub. L. 105–33, amending this section, sections 652 to 654, 654b, 655, 656, 657 to 659, 663, 664, and 666 of this title, section 1738B of Title 28, Judiciary and Judicial Procedure, and provisions set out as a note under section 655 of this title] shall take effect as if included in the enactment of title III of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (Public Law 104–193; 110 Stat. 2105).

“(b) EXCEPTION.—The amendments made by section 5532(a)(2) of this Act [amending this section] shall take effect as if the amendments had been included in the enactment of section 103(a) of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (Public Law 104–193; 110 Stat. 2112). The amendment made by section 5531(a)(1) [amending section 666 of this title] shall not take effect with respect to a State until October 1, 2000, or such earlier date as the State may select.


Pub. L. 105–33, title V, §5541(a), Aug. 5, 1997, 111 Stat. 642, provided that the amendment made by that section is effective July 1, 1997.

**Effective Date**

Section effective July 1, 1997, with transition rules relating to State options to accelerate such date, rules relating to claims, actions, and proceedings commenced before such date, rules relating to closing out of accounts for terminated or substantially modified programs and continuance in office of Assistant Secretary for Family Support, and provisions relating to termination of entitlement under AFDC program, see section 116 of Pub. L. 104–193, as amended, set out as a note under section 601 of this title.

**Abolition of Immigration and Naturalization Service and Transfer of Functions**

For abolition of Immigration and Naturalization Service, transfer of functions, and treatment of related references, see note set out under section 1551 of Title 8, Aliens and Nationality.

§608a. Fraud under means-tested welfare and public assistance programs

(a) In general

If an individual’s benefits under a Federal, State, or local law relating to a means-tested welfare or a public assistance program are reduced because of an act of fraud by the individual under the law or program, the individual may not, for the duration of the reduction, receive an increased benefit under any other means-tested welfare or public assistance program for which Federal funds are appropriated as a result of a decrease in the income of the individual (determined under the applicable program) attributable to such reduction.

(b) Welfare or public assistance programs for which Federal funds are appropriated

For purposes of subsection (a), the term ‘‘means-tested welfare or public assistance program for which Federal funds are appropriated’’ includes the food stamp program under the Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.), any program of public or assisted housing under title I of the United States Housing Act of 1937 (42 U.S.C. 1437 et seq.), and any State program funded under this part.


**References in Text**


**Codification**

Section was enacted as part of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, and not as part of the Social Security Act which comprises this chapter.

**Change of Name**

References to the food stamp program established under the Food and Nutrition Act of 2008 considered to refer to the supplemental nutrition assistance program established under that Act, see section 4002(c) of Pub. L. 110–246, set out as a note under section 2012 of Title 7, Agriculture.

§609. Penalties

(a) In general

Subject to this section:

(1) Use of grant in violation of this part

(A) General penalty

If an audit conducted under chapter 75 of title 31 finds that an amount paid to a State under section 603 of this title for a fiscal year has been used in violation of this part, the Secretary shall reduce the grant payable to the State under section 603(a)(1) of this title for the immediately succeeding fiscal year quarter by the amount so used.

(B) Enhanced penalty for intentional violations

If the State does not prove to the satisfaction of the Secretary that the State did not intend to use the amount in violation of this part, the Secretary shall further reduce the
grant payable to the State under section 603(a)(1) of this title for the immediately succeeding fiscal year quarter by an amount equal to 5 percent of the State family assistance grant.

(C) Penalty for misuse of competitive welfare-to-work funds

If the Secretary of Labor finds that an amount paid to an entity under section 603(a)(5)(B) of this title has been used in violation of subparagraph (B) or (C) of section 603(a)(5) of this title, the entity shall remit to the Secretary of Labor an amount equal to the amount so used.

(2) Failure to submit required report

(A) Quarterly reports

(i) In general

If the Secretary determines that a State has not, within 45 days after the end of a fiscal quarter, submitted the report required by section 611(a) of this title for the quarter, the Secretary shall reduce the grant payable to the State under section 603(a)(1) of this title for the immediately succeeding fiscal year by an amount equal to 4 percent of the State family assistance grant.

(ii) Rescission of penalty

The Secretary shall rescind a penalty imposed on a State under clause (i) with respect to a report if the State submits the report before the end of the fiscal quarter that immediately succeeds the fiscal quarter for which the report was required.

(B) Report on engagement in additional work activities and expenditures for other benefits and services

(i) In general

If the Secretary determines that a State has not submitted the report required by section 611(c)(1)(A)(i) of this title by May 31, 2011, or the report required by section 611(c)(1)(A)(ii) of this title by August 31, 2011, the Secretary shall reduce the grant payable to the State under section 603(a)(1) of this title for the immediately succeeding fiscal year by an amount equal to not more than 4 percent of the State family assistance grant.

(ii) Rescission of penalty

The Secretary shall rescind a penalty imposed on a State under clause (i) with respect to a report required by section 611(c)(1)(A) of this title if the State submits the report not later than—

(I) in the case of the report required under section 611(c)(1)(A)(i) of this title, June 15, 2011; and

(II) in the case of the report required under section 611(c)(1)(A)(ii) of this title, September 15, 2011.

(iii) Penalty based on severity of failure

The Secretary shall impose a reduction under clause (i) with respect to a fiscal year based on the degree of noncompliance.

(3) Failure to satisfy minimum participation rates

(A) In general

If the Secretary determines that a State to which a grant is made under section 603 of this title for a fiscal year has failed to comply with section 607(a) of this title for the fiscal year, the Secretary shall reduce the grant payable to the State under section 603(a)(1) of this title for the immediately succeeding fiscal year by an amount equal to the applicable percentage of the State family assistance grant.

(B) “Applicable percentage” defined

As used in subparagraph (A), the term “applicable percentage” means, with respect to a State—

(i) if a penalty was not imposed on the State under subparagraph (A) for the immediately preceding fiscal year, 5 percent; or

(ii) if a penalty was imposed on the State under subparagraph (A) for the immediately preceding fiscal year, the lesser of—

(I) the percentage by which the grant payable to the State under section 603(a)(1) of this title was reduced for such preceding fiscal year, increased by 2 percentage points; or

(II) 21 percent.

(C) Penalty based on severity of failure

The Secretary shall impose reductions under subparagraph (A) with respect to a fiscal year based on the degree of noncompliance, and may reduce the penalty if the noncompliance is due to circumstances that caused the State to become a needy State (as defined in section 603(b)(5) of this title) during the fiscal year or if the noncompliance is due to extraordinary circumstances such as a natural disaster or regional recession. The Secretary shall provide a written report to Congress to justify any waiver or penalty reduction due to such extraordinary circumstances.

(4) Failure to participate in the income and eligibility verification system

If the Secretary determines that a State program funded under this part is not participating during a fiscal year in the income and eligibility verification system required by section 1320b–7 of this title, the Secretary shall reduce the grant payable to the State under section 603(a)(1) of this title for the immediately succeeding fiscal year by an amount equal to not more than 2 percent of the State family assistance grant.

(5) Failure to comply with paternity establishment and child support enforcement requirements under part D

Notwithstanding any other provision of this chapter, if the Secretary determines that the State agency that administers a program funded under this part does not enforce the penalties requested by the agency administering part D against recipients of assistance under the State program who fail to cooperate
in establishing paternity or in establishing, modifying, or enforcing a child support order in accordance with such part and who do not qualify for any good cause or other exception established by the State under section 654(a)(9) of this title, the Secretary shall reduce the grant payable to the State under section 603(a)(1) of this title for the immediately succeeding fiscal year (without regard to this section) by not more than 5 percent.

(6) Failure to timely repay a Federal Loan Fund for State Welfare Programs

If the Secretary determines that a State has failed to repay any amount borrowed from the Federal Loan Fund for State Welfare Programs established under section 606 of this title within the period of maturity applicable to the loan, plus any interest owed on the loan, the Secretary shall reduce the grant payable to the State under section 603(a)(1) of this title for the immediately succeeding fiscal year (without regard to this section) by the outstanding loan amount, plus the interest owed on the outstanding amount. The Secretary shall not forgive any outstanding loan amount or interest owed on the outstanding amount.

(7) Failure of any State to maintain certain level of historic effort

(A) In general

The Secretary shall reduce the grant payable to the State under section 603(a)(1) of this title for a fiscal year by the amount (if any) by which qualified State expenditures for the then immediately preceding fiscal year are less than the applicable percentage of historic State expenditures with respect to such preceding fiscal year.

(B) Definitions

As used in this paragraph:

(i) Qualified State expenditures

(I) In general

The term “qualified State expenditures” means, with respect to a State and a fiscal year, the total expenditures by the State during the fiscal year, under all State programs, for any of the following with respect to eligible families:

(aa) Cash assistance, including any amount collected by the State as support pursuant to a plan approved under part D, on behalf of a family receiving assistance under the State program funded under this part, that is distributed to the family under section 657(a)(1)(B) of this title and disregarded in determining the eligibility of the family for, and the amount of, such assistance.

(bb) Child care assistance.

(cc) Educational activities designed to increase self-sufficiency, job training, and work, excluding any expenditure for public education in the State except expenditures which involve the provision of services or assistance to a member of an eligible family which is not generally available to persons who are not members of an eligible family.

(dd) Administrative costs in connection with the matters described in items (aa), (bb), (cc), and (ee), but only to the extent that such costs do not exceed 15 percent of the total amount of qualified State expenditures for the fiscal year.

(ee) Any other use of funds allowable under section 604(a)(1) of this title.

(II) Exclusion of transfers from other State and local programs

Such term does not include expenditures under any State or local program during a fiscal year, except to the extent that—

(aa) the expenditures exceed the amount expended under the State or local program in the fiscal year immediately preceding the fiscal year recently ending before August 22, 1996; or

(bb) the State is entitled to a payment under former section 603 of this title (as in effect immediately before August 22, 1996) with respect to the expenditures.

(III) Exclusion of amounts expended to replace penalty grant reductions

Such term does not include any amount expended in order to comply with paragraph (12).

(IV) Eligible families

As used in subclause (I), the term “eligible families” means families eligible for assistance under the State program funded under this part, families that would be eligible for such assistance but for the application of section 608(a)(7) of this title, and families of aliens lawfully present in the United States that would be eligible for such assistance but for the application of title IV of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 [8 U.S.C. 1601 et seq.].

(V) Counting of spending on certain pre-family activities

The term “qualified State expenditures” includes the total expenditures by the State during the fiscal year under all State programs for a purpose described in paragraph (3) or (4) of section 601(a) of this title.

(ii) Applicable percentage

The term “applicable percentage” means 80 percent (or, if the State meets the requirements of section 605(a) of this title, 75 percent).

(iii) Historic State expenditures

The term “historic State expenditures” means, with respect to a State, the lesser of—

(I) the expenditures by the State under parts A and F (as in effect during fiscal year 1994) for fiscal year 1994; or

(II) the amount which bears the same ratio to the amount described in subclause (I) as—
(aa) the State family assistance grant, plus the total amount required to be paid to the State under former section 603 of this title for fiscal year 1994 with respect to amounts expended by the State for child care under section (g) or (i) of section 602 of this title (as in effect during fiscal year 1994); bears to

(bb) the total amount required to be paid to the State under former section 603 of this title (as in effect during fiscal year 1994) for fiscal year 1994.

Such term does not include any expenditures under the State plan approved under part A (as so in effect) on behalf of individuals covered by a tribal family assistance plan approved under section 612 of this title, as determined by the Secretary.

(iv) Expenditures by the State

The term “expenditures by the State” does not include—

(I) any expenditure from amounts made available by the Federal Government;

(II) any State funds expended for the medicaid program under subchapter XIX;

(III) any State funds which are used to match Federal funds provided under section 603(a)(3) of this title;

(IV) any State funds which are expended as a condition of receiving Federal funds other than under this part.

Notwithstanding subclause (IV) of the preceding sentence, such term includes expenditures by a State for child care in a fiscal year to the extent that the total amount of the expenditures does not exceed the amount of State expenditures in fiscal year 1994 or 1995 (whichever is the greater) that equal the non-Federal share for the programs described in section 638(a)(1)(A) of this title.

(v) Source of data

In determining expenditures by a State for fiscal years 1994 and 1995, the Secretary shall use information which was reported by the State on ACF Form 231 or (in the case of expenditures under part F) ACF Form 331, available as of the dates specified in clauses (ii) and (iii) of section 603(a)(1)(D) of this title.

(8) Noncompliance of State child support enforcement program with requirements of part D

(A) In general

If the Secretary finds, with respect to a State’s program under part D, in a fiscal year beginning on or after October 1, 1997—

(i)(I) on the basis of data submitted by a State pursuant to section 654(15)(B) of this title, or on the basis of the results of a review conducted under section 652(a)(4) of this title, that the State program failed to achieve the paternity establishment percentages (as defined in section 652(g)(2) of this title), or to meet other performance measures that may be established by the Secretary;

(II) on the basis of the results of an audit or audits conducted under section 652(a)(4)(C)(i) of this title that the State data submitted pursuant to section 654(15)(B) of this title is incomplete or unreliable; or

(III) on the basis of the results of an audit or audits conducted under section 652(a)(4)(C) of this title that a State failed to substantially comply with 1 or more of the requirements of part D (other than paragraph (24), or subparagraph (A) or (B)(i) of paragraph (27), of section 654 of this title); and

(ii) that, with respect to the succeeding fiscal year—

(I) the State failed to take sufficient corrective action to achieve the appropriate performance levels or compliance as described in subparagraph (A)(i); or

(II) the data submitted by the State pursuant to section 654(15)(B) of this title is incomplete or unreliable; the amounts otherwise payable to the State under this part for quarters following the end of such succeeding fiscal year, prior to quarters following the end of the first quarter throughout which the State program has achieved the paternity establishment percentages or other performance measures as described in subparagraph (A)(i), or is in substantial compliance with 1 or more of the requirements of part D as described in subparagraph (A)(1)(III), as appropriate, shall be reduced by the percentage specified in subparagraph (B).

(B) Amount of reductions

The reductions required under subparagraph (A) shall be—

(i) not less than 1 nor more than 2 percent;

(ii) not less than 2 nor more than 3 percent, if the finding is the 2nd consecutive finding made pursuant to subparagraph (A); or

(iii) not less than 3 nor more than 5 percent, if the finding is the 3rd or a subsequent consecutive such finding.

(C) Disregard of noncompliance which is of a technical nature

For purposes of this section and section 652(a)(4) of this title, a State determined as a result of an audit—

(i) to have failed to have substantially complied with 1 or more of the requirements of part D shall be determined to have achieved substantial compliance only if the Secretary determines that the extent of the noncompliance is of a technical nature which does not adversely affect the performance of the State’s program under part D; or

(ii) to have submitted incomplete or unreliable data pursuant to section 654(15)(B) of this title shall be determined to have submitted adequate data only if the Sec-
§ 609  TITLE 42—THE PUBLIC HEALTH AND WELFARE  Page 1974

(9) Failure to comply with 5-year limit on assistance

If the Secretary determines that a State has not complied with section 608(a)(7) of this title during a fiscal year, the Secretary shall reduce the grant payable to the State under section 603(a)(1) of this title for the immediately succeeding fiscal year by an amount equal to 5 percent of the State family assistance grant.

(10) Failure of State receiving amounts from Contingency Fund to maintain 100 percent of historic effort

If, at the end of any fiscal year during which amounts from the Contingency Fund for State Welfare Programs have been paid to a State, the Secretary finds that the qualified State expenditures (as defined in paragraph (7)(B)(i) other than the expenditures described in subclause (I)(bb) of that paragraph) under the State program funded under this part for the fiscal year are less than 100 percent of historic State expenditures (as defined in paragraph (7)(B)(iii) of this subsection), excluding any amount expended by the State for child care under subsection (g) or (1) of section 602 of this title (as in effect during fiscal year 1994) for fiscal year 1994, the Secretary shall reduce the grant payable to the State under section 603(a)(1) of this title for the immediately succeeding fiscal year by the total of the amounts so paid to the State that the State has not remitted under section 603(b)(6) of this title.

(11) Failure to maintain assistance to adult single custodial parent who cannot obtain child care for child under age 6

(A) In general

If the Secretary determines that a State to which a grant is made under section 603 of this title for a fiscal year has violated section 607(e)(2) of this title during the fiscal year, the Secretary shall reduce the grant payable to the State under section 603(a)(1) of this title for the immediately succeeding fiscal year by an amount equal to not more than 5 percent of the State family assistance grant.

(B) Penalty based on severity of failure

The Secretary shall impose reductions under subparagraph (A) with respect to a fiscal year based on the degree of noncompliance.

(12) Requirement to expend additional State funds to replace grant reductions; penalty for failure to do so

If the grant payable to a State under section 603(a)(1) of this title for a fiscal year is reduced by reason of this subsection, the State shall, during the immediately succeeding fiscal year, expend under the State program funded under this part an amount equal to the total amount of such reductions. If the State fails during such succeeding fiscal year to make the expenditure required by the preceding sentence from its own funds, the Secretary may reduce the grant payable to the State under section 603(a)(1) of this title for the fiscal year that follows such succeeding fiscal year by an amount equal to the sum of—

(A) not more than 2 percent of the State family assistance grant; and

(B) the amount of the expenditure required by the preceding sentence.

(13) Penalty for failure of State to maintain historic effort during year in which welfare-to-work grant is received

If a grant is made to a State under section 603(a)(5)(A) of this title for a fiscal year and paragraph (7) of this subsection requires the grant payable to the State under section 603(a)(1) of this title to be reduced for the immediately succeeding fiscal year, then the Secretary shall reduce the grant payable to the State under section 603(a)(1) of this title for such succeeding fiscal year by the amount of the grant made to the State under section 603(a)(5)(A) of this title for the fiscal year.

(14) Penalty for failure to reduce assistance for recipients refusing without good cause to work

(A) In general

If the Secretary determines that a State to which a grant is made under section 603 of this title in a fiscal year has violated section 607(e) of this title during the fiscal year, the Secretary shall reduce the grant payable to the State under section 603(a)(1) of this title for the immediately succeeding fiscal year by an amount equal to not less than 1 percent and not more than 5 percent of the State family assistance grant.

(B) Penalty based on severity of failure

The Secretary shall impose reductions under subparagraph (A) with respect to a fiscal year based on the degree of noncompliance.

(15) Penalty for failure to establish or comply with work participation verification procedures

(A) In general

If the Secretary determines that a State to which a grant is made under section 603 of this title in a fiscal year has violated section 607(i)(2) of this title during the fiscal year, the Secretary shall reduce the grant payable to the State under section 603(a)(1) of this title for the immediately succeeding fiscal year by an amount equal to not less than 1 percent and not more than 5 percent of the State family assistance grant.

(B) Penalty based on severity of failure

The Secretary shall impose reductions under subparagraph (A) with respect to a fiscal year based on the degree of noncompliance.
(16) Penalty for failure to enforce spending policies

(A) In general

If, within 2 years after February 22, 2012, any State has not reported to the Secretary on such State’s implementation of the policies and practices required by section 608(a)(12) of this title, or the Secretary determines, based on the information provided in State reports, that any State has not implemented and maintained such policies and practices, the Secretary shall reduce, by an amount equal to 5 percent of the State family assistance grant, the grant payable to such State under section 603(a)(1) of this title for—

(i) the fiscal year immediately succeeding the year in which such 2-year period ends; and

(ii) each succeeding fiscal year in which the State does not demonstrate that such State has implemented and maintained such policies and practices.

(B) Reduction of applicable penalty

The Secretary may reduce the amount of the reduction required under subparagraph (A) based on the degree of noncompliance of the State.

(C) State not responsible for individual violations

Fraudulent activity by any individual in an attempt to circumvent the policies and practices required by section 608(a)(12) of this title shall not trigger a State penalty under subparagraph (A).

(b) Reasonable cause exception

(1) In general

The Secretary may not impose a penalty on a State under subsection (a) with respect to a requirement if the Secretary determines that the State has reasonable cause for failing to comply with the requirement.

(2) Exception

Paragraph (1) of this subsection shall not apply to any penalty under paragraph (6), (7), (8), (10), (12), or (13) of subsection (a) and, with respect to the penalty under paragraph (2)(B) of subsection (a), shall only apply to the extent the Secretary determines that the reasonable cause for failure to comply with a requirement of that paragraph is as a result of a one-time, unexpected event, such as a widespread data system failure or a natural or man-made disaster.

(c) Corrective compliance plan

(1) In general

(A) Notification of violation

Before imposing a penalty against a State under subsection (a) with respect to a violation of this part, the Secretary shall notify the State of the violation and allow the State the opportunity to enter into a corrective compliance plan in accordance with this subsection which outlines how the State will correct or discontinue, as appropriate, the violation and how the State will insure continuing compliance with this part.

(B) 60-day period to propose a corrective compliance plan

During the 60-day period that begins on the date the State receives a notice provided under subparagraph (A) with respect to a violation, the State may submit to the Federal Government a corrective compliance plan to correct or discontinue, as appropriate, the violation.

(C) Consultation about modifications

During the 60-day period that begins with the date the Secretary receives a corrective compliance plan submitted by a State in accordance with subparagraph (B), the Secretary may consult with the State on modifications to the plan.

(D) Acceptance of plan

A corrective compliance plan submitted by a State in accordance with subparagraph (B) is deemed to be accepted by the Secretary if the Secretary does not accept or reject the plan during 60-day period that begins on the date the plan is submitted.

(2) Effect of correcting or discontinuing violation

The Secretary may not impose any penalty under subsection (a) with respect to any violation covered by a State corrective compliance plan accepted by the Secretary if the State corrects or discontinues, as appropriate, the violation pursuant to the plan.

(3) Effect of failing to correct or discontinue violation

The Secretary shall assess some or all of a penalty imposed on a State under subsection (a) with respect to a violation if the State does not, in a timely manner, correct or discontinue, as appropriate, the violation pursuant to a State corrective compliance plan accepted by the Secretary.

(4) Inapplicability to certain penalties

This subsection shall not apply to the imposition of a penalty against a State under paragraph (2)(B), (6), (7), (8), (10), (12), (13), or (16) of subsection (a).

(d) Limitation on amount of penalties

(1) In general

In imposing the penalties described in subsection (a), the Secretary shall not reduce any quarterly payment to a State by more than 25 percent.

(2) Carryforward of unrecovered penalties

To the extent that paragraph (1) of this subsection prevents the Secretary from recovering during a fiscal year the full amount of penalties imposed on a State under subsection (a) of this section for a prior fiscal year, the Secretary shall apply any remaining amount of such penalties to the grant payable to the State under section 603(a)(1) of this title for the immediately succeeding fiscal year.

§ 609

TITLE 42—THE PUBLIC HEALTH AND WELFARE

111 Stat. 589, 592, 594, 613, 620; Pub. L. 105–200,
L. 106–113, div. B, § 1000(a)(4) [title VIII, § 807(b)],
Nov. 29, 1999, 113 Stat. 1535, 1501A–287; Pub. L.
117 Stat. 1131; Pub. L. 108–308, § 2(b)(3), Sept. 30,
VII, §§ 7101(b)(3), 7102(c)(2), 7103(b), Feb. 8, 2006,
120 Stat. 135, 137, 140; Pub. L. 111–242, § 131(b)(3),
VIII, § 812(b), Dec. 8, 2010, 124 Stat. 3162; Pub. L.
112–35, § 2(b), Sept. 30, 2011, 125 Stat. 384; Pub. L.
112–96, title IV, §§ 4002(c), 4004(b), (d), 4005(b)–(d),
REFERENCES IN TEXT
(8), is classified to section 651 et seq. of this title.
The Personal Responsibility and Work Opportunity
2105. Title IV of the Act is classified principally to
chapter 14 (§ 1601 et seq.) of Title 8, Aliens and Nationality. For complete classification of title IV to the Code,
see Tables.
Part F, referred to in subsec. (a)(7)(B)(iii)(I), (v), was
classified to section 681 et seq. of this title, prior to repeal by Pub. L. 104–193, title I, § 108(e), Aug. 22, 1996, 110
Stat. 2167.
Section 603(a)(1)(D) of this title, referred to in subsec.
(a)(7)(B)(v), was repealed by Pub. L. 108–40, § 3(a)(2),
PRIOR PROVISIONS
A prior section 609, act Aug. 14, 1935, ch. 531, title IV,
§ 409, as added Nov. 5, 1990, Pub. L. 101–508, title V,
§ 5052(a), 104 Stat. 1388–228, related to exclusion from
AFDC unit of child for whom Federal, State, or local
foster care maintenance or adoption assistance payments were made, prior to repeal by Pub. L. 104–193,
§ 103(a)(1), as amended by Pub. L. 105–33, title V,
Another prior section 609, act Aug. 14, 1935, ch. 531,
title IV, § 409, as added and amended July 25, 1962, Pub.
L. 87–543, title I, §§ 101(b)(2)(E), 105(a), 76 Stat. 180, 186;
397; July 18, 1984, Pub. L. 98–369, div. B, title VI, §§ 2627,
2641(a), 2663(c)(5), 98 Stat. 1136, 1146, 1166, related to
community work experience programs, prior to repeal
by Pub. L. 100–485, title II, §§ 202(b)(12), 204(a), (b)(1)(A),
with provision for earlier effective dates in case of
States making certain changes in their State plans and
formally notifying the Secretary of Health and Human
Services of their desire to become subject to the
amendments by title II of Pub. L. 100–485 at such earlier effective dates.
AMENDMENTS
realigned margins.
‘‘603(b)(5)’’ for ‘‘603(b)(6)’’.
2012, or 2013’’.
out ‘‘for fiscal years 1997 through 2012,’’ after ‘‘means’’
and substituted ‘‘607(a) of this title,’’ for ‘‘607(a) of this
title for the fiscal year,’’.
Subsec. (c)(2). Pub. L. 112–96, § 4005(d), inserted comma
after ‘‘appropriate’’.

Page 1976

Subsec. (c)(4). Pub. L. 112–96, § 4004(d), substituted
‘‘(13), or (16)’’ for ‘‘or (13)’’.
heading, redesignated former subpars. (A) and (B) as
cls. (i) and (ii), respectively, of subpar. (A), in subpar.
(A)(ii), substituted ‘‘clause (i)’’ for ‘‘subparagraph (A)’’,
and added subpar. (B).
Subsec. (b)(2). Pub. L. 111–291, § 812(b)(2), inserted before period at end ‘‘and, with respect to the penalty
under paragraph (2)(B) of subsection (a), shall only
apply to the extent the Secretary determines that the
reasonable cause for failure to comply with a requirement of that paragraph is as a result of a one-time, unexpected event, such as a widespread data system failure or a natural or man-made disaster’’.
‘‘(2)(B),’’ after ‘‘paragraph’’.
subcl. (V).
substituted ‘‘2010’’ for ‘‘2006’’.
(15).
substituted ‘‘2006, or 2007’’ for ‘‘or 2006’’.
substituted ‘‘2005, or 2006’’ for ‘‘or 2005’’.
substituted ‘‘2004, or 2005’’ for ‘‘or 2004’’.
Pub. L. 108–40, § 3(g)(1), substituted ‘‘2003, or 2004’’ for
‘‘or 2003’’.
Pub. L. 108–40, § 3(g)(2), substituted ‘‘2003’’ for ‘‘2002’’.
technical amendment to reference in original act which
appears in text as reference to August 22, 1996.
‘‘paragraph (24), or subparagraph (A) or (B)(i) of paragraph (27), of section 654 of this title’’ for ‘‘section
654(24) of this title’’.
‘‘(other than section 654(24) of this title)’’ before semicolon.
1997—Pub. L. 105–33, § 5514(c), made technical amendment to directory language of Pub. L. 104–193,
§ 103(a)(1), which enacted this section.
‘‘45 days’’ for ‘‘1 month’’.
out ‘‘not more than’’ after ‘‘an amount equal to’’.
before period at end ‘‘or if the noncompliance is due to
extraordinary circumstances such as a natural disaster
or regional recession. The Secretary shall provide a
written report to Congress to justify any waiver or penalty reduction due to such extraordinary circumstances’’.
Subsec. (a)(7)(B)(i)(I)(aa). Pub. L. 105–33, § 5506(b), inserted before period at end ‘‘, including any amount
collected by the State as support pursuant to a plan approved under part D, on behalf of a family receiving assistance under the State program funded under this


part, that is distributed to the family under section 657(a)(1)(B) of this title and disregarded in determining the eligibility of the family for, and the amount of, such assistance.


Subsec. (a)(7)(B)(i)(IV). Pub. L. 105–33, § 5506(d), substituted “this part, subpart XIX of this chapter; and” for “this part, and families” and “section 608(a)(7) of this title,” and families of aliens lawfully present in the United States that would be eligible for such assistance but for the application of title IV of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996” for “section 608(a)(7) of this title or section 1612 of title 8”.

Pub. L. 105–33, § 5506(c), redesignated subcl. (III) as (IV).

Subsec. (a)(7)(B)(ii). Pub. L. 105–33, § 5506(e), struck out “(if appropriate) in accordance with subparagraph (C)(ii)” after “(75 percent)”.


“(I) any expenditures from amounts made available by the Federal Government;

“(II) any State funds expended for the medical aid program under subchapter XIX of this chapter;

“(III) any State funds which are used to match Federal funds; or

“(IV) any State funds which are expended as a condition of receiving Federal funds under Federal programs other than under this part.

Notwithstanding subclause (IV) of the preceding sentence, such term includes expenditures by a State for child care in a fiscal year to the extent that the total amount of such expenditures does not exceed an amount equal to the amount of State expenditures in fiscal years 1994 or 1995 (whichever is greater) that is greater than the equal the non-Federal share for the programs described in section 618(a)(1)(A) of this title.”


Subsec. (a)(8). Pub. L. 105–33, § 5506(g), amended heading and text of par. (8) generally. Prior to amendment, par. (8) provided that if a State program operated under part D of this subchapter was found to not have complied substantially with the requirements of such part for any quarter, and was not complying substantially with such requirements at the time of the finding, the Secretary was to reduce the grant payable to the State under section 609(a)(1) of this title for that quarter only if the program was found to be in substantial compliance with such requirements.


Subsec. (a)(10). Pub. L. 105–33, § 5506(i), substituted “the qualified State expenditures (as defined in paragraph (7)(B) of this section)” for “the expenditures under the State program funds under this part for the fiscal year” for “the expenditures under the State program funded under this part for the fiscal year (excluding any amounts made available by the Federal Government)”.

inserted “excluding any amount expended by the State for child care under subsection (g) or (i) of section 602 of this title (as in effect during fiscal year 1994) (for fiscal year 1994)” after “(as defined in paragraph (7)(B)(ii) of this subsection)”, and inserted before period at end “that the State has not remitted under section 603(b)(6) of this title”.

Subsec. (a)(12). Pub. L. 105–33, § 5506(j), in heading substituted “Requirement” for “Failure” and “reductions; penalty for failure to do so” for “reductions” and in text inserted at end “If the State fails during such succeeding fiscal year to make the expenditure required by the preceding sentence from its own funds, the Secretary may reduce the grant payable to the State under section 609(a)(1) of this title for the fiscal year that follows such succeeding fiscal year by an amount equal to the sum of—

“(A) not more than 2 percent of the State family assistance grant; and

“(B) the amount of the expenditure required by the preceding sentence.”


Subsec. (b)(2). Pub. L. 105–33, § 5504(k), substituted “(6), (7), (8), (10), or (12)” for “(7)” or “(8)”.

Pub. L. 105–33, § 5501(g)(1)(B), substituted “(12), or “(13)” for “(12)”.


Pub. L. 106–113, div. B, § 1000(a)(4) [title VIII, § 807(c)], Nov. 29, 1999, 113 Stat. 1355, 1351A–267, provided that: “The amendments made by this section [amending this section and section 655 of this title] shall take effect on October 1, 1999.”


Amendment by section 5506 of Pub. L. 105–33 effective as if included in section 103(a) of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, Pub. L. 104–193, at the time such section 103(a) became law, see section 5518(a) of Pub. L. 105–33, set out as a note under section 602 of this title.

Amendment by section 5514(c) of Pub. L. 105–33 effective as if included in the provision of Pub. L. 104–193 amended at the time the proviso became law, see section 5518(d) of Pub. L. 105–33, set out as a note under section 862a of Title 21, Food and Drugs.

Effective Date Section effective July 1, 1997, with delayed effective date for subsec. (a)(2)–(5), (8), (10) of this section, and with transition rules relating to State options to accelerate such date, rules relating to claims, actions, and proceedings commenced before such date, rules relating to closing out of accounts for terminated or substantially modified programs and continuance in office of
Assistant Secretary for Family Support, and provisions relating to termination of entitlement under AFDC program, see section 116 of Pub. L. 104–193, set out as a note under section 601 of this title.

§ 610. Appeal of adverse decision

(a) In general

Within 5 days after the date the Secretary takes any adverse action under this part with respect to a State, the Secretary shall notify the chief executive officer of the State of the adverse action, including any action with respect to the State plan submitted under section 602 of this title or the imposition of a penalty under section 609 of this title.

(b) Administrative review

(1) In general

Within 60 days after the date a State receives notice under subsection (a) of an adverse action, the State may appeal the action, in whole or in part, to the Departmental Appeals Board established in the Department of Health and Human Services (in this section referred to as the “Board”) by filing an appeal with the Board.

(2) Procedural rules

The Board shall consider an appeal filed by a State under paragraph (1) on the basis of such documentation as the State may submit and as the Board may require to support the final decision of the Board. In deciding whether to uphold an adverse action or any portion of such an action, the Board shall conduct a thorough review of the issues and take into account all relevant evidence. The Board shall make a final determination with respect to an appeal filed under paragraph (1) not less than 60 days after the date the appeal is filed.

(c) Judicial review of adverse decision

(1) In general

Within 90 days after the date of a final decision by the Board under this section with respect to an adverse action taken against a State, the State may obtain judicial review of the final decision (and the findings incorporated into the final decision) by filing an action in—

(A) the district court of the United States for the judicial district in which the principal or headquarters office of the State agency is located; or

(B) the United States District Court for the District of Columbia.

(2) Procedural rules

The district court in which an action is filed under paragraph (1) shall review the final decision of the Board on the record established in the administrative proceeding, in accordance with the standards of review prescribed by subparagraphs (A) through (E) of section 706(2) of title 5. The review shall be on the basis of the documents and supporting data submitted to the Board.


§ 611. Data collection and reporting

(a) Quarterly reports by States

(1) General reporting requirement

(A) Contents of report

Each eligible State shall collect on a monthly basis, and report to the Secretary on a quarterly basis, the following disaggregated case record information on the families receiving assistance under the State program funded under this part (except for information relating to activities carried out under section 603(a)(5) of this title) or any other State program funded with qualified State expenditures (as defined in section 609(a)(7)(B)(i) of this title):

(i) The county of residence of the family.

(ii) Whether a child receiving such assistance or an adult in the family is receiving—

(I) Federal disability insurance benefits;

(II) benefits based on Federal disability status;

(III) aid under a State plan approved under subchapter XIV (as in effect without regard to the amendment made by section 301 of the Social Security Amendments of 1972);

(IV) aid or assistance under a State plan approved under subchapter XVI (as in effect without regard to such amend-
(B) Use of samples

(i) Authority

A State may comply with subparagraph (A) by submitting disaggregated case record information on a sample of families selected through the use of scientifically acceptable sampling methods approved by the Secretary.

(ii) Sampling and other methods

The Secretary shall provide the States with such case sampling plans and data collection procedures as the Secretary deems necessary to produce statistically valid estimates of the performance of State programs funded under this part and any other State programs funded with qualified State expenditures (as defined in section 609(a)(7)(B)(i) of this title). The Secretary may develop and implement procedures for verifying the quality of data submitted by the States.

(2) Report on use of Federal funds to cover administrative costs and overhead

The report required by paragraph (1) for a fiscal quarter shall include a statement of the percentage of the funds paid to the State under this part for the quarter that are used to cover administrative costs or overhead, with a separate statement of the percentage of such funds that are used to cover administrative costs or overhead incurred for programs operated with funds provided under section 603(a)(5) of this title.

(3) Report on State expenditures on programs for needy families

The report required by paragraph (1) for a fiscal quarter shall include a statement of the total amount expended by the State during the quarter on programs for needy families, with a separate statement of the total amount expended by the State during the quarter on programs operated with funds provided under section 603(a)(5) of this title.

(4) Report on noncustodial parents participating in work activities

The report required by paragraph (1) for a fiscal quarter shall include the number of noncustodial parents in the State who participated in work activities (as defined in section 607(d) of this title) during the quarter, with a separate statement of the number of such parents who participated in programs operated with funds provided under section 603(a)(5) of this title.

(5) Report on transitional services

The report required by paragraph (1) for a fiscal quarter shall include the total amount expended by the State during the quarter to provide transitional services to a family that has ceased to receive assistance under this part because of employment, along with a description of such services.

(6) Report on families receiving assistance

The report required by paragraph (1) for a fiscal quarter shall include for each month in the quarter—

(A) the number of families and individuals receiving assistance under the State program funded under this part (including the number of 2-parent and 1-parent families);

(B) the total dollar value of such assistance received by all families; and
(C) with respect to families and individuals participating in a program operated with funds provided under section 603(a)(5) of this title—
(i) the total number of such families and individuals; and
(ii) the number of such families and individuals whose participation in such a program was terminated during a month.

(7) Regulations
The Secretary shall prescribe such regulations as may be necessary to define the data elements with respect to which reports are required by this subsection, and shall consult with the Secretary of Labor in defining the data elements with respect to programs operated with funds provided under section 603(a)(5) of this title.

(b) Annual reports to Congress by Secretary
Not later than 6 months after the end of fiscal year 1997, and each fiscal year thereafter, the Secretary shall transmit to the Congress a report describing—
(1) whether the States are meeting—
(A) the participation rates described in section 607(a) of this title; and
(B) the objectives of—
(i) increasing employment and earnings of needy families, and child support collections; and
(ii) decreasing out-of-wedlock pregnancies and child poverty;
(2) the demographic and financial characteristics of families applying for assistance, families receiving assistance, and families that become ineligible to receive assistance;
(3) the characteristics of each State program funded under this part; and
(4) the trends in employment and earnings of needy families with minor children living at home.

(c) Pre-reauthorization State-by-State reports on engagement in additional work activities and expenditures for other benefits and services

(1) State reporting requirements

(A) Reporting periods and deadlines
Each eligible State shall submit to the Secretary the following reports:
(i) March 2011 report
Not later than May 31, 2011, a report for the period that begins on March 1, 2011, and ends on March 31, 2011, that contains the information specified in subparagraphs (B) and (C).
(ii) April-June, 2011 report
Not later than August 31, 2011, a report for the period that begins on April 1, 2011, and ends on June 30, 2011, that contains with respect to the 3 months that occur during that period—
(I) the average monthly numbers for the information specified in subparagraph (B); and
(II) the information specified in subparagraph (C).

(B) Engagement in additional work activities
(i) With respect to each work-eligible individual in a family receiving assistance during a reporting period specified in subparagraph (A), whether the individual engages in any activities directed toward attaining self-sufficiency during a month occurring in a reporting period, and if so, the specific activities—
(I) that do not qualify as a work activity under section 607(d) of this title but that are otherwise reasonably calculated to help the family move toward self-sufficiency; or
(II) that are of a type that would be counted toward the State participation rates under section 607 of this title but for the fact that—
(aa) the work-eligible individual did not engage in sufficient hours of the activity;
(bb) the work-eligible individual has reached the maximum time limit allowed for having participation in the activity counted toward the State’s work participation rate; or
(cc) the number of work-eligible individuals engaged in such activity exceeds a limitation under such section.
(ii) Any other information that the Secretary determines appropriate with respect to the information required under clause (i), including if the individual has no hours of participation, the principal reason or reasons for such non-participation.

(C) Expenditures on other benefits and services
(i) Detailed, disaggregated information regarding the types of, and amounts of, expenditures made by the State during a reporting period specified in subparagraph (A) using—
(I) Federal funds provided under section 603 of this title that are (or will be) reported by the State on Form ACF–196 (or any successor form) under the category of other expenditures or the category of benefits or services provided in accordance with the authority provided under section 604(a)(2) of this title; or
(II) State funds expended to meet the requirements of section 609(a)(7) of this title and reported by the State in the category of other expenditures on Form ACF–196 (or any successor form).
(ii) Any other information that the Secretary determines appropriate with respect to the information required under clause (i).

(2) Publication of summary and analysis of engagement in additional activities
Concurrent with the submission of each report required under paragraph (1)(A), an eligible State shall publish on an Internet website maintained by the State agency responsible for administering the State program funded under this part (or such State-maintained website as the Secretary may approve)—
(A) a summary of the information submitted in the report;
(B) an analysis statement regarding the extent to which the information changes measures of total engagement in work ac-
tivities from what was (or will be) reported by the State in the quarterly report submitted under subsection (a) for the comparable period; and

(C) a narrative describing the most common activities contained in the report that are not countable toward the State participation rates under section 607 of this title.

(3) Application of authority to use sampling

Subparagraph (B) of subsection (a)(1) shall apply to the reports required under paragraph (1) of this subsection in the same manner as subparagraph (B) of subsection (a)(1) applies to reports required under subparagraph (A) of subsection (a)(1).

(4) Secretarial reports to Congress

(A) March 2011 report

Not later than June 30, 2011, the Secretary shall submit to Congress a report on the information submitted by eligible States for the March 2011 reporting period under paragraph (1)(A)(i). The report shall include a State-by-State summary and analysis of such information, identification of any States with missing or incomplete reports, and recommendations for such administrative or legislative changes as the Secretary determines are necessary to require eligible States to report the information on a recurring basis.

(B) April-June, 2011 report

Not later than September 30, 2011, the Secretary shall submit to Congress a report on the information submitted by eligible States for the April-June 2011 reporting period under paragraph (1)(A)(ii). The report shall include a State-by-State summary and analysis of such information, identification of any States with missing or incomplete reports, and recommendations for such administrative or legislative changes as the Secretary determines are necessary to require eligible States to report the information on a recurring basis.

(5) Authority for expeditious implementation

The requirements of chapter 5 of title 5 (commonly referred to as the “Administrative Procedure Act”) or any other law relating to rulemaking or publication in the Federal Register shall not apply to the issuance of guidance or instructions by the Secretary with respect to the implementation of this subsection to the extent the Secretary determines that compliance with any such requirement would impede the expeditious implementation of this subsection.

(d) Data exchange standardization for improved interoperability

(1) Data exchange standards

(A) Designation

The Secretary, in consultation with an interagency work group which shall be established by the Office of Management and Budget, and considering State and tribal perspectives, shall, by rule, designate a data exchange standard for any category of information required to be reported under this part.

(B) Data exchange standards must be non-proprietary and interoperable

The data exchange standard designated under subparagraph (A) shall, to the extent practicable, be nonproprietary and interoperable.

(C) Other requirements

In designating data exchange standards under this section, the Secretary shall, to the extent practicable, incorporate—

(i) interoperable standards developed and maintained by an international voluntary consensus standards body, as defined by the Office of Management and Budget, such as the International Organization for Standardization;

(ii) interoperable standards developed and maintained by intergovernmental partnerships, such as the National Information Exchange Model; and

(iii) interoperable standards developed and maintained by Federal entities with authority over contracting and financial assistance, such as the Federal Acquisition Regulatory Council.

(2) Data exchange standards for reporting

(A) Designation

The Secretary, in consultation with an interagency work group established by the Office of Management and Budget, and considering State and tribal perspectives, shall, by rule, designate data exchange standards to govern the data reporting required under this part.

(B) Requirements

The data exchange standards required by subparagraph (A) shall, to the extent practicable—

(i) incorporate a widely-accepted, nonproprietary, searchable, computer-readable format;

(ii) be consistent with and implement applicable accounting principles; and

(iii) be capable of being continually upgraded as necessary.

(C) Incorporation of nonproprietary standards

In designating reporting standards under this paragraph, the Secretary shall, to the extent practicable, incorporate existing nonproprietary standards, such as the eXtensible Markup Language.

**Codification**

Pub. L. 110-234 and Pub. L. 110-246 made identical amendments to this section. The amendments by Pub. L. 110-234 were repealed by section 4(a) of Pub. L. 110-246.

**Prior Provisions**


**Amendments**


1997—Pub. L. 105-33, §5514(c), made technical amendment to directory language of Pub. L. 104-193, §159(a)(1), which enacted this section.

Subsec. (a)(1)(A)(ii). Pub. L. 105-33, §5507(1)(A)(i), added cl. (i) and struck out former cl. (i) which read as follows: “Whether a child receiving such assistance or an adult in the family is disabled.”


Subsec. (a)(1)(B). Pub. L. 105-33, §5507(1)(B), substituted “samples” for “estimates” in heading and “disaggregated case record information on a sample of families selected” for “an estimate which is obtained” in cl. (i).

Subsec. (a)(2). Pub. L. 105-33, §5001(e)(2), inserted before period at end “, with a separate statement of the percentage of such funds that are used to cover administrative costs or overhead incurred for programs operated with funds provided under section 609(a)(5) of this title”.

Subsec. (a)(3). Pub. L. 105-33, §5001(e)(3), inserted before period at end “, with a separate statement of the total amount expended by the State during the quarter on programs operated with funds provided under section 609(a)(5) of this title”.

Subsec. (a)(4). Pub. L. 105-33, §5001(e)(4), inserted before period at end “, with a separate statement of the number of such parents who participated in programs operated with funds provided under section 609(a)(5) of this title”.


Subsec. (a)(7). Pub. L. 105-33, §5507(2), redesignated par. (6) as (7).

Pub. L. 105-33, §5001(e)(6), inserted before period at end “, and shall consult with the Secretary of Labor in defining the data elements with respect to programs operated with funds provided under section 609(a)(5) of this title”.

**Effective Date of 2012 Amendment; Regulations**

Pub. L. 112-96, title IV, §4003(b), Feb. 22, 2012, 126 Stat. 196, provided that:

“(1) DATA EXCHANGE STANDARDS.—The Secretary of Health and Human Services shall issue a proposed rule under section 411(d)(1) of the Social Security Act (42 U.S.C. 611d(1)) within 12 months after the date of the enactment of this section (Feb. 22, 2012), and shall issue a final rule under such section 411(d)(1), after public comment, within 24 months after such date of enactment.

“(2) DATA REPORTING STANDARDS.—The reporting standards required under section 411(d)(2) of such Act (42 U.S.C. 611d(2)) shall become effective with respect to reports required in the first reporting period, after the effective date of the final rule referred to in paragraph (1) of this subsection, for which the authority for data collection and reporting is established or renewed under the Paperwork Reduction Act (44 U.S.C. 3501 et seq.).”

**Effective Date of 2008 Amendment**

Amendment of this section and repeal of Pub. L. 110-234 by Pub. L. 110-246 effective May 22, 2008, the date of enactment of Pub. L. 110-234, except as otherwise provided, see section 4 of Pub. L. 110-246, set out as an Effective Date note under section 8701 of Title 7, Agriculture.


**Effective Date of 2006 Amendment**


**Effective Date of 1997 Amendment**

Amendment by section 5507 of Pub. L. 105-33 effective as if included in section 103(a) of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, Pub. L. 104-193, at the time such section 103(a) became law, see section 5518(d) of Pub. L. 105-33, set out as a note under section 602 of this title.

Amendment by section 5514(c) of Pub. L. 105-33 effective as if included in the provision of Pub. L. 104-193 amended at the time the provision became law, see section 5518(d) of Pub. L. 105-33, set out as a note under section 862a of Title 21, Food and Drugs.

**Effective Date**

Section effective July 1, 1997, with transition rules relating to State options to accelerate such date, rules relating to claims, actions, and proceedings commenced before such date, rules relating to closing out of accounts for terminated or substantially modified programs and continuity in office of Assistant Secretary for Family Support, and provisions relating to
§ 611a. State required to provide certain information

Each State to which a grant is made under section 603 of this title shall, at least 4 times annually and upon request of the Immigration and Naturalization Service, furnish the Immigration and Naturalization Service with the name and address of, and other identifying information on, any individual who the State knows is unlawfully in the United States.


§612. Direct funding and administration by Indian tribes

(a) Grants for Indian tribes

(1) Tribal family assistance grant

(A) In general

For each of fiscal years 2017 and 2018, the Secretary shall pay to each Indian tribe that has an approved tribal family assistance plan a tribal family assistance grant for the fiscal year in an amount equal to the amount determined under subparagraph (B), which shall be reduced for a fiscal year, on a pro rata basis for each quarter, in the case of a tribal family assistance plan approved during a fiscal year for which the plan is to be in effect, and shall reduce the grant payable under section 603(a)(1) of this title to any State in which lies the service area or areas identified by the Indian tribe pursuant to subsection (b)(1)(C) of this section.

(B) Amount determined

(i) In general

The amount determined under this subparagraph is an amount equal to the total amount of the Federal payments to a State or States under section 603 of this title (as in effect during such fiscal year) for fiscal year 1994 attributable to expenditures (other than child care expenditures) by the State or States under parts A and F (as so in effect) for fiscal year 1994 for Indian families residing in the service area or areas identified by the Indian tribe pursuant to subsection (b)(1)(C) of this section.

(ii) Use of State submitted data

(1) In general

The Secretary shall use State submitted data to make each determination under clause (i).

(II) Disagreement with determination

If an Indian tribe or tribal organization disagrees with State submitted data described under subclause (I), the Indian tribe or tribal organization may submit to the Secretary such additional information as may be relevant to making the determination under clause (i) and the Secretary may consider such information before making such determination.

(2) Grants for Indian tribes that received jobs funds

(A) In general

For each of fiscal years 2017 and 2018, the Secretary shall pay to each eligible Indian tribe that proposes to operate a program described in subparagraph (C) a grant in an amount equal to the amount received by the Indian tribe in fiscal year 1994 under section 682(1) of this title (as in effect during fiscal year 1994).

(B) Eligible Indian tribe

For purposes of subparagraph (A), the term "eligible Indian tribe" means an Indian tribe or Alaska Native organization that conducted a job opportunities and basic skills training program in fiscal year 1995 under section 682(i) of this title (as in effect during fiscal year 1995).

(C) Use of grant

Each Indian tribe to which a grant is made under this paragraph shall use the grant for the purpose of operating a program to make work activities available to such population and such service area or areas as the tribe specifies.

(D) Appropriation

Out of any money in the Treasury of the United States not otherwise appropriated, there are appropriated $7,633,287 for each fiscal year specified in subparagraph (A) for grants under subparagraph (A).

(3) Welfare-to-work grants

(A) In general

The Secretary of Labor shall award a grant in accordance with this paragraph to an Indian tribe for each fiscal year specified in section 603(a)(5)(H) of this title for which the Indian tribe is a welfare-to-work tribe, in such amount as the Secretary of Labor deems appropriate, subject to subparagraph (B) of this paragraph.

(B) Welfare-to-work tribe

An Indian tribe shall be considered a welfare-to-work tribe for a fiscal year for purposes of this paragraph if the Indian tribe meets the following requirements:

(i) The Indian tribe has submitted to the Secretary of Labor a plan which describes how, consistent with section 603(a)(5) of this title, the Indian tribe will use any funds provided under this paragraph during the fiscal year. If the Indian tribe has a tribal family assistance plan, the plan referred to in the preceding sentence shall be in the form of an addendum to the tribal family assistance plan.

(ii) The Indian tribe is operating a program under a tribal family assistance plan

...
§ 612

TITLE 42—THE PUBLIC HEALTH AND WELFARE

Page 1984

approved by the Secretary of Health and Human Services, a program described in paragraph (2)(C), or an employment program funded through other sources under which substantial services are provided to recipients of assistance under a program funded under this part.

(iii) The Indian tribe has provided the Secretary of Labor with an estimate of the amount that the Indian tribe intends to expend during the fiscal year (excluding tribal expenditures described in section 609(a)(7)(B)(iv) (other than subclause (III) thereof) of this title) pursuant to this paragraph.

(iv) The Indian tribe has agreed to negotiate in good faith with the Secretary of Health and Human Services with respect to the substance and funding of any evaluation under section 613(j) of this title, and to cooperate with the conduct of any such evaluation.

(C) Limitations on use of funds

(i) In general

Section 603(a)(5)(C) of this title shall apply to funds provided to Indian tribes under this paragraph in the same manner in which such section applies to funds provided under section 603(a)(5) of this title.

(ii) Waiver authority

The Secretary of Labor may waive or modify the application of a provision of section 603(a)(5)(C) (other than clause (viii) thereof) of this title with respect to an Indian tribe to the extent necessary to enable the Indian tribe to operate a more efficient or effective program with the funds provided under this paragraph.

(iii) Regulations

Within 90 days after August 5, 1997, the Secretary of Labor, after consultation with the Secretary of Health and Human Services and the Secretary of Housing and Urban Development, shall prescribe such regulations as may be necessary to implement this paragraph.

(b) 3-year tribal family assistance plan

(1) In general

Any Indian tribe that desires to receive a tribal family assistance grant shall submit to the Secretary a 3-year tribal family assistance plan that—

(A) outlines the Indian tribe’s approach to providing welfare-related services for the 3-year period, consistent with this section;

(B) specifies whether the welfare-related services provided under the plan will be provided by the Indian tribe or through agreements, contracts, or compacts with intertribal consortia, States, or other entities;

(C) identifies the population and service area or areas to be served by such plan;

(D) provides that a family receiving assistance under the plan may not receive duplicative assistance from other State or tribal programs funded under this part;

(E) identifies the employment opportunities in or near the service area or areas of the Indian tribe and the manner in which the Indian tribe will cooperate and participate in enhancing such opportunities for recipients of assistance under the plan consistent with any applicable State standards; and

(F) applies the fiscal accountability provisions of section 5(f)(1) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450c(f)(1)), relating to the submission of a single-agency audit report required by chapter 75 of title 31.

(2) Approval

The Secretary shall approve each tribal family assistance plan submitted in accordance with paragraph (1).

(3) Consortium of tribes

Nothing in this section shall preclude the development and submission of a single tribal family assistance plan by the participating Indian tribes of an intertribal consortium.

(c) Minimum work participation requirements and time limits

The Secretary, with the participation of Indian tribes, shall establish for each Indian tribe receiving a grant under this section minimum work participation requirements, appropriate time limits for receipt of welfare-related services under the grant, and penalties against individuals—

(1) consistent with the purposes of this section;

(2) consistent with the economic conditions and resources available to each tribe; and

(3) similar to comparable provisions in section 607(e) of this title.

(d) Emergency assistance

Nothing in this section shall preclude an Indian tribe from seeking emergency assistance from any Federal loan program or emergency fund.

(e) Accountability

Nothing in this section shall be construed to limit the ability of the Secretary to maintain program funding accountability consistent with—

(1) generally accepted accounting principles; and

(2) the requirements of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450 et seq.).

(f) Eligibility for Federal loans

Section 606 of this title shall apply to an Indian tribe with an approved tribal assistance plan in the same manner as such section applies to a State, except that section 606(c) of this title shall be applied by substituting “section 612(a)” for “section 603(a)”.

(g) Penalties

(1) Subsections (a)(1), (a)(6), (b), and (c) of section 609 of this title, shall apply to an Indian tribe with an approved tribal assistance plan in the same manner as such subsections apply to a State.

(2) Section 609(a)(3) of this title shall apply to an Indian tribe with an approved tribal assist-

1 See References in Text note below.
ance plan by substituting “meet minimum work participation requirements established under section 612(c) of this title” for “comply with section 607(a) of this title”.

(h) Data collection and reporting
Section 611 of this title shall apply to an Indian tribe with an approved tribal family assistance plan.

(i) Special rule for Indian tribes in Alaska

(1) In general
Notwithstanding any other provision of this section, and except as provided in paragraph (2), an Indian tribe in the State of Alaska that receives a tribal family assistance grant under this section shall use the grant to operate a program in accordance with requirements comparable to the requirements applicable to the program of the State of Alaska funded under this part. Comparability of programs shall be established on the basis of program criteria developed by the Secretary in consultation with the State of Alaska and such Indian tribes.

(2) Waiver
An Indian tribe described in paragraph (1) may apply to the appropriate State authority to receive a waiver of the requirement of paragraph (1).


REFERENCES IN TEXT


The Indian Self-Determination and Education Assistance Act, referred to in subsecs. (b)(1)(F) and (e)(2), is Pub. L. 95–608, Jan. 4, 1978, 88 Stat. 2263, which was classified principally to subchapter II (§ 450 et seq.) of chapter 14 of Title 25, Indians, prior to editorial reclassification as chapter 46 (§ 5301 et seq.) of Title 25. Section 5 of the Act was classified to section 650c of Title 25 prior to editorial reclassification as section 5305 of Title 25. For complete classification of this Act to the Code, see Short Title note set out under section 5301 of Title 25 and Tables.

PRIOR PROVISIONS

AMENDMENTS
1997—Pub. L. 105–33, § 5514(c), made technical amendment to directory language of Pub. L. 104–193, 103(a)(1), which enacted this section.
Subsec. (a)(1)(A). Pub. L. 105–33, § 5508(b), inserted “which shall be reduced for a fiscal year, on a pro rata basis for each quarter, in the case of a tribal family assistance plan approved during a fiscal year for which the plan is to be in effect,” before “and shall”.
Subsec. (a)(2)(C). Pub. L. 105–33, § 5508(c), substituted “such population and such service area or areas as the tribe specifies” for “members of the Indian tribe”.
Subsec. (a)(2)(D). Pub. L. 105–33, § 5508(d), substituted “$7,533,267” for “$7,638,474”.
Subsec. (a)(3). Pub. L. 105–33, § 5001(c), added par. (3).
Subsec. (f)(1). Pub. L. 105–33, § 5508(e), substituted “(b), and (c)” for “and (b)”.
Subsecs. (g) to (i). Pub. L. 105–33, § 5508(f), redesignated subsecs. (f) to (h) as (g) to (i), respectively.

EFFECTIVE DATE OF 2003 AMENDMENT

EFFECTIVE DATE OF 2000 AMENDMENT

EFFECTIVE DATE OF 1999 AMENDMENT
For effective date of amendment by Pub. L. 106–113, see section 100(b)(4) [title VIII, § 801(e)] of Pub. L. 106–113, set out as a note under section 683 of this title.

EFFECTIVE DATE OF 1997 AMENDMENT
Amendment by section 5508 of Pub. L. 106–33 effective as if included in section 105(a) of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, Pub. L. 104–193, at the time such section 105(a) became law, see section 5518(a) of Pub. L. 105–33, set out as a note under section 662 of this title.
Amendment by section 5514(c) of Pub. L. 106–33 effective as if included in the provision of Pub. L. 104–193 amended at the time the provision became law, see section 5518(d) of Pub. L. 105–33, set out as a note under section 662a of Title 21, Food and Drugs.

EFFECTIVE DATE
Section effective July 1, 1997, with transition rules relating to State options to accelerate such date, rules relating to claims, actions, and proceedings commenced before such date, rules relating to closing out of accounts for terminated or substantially modified programs and continuance in office of Assistant Secretary for Family Support, and provisions relating to termination of entitlement under AFDC program, see

§ 613. Evaluation of temporary assistance for needy families and related programs

(a) Evaluation of the impacts of TANF

The Secretary shall conduct research on the effect of State programs funded under this part and any other State program funded with qualified State expenditures (as defined in section 609(a)(7)(B)(i) of this title) on employment, self-sufficiency, child well-being, unmarried births, marriage, poverty, economic mobility, and other factors as determined by the Secretary.

(b) Evaluation of grants to improve child well-being by promoting healthy marriage and responsible fatherhood

The Secretary shall conduct research to determine the effects of the grants made under section 603(a)(2) of this title on child well-being, marriage, family stability, economic mobility, poverty, and other factors as determined by the Secretary.

(c) Dissemination of information

The Secretary shall, in consultation with States receiving funds provided under this part, develop methods of disseminating information on any research, evaluation, or study conducted under this section, including facilitating the sharing of information and best practices among States and localities.

(d) State-initiated evaluations

A State shall be eligible to receive funding to evaluate the State program funded under this part or any other State program funded with qualified State expenditures (as defined in section 609(a)(7)(B)(i) of this title) if—

(1) the State submits to the Secretary a description of the proposed evaluation;

(2) the Secretary determines that the design and approach of the proposed evaluation is rigorous and is likely to yield information that is credible and will be useful to other States; and

(3) unless waived by the Secretary, the State contributes to the cost of the evaluation, from non-Federal sources, an amount equal to at least 25 percent of the cost of the proposed evaluation.

(e) Census Bureau research

(1) The Bureau of the Census shall implement or enhance household surveys of program participation, in consultation with the Secretary and the Bureau of Labor Statistics and made available to interested parties, to allow for the assessment of the outcomes of continued welfare reform on the economic and child well-being of low-income families with children, including those who received assistance or services from a State program funded under this part or any other State program funded with qualified State expenditures (as defined in section 609(a)(7)(B)(i) of this title). The content of the surveys should include such information as may be necessary to examine the issues of unmarried childbearing, marriage, welfare dependency and compliance with work requirements, the beginning and ending of spells of assistance, work, earnings and employment stability, and the well-being of children.

(2) To carry out the activities specified in paragraph (1), the Bureau of the Census, the Secretary, and the Bureau of Labor Statistics shall consider ways to improve the surveys and data derived from the surveys to—

(A) address under reporting of the receipt of means-tested benefits and tax benefits for low-income individuals and families;

(B) increase understanding of poverty spells and long-term poverty, including by facilitating the matching of information to better understand intergenerational poverty;

(C) generate a better geographical understanding of poverty such as through State-based estimates and measures of neighborhood poverty;

(D) increase understanding of the effects of means-tested benefits and tax benefits on the earnings and incomes of low-income families; and

(E) improve how poverty and economic well-being are measured, including through the use of consumption measures, material deprivation measures, social exclusion measures, and economic and social mobility measures.

(f) Research and evaluation conducted under this section

Research and evaluation conducted under this section designed to determine the effects of a program or policy (other than research conducted under subsection (e)) shall use experimental designs using random assignment or other reliable, evidence-based research methodologies that allow for the strongest possible causal inferences when random assignment is not feasible.

(g) Development of What Works Clearinghouse of Proven and Promising Approaches1 to Move Welfare Recipients into Work

(1) In general

The Secretary, in consultation with the Secretary of Labor, shall develop a database (which shall be referred to as the “What Works Clearinghouse of Proven and Promising Projects to Move Welfare Recipients into Work”) of the projects that used a proven approach or a promising approach in moving welfare recipients into work, based on independent, rigorous evaluations of the projects. The database shall include a separate listing of projects that used a developmental approach in delivering services and a further separate listing of the projects with no or negative effects. The Secretary shall add to the What Works Clearinghouse of Proven and Promising Projects to Move Welfare Recipients into Work data about the projects that, based on an independent, well-conducted experimental evaluation of a program or project, using random assignment or other research methodologies that allow for the strongest possible causal inferences, have shown they are proven, promising, developmental, or ineffective approaches.

(2) Criteria for evidence of effectiveness of approach

The Secretary, in consultation with the Secretary of Labor and organizations with experi-

1So in original. The word “Projects” is used in text.
ence in evaluating research on the effectiveness of various approaches in delivering services to move welfare recipients into work, shall—
(A) establish criteria for evidence of effectiveness; and
(B) ensure that the process for establishing the criteria—
(i) is transparent;
(ii) is consistent across agencies;
(iii) provides opportunity for public comment; and
(iv) takes into account efforts of Federal agencies to identify and publicize effective interventions, including efforts at the Department of Health and Human Services, the Department of Education, and the Department of Justice.

(h) Appropriation
(1) In general
Of the amount appropriated by section 603(a)(1) of this title for each fiscal year, 0.33 percent shall be available for research, technical assistance, and evaluation under this section.

(2) Allocation
Of the amount made available under paragraph (1) for each fiscal year, the Secretary shall make available $10,000,000 plus such additional amount as the Secretary deems necessary and appropriate, to carry out subsection (e).

(3) Baseline
The baseline established pursuant to section 907 of title 2 for the Temporary Assistance for Needy Families Program shall be recorded by the Office of Management and Budget and the Congressional Budget Office at the level prior to any transfers recorded pursuant to section 613(b) of this title.


2014—Subsec. (h)(1). Pub. L. 113–235 substituted “Funds made available to carry out this section for a fiscal year shall be used” for “Out of any money in the Treasury of the United States not otherwise appropriated, there is appropriated $15,000,000 for fiscal year 2012” in introductory provisions.


Subsec. (a). Pub. L. 105–33, § 5509(a), inserted “, directly or through grants, contracts, or interagency agreements,” before “shall conduct” and substituted “section 607” for “section 605”.

Subsec. (e)(1). Pub. L. 105–33, § 5509(b), amended heading and text of par. (1) generally. Prior to amendment, text read as follows:

“(A) IN GENERAL.—The Secretary shall annually rank States to which grants are made under section 603 of this title based on the following ranking factors:

“(i) ABSOLUTE OUT-OF-WEDLOCK RATIO.—The ratio represented by—

“(I) the total number of out-of-wedlock births in families receiving assistance under the State program under this part in the State for the most recent fiscal year for which information is available; and

“(II) the total number of births in families receiving assistance under the State program under this part in the State for such year.

“(ii) NET CHANGES IN THE OUT-OF-WEDLOCK RATIO.—The difference between the ratio described in subparagraph (A)(i) with respect to a State for the most recent fiscal year for which information is available and the ratio with respect to the State for the immediately preceding year.


EFFECTIVE DATE OF 2008 AMENDMENT


EFFECTIVE DATE OF 1999 AMENDMENT

EFFECTIVE DATE OF 1997 AMENDMENT
Amendment by section 5509 of Pub. L. 105–33 effective as if included in section 163(a) of the Personal Respon-
sibility and Work Opportunity Reconciliation Act of 1996, Pub. L. 104–193, at the time such section 103(a) became law, see section 5518(a) of Pub. L. 105–33, set out as a note under section 602 of this title.

Amendment by section 5514(c) of Pub. L. 105–33 effective as if included in the provision of Pub. L. 104–193 amended at the time the provision became law, see section 5518(b) of Pub. L. 105–33, set out as a note under section 662a of Title 21, Food and Drugs.

**Effective Date**

Section effective Aug. 22, 1996, with transition rules relating to State options to accelerate such date, rules relating to claims, actions, and proceedings commenced before such date, rules relating to closing out operations, and substantially modified programs and continuance in office of Assistant Secretary for Family Support, and provisions relating to termination of entitlement under AFDC program, see section 104 of Pub. L. 104–193, as amended, set out as a note under section 606 of this title.

**Funding of Research, Evaluations, and National Studies**


**Coordination of Substance Abuse and Child Protection Services**

Pub. L. 105–89, title IV, §465, Nov. 19, 1997, 111 Stat. 2135, required the Secretaries of Health and Human Services, based on information from the Substance Abuse and Mental Health Services Administration and the Department of Health and Human Services, to submit to the appropriate committees of Congress a report which describes the extent and scope of the problem of substance abuse in the child welfare population, the types of services provided to such population, and the outcomes resulting from the provision of such services to such population, along with appropriate recommendations for legislative changes.

**GAO Study of Effect of Family Violence on Need for Public Assistance**

Pub. L. 105–33, title V, §5001(i), Aug. 5, 1997, 111 Stat. 593, directed the Comptroller General to conduct a study of the effect of family violence on the use of public assistance programs, and in particular the extent to which family violence prolongs or increases the need for public assistance, and to submit a report to the appropriate committees of Congress within 1 year after Aug. 5, 1997.

**Study on Alternative Outcomes Measures**


**§615. Waivers**

**(a) Continuation of waivers**

(1) Waivers in effect on August 22, 1996

(A) In general

Except as provided in subparagraph (B), if any waiver granted to a State under section 1315 of this title or otherwise which relates to the provision of assistance under a State plan under this part (as in effect on September 30, 1996) is in effect as of August 22, 1996, the amendments made by the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (other than by section 103(c) of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996) shall not apply with respect to the State before the expiration (determined without regard to any extensions) of the waiver to the extent such amendments are inconsistent with the waiver.

(B) Financing limitation

Notwithstanding any other provision of law, beginning with fiscal year 1996, a State operating under a waiver described in subparagraph (A) shall be entitled to payment under section 603 of this title for the fiscal year, in lieu of any other payment provided for in the waiver.

(2) Waivers granted subsequently

(A) In general

Except as provided in subparagraph (B), if any waiver granted to a State under section 1315 of this title or otherwise which relates to the provision of assistance under a State plan under this part (as in effect on September 30, 1996) is submitted to the Secretary before August 22, 1996, and approved by the Secretary on or before July 1, 1997, and the State demonstrates to the satisfaction of the Secretary that the waiver will not result in Federal expenditures under subchapter IV of this chapter (as in effect without regard to the amendments made by the Personal Responsibility and Work Opportunity Reconciliation Act of 1996) that are greater than would occur in the absence of the waiver, the amendments made by the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (other than by section 103(c) of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996) shall not apply with respect to the State before the expiration (determined without regard to any extensions) of the waiver to the extent the amendments made
by the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 are inconsistent with the waiver.

(B) No effect on new work requirements

Notwithstanding subparagraph (A), a waiver granted under section 1315 of this title or otherwise which relates to the provision of assistance under a State program funded under this part (as in effect on September 30, 1996) shall not affect the applicability of section 607 of this title to the State.

(b) State option to terminate waiver

(1) In general

A State may terminate a waiver described in subsection (a) before the expiration of the waiver.

(2) Report

A State which terminates a waiver under paragraph (1) shall submit a report to the Secretary summarizing the waiver and any available information concerning the result or effect of the waiver.

(3) Hold harmless provision

(A) In general

Notwithstanding any other provision of law, a State that, not later than the date described in subparagraph (B) of this paragraph, submits a written request to terminate a waiver described in subsection (a) shall be held harmless for accrued cost neutrality liabilities incurred under the waiver.

(B) Date described

The date described in this subparagraph is 90 days following the adjournment of the first regular session of the State legislature that begins after August 22, 1996.

(c) Secretarial encouragement of current waivers

The Secretary shall encourage any State operating a waiver described in subsection (a) to continue the waiver and to evaluate, using random sampling and other characteristics of accepted scientific evaluations, the result or effect of the waiver.

(d) Continuation of individual waivers

A State may elect to continue 1 or more individual waivers described in subsection (a).


REFERENCES IN TEXT

The Personal Responsibility and Work Opportunity Reconciliation Act of 1996, referred to in subsec. (a)(1)(A), (2)(A), is Pub. L. 104–193, Aug. 22, 1996, 110 Stat. 2155. Section 103(c) of the Act amended sections 602 and 603 of this title. For complete classification of sections 3502 and 3595 of title 5, to reduce the full-time equivalent positions related to the program converted into a block grant under the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, and the amendments made by such Act, and by an amount equal to 75 percent of that portion of the total full-time equivalent departmental management positions at such Department that bears the same relationship to the amount appropriated for any block grant program under the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 and the amendments made by such Act, as such amount relates to the total amount appropriated for use by such Department, and, notwithstanding any other provision of law, the Secretary shall take such actions as may be necessary, including reductions in force actions, consistent with sections 3502 and 3595 of title 5, to reduce the full-time equivalent positions within the Department of Health and Human Services by 245 full-time equivalent positions related to the program converted into a block grant under the amendments made by section 103 of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, and by 60 full-time equivalent managerial positions in the Department.

PRIOR PROVISIONS


REFERENCES IN TEXT


Section 103 of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, referred to in text, is section 103 of Pub. L. 104–193, which enacted this part, amended sections 602, 603, and 1308 of this title, and repealed provisions formerly set out as part of this part. For complete classification of section 103 of the Code, see Tables.

PRIOR PROVISIONS


AMENDMENTS


Pub. L. 105–33, §5514(d), substituted “amendments made by section 103 of the Personal Responsibility and Work Opportunity Reconciliation” for “amendments made by section 2103 of the Personal Responsibility and Work Opportunity”.

EFFECTIVE DATE OF 1999 AMENDMENT


EFFECTIVE DATE OF 1997 AMENDMENT

Amendment by section 5514(c) of Pub. L. 105–33 effective as if included in the provision of Pub. L. 104–193 amended at the time the provision became law, see section 5518(a) of Pub. L. 105–33, set out as a note under section 862a of Title 21, Food and Drugs.

EFFECTIVE DATE

Section effective July 1, 1997, with transition rules relating to State options to accelerate such date, rules relating to claims, actions, and proceedings commenced before such date, rules relating to closing out of accounts for terminated or substantially modified programs and continuance in office of Assistant Secretary for Family Support, and provisions relating to termination of entitlement under AFDC program, see section 116 of Pub. L. 104–193, as amended, set out as a note under section 602 of this title.

§ 617. Limitation on Federal authority

No officer or employee of the Federal Government may regulate the conduct of States under this part or enforce any provision of this part, except to the extent expressly provided in this part.


PRIOR PROVISIONS


AMENDMENTS


EFFECTIVE DATE OF 1997 AMENDMENT

Amendment by Pub. L. 105–33 effective as if included in the provision of Pub. L. 104–193 amended at the time the provision became law, see section 5518(d) of Pub. L. 105–33, set out as a note under section 862a of Title 21, Food and Drugs.

EFFECTIVE DATE

Section effective July 1, 1997, with transition rules relating to State options to accelerate such date, rules relating to claims, actions, and proceedings commenced before such date, rules relating to closing out of accounts for terminated or substantially modified programs and continuance in office of Assistant Secretary for Family Support, and provisions relating to termination of entitlement under AFDC program, see section 116 of Pub. L. 104–193, as amended, set out as a note under section 602 of this title.

§ 618. Funding for child care

(a) General child care entitlement

(1) General entitlement

Subject to the amount appropriated under paragraph (3), each State shall, for the purpose of providing child care assistance, be entitled to payments under a grant under this subsection for a fiscal year in an amount equal to the greater of—

(A) the total amount required to be paid to the State under section 603 of this title for fiscal year 1994 or 1995 (whichever is greater) with respect to expenditures for child care under subsections (g) and (i) of section 1308 of this title (as in effect before October 1, 1995); or

(B) the average of the total amounts required to be paid to the State for fiscal years 1992 through 1994 under the subsections referred to in subparagraph (A).

(2) Remainder

(A) Grants

The Secretary shall use any amounts appropriated for a fiscal year under paragraph (3), and remaining after the reservation described in paragraph (4) and after grants are awarded under paragraph (1), to make grants to States under this paragraph.

(B) Allocations to States

The total amount available for payments to States under this paragraph, as deter-
 entitled under subparagraph (A), shall be allotted among the States based on the formula used for determining the amount of Federal payments to each State under section 603(n) of this title (as in effect before October 1, 1995).

(C) Federal matching of State expenditures exceeding historical expenditures

The Secretary shall pay to each eligible State for a fiscal year an amount equal to the lesser of the State's allotment under subparagraph (B) or the Federal medical assistance percentage for the State for the fiscal year (as defined in section 1396d(b) of this title, as such section was in effect on September 30, 1995) of so much of the State's expenditures for child care in that fiscal year as exceed the total amount of expenditures by the State (including expenditures from amounts made available from Federal funds) in fiscal year 1994 or 1995 (whichever is greater) for the programs described in paragraph (1)(A).

(D) Redistribution

(i) In general

With respect to any fiscal year, if the Secretary determines (in accordance with clause (ii)) that any amounts allotted to a State under this paragraph for such fiscal year will not be used by such State during such fiscal year for carrying out the purpose for which such amounts are allotted, the Secretary shall make such amounts available in the subsequent fiscal year for carrying out such purpose to one or more States which apply for such funds to the extent the Secretary determines that such States will be able to use such additional amounts for carrying out such purpose. Such available amounts shall be redistributed to a State pursuant to section 603(n) of this title (as such section was in effect before October 1, 1995) by substituting “the number of children residing in all States applying for such funds” for “the number of children residing in the United States in the second preceding fiscal year”.

(ii) Time of determination and distribution

The determination of the Secretary under clause (i) for a fiscal year shall be made not later than the end of the first quarter of the subsequent fiscal year. The redistribution of amounts under clause (i) shall be made as close as practicable to the date on which such determination is made. Any amount made available to a State from an appropriation for a fiscal year in accordance with this subparagraph shall, for purposes of this part, be regarded as part of such State's payment (as determined under this subsection) for the fiscal year in which the redistribution is made.

(3) Appropriation

For grants under this section, there are appropriated $2,917,000,000 for each of fiscal years 2017 and 2018.

(4) Indian tribes

The Secretary shall reserve not less than 1 percent, and not more than 2 percent, of the aggregate amount appropriated to carry out this section in each fiscal year for payments to Indian tribes and tribal organizations.

(5) Data used to determine State and Federal shares of expenditures

In making the determinations concerning expenditures required under paragraphs (1) and (2)(C), the Secretary shall use information that was reported by the State on ACF Form 231 and available as of the applicable dates specified in clauses (i)(I), (ii), and (iii)(III) of section 603(a)(1)(D) of this title.

(b) Use of funds

(1) In general

Amounts received by a State under this section shall only be used to provide child care assistance. Amounts received by a State under a grant under subsection (a)(1) shall be available for use by the State without fiscal year limitation.

(2) Use for certain populations

A State shall ensure that not less than 70 percent of the total amount of funds received by the State in a fiscal year under this section are used to provide child care assistance to families who are receiving assistance under a State program under this part, families who are attempting through work activities to transition off of such assistance program, and families who are at risk of becoming dependent on such assistance program.

(c) Application of Child Care and Development Block Grant Act of 1990

Notwithstanding any other provision of law, amounts provided to a State under this section shall be transferred to the lead agency under the Child Care and Development Block Grant Act of 1990 [42 U.S.C. 9857 et seq.], integrated by the State into the programs established by the State under such Act, and be subject to requirements and limitations of such Act.

(d) “State” defined

As used in this section, the term “State” means each of the 50 States and the District of Columbia.


References in Text


The Child Care and Development Block Grant Act of 1990, referred to in subsec. (c), is subchapter C (§ 658A et seq.) of chapter 8 of subtitle A of title VI of Pub. L. 97–35, as added by Pub. L. 101–508, title V, § 5602(c), Nov. 5, 1990, 104 Stat. 1388–236, which is classified generally to subchapter II–B (§ 9857 et seq.) of chapter 125 of this title. For complete classification of this Act to the Code, see section 9857(a) of this title and Tables.

1 See References in Text note below.
AMENDMENTS


2012—Subsec. (a)(3). Pub. L. 112–96 substituted “appropriated $2,917,000,000 for fiscal year 2012,” for “appropriated—”, and struck out subpars. (A) to (G) which appropriated amounts for fiscal years 1997 to 2010.


1997—Subsec. (a)(1). Pub. L. 105–33, § 5601(a)(1)(A), (D), inserted “the greater of” after “equal to” in introductory provisions and struck out concluding provisions which read “whichever is greater.”

Subsec. (a)(1)(A). Pub. L. 105–33, § 5601(a)(1)(B), struck out “the sum of” before “the total amount”, substituted “expenditures” for “amounts expended” and “subsections (g) and (i) of section 602 of this title (as in effect before October 1, 1995);” for “section—”, and struck out cls. (i) and (ii) which read as follows: “(i) 602(g) of this title (as such section was in effect before October 1, 1995);” and “(ii) 602(i) of this title (as such section was in effect before October 1, 1995);”

Subsec. (a)(1)(B). Pub. L. 105–33, § 5601(a)(1)(C), substituted “subsections” for “sections” and a period for the semicolon at end.

Subsec. (a)(2)(B). Pub. L. 105–33, § 5601(a)(2)(A), added subpar. (B) and struck out heading and text of former subpar. (B). Text read as follows: “Subject to subparagraph (C), the amount of a grant awarded to a State for a fiscal year under this paragraph shall be based on the formula used for determining the amount of Federal payments to the State under section 603(a)(1) of this title (as such section was in effect before October 1, 1995);” or “subject to subparagraph (C), and struck out cls. (i) and (ii) which read as follows: “(i) 602(g) of this title (as such section was in effect before October 1, 1995);” and “(ii) 602(i) of this title (as such section was in effect before October 1, 1995);”

Subsec. (a)(2)(C). Pub. L. 105–33, § 5601(a)(2)(B), added subpar. (C) and struck out heading and text of former subpar. (C). Text read as follows: “The Secretary shall pay to each eligible State in a fiscal year an amount, under a grant under subparagraph (A), equal to the Federal medical assistance percentage for such State for fiscal year 1995 (as defined in section 1396d(b) of this title) of so much of the expenditures by the State for child care in such year as exceed the State set-aside for such State under paragraph (1)(A) for such year and the amount of State expenditures in fiscal year 1994 or 1995 (whichever is greater) that equal the non-Federal share for the programs described in subparagraph (A) of paragraph (1).”

Subsec. (a)(2)(D)(i). Pub. L. 105–33, § 5601(a)(2)(C), substituted “any amounts allotted” for “amounts under any grant awarded” and “such amounts are allotted” for “the grant is made”.

Subsec. (a)(5). Pub. L. 105–33, § 5601(b), added par. (5). Subsec. (d). Pub. L. 105–33, § 5601(c), substituted “and” for “or” before “the District.”

EFFECTIVE DATE

Amendment by Pub. L. 109–171 effective as if enacted on Oct. 1, 2005, except as otherwise provided, see section 7701 of Pub. L. 109–171, set out as an effective date of this title.

EFFECTIVE DATE


EFFECTIVE DATE

Pub. L. 105–33, title V, § 5603, Aug. 5, 1997, 111 Stat. 646, provided that: “(a) IN GENERAL.—Except as provided in subsection (b), this chapter [chapter 6 (§§ 5601–5603) of subtitle F of title V of Pub. 105–33, amending this section and sections 953bc, 963j, 963k, 963km, and 963mn of this title] and the amendments made by this chapter shall take effect as if included in the enactment of title VI of the Personal Responsibility and Work Opportunity Recom-
tion rules relating to State options to accelerate such date, rules relating to claims, actions, and proceedings commenced before such date, rules relating to closing out of accounts for terminated or substantially modified programs and continuance in office of Assistant Secretary for Family Support, and provisions relating to termination of entitlement under AFDC program, see section 116 of Pub. L. 104–193, as amended, set out as a note under section 601 of this title.

PART B—CHILD AND FAMILY SERVICES

CODIFICATION


SUBPART 1—STEPHANIE TUBBS JONES CHILD WELFARE SERVICES PROGRAM

CODIFICATION


EFFECTIVE DATE OF REPEAL

Repeal effective Oct. 1, 2006, and applicable to payments under this part and part E of this subchapter for calendar quarters beginning on or after such date, see section 12(a) of Pub. L. 109–288, set out as an Effective Date of 2006 Amendment note under section 621 of this title.

§ 621. Purpose

The purpose of this subpart is to promote State flexibility in the development and expansion of a coordinated child and family services program that utilizes community-based agencies and ensures all children are raised in safe, loving families, by—

1) protecting and promoting the welfare of all children;
2) preventing the neglect, abuse, or exploitation of children;
3) supporting at-risk families through services which allow children, where appropriate, to remain safely with their families or return to their families in a timely manner;
4) promoting the safety, permanence, and well-being of children in foster care and adoptive families; and
5) providing training, professional development, and support to ensure a well-qualified child welfare workforce.


PRIOR PROVISIONS


EFFECTIVE DATE OF 2006 AMENDMENT


“(a) IN GENERAL.—Except as otherwise provided in this Act [see Short Title of 2006 Amendment note set out under section 1305 of this title], the amendments made by this Act shall take effect on October 1, 2006, and shall apply to payments under parts B and E of title IV of the Social Security Act [42 U.S.C. 620 et seq., 670 et seq.] for calendar quarters beginning on or after such date, without regard to whether regulations to implement the amendments are promulgated by such date.

“(b) DELAY PERMITTED IF STATE LEGISLATION REQUIRED.—If the Secretary of Health and Human Services determines that State legislation (other than legislation appropriating funds) is required in order for a State plan developed pursuant to part B [42 U.S.C. 620 et seq.], or a State plan approved under part 2 of part B [42 U.S.C. 670 et seq.], or title IV of the Social Security Act to meet the additional requirements imposed by the amendments made by this Act, the plan shall not be regarded as failing to meet any of the additional requirements before the 1st day of the 1st calendar quarter beginning after the first regular session of the State legislature that begins after the date of the enactment of this Act [Sept. 28, 2006]. If the State has a 2-year legislative session, each year of the session is deemed to be a separate regular session of the State legislature.

“(c) AVAILABILITY OF PROMOTING SAFE AND STABLE FAMILIES RESOURCES FOR FISCAL YEAR 2006.—Section 3(c) [120 Stat. 1235] shall take effect on the date of the enactment of this Act [Sept. 28, 2006].”

EFFECTIVE DATE

Pub. L. 90–248, title II, §240(c)(2), Jan. 2, 1968, 81 Stat. 915, provided that: “Part B of title IV of the Social Security Act (as added by subsection (c) of this section) [42 U.S.C. 620 et seq.], and the amendments made by subsections (a) and (b) of this section [amending subchapter IV and enacting part A heading] shall become effective on the date this Act is enacted [Jan. 2, 1968].”

FINDINGS


“(1) For Federal fiscal year 2004, child protective services (CPS) staff nationwide reported investigating or assessing an estimated 3,000,000 allegations of child maltreatment, and determined that 672,000 children had been abused or neglected by their parents or other caregivers.

“(2) Combined, the Child Welfare Services (CWS) and Promoting Safe and Stable Families (PSSF) programs provide States about $700,000,000 per year, the largest source of targeted Federal funding in the child protection system for services to ensure that children are not abused or neglected and, whenever possible, help children remain safely with their families.

“(3) A 2003 report by the Government Accountability Office (GAO) reported that little research is available on the effectiveness of activities supported by CWS funds—evaluations of services supported by PSSF funds have generally shown little or no effect.

“(4) Further, the Department of Health and Human Services recently completed initial Child and Family Service Reviews (CFSRs) in each State. No State was in full compliance with all measures of the CFSRs.
§ 622. State plans for child welfare services

(a) Joint development

In order to be eligible for payment under this subpart, a State must have a plan for child welfare services which has been developed jointly by the Secretary and the State agency designated pursuant to subsection (b)(1), and which meets the requirements of subsection (b).

(b) Requisite features of State plans

Each plan for child welfare services under this subpart shall—

(1) provide that (A) the individual or agency that administers or supervises the administration of the State’s services program under division A of subchapter XX will administer or supervise the administration of the plan (except as otherwise provided in section 103(d) of the Adoption Assistance and Child Welfare Act of 1980), and (B) to the extent that child welfare services are furnished by the staff of the State agency or local agency administering the plan, a single organizational unit in such State or local agency, as the case may be, will be responsible for furnishing such child welfare services;

(2) provide for coordination between the services provided for children under the plan and the services and assistance provided under division A of subchapter XX, under the State program funded under part A, under the State plan approved under subpart 2 of this part, under the State plan approved under subpart 2 of this part, and under other State programs having a relationship to the program under this subpart, with a view to provision of welfare and related services which will best promote the welfare of such children and their families;

(3) include a description of the services and activities which the State will fund under the State program carried out pursuant to this subpart, and how the services and activities will achieve the purpose of this subpart; and

(4) contain a description of—

(A) the steps the State will take to provide child welfare services statewide and to expand and strengthen the range of existing services and develop and implement services to improve child outcomes; and

(B) the child welfare services staff development and training plans of the State;

(5) provide, in the development of services for children, for utilization of the facilities and experience of voluntary agencies in accordance with State and local programs and arrangements, as authorized by the State;

(6) provide that the agency administering or supervising the administration of the plan will furnish such reports, containing such information, and participate in such evaluations, as the Secretary may require;

(7) provide for the diligent recruitment of potential foster and adoptive families that reflect the ethnic and racial diversity of children in the State for whom foster and adoptive homes are needed;

(8) provide assurances that the State—

(A) is operating, to the satisfaction of the Secretary—

(i) a statewide information system from which can be readily determined the status, demographic characteristics, location, and goals for the placement of every child who is (or, within the immediately preceding 12 months, has been) in foster care;

1 See References in Text note below.

2 So in original.
(ii) a case review system (as defined in section 675(5) of this title and in accordance with the requirements of section 675a of this title) for each child receiving foster care under the supervision of the State;

(ii) a service program designed to help children—

(1) where safe and appropriate, return to families from which they have been removed; or

(ii) be placed for adoption, with a legal guardian, or, if adoption or legal guardianship is determined not to be appropriate for a child, in some other planned, permanent living arrangement, subject to the requirements of sections 675(5)(C) and 675a(a) of this title, which may include a residential educational program; and

(iv) a preplacement preventive services program designed to help children at risk of foster care placement remain safely with their families; and

(B) has in effect policies and administrative and judicial procedures for children abandoned at or shortly after birth (including policies and procedures providing for legal representation of the children) which enable permanent decisions to be made expeditiously with respect to the placement of the children;

(9) contain a description, developed after consultation with tribal organizations (as defined in section 5304 of title 25) in the State, of the specific measures taken by the State to comply with the Indian Child Welfare Act [25 U.S.C. 1901 et seq.];

(10) contain assurances that the State shall make effective use of cross-jurisdictional resources (including through contracts for the purchase of services), and shall eliminate legal barriers, to facilitate timely adoptive or permanent placements for waiting children;

(11) contain a description of the activities that the State has undertaken for children adopted from other countries, including the provision of adoption and post-adoption services;

(12) provide that the State shall collect and report information on children who are adopted from other countries and who enter into State custody as a result of the disruption of a placement for adoption or the dissolution of an adoption, the plans for the child, and the reasons for the disruption or dissolution;

(13) demonstrate substantial, ongoing, and meaningful collaboration with State courts in the development and implementation of the State plan approved under subpart 2, and the State plan approved under part E, and in the development and implementation of any program improvement plan required under section 1320a-2a of this title;

(14) not later than October 1, 2007, include assurances that not more than 10 percent of the expenditures of the State with respect to activities funded from amounts provided under this subpart will be for administrative costs;

(15)(A) provides that the State will develop, in coordination and collaboration with the State agency referred to in paragraph (1) and the State agency responsible for administering the State plan approved under subchapter XIX, and in consultation with pediatricians, other experts in health care, and experts in and recipients of child welfare services, a plan for the ongoing oversight and coordination of health care services for any child in a foster care placement, which shall ensure a coordinated strategy to identify and respond to the health care needs of children in foster care placements, including mental health and dental health needs, and shall include an outline of—

(i) a schedule for initial and follow-up health screenings that meet reasonable standards of medical practice;

(ii) how health needs identified through screenings will be monitored and treated, including emotional trauma associated with a child’s maltreatment and removal from home;

(iii) how medical information for children in care will be updated and appropriately shared, which may include the development and implementation of an electronic health record;

(iv) steps to ensure continuity of health care services, which may include the establishment of a medical home for every child in care;

(v) the oversight of prescription medicines, including protocols for the appropriate use and monitoring of psychotropic medications;

(vi) how the State actively consults with and involves physicians or other appropriate medical or non-medical professionals in assessing the health and well-being of children in foster care and in determining appropriate medical treatment for the children;

(vii) the procedures and protocols the State has established to ensure that children in foster care placements are not inappropriately diagnosed with mental illness, other emotional or behavioral disorders, medically fragile conditions, or developmental disabilities, and placed in settings that are not foster family homes as a result of the inappropriate diagnoses; and

(viii) steps to ensure that the components of the transition plan development process required under section 675(5)(H) of this title that relate to the health care needs of children aging out of foster care, including the requirements to include options for health insurance, information about a health care power of attorney, health care proxy, or other similar document recognized under State law, and to provide the child with the option to execute such a document, are met; and

(B) subparagraph (A) shall not be construed to reduce or limit the responsibility of the State agency responsible for administering the State plan approved under subchapter XIX to administer and provide care and services for

3So in original. Probably should be “provide.”
children with respect to whom services are provided under the State plan developed pursuant to this subpart;

(16) provide that, not later than 1 year after September 28, 2006, the State shall have in place procedures providing for how the State programs assisted under this subpart, subpart 2 of this part, or part E would respond to a disaster, in accordance with criteria established by the Secretary which should include how a State would—

(A) identify, locate, and continue availability of services for children under State care or supervision who are displaced or adversely affected by a disaster;

(B) respond, as appropriate, to new child welfare cases in areas adversely affected by a disaster, and provide services in those cases;

(C) remain in communication with caseworkers and other essential child welfare personnel who are displaced because of a disaster;

(D) preserve essential program records; and

(E) coordinate services and share information with other States;

(17) not later than October 1, 2007, describe the State standards for the content and frequency of caseworker visits for children who are in foster care under the responsibility of the State, which, at a minimum, ensure that the children are visited on a monthly basis and that the caseworker visits are well-planned and focused on issues pertinent to case planning and service delivery to ensure the safety, permanency, and well-being of the children;

(18) include a description of the activities that the State has undertaken to reduce the length of time children who have not attained 5 years of age are without a permanent family, and the activities the State undertakes to address the developmental needs of all vulnerable children under 5 years of age who receive benefits or services under this part or part E; and

(19) document steps taken to track and prevent child maltreatment deaths by including—

(A) a description of the steps the State is taking to compile complete and accurate information on the deaths required by Federal law to be reported by the State agency referred to in paragraph (1), including gathering relevant information on the deaths from the relevant organizations in the State including entities such as State vital statistics department, child death review teams, law enforcement agencies, offices of medical examiners, or coroners; and

(B) a description of the steps the State is taking to develop and implement a comprehensive, statewide plan to prevent the fatalities that involves and engages relevant public and private agency partners, including those in public health, law enforcement, and the courts.

(c) Definitions

In this subpart:

(1) Administrative costs

The term “administrative costs” means costs for the following, but only to the extent incurred in administering the State plan developed pursuant to this subpart: procurement, payroll management, personnel functions (other than the portion of the administrative supervisors attributable to time spent directly supervising the provision of services by caseworkers), management, maintenance and operation of space and property, data processing and computer services, accounting, budgeting, auditing, and travel expenses related to the provision of services by caseworkers or the oversight of programs funded under this subpart.

(2) Other terms

For definitions of other terms used in this part, see section 675 of this title.


References in Text

Division A of subchapter XX, referred to in subsec. (b)(1), (2), was in the original a reference to subtitle I of title XX, which was translated as if referring to subtitle A of title XX of the Social Security Act, to reflect the probable intent of Congress. Title XX of the Act, enacting subchapter XX of this chapter, does not contain a subtitle I.

Section 103(d) of the Adoption Assistance and Child Welfare Act of 1980, referred to in subsec. (b)(1), is section 103(d) of Pub. L. 96–272, which is set out as a note below.


Amendments


1978—Pub. L. 95–608, § 50743(a), added cl. (vii) and redesignated former cl. (vii) as (viii).
Subsec. (b)(18). Pub. L. 113–183, §112(b)(2)(A)(i), inserted “and in accordance with the requirements of section 675a of this title” after “section 675(5) of this title”.

Subsec. (b)(19). Pub. L. 113–183, §112(a)(2), inserted “subject to the requirements of sections 675(5)(C) and 675(a) of this title” after “arrangement”.


Subsec. (b)(15). Pub. L. 110–351 amended par. (15) generally. Prior to amendment, par. (15) read as follows: “describe how the State actively consults with and involves physicians or other appropriate medical professionals in—

(A) assessing the health and well-being of children in foster care under the responsibility of the State; and

(B) determining appropriate medical treatment for the children;”.

2006—Subsec. (b)(3). Pub. L. 109–238, §6(c)(1)(A), added par. (3) and struck out former par. (3) which read as follows: “provide that the standards and requirements imposed with respect to child day care under subchapter XX of this chapter shall apply with respect to day care services under this subpart, except insofar as eligibility for such services is involved;”.

Subsec. (b)(4). Pub. L. 109–238, §6(c)(1)(A), (B), added par. (4) and struck out former par. (4) which read as follows: “provide for the training and effective use of paid paraprofessional staff, with particular emphasis on the full-time or part-time employment of persons of low income, as community service aides, in the administration of the plan, and for the use of nonpaid or partially paid volunteers in providing services and in assisting any advisory committees established by the State agency;”.

Subsec. (b)(5). Pub. L. 109–238, §6(c)(1)(A), (C), redesignated par. (7) as (5) and struck out former par. (5) which read as follows: “contain a description of the services to be provided and specify the geographic areas where such services will be available;”.

Subsec. (b)(6). Pub. L. 109–238, §6(c)(1)(B), (C), redesignated par. (8) as (6) and struck out former par. (6) which read as follows: “contain a description of the steps which the State will take to provide child welfare services and to make progress in—

(A) covering additional political subdivisions,

(B) reaching additional children in need of services, and

(C) expanding and strengthening the range of existing services and developing new types of services, along with a description of the State’s child welfare services staff development and training plans;”.


Subsec. (b)(8), (9). Pub. L. 109–238, §6(c)(1)(G), redesignated pars. (10) and (11) as (8) and (9), respectively. Former pars. (8) and (9) redesignated (6) and (7), respectively.


Subsec. (b)(10)(A). Pub. L. 109–238, §6(c)(1)(D)(i), (iii), redesignated subpar. (B) as (A) and struck out former subpar. (A) which read as follows: “since June 17, 1980, has completed an inventory of all children who, before the inventory, had been in foster care under the responsibility of the State for 6 months or more, which determined—

(i) the appropriateness of, and necessity for, the foster care placement;

(ii) whether the child could or should be returned to the parents of the child or should be freed for adoption or other permanent placement; and

(iii) the services necessary to facilitate the return of the child or the placement of the child for adoption or legal guardianship;”.


Subsec. (b)(10)(B)(ii). Pub. L. 109–238, §6(c)(1)(D)(ii), inserted “which may include a residential educational program” after “in some other planned, permanent living arrangement”.

Subsec. (b)(10)(C). Pub. L. 109–238, §6(c)(1)(D)(iv), struck out subpar. (C) which read as follows: “(i) has reviewed (or within 12 months after October 31, 1991, will review) State policies and administrative and judicial procedures in effect for children abandoned at or shortly after birth (including policies and procedures providing for legal representation of such children); and

(ii) is implementing (or within 24 months after October 31, 1994, will implement) such policies and procedures as the State determines, on the basis of the review described in clause (i), to be necessary to enable permanent decisions to be made expeditiously with respect to the placement of such children;”.


Pub. L. 109–239 substituted “make” for “develop plans for the” and inserted “(including through contracts for the purchase of services), and shall eliminate legal barriers,” after “resources”.


Pub. L. 105–33, §592(a)(1)(A)(ii), redesignated par. (9) relating to providing assurances that the State has met certain requirements to protect foster children, as (10).

Pub. L. 105–33, §592(a)(1)(A)(ii), amended par. (9) relating to diligent recruitment of potential foster and adoptive families by substituting a semicolon for period end.
Subsec. (b)(10). Pub. L. 105–33, § 5592(a)(1)(A)(iii), redesignated par. (9), relating to providing assurances that the State has met certain requirements to protect foster children, as (10). Former par. (10) redesignated (11).


1996—Subsec. (b)(2). Pub. L. 104–193 substituted “program funded under part A” for “plan approved under part A of this subchapter” and “under the State plan approved under part E” for “part E of this subchapter.”


Pub. L. 103–382, § 554(2), substituted “; and” for period at end.

Subsec. (b)(9). Pub. L. 103–432, § 204(a)(2), as amended by Pub. L. 104–193, substituted “; and” for period at end of par. (9) relating to providing assurances that the State has met certain requirements to protect foster children.

Pub. L. 104–193, § 202(a)(3), added par. (9) relating to providing assurances that the State has met certain requirements to protect foster children.

Pub. L. 103–382, § 554(3), added par. (9) relating to diligent recruitment of potential foster and adoptive families.


1993—Subsec. (a). Pub. L. 103–103, § 6173(1)(b)(1)(A), substituted “under this subpart” for “under this part”.

Subsec. (b). Pub. L. 103–103, § 6173(1)(b)(1)(B), (C), inserted “‘under the State plan approved under subpart 2 of this part,’” after “part A of this subchapter,” and substituted “‘under this subpart’” for “‘under this part’”.

Subsec. (b)(2). Pub. L. 103–86, § 6173(1)(b)(1)(B), (C), inserted “‘under the State plan approved under subpart 2 of this part,’” after “part A of this subchapter,” and substituted “‘under this subpart’” for “‘under this part’”.

Subsec. (b)(3). Pub. L. 103–86, § 6173(1)(b)(1)(B), (C), inserted “‘under the State plan approved under subpart 2 of this part,’” after “part A of this subchapter,” and substituted “‘under this subpart’” for “‘under this part’”.

1989—Subsec. (b)(1)(A). Pub. L. 101–120 substituted “the individual or agency that administers or supervises the administration of the State’s services program under subchapter XX” for “the individual or agency designated pursuant to section 1397b(d)(1)(C) of this title to administer or supervise the administration of the State’s services program”.

1980—Pub. L. 96–272 substituted provisions relating to State plans covering child welfare services for provisions relating to the payments to States and the computation of amounts.

1975—Subsec. (a)(1)(A)(i). Pub. L. 93–647, § 3(a)(6), substituted “the individual or agency designated pursuant to section 1397b(d)(1)(C) of this title to administer or supervise the administration of the State’s services program” for “the State agency designated pursuant to section 602(a)(3) of this title to administer or supervise the administration of the plan of the State approved under part A of this subchapter”.

Subsec. (a)(1)(A)(ii). Pub. L. 93–647, § 3(a)(7), substituted “a single organizational unit in such State or local agency, as the case may be,” for “the organizational unit in such State or local agency established pursuant to section 602(a)(15) of this title.”

Subsec. (c). Pub. L. 93–647, § 3(h), added subsec. (c).

1976—Subsec. (a)(1). Pub. L. 90–248, § 206(1), added subpars. (A) and redesignated former subpars. (A) and (B) as (B) and (C), respectively.

§ 622

TITLED THE PUBLIC HEALTH AND WELFARE

Effective Date of 2018 Amendment


“(a) Effective Dates.—

“(1) In General.—Except as provided in paragraph (2), subject to subsection (b), the amendments made by part I through III of this subtitle [parts I–III (§§ 5071–50734) of subtitle A of title VII of div. E of Pub. L. 115–123, amending this section and sections 629 to 629b, 629g, 670 to 672, 674, 675, 676, 679c, and 1308 of this title] shall take effect on October 1, 2018.

“(2) Exceptions.—The amendments made by sections 5071(d), 50731, and 50733 [amending sections 670, 671, and 676 of this title] shall take effect on the date of enactment of this Act [Feb. 9, 2018].

“(b) Transition Rule.—

“(1) In General.—In the case of a State plan under part B or E of title IV of the Social Security Act [42 U.S.C. 620 et seq., 670 et seq.] which the Secretary of Health and Human Services determines requires State legislation (other than legislation appropriating funds) in order for the plan to meet the additional requirements imposed by the amendments made by parts I through III of this subtitle, the plan shall not be regarded as failing to comply with the requirements of such part solely on the basis of the failure of the plan to meet such additional requirements before the first day of the first calendar quarter beginning after the close of the first regular session of the State legislature that begins after the date of enactment of this Act [Feb. 9, 2018]. For purposes of the previous sentence, in the case of a State that has a 2-year legislative session, each year of the session shall be deemed to be a separate regular session of the State legislature.

“(2) Application to Programs Operated by Indian Tribal Organizations.—In the case of an Indian tribe, tribal organization, or tribal consortium which the Secretary of Health and Human Services determines requires time to take action necessary to comply with the additional requirements imposed by the amendments made by parts I through III of this subtitle (whether the tribe, organization, or tribal consortium has a plan under section 479B of the Social Security Act [42 U.S.C. 679c] or a cooperative agreement or contract entered into with a State), the Secretary shall provide the tribe, organization, or tribal consortium with such additional time as the Secretary determines is necessary for the tribe, organization, or tribal consortium to take the action to comply with the additional requirements before being regarded as failing to comply with the requirements.


“(a) Effective Dates.—

“(1) In General.—Subject to paragraph (2) and subsections (b), (c), and (d), the amendments made by this part [parts IV and V (§§ 50741–50746) of title VII of div. E of Pub. L. 115–123, amending this section and sections 629d, 671, 672, 674, 674a, 676, and 679b of this title] shall take effect as if enacted on January 1, 2018.

“(2) Transition Rule.—In the case of a State plan under part B or E of title IV of the Social Security Act [42 U.S.C. 620 et seq., 670 et seq.] which the Secretary of Health and Human Services determines requires State legislation (other than legislation appropriating funds) in order for the plan to meet the additional requirements imposed by the amendments made by this part, the State plan shall not be regarded as failing to comply with the requirements of such part solely on the basis of the failure of the plan to meet the additional requirements before the first day of the first calendar quarter beginning after the close of the first regular session of the State legislature that begins after the date of enactment of this Act [Feb. 9, 2018]. For purposes of the previous sentence, in the case of a State
that has a 2-year legislative session, each year of the session shall be deemed to be a separate regular session of the State legislature.

4. LIMITATION ON FEDERAL FINANCIAL PARTICIPATION FOR PLACEMENTS THAT ARE NOT IN FOSTER FAMILY HOMES AND RELATED PROVISIONS—

(a) IN GENERAL.—The amendments made by sections 5074(a), 5074(b), 5074(d), and 5074(e) [amending sections 671, 672, 674, 675a of this title] shall take effect on October 1, 2019.

(b) STATE OPTION TO DELAY EFFECTIVE DATE FOR NOT MORE THAN 2 YEARS.—If a State requests a delay in the effective date, the Secretary of Health and Human Services shall delay the effective date provided for in paragraph (a) with respect to the State for the amount of time requested by the State, not to exceed 2 years. If the effective date is so delayed for a period with respect to a State under the preceding sentence, then—

(A) notwithstanding section 50734 [set out as a note above], the date that the amendments made by section 50711(c) [amending section 674 of this title] take effect with respect to the State shall be delayed for the period; and

(B) the date that is 3 years after the date that paragraph takes effect with respect to the State is deemed to be subsequent for 'after September 30, 2019' in subparagraph (A)(1)(I) of such section.

(c) CRIMINAL RECORDS CHECKS AND CHECKS OF CHILD ABUSE AND NEGLECT HISTORY FOR ADULTS WORKING IN CHILD-CARE INSTITUTIONS AND OTHER GROUP CARE SETTINGS.—Subject to subsection (a)(2), the amendments made by section 50745 [amending section 671 of this title] shall take effect on October 1, 2018.

(d) APPLICATION TO STATES WITH WAIVERS.—In the case of a State that, on the date of enactment of this Act [Sept. 29, 2014], has in effect a waiver approved under section 1330 of the Social Security Act [42 U.S.C. 1320a–9], the amendments made by this part shall not apply with respect to the State before the expiration (determined without regard to any extensions) of the waiver to the extent the amendments are inconsistent with the terms of the waiver.

EFFECTIVE DATE OF 2014 AMENDMENT

Pub. L. 113–183, title I, § 112(a)(3), Sept. 29, 2014, 128 Stat. 1926, provided that: “In the case of children in foster care under the responsibility of an Indian tribe, tribal organization, or tribal child-care organization (as defined under section 674 of this title) that are in Indian foster care under the responsibility of a State, the amendments made by this subsection [amending this section and section 675 of this title] shall not apply until the effective date of the enactment of this Act [Sept. 29, 2014].”

Pub. L. 113–183, title I, § 112(c), Sept. 29, 2014, 128 Stat. 1925, provided that:

(1) IN GENERAL.—The amendments made by this section [enacting section 675a of this title and amending this section and section 675a of this title] shall take effect on the date that is 1 year after the date of the enactment of this Act [Sept. 29, 2014].

(2) DELAY PERMITTED IF STATE LEGISLATION REQUIRED.—If the Secretary of Health and Human Services determines that State legislation (other than legislation appropriating funds) is required in order for a State plan developed pursuant to this section to be implemented, the amendments made by this section shall take effect on the date that is 3 years after the date of the enactment of this Act [Sept. 29, 2014].

EFFECTIVE DATE OF 2015 AMENDMENT

Pub. L. 114–148, title II, § 2095(b), Mar. 23, 2015, 129 Stat. 351, provided that: “The amendments made by this section [amending this section and sections 672, 675a, and 676 of this title] take effect on October 1, 2015.”

EFFECTIVE DATE OF 2016 AMENDMENT

Pub. L. 114–151, effective Oct. 7, 2015, and applicable to payments under this part and part E of this subchapter for quarters beginning on or after such date, without regard to whether regulations to implement the amendments are promulgated by such date.

Pub. L. 114–151, effective Oct. 7, 2015, and applicable to payments under this part and part E of this subchapter for quarters beginning on or after such date, without regard to whether regulations to implement the amendments are promulgated by such date.

Pub. L. 114–151, effective Oct. 7, 2015, and applicable to payments under this part and part E of this subchapter for quarters beginning on or after such date, without regard to whether regulations to implement the amendments are promulgated by such date.

Pub. L. 114–151, effective Oct. 7, 2015, and applicable to payments under this part and part E of this subchapter for quarters beginning on or after such date, without regard to whether regulations to implement the amendments are promulgated by such date.

Pub. L. 114–151, effective Oct. 7, 2015, and applicable to payments under this part and part E of this subchapter for quarters beginning on or after such date, without regard to whether regulations to implement the amendments are promulgated by such date.

Pub. L. 114–151, effective Oct. 7, 2015, and applicable to payments under this part and part E of this subchapter for quarters beginning on or after such date, without regard to whether regulations to implement the amendments are promulgated by such date.

Pub. L. 114–151, effective Oct. 7, 2015, and applicable to payments under this part and part E of this subchapter for quarters beginning on or after such date, without regard to whether regulations to implement the amendments are promulgated by such date.

Pub. L. 114–151, effective Oct. 7, 2015, and applicable to payments under this part and part E of this subchapter for quarters beginning on or after such date, without regard to whether regulations to implement the amendments are promulgated by such date.

Pub. L. 114–151, effective Oct. 7, 2015, and applicable to payments under this part and part E of this subchapter for quarters beginning on or after such date, without regard to whether regulations to implement the amendments are promulgated by such date.
State has a 2-year legislative session, each year of the session is deemed to be a separate regular session of the State legislature.

Amendment by Pub. L. 109–171 effective as if enacted on Oct. 1, 2005, except as otherwise provided, see section 7701 of Pub. L. 109–171, set out as a note under section 603 of this title.

**Effective Date of 2000 Amendment**

Amendment by Pub. L. 106–279 effective Oct. 6, 2000, with transition rule, see section 505(a)(1), (b) of Pub. L. 106–279, set out as an Effective Dates; Transition Rule note under section 14901 of this title.

**Effective Date of 1997 Amendment**


```
(a) in General.—Except as otherwise provided in this Act [enacting sections 673b, 678, and 679b of this title, amending this section, sections 603, 629, 629a, 629b, 635, 671 to 673, 674, 675, 677, and 1320a-9 of this title, and sections 645 and 901 of Title 2, The Congress, enacting provisions set out as notes under sections 613, 629a, 671, 673, 675, 679b, 1305, 1320a-9, 5111, and 5113 of this title, and amending provisions set out as a note under section 670 of this title], the amendments made by this Act take effect on the date of enactment of this Act [Nov. 19, 1997].

(b) Delay Permitted if State Legislation Required.—In the case of a State plan under part B or part E of title IV of the Social Security Act [42 U.S.C. 620 et seq., the Secretary of Health and Human Services determines requires State legislation (other than legislation appropriating funds) in order for the plan to meet the additional requirements imposed by the amendments made by this Act, the State plan shall not be regarded as failing to comply with the requirements of such part solely on the basis of the failure of the plan to meet such additional requirements before the first day of the first calendar quarter beginning after the close of the first regular session of the State legislature that begins after the date of enactment of this Act [Nov. 19, 1997]. For purposes of the previous sentence, in the case of a State that has a 2-year legislative session, each year of such session shall be deemed to be a separate regular session of the State legislature.''
```


**Effective Date of 1996 Amendment**

Amendment by Pub. L. 104–193 effective January 1, 1997, with transition rules relating to State options to accelerate such date, rules relating to claims, actions, and proceedings commenced before such date, rules relating to closing out of accounts for terminated or substantially modified programs and continuance in office of Assistant Secretary for Family Support, and provisions relating to termination of entitlement under AFDC program, see section 116 of Pub. L. 104–193, as amended, set out as an Effective Date note under section 601 of this title.

**Effective Date of 1994 Amendment**

Pub. L. 104–232, title II, §230(e), Oct. 31, 1994, 108 Stat. 4454, provided that: "The amendments and repeal made by this section [amending this section and sections 623 to 625 and 672 of this title and repealing section 627 of this title] shall be effective with respect to fiscal years beginning on or after April 1, 1996."

Pub. L. 104–232, title II, §230(b), Oct. 31, 1994, 108 Stat. 4456, provided that: "The amendments made by subsection (a) [amending this section] shall be effective with respect to fiscal years beginning on or after Octo-ber 1, 1995."

**Effective Date of 1993 Amendment**

Pub. L. 103–66, title XIII, §13711(c), Aug. 10, 1993, 107 Stat. 655, provided that: "The amendments made by this section [enacting sections 629 to 629e of this title and amending this section and sections 623, 628, and 671 of this title] shall be effective with respect to calendar quarters beginning on or after October 1, 1993."

**Effective Date of 1989 Amendment**


**Effective Date of 1975 Amendment**

Amendment by section 3 of Pub. L. 93–647 effective with respect to payments under sections 693 and 803 of this title for quarters commencing after Sept. 30, 1975, except that amendment by section 3(a) of Pub. L. 93–647 is not effective with respect to the Commonwealth of Puerto Rico, the Virgin Islands, or Guam, see section 7(b) of Pub. L. 93–647, set out as a note under section 303 of this title.

**Effective Date of 1968 Amendment; Different State Agencies for Administration of State Plans Under Parts A and B**

Pub. L. 90–248, title II, §248(e)(3), Jan. 2, 1968, 81 Stat. 916, provided that: "The amendments made by paragraphs (1) and (2) of subsection (d) [amending this section] shall become effective July 1, 1968, except that (A) if on the date of enactment of this Act [Jan. 2, 1968] the agency of a State administering its plan for child-welfare services developed under part B of title IV of the Social Security Act [42 U.S.C. 620 et seq.] is different from the agency of the State designated pursuant to section 402(a)(3) of such Act [42 U.S.C. 602(a)(3)], so much of paragraph (1) of section 422(a) of such Act [42 U.S.C. 622a(a)(1)] as precedes subparagraph (B) (as added by paragraph (2) of such subsection (d)) shall not apply with respect to such agencies but only so long as such agencies of the State are different, and (B) if on such date the local agency administering the plan of a State for child-welfare services developed under part B of title IV of the Social Security Act is different from the local agency in such subdivision administering the plan of such State under part A of title IV of such Act [42 U.S.C. 601 et seq.], so much of such paragraph (1) as precedes such subparagraph (B) shall not apply with respect to such local agencies but only so long as such local agencies are different."

**Purpose**

Pub. L. 115–123, div. E, title VII, §50702, Feb. 9, 2018, 132 Stat. 232, provided that: "The purpose of this subtitle [subtitle A (§§50701–50762) of title VII of div. E of Pub. L. 115–123, amending this section and sections 625, 629 to 629h, 629i to 629j, 629m to 629n, 670 to 673, 673b, 674 to 677, 678b, 679c, and 1308 of this title and enacting provisions set out as notes under this section and sections 629m, 671, 673, 673b, and 1305 of this title] is to enable States to use Federal funds available under parts B and E of title IV of the Social Security Act [42 U.S.C. 620 et seq., 670 et seq.] to provide enhanced support to children and their families and prevent foster care placements through the provision of mental health and substance abuse prevention and treatment services, in-home parent skill-based programs, and kinship navigator services."

**Findings and Purpose**

“(a) Findings. — The Congress finds that—

“(1) nearly 500,000 children are in foster care in the United States;

“(2) tens of thousands of children in foster care are waiting for adoption;

“(3) 2 years and 8 months is the median length of time that children wait to be adopted;

“(4) child welfare agencies should work to eliminate racial, ethnic, and national origin discrimination and bias in adoption and foster care recruitment, selection, and placement procedures; and

“(5) active, creative, and diligent efforts are needed to recruit foster and adoptive parents of every race, ethnicity, and culture in order to facilitate the placement of children in foster and adoptive homes which will best meet each child’s needs.

“(b) Purpose. — It is the purpose of this subpart (subpart I of part E of title V of Pub. L. 103–382, enacting section 518A of this title, amending this section, and enacting provisions set out as a note under section 1305 of this title) to promote the best interests of children by—

“(1) decreasing the length of time that children wait to be adopted;

“(2) preventing discrimination in the placement of children on the basis of race, color, or national origin; and

“(3) facilitating the identification and recruitment of foster and adoptive families that can meet children’s needs.”

GUAM, PUERTO RICO, VIRGIN ISLANDS, AND COMMONWEALTH OF NORTHERN MARIANA ISLANDS

Pub. L. 96–272, title I, § 103(c), June 17, 1980, 94 Stat. 521, provided that in the case of Guam, Puerto Rico, the Virgin Islands, and the Commonwealth of the Northern Mariana Islands, subsec. (b)(1) of this section (as otherwise amended by section 103(a) of Pub. L. 96–272), is deemed to read as follows:

“(1) provide that (A) the State agency designated pursuant to section 622(a)(3) of this title to administer or supervise the administration of the plan of the State approved under part A of this subchapter [42 U.S.C. 601 et seq.] will administer or supervise the administration of such plan for child welfare services, and (B) to the extent that child welfare services are furnished by the staff of the State agency or local agency administering such plan for child welfare services, the organizational unit in such State or local agency established pursuant to section 622(a)(15) of this title will be responsible for furnishing such child welfare services;”.

ADMINISTRATION OF STATE PLAN FOR CHILD WELFARE SERVICES BY NON-DESIGNATED AGENCY

Pub. L. 96–272, title I, § 103(d), June 17, 1980, 94 Stat. 521, provided that: “Notwithstanding section 422(b)(1) of the Social Security Act (as amended by subsection (a) of this section) [42 U.S.C. 622(b)(1)] if on December 31, 1974, the agency of a State administering its plan for child welfare services under part B of title IV of that Act [42 U.S.C. 620 et seq.] was not the agency designated pursuant to section 622(a)(3) of that Act [42 U.S.C. 622(a)(3)], such section 422(b)(1) shall not apply with respect to such agency, but only so long as such agency designated the agency designated under section 103(b)(1) of this title, and if on December 31, 1974, the local agency administering the plan of a State under part B of title IV of that Act in a subdivision of the State was not the local agency in such subdivision administering the plan of such State under part A of that title [42 U.S.C. 601 et seq.], such section 422(b)(1) shall not apply with respect to such local agency, but only so long as such local agency was not the local agency administering the program of the State for the provision of services under title XX of that Act [42 U.S.C. 1397 et seq.]”.

OVERPAYMENTS OR UNDERPAYMENTS

Pub. L. 90–248, title II, § 200(c)(3), Jan. 2, 1968, 81 Stat. 916, provided that in the case of any State which has a plan developed as provided in part 3 of this subchapter as in effect prior to Jan. 2, 1968, sections 721 to 728 of this title, “any overpayment or underpayment which the Secretary determines was made to the State under section 523 of the Social Security Act [42 U.S.C. 623] and with respect to which adjustment has not then already been made under subsection (b) of such section shall, for purposes of section 422 of such Act (42 U.S.C. 622), be considered an overpayment or underpayment (as the case may be) made under section 422 of such Act.”

§ 623. Allotments to States

(a) In general

The sum appropriated pursuant to section 625 of this title for each fiscal year shall be allotted by the Secretary for use by cooperating State public welfare agencies which have plans developed jointly by the State agency and the Secretary as follows: The Secretary shall first allot $70,000 to each State, and shall then allot to each State an amount which bears the same ratio to the remainder of such sum as the product of (1) the population of the State under the age of twenty-one and (2) the allotment percentage of the State (as determined under this section) bears to the sum of the corresponding products of all the States.

(b) Determination of State allotment percentages

The “allotment percentage” for any State shall be 100 percent less the State percentage; and the State percentage shall be the percentage which bears the same ratio to 50 percent as the per capita income of such State bears to the per capita income of the United States; except that (1) the allotment percentage shall in no case be less than 30 percent or more than 70 percent, and (2) the allotment percentage shall be 70 percent in the case of Puerto Rico, the Virgin Islands, Guam, and American Samoa.

(c) Promulgation of State allotment percentages

The allotment percentage for each State shall be promulgated by the Secretary between October 1 and November 30 of each even-numbered year, on the basis of the average per capita income of each State and of the United States for the three most recent calendar years for which satisfactory data are available from the Department of Commerce. Such promulgation shall be conclusive for each of the two fiscal years in the period beginning October 1 next succeeding such promulgation.

(d) United States defined

For purposes of this section, the term “United States” means the 50 States and the District of Columbia.

(e) Reallocation of funds

(1) In general

The amount of any allotment to a State for a fiscal year under the preceding provisions of this section which the State certifies to the Secretary will not be required for carrying out the State plan developed as provided in section 622 of this title shall be available for reallocation from time to time, on such dates as the Secretary may fix, to other States which the Secretary determines—

(A) need sums in excess of the amounts allotted to such other States under the preced-
ing provisions of this section, in carrying
out their State plans so developed; and
(B) will be able to so use such excess sums
during the fiscal year.

(2) Considerations

The Secretary shall make the reallocations
on the basis of the State plans so developed,
after taking into consideration—
(A) the population under 21 years of age;
(B) the per capita income of each of such
other States as compared with the popu-
lation under 21 years of age; and
(C) the per capita income of all such other
States with respect to which such a deter-
mination by the Secretary has been made.

(3) Amounts reallocated to a State deemed part
of State allotment

Any amount so reallocated to a State is
deemed part of the allotment of the State
under this section.

§ 624. Payment to States

(a) Payment schedule

From the sums appropriated therefor and the
allotment under this subpart, subject to the con-
ditions set forth in this section, the Secretary
shall from time to time pay to each State that
has a plan developed in accordance with section
622 of this title an amount equal to 75 percent of
the total sum expended under the plan (includ-
ing the cost of administration of the plan) in
meeting the costs of State, district, county, or
other local child welfare services.

(b) Computation and method of payment

The method of computing and making pay-
ments under this section shall be as follows:

(1) The Secretary shall, prior to the begin-
ing of each period for which a payment is to
be made, estimate the amount to be paid to
the State for such period under the provisions
of this section.

(2) From the allotment available therefor,
the Secretary shall pay the amount so esti-
imated, reduced or increased, as the case may
be, by any sum (not previously adjusted under
this section) which he finds that his esti-
mate of the amount to be paid to the State for
any prior period under this section was greater
or less than the amount which should have
been paid to the State for such prior period
under this section.

(c) Limitation on use of Federal funds for child
care, foster care maintenance payments, or
adoption assistance payments

The total amount of Federal payments under
this subpart for a fiscal year beginning after
September 30, 2007, that may be used by a State
for expenditures for child care, foster care main-
tenance payments, or adoption assistance pay-
ments shall not exceed the total amount of such
payments for fiscal year 2005 that were so used
by the State.

(d) Limitation on use by States of non-Federal
funds for foster care maintenance payments
to match Federal funds

For any fiscal year beginning after September
30, 2007, State expenditures of non-Federal
funds for foster care maintenance payments shall not
be considered to be expenditures under the State
plan developed under this subpart for the fiscal
year to the extent that the total of such expenditures for the fiscal year exceeds the total of such expenditures under the State plan developed under this subpart for fiscal year 2005.

(e) Limitation on reimbursement for administrative costs

A payment may not be made to a State under this section with respect to expenditures during a fiscal year for administrative costs, to the extent that the total amount of the expenditures exceeds 10 percent of the total expenditures of the State during the fiscal year for activities funded from amounts provided under this subpart.

(f) Child visitation by caseworkers

(1)(A) Each State shall take such steps as are necessary to ensure that the total number of visits made by caseworkers on a monthly basis to children in foster care under the responsibility of the State during a fiscal year is not less than 90 percent (or, in the case of fiscal year 2015 or thereafter, 95 percent) of the total number of such visits that would occur during the fiscal year if each such child were so visited once every month while in such care.

(B) If the Secretary determines that a State has failed to comply with subparagraph (A) for a fiscal year, then the percentage that would otherwise apply for purposes of subsection (a) for the fiscal year shall be reduced by—

(i) 1, if the number of full percentage points by which the State fell short of the percentage specified in subparagraph (A) is less than 10;

(ii) 3, if the number of full percentage points by which the State fell short, as described in clause (i), is less than 10 and less than 20; or

(iii) 5, if the number of full percentage points by which the State fell short, as described in clause (i), is not less than 20.

(2)(A) Each State shall take such steps as are necessary to ensure that not less than 50 percent of the total number of visits made by caseworkers to children in foster care under the responsibility of the State during a fiscal year occur in the residence of the child involved.

(B) If the Secretary determines that a State has failed to comply with subparagraph (A) for a fiscal year, then the percentage that would otherwise apply for purposes of subsection (a) for the fiscal year shall be reduced by—

(i) 1, if the number of full percentage points by which the State fell short of the percentage specified in subparagraph (A) is less than 10;

(ii) 3, if the number of full percentage points by which the State fell short, as described in clause (i), is not less than 10 and less than 20; or

(iii) 5, if the number of full percentage points by which the State fell short, as described in clause (i), is not less than 20.


CODIFICATION

Section was formerly classified to section 623 of this title prior to renumbering by Pub. L. 109–288.

PRIOR PROVISIONS


AMENDMENTS

2011—Subsecs. (e), (f). Pub. L. 112–34 added subsec. (f) and struck out subsec. (e) relating to caseworker visitation standard.


Subsecs. (c), (d). Pub. L. 109–288, §6(e)(1), added subsecs. (c) and (d) and struck out former subsecs. (c) and (d) which related to prohibited payments and minimum State expenditures, respectively.

Subsec. (e). Pub. L. 109–288, §7(b), added subsec. (e) relating to limitation on reimbursement for administrative costs.

1994—Subsec. (a). Pub. L. 103–432 struck out “and in section 627 of this title” after “set forth in this section”.

1993—Subsec. (a). Pub. L. 103–432 substituted “under this subpart” for “under this part”.


1976—Subsec. (b). Pub. L. 94–273 substituted “October” for “July” wherever appearing and “November 30” for “August 31”.

EFFECTIVE DATE OF 2011 AMENDMENT

Amendment by Pub. L. 112–34 effective Oct. 1, 2011, and applicable to payments under this part and part E of this subchapter for calendar quarters beginning on or after such date, without regard to whether implementing regulations have been promulgated, and with delay permitted if State legislation is required to meet additional requirements, see section 107 of Pub. L. 112–34, set out as a note under section 622 of this title.

EFFECTIVE DATE OF 2006 AMENDMENT

Pub. L. 109–288, §6(e)(2)(B), Sept. 28, 2006, 120 Stat. 1246, provided that: “The amendment made by subparagraph (A) [amending this section] shall apply to expenditures made on or after October 1, 2007.”

Amendment by Pub. L. 109–288 effective Oct. 1, 2006, except as otherwise provided, and applicable to payments under this part and part E of this subchapter for calendar quarters beginning on or after such date, without regard to whether implementing regulations have been promulgated, and with delay permitted if State legislation is required to meet additional requirements, see section 12(a), (b) of Pub. L. 109–288, set out as a note under section 621 of this title.

EFFECTIVE DATE OF 1994 AMENDMENT

Amendment by Pub. L. 103–432 effective with respect to fiscal years beginning on or after Apr. 1, 1996, see...
section 202(e) of Pub. L. 103–432, set out as a note under section 622 of this title.

**Effective Date of 1993 Amendment**

Amendment by Pub. L. 103–66 effective with respect to calendar quarters beginning on or after Oct. 1, 1993, see section 13711(c) of Pub. L. 103–66, set out as a note under section 622 of this title.

§ 625. Limitations on authorization of appropriations

To carry out this subpart (other than sections 626, 627, and 628b of this title), there are authorized to be appropriated to the Secretary not more than $325,000,000 for each of fiscal years 2017 through 2021.


**Prior Provisions**


**Amendments**


2008—Pub. L. 110–351 inserted “(other than sections 626, 627, and 628b of this title)” after “this subpart”.

**Effective Date of 2011 Amendment**

Amendment by Pub. L. 112–34 effective Oct. 1, 2011, and applicable to payments under this part and part E of this subchapter for calendar quarters beginning on or after such date, without regard to whether implementing regulations have been promulgated, and with delay permitted if State legislation is required to meet additional requirements, see section 107 of Pub. L. 112–34, set out as a note under section 622 of this title.

**Effective Date of 2008 Amendment**

Amendment by Pub. L. 110–351 effective Oct. 7, 2008, and applicable to payments under this part and part E of this subchapter for calendar quarters beginning on or after such date, with delay permitted if State legislation is required to meet additional requirements, see section 601 of Pub. L. 110–351, set out as a note under section 671 of this title.

**Effective Date**

Section effective Oct. 1, 2006, and applicable to payments under this part and part E of this subchapter for calendar quarters beginning on or after such date, without regard to whether implementing regulations have been promulgated, and with delay permitted if State legislation is required to meet additional requirements, see section 120(a), (b) of Pub. L. 109–288, set out as an Effective Date of 2006 Amendment note under section 621 of this title.

§ 626. Research, training, or demonstration projects

(a) Authorization of appropriations

There are hereby authorized to be appropriated for each fiscal year such sums as the Congress may determine—

(1) for grants by the Secretary—

(A) to public or other nonprofit institutions of higher learning, and to public or other nonprofit agencies and organizations engaged in research or child-welfare activities, for special research or demonstration projects in the field of child welfare which are of regional or national significance and for special projects for the demonstration of new methods or facilities which show promise of substantial contribution to the advancement of child welfare;

(B) to State or local public agencies responsible for administering, or supervising the administration of, the plan under this part, for projects for the demonstration of the utilization of research (including findings resulting therefrom) in the field of child welfare in order to encourage experimental and special types of welfare services; and

(C) to public or other nonprofit institutions of higher learning for special projects for training personnel for work in the field of child welfare, including traineeships described in section 628a of this title with such stipends and allowances as may be permitted by the Secretary; and

(2) for contracts or jointly financed cooperative arrangements with States and public and other organizations and agencies for the conduct of research, special projects, or demonstration projects relating to such matters.

(b) Payments; advances or reimbursements; installments; conditions

Payments of grants or under contracts or cooperative arrangements under this section may be made in advance or by way of reimbursement, and in such installments, as the Secretary may determine; and shall be made on such conditions as the Secretary finds necessary to carry out the purposes of the grants, contracts, or other arrangements.

(c) Child welfare traineeships

The Secretary may approve an application for a grant to a public or nonprofit institution for higher learning to provide traineeships with stipends under subsection (a)(1)(C) only if the application—

(1) provides assurances that each individual who receives a stipend with such traineeship (in this section referred to as a “recipient”) will enter into an agreement with the institution under which the recipient agrees—

(A) to participate in training at a public or private nonprofit child welfare agency on a regular basis (as determined by the Secretary) for the period of the traineeship;

(B) to be employed for a period of years equivalent to the period of the traineeship, in a public or private nonprofit child welfare

\[1\] See References in Text note below.
agency in any State, within a period of time (determined by the Secretary in accordance with regulations) after completing the post-secondary education for which the traineeship was awarded;

(C) to furnish to the institution and the Secretary evidence of compliance with subparagraphs (A) and (B); and

(D) if the recipient fails to comply with subparagraph (A) or (B) and does not qualify for any exception to this subparagraph which the Secretary may prescribe in regulations, to repay to the Secretary all (or an appropriately prorated part) of the amount of the stipend, plus interest, and, if applicable, reasonable collection fees (in accordance with regulations promulgated by the Secretary);

(2) provides assurances that the institution will—

(A) enter into agreements with child welfare agencies for onsite training of recipients;

(B) permit an individual who is employed in the field of child welfare services to apply for a traineeship with a stipend if the traineeship furthers the progress of the individual toward the completion of degree requirements; and

(C) develop and implement a system that, for the 3-year period that begins on the date any recipient completes a child welfare services program of study, tracks the employment record of the recipient, for the purpose of determining the percentage of recipients who secure employment in the field of child welfare services and remain employed in the field.


REFERENCES IN TEXT

Section 628a of this title, referred to in subsec. (a)(1)(C), was transferred and redesignated as subsec. (c) of this section by Pub. L. 100–203 added subsec. (b) and redesignated former subsec. (b) as (c).

CODIFICATION

Section 628a of this title, which was transferred and redesignated as subsec. (c) of this section by Pub. L. 109–288, was based on act Aug. 14, 1935, ch. 531, title IV, §429, as added Pub. L. 103–432, title II, §205(a), Oct. 31, 1994, 108 Stat. 4456.

PMENDMENTS

2006—Subsec. (b). Pub. L. 109–288, §46(f)(2), redesignated subsec. (c) as (b) and struck out former subsec. (b) which related to appropriations for demonstration projects for development of alternate care arrangements for infants not requiring hospitalization.


Pub. L. 109–288, §11(b), redesignated subsec. (c) as (b).

1994—Subsec. (a)(1)(C). Pub. L. 103–432 inserted "described in section 628a of this title " after "including traineeships".

§627. Family connection grants

(a) In general

The Secretary of Health and Human Services may make matching grants to State, local, or tribal child welfare agencies, private nonprofit organizations that have experience in working with foster children or children in kinship care arrangements, and institutions of higher education (as defined under section 1001 of title 20), for the purpose of helping children who are in, or at risk of entering, foster care reconnect with family members through the implementation of—

(1) a kinship navigator program to assist kinship caregivers in learning about, finding, and using programs and services to meet the needs of the children they are raising and their own needs, and to promote effective partnerships among public and private agencies to ensure kinship caregiver families are served, which program—

(A) shall be coordinated with other State or local agencies that promote service coordination or provide information and referral services, including the entities that provide 211 or 311 information systems where available, to avoid duplication or fragmentation of services to kinship care families;

(B) shall be planned and operated in consultation with kinship caregivers and organizations representing them, youth raised by kinship caregivers, relevant government agencies, and relevant community-based or faith-based organizations;

(C) shall establish information and referral systems that link (via toll-free access) kinship caregivers, kinship support group facilitators, and kinship service providers to—

(i) each other;

(ii) eligibility and enrollment information for Federal, State, and local benefits;

(iii) relevant training to assist kinship caregivers in caregiving and in obtaining benefits and services; and

(iv) relevant legal assistance and help in obtaining legal services;

1987—Subsecs. (b), (c). Pub. L. 100–203 added subsec. (b) and redesignated former subsec. (b) as (c).

EFFECTIVE DATE OF 2006 AMENDMENT

Amendment by Pub. L. 109–288 effective Oct. 1, 2006, and applicable to payments under this part and part E of this subchapter for calendar quarters beginning on or after such date, without regard to whether implementing regulations have been promulgated, and with delay permitted if State legislation is required to meet additional requirements, see section 12(a), (b) of Pub. L. 109–288, set out as a note under section 621 of this title.

EFFECTIVE DATE OF 1994 AMENDMENT

Pub. L. 103–432, title II, §205(c), Oct. 31, 1994, 108 Stat. 4457, provided that: "The amendments made by this section [enacting section 628a of this title and amending this section] shall apply to grants awarded on or after October 1, 1995.''

APPROPRIATIONS OR GRANTS

Pub. L. 90–248, title II, §240(g), Jan. 2, 1968, 81 Stat. 916, provided that any appropriations or grants made pursuant to section 726 of this title, as in effect prior to Jan. 2, 1968, were to be deemed to have been appropriated or made under this section.

§627. Family connection grants

(a) In general

The Secretary of Health and Human Services may make matching grants to State, local, or tribal child welfare agencies, private nonprofit organizations that have experience in working with foster children or children in kinship care arrangements, and institutions of higher education (as defined under section 1001 of title 20), for the purpose of helping children who are in, or at risk of entering, foster care reconnect with family members through the implementation of—

(1) a kinship navigator program to assist kinship caregivers in learning about, finding, and using programs and services to meet the needs of the children they are raising and their own needs, and to promote effective partnerships among public and private agencies to ensure kinship caregiver families are served, which program—

(A) shall be coordinated with other State or local agencies that promote service coordination or provide information and referral services, including the entities that provide 211 or 311 information systems where available, to avoid duplication or fragmentation of services to kinship care families;

(B) shall be planned and operated in consultation with kinship caregivers and organizations representing them, youth raised by kinship caregivers, relevant government agencies, and relevant community-based or faith-based organizations;

(C) shall establish information and referral systems that link (via toll-free access) kinship caregivers, kinship support group facilitators, and kinship service providers to—

(i) each other;

(ii) eligibility and enrollment information for Federal, State, and local benefits;

(iii) relevant training to assist kinship caregivers in caregiving and in obtaining benefits and services; and

(iv) relevant legal assistance and help in obtaining legal services;

1987—Subsecs. (b), (c). Pub. L. 100–203 added subsec. (b) and redesignated former subsec. (b) as (c).

EFFECTIVE DATE OF 2006 AMENDMENT

Amendment by Pub. L. 109–288 effective Oct. 1, 2006, and applicable to payments under this part and part E of this subchapter for calendar quarters beginning on or after such date, without regard to whether implementing regulations have been promulgated, and with delay permitted if State legislation is required to meet additional requirements, see section 12(a), (b) of Pub. L. 109–288, set out as a note under section 621 of this title.

EFFECTIVE DATE OF 1994 AMENDMENT

Pub. L. 103–432, title II, §205(c), Oct. 31, 1994, 108 Stat. 4457, provided that: "The amendments made by this section [enacting section 628a of this title and amending this section] shall apply to grants awarded on or after October 1, 1995.''

APPROPRIATIONS OR GRANTS

Pub. L. 90–248, title II, §240(g), Jan. 2, 1968, 81 Stat. 916, provided that any appropriations or grants made pursuant to section 726 of this title, as in effect prior to Jan. 2, 1968, were to be deemed to have been appropriated or made under this section.
(D) shall provide outreach to kinship care families, including by establishing, distributing, and updating a kinship care website, or other relevant guides or outreach materials;
(2) applications
(E) shall promote partnerships between public and private agencies, including schools, community based or faith-based organizations, and relevant government agencies, to increase their knowledge of the needs of kinship care families and other individuals who are willing and able to be foster parents for children in foster care under the responsibility of the State who are themselves parents to promote better services for those families;
(F) may establish and support a kinship care ombudsman with authority to intervene and help kinship caregivers access services; and
(G) may support any other activities designed to assist kinship caregivers in obtaining benefits and services to improve their caregiving;
(2) intensive family-finding efforts that utilize search technology to find biological family members for children in the child welfare system, that—
(A) enable families to make decisions and develop plans that nurture children and protect them from abuse and neglect, and
(B) when appropriate, shall address domestic violence issues in a safe manner and facilitate connecting children exposed to domestic violence to appropriate services, including reconnection with the abused parent when appropriate; or
(4) residential family treatment programs that—
(A) enable parents and their children to live in a safe environment for a period of not less than 6 months; and
(B) provide, on-site or by referral, substance abuse treatment services, children's early intervention services, family counseling, medical, and mental health services, nursery and pre-school, and other services that are designed to provide comprehensive treatment that supports the family.
(b) Applications
An entity desiring to receive a matching grant under this section shall submit to the Secretary an application, at such time, in such manner, and containing such information as the Secretary may require, including—
(1) description of how the grant will be used to implement 1 or more of the activities described in subsection (a);
(2) a description of the types of children and families to be served, including how the children and families will be identified and recruited, and an initial projection of the number of children and families to be served;
(3) if the entity is a private organization—
(A) documentation of support from the relevant local or State child welfare agency; or
(B) a description of how the organization plans to coordinate its services and activities with those offered by the relevant local or State child welfare agency; and
(4) an assurance that the entity will cooperate fully with any evaluation provided for by the Secretary under this section.
(c) Limitations
(1) Grant duration
The Secretary may award a grant under this section for a period of not less than 1 year and not more than 3 years.
(2) Number of new grantees per year
The Secretary may not award a grant under this section to more than 30 new grantees each fiscal year.
(d) Federal contribution
The amount of a grant payment to be made to a grantee under this section during each year in the grant period shall be the following percentage of the total expenditures proposed to be made by the grantee in the application approved by the Secretary under this section:
(1) 75 percent, if the payment is for the 1st or 2nd year of the grant period.
(2) 50 percent, if the payment is for the 3rd year of the grant period.
(e) Form of grantee contribution
A grantee under this section may provide not more than 50 percent of the amount which the grantee is required to expend to carry out the activities for which a grant is awarded under this section in kind, fairly evaluated, including plant, equipment, or services.
(f) Use of grant
A grantee under this section shall use the grant in accordance with the approved application for the grant.
(g) Reservations of funds
(1) Evaluation
(funds made available under subsection (h) for each fiscal year to provide technical assistance to recipients of grants under this section.
(2) Technical assistance
The Secretary may reserve 2 percent of the funds made available under subsection (h) for each fiscal year to provide technical assistance to recipients of grants under this section.
(h) Appropriation
Out of any money in the Treasury of the United States not otherwise appropriated, there are appropriated to the Secretary for purposes of making grants under this section $15,000,000 for each of fiscal years 2009 through 2014.

Prior Provisions

Prior Provisions
§628. Payments to Indian tribal organizations

(a) Amounts

The Secretary may, in appropriate cases (as determined by the Secretary) make payments under this subpart directly to an Indian tribal organization within any State which has a plan for child welfare services approved under this subpart. Such payments shall be made in such manner and in such amounts as the Secretary determines to be appropriate.

(b) Inclusion in State allotment

Amounts paid under subsection (a) shall be deemed to be a part of the allotment (as determined under section 623 of this title) for the State in which such Indian tribal organization is located.

(c) "Indian tribe" and "tribal organization" defined

For purposes of this section, the terms “Indian tribe” and “tribal organization” shall have the meanings given such terms by subsections (e) and (f) of section 5304 of title 25, respectively.

§628a. Transferred

CODIFICATION


§628b. National random sample study of child welfare

(a) In general

The Secretary shall conduct (directly, or by grant, contract, or interagency agreement) a national study based on random samples of children who are at risk of child abuse or neglect, or are determined by States to have been abused or neglected.

(b) Requirements

The study required by subsection (a) shall—

(1) have a longitudinal component; and

(2) yield data reliable at the State level for as many States as the Secretary determines is feasible.

(c) Preferred contents

In conducting the study required by subsection (a), the Secretary should—

AMENDMENTS


1996—Subsec. (c). Pub. L. 104–193 amended subsec. (c) generally. Prior to amendment, subsec. (c) read as follows: “For purposes of this section—

“(1) the term ‘tribal organization’ means the recognized governing body of any Indian tribe, or any legally established organization of Indians which is controlled, sanctioned, or charted by such governing body; and

“(2) the term ‘Indian tribe’ means any tribe, band, nation, or other organized group or community of Indians (including any Alaska Native village or regional or village corporation as defined in or established pursuant to the Alaska Native Claims Settlement Act (Public Law 92–203; 85 Stat. 686) which (A) is recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians, or (B) is located on, or in proximity to, a Federal or State reservation or rancheria.”

1993—Subsec. (a). Pub. L. 103–66 substituted “under this subpart” for “under this part” in two places.

EFFECTIVE DATE OF 2006 AMENDMENT

Amendment by Pub. L. 109–298 effective Oct. 1, 2006, and applicable to payments under this part and part E of this subchapter for calendar quarters beginning on or after such date, without regard to whether implementing regulations have been promulgated, and with delay permitted if State legislation is required to meet additional requirements, see section 13711(c) of Pub. L. 109–298, set out as a note under section 621 of this title.

EFFECTIVE DATE OF 1996 AMENDMENT

For effective date of amendment by Pub. L. 104–193, see section 396(a)–(c) of Pub. L. 104–193, set out as a note under section 654 of this title.

EFFECTIVE DATE OF 1993 AMENDMENT

Amendment by Pub. L. 103–66 effective with respect to calendar quarters beginning on or after Oct. 1, 1993, see section 13711(c) of Pub. L. 103–66, set out as a note under section 622 of this title.

AMENDMENTS


1996—Subsec. (c). Pub. L. 104–193 amended subsec. (c) generally. Prior to amendment, subsec. (c) read as follows: “For purposes of this section—

“(1) the term ‘tribal organization’ means the recognized governing body of any Indian tribe, or any legally established organization of Indians which is controlled, sanctioned, or charted by such governing body; and

“(2) the term ‘Indian tribe’ means any tribe, band, nation, or other organized group or community of Indians (including any Alaska Native village or regional or village corporation as defined in or established pursuant to the Alaska Native Claims Settlement Act (Public Law 92–203; 85 Stat. 686) which (A) is recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians, or (B) is located on, or in proximity to, a Federal or State reservation or rancheria.”

1993—Subsec. (a). Pub. L. 103–66 substituted “under this subpart” for “under this part” in two places.
§ 629. Purpose

The purpose of this program is to enable States to develop and establish, or expand, and to operate coordinated programs of community-based family support services, family preservation services, family reunification services, and adoption promotion and support services to accomplish the following objectives:

(1) To prevent child maltreatment among families at risk through the provision of supportive family services.

(2) To assure children's safety within the home and preserve intact families in which children have been maltreated, when the family's problems can be addressed effectively.

(3) To address the problems of families whose children have been placed in foster care so that reunification may occur in a safe and stable manner in accordance with the Adoption and Safe Families Act of 1997.

(4) To support adoptive families by providing support services as necessary so that they can make a lifetime commitment to their children.
of this subchapter for calendar quarters beginning on or after such date, without regard to whether implementing regulations have been promulgated, and with delay permitted if State legislation is required to meet additional requirements, see section 12(a), (b) of Pub. L. 109-288, set out as a note under section 621 of this title.

**Effective Date of 2002 Amendment**

"(a) IN GENERAL.—Subject to subsection (b), the amendments made by this Act [enacting sections 629f to 629i of this title and amending this section and sections 629a, 629c, 629d, 629e, 674, and 677 of this title] shall take effect on the date of the enactment of this Act [Jan. 17, 2002]."

"(b) DELAY PERMITTED IF STATE LEGISLATION REQUIRED.—In the case of a State plan under subpart 2 of part B or part E of the Social Security Act [probably means subpart 2 of part B or part E of title IV of the Social Security Act (42 U.S.C. 629 et seq., 670 et seq.)] that the Secretary of Health and Human Services determines requires State legislation (other than legislation appropriating funds) in order for the plan to meet the additional requirements imposed by the amendments specified in subsection (a) of this section, the State plan shall not be regarded as failing to comply with the requirements of such part solely on the basis of the failure of the plan to meet the additional requirements before the first day of the first calendar quarter beginning after the close of the first regular session of the State legislature that begins after the date of the enactment of this Act [Jan. 17, 2001]. For purposes of the preceding sentence, in the case of a State that has a 2-year legislative session, each year of the session shall be deemed to be a separate regular session of the State legislature."

**Effective Date of 1997 Amendment**
Amendment by Pub. L. 105-89 effective Nov. 19, 1997, except as otherwise provided, with delay permitted if State legislation is required, see section 501 of Pub. L. 105-89, set out as a note under section 622 of this title.

**Effective Date**
Subpart effective with respect to calendar quarters beginning on or after Oct. 1, 1993, see section 13711(c) of Pub. L. 103-66, set out as an Effective Date of 1993 Amendment note under section 622 of this title.

§ 629a. Definitions

(a) In general
As used in this subpart:

(1) Family preservation services
The term "family preservation services" means services for children and families designed to help families (including adoptive and extended families) at risk or in crisis, including—

(A) service programs designed to help children—

(i) where safe and appropriate, return to families from which they have been removed; or

(ii) be placed for adoption, with a legal guardian, or, if adoption or legal guardianship is determined not to be safe and appropriate for a child, in some other planned, permanent living arrangement;

(B) preplacement preventive services programs, such as intensive family preservation programs, designed to help children at risk of foster care placement remain safely with their families;

(C) service programs designed to provide followup care to families to whom a child has been returned after a foster care placement;

(D) respite care of children to provide temporary relief for parents and other caregivers (including foster parents);

(E) services designed to improve parenting skills (by reinforcing parents’ confidence in their strengths, and helping them to identify where improvement is needed and to obtain assistance in improving those skills) with respect to matters such as child development, family budgeting, coping with stress, health, and nutrition; and

(F) infant safe haven programs to provide a way for a parent to safely relinquish a newborn infant at a safe haven designated pursuant to a State law.

(2) Family support services
(A) In general
The term “family support services” means community-based services designed to carry out the purposes described in subparagraph (B).

(B) Purposes described
The purposes described in this subparagraph are the following:

(i) To promote the safety and well-being of children and families.

(ii) To increase the strength and stability of families (including adoptive, foster, and extended families).

(iii) To support and retain foster families so they can provide quality family-based settings for children in foster care.

(iv) To increase parents’ confidence and competence in their parenting abilities.

(v) To afford children a safe, stable, and supportive family environment.

(vi) To strengthen parental relationships and promote healthy marriages.

(vii) To enhance child development, including through mentoring (as defined in section 629i(b)(2) of this title).

(3) State agency
The term “State agency” means the State agency responsible for administering the program under subpart 1.

(4) State
The term “State” includes an Indian tribe or tribal organization, in addition to the meaning given such term for purposes of subpart 1.

(5) Indian tribe
The term “Indian tribe” has the meaning given in section 628(c) of this title.

(6) Tribal organization
The term “tribal organization” has the meaning given the term in section 628(c) of this title.

(7) Family reunification services
(A) In general
The term “family reunification services” means the services and activities described in subparagraph (B) that are provided to a child that is removed from the child’s home...
and placed in a foster family home or a child care institution or a child who has been returned home and to the parents or primary caregiver of such a child, in order to facilitate the reunification of the child safely and appropriately within a timely fashion and to ensure the strength and stability of the reunification. In the case of a child who has been returned home, the services and activities shall only be provided during the 15-month period that begins on the date that the child returns home.

(B) Services and activities described
The services and activities described in this subparagraph are the following:

(i) Individual, group, and family counseling.

(ii) Inpatient, residential, or outpatient substance abuse treatment services.

(iii) Mental health services.

(iv) Assistance to address domestic violence.

(v) Services designed to provide temporary child care and therapeutic services for families, including crisis nurseries.

(vi) Peer-to-peer mentoring and support groups for parents and primary caregivers.

(vii) Services and activities designed to facilitate access to and visitation of children by parents and siblings.

(viii) Transportation to or from any of the services and activities described in this subparagraph.

(8) Adoption promotion and support services
The term “adoption promotion and support services” means services and activities designed to encourage more adoptions out of the foster care system, when adoptions promote the best interests of children, including such activities as pre- and post-adoptive services and activities designed to expedite the adoption process and support adoptive families.

(9) Non-Federal funds
The term “non-Federal funds” means State funds, or at the option of a State, State and local funds.

(b) Other terms
For other definitions of other terms used in this subpart, see section 675 of this title.


PRIORITY PROVISIONS
A prior section 431 of act Aug. 14, 1935, was classified to section 631 of the title prior to repeal by Pub. L. 100-485.

AMENDMENTS
2018—Subsec. (a)(2)(B)(vii) to (viii). Pub. L. 115-123, §50751(a), added cl. (iii) and redesignated former cl. (iii) to (vi) as (iv) to (vii), respectively.


Subsec. (a)(7)(A). Pub. L. 115-123, §50721(a)(2), struck out “time-limited” before “family reunification”, inserted “or a child who has been returned home” after “child care institution”, and substituted “and to ensure the strength and stability of the reunification.” In the case of a child who has been returned home, the services and activities shall only be provided during the 15-month period that begins on the date that the child returns home” for “,” but only during the 15-month period that begins on the date that the child, pursuant to section 675(5)(F) of this title, is considered to have entered foster care”.

2011—Subsec. (a)(2). Pub. L. 112-34, §102(c)(1), amended par. (2) generally. Prior to amendment, text read as follows: “The term ‘family support services’ means community-based services to promote the safety and well-being of children and families designed to increase the strength and stability of families (including adoptive, foster, and extended families), to increase parents’ confidence and competence in their parenting abilities, to afford children a safe, stable, and supportive family environment, to strengthen parental relationships and promote healthy marriages, and otherwise to enhance child development.”

Subsec. (a)(5), (6). Pub. L. 112-34, §102(d), added pars. (5) and (6) and struck out former pars. (5) and (6) which read as follows:

“(5) TRIBAL ORGANIZATION.—The term ‘tribal organization’ means the recognized governing body of any Indian tribe.

“(6) INDIAN TRIBE.—The term ‘Indian tribe’ means any Indian tribe (as defined in section 682(i)(5) of this title, as in effect before August 22, 1996) and any Alaska Native organization (as defined in section 682(17)(A) of this title, as so in effect).”

Subsec. (a)(7)(B)(vi) to (viii). Pub. L. 112-34, §102(c)(2), added cl. (vi) and (vii) to (vii) and redesignated former cl. (vi) as (viii).


2001—Subsec. (a)(2). Pub. L. 107-133, §102(b), inserted “to strengthen parental relationships and promote healthy marriages,” after “environment,”.

1999—Subsec. (a)(6). Pub. L. 106-169 inserted “,” as in effect before August 22, 1986” after “682(i)(5) of this title” and “, as so in effect” after “682(i)(7)(A) of this title”.


Subsec. (a)(2). Pub. L. 105-89, §305(c)(2)(B), inserted “safety” and before “well-being of children” and substituted “safe, stable, and supportive family” for “stable and supportive family.”

Subsec. (a)(7). (b). Pub. L. 105-89, §305(b)(2), added (b) (7) and (8).


EFFECTIVE DATE OF 2018 AMENDMENT
Amendment by section 50721(a) of Pub. L. 115-123 effective Oct. 1, 2018, subject to transition rules for required State legislation or tribal action, see section 50734 of Pub. L. 115-123, set out as a note under section 622 of this title.

EFFECTIVE DATE OF 2011 AMENDMENT
Amendment by Pub. L. 112-34 effective Oct. 1, 2011, and applicable to payments under this part and part E of this subchapter for calendar quarters beginning on or after such date, without regard to whether implementing regulations have been promulgated, and with delay permitted if State legislation is required to meet additional requirements, see section 107 of Pub. L. 112-34, set out as a note under section 622 of this title.
§ 629b. State plans

(a) Plan requirements

A State plan meets the requirements of this subsection if the plan—

(1) provides that the State agency shall administer, or supervise the administration of, the State program under this subpart;

(2)(A)(i) sets forth the goals intended to be accomplished under the plan by the end of the 5th fiscal year in which the plan is in operation in the State, and (ii) is updated periodically to set forth the goals intended to be accomplished under the plan by the end of each 5th fiscal year thereafter;

(B) describes the methods to be used in measuring progress toward accomplishment of the goals;

(C) contains assurances that the State—

(i) after the end of each of the 1st 4 fiscal years covered by a set of goals, will perform an interim review of progress toward accomplishment of the goals, and on the basis of the interim review will revise the statement of goals in the plan, if necessary, to reflect changed circumstances; and

(ii) after the end of the last fiscal year covered by a set of goals, will perform a final review of progress toward accomplishment of the goals, and on the basis of the final review (I) will prepare, transmit to the Secretary, and make available to the public a final report on progress toward accomplishment of the goals, and (II) will develop (in consultation with the entities required to be consulted pursuant to subsection (b)) and add to the plan a statement of the goals intended to be accomplished by the end of the 5th succeeding fiscal year;

(3) provides for coordination, to the extent feasible and appropriate, of the provision of services under the plan and the provision of services or benefits under other Federal or federally assisted programs serving the same populations;

(4) contains assurances that not more than 10 percent of expenditures under the plan for any fiscal year with respect to which the State is eligible for payment under section 629d of this title for the fiscal year shall be for administrative costs, and that the remaining expenditures shall be for programs of family preservation services, community-based family support services, family reunification services, and adoption promotion and support services, with significant portions of such expenditures for each such program;

(5) contains assurances that the State will—

(A) annually prepare, furnish to the Secretary, and make available to the public a description (including separate descriptions with respect to family preservation services, community-based family support services, family reunification services, and adoption promotion and support services) of—

(i) the service programs to be made available under the plan in the immediately succeeding fiscal year;

(ii) the populations which the programs will serve; and

(iii) the geographic areas in the State in which the services will be available; and

(B) perform the activities described in subparagraph (A)—

(i) in the case of the 1st fiscal year under the plan, at the time the State submits its initial plan; and

(ii) in the case of each succeeding fiscal year, by the end of the 3rd quarter of the immediately preceding fiscal year;

(6) provides for such methods of administration as the Secretary finds to be necessary for the proper and efficient operation of the plan;

(7)(A) contains assurances that Federal funds provided to the State under this subpart will not be used to supplant Federal or non-Federal funds for existing services and activities which promote the purposes of this subpart; and

(B) provides that the State will furnish reports to the Secretary, at such times, in such format, and containing such information as the Secretary may require, that demonstrate the State’s compliance with the prohibition contained in subparagraph (A);

(8)(A) provides that the State agency will furnish such reports, containing such information, and participate in such evaluations, as the Secretary may require; and

(B) provides that, not later than June 30 of each year, the State will submit to the Secretary—

(i) copies of form CFS–101 (including all parts and any successor forms) that report on planned child and family services expenditures by the agency for the immediately succeeding fiscal year; and

(ii) copies of form CFS–101 (including all parts and any successor forms) that provide,
with respect to the programs authorized under this subpart and subpart 1 and, at State option, other programs included on such forms, for the most recent preceding fiscal year for which reporting of actual expenditures is complete.

(1) In general
The Secretary shall approve a plan that meets the requirements of subsection (a) only if the plan was developed jointly by the Secretary and the State, after consultation by the State agency with appropriate public and nonprofit private agencies and community-based organizations with experience in administering programs of services for children and families (including family preservation, family support, family reunification, and adoption promotion and support services).

(2) Plans of Indian tribes or tribal consortia
(A) Exemption from inappropriate requirements
The Secretary may exempt a plan submitted by an Indian tribe or tribal consortium from the requirements of subsection (a)(4) of this section to the extent that the Secretary determines those requirements would be inappropriate to apply to the Indian tribe or tribal consortium, taking into account the resources, needs, and other circumstances of the Indian tribe or tribal consortium.

(B) Special rule
Notwithstanding subparagraph (A) of this paragraph, the Secretary may not approve a plan of an Indian tribe or tribal consortium under this subpart to which (but for this subparagraph) an allotment of less than $10,000 would be made under section 629c(a) of this title if allotments were made under section 629c(a) of this title to all Indian tribes and tribal consortia with plans approved under this subpart with the same or larger numbers of children.

(c) Annual submission of State reports to Congress
(1) In general
The Secretary shall compile the reports required under subsection (a)(8)(B) and, not later than September 30 of each year, submit such compilation to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate.

(2) Information to be included
The compilation shall include the individual State reports and tables that synthesize State information into national totals for each element required to be included in the reports, including planned and actual spending by service category for the program authorized under this subpart and planned spending by service category for the program authorized under subpart 1.

(3) Public accessibility
Not later than September 30 of each year, the Secretary shall publish the compilation on the website of the Department of Health and Human Services in a location easily accessible by the public.

§ 629b
TITLE 42—THE PUBLIC HEALTH AND WELFARE
(a) Indian tribes or tribal consortia

From the amount reserved pursuant to section 629f(b)(3) of this title for any fiscal year, the Secretary shall allot to each Indian tribe with a plan approved under this subpart an amount that bears the same ratio to such reserved amount as the number of children in the Indian tribe bears to the total number of children in all Indian tribes with State plans so approved, as determined by the Secretary on the basis of the most current and reliable information available to the Secretary. If a consortium of Indian tribes submits a plan approved under this subpart, the Secretary shall allot to the consortium an amount equal to the sum of the allotments determined for each Indian tribe that is part of the consortium.

(b) Territories

From the amount described in section 629f(a) of this title for any fiscal year that remains after applying section 629f(b) of this title for the fiscal year, the Secretary shall allot to each of the jurisdictions of Puerto Rico, Guam, the Virgin Islands, the Northern Mariana Islands, and American Samoa an amount determined in the same manner as the allotment to each of such jurisdictions is determined under section 623 of this title.

(c) Other States

(1) In general

From the amount described in section 629f(a) of this title for any fiscal year that remains after applying section 629f(b) of this title and subsection (b) of this section for the fiscal year, the Secretary shall allot to each State (other than an Indian tribe) which is not specified in subsection (b) of this section an amount equal to such remaining amount multiplied by the supplemental nutrition assistance program benefits percentage of the State for the fiscal year.

(2) Supplemental nutrition assistance program benefits percentage defined

(A) In general

As used in paragraph (1) of this subsection, the term “supplemental nutrition assistance program benefits percentage” means, with respect to a State and a fiscal year, the average monthly number of children receiving supplemental nutrition assistance program benefits in the State for months in the 3 fiscal years referred to in subparagraph (B) of this paragraph, as determined from sample surveys made under section 2025(c) of title 7, expressed as a percentage of the average number of children receiving supplemental nutrition assistance program benefits in the States described in such paragraph (1) for months in such 3 fiscal years, as so determined.

(B) Fiscal years used in calculation

For purposes of the calculation pursuant to subparagraph (A), the Secretary shall use data for the 3 most recent fiscal years, preceding the fiscal year for which the State’s allotment is calculated under this subsection, for which such data are available to the Secretary.

(d) Reallotments

The amount of any allotment to a State under subsection (a), (b), or (c) of this section for any fiscal year that the State certifies to the Secretary will not be required for carrying out the State plan under section 629b of this title shall be available for reallocation using the allotment methodology specified in subsection (a), (b), or (c) of this section. Any amount so reallocated to a State is deemed part of the allotment of the State under the preceding provisions of this section.

(e) Allotment of funds reserved to support monthly caseworker visits

(1) Territories

From the amount reserved pursuant to section 629f(b)(4)(A) of this title for any fiscal year that remains after applying section 629f(b) of this title for the fiscal year, the Secretary shall allot to each of the jurisdictions of Puerto Rico, Guam, the Virgin Islands, the Northern Mariana Islands, and American Samoa an amount determined in the same manner as the allotment to each of such jurisdictions is determined under section 623 of this title.
year, the Secretary shall allot to each jurisdiction specified in subsection (b) of this section, that has provided to the Secretary such documentation as may be necessary to verify that the jurisdiction has complied with section 629(b)(4)(B)(ii) of this title during the fiscal year, an amount determined in the same manner as the allotment to each of such jurisdictions is determined under section 623 of this title (without regard to the initial allotment of $70,000 to each State).

(2) Other States

From the amount reserved pursuant to section 629(b)(4)(A) of this title for any fiscal year that remains after applying paragraph (1) of this subsection for the fiscal year, the Secretary shall allot to each State (other than an Indian tribe) not specified in subsection (b) of this section, that has provided to the Secretary such documentation as may be necessary to verify that the State has complied with section 629(b)(4)(B)(ii) of this title during the fiscal year, an amount equal to such remaining amount multiplied by the supplemental nutrition assistance program benefits percentage of the State (as defined in subsection (c)(2) of this section) for the fiscal year, except that in applying subsection (c)(2)(A) of this section, “subsection (e)(2)” shall be substituted for “such paragraph (1)”.


CODIFICATION


PRIOR PROVISIONS

A prior section 433 of act Aug. 14, 1935, was classified to section 633 of this title prior to repeal by Pub. L. 100–485.

AMENDMENTS

2006—Subsec. (a), Pub. L. 109–288, § 5(b)(1)(A), inserted “or tribal consortia” after “tribes” in heading and inserted at end of text “If a consortium of Indian tribes submits a plan approved under this subpart, the Secretary shall allot to the consortium an amount equal to the sum of the allotments determined for each Indian tribe that is part of the consortium.”

Subsec. (b), Pub. L. 109–288, §6(f)(4), substituted “section 623” for “section 621”.


Subsec. (b), Pub. L. 107–133, § 106(a)(2)(B), substituted “section 629f(a)” for “section 629(b)” and “section 629f(b)” for “section 629(d)”.

Subsec. (c)(1), Pub. L. 107–133, § 106(a)(2)(C), substituted “section 629f(a)” for “section 629(b)” and “section 629f(b)” for “section 629(d)”.

Subsec. (d), Pub. L. 107–133, § 103, added subsec. (d).

EFFECTIVE DATE OF 2011 AMENDMENT

Amendment by Pub. L. 112–34 effective Oct. 1, 2011, and applicable to payments under this part and part E of this subchapter for calendar quarters beginning on or after such date, without regard to whether implementing regulations have been promulgated, and with delay permitted if State legislation is required to meet additional requirements, see section 107 of Pub. L. 112–34, set out as a note under section 622 of this title.

EFFECTIVE DATE OF 2008 AMENDMENT


EFFECTIVE DATE OF 2006 AMENDMENT

Amendment by Pub. L. 109–288 effective Oct. 1, 2006, and applicable to payments under this part and part E of this subchapter for calendar quarters beginning on or after such date, without regard to whether implementing regulations have been promulgated, and with delay permitted if State legislation is required to meet additional requirements, see section 12(a), (b) of Pub. L. 109–288, set out as a note under section 621 of this title.

EFFECTIVE DATE OF 2002 AMENDMENT


§ 629d. Payments to States

(a) Entitlement

Each State that has a plan approved under section 629b of this title shall, subject to subsection (d), be entitled to payment of the sum of—

(1) the lesser of—

(A) 75 percent of the total expenditures by the State for activities under the plan during the fiscal year or the immediately succeeding fiscal year; or

(B) the allotment of the State under subsection (a), (b), or (c) of section 629c of this title, whichever is applicable, for the fiscal year; and
(2) the lesser of—
   (A) 75 percent of the total expenditures by the State in accordance with section 629f(b)(4)(B) of this title during the fiscal year or the immediately succeeding fiscal year; or
   (B) the allotment of the State under section 629c(e) of this title for the fiscal year.

(b) Prohibitions

(1) No use of other Federal funds for State match

Each State receiving an amount paid under subsection (a) may not expend any Federal funds to meet the costs of services under the State plan under section 629b of this title not covered by the amount so paid.

(2) Availability of funds

A State may not expend any amount paid under subsection (a) for any fiscal year after the end of the immediately succeeding fiscal year.

(c) Direct payments to tribal organizations of Indian tribes or tribal consortia

The Secretary shall pay any amount to which an Indian tribe or tribal consortium is entitled under this section directly to the Indian tribes that are part of the consortium as the consortium shall designate.

(d) Limitation on reimbursement for administrative costs

The Secretary shall not make a payment to a State under this section with respect to expenditures for administrative costs during a fiscal year, to the extent that the total amount of the expenditures exceeds 10 percent of the total expenditures of the State during the fiscal year under the State plan approved under section 629b of this title.


Prior Provisions

A prior section 434 of act Aug. 14, 1935, was classified to section 634 of this title prior to repeal by Pub. L. 100–485.

Amendments

2006—Subsec. (a). Pub. L. 109–288, §4(a)(3), substituted ‘‘the sum of—’’ for ‘‘the lesser of—’’ in introductory provisions, added pars. (1) and (2), and struck out former pars. (1) and (2) which read as follows:

‘‘(1) 75 percent of the total expenditures by the State for activities under the plan during the fiscal year or the immediately succeeding fiscal year; or
   ‘‘(2) the allotment of the State under section 629c of this title for the fiscal year.’’


Subsec. (c). Pub. L. 109–288, §5(b)(3)(B), in heading inserted ‘‘or tribal consortia’’ after ‘‘tribes’’ and in text inserted ‘‘or tribal consortium’’ after ‘‘to which an Indian tribe’’ and ‘‘or in the case of a payment to a tribal consortium, such tribal organizations of, or entity established by, the Indian tribes that are part of the consortium as the consortium shall designate.’’

2002—Subsec. (a). Pub. L. 107–133, §104(a), struck out par. (1) designation and heading after subsec. heading, substituted ‘‘Each State that has a plan approved under section 629b of this title shall be entitled to payment of the lesser of—’’ for ‘‘Except as provided in paragraph (2) of this subsection, each State which has a plan approved under this subpart shall be entitled to payment of the lesser of—’’, redesignated subpars. (A) and (B) of former par. (1) as pars. (1) and (2), respectively, and realigned their margins, and struck out former par. (2) which related to a special rule for fiscal year 1991.

Subsec. (b)(1). Pub. L. 107–133, §104(b)(1), struck out ‘‘paragraph (1) or (2)(B) of’’ after ‘‘amount paid under’’ and substituted ‘‘under the State plan under section 629b of this title’’ for ‘‘described in this subpart’’.

Subsec. (b)(2). Pub. L. 107–133, §104(b)(2), substituted ‘‘subsection (a)’’ for ‘‘subsection (a)(1)’’.

Effective Date of 2006 Amendment

Pub. L. 109–288, §3(f)(2), Sept. 28, 2006, 120 Stat. 1236, provided that: ‘‘The amendments made by paragraph (1) [amending this section] shall apply to expenditures made on or after October 1, 2007.’’

Amendment by Pub. L. 109–288 effective Oct. 1, 2006, except as otherwise provided, and applicable to payments under this part and part E of this subchapter for calendar quarters beginning on or after such date, without regard to whether implementing regulations have been promulgated, and with delay permitted if State legislation is required to meet additional requirements, see section 12(a), (b) of Pub. L. 109–288, set out as a note under section 621 of this title.

Effective Date of 2002 Amendment


§ 629e. Evaluations; research; technical assistance

(a) Evaluations

(1) In general

The Secretary shall evaluate and report to the Congress biennially on the effectiveness of the programs carried out pursuant to this subpart in accomplishing the purposes of this subpart, and may evaluate any other Federal, State, or local program, regardless of whether federally assisted, that is designed to achieve the same purposes as the program under this subpart, in accordance with criteria established in accordance with paragraph (2).

(2) Criteria to be used

In developing the criteria to be used in evaluations under paragraph (1), the Secretary shall consult with appropriate parties, such as—

(A) State agencies administering programs under this part and part E;

(B) persons administering child and family services programs (including family preservation and family support programs) for private, nonprofit organizations with an interest in child welfare; and

(C) other persons with recognized expertise in the evaluation of child and family services programs (including family preservation...
and family support programs) or other related programs.

(3) Timing of report
Beginning in 2003, the Secretary shall submit the biennial report required by this subsection not later than April 1 of every other year, and shall include in each such report the funding level, the status of ongoing evaluations, findings to date, and the nature of any technical assistance provided to States under subsection (d).

(b) Coordination of evaluations
The Secretary shall develop procedures to coordinate evaluations under this section, to the extent feasible, with evaluations by the States of the effectiveness of programs under this subsection.

(c) Evaluation, research, and technical assistance with respect to targeted program resources
Of the amount reserved under section 629f(b)(1) of this title for a fiscal year, the Secretary shall use not less than—

(1) $1,000,000 for evaluations, research, and providing technical assistance with respect to supporting monthly caseworker visits with children who are in foster care under the responsibility of the State, in accordance with section 629g(b)(4)(B)(i) of this title; and

(2) $1,000,000 for evaluations, research, and providing technical assistance with respect to grants under section 629g(f) of this title.

(d) Technical assistance
To the extent funds are available therefor, the Secretary shall provide technical assistance that helps States and Indian tribes or tribal consortia to—

(1) develop research-based protocols for identifying families at risk of abuse and neglect of use in the field;

(2) develop treatment models that address the needs of families at risk, particularly families with substance abuse issues;

(3) implement programs with well-articulated theories of how the intervention will result in desired changes among families at risk;

(4) establish mechanisms to ensure that service provision matches the treatment model; and

(5) establish mechanisms to ensure that postadoption services meet the needs of the individual families and develop models to reduce the disruption rates of adoption.

(e) Family recovery and reunification program replication project

(1) Purpose
The purpose of this subsection is to provide resources to the Secretary to support the conduct and evaluation of a family recovery and reunification program replication project (referred to in this subsection as the "project") and to determine the extent to which such programs may be appropriate for use at different intervention points (such as when a child is at risk of entering foster care or when a child is living with a guardian while a parent is in treatment). The family recovery and reunification program conducted under the project shall use a recovery coach model that is designed to help reunify families and protect children by working with parents or guardians with a substance use disorder who have temporarily lost custody of their children.

(2) Program components
The family recovery and reunification program conducted under the project shall adhere closely to the elements and protocol determined to be most effective in other recovery coaching programs that have been rigorously evaluated and shown to increase family reunification and protect children, and consistent with such elements and protocol, shall provide such items and services as—

(A) assessments to evaluate the needs of the parent or guardian;

(B) assistance in receiving the appropriatebenefits to aid the parent or guardian in recovery;

(C) services to assist the parent or guardian in prioritizing issues identified in assessments, establishing goals for resolving such issues that are consistent with the goals of the treatment provider, child welfare agency, courts, and other agencies involved with the parent or guardian or their children, and making a coordinated plan for achieving such goals;

(D) home visiting services coordinated with the child welfare agency and treatment provider involved with the parent or guardian or their children;

(E) case management services to remove barriers for the parent or guardian to participate and continue in treatment, as well as to re-engage a parent or guardian who is not participating or progressing in treatment;

(F) access to services needed to monitor the parent’s or guardian’s compliance with program requirements;

(G) frequent reporting between the treatment provider, child welfare agency, courts, and other agencies involved with the parent or guardian or their children to ensure appropriate information on the parent’s or guardian’s status is available to inform decision-making; and

(H) assessments and recommendations provided by a recovery coach to the child welfare caseworker responsible for documenting the parent’s or guardian’s progress in treatment and recovery as well as the status of other areas identified in the treatment plan for the parent or guardian, including a recommendation regarding the expected safety of the child if the child is returned to the custody of the parent or guardian that can be used by the caseworker and a court to make permanency decisions regarding the child.

(3) Responsibilities of the Secretary

(A) In general
The Secretary shall, through a grant or contract with 1 or more entities, conduct and evaluate the family recovery and reunification program under the project.
(B) Requirements

In identifying 1 or more entities to conduct the evaluation of the family recovery and reunification program, the Secretary shall—

(i) determine that the area or areas in which the program will be conducted have sufficient program participants, and will serve a sufficient number of parents or guardians and their children, so as to allow for the formation of a control group, evaluation results to be adequately powered, and preliminary results of the evaluation to be available within 4 years of the program’s implementation;

(ii) provide the entity or entities with technical assistance for the program design, including by working with 1 or more entities that are or have been involved in recovery coaching programs that have been rigorously evaluated and shown to increase family reunification and protect children so as to make sure the program conducted under the project adheres closely to the elements and protocol determined to be most effective in such other recovery coaching programs;

(iii) assist the entity or entities in securing adequate coaching, treatment, child welfare, court, and other resources needed to successfully conduct the family recovery and reunification program under the project; and

(iv) ensure the entity or entities will be able to monitor the impacts of the program in the area or areas in which it is conducted for at least 5 years after parents or guardians and their children are randomly assigned to participate in the program or to be part of the program’s control group.

(4) Evaluation requirements

(A) In general

The Secretary, in consultation with the entity or entities conducting the family recovery and reunification program under the project, shall conduct an evaluation to determine whether the program has been implemented effectively and resulted in improvements for children and families. The evaluation shall have 3 components: a pilot phase, an impact study, and an implementation study.

(B) Pilot phase

The pilot phase component of the evaluation shall consist of the Secretary providing technical assistance to the entity or entities conducting the family recovery and reunification program under the project to ensure—

(i) the program’s implementation adheres closely to the elements and protocol determined to be most effective in other

recovery coaching programs that have been rigorously evaluated and shown to increase family reunification and protect children; and

(ii) random assignment of parents or guardians and their children to be participants in the program or to be part of the program’s control group is being carried out.

(C) Impact study

The impact study component of the evaluation shall determine the impacts of the family recovery and reunification program conducted under the project on the parents and guardians and their children participating in the program. The impact study component shall—

(i) be conducted using an experimental design that uses a random assignment research methodology;

(ii) consistent with previous studies of other recovery coaching programs that have been rigorously evaluated and shown to increase family reunification and protect children, measure outcomes for parents and guardians and their children over multiple time periods, including for a period of 5 years; and

(iii) include measurements of family stability and parent, guardian, and child safety for program participants and the program control group that are consistent with measurements of such factors for participants and control groups from previous studies of other recovery coaching programs so as to allow results of the impact study to be compared with the results of such prior studies, including with respect to comparisons between program participants and the program control group regarding—

(I) safe family reunification;

(II) time to reunification;

(III) permanency (such as through measures of reunification, adoption, or placement with guardians);

(IV) safety (such as through measures of subsequent maltreatment);

(V) parental or guardian treatment persistence and engagement;

(VI) parental or guardian substance use;

(VII) juvenile delinquency;

(VIII) cost; and

(IX) other measurements agreed upon by the Secretary and the entity or entities operating the family recovery and reunification program under the project.

(D) Implementation study

The implementation study component of the evaluation shall be conducted concurrently with the conduct of the impact study component and shall include, in addition to such other information as the Secretary may determine, descriptions and analyses of—

(i) the adherence of the family recovery and reunification program conducted under the project to other recovery coaching programs that have been rigorously
§ 629f

TITLE 42—THE PUBLIC HEALTH AND WELFARE

Page 2018

evaluated and shown to increase family re-
unification and protect children; and
(ii) the difference in services received or pro-
posed to be received by the program par-
cipants and the program control
group.

(E) Report

The Secretary shall publish on an internet
website maintained by the Secretary the fol-
lowing information:
(i) A report on the pilot phase com-
ponent of the evaluation.
(ii) A report on the impact study com-
ponent of the evaluation.
(iii) A report on the implementation
study component of the evaluation.
(iv) A report that includes—
(I) analyses of the extent to which the
program has resulted in increased reuni-
fications, increased permanency, case
closures, net savings to the State or
States involved (taking into account
both costs borne by States and the Fed-
eral government), or other outcomes, or
if the program did not produce such out-
comes, an analysis of why the replica-
tion of the program did not yield such
results:
(II) if, based on such analyses, the Sec-
cretary determines the program should be
replicated, a replication plan; and
(III) such recommendations for legisla-
tive and administrative action as the
Secretary determines appropriate.

(5) Appropriation

In addition to any amounts otherwise made
available to carry out this subpart, out of any
money in the Treasury of the United States
not otherwise appropriated, there are appro-
priated $15,000,000 for fiscal year 2019 to carry
out the project, which shall remain available
through fiscal year 2026.

(Aug. 14, 1935, ch. 531, title IV, § 435, as added
Pub. L. 103–66, title XIII, § 13711(a)(2), Aug. 10,
1242, 1243; Pub. L. 115–271, title VIII, § 8082(a),

PRIOR PROVISIONS

A prior section 435 of act Aug. 14, 1935, was classified
to section 615 of this title prior to repeal by Pub. L.
100–485.

AMENDMENTS

heading and text of subsec. (c) generally. Prior to
amendment, subsec. (c) related to topics for research
and evaluation.

Subsec. (d). Pub. L. 109–288, § 5(b)(3)(C), inserted “or
tribal consortia” after “Indian tribes” in introductory
provisions.

2002—Pub. L. 107–133, §105(1), substituted “Evalua-
tions; research; technical assistance” for “Evaluate-
tions” in section catchline.

“The Secretary shall evaluate and report to the Con-
gress biennially on” for “The Secretary shall evalu-
ate”.

Subsecs. (c), (d). Pub. L. 107–133, §105(3), added sub-
secs. (c) and (d).

EFFECTIVE DATE OF 2006 AMENDMENT

Amendment by Pub. L. 109–288 effective Oct. 1, 2006,
and applicable to payments under this part and part E
of this subchapter for calendar quarters beginning on or
after such date, without regard to whether imple-
menting regulations have been promulgated, and with
delay permitted if State legislation is required to meet
additional requirements, see section 12(a)(1), (2) of Pub. L.
109–288, set out as a note under section 621 of this title.

EFFECTIVE DATE OF 2002 AMENDMENT

Amendment by Pub. L. 107–133 effective Jan. 17, 2002,
with delay permitted if State legislation is required, see
section 301 of Pub. L. 107–133, set out as a note
under section 629 of this title.

§ 629f. Authorization of appropriations; reserv-
ation of certain amounts

(a) Authorization

In addition to any amount otherwise made
available to carry out this subpart, there are au-
thorized to be appropriated to carry out this
subpart $345,000,000 for each of fiscal years 2017
through 2021.

(b) Reservation of certain amounts

From the amount specified in subsection (a) for
a fiscal year, the Secretary shall reserve
amounts as follows:

(1) Evaluation, research, training, and tech-
nical assistance

The Secretary shall reserve $6,000,000 for ex-
penditure by the Secretary—
(A) for research, training, and technical
assistance costs related to the program
under this subpart; and
(B) for evaluation of State programs based
on the plans approved under section 629b of
this title and funded under this subpart, and
any other Federal, State, or local program,
regardless of whether federally assisted, that
is designed to achieve the same purposes as
the State programs.

(2) State court improvements

The Secretary shall reserve $30,000,000 for
grants under section 629b of this title.

(3) Indian tribes or tribal consortia

After applying paragraphs (4) and (5) (but be-
fore applying paragraphs (1) or (2)), the Sec-
cretary shall reserve 3 percent for allotment to
Indian tribes or tribal consortia in accordance
with section 629c(a) of this title.

(4) Support for monthly caseworker visits

(A) Reservation

The Secretary shall reserve for allotment in
accordance with section 629c(e) of this title
$20,000,000 for each of fiscal years 2017
through 2021.

(B) Use of funds

(i) In general

A State to which an amount is paid from
amounts reserved under subparagraph (A)
shall use the amount to improve the qual-
ity of monthly caseworker visits with chil-


Subsec. (b)(4)(B), Pub. L. 112–34, § 109(b), substituted “improve the quality of” for “support” and “an emphasis on improving caseworker decision making on the safety, permanency, and well-being of foster children and on activities designed to increase retention, recruitment, and training of caseworkers.” for “a primary emphasis on activities designed to improve caseworker retention, recruitment, and training, and ability to access the benefits of technology.”

Subsec. (b)(5), Pub. L. 112–34, § 109(a)(2), substituted “$292(f) of this title $20,000,000 for each of fiscal years 2012 through 2016.” for “$292(f) of this title—

(A) $40,000,000 for fiscal year 2007;

(B) $35,000,000 for fiscal year 2008;

(C) $30,000,000 for fiscal year 2009; and

(D) $20,000,000 for each of fiscal years 2010 and 2011.”

Subsec. (a). Pub. L. 111–242, § 133(1)(A)(i), which directed insertion of “, and $365,000,000 for fiscal year 2011” before the period, was executed by making the insertion at the end of subsec. (a) to reflect the probable intent of Congress because there was no period.


2010—Subsec. (a). Pub. L. 111–242, § 133(1)(A)(ii), which directed insertion of “, and $365,000,000 for fiscal year 2011” before the period, was executed by making the insertion at the end of subsec. (a) to reflect the probable intent of Congress because there was no period.


Subsec. (b)(2), Pub. L. 111–242, § 133(1)(B), substituted “$30,000,000” for “$10,000,000”.


Notwithstanding the preceding sentence, the total amount authorized to be so appropriated for fiscal year 2006 under this subsection and under this subsection (as in effect before February 8, 2006) is $345,000,000.”

Pub. L. 109–171 amended heading and text of subsec. (a) generally. Prior to amendment, text read as follows:

“There are authorized to be appropriated to carry out the provisions of this part $365,000,000 for each of fiscal years 2002 through 2006.”


Pub. L. 109–288, § 5(a)(1), (3), substituted “After applying paragraphs (4) and (5) (but before applying paragraphs (1) or (2)), the” for “The” and “3 percent” for “1 percent”.


Subsec. (b)(5), Pub. L. 110–123, § 50752(c)(2), substituted “2017 through 2021” for “2012 through 2016”.


(ii) Nonsupplantation

A State to which an amount is paid from amounts reserved pursuant to subparagraph (A) shall not use the amount to supplant any Federal funds paid to the State under part E that could be used as described in clause (i).

(5) Regional partnership grants

The Secretary shall reserve for awarding grants under section 629g(f) of this title $30,000,000 for each of fiscal years 2017 through 2021.

(c) Support for foster family homes

Out of any money in the Treasury of the United States not otherwise appropriated, there are appropriated to the Secretary for fiscal year 2018 $8,000,000 for the Secretary to make competitive grants to States, Indian tribes, or tribal consortia with the highest percentage of children in non-family settings, focused on States, Indian tribes, or tribal consortia to support the recruitment and retention of high-quality foster families to increase their capacity to place more children in family settings, as a note under section 621 of this title.
§ 629g. Discretionary and targeted grants

(a) Limitations on authorization of appropriations

In addition to any amount appropriated pursuant to section 629f of this title, there are authorized to be appropriated to carry out this section $200,000,000 for each of fiscal years 2017 through 2021.

(b) Reservation of certain amounts

From the amount (if any) appropriated pursuant to subsection (a) for a fiscal year, the Secretary shall reserve amounts as follows:

(1) Evaluation, research, training, and technical assistance

The Secretary shall reserve 3.3 percent for expenditure by the Secretary for the activities described in section 629f(b)(1) of this title.

(2) State court improvements

The Secretary shall reserve 3.3 percent for grants under section 629h of this title.

(3) Indian tribes or tribal consortia

The Secretary shall reserve 3 percent for allotment to Indian tribes or tribal consortia in accordance with subsection (c)(1).

(4) Improving the interstate placement of children

The Secretary shall reserve $5,000,000 of the amount made available for fiscal year 2018 for grants under subsection (g), and the amount so reserved shall remain available through fiscal year 2022.

(c) Allotments

(1) Indian tribes or tribal consortia

From the amount (if any) reserved pursuant to subsection (b)(3) for any fiscal year, the Secretary shall allot to each Indian tribe with a plan approved under this subpart an amount equal to the sum of the allotments determined for each Indian tribe that is part of an Indian tribe with a plan approved under this subpart an amount equal to the lesser of—

(1) 75 percent of the total expenditures by the tribe for activities under the plan during the fiscal year or the immediately succeeding fiscal year; or

(2) the allotment of the tribe under section 629d of this title.

(2) Territories

From the amount (if any) appropriated pursuant to subsection (a) for any fiscal year that remains after applying subsection (b) and paragraph (2) of this subsection for the fiscal year, the Secretary shall allot to each State (other than an Indian tribe) which has a plan approved under this subpart an amount equal to such remaining amount multiplied by the supplemental nutrition assistance program benefits percentage (as defined in section 629c(o)(2) of this title) of the State for the fiscal year.

(d) Grants

The Secretary may make a grant to a State which has a plan approved under this subpart in an amount equal to the lesser of—

(1) 75 percent of the total expenditures by the State for activities under the plan during the fiscal year or the immediately succeeding fiscal year; or

(2) the allotment of the State under subsection (c) for the fiscal year.

(e) Applicability of certain rules

The rules of subsections (b) and (c) of section 629d of this title shall apply in like manner to the amounts made available pursuant to subsection (a).

(f) Targeted grants to implement IV-E prevention services, and improve the well-being of, and improve permanency outcomes for, children and families affected by heroin, opioids, and other substance abuse

(1) Purpose

The purpose of this subsection is to authorize the Secretary to make competitive grants to regional partnerships to provide, through interagency collaboration and integration of programs and services, services and activities that are designed to increase the well-being of, improve permanency outcomes for, and enhance the safety of children who are at risk of being placed in an out-of-home placement as a result of a parent’s or caretaker’s substance abuse.

(2) Regional partnership defined

In this subsection, the term “regional partnership” means a collaborative agreement (which may be established on an interstate, State, or intrastate basis) entered into by the following:

(A) Mandatory partners for all partnership grants

(i) The State child welfare agency that is responsible for the administration of the State plan under this part and part E.

(ii) The State agency responsible for administering the substance abuse prevention and treatment block grant provided under subpart II of part B of title XIX of the Public Health Service Act [42 U.S.C. 300x–21 et seq.].

(B) Mandatory partners for partnership grants proposing to serve children in out-of-home placements

If the partnership proposes to serve children in out-of-home placements, the Juve-
(C) Optional partners

At the option of the partnership, any of the following:

(i) An Indian tribe or tribal consortium.
(ii) Nonprofit child welfare service providers.
(iii) For-profit child welfare service providers.
(iv) Community health service providers, including substance abuse treatment providers.
(v) Community mental health providers.
(vi) Local law enforcement agencies.
(vii) School personnel.
(viii) Tribal child welfare agencies (or a consortium of the agencies).
(ix) Any other providers, agencies, personnel, officials, or entities that are related to the provision of child and family services under a State plan approved under this subpart.

(D) Exception for regional partnerships where the lead applicant is an Indian tribe or tribal consortium

If an Indian tribe or tribal consortium enters into a regional partnership for purposes of this subsection, the Indian tribe or tribal consortium—

(i) may (but is not required to) include the State child welfare agency as a partner in the collaborative agreement;
(ii) may not enter into a collaborative agreement only with tribal child welfare agencies (or a consortium of the agencies); and
(iii) if the condition described in paragraph (2)(B) applies, may include tribal court organizations in lieu of other judicial partners.

(3) Authority to award grants

(A) In general

In addition to amounts authorized to be appropriated to carry out this section, the Secretary shall award grants under this subsection, from the amounts reserved for each of fiscal years 2017 through 2021 under section 629f(b)(5) of this title, to regional partnerships that satisfy the requirements of this subsection, in amounts that are not less than $250,000 and not more than $1,000,000 per grant per fiscal year.

(B) Required minimum period of approval; planning

(i) In general

A grant shall be awarded under this subsection for a period of not less than 2, and not more than 5, fiscal years, subject to clauses (ii) and (iii).

(ii) Extension of grant

On application of the grantee, the Secretary may extend for not more than 2 fiscal years the period for which a grant is awarded under this subsection.

(iii) Sufficient planning

A grant awarded under this subsection shall be disbursed in two phases: a planning phase (not to exceed 2 years) and an implementation phase. The total disbursement to a grantee for the planning phase may not exceed $250,000, and may not exceed the total anticipated funding for the implementation phase.

(C) Multiple grants allowed

This subsection shall not be interpreted to prevent a grantee from applying for, or being awarded, separate grants under this subsection.

(D) Limitation on payment for a fiscal year

No payment shall be made under subparagraph (A) or (C) for a fiscal year until the Secretary determines that the eligible partnership has made sufficient progress in meeting the goals of the grant and that the members of the eligible partnership are coordinating to a reasonable degree with the other members of the eligible partnership.

(4) Application requirements

To be eligible for a grant under this subsection, a regional partnership shall submit to the Secretary a written application containing the following:

(A) Recent evidence demonstrating that substance abuse has had a substantial impact on the number of out-of-home placements for children, or the number of children who are at risk of being placed in an out-of-home placement, in the partnership region.

(B) A description of the goals and outcomes to be achieved during the funding period for the grant that will—

(i) enhance the well-being of children, parents, and families receiving services or taking part in activities conducted with funds provided under the grant;
(ii) lead to safe, permanent caregiving relationships for the children;
(iii) improve the substance abuse treatment outcomes for parents including retention in treatment and successful completion of treatment;
(iv) facilitate the implementation, delivery, and effectiveness of prevention services and programs under section 671(e) of this title; and
(v) decrease the number of out-of-home placements for children, increase re-unification rates for children who have been placed in out-of-home care, or decrease the number of children who are at risk of being placed in an out-of-home placement, in the partnership region.

(C) A description of the joint activities to be funded in whole or in part with the funds provided under the grant, including the sequencing of the activities proposed to be conducted under the funding period for the grant.

(D) A description of the strategies for integrating programs and services determined to
be appropriate for the child and the child’s family.

(E) A description of a plan for sustaining the services provided by or activities funded under the grant after the conclusion of the grant period, including through the use of prevention services and programs under section 671(e) of this title and other funds provided to the State for child welfare and substance abuse prevention and treatment services.

(F) Additional information needed by the Secretary to determine that the proposed activities and implementation will be consistent with research or evaluations showing which practices and approaches are most effective.

(5) Use of funds

Funds made available under a grant made under this subsection shall only be used for services or activities that are consistent with the purpose of this subsection and may include the following:

(A) Family-based comprehensive long-term substance use disorder treatment including medication assisted treatment and in-home substance abuse disorder treatment and recovery services.

(B) Early intervention and preventative services.

(C) Children and family counseling.

(D) Mental health services.

(E) Parenting skills training.

(F) Replication of successful models for providing family-based comprehensive long-term substance abuse treatment services.

(6) Matching requirement

(A) Federal share

A grant awarded under this subsection shall be available to pay a percentage share of the costs of services provided or activities conducted under such grant, not to exceed—

(i) 85 percent for the first and second fiscal years for which the grant is awarded to a recipient;

(ii) 80 percent for the third and fourth such fiscal years;

(iii) 75 percent for the fifth such fiscal year;

(iv) 70 percent for the sixth such fiscal year; and

(v) 65 percent for the seventh such fiscal year.

(B) Non-Federal share

The non-Federal share of the cost of services provided or activities conducted under a grant awarded under this subsection may be in cash or in kind. In determining the amount of the non-Federal share, the Secretary may attribute fair market value to goods, services, and facilities contributed from non-Federal sources.

(7) Considerations in awarding grants

In awarding grants under this subsection, the Secretary shall take into consideration the extent to which applicant regional partnerships—

(A) demonstrate that substance abuse by parents or caretakers has had a substantial impact on the number of out-of-home placements for children, or the number of children who are at risk of being placed in an out-of-home placement, in the partnership region;

(B) have limited resources for addressing the needs of children affected by such abuse;

(C) have a lack of capacity for, or access to, comprehensive family treatment services;

(D) demonstrate a track record of successful collaboration among child welfare, substance abuse disorder treatment and mental health agencies; and

(E) demonstrate a plan for sustaining the services provided by or activities funded under the grant after the conclusion of the grant period.

(8) Performance indicators

(A) In general

Not later than 9 months after September 28, 2006, the Secretary shall review indicators that are used to assess periodically the performance of the grant recipients under this subsection and establish a set of core indicators related to child safety, parental recovery, parenting capacity, and family well-being. In developing the core indicators, to the extent possible, indicators shall be made consistent with the outcome measures described in section 671(e)(6) of this title.

(B) Consultation required

In establishing the performance indicators required by subparagraph (A), the Secretary shall base the performance measures on lessons learned from prior rounds of regional partnership grants under this subsection, and consult with the following:

(i) The Assistant Secretary for the Administration for Children and Families.

(ii) The Administrator of the Substance Abuse and Mental Health Services Administration.

(iii) Other stakeholders or constituencies as determined by the Secretary.

(9) Reports

(A) Grantee reports

(i) Semiannual reports

Not later than September 30 of each fiscal year in which a recipient of a grant under this subsection is paid funds under the grant, and every 6 months thereafter, the grant recipient shall submit to the Secretary a report on the services provided and activities carried out during the reporting period, progress made in achieving the goals of the program, the number of children, adults, and families receiving services, and such additional information as the Secretary determines is necessary. The report due not later than September 30 of the last such fiscal year shall include, at a minimum, data on each of the performance indicators included in the evaluation of the regional partnership.

(ii) Incorporation of information related to performance indicators

Each recipient of a grant under this subsection shall incorporate into the first an-
(g) Funding for the development of an electronic interstate case-processing system to expedite the interstate placement of children in foster care or guardianship, or for adoption

(1) Purpose

The purpose of this subsection is to facilitate the development of an electronic interstate case-processing system for the exchange of data and documents to expedite the placements of children in foster, guardianship, or adoptive homes across State lines.

(2) Requirements

A State that seeks funding under this subsection shall submit to the Secretary the following:

(A) A description of the goals and outcomes to be achieved, which goals and outcomes must result in—

(i) reducing the time it takes for a child to be provided with a safe and appropriate permanent living arrangement across State lines;

(ii) improving administrative processes and reducing costs in the foster care system; and

(iii) the secure exchange of relevant case files and other necessary materials in real time, and timely communications and placement decisions regarding interstate placements of children.

(B) A description of the activities to be funded in whole or in part with the funds, including the sequencing of the activities.

(C) A description of the strategies for integrating programs and services for children who are placed across State lines.

(D) Such other information as the Secretary may require.

(3) Funding authority

The Secretary may provide funds to a State that complies with paragraph (2). In providing funds under this subsection, the Secretary shall prioritize States that are not yet connected with the electronic interstate case-processing system referred to in paragraph (1).

(4) Use of funds

A State to which funding is provided under this subsection shall use the funding to support the State in connecting with, or enhancing or expediting services provided under, the electronic interstate case-processing system referred to in paragraph (1).

(5) Evaluations

Not later than 1 year after the final year in which funds are awarded under this subsection, the Secretary shall submit to the Congress, and make available to the general public by posting on a website, a report that contains the following information:

(A) How using the electronic interstate case-processing system developed pursuant to paragraph (4) has changed the time it takes for children to be placed across State lines.

(B) The number of cases subject to the Interstate Compact on the Placement of Children that were processed through the electronic interstate case-processing system, and the number of interstate child placement cases that were processed outside the electronic interstate case-processing system, by each State in each year.

(C) The progress made by States in implementing the electronic interstate case-processing system.

(D) How using the electronic interstate case-processing system has affected administrative costs and caseworker time spent on placing children across State lines.

(6) Data integration

The Secretary, in consultation with the Secretariat for the Interstate Compact on the Placement of Children and the States, shall assess how the electronic interstate case-processing system developed pursuant to paragraph (4) could be used to better serve and protect children that come to the attention of the child welfare system, by—

(A) connecting the system with other data systems (such as systems operated by State law enforcement and judicial agencies, systems operated by the Federal Bureau of Investigation for the purposes of the Innocence Lost National Initiative, and other systems);

(B) simplifying and improving reporting related to paragraphs (34) and (35) of section 671(a) of this title regarding children or youth who have been identified as being a
sex trafficking victim\(^2\) or children missing from foster care; and

(C) improving the ability of States to quickly comply with background check requirements of section 671(a)(20) of this title, including checks of child abuse and other registries as required by section 671(a)(20) of this title.


REFERENCES IN TEXT

The Public Health Service Act, referred to in subsec. (f)(1)(A), is act July 1, 1944, ch. 372, 58 Stat. 682. Subpart II of part B of title XIX of this Act is classified generally to subpart II (§300x–21 et seq.) of part B of subchapter XVII of chapter 6A of this title. For complete classification of this Act to the Code, see Short Title note set out under section 201 of this title and subchapter XVII of chapter 6A of this title.

(a) APPLICATION

(i) Collaborating child welfare agency defined


(ii) Collaborating child welfare agency defined


(iii) Collaborating child welfare agency defined


(iv) Collaborating child welfare agency defined

Subsec. (f)(4)(B)(E). Pub. L. 115–123, § 50723(4)(C), added subpars. (E) and (F) and struck out former subpars. (E) and (F) which read as follows:

(E) A description of the strategies for—

(1) collaborating child welfare agency described in paragraph (2)(A)(i) (unless that agency is the lead applicant for the regional partnership); and

(2) consulting, as appropriate, with—

(I) the State agency described in paragraph (2)(A)(i); and

(II) the State law enforcement and judicial agencies.

To the extent the Secretary determines that the requirement of this subparagraph would be inappropriate to apply to a regional partnership that includes an Indian tribe, tribal consortium, or a tribal child welfare agency or a consortium of such agencies, the Secretary may exempt the regional partnership from the requirement.

(F) Such other information as the Secretary may require.

(i) Collaborating child welfare agency defined


(ii) Collaborating child welfare agency defined

Subsec. (f)(6)(A). Pub. L. 115–123, § 50723(3)(C), added subpar. (D) and redesignated former subpar. (D) as (E).

(iii) Collaborating child welfare agency defined

Subsec. (f)(7)(A). Pub. L. 115–123, § 50723(7)(A), substituted “review indicators that are” for “establish indicators that will be” and “and establish a set of core indicators related to child safety, parental recovery, parenting capacity, and family well-being.” In developing the core indicators, to the extent possible, indicators shall be made consistent with the outcome measures described in section 671(e)(6) of this title for “in using funds made available under such grants to achieve the purpose of this subsection”.

(iv) Collaborating child welfare agency defined


(v) Collaborating child welfare agency defined


(vi) Collaborating child welfare agency defined

Subsec. (f)(10)(A)(i). Pub. L. 115–123, § 50723(7)(C)(i), added cl. (ii) and struck out former cl. (ii). Subsec. (f)(10)(A)(ii). Pub. L. 115–123, § 50723(7)(C)(ii), substituted “ ‘representatives of States in which a State agency described in clause (i) or (ii) of paragraph (2)(A) is a member of a regional partnership that is a grant recipient under this subsection’ ” for “ ‘representatives of States in which a State agency described in clause (i) or (ii) of paragraph (2)(A) is a member of a regional partnership that is a grant recipient under this subsection’ ”.

(vii) Collaborating child welfare agency defined

Subsec. (f)(11)(A)(i). Pub. L. 115–123, § 50723(7)(D)(i), added cl. (ii) and struck out former cl. (i). Subsec. (f)(11)(A)(ii). Pub. L. 115–123, § 50723(7)(D)(ii), substituted “ ‘representatives of Indian tribes, tribal consortia, or tribal child welfare agencies that are members of a regional partnership that is a grant recipient under this subsection’ ” for “ ‘representatives of Indian tribes, tribal consortia, or tribal child welfare agencies that are members of a regional partnership that is a grant recipient under this subsection’ ”.

\(^2\) So in original. Probably should be “being sex trafficking victim.”

Subsec. (g). Pub. L. 115–123, § 50723(c), added subsec. (g).


Subsec. (f)(1). Pub. L. 112–34, § 103(c)(2)(B), struck out “‘methamphetamine or other’” before “‘substance abuse’”.


Subsec. (f)(3)(B), (C). Pub. L. 112–34, § 103(c)(2)(C), added subpars. (B) and (C) and struck out former subpar. (B). Prior to amendment, text of subpar. (B) read as follows: “A grant shall be awarded under this subsection for a period of not less than 2, and not more than 5, fiscal years.”

Subsec. (f)(4)(A). Pub. L. 112–34, § 103(c)(2)(B), struck out “‘methamphetamine or other’” before “‘substance abuse’”.


Subsec. (f)(7). Pub. L. 112–34, § 103(c)(2)(E), substituted “‘shall’” for “‘shall—’”.


Subsec. (b)(3). Pub. L. 109–288, § 5(b)(2)(A), inserted “‘tribal consortia’ after “‘tribes’” in heading and inserted at end “If a consortium of Indian tribes applies and is approved for a grant under this section, the Secretary shall allot to the consortium an amount equal to the sum of the allotments determined for each Indian tribe that is part of the consortium.”

Subsec. (c)(2). Pub. L. 109–288, § 9(b)(5), substituted “‘section 623’” for “‘section 621’”.


Effective Date of 2018 Amendment

Amendment by sections 50723(c), (d) and 50723 of Pub. L. 115–123 effective Oct. 1, 2018, subject to transition rules for required State legislative or tribal action, see section 50734 of Pub. L. 115–123, set out as a note under section 622 of this title.

$629h. Entitlement funding for State courts to assess and improve handling of proceedings relating to foster care and adoption

(a) In general

The Secretary shall make grants, in accordance with this section, to the highest State courts in States participating in the program under part E of this subchapter for calendar quarters beginning on or after such date, without regard to whether implementing regulations have been promulgated, and with delay permitted if State legislation is required to meet additional requirements, see section 107 of Pub. L. 112–34, set out as a note under section 622 of this title.

Effective Date of 2008 Amendment

Amendment of this section and repeal of Pub. L. 110–234 effective May 22, 2008, the date of enactment of Pub. L. 110–234, except as otherwise provided, see section 4 of Pub. L. 110–246, set out as an Effective Date note under section 8701 of Title 7, Agriculture.


Effective Date of 2006 Amendment

Amendment by Pub. L. 109–288 effective Oct. 1, 2006, and applicable to payments under this part and part E of this subchapter for calendar quarters beginning on or after such date, without regard to whether implementing regulations have been promulgated, and with delay permitted if State legislation is required to meet additional requirements, see section 12(a), (b) of Pub. L. 109–288, set out as a note under section 621 of this title.

Effective Date

Section effective Jan. 17, 2002, with delay permitted if State legislation is required, see section 301 of Pub. L. 107–133, set out as an Effective Date of 2002 Amendment note under section 629 of this title.

1 So in original. Probably Should be followed by “and”.
§ 629h

TITLE 42—THE PUBLIC HEALTH AND WELFARE

Page 2026

(ii) permitting the participation of parents, children, other necessary parties, and attorneys in cases involving interstate placement without requiring their interstate travel; and 2

(2) to implement improvements the highest state courts deem necessary as a result of the assessments, including—

(A) to provide for the safety, well-being, and permanence of children in foster care, as set forth in the Adoption and Safe Families Act of 1997 (Public Law 105–89), including the requirements in the Act related to concurrent planning;

(B) to implement a corrective action plan, as necessary, resulting from reviews of child and family service programs under section 1320a–2a of this title; and

(C) to increase and improve engagement of the entire family in court processes relating to child welfare, family preservation, family reunification, and adoption;

(3) to ensure that the safety, permanence, and well-being needs of children are met in a timely and complete manner; and

(4)(A) to provide for the training of judges, attorneys and other legal personnel in child welfare cases; and

(B) to increase and improve engagement of the entire family in court processes relating to child welfare, family preservation, family reunification, and adoption.

(b) Applications

(1) In general

In order to be eligible to receive a grant under this section, a highest State court shall have in effect a rule requiring State courts to ensure that foster parents, pre-adoptive parents, and relative caregivers of a child in foster care under the responsibility of the State are notified of any proceeding to be held with respect to the child, shall provide for the training of judges, attorneys, and other legal personnel in child welfare cases on Federal child welfare policies and payment limitations with respect to children in foster care who are placed in settings that are not a foster family home, and shall submit to the Secretary an application at such time, in such form, and in such manner as the Secretary shall require.

The amount described in this paragraph for any fiscal year with respect to the purpose or purposes referred to in a subparagraph of subsection (a) is the amount that bears the same ratio to the total of the amounts allocated under paragraph (3) of this subsection for grants for the purpose or purposes as the number of individuals in the State who have not attained 21 years of age bears to the total number of individuals in all States the highest State courts of which have approved any grant purposes for which an application is submitted.

(2) Single grant application

Pursuant to the requirements under paragraph (1) of this subsection, a highest State court desiring a grant under this section shall submit a single application to the Secretary that specifies whether the application is for a grant for—

(A) the purposes described in paragraphs (1) and (2) of subsection (a);

(B) the purpose described in subsection (a)(3);

(C) the purpose described in subsection (a)(4); or

(D) the purposes referred to in 2 or more (specifically identified) of subparagraphs (A), (B), and (C) of this paragraph.

(c) Amount of grant

(1) In general

With respect to each of subparagraphs (A), (B), and (C) of subsection (b)(2) that refers to 1 or more grant purposes for which an application is submitted, the court shall be entitled to payment, for each of fiscal years 2017 through 2021, from the amount allocated under paragraph (3) of this subsection for the purpose or purposes, of an amount equal to $85,000 plus the amount described in paragraph (2) of this subsection with respect to the purpose or purposes.

(2) Amount described

The amount described in this paragraph for any fiscal year with respect to the purpose or purposes referred to in a subparagraph of subsection (b)(2) is the amount that bears the same ratio to the total of the amounts allocated under paragraph (3) of this subsection for grants for the purpose or purposes as the number of individuals in the State who have not attained 21 years of age bears to the total number of such individuals in all States the highest State courts of which have approved applications under this section for grants for the purpose or purposes.

(3) Allocation of funds

(A) Mandatory funds

Of the amounts reserved under section 629(b)(3) of this title for any fiscal year, the Secretary shall allocate—

(i) $9,000,000 for grants for the purposes described in paragraphs (1) and (2) of subsection (a);

(ii) $10,000,000 for grants for the purpose described in subsection (a)(3);
(iii) $10,000,000 for grants for the purpose described in subsection (a)(4); and
(iv) $1,000,000 for grants to be awarded on a competitive basis among the highest courts of Indian tribes or tribal consortia that—

(I) are operating a program under part E, in accordance with section 679c of this title;  
(II) are seeking to operate a program under part E and have received an implementation grant under section 676 of this title;  
(III) has a court responsible for proceedings related to foster care or adoption.

(B) Discretionary funds

The Secretary shall allocate all of the amounts reserved under section 629g(b)(2) of this title for grants for the purposes described in paragraphs (1) and (2) of subsection (a).

(d) Federal share

Each highest State court which receives funds under this section may use such funds to pay not more than 75 percent of the cost of activities under this section in each of fiscal years 2017 through 2021.


REFERENCES IN TEXT


CODIFICATION

Section was formerly set out as a note under section 670 of this title prior to renumbering by Pub. L. 107-133.

PRIOR PROVISIONS

A prior section 438 of act Aug. 14, 1935, was classified to section 638 of this title prior to repeal by Pub. L. 109-185.

AMENDMENTS

2018—Subsec. (b)(1). Pub. L. 115-123, §50741(c), in introductory provisions, inserted “shall provide for the training of judges, attorneys, and other legal personnel in child welfare cases on Federal child welfare policies and payment limitations with respect to children in foster care who are placed in settings that are not a foster family home,” after “with respect to the child,”.


*So in original. Probably should be “have”.*


Subsec. (e). Pub. L. 115-123, §50752(e), struck out subsec. (e). Text read as follows: “Out of any money in the Treasury of the United States not otherwise appropriated, there are appropriated to the Secretary, for each of fiscal years 2006 through 2010—

(1) $10,000,000 for grants referred to in subsection (b)(2)(B); and

(2) $10,000,000 for grants referred to in subsection (b)(2)(C).

“For fiscal year 2011, out of the amount reserved pursuant to section 629h(b)(2) of this title for such fiscal year, there are available $10,000,000 for grants referred to in subsection (b)(2)(B), and $10,000,000 for grants referred to in subsection (b)(2)(C).”

2011—Subsec. (a)(2)(A). Pub. L. 112-34, §104(a)(1)(A), substituted “for the following grants:

(A) A grant for the purposes described in paragraphs (1) and (2) of subsection (a).”

(b) A grant for the purpose described in subsection (a)(3).”

(c) A grant for the purpose described in subsection (a)(4).”

Subsec. (c). Pub. L. 112-34, §104(c), amended subsec. (c) generally. Prior to amendment, subsec. (c) related to allotments.

Subsec. (d). Pub. L. 112-34, §104(d), substituted “2012 through 2016” for “2012 through 2011.”


Subsec. (b). Pub. L. 109-171, §7401(a)(2), amended subsec. (b) generally. Prior to amendment, text read as follows: “In order to be eligible for a grant under this section, a highest State court shall submit to the Secretary an application at such time, in such form, and including such information and assurances as the Secretary shall require.”

Subsec. (b)(1). Pub. L. 109-239, §8(b), as amended by Pub. L. 112-34, §104(e), inserted “shall” as effective a rule requiring State courts to ensure that foster parents, pre-adoptive parents, and relative caregivers of a child in foster care under the responsibility of the State are notified of any proceeding to be held with respect to the child, and” after “highest State court” in introductory provisions.

Subsec. (c), Pub. L. 109-171, §7401(a)(3), designated existing provisions as par. (1) and inserted heading, redesignated former pars. (1) and (2) as subs. (A) and (B), respectively, of par. (1), in subpar. (A), inserted “of this section” for a section described in subsection (b)(2)(A) of this section after “subsection (b)” and substituted “paragraph (B) of this paragraph” for “paragraph (2) of this subsection”, in subpar. (B), substituted “this subparagraph” for “this paragraph” and “ subparagraph (A) of this paragraph” for “paragraph (1) of this subsection” and inserted “for such a grant” after “subsection (b)”, and added par. (2).


Subsec. (e). Pub. L. 112-34, §104(e), struck out subsec. (e).


Subsec. (a)(1). Pub. L. 107–133, §107(d)(1)(B), made technical amendment to reference in original act which appears in text as reference to this part and part E of this subchapter.

Subsec. (a)(2). Pub. L. 107–133, §107(a)(1), added par. (2) and struck out former par. (2) which read as follows:—

‘‘(to implement changes deemed necessary as a result of the assessment),’’ substituted ‘‘for each of fiscal years 2002 through 2006, from the amount reserved pursuant to section 629f(b)(2) of this title (and the amount, if any, reserved pursuant to section 629g(b)(2) of this title), of an amount equal to the sum of $85,000 plus the amount described in paragraph (2) for this subsection for the fiscal year.’’ for ‘‘for each of fiscal years 1995 through 2001, from amounts reserved pursuant to section 629g(b)(2) of this title (and the amount, if any, reserved pursuant to section 629g(b)(2) of this title), of an amount equal to the sum of $85,000 plus the amount described in paragraph (2) of this subsection for the fiscal year.’’

Subsec. (c)(1). Pub. L. 107–133, §107(a)(2), (b), inserted ‘‘and improvement’’ after ‘‘assessment’’ and substituted ‘‘for each of fiscal years 1995 through 2001, from amounts reserved pursuant to section 629g(b)(2) of this title, of an amount equal to the sum of $85,000 plus the amount described in paragraph (2) of this subsection for the fiscal year.’’ for ‘‘for each of fiscal years 1995 through 2001, from amounts reserved pursuant to section 629g(b)(2) of this title, of an amount equal to the sum of—

‘‘(A) for fiscal year 1995, $75,000 plus the amount described in paragraph (2) for fiscal year 1995; and

‘‘(B) for each of fiscal years 1996 through 2001, $85,000 plus the amount described in paragraph (2) for each of such fiscal years.’’

Subsec. (c)(2). Pub. L. 107–133, §107(d)(2), substituted ‘‘section 629f(b)(2) of this title (and the amount, if any, reserved pursuant to section 629g(b)(2) of this title)’’ for ‘‘section 629g(b)(2) of this title’’.

Subsec. (d). Pub. L. 107–133, §107(c), in heading substituted ‘‘Federal share’’ for ‘‘Use of grant funds’’ and in text substituted ‘‘to pay not more than 75 percent of the cost of activities under this section in each of fiscal years 2002 through 2006.’’ for ‘‘to pay—

‘‘(1) any or all costs of activities under this section in fiscal year 1996; and

‘‘(2) not more than 75 percent of the cost of activities under this section in each of fiscal years 1996, 1997, 1998, 1999, 2000, and 2001.’’


EFFECTIVE DATE OF 2018 AMENDMENT

Amendment by section 50741(c) of Pub. L. 115–123 effective as if enacted on Jan. 1, 2018, subject to transition rule and State waiver provisions, see section 50746 of Pub. L. 115–123, set out as a note under section 622 of this title.

EFFECTIVE DATE OF 2011 AMENDMENT


EFFECTIVE DATE OF 2010 AMENDMENT


EFFECTIVE DATE OF 2006 AMENDMENT

Pub. L. 109–288 effective Oct. 1, 2006, and applicable to payments under this part and part E of this subchapter for calendar quarters beginning on or after such date, without regard to whether implementing regulations have been promulgated, and with delay permitted if State legislation is required to meet additional requirements, see section 12(a), (b) of Pub. L. 109–288, set out as a note under section 621 of this title.

Amendment by Pub. L. 109–239 effective Oct. 1, 2006, and applicable to payments under this part and part E of this subchapter for calendar quarters beginning on or after such date, without regard to whether implementing regulations have been promulgated, and with delay permitted if State legislation is required to meet additional requirements, see section 14 of Pub. L. 109–239, set out as a note under section 622 of this title.

Amendment by Pub. L. 109–171 effective as if enacted on Jan. 1, 2002, with delay permitted if State legislation is required, see section 301 of Pub. L. 107–133, set out as a note under section 620 of this title.

EFFECTIVE DATE OF 1997 AMENDMENT

Amendment by Pub. L. 105–89 effective Nov. 19, 1997, except as otherwise provided, with delay permitted if State legislation is required, see section 301 of Pub. L. 105–89, set out as a note under section 622 of this title.

§629i. Grants for programs for mentoring children of prisoners

(a) Findings and purposes

(1) Findings

(A) In the period between 1991 and 1999, the number of children with a parent incarcerated in a Federal or State correctional facility increased by more than 100 percent, from approximately 900,000 to approximately 2,000,000. In 1999, 2.1 percent of all children in the United States had a parent in Federal or State prison.

(B) Prior to incarceration, 64 percent of female prisoners and 44 percent of male prisoners in State facilities lived with their children.

(C) Nearly 90 percent of the children of incarcerated fathers live with their mothers, and 79 percent of the children of incarcerated mothers live with a grandparent or other relative.

(D) Parental arrest and confinement lead to stress, trauma, stigmatization, and separation problems for children. These problems are coupled with existing problems that include poverty, violence, parental substance abuse, high-crime environments, intrafamilial abuse, child abuse and neglect, multiple care givers, and/or prior separations. As a result, these children often exhibit a broad variety of behavioral, emotional, health, and educational problems that are often compounded by the pain of separation.

(E) Empirical research demonstrates that mentoring is a potent force for improving children’s behavior across all risk behaviors affecting health. Quality, one-on-one relationships that provide young people with caring role models for future success have profound, life-changing potential. Done right, mentoring markedly advances youths’ life prospects. A widely cited 1995 study by Public/Private Ventures measured the impact of one Big Brothers
Big Sisters program and found significant effects in the lives of youth—cutting first-time drug use by almost half and first-time alcohol use by about a third, reducing school absenteeism by half, cutting assaultive behavior by a third, improving parental and peer relationships, giving youth greater confidence in their school work, and improving academic performance.

(2) Purposes
The purposes of this section are to authorize the Secretary—

(A) to make competitive grants to applicants in areas with substantial numbers of children of incarcerated parents, to support the establishment or expansion and operation of programs using a network of public and private community entities to provide mentoring services for children of prisoners; and

(B) to enter into on a competitive basis a cooperative agreement to conduct a service delivery demonstration project in accordance with the requirements of subsection (g).

(b) Definitions
In this section:

(1) Children of prisoners
The term "children of prisoners" means children one or both of whose parents are incarcerated in a Federal, State, or local correctional facility. The term is deemed to include children who are in an ongoing mentoring relationship in a program under this section at the time of their parents' release from prison, for purposes of continued participation in the program.

(2) Mentoring
The term "mentoring" means a structured, managed program in which children are appropriately matched with screened and trained adult volunteers for one-on-one relationships, involving meetings and activities on a regular basis, intended to meet, in part, the child's need for involvement with a caring and supportive adult who provides a positive role model.

(3) Mentoring services
The term "mentoring services" means those services and activities that support a structured, managed program of mentoring, including the management by trained personnel of outreach to, and screening of, eligible children; outreach to, education and training of, and liaison with sponsoring local organizations; screening and training of adult volunteers; matching of children with suitable adult volunteer mentors; support and oversight of the mentoring relationship; and establishment of goals and evaluation of outcomes for mentored children.

(c) Program authorized
From the amounts appropriated under subsection (i) for a fiscal year that remain after applying subsection (i)(2), the Secretary shall make grants under this section for each of fiscal years 2007 through 2011 to State or local government programs, tribal governments or tribal consortia, faith-based organizations, and community-based organizations in areas that have significant numbers of children of prisoners and that submit applications meeting the requirements of this section, in amounts that do not exceed $5,000,000 per grant.

(d) Application requirements
In order to be eligible for a grant under this section, the chief executive officer of the applicant must submit to the Secretary an application containing the following:

(1) Program design
A description of the proposed program, including—

(A) a list of local public and private organizations and entities that will participate in the mentoring network;

(B) the name, description, and qualifications of the entity that will coordinate and oversee the activities of the mentoring network;

(C) the number of mentor-child matches proposed to be established and maintained annually under the program;

(D) such information as the Secretary may require.

(2) Community consultation; coordination with other programs
A demonstration that, in developing and implementing the program, the applicant will, to the extent feasible and appropriate—

(A) consult with public and private community entities, including religious organizations, and including, as appropriate, Indian tribal organizations and urban Indian organizations, and with family members of potential clients;

(B) coordinate the programs and activities under the program with other Federal, State, and local programs serving children and youth; and

(C) consult with appropriate Federal, State, and local corrections, workforce development, and substance abuse and mental health agencies.

(3) Equal access for local service providers
An assurance that public and private entities and community organizations, including religious organizations and Indian organizations, will be eligible to participate on an equal basis.

(4) Records, reports, and audits
An agreement that the applicant will maintain such records, make such reports, and cooperate with such reviews or audits as the Secretary may find necessary for purposes of oversight of project activities and expenditures.
§ 629i

(5) Evaluation
An agreement that the applicant will cooperate fully with the Secretary’s ongoing and final evaluation of the program under the plan, by means including providing the Secretary access to the program and program-related records and documents, staff, and grantees receiving funding under the plan.

(e) Federal share
(1) In general
A grant for a program under this section shall be available to pay a percentage share of the costs of the program up to—
(A) 75 percent for the first and second fiscal years for which the grant is awarded; and
(B) 50 percent for the third and each succeeding such fiscal years.

(2) Non-Federal share
The non-Federal share of the cost of projects under this section may be in cash or in kind. In determining the amount of the non-Federal share, the Secretary may attribute fair market value to goods, services, and facilities contributed from non-Federal sources.

(f) Considerations in awarding grants
In awarding grants under this section, the Secretary shall take into consideration—
(1) the qualifications and capacity of applicants and networks of organizations to effectively carry out a mentoring program under this section;
(2) the comparative severity of need for mentoring services in local areas, taking into consideration data on the numbers of children (and in particular of low-income children) with an incarcerated parents1 (or parents) in the areas;
(3) evidence of consultation with existing youth and family service programs, as appropriate; and
(4) any other factors the Secretary may deem significant with respect to the need for or the potential success of carrying out a mentoring program under this section.

(g) Service delivery demonstration project
(1) Purpose; authority to enter into cooperative agreement
The Secretary shall enter into a cooperative agreement with an eligible entity that meets the requirements of paragraph (2) for the purpose of requiring the entity to conduct a demonstration project consistent with this subsection under which the entity shall—
(A) identify children of prisoners in need of mentoring services who have not been matched with a mentor by an applicant awarded a grant under this section, with a priority for identifying children who—
(i) reside in an area not served by a recipient of a grant under this section;
(ii) reside in an area that has a substantial number of children of prisoners;
(iii) reside in a rural area; or
(iv) are Indians;
(B) provide the families of the children so identified with—
(i) a voucher for mentoring services that meets the requirements of paragraph (5); and
(ii) a list of the providers of mentoring services in the area in which the family resides that satisfy the requirements of paragraph (6); and
(C) monitor and oversee the delivery of mentoring services by providers that accept the vouchers.

(2) Eligible entity
(A) In general
Subject to subparagraph (B), an eligible entity under this subsection is an organization that the Secretary determines, on a competitive basis—
(i) has substantial experience—
(I) in working with organizations that provide mentoring services for children of prisoners; and
(II) in developing quality standards for the identification and assessment of mentoring programs for children of prisoners; and
(ii) submits an application that satisfies the requirements of paragraph (3).

(B) Limitation
An organization that provides mentoring services may not be an eligible entity for purposes of being awarded a cooperative agreement under this subsection.

(3) Application requirements
To be eligible to be awarded a cooperative agreement under this subsection, an entity shall submit to the Secretary an application that includes the following:

(A) Qualifications
Evidence that the entity—
(i) meets the experience requirements of paragraph (2)(A)(i); and
(ii) is able to carry out—
(I) the purposes of this subsection identified in paragraph (1); and
(II) the requirements of the cooperative agreement specified in paragraph (4).

(B) Service delivery plan
(i) Distribution requirements
Subject to clause (iii), a description of the plan of the entity to ensure the distribution of not less than—
(I) 3,000 vouchers for mentoring services in the first year in which the cooperative agreement is in effect with that entity;
(II) 8,000 vouchers for mentoring services in the second year in which the agreement is in effect with that entity; and
(III) 13,000 vouchers for mentoring services in any subsequent year in which the agreement is in effect with that entity.

(ii) Satisfaction of priorities
A description of how the plan will ensure the delivery of mentoring services to chi...
A cooperative agreement awarded under this subsection shall require the eligible entity to do the following:

(A) Identify quality standards for providers

To work with the Secretary to identify the quality standards that a provider of mentoring services must meet in order to participate in the demonstration project and which, at a minimum, shall include criminal records checks for individuals who are prospective mentors and shall prohibit approving any individual to be a mentor if the criminal records check of the individual reveals a conviction which would prevent the individual from being approved as a foster or adoptive parent under section 671(a)(20)(A) of this title.

(B) Identify eligible providers

To identify and compile a list of those providers of mentoring services in any of the 50 States or the District of Columbia that meet the quality standards identified pursuant to subparagraph (A).

(C) Identify eligible children

To identify children of prisoners who require mentoring services, consistent with the priorities specified in paragraph (1)(A).

(D) Monitor and oversee delivery of mentoring services

To satisfy specific requirements of the Secretary for monitoring and overseeing the delivery of mentoring services under the demonstration project, which shall include a requirement to ensure that providers of mentoring services under the project report data on the children served and the types of mentoring services provided.

(E) Records, reports, and audits

To maintain any records, make any reports, and cooperate with any reviews and audits that the Secretary determines are necessary to oversee the activities of the entity in carrying out the demonstration project under this subsection.

(F) Evaluations

To cooperate fully with any evaluations of the demonstration project, including collecting and monitoring data and providing the Secretary or the Secretary’s designee with access to records and staff related to the conduct of the project.

(G) Limitation on administrative expenditures

To ensure that administrative expenditures incurred by the entity in conducting the demonstration project with respect to a fiscal year do not exceed the amount equal to 10 percent of the amount awarded to carry out the project for that year.

(5) Voucher requirements

A voucher for mentoring services provided to the family of a child identified in accordance with paragraph (1)(A) shall meet the following requirements:

(A) Total payment amount; 12-month service period

The voucher shall specify the total amount to be paid a provider of mentoring services for providing the child on whose behalf the voucher is issued with mentoring services for a 12-month period.

(B) Periodic payments as services provided

(i) In general

The voucher shall specify that it may be redeemed with the eligible entity by the provider accepting the voucher in return for agreeing to provide mentoring services for the child on whose behalf the voucher is issued.

(ii) Demonstration of the provision of services

A provider that redeems a voucher issued by the eligible entity shall receive periodic payments from the eligible entity during the 12-month period that the voucher is in effect upon demonstration of the provision of significant services and activities related to the provision of mentoring services to the child on whose behalf the voucher is issued.

(6) Provider requirements

In order to participate in the demonstration project, a provider of mentoring services shall—

(A) meet the quality standards identified by the eligible entity in accordance with paragraph (1);

(B) agree to accept a voucher meeting the requirements of paragraph (5) as payment for the provision of mentoring services to a child on whose behalf the voucher is issued;

(C) demonstrate that the provider has the capacity, and has or will have nonfederal resources, to continue supporting the provision of mentoring services to the child on whose behalf the voucher is issued, as appro-
priate, after the conclusion of the 12-month period during which the voucher is in effect; and

(D) if the provider is a recipient of a grant under this section, demonstrate that the provider has exhausted its capacity for providing mentoring services under the grant.

(7) 3-year period; option for renewal

(A) In general

A cooperative agreement awarded under this subsection shall be effective for a 3-year period.

(B) Renewal

The cooperative agreement may be renewed for an additional period, not to exceed 2 years and subject to any conditions that the Secretary may specify that are not inconsistent with the requirements of this subsection or subsection (i)(2)(B), if the Secretary determines that the entity has satisfied the requirements of the agreement and evaluations of the service delivery demonstration project demonstrate that the voucher service delivery method is effective in providing mentoring services to children of prisoners.

(8) Independent evaluation and report

(A) In general

The Secretary shall enter into a contract with an independent, private organization to evaluate and prepare a report on the first 2 fiscal years in which the demonstration project is conducted under this subsection.

(B) Deadline for report

Not later than 90 days after the end of the second fiscal year in which the demonstration project is conducted under this subsection, the Secretary shall submit the report required under subparagraph (A) to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate. The report shall include—

(i) the number of children as of the end of such second fiscal year who received vouchers for mentoring services; and

(ii) any conclusions regarding the use of vouchers for the delivery of mentoring services for children of prisoners.

(9) No effect on eligibility for other Federal assistance

A voucher provided to a family under the demonstration project conducted under this subsection shall be disregarded for purposes of determining the eligibility for, or the amount of, any other Federal or federally-supported assistance for the family.

(h) Independent evaluation; reports

(1) Independent evaluation

The Secretary shall conduct by grant, contract, or cooperative agreement an independent evaluation of the programs authorized under this section, including the service delivery demonstration project authorized under subsection (g).

(2) Reports

Not later than 12 months after September 28, 2006, the Secretary shall submit a report to the Congress that includes the following:

(A) The characteristics of the mentoring programs funded under this section.

(B) The plan for implementation of the service delivery demonstration project authorized under subsection (g).

(C) A description of the outcome-based evaluation of the programs authorized under this section that the Secretary is conducting as of September 28, 2006, and how the evaluation has been expanded to include an evaluation of the demonstration project authorized under subsection (g).

(D) The date on which the Secretary shall submit a final report on the evaluation to the Congress.

(i) Authorization of appropriations; reservations of certain amounts

(1) Limitations on authorization of appropriations

To carry out this section, there are authorized to be appropriated to the Secretary such sums as may be necessary for fiscal years 2007 through 2011.

(2) Reservations

(A) Research, technical assistance, and evaluation

The Secretary shall reserve 4 percent of the amount appropriated for each fiscal year under paragraph (1) for expenditure by the Secretary for research, technical assistance, and evaluation related to programs under this section.

(B) Service delivery demonstration project

(i) In general

Subject to clause (ii), for purposes of awarding a cooperative agreement to conduct the service delivery demonstration project authorized under subsection (g), the Secretary shall reserve not more than—

(I) $5,000,000 of the amount appropriated under paragraph (1) for the first fiscal year in which funds are to be awarded for the agreement;

(II) $10,000,000 of the amount appropriated under paragraph (1) for the second fiscal year in which funds are to be awarded for the agreement; and

(III) $15,000,000 of the amount appropriated under paragraph (1) for the third fiscal year in which funds are to be awarded for the agreement.

(ii) Assurance of funding for general program grants

With respect to any fiscal year, no funds may be awarded for a cooperative agreement under subsection (g), unless at least $25,000,000 of the amount appropriated under paragraph (1) for that fiscal year is used by the Secretary for making grants under this section for that fiscal year.

§ 629m. Data exchange standards for improved interoperability

(a) Designation

The Secretary shall, in consultation with an interagency work group established by the Office of Management and Budget and considering State government perspectives, by rule, designate data exchange standards to govern, under this part and part E—

(1) necessary categories of information that State agencies operating programs under State plans approved under this part are required under applicable Federal law to electronically exchange with another State agency; and

(2) Federal reporting and data exchange required under applicable Federal law.

(b) Requirements

The data exchange standards required by paragraph (1) shall, to the extent practicable—

(1) incorporate a widely accepted, non-proprietary, searchable, computer-readable format, such as the Extensible Markup Language;

(2) contain interoperable standards developed and maintained by intergovernmental partnerships, such as the National Information Exchange Model;

(3) incorporate interoperable standards developed and maintained by Federal entities with authority over contracting and financial assistance;

(4) be consistent with and implement applicable accounting principles;

(5) be implemented in a manner that is cost-effective and improves program efficiency and effectiveness; and

(6) be capable of being continually upgraded as necessary.

(c) Rule of construction

Nothing in this subsection shall be construed to require a change to existing data exchange standards found to be effective and efficient.


CODIFICATION

September 28, 2006, referred to in subsec. (h)(2), was in the original “the date of enactment of this subsection” and “that date of enactment”, which were translated as meaning the date of enactment of Pub. L. 109–288, which amended subsec. (h) of this section generally, to reflect the probable intent of Congress.

PRIOR PROVISIONS

A prior section 439 of act Aug. 14, 1935, was classified to section 639 of this title prior to repeal by Pub. L. 100–485.

AMENDMENTS


Subsec. (a)(2), Pub. L. 109–288, § 8(b)(2)(A)(ii)–(iv), substituted “purposes” for “purpose” in heading, substituted “The purposes of this section are to authorize the Secretary—” for “The purpose of this section is to authorize the Secretary—”, designated the remaining provisions as subpar. (A), and added subpar. (B).

Subsec. (c), Pub. L. 109–288, § 8(b)(2)(B), substituted “4 percent” for “2.5 percent”.


Subsec. (g), Pub. L. 109–288, § 8(a)(1), added subsec. (g). Former subsec. (g) redesignated (h).

Subsec. (h), Pub. L. 109–288, § 8(b)(2)(D), amended heading and text of subsec. (h) generally. Prior to amendment, text read as follows: “The Secretary shall conduct an evaluation of the programs conducted pursuant to this section, and submit to the Congress not later than April 15, 2005, a report on the findings of the evaluation.”

Pub. L. 109–288, § 8(b)(1)(A), redesignated subsec. (g) as (h). Former subsec. (h) redesignated (i).

Subsec. (i)(1), Pub. L. 109–288, § 8(a)(2)(A), added par. (1) and struck out heading and text of former par. (1). Text read as follows: “There are authorized to be appropriated to carry out this section $67,000,000 for each of fiscal years 2002 and 2003, and such sums as may be necessary for each succeeding fiscal year.”

Subsec. (i)(2), Pub. L. 109–288, § 8(a)(2)(B), substituted “4 percent” for “2.5 percent”.


EFFECTIVE DATE OF 2006 AMENDMENT

Amendment by Pub. L. 109–288 effective Oct. 1, 2006, and applicable to payments under this part and part E of this chapter for calendar quarters beginning on or after such date, without regard to whether implementing regulations have been promulgated, and with delay permitted if State legislation is required to meet additional requirements, see section 12(a), (b) of Pub. L. 109–288, set out as an Effective Date of 2006 Amendment note under section 629 of this title.

EFFECTIVE DATE

Section effective Jan. 17, 2002, with delay permitted if State legislation is required, see section 301 of Pub. L. 107–133, set out as an Effective Date of the 2007 Appropriations Act note under section 629 of this title.

SUBPART 3—COMMON PROVISIONS

§ 629m. Data exchange standards for improved interoperability

(a) Designation

The Secretary shall, in consultation with an interagency work group established by the Office of Management and Budget and considering State government perspectives, by rule, designate data exchange standards to govern, under this part and part E—

(1) necessary categories of information that State agencies operating programs under State plans approved under this part are required under applicable Federal law to electronically exchange with another State agency; and

(2) Federal reporting and data exchange required under applicable Federal law.

(b) Requirements

The data exchange standards required by paragraph (1) shall, to the extent practicable—

(1) incorporate a widely accepted, non-proprietary, searchable, computer-readable format, such as the Extensible Markup Language;

(2) contain interoperable standards developed and maintained by intergovernmental partnerships, such as the National Information Exchange Model;

(3) incorporate interoperable standards developed and maintained by Federal entities with authority over contracting and financial assistance;

(4) be consistent with and implement applicable accounting principles;

(5) be implemented in a manner that is cost-effective and improves program efficiency and effectiveness; and

(6) be capable of being continually upgraded as necessary.

(c) Rule of construction

Nothing in this subsection shall be construed to require a change to existing data exchange standards found to be effective and efficient.
reports and a final report 6 months after receiving final and required Secretary to submit to Congress annual years duration for the training and employment of eligible persons of conducting demonstration projects of up to 4 years. Enter into agreements with 7 to 12 States for the purposes of work incentive demonstration projects for recipients of aid under State plan approved under part A.


Effective Date of Repeal

Repeal effective Oct. 1, 1990, with provision for earlier effective dates in case of States making certain changes in their State plans and formally notifying the Secretary of Health and Human Services of their desires to become subject to the amendments by title II of Pub. L. 100-485, at such earlier effective dates, see section 204(a), (b)(1)(A), of Pub. L. 100-485, set out as an Effective Date of 1988 Amendment note under section 671 of this title.

§ 632a. Omitted

Codification


§ 635. Authorization of appropriations

For the purpose of enforcing the support obligations owed by noncustodial parents to their families of unemployed parents...

§ 635. Authorization of appropriations

For the purpose of enforcing the support obligations owed by noncustodial parents to their families of unemployed parents...

Part D—Child Support and Establishment of Paternity

§ 651. Authorization of appropriations

For the purpose of enforcing the support obligations owed by noncustodial parents to their families of unemployed parents...
children and the spouse (or former spouse) with whom such children are living, locating non-custodial parents, establishing paternity, obtaining child and spousal support, and assuring that assistance in obtaining support will be available under this part to all children (whether or not eligible for assistance under a State program funded under part A) for whom such assistance is requested, there is hereby authorized to be appropriated for each fiscal year a sum sufficient to carry out the purposes of this part.


AMENDMENTS

Pub. L. 104–193, §108(c)(1), substituted ‘‘assistance under a State program funded under part A’’ for ‘‘aid under part A’’.

1984—Pub. L. 98–378 substituted ‘‘obtaining child and spousal support, and assuring that assistance in obtaining support will be available under this part to all children (whether or not eligible for aid under part A) for whom such assistance is requested,’’ for ‘‘and obtaining child and spousal support’’.

1961—Pub. L. 97–35 substituted ‘‘children and the spouse (or former spouse) with whom such children are living’’ for ‘‘children’’ and ‘‘child and spousal support’’ for ‘‘child support’’.

EFFECTIVE DATE OF 1996 AMENDMENT
Amendment by section 108(c)(1) of Pub. L. 104–193 effective July 1, 1997, with transition rules relating to State options to accelerate such date, rules relating to claims, actions, and proceedings commenced before such date, rules relating to closing out of accounts for terminated or substantially modified programs and continuance in office of Assistant Secretary for Family Support, and provisions relating to termination of entitlement under AFDC program, see section 116 of Pub. L. 104–193, as amended, set out as an Effective Date note under section 601 of this title.

For effective date of amendment by section 395(d)(1)(A) of Pub. L. 104–193, see section 395(a)–(c) of Pub. L. 104–193, set out as a note under section 654 of this title.

EFFECTIVE DATE OF 1981 AMENDMENT

(a) Except as otherwise specifically provided in the preceding sections of this chapter [sections 2331–2335 of Pub. L. 97–35] or in subsection (b), the provisions of this chapter and the amendments and repeals made by this chapter [amending this section, sections 652, 653, 654, 657, and 664 of this title, and sections 6305 and 6402 of Title 26, Internal Revenue Code] shall become effective on October 1, 1981.

(b) If a State agency administering a plan approved under part D of title IV of the Social Security Act [42 U.S.C. 651 et seq.] demonstrates, to the satisfaction of the Secretary of Health and Human Services, that it cannot, by reason of State law, comply with the requirements of an amendment made by this chapter to which the effective date specified in subsection (a) applies, the Secretary may prescribe that, in the case of such State, the amendment will become effective beginning with the first month beginning after the close of the first session of such State’s legislature ending on or after October 1, 1981. For purposes of the preceding sentence, the term ‘session of a State’s legislature’ includes any regular, special, budget, or other session of a State legislature.’’

EFFECTIVE DATE
Pub. L. 93–647, §101(f), Jan. 4, 1975, 88 Stat. 2361, as amended by Pub. L. 94–46, §2, June 30, 1975, 89 Stat. 245, provided that: ‘‘The amendments made by this Act [enacting this part and section 6305 of Title 26, Internal Revenue Code, amending sections 602, 603, 604, 606, and 1306 of this title, repealing section 610 of this title, and enacting provisions set out as notes under this section and section 602 of this title] shall become effective on August 1, 1975, except that section 459 of the Social Security Act [42 U.S.C. 659], as added by subsection (a) of this section shall become effective on January 1, 1975, and subsection (e) of this section [enacting provisions set out as a note under this section] shall become effective upon the date of the enactment of this Act [Jan. 4, 1975].’’

SHORT TITLE
This part is popularly known as the ‘‘Child Support Enforcement Act’’.

STUDY ON EFFECTIVENESS OF ENFORCEMENT OF MEDICAL SUPPORT BY STATE AGENCIES
Pub. L. 105–200, title IV, §401(a), July 16, 1998, 112 Stat. 659, directed the Secretary of Health and Human Services and the Secretary of Labor to jointly establish a Medical Child Support Working Group for the purpose of identifying impediments to the effective enforcement of medical support by State agencies administering the programs operated pursuant to part D of title IV of the Social Security Act (42 U.S.C. 651 et seq.), required the Working Group to submit to the Secretaries a report containing recommendations not later than 18 months after July 16, 1998, required the Secretaries to submit a report to each House of the Congress regarding the recommendations not later than 2 months after receipt of report from the Working Group, and provided for the termination of the Working Group 30 days after the date of the issuance of its report.

PROMulgation of national medical support notice
Pub. L. 105–200, title IV, §401(b), July 16, 1998, 112 Stat. 660, directed the Secretary of Health and Human Services and the Secretary of Labor to jointly develop and promulgate by regulation a National Medical Support Notice, to be issued by States as a means of enforcing the health care coverage provisions in a child support order; required interim regulations to be issued not later than 18 months after July 16, 1998 (such regulations were issued on Nov. 15, 1999; see 64 F.R. 62054); and required final regulations to be issued not later than 1 year after the issuance of the interim regulations (such regulations were issued on Dec. 27, 2000; see 65 F.R. 82123).

AUTHORIZATION OF APPROPRIATIONS
Pub. L. 93–647, §101(e), Jan. 4, 1975, 88 Stat. 2361, provided that: ‘‘There are authorized to be appropriated to the Secretary of Health, Education, and Welfare [now Health and Human Services] such sums as may be necessary to plan and prepare for the implementation of the program established by this section [enacting this part and section 6305 of Title 26, Internal Revenue Code].’’

§652. Duties of Secretary

(a) Establishment of separate organizational unit; duties

The Secretary shall establish, within the Department of Health and Human Services a separate organizational unit, under the direction of a designee of the Secretary, who shall report directly to the Secretary and who shall—
(1) establish such standards for State programs for locating noncustodial parents, establishing paternity, and obtaining child support and support for the spouse (or former spouse) with whom the noncustodial parent’s child is living as he determines to be necessary to assure that such programs will be effective;

(2) establish minimum organizational and staffing requirements for State units engaged in carrying out such programs under plans approved under this part;

(3) review and approve State plans for such programs;

(4)(A) review data and calculations transmitted by State agencies pursuant to section 654(15)(B) of this title on State program accomplishments with respect to performance indicators for purposes of subsection (g) of this section and section 658a of this title;

(B) review annual reports submitted pursuant to section 654(15)(A) of this title and, as appropriate, provide to the State comments, recommendations for additional or alternative corrective actions, and technical assistance; and

(C) conduct audits, in accordance with the Government auditing standards of the Comptroller General of the United States—

(i) at least once every 3 years (or more frequently, in the case of a State which fails to meet the requirements of this part concerning performance standards and reliability of program data) to assess the completeness, reliability, and security of the data and the accuracy of the reporting systems used in calculating performance indicators under subsection (g) of this section and section 658a of this title;

(ii) of the adequacy of financial management of the State program operated under the State plan approved under this part, including assessments of—

(I) whether Federal and other funds made available to carry out the State program are being appropriately expended, and are properly and fully accounted for; and

(II) whether collections and disbursements of support payments are carried out correctly and are fully accounted for; and

(iii) for such other purposes as the Secretary may find necessary;

(5) assist States in establishing adequate reporting procedures and maintain records of the operations of programs established pursuant to this part in each State, and establish procedures to be followed by States for collecting and reporting information required to be provided under this part, and establish uniform definitions (including those necessary to enable the measurement of State compliance with the requirements of this part relating to expedited processes) to be applied in following such procedures;

(6) maintain records of all amounts collected and disbursed under programs established pursuant to the provisions of this part and of the costs incurred in collecting such amounts;

(7) provide technical assistance to the States to help them establish effective systems for collecting child and spousal support and establishing paternity, and specify the minimum requirements of an affidavit to be used for the voluntary acknowledgment of paternity which shall include the social security number of each parent and, after consultation with the States, other common elements as determined by such designee;

(8) receive applications from States for permission to utilize the courts of the United States to enforce court orders for support against noncustodial parents and, upon a finding that (A) another State has not undertaken to enforce the court order of the originating State against the noncustodial parent within a reasonable time, and (B) that utilization of the Federal courts is the only reasonable method of enforcing such order, approve such applications;

(9) operate the Federal Parent Locator Service established by section 633 of this title;

(10) not later than three months after the end of each fiscal year, beginning with the year 1977, submit to the Congress a full and complete report on all activities undertaken pursuant to the provisions of this part, which report shall include, but not be limited to, the following:

(A) total program costs and collections set forth in sufficient detail to show the cost to the States and the Federal Government, the distribution of collections to families, State and local governmental units, and the Federal Government; and an identification of the financial impact of the provisions of this part, including—

(i) the total amount of child support payments collected as a result of services furnished during the fiscal year to individuals receiving services under this part;

(ii) the cost to the States and to the Federal Government of so furnishing the services; and

(iii) the number of cases involving families—

(I) who became ineligible for assistance under State programs funded under part A during a month in the fiscal year; and

(II) with respect to whom a child support payment was received in the month;

(B) costs and staff associated with the Office of Child Support Enforcement;

(C) the following data, separately stated for cases where the child is receiving assistance under a State program funded under part A (or foster care maintenance payments under part E), or formerly received such assistance or payments and the State is continuing to collect support assigned to it pursuant to section 655(a)(1) of this title or under section 671(a)(17) or 1396k of this title, and for all other cases under this part:

(i) the total number of cases in which a support obligation has been established in the fiscal year for which the report is submitted;

(ii) the total number of cases in which a support obligation has been established;

(iii) the number of cases in which support was collected during the fiscal year;
(iv) the total amount of support collected during such fiscal year and distributed as current support;
(v) the total amount of support collected during such fiscal year and distributed as arrearages;
(vi) the total amount of support due and unpaid for all fiscal years; and
(vii) the number of child support cases filed in each State in such fiscal year, and the amount of the collections made in each State in such fiscal year, on behalf of children residing in another State or against parents residing in another State;
(D) the status of all State plans under this part as of the end of the fiscal year last ending before the report is submitted, together with an explanation of any problems which are delaying or preventing approval of State plans under this part;
(E) data, by State, on the use of the Federal Parent Locator Service, and the number of locate requests submitted without the noncustodial parent’s social security account number;
(F) the number of cases, by State, in which an applicant for or recipient of assistance under a State program funded under part A has refused to cooperate in identifying and locating the noncustodial parent and the number of cases in which refusal so to cooperate is based on good cause (as determined by the State);
(G) data, by State, on use of the Internal Revenue Service for collections, the number of court orders on which collections were made, the number of paternity determinations made and the number of parents located, in sufficient detail to show the cost and benefits to the States and to the Federal Government;
(H) the major problems encountered which have delayed or prevented implementation of the provisions of this part during the fiscal year last ending prior to the submission of such report; and
(I) compliance, by State, with the standards established pursuant to subsections (h) and (i); and
(11) not later than October 1, 1996, after consulting with the State directors of programs under this part, promulgate forms to be used by States in interstate cases for—
(A) collection of child support through income withholding;
(B) imposition of liens; and
(C) administrative subpoenas.

(b) Certification of child support obligations to Secretary of the Treasury for collection

The Secretary shall, upon the request of any State having in effect a State plan approved under this part, certify to the Secretary of the Treasury for collection pursuant to the provisions of section 6365 of the Internal Revenue Code of 1986 the amount of any child support obligation (including any support obligation with respect to the parent who is living with the child and receiving assistance under the State program funded under part A) which is assigned to such State or is undertaken to be collected by such State pursuant to section 654(4) of this title. No amount may be certified for collection under this subsection except the amount of the delinquency under a court or administrative order for support and upon a showing by the State that such State has made diligent and reasonable efforts to collect such amounts utilizing its own collection mechanisms, and upon an agreement that the State will reimburse the Secretary of the Treasury for any costs involved in making the collection. All reimbursements shall be credited to the appropriation accounts which bore all or part of the costs involved in making the collections. The Secretary after consultation with the Secretary of the Treasury may, by regulation, establish criteria for accepting amounts for collection and for making certification under this subsection including imposing such limitations on the frequency of making such certifications under this subsection.

(c) Payment of child support collections to States

The Secretary of the Treasury shall from time to time pay to each State for distribution in accordance with the provisions of section 657 of this title the amount of each collection made on behalf of such State pursuant to subsection (b).

(d) Child support management information system

(1) Except as provided in paragraph (3), the Secretary shall not approve the initial and annually updated advance automated data processing planning document, referred to in section 654(16) of this title, unless he finds that such document, when implemented, will generally carry out the objectives of the management system referred to in such subsection, and such document—
(A) provides for the conduct of, and reflects the results of, requirements analysis studies, which include consideration of the program mission, functions, organization, services, constraints, and current support, of, in, or relating to, such system,
(B) contains a description of the proposed management system referred to in section 654(16) of this title, including a description of information flows, input data, and output reports and uses,
(C) sets forth the security and interface requirements to be employed in such management system,
(D) describes the projected resource requirements for staff and other needs, and the resources available or expected to be available to meet such requirements,
(E) contains an implementation plan and backup procedures to handle possible failures,
(F) contains a summary of proposed improvement of such management system in terms of qualitative and quantitative benefits, and
(G) provides such other information as the Secretary determines under regulation is necessary.

(2)(A) The Secretary shall through the separate organizational unit established pursuant to subsection (a), on a continuing basis, review, assess, and inspect the planning, design, and oper-
§ 652

TITLE 42—THE PUBLIC HEALTH AND WELFARE
Page 2038

sion of, management information systems referred to in section 654(16) of this title, with a view to determining whether, and to what extent, such systems meet and continue to meet requirements imposed under paragraph (1) and the conditions specified under section 654(16) of this title.

(B) If the Secretary finds with respect to any statewide management information system referred to in section 654(16) of this title that there is a failure substantially to comply with criteria, requirements, and other undertakings, prescribed by the advance automated data processing planning document theretofore approved by the Secretary with respect to such system, then the Secretary shall suspend his approval of such document until there is no longer any such failure of such system to comply with such criteria, requirements, and other undertakings so prescribed.

(3) The Secretary may waive any requirement of paragraph (1) or any condition specified under section 654(16) of this title, and shall waive the single statewide system requirement under sections 654(16) and 654a of this title, with respect to a State if—

(A) the State demonstrates to the satisfaction of the Secretary that the State has or can develop an alternative system or systems that enable the State—

(i) for purposes of section 609(a)(8) of this title, to achieve the paternity establishment percentages (as defined in subsection (g)(2)) and other performance measures that may be established by the Secretary;

(ii) to submit data under section 654(15)(B) of this title that is complete and reliable;

(iii) to substantially comply with the requirements of this part; and

(iv) in the case of a request to waive the single statewide system requirement, to—

(I) meet all functional requirements of sections 654(16) and 654a of this title;

(II) ensure that calculation of distributions meets the requirements of section 657 of this title and accounts for distributions to children in different families or in different States or sub-State jurisdictions, and for distributions to other States;

(III) ensure that there is only one point of contact in the State which provides seamless case processing for all interstate cases; and

(IV) ensure that standard data elements, forms, and definitions are used throughout the State;

(V) complete the alternative system in no more time than it would take to complete a single statewide system that meets such requirement; and

(VI) process child support cases as quickly, efficiently, and effectively as such cases would be processed through a single statewide system that meets such requirement;

(B)(i) the waiver meets the criteria of paragraphs (1), (2), and (3) of section 1315(c) of this title; or

(ii) the State provides assurances to the Secretary that steps will be taken to otherwise improve the State’s child support enforcement program; and

(C) in the case of a request to waive the single statewide system requirement, the State has submitted to the Secretary separate estimates of the total cost of a single statewide system that meets such requirement, and of any such alternative system or systems, which shall include estimates of the cost of developing and completing the system and of operating and maintaining the system for 5 years, and the Secretary has agreed with the estimates.

(e) Technical assistance to States

The Secretary shall provide such technical assistance to States as he determines necessary to assist States to plan, design, develop, or install and provide for the security of, the management information systems referred to in section 654(16) of this title.

(f) Regulations

The Secretary shall issue regulations to require that State agencies administering the child support enforcement program under this part enforce medical support included as part of a child support order whenever health care coverage is available to the noncustodial parent at a reasonable cost. A State agency administering the program under this part may enforce medical support against a custodial parent if health care coverage is available to the custodial parent at a reasonable cost, notwithstanding any other provision of this part. Such regulation shall also provide for improved information exchange between such State agencies and the State agencies administering the State Medicaid programs under subchapter XIX with respect to the availability of health insurance coverage. For purposes of this part, the term “medical support” may include health care coverage, such as coverage under a health insurance plan (including payment of costs of premiums, co-payments, and deductibles) and payment for medical expenses incurred on behalf of a child.

(g) Performance standards for State paternity establishment programs

(1) A State’s program under this part shall be found, for purposes of section 609(a)(8) of this title, not to have complied substantially with the requirements of this part unless, for any fiscal year beginning on or after October 1, 1994, its paternity establishment percentage for such fiscal year is based on reliable data and (rounded to the nearest whole percentage point) equals or exceeds—

(A) 90 percent;

(B) for a State with a paternity establishment percentage of not less than 75 percent but less than 90 percent for such fiscal year, 90 percent;

(C) for a State with a paternity establishment percentage of not less than 75 percent but less than 50 percent for such fiscal year, 50 percent+

(D) for a State with a paternity establishment percentage of not less than 45 percent
but less than 50 percent for such fiscal year, the paternity establishment percentage of the State for the immediately preceding fiscal year plus 4 percentage points; or

(2)(A) for a State with a paternity establishment percentage of not less than 40 percent but less than 45 percent for such fiscal year, the paternity establishment percentage of the State for the immediately preceding fiscal year plus 5 percentage points; or

(2)(B) for a State with a paternity establishment percentage of less than 40 percent for such fiscal year, the paternity establishment percentage of the State for the immediately preceding fiscal year plus 6 percentage points.

In determining compliance under this section, a State may use as its paternity establishment percentage either the State’s IV–D paternity establishment percentage (as defined in paragraph (2)(A)) or the State’s statewide paternity establishment percentage (as defined in paragraph (2)(B)).

(b) For purposes of this section—

(A) the term ‘‘IV–D paternity establishment percentage’’ means, with respect to a State for a fiscal year, the ratio (expressed as a percentage) that the total number of children—

(i) who have been born out of wedlock,

(ii)(I) except as provided in the last sentence of this paragraph, with respect to whom assistance is being provided under the State program funded under part A in the fiscal year or, at the option of the State, as of the end of such year, or (II) with respect to whom services are being provided under the State’s plan approved under this part in the fiscal year or, at the option of the State, as of the end of such year pursuant to an application submitted under section 654(4)(A)(ii) of this title, and

(iii) the paternity of whom has been established or acknowledged,

bears to the total number of children born out of wedlock and (except as provided in such last sentence) with respect to whom assistance was being provided under the State program funded under part A as of the end of the preceding fiscal year or with respect to whom services were being provided under the State’s plan approved under this part as of the end of such year, or (ii) with respect to whom assistance is being provided under the State program funded under part A by reason of the death of a parent unless paternity is established for such child or any child with respect to whom an applicant or recipient is found by the State to qualify for a good cause or other exception to cooperation pursuant to section 654(29) of this title.

(3)(A) The Secretary may modify the requirements of this subsection to take into account such additional variables as the Secretary identifies (including the percentage of children in a State who are born out of wedlock or for whom support has not been established) that affect the ability of a State to meet the requirements of this subsection.

(B) The Secretary shall submit an annual report to the Congress that sets forth the data upon which the paternity establishment percentages for States for a fiscal year are based, lists any additional variables the Secretary has identified under subparagraph (A), and describes State performance in establishing paternity.

(b) Prompt State response to requests for child support assistance

The standards required by subsection (a)(1) shall include standards establishing time limits governing the period or periods within which a State must accept and respond to requests (from States, jurisdictions thereof, or individuals who apply for services furnished by the State agency under this part or with respect to whom an assignment pursuant to section 608(a)(3) of this title is in effect) for assistance in establishing and enforcing support orders, including requests to locate noncustodial parents, establish paternity, and initiate proceedings to establish and collect child support awards.

(i) Prompt State distribution of amounts collected as child support

The standards required by subsection (a)(1) shall include standards establishing time limits governing the period or periods within which a State must distribute, in accordance with section 657 of this title, amounts collected as child support pursuant to the State’s plan approved under this part.

(j) Training of Federal and State staff, research and demonstration programs, and special projects of regional or national significance

Out of any money in the Treasury of the United States not otherwise appropriated, there is hereby appropriated to the Secretary for each fiscal year an amount equal to 1 percent of the total amount paid to the Federal Government pursuant to a plan approved under this part during the immediately preceding fiscal year (as determined on the basis of the most recent reliable data available to the Secretary as of the end of the third calendar quarter following the end of such preceding fiscal year) or the amount appropriated under this paragraph² for fiscal year 2002, whichever is greater, which shall be available for use by the Secretary, either directly or through grants, contracts, or interagency agreements, for—

(1) information dissemination and technical assistance to States, training of State and

² So in original. Probably should be “subsection”.
Federal staff, staffing studies, and related activities needed to improve programs under this part (including technical assistance concerning State automated systems required by this part); and
(2) research, demonstration, and special projects of regional or national significance relating to the operation of State programs under this part.

The amount appropriated under this subsection shall remain available until expended.

(k) Denial of passports for nonpayment of child support

(1) If the Secretary receives a certification by a State agency in accordance with the requirements of section 654(31) of this title that an individual owes arrearages of child support in an amount exceeding $2,500, the Secretary shall transmit such certification to the Secretary of State for action (with respect to denial, revocation, or limitation of passports) pursuant to paragraph (2).

(2) The Secretary of State shall, upon certification by the Secretary transmitted under paragraph (1), refuse to issue a passport to such individual, and may revoke, restrict, or limit a passport issued previously to such individual.

(l) Facilitation of agreements between State agencies and financial institutions

The Secretary, through the Federal Parent Locator Service, may aid State agencies providing services under State programs operating pursuant to this part and financial institutions doing business in two or more States in reaching agreements, regarding the receipt from such institutions, and the transfer to the State agencies, of information that may be provided pursuant to section 666(a)(17)(A)(i) of this title, except that any State that, as of July 16, 1998, is conducting data matches pursuant to section 666(a)(17)(A)(ii)(I) of this title shall have until January 1, 2000, to allow the Secretary to obtain such information from such institutions that are operating in the State. For purposes of section 3413(d) of title 12, a disclosure pursuant to this subsection shall be considered a disclosure pursuant to a Federal statute.

(m) Comparisons with insurance information

(1) In general

The Secretary, through the Federal Parent Locator Service, may—
(A) compare information concerning individuals owing past-due support with information maintained by insurers (or their agents) concerning insurance claims, settlements, awards, and payments; and
(B) furnish information resulting from the data matches to the State agencies responsible for collecting child support from the individuals.

(2) Liability

An insurer (including any agent of an insurer) shall not be liable under any Federal or State law to any person for any disclosure provided for under this subsection, or for any other action taken in good faith in accordance with this subsection.

(n) Compliance with multilateral child support conventions

The Secretary shall use the authorities otherwise provided by law to ensure the compliance of the United States with any multilateral child support convention to which the United States is a party.

(o) Data exchange standards for improved interoperability

(1) Designation

The Secretary shall, in consultation with an interagency work group established by the Office of Management and Budget and considering State government perspectives, by rule, designate data exchange standards to govern, under this part—
(A) necessary categories of information that State agencies operating programs under State plans approved under this part are required under applicable Federal law to electronically exchange with another State agency; and
(B) Federal reporting and data exchange required under applicable Federal law.

(2) Requirements

The data exchange standards required by paragraph (1) shall, to the extent practicable—
(A) incorporate a widely accepted, nonproprietary, searchable, computer-readable format, such as the eXtensible Markup Language;
(B) contain interoperable standards developed and maintained by intergovernmental partnerships, such as the National Information Exchange Model;
(C) incorporate interoperable standards developed and maintained by Federal entities with authority over contracting and financial assistance;
(D) be consistent with and implement applicable accounting principles; and
(E) be implemented in a manner that is cost-effective and improves program efficiency and effectiveness; and
(F) be capable of being continually upgraded as necessary.

(3) Rule of construction

Nothing in this subsection shall be construed to require a change to existing data exchange standards found to be effective and efficient.

Page 2041

TITLE 42—THE PUBLIC HEALTH AND WELFARE

100–485, title I, §§ 111(a), 121(a), 122(a), 123(b), (d),
103 Stat. 2487; Pub. L. 103–66, title XIII, § 13721(a),
104–193, title I, § 108(c)(2)–(9), title III, §§ 301(c)(1),
(2), 316(e)(1), 324(a), 331(b), 341(b), formerly 341(c),
342(b), 343(a), 345(a), 346(a), 370(a)(1), 395(d)(1)(B),
Aug. 22, 1996, 110 Stat. 2165, 2200, 2215, 2223, 2230,
2232–2234, 2237, 2238, 2251, 2259; Pub. L. 104–208,
div. A, title I, § 101(e) [title II, § 215], Sept. 30,
title V, §§ 5513(a)(1), (2), 5540, 5541(a), 5556(c), Aug.
I, § 102(a), title II, § 201(e)(1)(A), title IV,
647, 657, 662, 671, 672; Pub. L. 106–169, title IV,
§ 401(f), Dec. 14, 1999, 113 Stat. 1858; Pub. L.
109–171, title VII, §§ 7303(a), 7304, 7306(a),
7307(a)(2)(A)(i), (b), (c), Feb. 8, 2006, 120 Stat.
145–147; Pub. L. 113–183, title III, §§ 301(a)(1),
304(a), Sept. 29, 2014, 128 Stat. 1943, 1947.)
REFERENCES IN TEXT
The Internal Revenue Code of 1986, referred to in subsec. (b), is classified generally to Title 26, Internal Revenue Code.
AMENDMENTS
redesignated subsec. (l), relating to comparisons with
insurance information, as (m).
(c), substituted ‘‘enforce medical support included as
part of a child support order’’ for ‘‘include medical support as part of any child support order and enforce
medical support’’, inserted after first sentence ‘‘A
State agency administering the program under this
part may enforce medical support against a custodial
parent if health care coverage is available to the custodial parent at a reasonable cost, notwithstanding any
other provision of this part.’’, and inserted at end ‘‘For
purposes of this part, the term ‘medical support’ may
include health care coverage, such as coverage under a
health insurance plan (including payment of costs of
premiums, co-payments, and deductibles) and payment
for medical expenses incurred on behalf of a child.’’
Subsec. (j). Pub. L. 109–171, § 7304, inserted ‘‘or the
amount appropriated under this paragraph for fiscal
year 2002, whichever is greater’’ before ‘‘, which shall
be available’’ in introductory provisions.
Subsec. (k)(1). Pub. L. 109–171, § 7303(a), substituted
‘‘$2,500’’ for ‘‘$5,000’’.
relating to comparisons with insurance information.
inserted ‘‘and’’ at end of subpar. (H), redesignated subpar. (J) as (I), and struck out former subpar. (I) which
read as follows: ‘‘the amount of administrative costs
which are expended in each functional category of expenditures, including establishment of paternity; and’’.
(3) generally. Prior to amendment, par. (3) read as follows: ‘‘The Secretary may waive any requirement of
paragraph (1) or any condition specified under section
654(16) of this title with respect to a State if—
‘‘(A) the State demonstrates to the satisfaction of
the Secretary that the State has an alternative sys-

§ 652

tem or systems that enable the State, for purposes of
section 609(a)(8) of this title, to achieve the paternity
establishment percentages (as defined under subsection (g)(2) of this section) and other performance
measures that may be established by the Secretary,
and to submit data under section 654(15)(B) of this
title that is complete and reliable, and to substantially comply with the requirements of this part; and
‘‘(B)(i) the waiver meets the criteria of paragraphs
(1), (2), and (3) of section 1315(b) of this title, or
‘‘(ii) the State provides assurances to the Secretary
that steps will be taken to otherwise improve the
State’s child support enforcement program.’’
Subsec. (f). Pub. L. 105–200, § 401(c)(2), substituted ‘‘include’’ for ‘‘petition for the inclusion of’’ and inserted
‘‘and enforce medical support’’ before ‘‘whenever’’.
substituted ‘‘section 609(a)(8) of this title, to achieve
the paternity establishment percentages (as defined
under subsection (g)(2) of this section) and other performance measures that may be established by the Secretary, and to submit data under section 654(15)(B) of
this title that is complete and reliable, and to substantially comply with the requirements of this part; and’’
for ‘‘section 603(h) of this title, to be in substantial
compliance with other requirements of this part; and’’.
Pub. L. 105–33, § 5540, substituted ‘‘subparagraphs (A)
and (B)’’ for ‘‘subparagraph (A)’’ in concluding provisions.
104–208, § 101(e) [title II, § 215], generally. See 1996
Amendment note below.
Pub. L. 105–33, § 5541(a), substituted ‘‘which shall be
available for use by the Secretary, either directly or
through grants, contracts, or interagency agreements,’’
for ‘‘to cover costs incurred by the Secretary’’ in introductory provisions.
(4) generally. Prior to amendment, par. (4) read as follows: ‘‘evaluate the implementation of State programs
established pursuant to such plan, conduct such audits
of State programs established under the plan approved
under this part as may be necessary to assure their
conformity with the requirements of this part, and, not
less often than once every three years (or not less often
than annually in the case of any State to which a reduction is being applied under section 603(h)(1) of this
title, or which is operating under a corrective action
plan in accordance with section 603(h)(2) of this title),
conduct a complete audit of the programs established
under such plan in each State and determine for the
purposes of the penalty provision of section 603(h) of
this title whether the actual operation of such programs in each State conforms to the requirements of
this part;’’.
Subsec. (a)(5). Pub. L. 104–193, § 343(a), inserted before
semicolon at end ‘‘, and establish procedures to be followed by States for collecting and reporting information required to be provided under this part, and establish uniform definitions (including those necessary to
enable the measurement of State compliance with the
requirements of this part relating to expedited processes) to be applied in following such procedures’’.
Subsec. (a)(7). Pub. L. 104–193, § 331(b), inserted before
semicolon at end ‘‘, and specify the minimum requirements of an affidavit to be used for the voluntary acknowledgment of paternity which shall include the Social Security number of each parent and, after consultation with the States, other common elements as
determined by such designee’’.


tion pursuant to the provisions of section 630 of the Internal Revenue Code of 1954.

1961—Subsec. (a)(1). Pub. L. 97–35, §2332(b)(1)(A), inserted "(A) in section 630(b) support for the spouse (or former spouse) with whom the absent parent’s child is living".


Subsec. (a)(10)(C). Pub. L. 97–35, §2332(b)(1)(C), inserted "(with separate identification of the number in which collection of spousal support was involved)".

Subsec. (b). Pub. L. 97–35, §2332(b)(2), inserted "including any support obligation with respect to the parent who is living with the child and receiving aid under the State plan approved under part A of this subchapter," and provision that all reimbursements be credited to the appropriation accounts which bore all or part of the costs involved in making the collections and substituting "court or administrative order" for "court order" and "reimburse the Secretary of the Treasury" for "reimburse the United States".


Subsec. (b). Pub. L. 96–265, §402(a), inserted "(or undertaken to be collected by such State pursuant to section 654(6) of this title) after "assigned to such State".

Subsecs. (d), (e). Pub. L. 96–265, §405(c), (d), added subsecs. (d) and (e).

1977—Subsec. (a)(10). Pub. L. 95–30 substituted "not later than three months after the end of each fiscal year, beginning with the year 1977, submit to the Congress a full and complete report on all activities undertaken pursuant to the provisions of this part, which report shall include, but not be limited to, the following" for "not later than June 30 of each year beginning after December 31, 1975, submit to the Congress a report on all activities undertaken pursuant to the provisions of this part", substituted a colon for a period at end of provisions thus substituted, and added subpars. (A) to (H).

**Effective Date of 2006 Amendment**

Pub. L. 109–171, title VII, §730(c), Feb. 8, 2006, 120 Stat. 145, provided that: "The amendments made by this section [amending this section and section 654 of this title] shall take effect on October 1, 2006."

Amendment by sections 7304, 7306(a) and 7307(a)(2)(A)(i), (b), (c), of Pub. L. 109–171 effective as if enacted on Oct. 1, 2005, except as otherwise provided, see section 7701 of Pub. L. 109–171, set out as a note under section 656 of this title.

**Effective Date of 1999 Amendment**


**Effective Date of 1998 Amendment**

Pub. L. 105–200, title II, §201(e)(2), July 16, 1998, 112 Stat. 657, provided that: "The amendments made by this subsection [amending this section and section 654 of this title, amending provisions set out as notes under this section and section 658 of this title, and repealing provisions set out as a note under section 658 of this title] shall become effective with respect to calendar quarters beginning on or after the date of the enactment of this Act [Aug. 22, 1996]."


**Effective Date of 1997 Amendment**

Pub. L. 105–33, title V, §5518(b), Aug. 5, 1997, 111 Stat. 621, provided that: "The amendments made by this section [amending this section and section 654 of this title] shall be calculated as though the amendments made by this section were effective October 1, 1995."

Amendment by section 108(c)(9) of Pub. L. 104–193 effective July 1, 1997, with transition rules relating to State options to accelerate such date, rules relating to claims, actions, and proceedings commenced before such date, rules relating to closing out of accounts for terminated or substantially modified payments and the continuance in office of Assistant Secretary for Family Support, and provisions relating to termination of entitlement under AFDC program, see section 116 of Pub. L. 104–193, as amended, set out as an Effective Date note under section 601 of this title.


Pub. L. 104–193, title III, §342(c), Aug. 22, 1996, 110 Stat. 2234, provided that: "The amendments made by this section [amending this section and section 656 of this title] shall be effective with respect to calendar quarters beginning 12 months or more after the date of the enactment of this Act [Aug. 22, 1996]."

Pub. L. 104–193, title III, §346(b), Aug. 22, 1996, 110 Stat. 2239, provided that: "The amendments made by subsection (a) [amending this section] shall be effective with respect to fiscal year 1997 and succeeding fiscal years."

Pub. L. 104–193, title III, §370(b), Aug. 22, 1996, 110 Stat. 2252, provided that: "This section [amending this
section and section 654 of this title) and the amendments made by this section shall become effective October 1, 1997.

For provisions relating to effective date of title III of Pub. L. 101-239, see section 395(a)-(c) of Pub. L. 101-239, set out as a note under section 654 of this title.

**Effective Date of 1993 Amendment**

Pub. L. 103-66, title XIII, §13721(c), Aug. 10, 1993, 107 Stat. 660, provided that: “The amendments made by this section (amending this section and section 666 of this title) shall become effective with respect to a State on the later of—

(1) October 1, 1993 or,

(2) the date of enactment by the legislature of such State of all laws required by such amendments, but in no event later than the first day of the first calendar quarter beginning after the close of the first regular session of the State legislature that begins after the date of enactment of this Act [Aug. 10, 1993]. For purposes of the previous sentence, in the case of a State that has a 2-year legislative session, each year of such session shall be deemed to be a separate regular session of the State legislature.”

**Effective Date of 1989 Amendment**


**Effective Date of 1988 Amendment**

Pub. L. 100-485, title I, §111(f)(1), Oct. 13, 1988, 102 Stat. 2350, provided that: “The amendments made by subsections (a), (d), and (e) [enacting section 668 of this title and amending this section and section 666 of this title] shall become effective on the date of the enactment of this Act [Oct. 13, 1988].”

**Effective Date of 1987 Amendment**

Pub. L. 100-203, title IX, §914(b), Dec. 22, 1987, 101 Stat. 1330–322, provided that: “The amendment made by subsection (a) [amending this section] shall apply with respect to amounts collected after the date of the enactment of this Act [Dec. 22, 1987].”

**Effective Date of 1984 Amendments**

Pub. L. 98-378, §4(c), Aug. 16, 1984, 98 Stat. 1312, provided that: “The amendments made by this section (amending this section and section 655 of this title) shall apply to fiscal years after fiscal year 1983.”

Pub. L. 98-378, §9(c), Aug. 16, 1984, 98 Stat. 1317, provided that: “The amendments made by this section (amending this section and sections 692 and 693 of this title) shall be effective on and after October 1, 1983.”

Pub. L. 98-378, §13(c), Aug. 16, 1984, 98 Stat. 1320, provided that: “The amendments made by this section (amending this section) shall be effective for reports for fiscal year 1986 and each fiscal year thereafter.”

Amendment by Pub. L. 98-369 effective July 18, 1984, but not to be construed as changing or affecting any right, liability, status, or interpretation which existed (under the provisions of law involved) before that date, see section 2664(b) of Pub. L. 98-369, set out as a note under section 401 of this title.

**Effective Date of 1982 Amendment**

Amendment by Pub. L. 97-248 effective Oct. 1, 1981, but not to be construed as changing or affecting any right, liability, status, or interpretation which existed (under the provisions of law involved) before that date, see section 175(b) of Pub. L. 97-248, set out as a note under section 505 of this title.

**Effective Date of 1981 Amendment**


**Effective Date of 1980 Amendment**

Pub. L. 96-255, title IV, §402(b), June 9, 1980, 94 Stat. 462, provided that: “The amendment made by subsection (a) [amending this section] shall take effect July 1, 1980.”

Pub. L. 96-255, title IV, §405(e), June 9, 1980, 94 Stat. 465, provided that: “The amendments made by this section [amending this section and sections 654 and 655 of this title] shall take effect on July 1, 1981, and shall be effective only with respect to expenditures, referred to in section 455(a)(3) of the Social Security Act [42 U.S.C. 655(a)(3)] (as amended by this Act), made on or after such date.”

**Effective Date of 1977 Amendment**


**Regulations**

Pub. L. 113–183, title III, §304(b), Sept. 29, 2014, 128 Stat. 147, provided that: “The Secretary of Health and Human Services shall issue a proposed rule within 24 months after the date of the enactment of this Act [Sept. 29, 2014]. The rule shall identify federally required data exchanges, include specification and timing of exchanges to be standardized, and address the factors used in determining whether and when to standardize data exchanges. It should also specify State implementation options and describe future milestones.”

Pub. L. 100–485, title I, §122(b), Oct. 13, 1988, 102 Stat. 2351, provided that: “Not later than 180 days after the date of the enactment of this Act [Oct. 13, 1988], the Secretary of Health and Human Services shall issue a notice of proposed rulemaking with respect to the standards required by the amendment made by subsection (a) [amending this section], and, after allowing not less than 60 days for public comment, shall issue final regulations not later than the first day of the 10th month to begin after such date of enactment.”

**Implementation of Performance Standards for State Paternity Establishment Programs**

Pub. L. 100-485, title I, §111(f)(3), Oct. 13, 1988, 102 Stat. 2350, provided that: “The Secretary of Health and Human Services shall collect the data necessary to implement the requirements of section 452(g) of the Social Security Act [42 U.S.C. 652(g)] (as added by subsection (a) of this section) and, in carrying out the requirement of determining a State’s paternity establishment percentage for the fiscal year 1988, compute such percentage on the basis of data collected with respect to the last quarter of such fiscal year (or, if such data are not available, the first quarter of the fiscal year 1989) if the Secretary determines that data for the full year are not available.”

**Requests for Child Support Assistance; Advisory Committee; Promulgation of Regulations**

Pub. L. 100–485, title I, §122(b), Oct. 13, 1988, 102 Stat. 2351, provided that:

"(1) Not later than 60 days after the date of the enactment of this Act [Oct. 13, 1988], the Secretary of Health and Human Services shall establish an advisory committee. The committee shall include representatives of organizations representing State governors, State welfare administrators, and State directors of programs under part D of title IV of the Social Security Act [42 U.S.C. 651 et seq.]. The Secretary shall consult with the advisory committee before issuing any regulations with respect to the standards required by the amendment made by subsection (a) [amending this section] (including regulations regarding what constitutes an adequate response on the part of a State to the request of an individual, State, or jurisdiction)."
§ 653. Federal Parent Locator Service

(a) Establishment; purpose

(1) The Secretary shall establish and conduct a Federal Parent Locator Service, under the direction of the designee of the Secretary referred to in section 652(a) of this title, which shall be used for the purposes specified in paragraphs (2) and (3).

(2) For the purpose of establishing parentage or establishing, setting the amount of, modifying, or enforcing child support obligations, the Federal Parent Locator Service shall obtain and transmit to any authorized person specified in subsection (c)—

(A) information on, or facilitating the discovery of, the location of any individual—
   (i) who is under an obligation to pay child support;
   (ii) against whom such an obligation is sought;
   (iii) to whom such an obligation is owed;
   or
   (iv) who has or may have parental rights with respect to a child, including the individual’s social security number (or numbers), most recent address, and the name, address, and employer identification number of the individual’s employer;

(B) information on the individual’s wages (or other income) from, and benefits of, employment (including rights to or enrollment in group health care coverage); and

(C) information on the type, status, location, and amount of any assets of, or debts owed by or to, any such individual.

(3) For the purpose of enforcing any Federal or State law with respect to the unlawful taking or restraint of a child, or making or enforcing a child custody or visitation determination, as defined in section 663(d)(1) of this title, the Federal Parent Locator Service shall be used to obtain and transmit the information specified in section 663(c) of this title to the authorized persons specified in section 663(d)(2) of this title.

(b) Disclosure of information to authorized persons

(1) Upon request, filed in accordance with subsection (d), of any authorized person, as defined in subsection (c) for the information described in subsection (a)(2), or of any authorized person, as defined in section 663(d)(2) of this title for the information described in section 663(c) of this title, the Secretary shall, notwithstanding any other provision of law, provide through the Federal Parent Locator Service such information to such person, if such information—

(A) is contained in any files or records maintained by the Secretary or by the Department of Health and Human Services; or

(B) is not contained in such files or records, but can be obtained by the Secretary, under the authority conferred by subsection (e), from any other department, agency, or instrumentality of the United States or of any State, and is not prohibited from disclosure under paragraph (2).

(2) No information shall be disclosed to any person if the disclosure of such information would contravene the national policy or security interests of the United States or the confidentiality of census data. The Secretary shall give priority to requests made by any authorized person described in subsection (c)(1). No information shall be disclosed to any person if the State has notified the Secretary that the State has reasonable evidence of domestic violence or child abuse and the disclosure of such information could be harmful to the custodial parent or the child of such parent, provided that—

(A) in response to a request from an authorized person (as defined in subsection (c) of this section and section 663(d)(2) of this title), the Secretary shall advise the authorized person that the Secretary has been notified that there is reasonable evidence of domestic violence or child abuse and that information can only be disclosed to a court or an agent of a court pursuant to subparagraph (B); and

(B) information may be disclosed to a court or an agent of a court described in subsection (c)(2) of this section or section 663(d)(2)(B) of this title, if—

(i) upon receipt of information from the Secretary, the court determines whether disclosure to any other person of that information could be harmful to the parent or the child; or

(ii) if the court determines that disclosure of such information to any other person could be harmful, the court and its agents shall not make any such disclosure.

(3) Information received or transmitted pursuant to this section shall be subject to the safeguard provisions contained in section 654(26) of this title.

(c) “Authorized person” defined

As used in subsection (a), the term “authorized person” means—

(1) any agent or attorney of any State or Indian tribe or tribal organization (as defined in subsections (e) and (l) of section 5304 of title 25), having in effect a plan approved under this part, who has the duty or authority under such plans to seek to recover any amounts owed as child and spousal support (including, when authorized under the State plan, any official of a political subdivision);

(2) the court which has authority to issue an order or to serve as the initiating court in an action to seek an order against a noncustodial...
parent for the support and maintenance of a child, or any agent of such court;
(3) the resident parent, legal guardian, attorney, or agent of a child (other than a child receiving assistance under a State program funded under part A) (as determined by regulations prescribed by the Secretary) without regard to the existence of a court order against a noncustodial parent who has a duty to support and maintain any such child;
(4) a State agency that is administering a program operated under a State plan under subpart 1 of part B, or a State plan approved under subpart 2 of part B or under part E; and
(5) an entity designated as a Central Authority for child support enforcement in a foreign reciprocating country or a foreign treaty country for purposes specified in section 659a(c)(2) of this title.

(d) Form and manner of request for information
A request for information under this section shall be filed in such manner and form as the Secretary shall by regulation prescribe and shall be accompanied or supported by such documents as the Secretary may determine to be necessary.

(e) Compliance with request; search of files and records by head of any department, etc., of United States; transmittal of information to Secretary; reimbursement for cost of search; fees
(1) Whenever the Secretary receives a request submitted under subsection (b) which he is reasonably satisfied meets the criteria established by subsections (a), (b), and (c), he shall promptly undertake to provide the information requested from the files and records maintained by any of the departments, agencies, or instrumentalities of the United States or of any State.
(2) Notwithstanding any other provision of law, whenever the individual who is the head of any department, agency, or instrumentality of the United States receives a request from the Secretary for information authorized to be provided by the Secretary under this section, such individual shall promptly cause a search to be made of the files and records maintained by such department, agency, or instrumentality with a view to determining whether the information requested is contained in any such files or records. If such search discloses the information requested, such individual shall immediately transmit such information to the Secretary, except that if any information is obtained the disclosure of which would contravene national policy or security interests of the United States or the confidentiality of census data, such information shall not be transmitted and such individual shall immediately notify the Secretary. If such search fails to disclose the information requested, such individual shall immediately so notify the Secretary. The costs incurred by any such department, agency, or instrumentality of the United States or of any State in providing such information to the Secretary shall be reimbursed by him in an amount which the Secretary determines to be reasonable payment for the information exchange (which amount shall not include payment for the costs of obtaining, compiling, or maintaining the information). Whenever such services are furnished to an individual specified in subsection (c)(3), a fee shall be charged such individual. The fee so charged shall be used to reimburse the Secretary or his delegate for the expense of providing such services.
(3) The Secretary of Labor shall enter into an agreement with the Secretary to provide prompt access for the Secretary (in accordance with this subsection) to the wage and unemployment compensation claims information and data maintained by or for the Department of Labor or State employment security agencies.

(f) Arrangements and cooperation with State and tribal agencies
The Secretary, in carrying out his duties and functions under this section, shall enter into arrangements with State and tribal agencies administering State and tribal plans approved under this part for such State and tribal agencies to accept from resident parents, legal guardians, or agents of a child described in subsection (c) and to transmit to the Secretary requests for information with regard to the whereabouts of noncustodial parents and otherwise to cooperate with the Secretary in carrying out the purposes of this section.

(g) Reimbursement for reports by State agencies
The Secretary may reimburse Federal and State agencies for the costs incurred by such entities in furnishing information requested by the Secretary under this section in an amount which the Secretary determines to be reasonable payment for the information exchange (which amount shall not include payment for the costs of obtaining, compiling, or maintaining the information).

(h) Federal Case Registry of Child Support Orders

(1) In general
Not later than October 1, 1998, in order to assist States in administering programs under State plans approved under this part and programs funded under part A, and for the other purposes specified in this section, the Secretary shall establish and maintain in the Federal Parent Locator Service an automated registry (which shall be known as the "Federal Case Registry of Child Support Orders"), which shall contain abstracts of support orders and other information described in paragraph (2) with respect to each case and order in each State case registry maintained pursuant to section 654a(e) of this title, as furnished (and regularly updated), pursuant to section 654a(f) of this title, by State agencies administering programs under this part.

(2) Case and order information
The information referred to in paragraph (1) with respect to a case or an order shall be such information as the Secretary may specify in regulations (including the names, social security numbers or other uniform identification numbers, and State case identification numbers) to identify the individuals who owe or are owed support (or with respect to or on behalf of whom support obligations are sought to be established), and the State or States which have the case or order. Beginning not later
than October 1, 1999, the information referred to in paragraph (1) shall include the names and social security numbers of the children of such individuals.

(3) Administration of Federal tax laws

The Secretary of the Treasury shall have access to the information described in paragraph (2) for the purpose of administering those sections of the Internal Revenue Code of 1986 which grant tax benefits based on support or residence of children.

(i) National Directory of New Hires

(1) In general

In order to assist States in administering programs under State plans approved under this part and programs funded under part A, and for the other purposes specified in this section, the Secretary shall, not later than October 1, 1997, establish and maintain in the Federal Parent Locator Service an automated directory to be known as the National Directory of New Hires, which shall contain the information supplied pursuant to section 653a(g)(2) of this title.

(2) Data entry and deletion requirements

(A) In general

Information provided pursuant to section 653a(g)(2) of this title shall be entered into the data base maintained by the National Directory of New Hires within two business days after receipt, and shall be deleted from the data base 24 months after the date of entry.

(B) 12-month limit on access to wage and unemployment compensation information

The Secretary shall not have access for child support enforcement purposes to information in the National Directory of New Hires that is provided pursuant to section 653a(g)(2)(B) of this title, if 12 months has elapsed since the date the information is so provided and there has not been a match resulting from the use of such information in any information comparison under this subsection.

(C) Retention of data for research purposes

Notwithstanding subparagraphs (A) and (B), the Secretary may retain such samples of data entered in the National Directory of New Hires as the Secretary may find necessary to assist in carrying out subsection (j)(5).

(3) Administration of Federal tax laws

The Secretary of the Treasury shall have access to the information in the National Directory of New Hires for purposes of administering section 32 of the Internal Revenue Code of 1986, or the advance payment of the earned income tax credit under section 3907 of such Code, and verifying a claim with respect to employment in a tax return.

(4) List of multistate employers

The Secretary shall maintain within the National Directory of New Hires a list of multistate employers that report information regarding newly hired employees pursuant to section 653a(b)(1)(B) of this title, and the State which each such employer has designated to receive such information.

(j) Information comparisons and other disclosures

(1) Verification by Social Security Administration

(A) In general

The Secretary shall transmit information on individuals and employers maintained under this section to the Social Security Administration to the extent necessary for verification in accordance with subparagraph (B).

(B) Verification by SSA

The Social Security Administration shall verify the accuracy of, correct, or supply to the extent possible, and report to the Secretary, the following information supplied by the Secretary pursuant to subparagraph (A):

(i) The name, social security number, and birth date of each such individual.

(ii) The employer identification number of each such employer.

(2) Information comparisons

For the purpose of locating individuals in a paternity establishment case or a case involving the establishment, modification, or enforcement of a support order, the Secretary shall—

(A) compare information in the National Directory of New Hires against information in the support case abstracts in the Federal Case Registry of Child Support Orders not less often than every 2 business days; and

(B) within 2 business days after such a comparison reveals a match with respect to an individual, report the information to the State agency responsible for the case.

(3) Information comparisons and disclosures of information in all registries for subchapter IV program purposes

To the extent and with the frequency that the Secretary determines to be effective in assisting States to carry out their responsibilities under programs operated under this part, part B, or part E and programs funded under part A, the Secretary shall—

(A) compare the information in each component of the Federal Parent Locator Service maintained under this section against the information in each other such component (other than the comparison required by paragraph (2)), and report instances in which such a comparison reveals a match with respect to an individual to State agencies operating such programs; and

(B) disclose information in such components to such State agencies.

(4) Provision of new hire information to the Social Security Administration

The National Directory of New Hires shall provide the Commissioner of Social Security with all information in the National Directory.

(5) Research

The Secretary may provide access to data in each component of the Federal Parent Locator
Service maintained under this section and to information reported by employers pursuant to section 653a(b) of this title for research purposes found by the Secretary to be likely to contribute to achieving the purposes of part A or this part, but without personal identifiers.

(6) Information comparisons and disclosure for enforcement of obligations on Higher Education Act loans and grants

(A) Furnishing of information by the Secretary of Education

The Secretary of Education shall furnish to the Secretary, on a quarterly basis or at such less frequent intervals as may be determined by the Secretary of Education, information in the custody of the Secretary of Education for comparison with information in the National Directory of New Hires, in order to obtain the information in such directory with respect to individuals who—

(i) are borrowers of loans made under title IV of the Higher Education Act of 1965 [20 U.S.C. 1070 et seq.] that are in default; or

(ii) owe an obligation to refund an overpayment of a grant awarded under such title.

(B) Requirement to seek minimum information necessary

The Secretary of Education shall seek information pursuant to this section only to the extent essential to improving collection of the debt described in subparagraph (A).

(C) Duties of the Secretary

(i) Information comparison; disclosure to the Secretary of Education

The Secretary, in cooperation with the Secretary of Education, shall compare information in the National Directory of New Hires with information in the custody of the Secretary of Education, and disclose information in that Directory to the Secretary of Education, in accordance with this paragraph, for the purposes specified in this paragraph.

(ii) Condition on disclosure

The Secretary shall make disclosures in accordance with clause (i) only to the extent that the Secretary determines that such disclosures do not interfere with the effective operation of the program under this part. Support collection under section 666(b) of this title shall be given priority over collection of any defaulted student loan or grant overpayment against the same income.

(D) Use of information by the Secretary of Education

The Secretary of Education may use information resulting from a data match pursuant to this paragraph only—

(i) for the purpose of collection of the debt described in subparagraph (A) owed by an individual whose annualized wage level (determined by taking into consideration information from the National Directory of New Hires) exceeds $16,000; and

(ii) after removal of personal identifiers, to conduct analyses of student loan defaults.

(E) Disclosure of information by the Secretary of Education

(i) Disclosures permitted

The Secretary of Education may disclose information resulting from a data match pursuant to this paragraph only to—

(I) a guaranty agency holding a loan made under part B of title IV of the Higher Education Act of 1965 [20 U.S.C. 1071 et seq.] on which the individual is obligated;

(II) a contractor or agent of the guaranty agency described in subclause (I);

(III) a contractor or agent of the Secretary; and

(IV) the Attorney General.

(ii) Purpose of disclosure

The Secretary of Education may make a disclosure under clause (i) only for the purpose of collection of the debts owed on defaulted student loans, or overpayments of grants, made under title IV of the Higher Education Act of 1965 [20 U.S.C. 1070 et seq.].

(iii) Restriction on redisclosure

An entity to which information is disclosed under clause (i) may use or disclose such information only as needed for the purpose of collecting on defaulted student loans, or overpayments of grants, made under title IV of the Higher Education Act of 1965.

(F) Reimbursement of HHS costs

The Secretary of Education shall reimburse the Secretary, in accordance with subsection (k)(3), for the additional costs incurred by the Secretary in furnishing the information requested under this subparagraph.

(7) Information comparisons for housing assistance programs

(A) Furnishing of information by HUD

Subject to subparagraph (G), the Secretary of Housing and Urban Development shall furnish to the Secretary, on such periodic basis as determined by the Secretary of Housing and Urban Development in consultation with the Secretary, information in the custody of the Secretary of Housing and Urban Development for comparison with information in the National Directory of New Hires, in order to obtain information in such Directory with respect to individuals who are participating in any program under—

(i) the United States Housing Act of 1937 (42 U.S.C. 1437 et seq.);

(ii) section 1701q of title 12;

(iii) section 1715(d)(3), 1715(d)(5), or 1715a-1 of title 12;

(iv) section 8013 of this title; or

(v) section 1701s of title 12.

(B) Requirement to seek minimum information

The Secretary of Housing and Urban Development shall seek information pursuant
to this section only to the extent necessary to verify the employment and income of individuals described in subparagraph (A).

(C) Duties of the Secretary

(i) Information disclosure

The Secretary, in cooperation with the Secretary of Housing and Urban Development, shall compare information in the National Directory of New Hires with information provided by the Secretary of Housing and Urban Development with respect to individuals described in subparagraph (A), and shall disclose information in such Directory regarding such individuals to the Secretary of Housing and Urban Development, in accordance with this paragraph, for the purposes specified in this paragraph.

(ii) Condition on disclosure

The Secretary shall make disclosures in accordance with clause (i) only to the extent that the Secretary determines that such disclosures do not interfere with the effective operation of the program under this part.

(D) Use of information by HUD

The Secretary of Housing and Urban Development may use information resulting from a data match pursuant to this paragraph only—

(i) for the purpose of verifying the employment and income of individuals described in subparagraph (A); and

(ii) after removal of personal identifiers, to conduct analyses of the employment and income reporting of individuals described in subparagraph (A).

(E) Disclosure of information by HUD

(i) Purpose of disclosure

The Secretary of Housing and Urban Development may make a disclosure under this subparagraph only for the purpose of verifying the employment and income of individuals described in subparagraph (A).

(ii) Disclosures permitted

Subject to clause (iii), the Secretary of Housing and Urban Development may disclose information resulting from a data match pursuant to this paragraph only to a public housing agency, the Inspector General of the Department of Housing and Urban Development, and the Attorney General in connection with the administration of a program described in subparagraph (A). Information obtained by the Secretary of Housing and Urban Development pursuant to this paragraph shall not be made available under section 552 of title 5.

(iii) Conditions on disclosure

Disclosures under this paragraph shall be—

(I) made in accordance with data security and control policies established by the Secretary of Housing and Urban Development and approved by the Secretary;

(II) subject to audit in a manner satisfactory to the Secretary; and

(III) subject to the sanctions under subsection (1)(2).

(iv) Additional disclosures

(I) Determination by Secretaries

The Secretary of Housing and Urban Development and the Secretary shall determine whether to permit disclosure of information under this paragraph to persons or entities described in subclause (II), based on an evaluation made by the Secretary of Housing and Urban Development (in consultation with and approved by the Secretary), of the costs and benefits of disclosures made under clause (ii) and the adequacy of measures used to safeguard the security and confidentiality of information so disclosed.

(II) Permitted persons or entities

If the Secretary of Housing and Urban Development and the Secretary determine pursuant to subclause (I) that disclosures to additional persons or entities shall be permitted, information under this paragraph may be disclosed by the Secretary of Housing and Urban Development to a private owner, a management agent, and a contract administrator in connection with the administration of a program described in subparagraph (A), subject to the conditions in clause (iii) and such additional conditions as agreed to by the Secretaries.

(v) Restrictions on redisclosure

A person or entity to which information is disclosed under this subparagraph may use or disclose such information only as needed for verifying the employment and income of individuals described in subparagraph (A), subject to the conditions in clause (iii) and such additional conditions as agreed to by the Secretaries.

(F) Reimbursement of HHS costs

The Secretary of Housing and Urban Development shall reimburse the Secretary, in accordance with subsection (k)(3), for the costs incurred by the Secretary in furnishing the information requested under this paragraph.

(G) Consent

The Secretary of Housing and Urban Development shall not seek, use, or disclose information under this paragraph relating to an individual without the prior written consent of such individual (or of a person legally authorized to consent on behalf of such individual).

(8) Information comparisons and disclosure to assist in administration of unemployment compensation programs

(A) In general

If, for purposes of administering an unemployment compensation program under Federal or State law, a State agency responsible for the administration of such program...
transmits to the Secretary the names and social security account numbers of individuals, the Secretary shall disclose to such State agency information on such individuals and their employers maintained in the National Directory of New Hires, subject to this paragraph.

(B) Condition on disclosure by the Secretary

The Secretary shall make a disclosure under subparagraph (A) only to the extent that the Secretary determines that the disclosure would not interfere with the effective operation of the program under this part.

(C) Use and disclosure of information by State agencies

(i) In general

A State agency may not use or disclose information provided under this paragraph except for purposes of administering a program referred to in subparagraph (A).

(ii) Information security

The State agency shall have in effect data security and control policies that the Secretary finds adequate to ensure the security of information obtained under this paragraph and to ensure that access to such information is restricted to authorized persons for purposes of authorized uses and disclosures.

(iii) Penalty for misuse of information

An officer or employee of the State agency who fails to comply with this subparagraph shall be subject to the sanctions under subsection (i)(2) to the same extent as if such officer or employee was an officer or employee of the United States.

(D) Procedural requirements

State agencies requesting information under this paragraph shall adhere to uniform procedures established by the Secretary governing information requests and data matching under this paragraph.

(E) Reimbursement of costs

The State agency shall reimburse the Secretary, in accordance with subsection (k)(3), for the costs incurred by the Secretary in furnishing the information requested under this paragraph.

(9) Information comparisons and disclosure to assist in Federal debt collection

(A) Furnishing of information by the Secretary of the Treasury

The Secretary of the Treasury shall furnish to the Secretary, on such periodic basis as determined by the Secretary of the Treasury in consultation with the Secretary, information in the custody of the Secretary of the Treasury for comparison with information in the National Directory of New Hires, in order to obtain information in such Directory with respect to persons—

(i) who owe delinquent nontax debt to the United States; and

(ii) whose debt has been referred to the Secretary of the Treasury in accordance with section 3711(g) of title 31.

(B) Requirement to seek minimum information

The Secretary of the Treasury shall seek information pursuant to this section only to the extent necessary to improve collection of the debt described in subparagraph (A).

(C) Duties of the Secretary

(i) Information disclosure

The Secretary, in cooperation with the Secretary of the Treasury, shall compare information in the National Directory of New Hires with information provided by the Secretary of the Treasury with respect to persons described in subparagraph (A) and shall disclose information in such Directory regarding such persons to the Secretary of the Treasury in accordance with this paragraph, for the purposes specified in this paragraph. Such comparison of information shall not be considered a matching program as defined in section 552a of title 5.

(ii) Condition on disclosure

The Secretary shall make disclosures in accordance with clause (i) only to the extent that the Secretary determines that such disclosures do not interfere with the effective operation of the program under this part. Support collection under section 666(b) of this title shall be given priority over collection of any delinquent Federal nontax debt against the same income.

(D) Use of information by the Secretary of the Treasury

The Secretary of the Treasury may use information provided under this paragraph only for purposes of collecting the debt described in subparagraph (A).

(E) Disclosure of information by the Secretary of the Treasury

(i) Purpose of disclosure

The Secretary of the Treasury may make a disclosure under this subparagraph only for purposes of collecting the debt described in subparagraph (A).

(ii) Disclosures permitted

Subject to clauses (iii) and (iv), the Secretary of the Treasury may disclose information resulting from a data match pursuant to this paragraph only to the Attorney General in connection with collecting the debt described in subparagraph (A).

(iii) Conditions on disclosure

Disclosures under this subparagraph shall be—

(I) made in accordance with data security and control policies established by the Secretary of the Treasury and approved by the Secretary; and

(II) subject to audit in a manner satisfactory to the Secretary; and

(III) subject to the sanctions under subsection (i)(2).

(iv) Additional disclosures

(I) Determination by Secretaries

The Secretary of the Treasury and the Secretary shall determine whether to
permit disclosure of information under this paragraph to persons or entities described in subclause (II), based on an evaluation made by the Secretary of the Treasury (in consultation with and approved by the Secretary), of the costs and benefits of such disclosures and the adequacy of measures used to safeguard the security and confidentiality of information so disclosed.

(II) Permitted persons or entities

If the Secretary of the Treasury and the Secretary determine pursuant to subclause (I) that disclosures to additional persons or entities shall be permitted, information under this paragraph may be disclosed by the Secretary of the Treasury, in connection with collecting the debt described in subparagraph (A), to a contractor or agent of either Secretary and to the Federal agency that referred such debt to the Secretary of the Treasury for collection, subject to the conditions in clause (iii) and such additional conditions as agreed to by the Secretaries.

(v) Restrictions on redisclosure

A person or entity to which information is disclosed under this subparagraph may use or disclose such information only as needed for collecting the debt described in subparagraph (A), subject to the conditions in clause (iii) and such additional conditions as agreed to by the Secretaries.

(F) Reimbursement of HHS costs

The Secretary of the Treasury shall reimburse the Secretary, in accordance with subsection (k)(3), for the costs incurred by the Secretary in furnishing the information requested under this paragraph. Any such costs paid by the Secretary of the Treasury shall be considered costs of implementing section 3711(g) of title 31 in accordance with section 3711(g)(6) of title 31 and may be paid from the account established pursuant to section 3711(g)(7) of title 31.

(10) Information comparisons and disclosure to assist in administration of supplemental nutrition assistance program benefits

(A) In general

If, for purposes of administering a supplemental nutrition assistance program under the Food and Nutrition Act of 2008 [7 U.S.C. 2011 et seq.], a State agency responsible for the administration of the program transmits to the Secretary the names and social security account numbers of individuals, the Secretary shall disclose to the State agency information on the individuals and their employers maintained in the National Directory of New Hires, in order to obtain information in such Directory with respect to individuals who are applying for or receiving—

(i) needs-based pension benefits provided under chapter 15 of title 38 or under any other law administered by the Secretary of Veterans Affairs;

(ii) parents’ dependency and indemnity compensation provided under section 1315 of title 38;

(iii) health care services furnished under subsections (a)(2)(G), (a)(3), or (b) of section 1710 of title 38; or

(iv) compensation paid under chapter 11 of title 38 at the 100 percent rate based solely on unemployability and without regard to the fact that the disability or disabilities are not rated as 100 percent disabling under the rating schedule.

(C) Use and disclosure of information by State agencies

(i) In general

A State agency may not use or disclose information provided under this paragraph except for purposes of administering a program referred to in subparagraph (A).

(ii) Information security

The State agency shall have in effect data security and control policies that the Secretary finds adequate to ensure the security of information obtained under this paragraph and to ensure that access to such information is restricted to authorized persons for purposes of authorized uses and disclosures.

(iii) Penalty for misuse of information

An officer or employee of the State agency who fails to comply with this subparagraph shall be subject to the sanctions under subsection (g)(2) to the same extent as if the officer or employee were an officer or employee of the United States.

(D) Procedural requirements

State agencies requesting information under this paragraph shall adhere to uniform procedures established by the Secretary governing information requests and data matching under this paragraph.

(E) Reimbursement of costs

The Secretary of the Treasury shall reimburse the Secretary, in accordance with subsection (k)(3), for the costs incurred by the Secretary in furnishing the information requested under this paragraph.

(11) Information comparisons and disclosures to assist in administration of certain veterans benefits

(A) Furnishing of information by Secretary of Veterans Affairs

Subject to the provisions of this paragraph, the Secretary of Veterans Affairs shall furnish to the Secretary, on such periodic basis as determined by the Secretary of Veterans Affairs in consultation with the Secretary, information in the custody of the Secretary of Veterans Affairs for comparison with information in the National Directory of New Hires, in order to obtain information in such Directory with respect to individuals who are applying for or receiving—

(i) needs-based pension benefits provided under chapter 15 of title 38 or under any other law administered by the Secretary of Veterans Affairs;

(ii) parents’ dependency and indemnity compensation provided under section 1315 of title 38;

(iii) health care services furnished under subsections (a)(2)(G), (a)(3), or (b) of section 1710 of title 38; or

(iv) compensation paid under chapter 11 of title 38 at the 100 percent rate based solely on unemployability and without regard to the fact that the disability or disabilities are not rated as 100 percent disabling under the rating schedule.
(B) Requirement to seek minimum information

The Secretary of Veterans Affairs shall seek information pursuant to this paragraph only to the extent necessary to verify the employment and income of individuals described in subparagraph (A).

(C) Duties of the Secretary

(i) Information disclosure

The Secretary, in cooperation with the Secretary of Veterans Affairs, shall compare information in the National Directory of New Hires with information provided by the Secretary of Veterans Affairs with respect to individuals described in subparagraph (A), and shall disclose information in such Directory regarding such individuals to the Secretary of Veterans Affairs, in accordance with this paragraph, for the purposes specified in this paragraph.

(ii) Condition on disclosure

The Secretary shall make disclosures in accordance with clause (i) only to the extent that the Secretary determines that such disclosures do not interfere with the effective operation of the program under this part.

(D) Use of information by Secretary of Veterans Affairs

The Secretary of Veterans Affairs may use information resulting from a data match pursuant to this paragraph only—

(i) for the purposes specified in subparagraph (B); and

(ii) after removal of personal identifiers, to conduct analyses of the employment and income reporting of individuals described in subparagraph (A).

(E) Reimbursement of HHS costs

The Secretary of Veterans Affairs shall reimburse the Secretary, in accordance with subsection (k)(3), for the costs incurred by the Secretary in furnishing the information requested under this paragraph.

(F) Consent

The Secretary of Veterans Affairs shall not seek, use, or disclose information under this paragraph relating to an individual without the prior written consent of such individual (or of a person legally authorized to consent on behalf of such individual).

(G) Expiration of authority

The authority under this paragraph shall be in effect as follows:

(i) During the period beginning on December 26, 2007, and ending on November 18, 2011.

(ii) During the period beginning on September 30, 2013, and ending 180 days after that date.

(k) Fees

(1) For SSA verification

The Secretary shall reimburse the Commissioner of Social Security, at a rate negotiated between the Secretary and the Commissioner, for the costs incurred by the Commissioner in performing the verification services described in subsection (j).

(2) For information from State directories of new hires

The Secretary shall reimburse costs incurred by State directories of new hires in furnishing information as required by section 653a(g)(2) of this title, at rates which the Secretary determines to be reasonable (which rates shall not include payment for the costs of obtaining, compiling, or maintaining such information).

(3) For information furnished to State and Federal agencies

A State or Federal agency that receives information from the Secretary pursuant to this section or section 652(m) of this title shall reimburse the Secretary for costs incurred by the Secretary in furnishing the information, at rates which the Secretary determines to be reasonable (which rates shall include payment for the costs of obtaining, verifying, maintaining, and comparing the information).

(l) Restriction on disclosure and use

(1) In general

Information in the Federal Parent Locator Service, and information resulting from comparisons using such information, shall not be used or disclosed except as expressly provided in this section, subject to section 6103 of the Internal Revenue Code of 1986.

(2) Penalty for misuse of information in the National Directory of New Hires

The Secretary shall require the imposition of an administrative penalty (up to and including dismissal from employment), and a fine of $1,000, for each act of unauthorized access to, disclosure of, or use of, information in the National Directory of New Hires established under subsection (i) by any officer or employee of the United States or any other person who knowingly and willfully violates this paragraph.

(m) Information integrity and security

The Secretary shall establish and implement safeguards with respect to the entities established under this section designed to—

(1) ensure the accuracy and completeness of information in the Federal Parent Locator Service; and

(2) restrict access to confidential information in the Federal Parent Locator Service to authorized persons, and restrict use of such information to authorized purposes.

(n) Federal Government reporting

Each department, agency, and instrumentality of the United States shall on a quarterly basis report to the Federal Parent Locator Service the name and social security number of each employee and the wages paid to the employee during the previous quarter, except that such a report shall not be filed with respect to an employee of a department, agency, or instrumentality performing intelligence or counterintelligence functions, if the head of such de-
partment, agency, or instrumentality has determined that filing such a report could endanger the safety of the employee or compromise an ongoing investigation or intelligence mission.

(o) Use of set-aside funds

Out of any money in the Treasury of the United States not otherwise appropriated, there is hereby appropriated to the Secretary for each fiscal year an amount equal to 2 percent of the total amount paid to the Federal Government pursuant to a plan approved under this part during the immediately preceding fiscal year (as determined on the basis of the most recent reliable data available to the Secretary as of the end of the third calendar quarter following the end of such preceding fiscal year) or the amount appropriated under this paragraph for fiscal year 2002, whichever is greater, which shall be available for use by the Secretary, either directly or through grants, contracts, or interagency agreements, for operation of the Federal Parent Locator Service under this section, to the extent such costs are not recovered through user fees. Amounts appropriated under this subsection shall remain available until expended.

(p) "Support order" defined

As used in this part, the term "support order" means a judgment, decree, or order, whether temporary, final, or subject to modification, issued by a court or an administrative agency of competent jurisdiction, for the support and maintenance of a child, including a child who has attained the age of majority under the law of the issuing State, or of the parent with whom the child is living, which provides for monetary support, health care, arrearages, or reimbursements that may include related costs and fees, interest and penalties, income withholding, attorneys’ fees, and other relief.


REFERENCES IN TEXT

The Internal Revenue Code of 1986, referred to in subsec. (h)(3), (i)(3), and (l), is classified generally to Title 26, Internal Revenue Code.


 Codification


Amendments

2014—Subsec. (c)(1). Pub. L. 113–183, §302(a), inserted "or Indian tribe or tribal organization (as defined in subsections (e) and (l) of section 5306 of title 25)," after "any State".

Subsec. (c)(5). Pub. L. 113–183, §301(b), added par. (5).


Subsec. (k)(3). Pub. L. 113–183, §301(a), substituted "652(m)" for "652(i)".

2013—Subsec. (j)(11)(G). Pub. L. 113–37 added subpar. (G) and struck out former subpar. (G). Prior to amendment, text read as follows: "The authority under this paragraph shall expire on November 18, 2011.".


Subsec. (k)(3). Pub. L. 109–171, §708, inserted "or section 652(h) of this title" after "pursuant to this section".

1 So in original. Probably should be "subsection".
Subsec. (a). Pub. L. 109–171, §7305, inserted “or the amount appropriated under this paragraph for fiscal year 2002, whichever is greater” before “, which shall be available”. In first sentence and struck out “for each of fiscal years 1997 through 2001” before “shall remain available”.  


1998—Subsec. (a)(2). Pub. L. 105–200, §410(d)(1), (2), in introductory provisions, substituted “parentage or” for “parentage,” and struck out “or making or enforcing child custody or visitation orders,” after “obligations.”.  


Subsec. (1)(2). Pub. L. 105–200, §402(b), amended heading and text of par. (2) generally. Prior to amendment, text read as follows: “Information shall be entered into the database maintained by the National Directory of New Hires within 2 business days of receipt pursuant to section 653a(g)(2) of this title.”.  


1997—Subsec. (a). Pub. L. 105–35, §5534(a)(1), designated existing provisions as par. (1), “substituted for the purposes specified in paragraphs (2) and (3).” for “to obtain and transmit to any authorized person (as defined in subsection (c) of this section), for the purpose of establishing parentage, establishing, setting the amount of, modifying, or enforcing child support obligations, or enforcing child custody or visitation orders,” added par. (2) and (3), and struck out former pars. (1) to (3) which read as follows: “(1) information on, or facilitating the discovery of, the location of any individual—  

(A) who is under an obligation to pay child support or provide child custody or visitation rights;  

(B) against whom such an obligation is sought;  

(C) to whom such an obligation is owed, including the individual’s social security number (or numbers), most recent address, and the name, address, and employer identification number of the individual’s employer;  

(2) information on the individual’s wages (or other income) from, and benefits of, employment (including rights to or enrollment in group health care coverage); and  

(3) information on the type, status, location, and amount of any assets of, or debts owed by or to, any such individual.”.  


Subsec. (b). Pub. L. 105–35, §5534(a)(2), amended subsec. (b) generally, revising and restating former provisions relating to disclosure of information to authorized persons as pars. (1) to (3).  

Subsec. (c)(1). Pub. L. 105–33, §5534(a)(3)(A), struck out “or to seek to enforce orders providing child custody or visitation rights” after “authority to issue an order and”.  

Subsec. (c)(2). Pub. L. 105–33, §5534(a)(3)(B), inserted “or to serve as the initiating court in an action to seek an order after “authority to issue an order and” struck out “or to issue an order against a resident parent for child custody or visitation rights” after “maintenance of a child”.”.  


Subsec. (h)(1). Pub. L. 105–33, §5535(1), inserted “and order” after “with respect to each case”.  

Subsec. (h)(2). Pub. L. 105–33, §1090(a)(2)(A), inserted at end “Beginning not later than October 1, 1999, the information referred to in paragraph (1) shall include the names and social security numbers of the children of such individuals.”.  

Pub. L. 105–33, §5535(2), inserted “and order” after “case” in heading and “or an order” after “with respect to a case” and “or order” after “and the State or States which have the case” in text.  


Subsec. (j)(5). Pub. L. 105–33, §5535(a), inserted “data in each component of the Federal Parent Locator Service maintained under this section and to” before “information”.  

Subsec. (k)(2). Pub. L. 105–33, §5535(b)(2), substituted “section 653a(g)(2) of this title” for “subsection (j)(3) of this section”.  


Pub. L. 105–34, §341(b), in heading substituted “Use of set-aside funds” for “Recovery of costs” and in text substituted “shall be available for use by the Secretary, either directly or through grants, contracts, or interagency agreements,” for “to cover costs incurred by the Secretary” and inserted at end “Amounts appropriated under this subsection for each of fiscal years 1997 through 2001 shall remain available until expended.”.  

Subsec. (p). Pub. L. 105–33, §5543, substituted “of the parent” for “a child and the parent”.  


Subsec. (a). Pub. L. 104–193, §316(a)(1), (e)(1), inserted “Federal” before “Parent Locator Service”, substituted “information described in subsection (a) of this section” for “social security account number (or numbers, if the individual involved has more than one such number) and the most recent address and place of employment of any absent parent”, inserted “Federal” before “Parent Locator Service”, and inserted at end of closing provisions “No information shall be disclosed to any person if the State has notified the Secretary that the State has reasonable evidence of domestic violence or child abuse and the disclosure of such information could be harmful to the custodial parent or the child of such parent. Information received or transmitted pursuant to this section shall be subject to the safeguard provisions contained in section 654(a)(2) of this title.”.  

Subsec. (c)(1). Pub. L. 104–193, §316(b)(1), substituted “support or to seek to enforce orders providing child custody or visitation rights” for “support”.  

Subsec. (c)(2). Pub. L. 104–193, §§316(b)(2), 395(d)(2)(A), substituted “a noncustodial parent” for “an absent parent” and “or to issue an order against a resident parent for child custody or visitation rights, or any agent of such court:” for “, or any agent of such court;”.  


Pub. L. 104–193, §108(c)(10), substituted “assistance under a State program funded under part A” for “aid under part A of this subchapter”.

Page 2055 TITLe 42—THE PUBLIC HEALTH AND WELFARE §653

**Effective Date of 1996 Amendment**

Amounts available under subsec. (o) of this section to be calculated as though amendments made by section 101(e) [title II, § 215] of Pub. L. 104–208 were effective Oct. 1, 1995, see section 101(e) [title II, § 215] of Pub. L. 104–208, as amended, set out as a note under section 652 of this title.

Amendment by section 108(c)(10) of Pub. L. 104–193 effective July 1, 1997, with transition rules relating to State options to accelerate such date, rules relating to claims, actions, and proceedings commenced before such date, rules relating to closing out of accounts for terminated or substantially modified programs and continuance in office of Assistant Secretary for Family Support, and provisions relating to termination of entitlement under AFDC program, see section 116 of Pub. L. 104–193, as amended, set out as an Effective Date note under section 601 of this title.

For provisions relating to effective date of title III of Pub. L. 104–193, see section 359(a)–(c) of Pub. L. 104–193, set out as a note under section 654 of this title.

**Effective Date of 1988 Amendment**

Pub. L. 100–485, title I, § 124(c), Oct. 13, 1988, 102 Stat. 2353, provided that:

“(1) Except as provided in paragraph (2), the amendments made by subsections (a) and (b) [amending this section and sections 503 and 504 of this title] shall become effective on the first day of the first calendar quarter which begins one year or more after the date of the enactment of this Act [Oct. 13, 1988].”

“(2) The Secretary of Health and Human Services and the Secretary of Labor shall enter into the agreement required by the amendment made by subsection (a) [amending this section] not later than 90 days after the date of the enactment of this Act.”

**Effective Date of 1984 Amendment**

Amendment by Pub. L. 98–369 effective July 18, 1984, but not to be construed as changing or affecting any right, liability, status, or interpretation which existed before the date of enactment of this Act [Oct. 13, 1988].

**Effective Date of 1981 Amendment**


**Notice of Purposes for Which Wage and Salary Data Are to Be Used**

Pub. L. 105–200, title IV, § 402(c), July 16, 1998, 112 Stat. 669, provided that: “Within 90 days after the date of the enactment of this Act [July 16, 1998], the Secretary of Health and Human Services shall notify the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate of the specific purposes for which the new hire and the wage and unemployment compensation information in the National Directory of New Hires is to be used. At least 30 days before such information is to be used for a purpose not specified in the notice provided pursuant to the preceding sentence, the Secretary shall notify the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate of such purpose.”

**Report on Data Maintained by National Directory of New Hires**

Pub. L. 105–200, title IV, § 402(d), July 16, 1998, 112 Stat. 669, provided that: “Within 3 years after the date...
of the enactment of this Act [July 16, 1998], the Secretary of Health and Human Services shall submit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate a report on the accuracy of the data maintained by the National Directory of New Hires pursuant to section 453(i) of the Social Security Act [42 U.S.C. 653(i)], and the effectiveness of the procedures designed to provide for the security of such data."

COORDINATION BETWEEN SECRETARIES RELATING TO AMENDMENTS BY PUB. L. 105-34

Pub. L. 105-34, title X, §1009(a)(3), Aug. 5, 1997, 111 Stat. 961, provided that: "The Secretary of the Treasury and the Secretary of Health and Human Services shall consult regarding the implementation issues resulting from the amendments made by this subsection [amending this section and section 654a of this title], including interim deadlines for States that may be able before October 1, 1999, to provide the data required by such amendments. The Secretaries shall report to Congress on the results of such consultation."

REQUIREMENT FOR COOPERATION

Pub. L. 104-193, title III, §316(h), Aug. 22, 1996, 110 Stat. 2220, provided that: "The Secretary of Labor and the National Directory of New Hires as established pursuant to the amendments made by this subtitle [subtitle B (§§ 311–317) of title III of Pub. L. 104–193, enacting sections 653a and 654b of this title] and sections 3304 and 6103 of Title 13, Internal Revenue Code of 1986; and amending this section, sections 503, 654, 654a, 666, 1200b–7 of this title, and sections 3304 and 6103 of Title 26, Internal Revenue Code]. In developing these methods the Secretaries shall take into account the impact, including costs, on the States, and shall also consider the need to insure the proper and authorized use of wage record information."

EXECUTIVE AGENCIES TO FACILITATE PAYMENT OF CHILD SUPPORT


§653a. State Directory of New Hires

(a) Establishment

(1) In general

(A) Requirement for States that have no directory

Except as provided in subparagraph (B), not later than October 1, 1997, each State shall establish an automated directory (to be known as the "State Directory of New Hires") which shall contain information supplied in accordance with subsection (b) by employers on each newly hired employee.

(B) States with new hire reporting law in existence

A State which has a new hire reporting law in existence on August 22, 1996, may continue to operate under the State law, but the State must meet the requirements of subsection (g)(2) not later than October 1, 1997, and the requirements of this section (other than subsection (g)(2) not later than October 1, 1998.

(2) Definitions

As used in this section:

(A) Employee

The term "employee"—

(i) means an individual who is an employee within the meaning of chapter 24 of the Internal Revenue Code of 1986; and

(ii) does not include an employee of a Federal or State agency performing intelligence or counterintelligence functions, if the head of such agency has determined that reporting pursuant to paragraph (1) with respect to the employee could endanger the safety of the employee or compromise an ongoing investigation or intelligence mission.

(B) Employer

(i) In general

The term "employer" has the meaning given such term in section 3401(d) of the Internal Revenue Code of 1986 and includes any governmental entity and any labor organization.

(ii) Labor organization

The term "labor organization" shall have the meaning given such term in section 152(5) of title 29, and includes any entity (also known as a "hiring hall") which is used by the organization and an employer to carry out requirements described in section 158(f)(3) of title 29 of an agreement between the organization and the employer.

(C) Newly hired employee

The term "newly hired employee" means an employee who—

(i) has not previously been employed by the employer; or

(ii) was previously employed by the employer but has been separated from such prior employment for at least 60 consecutive days.

(b) Employer information

(1) Reporting requirement

(A) In general

Except as provided in subparagraphs (B) and (C), each employer shall furnish to the Directory of New Hires of the State in which a newly hired employee works, a report that contains the name, address, and social security number of the employee, the date services for remuneration were first performed by the employee, and the name and address of, and identifying number assigned under section 6109 of the Internal Revenue Code of 1986 to, the employer.

(B) Multistate employers

An employer that has employees who are employed in 2 or more States and that transmits reports magnetically or electronically may comply with subparagraph (A) by designating 1 State in which such employer has employees to which the employer will transmit the report described in subparagraph (A), and transmitting such report to such State. Any employer that transmits reports pursuant to this subparagraph shall notify the Secretary in writing as to which State such employer designates for the purpose of sending reports.

(C) Federal Government employers

Any department, agency, or instrumentality of the United States shall comply with
§ 653a  

(c) Reporting format and method

Each report required by subsection (b) shall, to the extent practicable, be made on a W-4 form or, at the option of the employer, an equivalent form, and may be transmitted by 1st class mail, magnetically, or electronically.

(d) Civil money penalties on noncomplying employers

The State shall have the option to set a State civil money penalty which shall not exceed—

(1) $25 per failure to meet the requirements of this section with respect to a newly hired employee; or

(2) $500 if, under State law, the failure is the result of a conspiracy between the employer and the employee to not supply the required report or to supply a false or incomplete report.

(e) Entry of employer information

Information shall be entered into the data base maintained by the State Directory of New Hires within 5 business days of receipt from an employer pursuant to subsection (b).

(f) Information comparisons

(1) In general

Not later than May 1, 1998, an agency designated by the State shall, directly or by contract, conduct automated comparisons of the social security numbers reported by employers pursuant to subsection (b) and the social security numbers appearing in the records of the State case registry for cases being enforced under the State plan.

(2) Notice of match

When an information comparison conducted under paragraph (1) reveals a match with respect to the social security number of an individual required to provide support under a support order, the State Directory of New Hires shall provide the agency administering the State plan approved under this part of the appropriate State with the name, address, and social security number of the employee to whom the social security number is assigned, and the name and address of, and identifying number assigned under section 6109 of the Internal Revenue Code of 1986 to, the employer.

(g) Transmission of information

(1) Transmission of wage withholding notices to employers

Within 2 business days after the date information regarding a newly hired employee is entered into the State Directory of New Hires, the State agency enforcing the employee’s child support obligation shall transmit a notice to the employer of the employee directing the employer to withhold from the income of the employee an amount equal to the monthly (or other periodic) child support obligation (including any past due support obligation) of the employee, unless the employee’s income is not subject to withholding pursuant to section 666(b)(3) of this title.

(2) Transmissions to the National Directory of New Hires

(A) New hire information

Within 3 business days after the date information regarding a newly hired employee is entered into the State Directory of New Hires, the State Directory of New Hires shall furnish the information to the National Directory of New Hires.

(B) Wage and unemployment compensation information

The State Directory of New Hires shall, on a quarterly basis, furnish to the National Directory of New Hires information concerning the wages and unemployment compensation paid to individuals, by such dates, in such format, and containing such information as the Secretary of Health and Human Services shall specify in regulations.

(3) “Business day” defined

As used in this subsection, the term “business day” means a day on which State offices are open for regular business.

(h) Other uses of new hire information

(1) Location of child support obligors

The agency administering the State plan approved under this part shall use information received pursuant to subsection (f)(2) to locate individuals for purposes of establishing paternity and establishing, modifying, and enforcing child support obligations, and may disclose such information to any agent of the agency that is under contract with the agency to carry out such purposes.

(2) Verification of eligibility for certain programs

A State agency responsible for administering a program specified in section 1320b–7(b) of this title shall have access to information reported by employers pursuant to subsection (b) of this section for purposes of verifying eligibility for the program.

(3) Administration of employment security and workers’ compensation

State agencies operating employment security and workers’ compensation programs shall have access to information reported by employers pursuant to subsection (b) for the purposes of administering such programs. 

REFERENCES IN TEXT
The Internal Revenue Code of 1986, referred to in subsec. (a)(2), (b)(1)(A), and (f)(2), is classified generally to Title 26, Internal Revenue Code.

AMENDMENTS

2010—Subsec. (b)(1)(A). Pub. L. 111–291, §802(a), inserted “the date services for remuneration were first performed by the employee,” after “of the employee.’’. Subsec. (c). Pub. L. 111–291, §802(b), inserted ‘‘to the extent practicable.’’ after “Each report required by subsection (b) shall’’.

1997—Subsec. (d). Pub. L. 105–33, §5533(1), substituted “shall not exceed” for “shall be less than” in introductory provisions and “$25 per failure to meet the requirements of this section with respect to a newly hired employee” for “$25” in par. (1).

Subsec. (g)(2)(B). Pub. L. 105–33, §5533(2), substituted “information” for “extracts of the reports required under section 503(a)(6) of this title to be made to the Secretary of Labor’’.

EFFECTIVE DATE OF 2011 AMENDMENT
Pub. L. 112–40, title II, §253(b), Oct. 21, 2011, 125 Stat. 422, provided that:

“(1) IN GENERAL.—Subject to paragraph (2), the amendments made by this section [amending this section] shall take effect 6 months after the date of the enactment of this Act [Oct. 21, 2011].

“(2) COMPLIANCE TRANSITION PERIOD.—If the Secretary of Health and Human Services determines that State legislation (other than legislation appropriating funds) is required in order for a State plan under part D of title IV of the Social Security Act [42 U.S.C. 651 et seq.] to meet the additional requirement imposed by the amendment made by subsection (a) [amending this section], the plan shall not be regarded as failing to meet such requirement before the first day of the second calendar quarter beginning after the close of the first regular session of the State legislature that begins after the effective date of such amendment. If the State has a 2-year legislative session, each year of the session is deemed to be a separate regular session of the State legislature.’’

EFFECTIVE DATE OF 2010 AMENDMENT
Pub. L. 111–291, title VIII, §802(c), Dec. 8, 2010, 124 Stat. 3157, provided that:

“(1) IN GENERAL.—Subject to paragraph (2), the amendments made by this section [amending this section] shall take effect 6 months after the date of the enactment of this Act [Dec. 8, 2010].

“(2) COMPLIANCE TRANSITION PERIOD.—If the Secretary of Health and Human Services determines that State legislation (other than legislation appropriating funds) is required in order for a State plan under part D of title IV of the Social Security Act [42 U.S.C. 651 et seq.] to meet the additional requirements imposed by the amendment made by subsection (a) [amending this section], the plan shall not be regarded as failing to meet such requirement before the first day of the second calendar quarter beginning after the close of the first regular session of the State legislature that begins after the effective date of such amendment. If the State has a 2-year legislative session, each year of the session is deemed to be a separate regular session of the State legislature.’’

EFFECTIVE DATE OF 1997 AMENDMENT

EFFECTIVE DATE
For effective date of section, see section 365(a)–(c) of Pub. L. 104–193, set out as an Effective Date of 1996 Amendment note under section 654 of this title.

§ 654. State plan for child and spousal support
A State plan for child and spousal support must—

(1) provide that it shall be in effect in all political subdivisions of the State;

(2) provide for financial participation by the State;

(3) provide for the establishment or designation of a single and separate organizational unit, which meets such staffing and organizational requirements as the Secretary may by regulation prescribe, within the State to administer the plan;

(4) provide that the State will—

(A) provide services relating to the establishment of paternity or the establishment, modification, or enforcement of child support obligations, as appropriate, under the plan with respect to—

(i) each child for whom (I) assistance is provided under the State program funded under part A of this subchapter, (II) benefits or services for foster care maintenance are provided under the State program funded under part E of this subchapter, (III) medical assistance is provided under the State plan approved under subchapter XIX, or (IV) cooperation is required pursuant to paragraph (2); or

(ii) any other child, if an individual applies for such services with respect to the child (except that, if the individual applying for the services resides in a foreign reciprocating country or foreign treaty country, the State may opt to require the individual to request the services through the Central Authority for child support enforcement in the foreign reciprocating country or the foreign treaty country, and if the individual resides in a foreign country that is not a foreign reciprocating country or a foreign treaty country, a State may accept or reject the application); and

(B) enforce any support obligation established with respect to—

(i) a child with respect to whom the State provides services under the plan; or

(ii) the custodial parent of such a child;

(5) provide that (A) in any case in which support payments are collected for an individual with respect to whom an assignment pursuant to section 608(a)(3) of this title is effective, such payments shall be made to the State for distribution pursuant to section 657 of this title and shall not be paid directly to the family, and the individual will be notified on a monthly basis (or on a quarterly basis for so long as the Secretary determines with respect to a State that requiring such notice on a monthly basis would impose an unreasonable administrative burden) of the amount of the support payments collected, and (B) in any case in which support payments are collected for an individual pursuant to the assignment made under section 1396k of this title, such payments shall be made to the State for distribution pursuant to section 1396k of this
§ 654

for medical assistance; such payments for any month after the month title, except that this clause shall not apply to such payments for any month after the month in which the individual ceases to be eligible for medical assistance;

(6) provide that:

(A) services under the plan shall be made available to residents of other States on the same terms as to residents of the State submitting the plan;

(B)(i) an application fee for furnishing such services shall be imposed on an individual, other than an individual receiving assistance under a State program funded under part A or E, or under a State plan approved under subchapter XIX, or who is required by the State to cooperate with the State agency administering the program under this part pursuant to subsection (l) or (m) of section 2015 of title 7, and shall be paid by the individual applying for such services, or recovered from the absent parent, or paid by the State out of its own funds (the payment of which from State funds shall not be considered as an administrative cost of the State for the operation of the plan, and shall be considered income to the program), the amount of which (I) will not exceed $25 (or such higher or lower amount (which shall be uniform for all States) as the Secretary may determine to be appropriate for any fiscal year to reflect increases or decreases in administrative costs), and (II) may vary among such individuals on the basis of ability to pay (as determined by the State); and

(ii) in the case of an individual who has never received assistance under a State program funded under part A and for whom the State has collected at least $550 of support, the State shall impose an annual fee of $35 for each case in which services are furnished, which shall be retained by the State from support collected on behalf of the individual (but not from the first $550 so collected), paid by the individual applying for the services, recovered from the absent parent, or paid by the State out of its own funds (the payment of which from State funds shall not be considered as an administrative cost of the State for the operation of the plan, and the fees shall be considered income to the program);

(C) a fee of not more than $25 may be imposed in any case where the State requests the Secretary of the Treasury to withhold past-due support owed to or on behalf of such individual from a tax refund pursuant to section 664(a)(2) of this title;

(D) a fee (in accordance with regulations of the Secretary) for performing genetic tests may be imposed on any individual who is not a recipient of assistance under a State program funded under part A; and

(E) any costs in excess of the fees so imposed may be collected—

(i) from the parent who owes the child or spousal support obligation involved; or

(ii) at the option of the State, from the individual to whom such services are made available, but only if such State has in effect a procedure whereby all persons in such State having authority to order child or spousal support are informed that such costs are to be collected from the individual to whom such services were made available;

(7) provide for entering into cooperative arrangements with appropriate courts and law enforcement officials and Indian tribes or tribal organizations (as defined in subsections (e) and (l) of section 5304 of title 25) (A) to assist the agency administering the plan, including the entering into of financial arrangements with such courts and officials in order to assure optimum results under such program, and (B) with respect to any other matters of common concern to such courts or officials and the agency administering the plan;

(8) provide that, for the purpose of establishing parentage, establishing, setting the amount of, modifying, or enforcing child support obligations, or making or enforcing a child custody or visitation determination, as defined in section 663(d)(1) of this title the agency administering the plan will establish a service to locate parents utilizing—

(A) all sources of information and available records; and

(B) the Federal Parent Locator Service established under section 653 of this title, and shall, subject to the privacy safeguards required under paragraph (26), disclose only the information described in sections 653 and 663 of this title to the authorized persons specified in such sections for the purposes specified in such sections;

(9) provide that the State will, in accordance with standards prescribed by the Secretary, cooperate with any other State—

(A) in establishing paternity, if necessary;

(B) in locating a noncustodial parent residing in the State (whether or not permanently) against whom any action is being taken under a program established under a plan approved under this part in another State;

(C) in securing compliance by a noncustodial parent residing in such State (whether or not permanently) with an order issued by a court of competent jurisdiction against such parent for the support and maintenance of the child or children or the parent of such child or children with respect to whom aid is being provided under the plan of such other State;

(D) in carrying out other functions required under a plan approved under this part; and

(E) not later than March 1, 1997, in using the forms promulgated pursuant to section 652(a)(11) of this title for income withholding, imposition of liens, and issuance of administrative subpoenas in interstate child support cases;

(10) provide that the State will maintain a full record of collections and disbursements made under the plan and have an adequate reporting system;

(11)(A) provide that amounts collected as support shall be distributed as provided in section 657 of this title; and

(B) provide that any payment required to be made under section 656 or 657 of this title to a
family shall be made to the resident parent, legal guardian, or caretaker relative having custody of or responsibility for the child or children;

(12) provide for the establishment of procedures to require the State to provide individuals who are applying for or receiving services under the State plan, or who are parties to cases in which services are being provided under the State plan—

(A) with notice of all proceedings in which support obligations might be established or modified; and

(B) with a copy of any order establishing or modifying a child support obligation, or (in the case of a petition for modification) a notice of determination that there should be no change in the amount of the child support award, within 14 days after issuance of such order or determination;

(13) provide that the State will comply with such other requirements and standards as the Secretary determines to be necessary to the establishment of an effective program for locating noncustodial parents, establishing paternity, obtaining support orders, and collecting support payments and provide that information requests by parents who are residents of other States be treated with the same priority as requests by parents who are residents of the State submitting the plan;

(14)(A) comply with such bonding requirements, for employees who receive, disburse, handle, or have access to, cash, as the Secretary shall by regulations prescribe;

(B) maintain methods of administration which are designed to assure that persons responsible for handling cash receipts shall not participate in accounting or operating functions which would permit them to conceal in the accounting records the misuse of cash receipts (except that the Secretary shall by regulations provide for exceptions to this requirement in the case of sparsely populated areas where the hiring of unreasonable additional staff would otherwise be necessary);

(15) provide for—

(A) a process for annual reviews of and reports to the Secretary on the State program operated under the State plan approved under section 653 of this title, and take all steps necessary to implement and utilize such procedures;

(B) shall have in effect all of the laws to improve child support enforcement collection and paternity determination process under such plan;

(17) provide that the State will have in effect an agreement with the Secretary entered into pursuant to section 663 of this title for the use of the Parent Locator Service established under section 653 of this title, and provide that the State will accept and transmit to the Secretary requests for information authorized under the provisions of the agreement to be furnished by such Service to authorized persons, will impose and collect (in accordance with regulations of the Secretary) a fee sufficient to cover the costs to the State and to the Secretary incurred by reason of such requests, will transmit to the Secretary from time to time (in accordance with such regulations) so much of the fees collected as are attributable to such costs to the Secretary so incurred, and during the period that such agreement is in effect will otherwise comply with such agreement and regulations of the Secretary with respect thereto;

(18) provide that the State has in effect procedures necessary to obtain payment of past-due support from overpayments made to the Secretary of the Treasury as set forth in section 664 of this title, and take all steps necessary to implement and utilize such procedures;

(19) provide that the agency administering the plan—

(A) shall determine on a periodic basis, from information supplied pursuant to section 508 of the Unemployment Compensation Amendments of 1976, whether any individuals receiving unemployment compensation under the State’s unemployment compensation law (including amounts payable pursuant to any agreement under any Federal unemployment compensation law) owe child support obligations which are being enforced by such agency and

(B) shall enforce any such child support obligations which are owed by such an individual but are not being met—

(i) through an agreement with such individual to have specified amounts withheld from compensation otherwise payable to such individual and by submitting a copy of any such agreement to the State agency administering the unemployment compensation law; or

(ii) in the absence of such an agreement, by bringing legal process (as defined in section 659(i)(5) of this title) to require the withholding of amounts from such compensation;

(20) provide, to the extent required by section 666 of this title, that the State (A) shall have in effect all of the laws to improve child
support enforcement effectiveness which are referred to in that section, and (B) shall implement the procedures which are prescribed in or pursuant to such laws;

(21)(A) at the option of the State, impose a late payment fee on all overdue support (as defined in section 666(e) of this title) under any obligation being enforced under this part in an amount equal to a uniform percentage determined by the State (not less than 3 percent nor more than 6 percent) of the overdue support, which shall be payable by the noncustodial parent owing the overdue support; and

(B) assure that the fee will be collected in addition to, and only after full payment of, the overdue support, and that the imposition of the late payment fee shall not directly or indirectly result in a decrease in the amount of the support which is paid to the child (or spouse) to whom, or on whose behalf, it is owed;

(22) in order for the State to be eligible to receive any incentive payments under section 658a of this title, provide that, if one or more political subdivisions of the State participate in the costs of carrying out activities under the State plan during any period, each such subdivision shall be entitled to receive an appropriate share (as determined by the State) of any such incentive payments made to the State for such period, taking into account the efficiency and effectiveness of the activities carried out under the State plan by such political subdivision;

(23) provide that the State will regularly and frequently publicize, through public service announcements, the availability of child support enforcement services under the plan and otherwise, including information as to any application fees for such services and a telephone number or postal address at which further information may be obtained and will publicize the availability and encourage the use of procedures for voluntary establishment of paternity and child support by means the State deems appropriate;

(24) provide that the State will have in effect an automated data processing and information retrieval system—

(A) by October 1, 1997, which meets all requirements of this part which were enacted before October 13, 1996; and

(B) by October 1, 2000, which meets all requirements of this part enacted on or before August 22, 1996, except that such deadline shall be extended by 1 day for each day (if any) by which the Secretary fails to meet any such disclosure; and

(25) provide that if a family with respect to which services are provided under the plan ceases to receive assistance under the State program funded under part A, the State shall provide appropriate notice to the family and continue to provide such services, subject to the same conditions and on the same basis as in the case of other individuals to whom services are furnished under the plan, except that an application or other request to continue services shall not be required of such a family and paragraph (6)(B) shall not apply to the family;

(26) have in effect safeguards, applicable to all confidential information handled by the State agency, that are designed to protect the privacy rights of the parties, including—

(A) safeguards against unauthorized use or disclosure of information relating to proceedings or actions to establish paternity, or to establish, modify, or enforce support, or to make or enforce a child custody determination;

(B) prohibitions against the release of information on the whereabouts of 1 party or the child to another party against whom a protective order with respect to the former party or the child has been entered;

(C) prohibitions against the release of information on the whereabouts of 1 party or the child to another person if the State has reason to believe that the release of the information to that person may result in physical or emotional harm to the party or the child;

(D) in cases in which the prohibitions under subparagraphs (B) and (C) apply, the requirement to notify the Secretary, for purposes of section 653(b)(2) of this title, that the State has reasonable evidence of domestic violence or child abuse against a party or the child and that the disclosure of such information could be harmful to the party or the child; and

(E) procedures providing that when the Secretary discloses information about a parent or child to a State court or an agent of a State court described in section 653(c)(2) or 663(d)(2)(B) of this title, and advises that court or agent that the Secretary has been notified that there is reasonable evidence of domestic violence or child abuse pursuant to section 653(b)(2) of this title, the court shall determine whether disclosure to any other person of information received from the Secretary could be harmful to the parent or child and, if the court determines that disclosure to any other person could be harmful, the court and its agents shall not make any such disclosure;

(27) provide that, on and after October 1, 1998, the State agency will—

(A) operate a State disbursement unit in accordance with section 654b of this title; and

(B) have sufficient State staff (consisting of State employees) and (at State option) contractors reporting directly to the State agency to—

(i) monitor and enforce support collections through the unit in cases being enforced by the State pursuant to paragraph (4) (including carrying out the automated data processing responsibilities described in section 654a(g) of this title); and

(ii) take the actions described in section 666(c)(1) of this title in appropriate cases;

(28) provide that, on and after October 1, 1997, the State will operate a State Directory of New Hires in accordance with section 653a of this title;
(29) provide that the State agency responsible for administering the State plan—
(A) shall make the determination (and re-
determination at appropriate intervals) as to
whether a person who has applied for or is receiving assistance under the State
program funded under part A, the State pro-
gram under part E, the State program under subchapter XIX, or the supplemental nu-
trition assistance program, as defined under
section 2012(l) of title 7, is cooperating in
good faith with the State in establishing the
paternity of, or in establishing, modifying,
or enforcing a support order for, any child of
the individual by providing the State agency
with the name of, and such other informa-
tion as the State agency may require with
respect to, the noncustodial parent of the
child, subject to good cause and other excep-
tions which—
(i) in the case of the State program fund-
ed under part A, the State program under
part E, or the State program under sub-
chapter XIX shall, at the option of the
State, be defined, taking into account the
best interests of the child, and applied in
each case, by the State agency adminis-
tering such program; and
(ii) in the case of the supplemental nu-
trition assistance program, as defined
under section 2012(l) of title 7, shall be
defined and applied in each case under that
program in accordance with section
2012(l)(2) of title 7;
(B) shall require the individual to supply
additional necessary information and appear
at interviews, hearings, and legal proceed-
ings;
(C) shall require the individual and the
child to submit to genetic tests pursuant to
judicial or administrative order;
(D) may request that the individual sign a
voluntary acknowledgment of paternity,
after notice of the rights and consequences
of such an acknowledgment, but may not re-
quire the individual to sign an acknowledg-
ment or otherwise relinquish the right to ge-
netic tests as a condition of cooperation and
eligibility for assistance under the State
program funded under part A, the State
program under part E, the State program under subchapter XIX, or the supplemental nu-
trition assistance program, as defined under
section 2012(l) of title 7;
(E) shall promptly notify the individual
and the State agency administering the
State program funded under part A, the State
agency administering the State program
under part E, the State agency adminis-
tering the State program under subchapter
XIX, or the State agency administering the
supplemental nutrition assistance program,
as defined under section 2012(l) of title 7, of
each such determination and if noncooper-
a tion is determined, the basis therefor;
(30) provide that the State shall use the defi-
nitions established under section 652(a)(5) of
this title in collecting and reporting informa-
tion as required under this part;
(31) provide that the State agency will have in
effect a procedure for certifying to the Sec-
retary, for purposes of the procedure under
section 652(k) of this title, determinations
that individuals owe arrearages of child sup-
port in an amount exceeding $2,500, under
which procedure—
(A) each individual concerned is afforded
notice of such determination and the conse-
quences thereof, and an opportunity to con-
test the determination; and
(B) the certification by the State agency is
furnished to the Secretary in such format,
and accompanied by such supporting docu-
mentation, as the Secretary may require;
(32)(A) provide that any request for services
under this part by a foreign reciprocating
country, a foreign treaty country, or a foreign
country with which the State has an arrange-
ment described in section 659a(d) of this title
shall be treated as a request by a State;
(B) provide, at State option, notwithstand-
ing paragraph (4) or any other provision of this
part, for services under the plan for enforce-
ment of a spousal support order not described
in paragraph (4)(B) entered by such a country
(or subdivision); and
(C) provide that no applications will be re-
quired from, and no costs will be assessed for
such services against, the foreign reciprocat-
ing country, foreign treaty country, or foreign
individual (but costs may at State option be
assessed against the obligor);
(33) provide that a State that receives fund-
ing pursuant to section 629 of this title and
that has within its borders Indian country (as
defined in section 1511 of title 18) may enter
into cooperative agreements with an Indian
tribe or tribal organization (as defined in sub-
sections (e) and (f) of section 5304 of title 25),
if the Indian tribe or tribal organization dem-
onstrates that such tribe or organization has
an established tribal court system or a Court
of Indian Offenses with the authority to estab-
lish paternity, establish, modify, or enforce
support orders, or to enter support orders in
accordance with child support guidelines es-
ablished or adopted by such a tribe or organiza-
tion, under which the State and tribe or orga-
nization shall provide for the cooperative de-
ivery of child support enforcement services in
Indian country and for the forwarding of all
collections pursuant to the functions per-
formed by the tribe or organization to the
State agency, or conversely, by the State
agency to the tribe or organization, which
shall distribute such collections in accordance
with such agreement; and
(34) include an election by the State to apply
section 657(a)(2)(B) of this title or former sec-
tion 657(a)(2)(B) of this title (as in effect for
the State immediately before the date this
paragraph first applies to the State) to the
distribution of the amounts which are the sub-
ject of such sections and, for so long as the
State elects to so apply such former section,
the amendments made by subsection (b)(1) of
section 7301 of the Deficit Reduction Act of
2005 shall not apply with respect to the State,
notwithstanding subsection (e) of such section
7301.
The State may allow the jurisdiction which makes the collection involved to retain any application fee under paragraph (6)(B) or any late payment fee under paragraph (21). Nothing in paragraph (33) shall void any provision of any cooperative agreement entered into before August 22, 1996, nor shall such paragraph deprive any State of jurisdiction over Indian country (as so defined) that is lawfully exercised under section 1322 of title 25.


Par. (30)(A). Pub. L. 106–169, § 401(g)(3), substituted “any foreign reciprocating country” for “any foreign country that is not a foreign reciprocating country or a foreign treaty country”, and if the individual resides in a foreign country that is not a foreign reciprocating country or a foreign treaty country, and as so defined) that is lawfully exercised under section 1322 of title 25.


Par. (33)(A). Pub. L. 106–169, § 401(g)(3), struck out, and a new section 2012(t) of title 7 similarly defined “supplemental nutrition assistance program” for “food stamp program” wherever appearing and made technical amendment to references in original act which appear in text as references to sections 2015(b)(2) and 2015(b)(3) of title 7.

Par. (34). Pub. L. 107–31, § 5531(a), designated existing provisions as cl. (i), redesignated former cl. (i) as (ii) as subcl. (I) and (ii), respectively, of cl. (i), and added cl. (ii).

Par. (35). Pub. L. 107–31, § 5531(a), substituted “supplemental nutrition assistance program” for “food stamp program” wherever appearing and made technical amendment to references in original act which appear in text as references to sections 2015(b)(2) and 2015(b)(3) of title 7.

Par. (36). Pub. L. 107–31, § 5531(a), designated existing provisions as cl. (i), redesignated former cl. (i) as cl. (ii) as subcl. (I) and (ii), respectively, of cl. (i), and added cl. (ii).
§ 654

records of such individuals on a periodic basis with
port in more than one jurisdiction, (II) checking of
itions to permit periodic screening to determine wheth-
ng postal ZIP codes) of any individual with respect to
maintaining the data necessary to meet the Federal re-
or enforced and with respect to any person to whom
upport obligations are sought to be established
and distribution of support payments (both intra- and
cluding, but not limited to, (I) identifiable correlation
actors (such as social security numbers, names, dates
ation by the State agency'' after ''for the es-
654a of this title'' after ''information retrieval system'',
tablishment'' and ''meeting the requirements of section
ar with subpart (e) and (i) of section 5384 of title 25'' after “law enforce-

substituted “noncustodial” for “absent” in introductory pro-

substituted “noncustodial” parent” for “absent parent”.

subparagraph (D) applied to subpart (E) as a unit.

(f) and (g) were headings.

Pub. L. 104–193, § 343(b), added par. (29).


Pub. L. 104–193, § 312(a), added par. (27).

Pub. L. 104–193, § 303(a), added par. (26).


Pub. L. 104–193, § 301(b), added par. (25).

Pub. L. 104–193, § 342(a), redesignated par. (12) as par.

1984—Par. (4)(B), Pub. L. 98–378, §11(b)(1), inserted "including an assignment with respect to a child on whose behalf a State agency is making foster care maintenance payments under part E of this subchapter," after "such assignment is effective," and inserted "or E" after "part A".

Par. (4)(B), Pub. L. 98–378, §12(a), amended "and," for clause at the option of the State, "before from such parent," and inserted ", and only if the support obligation established with respect to the child is being enforced under the plan."

Par. (5), Pub. L. 98–378, §5(e), inserted ", and the individual will be notified at least annually of the amount of the support payments collected.".

Par. (6)(A), Pub. L. 98–378, §12(b), struck out ", at the option of the State," before "support collection services" and inserted ", and only if the support obligation established with respect to the child is being enforced under the plan."

Par. (6)(B), Pub. L. 98–378, §3(c), substituted "shall be imposed, which shall be paid by the individual applying for such services, or recovered from the absent parent, or paid by the State out of its own funds the payment of which from State funds shall not be considered as an administrative cost of the State for the operation of the plan, and shall be considered income to the program, the amount of which from State funds shall not exceed $25 (or such higher or lower amount which shall be uniform for all States) as the Secretary may determine to be appropriate for any fiscal year to reflect increases or decreases in administrative costs), and (ii) may vary among such individuals on the basis of ability to pay (as determined by the State), and" for "may be imposed, except that the amount of any such application fee shall be reasonable, as determined under regulations of the Secretary."


Former cl. (C) redesignated (D).

Par. (6)(D), Pub. L. 98–378, §21(d)(1), (2), redesignated former cl. (C) as (D) and substituted "fees" for "fee" before "so imposed".


Par. (9)(C), Pub. L. 98–369, §2663(c)(14)(A), struck out "of such parent" before "with respect to whom aid"


Par. (18)(D), (C), Pub. L. 98–378, §16(a), added cl. (D) and redesignated former cl. (D) as (E).

Par. (17), Pub. L. 98–378, §2663(c)(14)(C), realigned margin, substituted "provide that the State will accept" for "will accept" for "and impose", "will transmit" for "to transmit”, and "will otherwise comply" for ", otherwise to comply".

Par. (20), Pub. L. 98–378, §3(a), added par. (20).

Par. (21), Pub. L. 98–378, §5(d), added par. (21).

Par. (22), Pub. L. 98–378, §5(b), added par. (22).

Par. (23), Pub. L. 98–378, §14(a), added par. (23).

Pub. L. 98–378, §3(f), inserted after numbered paragraphs provision that the State may allow the jurisdiction which makes the collection involved to retain any application fee under par. (6)(B) or any late payment fee under par. (21).

1982—Par. (6), Pub. L. 97–248, §173(a), added "following the first month after "for any month".

Par. (6), Pub. L. 97–248, §171(a), in cl. (A) inserted provisions relating to inclusion of, at the option of the State, support collection services for the spouse or former spouse, in cl. (B) substituted "such services" for "services under the State plan (other than collection of support)" and in cl. (C) substituted provisions relating to collection of any costs in excess of the fee imposed, for provisions relating to the State retaining any fee imposed under State law as required under former par. (19).

1981—Pub. L. 97–95, §933, substituted "and, at the option of the State, the individual will be notified at least annually of the amount of the support payments collected.".

Par. (6)(B), Pub. L. 97–95, §933(a)(1), substituted "services under the State plan (other than collection of support)" for "such services".

Par. (6)(C), Pub. L. 97–95, §933(a)(2), added the State will retain, but only if it is the State which makes the collection, the fee imposed under State law as required under paragraph (19) for "any costs in excess of the fee so imposed may be collected from such individual by deducting such costs from the amount of any recovery made".

Par. (9)(C), Pub. L. 97–95, §933(d)(5), substituted of the child or children or the parent of such child or children for "of a child or children", the amount of which from State funds shall not exceed $25 (or such higher or lower amount which shall be uniform for all States) as the Secretary may determine to be appropriate for any fiscal year to reflect increases or decreases in administrative costs), and (ii) may vary among such individuals on the basis of ability to pay (as determined by the State), and" for "may be imposed, except that the amount of any such application fee shall be reasonable, as determined under regulations of the Secretary."

Par. (11), Pub. L. 97–95, §933(d)(6), substituted "collected as support" for "collected as child support".

Par. (16), Pub. L. 97–95, §933(d)(7), substituted "support enforcement" for "child support enforcement", "whom support obligations" for "whom child support obligations", and "obligated to pay support" for "obligated to pay child support".

Par. (18), Pub. L. 97–95, §933(b), added par. (18).

Par. (19), Pub. L. 97–95, §933(b), added par. (19).

Par. (20), Pub. L. 97–95, §933(a), added par. (20).


Par. (17), Pub. 96–611 added par. (17).

1977—Pars. (14), (15), Pub. L. 95–50 added pars. (14) and (15).

1975—Par. (4)(A), Pub. L. 94–88, §208(b), substituted to establish the paternity of such child, unless the agency administers the plan of the State under part A of this subchapter determines in accordance with the standards prescribed by the Secretary pursuant to section 602(a)(26)(B) of this title that it is against the best interests of the child to do so” for “to establish the paternity of such child”.

Par. (4)(B), Pub. L. 94–88, §208(c), substituted "reciprocal arrangements adopted with other States (unless the agency administering the plan of the State under part A of this subchapter determines in accordance with the standards prescribed by the Secretary pursuant to section 602(a)(26)(B) of this title that it is against the best interests of the child to do so)" for "reciprocal arrangements adopted with other States”.

Effective Date of 2018 Amendment

Pub. L. 115–123, div. E, title XII, §53117(b), Feb. 9, 2018, 132 Stat. 307, provided that:

“(1) IN GENERAL—The amendments made by subsection (a) (amending this section) shall take effect on the 1st day of the 1st fiscal year that begins on or after the date of the enactment of this Act [Feb. 9, 2018], and shall apply to payments under part D of title IV of the Social Security Act (42 U.S.C. 651 et seq.) for calendar quarters beginning on or after such 1st day.

“(2) DELAY PERMITTED IF STATE LEGISLATION REQUIRED.—If the Secretary of Health and Human Services determines that State legislation (other than legislation appropriating funds) is required in order for a State plan developed pursuant to part D of title IV of the Social Security Act (42 U.S.C. 651 et seq.) to meet such requirements imposed by the amendment made by subsection (a), the plan shall not be regarded as failing to meet such requirements before the 1st day of the 1st calendar quarter beginning after the first regular session of the State legislature that begins after the date of the enactment of this Act. For purposes of the pre-
ceding sentence, if the State has a 2-year legislative session, each year of the session is deemed to be a separate regular session of the State legislature."

**Effective Date of 2008 Amendment**


**Effective Date of 2006 Amendment**

Amendment by section 7301(b)(1)(C) of Pub. L. 109–171 effective Oct. 1, 2009, and applicable to payments under parts A and D of this subchapter for calendar quarters beginning on or after such date, subject to certain State options, see section 7301(e) of Pub. L. 109–171, set out as a note under section 608 of this title.

Amendment by section 7308(b) of Pub. L. 109–171 effective Oct. 1, 2006, see section 7308(c) of Pub. L. 109–171, set out as a note under section 652 of this title.

**Effective Date of 1999 Amendment**


**Effective Date of 1997 Amendment**


**Effective Date of 1996 Amendment**

Amendment by section 108(c)(11), (12) of Pub. L. 104–193 effective July 1, 1997, with transition rules relating to State options to expedite such date, rules relating to claims, actions, and proceedings commenced before such date, rules relating to closing out of accounts for terminated or substantially modified programs and continuance in office of Assistant Secretary for Family Support, and provisions relating to termination of entitlement under AFDC program, see section 116 of Pub. L. 104–193, as amended, set out as an Effective Date note under section 601 of this title.


Pub. L. 104–193, title III, §303(b), Aug. 22, 1996, 110 Stat. 2205, provided that: "The amendment made by subsection (a) [amending this section] shall become effective on October 1, 1997."

Pub. L. 104–193, title III, §§304(b), Aug. 22, 1996, 110 Stat. 2205, provided that: "The amendment made by subsection (a) [amending this section] shall become effective upon the date of the enactment of this Act [Aug. 22, 1996]."

"(b) GRACE PERIOD FOR STATE LAW CHANGES.—The provisions of this title shall become effective upon the date of the enactment of this Act [Aug. 22, 1996]."

"(1) year after the effective date of the necessary State constitutional amendment; or"

"(2) 5 years after the date of the enactment of this Act [Aug. 22, 1996]."

**Effective Date of 1988 Amendment**

Pub. L. 100–485, title I, §104(b), Oct. 13, 1988, 102 Stat. 2348, provided that: "The amendment made by subsection (a) [amending this section] shall become effective on the first day of the first calendar quarter which begins 4 or more years after the date of the enactment of this Act [Oct. 13, 1988]."

Pub. L. 100–485, title I, §§111(f)(2), 115(b), Oct. 13, 1988, 102 Stat. 2350, provided that: "The amendments made by subsections (a) and (b) [amending this section and section 666 of this title] shall become effective on the first day of the first month beginning one year or more after the date of the enactment of this Act [Oct. 13, 1988]."

**Effective Date of 1987 Amendment**


**Effective Date of 1984 Amendment**

Pub. L. 98–378, §3(g), Aug. 16, 1984, 98 Stat. 1311, provided that:

"(1) Except as provided in paragraphs (2) and (3), the amendments made by this section [enacting section 666 of this title and amending this section] shall be effective on October 1, 1985."

"(2) Section 454(c) of the Social Security Act [42 U.S.C. 654(c)] (as added by subsection (d) of this section), and section 466(e) of such Act [42 U.S.C. 666(e)] (as added by subsection (b) of this section), shall be effective with respect to support owed for any month beginning after the date of the enactment of this Act [Aug. 16, 1984]."
“(3) In the case of a State with respect to which the Secretary of Health and Human Services has determined that State legislation is required in order to conform to requirements imposed by or under part D of title IV of the Social Security Act (42 U.S.C. 651 et seq.) to the requirements imposed by any amendment made by this section, the State plan shall not be regarded as failing to comply with the requirements of such part solely by reason of its failure to meet the requirements imposed by such amendment prior to the beginning of the fourth month beginning after the end of the first session of the State legislature which ends on or after October 1, 1985. For purposes of the preceding sentence, the term ‘session’ means a regular, special, budget, or other session of a State legislature.”


Pub. L. 98–378, § 6(c), Aug. 16, 1984, 98 Stat. 1315, provided that: “The amendments made by this section [amending this section and section 655 of this title] shall apply with respect to quarters beginning on or after October 1, 1984.”

Pub. L. 98–378, § 11(e), Aug. 16, 1984, 98 Stat. 1318, provided that: “The amendments made by this section [amending this section and sections 656, 657, 664, and 671 of this title] shall become effective October 1, 1984, and shall apply to collections made on or after that date.”


Amendment by section 21(d) of Pub. L. 98–378 applicable with respect to refunds payable under section 6402 of Title 26, Internal Revenue Code, after Dec. 31, 1985, see section 21(g) of Pub. L. 98–378, set out as a note under section 6103 of Title 26.

Amendment by Pub. L. 98–369 effective July 18, 1984, but not to be construed as changing or affecting any right, liability, status, or interpretation which existed (under the provisions of law involved) before that date, see section 2094(b) of Pub. L. 98–369, set out as a note under section 401 of this title.

**Effective Date of 1982 Amendment**

Amendment by section 171(a), (b)(1) of Pub. L. 97–268 effective and in effect on Aug. 5, 1982, see section 171(c) of Pub. L. 97–248, set out as a note under section 503 of this title.


**Effective Date of 1981 Amendment**

Amendments by sections 2331(b), 2332(d)(2)–(7), and 2333(a), (b) of Pub. L. 97–35 effective Oct. 1, 1981, except as otherwise specifically provided, see section 2336 of Pub. L. 97–35, set out as a note under section 651 of this title.

Amendment by section 2335(a) of Pub. L. 97–35 effective Aug. 13, 1981, except that such amendment shall not be requirements under this section or section 503 of this title before Oct. 1, 1982, see section 2335(c) of Pub. L. 97–35, set out as a note under section 651 of this title.

**Effective Date of 1980 Amendment**

Amendment by Pub. L. 96–265 effective July 1, 1981, and to be effective only with respect to expenditures, referred to in section 655 of the act, and to be effective only with respect to refunds payable under section 6402 of Title 26, Internal Revenue Code, after Dec. 31, 1985, see section 2094(b) of Pub. L. 96–265, set out as a note under section 652 of this title.

**Effective Date of 1977 Amendment**

Pub. L. 95–30, title V, § 502(b), May 23, 1977, 91 Stat. 162, provided that: “The amendments made by this section [amending this section] shall take effect on the first day of the first calendar quarter beginning after the date of enactment of this Act [May 23, 1977].”

**Effective Date of 1975 Amendment**

Pub. L. 94–48, title II, § 210, Aug. 9, 1975, 89 Stat. 437, provided that: “The amendments made by this title [amending this section and sections 602, 603, and 655 of this title and enacting provisions set out as notes under sections 602 and 655 of this title] shall, unless otherwise specified therein, become effective August 1, 1975.”

**Exception to General Effective Date for State Plans Requiring State Law Amendments**

Pub. L. 98–378, title VII, § 7311, Aug. 16, 1984, 98 Stat. 148, provided that: “In the case of a State plan under part D of title IV of the Social Security Act (42 U.S.C. 651 et seq.) which the Secretary determines requires State legislation in order for the plan to meet the additional requirements imposed by the amendments made by this subtitle [subtitle C (§§ 7301–7311) of title VII of Pub. L. 98–378, amending this section, sections 608, 652, 653, 655, 657, 664, and 666 of this title, section 6402 of Title 26, Internal Revenue Code, and provisions set out as notes under sections 1469 of Title 29, Labor], the effective date of the amendments imposing the additional requirements shall be 3 months after the first day of the first calendar quarter beginning after the close of the first regular session of the State legislature that begins after the date of the enactment of this Act [Feb. 8, 2006]. For purposes of the preceding sentence, in the case of a State that has a 2-year legislative session, each year of the session shall be considered to be a separate regular session of the State legislature.”

**State Commissions on Child Support**

Pub. L. 98–378, § 15, Aug. 16, 1984, 98 Stat. 1320, provided that: “(a) As a condition of the State’s eligibility for Federal payments under part A or D of title IV of the Social Security Act (42 U.S.C. 601 et seq.), the State shall establish a State child support agency, including a State child support enforcement agency, and each county or other political subdivision of the State, whether or not the county or other political subdivision is a unit of general purpose local government, shall establish a child support agency, as the term ‘child support agency’ is defined in section 666a of this title.

“(b) Each State Commission appointed under subsection (a) shall be composed of members appropriately representing all aspects of the child support system, including custodial and non-custodial parents, the agency or agencies administering the child support system under State law, the State judiciary, the executive and legislative branches of the State government, child welfare and social services agencies, and others.

“(c) It shall be the function of each State Commission to examine, investigate, and study the operation of the State’s child support system for the primary purpose of determining the extent to which such system has been successful in securing support and parental involvement both for children who are eligible for aid under a State plan approved under part A of title IV of such Act [42 U.S.C. 601 et seq.] and for children who are not eligible for such aid, giving particular attention to such specific problems (among others) as visitation, the enforcement of interstate obligations, the availability, cost, and effectiveness of services both to children who are eligible for such aid and to children who are not, and the need for additional State or Federal legislation to obtain support for all children.

“(d) Each State Commission shall submit to the Governor of the State and make available to the public, no later than October 1, 1985, a full and complete report of its findings and recommendations resulting from the

examination, investigation, and study under this section. The Governor shall transmit such report to the Secretary of Health and Human Services along with the Governor’s comments thereon.

“(e) None of the costs incurred in the establishment and operation of a State Commission under this section, or incurred by such a Commission in carrying out its functions under subsections (c) and (d), shall be considered as expenditures qualifying for Federal payments under part A or D of title IV of the Social Security Act [42 U.S.C. 601 et seq., 651 et seq.] or be otherwise payable or reimbursable by the United States or any agency thereof.

“(f) If the Secretary determines, at the request of any State on the basis of information submitted by the State and such other information as may be available to the Secretary, that such State—

“(1) has placed in effect and is implementing objective standards for the determination and enforcement of child support obligations,

“(2) has established within the five years prior to the enactment of this Act [Aug. 16, 1984] a commission or council with substantially the same functions as the State Commissions provided for under this section, or

“(3) is making satisfactory progress toward fully effective child support enforcement and will continue to do so, then such State shall not be required to establish a State Commission under this section and the preceding provisions of this section shall not apply.”

DELAYED EFFECTIVE DATE IN CASES REQUIRING STATE LEGISLATION

Pub. L. 97–248, title I, § 175, Sept. 3, 1982, 96 Stat. 403, provided that: “In the case of a State with respect to which the Secretary of Health and Human Services has determined that State legislation is required in order to conform the State plan approved under part D of title IV of the Social Security Act [42 U.S.C. 651 et seq.] to the requirements imposed by any amendment made by this subtitle [subtitle E (§§ 171–176) of title I of Pub. L. 97–248, see Tables for classification], the State plan shall not be regarded as failing to comply with the requirements of such part solely by reason of its failure to meet the requirements imposed by such amendment prior to the end of the first session of the State legislature which begins after October 1, 1982, or which began prior to October 1, 1982, and remained in session for at least twenty-five calendar days after such date. For purposes of the preceding sentence, the term ‘session’ means a regular, special, budget, or other session of a State legislature.”

§ 654a. Automated data processing

(a) In general

In order for a State to meet the requirements of this section, the State agency administering the State program under this part shall have in operation a single statewide automated data processing and information retrieval system which has the capability to perform the tasks specified in this section with the frequency and in the manner required by or under this part.

(b) Program management

The automated system required by this section shall perform such functions as the Secretary may specify relating to management of the State program under this part, including—

(1) controlling and accounting for use of Federal, State, and local funds in carrying out the program; and

(2) maintaining the data necessary to meet Federal reporting requirements under this part on a timely basis.

(c) Calculation of performance indicators

In order to enable the Secretary to determine the incentive payments and penalty adjustments required by sections 652(g) and 658a of this title, the State agency shall—

(1) use the automated system—

(A) to maintain the requisite data on State performance with respect to paternity establishment and child support enforcement in the State; and

(B) to calculate the paternity establishment percentage for the State for each fiscal year; and

(2) have in place systems controls to ensure the completeness and reliability of, and ready access to, the data described in paragraph (1)(A), and the accuracy of the calculations described in paragraph (1)(B).

(d) Information integrity and security

The State agency shall have in effect safeguards on the integrity, accuracy, and completeness of, access to, and use of data in the automated system required by this section, which shall include the following (in addition to such other safeguards as the Secretary may specify in regulations):

(1) Policies restricting access

Written policies concerning access to data by State agency personnel, and sharing of data with other persons, which—

(A) permit access to and use of data only to the extent necessary to carry out the State program under this part; and

(B) specify the data which may be used for particular program purposes, and the personnel permitted access to such data.

(2) Systems controls

Systems controls (such as passwords or blocking of fields) to ensure strict adherence to the policies described in paragraph (1).

(3) Monitoring of access

Routine monitoring of access to and use of the automated system, through methods such as audit trails and feedback mechanisms, to guard against and promptly identify unauthorized access or use.

(4) Training and information

Procedures to ensure that all personnel (including State and local agency staff and contractors) who may have access to or be required to use confidential program data are informed of applicable requirements and penalties (including those in section 6103 of the Internal Revenue Code of 1986), and are adequately trained in security procedures.

(5) Penalties

Administrative penalties (up to and including dismissal from employment) for unauthorized access to, or disclosure or use of, confidential data.

(e) State case registry

(1) Contents

The automated system required by this section shall include a registry (which shall be known as the ‘‘State case registry’’) that contains records with respect to—
(f) Information comparisons and other disclosures necessary to enable the State agency under the State plan approved under this part; and

(2) Linking of local registries

The State case registry may be established by linking local case registries of support orders through an automated information network, subject to this section.

(3) Use of standardized data elements

Such records shall use standardized data elements for both parents (such as names, social security numbers and other uniform identification numbers, dates of birth, and case identification numbers), and contain such other information (such as on case status) as the Secretary may require.

(4) Payment records

Each case record in the State case registry with respect to which services are being provided under the State plan approved under this part and with respect to which a support order has been established shall include a record of—

(A) the amount of monthly (or other periodic) support owed under the order, and other amounts (including arrearages, interest or late payment penalties, and fees) due or overdue under the order;

(B) any amount described in subparagraph (A) that has been collected;

(C) the distribution of such collected amounts;

(D) the birth date and, beginning not later than October 1, 1999, the social security number, of any child for whom the order requires the provision of support; and

(E) the amount of any lien imposed with respect to the order pursuant to section 666(a)(4) of this title.

(5) Updating and monitoring

The State agency operating the automated system required by this section shall promptly establish and update, maintain, and regularly monitor, case records in the State case registry with respect to which services are being provided under the State plan approved under this part, on the basis of—

(A) information on administrative actions and administrative and judicial proceedings and orders relating to paternity and support;

(B) information obtained from comparison with Federal, State, or local sources of information;

(C) information on support collections and disbursements; and

(D) any other relevant information.

(f) Information comparisons and other disclosures of information

The State shall use the automated system required by this section to extract information from (at such times, and in such standardized format or formats, as may be required by the Secretary), to share and compare information with, and to receive information from, other data bases and information comparison services, in order to obtain (or provide) information necessary to enable the State agency (or the Secretary or other State or Federal agencies) to carry out this part, subject to section 6103 of the Internal Revenue Code of 1986. Such information comparison activities shall include the following:

(1) Federal Case Registry of Child Support Orders

Furnishing to the Federal Case Registry of Child Support Orders established under section 653(h) of this title (and update as necessary, with information including notice of expiration of orders) the minimum amount of information on child support cases recorded in the State case registry that is necessary to operate the registry (as specified by the Secretary in regulations).

(2) Federal Parent Locator Service

Exchanging information with the Federal Parent Locator Service for the purposes specified in section 653 of this title.

(3) Temporary family assistance and medicaid agencies

Exchanging information with State agencies (of the State and of other States) administering programs funded under part A, programs operated under a State plan approved under subchapter XIX, and other programs designated by the Secretary, as necessary to perform State agency responsibilities under this part and under such programs.

(4) Intrastate and interstate information comparisons

Exchanging information with other agencies of the State, agencies of other States, and interstate information networks, as necessary and appropriate to carry out (or assist other States to carry out) the purposes of this part.

(5) Private industry councils receiving welfare-to-work grants

Disclosing to a private industry council (as defined in section 603(a)(5)(D)(ii) of this title) to which funds are provided under section 603(a)(5) of this title the names, addresses, telephone numbers, and identifying case number information in the State program funded under part A, of noncustodial parents residing in the service delivery area of the private industry council, for the purpose of identifying and contacting noncustodial parents regarding participation in the program under section 603(a)(5) of this title.

(g) Collection and distribution of support payments

(1) In general

The State shall use the automated system required by this section to assist and facilitate the collection and disbursement of support payments through the State disbursement unit operated under section 654b of this title, through the performance of functions, including, at a minimum—

(A) transmission of orders and notices to employers (and other debtors) for the withholding of income—

(i) within 2 business days after receipt of notice of, and the income source subject to, such withholding from a court, another
State, an employer, the Federal Parent Locator Service, or another source recognized by the State;

(ii) using uniform formats prescribed by the Secretary; and

(iii) at the option of the employer, using the electronic transmission methods prescribed by the Secretary;

(B) ongoing monitoring to promptly identify failures to make timely payment of support; and

(C) automatic use of enforcement procedures (including procedures authorized pursuant to section 666(c) of this title) if payments are not timely made.

(2) “Business day” defined

As used in paragraph (1), the term “business day” means a day on which State offices are open for regular business.

(h) Expedited administrative procedures

The automated system required by this section shall be used, to the maximum extent feasible, to implement the expedited administrative procedures required by section 666(c) of this title.


REFERENCES IN TEXT

The Internal Revenue Code of 1986, referred to in subsecs. (d)(4) and (f), is classified generally to Title 26, Internal Revenue Code.

AMENDMENTS


1997—Subsec. (e)(4)(A). Pub. L. 105–34 substituted “the birth date and, beginning not later than October 1, 1999, the social security number, of any child” for “the birth date of any child”.


Subsec. (g). Pub. L. 104–193, §312(c), added subsec. (g).


EFFECTIVE DATE OF 2014 AMENDMENT

Pub. L. 113–183, title III, §306(b), Sept. 29, 2014, 128 Stat. 1499, provided that: “The amendments made by subsection (a) [amending this section] shall take effect on October 1, 2015.”

EFFECTIVE DATE OF 1997 AMENDMENT


EFFECTIVE DATE OF 1996 AMENDMENT

Amendment by section 312(c) of Pub. L. 104–193 effective Oct. 1, 1998, with limited exception for States which, as of Aug. 22, 1996, were processing the receipt of child support payments through local courts, see section 312(d) of Pub. L. 104–193, set out as an Effective Date note under section 654 of this title.

EFFECTIVE DATE

For provisions relating to effective date of title III of Pub. L. 104–193, see section 395(a)(c) of Pub. L. 104–193, set out as an Effective Date of 1996 Amendment note under section 654 of this title.

REGULATIONS


§654b. Collection and disbursement of support payments

(a) State disbursement unit

(1) In general

In order for a State to meet the requirements of this section, the State agency must establish and operate a unit (which shall be known as the “State disbursement unit”) for the collection and disbursement of payments under support orders—

(A) in all cases being enforced by the State pursuant to section 654(4) of this title; and

(B) in all cases not being enforced by the State under this part in which the support order is initially issued in the State on or after January 1, 1994, and in which the income of the noncustodial parent is subject to withholding pursuant to section 666(a)(8)(B) of this title.

(2) Operation

The State disbursement unit shall be operated—

(A) directly by the State agency (or 2 or more State agencies under a regional cooperative agreement), or (to the extent appropriate) by a contractor responsible directly to the State agency; and

(B) except in cases described in paragraph (1)(B), in coordination with the automated system established by the State pursuant to section 654a of this title.

(3) Linking of local disbursement units

The State disbursement unit may be established by linking local disbursement units through an automated information network, subject to this section, if the Secretary agrees that the system will not cost more nor take more time to establish or operate than a centralized system. In addition, employers shall be given 1 location to which income withholding is sent.

(b) Required procedures

The State disbursement unit shall use automated procedures, electronic processes, and computer-driven technology to the maximum extent feasible, efficient, and economical, for the collection and disbursement of support payments, including procedures—

(1) for receipt of payments from parents, employers, and other States, and for disbursements to custodial parents and other obligees, the State agency, and the agencies of other States;
(2) for accurate identification of payments;
(3) to ensure prompt disbursement of the custodial parent’s share of any payment; and
(4) to furnish to any parent, upon request, timely information on the current status of support payments under an order requiring payments to be made by or to the parent, except that in cases described in subsection (a)(1)(B), the State disbursement unit shall not be required to convert and maintain in automated form records of payments kept pursuant to section 666(a)(B)(D)(iii) of this title before the effective date of this section.

c) Timing of disbursements

(1) In general

Except as provided in paragraph (2), the State disbursement unit shall distribute all amounts payable under section 657(a) of this title within 2 business days after receipt from the employer or other source of periodic income, if sufficient information identifying the payee is provided. The date of collection for amounts collected and distributed under this part is the date of receipt by the State disbursement unit, except that if current support is withheld by an employer in the month when due and is received by the State disbursement unit in a month other than the month when due, the date of withholding may be deemed to be the date of collection.

(2) Permissive retention of arrearages

The State disbursement unit may delay the distribution of collections toward arrearages until the resolution of any timely appeal with respect to such arrearages.

d) “Business day” defined

As used in this section, the term “business day” means a day on which State offices are open for regular business.

(2) the amendments made by this section [enacting this section and amending sections 654 and 654a of this title] shall become effective on October 1, 1996.

(2) LIMITED EXCEPTION TO UNIT HANDLING PAYMENTS.—Notwithstanding section 454B(b)(1) of the Social Security Act [42 U.S.C. 654b(b)(1)], as added by this section, any State which, as of the date of the enactment of this Act [Aug. 22, 1996], processes the receipt of child support payments through local courts may, at the option of the State, continue to process through September 30, 1999, such payments through such courts as processed such payments on or before such date of enactment.

For provisions relating to effective date of title III of Pub. L. 104–193, see section 395b(a)(c) of Pub. L. 104–193, set out as an Effective Date of 1996 Amendment note under section 654 of this title.

§ 655. Payments to States

(a) Amounts payable each quarter

(1) From the sums appropriated therefor, the Secretary shall pay to each State for each quarter an amount—

(A) equal to the percent specified in paragraph (2) of the total amounts expended by such State during such quarter for the operation of the plan approved under section 654 of this title,

(B) equal to the percent specified in paragraph (3) of the sums expended during such quarter that are attributable to the planning, design, development, installation or enhancement of an automatic data processing and information retrieval system (including in such sums the full cost of the hardware components of such system); and

(C) equal to 66 percent of so much of the sums expended during such quarter as are attributable to laboratory costs incurred in determining paternity, and

(D) equal to 66 percent of the sums expended by the State during the quarter for an alternative statewide system for which a waiver has been granted under section 652(d)(3) of this title, but only to the extent that the total of the sums so expended by the State on or after July 16, 1998, does not exceed the least total cost estimate submitted by the State pursuant to section 652(d)(3)(C) of this title in the request for the waiver; except that no amount shall be paid to any State on account of amounts expended from amounts paid to the State under section 658a of this title or to carry out an agreement which it has entered into pursuant to section 663 of this title. In determining the total amounts expended by any State during a quarter, for purposes of this subsection, there shall be excluded an amount equal to the total of any fees collected or other income resulting from services provided under the plan approved under this part.

(2) The percent applicable to quarters in a fiscal year for purposes of paragraph (1)(A) is—

(A) 70 percent for fiscal years 1984, 1985, 1986, and 1987,

(B) 68 percent for fiscal years 1988 and 1989, and

(C) 66 percent for fiscal year 1990 and each fiscal year thereafter.

(3) (A) The Secretary shall pay to each State, for each quarter in fiscal years 1996 and 1997, 90

1 So in original. The “;” and “;” probably should be a comma.
percent of so much of the State expenditures described in paragraph (1)(B) as the Secretary finds are for a system meeting the requirements specified in section 654(16) of this title (as in effect on September 30, 1995) but limited to the amount approved for States in the advance planning documents of such States submitted on or before September 30, 1995.

(B)(i) The Secretary shall pay to each State or system described in clause (ii), for each quarter in fiscal years 1996 through 2001, the percentage specified in clause (iii), for each quarter described in paragraph (1)(B) as the Secretary finds are for a system meeting the requirements of sections 654(16) and 654a of this title.

(ii) The percentage specified in this clause is 80 percent.

(iii) For purposes of clause (i), a system described in this clause is a system that has been approved by the Secretary to receive enhanced funding pursuant to the Family Support Act of 1988 (Public Law 100–485; 102 Stat. 2343) for the purpose of developing a system that meets the requirements of sections 654(16) of this title (as in effect on and after September 30, 1995) and 654a of this title, including systems that have received funding for such purpose pursuant to a waiver under section 1315(a) of this title.

(4)(A)(i) If—

(I) the Secretary determines that a State plan under section 654 of this title would (in the absence of this paragraph) be disapproved for the failure of the State to comply with a particular subparagraph of section 654(24) of this title, and that the State has made and is continuing to make a good faith effort to so comply; and

(II) the State has submitted to the Secretary a corrective compliance plan that describes how, by when, and at what cost the State will achieve such compliance, which has been approved by the Secretary,

then the Secretary shall not disapprove the State plan under section 654 of this title, and the Secretary shall reduce the amount otherwise payable to the State under paragraph (1)(A) of this subsection for the fiscal year by the penalty amount.

(ii) All failures of a State during a fiscal year to comply with any of the requirements referred to in the same subparagraph of section 654(24) of this title shall be considered a single failure of the State to comply with that subparagraph during the fiscal year for purposes of this paragraph.

(B) In this paragraph:

(i) The term "penalty amount" means, with respect to a failure of a State to comply with a subparagraph of section 654(24) of this title—

(I) 4 percent of the penalty base, in the case of the first fiscal year in which such a failure by the State occurs (regardless of whether a penalty is imposed under this paragraph with respect to the failure);

(II) 8 percent of the penalty base, in the case of the second such fiscal year;

(III) 16 percent of the penalty base, in the case of the third such fiscal year;

(IV) 25 percent of the penalty base, in the case of the fourth such fiscal year; or

(V) 30 percent of the penalty base, in the case of the fifth or any subsequent such fiscal year.

(ii) The term "penalty base" means, with respect to a failure of a State to comply with a subparagraph of section 654(24) of this title during a fiscal year, the amount otherwise payable to the State under paragraph (1)(A) of this subsection for the preceding fiscal year.

(C)(i) The Secretary shall waive a penalty under this paragraph for any failure of a State to comply with section 654(24)(A) of this title during fiscal year 1998 if—

(I) on or before August 1, 1998, the State has submitted to the Secretary a request that the Secretary certify the State as having met the requirements of such section;

(II) the Secretary subsequently provides the certification as a result of a timely review conducted pursuant to the request; and

(III) the State has not failed such a review.

(ii) If a State with respect to which a reduction is made under this paragraph for a fiscal year with respect to a failure to comply with a subparagraph of section 654(24) of this title achieves compliance with such subparagraph by the beginning of the succeeding fiscal year, the Secretary shall increase the amount otherwise payable to the State under paragraph (1)(A) of this subsection for the succeeding fiscal year by an amount equal to 90 percent of the reduction for the fiscal year.

(iii) The Secretary shall reduce the amount of any reduction that, in the absence of this clause, would be required to be made under this paragraph by reason of the failure of a State to achieve compliance with section 654(24)(B) of this title during the fiscal year, by an amount equal to 20 percent of the amount of the otherwise required reduction, for each State performance measure described in section 658a(b)(4) of this title with respect to which the applicable percentage under section 658a(b)(6) of this title for the fiscal year is 100 percent, if the Secretary has made the determination described in section 658a(b)(5)(B) of this title with respect to the State for the fiscal year.

(D) The Secretary may not impose a penalty under this paragraph against a State with respect to a failure to comply with section 654(24)(B) of this title for a fiscal year if the Secretary is required to impose a penalty under this paragraph against the State with respect to a failure to comply with section 654(24)(A) of this title for the fiscal year.

(5)(A)(i) If—

(I) the Secretary determines that a State plan under section 654 of this title would (in the absence of this paragraph) be disapproved for the failure of the State to comply with subparagraphs (A) and (B)(i) of section 654(27) of this title, and that the State has made and is continuing to make a good faith effort to so comply; and

(II) the State has submitted to the Secretary, not later than April 1, 2000, a corrective compliance plan that describes how, by when, and at what cost the State will achieve such compliance, which has been approved by the Secretary,
then the Secretary shall not disapprove the State plan under section 654 of this title, and the Secretary shall reduce the amount otherwise payable to the State under paragraph (1)(A) of this subsection for the fiscal year by the penalty amount.

(ii) All failures of a State during a fiscal year to comply with any of the requirements of section 654B of this title shall be considered a single failure of the State to comply with subparagraphs (A) and (B)(i) of section 654(27) of this title during the fiscal year for purposes of this paragraph.

(B) In this paragraph:

(i) The term "penalty amount" means, with respect to a failure of a State to comply with subparagraphs (A) and (B)(i) of section 654(27) of this title—

(1) 4 percent of the penalty base, in the case of the 1st fiscal year in which such a failure by the State occurs (regardless of whether a penalty is imposed in that fiscal year under this paragraph with respect to the failure), except as provided in subparagraph (C)(ii) of this paragraph;

(II) 8 percent of the penalty base, in the case of the 2nd such fiscal year;

(III) 16 percent of the penalty base, in the case of the 3rd such fiscal year;

(IV) 25 percent of the penalty base, in the case of the 4th such fiscal year; or

(V) 30 percent of the penalty base, in the case of the 5th or any subsequent such fiscal year.

(ii) The term "penalty base" means, with respect to a failure of a State to comply with subparagraphs (A) and (B)(i) of section 654(27) of this title during a fiscal year, the amount otherwise payable to the State under paragraph (1)(A) of this subsection for the preceding fiscal year.

(C)(i) The Secretary shall waive all penalties imposed against a State under this paragraph for any failure of the State to comply with subparagraphs (A) and (B)(i) of section 654(27) of this title if the Secretary determines that, before April 1, 2000, the State has achieved such compliance.

(ii) If a State with respect to which a reduction is required to be made under this paragraph with respect to a failure to comply with subparagraphs (A) and (B)(i) of section 654(27) of this title achieves such compliance on or after April 1, 2000, and on or before September 30, 2000, then the penalty amount applicable to the State shall be 1 percent of the penalty base with respect to the failure involved.

(D) The Secretary may not impose a penalty under this paragraph against a State for a fiscal year for which the amount otherwise payable to the State under paragraph (1)(A) of this subsection is reduced under paragraph (4) of this subsection for failure to comply with section 654(24)(A) of this title.

(b) Estimate of amounts payable; installment payments

(1) Prior to the beginning of each quarter, the Secretary shall estimate the amount to which a State will be entitled under subsection (a) for such quarter, such estimates to be based on (A) a report filed by the State containing its estimate of the total sum to be expended in such quarter in accordance with the provisions of such subsection, and stating the amount appropriated or made available by the State and its political subdivisions for such expenditures in such quarter, and if such amount is less than the State's proportionate share of the total sum of such estimated expenditures, the source or sources from which the difference is expected to be derived, and (B) such other investigation as the Secretary may find necessary.

(2) Subject to subsection (d), the Secretary shall then pay, in such installments as he may determine, to the State the amount so estimated, reduced or increased to the extent of any overpayment or underpayment which the Secretary determines was made under this section to such State for any prior quarter and with respect to which adjustment has not already been made under this subsection.

(3) Upon the making of any estimate by the Secretary under this subsection, any appropriations available for payments under this section shall be deemed obligated.

(e) Special project grants for interstate enforcement; appropriations

(1) In order to encourage and promote the development and use of more effective methods of enforcing support obligations under this part in cases where either the children on whose behalf the support is sought or their noncustodial parents do not reside in the State where such cases are filed, the Secretary is authorized to make grants, in such amounts and on such terms and conditions as the Secretary determines to be appropriate, to States which propose to undertake new or innovative methods of support collection in such cases and which will use the proceeds of such grants to carry out special projects designed to demonstrate and test such methods.

(2) A grant under this subsection shall be made only upon a finding by the Secretary that the project involved is likely to be of significant assistance in carrying out the purpose of this subsection; and with respect to such project the Secretary may waive any of the requirements of this part which would otherwise be applicable, to such extent and for such period as the Sec-
retary determines is necessary or desirable in order to enable the State to carry out the project.

(3) At the time of its application for a grant under this subsection the State shall submit to the Secretary a statement describing in reasonable detail the project for which the proceeds of the grant are to be used, and the State shall from time to time thereafter submit to the Secretary such reports with respect to the project as the Secretary may specify.

(4) Amounts expended by a State in carrying out a special project assisted under this section shall be considered, for purposes of section 658(b) of this title (as amended by section 5(a) of the Child Support Enforcement Amendments of 1984), to have been expended for the operation of the State's plan approved under section 654 of this title.

There is authorized to be appropriated the sum of $7,000,000 for fiscal year 1985, $12,000,000 for fiscal year 1986, and $15,000,000 for each fiscal year thereafter, to be used by the Secretary in making grants under this subsection.

(f) Direct Federal funding to Indian tribes and tribal organizations

The Secretary may make direct payments under this part to an Indian tribe or tribal organization that demonstrates to the satisfaction of the Secretary that it has the capacity to operate a child support enforcement program meeting the objectives of this part, including establishment of paternity, establishment, modification, and enforcement of support orders, and location of absent parents. The Secretary shall promulgate regulations establishing the requirements which must be met by an Indian tribe or tribal organization to be eligible for a grant under this subsection.


AMENDMENTS

2006—Subsec. (a)(1). Pub. L. 109–171, § 7309(a), inserted “from amounts paid to the State under section 658a of this title or” before “to carry out an agreement” in concluding provisions.

Subsec. (a)(1)(C). Pub. L. 109–171, § 7308(a), substituted “86 percent” for “90 percent (rather than the percentage specified in subparagraph (A))”.


Pub. L. 105–200, § 201(b)(2)(B), made technical amendments to references in original act which appear in text as references to section 658a(b)(4), section 658a(b)(6), and section 658a(b)(5)(B) of this title.


Subsec. (b). Pub. L. 105–33, § 5546(b), redesignated subsec. (b), relating to direct Federal funding to Indian tribes and tribal organizations, as (f).

Subsec. (f). Pub. L. 105–33, § 5566(c), amended heading and text of subsec. (f) generally. Prior to amendment, text read as follows: “The Secretary may, in appropriate cases, make direct payments under this part to an Indian tribe or tribal organization that has an approved child support enforcement plan under this subchapter. In determining whether such payments are appropriate, the Secretary shall, at a minimum, consider whether services are being provided to eligible Indian recipients by the State agency through an arrangement entered into pursuant to section 654(34) of this title.”

Pub. L. 105–33, § 5546(b), redesignated subsec. (b), relating to direct Federal funding to Indian tribes and tribal organizations, as (f).

1996—Subsec. (a)(1). Pub. L. 104–193, § 344(c), which directed repeal of Pub. L. 100–485, § 123(c), was executed by restoring the provisions of this section amended by § 123(c) to read as if § 123(c) had not been enacted, to reflect the probable intent of Congress. See 1988 Amendment note below.

Subsec. (a)(1)(B). Pub. L. 104–193, § 344(b)(1)(A), as amended by Pub. L. 106–169, added subpar. (B) and struck out former subpar. (B) which read as follows: “equal to 90 percent (rather than the percent so much of the sums expended during such quarter as are attributable to the planning, design, development, installation or enhancement of an automatic data processing and information retrieval system (including in such sums the full cost of the hardware components of such system) which the Secretary finds meets the requirements specified in section 654(16) of this title, or meets such requirements without regard to clause (D) thereof.”

Subsec. (b). Pub. L. 104–193, §375(b), added subsec. (b) relating to direct Federal funding to Indian tribes and tribal organizations.


1988—Subsec. (a)(1). Pub. L. 100–485, §123(c), directed striking subpars. (A) and (B), redesignating subpar. (C) as (A), striking “(other than the percentage specified in subparagraph (A))” and inserting “and” “after the semicolon in subpar. (A), and adding new subpar. (B) which read “equal to the percent specified in paragraph (2) of the total amounts expended by such State during such quarter for the operation of a plan which meets the conditions of section 654 of this title except as is provided by a waiver by the Secretary which is granted pursuant to specific authority set forth in the law.”


1984—Subsec. (a)(1). Pub. L. 98–378, §4(a)(1)–(5), designated existing provisions as par. (1) and in par. (1) as so designated, struck out “, beginning with the quarter commencing July 1, 1975,” after “for each quarter”, substituted subpar. (A) for former par. (1) which provided for an amount equal to 70 percent of the total amounts expended by the State during the quarter for the operation of the plan approved under section 654 of this title, struck out former par. (2) which provided for an amount equal to 50 percent of the total amounts expended by the State during the quarter for the operation of a plan which met the conditions of section 654 of this title except as was provided by a waiver by the Secretary which was granted pursuant to specific authority set forth in the law, redesignated former par. (3) as subpar. (B) of par. (1), and in subpar. (B) as so redesignated, substituted “subparagraph (A)” for “clause (1) or (2)”, and inserted “(including in such sums the full cost of the hardware components of such system)” and “, or meets such requirements without regard to clause (D) thereof”.

Subsec. (a)(2). Pub. L. 98–378, §4(a)(6), added par. (2). Former par. (2) was struck out.


Subsec. (c). Pub. L. 97–248, §174(b), struck out subsec. (c) which had provided that expenditures of courts of a State or its political subdivisions in connection with performance of services related to the operation of a plan approved under section 654 of this title, would be included in determining the amounts expended by a State during any quarter for the operation of such plan, that the aggregate amount of such expenditures would be equal to 50 percent of the total amount of such expenditures made by a State for the 12-month period beginning on July 1, 1975, an amount equal to 50 percent of the total amounts expended by such State during such quarter for the operation of a plan which met the conditions of section 654 of this title except as is provided by a waiver by the Secretary which is granted pursuant to specific authority set forth in the law.

spect to laboratory costs incurred on or after October 1, 1988.''


"(A) IN GENERAL.—The Secretary of Health and Human Services may not pay more than $400,000,000 in the aggregate under section 455a(a)(3)(B) of the Social Security Act [42 U.S.C. 655a(b)] for fiscal years 1996 through 2001.

"(B) ALLOCATION LIMITATION AMONG STATES.—The total amount payable to a State or a system described in subparagraph (A) of such Act for fiscal years 1996 through 2001 shall not exceed the limitation determined for the State or system by the Secretary of Health and Human Services in regulations.

"(C) ALLOCATION FORMULA.—The regulations referred to in subparagraph (B) shall prescribe a formula for allocating the amount specified in subparagraph (A) among States with plans approved under part D of title IV of the Social Security Act [42 U.S.C. 651 et seq.], and among systems that have been approved by the Secretary to receive enhanced funding pursuant to the Family Support Act of 1988 [Public Law 100–345; 102 Stat. 2434] for the purpose of developing a system that meets the requirements of sections 454(16) (as in effect on and after September 30, 1995) and 454A [probably means section 454A of the Social Security Act which are classified to sections 654(16) and 654a, respectively, of this title], including systems that have received funding for such purpose pursuant to a waiver under section 1115(a) [probably means section 1115(a) of the Social Security Act which is classified to section 1115(a) of this title], which shall take into account—

"(i) the relative size of such State and system case-loads under part D of title IV of the Social Security Act [42 U.S.C. 651 et seq.]; and

"(ii) the level of automation needed to meet the automated data processing requirements of such part.

PAYMENTS TO STATES FOR CERTAIN EXPENSES INCURRED DURING JULY 1975

Pub. L. 94–88, title II, § 206, Aug. 9, 1975, 89 Stat. 435, provided that amounts expended in good faith by any State during July 1975 in certain ways in preparation for or implementation of the child support program under this part were to be considered for purposes of this section, to the extent that payment for the expenses incurred would have been made under the terms of this section, had the amendment by section 101 of Pub. L. 93–447 been effective on July 1, 1975, to have been expended by the State for the operation of the State plan or for the conduct of activities specified in this section.

§ 655a. Provision for reimbursement of expenses

For purposes of section 655 of this title, expenses incurred to reimburse State employment offices for furnishing information requested of such offices—

(1) pursuant to section 49h(b) of title 29, or

(2) by a State or local agency charged with the duty of carrying a State plan for child support approved under this part,

shall be considered to constitute expenses incurred in the administration of such State plan.


CODIFICATION

Section was formerly classified to section 653a of this title.
Section was not enacted as part of the Social Security Act which comprises this chapter.

**AMENDMENTS**

1998—Par. (1). Pub. L. 105–220 substituted “section 49b(h) of title 29” for “the third sentence of section 49b(a) of title 29.”

1996—Pub. L. 104–193 amended section catchline and text generally. Prior to amendment, text read as follows: “For purposes of section 603 of this title, expenses incurred to reimburse State employment offices for furnishing information requested of such offices pursuant to the third sentence of section 49b(a) of title 29, by a State or local agency administering a State plan approved under part A of this subchapter shall be considered to constitute expenses incurred in the administration of such State plan.”

**EFFECTIVE DATE OF 1998 AMENDMENT**


**EFFECTIVE DATE OF 1996 AMENDMENT**

Amendment by Pub. L. 104–193 effective July 1, 1997, with transition rules relating to State options to accelerate such date, rules relating to claims, actions, and proceedings commenced before such date, rules relating to closing out of accounts for terminated or substantially modified programs and continuance in office of Assistant Secretary for Family Support, and provisions relating to termination of entitlement under AFDC program, see section 116 of Pub. L. 104–193, title I, §§ 108(c)(13), as amended by Pub. L. 105–33, §§ 5513(a)(3), redesignated “Secretary, and”.

1996—Subsec. (b). Pub. L. 104–193, § 374(b), inserted heading and amended text generally. Prior to amendment, text read as follows: “A debt which is a child support obligation assigned to a State under section 602(a)(26) of this title is not released by a discharge in bankruptcy under title 11.”

1984—Subsec. (a)(1). Pub. L. 98–378, § 11(b)(2), inserted “or secured on behalf of a child receiving foster care maintenance payments” after “section 602(a)(26) of this title”.

Pub. L. 98–369, § 2663(c)(15)(D), redesignated former par. (1) as (2). Former par. (2) redesignated (3).

Subsec. (a)(3). Pub. L. 98–369, § 2663(c)(15)(B), redesignated former par. (3) as (2). Former par. (2) redesignated (3).


1978—Subsec. (b). Pub. L. 95–588 repealed provision declaring a debt which is a child support obligation assigned to a State under section 602(a)(26) of this title as not released by a discharge in bankruptcy under the Bankruptcy Act.

**EFFECTIVE DATE OF 1997 AMENDMENT**


**EFFECTIVE DATE OF 1996 AMENDMENT**

Amendment by section 108(c)(13) of Pub. L. 104–193 effective July 1, 1997, with transition rules relating to State options to accelerate such date, rules relating to claims, actions, and proceedings commenced before such date, rules relating to closing out of accounts for terminated or substantially modified programs and continuance in office of Assistant Secretary for Family Support, and provisions relating to termination of entitlement under AFDC program, see section 116 of Pub. L. 104–193, as amended, set out as an Effective Date note under section 601 of this title.

Amendment by section 374(b) of Pub. L. 104–193 applicable only with respect to cases commenced under...
Title 11, Bankruptcy, after Aug. 22, 1996, see section 374(c) of Pub. L. 104–193, set out as a note under section 523 of Title 11.

For provisions relating to effective date of title III of Pub. L. 104–193, see section 355(a)–(c) of Pub. L. 104–193, set out as a note under section 654 of this title.

Effective Date of 1984 Amendments
Amendment by Pub. L. 98–378 effective Oct. 1, 1984, and applicable to collections made on or after that date, see section 11(e) of Pub. L. 98–378, set out as a note under section 654 of this title.

Amendment by Pub. L. 98–369 effective July 18, 1984, but not to be construed as changing or affecting any right, liability, status, or interpretation which existed (under the provisions of law involved) before that date, see section 2664(b) of Pub. L. 98–369, set out as a note under section 654 of this title.

Effective Date of 1981 Amendment

Effective Date of 1978 Amendment
Amendment by Pub. L. 95–598 effective Nov. 6, 1978, see section 402(d) of Pub. L. 95–598, set out as an Effective Date note preceding section 101 of Title 11, Bankruptcy.

§ 657. Distribution of collected support

(a) In general
Subject to subsections (d) and (e), the amounts collected on behalf of a family as support by a State pursuant to a plan approved under this part shall be distributed as follows:

(1) Families receiving assistance
In the case of a family receiving assistance from the State, the State shall—
(A) pay to the Federal Government the Federal share of the amount collected, subject to paragraph (3)(A);
(B) retain, or pay to the family, the State share of the amount collected, subject to paragraph (3)(B); and
(C) pay to the family any remaining amount.

(2) Families that formerly received assistance
In the case of a family that formerly received assistance from the State:
(A) Current support
To the extent that the amount collected does not exceed the current support amount, the State shall pay the amount to the family.

(B) Arrearages
Except as otherwise provided in an election made under section 654(34) of this title, to the extent that the amount collected exceeds the current support amount, the State—
(i) shall first pay to the family the excess amount, to the extent necessary to satisfy support arrearages not assigned pursuant to section 608(a)(3) of this title;
(ii) if the amount collected exceeds the amount required to be paid to the family under clause (i), shall—
(I) pay to the Federal Government the Federal share of the excess amount described in this clause, subject to paragraph (3)(A); and
(II) retain, or pay to the family, the State share of the excess amount described in this clause, subject to paragraph (3)(B); and
(iii) shall pay to the family any remaining amount.

(3) Limitations
(A) Federal reimbursements
The total of the amounts paid by the State to the Federal Government under paragraphs (1) and (2) of this subsection with respect to a family shall not exceed the Federal share of the amount assigned with respect to the family pursuant to section 608(a)(3) of this title.

(B) State reimbursements
The total of the amounts retained by the State under paragraphs (1) and (2) of this subsection with respect to a family shall not exceed the State share of the amount assigned with respect to the family pursuant to section 608(a)(3) of this title.

(4) Families that never received assistance
In the case of any other family, the State shall distribute the amount so collected that remains after withholding any fee pursuant to section 654(6)(B)(ii) of this title.

(5) Families under certain agreements
Notwithstanding paragraphs (1) through (3), in the case of an amount collected for a family in accordance with a cooperative agreement under section 654(33) of this title, the State shall distribute the amount collected pursuant to the terms of the agreement.

(6) State option to pass through additional support with Federal financial participation
(A) Families that formerly received assistance
Notwithstanding paragraph (2), a State shall not be required to pay to the Federal Government the Federal share of an amount collected on behalf of a family that formerly received assistance from the State to the extent that the State pays the amount to the family.

(B) Families that currently receive assistance
(i) In general
Notwithstanding paragraph (1), in the case of a family that receives assistance from the State, a State shall not be required to pay to the Federal Government the Federal share of the excepted portion (as defined in clause (ii)) of any amount collected on behalf of such family during a month to the extent that—
(I) the State pays the excepted portion to the family; and
(II) the excepted portion is disregarded in determining the amount and type of assistance provided to the family under such program.
(ii) Excepted portion defined

For purposes of this subparagraph, the term “excepted portion” means that portion of the amount collected on behalf of a family during a month that does not exceed $100 per month, or in the case of a family that includes 2 or more children, that does not exceed an amount established by the State that is not more than $200 per month.

(b) Continuation of assignments

(1) State option to discontinue pre-1997 support assignments

(A) In general

Any rights to support obligations assigned to a State as a condition of receiving assistance from the State under part A and in effect on September 30, 1997 (or such earlier date on or after August 22, 1996, as the State may choose), may remain assigned after such date.

(B) Distribution of amounts after assignment discontinuation

If a State chooses to discontinue the assignment of a support obligation described in subparagraph (A), the State may treat amounts collected pursuant to the assignment as if the amounts had never been assigned and may distribute the amounts to the family in accordance with subsection (a)(4).

(2) State option to discontinue post-1997 assignments

(A) In general

Any rights to support obligations accruing before the date on which a family first receives assistance under part A that are assigned to a State under that part and in effect before the implementation date of this section may remain assigned after such date.

(B) Distribution of amounts after assignment discontinuation

If a State chooses to discontinue the assignment of a support obligation described in subparagraph (A), the State may treat amounts collected pursuant to the assignment as if the amounts had never been assigned and may distribute the amounts to the family in accordance with subsection (a)(4).

(c) Definitions

As used in subsection (a):

(1) Assistance

The term “assistance from the State” means—

(A) assistance under the State program funded under part A or under the State plan approved under part A of this subchapter (as in effect on the day before August 22, 1996); and

(B) foster care maintenance payments under the State plan approved under part E of this subchapter.

(2) Federal share

The term “Federal share” means that portion of the amount collected resulting from the application of the Federal medical assistance percentage in effect for the fiscal year in which the amount is distributed.

(3) Federal medical assistance percentage

The term “Federal medical assistance percentage” means—

(A) 75 percent, in the case of Puerto Rico, the Virgin Islands, Guam, and American Samoa; or

(B) the Federal medical assistance percentage (as defined in section 1396d(b) of this title, as such section was in effect on September 30, 1995) in the case of any other State.

(4) State share

The term “State share” means 100 percent minus the Federal share.

(5) Current support amount

The term “current support amount” means, with respect to amounts collected as support on behalf of a family, the amount designated as the monthly support obligation of the non-custodial parent in the order requiring the support or calculated by the State based on the order.

(d) Gap payments not subject to distribution under this section

At State option, this section shall not apply to any amount collected on behalf of a family as support by the State (and paid to the family in addition to the amount of assistance otherwise payable to the family) pursuant to a plan approved under this part if such amount would have been paid to the family by the State under section 602(a)(28) of this title, as in effect and applied on the day before August 22, 1996.

(e) Amounts collected for child for whom foster care maintenance payments are made

Notwithstanding the preceding provisions of this section, amounts collected by a State as child support for months in any period on behalf of a child for whom a public agency is making foster care maintenance payments under part E of this subchapter—

(1) shall be retained by the State to the extent necessary to reimburse it for the foster care maintenance payments made with respect to the child during such period (with appropriate reimbursement of the Federal Government to the extent of its participation in the financing);

(2) shall be paid to the public agency responsible for supervising the placement of the child to the extent that the amounts collected exceed the foster care maintenance payments made with respect to the child during such period but not the amounts required by a court or administrative order to be paid as support on behalf of the child during such period; and the responsible agency may use the payments in the manner it determines will serve the best interests of the child, including setting such payments aside for the child’s future needs or making all or a part thereof available to the person responsible for meeting the child’s day-to-day needs; and

(3) shall be retained by the State, if any portion of the amounts collected remains after
making the payments required under paragraphs (1) and (2), to the extent that such portion is necessary to reimburse the State (with appropriate reimbursement to the Federal Government to the extent of its participation in any past foster care maintenance payments (or payments of assistance under the State program funded under part A) which were made with respect to the child (and with respect to which past collections have not previously been retained); and any balance shall be paid to the State agency responsible for supervising the placement of the child, for use by such agency in accordance with paragraph (2).


AMENDMENTS

2006—Subsec. (a). Pub. L. 109–171, §7301(b)(1)(A), which directed general amendment of subsec. (a), was executed by adding pars. (1) to (5) and striking out former paras. (1) to (6), to reflect the probable intent of Congress and the amendment by Pub. L. 109–171, §7301(b)(1)(B)(iii). See below. Prior to amendment, paras. (1) to (6) related to families receiving assistance, families that formerly received assistance, families under certain agreements, the Secretary’s report to Congress, and a State option for applicability, respectively. Subsec. (a)(3). Pub. L. 109–171, §7301(b), amended heading and text of subsec. (b) generally. Prior to amendment, text read as follows: “In the case of any other family, the State shall distribute the amount so collected to the family.”


Subsec. (b). Pub. L. 109–171, §7301(c), amended heading and text of subsec. (b) generally. Prior to amendment, text read as follows: “Any rights to support obligations, assigned to a State as a condition of receiving assistance from the State under part A of this subchapter and in effect on September 30, 1997 (or such earlier date, on or after August 22, 1996, as the State may choose), shall remain assigned after such date.”


1999—Subsec. (a). Pub. L. 106–169, §301(c)(1), substituted “subsections (d) and (e)” for “subsections (e) and (f)” in introductory provisions.


Subsec. (b). Pub. L. 105–33, § 5532(a), substituted "as assigned" for "for which assigned" and "and in effect on September 30, 1997 (or such earlier date, on or after August 22, 1996, as the State may choose), shall remain assigned after such date." for "and which were in effect on the day before August 22, 1996, shall remain assigned after August 22, 1996." 1997—Subsec. (c). Pub. L. 85–240, § 110(a)(c), in par. (1), substituted "amounts of child support payments which represent monthly support payments" for "such support payments and inserted", which represent monthly support payments, after "amounts so collected"; in par. (2), substituted "amounts of child support payments which represent monthly support payments for "such support payments and inserted", which represent monthly support payments, after "amount collected"; and inserted provision for distribution of child support proceeds.

Effective Date of 2006 Amendment Amendment by section 7301(b)(1)(A), (2), (c) of Pub. L. 109–171 effective Oct. 1, 2006, and applicable to payments under part A and other provisions of subchapter II for calendar quarters beginning on or after such date, subject to certain State options, see section 7301(e) of Pub. L. 109–171, set out as a note under section 638 of this title.


Public Law 108–199 substituted "of such amounts as are collected periodically which represent monthly support payments, the first $50 of any payments for a month made in that month, and the first $50 of payments for each prior month received in that month which were made by the absent parent in the month when due," for "the first $50 of such amounts as are collected periodically which represent monthly support payments." 1987—Subsec. (c). Pub. L. 100–203 amended subsec. (c) generally, revising and restating as single unnumbered subsection provisions of former pars. (1) and (2).


Effective Date of 1996 Amendment Amendment by Pub. L. 106–169, title III, § 302(c), Aug. 22, 1996, 110 Stat. 2294, provided that: "The amendments made by this section [amending this section and sections 5301, 5305 of this title] shall become effective on October 1, 1996, or earlier at the State's option."


§ 658a. Incentive payments to States

(a) In general

In addition to any other payment under this part, the Secretary shall, subject to subsection (f), make an incentive payment to each State for each fiscal year in an amount determined under subsection (b).

(b) Amount of incentive payment

(1) In general

The incentive payment for a State for a fiscal year is equal to the incentive payment pool for the fiscal year, multiplied by the State incentive payment share for the fiscal year.

(2) Incentive payment pool

(A) In general

In paragraph (1), the term “incentive payment pool” means—

(i) $422,000,000 for fiscal year 2000;
(ii) $429,000,000 for fiscal year 2001;
(iii) $450,000,000 for fiscal year 2002;
(iv) $461,000,000 for fiscal year 2003;
(v) $454,000,000 for fiscal year 2004;
(vi) $446,000,000 for fiscal year 2005;
(vii) $458,000,000 for fiscal year 2006;
(viii) $471,000,000 for fiscal year 2007;
(ix) $483,000,000 for fiscal year 2008; and
(x) for any succeeding fiscal year, the amount of the incentive payment pool for the fiscal year that precedes such succeeding fiscal year, multiplied by the percentage (if any) by which the CPI for such preceding fiscal year exceeds the CPI for the second preceding fiscal year.

(B) CPI

For purposes of subparagraph (A), the CPI for a fiscal year is the average of the Consumer Price Index for the 12-month period ending on September 30 of the fiscal year. As used in the preceding sentence, the term “Consumer Price Index” means the last Consumer Price Index for all-urban consumers published by the Department of Labor.

(3) State incentive payment share

In paragraph (1), the term “State incentive payment share” means, with respect to a fiscal year—

(A) the incentive base amount for the State for the fiscal year; divided by

(B) the sum of the incentive base amounts for all of the States for the fiscal year.

(4) Incentive base amount

In paragraph (3), the term “incentive base amount” means, with respect to a State and a fiscal year, the sum of the applicable percentages (determined in accordance with paragraph (6)) multiplied by the corresponding maximum incentive base amounts for the State for the fiscal year, with respect to each of the following measures of State performance for the fiscal year:

(A) The paternity establishment performance level.

(B) The support order performance level.

(C) The current payment performance level.

(D) The arrearage payment performance level.

(E) The cost-effectiveness performance level.

(5) Maximum incentive base amount

(A) In general

For purposes of paragraph (4), the maximum incentive base amount for a State for a fiscal year is—

(i) with respect to the performance measures described in subparagraphs (A), (B), and (C) of paragraph (4), the State collections base for the fiscal year;

(ii) with respect to the performance measures described in subparagraphs (D) and (E) of paragraph (4), 75 percent of the State collections base for the fiscal year.

(B) Data required to be complete and reliable

Notwithstanding paragraph (A), the maximum incentive base amount for a State...
for a fiscal year with respect to a performance measure described in paragraph (4) is zero, unless the Secretary determines, on the basis of an audit performed under section 652(a)(4)(C)(i) of this title, that the data which the State submitted pursuant to section 654(15)(B) of this title for the fiscal year and which is used to determine the performance level involved is complete and reliable.

(C) State collections base

For purposes of subparagraph (A), the State collections base for a fiscal year is equal to the sum of—

(i) 2 times the sum of—

(I) the total amount of support collected during the fiscal year under the State plan approved under this part in cases in which the support obligation involved is required to be assigned to the State pursuant to part A or E of this subchapter or subchapter XIX; and

(II) the total amount of support collected during the fiscal year under the State plan approved under this part in cases in which the support obligation involved was so assigned but, at the time of collection, is not required to be so assigned; and

(ii) the total amount of support collected during the fiscal year under the State plan approved under this part in all other cases.

(6) Determination of applicable percentages based on performance levels

(A) Paternity establishment

(i) Determination of paternity establishment performance level

The paternity establishment performance level for a State for a fiscal year is, at the option of the State, the IV-D paternity establishment percentage determined under section 652(g)(2)(A) of this title or the statewide paternity establishment percentage determined under section 652(g)(2)(B) of this title.

(ii) Determination of applicable percentage

The applicable percentage with respect to a State’s paternity establishment performance level is as follows:

<table>
<thead>
<tr>
<th>If the paternity establishment performance level is:</th>
<th>The applicable percentage is:</th>
</tr>
</thead>
<tbody>
<tr>
<td>At least:</td>
<td>But less than:</td>
</tr>
<tr>
<td>80% ........................................ 100</td>
<td>79% ......................................... 98</td>
</tr>
<tr>
<td>79% ........................................ 98</td>
<td>78% ......................................... 96</td>
</tr>
<tr>
<td>77% ........................................ 94</td>
<td>76% ......................................... 92</td>
</tr>
<tr>
<td>75% ........................................ 90</td>
<td>74% ......................................... 88</td>
</tr>
<tr>
<td>73% ........................................ 86</td>
<td>72% ......................................... 84</td>
</tr>
<tr>
<td>71% ........................................ 82</td>
<td>70% ......................................... 80</td>
</tr>
<tr>
<td>69% ........................................ 78</td>
<td>68% ......................................... 76</td>
</tr>
<tr>
<td>66% ........................................ 74</td>
<td>65% ......................................... 72</td>
</tr>
<tr>
<td>64% ........................................ 70</td>
<td>63% ......................................... 68</td>
</tr>
</tbody>
</table>

Notwithstanding the preceding sentence, if the paternity establishment performance level of a State for a fiscal year is less than 50 percent but exceeds by at least 10 percentage points the paternity establishment performance level of the State for the immediately preceding fiscal year, then the applicable percentage with respect to the State’s paternity establishment performance level is 50 percent.

(B) Establishment of child support orders

(i) Determination of support order performance level

The support order performance level for a State for a fiscal year is the percentage of the total number of cases under the State plan approved under this part in which there is a support order during the fiscal year.

(ii) Determination of applicable percentage

The applicable percentage with respect to a State’s support order performance level is as follows:

<table>
<thead>
<tr>
<th>If the support order performance level is:</th>
<th>The applicable percentage is:</th>
</tr>
</thead>
<tbody>
<tr>
<td>At least:</td>
<td>But less than:</td>
</tr>
<tr>
<td>80% ........................................ 100</td>
<td>79% ......................................... 98</td>
</tr>
<tr>
<td>79% ........................................ 98</td>
<td>78% ......................................... 96</td>
</tr>
<tr>
<td>77% ........................................ 94</td>
<td>76% ......................................... 92</td>
</tr>
<tr>
<td>75% ........................................ 90</td>
<td>74% ......................................... 88</td>
</tr>
<tr>
<td>73% ........................................ 86</td>
<td>72% ......................................... 84</td>
</tr>
<tr>
<td>71% ........................................ 82</td>
<td>70% ......................................... 80</td>
</tr>
<tr>
<td>69% ........................................ 78</td>
<td>68% ......................................... 76</td>
</tr>
<tr>
<td>66% ........................................ 74</td>
<td>65% ......................................... 72</td>
</tr>
<tr>
<td>64% ........................................ 70</td>
<td>63% ......................................... 68</td>
</tr>
<tr>
<td>62% ........................................ 66</td>
<td>61% ......................................... 64</td>
</tr>
<tr>
<td>60% ........................................ 62</td>
<td>59% ......................................... 60</td>
</tr>
<tr>
<td>58% ........................................ 58</td>
<td>57% ......................................... 56</td>
</tr>
</tbody>
</table>

| 56% ........................................ 54  | 55% ......................................... 52 |
| 54% ........................................ 50  | 53% ......................................... 48 |
| 52% ........................................ 46  | 51% ......................................... 44 |
| 50% ........................................ 42  | 49% ......................................... 40 |
| 48% ........................................ 38  | 47% ......................................... 36 |
| 46% ........................................ 34  | 45% ......................................... 32 |
| 44% ........................................ 30  | 43% ......................................... 28 |
| 42% ........................................ 26  | 41% ......................................... 24 |
| 40% ........................................ 22  | 39% ......................................... 20 |
| 38% ........................................ 18  | 37% ......................................... 16 |
| 36% ........................................ 14  | 35% ......................................... 12 |
| 34% ........................................ 10  | 33% ......................................... 8  |
| 32% ........................................ 6  | 31% ......................................... 4  |
| 30% ........................................ 2  | 29% ......................................... 0  |
§ 658a

Notwithstanding the preceding sentence, if the support order performance level of a State for a fiscal year is less than 50 percent but exceeds by at least 5 percentage points the support order performance level of the State for the immediately preceding fiscal year, then the applicable percentage with respect to the State’s support order performance level is 50 percent.

(C) Collections on current child support due

(i) Determination of current payment performance level

The current payment performance level for a State for a fiscal year is equal to the total amount of current support collected during the fiscal year under the State plan approved under this part divided by the total amount of current support owed during the fiscal year in all cases under the State plan, expressed as a percentage.

(ii) Determination of applicable percentage

The applicable percentage with respect to a State’s current payment performance level is as follows:

<table>
<thead>
<tr>
<th>If the current payment performance level is:</th>
<th>The applicable percentage is:</th>
</tr>
</thead>
<tbody>
<tr>
<td>At least:</td>
<td>But less than:</td>
</tr>
<tr>
<td>80% ................................ 80% ................................ 100</td>
<td></td>
</tr>
<tr>
<td>79% ................................ 79% ................................ 98</td>
<td></td>
</tr>
<tr>
<td>78% ................................ 78% ................................ 96</td>
<td></td>
</tr>
<tr>
<td>77% ................................ 77% ................................ 94</td>
<td></td>
</tr>
<tr>
<td>76% ................................ 76% ................................ 92</td>
<td></td>
</tr>
<tr>
<td>75% ................................ 75% ................................ 90</td>
<td></td>
</tr>
<tr>
<td>74% ................................ 74% ................................ 88</td>
<td></td>
</tr>
<tr>
<td>73% ................................ 73% ................................ 86</td>
<td></td>
</tr>
<tr>
<td>72% ................................ 72% ................................ 84</td>
<td></td>
</tr>
<tr>
<td>71% ................................ 71% ................................ 82</td>
<td></td>
</tr>
<tr>
<td>70% ................................ 70% ................................ 80</td>
<td></td>
</tr>
<tr>
<td>69% ................................ 69% ................................ 78</td>
<td></td>
</tr>
<tr>
<td>68% ................................ 68% ................................ 76</td>
<td></td>
</tr>
<tr>
<td>67% ................................ 67% ................................ 74</td>
<td></td>
</tr>
<tr>
<td>66% ................................ 66% ................................ 72</td>
<td></td>
</tr>
<tr>
<td>65% ................................ 65% ................................ 70</td>
<td></td>
</tr>
<tr>
<td>64% ................................ 64% ................................ 68</td>
<td></td>
</tr>
<tr>
<td>63% ................................ 63% ................................ 66</td>
<td></td>
</tr>
<tr>
<td>62% ................................ 62% ................................ 64</td>
<td></td>
</tr>
<tr>
<td>61% ................................ 61% ................................ 62</td>
<td></td>
</tr>
<tr>
<td>60% ................................ 60% ................................ 60</td>
<td></td>
</tr>
<tr>
<td>59% ................................ 59% ................................ 58</td>
<td></td>
</tr>
<tr>
<td>58% ................................ 58% ................................ 56</td>
<td></td>
</tr>
<tr>
<td>57% ................................ 57% ................................ 54</td>
<td></td>
</tr>
<tr>
<td>56% ................................ 56% ................................ 52</td>
<td></td>
</tr>
<tr>
<td>55% ................................ 55% ................................ 50</td>
<td></td>
</tr>
<tr>
<td>54% ................................ 54% ................................ 48</td>
<td></td>
</tr>
<tr>
<td>53% ................................ 53% ................................ 46</td>
<td></td>
</tr>
<tr>
<td>52% ................................ 52% ................................ 44</td>
<td></td>
</tr>
<tr>
<td>51% ................................ 51% ................................ 42</td>
<td></td>
</tr>
<tr>
<td>50% ................................ 50% ................................ 40</td>
<td></td>
</tr>
<tr>
<td>49% ................................ 49% ................................ 38</td>
<td></td>
</tr>
</tbody>
</table>

(D) Collections on child support arrearages

(i) Determination of arrearage payment performance level

The arrearage payment performance level for a State for a fiscal year is equal to the total number of cases under the State plan approved under this part in which payments of past-due child support were received during the fiscal year and part or all of the payments were distributed to the family to whom the past-due child support was owed (or, if all past-due child support owed to the family was, at the time of receipt, subject to an assignment to the State, part or all of the payments were retained by the State) divided by the total number of cases under the State plan in which there is past-due child support, expressed as a percentage.

(ii) Determination of applicable percentage

The applicable percentage with respect to a State’s arrearage payment performance level is as follows:

<table>
<thead>
<tr>
<th>If the arrearage payment performance level is:</th>
<th>The applicable percentage is:</th>
</tr>
</thead>
<tbody>
<tr>
<td>At least:</td>
<td>But less than:</td>
</tr>
<tr>
<td>80% ................................ 80% ................................ 100</td>
<td></td>
</tr>
<tr>
<td>79% ................................ 79% ................................ 98</td>
<td></td>
</tr>
<tr>
<td>78% ................................ 78% ................................ 96</td>
<td></td>
</tr>
<tr>
<td>77% ................................ 77% ................................ 94</td>
<td></td>
</tr>
<tr>
<td>76% ................................ 76% ................................ 92</td>
<td></td>
</tr>
<tr>
<td>75% ................................ 75% ................................ 90</td>
<td></td>
</tr>
<tr>
<td>74% ................................ 74% ................................ 88</td>
<td></td>
</tr>
<tr>
<td>73% ................................ 73% ................................ 86</td>
<td></td>
</tr>
<tr>
<td>72% ................................ 72% ................................ 84</td>
<td></td>
</tr>
<tr>
<td>71% ................................ 71% ................................ 82</td>
<td></td>
</tr>
<tr>
<td>70% ................................ 70% ................................ 80</td>
<td></td>
</tr>
<tr>
<td>69% ................................ 69% ................................ 78</td>
<td></td>
</tr>
<tr>
<td>68% ................................ 68% ................................ 76</td>
<td></td>
</tr>
<tr>
<td>67% ................................ 67% ................................ 74</td>
<td></td>
</tr>
<tr>
<td>66% ................................ 66% ................................ 72</td>
<td></td>
</tr>
<tr>
<td>65% ................................ 65% ................................ 70</td>
<td></td>
</tr>
<tr>
<td>64% ................................ 64% ................................ 68</td>
<td></td>
</tr>
<tr>
<td>63% ................................ 63% ................................ 66</td>
<td></td>
</tr>
<tr>
<td>62% ................................ 62% ................................ 64</td>
<td></td>
</tr>
<tr>
<td>61% ................................ 61% ................................ 62</td>
<td></td>
</tr>
<tr>
<td>60% ................................ 60% ................................ 60</td>
<td></td>
</tr>
<tr>
<td>59% ................................ 59% ................................ 58</td>
<td></td>
</tr>
<tr>
<td>58% ................................ 58% ................................ 56</td>
<td></td>
</tr>
<tr>
<td>57% ................................ 57% ................................ 54</td>
<td></td>
</tr>
<tr>
<td>56% ................................ 56% ................................ 52</td>
<td></td>
</tr>
<tr>
<td>55% ................................ 55% ................................ 50</td>
<td></td>
</tr>
<tr>
<td>54% ................................ 54% ................................ 48</td>
<td></td>
</tr>
<tr>
<td>53% ................................ 53% ................................ 46</td>
<td></td>
</tr>
<tr>
<td>52% ................................ 52% ................................ 44</td>
<td></td>
</tr>
<tr>
<td>51% ................................ 51% ................................ 42</td>
<td></td>
</tr>
<tr>
<td>50% ................................ 50% ................................ 40</td>
<td></td>
</tr>
<tr>
<td>49% ................................ 49% ................................ 38</td>
<td></td>
</tr>
</tbody>
</table>
(d) Administrative provisions

The amounts of the incentive payments to be made to the States under this section for a fiscal year shall be estimated by the Secretary at or before the beginning of the fiscal year on the basis of the best information available. The Secretary shall make the payments for the fiscal year, on a quarterly basis (with each quarterly payment being made no later than the beginning of the quarter involved), in the amounts so estimated, reduced or increased to the extent of any overpayments or underpayments which the Secretary determines were made under this section to the States involved for prior periods and with respect to which adjustment has not already been made under this subsection. Upon the making of any estimate by the Secretary under the preceding sentence, any appropriations available for payments under this section are deemed obligated.

(e) Regulations

The Secretary shall prescribe such regulations as may be necessary governing the calculation of incentive payments under this section, including directions for excluding from the calculations certain closed cases and cases over which the States do not have jurisdiction.

(f) Reinvestment

A State to which a payment is made under this section shall expend the full amount of the payment to supplement, and not supplant, other funds used by the State—

(1) to carry out the State plan approved under this part; or
(2) for any activity (including cost-effective contracts with local agencies) approved by the Secretary, whether or not the expenditures for the activity are eligible for reimbursement under this part, which may contribute to improving the effectiveness or efficiency of the State program operated under this part.


Effective Date

Pub. L. 105–200, title II, § 201(c), July 16, 1998, 112 Stat. 658, provided that: “Except as otherwise provided in this section [enacting this section, amending this section and sections 652, 655, and 658 of this title, repealing section 658 of this title, enacting provisions set out as notes under this section and sections 652 and 655 of this title, amending provisions set out as notes under this section and sections 652 and 658 of this title, and repealing provisions set out as a note under section 658 of this title], the amendments made by this section shall take effect on October 1, 1998.”

Regulations

Pub. L. 105–200, title II, § 201(c), July 16, 1998, 112 Stat. 658, provided that: “Within 9 months after the date of the enactment of this section [July 16, 1998], the Secretary of Health and Human Services shall prescribe regulations governing the implementation of section 458A [now 458] of the Social Security Act [42 U.S.C. 658a] when such section takes effect and the implementation of subsection (b) of this section [formerly set out as a note below].”

Transition Rule

Pub. L. 105–200, title II, § 201(b), July 16, 1998, 112 Stat. 658, provided for reductions by the Secretary of the
amount otherwise payable to a State under this section and former section 658 of this title for fiscal years 2000 and 2001.

STUDIES

"(1) GENERAL REVIEW OF NEW INCENTIVE PAYMENT SYSTEM.—

"(A) IN GENERAL.—The Secretary of Health and Human Services shall conduct a study of the implementation of the incentive payment system established by section 458 of the Social Security Act (42 U.S.C. 658a), in order to identify the problems and successes of the system.

"(B) REPORTS TO THE CONGRESS.—

"(i) INTERIM REPORT.—Not later than March 1, 2001, the Secretary shall submit to the Congress an interim report that contains the findings of the study required by subparagraph (A).

"(ii) FINAL REPORT.—Not later than October 1, 2003, the Secretary shall submit to the Congress a final report that contains the final findings of the study required by subparagraph (A). The report shall include any recommendations for changes in the system that the Secretary determines would improve the operation of the child support enforcement program.

"(2) DEVELOPMENT OF MEDICAL SUPPORT INCENTIVE.—

"(A) IN GENERAL.—The Secretary of Health and Human Services, in consultation with State directors of programs operated under part D of title IV of the Social Security Act (42 U.S.C. 631 et seq.) and representatives of children potentially eligible for medical support, shall develop a performance measure based on the effectiveness of States in establishing and enforcing medical support obligations, and shall make recommendations for the incorporation of the measure, in a revenue neutral manner, into the incentive payment system established by section 458A (now 458) of the Social Security Act (42 U.S.C. 658a).

"(B) REPORT.—Not later than October 1, 1999, the Secretary shall submit to the Congress a report that describes the performance measure and contains the recommendations required by subparagraph (A).

§ 659. Consent by United States to income withholding, garnishment, and similar proceedings for enforcement of child support and alimony obligations

(a) Consent to support enforcement

Notwithstanding any other provision of law (including section 407 of this title and section 5301 of title 38), effective January 1, 1975, moneys (the entitlement to which is based upon remuneration for employment) due from, or payable by, the United States or the District of Columbia (including any agency, subdivision, or instrumentality thereof) to any individual, including members of the Armed Forces of the United States, shall be subject, in like manner and to the same extent as if the United States or the District of Columbia were a private person, to withholding in accordance with State law enacted pursuant to subsections (a)(1) and (b) of section 666 of this title and regulations of the Secretary under such subsections, and to any other legal process brought, by a State agency administering a program under this part or by an individual obligee, to enforce the legal obligation of the individual to provide child support or alimony.

(b) Consent to requirements applicable to private person

With respect to notice to withhold income pursuant to subsection (a)(1) or (b) of section 666 of this title, or any other order or process to enforce support obligations against an individual (if the order or process contains or is accompanied by sufficient data to permit prompt identification of the individual and the moneys involved), each governmental entity specified in subsection (a) shall be subject to the same requirements as would apply if the entity were a private person, except as otherwise provided in this section.

(c) Designation of agent; response to notice or process

(1) Designation of agent

The head of each agency subject to this section shall—

(A) designate an agent or agents to receive orders and accept service of process in matters relating to child support or alimony; and

(B) annually publish in the Federal Register the designation of the agent or agents, identified by title or position, mailing address, and telephone number.

(2) Response to notice or process

If an agent designated pursuant to paragraph (1) of this subsection receives notice pursuant to State procedures in effect pursuant to subsection (a)(1) or (b) of section 666 of this title, or is effectively served with any order, process, or interrogatory, with respect to an individual's child support or alimony payment obligations, the agent shall—

(A) as soon as possible (but not later than 15 days) thereafter, send written notice of the notice or service (together with a copy of the notice or service) to the individual at the duty station or last-known home address of the individual;

(B) within 30 days (or such longer period as may be prescribed by applicable State law) after receipt of a notice pursuant to such State procedures, comply with all applicable provisions of section 666 of this title; and

(C) within 30 days (or such longer period as may be prescribed by applicable State law) after effective service of any other such order, process, or interrogatory, withhold available sums in response to the order or process, or answer the interrogatory.

(d) Priority of claims

If a governmental entity specified in subsection (a) receives notice or is served with process, as provided in this section, concerning amounts owed by an individual to more than 1 person—

(1) support collection under section 666(b) of this title must be given priority over any
other process, as provided in section 666(b)(7) of this title;
(2) allocation of moneys due or payable to an individual among claimants under section 666(b) of this title shall be governed by section 666(b) of this title and the regulations prescribed under such section; and
(3) such moneys as remain after compliance with paragraphs (1) and (2) shall be available to satisfy any other such processes on a first-come, first-served basis, with any such process being satisfied out of such moneys as remain after the satisfaction of all such processes which have been previously served.

(e) No requirement to vary pay cycles

A governmental entity that is affected by legal process served for the enforcement of an individual’s child support or alimony payment obligations shall not be required to vary its normal pay and disbursement cycle in order to comply with the legal process.

(f) Relief from liability

(1) Neither the United States, nor the government of the District of Columbia, nor any disbursing officer shall be liable with respect to any payment made from moneys due or payable from the United States to any individual pursuant to legal process regular on its face, if the payment is made in accordance with this section and the regulations issued to carry out this section.

(2) No Federal employee whose duties include taking actions necessary to comply with the requirements of subsection (a) with regard to any individual shall be subject under any law to any disciplinary action or civil or criminal liability or penalty for, or on account of, any disclosure of information made by the employee in connection with the carrying out of such actions.

(g) Regulations

Authority to promulgate regulations for the implementation of this section shall, insofar as this section applies to moneys due from (or payable by)—

(1) the United States (other than the legislative or judicial branches of the Federal Government) or the government of the District of Columbia, be vested in the President (or the designee of the President);

(2) the legislative branch of the Federal Government, be vested jointly in the President pro tempore of the Senate and the Speaker of the House of Representatives (or their designees), and

(3) the judicial branch of the Federal Government, be vested in the Chief Justice of the United States (or the designee of the Chief Justice).

(h) Moneys subject to process

(1) In general

Subject to paragraph (2), moneys payable to an individual which are considered to be based upon remuneration for employment, for purposes of this section—

(A) consist of—

(i) compensation payable for personal services of the individual, whether the compensation is denominated as wages, salary, commission, bonus, pay, allowances, or otherwise (including severance pay, sick pay, and incentive pay);

(ii) periodic benefits (including a periodic benefit as defined in section 428(h)(3) of this title) or other payments—

(I) under the insurance system established by subchapter II;

(II) under any other system or fund established by the United States which provides for the payment of pensions, retirement or retired pay, annuities, dependents’ or survivors’ benefits, or similar amounts payable on account of personal services performed by the individual or any other individual;

(III) as compensation for death under any Federal program;

(IV) under any Federal program established to provide “black lung” benefits; or

(V) by the Secretary of Veterans Affairs as compensation for a service-connected disability paid by the Secretary to a former member of the Armed Forces who is in receipt of retired or retainer pay if the former member has waived a portion of the retired or retainer pay in order to receive such compensation;

(iii) worker’s compensation benefits paid or payable under Federal or State law;

(iv) benefits paid or payable under the Railroad Retirement System, and

(v) special benefits for certain World War II veterans payable under subchapter VIII; but

(B) do not include any payment—

(i) by way of reimbursement or otherwise, to defray expenses incurred by the individual in carrying out duties associated with the employment of the individual;

(ii) as allowances for members of the uniformed services payable pursuant to chapter 7 of title 37, as prescribed by the Secretaries concerned (defined by section 101(5) of title 37) as necessary for the efficient performance of duty;

(iii) of periodic benefits under title 38, except as provided in subparagraph (A)(ii)(V).

(2) Certain amounts excluded

In determining the amount of any moneys due from, or payable by, the United States to any individual, there shall be excluded amounts which—

(A) are owed by the individual to the United States;

(B) are required by law to be, and are, deducted from the remuneration or other payment involved, including Federal employment taxes, and fines and forfeitures ordered by court-martial;

(C) are properly withheld for Federal, State, or local income tax purposes, if the withholding of the amounts is authorized or required by law and if amounts withheld are not greater than would be the case if the in-
individual claimed all dependents to which he was entitled (the withholding of additional amounts pursuant to section 3402(i) of the Internal Revenue Code of 1986 may be permitted only when the individual presents evidence of a tax obligation which supports the additional withholding):

(D) are deducted as health insurance premiums;

(E) are deducted as normal retirement contributions (not including amounts deducted for supplementary coverage); or

(F) are deducted as normal life insurance premiums from salary or other remuneration for employment (not including amounts deducted for supplementary coverage).

(i) Definitions

For purposes of this section—

(1) United States

The term “United States” includes any department, agency, or instrumentality of the legislative, judicial, or executive branch of the Federal Government, the United States Postal Service, the Postal Regulatory Commission, any Federal corporation created by an Act of Congress that is wholly owned by the Federal Government, the United States Postal Service, the Postal Regulatory Commission, the Legislative, Judicial, or Executive branch of the United States, or any Federal corporation created by an Act of Congress that is wholly owned by the Federal Government, and the governments of the territories and possessions of the United States.

(2) Child support

The term “child support”, when used in reference to the legal obligations of an individual to provide such support, means amounts required to be paid under a judgment, decree, or order, whether temporary, final, or subject to modification, issued by a court or an administrative agency of competent jurisdiction, for the support and maintenance of a child, including a child who has attained the age of majority under the law of the issuing State, or a child and the parent with whom the child is living, which provides for monetary support, health care, arrearages or reimbursement, and which may include other related costs and fees, interest and penalties, income withholding, attorney’s fees, and other relief.

(3) Alimony

(A) In general

The term “alimony”, when used in reference to the legal obligations of an individual to provide the same, means periodic payments of funds for the support and maintenance of the spouse (or former spouse) of the individual, and (subject to and in accordance with State law) includes separate maintenance, alimony pendente lite, maintenance, and spousal support, and includes attorney’s fees, interest, and court costs when and to the extent that the same are expressly made recoverable as such pursuant to a decree, order, or judgment issued in accordance with applicable State law by a court of competent jurisdiction.

(B) Exceptions

Such term does not include—

(i) any child support; or

(ii) any payment or transfer of property or its value by an individual to the spouse or a former spouse of the individual in compliance with any community property settlement, equitable distribution of property, or other division of property between spouses or former spouses.

(4) Private person

The term “private person” means a person who does not have sovereign or other special immunity or privilege which causes the person not to be subject to legal process.

(5) Legal process

The term “legal process” means any writ, order, summons, or other similar process in the nature of garnishment—

(A) which is issued by—

(i) a court or an administrative agency of competent jurisdiction in any State, territory, or possession of the United States;

(ii) a court or an administrative agency of competent jurisdiction in any foreign country with which the United States has entered into an agreement which requires the United States to honor the process; or

(iii) an authorized official pursuant to an order of such a court or an administrative agency of competent jurisdiction or pursuant to State or local law; and

(B) which is directed to, and the purpose of which is to compel, a governmental entity which holds moneys which are otherwise payable to an individual to make a payment from the moneys to another party in order to satisfy a legal obligation of the individual to provide child support or make alimony payments.


REFERENCES IN TEXT

The Internal Revenue Code of 1986, referred to in subsec. (b)(2)(C), is classified generally to Title 26, Internal Revenue Code.

AMENDMENTS


1997—Subsec. (c)(2)(C). Pub. L. 105–33, § 5542(a), substituted “withhold available sums in response to the order or process, or answer the interrogatory” for “respond to the order, process, or interrogatory”.


it is hereby ordered as follows:

(1) Be applicable to the Executive branch of the Government to take the actions prescribed by Sections 461(b)(1), 461(b)(3)(A) and 461(c) of the Act (42 U.S.C. 661(b)(1), 661(b)(3)(A) and 661(c)).

(2) Require the appropriate officials of the Executive branch of the Government to provide the information to its employees and members about actions that they should take and services that are available to ensure that their children are provided the support to which they are legally entitled.

(3) Require the appropriate officials of the Executive branch of the Government to take such rules, regulations and directives as are necessary to implement the regulations of the Office of Personnel Management.

1–2. REVOCATIONS

1–201. Executive Order No. 11881 of October 3, 1975 is revoked.

1–202. All regulations, directives, or actions taken by the Office of Personnel Management pursuant to Executive Order No. 11881 of October 3, 1975 shall remain in effect until modified, superseded or revoked by the Office of Personnel Management pursuant to this Order.

JIMMY CARTER.

EX. ORD. No. 12953. ACTIONS REQUIRED OF ALL EXECUTIVE AGENCIES TO FACILITATE PAYMENT OF CHILD SUPPORT

Ex. Ord. No. 12953, Feb. 27, 1995, 60 F.R. 11013, provided:

Children need and deserve the emotional and financial support of both their parents.

The Federal Government requires States and, through them, public and private employers to take actions necessary to ensure that monies in payment of child support obligations are withheld and transferred to the child’s caretaker in an efficient and expeditious manner.

The Federal Government, through its civilian employees and Uniformed Services members, is the Nation’s largest single employer and as such should set an example of leadership and encouragement in ensuring that all children are properly supported.

NOW, THEREFORE, by the authority vested in me as President by the Constitution and the laws of the United States of America, including section 301 of title 3, United States Code, it is hereby ordered as follows:

PART I—PURPOSE

SECTION 101. This executive order: (a) Establishes the executive branch of the Federal Government, through its civilian employees and Uniformed Services members, as a model employer in promoting and facilitating the establishment and enforcement of child support.

(b) Requires all Federal agencies, including the Uniformed Services, to cooperate fully in efforts to establish paternity and child support orders and to enforce the collection of child and medical support in all situations where such actions may be required.

(c) Requires each Federal agency, including the Uniformed Services, to provide information to its employees and members about actions that they should take and services that are available to ensure that their children are provided the support to which they are legally entitled.

PART II—DEFINITIONS

For purposes of this order:

SIC. 201. “Federal agency” means any authority as defined at 5 U.S.C. 105, including the Uniformed Services, as defined in section 202 of this order.


SIC. 203. “Child support enforcement” means any administrative or judicial action by a court or administrative entity of a State necessary to establish paternity or establish a child support order, including a medical support order, and any actions necessary to enforce a child support or medical support order. Child support actions may be brought under the civil or criminal laws of a State and are not limited to actions brought on behalf of the State or individual by State agencies providing services under title IV-D of the Social Security Act, 42 U.S.C. 651 et seq.
§ 659  TITLE 42—THE PUBLIC HEALTH AND WELFARE

PART 3—IMMEDIATE ACTIONS TO ENSURE CHILDREN ARE SUPPORTED BY THEIR PARENTS

(1) Within 60 days from the date of this order, every Federal agency shall review its procedures for wage withholding under 42 U.S.C. 659 and implementing regulations to ensure that it is in full compliance with the requirements of that section, and shall endeavor, to the extent feasible, to process wage withholding actions consistent with the requirements of 42 U.S.C. 666(b).

(2) Beginning no later than July 1, 1995, the Director of the Office of Personnel Management (OPM) shall publish annually in the Federal Register the list of agents (and their addresses) designated to receive service of withholding notices for Federal employees.

PART 2—SERVICE OF LEGAL PROCESS

Every Federal agency shall assist in the service of legal process in civil actions pursuant to orders of courts of States to establish, enforce or modify a child support obligation. Each agency shall designate an official who shall be responsible for facilitating the service of a legal process directed to a Federal employee or member of the Uniformed Services stationed outside the United States available for the service of process. Each agency shall develop, maintain, and conduct procedures to ensure that the location of the employee's or member's workplace or duty station is provided to the authorized officials.

PART 4—ADDITIONAL ACTIONS

(a) In addition to the requirements outlined above, the Secretary of the Department of Defense (DOD) will establish a task force, with participation by the Department of Health and Human Services (HHS), the Department of Commerce, and the Department of Transportation, that shall conduct a full review of current policies and practices within the Uniformed Services to ensure that children of Uniformed Services personnel are provided financial and medical support in the same manner and within the same time frames as is mandated for all other children. This review shall include, but not be limited to, issues related to withholding non-custodial parents' wages, service of legal process, activities to locate parents and their income and assets, release of time to attend civil paternity and support proceedings, and health insurance coverage under the Civilian Health and Medical Program of the Uniformed Services (CHAMPUS). All relevant existing statutes, including the Soldiers' and Sailors' Civil Relief Act of 1940 (now Servicemembers Civil Relief Act) [50 U.S.C. 3901 et seq.], the Uniformed Services Former Spouses' Protection Act [see Short Title of 1982 Amendment note set out under section 1401 of Title 10, Armed Forces], and the Tax Equity and Fiscal Responsibility Act of 1982 [Pub. L. 97–246, see Tables for effect and bind employees to the same extent as actual service upon the employees;]

(b) Within 180 days of the date of this order, DOD shall submit to OMB a report based on this review. The report shall recommend additional policy and legislative changes that would improve and enhance the Federal Government's commitment to ensuring parental support for all children.

(c) OPM and HHS shall jointly study and prepare recommendations concerning additional administrative, regulatory, and legislative improvements in the policies and procedures of Federal agencies affecting child support enforcement. Other agencies shall be included in the development of recommendations for specific items as appropriate. The recommendations shall address, among other things:

(i) any changes that would be needed to ensure that Federal employees comply with child support orders that require them to provide health insurance coverage for their children;

(ii) changes needed to ensure that more accurate and up-to-date data about civilian and uniformed personnel who are being sought in conjunction with State paternity or child support actions can be obtained from Federal agencies and their payroll and personnel records, and that Federal agencies and employees can make improvements to locate noncustodial parents and their income and assets;

(iii) changes needed for selecting Federal agencies to test and evaluate new approaches to the establishment and enforcement of child support obligations;

(iv) proposals to improve service of process for civilian employees and members of the Uniformed Services stationed outside the United States, including the possibility of serving process by certified mail in establishment and enforcement cases or of designating an agent for service of process that would have the same effect and bind employees to the same extent as actual service upon the employees;

(v) strategies to facilitate compliance with Federal and State child support requirements by quasi-governmental agencies, advisory groups, and commissions;

(vi) analysis of whether compliance with support orders should be a factor used in determining suitability for Federal employment.

(b) The recommendations are due within 180 days of the date of this order. The recommendations are to be submitted in writing to the Office of Management and Budget.
Government has elected to require Federal agencies to adhere to the same standards as are applicable to all other employers in the Nation and shall not be interpreted as subjecting the Federal Government to any State law or requirement. This order should not be construed as a waiver of the sovereign immunity of the United States Government or of any existing statutory or regulatory provisions, including 42 U.S.C. 659, 662, and 665; 5 CFR Part 581; 42 CFR Part 21, Subpart C; 32 CFR Part 54; and 32 CFR Part 81. 

§ 659a. International support enforcement

(a) Authority for declarations

(1) Declaration

The Secretary of State, with the concurrence of the Secretary of Health and Human Services, is authorized to declare any foreign country (or a political subdivision thereof) to be a foreign reciprocating country if the foreign country has established, or undertakes to establish, procedures for the establishment and enforcement of duties of support owing to obligees who are residents of the United States, and such procedures are substantially in conformity with the standards prescribed under subsection (b).

(2) Revocation

A declaration with respect to a foreign country made pursuant to paragraph (1) may be revoked if the Secretaries of State and Health and Human Services determine that—

(A) the procedures established by the foreign country regarding the establishment and enforcement of duties of support have been so changed, or the foreign country’s implementation of such procedures is so unsatisfactory, that such procedures do not meet the criteria for such a declaration; or

(B) continued operation of the declaration is not consistent with the purposes of this part.

(3) Form of declaration

A declaration under paragraph (1) may be made in the form of an international agreement or corresponding foreign declaration, or on a unilateral basis.

(b) Standards for foreign support enforcement procedures

(1) Mandatory elements

Support enforcement procedures of a foreign country which may be the subject of a declaration pursuant to subsection (a)(1) shall include the following elements:

(A) The foreign country (or political subdivision thereof) has in effect procedures, available to residents of the United States—

(i) for establishment of paternity, and

(ii) for establishment of orders of support for children and custodial parents; and

(B) The procedures described in subparagraph (A), including legal and administrative assistance, are provided to residents of the United States at no cost.

(2) Additional elements

The Secretary of Health and Human Services and the Secretary of State, in consultation with the States, may establish such additional standards as may be considered necessary to further the purposes of this section.

(c) Designation of United States Central Authority

It shall be the responsibility of the Secretary of Health and Human Services to facilitate support enforcement in cases involving residents of the United States and residents of foreign reciprocating countries or foreign treaty countries, by activities including—

(1) development of uniform forms and procedures for use in such cases;

(2) notification of foreign reciprocating countries and foreign treaty countries of the State of residence of individuals sought for support enforcement purposes, on the basis of information provided by the Federal Parent Locator Service; and

(3) such other oversight, assistance, and coordination activities as the Secretary may find necessary and appropriate.

(d) Effect on other laws

States may enter into reciprocal arrangements for the establishment and enforcement of support obligations with foreign countries that are not foreign reciprocating countries or foreign treaty countries, to the extent consistent with Federal law.

(e) References

In this part:

(1) Foreign reciprocating country

The term “foreign reciprocating country” means a foreign country (or political subdivision thereof) with respect to which the Secretary has made a declaration pursuant to subsection (a).

(2) Foreign treaty country

The term “foreign treaty country” means a foreign country for which the 2007 Family Maintenance Convention is in force.

(3) 2007 Family Maintenance Convention


AMENDMENTS

2014—Subsec. (c). Pub. L. 113–183, §301(d)(2)(A), substituted “foreign reciprocating countries or foreign treaty countries” for “foreign countries that are the subject of a declaration under this section” in introductory provisions.

Subsec. (c)(2). Pub. L. 113–183, §301(d)(2)(B), inserted “and foreign treaty countries” after “foreign reciprocating countries”.

Subsec. (d). Pub. L. 113–183, §301(d)(3), substituted “foreign reciprocating countries or foreign treaty countries” for “the subject of a declaration pursuant to subsection (a)”.


EFFECTIVE DATE

For effective date of section, see section 395(a)–(c) of Pub. L. 104–193, set out as an Effective Date of 1996 Amendment note under section 654 of this title.

EX. ORD. NO. 13752. RELATING TO THE IMPLEMENTATION OF THE CONVENTION ON THE INTERNATIONAL RECOVERY OF CHILD SUPPORT AND OTHER FORMS OF FAMILY MAINTENANCE


NOW, THEREFORE, by virtue of the authority vested in me as President by the Constitution and the laws of the United States of America, it is ordered as follows:

SECTION 1. Designation of Central Authority. The Department of Health and Human Services is hereby designated as the Central Authority of the United States for purposes of the Convention. The Secretary of Health and Human Services is hereby authorized and empowered, in accordance with such regulations as the Secretary may prescribe, to perform all lawful acts that may be necessary and proper in order to execute the functions of the Central Authority in a timely and efficient manner.


SEC. 3. General Provisions. (a) Nothing in this order shall be construed to impair or otherwise affect:

(i) the authority granted by law to any executive department, agency, or the head thereof, or the status of that department or agency within the Federal Government; or

(ii) the functions of the Director of the Office of Management and Budget relating to budgetary, administrative, or legislative proposals.

(b) This order shall be implemented consistent with applicable law and subject to the availability of appropriations.

(c) This order is not intended to, and does not, create any right or benefit, substantive or procedural, enforceable at law or in equity by any party against the United States, its departments, agencies, or entities, its officers, employees, or agents, or any other person.

BARACK OBAMA.

§ 660. Civil action to enforce child support obligations; jurisdiction of district courts

The district courts of the United States shall have jurisdiction, without regard to any amount in controversy, to hear and determine any civil action certified by the Secretary of Health and Human Services under section 652(a)(8) of this title. A civil action under this section may be brought in any judicial district in which the claim arose, the plaintiff resides, or the defendant resides.


AMENDMENTS


EFFECTIVE DATE OF 1994 AMENDMENT

Amendment by Pub. L. 98–369 effective July 18, 1994, but not to be construed as changing or affecting any right, liability, status, or interpretation which existed (under the provisions of law involved) before that date, see section 2664(b) of Pub. L. 98–369, set out as a note under section 401 of this title.


EFFECTIVE DATE OF REPEAL

Repeal effective 6 months after Aug. 22, 1996, see section 362(b) of Pub. L. 104–193, set out as an Effective Date of 1996 Amendment note under section 659 of this title.

For provisions relating to effective date of title III of Pub. L. 104–193, see section 365(a)–(c) of Pub. L. 104–193, set out as an Effective Date of 1996 Amendment note under section 654 of this title.

§ 663. Use of Federal Parent Locator Service in connection with enforcement or determination of child custody in cases of parental kidnapping of child

(a) Agreements with States for use of Federal Parent Locator Service

The Secretary shall enter into an agreement with every State under which the services of the Federal Parent Locator Service established under section 653 of this title shall be made available to each State for the purpose of determining the whereabouts of any parent or child when such information is to be used to locate such parent or child for the purpose of—

(1) enforcing any State or Federal law with respect to the unlawful taking or restraint of a child; or

(2) making or enforcing a child custody or visitation determination.

(b) Requests from authorized persons for information

An agreement entered into under subsection (a) shall provide that the State agency described in section 654 of this title will, under procedures
prescribed by the Secretary in regulations, receive and transmit to the Secretary requests from authorized persons for information as to (or useful in determining) the whereabouts of any parent or child when such information is to be used to locate such parent or child for the purpose of—

(1) enforcing any State or Federal law with respect to the unlawful taking or restraint of a child; or

(2) making or enforcing a child custody or visitation determination.

c) Information which may be disclosed

Information authorized to be provided by the Secretary under subsection (a), (b), (e), or (f) shall be subject to the same conditions with respect to disclosure as information authorized to be provided under section 653 of this title, and a request for information by the Secretary under this section shall be considered to be a request for information under section 653 of this title which is authorized to be provided under such section. Only information as to the most recent address and place of employment of any parent or child shall be provided under this section.

d) "Custody or visitation determination" and "authorized person" defined

For purposes of this section—

(1) the term "custody or visitation determination" means a judgment, decree, or other order of a court providing for the custody or visitation of a child, and includes permanent and temporary orders, and initial orders and modification;

(2) the term "authorized person" means—

(A) any agent or attorney of any State having an agreement under this section, who has the duty or authority under the law of such State to enforce a child custody or visitation determination; 

(B) any court having jurisdiction to make or enforce such a child custody or visitation determination, or any agent of such court; and

(C) any agent or attorney of the United States, or of a State having an agreement under this section, who has the duty or authority to investigate, enforce, or bring a prosecution with respect to the unlawful taking or restraint of a child.

e) Agreement on use of Federal Parent Locator Service with United States Central Authority under Convention on the Civil Aspects of International Child Abduction

The Secretary shall enter into an agreement with the Central Authority designated by the President in accordance with section 9006 of title 22, under which the services of the Federal Parent Locator Service established under section 653 of this title shall be made available to such Central Authority upon its request for the purpose of locating any parent or child on behalf of an applicant to such Central Authority within the meaning of section 9002(1) of title 22. The Federal Parent Locator Service shall charge no fees for services requested pursuant to this subsection.

(f) Agreement to assist in locating missing children under Federal Parent Locator Service

The Secretary shall enter into an agreement with the Attorney General of the United States, under which the services of the Federal Parent Locator Service established under section 653 of this title shall be made available to the Office of Juvenile Justice and Delinquency Prevention upon its request to locate any parent or child on behalf of such Office for the purpose of—

(1) enforcing any State or Federal law with respect to the unlawful taking or restraint of a child, or

(2) making or enforcing a child custody or visitation determination.

The Federal Parent Locator Service shall charge no fees for services requested pursuant to this subsection.


AMENDMENTS

1997—Subsec. (a). Pub. L. 105–33, § 5534(b)(1)(A), (5), in introductory provisions, substituted “every State” for “any State which is able and willing to do so,” and “each State” for “such State” and struck out “noncustodial” before “parent”.

Subsec. (a)(2). Pub. L. 105–33, § 5534(b)(1)(B), inserted “or visitation” after “custody”.

Subsec. (b). Pub. L. 105–33, § 5534(b)(5), struck out “noncustodial” before “parent”.

Subsec. (d)(1). Pub. L. 105–33, § 5534(b)(3)(A), inserted “or visitation” after “determination”.

Subsec. (d)(2)(A), (B). Pub. L. 105–33, § 5534(b)(3)(B), inserted “or visitation” after “custody”.


1994—Subsec. (c). Pub. L. 103–432, § 214(a), substituted “subsubsection (a), (b), (e), or (f)” for “subsubsection (a), (b), or (e)”.


Subsec. (c). Pub. L. 100–300, § 11(2), substituted “under subsection (a), (b), or (e)” for “under this section”.


EFFECTIVE DATE OF 1997 AMENDMENT


EFFECTIVE DATE OF 1996 AMENDMENT

For effective date of amendment by Pub. L. 104–193, see section 395(a)–(c) of Pub. L. 104–193, set out as a note under section 654 of this title.
§ 664 Effect of 1994 Amendment

§ 664. Collection of past-due support from Federal tax refunds

(a) Procedures applicable; distribution

(1) Upon receiving notice from a State agency administering a plan approved under this part that a named individual owes past-due support which has been assigned to such State pursuant to section 660(a)(3) or section 671(a)(17) of this title, the Secretary of the Treasury shall determine whether any amounts, as refunds of Federal taxes paid, are payable to such individual (regardless of whether such individual filed a tax return as a married or unmarried individual). If the Secretary of the Treasury finds that any amount is payable, he shall withhold from such refunds an amount equal to the past-due support, shall concurrently send notice to such individual that the withholding has been made (including in or with such notice a notification to any other person who may have filed a joint return with such individual of the steps which such other person may take in order to secure his or her proper share of the refund), and shall pay such amount to the State agency (together with notice of the individual’s home address) for distribution in accordance with section 657 of this title. This subsection may be executed by the disbursing official of the Department of the Treasury.

(2)(A) Upon receiving notice from a State agency administering a plan approved under this part that a named individual owes past-due support which such State has agreed to collect under paragraph (1) or (2), and that the refund from which it should be withheld is based upon a joint return, the Secretary of the Treasury shall notify the State that the withholding is being made from a refund based upon a joint return, and shall furnish to the State the names and addresses of each taxpayer filing such joint return. In the case of a withholding under paragraph (2), the State may delay distribution of the amount withheld until the State has been notified by the Secretary of the Treasury that the other person filing the joint return has received his or her proper share of the refund, but such delay may not exceed six months.

(b) Regulations; contents, etc.

(1) The Secretary of the Treasury shall issue regulations, approved by the Secretary of
Health and Human Services, prescribing the time or times at which States must submit notices of past-due support, the manner in which such notices must be submitted, and the necessary information that must be contained in or accompany the notices. The regulations shall be consistent with the provisions of subsection (a)(3), shall specify the minimum amount of past-due support to which the offset procedure established by subsection (a) may be applied, and the fee that a State must pay to reimburse the Secretary of the Treasury for the full cost of applying the offset procedure, and shall provide that the Secretary of the Treasury will advise the Secretary of Health and Human Services, not less frequently than annually, of the States which have furnished notices of past-due support under subsection (a), the number of cases in each State with respect to which such notices have been furnished, the amount of support sought to be collected under this subsection by each State, and the amount of such collections actually made in the case of each State. Any fee paid to the Secretary of the Treasury pursuant to this subsection may be used to reimburse appropriations which bore all or part of the cost of applying such procedure.

(2) In the case of withholdings made under subsection (a)(2), the regulations promulgated pursuant to this subsection shall include the following requirements:

(A) The withholding shall apply only in the case where the State determines that the amount of the past-due support which will be owed at the time the withholding is to be made, based upon the pattern of payment of support and other enforcement actions being pursued to collect the past-due support, is equal to or greater than $500. The State may limit the $500 threshold amount to amounts of past-due support accruing since the time that the State first began to enforce the child support order involved under the State plan, and may limit the application of the withholding to past-due support accruing since such time.

(B) The fee which the Secretary of the Treasury may impose to cover the costs of the withholding and notification may not exceed $25 per case submitted.

(c) “Past-due support” defined

In this part the term “past-due support” means the amount of a delinquency, determined under a court order, or an order of an administrative process established under State law, for support and maintenance of a child (whether or not a minor), or of a child (whether or not a minor) and the parent with whom the child is living.


References in Text

The Internal Revenue Code of 1986, referred to in subsec. (a)(2)(B), is classified generally to Title 26, Internal Revenue Code.

Amendments


2006—Subsec. (a)(2)(A). Pub. L. 109–171, § 7301(f)(1)(A), struck out “‘as that term is defined for purposes of this paragraph under subsection (c) of this section’” after “owed past-due support”.

Subsec. (c). Pub. L. 109–171, § 7301(f)(1)(B), substituted “In this part” for “‘(1) Except as provided in paragraph (2), as used in this part,’” inserted “(whether or not a minor)” after “‘a child’” in two places, and struck out pars. (2) and (3) defining “past-due support” and “qualified child”, respectively.


1996—Pub. L. 105–33 substituted “section 657” for “section 657(b)(4) or (d)(3)”.

Subsec. (a)(2)(A). Pub. L. 104–134, § 31001(v)(2), inserted at end “This subsection may be executed by the disbursing official of the Department of the Treasury.”

Pub. L. 104–193 substituted “section 657” for “section 657(b)(4)”.

Subsec. (c)(2). Pub. L. 101–508, § 5011(b)(1), substituted “qualified child (or a qualified child and the parent with whom the child is living if the same support order includes support for the child and the parent)” for “minor child”.


1984—Subsec. (a). Pub. L. 98–378, § 21(a), (b)(1), designated existing provisions as par. (1), substituted “shall concurrently send notice to any individual that the withholding has been made (including in or with such notice a notification to any other person who may have filed a joint return with such individual of the steps which such other person may take in order to secure his or her proper share of the refund), and shall pay” for “and pay”, and added pars. (2) and (3).

Pub. L. 98–576, § 11(d), inserted “or section 671(a)(17)” and substituted “section 657(b)(4) or (d)(3)” for “section 657(b)(3)”.

Subsec. (b)(1). Pub. L. 98–378, § 21(b)(2), designated existing provisions as par. (1), substituted “The regulations shall be consistent with the provisions of subsection (a)(3), shall specify” for “The regulations shall specify”, substituted “‘and shall provide’ for ‘and provide’”, and added par. (2).

Subsec. (c)(1). Pub. L. 98–378, § 21(c), designated existing provisions as par. (1), inserted reference to par. (2), and added par. (2).
\textbf{Effective Date of 2006 Amendment}


\textbf{Effective Date of 1997 Amendment}


\textbf{Effective Date of 1996 Amendment}

Amendment by Pub. L. 104–193 effective Oct. 1, 1996, or earlier at the State’s option, see section 392(c) of Pub. L. 104–193, set out as a note under section 657 of this title.

\textbf{For provisions relating to effective date of title III of Pub. L. 104–193, see section 392(c) of Pub. L. 104–193, set out as a note under section 657 of this title.}

\textbf{Effective Date of 1990 Amendment}


\textbf{Effective Date of 1984 Amendment}

Amendment by section 11(d) of Pub. L. 98–378 effective Oct. 1, 1984, and applicable to collections made on or after that date, see section 11(e) of Pub. L. 98–378, set out as a note under section 604 of this title.

\textbf{Amendment by section 21(a)(c) of Pub. L. 98–378 applicable with respect to refunds payable under section 6402 of Title 26, Internal Revenue Code, after Dec. 31, 1983, see section 21(g) of Pub. L. 98–378, set out as a note under section 6103 of Title 26.}

\textbf{Effective Date}

Section effective Oct. 1, 1981, except as otherwise specifically provided, see section 2386 of Pub. L. 97–35, set out as an Effective Date of 1981 Amendment note under section 651 of this title.

\section*{
§ 665. Allotments from pay for child and spousal support owed by members of uniformed services on active duty
}

\subsection*{(a) Mandatory allotment; notice upon failure to make; amount of allotment; adjustment or discontinuance; consultation}

(1) In any case in which child support payments or child and spousal support payments are owed by a member of one of the uniformed services (as defined in section 101(3) of title 37) on active duty, such member shall be required to make allotments from his pay and allowances (under chapter 13 of title 37) as payment of such support, when he has failed to make periodic payments under a support order that meets the criteria specified in section 1673(b)(1)(A) of title 15 and the resulting delinquency in such payments is in a total amount equal to the support payable for two months or longer. Failure to make such payments shall be established by notice from an authorized person (as defined in subsection (b)) to the designated official in the appropriate uniformed service. Such notice (which shall in turn be given to the affected member) shall also specify the person to whom the allotment is to be payable. The amount of the allotment shall be the amount necessary to comply with the order (which, if the order so provides, may include arrearages as well as amounts for current support), except that the amount of the allotment, together with any other amounts withheld for support from the wages of the member, as a percentage of his pay from the uniformed service, shall not exceed the limits prescribed in sections 1673(b) and (c) of title 15. An allotment under this subsection shall be adjusted or discontinued upon notice from the authorized person.

(2) Notwithstanding the preceding provisions of this subsection, no action shall be taken to require an allotment from the pay and allowances of any member of one of the uniformed services under such provisions (A) until such member has had a consultation with a judge advocate of the service involved (as defined in section 801(13) of title 10), or with a judge advocate (as defined in section 801(11) of such title) in the case of the Coast Guard, or with a legal officer designated by the Secretary concerned (as defined in section 101(5) of title 37) in any other case, in person, to discuss the legal and other factors involved with respect to the member’s support obligation and his failure to make payments thereon, or (B) until 30 days have elapsed after the notice described in the second sentence of paragraph (1) is given to the affected member in any case where it has not been possible, despite continuing good faith efforts, to arrange such a consultation.

\subsection*{(b) “Authorized person” defined}

For purposes of this section the term “authorized person” with respect to any member of the uniformed services means—

(1) any agent or attorney of a State having in effect a plan approved under this part who has the duty or authority under such plan to seek to recover any amounts owed by such member as child or child and spousal support (including, when authorized under the State plan, any official of a political subdivision); and

(2) the court which has authority to issue an order against such member for the support and maintenance of a child, or any agent of such court.

\subsection*{(c) Regulations}

The Secretary of Defense, in the case of the Army, Navy, Air Force, and Marine Corps, and the Secretary concerned (as defined in section 101(5) of title 37) in the case of each of the other uniformed services, shall each issue regulations applicable to allotments to be made under this section, designating the officials to whom notice of failure to make support payments, or notice to discontinue or adjust an allotment, should be given, prescribing the form and content of the notice and specifying any other rules necessary for such Secretary to implement this section.

§ 666. Requirement of statutorily prescribed procedures to improve effectiveness of child support enforcement

(a) Types of procedures required

In order to satisfy section 654(20)(A) of this title, each State must have in effect laws requiring the use of the following procedures, consistent with this section and with regulations of the Secretary, to increase the effectiveness of the program which the State administers under this part:

(1)(A) Procedures described in subsection (b) for the withholding from income of amounts payable as support in cases subject to enforcement under the State plan.

(B) Procedures under which the income of a person with a support obligation imposed by a support order issued (or modified) in the State before January 1, 1994, if not otherwise subject to withholding under subsection (b), shall become subject to withholding as provided in subsection (b) if arrearages occur, without the need for a judicial or administrative hearing.

(2) Expedited administrative and judicial procedures (including the procedures specified in subsection (c)) for establishing paternity and for establishing, modifying, and enforcing support obligations. The Secretary may waive the provisions of this paragraph with respect to one or more political subdivisions within the State on the basis of the effectiveness and timeliness of support order issuance and enforcement or paternity establishment within the political subdivision (in accordance with the general rule for exemptions under subsection (d)).

(3) Procedures under which the State child support enforcement agency shall request, and the State shall provide, that for the purpose of enforcing a support order under any State plan approved under this part—

(A) any refund of State income tax which would otherwise be payable to a noncustodial parent will be reduced, after notice has been sent to that noncustodial parent of the proposed reduction and the procedures to be followed to contest it (and after full compliance with all procedural due process requirements of the State), by the amount of any overdue support owed by such noncustodial parent;

(B) the amount by which such refund is reduced shall be distributed in accordance with section 657 of this title in the case of overdue support assigned to a State pursuant to section 608(a)(3) or 671(a)(17) of this title, or, in any other case, shall be distributed, after deduction of any fees imposed by the State to cover the costs of collection, to the child or parent to whom such support is owed;

(C) notice of the noncustodial parent’s social security account number (or numbers, if he has more than one such number) and home address shall be furnished to the State agency requesting the refund offset, and to the State agency enforcing the order.

(4) Liens.—Procedures under which—

(A) liens arise by operation of law against real and personal property for amounts of overdue support owed by a noncustodial parent who resides or owns property in the State; and

(B) the State accords full faith and credit to liens described in subparagraph (A) arising in another State, when the State agency, party, or other entity seeking to enforce such a lien complies with the procedural rules relating to recording or serving liens that arise within the State, except that such rules may not require judicial notice or hearing prior to the enforcement of such a lien.

(5) Procedures concerning paternity establishment.—

(A) Establishment process available from birth until age 18.—

(i) Procedures which permit the establishment of the paternity of a child at any time before the child attains 18 years of age.

(ii) As of August 16, 1984, clause (i) shall also apply to a child for whom paternity has not been established or for whom a paternity action was brought but dismissed because a statute of limitations of less than 18 years was then in effect in the State.

(B) Procedures concerning genetic testing.—

(i) Genetic testing required in certain contested cases.—Procedures under which the State is required, in a contested paternity case (unless otherwise barred by State law) to require the child and all other parties (other than individuals found under section 654(29) of this title to have good cause and other exceptions for refusing to cooperate) to submit to genetic tests upon the request of any such party, if the request is supported by a sworn statement by the party—

(I) alleging paternity, and setting forth facts establishing a reasonable possibili-
ity of the requisite sexual contact between the parties; or
(II) denying paternity, and setting forth facts establishing a reasonable possibility of the nonexistence of sexual contact between the parties.

(ii) OTHER REQUIREMENTS.—Procedures which require the State agency, in any case in which the agency orders genetic testing—
(I) to pay costs of such tests, subject to recoupment (if the State so elects) from the alleged father if paternity is established; and
(II) to obtain additional testing in any case if an original test result is contested, upon request and advance payment by the contestant.

(C) VOLUNTARY PATERNITY ACKNOWLEDGMENT.—
(i) SIMPLE CIVIL PROCESS.—Procedures for a simple civil process for voluntarily acknowledging paternity under which the State must provide that, before a mother and a putative father can sign an acknowledgment of paternity, the mother and the putative father must be given notice, orally, or through the use of video or audio equipment, and in writing, of the alternatives to, the legal consequences of, and the rights (including, if 1 parent is a minor, any rights afforded due to minority status) and responsibilities that arise from, signing the acknowledgment.

(ii) HOSPITAL-BASED PROGRAM.—Such procedures must include a hospital-based program for the voluntary acknowledgment of paternity focusing on the period immediately before or after the birth of a child.

(iii) PATERNITY ESTABLISHMENT SERVICES.—
(I) STATE-OFFERED SERVICES.—Such procedures must require the State agency responsible for maintaining birth records to offer voluntary paternity establishment services.

(ii) REGULATIONS.—
(aa) SERVICES OFFERED BY HOSPITALS AND BIRTH RECORD AGENCIES.—The Secretary shall prescribe regulations governing voluntary paternity establishment services offered by hospitals and birth record agencies.

(bb) SERVICES OFFERED BY OTHER ENTITIES.—The Secretary shall prescribe regulations specifying the types of other entities that may offer voluntary paternity establishment services, and governing the provision of such services, which shall include a requirement that such an entity must use the same notice provisions used by, use the same materials used by, provide the personnel providing such services with the same training provided by, and evaluate the provision of such services in the same manner as the provision of such services is evaluated by, voluntary paternity establishment pro-

grams of hospitals and birth record agencies.

(iv) USE OF PATERNITY ACKNOWLEDGMENT AFFIDAVIT.—Such procedures must require the State to develop and use an affidavit for the voluntary acknowledgment of paternity which includes the minimum requirements of the affidavit specified by the Secretary under section 652(a)(7) of this title for the voluntary acknowledgment of paternity, and to give full faith and credit to such an affidavit signed in any other State according to its procedures.

(D) STATUS OF SIGNED PATERNITY ACKNOWLEDGMENT.—
(i) INCLUSION IN BIRTH RECORDS.—Procedures under which the name of the father shall be included on the record of birth of the child of unmarried parents only if—
(I) the father and mother have signed a voluntary acknowledgment of paternity; or
(II) a court or an administrative agency of competent jurisdiction has issued an adjudication of paternity.

Nothing in this clause shall preclude a State agency from obtaining an admission of paternity from the father for submission in a judicial or administrative proceeding, or prohibit the issuance of an order in a judicial or administrative proceeding which bases a legal finding of paternity on an admission of paternity by the father and any other additional showing required by State law.

(ii) LEGAL FINDING OF PATERNITY.—Procedures under which a signed voluntary acknowledgment of paternity is considered a legal finding of paternity, subject to the right of any signatory to rescind the acknowledgment within the earlier of—
(I) 60 days; or
(II) the date of an administrative or judicial proceeding relating to the child (including a proceeding to establish a support order) in which the signatory is a party.

(iii) CONTEST.—Procedures under which, after the 60-day period referred to in clause (ii), a signed voluntary acknowledgment of paternity may be challenged in court only on the basis of fraud, duress, or material mistake of fact, with the burden of proof upon the challenger, and under which the legal responsibilities (including child support obligations) of any signatory arising from the acknowledgment may not be suspended during the challenge, except for good cause shown.

(E) BAR ON ACKNOWLEDGMENT RATIFICATION PROCEEDINGS.—Procedures under which judicial or administrative proceedings are not required or permitted to ratify an unchallenged acknowledgment of paternity.

(F) ADMISSIBILITY OF GENETIC TESTING RESULTS.—Procedures—
(i) requiring the admission into evidence, for purposes of establishing paternity, of the results of any genetic test that is—
(I) of a type generally acknowledged as reliable by accreditation bodies designated by the Secretary; and

(II) performed by a laboratory approved by such an accreditation body;

(ii) requiring an objection to genetic testing results to be made in writing not later than a specified number of days before any hearing at which the results may be introduced into evidence (or, at State option, not later than a specified number of days after receipt of the results); and

(iii) making the test results admissible as evidence of paternity without the need for foundation testimony or other proof of authenticity or accuracy, unless objection is made.

(G) PRESUMPTION OF PATERNITY IN CERTAIN CASES.—Procedures which create a rebuttable or, at the option of the State, conclusive presumption of paternity upon genetic testing results indicating a threshold probability that the alleged father is the father of the child.

(H) DEFAULT ORDERS.—Procedures requiring a default order to be entered in a paternity case upon a showing of service of process on the defendant and any additional showing required by State law.

(I) NO RIGHT TO JURY TRIAL.—Procedures providing that the parties to an action to establish paternity are not entitled to a trial by jury.

(J) TEMPORARY SUPPORT ORDER BASED ON PROBABLE PATERNITY IN CONTESTED CASES.—Procedures which require that a temporary order be issued, upon motion by a party, requiring the provision of child support pending an administrative or judicial determination of parentage, if there is clear and convincing evidence of paternity (on the basis of genetic tests or other evidence).

(K) PROOF OF CERTAIN SUPPORT AND PATERNITY ESTABLISHMENT COSTS.—Procedures under which bills for pregnancy, childbirth, and genetic testing are admissible as evidence without requiring third-party foundation testimony, and shall constitute prima facie evidence of amounts incurred for such services or for testing on behalf of the child.

(L) STANDING OF PUTATIVE FATHERS.—Procedures ensuring that the putative father has a reasonable opportunity to initiate a paternity action.

(M) FILING OF ACKNOWLEDGMENTS AND ADJUDICATIONS IN STATE REGISTRY OF BIRTH RECORDS.—Procedures under which voluntary acknowledgments and adjudications of paternity by judicial or administrative processes are filed with the State registry of birth records for comparison with information in the State case registry.

(6) Procedures which require that a noncustodial parent give security, post a bond, or give some other guarantee to secure payment of overdue support, after notice has been sent to such noncustodial parent of the proposed action and of the procedures to be followed to contest it (and after full compliance with all procedural due process requirements of the State).

(7) REPORTING ARREARAGES TO CREDIT BUREAUS.—

(A) IN GENERAL.—Procedures (subject to safeguards pursuant to subparagraph (B)) requiring the State to report periodically to consumer reporting agencies (as defined in section 1681a(f) of title 15) the name of any noncustodial parent who is delinquent in the payment of support, and the amount of overdue support owed by such parent.

(B) SAFEGUARDS.—Procedures ensuring that, in carrying out subparagraph (A), information with respect to a noncustodial parent is reported—

(i) only after such parent has been afforded all due process required under State law, including notice and a reasonable opportunity to contest the accuracy of such information; and

(ii) only to an entity that has furnished evidence satisfactory to the State that the entity is a consumer reporting agency (as so defined).

(8)(A) Procedures under which all child support orders not described in subparagraph (B) will include provision for withholding from income, in order to assure that withholding as a means of collecting child support is available if arrearages occur without the necessity of filing application for services under this part.

(B) Procedures under which all child support orders which are initially issued in the State on or after January 1, 1994, and are not being enforced under this part will include the following requirements:

(i) The income of a noncustodial parent shall be subject to withholding, regardless of whether support payments by such parent are in arrears, on the effective date of the order; except that such income shall not be subject to withholding under this clause in any case where (I) one of the parties demonstrates, and the court (or administrative process) finds, that there is good cause not to require immediate income withholding, or (II) a written agreement is reached between both parties which provides for an alternative arrangement.

(ii) The requirements of subsection (b)(1) (which shall apply in the case of each noncustodial parent against whom a support order is or has been issued or modified in the State, without regard to whether the order is being enforced under the State plan)

(iii) The requirements of paragraphs (2), (5), (6), (7), (8), (9), and (10) of subsection (b), where applicable.

(iv) Withholding from income of amounts payable as support must be carried out in full compliance with all procedural due process requirements of the State.

(9) Procedures which require that any payment or installment of support under any child support order, whether ordered through the State judicial system or through the expedited processes required by paragraph (2), is (and after the date it is due)—

(A) a judgment by operation of law, with the full force, effect, and attributes of a judgment of the State, including the ability to be enforced,
(B) entitled as a judgment to full faith and credit in such State and in any other State, and
(C) not subject to retroactive modification by such State or by any other State; except that such procedures may permit modification with respect to any period during which there is pending a petition for modification, but only from the date that notice of such petition has been given, either directly or through the appropriate agent, to the obligee or (where the obligee is the petitioner) to the obligor.

(10) Review and adjustment of support orders upon request.—
(A) 3-year cycle.—
(i) In general.—Procedures under which every 3 years (or such shorter cycle as the State may determine), upon the request of either parent or if there is an assignment under part A, the State shall with respect to a support order being enforced under this part, taking into account the best interests of the child involved—
(I) review and, if appropriate, adjust the order in accordance with the guidelines established pursuant to section 667(a) of this title if the amount of the child support award under the order differs from the amount that would be awarded in accordance with the guidelines;
(II) apply a cost-of-living adjustment to the order in accordance with a formula developed by the State; or
(III) use automated methods (including automated comparisons with wage or State income tax data) to identify orders eligible for review, conduct the review, identify orders eligible for adjustment, and apply the appropriate adjustment to the orders eligible for adjustment under any threshold that may be established by the State.

(ii) Opportunity to request review of adjustment.—If the State elects to conduct the review under subclause (II) or (III) of clause (i), procedures which permit either party to contest the adjustment, within 30 days after the date of the notice of the adjustment, by making a request for review and, if appropriate, adjustment of the order in accordance with the child support guidelines established pursuant to section 667(a) of this title.

(iii) No proof of change in circumstances necessary in 3-year cycle review.—Procedures under which, in the case of a request for a review, there is pending a petition for modification under clause (i), the State shall review and, if the requesting party demonstrates a substantial change in circumstances, adjust the order in accordance with the guidelines established pursuant to section 667(a) of this title.

(C) Notice of right to review.—Procedures which require the State to provide notice not less than once every 3 years to the parents subject to the order informing the parents of their right to request the State to review and, if appropriate, adjust the order pursuant to this paragraph. The notice may be included in the order.

(11) Procedures under which a State must give full faith and credit to a determination of paternity made by any other State, whether established through voluntary acknowledgment or through administrative or judicial processes.

(12) Locator information from interstate networks.—Procedures to ensure that all Federal and State agencies conducting activities under this part have access to any system used by the State to locate an individual for purposes relating to motor vehicles or law enforcement.

(13) Recording of social security numbers in certain family matters.—Procedures requiring that the social security number of—
(A) any applicant for a professional license, driver's license, occupational license, recreational license, or marriage license be recorded on the application;
(B) any individual who is subject to a divorce decree, support order, or paternity determination or acknowledgment be placed in the records relating to the matter; and
(C) any individual who has died be placed in the records relating to the death and be recorded on the death certificate.

For purposes of subparagraph (A), if a State allows the use of a number other than the social security number to be used on the face of the document while the social security number is kept on file at the agency, the State shall so advise any applicants.

(14) High-volume, automated administrative enforcement in interstate cases.—
(A) In general.—Procedures under which—
(i) the State shall use high-volume automated administrative enforcement, to the same extent as used for intrastate cases, in response to a request made by another State to enforce support orders, and shall promptly report the results of such enforcement procedure to the requesting State;
(ii) the State may, by electronic or other means, transmit to another State a request for assistance in enforcing support orders through high-volume, automated administrative enforcement, which request—
(I) shall include such information as will enable the State to which the request is transmitted to compare the information about the cases to the information in the data bases of the State; and
(II) shall constitute a certification by the requesting State—

(B) Proof of substantial change in circumstances necessary in request for review outside 3-year cycle.—Procedures under which, in the case of a request for a review, there is pending a petition for modification outside the 3-year cycle (or such shorter cycle as the State may determine) under clause (i), the State shall review and, if the requesting party demonstrates a substantial
(aa) of the amount of support under an order the payment of which is in arrears; and

(bb) that the requesting State has complied with all procedural due process requirements applicable to each case;

(iii) if the State provides assistance to another State pursuant to this paragraph with respect to a case, neither State shall consider the case to be transferred to the caseload of such other State (but the assisting State may establish a corresponding case based on such other State's request for assistance); and

(iv) the State shall maintain records of—

(I) the number of such requests for assistance received by the State;

(II) the number of cases for which the State collected support in response to such a request; and

(III) the amount of such collected support.

(B) HIGH-VOLUME AUTOMATED ADMINISTRATIVE ENFORCEMENT.—In this part, the term “high-volume automated administrative enforcement”, in interstate cases, means, on request of another State, the identification by the State, through automated data matches with financial institutions and other entities where assets may be found, of assets owned by persons who owe child support in other States, and the seizure of such assets by the State, through levy or other appropriate processes.

(15) PROCEDURES TO ENSURE THAT PERSONS OWING OVERDUE SUPPORT WORK OR HAVE A PLAN FOR PAYMENT OF SUCH SUPPORT.—Procedures under which the State has the authority, in any case in which an individual owes overdue support with respect to a child receiving assistance under a State program funded under part A, to issue an order or to request that a court or an administrative process established pursuant to State law issue an order that requires the individual to—

(A) pay such support in accordance with a plan approved by the court, or, at the option of the State, a plan approved by the State agency administering the State program under this part; or

(B) if the individual is subject to such a plan and is not incapacitated, participate in such work activities (as defined in section 607(d) of this title) as the court, or, at the option of the State, the State agency administering the State program under this part, deems appropriate.

(16) AUTHORITY TO WITHHOLD OR SUSPEND LICENSES.—Procedures under which the State has (and uses in appropriate cases) authority to withhold or suspend, or to restrict the use of driver's licenses, professional and occupational licenses, and recreational and sporting licenses of individuals owing overdue support or failing, after receiving appropriate notice, to comply with subpoenas or warrants relating to paternity or child support proceedings.

(17) FINANCIAL INSTITUTION DATA MATCHES.—

(A) IN GENERAL.—Procedures under which the State agency shall enter into agreements with financial institutions doing business in the State—

(i) to develop and operate, in coordination with such financial institutions, and the Federal Parent Locator Service in the case of financial institutions doing business in two or more States, a data match system, using automated data exchanges to the maximum extent feasible, in which each such financial institution is required to provide for each calendar quarter the name, record address, social security number or other taxpayer identification number, and other identifying information for each noncustodial parent who maintains an account at such institution and who owes past-due support, as identified by the State by name and social security number or other taxpayer identification number; and

(ii) in response to a notice of lien or levy, encumber or surrender, as the case may be, assets held by such institution on behalf of any noncustodial parent who is subject to a child support lien pursuant to paragraph (4).

(B) REASONABLE FEES.—The State agency may pay a reasonable fee to a financial institution for conducting the data match provided for in subparagraph (A)(i), not to exceed the actual costs incurred by such financial institution.

(C) LIABILITY.—A financial institution shall not be liable under any Federal or State law to any person—

(i) for any disclosure of information to the State agency under subparagraph (A)(i);

(ii) for encumbering or surrendering any assets held by such financial institution in response to a notice of lien or levy issued by the State agency as provided for in subparagraph (A)(ii); or

(iii) for any other action taken in good faith to comply with the requirements of subparagraph (A).

(D) DEFINITIONS.—For purposes of this paragraph—

(i) FINANCIAL INSTITUTION.—The term “financial institution” has the meaning given to such term by section 609A(d)(1) of this title.

(ii) ACCOUNT.—The term “account” means a demand deposit account, checking or negotiable withdrawal order account, savings account, time deposit account, or money-market mutual fund account.

(18) ENFORCEMENT OF ORDERS AGAINST PATERNAL OR MATERNAL GRANDPARENTS.—Procedures under which, at the State's option, any child support order enforced under this part with respect to a child of minor parents, if the custodial parent of such child is receiving assistance under the State program under part A, shall be enforceable, jointly and severally, against the parents of the noncustodial parent of such child.

(19) HEALTH CARE COVERAGE.—Procedures under which—
(A) effective as provided in section 401(c)(3) of the Child Support Performance and Incentive Act of 1998, all child support orders enforced pursuant to this part shall include a provision for medical support for the child to be provided by either or both parents, and shall be enforced, where appropriate, through the use of the National Medical Support Notice promulgated pursuant to section 401(b) of the Child Support Performance and Incentive Act of 1998 and the Employee Retirement Income Security Act of 1974 [29 U.S.C. 1169(a)(5)(C)] in connection with group health plans covered under title I of such Act [29 U.S.C. 1001 et seq.], in section 401(e) of the Child Support Performance and Incentive Act of 1998 in connection with State or local group health plans, and in section 401(f) of such Act in connection with church group health plans;

(B) unless alternative coverage is allowed for in any order of the court (or other entity issuing the child support order), in any case in which a parent is required under the child support order to provide such health care coverage and the employer of such parent is known to the State agency—

(i) the State agency uses the National Medical Support Notice to transfer notice of the provision for the health care coverage of the child to the employer;

(ii) within 20 business days after the date of the National Medical Support Notice, the employer is required to transfer the Notice, excluding the severable employer withholding notice described in section 401(b)(2)(C) of the Child Support Performance and Incentive Act of 1998, to the appropriate plan providing any such health care coverage for which the child is eligible;

(iii) in any case in which the parent is a newly hired employee entered in the State Directory of New Hires pursuant to section 653a(e) of this title, the State agency provides, where appropriate, the National Medical Support Notice, together with an income withholding notice described in section 401(b)(2)(C) of the Child Support Performance and Incentive Act of 1998, to the appropriate plan providing any such health care coverage for which the child is eligible;

(iv) in any case in which the employment of the parent with any employer who has received a National Medical Support Notice is terminated, such employer is required to notify the State agency of such termination; and

(C) any liability of the obligated parent to such plan for employee contributions which are required under such plan for enrollment of the child is effectively subject to appropriate enforcement, unless the obligated parent contests such enforcement based on a mistake of fact.

Notwithstanding section 654(20)(B) of this title, the procedures which are required under paragraphs (3), (4), (6), (7), and (15) need not be used or applied in cases where the State determines (using guidelines which are generally available within the State and which take into account the payment record of the noncustodial parent, the availability of other remedies, and other relevant considerations) that such use or application would not carry out the purposes of this part or would be otherwise inappropriate in the circumstances.

(b) Withholding from income of amounts payable as support

The procedures referred to in subsection (a)(1)(A) (relating to the withholding from income of amounts payable as support) must provide for the following:

(1) In the case of each noncustodial parent against whom a support order is or has been issued or modified in the State, and is being enforced under the State plan, so much of such parent’s income must be withheld, in accordance with the succeeding provisions of this subsection, as is necessary to comply with the order and provide for the payment of any fee to the employer which may be required under paragraph (6)(A), up to the maximum amount permitted under section 1673(b) of title 15. If there are arrearages to be collected, amounts withheld to satisfy such arrearages, when added to the amounts withheld to pay current support and provide for the fee, may not exceed the limit permitted under such section 1673(b), but the State need not withhold up to the maximum amount permitted under such section in order to satisfy arrearages.

(2) Such withholding must be provided without the necessity of any application therefor in the case of a child (whether or not eligible for assistance under a State program) who is under the care of either parent, and in all other cases, the withholding must occur without the need for any amendment to the support order involved or for any further action (other than those actions required under this part) by the court or other entity which issued such order.

(3)(A) The income of a noncustodial parent shall be subject to such withholding, regardless of whether support payments by such parent are in arrears, in the case of a support order being enforced under this part that is issued or modified on or after the first day of the 25th month beginning after October 13, 1988, on the effective date of the order; except that such income shall not be subject to such withholding under this subparagraph in any case where (i) one of the parties demonstrates, and the court (or administrative process) finds, that there is good cause not to require immediate income withholding, or (ii) a written agreement is reached between both parties which provides for an alternative arrangement.

(B) The income of a noncustodial parent shall become subject to such withholding, in the case of income not subject to withholding under subparagraph (A), on the date on which
the payments which the noncustodial parent has failed to make under a support order are at least equal to the support payable for one month or, if earlier, and without regard to whether there is an arrearage, the earliest of—
(i) the date as of which the noncustodial parent requests that such withholding begin,
(ii) the date as of which the custodial parent requests that such withholding begin, if the State determines, in accordance with such procedures and standards as it may establish, that the request should be approved, or
(iii) such earlier date as the State may select.
(4)(A) Such withholding must be carried out in full compliance with all procedural due process requirements of the State, and the State must send notice to each noncustodial parent to whom paragraph (1) applies—
(i) that the withholding has commenced; and
(ii) of the procedures to follow if the noncustodial parent desires to contest such withholding on the grounds that the withholding or the amount withheld is improper due to a mistake of fact.
(B) The notice under subparagraph (A) of this paragraph shall include the information provided to the employer under paragraph (6)(A). 
(5) Such withholding must be administered by the State through the State disbursement unit established pursuant to section 654b of this title, in accordance with the requirements of section 654b of this title. 
(6)(A)(i) The employer of any noncustodial parent to whom paragraph (1) applies, upon being given notice as described in clause (ii), must be required to withhold from such noncustodial parent's income the amount specified by such notice (which may include a fee, established by the State, to be paid to the employee unless waived by such employer) and pay such amount (after deducting and retaining any portion thereof which is attributable to each individual employee being separately designated).
(B) Methods must be established by the State to simplify the withholding process for employers to the greatest extent possible, including permitting any employer to combine all withheld amounts into a single payment to each appropriate agency or entity (with the portion thereof which is attributable to each individual employee being separately designated).
(C) The employer must be held liable to the State for any amount which such employer fails to withhold from income due an employee following receipt by such employer of proper notice under subparagraph (A), but such employer shall not be required to vary the normal pay and disbursement cycles in order to comply with this paragraph.
(D) Provision must be made for the imposition of a fine against any employer who—
(i) discharges from employment, refuses to employ, or takes disciplinary action against any noncustodial parent subject to income withholding required by this subsection because of the existence of such withholding and the obligations or additional obligations which it imposes upon the employer; or
(ii) fails to withhold support from income or to pay such amounts to the State disbursement unit in accordance with this subsection.
(7) Support collection under this subsection must be given priority over any other legal process under State law against the same income.
(8) For purposes of subsection (a) and this subsection, the term "income" means any periodic form of payment due to an individual, regardless of source, including wages, salaries, commissions, bonuses, worker's compensation, disability, payments pursuant to a pension or retirement program, and interest.
(9) The State must extend its withholding system under this subsection so that such system will include withholding from income derived within such State in cases where the applicable support orders were issued in other States, in order to assure that child support owed by noncustodial parents in such State or any other State will be collected without regard to the residence of the child for whom the support is payable or of such child's custodial parent.
(10) Provision must be made for terminating withholding.
(11) Procedures under which the agency administering the State plan approved under this part may execute a withholding order without advance notice to the obligor, includ-
ing issuing the withholding order through electronic means.

(c) Expedited procedures

The procedures specified in this subsection are the following:

(1) Administrative action by State agency

Procedures which give the State agency the authority to take the following actions relating to establishment of paternity or to establishment, modification, or enforcement of support orders, without the necessity of obtaining an order from any other judicial or administrative tribunal, and to recognize and enforce the authority of State agencies of other States to take the following actions:

(A) Genetic testing

To order genetic testing for the purpose of paternity establishment as provided in subsection (a)(5).

(B) Financial or other information

To subpoena any financial or other information needed to establish, modify, or enforce a support order, and to impose penalties for failure to respond to such a subpoena.

(C) Response to State agency request

To require all entities in the State (including for-profit, nonprofit, and governmental employers) to provide promptly, in response to a request by the State agency of that or any other State administering a program under this part, information on the employment, compensation, and benefits of any individual employed by such entity as an employee or contractor, and to sanction failure to respond to any such request.

(D) Access to information contained in certain records

To obtain access, subject to safeguards on privacy and information security, and subject to the nonliability of entities that afford such access under this subparagraph, to information contained in the following records (including automated access, in the case of records maintained in automated data bases):

(i) Records of other State and local government agencies, including—

(I) vital statistics (including records of marriage, birth, and divorce);

(II) State and local tax and revenue records (including information on residence address, employer, income and assets);

(III) records concerning real and titled personal property;

(IV) records of occupational and professional licenses, and records concerning the ownership and control of corporations, partnerships, and other business entities;

(V) employment security records;

(VI) records of agencies administering public assistance programs;

(VII) records of the motor vehicle department; and

(VIII) corrections records.

(ii) Certain records held by private entities with respect to individuals who owe or are owed support (or against or with respect to whom a support obligation is sought), consisting of—

(I) the names and addresses of such individuals and the names and addresses of the employers of such individuals, as appearing in customer records of public utilities and cable television companies, pursuant to an administrative subpoena authorized by subparagraph (B); and

(II) information (including information on assets and liabilities) on such individuals held by financial institutions.

(E) Change in payee

In cases in which support is subject to an assignment in order to comply with a requirement imposed pursuant to part A, part E, or section 1396k of this title, or to a requirement to pay through the State disbursement unit established pursuant to section 654b of this title, upon providing notice to obligor and obligee, to direct the obligor or other payor to change the payee to the appropriate government entity.

(F) Income withholding

To order income withholding in accordance with subsections (a)(1)(A) and (b).

(G) Securing assets

In cases in which there is a support arrearage, to secure assets to satisfy any current support obligation and the arrearage by—

(i) intercepting or seizing periodic or lump-sum payments from—

(I) a State or local agency, including unemployment compensation, workers' compensation, and other benefits; and

(II) judgments, settlements, and lotteries;

(ii) attaching and seizing assets of the obligor held in financial institutions;

(iii) attaching public and private retirement funds; and

(iv) imposing liens in accordance with subsection (a)(4) and, in appropriate cases, to force sale of property and distribution of proceeds.

(H) Increase monthly payments

For the purpose of securing overdue support, to increase the amount of monthly support payments to include amounts for arrearages, subject to such conditions or limitations as the State may provide.

Such procedures shall be subject to due process safeguards, including (as appropriate) requirements for notice, opportunity to contest the action, and opportunity for an appeal on the record to an independent administrative or judicial tribunal.

(2) Substantive and procedural rules

The expedited procedures required under subsection (a)(2) shall include the following rules and authority, applicable with respect to all proceedings to establish paternity or to establish, modify, or enforce support orders:

(A) Locator information; presumptions concerning notice

Procedures under which—
(i) each party to any paternity or child support proceeding is required (subject to privacy safeguards) to file with the State case registry upon entry of an order, and to update as appropriate, information on location and identity of the party, including social security number, residential and mailing addresses, telephone number, driver’s license number, and name, address, and telephone number of employer; and

(ii) in any subsequent child support enforcement action between the parties, upon sufficient showing that diligent effort has been made to ascertain the location of such a party, the court or administrative agency of competent jurisdiction shall deem State due process requirements for notice and service of process to be met with respect to the party, upon delivery of written notice to the most recent residential or employer address filed with the State case registry pursuant to clause (i).

(B) Statewide jurisdiction

Procedures under which—

(i) the State agency and any administrative or judicial tribunal with authority to hear child support and paternity cases exercise statewide jurisdiction over the parties; and

(ii) in a State in which orders are issued by courts or administrative tribunals, a case may be transferred between local jurisdictions in the State without need for any additional filing by the petitioner, or service of process upon the respondent, to retain jurisdiction over the parties.

(3) Coordination with ERISA

Notwithstanding subsection (d) of section 514 of the Employee Retirement Income Security Act of 1974 [29 U.S.C. 1144(d)] (relating to effect on other laws), nothing in this subsection shall be construed to alter, amend, modify, invalidate, impair, or supersede subsections (a), (b), and (c) of such section 514 [29 U.S.C. 1144(a)–(c)] as it applies with respect to any procedure referred to in paragraph (1) and any expedited procedure referred to in paragraph (2), except to the extent that such procedure would be consistent with the requirements of section 206(d)(3) of such Act [29 U.S.C. 1056(d)(3)] (relating to qualified domestic relations orders) or the requirements of section 609(a) of such Act [29 U.S.C. 1109(a)] (relating to qualified medical child support orders) if the reference in such section 206(d)(3) to a domestic relations order and the reference in such section 609(a) to a medical child support order are a reference to a support order referred to in paragraphs (1) and (2) relating to the same matters, respectively.

(d) Exemption of States

If a State demonstrates to the satisfaction of the Secretary, through the presentation to the Secretary of such data pertaining to caseloads, processing times, administrative costs, and average support collections, and such other data or estimates as the Secretary may specify, that the enactment of any law or the use of any procedure or procedures required by or pursuant to this section will not increase the effectiveness and efficiency of the State child support enforcement program, the Secretary may exempt the State, subject to the Secretary’s continuing review and to termination of the exemption should circumstances change, from the requirement to enact the law or use the procedure or procedures involved.

(e) “Overdue support” defined

For purposes of this section, the term “overdue support” means the amount of a delinquency pursuant to an obligation determined under a court order, or an order of an administrative process established under State law, for support and maintenance of a minor child which is owed to or on behalf of such child, or for support and maintenance of the noncustodial parent’s spouse (or former spouse) with whom the child is living if and to the extent that spousal support (with respect to such spouse or former spouse) would be included for purposes of section 654(d) of this title. At the option of the State, overdue support may include amounts which otherwise meet the definition in the first sentence of this subsection but which are owed to or on behalf of a child who is not a minor child. The option to include support owed to children who are not minors shall apply independently to each procedure specified under this section.

(f) Uniform Interstate Family Support Act

In order to satisfy section 654(20)(A) of this title, each State must have in effect the Uniform Interstate Family Support Act, as approved by the American Bar Association on February 9, 1993, including any amendments officially adopted as of September 30, 2006 by the National Conference of Commissioners on Uniform State Laws.

(g) Laws voiding fraudulent transfers

In order to satisfy section 654(20)(A) of this title, each State must have in effect—

(1)(A) the Uniform Fraudulent Conveyance Act of 1981;
(B) the Uniform Fraudulent Transfer Act of 1984; or
(C) another law, specifying indicia of fraud which create a prima facie case that a debtor transferred income or property to avoid payment to a child support creditor, which the Secretary finds affords comparable rights to child support creditors; and

(2) procedures under which, in any case in which the State knows of a transfer by a child support debtor with respect to which such a prima facie case is established, the State must—

(A) seek to void such transfer; or
(B) obtain a settlement in the best interests of the child support creditor.


REFERENCES IN TEXT

Sections 401(b) and 401(c)(3) of the Child Support Enforcement Act of 1988, referred to in subsec. (a)(19)(A), (B)(ii), are set out as notes under sections 651 and 652 of this title, respectively. Sections 401(e) and 401(f) of the Act, referred to in introductory provisions, are set out in a note under section 1169 of Title 29, Labor.


Amendments


2006—Subsec. (a)(10)(A). Pub. L. 109–171, § 7302(a), in par. (10), substituted "adopted as of September 30, 2008" for "adopted as of such date"

2000—Subsec. (a)(10)(A). Pub. L. 106–169, § 401(c)(1), amended heading and text of par. (19) generally. Prior to amendment, text read as follows: "Procedures under which all child support orders enforced pursuant to this part shall include a provision for the health care coverage of the child, and in the case in which a consistent policy provides such coverage and changes employment, and the new employer provides health care coverage, the State agency shall transfer notice of the provision to the employer, which notice shall operate to enroll the child in the noncustodial parent's health plan, unless the noncustodial parent contests the notice."


Subsec. (a)(3)(B). Pub. L. 105–33, § 5522(a), substituted "section 657" for "section 657(b)(4) or (d)(3)".

Subsec. (a)(5)(C)(i). Pub. L. 105–33, § 5536(1)(B), inserted "and as to procedures to ensure that persons owning past-due support work or have a plan for payment of such support.

Subsec. (a)(16). Pub. L. 105–33, § 5544, inserted "and sporting" after "recreational".


Subsec. (c)(1)(F). Pub. L. 105–33, § 5566(a), made technical amendment to reference in original act which appears in text as reference to subsections (a)(1)(A) and (b).


Subsec. (c)(2)(A)(ii). Pub. L. 105–33, § 5538(2)(B), substituted "court or administrative agency of competent jurisdiction shall be for "tribunal may" and "filed with the State case registry"

Subsec. (f). Pub. L. 105–33, § 5537, substituted "as in effect on August 22, 1996, including any amendments officially adopted as of such date by the National Conference of Commissioners on Uniform State Laws, for "together with any amendments officially adopted be-
Subsec. (a)(10). Pub. L. 104–193, §351, inserted heading and amended text of par. (10) generally. Prior to amendment, text consisted of subpars. (A) to (C) relating to procedures to ensure review of child support orders and to ensure that States implement a process for periodic review and adjustment of child support orders and provide certain notices to parents subject to child support order of matters relating to the review and adjustment of those orders.


Subsec. (b)(1). Pub. L. 104–193, §314(b)(2)(B), 395(d)(1)(H), substituted “noncustodial parent” for “absent parent” and “income” for “wages (as defined by the State for purposes of this section)”.

Subsec. (b)(2). Pub. L. 104–193, §108(c)(15), substituted “assistance under a State program funded under part A” for “aid under part A”.


Subsec. (b)(3)(B). Pub. L. 104–193, §314(b)(2)(A), 395(d)(1)(H), (2)(D), in introductory provisions, substituted “income” for “wages (as defined by the State)” and “noncustodial parent” for “absent parent” and “nonabsent parent” for “noncustodial parent”.

Subsec. (b)(4). Pub. L. 104–193, §314(a)(2)(B), amended par. (4) generally. Prior to amendment, par. (4) read as follows:

“(A) Such withholding must be carried out in full compliance with all procedural due process requirements of the State, and (subject to subparagraph (B)) the State must send advance notice to each absent parent to whom paragraph (1) applies regarding the proposed withholding and the procedures such absent parent should follow if he or she desires to contest such withholding on the grounds that withholding (including the amount to be withheld) is not proper in the case involved because of mistakes of fact. If the absent parent contests such withholding on those grounds, the State shall determine whether such withholding will actually occur, shall within no more than 45 days after the date of such notice inform such parent of whether or not withholding will occur and (if so) the date on which it is to begin, and shall furnish such parent with the information contained in any notice given to the employer under paragraph (b)(A) with respect to such withholding.

“(B) The requirement of advance notice set forth in the first sentence of subparagraph (A) shall not apply in the case of any State which has a system of income withholding for child support purposes in effect on August 16, 1994, if such system provides on that date, and continues to provide, such procedures as may be necessary to meet the procedural due process requirements of State law.”

Subsec. (b)(5). Pub. L. 104–193, §314(a)(2)(C), substituted “the State through the State disbursement unit established pursuant to section 654b of this title, in accordance with the requirements of section 654b of this title,” for “a public agency designated by the State, and the amounts withheld must be expeditiously distributed by the State or such agency in accordance with section 657 of this title under procedures (specified by the State) adequate to document payments of support and to track and monitor such payments, except that the State may establish or permit the establishment of alternative procedures for the collection and
distribution of such amounts (under the supervision of such public agency) otherwise than through such public agency so long as the entity making such collection and distribution is publicly accountable for its actions taken in carrying out such procedures, and so long as such procedures will assure prompt distribution, provide for the keeping of adequate records to document payments of support, and permit the tracking and monitoring of such payments.”

Subsec. (b)(6)(A)(i). Pub. L. 104–193, §§314(a)(2)(D)(i), (b)(2)(A), 395(d)(1)(H), substituted “the employer of any noncustodial parent” for “the employer of any absent parent” “withhold from such noncustodial parent’s income” for “withhold from such absent parent’s wages”, and added cls. (i) and (ii).

Subsec. (b)(6)(A)(ii). Pub. L. 104–193, §314(a)(2)(D)(ii), inserted “in a standard format prescribed by the Secretary” and after “employer shall”.


Subsec. (b)(6)(D). Pub. L. 104–193, §314(a)(2)(E), substituted “any employer who” for “any employer who” “discharges from employment, refuses to employ, or takes disciplinary action against any absent parent subject to wage withholding required by this subsection because of the existence of such withholding and the obligations or additional obligations which it imposes upon the employer,” and added cl. (i) and (ii).


Subsec. (b)(8). Pub. L. 104–193, §314(b)(1), amended par. (8) generally. Prior to amendment, par. (8) read as follows: “The State may take such actions as may be necessary to extend its system of withholding under this section to other than wages, in order to assure that child support owed by absent parents in the State is distributed in accordance with this part. The employer shall withhold funds as directed in the notice, except that when an employer receives an income withholding order issued by another State, the employer shall apply the income withholding law of the state of the obligor’s principal place of employment in determining—” for “to the appropriate agency (or other entity authorized by the State) that has been paid or credited to the employee, for purposes of this section (other than wages), for purposes of this section (other than wages), shall be in a standard format prescribed by the entity which administers the State’s income withholding system in any case where either the absent parent or the custodial parent requests it, even though no arrearages in child support payments are involved and no income withholding procedures have been instituted; but in any such case an annual fee for handling and processing such payments, in an amount not exceeding the actual costs incurred by the State in connection therewith or $25, whichever is less, shall be imposed on the requesting parent by the State.”

Subsec. (e). Pub. L. 104–193, §§301(c)(4), 395(d)(1)(H), substituted “noncustodial parent’s spouse” and “section 654(4)” for “paragraph (4) or (6) of section 654”.


1994—Subsec. (a)(7)(C). Pub. L. 103–452, §321(a)(2), substituted “C” such information shall not be made available to (i) a consumer reporting agency which the State determines does not have sufficient capability to systematically and timely make accurate use of such information, or (ii) an entity which evidence satisfactory to the State that the entity is a consumer reporting agency for “(C) a fee for furnishing such information, in an amount not exceeding the actual cost thereof, may be imposed on the requesting agency by the State”.

1993—Subsec. (a)(2). Pub. L. 103–66, §13721(b)(1), struck out “at the option of the State,” after “and inserted or ‘paternity establishment’ after ‘support order issuance and enforcement’.”

Subsec. (a)(5)(C) to (H). Pub. L. 103–66, §13721(b)(2), added subpars. (C) to (H).


1988—Subsec. (a)(5). Pub. L. 100–485, §111(e), designated existing provisions as subpar. (A) and added subpar. (B).


Subsec. (a)(8). Pub. L. 100–485, §101(b), designated existing provisions as subpar. (A), substituted “not described in subparagraph (B)” for “which are issued or modified in the State”, and added subpar. (B).

Subsec. (a)(10). Pub. L. 100–485, §103(c), added par. (10).

Subsec. (b)(3). Pub. L. 100–485, §101(a), amended par. (3) generally. Prior to amendment, par. (3) read as follows: “An absent parent shall become subject to such withholding, and the advance notice required under paragraph (4) shall be given, on the earliest of—”

(A) the date on which the payments which the absent parent has failed to make under such order are at least equal to the support payable for one month,

(B) the date as of which the absent parent requests that such withholding begin,

(C) such earlier date as the State may select.”


EFFECTIVE DATE OF 2014 AMENDMENT

Pub. L. 113–183, title III, §301(f)(3)(A), Sept. 29, 2014, 128 Stat. 1945, provided that: “(i) The amendments made by paragraph (1) [amending this section] shall take effect with respect to a State no later than the effective date of laws enacted by the legislature of the State implementing such paragraph, but in no event later than the first day of the first calendar quarter beginning after the close of the first regular session of the State legislature that begins after the date of the enactment of this Act [Sept. 29, 2014].

(ii) For purposes of clause (i), in the case of a State that has a 2-year legislative session, each year of the session shall be deemed to be a separate regular session of the State legislature.”

EFFECTIVE DATE OF 2006 AMENDMENT

Amendment by sections 7301(g) and 7301(a)(1), (2)(A)(ii) of Pub. L. 109–171 effective as if enacted on Oct. 1, 2005, except as otherwise provided, see section 7701 of Pub. L. 109–171, set out as a note under section 603 of this title.
section, amending sections 607 and 669 of this title and amending provisions of Pub. L. 100–485 which are classified to this section and section 607 of this title, are effective on date of enactment of Family Support Act of 1988, Pub. L. 100–485, which was approved Oct. 13, 1988.

Pub. L. 100–485, title I, §101(d), Oct. 13, 1988, 102 Stat. 2346, provided that:

“(1) The amendment made by subsection (a) [amending this section] shall become effective on the first day of the 25th month beginning after the date of the enactment of this Act [Oct. 13, 1988].

“(2) The amendments made by subsection (b) [amending this section] shall become effective on January 1, 1994.

“(3) Subsection (c) [set out below] shall become effective on the date of the enactment of this Act.”

Pub. L. 100–485, title I, §103(f), Oct. 13, 1988, 102 Stat. 2346, provided that: “The amendments made by subsections (a), (b), and (c) [amending this section and section 667 of this title] shall become effective one year after the date of the enactment of this Act [Oct. 13, 1988].”

Amendment by section 111(b) of Pub. L. 100–485 effective on first day of first month beginning one year or more after Oct. 13, 1988, see section 111(f)(2) of Pub. L. 100–485, set out as a note under section 654 of this title.


Effective Date of 1986 Amendment


“(1) Except as provided in paragraph (2), the amendment made by subsection (a) [amending this section] shall become effective on the date of the enactment of this Act [Oct. 21, 1986].

“(2) In the case of a State with respect to which the Secretary of Health and Human Services has determined that State legislation is required in order to conform the State plan approved under part D of title IV of the Social Security Act [42 U.S.C. 651 et seq.] to the requirements imposed by the amendment made by subsection (a) [amending this section], the State plan shall not be regarded as failing to comply with the requirements of such part solely by reason of its failure to meet the requirements imposed by such amendment prior to the beginning of the fourth month beginning after the end of the first session of the State legislature which ends on or after the date of the enactment of this Act [Oct. 21, 1986]. For purposes of the preceding sentence, the term ‘session’ means a regular, special, budget, or other session of a State legislature.”

Effective Date

Section effective Oct. 1, 1985, except that subsec. (e) effective with respect to support owed for any month beginning after Aug. 16, 1984, see section 3(g) of Pub. L. 98–378, set out as an Effective Date of 1984 Amendment note under section 654 of this title.

study on making immediate income withholding mandatory in all cases

Pub. L. 100–485, title I, §101(c), Oct. 13, 1988, 102 Stat. 2345, directed Secretary of Health and Human Services to conduct a study of administrative feasibility, cost implications, and other effects of requiring immediate income withholding with respect to all child support awards in a State and report on results of such study not later than 3 years after Oct. 13, 1988.

Study of Impact of Extending Periodic Review Requirements to All Other Cases

Pub. L. 100–485, title I, §103(d), Oct. 13, 1988, 102 Stat. 2347, directed Secretary of Health and Human Resources, within 2 years after Oct. 13, 1988, to conduct and complete a study to determine impact on child support awards and the courts of requiring each State to periodically review all child support orders in effect in the State.

Effective Date

Amendment by Pub. L. 100–485, title I, §101(c), Oct. 13, 1988, 102 Stat. 2345, directed Secretary of Health and Human Services to conduct a study of administrative feasibility, cost implications, and other effects of requiring immediate income withholding with respect to all child support awards in a State and report on results of such study not later than 3 years after Oct. 13, 1988.

Study of Impact of Extending Periodic Review Requirements to All Other Cases

Pub. L. 100–485, title I, §103(d), Oct. 13, 1988, 102 Stat. 2347, directed Secretary of Health and Human Resources, within 2 years after Oct. 13, 1988, to conduct and complete a study to determine impact on child support awards and the courts of requiring each State to periodically review all child support orders in effect in the State.

Effective Date

Amendment by Pub. L. 100–485, title I, §101(c), Oct. 13, 1988, 102 Stat. 2345, directed Secretary of Health and Human Services to conduct a study of administrative feasibility, cost implications, and other effects of requiring immediate income withholding with respect to all child support awards in a State and report on results of such study not later than 3 years after Oct. 13, 1988.

Study of Impact of Extending Periodic Review Requirements to All Other Cases

Pub. L. 100–485, title I, §103(d), Oct. 13, 1988, 102 Stat. 2347, directed Secretary of Health and Human Resources, within 2 years after Oct. 13, 1988, to conduct and complete a study to determine impact on child support awards and the courts of requiring each State to periodically review all child support orders in effect in the State.
§ 667. State guidelines for child support awards

(a) Establishment of guidelines; method

Each State, as a condition for having its State plan approved under this part, must establish guidelines for child support award amounts within the State. The guidelines may be established by law or by judicial or administrative action, and shall be reviewed at least once every 4 years to ensure that their application results in the determination of appropriate child support award amounts.

(b) Availability of guidelines; rebuttable presumption

(1) The guidelines established pursuant to subsection (a) shall be made available to all judges and other officials who have the power to determine child support award amounts within such State.

(2) There shall be a rebuttable presumption, in any judicial or administrative proceeding for the award of child support, that the amount of the award which would result from the application of such guidelines is the correct amount of child support to be awarded. A written finding or specific finding on the record that the application of the guidelines would be unjust or inappropriate in a particular case, as determined under criteria established by the State, shall be sufficient to rebut the presumption in that case.

(c) Technical assistance to States; State to furnish Secretary with copies

The Secretary shall furnish technical assistance to the States for establishing the guidelines, and each State shall furnish the Secretary with copies of its guidelines.

§ 668. Encouragement of States to adopt civil procedure for establishing paternity in contested cases

In the administration of the child support enforcement program under this part, each State is encouraged to establish and implement a civil procedure for establishing paternity in contested cases.

§ 669. Collection and reporting of child support enforcement data

(a) In general

With respect to each type of service described in subsection (b), the Secretary shall collect and maintain up-to-date statistics, by State, and on a fiscal year basis, on:

(1) the number of cases in the caseload of the State agency administering the plan approved under this part in which the service is needed; and

(2) the number of such cases in which the service has actually been provided.

(b) Types of services

The statistics required by subsection (a) shall be separately stated with respect to paternity enforcement data.
establishment services and child support obligation establishment services.

(c) Types of service recipients
The statistics required by subsection (a) shall be separately stated with respect to—

(1) recipients of assistance under a State program funded under part A or of payments or services under a State plan approved under part E; and

(2) individuals who are not such recipients.

(d) Rule of interpretation
For purposes of subsection (a)(2), a service has actually been provided when the task described by the service has been accomplished.


**AMENDMENTS**

1998—Pub. L. 105–200 reenacted section catchline without change, added subsec. (a) to (c), redesignated former subsec. (c) as (d) and inserted heading, and struck out former subsec. (a) relating to statistics on need for and actual provision of services and subsec. (b) relating to types of services.

1996—Subsec. (a). Pub. L. 104–193, § 108(c)(16), substituted “assistance under State programs funded under part A of this subchapter and for families not receiving such assistance)” for “aid under plans approved under part A of this subchapter and for families not receiving such aid”.


1988—Subsec. (a). Pub. L. 100–647 made technical amendment to references to part A of this subchapter and to this part involving underlying provisions of original act and requiring no change in text.

**EFFECTIVE DATE OF 1998 AMENDMENT**

Amendment by Pub. L. 105–200 applicable to information maintained with respect to fiscal year 1995 or any succeeding fiscal year, see section 407(c) of Pub. L. 105–200, set out as a note under section 652 of this title.

**EFFECTIVE DATE OF 1996 AMENDMENT**

Amendment by section 108(c)(16) of Pub. L. 104–193 effective July 1, 1997, with transition rules relating to State options to accelerate such date, rules relating to claims, actions, and proceedings commenced before such date, rules relating to closing out of accounts for terminated or substantially modified programs and continuance in office of Assistant Secretary for Family Support, and provisions relating to termination of entitlement under AFDC program, see section 116 of Pub. L. 104–193, as amended, set out as an Effective Date note under section 601 of this title.

For effective date of amendment by section 395(d)(2)(E) of Pub. L. 104–193, see section 395(a)(c) of Pub. L. 104–193, set out as a note under section 654 of this title.

**EFFECTIVE DATE OF 1988 AMENDMENT**


**§ 669a. Nonliability for financial institutions providing financial records to State child support enforcement agencies in child support cases**

(a) In general
Notwithstanding any other provision of Federal or State law, a financial institution shall not be liable under any Federal or State law to any person for disclosing any financial record of an individual to a State child support enforcement agency attempting to establish, modify, or enforce a child support obligation of such individual, or for disclosing any such record to the Federal Parent Locator Service pursuant to section 666(a)(17)(A) of this title.

(b) Prohibition of disclosure of financial record obtained by State child support enforcement agency

A State child support enforcement agency which obtains a financial record of an individual from a financial institution pursuant to subsection (a) may disclose such financial record only for the purpose of, and to the extent necessary in, establishing, modifying, or enforcing a child support obligation of such individual.

(c) Civil damages for unauthorized disclosure

(1) Disclosure by State officer or employee
If any person knowingly, or by reason of negligence, discloses a financial record of an individual in violation of subsection (b), such individual may bring a civil action for damages against such person in a district court of the United States.

(2) No liability for good faith but erroneous interpretation
No liability shall arise under this subsection with respect to any disclosure which results from a good faith, but erroneous, interpretation of subsection (b).

(3) Damages
In any action brought under paragraph (1), upon a finding of liability on the part of the defendant, the defendant shall be liable to the plaintiff in an amount equal to the sum of—

(A) the greater of—

(i) $1,000 for each act of unauthorized disclosure of a financial record with respect to which such defendant is found liable; or

(ii) the sum of—

(I) the actual damages sustained by the plaintiff as a result of such unauthorized disclosure; plus

(II) in the case of a willful disclosure or a disclosure which is the result of gross negligence, punitive damages; plus

(B) the costs (including attorney’s fees) of the action.

(d) Definitions

For purposes of this section—

(1) Financial institution
The term “financial institution” means—

(A) a depository institution, as defined in section 1813(c) of title 12;

(B) an institution-affiliated party, as defined in section 1813(u) of title 12;
§ 669b. Grants to States for access and visitation programs

(a) In general

The Administration for Children and Families shall make grants under this section to establish and administer programs to support and facilitate noncustodial parents' access to and visitation of their children, by means of activities including mediation (both voluntary and mandatory), counseling, education, development of parenting plans, visitation enforcement (including monitoring, supervision and neutral drop-off and pickup), and development of guidelines for visitation and alternative custody arrangements.

(b) Amount of grant

The amount of the grant to be made to a State under this section for a fiscal year shall be an amount equal to the lesser of—

(1) 90 percent of State expenditures during the fiscal year for activities described in subsection (a); or

(2) the allotment of the State under subsection (c) for the fiscal year.

(c) Allotments to States

(1) In general

The allotment of a State for a fiscal year is the amount that bears the same ratio to $10,000,000 for grants under this section for the fiscal year as the number of children in the State living with only 1 biological parent bears to the total number of such children in all States.

(2) Minimum allotment

The Administration for Children and Families shall adjust allotments to States under paragraph (1) as necessary to ensure that no State is allotted less than—

(A) $50,000 for fiscal year 1997 or 1998; or

(B) $100,000 for any succeeding fiscal year.

(d) No supplantation of State expenditures for similar activities

A State to which a grant is made under this section may not use the grant to supplant expenditures by the State for activities specified in subsection (a), but shall use the grant to supplement such expenditures at a level at least equal to the level of such expenditures for fiscal year 1995.

(e) State administration

Each State to which a grant is made under this section—

(1) may administer State programs funded with the grant, directly or through grants to or contracts with courts, local public agencies, or nonprofit private entities;

(2) shall not be required to operate such programs on a statewide basis; and

(3) shall monitor, evaluate, and report on such programs in accordance with regulations prescribed by the Secretary.

§ 670. Congressional declaration of purpose; authorization of appropriations

For the purpose of enabling each State to provide, in appropriate cases, foster care and transitional independent living programs for children who otherwise would have been eligible for assistance under the State's plan approved under part A (as such plan was in effect on June 1, 1995), adoption assistance for children with special needs, kinship guardianship assistance, and prevention services or programs specified in section 671(e)(1) of this title, there are authorized to be appropriated for each fiscal year such sums as may be necessary to carry out the provisions of this part. The sums made available under this section shall be used for making payments to States which have submitted, and had approved by the Secretary, State plans under this part.


AMENDMENTS

2018—Pub. L. 115–123 substituted “June 1, 1995”, adoption assistance for children with special needs, kinship
SECTION 1. SHORT TITLE.

Congress finds the following:

"(1) Under both Federal and State law, the courts play a crucial and essential role in the Nation's child welfare system and in ensuring safety, stability, and permanence for abused and neglected children under the supervision of that system.

"(2) The Adoption and Safe Families Act of 1997 (Public Law 105-89, 111 Stat. 2115) [see Short Title of Adoption and Safe Families Act of 1997, the accelerated timelines for the termination of parental rights and the other requirements imposed under that Act increase the pressure on the Nation's already overburdened abuse and neglect courts.

"(3) The Adoption and Safe Families Act of 1997 promotes stability and permanence for abused and neglected children by requiring timely decision-making in proceedings to determine whether children can safely return to their families or whether they should be moved into safe and stable adoptive homes or other permanent family arrangements outside the foster care system.

"(4) To avoid unnecessary and lengthy stays in the foster care system, the Adoption and Safe Families Act of 1997 specifically requires, among other things, that States move to terminate the parental rights of the parents of those children who have been in foster care for 15 of the last 22 months.

"(5) While essential to protect children and to carry out the general purposes of the Adoption and Safe Families Act of 1997, the accelerated timelines for the termination of parental rights and the other requirements imposed under that Act increase the pressure on the Nation's already overburdened abuse and neglect courts.

"(6) The administrative efficiency and effectiveness of the Nation's abuse and neglect courts would be substantially improved by the acquisition and implementation of computerized case-tracking systems to identify and eliminate existing backlogs, to move abuse and neglect caseloads forward in a timely manner, and to move children into safe and stable families. Such systems could also be used to evaluate the effectiveness of such courts in meeting the purposes of the amendments made by, and provisions of, the Adoption and Safe Families Act of 1997.

"(7) The administrative efficiency and effectiveness of the Nation's abuse and neglect courts would also be improved by the identification and implementation of projects designed to eliminate the backlog of abuse and neglect cases, including the temporary hiring of additional judges, extension of court hours, and other projects designed to reduce existing caseloads.

"(8) The administrative efficiency and effectiveness of the Nation's abuse and neglect courts would be further strengthened by improving the quality and availability of training for judges, court personnel, agency attorneys, guardians ad litem, volunteers who participate in court-appointed special advocate (CASA) programs, and attorneys who represent the children and the parents of children in abuse and neglect proceedings.

"(9) While recognizing that abuse and neglect courts in this country are already committed to the quality administration of justice, the performance of such courts would be even further enhanced by the development of models and educational opportunities that reinforce court projects that have already been developed, including models for case-flow procedures, case management, representation of children, automated interagency interfaces, and 'best practices' standards.

"(10) Judges, magistrates, commissioners, and other judicial officers play a central and vital role in ensuring that proceedings in our Nation's abuse and neglect courts are run efficiently and effectively. The performance of those individuals in such courts can only be further enhanced by training, seminars, and an ongoing opportunity to exchange ideas with their peers.

"(11) Volunteers who participate in court-appointed special advocate (CASA) programs play a vital role as the eyes and ears of abuse and neglect courts in proceedings conducted by, or under the supervision of, such courts and also bring increased public scrutiny of the abuse and neglect court system. The Nation's abuse and neglect courts would benefit from an expansion of this program to currently underserved communities.

"(12) Improved computerized case-tracking systems, comprehensive training, and development of, and education on, model abuse and neglect court systems, particularly with respect to underserved areas, would significantly further the purposes of the Adoption and Safe Families Act of 1997 by reducing the average length of an abused and neglected child's stay in foster care, improving the quality of decision-making and court services provided to children and families, and increasing the number of adoptions.
SEC. 3. DEFINITIONS.

"In this Act:

(1) ABUSE AND NEGLECT COURTS.—The term ‘abuse and neglect courts’ means the State and local courts that carry out State or local laws requiring proceedings (conducted by or under the supervision of the courts)

(A) that implement part B and part E of title IV of the Social Security Act (42 U.S.C. 620 et seq.; 670 et seq.) in a proceeding conducted by, or under the supervision of, an abuse and neglect court, including a proceeding for termination of parental rights.

(2) AGENCY ATTORNEY.—The term ‘agency attorney’ means an attorney or other individual, including any government attorney, district attorney, attorney general, State attorney, county attorney, city solicitor or attorney, corporation counsel, or privately retained special prosecutor, who represents the State or local agency administering the programs under parts B and E of title IV of the Social Security Act (42 U.S.C. 620 et seq.; 670 et seq.) in a proceeding conducted by, or under the supervision of, an abuse and neglect court, including a proceeding for termination of parental rights.

SEC. 4. GRANTS TO STATE COURTS AND LOCAL COURTS TO AUTOMATE THE DATA COLLECTION AND TRACKING OF PROCEEDINGS IN ABUSE AND NEGLECT COURTS.

(A) AUTHORITY TO AWARD GRANTS.—

(I) IN GENERAL.—Subject to paragraph (2), the Attorney General, acting through the Office of Juvenile Justice and Delinquency Prevention of the Office of Justice Programs, shall award grants in accordance with this section to State courts and local courts for the purposes of—

(A) enabling such courts to develop and implement automated data collection and case-tracking systems for proceedings conducted by, or under the supervision of, an abuse and neglect court;

(B) encouraging the replication of such systems in abuse and neglect courts in other jurisdictions; and

(C) requiring the use of such systems to evaluate a court’s performance in implementing the requirements of parts B and E of title IV of the Social Security Act (42 U.S.C. 620 et seq.; 670 et seq.).

(II) LIMITATIONS.—

(A) NUMBER OF GRANTS.—Not less than 20 nor more than 50 grants may be awarded under this section.

(B) PER STATE LIMITATION.—Not more than 2 grants authorized under this section may be awarded per State.

(C) USE OF GRANTS.—Funds provided under a grant made under this section may only be used for the purpose of developing, implementing, or enhancing automated data collection and case-tracking systems for proceedings conducted by, or under the supervision of, an abuse and neglect court.

(III) APPLICATION.—

(I) IN GENERAL.—A State court or local court may submit an application for a grant authorized under this section at such time and in such manner as the Attorney General may determine.

(II) INFORMATION REQUIRED.—An application for a grant authorized under this section shall contain the following:

(A) A description of a proposed plan for the development, implementation, and maintenance of an automated data collection and case-tracking system for proceedings conducted by, or under the supervision of, an abuse and neglect court, including a proposed budget for the plan and a request for a specific funding amount.

(B) A description of the extent to which such plan and system are able to be replicated in abuse and neglect courts of other jurisdictions that specify the common case-tracking data elements of the proposed system, including, at a minimum—

(i) identification of relevant judges, court, and agency personnel;

(ii) records of all court proceedings with regard to the abuse and neglect case, including all court findings and orders (oral and written); and

(iii) relevant information about the subject child, including family information and the reason for court supervision.

(C) In the case of an application submitted by a local court, a description of how the proposed system will integrate with a State court improvement plan funded under section 13712 of the Omnibus Budget Reconciliation Act of 1993 (42 U.S.C. 670 note) if there is such a plan in the State.

(D) In the case of an application that is submitted by a State court, a description of how the proposed system will integrate with a State court improvement plan funded under section 13712 of such Act if there is such a plan in the State.

(E) After consultation with the State agency responsible for the administration of parts B and E of title IV of the Social Security Act (42 U.S.C. 620 et seq.; 670 et seq.),—

(i) a description of the coordination of the proposed system with other child welfare data collection systems, including the statewide automated child welfare information system (SACWIS) and the adoption and foster care analysis and reporting system (AFCARS) established pursuant to section 479 of the Social Security Act (42 U.S.C. 679); and

(ii) an assurance that such coordination will be implemented and maintained.

(F) Identification of an independent third party that will conduct ongoing evaluations of the feasibility and implementation of the plan and system and a description of the plan for conducting such evaluations.

(G) A description or identification of a proposed funding source for completion of the plan (if applicable) and maintenance of the system after the conclusion of the period for which the grant is to be awarded.

(H) An assurance that any contract entered into between the State court or local court and any other entity that is to provide services for development, implementation, or maintenance of the system under the proposed plan will require the entity to agree to allow for replication of the services provided, the plan, and the system, and to refrain from asserting any proprietary interest in such services for purposes of allowing the plan and system to be replicated in another jurisdiction.

(I) An assurance that the system established under the plan will provide data that allows for evaluation (at least on an annual basis) of the following information:

(i) The total number of cases that are filed in the abuse and neglect court.

(ii) The number of cases assigned to each judge who presides over the abuse and neglect court.

(iii) The average length of stay of children in foster care.

(iv) With respect to each child under the jurisdiction of the court—

(I) the number of episodes of placement in foster care;

(II) the number of days placed in foster care and the type of placement (foster family home, group home, or special residential care facility); and

(III) the number of days of in-home supervision; and

(IV) the number of separate foster care placements.
demonstrates to the satisfaction of the Attorney State court or local court submitting the application ized under this section may be approved unless the
NOTIFICATION TO STATE OR APPROPRIATE CHILD ''(2) N
''(1) M
for every $3 awarded under the grant to carry out  nance of the automated data collection and case- tracking system under the proposed plan.
''(I) N GENERAL
''(A) I
. —A State court or local court —Not later than 90 days after
the termination of all grants awarded under this section, the Attorney General shall submit to Congress interim re- ports on the grants made under this section.
''(B) FINAL REPORT.—No later than 90 days after the termination of all grants awarded under this section, the Attorney General shall submit to Congress a final report evaluating the automated data collection and case-tracking systems funded under such grants and identifying successful models of such systems that are suitable for replication in other jurisdictions. The Attorney General shall en- sure that a copy of such final report is transmitted to the highest State court in each State.
''(c) AUTHORIZATION OF APPROPRIATIONS.—There is au- thorized to be appropriated to carry out this section, $10,000,000 for the period of fiscal years 2003 through 2005.
"(d) LENGTH OF AWARDS.—No grant may be awarded under this section for a period of more than 5 years.
"(e) AVAILABILITY OF FUNDS.—Funds provided to a State court or local court under a grant awarded under this section shall remain available until expended without fiscal year limitation.
"(f) REPORTS.—
"(1) ANNUAL REPORT FROM GRANTEES.—Each State court or local court that is awarded a grant under this section shall submit an annual report to the Attorney General that the court has provided the State, in the case of a State court, or the appropriate child welfare agency, in the case of a local court, with notice of the contents and submission of the application.
"(3) CONSIDERATIONS.—In evaluating an application for a grant under this section the Attorney General shall consider the following:
"(A) The extent to which the system proposed in the application may be replicated in other jurisdictions.
"(B) The extent to which the proposed system is consistent with the provisions of, and amendments made by, the Adoption and Safe Families Act of 1997 (Public Law 105–89; 111 Stat. 215), and parts B and E of title IV of the Social Security Act (42 U.S.C. 620 et seq.; 670 et seq.).
"(C) The extent to which the proposed system is feasible and likely to achieve the purposes de- scribed in subsection (a)(1).
"(4) DIVERSITY OF AGENCIES.—The Attorney General shall award grants under this section in a manner that results in a reasonable balance among grants awarded to State courts and grants awarded to local courts, grants awarded to courts located in urban areas and courts located in rural areas, and grants awarded in diverse geographical locations.
"(f) REPORTS.—
"(1) ANNUAL REPORT FROM GRANTEES.—Each State court or local court that is awarded a grant under this section shall submit an annual report to the Attorney General that contains—
"(A) a description of the ongoing results of the independent evaluation of the plan for, and imple- mentation of, the automated data collection and case-tracking system funded under the grant; and
"(B) the information described in subsection (b)(2)(D).
"(2) INTERIM AND FINAL REPORTS FROM ATTORNEY GENERAL.—
"(A) INTERIM REPORTS.—Beginning 2 years after the date of enactment of this Act [Oct. 17, 2000], and biannually thereafter until a final report is submit- ted in accordance with subparagraph (B), the At- torney General shall submit to Congress interim re- ports on the grants made under this section.
"(B) FINAL REPORT.—Not later than 90 days after the termination of all grants awarded under this section, the Attorney General shall submit to Congress a final report evaluating the automated data collection and case-tracking systems funded under such grants and identifying successful models of such systems that are suitable for replication in other jurisdictions. The Attorney General shall en- sure that a copy of such final report is transmitted to the highest State court in each State.
"(g) AUTHORIZATION OF APPROPRIATIONS.—There is au- thorized to be appropriated to carry out this section, $10,000,000 for the period of fiscal years 2003 through 2005.
"SEC. 5. GRANTS TO REDUCE PENDING BACKLOGS OF ABUSE AND NEGLECT CASES TO PROMOTE PERMANENCY FOR ABUSED AND NEGLECTED CHILDREN.
"(a) AUTHORITY TO AWARD GRANTS.—The Attorney General, acting through the Office of Juvenile Justice and Delinquency Prevention of the Office of Justice Programs and in collaboration with the Secretary of Health and Human Services, shall award grants in ac- cordance with this section to State courts and local courts for the purposes of—
"(1) promoting the permanency goals established in the Adoption and Safe Families Act of 1997 (Public Law 105–89; 111 Stat. 215); and
"(2) addressing the needs of abused, neglected, and deprived children in foster care.
“(2) enabling such courts to reduce existing backlogs of cases pending in abuse and neglect courts, especially with respect to cases to terminate parental rights and cases in which parental rights to a child have not yet been finalized.

“(b) APPLICATION.—A State court or local court shall submit an application for a grant under this section. In such form and manner as the Attorney General shall require, that contains a description of the following:

“(1) The barriers to achieving the permanency goals established in the Adoption and Safe Families Act of 1997 that have been identified.

“(2) The size and nature of the backlogs of children awaiting termination of parental rights or finalization of adoption.

“(3) The strategies the State court or local court proposes to use to reduce such backlogs and the plan and timetable for doing so.

“(4) How the grant funds requested will be used to assist the implementation of the strategies described in paragraph (3).

“(c) Use of Funds.—Funds provided under a grant awarded under this section may be used for any purpose that the Attorney General determines is likely to successfully achieve the purposes described in subsection (a), including temporarily—

“(1) establishing night court sessions for abuse and neglect courts;

“(2) hiring additional judges, magistrates, commissioners, hearing officers, referees, special masters, and other judicial personnel for such courts;

“(3) hiring personnel such as clerks, administrative support staff, case managers, mediators, and attorneys for such courts; or

“(4) extending the operating hours of such courts.

“(d) Number of Grants.—Not less than 15 nor more than 20 grants shall be awarded under this section.

“(e) Availability of Funds.—Funds awarded under a grant made under this section shall remain available for expenditure by a grantee for a period not to exceed 3 years from the date of the grant award.

“(f) Report on Use of Funds.—Not later than the date that is halfway through the period for which a grant is awarded under this section, and 90 days after the end of such period, a State court or local court awarded a grant under this section shall submit a report to the Attorney General that includes the following:

“(1) The barriers to the permanency goals established in the Adoption and Safe Families Act of 1997 that are or have been addressed with grant funds.

“(2) The nature of the backlogs of children that were pursued with grant funds.

“(3) The specific strategies used to reduce such backlogs.

“(4) The progress that has been made in reducing such backlogs, including the number of children in such backlogs—

“(A) whose parental rights have been terminated, and

“(B) whose adoptions have been finalized.

“(5) Any additional information that the Attorney General determines would assist jurisdictions in achieving the permanency goals established in the Adoption and Safe Families Act of 1997.

“(g) Authorization of Appropriations.—There are authorized to be appropriated for the period of fiscal years 2001 and 2002—

“(1) expanding the recruitment of, and building the capacity of, court-appointed special advocate programs located in the 15 largest urban areas;

“(2) developing regional, multi-jurisdictional court-appointed special advocate programs serving rural areas; and

“(3) providing training and supervision of volunteers in court-appointed special advocate programs.

“(b) Limitation on Administrative Expenditures.—Not more than 5 percent of the grant made under this subsection may be used for administrative expenditures.

“(c) Determination of Urban and Rural Areas.—For purposes of administering the grant authorized under this subsection, the Administrator of the Office of Juvenile Justice and Delinquency Prevention of the Department of Justice shall determine whether an area is one of the 15 largest urban areas or a rural area in accordance with the practices of, and statistical information compiled by, the Bureau of the Census.

“(d) Authorization of Appropriations.—There is authorized to be appropriated to make the grant authorized under this section, $5,000,000 for the period of fiscal years 2001 and 2002.”

Entitlement Funding for State Courts to Assess and Improve Handling of Proceedings Relating to Foster Care and Adoption


Abandoned Infants Assistance


Study of Foster Care and Adoption Assistance Programs; Report to Congress Not Later Than October 1, 1983

Pub. L. 96–272, title I, §101(b), June 17, 1980, 94 Stat. 513, directed the Secretary of Health, Education, and Welfare to conduct a study of programs of foster care and adoption assistance established under part IV–E of the Social Security Act (42 U.S.C. 670 et seq.) and submit to Congress, not later than Oct. 1, 1983, a full and complete report thereon, together with his recommendations as to (A) whether such part IV–E should be continued, and if so, (B) the changes (if any) which should be made in such part IV–E.

§671. State plan for foster care and adoption assistance

(a) Requisite features of State plan

In order for a State to be eligible for payments under this part, it shall have a plan approved by the Secretary which—
(1) provides for foster care maintenance payments in accordance with section 672 of this title, adoption assistance in accordance with section 673 of this title, and, at the option of the State, services or programs specified in subsection (e)(1) of this section for children who are candidates for foster care or who are pregnant or parenting foster youth and the parents or kin caregivers of the children, in accordance with the requirements of that subsection;

(2) provides that the State agency responsible for administering the program authorized by subpart 1 of part B of this subchapter shall administer, or supervise the administration of, the program authorized by this part;

(3) provides that the plan shall be in effect in all political subdivisions of the State, and, if administered by them, be mandatory upon them;

(4) provides that the State shall assure that the programs at the local level assisted under this part will be coordinated with the programs at the State or local level assisted under parts A and B of this subchapter, under division A of subchapter XX of this chapter, and under any other appropriate provision of Federal law;

(5) provides that the State will, in the administration of its programs under this part, use such methods relating to the establishment and maintenance of personnel standards on a merit basis as are found by the Secretary to be necessary for the proper and efficient operation of the programs, except that the Secretary shall exercise no authority with respect to the selection, tenure of office, or compensation of any individual employed in accordance with such methods;

(6) provides that the State agency referred to in paragraph (2) (hereinafter in this part referred to as the “State agency”) will make such reports, in such form and containing such information as the Secretary may from time to time require, and comply with such provisions as the Secretary may from time to time find necessary to assure the correctness and verification of such reports;

(7) provides that the State agency will monitor and conduct periodic evaluations of activities carried out under this part;

(8) subject to subsection (c), provides safeguards which restrict the use of or disclosure of information concerning individuals assisted under the State plan to purposes directly connected with (A) the administration of the plan of the State approved under this part, the plan or program of the State under part A, B, or D of this subchapter or under subchapter I, V, X, XIV, XVI (as in effect in Puerto Rico, Guam, and the Virgin Islands), XIX, or XX, the program established by subchapter II, or the supplemental security income program established by subchapter XVI, (B) any investigation, prosecution, or criminal or civil proceeding, conducted in connection with the administration of any such plan or program, (C) the administration of any other Federal or federally assisted program which provides assistance, in cash or in kind, or services, directly to individuals on the basis of need, (D) any audit or similar activity conducted in connection with the administration of any such plan or program by any governmental agency which is authorized to conduct such audit or activity, and (E) reporting and providing information pursuant to paragraph (9) to appropriate authorities with respect to known or suspected child abuse or neglect; and the safeguards so provided shall prohibit disclosure, to any committee or legislative body (other than an agency referred to in clause (D) with respect to an activity referred to in such clause), of any information which identifies by name or address any such applicant or recipient; except that nothing contained herein shall preclude a State from providing standards which restrict disclosures to purposes more limited than those specified herein, or which, in the case of adoptions, prevent disclosure entirely;

(9) provides that the State agency will—

(A) report to an appropriate agency or official, known or suspected instances of physical or mental injury, sexual abuse or exploitation, or negligent treatment or maltreatment of a child receiving aid under part B or this part under circumstances which indicate that the child’s health or welfare is threatened thereby;

(B) provide such information with respect to a situation described in subparagraph (A) as the State agency may have; and

(C) not later than—

(i) 1 year after September 29, 2014, demonstrate to the Secretary that the State agency has developed, in consultation with State and local law enforcement, juvenile justice systems, health care providers, education agencies, and organizations with experience in dealing with at-risk children and youth, policies and procedures (including relevant training for caseworkers) for identifying, documenting in agency records, and determining appropriate services with respect to—

(I) any child or youth over whom the State agency has responsibility for placement, care, or supervision and who the State has reasonable cause to believe is, or is at risk of being, a sex trafficking victim (including children for whom a State child welfare agency has an open case file but who have not been removed from the home, children who have run away from foster care and who have not attained 18 years of age or such older age as the State has elected under section 675(b) of this title, and youth who are not in foster care but are receiving services under section 677 of this title); and

(II) at the option of the State, any individual who has not attained 26 years of age, without regard to whether the individual is or was in foster care under the responsibility of the State; and

(ii) 2 years after September 29, 2014, demonstrate to the Secretary that the State agency is implementing the policies and procedures referred to in clause (i).

1 See References in Text note below.
§ 671

(10) provides—

(A) for the establishment or designation of a State authority or authorities that shall be responsible for establishing and maintaining standards for foster family homes and child care institutions which are reasonably in accord with recommended standards of national organizations concerned with standards for the institutions or homes, including standards related to admission policies, safety, sanitation, and protection of civil rights, and which shall permit use of the reasonable and prudent parenting standard;

(B) that the standards established pursuant to subparagraph (A) shall be applied by the State to any foster family home or child care institution receiving funds under this part or part B and shall require, as a condition of each contract entered into by a child care institution to provide foster care, the presence on-site of at least 1 official who, with respect to any child placed at the child care institution, is designated to be the caregiver who is authorized to apply the reasonable and prudent parent standard to decisions involving the participation of the child in age or developmentally-appropriate activities, and who is provided with training in how to use and apply the reasonable and prudent parent standard in the same manner as prospective foster parents are provided the training pursuant to paragraph (24);

(C) that the standards established pursuant to subparagraph (A) shall include policies related to the liability of foster parents and private entities under contract by the State involving the application of the reasonable and prudent parent standard, to ensure appropriate liability for caregivers when a child participates in an approved activity and the caregiver approving the activity acts in accordance with the reasonable and prudent parent standard; and

(D) that a waiver of any standards established pursuant to subparagraph (A) may be made only on a case-by-case basis for non-safety standards (as determined by the State) in relative foster family homes for specific children in care;

(11) provides for periodic review of the standards referred to in the preceding paragraph and amounts paid as foster care maintenance payments and adoption assistance to assure their continuing appropriateness;

(12) provides for granting an opportunity for a fair hearing before the State agency to any individual whose claim for benefits available pursuant to this part is denied or is not acted upon with reasonable promptness;

(13) provides that the State shall arrange for a periodic and independently conducted audit of the programs assisted under this part and part B of this subchapter, which shall be conducted no less frequently than once every three years;

(14) provides (A) specific goals (which shall be established by State law on or before October 1, 1982) for each fiscal year (commencing with the fiscal year which begins on October 1, 1983) as to the maximum number of children (in absolute numbers or as a percentage of all children in foster care with respect to whom assistance under the plan is provided during such year) who, at any time during such year, will remain in foster care after having been in such care for a period in excess of twenty-four months, and (B) a description of the steps which will be taken by the State to achieve such goals;

(15) provides that—

(A) in determining reasonable efforts to be made with respect to a child, as described in this paragraph, and in making such reasonable efforts, the child's health and safety shall be the paramount concern;

(B) except as provided in subparagraph (D), reasonable efforts shall be made to preserve and reunify families—

(i) prior to the placement of a child in foster care, to prevent or eliminate the need for removing the child from the child's home; and

(ii) to make it possible for a child to safely return to the child's home;

(C) if continuation of reasonable efforts of the type described in subparagraph (B) is determined to be inconsistent with the permanency plan for the child, reasonable efforts shall be made to place the child in a timely manner in accordance with the permanency plan (including, if appropriate, through an interstate placement), and to complete whatever steps are necessary to finalize the permanent placement of the child;

(D) reasonable efforts of the type described in subparagraph (B) shall not be required to be made with respect to a parent of a child if a court of competent jurisdiction has determined that—

(i) the parent has subjected the child to aggravated circumstances (as defined in State law, which definition may include but need not be limited to abandonment, torture, chronic abuse, and sexual abuse);

(ii) the parent has—

(I) committed murder (which would have been an offense under section 1111(a) of title 18, if the offense had occurred in the special maritime or territorial jurisdiction of the United States) of another child of the parent;

(II) committed voluntary manslaughter (which would have been an offense under section 1112(a) of title 18, if the offense had occurred in the special maritime or territorial jurisdiction of the United States) of another child of the parent;

(III) aided or abetted, attempted, conspired, or solicited to commit such a murder or such a voluntary manslaughter; or

(IV) committed a felony assault that results in serious bodily injury to the child or another child of the parent;

(iii) the parental rights of the parent to a sibling have been terminated involuntarily;

(E) if reasonable efforts of the type described in subparagraph (B) are not made
with respect to a child as a result of a determination made by a court of competent jurisdiction in accordance with subparagraph (D)—

(i) a permanency hearing (as described in section 675(5)(C) of this title), which considers in-State and out-of-State permanent placement options for the child, shall be held for the child within 30 days after the determination; and

(ii) reasonable efforts shall be made to place the child in a timely manner in accordance with the permanency plan, and to complete whatever steps are necessary to finalize the permanent placement of the child; and

(F) reasonable efforts to place a child for adoption or with a legal guardian, including identifying appropriate in-State and out-of-State placements\(^2\) may be made concurrently with reasonable efforts of the type described in subparagraph (B);

(16) provides for the development of a case plan (as defined in section 675(1) of this title and in accordance with the requirements of section 675a of this title), which considers in-State and out-of-State permanent placement options for the child, shall be held for the child within 30 days after the determination; and

(17) provides that, where appropriate, all steps will be taken, including cooperative efforts with the State agencies administering the program funded under part A and plan approved under part D, to secure an assignment to the State of any rights to support on behalf of the child receiving foster care maintenance payments under the State plan and provides for a case review system which meets the requirements described in sections 675(5) and 675a of this title with respect to each such child;

(18) not later than January 1, 1997, provides that neither the State nor any other entity in the State that receives funds from the Federal Government and is involved in adoption or foster care placements may—

(A) deny to any person the opportunity to become an adoptive or a foster parent, on the basis of the race, color, or national origin of the person, or of the child, involved; or

(B) delay or deny the placement of a child for adoption or in foster care, on the basis of the race, color, or national origin of the adoptive or foster parent, or the child, involved;

(19) provides that the State shall consider giving preference to an adult relative over a non-related caregiver when determining a placement for a child, provided that the relative caregiver meets all relevant State child protection standards;

(20)(A) provides procedures for criminal records checks, including fingerprint-based checks of national crime information databases (as defined in section 534(f)(3)(A) of title 28), for any prospective foster or adoptive parent before the foster or adoptive parent may be finally approved for placement of a child regardless of whether foster care maintenance payments or adoption assistance payments are to be made on behalf of the child under the State plan under this part, including procedures requiring that—

(i) in any case involving a child on whose behalf such payments are to be so made in which a record check reveals a felony conviction for child abuse or neglect, for spousal abuse, for a crime against children (including child pornography), or for a crime involving violence, including rape, sexual assault, or homicide, but not including other physical assault or battery, if a State finds that a court of competent jurisdiction has determined that the felony was committed at any time, such final approval shall not be granted; and

(ii) in any case involving a child on whose behalf such payments are to be so made in which a record check reveals a felony conviction for physical assault, battery, or a drug-related offense, if a State finds that a court of competent jurisdiction has determined that the felony was committed within the past 5 years, such final approval shall not be granted;

(B) provides that the State shall—

(i) check any child abuse and neglect registry maintained by the State for information on any prospective foster or adoptive parent and on any other adult living in the home of such a prospective parent, and request any other State in which any such prospective parent or other adult has resided in the preceding 5 years, to enable the State to check any child abuse and neglect registry maintained by such other State for such information, before the prospective foster or adoptive parent may be finally approved for placement of a child, regardless of whether foster care maintenance payments or adoption assistance payments are to be made on behalf of the child under the State plan under this part;

(ii) comply with any request described in clause (i) that is received from another State; and

(iii) have in place safeguards to prevent the unauthorized disclosure of information in any child abuse and neglect registry maintained by the State, and to prevent any such information obtained pursuant to this subparagraph from being used for a purpose other than the conducting of background checks in foster or adoptive placement cases;

(C) provides procedures for criminal records checks, including fingerprint-based checks of national crime information databases (as defined in section 534(f)(3)(A) of title 28), on any relative guardian, and for checks described in subparagraph (B) of this paragraph on any relative guardian and any other adult living in the home of any relative guardian, before the relative guardian may receive kinship guardianship assistance payments on behalf of the child under the State plan under this part; and

(D) provides procedures for any child-care institution, including a group home, residential treatment center, shelter, or other con-

\(^2\)So in original. Probably should be followed by a comma.
and that with respect to the provision of such adoption or parents, and who the State under this part) between the State and an
medical insurance coverage—

(21) provides for health insurance coverage (including, at State option, through the pro-

gram under the State plan approved under subchapter XIX) for any child who has been determined to be a child with special needs, for whom there is in effect an adoption assistance agreement (other than an agreement under this part) between the State and an adoptive parent or parents, and who the State has determined cannot be placed with an adoptive parent or parents without medical assistance because such child has special needs for medical, mental health, or rehabilitative care, and that with respect to the provision of such health insurance coverage—

(A) such coverage may be provided through 1 or more State medical assistance programs;

(B) the State, in providing such coverage, shall ensure that the medical benefits, including mental health benefits, provided are of the same type and kind as those that would be provided for children by the State under subchapter XIX;

(C) in the event that the State provides such coverage through a State medical assistance program other than the program under subchapter XIX, and the State exceeds its funding for services under such other program, any such child shall be deemed to be receiving aid or assistance under the State plan under this part for purposes of section 1396a(a)(10)(A)(vi) of this title; and

(D) in determining cost-sharing requirements, the State shall take into consideration the circumstances of the adopting parent or parents and the needs of the child being adopted consistent, to the extent coverage is provided through a State medical assistance program, with the rules under such program;

(22) provides that, not later than January 1, 1999, the State shall develop and implement standards to ensure that children in foster care placements in public or private agencies are provided quality services that protect the safety and health of the children;

(23) provides that the State shall not—

(A) deny or delay the placement of a child for adoption when an approved family is available outside of the jurisdiction with responsibility for handling the case of the child; or

(B) fail to grant an opportunity for a fair hearing, as described in paragraph (12), to an individual whose allegation of a violation of subparagraph (A) of this paragraph is denied by the State or not acted upon by the State with reasonable promptness;

(24) includes a certification that, before a child in foster care under the responsibility of the State is placed with prospective foster parents, the prospective foster parents will be prepared adequately with the appropriate knowledge and skills to provide for the needs of the child, that the preparation will be continued, as necessary, after the placement of the child, and that the preparation shall include knowledge and skills relating to the reasonable and prudent parent standard for the participation of the child in age or developmentally-appropriate activities, including knowledge and skills relating to the development stages of the cognitive, emotional, physical, and behavioral capacities of a child, and knowledge and skills relating to applying the standard to decisions such as whether to allow the child to engage in social, extracurricular, enrichment, cultural, and social activities, including sports, field trips, and overnight activities lasting 1 or more days, and to decisions involving the signing of permission slips and arranging of transportation for the child to and from extracurricular, enrichment, and social activities;

(25) provides that the State shall have in effect procedures for the orderly and timely interstate placement of children, which, in the case of a State other than the Commonwealth of Puerto Rico, the United States Virgin Islands, Guam, or American Samoa, not later than October 1, 2007, shall incorporate an electronic interstate case-processing system; and procedures implemented in accordance with an interstate compact, if incorporating with the procedures prescribed by paragraph (26), shall be considered to satisfy the requirement of this paragraph;

(26) provides that—

(A)(i) within 60 days after the State receives from another State a request to conduct a study of a home environment for purposes of assessing the safety and suitability of placing a child in the home, the State shall, directly or by contract—

(I) conduct and complete the study; and

(II) return to the other State a report on the results of the study, which shall address the extent to which placement in the home would meet the needs of the child; and

(ii) in the case of a home study begun on or before September 30, 2008, if the State fails to comply with clause (i) within the 60-day period as a result of circumstances beyond the control of the State (such as a failure by a Federal agency to provide the results of a background check, or the failure by any entity to provide completed medical forms, requested by the State at least 45 days before the end of the 60-day period), the State shall have 75 days to comply with clause (i) if the State documents the circumstances involved and certifies that completing the home study is in the best interests of the child; except that
(iii) this subparagraph shall not be construed to require the State to have completed, within the applicable period, the parts of the home study involving the education and training of the prospective foster or adoptive parents;

(B) the State shall treat any report described in subparagraph (A) that is received from another State or an Indian tribe (or from a private agency under contract with another State) as meeting any requirements imposed by the State for the completion of a home study before placing a child in the home, unless, within 14 days after receipt of the report, the State determines, based on grounds that are specific to the content of the report, that making a decision in reliance on the report would be contrary to the welfare of the child; and

(C) the State shall not impose any restriction on the ability of a State agency administering, or supervising the administration of, a State program operated under a State plan approved under this part to contract with a private agency for the conduct of a home study described in subparagraph (A);

(27) provides that, with respect to any child in foster care under the responsibility of the State under this part or part B and without regard to whether foster care maintenance payments are made under section 672 of this title on behalf of the child, the State has in effect procedures for verifying the citizenship or immigration status of the child;

(28) at the option of the State, provides for the State to enter into kinship guardianship assistance agreements to provide kinship guardianship assistance payments on behalf of children to grandparents and other relatives who have assumed legal guardianship of the children for whom they have cared as foster parents and for whom they have committed to care on a permanent basis, as provided in section 673(d) of this title;

(29) provides that, within 30 days after the removal of a child from the custody of the parent or parents of the child, the State shall exercise due diligence to identify and provide notice to the following relatives: all adult grandparents, all parents of a sibling of the child, where such parent has legal custody of such sibling, and other adult relatives of the child (including any other adult relatives suggested by the parents), subject to exceptions due to family or domestic violence, that—

(A) specifies that the child has been or is being removed from the custody of the parent or parents of the child;

(B) explains the options the relative has under Federal, State, and local law to participate in the care and placement of the child, including any options that may be lost by failing to respond to the notice;

(C) describes the requirements under paragraph (10) of this subsection to become a foster family home and the additional services and supports that are available for children placed in such a home; and

(D) if the State has elected the option to make kinship guardianship assistance payments under paragraph (28) of this subsection, describes how the relative guardian of the child may subsequently enter into an agreement with the State under section 673(d) of this title to receive the payments;

(30) provides assurances that each child who has attained the minimum age for compulsory school attendance under State law and with respect to whom there is eligibility for a payment under the State plan is a full-time elementary or secondary school student or has completed secondary school, and for purposes of this paragraph, the term “elementary or secondary school student” means, with respect to a child, that the child is—

(A) enrolled (or in the process of enrolling) in an institution which provides elementary or secondary education, as determined under the law of the State or other jurisdiction in which the institution is located;

(B) instructed in elementary or secondary education at home in accordance with a home school law of the State or other jurisdiction in which the home is located;

(C) in an independent study elementary or secondary education program in accordance with the law of the State or other jurisdiction in which the program is located, which is administered by the local school or school district; or

(D) incapable of attending school on a full-time basis due to the medical condition of the child, which incapability is supported by regularly updated information in the case plan of the child;

(31) provides that reasonable efforts shall be made—

(A) to place siblings removed from their home in the same foster care, kinship guardianship, or adoptive placement, unless the State documents that such a joint placement would be contrary to the safety or well-being of any of the siblings; and

(B) in the case of siblings removed from their home who are not so jointly placed, to provide for frequent visitation or other ongoing interaction between the siblings, unless that State documents that frequent visitation or other ongoing interaction would be contrary to the safety or well-being of any of the siblings;

(32) provides that the State will negotiate in good faith with any Indian tribe, tribal organization or tribal consortium in the State that requests to develop an agreement with the State to administer all or part of the program under this part on behalf of Indian children who are under the authority of the tribe, organization, or consortium, including foster care maintenance payments on behalf of children who are placed in State or tribally licensed foster family homes, adoption assistance payments, and, if the State has elected to provide such payments, kinship guardianship assistance payments under section 673(d) of this title, and tribal access to resources for administration, training, and data collection under this part;

(33) provides that the State will inform any individual who is adopting, or whom the State is made aware is considering adopting, a child
who is in foster care under the responsibility of the State of the potential eligibility of the individual for a Federal tax credit under section 23 of the Internal Revenue Code of 1986;

(34) provides that, for each child or youth described in paragraph (9)(C)(i)(I), the State agency shall—
(A) not later than 2 years after September 29, 2014, report immediately, and in no case later than 24 hours after receiving information on children or youth who have been identified as being a sex trafficking victim, to the law enforcement authorities; and
(B) not later than 3 years after September 29, 2014, and annually thereafter, report to the Secretary the total number of children and youth who are sex trafficking victims;

(35) provides that—
(A) not later than 1 year after September 29, 2014, the State shall submit to the Secretary information addressing—
(i) expeditiously locating any child missing from foster care;
(ii) determining the primary factors that contributed to the child’s running away or otherwise being absent from care, and to the extent possible and appropriate, responding to those factors in current and subsequent placements;
(iii) determining the child’s experiences while absent from care, including screening the child to determine if the child is a possible sex trafficking victim (as defined in section 675(9)(A) of this title); and
(iv) reporting such related information as required by the Secretary; and
(B) not later than 2 years after September 29, 2014, for each child and youth described in paragraph (9)(C)(i)(I) of this subsection, the State agency shall report immediately, and in no case later than 24 hours after receiving information on missing or abducted children or youth to the law enforcement authorities for entry into the National Crime Information Center (NCIC) database of the Federal Bureau of Investigation, established pursuant to section 534 of title 28, and to the National Center for Missing and Exploited Children;

(36) provides that, not later than April 1, 2019, the State shall submit to the Secretary information addressing—
(A) whether the State licensing standards are in accord with model standards identified by the Secretary, and if not, the reason for the specific deviation and a description as to why having a standard that is reasonably in accord with the corresponding national model standards is not appropriate for the State;
(B) whether the State has elected to waive standards established in 671(a)(10)(A) of this title for relative foster family homes (pursuant to waiver authority provided by 671(a)(10)(D) of this title), a description of which standards the State most commonly waives, and if the State has not elected to waive the standards, the reason for not waiving these standards;
(C) if the State has elected to waive standards specified in subparagraph (B), how case-workers are trained to use the waiver authority and whether the State has developed a process or provided tools to assist case-workers in waiving nonsafety standards per the authority provided in 671(a)(10)(D) of this title to quickly place children with relatives; and
(D) a description of the steps the State is taking to improve caseworker training or the process, if any; and

(37) includes a certification that, in response to the limitation imposed under section 672(k) of this title with respect to foster care maintenance payments made on behalf of any child who is placed in a setting that is not a Foster family home, the State will not enact or advance policies or practices that would result in a significant increase in the population of youth in the State’s juvenile justice system.

(b) Approval of plan by Secretary

The Secretary shall approve any plan which complies with the provisions of subsection (a) of this section.

(c) Use of child welfare records in State court proceedings

Subsection (a)(8) shall not be construed to limit the flexibility of a State in determining State policies relating to public access to court proceedings to determine child abuse and neglect or other court hearings held pursuant to part B or this part, except that such policies shall, at a minimum, ensure the safety and well-being of the child, parents, and family.

(d) Annual reports by the Secretary on number of children and youth reported by States to be sex trafficking victims

Not later than 4 years after September 29, 2014, and annually thereafter, the Secretary shall report to the Congress and make available to the public on the Internet website of the Department of Health and Human Services the number of children and youth reported in accordance with subsection (a)(34)(B) of this section to be sex trafficking victims (as defined in section 675(9)(A) of this title).

(e) Prevention and family services and programs

(1) In general

Subject to the succeeding provisions of this subsection, the Secretary may make a payment to a State for providing the following services or programs for a child described in paragraph (2) and the parents or kin caregivers of the child when the need of the child, such a parent, or such a caregiver for the services or programs are directly related to the safety, permanence, or well-being of the child or to preventing the child from entering foster care:

(A) Mental health and substance abuse prevention and treatment services

Mental health and substance abuse prevention and treatment services provided by a qualified clinician for not more than a 12-month period that begins on any date de-
scribed in paragraph (3) with respect to the child.

(B) In-home parent skill-based programs

In-home parent skill-based programs for not more than a 12-month period that begins on any date described in paragraph (3) with respect to the child and that include parenting skills training, parent education, and individual and family counseling.

(2) Child described

For purposes of paragraph (1), a child described in this paragraph is the following:

(A) A child who is a candidate for foster care (as defined in section 675(13) of this title) but can remain safely at home or in a kinship placement with receipt of services or programs specified in paragraph (1).

(B) A child in foster care who is a pregnant or parenting foster youth.

(3) Date described

For purposes of paragraph (1), the dates described in this paragraph are the following:

(A) The date on which a child is identified in a prevention plan maintained under paragraph (4) as a child who is a candidate for foster care (as defined in section 675(13) of this title).

(B) The date on which a child is identified in a prevention plan maintained under paragraph (4) as a pregnant or parenting foster youth in need of services or programs specified in paragraph (1).

(4) Requirements related to providing services and programs

Services and programs specified in paragraph (1) may be provided under this subsection only if specified in advance in the child's prevention plan described in subparagraph (A) and the requirements in subparagraphs (B) through (E) are met:

(A) Prevention plan

The State maintains a written prevention plan for the child that meets the following requirements (as applicable):

(i) Candidates

In the case of a child who is a candidate for foster care described in paragraph (2)(A), the prevention plan shall—

(I) identify the foster care prevention strategy for the child so that the child may remain safely at home, live temporarily with a kin caregiver until reunification can be safely achieved, or live permanently with a kin caregiver;

(II) list the services or programs to be provided to or on behalf of the child to ensure the success of that prevention strategy; and

(III) comply with such other requirements as the Secretary shall establish.

(ii) Pregnant or parenting foster youth

In the case of a child who is a pregnant or parenting foster youth described in paragraph (2)(B), the prevention plan shall—

(I) be included in the child's case plan required under section 675(1) of this title;

(II) list the services or programs to be provided to or on behalf of the youth to ensure that the youth is prepared (in the case of a pregnant foster youth) or able (in the case of a parenting foster youth) to be a parent;

(III) describe the foster care prevention strategy for any child born to the youth; and

(IV) comply with such other requirements as the Secretary shall establish.

(B) Trauma-informed

The services or programs to be provided to or on behalf of a child are provided under an organizational structure and treatment framework that involves understanding, recognizing, and responding to the effects of all types of trauma and in accordance with recognized principles of a trauma-informed approach and trauma-specific interventions to address trauma's consequences and facilitate healing.

(C) Only services and programs provided in accordance with promising, supported, or well-supported practices permitted

(i) In general

Only State expenditures for services or programs specified in subparagraph (A) or (B) of paragraph (1) that are provided in accordance with practices that meet the requirements specified in clause (ii) of this subparagraph and that meet the requirements specified in clause (iii), (iv), or (v), respectively, for being a promising, supported, or well-supported practice, shall be eligible for a Federal matching payment under section 674(a)(6)(A) of this title.

(ii) General practice requirements

The general practice requirements specified in this clause are the following:

(I) The practice has a book, manual, or other available writings that specify the components of the practice protocol and describe how to administer the practice.

(II) There is no empirical basis suggesting that, compared to its likely benefits, the practice constitutes a risk of harm to those receiving it.

(III) If multiple outcome studies have been conducted, the overall weight of evidence supports the benefits of the practice.

(IV) Outcome measures are reliable and valid, and are administrated consistently and accurately across all those receiving the practice.

(V) There is no case data suggesting a risk of harm that was probably caused by the treatment and that was severe or frequent.

(iii) Promising practice

A practice shall be considered to be a "promising practice" if the practice is superior to an appropriate comparison practice using conventional standards of statistical significance (in terms of demonstrated meaningful improvements in validated measures of important child and
parent outcomes, such as mental health, substance abuse, and child safety and well-being), as established by the results or outcomes of at least one study that—

(a) was rated by an independent systematic review for the quality of the study design and execution and determined to be well-designed and well-executed; and

(b) utilized some form of control (such as an untreated group, a placebo group, or a wait list study).

(iv) Supported practice

A practice shall be considered to be a “supported practice” if—

(I) the practice is superior to an appropriate comparison practice using conventional standards of statistical significance (in terms of demonstrated meaningful improvements in validated measures of important child and parent outcomes, such as mental health, substance abuse, and child safety and well-being), as established by the results or outcomes of at least one study that—

(aa) was rated by an independent systematic review for the quality of the study design and execution and determined to be well-designed and well-executed;

(bb) was a rigorous random-controlled trial (or, if not available, a study using a rigorous quasi-experimental research design); and

(cc) was carried out in a usual care or practice setting; and

(II) the study described in subclause (I) established that the practice has a sustained effect (when compared to a control group) for at least 6 months beyond the end of the treatment.

(v) Well-supported practice

A practice shall be considered to be a “well-supported practice” if—

(I) the practice is superior to an appropriate comparison practice using conventional standards of statistical significance (in terms of demonstrated meaningful improvements in validated measures of important child and parent outcomes, such as mental health, substance abuse, and child safety and well-being), as established by the results or outcomes of at least two studies that—

(aa) were rated by an independent systematic review for the quality of the study design and execution and determined to be well-designed and well-executed;

(bb) were rigorous random-controlled trials (or, if not available, studies using a rigorous quasi-experimental research design); and

(cc) were carried out in a usual care or practice setting; and

(II) at least one of the studies described in subclause (I) established that the practice has a sustained effect (when compared to a control group) for at least 1 year beyond the end of treatment.

(D) Guidance on practices criteria and pre-approved services and programs

(i) In general

Not later than October 1, 2018, the Secretary shall issue guidance to States regarding the practices criteria required for services or programs to satisfy the requirements of subparagraph (C). The guidance shall include a pre-approved list of services and programs that satisfy the requirements.

(ii) Updates

The Secretary shall issue updates to the guidance required by clause (i) as often as the Secretary determines necessary.

(E) Outcome assessment and reporting

The State shall collect and report to the Secretary the following information with respect to each child for whom, or on whose behalf mental health and substance abuse prevention and treatment services or in-home parent skill-based programs are provided during a 12-month period beginning on the date the child is determined by the State to be a child described in paragraph (2):

(i) The specific services or programs provided and the total expenditures for each of the services or programs.

(ii) The duration of the services or programs provided.

(iii) In the case of a child described in paragraph (2)(A), the child’s placement status at the beginning, and at the end, of the 1-year period, respectively, and whether the child entered foster care within 2 years after being determined a candidate for foster care.

(5) State plan component

(A) In general

A State electing to provide services or programs specified in paragraph (1) shall submit as part of the State plan required by subsection (a) a prevention services and programs plan component that meets the requirements of subparagraph (B).

(B) Prevention services and programs plan component

In order to meet the requirements of this subparagraph, a prevention services and programs plan component, with respect to each 5-year period for which the plan component is in operation in the State, shall include the following:

(i) How providing services and programs specified in paragraph (1) is expected to improve specific outcomes for children and families.

(ii) How the State will monitor and oversee the safety of children who receive services and programs specified in paragraph (1), including through periodic risk assessments throughout the period in which the services and programs are provided on behalf of a child and reexamination of the prevention plan maintained for the child under paragraph (4) for the provision of the services or programs if the State deter-
mines the risk of the child entering foster care remains high despite the provision of the services or programs.

(iii) With respect to the services and programs specified in subparagraphs (A) and (B) of paragraph (1), information on the specific promising, supported, or well-supported practices the State plans to use to provide the services or programs, including a description of—

(I) the services or programs and whether the practices used are promising, supported, or well-supported;

(II) how the State plans to implement the services or programs, including how implementation of the services or programs will be continuously monitored to ensure fidelity to the practice model and to determine outcomes achieved and how information learned from the monitoring will be used to refine and improve practices;

(III) how the State selected the services or programs;

(IV) the target population for the services or programs; and

(V) how each service or program provided will be evaluated through a well-designed and rigorous process, which may consist of an ongoing, cross-site evaluation approved by the Secretary.

(iv) A description of the consultation that the State agencies responsible for administering the State plans under this part and part B engage in with other State agencies responsible for administering health programs, including mental health and substance abuse prevention and treatment services, and with other public and private agencies with experience in administering child and family services, including community-based organizations, in order to foster a continuum of care for children described in paragraph (2) and their parents or kin caregivers.

(v) A description of how the State shall assess children and their parents or kin caregivers to determine eligibility for services or programs specified in paragraph (1).

(vi) A description of how the services or programs specified in paragraph (1) that are provided for or on behalf of a child and the parents or kin caregivers of the child will be coordinated with other child and family services provided to the child and the parents or kin caregivers of the child under the State plans in effect under subparts 1 and 2 of part B.

(vii) Descriptions of steps the State is taking to support and enhance a competent, skilled, and professional child welfare workforce to deliver trauma-informed and evidence-based services, including—

(I) ensuring that staff is qualified to provide services or programs that are consistent with the promising, supported, or well-supported practice models selected; and

(II) developing appropriate prevention plans, and conducting the risk assessments required under clause (iii).

(viii) A description of how the State will provide training and support for case-workers in assessing what children and their families need, connecting to the families served, knowing how to access and deliver the needed trauma-informed and evidence-based services, and overseeing and evaluating the continuing appropriateness of the services.

(ix) A description of how caseload size and type for prevention caseworkers will be determined, managed, and overseen.

(x) An assurance that the State will report to the Secretary such information and data as the Secretary may require with respect to the provision of services and programs specified in paragraph (1), including information and data necessary to determine the performance measures for the State under paragraph (6) and compliance with paragraph (7).

(C) Reimbursement for services under the prevention plan component

(i) Limitation

Except as provided in subclause (ii), a State may not receive a Federal payment under this part for a given promising, supported, or well-supported practice unless (in accordance with subparagraph (B)(iii)(V)) the plan includes a well-designed and rigorous evaluation strategy for that practice.

(ii) Waiver of limitation

The Secretary may waive the requirement for a well-designed and rigorous evaluation of any well-supported practice if the Secretary deems the evidence of the effectiveness of the practice to be compelling and the State meets the continuous quality improvement requirements included in subparagraph (B)(iii)(II) with regard to the practice.

(6) Prevention services measures

(A) Establishment; annual updates

Beginning with fiscal year 2021, and annually thereafter, the Secretary shall establish the following prevention services measures based on information and data reported by States that elect to provide services and programs specified in paragraph (1):

(i) Percentage of candidates for foster care who do not enter foster care

The percentage of candidates for foster care for whom, or on whose behalf, the services or programs are provided who do not enter foster care, including those placed with a kin caregiver outside of foster care, during the 12-month period in which the services or programs are provided and through the end of the succeeding 12-month period.

(ii) Per-child spending

The total amount of expenditures made for mental health and substance abuse prevention and treatment services or in-home parent skill-based programs, respectively, for, or on behalf of, each child described in paragraph (2).
§ 671

(7) Maintenance of effort for State foster care prevention expenditures

(B) Data

The Secretary shall establish and annually update the prevention services measures—
(i) based on the median State values of the information reported under each clause of subparagraph (A) for the 3 then most recent years; and
(ii) taking into account State differences in the price levels of consumption goods and services using the most recent regional price parities published by the Bureau of Economic Analysis of the Department of Commerce or such other data as the Secretary determines appropriate.

(C) Publication of State prevention services measures

The Secretary shall annually make available to the public the prevention services measures of each State.

(8) Prohibition against use of state foster care prevention expenditures and Federal IV-E prevention funds for matching or expenditure requirement

A State that elects to provide services and programs specified in paragraph (1) shall not use any State foster care prevention expenditures for a fiscal year for the State share of expenditures under section 674(a)(6) of this title for a fiscal year.

(9) Administrative costs

Expenditures described in section 674(a)(6)(B) of this title—
(A) shall not be eligible for payment under subparagraph (A), (B), or (E) of section 674(a)(3) of this title; and
(B) shall be eligible for payment under section 674(a)(6)(B) of this title without regard to whether the expenditures are incurred on behalf of a child who is, or is potentially, eligible for foster care maintenance payments under this part.

(10) Application

(A) In general

The provision of services or programs under this subsection to or on behalf of a child described in paragraph (2) shall not be considered to be receipt of aid or assistance under the State plan under this part for purposes of eligibility for any other program established under this chapter, nor shall the provision of such services or programs be construed to permit the State to reduce medical or other assistance available to a recipient of such services or programs.

(B) Candidates in kinship care

A child described in paragraph (2) for whom such services or programs under this subsection are provided for more than 6 months while in the home of a kin caregiver, and who would satisfy the AFDC eligibility requirement of section 672(a)(3)(A)(ii)(II) of this title but for residing in the home of the caregiver for more than 6 months, is deemed to satisfy that requirement for purposes of determining whether the child is eligible for foster care maintenance payments under section 672 of this title.

(C) Payer of last resort

In carrying out its responsibilities to ensure access to services or programs under
this subsection, the State agency shall not be considered to be a legally liable third party for purposes of satisfying a financial commitment for the cost of providing such services or programs with respect to any individual for whom such costs would have been paid for from another public or private source but for the enactment of this subsection (except that whenever considered necessary to prevent a delay in the receipt of appropriate early intervention services by a child or family in a timely fashion, funds provided under section 674(a)(6) of this title may be used to pay the provider of services or programs pending reimbursement from the public or private source that has ultimate responsibility for the payment).


REFERENCES IN TEXT

Division A of subchapter XX, referred to in subsec. (a)(4), was in the original a reference to subtitile 1 of title XX, which was translated as if referring to subtitile A of title XX of the Social Security Act, to reflect the probable intent of Congress. Title XX of the Act, enacting subchapter XX of this chapter, does not contain a subtitle I.

The Internal Revenue Code of 1986, referred to in subsec. (a)(3), is classified generally to Title 26, Internal Revenue Code.

CODIFICATION


AMENDMENTS

2018—Subsec. (a)(1). Pub. L. 115–123, §50711(a)(1), substituted “adoption assistance in accordance with section 673 of this title,” and, at the option of the State, services or programs specified in subsection (e)(1) of this section for children who are candidates for foster care or who are pregnant or parenting foster youth and the parents or kin caregivers of the children, in accordance with the requirements of that subsection; “for adoption assistance in accordance with section 673 of this title;”.

Subsec. (a)(8)(A). Pub. L. 115–165 inserted “the program established by subchapter II,” after “XX.”.


Subsec. (a)(25). Pub. L. 115–123, §50725(a), substituted “provides” for “provide” and inserted “, which, in the case of a State other than the Commonwealth of Puerto Rico, the United States Virgin Islands, Guam, or American Samoa, not later than October 1, 2027, shall include the use of an electronic interstate case-processing system” after “children”.


Subsec. (e)(10)(A). Pub. L. 115–271, §8082(b)(1), inserted “...or shall the provision of such services or programs be construed to permit the State to reduce medical or other assistance available to a recipient of such services or programs” after “under this chapter”.


Subsec. (a)(10). Pub. L. 113–183, §111(b), amended par. (10) generally. Prior to amendment, par. (10) read as follows: “provides for the establishment or designation of a State authority or authorities which shall be responsible for establishing and maintaining standards for foster family homes and child care institutions which are reasonably in accord with recommended standards of national organizations concerned with standards for such institutions or homes, including standards related to admission policies, safety, nutrition, medical, and protection of civil rights, provides that the standards so established shall be applied by the State to any foster family home or child care institution receiving funds under this part or part B of this subchapter, and provides that a waiver of any such standard may be made only on a case-by-case basis for non-safety standards (as determined by the State) in relative foster family homes for specific children in care;”.

Subsec. (a)(16). Pub. L. 113–183, §112(b)(2)(A)(ii), inserted “and in accordance with the requirements of section 675a of this title” after “section 675(1) of this title” and substituted “sections 675(5) and 675a of this title” for “section 675(5) of this Title”.

Subsec. (a)(24). Pub. L. 113–183, §111(a)(2), substituted “includes” for “include” and “that the preparation will” for “and that such preparation will” and inserted before semicolon at end “, and that the preparation shall include knowledge and skills relating to the reasonable and prudent parent standard for the protection of the child in age or developmentally-appropriate activities, including knowledge and skills relating to
the developmental stages of the cognitive, emotional, physical, and behavioral capacities of a child, and knowledge and skills relating to applying the standard to decisions such as whether to allow the child to engage in social, extracurricular, enrichment, cultural, and social activities, including sports, field trips, and overnight activities lasting 1 or more days, and to deciding which parent or other adult the child should primarily live with;

Subsec. (a)(29). Pub. L. 113–183, § 208(a)(1), substituted “the following relatives: all adult grandparents, all parents of a sibling of the child, where such parent has legal custody of such sibling,” for “all adult grandparents”;


2008—Subsec. (a)(10). Pub. L. 110–351, § 104(a), substituted “civil rights, provides” for “civil rights, and provides” and inserted “and” and inserted “and”.

Subsec. (a)(20)(D). Pub. L. 110–351, § 101(c)(2)(B)(i)(I), which directed insertion of “and” at end of subpar. (C), was amended by making the insertion at end of subpar. (B), to reflect the probable intent of Congress and the redesignation of subpar. (C) as (B) by Pub. L. 109–248, § 152(b)(2). See Amendment note below.


Pub. L. 110–351, § 101(c)(2)(B)(i)(II), redesignated par. (18), relating to preference to adult relatives, in part of div. B of Pub. L. 109–248, and struck out former par. (18), which read as follows: “effective October 1, 1983, provides that, in each case, reasonable efforts will be made (A) prior to the placement of a child in foster care, to prevent or eliminate the need for removal of the child from his home, and (B) to make it possible for the child to return to his home”.


Subsec. (a)(18). Pub. L. 105–33, §§ 5591(b)(3), redesignated par. (18), relating to preference to adult relatives, as (19).

Pub. L. 105–33, §§ 5591(b)(2), substituted “and” for “or” in period at end of par. (18) relating to denial or delay of adoption or foster care on basis of race, color, or national origin.

Subsec. (a)(19). Pub. L. 105–33, §§ 5591(b)(3), redesignated par. (18), relating to preference to adult relatives, as (19).


Pub. L. 104–188, §§ 1008(a)(3), added par. (18) relating to denial or delay of adoption or foster care on basis of race, color, or national origin.

1994—Subsec. (b). Pub. L. 103–432 struck out after first sentence “However, in any case in which the Secretary finds, after reasonable notice and opportunity for a hearing, that a State plan which has been approved by the Secretary no longer complies with the provisions of subsection (a) of this section, or that in the administration of the plan there is a substantial failure to comply with the provisions of the plan, the Secretary shall notify the State that further payments will not be made to the State under this part, or that such payments will be made to the State but reduced by an amount which the Secretary determines appropriate, until the Secretary is satisfied that there is no longer any such failure to comply, and until he is so satisfied he shall make no further payments to the State, or shall reduce such payments by the amount specified in his notification to the State”.


Subsec. (a)(9).Pub. L. 101–508, §505(k)(b)(1), amended par. (9) generally. Prior to amendment, par. (9) read as follows: ‘‘provides that where any agency of the State has reason to believe that the home or institution in which a child resides whose care is being paid for in whole or in part with funds provided under this part or part B of this subchapter is unsuitable for the child because of the neglect, abuse, or exploitation of such child, it shall bring such condition to the attention of the appropriate court or law enforcement agency’’.

1985—Subsec. (a)(8)(A). Pub. L. 99–485 substituted ‘‘part A, B, or D of this subchapter (including activities under part F of this subchapter)’’ for ‘‘part A, B, C, or D of this subchapter’’.


1981—Subsec. (a)(10). Pub. L. 97–35, §233(r), as amended by Pub. L. 97–248, §168(d), substituted provisions that in order for a State to be eligible for payments under this part a State plan must provide for establishment or designation of a State authority or authorities responsible for standards for foster family homes and child care institutions, such standards to be reasonably in accord with recommended standards of national organizations concerned with standards for such institutions or homes, including standards related to administration policies, safety, sanitation, and protection of civil rights, for provisions that such State plan provide for the application of standards referred to in section 1397d(d)(1) of this title.

Effective Date of 2018 Amendment
Pub. L. 115–271, title VIII, §802(c), Oct. 24, 2018, 132 Stat. 4102, provided that: ‘‘The amendments made by subsection (b) [amending this section] shall take effect as if included in section 50711 of division E of Public Law 115–123.’’

Amendment by Pub. L. 115–165 applicable with respect to months beginning on or after 1 year after Apr. 13, 2018, with exception if State legislation required, see section 193(a)(4) of Pub. L. 115–165, set out as a note under section 466 of this title.

Amendment by sections 5071(a) and 5072(a) of Pub. L. 115–123 effective Oct. 1, 2018, subject to transition rule and State legislation appropriating funds) is required in order for a State plan developed pursuant to part E of title IV of the Social Security Act [42 U.S.C. 670 et seq.] to meet the additional requirements imposed by the amendments made by this section, the plan shall not be regarded as failing to meet any of the additional requirements before the 1st day of the 1st calendar quarter beginning after the 1st regular session of the State legislature that begins after the date of the enactment of this Act [Sept. 29, 2014]. If the State has a 2-year legislative session, each year of the session is deemed to be a separate regular session of the State legislature.’’

Amendment by section 112 of Pub. L. 113–183 effective on the date that is 1 year after Sept. 29, 2014, with delay permitted if State legislation is required, see section 112(c) of Pub. L. 113–183, set out as a note under section 622 of this title.


(a) In General.—Except as otherwise provided in this section, the amendments made by this subtitle [subtitle A (§§201–210) of title II of Pub. L. 113–183, amending this section and sections 673, 673b, 675, and 679 of this title] shall take effect as if enacted on October 1, 2014.

(b) Restructuring and Renaming of Program.—(1) In General.—The amendments made by sections 202 and 203 [amending section 673b of this title] shall take effect on October 1, 2014, subject to paragraph (2).

(2) Transition Rule.—(A) In General.—Notwithstanding any other provision of law, the total amount payable to a State under section 473A of the Social Security Act [42 U.S.C. 673b] for fiscal year 2014 shall be an amount equal to ¾ of the sum of—

(i) the total amount that would be payable to the State under such section for fiscal year 2014 if the amendments made by section 202 of this Act had not taken effect; and

(ii) the total amount that would be payable to the State under such section for fiscal year 2014 in the absence of this paragraph.

(B) Pro Rata Adjustment If Insufficient Funds Available.—If the total amount otherwise payable under subparagraph (A) for fiscal year 2014 exceeds the amount appropriated pursuant to section 473A(h) of the Social Security Act (42 U.S.C. 673b(h)) for that fiscal year, the amount payable to each State under subparagraph (A) for fiscal year 2014 shall be—

(i) the amount that would otherwise be payable to the State under subparagraph (A) for fiscal year 2014; multiplied by

(ii) the percentage represented by the amount so appropriated for fiscal year 2014, divided by the total amount otherwise payable under subparagraph (A) to all States for that fiscal year.

(c) Use of Incentive Payments; Eligibility for Kinship Guardianship Assistance Payments With a Successor Guardian; Data Collection.—The amendments made by sections 204, 207, and 208 [amending sections 673, 673b, and 679 of this title] shall take effect on the date of enactment of this Act [Sept. 29, 2014].

(d) Calculation and Use of Savings Resulting From the Phase-Out of Eligibility Requirements for Adoption Assistance.—The amendment made by section 206 [amending section 673 of this title] shall take effect on October 1, 2014.

(e) Notification of Parents of Siblings.—(1) In General.—The amendments made by section 209 [amending this section and section 675 of this title] shall take effect on the date of enactment of this Act [Sept. 29, 2014], subject to paragraph (2).

(2) Delay Permitted If State Legislation Required.—In the case of a State plan approved under part E of title IV of the Social Security Act [42 U.S.C. 670 et seq.] which the Secretary of Health and Human Services determines requires State legislation (other than legislation appropriating funds) in order for the plan to meet the additional requirements imposed by
section 209, the State plan shall not be regarded as failing to comply with the requirements of such part solely on the basis of the failure of the plan to meet such additional requirements before the 1st day of the 1st calendar quarter beginning after the close of the 1st regular session of the State legislature that ends after the 1-year period beginning with the date of enactment of this Act (Oct. 29, 2014). For purposes of the preceding sentence, in the case of a State that has a 2-year legislative session, each year of the session is deemed to be a separate regular session of the State legislature.''

**Effective Date of 2008 Amendment**

Pub. L. 110–351, title III, §301(f), Oct. 7, 2008, 122 Stat. 3971, provided that: "The amendments made by subsections (a), (b), and (c) [enacting section 679c of this title and amending this section and sections 672, 674, and 677 of this title] shall take effect on October 1, 2008, without regard to whether the regulations required under subsection (e)(1) [set out as a Regulations note below] have been promulgated by such date.''


"(a) IN GENERAL.—Except as otherwise provided in this Act [see Short Title of 2008 Amendment note below], the amendments made by this Act to part B or E of title IV of the Social Security Act [42 U.S.C. 620 et seq., 670 et seq.] shall take effect on the date of the enactment of this Act [Oct. 7, 2008], and shall apply to payments under the plan amended for quarters beginning on or after the effective date of the amendment.

"(b) DELAY PERMITTED IF STATE LEGISLATION REQUIRED.—In the case of a State plan approved under part B or E of title IV of the Social Security Act [42 U.S.C. 620 et seq., 670 et seq.] which the Secretary of Health and Human Services determines requires State legislation (other than legislation appropriating funds) in order for the plan to meet the additional requirements imposed by this Act, the State plan shall not be regarded as failing to comply with the requirements of such part solely on the basis of the failure of the plan to meet such additional requirements before the 1st day of the 1st calendar quarter beginning after the close of the 1st regular session of the State legislature that ends after the 1-year period beginning with the date of the enactment of this Act [Oct. 7, 2008]. For purposes of the preceding sentence, in the case of a State that has a 2-year legislative session, each year of the session is deemed to be a separate regular session of the State legislature.''

**Effective Date of 2006 Amendment**
Pub. L. 109–432, div. B, title IV, §405(c)(1)(B)(ii), Dec. 20, 2006, 120 Stat. 2099, provided that: "The amendments made by this subparagraph [amending this section and section 1320s–2a of this title] shall take effect on the date that is 6 months after the date of the enactment of this Act [Dec. 20, 2006].''

Pub. L. 109–248, title I, §152(c), July 27, 2006, 120 Stat. 609, provided that: "(1) IN GENERAL.—The amendments made by subsection (a) [amending this section] shall take effect on October 1, 2006, and shall apply with respect to payments under part E of title IV of the Social Security Act [42 U.S.C. 670 et seq.] for calendar quarters beginning on or after such date, without regard to whether regulations to implement the amendments are promulgated by such date.

"(2) ELIMINATION OF OPT-OUT.—The amendments made by subsection (b) [amending this section] shall take effect on October 1, 2008, and shall apply with respect to payments under part E of title IV of the Social Security Act for calendar quarters beginning on or after such date, without regard to whether regulations to implement the amendments are promulgated by such date.

"(3) DELAY PERMITTED IF STATE LEGISLATION REQUIRED.—If the Secretary of Health and Human Services determines that State legislation (other than legislation appropriating funds) is required in order for a State plan under section 741 of the Social Security Act [42 U.S.C. 671] to meet the additional requirements imposed by the amendments made by such subsection of this title, the plan shall not be regarded as failing to meet any of the additional requirements before the first day of the first calendar quarter beginning after the first regular session of the State legislature that begins after the otherwise applicable effective date of the amendments. If the State has a 2-year legislative session, each year of the session is deemed to be a separate regular session of the State legislature.''

Amendment by Pub. L. 109–239 effective Oct. 1, 2006, except as otherwise provided, and applicable to payments under this part and part B of this subchapter for calendar quarters beginning on or after Oct. 1, 2006, without regard to whether regulations have been promulgated by Oct. 1, 2006, and with delay permitted if State legislation is required, see section 14 of Pub. L. 109–239, set out as a note under section 622 of this title.


**Effective Date of 1999 Amendment**
Pub. L. 106–169, title I, §112(b), Dec. 14, 1999, 113 Stat. 1829, provided that: "The amendments made by subsection (a) [amending this section] shall take effect on October 1, 1999.''


**Effective Date of 1998 Amendment**

**Effective Date of 1997 Amendments**


**Effective Date of 1996 Amendment**
Amendment by section 108(d)(2) of Pub. L. 104–193 effective July 1, 1997, with transition rules relating to State options to accelerate such date, rules relating to claims, actions, and proceedings commenced before such date, rules relating to closing out of accounts for terminated or substantially modified programs and continuance in office of Assistant Secretary for Family Support, and provisions relating to termination of entitlement under AFDC program, see section 116 of Pub. L. 104–193, as amended, set out as an Effective Date note under section 601 of this title.

**Effective Date of 1994 Amendment**
subsection (b) [amending this section] shall take effect on October 1, 1995."**

**EFFECTIVE DATE OF 1993 AMENDMENT**

Amendment by Pub. L. 103–66 effective with respect to calendar quarters beginning on or after Oct. 1, 1993, see section 1371(c) of Pub. L. 103–66, set out as a note under section 622 of this title.

**EFFECTIVE DATE OF 1990 AMENDMENT**

Pub. L. 101–508, title V, §505(c), Nov. 5, 1990, 104 Stat. 1388–229, provided that: "The amendments made by this section [amending this section and section 602 of this title] shall apply with respect to benefits for months beginning on, or after, the date of the enactment of this Act [Nov. 1990]."

**EFFECTIVE DATE OF 1988 AMENDMENT**

Pub. L. 100–485, title II, §204, Oct. 13, 1988, 102 Stat. 2381, provided that:

(1) In general.—Except as provided in subsection (b), the amendments made by this title [enacting sections 681 to 687 of this title, amending this section, sections 682, 683, 607, 1308, 1396a, and 1396s of this title, and sections 26, 26T, and 26U of Title 26, Internal Revenue Code, repealing sections 609, 614, 630 to 632, and 633 to 645 of this title, and enacting provisions set out as notes under section 661 of this title] shall become effective on October 1, 1990.

(2) Special rules.—(A) If any State makes the changes in its State plan approved under section 402 of the Social Security Act [42 U.S.C. 602] that are required in order to carry out the amendments made by this title and formally notifies the Secretary of Health and Human Services of its desire to become subject to such amendments as of the first day of any calendar quarter beginning on or after the date on which the proposed regulations of the Secretary of Health and Human Services are published under section 202(a) [42 U.S.C. 671] and if part E of title IV of such Act [42 U.S.C. 671 et seq.] does not affect the eligibility of such children for medical assistance under title XIX of such Act [42 U.S.C. 1396 et seq.], such amendments shall become effective with respect to that State as of such first day.

(3) In the case of any State in which the amendments made by this title become effective (in accordance with subparagraph (A) with respect to any quarter of a fiscal year beginning before October 1, 1990, the limitation applicable to the State for the fiscal year under section 403(c)(2) of the Social Security Act [42 U.S.C. 603(c)(2)] shall be the same amount that bears the same ratio to such limitation (as otherwise determined with respect to the State for the fiscal year) as the number of quarters in the fiscal year throughout which such amendments apply to the State bears to 4.

(4) Section 403(c)(3) of the Social Security Act [section 603(c)(3) of this title] (as added by section 201(c)(2) of this Act) is repealed effective October 1, 1995 (except that subparagraph (A) of such section 403(c)(3) shall remain in effect for purposes of applying any reduction in payment rates required by such subparagraph for any of the fiscal years specified therein); and section 403(c)(4) of such Act (as so added) is repealed effective October 1, 1998.

(5) Subsections (a), (c), and (d) of section 203 of this Act [42 U.S.C. 671 note, 681 notes], and section 486 of the Social Security Act [former 42 U.S.C. 666] (as added by section 201(b) of this Act), shall become effective on the date of the enactment of this Act [Oct. 13, 1988]."

**EFFECTIVE DATE OF 1986 AMENDMENT**

Amendment by Pub. L. 99–514 applicable only with respect to expenditures made after Oct. 1, 1986, see section 1711(d) of Pub. L. 99–514, set out as a note under section 670 of this title.

**EFFECTIVE DATE OF 1984 AMENDMENT**

Amendment by Pub. L. 98–378 effective Oct. 1, 1984, and applicable to collections made on or after that date, see section 11(e) of Pub. L. 98–378, set out as a note under section 654 of this title.

**EFFECTIVE DATE OF 1982 AMENDMENT**


**EFFECTIVE DATE OF 1981 AMENDMENT**


**Regulations**

Pub. L. 110–351, title III, §301(e), Oct. 7, 2008, 122 Stat. 3970, provided that:

'(1) In general.—Except as provided in paragraph (2) of this subsection, not later than 1 year after the date of enactment of this section [Oct. 7, 2008], the Secretary of Health and Human Services, in consultation with Indian tribes, tribal organizations, tribal consortia, and affected States, shall promulgate interim final regulations to carry out this section [enacting section 679c of this title and amending sections 672, 674, and 677 of this title] and the amendments made by this section. Such regulations shall include procedures to ensure that a transfer of responsibility for the placement and care of a child under a State plan approved under section 471 of the Social Security Act [42 U.S.C. 671] to a tribal plan approved under section 471 of such Act in accordance with section 479B of such Act [42 U.S.C. 679c] (as added by subsection (a)(1) of this section) or to an Indian tribe, a tribal organization, or a tribal consortium that has entered into a cooperative agreement or contract with a State for the administration of or payment of funds under part E of title IV of such Act [42 U.S.C. 671 et seq.] does not affect the eligibility of, provision of services for, or the making of payments on behalf of, such children under part E of title IV of such Act, or the eligibility of such children for medical assistance under title XIX of such Act [42 U.S.C. 1396 et seq.].

'(2) In-kind expenditures from third-party sources for purposes of determining non-Federal share of administrative and training expenditures.—

'(A) In general.—Subject to subparagraph (B) of this paragraph, not later than September 30, 2011, the Secretary of Health and Human Services, in consultation with Indian tribes, tribal organizations, and tribal consortia, shall promulgate interim final regulations specifying the types of in-kind expenditures, including plants, equipment, administration, and services, and the third-party sources for such in-kind expenditures which may be claimed by tribes, organizations, and consortia with plans approved under section 471 of the Social Security Act [42 U.S.C. 671] in accordance with section 479B of such Act [42 U.S.C. 679c], up to such percentages as the Secretary, in such consultation shall specify in such regulations, for purposes of deternining the non-Federal share of administrative and training expenditures for which the tribes, organizations, and consortia may receive payments for (or under any subparagraph of section 474(a)(3) of such Act [42 U.S.C. 674(a)(3)]).

(B) Effective date.—In no event shall the regulations required to be promulgated under subparagraph (A) take effect prior to October 1, 2011.

'(C) Sense of the Congress.—It is the sense of the Congress that if the Secretary of Health and Human Services fails to publish in the Federal Register the regulations required under subparagraph (A) of this paragraph, the Congress should enact legislation specifying the types of in-kind expenditures and the third-party sources for such in-kind expenditures which may be claimed by tribes, organizations, and consortia with plans approved under section 471 of the Social Security Act [42 U.S.C. 671] in accordance with section 479B of such Act [42 U.S.C. 679c], up to
specific percentages, for purposes of determining the non-Federal share of administrative and training expenditures for which the tribes, organizations, and consortia may receive payments for(sic) under any subparagraph of section 474(a)(3) of such Act [42 U.S.C. 674(a)(3)]."

Pub. L. 100–485, title II, §209(b), Oct. 7, 2008, 122 Stat. 3970, provided that: "Nothing in the amendments made by this section [enacting section 679 of this title and adding sections 672, 674, and 677 of this title] shall be construed to alter prohibitions on Federal share of administrative and payment of funds under part E of title IV of the Social Security Act (42 U.S.C. 679), to the extent such data is identified pursuant to section 479 of the Social Security Act (42 U.S.C. 679(c)(1))."

CONSTRUCTION OF 2008 AMENDMENT

Pub. L. 110–381, title VI, §611(a)(3), Sept. 29, 2014, 128 Stat. 1924, provided that: "Nothing in this Act [see Short Title of 2008 Amendment note set out under section 1305 of this title] shall be construed to alter prohibitions on Federal share of administrative and payment of funds under part E of title IV of the Social Security Act (42 U.S.C. 679), to the extent such data is identified pursuant to section 479 of the Social Security Act (42 U.S.C. 679(c)(1))."

IDENTIFICATION OF REPUTABLE MODEL LICENSING STANDARDS

Pub. L. 115–123, div. E, title VII, §5073(a), Feb. 9, 2018, 132 Stat. 251, provided that: "Not later than October 1, 2018, the Secretary of Health and Human Services shall identify reputable model licensing standards with respect to the licensing of foster family homes (as defined in section 472(c)(1) of the Social Security Act [42 U.S.C. 672(c)(1)])."

TECHNICAL ASSISTANCE

Pub. L. 113–183, title I, §111(a)(3), Sept. 29, 2014, 128 Stat. 1924, provided that: "The Secretary of Health and Human Services shall provide assistance to the States on best practices for devising strategies to assist foster parents in applying a reasonable and prudent parent standard in a manner that protects child safety, while also allowing children to experience normal and beneficial activities, including methods for appropriately considering the concerns of the biological parents of a child in decisions related to participation of the child in activities (with the understanding that those concerns should not necessarily determine the participation of the child in any activity)."

NO FEDERAL FUNDING TO UNLAWFULLY PRESENT INDIVIDUALS


PRESERVATION OF REASONABLE PARENTING

Pub. L. 109–89, title IV, §401, Nov. 19, 1997, 111 Stat. 2133, provided that: "Nothing in this Act [see Short Title of 1997 Amendment note set out under section 1305 of this title] is intended to disrupt the family unnecessarily or to intrude inappropriately into family life, to prohibit the use of reasonable methods of parental discipline, or to prescribe a particular method of parenting."

REPORTING REQUIREMENTS

Pub. L. 105–89, title IV, §402, Nov. 19, 1997, 111 Stat. 2134, provided that: "Any information required to be reported under this Act [see Short Title of 1997 Amendment note set out under section 1305 of this title] shall be supplied to the Secretary of Health and Human Services through data meeting the requirements of the Adoption and Foster Care Analysis and Reporting System established pursuant to section 479 of the Social Security Act (42 U.S.C. 679), to the extent such data is available under that system. The Secretary shall make such modifications to regulations issued under section 479 of such Act with respect to the Adoption and Foster Care Analysis and Reporting System as may be necessary to allow States to obtain data that meets the requirements of such system in order to satisfy the reporting requirements of this Act."

PURCHASE OF AMERICAN-MADE EQUIPMENT AND PRODUCTS

Pub. L. 105–89, title IV, §406, Nov. 19, 1997, 111 Stat. 2135, provided that:

"(a) IN GENERAL.—It is the sense of the Congress that, to the greatest extent practicable, all equipment and products purchased with funds made available under this Act [see Short Title of 1997 Amendment note set out under section 1305 of this title] should be American-made.

"(b) NOTICE REQUIREMENT.—In providing financial assistance to, or entering into any contract with, any entity using funds made available under this Act, the head of each Federal agency, to the greatest extent practicable, shall provide to such entity a notice describing the statement made in subsection (a) by the Congress."
§ 672. Foster care maintenance payments program

(a) In general

(1) Eligibility

Each State with a plan approved under this part shall make foster care maintenance payments on behalf of each child who has been removed from the home of a relative specified in section 606(a) of this title (as in effect on July 16, 1996) into foster care if—

(A) the removal and foster care placement met, and the placement continues to meet, the requirements of paragraph (2); and

(B) the child, while in the home, would have met the AFDC eligibility requirement of paragraph (3).

(2) Removal and foster care placement requirements

The removal and foster care placement of a child meet the requirements of this paragraph if—

(A) the removal and foster care placement are in accordance with—

(i) a voluntary placement agreement entered into by a parent or legal guardian of the child who is the relative referred to in paragraph (1); or

(ii) a judicial determination to the effect that continuation in the home from which removed would be contrary to the welfare of the child and that reasonable efforts of the type described in section 671(a)(15) of this title for a child have been made;

(B) the child’s placement and care are the responsibility of—

(i) the State agency administering the State plan approved under section 671 of this title;

(ii) any other public agency with which the State agency administering or supervising the administration of the State plan has made an agreement which is in effect; or

(iii) an Indian tribe or a tribal organization (as defined in section 679c(a) of this title) or a tribal consortium that has a plan approved under section 671 of this title in accordance with section 679c of this title; and

(C) the child has been placed in a foster family home, with a parent residing in a licensed residential family-based treatment facility, but only to the extent permitted under subsection (j), or in a child-care institution, but only to the extent permitted under subsection (k).

(3) AFDC eligibility requirement

(A) In general

A child in the home referred to in paragraph (1) would have met the AFDC eligibility requirement of this paragraph if the child—

(i) would have received aid under the State plan approved under section 602 of this title (as in effect on July 16, 1996) in the home, in or for the month in which the agreement was entered into or court proceedings leading to the determination referred to in paragraph (2)(A)(i) of this subsection were initiated; or

(ii)(I) would have received the aid in the home, in or for the month referred to in clause (i), if application had been made therefor; or

(II) had been living in the home within 6 months before the month in which the agreement was entered into or the proceedings were initiated, and would have received the aid in or for such month, if, in such month, the child had been living in the home with the relative referred to in paragraph (1) and application for the aid had been made.

(B) Resources determination

For purposes of subparagraph (A), in determining whether a child would have received aid under a State plan approved under section 602 of this title (as in effect on July 16, 1996), a child whose resources (determined pursuant to section 602(a)(7)(B) of this title, as so in effect) have a combined value of not more than $10,000 shall be considered a child whose resources have a combined value of not more than $1,000 (or such lower amount as the State may determine for purposes of section 602(a)(7)(B) of this title).

(4) Eligibility of certain alien children

Subject to title IV of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 [8 U.S.C. 1601 et seq.], if the child is an alien disqualified under section 1255a(h) or 1160(f) of title 8 from receiving aid under the State plan approved under section 602 of this title in or for the month in which the agreement described in paragraph (2)(A)(i) was entered into or court proceedings leading to the determination described in paragraph (2)(A)(ii) were initiated, the child shall be considered to satisfy the requirements of paragraph (3), with respect to the month, if the child would have satisfied the requirements but for the disqualification.

(b) Additional qualifications

Foster care maintenance payments may be made under this part only on behalf of a child described in subsection (a) of this section who is—

(1) in the foster family home of an individual, whether the payments therefor are made to such individual or to a public or private child-placement or child-care agency, or

(2) in a child-care institution, whether the payments therefor are made to such institution or to a public or private child-placement or child-care agency, which payments shall be limited so as to include in such payments only those items which are included in the term “foster care maintenance payments” (as defined in section 675(4) of this title).

(c) Definitions

For purposes of this part:

(1) Foster family home

(A) In general

The term “foster family home” means the home of an individual or family—
(d) Children removed from their homes pursuant to voluntary placement agreements

Notwithstanding any other provision of this subchapter, Federal payments may be made under this part with respect to amounts expended by any State as foster care maintenance payments under this section, in the case of children removed from their homes pursuant to voluntary placement agreements as described in subsection (a), only if (at the time such amounts were expended) the State has fulfilled all of the requirements of section 622(b)(8) of this title.

(e) Placements in best interest of child

No Federal payment may be made under this part with respect to amounts expended by any State as foster care maintenance payments under this section, in the case of any child who was removed from his or her home pursuant to a voluntary placement agreement as described in subsection (a) and has remained in voluntary placement for a period in excess of 180 days, unless there has been a judicial determination by a court of competent jurisdiction (within the first 180 days of such placement) to the effect that such placement is in the best interests of the child.

(f) “Voluntary placement” and “voluntary placement agreement” defined

For the purposes of this part and part B of this subchapter, (1) the term “voluntary placement” means an out-of-home placement of a minor, by or with participation of a State agency, after the parents or guardians of the minor have requested the assistance of the agency and signed a voluntary placement agreement; and (2) the term “voluntary placement agreement” means a written agreement, binding on the parties to the agreement, between the State agency, any other agency acting on its behalf, and the parents or guardians of a minor child which specifies, at a minimum, the legal status of the child and the rights and obligations of the parents or guardians, the child, and the agency while the child is in placement.

(g) Revocation of voluntary placement agreement

In any case where—

(1) the placement of a minor child in foster care occurred pursuant to a voluntary placement agreement entered into by the parents or guardians of such child as provided in subsection (a), and

(2) such parents or guardians request (in such manner and form as the Secretary may prescribe) that the child be returned to their home or to the home of a relative

the voluntary placement agreement shall be deemed to be revoked unless the State agency opposes such request and obtains a judicial determination, by a court of competent jurisdiction, that the return of the child to such home would be contrary to the child’s best interests.

(h) Aid for dependent children; assistance for minor children in needy families

(1) For purposes of subchapter XIX, any child with respect to whom foster care maintenance payments are made under this section is deemed to be a dependent child as defined in section 606 of this title (as in effect as of July 16, 1996) and deemed to be a recipient of aid to families with dependent children under part A of this subchapter (as so in effect). For purposes of division...
A\(^1\) of subchapter XX, any child with respect to whom foster care maintenance payments are made under this section is deemed to be a minor child in a needy family under a State program funded under part A of this subchapter and is deemed to be a recipient of assistance under such part.

(2) For purposes of paragraph (1), a child whose costs in a foster family home or child care institution are covered by the foster care maintenance payments being made with respect to the child’s minor parent, as provided in section 674(a)(3) of this title, shall be considered a child with respect to whom foster care maintenance payments are made under this section.

(i) Administrative costs associated with otherwise eligible children not in licensed foster care settings

Expenditures by a State that would be considered administrative expenditures for purposes of section 674(a)(3) of this title if made with respect to a child who was residing in a foster family home or child-care institution shall be so considered with respect to a child not residing in such a home or institution—

(1) in the case of a child who has been removed in accordance with subsection (a) of this section from the home of a relative specified in section 606(a) of this title (as in effect on July 16, 1996), only for expenditures—

(A) with respect to a period of not more than the lesser of 12 months or the average length of time it takes for the State to license or approve a home as a foster home, in which the child is in the home of a relative and an application is pending for licensing or approval of the home as a foster family home; or

(B) with respect to a period of not more than 1 calendar month when a child moves from a facility not eligible for payments under this part into a foster family home or child care institution licensed or approved by the State; and

(2) in the case of any other child who is potentially eligible for benefits under a State plan approved under this part and at imminent risk of removal from the home, only if—

(A) reasonable efforts are being made in accordance with section 671(a)(15) of this title to prevent the need for, or if necessary to pursue, removal of the child from the home; and

(B) the State agency has made, not less often than every 6 months, a determination (or redetermination) as to whether the child remains at imminent risk of removal from the home.

(j) Children placed with a parent residing in a licensed residential family-based treatment facility for substance abuse

(1) In general

Notwithstanding the preceding provisions of this section, a child who is eligible for foster care maintenance payments under this section, or who would be eligible for the payments if the eligibility were determined without regard to paragraphs (1)(B) and (3) of subsection (a), shall be eligible for the payments for a period of not more than 12 months during which the child is placed with a parent who is in a licensed residential family-based treatment facility for substance abuse, but only if—

(A) the recommendation for the placement is specified in the child’s case plan before the placement;

(B) the treatment facility provides, as part of the treatment for substance abuse, parenting skills training, parent education, and individual and family counseling; and

(C) the substance abuse treatment, parenting skills training, parent education, and individual and family counseling is provided under an organizational structure and treatment framework that involves understanding, recognizing, and responding to the effects of all types of trauma and in accordance with recognized principles of a trauma-informed approach and trauma-specific interventions to address the consequences of trauma and facilitate healing.

(2) Application

With respect to children for whom foster care maintenance payments are made under paragraph (1), only the children who satisfy the requirements of paragraphs (1)(B) and (3) of subsection (a) shall be considered to be children with respect to whom foster care maintenance payments are made under this section for purposes of subsection (b) or section 673(b)(3)(B) of this title.

(k) Limitation on Federal financial participation

(1) In general

Beginning with the third week for which foster care maintenance payments are made under this section on behalf of a child placed in a child-care institution, no Federal payment shall be made to the State under section 674(a)(1) of this title for amounts expended for foster care maintenance payments on behalf of the child unless—

(A) the child is placed in a child-care institution that is a setting specified in paragraph (2) or is placed in a licensed residential family-based treatment facility consistent with subsection (j); and

(B) in the case of a child placed in a qualified residential treatment program (as defined in paragraph (4)), the requirements specified in paragraph (3) and section 675a(c) of this title are met.

(2) Specified settings for placement

The settings for placement specified in this paragraph are the following:

(A) A qualified residential treatment program (as defined in paragraph (4)).

(B) A setting specializing in providing prenatal, post-partum, or parenting supports for youth.

(C) In the case of a child who has attained 18 years of age, a supervised setting in which the child is living independently.

(D) A setting providing high-quality residential care and supportive services to children and youth who have been found to be,

---

\(^1\) See References in Text note below.
or are at risk of becoming, sex trafficking victims, in accordance with section 671(a)(9)(C) of this title.

(3) Assessment to determine appropriateness of placement in a qualified residential treatment program

(A) Deadline for assessment

In the case of a child who is placed in a qualified residential treatment program, if the assessment required under section 675a(c)(1) of this title is not completed within 30 days after the placement is made, no Federal payment shall be made to the State under section 674(a)(1) of this title for any amounts expended for foster care maintenance payments on behalf of the child during the placement.

(B) Deadline for transition out of placement

If the assessment required under section 675a(c)(1) of this title determines that the placement of a child in a qualified residential treatment program is not appropriate, a court may disapprove such a placement under section 675a(c)(2) of this title, or a child who has been in an approved placement in a qualified residential treatment program is going to return home or be placed with a fit and willing relative, a legal guardian, or an adoptive parent, or in a foster family home, Federal payments shall be made to the State under section 674(a)(1) of this title for amounts expended for foster care maintenance payments on behalf of the child while the child remains in the qualified residential treatment program only during the period necessary for the child to transition home or to such a placement. In no event shall a State receive Federal payments under section 674(a)(1) of this title for amounts expended for foster care maintenance payments on behalf of a child who remains placed in a qualified residential treatment program after the end of the 30-day period that begins on the date a determination is made that the placement is no longer the recommended or approved placement.

(4) Qualified residential treatment program

For purposes of this part, the term “qualified residential treatment program” means a program that—

(A) has a trauma-informed treatment model that is designed to address the needs, including clinical needs as appropriate, of children with serious emotional or behavioral disorders or disturbances and, with respect to a child, is able to implement the treatment identified for the child by the assessment of the child required under section 675a(c) of this title;

(B) subject to paragraphs (5) and (6), has registered or licensed nursing staff and other licensed clinical staff who—

(i) provide care within the scope of their practice as defined by State law;

(ii) are on-site according to the treatment model referred to in subparagraph (A); and

(iii) are available 24 hours a day and 7 days a week;

(C) to extent appropriate, and in accordance with the child’s best interests, facilitates participation of family members in the child’s treatment program;

(D) facilitates outreach to the family members of the child, including siblings, documents how the outreach is made (including contact information), and maintains contact information for any known biological family and fictive kin of the child;

(E) documents how family members are integrated into the treatment process for the child, including post-discharge, and how sibling connections are maintained;

(F) provides discharge planning and family-based aftercare support for at least 6 months post-discharge; and

(G) is licensed in accordance with section 671(a)(10) of this title and is accredited by an any of the following independent, not-for-profit organizations:

(i) The Commission on Accreditation of Rehabilitation Facilities (CARF).

(ii) The Joint Commission on Accreditation of Healthcare Organizations (JCAHO).

(iii) The Council on Accreditation (COA).

(iv) Any other independent, not-for-profit accrediting organization approved by the Secretary.

(5) Administrative costs

The prohibition in paragraph (1) on Federal payments under section 674(a)(1) of this title shall not be construed as prohibiting Federal payments for administrative expenditures incurred on behalf of a child placed in a child-care institution and for which payment is available under section 674(a)(3) of this title.

(6) Rule of construction

The requirements in paragraph (4)(B) shall not be construed as requiring a qualified residential treatment program to acquire nursing and behavioral health staff solely through means of a direct employer to employee relationship.
Subsec. (a)(1). Pub. L. 105–89 inserted “for a child” before “have been made”.

Subsec. (a)(4). Pub. L. 105–33, § 5513(b)(1), substituted “July 16, 1996” for “June 1, 1995” in subpars. (A) and (B).

Subsec. (d). Pub. L. 105–33, § 5513(b)(2), substituted “section 622(b)(10)” for “section 622(b)(9)”.


1996—Subsec. (a). Pub. L. 104–193, § 108(d)(3)(A), in introductory provisions, substituted “would have met the requirements” for “would meet the requirements” and inserted “(as such sections were in effect on June 1, 1995)” after “section 607 of this title” and “(as in effect on June 1, 1995)” after “section 602 of this title”.

Subsec. (a)(4)(A). Pub. L. 104–193, § 108(d)(3)(B)(i), substituted “would have received aid” for “received aid” and inserted “(as in effect on June 1, 1995)” after “section 602 of this title”.


Subsec. (h). Pub. L. 104–193, § 108(d)(4), amended subsec. (h) generally. Prior to amendment, subsec. (h) read as follows: “For purposes of subchapters XIX and XX of this chapter, any child with respect to whom foster care maintenance payments are made under this section shall be deemed to be a dependent child as defined in section 606 of this title and shall be deemed to be a recipient of aid to families with dependent children under part A of this subchapter. For purposes of the preceding sentence, a child whose costs in a foster family home or child-care institution are covered by the foster care maintenance payments being made with respect to his or her minor parent, as provided in sections 674(a)(B) of this title, shall be considered a child with respect to whom foster care maintenance payments are made under this section.”

1994—Subsec. (d). Pub. L. 103–432 substituted “section 622(b)(9) of this title” for “section 627(b) of this title”.


1986—Subsec. (a). Pub. L. 99–603, § 303(e)(2), inserted in closing provisions reference to cases in which a child is an alien disqualified under section 1180(f) of title 8.

Pub. L. 99–603, § 302(b)(2), inserted in closing provisions reference to cases in which a child is an alien disqualified under section 1125a(h) of title 8.

Pub. L. 99–603, § 201(b)(2)(A), inserted closing provisions: “In any case where the child is an alien disqualified under section 1125a(h) of title 8 from receiving aid under the State plan approved under section 622 of this title, the child shall be deemed to have been removed into court proceedings leading to the removal of the child from the home were instituted, such child shall be considered to satisfy the requirements of paragraph (4) (and the corresponding requirements of section 673(a)(1)(B) of this title), with respect to that month, if he or she would have satisfied such requirements but for such disqualification.”


Subsec. (d). Pub. L. 96–272, § 102(a)(2), added subsec. (d) to (g). Former subsec. (d) was redesignated (h).

EFFECTIVE DATE OF 2018 AMENDMENT

Amendment by section 50712(a) of Pub. L. 115–123 effective Oct. 1, 2018, subject to transition rules for required State legislation or tribal action, see section 50734 of Pub. L. 115–123, set out as a note under section 622 of this title.

Amendment by section 50741(a)(1), (b) of Pub. L. 115–123 effective Oct. 1, 2019, with State option to delay
effective date for not more than 2 years and subject to State waiver provisions, see section 50746 of Pub. L. 115–123, set out as a note under section 622 of this title.

**Effective Date of 2008 Amendment**


**Effective Date of 2006 Amendment**

Pub. L. 109–288 effective Oct. 1, 2006, and applicable to payments under this part and part B of this subchapter for quarters beginning on or after effective date of amendment, with delay permitted if State legislation is required to meet additional requirements, see section 601 of Pub. L. 110–351, set out as a note under section 671 of this title.

**Effective Date of 1997 Amendments**


**Effective Date of 1996 Amendment**

Amendment by section 108(d)(3), (4) of Pub. L. 104–193 effective July 1, 1997, with transition rules relating to State options to accelerate such date, rules relating to claims, actions, and proceedings commenced before such date, rules relating to closing out of accounts for terminated or substantially modified programs and continuance in office of Assistant Secretary for Family Support, and provisions relating to termination of entitlement under AFDC program, see section 116 of Pub. L. 104–193, set out as an Effective Date note under section 661 of this title.

**Effective Date of 1994 Amendment**

Amendment by Pub. L. 103–422 effective with respect to fiscal years beginning on or after Apr. 1, 1994, see section 202(e) of Pub. L. 103–422, set out as a note under section 622 of this title.

**Effective Date of 1987 Amendment**


**Effective Date of 1980 Amendment**


**Construction of 2008 Amendment**

For construction of amendment by section 301(a)(2) of Pub. L. 110–351, see section 301(d) of Pub. L. 110–351, set out as a note under section 671 of this title.

**Children Voluntarily Removed from Home of Relative**


**Annual Report to Congress of Number of Children Placed in Foster Care Pursuant to Voluntary Placement Agreements**

ance agreements (as defined in section 675(3) of this title) with the adoptive parents of children with special needs.

(B) Under any adoption assistance agreement entered into by a State with parents who adopt a child with special needs, the State—

(i) shall make payments of nonrecurring adoption expenses incurred by or on behalf of such parents in connection with the adoption of such child, directly through the State agency or through another public or nonprofit private agency, in amounts determined under paragraph (3), and

(ii) in any case where the child meets the requirements of paragraph (2), may make adoption assistance payments to such parents, directly through the State agency or through another public or nonprofit private agency, in amounts so determined.

(2)(A) For purposes of paragraph (1)(B)(ii), a child meets the requirements of this paragraph if—

(i) in the case of a child who is not an applicable child for the fiscal year (as defined in subsection (e)), the child—

(I) was removed from the home of a relative specified in section 606(a) of this title (as in effect on July 16, 1996) and placed in foster care in accordance with a voluntary placement agreement with respect to which Federal payments are provided under section 674 of this title (or section 603 of this title, as such section was in effect on July 16, 1996), or in accordance with a judicial determination to the effect that continuation in the home would be contrary to the welfare of the child; and

(II) has been determined by the State, pursuant to subsection (c)(2), to be a child with special needs.

(B) Section 672(a)(4) of this title shall apply for purposes of subparagraph (A) of this paragraph, in any case in which the child is an alien described in such section.

(C) A child shall be treated as meeting the requirements of this paragraph for the purpose of paragraph (1)(B)(ii) if—

(i) in the case of a child who is not an applicable child for the fiscal year (as defined in subsection (e)), the child—

(I) meets the requirements of subparagraph (A)(i)(I);

(II) was determined eligible for adoption assistance payments under this part with respect to a prior adoption;

(III) is available for adoption because—

(aa) the prior adoption has been dissolved, and the parental rights of the adoptive parents have been terminated; or

(bb) the child's adoptive parents have died; and

(IV) fails to meet the requirements of subparagraph (A)(i) but would meet such requirements if—

(aa) the child were treated as if the child were in the same financial and other circumstances the child was in the last time the child was determined eligible for adoption assistance payments under this part; and

(bb) the prior adoption were treated as never having occurred; or

(ii) in the case of a child who is an applicable child for the fiscal year (as so defined), the child—

(I) at the time of initiation of adoption proceedings was in the care of a public or licensed private child placement agency or Indian tribal organization pursuant to—

(AA) an involuntary removal of the child from the home in accordance with a judicial determination to the effect that continuation in the home would be contrary to the welfare of the child; or

(BB) a voluntary placement agreement or voluntary relinquishment;

(bb) meets all medical or disability requirements of subchapter XVI with respect to eligibility for supplemental security income benefits; or

(cc) was residing in a foster family home or child care institution with the child's minor parent, and the child's minor parent was in such foster family home or child care institution pursuant to—

(AA) an involuntary removal of the child from the home in accordance with a judicial determination to the effect that continuation in the home would be contrary to the welfare of the child; or

(BB) a voluntary placement agreement or voluntary relinquishment; and

(II) has been determined by the State, pursuant to subsection (c)(2), to be a child with special needs.
(3) The amount of the payments to be made in any case under clauses (i) and (ii) of paragraph (1)(B) shall be determined through agreement between the adopting parents and the State or local agency administering the program under this section, which shall take into consideration the circumstances of the adopting parents and the needs of the child being adopted, and may be readjusted periodically, with the concurrence of the adopting parents (which may be specified in the adoption assistance agreement), depending upon changes in such circumstances. However, in no case may the amount of the adoption assistance payment made under clause (ii) of paragraph (1)(B) exceed the foster care maintenance payment which would have been paid during the period if the child with respect to whom the adoption assistance payment is made had been in a foster family home.

(4)(A) Notwithstanding any other provision of this section, a payment may not be made pursuant to this section to parents or relative guardians with respect to a child—

(i) who has attained—

(1) 18 years of age, or such greater age as the State may elect under section 675(8)(B)(iii) of this title; or

(II) 21 years of age, if the State determines that the child has a mental or physical handicap which warrants the continuation of assistance;

(ii) who has not attained 18 years of age, if the State determines that the parents or relative guardians, as the case may be, are no longer legally responsible for the support of the child; or

(iii) if the State determines that the child is no longer receiving any support from the parents or relative guardians, as the case may be.

(B) Parents or relative guardians who have been receiving adoption assistance payments or kinship guardianship assistance payments under this section shall keep the State or local agency administering the program under this section informed of circumstances which would, pursuant to this subsection, make them ineligible for those payments, or eligible for the payments in a different amount.

(5) For purposes of this part, individuals with whom a child (who has been determined by the State, pursuant to subsection (c), to be a child with special needs) is placed for adoption in accordance with applicable State and local law shall be eligible for such payments, during the period of the placement, on the same terms and subject to the same conditions as if such individuals had adopted such child.

(6)(A) For purposes of paragraph (1)(B)(i), the term “nonrecurring adoption expenses” means reasonable and necessary adoption fees, court costs, attorney fees, and other expenses which are directly related to the legal adoption of a child with special needs and which are not incurred in violation of State or Federal law.

(B) A State’s payment of nonrecurring adoption expenses under an adoption assistance agreement shall be treated as an expenditure made for the proper and efficient administration of the State plan for purposes of section 674(a)(3)(E) of this title.

(7)(A) Notwithstanding any other provision of this subsection, no payment may be made to parents with respect to any applicable child for a fiscal year that—

(i) would be considered a child with special needs under subsection (c)(2); and

(ii) is not a citizen or resident of the United States; and

(iii) was adopted outside of the United States or was brought into the United States for the purpose of being adopted.

(B) Subparagraph (A) shall not be construed as prohibiting payments under this part for an applicable child described in subparagraph (A) that is placed in foster care subsequent to the failure, as determined by the State, of the initial adoption of the child by the parents described in subparagraph (A).

(8)(A) A State shall calculate the savings (if any) resulting from the application of paragraph (2)(A)(ii) to all applicable children for a fiscal year, using a methodology specified by the Secretary or an alternate methodology proposed by the State and approved by the Secretary.

(B) A State shall annually report to the Secretary—

(i) the methodology used to make the calculation described in subparagraph (A), without regard to whether any savings are found; (ii) the amount of any savings referred to in subparagraph (A); and

(iii) how any such savings are spent, accounting for and reporting the spending separately from any other spending reported to the Secretary under part B or this part.

(C) The Secretary shall make all information reported pursuant to subparagraph (B) available on the website of the Department of Health and Human Services in a location easily accessible to the public.

(D)(1) A State shall spend an amount equal to the amount of the savings (if any) in State expenditures under this part resulting from the application of paragraph (2)(A)(ii) to applicable children for a fiscal year, to provide to children of families any service that may be provided under part B or this part. A State shall spend not less than 30 percent of any such savings on post-adoption services, post-guardianship services, and services to support and sustain positive permanent outcomes for children who otherwise might enter into foster care under the responsibility of the State, with at least 2½ of the spending by the State to comply with such 30 percent requirement being spent on post-adoption and post-guardianship services.

(ii) Any State spending required under clause (i) shall be used to supplement, and not supplant, any Federal or non-Federal funds used to provide any service under part B or this part.

(b) Aid for dependent children; assistance for minor children in needy families

(1) For purposes of subchapter XIX, any child who is described in paragraph (3) is deemed to be a dependent child as defined in section 606 of this title (as in effect as of July 16, 1996) and deemed to be a recipient of aid to families with dependent children under part A of this subchapter (as so in effect) in the State where such child resides.
(2) For purposes of division A of subchapter XX, any child who is described in paragraph (3) is deemed to be a minor child in a needy family under a State program funded under part A of this subchapter and deemed to be a recipient of assistance under such part.

(3) A child described in this paragraph is any child—

(A)(i) who is a child described in subsection (a)(2), and

(ii) with respect to whom an adoption assistance agreement is in effect under this section (whether or not adoption assistance payments are provided under the agreement or are being made under this section), including any such child who has been placed for adoption in accordance with applicable State and local law (whether or not an interlocutory or other judicial decree of adoption has been issued),

(B) with respect to whom foster care maintenance payments are being made under section 672 of this title, or

(C) with respect to whom kinship guardianship assistance payments are being made pursuant to subsection (d).

(4) For purposes of paragraphs (1) and (2), a child whose costs in a foster family home or child-care institution are covered by the foster care maintenance payments being made with respect to the child’s minor parent, as provided in section 675(4)(B) of this title, shall be considered a child with respect to whom foster care maintenance payments are being made under section 672 of this title.

(c) Children with special needs

For purposes of this section—

(1) in the case of a child who is not an applicable child for a fiscal year, the child shall not be considered a child with special needs unless—

(A) the State has determined that the child cannot or should not be returned to the home of his parents; and

(B) the State had first determined (A) that there exists with respect to the child a specific factor or condition (such as ethnic background, age, or membership in a minority or sibling group, or the presence of factors such as medical conditions or physical, mental, or emotional handicaps) because of which it is reasonable to conclude that the child cannot be placed with adoptive parents without providing adoption assistance under this section and medical assistance under subchapter XIX; or

(ii) the child meets all medical or disability requirements of subchapter XVI with respect to eligibility for supplemental security income benefits; and

(C) the State has determined that, except where it would be against the best interests of the child because of such factors as the existence of significant emotional ties with prospective adoptive parents while in the care of the parents as a foster child, a reasonable, but unsuccessful, effort has been made to place the child with appropriate adoptive parents without providing adoption assistance under this section or medical assistance under subchapter XIX.

(d) Kinship guardianship assistance payments for children

(1) Kinship guardianship assistance agreement

(A) In general

In order to receive payments under section 674(a)(5) of this title, a State shall—

(i) negotiate and enter into a written, binding kinship guardianship assistance agreement with the prospective relative guardian of a child who meets the requirements of this paragraph; and

(ii) provide the prospective relative guardian with a copy of the agreement.

(B) Minimum requirements

The agreement shall specify, at a minimum—

(i) the amount of, and manner in which, each kinship guardianship assistance payment will be provided under the agreement, and the manner in which the payment may be adjusted periodically, in consultation with the relative guardian, based on the circumstances of the relative guardian and the needs of the child;

(ii) the additional services and assistance that the child and relative guardian will be eligible for under the agreement;

(iii) the procedure by which the relative guardian may apply for additional services as needed; and

(iv) subject to subparagraph (D), that the State will pay the total cost of nonrecurring expenses associated with obtaining legal guardianship of the child, to the extent the total cost does not exceed $2,000.

(C) Interstate applicability

The agreement shall provide that the agreement shall remain in effect without re-
§ 673

(2) Limitations on amount of kinship guardianship assistance payment

A kinship guardianship assistance payment on behalf of a child shall not exceed the foster care maintenance payment which would have been paid on behalf of the child if the child had remained in a foster family home.

(3) Child's eligibility for a kinship guardianship assistance payment

(A) In general

A child is eligible for a kinship guardianship assistance payment under this subsection if the State agency determines the following:

(i) The child has been—

(I) removed from his or her home pursuant to a voluntary placement agreement or as a result of a judicial determination to the effect that continuation in the home would be contrary to the welfare of the child; and

(II) eligible for foster care maintenance payments under section 672 of this title while residing for at least 6 consecutive months in the home of the prospective relative guardian.

(ii) Being returned home or adopted are not appropriate permanency options for the child.

(iii) The child demonstrates a strong attachment to the prospective relative guardian and the relative guardian has a strong commitment to caring permanently for the child.

(iv) With respect to a child who has attained 14 years of age, the child has been consulted regarding the kinship guardianship arrangement.

(B) Treatment of siblings

With respect to a child described in subparagraph (A) whose sibling or siblings are not so described—

(i) the child and any sibling of the child may be placed in the same kinship guardianship arrangement, in accordance with section 671(a)(31) of this title, if the State agency and the relative agree on the appropriateness of the arrangement for the siblings; and

(ii) kinship guardianship assistance payments may be paid on behalf of each sibling so placed.

(C) Eligibility not affected by replacement of guardian with a successor guardian

In the event of the death or incapacity of the relative guardian, the eligibility of a child for a kinship guardianship assistance payment under this subsection shall not be affected by reason of the replacement of the relative guardian with a successor legal guardian named in the kinship guardianship assistance agreement referred to in paragraph (1) (including in any amendment to the agreement), notwithstanding subparagraph (A) of this paragraph and section 671(a)(28) of this title.

(e) Applicable child defined

(1) On the basis of age

(A) In general

Subject to paragraphs (2) and (3), in this section, the term "applicable child" means a child for whom an adoption assistance agreement is entered into under this section during any fiscal year described in subparagraph (B) if the child attained the applicable age for that fiscal year before the end of that fiscal year.

(B) Applicable age

For purposes of subparagraph (A), the applicable age for a fiscal year is as follows:

<table>
<thead>
<tr>
<th>In the case of fiscal year:</th>
<th>The applicable age is:</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009</td>
<td>any age</td>
</tr>
<tr>
<td>2010</td>
<td>16</td>
</tr>
<tr>
<td>2011</td>
<td>14</td>
</tr>
<tr>
<td>2012</td>
<td>12</td>
</tr>
<tr>
<td>2013</td>
<td>10</td>
</tr>
<tr>
<td>2014</td>
<td>8</td>
</tr>
<tr>
<td>2015</td>
<td>6</td>
</tr>
<tr>
<td>2016</td>
<td>4</td>
</tr>
<tr>
<td>2017 through 2023</td>
<td>2</td>
</tr>
<tr>
<td>2024</td>
<td>2 (or, in the case of a child for whom an adoption assistance agreement is entered into under this section on or after July 1, 2024, any age)</td>
</tr>
<tr>
<td>2025 and thereafter</td>
<td>any age</td>
</tr>
</tbody>
</table>

(2) Exception for duration in care

Notwithstanding paragraph (1) of this subsection, beginning with fiscal year 2010, such term shall include a child of any age on the date on which an adoption assistance agreement is entered into on behalf of the child under this section if the child—

(A) has been in foster care under the responsibility of the State for at least 14 consecutive months; and

(B) meets the requirements of subsection (a)(2)(A)(ii).

(3) Exception for member of a sibling group

Notwithstanding paragraphs (1) and (2) of this subsection, beginning with fiscal year 2010, such term shall include a child of any age on the date on which an adoption assistance agreement is entered into on behalf of the child under this section without regard to whether the child is described in paragraph (2)(A) of this subsection if the child—

(A) is a sibling of a child who is an applicable child for the fiscal year under subsection (1) or (2) of this subsection;

(B) is to be placed in the same adoption placement as an applicable child for the fiscal year who is their sibling; and

(C) meets the requirements of subsection (a)(2)(A)(ii).


Division A of subchapter XX, referred to in subsec. (b)(2), was in the original a reference to subtitile 1 of title XX, which was translated as if referring to subtitile A of title XX of the Social Security Act, to reflect the probable intent of Congress. Title XX of the Act, enacting subchapter XX of this chapter, does not contain a subtitle 1.

AMENDMENTS


2014—Subsec. (a)(8). Pub. L. 113–183, § 206, amended par. (8) generally. Prior to amendment, par. (8) read as follows: "(8) a State shall spend an amount equal to the amount of savings (if any) in State expenditures under this part with respect to a child met the requirements of paragraph (1) for purposes of paragraph (1)(B)(ii)."

2010—Subsec. (b)(2). Pub. L. 111–34, amended par. (2) generally. Prior to amendment, par. (2) contained provisions relating to criteria used for determining whether a child met the requirements of paragraphs (2)(A) and (B), respectively, as subs. (A) and (B), of paragraph (1)(B)(ii).

2006—Subsec. (a)(2). Pub. L. 109–171 amended par. (2) generally. Prior to amendment, par. (2) contained provisions relating to criteria used for determining whether a child met the requirements of paragraphs (A) and (B), respectively, of paragraph (1)(B)(ii).

2001—Pub. L. 107–188, § 673, substituted "as such sections were in effect on June 1, 1995)'' after ''specified in section 606(a) of this title'', and inserted "as such section was in effect on June 1, 1995)'' after ''(as such sections were in effect on June 1, 1995)''.


1996—Subsec. (a)(2)(A)(i). Pub. L. 104–193, § 108(d)(5)(A), inserted "(as such sections were in effect on June 1, 1995) after "section 600 of this title"", and "(as such sections were in effect on June 1, 1995)" after "602 of this title".

1995—Pub. L. 104–193, § 108(d)(5)(B), substituted "would have" before "received aid under the State plan" and "(as in effect on June 1, 1995)" after "602 of this title".

Subsec. (a)(2)(B)(i). Pub. L. 104–193, § 108(d)(5)(C), inserted "(as in effect on June 1, 1995)" after "606(a) of this title".

References in Text

Title 42—The Public Health and Welfare

Subsec. (b). Pub. L. 104–193, § 108(d)(6), amended subsec. (b) generally. Prior to amendment, subsec. (b) read as follows: "For purposes of subchapters XIX and XX of this chapter, any child—

1(1) who is a child described in subsection (a)(2) of this section, and

(2) with respect to whom adoption assistance payments are being made under section 672 of this title,

shall be deemed to be a dependent child as defined in section 606 of this title and shall be deemed to be a recipient of aid to families with dependent children under part A of title XIX of this title, or (A)(iii)'' after "(A)(ii)".


Subsec. (c)(2). Pub. L. 99–272, § 12305(b)(1), substituted "without providing adoption assistance under this section or medical assistance under subchapter XIX" for "without providing adoption assistance" and inserted "or medical assistance under subchapter XIX" after "appropiate adoptive parents without providing adoption assistance under this section".


Effective Date of 2008 Amendment

Amendment by section 201(c) of Pub. L. 110–351 effective Oct. 1, 2010, see section 210(d) of Pub. L. 110–183, set out as a note under section 671 of this title.

Effective Date of 2011 Amendment

Amendment by Pub. L. 112–34 effective Oct. 1, 2011, and applicable to payments under this part and part B of this subchapter for calendar quarters beginning on or after such date, without regard to whether implementing regulations have been promulgated, and with delay permitted if State legislation is required to meet additional requirements, see section 107 of Pub. L. 112–34, set out as a note under section 622 of this title.

Effective Date of 2006 Amendment

Amendment by Pub. L. 109–171 effective as if enacted on Oct. 1, 2005, except as otherwise provided, see section 7701 of Pub. L. 109–171, set out as a note under section 603 of this title.

Effective Date of 1997 Amendment

Amendment by Pub. L. 105–89, title III, § 307(b), Nov. 19, 1997, 111 Stat. 2333, provided that: "The amendment made by subsection (a) [amending this section] shall only apply to children who are adopted on or after October 1, 1997.''


Effective Date of 1996 Amendment

Amendment by Pub. L. 104–193 effective July 1, 1997, with transition rules relating to State options to accelerate such date, rules relating to claims, actions, and proceedings commenced before such date, rules relating to closing out of accounts for terminated or substantially modified programs and continuity in office of Assistant Secretary for Family Support, and provisions relating to termination of entitlement under AFDC program, see section 116 of Pub. L. 104–193, set out as an Effective Date note under section 601 of this title.
Effective Date of 1994 Amendment
Pub. L. 103–432, title II, §265(d), Oct. 31, 1994, 108 Stat. 4469, provided that: “Each amendment made by this section [amending this section and sections 608 and 675 of this title] shall take effect as if the amendment had been included in the provision of OBRA–1989 [Pub. L. 101–239] to which the amendment relates, at the time the provision became law.”

Effective Date of 1987 Amendment
Amendment by section 9133(b)(3), (4) of Pub. L. 100–203 effective Apr. 1, 1988, see section 9133(c) of Pub. L. 100–203, set out as a note under section 672 of this title.

Effective Date of 1986 Amendment
Amendment by Pub. L. 99–514 applicable only with respect to expenditures made after Dec. 31, 1986, see section 1711(d) of Pub. L. 99–514, set out as a note under section 670 of this title.

Amendment by Pub. L. 99–272, title XII, §1285(c), Apr. 7, 1986, 100 Stat. 294, provided that: “The amendments made by this section [amending this section and sections 675 and 1396a of this title] shall apply to medical assistance furnished in or after the first calendar quarter beginning more than 90 days after the date of the enactment of this Act [Apr. 7, 1986].”

Effective Date of 1980 Amendment
Amendment by section 102(a)(3) of Pub. L. 96–272 effective only with respect to expenditures made after Sept. 30, 1979, see section 102(c) of Pub. L. 96–272, set out as a note under section 672 of this title.

§ 673a. Interstate compacts

The Secretary of Health and Human Services shall take all possible steps to encourage and assist the various States to enter into interstate compacts (which are hereby approved by the Congress) under which the interests of any adopted child with respect to whom an adoption assistance agreement has been entered into by a State under section 673 of this title will be adequately protected, on a reasonable and equitable basis which is approved by the Secretary, if and when the child and his or her adoptive parent (or parents) move to another State.


Codification

Section was enacted as part of the Adoption Assistance and Child Welfare Act of 1980, and not as part of the Social Security Act which comprises this chapter.

Change of Name

“Secretary of Health and Human Services” was substituted for “Secretary of Health, Education, and Welfare” in text, pursuant to Pub. L. 96–88, title V, §509(b), Oct. 17, 1979, 93 Stat. 695, which is classified to section 3508(b) of Title 20, Education.

§ 673b. Adoption and legal guardianship incentive payments

(a) Grant authority

Subject to the availability of such amounts as may be provided in advance in appropriations Acts for this purpose, the Secretary shall make a grant to each State that is an incentive-eligible State for a fiscal year in an amount equal to the adoption and legal guardianship incentive payment payable to the State under this section for the fiscal year, which shall be payable in the immediately succeeding fiscal year.

(b) Incentive-eligible State

A State is an incentive-eligible State for a fiscal year if—

1. the State has a plan approved under this part for the fiscal year;

2. the State is in compliance with subsection (c) for the fiscal year;

3. the State provides health insurance coverage to any child with special needs (as determined under section 673(c) of this title) for whom there is in effect an adoption assistance agreement between a State and an adoptive parent or parents; and

4. the fiscal year is any of fiscal years 2016 through 2020.

(c) Data requirements

(1) In general

A State is in compliance with this subsection for a fiscal year if the State has provided to the Secretary the data described in paragraph (2)—

(A) for fiscal years 1995 through 1997 (or, if the first fiscal year for which the State seeks a grant under this section is after fiscal year 1998, the fiscal year that precedes such first fiscal year); and

(B) for each succeeding fiscal year that precedes the fiscal year.

(2) Determination of rates of adoptions and guardianships based on AFCARS data

The Secretary shall determine each of the rates required to be determined under this section with respect to a State and a fiscal year, on the basis of data meeting the requirements of the system established pursuant to section 679 of this title, as reported by the State and approved by the Secretary by August 1 of the succeeding fiscal year, and, with respect to the determination of the rates related to foster child guardianships, on the basis of information reported to the Secretary under paragraph (12) of subsection (g).

(3) No waiver of AFCARS requirements

This section shall not be construed to alter or affect any requirement of section 679 of this title or of any regulation prescribed under such section with respect to reporting of data by States, or to waive any penalty for failure to comply with such a requirement.

(d) Adoption and legal guardianship incentive payment

(1) In general

Except as provided in paragraphs (2) and (3), the adoption and legal guardianship incentive payment payable to a State for a fiscal year under this section shall be equal to the sum of—

(A) $5,000, multiplied by the amount (if any) by which—

(i) the number of foster child adoptions in the State during the fiscal year; exceeds

(ii) the product (rounded to the nearest whole number) of—
§ 673b

(2) Pro rata adjustment if insufficient funds each State under paragraph (1) for the fiscal year shall be—

(A) the base rate of foster child adoptions and pre-adolescent foster child guardianships in the State during the fiscal year; and

(B) $7,500, multiplied by the amount (if any) by which—

(i) the number of pre-adolescent child adoptions and pre-adolescent foster child guardianships in the State during the fiscal year; exceeds

(ii) the product (rounded to the nearest whole number) of—

(I) the base rate of pre-adolescent child adoptions and pre-adolescent foster child guardianships for the State for the fiscal year; and

(II) the number of children in foster care under the supervision of the State on the last day of the preceding fiscal year who have attained 9 years of age but not 14 years of age; and

(C) $10,000, multiplied by the amount (if any) by which—

(i) the number of older child adoptions and older foster child guardianships in the State during the fiscal year; exceeds

(ii) the product (rounded to the nearest whole number) of—

(I) the base rate of older child adoptions and older foster child guardianships for the State for the fiscal year; and

(II) the number of children in foster care under the supervision of the State on the last day of the preceding fiscal year who have attained 14 years of age; and

(D) $4,000, multiplied by the amount (if any) by which—

(i) the number of foster child guardianships in the State during the fiscal year; exceeds

(ii) the product (rounded to the nearest whole number) of—

(I) the base rate of foster child guardianships for the State for the fiscal year; and

(II) the number of children in foster care under the supervision of the State on the last day of the preceding fiscal year.

(2) Pro rata adjustment if insufficient funds available

For any fiscal year, if the total amount of adoption incentive payments otherwise payable under paragraph (1) for a fiscal year exceeds the amount appropriated pursuant to subsection (h) for the fiscal year, the amount of the adoption incentive payment payable to each State under paragraph (1) for the fiscal year shall be—

(A) the amount of the adoption and legal guardianship incentive payment that would otherwise be payable to the State under paragraph (1) for the fiscal year; multiplied by

(B) the percentage represented by the amount so appropriated for the fiscal year, divided by the total amount of adoption and legal guardianship incentive payments otherwise payable under paragraph (1) for the fiscal year.

(3) Increased adoption and legal guardianship incentive payment for timely adoptions

(A) In general

If for any of fiscal years 2013 through 2015, the total amount of adoption and legal guardianship incentive payments payable under paragraph (1) of this subsection are less than the amount appropriated under subsection (b) for the fiscal year, then, from the remainder of the amount appropriated for the fiscal year that is not required for such payments (in this paragraph referred to as the “timely adoption award pool”), the Secretary shall increase the adoption incentive payment determined under paragraph (1) for each State that the Secretary determines is a timely adoption award State for the fiscal year by the award amount determined for the fiscal year under subparagraph (C).

(B) Timely adoption award State defined

A State is a timely adoption award State for a fiscal year if the Secretary determines that, for children who were in foster care under the supervision of the State at the time of adoptive placement, the average number of months from removal of children from their home to the placement of children in finalized adoptions is less than 24 months.

(C) Award amount

For purposes of subparagraph (A), the award amount determined under this subparagraph with respect to a fiscal year is the amount equal to the timely adoption award pool for the fiscal year divided by the number of timely adoption award States for the fiscal year.

(e) 36-month availability of incentive payments

Payments to a State under this section in a fiscal year shall remain available for use by the State for the 36-month period beginning with the month in which the payments are made.

(f) Limitations on use of incentive payments

A State shall not expend an amount paid to the State under this section except to provide to children or families any service (including post-adoption services) that may be provided under part B or E, and shall use the amount to supplement, and not supplant, any Federal or non-Federal funds used to provide any service under part B or E. Amounts expended by a State in accordance with the preceding sentence shall be disregarded in determining State expenditures for purposes of Federal matching payments under sections 624, 629d, and 674 of this title.

(g) Definitions

As used in this section:

(1) Foster child adoption rate

The term “foster child adoption rate” means, with respect to a State and a fiscal year, the percentage determined by dividing—
(A) the number of foster child adoptions finalized in the State during the fiscal year; by
(B) the number of children in foster care under the supervision of the State on the last day of the preceding fiscal year.

(2) Base rate of foster child adoptions

The term “base rate of foster child adoptions” means, with respect to a State and a fiscal year, the lesser of—
(A) the foster child adoption rate for the State for the then immediately preceding fiscal year; or
(B) the foster child adoption rate for the State for the average of the then immediately preceding 3 fiscal years.

(3) Foster child adoption

The term “foster child adoption” means the final adoption of a child who, at the time of adoptive placement, was in foster care under the supervision of the State.

(4) Pre-adolescent child adoption and pre-adolescent foster child guardianship rate

The term “pre-adolescent child adoption and pre-adolescent foster child guardianship rate” means, with respect to a State and a fiscal year, the percentage determined by dividing—
(A) the number of pre-adolescent child adoptions and pre-adolescent foster child guardianships finalized in the State during the fiscal year; by
(B) the number of children in foster care under the supervision of the State on the last day of the preceding fiscal year, who have attained 9 years of age but not 14 years of age.

(5) Base rate of pre-adolescent child adoptions and pre-adolescent foster child guardianships

The term “base rate of pre-adolescent child adoptions and pre-adolescent foster child guardianships” means, with respect to a State and a fiscal year, the lesser of—
(A) the pre-adolescent child adoption and pre-adolescent foster child guardianship rate for the State for the then immediately preceding fiscal year; or
(B) the pre-adolescent child adoption and pre-adolescent foster child guardianship rate for the State for the average of the then immediately preceding 3 fiscal years.

(6) Pre-adolescent child adoption and pre-adolescent foster child guardianship

The term “pre-adolescent child adoption and pre-adolescent foster child guardianship” means the final adoption, or the placement into foster child guardianship (as defined in paragraph (12)) of a child who has attained 9 years of age if—
(A) the child was in foster care under the supervision of the State on the last day of the preceding fiscal year; or
(B) an adoption assistance agreement was in effect under section 673(a) of this title with respect to the child.

(7) Older child adoption and older foster child guardianship rate

The term “older child adoption and older foster child guardianship rate” means, with respect to a State and a fiscal year, the percentage determined by dividing—
(A) the number of older child adoptions and older foster child guardianships finalized in the State during the fiscal year; by
(B) the number of children in foster care under the supervision of the State on the last day of the preceding fiscal year, who have attained 14 years of age.

(8) Base rate of older child adoptions and older foster child guardianships

The term “base rate of older child adoptions and older foster child guardianships” means, with respect to a State and a fiscal year, the lesser of—
(A) the older child adoption and older foster child guardianship rate for the State for the then immediately preceding fiscal year; or
(B) the older child adoption and older foster child guardianship rate for the State for the average of the then immediately preceding 3 fiscal years.

(9) Older child adoption and older foster child guardianship

The term “older child adoption and older foster child guardianship” means the final adoption, or the placement into foster child guardianship (as defined in paragraph (12)) of a child who has attained 14 years of age if—
(A) the older child adoption and older foster child guardianship rate for the State for the then immediately preceding fiscal year; or
(B) the older child adoption and older foster child guardianship rate for the State for the average of the then immediately preceding 3 fiscal years.

(10) Foster child guardianship rate

The term “foster child guardianship rate” means, with respect to a State and a fiscal year, the percentage determined by dividing—
(A) the number of foster child guardianships occurring in the State during the fiscal year; by
(B) the number of children in foster care under the supervision of the State on the last day of the preceding fiscal year.

(11) Base rate of foster child guardianships

The term “base rate of foster child guardianships” means, with respect to a State and a fiscal year, the lesser of—
(A) the foster child guardianship rate for the State for the then immediately preceding fiscal year; or
(B) the foster child guardianship rate for the State for the average of the then immediately preceding 3 fiscal years.

(12) Foster child guardianship

The term “foster child guardianship” means, with respect to a State, the exit of a child from foster care under the responsibility of the State to live with a legal guardian, if the State has reported to the Secretary that—
(A) the State agency has determined that—
(i) the child has been removed from his or her home pursuant to a voluntary placement agreement or as a result of a judicial
determination to the effect that continuation in the home would be contrary to the welfare of the child; (ii) being returned home or adopted are not appropriate permanency options for the child; (iii) the child demonstrates a strong attachment to the prospective legal guardian, and the prospective legal guardian has a strong commitment to caring permanently for the child; and (iv) if the child has attained 14 years of age, the child has been consulted regarding the legal guardianship arrangement; or (B) the alternative procedures used by the State to determine that legal guardianship is the appropriate option for the child.

(h) Limitations on authorization of appropriations
(1) In general
For grants under subsection (a), there are authorized to be appropriated to the Secretary—
(A) $20,000,000 for fiscal year 1999;
(B) $43,000,000 for fiscal year 2000;
(C) $20,000,000 for each of fiscal years 2001 through 2003; and (D) $43,000,000 for each of fiscal years 2004 through 2021.

(2) Availability
Amounts appropriated under paragraph (1), or under any other law for grants under subsection (a), are authorized to remain available until expended, but not after fiscal year 2021.

(i) Technical assistance
(1) In general
The Secretary may, directly or through grants or contracts, provide technical assistance to assist States and local communities to reach their targets for increased numbers of adoptions and, to the extent that adoption is not possible, alternative permanent placements, for children in foster care.

(2) Description of the character of the technical assistance
The technical assistance provided under paragraph (1) may support the goal of encouraging more adoptions out of the foster care system, when adoptions promote the best interests of children, and may include the following:
(A) The development of best practice guidelines for expediting termination of parental rights.
(B) Models to encourage the use of concurrent planning.
(C) The development of specialized units and expertise in moving children toward adoption as a permanency goal.
(D) The development of risk assessment tools to facilitate early identification of the children who will be at risk of harm if returned home.
(E) Models to encourage the fast tracking of children who have not attained 1 year of age into pre-adoptive placements.
(F) Development of programs that place children into pre-adoptive families without waiting for termination of parental rights.

(3) Targeting of technical assistance to the courts
Not less than 50 percent of any amount appropriated pursuant to paragraph (4) shall be used to provide technical assistance to the courts.

(4) Limitations on authorization of appropriations
To carry out this subsection, there are authorized to be appropriated to the Secretary of Health and Human Services not to exceed $10,000,000 for each of fiscal years 2004 through 2006.


AMENDMENTS
2014—Pub. L. 113–183, § 203(a), amended section catchline generally. Prior to amendment, catchline read as follows: “Adoption incentive payments”.
Subsec. (b)(2) to (4). Pub. L. 113–183, § 203(a), redesignated pars. (3) to (5) as (2) to (4), respectively, and struck out former par. (2), which read as follows: “(A) the number of foster child adoptions in the State during the fiscal year exceeds the base number of older child adoptions for the State for the fiscal year; “(B) the number of older child adoptions in the State during the fiscal year exceeds the base number of older child adoptions for the State for the fiscal year; or “(C) the State’s foster child adoption rate for the fiscal year exceeds the highest ever foster child adoption rate determined for the State”.
Subsec. (c)(2). Pub. L. 113–183, § 202(b), in heading, substituted “rates of adoptions and guardianships” for “numbers of adoptions” and, in text, substituted “each of the rates required to be determined under this section with respect to a State and a fiscal year,” for “the numbers of foster child adoptions, of special needs adoptions that are not older child adoptions, and of older child adoptions in a State during a fiscal year, and the foster child adoption rate for the State for the fiscal year, for purposes of this section,” and inserted before period at end “, and, with respect to the determination of the rates related to foster child guardianships, on the basis of information reported to the Secretary under paragraph (12) of subsection (g)”.
Pub. L. 113–183, § 202(c)(1), added subpars. (A) to (D) and struck out former subpars. (A) to (C) which read as follows:
“(A) $4,000, multiplied by the amount (if any) by which the number of foster child adoptions in the State during the fiscal year exceeds the base number of foster child adoptions for the State for the fiscal year; and

“(B) $4,000, multiplied by the amount (if any) by which the number of special needs adoptions that are not older child adoptions in the State during the fiscal year exceeds the base number of special needs adoptions that are not older child adoptions for the State for the fiscal year; and

“(C) $8,000, multiplied by the amount (if any) by which the number of older child adoptions in the State during the fiscal year exceeds the base number of older child adoptions for the State for the fiscal year;”

Subsec. (d)(2). Pub. L. 113–183, § 203(b)(3), added par. (3) and struck out former par. (3) which related to increased incentive payment for exceeding the highest ever foster child adoption rate.


Subsec. (f). Pub. L. 113–183, § 204, inserted “and legal guardianship” after “adoption” in subpars. (A) and (B).

Subsec. (g). Pub. L. 113–183, § 202(c)(2), added par. (3) and struck out former par. (3) which related to increased incentive payment for exceeding the highest ever foster child adoption rate.


Subsec. (c)(2). Pub. L. 110–351, § 401(a)(b), (c)(3)(B), substituted “during a fiscal year, and the foster child adoption rate for the State for the fiscal year;” for “during each of fiscal years 2002 through 2007;”.

Subsec. (d)(1)(A). Pub. L. 110–351, § 401(c)(1), substituted “$4,000” for “$2,000”.

Subsec. (d)(1)(C). Pub. L. 110–351, § 401(c)(2), substituted “$8,000” for “$4,000”.


Subsec. (e). Pub. L. 110–351, § 401(d), substituted “24-month” for “2-year” in heading and “for the 24-month period beginning with the month in which the payments are made” for “through the end of the succeeding fiscal year” in text.

Subsec. (g)(3). Pub. L. 110–351, § 401(b)(1), substituted “means, with respect to any fiscal year, the number of foster child adoptions in the State in fiscal year 2007;” for “means—

“(A) with respect to fiscal year 2003, the number of foster child adoptions in the State in fiscal year 2002; and

“(B) with respect to any subsequent fiscal year, the number of foster child adoptions in the State in the fiscal year for which the number is the greatest in the period that begins with the fiscal year of such adoption and ends with the fiscal year preceding that subsequent fiscal year.”

Subsec. (g)(4). Pub. L. 110–351, § 401(b)(2), inserted “that are not older child adoptions” before “for a State” and substituted “means, with respect to any fiscal year, the number of special needs adoptions that are not older child adoptions in the State in fiscal year 2007;” for “means—

“(A) with respect to fiscal year 2003, the number of special needs adoptions that are not older child adoptions in the State in fiscal year 2002; and

“(B) with respect to any subsequent fiscal year, the number of special needs adoptions that are not older child adoptions in the State in the fiscal year for which the number is the greatest in the period that begins with fiscal year 2002 and ends with the fiscal year preceding that subsequent fiscal year.”

Subsec. (g)(5). Pub. L. 110–351, § 401(b)(3), substituted “means, with respect to any fiscal year, the number of older child adoptions in the State in fiscal year 2007;” for “means—

“(A) with respect to fiscal year 2003, the number of older child adoptions in the State in fiscal year 2002; and

“(B) with respect to any subsequent fiscal year, the number of older child adoptions in the State in the fiscal year for which the number is the greatest in the period that begins with fiscal year 2002 and ends with the fiscal year preceding that subsequent fiscal year.”

Subsec. (g)(7). Pub. L. 110–351, § 401(e)(2), added paras. (7) and (8).


2003—Subsec. (b)(2). Pub. L. 108–145, § 3(a)(1)(A), added par. (2) and struck out former par. (2) which read as follows: “the number of foster child adoptions in the State during the fiscal year exceeds the base number of foster child adoptions for the State for the fiscal year;”.


Subsec. (c)(2). Pub. L. 108–145, § 3(a)(2), added par. (2) and struck out heading and text of former par. (2). Text read as follows:

“(A) DETERMINATIONS BASED ON AFCARS DATA.—Except as provided in subparagraph (B), the Secretary shall determine the numbers of foster child adoptions and of special needs adoptions in a State during fiscal years 1995 through 2007, for purposes of this section, on the basis of data meeting the requirements of the system established pursuant to section 679 of this title, as reported by the State and approved by the Secretary by August 1 of the succeeding fiscal year.

“(B) ALTERNATIVE DATA SOURCES PERMITTED FOR FISCAL YEARS 1995 THROUGH 1997.—For purposes of the determination described in subparagraph (A) for fiscal years 1995 through 1997, the Secretary may use data from a source or sources other than that specified in subparagraph (A) that the Secretary finds to be of equivalent completeness and reliability, as reported by a State by April 30, 1996, and approved by the Secretary by July 1, 1996.”

Subsec. (d)(1). Pub. L. 108–145, § 3(a)(3), inserted “that are not older child adoptions” after “adoptions” in two places in subpar. (B) and added subpar. (C).

Subsec. (g)(3)(A), (B). Pub. L. 108–145, § 3(a)(4)(A), added subpars. (A) and (B) and struck out former subpars. (A) and (B) which read as follows: “(A) with respect to fiscal year 1998, the average number of foster child adoptions in the State in fiscal years 1995, 1996, and 1997; and

“(B) with respect to any subsequent fiscal year, the number of foster child adoptions in the State in the fiscal year for which the number is the greatest in the period that begins with fiscal year 1997 and ends with the fiscal year preceding such subsequent fiscal year.”

Subsec. (g)(4). Pub. L. 108–145, § 3(a)(4)(B), inserted “that are not older child adoptions” after “adoptions”
in heading, added subpars. (A) and (B), and struck out former subpars. (A) and (B) which read as follows:

“(A) with respect to fiscal year 1998, the average number of special needs adoptions in the State in fiscal years 1995, 1996, and 1997; and

“(B) with respect to any subsequent fiscal year, the number of special needs adoptions in the State in the fiscal year for which the number is the greatest in the period that begins with fiscal year 1997 and ends with the fiscal year preceding such subsequent fiscal year.”


Subsec. (h)(2). Pub. L. 108–145, § 3(a)(5)(B), inserted “or under any other law for grants under subsection (a),” after “(1)” and substituted “2008” for “2003”.


1999—Subsec. (h)(1). Pub. L. 106–169, § 131(b), amended heading and text of par. (1) generally. Prior to amendment, text read as follows: “For grants under subsection (a) of this section, there are authorized to be appropriated to the Secretary $20,000,000 for each of fiscal years 1999 through 2003.”


Effective Date of 2018 Amendment
Pub. L. 115–121, div. E, title VII, § 7076(b), Feb. 9, 2018, 132 Stat. 267, provided that: “The amendments made by subsection (a) [amending this section] shall take effect as if enacted on October 1, 2017.”

Effective Date of 2014 Amendment
Amendment by sections 201 and 205 of Pub. L. 113–183 effective as if enacted on Oct. 1, 2013, see section 210(a) of Pub. L. 113–183, set out as a note under section 671 of this title.

Amendment by sections 202 and 203 of Pub. L. 113–183 effective Oct. 1, 2014, subject to a transition rule, see section 210(b) of Pub. L. 113–183, set out as a note under section 671 of this title.

Effective Date of 2008 Amendment
Amendment by Pub. L. 110–351 effective Oct. 7, 2008, and applicable to payments under this part and part B of this subchapter for quarters beginning on or after such date, with delay permitted if State legislation is required to meet additional requirements, see section 601 of Pub. L. 110–351, set out as a note under this section.

Effective Date of 2006 Amendment
Amendment by Pub. L. 109–239 effective Oct. 1, 2006, and applicable to payments under this part and part B of this subchapter for calendar quarters beginning on or after such date, without regard to whether implementing regulations have been promulgated, and with delay permitted if State legislation is required to meet additional requirements, see section 12(a)(2)(b) of Pub. L. 109–239, set out as a note under section 621 of this title.

Effective Date of 2003 Amendment

Effective Date
Section effective Nov. 19, 1997, except as otherwise provided, with delay permitted if State legislation is required, see section 501 of Pub. L. 105–69, set out as an Effective Date of 1997 Amendment note under section 622 of this title.
(2) an amount equal to the Federal medical assistance percentage (which shall be as defined in section 1396d(b) of this title, in the case of a State other than the District of Columbia, or 70 percent, in the case of the District of Columbia) of the total amount expended during such quarter as adoption assistance payments under section 673 of this title pursuant to adoption assistance agreements (or, with respect to such payments made during such quarter under a cooperative agreement or contract entered into by the State and an Indian tribe, tribal organization, or tribal consortium for the administration or payment of funds under this part, an amount equal to the Federal medical assistance percentage that would apply under section 679c(d) of this title (in this paragraph referred to as the "tribal FMAP") if such Indian tribe, tribal organization, or tribal consortium made such payments under a program operated under that section, unless the tribal FMAP is less than the Federal medical assistance percentage that applies to the State); plus

(3) subject to section 672(i) of this title an amount equal to the percentage that would apply under section 679c(d) of this title (in this paragraph referred to as the "Federal medical assistance percentage") if such Indian tribe, tribal organization, or tribal consortium for the administration or payment of funds under this part, an amount equal to the Federal medical assistance percentage that applies to the State; plus

(iv) are determined by the Secretary to be likely to provide more efficient, economical, and effective administration of the programs carried out under a State plan approved under part B or this part; and

(D) 50 percent of so much of such expenditures as are for the operation of the state-wide mechanized data collection and information retrieval systems referred to in subparagraph (C); and

(E) one-half of the remainder of such expenditures; plus

(4) an amount equal to the amount (if any) by which—

(A) the lesser of—

(i) 80 percent of the amounts expended by the State during the fiscal year in which the quarter occurs to carry out programs in accordance with the State application approved under section 677(b) of this title for the period in which the quarter occurs (including any amendment that meets the requirements of section 677(b)(5) of this title); or

(ii) the amount allotted to the State under section 677(c)(1) of this title for the fiscal year in which the quarter occurs, reduced by the total of the amounts payable to the State under this paragraph for all prior quarters in the fiscal year; exceeds

(B) the total amount of any penalties assessed against the State under section 677(e) of this title during the fiscal year in which the quarter occurs; plus

(5) an amount equal to the percentage by which the expenditures referred to in paragraph (2) of this subsection are reimbursed of the total amount expended during such quarter as kinship guardianship assistance payments under section 673(d) of this title pursuant to kinship guardianship assistance agreements; plus

(6) subject to section 671(e) of this title—

(A) for each quarter—

(i) subject to clause (ii)—

(I) beginning after September 30, 2019, and before October 1, 2026, an amount equal to 50 percent of the total amount expended during the quarter for the provision of services or programs specified in subparagraph (A) or (B) of section 671(e)(1) of this title that are provided in accordance with promising, supported, or
well-supported practices that meet the applicable criteria specified for the practices in section 671(e)(4)(C) of this title; and

(II) beginning after September 30, 2026, an amount equal to the Federal medical assistance percentage (which shall be as defined in section 1396d(b) of this title, in the case of a State other than the District of Columbia, or 70 percent, in the case of the District of Columbia) of the total amount expended during the quarter for the provision of services or programs specified in subparagraph (A) or (B) of section 671(e)(1) of this title that are provided in accordance with promising, supported, or well-supported practices that meet the applicable criteria specified for the practices in section 671(e)(4)(C) of this title (or, with respect to the payments made during the quarter under a cooperative agreement or contract entered into by the State and an Indian tribe, tribal organization, or tribal consortium for the administration or payment of funds under this part, an amount equal to the Federal medical assistance percentage that would apply under section 678c(d) of this title (in this paragraph referred to as the "tribal FMAP") if the Indian tribe, tribal organization, or tribal consortium made the payments under a program operated under that section, unless the tribal FMAP is less than the Federal medical assistance percentage that applies to the State); except that

(ii) not less than 50 percent of the total amount expended by a State under clause (i) for a fiscal year shall be for the provision of services or programs specified in subparagraph (A) or (B) of section 671(e)(1) of this title that are provided in accordance with well-supported practices; plus

(B) for each quarter specified in subparagraph (A), an amount equal to the sum of the following proportions of the total amount expended during the quarter—

(i) 50 percent of so much of the expenditures as are found necessary by the Secretary for the proper and efficient administration of the State plan for the provision of services or programs specified in section 671(e)(1) of this title, including expenditures for activities approved by the Secretary that promote the development of necessary processes and procedures to establish and implement the provision of the services and programs for individuals who are eligible for the services and programs and expenditures attributable to data collection and reporting; and

(ii) 50 percent of so much of the expenditures with respect to the provision of services and programs specified in section 671(e)(1) of this title as are for training of personnel employed or preparing for employment by the State agency or by the local agency administering the plan in the political subdivision and of the members of the staff of State-licensed or State-approved child welfare agencies providing services to children described in section 671(e)(2) of this title and their parents or kin caregivers, including on how to determine who are individuals eligible for the services or programs, how to identify and provide appropriate services and programs, and how to oversee and evaluate the ongoing appropriateness of the services and programs; plus

(7) an amount equal to 50 percent of the amounts expended by the State during the quarter as the Secretary determines are for kinship navigator programs that meet the requirements described in section 627(a)(1) of this title and that the Secretary determines are operated in accordance with promising, supported, or well-supported practices that meet the applicable criteria specified for the practices in section 671(e)(4)(C) of this title, without regard to whether the expenditures are incurred on behalf of children who are, or are potentially, eligible for foster care maintenance payments under this part.

(b) Quarterly estimates of State's entitlement for next quarter; payments; United States' pro rata share of amounts recovered as overpayment; allowance, disallowance, or deferral of claim

(1) The Secretary shall, prior to the beginning of each quarter, estimate the amount to which a State will be entitled under subsection (a) for such quarter, such estimates to be based on (A) a report filed by the State containing its estimate of the total sum to be expended in such quarter in accordance with subsection (a), and (B) such other investigation as the Secretary may find necessary.

(2) The Secretary shall then pay to the State, in such installments as he may determine, the amounts so estimated, reduced or increased to the extent of any overpayment or underpayment which the Secretary determines was made under this section to such State for any prior quarter and with respect to which adjustment has not already been made under this subsection.

(3) The pro rata share to which the United States is equitably entitled, as determined by the Secretary, of the net amount recovered during any quarter by the State or any political subdivision thereof with respect to foster care and adoption assistance furnished under the State plan shall be considered an overpayment to be adjusted under this subsection.

(4)(A) Within 60 days after receipt of a State claim for expenditures pursuant to subsection (a), the Secretary shall allow, disallow, or defer such claim.

(B) Within 15 days after a decision to defer such a State claim, the Secretary shall notify
the State of the reasons for the deferral and of the additional information necessary to determine the allowability of the claim.

(C) Within 90 days after receiving such necessary information (in readily reviewable form), the Secretary shall—

(i) disallow the claim, if able to complete the review and determine that the claim is not allowable, or

(ii) in any other case, allow the claim, subject to disallowance (as necessary)—

(I) upon completion of the review, if it is determined that the claim is not allowable; or

(II) on the basis of findings of an audit or financial management review.

(c) Automated data collection expenditures

The Secretary shall treat as necessary for the proper and efficient administration of the State plan all expenditures of a State necessary in order for the State to plan, design, develop, install, and operate data collection and information retrieval systems described in subsection (a)(3)(C), without regard to whether the systems may be used with respect to foster or adoptive children other than those on behalf of whom foster care maintenance payments or adoption assistance payments may be made under this part.

(d) Reduction for violation of plan requirement

(1) If, during any quarter of a fiscal year, a State’s program operated under this part is found, as a result of a review conducted under section 1320a–2a of this title, or otherwise, to have violated paragraph (18) or (23) of section 671(a) of this title with respect to a person or to have failed to implement a corrective action plan within a period of time not to exceed 6 months with respect to such violation, then, notwithstanding subsection (a) of this section and any regulations promulgated under section 1320a–2a(b)(3) of this title, the Secretary shall reduce the amount otherwise payable to the State under this part, for that fiscal year, in an amount equal to the lesser of—

(A) 2 percent of such otherwise payable amount, in the case of the 1st such finding for the fiscal year with respect to the State;

(B) 3 percent of such otherwise payable amount, in the case of the 2nd such finding for the fiscal year with respect to the State; or

(C) 5 percent of such otherwise payable amount, in the case of the 3rd or subsequent such finding for the fiscal year with respect to the State.

In imposing the penalties described in this paragraph, the Secretary shall not reduce any fiscal year payment to a State by more than 5 percent.

(2) Any other entity which is in a State that receives funds under this part and which violates paragraph (18) or (23) of section 671(a) of this title during a fiscal year with respect to any person shall remit to the Secretary all funds that were paid by the State to the entity during the quarter from such funds.

(3)(A) Any individual who is aggrieved by a violation of section 671(a)(18) of this title by a State or other entity may bring an action seeking relief from the State or other entity in any United States district court.

(B) An action under this paragraph may not be brought more than 2 years after the date the alleged violation occurred.

(4) This subsection shall not be construed to affect the application of the Indian Child Welfare Act of 1978 [25 U.S.C. 1901 et seq.].

(e) Discretionary grants for educational and training vouchers for youths aging out of foster care

From amounts appropriated pursuant to section 677(b)(2) of this title, the Secretary may make a grant to a State with a plan approved under this part, for a calendar quarter, in an amount equal to the lesser of—

(1) 80 percent of the amounts expended by the State during the quarter to carry out programs for the purposes described in section 677(a)(6)1 of this title; or

(2) the amount, if any, allotted to the State under section 677(c)(3) of this title for the fiscal year in which the quarter occurs, reduced by the total of the amounts payable to the State under this subsection for such purposes for all prior quarters in the fiscal year.

(f) Reduction for failure to submit required data

(1) If the Secretary finds that a State has failed to submit to the Secretary data, as required by regulation, for the data collection system implemented under section 679 of this title, the Secretary shall, within 30 days after the date by which the data was due to be so submitted, notify the State of the failure and that payments to the State under this part will be reduced if the State fails to submit the data, as so required, within 6 months after the date the data was originally due to be so submitted.

(2) If the Secretary finds that the State has failed to submit the data, as so required, by the end of the 6-month period referred to in paragraph (1) of this subsection, then, notwithstanding subsection (a) of this section and any regulations promulgated under section 1320a–2a(b)(3) of this title, the Secretary shall reduce the amounts otherwise payable to the State under this part, for each quarter ending in the 6-month period (and each quarter ending in each subsequent consecutively occurring 6-month period until the Secretary finds that the State has submitted the data, as so required), by—

(A) ¼ of 1 percent of the total amount expended by the State for administration of foster care activities under the State plan approved under this part in the quarter so ending, in the case of the 1st 6-month period during which the failure continues; or

(B) ¼ of 1 percent of the total amount so expended, in the case of the 2nd or any subsequent such 6-month period.

(g) Continued services under waiver

For purposes of this part, after the termination of a demonstration project relating to guardianship conducted by a State under section 1

1 See References in Text note below.
1320a–9 of this title, the expenditures of the State for the provision, to children who, as of September 30, 2008, were receiving assistance or services under the project, of the same amount, or payment of funds under this part, an amount equal to the Federal medical assistance percentage that would apply under section 679c(d) of this title (in this paragraph referred to as the "tribal FMAP") if such Indian tribe, tribal organization, or tribal consortium made such payments under a program operated under that section, unless the tribal FMAP is less than the Federal medical assistance percentage that applies to the State) before semicolon.

Pub. L. 110–275 substituted "(which shall be as defined in section 1396(b) of this title, in the case of a State other than the District of Columbia, or 70 percent, in the case of the District of Columbia)" for "(as defined in section 1396(b) of this title)".

Subsec. (a)(3)(B). Pub. L. 110–351, § 203(a), inserted "or relative guardians after "adoptive parents", substituted ", the members" for "and the members", inserted ", or State-licensed or State-approved child welfare agencies providing services," after "providing care", struck out "foster and adopted" before "children receiving assistance", inserted "and members of the staff of abuse and neglect courts, agency attorneys, attorneys representing children or parents, guardians ad litem, or other court-appointed special advocates representing children in proceedings of such courts," after "part.", inserted "guardians," before "staff members," substituted "institutions, attorneys, and advocates for "and institutions", and inserted "and children living with relative guardians" before ", whether incurred directly".


Subsec. (g). Pub. L. 110–351, § 101(d), added subsec. (g).

2006—Subsec. (a)(3). Pub. L. 109–171 inserted "subject to section 672(i) of this title" before "an amount equal to" in introductory provisions.


2002—Subsec. (a)(4). Pub. L. 107–133, § 201(f)(1), amended par. (4) generally. Prior to amendment, par. (4) read as follows: "the lesser of—" (A) 90 percent of the amount (if any) by which—" (i) the total amount expended by the State during the fiscal year in which the quarter occurs to carry out programs in accordance with the State application approved under section 677(b) of this title for the period in which the quarter occurs (including any amendment that meets the requirements of section 677(b)(5) of this title); exceeds "(ii) the total amount of any penalties assessed against the State under section 677(e) of this title during the fiscal year in which the quarter occurs; or "(B) the amount allotted to the State under section 677 of this title for the fiscal year in which the quarter occurs, reduced by the total of the amounts payable to the State under this paragraph for all prior quarters in the fiscal year.


1999—Subsec. (a)(4). Pub. L. 106–169 amended par. (4) generally. Prior to amendment, par. (4) read as follows: "an amount equal to the sum of—" (A) so much of the amounts expended by such State to carry out programs subsection 677(i) of this title as do not exceed the basic amount for such State determined under section 677(e)(1) of this title; and "(B) the lesser of—" (i) one-half of any additional amounts expended by such State for such programs; or "(ii) the maximum additional amount for such State under such section 677(e)(1) of this title.

1998—Subsec. (a). Pub. L. 105–200, § 410(g), struck out "subject to the limitations imposed by subsection (b) of this section" after "this part" in introductory provisions.

Subsec. (d)(1), (2). Pub. L. 105–200, § 301(b), substituted "paragraph (18) or (23) of section 671(a)(1) of this title for "section 671(a)(18) of this title".
Subsec. (e). Pub. L. 105–200, § 301(c), struck out subsec. (e) which read as follows: “Notwithstanding subsection (a) of this section, a State shall not be eligible for any payment under this section if the Secretary finds that, after November 19, 1997, the State has—

(1) denied or delayed the placement of a child for adoption when an approved family is available outside of the jurisdiction with responsibility for handling the case of the child; or

(2) failed to grant an opportunity for a fair hearing, described in section 671(a)(12) of this title, to an individual whose allegation of a violation of paragraph (1) of this subsection is denied by the State or not acted upon by the State with reasonable promptness.”


1994—Subsec. (b). Pub. L. 103–432, § 207(a)(2), redesignated subsec. (d) as (b) and struck out former subsec. (b) which related to maximum aggregate sums payable to any State and State allotments for fiscal years 1981 to 1992.


Subsec. (c). Pub. L. 103–432, § 207(a)(2), redesignated subsec. (e) as (c) and struck out former subsec. (c) which related to reimbursement for expenditures.

Subsec. (d). Pub. L. 103–432, § 207(b)(2), redesignated subsec. (d) as (b).

Subsec. (d)(1). Pub. L. 103–432, § 207(b)(1), substituted “subsection (a) for such quarter” for “subsections (a), (b), and (c) for such quarter” and “subsection (a)” for “the provisions of such subsections”.

Subsec. (e). Pub. L. 103–432, § 207(b)(2), redesignated subsec. (e) as (d).


Pub. L. 102–585, § 3173(b)(1), added subpar. (C). Former subpar. (C) redesignated (D).


1989—Subsec. (a)(3)(B), (C). Pub. L. 101–239, § 8006(a), added subpar. (B) and redesignated former subpar. (B) as (C).

Subsec. (a)(4). Pub. L. 101–239, § 8002(c), amended par. (4) generally. Prior to amendment, par. (4) read as follows: “The amount of the investment, based on the amount of the investment for the previous fiscal year, shall be determined by the Administrator as follows: . . . .”


Pub. L. 98–369, § 2653(c)(1)(B), substituted “relevant” for “relvant.”

Subsec. (d)(1). Pub. L. 98–369, § 2653(c)(1)(B), substituted “and (C)” for “and (C)” and “Secretary may find” for “Secretary shall find”.


Effective Date of 2019 Amendment
Pub. L. 116–94, div. N, title I, § 602(g), Dec. 20, 2019, 133 Stat. 3213, provided that: “This section (enacting provisions set out as notes under this section and section 1305 of this title, and amending provisions set out as a note under section 1305 of this title) and the amendments made by this section shall take effect as if included in the Bipartisan Budget Act of 2018 [Pub. L. 115–123] on the date of the enactment of such Act [Feb. 9, 2018].”

Effective Date of 2018 Amendment
Amendment by sections 5071(c), 5071(b), and 5071 of Pub. L. 115–123 effective Oct. 1, 2018, subject to transition rules for required State legislation or tribal action, see section 5073(e) of Pub. L. 115–123, set out as a note under section 622 of this title.

Amendment by section 5074(a)(2) of Pub. L. 115–123 effective Oct. 1, 2019, with respect to the State option to delay effective date for not more than 2 years and subject to State waiver provisions, see section 5074(e) of Pub. L. 115–123, set out as a note under section 622 of this title.
Effective Date of 2008 Amendment
Amendment by section 301(c)(2) of Pub. L. 110–351 effective Oct. 1, 2008, without regard to whether implementing regulations have been promulgated, see section 301(f) of Pub. L. 110–351, set out as a note under section 671 of this title.
Amendment by Pub. L. 110–351 effective Oct. 7, 2008, except as otherwise provided, and applicable to payments under this part and part B of this subchapter for quarters beginning on or after effective date of amendment, with delay permitted if State legislation is required to meet additional requirements, see section 601 of Pub. L. 110–351, set out as a note under section 671 of this title.
Pub. L. 110–275, title III, §302(b), July 15, 2008, 122 Stat. 2584, provided that: “The amendment made by subsection (a) [amending this section] shall take effect on October 1, 2008, and shall apply to calendar quarters beginning on or after that date.”

Effective Date of 2006 Amendment
Amendment by Pub. L. 109–171 effective as if enacted on Oct. 1, 2005, except as otherwise provided, see section 7701 of Pub. L. 109–171, set out as a note under section 603 of this title.

Effective Date of 2003 Amendment

Effective Date of 2002 Amendment

Effective Date of 1998 Amendment
Amendment by section 301(b), (c) of Pub. L. 105–200 effective as if included in the enactment of section 202 of the Adoption and Safe Families Act of 1997, Pub. L. 105–89, see section 301(d) of Pub. L. 105–200, set out as a note under section 671 of this title.

Effective Date of 1997 Amendment
Amendment by Pub. L. 105–89 effective Nov. 19, 1997, except as otherwise provided, with delay permitted if State legislation is required, see section 501 of Pub. L. 105–89, set out as a note under section 622 of this title.

Effective Date of 1994 Amendment
Pub. L. 103–432, title II, §207(c), Oct. 31, 1994, 108 Stat. 4457, provided that: “The amendments and repeal made by this section [amending this section] shall apply to payments for calendar quarters beginning on or after October 1, 1993.”
Pub. L. 103–432, title II, §210(b), Oct. 31, 1994, 108 Stat. 4460, provided that: “The amendment made by subsection (a) [amending this section] shall be effective with respect to claims made on or after the date of the enactment of this Act (Oct. 31, 1994).”

Effective Date of 1993 Amendment

Effective Date of 1990 Amendment
Pub. L. 101–508, title V, §5071(b), Nov. 5, 1990, 104 Stat. 1388–233, provided that: “The amendment made by subsection (a) [amending this section] shall take effect on the date of the enactment of this Act (Nov. 5, 1990).”

Effective Date of 1989 Amendment
Pub. L. 101–239, title VIII, §8002(e), Dec. 19, 1989, 103 Stat. 2453, provided that: “The amendments made by subsections (a), (b) and (c) [amending this section and section 677 of this title] shall take effect October 1, 1989.”
Pub. L. 101–239, title X, §10401(b), Dec. 19, 1989, 103 Stat. 2487, provided that: “The amendments made by subsection (a) [amending this section and former sections 620 and 627 of this title] shall take effect on October 1, 1989.”
Pub. L. 101–239, title X, §10403(c)(2), Dec. 19, 1989, 103 Stat. 2488, provided that: “The amendment made by paragraph (1) of this subsection [amending this section] shall take effect as if included in section 4 of Public Law 98–617 at the time such section became law [enacted Nov. 8, 1974].”

Effective Date of 1987 Amendment

Effective Date of 1984 Amendment
Amendment by Pub. L. 98–369 effective July 18, 1984, but not to be construed as changing or affecting any right, liability, status, or interpretation which existed (under the provisions of law involved) before that date, see section 2664(b) of Pub. L. 98–369, set out as a note under section 401 of this title.

Construction of 2008 Amendment
For construction of amendment by section 301(c)(2) of Pub. L. 110–351, see section 301(d) of Pub. L. 110–351, set out as a note under section 671 of this title.

Evidence Standard Transition
“(1) TEMPORARY SUSPENSION OF REQUIREMENT THAT AT LEAST 50 PERCENT OF A STATE’S REIMBURSEMENT FOR PREVENTION AND FAMILY SERVICES AND PROGRAMS BE FOR PROGRAMS AND SERVICES THAT MEET THE WELL-SUPPORTED PRACTICE REQUIREMENT.—With respect to quarters in fiscal years 2020 and 2021, section 474(a)(6)(A) of the Social Security Act (42 U.S.C. 674(a)(6)(A)) shall be applied without regard to clause (ii) of such section.
“(2) SUPPORTED PRACTICES TEMPORARILY TREATED AS WELL-SUPPORTED PRACTICES.—With respect to quarters in fiscal years 2022 and 2023, practices that meet the criteria specified for supported practices in section 471(e)(4)(C) of the Social Security Act (42 U.S.C. 671(e)(4)(C)) shall be considered well-supported practices for purposes of section 474(a)(6)(A)(i) of such Act (42 U.S.C. 674(a)(6)(A)(i)).”

Phase-In
scribed in section 474(a)(3)(B) of the Social Security Act [42 U.S.C. 674(a)(3)(B)] by reason of an amendment made by subsection (a) of this section [amending this section], in lieu of the percentage set forth in such section 474(a)(3)(B), the percentage that shall apply is—

“(1) 55 percent, if the expenditure is made in fiscal year 2009;

“(2) 60 percent, if the expenditure is made in fiscal year 2010;

“(3) 65 percent, if the expenditure is made in fiscal year 2011; or

“(4) 70 percent, if the expenditure is made in fiscal year 2012.”

§ 675. Definitions

As used in this part or part B of this subchapter:

(1) The term “case plan” means a written document which meets the requirements of section 675a of this title and includes at least the following:

(A) A description of the type of home or institution in which a child is to be placed, including a discussion of the safety and appropriateness of the placement and how the agency which is responsible for the child plans to carry out the voluntary placement agreement entered into or judicial determination made with respect to the child in accordance with section 672(a)(1) of this title.

(B) A plan for assuring that the child receives safe and proper care and that services are provided to the parents, child, and foster parents in order to improve the conditions in the parents’ home, facilitate return of the child to his own safe home or the permanent placement of the child, and address the needs of the child while in foster care, including a discussion of the appropriateness of the services that have been provided to the child under the plan. With respect to a child who has attained 14 years of age, the plan developed for the child in accordance with this paragraph, and any revision or addition to the plan, shall be developed in consultation with the child and, at the option of the child, with up to 2 members of the case planning team who are chosen by the child and who are not a foster parent of, or case worker for, the child. A State may reject an individual selected by a child to be a member of the case planning team at any time if the State has good cause to believe that the individual would not act in the best interests of the child. One individual selected by a child to be a member of the child’s case planning team may be designated to be the child’s advisor and, as necessary, advocate, with respect to the application of the reasonable and prudent parent standard to the child.

(C) The health and education records of the child, including the most recent information available regarding—

(i) the names and addresses of the child’s health and educational providers;

(ii) the child’s grade level performance;

(iii) the child’s school record;

(iv) a record of the child’s immunizations;

(v) the child’s known medical problems;

(vi) the child’s medications; and

(vii) any other relevant health and education information concerning the child determined to be appropriate by the State agency.

(D) For a child who has attained 14 years of age or over, a written description of the programs and services which will help such child prepare for the transition from foster care to a successful adulthood.

(E) In the case of a child with respect to whom the permanency plan is adoption or placement in another permanent home, documentation of the steps the agency is taking to find an adoptive family or other permanent living arrangement for the child, to place the child with an adoptive family, a fit and willing relative, a legal guardian, or in another planned permanent living arrangement, and to finalize the adoption or legal guardianship. At a minimum, such documentation shall include child specific recruitment efforts such as the use of State, regional, and national adoption exchanges including electronic exchange systems to facilitate orderly and timely in-State and interstate placements.

(F) In the case of a child with respect to whom the permanency plan is placement with a relative and receipt of kinship guardianship assistance payments under section 673(d) of this title, a description of—

(i) the steps that the agency has taken to determine that it is not appropriate for the child to be returned home or adopted;

(ii) the reasons for any separation of siblings during placement;

(iii) the reasons why a permanent placement with a fit and willing relative through a kinship guardianship assistance arrangement is in the child’s best interests;

(iv) the ways in which the child meets the eligibility requirements for a kinship guardianship assistance payment;

(v) the efforts the agency has made to discuss adoption by the child’s relative foster parent as a more permanent alternative to legal guardianship and, in the case of a relative foster parent who has chosen not to pursue adoption, documentation of the reasons therefor; and

(vi) the efforts made by the State agency to discuss with the child’s parent or parents the kinship guardianship assistance arrangement, or the reasons why the efforts were not made.

(G) A plan for ensuring the educational stability of the child while in foster care, including—

(i) assurances that each placement of the child in foster care takes into account the appropriateness of the current educational setting and the proximity to the school in which the child is enrolled at the time of placement; and

(ii)(I) an assurance that the State agency has coordinated with appropriate local educational agencies (as defined under sec-
§ 675

(2) The term “parents” means biological or adoptive parents or legal guardians, as determined by applicable State law.

(3) The term “adoption assistance agreement” means a written agreement, binding on the parties to the agreement, between the State agency, other relevant agencies, and the prospective adoptive parents of a minor child which at a minimum (A) specifies the nature and amount of any payments, services, and assistance to be provided under such agreement, and (B) stipulates that the agreement shall remain in effect regardless of the State of which the adoptive parents are residents at any given time. The agreement shall contain provisions for the protection (under an interstate compact approved by the Secretary or otherwise) of the interests of the child in cases where the adoptive parents and child move to another State while the agreement is effective.

(4)(A) The term “foster care maintenance payments” means payments to cover the cost of (and the cost of providing) food, clothing, shelter, daily supervision, school supplies, a child’s personal incidentals, liability insurance with respect to a child, reasonable travel to the child’s home for visitation, and reasonable travel for the child to remain in the school in which the child is enrolled at the time of placement. In the case of institutional care, such term shall include the reasonable costs of administration and operation of such institution as are necessarily required to provide the items described in the preceding sentence. (B) In cases where—

(i) a child placed in a foster family home or child-care institution is the parent of a son or daughter who is in the same home or institution, and

(ii) payments described in subparagraph (A) are being made under this part with respect to such child,

the foster care maintenance payments made with respect to such child as otherwise determined under subparagraph (A) shall also include such amounts as may be necessary to cover the cost of the items described in that subparagraph with respect to such son or daughter.

(5) The term “case review system” means a procedure for assuring that—

(A) each child has a case plan designed to achieve placement in a safe setting that is the least restrictive (most family like) and most appropriate setting available and in close proximity to the parents’ home, consistent with the best interest and special needs of the child, which—

(i) if the child has been placed in a foster family home or child-care institution a substantial distance from the home of the parents of the child, or in a State different from the State in which such home is located, sets forth the reasons why such placement is in the best interests of the child, and

(ii) if the child has been placed in foster care outside the State in which the home of the parents of the child is located, requires that, periodically, but not less frequently than every 6 months, a caseworker on the staff of the State agency of the State in which the home of the parents of the child is located, or of the State in which the child has been placed, or of a private agency under contract with either such State, visit such child in such home or institution and submit a report on such visit to the State agency of the State in which the home of the parents of the child is located,

(B) the status of each child is reviewed periodically but no less frequently than once every six months by either a court or by administrative review (as defined in paragraph (6)) in order to determine the safety of the child, the continuing necessity for and appropriateness of the placement, the extent of compliance with the case plan, and the extent of progress which has been made toward alleviating or mitigating the causes necessitating placement in foster care, and to project a likely date by which the child may be returned to and safely maintained in the home or placed for adoption or legal guardianship, and, for a child for whom another planned permanent living arrangement has been determined as the permanency plan, the steps the State agency is taking to ensure the child’s foster family home or child care institution is following the reasonable and prudent parent standard and to ascertain whether the child has regular, ongoing opportunities to engage in age or developmentally appropriate activities (including by consulting with the child in an age-appropriate manner about the opportunities of the child to participate in the activities);

(C) with respect to each such child, (i) procedural safeguards will be applied, among other things, to assure each child in foster care under the supervision of the State of a permanency hearing to be held, in a family or juvenile court or another court (including a tribal court) of competent jurisdiction, or by an administrative body appointed or approved by the court, no later than 12 months after the date the child is considered to have entered foster care (as determined under subparagraph (F)) (and not less frequently than every 12 months thereafter during the continuation of foster care), which hearing shall determine the permanency plan for the child that includes whether, and if applicable when, the child will be returned to the parent, placed for adoption and the State

So in original. Subsequent subpars. enacted or amended with semicolons at end.
will file a petition for termination of parental rights, or referred for legal guardianship, or only in the case of a child who has attained 16 years of age (in cases where the State agency has documented the State court a compelling reason for determining, as of the date of the hearing, that it would not be in the best interests of the child to return home, be referred for termination of parental rights, or be placed for adoption, with a fit and willing relative, or with a legal guardian) placed in another planned permanent living arrangement, subject to section 675a(a) of this title, in the case of a child who will not be returned to the parent, the hearing shall consider in-State and out-of-State placement options, and, in the case of a child described in subparagraph (A)(ii), the hearing shall determine whether the out-of-State placement continues to be appropriate and in the best interests of the child, and, in the case of a child who has attained age 14, the services needed to assist the child to make the transition from foster care to a successful adulthood; (ii) procedural safeguards shall be applied with respect to parental rights pertaining to the removal of the child from the home of his parents, to a change in the child’s placement, and to any determination affecting visitation privileges of parents; (iii) procedural safeguards shall be applied to assure that in any permanency hearing held with respect to the child, including any hearing regarding the transition of the child from foster care to a successful adulthood, the court or administrative body conducting the hearing consults, in an age-appropriate manner, with the child regarding the proposed permanency or transition plan for the child; and (iv) if a child has attained 14 years of age, the permanency plan developed for the child, and any revision or addition to the plan, shall be developed in consultation with the child and, at the option of the child, with not more than 2 members of the permanency planning team who are selected by the child and who are not a foster parent of, or caseworker for, the child, except that the State may reject an individual so selected by the child if the State has good cause to believe that the individual would not act in the best interests of the child, and 1 individual so selected by the child may be designated to be the child’s advisor and, as necessary, advocate, with respect to the application of the reasonable and prudent standard to the child;

(D) a child’s health and education record (as described in paragraph (1)(A)) is reviewed and updated, and a copy of the record is supplied to the foster parent or foster care provider with whom the child is placed, at the time of each placement of the child in foster care, and is supplied to the child at no cost at the time the child leaves foster care if the child is leaving foster care by reason of having attained the age of majority under State law;

(E) in the case of a child who has been in foster care under the responsibility of the State for 15 of the most recent 22 months, or, if a court of competent jurisdiction has determined a child to be an abandoned infant (as defined under State law) or has made a determination that the parent has committed murder of another child of the parent, committed voluntary manslaughter of another child of the parent, aided or abetted, attempted, conspired, or solicited to commit such a murder or such a voluntary manslaughter, or committed a felony assault that has resulted in serious bodily injury to the child or to another child of the parent, the State shall file a petition to terminate the parental rights of the child’s parents (or, if such a petition has been filed by another party, seek to be joined as a party to the petition), and, concurrently, to identify, recruit, process, and approve a qualified family for an adoption, unless—

(i) at the option of the State, the child is being cared for by a relative;

(ii) a State agency has documented in the case plan (which shall be available for court review) a compelling reason for determining that filing such a petition would not be in the best interests of the child; or

(iii) the State has not provided to the family of the child, consistent with the time period in the State case plan, such services as the State deems necessary for the safe return of the child to the child’s home, if reasonable efforts of the type described in section 671(a)(15)(B)(ii) of this title are required to be made with respect to the child;

(F) a child shall be considered to have entered foster care on the earlier of—

(i) the date of the first judicial finding that the child has been subjected to child abuse or neglect; or

(ii) the date that is 60 days after the date on which the child is removed from the home;

(G) the foster parents (if any) of a child and any preadoptive parent or relative providing care for the child are provided with notice of, and a right to be heard in, any proceeding to be held with respect to the child, except that this subparagraph shall not be construed to require that any foster parent, preadoptive parent, or relative providing care for the child be made a party to such a proceeding solely on the basis of such notice and right to be heard;

(H) during the 90-day period immediately prior to the date on which the child will attain 18 years of age, or such greater age as the State may elect under paragraph (B)(iii), whether during that period foster care maintenance payments are being made on the child’s behalf or the child is receiving benefits or services under section 677 of this title, a caseworker on the staff of the State agency, and, as appropriate, other representatives of the child provide the child with assistance and support in developing a transition plan that is personalized at the direction of the child, includes specific options on housing, health insurance, education, local opportunities for mentors and continuing
support services, and work force supports and employment services, includes information about the importance of designating another individual to make health care treatment decisions on behalf of the child if the child becomes unable to participate in such decisions and the child does not have, or does not want, a relative who would otherwise be authorized under State law to make such decisions, and provides the child with the option to execute a health care power of attorney, health care proxy, or other similar document recognized under State law, and is as detailed as the child may elect; and

(I) each child in foster care under the responsibility of the State who has attained 14 years of age receives without cost a copy of any consumer report (as defined in section 1681a(d) of title 15) pertaining to the child each year until the child is discharged from care, receives assistance (including, when feasible, from any court-appointed advocate for the child) in interpreting and resolving any inaccuracies in the report, and, if the child is leaving foster care by reason of having attained 18 years of age or such greater age as the State has elected under paragraph (6), unless the child has been in foster care for less than 6 months, is not discharged from care without being provided with (if the child is eligible to receive such document) an official or certified copy of the United States birth certificate of the child, a social security card issued by the Commissioner of Social Security, health insurance information, a copy of the child's medical records, and a driver's license or identification card issued by a State in accordance with the requirements of section 202 of the REAL ID Act of 2005, and any official documentation necessary to prove that the child was previously in foster care.

(6) The term "administrative review" means a review open to the participation of the parents of the child, conducted by a panel of appropriate persons at least one of whom is not responsible for the case management of, or the delivery of services to, either the child or the parents who are the subject of the review.

(7) The term "legal guardianship" means a judicially created relationship between child and caretaker which is intended to be permanent and self-sustaining as evidenced by the transfer to the caretaker of the following parent rights with respect to the child: protection, education, care and control of the person, custody of the person, and decisionmaking. The term "legal guardian" means the caretaker in such a relationship.

(8)(A) Subject to subparagraph (B), the term "child" means an individual who has not attained 18 years of age.

(B) At the option of a State, the term shall include an individual—

(I) who is in foster care under the responsibility of the State;

(II) with respect to whom an adoption assistance agreement is in effect under section 673 of this title if the child had attained 16 years of age before the agreement became effective; or

(III) with respect to whom a kinship guardianship assistance agreement is in effect under section 673(d) of this title if the child had attained 16 years of age before the agreement became effective;

(ii) who has attained 18 years of age;

(iii) who has not attained 19, 20, or 21 years of age, as the State may elect; and

(iv) who is—

(I) completing secondary education or a program leading to an equivalent credential;

(II) enrolled in an institution which provides post-secondary or vocational education;

(III) participating in a program or activity designed to promote, or remove barriers to, employment;

(IV) employed for at least 80 hours per month; or

(V) incapable of doing any of the activities described in subclauses (I) through (IV) due to a medical condition, which incapability is supported by regularly updated information in the case plan of the child.

(9) The term "sex trafficking victim" means a victim of—

(A) sex trafficking (as defined in section 7102(10)1 of title 22); or

(B) a severe form of trafficking in persons described in section 7102(9)(A)1 of title 22.

(10)(A) The term "reasonable and prudent parent standard" means the standard characterized by careful and sensible parental decisions that maintain the health, safety, and best interests of a child while at the same time encouraging the emotional and developmental growth of the child, that a caregiver shall use when determining whether to allow a child in foster care under the responsibility of the State to participate in extracurricular, enrichment, cultural, and social activities.

(B) For purposes of subparagraph (A), the term "caregiver" means a foster parent with whom a child in foster care has been placed or a designated official for a child care institution in which a child in foster care has been placed.

(11)(A) The term "age or developmentally-appropriate" means—

(i) activities or items that are generally accepted as suitable for children of the same chronological age or level of maturity or that are determined to be developmentally-appropriate for a child, based on the development of cognitive, emotional, physical, and behavioral capacities that are typical for an age or age group; and

(ii) in the case of a specific child, activities or items that are suitable for the child based on the developmental stages attained by the child with respect to the cognitive, emotional, physical, and behavioral capacities of the child.

(B) In the event that any age-related activities have implications relative to the academic curriculum of a child, nothing in this part or part B shall be construed to authorize an officer or employee of the Federal Govern-
ment to mandate, direct, or control a State or local educational agency, or the specific instructional content, academic achievement standards and assessments, curriculum, or program of instruction of a school.

(12) The term “sibling” means an individual who satisfies at least one of the following conditions with respect to a child:

(A) The individual is considered by State law to be a sibling of the child.

(B) The individual has been considered a sibling of the child under State law but for a termination or other disruption of parental rights, such as the death of a parent.

(13) The term “child who is a candidate for foster care” means, a child who is identified in a prevention plan under section 671(e)(4)(A) of this title as being at imminent risk of entering foster care (without regard to whether the child would be eligible for foster care maintenance payments under section 672 of this title or is or would be eligible for adoption assistance or kinship guardianship assistance payments under section 673 of this title) but who can remain safely in the child’s home or in a kinship placement as long as services or programs specified in section 671(e)(1) of this title that are necessary to prevent the entry of the child into foster care are provided. The term includes a child whose adoption or guardianship arrangement is at risk of a disruption or dissolution that would result in a foster care placement.


REFERENCES IN TEXT

Section 672(a) of this title, referred to in par. (1)(A), was amended generally by Pub. L. 109–171, title VII, §7404(a), Feb. 8, 2006, 120 Stat. 151, and, as so amended, provisions relating to a voluntary placement agreement in the permanency portion of a child's case planning team who are chosen by the child and, at the option of the child, with up to 2 members of the case planning team who are chosen by the child and who are not a foster parent of, or caseworker for, the child. A State may reject an individual selected by a child to be a member of the case planning team at any time if the State has good cause to believe that the individual would not act in the best interests of the child. One individual selected by a child to be a member of the child’s case planning team may be designated to be the child’s advisor and, as necessary, advocate, with respect to the application of the reasonable and prudent parent standard to the child.

Par. (1)(D). Pub. L. 113–183, §113(c), substituted “a successful adulthood” for “independent living”.

Par. (1)(B). Pub. L. 113–183, §113(b)(1), substituted “For a child who has attained 14 years of age” for “Where appropriate, for a child age 16”.

Par. (5)(B). Pub. L. 113–183, §112(b)(2)(B)(ii)(I), inserted at end “and, for a child for whom another planned permanent living arrangement has been determined as the permanency plan, the steps the State agency is taking to ensure the child’s foster family home or child care institution is following the reasonable and prudent parent standard and to ascertain whether the child has regular, ongoing opportunities to engage in age or developmentally appropriate activities and the extent to which the child is an age-appropriate manner about the opportunities of the child to participate in the activities”.

Par. (5)(C)(ii). Pub. L. 113–183, §113(c), substituted “a successful adulthood” for “independent living”.


Par. (5)(B). Pub. L. 113–183, §112(b)(2)(B)(ii)(II), inserted, “as of the date of the hearing,” after “compelling reason for determining” and “subject to section 675a(a) of this title,” after “another planned permanent living arrangement,”.

Par. (1)(C)(ii). Pub. L. 113–183, §112(a)(1), inserted “only in the case of a child who has attained 16 years of age” before “(in cases where)”.

Par. (5)(C)(iii). Pub. L. 113–183, §113(c), substituted a “successful adulthood” for “independent living”.


Par. (5)(I). Pub. L. 113–183, §114(a), substituted “receives assistance” for “and receives assistance” and inserted before period at end “, and, if the child is leaving foster care by reason of having attained 18 years of age or such greater age as the State has elected under paragraph (8), unless the child is in foster care for less than 6 months, is not discharged from care without being provided with (if the child is eligible to
receive such document) an official or certified copy of the United States birth certificate of the child, a social security card issued by a State in accordance with the requirements of section 202 of the REAL ID Act of 2005.

Pub. L. 113–183, §113(b)(2)(B), substituted “11” for “16”.


Par. (10). Pub. L. 111–183, 111(a)(1), added pars. (10) and (11).


2011—Pub. L. 112–34, 110(a)(2), inserted “each” before “placement”.


2010—Par. (5)(H). Pub. L. 111–148 inserted “includes information about the importance of designating another individual to make health care treatment decisions on behalf of the child if the child becomes unable to participate in such decisions and the child does not have, or does not want, a relative who would otherwise be authorized under State law to make such decisions, and provides the child with the option to execute a health care power of attorney, health care proxy, or other similar document recognized under State law,” after “employment services.”

Par. (5)(H) to (vii). Pub. L. 110–351, §204(a)(1)(A), redesignated cl. (v) as (iv) to (vii), respectively, and struck out former cl. (iv) which read as follows: “assurances that the child’s placement in foster care is taken into account proximity to the school in which the child is enrolled at the time of placement;”.


Par. (1)(A). Pub. L. 110–351, §204(a)(2), in first sentence, substituted “reasonable” for “and reasonable” and inserted “, and reasonable travel for the child to remain in the school in which the child is enrolled at the time of placement” before period at end.


Par. (8). Pub. L. 110–351, §201(a), added par. (8).

2006—Par. (1)(C). Pub. L. 109–239, §712, in introductory provisions, substituted “The health” for “To the extent available and accessible, the health” and inserted “the most recent information available regarding” after “including”.

Par. (8)(E). Pub. L. 110–293, §11, which directed amendment of subpar. (E) by inserting “to facilitate orderly and timely in-State and interstate placements” before the period, was executed by making the insertion before period at end of last sentence to reflect the probable intent of Congress.

Par. (5)(A)(ii). Pub. L. 109–239, §6, substituted “6 months” for “12 months” and “of the State in which the child has been placed, or of a private agency under contract with either such State” for “of or the State in which the child has been placed”.

Par. (5)(C). Pub. L. 109–238 inserted “(i)” after “with respect to each such child”;

substituted “(ii) procedural safeguards shall” for “and procedural safeguards shall also”;

and added cl. (iii) at end.

Pub. L. 109–239, §12, inserted “, in the case of a child who will not be returned to the parent, the hearing shall consider in-State and out-of-State placement options,” after “living arrangement” and “the hearing shall determine” after “described in subparagraph (A)(i)”, respectively.

Par. (5)(D). Pub. L. 109–239, §72, inserted “a copy of the record is” before “supplied to the foster parent” and “and is supplied to the child at no cost at the time the child leaves foster care if the child is leaving foster care by reason of having attained the age of majority under State law” before semicolon at end.

Par. (5)(G). Pub. L. 109–239, §8(a), substituted “a right” for “an opportunity”, “proceeding” for “review or hearing” in two places, and “and right” for “and opportunity”.

1997—Par. (1). Pub. L. 105–89, §107(1)(A), (B), struck out “the case plan must also include” before “a written description” in concluding provisions and redesignated those provisions as subpar. (D) of par. (1).


Par. (1)(B). Pub. L. 105–89, §102(2)(A)(ii), inserted “safe” and “after “child receives” and “safe” after “return of the child to his own”.

Par. (1)(D). Pub. L. 105–89, §107(1)(B), redesignated concluding provisions of par. (1) as subpar. (D) of par. (1) and realigned margins.


Par. (5)(B). Pub. L. 105–89, §102(2)(B)(ii), inserted “the safety of the child,” after “determine” and “and safely maintained in” before “the home or placed for adoption”.

Par. (5)(C). Pub. L. 105–89, §302, substituted “permanency planning” for “disproportionate representation” and “no later than 12 months after the date the child is considered to have entered foster care (as determined under subparagraph (F))” for “no later than eighteen months after the original placement”, and which directed the substitution of “permanency plan for the child that includes whether, and if applicable when, the child will be returned to the parent, placed for adoption and the State will file a petition for termination of parental rights, or referred for legal guardianship, or in cases where the State agency has documented to the State court a compelling reason for determining that it would not be in the best interests of the child to return home, be referred for termination of parental rights, or be placed for adoption, with a fit and willing relative, or with a legal guardian) placed in another planned permanent living arrangement” for “future status of the child (including, but not limited to, whether the child should be returned to the parent, should be continued in foster care for a specified period, should be placed for adoption, or should (because of the child’s special needs or circumstances) be continued in foster care on a permanent or long-term basis)”, was executed by making the substitution for text which contained the words “long-term” rather than “long-term” to reflect the probable intent of Congress.


1994—Par. (5)(A). Pub. L. 103–432, §208(a), inserted “which—” after “needs of the child,” and added clss. (i) and (ii).

Pub. L. 103–432, §206(a), inserted “and most appropriate” after “(most family like)”.

Par. (5)(C). Pub. L. 103–432, §208(b), inserted “and, in the case of a child described in subparagraph (A)(i), whether the out-of-State placement continues to be appropriate and in the best interests of the child, after “permanent or long-term basis”.)

Pub. L. 103–432, §206(b), substituted “(and not less frequently than every 12 months) for “(and periodically).”


foster care to independent living,” after “long-term
basis”).

1967—Par. (4). Pub. L. 100–203 designated existing prov-
visions subpar. (A) and added subpar. (B).
1966—Par. (1). Pub. L. 99–272, § 12307(b), inserted at end
“Where appropriate, for a child age 16 or over, the case
plan must also include a written description of the pro-
gram and services which will help such child prepare
for the transition from foster care to independent liv-
ing.”

Par. (3). Pub. L. 99–514 added cl. (A) and struck out
former cl. (A) which read as follows: “specifies the
amounts of any adoption assistance payments and any
other services and assistance which are to be provided
as part of such agreement, and”,


effective Oct. 1, 2014, see section 112(a)(3), (c) of Pub. L.
1929, provided that:

If the Secretary of Health and Human Serv-
cices determines that State legislation (other than leg-
islation appropriating funds) is required in order for a
State plan developed pursuant to part E of title IV of the
Social Security Act [42 U.S.C. 670 et seq.] to meet the
additional requirements imposed by the amend-
ments made by this section, the plan shall not be re-
garded as failing to meet any of the additional require-
ments before the 1st day of the 1st calendar quarter be-
ginning after the 1st regular session of the State legis-
lature that begins after the date of the enactment of
this Act [Sept. 29, 2014]. If the State has a 2-year legis-
lative session, each year of the session is deemed to be
a separate regular session of the State legislature.”

Amendment by section 209(a)(2) of Pub. L. 113–183 ef-
fective Sept. 29, 2014, with delay permitted if State leg-
islation is required, see section 210(e) of Pub. L. 113–183,
set out as a note under section 671 of this title.


effective Oct. 1, 2010, and applicable to payments under this part and part B
of this subchapter for calendar quarters beginning on
or after such date, without regard to whether imple-
menting regulations have been promulgated, and with
delay permitted if State legislation is required to meet
additional requirements, see section 107 of Pub. L.
112–34, set out as a note under section 622 of this title.


effective Oct. 1, 2011, and applicable to payments under this part and part B
of this subchapter for calendar quarters beginning on
or after such date, without regard to whether imple-
menting regulations have been promulgated, and with
delay permitted if State legislation is required to meet
additional requirements, see section 601 of Pub.
L. 110–351, set out as a note under section 671 of this title.


effective Oct. 1, 2010, and applicable to payments under this part and part B
of this subchapter for calendar quarters beginning on
or after such date, without regard to whether imple-
menting regulations have been promulgated, and with
delay permitted if State legislation is required to meet
additional requirements, see section 601 of Pub.
L. 110–351, set out as a note under section 671 of this title.


effective Oct. 1, 2006, and applicable to payments under this part and part B
of this subchapter for calendar quarters beginning on
or after such date, without regard to whether imple-
menting regulations have been promulgated, and with
delay permitted if State legislation is required to meet
additional requirements, see section 14 of Pub.
L. 109–239, set out as a note under section 622 of this title.


effective Oct. 1, 2006

Amendment by Pub. L. 109–239 effective Oct. 1, 2006, and
applicable to payments under this part and part B
of this subchapter for calendar quarters beginning on
or after such date, without regard to whether imple-
menting regulations have been promulgated, and with
delay permitted if State legislation is required to meet
additional requirements, see section 14 of Pub.
L. 109–239, set out as a note under section 622 of this title.


effective Oct. 1, 1997, except as otherwise provided, with delay permitted if
State legislation is required, see section 501 of Pub.
L. 105–89, set out as a note under section 622 of this title.


effective Oct. 1, 1997

Amendment by Pub. L. 105–89 effective Nov. 19, 1997,
except as otherwise provided, with delay permitted if
State legislation is required, see section 501 of Pub.
L. 105–89, set out as a note under section 622 of this title.


effective Oct. 1, 1997

Amendment by Pub. L. 105–89 effective Nov. 19, 1997,
except as otherwise provided, with delay permitted if
State legislation is required, see section 501 of Pub.
L. 105–89, set out as a note under section 622 of this title.
section [amending this section] shall take effect on Oct. 1, 1995."


Amendment by section 282 of Pub. L. 103–432 effective as if included in the provision of Pub. L. 101–239 to which the amendment relates, at the time the provision became law, see section 265(d) of Pub. L. 103–432, set out as a note under section 673 of this title.

**Effective Date of 1989 Amendment**

Pub. L. 101–103, title VIII, §8007(c), Dec. 19, 1989, 103 Stat. 2462, provided that: "The amendments made by subsections (a) and (b) [amending this section] shall take effect on April 1, 1990."

**Effective Date of 1988 Amendment**

Amendment by Pub. L. 100–477 effective Oct. 1, 1988, see section 8104(g)(1) of Pub. L. 100–477, set out as a note under section 677 of this title.

**Effective Date of 1987 Amendment**

Amendment by Pub. L. 100–203 effective Apr. 1, 1988, see section 9133(c) of Pub. L. 100–203, set out as a note under section 672 of this title.

**Effective Date of 1986 Amendments**

Amendment by Pub. L. 99–514 applicable only with respect to expenditures made after Dec. 31, 1986, see section 4711(d) of Pub. L. 99–514, set out as a note under section 679 of this title.

Amendment by section 12305(b)(2) of Pub. L. 99–272 applicable to medical assistance furnished in or after the first calendar quarter beginning more than 90 days after Apr. 7, 1986, see section 12305(c) of Pub. L. 99–272, set out as a note under section 673 of this title.

**Effective Date of 1986 Amendment**

Pub. L. 96–372, title I, §101(a)(4)(A), June 17, 1980, 94 Stat. 512, provided that: "Clause (B) of the first sentence of section 475(3) of the Social Security Act (42 U.S.C. 675(3)(B)) (as added by subsection (a) of this section) shall be effective with respect to adoption assistance agreements entered into on or after Oct. 1, 1983."

Amendment by section 102(a)(4) of Pub. L. 96–272 effective only with respect to expenditures made after Sept. 30, 1979, see section 102(c) of Pub. L. 96–272, as amended, set out as a note under section 672 of this title.

**Construction**

For construction of amendment by section 209(a)(2) of Pub. L. 113–183, see section 209(b) of Pub. L. 113–183, set out as a note below or in part E of title IV of such Act, when such actions are determined to be in the best interests of the child, including cases where the child has experienced multiple foster care placements of varying durations.

**Transitional Rules: New and Current Foster Children**

Pub. L. 105–89, title I, §183(c), Nov. 19, 1997, 111 Stat. 2119, provided that:

"(1) New foster children.—In the case of a child who enters foster care (within the meaning of section 475(5)(F) of the Social Security Act (42 U.S.C. 675(5)(F)) under the responsibility of a State after the date of the enactment of this Act (Nov. 19, 1997)

"(A) if the State comes into compliance with the amendments made by subsection (a) of this section [amending this section] before the child has been in such foster care for 15 of the most recent 22 months, the State shall comply with section 475(5)(E) of the Social Security Act (42 U.S.C. 675(5)(E)) with respect to the child when the child has been in such foster care for 15 of the most recent 22 months; and

"(B) if the State comes into such compliance after the child has been in such foster care for 15 of the most recent 22 months, the State shall comply with such section 475(5)(E) with respect to the child not later than 3 months after the end of the first regular session of the State legislature that begins after such date of enactment.

"(2) Current foster children.—In the case of children in foster care under the responsibility of the State on the date of the enactment of this Act, the State shall—

"(A) not later than 6 months after the end of the first regular session of the State legislature that begins after such date of enactment, comply with section 475(5)(E) of the Social Security Act with respect to not less than ¼ of such children as the State shall select, giving priority to children for whom the permanency plan (within the meaning of part E of title IV of the Social Security Act (42 U.S.C. 670 et seq.)) is adoption and children who have been in foster care for the greatest length of time;

"(B) not later than 12 months after the end of such first regular session, comply with such section 475(5)(E) with respect to not less than ½ of such children in the State shall select; and

"(C) not later than 18 months after the end of such first regular session, comply with such section 475(5)(E) with respect to all of such children.

"(3) Treatment of 2-Year Legislative Sessions.—For purposes of this subsection, in the case of a State that has a 2-year legislative session, each year of the session is deemed to be a separate regular session of the State legislature.

"(4) Requirements Treated as State Plan Requirements.—For purposes of part E of title IV of the Social Security Act, the requirements of this subsection shall be treated as State plan requirements imposed by section 471(a) of such Act (42 U.S.C. 671(a))."

§675a. Additional case plan and case review system requirements

(a) Requirements for another planned permanent living arrangement

In the case of any child for whom another planned permanent living arrangement is the permanency plan determined for the child under section 675(5)(C) of this title, the following requirements shall apply for purposes of approving the case plan for the child and the case system review procedure for the child:

(1) Documentation of intensive, ongoing, unsuccessful efforts for family placement

At each permanency hearing held with respect to the child, the State agency documents the intensive, ongoing, and, as of the date of the hearing, unsuccessful efforts made by the State agency to return the child home or secure a placement for the child with a fit and willing relative (including adult sibling), a legal guardian, or an adoptive parent, including through efforts that utilize search technology (including social media) to find biological family members for the children.
(2) Redetermination of appropriateness of placement at each permanency hearing

The State agency shall implement procedures to ensure that, at each permanency hearing held with respect to the child, the court or administrative body appointed or approved by the court conducting the hearing on the permanency plan for the child does the following:

(A) Ask the child about the desired permanency outcome for the child.

(B) Make a judicial determination explaining why, as of the date of the hearing, another planned permanent living arrangement is the best permanency plan for the child and provide compelling reasons why it continues to not be in the best interests of the child to—

(i) return home;
(ii) be placed for adoption;
(iii) be placed with a legal guardian; or
(iv) be placed with a fit and willing relative.

(3) Demonstration of support for engaging in age or developmentally-appropriate activities and social events

At each permanency hearing held with respect to the child, the State agency shall document the steps the State agency is taking to ensure that—

(A) the child’s foster family home or child care institution is following the reasonable and prudent parent standard; and

(B) the child has regular, ongoing opportunities to engage in age or developmentally appropriate activities (including by consulting with the child in an age-appropriate manner about the opportunities of the child to participate in the activities).

(b) List of rights

The case plan for any child in foster care under the responsibility of the State who has attained 14 years of age shall include—

(1) a document that describes the rights of the child with respect to education, health, visitation, and court participation, the right to be provided with the documents specified in section 675(5)(I) of this title in accordance with that section, and the right to stay safe and avoid exploitation; and

(2) a signed acknowledgment by the child that the child has been provided with a copy of the document and that the rights contained in the document have been explained to the child in an age-appropriate way.

(c) Assessment, documentation, and judicial determination requirements for placement in a qualified residential treatment program

In the case of any child who is placed in a qualified residential treatment program (as defined in section 672(k)(4) of this title), the following requirements shall apply for purposes of approving the case plan for the child and the case system review procedure for the child:

(i) Within 30 days of the start of each placement in such a setting, a qualified individual (as defined in subparagraph (D)) shall—

(1) assess the strengths and needs of the child using an age-appropriate, evidence-based, validated, functional assessment tool approved by the Secretary;

(2) determine whether the needs of the child can be met with family members or through placement in a foster family home or, if not, which setting from among the settings specified in section 672(k)(2) of this title would provide the most effective and appropriate level of care for the child in the least restrictive environment and be consistent with the short- and long-term goals for the child, as specified in the permanency plan for the child; and

(iii) develop a list of child-specific short- and long-term mental and behavioral health goals.

(B)(i) The State shall assemble a family and permanency team for the child in accordance with the requirements of clauses (ii) and (iii).

The qualified individual conducting the assessment required under subparagraph (A) shall work in conjunction with the family of, and permanency team for, the child while conducting and making the assessment.

(ii) The family and permanency team shall consist of all appropriate biological family members, relative, and fictive kin of the child, as well as, as appropriate, professionals who are a resource to the family of the child, such as teachers, medical or mental health providers who have treated the child, or clergy. In the case of a child who has attained age 14, the family and permanency team shall include the members of the permanency planning team for the child that are selected by the child in accordance with section 675(5)(C)(iv) of this title.

(iii) The State shall document in the child’s case plan—

(I) the reasonable and good faith effort of the State to identify and include all the individuals described in clause (ii) on the child’s family and permanency team;

(II) all contact information for members of the family and permanency team, as well as contact information for other family members and fictive kin who are not part of the family and permanency team;

(III) evidence that meetings of the family and permanency team, including meetings relating to the assessment required under subparagraph (A), are held at a time and place convenient for family;

(IV) if reunification is the goal, evidence demonstrating that the parent from whom the child was removed provided input on the members of the family and permanency team;

(V) evidence that the assessment required under subparagraph (A) is determined in conjunction with the family and permanency team;

(VI) the placement preferences of the family and permanency team relative to the assessment that recognizes children should be placed with their siblings unless there is a finding by the court that such placement is contrary to their best interest; and

(VII) if the placement preferences of the family and permanency team and child are not the placement setting recommended by the qualified individual conducting the assessment.
(C) In the case of a child who the qualified individual conducting the assessment under subparagraph (A) determines should not be placed in a foster family home, the qualified individual shall specify in writing why the needs of the child cannot be met by the family of the child or in a foster family home. A shortage or lack of foster family homes shall not be an acceptable reason for determining that the needs of the child cannot be met in a foster family home. The qualified individual also shall specify in writing why the recommended placement in a qualified residential treatment program is the setting that will provide the child with the most effective and appropriate level of care in the least restrictive environment and how that placement is consistent with the short- and long-term goals for the child, as specified in the permanency plan for the child.

(D)(i) Subject to clause (ii), in this subsection, the term “qualified individual” means a trained professional or licensed clinician who is not an employee of the State agency and who is not connected to, or affiliated with, any placement setting in which children are placed by the State.

(ii) The Secretary may approve a request of a State to waive any requirement in clause (i) upon a submission by the State, in accordance with criteria established by the Secretary, that certifies that the trained professionals or licensed clinicians with responsibility for performing the assessments described in subparagraph (A) shall maintain objectivity with respect to determining the most effective and appropriate placement for a child.

(2) Within 60 days of the start of each placement in a qualified residential treatment program, a family or juvenile court or another court (including a tribal court) of competent jurisdiction, or an administrative body appointed or approved by the court, independently shall—

(A) consider the assessment, determination, and documentation made by the qualified individual conducting the assessment under paragraph (1);

(B) determine whether the needs of the child can be met through placement in a foster family home or, if not, whether placement of the child in a qualified residential treatment program provides the most effective and appropriate level of care for the child in the least restrictive environment and whether that placement is consistent with the short- and long-term goals for the child, as specified in the permanency plan for the child; and

(C) approve or disapprove the placement.

(3) The written documentation made under paragraph (1)(C) and documentation of the determination and approval or disapproval of the placement in a qualified residential treatment program by a court or administrative body under paragraph (2) shall be included in and made part of the case plan for the child.

(4) As long as a child remains placed in a qualified residential treatment program, the State agency shall submit evidence at each status review and each permanency hearing held with respect to the child—

(A) demonstrating that ongoing assessment of the strengths and needs of the child continues to support the determination that the needs of the child cannot be met through placement in a foster family home, that the placement in a qualified residential treatment program provides the most effective and appropriate level of care for the child in the least restrictive environment, and that the placement is consistent with the short- and long-term goals for the child, as specified in the permanency plan for the child;

(B) documenting the specific treatment or services that will be met for the child in the placement and the length of time the child is expected to need the treatment or services; and

(C) documenting the efforts made by the State agency to prepare the child to return home or to be placed with a relative, a legal guardian, or an adoptive parent, or in a foster family home.

(5) In the case of any child who is placed in a qualified residential treatment program for more than 12 consecutive months or 18 nonconsecutive months (or, in the case of a child who has not attained age 13, for more than 6 consecutive or nonconsecutive months), the State agency shall submit to the Secretary—

(A) the most recent versions of the evidence and documentation specified in paragraph (4); and

(B) the signed approval of the head of the State agency for the continued placement of the child in that setting.
§ 676. Administration

(a) Technical assistance to States

The Secretary may provide technical assistance to the States to assist them to develop the programs authorized under this part and shall periodically (1) evaluate the programs authorized under this part and part B of this subchapter and (2) collect and publish data pertaining to the incidence and characteristics of foster care and adoptions in this country.

(b) Data collection and evaluation

Each State shall submit statistical reports as the Secretary may require with respect to children for whom payments are made under this part containing information with respect to such children including legal status, demographic characteristics, location, and length of any stay in foster care.

(c) Technical assistance and implementation services for tribal programs

(1) Authority

The Secretary shall provide technical assistance and implementation services that are dedicated to improving services and permanency outcomes for Indian children and their families through the provision of assistance described in paragraph (2).

(2) Assistance provided

(A) In general

The technical assistance and implementation services shall be to—

(i) provide information, advice, educational materials, and technical assistance to Indian tribes and tribal organizations, with respect to the types of services, administrative functions, data collection, program management, and reporting that are required under State plans under part B and this part;

(ii) assist and provide technical assistance to—

(I) Indian tribes, tribal organizations, and tribal consortia seeking to operate a program under part B or under this part through direct application to the Secretary under section 679c of this title; and

(II) Indian tribes, tribal organizations, tribal consortia, and States seeking to develop cooperative agreements to provide for payments under this part or satisfy the requirements of section 622(b)(9), 671(a)(32), or 677(b)(3)(G) of this title; and

(iii) subject to subparagraph (B), make one-time grants, to tribes, tribal organizations, or tribal consortia that are seeking to develop, and intend, not later than 24 months after receiving such a grant to submit to the Secretary a plan under section 671 of this title to implement a program under this part as authorized by section 679c of this title, that shall—

(I) not exceed $300,000; and

(II) be used for the cost of developing a plan under section 671 of this title to carry out a program under section 679c of this title, including costs related to development of necessary data collection systems, a cost allocation plan, agency and tribal court procedures necessary to meet the case review system requirements under section 675(5) of this title, or any other costs attributable to meeting any other requirement necessary for approval of such a plan under this part.

(B) Grant condition

(i) In general

As a condition of being paid a grant under subparagraph (A)(iii), a tribe, tribal organization, or tribal consortium shall agree to repay the total amount of the grant awarded if the tribe, tribal organization, or tribal consortium fails to submit to the Secretary a plan under section 671 of this title to carry out a program under section 679c of this title by the end of the 24-month period described in that subparagraph.

(ii) Exception

The Secretary shall waive the requirement to repay a grant imposed by clause (i) if the Secretary determines that a tribe’s, tribal organization’s, or tribal consortium’s failure to submit a plan within such period was the result of circumstances beyond the control of the tribe, tribal organization, or tribal consortium.

(C) Implementation authority

The Secretary may provide the technical assistance and implementation services described in subparagraph (A) either directly or through a grant or contract with public or private organizations knowledgeable and experienced in the field of Indian tribal affairs and child welfare.

(3) Appropriation

There is appropriated to the Secretary, out of any money in the Treasury of the United States not otherwise appropriated, $3,000,000 for fiscal year 2009 and each fiscal year thereafter to carry out this subsection.

(d) Technical assistance and best practices, clearinghouse, data collection, and evaluations relating to prevention services and programs

(1) Technical assistance and best practices

The Secretary shall provide to States and, as applicable, to Indian tribes, tribal organizations, and tribal consortia, technical assistance regarding the provision of services and programs described in section 671(e)(1) of this title and shall disseminate best practices with respect to the provision of the services and programs, including how to plan and implement a well-designed and rigorous evaluation of a promising, supported, or well-supported practice.

(2) Clearinghouse of promising, supported, and well-supported practices

The Secretary shall, directly or through grants, contracts, or interagency agreements, evaluate research on the practices specified in clauses (iii), (iv), and (v), respectively, of sec-
§ 677

The Secretary shall submit to the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives periodic reports based on the provision of services and programs described in section 671(e)(1) of this title for purposes of assessing the extent to which the provision of the services and programs—

(A) reduces the likelihood of foster care placement;

(B) increases use of kinship care arrangements; or

(C) improves child well-being.

(4) Reports to Congress

(A) In general

The Secretary shall submit to the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives periodic reports based on the provision of services and programs described in section 671(e)(1) of this title and the activities carried out under this subsection.

(B) Public availability

The Secretary shall make the reports to Congress submitted under this paragraph publicly available.

(5) Appropriation

Out of any money in the Treasury of the United States not otherwise appropriated, there are appropriated to the Secretary $1,000,000 for fiscal year 2018 and each fiscal year thereafter to carry out this subsection.

(e) Evaluation of State procedures and protocols to prevent inappropriate diagnoses of mental illness or other conditions

The Secretary shall conduct an evaluation of the procedures and protocols established by States in accordance with the requirements of section 622(b)(15)(A)(vii) of this title. The evaluation shall analyze the extent to which States comply with and enforce the procedures and protocols and the effectiveness of various State procedures and protocols and shall identify best practices. Not later than January 1, 2020, the Secretary shall submit a report on the results of the evaluation to Congress.

Title VII, §§ 50711(d), 50743(b), Feb. 9, 2018, 132 Stat. 242, 260.

AMENDMENTS


EFFECTIVE DATE OF 2018 AMENDMENT

Amendment by section 50711(d) of Pub. L. 115–123 effective Feb. 9, 2018, subject to transition rules for required State legislation or tribal action, see section 50734 of Pub. L. 115–123, set out as a note under section 622 of this title.

Amendment by section 50743(b) of Pub. L. 115–123 effective as if enacted on Jan. 1, 2018, subject to transition rule and State waiver provisions, see section 50746 of Pub. L. 115–123, set out as a note under section 622 of this title.

EFFECTIVE DATE OF 2008 AMENDMENT

Amendment by Pub. L. 110–351 effective Oct. 7, 2008, and applicable to payments under this part and part B of this subchapter for quarters beginning on or after such date, with delay permitted if State legislation is required to meet additional requirements, see section 50711(d) of Pub. L. 115–381, set out as a note under section 671 of this title.

§ 677. John H. Chafee Foster Care Program for Successful Transition to Adulthood

(a) Purpose

The purpose of this section is to provide States with flexible funding that will enable programs to be designed and conducted—

(1) to support all youth who have experienced foster care at age 14 or older in their transition to adulthood through transitional services such as assistance in obtaining a high school diploma and post-secondary education, career exploration, vocational training, job placement and retention, training and opportunities to practice daily living skills (such as financial literacy training and driving instruction), substance abuse prevention, and preventive health activities (including smoking avoidance, nutrition education, and pregnancy prevention);

(2) to help children who have experienced foster care at age 14 or older achieve meaningful, permanent connections with a caring adult;

(3) to help children who have experienced foster care at age 14 or older engage in age or developmentally appropriate activities, positive youth development, and experiential learning that reflects what their peers in intact families experience;

(4) to provide financial, housing, counseling, employment, education, and other appropriate support and services to former foster care recipients between 18 and 21 years of age (or 23 years of age, in the case of a State with a certification under subsection (b)(3)(A)(ii) to provide assistance and services to youths who have aged out of foster care and have not attained such age, in accordance with such subsection) to complement their own efforts to achieve self-sufficiency and to assure that program participants recognize and accept their
personal responsibility for preparing for and then making the transition from adolescence to adulthood;

(5) to make available vouchers for education and training, including postsecondary training and education, to youths who have aged out of foster care;

(6) to provide the services referred to in this subsection to children who, after attaining 16 years of age, have left foster care for kinship guardianship or adoption; and

(7) to ensure children who are likely to remain in foster care until 18 years of age have regular, ongoing opportunities to engage in age or developmentally-appropriate activities as defined in section 675(11) of this title.

(b) Applications

(1) In general

A State may apply for funds from its allotment under subsection (c) for a period of five consecutive fiscal years by submitting to the Secretary, in writing, a plan that meets the requirements of paragraph (2) and the certifications required by paragraph (3) with respect to the plan.

(2) State plan

A plan meets the requirements of this paragraph if the plan specifies which State agency or agencies will administer, supervise, or oversee the programs carried out under the plan, and describes how the State intends to do the following:

(A) Design and deliver programs to achieve the purposes of this section.

(B) Ensure that all political subdivisions in the State are served by the program, though not necessarily in a uniform manner.

(C) Ensure that the programs serve children of various ages and at various stages of achieving independence.

(D) Involve the public and private sectors in helping youth in foster care achieve independence.

(E) Use objective criteria for determining eligibility for benefits and services under the programs, and for ensuring fair and equitable treatment of benefit recipients.

(F) Cooperate in national evaluations of the effects of the programs in achieving the purposes of this section.

(3) Certifications

The certifications required by this paragraph with respect to a plan are the following:

(A)(i) A certification by the chief executive officer of the State that the State will provide assistance and services to youths who have aged out of foster care and have not attained 21 years of age.

(ii) If the State has elected under section 675(8)(B) of this title to extend eligibility for foster care to all children who have not attained 21 years of age, or if the Secretary determines that the State agency responsible for administering the State plans under this part and part B uses State funds or any other funds not provided under this part to provide services and assistance for youths who have aged out of foster care that are comparable to the services and assistance the youths would receive if the State had made such an election, the certification required under clause (i) may provide that the State will provide assistance and services to youths who have aged out of foster care and have not attained 23 years of age.

(B) A certification by the chief executive officer of the State that not more than 30 percent of the amounts paid to the State from its allotment under subsection (c) for a fiscal year will be expended for room or board for youths who have aged out of foster care and have not attained 21 years of age (or 23 years of age, in the case of a State with a certification under subparagraph (A)(i)) to provide assistance and services to youths who have aged out of foster care and have not attained such age, in accordance with subparagraph (A)(ii)).

(C) A certification by the chief executive officer of the State that none of the amounts paid to the State from its allotment under subsection (c) will be expended for room or board for any child who has not attained 18 years of age.

(D) A certification by the chief executive officer of the State that the State will use training funds provided under the program of Federal payments for foster care and adoption assistance to provide training including training on youth development to help foster parents, adoptive parents, workers in group homes, and case managers understand and address the issues confronting youth preparing for a successful transition to adulthood and making a permanent connection with a caring adult.

(E) A certification by the chief executive officer of the State that the State has consulted widely with public and private organizations in developing the plan and that the State has given all interested members of the public at least 30 days to submit comments on the plan.

(F) A certification by the chief executive officer of the State that the State will make every effort to coordinate the State programs receiving funds provided from an allotment made to the State under subsection (c) with other Federal and State programs for youth (especially transitional living youth projects funded under part B of title III of the Juvenile Justice and Delinquency Prevention Act of 1974 [34 U.S.C. 11221 et seq.]), abstinence education programs, local housing programs, programs for disabled youth (especially sheltered workshops), and school-to-work programs offered by high schools or local workforce agencies.

(G) A certification by the chief executive officer of the State that each Indian tribe in the State has been consulted about the programs to be carried out under the plan; that there have been efforts to coordinate the programs with such tribes; that benefits and services under the programs will be made available to Indian children in the State on the same basis as to other children in the State; and that the State will negotiate in good faith with any Indian tribe, tribal organization, or tribal consortium in the State
that does not receive an allotment under subsection (j)(4) for a fiscal year and that requests to develop an agreement with the State to administer, supervise, or oversee the programs to be carried out under the plan with respect to the Indian children who are eligible for such programs and who are under the authority of the tribe, organization, or consortium and to receive from the State an appropriate portion of the State allotment under subsection (c) for the cost of such administration, supervision, or oversight.

(H) A certification by the chief executive officer of the State that the State will ensure that youth participating in the program under this section participate directly in designing their own program activities that prepare them for independent living and that the youth accept personal responsibility for living up to their part of the program.

(I) A certification by the chief executive officer of the State that the State has established and will enforce standards and procedures to prevent fraud and abuse in the programs carried out under the plan.

(J) A certification by the chief executive officer of the State that the State educational and training voucher program under this section is in compliance with the conditions specified in subsection (i), including a statement describing methods the State will use—

(i) to ensure that the total amount of educational assistance to a youth under this section and under other Federal and Federally supported programs does not exceed the limitation specified in subsection (i)(d); and

(ii) to avoid duplication of benefits under this and any other Federal or Federally assisted benefit program.

(K) A certification by the chief executive officer of the State that the State will ensure that a youth participating in the program under this section participate directly in designing their own program activities that prepare them for independent living and that the youth accept personal responsibility for living up to their part of the program.

(4) Approved

The Secretary shall approve an application submitted by a State pursuant to paragraph (1) for a period if—

(A) the application is submitted on or before June 30 of the calendar year in which such period begins; and

(B) the Secretary finds that the application contains the material required by paragraph (1).

(5) Authority to implement certain amendments; notification

A State with an application approved under paragraph (4) may implement any amendment to the plan contained in the application if the application, incorporating the amendment, would be approvable under paragraph (4). Within 30 days after a State implements any such amendment, the State shall notify the Secretary of the amendment.

(6) Availability

The State shall make available to the public any application submitted by the State pursuant to paragraph (1), and a brief summary of the plan contained in the application.

(c) Allotments to States

(1) General program allotment

From the amount specified in subsection (h)(1) that remains after applying subsection (g)(2) for a fiscal year, the Secretary shall allot to each State with an application approved under subsection (b) for the fiscal year the amount which bears the ratio to such remaining amount equal to the State foster care ratio, as adjusted in accordance with paragraph (2).

(2) Hold harmless provision

(A) In general

The Secretary shall allot to each State whose allotment for a fiscal year under paragraph (1) is less than the greater of $500,000 or the amount payable to the State under this section for fiscal year 1998, an additional amount equal to the difference between such allotment and such greater amount.

(B) Ratable reduction of certain allotments

In the case of a State not described in subparagraph (A) of this paragraph for a fiscal year, the Secretary shall reduce the amount allotted to the State for the fiscal year under paragraph (1) by the amount that bears the same ratio to the sum of the differences determined under subparagraph (A) of this paragraph for the fiscal year as the excess of the amount so allotted over the greater of $500,000 or the amount payable to the State under this section for fiscal year 1998 bears to the sum of such excess amounts determined for all such States.

(3) Voucher program allotment

From the amount, if any, appropriated pursuant to subsection (h)(2) for a fiscal year, the Secretary may allot to each State with an application approved under subsection (b) for the fiscal year an amount equal to the State foster care ratio multiplied by the amount so specified.

(4) State foster care ratio

In this subsection, the term “State foster care ratio” means the ratio of the number of children in foster care under a program of the State in the most recent fiscal year for which the information is available to the total number of children in foster care in all States for the most recent fiscal year.

1So in original. Probably should be “is”.
(d) Use of funds

(1) In general

A State to which an amount is paid from its allotment under subsection (c) may use the amount in any manner that is reasonably calculated to accomplish the purposes of this section.

(2) No supplantation of other funds available for same general purposes

The amounts paid to a State from its allotment under subsection (c) shall be used to supplement and not supplant any other funds which are available for the same general purposes in the State.

(3) Two-year availability of funds

Payments made to a State under this section for a fiscal year shall be expended by the State in the fiscal year or in the succeeding fiscal year.

(4) Reallocation of unused funds

If a State does not apply for funds under this section for a fiscal year within such time as may be provided by the Secretary or does not expend allocated funds within the time period specified under subsection (d)(3), the funds to which the State would be entitled for the fiscal year shall be reallocated to 1 or more other States on the basis of their relative need for additional payments under this section, as determined by the Secretary.

(5) Redistribution of unexpended amounts

(A) Availability of amounts

To the extent that amounts paid to States under this section in a fiscal year remain unexpended by the States at the end of the succeeding fiscal year, the Secretary may make the amounts available for redistribution in the second succeeding fiscal year among the States that apply for additional funds under this section for that second succeeding fiscal year.

(B) Redistribution

(i) In general

The Secretary shall redistribute the amounts made available under subparagraph (A) for a fiscal year among eligible applicant States. In this subparagraph, the term “eligible applicant State” means a State that has applied for additional funds for the fiscal year under subparagraph (A) if the Secretary determines that the State will use the funds for the purpose for which originally allotted under this section.

(ii) Amount to be redistributed

The amount to be redistributed to each eligible applicant State shall be the amount so made available multiplied by the State foster care ratio, (as defined in subsection (c)(4), except that, in such subsection, “all eligible applicant States (as defined in subsection (d)(5)(B)(i))” shall be substituted for “all States”).

(iii) Treatment of redistributed amount

Any amount made available to a State under this paragraph shall be regarded as part of the allotment of the State under this section for the fiscal year in which the redistribution is made.

(C) Tribes

For purposes of this paragraph, the term “State” includes an Indian tribe, tribal organization, or tribal consortium that receives an allotment under this section.

(e) Penalties

(1) Use of grant in violation of this part

If the Secretary is made aware, by an audit conducted under chapter 75 of title 31 or by any other means, that a program receiving funds from an allotment made to a State under subsection (c) has been operated in a manner that is inconsistent with, or not disclosed in the State application approved under subsection (b), the Secretary shall assess a penalty against the State in an amount equal to not less than 1 percent and not more than 5 percent of the amount of the allotment.

(2) Failure to comply with data reporting requirement

The Secretary shall assess a penalty against a State that fails during a fiscal year to comply with an information collection plan implemented under subsection (f) in an amount equal to not less than 1 percent and not more than 5 percent of the amount allotted to the State for the fiscal year.

(3) Penalties based on degree of noncompliance

The Secretary shall assess penalties under this subsection based on the degree of noncompliance.

(f) Data collection and performance measurement

(1) In general

The Secretary, in consultation with State and local public officials responsible for administering independent living and other child welfare programs, child welfare advocates, Members of Congress, youth service providers, and researchers, shall—

(A) develop outcome measures (including measures of educational attainment, high school diploma, employment, avoidance of dependency, homelessness, nonmarital childbirth, incarceration, and high-risk behaviors) that can be used to assess the performance of States in operating independent living programs;

(B) identify data elements needed to track—

(i) the number and characteristics of children receiving services under this section;

(ii) the type and quantity of services being provided; and

(iii) State performance on the outcome measures; and

(C) develop and implement a plan to collect the needed information beginning with the second fiscal year beginning after December 14, 1999.

(2) Report to Congress

Not later than October 1, 2019, the Secretary shall submit to the Committee on Ways and
Means of the House of Representatives and the Committee on Finance of the Senate a report on the National Youth in Transition Database and any other databases in which States report outcome measures relating to children in foster care and children who have aged out of foster care or left foster care for kinship guardianship or adoption. The report shall include the following:

(A) A description of the reasons for entry into foster care and of the foster care experiences, such as length of stay, number of placement settings, case goal, and discharge reason of 17-year-olds who are surveyed by the National Youth in Transition Database and an analysis of the comparison of that description with the reasons for entry and foster care experiences of children of other ages who exit from foster care before attaining age 17.

(B) A description of the characteristics of the individuals who report poor outcomes at ages 19 and 21 to the National Youth in Transition Database.

(C) Benchmarks for determining what constitutes a poor outcome for youth who remain in or have exited from foster care and plans the executive branch will take to incorporate these benchmarks in efforts to evaluate child welfare agency performance in providing services to children transitioning from foster care.

(D) An analysis of the association between types of placement, number of overall placements, time spent in foster care, and other factors, and outcomes at ages 19 and 21.

(E) An analysis of the differences in outcomes for children in and formerly in foster care at age 19 and 21 among States.

(g) Evaluations

(1) In general

The Secretary shall conduct evaluations of such State programs funded under this section as the Secretary deems to be innovative or of potential national significance. The evaluation of any such program shall include information on the effects of the program on education, employment, and personal development. To the maximum extent practicable, the evaluations shall be based on rigorous scientific standards including random assignment to treatment and control groups. The Secretary is encouraged to work directly with State and local governments to design methods for conducting the evaluations, directly or by grant, contract, or cooperative agreement.

(2) Funding of evaluations

The Secretary shall reserve 1.5 percent of the amount specified in subsection (h) for a fiscal year to carry out, during the fiscal year, evaluation, technical assistance, performance measurement, and data collection activities related to this section, directly or through grants, contracts, or cooperative agreements with appropriate entities.

(h) Limitations on authorization of appropriations

To carry out this section and for payments to States under section 674(a)(4) of this title, there are authorized to be appropriated to the Secretary for each fiscal year—

(1) $140,000,000 or, beginning in fiscal year 2020, $143,000,000, which shall be available for all purposes under this section; and

(2) an additional $90,000,000, which are authorized to be available for payments to States for education and training vouchers for youths who age out of foster care, to assist the youths to develop skills necessary to lead independent and productive lives.

(i) Educational and training vouchers

The following conditions shall apply to a State educational and training voucher program under this section:

(1) Vouchers under the program may be available to youths otherwise eligible for services under the State program under this section who have attained 14 years of age.

(2) For purposes of the voucher program, youths who, after attaining 16 years of age, are adopted from, or enter kinship guardianship from, foster care may be considered to be youths otherwise eligible for services under the State program under this section.

(3) The State may allow youths participating in the voucher program to remain eligible until they attain 26 years of age, as long as they are enrolled in a postsecondary education or training program and are making satisfactory progress toward completion of that program, but in no event may a youth participate in the program for more than 5 years (whether or not consecutive).

(4) The voucher or vouchers provided for an individual under this section may be used for the cost of attendance at an institution of higher education, as defined in section 1002 of title 20; and

(B) shall not exceed the lesser of $5,000 per year or the total cost of attendance, as defined in section 1087l of title 20.

(5) The amount of a voucher under this section may be disregarded for purposes of determining the recipient’s eligibility for, or the amount of, any other Federal or Federally supported assistance, except that the total amount of educational assistance to a youth under this section and under other Federal and Federally supported programs shall not exceed the total cost of attendance, as defined in section 1087l of title 20, and except that the State agency shall take appropriate steps to prevent duplication of benefits under this and other Federal or Federally supported programs.

(6) The program is coordinated with other appropriate education and training programs.

(j) Authority for an Indian tribe, tribal organization, or tribal consortium to receive an allotment

(1) In general

An Indian tribe, tribal organization, or tribal consortium with a plan approved under section 679c of this title, or which is receiving funding to provide foster care under this part pursuant to a cooperative agreement or contract with a State, may apply for an allotment out of any funds authorized by paragraph (1) or (2) (or both) of subsection (h) of this section.
(2) Application

A tribe, organization, or consortium desiring an allotment under paragraph (1) of this subsection shall submit an application to the Secretary to directly receive such allotment that includes a plan which—

(a) satisfies such requirements of paragraphs (2) and (3) of subsection (b) as the Secretary determines are appropriate;

(b) contains a description of the tribe’s, organization’s, or consortium’s consultation process regarding the programs to be carried out under the plan with each State for which a portion of an allotment under subsection (c) would be redirected to the tribe, organization, or consortium; and

(c) contains an explanation of the results of such consultation, particularly with respect to—

(i) determining the eligibility for benefits and services of Indian children to be served under the programs to be carried out under the plan; and

(ii) the process for consulting with the State in order to ensure the continuity of benefits and services for such children who will transition from receiving benefits and services under programs carried out under a State plan under subsection (b)(2) to receiving benefits and services under programs carried out under a plan under this subsection.

(3) Payments

The Secretary shall pay an Indian tribe, tribal organization, or tribal consortium with an application and plan approved under this subsection from the allotment determined for the tribe, organization, or consortium under paragraph (4) of this subsection in the same manner as is provided in section 674(a)(3) of this title (and, where requested, and if funds are appropriated, section 674(e) of this title) with respect to a State, or in such other manner as is determined appropriate by the Secretary, except that in no case shall an Indian tribe, a tribal organization, or a tribal consortium receive a lesser proportion of such funds than a State is authorized to receive under those sections.

(4) Allotment

From the amounts allotted to a State under subsection (c) of this section for a fiscal year, the Secretary shall allot to each Indian tribe, tribal organization, or tribal consortium with an application and plan approved under this subsection for that fiscal year an amount equal to the tribal foster care ratio determined under paragraph (5) of this subsection for the tribe, organization, or consortium multiplied by the allotment amount of the State within which the tribe, organization, or consortium is located. The allotment determined under this paragraph is deemed to be a part of the allotment determined under subsection (c) for the State in which the Indian tribe, tribal organization, or tribal consortium is located.

(5) Tribal foster care ratio

For purposes of paragraph (4), the tribal foster care ratio means, with respect to an Indian tribe, tribal organization, or tribal consortium, the ratio of—

(A) the number of children in foster care under the responsibility of the Indian tribe, tribal organization, or tribal consortium (either directly or under supervision of the State), in the most recent fiscal year for which the information is available; to

(B) the sum of—

(i) the total number of children in foster care under the responsibility of the State within which the Indian tribe, tribal organization, or tribal consortium is located; and

(ii) the total number of children in foster care under the responsibility of all Indian tribes, tribal organizations, or tribal consortia in the State (either directly or under supervision of the State) that have a plan approved under this subsection.


REFERENCES IN TEXT

The Juvenile Justice and Delinquency Prevention Act of 1974, referred to in subsec. (f), was in the original “the date of the enactment of this section” which was translated as meaning the date of enactment of Pub. L. 98–166, which amended this section generally, to reflect the probable intent of Congress.

AMENDMENTS


Subsec. (a)(1). Pub. L. 115–123, §50753(d)(2)(A), substituted “support all youth who have experienced foster care at age 14 or older in their transition to adulthood through transitional services such as assistance in obtaining a high school diploma and post-secondary education, career exploration, vocational training, job placement and retention, training and opportunities to practice daily living skills (such as financial literacy training and driving instruction)” for “identify children who are likely to remain in foster care until 18 years of age and to help these children make the transition to self-sufficiency by providing services such as assistance in obtaining a high school diploma, career ex-
ploration, vocational training, job placement and retention, training in daily living skills, training in budgeting and financial management skills’’.

Subsec. (a)(2). Pub. L. 115–123, § 50753(d)(2)(B), substituted ‘‘who have experienced foster care at age 14 or older achieve meaningful, permanent connections with a caring adult’’ for ‘‘who are likely to remain in foster care until 18 years of age and receive the education, training, and services necessary to obtain employment’’.

Subsec. (a)(3). Pub. L. 115–123, § 50753(d)(2)(C), substituted ‘‘who have experienced foster care at age 14 or older engage in age or developmentally appropriate activities, positive youth development, and experiential learning that reflects what their peers in intact families experience’’ for ‘‘who are likely to remain in foster care until 18 years of age prepare for and enter post-secondary training and education institutions’’.

Subsec. (a)(4). Pub. L. 115–123, § 50753(d)(2)(D), redesignated par. (5) as (4) and struck out former par. (4) which read as follows: ‘‘to provide personal and emotional support to children aging out of foster care, through mentors and the promotion of interactions with dedicated adults’’.


Pub. L. 115–123, § 50753(a)(1), inserted ‘‘(or 23 years of age, in the case of a State with a certification under subsection (b)(3)(A)(i) to provide assistance and services to youths who have aged out of foster care and have not attained such age, in accordance with such subsection)’’ after ‘‘21 years of age’’.

Subsec. (a)(6) to (8). Pub. L. 115–123, § 50753(d)(2)(D), redesignated pars. (6) to (8) as (5) to (7), respectively.


Subsec. (b)(3)(A). Pub. L. 115–123, § 50753(a)(2), designated existing provisions as cl. (i), substituted ‘‘youths who have aged out of foster care and have not attained 21 years of age, and who have not attained 21 years of age.’’ and added cl. (ii).

Subsec. (b)(3)(B). Pub. L. 115–123, § 50753(a)(3), substituted ‘‘youths who have aged out of foster care and have not attained 21 years of age (or 23 years of age, in the case of a State with a certification under subparagraph (A)(i) to provide assistance and services to youths who have aged out of foster care and have not attained such age, in accordance with subparagraph (A)(i))’’ for ‘‘children who have left foster care because they have attained 18 years of age, and who have not attained 21 years of age.’’.

Subsec. (b)(3)(C). Pub. L. 115–123, § 50753(a)(4), substituted ‘‘youths who have aged out of foster care and have not attained 21 years of age (or 23 years of age, in the case of a State with a certification under subparagraph (A)(i) to provide assistance and services to youths who have aged out of foster care and have not attained such age, in accordance with subparagraph (A)(i))’’ for ‘‘children who have left foster care because they have attained 18 years of age, and who have not attained 21 years of age.’’.

Subsec. (b)(3)(D). Pub. L. 115–123, § 50753(d)(3)(B)(i), inserted ‘‘including training on youth development’’ after ‘‘to provide training’’ and substituted ‘‘youth preparing for independent living, and will, to the extent possible, coordinate such training with the independent living program conducted for adolescents.’’


Subsec. (d)(4). Pub. L. 115–123, § 50753(b)(1), inserted ‘‘or does not expend allocated funds within the time period specified under subsection (d)(3)’’ after ‘‘provided by the Secretary’’.


Subsec. (f)(2). Pub. L. 115–123, § 50753(d)(4), added par. (2) and struck out former par. (2). Prior to amendment, text read as follows: ‘‘Within 12 months after December 14, 1999, the Secretary shall submit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate a report detailing the plans and timetable for collecting from the States the information described in paragraph (1) and a proposal to impose penalties consistent with paragraph (e)(2) on States that do not report data.’’

Subsec. (i)(1). Pub. L. 115–123, § 50753(c)(2), inserted ‘‘who have attained 14 years of age’’ before period at end.

Subsec. (i)(3). Pub. L. 115–123, § 50753(c)(1), substituted ‘‘to remain eligible until they attain 26’’ for ‘‘on the date they attain 21 years of age’’ after ‘‘they attain 23’’ and inserted before period at end ‘‘, but in no event may a youth participate in the program for more than 5 years (whether or not consecutive)’’.


Subsec. (b)(3)(G). Pub. L. 110–351, § 301(c)(1)(B), substituted ‘‘tribes; that’’ for ‘‘tribes; and that’’ and inserted ‘‘; and that the State will negotiate in good faith with any Indian tribe, tribal organization, or tribal consortium in the State that does not receive an allotment under subsection (j)(4) for a fiscal year and that requests to develop an agreement with the State to administer, supervise, or oversee the programs to be carried out under the plan with respect to the Indian children who are eligible for such programs and who are under the authority of the tribe, organization, or consortium and to receive from the State an appropriate portion of the State allotment under subsection (c) for the cost of such administration, supervision, or oversight’’ before period at end.

Subsec. (i)(2). Pub. L. 110–351, § 101(e)(2), substituted ‘‘who, after attaining 16 years of age, are adopted from, or enter kinship guardianship from, foster care’’ for ‘‘adopted from foster care after attaining age 16’’.


Subsec. (c)(1). Pub. L. 107–133, § 201(e)(1), in heading substituted ‘‘General program allotment’’ for ‘‘in general’’ and in text substituted ‘‘From the amount specified in subsection (h)(1)’’ for ‘‘From the amount specified in subsection (h)’’, ‘‘which bears the ratio’’ for ‘‘which bears the same ratio’’, and ‘‘equal to the State foster care ratio, as adjusted in accordance with paragraph (2)’’ for ‘‘as the number of children in foster care under a program of the State in the most recent fiscal year for which such information is available’’ for ‘‘the total number of children in foster care in all States for such most recent fiscal year, as adjusted in accordance with paragraph (2)’’.

Subsec. (c)(3). (4). Pub. L. 107–133, § 201(e)(2), added pars. (3) and (4).


Subsec. (h). Pub. L. 107–133, § 201(d), substituted ‘‘there are authorized to be appropriated to the Secretary for each fiscal year—’’ and pars. (1) and (2) for ‘‘there are authorized to be appropriated to the Secretary $140,000,000 for each fiscal year.’’

Subsec. (i). Pub. L. 107–133, § 201(b), added subsec. (i). 1999—Pub. L. 106–169 amended section generally, substituting present provisions for provisions which had authorized payments to States and localities for establishment of programs designed to assist children who have attained age 16 in making transition from foster care to independent living, and set forth provisions relating to administrative of programs, assurances, types of programs, amounts of entitlement, and provisions requiring annual report and promulgation of regulations.

1997—Subsec. (a)(2)(A). Pub. L. 105–89 inserted before comma at end ‘‘(including children with respect to whom such payments are no longer being made because the child has accumulated assets, not to exceed $5,000,
CONSTRUCTION OF 2008 AMENDMENT
For construction of amendment by section 301(b), (c)(1)(B) of Pub. L. 110–351, see section 301(d) of Pub. L. 110–351, set out as a note under section 671 of this title.

TEMPORARY EXTENSION OF AVAILABILITY OF INDEPENDENT LIVING FUNDS

FINDINGS

'(1) States are required to make reasonable efforts to find adoptive families for all children, including older children, for whom reunification with their biological family is not in the best interests of the child. However, some older children will continue to live in foster care. These children should be enrolled in an Independent Living program designed and conducted by State and local government to help prepare them for employment, postsecondary education, and successful management of adult responsibilities.

'(2) Older children who continue to be in foster care as adolescents may become eligible for Independent Living programs. These Independent Living programs are not an alternative to adoption for these children. Enrollment in Independent Living programs can occur concurrent with continued efforts to locate and achieve placement in adoptive families for older children in foster care.

'(3) About 20,000 adolescents leave the Nation’s foster care system each year because they have reached 18 years of age and are expected to support themselves.

'(4) Congress has received extensive information that adolescents leaving foster care have significant difficulty making a successful transition to adulthood; this information shows that children aging out of foster care show high rates of homelessness, non-marital childbearing, poverty, and delinquent or criminal behavior; they are also frequently the target of crime and physical assaults.

'(5) The Nation’s State and local governments, with financial support from the Federal Government, should offer an extensive program of education, training, employment, and financial support for young adults leaving foster care, with participation in such programs beginning several years before high school graduation and continuing, as needed, until the young adults emancipated from foster care establish independence or reach 21 years of age.

STUDY AND REPORT EVALUATING EFFECTIVENESS OF PROGRAMS
Pub. L. 101–239, title VIII, § 8002(d), Dec. 19, 1989, 103 Stat. 2453, provided that:

'(1) STUDY.—The Secretary of Health and Human Services shall study the programs authorized under section 477 of the Social Security Act [42 U.S.C. 677] for the purposes of evaluating the effectiveness of the programs. The study shall include a comparison of outcomes of children who participated in the programs and a comparable group of children who did not participate in the programs.

'(2) REPORT.—Upon completion of the study, the Secretary shall issue a report to the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives."

§ 678. Rule of construction
Nothing in this part shall be construed as precluding State courts from exercising their discretion to protect the health and safety of children in individual cases, including cases other than those described in section 671(a)(15)(D) of this title.


PRIOR PROVISIONS

EFFECTIVE DATE
Section effective Nov. 19, 1997, except as otherwise provided, with delay permitted if State legislation is required, see section 501 of Pub. L. 105–89, set out as an Effective Date of 1997 Amendments note under section 622 of this title.

§ 679. Collection of data relating to adoption and foster care

(a) Advisory Committee on Adoption and Foster Care Information

(1) Not later than 90 days after October 21, 1986, the Secretary shall establish an Advisory Committee on Adoption and Foster Care Information (in this section referred to as the "Advisory Committee") to study the various methods of establishing, administering, and financing a system for the collection of data with respect to adoption and foster care in the United States.

(2) The study required by paragraph (1) shall—

(A) identify the types of data necessary to—

(i) assess (on a continuing basis) the incidence, characteristics, and status of adoption and foster care in the United States, and

(ii) develop appropriate national policies with respect to adoption and foster care;

(B) evaluate the feasibility and appropriateness of collecting data with respect to privately arranged adoptions and adoptions arranged through private agencies without assistance from public child welfare agencies;

(C) assess the validity of various methods of collecting data with respect to adoption and foster care; and

(D) evaluate the financial and administrative impact of implementing each such method.

(3) Not later than October 1, 1987, the Advisory Committee shall submit to the Secretary and the Congress a report setting forth the results of the study required by paragraph (1) and evaluating and making recommendations with respect to the various methods of establishing, administering, and financing a system for the collection of data with respect to adoption and foster care in the United States.

(4)(A) Subject to subparagraph (B), the membership and organization of the Advisory Committee shall be determined by the Secretary.

(B) The membership of the Advisory Committee shall include representatives of—

(i) private, nonprofit organizations with an interest in child welfare (including organiza-
port required by paragraph (3), the Advisory Committee shall cease to exist.

(b) Report to Congress; regulations

(1)(A) Not later than July 1, 1988, the Secretary shall submit to the Congress a report that—

(i) proposes a method of establishing, administering, and financing a system for the collection of data relating to adoption and foster care in the United States,

(ii) evaluates the feasibility and appropriateness of collecting data with respect to privately arranged adoptions and adoptions arranged through private agencies without assistance from public child welfare agencies, and

(iii) evaluates the impact of the system proposed under clause (i) on the agencies with responsibility for implementing it.

(B) The report required by subparagraph (A) shall—

(i) specify any changes in law that will be necessary to implement the system proposed under subparagraph (A)(i), and

(ii) describe the type of system that will be implemented under paragraph (2) in the absence of such changes.

(2) Not later than December 31, 1988, the Secretary shall promulgate final regulations providing for the implementation of—

(A) the system proposed under paragraph (1)(A)(i), or

(B) if the changes in law specified pursuant to paragraph (1)(B)(i) have not been enacted, the system described in paragraph (1)(B)(ii).

Such regulations shall provide for the full implementation of the system not later than October 1, 1991.

c) Data collection system

Any data collection system developed and implemented under this section shall—

(1) avoid unnecessary diversion of resources from agencies responsible for adoption and foster care;

(2) assure that any data that is collected is reliable and consistent over time and among jurisdictions through the use of uniform definitions and methodologies;

(3) provide comprehensive national information with respect to—

(A) the demographic characteristics of adoptive and foster children and their biological and adoptive or foster parents,

(B) the status of the foster care population (including the number of children in foster care, length of placement, type of placement, availability for adoption, and goals for ending or continuing foster care),

(C) the number and characteristics of—

(i) children placed in or removed from foster care,

(ii) children adopted or with respect to whom adoptions have been terminated, and

(iii) children placed in foster care outside the State which has placement and care responsibility

(D) the extent and nature of assistance provided by Federal, State, and local adoption and foster care programs and the characteristics of the children with respect to whom such assistance is provided; and

(E) the annual number of children in foster care who are identified as sex trafficking victims—

(i) who were such victims before entering foster care; and

(ii) who were such victims while in foster care; and

(4) utilize appropriate requirements and incentives to ensure that the system functions reliably throughout the United States.

d) Data collection on adoption and legal guardianship disruption and dissolution

To promote improved knowledge on how best to ensure strong, permanent families for children, the Secretary shall promulgate regulations providing for the collection and analysis of information regarding children who enter into foster care under the supervision of a State after prior finalization of an adoption or legal guardianship. The regulations shall require each State with a State plan approved under this part to collect and report as part of such data collection system the number of children who enter foster care under supervision of the State after finalization of an adoption or legal guardianship and may include information concerning the length of the prior adoption or guardianship, the age of the child at the time of the prior adoption or guardianship, the age at which the child subsequently entered foster care under supervision of the State, the type of agency involved in making the prior adoption or guardianship placement, and any other factors determined necessary to better understand factors associated with the child’s post-adoption or post-guardianship entry to foster care.


Amendments


1 So in original. The semicolon probably should be a comma.
§ 679a. National Adoption Information Clearinghouse

The Secretary of Health and Human Services shall establish, either directly or by grant or contract, a National Adoption Information Clearinghouse. The Clearinghouse shall—
(1) collect, compile, and maintain information obtained from available research, studies, and reports by public and private agencies, institutions, or individuals concerning all aspects of infant adoption and adoption of children with special needs;
(2) compile, maintain, and periodically revise directories of information concerning—
(A) crisis pregnancy centers,
(B) shelters and residences for pregnant women,
(C) training programs on adoption,
(D) educational programs on adoption,
(E) licensed adoption agencies,
(F) state laws relating to adoption,
(G) intercountry adoption, and
(H) any other information relating to adoption for pregnant women, infertile couples, adoptive parents, unmarried individuals who want to adopt children, individuals who have been adopted, birth parents who have placed a child for adoption, adoption agencies, social workers, counselors, or other individuals who work in the adoption field;
(3) disseminate the information compiled and maintained pursuant to paragraph (1) and the directories compiled and maintained pursuant to paragraph (2); and
(4) upon the establishment of an adoption and foster care data collection system pursuant to section 679 of this title, disseminate the data and information made available through that system.


§ 679b. Annual report

(a) In general

The Secretary, in consultation with Governors, State legislatures, State and local public officials responsible for administering child welfare programs, and child welfare advocates, shall—
(1) develop a set of outcome measures (including length of stay in foster care, number of foster care placements, and number of adoptions) that can be used to assess the performance of States in operating child protection and child welfare programs pursuant to part B and this part to ensure the safety of children;
(2) to the maximum extent possible, the outcome measures should be developed from data available from the Adoption and Foster Care Analysis and Reporting System;
(3) develop a system for rating the performance of States with respect to the outcome measures, and provide to the States an explanation of the rating system and how scores are determined under the rating system;
(4) prescribe such regulations as may be necessary to ensure that States provide to the Secretary the data necessary to determine State performance with respect to each outcome measure, as a condition of the State receiving funds under this part;
(5) on May 1, 1999, and annually thereafter, prepare and submit to the Congress a report on the performance of each State on each outcome measure, which shall examine the reasons for high performance and low performance and, where possible, make recommendations as to how State performance could be improved;
(6) include in the report submitted pursuant to paragraph (5) for fiscal year 2007 or any succeeding fiscal year, State-by-State data on—
(A) the percentage of children in foster care under the responsibility of the State who were visited on a monthly basis by the caseworker handling the case of the child;
(B) the total number of visits made by caseworkers on a monthly basis to children in foster care under the responsibility of the State during a fiscal year as a percentage of the total number of the visits that would occur during the fiscal year if each child were so visited once every month while in such care; and
(C) the percentage of the visits that occurred in the residence of the child; and
(7) include in the report submitted pursuant to paragraph (5) for fiscal year 2016 or any succeeding fiscal year, State-by-State data on—
(A) children in foster care who have been placed in a child care institution or other setting that is not a foster family home, including—
(i) with respect to each such placement—
(I) the type of the placement setting, including whether the placement is shelter care, a group home and if so, the range of the child population in the home, a residential treatment facility, a hospital or institution providing medical, rehabilitative, or psychiatric care, a setting specializing in providing pre-
natal, post-partum, or parenting supports, or some other kind of child-care institution and if so, what kind;

(II) the number of children in the placement setting and the age, race, ethnicity, and gender of each of the children;

(III) for each child in the placement setting, the length of the placement of the child in the setting, whether the placement of the child in the setting is the first placement of the child and if not, the number and type of previous placements of the child, and whether the child has special needs or another diagnosed mental or physical illness or condition; and

(IV) the extent of any specialized education, treatment, counseling, or other services provided in the setting; and

(ii) separately, the number and ages of children in the placements who have a permanency plan of another planned permanent living arrangement; and

(B) children in foster care who are pregnant or parenting.

(b) Consultation on other issues

The Secretary shall consult with States and organizations with an interest in child welfare, including organizations that provide adoption and foster care services, and shall take into account requests from Members of Congress, in selecting other issues to be analyzed and reported on under this section using data available to the Secretary, including data reported by States through the Adoption and Foster Care Analysis and Reporting System and to the National Youth in Transition Database.


AMENDMENTS

2011—Par. (6)(B), (C). Pub. L. 112–34 added subpar. (B) and redesignated former subpar. (B) as (C).


EFFECTIVE DATE OF 2018 AMENDMENT

Amendment by Pub. L. 115–123 effective as if enacted on Jan. 1, 2018, subject to transition rule and State waiver provisions, see section 50746 of Pub. L. 115–123, set out as a note under section 622 of this title.

EFFECTIVE DATE OF 2011 AMENDMENT

Amendment by Pub. L. 112–34 effective Oct. 1, 2011, and applicable to payments under this part and part B of this subchapter for calendar quarters beginning on or after such date, without regard to whether implementing regulations have been promulgated, and with delay permitted if State legislation is required to meet additional requirements, see section 107 of Pub. L. 112–34, set out as a note under section 622 of this title.

EFFECTIVE DATE OF 2006 AMENDMENT

Amendment by Pub. L. 109–288 effective Oct. 1, 2006, and applicable to payments under this part and part B of this subchapter for calendar quarters beginning on or after such date, without regard to whether implementing regulations have been promulgated, and with delay permitted if State legislation is required to meet additional requirements, see section 12(a), (b) of Pub. L. 109–288, set out as a note under section 622 of this title.

EFFECTIVE DATE

Section effective Nov. 19, 1997, except as otherwise provided, with delay permitted if State legislation is required, see section 501 of Pub. L. 105–89, set out as an Effective Date of 1997 Amendments note under section 622 of this title.

DEVELOPMENT OF PERFORMANCE-BASED INCENTIVE SYSTEM

Pub. L. 105–89, title II, § 203(b), Nov. 19, 1997, 111 Stat. 2127, provided that: “The Secretary of Health and Human Services, in consultation with State and local public officials responsible for administering child welfare programs and child welfare advocates, shall study, develop, and recommend to Congress an incentive system to provide payments under parts B and E of title IV of the Social Security Act (42 U.S.C. 660 et seq., 670 et seq.) to any State based on the State’s performance under such a system. Such a system shall, to the extent the Secretary determines feasible and appropriate, be based on the annual report required by section 479A of the Social Security Act (as added by this title) and any proposed modifications of the annual report. Not later than 6 months after the date of the enactment of this Act [Nov. 19, 1997], the Secretary shall submit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate a progress report on the feasibility, timetable, and consultation process for conducting such a study. Not later than 15 months after such date of enactment, the Secretary shall submit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate the final report on a performance-based incentive system. The report may include other recommendations for restructuring the program and payments under parts B and E of title IV of the Social Security Act.”

§ 679c. Programs operated by Indian tribal organizations

(a) Definitions of Indian tribe; tribal organizations

In this section, the terms “Indian tribe” and “tribal organization” have the meanings given those terms in section 5304 of title 25.

(b) Authority

Except as otherwise provided in this section, this part shall apply in the same manner as this
part applies to a State to an Indian tribe, tribal organization, or tribal consortium that elects to operate a program under this part and has a plan approved by the Secretary under section 671 of this title in accordance with this section.

(c) Plan requirements

(1) In general

An Indian tribe, tribal organization, or tribal consortium that elects to operate a program under this part shall include with its plan submitted under section 671 of this title the following:

(A) Financial management

Evidence demonstrating that the tribe, organization, or consortium has not had any uncorrected significant or material audit exceptions under Federal grants or contracts that directly relate to the administration of social services for the 3-year period prior to the date on which the plan is submitted.

(B) Service areas and populations

For purposes of complying with section 671(a)(3) of this title, a description of the service area or areas and populations to be served under the plan and an assurance that the plan shall be in effect in all service area or areas and for all populations served by the tribe, organization, or consortium.

(C) Eligibility

(i) In general

Subject to clause (ii) of this subparagraph, an assurance that the plan will provide:

(I) foster care maintenance payments under section 672 of this title only on behalf of children who satisfy the eligibility requirements of section 672(a) of this title;

(II) adoption assistance payments under section 673 of this title pursuant to adoption assistance agreements only on behalf of children who satisfy the eligibility requirements for such payments under that section;

(III) at the option of the tribe, organization, or consortium, kinship guardianship assistance payments in accordance with section 673(d) of this title only on behalf of children who meet the requirements of section 673(d)(3) of this title; and

(IV) at the option of the tribe, organization, or consortium, services and programs specified in section 671(e)(1) of this title to children described in section 671(e)(2) of this title and their parents or kin caregivers, in accordance with section 671(e) of this title and subparagraph (E).

(ii) Satisfaction of foster care eligibility requirements

For purposes of determining whether a child whose placement and care are the responsibility of an Indian tribe, tribal organization, or tribal consortium with a plan approved under section 671 of this title in accordance with this section satisfies the requirements of section 672(a) of this title, the following shall apply:

(I) Use of affidavits, etc.

Only with respect to the first 12 months for which such plan is in effect, the requirement in paragraph (1) of section 672(a) of this title shall not be interpreted so as to prohibit the use of affidavits or nunc pro tunc orders as verification documents in support of the reasonable efforts and contrary to the welfare of the child judicial determinations required under that paragraph.

(II) AFDC eligibility requirement

The State plan approved under section 602 of this title (as in effect on July 16, 1996) of the State in which the child resides at the time of removal from the home shall apply to the determination of whether the child satisfies section 672(a)(3) of this title.

(D) Option to claim in-kind expenditures from third-party sources for non-Federal share of administrative and training costs during initial implementation period

Only for fiscal year quarters beginning after September 30, 2009, and before October 1, 2014, a list of the in-kind expenditures (which shall be fairly evaluated, and may include plants, equipment, administration, or services) and the third-party sources of such expenditures that the tribe, organization, or consortium may claim as part of the non-Federal share of administrative or training expenditures attributable to such quarters for purposes of receiving payments under section 674(a)(3) of this title. The Secretary shall permit a tribe, organization, or consortium to claim in-kind expenditures from third party sources for such purposes during such quarters subject to the following:

(i) No effect on authority for tribes, organizations, or consortia to claim expenditures or indirect costs to the same extent as States

Nothing in this subparagraph shall be construed as preventing a tribe, organization, or consortium from claiming any expenditures or indirect costs for purposes of receiving payments under section 674(a)(3) of this title that a State with a plan approved under section 671(a) of this title could claim for such purposes.

(ii) Fiscal year 2010 or 2011

(I) Expenditures other than for training

With respect to amounts expended during a fiscal year quarter beginning after September 30, 2009, and before October 1, 2011, for which the tribe, organization, or consortium is eligible for payments under subparagraph (C), (D), or (E) of section 674(a)(3), not more than 25 percent of such amounts may consist of in-kind expenditures from third-party sources specified in the list required under this subparagraph to be submitted with the plan.
(II) Training expenditures

With respect to amounts expended during a fiscal year quarter beginning after September 30, 2009, and before October 1, 2011, for which the tribe, organization, or consortium is eligible for payments under subparagraph (A) or (B) of section 674(a)(3) of this title, not more than 12 percent of such amounts may consist of in-kind expenditures from third-party sources that are specified in such list and described in subclause (III).

(III) Sources described

For purposes of subclause (II), the sources described in this subclause are the following:

(aa) A State or local government.

(bb) An Indian tribe, tribal organization, or tribal consortium other than the tribe, organization, or consortium submitting the plan.

(cc) A public institution of higher education.

(dd) A Tribal College or University (as defined in section 1059c of title 20).

(ee) A private charitable organization.

(iii) Fiscal year 2012, 2013, or 2014

(I) In general

Except as provided in subclause (II) of this clause and clause (v) of this subparagraph, with respect to amounts expended during any fiscal year quarter beginning after September 30, 2011, and before October 1, 2014, for which the tribe, organization, or consortium is eligible for payments under any subparagraph of section 674(a)(3) of this title, the only in-kind expenditures from third-party sources that may be claimed by the tribe, organization, or consortium for purposes of determining the non-Federal share of such expenditures (without regard to whether the expenditures are specified on the list required under this subparagraph to be submitted with the plan) are in-kind expenditures that are specified in regulations promulgated by the Secretary under section 301(e)(2) of the Fostering Connections to Success and Increasing Adoptions Act of 2008 and are from an applicable third-party source specified in such regulations, and do not exceed the applicable percentage for claiming such in-kind expenditures specified in the regulations.

(II) Transition period for early approved tribes, organizations, or consortia

Subject to clause (v), if the tribe, organization, or consortium is an early approved tribe, organization, or consortium (as defined in subclause (III) of this clause), the Secretary shall not require the tribe, organization, or consortium to comply with such regulations before October 1, 2013. Until the earlier of the date such tribe, organization, or consortium comes into compliance with such regulations or October 1, 2013, the limitations on the claiming of in-kind expenditures from third-party sources under clause (ii) shall continue to apply to such tribe, organization, or consortium (without regard to fiscal limitation) for purposes of determining the non-Federal share of amounts expended by the tribe, organization, or consortium during any fiscal year quarter that begins after September 30, 2011, and before such date of compliance or October 1, 2013, whichever is earlier.

(III) Definition of early approved tribe, organization, or consortium

For purposes of subclause (II) of this clause, the term “early approved tribe, organization, or consortium” means an Indian tribe, tribal organization, or tribal consortium that had a plan approved under section 671 of this title in accordance with this section for any quarter of fiscal year 2010 or 2011.

(iv) Fiscal year 2015 and thereafter

Subject to clause (v) of this subparagraph, with respect to amounts expended during any fiscal year quarter beginning after September 30, 2014, for which the tribe, organization, or consortium is eligible for payments under any subparagraph of section 674(a)(3) of this title, in-kind expenditures from third-party sources may be claimed for purposes of determining the non-Federal share of expenditures under any subparagraph of such section 674(a)(3) only in accordance with the regulations promulgated by the Secretary under section 301(e)(2) of the Fostering Connections to Success and Increasing Adoptions Act of 2008.

(v) Contingency rule

If, at the time expenditures are made for a fiscal year quarter beginning after September 30, 2011, and before October 1, 2014, for which a tribe, organization, or consortium may receive payments for an Indian tribe, tribal organization, or tribal consortium that had a plan approved under section 674(a)(3) of this title, no regulations required to be promulgated under section 301(e)(2) of the Fostering Connections to Success and Increasing Adoptions Act of 2008 are in effect, and no legislation has been enacted specifying otherwise—

(I) in the case of any quarter of fiscal year 2012, 2013, or 2014, the limitations on claiming in-kind expenditures from third-party sources under clause (ii) of this subparagraph shall apply (without regard to fiscal limitation) for purposes of determining the non-Federal share of such expenditures; and

(II) in the case of any quarter of fiscal year 2013 or any fiscal year thereafter, no tribe, organization, or consortium may claim in-kind expenditures from third-party sources for purposes of determining the non-Federal share of such expenditures if a State with a plan ap-

---

1 So in original.
§ 679c

tribal foster family homes and tribal child care

authorities which shall be responsible for establishing and maintaining tribal standards for tribal foster family homes and tribal child care institutions.

The Secretary shall specify the requirements applicable to the provision of the services and programs for children and their parents and kin caregivers under the plan, the Secretary shall specify the requirements applicable to the provision of the services and programs. The requirements shall, to the greatest extent practicable, be consistent with the requirements applicable to States under section 671(e) of this title and shall permit the provision of the services and programs in the form of services and programs that are adapted to the culture and context of the tribal communities served.

(2) Clarification of tribal authority to establish standards for tribal foster family homes and tribal child care institutions

For purposes of complying with section 671(a) of this title, an Indian tribe, tribal organization, or tribal consortium shall establish and maintain a tribal authority or authorities which shall be responsible for establishing and maintaining tribal standards for tribal foster family homes and tribal child care institutions.

(3) Consortium

The Department of Health and Human Services (in this section referred to as the Department) shall allow for consideration of factors unique to the provision of the services by tribes, organizations, or consortia.

(ii) Performance measures

The Secretary shall establish specific performance measures for each tribe, organization, or consortium that elects to provide services and programs specified in section 671(e)(1) of this title to children described in section 671(e)(2) of this title and their parents or kin caregivers under the plan, the Secretary shall specify the requirements applicable to the provision of the services and programs. The requirements shall, to the greatest extent practicable, be consistent with the requirements applicable to States under section 671(e) of this title and shall permit the provision of the services and programs in the form of services and programs that are adapted to the culture and context of the tribal communities served.

(2) Clarification of tribal authority to establish standards for tribal foster family homes and tribal child care institutions

For purposes of complying with section 671(a) of this title, an Indian tribe, tribal organization, or tribal consortium shall establish and maintain a tribal authority or authorities which shall be responsible for establishing and maintaining tribal standards for tribal foster family homes and tribal child care institutions.

(3) Consortium

The participating Indian tribes or tribal organizations of a tribal consortium may develop and submit a single plan under section 671 of this title that meets the requirements of this section.

(4) Inapplicability of State plan requirement to have in effect procedures providing for the use of an electronic interstate case-processing system

The requirement in section 671(a)(25) of this title that a State plan provide that the State shall have in effect procedures providing for the use of an electronic interstate case-processing system shall not apply to an Indian tribe, tribal organization, or tribal consortium that elects to operate a program under this part.

(d) Determination of Federal medical assistance percentage

(1) Per capita income

For purposes of determining the Federal medical assistance percentage applicable to an Indian tribe, a tribal organization, or a tribal consortium under paragraphs (1), (2), (5), and (6)(A) of section 674(a) of this title, the calculation of the per capita income of the Indian tribe, tribal organization, or tribal consortium shall be based upon the service population of the Indian tribe, tribal organization, or tribal consortium, except that in no case shall an Indian tribe, a tribal organization, or a tribal consortium receive less than the Federal medical assistance percentage for any State in which the tribe, organization, or consortium is located.

(2) Consideration of other information

Before making a calculation under paragraph (1), the Secretary shall consider any information submitted by an Indian tribe, a tribal organization, or a tribal consortium that the Indian tribe, tribal organization, or tribal consortium considers relevant to making the calculation of the per capita income of the Indian tribe, tribal organization, or tribal consortium.

(e) Nonapplication to cooperative agreements and contracts

Any cooperative agreement or contract entered into between an Indian tribe, a tribal organization, or a tribal consortium and a State for the administration or payment of funds under this part that is in effect as of October 7, 2008, shall remain in full force and effect, subject to the right of either party to the agreement or contract to revoke or modify the agreement or contract pursuant to the terms of the agreement or contract. Nothing in this section shall be construed as affecting the authority for an Indian tribe, a tribal organization, or a tribal consortium and a State to enter into a cooperative agreement or contract for the administration or payment of funds under this part.

(f) John H. Chafee Foster Care Independence Program

Except as provided in section 677(j) of this title, subsection (b) of this section shall not apply with respect to the John H. Chafee Foster Care Independence Program established under section 677 of this title (or with respect to payments made under section 674(a)(4) of this title or grants made under section 674(e) of this title).

(g) Rule of construction

Nothing in this section shall be construed as affecting the application of section 672(b) of this title to a child on whose behalf payments are paid under section 672 of this title, or the application of section 673(b) of this title to a child on whose behalf payments are paid under section 673 of this title pursuant to an adoption assistance agreement or a kinship guardianship assistance agreement, by an Indian tribe, tribal organization, or tribal consortium that elects to operate a foster care and adoption assistance program in accordance with this section.

References in Text
Section 301(e)(2) of the Fostering Connections to Success and Increasing Adoptions Act of 2008, refer to in subsec. (c)(1)(D)(iii)(I), (iv), (v), is section 301(e)(2) of Pub. L. 110–351, which is set out as a note under section 671 of this title.

AMENDMENTS

Effective Date of 2018 Amendment

Effective Date
Section effective Oct. 1, 2009, without regard to whether implementing regulations have been promulgated, see section 301(f) of Pub. L. 110–351, set out as a note under section 601 of this title.

Enactment of this section effective Oct. 7, 2008, except as otherwise provided, and applicable to payments under this part and part B of this subchapter for quarters beginning on or after effective date of enactment, with delay permitted if State legislation is required to meet additional requirements, see section 601 of Pub. L. 110–351, set out as an Effective Date of 2008 Amendment note under section 671 of this title.

Construction
For construction of section, see section 301(d) of Pub. L. 110–351, set out as a note under section 671 of this title.

PART F—JOB OPPORTUNITIES AND BASIC SKILLS TRAINING PROGRAM


Effective Date of Repeal
Repeal effective July 1, 1997, with transition rules relating to State options to accelerate such date, rules relating to claims, actions, and proceedings commenced before such date, rules relating to closing out of accounts for terminated or substantially modified programs and continuance in office of Assistant Secretary for Family Support, and provisions relating to termination of entitlement under AFDC program, see section 116 of Pub. L. 104–193, as amended, set out as an Effective Date note under section 601 of this title.

SUBCHAPTER V—MATERNAL AND CHILD HEALTH SERVICES BLOCK GRANT

CODIFICATION

§ 701. Authorization of appropriations; purposes; definitions
(a) To improve the health of all mothers and children consistent with the applicable health status goals and national health objectives established by the Secretary under the Public Health Service Act [42 U.S.C. 201 et seq.] for the number of low income children receiving health assessments and follow-up diagnostic and treatment services, and otherwise to promote the health of children by providing preventive and primary care services for low income children;

(b) To reduce infant mortality and the incidence of preventable diseases and handicapping conditions among children, to reduce the need for inpatient and long-term care services, to increase the number of children (especially preschool children) appropriately immunized against disease and the number of low income children receiving health assessments and follow-up diagnostic and treatment services, and otherwise to promote the health of mothers and infants by providing prenatal, delivery, and postpartum care for low income, at-risk pregnant women, and to promote the health of children by providing preventive and primary care services for low income children;

(c) To provide rehabilitation services for blind and disabled individuals under the age of 16 receiving benefits under subchapter XVI, to the extent medical assistance for such services is not provided under subchapter XIX; and

(d) To provide and to promote family-centered, community-based, coordinated care (including care coordination services, as defined in subsection (b)(3)) for children with special health care needs and to facilitate the development of community-based systems of services for such children and their families;
(2) for the purpose of enabling the Secretary (through grants, contracts, or otherwise) to provide for special projects of regional and national significance, research, and training with respect to maternal and child health and children with special health care needs (including early intervention training and services development), for genetic disease testing, counseling, and information development and dissemination programs, for grants (including funding for comprehensive hemophilia diagnostic treatment centers) relating to hemophilia without regard to age, and for the screening of newborns for sickle cell anemia, and other genetic disorders and follow-up services; and

(3) subject to section 702(b) of this title for the purpose of enabling the Secretary (through grants, contracts, or otherwise) to provide for developing and expanding the following:

(A) maternal and infant health home visiting programs in which case management services as defined in subparagraphs (A) and (B) of subsection (b)(4), health education services, and related social support services are provided in the home to pregnant women or families with an infant up to the age one by an appropriate health professional or by a qualified nonprofessional acting under the supervision of a health care professional,

(B) projects designed to increase the participation of obstetricians and pediatricians under the program under this subchapter and under state 1 plans approved under subchapter XIX,

(C) integrated maternal and child health service delivery systems (of the type described in section 1320b–2 of the Omnibus Budget Reconciliation Act of 1989),

(D) maternal and child health centers which (i) provide prenatal, delivery, and postpartum care for pregnant women and preventive and primary care services for infants up to age one, and (ii) operate under the direction of a not-for-profit hospital,

(E) maternal and child health projects to serve rural populations, and

(F) outpatient and community based services programs (including day care services) for children with special health care needs whose medical services are provided primarily through inpatient institutional care.

Funds appropriated under this section may only be used in a manner consistent with the Assisted Suicide Funding Restriction Act of 1997 [42 U.S.C. 14401 et seq.].

(b) For purposes of this subchapter:

(1) The term "consolidated health programs" means the programs administered under the provisions of—

(A) this subchapter (relating to maternal and child health and services for children with special health care needs),

(B) section 1392c(c) of this title (relating to supplemental security income for disabled children),

(C) sections 247a of this title (relating to lead-based paint poisoning prevention programs), 300b of this title (relating to genetic disease programs), 300c–11 of this title (relating to sudden infant death syndrome programs) and 300c–21 of this title (relating to hemophilia treatment centers), and

(D) title VI of the Health Services and Centers Amendments of 1978 (Public Law 95–626; relating to adolescent pregnancy grants),

as such provisions were in effect before August 13, 1981.

(2) The term "low income" means, with respect to an individual or family, such an individual or family with an income determined to be below the income official poverty line defined by the Office of Management and Budget and revised annually in accordance with section 9902(2) of this title.

(3) The term "care coordination services" means services to promote the effective and efficient organization and utilization of resources to assure access to necessary comprehensive services for children with special health care needs and their families.

(4) The term "case management services" means—

(A) with respect to pregnant women, services to assure access to quality prenatal, delivery, and postpartum care; and

(B) with respect to infants up to age one, services to assure access to quality preventive and primary care services.

(c)(1)(A) For the purpose of enabling the Secretary (through grants, contracts, or otherwise) to provide for special projects of regional and national significance for the development and support of family-to-family health information centers described in paragraph (2), there is appropriated to the Secretary, out of any money in the Treasury not otherwise appropriated—

(i) $3,000,000 for fiscal year 2007;

(ii) $4,000,000 for fiscal year 2008;

(iii) $5,000,000 for each of fiscal years 2009 through 2012; and

(iv) $6,000,000 for each of fiscal years 2013 through 2024.

(B) Funds appropriated or authorized to be appropriated under paragraph (A) shall—

(i) be in addition to amounts appropriated under subsection (a) and retained under section 702(a)(1) of this title for the purpose of carrying out activities described in subsection (a)(2); and

(ii) remain available until expended.

(2) The family-to-family health information centers described in this paragraph are centers that—

(A) assist families of children with disabilities or special health care needs to make informed choices about health care in order to promote good treatment decisions, cost-effec-
tiveness, and improved health outcomes for such children; 
(B) provide information regarding the health care needs of, and resources available for, such children;
(C) identify successful health delivery models for such children;
(D) develop with representatives of health care providers, managed care organizations, health care purchasers, and appropriate State agencies, a model for collaboration between families of such children and health professionals;
(E) provide training and guidance regarding caring for such children;
(F) conduct outreach activities to the families of such children, health professionals, schools, and other appropriate entities and individuals; and
(G) are staffed—
   (i) by such families who have expertise in Federal and State public and private health care systems; and
   (ii) by health professionals.

(3) The Secretary shall develop family-to-family health information centers described in paragraph (2) in accordance with the following:
   (A) With respect to fiscal year 2007, such centers shall be developed in not less than 25 States.
   (B) With respect to fiscal year 2008, such centers shall be developed in not less than 40 States.
   (C) With respect to fiscal year 2009 and each fiscal year thereafter, such centers shall be developed in all States, and with respect to fiscal year 2018 and each fiscal year thereafter, such centers shall also be developed in all territories and at least one such center shall be developed for Indian tribes.

(4) The provisions of this subchapter that are applicable to the funds made available to the Secretary under section 702(a)(1) of this title apply in the same manner to funds made available to the Secretary under paragraph (1)(A).

(5) For purposes of this subchapter—
   (A) the term "Indian tribe" has the meaning given such term in section 1603 of title 25;
   (B) the term "State" means each of the 50 States and the District of Columbia; and
   (C) the term "Territory" means Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Northern Mariana Islands.


REFERENCES IN TEXT
The Public Health Service Act, referred to in subsec. (a), is act July 1, 1944, ch. 373, 58 Stat. 682, which is classified generally to chapter 6A (§301 et seq.) of this title. For complete classification of this Act to the Code, see Short Title note set out under section 201 of this title and Tables.


Section 5650(a) of the Omnibus Budget Reconciliation Act of 1989, referred to in subsec. (a)(3)(C), is section 5650(a) of Pub. L. 101–239 which is set out below.


PRIOR PROVISIONS


**AMENDMENTS**


**EFFECTIVE DATE OF 1997 AMENDMENT**

Amendment by Pub. L. 105–12 effective Apr. 30, 1997, applicable to Federal payments made pursuant to obligations incurred after Apr. 30, 1997, for items and services provided on or after such date, subject to also being applicable with respect to contracts entered into, renewed, or extended after Apr. 30, 1997, as well as contracts entered into before Apr. 30, 1997, to the extent permitted under such contracts, see section 11 of Pub. L. 105–12, set out as an Effective Date note under section 14401 of this title.

**EFFECTIVE DATE OF 1989 AMENDMENT**

Pub. L. 101–239, title VI, § 6510, Dec. 19, 1989, 103 Stat. 2284, provided that: “(a) IN GENERAL.—Except as provided in subsection (b), the amendments made by section 9902 of this title (§§ 6501–6510) of title VI of Pub. L. 101–239, amending this section and sections 702 to 706, 708, and 709 of this title shall apply to appropriations for fiscal years beginning with fiscal year 1990.

(b) APPLICATION AND REPORT—The amendments made—

“(1) by subsections (b) and (c) of section 6503 [amending sections 702, 704 to 706, and 709 of this title] shall apply to payments for allotments for fiscal years beginning with fiscal year 1991, and

“(2) by section 6504 [amending section 706 of this title] shall apply to annual reports for fiscal years beginning with fiscal year 1991.”

**EFFECTIVE DATE OF 1984 AMENDMENT**

Pub. L. 98–369, div. B, title III, § 3272(b), July 18, 1984, 98 Stat. 1111, provided that: “The amendment made by subsection (a) [amending this section] shall be effective for fiscal years beginning on or after October 1, 1983.”

**EFFECTIVE DATE OF 1982 AMENDMENT**

Amendment by Pub. L. 97–248 effective as if originally included as part of this section as this section was amended by the Omnibus Budget Reconciliation Act of 1981, Pub. L. 97–35, see section 1396a of this title, set out as a note under section 1396a of this title.

**EFFECTIVE DATE, SAVINGS, AND TRANSITIONAL PROVISIONS**

Pub. L. 97–35, title XXI, § 2194, Aug. 13, 1981, 95 Stat. 828, provided that: “(a) Except as otherwise provided in this section, the amendments made by sections 1291 and 1292 of this title and sections 1294 to 1296 of this title do not apply to any grant made, or contract entered into, or amounts payable to States under State plans before the earlier of—

“(1) October 1, 1982, or

“(2)(A) in the case of such grants, contracts, or payments under consolidated State programs (as defined in subsection (c)(2)(C) to a State (or entities in the State), the date the State is first entitled to an allotment under title V of the Social Security Act (42 U.S.C. 701 et seq.) (as amended by this subtitle), or

“(B) in the case of grants and contracts under consolidated Federal programs (as defined in subsection (c)(2)(B)), October 1, 1981, or such later date (before October 1, 1982) as the Secretary determines to be appropriate.

The amendment made by subsection (a) [amending this section] takes effect on October 1, 2000.”
TITLE 42—THE PUBLIC HEALTH AND WELFARE

"(b)(1) The Secretary of Health and Human Services (hereinafter in this section referred to as the 'Secretary') may not provide for any allotment to a State under title V of the Social Security Act [42 U.S.C. 701 et seq.] (as amended by this subtitle) for a calendar quarter in fiscal year 1982 unless the State has notified the Secretary, at least 30 days (or 15 days in the case of any other provision of law) before the beginning of the calendar quarter, that the State requests an allotment for that calendar quarter (and subsequent calendar quarters).

"(2)(A) Any grants or contracts entered into under the authorities of the consolidated State programs (as defined in subsection (c)(2)(C)) after the date of the enactment of this subtitle, shall permit the termination of such grant or contract upon three months notice by the State in which the grantee or contractor is located.

"(B) The Secretary shall not make or renew any grants or contracts under the provisions of the consolidated State programs (as defined in subsection (c)(2)(C)) to a State (or an entity in the State) after the date the State becomes entitled to an allotment of funds under title V of the Social Security Act (as amended by this subtitle).

"(C) The term 'consolidated Federal programs' means the consolidated health programs, other than the consolidated Federal programs.

"(d) The provisions of chapter 2 of subtitle C of title XVII of this Act (sections 1741-1746 of Pub. L. 97–35, which were repealed and reenacted as section 7301-7305 of Title 31, Money and Finance, by Pub. L. 97–258, Sept. 13, 1982, 96 Stat. 877) shall not apply to this subtitle (or the programs under the amendments made by this title (probably should be subtitle)) and, specifically, section 1745 of this Act (set out as a note under section 1243 of Title 31) shall not apply to financial and compliance audits conducted under section 506(b) of the Social Security Act [42 U.S.C. 706(b)] (as amended by this subtitle)."

DEVELOPMENT OF MODEL APPLICATIONS FOR MATERNAL AND CHILD ASSISTANCE PROGRAMS

Pub. L. 101–239, title VI, §6506(a), Dec. 19, 1989, 103 Stat. 2281, directed Secretary of Health and Human Services to develop, not later than one year after Dec. 19, 1989, a model application form for use in applying for assistance for pregnant women and for children less than 6 years old under maternal and child assistance programs and required publication of model form in the Federal Register and dissemination of form to State agencies.

RESEARCH ON INFANT MORTALITY AND MEDICAID SERVICES

Pub. L. 101–239, title VI, §6507, Dec. 19, 1989, 103 Stat. 2282, provided that: "The Secretary of Health and Human Services shall develop a national data system for linking, for any infant up to age one—

"(1) the infant's birth record,

"(2) any death record for the infant, and

"(3) information on any claims submitted under title XIX of the Social Security Act [42 U.S.C. 1396 et seq.] for health care furnished to the infant or with respect to the birth of the infant."

DEMONSTRATION PROJECT ON HEALTH INSURANCE FOR MEDICALLY UNINSURED CHILDREN

Pub. L. 101–239, title VI, §6508, Dec. 19, 1989, 103 Stat. 2283, authorized Secretary of Health and Human Services to conduct not more than 4 demonstration projects to provide health insurance coverage through eligible plans to medically uninsured children under 19 years of age, further provided for definition of eligible plan, requirements for demonstration projects, including guarantee of insurance coverage for at least two years, provision of non-Federal funds, as well as further restrictions on insurance plans, and further provided for applications for projects, evaluation of projects by Secretary and report to Congress, and authorization of appropriations for each of fiscal years 1991, 1992, and 1993.

MATERNAL AND CHILD HEALTH HANDBOOK


"(a) In GENERAL.—

"(1) DEVELOPMENT.—The Secretary of Health and Human Services shall develop a maternal and child health handbook in consultation with the National Commission to Prevent Infant Mortality and public and private organizations interested in the health and welfare of mothers and children.

"(2) FIELD TESTING AND EVALUATION.—The Secretary shall complete publication of the handbook for field testing by July 1, 1990, and shall complete field testing and evaluation by June 1, 1991.

"(3) AVAILABILITY AND DISTRIBUTION.—The Secretary shall make the handbook available to preg-
nant women and families with young children, and shall provide copies of the handbook to maternal and child health programs (including maternal and child health clinics supported through either title V or title XIX of the Social Security Act [42 U.S.C. 701 et seq., 1396 et seq.], community and migrant health centers under sections 329 and 330 of the Public Health Service Act [former 42 U.S.C. 254b, 254c], the grant program for the homeless under section 340 of the Public Health Service Act [former 42 U.S.C. 256], the ‘WIC’ program under section 17 of the Child Nutrition Act of 1966 [42 U.S.C. 2950], and the head start program under the Head Start Act [42 U.S.C. 9831 et seq.]) that serve high-risk women. The Secretary shall coordinate the distribution of the handbook with State maternal and child health departments, State and local public health clinics, private providers of obstetric and pediatric care, and community groups where applicable. The Secretary shall make efforts to involve private entities in the distribution of the handbook under this paragraph.

“(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated $1,000,000 for each of fiscal years 1991, 1992, and 1993, for carrying out the purposes of this section.”

§ 702. Allotment to States and Federal set-aside

(a) Special projects

(1) Of the amounts appropriated under section 701(a) of this title for a fiscal year that are not in excess of $600,000,000, the Secretary shall retain an amount equal to 15 percent for the purpose of carrying out activities described in section 701(a)(2) of this title. The authority of the Secretary to enter into any contracts under this subchapter is effective for any fiscal year only to such extent or in such amounts as are provided in appropriations Acts.

(2) For purposes of paragraph (1)—

(A) amounts retained by the Secretary for training shall be used to make grants to public or nonprofit private institutions of higher learning for training personnel for health care and related services for mothers and children; and

(B) amounts retained by the Secretary for research shall be used to make grants to contracts with, or jointly financed cooperative agreements with, public or nonprofit institutions of higher learning and public or nonprofit private agencies and organizations engaged in research in or maternal and child health or programs for children with special health care needs for research projects relating to maternal and child health services for children with special health care needs which show promise of substantial contribution to the advancement thereof.

(3) No funds may be made available by the Secretary under this subchapter or subsection (b) unless an application therefor has been submitted to, and approved by, the Secretary. Such application shall be in such form, be submitted in such manner, and contain and be accompanied by such information as the Secretary may specify. No such application may be approved unless it contains assurances that the applicant will use the funds provided only for the purposes specified in the approved application and will establish such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement and accounting of Federal funds paid to the applicant under this subchapter.

(b) Excess funds; preference

(1) Of the amounts appropriated under section 701(a) of this title for a fiscal year in excess of $600,000,000 the Secretary shall retain an amount equal to 12% thereof for the projects described in subparagraphs (A) through (F) of section 701(a)(3) of this title.

(B) Any amount appropriated under section 701(a) of this title for a fiscal year in excess of $600,000,000 that remains after the Secretary has retained the applicable amount (if any) under subparagraph (A) shall be retained by the Secretary in accordance with subsection (a) and allocated to the States in accordance with subsection (c).

(2) (A) Of the amounts retained for the purpose of carrying out activities described in section 701(a)(3)(A), (B), (C), (D) and (E) of this title, the Secretary shall provide preference to qualified applicants which demonstrate that the activities to be carried out with such amounts shall be in areas with a high infant mortality rate (relative to the average infant mortality rate in the United States or in the State in which the area is located).

(B) In carrying out activities described in section 701(a)(3)(D) of this title, the Secretary shall not provide for developing or expanding a maternal and child health center unless the Secretary has received satisfactory assurances that there will be applied, towards the costs of such development or expansion, non-Federal funds in an amount at least equal to the amount of funds provided under this subchapter toward such development or expansion.

(c) Allotments to States

From the remaining amounts appropriated under section 701(a) of this title for any fiscal year that are not in excess of $600,000,000, the Secretary shall allot to each State which has transmitted an application for the fiscal year under section 705(a) of this title, an amount determined as follows:

(1) The Secretary shall determine, for each State—

(A)(i) the amount provided or allotted by the Secretary to the State and to entities in the State under the provisions of the consolidated health programs (as defined in section 701(b)(1) of this title), other than for any of the projects or programs described in subsection (a), from appropriations for fiscal year 1981,

(ii) the proportion that such amount for that State bears to the total of such amounts for all the States, and

(B)(i) the number of low income children in the State, and

(ii) the proportion that such number of children for that State bears to the total of such numbers of children for all the States.

(2) Each such State shall be allotted for each fiscal year an amount equal to the sum of—
A. the amount of the allotment to the State under this subsection in fiscal year 1983, and
B. the State's proportion (determined under paragraph (1)(B)(i)) of the amount by which the allotment available under this subsection for all the States for that fiscal year exceeds the amount that was available under this subsection for allotment for all the States for fiscal year 1983.

(d) Re-allotment of unallotted funds

(1) To the extent that all the funds appropriated under this subchapter for a fiscal year are not otherwise allotted to States either because all the States have not qualified for such allotments under section 705(a) of this title for the fiscal year or because some States have indicated in their descriptions of activities under section 705(a) of this title that they do not intend to use the full amount of such allotments, such excess shall be allotted among the remaining States in proportion to the amount otherwise allotted to such States for the fiscal year without regard to this paragraph.

(2) To the extent that all the funds appropriated under this subchapter for a fiscal year are not otherwise allotted to States because some State allotments for fiscal years beginning with fiscal year 1983 and transitional provisions, see section 2194 of Pub. L. 97–272, subsect. "(a)(1)", substituted "an application" for "a description of intended activities and statement of assurances" in introductory provisions.

Pub. L. 101–239, § 6502(a)(1)(A), substituted "$478,000,000" for "$478,000,000" in introductory provisions.

Pub. L. 101–239, § 6502(a)(3), redesignated subsec. (b) as (c) and struck out former subsec. (c) which related to special projects for children.


Subsec. (d)(1), Pub. L. 101–239, § 6503(c)(4), substituted "705(a)" for "705" in two places.

1986—Subsec. (a)(1). Pub. L. 99–509, § 941(b)(1), substituted "amounts appropriated under section 701(a) of this title for a fiscal year that are not in excess of $478,000,000" for "amount appropriated under section 701(a) of this title".


Subsec. (b). Pub. L. 99–509, § 941(b)(2), inserted "that are not in excess of $478,000,000" in introductory provisions and struck out par. (3) which read as follows:

"(A) To the extent that all the funds appropriated under this subchapter for a fiscal year are not otherwise allotted to States because some States have not qualified for such allotments under section 705 of this title for the fiscal year or because some States have indicated in their descriptions of activities under section 705 of this title that they do not intend to use the full amount of such allotments, such excess shall be allotted among the remaining States in proportion to the amount otherwise allotted to such States for the fiscal year without regard to this subparagraph.

"(B) To the extent that all the funds appropriated under this subchapter for a fiscal year are not otherwise allotted to States because some State allotments are offset under section 706(b)(2) of this title, such excess shall be allotted among the remaining States in proportion to the amount otherwise allotted to such States for the fiscal year without regard to this subparagraph."

Subsecs. (c), (d). Pub. L. 99–509, § 941(b)(3), added subsecs. (c) and (d).

Effective Date of 1989 Amendment
Amendment by section 6502(a) of Pub. L. 101–239 applicable to appropriations for fiscal years beginning with fiscal year 1990, and amendment by section 6503(c)(1), (4) of Pub. L. 101–239 applicable to payments for allotments for fiscal years beginning with fiscal year 1991, see section 6510(a), (b)(1) of Pub. L. 101–239, set out as a note under section 701 of this title.
§ 703. Payments to States

(a) Statutory provisions applicable

From the sums appropriated therefor and the allotments available under section 702(c) of this title, the Secretary shall make payments as provided by section 6503(a) of title 31 to each State provided such an allotment under section 702(c) of this title, for each quarter, of an amount equal to four-sevenths of the total of the sums expended by the State during such quarter in carrying out the provisions of this subchapter.

(b) Unobligated allotments

Any amount payable to a State under this subchapter from allotments for a fiscal year which remains unobligated at the end of such year shall remain available to such State for obligation during the next fiscal year. No payment may be made to a State under this subchapter from allotments for a fiscal year for expenditures made after the following fiscal year.

(c) Reduction of payments; fair market value of supplies or equipment, value of salaries, travel expenses, etc.

The Secretary, at the request of a State, may reduce the amount of payments under subsection (a) by—

(1) the fair market value of any supplies or equipment furnished the State, and

(2) the amount of the pay, allowances, and travel expenses of any officer or employee of the Government when detailed to the State and the amount of any other costs incurred in connection with the detail of such officer or employee, when the furnishing of supplies or equipment or the detail of an officer or employee is for the convenience of and at the request of the State and for the purpose of conducting activities described in section 705(a) of this title on a temporary basis. The amount by which any payment is so reduced shall be available for payment by the Secretary of the costs incurred in furnishing the supplies or equipment or in detailing the personnel, on which the reduction of the payment is based, and the amount shall be deemed to be part of the payment and shall be deemed to have been paid to the State.


PRIORITY

Prior Provisions


§ 703a. Omitted

CODIFICATION

Section, Pub. L. 90–132, title II, Nov. 8, 1967, 81 Stat. 494, which provided for approval by Secretary of any State plan which provided standards for professional obstetrical services in accordance with the laws of the State, was not repeated in the Department of Health, Education, and Welfare Appropriation Act, 1969. Similar provisions were contained in the following prior appropriation acts:


§ 704. Use of allotment funds

(a) Covered services

Except as otherwise provided under this section, a State may use amounts paid to it under section 703 of this title for the provision of health services and related activities (including planning, administration, education, and evaluation and including payment of salaries and other related expenses of National Health Service Corps personnel) consistent with its application transmitted under section 705(a) of this title.
(b) Restrictions

Amounts described in subsection (a) may not be used for—

(1) inpatient services, other than inpatient services provided to children with special health care needs or to high-risk pregnant women and infants and such other inpatient services as the Secretary may approve;

(2) cash payments to intended recipients of health services;

(3) the purchase or improvement of land, the purchase, construction, or permanent improvement (other than minor remodeling) of any building or other facility, or the purchase of major medical equipment;

(4) satisfying any requirement for the expenditure of non-Federal funds as a condition for the receipt of Federal funds;

(5) providing funds for research or training to any entity other than a public or nonprofit private entity; and

(6) payment for any item or service (other than an emergency item or service) furnished—

(A) by an individual or entity during the period when such individual or entity is excluded under this subchapter or subchapter XVIII, XIX, or XX pursuant to section 1320a–7, 1320a–7a, 1320c–5, or 1395u(j)(2) of this title, or

(B) at the medical direction or on the prescription of a physician during the period when the physician is excluded under this subchapter or subchapter XVIII, XIX, or XX pursuant to section 1320a–7, 1320a–7a, 1320c–5, or 1395u(j)(2) of this title and when the person furnishing such item or service knew or had reason to know of the exclusion (after a reasonable time period after reasonable notice has been furnished to the person).

The Secretary may waive the limitation contained in paragraph (3) upon the request of a State if the Secretary finds that there are extraordinary circumstances to justify the waiver and that granting the waiver will assist in carrying out this subchapter.

(c) Use of portion of funds

A State may use a portion of the amounts described in subsection (a) for the purpose of purchasing technical assistance from public or private entities if the State determines that such assistance is required in developing, implementing, and administering programs funded under this subchapter.

(d) Limitation on use of funds for administrative costs

Of the amounts paid to a State under section 703 of this title from an allotment for a fiscal year under section 702(c) of this title, not more than 10 percent may be used for administering the funds paid under such section.

 PRIOR PROVISIONS


AMENDMENTS


Pub. L. 101–239, §6503(a)(1), inserted “and including payment of salaries and other related expenses of National Health Service Corps personnel” after “education, and evaluation”.


1988—Subsec. (b)(6). Pub. L. 100–360, as amended, substituted “and including payment of salaries and other related expenses of National Health Service Corps personnel” for “education, and evaluation”.


1986—Subsec. (b)(6). Pub. L. 100–360, as amended, inserted “and including payment of salaries and other related expenses of National Health Service Corps personnel” after “education, and evaluation”.


 EFFECTIVE DATE OF 1989 AMENDMENT

Amendment by section 6503(a) of Pub. L. 101–239 applicable to appropriations for fiscal years beginning with fiscal year 1990, and amendment by section 6503(c)(2), (4) of Pub. L. 101–239 applicable to payments for allotments for fiscal years beginning with fiscal year 1991, see section 6510(a), (b)(1) of Pub. L. 101–239, set out as a note under section 701 of this title.

 EFFECTIVE DATE OF 1988 AMENDMENT

Amendment by section 6503(g) of Pub. L. 100–485, title VI, §608(g), Oct. 13, 1988, 102 Stat. 2424, provided that:

(1) The amendments made by subsections (a), (b), and (d) amending this section and sections 1320a–7, 1320a–7a, 1320b–10, 1320c–3, 1395i–2, 1395i–3, 1395j, 1395m, 1395u(j)(2) of this title and when the physician is excluded under this subchapter or subchapter XVIII, XIX, or XX pursuant to section 1320a–7, 1320a–7a, 1320c–5, or 1395u(j)(2) of this title "for "pursuant to section 1320a–7, 1320a–7a, 1320c–5, or 1395u(j)(2) of this title" for "pursuant to section 1320a–7, 1320a–7a, 1320c–5, or 1395u(j)(2) of this title".

Pub. L. 101–239, §6503(a)(1), inserted ‘‘and including payment of salaries and other related expenses of National Health Service Corps personnel’’ after ‘‘education, and evaluation’’. 1987 Amendment note below.

Amendments made by subsections (a), (b), and (c) of this section and the amendments made by section 6503(a) of Pub. L. 101–239 applicable to payments for allotments for fiscal years beginning with fiscal year 1991, see section 6510(a), (b)(1) of Pub. L. 101–239, set out as a note under section 701 of this title.
Amendment by Pub. L. 100–93 effective at end of fourteen-day period beginning Aug. 18, 1987, and inapplicable to administrative proceedings commenced before end of such period, see section 15(a) of Pub. L. 100–93, set out as a note under section 1320–7 of this title.

ENACTING PROVISIONS

Amendment by Pub. L. 100–93 effective as if included in the enactment of the Medicare Catastrophic Coverage Act of 1988 [Pub. L. 100–360], see section 411(a) of Pub. L. 100–360, set out as a Reference to OBRA; Effective Date note under section 106 of Title 42, and amending provisions set out as notes under sections 1320c–5, 1395b, 1395d, 1395e, 1395i–3, 1397d of this title, repealing section 1320a–2 of this title, and amending provisions set out as a note under section 1395k of this title, shall take effect on the date of the enactment of this Act [Oct. 13, 1988].

Codification

Section is from act July 5, 1952, popularly known as the Federal Security Agency Appropriation Act, 1953, and is not a part of the Social Security Act which comprises this chapter.

References in Text

Such title V, referred to in text, means title V of Act Aug. 14, 1955, which is classified generally to this subchapter. For complete classification of title V to the Code, see Tables.

Applicability of Block Grant Funds

(a) In order to be entitled to payments for allotments under section 702 of this title for a fiscal year, a State must prepare and transmit to the Secretary an application (in a standardized form specified by the Secretary) that—

(1) contains a statewide needs assessment (to be conducted every 5 years) that shall identify (consistent with the health status goals and national health objectives referred to in section 701(a) of this title) the need for—

(A) preventive and primary care services for pregnant women, mothers, and infants up to age one;

(B) preventive and primary care services for children; and

(C) services for children with special health care needs (as specified in section 701(a)(1)(D) of this title);

(2) includes for each fiscal year—

(A) a plan for meeting the needs identified by the statewide needs assessment under paragraph (1); and

(B) a description of how the funds allotted to the State under section 702(c) of this title will be used for the provision and coordination of services to carry out such plan that shall include—

(i) subject to paragraph (3), a statement of the goals and objectives consistent with the health status goals and national health objectives referred to in section 701(a) of this title for meeting the needs specified in the State plan described in subparagraph (A); and

(ii) an identification of the areas and localities in the State in which services are to be provided and coordinated;

(iii) an identification of the types of services to be provided and the categories or characteristics of individuals to be served; and

(iv) information the State will collect in order to prepare reports required under section 706(a) of this title;
(3) except as provided under subsection (b), provides that the State will use—

(A) at least 30 percent of such payment amounts for preventive and primary care services for children, and

(B) at least 30 percent of such payment amounts for services for children with special health care needs (as specified in section 701(a)(1)(D) of this title);

(4) provides that a State receiving funds for maternal and child health services under this subchapter shall maintain the level of funds being provided solely by such State for maternal and child health programs at a level at least equal to the level that such State provided for such programs in fiscal year 1989; and

(5) provides that—

(A) the State will establish a fair method (as determined by the State) for allocating funds allotted to the State under this subchapter among such individuals, areas, and localities identified under paragraph (1)(A) as needing maternal and child health services, and the State will identify and apply guidelines for the appropriate frequency and content of, and appropriate referral and followup with respect to, health care assessments and services financially assisted by the State under this subchapter and methods for assuring quality assessments and services;

(B) funds allotted to the State under this subchapter will only be used, consistent with section 706 of this title, to carry out the purposes of this subchapter or to continue activities previously conducted under the consolidated health programs (described in section 701(b)(1) of this title);

(C) the State will use—

(i) special consideration (where appropriate) for the continuation of the funding of special projects in the State previously funded under this subchapter (as in effect before August 31, 1981), and

(ii) a reasonable proportion (based upon the State’s previous use of funds under this subchapter) of such sums to carry out the purposes described in subparagraphs (A) through (D) of section 701(a)(1) of this title;

(D) if any charges are imposed for the provision of health services assisted by the State under this subchapter, such charges (i) will be pursuant to a public schedule of charges, (ii) will not be imposed with respect to services provided to low income mothers or children, and (iii) will be adjusted to reflect the income, resources, and family size of the individual provided the services;

(E) the State agency (or agencies) administering the State’s program under this subchapter will provide for a toll-free telephone number (and other appropriate methods) for the use of parents to access information about health care providers and practitioners who provide health care services under this subchapter and subchapter XIX and about other relevant health and health-related providers and practitioners; and

(F) the State agency (or agencies) administering the State’s program under this subchapter will—

(i) participate in the coordination of activities between such program and the early and periodic screening, diagnostic, and treatment program under section 1396d(a)(4)(B) of this title (including the establishment of periodicity and content standards for early and periodic screening, diagnostic, and treatment services), to ensure that such programs are carried out without duplication of effort,

(ii) participate in the arrangement and carrying out of coordination agreements described in section 1396a(a)(11) of this title (relating to coordination of care and services available under this subchapter and subchapter XIX),

(iii) participate in the coordination of activities within the State with programs carried out under this subchapter and related Federal grant programs (including supplemental food programs for mothers, infants, and children, related education programs, and other health, developmental disability, and family planning programs), and

(iv) provide, directly and through their providers and institutional contractors, for services to identify pregnant women and infants who are eligible for medical assistance under subparagraph (A) or (B) of section 1396a(l)(1) of this title and, once identified, to assist them in applying for such assistance.

The application shall be developed by, or in consultation with, the State maternal and child health agency and shall be made public within the State in such manner as to facilitate comment from any person (including any Federal or other public agency) during its development and after its transmittal.

(b) The Secretary may waive the requirements under subsection (a)(3) that a State’s application for a fiscal year provide for the use of funds for specific activities if for that fiscal year—

(1) the Secretary determines—

(A) on the basis of information provided in the State’s most recent annual report submitted under section 706(a)(1) of this title, that the State has demonstrated an extraordinary unmet need for one of the activities described in subsection (a)(3), and

(B) that the granting of the waiver is justified and will assist in carrying out the purposes of this subchapter; and

(2) the State provides assurances to the Secretary that the State will provide for the use of some amounts paid to it under section 703 of this title for the activities described in subparagraphs (A) and (B) of subsection (a)(3) and specifies the percentages to be substituted in each of such subparagraphs.
PRIOR PROVISIONS


AMENDMENTS
Subsec. (a). Pub. L. 101–239, § 6503(b)(2), (3), inserted “(a)” before “In order to be entitled” and “an application (in a standardized form specified by the Secretary)” after “must prepare and transmit to the Secretary”.
Subsec. (a)(1). Pub. L. 101–239, § 6503(b)(4), added par. (1) and struck out former par. (1) which read as follows: “a report describing the intended use of payments the State is to receive under this subchapter for the fiscal year, including (A) a description of those populations, areas, and localities in the State which the State has identified as needing maternal and child health services, (B) a statement of goals and objectives for meeting those needs, (C) information on the types of services to be provided and the categories or characteristics of individuals to be served, and (D) data the State intends to collect respecting activities conducted with such payments; and”.
Subsec. (a)(2) to (4). Pub. L. 101–239, § 6503(b)(4), added pars. (2) to (4) and redesignated former par. (2) as (5).
Subsec. (a)(5). Pub. L. 101–239, § 6503(b)(5)(A), (6), in introductory provisions, substituted “provides” for “a statement of assurances that represents to the Secretary” and in concluding provisions, substituted “The application shall be developed by, or in consultation with, the State maternal and child health agency and shall be made public within the State in such manner as to facilitate comment from any person (including any Federal or other public agency) during its development and after its transmittal” for “The description and statement shall be made public within the State in such manner as to facilitate comment from any person (including any Federal or other public agency) during development of the description and statement and after its transmittal. The description and statement shall be revised (consistent with this section) throughout the year as may be necessary to reflect substantial changes in any element of such description or statement, and any revision shall be subject to the requirements of the preceding sentence.”

Subsec. (a)(5)(A). Pub. L. 101–239, § 6503(b)(5)(B), substituted “will establish” for “will provide”.
Subsec. (a)(5)(C)(I). Pub. L. 101–239, § 6503(b)(5)(C), amended cl. (i) generally. Prior to amendment, cl. (i) read as follows: “a substantial proportion of the sums expended by the State for carrying out this subchapter for the provision of health services to mothers and children, with special consideration given (where appropriate) to the continuation of the funding of special projects in the State previously funded under this subchapter (as in effect before August 13, 1961), and”.

Subsec. (a)(5)(F)(I). Pub. L. 101–239, § 6503(b)(5)(F)(I), inserted “participate” before “in the coordination” and substituted “diagnostic” for “diagnosis” and “section 1396a(a)(4)(B) of this title (including the establishment of periodicity and content standards for early and periodic screening, diagnostic, and treatment services)” for “subchapter XIX of this chapter”.

Subsec. (2)(D). Pub. L. 97–248, § 137(b)(4), substituted “any charges are imposed” for “the State imposes any charges”.

EFFECTIVE DATE OF 1989 AMENDMENT
Amendment by section 6501(b) of Pub. L. 101–239 applicable to appropriations for fiscal years beginning with fiscal year 1990, and amendment by section 6503(b) of Pub. L. 101–239 applicable to payments for allotments for fiscal years beginning with fiscal year 1991, see section 6510(a), (b)(1) of Pub. L. 101–239, set out as a note under section 701 of this title.

EFFECTIVE DATE OF 1982 AMENDMENT
Amendment by section 137 of Pub. L. 97–248 effective as if originally included as part of this section as this section was amended by the Omnibus Budget Reconciliation Act of 1981, Pub. L. 97–35, see section 137(d)(2) of Pub. L. 97–248, set out as a note under section 1396a of this title.

§ 706. Administrative and fiscal accountability
(a) Annual reporting requirements; form, etc.
(1) Each State shall prepare and submit to the Secretary annual reports on its activities under this subchapter. Each such report shall be prepared by, or in consultation with, the State maternal and child health agency. In order properly to evaluate and to compare the performance of different States assisted under this subchapter and to assure the proper expenditure of funds under this subchapter, such reports shall be in such standardized form and contain such
(D) Information (by racial and ethnic group) on—

(i) the number of infants under one year of age who were in the State in the year, and

(ii) the number of such infants who were provided services under this subchapter or were entitled to benefits under the State plan under subchapter XIX or the State plan under subchapter XXI at any time during the year.

(E) Information on the number of—

(i) obstetricians,

(ii) family practitioners,

(iii) certified family nurse practitioners,

(iv) certified nurse midwives,

(v) pediatricians, and

(vi) certified pediatric nurse practitioners,

who were licensed in the State in the year.

For purposes of subparagraph (A), each of the following shall be considered to be a separate class of individuals: pregnant women, infants up to age one, children with special health care needs, other children under age 22, and other individuals.

(3) The Secretary shall annually transmit to the Committee on Energy and Commerce of the House of Representatives and the Committee on Finance of the Senate a report that includes—

(A) a description of each project receiving Federal funds provided, the number of individuals served or trained, as appropriate, under the project, and a summary of any formal evaluation conducted with respect to the project;

(B) a summary of the information described in paragraph (2)(A) reported by States;

(C) based on information described in paragraph (2)(B) supplied by the States under paragraph (1), a compilation of the following measures of maternal and child health in the United States and in each State:

(i) Information on—

(I) the rate of infant mortality, and

(II) the rate of low-birth-weight births.

(ii) Information on—

(I) the rate of maternal mortality,

(II) the rate of neonatal death,

(III) the rate of perinatal death,

(IV) the number of children with chronic illness and the type of illness,

(V) the proportion of infants born with fetal alcohol syndrome,

(VI) the proportion of infants born with drug dependency,

(VII) the proportion of women who deliver who do not receive prenatal care during the first trimester of pregnancy, and

(VIII) the proportion of children, who at their second birthday, have been vaccinated against each of measles, mumps, rubella, polio, diphtheria, tetanus, pertussis, Hib meningitis, and hepatitis B; and

(iii) information on such other indicators of maternal, infant, and child health care status as the Secretary may specify.

(C) Information (by racial and ethnic group) on—

(i) the number of deliveries in the State in the year, and

(ii) the number of such deliveries to pregnant women who were provided prenatal, delivery, or postpartum care under this subchapter or were entitled to benefits with respect to such deliveries under the State plan under subchapter XIX in the year.

1So in original.
(I) the number of deliveries in the State in the year, and
(II) the number of such deliveries to pregnant women who were provided prenatal, delivery, or postpartum care under this subchapter or were entitled to benefits with respect to such deliveries under the State plan under subchapter XIX in the year;

(D) based on information described in subparagraphs (C), (D), and (E) of paragraph (2) supplied by the States under paragraph (1), a compilation of the following information in the United States and in each State:

(i) Information on—
   (I) the number of deliveries in the year, and
   (II) the number of such deliveries to pregnant women who were provided prenatal, delivery, or postpartum care under this subchapter or were entitled to benefits with respect to such deliveries under a State plan under subchapter XIX in the year.
Information under this clause shall also be compiled by racial and ethnic group.

(ii) Information on—
   (I) the number of infants under one year of age in the year, and
   (II) the number of such infants who were provided services under this subchapter or were entitled to benefits under a State plan under subchapter XIX or the State plan under subchapter XXI at any time during the year.
Information under this clause shall also be compiled by racial and ethnic group.

(iii) Information on the number of—
   (I) obstetricians,
   (II) family practitioners,
   (III) certified family nurse practitioners,
   (IV) certified nurse midwives,
   (V) pediatricians, and
   (VI) certified pediatric nurse practitioners,
who were licensed in a State in the year; and

(E) an assessment of the progress being made to meet the health status goals and national health objectives referred to in section 701(a) of this title.

(b) Audits; implementation, standards, etc.

(1) Each State shall, not less often than once every two years, audit its expenditures from amounts received under this subchapter. Such State audits shall be conducted by an entity independent of the State agency administering a program funded under this subchapter in accordance with the Comptroller General’s standards for auditing governmental organizations, programs, activities, and functions and generally accepted auditing standards. Within 30 days following the completion of each audit report, the State shall submit a copy of that audit report to the Secretary.

(2) Each State shall repay to the United States amounts found by the Secretary, after notice and opportunity for a hearing to the State, not to have been expended in accordance with this subchapter and, if such repayment is not made, the Secretary may offset such amounts against the amount of any allotment to which the State is or may become entitled under this subchapter or may otherwise recover such amounts.

(3) The Secretary may, after notice and opportunity for a hearing, withhold payment of funds to any State which is not using its allotment under this subchapter in accordance with this subchapter. The Secretary may withhold such funds until the Secretary finds that the reason for the withholding has been removed and there is reasonable assurance that it will not recur.

(c) Public inspection of reports and audits

The State shall make copies of the reports and audits required by this section available for public inspection within the State.

(d) Access to books, records, etc.; creation of new records

(1) For the purpose of evaluating and reviewing the block grant established under this subchapter, the Secretary and the Comptroller General shall have access to any books, accounts, records, correspondence, or other documents that are related to such block grant, and that are in the possession, custody, or control of States, political subdivisions thereof, or any of their grantees.

(2) In conjunction with an evaluation or review under paragraph (1), no State or political subdivision thereof (or grantee of either) shall be required to create or prepare new records to comply with paragraph (1).

(3) For other provisions relating to deposit, accounting, reports, and auditing with respect to Federal grants to States, see section 6503(b) of title 31.

References in Text

Prior Provisions

Provisions similar to those comprising former section 706 were contained in sections 504 and 514 of act Aug. 14, 1935, ch. 531, title V, §49 Stat. 630, 632, as amended (formerly classified to sections 704 and 714 of this

*See References in Text note below.*

**AMENDMENTS**

1999—Subsec. (a)(2)(D)(ii), (3)(D)(ii)(II). Pub. L. 106–113 inserted “or the State plan under subchapter XXI” after “—subchapter XIX.”


1989—Subsec. (a)(1). Pub. L. 101–239, §6504(a)(1), inserted after first sentence “Each such report shall be prepared by, or in consultation with, the State maternal and child health agency.”, substituted “be in such standardized form and contain such information (including information described in paragraph (2))” for “be in such form and contain such information”, and substituted “(C) to describe the extent to which the State has met the goals and objectives it set forth under section 705(a)(2)(B)(I) of this title and the national health objectives referred to in section 701(a) of this title, and (D)” for “and of the progress made toward achieving the purposes of this subchapter, and (D)”.

Pub. L. 101–239, §6503(b), (c), (4), substituted “application transmitted under section 705(a) of this title” for “description and statement transmitted under section 705 of this title” in subpar. (C).


Subsec. (a)(3). Pub. L. 101–239, §6504(b), amended par. (3) generally. Prior to amendment, par. (3) read as follows: “The Secretary shall annually report to the Congress on activities funded under section 702(a) of this title and shall provide for transmittal of a copy of such report to each State.”

Pub. L. 101–239, §6504(a)(2), redesignated former par. (2) as (3).


**CHANGE OF NAME**

Committee on Energy and Commerce of House of Representatives served as referring to Committee on Committee of House of Representatives by section 1(a) of Pub. L. 104–14, set out as a note preceding section 21 of Title 2, The Congress. Committee on Commerce of House of Representatives changed to Committee on Energy and Commerce of House of Representatives, and jurisdiction over matters relating to securities and exchanges and insurance generally transferred to Committee on Financial Services of House of Representatives by House Resolution No. 5, One Hundred Seventh Congress, Jan. 3, 2001.

**EFFECTIVE DATE OF 1999 AMENDMENT**


**EFFECTIVE DATE OF 1989 AMENDMENT**

Amendment by section 6503(c)(3), (4) of Pub. L. 101–239 applicable to payments for allotments for fiscal years beginning with fiscal year 1991, and amendment by section 6504 of Pub. L. 101–239 applicable to annual reports for fiscal years beginning with fiscal year 1991, see section 6510(b) of Pub. L. 101–239, set out as a note under section 701 of this title.

**REPORTS TO CONGRESS; ACTIVITIES OF STATES RECEIVING ALLOTMENTS AND STUDY OF ALTERNATIVE FORMULAS FOR ALLOTMENT**

Pub. L. 97–35, title XXI, §2192(b), Aug. 13, 1981, 95 Stat. 826, provided that: “(I) The Secretary of Health and Human Services shall, no later than October 1, 1984, report to the Congress on the activities of States receiving allotments under title V of the Social Security Act (42 U.S.C. 701 et seq.) (as amended by this section) and include in such report any recommendations for appropriate changes in legislation.”

“(2) The Secretary of Health and Human Services, in consultation with the Comptroller General, shall examine alternative formulas, for the allotment of funds to States under section 502(b) of the Social Security Act (42 U.S.C. 702(b)) (as amended by this section) which might be used as a substitute for the method of allotting funds described in such section, which provide for the equitable distribution of such funds to States (as defined for purposes of such section), and which take into account—

“(A) the populations of the States, 

“(B) the number of live births in the States, 

“(C) the number of crippled children in the States, 

“(D) the number of low income mothers and children in the States, 

“(E) the financial resources of the various States, and 

“(F) such other factors as the Secretary deems appropriate, and shall report to the Congress thereon not later than June 30, 1982.”

**§ 707. Criminal penalty for false statements**

(a) Whoever—

(1) knowingly and willfully makes or causes to be made any false statement or representation of a material fact in connection with the furnishing of items or services for which payment may be made by a State from funds allotted to the State under this subchapter, or

(2) having knowledge of the occurrence of any event affecting his initial or continued right to any such payment conceals or fails to disclose such event with an intent fraudulently to secure such payment either in a greater amount than is due or when no such payment is authorized,

shall be fined not more than $25,000 or imprisoned for not more than five years, or both.

(b) For civil monetary penalties for certain submissions of false claims, see section 1320a–7a of this title.


**PRIOR PROVISIONS**


**§ 708. Nondiscrimination provisions**

(a) Federally funded activities

(1) For the purpose of applying the prohibitions against discrimination on the basis of age under the Age Discrimination Act of 1975 [42 U.S.C. 6101 et seq.], on the basis of handicap under section 504 of the Rehabilitation Act of
1973 [29 U.S.C. 794], on the basis of sex under title IX of the Education Amendments of 1972 [20 U.S.C. 1681 et seq.], or on the basis of race, color, or national origin under title VI of the Civil Rights Act of 1964 [42 U.S.C. 2000d et seq.], programs and activities funded in whole or in part with funds made available under this subchapter are considered to be programs and activities receiving Federal financial assistance.

(2) No person shall on the ground of sex or religion be excluded from participation in, be denied the benefits of, or be subject to discrimination under, any program or activity funded in whole or in part with funds made available under this subchapter.

(b) Complaince

Whenever the Secretary finds that a State, or an entity that has received a payment from an allotment to a State under section 702(c) of this title, has failed to comply with a provision of law referred to in subsection (a)(1), with subsection (a)(2), or with an applicable regulation (including one prescribed to carry out subsection (a)(2)), he shall notify the chief executive officer of the State and shall request him to secure compliance. If within a reasonable period of time, not to exceed sixty days, the chief executive officer fails or refuses to secure compliance, the Secretary may—

(1) refer the matter to the Attorney General with a recommendation that an appropriate civil action be instituted,

(2) exercise the powers and functions provided by title VI of the Civil Rights Act of 1964 [42 U.S.C. 2000d et seq.], the Age Discrimination Act of 1975 [42 U.S.C. 6101 et seq.], or section 504 of the Rehabilitation Act of 1973 [29 U.S.C. 794], as may be applicable, or

(3) take such other action as may be provided by law.

(c) Authority of Attorney General; civil actions

When a matter is referred to the Attorney General pursuant to subsection (b)(1), or whenever he has reason to believe that the entity is engaged in a pattern or practice in violation of a provision of law referred to in subsection (a)(1) or in violation of subsection (a)(2), the Attorney General may bring a civil action in any appropriate district court of the United States for such relief as may be appropriate, including injunctive relief.


REFERENCES IN TEXT


PRIOR PROVISIONS


AMENDMENTS

1989—Subsec. (b). Pub. L. 101–239 substituted “702(c) of this title” for “702(a) of this title” in introductory provisions.

EFFECTIVE DATE OF 1989 AMENDMENT

Amendment by Pub. L. 101–239 applicable to appropriations for fiscal years beginning with fiscal year 1990, see section 6510(a) of Pub. L. 101–239, set out as a note under section 701 of this title.

§ 709. Administration of Federal and State programs

(a) The Secretary shall designate an identifiable administrative unit with expertise in maternal and child health within the Department of Health and Human Services, which unit shall be responsible for—

(1) the Federal program described in section 702(a) of this title;

(2) promoting coordination at the Federal level of the activities authorized under this subchapter and under subchapter XIX of this chapter, especially early and periodic screening, diagnosis and treatment, related activities funded by the Departments of Agriculture and Education, and under health block grants and categorical health programs, such as immunizations, administered by the Secretary;

(3) disseminating information to the States in such areas as preventive health services and advances in the care and treatment of mothers and children;

(4) providing technical assistance, upon request, to the States in such areas as program planning, establishment of goals and objectives, standards of care, and evaluation and in developing consistent and accurate data collection mechanisms in order to report the information required under section 706(a)(2) of this title;

(5) in cooperation with the National Center for Health Statistics and in a manner that avoids duplication of data collection, collection, maintenance, and dissemination of information relating to the health status and health service needs of mothers and children in the United States;
(6) assisting in the preparation of reports to the Congress on the activities funded and accomplishments achieved under this subchapter from the information required to be reported by the States under sections 705(a) and 706 of this title; and

(7) assisting States in the development of care coordination services (as defined in section 701(b)(3) of this title); and

(8) developing and making available to the State agency (or agencies) administering the State’s program under this subchapter a national directory listing by State the toll-free numbers described in section 705(a)(5)(E) of this title.

(b) The State health agency of each State shall be responsible for the administration (or supervision of the administration) of programs carried out with allotments made to the State under this subchapter, except that, in the case of a State which on July 1, 1967, provided for administration (or supervision thereof) of the State plan under this subchapter (as in effect on such date) by a State agency other than the State health agency, that State shall be considered to comply the requirement of this sub-

Prior Provisions


Prior Provisions


Effective Date of 1989 Amendment

Amendment by section 6503(c)(4) of Pub. L. 101–239 applicable to payments for allotments for fiscal years beginning with fiscal year 1991, and amendment by section 6505 of Pub. L. 101–239 applicable to appropriations for fiscal years beginning with fiscal year 1990, see section 6510(a), (b)(1) of Pub. L. 101–239, set out as a note under section 701 of this title.

Report to Congress: Evaluation of Program

Pub. L. 89–97, title II, §206, July 30, 1965, 79 Stat. 354, authorized Secretary to submit to President for transmittal to Congress before July 1, 1966, a full report of administration of provisions of section 729–1 of this title, which was covered by former sections 701, 702(1)(B), and 709 of this title, together with an evaluation of program established thereby and his recommendations as to continuation of and modifications in that program.

§710. Sexual risk avoidance education

(a) In general

(1) Allotments to States

For the purpose described in subsection (b), the Secretary shall, for each of fiscal years 2018 and 2019 and for the period beginning October 1, 2018, and ending May 22, 2020, allot to each State which has transmitted an application for the fiscal year (or, with respect to such period, for fiscal year 2020) under section 705(a) of this title an amount equal to the product of—

(A) the amount appropriated pursuant to subsection (f)(1) for the fiscal year or period, minus the amount reserved under subsection (f)(2) for the fiscal year or period; and

(B) the proportion that the number of low-income children in the State bears to the total of such numbers of children for all the States.

(2) Other allotments

(A) Other entities

For the purpose described in subsection (b), the Secretary shall, for each of fiscal years 2018 and 2019 and for the period beginning October 1, 2018, and ending May 22, 2020, for any State which has not transmitted an application for the fiscal year (or, with respect to such period, for fiscal year 2020) under section 705(a) of this title, allot to one or more entities in the State an amount that would have been allotted to the State under paragraph (1) if the State had submitted such an application.

(B) Process

The Secretary shall select the recipients of allotments under subparagraph (A) by means of a competitive grant process under which—

(i) not later than 30 days after the deadline for the State involved to submit an application for the fiscal year (or, with respect to such period, for fiscal year 2020) under section 705(a) of this title, allot to one or more entities in the State the amount that would have been allotted to the State under paragraph (1) if the State had submitted such an application,

(ii) not later than 120 days after such deadline, all such applications must be submitted.
(b) Purpose

(1) In general

Except for research under paragraph (5) and information collection and reporting under paragraph (6), the purpose of an allotment under subsection (a) to a State (or to another entity in the State pursuant to subsection (a)(2)) is to enable the State or other entity to implement education exclusively on sexual risk avoidance (meaning voluntarily refraining from sexual activity).

(2) Required components

Education on sexual risk avoidance pursuant to an allotment under this section shall—

(A) ensure that the unambiguous and primary emphasis and context for each topic described in paragraph (3) is a message to youth that normalizes the optimal health behavior of avoiding nonmarital sexual activity;

(B) be medically accurate and complete;

(C) be age-appropriate;

(D) be based on adolescent learning and developmental theories for the age group receiving the education; and

(E) be culturally appropriate, recognizing the experiences of youth from diverse communities, backgrounds, and experiences.

(3) Topics

Education on sexual risk avoidance pursuant to an allotment under this section shall address each of the following topics:

(A) The holistic individual and societal benefits associated with personal responsibility, self-regulation, goal setting, healthy decisionmaking, and a focus on the future.

(B) The advantage of refraining from nonmarital sexual activity in order to improve the future prospects and physical and emotional health of youth.

(C) The increased likelihood of avoiding poverty when youth attain self-sufficiency and emotional maturity before engaging in sexual activity.

(D) The foundational components of healthy relationships and their impact on the formation of healthy marriages and safe and stable families.

(E) How other youth risk behaviors, such as drug and alcohol usage, increase the risk for teen sex.

(F) How to resist and avoid, and receive help regarding, sexual coercion and dating violence, recognizing that even with consent teen sex remains a youth risk behavior.

(4) Contraception

Education on sexual risk avoidance pursuant to an allotment under this section shall ensure that—

(A) any information provided on contraception is medically accurate and complete and ensures that students understand that contraception offers physical risk reduction, but not risk elimination; and

(B) the education does not include demonstrations, simulations, or distribution of contraceptive devices.

(5) Research

(A) In general

A State or other entity receiving an allotment pursuant to subsection (a) may use up to 20 percent of such allotment to build the evidence base for sexual risk avoidance education by conducting or supporting research.

(B) Requirements

Any research conducted or supported pursuant to subparagraph (A) shall be—

(i) rigorous;

(ii) evidence-based; and

(iii) designed and conducted by independent researchers who have experience in conducting and publishing research in peer-reviewed outlets.

(6) Information collection and reporting

A State or other entity receiving an allotment pursuant to subsection (a) shall, as specified by the Secretary—

(A) collect information on the programs and activities funded through the allotment; and

(B) submit reports to the Secretary on the data from such programs and activities.

(c) National evaluation

(1) In general

The Secretary shall—

(A) in consultation with appropriate State and local agencies, conduct one or more rigorous evaluations of the education funded through this section and associated data; and

(B) submit a report to the Congress on the results of such evaluations, together with a summary of the information collected pursuant to subsection (b)(6).

(2) Consultation

In conducting the evaluations required by paragraph (1), including the establishment of rigorous evaluation methodologies, the Secretary shall consult with relevant stakeholders and evaluation experts.

(d) Applicability of certain provisions

(1) Sections 703, 707, and 708 of this title apply to allotments under subsection (a) to the same extent and in the same manner as such sections apply to allotments under section 702(c) of this title, except that section 703(a) of this title shall be applied by substituting “the total of the sums” for “four-sevenths of the total of the sums”.

(2) Sections 705 and 706 of this title apply to allotments under subsection (a) to the extent determined by the Secretary to be appropriate.

(e) Definitions

In this section “age-appropriate” means suitable (in terms of topics, messages, and teaching methods) to the developmental and social maturity of the particular age or age group of children or adolescents, based on developing cognitive, emotional, and behavioral capacity typical for the age or age group.

The term “medically accurate and complete” means verified or supported by the
weight of research conducted in compliance with accepted scientific methods and—
(A) published in peer-reviewed journals, where applicable; or
(B) comprising information that leading professional organizations and agencies with relevant expertise in the field recognize as accurate, objective, and complete.

(3) The term “rigorous”, with respect to research or evaluation, means using—
(A) established scientific methods for measuring the impact of an intervention or program model in changing behavior (specifically sexual activity or other sexual risk behaviors), or reducing pregnancy, among youth; or
(B) other evidence-based methodologies established by the Secretary for purposes of this section.

(4) The term “youth” refers to one or more individuals who have attained age 10 but not age 20.

(f) Funding

(1) In general

To carry out this section, there is appropriated, out of any money in the Treasury not otherwise appropriated, $75,000,000 for each of fiscal years 2018 and 2019 and $48,287,671 for the period beginning October 1, 2019, and ending May 22, 2020.

(2) Reservation

The Secretary shall reserve, for each of fiscal years 2018 and 2019 and for the period described in paragraph (1), not more than 20 percent of the amount appropriated pursuant to paragraph (1) for administering the program under this section, including the conducting of national evaluations and the provision of technical assistance to the recipients of allotments.


Prior Provisions


Amendments


Pub. L. 116–94, § 1201(1)(A)(i), in introductory provisions, inserted “and for the period beginning October 1, 2019, and ending November 21, 2019” after “for each of fiscal years 2018 and 2019” and “(or, with respect to such period, for fiscal year 2020)” after “for the fiscal year”.


Pub. L. 116–94, § 1201(1)(B)(i), inserted “and for the period beginning October 1, 2019, and ending November 21, 2019” after “for each of fiscal years 2018 and 2019” and “(or, with respect to such period, for fiscal year 2020)” after “for the fiscal year”.

Subsec. (a)(2)(B)(i). Pub. L. 116–94, § 1201(1)(B)(ii), inserted “(or, with respect to such period, for fiscal year 2020)” after “for the fiscal year”.


Pub. L. 116–94, § 1201(2), substituted “$16,643,836 for the period beginning October 1, 2019, and ending December 20, 2019” for “$10,684,931 for the period beginning October 1, 2019, and ending November 21, 2019”.


Subsec. (f)(2). Pub. L. 116–94, § 1201(2)(B), inserted “and for the period described in paragraph (1)” after “for each of fiscal years 2018 and 2019”.


Subsec. (d)(1). Pub. L. 115–141, § 701(a), inserted before period at end “, except that section 703(a) of this title shall be applied by substituting ‘the total of the sums’ for ‘four-sevenths of the total of the sums’”.


Subsec. (d). Pub. L. 114–10, § 214(a)(2), inserted “and an additional $75,000,000 for each of fiscal years 2016 and 2017” after “2015”.


Effective Date of 2018 Amendment

Pub. L. 115–123, div. E, title V, § 5050(b), Feb. 9, 2018, 132 Stat. 227, provided that: “The amendment made by this section [amending this section] shall take effect as if enacted on October 1, 2017.”

Effective Date of 2003 Amendment


Establishing National Goals To Prevent Teenage Pregnancies

Pub. L. 104–193, title IX, § 905, Aug. 22, 1996, 110 Stat. 2349, provided that:
§ 711. Maternal, infant, and early childhood home visiting programs

(a) Purposes

The purposes of this section are—

(1) to strengthen and improve the programs and activities carried out under this subchapter;

(2) to improve coordination of services for at-risk communities; and

(3) to identify and provide comprehensive services to improve outcomes for families who reside in at-risk communities.

(b) Requirement for all States to assess statewide needs and identify at risk communities

(1) In general

Each State shall, as a condition of receiving payments from an allotment for the State under section 702 of this title, conduct a statewide needs assessment (which may be separate from but in coordination with the statewide needs assessment required under section 705(a) of this title and which shall be reviewed and updated by the State not later than October 1, 2020) that identifies—

(A) communities with concentrations of—

(i) premature birth, low-birth weight infants, and infant mortality, including infant death due to neglect, or other indicators of at-risk prenatal, maternal, newborn, or child health;

(ii) poverty;

(iii) crime;

(iv) domestic violence;

(v) high rates of high-school drop-outs;

(vi) substance abuse;

(vii) unemployment; or

(viii) child maltreatment;

(B) the quality and capacity of existing programs or initiatives for early childhood home visitation in the State including—

(i) the number and types of individuals and families who are receiving services under such programs or initiatives;

(ii) the gaps in early childhood home visitation in the State; and

(iii) the extent to which such programs or initiatives are meeting the needs of eligible families described in subsection (k)(2); and

(C) the State’s capacity for providing substance abuse treatment and counseling services to individuals and families in need of such treatment or services.

(2) Coordination with other assessments

In conducting the statewide needs assessment required under paragraph (1), the State shall coordinate with, and take into account, other appropriate needs assessments conducted by the State, as determined by the Secretary, including the needs assessment required under section 705(a) of this title (both the most recently completed assessment and any such assessment in progress), the communitywide strategic planning and needs assessments conducted in accordance with section 985(g)(1)(C) of this title, and the inventory of current unmet needs and current community-based and prevention-focused programs and activities to prevent child abuse and neglect, and other family resource services operating in the State required under section 205(3) of the Child Abuse Prevention and Treatment Act [42 U.S.C. 5116d(3)].

(3) Submission to the Secretary

Each State shall submit to the Secretary, in such form and manner as the Secretary shall require—

(A) the results of the statewide needs assessment required under paragraph (1); and

(B) a description of how the State intends to address needs identified by the assessment, particularly with respect to communities identified under paragraph (1)(A), which may include applying for a grant to conduct an early childhood home visitation program in accordance with the requirements of this section.

(c) Grants for early childhood home visitation programs

(1) Authority to make grants

In addition to any other payments made under this subchapter to a State, the Secretary shall make grants to eligible entities to enable the entities to deliver services under early childhood home visitation programs that satisfy the requirements of subsection (d) to eligible families in order to promote improvements in maternal and prenatal health, infant health, child health and development, parenting related to child development outcomes, school readiness, and the socioeconomic status of such families, and reductions in child abuse, neglect, and injuries.

(2) Authority to use initial grant funds for planning or implementation

An eligible entity that receives a grant under paragraph (1) may use a portion of the funds made available to the entity during the first 6 months of the period for which the grant is made for planning or implementation activities to assist with the establishment of early childhood home visitation programs that satisfy the requirements of subsection (d).

(3) Authority to use grant for a pay for outcomes initiative

An eligible entity to which a grant is made under paragraph (1) may use up to 25 percent of the grant for outcomes or success payments related to a pay for outcomes initiative that will not result in a reduction of funding for services delivered by the entity under a child-
(4) Grant duration
The Secretary shall determine the period of years for which a grant is made to an eligible entity under paragraph (1).

(5) Technical assistance
The Secretary shall provide an eligible entity that receives a grant under paragraph (1) with technical assistance in administering programs or activities conducted in whole or in part with grant funds.

(d) Requirements
The requirements of this subsection for an early childhood home visitation program conducted with a grant made under this section are as follows:

(1) Quantifiable, measurable improvement in benchmark areas
(A) In general
The eligible entity establishes, subject to the approval of the Secretary, quantifiable, measurable 3- and 5-year benchmarks for demonstrating that the program results in improvements for the eligible families participating in the program in the following areas:
(i) Improved maternal and newborn health.
(ii) Prevention of child injuries, child abuse, neglect, or maltreatment, and reduction of emergency department visits.
(iii) Improvement in school readiness and achievement.
(iv) Reduction in crime or domestic violence.
(v) Improvements in family economic self-sufficiency.
(vi) Improvements in the coordination and referrals for other community resources and supports.

(B) Demonstration of improvements after 3 years
(i) Report to the Secretary
Not later than 30 days after the end of the 3rd year in which the eligible entity conducts the program, the entity submits to the Secretary a report demonstrating improvement in at least 4 of the areas specified in subparagraph (A).

(ii) Corrective action plan
If the report submitted by the eligible entity under clause (i) fails to demonstrate improvement in at least 4 of the areas specified in subparagraph (A), the entity shall develop and implement a plan to improve outcomes in each of the areas specified in subparagraph (A), subject to approval by the Secretary. The plan shall include provisions for the Secretary to monitor implementation of the plan and conduct continued oversight of the program, including through submission by the entity of regular reports to the Secretary.

(iii) Technical assistance
(I) In general
The Secretary shall provide an eligible entity required to develop and implement an improvement plan under clause (ii) with technical assistance to develop and implement the plan. The Secretary may provide the technical assistance directly or through grants, contracts, or cooperative agreements.

(II) Advisory panel
The Secretary shall establish an advisory panel for purposes of obtaining recommendations regarding the technical assistance provided to entities in accordance with subclause (I).

(iv) No improvement or failure to submit report
If the Secretary determines after a period of time specified by the Secretary that an eligible entity implementing an improvement plan under clause (ii) has failed to demonstrate any improvement in the areas specified in subparagraph (A), or if the Secretary determines that an eligible entity has failed to submit the report required under clause (i), the Secretary shall terminate the entity’s grant and may include any unexpended grant funds in grants made to nonprofit organizations under subsection (h)(2)(B).

(C) Final report
Not later than December 31, 2015, the eligible entity shall submit a report to the Secretary demonstrating improvements (if any) in each of the areas specified in subparagraph (A).

(D) Demonstration of improvements in subsequent years
(i) Continued measurement of improvement in applicable benchmark areas
The eligible entity, after demonstrating improvements for eligible families as specified in subparagraphs (A) and (B), shall continue to track and report, not later than 30 days after the end of fiscal year 2020 and every 3 years thereafter, information demonstrating that the program results in improvements for the eligible families participating in the program in at least 4 of the areas specified in subparagraph (A) that the service delivery model or models selected by the entity are intended to improve.

(ii) Corrective action plan
If the eligible entity fails to demonstrate improvement in at least 4 of the areas specified in subparagraph (A), as compared to eligible families who do not receive services under an early childhood home visitation program, the entity shall develop and implement a plan to improve outcomes in each of the areas specified in subparagraph (A) that the service delivery model or models selected by the entity are intended to improve, subject to approval by the Secretary. The plan shall include provisions for the Secretary to monitor implementation of the plan and conduct continued oversight of the program, including through submission by the entity of regular reports to the Secretary.
(iii) Technical assistance

The Secretary shall provide an eligible entity required to develop and implement an improvement plan under clause (ii) with technical assistance to develop and implement the plan. The Secretary may provide the technical assistance directly or through grants, contracts, or cooperative agreements.

(iv) No improvement or failure to submit report

If the Secretary determines after a period of time specified by the Secretary that an eligible entity implementing an improvement plan under clause (ii) has failed to demonstrate any improvement in at least 4 of the areas specified in subparagraph (A), or if the Secretary determines that an eligible entity has failed to submit the report required by clause (i), the Secretary shall terminate the grant made to the entity under this section and may include any unexpended grant funds in grants made to nonprofit organizations under subsection (h)(2)(B).

(2) Improvements in outcomes for individual families

(A) In general

The program is designed, with respect to an eligible family participating in the program, to result in the participant outcomes described in subparagraph (B) that the eligible entity identifies on the basis of an individualized assessment of the family, are relevant for that family.

(B) Participant outcomes

The participant outcomes described in this subparagraph are the following:

(i) Improvements in prenatal, maternal, and newborn health, including improved pregnancy outcomes

(ii) Improvements in child health and development, including the prevention of child injuries and maltreatment and improvements in cognitive, language, social-emotional, and physical developmental indicators.

(iii) Improvements in parenting skills.

(iv) Improvements in school readiness and child academic achievement.

(v) Reductions in crime or domestic violence.

(vi) Improvements in family economic self-sufficiency.

(vii) Improvements in the coordination of referrals for, and the provision of, other community resources and supports for eligible families, consistent with State child welfare agency training.

(3) Core components

The program includes the following core components:

(A) Service delivery model or models

(i) In general

Subject to clause (ii), the program is conducted using 1 or more of the service delivery models described in item (aa) or (bb) of subparagraph (I) or in subparagraph (II) selected by the eligible entity:

(I) The model conforms to a clear consistent home visitation model that has been in existence for at least 3 years and is research-based, grounded in relevant empirically-based knowledge, linked to program determined outcomes, associated with a national organization or institution of higher education that has comprehensive home visitation program standards that ensure high quality service delivery and continuous program quality improvement, and has demonstrated significant, and in the case of the service delivery model described in item (aa), sustained) positive outcomes, as described in the benchmark areas specified in paragraph (1)(A) and the participant outcomes described in paragraph (2)(B), when evaluated using well-designed and rigorous—

(aa) randomized controlled research designs, and the evaluation results have been published in a peer-reviewed journal; or

(bb) quasi-experimental research designs.

(II) The model conforms to a promising and new approach to achieving the benchmark areas described in paragraph (1)(A) and the participant outcomes described in paragraph (2)(B), has been developed or identified by a national organization or institution of higher education, and will be evaluated through well-designed and rigorous process.

(ii) Majority of grant funds used for evidence-based models

An eligible entity shall use not more than 25 percent of the amount of the grant paid to the entity for a fiscal year for purposes of conducting a program using the service delivery model described in clause (I)(II).

(iii) Criteria for evidence of effectiveness of models

The Secretary shall establish criteria for evidence of effectiveness of the service delivery models and shall ensure that the process for establishing the criteria is transparent and provides the opportunity for public comment.

(B) Additional requirements

(i) The program adheres to a clear, consistent model that satisfies the requirements of being grounded in empirically-based knowledge related to home visiting and linked to the benchmark areas specified in paragraph (1)(A) and the participant outcomes described in paragraph (2)(B) related to the purposes of the program.

(ii) The program employs well-trained and competent staff, as demonstrated by education or training, such as nurses, social workers, and other qualified professionals.
workers, educators, child development specialists, or other well-trained and competent staff, and provides ongoing and specific training on the model being delivered.

(iii) The program maintains high quality supervision to establish home visitor competencies.

(iv) The program demonstrates strong organizational capacity to implement the activities involved.

(v) The program establishes appropriate linkages and referral networks to other community resources and supports for eligible families.

(vi) The program monitors the fidelity of program implementation to ensure that services are delivered pursuant to the specified model.

(4) Priority for serving high-risk populations

The eligible entity gives priority to providing services under the program to the following:

(A) Eligible families who reside in communities in need of such services, as identified in the statewide needs assessment required under subsection (b)(1)(A), taking into account the staffing, community resource, and other requirements to operate at least one approved model of home visiting and demonstrate improvements for eligible families.

(B) Low-income eligible families.

(C) Eligible families who are pregnant women who have not attained age 21.

(D) Eligible families that have a history of child abuse or neglect or have had interactions with child welfare services.

(E) Eligible families that have a history of substance abuse or need substance abuse treatment.

(F) Eligible families that have users of tobacco products in the home.

(G) Eligible families that are or have children with low student achievement.

(H) Eligible families with children with developmental delays or disabilities.

(I) Eligible families who, or that include individuals who, are serving or formerly served in the Armed Forces, including such families that have members of the Armed Forces who have had multiple deployments outside of the United States.

(e) Application requirements

An eligible entity desiring a grant under this section shall submit an application to the Secretary for approval, in such manner as the Secretary may require, that includes the following:

(1) A description of the populations to be served by the entity, including specific information regarding how the entity will serve high risk populations described in subsection (d)(4).

(2) An assurance that the entity will give priority to serving low-income eligible families and eligible families who reside in at risk communities identified in the statewide needs assessment required under subsection (b)(1)(A).

(3) The service delivery model or models described in subsection (d)(3)(A) that the entity will use under the program and the basis for the selection of the model or models.

(4) A statement identifying how the selection of the populations to be served and the service delivery model or models that the entity will use under the program for such populations is consistent with the results of the statewide needs assessment conducted under subsection (b).

(5) The quantifiable, measurable benchmarks established by the State to demonstrate that the program contributes to improvements in the areas specified in subsection (d)(1)(A) that the service delivery model or models selected by the entity are intended to improve.

(6) An assurance that the entity will obtain and submit documentation or other appropriate evidence from the organization or entity that developed the service delivery model or models used under the program to verify that the program is implemented and services are delivered according to the model specifications.

(7) Assurances that the entity will establish procedures to ensure that—

(A) the participation of each eligible family in the program is voluntary; and

(B) services are provided to an eligible family in accordance with the individual assessment for that family.

(8) Assurances that the entity will—

(A) submit annual reports to the Secretary regarding the program and activities carried out under the program that include such information and data as the Secretary shall require; and

(B) participate in, and cooperate with, data and information collection necessary for the evaluation required under subsection (g)(2) and other research and evaluation activities carried out under subsection (h)(3).

(9) A description of other State programs that include home visitation services, including, if applicable to the State, other programs carried out under this subchapter with funds made available from allotments under section 702(c) of this title, programs funded under subchapter IV, title II of the Child Abuse Prevention and Treatment Act [42 U.S.C. 5116 et seq.] (relating to community-based grants for the prevention of child abuse and neglect), and section 9840a of this title (relating to Early Head Start programs).

(10) Other information as required by the Secretary.

(f) Maintenance of effort

Funds provided to an eligible entity receiving a grant under this section shall supplement, and not supplant, funds from other sources for early childhood home visitation programs or initiatives.

(g) Evaluation

(1) Independent, expert advisory panel

The Secretary, in accordance with subsection (b)(1)(A), shall appoint an independent advisory panel consisting of experts in program evaluation and research, education, and early childhood development—

(A) to review, and make recommendations on, the design and plan for the evaluation re-
required under paragraph (2) within 1 year after March 23, 2010;
(B) to maintain and advise the Secretary regarding the progress of the evaluation; and
(C) to comment, if the panel so desires, on the report submitted under paragraph (3).

(2) Authority to conduct evaluation
On the basis of the recommendations of the advisory panel under paragraph (1), the Secretary shall, by grant, contract, or inter-agency agreement, conduct an evaluation of the statewide needs assessments submitted under subsection (b) and the grants made under subsections (c) and (h)(3)(B). The evaluation shall include—
(A) an analysis, on a State-by-State basis, of the results of such assessments, including indicators of maternal and prenatal health and infant health and mortality, and State actions in response to the assessments; and
(B) an assessment of—
(i) the effect of early childhood home visitation programs on child and parent outcomes, including with respect to each of the benchmark areas specified in subsection (d)(1)(A) and the participant outcomes described in subsection (d)(2)(B);
(ii) the effectiveness of such programs on different populations, including the extent to which the ability of programs to improve participant outcomes varies across programs and populations; and
(iii) the potential for the activities conducted under such programs, if scaled broadly, to improve health care practices, eliminate health disparities, and improve health care system quality, efficiencies, and reduce costs.

(3) Report
Not later than March 31, 2015, the Secretary shall submit a report to Congress on the results of the evaluation conducted under paragraph (2) and shall make the report publicly available.

(h) Other provisions

(1) Intra-agency collaboration
The Secretary shall ensure that the Maternal and Child Health Bureau and the Administration for Children and Families collaborate with respect to carrying out this section, including with respect to—
(A) reviewing and analyzing the statewide needs assessments required under subsection (b), the awarding and oversight of grants awarded under this section, the establishment of the advisory panels required under subsections (d)(1)(B)(iii)(II) and (g)(1), and the evaluation and report required under subsection (g); and
(B) consulting with other Federal agencies with responsibility for administering or evaluating programs that serve eligible families to coordinate and collaborate with respect to research related to such programs and families, including the Office of the Assistant Secretary for Planning and Evaluation of the Department of Health and Human Services, the Centers for Disease Control and Prevention, the National Institute of Child Health and Human Development of the National Institutes of Health, the Office of Juvenile Justice and Delinquency Prevention of the Department of Justice, and the Institute of Education Sciences of the Department of Education.

(2) Grants to eligible entities that are not States

(A) Indian tribes, tribal organizations, or Urban Indian Organizations
The Secretary shall specify requirements for eligible entities that are Indian Tribes (or a consortium of Indian Tribes), Tribal Organizations, or Urban Indian Organizations to apply for and conduct an early childhood home visitation program with a grant under this section. Such requirements shall, to the greatest extent practicable, be consistent with the requirements applicable to eligible entities that are States and shall require an Indian Tribe (or consortium), Tribal Organization, or Urban Indian Organization to—
(i) conduct a needs assessment similar to the assessment required for all States under subsection (b); and
(ii) establish quantifiable, measurable 3- and 5-year benchmarks consistent with subsection (d)(1)(A).

(B) Nonprofit organizations
If, as of the beginning of fiscal year 2012, a State has not applied or been approved for a grant under this section, the Secretary may use amounts appropriated under paragraph (1) of subsection (j) that are available for expenditure under paragraph (3) of that subsection to make a grant to an eligible entity that is a nonprofit organization described in subsection (k)(1)(B) to conduct an early childhood home visitation program in the State. The Secretary shall specify the requirements for such an organization to apply for and conduct the program which shall, to the greatest extent practicable, be consistent with the requirements applicable to eligible entities that are States and shall require the organization to—
(i) carry out the program based on the needs assessment conducted by the State under subsection (b); and
(ii) establish quantifiable, measurable 3- and 5-year benchmarks consistent with subsection (d)(1)(A).

(3) Research and other evaluation activities

(A) In general
The Secretary shall carry out a continuous program of research and evaluation activities in order to increase knowledge about the implementation and effectiveness of home visiting programs, using random assignment designs to the maximum extent feasible. The Secretary may carry out such activities directly, or through grants, cooperative agreements, or contracts.

(B) Requirements
The Secretary shall ensure that—
(i) evaluation of a specific program or project is conducted by persons or individ-
(i) Application of other provisions of subchapter

(1) In general

Except as provided in paragraph (2), the other provisions of this subchapter shall not apply to a grant made under this section.

(2) Exceptions

The following provisions of this subchapter shall apply to a grant made under this section to the same extent and in the same manner as such provisions apply to allotments made under section 702(c) of this title:

(A) Section 704(b)(6) of this title (relating to prohibition on payments to excluded individuals and entities).

(B) Section 704(c) of this title (relating to the use of funds for the purchase of technical assistance).

(C) Section 704(d) of this title (relating to a limitation on administrative expenditures).

(D) Section 706 of this title (relating to reports and audits), but only to the extent determined by the Secretary to be appropriate for grants made under this section.

(E) Section 707 of this title (relating to penalties for false statements).

(F) Section 708 of this title (relating to nondiscrimination).

(G) Section 709(a) of this title (relating to the administration of the grant program).

(j) Appropriations

(1) In general

Out of any funds in the Treasury not otherwise appropriated, there are appropriated to the Secretary to carry out this section—

(A) $100,000,000 for fiscal year 2010;

(B) $250,000,000 for fiscal year 2011;

(C) $350,000,000 for fiscal year 2012;

(D) $400,000,000 for fiscal year 2013;

(E) $400,000,000 for fiscal year 2014;

(F) for fiscal year 2015, $400,000,000;

(G) for fiscal year 2016, $400,000,000; and

(H) for each of fiscal years 2017 through 2022, $400,000,000.

(2) Reservations

Of the amount appropriated under this subsection for a fiscal year (or portion of a fiscal year), the Secretary shall reserve—

(A) 3 percent of such amount for purposes of making grants to eligible entities that are Indian Tribes (or a consortium of Indian Tribes), Tribal Organizations, or Urban Indian Organizations; and

(B) 3 percent of such amount for purposes of carrying out subsections (d)(1)(B)(i)(I), (g), and (h)(5).

(3) Availability

(A) In general

Except as provided in subparagraph (B), funds made available to an eligible entity under this section for a fiscal year (or portion of a fiscal year) shall remain available for expenditure by the eligible entity through the end of the second succeeding fiscal year after award. Any funds that are not expended by the eligible entity during the period in which the funds are available under the preceding sentence may be used for grants to nonprofit organizations under subsection (h)(2)(B).

(B) Funds for pay for outcomes initiatives

Funds made available to an eligible entity under this section for a fiscal year (or portion of a fiscal year) for a pay for outcomes initiative shall remain available for expenditure by the eligible entity for not more than 10 years after the funds are so made available.

(4) Allocation of funds

To the extent that the grant amount awarded under this section to an eligible entity is determined on the basis of relative population or poverty considerations, the Secretary shall make the determination using the most accurate Federal data available for the eligible entity.

(k) Definitions

In this section:

(1) Eligible entity

(A) In general

The term “eligible entity” means a State, an Indian Tribe, Tribal Organization, Urban Indian Organization, Puerto Rico, Guam, the Virgin Islands, the Northern Mariana Islands, and American Samoa.

(B) Nonprofit organizations

Only for purposes of awarding grants under subsection (h)(2)(B), such term shall include a nonprofit organization with an established record of providing early childhood home visitation programs or initiatives in a State or several States.

(2) Eligible family

The term “eligible family” means—

(A) a woman who is pregnant, and the father of the child if the father is available; or
(B) a parent or primary caregiver of a child, including grandparents or other relatives of the child, and foster parents, who are serving as the child’s primary caregiver from birth to kindergarten entry, and including a noncustodial parent who has an ongoing relationship with, and at times provides physical care for, the child.

(3) Indian Tribe; Tribal Organization

The terms “Indian Tribe” and “Tribal Organization”, and “Urban Indian Organization” have the meanings given such terms in section 1603 of title 25.

(4) Pay for outcomes initiative

The term “pay for outcomes initiative” means a performance-based grant, contract, cooperative agreement, or other agreement awarded by a public entity in which a commitment is made to pay for improved outcomes achieved as a result of the intervention that result in social benefit and direct cost savings or cost avoidance to the public sector. Such an initiative shall include—

(A) a feasibility study that describes how the proposed intervention is based on evidence of effectiveness;

(B) a rigorous, third-party evaluation that uses experimental or quasi-experimental design or other research methodologies that allow for the strongest possible causal inferences to determine whether the initiative has met its proposed outcomes as a result of the intervention;

(C) an annual, publicly available report on the progress of the initiative; and

(D) a requirement that payments are made to the recipient of a grant, contract, or cooperative agreement only when agreed upon outcomes are achieved, except that this requirement shall not apply with respect to payments to a third party conducting the evaluation described in subparagraph (B).


AMENDMENT OF SUBSECTION (h)


ANNUAL REPORT ON THE PROGRESS OF THE INITIATIVE

The data exchange reporting standards required by clause (i) shall, to the extent practicable—

(I) incorporate a widely accepted, nonproprietary, searchable, computer-readable format;

(II) be consistent with and implement applicable accounting principles;

(III) be implemented in a manner that is cost-effective and improves program efficiency and effectiveness; and

(IV) be capable of being continually upgraded as necessary.

(B) Data exchange standards for Federal reporting

(i) Designation

The head of the department or agency responsible for administering a program referred to in this section shall, in consultation with an interagency work group established by the Office of Management and Budget, and considering State government perspectives, designate data exchange standards to govern Federal reporting and exchange requirements under applicable Federal law.

(ii) Requirements

The data exchange reporting standards required by clause (i) shall, to the extent practicable—

(I) incorporate a widely accepted, nonproprietary, searchable, computer-readable format;

(II) be consistent with and implement applicable accounting principles;

(III) be implemented in a manner that is cost-effective and improves program efficiency and effectiveness; and

(IV) be capable of being continually upgraded as necessary.

(ii) Incorporation of nonproprietary standards

In designating data exchange standards under this paragraph, the Secretary shall, to the extent practicable, incorporate existing nonproprietary standards, such as the eXtensible Markup Language.

(iv) Rule of construction

Nothing in this paragraph shall be construed to require a change to existing data exchange standards for Federal reporting about a program referred to in this section, if the head of the department or agency responsible for administering the program finds the standards to be effective and efficient.

See 2018 Amendment notes below.
REFERENCES IN TEXT


For complete classification of this Act to the Code, see


AMENDMENTS


Subsec. (j)(3). Pub. L. 115–123, §50605(c), designated existing provisions as subpar. (A) and inserted heading, substituted “Except as provided in subparagraph (B), funds” for “Funds”, and added subpar. (B).


2015—Subsec. (j)(1)(F) to (H). Pub. L. 114–10 substituted “for fiscal year 2015, $400,000,000;” for “for the period beginning on October 1, 2014, and ending on March 31, 2015, an amount equal to the amount provided in subparagraph (E);” in subpar. (F) and added subpars. (G) and (H).


Subsec. (j)(2), (3), Pub. L. 113–93, §209(c), inserted “(or portion of a fiscal year)” after “for a fiscal year”.

EFFECTIVE DATE OF 2018 AMENDMENT

Pub. L. 115–123, div. E, title VI, §50606(b), Feb. 9, 2018, 132 Stat. 231, provided that: “The amendment made by subsection (a) [amending this section] shall take effect on the date that is 2 years after the date of enactment of this Act [Feb. 9, 2018].”

§712. Services to individuals with a postpartum condition and their families

(a) In general

In addition to any other payments made under this subchapter to a State, the Secretary may make grants to eligible entities for projects for the establishment, operation, and coordination of effective and cost-efficient systems for the delivery of essential services to individuals with or at risk for postpartum conditions and their families.

(b) Certain activities

To the extent practicable and appropriate, the Secretary shall ensure that projects funded under subsection (a) provide education and services with respect to the diagnosis and management of postpartum conditions for individuals with or at risk for postpartum conditions and their families. The Secretary may allow such projects to include the following:

(1) Delivering or enhancing outpatient and home-based health and support services, including case management and comprehensive treatment services.

(2) Delivering or enhancing inpatient care management services that ensure the well-being of the mother and family and the future development of the infant.

(3) Improving the quality, availability, and organization of health care and support services (including transportation services, attendant care, homemaker services, day or respite care, and providing counseling on financial assistance and insurance).

(4) Providing education about postpartum conditions to promote earlier diagnosis and treatment. Such education may include—

(A) providing complete information on postpartum conditions, symptoms, methods of coping with the illness, and treatment resources; and

(B) in the case of a grantee that is a State, hospital, or birthing facility—

(i) providing education to new mothers and fathers, and other family members as
appropriate, concerning postpartum conditions before new mothers leave the health facility; and 
(ii) ensuring that training programs regarding such education are carried out at the health facility.

(c) Integration with other programs
To the extent practicable and appropriate, the Secretary may integrate the grant program under this section with other grant programs carried out by the Secretary, including the program under section 254b of this title.

(d) Requirements
The Secretary shall establish requirements for grants made under this section that include a limit on the amount of grants funds that may be used for administration, accounting, reporting, or program oversight functions and a requirement for each eligible entity that receives a grant to submit, for each grant period, a report used for administration, accounting, reporting, or program oversight functions and a requirement for each eligible entity that describes how grant funds were used during such period.

(e) Technical assistance
The Secretary may provide technical assistance to entities seeking a grant under this section in order to assist such entities in complying with the requirements of this section.

(f) Application of other provisions of subchapter

(1) In general
Except as provided in paragraph (2), the other provisions of this subchapter shall not apply to a grant made under this section.

(2) Exceptions
The following provisions of this subchapter shall apply to a grant made under this section to the same extent and in the same manner as such provisions apply to allotments made under section 702(c) of this title:

(A) Section 704(b)(6) of this title (relating to prohibition on payments to excluded individuals and entities).

(B) Section 704(c) of this title (relating to the use of funds for the purchase of technical assistance).

(C) Section 704(d) of this title (relating to a limitation on administrative expenditures).

(D) Section 706 of this title (relating to reports and audits), but only to the extent determined by the Secretary to be appropriate for grants made under this section.

(E) Section 707 of this title (relating to penalties for false statements).

(F) Section 708 of this title (relating to nondiscrimination).

(G) Section 709(a) of this title (relating to the administration of the grant program).

(g) Definitions
In this section:

(1) The term "eligible entity"—

(A) means a public or nonprofit private entity; and 

(B) includes a State or local government, public-private partnership, recipient of a grant under section 254c–8 of this title (relating to the Healthy Start Initiative), public or nonprofit private hospital, community-based organization, hospice, ambulatory care facility, community health center, migrant health center, public housing primary care center, or homeless health center.

(2) The term "postpartum condition" means postpartum depression or postpartum psychosis.
Title 42—The Public Health and Welfare

§ 713. Personal responsibility education

(a) Allotments to States

(1) Amount

(A) In general

For the purpose described in subsection (b), subject to the succeeding provisions of this section, for each of fiscal years 2010 through 2019 and for the period beginning October 1, 2019, and ending May 22, 2020, the Secretary shall allot to each State an amount equal to the product of—

(i) the amount appropriated under subsection (f) for the fiscal year or period and available for allotments to States after the application of subsection (c); and

(ii) the State youth population percentage determined under paragraph (2).

(B) Minimum allotment

(i) In general

Each State allotment under this paragraph for a fiscal year shall be at least $250,000. The previous sentence shall not apply with respect to State allotments under this paragraph for the period beginning October 1, 2019, and ending May 22, 2020.

(ii) Pro rata adjustments

The Secretary shall adjust on a pro rata basis the amount of the State allotments determined under this paragraph for a fiscal year to the extent necessary to comply with clause (i).

(C) Application required to access allotments

(i) In general

A State shall not be paid from its allotment for a fiscal year or the period described in subparagraph (A) unless the Secretary approves the application (or requires changes to the application that the Secretary approves) and meets such additional requirements as the Secretary may specify.

(ii) Requirements

The State application shall contain an assurance that the State has complied with the requirements of this section in preparing and submitting the application and shall include the following as well as such additional information as the Secretary may require:

(I) Based on data from the Centers for Disease Control and Prevention National Center for Health Statistics, the most recent pregnancy rates for the State for youth ages 10 to 14 years of age and youth ages 15 to 19 years of age, and youth residing in areas with high birth rates for youth.

(II) A description of the State’s plan for using the State allotments provided under this section to achieve such goals, especially among youth populations that are the most high-risk or vulnerable for pregnancies or otherwise have special circumstances, including youth in foster care, homeless youth, youth with HIV/AIDS, pregnant youth who are under 21 years of age, mothers who are under 21 years of age, and youth residing in areas with high birth rates for youth.

(2) State youth population percentage

(A) In general

For purposes of paragraph (1)(A)(i), the State youth population percentage is, with respect to a State, the proportion (expressed as a percentage) of—

(i) the number of individuals who have attained age 10 but not attained age 20 in the State; to

(ii) the number of such individuals in all States.

(B) Determination of number of youth

The number of individuals described in clauses (i) and (ii) of subparagraph (A) in a State shall be determined on the basis of the most recent Bureau of the Census data.

(3) Availability of State allotments

Subject to paragraph (4)(A), amounts allotted to a State pursuant to this subsection for a fiscal year or the period described in paragraph (1)(A) shall remain available for expenditure by the State through the end of the second fiscal year following such fiscal year or period.

(4) Authority to award grants from State allotments to local organizations and entities in nonparticipating States

(A) Grants from unexpended allotments

If a State does not submit an application under this section for fiscal year 2010 or 2011,
the State shall no longer be eligible to submit an application to receive funds from the amounts allotted for the State for each of fiscal years 2010 through 2019 and for the period described in paragraph (1)(A) and such amounts shall be used by the Secretary to award grants under this paragraph for each of fiscal years 2012 through 2019 and for the period so described. The Secretary also shall use any amounts from the allotments of States that submit applications under this section for a fiscal year or the period so described that remain unexpended as of the end of the period in which the allotments are available for expenditure under paragraph (3) for awarding grants under this paragraph.

(B) Competitive prep grants

(i) In general

The Secretary shall continue through the period described in paragraph (1)(A) grants awarded for any of fiscal years 2015 through 2017 to local organizations and entities to conduct, consistent with subsection (b), programs and activities in States that do not submit an application for an allotment under this section for fiscal year 2010 or 2011.

(ii) Faith-based organizations or consortia

The Secretary may solicit and award grants under this paragraph to faith-based organizations or consortia.

(C) Evaluation

An organization or entity awarded a grant under this paragraph shall agree to participate in a rigorous Federal evaluation.

(5) Maintenance of effort

No payment shall be made to a State from the allotment determined for the State under this subsection or to a local organization or entity awarded a grant under paragraph (4), if the expenditure of non-federal funds by the State, organization, or entity for activities, programs, or initiatives for which amounts from allotments and grants under this subsection may be expended is less than the amount expended by the State, organization, or entity for such programs or initiatives for fiscal year 2009.

(6) Data collection and reporting

A State or local organization or entity receiving funds under this section shall cooperate with such requirements relating to the collection of data and information and reporting on outcomes regarding the programs and activities carried out with such funds, as the Secretary shall specify.

(b) Purpose

(1) In general

The purpose of an allotment under subsection (a)(1) to a State is to enable the State (or, in the case of grants made under subsection (a)(4)(B), to enable a local organization or entity) to carry out personal responsibility education programs consistent with this subsection.

(2) Personal responsibility education programs

(A) In general

In this section, the term “personal responsibility education program” means a program that is designed to educate adolescents on—

(i) both abstinence and contraception for the prevention of pregnancy and sexually transmitted infections, including HIV/AIDS, consistent with the requirements of subparagraph (B); and

(ii) at least 3 of the adulthood preparation subjects described in subparagraph (C).

(B) Requirements

The requirements of this subparagraph are the following:

(i) The program replicates evidence-based effective programs or substantially incorporates elements of effective programs that have been proven on the basis of rigorous scientific research to change behavior, which means delaying sexual activity, increasing condom or contraceptive use for sexually active youth, or reducing pregnancy among youth.

(ii) The program is medically-accurate and complete.

(iii) The program includes activities to educate youth who are sexually active regarding responsible sexual behavior with respect to both abstinence and the use of contraception.

(iv) The program places substantial emphasis on both abstinence and contraception for the prevention of pregnancy among youth and sexually transmitted infections.

(v) The program provides age-appropriate information and activities.

(vi) The information and activities carried out under the program are provided in the cultural context that is most appropriate for individuals in the particular population group to which they are directed.

(C) Adulthood preparation subjects

The adulthood preparation subjects described in this subparagraph are the following:

(i) Healthy relationships, including marriage and family interactions.

(ii) Adolescent development, such as the development of healthy attitudes and values about adolescent growth and development, body image, racial and ethnic diversity, and other related subjects.

(iii) Financial literacy.

(iv) Parent-child communication.

(v) Educational and career success, such as developing skills for employment preparation, job seeking, independent living, financial self-sufficiency, and workplace productivity.

(vi) Healthy life skills, such as goal-setting, decision making, negotiation, communication and interpersonal skills, and stress management.
Reservations of funds

(1) Grants to implement innovative strategies

Subject to paragraph (3), from the amount appropriated under subsection (f) for the fiscal year, the Secretary shall reserve $10,000,000 of such amount for purposes of awarding grants to entities to implement innovative youth pregnancy prevention strategies and targeted services to high-risk, vulnerable, and culturally under-represented youth populations, including youth in foster care, homeless youth, youth with HIV/AIDS, victims of human trafficking, pregnant women who are under 21 years of age and their partners, mothers who are under 21 years of age and their partners, and youth residing in areas with high birth rates for youth. An entity awarded a grant under this paragraph shall agree to participate in a rigorous Federal evaluation of the activities carried out with grant funds.

(2) Other reservations

Subject to paragraph (3), from the amount appropriated under subsection (f) for the fiscal year that remains after the application of paragraph (1), the Secretary shall reserve the following amounts:

(A) Grants for Indian tribes or tribal organizations

The Secretary shall reserve 5 percent of such remainder for purposes of awarding grants to Indian tribes and tribal organizations in such manner, and subject to such requirements, as the Secretary, in consultation with Indian tribes and tribal organizations, determines appropriate.

(B) Secretarial responsibilities

(i) Reservation of funds

The Secretary shall reserve 10 percent of such remainder for expenditures by the Secretary for the activities described in clauses (ii) and (iii).

(ii) Program support

The Secretary shall provide, directly or through a competitive grant process, research, training and technical assistance, including dissemination of research and information regarding effective and promising practices, providing consultation and resources on a broad array of teen pregnancy prevention strategies, including abstinence and contraception, and developing resources and materials to support the activities of recipients of grants and other State, tribal, and community organizations working to reduce teen pregnancy. In carrying out such functions, the Secretary shall collaborate with a variety of entities and professional organizations and agencies with accepted scientific methods and—

(A) published in peer-reviewed journals, where applicable; or

(B) comprising information that leading professional organizations and agencies with relevant expertise in the field recognize as accurate, objective, and complete.

(iii) Evaluation

The Secretary shall evaluate the programs and activities carried out with funds made available through allotments or grants under this section.

(3) Exception

Paragraphs (1) and (2) shall not apply with respect to any amount appropriated under subsection (f) for the period described in subsection (a)(1)(A).

(d) Administration

(1) In general

The Secretary shall administer this section through the Assistant Secretary for the Administration for Children and Families within the Department of Health and Human Services.

(2) Application of other provisions of subchapter

(A) In general

Except as provided in subparagraph (B), the other provisions of this subchapter shall not apply to allotments or grants made under this section.

(B) Exceptions

The following provisions of this subchapter shall apply to allotments and grants made under this section to the same extent and in the same manner as such provisions apply to allotments made under section 702(c) of this title:

(i) Section 704(b)(6) of this title (relating to prohibition on payments to excluded individuals and entities).

(ii) Section 704(c) of this title (relating to the use of funds for the purchase of technical assistance).

(iii) Section 704(d) of this title (relating to a limitation on administrative expenditures).

(iv) Section 706 of this title (relating to reports and audits), but only to the extent determined by the Secretary to be appropriate for grants made under this section.

(v) Section 707 of this title (relating to penalties for false statements).

(vi) Section 708 of this title (relating to nondiscrimination).

(e) Definitions

In this section:

(1) Age-appropriate

The term ‘‘age-appropriate’’, with respect to the information in pregnancy prevention, means topics, messages, and teaching methods suitable to particular ages or age groups of children and adolescents, based on developing cognitive, emotional, and behavioral capacity typical for the age or age group.

(2) Medically accurate and complete

The term ‘‘medically accurate and complete’’ means verified or supported by the weight of research conducted in compliance with accepted scientific methods and—

(A) published in peer-reviewed journals, where applicable; or

(B) comprising information that leading professional organizations and agencies with relevant expertise in the field recognize as accurate, objective, and complete.

(3) Indian tribes; Tribal organizations

The terms ‘‘Indian tribe’’ and ‘‘Tribal organization’’ have the meanings given such terms in section 1603 of title 25.
§ 714 to 716  TITLE 42—THE PUBLIC HEALTH AND WELFARE  Page 2216

(4) Youth
The term “youth” means an individual who has attained age 10 but has not attained age 20.

(f) Appropriation
For the purpose of carrying out this section, there is appropriated, out of any money in the Treasury not otherwise appropriated, $75,000,000 for each of fiscal years 2019 through 2019 and $48,287,671 for the period beginning October 1, 2019, and ending May 22, 2020. Amounts appropriated under this subsection shall remain available until expended.

(Pub. L. 90–248, § 301.)

§§ 714 to 716

Prior Provisions


Amendments

Amendments made by Pub. L. 116–94 provided that: “The amendments made by this section [amending this section] shall take effect as if enacted on October 1, 2017.”

Effective Date of 2018 Amendment
Pub. L. 115–123, div. E, title V, § 50503(a), Feb. 9, 2018, 132 Stat. 1137; Pub. L. 115–99, § 1202(1)(A)(i), inserted “and for the period described in paragraph (1)(A)” after “for each of fiscal years 2010 through 2019,” and for the period so described “after for each of fiscal years 2012 through 2019,” and “or the period so described” after “for a fiscal year”.


Subsec. (c)(1). Pub. L. 116–59, § 1202(2)(A), substituted “Subject to paragraph (3), from the amount” for “From the amount”.

Subsec. (c)(2). Pub. L. 116–59, § 1202(2)(B), substituted “Subject to paragraph (3), from the amount” for “From the amount” in introductory provisions.


Amendments made by Pub. L. 116–69 provided that: “The amendments made by this section [amending this section] shall take effect as if enacted on October 1, 2017.”


projects relating to maternal and child health services and crippled children’s services, authorized appropriations of $8,000,000 for fiscal year ending June 30, 1964, and each subsequent fiscal year; and provided for payments to eligible institutions, agencies, and organizations, adjustments, advances or reimbursements, instalments, and conditions, prior to the general amendment of title V of the Social Security Act by Pub. L. 90–248, §301. See sections 701 and 702 of this title.


SUBCHAPTER VI—TEMPORARY STATE FISCAL RELIEF

PRIORITY PROVISIONS

A prior subchapter VI related to grants to States for services to the aged, blind, or disabled and consisted of sections 801 to 805, prior to repeal by Pub. L. 93–647, §3(b), Jan. 4, 1975, 88 Stat. 2349.

§ 801. Repealed


PRIORITY PROVISIONS

Prior sections 801 to 805 were repealed by Pub. L. 93–647, §3(b), Jan. 4, 1975, 88 Stat. 2349, 2351, effective with respect to payments under section 803 for quarters commencing after Sept. 30, 1975.


§ 801. Social Security Administration


§ 801. Social Security Administration

(a) There is hereby established, as an independent agency in the executive branch of the Government, a Social Security Administration (in this subchapter referred to as the “Administration”).

(b) It shall be the duty of the Administration to administer the old-age, survivors, and disability insurance program under subchapter II and the supplemental security income program under subchapter XVI.


AMENDMENTS


EFFECTIVE DATE OF 1994 AMENDMENT


TRANSFERS TO NEW SOCIAL SECURITY ADMINISTRATION


“(a) Functions.—

“(1) IN GENERAL.—There are transferred to the Social Security Administration all functions of the Secretary of Health and Human Services with respect to or in support of the programs and activities the administration of which is vested in the Social Security Administration.

“(2) EFFECTIVE DATE.—This section shall take effect on the date of enactment of this Act (see section 101 of Pub. L. 103–296).
Administration by reason of this title [see Tables for classification] and the amendments made thereby.

The Commissioner of Social Security shall allocate such functions in accordance with sections 701, 702, 703, and 704 of the Social Security Act [42 U.S.C. 901, 902, 903, 904] (as amended by this title).

'(2) Functions of other agencies.—In general.—Subject to subparagraph (B), the Social Security Administration shall also perform—

'(i) the functions of the Department of Health and Human Services, including functions relating to titles XVIII and XIX of the Social Security Act [42 U.S.C. 1395 et seq., 1396 et seq.] (including adjudications, subject to final decisions by the Secretary of Health and Human Services), that the Social Security Administration in such department performed as of immediately before the date of the enactment of this Act [Aug. 15, 1994], and

'(ii) the functions of any other agency for which administrative responsibility was vested in the Social Security Administration in the Department of Health and Human Services as of immediately before the date of the enactment of this Act.

'(B) Rules governing continuation of functions in the Administration.—The Social Security Administration shall perform, on behalf of the Secretary of Health and Human Services (or the head of any other agency, as applicable), the functions described in subparagraph (A) in accordance with the same financial and other terms in effect on the day before the date of the enactment of this Act, except to the extent that the Commissioner and the Secretary (or other agency head, as applicable) agree to alter such terms pertaining to any such function or to terminate the performance by the Social Security Administration of any such function.

'(1) Personnel, assets, etc.—

'(A) In general.—There are transferred from the Department of Health and Human Services to the Social Security Administration, for appropriate allocation by the Commissioner of Social Security in the Social Security Administration—

'(i) the personnel employed in connection with the functions transferred by this title and the amendments made thereby; and

'(ii) the assets, liabilities, contracts, property, records, and unexpended balance of appropriations, authorizations, allocations, and other funds employed, held, or used in connection with such functions, arising from such functions, or available, or to be made available, in connection with such functions.

'(2) Unexpended funds.—Unexpended funds transferred pursuant to this subsection shall be used only for purposes for which the funds were originally appropriated.

'(3) Employment protections.—

'(A) In general.—During the 1-year period beginning March 31, 1996, and

'(i) the transfer pursuant to this section of any full-time personnel (except special Government employees) and part-time personnel holding permanent positions shall not cause any such personnel to be separated or reduced in grade or compensation solely as a result of such transfer, and

'(ii) except as provided in subparagraph (B), any such personnel who were not employed in the Social Security Administration in the Department of Health and Human Services immediately before the date of the enactment of this Act [Aug. 15, 1994] shall not be subject to directed reassignment to a duty station outside their commuting area.

'(B) Special rules.—

'(i) In the case of personnel whose duty station is in the Washington, District of Columbia, commuting area immediately before March 31, 1995, subparagraph (A)(ii) shall not apply with respect to directed reassignment to a duty station in the Baltimore, Maryland, commuting area after September 30, 1995.

'(ii) In the case of personnel whose duty station is in the Baltimore, Maryland, commuting area immediately before March 31, 1996, subparagraph (A)(ii) shall not apply with respect to directed reassignment to a duty station in the Washington, District of Columbia, commuting area after September 30, 1995.

'(4) Office space.—Notwithstanding section 7 of the Public Buildings Act of 1959 (40 U.S.C. 606) [now 40 U.S.C. 3305(b)(2)(B), 3307], and subject to available appropriations, the Administrator of General Services may, after consultation with the Commissioner of Social Security and under such terms and conditions as the Administrator finds to be in the interests of the United States—

'(A) acquire occupiable space in the metropolitan area of Washington, District of Columbia, for housing the Social Security Administration, and

'(B) renovate such space as necessary.

'(c) Inter-agency transfer arrangement.—The Secretary of Health and Human Services and the Commissioner shall enter into an inter-agency transfer arrangement (in this subsection referred to as the ‘arrangement’), which shall be effective March 31, 1996. Transfers made pursuant to this section shall be in accordance with the arrangement, which shall specify the personnel and resources to be transferred as provided under this section. The terms of such arrangement shall be transmitted not later than January 1, 1995, to the Committee on Ways and Means of the House of Representatives, to the Committee on Finance of the Senate, and to the Comptroller General of the United States. Not later than February 15, 1995, the Comptroller General shall submit a report to each such Committee setting forth an evaluation of such arrangement.


'(a) Transition rules relating to officers of the Social Security Administration.—

'(1) Appointment of initial commissioner of social security.—The President shall nominate for appointment the initial Commissioner of Social Security to serve as head of the Social Security Administration established under section 701 of the Social Security Act (42 U.S.C. 901) (as amended by this Act) not later than 60 days after the date of the enactment of this Act [Aug. 15, 1994].

'(2) Assumption of office of initial commissioner before effective date of new agency.—If the appointment of the initial Commissioner of Social Security pursuant to section 702 of the Social Security Act [42 U.S.C. 902] (as amended by this Act) is confirmed by the Senate pursuant to such section 702 before March 31, 1995, the individual shall take office as Commissioner immediately upon confirmation, and, until March 31, 1995, such Commissioner shall perform the functions of the Commissioner of Social Security in the Department of Health and Human Services.

'(B) Special rules.—At any time on or after the date of the enactment of this Act [Aug. 15, 1994], any of the officers provided for in section 702 of the Social Security Act (as amended by this title) and any of the members of the Social Security Advisory Board provided for in section 703 of such Act [42 U.S.C. 903] (as
so amended) may be nominated and take office, under the terms and conditions set out in such sections.

(4) Compensation for initial officers and board members—Effective date of new agency—Funds available to any official or component of the Department of Health and Human Services, functions of which are transferred to the Commissioner of Social Security or the Social Security Administration established under this title [see Tables for classification], may, with the approval of the Director of the Office of Management and Budget, be used to pay the compensation and expenses of any officer or employee of the new Social Security Administration and of any member or staff of the Social Security Advisory Board who takes office pursuant to this subsection before March 31, 1995, until such time as funds for that purpose are otherwise available.

(5) Interim role of current commissioner after effective date of new agency—In the event that, as of March 31, 1995, an individual appointed to serve as the initial Commissioner of Social Security has not taken office, until such initial Commissioner has taken office, the officer serving on March 31, 1995, as Commissioner of Social Security (or Acting Commissioner of Social Security), serve as Commissioner of Social Security (or Acting Commissioner of Social Security), respectively, in the Social Security Administration as so established under such section 701 and shall assume the powers and duties under such Act to the extent that such proceedings relate to such functions, shall continue in effect until the date of termination specified in such agreement.

(6) Interim inspector general—The Commissioner of Social Security may appoint an individual to serve as such Commissioner of Social Security, if applicable) in the Department of Health and Human Services, while continuing to serve as such Commissioner of Social Security (or Acting Commissioner of Social Security), respectively, in the Social Security Administration as so established under such section 701 and shall assume the powers and duties under such Act (as amended by this Act) of the Commissioner of Social Security in the Social Security Administration as so established under such section 701. In the event that, as of March 31, 1995, the President has not nominated an individual to serve as Commissioner of Social Security (or Acting Commissioner of Social Security, if applicable) in the Department of Health and Human Services, the Social Security Administration shall become the Acting Commissioner of Social Security in the Social Security Administration as so established under such section 701.

(7) Abolishment of office of commissioner of social security in the department of health and human services—Effective when the initial Commissioner of Social Security or the Social Security Administration established under such section 701 of the Social Security Act (as amended by this title) takes office pursuant to section 702 of such Act (as so amended)—

(A) The position of Commissioner of Social Security in the Department of Health and Human Services is abolished; and

(B) Amendments made by this title shall be subject to judicial review to the same extent as if set out above.
and in the same manner as if such orders had been made and such actions had been taken by the Secretary of Health and Human Services in the exercise of such functions immediately before March 31, 1996. Any statutory requirements relating to notice, hearings, action upon the record, or administrative review that apply to any function so vested in such Commissioner shall continue to apply to the exercise of such function by such Commissioner.

“(g) EXERCISE OF FUNCTIONS.—In the exercise of the functions vested in the Commissioner of Social Security under this title, the amendments made thereby, and regulations prescribed thereunder, such Commissioner shall have the same authority as that vested in the Secretary of Health and Human Services with respect to the exercise of such functions immediately preceding the vesting of such functions in such Commissioner, and actions of such Commissioner shall have the same force and effect as when exercised by such Secretary.”

RULES OF CONSTRUCTION

“(a) REFERENCES TO THE DEPARTMENT OF HEALTH AND HUMAN SERVICES.—Whenever any reference is made in any provision of law (other than this title [see Tables for classification]) or a provision of law amended by this title, regulation, rule, record, or document to the Department of Health and Human Services with respect to such Department’s functions under the old-age, survivors, and disability insurance program under title II of the Social Security Act [42 U.S.C. 401 et seq.] or the supplemental security income program under title XVI of such Act [42 U.S.C. 1381 et seq.] or other functions performed by the Social Security Administration pursuant to section 105(a)(2) of this Act [set out above], such reference shall be considered a reference to the Department’s functions under the old-age, survivors, and disability insurance program under title II of such Act [42 U.S.C. 1381 et seq.] or other functions vested in the Commissioner of Social Security pursuant to section 105(a)(2) of this Act [set out above], such reference shall be considered a reference to the Social Security Administration.

“(b) REFERENCES TO THE SECRETARY OF HEALTH AND HUMAN SERVICES.—Whenever any reference is made in any provision of law (other than this title or a provision of law amended by this title), regulation, rule, record, or document to the Secretary of Health and Human Services with respect to such Secretary’s functions under the old-age, survivors, and disability insurance program under title II of the Social Security Act or the supplemental security income program under title XVI of such Act or other functions performed by the Social Security Administration pursuant to section 105(a)(2) of this Act, such reference shall be considered a reference to the Secretary of Social Security.

“(c) REFERENCES TO OTHER OFFICERS AND EMPLOYEES.—Whenever any reference is made in any provision of law (other than this title or a provision of law amended by this title), regulation, rule, record, or document to any other officer or employee of the Department of Health and Human Services with respect to such officer or employee’s functions under the old-age, survivors, and disability insurance program under title II of the Social Security Act or the supplemental security income program under title XVI of such Act or other functions performed by the officer or employee of the Social Security Administration pursuant to section 105(a)(2) of this Act, such reference shall be considered a reference to the appropriate officer or employee of the Social Security Administration.”

§902. Commissioner; Deputy Commissioner; other officers

(a) Commissioner of Social Security

(1) There shall be in the Administration a Commissioner of Social Security (in this subchapter referred to as the “Commissioner”) who shall be appointed by the President, by and with the advice and consent of the Senate.

(2) The Commissioner shall be compensated at the rate provided for level I of the Executive Schedule.

(3) The Commissioner shall be appointed for a term of 6 years, except that the initial term of office for Commissioner shall terminate January 19, 2001. In any case in which a successor does not take office at the end of a Commissioner’s term of office, such Commissioner may continue in office until the entry upon office of such a successor. A Commissioner appointed to a term of office after the commencement of such term may serve under such appointment only for the remainder of such term. An individual serving in the office of Commissioner may be removed from office only pursuant to a finding by the President of neglect of duty or malfeasance in office.

(4) The Commissioner shall be responsible for the exercise of all powers and the discharge of all duties of the Administration, and shall have authority and control over all personnel and activities thereof.

(5) The Commissioner may prescribe such rules and regulations as the Commissioner determines necessary or appropriate to carry out the functions of the Administration. The regulations prescribed by the Commissioner shall be subject to the rulemaking procedures established under section 553 of title 5.

(6) The Commissioner may establish, alter, consolidate, or discontinue such organizational units or components within the Administration as the Commissioner considers necessary or appropriate, except that this paragraph shall not apply with respect to any unit, component, or provision provided for by this chapter.

(7) The Commissioner may assign duties, and delegate, or authorize successive rededications of, authority to act and to render decisions, to such officers and employees of the Administration as the Commissioner may find necessary. Within the limitations of such deputations, redelegations, or assignments, all official acts and decisions of such officers and employees shall have the same force and effect as though performed or rendered by the Commissioner.

(b) Deputy Commissioner of Social Security

(1) There shall be in the Administration a Deputy Commissioner of Social Security (in this

§901a. Repealed. Aug. 28, 1950, ch. 809, title IV, §401(b), 64 Stat. 558

subchapter referred to as the “Deputy Commissioner”) who shall be appointed by the President, by and with the advice and consent of the Senate.

(2) The Deputy Commissioner shall be appointed for a term of 6 years, except that the initial term of office for the Deputy Commissioner shall terminate January 19, 2001. In any case in which a successor does not take office at the end of a Deputy Commissioner’s term of office, such Deputy Commissioner may continue in office until the entry upon office of such a successor. A Deputy Commissioner appointed to a term of office after the commencement of such term may serve under such appointment only for the remainder of such term.

(3) The Deputy Commissioner shall be compensated at the rate provided for level II of the Executive Schedule.

(4) The Deputy Commissioner shall perform such duties and exercise such powers as the Commissioner shall from time to time assign or delegate. The Deputy Commissioner shall be Acting Commissioner of the Administration during the absence or disability of the Commissioner and, unless the President designates another officer of the Government as Acting Commissioner, in the event of a vacancy in the office of the Commissioner.

(c) Chief Actuary

(1) There shall be in the Administration a Chief Actuary, who shall be appointed by, and in direct line of authority to, the Commissioner. The Chief Actuary shall be appointed from individuals who have demonstrated, by their education and experience, superior expertise in the actuarial sciences. The Chief Actuary shall serve as the chief actuarial officer of the Administration, and shall exercise such duties as are appropriate for the office of the Chief Actuary and in accordance with professional standards of actuarial independence. The Chief Actuary may be removed only for cause.

(2) The Chief Actuary shall be compensated at the highest rate of basic pay for the Senior Executive Service under section 5382(b) of title 5.

(d) Chief Financial Officer

There shall be in the Administration a Chief Financial Officer appointed by the Commissioner in accordance with section 901(a)(2) of title 31.

(e) Inspector General

There shall be in the Administration an Inspector General appointed by the President, by and with the advice and consent of the Senate, in accordance with section 3(a) of the Inspector General Act of 1978.


REFERENCES IN TEXT

Sections 2(a) and 2(b)(3) of this subchapter referred to in sections 901(a)(2) and 901(a)(3), are set out in sections 5312 and 5313, respectively, of Title 5, Government Organization and Employees.
than 1 year and not more than 3 years, and directed Secretary to submit to Congress a written report on the progress of the demonstration projects not later than 90 days after the termination of the project.

**TELEPHONE ACCESS TO SOCIAL SECURITY ADMINISTRATION**

Pub. L. 103–296, title III, §302, Aug. 15, 1994, 108 Stat. 1518, directed Comptroller General of the United States to submit to Congress, not later than Jan. 31, 1996, a report and study of telephone access to local offices of the Social Security Administration, based on independent assessment of Social Security Administration’s use of innovative technology (including attendant call and voice mail) to increase public telephone access to local offices of the Administration.


“(a) Required Minimum Level of Access to Local Offices.—In addition to such other access by telephone to offices of the Social Security Administration as the Secretary of Health and Human Services may consider appropriate, the Secretary shall maintain access by telephone to local offices of the Social Security Administration at the level of access generally available as of September 30, 1989.

“(b) Telephone Listings.—The Secretary shall make such requests of local telephone utilities in the United States as are necessary to ensure that the listings subsequently maintained and published by such utilities for each locality include the address and telephone number for each local office of the Social Security Administration to which direct telephone access is maintained under subsection (a) in such locality. Such listing may also include information concerning the availability of a toll-free number which may be called for general information.

“(c) Report by Secretary.—Not later than January 1, 1993, the Secretary shall submit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate a report which—

“(1) assesses the impact of the requirements established by this section on the Social Security Administration’s allocation of resources, workload levels, and service to the public, and

“(2) presents a plan for using new, innovative technologies to enhance access to the Social Security Administration, including access to local offices.

“(d) GAO Report.—The Comptroller General of the United States shall review the level of telephone access by the public to the local offices of the Social Security Administration. The Comptroller General shall file an interim report with the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate describing such level of telephone access not later than 120 days after the date of the enactment of this Act [Nov. 5, 1990] and shall file a final report with such Committees describing such level of access not later than 210 days after such date.

“(e) Effective Date.—The Secretary of Health and Human Services shall meet the requirements of subsections (a) and (b) as soon as possible after the date of the enactment of this Act but not later than 180 days after such date.”

**REPORT REGARDING NOTICES IN LANGUAGES OTHER THAN ENGLISH**


**STUDY CONCERNING ESTABLISHMENT OF SOCIAL SECURITY ADMINISTRATION AS AN INDEPENDENT AGENCY**

Pub. L. 98–21, title III, §308, Apr. 20, 1983, 97 Stat. 132, as amended by Pub. L. 98–369, div. B, title VI, §2662(h)(1), July 18, 1984, 98 Stat. 1160, established, under authority of Committee on Ways and Means of the House of Representatives and Committee on Finance of the Senate, a Joint Study Panel on the Social Security Administration to undertake a study of removing Social Security Administration from Department of Health and Human Services and establishing it on an independent agency in the executive branch with its own independent administrative structure, including possibility of such a structure headed by a board appointed by the President, by and with the advice and consent of the Senate, and to submit, not later than Apr. 1, 1984, a report on the findings of the study, and provided that the Panel would expire 30 days after the date of the submission of the report.

**EARNINGS SHARING IMPLEMENTATION REPORT**

Pub. L. 98–21, title III, §343, Apr. 20, 1983, 97 Stat. 136, directed Secretary of Health and Human Services to develop, in consultation with Committee on Finance of the Senate and Committee on Ways and Means of the House of Representatives, proposals for earnings sharing legislation (i.e., proposals that combined earnings of a husband and wife during period of their marriage be divided equally and shared between them for security benefit purposes) and report such proposals to such committees not later than July 1, 1984.

**UNIVERSAL COVERAGE OF SOCIAL SECURITY PROGRAMS; STUDY AND REPORT TO PRESIDENT AND CONGRESS RESPECTING SCOPE, ALTERNATIVES, ETC., CONSULTATION BY SECRETARY**


**PROPOSALS FOR ELIMINATION OF DEPENDENCY AND SEX DISCRIMINATION UNDER SOCIAL SECURITY PROGRAM; STUDY AND REPORT TO CONGRESS**

Pub. L. 95–216, title III, §341, Dec. 20, 1977, 91 Stat. 1548, directed Secretary of Health, Education, and Welfare, in consultation with the Task Force on Sex Discrimination, to make a detailed study of proposals to eliminate dependency as a factor in the determination of entitlement to spouse’s benefits under the program established under subchapter II of this chapter and of proposals to bring about equal treatment for men and women in any and all respects under such program and submit a report to Congress within 6 months of Dec. 20, 1977.

§903. Social Security Advisory Board

(a) Establishment of Board

There shall be established a Social Security Advisory Board (in this section referred to as the “Board”).

(b) Functions of Board

On and after the date the Commissioner takes office, the Board shall advise the Commissioner on policies related to the old-age, survivors, and disability insurance program under subchapter II, the program of special benefits for certain World War II veterans under subchapter VIII, and the supplemental security income program under subchapter XVI. Specific functions of the Board shall include—

(1) analyzing the Nation’s retirement and disability systems and making recommenda-
ments with respect to how the old-age, survivors, and disability insurance program and the supplemental security income program, supported by other public and private systems, can most effectively assure economic security;
(2) reviewing and making recommendations relating to the coordination of programs that provide health security with programs described in paragraph (1);
(3) making recommendations to the President and to the Congress with respect to policies that will ensure the solvency of the old-age, survivors, and disability insurance program, both in the short-term and the long-term;
(4) making recommendations with respect to the quality of service that the Administration provides to the public;
(5) making recommendations with respect to policies and regulations regarding the old-age, survivors, and disability insurance program and the supplemental security income program;
(6) increasing public understanding of the social security system;
(7) making recommendations with respect to a long-range research and program evaluation plan for the Administration;
(8) reviewing and assessing any major studies of social security as may come to the attention of the Board; and
(9) making recommendations with respect to such other matters as the Board determines to be appropriate.
(c) Structure and membership of Board
(1) The Board shall be composed of 7 members who shall be appointed as follows:
(A) 3 members shall be appointed by the President, by and with the advice and consent of the Senate. Not more than 2 of such members shall be from the same political party.
(B) 2 members (each member from a different political party) shall be appointed by the President pro tempore of the Senate with the advice of the Chairman and the Ranking Minority Member of the Senate Committee on Finance.
(C) 2 members (each member from a different political party) shall be appointed by the Speaker of the House of Representatives, with the advice of the Chairman and the Ranking Minority Member of the House Committee on Ways and Means.
(2) The members shall be chosen on the basis of their integrity, impartiality, and good judgment, and shall be individuals who are, by reason of their education, experience, and attainments, exceptionally qualified to perform the duties of members of the Board.
(d) Terms of appointment
Each member of the Board shall serve for a term of 6 years, except that—
(1) a member appointed to a term of office after the commencement of such term may serve under such appointment only for the remainder of such term; and
(2) the terms of service of the members initially appointed under this section shall begin on October 1, 1994, and expire as follows:
(A) The terms of service of the members initially appointed by the President shall expire as designated by the President at the time of nomination, 1 each at the end of—
(i) 2 years;
(ii) 4 years; and
(iii) 6 years.
(B) The terms of service of members initially appointed by the President pro tempore of the Senate shall expire as designated by the President pro tempore of the Senate at the time of nomination, 1 each at the end of—
(i) 3 years; and
(ii) 6 years.
(C) The terms of service of members initially appointed by the Speaker of the House of Representatives shall expire as designated by the Speaker of the House of Representatives at the time of nomination, 1 each at the end of—
(i) 4 years; and
(ii) 5 years.
(e) Chairman
A member of the Board shall be designated by the President to serve as Chairman for a term of 4 years, coincident with the term of the President, or until the designation of a successor.
(f) Compensation, expenses, and per diem
A member of the Board shall, for each day (including traveltime) during which the member is attending meetings or conferences of the Board or otherwise engaged in the business of the Board, be compensated at the daily rate of basic pay for level IV of the Executive Schedule. While serving on business of the Board away from their homes or regular places of business, members may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5 for persons in the Government employed intermittently.
(g) Meetings
(1) The Board shall meet at the call of the Chairman (in consultation with the other members of the Board) not less than 4 times each year to consider a specific agenda of issues, as determined by the Chairman in consultation with the other members of the Board.
(2) Four members of the Board (not more than 3 of whom may be of the same political party) shall constitute a quorum for purposes of conducting business.
(h) Federal Advisory Committee Act
The Board shall be exempt from the provisions of the Federal Advisory Committee Act (5 U.S.C. App.).
(i) Personnel
The Board shall, without regard to the provisions of title 5 relating to the competitive service, appoint a Staff Director who shall be paid at a rate equivalent to a rate established for the Senior Executive Service under section 5382 of title 5. The Board shall appoint such additional personnel as the Board determines to be necessary to provide adequate support for the Board, and may compensate such additional personnel without regard to the provisions of title 5 relating to the competitive service.
(j) Authorization of appropriations

There are authorized to be appropriated, out of the Federal Disability Insurance Trust Fund, the Federal Old-Age and Survivors Insurance Trust Fund, and the general fund of the Treasury, such sums as are necessary to carry out the purposes of this section.


REFERENCES IN TEXT

Level IV of the Executive Schedule, referred to in subsec. (f), is set out under section 3301 et seq. of Title 5.

AMENDMENTS

2004—Subsec. (f). Pub. L. 108–203 amended heading and text of subsec. (f) generally. Prior to amendment, text read as follows: “Members of the Board shall serve without compensation, except that, while serving on business of the Board away from their homes or regular places of business, members may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5 for persons in the Government employed intermittently.”


1997—Subsec. (i). Pub. L. 105–33 struck out “, and three professional staff members one of whom shall be appointed from among individuals approved by the members of the Board who are not members of the political party represented by the majority of the Board,” after “Staff Director” and “clerical” after “provide adequate”.

1996—Subsec. (i). Pub. L. 104–121 inserted “, and three professional staff members one of whom shall be appointed from among individuals approved by the members of the Board who are not members of the political party represented by the majority of the Board,” after “Staff Director”.

1994—Pub. L. 103–296 amended section generally. Prior to amendment, section read as follows: “The Secretary is authorized to appoint and fix the compensation of such officers and employees, and to make such expenditures, as may be necessary for carrying out his functions under this chapter. Appointments of attorneys and experts may be made without regard to the civil service laws.”

1984—Pub. L. 98–369 substituted “Secretary” for “Administrator”.

1950—Act Aug. 28, 1950, substituted “Administrator” for “Board” and “his” for “its”.

Effective Date of 2004 Amendment


Effective Date of 1997 Amendment

Pub. L. 105–33, title V, §5528, Aug. 5, 1997, 111 Stat. 625, provided that:

“(a) In General.—Except as provided in this section, the amendments made by this chapter [chapter 2 of title 5 (§5521–5528) of subtitle F of title V of Pub. L. 105–33, amending this section, sections 1310, 1382, 1383c, 1382d, and 1383 of this title, and provisions set out as a note under section 1382 of this title and repealing provisions set out as notes under sections 225 and 1382 of this title] shall take effect as if included in the enactment of title II of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (Public Law 104–193; 110 Stat. 2185).

“(b) Section 5524 Amendments.—The amendments made by section 5524 of this Act [amending section 1310 of this title] shall take effect as if included in the enactment of the Social Security Independence and Program Improvements Act of 1994 (Public Law 103–296; 108 Stat. 1464).

“(c) Section 5525 Amendments.—

“(1) In General.—The amendments made by subsections (a) and (b) of section 5525 of this Act [amending provisions set out as a note under section 1382 of this title] shall take effect as if included in the enactment of section 105 of the Contract with America Advancement Act of 1996 (Public Law 104–121; 110 Stat. 852 et seq.).

“(2) Repeals.—The repeal made by section 5525(c) [repealing provisions set out as notes under sections 425 and 1382 of this title] shall take effect on the date of the enactment of this Act [Aug. 5, 1997].

“(d) Section 5526 Amendments.—The amendments made by section 5526 of this Act [amending this section] shall take effect as if included in the enactment of section 108 of the Contract with America Advancement Act of 1996 (Public Law 104–121; 110 Stat. 857).

“(e) Section 5227.—Section 5227 [probably means section 5527 of this Act which is set out as a note under section 909 of this title] shall take effect on the date of the enactment of this Act.”

Effective Date of 1984 Amendment

Amendment by Pub. L. 98–369 effective July 18, 1984, but not to be construed as changing or affecting any right, liability, status, or interpretation which existed (under the provisions of law involved) before that date, see section 2664(b) of Pub. L. 98–369, set out as a note under section 401 of this title.

§904. Administrative duties of Commissioner

(a) Personnel

(1) The Commissioner shall appoint such additional officers and employees as the Commissioner considers necessary to carry out the functions of the Administration under this chapter, and attorneys and experts may be appointed without regard to the civil service laws. Except as otherwise provided in the preceding sentence or in any other provision of law, such officers and employees shall be appointed, and their compensation shall be fixed, in accordance with title 5.

(2) The Commissioner may procure the services of experts and consultants in accordance with the provisions of section 3109 of title 5.

(3) Notwithstanding any requirements of section 3133 of title 5, the Director of the Office of Personnel Management shall authorize for the Administration a total number of Senior Executive Service positions which is substantially greater than the number of such positions authorized in the Social Security Administration in the Department of Health and Human Services as of immediately before August 15, 1994, to
the extent that the greater number of such authorized positions is specified in the comprehensive work force plan as established and revised by the Commissioner under subsection (b)(2). The total number of such positions authorized for the Administration shall not at any time be less than the number of such authorized positions as of immediately before such date.

(b) Budgetary matters

(1)(A) The Commissioner shall prepare an annual budget for the Administration, which shall be submitted by the President to the Congress together with the President’s annual budget for the Administration.

(B) The Commissioner shall include in the annual budget prepared pursuant to subparagraph (A) an itemization of the amount of funds required by the Social Security Administration for the fiscal year covered by the budget to support efforts to combat fraud committed by applicants and beneficiaries.

(2)(A) Appropriations requests for staffing and personnel of the Administration shall be based upon a comprehensive work force plan, which shall be established and revised from time to time by the Commissioner.

(B) Appropriations for administrative expenses of the Administration are authorized to be provided on a biennial basis.

(3) For each fiscal year beginning with 2016 and ending with 2021, the Commissioner shall include in the annual budget prepared pursuant to subparagraph (A) a report describing the purposes for which amounts made available for purposes described in section 901(b)(2)(B) of title 2 for the fiscal year were expended by the Social Security Administration and the purposes for which the Commissioner plans for the Administration to expend such funds in the succeeding fiscal year, including—

(A) the total such amount expended;

(B) the amount expended on co-operative disability investigation units;

(C) the number of cases of fraud prevented by co-operative disability investigation units and the amount expended on such cases (as reported to the Commissioner by the Inspector General of the Social Security Administration);

(D) the number of felony cases prosecuted under section 408 of this title (as reported to the Commissioner by the Inspector General) and the amount expended by the Social Security Administration in supporting the prosecution of such cases;

(E) the amount of such felony cases successfully prosecuted (as reported to the Commissioner by the Inspector General) and the amount expended by the Social Security Administration in supporting the prosecution of such cases;

(F) the amount expended on and the number of completed—

(i) continuing disability reviews conducted by mail;

(ii) redeterminations conducted by mail;

(iii) medical continuing disability reviews conducted pursuant to section 421(i) of this title;

(iv) medical continuing disability reviews conducted pursuant to 1382c(a)(3)(H) of this title;

(v) redeterminations conducted pursuant to section 1382(c) of this title; and

(vi) work-related continuing disability reviews to determine whether earnings derived from services demonstrate an individual’s ability to engage in substantial gainful activity;

(G) the number of cases of fraud identified for which benefits were terminated as a result of medical continuing disability reviews as reported to the Commissioner by the Inspector General, work-related continuing disability reviews, and redeterminations, and the amount of resulting savings for each such type of review or redetermination; and

(H) the number of work-related continuing disability reviews in which a beneficiary improperly reported earnings derived from services for more than 3 consecutive months, and the amount of resulting savings.

(c) Employment restriction

The total number of positions in the Administration (other than positions established under section 902 of this title) which—

(1) are held by noncareer appointees (within the meaning of section 3132(a)(7) of title 5) in the Senior Executive Service, or

(2) have been determined by the President or the Office of Personnel Management to be of a confidential, policy-determining, policy-making, or policy-advocating character and have been excepted from the competitive service thereby,

may not exceed at any time the equivalent of 20 full-time positions.

(d) Seal of office

The Commissioner shall cause a seal of office to be made for the Administration of such design as the Commissioner shall approve. Judicial notice shall be taken of such seal.

(e) Data exchanges

(1) Notwithstanding any other provision of law (including subsections (b), (o), (p), (q), (r), and (u) of section 552a of title 5—

(A) the Secretary shall disclose to the Commissioner any record or information requested in writing by the Commissioner for the purpose of administering any program administered by the Commissioner, if records or information of such type were disclosed to the Commissioner of Social Security in the Department of Health and Human Services under applicable rules, regulations, and procedures in effect before August 15, 1994; and

(B) the Commissioner shall disclose to the Secretary or to any State any record or information requested in writing by the Secretary to be so disclosed for the purpose of administering any program administered by the Secretary, if records or information of such type were so disclosed under applicable rules, regulations, and procedures in effect before August 15, 1994.

1 So in original. Probably should be preceded by “section”.

(2) The Commissioner and the Secretary shall enter into an agreement under which the Commissioner provides the Secretary data concerning the quality of the services and information provided to beneficiaries of the programs under subchapters XVIII and XIX and the administrative services provided by the Social Security Administration in support of such programs. Such agreement shall stipulate the type of data to be provided and the terms and conditions under which the data are to be provided.

(3) The Commissioner and the Secretary shall periodically review the need for exchanges of information not referred to in paragraph (1) or (2) and shall enter into such agreements as may be necessary and appropriate to provide information to each other or to States in order to meet the programmatic needs of the requesting agencies.

(4)(A) Any disclosure from a system of records (as defined in section 552a(a)(5) of title 5) pursuant to this subsection shall be made as a routine use under subsection (b)(3) of section 552a of such title (unless otherwise authorized under such section 552a).

(B) Any computerized comparison of records, including matching programs, between the Commissioner and the Secretary shall be conducted in accordance with subsections (a), (p), (q), (r), and (u) of section 552a of title 5.

(5) The Commissioner and the Secretary shall each ensure that timely action is taken to establish any necessary routine uses for disclosures required under paragraph (1) or agreed to pursuant to paragraph (3).


AMENDMENTS


1994—Subsec. (b)(1). Pub. L. 103-296 designated existing provisions as subpar. (A) and added subpar. (B).

1994—Pub. L. 103-296 amended section generally. Prior to amendment, section read as follows: “The Secretary shall make a full report to Congress, within one hundred and twenty days after the beginning of each regular session, of the administration of the functions with which he is charged under this chapter. In addition to the number of copies of such report authorized by other law to be printed, there is hereby authorized to be printed not more than five thousand copies of such report for use by the Secretary for distribution to Members of Congress and to other public or private agencies or organizations participating in or concerned with the social security program.”

1984—Pub. L. 98-369 substituted “Secretary” for “Administrator.”

1976—Pub. L. 94-273 substituted “within one hundred and twenty days after the beginning” for “at the beginning”.


EFFECTIVE DATE OF 1999 AMENDMENT


EFFECTIVE DATE OF 1994 AMENDMENT

Pub. L. 103-296, title I, § 104(c), Aug. 15, 1994, 108 Stat. 1472, provided that:

“(1) EFFECTIVE DATE.—Section 704(e)(4) of the Social Security Act (42 U.S.C. 904(e)(4)) (as amended by subsection (a)) shall take effect March 31, 1996.

“(2) TRANSITION RULE.—Notwithstanding any other provision of law (including subsections (b), (o), (p), (q), (r), and (u) of section 552a of title 5, United States Code), arrangements for disclosure of records or other information, and arrangements for computer matching of records, which were in effect immediately before the date of the enactment of this Act (Aug. 15, 1994) between the Social Security Administration in the Department of Health and Human Services and other components of such Department may continue between the Social Security Administration established under section 701 of the Social Security Act (42 U.S.C. 901) (as amended by this Act) and such Department during the period beginning on the date of the enactment of this Act and ending March 31, 1996.”

Amendment by section 104(a) of Pub. L. 103-296 effective Mar. 31, 1995, except as otherwise provided, see section 101(a) of Pub. L. 103-296, set out as a note under section 401 of this title.

EFFECTIVE DATE OF 1984 AMENDMENT

Amendment by Pub. L. 98-369 effective July 18, 1984, but not to be construed as changing or affecting any right, liability, status, or interpretation which existed (under the provisions of law involved) before that date, see section 2664(b) of Pub. L. 98-369, set out as a note under section 401 of this title.

EXPEDITED EXAMINATION OF ADMINISTRATIVE LAW JUDGES

Pub. L. 114-74, title VIII, § 846, Nov. 2, 2015, 129 Stat. 620, provided that:

“(a) IN GENERAL.—Notwithstanding any other provision of law, the Office of Personnel Management shall, upon request of the Commissioner of Social Security, expeditiously administer a sufficient number of competitive examinations, as determined by the Commissioner, for the purpose of identifying a adequate number of candidates to be appointed as Administrative Law Judges under section 3105 of title 5, United States Code. The first such examination shall take place not later than April 1, 2016 and other examinations shall take place at such time or times requested by the Commissioner, but not later than December 31, 2017. Such examinations shall proceed even if one or more individuals who took a prior examination have appealed an adverse determination and one or more of such appeals have not concluded, provided that—

“(1) the Commissioner of Social Security has made a determination that delaying the examination poses a significant risk that an adequate number of Administrative Law Judges will not be available to meet the need of the Social Security Administration to reduce or prevent a backlog of cases awaiting a hearing;

“(2) an individual whose appeal is pending is provided an option to continue their appeal or elects to take the new examination, in which case the appeal is considered vacated; and

“(3) an individual who decides to continue his or her appeal and who ultimately prevails in the appeal shall receive expeditious consideration for hire by the Office Personnel Management and the Commissioner of Social Security.

“(b) PAYMENT OF COSTS.—Notwithstanding any other provision of law, the Commissioner of Social Security shall pay the full cost associated with each examination conducted pursuant to subsection (a).”
§ 905, 905a. Transferred

Codification

Section 905, act July 5, 1952, ch. 575, title II, § 201, 66 Stat. 369, as amended, which related to the working capital fund, was transferred to section 3513 of this title.

Section 905a, act Aug. 10, 1971, Pub. L. 92–80, title II, § 200, 85 Stat. 297, which related to the initial allotments to the States. Any amount so reallocated to a State shall be deemed part of its allotment under such subsection.

§ 906. Training grants for public welfare personnel

(a) Authorization of appropriations

In order to assist in increasing the effectiveness and efficiency of administration of public assistance programs by increasing the number of adequately trained public welfare personnel available for work in public assistance programs, there are hereby authorized to be appropriated for the fiscal year ending June 30, 1963, the sum of $3,500,000, and for each fiscal year thereafter the sum of $5,000,000.

(b) Allocation for carrying out direct grant programs

Such portion of the sums appropriated pursuant to subsection (a) for any fiscal year as the Secretary may determine, but not in excess of $1,000,000 in the case of the fiscal year ending June 30, 1963, and $2,000,000 in the case of any fiscal year thereafter, shall be available for carrying out subsection (f). From the remainder of the sums so appropriated for any fiscal year, the Secretary shall make allotments to the States on the basis of (1) population, (2) relative need for trained public welfare personnel, particularly for personnel to provide self-support and self-care services, and (3) financial need.

(c) Payments to States for cost of grant programs to certain agencies and institutions

From each State’s allotment under subsection (b), the Secretary shall from time to time pay to such State its costs of carrying out the purposes of this section through (1) grants to public or other nonprofit institutions of higher learning for training personnel employed or preparing for employment in public assistance programs, (2) special courses of study or seminars of short duration conducted for such personnel by experts hired on a temporary basis for the purpose, and (3) establishing and maintaining, directly or through grants to such institutions, fellowships or traineeships for such personnel at such institutions, with such stipends and allowances as may be permitted under regulations of the Secretary.

(d) Advance payments to States

Payments pursuant to subsection (c) shall be made in advance on the basis of estimates by the Secretary and adjustments may be made in future payments under this section to take account of overpayments or underpayments in amounts previously paid.

(e) Reallocation

The amount of any allotment to a State under subsection (b) for any fiscal year which the Secretary determines have need in carrying out such purposes for sums in excess of those previously allotted to them under this section and will be able to use such excess amounts during such fiscal year; such reallocations to be made on the basis provided in subsection (b) for the initial allotments to the States. Any amount so reallocated to a State shall be deemed part of its allotment under such subsection.

(f) Direct grants to certain agencies and institutions

(1) The portion of the sums appropriated for any fiscal year which is determined by the Secretary under the first sentence of subsection (b) to be available for carrying out this subsection shall be available to enable him to provide (A) directly or through grants to or contracts with public or nonprofit private institutions of higher learning, for training personnel who are employed or preparing for employment in the administration of public assistance programs, (B) directly or through grants to or contracts with public or nonprofit private agencies or institutions, for special courses of study or seminars of short duration (not in excess of one year) for training personnel, and (C) directly or through grants to or contracts with public or nonprofit private agencies or institutions, for establishing and maintaining fellowships or traineeships for such personnel at such institutions, with such stipends and allowances as may be permitted by the Secretary.

(2) Payments under paragraph (1) may be made in advance on the basis of estimates by the Secretary, or may be made by way of reimbursement, and adjustments may be made in future payments under this subsection to take account of overpayments or underpayments in amounts previously paid.

(3) The Secretary may, to the extent he finds such action to be necessary, prescribe requirements to assure that any individual will repay the amount of his fellowship or traineeship received under this subsection to the extent such individual fails to serve, for the period prescribed by the Secretary, with a State or political subdivision thereof, or with the Federal Government, in connection with administration of any State or local public assistance program. The Secretary may relieve any individual of his obligation to so repay, in whole or in part, whenever and to the extent that requirement of such repayment would, in his judgment, be inequitable or would be contrary to the purposes of any of the public welfare programs established by this chapter.

**AMENDMENTS**

1962—Subsec. (a). Pub. L. 87–543, §123(a), substituted "for the fiscal year ending June 30, 1963, the sum of $3,500,000, and for each fiscal year thereafter the sum of $5,000,000" for "for the fiscal year ending June 30, 1958, the sum of $5,000,000, and for each of the five succeeding fiscal years such sums as the Congress may determine".

Subsec. (b). Pub. L. 87–543, §123(b), required appropriated moneys to be made available for carrying out subsec. (f) of this section.


1961—Subsec. (a). Pub. L. 87–31, §3(a), substituted "five" for "four".

Subsec. (c). Pub. L. 87–31, §3(b), substituted "its costs of carrying out the purposes of this section" for "80 per centum of the total of its expenditures in carrying out the purposes of this section".

**EFFECITIVE DATE OF 1962 AMENDMENT**

Pub. L. 87–543, title II, §202(b), July 25, 1962, 76 Stat. 208, provided that: "The amendments made by sections 102(c), 123, and 132(d) enacting section 727 of this title, amending this section and sections 722 and 726 of this title, and repealing credits to section 1308 of this title and provisions set out as notes under section 1308 of this title] shall be applicable in the case of fiscal years beginning after June 30, 1962."  

**EFFIECITIVE DATE OF 1961 AMENDMENT**

Pub. L. 87–31, §3(b), May 8, 1961, 75 Stat. 77, provided that the amendment made by that section is effective with respect to payments from allotments from appropriations made for fiscal years beginning after June 30, 1961.


**APPLICABILITY OF REPEAL TO 1994 COUNCIL**


§ 907a. National Commission on Social Security

(a) Establishment; members; Chairman and Vice Chairman; quorum; terms of office; vacancies; per diem and expense reimbursement; meetings

(1) There is established a commission to be known as the National Commission on Social Security (hereinafter referred to as the "Commission").

(2) (A) The Commission shall consist of—

(i) five members to be appointed by the President, by and with the advice and consent of the Senate, one of whom shall, at the time of appointment, be designated as Chairman of the Commission;

(ii) two members to be appointed by the Speaker of the House of Representatives; and

(iii) two members to be appointed by the President pro tempore of the Senate.

(B) At no time shall more than three of the members appointed by the President, one of the members appointed by the Speaker of the House of Representatives, or one of the members appointed by the President pro tempore of the Senate be members of the same political party.

(C) The membership of the Commission shall consist of individuals who are of recognized standing and distinction and who possess the demonstrated capacity to discharge the duties imposed on the Commission, and shall include representatives of the private insurance industry and of recipients and potential recipients of benefits under the programs involved as well as individuals whose capacity is based on a special knowledge or expertise in those programs. No individual who is otherwise an officer or full-time employee of the United States shall serve as a member of the Commission.

(D) The Chairman of the Commission shall designate a member of the Commission to act as Vice Chairman of the Commission.

(E) A majority of the members of the Commission shall constitute a quorum, but a lesser number may conduct hearings.

(F) Members of the Commission shall be appointed for a term which shall end on April 1, 1981.

(G) A vacancy in the Commission shall not affect its powers, but shall be filled in the same manner as that herein provided for the appointment of the member first appointed to the vacant position.

(3) Members of the Commission shall receive $138 per diem while engaged in the actual performance of the duties vested in the Commission, plus reimbursement for travel, subsistence, and other necessary expenses incurred in the performance of such duties.

(4) The Commission shall meet at the call of the Chairman, or at the call of a majority of the members of the Commission; but meetings of the Commission shall be held not less frequently than once in each calendar month which begins after a majority of the authorized membership of the Commission has first been appointed.

(b) Continuing study, investigation, and review of social security program; scope of study, etc., and public participation

(1) It shall be the duty and function of the Commission to conduct a continuing study, investigation, and review of—

(A) the Federal old-age, survivors, and disability insurance program established by subchapter II of this chapter; and

(B) the health insurance programs established by subchapter XVIII of this chapter.

(2) Such study, investigation, and review of such programs shall include (but not be limited to)—
(A) the fiscal status of the trust funds established for the financing of such programs and the adequacy of such trust funds to meet the immediate and long-range financing needs of such programs;
(B) the scope of coverage, the adequacy of benefits including the measurement of an adequate retirement income, and the conditions of qualification for benefits provided by such programs including the application of the retirement income test to unearned as well as earned income;
(C) the impact of such programs on, and their relation to, public assistance programs, nongovernmental retirement and annuity programs, medical service delivery systems, and national employment practices;
(D) any inequities (whether attributable to provisions of law relating to the establishment and operation of such programs, to rules and regulations promulgated in connection with the administration of such programs, or to administrative practices and procedures employed in the carrying out of such programs) which affect substantial numbers of individuals who are insured or otherwise eligible for benefits under such programs, including inequities and inequalities arising out of marital status, sex, or similar classifications or categories;
(E) possible alternatives to the current Federal programs or particular aspects thereof, including but not limited to (i) a phasing out of the payroll tax with the financing of such programs being accomplished in some other manner (including general revenue funding and the retirement bond), (ii) the establishment of a system providing for mandatory participation in any or all of the Federal programs, (iii) the integration of such current Federal programs with private retirement programs, and (iv) the establishment of a system permitting covered individuals a choice of public or private programs or both;
(F) the need to develop a special Consumer Price Index for the elderly, including the financial impact that such an index would have on the costs of the programs established under this chapter; and
(G) methods for effectively implementing the recommendations of the Commission.

(3) In order to provide an effective opportunity for the general public to participate fully in the study, investigation, and review under this section, the Commission, in conducting such study, investigation, and review, shall hold public hearings in as many different geographical areas of the country as possible. The residents of each area where such a hearing is to be held shall be given reasonable advance notice of the hearing and an adequate opportunity to appear and express their views on the matters under consideration.

(e) Special, annual, and final reports to President and Congress concerning implementation, etc., of study, investigation, and review responsibilities; termination of Commission

(1) No later than four months after the date on which a majority of the authorized membership of the Commission is initially appointed, the Commission shall submit to the President and the Congress a special report describing the Commission's plans for conducting the study, investigation, and review under subsection (b), with particular reference to the scope of such study, investigation, and review and the methods proposed to be used in conducting it.

(2) At or before the close of each of the first two years after the date on which a majority of the authorized membership of the Commission is initially appointed, the Commission shall submit to the President and the Congress an annual report on the study, investigation, and review under subsection (b), together with its recommendations with respect to the programs involved. The second such report shall constitute the final report of the Commission on such study, investigation, and review, and shall include its final recommendations; and the Commission shall cease to exist on April 1, 1981.

(d) Executive Director and additional personnel; appointment and compensation

(1) The Commission shall appoint an Executive Director of the Commission who shall be compensated at a rate fixed by the Commission but which shall not exceed the rate established for level V of the Executive Schedule by title 5.

(2) In addition to the Executive Director, the Commission shall have the power to appoint and fix the compensation of such personnel as it deems advisable, in accordance with the provisions of title 5 governing appointments to the competitive service, and the provisions of chapter 51 and subchapter III of chapter 53 of such title, relating to classification and General Schedule pay rates.

(e) Administrative procedures

In carrying out its duties under this section, the Commission, or any duly authorized committee thereof, is authorized to hold such hearings, sit and act at such times and places, and take such testimony, with respect to matters with respect to which it has a responsibility under this section, as the Commission or such committee may deem advisable. The Chairman of the Commission or any member authorized by him may administer oaths or affirmations to witnesses appearing before the Commission or before any committee thereof.

(f) Data and information from other Federal departments and agencies

The Commission may secure directly from any department or agency of the United States such data and information as may be necessary to enable it to carry out its duties under this section. Upon request of the Chairman of the Commission, any such department or agency shall furnish any such data or information to the Commission.

(g) Administrative support services from General Services Administration; reimbursement

The General Services Administration shall provide to the Commission, on a reimbursable basis such administrative support services as the Commission may request.

(h) Authorization of appropriations

There are authorized to be appropriated such sums as may be necessary to carry out this section.
This title and section 231f of Title 45, Railroads, and amendments of 1977, and not as part of the Social Security Act which comprises this chapter.

**Amendments**


1980—Subsec. (a)(2)(F). Pub. L. 96–265, § 502(a), substituted "a term which shall end on April 1, 1981" for "a term of two years".

Subsec. (c)(2). Pub. L. 96–265, § 502(b), substituted "and the Commission shall cease to exist on April 1, 1981" for "and upon the submission of such final report the Commission shall cease to exist".

**Effective Date of 1984 Amendment**

Pub. L. 98–369, div. B, title III, § 2349(c), July 18, 1984, 98 Stat. 1097, provided that: "The amendments made by this section [amending this section and section 1395z of Title 42] shall become effective upon the date of the enactment of this Act [July 18, 1984]."

§ 908. Omitted

**Codification**


§ 909. Delivery of benefit checks

(a) Saturdays, Sundays, and holidays

If the day regularly designated for the delivery of benefit checks under subchapter II, VIII, or XVI falls on a Saturday, Sunday, or legal public holiday (as defined in section 6103 of title 5) in any month, the benefit checks which would otherwise be delivered on such day shall be mailed for delivery on the first day preceding such day which is not a Saturday, Sunday, or legal public holiday (as so defined), without regard to whether the delivery of such checks would as a result have to be made before the end of the month for which such checks are issued.

(b) Recovery of overpayments

If more than the correct amount of payment under subchapter II, VIII, or XVI is made to any individual as a result of the receipt of a benefit check pursuant to subsection (a) before the end of the month for which such check is issued, no action shall be taken (under section 404 or 1383(b) of this title or otherwise) to recover such payment or the incorrect portion thereof.

(c) Early delivery

For purposes of computing the "OASDI trust fund ratio" under section 415(i) of this title, the "OASDI fund ratio" under section 415(i) of this title, and the "balance ratio" under section 910(b) of this title, benefit checks delivered before the end of the month for which they are issued by reason of subsection (a) of this section shall be deemed to have been delivered on the regularly designated delivery date.


**Amendments**


**Effective Date of 1986 Amendment**

Pub. L. 99–272, title XII, § 12111(c), Apr. 7, 1986, 100 Stat. 288, provided that: "The amendments made by this section [amending this section and section 86 of this title, Internal Revenue Code] shall apply with respect to benefit checks issued for months ending after the date of the enactment of this Act [Apr. 7, 1986]."

**Effective Date**

Pub. L. 95–216, title III, § 333(b), Dec. 20, 1977, 91 Stat. 1544, provided that: "The amendment made by subsection (a) of this section [enacting this section] shall apply with respect to benefit checks regularly designated day for delivery of which occurs on or after the thirtieth day after the date of the enactment of this Act [Dec. 20, 1977]."

**Timing of Delivery of October 1, 2000, SSI Benefit Payments**

Pub. L. 105–33, title V, § 5105, Aug. 5, 1997, 111 Stat. 625, provided that, notwithstanding the provisions of section 908(a) of this title, the day designated for delivery of benefit payments under subchapter XVI of this chapter for October 2000 would be the second day of that month, prior to repeal by Pub. L. 106–246, div. B, title V, § 5105, July 13, 2000, 114 Stat. 582.

§ 910. Recommendations by Board of Trustees to remedy inadequate balances in Social Security trust funds

(a) Terms and conditions of recommendations

If the Board of Trustees of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund, the Federal Hospital Insurance Trust Fund, or the Federal Supplementary Medical Insurance Trust Fund determines at any time that the balance ratio of any such Trust Fund for any calendar year may become less than 20 percent, the Board shall promptly submit to each House of the Congress a report setting forth its recommendations for statutory adjustments affecting the receipts and disbursements of such Trust Fund necessary to maintain the balance ratio of such Trust Fund at not less than 20 percent, with due regard to the economic conditions which created such inadequacy in the balance ratio and the amount of time necessary to alleviate such inadequacy in a prudent manner. The report shall set forth specifically the extent to which benefits would have to be reduced, taxes under section 1401, 3101, or 3111 of the Internal Revenue Code of 1986 would have to be increased, or a combination thereof, in order to obtain the objectives referred to in the preceding sentence.
(b) "Balance ratio" defined

For purposes of this section, the term "balance ratio" means, with respect to any calendar year in connection with any Trust Fund referred to in subsection (a), the ratio of—

(1) the balance in such Trust Fund as of the beginning of such year, including the taxes transferred under section 401(a) of this title on the first day of such year and reduced by the outstanding amount of any loan (including interest thereon) theretofore made to such Trust Fund under section 401(l) or 1395i(j) of this title, to

(2) the total amount which (for amounts which will be paid from the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund, as estimated by the Commissioner, and for amounts which will be paid from the Federal Hospital Insurance Trust and the Federal Supplementary Medical Insurance Trust Fund, as estimated by the Secretary) will be paid from such Trust Fund during such calendar year for all purposes authorized by section 401, 1395i, or 1395i of this title (as applicable), other than payments of interest on, or repayments of, loans under section 401(l) or 1395i(j) of this title, but excluding any transfer payments between such Trust Fund and any other Trust Fund referred to in subsection (a) and reducing the amount of any transfers to the Railroad Retirement Account by the amount of any transfers into such Trust Fund from that Account.


REFERENCES IN TEXT

The Internal Revenue Code of 1986, referred to in subsec. (a), is classified generally to Title 26, Internal Revenue Code.

AMENDMENTS

1994—Subsec. (b)(2). Pub. L. 103–296 substituted "(for amounts which will be paid from the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund, as estimated by the Commissioner, and for amounts which will be paid from the Federal Hospital Insurance Trust and the Federal Supplementary Medical Insurance Trust Fund, as estimated by the Secretary)" for "(as estimated by the Secretary)".


Subsec. (b)(1). Pub. L. 99–272 amended par. (1) generally. Prior to amendment, par. (1) read as follows: "the balance in such Trust Fund, reduced by the outstanding amount of any loan (including interest thereon) theretofore made to such Trust Fund under section 401(l) or 1395i(j) of this title, as of the beginning of such year, to".

EFFECTIVE DATE OF 1994 AMENDMENT


EFFECTIVE DATE OF 1986 AMENDMENT


§ 911. Budgetary treatment of trust fund operations

(a) The receipts and disbursements of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund and the taxes imposed under sections 1401 and 3101 of the Internal Revenue Code of 1986 shall not be included in the totals of the budget of the United States Government as submitted by the President or of the congressional budget and shall be exempt from any general budget limitation imposed by statute on expenditures and net lending (budget outlays) of the United States Government.

(b) No provision of law enacted after December 12, 1985 (other than a provision of an appropriation Act that appropriated funds authorized under this chapter as in effect on December 12, 1985) may provide for payments from the general fund of the Treasury to any Trust Fund specified in subsection (a) or for payments from any such Trust Fund to the general fund of the Treasury.


REFERENCES IN TEXT

The Internal Revenue Code of 1986, referred to in subsec. (a), is classified generally to Title 26, Internal Revenue Code.

AMENDMENTS

1997—Pub. L. 105–33 amended section generally. Prior to amendment, section provided that receipts and disbursements of Federal Old-Age and Survivors Insurance Trust Fund, Federal Disability Insurance Trust Fund, and Federal Hospital Insurance Trust Fund and taxes imposed under sections 1401, 3101, and 3111 of title 26 were not to be included in totals of budget of United States Government, that no law enacted after Dec. 12, 1985, except certain appropriations Act provisions, could provide for payments from general fund of the Treasury to any such Trust Fund or from any such Trust Fund to general fund of the United States Government, that no law could provide for payments from general fund of the Treasury to Federal Supplementary Medical Insurance Trust Fund to be treated as a separate major functional category in budget of the Government.

1985—Subsec. (a). Pub. L. 99–177, §261(b), designated existing provisions as par. (1) and added par. (2).


Subsec. (b). Pub. L. 99–177, §261(a)(1)(A)–(D), temporarily designated existing provisions as subsec. (b). struck out references to the Federal Old-Age and Survivors Insurance Trust Fund and to the Federal Disability Insurance Trust Fund, and substituted "sections 1401(b), 3101(b), and 3111(b) of the Internal Revenue Code of 1984" for "sections 1401, 3101, and 3111 of the Internal Revenue Code of 1984". See Effective and Termination Dates of 1985 Amendment note below.


1983—Pub. L. 98–21, §346(b), amended section generally, adding subsec. (a) and designating existing provi-
visions as subsec. (b) and striking out “Federal Old-Age and Survivors Insurance Trust Fund, the Federal Disability Insurance Trust Fund, the Federal Hospital Insurance Trust Fund, and the” after “The disbursements of the” and substituting “such Trust Fund” for “such Trust Funds”, including the taxes imposed under sections 1401, 3101, and 3111 of the Internal Revenue Code of 1954,” after “receipts of such Trust Fund”.

**Effective and Termination Dates of 1985 Amendment**


**Effective Date of 1983 Amendment**

Pub. L. 98–21, title III, §346(b), Apr. 20, 1983, 97 Stat. 138, provided that the amendment made by that section is effective for fiscal years beginning on or after Oct. 1, 1983.

**Effective and Termination Dates**

Pub. L. 98–21, title III, §346(a)(2), Apr. 20, 1983, 97 Stat. 138, provided that: “The amendment made by paragraph (1) [enacting this section] shall apply with respect to fiscal years beginning on or after October 1, 1984, and ending on or before September 30, 1992, except that such amendment shall apply with respect to the fiscal year beginning on October 1, 1983, to the extent it relates to the congressional budget.”

§ 912. Office of Rural Health Policy

(a) There shall be established in the Department of Health and Human Services (in this section referred to as the “Department”) an Office of Rural Health Policy (in this section referred to as the “Office”). The Office shall be headed by a Director, who shall advise the Secretary on the effects of current policies and proposed statutory, regulatory, administrative, and budgetary changes in the programs established under subchapters XVII and XIX on the financial viability of small rural hospitals, the ability of rural areas (and rural hospitals in particular) to attract and retain physicians and other health professionals, and access to (and the quality of) health care in rural areas.

(b) In addition to advising the Secretary with respect to the matters specified in subsection (a), the Director, through the Office, shall—

1. oversee compliance with the requirements of section 1302(b) of this title and section 4403 of the Omnibus Budget Reconciliation Act of 1987 (as such section pertains to rural health issues),

2. establish and maintain a clearinghouse for collecting and disseminating information on—

   (A) rural health care issues, including rural mental health, rural infant mortality prevention, and rural occupational safety and preventive health promotion,

   (B) research findings relating to rural health care, and

   (C) innovative approaches to the delivery of health care in rural areas, including programs providing community-based mental health services, pre-natal and infant care services, and rural occupational safety and preventive health education and promotion,

3. coordinate the activities within the Department that relate to rural health care,

4. provide information to the Secretary and others in the Department with respect to the activities, of other Federal departments and agencies, that relate to rural health care, including activities relating to rural mental health, rural infant mortality, and rural occupational safety and preventive health promotion, and

5. administer grants, cooperative agreements, and contracts to provide technical assistance and other activities as necessary to support activities related to improving health care in rural areas.


References in Text

Section 4403 of the Omnibus Budget Reconciliation Act of 1987, referred to in subsec. (b)(1), is section 4403 of Pub. L. 100–203, which is set out as a note under section 1395b–1 of this title.

**Amendments**


Subsec. (b)(2)(C). Pub. L. 101–238, §6213(g)(2), substituted “health care in rural areas, including programs providing community-based mental health services, pre-natal and infant care services, and rural occupational safety and preventive health education and promotion” for “health care in rural areas”.

Subsec. (b)(4). Pub. L. 101–238, §6213(g)(3), substituted “rural health care, including activities relating to rural mental health, rural infant mortality, and rural occupational safety and preventive health promotion” for “rural health care”.


**Effective Date of 1988 Amendment**

Except as specifically provided in section 411 of Pub. L. 100–360, amendment by Pub. L. 100–360, as it relates to a provision in the Omnibus Budget Reconciliation Act of 1987, Pub. L. 100–360, effective as if included in the enactment of that provision in Pub. L. 100–360, see section 411(a) of Pub. L. 100–360, set out as a Reference to OBRA; Effective Date note under section 106 of Title I, General Provisions.

§ 913. Duties and authority of Secretary

The Secretary shall perform the duties imposed upon the Secretary by this chapter. The Secretary is authorized to appoint and fix the compensation of such officers and employees, and to make such expenditures as may be necessary for carrying out the functions of the Secretary under this chapter. The Secretary may appoint attorneys and experts without regard to the civil service laws.

§ 914. Office of Women’s Health

(a) Establishment

The Secretary shall establish within the Office of the Administrator of the Health Resources and Services Administration, an office to be known as the Office of Women’s Health. The Office shall be headed by a director who shall be appointed by the Administrator.

(b) Purpose

The Director of the Office shall—

(1) report to the Administrator on the current Administration level of activity regarding women’s health across, where appropriate, age, biological, and sociocultural contexts;

(2) establish short-range and long-range goals and objectives within the Health Resources and Services Administration for women’s health and, as relevant and appropriate, coordinate with other appropriate offices on activities within the Administration that relate to health care provider training, health service delivery, research, and demonstration projects, for issues of particular concern to women;

(3) identify projects in women’s health that should be conducted or supported by the bureaus of the Administration;

(4) consult with health professionals, non-governmental organizations, consumer organizations, women’s health professionals, and other individuals and groups, as appropriate, on Administration policy with regard to women; and

(5) serve as a member of the Department of Health and Human Services Coordinating Committee on Women’s Health (established under section 237a(b)(4) of this title).

(c) Continued administration of existing programs

The Director of the Office shall assume the authority for the development, implementation, administration, and evaluation of any projects carried out through the Health Resources and Services Administration relating to women’s health on March 23, 2010.

(d) Definitions

For purposes of this section:

(1) Administration

The term “Administration” means the Health Resources and Services Administration.

(2) Administrator

The term “Administrator” means the Administrator of the Health Resources and Services Administration.

(3) Office

The term “Office” means the Office of Women’s Health established under this section in the Administration.

(e) Authorization of appropriations

For the purpose of carrying out this section, there are authorized to be appropriated such sums as may be necessary for each of the fiscal years 2010 through 2014.


SUBCHAPTER VIII—SPECIAL BENEFITS FOR CERTAIN WORLD WAR II VETERANS

Prior Provisions

A prior subchapter VIII, relating to taxes with respect to employment and consisting of sections 1001 to 1011 of this title, was omitted. See Prior Provisions note set out under section 1001 of this title.

§ 1001. Basic entitlement to benefits

Every individual who is a qualified individual under section 1002 of this title shall, in accordance with and subject to the provisions of this subchapter, be entitled to a monthly benefit paid by the Commissioner of Social Security for each month after September 2000 (or such earlier month, if the Commissioner determines is administratively feasible) the individual resides outside the United States.


Prior Provisions


<table>
<thead>
<tr>
<th>Omitted sections</th>
<th>I.R.C. 1939</th>
<th>I.R.C. 1986</th>
</tr>
</thead>
<tbody>
<tr>
<td>1001</td>
<td>1400</td>
<td>3101</td>
</tr>
<tr>
<td>1002</td>
<td>1402</td>
<td>3102</td>
</tr>
<tr>
<td>1003</td>
<td>1404</td>
<td>3104</td>
</tr>
<tr>
<td>1004</td>
<td>1410</td>
<td>3111</td>
</tr>
<tr>
<td>1005</td>
<td>1411</td>
<td>6305(a), 6413(a)</td>
</tr>
<tr>
<td>1006</td>
<td>1421</td>
<td>6305(b), 6413(b)</td>
</tr>
<tr>
<td>1007</td>
<td>1420, 1430</td>
<td>3351</td>
</tr>
<tr>
<td>1008</td>
<td>1429</td>
<td>7055(a), (c)</td>
</tr>
<tr>
<td>1009</td>
<td>1433, 1424</td>
<td>6801 et seq.</td>
</tr>
<tr>
<td>1010</td>
<td>1425</td>
<td>7238(1), 7239</td>
</tr>
<tr>
<td>1011 (as amended)</td>
<td>1426</td>
<td>3121, 7704(a)(1)</td>
</tr>
</tbody>
</table>

Exception as otherwise provided in this subchapter, an individual—

(1) who has attained the age of 65 on or before December 14, 1999;
(2) who is a World War II veteran;
(3) who is eligible for a supplemental security income benefit under subchapter XVI for—
   (A) the month in which this subchapter is enacted; and
   (B) the month in which the individual files an application for benefits under this subchapter;
   (4) whose total benefit income is less than 75 percent of the Federal benefit rate under subchapter XVI;
   (5) who has filed an application for benefits under this subchapter; and
   (6) who is in compliance with all requirements imposed by the Commissioner of Social Security under this subchapter,
shall be a qualified individual for purposes of this subchapter.


PRIORITY PROVISIONS
For prior provisions, see note set out under section 1001 of this title.

§ 1003. Residence outside the United States

For purposes of section 1001 of this title, with respect to any month, an individual shall be regarded as residing outside the United States if, on the first day of the month, the individual resides outside the United States.


PRIORITY PROVISIONS
For prior provisions, see note set out under section 1001 of this title.

§ 1004. Disqualifications

(a) In general

Notwithstanding section 1002 of this title, an individual may not be a qualified individual for any month—

   (1) that begins after the month in which the Commissioner of Social Security is notified by the Attorney General that the individual has been removed from the United States pursuant to section 1227(a) or 1182(a)(6)(A) of title 8 and before the month in which the individual is lawfully admitted to the United States for permanent residence;
   (2) during any part of which the individual is fleeing to avoid prosecution, or custody or confinement after conviction, under the laws of the United States or the jurisdiction within the United States from which the person has fled, for a crime, or an attempt to commit a crime, that is a felony under the laws of the place from which the individual has fled, or, in jurisdictions that do not define crimes as felonies, is punishable by death or imprisonment for a term exceeding 1 year regardless of the actual sentence imposed;
   (3) during any part of which the individual violates a condition of probation or parole imposed under Federal or State law; or
   (4) during which the individual resides in a foreign country and is not a citizen or national of the United States if payments for such month to individuals residing in such country are withheld by the Treasury Department under section 3329 of title 31.

(b) Requirement for Attorney General

For the purpose of carrying out subsection (a)(1), the Attorney General shall notify the Commissioner of Social Security as soon as practicable after the removal of any individual under section 1227(a) or 1182(a)(6)(A) of title 8.


PRIORITY PROVISIONS
For prior provisions, see note set out under section 1001 of this title.

AMENDMENTS

2004—Subsec. (a)(2). Pub. L. 108–203 substituted “or, in jurisdictions that do not define crimes as felonies, is punishable by death or imprisonment for a term exceeding 1 year regardless of the actual sentence imposed” for “or which, in the case of the State of New Jersey, is a high misdemeanor under the laws of such State”.

EFFECTIVE DATE OF 2004 AMENDMENT

Amendment by Pub. L. 108–203 effective on the first day of the first month that begins on or after the date that is 9 months after Mar. 2, 2004, see section 203(d) of Pub. L. 108–203, set out as a note under section 462 of this title.

§ 1005. Benefit amount

The benefit under this subchapter payable to a qualified individual for any month shall be in an amount equal to 75 percent of the Federal benefit rate under subchapter XVI for the month, reduced by the amount of the qualified individual’s benefit income for the month.


PRIORITY PROVISIONS
For prior provisions, see note set out under section 1001 of this title.

§ 1006. Applications and furnishing of information

(a) In general

The Commissioner of Social Security shall, subject to subsection (b), prescribe such requirements with respect to the filing of applications, the furnishing of information and other material, and the reporting of events and changes in circumstances, as may be necessary for the effective and efficient administration of this subchapter.

(b) Verification requirement

The requirements prescribed by the Commissioner of Social Security under subsection (a) shall preclude any determination of entitlement to benefits under this subchapter solely on the basis of declarations by the individual concerning qualifications or other material facts, and
shall provide for verification of material information from independent or collateral sources, and the procurement of additional information as necessary in order to ensure that the benefits are provided only to qualified individuals (or their representative payees) in correct amounts.


§ 1007. Representative payees

(a) In general

If the Commissioner of Social Security determines that the interest of any qualified individual under this subchapter would be served thereby, payment of the qualified individual’s benefit under this subchapter may be made, regardless of the legal competency or incompetency of the qualified individual, directly to the qualified individual, or for his or her use and benefit, to another person (the meaning of which term, for purposes of this section, includes an organization) with respect to whom the requirements of subsection (b) have been met (in this subsection referred to as the qualified individual’s “representative payee”). If the Commissioner of Social Security determines that a representative payee has misused any benefit paid to the representative payee pursuant to this section, 405(j) of this title, or section 1333(a)(2) of this title, the Commissioner of Social Security shall promptly revoke the person’s designation as the qualified individual’s representative payee under this subchapter, and shall make payment to an alternative representative payee or, if the interest of the qualified individual under this subchapter would be served thereby, to the qualified individual.

(b) Examination of fitness of prospective representative payee

(1) Any determination under subsection (a) to pay the benefits of a qualified individual to a representative payee shall be made on the basis of—

(A) an investigation by the Commissioner of Social Security of the person to serve as representative payee, which shall be conducted in advance of the determination and shall, to the extent practicable, include a face-to-face interview with the person (or, in the case of an organization, a representative of the organization); and

(B) adequate evidence that the arrangement is in the interest of the qualified individual.

(2) As part of the investigation referred to in paragraph (1), the Commissioner of Social Security shall—

(A) require the person being investigated to submit documented proof of the identity of the person;

(B) in the case of a person who has a social security account number issued for purposes of the program under subchapter II or an employer identification number issued for purposes of the Internal Revenue Code of 1986, verify the number;

(C) determine whether the person has been convicted of a violation of section 408, 1011, or 1383a of this title;

(D) obtain information concerning whether such person has been convicted of any other offense under Federal or State law which resulted in imprisonment for more than 1 year;

(E) obtain information concerning whether such person is a person described in section 1004(a)(2) of this title;

(F) determine whether payment of benefits to the person in the capacity as representative payee has been revoked or terminated pursuant to this section, section 405(j) of this title, or section 1333(a)(2)(A)(iii) of this title by reason of misuse of funds paid as benefits under this subchapter, subchapter II, or XVI, respectively, and

(G) determine whether such person has been convicted (and not subsequently exonerated), under Federal or State law, of a felony provided under paragraph (4), or of an attempt or a conspiracy to commit such a felony.

(3) Notwithstanding the provisions of section 552a of title 5 or any other provision of Federal or State law (other than section 6103 of the Internal Revenue Code of 1986 and section 1306(c) of this title), the Commissioner shall furnish any Federal, State, or local law enforcement officer, upon the written request of the officer, with the current address, social security account number, and photograph (if applicable) of any person investigated under this subsection, if the officer furnishes the Commissioner with the name of such person and such other identifying information as may reasonably be required by the Commissioner to establish the unique identity of such person, and notifies the Commissioner that—

(A) such person is described in section 1004(a)(2) of this title;

(B) such person has information that is necessary for the officer to conduct the officer’s official duties, and

(C) the location or apprehension of such person is within the officer’s official duties.

(4) The felony crimes provided under this paragraph, whether an offense under State or Federal law, are the following:

(A) Human trafficking, including as prohibited under sections 1590 and 1591 of title 18.

(B) False imprisonment, including as prohibited under section 1201 of title 18.

(C) Kidnapping, including as prohibited under section 1201 of title 18.

(D) Rape and sexual assault, including as prohibited under sections 2241, 2242, 2243, and 2244 of title 18.

(E) First-degree homicide, including as prohibited under section 1111 of title 18.

(F) Robbery, including as prohibited under section 1111 of title 18.

(G) Fraud to obtain access to government assistance, including as prohibited under sections 287, 1001, and 1349 of title 18.

(H) Fraud by scheme, including as prohibited under section 1343 of title 18.

(I) Theft of government funds or property, including as prohibited under section 641 of title 18.
(J) Abuse or neglect, including as prohibited under sections 111, 113, 114, 115, 116, or 117 of title 18.

(K) Forgery, including as prohibited under section 642 and chapter 25 (except section 512) of title 18.

(L) Identity theft or identity fraud, including as prohibited under sections 1028 and 1028A of title 18.

The Commissioner of Social Security may promulgate regulations to provide for additional felony crimes under this clause.

(5)(A) For the purpose of carrying out the activities required under paragraph (2) as part of the investigation under paragraph (1)(A), the Commissioner may conduct a background check of any individual seeking to serve as a representative payee under this subsection and may disqualify from service as a representative payee any such individual who fails to grant permission for the Commissioner to conduct such a background check.

(B) The Commissioner may revoke certification of payment of benefits under this subsection to any individual serving as a representative payee on or after January 1, 2019 who fails to grant permission for the Commissioner to conduct such a background check.

(c) Requirement for maintaining lists of undesirable payees

The Commissioner of Social Security shall establish and maintain lists which shall be updated periodically and which shall be in a form that renders such lists available to the servicing offices of the Social Security Administration. The lists shall consist of—

(1) the names and (if issued) social security account numbers or employer identification numbers of all persons with respect to whom, in the capacity of representative payee, the payment of benefits has been revoked or terminated under this section, section 405(j) of this title, or section 1383(a)(2)(C)(i)(I)(iii) of this title by reason of misuse of funds paid as benefits under this subchapter, subchapter II, or XVI, respectively; and

(2) the names and (if issued) social security account numbers or employer identification numbers of all persons who have been convicted of a violation of section 408, 1011, or 1383a of this title.

(d) Persons ineligible to serve as representative payees

(1) In general

The benefits of a qualified individual may not be paid to any other person pursuant to this section if—

(A) the person has been convicted of a violation of section 408, 1011, or 1383a of this title;

(B) except as provided in paragraph (2), payment of benefits to the person in the capacity of representative payee has been revoked or terminated under this section, section 405(j) of this title, or section 1383(a)(2)(A)(i) of this title by reason of misuse of funds paid as benefits under this subchapter, subchapter II, or subchapter XVI, respectively;

(C) except as provided in paragraph (2)(B), the person is a creditor of the qualified individual and provides the qualified individual with goods or services for consideration;

(D) such person has previously been convicted as described in subsection (b)(2)(D), unless the Commissioner determines that such payment would be appropriate notwithstanding such conviction;

(E) such person is a person described in section 1004(a)(2) of this title;

(F) except as provided in paragraph (2)(D), such person has previously been convicted (and not subsequently exonerated) as described in subsection (b)(2)(G), or

(G) such person’s benefits under this subchapter, subchapter II, or subchapter XVI are certified for payment to a representative payee during the period for which the individual’s benefits would be certified for payment to another person.

(2) Exemptions

(A) The Commissioner of Social Security may prescribe circumstances under which the Commissioner of Social Security may grant an exemption from paragraph (1) to any person on a case-by-case basis if the exemption is in the best interest of the qualified individual whose benefits would be paid to the person pursuant to this section.

(B) Paragraph (1)(C) shall not apply with respect to any person who is a creditor referred to in such paragraph if the creditor is—

(i) a relative of the qualified individual and the relative resides in the same household as the qualified individual;

(ii) a legal guardian or legal representative of the individual;

(iii) a facility that is licensed or certified as a care facility under the law of the political jurisdiction in which the qualified individual resides;

(iv) a person who is an administrator, owner, or employee of a facility referred to in clause (iii), if the qualified individual resides in the facility, and the payment to the facility or the person is made only after the Commissioner of Social Security has made a good faith effort to locate an alternative representative payee to whom payment would serve the best interests of the qualified individual; or

(v) a person who is determined by the Commissioner of Social Security, on the basis of written findings and pursuant to procedures prescribed by the Commissioner of Social Security, to be acceptable to serve as a representative payee.

(C) The procedures referred to in subparagraph (B)(v) shall require the person who will serve as representative payee to establish, to the satisfaction of the Commissioner of Social Security, that—

(i) the person poses no risk to the qualified individual;

(ii) the financial relationship of the person to the qualified individual poses no substantial conflict of interest; and

1So in original. Probably should be “1383(a)(2)(A)(III)”.
(iii) no other more suitable representative payee can be found.

(D)(i) With respect to any person described in clause (II)—
   (I) subsection (b)(2)(G) shall not apply; and
   (II) the Commissioner may grant an exemption from the provisions of paragraph (1)(F) if the Commissioner determines that such exemption is in the best interest of the individual entitled to benefits.

(ii) A person is described in this clause if the person—
   (I) is the custodial spouse of the beneficiary for whom the person applies to serve; or
   (II) is the custodial court appointed guardian of the beneficiary for whom the person applies to serve; or
   (III) received a presidential or gubernatorial pardon for the relevant conviction.

(e) Deferral of payment pending appointment of representative payee

(1) In general

Subject to paragraph (2), if the Commissioner of Social Security makes a determination described in the first sentence of subsection (a) with respect to any qualified individual’s benefit and determines that direct payment of the benefit to the qualified individual would cause substantial harm to the qualified individual, the Commissioner of Social Security may defer (in the case of initial entitlement) or suspend (in the case of existing entitlement) direct payment of the benefit to the qualified individual, until such time as the selection of a representative payee is made pursuant to this section.

(2) Time limitation

(A) In general

Except as provided in subparagraph (B), any deferral or suspension of direct payment of a benefit pursuant to paragraph (1) shall be for a period of not more than 1 month.

(B) Exception in the case of incompetency

Subparagraph (A) shall not apply in any case in which the qualified individual is, as of the date of the Commissioner of Social Security’s determination, legally incompetent under the laws of the jurisdiction in which the individual resides.

(3) Payment of retroactive benefits

Payment of any benefits which are deferred or suspended pending the selection of a representative payee shall be made to the qualified individual or the representative payee as a single sum or over such period of time as the Commissioner of Social Security determines is in the best interest of the qualified individual.

(f) Hearing

Any qualified individual who is dissatisfied with a determination by the Commissioner of Social Security to make payment of the qualified individual’s benefit to a representative payee under subsection (a) of this section or with the designation of a particular person to serve as representative payee shall be entitled to a hearing by the Commissioner of Social Security to the same extent as is provided in section 1009(a) of this title, and to judicial review of the Commissioner of Social Security’s final decision as is provided in section 1009(b) of this title.

(g) Notice requirements

(1) In general

In advance, to the extent practicable, of the payment of a qualified individual’s benefit to a representative payee under subsection (a), the Commissioner of Social Security shall provide written notice of the Commissioner’s initial determination to so make the payment. The notice shall be provided to the qualified individual, except that, if the qualified individual is legally incompetent, then the notice shall be provided solely to the legal guardian or legal representative of the qualified individual.

(2) Specific requirements

Any notice required by paragraph (1) shall be clearly written in language that is easily understandable to the reader, shall identify the person to be designated as the qualified individual’s representative payee, and shall explain to the reader the right under subsection (f) of the qualified individual or of the qualified individual’s legal guardian or legal representative—

(A) to appeal a determination that a representative payee is necessary for the qualified individual;

(B) to appeal the designation of a particular person to serve as the representative payee of the qualified individual; and

(C) to review the evidence upon which the designation is based and to submit additional evidence.

(h) Accountability monitoring

(1) In general

In any case where payment under this subchapter is made to a person other than the qualified individual entitled to the payment, the Commissioner of Social Security shall establish a system of accountability monitoring under which the person shall report not less often than annually with respect to the use of the payments. The Commissioner of Social Security shall establish and implement statistically valid procedures for reviewing the reports in order to identify instances in which persons are not properly using the payments.

(2) Special reports

Notwithstanding paragraph (1), the Commissioner of Social Security may require a report at any time from any person receiving payments on behalf of a qualified individual, if the Commissioner of Social Security has reason to believe that the person receiving the payments is misusing the payments.

(3) Eligibility for exemption

(A) Paragraph (1) shall not apply in any case where the other person to whom such payment is made is the spouse of the individual entitled to such payment.

(B) The Commissioner of Social Security shall establish and implement procedures as
necessary for the Commissioner to determine the eligibility of such parties for the exemption provided in subparagraph (A). The Commissioner shall prescribe such regulations as may be necessary to determine eligibility for such exemption.

(4) Authority to redirect delivery of benefit payments when a representative payee fails to provide required accounting

In any case in which the person described in paragraph (1) or (2) receiving benefit payments on behalf of a qualified individual fails to submit a report required by the Commissioner of Social Security under paragraph (1) or (2), the Commissioner may provide for the periodic onsite review of any person or agency that receives the benefits payable under such subchapter (alone or in combination with benefits payable under subchapter II or subchapter XVI) to another individual pursuant to the appointment of such person or agency as a representative payee under this subchapter, section 405(j) of this title, or section 1383(a)(2) of this title.

(5) Maintaining lists of payees

The Commissioner of Social Security shall maintain lists which shall be updated periodically of—

(A) the name, address, and (if issued) the social security account number or employer identification number of each representative payee who is receiving benefit payments pursuant to this section, section 405(j) of this title, or section 1383(a)(2) of this title; and

(B) the name, address, and social security account number of each individual for whom each representative payee is reported to be providing services as representative payee pursuant to this section, section 405(j) of this title, or section 1383(a)(2) of this title.

(6) Maintaining lists of agencies

The Commissioner of Social Security shall maintain lists, which shall be updated periodically, of public agencies and community-based nonprofit social service agencies which are qualified to serve as representative payees pursuant to this section and which are located in the jurisdiction in which any qualified individual resides.

(i) Restitution

In any case where the negligent failure of the Commissioner of Social Security to investigate or monitor a representative payee results in misuse of benefits by the representative payee, the Commissioner of Social Security shall make payment to the qualified individual or the individual’s alternative representative payee of an amount equal to the amount of such benefit so misused. The provisions of this paragraph are subject to the limitations of subsection (f)(2). The Commissioner of Social Security shall make a good faith effort to obtain restitution from the terminated representative payee.

(j) Misuse of benefits

For purposes of this subchapter, misuse of benefits by a representative payee occurs in any case in which the representative payee receives payment under this subchapter for the use and benefit of another person under this subchapter and converts such payment, or any part thereof, to a use other than for the use and benefit of such person. The Commissioner of Social Security may prescribe by regulation the meaning of the term “use and benefit” for purposes of this subsection.

(k) Periodic onsite review

(1) In general

In addition to such other reviews of representative payees as the Commissioner of Social Security may otherwise conduct, the Commissioner may provide for the periodic onsite review of any person or agency that receives the benefits payable under this subchapter (alone or in combination with benefits payable under subchapter II or subchapter XVI) to another individual pursuant to the appointment of such person or agency as a representative payee under this subchapter, section 405(j) of this title, or section 1383(a)(2) of this title in any case in which—

(A) the representative payee is a person who serves in that capacity with respect to 15 or more such individuals; or

(B) the representative payee is an agency that serves in that capacity with respect to 50 or more such individuals.

(2) Report

Within 120 days after the end of each fiscal year, the Commissioner shall submit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate a report on the results of periodic onsite reviews conducted during the fiscal year pursuant to paragraph (1) and of any other reviews of representative payees conducted during such fiscal year in connection with benefits under this subchapter. Each such report shall describe in detail all problems identified in such reviews and any corrective action taken or planned to be taken to correct such problems, and shall include—

(A) the number of such reviews;

(B) the results of such reviews;

(C) the number of cases in which the representative payee was changed and why;

(D) the number of cases involving the exercise of expedited, targeted oversight of the representative payee by the Commissioner conducted upon receipt of an allegation of misuse of funds, failure to pay a vendor, or a similar irregularity;

(E) the number of cases discovered in which there was a misuse of funds;

(F) how any such cases of misuse of funds were dealt with by the Commissioner;
§ 1008

The Internal Revenue Code of 1986, referred to in subsec. (b)(2)(A), is classified generally to Title 26, Internal Revenue Code.

The Internal Revenue Code of 1986, referred to in subsec. (b)(3)(A), is classified generally to Title 26, Internal Revenue Code.

The Internal Revenue Code of 1986, referred to in subsec. (b)(3)(B), is classified generally to Title 26, Internal Revenue Code.

§ 1008. Overpayments and underpayments

(a) In general

Whenever the Commissioner of Social Security finds that more or less than the correct amount of payment has been made to any person under this subchapter, proper adjustment or recovery shall be made, as follows:

(1) With respect to payment to a person of more than the correct amount, the Commissioner of Social Security shall decrease any payment under this subchapter to which the overpaid person is entitled, or shall require the overpaid person or his or her estate to refund the amount in excess of the correct amount, or, if recovery is not obtained under these two methods, shall seek or pursue recovery by means of reduction in tax refunds based on notice to the Secretary of the Treasury, as authorized under section 3720A of title 31.

(2) With respect to payment of less than the correct amount to a qualified individual who, at the time the Commissioner of Social Security is prepared to take action with respect to the underpayment—

(G) the final disposition of such cases of misuse of funds, including any criminal penalties imposed; and

(H) such other information as the Commissioner deems appropriate.

(i) Liability for misused amounts

(1) In general

If the Commissioner of Social Security or a court of competent jurisdiction determines that a representative payee has paid any portion of a qualified individual’s benefit that was paid to such representative payee under this section, the representative payee shall be liable for the amount misused, and such amount (to the extent not repaid by the representative payee) shall be treated as an overpayment of benefits under this subchapter to the representative payee for all purposes of this chapter and related laws pertaining to the recovery of such overpayments. Subject to paragraph (2), upon recovering all or any part of such amount, the Commissioner shall make payment of an amount equal to the recovered amount to such qualified individual or such qualified individual’s alternative representative payee.

(2) Limitation

The total of the amount paid to such individual or such individual’s alternative representative payee under paragraph (1) and the amount paid under subsection (i) may not exceed the total benefit amount misused by the representative payee with respect to such individual.

Amendment by section 103(b) of Pub. L. 108–203 applicable to any individual appointed to serve as a representative payee pursuant to this section on or after Jan. 1, 2019, subject to provisions relating to prior appointments, see section 202(d) of Pub. L. 115–165, set out as a note under section 405 of this title.

Amendment by section 203(b) of Pub. L. 115–165 applicable to any individual appointed to serve as a representative payee under this subchapter on or after Jan. 1, 2019, with provisions relating to prior appointments, see section 203(d) of Pub. L. 115–165, set out as a note under section 405 of this title.

Amendment by section 101(b) of Pub. L. 108–203 applicable to any case of benefit misuse by a representative payee in which the Commissioner of Social Security makes the determination of misuse on or after Jan. 1, 1996, see section 101(d) of Pub. L. 108–203, set out as a note under section 405 of this title.

Amendment by section 103(b) of Pub. L. 115–165 effective on the first day of the thirteenth month beginning after Mar. 2, 2004, see section 103(d) of Pub. L. 115–165, set out as a note under section 405 of this title.

Amendment by section 103(b) of Pub. L. 115–165 effective 180 days after Mar. 2, 2004, see section 105(d) of Pub. L. 115–165, set out as a note under section 405 of this title.

Effective Date of 2018 Amendment

Amendment by section 202(b) of Pub. L. 115–165 applicable to any individual appointed to serve as a representative payee pursuant to this section on or after Jan. 1, 2019, subject to provisions relating to prior appointments, see section 202(d) of Pub. L. 115–165, set out as a note under section 405 of this title.

Effective Date of 2004 Amendment

Amendment by section 101(b) of Pub. L. 108–203 applicable to any case of benefit misuse by a representative payee with respect to which the Commissioner of Social Security makes the determination of misuse on or after Jan. 1, 1996, see section 101(d) of Pub. L. 108–203, set out as a note under section 405 of this title.

Amendment by section 103(b) of Pub. L. 115–165 applicable to any individual appointed to serve as a representative payee under this subchapter on or after Jan. 1, 2019, with provisions relating to prior appointments, see section 203(d) of Pub. L. 115–165, set out as a note under section 405 of this title.

Amendment by section 101(b) of Pub. L. 108–203 applicable to any case of benefit misuse by a representative payee in which the Commissioner of Social Security makes the determination of misuse on or after Jan. 1, 1996, see section 101(d) of Pub. L. 108–203, set out as a note under section 405 of this title.

Amendment by section 103(b) of Pub. L. 115–165 effective on the first day of the thirteenth month beginning after Mar. 2, 2004, see section 103(d) of Pub. L. 115–165, set out as a note under section 405 of this title.

Amendment by section 203(d) of Pub. L. 115–165 effective 180 days after Mar. 2, 2004, see section 203(d) of Pub. L. 115–165, set out as a note under section 405 of this title.

References in Text

The Internal Revenue Code of 1986, referred to in subsec. (b)(2)(B), (3), is classified generally to Title 26, Internal Revenue Code.
(A) is living, the Commissioner of Social Security shall make payment to the qualified individual (or the qualified individual’s representative payee designated under section 1007 of this title) of the balance of the amount due the underpaid qualified individual; or

(B) is deceased, the balance of the amount due shall revert to the general fund of the Treasury.

(b) Waiver of recovery of overpayment
In any case in which more than the correct amount of payment has been made, there shall be no adjustment of payments to, or recovery by the United States from, any person who is without fault if the Commissioner of Social Security determines that the adjustment or recovery would defeat the purpose of this subchapter or would be against equity and good conscience.

(c) Limited immunity for disbursing officers
A disbursing officer may not be held liable for any amount paid by the officer if the adjustment or recovery of the amount is waived under subsection (b), or adjustment under subsection (a) is not completed before the death of the qualified individual against whose benefits deductions are authorized.

(d) Authorized collection practices

(1) In general
With respect to any delinquent amount, the Commissioner of Social Security may use the collection practices described in sections 3711(e), 3716, and 3718 of title 31, as in effect on October 1, 1994.

(2) Definition
For purposes of paragraph (1), the term “delinquent amount” means an amount—

(A) in excess of the correct amount of the payment under this subchapter; and

(B) determined by the Commissioner of Social Security to be otherwise unrecoverable under this section from a person who is not a qualified individual under this subchapter.

(e) Cross-program recovery of overpayments
For provisions relating to the cross-program recovery of overpayments made under programs administered by the Commissioner of Social Security, see section 1320b–17 of this title.


PRIOR PROVISIONS
For prior provisions, see note set out under section 1001 of this title.

AMENDMENTS
2004—Subsec. (a)(1). Pub. L. 108–203, § 210(b)(2)(A), substituted “any payment” for “any payment—”, struck out “(A)” before “under this subchapter”, substituted “section 3726A of title 31.” for “section 3726A of title 31; or”, and struck out subpar. (B) which read as follows: “under subchapter II of this chapter to recover the amount in excess of the correct amount, if the person is not currently eligible for payment under this subchapter.”

Subsec. (b) to (d). Pub. L. 108–203, § 210(b)(2)(B), redesignated subssecs. (c) to (e) as (b) to (d), respectively, and struck out heading and text of subsec. (b). Text read as follows: “In any case in which the Commissioner of Social Security takes action in accordance with subsection (a)(1)(B) of this section to recover an amount incorrectly paid to an individual, that individual shall not, as a result of such action—

(1) become qualified for benefits under this subchapter; or

(2) if such individual is otherwise so qualified, become qualified for increased benefits under this subchapter.”

Subsec. (e). Pub. L. 108–203, § 210(b)(2)(B), (C), added subsec. (e) and redesignated former subsec. (e) as (d).

EFFECTIVE DATE OF 2004 AMENDMENT
Amendment by Pub. L. 108–203 effective Mar. 2, 2004, and effective with respect to overpayments under subchapters II, VIII, and XVI of this chapter that are outstanding on or after such date, see section 210(c) of Pub. L. 108–203, set out as a note under section 404 of this title.

§ 1009. Hearings and review

(a) Hearings

(1) In general
The Commissioner of Social Security shall make findings of fact and decisions as to the rights of any individual applying for payment under this subchapter. The Commissioner of Social Security shall provide reasonable notice and opportunity for a hearing to any individual who is or claims to be a qualified individual and is in disagreement with any determination under this subchapter with respect to entitlement to, or the amount of, benefits under this subchapter, if the individual requests a hearing on the matter in disagreement within 60 days after notice of the determination is received, and, if a hearing is held, shall, on the basis of evidence adduced at the hearing affirm, modify, or reverse the Commissioner of Social Security’s findings of fact and the decision. The Commissioner of Social Security may, on the Commissioner of Social Security’s own motion, hold such hearings and conduct such investigations and other proceedings as the Commissioner of Social Security deems necessary or proper for the administration of this subchapter. In the course of any hearing, investigation, or other proceeding, the Commissioner may administer oaths and affirmations, examine witnesses, and receive evidence. Evidence may be received at any hearing before the Commissioner of Social Security even though inadmissible under the rules of evidence applicable to court procedure. The Commissioner of Social Security shall specifically take into account any physical, mental, educational, or linguistic limitation of the individual (including any lack of facility with the English language) in determining, with respect to the entitlement of the individual for benefits under this subchapter, whether the individual acted in good faith or was at fault, and in determining fraud, deception, or intent.

(2) Effect of failure to timely request review
A failure to timely request review of an initial adverse determination with respect to an application for any payment under this subchapter or an adverse determination on recon-
§ 1010a. Optional Federal administration of State recognition payments

(a) In general
The Commissioner of Social Security may enter into an agreement with any State (or political subdivision thereof) that provides cash payments on a regular basis to individuals entitled to benefits under this subchapter under which the Commissioner of Social Security shall make such payments on behalf of such State (or subdivision).

(b) Agreement terms
(1) In general
Such agreement shall include such terms as the Commissioner of Social Security finds necessary to achieve efficient and effective administration of both this subchapter and the State program.

(2) Financial terms
Such agreement shall provide for the State to pay the Commissioner of Social Security, at such times and in such installments as the parties may specify—
(A) an amount equal to the expenditures made by the Commissioner of Social Security pursuant to such agreement as payments to individuals on behalf of such State; and
(B) an administration fee to reimburse the administrative expenses incurred by the Commissioner of Social Security in making payments to individuals on behalf of the State.

(c) Special disposition of administration fees
Administration fees, upon collection, shall be credited to a special fund established in the Treasury of the United States for State recognition payments for certain World War II veterans. The amounts so credited, to the extent and in the amounts provided in advance in appropriations Acts, shall be available to defray expenses incurred in carrying out this subchapter.

§ 1011. Penalties for fraud

(a) In general
Whoever—
(1) knowingly and willfully makes or causes to be made any false statement or representation of a material fact in an application for benefits under this subchapter;
(2) at any time knowingly and willfully makes or causes to be made any false statement or representation of a material fact for use in determining any right to the benefits;
(3) having knowledge of the occurrence of any event affecting—
(A) his or her initial or continued right to the benefits; or
(B) the initial or continued right to the benefits of any other individual in whose behalf he or she has applied for or is receiving the benefit,
conceals or fails to disclose the event with an intent fraudulently to secure the benefit ei-
ther in a greater amount or quantity than is due or when no such benefit is authorized;
(4) having made application to receive any such benefit for the use and benefit of another and having received it, knowingly and willfully converts the benefit or any part thereof to a use other than for the use and benefit of the other individual; or
(5) conspires to commit any offense described in any of paragraphs (1) through (3), shall be fined under title 18, imprisoned not more than ten years, or both. For any such determination, such person shall be medical or other evidence in connection with any such determination, such person shall be guilty of a felony and upon conviction thereof shall be fined under title 18, or imprisoned for not more than ten years, or both.

(b) Court order for restitution

(1) In general

Any Federal court, when sentencing a defendant convicted of an offense under subsection (a), may order, in addition to or in lieu of any other penalty authorized by law, that the defendant make restitution to the Commissioner of Social Security, in any case in which such offense results in—

(A) the Commissioner of Social Security making a benefit payment that should not have been made, or
(B) an individual suffering a financial loss due to the defendant’s violation of subsection (a) in his or her capacity as the individual’s representative payee appointed pursuant to section 1007(i) of this title.

(2) Related provisions

Sections 3612, 3663, and 3664 of title 18 shall apply with respect to the issuance and enforcement of orders of restitution under this subsection. In so applying such sections, the Commissioner of Social Security shall be considered the victim.

(3) Stated reasons for not ordering restitution

If the court does not order restitution, or orders only partial restitution, under this subsection, the court shall state on the record the reasons therefor.

(4) Receipt of restitution payments

(A) In general

Except as provided in subparagraph (B), funds paid to the Commissioner of Social Security as restitution pursuant to a court order shall be deposited as miscellaneous receipts in the general fund of the Treasury.

(B) Payment to the individual

In the case of funds paid to the Commissioner of Social Security pursuant to paragraph (1)(B), the Commissioner of Social Security shall certify for payment to the individual described in such paragraph an amount equal to the lesser of the amount of the funds so paid or the individual’s outstanding financial loss as described in such paragraph, except that such amount may be reduced by any overpayment of benefits owed under this subchapter, subchapter II, or subchapter XVI by the individual.

(Prior provisions—See note set out under section 1001 of this title.)

Amendments

2015—Subsec. (a). Pub. L. 114–74, § 813(b)(2), inserted before period at end of concluding provisions “, except that in the case of a person who receives a fee or other income for services performed in connection with any determination with respect to benefits under this subchapter (including a claimant representative, translator, or current or former employee of the Social Security Administration), or who is a physician or other health care provider who submits, or causes the submission of, medical or other evidence in connection with any such determination, such person shall be guilty of a felony and upon conviction thereof shall be fined under title 18, or imprisoned for not more than ten years, or both”.


2004—Subsec. (b). Pub. L. 108–203 amended heading and text of subsec. (b) generally. Prior to amendment, text read as follows: “If a person or organization violates subsection (a) of this section in the person’s or organization’s role as, or in applying to become, a representative payee under section 1007 of this title on behalf of a qualified individual, and the violation includes a willful misuse of funds by the person or entity, the court may also require that full or partial restitution of funds be made to the qualified individual.”

Effective Date of 2004 Amendment


§ 1012. Definitions

In this subchapter:

(1) World War II veteran

The term “World War II veteran” means a person who—

(A) served during World War II—

(i) in the active military, naval, or air service of the United States during World War II; or

(ii) in the organized military forces of the Government of the Commonwealth of the Philippines, while the forces were in the service of the Armed Forces of the United States pursuant to the military order of the President dated July 26, 1941, including among the military forces organized guerrilla forces under commanders appointed, designated, or subsequently recognized by the Commander in Chief, Southwest Pacific Area, or other competent authority in the Army of the United States, in any case in which the
§ 1013 Appropriations

There are hereby appropriated for fiscal year 2000 and subsequent fiscal years, out of any funds in the Treasury not otherwise appropriated, such sums as may be necessary to carry out this subchapter.


SUBCHAPTER IX—EMPLOYMENT SECURITY ADMINISTRATIVE FINANCING

AMENDMENTS


PRIOR LAW: TAX ON EMPLOYERS OF EIGHT OR MORE


There is hereby established in the Employment Security Administration account...
(b) Amount credited to Account; transfer of funds; adjustments; repayment of internal revenue refunds

(1) There is hereby appropriated to the Unemployment Trust Fund for credit to the employment security administration account, out of any moneys in the Treasury not otherwise appropriated, for the fiscal year ending June 30, 1961, and for each fiscal year thereafter, an amount equal to 100 per centum of the tax (including interest, penalties, and additions to the tax) received during the fiscal year under the Federal Unemployment Tax Act [26 U.S.C. 3301 et seq.] and covered into the Treasury.

(2) The amount appropriated by paragraph (1) shall be transferred at least monthly from the employment security administration account to the employment security administration account. Each such transfer shall be based on estimates made by the Secretary of the Treasury of the amounts received in the Treasury. Proper adjustments shall be made in the amounts subsequently transferred, to the extent prior estimates (including estimates for the fiscal year ending June 30, 1960) were in excess of or were less than the amounts required to be transferred.

(3) The Secretary of the Treasury is directed to pay from time to time from the employment security administration account into the Treasury, as repayments to the account for refunding internal revenue collections, amounts equal to all refunds made after June 30, 1960, of amounts received as tax under the Federal Unemployment Tax Act [26 U.S.C. 3301 et seq.] (including interest on such refunds).

(c) Administrative expenditures; necessary expenses; quarterly transfer of funds; adjustments; limitation; estimate of net receipts

(1) There are hereby authorized to be made available for expenditure out of the employment security administration account for the fiscal year ending June 30, 1971, and for each fiscal year thereafter—

(A) such amounts (not in excess of the applicable limit provided by paragraph (3) and, with respect to clause (ii), not in excess of the limit provided by paragraph (4)) as the Congress may deem necessary for—

(i) assisting the States in the administration of their unemployment compensation laws as provided in subchapter III (including administration pursuant to agreements under any Federal unemployment compensation law),

(ii) the establishment and maintenance of systems of public employment offices in accordance with the Act of June 6, 1933, as amended [29 U.S.C. 49 et seq.],

(iii) the provisions of the Act of June 6, 1933, as amended [29 U.S.C. 49 et seq.],

(iv) chapter 41 (except section 4103) of title 38, and

(v) any Federal unemployment compensation law.

The term ‘necessary expenses’ as used in this subparagraph (B) shall include the expense of reimbursing a State for salaries and other expenses of employees of such State temporarily assigned or detailed to duty with the Department of Labor and of paying such employees for travel expenses, transportation of household goods, and per diem in lieu of subsistence while away from their regular duty stations in the State, at rates authorized by law for civilian employees of the Federal Government.

(2) The Secretary of the Treasury is directed to pay from the employment security administration account into the Treasury as miscellaneous receipts the amount estimated by him which will be expended during a three-month period by the Treasury Department for the performance of its functions under—

(A) this subchapter and subchapters III and XII of this chapter, including the expenses of banks for servicing unemployment benefit payment and clearing accounts which are offset by the maintenance of balances of Treasury funds with such banks,

(B) the Federal Unemployment Tax Act [26 U.S.C. 3301 et seq.], and

(C) any Federal unemployment compensation law with respect to which responsibility for administration is vested in the Secretary of Labor.

If it subsequently appears that the estimates under this paragraph in any particular period were too high or too low, appropriate adjustments shall be made by the Secretary of the Treasury in future payments.

(3)(A) For purposes of paragraph (1)(A), the limitation on the amount authorized to be made available for any fiscal year after June 30, 1970, is, except as provided in subparagraph (B) and the second sentence of subsection (f)(3)(A), an amount equal to 95 percent of the amount estimated and set forth in the budget of the United States Government for such fiscal year as the amount by which the net receipts during such year under the Federal Unemployment Tax Act [26 U.S.C. 3301 et seq.] will exceed the amount transferred under section 1105(b) of this title during such year to the extended unemployment compensation account.

(B) The limitation established by subparagraph (A) is increased by any unexpended amount retained in the employment security administration account in accordance with subsection (f)(2)(B).

(C) Each estimate of net receipts under this paragraph shall be based upon a tax rate of 0.6 percent.

(4) For purposes of paragraphs (1)(A)(ii) and (1)(B)(iii) the amount authorized to be made available out of the employment security administration account for any fiscal year after June 30, 1972, shall reflect the proportion of the total cost of administering the system of public employment offices in accordance with the Act
of June 6, 1933, as amended [29 U.S.C. 49 et seq.], and of the necessary expenses of the Department of Labor for the performance of its functions under the provisions of such Act, as the President determines is an appropriate charge to the employment security administration account, and reflects in his annual budget for such year. The President's determination, after consultation with the Secretary, shall take into account such factors as the relationship between employment subject to State laws and the total labor in the United States, the number of claimants and the number of job applicants, and such other factors as he finds relevant.

(5)(A) There are authorized to be appropriated out of the employment security administration account to carry out program integrity activities, in addition to any amounts available under paragraph (1)(A)—

(i) $89,000,000 for fiscal year 1998;
(ii) $91,000,000 for fiscal year 1999;
(iii) $93,000,000\(^1\) fiscal year 2000;
(iv) $96,000,000 for fiscal year 2001; and
(v) $98,000,000 for fiscal year 2002.

(B) In any fiscal year in which a State receives funds appropriated pursuant to this paragraph, the State shall expend a proportion of the funds appropriated pursuant to paragraph (1)(A)(i) to carry out program integrity activities that is not less than the proportion of the funds appropriated under such paragraph that was expended by the State to carry out program integrity activities in fiscal year 1997.

For purposes of this paragraph, the term “program integrity activities” means initial claims review activities, eligibility review activities, benefit payments control activities, and employer liability auditing activities.

(d) Additional tax attributable to reduced credits; transfer of funds

(1) The Secretary of the Treasury is directed to transfer from the employment security administration account—

(A) To the Federal unemployment account, an amount equal to the amount by which—

(i) 100 per centum of the additional tax received under the Federal Unemployment Tax Act [26 U.S.C. 3301 et seq.] with respect to any State by reason of the reduced credits provisions of section 3302(c)(3) of such Act [26 U.S.C. 3302(c)(3)] and covered into the Treasury for the repayment of advances made to the State under section 1321 of this title, exceeds
(ii) the amount transferred to the account of such State pursuant to subparagraph (B) of this paragraph.

Any amount transferred pursuant to this subparagraph shall be credited against, and shall operate to reduce, that balance of advances, made under section 1321 of this title to the State, with respect to which employers paid such additional tax.

(B) To the account (in the Unemployment Trust Fund) of the State with respect to which employers paid such additional tax, an amount equal to the amount by which such additional tax received and covered into the Treasury exceeds that balance of advances, made under section 1321 of this title to the State, with respect to which employers paid such additional tax.

(2) Transfers under this subsection shall be as of the beginning of the month succeeding the month in which the moneys were credited to the employment security administration account pursuant to subsection (b)(2).

(e) Revolving fund; appropriations; advances to Account; repayment; interest

(1) There is hereby established in the Treasury a revolving fund which shall be available to make the advances authorized by this subsection. There are hereby authorized to be appropriated, without fiscal year limitation, to such revolving fund such amounts as may be necessary for the purposes of this section.

(2) The Secretary of the Treasury is directed to advance from time to time from the revolving fund to the employment security administration account such amounts as may be necessary for the purposes of this section. If the net balance in the employment security administration account as of the beginning of any fiscal year equals 40 percent of the amount of the total appropriation by the Congress out of the employment security administration account for the preceding fiscal year, no advance may be made under this subsection during such fiscal year.

(3) Advances to the employment security administration account made under this subsection shall bear interest until repaid at a rate equal to the average rate of interest (computed as of the end of the calendar month next preceding the date of such advance) borne by all interest-bearing obligations of the United States then forming a part of the public debt; except that where such average rate is not a multiple of one-eighth of 1 per centum, the rate of interest shall be the multiple of one-eighth of 1 per centum next lower than such average rate.

(4) Advances to the employment security administration account made under this subsection, plus interest accrued thereon, shall be repaid by the transfer from time to time, from the employment security administration account to the revolving fund, of such amounts as the Secretary of the Treasury, in consultation with the Secretary of Labor, determines to be available in the employment security administration account for such repayment. Any amount transferred as a repayment under this paragraph shall be credited against, and shall operate to reduce, any balance of advances (plus accrued interest) repayable under this subsection.

(f) Determination of excess in Account; limitation on amount to be retained; use of balance in Account during certain fiscal years; net balance

(1) The Secretary of the Treasury shall determine as of the close of each fiscal year (beginning with the fiscal year ending June 30, 1961) the excess in the employment security administration account.

(2) The excess in the employment security administration account as of the close of any fis-
cal year is the amount by which the net balance in such account as of such time (after the application of section 1102(b) of this title and paragraph (3)(C) of this subsection) exceeds the net balance in the employment security administration account as of the beginning of that fiscal year (including the fiscal year for which the excess is being computed) for which the net balance was higher than as of the beginning of any other such fiscal year.

(3)(A) The excess determined as provided in paragraph (2) as of the close of any fiscal year after June 30, 1972, shall be retained (as of the beginning of the succeeding fiscal year) in the employment security administration account for the fiscal year for which the excess is determined. Three-eighths of the amount in the employment security administration account as of the beginning of any fiscal year after June 30, 1972, or $150 million, whichever is the lesser, is authorized to be made available for such fiscal year pursuant to subsection (c)(1) for additional costs of administration account to the limit provided in section 1105(b)(2) of this title.

(B) If the entire amount of the excess determined as provided in paragraph (2) as of the close of any fiscal year after June 30, 1972, is not retained in the employment security administration account, there shall be transferred (as of the beginning of the succeeding fiscal year) to the extended unemployment compensation account the balance of such excess or so much thereof as is required to increase the amount in the extended unemployment compensation account to the limit provided in section 1105(b)(2) of this title.

(C) If as of the close of any fiscal year after June 30, 1972, the amount in the extended unemployment compensation account exceeds the limit provided in section 1105(b)(2) of this title, such excess shall be transferred to the employment security administration account as of the close of such fiscal year.

(4) For the purposes of this section, the net balance in the employment security administration account as of any time is the amount in such account as of such time reduced by the sum of—

(A) the amounts then subject to transfer pursuant to subsection (d), and

(B) the balance of advances (plus interest accrued thereon) then repayable to the revolving fund established by subsection (e).

The net balance in the employment security administration account as of the beginning of any fiscal year shall be determined after the disposition of the excess in such account as of the close of the preceding fiscal year.


References in Text
The Federal Unemployment Tax Act, referred to in subsec. (b)(1), (3), (c)(3), (b)(2), (2)(B), (3)(A), and (4) of this section, is act Aug. 16, 1954, ch. 736, §§ 3301 to 3311, 68A Stat. 439, as amended, which is classified generally to chapter 23 (§ 3301 et seq.) of Title 26, Internal Revenue Code. For complete classification of this Act to the Code, see section 3211 of Title 26 and Tables.

Prior Provisions
A prior section 1101, act Aug. 14, 1935, ch. 531, title IX, § 901, 49 Stat. 639, related to imposition of tax. For further details, see Prior Law note set out preceding this section.

Amendments
1992—Subsec. (f)(2). Pub. L. 102–318, § 531(d)(1), struck out designation for subpar. (A), substituted “The” for “a” in subpar. (B)(iii), and (4), probably means act June 6, 1933, ch. 49, 49 Stat. 113, as amended, known as the Wagner–Peyser Act, which is classified generally to chapter 4B (§ 49 et seq.) of Title 29, Labor. Sections 49n and 49m were not part of act June 6, 1933. For complete classification of this Act to the Code, see Short Title note set out under section 49 of Title 29 and Tables.
§ 1102. Transfers between Federal unemployment account and employment security administration account

(a) Determination of excess; amount transferred

Whenever the Secretary of the Treasury determines pursuant to section 1101(f) of this title that there is an excess in the employment security administration account as of the close of any fiscal year and the entire amount of such excess is not retained in the employment security administration account or transferred to the extended unemployment compensation account as provided in section 1101(f)(3) of this title, there shall be transferred (as of the beginning of the succeeding fiscal year) to the Federal unemployment account the balance of such excess or so much thereof as is required to increase the amount in the Federal unemployment account to whichever of the following is the greater:

(1) $550 million, or

(2) the amount (determined by the Secretary of Labor and certified by him to the Secretary of the Treasury) equal to 0.5 percent of the total wages subject (determined without any limitation on amount) to contributions under all State unemployment compensation laws for the calendar year ending during the fiscal year for which the excess is determined.

(b) Unemployment account excesses

The amount, if any, by which the amount in the Federal unemployment account exceeds the greater of the amounts specified in paragraphs (1) and (2) of subsection (a) shall be transferred to the employment security administration account as of the close of such fiscal year.

(c) Report to Congress

Whenever the Secretary of Labor has reason to believe that in the next fiscal year the employment security administration account will reach the limit provided for such account in section 1101(f)(3)(A) of this title, and the Federal unemployment account will reach the limit provided for such account in subsection (a), and the extended unemployment compensation account will reach the limit provided for such account in section 1105(b)(2) of this title, he shall, after consultation with the Secretary of the Treasury, report to the Congress with a recommendation for appropriate action by the Congress.


PRIOR PROVISIONS

A prior section 1102, act Aug. 14, 1935, ch. 531, title IX, §902, 49 Stat. 639, related to credit against tax. For further details, see Prior Law note set out preceding section 1101 of this title.

AMENDMENTS

1997—Subsec. (a)(2). Pub. L. 105–33 substituted “0.5 percent” for “0.25 percent”.

1992—Subsec. (a)(2). Pub. L. 102–318 substituted “0.25 percent” for “five-eighths of 1 percent”.

1987—Subsec. (a)(2). Pub. L. 100–203 substituted “five-eighths” for “one-eighth”.

1970—Subsec. (a). Pub. L. 91–373, §304(a), inserted, in provisions preceding par. (1), reference to the retention of the entire amount of the excess in the employment security administration account or the transfer to the extended unemployment compensation account as provided in section 1101(f)(3) of this title and, in par. (2), substituted “one-eighth of 1 percent” for “four-tenths of 1 per centum”.

Subsec. (c). Pub. L. 91–373, §304(b), substituted “Federal unemployment account with funds and defining “adjusted balance”.

EFFECTIVE DATE OF 1997 AMENDMENT

Pub. L. 105–33–title V, §5402(b), Aug. 5, 1997, 111 Stat. 603, provided that: “This section [amending this section and the amendment made by this section—

‘‘(1) shall take effect on October 1, 2001, and

‘‘(2) shall apply to fiscal years beginning on or after that date.”

EFFECTIVE DATE OF 1992 AMENDMENT

Pub. L. 102–318, title V, §531(e), July 3, 1992, 106 Stat. 317, provided that:

“(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section [enacting section 1110 of this title and amending this section and sections 1101, 1104, and 1105 of this title] shall take effect on the date of the enactment of this Act (July 3, 1992).

“(2) CHANGES IN CEILING AMOUNTS.—The amendments made by subsection(s) (a)(2) and (b) [amending this section and section 1105 of this title] shall apply to fiscal years beginning after September 30, 1990.”

§ 1103. Amounts transferred to State accounts

(a) Determination and certification by Secretary of Labor

(1) If as of the close of any fiscal year after the fiscal year ending June 30, 1972, the amount in
the extended unemployment compensation account has reached the limit provided in section 1105(b)(2) of this title and the amount in the Federal unemployment account has reached the limit provided in section 1102(a) of this title and all advances and interest pursuant to section 1105(d) of this title and section 1323 of this title have been repaid, and there remains in the employment security administration account any amount over the amount provided in section 1101(f)(3)(A) of this title, such excess amount, except as provided in subsection (b), shall be transferred (as of the beginning of the succeeding fiscal year) to the accounts of the States in the Unemployment Trust Fund.

(2) Each State’s share of the funds to be transferred under this subsection as of any October 1—

(A) shall be determined by the Secretary of Labor and certified by such Secretary to the Secretary of the Treasury before such date, and

(B) shall bear the same ratio to the total amount to be so transferred as—

(i) the amount of wages subject to tax under section 3301 of the Internal Revenue Code of 1986 during the preceding calendar year which are determined by the Secretary of Labor to be attributable to the State, bears to

(ii) the total amount of wages subject to such tax during such year.

(b) Transfer of funds where State is ineligible

(1) If the Secretary of Labor finds that on October 1 of any fiscal year—

(A) a State is not eligible for certification under section 503 of this title, or

(B) the law of a State is not approvable under section 3304 of the Federal Unemployment Tax Act [26 U.S.C. 3304],

then the amount available for transfer to such State’s account shall, in lieu of being so transferred, be transferred to the Federal unemployment account as of the beginning of such October 1. If, during the fiscal year beginning on such October 1, the Secretary of Labor finds and certifies to the Secretary of the Treasury that such State is eligible for certification under section 503 of this title, that the law of such State is approvable under section 3304, or both, the Secretary of the Treasury shall transfer such amount from the Federal unemployment account to the account of such State. If the Secretary of Labor does not so find and certify to the Secretary of the Treasury before the close of such fiscal year then the amount which was available for transfer to such State’s account as of October 1 of such fiscal year shall (as of the close of such fiscal year) become unrestricted as to use as part of the Federal unemployment account.

(2) The amount which, but for this paragraph, would be transferred to the account of a State under subsection (a) or paragraph (1) of this subsection shall be reduced (but not below zero) by the balance of advances made to the State under section 1321 of this title. The sum by which such amount is reduced shall—

(A) be transferred to or retained in (as the case may be) the Federal unemployment account, and

(B) be credited against, and operate to reduce—

(i) first, any balance of advances made before September 13, 1960, to the State under section 1321 of this title, and

(ii) second, any balance of advances made on or after September 13, 1960, to the State under section 1321 of this title.

(c) Use of funds

(1) Except as provided in paragraph (2), amounts transferred to the account of a State pursuant to subsections (a) and (b) shall be used only in the payment of cash benefits to individuals with respect to their unemployment, exclusive of expenses of administration.

(2) A State may, pursuant to a specific appropriation made by the legislative body of the State, use money withdrawn from its account in the payment of expenses incurred by it for the administration of its unemployment compensation law and public employment offices if and only if—

(A) the purposes and amounts were specified in the law making the appropriation,

(B) the appropriation law did not authorize the obligation of such money after the close of the two-year period which began on the date of enactment of the appropriation law,

(C) the money is withdrawn and the expenses are incurred after such date of enactment,

(D) the appropriation law limits the total amount which may be obligated under such appropriation at any time to an amount which does not exceed, at any such time, the amount by which—

(I) the aggregate of the amounts transferred to the account of such State pursuant to subsections (a) and (b), exceeds

(II) the aggregate of the amounts used by the State pursuant to this subsection and charged against the amounts transferred to the account of such State, and

(ii) for purposes of clause (i), amounts used by a State for administration shall be chargeable against transferred amounts at the exact time the obligation is entered into, and

(E) the use of the money is accounted for in accordance with standards established by the Secretary of Labor.

(3)(A) If—

(i) amounts transferred to the account of a State pursuant to subsections (a) and (b) of this section were used in payment of unemployment benefits to individuals; and

(ii) the Governor of such State submits a request to the Secretary of Labor that such amounts be restored under this paragraph,

then the amounts described in clause (i) shall be restored to the status of funds transferred under subsections (a) and (b) of this section which have not been used by eliminating any charge against amounts so transferred for the use of such amounts in the payment of unemployment benefits.

(B) Subparagraph (A) shall apply only to the extent that the amounts described in clause (i) of such subparagraph do not exceed the amount then in the State’s account.

(C) Subparagraph (A) shall not apply if the State has a balance of advances made to its account under subchapter XII of this chapter.
(D) If the Secretary of Labor determines that the requirements of this paragraph are met with respect to any request, the Secretary shall notify the Governor of the State that such requirements are met with respect to such request and the amount restored under this paragraph. Such restoration shall be as of the first day of the first month following the month in which the notification is made.

(d) Special transfer in fiscal year 2002

(1) The Secretary of the Treasury shall transfer (as of the date determined under paragraph (5)) from the Federal unemployment account to the account of each State in the Unemployment Trust Fund the amount determined with respect to such State under paragraph (2).

(2)(A) The amount to be transferred under this subsection to a State account shall (as determined by the Secretary of Labor and certified by such Secretary to the Secretary of the Treasury) be equal to—

(i) the amount which would have been required to have been transferred under this section to such account at the beginning of fiscal year 2002 if—

(I) section 209(a)(1) of the Temporary Extended Unemployment Compensation Act of 2002 had been enacted before the close of fiscal year 2001, and

(II) section 5402 of Public Law 105–33 (relating to increase in Federal unemployment account ceiling) had not been enacted,

minus

(ii) the amount which was in fact transferred under this section to such account at the beginning of fiscal year 2002.

(B) Notwithstanding the provisions of subparagraph (A)—

(i) the aggregate amount transferred to the States under this subsection may not exceed a total of $5,000,000,000; and

(ii) all amounts determined under subparagraph (A) shall be reduced ratably, if and to the extent necessary in order to comply with the limitation under clause (i).

(3)(A) Except as provided in paragraph (4), amounts transferred to a State account pursuant to this subsection may be used only in the payment of cash benefits—

(i) to individuals with respect to their unemployment, and

(ii) which are allowable under subparagraph (B) or (C).

(B) At the option of the State, cash benefits under this paragraph may include amounts which shall be payable as—

(I) regular compensation, or

(II) additional compensation, upon the exhaustion of any temporary extended unemployment compensation (if such State has entered into an agreement under the Temporary Extended Unemployment Compensation Act of 2002), for individuals eligible for regular compensation under the unemployment compensation law of such State.

(ii) Any additional compensation under clause (i) may not be taken into account for purposes of any determination relating to the amount of any extended compensation for which an individual might be eligible.

(C)(i) At the option of the State, cash benefits under this paragraph may include amounts which shall be payable to 1 or more categories of individuals not otherwise eligible for regular compensation under the unemployment compensation law of such State, including those described in clause (iii).

(ii) The benefits paid under this subparagraph to any individual may not, for any period of unemployment, exceed the maximum amount of regular compensation authorized under the unemployment compensation law of such State for that same period, plus any additional compensation (described in subparagraph (B)(i)) which could have been paid with respect to that amount.

(iii) The categories of individuals described in this clause include the following:

(I) Individuals who are seeking, or available for, only part-time (and not full-time) work.

(II) Individuals who would be eligible for regular compensation under the unemployment compensation law of such State under an alternative base period.

(D) Amounts transferred to a State account under this subsection may be used in the payment of cash benefits to individuals only for weeks of unemployment beginning after March 9, 2002.

(4) Amounts transferred to a State account under this subsection may be used for the administration of its unemployment compensation law and public employment offices (including in connection with benefits described in paragraph (3) and any recipients thereof), subject to the same conditions as set forth in subsection (c)(2) (excluding subparagraph (B) thereof, and deeming the reference to “subsections (a) and (b)” in subparagraph (D) thereof to include this subsection).

(5) Transfers under this subsection shall be made within 10 days after March 9, 2002.

(e) Special transfer in fiscal year 2006

Not later than 10 days after October 29, 2005, the Secretary of the Treasury shall transfer from the Federal unemployment account—

(1) $15,000,000 to the account of Alabama in the Unemployment Trust Fund;

(2) $400,000,000 to the account of Louisiana in the Unemployment Trust Fund; and

(3) $85,000,000 to the account of Mississippi in the Unemployment Trust Fund.

(f) Special transfers in fiscal years 2009, 2010, and 2011 for modernization

(1)(A) In addition to any other amounts, the Secretary of Labor shall provide for the making of unemployment compensation modernization incentive payments (hereinafter “incentive payments”) to the accounts of the States in the Unemployment Trust Fund, by transfer from amounts reserved for that purpose in the Federal unemployment account, in accordance with succeeding provisions of this subsection.

(B) The maximum incentive payment allowable under this subsection with respect to any State shall, as determined by the Secretary of Labor, be equal to the amount obtained by mul-
tilying $7,000,000,000 by the same ratio as would apply under subsection (a)(2)(B) for purposes of determining such State’s share of any excess amount (as described in subsection (a)(1)) that would have been subject to transfer to State accounts as of October 1, 2008, under the provisions of subsection (a).

(C) Of the maximum incentive payment determined under subparagraph (B) with respect to a State—
   (i) one-third shall be transferred to the account of such State upon a certification under paragraph (4)(B) that the State law of such State meets the requirements of paragraph (2); and
   (ii) the remainder shall be transferred to the account of such State upon a certification under paragraph (4)(B) that the State law of such State meets the requirements of paragraph (3).

(2) The State law of a State meets the requirements of this paragraph if such State law—
   (A) uses a base period that includes the most recently completed calendar quarter before the start of the benefit year for purposes of determining eligibility for unemployment compensation; or
   (B) provides that, in the case of an individual who would not otherwise be eligible for unemployment compensation under the State law because of the use of a base period that does not include the most recently completed calendar quarter before the start of the benefit year, eligibility shall be determined using a base period that includes such calendar quarter.

(3) The State law of a State meets the requirements of this paragraph if such State law includes provisions to carry out at least 2 of the following subparagraphs:
   (A) An individual shall not be denied regular unemployment compensation under any State law provisions relating to availability for work, active search for work, or refusal to accept work, solely because such individual is seeking only part-time work (as defined by the Secretary of Labor), except that the State law provisions carrying out this subparagraph may exclude an individual if a majority of the weeks of work in such individual’s base period do not include part-time work (as so defined).
   (B) An individual shall not be disqualified from regular unemployment compensation for separating from employment if that separation is for any compelling family reason. For purposes of this subparagraph, the term “compelling family reason” means the following:
      (I) One or both of the following offenses as selected by the State, but in making such selection, the resulting change in the State law shall not supersede any other provision of law relating to unemployment insurance to the extent that such other provision provides broader access to unemployment benefits for victims of such selected offense or offenses:
         (1) Domestic violence, verified by such reasonable and confidential documentation as the State law may require, which causes the individual reasonably to believe that such individual’s continued employment would jeopardize the safety of the individual or of any member of the individual’s immediate family (as defined by the Secretary of Labor); and
         (II) Sexual assault, verified by such reasonable and confidential documentation as the State law may require, which causes the individual reasonably to believe that such individual’s continued employment would jeopardize the safety of the individual or of any member of the individual’s immediate family (as defined by the Secretary of Labor).
      (II) The illness or disability of a member of the individual’s immediate family (as those terms are defined by the Secretary of Labor).
      (III) The need for the individual to accompany such individual’s spouse—
         (I) to a place from which it is impractical for such individual to commute; and
         (II) due to a change in location of the spouse’s employment.
   (C) The State law meets the requirements of paragraph (2)(A) and (B) if the State law includes provisions to carry out the following:
      (i) one-third shall be transferred to the account of such State upon a certification under paragraph (4)(B) that the State law of such State meets the requirements of paragraph (2); and
      (ii) the remainder shall be transferred to the account of such State upon a certification under paragraph (4)(B) that the State law of such State meets the requirements of paragraph (3).

(C)(i) Weekly unemployment compensation is payable under this subparagraph to any individual who is unemployed (as determined under the State unemployment compensation law), has exhausted all rights to regular unemployment compensation under the State law, and is enrolled and making satisfactory progress in a State-approved training program or in a job training program authorized under the Workforce Investment Act of 1998, except that such compensation is not required to be paid to an individual who is receiving similar stipends or other training allowances for non-training costs.

(C)(ii) Each State-approved training program or job training program referred to in clause (i) shall prepare individuals who have been separated from a declining occupation, or who have been involuntarily and indefinitely separated from employment as a result of a permanent reduction of operations at the individual’s place of employment, for entry into a high-demand occupation.

(C)(iii) The amount of unemployment compensation payable under this subparagraph to an individual for a week of unemployment shall be equal to—
      (I) the individual’s average weekly benefit amount (including dependents’ allowances) for the most recent benefit year, less
      (II) any deductible income, as determined under State law.

The total amount of unemployment compensation payable under this subparagraph to any individual shall be equal to at least 26 times the individual’s average weekly benefit amount (including dependents’ allowances) for the most recent benefit year.

(D) Dependents’ allowances are provided, in the case of any individual who is entitled to receive regular unemployment compensation and who has any dependents (as defined by State law), in an amount equal to at least $15 per dependent per week, subject to any aggreg—

1 See References in Text note below.
gate limitation on such allowances which the State law may establish (but which aggregate limitation on the total allowance for dependents paid to an individual may not be less than $30 for each week of unemployment or 50 percent of the individual’s weekly benefit amount for the benefit year, whichever is less), except that a State law may provide for a reasonable reduction in the amount of any such allowance for a week of less than total unemployment.

(4)(A) Any State seeking an incentive payment under this subsection shall submit an application therefor at such time, in such manner, and complete with such information as the Secretary of Labor may within 60 days after February 17, 2009, prescribe (whether by regulation or otherwise), including information relating to compliance with the requirements of paragraph (2) or (3), as well as how the State intends to use the incentive payment to improve or strengthen the State’s unemployment compensation program. The Secretary of Labor shall, within 30 days after receiving a complete application, notify the State agency of the State of the Secretary’s findings with respect to the requirements of paragraph (2) or (3) (or both).

(B)(i) If the Secretary of Labor finds that the State law provisions (disregarding any State law provisions which are not then currently in effect as permanent law or which are subject to discontinuation) meet the requirements of paragraph (2) or (3), as the case may be, the Secretary of Labor shall thereupon make a certification to that effect to the Secretary of the Treasury, together with a certificate as to the amount of the incentive payment to be transferred to the State account pursuant to that certification.

(ii) For purposes of clause (i), State law provisions which are to take effect within 12 months after the date of their certification under this subsection shall be considered to be in effect as of the date of such certification.

(5)(A) Any State seeking an incentive payment under this subsection shall submit an application therefor at such time, in such manner, and complete with such information as the Secretary of Labor may within 60 days after February 17, 2009, prescribe (whether by regulation or otherwise), including information relating to compliance with the requirements of paragraph (2) or (3), as well as how the State intends to use the incentive payment to improve or strengthen the State’s unemployment compensation program. The Secretary of Labor shall, within 30 days after receiving a complete application, prescribe (whether by regulation or otherwise), including information relating to compliance with the requirements of paragraph (2) or (3), as well as how the State intends to use the incentive payment to improve or strengthen the State’s unemployment compensation program. The Secretary of Labor shall, within 30 days after receiving a complete application, notify the State agency of the State of the Secretary’s findings with respect to the requirements of paragraph (2) or (3) (or both).

(B)(i) If the Secretary of Labor finds that the State law provisions (disregarding any State law provisions which are not then currently in effect as permanent law or which are subject to discontinuation) meet the requirements of paragraph (2) or (3), as the case may be, the Secretary of Labor shall thereupon make a certification to that effect to the Secretary of the Treasury, together with a certificate as to the amount of the incentive payment to be transferred to the State account pursuant to that certification.

(ii) For purposes of clause (i), State law provisions which are to take effect within 12 months after the date of their certification under this subsection shall be considered to be in effect as of the date of such certification.

(C)(i) No certification of compliance with the requirements of paragraph (2) or (3) may be made with respect to any State whose State law is not otherwise eligible for certification under section 503 of this title or approvable under section 3304 of the Federal Unemployment Tax Act [26 U.S.C. 3304].

(ii) No certification of compliance with the requirements of paragraph (3) may be made with respect to any State whose State law is not otherwise eligible for certification under section 503 of this title or approvable under section 3304 of the Federal Unemployment Tax Act [26 U.S.C. 3304].

(iii) No application under subparagraph (A) may be considered if submitted before February 17, 2009, or after the latest date necessary (as specified by the Secretary of Labor) to ensure that all incentive payments under this subsection are made before October 1, 2011.

(5)(A) Except as provided in subparagraph (B), any amount transferred to the account of a State under this subsection may be used by such State only in the payment of cash benefits to individuals with respect to their unemployment (including for dependents’ allowances and for unemployment compensation under paragraph (3)(C)), exclusive of expenses of administration.

(B) A State may, subject to the same conditions as set forth in subsection (c)(2) (excluding subparagraph (B) thereof, and deeming the reference to “subsections (a) and (b)” in subparagraph (D) thereof to include this subsection), use any amount transferred to the account of such State under this subsection for the administration of its unemployment compensation law and public employment offices.

(6) Out of any money in the Federal unemployment account not otherwise appropriated, the Secretary of the Treasury shall reserve $7,000,000,000 for incentive payments under this subsection. Any amount so reserved shall not be taken into account for purposes of any determination under section 1102, 1110, or 1323 of this title of the amount in the Federal unemployment account as of any given time. Any amount so reserved for which the Secretary of the Treasury has not received a certification under paragraph (4)(B) by the deadline described in paragraph (4)(C)(iii) shall, upon the close of fiscal year 2011, become unrestricted as to use as part of the Federal unemployment account.

(7) For purposes of this subsection, the terms “benefit year”, “base period”, and “week” have the respective meanings given such terms under section 205 of the Federal-State Extended Unemployment Compensation Act of 1970 [26 U.S.C. 3904 note].

(g) Special transfer in fiscal year 2009 for administration

(1) In addition to any other amounts, the Secretary of the Treasury shall transfer from the employment security administration account to the account of each State in the Unemployment Trust Fund, within 30 days after February 17, 2009, the amount determined with respect to such State under paragraph (2).

(2) The amount to be transferred under this subsection to a State account shall (as determined by the Secretary of Labor and certified by such Secretary to the Secretary of the Treasury) be equal to the amount obtained by multiplying $500,000,000 by the same ratio as determined under subsection (f)(1)(B) with respect to such State.

(3) Any amount transferred to the account of a State as a result of the enactment of this subsection may be used by the State agency of such State only in the payment of expenses incurred by it for—

(A) the administration of the provisions of its State law carrying out the purposes of subsection (f)(2) or any subparagraph of subsection (f)(3);

(B) improved outreach to individuals who might be eligible for regular unemployment compensation by virtue of any provisions of the State law which are described in subparagraph (A);

(C) the improvement of unemployment benefit and unemployment tax operations, including responding to increased demand for unemployment compensation; and

(D) staff-assisted reemployment services for unemployment compensation claimants.

be so used by it without regard to any of the conditions prescribed in any of the preceding provisions of this paragraph.


1990—Subsec. (a)(2). Pub. L. 101–508, § 5021(a), amended par. (2) generally. Prior to amendment, par. (2) read as follows: "Each State's share of the funds to be transferred under this subsection as of any October 1—

(1) shall be determined by the Secretary of Labor and certified by him to the Secretary of the Treasury before that date on the basis of reports furnished by the States to the Secretary of Labor before September 1, and

(2) shall bear the same ratio to the total amount to be so transferred as the amount of wages subject to contributions under such State's unemployment compensation law during the preceding calendar year which have been reported to the States before August 1 bears to the total of wages subject to contributions under all State unemployment compensation laws during such calendar year which have been reported to the States before August 1 of such year.

Subsec. (c)(2). Pub. L. 101–508, § 5021(b), added subpars. (D) and (E) and struck out former subpar. (D) and last sentence which required a State's appropriation law to limit the total amount which may be transferred during a twelve-month or transitional period from its account. 1987—Subsec. (a)(1). Pub. L. 100–203 inserted "and interest" after "all advances".

1982—Subsec. (c)(2). Pub. L. 97–248, § 192(a), substituted "thirty-four" for "twenty-four" wherever appearing, and "thirty-fourth" for "twenty-fourth" in provisions following subpar. (D).


1976—Subsec. (a)(2). Pub. L. 94–273, § 23(b) substituted "October" for "July".


1972—Subsec. (b)(3). Pub. L. 93–368 struck out subpar. (3) which related to reductions in the amount transferable to the account of any State by reason of emergency compensation paid to any individual for a week of unemployment ending after June 30, 1972.


REFERENCES IN TEXT


Section 205 of the Federal-State Extended Unemployment Compensation Act of 1970, referred to in subsec. (f)(7), is section 205 of Pub. L. 91–73, which is set out as a note under section 3304 of Title 26, Internal Revenue Code.

PRIOR PROVISIONS


AMENDMENTS


Subsec. (f)(3)(B)(i). Pub. L. 111–92 amended cl. (i) generally. Prior to amendment, cl. (i) read as follows: "Domestic violence, verified by such reasonable and confidential documentation as the State law may require, which causes the individual reasonably to believe that such individual's continued employment would jeopardize the safety of the individual or of any member of the individual's immediate family (as defined by the Secretary of Labor)."

Subsec. (g). Pub. L. 111–5 added subsec. (g).


Subsec. (c)(2). Pub. L. 107–147, § 209(a)(1)(B), struck out concluding provisions which read as follows: "Any amount allocated to a State under this section for fiscal years 2000, 2001, or 2002 may only be used by the State for which such State was not reimbursed by the Employment Security Administration for any unemployment compensation paid to any individual whose continued employment would jeopardize the safety of such individual or any member of such individual's immediate family (as defined by the Secretary of Labor) because of the domestic violence, verified by such reasonable and confidential documentation as the State law may require, which has caused the individual to reasonably believe that such individual's continued employment would jeopardize the safety of such individual or any member of such individual's immediate family for which the State law prescribed in any of the provisions of subsection (f) or (g)."

1963—Subsec. (c)(2). Pub. L. 88–31 substituted “nine preceding fiscal years” for “four preceding fiscal years”, “ten fiscal years” for “five fiscal years” in cl. (D), and “ninth preceding fiscal year” for “fourth preceding fiscal year” in last sentence.

1960—Subsec. (a). Pub. L. 86–778 substituted provisions of par. (1) for first sentence of the section which read “So much of any amount transferred to the Unemployment Trust Fund at the close of any fiscal year under section 1101(a) of this title as is not credited to the Federal unemployment account under section 1102 of this title shall be credited (as of the beginning of the succeeding fiscal year) to the accounts of the States in the Unemployment Trust Fund” and designated existing provisions of second sentence as part (2), substituting “transferred” for “credited”, and striking out “on or before” in subpar. (A).

Subsec. (b). Pub. L. 86–778 redesignated existing provisions as par. (1) and clss. (1) and (2) thereof as subpars. (A) and (B), substituted “section 3294 of title 26” for “section 1603 of title 26”, in two places, and “transfer” for “crediting to such States’ account”, “transferred”, and “credited” and “credit”, respectively, except where already reading “shall transfer”, and added par. (2).

Subsec. (c). Pub. L. 86–778 substituted “transferred” for “credited”, wherever appearing, “obligation” for “expenditure” in par. (2)(B), “obligated” for “so used” in par. (2)(D), and “obligated for administration” for “used” in concluding par., inserted references to subsection (b) in pars. (1) and (2)(D), and struck out “any of” before “such five fiscal years” in par. (2)(D).

Effective Date of 2009 Amendment
Pub. L. 111–92, § 7(b), Nov. 6, 2009, 123 Stat. 2988, provided that: “The amendment made by this subsection [amending this section] shall apply with respect to State applications submitted on and after January 1, 2010.”

Effective Date of 1990 Amendment
Pub. L. 101–508, title V, § 5021(c), Nov. 5, 1990, 104 Stat. 1388–223, provided that: “The amendments made by this section [amending this section] shall apply to fiscal years beginning after the date of the enactment of this Act (Nov. 5, 1990).”

Effective Date of 1987 Amendment
Pub. L. 100–203, title IX, § 9155(d), Dec. 22, 1987, 101 Stat. 1330–327, provided that: “The amendments made by this section [amending this section and sections 1105 and 1233 of this title] shall apply to advances made on or after the date of the enactment of this Act (Dec. 22, 1987).”

Regulations
Pub. L. 111–5, div. B, title II, § 2003(b), Feb. 17, 2009, 123 Stat. 443, provided that: “The Secretary of Labor may prescribe any regulations, operating instructions, or other guidance necessary to carry out the amendment made by subsection (a) [amending this section].”

Pub. L. 109–91, title II, § 203, Oct. 20, 2005, 119 Stat. 2094, provided that: “The Secretary of Labor may prescribe any operating instructions or regulations necessary to carry out this title [amending this section] and any amendment made by this title.”

§ 1104. Unemployment Trust Fund

(a) Establishment
There is hereby established in the Treasury of the United States a trust fund to be known as the “Unemployment Trust Fund”, hereinafter in this subchapter called the “Fund”. The Secretary of the Treasury is authorized and directed to receive and hold in the Fund all money deposited therein by a State agency from a State unemployment fund, or by the Railroad Retirement Board to the credit of the railroad unemployment insurance account or the railroad unemployment insurance administration fund, or otherwise deposited in or credited to the Fund or any account therein. Such deposit may be made directly with the Secretary of the Treasury, with any depository designated by him for such purpose, or with any Federal Reserve Bank.

(b) Investments
It shall be the duty of the Secretary of the Treasury to invest such portion of the Fund as is not, in his judgment, required to meet current withdrawals. Such investment may be made only in interest-bearing obligations of the United States or in obligations guaranteed as to both principal and interest by the United States. For such purpose such obligations may be acquired (1) on original issue at the issue price, or (2) by purchase of outstanding obligations at the market price. The purposes for which obligations of the United States may be issued under chapter 31 of title 31 are hereby extended to authorize the issuance at par of special obligations exclusively to the Fund. Such special obligations shall bear interest at a rate equal to the average rate of interest, computed as of the end of the calendar month next preceding the date of such issue, borne by all interest-bearing obligations of the United States then forming part of the public debt; except that where such average rate is not a multiple of one-eighth of 1 per centum, the rate of interest of such special obligations shall be the multiple of one-eighth of 1 per centum next lower than such average rate. Obligations other than such special obligations may be acquired for the Fund only on such terms as to provide an investment yield not less than the yield which would be required in the case of special obligations if issued to the Fund upon the date of such acquisition. Advances made to the Federal unemployment account pursuant to section 1323 of this title shall not be invested.

(c) Sale or redemption of obligations
Any obligations acquired by the Fund (except special obligations issued exclusively to the Fund) may be sold at the market price, and such special obligations may be redeemed at par plus accrued interest.

(d) Treatment of interest and proceeds
The interest on, and the proceeds from the sale or redemption of, any obligations held in the Fund shall be credited to and form a part of the Fund.

(e) Separate book accounts
The Fund shall be invested as a single fund, but the Secretary of the Treasury shall maintain a separate book account for each State agency, the employment security administration account, the Federal unemployment account, the railroad unemployment insurance account, and the railroad unemployment insurance administration fund and shall credit quarterly (on March 31, June 30, September 30, and December 31, of each year) to each account, on the basis of the average daily balance of such account, a proportionate part of the earnings of the Fund for the quarter ending on such date.
For the purpose of this subsection, the average daily balance shall be computed—

(1) in the case of any State account, by reducing (but not below zero) the amount in the account by the balance of advances made to the State under section 1321 of this title, and

(2) in the case of the Federal unemployment account—

(A) by adding to the amount in the account the aggregate of the reductions under paragraph (1), and

(B) by subtracting from the sum so obtained the balance of advances made under section 1323 of this title to the account.

(f) Payment to State agencies and Railroad Retirement Board

The Secretary of the Treasury is authorized and directed to pay out of the Fund to any State agency such amount as it may duly requisition, not exceeding the amount standing to the account of such State agency at the time of such requisition. The Secretary of the Treasury is authorized and directed to make such payments out of the railroad unemployment insurance account for the payment of benefits, and out of the railroad unemployment insurance administration fund for the payment of administrative expenses, as the Railroad Retirement Board may duly certify, not exceeding the amount standing to the credit of such account or such fund, as the case may be, at the time of such payment.

(g) Federal unemployment account; establishment

There is hereby established in the Unemployment Trust Fund a Federal unemployment account.


AMENDMENTS

1992—Subsec. (g). Pub. L. 102–318 struck out after the first sentence the following: “There is hereby authorized to be appropriated to such Federal unemployment account a sum equal to (1) the excess of taxes collected prior to July 1, 1946, under title IX of this Act or under the Federal Unemployment Tax Act, over the total unemployment administrative expenditures made prior to July 1, 1946, plus (2) the excess of taxes collected under the Federal Unemployment Tax Act after June 30, 1946, and prior to July 1, 1963, over the unemployment administrative expenditures made after June 30, 1946, and prior to July 1, 1963. As used in this subsection, the term ‘unemployment administrative expenditures’ means expenditures for grants under subchapter III of this chapter, expenditures for the administration of that subchapter by the Secretary of Health and Human Services, or the Secretary of Labor, and expenditures for the administration of title IX of the Federal Unemployment Tax Act, by the Department of the Treasury, the Secretary of Health and Human Services, or the Secretary of Labor. For the purposes of this subsection, there shall be deducted from the total amount of taxes collected prior to July 1, 1946, under title IX of this Act, the sum of $30,561,486.43 which was authorized to be appropriated by the Act of August 24, 1937 (50 Stat. 754), and the sum of $18,451,846 which was authorized to be appropriated by section 361(b) of title 45.”


1960—Subsec. (a). Pub. L. 86–778 substituted “with any depository designated by him for such purpose, or with any Federal Reserve Bank” for “or with any Federal Reserve Bank or member bank for the Federal Reserve System designated by him for such purpose”.

Subsec. (b). Pub. L. 86–778 substituted “Second Liberty Bond Act, as amended” and “section 1323” for “section 732 of title 31” and “section 1322(c)”, respectively, and inserted “made” after “Advances”.

Subsec. (e). Pub. L. 86–778 provided for the maintenance of a separate book account for the employment security administration account and substituted “balance of advances made to the State under section 1321 of this title” for “aggregate of the outstanding advances under section 1321 of this title from the Federal unemployment account” in par. (1) and “balance of advances made under section 1323 of this title to the account” for “aggregate of the outstanding advances from the Treasury to the account pursuant to section 1322(c) of this title”.

Subsec. (g). Pub. L. 86–778 redesignated former subsec. (h) as (g).

1959—Subsec. (b). Pub. L. 86–346 substituted “on original issue at the issue price” for “on original issue at par”.

1958—Subsec. (a). Pub. L. 85–927, § 204(a), inserted “or the railroad unemployment insurance administration fund”.

Subsec. (e). Pub. L. 85–927, § 204(b), substituted “the railroad unemployment insurance account, and the railroad unemployment insurance administration fund” for “and the railroad unemployment insurance account”.

Subsec. (f). Pub. L. 85–927, § 204(c), substituted “railroad unemployment insurance account for the payment of benefits, and out of the railroad unemployment insurance administration fund for the payment of administrative expenses, as the Railroad Retirement Board may duly certify, not exceeding the amount standing to the credit of such account or such fund, as the case may be, at the time of such payment” for “the railroad unemployment insurance account, and the railroad unemployment insurance administration fund”.

Subsec. (g). Pub. L. 85–927, § 204(d), inserted “or otherwise deposited in or credited to the Fund or any account therein” for “or deposited pursuant to appropriations to the Federal unemployment account”.

Subsec. (b). Act Aug. 5, 1954, § 5(d), inserted provision that advances to the Federal unemployment account pursuant to section 1323 of this title shall not be invested.

Subsec. (e). Act Aug. 5, 1954, § 5(d), inserted “For the purposes of this subsection, the average daily balance shall be computed—

‘‘(1) in the case of any State account, by reducing (but not below zero) the amount in the account by the aggregate of the outstanding advances under section 1321 from the Federal unemployment account, and

‘‘(2) in the case of the Federal unemployment account, (A) by adding to the amount in the account the aggregate of the reductions under paragraph (1), and (B) by subtracting from the sum so obtained the aggregate of the outstanding advances from the Treasury to the account pursuant to section 1322(c),’’.

Subsec. (g). Act Aug. 5, 1954, § 5(e), repealed subsec. (g) which authorized Secretary of Treasury by making transfers from Federal unemployment account to account of any State in Unemployment Trust Fund.
Subsec. (h). Act Aug. 5, 1954, §5(f), substituted a new cl. (2) in second sentence and repealed the third sentence: "Any amounts in the Federal unemployment account on April 1952, and any amounts repaid to such account after such date, shall be covered into the general fund of the Treasury."

1950—Subsec. (h). Act Aug. 28, 1950, substituted "prior to July 1, 1961" for "prior to July 1, 1949", "on July 1, 1951, and ending on December 31, 1951", "on July 1, 1949, and ending on December 31, 1949", "on April 1, 1962" for "April 1, 1950" in third sentence.

1947—Subsec. (h). Act Aug. 6, 1947, amended subsec. (h) generally, and, among other changes, changed the periods for which excess of tax collections over administrative expenditures could be appropriated to the unemployment account, limited authorized appropriations for the unemployment account to the excess collections for the period ending Dec. 31, 1949, provided for amounts in such account on Apr. 1, 1950, and any repayments to the account after such date be covered into the general fund of the Treasury, and provided for an additional deduction of $18,451,846 from the total amount of taxes collected prior to July 1, 1943.

1944—Subsec. (a). Act Oct. 3, 1944, §401(a), inserted "... or deposited pursuant to appropriations to the Federal unemployment account" after "unemployment insurance account" in second sentence.

Subsec. (e). Act Oct. 3, 1944, §401(b), inserted ", the Federal unemployment account" after "a separate book account for each State agency".

Subsecs. (g), (h). Act Oct. 3, 1944, §401(c), added subsecs. (g) and (h).

1938—Subsec. (a). Act June 25, 1938, §10(e), inserted "or by the Railroad Retirement Board to the credit of the railroad unemployment insurance account".

Subsec. (e). Act June 25, 1938, §10(f), inserted "and the railroad unemployment insurance account".

Subsec. (f). Act June 25, 1938, §10(g), inserted second sentence.

EFFECTIVE DATE OF 1984 AMENDMENT
Amendment by Pub. L. 98–360 effective July 18, 1984, but not to be construed as changing or affecting any right, liability, status, or interpretation which existed (under the provisions of law involved) before that date, see section 2664(b) of Pub. L. 98–369, set out as a note under section 2661 of this title.

EFFECTIVE DATE OF 1958 AMENDMENT
Amendment by Pub. L. 85–927 effective Sept. 6, 1958, except as otherwise indicated, see section 2070(c) of Pub. L. 85–927, set out as a note under section 2071 of this title.

EFFECTIVE DATE OF 1950 AMENDMENT
Act Aug. 28, 1950, ch. 809, title IV, §404(c), 64 Stat. 560, provided that: "The amendments made by subsections (a) and (b) of this section [amending this section and section 1321 of this title] shall be effective January 1, 1950.

TERMINATION DATE

PAYMENTS TO STATES

§1105. Extended unemployment compensation account
(a) Establishment
There is hereby established in the Unemployment Trust Fund an extended unemployment compensation account. For the purposes provided for in section 1104(e) of this title, such account shall be maintained as a separate book account.

(b) Transfers to account
(1) Except as provided in paragraph (3), the Secretary of the Treasury shall transfer (as of the close of each month) from the employment security administration account to the extended unemployment compensation account established by subsection (a), an amount (determined by such Secretary) equal to 20 percent of the amount by which—

(A) the transfers to the employment security administration account pursuant to section 1101(b)(2) of this title during such month, exceed

(B) the payments during such month from the employment security administration account pursuant to section 1101(b)(3) and (d) of this title.

If for any such month the payments referred to in subparagraph (B) exceed the transfers referred to in subparagraph (A), proper adjustments shall be made in the amounts subsequently transferred.

(2) Whenever the Secretary of the Treasury determines pursuant to section 1101(f) of this title that there is an excess in the employment security administration account as of the close of any fiscal year beginning after June 30, 1972, there shall be transferred (as of the beginning of the succeeding fiscal year) to the extended unemployment compensation account the total amount of such excess or so much thereof as is required to increase the amount in the extended unemployment compensation account to whichever of the following is the greater:

(A) $750,000,000, or

(B) the amount (determined by the Secretary of Labor and certified by him to the Secretary of the Treasury) equal to 0.5 percent of the total wages subject (determined without any limitation on amount) to contributions under all State unemployment compensation laws for the calendar year ending during the fiscal year for which the excess is determined.

(3) The Secretary of the Treasury shall make no transfer pursuant to paragraph (1) as of the close of any month if he determines that the amount in the extended unemployment compensation account is equal to (or in excess of) the limitation provided in paragraph (2).

(c) Transfers to State accounts
Amounts in the extended unemployment compensation account shall be available for transfer to the accounts of the States in the Unemployment Trust Fund as provided in section 204(e) of the Federal-State Extended Unemployment Compensation Act of 1970.

(d) Advances to account; repayment
There are hereby authorized to be appropriated, without fiscal year limitation, to the
extended unemployment compensation account, as repayable advances, such sums as may be necessary to carry out the purposes of the Federal-State Extended Unemployment Compensation Act of 1970. Amounts appropriated as repayable advances shall be repaid by transfers from the extended unemployment compensation account to the general fund of the Treasury, at such times as the amount in the extended unemployment compensation account is determined by the Secretary of the Treasury, in consultation with the Secretary of Labor, to be adequate for such purpose. Repayments under the preceding sentence shall be made whenever the Secretary of the Treasury (after consultation with the Secretary of Labor) determines that the amount then in the account exceeds the amount necessary to meet the anticipated payments from the account during the next 3 months. Any amount transferred as a repayment under this subsection shall be credited against, and shall operate to reduce, any balance of advances repayable under this subsection. Amounts appropriated as repayable advances for purposes of this subsection shall bear interest at a rate equal to the average rate of interest, computed as of the end of the calendar month next preceding the date of such advance, borne by all interest-bearing obligations of the United States then forming part of the public debt; except that in cases in which such average rate is not a multiple of one-eighth of 1 percent, the rate of interest shall be the multiple of one-eighth of 1 percent next lower than such average rate.


1987—Subsec. (b)(1). Pub. L. 100–203, §9154(c)(1), struck out at end “—In the case of any month after April 1972, to one-fifth, and in the case of any month after March 1972, to one-tenth, of the amount by which—

“(A) transfers to the employment security administration account pursuant to section 1101(b)(2) of this title during such month, exceed

“(B) payments during such month from the employment security administration account pursuant to section 1101(b)(3) and (d) of this title.

If for any such month the payments referred to in subparagraph (B) exceed the transfers referred to in subparagraph (A), proper adjustments shall be made in the amounts subsequently transferred.”

Subsec. (b)(2)(B). Pub. L. 100–203, §9154(b)(2), substituted “—three-eighths” for “—eighth”.

Subsec. (d). Pub. L. 100–203, §9155(a), struck out “(without interest)” after “account, as repayable advances” and “—, without interest,” after “shall be repaid,” and inserted sentence at end providing that amounts appropriated as repayable advances for purposes of this subsection shall bear interest.


Subsec. (d). Pub. L. 97–248, §275, inserted provision that repayment shall be made whenever the Secretary of the Treasury determines that the amount then in the account exceeds the amount necessary to meet the anticipated payments from the account during the next 3 months.

1976—Subsec. (b)(1). Pub. L. 94–566 substituted “In the case of any month after March 1977 and before April of the first calendar year to which paragraph (2) of section 3301 of the Federal Unemployment Tax Act applies, the first sentence of this paragraph shall be applied by substituting ‘—40 percent’ for ‘—ten-th’.” for “In the case of any month after March 1973 and before April 1974, the first sentence of this paragraph shall be applied by substituting ‘—thirteen fifty-eighths’ for ‘—eighth’.”

§ 1106. Unemployment compensation research program

(a) The Secretary of Labor shall—

(1) establish a continuing and comprehensive program of research to evaluate the unemployment compensation system. Such research shall include, but not be limited to, a program of factual studies covering the role of unemployment compensation under varying patterns of unemployment including those in seasonal industries, the relationship between the unemployment compensation and other social insurance programs, the effect of State eligibility and disqualification provisions, the personal characteristics, family situations, employment background and experience of claimants, with the results of such studies to be made public; and

(2) establish a program of research to develop information (which shall be made public) as to the effect and impact of extending coverage to excluded groups with first attention to agricultural labor.

(b) To assist in the establishment and provide for the continuation of the comprehensive research program relating to the unemployment compensation system, there are hereby authorized to be appropriated for the fiscal year ending June 30, 1971, and for each fiscal year thereafter, such sums, not to exceed $8,000,000, as may be necessary to carry out the purposes of this section. From the sums authorized to be appropriated by this subsection the Secretary may provide for the conduct of such research through grants or contracts.


(d) Authorization of appropriations

There are hereby authorized to be appropriated for the fiscal year ending June 30, 1971, and for each fiscal year thereafter such sums, not to exceed $5,000,000, as may be necessary to carry out the purposes of this section.


See References in Text note below.
§ 1108. Advisory Council on Unemployment Compensation

(a) Establishment

Not later than February 1, 1992, and every 4th year thereafter, the Secretary of Labor shall establish an advisory council to be known as the Advisory Council on Unemployment Compensation (referred to in this section as the “Council”).

(b) Function

It shall be the function of each Council to evaluate the unemployment compensation program, including the purpose, goals, counter-cyclical effectiveness, coverage, benefit adequacy, trust fund solvency, funding of State administrative costs, administrative efficiency, and any other aspects of the program and to make recommendations for improvement.

(c) Members

(1) In general

Each Council shall consist of 11 members as follows:

(A) 5 members appointed by the President, to include representatives of business, labor, State government, and the public.

(B) 3 members appointed by the President pro tempore of the Senate, in consultation with the Chairman and ranking member of the Committee on Finance of the Senate.

(C) 3 members appointed by the Speaker of the House of Representatives, in consultation with the Chairman and ranking member of the Committee on Ways and Means of the House of Representatives.

(2) Qualifications

In appointing members under subparagraphs (B) and (C) of paragraph (1), the President pro tempore of the Senate and the Speaker of the House of Representatives shall each appoint—

(A) 1 representative of the interests of business,

(B) 1 representative of the interests of labor,

(C) 1 representative of the interests of State governments.

(3) Vacancies

A vacancy in any Council shall be filled in the manner in which the original appointment was made.

(4) Chairman

The President shall appoint the Chairman of the Council from among its members.

(d) Staff and other assistance

(1) In general

Each Council may engage any technical assistance (including actuarial services) required by the Council to carry out its functions under this section.

(2) Assistance from Secretary of Labor

The Secretary of Labor shall provide each Council with any staff, office facilities, and other assistance, and any data prepared by the Department of Labor, required by the Council to carry out its functions under this section.

(e) Compensation

Each member of any Council—

(1) shall be entitled to receive compensation at the rate of pay for level V of the Executive Schedule under section 5316 of title 5 for each day (including travel time) during which such member is engaged in the actual performance of duties vested in the Council, and

(2) while engaged in the performance of such duties away from such member’s home or regular place of business, shall be allowed travel expenses (including per diem in lieu of subsistence) as authorized by section 5703 of title 5 for persons in the Government employed intermittently.

(f) Report

(1) In general

Not later than February 1 of the third year following the year in which any Council is required to be established under subsection (a), the Council shall submit to the President and the Congress a report setting forth the findings and recommendations of the Council as a result of its evaluation of the unemployment compensation program under this section.

(2) Report of first Council

The Council shall include in its report required to be submitted by February 1, 1995, the Council’s findings and recommendations with respect to determining eligibility for extended unemployment benefits on the basis of unemployment statistics for regions, States, or subdivisions of States.


PRIOR PROVISIONS


References in Text


Codification

Section 9 of Pub. L. 102–107, Aug. 17, 1991, 105 Stat. 547, which contained provisions substantially identical to those of section 303 of Pub. L. 102–164, amending this section, did not become effective pursuant to section 10(b) of Pub. L. 102–107, because the President did not take the action required by that section by Aug. 17, 1991.

Prior Provisions


Amendments

1991—Pub. L. 102–164 amended section generally, substituting present provisions for provisions which in subsec. (a) established the Federal Advisory Council and its membership, in subsec. (b) prescribed the appointment of its members, in subsec. (c) required that secretarial, clerical, and other assistance be made available to the Council, in subsec. (d) provided for composition of the membership, in subsec. (e) encouraged the organization of State advisory councils, and in subsec. (f) authorized certain appropriations for the work of the Council.

1964—Subsec. (d). Pub. L. 88–369 substituted “§ 5703” for “§ 5703(b)

Effective Date of 1984 Amendment

Amendment by Pub. L. 98–369 effective July 18, 1984, but not to be construed as changing or affecting any right, liability, status, or interpretation which existed (under the provisions of law involved) before that date, see section 2664(b) of Pub. L. 98–369, set out as a note under section 401 of this title.

Termination of Advisory Councils

Advisory councils established after Jan. 5, 1973, to terminate not later than the expiration of the 2-year period beginning on the date of their establishment, unless, in the case of a council established by the President or an officer of the Federal Government, such council is renewed by appropriate action prior to the expiration of such 2-year period, or in the case of a council established by the Congress, its duration is otherwise provided by law. See sections 3(2) and 14 of Pub. L. 92–463, Oct. 6, 1972, 86 Stat. 770, 776, set out in the Appendix to Title 5, Government Organization and Employees.

Report on Agricultural Labor Performed by Aliens


§ 1109. Federal Employees Compensation Account

There is hereby established in the Unemployment Trust Fund a Federal Employees Compensation Account which shall be used for the purposes specified in section 8509 of title 5. For the purposes provided for in section 1104(e) of this title, such account shall be maintained as a separate book account.


Prior Provisions

A prior section 1109, act Aug. 14, 1935, ch. 531, title IX, §909, 49 Stat. 643, related to an additional credit against tax. For further details, see Prior Law note set out preceding section 1101 of this title.

§ 1110. Borrowing between Federal accounts

(a) In general

Whenever the Secretary of the Treasury (after consultation with the Secretary of Labor) determines that—

(1) the amount in the employment security administration account, Federal unemployment account, or extended unemployment compensation account, is insufficient to meet the anticipated payments from the account, (2) such insufficiency may cause such account to borrow from the general fund of the Treasury, and

(3) the amount in any other such account exceeds the amount necessary to meet the anticipated payments from such other account, the Secretary shall transfer to the account referred to in paragraph (1) from the account referred to in paragraph (3) an amount equal to the insufficiency determined under paragraph (1) (or, if less, the excess determined under paragraph (3)).

(b) Treatment of advance

Any amount transferred under subsection (a)—

(1) shall be treated as a noninterest-bearing repayable advance, and

(2) shall not be considered in computing the amount in any account for purposes of the application of sections 1101(f)(2), 1102(b), and 1105(b) of this title.

(c) Repayment

Whenever the Secretary of the Treasury (after consultation with the Secretary of Labor) determines that the amount in the account to which an advance is made under subsection (a) exceeds the amount necessary to meet the anticipated payments from the account, the Secretary shall transfer from the account to the account from which the advance was made an amount equal to the lesser of the amount so advanced or such excess.


Prior Provisions

A prior section 1110, act Aug. 14, 1935, ch. 531, title IX, §910, 49 Stat. 644, related to conditions of additional credit allowance. For further details, see Prior Law note set out preceding section 1101 of this title.

§ 1111. Data exchange standardization for improved interoperability

(a) Data exchange standards

(1) The Secretary of Labor, in consultation with an interagency work group which shall be established by the Office of Management and Budget, and considering State and employer perspectives, shall, by rule, designate a data exchange standard for any category of information required under subchapter III, subchapter XII, or this subchapter.

(2) Data exchange standards designated under paragraph (1) shall, to the extent practicable, be nonproprietary and interoperable.

(3) In designating data exchange standards under this subsection, the Secretary of Labor shall, to the extent practicable, incorporate—

(A) interoperable standards developed and maintained by an international voluntary consensus standards body, as defined by the Office of Management and Budget, such as the International Organization for Standardization; and

(B) interoperable standards developed and maintained by intergovernmental partnerships, such as the National Information Exchange Model; and

1 So in original. Probably should be “to in”.
(C) interoperable standards developed and maintained by Federal entities with authority over contracting and financial assistance, such as the Federal Acquisition Regulations Council.

(b) Data exchange standards for reporting

(1) The Secretary of Labor, in consultation with an interagency work group established by the Office of Management and Budget, and considering State and employer perspectives, shall, by rule, designate data exchange standards to govern the reporting required under subchapter III, subchapter XII, or this subchapter.

(2) The data exchange standards required by paragraph (1) shall, to the extent practicable—

(A) incorporate a widely accepted, nonproprietary, searchable, computer-readable format;

(B) be consistent with and implement applicable accounting principles; and

(C) be capable of being continually upgraded as necessary.

(3) In designating reporting standards under this subsection, the Secretary of Labor shall, to the extent practicable, incorporate existing nonproprietary standards, such as the eXtensible Markup Language.


Effective Date; Regulations


"(1) DATA EXCHANGE STANDARDS.—The Secretary of Labor shall issue a proposed rule under section 911(a)(1) of the Social Security Act [42 U.S.C. 1111(a)(1)] (as added by subsection (a)) within 12 months after the date of the enactment of this section [Feb. 22, 2012], and shall issue a final rule under such section 911(a)(1), after public comment, within 24 months after such date of enactment.

"(2) DATA REPORTING STANDARDS.—The reporting standards required under section 911(b)(1) of such Act [42 U.S.C. 1111(b)(1)] (as so added) shall become effective with respect to reports required in the first reporting period, after the effective date of the final rule referred to in paragraph (1) of this subsection, for which the authority for data collection and reporting is established or renewed under the Paperwork Reduction Act [44 U.S.C. 3501 et seq.]".

SUBCHAPTER X—GRANTS TO STATES FOR AID TO BLIND

REPEAL OF SUBCHAPTER X OF THIS CHAPTER; INAPPLICABILITY OF REPEAL TO PUERTO RICO, GUAM, AND VIRGIN ISLANDS

Pub. L. 92–603, title III, §303(a), (b), Oct. 30, 1972, 86 Stat. 1484, provided that this subchapter is repealed effective Jan. 1, 1974, except with respect to Puerto Rico, Guam, and the Virgin Islands.

§1201. Authorization of appropriations

For the purpose of enabling each State to furnish financial assistance, as far as practicable under the conditions in such State, to needy individuals who are blind, there is hereby authorized to be appropriated for each fiscal year a sum sufficient to carry out the purposes of this subchapter. The sums made available under this section shall be used for making payments to States which have submitted, and had approved by the Secretary of Health and Human Services, State plans for aid to the blind.


REPEAL OF SECTION

Pub. L. 92–603, title III, §303(a), (b), Oct. 30, 1972, 86 Stat. 1484, provided that this section is repealed effective Jan. 1, 1974, except with respect to Puerto Rico, Guam, and the Virgin Islands.

AMENDMENTS

1981—Pub. L. 97–35 struck out "and of encouraging each State, as far as practicable under such conditions, to furnish rehabilitation and other services to help such individuals attain or retain capability for self-support and self-care" after "who are blind".

1962—Pub. L. 87–543 inserted "to furnish rehabilitation and other services" before "to help such individuals" and "or retain capability for" after "attain".

1956—Act Aug. 1, 1956, restated purpose to include assistance to individuals to attain self-support or self-care.


TRANSFER OF FUNCTIONS

Functions of Federal Security Administrator transferred to Secretary of Health, Education, and Welfare and all agencies of Federal Security Agency transferred to Department of Health, Education, and Welfare by section 5 of Reorg. Plan No. 1 of 1953, set out as a note under section 3501 of this title. Federal Security Agency and office of Administrator abolished by section 8 of Reorg. Plan No. 1 of 1953. Secretary and Department of Health, Education, and Welfare redesignated Secretary and Department of Health and Human Services by section 509(b) of Pub. L. 96–88 which is classified to section 3509(b) of Title 20, Education.

§1202. State plans for aid to blind

(a) A State plan for aid to the blind must (1) except to the extent permitted by the Secretary with respect to services, provide that it shall be in effect in all political subdivisions of the State, and, if administered by them, be mandatory upon them; (2) provide for financial participation by the State; (3) either provide for the establishment or designation of a single State agency to administer the plan, or provide for the establishment or designation of a single State agency to supervise the administration of the plan; (4) provide (A) for granting an opportunity for a fair hearing before the State agency to any individual whose claim for aid to the blind is denied or is not acted upon with reasonable promptness, and (B) that if the State plan is administered in each of the political subdivisions of the State by a local agency and such local agency provides a hearing at which evidence may be presented prior to a hearing before the State agency, such local agency may put into effect immediately upon issuance its decision
upon the matter considered at such hearing; (5) provide (A) such methods of administration (including after January 1, 1940, methods relating to the establishment and maintenance of personnel standards on a merit basis, except that the Secretary shall exercise no authority with respect to the selection, tenure of office, and compensation of any individual employed in accordance with such methods) as are found by the Secretary to be necessary for the proper and efficient operation of the plan, and (B) for the training and effective use of paid subprofessional staff, with particular emphasis on the full-time or part-time employment of recipients and other persons of low-income, as community service aides, in the administration of the plan and for the use of nonpaid or partially paid volunteers in a social service volunteer program in providing services to applicants and recipients and in assisting any advisory committees established by the State agency; (6) provide that the State agency will make such reports, in such form and containing such information, as the Secretary may from time to time require, and comply with such provisions as the Secretary may from time to time find necessary to assure the correctness and verification of such reports; and (7) provide that no aid will be furnished any individual under the plan with respect to any period with respect to which he is receiving old-age assistance under the State plan approved under section 302 of this title or assistance under a State program funded under part A of subchapter IV; (8) provide that the State agency shall, in determining need, take into consideration any other income and resources of the individual claiming aid to the blind, as well as any expenses reasonably attributable to the earning of any such income, except that, in making such determination, the State agency (A) shall disregard the first $85 per month of earned income, plus one-half of earned income in excess of $85 per month, (B) shall, for a period not in excess of twelve months, and may, for a period not in excess of thirty-six months, disregard such additional amounts of other income and resources, in the case of an individual who has a plan for achieving self-support approved by the State agency, as may be necessary for the fulfillment of such plan, and (C) may, before disregarding the amounts referred to in clauses (A) and (B), disregard not more than $7.50 of any income; (9) provide safeguards which permit the use or disclosure of information concerning applicants or recipients only (A) to public officials who require such information in connection with their official duties, or (B) to other persons for purposes directly connected with the administration of the State plan; (10) provide that, in determining whether an individual is blind, there shall be an examination by a physician skilled in diseases of the eye or by an optometrist, whichever the individual may select; (11) effective July 1, 1961, provide that all individuals wishing to make application for aid to the blind shall have opportunity to do so, and that aid to the blind shall be furnished with reasonable promptness to all eligible individuals; (12) effective July 1, 1953, provide, if the plan includes payments to individuals in private or public institutions, for the establishment or designation of a State authority or authorities which shall be responsible for establishing and maintaining standards for such institutions; (13) provide a description of the services (if any) which the State agency makes available (using whatever internal organizational arrangement it finds appropriate for this purpose) to applicants for and recipients of aid to the blind to help them attain self-support or self-care, including a description of the steps taken to assure, in the provision of such services, maximum utilization of other agencies providing similar or related services; and (14) provide that information is requested and exchanged for purposes of income and eligibility verification in accordance with a State system which meets the requirements of section 1230b-7 of this title.

(b) The Secretary shall approve any plan which fulfills the conditions specified in subsection (a), except that he shall not approve any plan which imposes, as a condition of eligibility for aid to the blind under the plan—

(1) Any residence requirement which excludes any resident of the State who has resided therein five years during the nine years immediately preceding the application for aid and has resided therein continuously for one year immediately preceding the application; or

(2) Any citizenship requirement which excludes any citizen of the United States.

At the option of the State, the plan may provide that manuals and other policy issuances will be furnished to persons without charge for the reasonable cost of such materials, but such provision shall not be required by the Secretary as a condition for the approval of such plan under this subchapter. In the case of any State (other than Puerto Rico and the Virgin Islands) which did not have on January 1, 1949, a State plan for aid to the blind approved under this subchapter, the Secretary shall approve a plan of such State for aid to the blind for purposes of this subchapter, even though it does not meet the requirements of clause (8) of subsection (a) of this section, if it meets all other requirements of this subchapter for an approved plan for aid to the blind; but payments under section 1203 of this title shall be made, in the case of any such plan, only with respect to expenditures thereunder which would be included as expenditures for the purposes of section 1203 of this title under a plan approved under this section without regard to the provisions of this sentence.


REFORM OF SECTION
Pub. L. 92–603, title III, §303(a), (b), Oct. 30, 1972, 86 Stat. 1494, provided that this section is repealed effective Jan. 1, 1974, except with respect to Puerto Rico, Guam, and the Virgin Islands.

AMENDMENTS
1996—Subsec. (a)(7). Pub. L. 104–193 substituted “assistance under a State program funded under part A of subchapter IV” for “aid to families with dependent children under the State plan approved under section 602 of this title”.


1972—Subsec. (a)(1). Pub. L. 92–603, §410(b), inserted “except to the extent permitted by the Secretary with respect to services,” before “provide”.

Subsec. (a)(4). Pub. L. 92–603, §407(b), designated existing provisions as subcl. (A) and added subcl. (B).

Subsec. (a)(9). Pub. L. 92–603, §413(b), substituted provisions permitting the use or disclosure of information concerning applicants or recipients to public officials requiring such information in connection with their official duties and to other persons for purposes directly connected with the administration of the State plan, for provisions restricting the use or disclosure of such information to purposes directly connected with the administration of aid to the blind.

Subsec. (a)(13). Pub. L. 92–603, §405(b), inserted proviso relating to the use of whatever internal organizational arrangement found appropriate.

Subsec. (b). Pub. L. 92–603, §406(b), inserted provision relating to the furnishing of manuals and other policy issuances to persons without charge and at the option of the State.


Subsec. (a)(8)(C). Pub. L. 90–248, §213(a)(2), increased from $5 to $7.50 limitation on amount of any income which the State may disregard in making its determination of need.


1964—Subsec. (a)(8). Pub. L. 88–650 permitted the State agency, for a period not in excess of thirty-six months to disregard such additional amounts of other income and resources.


Subsec. (a)(8). Pub. L. 87–543, §§106(a)(2), 154, inserted “as well as any expenses reasonably attributable to the earning of any such income,” and amended the exception provision by striking out “either (i) the first $50 per month of earned income, or” after “disregard”, redesignating subcl. (i) as (A) and adding subcl. (B).

Subsec. (b). Pub. L. 87–543, §138(a), provided for approval of certain plans of States, without an approved plan on Jan. 1, 1949, meeting all but income and resource requirements, and payment of certain expenditures under such plans.

1960—Subsec. (a)(4). Pub. L. 86–778, §710(b), struck out provision that required the State agency to disregard, alternatively, the first $50 per month of earned income in considering claimant’s income and resources in determining need.

Pub. L. 86–778, §710(a), inserted provision that required the State agency to disregard, alternatively, the first $50 per month of earned income plus one-half of earned income in excess of $85 per month in considering claimant’s income and resources in determining need.


1950—Subsec. (a)(4). Act Aug. 28, 1950, §341(a), substituted “provide for granting an opportunity for a fair hearing before the State agency to any individual whose claim for aid to the blind is denied or is not acted upon with reasonable promptness” for “provide for granting to any individual, whose claim for aid is denied, an opportunity for a fair hearing before such State agency”.

Subsec. (a)(7). Act Aug. 28, 1950, §341(b), inserted “or aid to dependent children under the State plan approved under section 602 of this title”.


Subsec. (a)(10). Act Aug. 28, 1950, §341(d), substituted comma for period at end.


Subsec. (b). Act Aug. 28, 1950, §361(c)(d), substituted “Administrator” for “Board” and “he” for “it”.

1939—Subsec. (a)(5). Act Aug. 10, 1939, §701(a), inserted “(including after January 1, 1940, methods relating to the establishment and maintenance of personnel standards on a merit basis, except that the Board shall exercise no authority with respect)” after “methods of administration” and “proper” before “and efficient operation of the plan”.

Subsec. (a)(8), (9). Act Aug. 10, 1939, §701(b), added cl. (8) and (9).

EFFECTIVE DATE OF 1996 AMENDMENT
Amendment by Pub. L. 104–193 effective July 1, 1997, with transition rules relating to State options to accelerate such date, rules relating to claims, actions, and proceedings commenced before such date, rules relating to closing out of accounts for terminated or substantially modified programs and continuance in office of Assistant Secretary for Family Support, and provisions relating to termination of entitlement under AFDC program, section 116 of Pub. L. 104–193, as amended, set out as an Effective Date note under section 601 of this title.

EFFECTIVE DATE OF 1984 AMENDMENT
Amendment by Pub. L. 98–369 effective Apr. 1, 1985, except as otherwise provided, see section 2651(h)(2) of Pub. L. 98–369, set out as an Effective Date note under section 1320b–7 of this title.

EFFECTIVE DATE OF 1968 AMENDMENT
Amendment by section 219(a)(3) of Pub. L. 90–248 effective July 1, 1969, or, if earlier (with respect to a State’s plan approved under this subchapter) on the date as of which the modification of the State plan to comply with such amendment is approved, see section 219(b) of Pub. L. 90–248, set out as a note under section 302 of this title.

EFFECTIVE DATE OF 1965 AMENDMENT
Pub. L. 89–97, title IV, §403(c), July 30, 1965, 79 Stat. 418, provided that the amendment made by that section is effective Oct. 1, 1965.

EFFECTIVE DATE OF 1962 AMENDMENT
Amendment by section 106(a)(2) of Pub. L. 87–543 effective July 1, 1963, see section 202(a) of Pub. L. 87–543, set out as a note under section 302 of this title.

Pub. L. 87–543, title I, §114, July 29, 1962, 76 Stat. 206, provided that the amendment made by that section is effective July 1, 1963.
Effective Date of 1960 Amendment
Pub. L. 86–778, title VII, §710(a), Sept. 13, 1960, 74 Stat. 997, provided that the amendment made by that section shall take effect July 1, 1962, provided that: "The amendments made by subsections (a) and (d) [amending this section] shall take effect October 1, 1950; and the amendment made by subsection (b) and (d) [amending this section] shall take effect October 1, 1952, provided that the amendment made by that section is effective July 1, 1952."

Effective Date of 1956 Amendment
Amendment by act Aug. 1, 1956, effective July 1, 1957, see section 314 (315) of act Aug. 1, 1956, set out as a note under section 302 of this title.

Effective and Termination Dates of 1950 Amendment
Act Aug. 28, 1950, ch. 809, title III, §341(c), 64 Stat. 553, provided that the amendment made by that section is effective for the period beginning with first day of calendar quarter which begins after Sept. 13, 1950, and ending with close of June 30, 1962.
Act Aug. 28, 1950, ch. 809, title III, §341(c), 64 Stat. 553, provided that the amendment made by that section is effective July 1, 1962.

Effective Date of 1959 Amendment
Act Aug. 10, 1959, ch. 666, title VII, §701(b), 73 Stat. 1397, provided that the amendment made by that section is effective July 1, 1941.

Transfer of Functions
Functions, powers, and duties of Secretary under subsec. (a)(5)(A) of this section, insofar as relates to the prescription of personnel standards on a merit basis, transferred to Office of Personnel Management, see section 4728(a)(3)(D) of this title.

Functions of Federal Security Administrator transferred to Secretary of Health, Education, and Welfare and agencies of Federal Security Agency transferred to Department of Health, Education, and Welfare by section 5 of Reorg. Plan No. 1 of 1953, set out as a note under section 3501 of this title, Federal Security Agency and office of Administrator abolished by section 8 of Reorg. Plan No. 1 of 1953. Secretary and Department of Health, Education, and Welfare redesignated Secretary and Department of Health and Human Services by section 509(b) of Pub. L. 96–88 which is classified to section 509(b) of Title 20, Education.

Public Access to State Disbursement Records
Public access to State records of disbursements of funds and payments under this subchapter, see note set out under section 302 of this title.

Section, act Aug. 28, 1950, ch. 809, title III, pt. 4, §344(a), 64 Stat. 554, provided, in the case of any State without a plan for aid to the blind approved on Jan. 1, 1949, for approval of the plan of such a State conforming to all requirements except those relating to determination of need and consideration of resources but conditioned payments to the State meeting the excepted requirement.

Effective and Termination Dates
Section 136(b) of Pub. L. 87–543 also repealed section 344(b) of act Aug. 28, 1950, as amended Sept. 1, 1954, ch.
to make the amount certified for any prior quarter greater or less than the amount estimated by the Secretary of Health and Human Services for such prior quarter: Provided, That any part of the amount recovered from the estate of a deceased recipient which is not in excess of the amount expended by the State or any political subdivision thereof for the funeral expenses of the deceased shall not be considered as a basis for reduction under clause (B) of this paragraph.

(3) The Secretary of the Treasury shall thereupon, through the Fiscal Service of the Treasury Department, and prior to audit or settlement by the Government Accountability Office, pay to the State, at the time or times fixed by the Secretary of Health and Human Services, the amount so certified.


REPEAL OF SECTION


AMENDMENTS


1965—Subsec. (a)(3). Pub. L. 89–97 substituted “$75” for “$70” in subpar. (B), and struck out former subpars. (A)(iv) as subpar. (A), (A)(v) as subpar. (A), struck out former subpars. (A)(i), which included services prescribed pursuant to subsec. (c)(1) of this section and provided for the costs of the implementation and operation of the immigration status verification system described in section 1320b–7(d) of this title; plus “(B) 100 percent of so much of such expenditures as are for the costs of the implementation and operation of the immigration status verification system described in section 1320b–7(d) of this title; plus “(C) one-half of the remainder of such expenditures.”

1966—Subsec. (a)(3)(B), (C). Pub. L. 99–603 added subpar. (B) and redesignated former subpar. (B) as (C).

1981—Subsec. (a)(3). Pub. L. 97–35, § 235(c), struck out par. (1) which provided for computation of amounts payable in the case of any State other than Puerto Rico, the Virgin Islands, and Guam. Subsec. (a)(2). Pub. L. 97–35, § 235(c), (d), struck out “including expenditures for premiums under part B of subchapter XVIII of this chapter for individuals who are recipients of money payments under such plan and other insurance premiums for medical or any other type of remedial care or the cost thereof” after “under the State plan”.

Subsec. (a)(3). Pub. L. 97–35, § 2353(a)(1)(A), redesignated subpar. (A)(iv) as subpar. (A), struck out former subpars. (A)(i), which included services prescribed pursuant to subsec. (c)(1) of this section and provided for the costs of the implementation and operation of the immigration status verification system described in section 1320b–7(d) of this title; plus “(B) one-half of so much of the expenditures, not included in subpar. (A), as are for services for applicants or for recipients of aid to the blind or individuals likely to become such applicants or recipients, and subs. (D) and (E) and provision following subpar. (E), which specified what services were includable. Subsec. (a)(4). Pub. L. 97–35, § 2353(c)(1)(B), struck out par. (4) which provided payment, in the case of any State whose plan approved under section 1202 of this title did not meet the requirements of subsec. (c)(1) of this section, of an amount equal to one-half of the total of the sums expended during the quarter as found necessary by the Secretary for the proper and efficient administration of the State plan. Subsec. (c). Pub. L. 97–35, § 2353(e)(2), struck out subsec. (c) which prescribed eligibility requirements for Payments.

1975—Subsec. (a). Pub. L. 93–647, § 3(e)(2), struck out “subject to section 1320b of this title” after “the Secretary of the Treasury shall.” Subsec. (a)(3)(A)(i), (A)(iv). Pub. L. 93–647, § 6(c), inserted “(including both short- and long-term training at educational institutions through grants to such institutions or by direct financial assistance to students enrolled in such institutions)” after “training”. 1972—Subsec. (a). Pub. L. 92–512, § 301(d), substituted “shall (subject to section 1320b of this title) pay” for “shall pay” in provisions preceding par. (1). Subsec. (a)(3)(E). Pub. L. 92–512, § 301(b), substituted “under conditions which shall be” for “subject to limitations.” 1968—Subsec. (a)(3)(D). Pub. L. 90–248 inserted “except to the extent specified by the Secretary” after “shall in introductory text to subpar. (D). 1965—Subsec. (a)(1), (L). Pub. L. 89–97, §§ 122, 401(d), inserted “premiums under part B of subchapter XVIII of this chapter for individuals who are recipients of money payments under such plan and other insurance premiums for medical or any other type of remedial care or the cost thereof” after “expenditures for” in parenthetical phrase appearing in so much of par. (1) as precedes cl. (A); and substituted “$3” and “$3” for “$29.35” and “$35” in subpar. (A) and “$3” for “$70” in subpar. (B), respectively. Subsec. (a)(2). Pub. L. 89–97, § 122, inserted “premiums under part B of subchapter XVIII of this chapter for individuals who are recipients of money payments under such plan and other insurance premiums for medical or any other type of remedial care or the cost thereof” after “expenditures for” in parenthetical phrase.
1962—Subsec. (a)(1). Pub. L. 87–545, § 132(b), substituted "‘3%’ and ‘$35’ for ‘four-fifths’ and ‘$31’, respectively, in subpar. (a) and ‘$70’ for ‘$66’ in subpar. (b) (3)."

Subsec. (a)(2). Pub. L. 87–545, § 132(b), substituted "‘$7.50’ for ‘$35.50’."

Subsec. (a)(3). Pub. L. 87–545, § 101(a)(3), (b)(3)(A), inserted in opening provisions "whose State plan approved under section 1202 of this title meets the requirements of subsection (c)(1) of this section’ after ‘administer the State’", and substituted provisions which increased the Federal share of expenses of administration of State public assistance plans by providing quarterly payments of the sum of $35 per quarter of the quarterly expenses for certain prescribed services to help attain and retain capability for self-support or self-care, services likely to prevent or reduce dependency, and services appropriate for individuals who were or are likely to become dependent on public assistance payments in the blind and request such services, and training of State or local public assistance personnel administering such plans and one-half of other administrative expenses for other services, permitted State health or vocational rehabilitation or other appropriate State agencies to furnish such services, except vocational rehabilitation services required the determination of the portion of expenses covered by the 75 and 50 per centum provisions in accordance with methods and procedures permitted by the Secretary for former provisions requiring quarterly payments of one-half of quarterly expenses for administration of State plans, including staff service of State or local public assistance agencies to applicants for and recipients of aid to the blind to help them attain self-support or self-care.


1958—Subsec. (a). Pub. L. 85–840 increased the payments to the States to four-fifths of the first $30 of the average monthly payment per recipient including assistance in the form of medical or any other type of remedial care, plus the Federal percentage of the amount by which the expenditures exceed the maximum which may be counted under cl. (A), but excluding that part of the average monthly payment per recipient in excess of $65, increased the average monthly payment to Puerto Rico and the Virgin Islands from $30 to $65, excluded Guam from the provisions which authorize an average monthly payment of $65 and included Guam within the provisions which authorize an average monthly payment of $35, and permitted the counting of individuals with respect to whom expenditures were made as old-age assistance in the form of medical or any other type of remedial care in determining the total number of recipients.

1956—Subsec. (a). Pub. L. 84–33, § 303, substituted ‘‘during such quarter as aid to the blind in the form of money payments under the State plan for ‘‘during such quarter as aid to the blind under the State plan’ in cl. (1) and (2), ‘‘who received aid to the blind in the form of money payments for such month’’ for ‘‘who received aid to the blind for such month’’ in par. (a) of cl. (1), and inserted cl. (4).

Act Aug. 1, 1952, § 313(c), struck out ‘‘, which shall be used exclusively as aid to the blind,’’ after ‘‘the Virgin Islands, an amount’’ in cl. (1) and (2), and substituted ‘‘including services which are provided by the staff of the State agency (or of the local agency administering the State plan in the political subdivision) to applicants for and recipients of aid to the blind to help them attain self-support or self-care’’ for ‘‘which amount shall be used for paying the costs of administering the State plan or for aid to the blind, or both, and for no other purpose’’.

1954—Subsec. (b)(1). Act Sept. 1, 1954, substituted ‘‘the State’s proportionate share’’ for ‘‘one-half’’.

1952—Subsec. (a). Act July 18, 1952, increased the Federal share of the State’s average monthly payment to four-fifths of the first $25 plus one-half of the remainder within individual maximums of $55, and changed formulas for computing the Federal share of public assistance for Puerto Rico and the Virgin Islands.


Subsec. (b). Pub. L. Aug. 28, 1950, § 362(c), (d), substituted ‘‘Administrator for ‘‘Board’’.

1948—Subsec. (a). Act June 14, 1948, substituted ‘‘$50’’ for ‘‘$45’’ and ‘‘$20’’ for ‘‘$15’’.

1946—Subsec. (a). Pub. L. 88–64, June 14, 1946, § 503(a), temporarily increased the maximum monthly State expenditure to which the Federal government will contribute from $40 to $45 and increased the Federal contribution for aid to the blind from one-half the State’s expenditure to two-thirds such expenditure up to $15 monthly per individual plus one-half the State’s expenditure over $15. See Effective and Termination Date of 1946 Amendment note below.

Subsec. (b). Pub. L. Aug. 10, 1946, § 503(b), temporarily substituted ‘‘the State’s proportionate share’’ for ‘‘one-half’’ in par. (1). See Effective and Termination Date of 1946 Amendment note below.


Effective Date of 1983 Amendment

Amendment by Pub. L. 93–66-66 effective with respect to calendar quarters beginning on or after Apr. 1, 1984, with special rule for States whose legislature meets biennially, and does not have regular session scheduled in calendar year 1994, see section 13741(c) of Pub. L. 103–66, set out as a note under section 303 of this title.

Effective Date of 1986 Amendment


Effective Date of 1981 Amendment

Amendment by section 2353(e) of Pub. L. 97–35 effective Oct. 1, 1981, except as otherwise explicitly provided, see section 2354 of Pub. L. 97–35, set out as an Effective Date note under section 1397 of this title.

Effective Date of 1975 Amendment

Amendment by section 3(e)(2) of Pub. L. 93–647 effective with respect to payments under sections 603 and 803 of this title for quarters commencing after Sept. 30, 1975, see section 7(b) of Pub. L. 93–647, set out as a note under section 303 of this title.

Effective Date of 1972 Amendment

Amendment by section 301(b) of Pub. L. 92–512 effective Jan. 1, 1973, and amendment by section 301(d) of Pub. L. 92–512 effective July 1, 1972, see section 301(e) of Pub. L. 92–512, set out as a note under section 303 of this title.
§ 1204  TITLE 42—THE PUBLIC HEALTH AND WELFARE  Page 2268

**Effective Date of 1968 Amendment**  
Amendment by Pub. L. 90–248 effective Jan. 1, 1968, see section 212(e) of Pub. L. 90–248, set out as a note under section 303 of this title.

**Effective Date of 1965 Amendment**  
Amendment by section 401(d) of Pub. L. 89–97 applicable in the case of expenditures made after December 31, 1965, under a State plan approved under subchapter I, IV, X, or XIV of this chapter, as the case may be, made after Aug. 31, 1962, and amendment by section 101(b)(3) of Pub. L. 87–543 applicable in the case of expenditures, under a State plan approved under subchapter I, IV, X, or XIV of this chapter, as the case may be, made after Sept. 30, 1962, see section 202(d) of Pub. L. 87–543, set out as a note under section 303 of this title.

**Effective Date of 1962 Amendment**  
Amendment by section 101(a)(3) of Pub. L. 87–543 applicable in the case of expenditures, under a State plan approved under subchapter I, IV, X, or XIV of this chapter, as the case may be, made after Aug. 31, 1962, and amendment by section 303(e) of Pub. L. 87–543, set out as a note under section 303 of this title.

**Effective Date of 1961 Amendment**  
Amendment by Pub. L. 87–64 applicable only in the case of expenditures made after Sept. 30, 1961, and before July 1, 1962, under a State plan approved under subchapters I, X, or XIV of this chapter, as the case may be, made after June 30, 1961, see section 202(d) of Pub. L. 87–543, set out as a note under section 303 of this title.

**Effective Date of 1958 Amendment**  
For effective date of amendment by Pub. L. 85–840, see section 512 of Pub. L. 85–840, set out as a note under section 303 of this title.

**Effective and Termination Date of 1956 Amendment**  
Amendment by section 363 of act Aug. 1, 1956, effective July 1, 1957, see section 365 of act Aug. 1, 1956, set out as a note under section 303 of this title.

**Effective and Termination Date of 1955 Amendment**  

**Effective and Termination Date of 1952 Amendment**  
Amendment by act July 18, 1952, effective for the period beginning Oct. 1, 1952, and ending Sept. 30, 1956, see section 8(e) of act July 18, 1952, set out as a note under section 303 of this title.

**Effective Date of 1950 Amendment**  
Act Aug. 28, 1950, ch. 809, title III, §342(b), 64 Stat. 554, provided that: "The amendment made by subsection (a) [amending this section] shall take effect October 1, 1950."

**Effective Date of 1948 Amendment**  
Amendment by act June 14, 1948, effective Oct. 1, 1948, see section 3(d) of act June 14, 1948, set out as a note under section 303 of this title.

**Effective and Termination Date of 1946 Amendment**  
Amendment by section 503 of act Aug. 10, 1946, effective only for period beginning Oct. 1, 1946, and ending with close of June 30, 1950, see section 504 of act Aug. 10, 1946, as amended, set out as a note under section 303 of this title.

**Effective Date of 1939 Amendment**  
Act Aug. 19, 1939, ch. 666, title VII, §702, 53 Stat. 1397, provided that the amendment made by that section is effective Jan. 1, 1940.

**Transfer of Functions**  

**Nonduplication of Payments to States, Prohibition of Payments After December 31, 1969**  
Prohibition of payments under this subchapter to States with respect to aid or assistance in form of medical or other type of remedial care for any period for which States received payments under subchapter XIX of this chapter or for any period after Dec. 31, 1969, see section 121(b) of Pub. L. 89–97, set out as a note under section 1396b of this title.

**Election of Payments Under Combined State Plan Rather Than Separate Plans**  
Payments to States under combined State plan under subchapter XVI of this chapter as precluding payment under State plan conforming to this subchapter, see Pub. L. 87–543, title I, §141(b), July 25, 1962, 76 Stat. 205.

§ 1204. Operation of State plans  
In the case of any State plan for aid to the blind which has been approved by the Secretary of Health and Human Services, if the Secretary, after reasonable notice and opportunity for hearing to the State agency administering or supervising the administration of such plan, finds—

1. that the plan has been so changed as to impose any residence or citizenship requirement prohibited by section 1202(b) of this title, or that in the administration of the plan any such prohibited requirement is imposed, with the knowledge of such State agency, in a substantial number of cases; or

2. that in the administration of the plan there is a failure to comply substantially with any provision required by section 1202(a) of this title to be included in the plan;

the Secretary shall notify such State agency that further payments will not be made to the State (or, in his discretion, that payments will be limited to categories under or parts of the State plan not affected by such failure) until the Secretary is satisfied that such prohibited requirement is no longer so imposed, and that there is no longer any such failure to comply.
Until he is so satisfied he shall make no further payments to such State (or shall limit payments to categories under or parts of the State plan not affected by such failure).


§ 1206. "Aid to the blind" defined

For the purposes of this subchapter, the term "aid to the blind" means money payments to blind individuals who are needy, but does not include any such payments to or care in behalf of any individual who is an inmate of a public institution (except as a patient in a medical institution) or any individual who is a patient in an institution for tuberculosis or mental diseases. Such term also includes payments which are not included within the meaning of such term under the preceding sentence, but which would be so included except that they are made on behalf of such a needy individual to another individual

who (as determined in accordance with standards prescribed by the Secretary) is interested in or concerned with the welfare of such needy individual, but only with respect to a State whose State plan approved under section 1202 of this title includes provisions for—

(1) determination by the State agency that such needy individual has, by reason of his physical or mental condition, such inability to manage funds that making payments to him would be contrary to his welfare and, therefore, it is necessary to provide such aid through payments described in this sentence;

(2) making such payments only in cases in which such payments will, under the rules otherwise applicable under the State plan for determining need and the amount of aid to the blind to be paid (and in conjunction with other income and resources), meet all the need of the individuals with respect to whom such payments are made;

(3) undertaking and continuing special efforts to protect the welfare of such individual and to improve, to the extent possible, his capacity for self-care and to manage funds;

(4) periodic review by such State agency of the determination under paragraph (1) of this subsection to ascertain whether conditions justifying such determination still exist, with provision for termination of such payments if they do not and for seeking judicial appointment of a guardian or other legal representative, as described in section 1311 of this title, if and when it appears that such action will best serve the interests of such needy individual; and

(5) opportunity for a fair hearing before the State agency on the determination referred to in paragraph (1) of this subsection for any individual with respect to whom it is made.

At the option of a State (if its plan approved under this subchapter so provides), such term (i) need not include money payments to an individual who has been absent from such State for a period in excess of 90 consecutive days (regardless of whether he has maintained his residence in such State during such period) until he has been present in such State for 30 consecutive days in the case of such an individual who has maintained his residence in such State during such period or 90 consecutive days in the case of any other such individual, and (ii) may include payments made directly to a public housing agency on behalf of a recipient or a group or groups of recipients of aid under such plan.


§ 1207. Transfer of functions

Functions of Federal Security Administrator transferred to Secretary of Health, Education, and Welfare and all agencies of Federal Security Agency transferred to Department of Health, Education, and Welfare by section 5 of Reorg. Plan No. 1 of 1953 which is classified to section 509(b) of Pub. L. 96–88 which is classified to section 509(b) of Title 5, Government Organization.
repealed effective Jan. 1, 1974, except with respect to Puerto Rico, Guam, and the Virgin Islands.

AMENDMENTS

1961—Pub. L. 97–35 struck out in provision preceding par. (1) “, or (if provided in or after the third month before the month in which the recipient makes application for (aid) medical care in behalf of or any type of remedial care recognized under State law in behalf of, “ after “money payments to”.

1972—Pub. L. 92–663 authorized the State, at its option, to include within term “aid to the blind” provisions relating to money payments to an individual absent from such State for more than 90 consecutive days, and provisions relating to rent payments made directly to a public housing agency.

1965—Pub. L. 89–97 struck out from definition of “aid to the blind” the exclusion of payments to or medical care in behalf of any individual who has been diagnosed as having tuberculosis or psychosis and is a patient in a medical institution as a result thereof; and extended definition of “aid to the blind” to include payments made on behalf of the needy individual to another individual who (as determined in accordance with standards determined by the Secretary) is interested in or concerned with the welfare of such needy individual and enumerated the five characteristics required of State plans under which such payments can be made, including provision for finding of inability to manage funds, payment to meet all needs of the individual, special efforts to protect welfare, periodic review, and opportunity for fair hearing, respectively.

1962—Pub. L. 87–543 inserted “(if provided in or after the third month before the month in which the recipient makes application for aid)” before “medical care”. 1950—Act Aug. 28, 1950, redefined “aid to the blind”. 1939—Act Aug. 10, 1939, redefined “aid to the blind” to include those individuals who are needy.

EFFECTIVE DATE OF 1965 AMENDMENT

Amendment by section 221(b) of Pub. L. 89–97 applicable in the case of expenditures made after Dec. 31, 1965, under a State plan approved under this subchapter, see section 221(e) of Pub. L. 89–97, set out as a note under section 302 of this title.

Amendment by section 402(c) of Pub. L. 89–97 applicable in the case of expenditures made after December 31, 1965, under a State plan approved under subchapters I, X, XIV, or XVI of this chapter, see section 402(e) of Pub. L. 89–97, set out as a note under section 306 of this title.

EFFECTIVE DATE OF 1962 AMENDMENT

Amendment by section 156(c) of Pub. L. 87–543 applicable in the case of applications made after Sept. 30, 1962, under a State plan approved under subchapter I, IV, X, or XIV of this chapter, see section 156(e) of Pub. L. 87–543, set out as a note under section 306 of this title.

EFFECTIVE DATE OF 1950 AMENDMENT

Act Aug. 28, 1950, ch. 809, title III, §343(b), 64 Stat. 554, provided that: “The amendment made by subsection (a) [amending this section] shall take effect October 1, 1950, except that the exclusion of money payments to needy individuals described in [former] clause (a) or (b) of section 1906 of the Social Security Act [42 U.S.C. 1386] as so amended shall, in the case of any of such individuals who are not patients in a public institution, be effective July 1, 1952.”

SUBCHAPTER XI—GENERAL PROVISIONS, PEER REVIEW, AND ADMINISTRATIVE SIMPLIFICATION

PART A—GENERAL PROVISIONS

§ 1301. Definitions

(a) When used in this chapter—

(1) The term “State”, except where otherwise provided, includes the District of Columbia and the Commonwealth of Puerto Rico, and when used in subchapters IV, V, VII, XI, XIX, and XXI includes the Virgin Islands and Guam. Such term when used in subchapters III, IX, and XII also includes the Virgin Islands. Such term when used in subchapter V and in part B of this subchapter also includes American Samoa, the Northern Mariana Islands, and the Trust Territory of the Pacific Islands. Such term when used in subchapters XIX and XXI also includes the Northern Mariana Islands and American Samoa. In the case of Puerto Rico, the Virgin Islands, and Guam, subchapters I, X, and XIV, and subchapter XVI (as in effect without regard to the amendment made by section 301 of the Social Security Amendments of 1972) shall continue to apply, and the term “State” when used in such subchapters (but not in subchapter XVI as in effect pursuant to such amendment after December 31, 1973) includes Puerto Rico, the Virgin Islands, and Guam. Such term when used in subchapter XX also includes the Virgin Islands, Guam, American Samoa, and the Northern Mariana Islands. Such term when used in subchapter IV also includes American Samoa.

(2) The term “United States” when used in a geographical sense means, except where otherwise provided, the States.

(3) The term “person” means an individual, a trust or estate, a partnership, or a corporation.

(4) The term “corporation” includes associations, joint-stock companies, and insurance companies.

(5) The term “shareholder” includes a member in an association, joint-stock company, or insurance company.

(6) The term “Secretary”, except when the context otherwise requires, means the Secretary of Health and Human Services.

(7) The terms “physician” and “medical care” and “hospitalization” include osteopathic practitioners and the services of osteopathic practitioners and hospitals within the scope of their practice as defined by State law.

(8)(A) The “Federal percentage” for any State (other than Puerto Rico, the Virgin Islands, and Guam) shall be 100 per centum less the State percentage; and the State percentage shall be that percentage which bears the same ratio to 50 per centum as the square of the per capita income of such State bears to the square of the per capita income of the United States; except that the Federal percentage shall in no case be less than 50 per centum or more than 65 per centum.

(B) The Federal percentage for each State (other than Puerto Rico, the Virgin Islands, and Guam) shall be promulgated by the Secretary between October 1 and November 30 of each year, on the basis of the average per capita income of each State and of the United States for the three most recent calendar years for which satisfactory data are available from the Department of Commerce. Such promulgation shall be conclusive for each of the four quarters in the period beginning October 1 next succeeding such promulgation: Provided,
That the Secretary shall promulgate such percentages as soon as possible after August 28, 1958, which promulgation shall be conclusive for each of the eleven quarters in the period beginning October 1, 1958, and ending with the close of June 30, 1961.

(C) The term “United States” means (but only for purposes of subparagraphs (A) and (B) of this paragraph) the fifty States and the District of Columbia.

(D) Promulgations made before satisfactory data are available from the Department of Commerce for a full year on the per capita income of Alaska shall prescribe a Federal percentage for Alaska of 50 per centum and, for purposes of such promulgations, Alaska shall not be included as part of the “United States”. Promulgations made thereafter but before per capita income data for Alaska for a full three-year period are available from the Department of Commerce shall be based on satisfactory data available therefrom for Alaska for such one full year or, when such data are available for a two-year period, for such two years.

(9) The term “shared health facility” means any arrangement whereby—

(A) two or more health care practitioners practice their professions at a common physical location;

(B) such practitioners share (i) common waiting areas, examining rooms, treatment rooms, or other space, (ii) the services of supporting staff, or (iii) equipment;

(C) such practitioners have a person (who may himself be a practitioner)—

(i) who is in charge of, controls, manages, or supervises substantial aspects of the arrangement or operation for the delivery of health or medical services at such common physical location, other than the direct furnishing of professional health care services by the practitioners to their patients; or

(ii) who makes available to such practitioners the services of supporting staff who are not employees of such practitioners; and who is compensated in whole or in part, for the use of such common physical location or support services pertaining thereto, on a basis related to amounts charged or collected for the services rendered or ordered at such location or on any basis clearly unrelated to the value of the services provided by the person; and

(D) at least one of such practitioners received payments on a fee-for-service basis under subchapters XVIII and XIX in an amount exceeding $5,000 for any one month during the preceding 12 months or in an aggregate amount exceeding $40,000 during the preceding 12 months; except that such term does not include a provider of services (as defined in section 1395(x)(1) of this title), a health maintenance organization (as defined in section 300e(a) of this title), a hospital cooperative shared services organization meeting the requirements of section 301(e) of the Internal Revenue Code of 1986, or any public entity.

(10) The term “Administration” means the Social Security Administration, except where the context requires otherwise.

(b) The terms “includes” and “including” when used in a definition contained in this chapter shall not be deemed to exclude other things otherwise within the meaning of the term defined.

(c) Whenever under this chapter or any Act of Congress, or under the law of any State, an employer is required or permitted to deduct any amount from the remuneration of an employee and to pay the amount deducted to the United States, a State, or any political subdivision thereof, then for the purposes of this chapter the amount so deducted shall be considered to have been paid to the employee at the time of such deduction.

(d) Nothing in this chapter shall be construed as authorizing any Federal official, agent, or representative, in carrying out any of the provisions of this chapter, to take charge of any child over the objection of either of the parents of such child, or of the person standing in loco parentis to such child.


REFERENCES IN TEXT


The Internal Revenue Code of 1986, referred to in subsec. (a)(9), is classified generally to Title 26, Internal Revenue Code.

AMENDMENTS

1968—Subsec. (a)(1). Pub. L. 100–485 amended last sentence generally. Prior to amendment, last sentence read as follows: "Such term when used in part B of subchapter IV of this chapter also includes American Samoa."


1964—Subsec. (a)(1). Pub. L. 100–203, §9358(b)(1), inserted at end "Such term when used in part B of subchapter IV of this chapter also includes American Samoa."

1963—Subsec. (a)(3) to (5). Pub. L. 99–514, §1883(c)(1), realigned margins of pars. (3) to (5).


Pub. L. 99–272, §9528(a), as amended by Pub. L. 99–514, §1895(c)(6), struck out "even-numbered" after "November 30 of each" and substituted for each of the four quarters "for each of the eight quarters".


1960—Subsec. (a)(1). Pub. L. 86–778 substituted "American Samoa, the Northern Mariana Islands, and Guam" after "the Northern Mariana Islands."

Pub. L. 97–248, §160(c), substituted "Guam, and the Northern Mariana Islands for "American Samoa, the Northern Mariana Islands, and the Trust Territory of the Pacific Islands".

1959—Subsec. (a)(1). Pub. L. 86–498, §403(a)(1), defined "trust territory" as including the Virgin Islands, American Samoa, the Northern Mariana Islands, and the Trust Territory of the Pacific Islands.


1956—Subsec. (a)(1). Pub. L. 96–125, §2663(c)(2), substituted "subchapters XVII, and XIX" for "subchapters V, XVIII, and XIX".

1955—Subsec. (a)(1). Pub. L. 94–273, §2663(c)(2), substituted "government of Guam" for "includes the Virgin Islands, American Samoa, and the Trust Territory of the Pacific Islands".


1953—Subsec. (a)(1). Pub. L. 82–465, §403(b), defined "Administrator".


1948—Subsec. (a)(6). Act June 14, 1948, provided for application of usual common-law rules in determining whether a person is an employee.


1938—Subsec. (a)(1). Act Aug. 10, 1938, added subpars. (C) and (D).


Effective Date of 1988 Amendment

Amendment by Pub. L. 100–203 applicable with respect to fiscal years beginning on or after Oct. 1, 1988, see section 9135(c) of Pub. L. 100–203, set out as a note under section 623 of this title.

Effective Date of 1986 Amendment

Amendment by Pub. L. 100–203 applicable with respect to fiscal years beginning on or after Oct. 1, 1988, see section 9135(c) of Pub. L. 100–203, set out as a note under section 623 of this title.

Effective Date of 1986 Amendment


Effective Date of 1985 Amendment

Amendment by section 1895(c)(6) of Pub. L. 99–514 effective, except as otherwise provided, as if included in enactment of the Consolidated Omnibus Budget Reconciliation Act of 1985, Pub. L. 99–272, see section 1895(e) of Pub. L. 99–514, set out as a note under section 12 of Title 26, Internal Revenue Code.

Effective Date of 1984 Amendment

Amendment by Pub. L. 98–369, title VI, §601(d), Oct. 13, 1988, 102 Stat. 2408, provided that: "The amendment made by this section [amending this section and sections 603, 1308, and 1318 of this title] shall become effective on October 1, 1988."

Effective Date of 1983 Amendment


Effective Date of 1982 Amendment

Amendment by Pub. L. 97–248, §160(c), substituted "includes the Virgin Islands, American Samoa, the Northern Mariana Islands, and the Trust Territory of the Pacific Islands" for "includes Puerto Rico, the Virgin Islands, and Guam".

Pub. L. 96–624, §30(d)(1), struck out "Hawaii, and" before "the District of Columbia".


Pub. L. 96–624, §30(d)(2), struck out "‘Hawaii’" before "and the District of Columbia".

Subsec. (a)(8)(A). Pub. L. 96–624, §30(a)(1), substituted "‘United States’" for "continental United States (including Alaska)", and struck out provisions which prescribed the Federal percentage for Hawaii as 50 per cent.

Subsec. (a)(8)(B). Pub. L. 96–624, §30(a)(1), substituted "‘United States’" for "continental United States (including Alaska)".

Subsec. (a)(8)(C), (D). Pub. L. 96–624, §30(a)(3), added subpars. (C) and (D).

1959—Subsec. (a)(1). Pub. L. 86–70, §32(a)(1), substituted "‘Hawaii and’" for "‘Alaska, Hawaii, and’".


Subsec. (a)(8). Pub. L. 86–70, §32(a)(3), substituted "‘including Alaska’" for "‘excluding Alaska’" in two places, and "‘50 per cent for Hawaii’" for "‘50 per cent for Alaska and Hawaii’".


“(b) EFFECTIVE DATE.—The amendments made by this section [amending this section] shall apply to the Federal percentage (and Federal medical assistance percentage) for fiscal years 1987 and thereafter. Such amendments shall apply without regard to the requirement of section 1101(a)(8)(B) of the Social Security Act [42 U.S.C. 1301(a)(8)(B)] relating to the promulgation of the Federal percentage prior to November 30 of the year preceding the year in which the new Federal percentage becomes applicable. The Secretary of Health and Human Services shall promulgate such new percentage for fiscal year 1987 as soon as practicable after the date of the enactment of this Act [Apr. 7, 1986].

“(c) HOLD HARMLESS PROVISION.—Notwithstanding subsection (b), for calendar quarters occurring during fiscal year 1987 and only for purposes of making payments to States under sections 403 and 1903 of the Social Security Act [42 U.S.C. 603, 1396b], the amendments made by subsection (a) [amending this section] shall not apply to a State with respect to either such section if the effect of the [sic] applying the amendments would be to reduce the amount of payment made to the State under that section.

[Pub. L. 99-509, title IX, § 9102, Oct. 21, 1986, 100 Stat. 2655, provided that: “The amendment made by section 926(c) of Pub. L. 99-272, set out above] is effective as provided in section 9421(b) of Pub. L. 99-272, set out below.]”

[Pub. L. 99-509, title IX, § 9421(b), Oct. 21, 1986, 100 Stat. 2655, provided that: “The amendment made by subsection (a) [enacting section 926(c) of Pub. L. 99-272, set out above] shall be effective as though it had been included in the Consolidated Omnibus Budget Reconciliation Act of 1985 [Pub. L. 99-272 at the time of its enactment.”]

EFFECTIVE DATE OF 1984 AMENDMENT

Amendment by Pub. L. 98-369 effective July 18, 1984, but not to be construed as changing or affecting any right, liability, status, or interpretation which existed (under the provisions of law involved) before that date, see section 2664(b) of Pub. L. 98-369, set out as a note under section 401 of this title.

EFFECTIVE DATE OF 1982 AMENDMENT

Pub. L. 97-248, title I, § 136(c), Sept. 3, 1982, 96 Stat. 376, provided that: “The amendments made by this section [amending this section and sections 1308, 1396a, and 1396d of this title] shall become effective on October 1, 1982.”

Pub. L. 97-248, title I, § 150(c), Sept. 3, 1982, 96 Stat. 400, provided that: “The amendments made by this section [amending this section and sections 671, 1308, and 1397b of this title] shall be effective as of October 1, 1981.”

EFFECTIVE DATE OF 1981 AMENDMENT

Amendment by section 2352(a) of Pub. L. 97-35 effective Oct. 1, 1981, except as otherwise explicitly provided, see section 2354 of Pub. L. 97-35, set out as an Effective Date note under section 1397 of this title.

For effective date, savings, and transitional provisions relating to amendment by section 2199(c)(2) of Pub. L. 97-35, see section 2199 of Pub. L. 97-35, set out as a note under section 701 of this title.

EFFECTIVE DATE OF 1976 AMENDMENT

Amendment by Pub. L. 94-566 effective on the later of Oct. 1, 1976, or the day after the day on which the Secretary of Labor approves under section 3304(a) of Title 26, Internal Revenue Code, an unemployment compensation law submitted to him by the Virgin Islands for approval, see section 116(f)(1) of Pub. L. 94-566, set out as a note under section 3304 of Title 26.

EFFECTIVE DATE OF 1973 AMENDMENT


EFFECTIVE DATE OF 1972 AMENDMENT


EFFECTIVE DATE OF 1965 AMENDMENT

Pub. L. 89-97, title I, §121(c)(1), July 30, 1965, 79 Stat. 322, provided that the amendment made by that section is effective Jan. 1, 1966.

EFFECTIVE DATE OF 1960 AMENDMENT


Amendment by section 30(d) of Pub. L. 86-624 effective Aug. 21, 1959, see section 6(f) of Pub. L. 86-624, set out as a note under section 201 of this title.

Amendment by section 30(a)(1) of Pub. L. 86-624 applicable in the case of promulgations or computations of Federal shares, allotment percentages, allotment ratios, and Federal percentages, as the case may be, made after Aug. 21, 1959, see Pub. L. 86-624, §47(a), July 12, 1960, 74 Stat. 423.

Pub. L. 86-624, §47(b), July 12, 1960, 74 Stat. 423, provided that: “The amendments made by paragraph (2) of section 30(a) [amending this section] shall be effective with the beginning of the calendar quarter in which this Act is enacted. The Secretary of Health, Education, and Welfare [now Health and Human Services] shall, as soon as possible after enactment of this Act [July 12, 1960], promulgate a Federal percentage for Hawaii determined in accordance with the provisions of subparagraph (B) of section 1101(a)(8) of the Social Security Act [42 U.S.C. 1301(a)(8)(B)], such promulgation to be effective for the period beginning with the beginning of the calendar quarter in which this Act is enacted and ending with the close of June 30, 1961.”

EFFECTIVE DATE OF 1959 AMENDMENT

Amendment by section 32(a) of Pub. L. 85-70 applicable in the case of promulgations of Federal shares, allotment percentages, allotment ratios, and Federal percentages, as the case may be, made after satisfactory data are available from the Department of Commerce for a full year on the per capita income of Alaska, and amendment by section 32(d) of Pub. L. 86-70 effective Jan. 3, 1959, see Pub. L. 86-70, §47(a), (d), June 25, 1959, 73 Stat. 153.

EFFECTIVE DATE OF 1958 AMENDMENT

For effective date of amendments by Pub. L. 85-840, see section 512 of Pub. L. 85-840, set out as a note under section 363 of this title.

EFFECTIVE DATE OF 1950 AMENDMENT

Act Aug. 28, 1950, ch. 809, title IV, §403(a)(3), 64 Stat. 509, provided that: “The amendment made by paragraph (1) of this subsection [amending this section] shall take effect October 1, 1950, and the amendment made by paragraph (2) of this subsection [amending this section], insofar as it repeals the definition of ‘employee’, shall be effective only with respect to services performed after 1950.”

Act Aug. 28, 1950, ch. 809, title IV, §403(b), 64 Stat. 559, provided that the amendment made by that section is effective Oct. 1, 1950.

EFFECTIVE DATE OF 1948 AMENDMENT

Act June 14, 1948, ch. 468, §2(b), 62 Stat. 438, provided that: “The amendment made by subsection (a) [amending this section] shall have the same effect as if included in the Social Security Act [42 U.S.C. 301 et seq.] on August 14, 1935, the date of its enactment, but shall
not have the effect of voiding any (1) wage credits reported to the Bureau of Internal Revenue [now Internal Revenue Service] with respect to services performed prior to the enactment of this Act [June 14, 1948] or (2) wage credits with respect to services performed prior to the close of the first calendar quarter which begins after the date of the enactment of this Act in the case of individuals who have attained age sixty-five or who have died, prior to the close of such quarter, and with respect to whom prior to the date of enactment of this Act wage credits were established which would not have been established had the amendment made by such section (a) been in effect on and after August 14, 1935.

**Effective Date of 1946 Amendment**

Act Aug. 10, 1946, ch. 851, title IV, §401(a), 60 Stat. 966, provided that the amendment made by that section is effective Jan. 1, 1947.

**Effective Date of 1939 Amendment**

Act Aug. 10, 1939, ch. 666, title VIII, §801, 53 Stat. 1398, provided that the amendment made by that section is effective Jan. 1, 1940.

**Repeals**

The provisions of subsection (a)(1), (3), (6), (c) of this section were incorporated into sections 1426(d) to (f), 1427, 1607(h) to (k), and 1608 of former Title 26, Internal Revenue Code of 1939, by act Feb. 10, 1939, ch. 2, 53 Stat. 1. Section 4 of the act of Feb. 10, 1939, provided that all laws and parts of laws codified into the Internal Revenue Code of 1939, to the extent that they related exclusively to internal revenue, were repealed. See enacting sections preceding section 1 of former Title 26.

Provisions of the Internal Revenue Code of 1939 were generally repealed by section 7851 of Title 26, Internal Revenue Code of 1954 (act Aug. 16, 1954, ch. 736, 68A Stat. 3). See also, section 7807 of said Title 26.

**Transfer of Functions**

Functions of Federal Security Administrator transferred to Secretary of Health, Education, and Welfare and all agencies of Federal Security Agency transferred to Department of Health, Education, and Welfare by section 5 of Reorg. Plan No. 1 of 1953, set out as a note under section 3501 of this title. Federal Security Agency and Office of Administrator abolished by section 8 of Reorg. Plan No. 1 of 1953. Secretary and Department of Health, Education, and Welfare redesignated Secretary and Department of Health and Human Services by section 509(b) of Pub. L. 96–88 which is classified to section 3501(b) of Title 20, Education.

**Termination of Trust Territory of the Pacific Islands**

For termination of Trust Territory of the Pacific Islands, see note set out preceding section 1661 of Title 48, Territories and Insular Possessions.

**Provisions Relating to Federal Security Administrator**


"(1) by substituting ‘Secretary’ or ‘Secretary’s’ for the term ‘Administrator’ or ‘Administrator’s’, where the reference is to that term; and

"(2) by substituting ‘Secretary of Health, Education, and Welfare’ for the term ‘Federal Security Administrator’, where the reference is to that term, if the provision containing such reference is amended by paragraph (2) or (3) of subsection (1) [Pub. L. 98–369, §263(b)(2), (3), set out in Tables for classification] (in which case the amendment of such provision under such paragraph shall be deemed to have taken effect immediately prior to the amendment of such provision under such paragraph (2) or (3)), and

"(3) by substituting ‘Secretary of Health and Human Services’ for the term ‘Federal Security Administrator’ in any other case where the reference is to that term; and any reference to the Federal Security Agency which may remain in such provisions is amended by substituting ‘Department of Health and Human Services’ for the term ‘Federal Security Agency’, but amendments in this subsection shall affect the exercise under section 402(a)(5) of such Act [§42 U.S.C. 602(a)(5)] of the functions, powers, and duties relating to the prescription of personnel standards on a merit basis which were transferred from the Secretary of Health, Education, and Welfare by section 208(a)(3)(D) of Public Law 91–648 (§42 U.S.C. 7202(a)(3)(D))."

**Definitions of ‘BIPA’ and ‘Secretary’**

Pub. L. 98–173, §1(c), Dec. 8, 2003, 117 Stat. 2666, provided that:

"In this Act [see Short Title of 2003 Amendments note set out under section 1305 of this title]:

"(1) BIPA.—The term ‘BIPA’ means the Medicare, Medicaid, and SCHIP Benefits Improvement and Protection Act of 2000, as enacted into law by section 1(a)(6) of Public Law 106–554 [see Tables for classification].

"(2) Secretary.—The term ‘Secretary’ means the Secretary of Health and Human Services.

**Definition of ‘Secretary’**


17, 1979, 93 Stat. 695, provided that: "As used in this Act and the provisions of the Social Security Act amended by this Act (see Short Title of 1968 Amendment note set out under section 1305 of this title) the term 'Secretary', unless the context otherwise requires, means the Secretary of Health and Human Services.'"

Pub. L. 85-549, title VII, §702, Aug. 28, 1958, 72 Stat. 1056, as amended by Pub. L. 96-88, title V, §509(b), Oct. 17, 1979, 93 Stat. 695, provided that: "As used in the provisions of the Social Security Act amended by this Act (see Short Title of 1958 Amendment note set out under section 1305 of this title), the term ‘Secretary’, unless the context otherwise requires, means the Secretary of Health and Human Services.'"

Act Aug. 1, 1956, ch. 836, title I, §119, 70 Stat. 836, as amended by Pub. L. 96-88, title V, §509(b), 93 Stat. 695, provided that: "As used in this Act and in the provisions of the Social Security Act set forth in this Act (see Short Title of 1956 Amendment note set out under section 1305 of this title), the term ‘Secretary’ means the Secretary of Health and Human Services.'"

§ 1301–1. Omitted

CODIFICATION

Section, act Aug. 10, 1946, ch. 951, title II, §202, 60 Stat. 981, defined the term "Administrator" as used in certain sections of this chapter. See section 1301 of this title.

§ 1301a. Omitted

CODIFICATION

Section, act June 26, 1940, ch. 428, title II, 54 Stat. 588, provided for reimbursement for official travel performed by employees of the Bureau of Old-Age Insurance, was from the Federal Security Agency Appropriation Act, 1941, and was not repeated in subsequent appropriations acts.

§ 1302. Rules and regulations; impact analyses of Medicare and Medicaid rules and regulations on small rural hospitals

(a) The Secretary of the Treasury, the Secretary of Labor, and the Secretary of Health and Human Services, respectively, shall make and publish such rules and regulations, not inconsistent with this chapter, as may be necessary to the efficient administration of the functions with which each is charged under this chapter.

(b)(1) Whenever the Secretary publishes a general notice of proposed rulemaking for any rule or regulation proposed under subchapter XVIII, subchapter XIX, or part B of this subchapter that may have a significant impact on the operations of a substantial number of small rural hospitals, the Secretary shall prepare and make available for public comment an initial regulatory impact analysis. Such analysis shall describe the impact of the proposed rule or regulation on such hospitals and shall set forth, with respect to small rural hospitals, the matters required under section 603 of title 5 to be set forth with respect to small entities. The initial regulatory impact analysis (or a summary) shall be published in the Federal Register at the time of the publication of general notice of proposed rulemaking for the rule or regulation.

(2) Whenever the Secretary promulgates a final version of a rule or regulation with respect to which an initial regulatory impact analysis is required by paragraph (1), the Secretary shall prepare a final regulatory impact analysis with respect to the final version of such rule or regulation. Such analysis shall set forth, with respect to small rural hospitals, the matters required under section 604 of title 5 to be set forth with respect to small entities. The Secretary shall make copies of the final regulatory impact analysis available to the public and shall publish, in the Federal Register at the time of publication of the final version of the rule or regulation, a statement describing how a member of the public may obtain a copy of such analysis.

(3) If a regulatory flexibility analysis is required by chapter 6 of title 5 for a rule or regulation to which this subsection applies, such analysis shall specifically address the impact of the rule or regulation on small rural hospitals.

gate or issue any regulations, policy statements, or interpretations or develop any practices concerning the performance of medically necessary procedures if such regulations, policy statements, interpretations, or practices would be inconsistent with regulations, policy statements, interpretations, or practices in effect on the date of the enactment of this Act [Oct. 24, 1988]."

**Notice on Social Security Checks**


“(a) The Secretary of the Treasury shall take such steps as may be necessary to provide that all checks issued for payment of benefits under title II of the Social Security Act (§2 U.S.C. 401 et seq.), and the envelopes in which such checks are mailed, contain a printed notice that the commission of forgery in conjunction with the cashing or attempted cashing of such checks constitutes a violation of Federal law. Such notice shall also state the maximum penalties for forgery under the applicable provisions of title 18 of the United States Code.

“(b) Subsection (a) shall apply with respect to checks issued for months after the ninth month after the date of the enactment of this Act [Oct. 12, 1984].”

§ 1303. Separability

If any provision of this chapter, or the application thereof to any person or circumstance, is held invalid, the remainder of the chapter, and the application of such provision to other persons or circumstances shall not be affected thereby.


**Separability**

Pub. L. 98–473, §18, Oct. 9, 1984, 98 Stat. 1813, provided that: “If any provision of this Act (amending sections 405, 408, 416, 421 to 423, 1382c, 1382d, 1382h, and 1383 to 1388f of this title, enacting provisions set out as notes under sections 405, 421 to 423, 907, and 1305 of this title, and amending provisions set out as a note under section 1382h of this title), or the application thereof to any person or circumstance, is held invalid, the remainder of this Act and the application of such provision to other persons or circumstances shall not be affected thereby.”

§ 1304. Reservation of right to amend or repeal

The right to alter, amend, or repeal any provision of this chapter is hereby reserved to the Congress.


§ 1305. Short title of chapter

This chapter may be cited as the “Social Security Act”.


**Short Title of 2019 Amendment**

Pub. L. 116–94, div. N, title I, §620(a), Dec. 20, 2019, 133 Stat. 3120, provided that: “This section [enacting provisions set out as a note under section 674 of this title, and amending provisions set out as notes under this section and section 674 of this title] may be cited as the ‘Family First Transition Act’.”

Pub. L. 116–39, §1, Aug. 6, 2019, 133 Stat. 1061, provided that: “This Act [amending sections 701 and 1395w–4a of this title, enacting provisions set out as a note under section 1396a of this title, and amending provisions set out as notes under sections 1396a and 1396e–5 of this title] may be cited as the ‘Sustaining Excellence in Medicaid Act of 2019’.”

Pub. L. 116–16, §1, Apr. 18, 2019, 133 Stat. 852, provided that: “This Act [enacting section 1396w–4a of this title, amending sections 1320a–7, 1396a, 1396b, and 1396c–8 of this title, enacting provisions set out as notes under sections 1320a–7, 1396a, 1396b, and 1396c–8 of this title, and amending provisions set out as notes under sections 1396a and 1396e–5 of this title] may be cited as the ‘Medicaid Services Investment and Accountability Act of 2019’.”

Pub. L. 116–3, §1, Jan. 24, 2019, 133 Stat. 6, provided that: “This Act [amending sections 1396w and 1396c–1 of this title, enacting provisions set out as a note under section 1396c–5 of this title, and amending provisions set out as notes under sections 1396a and 1396e–5 of this title] may be cited as the ‘Medicaid Extenders Act of 2019’.”

**Short Title of 2018 Amendment**


Pub. L. 115–271, title V, §5041, Oct. 24, 2018, 132 Stat. 3966, provided that: “This subtitle [subtitle E (§§5041, 5042) of title V of Pub. L. 115–271, enacting section 1396w–3a of this title and provisions set out as notes under section 1396w–3a of this title] may be cited as the ‘Medicaid Providers Are Required To Note Experiences in Record Systems to Help In-need Patients Act’ or the ‘Medicaid PARTNERSHIP Act’.”

Pub. L. 115–271, title V, §5051, Oct. 24, 2018, 132 Stat. 3971, provided that: “This title [probably should be ‘this subtitle’, subtitle F (§§5051, 5052) of title V of Pub. L. 115–271, amending sections 1396d and 1396n of this title and enacting provisions set out as a note under section 1396n of this title] may be cited as the ‘Individuals in Medicaid Deserve Care that is Appropriate and Responsible in its Execution Act’ or the ‘IMD CARE Act’.”


Pub. L. 110–351, §1, Oct. 7, 2008, 122 Stat. 3498, provided that: "This Act [enacting sections 627 and 679c of this title, amending sections 622, 625, 633, 671 to 673, 673b, and 674 to 677 of this title] may be cited as the "Safe and Timely Interstate Placement of Foster Children Act of 2008.""

Pub. L. 110–171, §1, Feb. 8, 2008, 122 Stat. 4, provided that: "This Act [see Tables for classification] may be cited as the "Deficit Reduction Act of 2005.""

Pub. L. 109–171, title VI, §1001, Feb. 8, 2008, 122 Stat. 96, provided that: "This subchapter [subchapter A of chapter 4 of title VI of Pub. L. 109–171, amending sections 701, 1396a, 1396d, 1396f of this title and enacting provisions set out as notes under section 1396d of this title] may be cited as the "Family Opportunity Act of 2005" or the "Dylan Lee James Act.""

**Short Title of 2005 Amendments**

Pub. L. 109–181, §1, Dec. 30, 2005, 119 Stat. 2658, provided that: "This Act [amending section 603 of this title] may be cited as the "TANF and Child Care Continuation Act of 2005.""

Pub. L. 109–118, §1, Nov. 22, 2005, 119 Stat. 2371, provided that: "This Act [amending section 672 of this title] may be cited as the "Fair Access Foster Care Act of 2005.""

Pub. L. 109–91, §1, Oct. 20, 2005, 119 Stat. 2901, provided that: "This Act [amending sections 1103, 1385w–102, 1396a, 1396b–6, 1396c–3, and 1396c–5 of this title and enacting provisions set out as notes under section 1103, 1385w–102, 1396a, and 1396b of this title] may be cited as the 'TANF Extension Act of 2005.'"


Pub. L. 109–19, §1, July 1, 2005, 119 Stat. 344, provided that: "This Act [amending section 608 of this title] may be cited as the 'TANF Extension Act of 2005.'"

Pub. L. 109–4, §1, Mar. 25, 2005, 119 Stat. 17, provided that: "This Act [amending section 603 of this title] may be cited as the 'Welfare Reform Extension Act of 2005.'"

**Short Title of 2004 Amendments**

Pub. L. 108–388, §1, Sept. 30, 2004, 118 Stat. 1135, provided that: "This Act [amending sections 603 and 699 of this title] may be cited as the 'TANF and Related Programs Continuation Act of 2004.'"

Pub. L. 108–262, §1, June 30, 2004, 118 Stat. 696, provided that: "This Act [amending section 603 of this title] may be cited as the 'TANF and Related Programs Continuation Act of 2004.'"

**Short Title of 2003 Amendments**

Pub. L. 108–210, §1, Mar. 31, 2004, 118 Stat. 564, provided that: "This Act [amending section 603 of this title] may be cited as the 'Welfare Reform Extension Act of 2004.'"


may be cited as the 'Medicare Prescription Drug, Improvement, and Modernization Act of 2003'."


Short Title of 2002 Amendments

Pub. L. 107–133, § 1, Jan. 17, 2002, 115 Stat. 2413, provided that: "This Act [amending sections 629 to 629i of this title, amending sections 629a, 629c, 629d, 629e, 674, and 677 of this title, and enacting provisions set out as a note under section 677 of this title] may be cited as the ‘Promoting Safe and Stable Families Amendments of 2001’.

Pub. L. 107–121, § 1, Jan. 15, 2002, 115 Stat. 2384, provided that: "This Act [amending sections 1396a and 1396n of this title and enacting provisions set out as a note under section 1396a of this title] may be cited as the ‘American Indian and Alaska Native Health Improvement Act of 1999’.


Short Title of 2000 Amendments


Pub. L. 106–553, § 1(a)(2) [title VI, § 635(a)], Dec. 21, 2000, 114 Stat. 2762, 2762A–114, provided that: "This Act [amending sections 635 of this title, and enacting provisions set out as notes under sections 635 and 1395t of this title] may be cited as the ‘Medicare Improvement, and SCHIP Benefits Improvement and Protection Act of 2000’.


Pub. L. 105–206, § 1, Oct. 13, 2000, 114 Stat. 1659, provided that: "This Act [amending sections 685a of this title, amending sections 603, 604, 609, 613, 622, 629b, 652, 653, 655, 658, 658a, 659a, 666, 669, 669a, 671, 673b, 674, and 1314a of this title and sections 1021, 1144, and 1169 of Title 29, Labor, repealing provisions set out as notes under sections 608, 651 to 653, 655, 658a, 666, 667, and 671 of this title, sections 1021, 1144, and 1169 of Title 29, and section 5309 of Title 49, Transportation, amending provisions set out as notes under sections 608, 652, 658, and 658a of this title, and repealing provisions set out as a note under section 658 of this title] may be cited as the ‘Child Support Performance and Incentive Act of 1998’.

Short Title of 1998 Amendments

Pub. L. 105–199, § 1(a), Nov. 19, 1997, 111 Stat. 2115, provided that: "This Act [amending sections 673b, 678, and 679b of this title, amending sections 603, 622, 629 to 629b, 635, 671 to 673, 674, 675, 677, and 1320a–9 of this title and sections 645 and 901 of Title 2, The Congress, enacting provisions set out as notes under sections 613, 622, 629a, 671, 673, 675, 679b, 1320a–9, 5111, and 5113 of this title, and amending provisions set out as a note under section 670 of this title] may be cited as the ‘Adoption and Safe Families Act of 1997’.

Short Title of 1997 Amendments


Short Title of 1994 Amendments

§ 1306

TITLE 42—THE PUBLIC HEALTH AND WELFARE

Code, amending sections 401 to 406, 409 to 411, 413, 415 to
418, 422, 423, 425, and 1306 of this title, sections 451, 1401,
1402, 3101, 3102, 3111, 3121, 3122, 3125, 3401, 3402, 6051, 6205,
6413, 6652, and 6674 of Title 26, and sections 228a and 228e
of Title 45, Railroads, enacting provisions set out as
notes under sections 402, 403, 405, 410, 411, 415, 416, 418,
424, 424a, and 427 of this title and sections 1401, 1402,
3121, and 6053 of Title 26, and amending provisions set
out as notes under sections 415 and 418 of this title and
section 3121 of Title 26] may be cited as the ‘Old-Age,
Survivors, and Disability Insurance Amendments of
1965’.’’
SHORT TITLE OF 1963 AMENDMENT
‘‘That this Act [enacting subchapter XVII of this chapter and sections 729 and 729a of this title, amending sections 701, 702, 711, and 712 of this title, and enacting provisions set out as a note under section 1301 of this title]
may be cited as the ‘Maternal and Child Health and
Mental Retardation Planning Amendments of 1963’.’’
SHORT TITLE OF 1962 AMENDMENT
Pub. L. 87–543, § 1, July 25, 1962, 76 Stat. 172, provided
in part that this Act [enacting sections 609, 727, 728,
1314, 1315, and 1381 to 1385 of this title, amending sections 301 to 303, 306, 601 to 609, 721 to 723, 726, 906, 1201
to 1203, 1206, 1301, 1308, 1309, 1311, 1313, 1351 to 1353, and
1355 of this title, repealing section 1202a of this title
and provisions set out as notes under sections 1202a and
1308 of this title, and enacting provisions set out as
notes under sections 302, 303, 306, 601, 603, 606, 608, 609,
722, 1202, 1301, 1308, and 1383 of this title], may be cited
as the ‘‘Public Welfare Amendments of 1962.’’

Page 2284

this title, amending sections 302, 303, 401, 402, 403, 406,
408, 409 to 411, 413 to 418, 422, 423, 425, 603, 701, 702, 711,
712, 1203, 1301, 1306, 1308, and 1353 of this title, sections
1401, 1402, 3101, 3111, 3121, 3122, 6334, and 6413 of Title 26,
Internal Revenue Code, and section 228a of Title 45,
Railroads, repealing section 424 of this title, and enacting provisions set out as notes under sections 303, 402,
403, 410, 411, 415, 416, 417, 418, 422, 721, 1202a, 1301 of this
title and sections 1401, 1402, and 3121 of Title 26] should
be popularly known as the ‘‘Social Security Amendments of 1958’’.
SHORT TITLE OF 1956 AMENDMENT
Act Aug. 1, 1956, ch. 836, § 1, 70 Stat. 807, provided:
‘‘That this Act [enacting sections 401a, 423, 424, 425, 906,
and 1310 of this title and section 3113 of Title 26, Internal Revenue Code, amending sections 301 to 303, 401, 402,
403, 405, 409 to 411, 413 to 416, 418, 421, 422, 601 to 603, 606,
721, 1201 to 1203, 1301, 1308, and 1351 to 1353 of this title,
sections 1401, 1402, 3101, 3102, 3111, and 3121 of Title 26,
and sections 228 and 228e of Title 45, Railroads, and
amending provisions set out as a note under section
3121 of Title 26] may be cited as the ‘Social Security
Amendments of 1956’.’’
SHORT TITLE OF 1954 AMENDMENT
Act Aug. 5, 1954, ch. 657, § 1, 68 Stat. 668, provided
that: ‘‘This Act [enacting sections 1101 to 1103, 1322, and
1323 of this title and amending sections 503, 1104, and
1321 of this title and sections 1601, 1603, and 1607 of
former Title 26, Internal Revenue Code of 1939] may be
cited as the ‘Employment Security Administration Financing Act of 1954’.’’

SHORT TITLE OF 1961 AMENDMENT

SHORT TITLE OF 1952 AMENDMENT

Pub. L. 87–64, § 1, June 30, 1961, 75 Stat. 131, provided:
‘‘That this Act [enacting section 1313 of this title,
amending sections 303, 402, 403, 409, 413, 414, 415, 416, 418,
423, 1203, 1308, and 1353 of this title, sections 1401, 1402,
3101 and 3111 of Title 26, Internal Revenue Code, and
section 228a of Title 45, Railroads, and enacting provisions set out as notes under sections 303, 402, 403, 414,
415, 416, 1301, and 1308 of this title and under sections
1401 and 1402 of Title 26] may be cited as the ‘Social Security Amendments of 1961.’ ’’

Act July 18, 1952, ch. 945, § 1, 66 Stat. 767, provided
that: ‘‘This Act [enacting sections 420, 421, and 1309 of
this title, amending sections 303, 403, 405, 413, 414, 415,
416, 417, 603, 1203, and 1353 of this title and sections 228a,
228e of Title 45, Railroads, and enacting provisions set
out as notes under sections 303, 402, 403, 413, 415, and 417
of this title] may be cited as the ‘Social Security Act
Amendments of 1952’.’’

SHORT TITLE OF 1960 AMENDMENT
Pub. L. 86–778, § 1, Sept. 13, 1960, 74 Stat. 924, provided
that this Act [enacting sections 726 and 1312 of this
title and sections 3125 and 3308 of Title 26, Internal Revenue Code, amending sections 301 to 304, 306, 401, 401a,
402, 403, 405, 408 to 411, 413 to 416, 418, 422, 423, 501, 701,
702, 704, 711, 712, 714, 721, 722, 1101 to 1104, 1202, 1301, 1308,
1321 to 1324, 1361, 1363, 1364, 1367, 1371, and 1400c of this
title, sections 1402, 1403, 3121, 3301, 3302, 3305, 3306, 6205,
6413, 7213, and 7701 of Title 26, section 49d of Title 29,
Labor, sections 228a, 228c, and 228e of Title 45, Railroads, and section 1421h of Title 48, Territories and Insular Possessions, repealing section 419 of this title,
and enacting provisions set out as notes under sections
301, 302, 401, 402, 403, 405, 410, 411, 413 to 418, 422, 423, 701,
1101, 1202, 1202a, 1301, 1321, 1362, 1363, and 1364 of this
title, sections 1402, 3121, 3301, 3304, 3305, and 3306 of Title
26, and section 49d of Title 29] may be cited as the ‘‘Social Security Amendments of 1960.’’
provided that: ‘‘This title [enacting section 3308 of Title
26, Internal Revenue Code, amending sections 501, 1101
to 1104, 1301, 1321 to 1324, 1361 to 1364, 1367, 1371, and
1400c of this title, sections 3301, 3302, 3305, 3306, and 3309
of Title 26, and section 49d of Title 29, Labor, and enacting provisions set out as notes under sections 1301, 1321,
and 1362 to 1364 of this title, sections 3301, 3304, and 3305
of Title 26, and section 49d of Title 29] may be cited as
the ‘Employment Security Act of 1960’.’’
SHORT TITLE OF 1958 AMENDMENT
Pub. L. 85–840, § 1, Aug. 28, 1958, 72 Stat. 1013, provided
that this Act [enacting sections 722 to 725 and 1311 of

SHORT TITLE OF 1950 AMENDMENT
Act Aug. 28, 1950, ch. 809, § 1, 64 Stat. 477, provided in
part that act Aug. 28, 1950, may be cited as the ‘‘Social
Security Act Amendments of 1950’’. For complete classification of this Act to the Code, see Tables.

§ 1306. Disclosure of information in possession of
Social Security Administration or Department of Health and Human Services
(a) Disclosure prohibited; exceptions
(1) No disclosure of any return or portion of a
return (including information returns and other
written statements) filed with the Commissioner of Internal Revenue under title VIII of
the Social Security Act or under subchapter E
of chapter 1 or subchapter A of chapter 9 of the
Internal Revenue Code [of 1939], or under regulations made under authority thereof, which has
been transmitted to the head of the applicable
agency by the Commissioner of Internal Revenue, or of any file, record, report, or other paper,
or any information, obtained at any time by the
head of the applicable agency or by any officer
or employee of the applicable agency in the
course of discharging the duties of the head of
the applicable agency under this chapter, and no
disclosure of any such file, record, report, or
other paper, or information, obtained at any
time by any person from the head of the applicable agency or from any officer or employee of
the applicable agency, shall be made except as


the head of the applicable agency may by regulations prescribe and except as otherwise provided by Federal law. Any person who shall violate any provision of this section shall be deemed guilty of a felony and, upon conviction thereof, shall be punished by a fine not exceeding $10,000 for each occurrence of a violation, or by imprisonment not exceeding 5 years, or both.

(2) For purposes of this subsection and subsection (b), the term “applicable agency” means—
(A) the Social Security Administration, with respect to matter transmitted to or obtained by such Administration or matter disclosed by such Administration, or
(B) the Department of Health and Human Services, with respect to matter transmitted to or obtained by such Department or matter disclosed by such Department.

(b) Requests for information and services
Requests for information, disclosure of which is authorized by regulations prescribed pursuant to subsection (a) of this section, and requests for services, may, subject to such limitations as may be prescribed by the head of the applicable agency to avoid undue interference with his functions under this chapter, be complied with if the agency, person, or organization making the request agrees to pay for the information or services requested in such amount, if any (not exceeding the cost of furnishing the information or services), as may be determined by the head of the applicable agency. Payments for information or services furnished pursuant to this section shall be made in advance or by way of reimbursement, as may be requested by the head of the applicable agency, and shall be deposited in the Treasury as a special deposit to be used to reimburse the appropriations (including authorizations to make expenditures from the Federal Old-Age and Survivors Insurance Trust Fund, the Federal Disability Insurance Trust Fund, the Federal Hospital Insurance Trust Fund, and the Federal Supplementary Medical Insurance Trust Fund) for the unit or units of the applicable agency which furnished the information or services. Notwithstanding the preceding provisions of this subsection, requests for information made pursuant to the provisions of part D of subchapter IV of this chapter for the purpose of using Federal records for locating parents of subchapter IV of this chapter for the purpose not directly related to the administration of an employee benefit plan (as so defined), or is made for any other purpose not directly related to the administration of the program or programs under this chapter to which such information relates, such request, except to the extent that compliance with such request would constitute a violation of the terms of any contract entered into under section 405(r) of this title.

(c) Cost reimbursement
Notwithstanding sections 552 and 552a of title 5 or any other provision of law, whenever the Commissioner of Social Security or the Secretary determines that a request for information is made in order to assist a party in interest (as defined in section 1002 of title 29) with respect to the administration of an employee benefit plan (as so defined), or is made for any other purpose not directly related to the administration of the program or programs under this chapter to which such information relates, such requestor may require the requester to pay the full cost, as determined by such Commissioner or Secretary, of providing such information.

(d) Compliance with requests
Notwithstanding any other provision of this section, in any case in which—
(1) information regarding whether an individual is shown on the records of the Commissioner of Social Security as being alive or deceased is requested from the Commissioner for purposes of epidemiological or similar research which the Commissioner in consultation with the Secretary of Health and Human Services finds may reasonably be expected to contribute to a national health interest, and
(2) the requester agrees to reimburse the Commissioner for providing such information, the Commissioner shall comply with such request, except to the extent that compliance with such request would constitute a violation of the terms of any contract entered into under section 405(r) of this title.

(e) Public inspection
Notwithstanding any other provision of this section the Secretary shall make available to each State agency operating a program under subchapter XIX and shall, subject to the limitations contained in subsection (e), make available for public inspection in readily accessible form and fashion, the following official reports (not including, however, references to any internal tolerance rules and practices that may be contained therein, internal working papers or other informal memoranda) dealing with the operation of the health programs established by subchapters XVIII and XIX—
(1) individual contractor performance reviews and other formal evaluations of the performance of carriers, intermediaries, and State agencies, including the reports of follow-up reviews;
(2) comparative evaluations of the performance of such contractors, including comparisons of either overall performance or of any particular aspect of contractor operation; and
(3) program validation survey reports and other formal evaluations of the performance of providers of services, including the reports of follow-up reviews, except that such reports shall not identify individual patients, individual health care practitioners, or other individuals.

(f) Opportunity for review
No report described in subsection (e) shall be made public by the Secretary or the State subchapter XIX agency until the contractor or provider of services whose performance is being evaluated has had a reasonable opportunity (not exceeding 60 days) to review such report and to offer comments pertinent parts of which may be incorporated in the public report; nor shall the Secretary be required to include in any such report information with respect to any deficiency (or improper practice or procedures) which is known by the Secretary to have been fully corrected, within 60 days of the date such defi-
after Aug. 15, 1994, see section 311(c) of Pub. L. 103–296, set out as a note under section 6103 of Title 26, Internal Revenue Code.

Pub. L. 103–296, title III, §313(c), Aug. 15, 1994, 108 Stat. 1530, provided that: "The amendments made by this section [amending section 1307 of this title] shall apply to violations occurring on or after the date of the enactment of this Act [Aug. 15, 1994]."

**EFFECTIVE DATE OF 1984 AMENDMENT**

Amendment by Pub. L. 98–369 effective July 18, 1984, but not to be construed as changing or affecting any right, liability, status, or interpretation which existed under the provisions of law involved before that date, see section 2664(b) of Pub. L. 98–369, set out as a note under section 401 of this title.

**EFFECTIVE DATE OF 1975 AMENDMENT**

Amendment by Pub. L. 93–647 effective Aug. 1, 1975, see section 101(f) of Pub. L. 93–647, set out as an Effective Date note under section 651 of this title.

**EFFECTIVE DATE OF 1972 AMENDMENT**

Pub. L. 92–603, title II, §249C(b), Oct. 30, 1972, 86 Stat. 1426, provided that: "The provisions of subsection (a) [amending this section] shall apply with respect to reports which are completed by the Secretary after the third calendar month following the enactment of this Act [Oct. 30, 1972]."

§ 1306a. Public access to State disbursement records

No State or any agency or political subdivision thereof shall be deprived of any grant-in-aid or other payment to which it otherwise is or has become entitled pursuant to subchapter I (other than section 303(a)(3) thereof), IV, X, XIV, or XVI (other than section 1383(a)(3) thereof) of this chapter, by reason of the enactment or enactment thereof shall be deprived of any grant-in-aid or other payment to which it otherwise is or has become entitled pursuant to subchapter I (other than section 303(a)(3) thereof). IV, X, XIV, or XVI (other than section 1383(a)(3) thereof) of this chapter, by reason of the enactment or enforcement by such State of any legislation prescribing any conditions under which public access may be had to records of the disbursement of any such funds or payments within such State, if such legislation prohibits the use of any list or names obtained through such access to such records for commercial or political purposes.


**REFERENCES IN TEXT**


Section 1383(a)(3), referred to in text, was in the original a reference to section 1303(a)(3) of the Social Security Act as added July 25, 1962, Pub. L. 87–543, title I, §141(a), 76 Stat. 200, and amended. That section was amended generally by Pub. L. 92–603, §301, Oct. 30, 1972, 86 Stat. 1478. However, the amendment by Pub. L. 92–603 was inapplicable to Puerto Rico, Guam, and the Virgin Islands, so that the prior section (which is set out as a note under section 1383 of this title) continues in effect for Puerto Rico, Guam, and the Virgin Islands.

**CODIFICATION**

Section was enacted as part of the Social Security Act, which comprises this chapter.

**AMENDMENTS**

1962—Pub. L. 87–543 substituted “XIV, or XVI (other than section 1383(a)(3) thereof)” for “or XIV”.

1960—Pub. L. 86–778 inserted “(other than section 303(a)(3) thereof)” after “pursuant to subchapter I”.

**EFFECTIVE DATE OF 1960 AMENDMENT**

Pub. L. 86–778, title VI, §603(b), Sept. 13, 1960, 74 Stat. 992, provided that: “The amendment made by subsection (a) [amending this section] shall take effect October 1, 1960.”

§ 1306b. State data exchanges

Whenever the Commissioner of Social Security requests information from a State for the purpose of ascertaining an individual’s eligibility for benefits (or the correct amount of such benefits) under subchapter II or XVI of this chapter, the standards of the Commissioner promulgated pursuant to section 1306 of this title or any other Federal law for the use, safeguarding, and disclosure of information are deemed to meet any standards of the State that would otherwise apply to the disclosure of information by the State to the Commissioner.


**CODIFICATION**

Section was enacted as part of the Foster Care Independence Act of 1999, and not as part of the Social Security Act which comprises this chapter.

§ 1306c. Restriction on access to the Death Master File

(a) In general

The Secretary of Commerce shall not disclose to any person information contained on the Death Master File with respect to any deceased individual at any time during the 3-calendar-year period beginning on the date of the individual’s death, unless such person is certified under the program established under subsection (b).

(b) Certification program

(1) In general

The Secretary of Commerce shall establish a program—

(A) to certify persons who are eligible to access the information described in subsection (a) contained on the Death Master File, and

(B) to perform periodic and unscheduled audits of certified persons to determine the compliance by such certified persons with the requirements of the program.

(2) Certification

A person shall not be certified under the program established under paragraph (1) unless such person certifies that access to the information described in subsection (a) is appropriate because such person—

(A) has—

(i) a legitimate fraud prevention interest, or

(ii) a legitimate business purpose pursuant to a law, governmental rule, regulation, or fiduciary duty, and

(B) has systems, facilities, and procedures in place to safeguard such information, and experience in maintaining the confidentiality, security, and appropriate use of such in-
(c) Imposition of penalty

(1) In general

Any person who is certified under the program established under subsection (b), who receives information described in subsection (a), and who during the period of time described in subsection (a)—

(A) discloses such information to any person other than a person who meets the requirements of subparagraphs (A), (B), and (C) of subsection (b)(2),

(B) discloses such information to any person who uses the information for any purpose not listed under subsection (b)(2)(A) or who further discloses the information to a person who does not meet such requirements, or

(C) uses any such information for any purpose not listed under subsection (b)(2)(A), and any person to whom such information is disclosed who further discloses or uses such information as described in the preceding subparagraphs, shall pay a penalty of $1,000 for each such disclosure or use.

(2) Limitation on penalty

(A) In general

The total amount of the penalty imposed under this subsection on any person for any calendar year shall not exceed $250,000.

(B) Exception for willful violations

Subparagraph (A) shall not apply in the case of violations under paragraph (1) that the Secretary of Commerce determines to be willful or intentional violations.

(d) Death Master File

For purposes of this section, the term “Death Master File” means information on the name, social security account number, date of birth, and date of death of deceased individuals maintained by the Commissioner of Social Security, other than information that was provided to such Commissioner under section 405(r) of this title.

(e) Exemption from Freedom of Information Act requirement with respect to certain records of deceased individuals

(1) In general

No Federal agency shall be compelled to disclose the information described in subsection (a) to any person who is not certified under the program established under subsection (b). (2) Treatment of information

For purposes of section 552 of title 5, this section shall be considered a statute described in subsection (b)(3) of such section 552.

(f) Effective date

(1) In general

Except as provided in paragraph (2), this section shall take effect on the date that is 90 days after December 26, 2013.

(2) FOIA exemption

Subsection (e) shall take effect on December 26, 2013.

REFERENCES IN TEXT

The Internal Revenue Code of 1986, referred to in subsection (b)(2)(B), is classified generally to Title 26, Internal Revenue Code.

CODIFICATION

Section was enacted as part of the Bipartisan Budget Act of 2013, and not as part of the Social Security Act which comprises this chapter.

§ 1307. Penalty for fraud

(a) Whoever, with the intent to defraud any person, shall make or cause to be made any false representation concerning the requirements of this chapter, of chapter 2, 21, or 23 of the Internal Revenue Code of 1986, or of any provision of subtitle F of such Code which corresponds within the meaning of section 7852(b) of such Code to a provision contained in subchapter E of chapter 9 of the Internal Revenue Code of 1939, or of any rules or regulations issued thereunder, knowing such representations to be false, shall be deemed guilty of a misdemeanor, and, upon conviction thereof, shall be punished by a fine not exceeding $1,000, or by imprisonment not exceeding one year, or both.

(b) Whoever, with the intent to elicit information as to the social security account number, date of birth, employment, wages, or benefits of any individual (1) falsely represents to the Commissioner of Social Security or the Secretary that he is such individual, or the wife, husband, widow, widower, divorced wife, divorced husband, surviving divorced wife, surviving divorced husband, surviving divorced mother, surviving divorced father, child, or parent of such individual, or the duly authorized agent of such individual, or of the wife, husband, widow, widower, divorced wife, divorced husband, surviving divorced wife, surviving divorced husband, surviving divorced mother, surviving divorced father, and surviving divorced child. 

§ 1307. Penalty for fraud

(a) Whoever, with the intent to defraud any person, shall make or cause to be made any false representation concerning the requirements of this chapter, of chapter 2, 21, or 23 of the Internal Revenue Code of 1986, or of any provision of subtitle F of such Code which corresponds within the meaning of section 7852(b) of such Code to a provision contained in subchapter E of chapter 9 of the Internal Revenue Code of 1939, or of any rules or regulations issued thereunder, knowing such representations to be false, shall be deemed guilty of a misdemeanor, and, upon conviction thereof, shall be punished by a fine not exceeding $1,000, or by imprisonment not exceeding one year, or both.

(b) Whoever, with the intent to elicit information as to the social security account number, date of birth, employment, wages, or benefits of any individual (1) falsely represents to the Commissioner of Social Security or the Secretary that he is such individual, or the wife, husband, widow, widower, divorced wife, divorced husband, surviving divorced wife, surviving divorced husband, surviving divorced mother, surviving divorced father, child, or parent of such individual, or the duly authorized agent of such individual, or of the wife, husband, widow, widower, divorced wife, divorced husband, surviving divorced wife, surviving divorced husband, surviving divorced mother, surviving divorced father, and surviving divorced child. 

(c) Imposition of penalty

(1) In general

Any person who is certified under the program established under subsection (b), who receives information described in subsection (a), and who during the period of time described in subsection (a)—

(A) discloses such information to any person other than a person who meets the requirements of subparagraphs (A), (B), and (C) of subsection (b)(2),

(B) discloses such information to any person who uses the information for any purpose not listed under subsection (b)(2)(A) or who further discloses the information to a person who does not meet such requirements, or

(C) uses any such information for any purpose not listed under subsection (b)(2)(A), and any person to whom such information is disclosed who further discloses or uses such information as described in the preceding subparagraphs, shall pay a penalty of $1,000 for each such disclosure or use.

(2) Limitation on penalty

(A) In general

The total amount of the penalty imposed under this subsection on any person for any calendar year shall not exceed $250,000.

(B) Exception for willful violations

Subparagraph (A) shall not apply in the case of violations under paragraph (1) that the Secretary of Commerce determines to be willful or intentional violations.

(d) Death Master File

For purposes of this section, the term “Death Master File” means information on the name, social security account number, date of birth, and date of death of deceased individuals maintained by the Commissioner of Social Security, other than information that was provided to such Commissioner under section 405(r) of this title.

(e) Exemption from Freedom of Information Act requirement with respect to certain records of deceased individuals

(1) In general

No Federal agency shall be compelled to disclose the information described in subsection (a) to any person who is not certified under the program established under subsection (b). (2) Treatment of information

For purposes of section 552 of title 5, this section shall be considered a statute described in subsection (b)(3) of such section 552.

(f) Effective date

(1) In general

Except as provided in paragraph (2), this section shall take effect on the date that is 90 days after December 26, 2013.

(2) FOIA exemption

Subsection (e) shall take effect on December 26, 2013.

REFERENCES IN TEXT

The Internal Revenue Code of 1986, referred to in subsection (b)(2)(B), is classified generally to Title 26, Internal Revenue Code.

CODIFICATION

Section was enacted as part of the Bipartisan Budget Act of 2013, and not as part of the Social Security Act which comprises this chapter.
ther, child, or parent of such individual, or (2) falsely represents to any person that he is an employee or agent of the United States, shall be deemed guilty of a felony, and, upon conviction thereof, shall be punished by a fine not exceeding $10,000 for each occurrence of a violation, or by imprisonment not exceeding 5 years, or both.


REFERENCES IN TEXT

Subchapter E of chapter 9 of the Internal Revenue Code of 1939, referred to in subsec. (a), was comprised of sections 1631 to 1636 of the 1939 Code, and was repealed (subject to certain exceptions) by section 7851(a)(1)(A), (b) of the Internal Revenue Code of 1986. The Internal Revenue Code of 1939 was renumbered the Internal Revenue Code of 1986 by Pub. L. 99–514, §2, Oct. 22, 1986, 100 Stat. 2065. For table of comparisons of the 1939 Code to the 1986 Code, see Table I preceding section 1 of Title 26, Internal Revenue Code. See also section 7852(b) of Title 26 for provision that references in any other law to the 1939 Code, unless expressly incompatible with the intent thereof, shall be deemed a reference to the corresponding provision of the 1986 Code.

For provision deeming a reference in other laws to a provision of the 1939 Code as a reference to the corresponding provisions of the 1986 Code, see section 7852(b) of the 1986 Code. For table of comparisons of the 1939 Code to the 1986 Code, see Table I preceding section 1 of Title 26, Internal Revenue Code. The Internal Revenue Code of 1986 is classified generally to Title 26.

AMENDMENTS

1994—Subsec. (b). Pub. L. 103–296, §313(b), inserted "social security account number," after "information as to the" and substituted "felony" for "misdemeanor" and "$10,000 for each occurrence of a violation" for "$1,000", and "5 years" for "one year".

Pub. L. 103–296, §108(b)(6), which directed that subsec. (b) be amended by substituting "the Commissioner of Social Security or the Secretary" for "the Secretary of Health and Human Services", was executed by making the substitution for "the Secretary" to reflect the probable intent of Congress.


1984—Subsec. (a). Pub. L. 98–369, §2663(e)(2)(A), substituted "of chapter 2, 21, or 23 of the Internal Revenue Code of 1954, or of any provision of subtitle F of such Code which corresponds (within the meaning of section 7852(b) of such Code) to a provision contained in subchapter E of chapter 9 of the Internal Revenue Code of 1959," for "subchapter E of chapter 1 or subchapter A, C, or E of chapter 9 of the Internal Revenue Code of 1959".

Subsec. (b). Pub. L. 98–369, §2663(j)(1), substituted "Secretary" for "Administrator".


Pub. L. 98–369, §2663(e)(3), substituted "divorced wife, divorced husband, surviving divorced wife, surviving divorced husband, surviving divorced mother, surviving divorced father," for "former wife divorced, child, or parent" in two places.


Subsec. (b). Act Aug. 28, 1950, §403(f), substituted "Administrator" for "Board" and "wife, husband, widow, widower, former wife divorced, child, or parent" for "wife, parent, or child" wherever appearing.

EFFECTIVE DATE OF 1994 AMENDMENT


Amendment by section 313(b) of Pub. L. 103–296 applicable to violations occurring on or after Aug. 15, 1994, see section 313(c) of Pub. L. 103–296, set out as a note under section 1306 of this title.

EFFECTIVE DATE OF 1984 AMENDMENT

Pub. L. 98–369, div. B, title VI, §2663(e)(2)(B), July 18, 1984, 98 Stat. 1168, provided that: "The amendment made by subparagraph (A) (amending this section) shall not apply to returns filed or representations made on or before the date of the enactment of this Act [July 18, 1984]."

Amendment by section 2664(b) of Pub. L. 98–369 effective July 18, 1984, but not to be construed as changing or affecting any right, liability, status, or interpretation which existed (under the provisions of law involved) before that date, see section 2664(b) of Pub. L. 98–369, set out as a note under section 401 of this title.

§ 1308. Additional grants to Puerto Rico, Virgin Islands, Guam, and American Samoa; limitation on total payments

(a) Limitation on total payments to each territory

(1) In general

Notwithstanding any other provision of this chapter (except for paragraph (2) of this subsection), the total amount certified by the Secretary of Health and Human Services under subchapters I, X, XIV, and XVI, under parts A and E of subchapter IV, and under subsection (b) of this section, for payment to any territory for a fiscal year shall not exceed the ceiling amount for the territory for the fiscal year.

(2) Certain payments disregarded

Paragraph (1) of this subsection shall be applied without regard to any payment made under section 609(a)(2), 603(a)(4), 603(a)(5), 606, 613(f), or 674(a)(6) of this title.

(b) Entitlement to matching grant

(1) In general

Each territory shall be entitled to receive from the Secretary for each fiscal year a grant in an amount equal to 75 percent of the amount (if any) by which—

(A) the total expenditures of the territory during the fiscal year under the territory programs funded under parts A and E of subchapter IV, including any amount paid to the State under part A of subchapter IV that is transferred in accordance with section 609(d) of this title and expended under the program to which transferred; exceeds

(B) the sum of—

(i) the amount of the family assistance grant payable to the territory without regard to section 609 of this title; and

(ii) the amount of the any other grant payable to the territory under the territory programs funded under parts A and E of subchapter IV; and
(ii) the total amount expended by the territory during fiscal year 1995 pursuant to parts A and F of subchapter IV (as so in effect), other than for child care.

(2) Appropriation
Out of any money in the Treasury of the United States not otherwise appropriated, there are appropriated for each of fiscal years 2017 and 2018, such sums as are necessary for grants under this paragraph.

(c) Definitions
As used in this section:

(1) Territory
The term “territory” means Puerto Rico, the Virgin Islands, Guam, and American Samoa.

(2) Ceiling amount
The term “ceiling amount” means, with respect to a territory and a fiscal year, the mandatory ceiling amount with respect to the territory, reduced for the fiscal year in accordance with subsection (e), and reduced by the amount of any penalty imposed on the territory under any provision of law specified in subsection (a) during the fiscal year.

(3) Family assistance grant
The term “family assistance grant” has the meaning given such term by section 603(a)(1)(B) of this title.

(4) Mandatory ceiling amount
The term “mandatory ceiling amount” means—
(A) $107,255,000 with respect to Puerto Rico;
(B) $4,686,000 with respect to Guam;
(C) $3,554,000 with respect to the Virgin Islands; and
(D) $1,000,000 with respect to American Samoa.

(5) Total amount expended by the territory
The term “total amount expended by the territory”—
(A) does not include expenditures during the fiscal year from amounts made available by the Federal Government; and
(B) when used with respect to fiscal year 1995, also does not include—
(i) expenditures during fiscal year 1995 under subsection (g) or (i) of section 602 of this title (as in effect on September 30, 1995); or
(ii) any expenditures during fiscal year 1995 for which the territory (but for this section, as in effect on September 30, 1995) would have received reimbursement from the Federal Government.

(d) Authority to transfer funds to certain programs
A territory to which an amount is paid under subsection (b) of this section may use the amount in accordance with section 604(d) of this title.


(f) Total amount certified under subchapter XIX
Subject to subsection (g) and section 1396u–5(e)(1)(B) of this title, the total amount certified by the Secretary under subchapter XIX with respect to a fiscal year for payment to—
(1) Puerto Rico shall not exceed (A) $116,500,000 for fiscal year 1994 and (B) for each succeeding fiscal year the amount provided in this paragraph for the preceding fiscal year increased by the percentage increase in the medical care component of the consumer price index for all urban consumers (as published by the Bureau of Labor Statistics) for the twelve-month period ending in March preceding the beginning of the fiscal year, rounded to the nearest $100,000;
(2) the Virgin Islands shall not exceed (A) $3,837,500 for fiscal year 1994, and (B) for each succeeding fiscal year the amount provided in this paragraph for the preceding fiscal year increased by the percentage increase referred to in paragraph (1)(B), rounded to the nearest $10,000;
(3) Guam shall not exceed (A) $3,685,000 for fiscal year 1994, and (B) for each succeeding fiscal year the amount provided in this paragraph for the preceding fiscal year increased by the percentage increase referred to in paragraph (1)(B), rounded to the nearest $10,000;
(4) Northern Mariana Islands shall not exceed (A) $1,110,000 for fiscal year 1994, and (B) for each succeeding fiscal year the amount provided in this paragraph for the preceding fiscal year increased by the percentage increase referred to in paragraph (1)(B), rounded to the nearest $10,000; and
(5) American Samoa shall not exceed (A) $2,140,000 for fiscal year 1994, and (B) for each succeeding fiscal year the amount provided in this paragraph for the preceding fiscal year increased by the percentage increase referred to in paragraph (1)(B), rounded to the nearest $10,000.

(g) Medicaid payments to territories for fiscal year 1998 and thereafter

(1) Fiscal year 1998
With respect to fiscal year 1998, the amounts otherwise determined for Puerto Rico, the Virgin Islands, Guam, the Northern Mariana Islands, and American Samoa under subsection (f) for such fiscal year shall be increased by the following amounts:
(A) For Puerto Rico, $30,000,000.
(B) For the Virgin Islands, $750,000.
(C) For Guam, $750,000.
(D) For the Northern Mariana Islands, $500,000.
(E) For American Samoa, $500,000.

(2) Fiscal year 1999 and thereafter
Notwithstanding subsection (f) and subject to section 18043(a)(2) of this title and paragraphs (3) and (5), with respect to fiscal year 1999 and any fiscal year thereafter, the total amount certified by the Secretary under subchapter XIX for payment to—
(A) Puerto Rico shall not exceed—

1See References in Text note below.
(i) except as provided in clause (ii), the sum of the amount provided in this subsection for the preceding fiscal year increased by the percentage increase in the medical care component of the Consumer Price Index for all urban consumers (as published by the Bureau of Labor Statistics) for the 12-month period ending in March preceding the beginning of the fiscal year, rounded to the nearest $100,000; and

(ii) for each of fiscal years 2020 through 2021, the amount specified in paragraph (6) for each such fiscal year;

(B) the Virgin Islands shall not exceed—

(i) except as provided in clause (ii), the sum of the amount provided in this subsection for the preceding fiscal year increased by the percentage increase referred to in subparagraph (A), rounded to the nearest $10,000; and

(ii) for each of fiscal years 2020 through 2021, $126,000,000;

(C) Guam shall not exceed—

(i) except as provided in clause (ii), the sum of the amount provided in this subsection for the preceding fiscal year increased by the percentage increase referred to in subparagraph (A), rounded to the nearest $10,000; and

(ii) for each of fiscal years 2020 through 2021, $127,000,000;

(D) the Northern Mariana Islands shall not exceed—

(i) except as provided in clause (ii), the sum of the amount provided in this subsection for the preceding fiscal year increased by the percentage increase referred to in subparagraph (A), rounded to the nearest $10,000; and

(ii) for each of fiscal years 2020 through 2021, $84,000,000;

(E) American Samoa shall not exceed—

(i) except as provided in clause (ii), the sum of the amount provided in this subsection for the preceding fiscal year increased by the percentage increase referred to in subparagraph (A), rounded to the nearest $10,000; and

(ii) for each of fiscal years 2020 through 2021, $84,000,000.

For each fiscal year after fiscal year 2021, the amount specified in paragraph (6) for each such fiscal year;

(B) the Virgin Islands shall not exceed—

(i) except as provided in clause (ii), the sum of the amount provided in this subsection for the preceding fiscal year in-

creased by the percentage increase referred to in subparagraph (A), rounded to the nearest $10,000; and

(ii) for each of fiscal years 2020 through 2021, $126,000,000;

(C) Guam shall not exceed—

(i) except as provided in clause (ii), the sum of the amount provided in this subsection for the preceding fiscal year in-

creased by the percentage increase referred to in subparagraph (A), rounded to the nearest $10,000; and

(ii) for each of fiscal years 2020 through 2021, $127,000,000;

(D) the Northern Mariana Islands shall not exceed—

(i) except as provided in clause (ii), the sum of the amount provided in this subsection for the preceding fiscal year in-

creased by the percentage increase referred to in subparagraph (A), rounded to the nearest $10,000; and

(ii) for each of fiscal years 2020 through 2021, $84,000,000.

(4) Exclusion of certain expenditures from payment limits

With respect to fiscal years beginning with fiscal year 2009, if Puerto Rico, the Virgin Islands, Guam, the Northern Mariana Islands, or American Samoa qualify for a payment under subparagraph (A)(i), (B), or (F) of section 1396b(a)(3) of this title for a calendar quarter of such fiscal year, and with respect to fiscal years beginning with fiscal year 2017, if Puerto Rico qualifies for a payment under section 1396b(a)(6) of this title for a calendar quarter (beginning on or after July 1, 2017) of such fiscal year, and with respect to fiscal years beginning with fiscal year 2018, if the Virgin Islands qualifies for a payment under section 1396b(a)(6) of this title for a calendar quarter (beginning on or after January 1, 2018) of such fiscal year, the payment shall not be taken into account in applying subsection (f) (as increased in accordance with paragraphs (1), (2), (3), and (4) of this subsection) to such commonwealth or territory for such fiscal year.

(5) Additional increase

(A) Subject to subparagraphs (B), (C), (D), (E), and (F), the Secretary shall increase the amounts otherwise determined under this subsection for Puerto Rico, the Virgin Islands, Guam, the Northern Mariana Islands, and American Samoa (after the application of subsection (f) and the preceding paragraphs of this subsection) for the period beginning July 1, 2011, and ending on September 30, 2019, by such amounts that the total additional payments under subchapter XIX to such territories equals $6,300,000,000 for such period. The Secretary shall increase such amounts in proportion to the amounts applicable to such territories under this subsection and subsection (f) on March 30, 2010.

(B) The amount of the increase otherwise provided under subparagraph (A) for Puerto Rico shall be further increased by $295,900,000.

(C) Subject to subparagraphs (D) and (F), for the period beginning January 1, 2018, and ending September 30, 2019—

(i) the amount of the increase otherwise provided under subparagraphs (A) and (B) for Puerto Rico shall be further increased by $3,600,000,000; and

(ii) the amount of the increase otherwise provided under subparagraph (A) for the Vir-
subsection (C), the amount of the increase otherwise provided under subparagraph (A)—

(i) for Puerto Rico shall be further increased by $1,200,000,000 if the Secretary certifies that Puerto Rico has taken reasonable and appropriate steps during such period, in accordance with a timeline established by the Secretary, to—

(I) implement methods, satisfactory to the Secretary, for the collection and reporting of reliable data to the Transformed Medicaid Statistical Information System (T–MSIS) (or a successor system); and

(II) demonstrate progress in establishing a State Medicaid fraud control unit described in section 1396b(q) of this title; and

(ii) for the Virgin Islands shall be further increased by $35,644,000 if the Secretary certifies that the Virgin Islands has taken reasonable and appropriate steps during such period, in accordance with a timeline established by the Secretary, to meet the conditions for certification specified in subclauses (I) and (II) of clause (i).

(E) Subject to subparagraph (F), for the period beginning January 1, 2019, and ending September 30, 2019, the amount of the increase otherwise provided under subparagraph (A) for the Northern Mariana Islands shall be further increased by $36,000,000.

(F) Notwithstanding any other provision of subchapter XIX—

(i) during the period in which the additional funds provided under subparagraphs (C), (D), and (E) are available for Puerto Rico, the Virgin Islands, and the Northern Mariana Islands, respectively, with respect to payments from such additional funds for amounts expended by Puerto Rico, the Virgin Islands, and the Northern Mariana Islands under such subchapter, the Secretary shall increase the Federal medical assistance percentage or other rate that would otherwise apply to such payments to 100 percent;

(ii) for the period beginning January 1, 2019, and ending September 30, 2019, with respect to payments to Guam and American Samoa from the additional funds provided under subparagraph (A), the Secretary shall increase the Federal medical assistance percentage or other rate that would otherwise apply to such payments to 100 percent.

(G) Not later than September 30, 2019, Guam and American Samoa shall each submit a plan to the Secretary outlining the steps each such territory shall take to collect and report reliable data to the Transformed Medicaid Statistical Information System (T–MSIS) (or a successor system).

(6) Application to Puerto Rico for fiscal years 2020 through 2021

(A) In general

Subject to subparagraph (B), the amount specified in this paragraph is—

(i) for fiscal year 2020, $2,023,188,000; and

(ii) for fiscal year 2021, $2,719,072,000.

(B) Additional increase for Puerto Rico

(i) In general

For each of fiscal years 2020 through 2021, the amount specified in this paragraph for the fiscal year shall be equal to the amount specified for such fiscal year under subparagraph (A) increased by $200,000,000 if the Secretary certifies that, with respect to such fiscal year, Puerto Rico’s State plan under subchapter XIX (or a waiver of such plan) establishes a reimbursement floor, implemented through a directed payment arrangement plan, for physician services that are covered under the Medicare part B fee schedule in the Puerto Rico locality established under section 1395w–4(b) of this title that is not less than 70 percent of the payment that would apply to such services if they were furnished under part B of subchapter XVIII during such fiscal year.

(ii) Application to managed care

In certifying whether Puerto Rico has established a reimbursement floor under a directed payment arrangement plan that satisfies the requirements of clause (i)—

(I) for fiscal year 2020, the Secretary shall apply such requirements to payments for physician services under a managed care contract entered into or renewed after December 20, 2019, and disregarded payments for physician services under any managed care contract that was entered into prior to such date; and

(II) for each of fiscal years 2020 through 2021—

(aa) the Secretary shall disregard payments made under sub-capitated arrangements for services such as primary care case management; and

(bb) if the reimbursement floor for physician services applicable under a managed care contract satisfies the requirements of clause (i) for the fiscal year in which the contract is entered into or renewed, such reimbursement floor shall be deemed to satisfy such requirements for the subsequent fiscal year.

(7) Puerto Rico program integrity requirements

(A) In general

(i) Program Integrity Lead

Not later than 6 months after December 20, 2019, the agency responsible for the administration of Puerto Rico’s Medicaid program under subchapter XIX shall designate an officer (other than the director of such agency) to serve as the Program Integrity Lead for such program.

(ii) PERM requirement

Not later than 18 months after December 20, 2019, Puerto Rico shall publish a plan, developed by Puerto Rico in coordination with the Administrator of the Centers for
Medicare & Medicaid Services and approved by the Administrator, for how Puerto Rico will develop measures to satisfy the payment error rate measurement (PERM) requirements under subpart Q of part 431 of title 42, Code of Federal Regulations (or any successor regulation).

(iii) Contracting reform

Not later than 12 months after December 20, 2019, Puerto Rico shall publish a contracting reform plan to combat fraudulent, wasteful, or abusive contracts under Puerto Rico’s Medicaid program under subchapter XIX that includes—

(I) metrics for evaluating the success of the plan; and

(II) a schedule for publicly releasing status reports on the plan.

(iv) MEQC

Not later than 18 months after December 20, 2019, Puerto Rico shall publish a plan, developed by Puerto Rico in coordination with the Administrator of the Centers for Medicare & Medicaid Services and approved by the Administrator, for how Puerto Rico will comply with the Medicaid eligibility quality control (MEQC) requirements of subpart P of part 431 of title 42, Code of Federal Regulations (or any successor regulation).

(B) FMAP reduction for failure to meet additional requirements

(i) In general

For each fiscal quarter during the period beginning on January 1, 2020, and ending on September 30, 2021:

(I) For every clause under subparagraph (A) with respect to which Puerto Rico does not fully satisfy the requirements described in the clause (including requirements imposed under the terms of a plan described in the clause) in the fiscal quarter, the Federal medical assistance percentage applicable to Puerto Rico under section 1396d(ff) of this title shall be reduced by the number of percentage points determined for the clause and fiscal quarter under subparagraph (II).

(II) The number of percentage points determined under this subclause with respect to a clause under subparagraph (A) and a fiscal quarter shall be the number of percentage points (not to exceed 2.5 percentage points) equal to—

(aa) 0.25 percentage points; multiplied by

(bb) the total number of consecutive fiscal quarters for which Puerto Rico has not fully satisfied the requirements described in such clause.

(ii) Exception for extenuating circumstances or reasonable progress

For purposes of clause (i), Puerto Rico shall be deemed to have fully satisfied the requirements of a clause under subparagraph (A) (including requirements imposed under the terms of a plan described in the clause) for a fiscal quarter if—

(I) the Secretary approves an application from Puerto Rico describing extenuating circumstances that prevented Puerto Rico from fully satisfying the requirements of the clause; or

(II) in the case of a requirement imposed under the terms of a plan described in a clause under subparagraph (A), Puerto Rico has made objectively reasonable progress towards satisfying such terms and has submitted a timely request for an exception to the imposition of a penalty to the Secretary.

(8) Program Integrity Lead requirement for the Virgin Islands, Guam, the Northern Mariana Islands, and American Samoa

(A) Program Integrity Lead requirement

Not later than October 1, 2020, the agency responsible for the administration of the Medicaid program under subchapter XIX of each territory specified in subparagraph (C) shall designate an officer (other than the director of such agency) to serve as the Program Integrity Lead for such program.

(B) FMAP reduction

For each fiscal quarter during fiscal year 2021, if the territory fails to satisfy the requirement of subparagraph (A) for the fiscal quarter, the Federal medical assistance percentage applicable to the territory under section 1396d(ff) of this title shall be reduced by the number of percentage points (not to exceed 5 percentage points) equal to—

(I) 0.25 percentage points; multiplied by

(ii) the total number of fiscal quarters during the fiscal year in which the territory failed to satisfy such requirement.

(C) Scope

This paragraph shall apply to the Virgin Islands, Guam, the Northern Mariana Islands, and American Samoa.

(9) Annual report

(A) In general

Not later than the date that is 30 days after the end of each fiscal year (beginning with fiscal year 2020 and ending with fiscal year 2021), in the case that a specified territory receives a Medicaid cap increase, or an increase in the Federal medical assistance percentage for such territory under section 1396d(ff) of this title, for such fiscal year, such territory shall submit to the Chair and Ranking Member of the Committee on Energy and Commerce of the House of Representatives and the Chair and Ranking Member of the Committee on Finance of the Senate a report, employing the most up-to-date information available, that describes how such territory has used such Medicaid cap increase, or such increase in the Federal medical assistance percentage, as applicable, to increase access to health care under the State Medicaid plan of such territory under subchapter XIX (or a waiver of such plan). Such report may include—

(I) the extent to which such territory has, with respect to such plan (or waiver)—
(I) increased payments to health care providers;
(II) increased covered benefits;
(III) expanded health care provider networks; or
(IV) improved in any other manner the carrying out of such plan (or waiver); and
(ii) any other information as determined necessary by such territory.

(B) Definitions

In this paragraph:

(i) Medicaid cap increase

The term “Medicaid cap increase” means, with respect to a specified territory and fiscal year, any increase in the amounts otherwise determined under this subsection for such territory for such fiscal year by reason of the amendments made by section 202 of division N of the Further Consolidated Appropriations Act, 2020.

(ii) Specified territory

The term “specified territory” means Puerto Rico, the Virgin Islands, Guam, the Northern Mariana Islands, and American Samoa.

Pub. L. 116–94, § 202(a)(1)(A), substituted “subject to section 18043(a)(2) of this title and paragraphs (3) and (5)” for “subject to and section 18043(a)(2) of this title paragraphs (3) and (5)” in introductory provisions.

Subsec. (g)(2)(A). Pub. L. 116–94, § 202(a)(1)(A), substituted “Puerto Rico shall not exceed—” for “Puerto Rico shall not exceed the sum of”, inserted “(i)” except as provided in clause (ii), the sum of “before the amount provided”, and added cl. (ii).

Subsec. (g)(2)(B). Pub. L. 116–94, § 202(a)(1)(C), substituted “the Virgin Islands shall not exceed—” for “the Virgin Islands shall not exceed the sum of”, inserted “(i)” except as provided in clause (ii), the sum of “before the amount provided”, and added cl. (ii).

Subsec. (g)(2)(C). Pub. L. 116–94, § 202(a)(1)(D), substituted “Guam shall not exceed—” for “Guam shall not exceed the sum of”, inserted “(i)” except as provided in clause (ii), the sum of “before the amount provided”, and added cl. (ii).

Subsec. (g)(2)(D). Pub. L. 116–94, § 202(a)(1)(E), substituted “the Northern Mariana Islands shall not exceed—” for “the Northern Mariana Islands shall not exceed the sum of”, inserted “(i)” except as provided in clause (ii), the sum of “before the amount provided”, and added cl. (ii).

Subsec. (g)(2)(E). Pub. L. 116–94, § 202(a)(1)(F), substituted “American Samoa shall not exceed—” for “American Samoa shall not exceed the sum of”, inserted “(i)” except as provided in clause (ii), the sum of “before the amount provided”, and added cl. (ii).


Subsec. (g)(3)(B). Pub. L. 116–20, § 802(a)(2), substituted “and (F)” for “and (E)”.

Subsec. (g)(5)(A). Pub. L. 116–20, § 802(a)(3), substituted “and (D)” for “and (C)”.

Subsec. (g)(5)(B). Pub. L. 116–20, § 802(a)(4), inserted “(i)” except as provided in clause (ii), the sum of “before the amount provided”, and added cl. (ii).

Subsec. (g)(5)(C). Pub. L. 116–20, § 802(a)(5), substituted “and (E)” for “and (D)”.

Subsec. (g)(5)(D). Pub. L. 116–20, § 802(a)(6), substituted “(G)” for “(E)”.


Subsec. (g)(6)(A). Pub. L. 116–20, § 802(a)(10), inserted “(i)” except as provided in clause (ii), the sum of “before the amount provided”, and added cl. (ii).


Subsec. (g)(7)(E). Pub. L. 116–20, § 802(a)(17), inserted “(i)” except as provided in clause (ii), the sum of “before the amount provided”, and added cl. (ii).


The amounts otherwise determined under section 1396d of this title for a calendar quarter (beginning on or after January 1, 2018) of such fiscal year, for ‘‘of such fiscal year for a calendar quarter of such fiscal year,’’ section (g)(3)(A), Pub. L. 115–123, §20301(a)(1), substituted ‘‘subparagraphs (B), (C), (D), and (E)’’ for ‘‘subparagraph (B)’’.

Subsec. (g)(5)(C) to (E). Pub. L. 115–123, §20301(a)(2), added subpars. (C) to (E).


Subsec. (g)(4). Pub. L. 115–31, §102(a)(1), inserted ‘‘and with respect to fiscal years beginning with fiscal year 2017, if Puerto Rico qualifies for a payment under section 1396u–5(e)(6) of this title for a calendar quarter (beginning on or after July 1, 2017) of such fiscal year’’ after ‘‘1396a(b)(3) of this title’’.

Subsec. (g)(5). Pub. L. 115–31, §102(a)(2), designated existing existing subsections and paragraphs as par. (2) and (3) respectively, redesignated former par. (3) as par. (4), and added par. (5).


2010—Subsec. (g)(2). Pub. L. 111–152, §1204(a)(1), inserted ‘‘and section 1394a(b)(2) of this title’’ after ‘‘subject to’’ in introductory provisions.

Subsec. (g)(5). Pub. L. 111–152, §1205(a)(1), substituted ‘‘paragraphs (3) and (5)’’ for ‘‘paragraph (3)’’ in introductory provisions.

Subsec. (g)(4). Pub. L. 111–148, §2005(b), which directed substitution of ‘‘–for–’’ for ‘‘to”’ and insertion of subpart. (A) designation before ‘‘fiscal years beginning’’ and ‘‘(B) fiscal years beginning with fiscal year 2014, pursuant to the provisions of law specified in subsection (a) of this section (as such provisions were in effect for fiscal year 1995) for fiscal year 1995; exceeds

‘‘(2) the total amount expended by the territory under all programs of the territory that are funded under the provisions of law specified in subsection (a) of this section for the fiscal year that immediately precedes the fiscal year referred to in the matter preceding paragraph (1)’’.

Subsec. (f). Pub. L. 105–33, §4726(1), substituted ‘‘Subject to subsection (g), the’’ for ‘‘The’’ in introductory provisions.


Subsecs. (a), (b), Pub. L. 104–193, §103(b)(3), added subsecs. (a) and (b) and struck out former subsec. (a) which limited total amount certified for family planning services for Puerto Rico, the Virgin Islands, Guam and American Samoa.

Subsec. (c). Pub. L. 104–193, §103(b)(3), added subsec. (c) which limited total amount certified for family planning services for Puerto Rico, the Virgin Islands, Guam and American Samoa.

Subsec. (d). Pub. L. 104–193, §103(b)(1), (3), added subsecs. (d) and (e) and struck out former subsec. (d) which limited total amount certified under subchapters I, X, XIV, and XVI of this chapter.


1993—Subsec. (c)(1) to (5). Pub. L. 103–66 amended pars. (1) to (5) generally. Prior to amendment, par. (4) read as follows:

‘‘(1) Puerto Rico shall not exceed (A) $73,600,000 for fiscal year 1986, (B) $76,200,000 for fiscal year 1989, and (C) $79,000,000 for fiscal year 1990 (each succeeding fiscal year);’’
“(2) the Virgin Islands shall not exceed (A) $2,430,000 for fiscal year 1988, (B) $3,155,000 for fiscal year 1989, and (C) $3,600,000 for fiscal year 1990 (and each succeeding fiscal year);”

“(3) Guam shall not exceed (A) $2,320,000 for fiscal year 1988, (B) $2,410,000 for fiscal year 1989, and (C) $2,500,000 for fiscal year 1990 (and each succeeding fiscal year);”

“(4) the Northern Mariana Islands shall not exceed (A) $636,000 for fiscal year 1988, (B) $693,350 for fiscal year 1989, and (C) $750,000 for fiscal year 1990 (and each succeeding fiscal year);”

“(5) American Samoa shall not exceed (A) $1,330,000 for fiscal year 1988, (B) $1,390,000 for fiscal year 1989, and (C) $1,450,000 for fiscal year 1990 (and each succeeding fiscal year).”


Subsec. (a). Pub. L. 100–485, § 202(c)(2), inserted “or, in the case of part A of subchapter IV of this chapter, section 603(k) of this title” before “appplies” in introductory provisions.

Subsec. (a)(1)(F), (G), Pub. L. 100–485, § 602(a)(1), added subpars. (F) and (G) and struck out former subpar. (F) which read as follows: “$72,000,000 with respect to the fiscal year 1979 and each fiscal year thereafter.”

Subsec. (a)(2)(F), (G), Pub. L. 100–485, § 602(a)(2), added subpars. (F) and (G) and struck out former subpar. (F) which read as follows: “$4,400,000 with respect to the fiscal year 1979 and each fiscal year thereafter.”

Subsec. (a)(3)(F), (G), Pub. L. 100–485, § 602(a)(3), added subpars. (F) and (G) and struck out former subpar. (F) which read as follows: “$3,300,000 with respect to the fiscal year 1979 and each fiscal year thereafter.”

Subsec. (b), Pub. L. 100–485, § 202(c)(3), struck out “and services provided under section 602a(a)(19) of this title” after “family planning services” in introductory provisions.

Subsecs. (d), (e), Pub. L. 100–485, § 601(b), added subsec. (d) and redesignated former subsec. (d) as (e).

1987—Subsec. (c). Pub. L. 100–203 amended subsec. (c) generally. Prior to amendment, subsec. (c) read as follows: “The total amount certified by the Secretary under subsection XIX of this chapter with respect to a fiscal year for payment to—

(1) Puerto Rico shall not exceed $65,400,000;

(2) the Virgin Islands shall not exceed $2,100,000;

(3) Guam shall not exceed $2,000,000;

(4) the Northern Mariana Islands shall not exceed $550,000; and

(5) American Samoa shall not exceed $1,150,000.”

1984—Subsec. (c). Pub. L. 98–389 substituted “$63,400,000” for “$45,000,000” in par. (1), “$2,100,000” for “$650,000”, “$2,000,000” for “$1,400,000”, “$30,000,000” for “$20,000,000”, “$1,500,000” for “$1,000,000”, and “$1,150,000” for “$750,000.”

1982—Subsec. (a). Pub. L. 97–248, § 169(a), inserted proviso following par. (3)(F) that each jurisdiction specified in this subsection may use in its program under subchapter XX of this chapter any sums available to it under this subsection which are not needed to carry out the programs specified in this subsection.


1981—Subsec. (a). Pub. L. 97–35, § 2353(f), substituted in provision preceding par. (1) “The total amount certified by the Secretary of Health, Education, and Welfare” for “Except as provided in section 1397a(a)(2)(C) of this title, the total amount certified by the Secretary of Health, Education, and Welfare”. Pub. L. 97–35, § 2362(b)(1), in par. (1) increased the amount from not to exceed $2,000,000 to not to exceed $45,000,000, in par. (2) increased the amount from not to exceed $65,000 to not to exceed $1,500,000, in par. (3) increased the amount from not to exceed $300,000 to not to exceed $1,400,000, and added par. (4).

Subsec. (d). Pub. L. 97–35, § 2190(c)(1), substituted “section 621 of this title” for “sections 702(a) and 712(a) of this title, and the provisions of sections 701, 706(a), and 704(1) of this title as amended by the Social Security Amendments of 1967”.
Pub. L. 87–31 increased the grant to Puerto Rico for fiscal year ending June 30, 1961, from $9,000,000 to $9,075,000 and for fiscal year ending June 30, 1962, to $9,125,000; the grants to Virgin Islands and Guam from $315,000 and $220,000 to $318,750 and $245,000, respectively; and payments under section 303(a)(2)(B) of this title to Puerto Rico, Virgin Islands and Guam from $315,000 and $220,000 to $318,750 and $245,000, respectively. See also Limitation on Payments note below.

1960—Pub. L. 86–778 substituted "$9,000,000", of which $500,000 may be used only for payments certified with respect to section 303(a)(2)(B) of this title for "$8,500,000", "$315,000, of which $15,000 may be used only for payments certified in respect to section 303(a)(2)(B) of this title" for "$300,000", "$420,000, of which $20,000 may be used only for payments certified in respect to section 303(a)(2)(B) of this title" for "$400,000", and "subchapters I (other than section 303(a)(3) thereof) for "subchapters I"

1958—Pub. L. 85–840, §§507, 508, amended section. Section 507(a) substituted "$8,500,000" for "$5,312,500" and "$300,000" for "$200,000", and limited the total amount certifiable to child health assistance and medical assistance provided on or after that date, with certain exceptions, to sections 3 of Pub. L. 85–840, §§113, 115, set out as a note under section 622 of this title.

Effective Date of 2009 Amendment


For effective date, savings, and transitional provisions relating to amendment by section 2193(c)(1) of Pub. L. 97–248, see section 2194 of Pub. L. 97–248, set out as a note under section 701 of this title.


Effective Date of 1975 Amendment

Amendment by Pub. L. 93–647 effective with respect to payments under sections 603 and 603 of this title for quarters commencing after Sept. 30, 1975, see section 7(b) of Pub. L. 93–647, set out as a note under section 603 of this title.

Effective Date of 1972 Amendment

Amendment by Pub. L. 92–603 effective Oct. 1, 1972, see section 272(c) of Pub. L. 92–603, set out as a note under section 1301 of this title.

Effective Date of 1968 Amendment


Pub. L. 89–97, title IV, §408(b), July 30, 1965, 79 Stat. 422, provided that: "The amendments made by subsection (a) [amending this section] shall be effective in the case of Puerto Rico, the Virgin Islands, or Guam with respect to fiscal years beginning on or after the date on which its plan under title XIX of the Social Security Act [42 U.S.C. 1396 et seq.] is approved."
of and amount of the aid or assistance for any individual under a State plan approved under subchapter I, X, XIV, XVI, or XIX, shall not be taken into consideration in determining the eligibility of and amount of aid or assistance for any other individual under a State plan approved under any other of such subchapters.


AMENDMENTS

1996—Pub. L. 104–193 struck out “or part A of subchapter IV,” after “subchapter I, X, XIV, XVI, or XIX.”

1968—Pub. L. 90–248 struck out “IV,” after “X,” and inserted “, or part A of subchapter IV,” after “XIX.”

1965—Pub. L. 89–97 substituted requirement that amounts disregarded be not taken into account in determining eligibility of other individuals, for former provisions which had provided that: “Notwithstanding the provisions of sections 302(a)(10)(A), 602(a)(7), 1202(a)(8), 1322(a)(8), and 1382(a)(14) of this title, a State plan approved under subchapter I, IV, X, XIV, or XVI of this chapter may until June 30, 1964, and thereafter shall provide that where earned income has been disregarded in determining the need of an individual receiving aid to the blind under a State plan approved under subchapter X of this chapter, the earned income so disregarded (but not in excess of the amount specified in section 1292(a)(6) of this title) shall not be taken into consideration in determining the need of any other individual for assistance under a State plan approved under subchapter X of this chapter.”

1962—Pub. L. 87–543 substituted reference to section 302(a)(10)(A) for 302(a)(7) and inserted references to section 1382(a)(14) and subchapter XVI.

EFFECTIVE DATE OF 1996 AMENDMENT

Amendment by Pub. L. 104–193 effective July 1, 1997, with transition rules relating to State options to accelerate such date, rules relating to claims, actions, and proceedings commenced before such date, rules relating to closing out of accounts for terminated or substantially modified programs and continuation in office of Assistant Secretary for Family Support, and provisions relating to termination of entitlement under AFDC program, see section 116 of Pub. L. 104–193, as amended, set out as an Effective Date note under section 601 of this title.

§1310. Cooperative research or demonstration projects

(a) In general

(1) There are hereby authorized to be appropriated for the fiscal year ending June 30, 1957, $5,000,000 and for each fiscal year thereafter such sums as the Congress may determine for (A) making grants to States and public and other organizations and agencies for paying part of the cost of research or demonstration projects such as those relating to the prevention and reduction of dependency, or which will aid in effecting coordination of planning between private and public welfare agencies or which will help improve the administration and effectiveness of programs carried on or assisted under this chap-

1So in original. The comma probably should not appear.
ter and programs related thereto, and (B) mak-
ing contracts or jointly financed cooperative ar-
rangements with States and public and other or-
ganizations and agencies for the conduct of re-
search or demonstration projects relating to such
matters.

(2) No contract or jointly financed cooperative
arrangement shall be entered into, and no grant
shall be made, under paragraph (1), until the
Secretary (or the Commissioner, with respect to
any jointly financed cooperative agreement or
grant concerning subchapters II or XVI) obtains
the advice and recommendations of specialists
who are competent to evaluate the proposed
projects as to soundness of their design, the pos-
sibilities of securing productive results, the ade-
quacy of resources to conduct the proposed re-
search or demonstrations, and their relationship
to other similar research or demonstrations al-
ready completed or in process.

(3) Grants and payments under contracts or
cooperative arrangements under paragraph (1)
may be made either in advance or by way of re-
imbursement, as may be determined by the Sec-
retary (or the Commissioner, with respect to
any jointly financed cooperative agreement or
grant concerning subchapter II or XVI); and
shall be made in such installments and on such
conditions as the Secretary (or the Commiss-
ioner, as applicable) finds necessary to carry
out the purposes of this subsection.

(b) Limitations and costs

(1) The Commissioner is authorized to waive
any of the requirements, conditions, or limita-
tions of subchapter XVI (or to waive them only
for specified purposes, or to impose additional
requirements, conditions, or limitations) to
such extent and for such period as the Commiss-
ioner finds necessary to carry out one or more
experimental, pilot, or demonstration projects
which, in the Commissioner's judgment, are
likely to assist in promoting the objectives or
facilitate the administration of such subchapter.

Any costs for benefits under or administration
of any such project (including planning for the
project and the review and evaluation of the
project and its results), in excess of those that
would have been incurred without regard to the
project, shall be met by the Commissioner from
amounts available to the Commissioner for this
purpose from appropriations made to carry out
such subchapter. The costs of any such project
which is carried out in coordination with one or
more related projects under other subchapters of
this chapter shall be allocated among the appro-
piations available for such projects and any
Trust Funds involved, in a manner determined
by the Commissioner with respect to the old-
age, survivors, and disability insurance pro-
grams under subchapter II and the supplemental
security income program under subchapter XVI,
and by the Secretary with respect to other sub-
chapters of this chapter, taking into consider-
ation the programs (or types of benefit) to which
the project (or part of a project) is most closely
related or which the project (or part of a pro-
ject) is intended to benefit. If, in order to
carry out a project under this subsection, the
Commissioner requests a State to make supple-
mentary payments (or the Commissioner makes
them pursuant to an agreement under section
1322e of this title) to individuals who are not eli-
gible therefor, or in amounts or under circum-
stances in which the State does not make such
payments, the Commissioner shall reimburse
such State for the non-Federal share of such
payments from amounts appropriated to carry
out subchapter XVI. If, in order to carry out a
project under this subsection, the Secretary re-
quests a State to provide medical assistance
under its plan approved under subchapter XIX to
individuals who are not eligible therefor, or in
amounts or under circumstances in which the
State does not provide such medical assistance,
the Secretary shall reimburse such State for the
non-Federal share of such assistance from
amounts appropriated to carry out subchapter
XVI, which shall be provided by the Commiss-
ioner to the Secretary for this purpose.

(2) With respect to the participation of recipi-
ents of supplemental security income benefits in
experimental, pilot, or demonstration projects
under this subsection—

(A) the Commissioner is not authorized to
carry out any project that would result in a
substantial reduction in any individual's total
income and resources as a result of his or her
participation in the project;

(B) the Commissioner may not require any
individual to participate in a project; and the
Commissioner shall assure (i) that the vol-
untary participation of individuals in any
project is obtained through informed written
consent which satisfies the requirements for
informed consent established by the Commiss-
ioner for use in any experimental, pilot, or
demonstration project in which human sub-
jects are at risk, and (ii) that any individual's
voluntary agreement to participate in any
project may be revoked by such individual at
any time;

(C) the Commissioner shall, to the extent
feasible and appropriate, include recipients
who are under age 18 as well as adult recipi-
ents; and

(D) the Commissioner shall include in the
projects carried out under this section such
experimental, pilot, or demonstration projects
as may be necessary to ascertain the feasibil-
ity of treating alcoholics and drug addicts to
prevent the onset of irreversible medical con-
ditions which may result in permanent dis-
ability, including programs in residential care
treatment centers.

(c) Survey of use of payments

(1) In addition to the amount otherwise appro-
piated in any other law to carry out subsection
(a) for fiscal year 2004, up to $8,500,000 is author-
ized and appropriated and shall be used by the
Commissioner of Social Security under this
section for purposes of conducting a statis-
tically valid survey to determine how payments
made to individuals, organizations, and State or
local government agencies that are representa-
tive payees for benefits paid under subchapter II
or XVI are being managed and used on behalf of
the beneficiaries for whom such benefits are paid.

(2) Not later than 18 months after March 2,
2004, the Commissioner of Social Security shall
submit a report on the survey conducted in accordance with paragraph (1) to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate.


AMENDMENTS


1997—Subsec. (a)(3). Pub. L. 105–33 inserted “(or the Commissioner, with respect to any jointly financed cooperative agreement or grant concerning subchapter XVI)” after “Secretary” the first place appearing and “(or the Commissioner, as applicable)” after “Secretary” the second place appearing.

1994—Subsec. (a)(2). Pub. L. 103–296, §108(b)(7)(B), inserted, after the Commissioner, with respect to any jointly financed cooperative agreement or grant concerning subchapter II or XVI” after “Secretary”.

Subsec. (b)(1). Pub. L. 103–296, §108(b)(7)(A), (C), in first sentence substituted “The Commissioner” for “the Commissioner”, “as the Commissioner” for “as he”, and “in the Commissioner’s judgment” for “in his judgment”, in second sentence substituted “by the Commissioner” for “by the Secretary” and “available to the Commissioner” for “available to him”, in third sentence substituted “determined by the Commissioner with respect to the old-age, survivors, and disability insurance programs under subchapter II and the supplemental social security income program under subchapter XVI and by the Secretary with respect to other subchapters of this chapter” for “determined by the Secretary”, and substituted fourth and fifth sentences for former fourth sentence which read as follows: “If, in order to carry out a project under this subsection, the Secretary requests a State to make supplementary payments (or makes them himself pursuant to an agreement under section 1382e of this title), or to provide medical assistance under its plan approved under subchapter XIX, to individuals who are not eligible therefor or in amounts or under circumstances in which the State does not make such payments or provide such medical assistance, the Secretary shall reimburse such State for the non-Federal share of such payments or assistance from amounts appropriated to carry out subchapter XVI.”

Subsec. (b)(2). Pub. L. 103–296, §108(b)(7)(A), (D), substituted “the Commissioner” for “the Secretary” wherever appearing and “the Commissioner shall” for “he shall” in subpar. (B).

Subsec. (b)(3). Pub. L. 103–296, §108(b)(7)(E), struck out par. (3) which read as follows: “All reports of the Secretary with respect to projects carried out under this subsection shall be incorporated into the Secretary’s annual report to the Congress required by section 904 of this title.”


1980—Pub. L. 96–265 redesignated provisions of subsec. (a) and cls. (1) and (2) thereof as subsec. (a)(1) and cls. (A) and (B) thereof, respectively, redesignated provisos of subsecs. (b) and (c) as subsec. (a)(2) and (3), respectively, added subsec. (b), and made conforming amendments to subsec. (a)(2) and (3) as redesignated.


ASSISTANCE TO ELIGIBLE ENTITIES

This subsection shall be incorporated into the Secretary’s annual report to the Congress required by section 904 of this title.

Pub. L. 106-170, title III, §301(b)(2), Dec. 17, 1999, 113 Stat. 1902, provided that: "With respect to any experiment or demonstration project being conducted under section 505(a) of the Social Security Disability Amendments of 1980 [Pub. L. 96-265, formerly set out above] (42 U.S.C. 1310 note) as of the date of the enactment of this Act [Dec. 17, 1999], the authority to conduct such experiment or demonstration project (including the terms and conditions applicable to the experiment or demonstration project) shall be treated as if that authority (and such terms and conditions) had been established under section 224 of the Social Security Act [42 U.S.C. 434], as added by subsection (a)."

§1311. Public assistance payments to legal representatives

For purposes of subchapters I, X, XIV, and XVI, and part A of subchapter IV, payments on behalf of an individual, made to another person who has been judicially appointed, under the law of the State in which such individual resides, as legal representative of such individual for the purpose of receiving and managing such payments (whether or not he is such individual's legal representative for other purposes), shall be regarded as money payments to such individual.


AMENDMENTS

1965—Pub. L. 89-79 struck out "for the aged" after "medical assistance".

§1313. Assistance for United States citizens returned from foreign countries

(a) Authorization; reimbursement; utilization of facilities of public or private agencies and organizations

(1) The Secretary is authorized to provide temporary assistance to citizens of the United States and to dependents of citizens of the United States, if they (A) are identified by the Department of State as having returned, or been brought, from a foreign country to the United States because of the destitution of the citizen of the United States or the illness of such citizen or any of his dependents or because of war, threat of war, invasion, or similar crisis, and (B) are without available resources.

(2) Except in such cases or classes of cases as are set forth in regulations of the Secretary, provision shall be made for reimbursement to the United States by the recipient of the temporary assistance to cover the cost thereof.

(3) The Secretary may provide assistance under paragraph (1) directly or through utilization of the services and facilities of appropriate public or private agencies and organizations, in accordance with agreements providing for payment, in advance or by way of reimbursement, as may be determined by the Secretary, of the cost thereof. Such cost shall be determined by such statistical, sampling, or other method as may be provided in the agreement.

(b) Plans and arrangements for assistance; consultations

The Secretary is authorized to develop plans and make arrangements for provision of temporary assistance within the United States to individuals specified in subsection (a)(1). Such plans shall be developed and such arrangements shall be made after consultation with the Secretary of State, the Attorney General, and the Secretary of Defense. To the extent feasible, assistance provided under subsection (a) shall be provided in accordance with the plans developed pursuant to this subsection, as modified from time to time by the Secretary.
(c) “Temporary assistance” defined

For purposes of this section, the term “temporary assistance” means money payments, medical care, temporary billeting, transportation, and other goods and services necessary for the health or welfare of individuals (including guidance, counseling, and other welfare services) furnished to them within the United States upon their arrival in the United States and for such period after their arrival, not exceeding ninety days, as may be provided in regulations of the Secretary; except that assistance under this section may be furnished beyond such ninety-day period in the case of any citizen or dependent upon a finding by the Secretary that the circumstances involved necessitate or justify the furnishing of assistance beyond such period in that particular case.

(d) Maximum total amount of temporary assistance

The total amount of temporary assistance provided under this section shall not exceed $1,000,000 during any fiscal year beginning after September 30, 1961, except that, in the case of fiscal years 2017 and 2018, the total amount of such assistance provided during such fiscal year shall not exceed $25,000,000.

(e) Authority of Secretary to accept gifts

(1) The Secretary may accept on behalf of the United States gifts, in cash or in kind, for use in carrying out the program established under this section. Gifts in the form of cash shall be credited to the appropriation account from which this program is funded, in addition to amounts otherwise appropriated, and shall remain available until expended.

(2) Gifts accepted under paragraph (1) shall be available for obligation or use by the United States only to the extent and in the amounts provided in appropriation Acts.


AMENDMENTS

2017—Subsec. (d). Pub. L. 115–57 substituted “fiscal years 2017 and 2018” for “fiscal year 2010” and “each such fiscal year” for “that fiscal year”.

2010—Subsec. (d). Pub. L. 111–127, which directed substitution of “September 30, 2009, except that, in the case of fiscal year 2010, the total amount of such assistance provided during such fiscal year shall not exceed $25,000,000.” for “September 30, 2003” and all that follows through the end of subsec. (d), was executed by making the substitution for “September 30, 2003” except that, in the case of fiscal year 2006, the total amount of such assistance provided during that fiscal year shall not exceed $6,000,000.”, which did not contain a comma after “September”, to reflect the probable intent of Congress.

2006—Subsec. (d). Pub. L. 109–250 inserted “, except that, in the case of fiscal year 2006, the total amount of such assistance provided during that fiscal year shall not exceed $6,000,000” after “2003”.


Pub. L. 101–382 amended subsec. (d) generally. Prior to amendment, subsec. (d) read as follows: “The total amount of temporary assistance provided under this section shall not exceed—

“(1) $8,000,000 during the fiscal years ending June 30, 1975, and June 30, 1976, and the succeeding calendar quarter, or

“(2) $300,000 during any fiscal year beginning on or after October 1, 1976.”


1975—Subsec. (c). Pub. L. 94–94, §2, set a 90-day limit for assistance following arrival in the United States with provision for furnishing of assistance beyond the 90-day limit upon a finding by the Secretary that the circumstances involved necessitate or justify the furnishing of assistance in that particular case.


Effective Date of 1990 Amendment


§1314. Public advisory groups

(a) Advisory Council on Public Welfare; appointment and functions of initial Council

The Secretary shall, during 1964, appoint an Advisory Council on Public Welfare for the purpose of reviewing the administration of the public assistance and child welfare services programs for which funds are appropriated pursuant to this chapter and making recommendations for improvement of such administration, and reviewing the status of and making recommendations with respect to the public assistance programs for which funds are so appropriated, especially in relation to the old-age, survivors, and disability insurance program, with respect to the fiscal capacities of the States and the Federal Government, and with respect to any other matters bearing on the amount and proportion of the Federal and State shares in the public assistance and child welfare services programs.

(b) Membership and representation of interests on initial Council

The Council shall be appointed by the Secretary without regard to the provisions of title
5 governing appointments in the competitive service and shall consist of twelve persons who shall, to the extent possible, be representatives of employers and employees in equal numbers, representatives of State or Federal agencies concerned with the administration or financing of the public assistance and child welfare services, representatives of nonprofit private organizations concerned with social welfare programs, other persons with special knowledge, experience, or qualifications with respect to such programs, and members of the public.

(c) Technical and other assistance for initial Council; availability of data

The Council is authorized to engage such technical assistance as may be required to carry out its functions, and the Secretary shall, in addition, make available to the Council such secretarial, clerical, and other assistance and such pertinent data prepared by the Department of Health and Human Services as it may require to carry out such functions.

(d) Termination of initial Council’s existence on submission of report

The Council shall make a report of its findings and recommendations (including recommendations for changes in the provisions of this chapter) to the Secretary, such report to be submitted not later than July 1, 1966, after which date such Council shall cease to exist.

(e) Succeeding Councils; appointment; functions; membership; representation of interests; assistance and data; termination

The Secretary shall also from time to time thereafter appoint an Advisory Council on Public Welfare, with the same functions and constituted in the same manner as prescribed for the Advisory Council in the preceding subsections of this section. Each Council so appointed shall report its findings and recommendations, as prescribed in subsection (d), not later than July 1 of the second year after the year in which it is appointed, after which date such Council shall cease to exist.

(f) Advisory committees; functions; reports by Secretary

The Secretary may also appoint, without regard to the provisions of title 5 governing appointments in the competitive service, such advisory committees as he may deem advisable to advise and consult with him in carrying out any of his functions under this chapter. The Secretary shall report to the Congress annually on the number of such committees and on the membership and activities of each such committee.

(g) Compensation and travel expenses

Members of the Council or of any advisory committee appointed under this section who are not regular full-time employees of the United States shall, while serving on business of the Council or any such committee, be entitled to receive compensation at rates fixed by the Secretary, but not exceeding $75 per day, including travel time; and while so serving away from their homes or regular places of business, they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5 for persons in Government service employed intermittently.

(h) Exemption from conflict of interest laws of members of Council or advisory committees; exceptions

(1) Any member of the Council or any advisory committee appointed under this chapter, who is not a regular full-time employee of the United States, is hereby exempted, with respect to such appointment, from the operation of sections 203, 205, and 209 of title 18, except as otherwise specified in paragraph (2) of this subsection.

(2) The exemption granted by paragraph (1) shall not extend—

(A) to the receipt or payment of salary in connection with the appointee’s Government service from any source other than the employer of the appointee at the time of his appointment, or

(B) during the period of such appointment, to the prosecution or participation in the prosecution, by any person so appointed, of any claim against the Government involving any matter with which such person, during such period, is or was directly connected by reason of such appointment.


AMENDMENTS


Subsec. (g). Pub. L. 98–369, §2663(e)(4)(A), made technical correction of typographical error resulting in no change in text.


1968—Subsecs. (b), (f). Pub. L. 90–248, §403(e)(1), (2), substituted “provisions of title 5, governing appointments in the competitive service” for “‘civil-service laws’”.


EFFECTIVE DATE OF 2003 AMENDMENT

Pub. L. 108–173, title IX, §948(e), Dec. 8, 2003, 117 Stat. 2426, provided that: “Except as otherwise provided, the amendments made by this section (amending this section and sections 1320c–3, 1395w–22, 1395y, and 1395ff of this title) shall be effective as if included in the enactment of BIPA [the Medicare, Medicaid, and SCHIP Benefits Improvement and Protection Act of 2000], as enacted by section 1(a)(6) of Public Law 106–554.”

EFFECTIVE DATE OF 2000 AMENDMENT

Pub. L. 106–554, §1(a)(6) [title V, §522(d)], Dec. 21, 2000, 114 Stat. 2763, 2763A–547, provided that: “The amendments made by this section [amending this section and
§ 1314a Measurement and reporting of welfare receipt

(a) Congressional policy

The Congress hereby declares that—

(1) it is the policy and responsibility of the Federal Government to reduce the rate at which and the degree to which families depend on income from welfare programs and the duration of welfare receipt, consistent with other essential national goals;

(2) it is the policy of the United States to strengthen families, to ensure that children grow up in families that are economically self-sufficient and that the life prospects of children are improved, and to underscore the responsibility of parents to support their children;

(3) the Federal Government should help welfare recipients as well as individuals at risk of welfare receipt to improve their education and job skills, to obtain child care and other necessary support services, and to take such other steps as may be necessary to assist them to become financially independent; and

(4) it is the purpose of this section to provide the public with generally accepted measures of welfare receipt so that it can track such receipt over time and determine whether progress is being made in reducing the rate at which and, to the extent feasible, the degree to which, families depend on income from welfare programs and the duration of welfare receipt.

(b) Development of welfare indicators and predictors

The Secretary of Health and Human Services (in this section referred to as the “Secretary”) in consultation with the Secretary of Agriculture shall—

(1) develop—

(A) indicators of the rate at which and, to the extent feasible, the degree to which, families depend on income from welfare programs and the duration of welfare receipt; and

(B) predictors of welfare receipt;

(2) assess the data needed to report annually on the indicators and predictors, including the ability of existing data collection efforts to provide such data and any additional data collection needs; and

(3) not later than 2 years after October 31, 1994, provide an interim report containing conclusions resulting from the development and assessment described in paragraphs (1) and (2), to the President and:

(A) the Committee on Ways and Means of the House of Representatives;

(B) the Committee on Education and Labor of the House of Representatives;

(C) the Committee on Agriculture of the House of Representatives;

(D) the Committee on Commerce of the House of Representatives;

(E) the Committee on Finance of the Senate;

(F) the Committee on Labor and Human Resources of the Senate; and

(G) the Committee on Agriculture, Nutrition, and Forestry of the Senate.

c) Advisory Board on Welfare Indicators

(1) Establishment

There is established an Advisory Board on Welfare Indicators (in this subsection referred to as the “Board”).

(2) Composition

The Board shall be composed of 12 members with equal numbers to be appointed by the House of Representatives, the Senate, and the President. The Board shall be composed of experts in the fields of welfare research and welfare statistical methodology, representatives of State and local welfare agencies, and organizations concerned with welfare issues.

(3) Vacancies

Any vacancy occurring in the membership of the Board shall be filled in the same manner as the original appointment for the position being vacated. The vacancy shall not affect the power of the remaining members to execute the duties of the Board.

(4) Duties

Duties of the Board shall include—

(A) providing advice and recommendations to the Secretary on the development of indicators of the rate at which and, to the extent feasible, the degree to which, families depend on income from welfare programs and the duration of welfare receipt; and

(B) providing advice on the development and presentation of annual reports required under subsection (d).

(5) Travel expenses

Members of the Board shall not be compensated, but shall receive travel expenses, in-
including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5 for each day the member is engaged in the performance of duties away from the home or regular place of business of the member.

(6) Detail of Federal employees

The Secretary shall detail, without reimbursement, any of the personnel of the Department of Health and Human Services to the Board to assist the Board in carrying out its duties. Any detail shall not interrupt or otherwise affect the civil service status or privileges of the Federal employee.

(7) Voluntary service

Notwithstanding section 1342 of title 31, the Board may accept the voluntary services provided by a member of the Board.

(8) Termination of Board

The Board shall be terminated at such time as the Secretary determines the duties described in paragraph (4) have been completed, but in any case prior to the submission of the first report required under subsection (d).

(d) Annual welfare indicators report

(1) Preparation

The Secretary shall prepare annual reports on welfare receipt in the United States.

(2) Coverage

The report shall include analysis of families and individuals receiving assistance under means-tested benefit programs, including the program of aid to families with dependent children under part A of subchapter IV of this chapter, the supplemental nutrition assistance program under the Food and Nutrition Act of 2008 (7 U.S.C. 2011 et seq.), and the Supplemental Security Income program under subchapter XVI of this chapter, or as general assistance under programs administered by State and local governments.

(3) Contents

Each report shall set forth for each of the means-tested benefit programs described in paragraph (2)—

(A) indicators of—

(i) the rate at which and, to the extent feasible, the degree to which, families depend on income from welfare programs, and

(ii) the duration of welfare receipt;

(B) trends in indicators;

(C) predictors of welfare receipt;

(D) the causes of welfare receipt;

(E) patterns of multiple program receipt;

(F) such other information as the Secretary deems relevant; and

(G) such recommendations for legislation, which shall not include proposals to reduce eligibility levels or impose barriers to program access, as the Secretary may determine to be necessary or desirable to reduce—

(i) the rate at which and the degree to which families depend on income from welfare programs, and

(ii) the duration of welfare receipt.

(4) Submission

The Secretary shall submit such a report not later than 3 years after October 31, 1994, and annually thereafter, to the committees specified in subsection (b)(3). Each such report shall be transmitted during the first 60 days of each regular session of Congress.

(e) Short title

This section may be cited as the “Welfare Indicators Act of 1994”.


References in Text


Section was enacted as part of the Social Security Act Amendments of 1994, and not as part of the Social Security Act which comprises this chapter.

Amendments


Change of Name

Committee on Commerce of House of Representatives changed to Committee on Energy and Commerce of House of Representatives, and jurisdiction over matters relating to securities and exchanges and insurance generally transferred to Committee on Financial Services relating to securities and exchanges and insurance generally transferred to Committee on Energy and Commerce of House of Representatives by House Resolution No. 5, One Hundred Seventh Congress, Jan. 3, 2001.

Committee on Labor and Human Resources of Senate changed to Committee on Health, Education, Labor, and Pensions of Senate by Senate Resolution No. 20, One Hundred Sixth Congress, Jan. 19, 1999.

Effective Date of 2008 Amendment

and Youth in the United States (in this section referred to as the “Committee”).

(b) Authority
Not later than 2 years after September 29, 2014, the Secretary shall establish and appoint all members of the Committee.

(c) Membership

(1) Composition
The Committee shall be composed of not more than 21 members whose diverse experience and background enable them to provide balanced points of view with regard to carrying out the duties of the Committee.

(2) Selection
The Secretary, in consultation with the Attorney General and National Governors Association, shall appoint the members to the Committee. At least 1 Committee member shall be a former sex trafficking victim. 2 Committee members shall be a Governor of a State, 1 of whom shall be a member of the Democratic Party and 1 of whom shall be a member of the Republican Party.

(3) Period of appointment; vacancies
Members shall be appointed for the life of the Committee. A vacancy in the Committee shall be filled in the manner in which the original appointment was made and shall not affect the powers or duties of the Committee.

(4) Compensation
Committee members shall serve without compensation or per diem in lieu of subsistence.

d) Duties

(1) National response
The Committee shall advise the Secretary and the Attorney General on practical and general policies concerning improvements to the Nation’s response to the sex trafficking of children and youth in the United States.

(2) Policies for cooperation
The Committee shall advise the Secretary and the Attorney General on practical and general policies concerning the cooperation of Federal, State, local, and tribal governments, child welfare agencies, social service providers, physical health and mental health providers, victim service providers, State or local courts with responsibility for conducting or supervising proceedings relating to child welfare or social services for children and their families, Federal, State, and local police, juvenile detention centers, and runaway and homeless youth programs, schools, the gaming and entertainment industry, and businesses and organizations that provide services to youth, on responding to sex trafficking, including the development and implementation of

(A) successful interventions with children and youth who are exposed to conditions that make them vulnerable to, or victims of, sex trafficking; and

(B) recommendations for administrative or legislative changes necessary to use programs, properties, or other resources owned, operated, or funded by the Federal Govern-

ment to provide safe housing for children and youth who are sex trafficking victims and provide support to entities that provide housing or other assistance to the victims.

(3) Best practices and recommendations for States

(A) In general
Within 2 years after the establishment of the Committee, the Committee shall develop 2 tiers (referred to in this subparagraph as “Tier I” and “Tier II”) of recommended best practices for States to follow in combating the sex trafficking of children and youth. Tier I shall provide States that have not yet substantively addressed the sex trafficking of children and youth with examples of policies that are already being used effectively by other States to address sex trafficking.

(B) Development
The best practices shall be based on multidisciplinary research and promising, evidence-based models and programs as reflected in State efforts to meet the requirements of sections 101 and 102 of the Preventing Sex Trafficking and Strengthening Families Act.

(C) Content
The best practices shall be user-friendly, incorporate the most up-to-date technology, and include the following:

(i) Sample training materials, protocols, and screening tools that, to the extent possible, accommodate for regional differences among the States, to prepare individuals who administer social services to identify and serve children and youth who are sex trafficking victims or at-risk of sex trafficking.

(ii) Multidisciplinary strategies to identify victims, manage cases, and improve services for all children and youth who are at risk of sex trafficking, or are sex trafficking victims, in the United States.

(iii) Sample protocols and recommendations based on current States’ efforts, accounting for regional differences between States that provide for effective, cross-system collaboration between Federal, State, local, and tribal governments, child welfare agencies, social service providers, physical health and mental health providers, victim service providers, State or local courts with responsibility for conducting or supervising proceedings relating to child welfare or social services for children and their families, the gaming and entertainment industry, Federal, State, and local police, juvenile detention centers and runaway and homeless youth programs, housing resources that are appropriate for housing child and youth victims of trafficking, schools, and businesses and organizations that provide services to children and youth. These protocols and recommendations should include strate-
gies to identify victims and collect, document, and share data across systems and agencies, and should be designed to help agencies better understand the type of sex trafficking involved, the scope of the problem, the needs of the population to be served, ways to address the demand for trafficked children and youth and increase prosecutions of traffickers and purchasers of children and youth, and the degree of victim interaction with multiple systems.

(iv) Developing the criteria and guidelines necessary for establishing safe residential placements for foster children who have been sex trafficked as well as victims of trafficking identified through interaction with law enforcement.

(v) Developing training guidelines for caregivers that serve children and youth being cared for outside the home.

(D) Informing States of best practices

The Committee, in coordination with the National Governors Association, Secretary and Attorney General, shall ensure that State Governors and child welfare agencies are notified and informed on a quarterly basis of the best practices and recommendations for States, and notified 6 months in advance that the Committee will be evaluating the extent to which States adopt the Committee’s recommendations.

(E) Report on State implementation

Within 3 years after the establishment of the Committee, the Committee shall submit to the Secretary and the Attorney General, as part of its final report as well as for online and publicly available publication, a description of what each State has done to implement the recommendations of the Committee.

(e) Reports

(1) In general

The Committee shall submit an interim and final report on the work of the Committee to—

(A) the Secretary;
(B) the Attorney General;
(C) the Committee on Finance of the Senate; and

(D) the Committee on Ways and Means of the House of Representatives.

(2) Reporting dates

The interim report shall be submitted not later than 3 years after the establishment of the Committee. The final report shall be submitted not later than 4 years after the establishment of the Committee.

(f) Administration

(1) Agency support

The Secretary shall direct the head of the Administration for Children and Families of the Department of Health and Human Services to provide all necessary support for the Committee.

(2) Meetings

(A) In general

The Committee will meet at the call of the Secretary at least twice each year to carry out this section, and more often as otherwise required.

(B) Accommodation for Committee members unable to attend in person

The Secretary shall create a process through which Committee members who are unable to travel to a Committee meeting in person may participate remotely through the use of video conference, teleconference, online, or other means.

(3) Subcommittees

The Committee may establish subcommittees or working groups, as necessary and consistent with the mission of the Committee. The subcommittees or working groups shall have no authority to make decisions on behalf of the Committee, nor shall they report directly to any official or entity listed in subsection (d).

(4) Recordkeeping

The records of the Committee and any subcommittees and working groups shall be maintained in accordance with appropriate Department of Health and Human Services policies and procedures and shall be available for public inspection and copying, subject to the Freedom of Information Act (5 U.S.C. 552).

(g) Termination

The Committee shall terminate 5 years after the date of its establishment, but the Secretary shall continue to operate and update, as necessary, an Internet website displaying the State best practices, recommendations, and evaluation of State-by-State implementation of the Secretary’s recommendations.

(h) Definition

For the purpose of this section, the term “sex trafficking” includes the definition set forth in section 7102(10) of title 22 and “severe form of trafficking in persons” described in section 7102(9)(A) of title 22.


REFERENCES IN TEXT

Sections 101 and 102 of the Preventing Sex Trafficking and Strengthening Families Act, referred to in subsec. (d)(3)(B), are sections 101 and 102 of Pub. L. 113–183. Section 101 amended sections 671 and 675 of this title. Section 182 amended section 671 of this title. Section 7102(9)(A) and (10) of title 22, referred to in subsec. (h), was redesignated section 7102(11)(A) and (12), respectively, of title 22 by Pub. L. 115–427, § 2(1), Jan. 9, 2019, 133 Stat. 5003.

§ 1315. Demonstration projects

(a) Waiver of State plan requirements; costs regarded as State plan expenditures; availability of appropriations

In the case of any experimental, pilot, or demonstration project which, in the judgment of the Secretary, is likely to assist in promoting the objectives of subchapter I, X, XIV, XVI, or XIX, or part A or D of subchapter IV, in a State or States—

1 See References in Text note below.
(1) the Secretary may waive compliance with any of the requirements of section 302, 602, 654, 1202, 1352, 1382, or 1396g of this title, as the case may be, to the extent and for the period he finds necessary to enable such State or States to carry out such project, and

(2)(A) costs of such project which would not otherwise be included as expenditures under section 303, 655, 1203, 1353, 1383, or 1396b of this title, as the case may be, and which are not included as part of the costs of projects under section 1310 of this title, shall, to the extent and for the period prescribed by the Secretary, be regarded as expenditures under the State plan or plans approved under such subchapter, or for administration of such State plan or plans, as may be appropriate, and

(B) costs of such project which would not otherwise be a permissible use of funds under part A of subchapter IV and which are not included as part of the costs of projects under section 1310 of this title, shall, to the extent and for the period prescribed by the Secretary, be regarded as expenditures under the State plan or plans approved under such subchapter, or for administration of such State plan or plans, as may be appropriate, and

In addition, not to exceed $2,000,000 of the aggregate amount appropriated for payments to States under such subchapters for any fiscal year beginning after June 30, 1967, shall be available, under such terms and conditions as the Secretary may establish, for payments to States to cover so much of the cost of such projects as is not covered by payments under such subchapters and is not included as part of the cost of projects for purposes of section 1310 of this title.

(b) Child support enforcement programs

(1) In the case of any experimental, pilot, or demonstration project undertaken under subsection (a) to assist in promoting the objectives of part D of subchapter IV, the project—

(A) must be designed to improve the financial well-being of children or otherwise improve the operation of the child support program;

(B) may not permit modifications in the child support program which would have the effect of disadvantaging children in need of support; and

(C) must not result in increased cost to the Federal Government under part A of such subchapter.

(2) An Indian tribe or tribal organization operating a program under section 655(f) of this title shall be considered a State for purposes of authority to conduct an experimental, pilot, or demonstration project under subsection (a) to assist in promoting the objectives of part D of subchapter IV and receiving payments under the second sentence of that subsection. The Secretary may waive compliance with any requirements of section 655(f) of this title or regulations promulgated under that section to the extent and for the period the Secretary finds necessary for an Indian tribe or tribal organization to carry out such project. Costs of the project which would not otherwise be included as expenditures of a program operating under section 655(f) of this title and which are not included as part of the costs of projects under section 1310 of this title, shall, to the extent and for the period prescribed by the Secretary, be regarded as expenditures under a tribal plan or plans approved under such section, or for the administration of such tribal plan or plans, as may be appropriate.

An Indian tribe or tribal organization applying for or receiving start-up program development funding pursuant to section 309.16 of title 45, Code of Federal Regulations, shall not be considered to be an Indian tribe or tribal organization operating a program under section 655(f) of this title for purposes of this paragraph.

(c) Demonstration projects to test alternative definitions of unemployment

(1)(A) The Secretary shall enter into agreements with up to 8 States submitting applications under this subsection for the purpose of conducting demonstration projects in such States to test and evaluate the use, with respect to individuals who received aid under part A of subchapter IV in the preceding month (on the basis of the unemployment of the parent who is the principal earner), of a number greater than 100 for the number of hours per month that such individuals may work and still be considered to be unemployed for purposes of section 607 of this title. If any State submits an application under this subsection for the purpose of conducting a demonstration project to test and evaluate the total elimination of the 100-hour rule, the Secretary shall approve at least one such application.

(B) If any State with an agreement under this subsection so requests, the demonstration project conducted pursuant to such agreement may test and evaluate the complete elimination of the 100-hour rule and of any other durational standard that might be applied in defining unemployment for purposes of determining eligibility under section 607 of this title.

(2) Notwithstanding section 602(a)(1) of this title, a demonstration project conducted under this subsection may be conducted in one or more political subdivisions of the State.

(3) An agreement under this subsection shall be entered into between the Secretary and the State agency designated under section 602(a)(3) of this title. Such agreement shall provide for the payment of aid under the applicable State plan under part A of subchapter IV as though section 607 of this title had been modified to reflect the definition of unemployment used in the demonstration project but shall also provide that such project shall otherwise be carried out in accordance with all of the requirements and conditions of section 607 of this title (and, except as provided in paragraph (2), any related requirements and conditions under part A of subchapter IV).

(4) A demonstration project under this subsection may be commenced any time after September 30, 1990, and shall be conducted for such period of time as the agreement with the Secretary may provide; except that, in no event may a demonstration project under this subsection be conducted after September 30, 1995.

(5)(A) Any State with an agreement under this subsection shall evaluate the comparative cost and employment effects of the use of the defini-
tion of unemployment in its demonstration project under this section by use of experimental and control groups comprised of a random sample of individuals receiving aid under section 607 of this title and shall furnish the Secretary with such information as the Secretary determines to be necessary to evaluate the results of the project conducted by the State.

(B) The Secretary shall report the results of the demonstration projects conducted under this subsection to the Congress not later than 6 months after all such projects are completed.

(d) Regulations relating to applications for or renewals of demonstration projects

(1) An application or renewal of any experimental, pilot, or demonstration project undertaken under subsection (a) to promote the objectives of subchapter XIX or XXI in a State that would result in an impact on eligibility, enrollment, benefits, cost-sharing, or financing with respect to a State program under subchapter XIX or XXI (in this subsection referred to as a "demonstration project") shall be considered by the Secretary in accordance with the regulations required to be promulgated under paragraph (2).

(2) Not later than 180 days after March 23, 2010, the Secretary shall promulgate regulations relating to applications for, and renewals of, a demonstration project that provide for—

(A) a process for public notice and comment at the State level, including public hearings, sufficient to ensure a meaningful level of public input;

(B) requirements relating to—

(i) the goals of the program to be implemented or renewed under the demonstration project;

(ii) the expected State and Federal costs and coverage projections of the demonstration project; and

(iii) the specific plans of the State to ensure that the demonstration project will be in compliance with subchapter XIX or XXI;

(C) a process for providing public notice and comment after the application is received by the Secretary, that is sufficient to ensure a meaningful level of public input;

(D) a process for the submission to the Secretary of periodic reports by the State concerning the implementation of the demonstration project; and

(E) a process for the periodic evaluation by the Secretary of the demonstration project.

(3) The Secretary shall annually report to Congress concerning actions taken by the Secretary with respect to applications for demonstration projects under this section.

(e) Extensions of State-wide comprehensive demonstration projects for which waivers granted

(1) The provisions of this subsection shall apply to the extension of any State-wide comprehensive demonstration project (in this subsection referred to as "waiver project") for which a waiver of compliance with requirements of subchapter XIX is granted under subsection (a).

(2) During the 6-month period ending 1 year before the date the waiver under subsection (a) with respect to a waiver project would otherwise expire, the chief executive officer of the State which is operating the project may submit to the Secretary a written request for an extension, of up to 3 years (5 years, in the case of a waiver described in section 1396n(h)(2) of this title), of the project.

(3) If the Secretary fails to respond to the request within 6 months after the date it is submitted, the request is deemed to have been granted.

(4) If such a request is granted, the deadline for submittal of a final report under the waiver project is deemed to have been extended until the date that is 1 year after the date the waiver project would otherwise have expired.

(5) The Secretary shall release an evaluation of each such project not later than 1 year after the date of receipt of the final report.

(6) Subject to paragraphs (4) and (7), the extension of a waiver project under this subsection shall be on the same terms and conditions (including applicable terms and conditions relating to quality and access of services, budget neutrality, data and reporting requirements, and special population protections) that applied to the project before its extension under this subsection.

(7) If an original condition of approval of a waiver project was that Federal expenditures under the project not exceed the Federal expenditures that would otherwise have been made, the Secretary shall take such steps as may be necessary to ensure that, in the extension of the project under this subsection, such condition continues to be met. In applying the previous sentence, the Secretary shall take into account the Secretary's best estimate of rates of change in expenditures at the time of the extension.

(f) Application for extension of waiver project; submission; approval

An application by the chief executive officer of a State for an extension of a waiver project the State is operating under an extension under subsection (e) (in this subsection referred to as the "waiver project") shall be submitted and approved or disapproved in accordance with the following:

(1) The application for an extension of the waiver project shall be submitted to the Secretary at least 120 days prior to the expiration of the current period of the waiver project.

(2) Not later than 45 days after the date such application is received by the Secretary, the Secretary shall notify the State if the Secretary intends to review the terms and conditions of the waiver project. A failure to provide such notification shall be deemed to be an approval of the application.

(3) Not later than 45 days after the date a notification is made in accordance with paragraph (2), the Secretary shall inform the State of the terms and conditions of the waiver project. A failure to provide such information shall be deemed to be an approval of the application.

(4) During the 30-day period that begins on the date information described in paragraph...
(3) is provided to a State, the Secretary shall negotiate revised terms and conditions of the waiver project with the State.

(5)(A) Not later than 120 days after the date an application for an extension of the waiver project is submitted to the Secretary (or such later date agreed to by the chief executive officer of the State), the Secretary shall—

(i) approve the application subject to such modifications in the terms and conditions—

(1) as have been agreed to by the Secretary and the State; or

(II) in the absence of such agreement, as are determined by the Secretary to be reasonable, consistent with the overall objectives of the waiver project, and not in violation of applicable law; or

(ii) disapprove the application.

(B) A failure by the Secretary to approve or disapprove an application submitted under this subsection in accordance with the requirements of subparagraph (A) shall be deemed to be an approval of the application subject to the terms and conditions as have been agreed to (if any) by the Secretary and the State.

(6) An approval of an application for an extension of a waiver project under this subsection shall be for a period not to exceed 3 years (5 years, in the case of a waiver described in section 1396n(h)(2) of this title).

(7) An extension of a waiver project under this subsection shall be subject to the final reporting and evaluation requirements of paragraphs (4) and (5) of subsection (e) (taking into account the extension under this subsection with respect to any timing requirements imposed under those paragraphs).


The prior sections (which are set out as notes under sections 1382 and 1383, respectively, of this title) continue in effect for Puerto Rico, Guam, and the Virgin Islands.

AMENDMENTS

2014—Subsec. (b). Pub. L. 113–183 designated existing provisions as par. (1), redesignated former pars. (l) to (3) as subpars. (A) to (C), respectively, of par. (1), realigned margins, and added par. (2).


Subsec. (e)(2). Pub. L. 111–148, §2691(b)(2)(A), inserted “(5 years, in the case of a waiver described in section 1396n(h)(2) of this title)’’ after “3 years’’.

Subsec. (f)(6). Pub. L. 111–148, §2691(b)(2)(B), inserted “(5 years, in the case of a waiver described in section 1396n(h)(2) of this title)’’ after “3 years’’.


Subsec. (b). Pub. L. 104–193, §108(g)(2)(C), redesignated subsec. (c) as (b) and struck out former subsec. (b) which related to purposes, criteria and procedures applicable to establishment, participatory effect, duration and termination of demonstration projects.

Subsec. (c). Pub. L. 104–193, §108(g)(2)(C), redesignated subsec. (d) as (c). Former subsec. (c) redesignated (b).

Subsec. (c)(3). Pub. L. 104–193, §108(g)(2)(B), substituted “part A of such subchapter” for “the program of aid to families with dependent children’’.

Subsec. (d). Pub. L. 104–193, §108(g)(2)(C), redesignated subsec. (d) as (c).


1986—Subsec. (b)(2)(C). Pub. L. 99–272 struck out subpar. (C) relating to use of funds as are appropriated for payments to States under chapter 67 of title 31 to cover costs of salaries for individuals in public service employment.


Pub. L. 98–369, §2663(e)(5), struck out “802,’’ after “602,’’.


Pub. L. 98–369, §2663(e)(5), struck out “803,’’ after “603,’’.


1981—Subsec. (a). Pub. L. 97–53 substituted in provision preceding par. (1) “or XIX” for “XIX, or XX’’, in par. (1) “or 1396a of this title’’ for “1396a, 1397a, 1397b, or 1397c of this title’’, and in par. (2) “or 1396b of this title’’ for “1396b, or 1397a of this title’’ and in par. (2) struck out “or expenditures with respect to which payment shall be made under section 1397a of this title’’ before “as may be appropriate’’.

1977—Pub. L. 95–216 designated existing provisions as subsec. (a) and existing pars. (a) and (b) thereof as pars. (1) and (2), respectively, and added subsec. (b).

1975—Pub. L. 93–447, §3(c)(1), substituted “XIX, or XX’’ for “XIX, or XIX’’.

Subsec. (a). Pub. L. 93–447, §3(c)(2), inserted references to sections 1397a, 1397b, and 1397c.

Subsec. (b). Pub. L. 93–447, §3(c)(3), (4), substituted “1986, or 1397a for “1986, or 1397a or 1397c’’ for “or expenditures with respect to which payment shall be made under section 1397a of this title’’ after “administration of such State plan or plans’’.

1973—Pub. L. 93–233 inserted references in text preceding subsec. (a) to subchapter VI of this chapter, in subsec. (a) to section 802 of this title, and in subsec. (b) to section 803 of this title.

Pub. L. 90-246, §247, substituted in second sentence "'$4,000,000' for "$3,000,000' and "beginning after June 30, 1967' for "ending prior to July 1, 1968'.

1967—Pub. L. 90-36 substituted "July 1, 1968" for "July 1, 1967'.

FAMILY SUPPORT DEMONSTRATION PROJECTS

"(a) DEMONSTRATION PROJECTS TO TEST THE EFFECT OF EARLY CHILDHOOD DEVELOPMENT PROGRAMS.—(1) In order to test the effect of in-home early childhood development programs and pre-school center-based development programs (emphasizing the use of volunteers and including academic credit for student volunteers) on families receiving aid under State plans approved under section 402 of the Social Security Act (42 U.S.C. 602) and participating in the job opportunities and basic skills training program under part F of title IV of such Act (former 42 U.S.C. 681-687), up to 10 States may undertake and carry out demonstration projects utilizing such development programs to enhance the cognitive and linguistic ability of children under the age of 5, to improve the communications skills of such children, and to develop their ability to read, write, and speak the English language effectively. Such projects may include parents along with their eligible children in family-centered education programs that assist children directly in achieving the goals stated in the preceding sentence and also help parents contribute to the proper development and education of their young children. Demonstration projects under this subsection shall meet such conditions and requirements as the Secretary of Health and Human Services (in this section referred to as the 'Secretary') shall prescribe, and no such project shall be conducted for a period of more than 3 years.

"(2) The Secretary shall consider all applications received from States desiring to conduct demonstration projects under this subsection, shall approve up to 10 applications involving projects which appear likely to contribute significantly to the achievement of the purpose of this subsection, and shall make grants to the States whose applications are approved to assist them in carrying out such projects.

"(3) The Secretary shall submit to the Congress with respect to each project undertaken by a State under this subsection, after such project has been carried out for one year and again when such project is completed, a detailed evaluation of the project and of its contribution to the achievement of the purpose of this subsection.

"(4) For grants to States to conduct demonstration projects under this subsection, there are authorized to be appropriated not to exceed $3,000,000 for each of the fiscal years 1985 through 1989.

"(b) STATE DEMONSTRATION PROJECTS TO ENCOURAGE INNOVATIVE EDUCATION AND TRAINING PROGRAMS FOR CHILDREN.—In order to encourage States to develop innovative education and training programs for children receiving aid under State plans approved under section 402 of the Social Security Act (42 U.S.C. 602), any State may establish and conduct one or more demonstration projects, targeted to such children, designed to test financial incentives and interdisciplinary approaches to reducing school dropouts, encouraging skill development, and avoiding welfare dependence; and the Secretary may make grants to States to assist in financing such projects. Demonstration projects under this subsection shall meet such conditions and requirements as the Secretary shall prescribe, and no such
project shall be conducted for a period of less than one year or more than 5 years.

"(c) DEMONSTRATIONS TO ENCOURAGE STATES TO EMPLOY PARENTS RECEIVING AFDC AS PAID CHILD CARE PROVIDERS

Pub. L. 100–485, title V, § 504, Oct. 13, 1988, 102 Stat. 2403, provided that any State could establish and conduct one or more demonstration projects (in accordance with such terms, conditions, and requirements prescribed by the Secretary of Health and Human Services, except that no such project could include the withholding of aid to families with dependent children pursuant to section 402 of the Social Security Act [42 U.S.C. 602] and comprehensive family support services involving a partnership between the State agency administering or supervising the administering of the State's plan under section 402 of the Social Security Act (42 U.S.C. 602) and community-based organizations having experience and demonstrated effectiveness in providing services.

"(d) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of making grants to States to conduct demonstration projects under this section, there is authorized to be appropriated not to exceed $6,000,000 for each of the fiscal years 1990, 1991, and 1992.

DEMONSTRATION PROJECTS TO ENCOURAGE STATES TO EMPLOY PARENTS RECEIVING AFDC AS PAID CHILD CARE PROVIDERS

Pub. L. 100–485, title V, § 504, Oct. 13, 1988, 102 Stat. 2401, authorized Secretary of Health and Human Services to permit up to 5 States to undertake and carry out demonstration projects designed to test whether employment of parents of dependent children receiving AFDC as providers of child care for other children receiving AFDC as providers of child care for other children receiving AFDC would effectively facilitate the conduct of the job opportunities and basic skills training program under part F of title IV of this chapter by making additional child care services available to meet the requirements of section 602(g)(1)(A) of this title while affording significant numbers of families receiving such aid a realistic opportunity to avoid welfare dependence through employment as a child care provider, and authorized to be appropriated not to exceed $1,000,000 for each of the fiscal years 1990, 1991, and 1992 for grants to States to carry out such demonstration projects.

DEMONSTRATION PROJECTS TO ADDRESS CHILD ACCESS PROBLEMS

Pub. L. 100–485, title V, § 504, Oct. 13, 1988, 102 Stat. 2403, provided that any State could establish and conduct one or more demonstration projects (in accordance with such terms, conditions, and requirements prescribed by the Secretary of Health and Human Services, except that no such project could include the withholding of aid to families with dependent children pursuant to section 402 of the Social Security Act [42 U.S.C. 602] and comprehensive family support services involving a partnership between the State agency administering or supervising the administering of the State's plan under section 402 of the Social Security Act (42 U.S.C. 602) and community-based organizations having experience and demonstrated effectiveness in providing services.

"(d) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of making grants to States to conduct demonstration projects under this section, there is authorized to be appropriated not to exceed $6,000,000 for each of the fiscal years 1990 and 1991, and directed Secretary to submit to Congress a report on the effective operation of the demonstration projects conducted under this section.

DEMONSTRATION PROJECTS TO PROVIDE COUNSELING AND SERVICES TO HIGH-RISK TEENAGERS

Pub. L. 100–485, title V, § 504, Oct. 13, 1988, 102 Stat. 2405, provided that:

(a) FINDINGS AND PURPOSE.—(1) The Congress finds that—

"(A) the incidences of teenage pregnancy, suicide, substance abuse, and school dropout are increasing;

"(B) research to date has established a link between low self-esteem, perceived limited life options and the risk of teenage pregnancy, suicide, substance abuse, and school dropout;

"(C) little data currently exists on how to improve the self-image of and expand the life options available to high-risk teenagers; and

"(D) there is currently no federal program in place to address the unique and significant problems faced by today's teenagers.

"(2) It is the purpose of the demonstration projects conducted under this section to provide programs in which a range of non-academic services (sports, recreation, the arts) and self-image counseling are provided to high-risk teenagers in order to reduce the rates of pregnancy, suicide, substance abuse, and school dropout among such teenagers.

"(b) IN GENERAL.—The Secretary of Health and Human Services (in this section referred to as the 'Secretary') shall enter into an agreement with each of 4 States submitting applications under this section for the purpose of conducting demonstration projects in accordance with this section to provide counseling and services to certain high-risk teenagers.

"(c) NATURE OF PROJECT.—Under each demonstration project conducted under this section—

"(1) The State shall establish a 'Teen Care Plan' that shall consist of the following:

"(A) A clearing house where high-risk teenagers will be referred to and encouraged to participate in non-academic activities (arts, recreation, sports) which are already in place in the community.

"(B) A survey of the area to be targeted by the project to determine the need to fund and create new non-academic activities in the area.

"(C) Counseling services utilizing qualified, locally licensed psychologists, social psychologists, or other mental health professionals or related experts to provide individual and group counseling to participating high-risk teenagers.

"(D) A program to provide participants in the project (to the extent practicable) with such transportation, child care, and equipment as is necessary to carry out the purposes of the project.

"(2) The State shall designate two geographical areas within the State to be targeted by the project. One area will serve as the 'home base' for the project, where services will be concentrated and in which a local school system will be selected to receive services and provide facilities for resource referral and counseling. The second geographical area will serve as a 'peripheral' participant, receiving assistance and services from the home base.

"(3) A high-risk teenager is any male or female who has reached the age of 10 years and whose age does not exceed 20 years, and who—

"(A) has a history of academic problems;

"(B) has a history of behavioral problems both in and out of school;

"(C) comes from a one-parent household; or

"(D) is pregnant or is a mother of a child.

"(d) APPLICATIONS; SELECTION CRITERIA.—(1) In selecting States to conduct demonstration projects under this section, the Secretary—

"(A) shall consult with the Consortium on Adolescent Pregnancy;

"(B) shall consider—

"(i) the rate of teenage pregnancy in each State;

"(ii) the teenage school dropout rate in each State;

"(iii) the incidence of teenage violence in each State;

"(iv) the incidence of teenage suicide in each State; and

"(C) shall give priority to States whose applications—

"(i) demonstrate a current strong State commitment aimed at reducing teenage pregnancy, suicide, drug abuse, and school dropout;

"(ii) contain a 'State support agreement' signed by the Governor, the State Superintendent of Education, the State School Commissioner, the State Department of Human Services, and the State Department of Education, pledging their commitment to the project;

"(iii) describe facilities and services to be made available by the State to assist in carrying out the project; and

"(iv) indicate a demonstrably high rate of alcoholism among its residents.

"(2) Of the States selected to participate in the demonstration projects conducted under this section—
“(A) one shall be a geographically small State with a population of less than 1,250,000;

(B) one shall be a State with a population of over 20,000,000.

“(C) two shall be States with populations of more than 1,000,000 but less than 20,000,000.

(4) EVALUATION AND REPORT.—(1) Each State conducting a demonstration project under this section shall submit to the Secretary for his approval an evaluation plan that provides for examining the effectiveness of the project in both the home base and peripheral area of the State.

“(2) Not later than October 1, 1992, the Secretary shall submit to the Congress a report containing a summary of the evaluations conducted by States pursuant to the plans described in paragraph (1).

“(f) FUNDING.—(1) Three-fifths of the total amount appropriated pursuant to this section for any fiscal year for each State conducting a demonstration project shall be expended by such State for the provision of services and facilities within the State’s designated project home base, and 5 percent of such three-fifths shall be set aside for the conduct of the State’s evaluation as provided for in subsection (e).

“(2) Two-fifths of the total amounts appropriated pursuant to this section for any fiscal year for each State conducting a demonstration project shall be expended by such State for the provision of services and facilities within the State’s designated peripheral area, and 5 percent of such two-fifths shall be set aside for the conduct of the State’s evaluation as provided for in subsection (e).

“(g) DURATION.—A demonstration project conducted under this section shall be commenced not later than September 30, 1989, and shall be conducted for a 3-year period; except that the Secretary may terminate a project before the end of such period if he determines that the State conducting the project is not in substantial compliance with the terms of the agreement entered into with the Secretary under this section.

“(h) AUTHORIZATION OF APPROPRIATIONS.—(1) The amounts appropriated pursuant to this section shall be paid, from time to time, to such State by the Secretary, for purposes of section 1616(d) of the Social Security Act [42 U.S.C. 1382e(d)] and section 401 of the Social Security Amendments of 1972 [set out as a note under section 1382 of this title], to have federal financial participation, in the costs of such project shall be continued in like manner as if—

“(3) such section 301 [enacting subchapter XVI of this chapter] had not been enacted, and

“(4) such State (for the month of January 1974 and any month thereafter) continued to have in effect the State plan (approved under title XVI [42 U.S.C. 1381 et seq.]) which was in effect for the month of October 1973, or the State plans (approved under titles I, X, and XIV of the Social Security Act [42 U.S.C. 301 et seq., 1201 et seq., 1531 et seq.]) which were in effect for such month, as the case may be.

“(2) With respect to individuals—

“(4) such State conducting such project before the end of such period if the Secretary determines to be necessary to the successful operation of such project.

“(c) In the case of any State which has entered into an agreement with the Secretary under section 1616 of the Social Security Act [42 U.S.C. 1382e] (or which is deemed, under section 212(d) of Public Law 93–86 [set out as a note under section 1382 of this title], to have entered into such an agreement), then, of the costs of any project of such State with respect to which there is (solely by reason of the provisions of subsection (a)) Federal financial participation, the non-Federal share thereof shall—

“(1) be paid, from time to time, to such State by the Secretary, and

“(2) shall, for purposes of section 1616(d) of the Social Security Act [42 U.S.C. 1382e(d)] and section 401 of the Social Security Amendments of 1972 [set out as a note under section 1382 of this title], to have federal financial participation, the non-Federal share thereof shall—

§ 1315a. Center for Medicare and Medicaid Innovation

(a) Center for Medicare and Medicaid Innovation established

(1) In general

There is created within the Centers for Medicare & Medicaid Services a Center for Medicare and Medicaid Innovation (in this section referred to as the “CMI”) to carry out the duties described in this section. The purpose of the CMI is to test innovative payment and service delivery models to reduce program expenditures under the applicable subchapters while preserving or enhancing the quality of care furnished to individuals under such subchapters. In selecting such models, the Secretary shall give preference to models that also improve the coordination, quality, and efficiency of health care services furnished to applicable individuals defined in paragraph (4)(A).

(2) Deadline

The Secretary shall ensure that the CMI is carrying out the duties described in this section by not later than January 1, 2011.

(3) Consultation

In carrying out the duties under this section, the CMI shall consult representatives of
relevant Federal agencies, and clinical and analytical experts with expertise in medicine and health care management. The CMI shall use open door forums or other mechanisms to seek input from interested parties.

(4) Definitions

In this section:

(A) Applicable individual

The term “applicable individual” means—

(i) an individual who is entitled to, or enrolled for, benefits under part B of subchapter XVIII or enrolled for benefits under part B of such subchapter;

(ii) an individual who is eligible for medical assistance under subchapter XIX, under a State plan or waiver; or

(iii) an individual who meets the criteria of both clauses (i) and (ii).

(B) Applicable subchapter

The term “applicable subchapter” means subchapter XVIII, subchapter XIX, or both.

(5) Testing within certain geographic areas

For purposes of testing payment and service delivery models under this section, the Secretary may elect to limit testing of a model to certain geographic areas.

(b) Testing of models (phase I)

(1) In general

The CMI shall test payment and service delivery models in accordance with selection criteria under paragraph (2) to determine the effect of applying such models under the applicable subchapter (as defined in subsection (a)(4)(B)) on program expenditures under such subchapter and the quality of care received by individuals receiving benefits under such subchapter.

(2) Selection of models to be tested

(A) In general

The Secretary shall select models to be tested from models where the Secretary determines that there is evidence that the model addresses a defined population for which there are deficits in care leading to poor clinical outcomes or potentially avoidable expenditures. The Secretary shall focus on models expected to reduce program costs under the applicable subchapter while preserving or enhancing the quality of care received by individuals receiving benefits under such subchapter. The models selected under this subparagraph may include, but are not limited to, the models described in subparagraph (B).

(B) Opportunities

The models described in this subparagraph are the following models:

(i) Promoting broad payment and practice reform in primary care, including patient-centered medical home models for high-need applicable individuals, medical homes that address women’s unique health care needs, and models that transition primary care practices away from fee-for-service based reimbursement and toward comprehensive payment or salary-based payment.

(ii) Contracting directly with groups of providers of services and suppliers to promote innovative care delivery models, such as through risk-based comprehensive payment or salary-based payment.

(iii) Utilizing geriatric assessments and comprehensive care plans to coordinate the care (including through interdisciplinary teams) of applicable individuals with multiple chronic conditions and at least one of the following:

(I) An inability to perform 2 or more activities of daily living.

(II) Cognitive impairment, including dementia.

(iv) Promote\(^{1}\) care coordination between providers of services and suppliers that transition health care providers away from fee-for-service based reimbursement and toward salary-based payment.

(v) Supporting care coordination for chronically-ill applicable individuals at high risk of hospitalization through a health information technology-enabled provider network that includes care coordinators, a chronic disease registry, and home tele-health technology.

(vi) Varying payment to physicians who order advanced diagnostic imaging services (as defined in section 1395m(e)(1)(B) of this title) according to the physician’s adherence to appropriateness criteria for the ordering of such services, as determined in consultation with physician specialty groups and other relevant stakeholders.

(vii) Utilizing medication therapy management services, such as those described in section 299b-35 of this title.

(viii) Establishing community-based health teams to support small-practice medical homes by assisting the primary care practitioner in chronic care management, including patient self-management, activities.

(ix) Assisting applicable individuals in making informed health care choices by paying providers of services and suppliers for using patient decision-support tools, including tools that meet the standards developed and identified under section 299b-36(c)(2)(A) of this title, that improve applicable individual and caregiver understanding of medical treatment options.

(x) Allowing States to test and evaluate fully integrating care for dual eligible individuals in the State, including the management and oversight of all funds under the applicable subchapters with respect to such individuals.

(xi) Allowing States to test and evaluate systems of all-payer payment reform for the medical care of residents of the State, including dual eligible individuals.

(xii) Aligning nationally recognized, evidence-based guidelines of cancer care with payment incentives under subchapter XVIII in the areas of treatment planning and follow-up care planning for applicable

\(^{1}\)So in original. Probably should be “Promote.”
individuals described in clause (i) or (iii) of subsection (a)(4)(A) with cancer, including the identification of gaps in applicable quality measures.

(xiii) Improving post-acute care through continuing care hospitals that offer inpatient rehabilitation, long-term care hospitals, and home health or skilled nursing care during an inpatient stay and the 30 days immediately following discharge.

(xiv) Funding home health providers who offer chronic care management services to applicable individuals in cooperation with interdisciplinary teams.

(xv) Promoting improved quality and reduced cost by developing a collaborative of high-quality, low-cost health care institutions that is responsible for—

(I) developing, documenting, and disseminating best practices and proven care methods;

(II) implementing such best practices and proven care methods within such institutions to demonstrate further improvements in quality and efficiency; and

(III) providing assistance to other health care institutions on how best to employ such best practices and proven care methods to improve health care quality and lower costs.

(xvi) Facilitate inpatient care, including intensive care, of hospitalized applicable individuals at their local hospital through the use of electronic monitoring by specialists, including intensivists and critical care specialists, based at integrated health systems.

(xvii) Promoting greater efficiencies and timely access to outpatient services (such as outpatient physical therapy services) through models that do not require a physician or other health professional to refer the service or be involved in establishing the plan of care for the service, when such service is furnished by a health professional who has the authority to furnish the service under existing State law.

(xviii) Establishing comprehensive payments to Healthcare Innovation Zones, consisting of groups of providers that include a teaching hospital, physicians, and other clinical entities, that, through their structure, operations, and joint-activity deliver a full spectrum of integrated and comprehensive health care services to applicable individuals while also incorporating innovative methods for the clinical training of future health care professionals.

(xix) Utilizing, in particular in entities located in medically underserved areas and facilities of the Indian Health Service (whether operated by such Service or by an Indian tribe or tribal organization (as those terms are defined in section 1603 of title 25)), telehealth services—

(I) in treating behavioral health issues (such as post-traumatic stress disorder) and stroke; and

(II) to improve the capacity of non-medical providers and non-specialized medical providers to provide health services for patients with chronic complex conditions.

(xx) Utilizing a diverse network of providers of services and suppliers to improve care coordination for applicable individuals described in subsection (a)(4)(A)(i) with 2 or more chronic conditions and a history of prior-year hospitalization through interventions developed under the Medicare Coordinated Care Demonstration Project under section 4016 of the Balanced Budget Act of 1997 (42 U.S.C. 1395b–1 note).

(xxi) Focusing primarily on physicians’ services (as defined in section 1395w–4(j)(3) of this title) furnished by physicians who are not primary care practitioners.

(xxii) Focusing on practices of 15 or fewer professionals.

(xxiii) Focusing on risk-based models for small physician practices which may involve two-sided risk and prospective patient assignment, and which examine risk-adjusted decreases in mortality rates, hospital readmissions rates, and other relevant and appropriate clinical measures.

(xxiv) Focusing primarily on subchapter XIX, working in conjunction with the Center for Medicaid and CHIP Services.

(xxv) Providing, for the adoption and use of certified EHR technology (as defined in section 1395w–4(o)(4) of this title) to improve the quality and coordination of care through the electronic documentation and exchange of health information, incentive payments to behavioral health providers (such as psychiatric hospitals (as defined in section 1395x(f) of this title), community mental health centers (as defined in section 1395x(f)(3)(B) of this title), hospitals that participate in a State plan under subchapter XIX or a waiver of such plan, treatment facilities that participate in such a State plan or such a waiver, mental health or substance use disorder providers that participate in such a State plan or such a waiver, clinical psychologists (as defined in section 1395x(ii) of this title), nurse practitioners (as defined in section 1395x(hh)(1) of this title) with respect to the provision of psychiatric services, and clinical social workers (as defined in section 1395x(h)(1) of this title).

(xxvi) Supporting ways to familiarize individuals with the availability of coverage under part B of subchapter XVIII for qualified psychologist services (as defined in section 1395x(ii) of this title).

(xxvii) Exploring ways to avoid unnecessary hospitalizations or emergency department visits for mental and behavioral health services (such as for treating depression) through use of a 24-hour, 7-day a week help line that may inform individuals about the availability of treatment options, including the availability of qualified psychologist services (as defined in section 1395x(ii) of this title).
Section 1315a

(C) Additional factors for consideration

In selecting models for testing under subparagraph (A), the CMI may consider the following additional factors:

(i) Whether the model includes a regular process for monitoring and updating patient care plans in a manner that is consistent with the needs and preferences of applicable individuals.

(ii) Whether the model places the applicable individual, including family members and other informal caregivers of the applicable individual, at the center of the care team of the applicable individual.

(iii) Whether the model provides for in-person contact with applicable individuals.

(iv) Whether the model utilizes technology, such as electronic health records and patient-based remote monitoring systems, to coordinate care over time and across settings.

(v) Whether the model provides for the maintenance of a close relationship between care coordinators, primary care practitioners, specialist physicians, community-based organizations, and other providers of services and suppliers.

(vi) Whether the model relies on a team-based approach to interventions, such as comprehensive care assessments, care planning, and self-management coaching.

(vii) Whether, under the model, providers of services and suppliers are able to share information with patients, caregivers, and other providers of services and suppliers on a real time basis.

(viii) Whether the model demonstrates effective linkage with other public sector payers, private sector payers, or statewide payment models.

(3) Budget neutrality

(A) Initial period

The Secretary shall not require, as a condition for testing a model under paragraph (A), that the design of such model ensure that such model is budget neutral initially with respect to expenditures under the applicable subchapter.

(B) Termination or modification

The Secretary shall terminate or modify the design and implementation of a model unless the Secretary determines (and the Chief Actuary of the Centers for Medicare & Medicaid Services, with respect to program spending under the applicable subchapter, certifies), after testing has begun, that the model is expected to—

(i) improve the quality of care (as determined by the Administrator of the Centers for Medicare & Medicaid Services) without increasing spending under the applicable subchapter;

(ii) reduce spending under the applicable subchapter without reducing the quality of care; or

(iii) improve the quality of care and reduce spending.

Such termination may occur at any time after such testing has begun and before completion of the testing.

(4) Evaluation

(A) In general

The Secretary shall conduct an evaluation of each model tested under this subsection. Such evaluation shall include an analysis of—

(i) the quality of care furnished under the model, including the measurement of patient-level outcomes and patient-centeredness criteria determined appropriate by the Secretary; and

(ii) the changes in spending under the applicable subchapters by reason of the model.

(B) Information

The Secretary shall make the results of each evaluation under this paragraph available to the public in a timely fashion and may establish requirements for States and other entities participating in the testing of models under this section to collect and report information that the Secretary determines is necessary to monitor and evaluate such models.

(C) Measure selection

To the extent feasible, the Secretary shall select measures under this paragraph that reflect national priorities for quality improvement and patient-centered care consistent with the measures described in section 1395aaa(b)(7)(B) of this title.

(c) Expansion of models (phase II)

Taking into account the evaluation under subsection (b)(4), the Secretary may, through rulemaking, expand (including implementation on a nationwide basis) the duration and the scope of a model that is being tested under subsection (b) or a demonstration project under section 1395cc-3 of this title, to the extent determined appropriate by the Secretary, if—

(1) the Secretary determines that such expansion is expected to—

(A) reduce spending under applicable subchapter without reducing the quality of care; or

(B) improve the quality of patient care without increasing spending;

(2) the Chief Actuary of the Centers for Medicare & Medicaid Services certifies that such expansion would reduce (or would not result in any increase in) net program spending under applicable subchapters; and

(3) the Secretary determines that such expansion would not deny or limit the coverage or provision of benefits under the applicable subchapter for applicable individuals.

In determining which models or demonstration projects to expand under the preceding sentence, the Secretary shall focus on models and demonstration projects that improve the quality of patient care and reduce spending.

(d) Implementation

(1) Waiver authority

The Secretary may waive such requirements of subchapters XI and XVIII and of sections 4232 and 1395aaa(b)(7)(B) of this title.
The Center may carry out activities under this section with respect to subchapter XXI in the same manner as provided under this section with respect to subchapter XXI in the other year thereafter, the Secretary shall submit to Congress a report on activities under this section. Each such report shall describe the models tested under subsection (b), including the number of individuals described in subsection (a)(4)(A)(i) and of individuals described in subsection (a)(4)(A)(ii) participating in such models and payments made under applicable subchapters for services on behalf of such individuals, any models chosen for expansion under subsection (c), and the results from evaluations under subsection (b)(4). In addition, each such report shall provide such recommendations as the Secretary determines are appropriate for legislative action to facilitate the development and expansion of successful payment models.

There shall be no administrative or judicial review under section 1395f of this title, section 1395f of this title, or otherwise of—

(A) the selection of models for testing or expansion under this section;

(B) the selection of organizations, sites, or participants to test those models selected;

(C) the elements, parameters, scope, and duration of such models for testing or dissemination;

(D) determinations regarding budget neutrality under subsection (b)(3);

(E) the termination or modification of the design and implementation of a model under subsection (b)(3)(B); and

(F) determinations about expansion of the duration and scope of a model under subsection (c), including the determination that a model is not expected to meet criteria described in paragraph (1) or (2) of such subsection.

(3) Administration

Chapter 35 of title 44 shall not apply to the testing and evaluation of models or expansion of such models under this section.

(c) Application to CHIP

The Center may carry out activities under this section with respect to subchapter XXI in the same manner as provided under this section with respect to the program under the applicable subchapters.

(f) Funding

(1) In general

There are appropriated, from amounts in the Treasury not otherwise appropriated—

(A) $5,000,000 for the design, implementation, and evaluation of models under subsection (b) for fiscal year 2010;

(B) $10,000,000,000 for the activities initiated under this section for the period of fiscal years 2011 through 2019; and

(C) the amount described in subparagraph (B) for the activities initiated under this section for each subsequent 10-year fiscal period (beginning with the 10-year fiscal period beginning with fiscal year 2020).

Amounts appropriated under the preceding sentence shall remain available until expended.

(2) Use of certain funds

Out of amounts appropriated under subparagraphs (B) and (C) of paragraph (1), not less than $25,000,000 shall be made available each such fiscal year to design, implement, and evaluate models under subsection (b).

(g) Report to Congress

Beginning in 2012, and not less than once every other year thereafter, the Secretary shall submit to Congress a report on activities under this section. Each such report shall describe the models tested under subsection (b), including the number of individuals described in subsection (a)(4)(A)(i) and of individuals described in subsection (a)(4)(A)(ii) participating in such models and payments made under applicable subchapters for services on behalf of such individuals, any models chosen for expansion under subsection (c), and the results from evaluations under subsection (b)(4). In addition, each such report shall provide such recommendations as the Secretary determines are appropriate for legislative action to facilitate the development and expansion of successful payment models.
§ 1315b. Providing Federal coverage and payment coordination for dual eligible beneficiaries

(a) Establishment of Federal Coordinated Health Care Office

(1) In general

Not later than March 1, 2010, the Secretary of Health and Human Services (in this section referred to as the ‘Secretary’) shall establish a Federal Coordinated Health Care Office.

(2) Establishment and reporting to CMS administrator

The Federal Coordinated Health Care Office—

(A) shall be established within the Centers for Medicare & Medicaid Services; and

(B) have as the Office¹ a Director who shall be appointed by, and be in direct line of authority to, the Administrator of the Centers for Medicare & Medicaid Services.

(b) Purpose

The purpose of the Federal Coordinated Health Care Office is to bring together officers and employees of the Medicare and Medicaid programs at the Centers for Medicare & Medicaid Services in order to—

(1) more effectively integrate benefits under the Medicare program under title XVIII of the Social Security Act [42 U.S.C. 1395 et seq.] and the Medicaid program under title XIX of such Act [42 U.S.C. 1396 et seq.]; and

(2) improve the coordination between the Federal Government and States for individuals eligible for benefits under both such programs in order to ensure that such individuals get full access to the items and services to which they are entitled under titles XVIII and XIX of the Social Security Act.

(c) Goals

The goals of the Federal Coordinated Health Care Office are as follows:

(1) Providing dual eligible individuals full access to the benefits to which such individuals are entitled under the Medicare and Medicaid programs.

(2) Simplifying the processes for dual eligible individuals to access the items and services they are entitled to under the Medicare and Medicaid programs.

(3) Improving the quality of health care and long-term services for dual eligible individuals.

(4) Increasing dual eligible individuals’ understanding of and satisfaction with coverage under the Medicare and Medicaid programs.

(5) Eliminating regulatory conflicts between rules under the Medicare and Medicaid programs.

(6) Improving care continuity and ensuring safe and effective care transitions for dual eligible individuals.

(7) Eliminating cost-shifting between the Medicare and Medicaid program and among related health care providers.

(8) Improving the quality of performance of providers of services and suppliers under the Medicare and Medicaid programs.

(d) Specific responsibilities

The specific responsibilities of the Federal Coordinated Health Care Office are as follows:

(1) Providing States, specialized MA plans for special needs individuals (as defined in section 1859(b)(6) of the Social Security Act [42 U.S.C. 1395w–28(b)(6)], physicians and other relevant entities or individuals with the education and tools necessary for developing programs that align benefits under the Medicare and Medicaid programs for dual eligible individuals.

(2) Supporting State efforts to coordinate and align acute care and long-term care services for dual eligible individuals with other items and services furnished under the Medicare program.

¹So in original.
(3) Providing support for coordination of contracting and oversight by States and the Centers for Medicare & Medicaid Services with respect to the integration of the Medicare and Medicaid programs in a manner that is supportive of the goals described in paragraph (3).²

(4) To consult and coordinate with the Medicare Payment Advisory Commission established under section 1805 of the Social Security Act (42 U.S.C. 1395b–6) and the Medicaid and CHIP Payment and Access Commission established under section 1900 of such Act (42 U.S.C. 1396) with respect to policies relating to the enrollment in, and provision of, benefits to dual eligible individuals under the Medicare program and title XIX of the Social Security Act [42 U.S.C. 1395 et seq.], and the Medicaid program under title XIX of such Act [42 U.S.C. 1396 et seq.].

(5) To study the provision of drug coverage for new full-benefit dual eligible individuals (as defined in section 1935(c)(6) of the Social Security Act (42 U.S.C. 1395w–5(c)(6)), as well as to monitor and report annual total expenditures, health outcomes, and access to benefits for all dual eligible individuals.

(6) To act as a designated contact for States under subsection (f)(8)(A) of title XVIII of the Social Security Act (42 U.S.C. 1395w–28) with respect to the integration of specialized MA plans for special needs individuals described in subsection (b)(6)(B)(ii) of such section.

(7) To be responsible, subject to the final approval of the Secretary, for developing regulations and guidance related to the implementation of a unified grievance and appeals process as described in subparagraphs (B) and (C) of section 1859(f)(b) of the Social Security Act (42 U.S.C. 1395w–28) regarding specialized MA plans for special needs individuals described in subsection (b)(6)(B)(ii) of such section 1859.

(e) Report

The Secretary shall, as part of the budget transmitted under section 1105(a) of title 31, submit to Congress an annual report containing recommendations for legislation that would improve care coordination and benefits for dual eligible individuals.

(f) Dual eligible individual defined

In this section, the term "dual eligible individual" means an individual who is entitled to, or enrolled for, benefits under part A of title XVIII of the Social Security Act [42 U.S.C. 1395(c) et seq.], or enrolled for benefits under part B of title XVIII of such Act [42 U.S.C. 1395 et seq.], and is eligible for medical assistance under a State plan under title XIX of such Act or under a waiver of such plan.

²So in original. Probably should be “subsection (c).”
³So in original. Another closing parenthesis probably should precede the comma.
of the proceedings on which he based his determination as provided in section 2112 of title 28.

(4) The findings of fact by the Secretary, if supported by substantial evidence, shall be conclusive; but the court, for good cause shown, may remand the case to the Secretary to take further evidence, and the Secretary may thereupon make new or modified findings of fact and may modify his previous action, and shall certify to the court the transcript and record of the further proceedings. Such new or modified findings of fact shall likewise be conclusive if supported by substantial evidence.

(5) The court shall have jurisdiction to affirm the action of the Secretary or to set it aside, in whole or in part. The judgment of the court shall be subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28.

(b) Amendment of plans

For the purposes of subsection (a), any amendment of a State plan approved under subchapter I, X, XIV, XVI, or XIX, may, at the option of the State, be treated as the submission of a new State plan.

(c) Restitution when Secretary reverses his determination

Action pursuant to an initial determination of the Secretary described in subsection (a) shall not be stayed pending reconsideration, but in the event that the Secretary subsequently determines that his initial determination was incorrect he shall certify restitution forthwith in a lump sum of any funds incorrectly withheld or otherwise denied.

(d) Disallowance of items covered under other subchapters

Whenever the Secretary determines that any item or class of items on account of which Federal financial participation is claimed under subchapter I, X, XIV, or XVI, shall be disallowed for such participation, the State shall be entitled to and upon request shall receive a reconsideration of the disallowance.

(e) Disallowance of items covered under subchapter XIX

(1) Whenever the Secretary determines that any item or class of items on account of which Federal financial participation is claimed under subchapter XIX shall be disallowed for such participation, the State shall be entitled to and upon request shall receive a reconsideration of the disallowance, provided that such request is made during the 60-day period that begins on the date the State receives notice of the disallowance.

(2)(A) A State may appeal a disallowance of a claim for federal financial participation under subchapter XIX by the Secretary, or an unfavorable reconsideration of a disallowance, during the 60-day period that begins on the date the State receives notice of the disallowance.

(B) The Board shall consider a State’s appeal of a disallowance of such a claim (or of an unfavorable reconsideration of a disallowance) on the basis of such documentation as the State may submit and as the Board may require to support the final decision of the Board. In deciding whether to uphold a disallowance of such a claim or any portion thereof, the Board shall be bound by all applicable laws and regulations and shall conduct a thorough review of the issues, taking into account all relevant evidence. The Board’s decision of an appeal under subparagraph (A) shall be the final decision of the Secretary and shall be subject to reconsideration by the Board only upon motion of either party filed during the 60-day period that begins on the date of the Board’s decision or to judicial review in accordance with subparagraph (C).

(C) A State may obtain judicial review of a decision of the Board by filing an action in any United States District Court located within the appealing State (or, if several States jointly appeal the disallowance of claims for Federal financial participation under section 1396b of this title, in any United States District Court that is located within any State that is a party to the appeal) or the United States District Court for the District of Columbia. Such an action may only be filed—

(i) if no motion for reconsideration was filed within the 60-day period specified in subparagraph (B), during such 60-day period; or

(ii) if such a motion was filed within such period, during the 60-day period that begins on the date of the Board’s decision on such motion.

References in Text

Section 1384 of this title, referred to in subsec. (a)(3), is a reference to section 1384 of this title as it existed prior to the general revision of this subchapter by Pub. L. 92–603, title III, § 301, Oct. 30, 1972, 86 Stat. 1465, eff. Jan. 1, 1974. The prior section (which is set out as a note under section 1384 of this title) continues in effect for Puerto Rico, Guam, and the Virgin Islands.

Amendments


1 So in original. Probably should be capitalized.

2 So in original. Probably should be capitalized.

**Effective Date of 1981 Amendment**

**Effective Date of 1975 Amendment**
Amendment by Pub. L. 93–647 effective with respect to payments under sections 603 and 803 of this title for quarters commencing after Sept. 30, 1975, see section 7(b) of Pub. L. 93–647, set out as a note under section 703 of this title.

**Effective Date of 1973 Amendment**

### §1317. Appointment of the Administrator and Chief Actuary of the Centers for Medicare & Medicaid Services

(a) The Administrator of the Centers for Medicare & Medicaid Services shall be appointed by the President by and with the advice and consent of the Senate.

(b) There is established in the Centers for Medicare & Medicaid Services the position of Chief Actuary. The Chief Actuary shall be appointed by, and in direct line of authority to, the Administrator of such Centers. The Chief Actuary shall be appointed from among individuals who have demonstrated, by their education and experience, superior expertise in the actuarial sciences. The Chief Actuary shall exercise such duties as are appropriate for the office of the Chief Actuary and in accordance with professional standards of actuarial independence. The Chief Actuary may be removed only for cause.

(2) The Chief Actuary shall be compensated at the highest rate of basic pay for the Senior Executive Service under section 5302(b) of title 5.

(3) In the office of the Chief Actuary there shall be an actuary whose duties relate exclusively to the programs under parts C and D of subchapter XVIII and related provisions of such subchapter.


### Prior Provisions


### Amendments

the Centers for Medicare & Medicaid Services” for “Appointment of Administrator and Chief Actuary of Health Care Financing Administration” in section catchline.


Subsec. (b)(1), Pub. L. 108–173, § 900(c)(1)(A)(ii), substituted “Centers for Medicare & Medicaid Services” for “Health Care Financing Administration” and “such Centers” for “such Administration”.


**Effective Date**

Pub. L. 98–369, div. B, title III, § 2332(c), July 18, 1984, 98 Stat. 1089, provided that: “The amendments made by this section [enacting this section and amending section 5315 of Title 5, Government Organization and Employees] shall apply to appointments made after the date of the enactment of this Act [July 18, 1984].”

§ 1318. Alternative Federal payment with respect to public assistance expenditures

In the case of any State which has in effect a plan approved under subchapter XIX for any calendar quarter, the total of the payments to which such State is entitled for such quarter, and for each succeeding quarter in the same fiscal year (which for purposes of this section means the 4 calendar quarters ending with September 30), under paragraphs (1) and (2) of sections 303(a), 1203(a), 1353(a), and 1383(a) of this title shall, at the option of the State, be determined by application of the Federal medical assistance percentage (as defined in section 1396d of this title) for such State, instead of the percentages provided under each such section, to the expenditures under its State plans approved under subchapters I, X, XIV, and XVI, which would be included in determining the amounts of the Federal payments to which such State is entitled under each such section, but without regard to any maximum on the dollar amounts per recipient which may be counted under such sections. For purposes of the preceding sentence, the term “Federal medical assistance percentage” shall, in the case of Puerto Rico, the Virgin Islands, and Guam, mean 75 per centum.


**References in Text**

Paragraph (1) of sections 303(a), 1203(a), and 1353(a) of this title, referred to in text, were repealed by Pub. L. 97–35, title XXI, § 2184(a)(4)(A), (c)(2)(A), Aug. 13, 1981, 95 Stat. 816, 817.

Section 1383(a) of this title, referred to in text, is a reference to section 1383(a) of this title as it existed prior to the general revision of subchapter XVI of this chapter by Pub. L. 92–601, title III, § 301, Oct. 30, 1972, 86 Stat. 1465, eff. Jan. 1, 1974. The prior section (which is set out as a note under section 1383 of this title) continues in effect for Puerto Rico, Guam, and the Virgin Islands.

**Amendments**

1996—Pub. L. 104–193 struck out “603(a),” before “1203(a),” and “and part A of subchapter IV,” after “XVI,” and “, and shall, in the case of American Samoa, mean 75 per centum with respect to part A of subchapter IV,” after “the Virgin Islands, and Guam, mean 75 per centum,” and “1988—Pub. L. 100–485 inserted before period at end “, and shall, in the case of American Samoa, mean 75 per centum with respect to part A of subchapter IV,” after “the Virgin Islands, and Guam, mean 75 per centum.”

1997—Pub. L. 96–272 struck out “when applied to quarters in the fiscal year ending September 30, 1979” after “means 75 per centum.”

1976—Pub. L. 95–600, inserted provisions relating to definition of “Federal medical assistance percentage” in the case of Puerto Rico, the Virgin Islands, and Guam.


**Effective Date**

Amendment by Pub. L. 104–193 effective July 1, 1997, with transition rules relating to State options to accelerate such date, rules relating to claims, actions, and proceedings commenced before such date, rules relating to closing out of accounts for terminated or substantially modified programs and continuity in office of Assistant Secretary for Family Support, and provisions relating to termination of entitlement under AFDC program, see section 116 of Pub. L. 104–193, set out as an Effective Date note under section 601 of this title.


§ 1319. Federal participation in payments for repairs to home owned by recipient of aid or assistance

In the case of an expenditure for repairing the home owned by an individual who is receiving aid or assistance, other than medical assistance to the aged, under a State plan approved under subchapter I, X, XIV, or XVI, if—

(1) the State agency or local agency administering the plan approved under such subchapter has made a finding (prior to making such expenditure) that (A) such home is so defective that continued occupancy is unwarranted, (B) unless repairs are made to such home, rental quarters will be necessary for such individual, and (C) the cost of rental quarters to take care of the needs of such individual (including his spouse living with him in such home and any other individual whose needs were taken into account in determining the need of such individual) would exceed (over such time as the Secretary may specify) the cost of repairs needed to make such home habitable together with other costs attributable to continued occupancy of such home, and

(2) no such expenditures were made for repairing such home pursuant to any prior finding under this section,

the amount paid to any such State for any quarter under section 303(a), 1203(a), 1353(a), or...
1383(a) of this title shall be increased by 50 per centum of such expenditures, except that the excess above $500 expended with respect to any one home shall not be included in determining such expenditures.


REFERENCES IN TEXT

Section 1383(a) of this title, referred to in text, is a reference to section 1383(a) of this title as it existed prior to the general revision of this subchapter by Pub. L. 92–603, title III, §301, Oct. 30, 1972, 86 Stat. 1465, eff. Jan. 1, 1974. The prior section (which is set out as a note under section 1383 of this title) continues in effect for Puerto Rico, Guam, and the Virgin Islands.

AMENDMENTS

1990—Pub. L. 104–193 substituted “subchapter I, X, XIV, or XVI,” for “subchapter I, X, XIV, or XVI, or part A of subchapter IV” in introductory provisions and struck out “603(a),” before “1203(a),” in closing provisions.

EFFECTIVE DATE OF 1996 AMENDMENT

Amendment by Pub. L. 104–193 effective July 1, 1997, with transition rules relating to State options to accelerate such date, rules relating to claims, actions, and proceedings commenced before such date, rules relating to closing out of accounts for terminated or substantially modified programs and continuity in office of Assistant Secretary for Family Support, and provisions relating to termination of entitlement under AFDC program, see section 116 of Pub. L. 104–193, as amended, set out as an Effective Date note under section 601 of this title.

EFFECTIVE DATE


§ 1320. Approval of certain projects

No payment shall be made under this chapter with respect to any experimental, pilot, demonstration, or other project all or any part of which is wholly financed with Federal funds made available under this chapter (without any State, local, or other non-Federal financial participation) unless such project shall have been personally approved by the Secretary or Deputy Secretary of Health and Human Services.


AMENDMENTS

1990—Pub. L. 101–509 substituted “Deputy Secretary of Health and Human Services” for “‘Under Secretary of Health and Human Services’”.


1982—Pub. L. 97–375 struck out subsec. (b) which directed the Secretary to submit an annual report to Congress describing each project approved under former subsec. (a) of this section during the preceding year, including the purpose, probable cost, and expected duration of each project, and struck out “‘(a)’’ before “No payment”.

1975—Subsec. (b). Pub. L. 93–608 substituted provisions relating to an annual submission of the required report to the Congress by the Secretary for each approved project, for provisions relating to submission of the report as soon as possible after approval.

EFFECTIVE DATE OF 1990 AMENDMENT; CONTINUED SERVICE BY INCUMBENTS

Amendment by Pub. L. 101–509 effective on the first day of the first pay period that begins on or after Nov. 5, 1990, with continued service by incumbent Under Secretary of Health and Human Services, see section 529 (title I, §112(e)) of Pub. L. 101–509, set out as a note under section 494 of Title 20, Education.

EFFECTIVE DATE OF 1984 AMENDMENT

Amendment by Pub. L. 98–369 effective July 18, 1984, but not to be construed as changing or affecting any right, liability, status, or interpretation which existed (under the provisions of law involved) before that date, see section 2664(b) of Pub. L. 98–369, set out as a note under section 401 of this title.

§ 1320a. Uniform reporting systems for health services facilities and organizations

(a) Establishment; criteria for regulations; requirements for hospitals

For the purposes of reporting the cost of services provided by, of planning, and of measuring and comparing the efficiency of and effective use of services in hospitals, skilled nursing facilities, intermediate care facilities, home health agencies, health maintenance organizations, and other types of health services facilities and organizations to which payment may be made under this chapter, the Secretary shall establish by regulation, for each type of health services facility or organization, a uniform system for the reporting by a facility or organization of that type of the following information:

1. The aggregate cost of operation and the aggregate volume of services.
2. The costs and volume of services for various functional accounts and subaccounts.
3. Rates, by category of patient and class of purchaser.
4. Capital assets, as defined by the Secretary, including (as appropriate) capital funds, debt service, lease agreements used in lieu of capital funds, and the value of land, facilities, and equipment.
5. Discharge and bill data.

The uniform reporting system for a type of health services facility or organization shall provide for appropriate variation in the application of the system to different classes of facilities or organizations within that type and shall be established to the extent practicable, consistent with the cooperative system for producing comparable and uniform health information and statistics described in section 242k(e)(1) of this title. In reporting under such a system, hospitals shall employ such chart of accounts, definitions, principles, and statistics as the Secretary may prescribe in order to reach a uniform reconciliation of financial and statistical data for specified uniform reports to be provided to the Secretary.
§ 1320a–1. Limitation on use of Federal funds for capital expenditures

(a) Use of reimbursement for planning activities for health services and facilities

The purpose of this section is to assure that Federal funds appropriated under subchapters XVIII and XIX are not used to support unnecessary capital expenditures made by or on behalf of health care facilities which are reimbursed under any of such subchapters and that, to the extent possible, reimbursement under such subchapters shall support planning activities with respect to health services and facilities in the various States.

(b) Agreement between Secretary and State for submission of proposed capital expenditures related to health care facilities and procedures for appeal from recommendations

The Secretary, after consultation with the Governor (or other chief executive officer) and with appropriate local public officials, shall make an agreement with any State which is able and willing to do so under which a designated planning agency (which shall be an agency described in clause (i) of subsection (d)(1)(B) that has a governing body or advisory board at least half of whose members represent consumer interests) will—

(1) make, and submit to the Secretary together with such supporting materials as he may find necessary, findings and recommendations with respect to capital expenditures proposed by or on behalf of any health care facility in such State within the field of its responsibilities,

(2) receive from other agencies described in clause (ii) of subsection (d)(1)(B), and submit to the Secretary together with such supporting material as he may find necessary, the findings and recommendations of such other agencies with respect to capital expenditures proposed by or on behalf of health care facilities in such State within the fields of their respective responsibilities, and

(3) establish and maintain procedures pursuant to which a person proposing any such capital expenditure may appeal a recommendation by the designated agency and will be granted an opportunity for a fair hearing by such agency or person other than the designated agency as the Governor (or other chief executive officer) may designate to hold such hearings, whenever and to the extent that the findings of such designated agency or any such other agency indicate that any such expenditure is not consistent with the standards, criteria, or plans developed pursuant to the Public Health Service Act [42 U.S.C. 201 et seq.] to meet the need for adequate health care facilities in the area covered by the plan or plans so developed.

(c) Manner of payment to States for carrying out agreement

The Secretary shall pay any such State from the general fund in the Treasury, in advance or by way of reimbursement as may be provided in the agreement with it (and may make adjustments in such payments on account of overpay-
ments or underpayments previously made), for the reasonable cost of performing the functions specified in subsection (b).

(d) Determination of amount of exclusions from Federal payments

(1) Except as provided in paragraph (2), if the Secretary determines that—

(A) neither the planning agency designated in the agreement described in subsection (b) nor an agency described in clause (ii) of subparagraph (B) of this paragraph had been given notice of any proposed capital expenditure (in accordance with such procedure or in such detail as may be required by such agency) at least 60 days prior to obligation for such expenditure; or

(B) (i) the planning agency so designated or an agency so described had received such timely notice of the intention to make such capital expenditure and had, within a reasonable period after receiving such notice and prior to obligation for such expenditure, notified the person proposing such expenditure that the expenditure would not be in conformity with the standards, criteria, or plans developed by such agency or any other agency described in clause (ii) for adequate health care facilities in such State or in the area for which such other agency has responsibility, and

(ii) the planning agency so designated, prior to submitting to the Secretary the findings referred to in subsection (b).

(2) If the Secretary, after submitting the matters involved to the advisory council established or designated under subsection (i), determines that an exclusion of expenses related to any capital expenditure of any health care facility would discourage the operation or expansion of such facility which has demonstrated to his satisfaction proof of capability to provide comprehensive health care services (including institutional services) efficiently, effectively, and economically, or would otherwise be inconsistent with the effective organization and delivery of health services or the effective administration of subchapter XVIII or XIX, he shall not exclude such expenses pursuant to paragraph (1).

(e) Treatment of lease or comparable arrangement of any facility or equipment for a facility in determining amount of exclusions from Federal payments

Where a person obtains under lease or comparable arrangement any facility or part thereof, or equipment for a facility, which would have been subject to an exclusion under subsection (d), if the person had acquired it by purchase, the Secretary shall (1) in computing such person’s rental expense in determining the Federal payments to be made under subchapters XVIII and XIX with respect to services furnished in such facility, deduct the amount which in his judgment is a reasonable equivalent of the amount that would have been excluded if the person had acquired such facility or such equipment by purchase, and (2) in computing such person’s rental expense in determining the Federal payments, deduct any amount deposited on equity capital pursuant to paragraph (1).

(f) Reconsideration by Secretary of determinations

Any person dissatisfied with a determination by the Secretary under this section may within six months following notification of such determination request the Secretary to reconsider such determination. A determination by the Secretary under this section shall not be subject to administrative or judicial review.

(g) “Capital expenditure” defined

For the purposes of this section, a “capital expenditure” is an expenditure which, under generally accepted accounting principles, is not properly chargeable as an expense of operation and maintenance and which (1) exceeds $300,000 (or such lesser amount as the State may establish), (2) changes the bed capacity of the facility with respect to which such expenditure is made, or (3) substantially changes the services of the facility with respect to which such expenditure is made. For purposes of clause (1) of the preceding sentence, the cost of the studies, surveys, designs, plans, working drawings, specifications, and other activities essential to the acquisition, improvement, expansion, or replacement of the
(h) Applicability to Christian Science sanatoriums

The provisions of this section shall not apply to a religious nonmedical health care institution (as defined in section 1395x(ss)(1) of this title).

(i) National advisory council; establishment or designation of existing council; functions; consultations with other appropriate national advisory councils; composition; compensation and travel expenses

(1) The Secretary shall establish a national advisory council, or designate an appropriate existing national advisory council, to advise and assist him in the preparation of general regulations to carry out the purposes of this section and on policy matters arising in the administration of this section, including the coordination of activities under this section with those under other parts of this chapter or under chapter Federal or federally assisted health programs.

(2) The Secretary shall make appropriate provision for consultation between and coordination of the work of the advisory council established or designated under paragraph (1) and the Federal Hospital Council, the National Advisory Health Council, the Health Insurance Benefits Advisory Council, and other appropriate national advisory councils with respect to matters bearing on the purposes and administration of this section and the coordination of activities under this section with related Federal health programs.

(3) If an advisory council is established by the Secretary under paragraph (1), it shall be composed of members who are not otherwise in the regular full-time employ of the United States, and who shall be appointed by the Secretary without regard to the civil service laws from among leaders in the fields of the fundamental sciences, the medical sciences, and the organization, delivery, and financing of health care, and persons who are State or local officials or are active in community affairs or public or civic affairs or who are representative of minority groups. Members of such advisory council, while attending meetings of the council or otherwise serving on business of the council, shall be entitled to receive compensation at rates fixed by the Secretary, but not exceeding the maximum rate specified at the time of such service for grade GS–18 in section 5332 of title 5, including traveltime, and while away from their homes or regular places of business they may also be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of such title 5 for persons in the Government service employed intermittently.

(j) Capital expenditure review exception for eligible organization health care facilities

A capital expenditure made by or on behalf of a health care facility shall not be subject to review pursuant to this section if 75 percent of the patients who can reasonably be expected to use the service with respect to which the capital expenditure is made will be individuals enrolled in an eligible organization as defined in section 1395mm(b) of this title, and if the Secretary determines that such capital expenditure is for services and facilities which are needed by such organization in order to operate efficiently and economically and which are not otherwise readily accessible to such organization because—

(1) the facilities do not provide common services at the same site (as usually provided by the organization),

(2) the facilities are not available under a contract of reasonable duration,

(3) full and equal medical staff privileges in the facilities are not available,

(4) arrangements with such facilities are not administratively feasible, or

(5) the purchase of such services is more costly than if the organization provided the services directly.


REFERENCES IN TEXT

The Public Health Service Act, referred to in subsec. (b), is act July 1, 1944, ch. 373, 58 Stat. 682, which is classified generally to chapter 6A (201 et seq.) of this title. For complete classification of this Act to the Code, see Short Title note set out under section 201 of this title and Tables.

AMENDMENTS

1997—Subsec. (h). Pub. L. 105–33 substituted "a religious nonmedical health care institution" for "Christian Science sanatoriums operated, or listed and certified, by the First Church of Christ, Scientist, Boston, Massachusetts."

1984—Subsec. (b). Pub. L. 98–369, § 2354(a)(1), substituted a comma for the period at end of par. (1), and struck out "(or the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963)" before "to meet the need" in provisions following par. (3).

Subsec. (i)(3). Pub. L. 98–369, § 2354(a)(2), substituted "5703" for "5703(b)".

1983—Subsec. (c). Pub. L. 98–21, § 607(a), substituted "the general fund in the "Treasurr" for "the Federal Hospital Insurance Trust Fund".

Subsec. (g). Pub. L. 98–21, § 607(b)(1), substituted "$600,000 (or such lesser amount as the State may establish)" for "$100,000" and Pub. L. 98–21, § 607(b)(1)(B), substituted "the dollar amount specified in clause (1)" for "$100,000" the second time it appeared.


1981, Pub. L. 97–35, see section 137(d)(2) of Pub. L. 97–248, as amended by Pub. L. 97–248, §137(a), substituted 'subchapter XVIII or XIX' for 'subchapter XVIII or XIX'.


Subsec. (d)(1), 2(d). Pub. L. 97–559, §14(b)(1), (3), as amended by Pub. L. 96–32, struck out references to health maintenance organizations wherever appearing and in par. (2) "or organization, or of any facility of such organization," after "expansion of such facility".


1979—Subsecs. (a), (b), Pub. L. 95–559, §14(b)(1)(i), (a), as amended by Pub. L. 96–32, struck out references to health maintenance organizations wherever appearing and in par.

(2) "or organization, or of any facility of such organization," after "expansion of such facility".

1973—Subsec. (d)(1), Pub. L. 93–233, §18(z), substituted "include" for "exclude" where last appearing.

Effective Date of 1997 Amendment
Amendment by Pub. L. 105–33 effective Aug. 5, 1997, applicable to items and services furnished on or after such date, with provision that Secretary of Health and Human Services issue regulations to carry out such amendment by not later than Jan. 1, 1998, see section 4454(d) of Pub. L. 105–33, set out as an Effective Date note under section 1396c–5 of this title.

Effective Date of 1994 Amendment
Pub. L. 98–369, div. B, title III, §2354(e), July 18, 1994, 98 Stat. 1162, provided that:
"(1) Except as provided in paragraph (2), the amendments made by this section [amending this section and sections 1316, 1320a–7a, 1320a–8, 1396f, 1396i, 1396i–2, 1395b, 1396f–1, 1395m, 1395n, 1395s, 1395s–1, 1395t, 1395s–2, 1395u, 1395v, 1395w of this title and section 162 of Title 26, Internal Revenue Code, and amending provisions set out as notes under sections 1320c, 1395x, and 1395x–5 of this title] shall be effective on the date of the enactment of this Act [July 18, 1994]; but none of such amendments shall be construed as changing or affecting any right, liability, status, or interpretation which existed (under the provisions of law involved) before that date.

(2) "The amendments made by paragraphs (1) [amending section 1396h of this title and provisions set out as a note under section 1396x of this title], (2) [amending section 1316 of this title], and (3) [amending provisions set out as notes under sections 1320c and 1395m of this title] shall be effective on the date of their establishment, unless, in the case of a council established by the President or an officer of the Federal Government, such council is renewed by appropriate action prior to the expiration of such 2-year period, or in the case of a council established by the Congress, its duration is otherwise provided by law. Advisory councils established after Jan. 5, 1973, to terminate not later than the expiration of the 2-year period beginning on the date of their establishment, unless, in the case of a council established by the President or an officer of the Federal Government, such council is renewed by appropriate action prior to the expiration of such 2-year period, or in the case of a council established by the Congress, its duration is otherwise provided by law. See sections 3(2) and 14 of Pub. L. 92–603, Oct. 6, 1972, 86 Stat. 770, 776, set out in the Appendix to Title 5, Government Organization and Employees."

Effective Date of 1984 Amendment
Pub. L. 98–369, div. B, title III, §2354(e), July 18, 1994, 98 Stat. 1162, provided that:
"(1) Except as provided in paragraph (2), the amendments made by this section [amending this section and sections 1316, 1320a–7a, 1320a–8, 1396f, 1396i, 1396i–2, 1395b, 1396f–1, 1395m, 1395n, 1395s, 1395s–1, 1395t, 1395s–2, 1395u, 1395v, 1395w of this title and section 162 of Title 26, Internal Revenue Code, and amending provisions set out as notes under sections 1320c, 1395x, and 1395x–5 of this title] shall be effective on the date of the enactment of this Act [July 18, 1994]; but none of such amendments shall be construed as changing or affecting any right, liability, status, or interpretation which existed (under the provisions of law involved) before that date.

(2) "The amendments made by paragraphs (1) [amending section 1396h of this title and provisions set out as a note under section 1396x of this title], (2) [amending section 1316 of this title], and (3) [amending provisions set out as notes under sections 1320c and 1395m of this title] shall be effective on the date of their establishment, unless, in the case of a council established by the President or an officer of the Federal Government, such council is renewed by appropriate action prior to the expiration of such 2-year period, or in the case of a council established by the Congress, its duration is otherwise provided by law. See sections 3(2) and 14 of Pub. L. 92–603, Oct. 6, 1972, 86 Stat. 770, 776, set out in the Appendix to Title 5, Government Organization and Employees."
unenforceable because of its inclusion in a section of this chapter requiring a State plan or specifying the required contents of a State plan. This section is not intended to limit or expand the grounds for determining the availability of private actions to enforce State plan requirements other than by overturning any such grounds applied in Suter v. Artist M., 112 S. Ct. 1360 (1992), but not applied in prior Supreme Court decisions respecting such enforceability; provided, however, that this section is not intended to alter the holding in Suter v. Artist M. that section 671(a)(27) of this title is not enforceable in a private right of action.


Prior Provisions

Another section 1123 of act Aug. 14, 1935, was renumbered section 1123A, and is classified to section 1320a-2a of this title.

Effective Date
Pub. L. 103-382, title V, §555(b), Oct. 20, 1994, 108 Stat. 4058, provided that: "The amendment made by subsection (a) [enacting this section] shall apply to actions pending on the date of the enactment of this Act [Oct. 20, 1994] and to actions brought on or after such date of enactment."

§ 1320a-2a. Reviews of child and family services programs, and of foster care and adoption assistance programs, for conformity with State plan requirements

(a) In general
The Secretary, in consultation with the State agencies administering the State programs under parts B and E of subchapter IV, shall promulgate regulations for the review of such programs to determine whether such programs are in substantial conformity with—

(1) State plan requirements under such parts B and E,

(2) implementing regulations promulgated by the Secretary, and

(3) the relevant approved State plans.

(b) Elements of review system
The regulations referred to in subsection (a) shall—

(1) specify the timetable for conformity reviews of State programs, including—

(A) an initial review of each State program;

(B) a timely review of a State program following a review in which such program was found not to be in substantial conformity; and

(C) less frequent reviews of State programs which have been found to be in substantial conformity, but such regulations shall permit the Secretary to reinstate more frequent reviews based on information which indicates that a State program may not be in conformity;

(2) specify the requirements subject to review (which shall include determining whether the State program is in conformity with the requirement of section 671(a)(27) of this title), and the criteria to be used to measure conformity with such requirements and to determine whether there is a substantial failure to so conform;

(3) specify the method to be used to determine the amount of any Federal matching funds to be withheld (subject to paragraph (4)) due to the State program’s failure to so conform, which ensures that—

(A) such funds will not be withheld with respect to a program, unless it is determined that the program fails substantially to so conform;

(B) such funds will not be withheld for a failure to so conform resulting from the State’s reliance upon and correct use of formal written statements of Federal law or policy provided to the State by the Secretary; and

(C) the amount of such funds withheld is related to the extent of the failure to so conform; and

(4) require the Secretary, with respect to any State program found to have failed substantially to so conform—

(A) to afford the State an opportunity to adopt and implement a corrective action plan, approved by the Secretary, designed to end the failure to so conform;

(B) to make technical assistance available to the State to the extent feasible to enable the State to develop and implement such a corrective action plan;

(C) to suspend the withholding of any Federal matching funds under this section while such a corrective action plan is in effect; and

(D) to rescind any such withholding if the failure to so conform is ended by successful completion of such a corrective action plan.

(c) Provisions for administrative and judicial review
The regulations referred to in subsection (a) shall—

(1) require the Secretary, not later than 10 days after a final determination that a program of the State is not in conformity, to notify the State of—

(A) the basis for the determination; and

(B) the amount of the Federal matching funds (if any) to be withheld from the State;

(2) afford the State an opportunity to appeal the determination to the Departmental Appeals Board within 60 days after receipt of the notice described in paragraph (1) (or, if later, after failure to continue or to complete a corrective action plan); and

(3) afford the State an opportunity to obtain judicial review of an adverse decision of the Board, within 60 days after the State receives notice of the decision of the Board, by appeal
to the district court of the United States for the judicial district in which the principal or headquarters office of the agency responsible for administering the program is located.


**Codification**

Section was formerly classified to section 1320a–1a of this title prior to renumbering by Pub. L. 104–193.

**Amendments**

2006—Subsec. (b)(2). Pub. L. 109–432 inserted “(which shall include determining whether the State program is in conformity with the requirement of section 671(a)(27) of this title)” after “review”.

**Effective Date of 2006 Amendment**

Amendment by Pub. L. 109–432 effective on the date that is 6 months after Dec. 20, 2006, see section 405(c)(1)(B)(ii) of Pub. L. 109–432, set out as a note under section 671 of this title.

**Regulations**


**§1320a–3. Disclosure of ownership and related information; procedure; definitions; scope of requirements**

**Section 1320a–3. Disclosure of ownership and related information; procedure; definitions; scope of requirements**

**(a) In general**

(1) The Secretary shall by regulation or by contract provision provide that each disclosing entity (as defined in paragraph (2)) available—

(A) as a condition of the disclosing entity’s participation in, or certification or recertification under, any of the programs established by subchapters V, XVIII, and XIX, or

(B) as a condition for the approval or renewal of a contract or agreement between the disclosing entity and the Secretary or the appropriate State agency under any of the programs established under subchapters V, XVIII, and XIX,

supply the Secretary or the appropriate State agency with full and complete information as to the identity of each person with an ownership or control interest (as defined in subsection (a)(3)), and any subcontractor in which the entity directly or indirectly has a 5 percent or more ownership interest.

(2) As used in this section, the term “disclosing entity” shall mean an entity which is—

(A) a provider of services (as defined in section 1395x(u) of this title, other than a fund), an independent clinical laboratory, a renal disease facility, a managed care entity, as defined in section 1395u-2(a)(1)(B) of this title, or a health maintenance organization (as defined in section 300e(a) of this title);

(B) an entity (other than an individual practitioner or group of practitioners) that furnishes, or arranges for the furnishing of, items or services with respect to which payment may be claimed by the entity under any plan or program established pursuant to subchapter V or under a State plan approved under subchapter XIX; or

(C) a carrier or other agency or organization that is acting as a fiscal intermediary or agent with respect to one or more providers of services (for purposes of part A or part B of subchapter XVIII, or both, or for purposes of a State plan approved under subchapter XIX) pursuant to (i) an agreement under section 1395b of this title, (ii) a contract under section 1395a of this title, or (iii) an agreement with a single State agency administering or supervising the administration of a State plan approved under subchapter XIX.

(3) As used in this section, the term “person with an ownership or control interest” means, with respect to an entity, a person who—

(A)(i) has directly or indirectly (as determined by the Secretary in regulations) an ownership interest of 5 percent or more in the entity; or

(ii) is the owner of a whole or part interest in any mortgage, deed of trust, note, or other obligation secured (in whole or in part) by the entity or any of the property or assets thereof, the whole or part interest in which which equal to or exceed 5 percent of the total property and assets of the entity; or

(B) is an officer or director of the entity, if the entity is organized as a corporation; or

(C) is a partner in the entity, if the entity is organized as a partnership.

**(b) Other disclosing entities**

To the extent determined to be feasible under regulations of the Secretary, a disclosing entity shall also include in the information supplied under subsection (a)(1), with respect to each person with an ownership or control interest in the entity, the name of any other disclosing entity with respect to which the person is a person with an ownership or control interest.

**(c) Required disclosure of ownership and additional disclosable parties information**

**(1) Disclosure**

A facility shall have the information described under paragraph (2) available—

(A) during the period beginning on March 23, 2010, and ending on the date such infor-
(2) Information described
(A) In general

The following information is described in this paragraph:
(i) The information described in subsections (a) and (b), subject to subparagraph (C).
(ii) The identity of and information on—
(I) each member of the governing body of the facility, including the name, title, and period of service of each such member;
(II) each person or entity who is an officer, director, member, partner, trustee, or managing employee of the facility, including the name, title, and period of service of each such person or entity; and
(III) each person or entity who is an additional disclosable party of the facility.
(iii) The organizational structure of each additional disclosable party of the facility and a description of the relationship of each such additional disclosable party to the facility and to one another.

(B) Special rule where information is already reported or submitted

To the extent that information reported by a facility to the Internal Revenue Service on Form 990, information submitted by a facility to the Securities and Exchange Commission, or information otherwise submitted to the Secretary or any other Federal agency contains the information described in clauses (i), (ii), or (iii) of subparagraph (A), the facility may provide such Form or such information submitted to meet the requirements of paragraph (1).

(C) Special rule

In applying subparagraph (A)(i)—
(i) with respect to subsections (a) and (b), “ownership or control interest” shall include direct or indirect interests, including such interests in intermediate entities; and
(ii) subsection (a)(3)(A)(ii) shall include the owner of a whole or part interest in any mortgage, deed of trust, note, or other obligation secured, in whole or in part, by the entity or any of the property or assets thereof, if the interest is equal to or exceeds 5 percent of the total property or assets of the entirety.

(3) Reporting
(A) In general

Not later than the date that is 2 years after March 23, 2010, the Secretary shall promulgate final regulations requiring, effective on the date that is 90 days after the date on which such final regulations are published in the Federal Register, a facility to report the information described in paragraph (2) to the Secretary in a standardized format, and such other regulations as are necessary to carry out this subsection. Such final regulations shall ensure that the facility certifies, as a condition of participation and payment under the program under subchapter XVIII or XIX, that the information reported by the facility in accordance with such final regulations is, to the best of the facility’s knowledge, accurate and current.

(B) Guidance

The Secretary shall provide guidance and technical assistance to States on how to adopt the standardized format under subparagraph (A).

(4) No effect on existing reporting requirements

Nothing in this subsection shall reduce, diminish, or alter any reporting requirement for a facility that is in effect as of March 23, 2010.

(5) Definitions

In this subsection:
(A) Additional disclosable party

The term “additional disclosable party” means, with respect to a facility, any person or entity who—
(i) exercises operational, financial, or managerial control over the facility or a part thereof, or provides policies or procedures for any of the operations of the facility, or provides financial or cash management services to the facility;
(ii) leases or subleases real property to the facility, or owns a whole or part interest equal to or exceeding 5 percent of the total value of such real property; or
(iii) provides management or administrative services, management or clinical consulting services, or accounting or financial services to the facility.

(B) Facility

The term “facility” means a disclosing entity which is—
(i) a skilled nursing facility (as defined in section 1395i–3(a) of this title); or
(ii) a nursing facility (as defined in section 1396r(a) of this title).

(C) Managing employee

The term “managing employee” means, with respect to a facility, an individual (including a general manager, business manager, administrator, director, or consultant)
who directly or indirectly manages, advises, or supervises any element of the practices, finances, or operations of the facility.

(D) Organizational structure

The term “organizational structure” means, in the case of—

(i) a corporation, the officers, directors, and shareholders of the corporation who have an ownership interest in the corporation which is equal to or exceeds 5 percent;

(ii) a limited liability company, the members and managers of the limited liability company (including, as applicable, what percentage each member and manager has of the ownership interest in the limited liability company);

(iii) a general partnership, the partners of the general partnership;

(iv) a limited partnership, the general partners and any limited partners of the limited partnership who have an ownership interest in the limited partnership which is equal to or exceeds 10 percent;

(v) a trust, the trustees of the trust;

(vi) an individual, contact information for the individual; and

(vii) any other person or entity, such information as the Secretary determines appropriate.


REFERENCES IN TEXT

The Internal Revenue Code of 1986, referred to in subsec. (a)(1), is classified generally to Title 26, Internal Revenue Code.

Section 6101(b) of the Patient Protection and Affordable Care Act, referred to in subsec. (c)(1)(A), is section 6101(b) of Pub. L. 111–148, which is set out as a note below.

AMENDMENTS


1997—Subsec. (a)(1). Pub. L. 105–33, §4313(a), inserted before period at end of concluding provision “and supply the Secretary with the both the employer identification number (assigned pursuant to section 6109 of the Internal Revenue Code of 1986) and social security account number (assigned under section 405(c)(2)(B) of this title) of the disclosing entity, each person with an ownership or control interest (as defined in subsection (a)(3)), and any subcontractor in which the entity directly or indirectly has a 5 percent or more ownership interest.” The insertion was made to reflect the probable intent of Congress, in the absence of closing quotations designating the provisions to be inserted.

Subsec. (a)(2)(A). Pub. L. 105–33, §4707(c), inserted “a managed care entity, as defined in section 1396a–2a(a)(1)(B) of this title,” after “renal disease facility.”


1981—Subsec. (a)(1). Pub. L. 97–35, §2353(b)(1), substituted in subpars. (A) and (B) “and XIX” for “XIX, and XX”.

Subsec. (a)(2)(D). Pub. L. 97–35, §2353(b)(2), struck out subpar. (D) which included within term “disclosing entity” an entity, other than an individual practitioner or group of practitioners, that furnishes, or arranges for the furnishing of, health related services with respect to which payment may be claimed by the entity under a State plan or program approved under subchapter XX of this chapter.

1980—Subsec. (a)(3)(A)(ii). Pub. L. 96–499 substituted “of a whole or part interest” for “of an interest of 5 percent or more” and inserted “whole or part interest is equal to or exceeds $25,000 or 5 per centum of the total property and assets of the entity”.

EFFECTIVE DATE OF 1997 AMENDMENT

Pub. L. 105–33, title IV, §4313(e), Aug. 5, 1997, 111 Stat. 389, provided that:

“(1) DISCLOSURE REQUIREMENTS.—The amendment made by subsection (a) [amending this section] shall apply to the application of conditions of participation, and entering into and renewal of contracts and agreements, occurring more than 90 days after the date of submission of the report under subsection (d) [set out as a note below].

“(2) OTHER PROVIDERS.—The amendments made by subsection (b) [amending section 1320a–3a of this title] shall apply to payment for items and services furnished more than 90 days after the date of submission of such report.”

Amendment by section 4707(c) of Pub. L. 105–33 effective Aug. 5, 1997, and applicable to contracts entered into or renewed on or after Oct. 1, 1997, see section 4710 of Pub. L. 105–33, set out as a note under section 1396b of this title.

EFFECTIVE DATE OF 1987 AMENDMENT

Amendment by Pub. L. 100–93 effective at end of fourteen-day period beginning Aug. 18, 1987, and inapplicable to administrative proceedings commenced before end of such period, see section 15(a) of Pub. L. 100–93, set out as a note under section 1320a–7 of this title.

EFFECTIVE DATE OF 1981 AMENDMENT


EFFECTIVE DATE

Pub. L. 96–142, §3(e), Oct. 25, 1977, 91 Stat. 1179, provided that: “The amendment made by subsection (a)(1) [enacting this section] shall apply with respect to certifications and recertifications made (and participation in the programs established by titles V, XVIII, XIX, and XX of the Social Security Act [42 U.S.C. 701 et seq., and XX of the Social Security Act (42 U.S.C. 701 et seq., 1395 et seq., 1396 et seq., 1397 et seq.) pursuant to certifications and recertifications made], and fiscal intermediary or agent agreements or contracts entered into or renewed, or on and after the date of the enactment of this Act [Oct. 25, 1977]. The remaining amendments made by this section [amending sections 1396x and 1396s of this title] shall take effect on the date of the enactment of this Act [Oct. 25, 1977]; except that the amendments made by subsections (c) and (d) [amending sections 1396a, 1396b, 1397a, and 1397b of this title] shall become effective January 1, 1978.”

PUBLIC AVAILABILITY OF INFORMATION

Pub. L. 111–114, title VI, §6101(b), Mar. 23, 2010, 124 Stat. 702, provided that: “Not later than the date that is 1 year after the date on which the final regulations promulgated under section 1124(c)(3)(A) of the Social Security Act (42 U.S.C. 1320a–3(c)(3)(A)), as added by subsection (a), are published in the Federal Register, the Secretary of Health and Human Services shall make the information reported in accordance with such final regulations available to the public in accordance with procedures established by the Secretary.”
§ 1320a–3a. Disclosure requirements for other providers under part B of Medicare

(a) Disclosure required to receive payment

No payment may be made under part B of subchapter XVIII for items or services furnished by any disclosing part B provider unless such provider has provided the Secretary with full and complete information—

(1) on the identity of each person with an ownership or control interest in the provider or in any subcontractor (as defined by the Secretary in regulations) in which the provider directly or indirectly has a 5 percent or more ownership interest;

(2) with respect to any person identified under paragraph (1) or any managing employee of the provider—

(A) on the identity of any other entities providing items or services for which payment may be made under subchapter XVIII with respect to which such person or managing employee is a person with an ownership or control interest at the time such information is supplied or at any time during the 3-year period ending on the date such information is supplied, and

(B) as to whether any penalties, assessments, or exclusions have been assessed against such person or managing employee under section 1320a–7, 1320a–7a, or 1320a–7b of this title; and

(3) including the employer identification number (assigned pursuant to section 6109 of the Internal Revenue Code of 1986) and social security account number (assigned under section 405(c)(2)(B) of this title) of the disclosing part B provider and any person, managing employee, or other entity identified or described under paragraph (1) or (2).

(b) Updates to information supplied

A disclosing part B provider shall notify the Secretary of any changes or updates to the information supplied under subsection (a) not later than 180 days after such changes or updates take effect.

(c) Verification

(1) Transmittal by HHS

The Secretary shall transmit—

(A) to the Commissioner of Social Security information concerning each social security account number (assigned under section 6109 of the Internal Revenue Code of 1986),

supplied to the Secretary pursuant to subsection (a)(3) or section 1320a–3(c) of this title to the extent necessary for verification of such information in accordance with paragraph (2).

(2) Verification

The Commissioner of Social Security and the Secretary of the Treasury shall verify the accuracy of, or correct, the information supplied by the Secretary to such official pursuant to paragraph (1), and shall report such verifications or corrections to the Secretary.

(3) Fees for verification

The Secretary shall reimburse the Commissioner and Secretary of the Treasury, at a rate negotiated between the Secretary and such official, for the costs incurred by such official in performing the verification and correction services described in this subsection.

(d) Definitions

For purposes of this section—

(1) the term "disclosing part B provider" means any entity receiving payment on an assignment-related basis (or, for purposes of subsection (a)(3), any entity receiving payment) for furnishing items or services for which payment may be made under part B of subchapter XVIII, except that such term does not include an entity described in section 1320a–3(a)(2) of this title;

(2) the term "managing employee" means, with respect to a provider, a person described in section 1320a–5(b) of this title; and

(3) the term "person with an ownership or control interest" means, with respect to a provider—

(A) a person described in section 1320a–3(a)(3) of this title, or

(B) a person who has one of the 5 largest direct or indirect ownership or control interests in the provider.

(Aug. 14, 1995, ch. 531, title XI, § 1124A, as added Pub. L. 104–193, title IV, § 4313(b), Aug. 5, 1997, 111 Stat. 389, provided that: "Before the amendments made by this section [amending this section and section 1320a–3a of this title] may become effective, the Secretary of Health and Human Services shall submit to Congress a report on steps the Secretary has taken to assure the confidentiality of social security account numbers that will be provided to the Secretary under such amendments."

1 See References in Text note below.
**Effective Date of 1997 Amendment**

Amendment by section 4313(b) of Pub. L. 105–33 applicable to payment for items and services furnished more than 90 days after date of submission of report under section 1320a–3 of this title, see section 4313(e) of Pub. L. 105–33, set out as a note under section 1320a–3 of this title.

**Effective Date of 1994 Amendment**

Pub. L. 103–432, title I, §147(g), Oct. 31, 1994, 108 Stat. 4432, provided that: “Except as otherwise provided in this section [amending this section and sections 1320a–5, 1395f, 1395g, 1395h, 1395i, and 1395cc of this title, enacting provisions set out as notes under sections 1395j, 1395p, and 1395v of this title, amending provisions set out as notes under this section and sections 254b, 1395f, and 1395u of this title, and repealing provisions set out as a note under section 1395d of this title], the amendments made by this section shall take effect as if included in the enactment of OBRA–1990 [Pub. L. 101–508].”

**Effective Date**


(A) January 1, 1993, in the case of items or services furnished by a provider who, on or before the date of the enactment of this Act [Nov. 5, 1990], has furnished items or services for which payment may be made under part B of title XVIII of the Social Security Act [42 U.S.C. 1395 et seq.]; or

(B) January 1, 1992, in the case of items or services furnished by any other provider.”

**Report on Confidentiality of Social Security Account Numbers**

Before amendment by Pub. L. 105–33 may become effective, Secretary of Health and Human Services is required to submit to Congress a report on steps Secretary has taken to assure the confidentiality of social security account numbers that will be provided to Secretary, see section 4313(d) of Pub. L. 105–33, set out as a note under section 1320a–3 of this title.

§1320a–4. Issuance of subpoenas by Comptroller General

(a) Authorization; scope; service and proof of service

For the purpose of any audit, investigation, examination, analysis, review, evaluation, or other function authorized by law with respect to any program authorized under this chapter, the Comptroller General of the United States shall have power to sign and issue subpoenas to any person requiring the production of any pertinent books, records, documents, or other information. Subpoenas so issued by the Comptroller General shall be served by anyone authorized by him (1) by delivering a copy thereof to the person named therein, or (2) by registered mail or by certified mail addressed to such person at his last dwelling place or principal place of business. A verified return by the person so served the subpoena setting forth the manner of service, or, in the case of service by registered mail or by certified mail, the return post office receipt therefor signed by the person so served, shall be proof of service.

(b) Contumacy or refusal to obey subpoena; contempt proceedings

In case of contumacy by, or refusal to obey a subpoena issued pursuant to subsection (a) of this section and duly served upon, any person, any district court of the United States for the judicial district in which such person charged with contumacy or refusal to obey is found or resides or transacts business, upon application by the Comptroller General, shall have jurisdiction to issue an order requiring such person to produce the books, records, documents, or other information sought by the subpoena; and any failure to obey such order of the court may be punished by the court as a contempt thereof. In proceedings brought under this subsection, the Comptroller General shall be represented by attorneys employed in the Government Accountability Office or by counsel whom he may employ without regard to the provisions of title 5 governing appointments in the competitive service, and the provisions of chapter 51 and subchapters III and VI of chapter 53 of such title, relating to classification and General Schedule pay rates.

(c) Nondisclosure of personal medical records by Government Accountability Office

No personal medical record in the possession of the Government Accountability Office shall be subject to subpoena or discovery proceedings in a civil action.

§1320a–5. Disclosure by institutions, organizations, and agencies of owners, officers, etc., convicted of offenses related to programs; notification requirements; “managing employee” defined

(a) As a condition of participation in or certification or recertification under the programs established by subchapters XVIII,1 and XIX, any hospital, nursing facility, or other entity (other than an individual practitioner or group of practitioners) shall be required to disclose to the Secretary or to the appropriate State agency the name of any person that is a person described in subparagraphs (A) and (B) of section 1320a–7(b)(8) of this title. The Secretary or the appropriate State agency shall promptly notify the Inspector General in the Department of Health and Human Services of the receipt from any entity of any application or request for such participation, certification, or recertification which discloses the name of any such person, and shall notify the Inspector General of the action taken with respect to such application or request.

(b) For the purposes of this section, the term “managing employee” means, with respect to an entity, an individual, including a general man-

---

1So in original. The comma probably should not appear.
§ 1320a–6. Adjustments in SSI benefits on account of retroactive benefits under subchapter II

(a) Reduction in benefits

Notwithstanding any other provision of this chapter, in any case where an individual—

(1) is entitled to benefits under subchapter II that were not paid in the months in which they were regularly due; and

(2) is an individual or eligible spouse eligible for supplemental security income benefits for one or more months in which the benefits referred to in clause (1) were regularly due,

then any benefits under subchapter II that were regularly due in such month or months, or supplemental security income benefits for such month or months, which are due but have not been paid to such individual or eligible spouse shall be reduced by an amount equal to so much of the supplemental security income benefits, whether or not paid retroactively, as would not otherwise be available for payment in full of the maximum fee which may be recovered from such benefit by an attorney pursuant to subsection (a)(4) or (b) of section 406 of this title.

(b) “Supplemental security income benefits” defined

For purposes of this section, the term “supplemental security income benefits” means benefits paid or payable by the Commissioner of Social Security under subchapter XVI, including State supplementary payments under an agreement pursuant to section 1382e(a) of this title or an administration agreement under section 212(b) of Public Law 93–66.

(c) Reimbursement of the State

From the amount of the reduction made under subsection (a), the Commissioner of Social Security shall reimburse the State on behalf of which supplementary payments were made for the amount (if any) by which such State’s expenditures on account of such supplementary payments for the month or months involved exceeded the expenditures which the State would have made (for such month or months) if the individual had received the benefits under subchapter II at the times they were regularly due. An amount equal to the portion of such reduction remaining after reimbursement of the State under the preceding sentence shall be covered into the general fund of the Treasury.


References in Text

Section 212(b) of Pub. L. 93–66, referred to in subsec. (b), is set out as a note under section 1382 of this title.
§ 1320a–6a. Interagency coordination to improve program administration

(a) Coordination agreement

Notwithstanding any other provision of law, including section 407 of this title, the Commissioner of Social Security (referred to in this section as “the Commissioner”) and the Director of the Office of Personnel Management (referred to in this section as “the Director”) shall enter into an agreement under which a system is established to carry out the following procedure:

(1) The Director shall notify the Commissioner when any individual is determined to be entitled to a monthly disability annuity payment pursuant to subchapter V of chapter 84 of part III of title 5 and shall certify that such individual has provided the authorization described in subsection (f).

(2) If the Commissioner determines that an individual described in paragraph (1) is also entitled to past-due benefits under section 423 of this title, the Commissioner shall notify the Director of such fact.

(3) Not later than 30 days after receiving a notification described in paragraph (2) with respect to an individual, the Director shall provide the Commissioner with the total amount of any disability annuity overpayments made to such individual, as well as any other information (in such form and manner as the Commissioner shall require) that the Commissioner determines is necessary to carry out this section.

(4) If the Director provides the Commissioner with the information described in paragraph (3) in a timely manner, the Commissioner may withhold past-due benefits under section 423 of this title to which such individual is entitled and may pay the amount described in paragraph (3) to the Office of Personnel Management for any disability annuity overpayments made to such individual.

(5) The Director shall credit any amount received under paragraph (4) with respect to an individual toward any disability annuity overpayment owed by such individual.

(b) Limitations

(1) Priority of other reductions

Benefits shall only be withheld under this section after any other reduction applicable under this chapter, including sections 406(a)(4), 424a, and 1320a–6(a) of this title.

(2) Timely notification required

The Commissioner may not withhold benefits under this section if the Director does not provide the notice described in subsection (a)(3) within the time period described in such subsection.

(c) Delayed payment of past-due benefits

If the Commissioner is required to make a notification described in subsection (a)(2) with respect to an individual, the Commissioner shall not make any payment of past-due benefits under section 423 of this title to such individual until after the period described in subsection (a)(3).

(d) Review

Notwithstanding section 405 of this title or any other provision of law, any determination regarding the withholding of past-due benefits under this section shall only be subject to adjudication and review by the Director under section 4261 of title 5.
(e) Disability annuity overpayment defined

For purposes of this section, the term “disability annuity overpayment” means the amount of the reduction under section 842(a)(2) of title 5 applicable to a monthly annuity payment made to an individual pursuant to subchapter V of chapter 84 of part III of such title due to the individual’s concurrent entitlement to a disability insurance benefit under section 423 of this title during such month.

(f) Authorization to withhold benefits

The authorization described in this subsection, with respect to an individual, is written authorization provided by the individual to the Director which authorizes the Commissioner to withhold past-due benefits under section 423 of this title to which such individual is entitled in order to pay the amount withheld to the Office of Personnel Management for any disability overpayments made to such individual.

(g) Expenses

The Director shall pay to the Social Security Administration an amount equal to the amount estimated by the Commissioner as the total cost incurred by the Social Security Administration in carrying out this section for each calendar quarter.


Effective Date

Pub. L. 114–74, title VIII, §841(b), Nov. 2, 2015, 129 Stat. 617, provided that: “The amendment made by this section [enacting this section] shall apply to past-due disability insurance benefits payable on or after the date that is 1 year after the date of the enactment of this section [Nov. 2, 2015].”

§ 1320a–7. Exclusion of certain individuals and entities from participation in Medicare and State health care programs

(a) Mandatory exclusion

The Secretary shall exclude the following individuals and entities from participation in any Federal health care program (as defined in section 1320a–7b(f) of this title):

(1) Conviction of program-related crimes

Any individual or entity that has been convicted of a criminal offense related to the delivery of an item or service under subchapter XVIII or under any State health care program.

(2) Conviction relating to patient abuse

Any individual or entity that has been convicted, under Federal or State law, of a criminal offense relating to neglect or abuse of patients in connection with the delivery of a health care item or service.

(3) Felony conviction relating to health care fraud

Any individual or entity that has been convicted for an offense which occurred after August 21, 1996, under Federal or State law, in connection with the delivery of a health care item or service or with respect to any act or omission in a health care program (other than those specifically described in paragraph (1)) operated by or financed in whole or in part by any Federal, State, or local government agency, of a criminal offense consisting of a felony relating to fraud, theft, embezzlement, breach of fiduciary responsibility, or other financial misconduct.

(4) Felony conviction relating to controlled substance

Any individual or entity that has been convicted for an offense which occurred after August 21, 1996, under Federal or State law, of a criminal offense consisting of a felony relating to the unlawful manufacture, distribution, prescription, or dispensing of a controlled substance.

(b) Permissive exclusion

The Secretary may exclude the following individuals and entities from participation in any Federal health care program (as defined in section 1320a–7b(f) of this title):

(1) Conviction relating to fraud

Any individual or entity that has been convicted for an offense which occurred after August 21, 1996, under Federal or State law—

(A) of a criminal offense consisting of a misdemeanor relating to fraud, theft, embezzlement, breach of fiduciary responsibility, or other financial misconduct—

(i) in connection with the delivery of a health care item or service, or

(ii) with respect to any act or omission in a health care program (other than those specifically described in subsection (a)(1)) operated by or financed in whole or in part by any Federal, State, or local government agency; or

(B) of a criminal offense relating to fraud, theft, embezzlement, breach of fiduciary responsibility, or other financial misconduct with respect to any act or omission in a program (other than a health care program) operated by or financed in whole or in part by any Federal, State, or local government agency.

(2) Conviction relating to obstruction of an investigation or audit

Any individual or entity that has been convicted, under Federal or State law, in connection with the interference with or obstruction of any investigation or audit related to—

(i) any offense described in paragraph (1) or in subsection (a); or

(ii) the use of funds received, directly or indirectly, from any Federal health care program (as defined in section 1320a–7b(f) of this title).

(3) Misdemeanor conviction relating to controlled substance

Any individual or entity that has been convicted, under Federal or State law, of a criminal offense consisting of a misdemeanor relating to the unlawful manufacture, distribution, prescription, or dispensing of a controlled substance.

(4) License revocation or suspension

Any individual or entity—
(A) whose license to provide health care has been revoked or suspended by any State licensing authority, or who otherwise lost such a license or the right to apply for or renew such a license, for reasons bearing on the individual’s or entity’s professional competence, professional performance, or financial integrity, or
(B) who surrendered such a license while a formal disciplinary proceeding was pending before such an authority and the proceeding concerned the individual’s or entity’s professional competence, professional performance, or financial integrity.

(5) Exclusion or suspension under Federal or State health care program

Any individual or entity which has been suspended or excluded from participation, or otherwise sanctioned, under—
(A) any Federal program, including programs of the Department of Defense or the Department of Veterans Affairs, involving the provision of health care, or
(B) a State health care program,

for reasons bearing on the individual’s or entity’s professional competence, professional performance, or financial integrity.

(6) Claims for excessive charges or unnecessary services and failure of certain organizations to furnish medically necessary services

Any individual or entity that the Secretary determines—
(A) has submitted or caused to be submitted bills or requests for payment (where such bills or requests are based on charges or cost) under subchapter XVIII or a State health care program containing charges (or, in applicable cases, requests for payment of costs) for items or services furnished substantially in excess of such individual’s or entity’s usual charges (or, in applicable cases, substantially in excess of such individual’s or entity’s costs) for such items or services, unless the Secretary finds there is good cause for such bills or requests containing such charges or costs;
(B) has furnished or caused to be furnished items or services to patients (whether or not eligible for benefits under subchapter XVIII or under a State health care program) substantially in excess of the needs of such patients or of a quality which fails to meet professionally recognized standards of health care;
(C) is—
(i) a health maintenance organization (as defined in section 1396b(m) of this title) providing items and services under a State plan approved under subchapter XIX, or
(ii) an entity furnishing services under a waiver approved under section 1396n(b)(1) of this title, and has failed substantially to provide medically necessary items and services that are required (under law or the contract with the State under subchapter XIX) to be provided to individuals covered under that plan or waiver, if the failure has adversely affected (or has a substantial likelihood of adversely affecting) these individuals; or
(D) is an entity providing items and services as an eligible organization under a risk-sharing contract under section 1395mm of this title and has failed substantially to provide medically necessary items and services that are required (under law or such contract) to be provided to individuals covered under the risk-sharing contract, if the failure has adversely affected (or has a substantial likelihood of adversely affecting) these individuals.

(7) Fraud, kickbacks, and other prohibited activities

Any individual or entity that the Secretary determines has committed an act which is described in section 1320a–7a, 1320a–7b, or 1320a–8 of this title.

(8) Entities controlled by a sanctioned individual

Any entity with respect to which the Secretary determines that a person—
(A)(i) who has a direct or indirect ownership or control interest of 5 percent or more in the entity or with an ownership or control interest (as defined in section 1320a–3(a)(3) of this title) in that entity,
(ii) who is an officer, director, agent, or managing employee (as defined in section 1320a–5(b) of this title) of that entity; or
(iii) who was described in clause (i) but is no longer so described because of a transfer of ownership or control interest, in anticipation of (or following) a conviction, assessment, or exclusion described in subparagraph (B) against the person, to an immediate family member (as defined in subsection (j)(1)(C)) or a member of the household of the person (as defined in subsection (j)(2)) who continues to maintain an interest described in such clause—
is a person—
(B)(i) who has been convicted of any offense described in subsection (a) or in paragraph (1), (2), or (3) of this subsection;
(ii) against whom a civil monetary penalty has been assessed under section 1320a–7a or 1320a–8 of this title; or
(iii) who has been excluded from participation under a program under subchapter XVIII or under a State health care program.

(9) Failure to disclose required information

Any entity that did not fully and accurately make any disclosure required by section 1320a–3 of this title, section 1320a–3a of this title, or section 1320a–5 of this title.

(10) Failure to supply requested information on subcontractors and suppliers

Any disclosing entity (as defined in section 1320a–3(a)(2) of this title) that fails to supply (within such period as may be specified by the Secretary in regulations) upon request specifically addressed to the entity by the Secretary or by the State agency administering or supervising the administration of a State health care program—
(A) full and complete information as to the ownership of a subcontractor (as defined by
§ 1320a–7

(13) Failure to take corrective action

Any hospital that fails to comply substantially with a corrective action required under section 1395ww(f)(2)(B) of this title, or (2)(A) except as provided in subparagraph (B), (2)(A) except as provided in subparagraph (B), or (2)(A) except as provided in subparagraph (B), or (2)(A) except as provided in subparagraph (B), or (2)(A) except as provided in subparagraph (B), shall take into account, in determining whether to exclude any other physician pursuant to this paragraph, access of beneficiaries to physician services for which payment may be made under subchapter XVIII or XIX.

(15) Individuals controlling a sanctioned entity

(A) Any individual—

(i) who has a direct or indirect ownership or control interest in a sanctioned entity and who knows or should know (as defined in section 1320a–7a(i)(6) of this title) of the action constituting the basis for the conviction or exclusion described in subparagraph (B); or

(ii) who is an officer or managing employee (as defined in section 1320a–5(b) of this title) of such an entity.

(B) For purposes of subparagraph (A), the term “sanctioned entity” means an entity—

(i) that has been convicted of any offense described in subsection (a) or in paragraph (1), (2), or (3) of this subsection; or

(ii) that has been excluded from participation under a program under subchapter XVIII or under a State health care program.

(16) Making false statements or misrepresentation of material facts

Any individual or entity that knowingly makes or causes to be made any false statement, omission, or misrepresentation of a material fact in any application, agreement, bid, or contract to participate or enroll as a provider of services or supplier under a Federal health care program (as defined in section 1320a–7(b)(f) of this title), including Medicare Advantage organizations under part C of subchapter XVIII, prescription drug plan sponsors under part D of subchapter XVIII, medicare managed care organizations under subchapter XIX, and entities that apply to participate as providers of services or suppliers in such managed care organizations and such plans.

(17) Knowingly misclassifying covered outpatient drugs

Any individual or entity that knowingly makes or causes to be made any false statement, omission, or misrepresentation of a material fact in any application, agreement, bid, or contract to participate or enroll as a provider of services or supplier under a Federal health care program (as defined in section 1320a–7(b)(f) of this title), including Medicare Advantage organizations under part C of subchapter XVIII, prescription drug plan sponsors under part D of subchapter XVIII, medicare managed care organizations under subchapter XIX, and entities that apply to participate as providers of services or suppliers in such managed care organizations and such plans.

(c) Notice, effective date, and period of exclusion

(1) An exclusion under this section or under section 1320a–7a of this title shall be effective at such time and upon such reasonable notice to the public and to the individual or entity excluded as may be specified in regulations consistent with paragraph (2).

(2)(A) Except as provided in subparagraph (B), such an exclusion shall be effective with respect to services furnished to an individual on or after the effective date of the exclusion.

1 So in original. Probably should be section “1320a–7a(i)(7)”.
(B) Unless the Secretary determines that the health and safety of individuals receiving services warrants the exclusion taking effect earlier, an exclusion shall not apply to payments made under subchapter XVIII or under a State health care program for—

(i) inpatient institutional services furnished to an individual who was admitted to such institution before the date of the exclusion, or
(ii) home health services and hospice care furnished to an individual under a plan of care established before the date of the exclusion,

until the passage of 30 days after the effective date of the exclusion.

(3)(A) The Secretary shall specify, in the notice of exclusion under paragraph (1) and the written notice under section 1320a–7a of this title, the minimum period (or, in the case of an exclusion of an individual under subsection (b)(12) or in the case described in subparagraph (G), the period) of the exclusion.

(B) Subject to subparagraph (G), in the case of an exclusion under subsection (a), the minimum period of exclusion shall be not less than five years, except that, upon the request of the administrator of a Federal health care program (as defined in section 1320a–7a(f) of this title) who determines that the exclusion would impose a hardship on beneficiaries (as defined in section 1320a–7a(i)(5) of this title) of that program, the Secretary may, after consulting with the Inspector General of the Department of Health and Human Services, waive the exclusion under subsection (a)(1), (a)(3), or (a)(4) with respect to that program in the case of an individual or entity that is the sole community physician or sole source of essential specialized services in a community. The Secretary’s decision whether to waive the exclusion shall not be reviewable.

(C) In the case of an exclusion of an individual under subsection (b)(12), the period of the exclusion shall be equal to the sum of—

(i) the length of the period in which the individual failed to grant the immediate access described in that subsection, and
(ii) an additional period, not to exceed 90 days, set by the Secretary.

(D) Subject to subparagraph (G), in the case of an exclusion of an individual or entity under paragraph (1), (2), or (3) of subsection (b), the period of the exclusion shall be 3 years, unless the Secretary determines in accordance with published regulations that a shorter period is appropriate because of mitigating circumstances or that a longer period is appropriate because of aggravating circumstances.

(E) In the case of an exclusion of an individual or entity under subsection (b)(4) or (b)(5), the period of the exclusion shall not be less than the period during which the individual’s or entity’s license to provide health care is revoked, suspended, or surrendered, or the individual or the entity is excluded or suspended from a Federal or State health care program.

(F) In the case of an exclusion of an individual or entity under subsection (b)(6)(B), the period of the exclusion shall be not less than 1 year.

(G) In the case of an exclusion of an individual under subsection (a) based on a conviction occurring on or after August 5, 1997, if the individual has (before, on, or after August 5, 1997) been convicted—

(i) on one previous occasion of one or more offenses for which an exclusion may be effected under such subsection, the period of the exclusion shall be not less than 10 years, or
(ii) on 2 or more previous occasions of one or more offenses for which an exclusion may be effected under such subsection, the period of the exclusion shall be permanent.

(d) Notice to State agencies and exclusion under State health care programs

(1) Subject to paragraph (3), the Secretary shall exercise the authority under this section and section 1320a–7a of this title in a manner that results in an individual’s or entity’s exclusion from all the programs under subchapter XVIII and all the State health care programs in which the individual or entity may otherwise participate.

(2) The Secretary shall promptly notify each appropriate State agency administering or supervising the administration of each State health care program (and, in the case of an exclusion effected pursuant to subsection (a) and to which section 824(a)(5) of title 21 may apply, the Attorney General)—

(A) of the fact and circumstances of each exclusion effected against an individual or entity under this section or section 1320a–7a of this title, and
(B) of the period (described in paragraph (3)) for which the State agency is directed to exclude the individual or entity from participation in the State health care program.

(3)(A) Except as provided in subparagraph (B), the period of the exclusion under a State health care program under paragraph (2) shall be the same as any period of exclusion under subchapter XVIII.

(B) The Secretary may waive an individual’s or entity’s exclusion under a State health care program under paragraph (2) if the Secretary determines that the exclusion is not in the best interest of the State with applicable State law and policy, and

(c) Notice to State licensing agencies

The Secretary shall—

(1) promptly notify the appropriate State or local agency or authority having responsibility for the licensing or certification of an individual or entity excluded (or directed to be excluded) from participation under this section or section 1320a–7a of this title, of the fact and circumstances of the exclusion,

(2) request that appropriate investigations be made and sanctions invoked in accordance with applicable State law and policy, and

(3) request that the State or local agency or authority keep the Secretary and the Inspector General of the Department of Health and Human Services fully and currently informed with respect to any actions taken in response to the request.

(f) Notice, hearing, and judicial review

(1) Subject to paragraph (2), any individual or entity that is excluded (or directed to be ex-
cluded) from participation under this section is entitled to reasonable notice and opportunity for a hearing thereon by the Secretary to the same extent as is provided in section 405(b) of this title, and to judicial review of the Secretary’s final decision after such hearing as is provided in section 405(g) of this title, except that, in so applying such sections and section 405(l) of this title, any reference therein to the Commissioner of Social Security or the Social Security Administration shall be considered a reference to the Secretary or the Department of Health and Human Services, respectively.

(2) Unless the Secretary determines that the health or safety of individuals receiving services warrants the exclusion taking effect earlier, any individual or entity that is the subject of an adverse determination under subsection (b)(7) shall be entitled to a hearing by an administrative law judge (as provided under section 405(b) of this title) on the determination under subsection (b)(7) before any exclusion based upon the determination takes effect.

(3) The provisions of section 405(h) of this title shall apply with respect to this section and sections 1320a–7a, 1320a–8, and 1320c–5 of this title to the same extent as it is applicable with respect to subchapter II, except that, in so applying such section and section 405(l) of this title, any reference therein to the Commissioner of Social Security shall be considered a reference to the Secretary.

(4) The provisions of subsections (d) and (e) of section 405 of this title shall apply with respect to this section to the same extent as they are applicable with respect to subchapter II. The Secretary may delegate the authority granted by section 405(d) of this title (as made applicable to this section) to the Inspector General of the Department of Health and Human Services for purposes of any investigation under this section.

(g) Application for termination of exclusion

(1) An individual or entity excluded (or directed to be excluded) from participation under this section or section 1320a–7a of this title may apply to the Secretary, in the manner specified by the Secretary in regulations and at the end of the minimum period of exclusion provided under subsection (c)(3) and at such other times as the Secretary may provide, for termination of the exclusion effected under this section or section 1320a–7a of this title.

(2) The Secretary may terminate the exclusion if the Secretary determines, on the basis of the conduct of the applicant which occurred after the date of the notice of exclusion or which was unknown to the Secretary at the time of the exclusion, that—

(A) there is no basis under subsection (a) or (b) or section 1320a–7a(a) of this title for a continuation of the exclusion, and

(B) there are reasonable assurances that the types of actions which formed the basis for the original exclusion have not recurred and will not recur.

(3) The Secretary shall promptly notify each appropriate State agency administering or supervising the administration of each State health care program (and, in the case of an exclusion effected pursuant to subsection (a) and to which section 824(a)(5) of title 21 may apply, the Attorney General) of the fact and circumstances of each termination of exclusion made under this subsection.

(h) “State health care program” defined

For purposes of this section and sections 1320a–7a and 1320a–7b of this title, the term “State health care program” means—

(1) a State plan approved under subchapter XIX.

(2) any program receiving funds under subchapter V or from an allotment to a State under such subchapter.

(3) any program receiving funds under division A of subchapter XX by a State under such division or an allotment to a State under such division.

(4) a State child health plan approved under subchapter XXI.

(i) “Convicted” defined

For purposes of subsections (a) and (b), an individual or entity is considered to have been “convicted” of a criminal offense—

(1) when a judgment of conviction has been entered against the individual or entity by a Federal, State, or local court, regardless of whether there is an appeal pending or whether the judgment of conviction or other record relating to criminal conduct has been expunged;

(2) when there has been a finding of guilt against the individual or entity by a Federal, State, or local court;

(3) when a plea of guilty or nolo contendere by the individual or entity has been accepted by a Federal, State, or local court; or

(4) when the individual or entity has entered into participation in a first offender, deferred adjudication, or other special arrangement or program where judgment of conviction has been withheld.

(j) Definition of immediate family member and member of household

For purposes of subsection (b)(8)(A)(iii):

(1) The term “immediate family member” means, with respect to a person—

(A) the husband or wife of the person;

(B) the natural or adoptive parent, child, or sibling of the person;

(C) the stepparent, stepchild, stepbrother, or stepsister of the person;

(D) the father-, mother-, daughter-, son-, brother-, or sister-in-law of the person;

(E) the grandparent or grandchild of the person; and

(F) the spouse of a grandparent or grandchild of the person.

(2) The term “member of the household” means, with respect to any person, any individual sharing a common abode as part of a single family unit with the person, including domestic employees and others who live together as a family unit, but not including a roomer or boarder.


See References in Text note below.

REFERENCES IN TEXT

Division A of subchapter XX, referred to in subsec. (h)(3), was in the original a reference to subtitle I of title XX, which was translated as if referring to subtitle A of title XX of the Social Security Act, to reflect the probable intent of Congress. Title XX of the Act, enacting subchapter XX of this chapter, does not contain a subtitle I.

AMENDMENTS


2010—Subsec. (b)(2). Pub. L. 111–148, §6406(c), inserted “or audit” after “investigation” in the heading, substituted “investigation or audit related to—” for “investigation into any criminal offense described in paragraph (1) or in subsection (a) of this section.”, and added cls. (i) and (ii).

Subsec. (b)(11). Pub. L. 111–148, §6406(c), inserted “ordering, referring for furnishing, or certifying the need for—” after “furnishing”.


Subsec. (c)(3)(B). Pub. L. 111–148, §4901(b), substituted “beneficiaries (as defined in section 1320a–7a(i)(5) of this title) of that program” for “individuals entitled to benefits under part A of subchapter XVIII or enrolled under part B of such subchapter, or both”.


Subsec. (h)(3). Pub. L. 111–148, §6703(d)(3)(A), inserted “section of a” before “subchapter XX” and substituted “such division” for “such subchapter”.

2008; Pub. L. 110–33, §4116(b)(2), inserted before period at end “, except that, in so applying such sections and section 405(l) of this title, any reference therein to the Commissioner of Social Security or the Social Security Administration shall be considered a reference to the Secretary or the Department of Health and Human Services, respectively”.


Subsec. (b)(1). Pub. L. 110–191, §211(a)(2), reenacted heading without change and amended text generally. Prior to amendment, text read as follows: “Any individual or entity that has been convicted, under Federal or State law, in connection with the delivery of a health care item or service or with respect to any act or omission in a program operated by or financed in whole or in part by any Federal, State, or local government agency, of a criminal offense relating to fraud, theft, embezzlement, breach of fiduciary responsibility, or other financial misconduct.”

Subsec. (b)(3). Pub. L. 110–191, §211(b)(2), substituted “Misdemeanor conviction” for “conviction” and “criminal offense consisting of a misdemeanor” for “criminal offense” in text.


Subsec. (c)(3)(D) to (F). Pub. L. 110–191, §212, added subpars. (D) to (F).

1994—Subsec. (b)(7), Pub. L. 103–296, §206(b)(2)(A), substituted “section 1320a–7a, 1320a–7b, or 1230a–8 of this title” for “section 1320a–7a of this title or section 1320a–7b of this title”.

Subsec. (b)(8)(B)(ii). Pub. L. 103–296, §206(b)(2)(B), inserted “or 1320a–8” after “section 1320a–7a”.


Subsec. (h)(4). Pub. L. 103–296, §108(b)(9)(B), inserted before period at end “, except that, in so applying such section and section 405(l) of this title, any reference therein to the Commissioner of Social Security shall be considered a reference to the Secretary”.


1989—Subsec. (b)(4)(A). Pub. L. 101–239 inserted “or the right to apply for or renew such a license” after “lost such a license”.


Subsec. (d)(3)(B)(i). Pub. L. 100–360, §411(k)(10)(C), struck out “under a program” after “longer than the period of exclusion”.

1987—Pub. L. 100–39 substituted section generally, substituting subsecs. (a) to (i) for former subsecs. (a) to (f).

Amendments by section 4331(c) of Pub. L. 105–33 effective Aug. 5, 1997, see section 4331(f)(2) of Pub. L. 105–33, set out as a note under section 1320a–7e of this title.

**Effective Date of 1996 Amendment**


**Effective Date of 1994 Amendment**

Amendment by Pub. L. 108–199 applicable with respect to items or services furnished on or after Jan. 1, 1993, in the case of items or services furnished by a provider who, on or before Nov. 5, 1990, has furnished items or services for which payment may be made under part B of subchapter XVIII of this chapter, or Jan. 1, 1992, in the case of items or services furnished by any other provider, see section 1395w–5(a) of Title 21, set out as an Effective Date note under section 1320a–3a of this title.

**Effective Date of 1998 Amendment**

Pub. L. 101–230, title VI, § 6111(a)(4)(A), Dec. 19, 1989, 103 Stat. 2271, provided that: “The amendments made by paragraphs (1) and (2) [amending this section and sections 1395y and 1396b of this title] shall take effect on the date of the enactment of this Act [Dec. 19, 1989].”

**Effective Date of 1988 Amendment**

Except as specifically provided in section 112 of Pub. L. 100–203, amendment by Pub. L. 100–203, as it relates to a provision in the Omnibus Budget Reconciliation Act of 1987, Pub. L. 100–203, effective as if included in the enactment of that provision in Pub. L. 100–203, see section 411 of Pub. L. 100–203, applicable with respect to items or services furnished on or after Jan. 1, 1988, in the case of items or services furnished by a provider who, on or before Nov. 5, 1990, has furnished items or services for which payment may be made under part B of subchapter XVIII of this chapter, or Jan. 1, 1992, in the case of items or services furnished by any other provider, see section 112(a) of Pub. L. 100–203, set out as a Reference to OBRA; Effective Date note under section 106 of Title 1, General Provisions.

**Effective Date of 1987 Amendment**

Pub. L. 100–93, § 15, Aug. 18, 1987, 101 Stat. 698, provided that:

(a) In General.—Except as provided in subsections (b), (c), (d), and (e), the amendments made by this Act [enacting sections 1395aaa and 1396r–2 of this title, amending sections 704, 1320a–3, 1320a–5, 1320a–7a, 1320a–7b, 1320c–5, 1385a, 1385y, 1385z, 1385z–1, 1385mm, 1385rrt, 1385ss, 1385tt, 1386a, 1386b, 1386c, 1386d, 1386e, 1386f, 1387d of this title, and section 824 of Title 21, Food and Drugs, transferring section 1396h of this title to section 1320a–7b of this title, repealing section 1395mm of this title, enacting provisions set out as a note under section 1320a–7b of this title, and amending provisions set out as a note under section 1396a of this title] shall become effective at the end of the four-year period beginning on the date of the enactment of this Act [Aug. 18, 1987], and shall not apply to administrative proceedings commenced before the end of such period.

(b) Mandatory Minimum Exclusions Apply Prospectively.—Section 1122(c)(3)(B) of the Social Security Act [42 U.S.C. 1320a–7c(3)(B)] (as amended by this Act), which requires an exclusion of not less than five years in the case of certain exclusions, shall not apply to exclusions based on convictions occurring before the date of the enactment of this Act [Aug. 18, 1987].
§ 1320a–7a. Civil monetary penalties

(a) Improperly filed claims

Any person (including an organization, agency, or other entity, but excluding a beneficiary, as defined in subsection (1)(5)) that—

(1) knowingly presents or causes to be presented to an officer, employee, or agent of the United States, or of any department or agency thereof, or of any State agency (as defined in subsection (1)(1)), a claim (as defined in subsection (1)(2)) that the Secretary determines—

(A) is for a medical or other item or service that the person knows or should know was not provided as claimed, including any person who engages in a pattern or practice of presenting or causing to be presented a claim for an item or service that is based on a code that the person knows or should know will result in a greater payment to the person than the code the person knows or should know is applicable to the item or service actually provided,

(B) is for a medical or other item or service and the person knows or should know the claim is false or fraudulent,

(C) is presented for a physician’s service (or an item or service incident to a physician’s service) by a person who knows or should know that the individual who furnished (or supervised the furnishing of) the service—

(i) was not licensed as a physician,

(ii) was licensed as a physician, but such license had not been obtained through a misrepresentation of material fact (including cheating on an examination required for licensing), or

(iii) represented to the patient at the time the service was furnished that the physician was certified in a medical specialty by a medical specialty board when the individual was not so certified,

(D) is for a medical or other item or service furnished during a period in which the person was excluded from the Federal health care program (as defined in section 1320a–7b(f) of this title) under which the claim was made pursuant to Federal law.

(E) is for a pattern of medical or other items or services that a person knows or should know are not medically necessary;

(2) knowingly presents or causes to be presented to any person a request for payment which is in violation of the terms of (A) an assignment under section 1395uu(b)(3)(B)(ii) of this title, or (B) an agreement with a State agency (or other requirement of a State plan under subchapter XIX) not to charge a person for an item or service in excess of the amount permitted to be charged, or (C) an agreement to be a participating physician or supplier under section 1395u(h)(1) of this title, or (D) an agreement pursuant to section 1395ccc(a)(1)(C) of this title;

(3) knowingly gives or causes to be given to any person, with respect to coverage under subchapter XVIII of inpatient hospital serv-
§ 1320a–7a

40 So in original. Two pars. (9) have been enacted.
3 So in original. The word ‘or’ probably should not appear.
2 So in original. Two pars. (9) have been enacted.

1. Paragraphs (1) and (2) of section 1320a–7b(b) of this title:

(1) knowingly makes, uses, or causes to be made or used, a false record or statement material to a false or fraudulent claim for payment for items or services furnished under a Federal health care program; or 2
(2) fails to grant timely access, upon reasonable request (as defined by the Secretary in regulations), to the Inspector General of the Department of Health and Human Services, for the purpose of audits, investigations, evaluations, or other statutory functions of the Inspector General of the Department of Health and Human Services;

2. Orders or prescribes a medical or other item or service during a period in which the person was excluded from a Federal health care program (as so defined), in the case where the person knows or should know that a claim for such medical or other item or service will be made under such a program;

3. Knowingly makes or causes to be made any false statement, omission, or misrepresentation of a material fact in any application, bid, or contract to participate or enroll as a provider of services or a supplier under a Federal health care program (as so defined), including Medicare Advantage organizations under part C of subchapter XVIII, prescription drug plan sponsors under part D of subchapter XVIII, medicaid managed care organizations under subchapter XIX, and entities that apply to participate as providers of services or suppliers in such managed care organizations and such plans:

4. Knows of an overpayment (as defined in paragraph (4) of section 1320a–7k(d) of this title) and does not report and return the overpayment in accordance with such section;

so in original. Probably should be “paragraph;”.
5. The prohibited relationship occurs; in cases under paragraph (7), $100,000 for each such act, 6
in cases under paragraph (8), 7 $100,000 for each false record or statement, 6 or 8 in cases under paragraph (9), 9 $15,000 for each day of the failure described in such paragraph; 10 or in cases under paragraph (9), 11 $100,000 for each false statement or misrepresentation of a material fact. In addition, such a person shall be subject to an assessment of not more than 3 times the amount claimed for each such item or service in lieu of damages sustained by the United States or a State agency because of such claim (or, in cases under paragraph (7), damages of not more than 3 times the total amount of remuneration offered, paid, solicited, or received, without regard to whether a portion of such remuneration was offered, paid, solicited, or received for a lawful purpose; or in cases under paragraph (9), an assessment of not more than 3 times the total amount claimed for each item or service for which payment was made based upon the application containing the false statement or misrepresentation of a material fact). In addition, the Secretary may make a determination in the same proceeding to exclude the person from participation in the Federal health care programs (as defined in section 1320a–7b(f)(1) of this title) and to direct the appropriate State agency to exclude the person from participation in any State health care program.

(b) Payments to induce reduction or limitation of services

1. If a hospital or a critical access hospital knowingly makes a payment, directly or indirectly, to a physician as an inducement to reduce or limit medically necessary services provided with respect to individuals who—

(A) are entitled to benefits under part A or part B of subchapter XVIII or to medical assistance under subchapter XIX of this title, and

So in original. Probably should be followed by ‘or’.

So in original. The comma probably should be a semicolon.

So in original. Probably is a reference to the first paragraph (11).

So in original. Probably should be ‘paragraph;’.

So in original. Probably is a reference to the second paragraph (9).

§ 1320a–7a

TITeL 42—THE PUBLIC HEALTH AND WELFARE

Page 2344
sistance under a State plan approved under subchapter XIX, and
(B) are under the direct care of the physician,
the hospital or a critical access hospital shall be subject, in addition to any other penalties that may be prescribed by law, to a civil money penalty of not more than $5,000 for each such individual with respect to whom the payment is made.

(2) Any physician who knowingly accepts receipt of a payment described in paragraph (1) shall be subject, in addition to any other penalties that may be prescribed by law, to a civil money penalty of not more than $5,000 for each individual described in such paragraph with respect to whom the payment is made.

(3)(A) Any physician who executes a document referred to in such subparagraph are not met with respect to the individual shall be subject to a civil monetary penalty of not more than the greater of—
(i) $10,000, or
(ii) three times the amount of the payments made pursuant to such certification.

(B) A document described in this subparagraph is any document that certifies, for purposes of subchapter XVIII, that an individual meets the requirements of section 1395f(a)(2)(C) or subchapter XIX, and
the person is estopped from denying the essential elements of the criminal offense.

(4) The official conducting a hearing under this section may sanction a person, including any party or attorney, for failing to comply with an order or procedure, failing to defend an action, or other misconduct as would interfere with the speedy, orderly, or fair conduct of the hearing. Such sanction shall reasonably relate to the severity and nature of the failure or misconduct. Such sanction may include—
(A) in the case of refusal to provide or permit discovery, drawing negative factual inferences or treating such refusal as an admission by deeming the matter, or certain facts, to be established,
(B) prohibiting a party from introducing certain evidence or otherwise supporting a particular claim or defense,
(C) striking pleadings, in whole or in part,
(D) staying the proceedings,
(E) dismissal of the action,
(F) entering a default judgment,
(G) ordering the party or attorney to pay attorneys’ fees and other costs caused by the failure or misconduct, and
(H) refusing to consider any motion or other action which is not filed in a timely manner.

(d) Amount or scope of penalty, assessment, or exclusion
In determining the amount or scope of any penalty, assessment, or exclusion imposed pursuant to subsection (a) or (b), the Secretary shall take into account—
(1) the nature of claims and the circumstances under which they were presented,
(2) the degree of culpability, history of prior offenses, and financial condition of the person presenting the claims, and
(3) such other matters as justice may require.

(e) Review by courts of appeals
Any person adversely affected by a determination of the Secretary under this section may obtain a review of such determination in the United States Court of Appeals for the circuit in which the person resides, or in which the claim or specified claim was presented, by filing in such court (within sixty days following the date the person is notified of the Secretary’s determination) a written petition requesting that the determination be modified or set aside. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Secretary, and thereupon the Secretary shall file in the Court 12 the record in the proceeding as provided in section 2112 of title 28. Upon such filing, the court shall have jurisdiction of the proceeding and of the question determined therein, and shall have the power to make and enter upon the pleadings, testimony, and proceedings set forth in such record a decree affirming, modifying, remanding for further consideration, or setting aside, in whole or in part, the determination of the Secretary and enforcing the same to the extent that such order is affirmed or modified. No objection that has not been urged before the Secretary shall be considered by the court, unless the fail-

12So in original. Probably should not be capitalized.
ure or neglect to urge such objection shall be excused because of extraordinary circumstances. The findings of the Secretary with respect to questions of fact, if supported by substantial evidence on the record considered as a whole, shall be conclusive. If any party shall apply to the court for leave to adduce additional evidence and shall show to the satisfaction of the court that such additional evidence is material and that there were reasonable grounds for the failure to adduce such evidence in the hearing before the Secretary, the court may order such additional evidence to be taken before the Secretary and to be made a part of the record. The Secretary may modify his findings as to the facts, or make new findings, by reason of additional evidence so taken and filed, and he shall file with the court such modified or new findings, which findings with respect to questions of fact, if supported by substantial evidence on the record considered as a whole, shall be conclusive, and his recommendations, if any, for the modification or setting aside of his original order. Upon the filing of the record with it, the jurisdiction of the court shall be exclusive and its judgment and decree shall be final, except that the same shall be subject to review by the Supreme Court of the United States, as provided in section 1254 of title 28.

(f) Compromise of penalties and assessments; recovery; use of funds recovered

Civil money penalties and assessments imposed under this section may be compromised by the Secretary and may be recovered in a civil action in the name of the United States brought in United States district court for the district where the claim or specified claim (as defined in subsection (r)) was presented, or where the claimant (or, with respect to a person described in subsection (o), the person) resides, as determined by the Secretary. Amounts recovered under this section shall be paid to the Secretary and disposed of as follows:

(1)(A) In the case of amounts recovered arising out of a claim under subchapter XIX, there shall be paid to the State agency an amount bearing the same proportion to the total amount recovered as the State’s share of the amount paid by the State agency for such claim bears to the total amount paid for such claim.

(B) In the case of amounts recovered arising out of a claim under an allotment to a State under subchapter V, there shall be paid to the State agency an amount equal to three-sevenths of the amount recovered.

(2) Such portion of the amounts recovered as is determined to have been paid out of the trust funds under sections 1395(i) and 1395(i) of this title shall be repaid to such trust funds.

(3) With respect to amounts recovered arising out of a claim under a Federal health care program (as defined in section 1320a–7(b)(1) of this title), the portion of such amounts as is determined to have been paid by the program shall be repaid to the program, and the portion of such amounts attributable to the amounts recovered under this section by reason of the amendments made by the Health Insurance Portability and Accountability Act of 1996 (as estimated by the Secretary) shall be deposited into the Federal Hospital Insurance Trust Fund pursuant to section 1395i(k)(2)(C) of this title.

(4) The remainder of the amounts recovered shall be deposited as miscellaneous receipts of the Treasury of the United States.

The amount of such penalty or assessment, when finally determined, or the amount agreed upon in compromise, may be deducted from any sum then or later owing by the United States or a State agency (as defined in subsection (q)(6)), to the person against whom the penalty or assessment has been assessed.

(g) Finality of determination respecting penalty, assessment, or exclusion

A determination by the Secretary to impose a penalty, assessment, or exclusion under subsection (a) or (b) shall be final upon the expiration of the sixty-day period referred to in subsection (e). Matters that were raised or that could have been raised in a hearing before the Secretary or in an appeal pursuant to subsection (e) may not be raised as a defense to a civil action by the United States to collect a penalty, assessment, or exclusion assessed under this section.

(h) Notification of appropriate entities of finality of determination

Whenever the Secretary’s determination to impose a penalty, assessment, or exclusion under subsection (a) or (b) becomes final, he shall notify the appropriate State or local medical or professional organization, the appropriate State agency or agencies administering or supervising the administration of State health care programs (as defined in section 1320a–7(h) of this title), and the appropriate utilization and quality control peer review organization, and the appropriate State or local licensing agency or organization (including the agency specified in section 1395aa(a) and 1396a(a)(33) of this title) that such a penalty, assessment, or exclusion has become final and the reasons therefor.

(i) Definitions

For the purposes of this section:

(1) The term “State agency” means the agency established or designated to administer or supervise the administration of the State plan under subchapter XIX of this chapter or designated to administer the State’s program under subchapter V or division A of subchapter XX of this chapter.

(2) The term “claim” means an application for payments for items and services under a Federal health care program (as defined in section 1320a–7(b)(1) of this title).

(3) The term “item or service” includes (A) any particular item, device, medical supply, or service claimed to have been provided to a patient and listed in an itemized claim for payment, and (B) in the case of a claim based on costs, any entry in the cost report, books of account or other documents supporting such claim.

13See References in Text note below.
(4) The term "agency of the United States" includes any contractor acting as a fiscal intermediary, carrier, or fiscal agent or any other claims processing agent for a Federal health care program (as so defined).

(5) The term "beneficiary" means an individual who is eligible to receive items or services for which payment may be made under a Federal health care program (as so defined) but does not include a provider, supplier, or practitioner.

(6) The term "remuneration" includes the waiver of coinsurance and deductible amounts (or any part thereof), and transfers of items or services for free or for other than fair market value. The term "remuneration" does not include—

(A) the waiver of coinsurance and deductible amounts by a person, if—

(i) the waiver is not offered as part of any advertisement or solicitation;

(ii) the person does not routinely waive coinsurance or deductible amounts; and

(iii) the person—

(I) waives the coinsurance and deductible amounts after determining in good faith that the individual is in financial need; or

(II) fails to collect coinsurance or deductible amounts after making reasonable collection efforts;

(B) subject to subsection (n), any permissible practice described in any subparagraph of section 1320a–7(b)(3) of this title or in regulations issued by the Secretary;

(C) differentials in coinsurance and deductible amounts as part of a benefit plan design as long as the differentials have been disclosed in writing to all beneficiaries, third party payers, and providers, to whom claims are presented and as long as the differentials meet the standards as defined in regulations promulgated by the Secretary not later than 190 days after August 21, 1996;

(D) incentives given to individuals to promote the delivery of preventive care as determined by the Secretary in regulations so promulgated;

(E) a reduction in the copayment amount for covered OPD services under section 1395(t)(5)(B) of this title; or *8

(F) any other remuneration which promotes access to care and poses a low risk of harm to patients and Federal health care programs (as defined in section 1320a–7(f) of this title and designated by the Secretary under regulations);

(G) the offer or transfer of items or services for free or less than fair market value by a person, if—

(i) the items or services consist of coupons, rebates, or other rewards from a retailer;

(ii) the items or services are offered or transferred on equal terms available to the general public, regardless of health insurance status; and

(iii) the offer or transfer of the items or services is not tied to the provision of other items or services reimbursed in whole or in part by the program under subchapter XVIII or a State health care program (as defined in section 1320a–7(h) of this title);

(H) the offer or transfer of items or services for free or less than fair market value by a person, if—

(i) the items or services are not offered as part of any advertisement or solicitation;

(ii) the items or services are not tied to the program or other services reimbursed in whole or in part by the program under subchapter XVIII or a State health care program (as so defined);

(iii) there is a reasonable connection between the items or services and the medical care of the individual; and

(iv) the person provides the items or services after determining in good faith that the individual is in financial need;

(I) effective on a date specified by the Secretary (but not earlier than January 1, 2019), the waiver by a PDP sponsor of a prescription drug plan under part D of subchapter XVIII or an MA organization offering an MA–PD plan under part C of such subchapter of any copayment for the first fill of a covered Part D drug (as defined in section 1397w–102(e) of this title) that is a generic drug for individuals enrolled in the prescription drug plan or MA–PD plan, respectively; or

(J) the provision of telehealth technologies (as defined by the Secretary) on or after January 1, 2019, by a provider of services or a renal dialysis facility (as such terms are defined for purposes of subchapter XVIII) to an individual with end stage renal disease who is receiving home dialysis for which payment is being made under part B of such subchapter, if—

(i) the telehealth technologies are not offered as part of any advertisement or solicitation;

(ii) the telehealth technologies are provided for the purpose of furnishing telehealth services related to the individual's end stage renal disease; and

(iii) the provision of the telehealth technologies meets any other requirements set forth in regulations promulgated by the Secretary.

(7) The term "should know" means that a person, with respect to information—

(A) acts in deliberate ignorance of the truth or falsity of the information; or

(B) acts in reckless disregard of the truth or falsity of the information.

and no proof of specific intent to defraud is required.

(j) Subpoenas

(1) The provisions of subsections (d) and (e) of section 405 of this title shall apply with respect to this section to the same extent as they are applicable with respect to subchapter II. The Secretary may delegate the authority granted by section 405(d) of this title (as made applicable to this section) to the Inspector General of the Department of Health and Human Services for purposes of any investigation under this section.
(2) The Secretary may delegate authority granted under this section and under section 1320a–7 of this title to the Inspector General of the Department of Health and Human Services.

(k) Injunctions

Whenever the Secretary has reason to believe that any person has engaged, is engaging, or is about to engage in any activity which makes the person subject to a civil monetary penalty under this section, the Secretary may bring an action in an appropriate district court of the United States (or, if applicable, a United States court of any territory) to enjoin such activity, or to enjoin the person from concealing, removing, encumbering, or disposing of assets which may be required in order to pay a civil monetary penalty if any such penalty were to be imposed or to seek other appropriate relief.

(l) Liability of principal for acts of agent

A principal is liable for penalties, assessments, and an exclusion under this section for the actions of the principal’s agent acting within the scope of the agency.

(m) Claims within jurisdiction of other departments or agencies

(1) For purposes of this section, with respect to a Federal health care program not contained in this chapter, references to the Secretary in this section shall be deemed to be references to the Secretary or Administrator of the department or agency with jurisdiction over such program and references to the Inspector General of the Department of Health and Human Services in this section shall be deemed to be references to the Inspector General of the applicable department or agency.

(2)(A) The Secretary and Administrator of the departments and agencies referred to in paragraph (1) may include in any action pursuant to this section, claims within the jurisdiction of other Federal departments or agencies as long as the following conditions are satisfied:

(i) The case involves primarily claims submitted to the Federal health care programs of the department or agency initiating the action.

(ii) The Secretary or Administrator of the department or agency initiating the action gives notice and an opportunity to participate in the investigation to the Inspector General of the department or agency with primary jurisdiction over the Federal health care programs to which the claims were submitted.

(B) If the conditions specified in subparagraph (A) are fulfilled, the Inspector General of the department or agency initiating the action is authorized to exercise all powers granted under the Inspector General Act of 1978 (5 U.S.C. App.) with respect to the claims submitted to the other departments or agencies to the same manner and extent as provided in that Act with respect to claims submitted to such departments or agencies.

(n) Safe harbor for payment of medigap premiums

(1) Subparagraph (B) of paragraph (1)(n) shall not apply to a practice described in paragraph (2) unless—

(A) the Secretary, through the Inspector General of the Department of Health and Human Services, promulgates a rule authorizing such a practice as an exception to remuneration; and

(B) the remuneration is offered or transferred by a person under such rule during the 2-year period beginning on the date the rule is first promulgated.

(2) A practice described in this paragraph is a practice under which a health care provider or facility pays, in whole or in part, premiums for medicare supplemental policies for individuals entitled to benefits under part A of subchapter XVIII pursuant to section 426–1 of this title.

(o) Penalties for violations of grants, contracts, and other agreements

Any person (including an organization, agency, or other entity, but excluding a program beneficiary, as defined in subsection (q)(4)) that, with respect to a grant, contract, or other agreement for which the Secretary provides funding—

(1) knowingly presents or causes to be presented a specified claim (as defined in subsection (r)) under such grant, contract, or other agreement that the person knows or should know is false or fraudulent;

(2) knowingly makes, uses, or causes to be made or used any false statement, omission, or misrepresentation of a material fact in any application, proposal, bid, progress report, or other document that is required to be submitted in order to directly or indirectly receive or retain funds provided in whole or in part by such Secretary pursuant to such grant, contract, or other agreement;

(3) knowingly makes, uses, or causes to be made or used, a false record or statement material to a false or fraudulent specified claim under such grant, contract, or other agreement;

(4) knowingly makes, uses, or causes to be made or used, a false record or statement material to an obligation (as defined in subsection (s)) to pay or transmit funds or property to such Secretary with respect to such grant, contract, or other agreement, or knowingly conceals or knowingly and improperly avoids or decreases an obligation to pay or transmit funds or property to such Secretary with respect to such grant, contract, or other agreement; or

(5) fails to grant timely access, upon reasonable request (as defined by such Secretary in regulations), to the Inspector General of the Department, for the purpose of audits, investigations, evaluations, or other statutory functions of such Inspector General in matters involving such grants, contracts, or other agreements;

shall be subject, in addition to any other penalties that may be prescribed by law, to a civil money penalty in cases under paragraph (1), of not more than $10,000 for each specified claim; in cases under paragraph (2), not more than $50,000 for each false statement, omission, or misrepresentation of a material fact; in cases under paragraph (3), not more than $50,000 for each false record or statement; in cases under paragraph
(4), not more than $50,000 for each false record or statement or $10,000 for each day that the person knowingly conceals or knowingly and improperly avoids or decreases an obligation to pay; or in cases under paragraph (5), not more than $15,000 for each day of the failure described in such paragraph. In addition, in cases under paragraphs (1) and (3), such a person shall be subject to an assessment of not more than 3 times the amount claimed in the specified claim described in such paragraph in lieu of damages sustained by the United States or a specified State agency because of such specified claim, and in cases under paragraphs (2) and (4), such a person shall be subject to an assessment of not more than 3 times the total amount of the funds described in paragraph (2) or (4), respectively (or, in the case of an obligation to transmit property to the Secretary described in paragraph (4), of the value of the property described in such paragraph) in lieu of damages sustained by the United States or a specified State agency because of such case. In addition, the Secretary may make a determination in the same proceeding to exclude the person from participation in the Federal health care programs (as defined in section 1320a–7b(f)(1) of this title) and to direct the appropriate State agency to exclude the person from participation in any State health care program.

(p) Applicability of rules to penalties or assessments for violations of grants, contracts, and other agreements

The provisions of subsections (c), (d), (g), and (h) shall apply to a civil money penalty or assessment under subsection (o) in the same manner as such provisions apply to a penalty, assessment, or proceeding under subsection (a). In applying subsection (d), each reference to a claim under such subsection shall be treated as including a reference to a specified claim (as defined in subsection (r)).

(q) Definitions of terms used in subsections (o) and (p)

For purposes of this subsection and subsections (o) and (p):

(1) The term "Department" means the Department of Health and Human Services.

(2) The term "material" means having a natural tendency to influence, or be capable of influencing, the payment or receipt of money or property.

(3) The term "other agreement" includes a cooperative agreement, scholarship, fellowship, loan, subsidy, payment for a specified use, donation agreement, award, or subaward (regardless of whether one or more of the persons entering into the agreement is a contractor or subcontractor).

(4) The term "program beneficiary" means, in the case of a grant, contract, or other agreement designed to accomplish the objective of awarding or otherwise furnishing benefits or assistance to individuals and for which the Secretary provides funding, an individual who applies for, or who receives, such benefits or assistance from such grant, contract, or other agreement. Such term does not include, with respect to such grant, contract, or other agreement, an officer, employee, or agent of a person or entity that receives such grant or that enters into such contract or other agreement.

(5) The term "recipient" includes a subrecipient or subcontractor.

(6) The term "specified State agency" means an agency of a State government established or designated to administer or supervise the administration of a grant, contract, or other agreement funded in whole or in part by the Secretary.

(r) Definition of "specified claim"

For purposes of this section, the term "specified claim" means any application, request, or demand under a grant, contract, or other agreement for money or property, whether or not the United States or a specified State agency has title to the money or property, that is not a claim (as defined in subsection (i)(2)) and that—

(1) is presented or caused to be presented to an officer, employee, or agent of the Department or agency thereof, or of any specified State agency; or

(2) is made to a contractor, grantee, or any other recipient if the money or property is to be spent or used on the Department's behalf or to advance a Department program or interest, and if the Department—

(A) provides or has provided any portion of the money or property requested or demanded; or

(B) will reimburse such contractor, grantee, or other recipient for any portion of the money or property which is requested or demanded.

(s) Definition of "obligation"

For purposes of subsection (o), the term "obligation" means an established duty, whether or not fixed, arising from an express or implied contractual, grantor-grantee, or licensor-licensee relationship, for a fee-based or similar relationship, from statute or regulation, or from the retention of any overpayment.

REFERENCES IN TEXT

The Federal Rules of Civil Procedure, referred to in subsec. (c)(1), are set out in the Appendix to Title 28, Judiciary and Judicial Procedure.


Division A of subchapter XX, referred to in subsec. (i)(1), was in the original a reference to subtitle I of title XX, which was translated as if referring to subtitle A of title XX of the Social Security Act, to reflect the probable intent of Congress. Title XX of the Act, enacting subchapter XX of this chapter, does not contain a subtitle I.


Subsec. (i)(6)(F) to (I). Pub. L. 111–148, § 6402(d)(2)(B)(iv), added pars. (F) to (I). 1998—Subsec. (1)(b)(1), Pub. L. 105–277, § 5391(a), added subpar. (B). Generally, prior to amendment, subpar. (B) read as follows: “any permissible waiver as specified in section 1320a–7b(b)(3) of this title or in regulations issued by the Secretary;”.


REFERENCES IN TEXT

The Federal Rules of Civil Procedure, referred to in subsec. (c)(1), are set out in the Appendix to Title 28, Judiciary and Judicial Procedure.


Division A of subchapter XX, referred to in subsec. (i)(1), was in the original a reference to subtitle I of title XX, which was translated as if referring to subtitle A of title XX of the Social Security Act, to reflect the probable intent of Congress. Title XX of the Act, enacting subchapter XX of this chapter, does not contain a subtitle I.


Subsec. (i)(6)(F) to (I). Pub. L. 111–148, § 6402(d)(2)(B)(iv), added pars. (F) to (I). 1998—Subsec. (1)(b)(1), Pub. L. 105–277, § 5391(a), added subpar. (B). Generally, prior to amendment, subpar. (B) read as follows: “any permissible waiver as specified in section 1320a–7b(b)(3) of this title or in regulations issued by the Secretary;”.


1987—Subsec. (a). Pub. L. 100–203, §4118(e)(10)(A), as added by Pub. L. 100–360, §411(k)(10)(D), inserted “or assessment or exclusion” for “penalty or assessment” in two places and inserted “the appropriate State agency or agencies administering or supervising the administration of State health care programs (as defined in section 1320a–7(b) of this title),” after “professional organization.”

Subsec. (i). Pub. L. 100–203, §4118(e)(8), as added by Pub. L. 100–360, §411(k)(10)(D), substituted “section 1359a–6” for “this section” before period at end in introductory provisions.

Subsec. (i)(1). Pub. L. 100–203, §4118(e)(9), as added by Pub. L. 100–360, §411(k)(10)(D), inserted “or subchapter XX”.

Subsec. (i)(2). Pub. L. 100–203, §4118(e)(10)(B), as added by Pub. L. 100–360, §411(k)(10)(D), substituted “for payments for items and services under subchapter V, XVIII, XIX, or XX of this chapter” for “for payment to the Secretary under subchapter V or subchapter XVIII of this chapter or for any item or service under subchapter V of this chapter.”


Subsecs. (j), (k). Pub. L. 100–93, §3(f), added subsecs. (j) and (k).


Subsec. (c). Pub. L. 99–509, §5013(c)(1)(A), (D), redesignated subsec. (b) as (c) and substituted “section (a)” for “subsection (a)” in subpars. (1) and (2).


Subsec. (e). Pub. L. 99–509, §5013(a)(1), inserted “(b) or” for “or” in subpar. (B) and added sub. (e).

Subsec. (f). Pub. L. 99–509, §5013(a)(2), redesignated subsec. (f) as (g) and added sub. (f).

Subsec. (g). Pub. L. 99–509, §5013(a)(3), redesignated subsec. (g) as (h) and inserted “section (a)” for “subsection (a)” in subpar. (B).

Subsec. (h). Pub. L. 99–509, §5013(a)(1), (A), (D), redesignated subsec. (c) as (d) and substituted “section (a)” for “subsection (a)” in introductory provisions.


Subsec. (b). Pub. L. 97–248 redesignated as part of par. (1) preceding par. (A) provisions formerly preceding par. (1), in subpar. (B) substituted “or pursuant to a determination by the Secretary under section 1395cc(b)(2) of this title with respect to which the Secretary has initiated termination proceedings,” for “for payment for health care services under subchapter XVIII or XIX of this chapter or for any item or service under subchapter V of this chapter.”

Subsec. (c). Pub. L. 97–248 redesignated subsec. (h) as (i).


Subsec. (e). Pub. L. 97–248 redesignated subsec. (d) as (e).

Subsec. (f). Pub. L. 97–248 redesignated subsec. (e) as (f) and added sub. (f).

1982—Subsec. (a). Pub. L. 97–248 redesignated as part of par. (1) preceding subpar. (A) provisions formerly preceding par. (1), in subpar. (B) substituted “or pursuant to a determination by the Secretary under section 1395cc(b)(2) of this title with respect to which the Secretary has initiated termination proceedings,” for “or payment for health care services under subchapter XVIII or XIX of this chapter or for any item or service under subchapter V of this chapter.”

Subsec. (b). Pub. L. 97–248 redesignated subsec. (h) as (i).
(A) an assignment under section 1842(b)(3)(B)(ii), or (B) an agreement with a State agency not to charge a person for an item or service in excess of the amount permitted to be charged for "is submitted in violation of an agreement between the person and the United States or a State agency".

**Effective Date of 2018 Amendment**

Amendment by Pub. L. 100–485 effective as if included in the enactment of the Medicare Catastrophic Coverage Act of 1988, Pub. L. 100–360, see section 608(g)(1) of Pub. L. 100–360, set out as a note under section 704 of this title.

Amendment by section 202(c)(2) of Pub. L. 100–360 applicable to items dispensed on or after Jan. 1, 1990, see section 202(m)(1) of Pub. L. 100–360, set out as a note under section 1363u of this title.

Except as specifically provided in section 411 of Pub. L. 100–360, amendment by section 411(e)(3), (k)(10)(B)(ii), (D) of Pub. L. 100–360, as it relates to a provision in the Omnibus Budget Reconciliation Act of 1987, Pub. L. 100–203, effective as if included in the enactment of that provision in Pub. L. 100–203, see section 411(a) of Pub. L. 100–360, set out as a Reference to OBRA; Effective Date note under section 106 of Title I, General Provisions.

**Effective Date of 1997 Amendment**


Amendment by Pub. L. 100–93 effective at end of fourteen-day period beginning Aug. 18, 1987, and inapplicable to administrative proceedings commenced before end of such period, except that amendment by section 3(c)(1) of Pub. L. 100–93 applicable to claims presented for services performed on or after date at end of fourteen-day period beginning Aug. 18, 1987, without regard to the date the physician’s misrepresentation of fact was made, and amendment by section 3(f) of Pub. L. 100–93 effective Aug. 18, 1987, see section 15(a), (c)(3), and (d) of Pub. L. 100–93, set out as a note under section 1320a–7 of this title.

**Effective Date of 1986 Amendment**


(2) by eligible organizations or entities occurring on or after April 1, 1991.


(1) The amendment made by subsection (a) [amending this section] shall take effect on the date of the enactment of this Act [Oct. 21, 1986], without regard to when the criminal conviction was obtained, but shall only apply to a conviction upon a plea of nolo contendere tendered after the date of the enactment of this Act.

(2) The amendment made by subsection (b) [amending this section] shall apply to failures or misconduct occurring on or after the date of the enactment of this Act.

**Effective Date of 1984 Amendment**

Amendment by section 2354(a)(3) of Pub. L. 98–369 effective July 18, 1984, but not to be construed as changing or affecting any right, liability, status, or interpretation which existed (under the provisions of law involved) before that date, see section 2354(e)(1) of Pub. L. 98–369, set out as a note under section 1320a–1 of this title.

**Effective Date of 1982 Amendment**

Amendment by Pub. L. 97–248 effective as if originally included as part of this section as this section was

(A) and amendments made effective January 1, 1990."

**Effective Date of 1990 Amendment**

Amendment by Pub. L. 105–33 applicable to acts committed on or after Jan. 1, 2010, see section 1395m(d)(1) of Pub. L. 105–33, set out as a note under section 1395n of this title.

Amendment by section 6408(d)(1) of Pub. L. 111–148, set out as a note under section 1320a–7 of this title.

**Effective Date of 1998 Amendment**


REGULATIONS
Pub. L. 105–277, div. J, title V, § 5201(e), Oct. 21, 1998, 112 Stat. 2681–917, provided that: ‘‘The Secretary of Health and Human Services may promulgate regulations that take effect on an interim basis, after notice and pending opportunity for public comment, in order to implement the amendments made by this section [amending this section and section 1320a–7d of this title] in a timely manner.’’

GAO STUDY AND REPORT ON IMPACT OF SAFE HARBOR ON MEDIGAP POLICIES
Pub. L. 105–277, div. J, title V, § 5201(b)(2), Oct. 21, 1998, 112 Stat. 2681–917, which provided that, if a permissible practice was promulgated under subsec. (n)(1)(A) of this section, the Comptroller General was to conduct a study comparing any disproportionate impact on specific issuers of medicare supplemental policies due to adverse selection in enrolling medicare ESRD beneficiaries before Aug. 21, 1996, and 1 year after the date of promulgation of such permissible practice under subsec. (n)(1)(A) of this section and was to submit a report to Congress on such study with recommendations concerning extension of the time limitation under subsec. (n)(1)(B), was repealed by Pub. L. 111–8, div. G, title I, § 1301(c), Mar. 11, 2009, 123 Stat. 829.

REPEAL OF 1988 EXPANSION OF MEDICARE PART B BENEFITS

‘‘(1) GENERAL RULE.—Except as provided in paragraph (2), sections 201 through 208 of MCCA [sections 201 to 208 of Pub. L. 100–360, enacting section 1395w–3 of this title, amending this section and sections 1320c–3, 1395b, 1395x, 1395v, 1395m, 1395u, 1395w–2, 1395x, 1395y, 1395z, 1395aaa, 1395bb, 1395cc, 1395mm, 1396a, 1396b, and 1396c of this title, and enacting provisions set out as notes under sections 1320c–3, 1395b–1, 1395k, 1395m, 1395u, 1395x, 1395z, 1395o, and 1395ww of this title] are repealed and the provisions of law amended or repealed by such sections are restored or revived as if such sections had not been enacted.

‘‘(2) EXCEPTION.—Paragraph (1) shall not apply to sub-

§ 1320a–7b. Criminal penalties for acts involving Federal health care programs

(a) Making or causing to be made false statements or representations

Whoever—

(1) knowingly and willfully makes or causes to be made any false statement or representation of a material fact in any application for any benefit or payment under a Federal health care program (as defined in subsection (f)), or

(2) at any time knowingly and willfully makes or causes to be made any false statement or representation of a material fact for use in determining rights to such benefit or payment,

shall (i) in the case of such a statement, representation, concealment, failure, or conversion by any person in connection with the furnishing (by that person) of items or services for which payment is or may be made under the program, be guilty of a felony and upon conviction thereof fined not more than $100,000 or imprisoned for not more than 10 years or both, or (ii) in the case of such a statement, representation, concealment, failure, conversion, or provision of counsel or assistance by any other person, be guilty of a misdemeanor and upon conviction thereof fined not more than $20,000 or imprisoned for not more than one year, or both. In addition, in any case where an individual who is otherwise eligible for assistance under a Federal health care program is convicted of an offense under the preceding provisions of this subsection, the administrator of such program may at its option (notwithstanding any other provision of such program) limit, restrict, or suspend the eligibility of that individual for such period (not exceeding one year) as it deems appropriate; but the imposition of a limitation, restriction, or suspension with respect to the eligibility of any individual under this sentence shall not affect the eligibility of any other person for assistance under the plan, regardless of the relationship between that individual and such other person.

(b) Illegal remunerations

(1) Whoever knowingly and willfully solicits or receives any remuneration (including any kickback, bribe, or rebate) directly or indirectly, overtly or covertly, in cash or in kind—

(A) in return for referring an individual to a person for the furnishing or arranging for the
furnishing of any item or service for which payment may be made in whole or in part under a Federal health care program, or

(B) in return for purchasing, leasing, ordering, or arranging for or recommending purchasing, leasing, or ordering any good, facility, service, or item for which payment may be made in whole or in part under a Federal health care program,

shall be guilty of a felony and upon conviction thereof, shall be fined not more than $100,000 or imprisoned for not more than 10 years, or both.

(2) Whoever knowingly and willfully offers or pays any remuneration (including any kickback, bribe, or rebate) directly or indirectly, overtly or covertly, in cash or in kind to any person to induce such person—

(A) to refer an individual to a person for the furnishing or arranging for the furnishing of any item or service for which payment may be made in whole or in part under a Federal health care program, or

(B) to purchase, lease, order, or arrange for or recommend purchasing, leasing, or ordering any good, facility, service, or item for which payment may be made in whole or in part under a Federal health care program,

shall be guilty of a felony and upon conviction thereof, shall be fined not more than $100,000 or imprisoned for not more than 10 years, or both.

(3) Paragraphs (1) and (2) shall not apply to—

(A) a discount or other reduction in price obtained by a provider of services or other entity under a Federal health care program if the reduction in price is properly disclosed and appropriately reflected in the costs claimed or charges made by the provider or entity under a Federal health care program;

(B) any amount paid by an employer to an employee (who has a bona fide employment relationship with such employer) for employment in the provision of covered items or services;

(C) any amount paid by a vendor of goods or services to a person authorized to act as a purchasing agent for a group of individuals or entities who are furnishing services reimbursed under a Federal health care program if—

(i) the person has a written contract, with each such individual or entity, which specifies the amount to be paid the person, which amount may be a fixed amount or a fixed percentage of the value of the purchases made by each such individual or entity under the contract, and

(ii) in the case of an entity that is a provider of services (as defined in section 1395x(r) of this title), the person discloses (in such form and manner as the Secretary requires) to the entity and, upon request, to the Secretary the amount received from each such vendor with respect to purchases made by or on behalf of the entity;

(D) a waiver of any coinsurance under part B of subchapter XVIII by a Federally qualified health care center with respect to an individual who qualifies for subsidized services under a provision of the Public Health Service Act [42 U.S.C. 201 et seq.];

(E) any payment practice specified by the Secretary in regulations promulgated pursuant to section 114(a) of the Medicare and Medicaid Patient and Program Protection Act of 1987 or in regulations under section 1395w–104(e)(6) of this title;

(F) any remuneration between an organization and an individual or entity providing items or services, or a combination thereof, pursuant to a written agreement between the organization and the individual or entity if the organization is an eligible organization under section 1395mm of this title or if the written agreement, through a risk-sharing arrangement, places the individual or entity at substantial financial risk for the cost or utilization of the items or services, or a combination thereof, which the individual or entity is obligated to provide;

(G) the waiver or reduction by pharmacies (including pharmacies of the Indian Health Service, Indian tribes, tribal organizations, and urban Indian organizations) of any cost-sharing imposed under part D of subchapter XVIII, if the conditions described in clauses (i) through (iii) of section 1320a–7a(a)(6)(A) of this title are met with respect to the waiver or reduction (except that, in the case of such a waiver or reduction on behalf of a subsi-_individual (as defined in section 1395w–114(a)(3) of this title), section 1320a–7a(a)(6)(A) of this title shall be applied without regard to clauses (ii) and (iii) of that section);

(H) any remuneration between a federally qualified health center (or an entity controlled by such a health center) and an MA organization pursuant to a written agreement described in section 1395w–23(a)(4) of this title;

(I) any remuneration between a health center entity described under clause (i) or (ii) of section 1396d(l)(2)(B) of this title and any individual or entity providing goods, items, services, donations, loans, or a combination thereof, to such health center entity pursuant to a contract, lease, grant, loan, or other agreement, if such agreement contributes to the ability of the health center entity to maintain or increase the availability, or enhance the quality, of services provided to a medically underserved population served by the health center entity;

(J) a discount in the price of an applicable drug (as defined in paragraph (2) of section 1395w–114a(g) of this title) of a manufacturer that is furnished to an applicable beneficiary (as defined in paragraph (1) of such section) under the Medicare coverage gap discount program under section 1395w–114a of this title; and

(K) an incentive payment made to a Medicare fee-for-service beneficiary by an ACO under an ACO Beneficiary Incentive Program established under subsection (m) of section 1395jj of this title, if the payment is made in accordance with the requirements of such subsection and meets such other conditions as the Secretary may establish.

(4) Whoever without lawful authority knowingly and willfully purchases, sells or distrib-

\footnote{1 See References in Text note below.}
utes, or arranges for the purchase, sale, or distribution of a beneficiary identification number or unique health identifier for a health care provider under subchapter XVIII, subchapter XIX, or subchapter XXI shall be imprisoned for not more than 10 years or fined not more than $500,000 ($1,000,000 in the case of a corporation), or both.

(c) False statements or representations with respect to condition or operation of institutions

Whoever knowingly and willfully makes or causes to be made, or induces or seeks to induce the making of, any false statement or representation of a material fact with respect to the conditions or operation of any institution, facility, or entity in order that such institution, facility, or entity may qualify (either upon initial certification or upon recertification) as a hospital, critical access hospital, nursing home, rural health clinic, home health agency, or entity may qualify (including an eligible organization under section 1395mm(b) of this title) for which certification is required under subchapter XVIII or a State health care program (as defined in section 1320a–7(h) of this title), or with respect to information required to be provided under section 1320a–3a of this title, shall be guilty of a misdemeanor and upon conviction thereof shall be fined not more than $100,000 or imprisoned for not more than 10 years, or both.

(d) Illegal patient admittance and retention practices

Whoever knowingly and willfully—

(1) charges, for any service provided to a patient under a State plan approved under subchapter XIX, money or other consideration at a rate in excess of the rates established by the State (or, in the case of services provided to an individual enrolled with a medicaid managed care organization under subchapter XIX under a contract under section 1396b(mm) of this title or under a contractual, referral, or other arrangement under such contract, at a rate in excess of the rate permitted under such contract), or

(2) charges, solicits, accepts, or receives, in addition to any amount otherwise required to be paid under a State plan approved under subchapter XIX, any gift, money, donation, or other consideration (other than a charitable, religious, or philanthropic contribution from an organization or from a person unrelated to the patient)—

(A) as a precondition of admitting a patient to a hospital, nursing facility, or intermediate care facility for the mentally retarded, home health agency, or entity in order that such institution, facility, or entity may qualify (either upon initial certification or upon recertification) as a hospital, critical access hospital, skilled nursing facility, nursing facility, intermediate care facility for the mentally retarded, home health agency, or entity (including an eligible organization under section 1395mm(b) of this title) for which certification is required under subchapter XVIII or a State health care program (as defined in section 1320a–7(h) of this title), or

(B) as a requirement for the patient’s continued stay in such a facility,

when the cost of the services provided therein to the patient is paid for (in whole or in part) under the State plan, shall be guilty of a felony and upon conviction thereof shall be fined not more than $100,000 or imprisoned for not more than 10 years, or both.

(e) Violation of assignment terms

Whoever accepts assignments described in section 1395u(b)(3)(B)(ii) of this title or agrees to be a participating physician or supplier under section 1395u(b)(1) of this title and knowingly, willfully, and repeatedly violates the term of such assignments or agreement, shall be guilty of a misdemeanor and upon conviction thereof shall be fined not more than $4,000 or imprisoned for not more than six months, or both.

(f) “Federal health care program” defined

For purposes of this section, the term “Federal health care program” means—

(1) any plan or program that provides health benefits, whether directly, through insurance, or otherwise, which is funded directly, in whole or in part, by the United States Government (other than the health insurance program under chapter 37 of title 19),

(2) any State health care program, as defined in section 1320a–7(h) of this title.

(g) Liability under subchapter III of chapter 37 of title 31

In addition to the penalties provided for in this section or section 1320a–7a of this title, a claim that includes items or services resulting from a violation of this section constitutes a false or fraudulent claim for purposes of subchapter III of chapter 37 of title 31.

(h) Actual knowledge or specific intent not required

With respect to violations of this section, a person need not have actual knowledge of this section or specific intent to commit a violation of this section.

References in Text

The Public Health Service Act, referred to in subsec. (b)(5), is act July 1, 1944, ch. 733, 58 Stat. 682, as amended, which is classified generally to chapter 6A (802 et seq.) of this title. For complete classification of this Act to the Code, see Short Title note set out under section 201 of this title and Tables.
Section 14(a) of the Medicare and Medicaid Patient and Program Protection Act of 1987, referred to in subsec. (b)(3)(E), is section 14(a) of Pub. L. 100–93, which is set out in this title.

Section 1395w–104(e)(6) of this title, referred to in subsec. (b)(3)(E), was in the original “section 1860D–3(e)(6)”, and was translated as reading “section 1860D–4(e)(6)” to reflect the probable intent of Congress, because section 1860D–3, which is classified to section 1395w–103 of this title, does not contain a subsec. (e), and section 1395w–104(e)(6) relates to regulations.

Codification

Prior to redesignation by Pub. L. 100–93, subsecs. (a) to (d) of this section were subsecs. (a) to (d) of section 1909 of act Aug. 14, 1935, which was classified to section 1396e of this title, and subsec. (e) of this section was subsec. (d) of section 1677 of act Aug. 14, 1935, which was classified to section 1395en of this title.

Amendments

2018—Subsec. (a). Pub. L. 115–123, § 50412(a)(2)(A), (b)(1), in concluding provisions, substituted “$100,000” for “$25,000”, “not more than 10 years” for “not more than 5 years” for “not more than 5 years or both,” and “$20,000” for “$10,000”.

Subsec. (b)(1). Pub. L. 115–123, § 50412(a)(2)(B)(i), (b)(2)(A), in concluding provisions, substituted “$100,000” for “$25,000” and “not more than 10 years” for “not more than 5 years” for “not more than 5 years or both,” and “$20,000” for “$10,000”.

Subsec. (b)(2). Pub. L. 115–123, § 50412(a)(2)(B)(ii), (b)(2)(B), in concluding provisions, substituted “$100,000” for “$25,000” and “not more than 10 years” for “not more than 5 years”.


Subsec. (c). Pub. L. 115–123, § 50412(a)(2)(C), (b)(3), substituted “$100,000” for “$25,000” and “not more than 10 years” for “not more than 5 years”.

Subsec. (d). Pub. L. 115–123, § 50412(a)(2)(D), (b)(4), in concluding provisions, substituted “$100,000” for “$25,000” and “not more than 10 years” for “not more than 5 years”.

Subsec. (e). Pub. L. 115–123, § 50412(a)(2)(E), substituted “$4,000” for “$2,000”.


Subsec. (b)(3)(H). Pub. L. 111–148, § 3301(d)(1)(B), amended subpar. (H), relating to remuneration between a federally qualified health center and an MA organization by substituting a semicolon for the period at the end and realigning margins.

Subsec. (b)(3)(I). Pub. L. 111–148, § 3301(d)(1)(C)(i), (ii), redesignated subpar. (H) relating to remuneration between a health center entity and any individual or entity providing goods, items, services, donations, loans, or a combination thereof, to such health center entity as (I) and realigned margins.


Subsec. (g). Pub. L. 111–148, § 4602(f), added subsecs. (g) and (h).

2003—Subsec. (b)(3)(E). Pub. L. 108–173, § 101(e)(8)(A), which directed the amendment of subpar. (C) by inserting “or in regulations under section 1395w–104(e)(6) of this title” after “1987”, was executed by making the insertion in subpar. (E) to reflect the probable intent of Congress because “1987” does not appear in subpar. (C).


1997—Subsec. (a). Pub. L. 105–33, § 4734(2), in cl. (i) of concluding provisions, substituted “failure, conversion, or provision of counsel or assistance by any other person” for “failure, or conversion by any other person”.

Subsec. (a)(6). Pub. L. 105–33, § 4734(1), added par. (6) and struck out former par. (6) which read as follows: “knowingly and willfully disposes of assets (including property sold by any transfer in trust or order) to become eligible for medical assistance under a State plan under subchapter XIX of this chapter, if disposing of the assets results in the imposition of a period of ineligibility for such assistance under section 1396p(e) of this title.”.

Subsec. (c). Pub. L. 105–33, § 4201(c)(1), substituted “critical access” for “rural primary care”.

Subsec. (d)(1). Pub. L. 105–33, § 4704(b), inserted “or, in the case of services provided to an individual enrolled with a medicare managed care organization under subchapter XIX under a contract under section 1938b(m) of this title or under a contractual, referral, or other arrangement under such contract, at a rate in excess of the rate permitted under such contract)” after “by the State”.


Subsec. (a). Pub. L. 104–191, § 204(a)(4), in concluding provisions, substituted “a Federal health care program” for “a State plan approved under subchapter XIX of this chapter” and “the administrator of such program may at its option (notwithstanding any other provision of such programs)” for “the State may at its option (notwithstanding any other provision of that subchapter or of such plan)”.

Subsec. (a)(1). Pub. L. 104–191, § 204(a)(2), substituted “a Federal health care program (as defined in subsection (f))” for “a program under subchapter XVIII of this chapter or a State health care program (as defined in section 1320a–7(h) of this title)”.

Subsec. (a)(5). Pub. L. 104–191, § 204(a)(3), substituted “a Federal” for “a program under subchapter XVIII of this chapter or a State health care program” wherever “Medicare or State” appeared.


Subsec. (d)(2)(A). Pub. L. 104–191, § 237(d), added subpar. (H) relating to remuneration between a federally qualified health center entity and any individual or entity providing goods, items, services, donations, loans, or a combination thereof, to such health center entity.


1994—Subsec. (b)(3)(B). Pub. L. 103–432, which directed substitution of “1395m(j)(5)” for “1395m(j)(4)” in subpar. (B) as amended by section 134(a) of Pub. L. 103–432, could not be executed because “1395m(j)(4)” does not appear in subpar. (B) as amended section 134(a) of Pub. L. 103–432 did not amend this section.


Subsec. (c). Pub. L. 101–508, § 4164(b)(2), substituted “health care program, or with respect to information required to be provided under section 1320a–3a of this title,” for “health care program”.


Pub. L. 100–203, § 421(h)(7)(A), substituted “nursing facility, intermediate care facility for the mentally retarded” for “‘intermediate care facility’”.

Pub. L. 100–203, § 421(h)(7)(B), substituted “nursing facility, intermediate care facility for the mentally retarded” for “‘skilled nursing facility, intermediate care facility’”.

1987—Pub. L. 100–95, § 4(a)(1), substituted “Criminal penalties for acts involving Medicare or State health...
care programs” for “Offenses and penalties” in section catchline.

Subsec. (a). Pub. L. 100–93, §4(a)(3), (4), in concluding provisions, substituted “made under the program” for “made under this subchapter”, “approved under subchapter XIX of this chapter” for “approved under this subchapter”, and “provision of that subchapter” for “provision of this subchapter”.

Subsec. (a)(1). Pub. L. 100–93, §4(a)(2), substituted “a program under subchapter XVIII of this chapter or a State health care program” for “this subchapter”, “or a State health care program” for “this subchapter” in two places in subpar. (A) and added subpars. (C) and (D).

Subsec. (b)(3). Pub. L. 100–93, §§4(a)(5), (6), (14)(b), substituted “subchapter XVII of this chapter or a State health care program” for “this subchapter” in two places in subpar. (A) and added subpars. (B)(III), (B)(IV), and (C).

Pub. L. 100–93, §4(a)(5), substituted “subchapter XVIII of this chapter or a State health care program” for “this subchapter”.  


Subsec. (b)(4). Pub. L. 100–93, §4(a)(6), revised provisions relating to activities of other persons or other entities for which certification is required under subchapter XVIII or a State health care program for “or home health agency (as those terms are employed in this subchapter)”.

Subsec. (d)(1). Pub. L. 100–93, §4(a)(6), substituted “subchapter XIX” for “subchapter”.

Subsec. (e). Pub. L. 100–93, §4(c), redesignated subsec. (d) of section 1395mm of this title as subsec. (e) of this section.

1984—Subsec. (e). Pub. L. 98–369 inserted “or agrees to be a participating physician or supplier under section 1395mm(b)(1) of this title” after “other entity”.

Pub. L. 100–93, §4(a)(7), substituted “home health agency, or other entity for which certification is required under subchapter XVIII or a State health care program (as defined in section 1395k of this title)” for “other entity”.

Pub. L. 100–93, §4(a)(8), substituted “institution, facility, or entity” for “institution or facility” wherever appearing and inserted “(including an eligible organization under section 1395mm(b)(1) of this title)” after “other entity”.

Pub. L. 100–93, §4(a)(9), substituted “(including an eligible organization under section 1395mm(b)(1) of this title)” after “other entity”.

Pub. L. 100–93, §4(a)(10), substituted “other entity” for “other entity”.

Subsec. (b)(3). Pub. L. 100–93, §§4(a)(5), (6), (14)(b), substituted “institution, facility, or entity” for “institution or facility” wherever appearing and inserted “(including an eligible organization under section 1395mm(b)(1) of this title)” after “other entity”.

Pub. L. 100–93, §4(a)(11), substituted “other entity” for “other entity”.

Subsec. (d)(1). Pub. L. 100–93, §4(a)(12), designated existing provisions following par. (4) as cl. (i) and, as so designated, inserted provisions relating to activities of other persons, and inserted provisions authorizing the State to limit, restrict, or suspend, the eligibility of any convicted persons for benefits, and added cl. (i). See Codification note above.

Subsec. (b). Pub. L. 98–369 inserted “or agrees to be a participating physician or supplier under section 1395mm(b)(1) of this title” after “other entity”.

Subsec. (c). Pub. L. 98–369, §4(a)(3), (4), in concluding provisions, substituted “made under the program” for “made under this subchapter”, “approved under subchapter XIX of this chapter” for “approved under this subchapter”, and “provision of that subchapter” for “provision of this subchapter”.


1977—Subsec. (a). Pub. L. 95–142, §4(a)(13), redesignated existing provisions as par. (1), substituted provisions relating to solicitation or receiving of any remuneration in return for referring an individual to a person for the furnishing or arranging the furnishing of any item or service, or in return for purchasing, leasing, ordering, or arranging for or recommending purchasing, etc., as constituting a felony punishable by a fine of not more than $25,000 and/or imprisonment for not more than five years, and added pars. (2) and (3). See Codification note above.

Subsec. (b). Pub. L. 95–142, §4(b), redesignated existing provisions as par. (1), substituted provisions relating to solicitation or receiving of any remuneration in return for referring an individual to a person for the furnishing or arranging the furnishing of any item or service, or in return for purchasing, leasing, ordering, or arranging for or recommending purchasing, etc., as constituting a felony punishable by a fine of not more than $25,000 and/or imprisonment for not more than five years, and added pars. (2) and (3). See Codification note above.


1972—Subsec. (c). Pub. L. 92–603, §278(b)(9), substituted “skilled nursing facility” for “skilled nursing home”.
implementing such amendment are promulgated by such date, except as otherwise specifically provided in section 1396r of this title, with transitional rule, see section 4232(a), (b)(2) of Pub. L. 100–203, as amended, set out as an Effective Date note under section 1396r of this title.

Amendment by Pub. L. 100–93 effective at end of fourteenday period beginning Aug. 18, 1987, and inapplicable to administrative proceedings commenced before end of such period, see section 15(a) of Pub. L. 100–93, set out as a note under section 1320a–7 of this title.

Effective Date of 1977 Amendment
Pub. L. 95–142, § 4(d), Oct. 25, 1977, 91 Stat. 1183, provided that: "The amendments made by subsections (a) and (b) [of this section] shall apply with respect to acts occurring and statements or representations made on or after the date of the enactment of this Act [Oct. 25, 1977]."

Effective Date
Pub. L. 92–603, title II, § 242(d), Oct. 30, 1972, 86 Stat. 1420, provided that: "The provisions of amendments made by this section [enacting this section and section 1396r of this title and amending section 1395ii of this title] shall not be applicable to any acts, statements, or representations made or committed prior to the enactment of this Act [Oct. 30, 1972]."

Rulemaking for Exception for Health Center Entity Arrangements

"(1) Establishment.—

"(A) In general.—The Secretary of Health and Human Services shall establish, on an expedited basis, standards relating to the exception described in section 1128B(b)(3)(F) [now section 1128B(b)(3)(I)] of the Social Security Act [42 U.S.C. 1320a–7b(c)(3)(I)], as added by subsection (a), for health center entity arrangements to the anti-kickback penalties.

"(B) Factors to consider.—The Secretary shall consider the following factors, among others, in establishing standards relating to the exception for health center entity arrangements under subparagraph (A):

"(i) Whether the arrangement between the health center entity and the other party results in savings of Federal grant funds or increased revenues to the health center entity.

"(ii) Whether the arrangement between the health center entity and the other party restricts or limits an individual's freedom of choice.

"(iii) Whether the arrangement between the health center entity and the other party protects a health care professional's independent medical judgment regarding medically appropriate treatment.

The Secretary may also include other standards and criteria that are consistent with the intent of Congress in enacting the exception established under this section.

"(2) Deadline.—Not later than 1 year after the date of the enactment of this Act [Dec. 8, 2003] the Secretary shall publish final regulations establishing the standards described in paragraph (1)."

Negotiated Rulemaking for Risk-Sharing Exception

"(1) Establishment.—

"(A) In general.—The Secretary of Health and Human Services (in this subsection referred to as the ‘Secretary’) shall establish, on an expedited basis and using a negotiated rulemaking process under subchapter 3 (III) of chapter 5 of title 5, United States Code, standards relating to the exception for risk-sharing arrangements to the anti-kickback penalties described in section 1128B(b)(3)(F) of the Social Security Act [42 U.S.C. 1320a–7b(c)(3)(F)], as added by subsection (a).

"(B) Factors to consider.—In establishing standards relating to the exception for risk-sharing arrangements to the anti-kickback penalties under subparagraph (A), the Secretary:

"(i) shall consult with the Attorney General and representatives of the hospital, physician, other health practitioner, and health plan communities, and other interested parties; and

"(ii) shall take into account—

"(I) the level of risk appropriate to the size and type of arrangement;

"(II) the frequency of assessment and distribution of incentives;

"(III) the level of capital contribution; and

"(IV) the extent of a facility's risk-sharing arrangement provides incentives to control the cost and quality of health care services.

"(2) Publication of notice.—In carrying out the rulemaking process under this subsection, the Secretary shall publish the notice provided for under section 564(a) of title 5, United States Code, by not later than 45 days after the date of the enactment of this Act [Aug. 21, 1996].

"(3) Target date for publication of rule.—As part of the notice under paragraph (2), and for purposes of this subsection, the ‘target date for publication’ referred to in section 564(a)(5) of such title shall be January 1, 1997.

"(4) Abbreviated period for submission of comments.—In applying section 564(c) of such title under this subsection, ‘15 days’ shall be substituted for ‘30 days’.

"(5) Appointment of negotiated rulemaking committee and facilitator.—The Secretary shall provide for—

"(A) the appointment of a negotiated rulemaking committee under section 564(a) of such title by not later than 30 days after the end of the comment period provided for under section 564(c) of such title (as shortened under paragraph (4)), and

"(B) the nomination of a facilitator under section 564(c) of such title by not later than 10 days after the date of appointment of the committee.

"(6) Preliminary committee report.—The negotiated rulemaking committee appointed under paragraph (5) shall report to the Secretary, by not later than October 1, 1996, regarding the committee's progress on achieving a consensus with regard to the rulemaking proceeding and whether such consensus is likely to occur before one month before the target date for publication of the rule. If the committee reports that the committee has failed to make significant progress toward such consensus or is unlikely to reach such consensus by the target date, the Secretary may terminate such process and provide for the publication of a rule under this subsection through such other methods as the Secretary may provide.

"(7) Final committee report.—If the committee is not terminated under paragraph (6), the rulemaking committee shall submit a report containing a proposed rule by not later than one month before the target publication date.

"(8) Interim, final effect.—The Secretary shall publish a rule under this subsection in the Federal Register by not later than the target publication date. Such rule shall be effective and final immediately on an interim basis, but is subject to change and revision after public notice and opportunity for a period (of not less than 60 days) for public comment. In connection with such rule, the Secretary shall specify the process for the timely review and approval of applications of entities to be certified as provider-sponsored organizations pursuant to such rules and consistent with this subsection.

"(9) Publication of rule after public comment.—The Secretary shall provide for consideration of such comments and republication of such rule by not later than 1 year after the target publication date."
§ 1320a–7c  TITLE 42—THE PUBLIC HEALTH AND WELFARE

ANTI-KICKBACK REGULATIONS

Pub. L. 100–93, §14(a), Aug. 18, 1987, 101 Stat. 697, provided that: “The Secretary of Health and Human Services, in consultation with the Attorney General, not later than 1 year after the date of the enactment of this Act [Aug. 18, 1987] shall publish proposed regulations, and not later than 2 years after the date of the enactment of this Act shall promulgate final regulations, specifying payment practices that shall not be treated as a criminal offense under section 1128B(b) of the Social Security Act [42 U.S.C. 1320a–7b(b)] and shall not serve as the basis for an exclusion under section 1128(b)(7) of such Act. Any practices specified in regulations pursuant to the preceding sentence shall be in addition to the practices described in subparagraphs (A) through (C) of section 1128B(b)(3).”

§ 1320a–7c Fraud and abuse control program

(a) Establishment of program

(1) In general

Not later than January 1, 1997, the Secretary, acting through the Office of the Inspector General of the Department of Health and Human Services, and the Attorney General shall establish a program—

(A) to coordinate Federal, State, and local law enforcement programs to control fraud and abuse with respect to health plans;

(B) to conduct investigations, audits, evaluations, and inspections relating to the delivery of and payment for health care in the United States;

(C) to facilitate the enforcement of the provisions of sections 1320a–7, 1320a–7a, and 1320a–7b of this title and other statutes applicable to health care fraud and abuse, and

(D) to provide for the modification and establishment of safe harbors and to issue advisory opinions and special fraud alerts pursuant to section 1320a–7d of this title.

(2) Coordination with health plans

In carrying out the program established under paragraph (1), the Secretary and the Attorney General shall consult with, and arrange for the sharing of data with representatives of health plans.

(3) Guidelines

(A) In general

The Secretary and the Attorney General shall issue guidelines to carry out the program under paragraph (1). The provisions of sections 553, 556, and 557 of title 5 shall not apply in the issuance of such guidelines.

(B) Information guidelines

(i) In general

Such guidelines shall include guidelines relating to the furnishing of information by health plans, providers, and others to enable the Secretary and the Attorney General to carry out the program (including coordination with health plans under paragraph (2)).

(ii) Confidentiality

Such guidelines shall include procedures to assure that such information is provided and utilized in a manner that appropriately protects the confidentiality of the information and the privacy of individuals receiving health care services and items.

(iii) Qualified immunity for providing information

The provisions of section 1320c–6(a) of this title (relating to limitation on liability) shall apply to a person providing information to the Secretary or the Attorney General in conjunction with their performance of duties under this section.

(4) Ensuring access to documentation

The Inspector General of the Department of Health and Human Services is authorized to exercise such authority described in paragraphs (3) through (9) of section 6 1 of the Inspector General Act of 1978 (5 U.S.C. App.) as necessary with respect to the activities under the fraud and abuse control program established under this subsection.

(5) Authority of Inspector General

Nothing in this chapter shall be construed to diminish the authority of any Inspector General, including such authority as provided in the Inspector General Act of 1978 (5 U.S.C. App.).

(b) Additional use of funds by Inspector General

(1) Reimbursements for investigations

The Inspector General of the Department of Health and Human Services is authorized to receive and retain for current use reimbursement for the costs of conducting investigations and audits and for monitoring compliance plans when such costs are ordered by a court, voluntarily agreed to by the payor, or otherwise.

(2) Crediting

Funds received by the Inspector General under paragraph (1) as reimbursement for costs of conducting investigations shall be deposited to the credit of the appropriation from which initially paid, or to appropriations for similar purposes currently available at the time of deposit, and shall remain available for obligation for 1 year from the date of the deposit of such funds.

(c) “Health plan” defined

For purposes of this section, the term “health plan” means a plan or program that provides health benefits, whether directly, through insurance, or otherwise, and includes—

(1) a policy of health insurance;

(2) a contract of a service benefit organization; and

(3) a membership agreement with a health maintenance organization or other prepaid health plan.


REFERENCES IN TEXT


1 See References in Text note below.
graphs (3) through (9) of section 6(a) of the Act, which set out various activities authorized to be performed by Inspectors General.

**AMENDMENTS**

2010—Subsec. (a)(1)(C) to (E). Pub. L. 111–148 inserted “and” at end of subpar. (C), substituted period for “... and” at end of subpar. (D), and struck out subpar. (E) which read as follows: “to provide for the reporting and disclosure of certain final adverse actions against health care providers, suppliers, or practitioners pursuant to the data collection system established under section 1320a–7e of this title.”

**EFFECTIVE DATE OF 2010 AMENDMENT**

Amendment by Pub. L. 111–148 effective on the first day after the final day of the transition period defined in section 6403(d)(5) of Pub. L. 111–148, see section 6403(d)(6) of Pub. L. 111–148, set out as a Transition Process: Regulations: Effective Date of 2010 Amendment note under section 1320a–7e of this title.

§ 1320a–7d. Guidance regarding application of health care fraud and abuse sanctions

(a) Solicitation and publication of modifications to existing safe harbors and new safe harbors

(1) In general

(A) Solicitation of proposals for safe harbors

Not later than January 1, 1997, and not less than annually thereafter, the Secretary shall publish a notice in the Federal Register soliciting proposals, which will be accepted during a 60-day period, for—

(i) modifications to existing safe harbors issued pursuant to section 14(a) of the Medicare and Medicaid Patient and Program Protection Act of 1987 (42 U.S.C. 1320a–7b note);

(ii) additional safe harbors specifying payment practices that shall not be treated as a criminal offense under section 1320a–7(b)(1) of this title and shall not serve as the basis for an exclusion under section 1320a–7(b)(7) of this title;

(iii) advisory opinions to be issued pursuant to subsection (b); and

(iv) special fraud alerts to be issued pursuant to subsection (c).

(B) Publication of proposed modifications and proposed additional safe harbors

After considering the proposals described in clauses (i) and (ii) of subparagraph (A), the Secretary, in consultation with the Attorney General, shall publish in the Federal Register proposed modifications to existing safe harbors and proposed additional safe harbors, if appropriate, with a 60-day comment period. After considering any public comments received during this period, the Secretary shall issue final rules modifying the existing safe harbors and establishing new safe harbors, as appropriate.

(C) Report

The Inspector General of the Department of Health and Human Services (in this section referred to as the “Inspector General”) shall, in an annual report to Congress or as part of the year-end semiannual report required by section 5 of the Inspector General Act of 1978 (5 U.S.C. App.), describe the proposals received under clauses (i) and (ii) of subparagraph (A) and explain which proposals were included in the publication described in subparagraph (B), which proposals were not included in that publication, and the reasons for the rejection of the proposals that were not included.

(2) Criteria for modifying and establishing safe harbors

In modifying and establishing safe harbors under paragraph (1)(B), the Secretary may consider the extent to which providing a safe harbor for the specified payment practice may result in any of the following:

(A) An increase or decrease in access to health care services.

(B) An increase or decrease in the quality of health care services.

(C) An increase or decrease in patient freedom of choice among health care providers.

(D) An increase or decrease in competition among health care providers.

(E) An increase or decrease in the ability of health care facilities to provide services in medically underserved areas or to medically underserved populations.

(F) An increase or decrease in the cost to Federal health care programs (as defined in section 1320a–7b(f) of this title).

(G) An increase or decrease in the potential overutilization of health care services.

(H) The existence or nonexistence of any potential financial benefit to a health care professional or provider which may vary based on their decisions of—

(i) whether to order a health care item or service; or

(ii) whether to arrange for a referral of health care items or services to a particular practitioner or provider.

(I) Any other factors the Secretary deems appropriate in the interest of preventing fraud and abuse in Federal health care programs (as so defined).

(b) Advisory opinions

(1) Issuance of advisory opinions

The Secretary, in consultation with the Attorney General, shall issue written advisory opinions as provided in this subsection.

(2) Matters subject to advisory opinions

The Secretary shall issue advisory opinions as to the following matters:

(A) What constitutes prohibited remuneration within the meaning of section 1320a–7b(b) of this title or section 1320a–7a(1)(6) of this title.

(B) Whether an arrangement or proposed arrangement satisfies the criteria set forth in section 1320a–7b(b)(3) of this title for activities which do not result in prohibited remuneration.

(C) Whether an arrangement or proposed arrangement satisfies the criteria which the Secretary has established, or shall establish by regulation for activities which do not result in prohibited remuneration.

(D) What constitutes an inducement to reduce or limit services to individuals entitled...
to benefits under subchapter XVIII or sub-
chapter XIX within the meaning of section
1320a–7a(b) of this title.

(3) Matters not subject to advisory opinions
Such advisory opinions shall not address the
following matters:
(A) Whether the fair market value shall be,
or was paid or received for any goods,

(B) Whether an individual is a bona fide
employee within the requirements of section
3121(d)(2) of the Internal Revenue Code of
1986.

(4) Effect of advisory opinions

(A) Binding as to Secretary and parties in-
volved
Each advisory opinion issued by the Sec-
retary shall be binding as to the Secretary
and the party or parties requesting the opinion.

(B) Failure to seek opinion
The failure of a party to seek an advisory
opinion may not be introduced into evidence
to prove that the party intended to violate
the provisions of sections 1320a–7, 1320a–7a,
or 1320a–7b of this title.

(5) Regulations

(A) In general
Not later than 180 days after August 21,
1996, the Secretary shall issue regulations
to carry out this section. Such regulations
shall provide for—
(i) the procedure to be followed by a
party applying for an advisory opinion;
(ii) the procedure to be followed by the
Secretary in responding to a request for an
advisory opinion;
(iii) the interval in which the Secretary
shall respond;
(iv) the reasonable fee to be charged to the
party requesting an advisory opinion; and
(v) the manner in which advisory opinions
will be made available to the public.

(B) Specific contents
Under the regulations promulgated pursuant
to subparagraph (A)—
(i) the Secretary shall be required to
issue to a party requesting an advisory opinion
by not later than 60 days after the request is received; and
(ii) the fee charged to the party requesting
an advisory opinion shall be equal to the
costs incurred by the Secretary in re-


\(1\) So in original. Probably should be “section”.

(c) Special fraud alerts

(1) In general

(A) Request for special fraud alerts
Any person may present, at any time, a re-
quest to the Inspector General for a notice
which informs the public of practices which
the Inspector General considers to be sus-
pect or of particular concern under the
Medicare program under subchapter XVIII
or a State health care program, as defined in
section 1320a–7(h) of this title (in this sub-
section referred to as a “special fraud alert”).

(B) Issuance and publication of special fraud
alerts
Upon receipt of a request described in sub-
paragraph (A), the Inspector General shall
investigate the subject matter of the request
to determine whether a special fraud alert
should be issued. If appropriate, the Inspec-
tor General shall issue a special fraud alert in
response to the request. All special fraud
alerts issued pursuant to this subparagraph
shall be published in the Federal Register.

(2) Criteria for special fraud alerts
In determining whether to issue a special
fraud alert upon a request described in para-
graph (1), the Inspector General may con-
sider—

(A) whether and to what extent the prac-
tices that would be identified in the special
fraud alert may result in any of the conse-
quences described in subsection (a)(2); and

(B) the volume and frequency of the con-
duct that would be identified in the special
fraud alert.

(2) Special fraud alerts

(1) In general

(A) Request for special fraud alerts
Any person may present, at any time, a re-
quest to the Inspector General for a notice
which informs the public of practices which
the Inspector General considers to be sus-
pect or of particular concern under the
Medicare program under subchapter XVIII
or a State health care program, as defined in
section 1320a–7(h) of this title (in this sub-
section referred to as a “special fraud alert”).

(B) Issuance and publication of special fraud
alerts
Upon receipt of a request described in sub-
paragraph (A), the Inspector General shall
investigate the subject matter of the request
to determine whether a special fraud alert
should be issued. If appropriate, the Inspec-
tor General shall issue a special fraud alert in
response to the request. All special fraud
alerts issued pursuant to this subparagraph
shall be published in the Federal Register.

(2) Criteria for special fraud alerts
In determining whether to issue a special
fraud alert upon a request described in para-
graph (1), the Inspector General may con-
sider—

(A) whether and to what extent the prac-
tices that would be identified in the special
fraud alert may result in any of the conse-
quences described in subsection (a)(2); and

(B) the volume and frequency of the con-
duct that would be identified in the special
fraud alert.

(2) Special fraud alerts

(1) In general

(A) Request for special fraud alerts
Any person may present, at any time, a re-
quest to the Inspector General for a notice
which informs the public of practices which
the Inspector General considers to be sus-
pect or of particular concern under the
Medicare program under subchapter XVIII
or a State health care program, as defined in
section 1320a–7(h) of this title (in this sub-
section referred to as a “special fraud alert”).

(B) Issuance and publication of special fraud
alerts
Upon receipt of a request described in sub-
paragraph (A), the Inspector General shall
investigate the subject matter of the request
to determine whether a special fraud alert
should be issued. If appropriate, the Inspec-
tor General shall issue a special fraud alert in
response to the request. All special fraud
alerts issued pursuant to this subparagraph
shall be published in the Federal Register.

(2) Criteria for special fraud alerts
In determining whether to issue a special
fraud alert upon a request described in para-
graph (1), the Inspector General may con-
sider—

(A) whether and to what extent the prac-
tices that would be identified in the special
fraud alert may result in any of the conse-
quences described in subsection (a)(2); and

(B) the volume and frequency of the con-
duct that would be identified in the special
fraud alert.

\(1\) So in original. Probably should be “section”.

(c) Special fraud alerts

(1) In general

(A) Request for special fraud alerts
Any person may present, at any time, a re-
quest to the Inspector General for a notice
which informs the public of practices which
the Inspector General considers to be sus-
pect or of particular concern under the
Medicare program under subchapter XVIII
or a State health care program, as defined in
section 1320a–7(h) of this title (in this sub-
section referred to as a “special fraud alert”).

(B) Issuance and publication of special fraud
alerts
Upon receipt of a request described in sub-
paragraph (A), the Inspector General shall
investigate the subject matter of the request
to determine whether a special fraud alert
should be issued. If appropriate, the Inspec-
tor General shall issue a special fraud alert in
response to the request. All special fraud
alerts issued pursuant to this subparagraph
shall be published in the Federal Register.

(2) Criteria for special fraud alerts
In determining whether to issue a special
fraud alert upon a request described in para-
graph (1), the Inspector General may con-
sider—

(A) whether and to what extent the prac-
tices that would be identified in the special
fraud alert may result in any of the conse-
quences described in subsection (a)(2); and

(B) the volume and frequency of the con-
duct that would be identified in the special
fraud alert.

\(1\) So in original. Probably should be “section”.

(c) Special fraud alerts

(1) In general

(A) Request for special fraud alerts
Any person may present, at any time, a re-
quest to the Inspector General for a notice
which informs the public of practices which
the Inspector General considers to be sus-
pect or of particular concern under the
Medicare program under subchapter XVIII
or a State health care program, as defined in
section 1320a–7(h) of this title (in this sub-
section referred to as a “special fraud alert”).

(B) Issuance and publication of special fraud
alerts
Upon receipt of a request described in sub-
paragraph (A), the Inspector General shall
investigate the subject matter of the request
to determine whether a special fraud alert
should be issued. If appropriate, the Inspec-
tor General shall issue a special fraud alert in
response to the request. All special fraud
alerts issued pursuant to this subparagraph
shall be published in the Federal Register.

(2) Criteria for special fraud alerts
In determining whether to issue a special
fraud alert upon a request described in para-
graph (1), the Inspector General may con-
sider—

(A) whether and to what extent the prac-
tices that would be identified in the special
fraud alert may result in any of the conse-
quences described in subsection (a)(2); and

(B) the volume and frequency of the con-
duct that would be identified in the special
fraud alert.
§ 1320a–7e. Health care fraud and abuse data collection program

(a) In general

The Secretary shall maintain a national health care fraud and abuse data collection program under this section for the reporting of certain final adverse actions (not including settlements in which no findings of liability have been made) against health care providers, suppliers, or practitioners as required by subsection (b), with access as set forth in subsection (d), and shall furnish the information collected under this section to the National Practitioner Data Bank established pursuant to the Health Care Quality Improvement Act of 1986 (42 U.S.C. 11101 et seq.).

(b) Reporting of information

(1) In general

Each Government agency and health plan shall report any final adverse action (not including settlements in which no findings of liability have been made) taken against a health care provider, supplier, or practitioner.

(2) Information to be reported

The information to be reported under paragraph (1) includes:

(A) The name and TIN (as defined in section 7701(a)(41) of the Internal Revenue Code of 1986) of any health care provider, supplier, or practitioner who is the subject of a final adverse action.

(B) The name (if known) of any health care entity with which a health care provider, supplier, or practitioner, who is the subject of a final adverse action, is affiliated or associated.

(C) The nature of the final adverse action and whether such action is on appeal.

(D) A description of the acts or omissions and injuries upon which the final adverse action was based, and such other information as the Secretary determines by regulation is required for appropriate interpretation of information reported under this section.

(3) Confidentiality

In determining what information is required, the Secretary shall include procedures to assure that the privacy of individuals receiving health care services is appropriately protected.

(4) Timing and form of reporting

The information required to be reported under this subsection shall be reported regularly (but not less often than monthly) and in such form and manner as the Secretary prescribes. Such information shall first be required to be reported on a date specified by the Secretary.

(5) To whom reported

The information required to be reported under this subsection shall be reported to the Secretary.

(6) Sanctions for failure to report

(A) Health plans

Any health plan that fails to report information on an adverse action required to be reported under this subsection shall be subject to a civil money penalty of not more than $25,000 for each such adverse action not reported. Such penalty shall be imposed and collected in the same manner as civil money penalties under subsection (a) of section 1320a–7a of this title are imposed and collected under that section.

(B) Governmental agencies

The Secretary shall provide for a publication of a public report that identifies those Government agencies that have failed to report information on adverse actions as required to be reported under this subsection.

(c) Disclosure and correction of information

(1) Disclosure

With respect to the information about final adverse actions (not including settlements in which no findings of liability have been made) reported to the Secretary under this section with respect to a health care provider, supplier, or practitioner, the Secretary shall, by regulation, provide for—

(A) disclosure of the information, upon request, to the health care provider, supplier, or licensed practitioner, and

(B) procedures in the case of disputed accuracy of the information.

(2) Corrections

Each Government agency and health plan shall report corrections of information already reported about any final adverse action taken against a health care provider, supplier, or practitioner, in such form and manner that the Secretary prescribes by regulation.

(d) Access to reported information

(1) Availability

The information collected under this section shall be available from the National Practitioner Data Bank to the agencies, authorities, and officials which are provided under section 1396r–2(b) of this title information reported under section 1396r–2(a) of this title.

(2) Fees for disclosure

For purposes of this section:

No person or entity, including the agency designated by the Secretary in subsection (b)(5) shall be held liable in any civil action with respect to any report made as required by this section, without knowledge of the falsity of the information contained in the report.

(f) Appropriate coordination

In implementing this section, the Secretary shall provide for the maximum appropriate coordination with part B of the Health Care Quality Improvement Act of 1986 (42 U.S.C. 11131 et seq.) and section 1396r–2 of this title.

(g) Definitions and special rules

For purposes of this section:
§ 1320a–7e

(1) Final adverse action

(A) In general

The term “final adverse action” includes:

(i) Civil judgments against a health care provider, supplier, or practitioner in Federal or State court related to the delivery of a health care item or service.

(ii) Federal or State criminal convictions related to the delivery of a health care item or service.

(iii) Actions by Federal agencies responsible for the licensing and certification of health care providers, suppliers, and licensed health care practitioners, including:

(I) formal or official actions, such as revocation or suspension of a license (and the length of any such suspension), reprimand, censure or probation,

(II) any dismissal or closure of the proceedings by reason of the provider, supplier, or practitioner surrendering their license or leaving the State or jurisdiction;

(III) any other loss of license or the right to apply for, or renew, a license of the provider, supplier, or practitioner, whether by operation of law, voluntary surrender, non-renewability, or otherwise;

(IV) any other negative action or finding by such Federal agency that is publicly available information.

(iv) Exclusion from participation in a Federal health care program (as defined in paragraph (1) of section 1320a–7b(f) of this title).

(v) Any other adjudicated actions or decisions that the Secretary shall establish by regulation.

(B) Exception

The term does not include any action with respect to a malpractice claim.

(2) Practitioner

The terms “licensed health care practitioner”, “licensed practitioner”, and “practitioner” mean, with respect to a State, an individual who, without authority by the State to provide health care services or authorized.

The term “Government agency” shall include:

(A) The Department of Justice.

(B) The Department of Health and Human Services.

(C) Any other Federal agency that either administers or provides payment for the delivery of health care services, including, but not limited to the Department of Defense and the Department of Veterans Affairs.

(D) Federal agencies responsible for the licensing and certification of health care providers and licensed health care practitioners.

(3) Government agency

The term “Government agency” shall include:

(A) The Department of Justice.

(B) The Department of Health and Human Services.

(C) Any other Federal agency that either administers or provides payment for the delivery of health care services, including, but not limited to the Department of Defense and the Department of Veterans Affairs.

(D) Federal agencies responsible for the licensing and certification of health care providers and licensed health care practitioners.

(4) Health plan

The term “health plan” has the meaning given such term by section 1320a–7c(c) of this title.

(5) Determination of conviction

For purposes of paragraph (1), the existence of a conviction shall be determined under paragraphs (1) through (4) of section 1320a–7(t) of this title.


Subsec. (g)(1)(A)(IV). Pub. L. 111–148, §6403(a)(4)(A)(ii), added cl. (IV) and struck out former cl. (IV) which read as follows: “Exclusion from participation in Federal or State health care programs (as defined in sections 1320a–7(f) and 1320a–7(h) of this title, respectively).

Subsec. (g)(3)(D). Pub. L. 111–148, §6403(a)(4)(C), which directed amendment of subpar. (D) of subsec. (g) by striking out “or State”, was executed by striking out “or State” after “Federal” in subpar. (D) of subsec. (g)(3) to reflect the probable intent of Congress.

Pub. L. 111–148, §6403(a)(4)(B), redesignated subpar. (F) as (D) and struck out former subpar. (D) which read as follows: “State law enforcement agencies.”


Subsec. (g)(3)(C). Pub. L. 105–33, §4331(a)(2), substituted “Department of Veterans Affairs” for “Veterans’ Administration”.

Subsec. (g)(5). Pub. L. 105–33, §4331(b), substituted paragraphs (1) through (4) for “paragraph (4)”.

Effective Date of 1997 Amendment
Pub. L. 105–33, title IV, §4331(f), Aug. 5, 1997, 111 Stat. 396, provided that:

“(1) In general.—Except as provided in this subsection, the amendments made by this section [amending this section and sections 1320a–7, 1320a–7a, and 1320a–7d of this title] shall be effective as if included in the enactment of the Health Insurance Portability and Accountability Act of 1996 [Pub. L. 104–191].

“(2) Federal health program.—The amendments made by subsection (c) [amending section 1320a–7 of this title] shall take effect on the date of the enactment of this Act [Aug. 5, 1997].

“(3) Sanction for failure to report.—The amendment made by subsection (d) [amending this section] shall apply to failures occurring on or after the date of the enactment of this Act.”

Transition Process; Regulations; Effective Date of 2010 Amendment
Pub. L. 111–148, title VI, §6403(d), Mar. 23, 2010, 124 Stat. 766, provided that:

“(1) In general.—Effective on the date of enactment of this Act [Mar. 23, 2010], the Secretary of Health and Human Services (in this section referred to as the ‘Secretary’) shall implement a transition process under which, by not later than the end of the transition period described in paragraph (5), the Secretary shall cease operating the Healthcare Integrity and Protection Data Bank established under section 1128E of the Social Security Act (42 U.S.C. 1320a–7e) (as in effect before the effective date specified in paragraph (6)) and shall transfer all data collected in the Healthcare Integrity and Protection Data Bank to the National Practitioner Data Bank.

“(2) Regulations.—The Secretary shall promulgate regulations to carry out the amendments made by subsections (a) and (b) (amending this section and section 1320a–7c of this title).

“(3) Funding.—

“(A) Availability of fees.—Fees collected pursuant to section 1320a–7d(2) of the Social Security Act (42 U.S.C. 1320a–7d) prior to the effective date specified in paragraph (6) for the disclosure of information in the Healthcare Integrity and Protection Data Bank shall be available to the Secretary, without fiscal year limitation, for payment of costs related to the transition process described in paragraph (1). Any such fees remaining after the transition period is complete shall be available to the Secretary, without fiscal year limitation, for payment of the costs of operating the National Practitioner Data Bank.

“(B) Availability of additional funds.—In addition to the fees described in subparagraph (A), any funds available to the Secretary or to the Inspector General of the Department of Health and Human Services for a purpose related to combating health care fraud, waste, or abuse shall be available to the extent necessary for operating the Healthcare Integrity and Protection Data Bank during the transition period, including systems testing and other activities necessary to ensure that information formerly reported to the Healthcare Integrity and Protection Data Bank will be accessible through the National Practitioner Data Bank.

“(4) Special provision for access to the National Practitioner Data Bank by the Department of Veterans Affairs.—

“(A) In general.—Notwithstanding any other provision of law, during the 1-year period that begins on the effective date specified in paragraph (6), the information described in subparagraph (B) shall be available from the National Practitioner Data Bank to the Secretary of Veterans Affairs without charge.

“(B) Information described.—For purposes of subparagraph (A), the information described in this subparagraph is the information that would, but for the amendments made by this section [amending this section and sections 1320a–7c and 1396–2 of this title], have been available to the Secretary of Veterans Affairs from the Healthcare Integrity and Protection Data Bank.

“(5) Transition period defined.—For purposes of this subsection, the term ‘transition period’ means the period that begins on the date of enactment of this Act [Mar. 23, 2010] and ends on the later of—

“(A) the date that is 1 year after such date of enactment; or

“(B) the effective date of the regulations promulgated under paragraph (2).

“(6) Effective date.—The amendments made by subsections (a), (b), and (c) [amending this section and sections 1320a–7c and 1396–2 of this title] shall take effect on the first day after the final day of the transition period.”

§ 1320a–7f. Coordination of medicare and medicaid surety bond provisions
In the case of a home health agency that is subject to a surety bond requirement under subchapter XVIII and subchapter XIX, the surety bond provided to satisfy the requirement under one such subchapter shall satisfy the requirement under the other such subchapter so long as the bond applies to guarantee return of overpayments under both such subchapters.


§ 1320a–7g. Funds to reduce medicare fraud and abuse
(1) In general
For purposes of reducing fraud and abuse in the Medicare program under title XIX of the Social Security Act [42 U.S.C. 1396 et seq.],—

(A) there is appropriated to the Office of the Inspector General of the Department of Health

Page 2365 TITLE 42—THE PUBLIC HEALTH AND WELFARE
§ 1320a–7h  TITLE 42—THE PUBLIC HEALTH AND WELFARE  Page 2366

and Human Services, out of any money in the Treasury not otherwise appropriated, $25,000,000, for fiscal year 2009; and

(B) there is authorized to be appropriated to such Office $25,000,000 for fiscal year 2010 and each subsequent fiscal year.

Amounts appropriated under this section shall remain available for expenditure until expended and shall be in addition to any other amounts appropriated or made available to such Office for such purposes with respect to the Medicaid program.

(2) Annual report

Not later than September 30 of 2009 and of each subsequent year, the Inspector General of the Department of Health and Human Services shall submit to the Committees on Energy and Commerce and Appropriations of the House of Representatives and the Committees on Finance and Appropriations of the Senate a report on the activities (and the results of such activities) funded under paragraph (1) to reduce waste, fraud, and abuse in the Medicaid program under title XIX of the Social Security Act [42 U.S.C. 1396 et seq.] during the previous 12 month period, including the amount of funds appropriated under such paragraph for each such activity and an estimate of the savings to the Medicaid program resulting from each such activity.


REFERENCES IN TEXT

The Social Security Act, referred to in text, is act Aug. 14, 1935, ch. 531, 49 Stat. 620. Title XIX of the Act is classified generally to subchapter XIX (§ 1396 et seq.) of this chapter. For complete classification of this Act to the Code, see section 1305 of this title and Tables.

This section, referred to in par. (1), means section 7001 of Pub. L. 110–252, which enacted this section and section 1396w of this title, amended sections 1396a and 1396b of this title, and repealed provisions set out as a note under section 1396a of this title.

CROSS REFERENCE

Section was enacted as part of the Supplemental Appropriations Act, 2008, and not as part of the Social Security Act which comprises this chapter.

§ 1320a–7h. Transparency reports and reporting of physician ownership or investment interests

(a) Transparency reports

(1) Payments or other transfers of value

(A) In general

On March 31, 2013, and on the 90th day of each calendar year beginning thereafter, any applicable manufacturer that provides a payment or other transfer of value to a covered recipient, or to an entity or individual at the request of or designated on behalf of a covered recipient, shall submit to the Secretary, in such electronic form as the Secretary shall require, the following information with respect to the preceding calendar year:

(i) The name of the covered recipient.

(ii) The business address of the covered recipient and, in the case of a covered recipient who is a physician, the specialty and National Provider Identifier of the covered recipient.

(iii) The amount of the payment or other transfer of value.

(iv) The dates on which the payment or other transfer of value was provided to the covered recipient.

(v) A description of the form of the payment or other transfer of value, indicated (as appropriate for all that apply) as—

(I) cash or a cash equivalent;

(II) in-kind items or services;

(III) stock, a stock option, or any other ownership interest, dividend, profit, or other return on investment; or

(IV) any other form of payment or other transfer of value (as defined by the Secretary).

(vi) A description of the nature of the payment or other transfer of value, indicated (as appropriate for all that apply) as—

(I) consulting fees;

(II) compensation for services other than consulting;

(III) honoraria;

(IV) gift;

(V) entertainment;

(VI) food;

(VII) travel (including the specified destinations);

(VIII) education;

IX research;

(X) charitable contribution;

(XI) royalty or license;

(XII) current or prospective ownership or investment interest;

(XIII) direct compensation for serving as faculty or as a speaker for a medical education program;

(XIV) grant; or

(XV) any other nature of the payment or other transfer of value (as defined by the Secretary).

(vii) If the payment or other transfer of value is related to marketing, education, or research specific to a covered drug, device, biological, or medical supply, the name of that covered drug, device, biological, or medical supply.

(viii) Any other categories of information regarding the payment or other transfer of value the Secretary determines appropriate.

(B) Special rule for certain payments or other transfers of value

In the case where an applicable manufacturer provides a payment or other transfer of value to an entity or individual at the request of or designated on behalf of a covered recipient, the applicable manufacturer shall disclose that payment or other transfer of value under the name of the covered recipient.

(2) Physician ownership

In addition to the requirement under paragraph (1)(A), on March 31, 2013, and on the 90th day of each calendar year beginning thereafter, any applicable manufacturer or applica-
of $150,000.

(B) Limitation

The total amount of civil money penalties imposed under subparagraph (A) with respect to each annual submission of information under subsection (a) by an applicable manufacturer or applicable group purchasing organization shall not exceed $1,000,000.

(3) Use of funds

Funds collected by the Secretary as a result of the imposition of a civil money penalty under this subsection shall be used to carry out this section.

(c) Procedures for submission of information and public availability

(1) In general

(A) Establishment

Not later than October 1, 2011, the Secretary shall establish procedures—

(i) for applicable manufacturers and applicable group purchasing organizations to submit information to the Secretary under subsection (a); and

(ii) for the Secretary to make such information submitted available to the public.

(B) Definition of terms

The procedures established under subparagraph (A) shall provide for the definition of terms (other than those terms defined in subsection (e)), as appropriate, for purposes of this section.

(C) Public availability

Except as provided in subparagraph (E), the procedures established under subparagraph (A)(ii) shall ensure that, not later than September 30, 2013, and on June 30 of each calendar year beginning thereafter, the information submitted under subsection (a) with respect to the preceding calendar year is made available through an Internet website that—

(i) is searchable and is in a format that is clear and understandable;

(ii) contains information that is presented by the name of the applicable manufacturer or applicable group purchasing organization, the name of the covered recipient, the specialty of the covered recipient, the value of the payment or other transfer of value, the date on which the payment or other transfer of value was provided to the covered recipient, the form of the payment or other transfer of value, indicated (as appropriate) under subsection (a)(1)(A)(v), the nature of the payment or other transfer of value, indicated (as appropriate) under subsection...
(a)(1)(A)(vi), and the name of the covered drug, device, biological, or medical supply, as applicable;

(iii) contains information that is able to be easily aggregated and downloaded;

(iv) contains a description of any enforcement actions taken to carry out this section, including any penalties imposed under subsection (b), during the preceding year;

(v) contains background information on industry-physician relationships;

(vi) in the case of information submitted with respect to a payment or other transfer of value described in subparagraph (E)(i), lists such information separately from the other information submitted under subsection (a) and designates such separately listed information as funding for clinical research;

(vii) contains any other information the Secretary determines would be helpful to the average consumer;

(viii) in the case of information made available under this subparagraph prior to January 1, 2022, does not contain the National Provider Identifier of the covered recipient, and

(ix) subject to subparagraph (D), provides the applicable manufacturer, applicable group purchasing organization, or covered recipient an opportunity to review and submit corrections to the information submitted with respect to the applicable manufacturer, applicable group purchasing organization, or covered recipient, respectively, for a period of not less than 45 days prior to such information being made available to the public.

(D) Clarification of time period for review and corrections

In no case may the 45-day period for review and submission of corrections to information under subparagraph (C)(ix) prevent such information from being made available to the public in accordance with the dates described in the matter preceding clause (i) in subparagraph (C).

(E) Delayed publication for payments made pursuant to product research or development agreements and clinical investigations

(i) In general

In the case of information submitted under subsection (a) with respect to a payment or other transfer of value made to a covered recipient by an applicable manufacturer pursuant to a product research or development agreement for services furnished in connection with research on a potential new medical technology or a new application of an existing medical technology or the development of a new drug, device, biological, or medical supply, or by an applicable manufacturer in connection with a clinical investigation regarding a new drug, device, biological, or medical supply, the procedures established under subparagraph (A)(ii) shall provide that such information is made available to the public on the first date described in the matter preceding clause (i) in subparagraph (C) after the earlier of the following:

(I) The date of the approval or clearance of the covered drug, device, biological, or medical supply by the Food and Drug Administration.

(II) Four calendar years after the date such payment or other transfer of value was made.

(ii) Confidentiality of information prior to publication

Information described in clause (i) shall be considered confidential and shall not be subject to disclosure under section 552 of title 5 or any other similar Federal, State, or local law, until on or after the date on which the information is made available to the public under such clause.

(2) Consultation

In establishing the procedures under paragraph (1), the Secretary shall consult with the Inspector General of the Department of Health and Human Services, affected industry, consumers, consumer advocates, and other interested parties in order to ensure that the information made available to the public under such paragraph is presented in the appropriate overall context.

(d) Annual reports and relation to State laws

(1) Annual report to Congress

Not later than April 1 of each year beginning with 2013, the Secretary shall submit to Congress a report that includes the following:

(A) The information submitted under subsection (a) during the preceding year, aggregated for each applicable manufacturer and applicable group purchasing organization that submitted such information during such year (except, in the case of information submitted with respect to a payment or other transfer of value described in subsection (c)(1)(E)(i), such information shall be included in the first report submitted to Congress after the date on which such information is made available to the public under such subsection).

(B) A description of any enforcement actions taken to carry out this section, including any penalties imposed under subsection (b), during the preceding year.

(2) Annual reports to States

Not later than September 30, 2013 and on June 30 of each calendar year thereafter, the Secretary shall submit to States a report that includes a summary of the information submitted under subsection (a) during the preceding year with respect to covered recipients in the State (except, in the case of information submitted with respect to a payment or other transfer of value described in subsection (c)(1)(E)(i), such information shall be included in the first report submitted to States after the date on which such information is made available to the public under such subsection).

(3) Relation to State laws

(A) In general.—In the case of a payment or other transfer of value provided by an applica-
ble manufacturer that is received by a covered recipient (as defined in subsection (e)) on or after January 1, 2012, subject to subparagraph (B), the provisions of this section shall preempt any statute or regulation of a State or of a political subdivision of a State that requires an applicable manufacturer (as so defined) to disclose or report, in any format, the type of information (as described in subsection (a)) regarding such payment or other transfer of value.

(B) No Preemption of Additional Requirements.—Subparagraph (A) shall not preempt any statute or regulation of a State or of a political subdivision of a State that requires the disclosure or reporting of information—

(i) not of the type required to be disclosed or reported under this section;

(ii) described in subsection (e)(10)(B), except in the case of information described in clause (i) of such subsection;

(iii) by any person or entity other than an applicable manufacturer (as so defined) or a covered recipient (as defined in subsection (e)); or

(iv) to a Federal, State, or local governmental agency for public health surveillance, investigation, or other public health purposes or health oversight purposes.

(C) Nothing in subparagraph (A) shall be construed to limit the discovery or admissibility of information described in such subparagraph in a criminal, civil, or administrative proceeding.

(4) Consultation
The Secretary shall consult with the Inspector General of the Department of Health and Human Services on the implementation of this section.

(e) Definitions
In this section:

(1) Applicable group purchasing organization
The term “applicable group purchasing organization” means a group purchasing organization (as defined by the Secretary) that purchases, arranges for, or negotiates the purchase of a covered drug, device, biological, or medical supply which is operating in the United States, or in a territory, possession, or commonwealth of the United States.

(2) Applicable manufacturer
The term “applicable manufacturer” means a manufacturer of a covered drug, device, biological, or medical supply which is operating in the United States, or in a territory, possession, or commonwealth of the United States.

(3) Clinical investigation
The term “clinical investigation” means any experiment involving 1 or more human subjects, or materials derived from human subjects, in which a drug or device is administered, dispensed, or used.

(4) Covered device
The term “covered device” means any device for which payment is available under subchapter XVIII or a State plan under subchapter XIX or XXI (or a waiver of such a plan).

(5) Covered drug, device, biological, or medical supply
The term “covered drug, device, biological, or medical supply” means any drug, biological product, device, or medical supply for which payment is available under subchapter XVIII or a State plan under subchapter XIX or XXI (or a waiver of such a plan).

(6) Covered recipient
(A) In general
Except as provided in subparagraph (B), the term “covered recipient” means the following:

(i) A physician.

(ii) A teaching hospital.

(iii) A physician assistant, nurse practitioner, or clinical nurse specialist (as such terms are defined in section 1395x(aa)(5) of this title).

(iv) A certified registered nurse anesthetist (as defined in section 1395x(bb)(2) of this title).

(B) Exclusion
Such term does not include a physician, physician assistant, nurse practitioner, clinical nurse specialist, certified nurse anesthetist, or certified nurse-midwife who is an employee of the applicable manufacturer that is required to submit information under subsection (a).

(7) Employee
The term “employee” has the meaning given such term in section 3729(b) of title 31.

(8) Knowingly
The term “knowingly” has the meaning given such term in section 1395mm(h)(2) of this title.

(9) Manufacturer of a covered drug, device, biological, or medical supply
The term “manufacturer of a covered drug, device, biological, or medical supply” means any entity which is engaged in the production, preparation, propagation, compounding, or conversion of a covered drug, device, biological, or medical supply (or any entity under common ownership with such entity which provides assistance or support to such entity with respect to the production, preparation, propagation, compounding, conversion, marketing, promotion, sale, or distribution of a covered drug, device, biological, or medical supply).

(10) Payment or other transfer of value
(A) In general
The term “payment or other transfer of value” means a transfer of anything of value. Such term does not include a transfer of anything of value that is made indirectly to a covered recipient through a third party in connection with an activity or service in the case where the applicable manufacturer is unaware of the identity of the covered recipient.

(B) Exclusions
An applicable manufacturer shall not be required to submit information under subsection (a) with respect to the following:
§ 1320a–7i  TITLE 42—THE PUBLIC HEALTH AND WELFARE  Page 2370

(i) A transfer of anything the value of which is less than $10, unless the aggregate amount transferred to, requested by, or designated on behalf of the covered recipient by the applicable manufacturer during the calendar year exceeds $100. For calendar years after 2012, the dollar amounts specified in the preceding sentence shall be increased by the same percentage as the percentage increase in the consumer price index for all urban consumers (all items: U.S. city average) for the 12-month period ending with June of the previous year.

(ii) Product samples that are not intended to be sold and are intended for patient use.

(iii) Educational materials that directly benefit patients or are intended for patient use.

(iv) The loan of a covered device for a short-term trial period, not to exceed 90 days, to permit evaluation of the covered device by the covered recipient.

(v) Items or services provided under a contractual warranty, including the replacement of a covered device, where the terms of the warranty are set forth in the purchase or lease agreement for the covered device.

(vi) A transfer of anything of value to a covered recipient when the covered recipient is a patient and not acting in the professional capacity of a covered recipient.

(vii) Discounts (including rebates).

(viii) In-kind items used for the provision of charity care.

(ix) A dividend or other profit distribution from, or ownership or investment interest in, a publicly traded security and mutual fund (as described in section 1395nn(c) of this title).

(x) In the case of an applicable manufacturer who offers a self-insured plan, payments for the provision of health care to employees under the plan.

(xi) In the case of a covered recipient who is a licensed non-medical professional, a transfer of anything of value to the covered recipient if the transfer is payment solely for the non-medical professional services of such licensed non-medical professional.

(xii) In the case of a covered recipient who is a physician, a transfer of anything of value to the covered recipient if the transfer is payment solely for the services of the covered recipient with respect to a civil or criminal action or an administrative proceeding.

(11) Physician

The term “physician” has the meaning given that term in section 1395x(r) of this title.


APPLICABILITY OF AMENDMENT

Amendment of section by section 6111(a)(1) of Pub. L. 115–271 applicable with respect to information required to be submitted under this section on or after Jan. 1, 2022. See 2018 Amendment notes below.

AMENDMENTS

2018—Subsec. (c)(1)(C)(viii). Pub. L. 115–271, §6111(b), substituted “in the case of information made available under this subparagraph prior to January 1, 2022, does not contain” for “does not contain”.


EFFECTIVE DATE OF 2018 AMENDMENT


ADMINISTRATION

Pub. L. 115–271, title VI, §6111(c), Oct. 24, 2018, 132 Stat. 4007, provided that: “Chapter 35 of title 44, United States Code, shall not apply to this section [amending this section and enacting provisions set out as notes under this section] or the amendments made by this section.”

§ 1320a–7i. Reporting of information relating to drug samples

(a) In general

Not later than April 1 of each year (beginning with 2012), each manufacturer and authorized distributor of record of an applicable drug shall submit to the Secretary (in a form and manner specified by the Secretary) the following information with respect to the preceding year:

(1) In the case of a manufacturer or authorized distributor of record which makes distributions by mail or common carrier under subsection (d)(2) of section 353 of title 21, the identity and quantity of drug samples requested and the identity and quantity of drug samples distributed under such subsection during that year, aggregated by—

(A) the name, address, professional designation, and signature of the practitioner making the request under subparagraph (A)(i) of such subsection, or of any individual who makes or signs for the request on behalf of the practitioner; and

(B) any other category of information determined appropriate by the Secretary.

(2) In the case of a manufacturer or authorized distributor of record which makes distributions by means other than mail or common carrier under subsection (d)(3) of such section 353 of title 21, the identity and quantity of drug samples requested and the identity and quantity of drug samples distributed under such subsection during that year, aggregated by—

(A) the name, address, professional designation, and signature of the practitioner making the request under subparagraph (A)(i) of such subsection, or of any individual who makes or signs for the request on behalf of the practitioner; and

(B) any other category of information determined appropriate by the Secretary.
(b) Definitions

In this section:

(1) Applicable drug

The term “applicable drug” means a drug—
(A) which is subject to subsection (b) of such section 353 of title 21; and
(B) for which payment is available under subchapter XVIII or a State plan under subchapter XIX or XXI (or a waiver of such a plan).

(2) Authorized distributor of record

The term “authorized distributor of record” has the meaning given that term in subsection (e)(3)(A) of such section.

(3) Manufacturer

The term “manufacturer” has the meaning given that term for purposes of subsection (d) of such section.

In this section:

(a) Definition of facility

In this section, the term “facility” means—
(1) a skilled nursing facility (as defined in section 1395i–3(a) of this title); or
(2) a nursing facility (as defined in section 1396r(a) of this title).

(b) Effective compliance and ethics programs

(1) Requirement

On or after the date that is 36 months after March 23, 2010, a facility shall, with respect to the entity that operates the facility (in this subsection referred to as the “operating organization” or “organization”), have in operation a compliance and ethics program that is effective in preventing and detecting criminal, civil, and administrative violations under this chapter and in promoting quality of care. The Secretary shall submit to Congress a report on such evaluation and shall include in such report such recommendations regarding changes in the requirements for such programs as the Secretary determines appropriate.

(2) Development of regulations

A. In general

Not later than the date that is 2 years after March 23, 2010, the Secretary, working jointly with the Inspector General of the Department of Health and Human Services, shall promulgate regulations for an effective compliance and ethics program for operating organizations, which may include a model compliance program.

B. Design of regulations

Such regulations with respect to specific elements or formality of a program shall, in the case of an organization that operates 5 or more facilities, vary with the size of the organization, such that larger organizations should have a more formal program and include established written policies defining the standards and procedures to be followed by its employees. Such requirements may specifically apply to the corporate level management of multi unit nursing home chains.

(C) Evaluation

Not later than 3 years after the date of the promulgation of regulations under this paragraph, the Secretary shall complete an evaluation of the compliance and ethics programs required to be established under this subsection. Such evaluation shall determine if such programs led to changes in deficiency citations, changes in quality performance, or changes in other metrics of patient quality of care. The Secretary shall submit to Congress a report on such evaluation and shall include in such report such recommendations regarding changes in the requirements for such programs as the Secretary determines appropriate.

(3) Requirements for compliance and ethics programs

In this subsection, the term “compliance and ethics program” means, with respect to a facility, a program of the operating organization that—

(A) has been reasonably designed, implemented, and enforced so that it generally will be effective in preventing and detecting criminal, civil, and administrative violations under this chapter and in promoting quality of care; and

(B) includes at least the required components specified in paragraph (4).

(4) Required components of program

The required components of a compliance and ethics program of an operating organization are the following:

A. The organization must have established compliance standards and procedures to be followed by its employees and other agents that are reasonably capable of reducing the prospect of criminal, civil, and administrative violations under this chapter.

B. Specific individuals within high-level personnel of the organization must have been assigned overall responsibility to oversee compliance with such standards and procedures and have sufficient resources and authority to assure such compliance.

C. The organization must have used due care not to delegate substantial discretionary authority to individuals whom the organization knew, or should have known through the exercise of due diligence, had a propensity to engage in criminal, civil, and administrative violations under this chapter.

D. The organization must have taken steps to communicate effectively its standards and procedures to all employees and other agents, such as by requiring participation in training programs or by disseminating publications that explain in a practical manner what is required.

E. The organization must have taken reasonable steps to achieve compliance with its
§ 1320a–7j

(1) Development by the Secretary

The Secretary shall establish and implement a quality assurance and performance improvement program for facilities, including the QAPI program, to identify changes necessary to reflect changes within the organization and its facilities.

(c) Quality assurance and performance improvement program

(1) In general

Not later than December 31, 2011, the Secretary shall establish and implement a quality assurance and performance improvement program (in this subparagraph referred to as the “QAPI program”) for facilities, including multi unit chains of facilities. Under the QAPI program, the Secretary shall establish standards relating to quality assurance and performance improvement with respect to facilities and provide technical assistance to facilities on the development of best practices in order to meet such standards. Not later than 1 year after the date on which the regulations are promulgated under paragraph (2), a facility must submit to the Secretary a plan for the facility to meet such standards and implement such best practices, including how to coordinate the implementation of such plan with quality assessment and assurance activities conducted under sections 1395i–3(b)(1)(B) and 1396r(b)(1)(B) of this title, as applicable.

(f) Standardized complaint form

(1) Development by the Secretary

The Secretary shall develop a standardized complaint form for use by a resident (or a person acting on the resident’s behalf) in filing a complaint with a State survey and certification agency and a State long-term care ombudsman program with respect to a facility.

(2) Complaint forms and resolution processes

(A) Complaint forms

The State must make the standardized complaint form developed under paragraph (1) available upon request to—

(i) a resident of a facility; and

(ii) any person acting on the resident’s behalf.

(B) Complaint resolution process

The State must establish a complaint resolution process in order to ensure that the legal representative of a resident of a facility or other responsible party is not denied access to such resident or otherwise retaliated against if they have complained about the quality of care provided by the facility or other issues relating to the facility. Such complaint resolution process shall include—

(i) procedures to assure accurate tracking of complaints received, including notification to the complainant that a complaint has been received;

(ii) procedures to determine the likely severity of a complaint and for the investigation of the complaint; and

(iii) deadlines for responding to a complaint and for notifying the complainant of the outcome of the investigation.

(3) Rule of construction

Nothing in this subsection shall be construed as preventing a resident of a facility (or a person acting on the resident’s behalf) from submitting a complaint in a manner or format other than by using the standardized complaint form developed under paragraph (1) (including submitting a complaint orally).

(g) Submission of staffing information based on payroll data in a uniform format

Beginning not later than 2 years after March 23, 2010, and after consulting with State long-term care ombudsman programs, consumer advocacy groups, provider stakeholder groups, employees and their representatives, and other parties the Secretary deems appropriate, the Secretary shall require a facility to electronically submit to the Secretary direct care staffing information (including information with respect to agency and contract staff) based on payroll and other verifiable and auditable data in a uniform format (according to specifications established by the Secretary in consultation with such programs, groups, and parties). Such specifications shall require that the information submitted under the preceding sentence—

(1) specify the category of work a certified employee performs (such as whether the employee is a registered nurse, licensed practical nurse, licensed vocational nurse, certified nursing assistant, therapist, or other medical personnel);

(2) include resident census data and information on resident case mix;

(3) include a regular reporting schedule; and

(4) include information on employee turnover and tenure and on the hours of care provided by each category of certified employees referenced in paragraph (1) per resident per day.

Nothing in this subsection shall be construed as preventing the Secretary from requiring submission of such information with respect to specific categories, such as nursing staff, before other categories of certified employees.

Footnotes:

2So in original. No subsecs. (d) and (e) have been enacted.
contract staff shall be kept separate from information on employee staffing.

(h) Notification of facility closure

(1) In general

Any individual who is the administrator of a facility must—

(A) submit to the Secretary, the State long-term care ombudsman, residents of the facility, and the legal representatives of such residents or other responsible parties, written notification of an impending closure—

(i) subject to clause (ii), not later than the date that is 60 days prior to the date of such closure; and

(ii) in the case of a facility where the Secretary terminates the facility's participation under this subchapter, not later than the date that the Secretary determines appropriate;

(B) ensure that the facility does not admit any new residents on or after the date on which written notification is submitted; and

(C) include in the notice a plan for the transfer and adequate relocation of the residents of the facility by a specified date prior to closure that has been approved by the State, including assurances that the residents will be transferred to the most appropriate facility or other setting in terms of quality, services, and location, taking into consideration the needs, choice, and best interests of each resident.

(2) Relocation

(A) In general

The State shall ensure that, before a facility closes, all residents of the facility have been successfully relocated to another facility or an alternative home and community-based setting.

(B) Continuation of payments until residents relocated

The Secretary may, as the Secretary determines appropriate, continue to make payments under this subchapter with respect to residents of a facility that has submitted a notification under paragraph (1) during the period beginning on the date such notification is submitted and ending on the date on which the resident is successfully relocated.

(3) Sanctions

Any individual who is the administrator of a facility that fails to comply with the requirements of paragraph (1)—

(A) shall be subject to a civil monetary penalty of up to $100,000;

(B) may be subject to exclusion from participation in any Federal health care program (as defined in section 1320a–7b(f) of this title); and

(C) shall be subject to any other penalties that may be prescribed by law.

(4) Procedure

The provisions of section 1320a–7a of this title (other than subsections (a) and (b) and the second sentence of subsection (f)) shall apply to a civil money penalty or exclusion under paragraph (3) in the same manner as such provisions apply to a penalty or proceeding under section 1320a–7a(a) of this title.

Effective Date of 2010 Amendment


"(1) In general.—The Secretary [of Health and Human Services], in consultation with the Inspector General of the Department of Health and Human Services, shall conduct a demonstration project to develop, test, and implement an independent monitor program to oversee interstate and large intrastate chains of skilled nursing facilities and nursing facilities.

"(2) Selection.—The Secretary shall select chains of skilled nursing facilities and nursing facilities described in paragraph (1) to participate in the demonstration project under this section from among those chains that submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require.

"(3) Duration.—The Secretary shall conduct the demonstration project under this section for a 2-year period.

"(4) Implementation.—The Secretary shall implement the demonstration project under this section not later than 1 year after the date of the enactment of this Act [Mar. 23, 2010]."

National Independent Monitor Demonstration Project


"(1) In general.—The Secretary [of Health and Human Services], in consultation with the Inspector General of the Department of Health and Human Services, shall enter into a contract with the Secretary to participate in the demonstration project under this section based on criteria selected by the Secretary, including where evidence suggests that a number of the facilities of the chain are experiencing serious safety and quality of care problems. Such criteria may include the evaluation of a chain that includes a number of facilities participating in the 'Special Focus Facility' program or a successor program or multiple facilities with a record of repeated serious safety and quality of care deficiencies.

"(2) Responsibilities.—An independent monitor that enters into a contract with the Secretary to participate in the conduct of the demonstration project under this section shall—

"(i) conduct periodic reviews and prepare root-cause quality and deficiency analyses of a chain to assess if facilities of the chain are in compliance with State and Federal laws and regulations applicable to the facilities;

"(ii) conduct sustained oversight of the efforts of the chain, whether publicly or privately held, to achieve compliance by facilities of the chain with..."
State and Federal laws and regulations applicable to the facilities;

“(5) analyze the management structure, distribution of expenditures, and nurse staffing levels of facilities of the chain in relation to resident census, staff turnover rates, and tenure;

“(4) report findings and recommendations with respect to such reviews, analyses, and oversight to the chain and facilities of the chain, to the Secretary, and to relevant States; and

“(5) publish the results of such reviews, analyses, and oversight.

“(d) IMPLEMENTATION OF RECOMMENDATIONS.—

“(1) RECEIPT OF FINDING BY CHAIN.—Not later than 10 days after receipt of a finding of an independent monitor under subsection (c)(4), a chain participating in the demonstration project shall submit to the independent monitor a report—

“(A) outlining corrective actions the chain will take to implement the recommendations in such report; or

“(B) indicating that the chain will not implement such recommendations, and why it will not do so.

“(2) RECEIPT OF REPORT BY INDEPENDENT MONITOR.—Not later than 10 days after receipt of a report submitted by a chain under paragraph (1), an independent monitor shall finalize its recommendations and submit a report to the chain and facilities of the chain, the Secretary, and the State or States, as appropriate, containing such final recommendations.

“(e) COST OF APPOINTMENT.—A chain shall be responsible for a portion of the costs associated with the appointment of independent monitors under the demonstration project under this section. The chain shall pay such portion to the Secretary (in an amount and in accordance with procedures established by the Secretary).

“(f) WAIVER AUTHORITY.—The Secretary may waive such requirements of titles XVIII and XIX of the Social Security Act (42 U.S.C. 1395 et seq.; 1396 et seq.) as may be necessary for the purpose of carrying out the demonstration project under this section.

“(g) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as may be necessary to carry out this section.

“(i) DEFINITIONS.—In this section:

“(1) ADDITIONAL DISCLOSABLE PARTY.—The term ‘additional disclosable party’ has the meaning given such term in section 112(c)(5)(A) of the Social Security Act (42 U.S.C. 1320a–3(c)(5)(A)), as added by section 425(a) [probably should be ‘section 112(d)(5)(A)’].

“(2) FACILITY.—The term ‘facility’ means a skilled nursing facility or a nursing facility.

“(3) NURSING FACILITY.—The term ‘nursing facility’ has the meaning given such term in section 1319(a) of the Social Security Act (42 U.S.C. 1396a(a)).

“(4) SECRETARY.—The term ‘Secretary’ means the Secretary of Health and Human Services, acting through the Assistant Secretary for Planning and Evaluation.

“(5) SKILLED NURSING FACILITY.—The term ‘skilled nursing facility’ has the meaning given such term in section 1319(a) of the Social Security Act (42 U.S.C. 1395(c)(5)(A)).

“(6) EVALUATION AND REPORT.—

“(1) EVALUATION.—The Secretary, in consultation with the Inspector General of the Department of Health and Human Services, shall evaluate the demonstration project conducted under this section.

“(2) REPORT.—Not later than 180 days after the completion of the demonstration project under this section, the Secretary shall submit to Congress a report containing the results of the evaluation conducted under paragraph (1), together with recommendations—

“(A) as to whether the independent monitor program should be established on a permanent basis;

“(B) if the Secretary recommends that such program be so established, on appropriate procedures and mechanisms for such establishment; and

“(C) for such legislation and administrative action as the Secretary determines appropriate.”

§ 1320a–7k. Medicare and Medicaid program integrity provisions

(a) Data matching

(1) Integrated data repository

(A) Inclusion of certain data

(i) In general

The Integrated Data Repository of the Centers for Medicare & Medicaid Services shall include, at a minimum, claims and payment data from the following:

(I) The programs under subchapters XVIII and XIX (including parts A, B, C, and D of subchapter XVIII).

(II) The program under subchapter XXI.

(III) Health-related programs administered by the Secretary of Veterans Affairs.

(IV) Health-related programs administered by the Secretary of Defense.

(V) The program of old-age, survivors, and disability insurance benefits established under subchapter II.

(VI) The Indian Health Service and the Contract Health Service program.

(ii) Priority for inclusion of certain data

Inclusion of the data described in subclause (I) of such clause 1 in the Integrated Data Repository shall be a priority. Data described in subclauses (II) through (VI) of such clause 1 shall be included in the Integrated Data Repository as appropriate.

(B) Data sharing and matching

(i) In general

The Secretary shall enter into agreements with the individuals described in clause (ii) under which such individuals share and match data in the system of records of the respective agencies of such individuals with data in the system of records of the Department of Health and Human Services for the purpose of identifying potential fraud, waste, and abuse under the programs under subchapters XVIII and XIX.

(ii) Individuals described

The following individuals are described in this clause:


(II) The Secretary of Veterans Affairs.

(III) The Secretary of Defense.

(IV) The Director of the Indian Health Service.

(iii) Definition of system of records

For purposes of this paragraph, the term “system of records” has the meaning given such term in section 552a(a)(6) of title 5.

(2) Access to claims and payment databases

For purposes of conducting law enforcement and oversight activities and to the extent con-
sistent with applicable information, privacy, security, and disclosure laws, including the regulations promulgated under the Health Insurance Portability and Accountability Act of 1996 and section 552a of title 5, and subject to any information systems security requirements under such laws or otherwise required by the Secretary, the Inspector General of the Department of Health and Human Services and the Attorney General shall have access to claims and payment data of the Department of Health and Human Services and its contractors related to subchapters XVIII, XIX, and XXI.

(b) OIG authority to obtain information

(1) In general

Notwithstanding and in addition to any other provision of law, the Inspector General of the Department of Health and Human Services may, for purposes of protecting the integrity of the programs under subchapters XVIII and XIX, obtain information from any individual including a beneficiary provided all applicable privacy protections are followed or entity that—

(A) is a provider of medical or other items or services, supplier, grant recipient, contractor, or subcontractor; or

(B) directly or indirectly provides, orders, manufactures, distributes, arranges for, prescribes, supplies, or receives medical or other items or services payable by any Federal health care program as defined in section 1320a–7(b)(1) of this title regardless of how the item or service is paid for, or to whom such payment is made.

(2) Inclusion of certain information

Information which the Inspector General may obtain under paragraph (1) includes any supporting documentation necessary to validate claims for payment or payments under subchapter XVIII or XIX including a prescribing physician’s medical records for an individual who is prescribed an item or service which is covered under part B of subchapter XVIII, a covered part D drug as defined in section 1395w–102(e) of this title for which payment is made under an MA–PD plan under part C of such subchapter, or a prescription drug plan under part D of such subchapter, and any records necessary for evaluation of the economy, efficiency, and effectiveness of the programs under subchapters XVIII and XIX.

(c) Administrative remedy for knowing participation by beneficiary in health care fraud scheme

(1) In general

In addition to any other applicable remedies, if an applicable individual has knowingly participated in a Federal health care fraud offense or a conspiracy to commit a Federal health care fraud offense, the Secretary shall impose an appropriate administrative penalty commensurate with the offense or conspiracy.

(2) Applicable individual

For purposes of paragraph (1), the term “applicable individual” means an individual—

(A) entitled to, or enrolled for, benefits under part A of subchapter XVIII or enrolled under part B of such subchapter;

(B) eligible for medical assistance under a State plan under subchapter XIX or under a waiver of such plan; or

(C) eligible for child health assistance under a child health plan under subchapter XXI.

(d) Reporting and returning of overpayments

(1) In general

If a person has received an overpayment, the person shall—

(A) report and return the overpayment to the Secretary, the State, an intermediary, a carrier, or a contractor, as appropriate, at the correct address; and

(B) notify the Secretary, State, intermediary, carrier, or contractor to whom the overpayment was returned in writing of the reason for the overpayment.

(2) Deadline for reporting and returning overpayments

An overpayment must be reported and returned under paragraph (1) by the later of—

(A) the date which is 60 days after the date on which the overpayment was identified; or

(B) the date any corresponding cost report is due, if applicable.

(3) Enforcement

Any overpayment retained by a person after the deadline for reporting and returning the overpayment under paragraph (2) is an obligation as defined in section 3729(b)(3) of title 31 for purposes of section 3729 of such title.

(4) Definitions

In this subsection:

(A) Knowing and knowingly

The terms “knowing” and “knowingly” have the meaning given those terms in section 3729(b) of title 31.

(B) Overpayment

The term “overpayment” means any funds that a person receives or retains under subchapter XVIII or XIX to which the person, after applicable reconciliation, is not entitled under such subchapter.

(C) Person

(i) In general

The term “person” means a provider of services, supplier, Medicaid managed care organization as defined in section 1396b(m)(1)(A) of this title, Medicare Advantage organization as defined in section 1395w–28(a)(1) of this title, or PDP sponsor as defined in section 1395w–151(a)(13) of this title.

(ii) Exclusion

Such term does not include a beneficiary.

(e) Inclusion of national provider identifier on all applications and claims

The Secretary shall promulgate a regulation that requires, not later than January 1, 2011, all providers of medical or other items or services and suppliers under the programs under subchapters XVIII and XIX that qualify for a na-
§ 1320a–7l  TITLE 42—THE PUBLIC HEALTH AND WELFARE  Page 2376

tional provider identifier to include their na-
tional provider identifier on all applications to
enroll in such programs and on all claims for
payment submitted under such programs.

(Aug. 14, 1935, ch. 531, title XI, §1128J, as added
Pub. L. 111–148, title VI, §6402(a), Mar. 23, 2010,
124 Stat. 753.)

REFERENCES IN TEXT
The Health Insurance Portability and Accountability
104–191, Aug. 21, 1996, 110 Stat. 1936. For complete classi-
fication of this Act to the Code, see Short Title of 1996
Amendments note set out under section 201 of this title
and Tables.

§ 1320a–7l. Nationwide program for national and
State background checks on direct patient
access employees of long-term care facilities
and providers

(a) In general

The Secretary of Health and Human Services
(in this section referred to as the “Secretary”),
shall establish a program to identify efficient,
effective, and economical procedures for long
term care facilities or providers to conduct
background checks on prospective direct patient
access employees on a nationwide basis (in this
subsection, such program shall be referred to as
the “nationwide program”). Except for the fol-
lowing modifications, the Secretary shall carry
out the nationwide program under similar terms
and conditions as the pilot program under sec-
tion 307 of the Medicare Prescription Drug, Im-
provement, and Modernization Act of 2003 (Pub-
lic Law 108–173; 117 Stat. 2257), including the pro-
hibition on hiring abusive workers and the au-
thorization of the imposition of penalties by a
participating State under subsection (b)(3)(A)
and (b)(6), respectively, of such section 307:

(1) Agreements

(A) Newly participating States

The Secretary shall enter into agreements
with each State—

(i) that the Secretary has not entered
into an agreement with under subsection
(c)(1) of such section 307;

(ii) that agrees to conduct background
checks under the nationwide program on a
Statewide basis; and

(iii) that submits an application to the
Secretary containing such information
and at such time as the Secretary may
specify.

(B) Certain previously participating States

The Secretary shall enter into agreements
with each State—

(i) that the Secretary has entered into
an agreement with under such subsection
(c)(1), but only in the case where such
agreement did not require the State to
conduct background checks under the pro-
gram established under subsection (a) of
such section 307 on a Statewide basis;

(ii) that agrees to conduct background
checks under the nationwide program on a
Statewide basis; and

(iii) that submits an application to the
Secretary containing such information

and at such time as the Secretary may
specify.

(2) Nonapplication of selection criteria

The selection criteria required under sub-
section (c)(3)(B) of such section 307 shall not
apply.

(3) Required fingerprint check as part of crimi-
nal history background check

The procedures established under subsection
(b)(1) of such section 307 shall—

(A) require that the long-term care facility
or provider (or the designated agent of the
long-term care facility or provider) obtain
State and national criminal history back-
ground checks on the prospective employee
through such means as the Secretary deter-
mines appropriate, efficient, and effective
that utilize a search of State-based abuse
and neglect registries and databases, includ-
ing the abuse and neglect registries of an-
other State in the case where a prospective
employee previously resided in that State,
State criminal history records, the records
of any proceedings in the State that may
contain disqualifying information about pro-
spective employees (such as proceedings con-
ducted by State professional licensing and
disciplinary boards and State Medicaid
Fraud Control Units), and Federal criminal
history records, including a fingerprint
check using the Integrated Automated Fin-
gerprint Identification System of the Fed-
eral Bureau of Investigation;

(B) require States to describe and test
methods that reduce duplicative fingerprint-
ing, including providing for the development
of “rap back” capability by the State such
that, if a direct patient access employee of a
long-term care facility or provider is con-
victed of a crime following the initial crim-
inal history background check conducted
with respect to such employee, and the em-
ployee’s fingerprints match the prints on file
with the State law enforcement department,
the department will immediately inform the
State and the State will immediately inform
the long-term care facility or provider which
employs the direct patient access employee
of such conviction; and

(C) require that criminal history back-
ground checks conducted under the nation-
wide program remain valid for a period of
time specified by the Secretary.

(4) State requirements

An agreement entered into under paragraph
(1) shall require that a participating State—

(A) be responsible for monitoring compli-
ance with the requirements of the nation-
wide program;

(B) have procedures in place to—

(i) conduct screening and criminal his-
tory background checks under the nation-
wide program in accordance with the re-
quirements of this section;

(ii) monitor compliance by long-term
care facilities and providers with the pro-
cedures and requirements of the nation-
wide program;

(iii) as appropriate, provide for a provi-
sional period of employment by a long-
term care facility or provider of a direct patient access employee, not to exceed 60 days, pending completion of the required criminal history background check and, in the case where the employee has appealed the results of such background check, pending completion of the appeals process, during which the employee shall be subject to direct on-site supervision (in accordance with procedures established by the State to ensure that a long-term care facility or provider furnishes such direct on-site supervision):
   (iv) provide an independent process by which a provisional employee or an employee may appeal or dispute the accuracy of the information obtained in a background check performed under the nationwide program, including the specification of criteria for appeals for direct patient access employees found to have disqualifying information which shall include consideration of the passage of time, extenuating circumstances, demonstration of rehabilitation, and relevancy of the particular disqualifying information with respect to the current employment of the individual;
   (v) provide for the designation of a single State agency as responsible for:
      (I) overseeing the coordination of any State and national criminal history background checks requested by a long-term care facility or provider (or the designated agent of the long-term care facility or provider) utilizing a search of State and Federal criminal history records, including a fingerprint check of such records;
      (II) overseeing the design of appropriate privacy and security safeguards for use in the review of the results of any State or national criminal history background checks conducted regarding a prospective direct patient access employee to determine whether the employee has any conviction for a relevant crime;
      (III) immediately reporting to the long-term care facility or provider that requested the criminal history background check the results of such review; and
      (IV) in the case of an employee with a conviction for a relevant crime that is subject to reporting under section 11238E of the Social Security Act (42 U.S.C. 1320a–7e), reporting the existence of such conviction to the database established under that section;
   (vi) determine which individuals are direct patient access employees (as defined in paragraph (6)(B)) for purposes of the nationwide program;
   (vii) as appropriate, specify offenses, including convictions for violent crimes, for purposes of the nationwide program; and
   (viii) describe and test methods that reduce duplicative fingerprinting, including providing for the development of “rap back” capability such that, if a direct patient access employee of a long-term care facility or provider is convicted of a crime following the initial criminal history background check conducted with respect to such employee, and the employee’s fingerprints match the prints on file with the State law enforcement department—
      (I) the department will immediately inform the State agency designated under clause (v) and such agency will immediately inform the facility or provider which employs the direct patient access employee of such conviction; and
      (II) the State will provide, or will require the facility to provide, to the employee a copy of the results of the criminal history background check conducted with respect to the employee at no charge in the case where the individual requests such a copy.

(5) Payments

(A) Newly participating States

(i) In general

As part of the application submitted by a State under paragraph (1)(A)(iii), the State shall guarantee, with respect to the costs to be incurred by the State in carrying out the nationwide program, that the State will make available (directly or through donations from public or private entities) a particular amount of non-Federal contributions, as a condition of receiving the Federal match under clause (ii).

(ii) Federal match

The payment amount to each State that the Secretary enters into an agreement with under paragraph (1)(A) shall be 3 times the amount that the State guarantees to make available under clause (i), except that in no case may the payment amount exceed $3,000,000.

(B) Previously participating States

(i) In general

As part of the application submitted by a State under paragraph (1)(B)(iii), the State shall guarantee, with respect to the costs to be incurred by the State in carrying out the nationwide program, that the State will make available (directly or through donations from public or private entities) a particular amount of non-Federal contributions, as a condition of receiving the Federal match under clause (ii).

(ii) Federal match

The payment amount to each State that the Secretary enters into an agreement with under paragraph (1)(B) shall be 3 times the amount that the State guarantees to make available under clause (i), except that in no case may the payment amount exceed $1,500,000.

(6) Definitions

Under the nationwide program:

(A) Conviction for a relevant crime

The term “conviction for a relevant crime” means any Federal or State criminal conviction for—
(i) any offense described in section 1128(a) of the Social Security Act (42 U.S.C. 1320a–7[(a)]); or
(ii) such other types of offenses as a participating State may specify for purposes of conducting the program in such State.

(B) Disqualifying information
The term “disqualifying information” means a conviction for a relevant crime or a finding of patient or resident abuse.

(C) Finding of patient or resident abuse
The term “finding of patient or resident abuse” means any substantiated finding by a State agency under section 1819(g)(1)(C), 1396r(g)(1)(C) or a Federal agency that a direct patient access employee has committed—
(i) an act of patient or resident abuse or neglect or a misappropriation of patient or resident property; or
(ii) such other types of acts as a participating State may specify for purposes of conducting the program in such State.

(D) Direct patient access employee
The term “direct patient access employee” means any individual who has access to a patient or resident of a long-term care facility or provider through employment or through a contract with such facility or provider and has duties that involve (or may involve) one-on-one contact with a patient or resident of the facility or provider, as determined by the State for purposes of the nationwide program. Such term does not include a volunteer unless the volunteer has duties that are equivalent to the duties of a direct patient access employee and those duties involve (or may involve) one-on-one contact with a patient or resident of the long-term care facility or provider.

(E) Long-term care facility or provider
The term “long-term care facility or provider” means the following facilities or providers which receive payment for services under title XVIII or XIX of the Social Security Act [42 U.S.C. 1395 et seq., 1396 et seq.]:
(i) A skilled nursing facility (as defined in section 1819(a) of the Social Security Act (42 U.S.C. 1395l-3(a))).
(ii) A nursing facility (as defined in section 1919(a) of such Act (42 U.S.C. 1396r(a))).
(iii) A home health agency.
(iv) A provider of hospice care (as defined in section 1861(dd)(1) of such Act (42 U.S.C. 1395x(dd)(1))).
(v) A long-term care hospital (as described in section 1866(d)(1) of such Act (42 U.S.C. 1395ww(d)(1))).
(vi) A provider of personal care services.
(vii) A provider of adult day care.
(viii) A residential care provider that arranges for, or directly provides, long-term care services, including an assisted living facility that provides a level of care established by the Secretary.
(ix) An intermediate care facility for the mentally retarded (as defined in section 1905(d) of such Act (42 U.S.C. 1396d(d))).
(x) Any other facility or provider of long-term care services under such titles as the participating State determines appropriate.

(7) Evaluation and report
(A) Evaluation
(i) In general
The Inspector General of the Department of Health and Human Services shall conduct an evaluation of the nationwide program.

(ii) Inclusion of specific topics
The evaluation conducted under clause (i) shall include the following:
(I) A review of the various procedures implemented by participating States for long-term care facilities or providers, including staffing agencies, to conduct background checks of direct patient access employees under the nationwide program and identification of the most appropriate, efficient, and effective procedures for conducting such background checks.
(II) An assessment of the costs of conducting such background checks (including start up and administrative costs).
(III) A determination of the extent to which conducting such background checks leads to any unintended consequences, including a reduction in the available workforce for long-term care facilities or providers.
(IV) An assessment of the impact of the nationwide program on reducing the number of incidents of neglect, abuse, and misappropriation of resident property to the extent practicable.
(V) An evaluation of other aspects of the nationwide program, as determined appropriate by the Secretary.

(B) Report
Not later than 180 days after the completion of the nationwide program, the Inspector General of the Department of Health and Human Services shall submit a report to Congress containing the results of the evaluation conducted under subparagraph (A).

(b) Funding
(1) Notification
The Secretary of Health and Human Services shall notify the Secretary of the Treasury of the amount necessary to carry out the nationwide program under this section for the period of fiscal years 2010 through 2012, except that in no case shall such amount exceed $160,000,000.

(2) Transfer of funds
(A) In general
Out of any funds in the Treasury not otherwise appropriated, the Secretary of the Treasury shall provide for the transfer to the Secretary of Health and Human Services of the amount specified as necessary to carry out the nationwide program under paragraph (1). Such amount shall remain available until expended.
(B) Reservation of funds for conduct of evaluation

The Secretary may reserve not more than $3,000,000 of the amount transferred under subparagraph (A) to provide for the conduct of the evaluation under subsection (a)(7)(A).


REFERENCES IN TEXT

Section 307 of the Medicare Prescription Drug, Improvement, and Modernization Act of 2003, referred to in subsec. (a), is section 307 of Pub. L. 108–173, which is classified generally to set out as a note under this section.

The Social Security Act, referred to in subsec. (a)(6)(E), is act Aug. 14, 1935, ch. 531, 49 Stat. 620. Titles XVIII and XIX of the Act are classified generally to subchapters XVIII (§1395 et seq.) and XIX (§1396 et seq.), respectively, of this chapter. For complete classification of this Act to the Code, see section 1305 of this title and Tables.

CODIFICATION

Section was enacted as part of the Patient Protection and Affordable Care Act, and not as part of the Social Security Act which comprises this chapter.

PILOT PROGRAM


"(a) AUTHORITY TO CONDUCT PROGRAM.—The Secretary [of Health and Human Services], in consultation with the Attorney General, shall establish a pilot program to identify efficient, effective, and economical procedures for long term care facilities or providers to conduct background checks on prospective direct patient access employees.

"(b) REQUIREMENTS.—

"(1) IN GENERAL.—Under the pilot program, a long-term care facility or provider in a participating State, prior to employing a direct patient access employee that is first hired on or after the commencement date of the pilot program in the State, shall conduct a background check on the employee in accordance with such procedures as the participating State shall establish.

"(2) PROCEDURES.—

"(A) IN GENERAL.—The procedures established by a participating State under paragraph (1) should be designed to—

"(i) give a prospective direct access patient employee notice that the long-term care facility or provider is required to perform background checks with respect to new employees;

"(ii) require, as a condition of employment, that the employee—

"(I) provide a written statement disclosing any disqualifying information;

"(II) provide a statement signed by the employee authorizing the facility to request national and State criminal history background checks;

"(III) provide the facility with a rolled set of the employee’s fingerprints; and

"(IV) provide any other identification information the participating State may require;

"(iii) require the facility or provider to check any available registration records that would be likely to contain disqualifying information about a prospective employee of a long-term care facility or provider; and

"(iv) permit the facility or provider to obtain State and national criminal history background checks on the prospective employee through a 10-fingerprint check that utilizes State criminal records and the nationally registered Automated Fingerprint Identification System of the Federal Bureau of Investigation.

"(B) ELIMINATION OF UNNECESSARY CHECKS.—The procedures established by a participating State under paragraph (1) shall permit a long-term care facility or provider to terminate the background check at any stage at which the facility or provider obtains disqualifying information regarding a prospective direct patient access employee.

"(3) PROHIBITION ON HIRING OF ABUSIVE WORKERS.—

"(A) IN GENERAL.—A long-term care facility or provider may not knowingly employ any direct patient access employee who has any disqualifying information.

"(B) PROVISIONAL EMPLOYMENT.—

"(1) IN GENERAL.—Under the pilot program, a participating State may permit a long-term care facility or provider to provide for a provisional period of employment for a direct patient access employee pending completion of a background check, subject to such supervision during the employee’s provisional period of employment as the participating State determines appropriate.

"(2) SPECIFIC CONSIDERATION FOR CERTAIN FACILITIES AND PROVIDERS.—In determining what constitutes appropriate supervision of a provisional employee, a participating State shall take into account cost or other burdens that would be imposed on small rural long-term care facilities or providers, as well as the nature of care delivered by such facilities or providers that are home health agencies or providers of hospice care.

"(4) USE OF INFORMATION; IMMUNITY FROM LIABILITY.—

"(A) USE OF INFORMATION.—A participating State shall ensure that a long-term care facility or provider that obtains information about a direct patient access employee pursuant to a background check uses such information only for the purpose of determining the suitability of the employee for employment.

"(B) IMMUNITY FROM LIABILITY.—A participating State shall ensure that a long-term care facility or provider that, in denying employment for an individual selected for hire as a direct patient access employee (including during any period of provisional employment), reasonably relies upon information obtained through a background check of the individual, shall not be liable in any action brought by the individual based on the employment determination resulting from the information.

"(5) AGREEMENTS WITH EMPLOYMENT AGENCIES.—A participating State may establish procedures for facilitating the conduct of background checks on prospective direct patient access employees that are hired by a long-term care facility or provider through an employment agency (including a temporary employment agency).

"(6) PENALTIES.—A participating State may impose such penalties as the State determines appropriate to enforce the requirements of the pilot program conducted in that State.

"(c) PARTICIPATING STATES.—

"(1) IN GENERAL.—The Secretary shall enter into agreements with not more than 10 States to conduct the pilot program under this section in such States.

"(2) REQUIREMENTS FOR STATES.—An agreement entered into under paragraph (1) shall require that a participating State—

"(A) be responsible for monitoring compliance with the requirements of the pilot program;

"(B) have procedures by which a provisional employee or an employee may appeal or dispute the accuracy of the information obtained in a background check performed under the pilot program; and

"(C) agree to—

"(i) review the results of any State or national criminal history background checks conducted regarding a prospective direct patient access employee to determine whether the employee has any conviction for a relevant crime;
§ 1320a–7

TITLE 42—THE PUBLIC HEALTH AND WELFARE

Page 2380

“(ii) immediately report to the entity that requested the criminal history background checks the results of such review; and

“(iii) in the case of an employee with a conviction for a relevant crime that is subject to reporting under section 1128E of the Social Security Act (42 U.S.C. 1320a–7e), report the existence of such conviction to the database established under that section.

“(3) APPLICATION AND SELECTION CRITERIA.—

“(A) APPLICATION.—A State seeking to participate in the pilot program established under this section, shall submit an application to the Secretary containing such information and at such time as the Secretary may specify.

“(B) SELECTION CRITERIA.—

“(i) In general.—In selecting States to participate in the pilot program, the Secretary shall establish criteria to ensure—

“(I) geographic diversity;

“(II) the inclusion of a variety of long-term care facilities and providers;

“(III) the evaluation of a variety of payment mechanisms for covering the costs of conducting the background checks required under the pilot program; and

“(IV) the evaluation of a variety of penalties (monetary and otherwise) used by participating States to enforce the requirements of the pilot program in such States.

“(ii) ADDITIONAL CRITERIA.—The Secretary shall, to the greatest extent practicable, select States to participate in the pilot program in accordance with the following:

“(I) At least one participating State should permit long-term care facilities or providers to provide for a provisional period of employment pending completion of a background check and at least one such State should not permit such a period of employment.

“(II) At least one participating State should establish procedures under which employment agencies (including temporary employment agencies) may contact the State directly to conduct background checks on prospective direct patient access employees.

“(III) At least one participating State should include patient abuse prevention training (including behavior training and interventions) for managers and employees of long-term care facilities and providers as part of the pilot program conducted in that State.

“(III) INCLUSION OF STATES WITH EXISTING PROGRAMS.—Nothing in this section shall be construed as prohibiting any State which, as of the date of the enactment of this Act [Dec. 8, 2003], has procedures for conducting background checks on behalf of any entity described in subsection (g)(5) from being selected to participate in the pilot program conducted under this section.

“(d) PAYMENTS.—Of the amounts made available under subsection (f) to conduct the pilot program under this section, the Secretary shall—

“(1) make payments to participating States for the costs of conducting the pilot program in such States; and

“(2) reserve up to 4 percent of such amounts to conduct the evaluation required under subsection (e).

“(e) EVALUATION.—The Secretary, in consultation with the Attorney General, shall conduct by grant, contract, or interagency agreement an evaluation of the pilot program conducted under this section. Such evaluation shall—

“(1) review the various procedures implemented by participating States for long-term care facilities or providers to conduct background checks of direct patient access employees and identify the most efficient, effective, and economical procedures for conducting such background checks;

“(2) assess the costs of conducting such background checks (including start-up and administrative costs);

“(3) consider the benefits and problems associated with requiring employees or facilities or providers to pay the costs of conducting such background checks; and

“(4) consider whether the costs of conducting such background checks should be allocated between the medicare and medicaid programs and if so, identify an equitable methodology for doing so.

“(f) DETERMINATIONS.—The determination of the extent to which conducting such background checks leads to any unintended consequences, including a reduction in the available workforce for such facilities or providers;

“(g) DETERMINATION MECHANISMS.—The Secretary shall, to the greatest extent practicable, select States to participate in the pilot program in such State.

“(h) FINDING OF PATIENT OR RESIDENT ABUSE.—The term ‘finding of patient or resident abuse’ means—

“(1) an act of patient or resident abuse or neglect or a misappropriation of patient or resident property; or

“(2) such other types of acts as a participating State may specify for purposes of conducting the pilot program in such State.

“(i) DIRECT PATIENT ACCESS EMPLOYEE.—The term ‘direct patient access employee’ means any individual (other than a volunteer) that has access to a patient or provider of a long-term care facility or provider through employment or through a contract with such facility or provider, as determined by a participating State for purposes of conducting the pilot program in such State.

“LONG-TERM CARE FACILITY OR PROVIDER.—

“(A) IN GENERAL.—The term ‘long-term care facility or provider’ means the following facilities or providers which receive payment for services under title XVIII or XIX of the Social Security Act (42 U.S.C. 1395 et seq., 1396 et seq.):

“(i) A skilled nursing facility (as defined in section 1819(a) of the Social Security Act (42 U.S.C. 1395i–3(a))).

“(ii) A nursing facility (as defined in section 1919(a) in such Act) (42 U.S.C. 1396r(a)).

“(iii) A home health agency.

“(iv) A provider of hospice care (as defined in section 1861(dd)(1) of such Act) (42 U.S.C. 1395x(dd)(1)).

“(v) A long-term care hospital (as described in section 1886(d)(1)(B)(iv) of such Act) (42 U.S.C. 1395ww(d)(1)(B)(iv)).

“(vi) A provider of personal care services.

“(vii) A residential care provider that arranges for, or directly provides, long-term care services.

“(viii) An intermediate care facility for the mentally retarded (as defined in section 1905(d) of such Act) [(42 U.S.C. 1396d(d))].
§ 1320a–7m. Use of predictive modeling and other analytics technologies to identify and prevent waste, fraud, and abuse in the Medicare fee-for-service program

(a) Use in the Medicare fee-for-service program

The Secretary shall use predictive modeling and other analytics technologies (in this section referred to as “predictive analytics technologies”) to identify improper claims for reimbursement and to prevent the payment of such claims under the Medicare fee-for-service program.

(b) Predictive analytics technologies requirements

The predictive analytics technologies used by the Secretary shall—

(1) capture Medicare provider and Medicare beneficiary activities across the Medicare fee-for-service program to provide a comprehensive view across all providers, beneficiaries, and geographies within such program in order to—

(A) identify and analyze Medicare provider networks, provider billing patterns, and beneficiary utilization patterns; and

(B) identify and detect any such patterns and networks that represent a high risk of fraudulent activity;

(2) be integrated into the existing Medicare fee-for-service program claims flow with minimal effort and maximum efficiency;

(3) be able to—

(A) analyze large data sets for unusual or suspicious patterns or anomalies or contain other factors that are linked to the occurrence of waste, fraud, or abuse;

(B) undertake such analysis before payment is made; and

(C) prioritize such identified transactions for additional review before payment is made in terms of the likelihood of potential waste, fraud, and abuse to more efficiently utilize investigative resources;

(4) capture outcome information on adjudicated claims for reimbursement to allow for refinement and enhancement of the predictive analytics technologies on the basis of such outcome information, including post-payment information about the eventual status of a claim; and

(5) prevent the payment of claims for reimbursement that have been identified as potentially wasteful, fraudulent, or abusive until such time as the claims have been verified as valid.

(c) Implementation requirements

(1) Request for proposals

Not later than January 1, 2011, the Secretary shall issue a request for proposals to carry out this section during the first year of implementation. To the extent the Secretary determines appropriate—

(A) the initial request for proposals may include subsequent implementation years; and

(B) the Secretary may issue additional requests for proposals with respect to subsequent implementation years.

(2) First implementation year

The initial request for proposals issued under paragraph (1) shall require the contractors selected to commence using predictive analytics technologies on July 1, 2011, in the 10 States identified by the Secretary as having the highest risk of waste, fraud, or abuse in the Medicare fee-for-service program.

(3) Second implementation year

Based on the results of the report and recommendation required under subsection (e)(2), the Secretary shall expand the use of predictive analytics technologies on October 1, 2012, to apply to an additional 10 States identified by the Secretary as having the highest risk of waste, fraud, or abuse in the Medicare fee-for-service program, after the States identified under paragraph (2).

(4) Third implementation year

Based on the results of the report and recommendation required under subsection (e)(3), the Secretary shall expand the use of predictive analytics technologies on January 1, 2014, to apply to the Medicare fee-for-service program in any State not identified under paragraph (2) or (3) and the commonwealths and territories.

(5) Fourth implementation year

Based on the results of the report and recommendation required under subsection (e)(3), the Secretary shall expand the use of predictive analytics technologies, beginning April 1, 2015, to apply to Medicaid and CHIP. To the extent the Secretary determines appropriate, such expansion may be made on a phased-in basis.

(6) Option for refinement and evaluation

If, with respect to the first, second, or third implementation year, the Inspector General of the Department of Health and Human Services certifies as part of the report required under subsection (e) for that year no or only nominal actual savings to the Medicare fee-for-service program, the Secretary may impose a moratorium, not to exceed 12 months, on the expansion of the use of predictive analytics technologies under this section for the succeeding year in order to refine the use of predictive analytics technologies to achieve more than
nominal savings before further expansion. If a moratorium is imposed in accordance with this paragraph, the implementation dates applicable for the succeeding year or years shall be adjusted to reflect the length of the moratorium period.

(d) Contractor selection, qualifications, and data access requirements

(1) Selection

(A) In general

The Secretary shall select contractors to carry out this section using competitive procedures as provided for in the Federal Acquisition Regulation.

(B) Number of contractors

The Secretary shall select at least 2 contractors to carry out this section with respect to any year.

(2) Qualifications

(A) In general

The Secretary shall enter into a contract under this section with an entity only if the entity—

(i) has leadership and staff who—

(1) have the appropriate clinical knowledge of, and experience with, the payment rules and regulations under the Medicare fee-for-service program; and

(2) have direct management experience and proficiency utilizing predictive analytics technologies necessary to carry out the requirements under subsection (b); or

(ii) has a contract, or will enter into a contract, with another entity that has leadership and staff meeting the criteria described in clause (i).

(B) Conflict of interest

The Secretary may only enter into a contract under this section with an entity to the extent that the entity complies with such conflict of interest standards as are generally applicable to Federal acquisition and procurement.

(3) Data access

The Secretary shall provide entities with a contract under this section with appropriate access to data necessary for the entity to use predictive analytics technologies in accordance with the contract.

(e) Reporting requirements

(1) First implementation year report

Not later than 3 months after the completion of the first implementation year under this section, the Secretary shall submit to the appropriate committees of Congress and make available to the public a report that includes the following:

(A) A description of the implementation of the use of predictive analytics technologies during the year.

(B) A certification of the Inspector General of the Department of Health and Human Services that—

(i) specifies the actual and projected savings to the Medicare fee-for-service program as a result of the use of predictive analytics technologies, including estimates of the amounts of such savings with respect to both improper payments recovered and improper payments avoided;

(ii) the actual and projected savings to the Medicare fee-for-service program as a result of such use of predictive analytics technologies relative to the return on investment for the use of such technologies and in comparison to other strategies or technologies used to prevent and detect fraud, waste, and abuse in the Medicare fee-for-service program; and

(iii) includes recommendations regarding—

(I) whether the Secretary should continue to use predictive analytics technologies;

(II) whether the use of such technologies should be expanded in accordance with the requirements of subsection (c); and

(III) any modifications or refinements that should be made to increase the amount of actual or projected savings or mitigate any adverse impact on Medicare beneficiaries or providers.

(C) An analysis of the extent to which the use of predictive analytics technologies successfully prevented and detected waste, fraud, or abuse in the Medicare fee-for-service program.

(D) A review of whether the predictive analytics technologies affected access to, or the quality of, items and services furnished to Medicare beneficiaries.

(E) A review of what effect, if any, the use of predictive analytics technologies had on Medicare providers.

(F) Any other items determined appropriate by the Secretary.

(2) Second year implementation report

Not later than 3 months after the completion of the second implementation year under this section, the Secretary shall submit to the appropriate committees of Congress and make available to the public a report that includes, with respect to such year, the items required under paragraph (1) as well as any other additional items determined appropriate by the Secretary with respect to the report for such year.

(3) Third year implementation report

Not later than 3 months after the completion of the third implementation year under this section, the Secretary shall submit to the appropriate committees of Congress and make available to the public a report that includes, with respect to such year, the items required under paragraph (1), as well as any other additional items determined appropriate by the Secretary with respect to the report for such year, and the following:

(A) An analysis of the cost-effectiveness and feasibility of expanding the use of pre-
(f) Independent evaluation and report

(1) Evaluation

Upon completion of the first year in which predictive analytics technologies are used with respect to claims under Medicaid and CHIP, the Secretary shall, by grant, contract, or interagency agreement, conduct an independent evaluation of the use of predictive analytics technologies under the Medicare fee-for-service program and Medicaid and CHIP. The evaluation shall include an analysis with respect to each such program of the items required for the third year implementation report under subsection (e)(3).

(2) Report

Not later than 18 months after the evaluation required under paragraph (1) is initiated, the Secretary shall submit a report to Congress on the evaluation that shall include the results of the evaluation, the Secretary’s response to such results and, to the extent the Secretary determines appropriate, recommendations for legislation or administrative actions.

(g) Waiver authority

The Secretary may waive such provisions of titles XI, XVIII, XIX, and XXI of the Social Security Act [42 U.S.C. 1301 et seq., 1395 et seq., 1396 et seq., 1397aa et seq.], including applicable prompt payment requirements under titles XVIII and XIX of such Act, as the Secretary determines to be appropriate to carry out this section.

(h) Funding

(1) Appropriation

Out of any funds in the Treasury not otherwise appropriated, there is appropriated to the Secretary to carry out this section, $100,000,000 for the period beginning January 1, 2011, to remain available until expended.

(2) Reservations

(A) Independent evaluation

The Secretary shall reserve not more than 5 percent of the funds appropriated under paragraph (1) for purposes of conducting the independent evaluation required under subsection (f).

(B) Application to Medicaid and CHIP

The Secretary shall reserve such portion of the funds appropriated under paragraph (1) as the Secretary determines appropriate for purposes of providing assistance to States for administrative expenses in the event of the expansion of predictive analytics technologies to claims under Medicaid and CHIP.

(i) Definitions

In this section:

(1) Commonwealths and territories

The term “commonwealth and territories” includes the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, and any other territory or possession of the United States in which the Medicare fee-for-service program, Medicaid, or CHIP operates.

(2) CHIP

The term “CHIP” means the Children’s Health Insurance Program established under title XXI of the Social Security Act (42 U.S.C. 1397aa et seq.).

(3) Medicaid

The term “Medicaid” means the program to provide grants to States for medical assistance programs established under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.).

(4) Medicare beneficiary

The term “Medicare beneficiary” means an individual enrolled in the Medicare fee-for-service program.

(5) Medicare fee-for-service program

The term “Medicare fee-for-service program” means the original medicare fee-for-service program under parts A and B of title XVIII of the Social Security Act (42 U.S.C. 1395[c] et seq. [; 1395j et seq.]).

(6) Medicare provider

The term “Medicare provider” means a provider of services (as defined in subsection (u) of section 1861 of the Social Security Act (42 U.S.C. 1395x)) and a supplier (as defined in subsection (d) of such section).

(7) Secretary

The term “Secretary” means the Secretary of Health and Human Services, acting through the Administrator of the Centers for Medicare & Medicaid Services.

(8) State

The term “State” means each of the 50 States and the District of Columbia.

§ 1320a–7n. Disclosure of predictive modeling and other analytics technologies to identify and prevent waste, fraud, and abuse

(a) Reference to predictive modeling technologies requirements

For provisions relating to the use of predictive modeling and other analytics technologies to identify and prevent waste, fraud, and abuse with respect to the Medicare program under subchapter XVIII, the Medicaid program under subchapter XIX, and the Children’s Health Insurance Program under subchapter XXI, see section 1320a–7m of this title.

(b) Limiting disclosure of predictive modeling technologies

In implementing such provisions under such section 1320a–7m with respect to covered algorithms (as defined in subsection (c)), the following shall apply:

(1) Nonapplication of FOIA

The covered algorithms used or developed for purposes of such section 1320a–7m (including by the Secretary or a State (or an entity operating under a contract with a State)) shall be exempt from disclosure under section 552(b)(3) of title 5.

(2) Limitation with respect to use and disclosure of information by State agencies

(A) In general

A State agency may not use or disclose covered algorithms used or developed for purposes of such section 1320a–7m except for purposes of administering the State plan (or a waiver of the plan) under the Medicaid program under subchapter XIX or the State child health plan (or a waiver of the plan) under the Children’s Health Insurance Program under subchapter XXI, including by enabling an entity operating under a contract with a State to assist the State to identify or prevent waste, fraud, and abuse with respect to such programs.

(B) Information security

A State agency shall have in effect data security and control policies that the Secretary finds adequate to ensure the security of covered algorithms used or developed for purposes of such section 1320a–7m and to ensure that access to such information is restricted to authorized persons for purposes of authorized uses and disclosures described in subparagraph (A).

(C) Procedural requirements

State agencies to which information is disclosed pursuant to such section 1320a–7m shall adhere to uniform procedures established by the Secretary.

(c) Covered algorithm defined

In this section, the term “covered algorithm”—

(1) means a predictive modeling or other analytics technology, as used for purposes of section 1320a–7m(a) of this title to identify and prevent waste, fraud, and abuse with respect to the Medicare program under subchapter XVIII, the Medicaid program under subchapter XIX, and the Children’s Health Insurance Program under subchapter XXI; and

(2) includes the mathematical expressions utilized in the application of such technology and the means by which such technology is developed.


§ 1320a–8. Civil monetary penalties and assessments for subchapters II, VIII and XVI

(a) False statements or representations of material fact; proceedings to exclude; wrongful conversions by representative payees

(1) Any person (including an organization, agency, or other entity) who—

(A) makes, or causes to be made, a statement or representation of a material fact, for use in determining any initial or continuing right to or the amount of monthly insurance benefits under subchapter II or benefits or payments under subchapter VIII or XVI, that the person knows or should know is false or misleading,

(B) makes such a statement or representation for such use with knowing disregard for the truth, or

(C) omits from a statement or representation for such use, or otherwise withholds disclosure of, a fact which the person knows or should know is material to the determination of any initial or continuing right to or the amount of monthly insurance benefits under subchapter II or benefits or payments under subchapter VIII or XVI, if the person knows, or should know, that the statement or representation with such omission is false or misleading or that the withholding of such disclosure is misleading,

shall be subject to, in addition to any other penalties that may be prescribed by law, a civil money penalty of not more than $5,000 for each such statement or representation or each receipt of such benefits or payments while withholding disclosure of such fact, except that in the case of such a person who receives a fee or other income for services performed in connection with any such determination (including a claimant representative, translator, or current or former employee of the Social Security Administration) or who is a physician or other health care provider who submits, or causes the submission of, medical or other evidence in connection with any such determination, the amount of such penalty shall be not more than $7,500. Such person also shall be subject to an assessment, in lieu of damages sustained by the United States because of such statement or representation or because of such withholding of disclosure of a material fact, of not more than twice the amount of benefits or payments paid as a result of such a statement or representation or such a withholding of disclosure. In addition, the Commissioner of Social Security may make a determination in the same proceeding to recommend that the Secretary exclude, as provided in section 1320a–7 of this title, such a person who is a medical provider or physician from participation in the programs under subchapter XVIII.
(2) For purposes of this section, a material fact is one which the Commissioner of Social Security may consider in evaluating whether an applicant is entitled to benefits under subchapter II or subchapter VIII, or eligible for benefit payments under sub-
chapter II, VIII, or XVI for the use and benefit of another individual, converts such payment, or any part thereof, to a use that such person knows or should know is other than for the use and benefit of such other individual. Such person shall also be subject to an assessment, in lieu of damages sustained by the United States resulting from the conversion, of not more than twice the amount of any payments so converted.

(b) Initiation of proceedings; hearing; sanctions

(1) The Commissioner of Social Security may initiate a proceeding to determine whether to impose a civil money penalty or assessment, or whether to recommend exclusion under subsection (a) only as authorized by the Attorney General pursuant to procedures agreed upon by the Commissioner of Social Security and the Attorney General. The Commissioner of Social Security may not initiate an action under this section with respect to any violation described in subsection (a) later than 6 years after the date the violation was committed. The Commissioner of Social Security may initiate an action under this section by serving notice of the action in any manner authorized by Rule 4 of the Federal Rules of Civil Procedure.

(2) The Commissioner of Social Security shall not make a determination adverse to any person under this section until the person has been given written notice and an opportunity for the determination to be made on the record after a hearing at which the person is entitled to be represented by counsel, to present witnesses, and to cross-examine witnesses against the person.

(3) In a proceeding under this section which—

(A) is against a person who has been convicted (whether upon a verdict after trial or upon a plea of guilty or nolo contendere) of a Federal or State crime; and

(B) involves the same transaction as in the criminal action:

the person is estopped from denying the essential elements of the criminal offense.

(4) The official conducting a hearing under this section may sanction a person, including any party or attorney, for failing to comply with an order or procedure, for failing to defend an action, or for such other misconduct as would interfere with the speedy, orderly, or fair conduct of the hearing. Such sanction shall reasonably relate to the severity and nature of the failure or misconduct. Such sanction may include—

(A) in the case of refusal to provide or permit discovery, drawing negative factual infer-
ence or treating such refusal as an admission by deeming the matter, or certain facts, to be established;

(B) prohibiting a party from introducing certain evidence or otherwise supporting a particular claim or defense;

(C) striking pleadings, in whole or in part;

(D) staying the proceedings;

(E) dismissal of the action;

(F) entering a default judgment;

(G) ordering the party or attorney to pay attorneys' fees and other costs caused by the failure or misconduct; and

(H) refusing to consider any motion or other action which is not filed in a timely manner.

(c) Amount or scope of penalties, assessments, or exclusions

In determining pursuant to subsection (a) the amount or scope of any penalty or assessment, or whether to recommend an exclusion, the Commissioner of Social Security shall take into account—

(1) the nature of the statements, representations, or actions referred to in subsection (a) and the circumstances under which they occurred;

(2) the degree of culpability, history of prior offenses, and financial condition of the person committing the offense; and

(3) such other matters as justice may require.

(d) Judicial review

(1) Any person adversely affected by a determination of the Commissioner of Social Security under this section may obtain a review of such determination in the United States Court of Appeals for the circuit in which the person resides, or in which the statement or representation referred to in subsection (a) was made, by filing in such court (within 60 days following the date the person is notified of the Commissioner's determination) a written petition requesting that the determination be modified or set aside. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Commissioner of Social Security, and thereupon the Commissioner of Social Security shall file in the court the record in the proceeding as provided in section 2112 of title 28. Upon such filing, the court shall have jurisdiction of the proceeding and of the question determined therein, and shall have the power to make and enter upon the pleadings, testimony, and proceedings set forth in such record a decree affirming, modifying, remanding for further consideration, or setting aside, in whole or in part, the determination of the Commissioner of Social Security and enforcing the same to the extent that such order is affirmed or modified. No objection that has not been urged before the Commissioner of Social Security shall be considered by the court, unless the failure or neglect to urge such objection shall be excused because of extraordinary circumstances.

(2) The findings of the Commissioner of Social Security with respect to questions of fact, if supported by substantial evidence on the record considered as a whole, shall be conclusive in the review described in paragraph (1). If any party shall apply to the court for leave to addu-
tional evidence and shall show to the satisfaction of the court that such additional evidence is material and that there were reasonable grounds for the failure to adduce such evidence in the hearing before the Commissioner of Social Security, the court may order such additional evidence to be taken before the Commissioner of Social Security and to be made a part of the record. The Commissioner of Social Security may modify such findings as to the facts, or make new findings, by reason of additional evidence so taken and filed, and the Commissioner of Social Security shall file with the court such modified or new findings, which findings with respect to questions of fact, if supported by substantial evidence on the record considered as a whole shall be conclusive, and the Commissioner’s recommendations, if any, for the modification or setting aside of the Commissioner’s original order.

(3) Upon the filing of the record and the Commissioner’s original or modified order with the court, the jurisdiction of the court shall be exclusive and its judgment and decree shall be final, except that the same shall be subject to review by the Supreme Court of the United States, as provided in section 1254 of title 28.

(e) Compromise of money penalties and assessments; recovery; use of funds recovered

(1) Civil money penalties and assessments imposed under this section may be compromised by the Commissioner of Social Security and may be recovered—

(A) in a civil action in the name of the United States brought in United States district court for the district where the violation occurred, or where the person resides, as determined by the Commissioner of Social Security;

(B) by means of reduction in tax refunds to which the person is entitled, based on notice to the Secretary of the Treasury as permitted under section 3720A of title 31;

(C) by decrease of any payment of monthly insurance benefits under subchapter II, notwithstanding section 407 of this title;

(ii) by decrease of any payment under subchapter VIII to which the person is entitled, or

(iii) by decrease of any payment under subchapter XVI for which the person is eligible, notwithstanding section 407 of this title, by reason of section 1383(d)(1) of this title;

(D) by authorities provided under the Debt Collection Act of 1982, as amended, to the extent applicable to debts arising under this chapter;

(E) by deduction of the amount of such penalty or assessment, when finally determined, or the amount agreed upon in compromise, from any sum then or later owing by the United States to the person against whom the penalty or assessment has been assessed; or

(F) by any combination of the foregoing.

(2) Amounts recovered under this section shall be recovered by the Commissioner of Social Security and shall be disposed of as follows:

(A) In the case of amounts recovered arising out of a determination relating to subchapter II, the amounts shall be transferred to the Managing Trustee of the Federal Old-Age and Survivors Insurance Trust Fund or the Federal Disability Insurance Trust Fund, as determined appropriate by the Commissioner of Social Security, and such amounts shall be deposited by the Managing Trustee into such Trust Fund.

(B) In the case of any other amounts recovered under this section, the amounts shall be deposited by the Commissioner of Social Security into the general fund of the Treasury as miscellaneous receipts.

(f) Finality of determination respecting penalty, assessment, or exclusion

A determination pursuant to subsection (a) by the Commissioner of Social Security to impose a penalty or assessment, or to recommend an exclusion shall be final upon the expiration of the 60-day period referred to in subsection (d). Matters that were raised or that could have been raised in a hearing before the Commissioner of Social Security or in an appeal pursuant to subsection (d) may not be raised as a defense to a civil action by the United States to collect a penalty or assessment imposed under this section.

(g) Notification of appropriate entities of finality of determination

Whenever the Commissioner’s determination to impose a penalty or assessment under this section with respect to a medical provider or physician becomes final, the Commissioner shall notify the Secretary of the final determination and the reasons therefor, and the Secretary shall then notify the entities described in section 1320a–7(a)(h) of this title of such final determination.

(h) Injunction

Whenever the Commissioner of Social Security has reason to believe that any person has engaged, is engaging, or is about to engage in any activity which makes the person subject to a civil monetary penalty under this section, the Commissioner of Social Security may bring an action in an appropriate district court of the United States (or, if applicable, a United States court of any territory) to enjoin such activity, or to enjoin the person from concealing, removing, encumbering, or disposing of assets which may be required in order to pay a civil monetary penalty and assessment if any such penalty were to be imposed or to seek other appropriate relief.

(i) Delegation of authority

(1) The provisions of subsections (d) and (e) of section 405 of this title shall apply with respect to this section to the same extent as they are applicable with respect to subchapter II. The Commissioner of Social Security may delegate the authority granted by section 405(d) of this title (as made applicable to this section) to the Inspector General for purposes of any investigation under this section.

(2) The Commissioner of Social Security may delegate authority granted under this section to the Inspector General.

(j) “State agency” defined

For purposes of this section, the term “State agency” shall have the same meaning as in section 1320a–7a(i)(1) of this title.
(k) Liability of principal for acts of agents
A principal is liable for penalties and assessments under subsection (a), and for an exclusion under section 1320a–7 of this title based on a recommendation under subsection (a), for the actions of the principal’s agent acting within the scope of the agency.
(l) Protection of ongoing criminal investigations
As soon as the Inspector General, Social Security Administration, has reason to believe that fraud was involved in the application of an individual for monthly insurance benefits under subchapter II or for benefits under subchapter VIII or XVI, the Inspector General shall make available to the Commissioner of Social Security information identifying the individual, unless a United States attorney, or equivalent State prosecutor, with jurisdiction over potential or actual related criminal cases, certifies, in writing, that there is a substantial risk that making the information so available in a particular investigation or redetermining the eligibility of the individual for such benefits would jeopardize the criminal prosecution of any person who is a subject of the investigation from which the information is derived.


REFERENCES IN TEXT


For complete classification of this Act to the Code, see Tables.

AMENDMENTS
2015—Subsec. (a)(1). Pub. L. 114–74, §813(c), in concluding provisions, inserted ‘‘except that in the case of such a person who receives a fee or other income for services performed in connection with any such determination (including a claimant representative, translator, or current or former employee of the Social Security Administration) or who is a physician or other health care provider who submits, or causes the submission of, medical or other evidence in connection with any such determination, the amount of such penalty shall not be more than $7,500’’ after ‘‘withholding determination of such fact’’.

2004—Subsec. (a)(1). Pub. L. 108–203, §201(a)(1), substantially rewrote par. (1). Prior to amendment, par. (1) read as follows: ‘‘Any person (including an organization, agency, or other entity) who makes, or causes to be made, a statement or representation of a material fact for use in determining any initial or continuing right to or the amount of—

‘‘(A) monthly insurance benefits under subchapter II,
‘‘(B) benefits or payments under subchapter VIII, or
‘‘(C) benefits or payments under subchapter XVI, that the person knows or should know is false or misleading or knows or should know omits a material fact or makes such a statement with knowing disregard for the truth shall be subject to, in addition to any other penalties that may be prescribed by law, a civil money penalty of not more than $5,000 for each such statement or representation. Such person also shall be subject to an assessment, in lieu of damages sustained by the United States because of such statement or representation, of not more than twice the amount of benefits or payments paid as a result of such a statement or representation. In addition, the Commissioner of Social Security may make a determination in the same proceeding to recommend that the Secretary exclude, as provided in section 1320a–7 of this title, such a person who is a medical provider or physician from participation in the program under subchapter XVIII.

Subsec. (b)(3)(A). Pub. L. 108–203, §201(c)(1), struck out ‘‘charging fraud or false statements’’ after ‘‘Federal or State crime’’.
Subsec. (c)(1). Pub. L. 108–203, §201(c)(2), substituted ‘‘, representations, or actions’’ for ‘‘and representations’’.
Subsec. (e)(1)(A). Pub. L. 108–203, §201(c)(3), substituted ‘‘violation occurred’’ for ‘‘statement or representation referred to in subsection (a) of this section was made’’.
Subsec. (e)(2)(B). Pub. L. 108–203, §201(b), substituted ‘‘In the case of any other amounts recovered under this section’’ for ‘‘In the case of amounts recovered arising out of a determination relating to subchapter VIII or XVI of this chapter’’.

Subsec. (a)(1)(B), (C). Pub. L. 106–169, §251(b)(6)(B), added subpar. (B) and redesignated former subpar. (B) as (C).
Subsec. (a)(2). Pub. L. 106–169, §251(b)(6)(C), inserted ‘‘or subchapter VIII,’’ after ‘‘after subchapter II’’.
Subsec. (l). Pub. L. 106–169, §251(b)(6)(F), substituted ‘‘subchapter VIII or XVI’’ for ‘‘subchapter XVI’’.

1994—Subsec. (a)(1). Pub. L. 103–296, §108(b)(10)(A)(i), (ii), in closing provisions substituted ‘‘Commissioner of Social Security’’ for ‘‘Secretary’’, inserted ‘‘recommend that the Secretary’’ before ‘‘exclude, as provided’’, and struck out before period at end ‘‘and to direct the appropriate State agency to exclude the person from participation in any State health care program permanently or for such period as the Secretary determines’’.
Pub. L. 103–296, §108(b)(10)(A)(i), which directed that this section be amended by substituting ‘‘Commissioner of Social Security’’ for ‘‘Secretary’’ wherever appearing, was also executed by substituting ‘‘Commissioner’s’’ for ‘‘Secretary’s’’ wherever appearing in subsec. (d), to reflect the probable intent of Congress, because Pub. L. 103–296, §108(b)(10)(A)(i), (ii)(1), substituted ‘‘Commissioner of Social Security’’ for ‘‘Secretary’’ throughout this section and in subsec. (g) substituted ‘‘Commissioner’’ for ‘‘Secretary’’.
Subsecs. (e), (f). Pub. L. 103–296, §108(b)(10)(A)(i), which directed amendment of this section by substituting “Commissioner of Social Security” for “Secretary” each place it appears, was executed in subsecs. (e) and (f) by making the substitution wherever appearing except where appearing before “of the Treasury” in subsec. (e)(1)(B) to reflect the probable intent of Congress. Subsec. (g). Pub. L. 103–296, §108(b)(10)(A)(ii), substituted “Commissioner’s” for “Secretary’s” and “the Commissioner shall notify the Secretary of the final determination and the reasons therefor, and the Secretary shall then notify the entities described in section 1320a–7a(h) of this title of such final determination,” for “the provisions of section 1320a–7a(h) of this title shall apply.”


Subsec. (k). Pub. L. 103–296, §108(b)(10)(A)(iv), inserted “based on a recommendation under subsection (a)” after “section 1320a–7 of this title”.


**Effective Date of 2004 Amendment**


Pub. L. 108–203, title II, §201(d), Mar. 2, 2004, 118 Stat. 508, provided that: “The amendments made by this section [amending this section and section 1320a–8a of this title] shall apply with respect to violations committed after the date on which the Commissioner of Social Security implements the centralized computer file described in section 202 [set out as a note under section 902 of this title].” (The centralized computer file was implemented Nov. 27, 2006, see 72 P.R. 27424.)

**Effective Date of 1994 Amendment**


**Effective Date**

Section applicable to conduct occurring on or after Oct. 1, 1994, see section 206(b)(3) of Pub. L. 103–296, set out as an Effective Date of 1994 Amendment note under section 1320a–7 of this title.

**Study on Possible Measures to Improve Fraud Prevention and Administrative Processing**


“(a) Study.—As soon as practicable after the date of the enactment of this Act [Dec. 14, 1999], the Commissioner of Social Security, in consultation with the Inspector General of the Social Security Administration and the Attorney General, shall conduct a study of possible measures to improve—

“(1) prevention of fraud on the part of individuals entitled to disability benefits under section 223 of the Social Security Act [42 U.S.C. § 423] or benefits under section 202 of such Act [42 U.S.C. § 402] based on the beneficiary’s disability, individuals eligible for supplemental security income benefits under title XVI of such Act [42 U.S.C. § 1381 et seq.], and applicants for any such benefits; and

“(2) timely processing of reported income changes by individuals receiving such benefits.

“(b) Report.—Not later than 1 year after the date of the enactment of this Act [Dec. 14, 1999], the Commissioner shall submit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate a written report that contains the results of the Commissioner’s study under subsection (a). The report shall contain such recommendations for legislative and administrative changes as the Commissioner considers appropriate.”

**§1320a–8a. Administrative procedure for imposing penalties for false or misleading statements**

(a) In general

Any person who—

(1) makes, or causes to be made, a statement or representation of a material fact, for use in determining any initial or continuing right to or the amount of monthly insurance benefits under subchapter II or benefits or payments under subchapter XVI that the person knows or should know is false or misleading,

(2) makes such a statement or representation for such use with knowing disregard for the truth, or

(3) omits from a statement or representation for such use, or otherwise withholds disclosure of, a fact which the person knows or should know is material to the determination of any initial or continuing right to or the amount of monthly insurance benefits under subchapter II or benefits or payments under subchapter XVI, if the person knows, or should know, that the statement or representation with such omission is false or misleading or that the withholding of such disclosure is misleading,

shall be subject to, in addition to any other penalties that may be prescribed by law, a penalty described in subsection (b) to be imposed by the Commissioner of Social Security.

(b) Penalty

The penalty described in this subsection is—

(1) nonpayment of benefits under subchapter II that would otherwise be payable to the person; and

(2) ineligibility for cash benefits under subchapter XVI,

for each month that begins during the applicable period described in subsection (c).

(c) Duration of penalty

The duration of the applicable period, with respect to a determination by the Commissioner under subsection (a) that a person has engaged in conduct described in subsection (a), shall be—

(1) six consecutive months, in the case of the first such determination with respect to the person;

(2) twelve consecutive months, in the case of the second such determination with respect to the person; and

(3) twenty-four consecutive months, in the case of the third or subsequent such determination with respect to the person.

(d) Effect on other assistance

A person subject to a period of nonpayment of benefits under subchapter II or ineligibility for subchapter XVI benefits by reason of this section nevertheless shall be considered to be eligi-
ble for and receiving such benefits, to the extent that the person would be receiving or eligible for such benefits but for the imposition of the penalty, for purposes of—

(1) determination of the eligibility of the person for benefits under subchapters XVIII and XIX; and

(2) determination of the eligibility or amount of benefits payable under subchapter II or XVI to another person.

(e) Definition

In this section, the term ‘benefits under subchapter VIII or XVI’ includes State supplementary payments made by the Commissioner pursuant to an agreement under section 1010a or 1382e(a) of this title or section 212(b) of Public Law 93–66, as the case may be.

(f) Consultations

The Commissioner of Social Security shall consult with the Inspector General of the Social Security Administration regarding initiating actions under this section.


REFERENCES IN TEXT

Section 212(b) of Public Law 93–66, referred to in subsec. (e), is section 212(b) of Pub. L. 93–66, title II, July 9, 1973, 87 Stat. 155, as amended, which is set out as a note under section 1382 of this title.

AMENDMENTS

2004—Subsec. (a). Pub. L. 108–203 substantially rewrote text of subsec. (a). Prior to amendment, text read as follows: ‘‘Any person who makes, or causes to be made, a statement or representation of a material fact for use in determining any initial or continuing right or to the amount of—

‘‘(1) monthly insurance benefits under subchapter II of this chapter; or

‘‘(2) benefits or payments under subchapter XVI of this chapter.

that the person knows or should know is false or misleading or knows or should know omits a material fact or who makes such a statement with knowing disregard for the truth shall be subject to, in addition to any other penalties that may be prescribed by law, a penalty described in subsection (b) to be imposed by the Commissioner of Social Security.’’

2000—Subsec. (e). Pub. L. 106–554, §1(a)(1) [title V, §518(b)(2)(B), (D)], inserted ‘‘1010a or’’ after ‘‘agreement under section’’ and ‘‘, as the case may be’’ before period at end.

Pub. L. 106–554, §1(a)(1) [title V, §518(b)(2)(C)], which directed the amendment of subsec. (e) by inserting ‘‘1010a or’’ before ‘‘1382e(a)’’, could not be executed because ‘‘1382e(a)’’ does not appear in text.

Pub. L. 106–554, §1(a)(1) [title V, §518(b)(2)(A)], which directed the amendment of subsec. (e) by inserting ‘‘VIII or’’ after ‘‘benefits under’’, was executed by making the insertion after ‘‘benefits under subchapter’’ to reflect the probable intent of Congress.

EFFECTIVE DATE OF 2004 AMENDMENT

Amendment by Pub. L. 108–203 applicable with respect to violations committed after Nov. 27, 2006, see section 201(d) of Pub. L. 108–203, set out as a note under section 1320a–8 of this title.

EFFECTIVE DATE

Section applicable to statements and representations made on or after Dec. 14, 1999, see section 207(e) of Pub. L. 106–169, set out as an Effective Date of 1999 Amendment note under section 402 of this title.

§ 1320a–9. Demonstration projects

(a) Authority to approve demonstration projects

(1) In general

The Secretary may authorize States to conduct demonstration projects pursuant to this section which the Secretary finds are likely to promote the objectives of part B or E of subchapter IV.

(2) Limitation

During fiscal years 2012 through 2014, the Secretary may authorize demonstration projects described in paragraph (1), with not more than 10 demonstration projects to be authorized in each fiscal year.

(3) Conditions for State eligibility

For purposes of a new demonstration project under this section that is initially approved in any of fiscal years 2012 through 2014, a State shall be authorized to conduct such demonstration project only if the State satisfies the following conditions:
§ 1320a–9

(A) Identify 1 or more goals

(i) In general

The State shall demonstrate that the demonstration project is designed to accomplish 1 or more of the following goals:

(I) Increase permanency for all infants, children, and youth by reducing the time in foster placements when possible and promoting a successful transition to adulthood for older youth.

(II) Increase positive outcomes for infants, children, youth, and families in their homes and communities, including tribal communities, and improve the safety and well-being of infants, children, and youth.

(III) Prevent child abuse and neglect and the re-entry of infants, children, and youth into foster care.

(ii) Long-term therapeutic family treatment centers; addressing domestic violence

With respect to a demonstration project that is designed to accomplish 1 or more of the goals described in clause (i), the State may elect to establish a program—

(I) to permit foster care maintenance payments to be made under part E of subchapter IV to a long-term therapeutic family treatment center (as described in paragraph (8)(B)) on behalf of a child residing in the center; or

(II) to identify and address domestic violence that endangers children and results in the placement of children in foster care.

(B) Demonstrate readiness

The State shall demonstrate through a narrative description the State’s capacity to effectively use the authority to conduct a demonstration project under this section by identifying changes the State has made or plans to make in policies, procedures, or other elements of the State’s child welfare program that will enable the State to successfully achieve the goal or goals of the project.

(C) Demonstrate implemented or planned child welfare program improvement policies

(i) In general

The State shall demonstrate that the State has implemented, or plans to implement within 3 years of the date on which the State submits its application to conduct the demonstration project or 2 years after the date on which the Secretary approves such demonstration project (whichever is later), at least 2 of the child welfare program improvement policies described in paragraph (7).

(ii) Previous implementation

For purposes of the requirement described in clause (i), at least 1 of the child welfare program improvement policies to be implemented by the State shall be a policy that the State has not previously implemented as of the date on which the State submits an application to conduct the demonstration project.

(iii) Implementation review

The Secretary may terminate the authority of a State to conduct a demonstration project under this section if, after the 3-year period following approval of the demonstration project, the State has not made significant progress in implementing the child welfare program improvement policies proposed by the State under clause (i).

(4) Limitation on eligibility

The Secretary may not authorize a State to conduct a demonstration project under this section if the State fails to provide health insurance coverage to any child with special needs (as determined under section 673(c) of this title) for whom there is in effect an adoption assistance agreement between a State and an adoptive parent or parents.

(5) Requirement to consider effect of project on terms and conditions of certain court orders

In considering an application to conduct a demonstration project under this section that has been submitted by a State in which there is in effect a court order determining that the State’s child welfare program has failed to comply with the provisions of part B or E of subchapter IV, or with the Constitution of the United States, the Secretary shall take into consideration the effect of approving the proposed project on the terms and conditions of the court order related to the failure to comply and the ability of the State to implement a corrective action plan approved under section 1320a–2a of this title.

(6) Inapplicability of random assignment for control groups as a factor for approval of demonstration projects

For purposes of evaluating an application to conduct a demonstration project under this section, the Secretary shall not take into consideration whether such project requires random assignment of children and families to groups served under the project and to control groups.

(7) Child welfare program improvement policies

For purposes of paragraph (3)(C), the child welfare program improvement policies described in this paragraph are the following:

(A) The establishment of a bill of rights for infants, children, and youth in foster care that is widely shared and clearly outlines protections for infants, children, and youth, such as assuring frequent visits with parents, siblings, and caseworkers, access to attorneys, and participation in age-appropriate extracurricular activities, and procedures for ensuring the protections are provided.

(B) The development and implementation of a plan for meeting the health and mental health needs of infants, children, and youth in foster care that includes ensuring that the provision of health and mental health
care is child-specific, comprehensive, appropriate, and consistent (through means such as ensuring the infant, child, or youth has a medical home, regular wellness medical visits, and addressing the issue of trauma, when appropriate).

(C) The inclusion in the State plan under section 671 of this title of an amendment implementing the option under subsection (a)(28) of that section to enter into kinship guardianship assistance agreements.

(D) The election under the State plan under section 671 of this title to define a "child" for purposes of the provision of foster care maintenance payments, adoption assistance payments, and kinship guardianship assistance payments, so as to include individuals described in each of subclauses (I), (II), and (III) of section 675(8)(B)(i) of this title who have not attained age 21.

(F) Of those infants, children, and youth in out-of-home placements, substantially increasing the number of cases of siblings who are in the same foster care, kinship guardianship, or adoptive placement, above the number of such cases in fiscal year 2008.

(G) The development and implementation of a plan to improve the recruitment and retention of high quality foster family homes trained to help assist infants, children, and youth swiftly secure permanent families. Such foster families under such a plan may include increasing maintenance payments to more adequately meet the needs of infants, children, and youth in foster care and expanding training, respite care, and other support services for foster parents.

(H) The establishment of procedures designed to assist youth as they prepare for their transition out of foster care, such as arranging for participation in age-appropriate extra-curricular activities, providing appropriate access to cell phones, computers, and opportunities to obtain a driver’s license, providing notification of all sibling placements if siblings are in care and sibling location if siblings are out of care, and providing counseling and financial support for post-secondary education.

(I) The inclusion in the State plan under section 671 of this title of a description of State procedures for—

(i) ensuring that youth in foster care who have attained age 16 are engaged in discussions, including during the development of the transition plans required under paragraphs (1)(D) and (5)(H) of section 675 of this title, that explore whether the youth wishes to reconnect with the youth’s biological family, including parents, grandparents, and siblings, and, if so, what skills and strategies the youth will need to successfully and safely reconnect with those family members;

(ii) providing appropriate guidance and services to youth whom affirm an intent to reconnect with biological family members on how to successfully and safely manage such reconnections; and

(iii) making, when appropriate, efforts to include biological family members in such reconnection efforts.

(J) The establishment of one or more of the following programs designed to prevent infants, children, and youth from entering foster care or to provide permanency for infants, children, and youth in foster care:

(i) An intensive family finding program.

(ii) A kinship navigator program.

(iii) A family counseling program, such as a family group decision-making program, and which may include in-home peer support for families.

(iv) A comprehensive family-based substance abuse treatment program.

(v) A program under which special efforts are made to identify and address domestic violence that endangers infants, children, and youth and puts them at risk of entering foster care.

(vi) A mentoring program.

(8) Definitions

In this subsection—

(A) the term "youth" means, with respect to a State, an individual who has attained age 12 but has not attained the age at which an individual is no longer considered to be a child under the State plans under parts B and E of subchapter IV, and

(B) the term "long-term therapeutic family treatment center" means a State licensed or certified program that enables parents and their children to live together in a safe environment for a period of not less than 6 months and provides, on-site or by referral, substance abuse treatment services, children’s early intervention services, family counseling, legal services, medical care, mental health services, nursery and preschool, parenting skills training, pediatric care, prenatal care, sexual abuse therapy, relapse prevention, transportation, and job or vocational training or classes leading to a secondary school diploma or a certificate of general equivalence.

(b) Waiver authority

The Secretary may waive compliance with any requirement of part B or E of subchapter IV which (if applied) would prevent a State from carrying out a demonstration project under this section or prevent the State from effectively achieving the purpose of such a project, except that the Secretary may not waive—

(1) any provision of section 622(b)(8) of this title, or section 679 of this title; or

(2) any provision of such part E, to the extent that the waiver would impair the entitlement of any qualified child or family to benefits under a State plan approved under such part E.

(c) Treatment as program expenditures

For purposes of parts B and E of subchapter IV, the Secretary shall consider the expendi-
tutes of any State to conduct a demonstration project under this section to be expenditures under subpart 1 or 2 of such part B, or under such part E, as the State may elect.

(d) Duration of demonstration

(1) In general

Subject to paragraph (2), a demonstration project under this section may be conducted for not more than 5 years, unless in the judgment of the Secretary, the demonstration project should be allowed to continue.

(2) Termination of authority

In no event shall a demonstration project under this section be conducted after September 30, 2019.

(e) Application

Any State seeking to conduct a demonstration project under this section shall submit to the Secretary an application, in such form as the Secretary may require, which includes—

(1) a description of the proposed project, the geographic area in which the proposed project would be conducted, the children or families who would be served by the proposed project, and the services which would be provided by the proposed project;

(2) a statement of the period during which the proposed project would be conducted;

(3) a discussion of the benefits that are expected from the proposed project (compared to a continuation of activities under the approved plan or plans of the State);

(4) an estimate of the costs or savings of the proposed project;

(5) a statement of program requirements for which waivers would be needed to permit the proposed project to be conducted;

(6) a description of the proposed evaluation design;

(7) an accounting of any additional Federal, State, and local investments made, as well as any private investments made in coordination with the State, during the 2 fiscal years preceding the application to provide the services described in paragraph (1), and an assurance that the State will provide an accounting of that same spending for each year of an approved demonstration project; and

(8) such additional information as the Secretary may require.

(f) Evaluations

Each State authorized to conduct a demonstration project under this section shall obtain an evaluation by an independent contractor of the effectiveness of the project, using an evaluation design approved by the Secretary which provides for—

(1) comparison of methods of service delivery under the project, and such methods under a State plan or plans, with respect to efficiency, economy, and any other appropriate measures of program management;

(2) comparison of outcomes for children and families (and groups of children and families) under the project, and such outcomes under a State plan or plans, for purposes of assessing the effectiveness of the project in achieving program goals; and

(3) any other information that the Secretary may require.

(g) Reports

(1) State reports; public availability

Each State authorized to conduct a demonstration project under this section shall—

(A) submit periodic reports to the Secretary on the specific programs, activities, and strategies used to improve outcomes for infants, children, youth, and families and the results achieved for infants, children, and youth during the conduct of the demonstration project, including with respect to those infants, children, and youth who are prevented from entering foster care, infants, children, and youth in foster care, and infants, children, and youth who move from foster care to permanent families; and

(B) post a copy of each such report on the website for the State child welfare program concurrent with the submission of the report to the Secretary.

(2) Reports to Congress

The Secretary shall submit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate—

(A) periodic reports based on the State reports submitted under paragraph (1); and

(B) a report based on the results of the State evaluations required under subsection (f) that includes an analysis of the results of such evaluations and such recommendations for administrative or legislative changes as the Secretary determines appropriate.

(h) Cost neutrality

The Secretary may not authorize a State to conduct a demonstration project under this section unless the Secretary determines that the total amount of Federal funds that will be expended under (or by reason of) the project over its approved term (or such portion thereof or other period as the Secretary may find appropriate) will not exceed the amount of such funds that would be expended by the State under the State plans approved under parts B and E of subchapter IV if the project were not conducted.

(i) Indian tribes operating IV-E programs considered States

An Indian tribe, tribal organization, or tribal consortium that has elected to operate a program under part E of subchapter IV in accordance with section 679c of this title shall be considered a State for purposes of this section.


Prior Provisions


Amendments

2011—Subsec. (a)(2). Pub. L. 112–34, §201(1)(A), amended par. (2) generally. Prior to amendment, text read as...
follows: “The Secretary may authorize not more than 10 demonstration projects under paragraph (1) in each of fiscal years 1996 through 2003.”

Subsec. (a)(3), Pub. L. 112–34, § 201(1)(B), added par. (3) and struck out former par. (3) which related to certain types of proposals required to be considered.

Subsec. (a)(5), Pub. L. 112–34, § 201(1)(O), inserted “and the ability of the State to implement a corrective action plan approved under section 1320a–2a of this title” before the period.

Subsec. (a)(6) to (8), Pub. L. 112–34, § 201(1)(D), added pars. (6) to (8).

Subsec. (d), Pub. L. 112–34, § 201(2), added subsec. (d) and struck out former subsec. (d). Prior to amendment, text read as follows: “A demonstration project under this section may be conducted for not more than 5 years, unless in the judgment of the Secretary, the demonstration project should be allowed to continue.”

Subsec. (e)(1), Pub. L. 112–34, § 201(3)(A), struck out “which shall provide, where appropriate, for random assignment of children and families to groups served under the project and to control groups” before the semicolon.

Subsec. (e)(7), (8), Pub. L. 112–34, § 201(3)(B)–(D), added par. (7) and redesignated former par. (7) as (8).

Subsecs. (f) to (h), Pub. L. 112–34, § 201(4), (5), added subsec. (f) and (g), redesignated former subsec. (g) as (h), and struck out former subsec. (f) which related to evaluation of, and report on, demonstration projects.

Subsec. (i), Pub. L. 112–34, § 201(6), added subsec. (i).

2006—Subsec. (b)(1), Pub. L. 109–288 amended par. (1) generally. Prior to amendment, par. (1) read as follows: “any provision of section 627 of this title (as in effect before April 1, 1996), section 622(b)(9) of this title (as in effect after such date), or section 619 of this title; or”.


1997—Subsec. (a), Pub. L. 105–89, § 301(a), amended heading and text of subsec. (a) generally. Prior to amendment, text read as follows: “The Secretary may authorize not more than 10 States to conduct demonstration projects pursuant to this section which the Secretary finds are likely to promote the objectives of part B or E of subchapter IV of this chapter.”

Subsec. (d), Pub. L. 105–89, § 301(c), inserted before period at end “, unless in the judgment of the Secretary, the demonstration project should be allowed to continue.”

Effective Date of 2006 Amendment
Amendment by Pub. L. 109–288 effective Oct. 1, 2006, and applicable to payments under parts B and E of subchapter IV of this chapter for calendar quarters beginning on or after such date, without regard to whether implementing regulations have been promulgated, and with delay permissible if State legislation is required to meet additional requirements, see section 12(a), (b) of Pub. L. 109–288, set out as a note under section 621 of this title.

Effective Date of 2003 Amendment

Effective Date of 1997 Amendment
Amendment by Pub. L. 105–89 effective Nov. 19, 1997, except as otherwise provided, with delay permitted if State legislation is required, see section 501 of Pub. L. 105–89, set out as a note under section 622 of this title.

Construction of 1997 Amendment
Pub. L. 105–89, title III, § 301(b), Nov. 19, 1997, 111 Stat. 2128, provided that: “Nothing in the amendment made by this subsection (a) [amending this section] shall be construed as affecting the terms and conditions of any demonstration project approved under section 1120 of the Social Security Act (42 U.S.C. 1320a–9) before the date of the enactment of this Act [Nov. 19, 1997].”

§ 1320a–10. Effect of failure to carry out State plan
In an action brought to enforce a provision of this chapter, such provision is not to be deemed unenforceable because of its inclusion in a section of this chapter requiring a State plan or specifying the required contents of a State plan. This section is not intended to limit or expand the grounds for determining the availability of private actions to enforce State plan requirements other than by overturning any such grounds applied in Suter v. Artist M., 112 S. Ct. 1360 (1992), but not applied in prior Supreme Court decisions respecting such enforceability: Provided, however, That this section is not intended to alter the holding in Suter v. Artist M. that section 671(a)(15) of this title is not enforceable in a private right of action.


Effective Date
Pub. L. 103–432, title II, § 211(b), Oct. 31, 1994, 108 Stat. 4460, provided that: “The amendment made by subsection (a) [enacting this section] shall apply to actions pending on the date of the enactment of this Act [Oct. 31, 1994] and to actions brought on or after such date of enactment.”


“(a) Subject to subsection (b), no regulation and no modification of any regulation, promulgated by the Secretary of Health, Education, and Welfare (now Health and Human Services) (hereinafter referred to as the ‘Secretary’) after January 1, 1973, shall be effective for any period which begins prior to October 1, 1975, if (and insofar as) such regulation or modification of a regulation pertains (directly or indirectly) to the provisions of law contained in section 3(a)(4)(A), 402(a)(19)(G), 403(a)(3)(A), 1403(a)(3)(A), or 1603(a)(4)(A) of the Social Security Act [section 303(a)(4)(A), 622(a)(19)(G), 603(a)(3)(A), 801(a)(19)(A), 1320a–3(a)(3)(A), 1333(a)(3)(A), or 1333(a)(4)(A) of this title].

“(b)(1) The provisions of subsection (a) shall not be applicable to any regulation relating to ‘scope of programs’, if such regulation is identical (except as provided in the succeeding sentence) to the provisions of section 221.0 of the regulations (relating to social services) proposed by the Secretary and published in the Federal Register on May 1, 1973. There shall be deleted from the first sentence of subsection (b) of such section 221.0 the phrase ‘meets all the applicable requirements of this part’.”

SOCIAL SERVICES REGULATIONS POSTPONED

“(a) Subject to subsection (b), no regulation and no modification of any regulation, promulgated by the Secretary of Health, Education, and Welfare (now Health and Human Services) (hereinafter referred to as the ‘Secretary’) after January 1, 1973, shall be effective for any period which begins prior to October 1, 1975, if (and insofar as) such regulation or modification of a regulation pertains (directly or indirectly) to the provisions of law contained in section 3(a)(4)(A), 402(a)(19)(G), 403(a)(3)(A), 1403(a)(3)(A), or 1603(a)(4)(A) of the Social Security Act [section 303(a)(4)(A), 622(a)(19)(G), 603(a)(3)(A), 801(a)(19)(A), 1320a–3(a)(3)(A), 1333(a)(3)(A), or 1333(a)(4)(A) of this title].

“(b)(1) The provisions of subsection (a) shall not be applicable to any regulation relating to ‘scope of programs’, if such regulation is identical (except as provided in the succeeding sentence) to the provisions of section 221.0 of the regulations (relating to social services) proposed by the Secretary and published in the Federal Register on May 1, 1973. There shall be deleted from the first sentence of subsection (b) of such section 221.0 the phrase ‘meets all the applicable requirements of this part’.”
"(2) The provisions of subsection (a) shall not be applicable to any regulation relating to ‘limitations on total amount of Federal funds payable to States for services’ if such regulation is identical (except as provided in the succeeding sentence) to the provisions of section 221.56 of the regulations so proposed and published on May 1, 1973. There shall be deleted from subsection (a) of such section 221.56 the phrase ‘(as defined under day care services for children)’; and, in lieu of the sentence contained in subsection (d)(5) of such section 221.56, there shall be inserted the following: ‘Services provided to a child who is under foster care in a foster family home (as defined in section 408 of the Social Security Act (42 U.S.C. 608)) or in a childcare institution (as defined in such section), or while awaiting placement in such a home or institution, but only if such services are needed by such child because he is under foster care.’.

"(3) The provisions of subsection (a) shall not be applicable to any regulation relating to ‘rates and amounts of Federal financial participation for Puerto Rico, the Virgin Islands, and Guam’; if such regulation is identical to the provisions of section 221.56 of the regulations so proposed and published on May 1, 1973.

"(4) The provisions of subsection (a) shall not be construed to preclude the Secretary from making any modification in any regulation (described in subsection (a)) if such modification is technically necessary to take account of the enactment of section 301 or 302 of the Social Security Amendments of 1972 (enacting subchapters XVI and VI of this chapter).

"(c) Notwithstanding the provisions of section 553(d) of title 5, United States Code, any regulation described in subsection (b) may become effective upon the date of its publication in the Federal Register.’

Similar provisions were contained in the following prior act: Pub. L. 93–647, §3(g), Jan. 4, 1975, 88 Stat. 2349, provided for the computation of the allotment of each state for the fiscal year ending June 30, 1973.

ADJUSTMENT OF ALLOTMENT TO STATE FOR FISCAL YEAR ENDING JUNE 30, 1973


§1320b–1. Notification of Social Security claimant with respect to deferred vested benefits

(a) Whenever—

(1) the Commissioner of Social Security makes a finding of fact and a decision as to—

(A) the entitlement of any individual to monthly benefits under section 402, 423, or 428 of this title, or

(B) the entitlement of any individual to a lump-sum death payment payable under section 402(i) of this title on account of the death of any person to whom such individual is related by blood, marriage, or adoption,

(2) the Secretary makes a finding of fact and a decision as to the entitlement under section 426 of this title of any individual to hospital insurance benefits under part A of subchapter XVIII of this chapter, or

(3) the Commissioner of Social Security is requested to do so—

(A) by any individual with respect to whom the Commissioner of Social Security holds information obtained under section 6057 of the Internal Revenue Code of 1986, or

(B) in the case of the death of the individual referred to in subparagraph (A), by the individual who would be entitled to payment under section 404(d) of this title,

then the Commissioner of Social Security shall transmit to the individual referred to in paragraph (1) or (2) the individual making the request under paragraph (3) any information, as reported by the employer, regarding any deferred vested benefit transmitted to the Commissioner of Social Security pursuant to such section 6057 with respect to the individual referred to in paragraph (1), (2), or (3)(A) or the person on whose wages and self-employment income entitlement (or claim of entitlement) is based.

(b)(1) For purposes of section 401(g)(1) of this title, expenses incurred in the administration of subsection (a) shall be deemed to be expenses incurred for the administration of subchapter II. (2) There are hereby authorized to be appropriated to the Federal Old-Age and Survivors Insurance Trust Fund for each fiscal year (commencing with the fiscal year ending June 30, 1974) such sums as the Commissioner of Social Security deems necessary on account of additional administrative expenses resulting from the enactment of the provisions of subsection (a).


REPEALS


AMENDMENTS

1994—Subsec. (a). Pub. L. 103–296, §108(b)(11)(A), (G), in closing provisions substituted “the Commissioner of Social Security shall transmit” for “he shall transmit”, “paragraph (1) or (2)” for “paragraph (1)”, “paragraph (3)” for “paragraph (2)”, “Commissioner of Social Security pursuant to” for “Secretary pursuant to”, and “paragraph (1), (2), or (3)(A)” for “paragraph (1) or (2)(A)”. Subsec. (a)(1). Pub. L. 103–296, §108(b)(11)(A)(D), substituted “Commissioner of Social Security” for “Secretary” in introductory provisions, inserted “or” at end of subpar. (A), struck out “or” at end of subpar. (B), and struck out subpar. (C) which read as follows: “the entitlement under section 426 of this title of any individual to hospital insurance benefits under part A of subchapter XVIII of this chapter, or”.


Subsec. (a)(3). Pub. L. 103–296, §108(b)(11)(A), (E), redesignated par. (2) as (3) and substituted “Commissioner of Social Security” for “Secretary” in introductory provisions and in subpar. (A).


§ 1320b-2. Period within which certain claims must be filed

(a) Claims

Notwithstanding any other provision of this chapter (but subject to subsection (b)), any claim by a State for payment with respect to an expenditure made during any calendar quarter by the State—

(1) in carrying out a State plan approved under subchapter I, IV, X, XIV, XVI, or XX of this chapter, or

(2) under any other provision of this chapter which provides (on an entitlement basis) for Federal financial participation in expenditures made under State plans or programs,

shall be filed (in such form and manner as the Secretary shall by regulations prescribe) within the two-year period which begins on the first day of the calendar quarter immediately following such calendar quarter; and payment shall not be made under this chapter on account of any such expenditure if claim therefor is filed (in such form and manner as the Secretary shall by regulations prescribe) within the period prescribed under subsection (a).

(b) Waiver

The Secretary shall waive the requirement imposed under subsection (a) with respect to the filing of any claim if he determines (in accordance with regulations) that there was good cause for the failure by the State to file such claim within the period prescribed under subsection (a). Any such waiver shall be only for such additional period of time as may be necessary to provide the State with a reasonable opportunity to file such claim. A failure to file a claim within such time period which is attributable to neglect or administrative inadequacies shall be deemed not to be for good cause.


Amendments


Effective Date of 1981 Amendment

For effective date, savings, and transitional provisions relating to amendment by Pub. L. 97–35, see section 2194 of Pub. L. 97–35, set out as a note under section 401 of this title.

§ 1320b-3. Applicants or recipients under public assistance programs not to be required to make election respecting certain veterans’ benefits

(a) Supplemental Security Income program

Notwithstanding any other provision of law (but subject to subsection (b)), no individual who is an applicant for or recipient of aid or assistance under a State plan or program, or an applicant for or recipient of aid or assistance under a State plan referred to in subsection (a), in the State having such plan, or

Effective Date of 1981 Amendment, Savings, and Transitional Provisions

For effective date, savings, and transitional provisions relating to amendment by Pub. L. 97–35, see section 2194 of Pub. L. 97–35, set out as a note under section 401 of this title.
(2) in case such individual is an applicant for or recipient of benefits under the Supplemental Security Income program established by subchapter XVI, in the State in which the individual applies for or receives such benefits, a State plan for medical assistance, approved under subchapter XIX, under which medical assistance is available to such individual only for periods for which such individual is a recipient of aid, assistance, or benefits described in subsection (a).
hospitals or critical access hospitals, the follow-
ing items shall not be deducted from the operat-
ating costs of such hospitals or critical access hos-
pitals:

(1) A grant, gift, or endowment, or income
therefrom, which is to or for such a hospital
and which has not been designated by the
donor for paying any specific operating costs.

(2) A grant or similar payment which is to
such a hospital, which was made by a govern-
mental entity, and which is not available
under the terms of the grant or payment for
use as operating funds.

(3) Those types of donor designated grants
and gifts (including grants and similar pay-
ments which are made by a governmental en-
tity), and income therefrom, which the Sec-
retary determines, in the best interests of
needed health care, should be encouraged.

(4) The proceeds from the sale or mortga-
g of any real estate or other capital asset of
such a hospital, which real estate or asset the
hospital acquired through gift or grant, if such
proceeds are not available for use as operating
funds under the terms of the gift or grant.

Paragraph (4) shall not apply to the recovery of
the appropriate share of depreciation when gains
or losses are realized from the disposal of depre-
ciable assets.

(Aug. 14, 1935, ch. 531, title XI, §1134, as added
Stat. 2611; amended Pub. L. 97–35, title XXI,
§2193(c)(6), Aug. 13, 1981, 95 Stat. 827; Pub. L.
377; Pub. L. 101–239, title VI, §6003(g)(3)(D)(iii),
IV, §4201(c)(1), Aug. 5, 1997, 111 Stat. 373.)

AMENDMENTS

1997—Pub. L. 105–33 substituted “critical access” for
“rural primary care” in two places in introductory pro-
visions.

1989—Pub. L. 101–239 substituted “hospitals or rural
primary care hospitals” for “hospitals” in two places in
introductory provisions.

“scale.”

and” for “subchapters V, XVIII, and” in provision pre-
ceding par. (1).

EFFECTIVE DATE OF 1997 AMENDMENT

Amendment by Pub. L. 105–33 applicable to services
furnished on or after Oct. 1, 1997, see section 4201(d)
of Pub. L. 105–33, set out as a note under section 1395f of
this title.

EFFECTIVE DATE OF 1982 AMENDMENT

Amendment by Pub. L. 97–248 effective as if originally
included as part of this section as this section was
amended by the Omnibus Budget Reconciliation Act of
1981, Pub. L. 97–35, see section 137(d)(2) of Pub. L. 97–248,
set out as a note under section 1395f of this title.

EFFECTIVE DATE OF 1981 AMENDMENT, SAVINGS, AND
TRANSITIONAL PROVISIONS

For effective date, savings, and transitional provi-
sions relating to amendment by Pub. L. 97–35, see sec-
tion 2194 of Pub. L. 97–35, set out as a note under sec-
tion 701 of this title.

EFFECTIVE DATE

2611, provided that: “The amendment made by sub-
section (a) [enacting this section] shall apply to grants,
gifts, and endowments, and income therefrom, made or
established after the date of the enactment of this Act
[Dec. 5, 1980].”

§1320b-5. Authority to waive requirements dur-
ing national emergencies

(a) Purpose

The purpose of this section is to enable the
Secretary to ensure to the maximum extent feas-
ible, in any emergency area and during an
emergency period (as defined in subsection
(g)(1)—

(1) that sufficient health care items and
services are available to meet the needs of in-
dividuals in such area enrolled in the pro-
grams under subchapters XVIII, XIX, and XXI;

and

(2) that health care providers (as defined in
subsection (g)(2)) that furnish such items and
services in good faith, but that are unable to
comply with one or more requirements de-
scribed in subsection (b), may be reimbursed
for such items and services and exempted from
sanctions for such noncompliance, absent any
determination of fraud or abuse.

(b) Secretarial authority

To the extent necessary to accomplish the
purpose specified in subsection (a), the Sec-
retary is authorized, subject to the provisions of
this section, to temporarily waive or modify the
application of, with respect to health care items
and services furnished by a health care provider
(or classes of health care providers) in any emer-
gency area (or portion of such an area) during
any portion of an emergency period, the require-
ments of subchapters XVIII, XIX, or XXI, or any
regulation thereunder (and the requirements of
this subchapter other than this section, and reg-
ulations thereunder, insofar as they relate to
such subchapters), pertaining to—

(1)(A) conditions of participation or other
certification requirements for an individual
health care provider or types of providers,

(B) program participation and similar re-
quirements for an individual health care pro-
vider or types of providers, and

(C) pre-approval requirements;

(2) requirements that physicians and other
health care professionals be licensed in the
State in which they provide such services, if
they have equivalent licensing in another
State and are not affirmatively excluded from
practice in that State or in any State a part
of which is included in the emergency area;

(3) actions under section 1395dd of this title
relating to examination and treatment for
emergency medical conditions and women in
labor for—

(A) a transfer of an individual who has not
been stabilized in violation of subsection (c)
of such section if the transfer is necessitated
by the circumstances of the declared emer-
gency in the emergency area during the
emergency period; or

(B) the direction or relocation of an indi-
vidual to receive medical screening in an al-
ternative location—

(i) pursuant to an appropriate State
emergency preparedness plan; or
§ 1320b–5

If a public health emergency described in subsection (g)(1)(B) involves a pandemic infectious disease (such as pandemic influenza), the duration of a waiver or modification under paragraph (3) shall be determined in accordance with subsection (e) as such subsection applies to public health emergencies.

(c) Authority for retroactive waiver

A waiver or modification of requirements pursuant to this section may, at the Secretary's discretion, be made retroactive to the beginning of the emergency period or any subsequent date in such period specified by the Secretary.

(d) Certification to Congress

The Secretary shall provide a certification and advance written notice to the Congress at least two days before exercising the authority under this section with respect to an emergency area. Such a certification and notice shall include—

1 A second closing parenthesis probably should precede the dash.

(1) the specific provisions that will be waived or modified;
(2) the health care providers to whom the waiver or modification will apply;
(3) the geographic area in which the waiver or modification will be in effect; and
(4) the period of time for which the waiver or modification will be in effect.

(e) Duration of waiver

(1) In general

A waiver or modification of requirements pursuant to this section terminates upon—

(A) the termination of the applicable declaration of emergency or disaster described in subsection (g)(1)(A);
(B) the termination of the applicable declaration of public health emergency described in subsection (g)(1)(B); or
(C) subject to paragraph (2), the termination of a period of 60 days from the date the waiver or modification is first published (or, if applicable, the date of extension of the waiver or modification under paragraph (2)).

(2) Extension of 60-day periods

The Secretary may, by notice, provide for an extension of 60-day periods described in paragraph (1)(C) (or an additional period provided under this paragraph) for additional periods (not to exceed, except as subsequently provided under this paragraph, 60 days), but any such extension shall not affect or prevent the termination of a waiver or modification under subparagraph (A) or (B) of paragraph (1).

(f) Report to Congress

Within one year after the end of the emergency period in an emergency area in which the Secretary exercised the authority provided under this section, the Secretary shall report to the Congress regarding the approaches used to accomplish the purposes described in subsection (a), including an evaluation of such approaches and recommendations for improved approaches should the need for such emergency authority arise in the future.
(g) Definitions

For purposes of this section:

(1) Emergency area; emergency period

An "emergency area" is a geographical area in which, and an "emergency period" is the period during which, there exists—

(A) an emergency or disaster declared by the President pursuant to the National Emergencies Act [50 U.S.C. 1601 et seq.] or the Robert T. Stafford Disaster Relief and Emergency Assistance Act [42 U.S.C. 5121 et seq.]; and

(B) a public health emergency declared by the Secretary pursuant to section 247d of this title.

(2) Health care provider

The term "health care provider" means any entity that furnishes health care items or services, and includes a hospital or other provider of services, a physician or other health care practitioner or professional, a health care facility, or a supplier of health care items or services.


REFERENCES IN TEXT

Section 264(c) of the Health Insurance Portability and Accountability Act of 1996, referred to in subsec. (b)(7), is section 264(c) of Pub. L. 108–191, which is set out as a note to section 1320b–6 of this title.


The Robert T. Stafford Disaster Relief and Emergency Assistance Act, referred to in subsec. (g)(1)(A), is Pub. L. 94–288, May 22, 1974, 88 Stat. 143, as amended, which is classified principally to chapter 68 (§2521 et seq.) of Title 50. For complete classification of this Act to the Code, see Short Title note set out under section 2521 of this title and Tables.

PRIOR PROVISIONS


AMENDMENTS

2006—Subsec. (b). Pub. L. 109–417, §302(b)(1)(B), (C), in concluding provisions, substituted "and, except in the case of a waiver or modification to which the fifth sentence of this subsection applies, shall be limited to " for "and shall be limited to" and inserted at end "If a public health emergency described in section (g)(1)(B) involves an ongoing infectious disease (such as pandemic influenza), the duration of a waiver or modification under paragraph (3) shall be determined in accordance with subsection (e) as such subsection applies to public health emergencies."

Subsec. (b)(3). Pub. L. 109–417, §302(b)(1)(A), added subpar. (B) and struck out former subpar. (B) which read as follows: "the direction or relocation of an individual to receive medical screening in an alternate location pursuant to an appropriate State emergency preparedness plan.

2004—Subsec. (b). Pub. L. 108–276, §9(6), inserted at end of concluding provisions: "A waiver or modification provided for under paragraph (3) or (7) shall only be in effect if such actions are taken in a manner that does not discriminate among individuals on the basis of their source of payment or of their ability to pay, and shall be limited to a 72-hour period beginning upon implementation of a hospital disaster protocol. A waiver or modification under such paragraph (7) shall be withdrawn after such period and the provider shall comply with the requirements under the Public Health Service Act for any patient still under the care of the provider."

Subsec. (b)(3). Pub. L. 108–276, §8(1), added par. (3) and struck out former par. (3) which read as follows: "sanctions under section 1395dd of this title (relating to examination and treatment for emergency medical conditions and women in labor) for a transfer of an individual who has not been stabilized in violation of subsection (c) of this section of such section if the transfer arises out of the circumstances of the emergency."


CHANGE OF NAME

References to Medicare+Choice deemed to refer to Medicare Advantage or MA, subject to an appropriate transition provided by the Secretary of Health and Human Services in the use of those terms, see section 201 of Pub. L. 108–173, set out as a note under section 1395w–21 of this title.

EFFECTIVE DATE OF 2006 AMENDMENT

Pub. L. 109–417, title III, §302(b)(2), Dec. 19, 2006, 120 Stat. 2856, provided that: "The amendments made by paragraph (1) [amending this section] shall take effect on the date of the enactment of this Act [Dec. 19, 2006] and shall apply to public health emergencies declared pursuant to section 319 of the Public Health Service Act (42 U.S.C. 247d) on or after such date."

EFFECTIVE DATE

Pub. L. 107–188, title I, §143(b), June 12, 2002, 116 Stat. 629, provided that: "The amendment made by subsection (a) [enacting this section] shall be effective on and after September 11, 2001."

§1320b–6. Exclusion of representatives and health care providers convicted of violations from participation in social security programs

(a) In general

The Commissioner of Social Security shall exclude from participation in the social security programs any representative or health care provider—

(1) who is convicted of a violation of section 408 or 1383a of this title;

(2) who is convicted of any violation under title 18 relating to an initial application for, or continuing entitlement to, or amount of, benefits under subchapter II of this chapter, or an initial application for, or continuing eligibility for, or amount of, benefits under subchapter XVI of this chapter; or

(3) who the Commissioner determines has committed an offense described in section 1320a–8(a)(1) of this title.

(b) Notice, effective date, and period of exclusion

(1) An exclusion under this section shall be effective at such time, for such period, and upon
such reasonable notice to the public and to the individual excluded as may be specified in regulations consistent with paragraph (2).

(2) Such an exclusion shall be effective with respect to services furnished to any individual on or after the effective date of the exclusion. Nothing in this section may be construed to preclude, in determining disability under subchapter II or subchapter XVI, consideration of any medical evidence derived from services provided by a health care provider before the effective date of the exclusion.

§ 1320b–6

(c) Notice to State agencies

The Commissioner shall promptly notify each appropriate State agency employed for the purpose of making disability determinations under section 421 or 1383b(a) of this title—

(1) of the fact and circumstances of each exclusion effected against an individual under this section; and

(2) of the period (described in subsection (b)(3)) for which the State agency is directed to exclude the individual from participation in the activities of the State agency in the course of its employment.

(d) Notice to State licensing agencies

The Commissioner shall—

(1) promptly notify the appropriate State or local agency or authority having responsibility for the licensing or certification of an individual excluded from participation under section 421 or 1383b(a) of this title;

(2) request that appropriate investigations be made and sanctions invoked in accordance with applicable State law and policy; and

(3) request that the State or local agency or authority keep the Commissioner and the Inspector General of the Social Security Administration fully and currently informed with respect to any actions taken in response to the request.

(e) Notice, hearing, and judicial review

(1) Any individual who is excluded (or directed to be excluded) from participation under this section is entitled to reasonable notice and opportunity for a hearing thereon before the Commissioner to the same extent as is provided in section 405(b) of this title, and to judicial review of the Commissioner's final decision after such hearing as is provided in section 405(g) of this title.

(2) The provisions of section 405(h) of this title shall apply with respect to this section to the same extent as it is applicable with respect to subchapter II.

(f) Application for termination of exclusion

(1) An individual excluded from participation under this section may apply to the Commissioner, in the manner specified by the Commissioner in regulations and at the end of the minimum period of exclusion provided under subsection (b)(3) and at such other times as the Commissioner may provide, for termination of the exclusion effected under this section.

(2) The Commissioner may terminate the exclusion if the Commissioner determines, on the basis of the conduct of the applicant which occurred after the date of the notice of exclusion or which was unknown to the Commissioner at the time of the exclusion, that—

(A) there is no basis under subsection (a) for a continuation of the exclusion; and

(B) there are reasonable assurances that the types of actions which formed the basis for the original exclusion have not recurred and will not recur.

(3) The Commissioner shall promptly notify each State agency employed for the purpose of making disability determinations under section 421 or 1383b(a) of this title of the fact and circumstances of each termination of exclusion made under this subsection.

(g) Availability of records of excluded representatives and health care providers

Nothing in this section shall be construed to have the effect of limiting access by any applicant or beneficiary under subchapter II or XVI, any State agency acting under section 421 or 1383b(a) of this title, or the Commissioner to records maintained by any representative or health care provider in connection with services provided to the applicant or beneficiary prior to the exclusion of such representative or health care provider under this section.

(h) Reporting requirement

Any representative or health care provider participating in, or seeking to participate in, a social security program shall inform the Commissioner, in such form and manner as the Commissioner shall prescribe by regulation, whether such representative or health care provider has been convicted of a violation described in subsection (a).

(i) Delegation of authority

The Commissioner may delegate authority granted by this section to the Inspector General.

(j) Definitions

For purposes of this section:
(1) Exclude

The term “exclude” from participation means—
(A) in connection with a representative, to prohibit from engaging in representation of an applicant for, or recipient of, benefits, as a representative payee under section 1385(a)(2)(A)(ii) of this title, or otherwise as a representative, in any hearing or other proceeding relating to entitlement to benefits; and
(B) in connection with a health care provider, to prohibit from providing items or services to an applicant for, or recipient of, benefits for the purpose of assisting such applicant or recipient in demonstrating disability.

(2) Social security program

The term “social security programs” means the program providing for monthly insurance benefits under subchapter II, and the program providing for monthly supplemental security income benefits to individuals under subchapter XVI (including State supplementary payments made by the Commissioner pursuant to an agreement under section 1382(e)(a) of this title or section 212(b) of Public Law 93-66).

(3) Convicted

An individual is considered to have been “convicted” of a violation—
(A) when a judgment of conviction has been entered against the individual by a Federal, State, or local court, except if the judgment of conviction has been set aside or expunged;
(B) when there has been a finding of guilt against the individual by a Federal, State, or local court;
(C) when a plea of guilty or nolo contendere by the individual has been accepted by a Federal, State, or local court; or
(D) when the individual has entered into participation in a first offender, deferred adjudication, or other arrangement or program where judgment of conviction has been withheld.


REFERENCES IN TEXT

Section 212(b) of Public Law 93-66, referred to in subsec. (1)(2), is section 212(b) of Pub. L. 93-66, title II, July 9, 1973, 87 Stat. 155, as amended, which is set out as a note under section 1382 of this title.

PRIOR PROVISIONS


EFFECTIVE DATE

Pub. L. 106-169, title II, §208(b), Dec. 14, 1999, 113 Stat. 1842, provided that: “The amendment made by this section [enacting this section] shall apply with respect to convictions of violations described in paragraphs (1) and (2) of section 1136(a) of the Social Security Act [42 U.S.C. 1320b-6(a)] and determinations described in paragraph (3) of such section occurring on or after the date of the enactment of this Act [Dec. 14, 1999].”

§ 1320b-7. Income and eligibility verification system

(a) Requirements of State eligibility systems

In order to meet the requirements of this section, a State must have in effect an income and eligibility verification system which meets the requirements of subsection (d) and under which—

(1) the State shall require, as a condition of eligibility for benefits under any program listed in subsection (b), that each applicant for or recipient of benefits under that program furnish to the State his social security account number (or numbers, if he has more than one such number), and the State shall utilize such account numbers in the administration of that program so as to enable the association of the records pertaining to the applicant or recipient with his account number;

(2) wage information from agencies administering State unemployment compensation laws available pursuant to section 3304(a)(16) of the Internal Revenue Code of 1986, wage information reported pursuant to paragraph (3) of this subsection, and wage, income, and other information from the Social Security Administration and the Internal Revenue Service available pursuant to section 6103(l)(7) of such Code, shall be requested and utilized to the extent that such information may be useful in verifying eligibility for, and the amount of, benefits available under any program listed in subsection (b), as determined by the Secretary of Health and Human Services (or, in the case of the unemployment compensation program, by the Secretary of Labor, or, in the case of the supplemental nutrition assistance program, by the Secretary of Agriculture);

(b) PRIOR EFFECTIVE DATE

In order to meet the requirements of this section, a State must have in effect an alternative income and eligibility verification system which is as effective and timely for purposes of providing employment related income and eligibility data for the purposes described in paragraph (2), and except that no report shall be filed with respect to an employee of a State or local agency performing intelligence or counterintelligence functions, if the head of such agency has determined that filing such a report could endanger the safety of the employee or compromise an ongoing investigation or intelligence mission, and except that in the case of wage reports with respect to domestic service employment, a State may permit employers (as so defined) that make re-
turns with respect to such employment on a calendar year basis pursuant to section 3510 of the Internal Revenue Code of 1986 to make such reports on an annual basis;

(4) the State agencies administering the program listed in subsection (b) adhere to standardized formats and procedures established by the Secretary of Health and Human Services (in consultation with the Secretary of Agriculture) under which—

(A) the agencies will exchange with each other information in their possession which may be of use in establishing or verifying eligibility or benefit amounts under any such program;

(B) such information shall be made available to assist in the support program under part D of subchapter IV of this chapter, and to assist the Secretary of Health and Human Services in establishing or verifying eligibility or benefit amounts under subchapters II and XVI of this chapter, but subject to the safeguards and restrictions established by the Secretary of the Treasury with respect to information released pursuant to section 6103(l) of the Internal Revenue Code of 1986; and

(C) the use of such information shall be targeted to those uses which are most likely to be productive in identifying and preventing ineligibility and incorrect payments, and no State shall be required to use such information to verify the eligibility of all recipients;

(5) adequate safeguards are in effect so as to assure that—

(A) the information exchanged by the State agencies is made available only to the extent necessary to assist in the valid administrative needs of the program receiving such information, and the information released pursuant to section 6103(l) of the Internal Revenue Code of 1986 is only exchanged with agencies authorized to receive such information under such section 6103(l); and

(B) the information is adequately protected against unauthorized disclosure for other purposes, as provided in regulations established by the Secretary of Health and Human Services, or, in the case of the unemployment compensation program, the Secretary of Labor, or, in the case of the supplemental nutrition assistance program, the Secretary of Agriculture, or in the case of information released pursuant to section 6103(l) of the Internal Revenue Code of 1986, the Secretary of the Treasury;

(6) all applicants for and recipients of benefits under any such program shall be notified at the time of application, and periodically thereafter, that information available through the system will be requested and utilized; and

(7) accounting systems are utilized which assure that programs providing data receive appropriate reimbursement from the programs utilizing the data for the costs incurred in providing the data.

(b) Applicable programs

The programs which must participate in the income and eligibility verification system are—

(1) any State program funded under part A of subchapter IV of this chapter;

(2) the medicaid program under subchapter XIX of this chapter;

(3) the unemployment compensation program under section 3304 of the Internal Revenue Code of 1986;

(4) the supplemental nutrition assistance program established under the Food and Nutrition Act of 2008 (7 U.S.C. 2011 et seq.); and

(5) any State program under a plan approved under subchapter I, X, XIV, or XVI of this chapter.

(c) Protection of applicants from improper use of information

(1) In order to protect applicants for and recipients of benefits under the programs identified in subsection (b), or under the supplemental security income program under subchapter XVI, from the improper use of information obtained from the Secretary of the Treasury under section 6103(l)(7)(B) of the Internal Revenue Code of 1986, no Federal, State, or local agency receiving such information may terminate, deny, suspend, or reduce any benefits of an individual until such agency has taken appropriate steps to independently verify information relating to—

(A) the amount of the asset or income involved,

(B) whether such individual actually has (or had) access to such asset or income for his own use, and

(C) the period or periods when the individual actually had such asset or income.

(2) Such individual shall be informed by the agency of the findings made by the agency on the basis of such verified information, and shall be given an opportunity to contest such findings, in the same manner as applies to other information and findings relating to eligibility factors under the program.

(d) Citizenship or immigration status requirements; documentation; verification by Immigration and Naturalization Service; denial of benefits; hearing

The requirements of this subsection, with respect to an income and eligibility verification system of a State, are as follows:

(1)(A) The State shall require, as a condition of an individual’s eligibility for benefits under a program listed in subsection (b), a declaration in writing, under penalty of perjury—

(i) by the individual,

(ii) in the case in which eligibility for program benefits is determined on a family or household basis, by any adult member of such individual’s family or household (as applicable), or

(iii) in the case of an individual born into a family or household receiving benefits under such program, by any adult member of such family or household no later than the next redetermination of eligibility of such family or household following the birth of such individual,

stating whether the individual is a citizen or national of the United States, and, if that in-
individual is not a citizen or national of the United States, that the individual is in a satisfactory immigration status.

(B) In this subsection, in the case of the program described in subsection (b)(4)—

(i) any reference to the State shall be considered a reference to the State agency, and

(ii) any reference to an individual’s eligibility for benefits under the program shall be considered a reference to the individual’s eligibility to participate in the program as a member of a household, and

(iii) the term “satisfactory immigration status” means an immigration status which does not make the individual ineligible for benefits under the applicable program.

(2) If such an individual is not a citizen or national of the United States, there must be presented either—

(A) alien registration documentation or other proof of Immigration registration from the Immigration and Naturalization Service that contains the individual’s alien admission number or alien file number (or numbers if the individual has more than one number), or

(B) such other documents as the State determines constitutes reasonable evidence indicating a satisfactory immigration status.

(3) If the documentation described in paragraph (2)(A) is presented, the State shall utilize the individual’s alien file or alien admission number to verify with the Immigration and Naturalization Service the individual’s immigration status through an automated or other system (designated by the Service for use with States) that—

(A) utilizes the individual’s name, file number, admission number, or other means permitting efficient verification, and

(B) protects the individual’s privacy to the maximum degree possible.

(4) In the case of such an individual who is not a citizen or national of the United States, if, at the time of application for benefits, the statement described in paragraph (1) is submitted but the documentation required under paragraph (2) is not presented or if the documentation required under paragraph (2)(A) is presented but such documentation is not verified under paragraph (3)—

(A) the State—

(i) shall provide a reasonable opportunity to submit to the State evidence indicating a satisfactory immigration status; and

(ii) may not delay, deny, reduce, or terminate the individual’s eligibility for benefits under the program on the basis of the individual’s immigration status until such a reasonable opportunity has been provided; and

(B) if there are submitted documents which the State determines constitutes reasonable evidence indicating such status—

(i) the State shall transmit to the Immigration and Naturalization Service either photostatic or other similar copies of such documents, or information from such documents, as specified by the Immigration and Naturalization Service, for official verification,

(ii) pending such verification, the State may not delay, deny, reduce, or terminate the individual’s eligibility for benefits under the program on the basis of the individual’s immigration status, and

(iii) the State shall not be liable for the consequences of any action, delay, or failure of the Service to conduct such verification.

(5) If the State determines, after complying with the requirements of paragraph (4), that such an individual is not in a satisfactory immigration status under the applicable program—

(A) the State shall deny or terminate the individual’s eligibility for benefits under the program, and

(B) the applicable fair hearing process shall be made available with respect to the individual.

(e) Erroneous State citizenship or immigration status determinations; penalties not required

Each Federal agency responsible for administration of a program described in subsection (b) shall not take any compliance, disallowance, penalty, or other regulatory action against a State with respect to any error in the State’s determination to make an individual eligible for benefits based on citizenship or immigration status—

(1) if the State has provided such eligibility based on a verification of satisfactory immigration status by the Immigration and Naturalization Service,

(2) because the State, under subsection (d)(4)(A)(ii), was required to provide a reasonable opportunity to submit documentation,

(3) because the State, under subsection (d)(4)(B)(ii), was required to wait for the response of the Immigration and Naturalization Service to the State’s request for official verification of the immigration status of the individual, or

(4) because of a fair hearing process described in subsection (d)(5)(B).

(f) Medical assistance to aliens for treatment of emergency conditions

Subsections (a)(1) and (d) shall not apply with respect to aliens seeking medical assistance for the treatment of an emergency medical condition under section 1396b(v)(2) of this title.

§ 4002(b)(1)(A), (B), (2)(V), May 22, 2008, 122 Stat. 1095–1097; Pub. L. 110–246, §(a), (3)(A), (B), (5)(B), (c)(1), is classified generally to Title 26, Internal Revenue Code.


Codification


Amendments


1999—Subsec. (a)(3). Pub. L. 106–170, § 408(b)(2), inserted “as defined in section 653a(a)(2)(B) of this title” after “employers”.

Pub. L. 106–170, § 408(b)(1), which directed striking out “as defined in section 653a(a)(2)(B) of this title” after “labor organizations”, was executed by striking “as defined in section 653a(a)(2)(B) of this title” to reflect the probable intent of Congress and the amendment by Pub. L. 106–169.

Pub. L. 106–170, § 408(a), inserted before semicolon at end “; and except that in the case of wage reports with respect to domestic service employment, a State may permit employers (as so defined) that make returns with respect to such employment on a calendar year basis pursuant to section 3510 of the Internal Revenue Code of 1986 to make such reports on an annual basis”.


Effective Date of 1999 Amendment note below.

1996—Subsec. (a)(3). Pub. L. 104–193, § 313(c), inserted “(including State and local governmental entities and labor organizations (as defined in section 653a(a)(2)(B)(ii) of this title) after employers” and “; and except that no report shall be filed with respect to an employee of a State or local agency performing intelligence or counterintelligence functions, if the head of such agency has determined that filing such a report could endanger the safety of the employee or compromise an ongoing investigation or intelligence mission” before semicolon at end.

References to the food stamp program established under the Food and Nutrition Act of 1964 wherever appearing.

References to the food stamp program established under the Food and Nutrition Act of 1964 wherever appearing.

References to the food stamp program established under the Food and Nutrition Act of 1964 elsewhere provided, see section 4 of Pub. L. 110–246, set out as an Effective Date note under section 8701 of Title 7 and Tables.


Effective Date of 1999 Amendments

section [amending this section] shall apply to wage reports required to be submitted on and after the date of the enactment of this Act [Dec. 17, 1999].


Effective Date of 1996 Amendment
Amendment by section 108(g)(8) of Pub. L. 104–193 effective July 1, 1997, with transition rules relating to State options to accelerate such date, rules relating to claims, actions, and proceedings commenced before such date, rules relating to closing out of accounts for terminated or substantially modified programs and continuance in office of Assistant Secretary for Family Support, and provisions relating to termination of entitlement under AFDC program, see section 116 of Pub. L. 104–193, as amended, set out as an Effective Date note under section 601 of this title.

For effective date of amendment by section 313(c) of Pub. L. 104–193, see section 395(a)–(c) of Pub. L. 104–193, set out as a note under section 654 of this title.

Effective Date of 1988 Amendment
Pub. L. 100–360, title IV, § 411(k)(15)(B), July 1, 1988, 102 Stat. 799, provided that: "The amendment made by subsection (a) [amending this section] shall apply, as of the date of enactment of this Act [Dec. 17, 1999], to all claims, actions, and proceedings commenced before such date, rules relating to closing out of accounts for terminated or substantially modified programs and continuance in office of Assistant Secretary for Family Support, and provisions relating to termination of entitlement under AFDC program, see section 116 of Pub. L. 104–193, as amended, set out as an Effective Date note under section 601 of this title.

For effective date of amendment by section 313(c) of Pub. L. 104–193, see section 395(a)–(c) of Pub. L. 104–193, set out as a note under section 654 of this title.

Effective Date of 1986 Amendment; Use of Verification System
Pub. L. 99–603, title I, § 121(c)(3), (4), Nov. 6, 1986, 100 Stat. 3391, 3392, provided that:

"(3) USE OF VERIFICATION SYSTEM REQUIRED IN FISCAL YEAR 1986.—Except as provided in paragraph (4), the amendments made by subsection (a) [amending this section, section 1396a of this title, and section 1091 of this title] take effect on October 1, 1986. States have until that date to begin complying with the requirements imposed by those amendments.

"(4) USE OF VERIFICATION SYSTEM NOT REQUIRED FOR A PROGRAM IN CERTAIN CASES.—

"(A) REPORT TO RESPECTIVE CONGRESSIONAL COMMITTEES.—With respect to each covered program (as defined in subparagraph (D)(i)), each appropriate Secretary shall examine and report to the appropriate Committees of the House of Representatives and of the Senate, by not later than April 1, 1988, concerning whether (and the extent to which)—

"(i) the application of the amendments made by subsection (a) to the program is cost-effective and otherwise appropriate, and

"(ii) there should be a waiver of the application of such amendments under subparagraph (B). The amendments made by subsection (a) shall not apply with respect to a covered program described in subclause (II), (V), (VI), or (VII) of subparagraph (D)(i) until after the date of receipt of such report with respect to the program.

"(B) WAIVER IN CERTAIN CASES.—If, with respect to a covered program, the appropriate Secretary determines, on the Secretary's own initiative or upon an application by an administering entity and based on such information as the Secretary deems persuasive (which may include the results of the report required under subsection (d)(1) [set out as a note below] and information contained in such an application), that—

"(i) the appropriate Secretary or the administering entity has in effect an alternative system of immigration status verification which—

"(I) is as effective and timely as the system otherwise required under the amendments made by subsection (a) with respect to the program, and

"(II) provides for at least the hearing and appeal rights for beneficiaries that would be provided under the amendments made by subsection (a), or

"(iii) the costs of administration of the system otherwise required under such amendments exceed the estimated savings, such Secretary may waive the application of such amendments to the covered program to the extent (by State or other geographic area or otherwise) that such determinations apply.

"(C) BASIS FOR DETERMINATION.—A determination under subparagraph (B)(ii) shall be based upon the appropriate Secretary's estimate of—

"(i) the number of aliens claiming benefits under the covered program in relation to the total number of claimants seeking benefits under the program,

"(ii) any savings in benefit expenditures reasonably expected to result from implementation of the verification program, and

"(iii) the labor and nonlabor costs of administration of the verification system, and the degree to which the Immigration and Naturalization Service is capable of providing timely and accurate information to the administering entity in order to permit a reliable determination of immigration status, and such other factors as such Secretary deems relevant.

"(D) DEFINITIONS.—In this paragraph:

"(i) The term 'covered program' means each of the following programs:

"(I) The aid to families with dependent children program under part A of title IV of the Social Security Act [42 U.S.C. 601 et seq.].

"(II) The Medicaid program under title XIX of the Social Security Act [42 U.S.C. 1386 et seq.].

"(III) Any State program under a plan approved under title I, X, XIV, or XVI of the Social Security Act [42 U.S.C. 301 et seq., 1315 et seq., 1381 et seq.].


"(VI) The programs of financial assistance for housing subject to section 214 of the Housing and Community Development Act of 1980 [42 U.S.C. 1436a].


"(VIII) The term 'appropriate Secretary' means, with respect to the covered program described in—

"(I) subclauses (I) through (III) of clause (i), the Secretary of Health and Human Services;

"(II) clause (i)(IV), the Secretary of Labor;

"(III) clause (i)(V), the Secretary of Agriculture;

"(IV) clause (i)(VI), the Secretary of Housing and Urban Development; and

"(V) clause (i)(VII), the Secretary of Education.

"(III) The term 'administering entity' means, with respect to the covered program described in—

"(I) subclause (I), (II), (III), (IV), or (V) of clause (i), the State agency responsible for the administration of the program in a State;

"(II) clause (i)(VI), the Secretary of Housing and Urban Development, a public housing agency, or another entity that determines the eligibility of an individual for financial assistance; and

"(III) clause (i)(VII), an institution of higher education involved in the program.

Effective Date
Pub. L. 98–369, div. B, title VI, § 2651(l), July 18, 1984, 98 Stat. 1151, provided that:

"(l) The amendments made by subsections (j) and (k) [amending section 1383 of this title and section 6103 of Title 20, Education] take effect on October 1, 1988.
Title 26, Internal Revenue Code] shall become effective on the date of the enactment of this Act [July 18, 1984].

“(2) Except as otherwise specifically provided, the amendments made by subsections (a) through (i) (enacting this section, amending sections 302, 503, 602, 1202, 1352, and 1396a of this title and section 2020 of Title 7, Agriculture, repealing section 611 of this title, and amending provisions set out as a note under section 1382 of this title) shall become effective on April 1, 1985.

In the case of any State which submits a plan describing a good faith effort by such State to come into compliance with the requirements of such subsections, the Secretary of Health and Human Services (or, in the case of the State unemployment compensation program, the Secretary of Labor, or, in the case of the food stamp program, the Secretary of Agriculture) may by waiver grant a delay in the effective date of such subsections, except that no such waiver may delay the effective date of section 1137(c) of the Social Security Act (42 U.S.C. 1320b–8) as amended by subsection (a) (by subsection (a) (as amended by this section)) so that the system is available to all the States by not later than September 30, 1986.”

CONSTRUCTION OF 1999 AMENDMENT

Amendment by Pub. L. 106–170 to be executed as if Pub. L. 106–170 had been enacted after the enactment of Pub. L. 106–169, see section 121(c)(1) of Pub. L. 106–169, out as a note under section 1396a of this title.

ABOLITION OF IMMIGRATION AND NATURALIZATION SERVICE AND TRANSFER OF FUNCTIONS

For abolition of Immigration and Naturalization Service, transfer of functions, and treatment of related references, see note set out under section 1551 of Title 8, Aliens and Nationality.

IMMIGRATION AND NATURALIZATION SERVICE TO ESTABLISH VERIFICATION SYSTEM BY OCTOBER 1, 1987

Pub. L. 99–603, title I, §121(c)(1), Nov. 6, 1986, 100 Stat. 3391, provided that: “The Commissioner of Immigration and Naturalization shall implement a system for the verification of immigration status under paragraphs (3) and (4)(B)(i) of section 1137(d) of the Social Security Act (42 U.S.C. 1320b–8) as amended by this section), or delay the effective date of any other provision of or added by this section beyond September 30, 1986.”

GENERAL ACCOUNTING OFFICE REPORTS

Pub. L. 99–603, title I, §121(d), Nov. 6, 1986, 100 Stat. 3393, directed Comptroller General to examine current pilot projects relating to the System for Alien Verification of Eligibility (SAVE) operated by, or through cooperative agreements with, the Immigration and Naturalization Service, and report, not later than Oct. 1, 1987, to Congress and to Commissioner of Immigration and Naturalization Service concerning the effectiveness of such projects and any problems with the implementation of such projects, particularly as they may apply to implementation of the system, with Comptroller General to monitor and analyze the implementation of such system, report to Congress and to the appropriate Secretaries, by not later than Apr. 1, 1989, on such implementation, and include in such report recommendations for appropriate changes in the system.

§1320b–8. Hospital protocols for organ procurement and standards for organ procurement agencies

(a)(1) The Secretary shall provide that a hospital or critical access hospital meeting the requirements of subchapter XVIII or XIX may participate in the program established under such subchapter only if—

(A) the hospital or critical access hospital establishes written protocols for the identification of potential organ donors that—

(i) assure that families of potential organ donors are made aware of the option of organ or tissue donation and their option to decline,

(ii) encourage discretion and sensitivity with respect to the circumstances, views, and beliefs of such families, and

(iii) require that such hospital’s designated organ procurement agency (as defined in paragraph (3)(B)) is notified of potential organ donors;

(B) in the case of a hospital in which organ transplants are performed, the hospital is a member of, and abides by the rules and requirements of, the Organ Procurement and Transplantation Network established pursuant to section 274 of this title (in this section referred to as the “Network”); and

(C) the hospital or critical access hospital has an agreement (as defined in paragraph (3)(A)) only with such hospital’s designated organ procurement agency.

(2)(A) The Secretary shall grant a waiver of the requirements under subparagraphs (A)(iii) and (C) of paragraph (1) to a hospital or critical access hospital desiring to enter into an agreement with an organ procurement agency other than such hospital’s designated organ procurement agency if the Secretary determines that—

(i) the waiver is expected to increase organ donation; and

(ii) the waiver will assure equitable treatment of patients referred for transplants within the service area served by such hospital’s designated organ procurement agency and within the service area served by the organ procurement agency with which the hospital seeks to enter into an agreement under the waiver.

(B) In making a determination under subparagraph (A), the Secretary may consider factors that would include, but not be limited to—

(i) cost effectiveness;

(ii) improvements in quality;

(iii) whether there has been any change in a hospital’s designated organ procurement agency due to a change made on or after December 28, 1992, in the definitions for metropolitan statistical areas (as established by the Office of Management and Budget); and

(iv) the length and continuity of a hospital’s relationship with an organ procurement agency other than the hospital’s designated organ procurement agency;

except that nothing in this subparagraph shall be construed to permit the Secretary to grant a waiver that does not meet the requirements of subparagraph (A).

(C) Any hospital or critical access hospital seeking a waiver under subparagraph (A) shall submit an application to the Secretary containing such information as the Secretary determines appropriate.
(D) The Secretary shall—

(i) publish a public notice of any waiver application received from a hospital or critical access hospital under this paragraph within 30 days of receiving such application; and

(ii) prior to making a final determination on such application under subparagraph (A), offer interested parties the opportunity to submit written comments to the Secretary during the 60-day period beginning on the date such notice is published.

(3) For purposes of this subsection—

(A) the term "agreement" means an agreement described in section 273(b)(3)(A) of this title;

(B) the term "designated organ procurement agency" means, with respect to a hospital or critical access hospital, the organ procurement agency designated pursuant to subsection (b) for the service area in which such hospital is located; and

(C) the term "organ" means a human kidney, liver, heart, lung, pancreas, and any other human organ or tissue specified by the Secretary for purposes of this subsection.

(b)(1) The Secretary shall provide that payment may be made under subchapter XVIII or XIX with respect to organ procurement costs attributable to payments made to an organ procurement organization payments to an organ procurement agency under such subchapter for organ procurement agency designated pursuant to subsection (b)(1)(F) of this section be notified of potential organ donors; and

(b)(1)(A)(i) the term "agreement" means an agreement as described in section 273(b) of this title that is operating under a grant made under section 273(a) of this title, or (ii) has been certified or recertified by the Secretary within the previous 2 years (4 years if the Secretary determines appropriate for an organization on the basis of its past practices) in meeting the standards to be a qualified organ procurement organization as so described; and

(b)(1)(B) meets the requirements that are applicable under such subchapter for organ procurement agencies;

(b)(1)(C) is a qualified organ procurement organization as described in section 273(b)(1)(C) of this title; and

(b)(1)(D) is a member of, and abides by the rules and requirements of, the Network.

(D) The Secretary shall—

(i) provide that payments made to an organ procurement agency designated pursuant to subsection (b)(1)(F) of this section be notified of potential organ donors; and

(ii) notify the Secretary of any waiver application received from a hospital or critical access hospital under this paragraph within 30 days of receiving such application; and

(E) provides that payments made to an organ procurement agency designated pursuant to subsection (b)(1)(F) of this section be notified of potential organ donors; and

(F) is designated by the Secretary as an organ procurement organization payments to which may be treated as organ procurement costs for purposes of reimbursement under such subchapter.

(2) The Secretary may not designate more than one organ procurement organization for each service area (as described in section 273(b)(1)(E) of this title) under paragraph (1)(F).

(A) is a qualified organ procurement organization as described in section 273(b)(1)(A) of this title;

(B) meets the requirements that are applicable under such subchapter for organ procurement agencies;

(C) meets performance-related standards prescribed by the Secretary;

(D) is a member of, and abides by the rules and requirements of, the Network;

(E) allocates organs, within its service area and nationally, in accordance with medical criteria and the policies of the Network; and

(F) is designated by the Secretary as an organ procurement organization payments to which may be treated as organ procurement costs for purposes of reimbursement under such subchapter.

Effective Date of 1997 Amendment

Amendment by section 4201(c)(1) of Pub. L. 105–33 applicable to services furnished on or after Oct. 1, 1997, see section 4201(d) of Pub. L. 105–33, set out as a note under section 1928 of this title.

Effective Date of 1994 Amendment


Effective Date of 1988 Amendment

Except as specifically provided in section 411 of Pub. L. 100–360, as it relates to a provision in the Omnibus Budget Reconciliation Act of 1987, Pub. L. 100–203, effective as if included in the enactment of that provision in Pub. L. 100–203, see section 411(a) of Pub. L. 100–360, set out as a Reference to OBRA; Effective Date note under section 106 of Title I, General Provisions.

Effective Date

Pub. L. 100–360, title IX, § 9318(a), Oct. 21, 1986, 100 Stat. 1385, provided that: "(1) Section 118(a) of the Social Security Act (42 U.S.C. 1320b–8(a)(1)) shall apply to hospitals participating in the programs under titles XVIII and XIX of such Act.
§ 1320b-9. Improved access to, and delivery of, health care for Indians under subchapters XIX and XXI

(a) Agreements with States for Medicaid and CHIP outreach on or near reservations to increase the enrollment of Indians in those programs

(1) In general

In order to improve the access of Indians residing on or near a reservation to obtain benefits under the Medicaid and State children’s health insurance programs established under subchapters XIX and XXI, the Secretary shall encourage the State to take steps to provide for enrollment on or near the reservation. Such steps may include outreach efforts such as the outstationing of eligibility workers, entering into agreements with the Indian Health Service, Indian Tribes, Tribal Organizations, and Urban Indian Organizations to provide outreach, education regarding eligibility and benefits, enrollment, and translation services when such services are appropriate.

(2) Construction

Nothing in paragraph (1) shall be construed as affecting arrangements entered into between States and the Indian Health Service, Indian Tribes, Tribal Organizations, or Urban Indian Organizations for such Service, Tribes, or Organizations to conduct administrative activities under such subchapters.

(b) Requirement to facilitate cooperation

The Secretary, acting through the Centers for Medicare & Medicaid Services, shall take such steps as are necessary to facilitate cooperation with, and agreements between, States and the Indian Health Service, Indian Tribes, Tribal Organizations, or Urban Indian Organizations with respect to the provision of health care items and services to Indians under the programs established under subchapter XIX or XXI.

(c) Definition of Indian; Indian Tribe; Indian Health Program; Tribal Organization; Urban Indian Organization

For purposes of this section, subchapter XIX, and subchapter XXI, the terms “Indian”, “Indian Tribe”, “Indian Health Program”, “Tribal Organization”, and “Urban Indian Organization” have the meanings given those terms in section 1993 of title 25.


AMENDMENTS

2010—Subsec. (c). Pub. L. 111–148 substituted “For purposes of this section, subchapter XIX, and subchapter XXI” for “In this section”.


Subsec. (f). Pub. L. 101–45 amended subsec. (f) generally. Prior to amendment, subsec. (f) read as follows:

“(1) The Commission shall appoint an Executive Director of the Commission who shall be compensated at a rate fixed by the Commission, but which shall not exceed the rate established for level V of the Executive Schedule under title 5.

“(2) In addition to the Executive Director, the Commission may appoint and fix the compensation of such personnel as it deems advisable, in accordance with the provisions of title 5 governing appointments to the competitive service, and the provisions of chapter 51 and subchapter III of chapter 53 of such title, relating to classification and General Schedule pay rates.”

Subsec. (j). Pub. L. 101–239, § 6221(3), substituted “through fiscal year 1991, such sums” for “such sums”.


§ 1320b–9a. Child health quality measures

(a) Development of an initial core set of health care quality measures for children enrolled in Medicaid or CHIP

(1) In general

Not later than January 1, 2010, the Secretary shall identify and publish for general comment an initial, recommended core set of child health quality measures for use by State programs administered under subchapters XIX and XXI, health insurance issuers and managed care entities that enter into contracts with such programs, and providers of items and services under such programs.

(2) Identification of initial core measures

In consultation with the individuals and entities described in subsection (b)(3), the Secretary shall identify existing quality of care measures for children that are in use under public and privately sponsored health care coverage arrangements, or that are part of reporting systems that measure both the presence and duration of health insurance coverage over time.

(3) Recommendations and dissemination

Based on such existing and identified measures, the Secretary shall publish an initial core set of child health quality measures that includes (but is not limited to) the following:

(A) The duration of children’s health insurance coverage over a 12-month time period.

(B) The availability and effectiveness of a full range of—

(i) preventive services, treatments, and services for acute conditions, including services to promote healthy birth, prevent and treat premature birth, and detect the presence or risk of physical or mental conditions that could adversely affect growth and development; and

(ii) treatments to correct or ameliorate the effects of physical and mental conditions, including chronic conditions and, with respect to dental care, conditions requiring the restoration of teeth, relief of pain and infection, and maintenance of dental health, in infants, young children, school-age children, and adolescents.

(C) The availability of care in a range of ambulatory and inpatient health care settings in which such care is furnished.

(D) The types of measures that, taken together, can be used to estimate the overall national quality of health care for children, including children with special needs, and to perform comparative analyses of pediatric health care quality and racial, ethnic, and socioeconomic disparities in child health and health care for children.

(4) Encourage voluntary and standardized reporting and mandatory reporting

(A) Voluntary reporting

Not later than 2 years after February 4, 2009, the Secretary, in consultation with States, shall develop a standardized format for reporting information and procedures and approaches that encourage States to use the initial core measurement set to voluntarily report information regarding the quality of pediatric health care under subchapters XIX and XXI.

(B) Mandatory reporting

Beginning with the annual State report on fiscal year 2024 required under subsection (e)(1), the Secretary shall require States to use the initial core measurement set and approaches that encourage States to use the initial core measurement set to report information regarding the quality of pediatric health care under subchapters XIX and XXI using the standardized format for reporting information and procedures developed under subparagraph (A).

(5) Adoption of best practices in implementing quality programs

The Secretary shall disseminate information to States regarding best practices among States with respect to measuring and reporting on the quality of health care for children, and shall facilitate the adoption of such best practices. In developing best practices approaches, the Secretary shall give particular attention to State measurement techniques that ensure the timeliness and accuracy of provider reporting, encourage provider reporting compliance, encourage successful quality improvement strategies, and improve efficiency in data collection using health information technology.

(6) Reports to Congress

Not later than January 1, 2011, and every 3 years thereafter, the Secretary shall report to Congress on—

(A) the status of the Secretary’s efforts to improve—

(i) quality related to the duration and stability of health insurance coverage for children under subchapters XIX and XXI;

(ii) the quality of children’s health care under such subchapters, including preven-
tive health services, dental care, health care for acute conditions, chronic health care, and health services to ameliorate the effects of physical and mental conditions and to aid in growth and development of infants, young children, school-age children, and adolescents with special health care needs; and

(iii) the quality of children’s health care under such subchapters across the domains of quality, including clinical quality, health care safety, family experience with health care, health care in the most integrated setting, and elimination of racial, ethnic, and socioeconomic disparities in health and health care;

(B) the status of voluntary reporting by States under subchapters XIX and XXI, utilizing the initial core quality measurement set and, beginning with the report required on January 1, 2025, and for each annual report thereafter, the status of mandatory reporting by States under subchapters XIX and XXI, utilizing the initial core quality measurement set and any updates or changes to that set; and

(C) any recommendations for legislative changes needed to improve the quality of care provided to children under subchapters XIX and XXI, including recommendations for quality reporting by States.

(7) Technical assistance

The Secretary shall provide technical assistance to States to assist them in adopting and utilizing core child health quality measures in administering the State plans under subchapters XIX and XXI.

(8) Definition of core set

In this section, the term “core set” means a group of valid, reliable, and evidence-based quality measures that, taken together—

(A) provide information regarding the quality of health coverage and health care for children;

(B) address the needs of children throughout the developmental age span; and

(C) allow purchasers, families, and health care providers to understand the quality of care in relation to the preventive needs of children, treatments aimed at managing and resolving acute conditions, and diagnostic and treatment services whose purpose is to correct or ameliorate physical, mental, or developmental conditions that could, if untreated or poorly treated, become chronic.

(b) Advancing and improving pediatric quality measures

(1) Establishment of pediatric quality measures program

Not later than January 1, 2011, the Secretary shall establish a pediatric quality measures program to—

(A) improve and strengthen the initial core child health care quality measures established by the Secretary under subsection (a);

(B) expand on existing pediatric quality measures used by public and private health care purchasers and advance the development of such new and emerging quality measures; and

(C) increase the portfolio of evidence-based, consensus pediatric quality measures available to public and private purchasers of children’s health care services, providers, and consumers.

(2) Evidence-based measures

The measures developed under the pediatric quality measures program shall, at a minimum, be—

(A) evidence-based and, where appropriate, risk adjusted;

(B) designed to identify and eliminate racial and ethnic disparities in child health and the provision of health care;

(C) designed to ensure that the data required for such measures is collected and reported in a standard format that permits comparison of quality and data at a State, plan, and provider level;

(D) periodically updated; and

(E) responsive to the child health needs, services, and domains of health care quality described in clauses (i), (ii), and (iii) of subsection (a)(6)(A).

(3) Process for pediatric quality measures program

In identifying gaps in existing pediatric quality measures and establishing priorities for development and advancement of such measures, the Secretary shall consult with—

(A) States;

(B) pediatricians, children’s hospitals, and other primary and specialized pediatric care professionals (including members of the allied health professions) who specialize in the care and treatment of children, particularly children with special physical, mental, and developmental health care needs;

(C) dental professionals, including pediatric dental professionals;

(D) health care providers that furnish primary health care to children and families who live in urban and rural medically underserved communities or who are members of distinct population sub-groups at heightened risk for poor health outcomes;

(E) national organizations representing children, including children with disabilities and children with chronic conditions;

(F) national organizations representing consumers and purchasers of children’s health care;

(G) national organizations and individuals with expertise in pediatric health quality measurement; and

(H) voluntary consensus standards setting organizations and other organizations involved in the advancement of evidence-based measures of health care.

(4) Developing, validating, and testing a portfolio of pediatric quality measures

As part of the program to advance pediatric quality measures, the Secretary shall—

(A) award grants and contracts for the development, testing, and validation of new,
emerging, and innovative evidence-based measures for children’s health care services across the domains of quality described in clauses (i), (ii), and (iii) of subsection (a)(6)(A); and

(B) award grants and contracts for—

(i) the development of consensus on evidence-based measures for children’s health care services;

(ii) the dissemination of such measures to public and private purchasers of health care for children; and

(iii) the updating of such measures as necessary.

(5) Revising, strengthening, and improving initial core measures

Beginning no later than January 1, 2013, and annually thereafter, the Secretary shall publish recommended changes to the core measures described in subsection (a) that shall reflect the testing, validation, and consensus process for the development of pediatric quality measures described in subsection 1 paragraphs (1) through (4).

(6) Definition of pediatric quality measure

In this subsection, the term “pediatric quality measure” means a measurement of clinical care that is capable of being examined through the collection and analysis of relevant information, that is developed in order to assess 1 or more aspects of pediatric health care quality in various institutional and ambulatory health care settings, including the structure of the clinical care system, the process of care, the outcome of care, or patient experiences in care.

(7) Construction

Nothing in this section shall be construed as supporting the restriction of coverage, under subchapter XIX or XXI or otherwise, to only those services that are evidence-based.

(c) Annual State reports regarding State-specific quality of care measures applied under Medicaid or CHIP

(1) Annual State reports

Each State with a State plan approved under subchapter XIX or a State child health plan approved under subchapter XXI shall annually report to the Secretary on the—

(A) State-specific child health quality measures applied by the States under such plans, including measures described in subparagraphs (A) and (B) of subsection (a)(6) and, beginning with the annual report on fiscal year 2024, all of the core measures described in subsection (a) and any updates or changes to those measures; and

(B) State-specific information on the quality of health care furnished to children under such plans, including information collected through external quality reviews of managed care organizations under section 1396u–2 of this title and benchmark plans under sections 1396u–7 and 1397cc of this title.

(2) Publication

Not later than September 30, 2010, and annually thereafter, the Secretary shall collect, analyze, and make publicly available the information reported by States under paragraph (1).

(d) Demonstration projects for improving the quality of children’s health care and the use of health information technology

(1) In general

During the period of fiscal years 2009 through 2013, the Secretary shall award not more than 10 grants to States and child health providers to conduct demonstration projects to evaluate promising ideas for improving the quality of children’s health care provided under subchapter XIX or XXI, including projects to—

(A) experiment with, and evaluate the use of, new measures of the quality of children’s health care under such subchapters (including testing the validity and suitability for reporting of such measures);

(B) promote the use of health information technology in care delivery for children under such subchapters;

(C) evaluate provider-based models which improve the delivery of children’s health care services under such subchapters, including care management for children with chronic conditions and the use of evidence-based approaches to improve the effectiveness, safety, and efficiency of health care services for children; or

(D) demonstrate the impact of the model electronic health record format for children developed and disseminated under subsection (f) on improving pediatric health, including the effects of chronic childhood health conditions, and pediatric health care quality as well as reducing health care costs.

(2) Requirements

In awarding grants under this subsection, the Secretary shall ensure that—

(A) only 1 demonstration project funded under a grant awarded under this subsection shall be conducted in a State; and

(B) demonstration projects funded under grants awarded under this subsection shall be conducted evenly between States with large urban areas and States with large rural areas.

(3) Authority for multistate projects

A demonstration project conducted with a grant awarded under this subsection may be conducted on a multistate basis, as needed.

(4) Funding

$20,000,000 of the amount appropriated under subsection (i) for a fiscal year shall be used to carry out this subsection.

(e) Childhood obesity demonstration project

(1) Authority to conduct demonstration

The Secretary, in consultation with the Administrator of the Centers for Medicare & Medicaid Services, shall conduct a demonstration project to develop a comprehensive and systematic model for reducing childhood obe-
§ 1320b–9a

So in original. Probably should be “Eligible entities”.

3 So in original. Probably should be “consortium”.

(2) Eligibility entities

For purposes of this subsection, an eligible entity is any of the following:
(A) A city, county, or Indian tribe.
(B) A local or tribal educational agency.
(C) An accredited university, college, or community college.
(D) A Federally-qualified health center.
(E) A local health department.
(F) A health care provider.
(G) A community-based organization.
(H) Any other entity determined appropriate by the Secretary, including a consor-
tia or partnership of entities described in any of subparagraphs (A) through (G).

(3) Use of funds

An eligible entity awarded a grant under this subsection shall use the funds made available under the grant to—
(A) carry out community-based activities related to reducing childhood obesity, in-
cluding by—
(i) forming partnerships with entities, including schools and other facilities pro-
viding recreational services, to establish programs for after school and weekend
community activities that are designed to reduce childhood obesity;
(ii) forming partnerships with daycare facilities to establish programs that pro-
mote healthy eating behaviors and physical activity; and
(iii) developing and evaluating commu-
nity educational activities targeting good nutrition and promoting healthy eating
behaviors;
(B) carry out age-appropriate school-based activities that are designed to reduce child-
hood obesity, including by—
(i) developing and testing educational curricula and intervention programs de-
signed to promote healthy eating behav-
iors and habits in youth, which may in-
clude—
(1) after hours physical activity pro-
grams; and
(II) science-based interventions with multiple components to prevent eating
disorders including nutritional content,
understanding and responding to hunger
and satiety, positive body image devel-
opment, positive self-esteem develop-
ment, and learning life skills (such as
stress management, communication
skills, problem solving and decision-
making skills), as well as consideration
of cultural and developmental issues,
and the role of family, school, and com-
munity;
(ii) providing education and training to
educational professionals regarding how to
promote a healthy lifestyle and a healthy
school environment for children;
(iii) planning and implementing a
healthy lifestyle curriculum or program
with an emphasis on healthy eating behav-
iors and physical activity; and
(iv) planning and implementing healthy
lifestyle classes or programs for parents or
guardians, with an emphasis on healthy
eating behaviors and physical activity for
children;
(C) carry out educational, counseling, pro-
motional, and training activities through the local health care delivery systems in-
cluding by—
(i) promoting healthy eating behaviors
and physical activity services to treat or
prevent eating disorders, being over-
weight, and obesity;
(ii) providing patient education and
counseling to increase physical activity
and promote healthy eating behaviors;
(iii) training health professionals on how
to identify and treat obese and overweight
individuals which may include nutrition
and physical activity counseling; and
(iv) providing community education by a
health professional on good nutrition and
physical activity to develop a better un-
derstanding of the relationship between
diet, physical activity, and eating dis-
orders, obesity, or being overweight; and
(D) provide, through qualified health pro-
fessionals, training and supervision for community health workers to—
(i) educate families regarding the rela-
tionship between nutrition, eating habits,
physical activity, and obesity;
(ii) educate families about effective
strategies to improve nutrition, establish
healthy eating patterns, and establish ap-
propriate levels of physical activity; and
(iii) educate and guide parents regarding
the ability to model and communicate
positive health behaviors.

(4) Priority

In awarding grants under paragraph (1), the Secretary shall give priority to awarding
grants to eligible entities that—
(A) demonstrate that they have pre-
viously applied successfully for funds to
carry out activities that seek to promote in-
dividual and community health and to pre-
vent the incidence of chronic disease and
that can cite published and peer-reviewed research demonstrating that the activities that the entities propose to carry out with funds made available under the grant are effective;

(B) that will carry out programs or activities that seek to accomplish a goal or goals set by the State in the Healthy People 2010 plan of the State;

(C) that provide non-Federal contributions, either in cash or in-kind, to the costs of funding activities under the grants;

(D) that develop comprehensive plans that include a strategy for extending program activities developed under grants in the years following the fiscal years for which they receive grants under this subsection;

(E) located in communities that are medically underserved, as determined by the Secretary;

(F) located in areas in which the average poverty rate is at least 150 percent or higher of the average poverty rate in the State involved, as determined by the Secretary; and

(G) that submit plans that exhibit multi-sectoral, cooperative conduct that includes the involvement of a broad range of stakeholders, including—

(i) community-based organizations;

(ii) local governments;

(iii) local educational agencies;

(iv) the private sector;

(v) State or local departments of health;

(vi) accredited colleges, universities, and community colleges;

(vii) health care providers;

(viii) State and local departments of transportation and city planning; and

(ix) other entities determined appropriate by the Secretary.

(5) Program design

(A) Initial design

Not later than 1 year after February 4, 2009, the Secretary shall design the demonstration project. The demonstration should draw upon promising, innovative models and incentives to reduce behavioral risk factors. The Administrator of the Centers for Medicare & Medicaid Services shall consult with the Director of the Centers for Disease Control and Prevention, the Director of the Office of Minority Health, the heads of other agencies in the Department of Health and Human Services, and such professional organizations, as the Secretary determines to be appropriate, on the design, conduct, and evaluation of the demonstration.

(B) Number and project areas

Not later than 2 years after February 4, 2009, the Secretary shall award 1 grant that is specifically designed to determine whether programs similar to programs to be conducted by other grantees under this subsection should be implemented with respect to the general population of children who are eligible for child health assistance under State child health plans under subchapter XXI in order to reduce the incidence of childhood obesity among such population.

(6) Report to Congress

Not later than 3 years after the date the Secretary implements the demonstration project under this subsection, the Secretary shall submit to Congress a report that describes the project, evaluates the effectiveness and cost effectiveness of the project, evaluates the beneficiary satisfaction under the project, and includes any such other information as the Secretary determines to be appropriate.

(7) Definitions

In this subsection:

(A) Federally-qualified health center

The term “Federally-qualified health center” has the meaning given that term in section 1396d(1)(2)(B) of this title.

(B) Indian tribe

The term “Indian tribe” has the meaning given that term in section 1803 of title 25.

(C) Self-assessment

The term “self-assessment” means a form that—

(i) includes questions regarding—

(I) behavioral risk factors;

(II) needed preventive and screening services; and

(III) target individuals’ preferences for receiving follow-up information;

(ii) is assessed using such computer generated assessment programs; and

(iii) allows for the provision of such ongoing support to the individual as the Secretary determines appropriate.

(D) Ongoing support

The term “ongoing support” means—

(i) to provide any target individual with information, feedback, health coaching, and recommendations regarding—

(I) the results of a self-assessment given to the individual;

(II) behavior modification based on the self-assessment; and

(III) any need for clinical preventive and screening services or treatment including medical nutrition therapy;

(ii) to provide any target individual with referrals to community resources and programs available to assist the target individual in reducing health risks; and

(iii) to provide the information described in clause (i) to a health care provider, if designated by the target individual to receive such information.

(8) Appropriation

Out of any funds in the Treasury not otherwise appropriated, there is appropriated to carry out this subsection, $25,000,000 for the period of fiscal years 2010 through 2014, $10,000,000 for the period of fiscal years 2016 and 2017, and $90,000,000 for the period of fiscal years 2018 through 2023.

(f) Development of model electronic health record format for children enrolled in Medicaid or CHIP

(1) In general

Not later than January 1, 2010, the Secretary shall establish a program to encourage the de-
velopment and dissemination of a model electronic health record format for children enrolled in the State plan under subchapter XIX or the State child health plan under subchapter XXI that is—
(A) subject to State laws, accessible to parents, caregivers, and other consumers for the sole purpose of demonstrating compliance with school or leisure activity requirements, such as appropriate immunizations or physicals;
(B) designed to allow interoperable exchanges that conform with Federal and State privacy and security requirements;
(C) structured in a manner that permits parents and caregivers to view and understand the extent to which the care their children receive is clinically appropriate and of high quality; and
(D) capable of being incorporated into, and otherwise compatible with, other standards developed for electronic health records.

(2) Funding

$5,000,000 of the amount appropriated under subsection (i) for a fiscal year shall be used to carry out this subsection.

(g) Study of pediatric health and health care quality measures

(1) In general

Not later than July 1, 2010, the Institute of Medicine shall study and report to Congress on the extent and quality of efforts to measure childhood health status and the quality of health care for children across the age span and in relation to preventive care, treatments for acute conditions, and treatments aimed at ameliorating or correcting physical, mental, and developmental conditions in children. In conducting such study and preparing such report, the Institute of Medicine shall—
(A) consider all of the major national population-based reporting systems sponsored by the Federal Government that are currently in place, including reporting requirements under Federal grant programs and national population surveys and estimates conducted directly by the Federal Government;
(B) identify the information regarding child health and health care quality that each system is designed to capture and generate, the study and reporting periods covered by each system, and the extent to which the information so generated is made widely available through publication;
(C) identify gaps in knowledge related to children's health status, health disparities among subgroups of children, the effects of social conditions on children's health status and use and effectiveness of health care, and the relationship between child health status and family income, family stability and preservation, and children's school readiness and educational achievement and attainment; and
(D) make recommendations regarding improving and strengthening the timeliness, quality, and public transparency and accessibility of information about child health and health care quality.

(2) Funding

Up to $1,000,000 of the amount appropriated under subsection (i) for a fiscal year shall be used to carry out this subsection.

(h) Rule of construction

Notwithstanding any other provision in this section, no evidence based quality measure developed, published, or used as a basis of measurement or reporting under this section may be used to establish an irrebuttable presumption regarding either the medical necessity of care or the maximum permissible coverage for any individual child who is eligible for and receiving medical assistance under subchapter XIX or child health assistance under subchapter XXI.

(i) Appropriation

(1) In general

Out of any funds in the Treasury not otherwise appropriated, there is appropriated—
(A) for each of fiscal years 2009 through 2013, $45,000,000 for the purpose of carrying out this section (other than subsection (e));
(B) for the period of fiscal years 2014 and 2015, $20,000,000 for the purpose of carrying out this section (other than subsections (e), (f), and (g));
(C) for the period of fiscal years 2016 through 2023, $90,000,000 for the purpose of carrying out this section (other than subsections (e), (f), and (g)); and
(D) for the period of fiscal years 2024 through 2027, $60,000,000 for the purpose of carrying out this section (other than subsections (e), (f), and (g)).

(2) Availability

Funds appropriated under this subsection shall remain available until expended.


AMENDMENTS

Subsec. (a)(6)(B). Pub. L. 115–123, §50102(b)(1)(C), inserted “and, beginning with the report required on January 1, 2025, and for each annual report thereafter, the status of mandatory reporting by States under subchapters XIX and XXI, utilizing the initial core quality measurement set and any updates or changes to that set” before semicolon.
Subsec. (c)(1)(A). Pub. L. 115–123, §50102(b)(2), inserted “and, beginning with the annual report on fiscal year 2024, all of the core measures described in subsection (a) and any updates or changes to those measures” before semicolon.
Subsec. (e)(8). Pub. L. 115–120, §3003(a), substituted “$10,000,000” for “$10,000,000” and inserted “, and $50,000,000 for the period of fiscal years 2018 through 2023” after “2017”.
Subsec. (i). Pub. L. 115–120, §3003(b), restructured existing text into par. (1), including subpars. (A) and (B),
and par. (2), inserted par. headings, and added par. (1)(C).


2015—Subsec. (e)(8). Pub. L. 114–10, § 304(a), inserted ‘‘, and $10,000,000 for the period of fiscal years 2016 and 2017’’ after ‘‘2014’’.

Subsec. (i). Pub. L. 114–10, § 304(b), inserted ‘‘, and there is appropriated for the period of fiscal years 2016 and 2017, $20,000,000 for the purpose of carrying out this section (other than subsections (e), (f), and (g))’’ after ‘‘(other than subsection (e))’’.

2010—Subsec. (e)(8). Pub. L. 111–148 amended par. (8) generally. Prior to amendment, text read as follows: ‘‘There is authorized to be appropriated for the period of fiscal years 2009 through 2013.’’

2009—Subsec. (a)(3)(B)(i). Pub. L. 111–3, §501(g)(1), inserted ‘‘and, with respect to dental care, conditions requiring the restoration of teeth, relief of pain and infection, and maintenance of dental health’’ after ‘‘chronic conditions’’.


Effective Date

Section and amendment by Pub. L. 111–3 effective Apr. 1, 2009, and applicable to child health assistance and medical assistance provided on or after that date, with certain exceptions, see section 3 of Pub. L. 111–3, set out as a note under section 1396 of this title.

§ 1320b–9b. Adult health quality measures

(a) Development of core set of health care quality measures for adults eligible for benefits under Medicaid

The Secretary shall identify and publish a recommended core set of adult health quality measures for Medicaid eligible adults in the same manner as the Secretary identifies and publishes a core set of child health quality measures under section 1320b–9a of this title, including with respect to identifying and publishing existing adult health quality measures that are in use under public and privately sponsored health care coverage arrangements, or that are part of reporting systems that measure both the presence and duration of health insurance coverage over time, that may be applicable to Medicaid eligible adults.

(b) Deadlines

(1) Recommended measures

Not later than January 1, 2011, the Secretary shall identify and publish for comment a recommended core set of adult health quality measures for Medicaid eligible adults.

(2) Dissemination

Not later than January 1, 2012, the Secretary shall publish an initial core set of adult health quality measures that are applicable to Medicaid eligible adults.

(3) Standardized reporting

(A) Voluntary reporting

Not later than January 1, 2013, the Secretary, in consultation with States, shall develop a standardized format for reporting information based on the initial core set of adult health quality measures and create procedures to encourage States to use such measures to voluntarily report information regarding the quality of health care for Medicaid eligible adults.

(B) Mandatory reporting with respect to behavioral health measures

Beginning with the State report required under subsection (d)(1) for 2024, the Secretary shall require States to use all behavioral health measures included in the core set of adult health quality measures and any updates or changes to such measures to report information, using the standardized format for reporting information and procedures developed under subparagraph (A), regarding the quality of behavioral health care for Medicaid eligible adults.

(4) Reports to Congress

Not later than January 1, 2014, and every 3 years thereafter, the Secretary shall include in the report to Congress required under section 1320b–9a(a)(6) of this title information similar to the information required under that section with respect to the measures established under this section.

(5) Establishment of Medicaid quality measurement program

(A) In general

Not later than 12 months after the release of the recommended core set of adult health quality measures under paragraph (1), the Secretary shall establish a Medicaid Quality Measurement Program in the same manner as the Secretary establishes the pediatric quality measures program under section 1320b–9a(b) of this title.

(B) Revising, strengthening, and improving initial core measures

Beginning not later than 24 months after the establishment of the Medicaid Quality Measurement Program, and annually thereafter, the Secretary shall publish recommended changes to the initial core set of adult health quality measures that shall reflect the results of the testing, validation, and consensus process for the development of adult health quality measures.

(C) Behavioral health measures

Beginning with respect to State reports required under subsection (d)(1) for 2024, the core set of adult health quality measures maintained under this paragraph (and any updates or changes to such measures) shall include behavioral health measures.

(c) Construction

Nothing in this section shall be construed as supporting the restriction of coverage, under subchapter XIX or XXI or otherwise, to only those services that are evidence-based, or in any way limiting available services.

(d) Annual State reports regarding State-specific quality of care measures applied under Medicaid

(1) Annual State reports

Each State with a State plan or waiver approved under subchapter XIX shall annually report (separately or as part of the annual re-

1So in original. The second closing parenthesis probably should not appear.
(a) Prohibited acts

(1) No person may use, in connection with any item constituting an advertisement, solicitation, circular, book, pamphlet, or other communication (including any Internet or other electronic communication), or a play, motion picture, broadcast, telecast, or other production, alone or with other words, letters, symbols, or emblems—


(B) a symbol or emblem of the Social Security Administration, Centers for Medicare & Medicaid Services, or Department of Health and Human Services (including the design of, or a reasonable facsimile of the design of, the social security card issued pursuant to section 405(c)(2)(F) of this title or the Medicare card, the check used for payment of benefits under subchapter II, or envelopes or other stationery used by the Social Security Administration, Centers for Medicare & Medicaid Services, or Department of Health and Human Services), or any other combination or variation of such symbols or emblems,

in a manner which such person knows or should know would convey, or in a manner which reasonably could be interpreted or construed as conveying, the false impression that such item is approved, endorsed, or authorized by the Social Security Administration, the Centers for Medicare & Medicaid Services, or the Department of Health and Human Services.

The preceding provisions of this subsection shall not apply with respect to the use by any agency or instrumentality of a State or political subdivision of a State of any words or letters which identify an agency or instrumentality of such State or of a political subdivision of such State or the use by any such agency or instrumentality of any symbol or emblem of an agency or instrumentality of such State or a political subdivision of such State.

(2)(A) No person may, for a fee, reproduce, reprint, or distribute any item consisting of a form, application, or other publication of the Social Security Administration unless such person has obtained specific, written authorization for such activity in accordance with regulations which the Commissioner of Social Security shall prescribe.

(B) No person may, for a fee, reproduce, reprint, or distribute any item consisting of a form, application, or other publication of the Department of Health and Human Services unless such person has obtained specific, written authorization for such activity in accordance with regulations which the Commissioner of Social Security shall prescribe.

§ 1320b–10. Prohibitions relating to references to Social Security or Medicare

(1) No person may use, in connection with any item constituting an advertisement, solicitation, circular, book, pamphlet, or other communication (including any Internet or other electronic communication), or a play, motion picture, broadcast, telecast, or other production, alone or with other words, letters, symbols, or emblems—


(B) a symbol or emblem of the Social Security Administration, Centers for Medicare & Medicaid Services, or Department of Health and Human Services (including the design of, or a reasonable facsimile of the design of, the social security card issued pursuant to section 405(c)(2)(F) of this title or the Medicare card, the check used for payment of benefits under subchapter II, or envelopes or other stationery used by the Social Security Administration, Centers for Medicare & Medicaid Services, or Department of Health and Human Services), or any other combination or variation of such symbols or emblems,

in a manner which such person knows or should know would convey, or in a manner which reasonably could be interpreted or construed as conveying, the false impression that such item is approved, endorsed, or authorized by the Social Security Administration, the Centers for Medicare & Medicaid Services, or the Department of Health and Human Services.

The preceding provisions of this subsection shall not apply with respect to the use by any agency or instrumentality of a State or political subdivision of a State of any words or letters which identify an agency or instrumentality of such State or of a political subdivision of such State or the use by any such agency or instrumentality of any symbol or emblem of an agency or instrumentality of such State or a political subdivision of such State.

(2)(A) No person may, for a fee, reproduce, reprint, or distribute any item consisting of a form, application, or other publication of the Social Security Administration unless such person has obtained specific, written authorization for such activity in accordance with regulations which the Commissioner of Social Security shall prescribe.

(B) No person may, for a fee, reproduce, reprint, or distribute any item consisting of a form, application, or other publication of the Department of Health and Human Services unless such person has obtained specific, written authorization for such activity in accordance with regulations which the Commissioner of Social Security shall prescribe.
authorization for such activity in accordance with regulations which the Secretary shall prescribe.

(3) Any determination of whether the use of one or more words, letters, symbols, or emblems (or any combination or variation thereof) in connection with an item described in paragraph (1) or the reproduction, reprinting, or distribution of an item described in paragraph (2) is a violation of this subsection shall be made without regard to any inclusion in such item (or any so reproduced, reprinted, or distributed copy thereof) of a disclaimer of affiliation with the United States Government or any particular agency or instrumentality thereof.

(4) (A) No person shall offer, for a fee, to assist an individual to obtain a product or service that the person knows or should know is provided free of charge by the Social Security Administration unless, at the time the offer is made, the person provides to the individual to whom the offer is tendered a notice that—
   
   (i) explains that the product or service is available free of charge from the Social Security Administration, and

   (ii) complies with standards prescribed by the Commissioner of Social Security respecting the content of such notice and its placement, visibility, and legibility.

(B) Subparagraph (A) shall not apply to any offer—

   (i) to serve as a claimant representative in connection with a claim arising under subchapter II, subchapter VIII, or subchapter XVI; or

   (ii) to prepare, or assist in the preparation of, an individual’s plan for achieving self-support under subchapter XVI.

(b) Civil penalties

The Commissioner or the Secretary (as applicable) may, pursuant to regulations, impose a civil money penalty not to exceed—

(1) except as provided in paragraph (2), $5,000, or

(2) in the case of a violation consisting of a broadcast or telecast, $25,000,

against any person for each violation by such person of subsection (a). In the case of any items referred to in subsection (a)(1) consisting of pieces of mail, each such piece of mail which contains one or more words, letters, symbols, or emblems in violation of subsection (a) shall represent a separate violation. In the case of any items referred to in subsection (a)(1) consisting of Internet or other electronic communications, each dissemination, viewing, or accessing of such a communication which contains one or more words, letters, symbols, or emblems in violation of subsection (a) shall represent a separate violation. In the case of any item referred to in subsection (a)(2), the reproduction, reprinting, or distribution of such item shall be treated as a separate violation with respect to each copy thereof so reproduced, reprinted, or distributed.

(c) Application of other law; compromise, recovery, and deposit into Treasury of civil money penalties

(1) The provisions of section 1320a–7a of this title (other than subsections (a), (b), (f), (h), and (l) and the first sentence of subsection (c)) shall apply to civil money penalties under subsection (b) in the same manner as such provisions apply to a penalty or proceeding under section 1320a–7a(a) of this title.

(2) Penalties imposed against a person under subsection (b) may be compromised by the Commissioner or the Secretary (as applicable) and may be recovered in a civil action in the name of the United States brought in the district court of the United States for the district in which the violation occurred or where the person resides, has its principal office, or may be found, as determined by the Commissioner or the Secretary (as applicable). Amounts recovered under this section shall be paid to the Commissioner or the Secretary (as applicable) and shall be deposited as miscellaneous receipts of the Treasury of the United States, except that (A) to the extent that such amounts are recovered under this section as penalties imposed for misuse of words, letters, symbols, or emblems relating to the Social Security Administration, such amounts shall be deposited into the Federal Old-Age and Survivors Insurance Trust Fund, and (B) to the extent that such amounts are recovered under this section as penalties imposed for misuse of words, letters, symbols, or emblems relating to the Department of Health and Human Services, such amounts shall be deposited into the Federal Hospital Insurance Trust Fund or the Federal Supplementary Medical Insurance Trust Fund, as appropriate. The amount of such penalty when finally determined, or the amount agreed upon in compromise, may be deducted from any sum then or later owing by the United States to the person against whom the penalty has been imposed.

(d) Enforcement

The preceding provisions of this section may be enforced through the Office of the Inspector General of the Social Security Administration or the Office of the Inspector General of the Department of Health and Human Services (as appropriate).


Amendments

2015—Subsec. (a)(1). Pub. L. 114–74, §814(a), inserted “(including any Internet or other electronic communication)” after “or other communication” in introductory provisions.

Subsec. (b). Pub. L. 114–74, §814(b), in concluding provisions, inserted “In the case of any items referred to in subsection (a)(1) consisting of Internet or other elec-
tronic communications, each dissemination, viewing, or accessing of such a communication which contains one or more words, letters, symbols, or emblems in violation of subsection (a) shall represent a separate violation after "represent a separate violation."


See 2003 Amendment note below.


See 2003 Amendment note below.


See 2003 Amendment note below.


1994—Subsec. (a). Pub. L. 103–296, §312(a), designated existing provisions as par. (1), redesignated former pars. (1) and (2) as subpars. (A) and (B), respectively, and added par. (2).

Subsec. (a)(1). Pub. L. 103–296, §312(c), (d), in closing provisions substituted "convey, or in a manner which reasonably could be interpreted or construed as conveying," for "convey and inserted at end "The preceding provisions of this subsection shall not apply with respect to the use by any agency or instrumentality of a State or political subdivision of a State of any words or letters which identify an agency or instrumentality of such State or of a political subdivision of such State or the use by any such agency or instrumentality of any symbol or emblem of an agency or instrumentality of such State or a political subdivision of such State."


Subsec. (a)(1)(B). Pub. L. 103–296, §312(b)(2), substituted "Social Security Administration, Health Care Financing Administration, or Department of Health and Human Services" for "Social Security Administration" in two places, struck out "or of the Health Care Financing Administration" before ", or any other", and inserted "or the Medicare card," after "section 405(c)(2)(F)", and "

Subsec. (a)(2). Pub. L. 103–296, §304(b), substituted "405(c)(2)(F)", for "405(c)(2)(E)", and added subpar. (B).

Subsec. (b)(2). Pub. L. 103–296, §312(e), added par. (3).

Subsec. (b). Pub. L. 103–296, §312(g), substituted "The" for "(1) Subject to paragraph (2), the", redesignated subpars. (A) and (B) as pars. (1) and (2), respectively, and in par. (1) substituted "paragraph (2)" for "subparagraph (B)" and struck out former par. (2) which read as follows: "The total amount of penalties which may be imposed under paragraph (1) with respect to multiple violations in any one year period consisting of substantially identical communications or productions shall not exceed $100,000."

Subsec. (b)(1). Pub. L. 103–296, §312(f) inserted at end "In the case of any items referred to in subsection (a)(1) consisting of pieces of mail, each such piece of mail which contains one or more words, letters, symbols, or emblems in violation of subsection (a) shall represent a separate violation. In the case of any item referred to in subsection (a)(2), the reproduction, reprinting, or distribution of such item shall be treated as a separate violation with respect to each copy thereof so reproduced, reprinted, or distributed."

Pub. L. 103–296, §108(b)(12)(B), substituted "the Commissioner or the Secretary (as applicable)" for "the 'Secretary'" in introductory provisions.

Subsec. (c)(1). Pub. L. 103–296, §312(h), inserted "and the first sentence of subsection (c)'" after "(and i)'.

Subsec. (c)(2). Pub. L. 103–296, §312(i), at end of second sentence substituted comma for period and inserted except that (A) to the extent that such amounts are recovered under this section as penalties imposed for misuse of words, letters, symbols, or emblems relating to the Social Security Administration, such amounts shall be deposited into the Federal Old-Age and Survivors Insurance Trust Fund, and (B) to the extent that such amounts are recovered under this section as penalties imposed for misuse of words, letters, symbols, or emblems relating to the Department of Health and Human Services, such amounts shall be deposited into the Federal Hospital Insurance Trust Fund and the Federal Supplementary Medical Insurance Trust Fund, as appropriate.

Pub. L. 103–296, §108(b)(12)(C), substituted "the Commissioner or the Secretary (as applicable)" for "the Secretary" wherever appearing.


Pub. L. 103–296, §108(b)(12)(D), which in subsec. (d) as added by Pub. L. 103–296, §312(j), directed the substitution of "the Office of the Inspector General of the Social Security Administration or the Office of the Inspector General of the Department of Health and Human Services" for "the Secretary of the Inspector General of the Department of Health and Human Services", was executed by making the substitution for "'the Office of the Inspector General of the Department of Health and Human Services' to reflect the probable intent of Congress.

1988—Subsec. (c)(1). Pub. L. 100–485 amended par. (1) generally. Prior to amendment, par. (1) read as follows: "Subsections (c), (d), (e), (f), (g), (j), and (k) of section 1320a–7a of this title shall apply with respect to violations under subsection (a) of this section and penalties imposed under subsection (b) of this section in the same manner and to the same extent as such subsections apply with respect to claims in violation of section 1320a–7a of this title and penalties imposed under section 1320a–7a(a) of this title.

The amendments made by this section [amending this section and section 1320a–7a of this title and section 1320a–7a(a) of this title] of this title shall apply to offers of assistance made after the sixth month ending after the effective date of this section [Mar. 2, 2004].
The amendments made by this section (amending this section) shall apply to items sent after 180 days after the date of the enactment of this Act [Mar. 2, 2004].

Effective Date of 1994 Amendment

Effective Date of 1988 Amendment
Amendment by Pub. L. 100–485 effective as if included in the enactment of the Medicare Catastrophic Coverage Act of 1988, Pub. L. 100–360, see section 608(g)(1) of Pub. L. 100–485, set out as an Effective Date note under section 333 of Title 31, Money and Finance.

Effective Date
Pub. L. 100–485, set out as a note under section 704 of this title.

Consultation by United States Postal Service Regarding Prevention of Deceptive Mailings
United States Postal Service to consult and coordinate functions of Secretary of Health and Human Services in administration of this section, see section 4 of Pub. L. 101–524, set out as a Coordination of Functions With Department of Health and Human Services note under section 3001 of Title 39, Postal Service.

§ 1320b–11. Blood donor locator service
(a) In general
The Commissioner of Social Security shall establish and conduct a Blood Donor Locator Service, which shall be used to obtain and transmit to any authorized person (as defined in subsection (b)(1)) the most recent mailing address of any blood donor who, as indicated by the donated blood or products derived therefrom or by the history of the subsequent use of such blood or blood products, has or may have the virus for acquired immune deficiency syndrome, in order to inform such donor of the possible need for medical care and treatment.

(b) Provision of address information
Whenever the Commissioner of Social Security receives a request, filed by an authorized person (as defined in subsection (b)(1)), for the mailing address of a donor described in subsection (a) and the Commissioner of Social Security is reasonably satisfied that the requirements of this section have been met with respect to such request, the Commissioner of Social Security shall promptly undertake to provide the requested address information from—

(1) the files and records maintained by the Social Security Administration, and

(2) such files and records obtained pursuant to section 6109(m)(6) of the Internal Revenue Code of 1986 as the Commissioner of Social Security considers necessary to comply with such request.

(c) Manner and form of requests
A request for address information under this section shall be filed in such manner and form as the Commissioner of Social Security shall by regulation prescribe, shall include the blood donor's social security account number, and shall be accompanied or supported by such documents as the Commissioner of Social Security may determine to be necessary.

(d) Procedures and safeguards
Any authorized person shall, as a condition for receiving address information from the Blood Donor Locator Service—

(1) establish and maintain, to the satisfaction of the Commissioner of Social Security, a system for standardizing records with respect to any request, the reason for such request, and the date of such request made by or of it and any disclosure of address information made by or to it,

(2) establish and maintain, to the satisfaction of the Commissioner of Social Security, a secure area or place in which such address information and all related blood donor records shall be stored,
§ 1320b–11

(3) restrict, to the satisfaction of the Commissioner of Social Security, access to the address information and related blood donor records only to persons whose duties or responsibilities require access and to whom disclosure may be made under the provisions of this section.

(4) provide such other safeguards which the Commissioner of Social Security determines (and which the Commissioner of Social Security prescribes in regulations) to be necessary or appropriate to protect the confidentiality of the address information and related blood donor records,

(5) furnish a report to the Commissioner of Social Security, at such time and containing such information as the Commissioner of Social Security may prescribe, which describes the procedures established and utilized by the authorized person for ensuring the confidentiality of address information and related blood donor records,

(6) destroy such address information and related blood donor records, upon completion of their use in providing the notification for which the information was obtained, so as to make such information and records undisclosable.

If the Commissioner of Social Security determines that any authorized person has failed to, or does not, meet the requirements of this subsection, the Commissioner of Social Security may prescribe, which describes the procedures established and utilized by the authorized person for ensuring the confidentiality of address information and related blood donor records required under this subsection, and

The Commissioner of Social Security, in carrying out the Commissioner’s duties and functions under this section, shall enter into arrangements—

(1) with State agencies to accept and to transmit to the Commissioner of Social Security requests for address information under this section and to accept and to transmit such information to authorized persons, and

(2) with State agencies and authorized persons otherwise to cooperate with the Commissioner of Social Security in carrying out the purposes of this section.

(f) Procedures for administrative review

The Commissioner of Social Security shall by regulation prescribe procedures which provide for administrative review of any determination that any authorized person has failed to meet the requirements of this section.

(g) Unauthorized disclosure of information

Paragraphs (1), (2), and (3) of section 7213(a) of the Internal Revenue Code of 1986 shall apply with respect to the unauthorized wilful disclosure to any person of address information or related blood donor records acquired or maintained by or under the Commissioner of Social Security, or pursuant to this section by any authorized person, or of information derived from any such address information or related blood donor records, in the same manner and to the same extent as such paragraphs apply with respect to unauthorized disclosures of return and return information described in such paragraphs. Paragraph (4) of section 7213(a) of such Code shall apply with respect to the willful offer of any item of material value in exchange for any such address information or related blood donor record in the same manner and to the same extent as such paragraph applies with respect to offers (in exchange for any return or return information) described in such paragraph.

(h) Definitions

For purposes of this section—

(1) Authorized person

The term “authorized person” means—

(A) any agency of a State (or of a political subdivision of a State) which has duties or authority under State law relating to the public health or otherwise has the duty or authority under State law to regulate blood donations, and

(B) any entity engaged in the acceptance of blood donations which is licensed or registered by the Food and Drug Administration in connection with the acceptance of such blood donations, and which, in accordance with such regulations as may be prescribed by the Commissioner of Social Security, provides for—

(i) the confidentiality of any address information received pursuant to this section and related blood donor records,

(ii) blood donor notification procedures for individuals with respect to whom such information is requested and a finding has been made that they have or may have the virus for acquired immune deficiency syndrome, and

(iii) counseling services for such individuals who have been found to have such virus.

(2) Related blood donor record

The term “related blood donor record” means any record, list, or compilation which indicates, directly or indirectly, the identity of any individual with respect to whom a request for address information has been made pursuant to this section.

(3) State

The term “State” includes the District of Columbia, the Commonwealth of Puerto Rico,
the Virgin Islands, Guam, the Commonwealth of the Northern Marianas, and the Trust Territory of the Pacific Islands.


REFERENCES IN TEXT

The Internal Revenue Code of 1986, referred to in subsec. (b)(2) and (g), is classified generally to Title 26, Internal Revenue Code.

AMENDMENTS

1994—Subsec. (a). Pub. L. 103–296, §108(b)(13)(A), (C), substituted “The Commissioner of Social Security” for “The Secretary” and struck out “under the direction of the Commissioner of Social Security,” before “which shall be used”.

Subsec. (b), (c). Pub. L. 103–296, §108(b)(13)(A), substituted “Commissioner of Social Security” for “Secretary” wherever appearing.

Subsec. (d). Pub. L. 103–296, §108(b)(13)(D), which directed amendment of par. (6) by substituting “Social Security Administration” for “Department of Health and Human Services”, was executed by substituting “Social Security Administration” for “Department of Health and Human Services” in closing provisions to reflect the probable intent of Congress.


Subsec. (e), (f), (g). Pub. L. 103–296, §108(b)(13)(A), substituted “Commissioner of Social Security” for “Secretary” wherever appearing and “Commissioner’s” for “Secretary’s” in introductory provisions.

Subsecs. (f), (g), (h)(1)(B). Pub. L. 103–296, §108(b)(13)(A), substituted “Commissioner of Social Security” for “Secretary”.

EFFECTIVE DATE OF 1994 AMENDMENT


TERMINATION OF TRUST TERRITORY OF THE PACIFIC ISLANDS

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

TIME LIMIT FOR ESTABLISHMENT OF BLOOD DONOR LOCATOR SERVICE


§1320b–12. Research on outcomes of health care services and procedures

(a) Establishment of program

(1) In general

The Secretary, acting through the Director of the Agency for Healthcare Research and Quality, shall—

(A) conduct and support research with respect to the outcomes, effectiveness, and appropriateness of health care services and procedures in order to identify the manner in which diseases, disorders, and other health conditions can most effectively and appropriately be prevented, diagnosed, treated, and managed clinically; and

(B) assure that the needs and priorities of the program under subchapter XVIII are appropriately reflected in the development and periodic review and updating (through the process set forth in section 299b-21 of this title) of treatment-specific or condition-specific practice guidelines for clinical treatments and conditions in forms appropriate for use in clinical practice, for use in educational programs, and for use in reviewing quality and appropriateness of medical care.

(2) Evaluations of alternative services and procedures

In carrying out paragraph (1), the Secretary shall conduct or support evaluations of the comparative effects, on health and functional capacity, of alternative services and procedures utilized in preventing, diagnosing, treating, and clinically managing diseases, disorders, and other health conditions.

(3) Initial guidelines

(A) In carrying out paragraph (1)(B) of this subsection, and section 299b–1(d) of this title, the Secretary shall, by not later than January 1, 1991, assure the development of an initial set of the guidelines specified in paragraph (1)(B) that shall include not less than 3 clinical treatments or conditions that—

(i)(I) account for a significant portion of expenditures under subchapter XVIII; and

(II) have a significant variation in the frequency or the type of treatment provided; or

(ii) otherwise meet the needs and priorities of the program under subchapter XVIII, as set forth under subsection (b)(3).

(B)(i) The Secretary shall provide for the use of guidelines developed under subparagraph (A) to improve the quality, effectiveness, and appropriateness of care provided under subchapter XVIII. The Secretary shall determine the impact of such use on the quality, appropriateness, effectiveness, and cost of medical care provided under such subchapter and shall report to the Congress on such determination by not later than January 1, 1993.

(ii) For the purpose of carrying out clause (i), the Secretary shall expend, from the amounts specified in clause (iii), $1,000,000 for fiscal year 1990 and $1,500,000 for each of the fiscal years 1991 and 1992.

(iii) For each fiscal year, for purposes of expenditures required in clause (ii).

(I) 60 percent of an amount equal to the expenditure involved is appropriated from the Federal Hospital Insurance Trust Fund (established under section 1395i of this title); and

(II) 40 percent of an amount equal to the expenditure involved is appropriated from the Federal Supplementary Medical Insurance Trust Fund (established under section 1395t of this title).

1 See References in Text note below.

2 So in original. Probably should be “subparagraph”.  

(b) Priorities

(1) In general

The Secretary shall establish priorities with respect to the diseases, disorders, and other health conditions for which research and evaluations are to be conducted or supported under subsection (a). In establishing such priorities, the Secretary shall, with respect to a disease, disorder, or other health condition, consider the extent to which—

(A) improved methods of prevention, diagnosis, treatment, and clinical management can benefit a significant number of individuals;

(B) there is significant variation among physicians in the particular services and procedures utilized in making diagnoses and providing treatments or there is significant variation in the outcomes of health care services or procedures due to different patterns of diagnosis or treatment;

(C) the services and procedures utilized for diagnosis and treatment result in relatively substantial expenditures; and

(D) the data necessary for such evaluations are readily available or can readily be developed.

(2) Preliminary assessments

For the purpose of establishing priorities under paragraph (1), the Secretary may, with respect to services and procedures utilized in preventing, diagnosing, treating, and clinically managing diseases, disorders, and other health conditions, conduct or support assessments of the extent to which—

(A) rates of utilization vary among similar populations for particular diseases, disorders, and other health conditions, conduct or support assessments of the extent to which—

(A) rates of utilization vary among similar populations for particular diseases, disorders, and other health conditions;

(B) uncertainties exist on the effect of utilizing a particular service or procedure; or

(C) inappropriate services and procedures are provided.

(3) Relationship with Medicare program

In establishing priorities under paragraph (1) for research and evaluation, and under section 299b-3(a)(1) of this title for the agenda under such section, the Secretary shall assure that such priorities appropriately reflect the needs and priorities of the program under subchapter XVIII, as set forth by the Administrator of the Centers for Medicare & Medicaid Services.

c) Methodologies and criteria for evaluations

For the purpose of facilitating research under subsection (a), the Secretary shall—

(1) conduct and support research with respect to the improvement of methodologies and criteria utilized in conducting research with respect to outcomes of health care services and procedures;

(2) conduct and support reviews and evaluations of existing research findings with respect to such treatment or conditions;

(3) conduct and support reviews and evaluations of the existing methodologies that use large data bases in conducting such research and shall develop new research methodologies, including data-based methods of advancing knowledge and methodologies that measure clinical and functional status of patients, with respect to such research;

(4) provide grants and contracts to research centers, and contracts to other entities, to conduct such research on such treatment or conditions, including research on the appropriate use of prescription drugs;

(5) conduct and support research and demonstrations on the use of claims data and data on clinical and functional status of patients in determining the outcomes, effectiveness, and appropriateness of such treatment; and

(6) conduct and support supplementation of existing data bases, including the collection of new information, to enhance data bases for research purposes, and the design and development of new data bases that would be used in outcomes and effectiveness research.

d) Standards for data bases

In carrying out this section, the Secretary shall develop—

(1) uniform definitions of data to be collected and used in describing a patient’s clinical and functional status;

(2) common reporting formats and linkages for such data; and

(3) standards to assure the security, confidentiality, accuracy, and appropriate maintenance of such data.

e) Dissemination of research findings and guidelines

(1) In general

The Secretary shall provide for the dissemination of the findings of research and the guidelines described in subsection (a), and for the education of providers and others in the application of such research findings and guidelines.

(2) Cooperative educational activities

In disseminating findings and guidelines under paragraph (1), and in providing for education under such paragraph, the Secretary shall work with professional associations, medical specialty and subspecialty organizations, and other relevant groups to identify and implement effective means to educate physicians, other providers, consumers, and others in using such findings and guidelines, including training for physician managers within provider organizations.

f) Evaluations

The Secretary shall conduct and support evaluations of the activities carried out under this section to determine the extent to which such activities have had an effect on the practices of physicians in providing medical treatment, the delivery of health care, and the outcomes of health care services and procedures.

g) Research with respect to dissemination

The Secretary may conduct or support research with respect to improving methods of disseminating information on the effectiveness and appropriateness of health care services and procedures.
(h) Omitted

(i) Authorization of appropriations

(1) In general

There are authorized to be appropriated to carry out this section—

(A) $50,000,000 for fiscal year 1990;
(B) $75,000,000 for fiscal year 1991;
(C) $110,000,000 for fiscal year 1992;
(D) $138,000,000 for fiscal year 1993; and
(E) $185,000,000 for fiscal year 1994.

(2) Specifications

For the purpose of carrying out this section, for each of the fiscal years 1990 through 1992 an amount equal to two-thirds of the amounts authorized to be appropriated under paragraph (1), and for each of the fiscal years 1993 and 1994 an amount equal to 70 percent of such amounts, are to be appropriated in the following proportions from the following trust funds:

(A) 60 percent from the Federal Hospital Insurance Trust Fund (established under section 1395i of this title).
(B) 40 percent from the Federal Supplementary Medical Insurance Trust Fund (established under section 1395i of this title).

(3) Allocations

(A) For each fiscal year, of the amounts transferred or otherwise appropriated to carry out this section, the Secretary shall reserve appropriate amounts for each of the purposes specified in clauses (i) through (iv) of subparagraph (B).

(B) The purposes referred to in subparagraph (A) are—

(i) the development of guidelines, standards, performance measures, and review criteria;
(ii) research and evaluation;
(iii) data-base standards and development; and
(iv) education and information dissemination.


REFERENCES IN TEXT

Sections 299b–1 to 299b–3 of this title, referred to in subsecs. (a) and (b), were originally references to sections 912 to 914 of act July 1, 1944, which were omitted in the general amendment of subchapter VII of chapter 6A of this title by Pub. L. 106–129, §2(a), Dec. 6, 1999, 113 Stat. 1653. Section 2(a) of Pub. L. 106–129 enacted new sections 912 to 914 of act July 1, 1944, which are classified to sections 299b–1 to 299b–3, respectively, of this title.

CODIFICATION

Subsec. (h) of this section, which required the Secretary to report biennially to Congress on the progress of the activities under this section during the preceding 2 fiscal years, including the impact of such activities on medical care (particularly medical care for individuals receiving benefits under subchapter XVIII of this chapter), terminated, effective May 15, 2000, pursuant to section 3063 of Pub. L. 101–508, as amended, set out as a note under section 1113 of Title 31, Money and Finance. See, also, item 10 on page 94 of House Document No. 103–7.


AMENDMENTS


AHCPR STUDY ON EFFECT OF CREDENTIALING OF TECHNOLOGISTS AND SONOGRAPHERS ON QUALITY OF ULTRASOUND


“(1) STUDY.—The Administrator for Health Care Policy and Research shall provide for a study that, with respect to the provision of ultrasound under the medicare and medicaid programs under titles XVIII and XIX of the Social Security Act (42 U.S.C. 1395 et seq., 1396 et seq.), compares differences in quality between ultrasound furnished by individuals who are credentialed by private entities or organizations and ultrasound furnished by those who are not so credentialed. Such study shall examine and evaluate differences in error rates, resulting complications, and patient outcomes as a result of the differences in credentialing. In designing the study, the Administrator shall consult with organizations nationally recognized for their expertise in ultrasound.

“(2) REPORT.—Not later than two years after the date of the enactment of this Act (Nov. 29, 1999), the Administrator shall submit a report to Congress on the study conducted under paragraph (1).”

REPORT ON LINKAGE OF PUBLIC AND PRIVATE RESEARCH RELATED DATA

Pub. L. 101–239, title VI, §6103(b)(2), Dec. 19, 1989, 103 Stat. 2196, provided that: “Not later than 1 year after the date of the enactment of this Act (Nov. 29, 1999), the Secretary of Health and Human Services shall consult with organizations nationally recognized for their expertise in ultrasound.

§1320b–13. Social security account statements

(a) Provision upon request

(1) Beginning not later than October 1, 1990, the Commissioner of Social Security shall provide upon the request of an eligible individual a social security account statement (hereinafter referred to as the “statement”).

(2) Each statement shall contain—

(A) the amount of wages paid to and self-employment income derived by the eligible individual as shown by the records of the Commissioner at the date of the request;
(B) an estimate of the aggregate of the employee, employer, and self-employment contributions of the eligible individual for old-age, survivors, and disability insurance as shown by the records of the Commissioner on the date of the request;
(C) a separate estimate of the aggregate of the employer, employee, and self-employment contributions of the eligible individual for...
hospital insurance as shown by the records of the Commissioner on the date of the request;

(D) an estimate of the potential monthly retirement, disability, survivor, and auxiliary benefits payable on the eligible individual’s account together with a description of the benefits payable under the medicare program of subchapter XVIII; and

(E) in the case of an individual described in paragraph (3)(C)(ii), an explanation, in language calculated to be understood by the average eligible individual, of the operation of the provisions under sections 402(k)(5) and 415(a)(7) of this title and an explanation of the maximum potential effects of such provisions on the eligible individual’s monthly retirement, survivor, and auxiliary benefits.

(3) For purposes of this section, the term “eligible individual” means an individual—

(A) who has a social security account number,

(B) who has attained age 25 or over, and

(C)(i) who has wages or net earnings from self-employment, or (ii) with respect to whom the Commissioner has information that the pattern of wages or self-employment income indicate a likelihood of noncovered employment.

(b) Notice to eligible individuals

The Commissioner shall, to the maximum extent practicable, take such steps as are necessary to assure that eligible individuals are informed of the availability of the statement described in subsection (a).

(c) Mandatory provision of statements

(1) By not later than September 30, 1995, the Commissioner shall provide a statement to each eligible individual who has attained age 60 by October 1, 1994, and who is not receiving benefits under subchapter II and for whom a mailing address can be determined through such methods as the Commissioner determines to be appropriate. In fiscal years 1995 through 1999 the Commissioner shall provide a statement to each eligible individual who attains age 60 in such fiscal years and who is not receiving benefits under subchapter II and for whom a mailing address can be determined through such methods as the Commissioner determines to be appropriate. In fiscal years 1995 through 1999 the Commissioner shall provide a statement on an annual basis to each eligible individual who does not include estimates of retirement benefit amounts (under section 415(a)(7) of this title) and the effect on benefit amounts (under section 402(k)(5) of this title) of monthly periodic payments or benefits payable based on earnings derived in such service. Such notice shall be in a form which shall be prescribed by the Commissioner of Social Security.

(2) The written notice provided to an individual pursuant to paragraph (1) shall include a form which, upon completion and signature by the individual, would constitute certification by the individual of receipt of the notice. The agency or instrumentality providing the notice to the individual shall require that the form be completed and signed by the individual and submitted to the agency or instrumentality and to the pension, annuity, retirement, or similar fund or system established by the governmental entity involved responsible for paying the monthly periodic payments or benefits, before commencement of service with the agency or instrumentality.

(d) Disclosure to governmental employees of effect of noncovered employment

(1) In the case of any individual commencing employment on or after January 1, 2005, in any agency or instrumentality of any State (or political subdivision thereof, as defined in section 418(b)(2) of this title) in a position in which service performed by the individual does not constitute “employment” as defined in section 410 of this title, the head of the agency or instrumentality shall ensure that, prior to the date of the commencement of the individual’s employment in the position, the individual is provided a written notice setting forth an explanation, in language calculated to be understood by the average individual, of the maximum effect on computations of primary insurance amounts (under section 415(a)(7) of this title) and the effect on benefit amounts (under section 402(k)(5) of this title) of monthly periodic payments or benefits payable based on earnings derived in such service. Such notice shall be in a form which shall be prescribed by the Commissioner of Social Security.


Subsec. (a)(2)(A) to (C). Pub. L. 108–203, § 421(2), substituted “Commissioner” for “Secretary”.


Subsec. (b), (c). Pub. L. 108–203, § 421(2), substituted “Commissioner” for “Secretary” wherever appearing.


Amendments


Subsec. (a)(2)(A) to (C). Pub. L. 108–203, § 421(2), substituted “Commissioner” for “Secretary”.


Subsecs. (b), (c). Pub. L. 108–203, § 421(2), substituted “Commissioner” for “Secretary” wherever appearing.


§ 1320b–14. Outreach efforts to increase awareness of the availability of medicare cost-sharing and subsidies for low-income individuals under subchapter XVIII

(a) Outreach

(1) In general

The Commissioner of Social Security (in this section referred to as the "Commissioner") shall conduct outreach efforts to—

(A) identify individuals entitled to benefits under the medicare program under subchapter XVIII who may be eligible for medicare cost-sharing assistance under the medicare program pursuant to sections 1396a(a)(10)(E) and 1396u–3 of this title; and

(B) notify such individuals of the availability of such medical assistance, program, and subsidies.

(2) Content of notice

Any notice furnished under paragraph (1) shall state that eligibility for medicare cost-sharing assistance, the transitional assistance under section 1395w–141(f) of this title, or premium and cost-sharing subsidies under section 1395w–114 of this title is conditioned upon—

(A) the individual providing to the State information about income and resources (in the case of an individual residing in a State that imposes an assets test for eligibility for medicare cost-sharing under the medicaid program); and

(B) meeting the applicable eligibility criteria.

(b) Coordination with States

(1) In general

In conducting the outreach efforts under this section, the Commissioner shall—

(A) furnish the agency of each State responsible for the administration of the medicaid program and any other appropriate State agency with information consisting of the name and address of individuals residing in the State that the Commissioner determines may be eligible for medical assistance for payment of the cost of medicare cost-sharing under the medicare program pursuant to sections 1396a(a)(10)(E) and 1396u–3 of this title, for transitional assistance under section 1395w–141(f) of this title, or for premium and cost-sharing subsidies for low-income individuals under section 1395w–114 of this title; and

(B) update any such information not less frequently than once per year.

(2) Information in periodic updates

The periodic updates described in paragraph (1)(B) shall include information on individuals who are or may be eligible for the medical assistance, program, and subsidies described in paragraph (1)(A) because such individuals have experienced reductions in benefits under subchapter II.

(c) Assistance with Medicare Savings Program and low-income subsidy program applications

(1) Distribution of applications and information to individuals who are potentially eligible for low-income subsidy program

For each individual who submits an application for low-income subsidies under section 1395w–114 of this title, requests an application for such subsidies, or is otherwise identified as an individual who is potentially eligible for such subsidies, the Commissioner shall do the following:

(A) Provide information describing the low-income subsidy program under section 1395w–114 of this title and the Medicare Savings Program (as defined in paragraph (7)).

(B) Provide an application for enrollment under such low-income subsidy program (if not already received by the Commissioner).

(C) In accordance with paragraph (3), transmit data from such an application for purposes of initiating an application for benefits under the Medicare Savings Program.

(D) Provide information on how the individual may obtain assistance in completing such application and an application under the Medicare Savings Program, including information on how the individual may contact the State health insurance assistance program (SHIP).

(E) Make the application described in subparagraph (B) and the information described in subparagraphs (A) and (D) available at local offices of the Social Security Administration.

(2) Training personnel in explaining benefit programs and assisting in completing LIS application

The Commissioner shall provide training to those employees of the Social Security Administration who are involved in receiving applications for benefits described in paragraph (1)(B) in order that they may promote beneficiary understanding of the low-income subsidy program and the Medicare Savings Program in order to increase participation in these programs. Such employees shall provide assistance in completing an application described in paragraph (1)(B) upon request.

(3) Transmittal of data to States

Beginning on January 1, 2010, with the consent of an individual completing an application for benefits described in paragraph (1)(B), the Commissioner shall electronically transmit to the appropriate State Medicaid agency data from such application, as determined by the Commissioner, which transmittal shall initiate an application of the individual for benefits under the Medicare Savings Program.
with the State Medicaid agency. In order to ensure that such data transmittal provides effective assistance for purposes of State adjudication of applications for benefits under the Medicare Savings Program, the Commissioner shall consult with the Secretary, after the Secretary has consulted with the States, regarding the content, form, frequency, and manner in which data (on a uniform basis for all States) shall be transmitted under this subparagraph.

(4) Coordination with outreach

The Commissioner shall coordinate outreach activities under this subsection in connection with the low-income subsidy program and the Medicare Savings Program.

(5) Reimbursement of Social Security Administration administrative costs

(A) Initial Medicare Savings Program costs; additional low-income subsidy costs

(i) Initial Medicare Savings Program costs

There are hereby appropriated to the Commissioner to carry out this subsection, out of any funds in the Treasury not otherwise appropriated, \(24,100,000\). The amount appropriated under this clause shall be available on October 1, 2008, and shall remain available until expended.

(ii) Additional amount for low-income subsidy activities

There are hereby appropriated to the Commissioner, out of any funds in the Treasury not otherwise appropriated, \(24,800,000\) for fiscal year 2009 to carry out low-income subsidy activities under section 1995w–14 of this title and the Medicare Savings Program (in accordance with this subsection), to remain available until expended. Such funds shall be in addition to the Social Security Administration’s Limitation on Administrative Expenditures in the Social Security Administration’s Limitation on Administrative Expenditures for such fiscal year.

(B) Subsequent funding under agreements

(i) In general

Effective for fiscal years beginning on or after October 1, 2010, the Commissioner and the Secretary shall enter into an agreement to cover the administrative costs of the Commissioner’s activities under this subsection. Such agreement shall—

(I) provide funds to the Commissioner for the full cost of the Social Security Administration’s work related to the Medicare Savings Program required under this section;

(II) provide such funding quarterly in advance of the applicable quarter based on estimating methodology agreed to by the Commissioner and the Secretary; and

(III) require an annual accounting and reconciliation of the actual costs incurred and funds provided under this subsection.

(ii) Appropriation

There are hereby appropriated to the Secretary solely for the purpose of providing payments to the Commissioner pursuant to an agreement specified in clause (i) that is in effect, out of any funds in the Treasury not otherwise appropriated, not more than \(5,000,000\) for fiscal year 2011 and each fiscal year thereafter.

(C) Limitation

In no case shall funds from the Social Security Administration’s Limitation on Administrative Expenses be used to carry out activities related to the Medicare Savings Program. For fiscal years beginning on or after October 1, 2010, no such activities shall be undertaken by the Social Security Administration unless the agreement specified in subparagraph (B) is in effect and full funding has been provided to the Commissioner as specified in such subparagraph.

(6) GAO analysis and report

(A) Analysis

The Comptroller General of the United States shall prepare an analysis of the impact of this subsection—

(i) in increasing participation in the Medicare Savings Program, and

(ii) on States and the Social Security Administration.

(B) Report

Not later than January 1, 2012, the Comptroller General shall submit to Congress, the Commissioner, and the Secretary a report on the analysis conducted under subparagraph (A).

(7) Medicare Savings Program defined

For purposes of this subsection, the term “Medicare Savings Program” means the program of medical assistance for payment of the cost of Medicare cost-sharing under the Medicaid program pursuant to sections 1936a(a)(10)(E) and 1936u–3 of this title.


PANRORRVREHNSIONS


AMENDMENTS


ing subsidies under section 1395w–114 of this title” before semicolon.


Subsec. (a)(2). Pub. L. 108–173, §103(g)(2)(B)(i), inserted “, the transitional assistance under section 1395w–141(f) of this title, or premium and cost-sharing subsidies under section 1395w–114 of this title” after “assistance” in introductory provisions.


Effective Date of 2008 Amendment
Pub. L. 110–275, title I, §113(c), July 15, 2008, 122 Stat. 2566, provided that: “Except as otherwise provided, the amendments made by this section (amending this section and section 1396a–5 of this title) shall take effect on January 1, 2010.”

Effective Date
Pub. L. 106–554, §1(a)(6) [title IX, §911(c)], Dec. 21, 2000, 114 Stat. 2763, 2763A–584, provided that: “The amendments made by subsection (a) [enacting this section and amending section 1396d of this title] shall take effect one year after the date of the enactment of this Act [Dec. 21, 2000].”

GAO Report
Pub. L. 106–554, §1(a)(6) [title IX, §911(b)], Dec. 21, 2000, 114 Stat. 2763, 2763A–584, provided that: “The Comptroller General of the United States shall conduct a study of the impact of section 114 of the Social Security Act [42 U.S.C. 1320b–14] (as added by subsection (a)(1)) on the enrollment of individuals for medicare cost-sharing under the medicare program. Not later than 18 months after the date that the Commissioner of Social Security first conducts outreach under section 1144 of such Act, the Comptroller General shall submit to Congress a report on such study. The report shall include such recommendations for legislative changes as the Comptroller General deems appropriate.”

§1320b–15. Protection of social security and medicare trust funds

(a) In general

No officer or employee of the United States shall—

(1) delay the deposit of any amount into (or delay the credit of any amount to) any Federal fund or otherwise vary from the normal terms, procedures, or timing for making such deposits or credits,

(2) refrain from the investment in public debt obligations of amounts in any Federal fund, or

(3) redeem prior to maturity amounts in any Federal fund which are invested in public debt obligations for any purpose other than the payment of benefits or administrative expenses from such Federal fund.

(b) “Public debt obligation” defined

For purposes of this section, the term “public debt obligation” means any obligation subject to the public debt limit established under section 3101 of title 31.

(c) “Federal fund” defined

For purposes of this section, the term “Federal fund” means—

(1) the Federal Old-Age and Survivors Insurance Trust Fund;

(2) the Federal Disability Insurance Trust Fund;

(3) the Federal Hospital Insurance Trust Fund; and

(4) the Federal Supplementary Medical Insurance Trust Fund.


Effective Date

§1320b–16. Public disclosure of certain information on hospital financial interest and referral patterns

The Secretary shall make available to the public, in a form and manner specified by the Secretary, information disclosed to the Secretary pursuant to section 1395cc(a)(1)(B) of this title.


Effective Date
Pub. L. 105–33, title IV, §4221(d)(2), Aug. 5, 1997, 111 Stat. 395, provided that: “The Secretary of Health and Human Services shall issue regulations by not later than the date which is 1 year after the date of the enactment of this Act [Aug. 5, 1997] to carry out the amendments made by subsections (b) and (c) [enacting this section and amending section 1395cc of this title] and such amendments shall take effect as of such date (on or after the issuance of such regulations) as the Secretary specifies in such regulations.”

§1320b–17. Cross-program recovery of overpayments from benefits

(a) In general

Subject to subsection (b), whenever the Commissioner of Social Security determines that more than the correct amount of any payment has been made to a person under a program described in subsection (e), the Commissioner of Social Security may recover the amount incorrect paid by decreasing any amount which is payable to such person under any other program specified in that subsection.

(b) Limitation applicable to current benefits

(1) In general

In carrying out subsection (a), the Commissioner of Social Security may not decrease the monthly amount payable to an individual under a program described in subsection (e) that is paid when regularly due—

(A) in the case of benefits under subchapter II or VIII, by more than 10 percent of the amount of the benefit payable to the person for that month under such subchapter; and

(B) in the case of benefits under subchapter XVI, by an amount greater than the lesser of—

(i) the amount of the benefit payable to the person for that month; or
(ii) an amount equal to 10 percent of the person’s income for that month (including such monthly benefit but excluding payments under subchapter II when recovery is also made from subchapter II payments and excluding income included pursuant to section 1382a(b) of this title).

(2) Exception
Paragraph (1) shall not apply if—
(A) the person or the spouse of the person involved in willful misrepresentation or concealment of material information in connection with the amount incorrectly paid; or
(B) the person so requests.

(c) No effect on eligibility or benefit amount under subchapter VIII or XVI
In any case in which the Commissioner of Social Security takes action in accordance with subsection (a) to recover an amount incorrectly paid to any person, neither that person, nor with respect to the program described in subsection (e)(3) any individual whose eligibility for benefits under such program or whose amount of such benefits, is determined by considering any part of that person’s income, shall, as a result of such action—
(1) become eligible for benefits under the program described in paragraph (2) or (3) of subsection (e); or
(2) if such person or individual is otherwise so eligible, become eligible for increased benefits under such program.

(d) Inapplicability of prohibition against assessment and legal process
Section 407 of this title shall not apply to actions taken under the provisions of this section to decrease amounts payable under subchapters II and XVI.

(e) Programs described
The programs described in this subsection are the following:
(1) The Old-age, survivors, and disability insurance benefits program under subchapter II.
(2) The special benefits for certain World War II veterans program under subchapter VIII.
(3) The supplemental security income benefits program under subchapter XVI (including, for purposes of this section, State supplementary payments paid by the Commissioner pursuant to an agreement under section 1382a(a) of this title or section 212(b) of Public Law 93–66).


REFERENCES IN TEXT
Section 212(b) of Public Law 93–66, referred to in subsec. (e)(3), is section 212(b) of Pub. L. 93–66, title II, July 9, 1973, 87 Stat. 156, as amended, which is set out as a note under section 1382 of this title.

AMENDMENTS
2004—Pub. L. 108–203 amended section catchline and text generally, substituting provisions relating to recovery of overpayments from benefits under subchapters II, VIII, and XVI of this chapter, consisting of subsecs. (a) to (e), for provisions relating to recovery of overpayments from benefits under subchapter XVI of this chapter, consisting of subsect. (a) and (b).
(4) Payments to employment networks
The Commissioner shall pay an employment network under the Program in accordance with the outcome payment system under subsection (h)(2) or under the outcome-milestone payment system under subsection (h)(3) (whichever is elected pursuant to subsection (h)(1)). An employment network may not request or receive compensation for such services from the beneficiary.

(c) State participation
(1) In general
Each State agency administering or supervising the administration of the State plan approved under title I of the Rehabilitation Act of 1973 (29 U.S.C. 720 et seq.) may elect to participate in the Program as an employment network with respect to a disabled beneficiary. If the State agency does elect to participate in the Program, the State agency shall elect to be paid under the outcome payment system or the outcome-milestone payment system in accordance with subsection (h)(1). With respect to a disabled beneficiary that the State agency does not elect to have participate in the Program, the State agency shall be paid for services provided to that beneficiary under the system for payment applicable under section 422(d) of this title and subsections (d) and (e) of section 1382d of this title. The Commissioner shall provide for periodic opportunities for exercising such elections.

(2) Effect of participation by State agency
(A) State agencies participating
In any case in which a State agency described in paragraph (1) elects under that paragraph to participate in the Program, the employment services, vocational rehabilitation services, and other support services which, upon assignment of tickets to work and self-sufficiency, are provided to disabled beneficiaries by the State agency acting as an employment network shall be governed by plans for vocational rehabilitation services approved under title I of the Rehabilitation Act of 1973 (29 U.S.C. 720 et seq.).

(B) State agencies administering maternal and child health services programs
Subparagraph (A) shall not apply with respect to any State agency administering a program under subchapter V of this chapter.

(3) Agreements between State agencies and employment networks
State agencies and employment networks shall enter into agreements regarding the conditions under which services will be provided when an individual is referred by an employment network to a State agency for services. The Commissioner shall establish by regulations the timeframe within which such agreements must be entered into and the mechanisms for dispute resolution between State agencies and employment networks with respect to such agreements.

(d) Responsibilities of the Commissioner
(1) Selection and qualifications of program managers
The Commissioner shall enter into agreements with 1 or more organizations in the private or public sector for service as a program manager to assist the Commissioner in administering the Program. Any such program manager shall be selected by means of a competitive bidding process, from among organizations in the private or public sector with available expertise and experience in the field of vocational rehabilitation or employment services.

(2) Tenure, renewal, and early termination
Each agreement entered into under paragraph (1) shall provide for early termination upon failure to meet performance standards which shall be specified in the agreement and which shall be weighted to take into account any performance in prior terms. Such performance standards shall include—

(A) measures for ease of access by beneficiaries to services; and

(B) measures for determining the extent to which failures in obtaining services for beneficiaries fall within acceptable parameters, as determined by the Commissioner.

(3) Preclusion from direct participation in delivery of services in own service area
Agreements under paragraph (1) shall preclude—

(A) direct participation by a program manager in the delivery of employment services, vocational rehabilitation services, or other support services to beneficiaries in the service area covered by the program manager’s agreement; and

(B) the holding by a program manager of a financial interest in an employment network or service provider which provides services in a geographic area covered under the program manager’s agreement.

(4) Selection of employment networks
(A) In general
The Commissioner shall select and enter into agreements with employment networks for service under the Program. Such employment networks shall be in addition to State agencies serving as employment networks pursuant to elections under subsection (c).

(B) Alternate participants
In any State where the Program is being implemented, the Commissioner shall enter into an agreement with any alternate participant that is operating under the authority of section 422(d)(2) of this title in the State as of December 17, 1999, and chooses to serve as an employment network under the Program.

(5) Termination of agreements with employment networks
The Commissioner shall terminate agreements with employment networks for inad-
§ 1320b–19

(6) Quality assurance

The Commissioner shall provide for such periodic reviews as are necessary to provide for effective quality assurance in the provision of services by employment networks. The Commissioner shall solicit and consider the views of consumers and the program manager under which the employment networks serve and shall consult with providers of services to develop performance measurements. The Commissioner shall ensure that the results of the periodic reviews are made available to beneficiaries who are prospective service recipients as they select employment networks. The Commissioner shall ensure that the periodic surveys of beneficiaries receiving services under the Program are designed to measure customer service satisfaction.

(7) Dispute resolution

The Commissioner shall provide for a mechanism for resolving disputes between beneficiaries and employment networks, between program managers and employment networks, and between program managers and providers of services. The Commissioner shall afford a party to such a dispute a reasonable opportunity for a full and fair review of the matter in dispute.

(c) Program managers

(1) In general

A program manager shall conduct tasks appropriate to assist the Commissioner in carrying out the Commissioner’s duties in administering the Program.

(2) Recruitment of employment networks

A program manager shall recruit, and recommend for selection by the Commissioner, employment networks for service under the Program. The program manager shall carry out such recruitment and provide such recommendations, and shall monitor all employment networks serving in the Program in the geographic area covered under the program manager’s agreement, to the extent necessary and appropriate to ensure that adequate choices of services are made available to beneficiaries. Employment networks may serve under the Program only pursuant to an agreement entered into with the Commissioner under the Program incorporating the applicable provisions of this section and regulations thereunder, and the program manager shall provide and maintain assurances to the Commissioner that payment by the Commissioner to employment networks pursuant to this section is warranted based on compliance by such employment networks with the terms of such agreement and this section. The program manager shall not impose numerical limits on the number of employment networks to be recommended pursuant to this paragraph.

(3) Facilitation of access by beneficiaries to employment networks

A program manager shall facilitate access by beneficiaries to employment networks. The program manager shall ensure that each beneficiary is allowed changes in employment networks without being deemed to have rejected services under the Program. When such a change occurs, the program manager shall reassign the ticket based on the choice of the beneficiary. Upon the request of the employment network, the program manager shall make a determination of the allocation of the outcome or milestone-outcome payments based on the services provided by each employment network. The program manager shall establish and maintain lists of employment networks available to beneficiaries and shall make such lists generally available to the public. The program manager shall ensure that all information provided to disabled beneficiaries pursuant to this paragraph is provided in accessible formats.

(4) Ensuring availability of adequate services

The program manager shall ensure that employment services, vocational rehabilitation services, and other support services are provided to beneficiaries throughout the geographic area covered under the program manager’s agreement, including rural areas.

(5) Reasonable access to services

The program manager shall take such measures as are necessary to ensure that sufficient employment networks are available and that each beneficiary receiving services under the Program has reasonable access to employment services, vocational rehabilitation services, and other support services. Services provided under the Program may include case management, work incentives planning, supported employment, career planning, career plan development, vocational assessment, job training, placement, follow-up services, and such other services as may be specified by the Commissioner under the Program. The program manager shall ensure that such services are available in each service area.

(f) Employment networks

(1) Qualifications for employment networks

(A) In general

Each employment network serving under the Program shall consist of an agency or instrumentality of a State (or a political subdivision thereof) or a private entity, that assumes responsibility for the coordination and delivery of services under the Program to individuals assigning to the employment network tickets to work and self-sufficiency issued under subsection (b).

(B) One-stop delivery systems

An employment network serving under the Program may consist of a one-stop delivery system established under section 3151(e) of title 29.

(C) Compliance with selection criteria

No employment network may serve under the Program unless it meets and maintains compliance with both general selection criteria (such as professional and educational qualifications, where applicable) and specific selection criteria (such as substantial exper-
(g) Individual work plans

(1) Requirements

Each employment network shall—

(A) take such measures as are necessary to ensure that employment services, vocational rehabilitation services, and other support services provided under the Program by, or under agreements entered into with, the employment network are provided under appropriate individual work plans that meet the requirements of subsection (g);

(B) develop and implement each such individual work plan, in partnership with each beneficiary receiving such services, in a manner that affords such beneficiary the opportunity to exercise informed choice in selecting an employment goal and specific services needed to achieve that employment goal;

(C) ensure that each individual work plan includes at least—

(i) a statement of the vocational goal developed with the beneficiary, including, as appropriate, goals for earnings and job advancement;

(ii) a statement of the services and supports that have been deemed necessary for the beneficiary to accomplish that goal;

(iii) a statement of any terms and conditions related to the provision of such services and supports; and

(iv) a statement of understanding regarding the beneficiary’s rights under the Program (such as the right to retrieve the ticket to work and self-sufficiency if the beneficiary is dissatisfied with the services being provided by the employment network) and remedies available to the individual, including information on the availability of advocacy services and assistance in resolving disputes through the State grant program authorized under section 1320b–21 of this title;

(D) provide a beneficiary the opportunity to amend the individual work plan if a change in circumstances necessitates a change in the plan; and

(E) make each beneficiary’s individual work plan available to the beneficiary in, as appropriate, an accessible format chosen by the beneficiary.

An individual work plan established pursuant to this subsection shall be treated, for purposes of section 51(d)(5)(B)(i) of the Internal Revenue Code of 1986, as an individualized written plan for employment under a State plan for vocational rehabilitation services approved under the Rehabilitation Act of 1973 [29 U.S.C. 701 et seq.].

(2) Effective upon written approval

A beneficiary’s individual work plan shall take effect upon written approval by the beneficiary or a representative of the beneficiary and a representative of the employment network that, in providing such written approval, acknowledges assignment of the beneficiary’s ticket to work and self-sufficiency.

(h) Employment network payment systems

(1) Election of payment system by employment networks

(A) In general

The Program shall provide for payment authorized by the Commissioner to employment networks under either an outcome payment system or an outcome-milestone payment system. Each employment network shall elect which payment system will be utilized by the employment network, and, for such period of time as such election remains in effect, the payment system so elected shall be utilized exclusively in connection with such employment network (except as provided in subparagraph (B)).
§ 1320b–19

(2) Outcome payment system

(A) In general

The outcome payment system shall consist of a payment structure governing employment networks electing such system under paragraph (1)(A) which meets the requirements of this paragraph.

(B) Payments made during outcome payment period

The outcome payment system shall provide for a schedule of payments to an employment network, in connection with each individual who is a beneficiary, for each month, during the individual’s outcome payment period, for which benefits (described in paragraphs (3) and (4) of subsection (k)) are not payable to such individual because of work or earnings.

(C) Computation of payments to employment network

The payment schedule of the outcome payment system shall be designed so that—

(i) the payment for each month during the outcome payment period for which benefits (described in paragraphs (3) and (4) of subsection (k)) are not payable is equal to a fixed percentage of the payment calculation base for the calendar year in which such month occurs; and

(ii) such fixed percentage is set at a percentage which does not exceed 40 percent.

(3) Outcome-milestone payment system

(A) In general

The outcome-milestone payment system shall consist of a payment structure governing employment networks electing such system under paragraph (1)(A) which meets the requirements of this paragraph.

(B) Early payments upon attainment of milestones in advance of outcome payment periods

The outcome-milestone payment system shall provide for 1 or more milestones, with respect to beneficiaries receiving services from an employment network under the Program, that are directed toward the goal of permanent employment. Such milestones shall form a part of a payment structure that provides, in addition to payments made during outcome payment periods, payments made prior to outcome payment periods in amounts based on the attainment of such milestones.

(C) Limitation on total payments to employment network

The payment schedule of the outcome-milestone payment system shall be designed so that the total of the payments to the employment network with respect to each beneficiary is less than, on a net present value basis (using an interest rate determined by the Commissioner that appropriately reflects the cost of funds faced by providers), the total amount to which payments to the employment network with respect to the beneficiary would be limited if the employment network were paid under the outcome payment system.

(4) Definitions

In this subsection:

(A) Payment calculation base

The term “payment calculation base” means, for any calendar year—

(i) in connection with a title II disability beneficiary, the average disability insurance benefit payable under section 423 of this title for all beneficiaries for months during the preceding calendar year; and

(ii) in connection with a title XVI disability beneficiary (who is not concurrently a title II disability beneficiary), the average payment of supplemental security income benefits based on disability payable under subchapter XVI (excluding State supplementation) for months during the preceding calendar year to all beneficiaries who have attained 18 years of age but have not attained 65 years of age.

(B) Outcome payment period

The term “outcome payment period” means, in connection with any individual who had assigned a ticket to work and self-sufficiency to an employment network under the Program, a period—

(i) beginning with the first month, ending after the date on which such ticket was assigned to the employment network, for which benefits (described in paragraphs (3) and (4) of subsection (k)) are not payable to such individual by reason of engagement in substantial gainful activity or by reason of earnings from work activity; and

(ii) ending with the 60th month (consecutive or otherwise), ending after such date, for which such benefits are not payable to such individual by reason of engagement in substantial gainful activity or by reason of earnings from work activity.

(5) Periodic review and alterations of prescribed schedules

(A) Percentages and periods

The Commissioner shall periodically review the percentage specified in paragraph (2)(C), the total payments permissible under paragraph (3)(C), and the period of time specified in paragraph (4)(B) to determine whether such percentages, such permissible payments, and such period provide an adequate incentive for employment networks to assist beneficiaries to enter the workforce, while
providing for appropriate economies. The Commissioner may alter such percentage, such total permissible payments, or such period of time to the extent that the Commissioner determines, on the basis of the Commissioner’s review under this paragraph, that such an alteration would better provide the incentive and economies described in the preceding sentence.

(B) Number and amounts of milestone payments

The Commissioner shall periodically review the number and amounts of milestone payments established by the Commissioner pursuant to this section to determine whether they provide an adequate incentive for employment networks to assist beneficiaries to enter the workforce, taking into account information provided to the Commissioner by program managers, the Ticket to Work and Work Incentives Advisory Panel established by section 101(f) of the Ticket to Work and Work Incentives Improvement Act of 1999, and other reliable sources. The Commissioner may from time to time alter the number and amounts of milestone payments initially established by the Commissioner pursuant to this section to the extent that the Commissioner determines that such an alteration would allow an adequate incentive for employment networks to enter the workforce. Such alteration shall be based on information provided to the Commissioner by program managers, the Ticket to Work and Work Incentives Advisory Panel established by section 101(f) of the Ticket to Work and Work Incentives Improvement Act of 1999, or other reliable sources.

(C) Report on the adequacy of incentives

The Commissioner shall submit to the Congress not later than 36 months after December 17, 1999, a report with recommendations for a method or methods to adjust payment rates under subparagraphs (A) and (B), that would ensure adequate incentives for the provision of services by employment networks of—

(i) individuals with a need for ongoing support and services;
(ii) individuals with a need for high-cost accommodations;
(iii) individuals who earn a subminimum wage; and
(iv) individuals who work and receive partial cash benefits.

The Commissioner shall consult with the Ticket to Work and Work Incentives Advisory Panel established under section 101(f) of the Ticket to Work and Work Incentives Improvement Act of 1999 during the development and evaluation of the study. The Commissioner shall implement the necessary adjusted payment rates prior to full implementation of the Ticket to Work and Self-Sufficiency Program.

(i) Suspension of disability reviews

During any period for which an individual is using, as defined by the Commissioner, a ticket to work and self-sufficiency issued under this section, the Commissioner (and any applicable State agency) may not initiate a continuing disability review or other review under section 421 of this title of whether the individual is or is not under a disability or a review under subchapter XVI similar to any such review under section 421 of this title.

(j) Authorizations

(1) Payments to employment networks

(A) Title II disability beneficiaries

There are authorized to be transferred from the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund each fiscal year such sums as may be necessary to make payments to employment networks under this section. Money paid from the Trust Funds under this section with respect to title II disability beneficiaries who are entitled to benefits under section 423 of this title who are entitled to benefits under section 423 of this title or who are entitled to benefits under section 402(d) of this title on the basis of the wages and self-employment income of such beneficiaries, shall be charged to the Federal Disability Insurance Trust Fund, and all other money paid from the Trust Funds under this section shall be charged to the Federal Old-Age and Survivors Insurance Trust Fund.

(B) Title XVI disability beneficiaries

Amounts authorized to be appropriated to the Social Security Administration under section 1391 of this title shall include amounts necessary to carry out the provisions of this section with respect to title XVI disability beneficiaries.

(2) Administrative expenses

The costs of administering this section (other than payments to employment networks) shall be paid from amounts made available for the administration of subchapter II and amounts made available for the administration of subchapter XVI, and shall be allocated among such amounts as appropriate.

(k) Definitions

In this section:

(1) Commissioner

The term “Commissioner” means the Commissioner of Social Security.

(2) Disabled beneficiary

The term “disabled beneficiary” means a title II disability beneficiary or a title XVI disability beneficiary.

(3) Title II disability beneficiary

The term “title II disability beneficiary” means an individual entitled to disability insurance benefits under section 423 of this title or to monthly insurance benefits under section 402 of this title based on such individual’s disability (as defined in section 423(d) of this title). An individual is a title II disability beneficiary for each month for which such individual is entitled to such benefits.

(4) Title XVI disability beneficiary

The term “title XVI disability beneficiary” means an individual eligible for supplemental
security income benefits under subchapter XVI on the basis of blindness (within the meaning of section 1382c(a)(2) of this title) or disability (within the meaning of section 1382c(a)(3) of this title). An individual is a title XVI disability beneficiary for each month for which such individual is eligible for such benefits.

(5) Supplemental security income benefit

The term 'supplemental security income benefit under subchapter XVI' means a cash benefit under section 1382 or 1382h(a) of this title, and does not include a State supplementary payment, administered federally or otherwise.

(i) Regulations

Not later than 1 year after December 17, 1999, the Commissioner shall prescribe such regulations as are necessary to carry out the provisions of this section.

REFERENCES IN TEXT

The Rehabilitation Act of 1973, referred to in subsections (a)(1) and (g)(1), is section 701 of the Act, which is classified generally to subchapter I (§ 720 et seq.) of Title 29, Labor. Title I of the Act is classified generally to subchapter I (§720 et seq.) of chapter 16 of Title 29. For complete classification of this Act to the Code, see Short Title note set out under section 701 of Title 29 and Tables.

The Internal Revenue Code of 1986, referred to in subsection (g)(1), is classified generally to Title 26, Internal Revenue Code.

Section 101(f) of the Ticket to Work and Work Incentives Improvement Act of 1999, referred to in subsection (h)(5)(B), (C), is section 101(f) of Pub. L. 106-170, which is set out as a note below.

AMENDMENTS


EFFECTIVE DATE OF 2014 AMENDMENT

Amendment by Pub. L. 113-128 effective on the first day of the first full program year after July 22, 2014 (July 1, 2015), see section 506 of Pub. L. 113-128, set out as an Effective Date note under section 3101 of Title 29, Labor. 

EFFECTIVE DATE OF 2004 AMENDMENT

Pub. L. 108-203, title IV, § 405(b), Mar. 2, 2004, 118 Stat. 527, provided that: ‘‘The amendment made by subsection (a) [amending this section] shall take effect as if included in section 505 of the Ticket to Work and Work Incentives Improvement Act of 1999 (Public Law 106-170, 113 Stat. 1921).’’

EFFECTIVE DATE

Pub. L. 106-170, title I, §101(c), 113 Stat. 1874, provided that: ‘‘Subject to subsection (d) [set out as a note below], the amendments made by subsections (a) and (b) [enacting this section and amending sections 421, 422, 425, 1382d, 1383, and 1383b of this title] shall take effect with the first month following 1 year after the date of the enactment of this Act [Dec. 17, 1999].’’
“(1) procedures for effective oversight of the Program by the Commissioner of Social Security, including periodic reviews and reporting requirements.”

GAO STUDY REGARDING THE TICKET TO WORK AND SELF-SUFFICIENCY PROGRAM

Pub. L. 106–170, § 2, Dec. 17, 1999, 113 Stat. 1862, provided that:

“(a) [sic] GAO REPORT.—Not later than 12 months after the date of enactment of this Act [Mar. 2, 2004], the Comptroller General of the United States shall submit a report to Congress regarding the Ticket to Work and Self-Sufficiency Program established under section 1383 of the Social Security Act (42 U.S.C. 1320b–19) that:

“(1) examines the annual and interim reports issued by States, the Ticket to Work and Work Incentives Advisory Panel established under section 101(f) of the Ticket to Work and Work Incentives Improvement Act of 1999 [Pub. L. 106–170] (42 U.S.C. 1320b–19 note), and the Commissioner of Social Security regarding such program;

“(2) assesses the effectiveness of the activities carried out under such program; and

“(3) recommends such legislative or administrative changes as the Comptroller General determines are appropriate to improve the effectiveness of such program.”

FINDINGS AND PURPOSES

Pub. L. 106–170, § 2, Dec. 17, 1999, 113 Stat. 1862, provided that:

“(a) FINDINGS.—The Congress makes the following findings:

“(1) It is the policy of the United States to provide assistance to individuals with disabilities to lead productive work lives.

“(2) Health care is important to all Americans.

“(3) Health care is particularly important to individuals with disabilities and special health care needs who often cannot afford the insurance available to them through the private market, are uninsurable by the plans available in the private sector, and are at great risk of incurring very high and economically devastating health care costs.

“(4) Americans with significant disabilities often are unable to obtain health care insurance that provides coverage of the services and supports that enable them to live independently and enter or rejoin the workforce. Personal assistance services (such as attendant services, personal assistance with transportation to and from work, reader services, job coaches, and related assistance) remove many of the barriers between significant disability and work. Coverage for such services, as well as for prescription drugs, durable medical equipment, and basic health care aids are powerful and proven tools for individuals with significant disabilities to obtain and retain employment.

“(5) For individuals with disabilities, the fear of losing health care and related services is one of the greatest barriers keeping the individuals from maximizing their employment, earning potential, and independence.

“(6) Social Security Disability Insurance and Supplemental Security Income beneficiaries risk losing medicaid coverage that is linked to their cash benefits, a risk that is equal, or greater, work disincentive than the loss of cash benefits associated with working.

“(7) Individuals with disabilities have greater opportunities for employment than ever before, aided by important public policy initiatives such as the Americans with Disabilities Act of 1990 (42 U.S.C. 12101 et seq.), advancements in public understanding of disability, and innovations in assistive technology, medical treatment, and rehabilitation.

“(8) Despite such historic opportunities and the desire of millions of disability recipients to work and support themselves, fewer than one-half of one percent of Social Security Disability Insurance and Supplemental Security Income beneficiaries leave the disability rolls and return to work.

“(9) In addition to the fear of loss of health care coverage, beneficiaries cite financial disincentives to work and earn income and lack of adequate employment training and placement services as barriers to employment.

“(10) Eliminating such barriers to work by creating financial incentives to work and by providing individuals with disabilities real choice in obtaining the services and technology they need to find, enter, and maintain employment can greatly improve their short and long-term financial independence and personal well-being.

“(11) In addition to the enormous advantages such changes promise for individuals with disabilities, redesigning government programs to help individuals with disabilities return to work may result in significant savings and extend the life of the Social Security Disability Insurance Trust Fund.

“(12) If only an additional one-half of one percent of the current Social Security Disability Insurance and Supplemental Security Income recipients were to cease receiving benefits as a result of employment, the savings to the Social Security Trust Funds and to the Treasury in cash assistance would total $3,950,000,000 over the working life of such individuals, far exceeding the cost of providing incentives and services needed to assist them in entering work and achieving financial independence to the best of their abilities.

“(b) PURPOSES.—The purposes of this Act [see Tables for classification] are as follows:

“(1) To provide health care and employment preparation and placement services to individuals with disabilities that will enable those individuals to reduce their dependency on cash benefit programs.

“(2) To encourage States to adopt the option of allowing individuals with disabilities to purchase medicaid coverage that is necessary to enable such individuals to maintain employment.

“(3) To provide individuals with disabilities the option of maintaining medicaid coverage while working.

“(4) To establish a return to work ticket program that will allow individuals with disabilities to seek the services necessary to obtain and retain employment and reduce their dependency on cash benefit programs.

GRADUATED IMPLEMENTATION OF PROGRAM

Pub. L. 106–170, title 1, §101(d), Dec. 17, 1999, 113 Stat. 1874, provided that:

“(1) IN GENERAL.—Not later than 1 year after the date of enactment of this Act [Dec. 17, 1999], the Commissioner of Social Security shall commence implementation of the amendments made by this section [enacting this section and amending sections 421, 422, 425, 1382d, 1383, and 1383b of this title] (other than paragraphs (1)(C) and (2)(B) of subsection (b) [amending sections 422 and 1382d of this title]) in graduated phases at phase-in sites selected by the Commissioner. Such phase-in sites shall be selected so as to ensure, prior to full implementation of the Ticket to Work and Self-Sufficiency Program, the development and refinement of referral processes, payment systems, computer linkages, management information systems, and administrative processes necessary to provide for full implementation of such amendments. Subsection (c) [set out as a note above] shall apply with respect to paragraphs (1)(C) and (2)(B) of subsection (b) without regard to this subsection.

“(2) REQUIREMENTS.—Implementation of the Program at each phase-in site shall be carried out on a wide enough scale to permit a thorough evaluation of the alternative methods under consideration, so as to ensure that the most efficacious methods are determined and in place for full implementation of the Program on a timely basis.
§ 1320b–20

TITLe 42—THE PUBLIC HEALTH AND WELFARE

Page 2366

“(3) FULL IMPLEMENTATION.—The Commissioner shall ensure that ability to provide tickets and services to individuals under the Program exists in every State as soon as practicable on or after the effective date specified in subsection (c) but not later than 3 years after such date.

“(4) ONGOING EVALUATION OF PROGRAM.—

(A) IN GENERAL.—The Commissioner shall provide for independent evaluations to assess the effectiveness of the activities carried out under this section [enacting this section, amending sections 422, 422, 425, 1953, and 1953 of this title, and enacting provisions set out as notes under this section] and the amendments made thereby. Such evaluations shall address the cost-effectiveness of such activities, as well as the effects of this section and the amendments made thereby on work outcomes for beneficiaries receiving tickets to work and self-sufficiency under the Program.

(B) CONSULTATION.—Evaluations shall be conducted under this paragraph after receiving relevant advice from experts in the fields of disability, vocational rehabilitation, and program evaluation and individuals using tickets to work and self-sufficiency under the Program and in consultation with the Ticket to Work and Work Incentives Advisory Panel established under section 101(f) of this Act [set out as a note below], the Comptroller General of the United States, other agencies of the Federal Government, and private organizations with appropriate expertise.

(C) METHODOLOGY.—

(1) IMPLEMENTATION.—The Commissioner, in consultation with the Ticket to Work and Work Incentives Advisory Panel established under section 101(f) of this Act, shall ensure that plans for evaluations and data collection methods under the Program are appropriately designed to obtain detailed employment information.

(II) SPECIFIC MATTERS TO BE ADDRESSED.—Each such evaluation shall address (but is not limited to)—

(I) the annual cost (including net cost) of the Program and the annual cost (including net cost) that would have been incurred in the absence of the Program;

(II) the determinants of return to work, including the characteristics of beneficiaries in receipt of tickets under the Program;

(III) the types of employment services, vocational rehabilitation services, and other support services furnished to beneficiaries in receipt of tickets under the Program who return to work and to those who do not return to work;

(IV) the duration of employment services, vocational rehabilitation services, and other support services furnished to beneficiaries in receipt of tickets under the Program who return to work and the duration of such services furnished to those who do not return to work and the cost to employment networks of furnishing such services;

(V) the employment outcomes, including wages, occupations, benefits, and hours worked, of beneficiaries who return to work after receiving tickets under the Program and those who return to work without receiving such tickets;

(VI) the characteristics of individuals in possession of tickets under the Program who are not accepted for services and, to the extent reasonably determinable, the reasons for which such beneficiaries were not accepted for services;

(VII) the characteristics of providers whose services are provided within an employment network under the Program;

(VIII) the extent (if any) to which employment networks display a greater willingness to provide services to beneficiaries with a range of disabilities;

(IX) the characteristics (including employment outcomes) of those beneficiaries who receive services under the outcome payment system and of those beneficiaries who receive services under the outcome-milestone payment system;

(X) measures of satisfaction among beneficiaries in receipt of tickets under the Program; and

(XI) reasons for (including comments solicited from beneficiaries regarding) their choice not to use their tickets or their inability to return to work despite the use of their tickets.

(D) PERIODIC EVALUATION REPORTS.—Following the close of the third and fifth fiscal years ending after the effective date under subsection (c), and prior to the close of the seventh fiscal year ending after such date, the Commissioner shall transmit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate a report containing the Commissioner’s evaluation of the progress of activities conducted under the provisions of this section and the amendments made thereby. Each such report shall include such data, findings, materials, and recommendations as the Commissioner may consider appropriate.

(5) EXTENT OF STATE’S RIGHT OF FIRST REFUSAL IN ADVANCE OF FULL IMPLEMENTATION OF AMENDMENTS IN SUCH STATE.—

(A) IN GENERAL.—In the case of any State in which the amendments made by subsection (a) [enacting this section] have not been fully implemented pursuant to this subsection, the Commissioner shall determine by regulation the extent to which—

(I) the requirement under section 222(a) of the Social Security Act (42 U.S.C. 422(a)) for prompt referrals to a State agency; and

(ii) the authority of the Commissioner under section 222(d)(2) of such Act (42 U.S.C. 422(d)(2)) to provide vocational rehabilitation services in such State by agreement or contract with other public or private agencies, organizations, institutions, or individuals, shall apply in such State.

(B) EXISTING AGREEMENTS.—Nothing in subparagraph (A) or the amendments made by subsection (a) [enacting this section] shall be construed to limit, impede, or otherwise affect any agreement entered into pursuant to section 222(d)(2) of the Social Security Act (42 U.S.C. 422(d)(2)) before the date of the enactment of this Act [Dec. 17, 1998] with respect to services provided pursuant to such agreement to beneficiaries receiving services under such agreement as of such date, except with respect to services (if any) to be provided after 3 years after the effective date provided in subsection (c).”

TICKET TO WORK AND WORK INCENTIVES ADVISORY PANEL


§ 1320b–20. Work incentives outreach program

(a) Establishment

(1) In general

The Commissioner, in consultation with the Ticket to Work and Work Incentives Advisory Panel established under section 101(f) of the Ticket to Work and Work Incentives Improvement Act of 1999, shall establish a community-based work incentives planning and assistance
program for the purpose of disseminating accurate information to disabled beneficiaries on work incentives programs and issues related to such programs.

(2) Grants, cooperative agreements, contracts, and outreach

Under the program established under this section, the Commissioner shall—

(A) establish a competitive program of grants, cooperative agreements, or contracts to provide benefits planning and assistance, including information on the availability of protection and advocacy services, to disabled beneficiaries, including individuals participating in the Ticket to Work and Self-Sufficiency Program established under section 1320b–19 of this title, the program established under section 1382h of this title, and other programs that are designed to encourage disabled beneficiaries to work;

(B) conduct directly, or through grants, cooperative agreements, or contracts, ongoing outreach efforts to disabled beneficiaries (and to the families of such beneficiaries) who are potentially eligible to participate in Federal or State work incentive programs that are designed to assist disabled beneficiaries to work, including—

(i) preparing and disseminating information explaining such programs; and

(ii) working in cooperation with other Federal, State, and private agencies and nonprofit organizations that serve disabled beneficiaries, and with agencies and organizations that focus on vocational rehabilitation and work-related training and counseling;

(C) establish a corps of trained, accessible, and responsive work incentives specialists within the Social Security Administration who will specialize in disability work incentives under subchapters II and XVI for the purpose of disseminating accurate information with respect to inquiries and issues relating to work incentives to—

(i) disabled beneficiaries; (ii) benefit applicants under subchapters II and XVI; and

(iii) individuals or entities awarded grants under subparagraphs (A) or (B); and

(D) provide—

(i) training for work incentives specialists and individuals providing planning assistance described in subparagraph (C); and

(ii) technical assistance to organizations and entities that are designed to encourage disabled beneficiaries to return to work.

(3) Coordination with other programs

The responsibilities of the Commissioner established under this section shall be coordinated with other public and private programs that provide information and assistance regarding rehabilitation services and independent living supports and benefits planning for disabled beneficiaries including the program under section 1382h of this title, the plans for achieving self-support program (PASS), and any other Federal or State work incentives programs that are designed to assist disabled beneficiaries, including educational agencies that provide information and assistance regarding rehabilitation, school-to-work programs, transition services (as defined in, and provided in accordance with, the Individuals with Disabilities Education Act (20 U.S.C. 1400 et seq.)), a one-stop delivery system established under section 3135(e) of title 29, and other services.

(b) Conditions

(1) Selection of entities

(A) Application

An entity shall submit an application for a grant, cooperative agreement, or contract to provide benefits planning and assistance to the Commissioner at such time, in such manner, and containing such information as the Commissioner may determine is necessary to meet the requirements of this section.

(B) Statewideness

The Commissioner shall ensure that the planning, assistance, and information described in paragraph (2) shall be available on a statewide basis.

(C) Eligibility of States and private organizations

(i) In general

The Commissioner may award a grant, cooperative agreement, or contract under this section to a State or a private agency or organization (other than Social Security Administration Field Offices and the State agency administering the State medicaid program under subchapter XIX, including any agency or entity described in clause (ii), that the Commissioner determines is qualified to provide the planning, assistance, and information described in paragraph (2)).

(ii) Agencies and entities described

The agencies and entities described in this clause are the following:

(I) Any public or private agency or organization (including Centers for Independent Living established under title VII of the Rehabilitation Act of 1973 (29 U.S.C. 796 et seq.), protection and advocacy organizations, client assistance programs established in accordance with section 112 of the Rehabilitation Act of 1973 (29 U.S.C. 722), and State Developmental Disabilities Councils established in accordance with section 6024(2) of this title) that the Commissioner determines satisfies the requirements of this section.

(II) The State agency administering the State program funded under part A of subchapter IV.

(D) Exclusion for conflict of interest

The Commissioner may not award a grant, cooperative agreement, or contract under

1 See in original. Probably should be “subparagraph”.
2 See References in Text note below.
this section to any entity that the Commissioner determines would have a conflict of interest if the entity were to receive a grant, cooperative agreement, or contract under this section.

(2) Services provided
A recipient of a grant, cooperative agreement, or contract to provide benefits planning and assistance shall select individuals who will act as planners and provide information, guidance, and planning to disabled beneficiaries on the—

(A) availability and interrelation of any Federal or State work incentives programs designed to assist disabled beneficiaries that the individual may be eligible to participate in;

(B) adequacy of any health benefits coverage that may be offered by an employer of the individual and the extent to which other health benefits coverage may be available to the individual; and

(C) availability of protection and advocacy services for disabled beneficiaries and how to access such services.

(3) Amount of grants, cooperative agreements, or contracts

(A) Based on population of disabled beneficiaries
Subject to subparagraph (B), the Commissioner shall award a grant, cooperative agreement, or contract under this section to an entity based on the percentage of the population of the State where the entity is located who are disabled beneficiaries.

(B) Limitations

(i) Per grant
No entity shall receive a grant, cooperative agreement, or contract under this section for a fiscal year that is less than $50,000 or more than $300,000.

(ii) Total amount for all grants, cooperative agreements, and contracts
The total amount of all grants, cooperative agreements, and contracts awarded under this section for a fiscal year may not exceed $23,000,000.

(4) Funding

(A) Allocation of costs
The costs of carrying out this section shall be paid from amounts made available for the administration of subchapter II and amounts made available for the administration of subchapter XVI, and shall be allocated among those amounts as appropriate.

(B) Carryover
An amount not in excess of 10 percent of the total amount obligated through a grant, cooperative agreement, or contract awarded under this section for a fiscal year to a State or a private agency or organization shall remain available for obligation to such State or private agency or organization until the end of the succeeding fiscal year. Any such amount remaining available for obligation during such succeeding fiscal year shall be available for providing benefits planning and assistance only for individuals who are within the caseload of the recipient of the grant, agreement, or contract as of immediately before the beginning of such fiscal year.

(c) Annual report
Each entity awarded a grant, cooperative agreement, or contract under this section shall submit an annual report to the Commissioner on the benefits planning and assistance provided to individuals under such grant, agreement, or contract.

(d) Definitions

In this section:

(1) Commissioner
The term “Commissioner” means the Commissioner of Social Security.

(2) Disabled beneficiary
The term “disabled beneficiary” means an individual—

(A) who is a disabled beneficiary as defined in section 1320b–19(k)(2) of this title;

(B) who is receiving a cash payment described in section 1382e(a) of this title or a supplementary payment described in section 212(a)(3) of Public Law 93–66 (without regard to whether such payment is paid by the Commissioner pursuant to an agreement under section 1382e(a) of this title or under section 212(b) of Public Law 93–66);

(C) who, pursuant to section 1382h(b) of this title, is considered to be receiving benefits under subchapter XVI of this chapter; or

(D) who is entitled to benefits under part A of subchapter XVIII of this chapter by reason of the penultimate sentence of section 426(b) of this title.

(e) Authorization of appropriations
There are authorized to be appropriated to carry out this section $23,000,000 for each of the fiscal years 2000 through 2011.


REFERENCES IN TEXT
Section 101(f) of the Ticket to Work and Work Incentives Improvement Act of 1999, referred to in subsec. (a)(1), is section 101(f) of Pub. L. 106–170, which is set out as a note under section 1320b–19 of this title.

The Individuals with Disabilities Education Act, referred to in subsec. (a)(3), is title VI of Pub. L. 91–230, Apr. 13, 1970, 84 Stat. 175, which is classified generally to chapter 33 (§1400 et seq.) of Title 20, Education. For complete classification of this Act to the Code, see section 1400 of Title 20 and Tables.


Section 6024 of this title, refer to in subsec. (b)(1)(D)(i), was repealed by Pub. L. 106–402, title IV,
§ 1320b–21. State grants for work incentives assistance to disabled beneficiaries

(a) In general

Subject to subsection (c), the Commissioner may make payments in each State to the protection and advocacy system established pursuant to part C of title I of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6041 et seq.) for the purpose of providing services to disabled beneficiaries.

(b) Services provided

Services provided to disabled beneficiaries pursuant to a payment made under this section may include—

(1) information and advice about obtaining vocational rehabilitation and employment services; and

(2) advocacy or other services that a disabled beneficiary may need to secure, maintain, or regain gainful employment.

(c) Application

In order to receive payments under this section, a protection and advocacy system shall submit an application to the Commissioner, at such time, in such form and manner, and accompanied by such information and assurances as the Commissioner may require.

(d) Amount of payments

(1) In general

Subject to the amount appropriated for a fiscal year for making payments under this section, a protection and advocacy system shall not be paid an amount that is less than—

(A) in the case of a protection and advocacy system located in a State (including the District of Columbia and Puerto Rico) other than Guam, American Samoa, the United States Virgin Islands, and the Commonwealth of the Northern Mariana Islands, the greater of—

(i) $100,000; or

(ii) \( \frac{1}{2} \) of 1 percent of the amount available for payments under this section; and

(B) in the case of a protection and advocacy system located in Guam, American Samoa, the United States Virgin Islands, and the Commonwealth of the Northern Mariana Islands, $50,000.

(2) Inflation adjustment

For each fiscal year in which the total amount appropriated to carry out this section exceeds the total amount appropriated to carry out this section in the preceding fiscal year, the Commissioner shall increase each minimum payment under subparagraphs (A) and (B) of paragraph (1) by a percentage equal to the percentage increase in the total amount so appropriated to carry out this section.

(e) Annual report

Each protection and advocacy system that receives a payment under this section shall submit an annual report to the Commissioner and the Ticket to Work and Work Incentives Advisory Panel established under section 101(f) of the Ticket to Work and Work Incentives Improvement Act of 1999 on the services provided to individuals by the system.

(f) Funding

(1) Allocation of payments

Payments under this section shall be made from amounts made available for the administration of subchapter II and amounts made available for the administration of subchapter XVI, and shall be allocated among those amounts as appropriate.

(2) Carryover

Any amounts allotted for payment to a protection and advocacy system under this section for a fiscal year shall remain available for payment to or on behalf of the protection and advocacy system until the end of the succeeding fiscal year.

(g) Definitions

In this section:
(1) Commissioner

The term “Commissioner” means the Commissioner of Social Security.

(2) Disabled beneficiary

The term “disabled beneficiary” means an individual—

(A) who is a disabled beneficiary as defined in section 1320b–19(k)(2) of this title;

(B) who is receiving a cash payment described in section 1382e(a) of this title or a supplementary payment described in section 212(a)(3) of Public Law 93–66 (without regard to whether such payment is paid by the Commissioner pursuant to an agreement under section 1382e(a) of this title or under section 212(b) of Public Law 93–66);

(C) who, pursuant to section 1382h(b) of this title, is considered to be receiving benefits under subchapter XVI of this chapter; or

(D) who is entitled to benefits under part A of subchapter XVIII of this chapter by reason of the penultimate sentence of section 426(b) of this title.

(3) Protection and advocacy system

The term “protection and advocacy system” means a protection and advocacy system established pursuant to part C of title I of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6041 et seq.).

(h) Authorization of appropriations

There are authorized to be appropriated to carry out this section $7,000,000 for each of the fiscal years 2000 through 2011.


REFERENCES IN TEXT

The Developmental Disabilities Assistance and Bill of Rights Act, referred to in subsection (a) and (g)(3), is title I of Pub. L. 98–527, § 2, Oct. 19, 1984, 98 Stat. 1737. Part C of the Act was classified generally to subchapter III (§ 6041 et seq.) of chapter 75 of this title. For complete classification of this Act to the Code, see Tables.

Section 101(f) of the Ticket to Work and Work Incentives Improvement Act of 1999, referred to in subsection (e), is section 101(f) of Pub. L. 106–170, which is set out as a note under section 1320b–19 of this title.

Section 212 of Public Law 93–66, referred to in subsection (g)(2)(B), is set out as a note under section 1320b of this title.

AMENDMENTS


2004—Subsec. (b)(2). Pub. L. 108–203, § 404(b)(2), substituted “secure, maintain, or regain” for “secure or regain”.

Subsec. (g)(2). Pub. L. 108–203, § 404(b)(1), reenacted heading without change and amended text generally. Prior to amendment, text read as follows: ‘The term ‘disabled beneficiary’ has the meaning given that term in section 1320b–19(k)(2) of this title.”


Effective Date of 2004 Amendment


§ 1320b–22. Grants to develop and establish State infrastructures to support working individuals with disabilities

(a) Establishment

(1) In general

The Secretary of Health and Human Services (in this section referred to as the “Secretary”) shall award grants described in subsection (b) to States to support the design, establishment, and operation of State infrastructures that provide items and services to support working individuals with disabilities.

(2) Application

In order to be eligible for an award of a grant under this section, a State shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary shall require.

(3) Definition of State

In this section, the term “State” means each of the 50 States, the District of Columbia, Puerto Rico, Guam, the United States Virgin Islands, American Samoa, and the Commonwealth of the Northern Mariana Islands.

(b) Grants for infrastructure and outreach

(1) In general

Out of the funds appropriated under subsection (e), the Secretary shall award grants to States to—

(A) support the establishment, implementation, and operation of the State infrastructures described in subsection (a); and

(B) conduct outreach campaigns regarding the existence of such infrastructures.

(2) Eligibility for grants

(A) In general

No State may receive a grant under this subsection unless the State demonstrates to the satisfaction of the Secretary that the State makes personal assistance services available under the State plan under subchapter XIX of this chapter to the extent necessary to enable individuals with disabilities to remain employed, including individuals described in section 1396a(a)(10)(A)(11)(XIII) of this title if the State has elected to provide medical assistance under such plan to such individuals.

(B) Definitions

In this section:

(i) Employed

The term “employed” means—

(I) earning at least the applicable minimum wage requirement under section
206 of title 29 and working at least 40 hours per month; or
(II) being engaged in a work effort that meets substantial and reasonable threshold criteria for hours of work, wages, or other measures, as defined and approved by the Secretary.

(ii) Personal assistance services

The term “personal assistance services” means a range of services, provided by 1 or more persons, designed to assist an individual with a disability to perform daily activities on and off the job. Such services shall be designed to increase the individual’s control in life and ability to perform everyday activities on or off the job.

(3) Determination of awards

(A) In general

Subject to subparagraph (B), the Secretary shall develop a methodology for awarding grants to States under this section for a fiscal year in a manner that—

(i) rewards States for their efforts in encouraging individuals described in paragraph (2)(A) to be employed; and

(ii) does not provide a State that has not elected to provide medical assistance under subchapter XIX of this chapter to individuals described in section 1396a(a)(10)(A)(ii)(XIII) of this title with proportionally more funds for a fiscal year than a State that has exercised such election.

(B) Award limits

(i) Minimum awards

(I) In general

Subject to subclause (II), no State with an approved application under this section shall receive a grant for a fiscal year that is less than $500,000.

(II) Pro rata reductions

If the funds appropriated under subsection (e) for a fiscal year are not sufficient to pay each State with an application approved under this section the minimum amount described in subclause (I), the Secretary shall pay each such State an amount equal to the pro rata share of the amount made available.

(ii) Maximum awards

(I) States that elected optional medicaid eligibility

No State that has an application that has been approved under this section and that has elected to provide medical assistance under subchapter XIX of this chapter to individuals described in section 1396a(a)(10)(A)(ii)(XIII) of this title shall receive a grant for a fiscal year that exceeds 10 percent of the total expenditures by the State (including the reimbursed Federal share of such expenditures) for medical assistance provided under such subchapter for such individuals, as estimated by the State and approved by the Secretary.

(II) Other States

The Secretary shall determine, consistent with the limit described in subclause (I), a maximum award limit for a grant for a fiscal year for a State that has an application that has been approved under this section but that has not elected to provide medical assistance under subchapter XIX of this chapter to individuals described in section 1396a(a)(10)(A)(ii)(XIII) of this title.

(c) Availability of funds

(1) Funds awarded to States

Funds awarded to a State under a grant made under this section for a fiscal year shall remain available until expended.

(2) Funds not awarded to States

Funds not awarded to States in the fiscal year for which they are appropriated shall remain available in succeeding fiscal years for awarding by the Secretary.

(d) Annual report

A State that is awarded a grant under this section shall submit an annual report to the Secretary on the use of funds provided under the grant. Each report shall include the percentage increase in the number of title II disability beneficiaries, as defined in section 1320b–19(k)(3) of this title (as added by section 101(a) of this Act) in the State, and title XVI disability beneficiaries, as defined in section 1320b–19(k)(4) of this title (as so added) in the State who return to work.

(e) Appropriation

(1) In general

Out of any funds in the Treasury not otherwise appropriated, there is appropriated to make grants under this section—

(A) for fiscal year 2001, $20,000,000;

(B) for fiscal year 2002, $25,000,000;

(C) for fiscal year 2003, $30,000,000;

(D) for fiscal year 2004, $35,000,000;

(E) for fiscal year 2005, $40,000,000; and

(F) for each of fiscal years 2006 through 2011, the amount appropriated for the preceding fiscal year increased by the percentage increase (if any) in the Consumer Price Index for All Urban Consumers (United States city average) for the preceding fiscal year.

(2) Budget authority

This subsection constitutes budget authority in advance of appropriations Acts and represents the obligation of the Federal Government to provide for the payment of the amounts appropriated under paragraph (1).

(f) Recommendation

Not later than October 1, 2010, the Secretary, in consultation with the Ticket to Work and Work Incentives Advisory Panel established by section 101(f) of this Act, shall submit a recommendation to the Committee on Commerce of the House of Representatives and the Committee on Finance of the Senate regarding whether
the grant program established under this section should be continued after fiscal year 2011.


REFERENCES IN TEXT
Section 101(a) of this Act, referred to in subsec. (d), is section 101(a) of the Ticket to Work and Work Incentives Improvement Act of 1999, Pub. L. 106–170, which enacted section 1320b–19 of this title.

Section 101(f) of this Act, referred to in subsec. (f), is section 101(f) of the Ticket to Work and Work Incentives Improvement Act of 1999, Pub. L. 106–170, which is set out as a note under section 1320b–19 of this title.

CODIFICATION
Section was enacted as part of the Ticket to Work and Work Incentives Improvement Act of 1999, and not as part of the Social Security Act which comprises this chapter.

CHANGE OF NAME
Committee on Commerce of House of Representatives changed to Committee on Energy and Commerce of House of Representatives, and jurisdiction over matters relating to securities and exchanges and insurance generally transferred to Committee on Financial Services relating to securities and exchanges and insurance generally transferred to Committee on Financial Services.

§1320b–23. Pharmacy benefit managers transparency requirements

(a) Provision of information
A health benefits plan or any entity that provides pharmacy benefits management services on behalf of a health benefits plan (in this section referred to as a "PBM") that manages prescription drug coverage under a contract with—

(1) a PDP sponsor of a prescription drug plan or an MA organization offering an MA–PD plan under part D of subchapter XVIII; or

(2) a qualified health benefits plan offered through an exchange established by a State under section 18031 of this title,

shall provide the information described in subsection (b) to the Secretary and, in the case of a PBM, to the plan with which the PBM is under contract with, at such times, and in such form and manner, as the Secretary shall specify.

(b) Information described
The information described in this subsection is the following with respect to services provided by a health benefits plan or PBM for a contract year:

(1) The percentage of all prescriptions that were provided through retail pharmacies compared to mail order pharmacies, and the percentage of prescriptions for which a generic drug was available and dispensed (generic dispensing rate), by pharmacy type (which includes an independent pharmacy, chain pharmacy, supermarket pharmacy, or mass merchandiser pharmacy that is licensed as a pharmacy by the State and that dispenses medication to the general public), that is paid by the health benefits plan or PBM under the contract.

(2) The aggregate amount, and the type of rebates, discounts, or price concessions (excluding bona fide service fees, which include but are not limited to distribution service fees, inventory management fees, product stocking allowances, and fees associated with administrative services agreements and patient care programs (such as medication compliance programs and patient education programs)) that the PBM negotiates that are attributable to patient utilization under the plan, and the aggregate amount of the rebates, discounts, or price concessions that are passed through to the plan sponsor, and the total number of prescriptions that were dispensed.

(3) The aggregate amount of the difference between the amount the health benefits plan pays the PBM and the amount that the PBM pays retail pharmacies, and mail order pharmacies, and the total number of prescriptions that were dispensed.

(c) Confidentiality
Information disclosed by a health benefits plan or PBM under this section is confidential and shall not be disclosed by the Secretary or by any person or entity that receives the information, except that the Secretary may disclose the information in a form which does not disclose the identity of a specific PBM, plan, or prices charged for drugs, for the following purposes:

(1) As the Secretary determines to be necessary to carry out this section or part D of subchapter XVIII.

(2) To permit the Comptroller General to review the information provided.

(3) To permit the Director of the Congressional Budget Office to review the information provided.

(4) To States to carry out section 18031 of this title.

(d) Penalties
The provisions of subsection (b)(3)(C) of section 1396r–8 of this title shall apply to a health benefits plan or PBM that fails to provide information required under subsection (a) on a timely basis or that knowingly provides false information in the same manner as such provisions apply to a manufacturer with an agreement under that section.


PRIOR PROVISIONS

§1320b–24. Consultation with Tribal Technical Advisory Group

The Secretary of Health and Human Services shall maintain within the Centers for Medicaid & Medicare Services 1 (CMS) a Tribal Technical Advisory Group (TTAG), which was first established in accordance with requirements of the charter dated September 30, 2003, and the Sec-

1So in original. Probably should be “Centers for Medicare & Medicaid Services”.
§ 1320b–25. Reporting to law enforcement of crimes occurring in federally funded long-term care facilities

(a) Determination and notification

(1) Determination

The owner or operator of each long-term care facility that receives Federal funds under this chapter shall annually determine whether the facility received at least $10,000 in such Federal funds during the preceding year.

(2) Notification

If the owner or operator determines under paragraph (1) that the facility received at least $10,000 in such Federal funds during the preceding year, such owner or operator shall annually notify each covered individual (as defined in paragraph (3)) of that individual’s obligation to comply with the reporting requirements described in subsection (b).

(b) Reporting requirements

(1) In general

Each covered individual shall report to the Secretary and 1 or more law enforcement entities for the political subdivision in which the facility is located any reasonable suspicion of a crime (as defined by the law of the applicable political subdivision) against any individual who is a resident of, or is receiving care from, the facility.

(2) Timing

If the events that cause the suspicion—

(A) result in serious bodily injury, the individual shall report the suspicion immediately, but not later than 2 hours after forming the suspicion; and

(B) do not result in serious bodily injury, the individual shall report the suspicion not later than 24 hours after forming the suspicion.

(c) Penalties

(1) In general

If a covered individual violates subsection (b)—

(A) the covered individual shall be subject to a civil money penalty of not more than $300,000; and

(B) the Secretary may make a determination in the same proceeding to exclude the covered individual from participation in any Federal health care program (as defined in section 1320a–7b(f) of this title).

(2) Increased harm

If a covered individual violates subsection (b) and the violation exacerbates the harm to the victim of the crime or results in harm to another individual—

(A) the covered individual shall be subject to a civil money penalty of not more than $300,000; and

(B) the Secretary may make a determination in the same proceeding to exclude the covered individual from participation in any Federal health care program (as defined in section 1320a–7b(f) of this title).

(3) Excluded individual

During any period for which a covered individual is classified as an excluded individual under paragraph (1)(B) or (2)(B), a long-term care facility that employs such individual shall be ineligible to receive Federal funds under this chapter.

(4) Extenuating circumstances

(A) In general

The Secretary may take into account the financial burden on providers with underserved populations in determining any penalty to be imposed under this subsection.

(B) Underserved population defined

In this paragraph, the term “underserved population” means the population of an area designated by the Secretary as an area with a shortage of elder justice programs or a population group designated by the Secretary as having a shortage of such programs. Such areas or groups designated by the Secretary may include—

(i) areas or groups that are geographically isolated (such as isolated in a rural area);

(ii) racial and ethnic minority populations; and

(iii) populations underserved because of special needs (such as language barriers, disabilities, alien status, or age).

(d) Additional penalties for retaliation

(1) In general

A long-term care facility may not—

(A) discharge, demote, suspend, threaten, harass, or deny a promotion or other employment-related benefit to an employee, or in any other manner discriminate against an employee in the terms and conditions of employment because of lawful acts done by the employee; or
§ 1320c Purpose

The purpose of this part is to establish the contracting process which the Secretary must follow pursuant to the requirements of section 1395y(g) of this title, including the definition of the quality improvement organizations with which the Secretary shall contract, the functions such quality improvement organizations are to perform, the confidentiality of medical records, and related administrative matters to facilitate the carrying out of the purposes of this part.


Prior Provisions


Amendments

2011—Pub. L. 112–40 substituted “the quality improvement organizations” for “‘the utilization and quality control peer review organizations’” and “such quality improvement organizations” for “such peer review organizations”.

Effective Date of 2011 Amendment

Pub. L. 112–40, title II, §261(e), Oct. 21, 2011, 125 Stat. 426, provided that: “The amendments made by this section (amending this part and sections 1320c–1 to 1320c–5, 1320c–7, 1320c–9, 1320c–10, 1395g, 1395k, 1395u, 1395y(g) of this title, including the definition of ‘long-term care facility’, and ‘law enforcement officer’), and 1395ww of this title] shall apply to contracts entered into or renewed on or after January 1, 2012.”

IOM Study of QIOs


“(1) In general.—The Secretary [of Health and Human Services] shall request the Institute of Medicine of the National Academy of Sciences to conduct an evaluation of the program under part B of title XI of the Social Security Act [42 U.S.C. 1320c et seq.]. The study shall include a review of the following:

“(A) An overview of the program under such part.

“(B) The duties of organizations with contracts with the Secretary under such part.

“(C) The extent to which quality improvement organizations improve the quality of care for Medicare beneficiaries.

“(D) The extent to which other entities could perform such quality improvement functions as well as, or better than, quality improvement organizations.

“(E) The effectiveness of reviews and other actions conducted by such organizations in carrying out those duties.

“(F) The source and amount of funding for such organizations.

“(G) The conduct of oversight of such organizations.

“(2) Report to Congress.—Not later than June 1, 2006, the Secretary shall submit to Congress a report on the results of the study described in paragraph (1), including any recommendations for legislation.

“(3) Increased Competition.—If the Secretary finds based on the study conducted under paragraph (1) that other entities could improve quality in the Medicare program as well as, or better than, the current quality improvement organizations, then the Secretary shall provide for such increased competition through the addition of new types of entities which may perform quality improvement functions.”

Coordination of NQIS

Pub. L. 101–508, title IV, §4205(c), Nov. 5, 1990, 104 Stat. 1388–113, provided that:

“(1) Development and Implementation of Plan.—The Secretary of Health and Human Services shall develop and implement a plan to coordinate the physician and nursing community with the Secretary’s implementation of parts A and B of this title.”
review activities of peer review organizations and carriers. Such plan shall include—

(A) the development of common utilization and medical review criteria;

(B) criteria for the targeting of reviews by peer review organizations and carriers; and

(C) improved methods for exchange of information among peer review organizations and carriers.

"(2) REPORT.—Not later than January 1, 1982, the Secretary shall submit to Congress a report on the development of the plan described under paragraph (1) and shall include in the report such recommendations for changes in legislation as may be appropriate.''

EVALUATION OF PROFESSIONAL STANDARDS REVIEW ORGANIZATIONS

Pub. L. 97–448, title III, §309(d), Jan. 12, 1983, 96 Stat. 2410, provided that: "In order to avoid unfairly discriminating against professional standards review organizations whose performance was evaluated during the first and second calendar quarters of 1982, the Secretary of Health and Human Services shall disregard the results of such evaluations and shall carry out such new evaluations of such organizations as may be necessary to select utilization and quality control peer review organizations in accordance with subtitle C of title I of the Tax Equity and Fiscal Responsibility Act of 1982 [sections 141–150 of Pub. L. 97–248] and part B of title XI of the Social Security Act [42 U.S.C. 1320c et seq.] as amended by such subtitle.''

MAINTENANCE OF CURRENT PROFESSIONAL STANDARDS REVIEW ORGANIZATION AGREEMENTS


"(a) The Secretary of Health and Human Services shall not terminate or fail to renew any agreement in effect with a professional standards review organization under part B of title XI of the Social Security Act [42 U.S.C. 1320c et seq.] on the earlier of the date of the enactment of this Act [Sept. 3, 1982] or September 30, 1982 until such time as he enters into a contract with a utilization and quality control peer review organization under such part, as amended by this subtitle [subtitle C (§§141–150) of title I of Pub. L. 97–248], for the area served by such professional standards review organization.

In complying with this subtitle, the Secretary may renew any such agreement with a professional standards review organization for a period of less than 12 months.

"(b) The provisions of part B of title XI of the Social Security Act [42 U.S.C. 1320c et seq.] as in effect prior to the amendments made by this subtitle [subtitle C (§§141–150) of title I of Pub. L. 97–248] shall remain in effect with respect to agreements with professional standards review organizations in effect on the earlier of the date of the enactment of this Act [Sept. 3, 1982] or September 30, 1982, until such time as he enters into a contract with a utilization and quality control peer review organization under such part, as amended by this subtitle [subtitle C (§§141–150) of title I of Pub. L. 97–248], for the area served by such professional standards review organization.

In complying with this subtitle, the Secretary may renew any such agreement with a professional standards review organization for a period of less than 12 months.

§1320c–1. Definition of quality improvement organization

The term "quality improvement organization" means an entity which—

(1) is able, as determined by the Secretary, to perform its functions under this part in a manner consistent with the efficient and effective administration of this part and subchapter XVIII;

(2) has at least one individual who is a representative of health care providers on its governing body; and

(3) has at least one individual who is a representative of consumers on its governing body.


§1320c–2. Contracts with quality improvement organizations

(a) Establishment of geographic areas

The Secretary shall establish throughout the United States such local, State, regional, na-
§ 1320c–2  TITLE 42—THE PUBLIC HEALTH AND WELFARE

The Secretary determines appropriate with respect to which contracts under this part will be made.

(b) Organizations entitled to contract with Secretary

(1) The Secretary shall enter into contracts with one or more qualified organizations for each area established under subsection (a) if a qualified organization is available in such area and such organization and the Secretary have negotiated a proposed contract which the Secretary determines will be carried out by such organization in a manner consistent with the efficient and effective administration of this part. In entering into contracts with such organizations, the Secretary shall, to the extent appropriate, seek to ensure that each of the functions described in section 1320c–3(a) of this title are carried out within an area established under subsection (a). If more than one such qualified organization will be operating in such area, the Secretary shall ensure that there is no duplication of the functions carried out by such organizations within the area.

(2)(A) Prior to November 15, 1984, the Secretary shall not enter into a contract under this part with any entity which is, or is affiliated with (through management, ownership, or common control), an entity (other than a self-insured employer) which directly or indirectly makes payments to any practitioner or provider whose health care services are reviewed by such entity or would be reviewed by such entity if it entered into a contract with the Secretary under this part. For purposes of this paragraph, an entity shall not be considered to be affiliated with another entity which makes payments (directly or indirectly) to any practitioner or provider whose health care services are reviewed by such entity or would be reviewed by such entity if it entered into a contract with the Secretary under this part. For purposes of this paragraph, an entity shall not be considered to be affiliated with another entity which makes payments (directly or indirectly) to any practitioner or provider whose health care services are reviewed by such entity or would be reviewed by such entity if it entered into a contract with the Secretary under this part. For purposes of paragraphs (2) and (3) of subsection (b), a subcontract under this paragraph shall not constitute an affiliation with the subcontractor;

(B) the Secretary shall have the right to evaluate the quality and effectiveness of the organization in carrying out the functions specified in the contract;

(3) the contract shall be for an initial term of five years and shall be renewable for terms of five years thereafter;

(4) the contract shall include in the contract negotiated objectives against which the organization’s performance will be judged, and negotiated specifications for use of regional norms, or modifications thereof based on national norms, for performing review functions under the contract; and

(5) reimbursement shall be made to the organization on a monthly basis, with payments for any month being made consistent with the Federal Acquisition Regulation.

In evaluating the performance of quality improvement organizations under contracts under this section, the Secretary shall place emphasis on the performance of such organizations in educating providers and practitioners (particularly those in rural areas) concerning the review process and criteria being applied by the organization.


(e) Authority of Secretary

(1) Except as provided in paragraph (2), contracting authority of the Secretary under this section may be carried out without regard to any provision of law relating to the making, performance, amendment, or modification of contracts of the United States as the Secretary may determine to be inconsistent with the purposes of this part. The Secretary may use different contracting methods with respect to different geographical areas.
(2) If a quality improvement organization with a contract under this section is required to carry out a review function in addition to any function required to be carried out at the time the Secretary entered into or renewed the contract with the organization, the Secretary shall, before requiring such organization to carry out such additional function, negotiate the necessary contractual modifications, including modifications that provide for an appropriate adjustment (in light of the cost of such additional function) to the amount of reimbursement made to the organization.

(f) Termination not subject to judicial review

Any determination by the Secretary to terminate or not to renew a contract under this section shall not be subject to judicial review.

(g) Timely provision of hospital data to quality improvement organizations

The Secretary shall provide that fiscal intermediaries furnish to quality improvement organizations, each month on a timely basis, data necessary to initiate the review process under section 1320c–3(a) of this title on a timely basis. If the Secretary determines that a fiscal intermediary is unable to furnish such data on a timely basis, the Secretary shall require the hospital to do so.

(b) Publication of new policy or procedure and general criteria and standards for evaluation; performance comparison report

(1) The Secretary shall publish in the Federal Register any new policy or procedure adopted by the Secretary that affects substantially the performance of contract obligations under this section not less than 30 days before the date on which such policy or procedure is to take effect. This paragraph shall not apply to the extent it is inconsistent with a statutory deadline.

(2) The Secretary shall publish in the Federal Register the general criteria and standards used for evaluating the efficient and effective performance of contract obligations under this section and shall provide opportunity for public comment with respect to such criteria and standards.

(3) The Secretary shall regularly furnish each quality improvement organization with a contract under this section with a report that documents the performance of the organization in relation to the performance of other such organizations.


Prior Provisions


Amendments


Subsec. (a). Pub. L. 112–40, §261(b)(1)(A), added subsec. (a) and struck out former subsec. (a) which related to establishment and consolidation of geographic areas.

Subsec. (b)(1). Pub. L. 112–40, §261(c)(1)(A), after first sentence, inserted “In entering into contracts with such qualified organizations, the Secretary shall, to the extent appropriate, seek to ensure that each of the functions described in section 1320c–3(a) of this title are carried out within an area established under subsection (a).”

Pub. L. 112–40, §261(b)(1)(B), substituted “contracts with one or more quality improvement organizations” for “a contract with a quality improvement organization” and “will be operating in an area...” for “the Secretary shall ensure that...”

Subsec. (b)(2)(B). Pub. L. 112–40, §261(b)(1)(C), which directed insertion of “or the Secretary determines that there is a more qualified entity to perform one or more of the functions in section 1320c–3(a) of this title” after “under this part”, was executed by making the insertion after “under this part” the first place appearing, to reflect the probable intent of Congress.


Subsec. (b)(3)(B). Pub. L. 112–40, §261(b)(1)(D)(ii)(II), struck out “or associations” after “one or more of such facilities”.

Pub. L. 112–40, §261(b)(1)(D)(ii)(II), which directed striking out “or association of such facilities”, was executed by striking out “or association of facilities” after “facility”, to reflect the probable intent of Congress.


Subsec. (c)(1). Pub. L. 112–40, §261(c)(1)(B), substituted “a function or functions under section 1320c–3 of this title directly or may subcontract for the performance of all or some of such function or functions” for “the functions set forth in section 1320c–3(a) of this title, or may subcontract for the performance of all or some of such functions”.

Subsec. (c)(2). Pub. L. 112–40, §261(b)(2), substituted “five years and shall be renewable for terms of five years” for “three years and shall be renewable on a triennial basis”.

Subsec. (c)(4). Pub. L. 112–40, §261(b)(3)(B), redesignated par. (7) as (4) and struck out former par. (4) which read as follows: “if the Secretary intends not to renew a contract, he shall notify the organization of his decision at least 90 days prior to the expiration of the contract term, and shall provide the organization an opportunity to present data, interpretations of data, and other information pertinent to its performance under the contract, which shall be reviewed in a timely manner by the Secretary.”

Subsec. (c)(5). Pub. L. 112–40, §261(b)(4), amended par. (5) generally. Prior to amendment, par. (5) read as follows: “reimbursement shall be made to the organization on a monthly basis, with payments for any month...”
being made not later than 15 days after the close of such month.

Pub. L. 112–40, § 261(b)(3)(B), redesignated par. (6) as (5) and struck out former par. (5) which read as follows: “the organization may terminate the contract upon 90 days notice to the Secretary.’’

Subsec. (c)(6) to (8). Pub. L. 112–40, § 261(b)(3)(B), redesignated pars. (7) and (8) as (4) and (5), respectively, and struck out former par. (6) which read as follows: “the Secretary may terminate the contract prior to the expiration of the contract term upon 90 days notice to the organization if the Secretary determines that—

“(A) the organization does not substantially meet the requirements of section 1330c–1 of this title; or

“(B) the organization has had an opportunity to submit data and have such data reviewed by the panel established under subsection (d) of this section.’’,

Subsec. (d). Pub. L. 112–40, § 261(b)(3)(C), struck out subsec. (d) which related to panel review prior to termination of contract.

Subsecs. (e)(2), (g)(3), Pub. L. 112–40, § 261(a)(2)(C), struck out “quality improvement” for “peer review”


Subsec. (c). Pub. L. 100–203, § 409(d)(1), inserted after and below par. (8) the following: “In evaluating the performance of utilization and quality control peer review organizations under contracts under this part, the Secretary shall place emphasis on the performance of such organizations in educating providers and practitioners (particularly those in rural areas) concerning the review process and criteria being applied by the organization.’’

Subsec. (c)(3). Pub. L. 100–203, § 409(a)(2)(A), substituted “three” for “two” and “triennial” for “biennial”

Subsec. (e). Pub. L. 100–203, § 409(b)(2), designated existing provisions as par. (1), substituted “Except as provided in paragraph (2), contracting for “Contracting”, and added par. (2).


1986—Subsec. (b)(2)(A). Pub. L. 99–272, § 9404(a), substituted “consists only of members of the governing board” for “consists only of one individual member of the governing board”.

Subsec. (c)(8). Pub. L. 99–272, § 9402(b), amended par. (8) generally. Prior to amendment, par. (8) read as follows: “Reimbursement shall be made to the organization in accordance with the terms of the contract.”


1984—Subsec. (b)(2)(A). Pub. L. 98–369, § 2347(c)(1), substituted “Prior to November 15, 1984” for “During the first twelve months in which the Secretary is entering into contracts under this section”.

Pub. L. 98–369, § 2339(b), inserted “(other than a self-insured employer)” and provision that for purposes of this paragraph an entity shall not be considered to be affiliated with another entity which makes payments directly or indirectly to any practitioner or provider, by reason of management, ownership, or common control, if the management, ownership, or common control consists only of a single individual member of the governing board or by reason of management, ownership, or common control with a health maintenance organization or competitive medical plan which is an “eligible organization” as defined in section 1395m(b) of this title.


Subsec. (b)(2)(C). Pub. L. 98–369, § 2347(c)(3), struck out subpar. (C) which provided that the twelve-month period formerly referred to in subpar. (A) would be deemed to have begun not later than October 1983.

Subsec. (b)(3). Pub. L. 98–369, § 2339(a), designated existing provisions as subpar. (A) and added subpar. (B).


Subsec. (d). Pub. L. 97–448 substituted reference to “subsection (c)(6)(B)” for “subsection (c)(5)(B)” and “subsection (c)(5)(C)” in pars. (1) and (2), respectively.

EFFECTIVE DATE OF 2011 AMENDMENT

Amendment by Pub. L. 112–40 applicable to contracts entered into or renewed on or after Jan. 1, 2012, see section 261(e) of Pub. L. 112–40, set out as a note under section 1320c of this title.

EFFECTIVE DATE OF 1987 AMENDMENT


Pub. L. 100–203, title IV, § 4092(b), Dec. 22, 1987, 101 Stat. 1330–135, provided that: “The amendment made by subsection (a) [amending this section] shall apply with respect to contracts scheduled to be renewed on or after the first day of the eighth month to begin after the date of enactment of this Act [Dec. 22, 1987].”


EFFECTIVE DATE OF 1986 AMENDMENTS

Pub. L. 99–509, title IX, § 9352(c)(1), Oct. 21, 1986, 100 Stat. 2044, provided that: “The Secretary of Health and Human Services shall implement the amendment made by subsection (a) [amending this section and section 1395h of this title] not later than 6 months after the date of the enactment of this Act [Oct. 21, 1986].”

Pub. L. 99–272, title IX, § 9402(c)(2), Apr. 7, 1986, 100 Stat. 201, provided that: “The amendment made by section (a) [amending this section] shall apply to contracts entered into or renewed on or after the date of the enactment of this Act [Apr. 7, 1986].”


Pub. L. 99–272, title IX, § 9405(b), Apr. 7, 1986, 100 Stat. 201, provided that: “The amendment made by this section [amending this section] shall become effective on the date of the enactment of this Act [Apr. 7, 1986].”

EFFECTIVE DATE OF 1984 AMENDMENT

Pub. L. 98–369, div. B, title III, § 2334(c), July 18, 1984, 98 Stat. 1090, provided that: “The provisions of, and amendments made by, this section [amending this section and section 1395c of this title and enacting provisions set out as a note under section 1396c of this title] shall become effective on the date of the enactment of this Act [July 18, 1984].”

Pub. L. 98–369, div. B, title III, § 2347(d), July 18, 1984, 98 Stat. 1097, provided that: “The provisions of, and amendments made by, this section [amending this section and section 1395c of this title and enacting provisions set out as a note under section 1396c of this title] shall become effective on the date of the enactment of this Act [July 18, 1984].”

EFFECTIVE DATE OF 1983 AMENDMENTS

Amendment by Pub. L. 98–21 applicable to items and services furnished by or under arrangement with a hospital beginning with its first cost reporting period that begins on or after Oct. 1, 1983, any change in a hos-

Amendment by Pub. L. 97–448 effective as if originally included as a part of this section as this section was added by the Tax Equity and Fiscal Responsibility Act of 1982, Pub. L. 97–248, see section 309(c)(2) of Pub. L. 97–448, set out as a note under section 42–1 of this title.

§ 411(j)(1), July 1, 1988, 102 Stat. 790, provided that:

(A) In general.—In order to permit the Secretary of Health and Human Services an adequate time to complete contract renewal negotiations with utilization and quality control peer review (now ‘quality improvement’) organizations under part B of title XI of the Social Security Act [42 U.S.C. 1320c et seq.] and to provide for a staggered period of contract expiration dates, notwithstanding section 1153(c) of such Act [42 U.S.C. 1320c–2(c)], the Secretary may provide for extensions of existing contracts, but the total of such extensions may not exceed 24 months for any contract.

(B) EFFECTIVE DATE.—The amendment made by subparagraph (A) shall apply to contracts expiring on or after the date of the enactment of this Act [Dec. 22, 1987].

§ 1320c–3. Functions of quality improvement organizations

(a) Review of professional activities; determination of payment; determination of review authority; consultation with professional health care practitioners; standards of health care; other duties

Subject to subsection (b), any quality improvement organization entering into a contract with the Secretary under this part must perform one or more of the following functions:

(1) The organization shall review some or all of the professional activities in the area, subject to the terms of the contract and subject to the requirements of subsection (d), of physicians and other health care practitioners and institutional and noninstitutional providers of health care services in the provision of health care services and items for which payment may be made (in whole or in part) under subchapter XVIII prior to notification by the organization under paragraph (3);

(2) The organization shall determine, on the basis of the review carried out under subparagraphs (A), (B), and (C) of paragraph (1), whether payment shall be made for services under subchapter XVIII. Such determination shall constitute the conclusive determination on those issues for purposes of payment under subchapter XVIII, except that payment may be made if—

(A) such payment is allowed by reason of section 1395pp of this title;

(B) in the case of inpatient hospital services or extended care services, the quality improvement organization determines that additional time is required in order to arrange for postdischarge care, but payment may be continued under this subparagraph for not more than two days, but only in the case where the provider of such services did not know and could not reasonably have been expected to know (as determined under section 1395pp of this title) that payment would not otherwise be made for such services under subchapter XVIII prior to notification by the organization under paragraph (3);

(C) such determination is changed as the result of any hearing or review of the determination under section 1320c–4 of this title; or

(D) such payment is authorized under section 1395x(v)(1)(G) of this title.

The organization shall identify cases for which payment should not be made by reason of paragraph (1)(B) only through the use of criteria developed pursuant to guidelines established by the Secretary.

(3) (A) Subject to subparagraphs (B) and (D), whenever the organization makes a determination that any health care services or items furnished or to be furnished to a patient by any practitioner or provider are disapproved, the organization shall promptly notify such patient and the agency or organization responsible for the payment of claims under subchapter XVIII of this chapter of such determination.

(B) The notification under subparagraph (A) with respect to services or items disapproved by reason of subparagraph (A) or (C) of paragraph (1) shall not occur until 20 days after the date that the organization has—

(i) made a preliminary notification to such practitioner or provider of such proposed determination, and

(ii) provided such practitioner or provider an opportunity for discussion and review of the proposed determination.

(C) The discussion and review conducted under subparagraph (B)(ii) shall not affect the rights of a practitioner or provider to a formal
Reconsideration of a determination under this part (as provided under section 1320c–4 of this title).

(D) The notification under subparagraph (A) with respect to services or items disapproved by reason of paragraph (1)(B) shall not occur until after—

(i) the organization has notified the practitioner or provider involved of the determination and of the practitioner’s or provider’s right to a formal reconsideration of the determination under section 1320c–4 of this title, and

(ii) if the provider or practitioner requests such a reconsideration, the organization has made such a reconsideration.

If a provider or practitioner is provided a reconsideration, such reconsideration shall be in lieu of any subsequent reconsideration to which the provider or practitioner may be otherwise entitled under section 1320c–4 of this title, but shall not affect the right of a beneficiary from seeking reconsideration under such section of the organization’s determination (after any reconsideration requested by the provider or physician under clause (ii)).

(E)(i) In the case of services and items provided by a physician that were disapproved by reason of paragraph (1)(B), the notice to the patient shall state the following: “In the judgment of the quality improvement organization, the medical care received was not acceptable under the Medicare program. The reasons for the denial have been discussed with your physician.”

(ii) In the case of services or items provided by an entity or practitioner other than a physician, the Secretary may substitute the entity or practitioner which provided the services or items for the term “physician” in the notice described in clause (i).

(4)(A) The organization shall, after consultation with the Secretary, determine the types and kinds of cases (whether by type of health care or diagnosis involved, or whether in terms of other relevant criteria relating to the provision of health care services) with respect to which such organization will, in order to most effectively carry out the purposes of this part, exercise review authority under the contract. The organization shall notify the Secretary periodically with respect to such determinations. Each quality improvement organization shall provide that a reasonable proportion of its activities are involved with reviewing, under paragraph (1)(B), the quality of services and that a reasonable allocation of such activities is made among the different cases and settings (including post-acute-care settings, ambulatory settings, and health maintenance organizations). In establishing such allocation, the organization shall consider (i) whether there is reason to believe that there is a particular need for reviews of particular cases or settings because of previous problems regarding quality of care, (ii) the cost of such reviews and the likely yield of such reviews in terms of national norms and seriousness of quality of care problems likely to be discovered as a result of such reviews, and (iii) the availability and adequacy of alternative quality review and assurance mechanisms.

(B) The contract of each organization shall provide for the review of services (including both inpatient and outpatient services) provided by eligible organizations pursuant to a risk-sharing contract under section 1395mm of this title (or that is subject to review under section 1915(s)(3) of this title) for the purpose of determining whether the quality of such services meets professionally recognized standards of health care, including whether appropriate health care services have not been provided or have been provided in inappropriate settings and whether individuals enrolled with an eligible organization have adequate access to health care services provided by or through such organization (as determined, in part, by a survey of individuals enrolled with the organization who have not yet used the organization to receive such services). The contract of each organization shall also provide that with respect to health care provided by a health maintenance organization or competitive medical plan under section 1395mm of this title, the organization shall maintain a beneficiary outreach program designed to apprise individuals receiving care under such section of the role of the peer review system, of the rights of the individual under such system, and of the method and purposes for contacting the organization. The previous two sentences shall not apply with respect to a contract year if another entity has been awarded a contract under subparagraph (C). Under the contract the level of effort expended by the organization on reviews under this subparagraph shall be equivalent, on a per enrollee basis, to the level of effort expended by the organization on utilization and quality reviews performed with respect to individuals not enrolled with an eligible organization.

(5) The organization shall consult with nurses and other professional health care practitioners (other than physicians described in section 1395rr(1) of this title) and with representatives of institutional and noninstitutional providers of health care services with respect to the organization’s responsibility for the review under paragraph (1) of the professional activities of such practitioners and providers.

(6)(A) The organization shall, consistent with the provisions of its contract under this part, apply professionally developed norms of care, diagnosis, and treatment based upon typical patterns of practice within the geographic area served by the organization as principal points of evaluation and review, taking into consideration national norms where appropriate. Such norms with respect to treatment for particular illnesses or health conditions shall include—

(i) the types and extent of the health care services which, taking into account differing, but acceptable, modes of treatment and methods of organizing and delivering care, are considered within the range of appropriate diagnosis and treatment of such illness or health condition, consistent with professionally recognized and accepted patterns of care; and

(ii) the type of health care facility which is considered, consistent with such stand-
ards, to be the type in which health care services which are medically appropriate for such illness or condition can most economically be provided.

As a component of the norms described in clause (i) or (ii), the organization shall take into account the special problems associated with delivering care in remote rural areas, the availability of service alternatives to inpatient hospitalization, and other appropriate factors (such as the distance from a patient’s residence to the site of care, family support, availability of proximate alternative sites of care, and the patient’s ability to carry out necessary or prescribed self-care regimens) that could adversely affect the safety or effectiveness of treatment provided on an outpatient basis.

(B) The organization shall—

(1) offer to provide, several times each year, for a physician representing the organization to meet (at a hospital or at a regional meeting) with medical and administrative staff of each hospital (the services of which are reviewed by the organization) respecting the organization’s review of the hospital’s services for which payment may be made under subchapter XVIII, and

(ii) publish (not less often than annually) and distribute to providers and practitioners whose services are subject to review a report that describes the organization’s findings with respect to the types of cases in which the organization has frequently determined that (I) inappropriate or unnecessary care has been provided, (II) services were rendered in an inappropriate setting, or (III) services did not meet professionally recognized standards of health care.

(7) The organization, to the extent necessary and appropriate to the performance of the contract, shall—

(A)(i) make arrangements to utilize the services of persons who are practitioners of, or specialists in, the various areas of medicine (including dentistry, optometry, and podiatry), or other types of health care, which persons shall, to the maximum extent practicable, be individuals engaged in the practice of their profession within the area served by such organization; and

(ii) in the case of psychiatric and physical rehabilitation services, make arrangements to ensure that (to the extent possible) initial review of such services be made by a physician who is trained in psychiatry or physical rehabilitation (as appropriate).

(B) undertake such professional inquiries either before or after and after, the provision of services with respect to which such organization has a responsibility for review which in the judgment of such organization will facilitate its activities; and

(C) examine the pertinent records of any practitioner or provider of health care services with respect to which such organization has a responsibility for review under paragraph (1); and

(D) inspect the facilities in which care is rendered or services are provided (which are located in such area) of any practitioner or provider of health care services providing services with respect to which such organization has a responsibility for review under paragraph (1).

(8) The organization shall perform such duties and functions and assume such responsibilities and comply with such other requirements as may be required by this part or under regulations of the Secretary promulgated to carry out the provisions of this part or as may be required to carry out section 1395y(a)(15) of this title.

(9)(A) The organization shall collect such information relevant to its functions, and keep and maintain such records, in such form as the Secretary may require to carry out the purposes of this part, and shall permit access to and use of any such information and records as the Secretary may require for such purposes, subject to the provisions of section 1320c–9 of this title.

(B) If the organization finds, after reasonable notice and opportunity for discussion with the physician or practitioner concerned, that the physician or practitioner has furnished services in violation of section 1320c–5(a) of this title and the organization determines that the physician or practitioner should enter into a corrective action plan under section 1320c–5(b)(1) of this title, the organization shall notify the State board or boards responsible for the licensing or disciplining of the physician or practitioner of its finding and of any action taken as a result of the finding.

(10) The organization shall coordinate activities, including information exchanges, which are consistent with economical and efficient operation of programs among appropriate public and private agencies or organizations including—

(A) agencies under contract pursuant to sections 1395h and 1395a of this title;

(B) other quality improvement organizations having contracts under this part; and

(C) other public or private review organizations as may be appropriate.

(11) The organization shall make available its facilities and resources for contracting with private and public entities paying for health care in its area for review, as feasible and appropriate, of services reimbursed by such entities.

(12) As part of the organization’s review responsibility under paragraph (1), the organization shall review all ambulatory surgical procedures specified pursuant to section 1395l(1)(A) of this title which are performed in the area, or, at the discretion of the Secretary, a sample of such procedures.

(13) Notwithstanding paragraph (4), the organization shall perform the review described in paragraph (1) with respect to early readmission cases to determine if the previous inpatient hospital services and the post-hospital services met professionally recognized standards of health care. Such reviews may be per-

1 So in original. The period probably should be a semicolon.
formed on a sample basis if the organization and the Secretary determine it to be appropriate. In this paragraph, an “early readmission case” is a case in which an individual, after discharge from a hospital, is readmitted to a hospital less than 31 days after the date of the most recent previous discharge.

(b) Performance; exceptions

The organization shall conduct an appropriate review of all written complaints about quality of services (for which payment may otherwise be made under subchapter XVIII) not meeting professionally recognized standards of health care, if the complaint is filed with the organization by an individual entitled to benefits for such services under such subchapter (or a person acting on the individual’s behalf). The organization shall inform the individual (or representative) of the organization’s final disposition of the complaint. Before the organization concludes that the quality of services does not meet professionally recognized standards of health care, the organization must provide the practitioner or person concerned with reasonable notice and opportunity for discussion.

(c) Review by physicians; physician’s family defined

(1) No physician shall be permitted to review—

(A) health care services provided to a patient if he was directly responsible for providing such services; or

(B) health care services provided in or by an institution, organization, or agency, if he or any member of his family has, directly or indirectly, a significant financial interest in such institution, organization, or agency.

(2) For purposes of this subsection, a physician’s family includes only his spouse (other than a spouse who is legally separated from him under a decree of divorce or separate maintenance), children (including legally adopted children), grandchildren, parents, and grandparents.

(d) Utilization of services of physicians to make final determinations of denial decisions with respect to professional conduct of other physicians

No quality improvement organization shall utilize the services of any individual who is not a duly licensed doctor of medicine, osteopathy, dentistry, optometry, or podiatry to make final determinations of denial decisions in accordance with its duties and functions under this part with respect to the professional conduct of any other duly licensed doctor of medicine, osteopathy, dentistry, optometry, or podiatry to make final determinations of denial decisions in accordance with its duties and functions under this part with respect to the professional conduct of any other duly licensed doctor of medicine, osteopathy, dentistry, optometry, or podiatry in the exercise of his profession.

(e) Review of hospital denial notices

(1) If—

(A) a hospital has determined that a patient no longer requires inpatient hospital care, and

(B) the attending physician has agreed with the hospital’s determination, the hospital may provide the patient (or the patient’s representative) with a notice (meeting conditions prescribed by the Secretary under section 1395dd(b) of this title) of the determination.


(f) Identification of methods for identifying cases of substandard care

The Secretary, in consultation with appropriate experts, shall identify methods that would be available to assist quality improvement organizations (under subsection (a)(4)) in identifying those cases which are more likely than others to be associated with a quality of services which does not meet professionally recognized standards of health care.
and quality control peer review organization's review responsibility pursuant to subsection (a)(1) of this section will include review of all ambulatory surgical procedures specified pursuant to section 1395s(e)(1)(A) of this title which are performed in the area, or, at the discretion of the Secretary a sample of such procedures.'

Subsec. (f). Pub. L. 112–40, § 261(a)(3), substituted "quality improvement” for “peer review”.

2003—Subsec. (a)(1). Pub. L. 108–173, § 109(a), inserted "to Medicare Advantage organizations pursuant to contracts under part C, and to prescription drug sponsors pursuant to contracts under part D” after “under section 1395mm of this title”.


Subsec. (e)(5). Pub. L. 108–173, § 948(d), struck out subpart (5) which read as follows: “In any review conducted under paragraph (2) or (3), a physician has furnished services in violation of this subsection, the organization shall notify the State board or boards responsible for the licensing or disciplining of the physician of its finding and decision.

2000—Subsec. (e)(2) to (4). Pub. L. 106–554 struck out pars. (2) to (4), which had in part (2), authorized peer review organization review of validity of hospital's determination that a patient no longer required inpatient hospital care but attending physician had not agreed with the hospital's determination; in part (3), authorized review of the determination where patient or patient's representative had received a notice under par. (1) and requested the review; and in par. (4), directed that hospital could not charge patient for inpatient services furnished before noon of the day after the date the patient or representative received notice of the decision where request for review had made not later than noon of the first working day after notice under par. (1) had been received and section 1395pp(a)(2) conditions had been met.

1994—Subsec. (a)(4)(B). Pub. L. 103–432, § 171(h)(2), substituted “(or that is subject to review under section 1395ss(t) of this title)” for “(or subject to review under section 1395ss(t) of this title)”.

Subsec. (a)(9)(B). Pub. L. 103–432, § 156(b)(2)(B), amended subpar. (B). Generally prior to amendment, subpar. (B) read as follows: “If the organization finds, after notice and hearing, that a physician has furnished services in violation of this subsection, the organization shall notify the State board or boards responsible for the licensing or disciplining of the physician of its finding and decision.


Subsec. (d). Pub. L. 103–432, § 156(b)(2)(A), struck out “(and except as provided in section 1320c–13 of this title)” after “discretion of the Secretary”.

1990—Subsec. (a)(2). Pub. L. 101–508, § 4207(a)(1)(B), for "dentistry, optometry, or podiatry” for "or dentistry”.


Subsec. (c). Pub. L. 101–508, § 4207(b)(1)(B), substituted “dentistry, optometry, or podiatry” for “or dentistry” in three places.

AMENDMENTS


Subsec. (a). Pub. L. 112–40, § 261(a)(2)(C), (c)(2)(A)(i), in introductory provisions, substituted “Subject to subsection (b), any quality improvement” for “For any utilization and quality control peer review” and inserted “one or more of” before “the following functions”.


Subsec. (a)(15). Pub. L. 112–40, § 261(c)(2)(A)(iv), substituted on-site review activities as the Secretary determines appropriate for “significant on-site review activities, including on-site review in at least 20 percent of the rural hospitals in the organization’s area”.


Subsec. (b). Pub. L. 112–40, § 261(c)(2)(C), added subsec. (b). Former subsec. (b) redesignated (c).

Subsec. (c). Pub. L. 112–40, § 261(c)(2)(B), redesignated subsec. (c) as (c). Former subsec. (c) redesignated (d).

Pub. L. 112–40, § 261(a)(2)(C), substituted “quality improvement” for “utilization and quality control peer review”.

Subsec. (d). Pub. L. 112–40, § 261(c)(2)(B), redesignated subsec. (c) as (d) and struck out former subsec. (d). Prior to amendment, text read as follows: “Each contract under this part shall require that the utilization and quality control peer review organization’s review responsibility pursuant to subsection (a)(1) of this section will include review of all ambulatory surgical procedures specified pursuant to section 1395s(e)(1)(A) of this title which are performed in the area, or, at the discretion of the Secretary a sample of such procedures.”
Subsec. (a)(1). Pub. L. 101–203, § 4094(c)(1)(A), redesignated former subpar. (A) as subpar. (B) and inserted subpar. (C), as added by Pub. L. 100–360, § 411(j)(3)(A), inserted after and below subpar. (B) the following: "As a component of the norms described in clause (i) or (ii), the organization shall take into account the special problems associated with delivering care in remote rural areas, the availability of appropriate service alternatives to institutional hospitalization, and other appropriate factors (such as the distance from a patient’s residence to the site of care, family support, availability of proximate alternative sites of care, and the patient’s ability to carry out necessary or prescribed self-care regimens) that could adversely affect the safety or effectiveness of treatment provided on an outpatient basis.


Subsec. (d). Pub. L. 100–203, § 4093(h)(3), as added by Pub. L. 100–360, § 411(j)(3)(A), inserted after and below subpar. (B) the following: "Subparagraph (A) includes existing provisions as cl. (i) and added cl. (ii)."


Subsec. (e)(3)(A)(i), (B). Pub. L. 100–203, § 4096(c)(2), inserted or (2) after paragraph (1)"


1983—Subsec. (a)(1)(A). Pub. L. 97–446, §309(b)(3), substituted “and whether such services and items are not allowable under subsection (a)(1) or (a)(9) of section 1395t of this title” for “or otherwise allowable under section 1395y(a)(1) of this title”.

**Effective Date of 2011 Amendment**

Amendment by Pub. L. 112–40 applicable to contracts entered into or renewed on or after Jan. 1, 2012, see section 261(e) of Pub. L. 112–40, set out as a note under section 1320c of this title.

**Effective Date of 2003 Amendment**


Pub. L. 108–173, title IX, §948(d), Dec. 8, 2003, 117 Stat. 2426, provided that the amendment made by section 948(d) is effective as if included in the enactment of section 2241 of BIPA (the Medicare, Medicaid, and SCHIP Benefits Improvement and Protection Act of 2000, as enacted by section 1(a)(6) of Pub. L. 106–554).

**Effective Date of 2000 Amendment**

Pub. L. 106–554, §1(a)(6) [title V, §521(d)], Dec. 21, 2000, 114 Stat. 2763, 2763A–543, provided that: “The amendments made by this section [amending this section and sections 1395w–22 and 1395ff of this title] shall apply with respect to initial determinations made on or after October 1, 2002.”

**Effective Date of 1994 Amendment**


Amendment by section 171(b)(3) of Pub. L. 103–432 effective as if included in the enactment of Pub. L. 101–508, see section 171(h) of Pub. L. 103–432, set out as a note under section 1395ss of this title.

**Effective Date of 1990 Amendment**

Pub. L. 101–508, title IV, §4205(b)(2), Nov. 5, 1990, 104 Stat. 1388–113, provided that: “The amendments made by paragraph (1) [amending this section] shall apply to contracts entered into or renewed on or after the date of the enactment of this Act [Nov. 5, 1990].”

Pub. L. 101–508, title IV, §4205(d)(1)(C), Nov. 5, 1990, 104 Stat. 1388–114, provided that: “The amendments made by this paragraph [amending this section and section 1320c–9 of this title] shall apply to notices of proposed sanctions issued more than 60 days after the date of the enactment of this Act [Nov. 5, 1990].”


Pub. L. 101–508, title IV, §4207(a)(1)(C), formerly §4207(a)(1)(C), Nov. 5, 1990, 104 Stat. 1388–117, as renumbered by Pub. L. 103–432, title I, §160(d)(4), Oct. 31, 1994, 108 Stat. 4444, provided that: “The amendment made by subparagraph (A) [amending section 1395dd of this title] shall take effect on the first day of the first month beginning more than 60 days after the date of the enactment of this Act [Nov. 5, 1990]. The amendment made by subparagraph (B) [amending this section] shall apply to contracts under part B of title XI of the Social Security Act [42 U.S.C. 1320c et seq.] as of the first day of the first month beginning more than 60 days after the date of the enactment of this Act.”


“(1) The amendments made by this section [amending this section and section 1395ss of this title] shall only apply—

“(A) in 15 States (as determined by the Secretary of Health and Human Services) and such other States as elect such amendments to apply to them, and

“(B) subject to paragraph (2), during the 6½-year period beginning with 1992.

For purposes of this paragraph, the term ‘State’ has the meaning given such term by section 220(h) of the Social Security Act [42 U.S.C. 410(h)].

“(2)(A) The Secretary of Health and Human Services shall conduct a study that compares the health care costs, quality of care, and access to services under medicare select policies with that under other medicare supplemental policies. The study shall be based on surveys of appropriate age-adjusted sample populations. The study shall be completed by June 30, 1997.

“(B) Not later than December 31, 1997, the Secretary shall determine, based on the results of the study under subparagraph (A), if any of the following findings are true:

“(i) The amendments made by this section have not resulted in savings of premium costs to those enrolled in medicare select policies (in comparison to their enrollment in medicare supplemental policies that are not medicare select policies and that provide comparable coverage).

“(ii) There have been significant additional expenditures under the medicare program as a result of such amendments.

“(iii) Access to and quality of care has been significantly diminished as a result of such amendments.

“(C) The amendments made by this section shall remain in effect beyond the 6½-year period described in paragraph (1)(B) unless the Secretary determines that any of the findings described in clause (i), (ii), or (iii) of subparagraph (B) are true.

“(D) The Comptroller General shall conduct a study to determine the extent to which individuals who are continuously covered under a medicare supplemental policy are subject to medical underwriting if they change the policy under which they are covered, and to identify options, if necessary, for modifying the medicare supplemental insurance market to make sure that identify options, if necessary, for modifying the medicare supplemental insurance market to make sure that continuously insured beneficiaries are able to switch plans without medical underwriting. By not later than June 30, 1996, the Comptroller General shall submit to the Congress a report on the study. The report shall include a description of the potential impact on the cost and availability of medicare supplemental policies of each option identified in the study.”


**Effective Date of 1989 Amendment**

Pub. L. 101–239, title VI, §622(a)(2), Dec. 19, 1989, 103 Stat. 2257, provided that: “The amendment made by paragraph (1) [amending this section] shall apply to contracts entered into or renewed on or after the date of the enactment of this Act [Dec. 19, 1989].”
contracts entered into after the date of the enactment of this Act [Dec. 19, 1988]."

Pub. L. 101–239, title VI, § 6224(a)(3), Dec. 19, 1988, 102 Stat. 725, provided that: "The amendments made by this subsection (amending this section and section 1320c–4 of this title) shall apply to determinations by utilization and quality control peer review organizations with respect to which preliminary notifications were made under section 1154(a)(3)(B) of the Social Security Act [42 U.S.C. 1320c–3(a)(3)(B)] more than 30 days after the date of the enactment of this Act [Dec. 19, 1988]."

Amendment by Pub. L. 101–234 effective Jan. 1, 1990, see section 201(c) of Pub. L. 101–234, set out as a note under section 1320c–7a of this title.

**Effective Date of 1988 Amendment**

Amendment by Pub. L. 100–485 effective as if included in the enactment of the Medicare Catastrophic Coverage Act of 1988, Pub. L. 100–360, see section 6098(g)(1) of Pub. L. 100–485, set out as a note under section 704 of this title.

Pub. L. 100–360, title II, § 203(g), July 1, 1988, 102 Stat. 725, which provided that the amendments made by section 203 of Pub. L. 100–360 (amending this section and sections 1395h, 1395k to 1395n, 1395w–2, 1395x, 1395z, 1395u, 1395gg, and 1395pp of this title) shall apply to section 203 of Pub. L. 100–360, set out as a note under title 704 of this title.

Except as specifically provided in section 411 of Pub. L. 100–360, amendment by section 411(e)(3), (j)(2), (3), (4)(C) of Pub. L. 100–360, as it relates to a provision in the Omnibus Budget Reconciliation Act of 1987, Pub. L. 100–203, effective as if included in the enactment of that provision of Pub. L. 100–203, see section 411(a) of Pub. L. 100–360, set out as a Reference to OBRA; Effective Date note under section 106 of Title 1, General Provisions.

**Effective Date of 1987 Amendment**

Pub. L. 100–203, title IV, § 4093(b), Dec. 22, 1987, 101 Stat. 1330–136, provided that: "The amendment made by subsection (a) [amending this section] shall apply with respect to determinations made on or after April 1, 1988."


Pub. L. 100–203, title IV, § 4094(c)(2)(C), Dec. 22, 1987, 101 Stat. 1330–137, provided that: "The amendments made by this paragraph [amending this section] shall apply to items and services furnished on or after January 1, 1989, as may be necessary to provide for such modification of contracts under part B of title XI of the Social Security Act [42 U.S.C. 1320c et seq.] entered into or renewed after that date as may be necessary to effect these amendments on a timely basis."

Pub. L. 100–203, title IV, § 4096(d), Dec. 22, 1987, 101 Stat. 1330–140, provided that: "The amendments made by this section [amending this section and sections 1395a, 1395g, and 1396p of this title] shall apply to services furnished on or after January 1, 1988."

**Effective Date of 1986 Amendment**

Amendment by section 9433(d) of Pub. L. 99–509 applicable to contracts entered into or renewed after Jan. 1, 1987, see section 9433(b)(4) of Pub. L. 99–509, as amended, set out as a note under section 1335f of this title.

Pub. L. 99–509, title IX, § 9335(b), Oct. 21, 1986, 100 Stat. 2044, provided that:

"(1) Except as provided in paragraph (2), the amendment made by subsection (a) [amending this section] shall apply to denial notices furnished by hospitals to individuals on or after the first day of the first month that begins more than 9 months after the date of the enactment of this Act [Oct. 21, 1986]."

"(2) Section 1154(e)(4) of the Social Security Act [subsec. (e)(4) of this section] as added by the amendment made by subsection (a) shall take effect on the date of the enactment of this Act [Oct. 21, 1986]."

Pub. L. 99–509, title IX, § 9352(c)(2), Oct. 21, 1986, 100 Stat. 2044, provided that: "The amendment made by subsection (b) [amending this section] shall apply to contracts entered into or renewed on or after January 1, 1987, except that in applying such amendment before January 1, 1989, the term 'post-hospital services' does not include physicians' services, other than physicians' services furnished in a hospital, other inpatient facility, ambulatory surgical center, or rural health clinic.


"(A)(1) Except as provided in clause (1), the amendments made by paragraph (1) [amending this section] shall apply to contracts entered into or renewed on or after January 1, 1987.

"(i) The amendment made by paragraph (1) shall not be construed as requiring, before January 1, 1989, the review of physicians' services, other than physicians' services furnished in a hospital, other inpatient facility, ambulatory surgical center, or rural health clinic.

"(B) The amendments made by paragraphs (2)(B) and (2)(D) [amending this section] shall apply to contracts as of April 1, 1987.

"(C) The amendment made by paragraph (2)(C) [amending this section] shall apply to review activities conducted by organizations on or after January 1, 1988.

"(D) The amendment made by paragraph (3) [amending this section] shall apply to complaints received on or after the first day of the first month that begins more than 9 months after the date of the enactment of this Act [Oct. 21, 1986]."

Pub. L. 99–509, title IX, § 9353(a)(6), Oct. 21, 1986, 100 Stat. 2046, provided that: "The amendments made by this section [amending this section and sections 1395u and 1395y of this title] shall apply to services furnished on or after April 1, 1988."

Pub. L. 99–272, title IX, § 9401(d), Apr. 7, 1986, 100 Stat. 200, provided that: "The amendments made by subsection (a) [amending this section] shall apply to items and services furnished on or after January 1, 1987."


**Effective Date of 1983 Amendment**

Amendment by Pub. L. 97–448 effective as if originally included as a part of this section as this section was added by the Tax Equity and Fiscal Responsibility Act of 1982, Pub. L. 97–248, see section 309(c)(2) of Pub. L. 97–448, set out as a note under section 1363a of this title.

**State Regulatory Programs**

For provisions relating to changes required to conform State regulatory programs to amendments by section 171 of Pub. L. 103–432, see section 103–432, set out as a note under section 1363a of this title.
Human Services shall provide, to at least 12 utilization Stat. 2046, provided that: “The Secretary of Health and Act [42 U.S.C. 1320c et seq.], data and data processing and quality control peer review organizations with con- assistance to allow each of these organizations to re- tracts under part B of title XI of the Social Security view and analyze small-area variations, in the service area of the organization, in the utilization of hospital and other health care services for which payment is made under title XVIII of such Act [42 U.S.C. 1395 et seq.].”

§ 1320c–4. Right to hearing and judicial review

Any beneficiary who is entitled to benefits under subchapter XVIII, and, subject to section 1320c–3(a)(3)(D) of this title, any practitioner or provider, who is dissatisfied with a determination made by a contracting quality improve- ment organization in conducting its review re- sponsibilities under this part, shall be entitled to a reconsideration of such determination by the reviewing organization. Where the reconsider- ation is adverse to the beneficiary and where the amount in controversy is $2,000 or more, such beneficiary shall be entitled to a hearing by the Secretary (to the same extent as beneficiaries under subchapter II are entitled to a hearing by the Commissioner of Social Security under section 405(b) of this title). For purposes of the preceding sentence, subsection (l) of section 405 of this title shall apply, except that any reference in such subsection to the Commissioner of Social Security or the Social Security Administration shall be deemed a reference to the Secretary or the Department of Health and Human Services, respectively. Where the amount in controversy is $2,000 or more, such beneficiary shall be entitled to judicial review of any final decision relating to a reconsideration described in this subsection.


Prior Provisions


Amendments

2011—Pub. L. 112–40 substituted “quality improve- ment” for “peer review”.
1994—Pub. L. 103–296 substituted “(to the same extent as beneficiaries under subchapter II are entitled to a hearing by the Commissioner of Social Security under section 405(b) of this title)” for “(to the same extent as is provided in sec- tion 405(b) of this title),” and, where the amount in con- troversy is $2,000 or more, to judicial review of the Sec- retary’s final decision.”

1989—Pub. L. 101–239 inserted “, subject to section 1320c–3(a)(3)(D) of this title,” before “any practitioner or provider”.

Effective Date of 2011 Amendment

Amendment by Pub. L. 112–40 applicable to contracts entered into or renewed on or after Jan. 1, 2012, see section 261(e) of Pub. L. 112–40, set out as a note under section 1320c of this title.

Effective Date of 1994 Amendment


Effective Date of 1989 Amendment

Amendment by Pub. L. 101–239 applicable to deter- minations by utilization and quality control peer re- view organizations with respect to which preliminary notifications were made under section 1320c–3(a)(3)(B) of this title more than 30 days after Dec. 19, 1989, see section 6224(b)(3) of Pub. L. 101–239, set out as a note under section 1320c–3 of this title.

§ 1320c–5. Obligations of health care practition- ers and providers of health care services; sanictions and penalties; hearings and review

(a) Assurances regarding services and items or- dered or provided by practitioner or pro- vider

It shall be the obligation of any health care practitioner and any other person (including a hospital or other health care facility, organization, or agency) who provides health care services for which payment may be made (in whole or in part) under this chapter, to assure, to the extent of his authority that services or items or- dered or provided by such practitioner or person to beneficiaries and recipients under this chapter—

(1) will be provided economically and only when, and to the extent, medically necessary; (2) will be of a quality which meets profes- sionally recognized standards of health care; and (3) will be supported by evidence of medical necessity and quality in such form and fashion and at such time as may reasonably be re- quired by a reviewing quality improvement organ- ization in the exercise of its duties and re- sponsibilities.

(b) Sanctions and penalties; hearings and review

(1) If after reasonable notice and opportunity for discussion with the practitioner or person concerned, and, if appropriate, after the practi- tioner or person has been given a reasonable op- portunity to enter into and complete a corrective action plan (which may include remedial education) agreed to by the organization, and has failed successfully to complete such plan, any organization having a contract with the Secretary under this part determines that such practitioner or person has—
(A) failed in a substantial number of cases substantially to comply with any obligation imposed on him under subsection (a), or
(B) grossly and flagrantly violated any such obligation in one or more instances,

such organization shall submit a report and recommendations to the Secretary. If the Secretary agrees with such determination, the Secretary (in addition to any other sanction provided under law) may exclude (permanently or for such period as the Secretary may prescribe, except that such period may not be less than 1 year) such practitioner or person from eligibility to provide services under this chapter on a reimbursable basis. If the Secretary fails to act upon the recommendations submitted to him by such organization within 120 days after such submission, such practitioner or person shall be excluded from eligibility to provide services on a reimbursable basis until such time as the Secretary determines otherwise.

(2) A determination made by the Secretary under this subsection to exclude a practitioner or person shall be effective on the same date and in the same manner as an exclusion from participation under the programs under this chapter becomes effective under section 1320a–7(c) of this title, and shall (subject to the minimum period specified in the second sentence of paragraph (1)) remain in effect until the Secretary finds and gives reasonable notice to the public that the basis for such determination has been removed and that there is reasonable assurance that it will not recur.

(3) In lieu of the sanction authorized by paragraph (1), the Secretary may require that (as a condition to the continued eligibility of such practitioner or person to provide such health care services on a reimbursable basis) such practitioner or person pays the United States, in case such acts or conduct involved the provision of health care services which were medically improper or unnecessary, an amount not in excess of up to $10,000 for each instance of the medically improper or unnecessary services so provided. Such amount may be deducted from any sums owing by the United States (or any instrumentality thereof) to the practitioner or person from whom such amount is claimed.

(4) Any practitioner or person furnishing services described in paragraph (1) who is dissatisfied with a determination made by the Secretary under this subsection shall be entitled to reasonable notice and opportunity for a hearing thereon by the Secretary to the same extent as is provided in section 405(b) of this title, and to judicial review of the Secretary’s final decision after such hearing as is provided in section 405(g) of this title.

(5) Before the Secretary may effect an exclusion under paragraph (2) in the case of a provider or practitioner located in a rural health professional shortage area or in a county with a population of less than 70,000, the provider or practitioner adversely affected by the determination is entitled to a hearing before an administrative law judge (described in section 1001(a)(2) of this title) respecting whether the provider or practitioner should be able to continue furnishing services to individuals entitled to benefits under this chapter, pending completion of the administrative review procedure under paragraph (4). If the judge does not determine, by a preponderance of the evidence, that the provider or practitioner will pose a serious risk to such individuals if permitted to continue furnishing such services, the Secretary shall not effect the exclusion under paragraph (2) until the provider or practitioner has been provided reasonable notice and opportunity for an administrative hearing thereon under paragraph (4).

(6) When the Secretary effects an exclusion of a physician under paragraph (2), the Secretary shall notify the State board responsible for the licensing of the physician of the exclusion.

c. Enlistment of support of other organizations to assure practitioner’s or provider’s compliance with obligations

It shall be the duty of each quality improvement organization to use such authority or influence it may possess as a professional organization, and to enlist the support of any other professional or governmental organization having influence or authority over health care practitioners and any other person (including a hospital or other health care facility, organization, or agency) providing health care services in the area served by such review organization, in assuring that each practitioner or person (referred to in subsection (a)) providing health care services in such area shall comply with all obligations imposed on him under subsection (a).

port and recommendations, to enter into and successfully complete a corrective action plan.” after “chapter on a reimbursable basis.”

1991—Subsec. (b)(1). Pub. L. 102–181, § 141(b)(1), struck out in concluding provisions “and determines that such practitioner or person, in providing health care services over which such organization has review responsibility and for which payment (in whole or in part) may be made under this chapter, has demonstrated an unwillingness or a lack of ability substantially to comply with such obligations,” after “agrees with such determination.”

Pub. L. 102–181, § 141(a)(1), substituted “may prescribe, except that such period may not be less than 1 year” for “may prescribe” in concluding provisions.

Subsec. (b)(2). Pub. L. 102–181, § 141(a)(2), substituted “shall subject to the minimum period specified in the second sentence of paragraph (1) remain” for “shall remain.”

1990—Subsec. (b)(1). Pub. L. 101–508, § 4205(a)(1), inserted “and, if appropriate, after the practitioner or person has been given a reasonable opportunity to enter into and complete a corrective action plan (which may include remedial education) agreed to by the organization, and has failed successfully to complete such plan,” after “concerned,” in introductory provisions and inserted after second sentence “In determining whether [sic] a practitioner or person has demonstrated an unwillingness or lack of ability substantially to comply with such obligations, the Secretary shall consider the practitioner’s or person’s willingness or lack of ability, during the period before the organization submits its report and recommendations, to enter into and successfully complete a corrective action plan.”

Subsec. (b)(3). Pub. L. 101–508, § 213(f), substituted “up to $10,000 for each instance” for “the actual or estimated cost”.


1990—Subsec. (b)(1). Pub. L. 101–508, § 4205(a)(1), inserted “and, if appropriate, after the practitioner or person has been given a reasonable opportunity to enter into and complete a corrective action plan (which may include remedial education) agreed to by the organization, and has failed successfully to complete such plan,” after “concerned,” in introductory provisions and inserted after second sentence “In determining whether a practitioner or person has demonstrated an unwillingness or lack of ability substantially to comply with such obligations, the Secretary shall consider the practitioner’s or person’s willingness or lack of ability, during the period before the organization submits its report and recommendations, to enter into and successfully complete a corrective action plan.”

Subsec. (b)(5). Pub. L. 101–508 substituted “health professional shortage area” for “health manpower shortage area (HMSA)”.


1987—Subsec. (a). Pub. L. 100–203, title IV, § 4095(b), substituted “this chapter” for “subchapter XVIII of this chapter” and “this subchapter”.

Subsec. (b)(1). Pub. L. 100–203, § 4039(h)(5)(A), as added by Pub. L. 100–360, substituted “services under this chapter” for “such services”.

Pub. L. 100–93, § 6(2), substituted “this chapter” for “subchapter XVIII of this chapter”.

Subsec. (b)(2). Pub. L. 100–203, § 4039(h)(5)(B), as added by Pub. L. 100–360, substituted “on the same date and in the same manner as an exclusion from participation under the programs under this chapter becomes effective under section 1320c–9 of this title” for “at such time and upon such reasonable notice to the public and to the practitioner or person furnishing the services involved as may be specified in regulations. Such determination shall be effective with respect to services furnished to an individual on or after the effective date of such determination (except that in the case of institutional health care services such determination shall be effective in the manner provided in this chapter with respect to terminations of provider agreements)”.

Pub. L. 100–93, § 6(2), substituted “this chapter” for “subchapter XVIII of this chapter”.


**Effective Date of 2011 Amendment**

Amendment by Pub. L. 112–40 applicable to contracts entered into or renewed on or after Jan. 1, 2012, see section 261(e) of Pub. L. 112–40, set out as a note under section 1320c of this title.

**Effective Date of 1996 Amendment**


Amendment by section 231(f) of Pub. L. 101–360 applicable to acts or omissions occurring on or after Jan. 1, 1997, see section 231(f) of Pub. L. 101–191, set out as a note under section 1320a–7a of this title.

**Effective Date of 1994 Amendment**

Amendment by Pub. L. 103–432 effective as if included in the enactment of Pub. L. 101–508, see section 156(b)(8)(A) of Pub. L. 103–432, set out as a note under section 1320c–9 of this title.

**Effective Date of 1990 Amendment**

Pub. L. 101–508, title IV, § 4205(a)(2), Nov. 5, 1990, 104 Stat. 1388–113, provided that: “The amendments made by paragraph (1) [amending this section] shall apply to initial determinations made by organizations on or after the date of the enactment of this Act [Nov. 5, 1990].”


**Effective Date of 1988 Amendment**

Except as specifically provided in section 411 of Pub. L. 100–360, amendment by Pub. L. 100–360, as it relates to a provision in the Omnibus Budget Reconciliation Act of 1987, Pub. L. 100–203, effective as if included in the enactment of that provision in Pub. L. 100–203, see section 411(a) of Pub. L. 100–360, set out as a Reference to OBRA; Effective Date note under section 106 of Title 1, General Provisions.

**Effective Date of 1987 Amendment**

Pub. L. 100–203, title IV, § 4095(b), Dec. 22, 1987, 101 Stat. 1330–138, provided that: “The amendment made by subsection (a) [amending this section] shall apply to determinations made by the Secretary of Health and Human Services under section 1156(b) of the Social Security Act [42 U.S.C. 1320c–5(b)] on or after the date of the enactment of this Act [Dec. 22, 1987].”

Amendment by Pub. L. 100–93 effective at end of fourteen-day period beginning Aug. 18, 1987, and inapplicable to administrative proceedings commenced before end of such period, see section 15(a) of Pub. L. 100–93, set out as a note under section 1320a–7 of this title.

**Telecommunications Demonstration Projects**

Pub. L. 100–203, title IV, § 4094(e), Dec. 22, 1987, 101 Stat. 1330–138, as amended by Pub. L. 100–360, title IV, § 411(j)(5)(B), as added by Pub. L. 100–482, title VI, § 608(d)(25)(A), Oct. 13, 1988, 102 Stat. 2421, provided that: “The Secretary of Health and Human Services shall enter into agreements with entities submitting applications under this subsection (in such form as the Secretary may provide) to establish demonstration projects to examine the feasibility of requiring instruction and oversight of rural physicians, in lieu of imposing sanctions, through use of video communication between rural hospitals and teaching hospitals under this title [probably means title XI of the Social Security Act, 42 U.S.C. 1301 et seq.]. Under such demonstration projects, the Secretary may provide for payments to physicians consulted via video communication systems. No funds may be expended under the demonstration projects for the acquisition of capital items including computer hardware.”

**Preclusion Hearings; Transition for Current Cases and Redetermination in Certain Cases**

Pub. L. 100–203, title IV, § 4095(c), (d), Dec. 22, 1987, 101 Stat. 1330–138, provided that: “(c) Transition for Current Cases.—In the case of a practitioner or person—
§ 1320c–6. Limitation on liability

(a) Providers of information to organizations having a contract with Secretary

Notwithstanding any other provision of law, no person providing information to any organization having a contract with the Secretary under this part shall be held, by reason of having provided such information, to have violated any criminal law, or to be civilly liable under any law of the United States or of any State (or political subdivision thereof) unless—

(1) such information is unrelated to the performance of the contract of such organization; or

(2) such information is false and the person providing it knew, or had reason to believe, that such information was false.

(b) Employees and fiduciaries of organizations having contracts with Secretary

No organization having a contract with the Secretary under this part and no person who is employed by, or who has a fiduciary relationship with, any such organization or who furnishes professional services to such organization, shall be held by reason of the performance of any duty, function, or activity required or authorized pursuant to this part or to a valid contract entered into under this part, to have violated any criminal law, or to be civilly liable under any law of the United States or of any State (or political subdivision thereof) provided due care was exercised in the performance of such duty, function, or activity.

(c) Physicians and providers

No doctor of medicine or osteopathy and no provider (including directors, trustees, employees, or officials thereof) of health care services shall be civilly liable to any person under any law of the United States or of any State (or political subdivision thereof) on account of any action taken by him in compliance with or reliance upon professionally developed norms of care and treatment applied by an organization under contract pursuant to section 1320c–2 of this title operating in the area where such doctor of medicine or osteopathy or provider took such action; but only if—

(1) he takes such action in the exercise of his profession as a doctor of medicine or osteopathy or in the exercise of his functions as a provider of health care services; and

(2) he exercised due care in all professional conduct taken or directed by him and reasonably related to, and resulting from, the actions taken in compliance with or reliance upon such professionally accepted norms of care and treatment.

(d) Reimbursement by Secretary for expenses incurred in defense of legal proceedings

The Secretary shall make payment to an organization under contract with him pursuant to this part, or to any member or employee thereof, or to any person who furnishes legal counsel or services to such organization, in an amount equal to the reasonable amount of the expenses incurred, as determined by the Secretary, in connection with the defense of any suit, action, or proceeding brought against such organization, member, or employee related to the performance of any duty or function under such contract by such organization, member, or employee.


Prior Provisions


Amendments

1990—Subsec. (b).Pub. L. 101–508 inserted “organization having a contract with the Secretary under this part and no” after “No.”, struck out “by him” after “he has exercised due care”, and substituted “due care was exercised” for “he has exercised due care”.

§ 1320c–7. Application of this part to certain State programs receiving Federal financial assistance

(a) State plan provision that functions of quality improvement organizations may be performed by contract with such organization

A State plan approved under subchapter XIX of this chapter may provide that the functions specified in section 1320c–3 of this title may be performed in an area by contract with a quality improvement organization that has entered into a contract with the Secretary in accordance with the provisions of section 1395y(g) of this title.

(b) Federal share of expenditures

In the event a State enters into a contract in accordance with subsection (a), the Federal share of the expenditures made to the contract-
ing organization for its costs in the performance of its functions under the State plan shall be 75 percent (as provided in section 1396b(a)(3)(C) of this title).


Pриорные Продукции


АМЕНДМЕНТЫ


Эффективная дата 2011 АМЕНДМЕНТА

Amendment by Pub. L. 112–40 applicable to contracts entered into or renewed on or after Jan. 1, 2012, see section 261(e) of Pub. L. 112–40, set out as a note under section 1320c of this title.

§ 1320c–8. Авторизация использования части средств для администрации этих частей

Expenses incurred in the administration of the contracts described in section 1395y(g) of this title shall be payable from—

(1) funds in the Federal Hospital Insurance Trust Fund; and

(2) funds in the Federal Supplementary Medical Insurance Trust Fund,

in such amounts from each of such Trust Funds as the Secretary shall deem to be fair and equitable after taking into consideration the expenses attributable to the administration of this part with respect to each of such programs. The Secretary may make such transfers of moneys between such Trust Funds as may be appropriate to settle accounts between them in cases where expenses properly payable from one such Trust Fund have been paid from the other such Trust Fund.


Приорные Продукции


§ 1320c–9. Запрещение раскрытия информации

(a) Freedom of Information Act inapplicable; exceptions to nondisclosure

An organization, in carrying out its functions under a contract entered into under this part, shall not be a Federal agency for purposes of the provisions of section 552 of title 5 (commonly referred to as the Freedom of Information Act). Any data or information acquired by any such organization in the exercise of its duties and functions shall be held in confidence and shall not be disclosed to any person except—

(1) to the extent that may be necessary to carry out the purposes of this part,

(2) in such cases and under such circumstances as the Secretary shall by regulations provide to assure adequate protection of the rights and interests of patients, health care practitioners, or providers of health care, or

(3) in accordance with subsection (b).

(b) Disclosure of information permitted

An organization having a contract with the Secretary under this part shall provide in accordance with procedures and safeguards established by the Secretary, data and information—

(1) which may identify specific providers or practitioners as may be necessary—

(A) to assist Federal and State agencies recognized by the Secretary as having responsibility for identifying and investigating cases or patterns of fraud or abuse, which data and information shall be provided by the quality improvement organization to any such agency at the request of such agency relating to a specific case or pattern;

(B) to assist appropriate Federal and State agencies recognized by the Secretary as having responsibility for identifying cases or patterns involving risks to the public health, which data and information shall be provided by the quality improvement organization to any such agency—

(i) at the discretion of the quality improvement organization, at the request of such agency relating to a specific case or pattern with respect to which such agency has made a finding, or has a reasonable belief, that there may be a substantial risk to the public health,

(ii) upon a finding by, or the reasonable belief of, the quality improvement organization that there may be a substantial risk to the public health;

(C) to assist appropriate State agencies recognized by the Secretary as having responsibility for licensing or certification of providers or practitioners or to assist national accreditation bodies acting pursuant to section 1395bb of this title in accrediting providers for purposes of meeting the conditions described in subchapter XVIII, which data and information shall be provided by the quality improvement organization to any such agency or body at the request of such agency or body relating to a specific case or to a possible pattern of substandard care, but only to the extent that such data and information are required by the agency or body to carry out its respective function which is within the jurisdiction of the agency or body under State law or under section 1395bb of this title; and

(D) to provide notice in accordance with section 1320c–3(a)(9)(B) of this title;

(2) to assist the Secretary, and such Federal and State agencies recognized by the Sec-
retary as having health planning or related responsibilities under Federal or State law (including health systems agencies and State health planning and development agencies), in carrying out appropriate health care planning and related activities, which data and information shall be provided in such format and manner as may be prescribed by the Secretary or agreed upon by the responsible Federal and State agencies and such organization, and shall be in the form of aggregate statistical data (without explicitly identifying any individual) on a geographic, institutional, or other basis reflecting the volume and frequency of services furnished, as well as the demographic characteristics of the population subject to review by such organization.

The penalty provided in subsection (c) shall not apply to the disclosure of any information received under this subsection, except that such penalty shall apply to the disclosure (by the agency receiving such information) of any such information described in paragraph (1) unless such disclosure is made in a judicial, administrative, or other formal legal proceeding resulting from an investigation conducted by the agency receiving the information. An organization may require payment of a reasonable fee for providing information under this subsection in response to a request for such information.

(c) Penalties

It shall be unlawful for any person to disclose any such information described in subsection (a) other than for the purposes provided in subsections (a) and (b), and any person violating the provisions of this section shall, upon conviction, be fined not more than $1,000, and imprisoned for not more than 6 months, or both, and shall be required to pay the costs of prosecution.

(d) Subpoena and discovery proceedings regarding patient records

No patient record in the possession of an organization having a contract with the Secretary under this part shall be subject to subpoena or discovery in any administrative or civil proceeding; except that such an organization shall provide, upon request of a practitioner or other person adversely affected by such a determination, a summary of the organization’s findings and conclusions in making the determination.

(e) Organizations with contracts

For purposes of this section and section 1320c–6 of this title, the term “organization with a contract with the Secretary under this part” includes an entity with a contract with the Secretary under section 1320c–3(a)(4)(C) of this title.

References in Text


Prior Provisions


Amendments


1994—Subsec. (b)(1)(D). Pub. L. 103–432, §156(b)(2)(B), amended subpar. (D) generally. Prior to amendment, subpar. (D) read as follows: “to provide notice to the State medical board in accordance with section 1320c–9a(a)(9)(B) of this title when the organization submits a report and recommendations to the Secretary under section 1320c–5(b)(1) of this title with respect to a physician whom the board is responsible for licensing.”

Subsec. (d). Pub. L. 103–432, §156(b)(4), which directed amendment of subsec. (d) by substituting “subpoena” for “subpoena”, was executed by making the substitution in two places to reflect the probable intent of Congress.


Subsec. (d). Pub. L. 101–508, §4205(e)(1), inserted at end “No document or other information produced by such an organization in connection with its deliberations in making determinations under section 1320c–3(a)(1)(B) or 1320c–5(a)(2) of this title shall be subject to subpoena or discovery in any administrative or civil proceeding; except that such an organization shall provide, upon request of a practitioner or other person adversely affected by such a determination, a summary of the organization’s findings and conclusions in making the determination.”


1986—Subsec. (b)(1)(C). Pub. L. 99–509 amended subpar. (C) generally. Prior to amendment, subpar. (C) read as follows: “to assist appropriate State agencies recognized by the Secretary as having responsibility for licensing or certification of providers or practitioners, which data and information shall be provided by the peer review organization to any such agency at the request of such agency relating to a specific case, but only to the extent that such data and information is required by the agency in carrying out a function which is within the jurisdiction of such agency under State law; and”.

Effective Date of 2011 Amendment

Amendment by Pub. L. 112–40 applicable to contracts entered into or renewed on or after Jan. 1, 2012, see section 261(e) of Pub. L. 112–40, set out as a note under section 1320c of this title.
(A) Except as provided in subparagraph (B), the amendments made by this subsection (amending this section, sections 1320c–3 and 1320c–5 of this title, and provisions set out as notes under this section and section 1320c–5 of this title) shall take effect as if included in the enactment of OBRA–1990 [Pub. L. 101–508].

(B) The amendments made by paragraph (2) (amending this section and section 1320c–3 of this title) relating to the requirement on reporting of information to State boards) shall take effect on the date of the enactment of this Act [Oct. 31, 1994].

§ 1320c–10. Annual reports

The Secretary shall submit to the Congress not later than April 1 of each year, a full and complete report on the administration, impact, and cost of the program under this part during the preceding fiscal year, including data and information on—

(1) the number, status, and service areas of all quality improvement organizations participating in the program;

(2) the number of health care institutions and practitioners whose services are subject to review by such organizations, and the number of recipients and applicants who received services subject to such review during such year;

(3) the various methods of reimbursement utilized in contracts under this part, and the relative efficiency of each such method of reimbursement;

(4) the imposition of penalties and sanctions under this title for violations of law and for failure to comply with the obligations imposed by this part;

(5) the total costs incurred under subchapters XVIII and XIX of this chapter in the implementation and operation of all procedures required by such subchapters for the review of services to determine their medical necessity, appropriateness of use, and quality; and

(6) descriptions of the criteria upon which decisions are made, and the selection and relative weights of such criteria.


Prior Provisions


Amendments

2011—Par. (1). Pub. L. 112–40 substituted “quality improvement” for “utilization and quality control peer review”.

§ 1320c–11. Exemptions for religious nonmedical
health care institutions

The provisions of this part shall not apply with respect to a religious nonmedical health care institution (as defined in section 1395x(ss)(1) of this title).


Prior Provisions

§ 1320c–12. Medical officers in American Samoa, the Northern Mariana Islands, and the Trust Territory of the Pacific Islands to be included in the quality improvement program

For purposes of applying this part to American Samoa, the Northern Mariana Islands, and the Trust Territory of the Pacific Islands, individuals licensed to practice medicine in those places shall be considered to be physicians and doctors of medicine.


PRIOR PROVISIONS


TERMINATION OF TRUST TERRITORY OF THE PACIFIC ISLANDS

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


EFFECTIVE DATE OF REPEAL

Repeal applicable to agreements with Professional Standards Review Organizations entered into on or after Oct. 1, 1981, see section 2113(o) of Pub. L. 97–35, set out as an Effective Date of 1981 Amendment note under section 1396a of this title.

§§ 1320c–21, 1320c–22. Omitted


PART C—ADMINISTRATIVE SIMPLIFICATION

§ 1320d. Definitions

For purposes of this part:

(1) Code set

The term “code set” means any set of codes used for encoding data elements, such as
tables of terms, medical concepts, medical diagnostic codes, or medical procedure codes.

(2) Health care clearinghouse

The term "health care clearinghouse" means a public or private entity that processes or facilitates the processing of non-standard data elements of health information into standard data elements.

(3) Health care provider

The term "health care provider" includes a provider of services (as defined in section 1395x(u) of this title), a provider of medical or other health services (as defined in section 1395x(s) of this title), and any other person furnishing health care services or supplies.

(4) Health information

The term "health information" means any information, whether oral or recorded in any form or medium, that—

(A) is created or received by a health care provider, health plan, public health authority, employer, life insurer, school or university, or health care clearinghouse; and

(B) relates to the past, present, or future physical or mental health or condition of an individual, the provision of health care to an individual, or the past, present, or future payment for the provision of health care to an individual.

(5) Health plan

The term "health plan" means an individual or group plan that provides, or pays the cost of, medical care (as such term is defined in section 300gg–91 of this title). Such term includes the following, and any combination thereof:

(A) A group health plan (as defined in section 300gg–91(a) of this title), but only if the plan—

(i) has 50 or more participants (as defined in section 1002(7) of title 29); or

(ii) is administered by an entity other than the employer who established and maintains the plan.

(B) A health insurance issuer (as defined in section 300gg–91(b) of this title).

(C) A health maintenance organization (as defined in section 300gg–91(b) of this title).

(D) Parts A, B, C, or D of the Medicare program under subchapter XVIII.

(E) The Medicaid program under subchapter XIX.

(F) A Medicare supplemental policy (as defined in section 1395ss(g)(1) of this title).

(G) A long-term care policy, including a nursing home fixed indemnity policy (unless the Secretary determines that such a policy does not provide sufficiently comprehensive coverage of a benefit so that the policy should be treated as a health plan).

(H) An employee welfare benefit plan or any other arrangement which is established or maintained for the purpose of offering or providing health benefits to the employees of 2 or more employers.

(I) The health care program for active military personnel under title 10.

(J) The veterans health care program under chapter 17 of title 38.

(K) The Civilian Health and Medical Program of the Uniformed Services (CHAMPUS), as defined in section 1072(4) of title 10.

(L) The Indian health service program under the Indian Health Care Improvement Act (25 U.S.C. 1601 et seq.).

(M) The Federal Employees Health Benefit Plan under chapter 9 of title 5.

(6) Individually identifiable health information

The term "individually identifiable health information" means any information, including demographic information collected from an individual, that—

(A) is created or received by a health care provider, health plan, employer, or health care clearinghouse; and

(B) relates to the past, present, or future physical or mental health or condition of an individual, the provision of health care to an individual, or the past, present, or future payment for the provision of health care to an individual, and—

(i) identifies the individual; or

(ii) with respect to which there is a reasonable basis to believe that the information can be used to identify the individual.

(7) Standard

The term "standard", when used with reference to a data element of health information or a transaction referred to in section 1320d–2(a)(1) of this title, means any such data element or transaction that meets each of the standards and implementation specifications adopted or established by the Secretary with respect to the data element or transaction under sections 1320d–1 through 1320d–3 of this title.

(8) Standard setting organization

The term "standard setting organization" means a standard setting organization accredited by the American National Standards Institute, including the National Council for Prescription Drug Programs, that develops standards and implementation specifications as adopted for purposes of this part.

(9) Operating rules

The term "operating rules" means the necessary business rules and guidelines for the electronic exchange of information that are not defined by a standard or its implementation specifications as adopted for purposes of this part.

§ 1320d–1. General requirements for adoption of standards

(a) Applicability

Any standard adopted under this part shall apply, in whole or in part, to the following persons:

1. A health plan.
2. A health care clearinghouse.

(b) Reduction of costs

Any standard adopted under this part shall be consistent with the objective of reducing the administrative costs of providing and paying for health care.

(c) Role of standard setting organizations

(1) In general

Except as provided in paragraph (2), any standard adopted under this part shall be a standard that has been developed, adopted, or modified by a standard setting organization.

(2) Special rules

(A) Different standards

The Secretary may adopt a standard that is different from any standard developed, adopted, or modified by a standard setting organization, if—

(i) the different standard will substantially reduce administrative costs to health care providers and health plans compared to the alternatives; and
(ii) the standard is promulgated in accordance with the rulemaking procedures of subchapter III of chapter 5 of title 5.

(B) No standard by standard setting organization

If no standard setting organization has developed, adopted, or modified any standard relating to a standard that the Secretary is authorized or required to adopt under this part

(i) paragraph (1) shall not apply; and
(ii) subsection (f) shall apply.

(3) Consultation requirement

(A) In general

A standard may not be adopted under this part unless—

(i) in the case of a standard that has been developed, adopted, or modified by a standard setting organization, the organization consulted with each of the organizations described in subparagraph (B) in the course of such development, adoption, or modification; and
(ii) in the case of any other standard, the Secretary, in complying with the requirements of subsection (f), consulted with each of the organizations described in subparagraph (B) before adopting the standard.

(B) Organizations described

The organizations referred to in subparagraph (A) are the following:

(i) The National Uniform Billing Committee.
(ii) The National Uniform Claim Committee.
(iii) The Workgroup for Electronic Data Interchange.
(iv) The American Dental Association.

(d) Implementation specifications

The Secretary shall establish specifications for implementing each of the standards adopted under this part.

(e) Protection of trade secrets

Except as otherwise required by law, a standard adopted under this part shall not require disclosure of trade secrets or confidential commercial information by a person required to comply with this part.

(f) Assistance to Secretary

In complying with the requirements of this part, the Secretary shall rely on the recommendations of the National Committee on Vital and Health Statistics established under section 242k(k) of this title, and shall consult with appropriate Federal and State agencies and private organizations. The Secretary shall publish in the Federal Register any recommendation of the National Committee on Vital and Health Statistics regarding the adoption of a standard under this part.
§ 1320d-2. Standards for information transactions and data elements

(a) Standards to enable electronic exchange

The Secretary shall adopt standards for transactions, and data elements, to enable health information to be exchanged electronically, that are appropriate for—

(A) the financial and administrative transactions determined appropriate by the Secretary, consistent with the goals of improving the operation of the health care system and reducing administrative costs, and subject to the requirements under paragraph (5).

(B) other financial and administrative transactions determined appropriate by the Secretary, consistent with the goals of improving the operation of the health care system and reducing administrative costs, and subject to the requirements under paragraph (5).

(2) Transactions

The transactions referred to in paragraph (1)(A) are transactions with respect to the following:

(A) Health claims or equivalent encounter information.

(B) Health claims attachments.

(C) Enrollment and disenrollment in a health plan.

(D) Eligibility for a health plan.

(E) Health care payment and remittance advice.

(F) Health plan premium payments.

(G) First report of injury.

(H) Health claim status.

(I) Referral certification and authorization.

(J) Electronic funds transfers.

(3) Accommodation of specific providers

The standards adopted by the Secretary under paragraph (1) shall accommodate the needs of different types of health care providers.

(4) Requirements for financial and administrative transactions

(A) In general

The standards and associated operating rules adopted by the Secretary shall—

(i) to the extent feasible and appropriate, enable determination of an individual’s eligibility and financial responsibility for specific services prior to or at the point of care;

(ii) be comprehensive, requiring minimal augmentation by paper or other communications;

(iii) provide for timely acknowledgment, response, and status reporting that supports a transparent claims and denial management process (including adjudication and appeals); and

(iv) describe all data elements (including reason and remark codes) in unambiguous terms, required or conditioned upon set values in other fields, and prohibit additional conditions (except where necessary to implement State or Federal law, or to protect against fraud and abuse).

(B) Reduction of clerical burden

In adopting standards and operating rules for the transactions referred to under paragraph (1), the Secretary shall seek to reduce the number and complexity of forms (including paper and electronic forms) and data entry required by patients and providers.

(5) Consideration of standardization of activities and items

(A) In general

For purposes of carrying out paragraph (1)(B), the Secretary shall solicit, not later than January 1, 2012, and not less than every 3 years thereafter, input from entities described in subparagraph (B) on—

(i) whether there could be greater uniformity in financial and administrative activities and items, as determined appropriate by the Secretary; and

(ii) whether such activities should be considered financial and administrative transactions (as described in paragraph (1)(B)) for which the adoption of standards and operating rules would improve the operation of the health care system and reduce administrative costs.

(B) Solicitation of input

For purposes of subparagraph (A), the Secretary shall seek input from—

(i) the National Committee on Vital and Health Statistics, the Health Information Technology Policy Committee, and the Health Information Technology Standards Committee; and

(ii) standard setting organizations and stakeholders, as determined appropriate by the Secretary.

(b) Unique health identifiers

(1) In general

The Secretary shall adopt standards providing for a standard unique health identifier for each individual, employer, health plan, and health care provider for use in the health care system. In carrying out the preceding sentence for each health plan and health care provider, the Secretary shall take into account multiple uses for identifiers and multiple locations and specialty classifications for health care providers.

(2) Use of identifiers

The standards adopted under paragraph (1) shall specify the purposes for which a unique health identifier may be used.
§ 1320d–2  TITLE 42—THE PUBLIC HEALTH AND WELFARE

(c) Code sets

(1) In general

The Secretary shall adopt standards that—
(A) select code sets for appropriate data elements for the transactions referred to in subsection (a)(1) from among the code sets that have been developed by private and public entities; or
(B) establish code sets for such data elements if no code sets for the data elements have been developed.

(2) Distribution

The Secretary shall establish efficient and low-cost procedures for distribution (including electronic distribution) of code sets and modifications made to such code sets under section 1320d–3(b) of this title.

(d) Security standards for health information

(1) Security standards

The Secretary shall adopt security standards that—
(A) take into account—
(i) the technical capabilities of record systems used to maintain health information;
(ii) the costs of security measures;
(iii) the need for training persons who have access to health information;
(iv) the value of audit trails in computerized record systems; and
(v) the needs and capabilities of small health care providers and rural health care providers (as such providers are defined by the Secretary); and
(B) ensure that a health care clearinghouse, if it is part of a larger organization, has policies and security procedures which isolate the activities of the health care clearinghouse with respect to processing information in a manner that prevents unauthorized access to such information by such larger organization.

(2) Safeguards

Each person described in section 1320d–1(a) of this title who maintains or transmits health information shall maintain reasonable and appropriate administrative, technical, and physical safeguards—
(A) to ensure the integrity and confidentiality of the information;
(B) to protect against any reasonably anticipated—
(i) threats or hazards to the security or integrity of the information; and
(ii) unauthorized uses or disclosures of the information; and
(C) otherwise to ensure compliance with this part by the officers and employees of such person.

(e) Electronic signature

(1) Standards

The Secretary, in coordination with the Secretary of Commerce, shall adopt standards specifying procedures for the electronic transmission and authentication of signatures with respect to the transactions referred to in subsection (a)(1).

(2) Effect of compliance

Compliance with the standards adopted under paragraph (1) shall be deemed to satisfy Federal and State statutory requirements for written signatures with respect to the transactions referred to in subsection (a)(1).

(f) Transfer of information among health plans

The Secretary shall adopt standards for transferring among health plans appropriate standard data elements needed for the coordination of benefits, the sequential processing of claims, and other data elements for individuals who have more than one health plan.

(g) Operating rules

(1) In general

The Secretary shall adopt a single set of operating rules for each transaction referred to under subsection (a)(1) with the goal of creating as much uniformity in the implementation of the electronic standards as possible. Such operating rules shall be consensus-based and reflect the necessary business rules affecting health plans and health care providers and the manner in which they operate pursuant to standards issued under Health Insurance Portability and Accountability Act of 1996.

(2) Operating rules development

In adopting operating rules under this subsection, the Secretary shall consider recommendations for operating rules developed by a qualified nonprofit entity that meets the following requirements:

(A) The entity focuses its mission on administrative simplification.
(B) The entity demonstrates a multi-stakeholder and consensus-based process for development of operating rules, including representation by or participation from health plans, health care providers, vendors, relevant Federal agencies, and other standard development organizations.
(C) The entity has a public set of guiding principles that ensure the operating rules and process are open and transparent, and supports nondiscrimination and conflict of interest policies that demonstrate a commitment to open, fair, and nondiscriminatory practices.
(D) The entity builds on the transaction standards issued under Health Insurance Portability and Accountability Act of 1996.
(E) The entity allows for public review and updates of the operating rules.

(3) Review and recommendations

The National Committee on Vital and Health Statistics shall—
(A) advise the Secretary as to whether a nonprofit entity meets the requirements under paragraph (2);
(B) review the operating rules developed and recommended by such nonprofit entity;
(C) determine whether such operating rules represent a consensus view of the health care stakeholders and are consistent with and do not conflict with other existing standards;
(D) evaluate whether such operating rules are consistent with electronic standards
adopted for health information technology; and

(E) submit to the Secretary a recommendation as to whether the Secretary should adopt such operating rules.

(4) Implementation

(A) In general

The Secretary shall adopt operating rules under this subsection, by regulation in accordance with subparagraph (C), following consideration of the operating rules developed by the non-profit entity described in paragraph (2) and the recommendation submitted by the National Committee on Vital and Health Statistics under paragraph (3)(E) and having ensured consultation with providers.

(B) Adoption requirements; effective dates

(i) Eligibility for a health plan and health claim status

The set of operating rules for eligibility for a health plan and health claim status transactions shall be adopted not later than July 1, 2011, in a manner ensuring that such operating rules are effective not later than January 1, 2012, and may allow for the use of a machine readable identification card.

(ii) Electronic funds transfers and health care payment and remittance advice

The set of operating rules for electronic funds transfers and health care payment and remittance advice transactions shall—

(I) allow for automated reconciliation of the electronic payment with the remittance advice; and

(II) be adopted not later than July 1, 2012, in a manner ensuring that such operating rules are effective not later than January 1, 2014.

(iii) Health claims or equivalent encounter information, enrollment and disenrollment in a health plan, health plan premium payments, health claims attachments, referral certification and authorization

The set of operating rules for health claims or equivalent encounter information, enrollment and disenrollment in a health plan, health plan premium payments, and referral certification and authorization transactions shall be adopted not later than July 1, 2014, in a manner ensuring that such operating rules are effective not later than January 1, 2016.

(C) Expedited rulemaking

The Secretary shall promulgate an interim final rule applying any standard or operating rule recommended by the National Committee on Vital and Health Statistics pursuant to paragraph (3). The Secretary shall accept and consider public comments on any interim final rule published under this subparagraph for 60 days after the date of such publication.

(h) Compliance

(1) Health plan certification

(A) Eligibility for a health plan, health claim status, electronic funds transfers, health care payment and remittance advice

Not later than December 31, 2013, a health plan shall file a statement with the Secretary, in such form as the Secretary may require, certifying that the data and information systems for such plan are in compliance with any applicable standards (as described under paragraph (7) of section 1320d of this title) and associated operating rules (as described under paragraph (9) of such section) for electronic funds transfers, eligibility for a health plan, health claim status, and health care payment and remittance advice, respectively.

(B) Health claims or equivalent encounter information, enrollment and disenrollment in a health plan, health plan premium payments, health claims attachments, referral certification and authorization

Not later than December 31, 2015, a health plan shall file a statement with the Secretary, in such form as the Secretary may require, certifying that the data and information systems for such plan are in compliance with any applicable standards and associated operating rules for health claims or equivalent encounter information, enrollment and disenrollment in a health plan, health plan premium payments, health claims attachments, and referral certification and authorization, respectively. A health plan shall provide the same level of documentation to certify compliance with such transactions as is required to certify compliance with the transactions specified in subparagraph (A).

(2) Documentation of compliance

A health plan shall provide the Secretary, in such form as the Secretary may require, with adequate documentation of compliance with the standards and operating rules described under paragraph (1). A health plan shall be considered to have provided adequate documentation and shall not be certified as being in compliance with such standards, unless the health plan—

(A) demonstrates to the Secretary that the plan conducts the electronic transactions specified in paragraph (1) in a manner that fully complies with the regulations of the Secretary; and

(B) provides documentation showing that the plan has completed end-to-end testing for such transactions with their partners, such as hospitals and physicians.

(3) Service contracts

A health plan shall be required to ensure that any entities that provide services pursuant to a contract with such health plan shall comply with any applicable certification and compliance requirements (and provide the Secretary with adequate documentation of such compliance) under this subsection.
§ 1320d–2

(4) Certification by outside entity
The Secretary may designate independent, outside entities to certify that a health plan has complied with the requirements under this subsection, provided that the certification standards employed by such entities are in accordance with any standards or operating rules issued by the Secretary.

(5) Compliance with revised standards and operating rules

(A) In general
A health plan (including entities described under paragraph (3)) shall file a statement with the Secretary, in such form as the Secretary may require, certifying that the data and information systems for such plan are in compliance with any applicable revised standards and associated operating rules under this subsection for any interim final rule promulgated by the Secretary under subsection (i) that—
(i) amends any standard or operating rule described under paragraph (1) of this subsection; or
(ii) establishes a standard (as described under subsection (i)(5)) for any other financial and administrative transactions.

(B) Date of compliance
A health plan shall comply with such requirements not later than the effective date of the applicable standard or operating rule.

(6) Audits of health plans
The Secretary shall conduct periodic audits to ensure that health plans (including entities described under paragraph (3)) are in compliance with any standards and operating rules that are described under paragraph (1) or subsection (i)(5).

(i) Review and amendment of standards and operating rules

(1) Establishment
Not later than January 1, 2014, the Secretary shall establish a review committee (as described under paragraph (4)).

(2) Evaluations and reports

(A) Hearings
Not later than April 1, 2014, and not less than biennially thereafter, the Secretary, acting through the review committee, shall conduct hearings to evaluate and review the adopted standards and operating rules established under this section.

(B) Report
Not later than July 1, 2014, and not less than biennially thereafter, the review committee shall provide recommendations for updating and improving such standards and operating rules. The review committee shall recommend a single set of operating rules per transaction standard and maintain the goal of creating as much uniformity as possible in the implementation of the electronic standards.

(3) Interim final rulemaking

(A) In general
Any recommendations to amend adopted standards and operating rules that have been approved by the review committee and reported to the Secretary under paragraph (2)(B) shall be adopted by the Secretary through promulgation of an interim final rule not later than 90 days after receipt of the committee’s report.

(B) Public comment

(i) Public comment period
The Secretary shall accept and consider public comments on any interim final rule published under this paragraph for 60 days after the date of such publication.

(ii) Effective date
The effective date of any amendment to existing standards or operating rules that is adopted through an interim final rule published under this paragraph shall be 25 months following the close of such public comment period.

(4) Review committee

(A) Definition
For the purposes of this subsection, the term “review committee” means a committee chartered by or within the Department of Health and Human services that has been designated by the Secretary to carry out this subsection, including—
(i) the National Committee on Vital and Health Statistics; or
(ii) any appropriate committee as determined by the Secretary.

(B) Coordination of HIT standards
In developing recommendations under this subsection, the review committee shall ensure coordination, as appropriate, with the standards that support the certified electronic health record technology approved by the Office of the National Coordinator for Health Information Technology.

(5) Operating rules for other standards adopted by the Secretary
The Secretary shall adopt a single set of operating rules (pursuant to the process described under subsection (g)) for any transaction for which a standard had been adopted pursuant to subsection (a)(1)(B).

(j) Penalties

(1) Penalty fee

(A) In general
Not later than April 1, 2014, and annually thereafter, the Secretary shall assess a penalty fee (as determined under subparagraph (B)) against a health plan that has failed to meet the requirements under subsection (h) with respect to certification and documentation of compliance with—
(i) the standards and associated operating rules described under paragraph (1) of such subsection; and
(ii) a standard (as described under subsection (a)(1)(B)) and associated operating...
rules (as described under subsection (i)(5)) for any other financial and administrative transactions.

(B) Fee amount

Subject to subparagraphs (C), (D), and (E), the Secretary shall assess a penalty fee against a health plan in the amount of $1 per covered life until certification is complete. The penalty shall be assessed per person covered by the plan for which its data systems for major medical policies are not in compliance and shall be imposed against the health plan for each day that the plan is not in compliance with the requirements under subsection (h).

(C) Additional penalty for misrepresentation

A health plan that knowingly provides inaccurate or incomplete information in a certification or documentation of compliance under subsection (h) shall be subject to a penalty fee that is double the amount that would otherwise be imposed under this subsection.

(D) Annual fee increase

The amount of the penalty fee imposed under this subsection shall be increased on an annual basis by the annual percentage increase in total national health care expenditures, as determined by the Secretary.

(E) Penalty limit

A penalty fee assessed against a health plan under this subsection shall not exceed—

(i) an amount equal to $20 per covered life under such plan; or

(ii) an amount equal to $40 per covered life under the plan if such plan has knowingly provided inaccurate or incomplete information (as described under subparagraph (C)).

(F) Determination of covered individuals

The Secretary shall determine the number of covered lives under a health plan based upon the most recent statements and filings that have been submitted by such plan to the Securities and Exchange Commission.

(2) Notice and dispute procedure

The Secretary shall establish a procedure for assessment of penalty fees under this subsection that provides a health plan with reasonable notice and a dispute resolution procedure prior to provision of a notice of assessment by the Secretary of the Treasury (as described under paragraph (4)(B)).

(3) Penalty fee report

Not later than May 1, 2014, and annually thereafter, the Secretary shall provide the Secretary of the Treasury with a report identifying those health plans that have been assessed a penalty fee under this subsection.

(4) Collection of penalty fee

(A) In general

The Secretary of the Treasury, acting through the Financial Management Service, shall administer the collection of penalty fees from health plans that have been identified by the Secretary in the penalty fee report provided under paragraph (3).

(B) Notice

Not later than August 1, 2014, and annually thereafter, the Secretary of the Treasury shall provide notice to each health plan that has been assessed a penalty fee by the Secretary under this subsection. Such notice shall include the amount of the penalty fee assessed by the Secretary and the due date for payment of such fee to the Secretary of the Treasury (as described in subparagraph (C)).

(C) Payment due date

Payment by a health plan for a penalty fee assessed under this subsection shall be made to the Secretary of the Treasury not later than November 1, 2014, and annually thereafter.

(D) Unpaid penalty fees

Any amount of a penalty fee assessed against a health plan under this subsection for which payment has not been made by the due date provided under subparagraph (C) shall be—

(i) increased by the interest accrued on such amount, as determined pursuant to the underpayment rate established under section 6621 of the Internal Revenue Code of 1986; and

(ii) treated as a past-due, legally enforceable debt owed to a Federal agency for purposes of section 6402(d) of the Internal Revenue Code of 1986.

(E) Administrative fees

Any fee charged or allocated for collection activities conducted by the Financial Management Service will be passed on to a health plan on a pro-rata basis and added to any penalty fee collected from the plan.


References in Text


Prior Provisions

A prior section 1173 of act Aug. 14, 1935, was classified to section 1320c–22 of this title prior to the general amendment of part B of this subchapter by Pub. L. 97–248.

Amendments

2010—Subsec. (a)(1)(B). Pub. L. 111–148, §10109(a)(1)(A), inserted before period at end "; and subject to the requirements under paragraph (3)")".

so long as—

scribed in section 164.512(i)(1)(ii) of part 164 of the Rule
information by a researcher for such purposes as de-
researcher) does not prohibit remote access to health
section 164.512(i)(1)(ii) of part 164 of the Rule (prohibit-
add subsecs. (g) to (j).

MAKING T–MSIS DATA ON SUBSTANCE USE DISORDERS AVAILABLE TO RESEARCHERS

Pub. L. 115–271, title I, §1015(b), Oct. 24, 2018, 132 Stat. 3922, provided that:

“(1) IN GENERAL.—The Secretary [probably means the Secretary of Health and Human Services] shall publish in the Federal Register a system of records notice for the data specified in paragraph (2) for the Transformed Medicaid Statistical Information System, in accordance with section 552a(e)(4) of title 5, United States Code. The notice shall outline policies that protect the security and privacy of the data that, at a minimum, meet the security and privacy policies of SORN 09–70–0541 for the Medicaid Statistical Information System.

“(2) REQUIRED DATA.—The data covered by the systems of records notice required under paragraph (1) shall be sufficient for researchers and States to analyze the prevalence of substance use disorders in the Medicaid beneficiary population and the treatment of substance use disorders under Medicaid across all States (including the District of Columbia, Puerto Rico, the United States Virgin Islands, Guam, the Northern Marianas Islands, and American Samoa), forms of treatment, and treatment settings.

“(3) INITIATION OF DATA-SHARING ACTIVITIES.—Not later than January 1, 2019, the Secretary shall initiate the data-sharing activities outlined in the notice required under paragraph (1).

ACCESSING, SHARING, AND USING HEALTH DATA FOR RESEARCH PURPOSES


“(a) GUIDANCE RELATED TO REMOTE ACCESS.—Not later than 1 year after the date of enactment of this Act [Dec. 13, 2016], the Secretary of Health and Human Services (referred to in this section as the ‘Secretary’) shall issue guidance clarifying that subparagraph (B) of section 164.512(i)(1)(ii) of part 164 of the Rule (prohibiting the removal of protected health information by a researcher) does not prohibit remote access to health information by a researcher for such purposes as described in section 164.512(i)(1)(ii) of part 164 of the Rule so long as—

“(1) at a minimum, security and privacy safeguards, consistent with the requirements of the Rule, are maintained by the covered entity and the researcher; and

“(2) the protected health information is not copied or otherwise retained by the researcher.

“(b) GUIDANCE RELATED TO STREAMLINING AUTHORIZATION.—Not later than 1 year after the date of enactment of this Act, the Secretary shall issue guidance on the following:

“(1) AUTHORIZATION FOR USE AND DISCLOSURE OF HEALTH INFORMATION.—Clarification of the circumstances under which the authorization for the use or disclosure of protected health information, with respect to an individual, for future research purposes contains a sufficient description of the purpose of the use or disclosure, such as if the authorization—

“(A) sufficiently describes the purposes such that it would be reasonable for the individual to expect that the protected health information could be used or disclosed for such future research;

“(B) either—

“(i) states that the authorization will expire on a particular date or on the occurrence of a particular event; or

“(ii) states that the authorization will remain valid unless and until it is revoked by the individual; and

“(C) provides instruction to the individual on how to revoke such authorization at any time.

“(2) REMINDER OF THE RIGHT TO REVOKE.—Clarification of the circumstances under which it is appropriate to provide an individual with an annual notice or reminder that the individual has the right to revoke such authorization.

“(3) REVOCATION OF AUTHORIZATION.—Clarification of appropriate mechanisms by which an individual may revoke an authorization for future research purposes, such as described in paragraph (1)(C).

“(c) WORKING GROUP ON PROTECTED HEALTH INFORMATION FOR RESEARCH.—

“(1) ESTABLISHMENT.—Not later than 1 year after the date of enactment of this Act [Dec. 13, 2016], the Secretary shall convene a working group to study and report on the uses and disclosures of protected health information for research purposes, under the Health Insurance Portability and Accountability Act of 1996 [Public Law 104–191] [see Tables for classification].

“(2) MEMBERS.—The working group shall include representatives of—

“(A) relevant Federal agencies, including the National Institutes of Health, the Centers for Disease Control and Prevention, the Food and Drug Administration, and the Office for Civil Rights;

“(B) the research community;

“(C) patients;

“(D) experts in civil rights, such as privacy rights;

“(E) developers of health information technology;

“(F) experts in data privacy and security;

“(G) health care providers;

“(H) bioethicists; and

“(I) other experts and entities, as the Secretary determines appropriate.

“(3) REPORT.—Not later than 1 year after the date on which the working group is convened under paragraph (1), the working group shall conduct a review and submit a report to the Secretary containing recommendations on whether the uses and disclosures of protected health information for research purposes should be modified to allow protected health information to be available, as appropriate, for research purposes, including studies to obtain generalizable knowledge, while protecting individuals’ privacy rights. In conducting the review and making recommendations, the working group shall—

“(A) address, at a minimum—

“(i) the appropriate manner and timing of authorization, including whether additional notification to the individual should be required when the individual’s protected health information will be used or disclosed for such research;

“(ii) opportunities for individuals to set preferences on the manner in which their protected health information is used in research;

“(iii) opportunities for patients to revoke authorization;

“(iv) notification to individuals of a breach in privacy;

“(v) existing gaps in statute, regulation, or policy related to protecting the privacy of individuals, and

“(vi) existing barriers to research related to the current restrictions on the uses and disclosures of protected health information; and

“(B) consider, at a minimum—

“(i) expectations and preferences on how an individual’s protected health information is shared and used;

“(ii) issues related to specific subgroups of people, such as children, incarcerated individuals, and individuals with a cognitive or intellectual disability impacting capacity to consent;

“(iii) relevant Federal and State laws;

“(iv) models of facilitating data access and levels of data access, including data segmentation, where applicable;
“(v) potential impacts of disclosure and non-disclosure of protected health information on access to health care services; and

“(vi) the potential uses of such data.

“(4) REPORT SUBMISSION.—The Secretary shall submit the report under paragraph (3) to the Committee on Health, Education, Labor, and Pensions of the Senate, and the Committee on Energy and Commerce of the House of Representatives, and shall post such report on the appropriate Internet website of the Department of Health and Human Services.

“(b) Termination.—The working group convened under paragraph (1) shall terminate the day after the report under paragraph (3) is submitted to Congress and made public in accordance with paragraph (4).

“(c) Definitions.—In this section:

“(1) The Rule.—References to ‘the Rule’ refer to part 160 or part 164, as appropriate, of title 45, Code of Federal Regulations (or any successor regulation).

“(2) Part 164.—References to a specified section of ‘part 164’, refer to such specified section of part 164 of title 45, Code of Federal Regulations (or any successor section).”

CLAIRIFICATION ON PERMITTED USES AND DISCLOSURES OF PROTECTED HEALTH INFORMATION


“(a) INITIAL PROGRAMS AND MATERIALS.—Not later than 1 year after the date of the enactment of this Act (Dec. 13, 2016), the Secretary of Health and Human Services, in consultation with appropriate experts, shall identify the following model programs and materials, or (in the case that no such programs or materials exist) recognize private or public entities to develop and disseminate each of the following:

“(1) Model programs and materials for training health care providers (including physicians, emergency medical personnel, psychiatrists, including child and adolescent psychiatrists, psychologists, counselors, therapists, nurse practitioners, physician assistants, behavioral health facilities and clinics, care managers, and hospitals, including individuals such as general counselors or regulatory compliance staff who are responsible for establishing provider privacy policies) regarding the permitted uses and disclosures, consistent with the standards governing the privacy and security of individually identifiable health information promulgated by the Secretary under part C of title XI of the Social Security Act (42 U.S.C. 1320d-2 note) and regulations promulgated under section 264(c) of the Health Insurance Portability and Accountability Act of 1996 (Pub. L. 104-191) (42 U.S.C. 1320d-1 note).

“(2) A model program and materials for training patients and their families regarding their rights to protect and obtain information under the standards and regulations specified in paragraph (1).

“(3) COMMUNICATION WITH FAMILY MEMBERS AND CAREGIVERS.—In addressing the circumstances described in paragraph (2), the guidance issued under this section shall clarify permitted uses or disclosures of protected health information for purposes of—

“(A) communicating with a family member of the patient, caregiver of the patient, or other individual, to the extent that such family member, caregiver, or individual is involved in the care of the patient;

“(B) in the case that the patient is an adult, communicating with a family member of the patient, caregiver of the patient, or other individual involved in the care of the patient;

“(C) in the case that the patient is a minor, communicating with the parent or caregiver of the patient;

“(D) involving the family members or caregivers of the patient, or others involved in the patient’s care or care plan, including facilitating treatment and medication adherence;

“(E) listening to the patient, or receiving information with respect to the patient from the family or caregiver of the patient;

“(F) communicating with family members of the patient, caregivers of the patient, law enforcement, or others when the patient presents a serious and imminent threat of harm to self or others; and

“(G) communicating to law enforcement and family members or caregivers of the patient about the admission of the patient to receive care at, or the release of a patient from, a facility for an emergency psychiatric hold or involuntary treatment.”

DEVELOPMENT AND DISSEMINATION OF MODEL TRAINING PROGRAMS


“(a) INITIAL PROGRAMS AND MATERIALS.—Not later than 1 year after the date of the enactment of this Act (Dec. 13, 2016), the Secretary of Health and Human Services, in consultation with appropriate experts, shall identify the following model programs and materials, or (in the case that no such programs or materials exist) recognize private or public entities to develop and disseminate each of the following:

“(1) Model programs and materials for training health care providers (including physicians, emergency medical personnel, psychiatrists, including child and adolescent psychiatrists, psychologists, counselors, therapists, nurse practitioners, physician assistants, behavioral health facilities and clinics, care managers, and hospitals, including individuals such as general counselors or regulatory compliance staff who are responsible for establishing provider privacy policies) regarding the permitted uses and disclosures, consistent with the standards governing the privacy and security of individually identifiable health information promulgated by the Secretary under part C of title XI of the Social Security Act (42 U.S.C. 1320d-2 note) and regulations promulgated under section 264(c) of the Health Insurance Portability and Accountability Act of 1996 (Pub. L. 104-191) (42 U.S.C. 1320d-1 note) and such part C, of the protected health information of patients seeking or undergoing mental or substance use disorder treatment.

“(2) A model program and materials for training patients and their families regarding their rights to protect and obtain information under the standards and regulations specified in paragraph (1).

“(b) PERIODIC UPDATES.—The Secretary shall—

“(1) periodically review and update the model programs and materials identified or developed under subsection (a); and

“(2) disseminate the updated model programs and materials to the individuals described in subsection (a).

“(c) COORDINATION.—The Secretary shall carry out this section in coordination with the Director of the Office for Civil Rights within the Department of Health and Human Services, the Assistant Secretary for Mental Health and Substance Use, the Administrator of the Health Resources and Services Administration, and the heads of other relevant agencies within the Department of Health and Human Services.

“(d) INPUT OF CERTAIN ENTITIES.—In identifying, reviewing, or updating the model programs and materials under subsections (a) and (b), the Secretary shall solicit the input of relevant national, State, and local associations; medical societies; licensing boards; providers of mental and substance use disorder treatment organizations with expertise on domestic violence, sexual assault, elder abuse, and child abuse; and organizations...
representing patients and consumers and the families of patients and consumers.

“(e) FUNDING.—There are authorized to be appropriated to carry out this section—

“(1) $4,000,000 for fiscal year 2018;

“(2) $2,000,000 for each of fiscal years 2019 and 2020; and

“(3) $1,000,000 for each of fiscal years 2021 and 2022.”

DELAY IN TRANSITION FROM ICD-9 TO ICD-10 CODE SETS


PROMULGATION OF RULES

Pub. L. 111–146, title I, §1104(c), Mar. 23, 2010, 124 Stat. 153, provided that:

“(1) UNIFORM HEALTH PLAN IDENTIFIER.—The Secretary of Health and Human Services shall promulgate a final rule to establish a unique health plan identifier (as described in section 1173(b) of the Social Security Act (42 U.S.C. 1320d–3)) based on the input of theNational Committee on Vital and Health Statistics. The Secretary may do so on an interim final basis and shall adopt such standard not later than October 1, 2012.  

“(2) ELECTRONIC FUNDS TRANSFERS.—The Secretary shall promulgate a final rule to establish a standard for electronic funds transfers (as described in section 1173(a)(2)(J) of the Social Security Act, as added by subsection (b)(2)(A)). The Secretary may do so on an interim final basis and shall adopt such standard not later than January 1, 2012, in a manner ensuring that such standard is effective not later than January 1, 2014.

“(3) HEALTH CLAIMS ATTACHMENTS.—The Secretary shall promulgate a final rule to establish a transaction standard and a single set of associated operating rules for health claims attachments (as described in section 1173(a)(2)(B) of the Social Security Act (42 U.S.C. 1320d–2(a)(2)(B))) that is consistent with the X12 Version 5010 transaction standards. The Secretary may do so on an interim final basis and shall adopt a transaction standard and a single set of associated operating rules not later than January 1, 2014, in a manner ensuring that such standard is effective not later than January 1, 2016.”

ACTIVITIES AND ITEMS FOR INITIAL CONSIDERATION; ICD CODING CROSSWALKS

Pub. L. 111–146, title X, §10109(b), (c), Mar. 23, 2010, 124 Stat. 916, provided that:

“(b) ACTIVITIES AND ITEMS FOR INITIAL CONSIDERATION.—For purposes of section 1173(a)(5) of the Social Security Act (42 U.S.C. 1320d–4(a)(5)) and any subsequent revision of such Act, the Secretary shall, not later than January 1, 2012, seek input on activities and items relating to the following:

“(1) Whether the application process, including the use of a uniform application form, for enrollment of health care providers by health plans could be made electronic and standardized,

“(2) Whether standards and operating rules described in section 1173 of the Social Security Act should apply to the health care transactions of automobile insurance, worker’s compensation, and other programs or persons not described in section 1172(a) of such Act (42 U.S.C. 1320d–2(a)) and any subsequent revision of such Act (42 U.S.C. 1320d–4(a))

“(3) Whether standardized forms could apply to financial audits required by health plans, Federal and State agencies (including State auditors, the Office of the Inspector General of the Department of Health and Human Services, and the Centers for Medicare & Medicaid Services), and other relevant entities as determined appropriate by the Secretary.

“(4) Whether there could be greater transparency and consistency of methodologies and processes used to establish claim edits used by health plans (as described in section 1171(5) of the Social Security Act (42 U.S.C. 1320d–4(5))).

“(5) Whether health plans should be required to publish their timeliness of payment rules.

“(c) ICD CODING CROSSWALKS.—

“(1) ICD-9 TO ICD-10 CROSSWALK.—The Secretary shall task the ICD-9–CM Coordination and Maintenance Committee to convene a meeting, not later than January 1, 2011, to receive input from appropriate stakeholders (including health plans, health care providers, and clinicians) regarding the crosswalk between the Ninth and Tenth Revisions of the International Classification of Diseases (ICD–9 and ICD–10, respectively) that is posted on the website of the Centers for Medicare & Medicaid Services, and make recommendations about appropriate revisions to such crosswalk.

“(2) REVISION OF CROSSWALK.—For purposes of the crosswalk described in paragraph (1), the Secretary shall make appropriate revisions and post any such revised crosswalk on the website of the Centers for Medicare & Medicaid Services.

“(3) USE OF REVISED CROSSWALK.—For purposes of paragraph (2), any revised crosswalk shall be treated as a code set for which a standard has been adopted by the Secretary for purposes of section 1173(c)(4)(B) of the Social Security Act (42 U.S.C. 1320d–2(c)(4)(B)).

“(4) SUBSEQUENT CROSSWALKS.—For subsequent revisions of the International Classification of Diseases that are adopted by the Secretary as a standard code set under section 1173(c) of the Social Security Act (42 U.S.C. 1320d–2(c)), the Secretary shall, after consultation with the appropriate stakeholders, post on the website of the Centers for Medicare & Medicaid Services a crosswalk between the previous and subsequent version of the International Classification of Diseases not later than the date of implementation of such subsequent revision.”

RECOMMENDATIONS WITH RESPECT TO PRIVACY OF CERTAIN HEALTH INFORMATION

Pub. L. 104–191, title II, §264, Aug. 21, 1996, 110 Stat. 2033, provided that:

“(a) IN GENERAL.—Not later than the date that is 12 months after the date of the enactment of this Act [Aug. 21, 1996], the Secretary of Health and Human Services shall submit to the Committee on Labor and Human Resources and the Committee on Finance of the Senate and the Committee on Commerce and the Committee on Ways and Means of the House of Representatives detailed recommendations on standards with respect to the privacy of individually identifiable health information.

“(b) SUBJECTS FOR RECOMMENDATIONS.—The recommendations submitted under subsection (a) shall address at least the following:

“(1) The rights that an individual who is a subject of individually identifiable health information should have.

“(2) The procedures that should be established for the exercise of such rights.

“(3) The uses and disclosures of such information that should be authorized or required.

“(c) REGULATIONS.—

“(1) IN GENERAL.—If legislation governing standards with respect to the privacy of individually identifiable health information transmitted in connection with the transactions described in section 1173(a) of the Social Security Act (42 U.S.C. 1320d–2(a)) is not enacted by the date that is 36 months after the date of the enactment of this Act [Aug. 21, 1996], the Secretary of Health and Human Services shall promulgate final regulations containing such standards not later than the date that is 42 months after the date of the enactment of this Act. Such regulations shall address at least the subjects described in subsection (b).
A similar issue has arisen in other circumstances. Under 18 U.S.C. 3486, an individual’s health records obtained for health oversight purposes pursuant to an administrative subpoena may not be used against that individual patient in an unrelated investigation by law enforcement unless a judicial officer finds good cause. Under that statute, a judicial officer determines whether there is good cause by weighing the public interest and the need for disclosure against the potential for injury to the patient, to the physician-patient relationship, and to the treatment services. It is appropriate to extend limitations on the use of health information to all situations in which the government obtains medical records for a health oversight purpose. In recognition of the increasing importance of protecting health information concerning an individual, discovered during the course of health oversight activities for unrelated civil, administrative, or criminal investigations, against that individual except when the balance of relevant factors weighs clearly in favor of its use. That is, protected health information may not be so used unless the public interest and the need for disclosure clearly outweigh the potential for injury to the patient, to the physician-patient relationship, and to the treatment services. Protecting the privacy of patients’ protected health information promotes trust in the health care system. It improves the quality of health care by fostering an environment in which patients can feel more comfortable in providing health care professionals with accurate and detailed information about their personal health. In order to provide greater protections to patients’ privacy, the Department of Health and Human Services is issuing final regulations concerning the confidentiality of individually identifiable health information under the Health Insurance Portability and Accountability Act of 1996. HIPAA applies only to “covered entities,” such as health care plans, providers, and clearinghouses. HIPAA regulations therefore do not apply to other organizations and individuals that gain access to protected health information, including Federal officials who may access to health records during health oversight activities. Under the new HIPAA regulations, health oversight investigators will appropriately have ready access to many health records for oversight purposes. Health oversight investigators generally do not seek access to the medical records of a particular patient, but instead review large numbers of records to determine whether a health care provider or organization is violating the law, such as through fraud against the Medicare system. Access to many health records is often necessary in order to gain enough evidence to detect and bring enforcement actions against fraud in the health care system. Stricter rules apply under the HIPAA regulations, however, when law enforcement officials seek protected health information in order to investigate criminal activity outside of the health oversight realm. In the course of their efforts to protect the health care system, health oversight investigators may also uncover evidence of wrongdoing unrelated to the health care system, such as evidence of criminal conduct by an individual who has sought health care. For records containing that evidence, the issue thus arises whether the information should be available for law enforcement purposes under the less strict rules or the more restrictive rules that apply to non-overight criminal investigations.

---

(2) PREEMPTION.—A regulation promulgated under paragraph (1) shall not supersede a contrary provision of State law, if the provision of State law imposes requirements, standards, or implementation specifications that are more stringent than the requirements, standards, or implementation specifications imposed under the regulation.

(2) In carrying out this section, the Secretary of Health and Human Services shall consult with—

(1) the National Committee on Vital and Health Statistics established under section 306(k) of the Public Health Service Act (42 U.S.C. 242k(k)); and

(2) the Attorney General.

EX. ORD. NO. 13181. TO PROTECT THE PRIVACY OF PROTECTED HEALTH INFORMATION IN OVERSIGHT INVESTIGATIONS

Ex. Ord. No. 13181, Dec. 29, 2000, 65 F.R. 81321, provided:

By the authority vested in me as President of the United States by the Constitution and the laws of the United States of America, it is ordered as follows:

SECTION 1. Policy.

It shall be the policy of the Government of the United States that law enforcement may not use protected health information concerning an individual that is discovered during the course of health oversight activities for unrelated civil, administrative, or criminal investigations of a non-health oversight matter, except when the balance of relevant factors weighs clearly in favor of its use. That is, protected health information may not be so used unless the public interest and the need for disclosure clearly outweigh the potential for injury to the patient, to the physician-patient relationship, and to the treatment services. Protecting the privacy of patients’ protected health information promotes trust in the health care system. It improves the quality of health care by fostering an environment in which patients can feel more comfortable in providing health care professionals with accurate and detailed information about their personal health. In order to provide greater protections to patients’ privacy, the Department of Health and Human Services is issuing final regulations concerning the confidentiality of individually identifiable health information under the Health Insurance Portability and Accountability Act of 1996. HIPAA applies only to “covered entities,” such as health care plans, providers, and clearinghouses. HIPAA regulations therefore do not apply to other organizations and individuals that gain access to protected health information, including Federal officials who may access to health records during health oversight activities. Under the new HIPAA regulations, health oversight investigators will appropriately have ready access to many health records for oversight purposes. Health oversight investigators generally do not seek access to the medical records of a particular patient, but instead review large numbers of records to determine whether a health care provider or organization is violating the law, such as through fraud against the Medicare system. Access to many health records is often necessary in order to gain enough evidence to detect and bring enforcement actions against fraud in the health care system. Stricter rules apply under the HIPAA regulations, however, when law enforcement officials seek protected health information in order to investigate criminal activity outside of the health oversight realm. In the course of their efforts to protect the health care system, health oversight investigators may also uncover evidence of wrongdoing unrelated to the health care system, such as evidence of criminal conduct by an individual who has sought health care. For records containing that evidence, the issue thus arises whether the information should be available for law enforcement purposes under the less strict rules or the more restrictive rules that apply to non-overight criminal investigations.

---

SIC: 1. Definitions.

(a) “Health oversight activities” shall include the oversight activities enumerated in the regulations concerning the confidentiality of individually identifiable health information promulgated by the Secretary of Health and Human Services pursuant to the “Health Insurance Portability and Accountability Act of 1996,” as amended [Pub. L. 104–191, see Tables for classification].

(b) “Protected health information” shall have the meaning ascribed to it in the regulations concerning the confidentiality of individually identifiable health information promulgated by the Secretary of Health and Human Services pursuant to the “Health Insurance Portability and Accountability Act of 1996,” as amended.

(c) “Injury to the patient” includes injury to the privacy interests of the patient.

SIC: 2. Implementation.

(a) Protected health information concerning an individual patient discovered during the course of health oversight activities shall not be used against that individual patient in an unrelated civil, administrative, or criminal investigation of a non-health oversight matter unless the Dep’t of Attorney General permits such use, upon concluding that the balance of relevant factors weighs clearly in favor of its use. That is, protected health information may not be so used unless the public interest and the need for disclosure clearly outweigh the potential for injury to the patient, to the physician-patient relationship, and to the treatment services.

(c) Upon the decision to use protected health information under subparagraph (a) of this section, the Deputy Attorney General shall permit such use upon concluding that the balance of relevant factors weighs clearly in favor of its use. That is, the Deputy Attorney General shall permit disclosure if the public interest and the need for disclosure clearly outweigh the potential for injury to the patient, to the physician-patient relationship, and to the treatment services.

(d) On an annual basis, the Department of Justice, in consultation with the Department of Health and Human Services, shall provide to the President of the United States a report that includes the following information:

(i) the number of requests made to the Deputy Attorney General for authorization to use protected health information.
§ 1320d-3 TITLE 42—THE PUBLIC HEALTH AND WELFARE Page 2476

information obtained by the Attorney General pursuant to the provisions of 18 U.S.C. 3486.

party against the United States, the officers and employees of any person, or any other person.

§ 1320d-3. Timetables for adoption of standards

(a) Initial standards

The Secretary shall carry out section 1320d–2 of this title not later than 18 months after August 21, 1996, except that standards relating to claims attachments shall be adopted not later than 30 months after August 21, 1996.

(b) Additions and modifications to standards

(1) In general

Except as provided in paragraph (2), the Secretary shall review the standards adopted under section 1320d–2 of this title, and shall adopt modifications to the standards (including additions to the standards), as determined appropriate, but not more frequently than once every 12 months. Any addition or modification to a standard shall be completed in a manner which minimizes the disruption and cost of compliance.

(2) Special rules

(A) First 12-month period

Except with respect to additions and modifications to code sets under subparagraph (b), the Secretary may not adopt any modification to a standard adopted under this part during the 12-month period beginning on the date the standard is initially adopted, unless the Secretary determines that the modification is necessary in order to permit compliance with the standard.

(B) Additions and modifications to code sets

(i) In general

The Secretary shall ensure that procedures exist for the routine maintenance, testing, enhancement, and expansion of code sets.

(ii) Additional rules

If a code set is modified under this subsection, the modified code set shall include instructions on how data elements of health information that were encoded prior to the modification may be converted or translated so as to preserve the informational value of the data elements that existed before the modification. Any modification to a code set under this subsection shall be implemented in a manner that minimizes the disruption and cost of complying with such modification.


§ 1320d-4. Requirements

(a) Conduct of transactions by plans

(1) In general

If a person desires to conduct a transaction referred to in section 1320d–2(a)(1) of this title with a health plan as a standard transaction—

(A) the health plan may not refuse to conduct such transaction as a standard transaction;

(B) the insurance plan may not delay such transaction, or otherwise adversely affect, or attempt to adversely affect, the person or the transaction on the ground that the transaction is a standard transaction; and

(C) the information transmitted and received in connection with the transaction shall be in the form of standard data elements of health information.

(2) Satisfaction of requirements

A health plan may satisfy the requirements under paragraph (1) by—

(A) directly transmitting and receiving standard data elements of health information; or

(B) submitting nonstandard data elements to a health care clearinghouse for processing into standard data elements and transmission by the health care clearinghouse, and receiving standard data elements through the health care clearinghouse.

(3) Timetable for compliance

Paragraph (1) shall not be construed to require a health plan to comply with any standard, implementation specification, or modification to a standard or specification adopted or established by the Secretary under sections 1320d–1 through 1320d–3 of this title at any time prior to the date on which the plan is required to comply with the standard or specification under subsection (b).

(b) Compliance with standards

(1) Initial compliance

(A) In general

Not later than 24 months after the date on which an initial standard or implementation specification is adopted or established under sections 1320d–1 and 1320d–2 of this title, each person to whom the standard or implementation specification applies shall comply with the standard or specification.

(B) Special rule for small health plans

In the case of a small health plan, paragraph (1) shall be applied by substituting ‘‘36
months” for “24 months”. For purposes of this subsection, the Secretary shall determine the plans that qualify as small health plans.

(2) Compliance with modified standards
If the Secretary adopts a modification to a standard or implementation specification under this part, each person to whom the standard or implementation specification applies shall comply with the modified standard or implementation specification at such time as the Secretary determines appropriate, taking into account the time needed to comply due to the nature and extent of the modification. The time determined appropriate under the preceding sentence may not be earlier than the last day of the 180-day period beginning on the date such modification is adopted. The Secretary may extend the time for compliance for small health plans, if the Secretary determines that such extension is appropriate.

(3) Construction
Nothing in this subsection shall be construed to prohibit any person from complying with a standard or specification by—

(A) submitting nonstandard data elements to a health care clearinghouse for processing into standard data elements and transmission by the health care clearinghouse; or

(B) receiving standard data elements through a health care clearinghouse.


"(a) IN GENERAL.—"

"(1) EXTENSION.—Subject to paragraph (2), notwithstanding section 1175(b)(1)(A) of the Social Security Act (42 U.S.C. 1320d–4(b)(1)(A)) and section 162.900 of title 45, Code of Federal Regulations, a health care provider, health plan (other than a small health plan), or a health care clearinghouse shall not be considered to be in noncompliance with the applicable requirements of subparts I through R of part 162 of title 45, Code of Federal Regulations, before October 16, 2003.

"(2) CONDITION.—Paragraph (1) shall apply to a person described in such paragraph only if, before October 16, 2002, the person submits to the Secretary of Health and Human Services a plan of how the person will come into compliance with the requirements described in such paragraph not later than October 16, 2003. Such plan shall be a summary of the following:

(A) An analysis reflecting the extent to which, and the reasons why, the person is not in compliance.

(B) A budget, schedule, work plan, and implementation strategy for achieving compliance.

(C) Whether the person (a) use or might use a contractor or other vendor to assist the person in achieving compliance.

(D) A timeframe for testing that begins not later than April 16, 2003.

"(3) ELECTRONIC SUBMISSION.—Plans described in paragraph (2) may be submitted electronically.

"(4) MODEL FORM.—Not later than March 31, 2002, the Secretary shall promulgate a model form that persons may use in drafting a plan described in paragraph (2). The promulgation of such form shall be made without regard to chapter 35 of title 44, United States Code (commonly known as the ‘Paperwork Reduction Act’).

"(5) ANALYSIS OF PLANS; REPORTS ON SOLUTIONS.—"

"(A) ANALYSIS OF PLANS.—"

"(i) FURNISHING OF PLANS.—Subject to subparagraph (D), the Secretary of Health and Human Services shall furnish the National Committee on Vital and Health Statistics with a sample of the plans submitted under paragraph (2) for analysis by such Committee.

"(ii) ANALYSIS.—The National Committee on Vital and Health Statistics shall analyze the sample of the plans furnished under clause (i).

"(B) REPORTS ON SOLUTIONS.—The National Committee on Vital and Health Statistics shall consult with each organization—"

"(I) described in section 1172(c)(3)(B) of the Social Security Act (42 U.S.C. 1320d–4(c)(3)(B)); or

"(II) designated by the Secretary of Health and Human Services under section 162.910(a) of title 45, Code of Federal Regulations.

"(C) PROTECTION OF CONFIDENTIAL INFORMATION.—"

"(i) IN GENERAL.—The Secretary of Health and Human Services shall ensure that any material provided under subparagraph (A) to the National Committee on Vital and Health Statistics is held in confidence, and shall limit such material to be used for the purposes of—"

"(I) trade secrets;"

"(II) commercial or financial information that is privileged or confidential; and"

"(III) other information the disclosure of which would constitute a clearly unwarranted invasion of personal privacy.

"(ii) CONSTRUCTION.—Nothing in clause (i) shall be construed to affect the application of section 552 of title 5, United States Code (commonly known as the ‘Freedom of Information Act’), including the exceptions from disclosure provided under subsection (b) of such section.

"(6) ENFORCEMENT THROUGH EXCLUSION FROM PARTICIPATION IN MEDICARE.—"

"(A) IN GENERAL.—In the case of a person described in paragraph (1) who fails to submit a plan in accordance with paragraph (2), and who is not in compliance with the applicable requirements of subparts I through R of part 162 of title 45, Code of Federal Regulations, on or after October 16, 2002, the person may be excluded at the discretion of the Secretary of Health and Human Services from participation (including under part C or as a contractor under sections 1816, 1842, and 1893) (42 U.S.C. 1395h, 1395u, 1395ddd) in title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.).

"(B) PROCEDURE.—The provisions of section 1123A of the Social Security Act (42 U.S.C. 1320a–7a) (other than the first and second sentences of subsection (a) and subsection (c)) shall apply to an exclusion under this paragraph in the same manner as such provisions apply with respect to an exclusion or proceeding under section 1128A(a) of such Act.

"(C) CONSTRUCTION.—The availability of an exclusion under this paragraph shall not be construed to affect the imposition of penalties under section 1176 of the Social Security Act (42 U.S.C. 1320d–5).
§ 1320d–5

TITLE 42—THE PUBLIC HEALTH AND WELFARE

Page 2478

"(i) submits a plan in accordance with paragraph (2); or
"(ii) who is in compliance with the applicable requirements of subparts I through R of part 162 of title 45, Code of Federal Regulations, on or before October 16, 2002.

"(b) SPECIAL RULES.

"(1) RULES OF CONSTRUCTION.—Nothing in this section shall be construed—

"(A) as modifying the October 14, 2003, deadline for a small health plan to comply with the requirements of subparts I through R of part 162 of title 45, Code of Federal Regulations; or

"(B) as modifying—

"(i) the April 14, 2003, deadline for a health care provider, a health plan (other than a small health plan), or a health care clearinghouse to comply with the requirements of subpart E of part 164 of title 45, Code of Federal Regulations; or

"(ii) the April 14, 2004, deadline for a small health plan to comply with the requirements of such subpart.

"(2) APPLICABILITY OF PRIVACY STANDARDS BEFORE COMPLIANCE DEADLINE FOR INFORMATION TRANSACTION STANDARDS.—

"(A) In General.—Notwithstanding any other provision of law, during the period that begins on April 14, 2003, and ends on October 16, 2003, a health care provider or, subject to subparagraph (B), a health care clearinghouse, that transmits any health information in electronic form in connection with a transaction described in subparagraph (C) shall comply with the requirements of subpart E of part 164 of title 45, Code of Federal Regulations, without regard to whether the transmission meets the standards required by part 162 of such title.

"(B) Application to Health Care Clearinghouses.—For purposes of this paragraph, during the period described in subparagraph (A), an entity that processes or facilitates the processing of information in connection with a transaction described in subparagraph (C) shall be treated as a health care clearinghouse without regard to whether the processing or facilitation produces (or is required to produce) standard data elements or a standard transaction as required by part 162 of title 45, Code of Federal Regulations.

"(C) Transactions Described.—The transactions described in this subparagraph are the following:

"(i) A health care claims or equivalent encounter information transaction.

"(ii) A health care payment and remittance advice transaction.

"(iii) A coordination of benefits transaction.

"(iv) A health care claim status transaction.

"(v) An enrollment and disenrollment in a health plan transaction.

"(vi) An eligibility for a health plan transaction.

"(vii) A health plan premium payments transaction.

"(viii) A referral certification and authorization transaction.

"(c) Definitions.—In this section—

"(1) the terms 'health care provider', 'health plan', and 'health care clearinghouse' have the meaning given those terms in section 1171 of the Social Security Act (42 U.S.C. 1320a) and section 160.103 of title 45, Code of Federal Regulations;

"(2) the terms 'small health plan' and 'transaction' have the meaning given those terms in section 160.103 of title 45, Code of Federal Regulations; and

"(3) the terms 'health care claims or equivalent encounter information transaction', 'health care payment and remittance advice transaction', 'coordination of benefits transaction', 'health care claim status transaction', 'enrollment and disenrollment in a health plan transaction', 'eligibility for a health plan transaction', 'health plan premium payments transaction', and 'referral certification and authorization transaction' have the meanings given those terms in sections 162.101, 162.1601, 162.1801, 162.1401, 162.1501, 162.1201, 162.1701, and 162.1901 of title 45, Code of Federal Regulations, respectively.'

§ 1320d–5. General penalty for failure to comply with requirements and standards

(a) General penalty

(1) In general

Except as provided in subsection (b), the Secretary shall impose on any person who violates a provision of this part—

(A) in the case of a violation of such provision in which it is established that the person did not know (and by exercising reasonable diligence would not have known) that such person violated such provision, a penalty for each such violation of an amount that is at least the amount described in paragraph (3)(A) but not to exceed the amount described in paragraph (3)(D); and

(B) in the case of a violation of such provision in which it is established that the violation was due to reasonable cause and not to willful neglect, a penalty for each such violation of an amount that is at least the amount described in paragraph (3)(B) but not to exceed the amount described in paragraph (3)(D); and

(C) in the case of a violation of such provision in which it is established that the violation was due to willful neglect—

(i) if the violation is corrected as described in subsection (b)(3)(A), a penalty in an amount that is at least the amount described in paragraph (3)(C) but not to exceed the amount described in paragraph (3)(D); and

(ii) if the violation is not corrected as described in such subsection, a penalty in an amount that is at least the amount described in paragraph (3)(D).

In determining the amount of a penalty under this section for a violation, the Secretary shall base such determination on the nature and extent of the violation and the nature and extent of the harm resulting from such violation.

(2) Procedures

The provisions of section 1320a–7a of this title (other than subsections (a) and (b) and the second sentence of subsection (f)) shall apply to the imposition of a civil money penalty under this subsection in the same manner as such provisions apply to the imposition of a penalty under such section 1320a–7a of this title.

(3) Tiers of penalties described

For purposes of paragraph (1), with respect to a violation by a person of a provision of this part—

(A) the amount described in this subparagraph is $100 for each such violation, except that the total amount imposed on the person for all such violations of an identical requirement or prohibition during a calendar year may not exceed $25,000;
(B) the amount described in this subparagraph is $1,000 for each such violation, except that the total amount imposed on the person for all such violations of an identical requirement or prohibition during a calendar year may not exceed $100,000;

(C) the amount described in this subparagraph is $10,000 for each such violation, except that the total amount imposed on the person for all such violations of an identical requirement or prohibition during a calendar year may not exceed $250,000; and

(D) the amount described in this subparagraph is $50,000 for each such violation, except that the total amount imposed on the person for all such violations of an identical requirement or prohibition during a calendar year may not exceed $1,500,000.

(b) Limitations

(1) Offenses otherwise punishable

No penalty may be imposed under subsection (a) and no damages obtained under subsection (d) with respect to an act if a penalty has been imposed under section 1320d–6 of this title with respect to such act.

(2) Failures due to reasonable cause

(A) In general

Except as provided in subparagraph (B) or subsection (a)(1)(C), no penalty may be imposed under subsection (a) and no damages obtained under subsection (d) if the failure to comply is corrected during the 30-day period beginning on the first date the person liable for the penalty or damages knew, or by exercising reasonable diligence would have known, that the failure to comply occurred.

(B) Extension of period

(i) No penalty

With respect to the imposition of a penalty by the Secretary under subsection (a), the period referred to in subparagraph (A) may be extended as determined appropriate by the Secretary based on the nature and extent of the failure to comply.

(ii) Assistance

If the Secretary determines that a person failed to comply because the person was unable to comply, the Secretary may provide technical assistance to the person during the period described in subparagraph (A). Such assistance shall be provided in any manner determined appropriate by the Secretary.

(3) Reduction

In the case of a failure to comply which is due to reasonable cause and not to willful neglect, any penalty under subsection (a) and any damages under subsection (d) that is not entirely waived under paragraph (3)(3) may be waived to the extent that the payment of such penalty would be excessive relative to the compliance failure involved.

(c) Noncompliance due to willful neglect

(1) In general

A violation of a provision of this part due to willful neglect is a violation for which the Secretary is required to impose a penalty under subsection (a)(1).

(2) Required investigation

For purposes of paragraph (1), the Secretary shall formally investigate any complaint of a violation of a provision of this part if a preliminary investigation of the facts of the complaint indicate such a possible violation due to willful neglect.

(d) Enforcement by State attorneys general

(1) Civil action

Except as provided in subsection (b), in any case in which the attorney general of a State has reason to believe that an interest of one or more of the residents of that State has been or is threatened or adversely affected by any person who violates a provision of this part, the attorney general of the State, as parens patriae, may bring a civil action on behalf of such residents of the State in a district court of the United States of appropriate jurisdiction—

(A) to enjoin further such violation by the defendant; or

(B) to obtain damages on behalf of such residents of the State, in an amount equal to the amount determined under paragraph (2).

(2) Statutory damages

(A) In general

For purposes of paragraph (1)(B), the amount determined under this paragraph is the amount calculated by multiplying the number of violations by up to $100. For purposes of the preceding sentence, in the case of a continuing violation, the number of violations shall be determined consistent with the HIPAA privacy regulations (as defined in section 1320d–9(b)(3) of this title) for violations of subsection (a).

(B) Limitation

The total amount of damages imposed on the person for all violations of an identical requirement or prohibition during a calendar year may not exceed $25,000.

(C) Reduction of damages

In assessing damages under subparagraph (A), the court may consider the factors the Secretary may consider in determining the amount of a civil money penalty under subsection (a) under the HIPAA privacy regulations.

(3) Attorney fees

In the case of any successful action under paragraph (1), the court, in its discretion, may award the costs of the action and reasonable attorney fees to the State.

(4) Notice to Secretary

The State shall serve prior written notice of any action under paragraph (1) upon the Secretary and provide the Secretary with a copy of its complaint, except in any case in which

---

2 So in original. Probably should be “are”.
3 So in original. Probably should be “(B)”.
4 So in original. The words “or damages” probably should appear after “penalty”.
5 So in original. Probably should be “are”.
6 So in original. The words “or damages” probably should appear after “penalty”.
7 So in original. Probably should be “are”.
8 So in original. The words “or damages” probably should appear after “penalty”.
9 So in original. Probably should be “are”.
10 So in original. The words “or damages” probably should appear after “penalty”.
such prior notice is not feasible, in which case the State shall serve such notice immediately upon instituting such action. The Secretary shall have the right—

(A) to intervene in the action;

(B) upon so intervening, to be heard on all matters arising therein; and

(C) to file petitions for appeal.

(5) Construction

For purposes of bringing any civil action under paragraph (1), nothing in this section shall be construed to prevent an attorney general of a State from exercising the powers conferred on the attorney general by the laws of that State.

(6) Venue; service of process

(A) Venue

Any action brought under paragraph (1) may be brought in the district court of the United States that meets applicable requirements relating to venue under section 1391 of title 28.

(B) Service of process

In an action brought under paragraph (1), process may be served in any district in which the defendant—

(i) is an inhabitant; or

(ii) maintains a physical place of business.

(7) Limitation on State action while Federal action is pending

If the Secretary has instituted an action against a person under subsection (a) with respect to a specific violation of this part, no State attorney general may bring an action under this subsection against the person with respect to such violation during the pendency of that action.

(8) Application of CMP statute of limitation

A civil action may not be instituted with respect to a violation of this part unless an action to impose a civil money penalty may be instituted under subsection (a) with respect to such violation consistent with the second sentence of section 1320a–7a(c)(1) of this title.

(e) Allowing continued use of corrective action

Nothing in this section shall be construed as preventing the Office for Civil Rights of the Department of Health and Human Services from continuing, in its discretion, to use corrective action without a penalty in cases where the person did not know (and by exercising reasonable diligence would not have known) of the violation involved.


Amendments

2009—Subsec. (a)(1). Pub. L. 111–5, § 13410(d)(1), substituted “who violates a provision of this part—” for “who violates a provision of this part a penalty of not more than $100 for each such violation, except that the total amount imposed on the person for all violations of an identical requirement or prohibition during a calendar year may not exceed $25,000.”, added subpars. (A) to (C), and inserted concluding provisions.


Subsec. (b)(1). Pub. L. 111–5, § 13410(e)(2)(A), substituted “No penalty may be imposed under subsection (a) and no damages obtained under subsection (d)” for “A penalty may not be imposed under subsection (a) and no damages obtained under subsection (d)” for “The act constitutes an offense punishable under section 1320d–6 of this title.”

Subsec. (b)(2). Pub. L. 111–5, § 13410(d)(3)(A), redesignated par. (3) as (2) and struck out former par. (2). Prior to amendment, text of par. (2) read as follows: “A penalty may not be imposed under subsection (a) of this section with respect to a provision of this part if it is established to the satisfaction of the Secretary that the person liable for the penalty did not know, and by exercising reasonable diligence would not have known, that such person violated the provision.”

Subsec. (b)(2)(A). Pub. L. 111–5, § 13410(e)(2)(B)(i), inserted “or damages” after “the penalty”, was executed by making the insertion in subpar. (A) by inserting “or damages” after “the penalty”, was executed by making the insertion in subpar. (A) (by inserting “or damages” after “the penalty”).


Subsec. (b)(2)(B)(i). Pub. L. 111–5, § 13410(e)(2)(C), substituted “With respect to the imposition of a penalty by the Secretary under subsection (a), the period” for “The period”.

Subsec. (b)(3). Pub. L. 111–5, § 13410(e)(2)(D), inserted “and any damages under subsection (d)” after “any penalty under subsection (a)”.


Effective Date of 2009 Amendment

Amendment by Pub. L. 111–5 effective 12 months after Feb. 17, 2009, except as otherwise specifically provided, see section 13223 of Pub. L. 111–5, set out as an Effective Date note under section 17931 of this title.

Amendment by section 13410(a)(1) of Pub. L. 111–5 applicable to penalties imposed on or after the date that is 24 months after Feb. 17, 2009, see section 17939(b)(1) of this title.

Amendment by section 13410(d)(1)–(3) of Pub. L. 111–5 applicable to violations occurring on or after the date that is 24 months after Feb. 17, 2009, see section 17939(d)(4) of this title.

Amendment by section 13410(e)(1), (2) of Pub. L. 111–5 applicable to violations occurring on or after Feb. 17, 2009, see section 17939(e)(3) of this title.

§ 1320d–6. Wrongful disclosure of individually identifiable health information

(a) Offense

A person who knowingly and in violation of this section—
(1) uses or causes to be used a unique health identifier;
(2) obtains individually identifiable health information relating to an individual; or
(3) discloses individually identifiable health information to another person,

shall be punished as provided in subsection (b). For purposes of the previous sentence, a person (including an employee or other individual) shall be considered to have obtained or disclosed individually identifiable health information in violation of this part if the information is maintained by a covered entity (as defined in the HIPAA privacy regulation described in section 1320d–9(b)(3) of this title) and the individual obtained or disclosed such information without authorization.

(b) Penalties
A person described in subsection (a) shall—
(1) be fined not more than $50,000, imprisoned not more than 1 year, or both;
(2) if the offense is committed under false pretenses, be fined not more than $100,000, imprisoned not more than 5 years, or both; and
(3) if the offense is committed with intent to sell, transfer, or use individually identifiable health information for commercial advantage, personal gain, or malicious harm, be fined not more than $250,000, imprisoned not more than 10 years, or both.


AMENDMENTS
2009—Subsec. (a). Pub. L. 111–5 inserted at end “For purposes of the previous sentence, a person (including an employee or other individual) shall be considered to have obtained or disclosed individually identifiable health information in violation of this part if the information is maintained by a covered entity (as defined in the HIPAA privacy regulation described in section 1320d–9(b)(3) of this title) and the individual obtained or disclosed such information without authorization.”

EFFECTIVE DATE OF 2009 AMENDMENT
Amendment by Pub. L. 111–5 effective 12 months after Feb. 17, 2009, see section 13423 of Pub. L. 111–5, set out as an Effective Date note under section 1798l of this title.

§ 1320d–7. Effect on State law
(a) General effect
(1) General rule
Except as provided in paragraph (2), a provision or requirement under this part, or a standard or implementation specification adopted or established under subsections 1320d–1 through 1320d–3 of this title, shall not supersede a contrary provision of State law, if the provision of State law—
(A) is a provision the Secretary determines—
(i) is necessary—
(I) to prevent fraud and abuse;
(II) to ensure appropriate State regulation of insurance and health plans;
(III) for State reporting on health care delivery or costs; or
(IV) for other purposes; or
(ii) addresses controlled substances; or
(B) subject to section 264(c)(2) of the Health Insurance Portability and Accountability Act of 1996, relates to the privacy of individually identifiable health information.

(b) Public health
Nothing in this part shall be construed to invalidate or limit the authority, power, or procedures established under any law providing for the reporting of disease or injury, child abuse, birth, or death, public health surveillance, or public health investigation or intervention.

(c) State regulatory reporting
Nothing in this part shall limit the ability of a State to require a health plan to report, or to provide access to, information for management audits, financial audits, program monitoring and evaluation, facility licensure or certification, or individual licensure or certification.


REFERENCES IN TEXT
Section 264(c)(2) of the Health Insurance Portability and Accountability Act of 1996, referred to in subsec. (a)(2)(B), is section 264(c)(2) of Pub. L. 104–191, which is set out as a note under section 1320d–2 of this title.

§ 1320d–8. Processing payment transactions by financial institutions
To the extent that an entity is engaged in activities of a financial institution (as defined in section 2401 of title 12), or is engaged in authorizing, processing, clearing, settling, billing, transferring, reconciling, or collecting payments, for a financial institution, this part, and any standard adopted under this part, shall not apply to the entity with respect to such activities, including the following:
(1) The use or disclosure of information by the entity for authorizing, processing, clearing, settling, billing, transferring, reconciling, or collecting a payment for, or related to, health plan premiums or health care, where such payment is made by any means, including a credit, debit, or other payment card, an account, check, or electronic funds transfer.
(2) The request for, or the use or disclosure of, information by the entity with respect to a payment described in paragraph (1)—
(A) for transferring receivables;
(B) for auditing;
(C) in connection with—
(i) a customer dispute; or
(ii) an inquiry from, or to, a customer;
§ 1320d–9 Application of HIPAA regulations to genetic information

(a) In general
The Secretary shall revise the HIPAA privacy regulation (as defined in subsection (b)) so it is consistent with the following:

(1) Genetic information shall be treated as health information described in section 1320d(4)(B) of this title.

(2) The use or disclosure by a covered entity that is a group health plan, health insurance issuer that issues health insurance coverage, or issuer of a medicare supplemental policy of protected health information that is genetic information about an individual for underwriting purposes under the group health plan, health insurance coverage, or medicare supplemental policy shall not be a permitted use or disclosure.

(b) Definitions
For purposes of this section:

(1) Genetic information; genetic test; family member
The terms “genetic information”, “genetic test”, and “family member” have the meanings given such terms in section 300gg–91 of this title, as amended by the Genetic Information Nondiscrimination Act of 2007.

(2) Group health plan; health insurance coverage; medicare supplemental policy
The terms “group health plan” and “health insurance coverage” have the meanings given such terms under section 300gg–91 of this title, and the term “medicare supplemental policy” has the meaning given such term in section 300gg–91 of this title.

(3) HIPAA privacy regulation
The term “HIPAA privacy regulation” means the regulations promulgated by the Secretary under this part and section 264 of the Health Insurance Portability and Accountability Act of 1996 (42 U.S.C. 1320d–2 note).

(4) Underwriting purposes
The term “underwriting purposes” means, with respect to a group health plan, health insurance coverage, or a medicare supplemental policy—

(A) rules for, or determination of, eligibility (including enrollment and continued eligibility) for, or determination of, benefits under the plan, coverage, or policy;

(B) the computation of premium or contribution amounts under the plan, coverage, or policy;

(C) the application of any pre-existing condition exclusion under the plan, coverage, or policy; and

(D) other activities related to the creation, renewal, or replacement of a contract of health insurance or health benefits.

(c) Procedure
The revisions under subsection (a) shall be made by notice in the Federal Register published not later than 60 days after May 21, 2008, and shall be effective upon publication, without opportunity for any prior public comment, but may be revised, consistent with this section, after opportunity for public comment.

(d) Enforcement
In addition to any other sanctions or remedies that may be available under law, a covered entity that is a group health plan, health insurance issuer, or issuer of a medicare supplemental policy and that violates the HIPAA privacy regulation (as revised under subsection (a) or otherwise) with respect to the use or disclosure of genetic information shall be subject to the penalties described in sections 1320d–5 and 1320d–6 of this title in the same manner and to the same extent that such penalties apply to violations of this part.


REFERENCES IN TEXT


EFFECTIVE DATE
Pub. L. 110–233, title I, §105(b)(2), May 21, 2008, 122 Stat. 903, provided that: “The amendment made by subsection (a) [enacting this section] shall take effect on the date that is 1 year after the date of the enactment of this Act (May 21, 2008).”

REGULATIONS
Pub. L. 110–233, title I, §105(b)(1), May 21, 2008, 122 Stat. 905, provided that: “Not later than 12 months after the date of the enactment of this Act (May 21, 2008), the Secretary of Health and Human Services shall issue final regulations to carry out the revision required by section 1130(a) of the Social Security Act [42 U.S.C. 1320d–9(a)], as added by subsection (a). The Secretary has the sole authority to promulgate such regulations, but shall promulgate such regulations in consultation with the Secretaries of Labor and the Treasury.”

PART D—COMPARATIVE CLINICAL EFFECTIVENESS RESEARCH

§1320e. Comparative clinical effectiveness research

(a) Definitions
In this section:
(1) Board
The term “Board” means the Board of Governors established under subsection (f).

(2) Comparative clinical effectiveness research; research
(A) In general
The terms “comparative clinical effectiveness research” and “research” mean research evaluating and comparing health outcomes and the clinical effectiveness, risks, and benefits of 2 or more medical treatments, services, and items described in subparagraph (B).

(B) Medical treatments, services, and items described
The medical treatments, services, and items described in this subparagraph are health care interventions, protocols for treatment, care management, and delivery, procedures, medical devices, diagnostic tools, pharmaceuticals (including drugs and biologicals), integrative health practices, and any other strategies or items being used in the treatment, management, and diagnosis of, or prevention of illness or injury in, individuals.

(3) Conflict of interest
The term “conflict of interest” means an association, including a financial or personal association, that have the potential to bias or have the appearance of biasing an individual’s decisions in matters related to the Institute or the conduct of activities under this section.

(4) Real conflict of interest
The term “real conflict of interest” means any instance where a member of the Board, the methodology committee established under subsection (d)(6), or an advisory panel appointed under subsection (d)(4), or a close relative of such member, has received or could receive either of the following:

(A) A direct financial benefit of any amount deriving from the result or findings of a study conducted under this section.

(B) A financial benefit from individuals or companies that own or manufacture medical treatments, services, or items to be studied under this section that in the aggregate exceeds $10,000 per year. For purposes of the preceding sentence, a financial benefit includes honoraria, fees, stock, or other financial benefit and the current value of the member or close relative’s already existing stock holdings, in addition to any direct financial benefit deriving from the results or findings of a study conducted under this section.

(b) Patient-Centered Outcomes Research Institute
(1) Establishment
There is authorized to be established a nonprofit corporation, to be known as the “Patient-Centered Outcomes Research Institute” (referred to in this section as the “Institute”) which is neither an agency nor establishment of the United States Government.

(2) Application of provisions
The Institute shall be subject to the provisions of this section, and, to the extent consistent with this section, to the District of Columbia Nonprofit Corporation Act.

(3) Funding of comparative clinical effectiveness research
For fiscal year 2010 and each subsequent fiscal year, amounts in the Patient-Centered Outcomes Research Trust Fund (referred to in this section as the “PCORTF”) under section 9511 of the Internal Revenue Code of 1986 shall be available, without further appropriation, to the Institute to carry out this section.

(c) Purpose
The purpose of the Institute is to assist patients, clinicians, purchasers, and policy-makers in making informed health decisions by advancing the quality and relevance of evidence concerning the manner in which diseases, disorders, and other health conditions can effectively and appropriately be prevented, diagnosed, treated, monitored, and managed through research and evidence synthesis that considers variations in patient subpopulations, and the dissemination of research findings with respect to the relative health outcomes, clinical effectiveness, and appropriateness of the medical treatments, services, and items described in subsection (a)(2)(B).

(d) Duties
(1) Identifying research priorities and establishing research project agenda
(A) Identifying research priorities
The Institute shall identify national priorities for research, taking into account factors of disease incidence, prevalence, and burden in the United States (with emphasis on chronic conditions), gaps in evidence in terms of clinical outcomes, practice variations and health disparities in terms of delivery and outcomes of care, the potential for new evidence to improve patient health, well-being, and the quality of care, the effect on national expenditures associated with a health care treatment, strategy, or health conditions, as well as patient needs, outcomes, and preferences, the relevance to patients and clinicians in making informed health decisions, and priorities in the National Strategy for quality care established under section 399H of the Public Health Service Act that are consistent with this section. Such national priorities shall include research with respect to intellectual and developmental disabilities and maternal mortality. Such priorities should reflect a balance between long-term priorities and short-term priorities, and be responsive to changes in medical evidence and in health care treatments.

(B) Establishing research project agenda
The Institute shall establish and update a research project agenda for research to ad-
dress the priorities identified under subparagraph (A), taking into consideration the types of research that might address each priority and the relative value (determined based on the cost of conducting research compared to the potential usefulness of the information produced by research) associated with the different types of research, and such other factors as the Institute determines appropriate.

(2) Carrying out research project agenda

(A) Research

The Institute shall carry out the research project agenda established under paragraph (1)(B) in accordance with the methodological standards adopted under paragraph (9) using methods, including the following:

(i) Systematic reviews and assessments of existing and future research and evidence including original research conducted subsequent to March 23, 2010.

(ii) Primary research, such as randomized clinical trials, molecularly informed trials, and observational studies.

(iii) Any other methodologies recommended by the methodology committee established under paragraph (6) that are adopted by the Board under paragraph (9).

(B) Contracts for the management of funding and conduct of research

(i) Contracts

(I) In general

In accordance with the research project agenda established under paragraph (1)(B), the Institute shall enter into contracts for the management of funding and conduct of research in accordance with the following:

(aa) Appropriate agencies and instrumentalities of the Federal Government.

(bb) Appropriate academic research, private sector research, or study-conducting entities.

(II) Preference

In entering into contracts under subclause (I), the Institute shall give preference to the Agency for Healthcare Research and Quality and the National Institutes of Health, but only if the research to be conducted or managed under such contract is authorized by the governing statutes of such Agency or Institutes.

(ii) Conditions for contracts

A contract entered into under this subparagraph shall require that the agency, instrumentality, or other entity—

(I) abide by the transparency and conflicts of interest requirements under subsection (h) that apply to the Institute with respect to the research managed or conducted under such contract;

(II) comply with the methodological standards adopted under paragraph (9) with respect to such research;

(III) consult with the expert advisory panels for clinical trials and rare disease appointed under clauses (ii) and (iii), respectively, of paragraph (4)(A);

(IV) subject to clause (iv), permit a researcher who conducts original research, as described in subparagraph (A)(ii), under the contract for the agency, instrumentality, or other entity to have such research published in a peer-reviewed journal or other publication, as long as the researcher enters into a data use agreement with the Institute for use of the data from the original research, as appropriate;

(V) have appropriate processes in place to manage data privacy and meet ethical standards for the research;

(VI) comply with the requirements of the Institute for making the information available to the public under paragraph (8); and

(VII) comply with other terms and conditions determined necessary by the Institute to carry out the research agenda adopted under paragraph (2).

(iii) Coverage of copayments or coinsurance

A contract entered into under this subparagraph may allow for the coverage of copayments or coinsurance, or allow for other appropriate measures, to the extent that such coverage or other measures are necessary to preserve the validity of a research project, such as in the case where the research project must be blinded.

(iv) Subsequent use of the data

The Institute shall not allow the subsequent use of data from original research in work-for-hire contracts with individuals, entities, or instrumentalities that have a financial interest in the results, unless approved under a data use agreement with the Institute.

(C) Review and update of evidence

The Institute shall review and update evidence on a periodic basis as appropriate.

(D) Taking into account potential differences

Research shall be designed, as appropriate, to take into account the potential for differences in the effectiveness of health care treatments, services, and items as used with various subpopulations, such as racial and ethnic minorities, women, age, and groups of individuals with different comorbidities, genetic and molecular sub-types, or quality of life preferences and include members of such subpopulations as subjects in the research as feasible and appropriate.

(E) Differences in treatment modalities

Research shall be designed, as appropriate, to take into account different characteristics of treatment modalities that may affect research outcomes, such as the phase of the treatment modality in the innovation cycle and the impact of the skill of the operator of the treatment modality.

(F) Consideration of full range of outcomes data

Research shall be designed, as appropriate, to take into account and capture the full
range of clinical and patient-centered outcomes relevant to, and that meet the needs of, patients, clinicians, purchasers, and policy-makers in making informed health decisions. In addition to the relative health outcomes and clinical effectiveness, clinical and patient-centered outcomes shall include the potential burdens and economic impacts of the utilization of medical treatments, items, and services on different stakeholders and decision-makers respectively. These potential burdens and economic impacts include medical out-of-pocket costs, including non-medical costs to the patient and family, including caregiving, effects on future costs of productivity and absenteeism, and healthcare utilization.

(3) Data collection

(A) In general

The Secretary shall, with appropriate safeguards for privacy, make available to the Institute such data collected by the Centers for Medicare & Medicaid Services under the programs under subchapters XVIII, XIX, and XXI, as well as provide access to the data networks developed under section 1320e of the Public Health Service Act [42 U.S.C. 299b–37(f)], as the Institute and its contractors may require to carry out this section. The Institute may also request and obtain data from Federal, State, or private entities, including applicable confidentiality and privacy standards.

(B) Use of data

The Institute shall only use data provided to the Institute under subparagraph (A) in accordance with laws and regulations governing the release and use of such data, including applicable confidentiality and privacy standards.

(4) Appointing expert advisory panels

(A) Appointment

(i) In general

The Institute may appoint permanent or ad hoc expert advisory panels as determined appropriate to assist in identifying research priorities and establishing the research project agenda under paragraph (1) and for other purposes.

(ii) Expert advisory panels for clinical trials

The Institute shall appoint expert advisory panels in carrying out randomized clinical trials under the research project agenda under paragraph (2)(A)(i). Such expert advisory panels shall advise the Institute and the agency, instrumentality, or entity conducting the research on the research question involved and the research design or protocol, including important patient subgroups and other parameters of the research. Such panels shall be available as a resource for technical questions that may arise during the conduct of such research.

(iii) Expert advisory panel for rare disease

In the case of a research study for rare disease, the Institute shall appoint an expert advisory panel for purposes of assisting in the design of the research study and determining the relative value and feasibility of conducting the research study.

(B) Composition

An expert advisory panel appointed under subparagraph (A) shall include representatives of practicing and research clinicians, patients, and experts in scientific and health services research, health services delivery, and evidence-based medicine who have experience in the relevant topic, and as appropriate, experts in integrative health and primary prevention strategies. The Institute may include a technical expert of each manufacturer or each medical technology that is included under the relevant topic, project, or category for which the panel is established.

(5) Supporting patient and consumer representatives

The Institute shall provide support and resources to help patient and consumer representatives effectively participate on the Board and expert advisory panels appointed by the Institute under paragraph (4).

(6) Establishing methodology committee

(A) In general

The Institute shall establish a standing methodology committee to carry out the functions described in subparagraph (C).

(B) Appointment and composition

The methodology committee established under subparagraph (A) shall be composed of not more than 15 members appointed by the Board. Members appointed to the methodology committee shall be experts in their scientific field, such as health services research, clinical research, comparative clinical effectiveness research, biostatistics, genomics, and research methodologies. Stakeholders with such expertise may be appointed to the methodology committee. In addition to the members appointed under the first sentence, the Directors of the National Institutes of Health and the Agency for Healthcare Research and Quality (or their designees) shall each be included as members of the methodology committee.

(C) Functions

Subject to subparagraph (D), the methodology committee shall work to develop and improve the science and methods of comparative clinical effectiveness research by, not later than 18 months after the establishment of the Institute, directly or through subcontract, developing and periodically updating the following:

(i) Methodological standards for research. Such methodological standards shall provide specific criteria for internal validity, generalizability, feasibility, and timeliness of research and for health outcomes measures, risk adjustment, and other relevant aspects of research and assessment with respect to the design of research. Any methodological standards developed and updated under this subclause. \(^3\)

---

\(^3\)So in original. Probably should be “clause”.\)
§ 1320e  TITLE 42—THE PUBLIC HEALTH AND WELFARE  Page 2486

shall be scientifically based and include methods by which new information, data, or advances in technology are considered and incorporated into ongoing research projects by the Institute, as appropriate. The process for developing and updating such standards shall include input from relevant experts, stakeholders, and decisionmakers, and shall provide opportunities for public comment. Such standards shall also include methods by which patient subpopulations can be accounted for and evaluated in different types of research. As appropriate, such standards shall build on existing work on methodological standards for defined categories of health interventions and for each of the major categories of comparative clinical effectiveness research methods (determined as of March 23, 2010).

(ii) A translation table that is designed to provide guidance and act as a reference for the Board to determine research methods that are most likely to address each specific research question.

(D) Consultation and conduct of examinations

The methodology committee may consult and contract with the Institute of Medicine of the National Academies and academic, nonprofit, or other private and governmental entities with relevant expertise to carry out activities described in subparagraph (C) and may consult with relevant stakeholders to carry out such activities.

(E) Reports

The methodology committee shall submit reports to the Board on the committee’s performance of the functions described in subparagraph (C). Reports shall contain recommendations for the Institute to adopt methodological standards developed and updated by the methodology committee as well as other actions deemed necessary to comply with such methodological standards.

(7) Providing for a peer-review process for primary research

(A) In general

The Institute shall ensure that there is a process for peer review of primary research described in subparagraph (A)(ii) of paragraph (2) that is conducted under such paragraph. Under such process—

(i) evidence from such primary research shall be reviewed to assess scientific integrity and adherence to methodological standards adopted under paragraph (9); and

(ii) a list of the names of individuals contributing to any peer-review process during the preceding year or years shall be made public and included in annual reports in accordance with paragraph (10)(D).

(B) Composition

Such peer-review process shall be designed in a manner so as to avoid bias and conflicts of interest on the part of the reviewers and shall be composed of experts in the scientific field relevant to the research under review.

(C) Use of existing processes

(i) Processes of another entity

In the case where the Institute enters into a contract or other agreement with another entity for the conduct or management of research under this section, the Institute may utilize the peer-review process of such entity if such process meets the requirements under subparagraphs (A) and (B).

(ii) Processes of appropriate medical journals

The Institute may utilize the peer-review process of appropriate medical journals if such process meets the requirements under subparagraphs (A) and (B).

(8) Release of research findings

(A) In general

The Institute shall, not later than 90 days after the conduct or receipt of research findings under this part, make such research findings available to clinicians, patients, and the general public. The Institute shall ensure that the research findings—

(i) convey the findings of research in a manner that is comprehensible and useful to patients and providers in making health care decisions;

(ii) fully convey findings and discuss considerations specific to certain subpopulations, risk factors, and comorbidities, as appropriate;

(iii) include limitations of the research and what further research may be needed as appropriate;

(iv) do not include practice guidelines, coverage recommendations, payment, or policy recommendations; and

(v) not include any data which would violate the privacy of research participants or any confidentiality agreements made with respect to the use of data under this section.

(B) Definition of research findings

In this paragraph, the term “research findings” means the results of a study or assessment.

(9) Adoption

Subject to subsection (h)(1), the Institute shall adopt the national priorities identified under paragraph (1)(A), the research project agenda established under paragraph (1)(B), the methodological standards developed and updated by the methodology committee under paragraph (6)(C)(i), and any peer-review process provided under paragraph (7) by majority vote. In the case where the Institute does not adopt such processes in accordance with the preceding sentence, the processes shall be referred to the appropriate staff or entity within the Institute (or, in the case of the methodological standards, the methodology committee) for further review.

(10) Annual reports

The Institute shall submit an annual report to Congress and the President, and shall make the annual report available to the public. Such report shall contain—
(A) a description of the activities conducted under this section, research priorities identified under paragraph (1)(A) and methodological standards developed and updated by the methodology committee under paragraph (6)(C)(i) that are adopted under paragraph (9) during the preceding year;

(B) the research project agenda and budget of the Institute for the following year;

(C) any administrative activities conducted by the Institute during the preceding year;

(D) the names of individuals contributing to any peer-review process under paragraph (7), without identifying them with a particular research project; and

(E) any other relevant information (including information on the membership of the Board, expert advisory panels, methodology committee, and the executive staff of the Institute, any conflicts of interest with respect to these individuals, and any bylaws adopted by the Board during the preceding year).

(e) Administration

(1) In general

Subject to paragraph (2), the Board shall carry out the duties of the Institute.

(2) Nondelegable duties

The activities described in subsections (d)(1) and (d)(9) are nondelegable.

(f) Board of Governors

(1) In general

The Institute shall have a Board of Governors, which shall consist of the following members:

(A) The Director of Agency for Healthcare Research and Quality (or the Director’s designee).

(B) The Director of the National Institutes of Health (or the Director’s designee).

(C) At least nineteen, but no more than twenty-one members appointed by the Comptroller General of the United States as follows:

(i) 3 members representing patients and health care consumers.

(ii) 7 members representing physicians and providers, including 4 members representing physicians (at least 1 of whom is a surgeon), 1 nurse, 1 State-licensed integrative health care practitioner, and 1 representative of a hospital.

(iii) at least 3, but no more than 5 members representing private payers, of whom at least 1 member shall represent health insurance issuers and at least 1 member shall represent employers who self-insure employee benefits.

(iv) 3 members representing pharmaceutical, device, and diagnostic manufacturers or developers.

(v) 1 member representing quality improvement or independent health service researchers.

(vi) 2 members representing the Federal Government or the States, including at least 1 member representing a Federal health program or agency.

(2) Qualifications

The Board shall represent a broad range of perspectives and collectively have scientific expertise in clinical health sciences research, including epidemiology, decisions sciences, health economics, and statistics. In appointing the Board, the Comptroller General of the United States shall consider and disclose any conflicts of interest in accordance with subsection (h)(4)(B). Members of the Board shall be recused from relevant Institute activities in the case where the member (or an immediate family member of such member) has a real conflict of interest directly related to the research project or the matter that could affect or be affected by such participation.

(3) Terms; vacancies

A member of the Board shall be appointed for a term of 6 years, except with respect to members first appointed, whose terms of appointment shall be staggered evenly over a 2-year increment to the extent necessary to preserve the evenly staggered terms of the Board. Any member appointed to fill a vacancy occurring before the expiration of the term for which the member’s predecessor was appointed shall be appointed for the remainder of that term and thereafter may be eligible for reappointment to a full term. A member may serve after the expiration of that member’s term until a successor has been appointed. No individual shall be appointed to the Board for more than 2 terms. Vacancies shall be filled in the same manner as the original appointment was made.

(4) Chairperson and Vice-Chairperson

The Comptroller General of the United States shall designate a Chairperson and Vice Chairperson of the Board from among the members of the Board. Such members shall serve as Chairperson or Vice Chairperson for a period of 3 years.

(5) Compensation

Each member of the Board who is not an officer or employee of the Federal Government shall be entitled to compensation (equivalent to the rate provided for level IV of the Executive Schedule under section 5315 of title 5) and expenses incurred while performing the duties of the Board. An officer or employee of the Federal government who is a member of the Board shall be exempt from compensation.

(6) Director and staff; experts and consultants

The Board may employ and fix the compensation of an Executive Director and such other personnel as may be necessary to carry out the duties of the Institute and may seek such assistance and support of, or contract with, experts and consultants that may be necessary for the performance of the duties of the Institute.

(7) Meetings and hearings

The Board shall meet and hold hearings at the call of the Chairperson or a majority of its
members. Meetings not solely concerning matters of personnel shall be advertised at least 7 days in advance and open to the public. A majority of the Board members shall constitute a quorum, but a lesser number of members may meet and hold hearings.

(g) Financial and governmental oversight

(1) Contract for audit

The Institute shall provide for the conduct of financial audits of the Institute on an annual basis by a private entity with expertise in conducting financial audits.

(2) Review and annual reports

(A) Review

The Comptroller General of the United States shall review the following:

(i) Not less frequently than on an annual basis, the financial audits conducted under paragraph (1).

(ii) Not less frequently than every 5 years, the processes established by the Institute, including the research priorities and the conduct of research projects, in order to determine whether information produced by such research projects is objective and credible, is produced in a manner consistent with the requirements under this section, and is developed through a transparent process.

(iii) Not less frequently than every 5 years, the dissemination and training activities and data networks established under section 937 of the Public Health Service Act [42 U.S.C. 299b–37], including the methods and products used to disseminate research, the types of training conducted and supported, and the types and functions of the data networks established, in order to determine whether the activities and data are produced in a manner consistent with the requirements under such section.

(iv) Not less frequently than every 5 years, the overall effectiveness of activities conducted under this section and the dissemination, training, and capacity building activities conducted under section 299b–37 of this title. Such review shall include the following:

(I) A description of those activities and the financial commitments related to research, training, data capacity building, and dissemination and uptake of research findings.

(II) The extent to which the Institute and the Agency for Healthcare Research and Quality have collaborated with stakeholders, including provider and payer organizations, to facilitate the dissemination and uptake of research findings.

(III) An analysis of available data and performance metrics, such as the estimated public availability and dissemination of research findings and uptake of clinical guidelines and decision support tools, on the extent to which such research findings are used by health care decision-makers, the effect of the dissemination of such findings on changes in medical practice and reducing practice variation and disparities in health care, and the effect of the research conducted and disseminated on innovation and the health care economy of the United States.

(v) Not later than 8 years after March 23, 2010, the adequacy and use of the funding for the Institute and the activities conducted under section 937 of the Public Health Service Act, including a determination as to whether, based on the utilization of research findings by public and private payers, funding sources for the Patient-Centered Outcomes Research Trust Fund under section 9511 of the Internal Revenue Code of 1986 are appropriate and whether such sources of funding should be continued or adjusted.

(B) Annual reports

Not later than April 1 of each year, the Comptroller General of the United States shall submit to Congress a report containing the results of the review conducted under subparagraph (A) with respect to the preceding year (or years, if applicable), together with recommendations for such legislation and administrative action as the Comptroller General determines appropriate.

(b) Ensuring transparency, credibility, and access

The Institute shall establish procedures to ensure that the following requirements for ensuring transparency, credibility, and access are met:

(1) Public comment periods

The Institute shall provide for a public comment period of not less than 45 days and not more than 60 days prior to the adoption under subsection (d)(9) of the national priorities identified under subsection (d)(1)(A), the research project agenda established under subsection (d)(1)(B), the methodological standards developed and updated by the methodology committee under subsection (d)(6)(C)(i), and the peer-review process provided under paragraph (7), and after the release of draft findings with respect to systematic reviews of existing research and evidence.

(2) Additional forums

The Institute shall support forums to increase public awareness and obtain and incorporate public input and feedback through the media (such as an Internet website) on research priorities, research findings, and other duties, activities, or processes the Institute determines appropriate.
(3) Public availability

The Institute shall make available to the public and disclose through the official public Internet website of the Institute the following:

(A) Information contained in research findings as specified in subsection (d)(9).

(B) The process and methods for the conduct of research, including the identity of the entity and the investigators conducting such research and any conflicts of interests of such parties, any direct or indirect links the entity has to industry, and research protocols, including measures taken, methods of research and analysis, research results, and such other information the Institute determines appropriate7 concurrent with the release of research findings.

(C) Notice of public comment periods under paragraph (1), including deadlines for public comments.

(D) Subsequent comments received during each of the public comment periods.

(E) In accordance with applicable laws and processes and as the Institute determines appropriate, proceedings of the Institute.

(4) Disclosure of conflicts of interest

(A) In general

A conflict of interest shall be disclosed in the following manner:

(i) By the Institute in appointing members to an expert advisory panel under subsection (d)(4), in selecting individuals to contribute to any peer-review process under subsection (d)(7), and for employment as executive staff of the Institute.

(ii) By the Board in appointing members of the methodology committee under subsection (d)(6);

(iii) By the Institute in the annual report under subsection (d)(10), except that, in the case of individuals contributing to any such peer review process, such description shall be in a manner such that those individuals cannot be identified with a particular research project.

(B) Manner of disclosure

Conflicts of interest shall be disclosed as described in subparagraph (A) as soon as practicable on the Internet website of the Institute. The information disclosed under the preceding sentence shall include the type, nature, and magnitude of the interests of the individual involved, except to the extent that the individual recuses himself or herself from participating in the consideration of or any other activity with respect to the study as to which the potential conflict exists.

(i) Rules

The Institute,7 its Board or staff, shall be prohibited from accepting gifts, bequests,8 or donations of services or property. In addition, the Institute shall be prohibited from establishing a corporation or generating revenues from activities other than as provided under this section.

(j) Rules of construction

(1) Coverage

Nothing in this section shall be construed—

(A) to permit the Institute to mandate coverage, reimbursement, or other policies for any public or private payor;

(B) as preventing the Secretary from covering the routine costs of clinical care received by an individual entitled to, or enrolled for, benefits under subchapter XVIII, XIX, or XXI in the case where such individual is participating in a clinical trial and such costs would otherwise be covered under such subchapter with respect to the beneficiary.

(cls. (iv) and struck out former cls. (iv) which read as follows: “Not less frequently than every 5 years, the over-

corporation or generating revenues from activities other than as provided under this section.

So in original. Probably should be “conducting”.

7So in original.

8So in original. Probably should be “bequests”.

Public Health Service Act. Such review shall include an analysis of the extent to which research findings are used by health care decision-makers, the effect of the dissemination of such findings on reducing practice variation and disparities in health care, and the effect of the research conducted and disseminated on innovation and the health care economy of the United States.”


§ 1320e–1. Limitations on certain uses of comparative clinical effectiveness research

(a) The Secretary may only use evidence and findings from research conducted under section 1320e of this title to make a determination regarding coverage under subchapter XVIII if such use is through an iterative and transparent process which includes public comment and considers the effect on subpopulations.

(b) Nothing in section 1320e of this title shall be construed as—

(1) superceding or modifying the coverage of items or services under subchapter XVIII that the Secretary determines are reasonable and necessary under section 1395y(l)(1) of this title; or

(2) authorizing the Secretary to deny coverage of items or services under such subchapter solely on the basis of comparative clinical effectiveness research.

(c)(1) The Secretary shall not use evidence or findings from comparative clinical effectiveness research conducted under section 1320e of this title in determining coverage, reimbursement, or incentive programs under subchapter XVIII in a manner that treats extending the life of an elderly, disabled, or terminally ill individual as of lower value than extending the life of an individual who is younger, nondisabled, or not terminally ill.

(2) Paragraph (1) shall not be construed as preventing the Secretary from using evidence or findings from such comparative clinical effectiveness research in determining coverage, reimbursement, or incentive programs under subchapter XVIII based upon a comparison of the difference in the effectiveness of alternative treatments in extending an individual’s life due to the individual’s age, disability, or terminal illness.

(d)(1) The Secretary shall not use evidence or findings from comparative clinical effectiveness research conducted under section 1320e of this title in determining coverage, reimbursement, or incentive programs under subchapter XVIII in a manner that precludes, or with the intent to discourage, an individual from choosing a health care treatment based on how the individual values the tradeoff between extending the length of their life and the risk of disability.

(2)(A) Paragraph (1) shall not be construed to—

(i) limit the application of differential copayments under subchapter XVIII based on factors such as cost or type of service; or

(ii) prevent the Secretary from using evidence or findings from such comparative clinical effectiveness research in determining coverage, reimbursement, or incentive programs under such subchapter based upon a comparison of the difference in the effectiveness of alternative health care treatments in extending an individual’s life due to that individual’s age, disability, or terminal illness.

(3) Nothing in the provisions of, or amendments made by the Patient Protection and Affordable Care Act, shall be construed to limit comparative clinical effectiveness research or any other research, evaluation, or dissemination of information concerning the likelihood that a health care treatment will result in disability.

(e) The Patient-Centered Outcomes Research Institute established under section 1320e(b)(1) of this title shall not develop or employ a dollars-per-quality adjusted life year (or similar measure that discounts the value of a life because of an individual’s disability) as a threshold to determine coverage, reimbursement, or incentive programs under subchapter XVIII.


REFERENCES IN TEXT


§ 1320e–2. Trust Fund transfers to Patient-Centered Outcomes Research Trust Fund

(a) In general

The Secretary shall provide for the transfer, from the Federal Hospital Insurance Trust Fund under section 1395i of this title and the Federal

1 So in original. No subpar. (b) has been enacted.
Supplementary Medical Insurance Trust Fund under section 1395t of this title, in proportion (as estimated by the Secretary) to the total expenditures during such fiscal year that are made under subchapter XVIII from the respective trust fund, to the Patient-Centered Outcomes Research Trust Fund (referred to in this section as the “PCORTF”) under section 9511 of the Internal Revenue Code of 1986, of the following:

(1) For fiscal year 2013, an amount equal to $1 multiplied by the average number of individuals entitled to benefits under part A, or enrolled under part B, of subchapter XVIII during such fiscal year.

(2) For each of fiscal years 2014, 2015, 2016, 2017, 2018, and 2019, an amount equal to $2 multiplied by the average number of individuals entitled to benefits under part A, or enrolled under part B, of subchapter XVIII during such fiscal year.

(b) Adjustments for increases in health care spending

In the case of any fiscal year beginning after September 30, 2014, the dollar amount in effect under subsection (a)(2) for such fiscal year shall be equal to the sum of such dollar amount for the previous fiscal year (determined after the application of this subsection), plus an amount equal to the product of—

(1) such dollar amount for the previous fiscal year, multiplied by

(2) the percentage increase in the projected per capita amount of National Health Expenditures, as most recently published by the Secretary before the beginning of the fiscal year.


REFERENCES IN TEXT

The Internal Revenue Code of 1986, referred to in subsec. (a), is classified generally to Title 26, Internal Revenue Code.

§ 1320e–3. Information exchange with payroll data providers

(a) In general

The Commissioner of Social Security may enter into an information exchange with a payroll data provider for purposes of—

(1) efficiently administering—

(A) monthly insurance benefits under subsections (d)(1)(B)(i), (d)(6)(A)(ii), (d)(6)(B), (e)(1)(B)(ii), and (f)(1)(B)(ii) of section 402 of this title and subsection (a)(1) of section 423 of this title; and

(B) supplemental security income benefits under subchapter XVI; and

(2) preventing improper payments of such benefits without the need for verification by independent or collateral sources.

(b) Notification requirements

Before entering into an information exchange pursuant to subsection (a), the Commissioner shall publish in the Federal Register a notice describing the information exchange and the extent to which the information received through such exchange is—

(1) relevant and necessary to—

(A) accurately determine entitlement to, and the amount of, benefits described under subparagraph (A) of subsection (a)(1);

(B) accurately determine eligibility for, and the amount of, benefits described in subparagraph (B) of such subsection; and

(C) prevent improper payment of such benefits; and

(2) sufficiently accurate, up-to-date, and complete.

(c) Definitions

For purposes of this section:

(1) Payroll data provider

The term “payroll data provider” means payroll providers, wage verification companies, and other commercial or non-commercial entities that collect and maintain data regarding employment and wages, without regard to whether the entity provides such data for a fee or without cost.

(2) Information exchange

The term “information exchange” means the automated comparison of a system of records maintained by the Commissioner of Social Security with records maintained by a payroll data provider.


EFFECTIVE DATE

Section effective one year after Nov. 2, 2015, see section 824(e) of Pub. L. 114–74, set out as an Effective Date of 2015 Amendment note under section 425 of this title.

REGULATIONS

Pub. L. 114–74, title VIII, § 824(d), Nov. 2, 2015, 129 Stat. 610, provided that: “Not later than 1 year after the date of the enactment of this Act [Nov. 2, 2015], the Commissioner of Social Security shall prescribe by regulation procedures for implementing the Commissioner’s access to and use of information held by payroll providers, including—

‘‘(1) guidelines for establishing and maintaining information exchanges with payroll providers, pursuant to section 1184 of the Social Security Act [42 U.S.C. 1320e–3];

‘‘(2) beneficiary authorizations;

‘‘(3) reduced wage reporting responsibilities for individuals who authorize the Commissioner to access information held by payroll data providers through an information exchange; and

‘‘(4) procedures for notifying individuals in writing when they become subject to such reduced wage reporting requirements and when such reduced wage reporting requirements no longer apply to them.’’

SUBCHAPTER XII—ADVANCES TO STATE UNEMPLOYMENT FUNDS

§ 1321. Eligibility requirements for transfer of funds; reimbursement by State; application; certification; limitation

(a)(1) Advances shall be made to the States from the Federal unemployment account in the Unemployment Trust Fund as provided in this section, and shall be repayable, with interest to the extent provided in section 1322(b) of this title, in the manner provided in sections 1101(d)(1), 1103(b)(2), and 1322 of this title. An ad-
vance to a State for the payment of compensation in any 3-month period may be made if—

(A) the Governor of the State applies therefor no earlier than the first day of the month preceding the first month of such 3-month period,

(B) he furnishes to the Secretary of Labor his estimate of the amount of an advance which will be required by the State for the payment of compensation in each month of such 3-month period.

(2) In the case of any application for an advance under this section to any State for any 3-month period, the Secretary of Labor shall—

(A) determine the amount (if any) which he finds will be required by such State for the payment of compensation in each month of such 3-month period, and

(B) certify to the Secretary of the Treasury the amount (not greater than the amount estimated by the Governor of the State) determined under subparagraph (A).

The aggregate of the amounts certified by the Secretary of Labor with respect to any 3-month period shall not exceed the amount which the Secretary of the Treasury reports to the Secretary of Labor is available in the Federal unemployment account for advances with respect to each month of such 3-month period.

(3) For purposes of this subsection—

(A) an application for an advance shall be made on such forms, and shall contain such information and data (fiscal and otherwise) concerning the operation and administration of the State unemployment compensation law, as the Secretary of Labor deems necessary or relevant to the performance of his duties under this subchapter,

(B) the amount required by any State for the payment of compensation in any month shall be determined with due allowance for contingencies and taking into account all other amounts that will be available in the State’s unemployment fund for the payment of compensation in such month, and

(C) the term “compensation” means cash benefits payable to individuals with respect to their unemployment, exclusive of expenses of administration.

(b) The Secretary of the Treasury shall, prior to audit or settlement by the Government Accountability Office, transfer in monthly installments from the Federal unemployment account to the account of the State in the Unemployment Trust Fund the amount certified under subsection (a) by the Secretary of Labor (but not exceeding that portion of the balance in the Federal unemployment account at the time of the transfer which is not restricted as to use pursuant to section 1103(b)(1) of this title). The amount of any monthly installment so transferred shall not exceed the amount estimated by the Secretary of Labor to be required for the payment of compensation for the month with respect to which such installment is made.


**AMENDMENTS**


1981—Subsec. (a)(1). Pub. L. 97–35 substituted “with interest to the extent provided in section 1322(b) of this title” for “without interest”.

1976—Subsec. (a)(1). Pub. L. 94–566, §213(a), substituted “any 3-month period” for “any month” in provisions preceding subpar. (A), “the month preceding the first month of such 3-month period” for “the preceding month” in subpar. (A), and “each month of such 3-month period” for “such month” in subpar. (B).

Subsec. (a)(2). Pub. L. 94–566, §213(b), substituted “any 3-month period” for “any month” in provisions preceding subpar. (A) and following subpar. (B), and “each month of such 3-month period” for “such month” in subpar. (A) and provisions following subpar. (B).

Subsec. (b). Pub. L. 94–566, §213(b), provided that the transfer of amounts by the Secretary of the Treasury from the Federal unemployment account to the account of the States in the Unemployment Trust Fund be made in monthly installments and that the amount of any monthly installment so transferred not exceed the amount estimated by the State to be required for the payment of compensation for the month with respect to which the installment is made.

1960—Subsec. (a). Pub. L. 86–778 amended subsec. (a) generally, substituting provisions relating to advances on a monthly basis upon application of the Governor and the furnishing of an estimate of amount of requisite advance and determination and certification by the Secretary of Labor of the requisite amount limited to a sum which is available in the Federal unemployment account for advances for the month for former provisions relating to advances on a quarterly basis upon application of the Governor for a specified amount not to exceed the highest total compensation paid out under the unemployment compensation law of the State during any one of the four calendar quarters preceding the quarter in which the application is made, where the balance in the unemployment fund of the State in the Unemployment Trust Fund at the close of Sept. 30, 1953, or the last day in any ensuing calendar quarter is less than the total compensation paid out under the unemployment compensation law of the State during the twelve-month period at the close of such day; incorporating former provisions of subsec. (b), relating to repayment of advances, in par. (1), inserting provision for repayment under section 1103(b)(2) of this title, and provisions formerly designated as cl. (A) and (B) in par. (3)(A) and (C); and adding par. (3)(B).

Subsec. (b). Pub. L. 86–778 amended subsec. (b) generally, striking out provision for repayment of advances which is now incorporated in subsec. (a)(1) in reference to repayment under sections 1101(d)(1) and 1322 of this title.

1954—Act Aug. 5, 1954, amended section generally to provide that: (1) the first condition of eligibility for an advance is that the balance in the State unemployment fund at the close of a calendar quarter be less than the total of cash payments made by the State to individuals during the 12-month period which ends with such quarter; (2) the Governor of the State must apply for an advance during the quarter following the quarter specified in paragraph (1) of this section; and (3) the total amount certified for any one application may not exceed the amount paid out by the State for cash benefits in that particular quarter.
§ 1322. Repayment by State; certification; transfer; interest on loan; credit of interest on loan

(a) Repayment by State; certification; transfer

The Governor of any State may at any time request that funds be transferred from the account of such State to the Federal unemployment account in repayment of part or all of that balance of advances, made to such State under section 1321 of this title, specified in the request. The Secretary of Labor shall certify to the Secretary of the Treasury the amount and balance specified in the request; and the Secretary of the Treasury shall promptly transfer such amount in reduction of such balance.

(b) Interest on loan

(1) Except as otherwise provided in this subsection, each State shall pay interest on any advance made to such State under section 1321 of this title. Interest so payable with respect to periods during any calendar year shall be at the rate determined under paragraph (4) for such calendar year.

(2) No interest shall be required to be paid under paragraph (1) with respect to any advance or advances made during any calendar year if—

(A) such advances are repaid in full before the close of September 30 of the calendar year in which the advances were made,

(B) no other advance was made to such State under section 1321 of this title during such calendar year and after the date on which the repayment of the advances was completed, and

(C) such State meets funding goals, established under regulations issued by the Secretary of Labor, relating to the accounts of the States in the Unemployment Trust Fund.

(3)(A) Interest payable under paragraph (1) which was attributable to periods during any fiscal year shall be paid by the State to the Secretary of the Treasury prior to the first day of the following fiscal year. If interest is payable under paragraph (1) on any advance (hereinafter in this subparagraph referred to as the “first advance”) by reason of another advance made to such State after September 30 of the calendar year in which the first advance was made, interest on such first advance attributable to periods before such September 30 shall be paid not later than the day after the date on which the other advance was made.

(B) Notwithstanding subparagraph (A), in the case of any advance made during the last 5 months of any fiscal year, interest on such advance attributable to periods during such fiscal year shall not be required to be paid before the last day of the succeeding taxable year. Any interest the time for payment of which is deferred by the preceding sentence shall bear interest in the same manner as if it were an advance made on the day on which it would have been required to be paid but for this subparagraph.

(C)(i) In the case of any State which meets the requirements of clause (ii) for any calendar year, any interest otherwise required to be paid under this subsection during such calendar year shall be paid as follows—

(I) 25 percent of the amount otherwise required to be paid on or before any day during...
such calendar year shall be paid on or before such day; and

(II) 25 percent of the amount otherwise required to be paid on or before such day shall be paid on or before the corresponding day in each of the 3 succeeding calendar years.

No interest shall accrue on such deferred interest.

(ii) A State meets the requirements of this clause for any calendar year if the rate of insured unemployment (as determined for purposes of section 303 of the Federal-State Extended Unemployment Compensation Act of 1970) under the State law of the period consisting of the first 6 months of the preceding calendar year equaled or exceeded 7.5 percent.

(4) The interest rate determined under this paragraph with respect to any calendar year is a percentage (but not in excess of 10 percent) determined by dividing—

(A) the aggregate amount credited under section 1104(e) of this title to State accounts on the last day of the last calendar quarter of the immediately preceding calendar year, by

(B) the aggregate of the average daily balances of the State accounts for such quarter as determined under section 1104(e) of this title.

(5) Interest required to be paid under paragraph (1) shall not be paid (directly or indirectly) by a State from amounts in its unemployment fund. If the Secretary of Labor determines that any State action results in the paying of such interest directly or indirectly (by an equivalent reduction in State unemployment taxes or otherwise) from such unemployment fund, the Secretary of Labor shall not certify such State’s unemployment compensation law under section 3304 of the Internal Revenue Code of 1986. Such noncertification shall be made in accordance with section 3304(c) of such Code.

(6)(A) For purposes of paragraph (2), any voluntary repayment shall be applied against advances made under section 1321 of this title on the last made first repaid basis. Any other repayment of such an advance shall be applied against advances on a first made first repaid basis.

(B) For purposes of this paragraph, the term “voluntary repayment” means any repayment made under subsection (a).

(7) This subsection shall only apply to advances made on or after April 1, 1982.

(8)(A) With respect to interest due under this section on September 30 of 1983, 1984, or 1985 (other than interest previously deferred under paragraph (3)(C)), a State may pay 80 percent of such interest in four annual installments of at least 20 percent beginning with the year after the year in which it is otherwise due, if such State meets the criteria of subparagraph (B). No interest shall accrue on such deferred interest.

(B) To meet the criteria of this subparagraph a State must—

(i) have taken no action since October 1, 1982, which would reduce its net unemployment tax effort or the net solvency of its unemployment system (as determined for purposes of section 3302(f) of the Internal Revenue Code of 1986); and

(ii)(I) have taken an action (as certified by the Secretary of Labor) after March 31, 1982, which would have increased revenue liabilities and decreased benefits under the State’s unemployment compensation system (herein-after referred to as a “solvency effort”) by a combined total of the applicable percentage (as compared to such revenues and benefits as would have been in effect without such State action) for the calendar year for which the deferral is requested; or

(II) have had, for taxable year 1982, an average unemployment tax rate which was equal to or greater than 2.0 percent of the total of the wages (as determined without any limitation on amount) attributable to such State subject to contribution under the State unemployment compensation law with respect to such taxable year.

In the case of the first year for which there is a deferral (over a 4-year period) of the interest otherwise payable for such year, the applicable percentage shall be 25 percent. In the case of the second such year, the applicable percentage shall be 35 percent. In the case of the third such year, the applicable percentage shall be 50 percent of the average daily balances of the State accounts for such quarter as determined under section 1104(e) of this title.

(C)(i) The base year is the first year for which deferral under this provision is requested and subsequently granted. The Secretary of Labor shall estimate the unemployment rate for the base year. To determine whether a State meets the requirements of subparagraph (B)(ii)(I), the Secretary of Labor shall determine the percentage by which the benefits and taxes in the base year with the application of the action referred to in subparagraph (B)(ii)(I) are lower or greater, as the case may be, than such benefits and taxes would have been without the application of such action. In making this determination, the Secretary shall deem the application of the action referred to in subparagraph (B)(ii)(I) to have been effective for the base year to the same extent as such action is effective for the year following the year for which the deferral is sought. Once a deferral is approved under clause (i)(I) of subparagraph (B) a State must continue to maintain its solvency effort. Failure to do so shall result in the State being required to make immediate payment of all deferred interest.

(ii) Increases in the taxable wage base from $6,000 to $7,000 or increases after 1984 in the maximum tax rate to 5.4 percent shall not be counted for purposes of meeting the requirement of subparagraph (B).

(D) In the case of a State which produces a solvency effort of 50 percent, 80 percent, and 90 percent rather than the 25 percent, 35 percent, and 50 percent required under subparagraph (B), the interest shall be computed at an interest rate of 1.5 percent times the applicable percentage. In the case of the first such year, the applicable percentage shall be 50 percent; in the case of the second such year, the applicable percentage shall be 35 percent; and in the case of the third such year, the applicable percentage shall be 25 percent.

(9) Any interest otherwise due from a State on September 30 of a calendar year after 1982 may be deferred (and no interest shall accrue on such deferred interest) for a grace period of not to exceed 9 months if, for the most recent 12-month period for which data are available before the date such interest is otherwise due, the State had an average total unemployment rate of 13.5 percent or greater.

(10)(A) With respect to the period beginning on February 17, 2009, and ending on December 31, 2010—
(i) any interest payment otherwise due from a State under this subsection during such period shall be deemed to have been made by the State; and
(ii) no interest shall accrue during such period on any advance or advances made under section 1321 of this title to a State.

(B) The provisions of subparagraph (A) shall have no effect on the requirement for interest payments under this subsection after the period described in such subparagraph or on the accrual of interest under this subsection after such period.

(c) Credit of interest on loan

Interest paid by States in accordance with this section shall be credited to the Federal unemployment account established by section 1104(g) of this title in the Unemployment Trust Fund.


**Effective Date of 1997 Amendment**


**Effective Date of 1987 Amendment**

Pub. L. 100–203, title IX, §9156(a), Dec. 22, 1987, 101 Stat. 1330–327, provided that: “The amendment made by this subsection [amending this section] shall apply to interest paid on advances made on or after the date of the enactment of this Act (Dec. 22, 1987).”

**Effective Date of 1983 Amendment**

Pub. L. 98–118, §5(b), Oct. 11, 1983, 97 Stat. 804, provided that: “The amendments made by this section [amending this section] shall apply to advances made on or after April 1, 1982.”

**Effective Date of 1982 Amendment**

Pub. L. 97–248, title II, §274(b), Sept. 3, 1982, 96 Stat. 558, provided that: “The amendment made by this subsection [amending this section] shall apply to interest required to be paid after December 31, 1982.”

§ 1323. Repayable advances to Federal unemployment account

There are hereby authorized to be appropriated to the Federal unemployment account, as repayable advances, such sums as may be necessary to carry out the purposes of this subchapter. Amounts appropriated as repayable advances shall be repaid by transfers from the Federal unemployment account to the general fund of the Treasury, at such times as the amount in the Federal unemployment account is determined by the Secretary of the Treasury, in consultation with the Secretary of Labor, to be adequate for such purpose. Any amount transferred as a repayment under this section shall be credited against, and shall operate to reduce, any balance of advances repayable under this section. Whenever, after the application of sections 1101(f)(3) and 1102(a) of this title with respect to the excess in the employment security administration account as of the close of any fiscal year, there remains any portion of such excess, so much of such remainder as does not exceed the balance of advances made pursuant to this section shall be transferred to the general fund of the Treasury and shall be credited against, and shall operate to reduce, such balance of advances. Amounts appropriated as repayable advances for purposes of this subsection shall bear interest at a rate equal to the average rate of interest, computed as of the end of the calendar year.
month next preceding the date of such advance, borne by all interest bearing obligations of the United States then forming part of the public debt; except that in cases in which such average rate is not a multiple of one-eighth of one percent, the rate of interest shall be the multiple of one-eighth of one percent next lower than such average rate.


PRIOR PROVISIONS

Provisions similar to those comprising the first sentence of this section were contained in section 1322(c), as added Aug. 14, 1935, ch. 531, title XII, §1203(c), as added Aug. 5, 1954, ch. 657, §3, 68 Stat. 672, prior to amendment by Pub. L. 86–778.

AMENDMENTS

1987—Pub. L. 100–203 struck out ‘‘(without interest)’’ after ‘‘account, as repayable advances’’ and ‘‘, without interest,’’ after ‘‘shall be repaid’’, and inserted sentence at end relating to amounts appropriated as repayable advances for purposes of this subsection.

1983—Pub. L. 98–135 inserted provision requiring that amounts appropriated as repayable advances be repaid, without interest, by transfers from the Federal unemployment account to the general fund of the Treasury, at such times as the amount in the Federal unemployment account is determined by the Secretary of the Treasury, in consultation with the Secretary of Labor, to be adequate for such purpose, and that any amount transferred as a repayment under this section be credited against, and operate to reduce, any balance of advances repayable under this section.


1960—Pub. L. 88–778 amended section generally, substituting provisions relating to repayable advances to the Federal unemployment account for former provision defining ‘‘Governor’’ and now incorporated in section 1324 of this title.

EFFECTIVE DATE OF 1987 AMENDMENT

Amendment by Pub. L. 100–203 applicable to advances made on or after Dec. 22, 1987, see section 9155(d) of Pub. L. 100–203, set out as a note under section 1103 of this title.

RETRANSFER OF AMOUNTS TRANSFERRED FROM FEDERAL UNEMPLOYMENT ACCOUNT TO EMPLOYMENT SECURITY ADMINISTRATION ACCOUNT AS OF SEPTEMBER 30, 1983


§ 1324. ‘‘Governor’’ defined

When used in this subchapter, the term ‘‘Governor’’ includes the Mayor of the District of Columbia.


PRIOR PROVISIONS

Provisions similar to those comprising this section were contained in section 1323, as added Aug. 14, 1935, ch. 531, title XII, §1203, as added Aug. 5, 1954, ch. 657, §3, 68 Stat. 672, prior to amendment by Pub. L. 86–778.

TRANSFER OF FUNCTIONS


SUBCHAPTER XIII—RECONVERSION UNEMPLOYMENT BENEFITS FOR SEAMEN


EFFECTIVE DATE OF REPEAL

Repeal effective July 18, 1984, but such repeal shall not be construed as changing or affecting any right, liability, status, or interpretation which existed before that date, see section 2664(b) of Pub. L. 98–369, set out as an Effective Date of 1984 Amendment note under section 401 of this title.

SUBCHAPTER XIV—GRANTS TO STATES FOR AID TO PERMANENTLY AND TOTALLY DISABLED

REPEAL OF SUBCHAPTER: INAPPLICABILITY OF REPEAL TO PUERTO RICO, GUAM, AND VIRGIN ISLANDS

Pub. L. 92–603, title III, §303(a), (b), Oct. 30, 1972, 86 Stat. 1484, provided that this subchapter is repealed effective Jan. 1, 1974, except
with respect to Puerto Rico, Guam, and the Virgin Islands.

§ 1351. Authorization of appropriations

For the purpose of enabling each State to furnish financial assistance, as far as practicable under the conditions in such State, to needy individuals eighteen years of age and older who are permanently and totally disabled, there is hereby authorized to be appropriated for each fiscal year a sum sufficient to carry out the purposes of this subchapter. The sums made available under this section shall be used for making payments to States which have submitted, and had approved by the Secretary, State plans for aid to the permanently and totally disabled.


REPEAL OF SECTION

Pub. L. 92–603, title III, §303(a), (b), Oct. 30, 1972, 86 Stat. 1404, provided that this section is repealed effective Jan. 1, 1974, except with respect to Puerto Rico, Guam, and the Virgin Islands.

AMENDMENTS

1981—Pub. L. 92–603 struck out “and of encouraging each State, as far as practicable under such conditions, to furnish rehabilitation and other services to help such individuals attain and maintain self-sufficiency” after “and totally disabled”.

1962—Pub. L. 87–543 inserted “to furnish rehabilitation and other services” before “to help such individuals” and “or retain capability for” after “attain”.

1956—Act Aug. 1, 1956, restated purpose to include assistance to individuals to attain self-support of self-care.

TRANSFER OF FUNCTIONS

Functions of Federal Security Administrator transferred to Secretary of Health, Education, and Welfare and all agencies of Federal Security Department transferred to Department of Health, Education, and Welfare by section 5 of Reorg. Plan No. 1 of 1953, set out as a note under section 3001 of this title. Federal Security Administrator abolished by section 5 of Reorg. Plan No. 1 of 1953. Secretary and Department of Health, Education, and Welfare redesignated Secretary and Department of Health and Human Services by section 508(b) of Pub. L. 96–88 which is classified to section 3508(b) of Title 20, Education.

§ 1352. State plans for aid to permanently and totally disabled

(a) A State plan for aid to the permanently and totally disabled must (1) except to the extent permitted by the Secretary with respect to services, provide that it shall be in effect in all political subdivisions of the State, and, if administered by them, be mandatory upon them; (2) provide for financial participation by the State, (3) either provide for the establishment or designation of a single State agency to administer the plan, or provide for the establishment or designation of a single State agency to supervise the administration of the plan; (4) provide (A) for granting an opportunity for a fair hearing before the State agency to any individual whose claim for aid to the permanently and totally disabled is denied or is not acted upon with reasonable promptness, and (B) that if the State plan is administered in each of the political subdivisions of the State by a local agency and such local agency provides a hearing at which evidence may be presented prior to a hearing before the State agency, such local agency may put into effect immediately upon issuance its decision upon the matter considered at such hearing; (5) provide (A) such methods of administration (including methods relating to the establishment and maintenance of personnel standards on a merit basis, except that the Secretary shall exercise no authority with respect to the selection, tenure of office, and compensation of any individual employed in accordance with such methods) as are found by the Secretary to be necessary for the proper and efficient operation of the plan, and (B) for the training and effective use of paid subprofessional staff, with particular emphasis on the full-time employment of recipients and other persons of low income, as community service aides, in the administration of the plan and for the use of nonpaid or partially paid volunteers in a social service volunteer program in providing services to applicants and recipients and in assisting any advisory committees established by the State agency; (6) provide that the State agency will make such reports, in such form and containing such information, as the Secretary may from time to time require, and comply with such provisions as the Secretary may from time to time find necessary to assure the correctness and verification of such reports; (7) provide that no aid will be furnished any individual under the plan with respect to any period with respect to which he is receiving old-age assistance under the State plan approved under section 302 of this title, assistance under a State program funded under part A of subchapter IV, or aid to the blind under the State plan approved under section 1202 of this title; (8) provide that the State agency shall, in determining need, take into consideration any other income and resources of an individual claiming aid to the permanently and totally disabled, as well as any expenses reasonably attributable to the earning of any such income; except that, in making such determination, (A) the State agency may disregard not more than $7.50 of any income, (B) of the first $80 per month of additional income which is earned the State agency may disregard not more than the first $20 thereof plus one-half of the remainder, and (C) the State agency may, for a period not in excess of 36 months, disregard such additional amounts of other income and resources, in the case of an individual who has a plan for achieving self-support approved by the State agency, as may be necessary for the fulfillment of such plan, but only with respect to the part or parts of such period during substantially all of which he is actually undergoing vocational rehabilitation; (9) provide safeguards which permit the use or disclosure of information concerning applicants or recipients only (A) to public officials who require such information in connection with their official duties, or (B) to
other persons for purposes directly connected with the administration of the State plan; (10) provide that all individuals wishing to make application for aid to the permanently and totally disabled shall have opportunity to do so, and that aid to the permanently and totally disabled shall be furnished with reasonable promptness to all eligible individuals; (11) effective July 1, 1953, provide, if the plan includes payments to individuals in private or public institutions, for the establishment or designation of a State authority or authorities which shall be responsible for establishing and maintaining standards for such institutions; (12) provide a description of the services (if any) which the State agency makes available (using whatever internal organizational arrangement it finds appropriate for this purpose) to applicants for and recipients of aid to the permanently and totally disabled to help them attain self-support or self-care, including a description of the steps taken to assure, in the provision of such services, maximum utilization of other agencies providing similar or related services; and (13) provide that information is requested and exchanged for purposes of income and eligibility verification in accordance with a State system which meets the requirements of section 1320b–7 of this title.

(b) The Secretary shall approve any plan which fulfills the conditions specified in subsection (a), except that he shall not approve any plan which imposes, as a condition of eligibility for aid to the permanently and totally disabled under the plan—

(1) Any residence requirement which excludes any resident of the State who has resided therein five years during the nine years immediately preceding the application for aid to the permanently and totally disabled and has resided therein continuously for one year immediately preceding the application;

(2) Any citizenship requirement which excludes any citizen of the United States.

At the option of the State, the plan may provide that manuals and other policy issuances will be furnished to persons without charge for the reasonable cost of such materials, but such provision shall not be required by the Secretary as a condition for the approval of such plan under this subchapter.


REPEAL OF SECTION

Pub. L. 92–603, title III, § 303(a), (b), Oct. 30, 1972, 86 Stat. 1484, provided that this section is repealed effective Jan. 1, 1974, except with respect to Puerto Rico, Guam, and the Virgin Islands.

AMENDMENTS

1996—Subsec. (a)(7). Pub. L. 104–193 substituted “assistance under a State program funded under part A of subchapter IV” for “aid to families with dependent children under the State plan approved under section 602 of this title”.


1972—Subsec. (a)(1). Pub. L. 92–603, § 410(c), inserted “except to the extent permitted by the Secretary with respect to services” before “provide”.

Subsec. (a)(4). Pub. L. 92–603, § 406(c), designated existing provisions as subcl. (A) and added subcl. (B).

Subsec. (a)(9). Pub. L. 92–603, § 413(c), substituted provisions permitting the use or disclosure of information concerning applicants or recipients to public officials requiring such information in connection with their official duties and to other persons for purposes directly connected with the administration of the State plan, for provisions restricting the use or disclosure of such information to purposes directly connected with the administration of aid to the permanently and totally disabled.

Subsec. (a)(12). Pub. L. 92–603, § 406(c), inserted provision relating to the use of whatever internal organizational arrangement found appropriate.

Subsec. (b). Pub. L. 92–603, § 406(c), inserted provision relating to the furnishing of manuals and other policy issuances to persons without charge and at the option of the State.

1968—Subsec. (a)(5). Pub. L. 90–248, § 210(a)(4), designated existing provisions as subcl. (A) and added subcl. (B).

Subsec. (a)(8)(A). Pub. L. 90–248 § 213(a)(3), inserted from $5 to $7.50 limitation on amount of any income which the State may disregard in making its determination of need.

1965—Subsec. (a)(8). Pub. L. 89–97 inserted exception prohibiting disregard by State in making its determination of need of more than $5 of any income or of more than the first $20 of the first $80 per month of additional income which is earned and allowing disregard, for a period not in excess of 36 months, of such additional amounts of other income and resources as may be necessary to the fulfillment of approved plan for achieving self-support but only as to the part or parts of such period during substantially all of which he is actually undergoing vocational rehabilitation.


Subsec. (a)(8). Pub. L. 87–543, § 106(a)(3), inserted “as well as any expenses reasonably attributable to the earning of any such income”.


EFFECTIVE DATE OF 1996 AMENDMENT

Amendment by Pub. L. 104–193 effective July 1, 1997, with transition rules relating to State options to accelerate such date, rules relating to claims, actions, and proceedings commenced before such date, rules relating to closing out of accounts for terminated or substantially modified programs and continuance in office of Assistant Secretary for Family Support, and provisions relating to termination of entitlement under AFDC program, see section 116 of Pub. L. 104–193, as amended, set out as an Effective Date note under section 601 of this title.

EFFECTIVE DATE OF 1984 AMENDMENT

Amendment by Pub. L. 98–369 effective Apr. 1, 1985, except as otherwise provided, see section 2651(h)(2) of Pub. L. 98–369, set out as an Effective Date note under section 1320b–7 of this title.

EFFECTIVE DATE OF 1968 AMENDMENT

Amendment by section 210(a)(4) of Pub. L. 90–248 effective July 1, 1969, or, if earlier (with respect to a
State’s plan approved under this subchapter) on the date as of which the modification of the State plan to comply with such amendment is approved, see section 210(b) of Pub. L. 90–248, set out as a note under section 302 of this title.

**Effective Date of 1965 Amendment**

**Effective Date of 1962 Amendment**

**Effective Date of 1956 Amendment**

**Transfer of Functions**
Functions, powers, and duties of Secretary under subsection (a)5(A) of this section, insofar as relates to the prescription of personnel standards on a merit basis, transferred to Office of Personnel Management, see section 4728(a)(3)(D) of this title.

Functions of Federal Security Administrator transferred to Secretary of Health, Education, and Welfare and all agencies of Federal Security Agency transferred to Department of Health, Education, and Welfare by section 5 of Reorg. Plan No. 1 of 1953, set out as a note under section 3001 of this title, Federal Security Agency and office of Administrator abolished by section 8 of Reorg. Plan No. 1 of 1953. Secretary and Department of Health, Education, and Welfare redesignated Secretary and Department of Health and Human Services by section 509(b) of Pub. L. 96–88 which is classified to section 3508(b) of Title 20, Education.

**Public Access to State Disbursement Records**
Public access to State records of disbursements of funds and payments under this subchapter, see note set out under section 302 of this title.

§1353. Payments to States

(a) From the sums appropriated therefor, the Secretary of the Treasury shall pay to each State which has an approved plan for aid to the permanently and totally disabled, for each quarter, beginning with the quarter commencing October 1, 1958—


(2) In the case of Puerto Rico, the Virgin Islands, and Guam, an amount equal to one-half of the total of the sums expended during such quarter as aid to the permanently and totally disabled under the State plan, not counting so much of any expenditure with respect to any month as exceeds $37.50 multiplied by the total number of recipients of aid to the permanently and totally disabled for such month; and

(3) In the case of any State, an amount equal to 50 percent of the total amounts expended during such quarter as found necessary by the Secretary for the proper and efficient administration of the State plan.

(b) The method of computing and paying such amounts shall be as follows:

(1) The Secretary of Health and Human Services shall, prior to the beginning of each quarter, estimate the amount to be paid to the State for such quarter under the provisions of subsection (a), such estimate to be based on (A) a report filed by the State containing its estimate of the total sum to be expended in such quarter in accordance with the provisions of subsection (a), and stating the amount appropriated or made available by the State and its political subdivisions for such expenditures in such quarter, and if such amount is less than the State’s proportionate share of the total sum of such estimated expenditures, the source or sources from which the difference is expected to be derived, (B) records showing the number of permanently and totally disabled individuals in the State, and (C) such other investigation as the Secretary of Health and Human Services may find necessary.

(2) The Secretary of Health and Human Services shall then certify to the Secretary of the Treasury the amount so estimated by the Secretary of Health and Human Services, (A) reduced or increased, as the case may be, by any sum by which he finds that his estimate for any prior quarter was greater or less than the amount which should have been paid to the State under subsection (a) for such quarter, and (B) reduced by a sum equivalent to the pro rata share to which the United States is equitably entitled, as determined by the Secretary of Health and Human Services, of the net amount recovered during a prior quarter by the State or any political subdivision thereof with respect to aid to the permanently and totally disabled furnished under the State plan; except that such increases or reductions shall not be made to the extent that such sums have been applied to make the amount certified for any prior quarter greater or less than the amount estimated by the Secretary of Health and Human Services for such prior quarter.

Provided. That any part of the amount recovered from the estate of a deceased recipient which is not in excess of the amount expended by the State or any political subdivision thereof for the funeral expenses of the deceased shall not be considered as a basis for reduction under clause (B) of this paragraph.

(3) The Secretary of the Treasury shall thereupon, through the Fiscal Service of the Treasury Department, and prior to audit or settlement by the Government Accountability Office, pay to the State, at the time or times fixed by the Secretary of Health and Human Services, the amount so certified.

of the sums expended during the quarter as found necessary by the Secretary for the proper and efficient administration of the State plan.

Subsec. (c). Pub. L. 97–35, §2353(b)(2), struck out subsection (c) which prescribed eligibility requirements for payments.

1975—Subsec. (a). Pub. L. 93–647, §30(c), struck out "subject to section 1320b of this title" after "the Secretary of the Treasury shall".

Subsec. (a)(3)(A)(iv). Pub. L. 93–647, §5(d), inserted "including both short- and long-term training at educational institutions through grants to such institutions or by direct financial assistance to students enrolled in such institutions" after "training".

1972—Subsec. (a). Pub. L. 92–512, §301(d), substituted "shall (subject to section 1320b of this title) pay" for "shall pay" in provisions preceding para. (1).

Subsec. (a)(3)(E). Pub. L. 92–512, §301(b), substituted "under conditions which shall be" for "subject to limitations".


1965—Subsec. (a)(1). Pub. L. 89–97, §122, 401(e), inserted "premiums under part B of subchapter XVIII of this chapter for individuals who are recipients of money payments under such plan and other eligibility requirements for expenditures for" in parenthetical phrase appearing in so much of par. (1) as precedes clause (A); and substituted "31/35" and "$70" for "$35" and "$66" in subpar. (A) and "$75" for "$70" in subpar. (B), respectively.

Subsec. (a)(2). Pub. L. 89–97, §122, inserted "premiums under part B of subchapter XVIII of this chapter for individuals who are recipients of money payments under such plan and other eligibility requirements for expenditures for" in parenthetical phrase.

1962—Subsec. (a)(1). Pub. L. 87–543, §132(c), substituted "29/35" and "$35" for "five-fifths" and "$31", respectively, in subpar. (A) and "$70" for "$66" in subpar. (B).

Subsec. (a)(2). Pub. L. 87–543, §132(c), substituted "$37.50" for "$35.50".

Subsec. (a)(3). Pub. L. 87–543, §101(a)(4), (b)(4)(A), inserted in opening provisions "whose State plan approved under section 1362 of this title meets the requirements of subsection (c)(1) of this section" after "any State", and substituted provisions which increased the Federal share of expenses of administration of State public assistance plans by providing quarterly payments of the sum of 75 percent of the quarterly expenses for certain prescribed services to help attain and retain capability for self-support or self-care, services likely to prevent or reduce dependency, and services appropriate for individuals who were or are likely to become applicants for or recipients of aid to the permanently and totally disabled and request such services, and training of State or local public assistance personnel administering such plans and one-half of other administrative expenses for other services, permitted State health or vocational rehabilitation or other appropriate State agencies to furnish such services, except vocational rehabilitation services, and required the determination of the portion of the expenses covered by the 75 and 50 per centum provisions in accordance with methods and procedures permitted by the Secretary, for former provisions requiring quarterly payments of one-half of quarterly expenses of administration of State plans, including staff services of State or local public assistance agencies to applicants for and recipients of aid to the permanently and totally disabled to help them attain self-support or self-care.


1961—Subsec. (a). Pub. L. 87–64 substituted "$31" for "$30" and "$66" for "$65" in cl. (1), and "$35.50" for "$35" in cl. (2).

1958—Subsec. (a). Pub. L. 85–840 increased the payments to the States to four-fifths of the first $30 of the
average monthly payment per recipient, including assistance in the form of money payments and in the form of medical or any other type of remedial care, plus the Federal percentage of the amount by which the expenditures exceed the maximum which may be counted under cl. (A), but excluding that part of the average monthly payment per recipient in excess of $65, increased the average monthly payment to Puerto Rico and the Virgin Islands from $30 to $35, excluded Guam from the provisions which authorize an average monthly payment of $65 and included Guam within the provisions which authorize an average monthly payment of $35, and permitted the counting of individuals with respect to whom expenditures were made as old-age assistance in the form of medical or any other type of remedial care in determining the total number of recipients.

1956—Subsec. (a). Act Aug. 1, 1956, §304, substituted 'during such quarter as aid to the permanently and totally disabled' for 'during such quarter as aid to the permanently and totally disabled under the State plan' in cls. (1) and (2), 'who received aid to the permanently and totally disabled in the form of money payments for each month' for 'who received aid to the permanently and totally disabled for such month' in par. (A) of cl. (1), and inserted cl. (4).

Act Aug. 1, 1956, §314(c), struck out '...which shall be used exclusively as aid to the permanently and totally disabled,' after 'the Virgin Islands, an amount' in cls. (1) and (2), and substituted 'including services which are provided by the staff of the State agency (or of the local agency administering the State plan in the political subdivision) to applicants for and recipients of such aid to help them attain self-support or self-care' for 'which amount shall be used for paying the costs of administering the State plan or for aid to the permanently and totally disabled or both, and for no other purpose' in cl. (3).

1956—Subsec. (a). Act Aug. 1, 1956, §344, substituted ‘October 1, 1956’ for ‘October 1, 1952’, struck out ‘...which shall be used exclusively as aid to the permanently and totally disabled,’ after ‘the Virgin Islands, an amount’ in cls. (1) and (2), and substituted ‘$60’ for ‘$55’, ‘the product of $30’ for ‘the product of $25’, ‘Secretary of Health, Education, and Welfare’ for ‘Secretary’, ‘Secretary, as the case may be, made after Aug. 31, 1962, amendment by section 101(a)(4) of Pub. L. 87–543 applicable in the case of expenditures, under a State plan approved under subchapter I, IV, X, or XIV of this chapter, as the case may be, made after Aug. 31, 1962, amendment by section 101(b)(4) of Pub. L. 87–543 applicable in the case of expenditures, under a State plan approved under subchapter I, IV, X, or XIV of this chapter, applicable only in the case of expenditures made after Sept. 30, 1961, and before July 1, 1962, under a State plan approved under subchapter I, IV, X, or XIV of this chapter, applicable only in the case of expenditures made after Sept. 30, 1961, and before July 1, 1962, under a State plan approved under subchapter I, IV, X, or XIV of this chapter, see section 303(e) of Pub. L. 87–64, set out as a note under section 303 of this title.

Effective and Termination Date of 1958 Amendment


Effective and Termination Date of 1952 Amendment

and all agencies of Federal Security Agency transferred to Department of Health, Education, and Welfare by section 5 of Reorg. Plan No. 1 of 1953, set out as a note under section 3301 of this title, Federal Security Agency and Office of Administrator abolished by section 8 of Reorg. Plan No. 1 of 1953. Secretary and Department of Health, Education, and Welfare redesignated Secretary and Department of Health and Human Services by section 509(b) of Pub. L. 96–88 which is classified to section 3508(b) of Title 20, Education.

NON-DUPlication OF PAYMENTS TO STATES: PROHIBITION OF PAYMENTS AFTER DECEMBER 31, 1969

Prohibition of payments under this subchapter to States with respect to aid or assistance in form of medical or other type of remedial care for any period for which States received payments under subchapter XIX of this chapter or for any period after Dec. 31, 1969, see section 121(b) of Pub. L. 89–97, set out as a note under section 1396b of this title.

ELECTION OF PAYMENTS UNDER COMBINED STATE PLAN RATHER THAN SEPARATE PLANS

Payments to States under combined State plan under subchapter XVI or this chapter as precluding payment under State plan conforming to this subchapter, see section 141(b) of Pub. L. 87–543, set out as a note under section 1382e of this title.

§ 1354. Operation of State plans

In the case of any State plan for aid to the permanently and totally disabled which has been approved by the Secretary of Health and Human Services, if the Secretary after reasonable notice and opportunity for hearing to the State agency administering or supervising the administration of such plan, finds—

1. that the plan has been so changed as to impose any residence or citizenship requirement prohibited by section 1352(b) of this title, or that in the administration of the plan any such prohibited requirement is imposed, with the knowledge of such State agency, in a substantial number of cases; or

2. that in the administration of the plan there is a failure to comply substantially with any provision required by section 1352(a) of this title to be included in the plan;

the Secretary shall notify such State agency that further payments will not be made to the State, or in his discretion, that payments will be limited to categories under or parts of the State plan not affected by such failure) until he is satisfied that such prohibited requirement is no longer so imposed, and that there is no longer any such failure to comply. Until he is so satisfied he shall make no further payments to such State (or shall limit payments to categories under or parts of the State plan not affected by such failure).


REPEAL OF SECTION

Pub. L. 92–603, title III, § 303(a), (b), Oct. 30, 1972, 86 Stat. 1404, provided that this section is repealed effective Jan. 1, 1974, except with respect to Puerto Rico, Guam, and the Virgin Islands.

AMENDMENTS

1968—Pub. L. 90–248 inserted “(or, in his discretion, that payments will be limited to categories under or parts of the State plan not affected by such failure)” after “further payments will not be made to the State” and substituted in last sentence “further payments to such State (or shall limit payments to categories under or parts of the State plan not affected by such failure)” for “further certification to the Secretary of the Treasury with respect to such State”.

TRANSFER OF FUNCTIONS

Functions of Federal Security Administrator transferred to Secretary of Health, Education, and Welfare and all agencies of Federal Security Agency transferred to Department of Health, Education, and Welfare by section 5 of Reorg. Plan No. 1 of 1953, set out as a note under section 3301 of this title. Federal Security Agency and Office of Administrator abolished by section 8 of Reorg. Plan No. 1 of 1953. Secretary and Department of Health, Education, and Welfare redesignated Secretary and Department of Health and Human Services by section 509(b) of Pub. L. 96–88 which is classified to section 3508(b) of Title 20, Education.

§ 1355. Definitions

For the purposes of this subchapter, the term “aid to the permanently and totally disabled” means money payments to needy individuals eighteen years of age or older who are permanently and totally disabled, but does not include any such payments to or care in behalf of any individual who is an inmate of a public institution (except as a patient in a medical institution) or any individual who is a patient in an institution for tuberculosis or mental diseases. Such term also includes payments which are not included within the meaning of such term under the preceding sentence, but which would be so included except that they are made on behalf of such a needy individual to another individual who (as determined in accordance with standards prescribed by the Secretary) is interested in, or concerned with, the welfare of such needy individual, but only with respect to a State whose State plan approved under section 1352 of this title includes provision for—

1. determination by the State agency that such needy individual has, by reason of his physical or mental condition, such inability to manage funds that making payments to him would be contrary to his welfare and, therefore, it is necessary to provide such aid through payments described in this sentence;

2. making such payments only in cases in which such payments will, under the rules otherwise applicable under the State plan for determining need and the amount of aid to the permanently and totally disabled to be paid (and in conjunction with other income and resources), meet all the need of the individuals with respect to whom such payments are made;

3. undertaking and continuing special efforts to protect the welfare of such individual and to improve, to the extent possible, his capacity for self-care and to manage funds;

4. periodic review by such State agency of the determination under paragraph (1) to ascertain whether conditions justifying such determination still exist, with provision for ter-

1 So in original. Probably should be “needs”.
mination of such payments if they do not and for seeking judicial appointment of a guardian or other legal representative, as described in section 1311 of this title, if and when it appears that such action will best serve the interests of such needy individual; and

(5) opportunity for a fair hearing before the State agency on the determination referred to in paragraph (1) for any individual with respect to whom it is made.

At the option of a State (if its plan approved under this subchapter so provides), such term (i) need not include money payments to an individual who has been absent from such State for a period in excess of ninety consecutive days (regardless of whether he has maintained his residence in such State during such period) until he has been present in such State for thirty consecutive days in the case of such an individual who has maintained his residence in such State during such period or ninety consecutive days in the case of any other such individual, and (ii) may include rent payments made directly to a public housing agency on behalf of a recipient or a group or groups of recipients of aid under such plan.


REPEAL OF SECTION
Pub. L. 92–603, title III, §303(a), (b), Oct. 30, 1972, 86 Stat. 1494, provided that this section is repealed effective Jan. 1, 1974, except with respect to Puerto Rico, Guam, and the Virgin Islands.

AMENDMENTS
1981—Pub. L. 97–35 struck out in provision preceding par. (1) “,” or (if provided on or after the third month before the month in which the recipient makes application for aid) medical care in behalf of, or of any type of remedial care recognized under State law in behalf of, “after “money payments to”.

1972—Pub. L. 92–603 authorized the State, at its option, to include within “aid to the permanently and totally disabled” the exclusion of payments to or medical care in behalf of any individual who has been diagnosed as having tuberculosis or psychosis and is a patient in a medical institution as a result thereof; and extended definition of “aid to the permanently and totally disabled” to include payments made on behalf of the needy individual to another individual who (as determined in accordance with standards determined by the Secretary) is interested in or concerned with the welfare of such needy individual and enumerated the five characteristics required of state plans under which such payments can be made, including provision for finding of inability to manage funds, payment to meet all needs of the individual, special efforts to protect welfare, periodic review, and opportunity for fair hearing, respectively.

1969—Pub. L. 87–543 inserted “(if provided in or after the third month before the month in which the recipient makes application for aid)” before “medical care”.

EFFECTIVE DATE OF 1965 AMENDMENT
Amendment by section 221(c) of Pub. L. 89–97 applicable in the case of expenditures made after Dec. 31, 1965, under a State plan approved under this subchapter, see section 221(e) of Pub. L. 89–97, set out as a note under section 339 of this title.

Amendment by section 402(d) of Pub. L. 89–97 applicable in the case of expenditures made after Dec. 31, 1965, under a state plan approved under subchapter I, X, XIV, or XVI of this chapter, see section 402(e) of Pub. L. 89–97, set out as a note under section 306 of this title.

EFFECTIVE DATE OF 1962 AMENDMENT
Amendment by Pub. L. 87–543 applicable in the case of applications made after Sept. 30, 1962, under a State plan approved under subchapter I, IV, X, or XIV of this chapter, see section 156(e) of Pub. L. 87–543, set out as a note under section 306 of this title.

SUBCHAPTER XV—UNEMPLOYMENT COMPENSATION FOR FEDERAL EMPLOYEES


EFFECTIVE DATE OF REPEAL
Repeal effective only with respect to benefit years which began more than thirty days after Apr. 22, 1960, see Pub. L. 86–442, §1, Apr. 22, 1960, 74 Stat. 81.


provided for dissemination of information by both Federal and State agencies. See section 8506 of Title 5.


Subchapter XVI—Supplemental Security Income for Aged, Blind, and Disabled

§1381. Statement of purpose; authorization of appropriations

For the purpose of establishing a national program to provide supplemental security income to individuals who have attained age 65 or are blind or disabled, there are authorized to be appropriated sums sufficient to carry out this subchapter.


Prior Provisions


Effective Date


Continuation of Federal Financial Participation in Experimental, Pilot, or Demonstration Projects Approved Before October 1973, for Period on-and-After December 31, 1973, Without Damage or Reduction on Account of Subchapter XVI Provisions; Waiver of Subchapter XVI Restrictions for Individuals; Federal Payments of Non-Federal Share as Supplementary Payments


Application to Northern Marianas Islands

For applicability of this section to the Northern Mariana Islands, see section 502(a)(1) of the Covenant to Establish a Commonwealth of the Northern Mariana Islands in Political Union with the United States of America and Proc. No. 4331, Oct. 24, 1977, 42 P.R. 5603, set out as notes under section 1801 of Title 48, Territories and Insular Possessions.

Puerto Rico, Guam, and Virgin Islands

Enactment of section 1601 of the Social Security Act by Pub. L. 92–603, eff. Jan. 1, 1974 (42 U.S.C. 1381), was not applicable to Puerto Rico, Guam, and the Virgin Islands. See section 303(b) of Pub. L. 92–603, set out as a note under section 301 of this title. Therefore, as to Puerto Rico, Guam, and the Virgin Islands, section 1601 of the Social Security Act as it existed prior to reenactment by Pub. L. 92–603 (former 42 U.S.C. 1381), and as amended, continues to apply and reads as follows:

§1381. Authorization of appropriations

For the purpose of enabling each State, as far as practicable under the conditions in such State, to furnish financial assistance to needy individuals who are 65 years of age or over, are blind, or are 18 years of age or over and permanently and totally disabled, there is hereby authorized to be appropriated for each fiscal year a sum sufficient to carry out the purposes of this subchapter. The sums made available under this section shall be used for making payments to States which have submitted, and had approved by the Commissioner of Social Security, State plans for aid to the aged, blind, or disabled.


Pub. L. 93–233, §19(b), Dec. 31, 1973, 87 Stat. 974, provided that: “Notwithstanding the provisions of section 301 of the Social Security Amendments of 1972 (enacting this subchapter), the Administrator of Health, Education, and Welfare (now Health and Human Services) shall make payments to the 50 States and the District of Columbia after December 31, 1973, in accordance with the provisions of the Social Security Act (42 U.S.C. 301 et seq.) as in effect prior to January 1, 1974, for (1) activities carried out through the close of December 31, 1973, under State plans approved under title I, X, XIV, or XVI of such Act (42 U.S.C. 301 et seq., 1201 et seq., 1351 et seq., 1381 et seq.), and (2) administrative activities carried out after December 31, 1973, which such Secretary determines are necessary to bring to a close activities carried out under such State plans.”

§1381a. Basic entitlement to benefits

Every aged, blind, or disabled individual who is determined under part A to be eligible on the basis of his income and resources shall, in accordance with and subject to the provisions of this subchapter, be paid benefits by the Commissioner of Social Security.


Prior Provisions

§ 1382. Eligibility for benefits

(a) “Eligible individual” defined

(1) Each aged, blind, or disabled individual who does not have an eligible spouse and—

(A) whose income, other than income excluded pursuant to section 1382a(b) of this title, is at a rate of not more than $1,752 (or, if greater, the amount determined under section 1382f of this title) for the calendar year 1974, or any calendar year thereafter, and

(B) whose resources (together with the resources of such spouse), other than resources excluded pursuant to section 1382b(a) of this title, are not more than the applicable amount determined under paragraph (3)(A),

shall be an eligible individual for purposes of this subchapter.

(3)(A) The dollar amount referred to in clause (i) of paragraph (1)(B), and in paragraph (2)(B), shall be $2,250 prior to January 1, 1985, and shall be increased to $2,400 on January 1, 1985, to $2,700 on January 1, 1987, to $2,850 on January 1, 1988, and to $3,000 on January 1, 1989.

(B) The dollar amount referred to in clause (ii) of paragraph (1)(B), shall be $1,500 prior to January 1, 1985, and shall be increased to $1,600 on January 1, 1985, to $1,700 on January 1, 1986, to $1,800 on January 1, 1987, to $1,900 on January 1, 1988, and to $2,000 on January 1, 1989.

(b) Amount of benefits

(1) The benefit under this subchapter for an individual who does not have an eligible spouse shall be payable at the rate of $1,752 (or, if greater, the amount determined under section 1382f of this title) for the calendar year 1974, and any calendar year thereafter, reduced by the amount of income, not excluded pursuant to section 1382a(b) of this title, of such individual.

(2) The benefit under this subchapter for an individual who has an eligible spouse shall be payable at the rate of $2,628 (or, if greater, the amount determined under section 1382f of this title) for the calendar year 1974, and any calendar year thereafter, reduced by the amount of income, not excluded pursuant to section 1382a(b) of this title, of such individual and spouse.

(c) Period for determination of benefits

(1) An individual’s eligibility for a benefit under this subchapter for a month shall be determined on the basis of the individual’s (and eligible spouse’s, if any) income, resources, and other relevant characteristics in such month, and, except as provided in paragraphs (2), (3), (4), (5), and (6), the amount of such benefit shall be determined for such month on the basis of income and other characteristics in the first or, if the Commissioner of Social Security so determines, second month preceding such month. Eligibility for and the amount of such benefits shall be redetermined at such time or times as may be provided by the Commissioner of Social Security.

(2) The amount of such benefit for the month in which an application for benefits becomes effective (or, if the Commissioner of Social Security so determines, for such month and the following month) and for any month immediately following a month of ineligibility for such benefits (or, if the Commissioner of Social Security so determines, for such month and the following month) shall—

(A) be determined on the basis of the income of the individual and the eligible spouse, if
any, of such individual and other relevant circumstances in such month; and
(B) in the case of the first month following a period of ineligibility in which eligibility is restored after the first day of such month, the same ratio to the amount of the benefit which would have been payable to such individual if eligibility had been restored on the first day of such month as the number of days in such month including and following the date of restoration of eligibility bears to the total number of days in such month.

(3) For purposes of this subsection, an increase in the benefit amount payable under subchapter II (over the amount payable in the preceding month, or, at the election of the Commissioner of Social Security, the second preceding month) to an individual receiving benefits under this subchapter shall be included in the income used to determine the benefit under this subchapter of such individual for any month which is—
(A) the first month in which the benefit amount payable to such individual under this title is increased pursuant to section 1382f of this title, or
(B) at the election of the Commissioner of Social Security, the month immediately following such month.

(4)(A) Notwithstanding paragraph (3), if the Commissioner of Social Security determines that reliable information is currently available with respect to the income and other circumstances of an individual for a month (including information with respect to a class of which such individual is a member and information with respect to scheduled cost-of-living adjustments under other benefit programs), the benefit amount of such individual under this subchapter for such month may be determined on the basis of such information.
(B) The Commissioner of Social Security shall prescribe by regulation the circumstances in which information with respect to an event may be taken into account pursuant to subparagraph (A) in determining benefit amounts under this subchapter.
(5) Notwithstanding paragraphs (1) and (2), any income which is paid to or on behalf of an individual in any month pursuant to (A) a State program funded under part A of subchapter IV, (B) section 672 of this title (relating to foster care assistance), (C) section 1522(e) of title 8 (relating to assistance for refugees), (D) section 501(a) of Public Law 96-422 (relating to assistance for Cuban and Haitian entrants), or (E) section 13 of title 25 (relating to assistance furnished by the Bureau of Indian Affairs), shall be taken into account in determining the amount of the benefit under this subchapter of such individual (and his eligible spouse, if any) only for that month, and shall not be taken into account in determining the amount of the benefit for any other month.
(6) The dollar amount in effect under subsection (b) as a result of any increase in benefits under this subchapter by reason of section 1382f of this title shall be used to determine the value of any in-kind support and maintenance required to be taken into account in determining the benefit payable under this subchapter to an individual (and the eligible spouse, if any, of the individual) for the 1st 2 months for which the increase in benefits applies.
(7) For purposes of this subsection, an application of an individual for benefits under this subchapter shall be effective on the later of—
(A) the first day of the month following the date such application is filed, or
(B) the first day of the month following the date such individual becomes eligible for such benefits with respect to such application.

(8) The Commissioner of Social Security may waive the limitations specified in subparagraphs (A) and (B) of subsection (e)(1) on an individual’s eligibility and benefit amount for a month (to the extent either such limitation is applicable by reason of such individual’s presence throughout such month in a hospital, extended care facility, nursing home, or intermediate care facility) if such waiver would promote the individual’s removal from such institution or facility. Upon waiver of such limitations, the Commissioner of Social Security shall apply, to the month preceding the month of removal, or, if the Commissioner of Social Security so determines, the two months preceding the month of removal, the benefit rate that is appropriate to such individual’s living arrangement subsequent to his removal from such institution or facility.

(9)(A) Notwithstanding paragraphs (1) and (2), any nonrecurring income which is paid to an individual in the first month of any period of eligibility shall be taken into account in determining the amount of the benefit under this subchapter of such individual (and his eligible spouse, if any) only for that month, and shall not be taken into account in determining the amount of the benefit for any other month.
(B) For purposes of subparagraph (A), payments to an individual in varying amounts from the same or similar source for the same or similar purpose shall not be considered to be nonrecurring income.

(10) For purposes of this subsection, remuneration for service performed as a member of a uniformed service may be treated as received in the month in which it was earned, if the Commissioner of Social Security determines that such treatment would promote the economical and efficient administration of the program authorized by this subchapter.

(d) Limitation on amount of gross income earned; “gross income” defined

The Commissioner of Social Security may prescribe the circumstances under which, consistently with the purposes of this subchapter, the gross income from a trade or business (including farming) will be considered sufficiently large to make an individual ineligible for benefits under this subchapter. For purposes of this subsection, the term “gross income” has the same meaning as when used in chapter 1 of the Internal Revenue Code of 1986.

(e) Limitation on eligibility of certain individuals

(1)(A) Except as provided in subparagraphs (B), (C), (D), (E), and (G), no person shall be an eligible individual or eligible spouse for purposes of this subchapter with respect to any month if throughout such month he is an inmate of a public institution.
In any case where an eligible individual or his eligible spouse (if any) is, throughout any month (subject to subparagraph (G)), in a medical treatment facility receiving payments (with respect to such individual or spouse) under a State plan approved under subchapter XIX, or an eligible individual is a child described in section 1382c(f)(2)(B) of this title, or, in the case of an eligible individual who is a child under the age of 18, receiving payments (with respect to such individual) under any health insurance policy issued by a private provider of such insurance the benefit under this subchapter for such individual for such month shall be payable (subject to subparagraph (E)”—

(i) at a rate not in excess of $360 per year (reduced by the amount of any income not excluded pursuant to section 1382a(b) of this title) in the case of an individual who does not have an eligible spouse;

(ii) in the case of an individual who has an eligible spouse, if only one of them is in such a facility throughout such month, at a rate not in excess of the sum of—

(I) the rate of $360 per year (reduced by the amount of any income, not excluded pursuant to section 1382a(b) of this title, of the one who is in such facility), and

(II) the applicable rate specified in subsection (b)(1) (reduced by the amount of any income, not excluded pursuant to section 1382a(b) of this title, of the other); and

(iii) at a rate not in excess of $720 per year (reduced by the amount of any income not excluded pursuant to section 1382a(b) of this title) in the case of an individual who has an eligible spouse, if both of them are in such a facility throughout such month.

For purposes of this subsection, a medical treatment facility that provides services described in section 1396p(c)(1)(C) of this title shall be considered to be receiving payments with respect to an institutionalized individual under a State plan approved under subchapter XIX during any period of ineligibility of such individual provided for under the State plan pursuant to section 1386p(c) of this title.

(C) As used in subparagraph (A), the term “public institution” does not include a publicly operated community residence which serves no more than 16 residents.

(D) A person may be an eligible individual or eligible spouse for purposes of this subchapter with respect to any month throughout which he is a resident of a public emergency shelter for the homeless (as defined in regulations which shall be prescribed by the Commissioner of Social Security); except that no person shall be an eligible individual or eligible spouse by reason of this subsection, a medical treatment facility receiving payments (with respect to such individual or spouse) under a State plan approved under subchapter XIX during any period of ineligibility of such individual provided for under the State plan pursuant to section 1386p(c) of this title.

(E) Notwithstanding subparagraphs (A) and (B), any individual who—

(i) is an inmate of a public institution, the primary purpose of which is the provision of medical or psychiatric care, throughout any month as described in subparagraph (A), or

(ii) is in a medical treatment facility throughout any month as described in subparagraph (B), may be an eligible individual or eligible spouse for purposes of this subchapter (and entitled to a benefit determined on the basis of the rate applicable under subsection (b) for the month referred to in clause (i) or (II) of clause (i) and, if such clause still applies, for the succeeding month.

(F) An individual who is an eligible individual or an eligible spouse for a month by reason of subparagraph (E) shall not be treated as being eligible under section 1382h(a) or (b) of this title for such month for purposes of clause (ii) of such subparagraph.

(G) A person may be an eligible individual or eligible spouse for purposes of this subchapter, and subparagraphs (A) and (B) shall not apply, with respect to any particular month throughout which he or she is an inmate of a public institution the primary purpose of which is the provision of medical or psychiatric care, or is in a medical treatment facility receiving payments (with respect to such individual or spouse) under a State plan approved under subchapter XIX or, in the case of an individual who is a child under the age of 18, under any health insurance policy issued by a private provider of such insurance, if it is determined in accordance with subparagraph (H) or (J) that—

(i) such person’s stay in that institution or facility (or in that institution or facility and one or more other such institutions or facilities during a continuous period of institutionalization) is likely (as certified by a physician) not to exceed 3 months, and the particular month involved is one of the first 3 months throughout which such person is in such an institution or facility during a continuous period of institutionalization; and

(ii) such person needs to continue to maintain and provide for the expenses of the home or living arrangement to which he or she may return upon leaving the institution or facility.

The benefit of any person under this subchapter (including State supplementation if any) for each month to which this subchapter applies shall be payable, without interruption of benefit payments and on the date the benefit involved is regularly due, at the rate that was applicable to such person in the month prior to the first month throughout which he or she is in the institution or facility.

(H) The Commissioner of Social Security shall establish procedures for the determinations required by clauses (i) and (ii) of subparagraph (G), and may enter into agreements for making such determinations (or for providing information or assistance in connection with the making of such determinations) with appropriate State and local public and private agencies and organizations. Such procedures and agreements shall include the provision of appropriate assistance to individuals who, because of their physical or mental condition, are limited in their ability to
furnish the information needed in connection with the making of such determinations.

(I)(i) The Commissioner shall enter into an agreement, with any interested State or local institution comprising a jail, prison, penal institution, or correctional facility, or with any other interested State or local institution a purpose of which is to confine individuals as described in section 402(x)(1)(A)(i)(ii) of this title, under which—

(I) the institution shall provide to the Commissioner, on a monthly basis and in a manner specified by the Commissioner, the first, middle, and last names, social security account numbers or taxpayer identification numbers, prison assigned inmate numbers, last known address, confinement commencement dates, dates of release or anticipated dates of release, dates of work release, and, to the extent available to the institution, such other identifying information concerning the inmates of the institution as the Commissioner may require for the purpose of carrying out this paragraph and clause (iv) of this subparagraph and the other provisions of this subchapter; and

(ii) the Commissioner shall pay to any such institution, with respect to each individual who receives in the month preceding the first month throughout which such individual is an inmate of the jail, prison, penal institution, or correctional facility that furnishes information respecting such individual pursuant to subclause (i), or is confined in the institution (that so furnishes such information) as described in section 402(x)(1)(A)(i)(ii) of this title, a benefit under this subchapter for such preceding month, and who is determined by the Commissioner to be ineligible for benefits under this subchapter on the basis of confinement based on the information provided by such institution, $400 (subject to reduction under clause (ii)) if the institution furnishes the information described in subclause (i) to the Commissioner within 15 days after the date such individual becomes an inmate of such institution, or $200 (subject to reduction under clause (ii)) if the institution furnishes such information after 15 days after such date but within 90 days after such date.

(iii) The dollar amounts specified in clause (i)(II) shall be reduced by 50 percent if the Commissioner enters into an agreement, under clause (i) to any Federal or federally-assisted cash, food, or medical assistance program for eligibility and other administrative purposes under such program, for statistical and research activities conducted by Federal and State agencies, and to the Secretary of the Treasury for the purposes of tax administration, debt collection, and identifying, preventing, and recovering improper payments under federally funded programs.

(iv) Payments to institutions required by clause (i)(II) shall be made from funds otherwise available for the payment of benefits under this subchapter and shall be treated as direct spending for purposes of the Balanced Budget and Emergency Deficit Control Act of 1985 [2 U.S.C. 900 et seq.].

(v)(I) The Commissioner may disclose information received pursuant to this paragraph to any officer, employee, agent, or contractor of the Department of the Treasury whose official duties require such information to assist in the identification, prevention, and recovery of improper payments or in the collection of delinquent debts owed to the United States, including payments certified by the head of an executive, judicial, or legislative paying agency, and payments made to individuals whose eligibility, or continuing eligibility, to participate in a Federal program (including those administered by a State or political subdivision thereof) is being reviewed.

(II) Notwithstanding the provisions of section 552a of title 5 or any other provision of Federal or State law, the Secretary of the Treasury may compare information disclosed under subclause (I) with any other personally identifiable information derived from a Federal system of records or similar records maintained by a Federal contractor, a Federal grantee, or an entity administering a Federal program or activity and may redisclose such comparison of information to any paying or administering agency and to the head of the Federal Bureau of Prisons and the head of any State agency charged with the administration of prisons with respect to inmates whom the Secretary of the Treasury has determined may have been issued, or facilitated in the issuance of, an improper payment.

(III) The comparison of information disclosed under subclause (I) shall not be considered a matching program for purposes of section 552a of title 5.

(J) For the purpose of carrying out this paragraph, the Commissioner of Social Security shall conduct periodic computer matches with data maintained by the Secretary of Health and Human Services under subchapter XVIII or XIX. The Secretary shall furnish to the Commissioner, in such form and manner and under such terms as the Commissioner and the Secretary shall mutually agree, such information as the Commissioner may request for this purpose. Information obtained pursuant to such a match may be substituted for the physician’s certification otherwise required under subparagraph (G)(i).

(2) No person shall be an eligible individual or eligible spouse for purposes of this subchapter if, after notice to such person by the Commissioner of Social Security that it is likely that such person is eligible for any payments of the type enumerated in section 1382a(a)(2)(B) of this title, such person fails within 30 days to take all appropriate steps to apply for and (if eligible) obtain any such payments.

(3) Notwithstanding anything to the contrary in the criteria being used by the Commissioner of Social Security in determining when a husband and wife are to be considered two eligible individuals for purposes of this subchapter and

---

1 So in original. Probably should refer to cl. (iii).
when they are to be considered an eligible individual with an eligible spouse, the State agency administering or supervising the administration of a State plan under any other program under this chapter may (in the administration of such plan) treat a husband and wife living in the same medical treatment facility described in paragraph (1)(B) as though they were an eligible individual with his or her eligible spouse for purposes of this subchapter (rather than two eligible individuals), after they have continuously lived in the same such facility for 6 months. If treating such husband and wife as two eligible individuals would prevent either of them from receiving benefits or assistance under such plan or reduce the amount thereof.

(4)(A) No person shall be considered an eligible individual or eligible spouse for purposes of this subchapter with respect to any month if during such month the person is—
   (i) fleeing to avoid prosecution, or custody or confinement after conviction, under the laws of the place from which the person flees, for a crime, or an attempt to commit a crime, which is a felony under the laws of the place from which the person flees, or, in jurisdictions that do not define crimes as felonies, is punishable by death or imprisonment for a term exceeding 1 year regardless of the actual sentence imposed; or
   (ii) violating a condition of probation or parole imposed under Federal or State law.

(B) Notwithstanding subparagraph (A), the Commissioner shall, for good cause shown, treat the person referred to in subparagraph (A) as an eligible individual or eligible spouse if the Commissioner determines that—
   (i) a court of competent jurisdiction has found the person not guilty of the criminal offense, dismissed the charges relating to the criminal offense, vacated the warrant for arrest of the person for the criminal offense, or issued any similar exonerating order (or taken similar exonerating action), or
   (ii) the person was erroneously implicated in connection with the criminal offense by reason of identity fraud.

(C) Notwithstanding subparagraph (A), the Commissioner may, for good cause shown based on mitigating circumstances, treat the person referred to in subparagraph (A) as an eligible individual or eligible spouse if the Commissioner determines that—
   (i) the offense described in subparagraph (A)(i) or underlyiing the imposition of the probation or parole described in subparagraph (A)(ii) was nonviolent and not drug-related, and
   (ii) in the case of a person who is not considered an eligible individual or eligible spouse pursuant to subparagraph (A)(ii), the action that resulted in the violation of a condition of probation or parole was nonviolent and not drug-related.

(5) Notwithstanding any other provision of law (other than section 6103 of the Internal Revenue Code of 1986 and section 1306(c) of this title), the Commissioner shall furnish any Federal, State, or local law enforcement officer, upon the written request of the officer, with the current address, Social Security number, and photograph (if applicable) of any recipient of benefits under this subchapter, if the officer furnishes the Commissioner with the name of the recipient, and other identifying information as reasonably required by the Commissioner to establish the unique identity of the recipient, and notifies the Commissioner that—
   (A) the recipient is described in clause (i) or (ii) of paragraph (4)(A); and
   (B) the location or apprehension of the recipient is within the officer's official duties.

(f) Individuals outside United States; determination of status

(1) Notwithstanding any other provision of this subchapter, no individual (other than a child described in section 1382a(a)(1)(B)(ii) of this title) shall be considered an eligible individual for purposes of this subchapter for any month during all of which such individual is outside the United States (and no person shall be considered the eligible spouse of an individual for purposes of this subchapter with respect to any month during all of which such person is outside the United States). For purposes of the preceding sentence, after an individual has been outside the United States for any period of 30 consecutive days, he shall be treated as remaining outside the United States until he has been in the United States for a period of 30 consecutive days.

(2) For a period of not more than 1 year, the first sentence of paragraph (1) shall not apply to any individual who—
   (A) was eligible to receive a benefit under this subchapter for the month immediately preceding the first month during all of which the individual was outside the United States; and
   (B) demonstrates to the satisfaction of the Commissioner of Social Security that the absence of the individual from the United States will be—
      (i) for not more than 1 year; and
      (ii) for the purpose of conducting studies as part of an educational program that is—
         (I) designed to substantially enhance the ability of the individual to engage in gainful employment;
         (II) sponsored by a school, college, or university in the United States; and
         (III) not available to the individual in the United States.

(g) Individuals deemed to meet resources test

In the case of any individual or any individual and his spouse (as the case may be) who—
   (1) received aid or assistance for December 1973 under a plan of a State approved under subchapter I, X, XIV, or XVI,
   (2) has, since December 31, 1973, continuously resided in the State under the plan of which he or they received such aid or assistance for December 1973, and
   (3) has, since December 31, 1973, continuously been (except for periods not in excess of six consecutive months) an eligible individual or eligible spouse with respect to whom supplemental security income benefits are payable,
   the resources of such individual or such individual and his spouse (as the case may be) shall be...
deemed not to exceed the amount specified in subsections (a)(1)(B) and (a)(2)(B) during any period that the resources of such individual or such individual and his spouse (as the case may be) does not exceed the maximum amount of resources specified in the State plan, as in effect for October 1972, under which he or they received such aid or assistance for October 1972.

(b) Individuals deemed to meet income test

In determining eligibility for, and the amount of, benefits payable under this section in the case of any individual or any individual and his spouse (as the case may be) who—

(1) received aid or assistance for December 1973 under a plan approved under subchapter X or XVI,

(2) is blind under the definition of that term in the plan, as in effect for October 1972, under which he or they received such aid or assistance for December 1973,

(3) has, since December 31, 1973, continuously resided in the State under the plan of which he or they received such aid or assistance for December 1973, and

(4) has, since December 31, 1973, continuously been (except for periods in excess of six consecutive months) an eligible individual or an eligible spouse with respect to whom supplemental security income benefits are payable,

there shall be disregarded an amount equal to the greater of (A) the maximum amount of any earned or unearned income which could have been disregarded under the State plan, as in effect for October 1972, under which he or they received such aid or assistance for December 1973, and (B) the amount which would be required to be disregarded under section 1382a of this title without application of this subsection.

(i) Application and review requirements for certain individuals

For application and review requirements affecting the eligibility of certain individuals, see section 1383(k) of this title.

(1) received aid or assistance for December 1973 under a plan approved under subchapter X or XVI,

(2) is blind under the definition of that term in the plan, as in effect for October 1972, under which he or they received such aid or assistance for December 1973,

(3) has, since December 31, 1973, continuously resided in the State under the plan of which he or they received such aid or assistance for December 1973, and

(4) has, since December 31, 1973, continuously been (except for periods in excess of six consecutive months) an eligible individual or an eligible spouse with respect to whom supplemental security income benefits are payable,

there shall be disregarded an amount equal to the greater of (A) the maximum amount of any earned or unearned income which could have been disregarded under the State plan, as in effect for October 1972, under which he or they received such aid or assistance for December 1973, and (B) the amount which would be required to be disregarded under section 1382a of this title without application of this subsection.

(ii) Application and review requirements for certain individuals

For application and review requirements affecting the eligibility of certain individuals, see section 1383(k) of this title.

(1) received aid or assistance for December 1973 under a plan approved under subchapter X or XVI,

(2) is blind under the definition of that term in the plan, as in effect for October 1972, under which he or they received such aid or assistance for December 1973,

(3) has, since December 31, 1973, continuously resided in the State under the plan of which he or they received such aid or assistance for December 1973, and

(4) has, since December 31, 1973, continuously been (except for periods in excess of six consecutive months) an eligible individual or an eligible spouse with respect to whom supplemental security income benefits are payable,

there shall be disregarded an amount equal to the greater of (A) the maximum amount of any earned or unearned income which could have been disregarded under the State plan, as in effect for October 1972, under which he or they received such aid or assistance for December 1973, and (B) the amount which would be required to be disregarded under section 1382a of this title without application of this subsection.

REPRESENTATIONS IN TEXT

Section 501(a) of Public Law 96–422, referred to in subsec. (c)(5), is section 501(a) of Pub. L. 96–422, which is set out as a note under section 1522 of Title 8, Aliens and Nationality.

The Internal Revenue Code of 1986, referred to in subsecs. (d) and (e)(5), is classified generally to Title 26, Internal Revenue Code.


REFERENCES IN TEXT

Section 501(a) of Public Law 96–422, referred to in subsec. (c)(5), is section 501(a) of Pub. L. 96–422, which is set out as a note under section 1522 of Title 8, Aliens and Nationality.

The Internal Revenue Code of 1986, referred to in subsecs. (d) and (e)(5), is classified generally to Title 26, Internal Revenue Code.


AMENDMENTS

2018—Subsec. (e)(1)(I)(II), Pub. L. 115–123 substituted “15 days” for “30 days” in two places.

2013—Subsec. (e)(1)(I)(II). Pub. L. 113–67, § 204(a)(2), inserted “first, middle, and last” before “names”, “dates of release or anticipated dates of release, dates of work release,” before “and, to the extent available”, and “and clause (iv) of this subparagraph” before “and the other provisions of this subsection” and substituted “social security account numbers or taxpayer identification numbers, prison assigned inmate numbers, last known addresses,” for “social security account numbers,”.

Subsec. (e)(1)(II), Pub. L. 113–67, § 204(b)(2)(A), inserted before period at end “, for statistical and research activities conducted by Federal and State agencies, and to the Secretary of the Treasury for the purposes of tax administration, debt collection, and identifying, preventing, and recovering improper payments under federally funded programs”.

Page 2510 TITLE 42—THE PUBLIC HEALTH AND WELFARE

§1382

Subsec. (e)(4). Pub. L. 106–169, § 207(c)(1)(A), redesignated par. (5) as (4) and struck out former par. (4) which read as follows:

“(4)(A) No person shall be considered an eligible individual or eligible spouse for purposes of this subchapter during the 18-month period that begins on the date on which the person is convicted in Federal or State court of having made a fraudulent statement or representation with respect to the place of residence of the person in order to receive assistance simultaneously from 2 or more States under programs that are funded under subchapter IV of this chapter, subchapter XIX of this chapter, or the Food Stamp Act of 1977, or benefits in 2 or more States under the supplemental security income program under this subchapter.

“(B) As soon as practicable after the conviction of a person in a Federal or State court as described in subparagraph (A), an official of such court shall notify the Commissioner of such conviction.”


Subsec. (e)(6). Pub. L. 106–169, § 207(c)(2), (3), redesignated par. (6) as (5) and substituted ““(5)” for ““(6)”.

1997—Subsec. (e)(1)(B). Pub. L. 105–33, § 5522(c)(1)(A), (D), in introductory provisions, substituted “medical treatment facility” for “hospital, extended care facility, nursing home, or intermediate care facility” and in closing provisions, substituted “medical treatment facility” for “hospital, extended care facility, nursing home, or intermediate care facility which provides a medical institutional or nursing facility service”.


Subsec. (e)(1)(G). Pub. L. 105–33, § 5522(c)(3), substituted “or is in a medical treatment” for “or which is a hospital, extended care facility, nursing home, or” in closing provisions.

Subsec. (e)(1)(J). Pub. L. 105–33, § 5522(c)(4), substituted “individual who receives in the month preceding the first month throughout which such individual is an inmate of the jail, prison, penal institution, or correctional facility that furnishes information respecting such individual pursuant to subclause (I), or is confined in the institution (that so furnishes such information) as described in section 402(x)(1)(A)(ii) of this title, a benefit under this subchapter for such preceding month, and who is determined by the Commissioner to be ineligible for benefits under this subchapter by reason of confinement based on information provided by such institution” for “inmate of the institution who is eligible for a benefit under this subchapter for the month preceding the first month throughout which such inmate is in such institution and becomes ineligible for such benefit as a result of the application of this subparagraph”.

Subsec. (e)(3). Pub. L. 105–33, § 5522(c)(4), substituted “same medical treatment facility” for “same hospital, home, or facility” and “same such facility” for “same such facility”.

Subsec. (e)(6). Pub. L. 105–33, § 5522(a), inserted “and section 1396p(c) of this title” after “of 1996”.

(A) read as follows: “A State plan approved under part A of subchapter IV of this chapter (relating to aid to families with dependent children), in the case of an eligible individual who is a child under the age of 18, receiving payments (with respect to such benefits with respect to such application.)"

Subsec. (c)(7)(A). Pub. L. 104–193, § 214(a), inserted “or, in the case of an eligible individual who is a child under the age of 18, receiving payments (with respect to such individual) under any health insurance policy issued by a private provider of such insurance” after “after section 1396p(a)(3)(B) of this title.”


Pub. L. 104–121 struck out par. (3) which related to limitation on eligibility for benefits by reason of disability based on alcoholism or drug addiction.

Subsec. (e)(5). Pub. L. 104–193, § 214(a), redesignated former par. (5) as (3).


Subsec. (e)(3). Pub. L. 104–193, § 214(a), redesignated par. (4) as (3).

Pub. L. 104–121 struck out par. (3) which related to limitation on eligibility for benefits by reason of disability based on alcoholism or drug addiction.


Subsec. (d). Pub. L. 99–643, § 4(d)(1), struck out par. (4) which read as follows: “No benefit shall be payable under this subchapter, except as provided in section 1322 of this title (or section 1322c(e)(3) of this title), with respect to an eligible individual or his eligible spouse who is an aged, blind, or disabled individual solely by application of section 1322a(a)(3)(F) of this title for any month, after the third month, in which he engages in substantial gainful activity during the fifteen-month period following the end of his trial work period determined by application of section 1322a(a)(4)(D)(i) of this title.”


shall be effective as of the first day of the month in which it is filed, added par. (3) providing that an application shall be effective on the later of the date it is filed or the date such individual first becomes eligible for such benefits with respect to such application and redesignated such par. (3) as (5), redesignated par. (4) as (6), and added paras. (3) and (4).

39. Subsec. (c). Pub. L. 97–35 substituted provision that eligibility and benefit amount generally be determined on a one-month retrospective basis, with for the first month of eligibility, the month in which the application is filed, eligibility and benefit amount both determined on a prospective basis for provision that eligibility and benefit amount be determined on a quarterly prospective basis and inserted provision authorizing the Secretary to grant waivers.


1974—Pub. L. 93–368 inserted “(or, if greater, the amount determined under section 1382 of this title)” after “$300 per year” and inserted “(reduced by the amount of any income, not excluded pursuant to section 1382a(b) of this title, of the other)” after “the applicable rate specified in subsection (b)(1).”


1973 Amendment by section 207(c) of Pub. L. 94–566, applicable to representations and statements made on or after Dec. 14, 1999, see section 207(e) of Pub. L. 94–566, set out as a note under section 103 of this title.

Effective Date of 1997 Amendment


Effective Date of 1996 Amendment

Amendment by section 108(j) of Pub. L. 104–193 effective July 1, 1997, with transition rules relating to State options to accelerate such date, rules relating to claims, actions, and proceedings commenced before such date, rules relating to closing out of accounts for terminated or substantially modified programs and discontinuance in office of Assistant Secretary for Family Support, and provisions relating to termination of entitlement under AFDC program, see section 116 of Pub. L. 104–193, as amended, set out as an Effective Date note under section 601 of this title.


Pub. L. 104–193, title II, § 203(a)(2), Aug. 22, 1996, 110 Stat. 2187, provided that: “The amendment made by this subsection [amending this section] shall apply to individuals whose period of confinement in an institution commences on or after the first day of the seventh month beginning after the month in which this Act is enacted [Aug. 1996].”

Pub. L. 104–193, title II, § 204(d), Aug. 22, 1996, 110 Stat. 2188, provided that: “(A) IN GENERAL.—The amendments made by this section [amending this section and sections 1382c and 1383 of this title] shall apply to applications for benefits under title XVI of the Social Security Act [42 U.S.C. 1361 et seq.] filed on or after the date of the enactment of this Act [Aug. 22, 1996], without regard to whether regulations have been issued to implement such amendments.”

Effective Date of 1994 Amendment

Amendment by section 203(b) of Pub. L. 103–193 effective on the first day of the first month that begins on or after the date that is 9 months after Mar. 2, 2004, see section 203(d) of Pub. L. 103–193, set out as a note under section 402 of this title.

Pub. L. 108–203, title IV, § 433(c), Mar. 2, 2004, 118 Stat. 540, provided that: “The amendments made by this section [amending this section] shall be effective with respect to benefits payable for months that begin on or after 1 year after the date of enactment of this Act [Mar. 2, 2004].”

Pub. L. 108–203, title IV, § 436(b), Mar. 2, 2004, 118 Stat. 541, provided that: “The amendments made by this section [amending this section] shall apply to benefits payable for months that begin more than 90 days after the date of enactment of this Act [Mar. 2, 2004].”
(2) Benefits under title XVI.—For purposes of this subsection, the term ‘benefits under title XVI of the Social Security Act’ includes supplementary payments pursuant to an agreement entered into under section 1616(a) of the Social Security Act (42 U.S.C. 1382e(a)), and payments pursuant to an agreement entered into under section 212(b) of Public Law 93–66 [set out below].”


“A The amendments made by paragraphs (1) and (4) [amending this section and sections 1382c and 1383c of this title] shall apply to any individual who applies for, or whose claim is finally adjudicated with respect to, supplemental security income benefits under title XVI of the Social Security Act (42 U.S.C. 1382c et seq.) based on disability on or after the date of enactment of this Act [Mar. 29, 1996], and, in the case of any individual who has applied for, and whose claim has been finally adjudicated with respect to, such benefits before such date of enactment, such amendments shall apply only with respect to such benefits for months beginning on or after January 1, 1997.

“B The amendments made by paragraphs (2) and (3) [amending section 1383c of this title and amending section 1383 of this title] shall take effect on July 1, 1996, with respect to any individual—

“i whose claim for benefits is finally adjudicated on or after the date of the enactment of this Act [Mar. 29, 1996], or

“ii whose eligibility for benefits is based upon an eligibility redetermination made pursuant to subparagraph (C).

“C Within 90 days after the date of the enactment of this Act [Mar. 29, 1996], the Commissioner of Social Security shall notify each individual who is eligible for supplemental security income benefits under title XVI of the Social Security Act (42 U.S.C. 1382c et seq.) for the month in which this Act is enacted and whose eligibility for such benefits would terminate by reason of the amendments made by this subsection [enacting section 1383c of this title and amending sections 1382c, 1383, and 1383c of this title]. If such an individual reenrolls for supplemental security income benefits under title XVI of such Act (as amended by this subsection) within 90 days after the date of the enactment of this Act, the Commissioner of Social Security shall, not later than January 1, 1997, complete the eligibility redetermination (including a new medical determination) with respect to such individual pursuant to the procedures of such title.

“D For purposes of this paragraph, an individual’s claim, with respect to supplemental security income benefits under title XVI of the Social Security Act (42 U.S.C. 1381 et seq.) based on disability, which has been denied in whole before the date of the enactment of this Act [Mar. 29, 1996], may not be considered to be finally adjudicated before such date if, on or after such date—

“i there is pending a request for either administrative or judicial review with respect to such claim, or

“ii there is pending, with respect to such claim, a readjudication by the Commissioner of Social Security pursuant to relief in a class action or implementation by the Commissioner of a court order.

“E Notwithstanding the provisions of this paragraph, with respect to any individual for whom the Commissioner does not perform the eligibility redetermination before the date prescribed in subparagraph (C), there shall be deemed [amending this section] a final determination in lieu of a continuing disability review whenever the Commissioner determines that the individual’s eligibility is subject to redetermination based on the preceding provisions of this paragraph, and the provisions of section 1611(e)(3)(A) of the Social Security Act (42 U.S.C. 1382e(a)(4)) shall not apply to such redetermination.

“F For purposes of this paragraph, the phrase ‘supplemental security income benefits under title XVI of the Social Security Act’ includes supplementary payments pursuant to an agreement for Federal administration under section 1616(a) of the Social Security Act (42 U.S.C. 1382e(a)) and payments pursuant to an agreement entered into under section 212(b) of Public Law 93–66 [set out below].”

[Amendment by Pub. L. 105–33 to section 105(b)(5) of Pub. L. 104–121, set out above, effective as if included in the enactment of section 105 of Pub. L. 104–121, see section 5525(c)(1) of Pub. L. 105–33, set out as an Effective Date of 1997 Amendment note under section 903 of this title.]

Effective Date of 1994 Amendment; Sunset Provision


Pub. L. 103–296, title II, §201(b)(3)(C), (E), Aug. 15, 1994, 108 Stat. 1541, 1545, provided that:

“C Sunset of 3-Month Rule.—Section 1611(e)(3)(A)(v) of the Social Security Act (42 U.S.C. 1382e(c)(3)(A)(v)) (added by subparagraph (A) of this paragraph) shall cease to be effective with respect to benefits for months after September 2004.

“E Effective Date.—

“i In General.—Except as otherwise provided in this paragraph [amending this section and section 1383c of this title and enacting provisions set out as notes below], the amendments made by this paragraph shall apply with respect to supplemental security income benefits under title XVI of the Social Security Act (42 U.S.C. 1381 et seq.) by reason of disability which are otherwise payable in months beginning after 180 days after the date of the enactment of this Act [Aug. 15, 1994].

“The Secretary of Health and Human Services shall issue regulations necessary to carry out the amendments made by this paragraph not later than 180 days after such date of enactment.

“ii Referral and Monitoring Agencies.—The amendments made by subparagraph (B) [amending this section] shall take effect 180 days after the date of the enactment of this Act [Aug. 15, 1994].

“iii Termination After 36 Months.—Clause (v) of section 1611(e)(3)(A) of the Social Security Act (42 U.S.C. 1382e(c)(3)(A)) (added by the amendment made by subparagraph (A) of this paragraph) shall apply with respect to supplemental security income benefits under title XVI of the Social Security Act (42 U.S.C. 1381 et seq.) by reason of disability for months beginning after 180 days after the date of the enactment of this Act [Aug. 15, 1994].

“b Amendment by Pub. L. 103–296, title II, §204(b), Aug. 15, 1994, 108 Stat. 1509, provided that: ‘‘The amendment made by subsection (a) [amending this section] shall take effect on January 1, 1995.’’

Effective Date of 1993 Amendment

Pub. L. 103–66, title XIII, §13735(b), Aug. 10, 1993, 107 Stat. 663, provided that: ‘‘The amendments made by subsection (a) [amending this section] shall apply to benefits paid for months after the calendar year 1993.’’

Effective Date of 1989 Amendment

Pub. L. 101–239, title VIII, §8009(c), Dec. 19, 1989, 103 Stat. 2464, provided that: ‘‘The amendments made by subsections (a) and (b) [amending this section and section 1382c of this title] shall apply to benefits for months after March 1990.’’

Pub. L. 101–239, title VIII, §8010(c), Dec. 19, 1989, 103 Stat. 2465, provided that: ‘‘The amendments made by subsections (a) and (b) [amending this section and section 105(b)(5) of Pub. L. 101–181, set out above, effective as if included in the enactment of section 105 of Pub. L. 101–181, see section 5525(c)(1) of Pub. L. 105–33, set out as an Effective Date of 1997 Amendment note under section 903 of this title.]

Enforcement of Amendments

Pub. L. 101–239, title VIII, §8013(b), Dec. 19, 1989, 103 Stat. 2466, provided that: ‘‘The amendments made by subsections (a) and (b) [amending this section and section 1382c of this title] shall apply to benefits for months after the calendar year 1994.’’

Enforcement Date of 1989 Amendment

Pub. L. 101–239, title VIII, §8013(b), Dec. 19, 1989, 103 Stat. 2466, provided that: ‘‘The amendments made by subsections (a) and (b) [amending this section and section 1382c of this title] shall apply to benefits for months after the calendar year 1994.’’
tion 1382c of this title] shall take effect on the 1st day of the 6th calendar month beginning after the date of the enactment of this Act [Dec. 19, 1969].”

**Effective Date of 1988 Amendment**

Amendment by Pub. L. 100–360 applicable to transfers occurring on or after July 1, 1988, without regard to whether or not final regulations to carry out such amendment have been promulgated by such date, see section 303(g)(3) of Pub. L. 100–360, set out as a note under section 1396e–5 of this title.

**Effective Date of 1987 Amendment**


“(1) The amendment made by subsection (a) [amending this section] shall become effective January 1, 1988.

“(2) In the application of section 1611(e)(1)(D) of the Social Security Act [42 U.S.C. 1382a(e)(1)(D)] on and after the effective date of such amendment, months before January 1988 in which a person was an eligible individual or eligible spouse by reason of such section shall not be taken into account.”


Pub. L. 100–203, title IX, §911(d), Dec. 22, 1987, 101 Stat. 1330–305, provided that: “The amendments made by subsections (a) and (b) [amending this section and section 1382a of this title] shall become effective July 1, 1988.”

**Effective Date of 1986 Amendment**

Amendment by section 3(a) and 4(c)(3), (d)(1) of Pub. L. 99–643 effective July 1, 1987, except as otherwise provided, see section 10(b) of Pub. L. 99–643, set out as a note under section 1396a of this title.

Pub. L. 99–643, §4(b), Nov. 10, 1986, 100 Stat. 3580, provided that: “The amendment made by subsection (a) [amending this section] shall take effect on the date of the enactment of this Act [Nov. 10, 1986].”

**Effective Date of 1984 Amendment**

Amendment by section 2611(a)–(c) of Pub. L. 98–369 effective Oct. 1, 1984, except as otherwise specifically provided, see section 2646 of Pub. L. 98–369, set out as a note under section 657 of this title.

Amendment by section 2663(g)(1), (2) of Pub. L. 98–369 effective July 18, 1984, but not to be construed as changing in any respect any right, liability, status, or interpretation which existed (under the provisions of law involved) before that date, see section 2664(b) of Pub. L. 98–369, set out as a note under section 401 of this title.

**Effective Date of 1983 Amendment**

Pub. L. 98–21, title IV, §403(b), Apr. 20, 1983, 97 Stat. 140, provided that: “The amendments made by subsection (a) [amending this section] shall be effective with respect to months after the month in which this Act is enacted [April 1983].”

**Effective Date of 1982 Amendment**


Pub. L. 97–249, title I, §183(b), Sept. 3, 1982, 96 Stat. 405, provided that: “The amendment made by subsection (a) [amending this section] shall become effective October 1, 1982.”

**Effective Date of 1981 Amendment and Transitional Provisions**

Pub. L. 97–35, title XXIII, §2341(c), Aug. 13, 1981, 95 Stat. 865, provided that:

“(1) The amendments made by this section [amending this section and section 1382a of this title] shall be effective with respect to months after the first calendar quarter which ends more than five months after the month in which this Act is enacted [August 1981].

“(2) The Secretary of Health and Human Services may, under conditions determined by him to be necessary and appropriate, make a transitional payment or payments during the first two months for which the amendments made by this section are effective. A transitional payment made under this section shall be deemed to be a payment of supplemental security income benefits.”

**Effective Date of 1980 Amendment**

Amendment by Pub. L. 96–265 effective on first day of sixth month which begins after June 9, 1980, and applicable with respect to any individual whose disability has not been determined to have ceased prior to such first day, see section 303(d) of Pub. L. 96–265, set out as a note under section 402 of this title.

**Effective Date of 1976 Amendment**

Pub. L. 94–566, title V, §505(e), Oct. 20, 1976, 90 Stat. 2667, provided that: “The amendments [amending this section and section 1392a of this title] and repeals [repealing section 1382c(e) of this title] made by this section, unless otherwise specified therein, shall take effect on October 1, 1976.”

**Effective Date of 1973 Amendment**


**Effective Date**


**Regulations**

Pub. L. 104–193, title II, §215, Aug. 22, 1996, 110 Stat. 2196, provided that: “Within 3 months after the date of the enactment of this Act [Aug. 22, 1996], the Commissioner of Social Security shall prescribe such regulations as may be necessary to implement the amendments made by this subtitle [subtitle B (§§211–215) of title II of Pub. L. 104–193, amending this section, sections 1382a to 1382c; and 1383 of this title, sections 655e and 901 of Title 2, The Congress, and provisions set out as a note under section 401 of this title, and repealing provisions set out as a note below].”

**Construction of 1999 Amendment**

Amendment by Pub. L. 106–170 to be executed as if Pub. L. 106–169 had been enacted after the enactment of Pub. L. 106–170, see section 121(c)(1) of Pub. L. 106–169, set out as a note under section 1396a of this title.

**Study of Denial of SSI Benefits for Family Farmers**


“(a) In General.—The Commissioner of Social Security shall conduct a study of the reasons why family farmers with resources of less than $100,000 are denied supplemental security income benefits under title XVI of the Social Security Act [42 U.S.C. 1381 et seq.], including whether the deeming process unduly burdens
§ 1382
TITLE 42—THE PUBLIC HEALTH AND WELFARE

and discriminates against family farmers who do not institutionalize a disabled dependent, and shall determine the number of such farmers who have been denied such benefits during each of the preceding 10 years.

(b) REPORT TO THE CONGRESS.—Within 1 year after the date of the enactment of this Act [Dec. 14, 1999], the Commissioner of Social Security shall prepare and submit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate a report that contains the results of the study, and the determination, required by subsection (a).

STUDY OF OTHER POTENTIAL IMPROVEMENTS IN COLLECTING OF INFORMATION REPORTING PUBLIC INMATES


(1) STUDY.—The Commissioner of Social Security shall conduct a study of the desirability, feasibility, and cost of—

(A) establishing a system under which Federal, State, and local courts would furnish to the Commissioner such information respecting court orders by which individuals are confined in jails, prisons, or other public penal, correctional, or medical facilities as the Commissioner may require for the purpose of carrying out section 1611(e)(1) of the Social Security Act (42 U.S.C. 1382(e)(1)(A));

(B) requiring that State and local jails, prisons, and other institutions that enter into agreements with the Commissioner under section 1611(e)(1)(A) of the Social Security Act (42 U.S.C. 1382(e)(1)(A)) furnish the information required by such agreements to the Commissioner by means of an electronic or other sophisticated data exchange system.

(2) REPORT.—Not later than 1 year after the date of the enactment of this Act [Aug. 22, 1996], the Commissioner of Social Security shall submit a report on the results of the study conducted pursuant to this subsection to the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives.

ADDITIONAL REPORT TO CONGRESS

Pub. L. 104–193, title II, § 203(c), Aug. 22, 1996, 110 Stat. 2187, provided that: “Not later than October 1, 1998, the Commissioner of Social Security shall provide to the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives a list of the institutions that are and are not providing information to the Commissioner under section 1611(e)(1)(A) of the Social Security Act (42 U.S.C. 1382(e)(1)(A)), which demonstrates the desirability, feasibility, and cost of requiring the institutions to furnish the information required by the Commissioner by means of an electronic or other sophisticated data exchange system. The report required by this subsection shall be submitted to the Senate, the House of Representatives, and the General Accounting Office not later than 1 year after the date of the enactment of this Act [Aug. 22, 1996].”

STUDY BY GENERAL ACCOUNTING OFFICE

Pub. L. 104–193, title II, § 232, Aug. 22, 1996, 110 Stat. 2198, provided that, not later than Jan. 1, 1999, the Comptroller General was to study and report on the impact of the amendments and provisions of title II of Pub. L. 104–193 on the supplemental security income program under this subchapter and extra expenses incurred by families of children receiving benefits under this subchapter not covered by other Federal, State, or local programs.

REPORT TO CONGRESS ON REFERRAL, MONITORING AND TREATMENT ACTIVITIES RELATING TO ALCOHOLICS AND DRUG ADDICTS


TRANSITION RULES FOR CURRENT BENEFICIARIES


(b) REPORT TO THE CONGRESS.—Not later than Oct. 1, 1998, the Secretary of Health and Human Services shall submit to the Committee on Ways and Means of the House of Representatives and the Committee on Fi-
nance of the Senate a report on the activities conducted under subsection (a)."

**Federal Program of Supplemental Security Income; Supplemental Security Income Benefits for Essential Persons; Definitions of Qualified Individual and Essential Person**


"(a)(1) In determining (for purposes of title XVI of the Social Security Act [42 U.S.C. 1381 et seq.], as in effect after December 1973) the eligibility for and the amount of the supplemental security income benefit payable to any qualified individual (as defined in subsection (b)) with respect to any period for which such individual has in his home an essential person (as defined in subsection (c))—

"(A) the dollar amounts specified in subsection (a)(1)(A) and (2)(A), and subsection (b)(1) and (2), of section 1611 of such Act [42 U.S.C. 1382], shall each be increased by $876 for each such essential person, and

"(B) the income and resources of such individual (for purposes of such title XVI [42 U.S.C. 1381 et seq.]) shall be deemed to include the income and resources of such essential person;

 except that the provisions of this subsection shall not, in the case of any individual, be applicable for any period which begins in or after the first month that such individual

"(C) does not but would (except for the provisions of subparagraph (B)) meet—

"(i) the criteria established with respect to income in section 1611(a) of such Act [42 U.S.C. 1382(a)], or

"(ii) the criteria established with respect to resources by such section 1611(a) (42 U.S.C. 1382(a)) (or, if applicable, by section 1611(g) of such Act [42 U.S.C. 1382(g)]).

"(2) The provisions of section 1611(g) of the Social Security Act [42 U.S.C. 1382(g)] (as in effect after December 1973) shall, in the case of any qualified individual (as defined in subsection (b)), be applied so as to include, in the resources of such individual, the resources of any person (described in subsection (b)(2)) whose needs were taken into account in determining the need of such individual for the aid or assistance referred to in subsection (b)(1).

"(b) For purposes of this section, an individual shall be a ‘qualified individual’ only if—

"(1) for the month of December 1973 such individual was a recipient of aid or assistance under a State plan approved under title I, X, XIV, or XVI of the Social Security Act [42 U.S.C. 301 et seq., 1201 et seq., 1351 et seq., 1381 et seq.], and

"(2) in determining the need of such individual for such aid or assistance for such month under such State plan, there were taken into account the needs of a person (other than such individual) who—

"(A) was living in the home of such individual, and

"(B) was not eligible (in his or her own right) for aid or assistance under such State plan for such month.

"(c) The term ‘essential person’, when used in connection with any qualified individual, means a person who—

"(1) for the month of December 1973 was a person (described in subsection (b)(2)) whose needs were taken into account in determining the need of such individual for aid or assistance under a State plan referred to in subsection (b)(1) as such State plan was in effect for June 1973,

"(2) lives in the home of such individual,

"(3) is not eligible (in his or her own right) for supplemental security income benefits under title XVI of the Social Security Act [42 U.S.C. 1381 et seq.] (as in effect after December 1973), and

"(4) is not the eligible spouse (as that term is used in such title XVI [42 U.S.C. 1381 et seq.]) of such individual or any other individual.
If for any month after December 1973 any person fails to meet the criteria specified in paragraph (2), (3), or (4) of the preceding sentence, such person shall not, for such month or any month thereafter, be considered to be an essential person.''

[Amendment of section 211(a)(1)(A) of Pub. L. 93-66, set out above, by Pub. L. 93-233 effective with respect to payments for months after June 1974, see section 4(b) of Pub. L. 93-233.]

MANDATORY MINIMUM STATE SUPPLEMENTATION OF SUPPLEMENTAL SECURITY INCOME BENEFITS PROGRAM: DECEMBER 1973 INCOME; TITLE XVI BENEFIT PLUS OTHER INCOME; REDUCTION OF AMOUNT; ADMINISTRATION AGREEMENT; PAYMENTS TO COMMISSIONER; STATE CONSTITUTIONAL RESTRICTION


"(i) the amount of the aid or assistance (in the form of money payments) which such individual would have received (including any part of such amount which is attributable to meeting the needs of any other person whose presence in such individual's home is essential to such individual's well-being) for the month of December 1973 under a plan (approved under title I, X, XIV, or XVI of the Social Security Act [42 U.S.C. 301 et seq., 1201 et seq., 1351 et seq., 1381 et seq.]) of the State entering into an agreement under this subsection, if the terms and conditions of such plan (relating to eligibility for and amount of such aid or assistance payable thereunder) were, for the month of December 1973, the same as those in effect, under such plan, for the month of June 1973, together with the bonus value of food stamps for January 1972, as defined in section 401(b)(3) of Public Law 92-603 [set out as a note under section 1382c of this title], if, for such month, such individual resides in a State which provides State supplementary payments (I) of the type described in section 1616(a) of the Social Security Act [42 U.S.C. 1366(a)], and (II) the level of which has been found by the Commissioner of Social Security pursuant to section 6 of Public Law 93-233 [set out as notes under section 1382c of this title and sections 612c, 1431 and 2012 of Title 7, Agriculture] to have been specifically increased so as to reduce the bonus value of food stamps for January 1972; and

"(ii) the amount of the income of such individual (other than the aid or assistance described in clause (i)) received by such individual in December 1973, minus any such income which if properly reported would have resulted in a reduction in the amount of such aid or assistance.

"(C) For purposes of subparagraph (A), the amount of an individual's 'title XVI benefit plus other income' for any month means an amount equal to the aggregate of—

"(i) the amount of the aid or assistance (in the form of money payments) which such individual would have received (including any part of such amount which is attributable to meeting the needs of any other person whose presence in such individual's home is essential to such individual's well-being) for the month of December 1973 under a plan (approved under title I, X, XIV, or XVI of the Social Security Act [42 U.S.C. 301 et seq., 1201 et seq., 1351 et seq., 1381 et seq.]) of the State entering into an agreement under this subsection, if the terms and conditions of such plan (relating to eligibility for and amount of such aid or assistance payable thereunder) were, for the month of December 1973, the same as those in effect, under such plan, for the month of June 1973, together with the bonus value of food stamps for January 1972, as defined in section 401(b)(3) of Public Law 92-603 [set out as a note under section 1382c of this title], if, for such month, such individual resides in a State which provides State supplementary payments (I) of the type described in section 1616(a) of the Social Security Act [42 U.S.C. 1366(a)], and (II) the level of which has been found by the Commissioner of Social Security pursuant to section 6 of Public Law 93-233 [set out as notes under section 1382c of this title and sections 612c, 1431 and 2012 of Title 7, Agriculture] to have been specifically increased so as to reduce the bonus value of food stamps for January 1972; and

"(ii) the amount of the income of such individual (other than the aid or assistance described in clause (i)) received by such individual in December 1973, minus any such income which if properly reported would have resulted in a reduction in the amount of such aid or assistance.

"(D) If the amount determined under subparagraph (B)(i) includes, in the case of any individual, an amount which was payable to such individual solely because of—

"(i) a special need of such individual (including any special allowance for housing, or the rental value of housing furnished in kind to such individual in lieu of a rental allowance) which existed in December 1973, or

"(ii) any special circumstance (such as the recognition of the needs of a person whose presence in such individual's home, in December 1973, was essential to such individual's well-being), and, for any month after December 1973 there is a change with respect to such special need or circumstance which, if such change had existed in December 1973, would have been reduced on account of such change, then, for such month and for each month thereafter the amount of the supplementary payment payable under the agreement entered into under this subsection to such individual shall (unless the State, at its option, otherwise specifies) be reduced by an amount equal to the amount by which the amount (described in subparagraph (B)(ii)) would have been so reduced.

"(E)(i) In the case of an individual who, for December 1973 lived as a member of a family unit other members of which received aid (in the form of money payments) under a State plan (relating to eligibility for and amount of such aid or assistance payable thereunder) were, for the month of December 1973, the same as those in effect, under such plan, for the month of June 1973, together with the bonus value of food stamps for January 1972, as defined in section 401(b)(3) of Public Law 92-603 [set out as a note under section 1382c of this title], if, for such month, such individual resides in a State which provides State supplementary payments (I) of the type described in section 1616(a) of the Social Security Act [42 U.S.C. 1366(a)], and (II) the level of which has been found by the Commissioner of Social Security pursuant to section 6 of Public Law 93-233 [set out as notes under section 1382c of this title and sections 612c, 1431 and 2012 of Title 7, Agriculture] to have been specifically increased so as to reduce the bonus value of food stamps for January 1972; and

"(ii) for purposes of subparagraph (A), an individual's 'December 1973 income' means an amount equal to the aggregate of—
(referred to in paragraph (2)) payable to such individual for January 1974 or any month thereafter to be reduced to a level designed to assure that the total income of such individual (and of the members of such family unit) for any month after December 1973 does not exceed the total income of such individual (and of the members of such family unit) for December 1973.

(4) Any State having an agreement with the Commissioner of Social Security under paragraph (1) may, at its option, include individuals receiving benefits under section 1619 of the Social Security Act [42 U.S.C. 601 et seq.], and had had no income for such month other than that received as aid or assistance under a State plan approved under title I, X, XIV, or XVI of the Social Security Act [42 U.S.C. 301 et seq., 1201 et seq., 1351 et seq., 1381 et seq.].

(5) Any State having an agreement with the Commissioner of Social Security under paragraph (a) may enter into an administration agreement with the Commissioner of Social Security whereby the Commissioner of Social Security will, on behalf of such State, make the supplementary payments required under the agreement as though at its option, include individuals receiving benefits under part A of title IV of the Social Security Act [42 U.S.C. 601 et seq.], and had had no income for such month other than that received as aid or assistance under a State plan approved under title I, X, XIV, or XVI of the Social Security Act [42 U.S.C. 301 et seq., 1201 et seq., 1351 et seq., 1381 et seq.].

(6) Any State having an agreement with the Commissioner of Social Security and a State entered into an administration agreement under this subsection shall, in accordance with subparagraph (E), pay to the Commissioner of Social Security the amount of any administrative services fee charged in accordance with subparagraph (C).

(7) The portion of each administration fee in excess of $5, and 100 percent of any additional services fee charged pursuant to subparagraph (B), shall be deposited in the general fund of the State under this subparagraph.

(8) Any State which has entered into an agreement with the Commissioner of Social Security under this section shall remit the payments and fees required under this paragraph with respect to monthly benefits paid to individuals under title XVI of the Social Security Act [42 U.S.C. 1381 et seq.] to the Commissioner of Social Security at such times as the Commissioner and State may agree. Such authority may be exercised only if determined by the Commissioner to exist.

(9) The Commissioner of Social Security may charge a State an additional services fee if, at the request of the State, the Commissioner of Social Security determines is necessary to cover all costs (including indirect costs) incurred by the Federal Government in furnishing the additional services referred to in clause (i).

(V) The first $5 of each administration fee assessed pursuant to subparagraph (B), upon collection, shall be deposited in the general fund of the Treasury of the United States as miscellaneous receipts.

(10) Any State which has entered into an agreement with the Commissioner of Social Security under this section shall remit the payments and fees required under this paragraph with respect to monthly benefits paid to individuals under title XVI of the Social Security Act [42 U.S.C. 1381 et seq.] and related laws.

(E) Any State which has entered into an agreement with the Commissioner of Social Security under this section shall be credited to a special fund established in the Treasury of the United States for State supplementary payment fees. The amounts so credited, to the extent and in the amounts provided in advance in appropriation Acts, shall be available to defray expenses incurred in carrying out this section and title XVI of the Social Security Act [42 U.S.C. 1381 et seq.] and related laws.

(E) The business day preceding the date that the Commissioner pays such monthly benefits for the month that is the last month of the State's fiscal year, the fifth business day following such date.

(II) With respect to such monthly benefits paid for the month that is the last month of the State's fiscal year, the fifth business day following such date.

(III) The Cash Management Improvement Act of 1990 (see Short Title of 1990 Amendment note set out under section 6501 of Title 31, Money and Finance) shall not apply to any payments or fees required under this paragraph that are paid by a State before the date required by clause (i).

(IV) Notwithstanding clause (I), the Commissioner may make supplementary payments on behalf of a State with funds appropriated for payment of supplemental security income benefits under title XVI of the Social Security Act [42 U.S.C. 1381 et seq.], and subsequently to be reimbursed for such payments by the State at such times as the Commissioner and State may agree. Such authority may be exercised only if extraordinary circumstances affecting a State's ability to make payment when required by clause (I) are determined by the Commissioner to exist.

(V) Supplementary payments made pursuant to an agreement entered into under subsection (a) shall be

(VI) for fiscal year 1999, $7.60;

(VII) for fiscal year 2000, $7.80;

(VIII) for fiscal year 2001, $8.10;

(ix) for fiscal year 2002, $8.50, and

(x) for fiscal year 2003 and each succeeding fiscal year—

(aa) the applicable rate in the preceding fiscal year, increased by the percentage, if any, by which the Consumer Price Index for the month of June of the calendar year of the increase exceeds the Consumer Price Index for the month of June of the calendar year preceding the calendar year of the increase, and rounded to the nearest whole cent; or

(bb) such different rate as the Commissioner determines is appropriate for the State.

(III) Upon making a determination under clause (ii)(X)(bb), the Commissioner of Social Security shall promulgate the determination in regulations, which may take into account the complexity of administering the State's supplementary payment program.

(iv) All fees assessed pursuant to this subparagraph shall be transferred to the Commissioner of Social Security at the same time that amounts for such supplementary payments are required to be so transferred.

(C)(I) The Commissioner of Social Security may charge a State an additional services fee if, at the request of the State, the Commissioner of Social Security determines is necessary to cover all costs (including indirect costs) incurred by the Federal Government in furnishing the additional services referred to in clause (i).

(D)(i) The first $5 of each administration fee assessed pursuant to subparagraph (B), upon collection, shall be deposited in the general fund of the Treasury of the United States as miscellaneous receipts.

(ii) The portion of each administration fee in excess of $5, and 100 percent of any additional services fee charged pursuant to subparagraph (C), upon collection for fiscal year 1996 and each subsequent fiscal year, shall be credited to a special fund established in the Treasury of the United States for State supplementary payment fees. The amounts so credited, to the extent and in the amounts provided in advance in appropriation Acts, shall be available to defray expenses incurred in carrying out this section and title XVI of the Social Security Act [42 U.S.C. 1381 et seq.] and related laws.

(E) Any State which has entered into an agreement with the Commissioner of Social Security under this section shall remit the payments and fees required under this paragraph with respect to monthly benefits paid to individuals under title XVI of the Social Security Act [42 U.S.C. 1381 et seq.] and related laws.

(I) Any State which has entered into an agreement with the Commissioner of Social Security under this section shall remit the payments and fees required under this paragraph with respect to monthly benefits paid to individuals under title XVI of the Social Security Act [42 U.S.C. 1381 et seq.] and related laws.

(II) With respect to such monthly benefits paid for the month that is the last month of the State's fiscal year, the fifth business day following such date.

(III) The Cash Management Improvement Act of 1990 (see Short Title of 1990 Amendment note set out under section 6501 of Title 31, Money and Finance) shall not apply to any payments or fees required under this paragraph that are paid by a State before the date required by clause (i).

(IV) Notwithstanding clause (I), the Commissioner may make supplementary payments on behalf of a State with funds appropriated for payment of supplemental security income benefits under title XVI of the Social Security Act [42 U.S.C. 1381 et seq.], and subsequently to be reimbursed for such payments by the State at such times as the Commissioner and State may agree. Such authority may be exercised only if extraordinary circumstances affecting a State's ability to make payment when required by clause (I) are determined by the Commissioner to exist.

(V) Supplementary payments made pursuant to an agreement entered into under subsection (a) shall be

(VI) for fiscal year 1999, $7.60;
excluded under section 1621(b)(6) of the Social Security Act [42 U.S.C. 1382a(b)(6)] (as in effect after December 1973) in determining income of individuals for purposes of title XVI of such Act [42 U.S.C. 1381 et seq.] (as so in effect).

“(2) Supplementary payments made by the Commissioner of Social Security (pursuant to an administrative agreement entered into under subsection (b)) shall, for purposes of section 401 of the Social Security Amendments of 1972 [set out as a note under section 1322(c) of this title], be considered to be payments made under an agreement entered into under section 1616 of the Social Security Act [42 U.S.C. 1322c] (as enacted by section 301 of the Social Security Amendments of 1972); except that nothing in this paragraph shall be construed to waive, with respect to the payments so made by the Commissioner of Social Security, the provisions of subsection (b) of such section 401 [set out as a note under section 1322c of this title].

“(d) For purposes of subsection (a)(1), a State shall be deemed to have entered into an agreement under subsection (a) of this section if such State has entered into an agreement with the Commissioner of Social Security under section 1616 of the Social Security Act [42 U.S.C. 1322c] under which—

"(1) individuals, other than individuals described in subsection (a)(2)(A) and (B), are entitled to receive supplementary payments, and

"(2) supplementary benefits are payable, to individuals described in subsection (a)(2)(A) and (B) at a level and under terms and conditions which meet the minimum requirements prescribed in subsection (a).

"(c) Except as the Commissioner of Social Security may by regulations otherwise provide, the provisions of title XVI of the Social Security Act [42 U.S.C. 1381 et seq.] (as enacted by section 301 of the Social Security Amendments of 1972), including the provisions of part B of such title [42 U.S.C. 1383 et seq.], relating to the terms and conditions under which the benefits authorized by such title [42 U.S.C. 1381 et seq.] are payable shall, where not inconsistent with the purposes of this section, be applicable to the payments made under an agreement under subsection (b) of this section; and the authority conferred upon the Commissioner of Social Security by such title [42 U.S.C. 1381 et seq.] may, where appropriate, be exercised by him in the administration of this section.

"(3) The provisions of subsection (a)(1) shall not be applicable in the case of any State—

"(1) the Constitution of which contains provisions which make it impossible for such State to enter into and commence carrying out (on January 1, 1974) an agreement referred to in subsection (a), and

"(2) the Attorney General (or other appropriate State official) of which has, prior to July 1, 1973, made a finding that the State Constitution of such State contains limitations which prevent such State from making supplemental payments of the type described in section 1616 of the Social Security Act [42 U.S.C. 1322c]."

For effective date of amendment to section 212 of Pub. L. 93–66, set out above, by Pub. L. 103–66, see section 1322f of this title.

For effective date of amendment to section 212 of Pub. L. 93–66, set out above, see section 1322f of this title.


APPLICATION TO NORTHERN MARIANA ISLANDS

For applicability of this section to the Northern Mariana Islands, see section 502(a)(1) of the Covenant to Establish a Commonwealth of the Northern Mariana Islands in Political Union with the United States of America and Proc. No. 4534, Oct. 24, 1977, 42 F.R. 6593, set out as notes under section 1801 of Title 48, Territories and Insular Possessions.
(9) provide, if the plan includes aid or assistance to or on behalf of individuals in private or public institutions, for the establishment or designation of a State authority or authorities which shall be responsible for establishing and maintaining standards for such institutions;

(10) provide a description of the services (if any) which the State agency may make available (using whatever internal organizational arrangement it finds appropriate for this purpose) to applicants for or recipients of aid or assistance under the plan to help them attain self-support or self-care, including a description of the steps taken to assure, in the provision of such services, maximum utilization of other agencies providing similar or related services;

(11) provide that no aid or assistance will be furnished any individual under the plan with respect to any period with respect to which he is receiving assistance under the State plan approved under subchapter I of this chapter or assistance under a State program funded under part A of subchapter IV of this chapter or under subchapter X or XIV of this chapter;

(12) provide that in determining whether an individual is blind, there shall be an examination by a physician skilled in the diseases of the eye or by an optometrist, whichever the individual may select;

(13) include reasonable standards, consistent with the objectives of this subchapter, for determining eligibility for and the extent of aid or assistance under the plan;

(14) provide that the State agency shall, in determining need for aid to the aged, blind, or disabled, take into consideration any other income and resources of an individual claiming such aid, as well as any expenses reasonably attributable to the earning of any such income; except that, in making such determination with respect to any individual—

(A) if such individual is blind, the State agency shall disregard the first $85 per month of earned income plus one-half of earned income in excess of $85 per month, and (ii) shall, for a period not in excess of 12 months, and may, for a period not in excess of 36 months, disregard such additional amounts of other income and resources, in the case of any such individual who has a plan for achieving self-support approved by the State agency, as may be necessary for the fulfillment of such plan.

(B) if such individual is not blind but is permanently and totally disabled, (i) the first $80 per month of earned income, the State agency may disregard not more than the first $20 thereof plus one-half of the remainder, and

(D) the State agency may, before disregarding the amounts referred to above in this paragraph (14), disregard not more than $7.50 of any income; and

(15) provide that information is requested and exchanged for purposes of income and eligibility verification in accordance with a State system which meets the requirements of section 1320b-7 of this title.

Notwithstanding paragraph (3), if on January 1, 1962, and on the date on which a State submits its plan for approval under this subchapter, the State agency which administered or supervised the administration of the plan of such State approved under subchapter X of this chapter was different from the State agency which administered or supervised the administration of the plan of such State approved under subchapter I of this chapter and the State agency which administered or supervised the administration of the portion of the State plan for aid to the aged, blind, or disabled which relates to blind individuals and a separate State agency may be established or designated to administer or supervise the administration of the rest of such plan; and in such case the part of the plan which each such agency administers, or the administration of which each such agency supervises, shall be regarded as a separate plan for purposes of this subchapter.

(b) Approval by Commissioner

The Commissioner of Social Security shall approve any plan which fulfills the conditions specified in subsection (a) of this section, except that the Commissioner shall not approve any plan which imposes, as a condition of eligibility for aid or assistance under the plan—

(1) an age requirement of more than sixty-five years; or

(2) any residence requirement which excludes any resident of the State who has resided therein five years during the nine years immediately preceding the application for such aid and has resided therein continuously for one year immediately preceding the application; or

(3) any citizenship requirement which excludes any citizen of the United States.

At the option of the State, the plan may provide that manuals and other policy issuances will be furnished to persons without charge for the reasonable cost of such materials, but such provision shall not be required by the Commissioner of Social Security as a condition for the approval of such plan under this subchapter. In the case of any State to which the provisions of section 344 of the Social Security Act Amendments of 1960 were applicable on January 1, 1962, and to which the sentence of section 1202(b) of this title following paragraph (2) thereof is applicable on the date on which its State plan for aid to the aged, blind, or disabled was submitted for approval under this subchapter, the Commissioner of Social Security shall approve the plan of such State for aid to the aged, blind, or disabled for purposes of this subchapter, even though it does not meet the requirements of paragraph (14) of subsection (a) of this section, if it meets all other requirements of this subchapter for an approved aid to the aged, blind, or disabled; but payments under section 1383 of this title shall be made, in the case of any such plan, only with respect to expenditures thereunder which would have been included as expenditures for the purposes of section 1383 of this title under a plan approved under this section without regard to the provisions of this section.

(c) Limitation on plans

Subject to the last sentence of subsection (a) of this section, nothing in this subchapter shall be construed to permit a State to have in effect with respect to any period more than one State plan approved under this subchapter.

§ 1382a. Income; earned and unearned income defined; exclusions from income

(a) For purposes of this subchapter, income means both earned income and unearned income; and—

(1) earned income means only—

(A) wages as determined under section 403(f)(5)(C) of this title but without the application of section 410(j)(3) of this title (and, in the case of cash remuneration paid for service as a member of a uniformed service (other than payments described in paragraph (2)(H) of this subsection or subsection (b)(20)), without regard to the limitations contained in section 409(d) of this title);

(B) net earnings from self-employment, as defined in section 411 of this title (without the application of the second and third sentences following subsection (a)(1), the last paragraph of subsection (a), and section 410(j)(3) of this title), including earnings for services described in paragraphs (4), (5), and (6) of subsection (c);

(C) remuneration received for services performed in a sheltered workshop or work activities center; and

(D) any royalty earned by an individual in connection with any publication of the work of the individual, and that portion of any honorarium which is received for services rendered; and

(2) unearned income means all other income, including—

(A) support and maintenance furnished in cash or kind; except that (i) in the case of any individual (and his eligible spouse, if any) living in another person’s household and receiving support and maintenance in kind from such person, the dollar amounts otherwise applicable to such individual (and spouse) as specified in subsections (a) and (b) of section 1382 of this title shall be reduced by 331⁄3 percent in lieu of including such support and maintenance in the unearned income of such individual (and spouse) as otherwise required by this subparagraph, (ii) in the case of any individual or his eligible spouse who resides in a nonprofit retirement home or similar nonprofit institution, support and maintenance shall not be included to the extent that it is furnished to such individual or such spouse without such institution receiving payment therefor (unless such institution has expressly undertaken an obligation to furnish full support and maintenance to such individual or spouse without any current or future payment therefor) or payment therefor is made by another non-profit organization, and (iii) support and maintenance shall not be included, and the provisions of clause (i) shall not be applicable in the case of any individual (and his eligible spouse, if any) for the period which begins with the month in which such individual (or such individual and his eligible spouse) began to receive support and maintenance while living in a residential facility (including a private household) maintained by another person and ends with the close of the month in which such individual (or such individual and his eligible spouse) ceases to receive support and maintenance while living in such a residential facility (or, if earlier, with the close of the seventeenth month following the month in which such period began), if, not more than 30 days prior to the date on which such individual (or such individual and his eligible spouse) began to receive support and maintenance while living in such a residential facility, (I) such individual (or such individual and his eligible spouse) were residing in a household maintained by such individual (or by such individual and others) as his or their own home, (II) there occurred within the area in which such household is located (and while such individual, or such individual and his spouse, were residing in the household referred to in subclause (I)) a catastrophe on account of which the President declared a major disaster to exist therein for purposes of the Disaster Relief and Emergency Assistance Act [42 U.S.C. 5121 et seq.], and (III) such individual declares that he (or he and his eligible spouse) ceased to continue living in the household referred to in subclause (I) because of such catastrophe;

(B) any payments received as an annuity, pension, retirement, or disability benefit, including veterans’ compensation and pensions, workmen’s compensation payments, old-age, survivors, and disability insurance benefits, railroad retirement annuities and pensions, and unemployment insurance benefits;

(C) prizes and awards;

(D) payments to the individual occasioned by the death of another person, to the extent that the total of such payments exceeds the amount expended by such individual for purposes of the deceased person’s last illness and burial;

(E) support and alimony payments, and (subject to the provisions of subparagraph (D) excluding certain amounts expended for purposes of a last illness and burial) gifts (cash or otherwise) and inheritances;

(F) rents, dividends, interest, and royalties not described in paragraph (1)(E);

(G) any earnings of, and additions to, the corpus of a trust established by an individual (within the meaning of section 13282(b)(e) of this title), of which the individual is a beneficiary, to which section 13282(e) of this title applies, and, in the case of an irrev-

1So in original. Probably should be subsection “(a)(15).”.
ocable trust, with respect to which circum-
stances exist under which a payment from the
earnings or additions could be made to or for the benefit of the individual; and

(H) payments to or on behalf of a member
of a uniformed service for housing of the
member (and his or her dependents, if any)
on a facility of a uniformed service, includ-
ing payments provided under section 403 of
title 37 for housing that is acquired or con-
structed under subchapter IV of chapter 169
of title 10, or any related provision of law,
and any such payments shall be treated as
support and maintenance in kind subject to
subparagraph (A) of this paragraph.

(b) In determining the income of an individual
(and his eligible spouse) there shall be ex-
cluded—

(1) subject to limitations (as to amount or
otherwise) prescribed by the Commissioner of
Social Security, if such individual is under the
age of 22 and is, as determined by the Commis-
ioner of Social Security, a student regularly
attending a school, college, or university, or a
course of vocational or technical training de-
signed to prepare him for gainful employment,
the earned income of such individual;

(B) monthly (or other periodic) payments re-
ceived by any individual, under a program es-
abled prior to July 1, 1973 (or any program estab-
ished prior to such date but subse-
quently amended so as to conform to State or
Federal constitutional standards), if (1) such
payments are made by the State of which the
individual receiving such payments is a resi-
dent, (ii) eligibility of any individual for such
payments is not based on need and is based
solely on attainment of age 65 or any other
age set by the State and residency in such
State, (iii) earned income of such individual,
and

(2) (A) the first $240 per year (or propor-
tionately smaller amounts for shorter periods) of
income (whether earned or unearned) other
than income which is paid on the basis of the
need of the eligible individual, and

(B) monthly (or other periodic) payments re-
ceived by any individual, under a program es-
abled prior to July 1, 1973 (or any program estab-
ished prior to such date but subse-
quently amended so as to conform to State or
Federal constitutional standards), if (1) such
payments are made by the State of which the
individual receiving such payments is a resi-
dent, (ii) eligibility of any individual for such
payments is not based on need and is based
solely on attainment of age 65 or any other
age set by the State and residency in such
State, (iii) earned income of such individual,
and

(3) in any calendar quarter, the first—

(A) $60 of unearned income, and

(B) $30 of earned income,
of such individual (and such spouse, if any)
which, as determined in accordance with cri-
tera prescribed by the Commissioner of Social
Security, is received too infrequently or irreg-
ularly to be included;

(4) if such individual (or such spouse) is
blind (and has not attained age 65, or received
benefits under this subchapter (or aid under a
State plan approved under section 1382a or 1382
of this title) for the month before the month
in which he attained age 65), (i) the first $780
per year (or proportionately smaller amounts for
shorter periods) of earned income not ex-
cluded by the preceding paragraphs of this
subsection, plus one-half of the remainder
thereof, (ii) an amount equal to any expenses
reasonably attributable to the earning of any
income, and (iii) such additional amounts of
other income, where such individual has a
plan for achieving self-support approved by
the Commissioner of Social Security, as may
be necessary for the fulfillment of such plan.

(B) if such individual (or such spouse) is dis-
abled but not blind (and has not attained age
65, or received benefits under this subchapter
(or aid under a State plan approved under sec-
tion 1382a or 1382 of this title) for the month be-
fore the month in which he attained age 65), (i)
the first $780 per year (or proportionately
smaller amounts for shorter periods) of earned
income not excluded by the preceding para-
graphs of this subsection, (ii) such additional
amounts of earned income of such individual,
if such individual’s disability is sufficiently
severe to result in a functional limitation re-
quiring assistance in order for him to work, as
may be necessary to pay the costs (to such in-
dividual) of attendant care services, medical
devices, equipment, prostheses, and similar
items and services (not including routine
drugs or routine medical services unless such
drugs or services are necessary for the control
of the disabling condition) which are nec-
1382a

§ 1382a  TITLE 42—THE PUBLIC HEALTH AND WELFARE  Page 2524

who is living in the same home as such individual and was placed in such home by a public
or nonprofit private child-placement or child-care agency;
(11) assistance received under the Disaster Relief and Emergency Assistance Act [42 U.S.C. 5121 et seq.] or other assistance provided pursuant to a Federal statute on account of a catastrophe which is declared to be a major disaster by the President;
(12) interest income received on assistance funds referred to in paragraph (11) within the
9-month period beginning on the date such funds are received (or such longer periods as the Commissioner of Social Security shall by regulations prescribe in cases where good cause is shown by the individual concerned for extending such period);
(13) any support or maintenance assistance furnished to or on behalf of such individual (and spouse if any) which (as determined under regulations of the Commissioner of Social Security by such State agency as the chief executive officer of the State may designate) is based on need for such support or maintenance, including assistance received to assist in meeting the costs of home energy (including both heating and cooling), and which is (A) assistance furnished in kind by a private nonprofit agency, or (B) assistance furnished by a supplier of home heating oil or gas, by an entity providing home energy whose revenues are primarily derived on a rate-of-return basis regulated by a State or Federal governmental entity, or by a municipal utility providing home energy;
(14) assistance paid, with respect to the dwelling unit occupied by such individual (or such individual and spouse), under the United States Housing Act of 1937 [42 U.S.C. 1437 et seq.], the National Housing Act [12 U.S.C. 1701 et seq.], section 101 of the Housing and Urban Development Act of 1965 [12 U.S.C. 1701 et seq.], or section 202(h) of the Housing Act of 1959 [12 U.S.C. 1701q(h)];
(15) the value of any commercial transportation ticket, for travel by such individual (or spouse) among the 50 States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, and the Northern Mariana Islands, which is received as a gift by such individual (or such spouse) and is not converted to cash;
(16) interest accrued on the value of an agreement entered into by such individual (or such spouse) representing the purchase of a burial space excluded under section 1382a(2)(B) of this title, and left to accumulate;
(17) any amount received by such individual (or such spouse) from a fund established by a State to aid victims of crime;
(18) relocation assistance provided by a State or local government to such individual (or such spouse), comparable to assistance provided under title II of the Uniform Relocation Assistance and Real Property Acquisitions Policies Act of 1970 which is subject to the treatment required by section 216 of such Act [42 U.S.C. 4636];
(19) any refund of Federal income taxes made to such individual (or such spouse) by reason of section 32 of the Internal Revenue Code of 1986 (relating to earned income tax credit), and any payment made to such individual (or such spouse) by an employer under section 3507 of such Code (relating to advance payment of earned income credit);
(20) special pay received pursuant to section 310, or paragraph (1) or (3) of section 351(a), of title 37;
(21) the interest or other earnings on any account established and maintained in accordance with section 1383(a)(2)(F) of this title;
(22) any gift to, or for the benefit of, an individual who has not attained 18 years of age and who has a life-threatening condition, from an organization described in section 501(c)(3) of the Internal Revenue Code of 1986 which is exempt from taxation under section 501(a) of such Code;
(A) in the case of an in-kind gift, if the gift is not converted to cash; or
(B) in the case of a cash gift, only to the extent that the total amount excluded from the income of the individual pursuant to this paragraph in the calendar year in which the gift is made does not exceed $2,000;
(23) interest or dividend income from resources—
(A) not excluded under section 1382b(a) of this title, or
(B) excluded pursuant to Federal law other than section 1382b(a) of this title;
(24) any annuity paid by a State to the individual (or such spouse) on the basis of the individual's being a veteran (as defined in section 101 of title 38), and blind, disabled, or aged;
(25) any benefit (whether cash or in-kind) conferred upon (or paid on behalf of) a participant in an AmeriCorps position approved by the Corporation for National and Community Service under section 12573 of this title; and
(26) the first $2,000 received during a calendar year by such individual (or such spouse) as compensation for participation in a clinical trial involving research and testing of treatments for a rare disease or condition (as defined in section 360ee(b)(2) of title 21), but only if the clinical trial—
(A) has been reviewed and approved by an institutional review board that is established—
(i) to protect the rights and welfare of human subjects participating in scientific research; and
(ii) in accord with the requirements under part 46 of title 45, Code of Federal Regulations; and
(B) meets the standards for protection of human subjects as provided under part 46 of title 45, Code of Federal Regulations.

§ 1382b  TITLE 42—THE PUBLIC HEALTH AND WELFARE  Page 2526


So in original. Probably should be "Acquisition".

2So in original. Probably should be "Acquisition".
Title 42—The Public Health and Welfare

Section 1382a


AMENDMENTS

2016—Subsec. (b)(20). Pub. L. 114–328 inserted “, or paragraph (1) or (3) of section 361(a),” after “section 310”.


2008—Subsec. (a)(1)(A). Pub. L. 110–245, § 201(a), inserted “(and, in the case of cash remuneration paid for service as a member of a uniformed service (other than payments described in paragraph (2)(H) of this section or subsection (b)(20), without regard to the limitations contained in section 409(d) of this title)” before semicolon.


The Internal Revenue Code of 1986, referred to in subsec. (b)(19), (22), is classified generally to Title 26, Internal Revenue Code.

REFERENCES IN TEXT

The Disaster Relief and Emergency Assistance Act, referred to in subsec. (a)(2)(A) and (b)(11), is Pub. L. 93–288, May 22, 1974, 88 Stat. 143, known as the Robert T. Stafford Disaster Relief and Emergency Assistance Act, which is classified principally to chapter 68 (§ 1471 et seq.) of this title. For complete classification of this Act to the Code, see Short Title note set out under section 1411 of this title and Tables.

Section 1382 of this title, referred to in subsec. (b)(4)(A), (B), is a reference to section 1382 of this title as it existed prior to the general revision of this subchapter by Pub. L. 92–603, title III, § 301, Oct. 30, 1972, 86 Stat. 1465, eff. Jan. 1, 1974. The prior section (which is set out as a note under section 1382 of this title) continues in effect for Puerto Rico, Guam, and the Virgin Islands.


The National Housing Act, referred to in subsec. (b)(14), is act June 27, 1934, ch. 847, 48 Stat. 1246, which is classified principally to chapter 13 (§ 1701 et seq.) of this title, Banks and Banking. For complete classification of this Act to the Code, see section 7101 of Title 12 and Tables.


The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, referred to in subsec. (b)(18), is Pub. L. 91–666, Jan. 2, 1972, 84 Stat. 1894. Title II of the Act enacted subchapter II (§ 4621 et seq.) of chapter 68 of this title, amended sections 1415, 2473, and 3307 of this title and section 1606 of former Title 49, Transportation, repealed sections 1465 and 3074 of this title, section 2680 of Title 10, Armed Forces, sections 501 to 512 of Title 23, Highways, sections 1231 to 1234 of Title 45, Public Lands, and enacted provisions set out as notes under sections 4601 and 4621 of this title and under sections 501 to 512 of Title 23. For complete classification of title II of the Code, see Tables.

The Internal Revenue Code of 1986, referred to in subsec. (b)(19), (22), is classified generally to Title 26, Internal Revenue Code.

1994—Subsec. (a)(1)(C) to (E), Pub. L. 103–432, §267(a), redesignated subpars. (D) and (E) as (C) and (D), respectively, and struck out former subpar. (C) which read as follows: "any refund of Federal income taxes made by reason of section 32 of the Internal Revenue Code of 1969 (relating to earned income credit) and any payment made by an employer under section 3307 of such Code (relating to advance payment of earned income credit)."
Subsec. (b)(13). Pub. L. 100–203 temporarily substituted for "Secretary" wherever appearing.
Pub. L. 101–508, §5031(a), added par. (17).
Subsec. (a)(2)(D), (E). Pub. L. 100–203 redesignated subpars. (D) and (E) generally. Prior to amendment, subpars. (D) and (E) read as follows:
"(D) the proceeds of any life insurance policy to the extent that they exceed the amount expended by the beneficiary for purposes of the insured individual's last illness and burial or $1,500, whichever is less;"
"(E) gifts (cash or otherwise), support and alimony payments, and inheritances; and"
Subsec. (b)(2). Pub. L. 99–514, §1883(d)(3)(A), (B), substituted ", and" for a semicolon in subpar. (A) and for a semicolon for a period in subpar. (B).
Subsec. (b)(11) to (13). Pub. L. 99–514, §1883(d)(3)(C), provided for technical corrections relating to concluding punctuation in pars. (11) to (13).
Pub. L. 98–369, §2661(a), amended subpar. (B) generally. Prior to amendment, subpar. (B) read as follows: "(monthly or other periodic) payments received by any individual, under a program established prior to July 1, 1973, if such payments are made by the State of which the individual receiving such payments is a resident, and if eligibility of any individual for such payments is not based on need and is based solely on attainment of age 65 and duration of residence in such State by such individual":".
Subsec. (b)(9). Pub. L. 98–369, §2663(g)(4), inserted a comma after "child".
Subsec. (b)(13). Pub. L. 98–369, §2639(b), temporarily amended par. (13) generally, redesignating former cls. (i) and (ii) as (A) and (B), respectively. See Effective and Termination Dates of 1984 Amendment note below.
1983—Subsec. (b)(13). Pub. L. 98–21 temporarily substituted "any support or maintenance assistance furnished to or on behalf of such individual (and spouse if any) which (as determined under regulations of the Secretary by such State agency as the chief executive officer of the State may designate) (A) is based on need for such support or maintenance, including assistance received to assist in meeting the costs of home energy, including both heating and cooling, and which for any assistance received to assist in meeting the costs of home energy, including both heating and cooling, which (as determined under regulations of the Secretary by such State agency as the chief executive officer of the State may designate) (A) is based on need for such assistance, and (B)". See Effective and Termination Dates of 1983 Amendments note below.
1981—Subsec. (b)(3). Pub. L. 97–35 substituted for "calendar quarter" wherever appearing, "such month" for "such quarter" wherever appearing, "$200" for "$600", and "$100" for "$300".
Pub. L. 96–265, §202(a)(2), added subpar. (C) which was subsequently redesignated (D) by Pub. L. 96–473, §6(g)(2).
Subsec. (b)(2). Pub. L. 94–222 designated existing provisions as par. (A) and added par. (B).
Subsec. (b)(6). Pub. L. 94–566 substituted assistance furnished to or on behalf of such individual (and spouse), which for assistance described in section 1382a(a) of this title which".

**Effective Date of 2015 Amendment**


**Effective and Termination Dates of 2010 Amendment**

"(I) the effective date of final regulations promulgated by the Commissioner of Social Security to carry out this section and such amendments; or
"(II) 180 days after the date of enactment of this Act [Oct. 5, 2010]."

**Effective Date of 2008 Amendment**

Pub. L. 110–245, title II, § 204, June 17, 2008, 122 Stat. 1638, provided that: "The amendments made by this title [amending this section and section 1382b of this title] shall be effective with respect to benefits payable for months beginning after 90 days after the date of the enactment of this Act [June 17, 2008]."

**Effective Date of 2004 Amendment**

Pub. L. 108–203, title IV, § 430(c), Mar. 2, 2004, 118 Stat. 538, provided that: "The amendments made by this section [amending this section] shall be effective with respect to benefits payable for months that begin more than 90 days after the date of the enactment of this Act [Mar. 2, 2004]."

Pub. L. 108–203, title IV, § 432(b), Mar. 2, 2004, 118 Stat. 540, provided that: "The amendments made by this section [amending this section] shall be effective with respect to benefits payable for months that begin on or after year after the date of enactment of this Act [Mar. 2, 2004]."

Pub. L. 108–203, title IV, § 435(c), Mar. 2, 2004, 118 Stat. 540, provided that: "The amendments made by this section [amending this section and section 1382b of this title] shall apply to benefits payable for months that begin more than 90 days after the date of enactment of this Act [Mar. 2, 2004]."

**Effective Date of 1999 Amendment**

Pub. L. 106–169, title II, § 205(d), Dec. 14, 1999, 113 Stat. 1834, provided that: "The amendments made by this section [amending this section] shall take effect on January 1, 2000, and shall apply to trusts established on or after such date."

**Effective Date of 1998 Amendment**

Pub. L. 105–306, § 7(c), Oct. 28, 1998, 112 Stat. 2928, provided that: "The amendments made by this section [amending this section and section 1382b of this title] shall apply to gifts made on or after the date that is 2 years before the date of the enactment of this Act [Oct. 28, 1998]."

**Effective Date of 1996 Amendment**

Pub. L. 104–193, title II, § 213(d), Aug. 22, 1996, 110 Stat. 2195, provided that: "The amendments made by this section [amending this section and section 1382b and 1383 of this title] shall apply to payments made after the date of the enactment of this Act [Aug. 22, 1996]."

**Effective Date of 1994 Amendments**

Amendment by section 264(a) of Pub. L. 103–324 effective as if included in the provision of Pub. L. 103–568 to which the amendment relates at the time such provision became law, see section 264(h) of Pub. L. 103–432, set out as a note under section 1320b–9 of this title.

Amendment by Pub. L. 103–266 effective Mar. 31, 1995, see section 110(a) of Pub. L. 103–266, set out as a note under section 401 of this title.

**Effective Date of 1993 Amendment**

Pub. L. 103–66, title XIII, § 13753(c), Aug. 10, 1993, 107 Stat. 662, provided that: "The amendments made by this section [amending this section and section 1382b of this title] shall apply to payments made after the date of the enactment of this Act [Aug. 10, 1993]."

**Effective Date of 1990 Amendment**

Pub. L. 101–198, title V, § 5031(c), Nov. 5, 1990, 104 Stat. 1388–224, provided that: "The amendments made by this section [amending this section and sections 1382b and 1383 of this title] shall apply with respect to benefits for months beginning on or after the first day of the 6th calendar month following the month in which this Act is enacted [November 1990]."

Pub. L. 101–508, title V, § 5033(b), Nov. 5, 1990, 104 Stat. 1388–224, provided that: "The amendment made by subsection (a) [amending this section] shall apply with respect to benefits payable for calendar months beginning after the date of the enactment of this Act [Nov. 5, 1990]."

Pub. L. 101–508, title V, § 5034(b), Nov. 5, 1990, 104 Stat. 1388–225, provided that: "The amendments made by subsection (a) [amending this section] shall apply with respect to benefits for months beginning on or after the first day of the 13th calendar month following the month in which this Act is enacted [November 1990]."

**Effective Date of 1999 Amendment**

Pub. L. 105–306, § 7(c), Oct. 28, 1998, 112 Stat. 2928, provided that: "The amendments made by this section [amending this section and section 1382b of this title] shall apply with respect to benefits for calendar months beginning on or after the first day of the 6th calendar month following the month in which this Act is enacted [June 17, 2008]."

**Effective Date of 1998 Amendment**

Pub. L. 100–647, title VIII, § 8103(c), Nov. 10, 1988, 102 Stat. 3796, provided that: "The amendments made by this section [amending this section and section 1382b of this title] shall be effective as though they had been included in section 162 of the Housing and Community Development Act of 1987 (Pub. L. 100–242, see Effective Date of 1988 Amendment note set out under 12 U.S.C. 1701q) at the time of its enactment (Feb. 5, 1988)."

**Effective Date of 1987 Amendment**


**Effective Date of 1984 Amendment**

Pub. L. 98–369, div. B, title VI, § 2816(b), July 18, 1984, 98 Stat. 1133, provided that: "The amendment made by subsection (a) [amending this section] shall become effective on the date of the enactment of this Act (July 18, 1984)."


section to section 2638(d) of Pub. L. 98–369, set out as a note above, is effective as of Oct. 1, 1987.) Amendment by section 2638(g)(3), (4) of Pub. L. 98–369 effective July 18, 1984, but not to be construed as chang- ing or affecting any right, liability, status, or interpre-
tation which existed (under the provisions of law in-
volved) before that date, see section 2634(b) of Pub. L. 98–369, set out as a note under section 401 of this title.

**EFFECTIVE AND TERMINATION DATES OF 1983 AMENDMENT**

Amendment by Pub. L. 97–424, title V, §545(c), Jan. 6, 1983, 96 Stat. 2198, and Pub. L. 98–21, title IV, §404(c), Apr. 20, 1983, 97 Stat. 140, which had provided for the effective and termina-
tion dates covering the enactment and subsequent amendment of subsec. (b)(3) of this section by section 545(a) of Pub. L. 97–424 and section 404(a) of Pub. L. 98–21, were repealed by Pub. L. 98–369, div. B, title VI, §2639(c), (d), July 18, 1984, 98 Stat. 1145, effective with respect to months beginning after Sept. 30, 1984.

**EFFECTIVE DATE OF 1981 AMENDMENT**

Amendment by Pub. L. 97–35 effective with respect to months after first calendar quarter which ends more than five months after August 1981, with provision for transitional payments, see section 2341(c) of Pub. L. 97–35, see as an Effective Date of 1981 Amendment and Transitional Provisions note under section 1382 of this title.

**EFFECTIVE DATE OF 1980 AMENDMENT**

Amendment by Pub. L. 96–265, title II, §202(b), June 9, 1980, 94 Stat. 449, provided that: “The amendments made by sub-
section (a) (amending this section) shall apply only with respect to remuneration received in months after September 1980.”

Amendment by section 302(b) of Pub. L. 96–265 applic-
able with respect to expenses incurred on or after first day of sixth month which begins after June 9, 1980, see section 302(c) of Pub. L. 96–265, set out as a note under section 423 of this title.

Amendment by section 302(b) of Pub. L. 96–265 appli-
cable with respect to expenses incurred on or after first day of sixth month which begins after June 9, 1980, see section 302(c) of Pub. L. 96–265, set out as a note under section 423 of this title.

**EFFECTIVE DATE OF 1977 AMENDMENT**

Amendment by Pub. L. 95–171, §8(b), Nov. 12, 1977, 91 Stat. 1355, pro-
vided that: “The amendment made by this section [amending this section] shall be effective July 1, 1976, with respect to catastrophes which occurred on or after June 1, 1976, and before December 31, 1976. With respect to catastrophes which occurred on or after December 31, 1976, the amendment made by this section shall be effective the first day of the calendar quarter following enactment of this Act [Nov. 12, 1977].”

**EFFECTIVE DATE OF 1976 AMENDMENT**


Pub. L. 94–331, §2(b), June 30, 1976, 90 Stat. 782, as amended by Pub. L. 95–171, §6(a), Nov. 12, 1977, 91 Stat. 1355, effective the first day of calendar quarter follow-
ing Nov. 12, 1977, provided that: “The amendments made by this Act [amending this section and sections 815, 3402, 6153, and 6154 of Title 26, Internal Revenue Code, and enacting provisions set out as notes under sections 815 and 3402 of Title 26] shall be applicable only in the case of catastrophes which occur on or after June 1, 1976.”

Pub. L. 94–331, §4(b), June 30, 1976, 90 Stat. 783, as amended by Pub. L. 95–171, §7(a), Nov. 12, 1977, 91 Stat. 1355, effective the first day of calendar quarter follow-
ing Nov. 12, 1977, provided that: “The amendments made by this Act [see section 2(b) of Pub. L. 94–331, set out above] shall be applicable only in the case of cata-
strophes which occur on or after June 1, 1976.”

**EFFECTIVE DATE OF 1974 AMENDMENT**


**EFFECTIVE DATE**


**FINDINGS**

vided that: “Congress finds the following:

(1) Advances in medicine depend on clinical trial research conducted at public and private research institutions across the United States.

(2) The challenges associated with enrolling partic-
ipants in clinical research studies are especially difficult for studies that evaluate treatments for rare diseases and conditions (defined by the Orphan Drug Act [Pub. L. 97–414, see Short Title of 1983 Amend-
ments note set out under section 301 of Title 21, Food and Drugs] as a disease or condition affecting fewer than 200,000 Americans), where the available number of willing and able research participants may be very small.

(3) In accordance with ethical standards estab-
lished by the National Institutes of Health, sponsors of clinical research may provide payments to trial participants for out-of-pocket costs associated with trial enrollment and for the time and commitment demanded by those who participate in a study. When offering compensation, clinical trial sponsors are re-
quired to provide such payments to all participants.

(4) The offer of payment for research participation may pose a barrier to trial enrollment when such payments threaten the eligibility of clinical trial partici-
pants for Supplemental Security Income and Medicaid benefits.

(5) With a small number of potential trial partici-
pants and the possible loss of Supplemental Security Income and Medicaid benefits for many who wish to participate, clinical trial research for rare diseases and conditions becomes exceptionally difficult and may hinder research on new treatments and potential cures for these rare diseases and conditions.

[Section 3(e) of Pub. L. 111–255, formerly set out as an Effective and Termination Dates of 2010 Amendment note above, 5 years after Oct. 5, 2010, was itself re-

**APPLICATION TO NORTHERN MARIANA ISLANDS**

For applicability of this section to Northern Mariana Islands, see section 502(a)(1) of the Covenant to Establish a Commonwealth of the Northern Mariana Islands in Political Union with the United States of America and Proc. No. 4534, Oct. 24, 1977, 42 F.R. 6593, set out as notes under section 1801 of Title 48, Territories and In-
sular Possessions.

**PUERTO RICO, GUAM, AND VIRGIN ISLANDS**

Enactment of provisions of Pub. L. 92–603, eff. Jan. 1, 1974, not applicable to Puerto Rico, Guam, and the Vir-
gin Islands, see section 303(b) of Pub. L. 92–603, set out as a note under section 301 of this title.

**§1382b. Resources**

(a) Exclusions from resources

In determining the resources of an individual (and his eligible spouse, if any) there shall be ex-
cluded—

(1) the home (including the land that apper-
tains thereto);

(2)(A) household goods, personal effects, and an automobile, to the extent that their total
value does not exceed such amount as the Commissioner of Social Security determines to be reasonable; and

(B) the value of any burial space or agreement (including any interest accumulatedthereon) representing the purchase of a burial space (subject to such limits as to size or value as the Commissioner of Social Security may by regulation prescribe) held for the purpose of providing a place for the burial of the individual, his spouse, or any other member of his immediate family;

(3) other property which is so essential to the means of self-support of such individual (and such spouse) as to warrant its exclusion, as determined in accordance with and subject to limitations prescribed by the Commissioner of Social Security, except that the Commissioner of Social Security shall not establish a limitation on property (including the tools of a tradesperson and the machinery and livestock of a farmer) that is used in a trade or business or by such individual as an employee; such resources of an individual who is blind or disabled and who has a plan for achieving self-support approved by the Commissioner of Social Security, as may be necessary for the fulfillment of such plan;

(5) in the case of Natives of Alaska, shares of stock held in a Regional or a Village Corporation, during the period of twenty years in which such stock is inalienable, as provided in section 1606(h) and section 1607(c) of title 43;

(6) assistance referred to in section 1382a(b)(11) of this title for the 9-month period beginning on the date such funds are received (or for such longer period as the Commissioner of Social Security shall by regulations prescribe in cases where good cause is shown by the individual concerned for extending such period); and, for purposes of this paragraph, the term “assistance” includes interest thereon which is excluded from income under section 1382a(b)(12) of this title;

(7) any amount received from the United States which is attributable to underpayments of benefits due for one or more prior months, under this subchapter or subchapter II, to such individual (or spouse) or to any other person whose income is deemed to be included in such individual’s (or spouse’s) income for purposes of this subchapter; but the application of this paragraph in the case of any such individual (and eligible spouse if any), with respect to any amount so received from the United States, shall be limited to the first 9 months following the month in which such amount is received, and written notice of this limitation shall be given to the recipient concurrently with the payment of such amount;

(8) the value of assistance referred to in section 1382a(b)(14) of this title, paid with respect to the dwelling unit occupied by such individual (or such individual and spouse);

(9) for the 9-month period beginning after the month in which received, any amount received by such individual (or such spouse) from a fund established by a State to aid victims of crime, to the extent that such individual (or such spouse) demonstrates that such amount was paid as compensation for expenses incurred or losses suffered as a result of a crime;

(10) for the 9-month period beginning after the month in which received, relocation assistance provided by a State or local government to such individual (or such spouse), comparable to assistance provided under title II of the Uniform Relocation Assistance and Real Property Acquisitions Act of 1970 which is subject to the treatment required by section 216 of such Act (42 U.S.C. 4636);

(11) for the 9-month period beginning after the month in which received—

(A) notwithstanding section 203 of the Economic Growth and Tax Relief Reconciliation Act of 2001, any refund of Federal income taxes made to such individual (or such spouse) under section 24 of the Internal Revenue Code of 1986 (relating to child tax credit) by reason of subsection (d) thereof; and

(B) any refund of Federal income taxes made to such individual (or such spouse) by reason of section 32 of the Internal Revenue Code of 1986 (relating to earned income tax credit), and any payment made to such individual (or such spouse) by an employer under section 3507 of such Code (relating to advance payment of earned income credit);

(12) any account, including accrued interest or other earnings thereon, established and maintained in accordance with section 1383(a)(2)(F) of this title;

(13) any gift to, or for the benefit of, an individual who has not attained 18 years of age and who has a life-threatening condition, from an organization described in section 501(c)(3) of the Internal Revenue Code of 1986 which is exempt from taxation under section 501(a) of such Code—

(A) in the case of an in-kind gift, if the gift is not converted to cash; or

(B) in the case of a cash gift, only to the extent that the total amount excluded from the resources of the individual pursuant to this paragraph in the calendar year in which the gift is made does not exceed $2,000;

(14) for the 9-month period beginning after the month in which received, any amount received by such individual (or spouse) or any other person whose income is deemed to be included in such individual’s (or spouse’s) income for purposes of this subchapter as restitution for benefits under this subchapter, subchapter II, or subchapter VIII that a representative payee of such individual (or spouse) or such other person under section 405(j), 1007, or 1383(a)(12) of this title has misused;

(15) for the 9-month period beginning after the month in which received, any grant, scholarship, fellowship, or gift (or portion of a gift) used to pay the cost of tuition and fees at any educational (including technical or vocational education) institution;

(16) for the month of receipt and every month thereafter, any annuity paid by a State to the individual (or such spouse) on the basis of the individual’s being a veteran (as defined

1 So in original. Probably should be “Acquisition”.
§ 1382b  TITLE 42—THE PUBLIC HEALTH AND WELFARE

in section 101 of title 38, and blind, disabled, or aged; and

(17) any amount received by such individual (or such spouse) which is excluded from income under section 1382a(b)(26) of this title (relating to compensation for participation in a clinical trial involving research and testing of treatments for a rare disease or condition).

In determining the resources of an individual (or eligible spouse) an insurance policy shall be taken into account only to the extent of its cash surrender value; except that if the total face value of all life insurance policies on any person is $1,500 or less, no part of the value of any such policy shall be taken into account.

(b) Disposition of resources; grounds for exemption from disposition requirements

(1) The Commissioner of Social Security shall prescribe the period or periods of time within which, and the manner in which, various kinds of property must be disposed of in order not to be included in determining an individual’s eligibility for benefits. Any portion of the individual’s benefits paid for any such period shall be conditioned upon such disposal; and any benefits so paid shall (at the time of the disposal) be considered overpayments to the extent they would not have been paid had the disposal occurred at the beginning of the period for which such benefits were paid.

(2) Notwithstanding the provisions of paragraph (1), the Commissioner of Social Security shall not require the disposition of any real property for so long as it cannot be sold because (A) it is jointly owned (and its sale would cause undue hardship, due to loss of housing, for the other owner or owners); (B) its sale is barred by a legal impediment, or (C) as determined under regulations issued by the Commissioner of Social Security, the owner’s reasonable efforts to sell it have been unsuccessful.

(c) Disposal of resources for less than fair market value

(1)(A)(i) If an individual or the spouse of an individual disposes of resources for less than fair market value on or after the look-back date described in clause (ii)(I), the individual is ineligible for benefits under this subchapter for months during the period beginning on the date described in clause (iii) and equal to the number of months calculated as provided in clause (iv).

(ii)(I) The look-back date described in this subclause is a date that is 36 months before the date described in subclause (II).

(II) The date described in this subclause is the date on which the individual applies for benefits under this subchapter or, if later, the date on which the individual is so paid shall (at the time of the disposal) be considered overpayments to the extent they would not have been paid had the disposal occurred at the beginning of the period for which such benefits were paid.

(iii) The date described in this clause is the first day of the first month in or after which resources were disposed of for less than fair market value and which does not occur in any other period of ineligibility under this paragraph.

(iv) The number of months calculated under this clause shall be equal to—

(I) the total, cumulative uncompensated value of all resources so disposed of by the individual (or the spouse of the individual) on or after the look-back date described in clause (ii)(I); divided by

(II) the amount of the maximum monthly benefit payable under section 1382(b) of this title, plus the amount (if any) of the maximum State supplementary payment corresponding to the State’s payment level applicable to the individual’s living arrangement and eligibility category that would otherwise be payable to the individual by the Commissioner pursuant to an agreement under section 1382e(a) of this title or section 212(b) of Public Law 93-66, for the month in which occurs the date described in clause (ii)(II), rounded, in the case of any fraction, to the nearest whole number, but shall not in any case exceed 36 months.

(B)(i) Notwithstanding subparagraph (A), this subsection shall not apply to a transfer of a resource to a trust if the portion of the trust attributable to the resource is considered a resource available to the individual pursuant to subsection (e)(3) (or would be so considered but for the application of subsection (e)(4)).

(ii) In the case of a trust established by an individual or an individual’s spouse (within the meaning of subsection (e)), if from such portion of the trust, if any, that is considered a resource available to the individual pursuant to subsection (e)(3) (or would be so considered but for the application of subsection (e)(4)) or the residue of the portion on the termination of the trust—

(I) there is made a payment other than to or for the benefit of the individual; or

(II) no payment could under any circumstance be made to the individual,

then, for purposes of this subsection, the payment described in clause (I) or the foreclosure of payment described in clause (II) shall be considered a transfer of resources by the individual or the individual’s spouse as of the date of the payment or foreclosure, as the case may be.

(C) An individual shall not be ineligible for benefits under this subchapter by reason of the application of this paragraph to a disposal of resources by the individual or the spouse of the individual, to the extent that—

(i) the resources are a home and title to the home was transferred to—

(I) the spouse of the transferor;

(II) a child of the transferor who has not attained 21 years of age, or is blind or disabled;

(III) a sibling of the transferor who has an equity interest in such home and who was residing in the transferor’s home for a period of at least 1 year immediately before the date the transferor becomes an institutionalized individual; or

(IV) a son or daughter of the transferor (other than a child described in subclause (II)) who was residing in the transferor’s home for a period of at least 2 years immediately before the date the transferor becomes an institutionalized individual, and who provided care to the transferor which permitted the transferor to reside at home rather than in such an institution or facility:
(ii) the resources—
(1) were transferred to the transferor’s spouse or to another for the sole benefit of the transferor’s spouse;
(2) were transferred from the transferor’s spouse to another for the sole benefit of the transferor’s spouse;
(3) were transferred to, or to a trust (including a trust described in section 1396p(d)(4) of this title) established solely for the benefit of, the transferor’s child who is blind or disabled; or
(4) were transferred to a trust (including a trust described in section 1396p(d)(4) of this title) established solely for the benefit of an individual who has not attained 65 years of age and who is disabled;

(iii) a satisfactory showing is made to the Commissioner of Social Security (in accordance with regulations promulgated by the Commissioner) that—
(I) the individual who disposed of the resources intended to dispose of the resources either at fair market value, or for other valuable consideration;
(II) the resources were transferred exclusively for a purpose other than to qualify for benefits under this subchapter;
(III) all resources transferred for less than fair market value have been returned to the transferor;
(iv) the Commissioner determines, under procedures established by the Commissioner, that the denial of eligibility would work an undue hardship as determined on the basis of criteria established by the Commissioner.

(D) For purposes of this subsection, in the case of a resource held by an individual in common with another person or persons in a joint tenancy, tenancy in common, or similar arrangement, the resource (or the affected portion of such resource) shall be considered to be disposed of by the individual when any action is taken, either by the individual or by any other person, that reduces or eliminates the individual’s ownership or control of such resource.

(E) In the case of a transfer by the spouse of an individual that results in a period of ineligibility for the individual under this subsection, the Commissioner shall apportion the period (or any portion of the period) among the individual and the individual’s spouse if the spouse becomes eligible for benefits under this subchapter.

(F) For purposes of this paragraph—
(i) the term “benefits under this subchapter” includes payments of the type described in section 1382(a) of this title and of the type described in section 212(b) of Public Law 93–66;
(ii) the term “institutionalized individual” has the meaning given such term in section 1382(b) of this title; and
(iii) the term “trust” has the meaning given such term in subsection (e)(6)(A) of this section.

(2)(A) At the time an individual (and the individual’s eligible spouse, if any) applies for benefits under this subchapter, and at the time the eligibility of an individual (and such spouse, if any) for such benefits is redetermined, the Commissioner of Social Security shall—
(i) inform such individual of the provisions of paragraph (1) and section 1396p(c) of this title providing for a period of ineligibility for benefits under this subchapter and subchapter XIX, respectively, for individuals who make certain dispositions of resources for less than fair market value, and inform such individual that information obtained pursuant to clause (ii) will be made available to the State agency administering a State plan under subchapter XIX (as provided in subparagraph (B)); and
(ii) obtain from such individual information which may be used in determining whether or not a period of ineligibility for such benefits would be required by reason of paragraph (1) or section 1396p(c) of this title.

(B) The Commissioner of Social Security shall make the information obtained under subparagraph (A)(ii) available, on request, to any State agency administering a State plan approved under subchapter XIX.

(d) Funds set aside for burial expenses

(1) In determining the resources of an individual, there shall be excluded an amount, not in excess of $1,500 each with respect to such individual and his spouse (if any), that is separately identifiable and has been set aside to meet the burial and related expenses of such individual or spouse.

(2) The amount of $1,500, referred to in paragraph (1), with respect to an individual shall be reduced by an amount equal to (A) the total face value of all insurance policies on his life which are owned by him or his spouse and the cash surrender value of which has been excluded in determining the resources of such individual or of such individual and his spouse, and (B) the total of any amounts in an irrevocable trust (or other irrevocable arrangement) available to meet the burial and related expenses of such individual or his spouse.

(3) If the Commissioner of Social Security finds that any part of the amount excluded under paragraph (1) was used for purposes other than those for which it was set aside in cases where the inclusion of any portion of the amount would cause the resources of such individual, or of such individual and spouse, to exceed the limits specified in paragraph (1) or (2) (whichever may be applicable) of section 1382(a) of this title, the Commissioner shall reduce any future benefits payable to the eligible individual (or to such individual and his spouse) by an amount equal to such part.

(4) The Commissioner of Social Security may provide by regulations that whenever an amount set aside to meet burial and related expenses is excluded under paragraph (1) in determining the resources of an individual, any interest earned or accrued on such amount (and left to accumulate), and any appreciation in the value of prepaid burial arrangements for which such amount was set aside, shall also be excluded (to such extent and subject to such conditions or limitations as such regulations may prescribe) in determining the resources (and the income) of such individual.

*See References in Text note below.*
§ 1382b  TITLE 42—THE PUBLIC HEALTH AND WELFARE  Page 2532

(e) Trusts

(1) In determining the resources of an individual, paragraph (3) shall apply to a trust (other than a trust described in paragraph (5)) established by the individual.

(2)(A) For purposes of this subsection, an individual shall be considered to have established a trust if any assets of the individual (or of the individual’s spouse) are transferred to the trust other than by will.

(B) In the case of an irrevocable trust to which are transferred the assets of an individual (or of the individual’s spouse) and the assets of any other person, this subsection shall apply to the portion of the trust attributable to the assets of the individual (or of the individual’s spouse).

(C) This subsection shall apply to a trust without regard to—

(i) the purposes for which the trust is established;

(ii) whether the trustees have or exercise any discretion under the trust;

(iii) any restrictions on when or whether distributions may be made from the trust; or

(iv) any restrictions on the use of distributions from the trust.

(3)(A) In the case of a revocable trust established by an individual, the corpus of the trust shall be considered a resource available to the individual.

(B) In the case of an irrevocable trust established by an individual, if there are any circumstances under which payment from the trust could be made to or for the benefit of the individual (or of the individual’s spouse), the portion of the corpus from which payment to or for the benefit of the individual (or of the individual’s spouse) could be made shall be considered a resource available to the individual.

(4) The Commissioner of Social Security may waive the application of this subsection with respect to an individual if the Commissioner determines that such application would work an undue hardship (as determined on the basis of criteria established by the Commissioner) on the individual.

(5) This subsection shall not apply to a trust described in subparagraph (A) or (C) of section 1396p(d)(4) of this title.

(6) For purposes of this subsection—

(A) the term “trust” includes any legal instrument or device that is similar to a trust;

(B) the term “corpus” means, with respect to a trust, all property and other interests held by the trust, including accumulated earnings and any other addition to the trust after its establishment (except that such term does not include any such earnings or addition in the month in which the earnings or addition is credited or otherwise transferred to the trust); and

(C) the term “asset” includes any income or resource of the individual (or of the individual’s spouse), including—

(i) any income excluded by section 1382a(b) of this title; and

(ii) any resource otherwise excluded by this section; and

(iii) any other payment or property to which the individual (or of the individual’s spouse) is entitled but does not receive or have access to because of action by—

(I) the individual or spouse;

(II) a person or entity (including a court) with legal authority to act in place of, or on behalf of, the individual or spouse; or

(III) a person or entity (including a court) acting at the direction of, or on the request of, the individual or spouse.


REFERENCES IN TEXT

The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, referred to in subsec. (a)(10), is Pub. L. 91–666, Jan. 2, 1972, 84 Stat. 1894, as amended. Title II of the Act enacted subchapter II (§4621 et seq.) of chapter 61 of this title, amended sections 1415, 2473, and 3307 of this title and sections 1606 of title 18, 27, 3473, and 3474 of this title, section 1231 to 1234 of Title 43, Public Lands, and enacted provisions set out as notes under sections 4601 and 4621 of this title; and provisions set out as notes under sections 24 of Title 26, Internal Revenue Code.

The Internal Revenue Code of 1986, referred to in subsec. (a)(11), (13), is classified generally to Title 26, Internal Revenue Code.


Section 212(b) of Public Law 93–66, referred to in subsec. (c)(1)(A)(i), is section 212(b) of Pub. L. 93–66, title II, July 9, 1973, 87 Stat. 155, as amended, which is set out as a note under section 1382 of this title.

Section 1396p(e)(3) of this title, referred to in subsec. (c)(1)(F)(ii), was redesignated section 1396p(h)(3) of this title by Pub. L. 109–171, title VI, §§6012(a), 6014(a), 6015(b), Feb. 8, 2006, 120 Stat. 62, 64, 65.

AMENDMENTS


2006—Subsec. (a)(17). Pub. L. 109–182, §433(a), substituted “limited to the first 9 months” for “limited to the first 6 months” and struck out “(or to the first 9 months following such month with respect to any amount so received during the period beginning on October 1, 1987, and ending September 30, 1989)” after “month in which such amount is received.”

Subsec. (a)(11). Pub. L. 108–224, §431(a), amended par. (1) generally. Prior to amendment, par. (11) read as follows: “for the month of receipt and the following month, any refund of Federal income taxes made to such individual (or such spouse) by reason of section 3507 of such Code (relating to advance payment of earned income tax credit), and any payment made to such individual (or such spouse) by an employer under section 3507 of such Code (relating to advance payment of earned income tax credit)”; Subsec. (a)(14). Pub. L. 108–203, §101(c)(2), added par. (14).


1999—Subsec. (c). Pub. L. 106–169, §206(a)(1), struck out “Notification of medicaid policy restricting eligibility of institutionalized individuals for benefits based on disposal of resources for less than fair market value” for “Disposal of resources for less than fair market value” in heading and amended text generally, substituting pars. (1) and (2) for former pars. (1) to (4).

1997—Subsec. (a)(7). Pub. L. 100–203, §911(a), inserted “(or to the first 9 months following such month with respect to any amount so received during the period beginning October 1, 1987, and ending September 30, 1989)” after “such amount is received.”

Subsec. (b). Pub. L. 100–203, §9103, designated existing provisions as par. (1) and added par. (2).

Subsec. (c)(1). Pub. L. 100–203, §9104(a)(1), inserted “and subject to paragraph (4) of this subsection” after “subsection (a) of this section”.


Subsec. (d)(1). Pub. L. 100–203, §9105(a)(1), struck out “if the inclusion of any portion of such amount or amounts would cause the resources of such individual, or of such individual and spouse, to exceed the limits specified in paragraph (1) or (2) (whichever may be applicable) of section 1382(a) of this title after “individual or spouse”.

Subsec. (d)(3). Pub. L. 100–203, §9105(a)(2), substituted “aside in cases where the inclusion of any portion of the amount would cause the resources of such individual, or of such individual and spouse, to exceed the limits specified in paragraph (1) or (2) (whichever may be applicable) of section 1382(a) of this title for “aside”.


1986—Subsec. (b). Pub. L. 99–509 substituted “Commissioner of Social Security” for “Secretary” wherever appearing and “the Commissioner” wherever appearing and “Secretary” for “Commissioner of Social Security”.


1976—Subsec. (a)(1). Pub. L. 94–569 struck out “, to the extent that its value does not exceed such amount as the Secretary determines to be reasonable” after “the home (including the land that appertains there to)”. EFFECTIVE DATE OF 2015 AMENDMENT Pub. L. 114–63, §2, Oct. 7, 2015, 129 Stat. 549, provided that the repeal of section 3(e) of Pub. L. 111–255 is effective as if included in the enactment of Pub. L. 111–255.

EFFECTIVE DATE OF 2010 AMENDMENT Amendment by Pub. L. 111–255 effective on the earlier of the effective date of final regulations promulgated by the Commissioner of Social Security to carry out such amendment or 180 days after Oct. 5, 2010, see section 3(d) of Pub. L. 111–255, set out as an Effective and Termination Dates of 2010 Amendment note under section 1382a of this title.

EFFECTIVE DATE OF 2008 AMENDMENT Amendment by Pub. L. 110–245 effective with respect to benefits payable for months beginning after 60 days after June 17, 2008, see section 204 of Pub. L. 110–245, set out as a note under section 1382a of this title.

EFFECTIVE DATE OF 2004 AMENDMENT Amendment by section 101(c)(2) of Pub. L. 108–203 applicable to any case of benefit misuse by a representative payee with respect to which the Commissioner of Social Security makes the determination of misuse on or after Jan. 1, 1995, see section 101(d) of Pub. L. 108–203, set out as a note under section 405 of this title.
Pub. L. 100–203, title IV, § 431(c), Mar. 2, 2004, 118 Stat. 539, provided that: "The amendments made by this section [amending this section] shall take effect on the date of enactment of this Act [Mar. 2, 2004], and shall apply to amounts described in paragraph (7) of section 1613(a) of the Social Security Act [subsec. (a)(7) of this section] and refunds of Federal income taxes described in paragraph (11) of such section, that are received by an eligible individual or eligible spouse on or after such date."

Amendment by section 435(b) of Pub. L. 100–203 applicable to benefits payable for months that begin more than 90 days after Mar. 2, 2004, see section 435(c) of Pub. L. 108–203, set out as a note under section 1398a of this title.

**Effective Date of 1999 Amendment**

Amendment by section 205(a) of Pub. L. 106–169 effective Jan. 1, 2000, and applicable to trusts established on or after such date, see section 205(d) of Pub. L. 106–169, set out as a note under section 1382a of this title.

Pub. L. 106–169, title II, § 206(c), Dec. 14, 1999, 113 Stat. 1837, provided that: "The amendments made by this section [amending this section and section 1398a of this title] shall be effective with respect to disposals made on or after the date of the enactment of this Act [Dec. 14, 1999]."

**Effective Date of 1998 Amendment**

Amendment by Pub. L. 105–306 applicable to gifts made on or after the date that is 2 years before Oct. 28, 1998, see section 7(c) of Pub. L. 105–306, set out as a note under section 1398a of this title.

**Effective Date of 1996 Amendment**

Amendment by section 213(b) of Pub. L. 104–193 applicable to payments made after Aug. 22, 1996, see section 213(d) of Pub. L. 104–193, set out as a note under section 1382a of this title.

**Effective Date of 1994 Amendment**


**Effective Date of 1990 Amendment**

Amendment by section 503(b) of Pub. L. 101–508 applicable with respect to benefits for months beginning on or after the first day of the 6th calendar month following November 1990, see section 503(d) of Pub. L. 101–508, set out as a note under section 1382a of this title.

Amendment by section 5035(b) of Pub. L. 101–508 applicable with respect to benefits for calendar months beginning on or after the first day of the 6th calendar month following November 1990, see section 5035(c) of Pub. L. 101–508, as amended, set out as a note under section 1382a of this title.

Amendment by section 1115(b)(2) of Pub. L. 101–508 applicable to determinations of income or resources made for any period after Dec. 31, 1990, see section 1115(e) of Pub. L. 101–508, set out as a note under section 1382a of this title.

**Effective Date of 1989 Amendment**

Amendment by section 801(b) of Pub. L. 101–239 effective on 1st day of 4th month beginning after Dec. 19, 1989, see section 8013(c) of Pub. L. 101–239, set out as a note under section 1382a of this title.

Pub. L. 101–239, title VIII, § 801(b), Dec. 19, 1989, 103 Stat. 1465, provided that: "The amendment made by subsection (a) [amending this section] shall take effect on the 1st day of the 5th calendar month beginning after the date of the enactment of this Act [Dec. 19, 1989]."

**Effective Date of 1988 Amendment**

Amendment by Pub. L. 100–647 effective as though included in section 162 of Housing and Community Development Act of 1987, Pub. L. 100–202, at the time of its enactment, on Feb. 5, 1988, see section 8103(c) of Pub. L. 100–647, set out as a note under section 1382a of this title.

Amendment by Pub. L. 100–360 applicable to transfers occurring on or after July 1, 1988, without regard to whether or not final regulations to carry out such amendment have been promulgated by such date, see section 303(g)(3) of Pub. L. 100–360, set out as a note under section 1380–5 of this title.

**Effective Date of 1987 Amendment**


**Effective Date of 1984 Amendment**


Amendment by section 2663(g)(5) of Pub. L. 98–369 effective July 16, 1984, but not to be construed as changing or affecting any right, liability, status, or interpretation which existed (under the provisions of law involved) before that date, see section 2664(b) of Pub. L. 98–369, set out as a note under section 401 of this title.

**Effective Date of 1982 Amendment**

Pub. L. 97–248, title I, § 185(c), Sept. 3, 1982, 96 Stat. 407, provided that: "The amendment made by this section [amending this section] shall take effect on the first day of the second month after the month in which this Act is enacted (September 1982)."

**Effective Date of 1980 Amendment**

Pub. L. 96–611, § 5(c), Dec. 23, 1980, 94 Stat. 3568, provided that: "The amendment made by subsection (a) [amending this section] shall be effective with respect to applications for benefits under title XVI of the Social Security Act [42 U.S.C. 1381 et seq.] filed on or after the first day of the first month which begins at least 60 days after the date of enactment of this Act [Dec. 23, 1980]."

**Effective Date of 1977 Amendment**

Pub. L. 95–171, § 8(b), Nov. 12, 1977, 91 Stat. 1356, provided that: "The amendment made by this section [amending this section] shall be effective July 1, 1976, with respect to catastrophes which occurred on or after June 1, 1976, and before December 31, 1976. With respect to catastrophes which occurred on or after December 1, 1976, the amendment made by this section shall be effective the first day of the calendar quarter following enactment of this Act [Nov. 12, 1977]."

**Effective Date**

For applicability of this section to the Northern Mariana Islands, see section 502(a)(1) of the Covenant to Establish a Commonwealth of the Northern Mariana Islands in Political Union with the United States of America and Proc. No. 4534, Oct. 24, 1977, 42 F.R. 6993, set out as notes under section 1801 of Title 48, Territories and Insular Possessions.

Puerto Rico, Guam, and Virgin Islands

Enactment of provisions of Pub. L. 92–603, eff. Jan. 1, 1974, not applicable to Puerto Rico, Guam, and the Virgin Islands, see section 303(b) of Pub. L. 92–603, set out as a note under section 301 of this title.

§ 1382c. Definitions

(a)(1) For purposes of this subchapter, the term "aged, blind, or disabled individual" means an individual who—

(A) is 65 years of age or older, is blind (as determined under paragraph (2)), or is disabled (as determined under paragraph (3)), and

(B)(i) is a resident of the United States, and

(ii) Notwithstanding clause (i), no individual under the age of 18 who engages in substantial gainful activity (determined in accordance with regulations prescribed pursuant to subparagraph (B)) may be considered to be disabled.

(ii) Notwithstanding clause (i), no individual under the age of 18 who engages in substantial gainful activity (determined in accordance with regulations prescribed pursuant to subparagraph (B)) may be considered to be disabled.

(D) For purposes of this paragraph, a physical or mental impairment is an impairment that results from anatomical, physiological, or psychological abnormalities which are demonstrable by medically acceptable clinical and laboratory diagnostic techniques.

(E) The Commissioner of Social Security shall by regulations prescribe the criteria for determining when services performed or earnings derived from services demonstrate an individual's ability to engage in substantial gainful activity. In determining whether an individual is able to engage in substantial gainful activity by reason of his earnings, where his disability is sufficiently severe to result in a functional limitation requiring assistance in order for him to work, there shall be excluded from such earnings an amount equal to the cost (to such individual) of any attendant care services, medical devices, equipment, prostheses, and similar items and services (not including routine drugs or routine medical services unless such drugs or services are necessary to alleviate the disablaing condition) which are necessary (as determined by the Commissioner of Social Security in regulations) for that purpose, whether or not such assistance is also needed to enable him to carry out his normal daily functions; except that the amounts to be excluded shall be subject to such reasonable limits as the Commissioner of Social Security may prescribe. Notwithstanding the provisions of subparagraph (B), an individual whose services or earnings meet such criteria shall be found not to be disabled. The Commissioner of Social Security shall make determinations under this subchapter with respect to substantial gainful activity, without regard to the legality of the activity.

(F) Notwithstanding the provisions of subparagraphs (A) through (E), an individual shall also be considered to be disabled for purposes of this subchapter if he is permanently and totally disabled as defined under a State plan approved under chapter XV or XVI as in effect for October 1972 and received aid under such plan (on the basis of blindness) for December 1972, so long as he is continuously blind as so defined.

(G) In determining whether an individual's physical or mental impairment or impairments
are of a sufficient medical severity that such impairment or impairments could be the basis of eligibility under this section, the Commissioner of Social Security shall consider the combined effect of all of the individual’s impairments with regard to whether any such impairment, if considered separately, would be of such severity. If the Commissioner of Social Security does find a medically severe combination of impairments, the combined impact of the impairments shall be considered throughout the disability determination process.

(H)(i) In making determinations with respect to disability under this subchapter, the provisions of sections 421(h), 421(k), and 423(d)(5) of this title shall apply in the same manner as they apply to determinations of disability under subchapter II.

(ii) Not less frequently than once every 3 years, the Commissioner shall review in accordance with paragraph (4) the continued eligibility for benefits under this subchapter of each individual who has not attained 18 years of age and is eligible for such benefits by reason of an impairment (or combination of impairments) which is likely to improve (or, at the option of the Commissioner, which is unlikely to improve).

(II) A representative payee of a recipient whose case is reviewed under this clause shall present, at the time of review, evidence demonstrating that the recipient is, and has been, receiving treatment, to the extent considered medically necessary and available, of the condition which was the basis for providing benefits under this subchapter.

(III) If the representative payee refuses to comply without good cause with the requirements of subclause (II), the Commissioner of Social Security shall, if the Commissioner determines it is in the best interest of the individual, promptly suspend payment of benefits to the representative payee, and provide for payment of benefits to an alternative representative payee of the individual or, if the interest of the individual under this subchapter would be served thereby, to the individual.

(IV) Subclause (II) shall not apply to the representative payee of any individual with respect to whom the Commissioner determines such application would be inappropriate or unnecessary. In making such determination, the Commissioner shall take into consideration the nature of the individual’s impairment (or combination of impairments). Section 1383(c) of this title shall not apply to a finding by the Commissioner that the requirements of subclause (II) should not apply to an individual’s representative payee.

(iii) If an individual is eligible for benefits under this subchapter by reason of disability for the month preceding the month in which the individual attains the age of 18 years, the Commissioner shall redetermine such eligibility—

(I) by applying the criteria used in determining initial eligibility for individuals who are age 18 or older; and

(II) either during the 1-year period beginning on the individual’s 18th birthday or, in lieu of a continuing disability review, whenever the Commissioner determines that an individual’s case is subject to a redetermination under this clause.

With respect to any redetermination under this clause, paragraph (4) shall not apply.

(iv)(I) Except as provided in subclause (VI), not later than 12 months after the birth of an individual, the Commissioner shall review in accordance with paragraph (4) the continued eligibility for benefits under this subchapter by reason of disability of such individual whose low birth weight is a contributing factor material to the Commissioner’s determination that the individual is disabled.

(II) A review under subclause (I) shall be considered a substitute for a review otherwise required under any other provision of this subparagraph during that 12-month period.

(III) A representative payee of a recipient whose case is reviewed under this clause shall present, at the time of review, evidence demonstrating that the recipient is, and has been, receiving treatment, to the extent considered medically necessary and available, of the condition which was the basis for providing benefits under this subchapter.

(V) If the representative payee refuses to comply without good cause with the requirements of subclause (III), the Commissioner of Social Security shall, if the Commissioner determines it is in the best interest of the individual, promptly suspend payment of benefits to the representative payee, and provide for payment of benefits to an alternative representative payee of the individual or, if the interest of the individual under this subchapter would be served thereby, to the individual.

(J) Notwithstanding subparagraph (A), an individual shall not be considered to be disabled for purposes of this subchapter if alcoholism or drug...
addiction would (but for this subparagraph) be a contributing factor material to the Commissioner's determination that the individual is disabled.

(4) A recipient of benefits based on disability under this subchapter may be determined not to be entitled to such benefits on the basis of a finding that the physical or mental impairment on the basis of which such benefits are provided has ceased, does not exist, or is not disabling only if such finding is supported by—

(A) in the case of an individual who is age 18 or older—

(i) substantial evidence which demonstrates that—

(I) there has been any medical improvement in the individual’s impairment or combination of impairments (other than medical improvement which is not related to the individual’s ability to work), and

(II) the individual is now able to engage in substantial gainful activity; or

(ii) substantial evidence (except in the case of an individual eligible to receive benefits under section 1382h of this title) which—

(I) consists of new medical evidence and a new assessment of the individual’s residual functional capacity, and demonstrates that—

(aa) although the individual has not improved medically, he or she is nonetheless a beneficiary of advances in medical or vocational therapy or technology (related to the individual’s ability to work), and

(bb) the individual is now able to engage in substantial gainful activity, or

(II) demonstrates that—

(aa) although the individual has not improved medically, he or she has undergone vocational therapy (related to the individual’s ability to work), and

(bb) the individual is now able to engage in substantial gainful activity; or

(iii) substantial evidence which demonstrates that, as determined on the basis of new or improved diagnostic techniques or evaluations, the individual’s impairment or combination of impairments is not as disabling as it was considered to be at the time of the most recent prior decision that the individual was under a disability or continued to be under a disability, and such impairment or combination of impairments no longer results in marked and severe functional limitations; or

(B) in the case of an individual who is under the age of 18—

(i) substantial evidence which demonstrates that there has been medical improvement in the individual’s impairment or combination of impairments, and that such impairment or combination of impairments no longer results in marked and severe functional limitations; or

(ii) substantial evidence which demonstrates that, as determined on the basis of new or improved diagnostic techniques or evaluations, the individual’s impairment or combination of impairments, is not as disabling as it was considered to be at the time of the most recent prior decision that the individual was under a disability or continued to be under a disability, and such impairment or combination of impairments does not result in marked and severe functional limitations; or

(C) in the case of any individual, substantial evidence (which may be evidence on the record at the time any prior determination of the entitlement to benefits based on disability was made, or newly obtained evidence which relates to that determination) which demonstrates that a prior determination was in error.

Nothing in this paragraph shall be construed to require a determination that an individual receiving benefits based on disability under this subchapter is entitled to such benefits if the prior determination was fraudulently obtained or if the individual is engaged in substantial gainful activity, cannot be located, or fails, without good cause, to cooperate in a review of his or her entitlement or to follow prescribed treatment which would be expected (i) to restore his or her ability to engage in substantial gainful activity, or (ii) in the case of an individual under the age of 18, to eliminate or improve the individual’s impairment or combination of impairments so that it no longer results in marked and severe functional limitations. Any determination under this paragraph shall be made on the basis of all the evidence available in the individual’s case file, including new evidence concerning the individual’s prior or current condition which is presented by the individual or secured by the Commissioner of Social Security. Any determination made under this paragraph shall be made on the basis of the weight of the evidence and on a neutral basis with regard to the individual’s condition, without any initial inference as to the presence or absence of disability being drawn from the fact that the individual has previously been determined to be disabled.

(b) For purposes of this subchapter, the term “eligible spouse” means an aged, blind, or disabled individual who is the husband or wife of another aged, blind, or disabled individual, and who, in a month, is living with such aged, blind, or disabled individual on the first day of the month or, in any case in which either spouse files an application for benefits, on the first day of the month following the date the application is filed, or, in any case in which either spouse requests restoration of eligibility under this subchapter during the month, at the time the request is filed. If two aged, blind, or disabled individuals are husband and wife as described in the preceding sentence, only one of them may be an “eligible individual” within the meaning of section 1382(a) of this title.

(c) For purposes of this subchapter, the term “child” means an individual who is neither married nor (as determined by the Commissioner of Social Security) the head of a household, and who is (1) under the age of eighteen, or (2) under the age of twenty-two and (as determined by the Commissioner of Social Security) a student regularly attending a school, college, or university,
or a course of vocational or technical training designed to prepare him for gainful employment.

(d) In determining whether two individuals are husband and wife for purposes of this subchapter, appropriate State law shall be applied; except that—

(1) if a man and woman have been determined to be husband and wife under section 416(b)(1) of this title for purposes of subchapter II they shall be considered (from and after the date of such determination or the date of their application for benefits under this subchapter, whichever is later) to be husband and wife for purposes of this subchapter, or

(2) if a man and woman are found to be holding themselves out to the community in which they reside as husband and wife, they shall be so considered for purposes of this subchapter notwithstanding any other provision of this section.

(e) For purposes of this subchapter, the term "United States", when used in a geographical sense, means the 50 States and the District of Columbia.

(f)(1) For purposes of determining eligibility for and the amount of benefits for any individual who is married and whose spouse is living with him in the same household but is not an eligible spouse, such individual's income and resources shall be deemed to include any income and resources of such spouse, whether or not available to such individual, except to the extent determined by the Commissioner of Social Security to be inequitable under the circumstances.

(2)(A) For purposes of determining eligibility for and the amount of benefits for any individual who is a child under age 18, such individual's income and resources shall be deemed to include income and resources of such child, whether or not available to such child, except to the extent determined by the Commissioner of Social Security to be inequitable under the circumstances.

(B) Subparagraph (A) shall not apply in the case of any child who has not attained the age of 18 years who—

(i) is disabled;
(ii) received benefits under this subchapter pursuant to section 1396o(c)(3) of this title, while in an institution described in section 1382(e)(1)(B) of this title; and
(iii) is eligible for medical assistance under a State home care plan approved by the Secretary under the provisions of section 1396n(c) of this title and entitled to benefits under such plan under section 1396p(c) of this title and under section 1396o(c) of this title; or
(iv) but for this subparagraph, would not be eligible for benefits under this subchapter.

(3) For purposes of determining eligibility for and the amount of benefits for any individual who is an alien, such individual's income and resources shall be deemed to include income and resources of such alien's spouse (if such alien has a sponsor) as provided in section 1382c of this title. Any such income deemed to be income of such individual shall be treated as unearned income of such individual.

(4) For purposes of paragraphs (1) and (2), a spouse or parent (or spouse of such a parent) who is absent from the household in which the individual lives due solely to a duty assignment as a member of the Armed Forces on active duty shall, in the absence of evidence to the contrary, be deemed to be living in the same household as the individual.


AMENDMENTS

2004—Subsec. (a)(1)(B)(ii). Pub. L. 108–203 inserted "and after "citizen of the United States," and struck out ", and who, for the month before the parent reported for such assignment, received a benefit under this subchapter" before period at end.

1997—Subsec. (a)(3)(H)(iii). Pub. L. 105–33, §5522(a)(1), added subcls. (I) and (II) and concluding provisions and struck out former subcls. (I) and (II) and concluding provisions which read as follows:

"(I) during the 1-year period beginning on the individual's 18th birthday; and
"(II) by applying the criteria used in determining the initial eligibility for applicants who are age 18 or older:

With respect to a redetermination under this clause, paragraph (4) shall not apply and such redetermination shall be considered a substitute for a review or redetermination otherwise required under any other provision of this subparagraph during that 1-year period.


1996—Subsec. (a)(3)(A). Pub. L. 104–193, 121(a)(1), (2), substituted "Except as provided in subparagraph (C), an individual" for ""An individual" and struck out "(or, in the case of an individual under the age of 18, if he suffers from any medically determinable physical or mental impairment of comparable severity)" before period at end.


Subsec. (a)(3)(D), (E), Pub. L. 104–193, 121(a)(3), redesignated pars. (C) and (D) as (D) and (E), respectively. Former par. (E) redesignated (F). Subsec. (a)(3)(F). Pub. L. 104–193, §211(a)(3), (5), redesignated subpar. (E) as (F) and substituted "subpara-

§ 1382c TITLe 42–THE PUBLIC HEALTH AND WELFARE Page 2538
graphs (A) through (E)" for "subparagraphs (A) through (D)"). Former subpar. (F) redesignated (G).

Subsec. (a)(4). Pub. L. 104–193, § 211(c)(7), as amended by Pub. L. 105–33, § 552(d), in first sentence of concluding provisions inserted "(i)" before "to restore" and "or" before "(ii)" and added cl. (ii).
Pub. L. 104–193, § 211(c)(1)–(6), as amended by Pub. L. 105–33, § 552(d), inserted "(A) in the case of an individual who is age 18 or older—" after "if such finding is supported by—", redesignated former subpars. (A) to (C) as cls. (i) to (iii), respectively, in cl. (i) redesignated former cls. (i) and (ii) as subcls. (I) and (II), respectively, in subcls. (I) and (II), redesignated former subcls. (I) and (II) as items (aa) and (bb), respectively, added subpar. (B), redesignated former subpar. (D) as (C), and inserted "in the case of any individual," before "substantial evidence" in that subpar.
Subsec. (b). Pub. L. 104–193, § 204(c)(1), substituted "individual who is engaged in substantial gainful activity" for "individual who is engaged in substantial gainful activity and who, after the period of 15 consecutive months following the date the application is filed, or, in any case in which either spouse requests" for "or requests" and struck out "application or" before "request is filed.
1994—Subsec. (a)(4), (5). Pub. L. 99–464, § 14(d)(3)(A), redesignated subpars. (5) as (4) and struck out former par. (4) which read as follows:

"(A) For purposes of this subsection, any services rendered during a period of trial work (as defined in subparagraph (B)) by an individual who is an aged, blind, or disabled individual solely by reason of disability (as determined under paragraph (3) of this subsection) shall be deemed not to have been rendered by such individual in determining whether his disability has ceased in a month during such period. As used in this paragraph, the term 'services' means activity which is performed for remuneration or gain or is determined by the Secretary to be of a type normally performed for remuneration or gain.

"(B) The term 'period of trial work', with respect to an individual who is an aged, blind, or disabled individual solely by reason of disability (as determined under paragraph (3) of this subsection), means a period of months beginning and ending as provided in subparagraphs (C) and (D).

"(C) A period of trial work for any individual shall begin with the month in which he becomes eligible for benefits under this subchapter on the basis of his disability, but no such period may begin for an individual who is eligible for benefits under this subchapter on the basis of a disability if he has had a previous period of trial work while eligible for benefits on the basis of the same disability.

"(D) A period of trial work for any individual shall end with the close of whichever of the following months is the earlier:

"(i) the ninth month, beginning on or after the first day of such period, in which the individual renders services (whether or not such nine months are consecutive); or

"(ii) the month in which his disability (as determined under paragraph (3) of this subsection) ceases (as determined after the application of subparagraph (A) of this paragraph).

Pub. L. 98–460, § 10(b), inserted reference to section 421(k) of this title.
The text is too long to provide here in full. Please provide a specific section or part of the text you need assistance with.
include supporting documentation providing a cost analysis, workload impact, and projections as to how the regulation will effect the future number of recipients under such title.

“(5) CAP ADJUSTMENT FOR SSI ADMINISTRATIVE WORK REQUIRED BY WELFARE REFORM.—

(A) AUTHORIZATION.—For the additional costs of conducting disability reviews and redeterminations under title XVI of the Social Security Act, there is hereby authorized to be appropriated to the Social Security Administration, in addition to amounts authorized under section 2011(g)(1)(A) of the Social Security Act (42 U.S.C. 1396a(a), and payments pursuant to an agreement entered into under section 212(b) of Public Law 93–66 [set out as a note under section 1382 of this title]."

Pub. L. 104–198, title II, §212(d), Aug. 22, 1996, 110 Stat. 2194, provided that: “The amendments made by this section [amending this section and repealing provisions set out as a note under section 1383 of this title] shall apply to benefits for months beginning on or after the date of the enactment of this Act [Aug. 22, 1996], without regard to whether regulations have been issued to implement such amendments.”

Amendment by Pub. L. 104–121 applicable to individual who applies for, or whose claim is finally adjudicated with respect to, supplemental security income benefits under this subchapter based on disability on or after Mar. 29, 1996, with special rule in case of individual who has applied for, and whose claim has been finally adjudicated with respect to, such benefits before Mar. 29, 1996, see section 103(b)(5) of Pub. L. 104–121, set out as a note under section 1382 of this title.

EFFECTIVE DATE OF 1994 AMENDMENT
Pub. L. 103–432, title II, §221(b), Oct. 31, 1994, 108 Stat. 4462, provided that: “The amendments made by subsection (a) [amending this section] shall apply to determinations made on or after the date of the enactment of this Act [Oct. 31, 1994].”


EFFECTIVE DATE OF 1993 AMENDMENT
Amendment by section 13733(a) of Pub. L. 103–66 effective on first day of second month that begins after Aug. 10, 1993, see section 13733(c) of Pub. L. 103–66, set out as a note under section 1382a of this title.

Pub. L. 103–66, title XIII, §13734(b), Aug. 10, 1993, 107 Stat. 662, provided that: “The amendment made by subsection (a) [amending this section] shall take effect on the 1st day of the 3rd month that begins after the date of the enactment of this Act [Aug. 10, 1993].”

EFFECTIVE DATE OF 1990 AMENDMENT

Pub. L. 101–508, title V, §5036(b), Nov. 5, 1990, 104 Stat. 1388–229, provided that: “The amendment made by subsection (a) [amending this section] shall apply to determinations made 6 or more months after the date of the enactment of this Act [Nov. 5, 1990].”

EFFECTIVE DATE OF 1989 AMENDMENT
Amendment by section 809(b) of Pub. L. 101–239 applicable with respect to benefits for months after March 1990, see section 809(c) of Pub. L. 101–239, set out as a note under section 1382 of this title.

Amendment by section 8010(a) of Pub. L. 101–239 effective on first day of 6th calendar month beginning after Dec. 19, 1989, see section 8010(c) of Pub. L. 101–239, set out as a note under section 1382 of this title.

Pub. L. 101–239, title VIII, §8012(b), Dec. 19, 1989, 103 Stat. 2464, provided that: “The amendment made by subsection (a) [amending this section] shall take effect on October 1, 1990.”

EFFECTIVE DATE OF 1988 AMENDMENT
Amendment by Pub. L. 99–643 effective July 1, 1987, except as otherwise provided, see section 10(b) of Pub. L. 99–643, set out as a note under section 1396a of this title.

EFFECTIVE DATE OF 1984 AMENDMENT
Amendment by section 2(c) of Pub. L. 98–460 applicable to determinations made by the Secretary on or after Oct. 9, 1984, with certain enumerated exceptions and qualifications, see section 2(d) of Pub. L. 98–460, set out as a note under section 423 of this title.


Amendment by section 4(b) of Pub. L. 98–460 applicable with respect to determinations made on or after the first day of the first month beginning after 30 days after Oct. 9, 1984, see section 4(c) of Pub. L. 98–460, set out as a note under section 423 of this title.

Amendment by section 8(b) of Pub. L. 98–460 applicable to determinations made after 60 days after Oct. 9, 1984, see section 8(c) of Pub. L. 98–460, set out as a note under section 421 of this title.

Amendment by Pub. L. 98–369 effective July 18, 1984, but not to be construed as changing or affecting any right, liability, status, or interpretation which existed (under the provisions of law involved) before that date, see section 2664(b) of Pub. L. 98–369, set out as a note under section 401 of this title.

EFFECTIVE DATE OF 1980 AMENDMENT
Pub. L. 96–265, title II, §203(b), June 9, 1980, 94 Stat. 449, provided that: “The amendment made by subsection (a) [amending this section] shall become effective on October 1, 1986; except that the amendment made by such subsection shall not apply, in the case of any child who, in September 1980, was under 18 years of age and received a supplemental security income benefit for such month, during any period for which such benefit would be greater without the application of such amendment.”

Amendment by section 302(a)(2) of Pub. L. 96–265 applicable with respect to expenses incurred on or after the first day of the sixth month which begins after June 9, 1980, see section 302(c) of Pub. L. 96–265, set out as a note under section 423 of this title.

Amendment by section 303(c)(1) of Pub. L. 96–265 effective on first day of sixth month which begins after June 9, 1980, and applicable with respect to any individual whose disability has not been determined to have ceased prior to such first day, see section 303(d) of Pub. L. 96–265, set out as a note under section 402 of this title.

Amendment by section 504(a) of Pub. L. 96–265 effective with respect to individuals applying for supplemental security income benefits under this subchapter for the first time after Sept. 30, 1986, see section 504(c) of Pub. L. 96–265, set out as an Effective Date note under section 1382 of this title.
§ 1382d. Rehabilitation services for blind and disabled individuals

(a) Referral by Commissioner of eligible individuals to appropriate State agency

In the case of any blind or disabled individual who—

(1) has not attained age 16; and

(2) with respect to whom benefits are paid under this subchapter,

the Commissioner of Social Security shall make provision for referral of such individual to the appropriate State agency administering the State program under subchapter V.


(d) Reimbursement by Commissioner to State agency of costs of providing services to referred individuals

The Commissioner of Social Security is authorized to reimburse the State agency administering or supervising the administration of a State plan for vocational rehabilitation services approved under title I of the Rehabilitation Act of 1973 [29 U.S.C. 720 et seq.] for the costs incurred under such plan in the provision of rehabilitation services to individuals who are referred for such services pursuant to subsection (a), (1) in cases where the furnishing of such services results in the performance by such individuals of substantial gainful activity for a continuous period of nine months, (2) in cases where such individuals receive benefits as a result of section 1333(a)(6) of this title (except that no reimbursement under this subsection shall be made for services furnished to any individual receiving such benefits for any period after the close of such individual’s ninth consecutive month of substantial gainful activity or the close of the month with which his or her entitlement to such benefits ceases, whichever first occurs), and (3) in cases where such individuals, without good cause, refuse to continue to accept vocational rehabilitation services or fail to cooperate in such a manner as to preclude their successful rehabilitation. The determination that the vocational rehabilitation services contributed to the successful return of an individual to substantial gainful activity, the determination that an individual, without good cause, refused to continue to accept vocational rehabilitation services or failed to cooperate in such a manner as to preclude successful rehabilitation, and the determination of the amount of costs to be reimbursed under this subsection shall be made by the Commissioner of Social Security in accordance with criteria determined by the Commissioner in the same manner as under section 422(d)(1) of this title.

(e) Reimbursement for vocational rehabilitation services furnished during certain months of nonpayment of insurance benefits

The Commissioner of Social Security may reimburse the State agency described in subsection (d) for the costs described therein incurred in the provision of rehabilitation services—

(1) for any month for which an individual received—

(A) benefits under section 1382 or 1382h(a) of this title;

(B) assistance under section 1382h(b) of this title; or

(C) a federally administered State supplementary payment under section 1382e of this title or section 212(b) of Public Law 93–66; and

(2) for any month before the 13th consecutive month for which an individual, for a reason other than cessation of disability or blindness, was ineligible for—

(A) benefits under section 1382 or 1382h(a) of this title;

(B) assistance under section 1382h(b) of this title; or

(C) a federally administered State supplementary payment under section 1382e of this title or section 212(b) of Public Law 93–66.


References in Text

amended. Title I of the Rehabilitation Act of 1973 is classified generally to subchapter I (720 et seq.) of chapter 16 of Title 29, Labor. For complete classification of this Act to the Code, see Short Title note set out under section 701 of Title 29 and Tables.

Section 212(b) of Public Law 93–66, referred to in subsection (c), (2)(C), is section 212(b) of Pub. L. 93–66, title II, July 9, 1973, 87 Stat. 155, as amended, which is set out as a note under section 1382 of this title.

**AMENDMENTS**

1999—Subsec. (a). Pub. L. 106–170, § 101(b)(2)(A), amended subsec. (a) generally. Prior to amendment, subsec. (a) read as follows: "In the case of any blind or disabled individual who—

"(1) has not attained age 65, and

"(2) is receiving benefits (or with respect to whom benefits are paid) under this subchapter,

the Commissioner of Social Security shall make provision for referral of such individual to the appropriate State agency administering the State plan for vocational rehabilitation services approved under title I of the Rehabilitation Act of 1973, or, in the case of any such individual who has not attained age 16, to the State agency administering the State program under subchapter V of this chapter, and (except for individuals who have not attained age 16 and except in such other cases as the Commissioner may determine) for a review not less often than quarterly of such individual's blindness or disability and his need for and utilization of the services made available to him under such plan."

Subsec. (c). Pub. L. 106–170, § 101(b)(2)(B), struck out subsec. (c) which read as follows: "Every individual age 16 or over with respect to whom the Commissioner of Social Security is required to make provision for referral under subsection (a) of this section shall accept such services as are made available to him under the State plan for vocational and rehabilitation services approved under title I of the Rehabilitation Act of 1973; and no such individual shall be an eligible individual or eligible spouse for purposes of this subchapter if he refuses without good cause to accept services for which he is referred under subsection (a) of this section."

1997—Subsec. (d). Pub. L. 106–170, § 101(c), substituted "the Commissioner for "him" after "determined by" in last sentence.

Pub. L. 105–33, § 5523(1), which directed insertion of comma after "subsection (a)" to reflect the probable intent of Congress.

1994—Subsec. (a). Pub. L. 103–296 in closing provisions substituted "Commissioner of Social Security" for "Secretary" and "the Commissioner may" for "he may".

Subsec. (c). Pub. L. 103–296 substituted "Commissioner of Social Security" for "Secretary".

Subsec. (d). Pub. L. 103–296 substituted "The Commissioner of Social Security is" for "Secretary is".

Subsec. (e). Pub. L. 98–460 substituted "Secretary to a State agency charged with administering a State plan under subsection (b) of this section" for "Secretary to the State agency administering such State plan under subsection (b) of this section".

1990—Subsec. (e). Pub. L. 101–508 substituted "Secretary to a State agency charged with administering a State plan under subsection (b) of this section" for "Secretary to the State agency administering such State plan under subsection (b) of this section".

1981—Subsec. (a). Pub. L. 97–35, § 2183(c)(8)(A), substituted "State agency administering the State program under subchapter V of this chapter (except for individuals who have not attained age 16 and except in such other cases) for "appropriate State agency administering the State plan under subsection (b) of this section, and (except in such cases)"

Subsec. (b). Pub. L. 97–35, § 2183(c)(8)(B), struck out subsec. (b) which provided criteria for approval of State plans.

Subsec. (d). Pub. L. 97–35, § 2344, substituted "is authorized to reimburse" for "is authorized to pay to".

"for the costs incurred" for "the costs incurred", and "and individuals who are referred for such services pursuant to subsection (a) if such services result in their performance of substantial gainful activity which lasts for a continuous period of nine months" for "individuals referred for such services pursuant to subsection (a) and inserted provision that determination of the amount to be reimbursed be made by the Commissioner of Social Security in accordance with criteria determined by him in the same manner as under section 422(d)(1) of this title."

Subsec. (e). Pub. L. 97–35, § 2183(c)(8)(B), struck out subsec. (e) which provided for payment by the Secretary to a State agency charged with administering a State plan under subsection (b), of the costs incurred by qualified individuals for services authorized to reimburse them for "for the costs incurred" for "the costs incurred", and "individuals who are referred for such services pursuant to subsection (a) if such services result in their performance of substantial gainful activity which lasts for a continuous period of nine months" for "individuals referred for such services pursuant to subsection (a) and inserted provision that determination of the amount to be reimbursed be made by the Commissioner of Social Security in accordance with criteria determined by him in the same manner as under section 422(d)(1) of this title."

1980—Subsec. (e). Pub. L. 96–272 corrected the error under which subsec. (e) had been added as (c) by Pub. L. 94–566 and, in subsec. (e)(1) as so designated, substituted "October 1, 1982" for "October 1, 1979".

1976—Subsec. (a). Pub. L. 94–566 inserted "or, in the case of any such individual who has not attained age 16, to the appropriate State agency administering the State plan under subsection (b) of this section, and (except for individuals who have not attained age 16 and except in such other cases as the Commissioner may determine) for a review not less often than quarterly of such individual's blindness or disability and his need for and utilization of the services made available to him under such plan."


Subsec. (e)(3). Pub. L. 97–35, § 2183(a)(4)(B), substituted "$24,070,000" for "$30,000,000".

1975—Sec. 2183(a)(4)(A) of Pub. L. 94–566 redesignated subsec. (d) as (c).

Subsec. (e). Pub. L. 94–566 inserted "or, in the case of any such individual who has not attained age 16, to the appropriate State agency administering the State plan under subsection (b) of this section, and (except for individuals who have not attained age 16 and except in such other cases as the Commissioner may determine) for a review not less often than quarterly of such individual's blindness or disability and his need for and utilization of the services made available to him under such plan."

Subsec. (b). Pub. L. 94–566 combined subsec. (c) with the existing provisions of subsec. (c) covering the refusal by referred individuals to accept services and added thereto a part of former subsec. (b) covering the required acceptance of vocational and rehabilitation services by the referred individual, and in that provision substituted "Every individual age 16 or over" for "Every individual".

Subsec. (d). Pub. L. 94–566 redesignated subsec. (d) of former subsec. (c) as subsec. (d) of former subsec. (d) of former subsec. (d) of former subsec. (b).

Subsec. (e). Pub. L. 94–566 added subsec. (e). Former subsec. (b) was split up and its parts were redistributed into subsecs. (c) and (d), respectively, and amended.

Subsec. (c). Pub. L. 94–566 added subsec. (c) which read as follows: "Every individual age 16 or over with respect to whom the Commissioner of Social Security is required to make provision for referral under subsection (a) of this section shall accept such services as are made available to him under the State plan for vocational and rehabilitation services approved under title I of the Rehabilitation Act of 1973; and no such individual shall be an eligible individual or eligible spouse for purposes of this subchapter if he refuses without good cause to accept services for which he is referred under subsection (a) of this section."

1976—Subsec. (a). Pub. L. 94–566 substituted "Secretary to a State agency charged with administering a State plan under subsection (b) of this section" for "Secretary to the State agency administering such State plan under subsection (b) of this section".

Subsec. (d). Pub. L. 94–566 redesignated subsec. (d) of former subsec. (d) of former subsec. (d) of former subsec. (d) of former subsec. (b) as subsec. (d) of former subsec. (c) of former subsec. (c) of former subsec. (c) of former subsec. (b) as subsec. (d) of former subsec. (d) of former subsec. (d) of former subsec. (d) of former subsec. (b).


**EFFECTIVE DATE OF 1999 AMENDMENT**

Amendment by Pub. L. 106–170 effective with the first month following one year after Dec. 17, 1999, subject to section 101(d) of Pub. L. 106–170, see section 101(c) of Pub. L. 106–170, set out as an Effective Date note under section 1382b–19 of this title.

**EFFECTIVE DATE OF 1997 AMENDMENT**

§ 1382e. Supplemental assistance by State or subdivision to needy individuals

(a) Exclusion of cash payments in determination of income of individuals for purposes of eligibility for benefits; agreement by Commissioner and State for Commissioner to make supplementary payments on behalf of State or subdivision

Any cash payments which are made by a State (or political subdivision thereof) on a regular basis to individuals who are receiving benefits under this subchapter or who would but for their income be eligible to receive benefits under this subchapter, as assistance based on need in supplementation of such benefits (as determined by the Commissioner of Social Security), shall be excluded under section 1382(a)(6) of this title in determining the income of such individuals for purposes of this subchapter and the Commissioner of Social Security and such State may enter into an agreement which satisfies subsection (b) under which the Commissioner of Social Security will, on behalf of such State (or subdivision) make such supplementary payments to all such individuals.

(b) Agreement between Commissioner and State; contents

Any agreement between the Commissioner of Social Security and a State entered into under subsection (a) shall provide—

1. that such payments will be made (subject to subsection (c)) to all individuals residing in such State (or subdivision) who are receiving benefits under this subchapter, and

2. such other rules with respect to eligibility for or amount of the supplementary payments, and such procedural or other general administrative provisions, as the Commissioner of Social Security finds necessary (subject to subsection (c)) to achieve efficient and effective administration of both the program which the Commissioner conducts under this subchapter and the optional State supplementation.

At the option of the State (but subject to paragraph (2) of this subsection), the agreement between the Commissioner of Social Security and such State entered into under subsection (a) shall be modified to provide that the Commissioner of Social Security will make supplementary payments, on and after an effective date to be specified in the agreement as so modified, to individuals receiving benefits determined under section 1382(e)(1)(B) of this title.

(c) Residence requirement by State or subdivision for supplementary payments; disregarding amounts of certain income by State or subdivision in determining eligibility for supplementary payments

1. Any State (or political subdivision) making supplementary payments described in subsection (a) may at its option impose as a condition of eligibility for such payments, and include in the State’s agreement with the Commissioner of Social Security under such subsection, a residence requirement which excludes individuals who have resided in the State (or political subdivision) for less than a minimum period prior to application for such payments.

2. Any State (or political subdivision), in determining the eligibility of any individual for supplementary payments described in subsection (a), may disregard amounts of earned and unearned income in addition to other amounts which it is required to disregard under this section in determining such eligibility, and shall include a provision specifying the amount of any such income that will be disregarded, if any.
(3)(A) The Commissioner of Social Security shall assess each State an administration fee in an amount equal to—

(i) the number of supplementary payments made by the Commissioner of Social Security on behalf of the State under this section for any month in a fiscal year; multiplied by

(ii) the applicable rate for the fiscal year.

(B) As used in subparagraph (A), the term "applicable rate" means—

(i) for fiscal year 1994, $1.67;

(ii) for fiscal year 1995, $3.33;

(iii) for fiscal year 1996, $5.00;

(iv) for fiscal year 1997, $5.00;

(v) for fiscal year 1998, $6.20;

(vi) for fiscal year 1999, $7.60;

(vii) for fiscal year 2000, $7.80;

(viii) for fiscal year 2001, $8.10;

(ix) for fiscal year 2002, $8.50; and

(x) for fiscal year 2003 and each succeeding fiscal year—

(I) the applicable rate in the preceding fiscal year, increased by the percentage, if any, by which the Consumer Price Index for the month of June of the calendar year of the increase exceeds the Consumer Price Index for the month of June of the calendar year preceding the calendar year of the increase, and rounded to the nearest whole cent; or

(II) such different rate as the Commissioner determines is appropriate for the State.

(C) Upon making a determination under subparagraph (B)(x)(II), the Commissioner of Social Security shall promulgate the determination in regulations, which may take into account the complexity of administering the State’s supplementary payment program.

(D) All fees assessed pursuant to this paragraph shall be transferred to the Commissioner of Social Security at the same time that amounts for such supplementary payments are required to be so transferred.

(3)(A) The Commissioner of Social Security may charge a State an additional services fee if, at the request of the State, the Commissioner of Social Security provides additional services beyond the level customarily provided, in the administration of State supplementary payments pursuant to this section.

(B) The additional services fee shall be in an amount that the Commissioner of Social Security determines is necessary to cover all costs (including indirect costs) incurred by the Federal Government in furnishing the additional services referred to in subparagraph (A).

(4)(A) The first $5 of each administration fee assessed pursuant to paragraph (2), upon collection, shall be deposited in the general fund of the Treasury of the United States as miscellaneous receipts.

(5)(A)(i) Any State which has entered into an agreement with the Commissioner of Social Security under this section shall remit the payments and fees required under this subsection with respect to monthly benefits paid to individuals under this subchapter no later than—

(I) the business day preceding the date that the Commissioner pays such monthly benefits; or

(II) with respect to such monthly benefits paid for the month that is the last month of the State’s fiscal year, the fifth business day following such date.

(ii) The Commissioner may charge States a penalty in an amount equal to 5 percent of the payment and the fees due if the remittance is received after the date required by clause (i).

(B) The Cash Management Improvement Act of 1990 shall not apply to any payments or fees required under this subsection that are paid by a State before the date required by subparagraph (A)(i).

(C) Notwithstanding subparagraph (A)(i), the Commissioner may make supplementary payments on behalf of a State with funds appropriated for payment of benefits under this subchapter, and subsequently to be reimbursed for such payments by the State at such times as the Commissioner and State may agree. Such authority may be exercised only if extraordinary circumstances affecting a State’s ability to make payment when required by subparagraph (A)(i) are determined by the Commissioner to exist.

(e) State standards; establishment; annual public review; annual certification; payments to individuals

(1) Each State shall establish or designate one or more State or local authorities which shall
establish, maintain, and insure the enforcement of standards for any category of institutions, foster homes, or group living arrangements in which (as determined by the State) a significant number of recipients of supplemental security income benefits is residing or is likely to reside. Such standards shall be appropriate to the needs of such recipients and the character of the facilities involved, and shall govern such matters as admission policies, safety, sanitation, and protection of civil rights.

(2) Each State shall annually make available for public review a summary of the standards established pursuant to paragraph (1), and shall make available to any interested individual a copy of such standards, along with the procedures available in the State to insure the enforcement of such standards and a list of any waivers of such standards and any violations of such standards which have come to the attention of the authority responsible for their enforcement.

(3) Each State shall certify annually to the Commissioner of Social Security that it is in compliance with the requirements of this subsection.

(4) Payments made under this subchapter with respect to an individual shall be reduced by an amount equal to the amount of any supplementary payment (as described in subsection (a)) or other payment made by a State (or political subdivision thereof) which is made for or on account of any medical or any other type of remedial care provided by an institution of the type described in paragraph (1) to such individual as a resident or an inpatient of such institution if such institution is not approved as meeting the standards described in such paragraph by the appropriate State or local authorities.


REFERENCES IN TEXT


AMENDMENTS

1997—Subsec. (d)(2)(B)(iii) to (x). Pub. L. 105–35, § 5102(a)(1)(A), and Pub. L. 105–78, § 516(a)(1)(A), amended subpar. (B) identically, striking out “and” at end of cl. (iii), adding cls. (iv) to (x) and striking out former cls. (iv) which read as follows: “for fiscal year 1997 and each succeeding fiscal year, $5.00, or such different rate as the Commissioner of Social Security determines is appropriate for the State.”


Subsec. (d)(4). Pub. L. 105–78, § 516(b)(1)(A), amended par. (4) generally. Prior to amendment, par. (4) read as follows:

“(4)(A) The first $5 of each administration fee assessed pursuant to paragraph (2), upon collection, shall be deposited in the general fund of the Treasury of the United States as miscellaneous receipts. “(B) That portion of each administration fee in excess of $5, and 100 percent of each additional services fee charged pursuant to paragraph (3), upon collection for fiscal year 1996 and each subsequent fiscal year, shall be credited to a special fund established in the Treasury of the United States for State supplementary payment fees. The amounts so credited, to the extent used in the amounts provided in advance in appropriations Acts, shall be available to defray expenses incurred in carrying out this subchapter and related laws. The amounts so credited shall not be scored as receipts under section 1902 of title 2, and the amounts so credited shall be credited as a discretionary offset to discretionary spending to the extent that the amounts so credited are made available for expenditure in appropriations Acts.”

Pub. L. 105–33, § 5102(b)(1)(A), amended par. (4) generally. Prior to amendment, par. (4) read as follows: “All administration fees and additional services fees collected pursuant to this subsection shall be deposited in the general fund of the Treasury of the United States as miscellaneous receipts.”

1994—Pub. L. 103–296 substituted “Commissioner of Social Security” for “Secretary” wherever appearing and “the Commissioner conducts” for “he conducts” in subsec. (b)(2).

1993—Subsec. (d). Pub. L. 102–66 designated existing provisions as par. (1), inserted before period at end “, plus an administration fee assessed in accordance with paragraph (2) and any additional services fee charged in accordance with paragraph (3)”, and added paras. (2) to (4).

1986—Subsec. (b). Pub. L. 99–272 inserted provision at end relating to modification of the agreement at the option of the State to provide for supplementary payments on and after an effective date specified in the agreement.

1981—Subsec. (e)(2). Pub. L. 97–35 struck out “, as a part of the services program planning procedures established pursuant to section 1397c of this title” after “available for public review”.


EFFECTIVE DATE OF 1996 AMENDMENT

Pub. L. 106–170, title IV, § 410(b), Dec. 17, 1999, 113 Stat. 1791, as amended by Pub. L. 106–554, § 1(a)(1) [title V, § 515], Dec. 21, 2000, 114 Stat. 2763, 2763A–72, provided that: “The amendments made by subsection (a) [amending this section and provisions set out as a note under section 1392 of this title] shall apply to payments and fees arising under an agreement between a State and the Commissioner of Social Security under section
1616 of the Social Security Act ([42 U.S.C. 1382e] or under section 212 of Public Law 93–66 ([42 U.S.C. 1382 note] with respect to monthly benefits paid to individuals under title XVI of the Social Security Act ([42 U.S.C. 1381 et seq.] for months after September 30, 2001 (October 2001 in the case of a State with a fiscal year that coincides with the Federal fiscal year), without regard to whether an agreement has been modified to reflect such amendments or the Commissioner has promulgated regulations implementing such amendments.”)

**Effective Date of 1994 Amendment**


**Effective Date of 1993 Amendment**

Pub. L. 103–66, title XIII, §1373(b), Aug. 10, 1993, 107 Stat. 661, provided that: “The amendments made by this section [amending this section and provisions set out as a note under section 1382 of this title] shall apply to supplementary payments made pursuant to section 1616(a) of the Social Security Act ([42 U.S.C. 1382(a)] or section 212(a) of Public Law 93–66 [set out as a note under section 1382 of this title] for any calendar month beginning after September 30, 1993, and to services furnished after such date, regardless of whether regulations to implement such amendments have been promulgated by such date, or whether any agreement entered into under such section 1616(a) or such section 212(a) has been modified.”

**Effective Date of 1981 Amendment**


**Effective Date of 1980 Amendment**

Amendment by Pub. L. 96–265 effective Jan. 1, 1981, see section 201(d) of Pub. L. 96–265, as amended, set out as an Effective Date note under section 1382b of this title.

**Effective Date of 1976 Amendment**

Amendment by section 505(c) of Pub. L. 94–566 effective Oct. 1, 1976, see section 505(e) of Pub. L. 94–566, set out as a note under section 1382 of this title.


**Effective Date**


**Limitations on Authorization of Appropriations**

Pub. L. 103–78, title V, §518(b)(2), Nov. 13, 1997, 111 Stat. 1519, provided that: “From amounts credited pursuant to section 1616(d)(4)(B) of the Social Security Act ([42 U.S.C. 1382e(d)(4)] and section 212(b)(3)(D)(i) of Public Law 93–66 [set out as a note under section 1382 of this title] to the special fund established in the Treasury of the United States for State supplementary payment fees, there is authorized to be appropriated an amount not to exceed $35,000,000 for fiscal year 1998, and such sums as may be necessary for each fiscal year thereafter.”

**Period Within Which California May Make Cash Payments in Lieu of Food Stamps to Recipients of Supplemental Security Income Benefits**

Pub. L. 95–458, §6(b), Oct. 14, 1978, 92 Stat. 1261, provided that: “No additional cash payment under title XVI of the Social Security Act ([42 U.S.C. 1381 et seq.] may be made pursuant to the third sentence of section 6(d) of Public Law 93–233 (as added by subsection (a) of this section) [amending a note under this section] for any month beginning before October 1, 1978, or ending after September 30, 1979.”

**Eligibility of Supplemental Security Income Recipients for Food Stamps**

Pub. L. 93–233, §8(a), Dec. 31, 1973, 87 Stat. 957, as amended by Pub. L. 95–113, title XIII, §1302(a)(3), Sept. 29, 1977, 91 Stat. 797, provided that: “For purposes of section 6(c) of the Food Stamp Act of 1977 [now the Food and Nutrition Act of 2008] [section 2015(c) of Title 7, Agriculture] and subsections (b)(3) [set out as a note under section 612(c) of Title 7] and (f) [set out below] of this section, the level of State supplementary payment under section 1616(a) ([42 U.S.C. 1382e(a)] shall be found by the Secretary to have been specifically increased so as to include the bonus value of food stamps (1) only if, prior to October 1, 1973, the State has entered into an agreement with the Secretary or taken other positive steps which demonstrate its intention to provide supplementary payments under section 1616(a) ([42 U.S.C. 1382e(a)] at a level which is at least equal to the maximum level which can be determined under section 401(b)(1) of the Social Security Amendments of 1972 [set out as a note under this section] and which is such that the limitation on State fiscal liability under section 401 [set out as a note under this section] does result in a reduction in the amount which would otherwise be payable to the Secretary by the State, and (2) only with respect to such months as the State may, at its option, elect.”


Pub. L. 93–233, §8(d), Dec. 31, 1973, 87 Stat. 957, as added by Pub. L. 94–379, §1(a), Aug. 10, 1976, 90 Stat. 1111, and amended by Pub. L. 95–458, §5(a), Oct. 14, 1978, 92 Stat. 1266; Pub. L. 97–18, §2, June 30, 1981, 95 Stat. 192; Pub. L. 97–35, title XXIII, §2342(a), Aug. 13, 1981, 95 Stat. 866, provided that: “Upon the request of a State, the Secretary shall find, for purposes of the provisions specified in subsection (c) [set out above], that the level of such State’s supplementary payments of the type described in section 1616(a) of the Social Security Act ([42 U.S.C. 1382e(a)] has been specifically increased for any month so as to include the bonus value of food stamps (and that such State meets the applicable requirements of subsection (c)(1)) if—

‘‘(1) the Secretary has found (under this subsection or subsection (c), as in effect in December 1980) that such State’s supplementary payments in December 1980 were increased to include the bonus value of food stamps;

‘‘(2) such State continues without interruption to meet the requirements of section 1618 of such Act [section 1382g of this title] for each month after the month referred to in paragraph (1) and up to and including the month for which the Secretary is making the determination.’’


Pub. L. 97–35, title XXIII, §2342(b), Aug. 13, 1981, 95 Stat. 866, provided that the amendment of section 8(d)
of Pub. L. 93–233, set out above, by section 232(a) of Pub. L. 97–35 is effective July 1, 1961.)

**ADJUSTED PAYMENT LEVEL; PAYMENT LEVEL MODIFICATION**

Pub. L. 93–233, §8(e), formerly §8(d), Dec. 31, 1973, 87 Stat. 957, as renumbered §8(e) by Pub. L. 94–379, §1(a), Aug. 10, 1976, 90 Stat. 1111, Pub. L. 94–365, §2(2), July 14, 1976, 90 Stat. 990, and renumbered §8(f) and amended by Pub. L. 94–379, §1(a), (b), Aug. 10, 1976, 90 Stat. 1111; Pub. L. 95–59, §3(2), June 30, 1977, 91 Stat. 255; Pub. L. 95–79, Sept. 29, 1977, 91 Stat. 979, provided that the amendment of section 8(f) of Pub. L. 93–233, set out above, by section 3(2) of Pub. L. 95–59 is effective as of July 1, 1974. See section 1(c) of Pub. L. 93–335, set out as a note under section 1616 of such Act (42 U.S.C. 1382e(b)) in determining such benefits, paid to such individual in such fiscal year, and shall not apply with respect to supplementary payments to any individual who (i) is not required by section 1616 of such Act (42 U.S.C. 1382e(b)) to be included in any such agreement administered by the Secretary and (ii) would have been ineligible (for reasons other than income) for payments under the appropriate approved State plan as in effect for January 1972. In determining the difference between the level specified in subparagraph (A) and the benefits and income described in subparagraph (B) there shall be excluded any part of any such benefit which results from (and would not be payable but for) any cost-of-living increase in such benefits under section 1617 of such Act (42 U.S.C. 1382f) (or any general increase enacted by law in the dollar amounts referred to in such section) becoming effective after June 30, 1977. See section 612c of such Act (42 U.S.C. 1351 et seq.) and 1381 et seq. set out as a note under section 1612(b) of such Act (42 U.S.C. 1382a(b)) in determining such benefits, paid to such individual in such fiscal year, and shall not apply with respect to supplementary payments to any individual who (i) is not required by section 1616 of such Act (42 U.S.C. 1382e(b)) to be included in any such agreement administered by the Secretary (ii) would have been ineligible (for reasons other than income) for payments under the appropriate approved State plan as in effect for January 1972. In determining the difference between the level specified in subparagraph (A) and the benefits and income described in subparagraph (B) there shall be excluded any part of any such benefit which results from (and would not be payable but for) any cost-of-living increase in such benefits under section 1617 of such Act (42 U.S.C. 1382f) (or any general increase enacted by law in the dollar amounts referred to in such section) becoming effective after June 30, 1977. See section 612c of such Act (42 U.S.C. 1351 et seq.) and 1381 et seq. set out as a note under section 1612(b) of such Act (42 U.S.C. 1382a(b)) in determining such benefits, paid to such individual in such fiscal year, and shall not apply with respect to supplementary payments to any individual who (i) is not required by section 1616 of such Act (42 U.S.C. 1382e(b)) to be included in any such agreement administered by the Secretary and (ii) would have been ineligible (for reasons other than income) for payments under the appropriate approved State plan as in effect for January 1972. In determining the difference between the level specified in subparagraph (A) and the benefits and income described in subparagraph (B) there shall be excluded any part of any such benefit which results from (and would not be payable but for) any cost-of-living increase in such benefits under section 1617 of such Act (42 U.S.C. 1382f) (or any general increase enacted by law in the dollar amounts referred to in such section) becoming effective after June 30, 1977.

**COMMODITY DISTRIBUTION PROGRAM: INDIVIDUAL RECEIVING SUPPLEMENTAL SECURITY INCOME BENEFITS AS MEMBER OF HOUSEHOLD FOR ANY PURPOSE OF PROGRAM**

Individual receiving supplemental security income benefits or payments as part of benefits or payments described in subsec. (a) of this section as a member of a household for any purpose of the food distribution program under section 1612(b) of Pub. L. 93–233, set out as a note under section 612(b) of Title 7, Agriculture, is effective as of July 1, 1974.
1972 under the plans of such State approved under titles I, X, XIV, and XVI of the Social Security Act [42 U.S.C. 301 et seq., 1201 et seq., 1351 et seq., 1381 et seq.].

“(3) For purposes of paragraph (1), the term ‘bonus value of benefits in a State for January 1972’ (with respect to an individual) means—

“A the face value of the benefit allotment which would have been provided to such an individual under the Food Stamp Act of 1964 [now the Food and Nutrition Act of 2008, 7 U.S.C. 2001 et seq.] for January 1972, reduced by

“B the charge which such an individual would have paid for such benefit allotment,

if the income of such individual, for purposes of determining the charge it would have paid for its benefit allotment, had been equal to the adjusted payment level under the State plan (including any payment level modification with respect to the plan adopted pursuant to paragraph (2) (but not including any amount under this paragraph)). The total face value of benefits and the cost thereof in January 1972 shall be determined in accordance with rules prescribed by the Secretary of Agriculture in effect in such month.

“(c) For purposes of this section, the term ‘non-Federal share of expenditures as aid or assistance for quarters in the calendar year 1972 under the plans of a State approved under titles I, X, XIV, and XVI of the Social Security Act’ [42 U.S.C. 301 et seq., 1201 et seq., 1351 et seq., 1381 et seq.] means the difference between—

“(1) the total expenditures in such quarters under such plans for aid or assistance (excluding expenditures authorized under section 1119 of such Act [42 U.S.C. 1319]) for repairing the home of an individual who was receiving aid or assistance under one of such plans (as such section was in effect prior to the enactment of this Act), and

“(2) the total of the amounts determined under sections 3, 1003, 1203, and 1603 of the Social Security Act [42 U.S.C. 303, 1203, 1353; 1363 note], under section 1118 of such Act [42 U.S.C. 1318], and under section 9 of the Act of April 19, 1950 [former 23 U.S.C. 639], for such State with respect to such expenditures in such quarters.

“(d) In addition to the amount which a State must pay to the Secretary for the fiscal year 1982 or the fiscal year 1983, as determined under subsection (a), the State shall also pay, for the fiscal year 1984, 80 percent of the amount that would be payable but for the limit specified in subsection (a), and, for the fiscal year 1984, 80 percent of such further amount. For each fiscal year thereafter, the limit prescribed in subsection (a) shall be inapplicable and a State shall pay to the Secretary the full amount of any supplementary payments he makes on behalf of such State.”

[Amendment of section 401(a)(2) of Pub. L. 92–603, set out above, by Pub. L. 94–385 inserting parenthetical text in subpar. (b) and enacting last sentence, such amendments being identical to amendments by Pub. L. 94–566 less the words “and before July 1, 1979” following “June 30, 1977”, effective with respect to benefits payable for months after June 1977, see section 2(c) of Pub. L. 94–385, set out as a note under section 1382f of this title.]
(B) the amount in effect for such month under such subsection; and

(2) the amount obtained under paragraph (1) with respect to each subsection shall be further increased by the same percentage by which benefit amounts under subchapter II are increased for such month, or, if greater (in any case where the increase under subchapter II was determined on the basis of the wage increase percentage rather than the CPI increase percentage), the percentage by which benefit amounts under subchapter II would be increased for such month if the increase had been determined on the basis of the CPI increase percentage, (and rounded, when not a multiple of $12, to the next lower multiple of $12), effective with respect to benefits for months after such month.

(b) Publication in Federal Register of new dollar amounts

The new dollar amounts to be in effect under section 1382 of this title and under section 211 of Public Law 93–66 by reason of subsection (a) of this section shall be published in the Federal Register together with, and at the same time as, the material required by section 415(x)(2)(D) of this title to be published therein by reason of the determination involved.

(c) Additional increases

Effective July 1, 1983—

(1) each of the dollar amounts in effect under subsections (a)(1)(A) and (b)(1) of section 1382 of this title, as previously increased under this section, shall be increased by $240 (and the dollar amount in effect under subsection (a)(1)(A) of section 211 of Public Law 93–66, as previously so increased, shall be increased by $120); and

(2) each of the dollar amounts in effect under subsections (a)(2)(A) and (b)(2) of section 1382 of this title, as previously increased under this section, shall be increased by $360.


REFERENCES IN TEXT

Section 211 of Public Law 93–66, referred to in subsecs. (a)(1), (b), and (c)(1), is section 211 of Pub. L. 93–66, title II, July 9, 1973, 87 Stat. 154, as amended, which is set out as a note under section 1382 of this title.

AMENDMENTS

1983—Subsec. (a)(2), Pub. L. 98–21, §401(b), inserted proviso that the amount obtained under sub. (1) with respect to each subsection shall be further increased by the percentage by which benefit amounts under subchapter II of this chapter would be increased for such month if the increase had been determined on the basis of the CPI increase percentage, if greater, in any case where the increase under subchapter II of this chapter was determined on the basis of the wage increase percentage rather than the CPI increase percentage.

Subsec. (b), Pub. L. 98–21, §401(a)(2), substituted “subsection (a) of this section” for “this section”.

Subsec. (c), Pub. L. 98–21, §401(a)(1), added subsec. (c).

1982—Pub. L. 97–248 redesignated existing provisions as subsec. (a), revised method of computation into pars. (1) and (2) and among other changes increased base for rounding-off from a multiple of $1.20 to a multiple of $12.00, and struck out provisions relating to publication of increased dollar amounts in the Federal Register, and added subsec. (b).

EFFECTIVE DATE OF 1982 AMENDMENT

Pub. L. 97–248, title I, §182(b), Sept. 3, 1982, 96 Stat. 405, provided that: “The amendment made by this section [amending this section] shall become effective on October 1, 1982.”

COST-OF-LIVING INCREASES; COST-OF-LIVING COMPUTATION QUARTER DETERMINATIONS

Payment of increased benefits under program covered in subchapter II of this chapter, see section 1 of Pub. L. 98–604, set out as a note under section 415 of this title.

APPLICATION TO NORTHERN MARIANA ISLANDS

For applicability of this section to the Northern Mariana Islands, see section 502(a)(1) of the Covenant to Establish a Commonwealth of the Northern Marianas Islands in Political Union with the United States of America and Proc. No. 4534, Oct. 24, 1977, 42 F.R. 6593, set out as notes under section 1801 of Title 48, Territories and Insular Possessions.

§1382g. Payments to State for operation of supplementation program

(a) Eligibility; agreement with Commissioner

In order for any State which makes supplementary payments of the type described in section 1382e(a) of this title (including payments pursuant to an agreement entered into under section 121(a) of Public Law 93–66), on or after June 30, 1977, to be eligible for payments pursuant to subsection XIX with respect to expenditures for any calendar quarter which begins—

(1) after June 30, 1977, or, if later,

(2) after the calendar quarter in which it first makes such supplementary payments,

such State must have in effect an agreement with the Commissioner of Social Security whereby the State will—

(3) continue to make such supplementary payments, and

(4) maintain such supplementary payments at levels which are not lower than the levels of such payments in effect in December 1976, or, if no such payments were made in that month, the levels for the first subsequent month in which such payments were made.

(b) Levels of supplementary payments

(1) The Commissioner of Social Security shall not find that a State has failed to meet the requirements imposed by paragraph (4) of subsection (a) with respect to the levels of its supplementary payments for a particular month or months if the State’s expenditures for such payments in the twelve-month period (within which such month or months fall) beginning on the effective date of any increase in the level of supplemental security income benefits pursuant to section 1382f of this title are not less than its expenditures for such payments in the preceding twelve-month period.

(2) For purposes of determining under paragraph (1) whether a State’s expenditures for supplementary payments in the 12-month period beginning on the effective date of any increase in the level of supplemental security income benefits are not less than the State’s expenditures
for such payments in the preceding 12-month period, the Commissioner of Social Security, in computing the State’s expenditures, shall disregard, pursuant to a 1-time election of the State, all expenditures by the State for retroactive supplemental payments that are required to be made in connection with the retroactive supplemental security income benefits referred to in section 5041 of the Omnibus Budget Reconciliation Act of 1990.

(c) Election to apply subsection (a)(4)

Any State which satisfies the requirements of this section solely by reason of subsection (b) for a particular month or months in any 12-month period (described in such subsection) ending on or after June 30, 1982, may elect, with respect to any month in any subsequent 12-month period (so described), to apply subsection (a)(4) as though the reference to December 1976 in such subsection were a reference to the month of December which occurred in the 12-month period immediately preceding such subsequent period.

(d) Determinations respecting any portion of period July 1, 1980, through June 30, 1981

The Commissioner of Social Security shall not find that a State has failed to meet the requirements imposed by paragraph (4) of subsection (a) with respect to the levels of its supplementary payments for any portion of the period July 1, 1980, through June 30, 1981, if the State’s expenditures for such payments in that twelve-month period were not less than its expenditures for such payments for the period July 1, 1976, through June 30, 1977 (or, if the State made no supplementary payments in the period July 1, 1976, through June 30, 1977, the expenditures for the first twelve-month period extending from July 1 through June 30 in which the State made such payments).

(e) Meeting subsection (a)(4) requirements for any month after March 1983

(1) For any particular month after March 1983, a State which is not treated as meeting the requirements imposed by paragraph (4) of subsection (a) by reason of subsection (b) shall be treated as meeting such requirements if and only if—

(A) the combined level of its supplementary payments (to recipients of the type involved) and the amounts payable (to or on behalf of such recipients) under section 1382(b) of this title and section 211(a)(1)(A) of Public Law 93–66, for that particular month, is not less than—

(B) the combined level of its supplementary payments (to recipients of the type involved) and the amounts payable (to or on behalf of such recipients) under section 1382(b) of this title and section 211(a)(1)(A) of Public Law 93–66, for March 1983, increased by the amount of all cost-of-living adjustments under section 1382f of this title (and any other benefit increases under this subchapter) which have occurred after March 1983 and before that particular month.

(2) In determining the amount of any increase in the combined level involved under paragraph (1)(B) of this subsection, any portion of such amount which would otherwise be attributable to the increase under section 1382(c)(c) of this title shall be deemed instead to be equal to the amount of the cost-of-living adjustment which would have occurred in July 1983 (without regard to the 3-percent limitation contained in section 415(i)(1)(B) of this title) if section 111 of the Social Security Amendments of 1983 had not been enacted.

(f) Passthrough relating to optional State supplementation

The Commissioner of Social Security shall not find that a State has failed to meet the requirements imposed by subsection (a) with respect to the levels of its supplementary payments for the period January 1, 1984, through December 31, 1985, if in the period January 1, 1986, through December 31, 1986, its supplementary payment levels (other than to recipients of benefits determined under section 1382(e)(1)(B) of this title) are not less than those in effect in December 1976, increased by a percentage equal to the percentage by which payments under section 1382(b) of this title and section 211(a)(1)(A) of Public Law 93–66 have been increased as a result of all adjustments under section 1382(a) and (c) of this title which have occurred after December 1976 and before February 1986.

(g) Mandatory pass-through of increased personal needs allowance

In order for any State which makes supplemental payments of the type described in section 1382(a) of this title (including payments pursuant to an agreement entered into under section 212(a) of Public Law 93–66) to recipients of benefits determined under section 1382(e)(1)(B) of this title, on or after October 1, 1987, to be eligible for payments pursuant to subchapter XIX with respect to any calendar quarter which begins—

(1) after October 1, 1987, or, if later

(2) after the calendar quarter in which it first makes such supplementary payments to recipients of benefits so determined,

such State must have in effect an agreement with the Commissioner of Social Security whereby the State will—

(3) continue to make such supplementary payments to recipients of benefits so determined, and

(4) maintain such supplementary payments to recipients of benefits so determined at levels which assure (with respect to any particular month beginning with July 1988) that—

(A) the combined level of such supplementary payments and the amounts payable to or on behalf of such recipients under section 1382(e)(1)(B) of this title for that particular month, is not less than—

(B) the combined level of such supplementary payments and the amounts payable to or on behalf of such recipients under section 1382(e)(1)(B) of this title for October 1987 (or, if no such supplementary payments were made for that month, the combined level for the first subsequent month for which such payments were made), increased—

(i) in a case to which clause (i) of such section 1382(e)(1)(B) of this title applies or
Section 1382h—Benefits for individuals who perform substantial gainful activity despite severe medical impairment

(a) Eligible individuals

(1) Except as provided in section 1383(j) of this title, any individual who was determined to be an eligible individual (or eligible spouse) by reason of being under a disability and was eligible to receive benefits under section 1382 of this title (or a federally administered State supplementary payment) for a month and whose earnings in a subsequent month exceed the amount designated by the Commissioner of Social Security ordinarily to represent substantial gainful activity, shall qualify for a monthly benefit under this subsection for such subsequent month (which shall be in lieu of any benefit under section 1382 of this title) equal to an amount determined under section 1382(b)(1) of this title (or, in the case of an individual who has an eligible spouse, under section 1382(b)(2) of this title), and for purposes of subchapter XIX shall be considered to be receiving supplemental security income benefits under this subchapter, for so long as—

(A) such individual continues to have the disabling physical or mental impairment on the basis of which such individual was found to be under a disability; and

(B) the income of such individual, other than income excluded pursuant to section 1382a(b) of this title, is not equal to or in excess of the amount which would cause him to be ineligible for payments under section 1382 of this title and such individual meets all other non-disability-related requirements for eligibility for benefits under this subchapter.

(2) The Commissioner of Social Security shall make a determination under paragraph (1)(A)
with respect to an individual not later than 12 months after the first month for which the individual qualifies for a benefit under this subsection.

(b) Blind or disabled individuals receiving supplemental security income benefits

(1) Except as provided in section 1383(j) of this title, for purposes of subchapter XIX, any individual who was determined to be a blind or disabled individual eligible to receive a benefit under section 1382 of this title or any federally administered State supplementary payment for a month and who in a subsequent month is ineligible for benefits under this subchapter (and for any federally administered State supplementary payments) because of his or her income shall, nevertheless, be considered to be receiving supplemental security income benefits for such subsequent month provided that the Commissioner of Social Security determines under regulations that—

(A) such individual continues to be blind or continues to have the disabling physical or mental impairment on the basis of which he was found to be under a disability and, except for his earnings, meets all non-disability-related requirements for eligibility for benefits under this subchapter;

(B) the income of such individual would not, except for his earnings and increases pursuant to section 415(i) of this title in the level of monthly insurance benefits to which the individual is entitled under subchapter II that occur while such individual is considered to be receiving supplemental security income benefits by reason of this subsection, be equal to or in excess of the amount which would cause him to be ineligible for payments under section 1382(b) of this title (if he were otherwise eligible for such payments);

(C) the termination of eligibility for benefits under subchapter XIX would seriously inhibit his ability to continue his employment; and

(D) such individual’s earnings are not sufficient to allow him to provide for himself a reasonable equivalent of the benefits under this subchapter (including any federally administered State supplementary payments), benefits under subchapter XIX, and publicly funded attendant care services (including personal care assistance), which would be available to him in the absence of such earnings.

(2)(A) Determinations made under paragraph (1)(D) shall be based on information and data updated no less frequently than annually.

(B) In determining an individual’s earnings for purposes of paragraph (1)(D), there shall be excluded from such earnings an amount equal to the sum of any amounts which are or would be excluded under clauses (ii) and (iv) of section 1382a(b)(4)(B) of this title (or under clauses (ii) and (iii) of section 1382a(b)(4)(A) of this title) in determining his or her income.

(3) In the case of a State that exercises the option under section 1396a(f) of this title, any individual who—

(A) qualifies for a benefit under subsection (a), or

(ii) meets the requirements of paragraph (1); and

(B) was eligible for medical assistance under the State plan approved under subchapter XIX in the month immediately preceding the first month in which the individual qualified for a benefit under such subsection or met such requirements,

shall remain eligible for medical assistance under such plan for so long as the individual qualifies for a benefit under such subsection or meets such requirements.

(c) Continuing disability or blindness reviews; limitation

Subsection (a)(2) and section 1383(j)(2)(A) of this title shall not be construed, singly or jointly, to require more than 1 determination during any 12-month period with respect to the continuing disability or blindness of an individual.

(d) Information and training programs

The Commissioner of Social Security and the Secretary of Education shall jointly develop and disseminate information, and establish training programs for staff personnel, with respect to the potential availability of benefits and services for disabled individuals under the provisions of this section. The Commissioner of Social Security shall provide such information to individuals who are applicants for and recipients of benefits based on disability under this subchapter and shall conduct such programs for the staffs of the State Vocational Rehabilitation agencies, and in cooperation with such agencies shall also provide such information to other appropriate individuals and to public and private organizations and agencies which are concerned with rehabilitation and social services or which represent the disabled.


AMENDMENTS


Subsec. (b)(1)(B). Pub. L. 103–296, § 205(a), inserted “and increases pursuant to section 415(i) of this title” in the level of monthly insurance benefits to which the individual is entitled under subchapter II that occur while such individual is considered to be receiving supplemental security income benefits by reason of this subsection after “earnings”.


Subsecs. (c), (d). Pub. L. 101–508, § 5039(a), added subsec. (c) and redesignated former subsec. (c) as (d).

1986—Subsec. (a). Pub. L. 99–643, § 4(a), amended subsec. (a) generally. Prior to amendment, subsec. (a) read...
as follows: “Any individual who is an eligible individual (or eligible spouse) by reason of being under a disability and was eligible to receive benefits under section 1382(b) of this title or under this section for the month preceding the month for which eligibility for benefits under this section is now being determined, and who would otherwise be denied benefits by reason of section 1382c(e)(4) of this title or ceases to be an eligible individual (or eligible spouse) because his earnings have demonstrated a capacity to engage in substantial gainful activity, shall nevertheless qualify for a monthly benefit equal to an amount determined under section 1382(b)(1) of this title (or, in the case of an individual who has an eligible spouse, under section 1382(b)(2) of this title), and for purposes of subchapter XIX of this chapter shall be considered a disabled individual receiving supplemental security income benefits under this subchapter, for so long as the Secretary determines that—

(i) such individual continues to have the disabling physical or mental impairment on the basis of which such individual was found to be under a disability, and continues to meet all non-disability-related requirements for eligibility for benefits under this subchapter; and

(ii) the income of such individual, other than income excluded pursuant to section 1382a(c)(1) of this title, is not equal to or in excess of the amount which would cause him to be ineligible for payments under section 1382(b)(2) of this title if he were otherwise eligible for such payments.”

Subsec. (a)(1). Pub. L. 99–643, § 4(c)(2)(A), substituted “Except as provided in section 1383(j) of this section, any individual” for “Any individual”.

Subsec. (b). Pub. L. 99–643, § 4(b)(1)–(4), substituted “meets” for “continue to meet” in former par. (1) and “(including any federally administered State supplementary payments), benefits under subchapter XIX, and publicly funded attendant care services (including personal care assistance),” for “and subchapter XIX” in former par. (4), redesignated former pars. (1) to (4) as subpars. (A) to (D), respectively, of par. (1), and substituted introductory provisions of such par. (1) for former undesignated introductory provisions which read as follows: “For purposes of subchapter XIX, any individual under age 65 who, for the month preceding the first month in the period to which this subsection applies, received—

(i) a payment of supplemental security income benefits under section 1382(b) of this title on the basis of blindness or disability.

(ii) a supplementary payment under section 1382e of this title or under section 212 of Public Law 93–66 on such basis,

(iii) a payment of monthly benefits under section 1382c(d) of this title, shall be considered to be a blind or disabled individual receiving supplemental security income benefits for so long as the Secretary determines under regulations that—

Subsec. (b)(1). Pub. L. 99–643, § 4(c)(2)(B), substituted “Except as provided in section 1383(j) of this title, for purposes of” for “For purposes of”.


Subsec. (b). Pub. L. 97–35, § 2353(c), substituted in provision preceding cl. (i) and in par. (4) “subchapter XIX” for “subchapters XIX and XX” and in par. (3) “subchapter XIX” for “subchapter XIX or XX”.

**Effective Date of 1994 Amendment**

Amendment by section 107(a)(1), (4) of Pub. L. 103–296 effective Mar. 31, 1995, see section 110(a) of Pub. L. 103–296, set out as a note under section 401 of this title.

**Effective Date of 1990 Amendment**

Pub. L. 101–508, title V, §§ 5032(b), Nov. 5, 1990, 104 Stat. 1388–229, provided that: “The amendments made by subsection (a) [amending this section] shall apply with respect to benefits for months beginning on or after the first day of the 6th calendar month following the month in which this Act is enacted [November 1990].”

Pub. L. 101–508, title V, § 5039(c), Nov. 5, 1990, 104 Stat. 1388–226, provided that: “The amendments made by this section [amending this section and section 1383 of this title] shall take effect on the date of the enactment of this Act [Nov. 5, 1990].”

**Effective Date of 1986 Amendment**

Amendment by Pub. L. 99–643 effective July 1, 1987, except as otherwise provided, see section 10(b) of Pub. L. 99–643, set out as a note under section 1396a of this title.

**Effective Date of 1981 Amendment**


**Effective Date**


Pub. L. 99–643, § 10(a), Nov. 10, 1986, 100 Stat. 3580, provided that: “The amendment made by section 2 (amending section 201(d) of Pub. L. 96–265, set out above) shall become effective on the date of the enactment of this Act [Nov. 10, 1986].”

**Separate Accounts With Respect to Benefits Payable; Evaluation of Program**

Pub. L. 96–265, title II, § 201(e), June 9, 1980, 94 Stat. 449, provided that: “The Secretary shall provide for separate accounts with respect to the benefits payable by reason of the amendments made by subsections (a) and (b) [enacting this section and amending section 1382e of this title and provisions set out as a note under section 1392 of this title] so as to provide for evaluation of the effects of such amendments on the programs established by titles II, XVI, XIX, and XX of the Social Security Act [42 U.S.C. 401 et seq., 1381 et seq., 1396 et seq., 1397 et seq.].”

§ 1382i. Medical and social services for certain handicapped persons

(a) Authorization of appropriations for pilot program

There are authorized to be appropriated such sums as may be necessary to establish and carry out a 3-year Federal-State pilot program to provide medical and social services for certain handicapped individuals in accordance with this section.

(b) State allotments

(1) The total sum of $18,000,000 shall be allotted to the States for such program by the Commissioner of Social Security, during the period beginning September 1, 1981, and ending September 30, 1984, as follows:
(A) The total sum of $6,000,000 shall be allotted to the States for the fiscal year ending September 30, 1982 (which for purposes of this section shall include the month of September 1981).

(B) The total sum of $6,000,000, plus any amount remaining available (after the application of paragraph (4)) from the allotments made under subparagraph (A), shall be allotted to the States for the fiscal year ending September 30, 1983.

(C) The total sum of $6,000,000, plus any amount remaining available (after the application of paragraph (4)) from the allotments made under subparagraphs (A) and (B), shall be allotted to the States for the fiscal year ending September 30, 1984.

(2) The allotment to each State from the total sum allotted under paragraph (1) for any fiscal year shall bear the same ratio to such total sum as the number of individuals in such State who are over age 17 and under age 65 and are receiving supplemental security income benefits as disabled individuals in such year (as determined by the Commissioner of Social Security on the basis of the most recent data available) bears to the total number of such individuals in all the States. For purposes of the preceding sentence, the term “supplemental security income benefits” includes payments made pursuant to an agreement under section 1382(a) of this title or assistance under a State plan approved under section 1396a of this title, and any other benefits that would be available to him under this subchapter and subchapters XIX and XX in the absence of those earnings;

(3) describes the process by which the eligibility of individuals for such assistance is to be determined (and such process may not involve the performance of functions by any State agency or entity which is engaged in making determinations of disability for purposes of disability insurance or supplemental security income benefits except when the use of a different agency or entity to perform those functions would not be feasible);

(4) describes the medical and social services to be provided under the plan;

(5) describes the manner in which the medical and social services involved are to be provided and, if they are not to be provided through the State’s medical assistance and social services programs under subchapters XIX and XX (with the Federal payments being made under subsection (d) of this section rather than under those subchapters), specifies the particular mechanisms and procedures to be used in providing such services; and

(6) contains such other provisions as the Commissioner of Social Security may find to be necessary or appropriate to meet the requirements of this section or otherwise carry out its purpose.

(d) Payments to States; computation of payments

(1) From its allotment under subsection (b) for any fiscal year (and any amounts remaining available from allotments made to it for prior fiscal years), the Commissioner of Social Security shall from time to time pay to each State which has a plan approved under subsection (d) of this section or has a plan approved under section 1396d of this title or assistance under a State plan approved under section 1396a of this title, and which—

(1) declares the intent of the State to participate in the pilot program;

(2) designates an appropriate State agency to administer or supervise the administration of the program in the State;

(3) describes the criteria to be applied by the State in determining the eligibility of any individual for assistance under the plan and in any event requires a determination by the State agency to the effect that (A) such individual’s ability to continue his employment would be significantly inhibited without such assistance and (B) such individual’s earnings are not sufficient to allow him to provide for himself a reasonable equivalent of the cash and other benefits that would be available to him under this subchapter and subchapters XIX and XX in the absence of those earnings;

(4) describes the process by which the eligibility of individuals for such assistance is to be determined (and such process may not involve the performance of functions by any State agency or entity which is engaged in making determinations of disability for purposes of disability insurance or supplemental security income benefits except when the use of a different agency or entity to perform those functions would not be feasible);

(5) describes the medical and social services to be provided under the plan;

(6) describes the manner in which the medical and social services involved are to be provided and, if they are not to be provided through the State’s medical assistance and social services programs under subchapters XIX and XX (with the Federal payments being made under subsection (d) of this section rather than under those subchapters), specifies the particular mechanisms and procedures to be used in providing such services; and

(7) contains such other provisions as the Commissioner of Social Security may find to be necessary or appropriate to meet the requirements of this section or otherwise carry out its purpose.

(c) Requisite features of State plans

In order to participate in the pilot program and be eligible to receive payments for any period under subsection (d), a State (during such period) must have a plan, approved by the Commissioner of Social Security as meeting the requirements of this section, which provides medical and social services for severely handicapped individuals whose earnings are above the level which ordinarily demonstrates an ability to engage in substantial gainful activity and who are not receiving benefits under section 1382 or 1382h of this title or assistance under a State plan approved under section 1396a of this title, and which—
amount to be paid to the State for such period under the provisions of this section.

(B) From the allotment available therefor, the Commissioner of Social Security shall pay the amount so estimated, reduced or increased, as the case may be, by any sum (not previously adjusted under this subsection) by which the Commissioner finds that the Commissioner's estimate of the amount to be paid the State for any prior period under this section was greater or less than the amount which should have been paid to the State for such period under this section.

(e) Rules and regulations

Within nine months after June 9, 1980, the Commissioner of Social Security shall prescribe and publish such regulations as may be necessary or appropriate to carry out the pilot program and otherwise implement this section.

(f) Reports

Each State participating in the pilot program under this section shall from time to time report to the Commissioner of Social Security on the operation and results of such program in that State, with particular emphasis upon the work incentive effects of the program. On or before October 1, 1983, the Commissioner of Social Security shall submit to the Congress a report on the program, incorporating the information contained in the State reports along with the Commissioner's findings and recommendations.


REFERENCES IN TEXT

Section 212(b) of Public Law 89–66, referred to in subsec. (b)(2), is section 212(b) of Pub. L. 89–66, title II, July 9, 1973, 87 Stat. 155, as amended, which is set out as a note under section 1382j of this title.

AMENDMENTS

1994—Subsecs. (b) to (f). Pub. L. 103–296, § 107(a)(4), substituted “Commissioner of Social Security" for “Secretary": wherever appearing, “the Commissioner finds that the Commissioner’s” for “he finds that his" in subsec. (d)(2)(B), and “the Commissioner’s” for “his” in subsec. (f).

1981—Subsec. (c). Pub. L. 97–35 struck out provision following par. (7) that the plan under this section may be developed and submitted as a separate State plan or may be submitted in the form of an amendment to the State’s plan under section 1397(d) of this title.

EFFECTIVE DATE OF 1994 AMENDMENT


EFFECTIVE DATE OF 1981 AMENDMENT


§ 1382j. Attribution of sponsor's income and resources to aliens

(a) Attribution as unearned income

For purposes of determining eligibility for and the amount of benefits under this subchapter for an individual who is an alien, the income and resources of any person who (as a sponsor of such individual’s entry into the United States) executed an affidavit of support or similar agreement with respect to such individual, and the income and resources of the sponsor’s spouse, shall be deemed to be the income and resources of such individual (in accordance with subsections (b) and (c) for a period of 3 years after the individual's entry into the United States. Any such income deemed to be income of such individual shall be treated as unearned income of such individual.

(b) Determination of amount and resources

(1) The amount of income of a sponsor (and his spouse) which shall be deemed to be the unearned income of an alien for any year shall be determined as follows:

(A) The total yearly rate of earned and unearned income (as determined under section 1382a(a) of this title) of such sponsor and such sponsor’s spouse (if such spouse is living with the sponsor) shall be determined for such year.

(B) The amount determined under subparagraph (A) shall be reduced by an amount equal to (i) the maximum amount of the Federal benefit under this subchapter for such year which would be payable to an eligible individual who has no other income and who does not have an eligible spouse (as determined under section 1382b(1) of this title), plus (ii) one-half of the amount determined under clause (i) multiplied by the number of individuals who are dependents of such sponsor (or such sponsor’s spouse if such spouse is living with the sponsor), other than such alien and such alien’s spouse.

(C) The amount of income which shall be deemed to be unearned income of such alien shall be at a yearly rate equal to the amount determined under subparagraph (B). The period for determination of such amount shall be the same as the period for determination of benefits under section 1382(c) of this title.

(2) The amount of resources of a sponsor (and his spouse) which shall be deemed to be the resources of an alien for any year shall be determined as follows:

(A) The total amount of the resources (as determined under section 1382b of this title) of such sponsor and such sponsor’s spouse (if such spouse is living with the sponsor) shall be determined.

(B) The amount determined under subparagraph (A) shall be reduced by an amount equal to (i) the applicable amount determined under section 1382a(3)(B) of this title in the case of a sponsor who has no spouse with whom he is living, or (ii) the applicable amount determined under section 1382a(3)(A) of this title in the case of a sponsor who has a spouse with whom he is living.

(C) The resources of such sponsor (and spouse) as determined under subparagraphs (A) and (B) shall be deemed to be resources of such alien in addition to any resources of such alien.

(c) Support and maintenance

In determining the amount of income of an alien during the period of 3 years after such
alien’s entry into the United States, the reduction in dollar amounts otherwise required under section 1382a(a)(2)(A)(i) of this title shall not be applicable if such alien is living in the household of a person who is a sponsor (or such sponsor's spouse) of such alien, and is receiving support and maintenance in kind from such sponsor (or spouse), nor shall support or maintenance furnished in cash or kind to an alien by such alien’s sponsor (to the extent that it reflects income or resources which were taken into account in determining the amount of income and resources to be deemed to the alien under subsection (a) or (b)) be considered to be income of such alien under section 1382(a)(2)(A) of this title.

(d) Information and documentation; agreements with Secretary of State and Attorney General

(1) Any individual who is an alien shall, during the period of 3 years after entry into the United States, in order to be an eligible individual or eligible spouse for purposes of this subchapter, be required to provide to the Commissioner of Social Security such information and documentation with respect to his sponsor as may be necessary in order for the Commissioner of Social Security to make any determination required under this section, and to obtain any cooperation from such sponsor necessary for any such determination. Such alien shall also be required to provide to the Commissioner of Social Security such information and documentation as the Commissioner of Social Security may request and which such alien or his sponsor provided in support of such alien’s immigration application.

(2) The Commissioner of Social Security shall enter into agreements with the Secretary of State and the Attorney General whereby any information available to such persons and required in order to make any determination under this section will be provided by such persons to the Commissioner of Social Security, and whereby such persons shall inform any sponsor of an alien, at the time such sponsor executes an affidavit of support or similar agreement, of the requirements imposed by this section.

(e) Joint and several liability of alien and sponsor for overpayments

Any sponsor of an alien, and such alien, shall be jointly and severally liable for an amount equal to any overpayment made to such alien during the period of 3 years after such alien’s entry into the United States, on account of such sponsor’s failure to provide correct information under the provisions of this section, except where such sponsor was without fault, or where good cause for such failure existed. Any such overpayment which is not repaid to the Commissioner of Social Security or recovered in accordance with section 1383(b) of this title shall be withheld from any subsequent payment to which such alien or such sponsor is entitled under any provision of this chapter.

(f) Exemptions

(1) The provisions of this section shall not apply with respect to any individual who is an “aged, blind, or disabled individual” for purposes of this subchapter by reason of blindness (as determined under section 1382c(a)(2) of this title) or disability (as determined under section 1382c(a)(3) of this title), from and after the onset of the impairment, if such blindness or disability commenced after the date of such individual’s admission into the United States for permanent residence.

(2) The provisions of this section shall not apply with respect to any alien who is—

(A) admitted to the United States as a result of the application, prior to April 1, 1980, of the provisions of section 1153(a)(7) of title 8;

(B) admitted to the United States as a result of the application, after March 31, 1980, of the provisions of section 1157(c)(1) of title 8;

(C) paroled into the United States as a refugee under section 1182(d)(5) of title 8; or

(D) granted political asylum by the Attorney General.


References in Text

Section 1153(a)(7) of title 8, referred to in subsec. (f)(1)(A), to be deemed a reference to such section as in effect prior to Apr. 1, 1980, and to sections 1157 and 1158 of Title 8, Aliens and Nationality. See section 203(h) of Title 8.

Amendments


1993—Pub. L. 103–152, §7(b)(1), substituted “3 years” for “5 years” in subsecs. (a), (c), (d)(1), and (e).

Pub. L. 103–152, §7(a)(1), substituted “5 years” for “three years” in subsecs. (a), (c), (d)(1), and (e).

1984—Subsec. (b)(2)(B). Pub. L. 98–369, §2611(d), substituted “the applicable amount determined under section 1382a(a)(3)(B) of this title” for “$1,500” and “the applicable amount determined under section 1382a(a)(3)(A) of this title” for “$2,250”.

Subsec. (e). Pub. L. 98–369, §2663(g)(10), substituted “severally” for “severably”.

Effective Date of 1994 Amendment


Effective Date of 1993 Amendment


Effective Date of 1984 Amendment

Amendment by section 2611(d) of Pub. L. 98–369 effective Oct. 1, 1984, except as otherwise specifically provided, see section 2646 of Pub. L. 98–369, set out as a note under section 657 of this title.

Amendment by section 2663(g)(10) of Pub. L. 98–369 effective July 18, 1984, but not to be construed as chang-
ing or affecting any right, liability, status, or interpretation which existed (under the provisions of law involved) before that date, see section 2694(b) of Pub. L. 98–369, set out as a note under section 401 of this title.

**Effective Date**

Pub. L. 96–265, title V, § 504(c), June 9, 1980, 94 Stat. 473, provided that: ‘‘The amendments made by this section (enacting this section and amending section 1386c of this title) shall be effective with respect to individuals applying for supplemental security income benefits under title XVI of the Social Security Act [42 U.S.C. 1381 et seq.] for the first time after September 30, 1980.’’

**Abolition of Immigration and Naturalization Service and Transfer of Functions**

For abolition of Immigration and Naturalization Service, transfer of functions, and treatment of related references, see note set out under section 1551 of Title 8, Aliens and Nationality.


**Effective Date of Repeal**

Repeal effective with respect to benefits for months after December 1981, see section 2(j)(1) of Pub. L. 97–123, set out as an Effective Date of 1981 Amendment note under section 415 of this title.


**Part B—Procedural and General Provisions**

§ 1383. Procedure for payment of benefits

(a) Time, manner, form, and duration of payments; representative payees; promulgation of regulations

(1) Benefits under this subchapter shall be paid at such time or times and (subject to paragraph (10)) in such installments as will best effectuate the purposes of this subchapter, as determined under regulations (and may in any case be paid less frequently than monthly where the amount of the monthly benefit would not exceed $10).

(2) Payments of the benefit of any individual may be made to any such individual or to the eligible spouse (if any) of such individual or partly to each.

(i) Upon a determination by the Commissioner of Social Security that the interest of such individual would be served thereby, such payments shall be made, regardless of the legal competency or incompetency of the individual or eligible spouse, to another individual, or an organization, with respect to whom the requirements of subparagraph (B) have been met (in this paragraph referred to as such individual’s ‘‘representative payee’’), whose services are necessary to effectuate the purposes of this subchapter.

(ii) Such individual is capable of managing such benefits, payment would serve the interest of the individual because the individual also has an alcoholism or drug addiction condition (as determined by the Commissioner) and the individual is incapable of managing such benefits.

(iii) If the Commissioner of Social Security or a court of competent jurisdiction determines that the representative payee of an individual or eligible spouse has misused any benefits which have been paid to the representative payee pursuant to clause (ii) or section 405(g)(1) or 1007 of this title, the Commissioner of Social Security shall promptly terminate payment of benefits to the representative payee pursuant to this sub-paragraph, and provide for payment of benefits to an alternative representative payee of the individual or eligible spouse or, if the interest of the individual under this subchapter would be served thereby, to the individual or eligible spouse.

(A) For purposes of this paragraph, misuse of benefits by a representative payee occurs in any case in which the representative payee receives payment under this subchapter for the use and benefit of another person and converts such payment, or any part thereof, to a use other than for the use and benefit of such other person. The Commissioner of Social Security may prescribe by regulation the meaning of the term ‘‘use and benefit’’ for purposes of this clause.

(B) Any determination made under subparagraph (A) for payment of benefits to the representative payee of an individual or eligible spouse shall be made on the basis of—

(I) an investigation by the Commissioner of Social Security of the person to serve as representative payee, which shall be conducted in advance of such payment, and shall, to the extent practicable, include a face-to-face interview with such person; and

(II) adequate evidence that such payment is in the interest of the individual or eligible spouse (as determined by the Commissioner of Social Security in regulations).

(ii) As part of the investigation referred to in clause (i)(I), the Commissioner of Social Security shall—

(I) require the person being investigated to submit documented proof of the identity of such person, unless information establishing such identity was submitted with an application for benefits under subchapter II, subchapter VIII, or this subchapter;

(II) verify the social security account number (or employer identification number) of such person;

(III) determine whether such person has been convicted of a violation of section 408, 1011, or 1383a of this title;

(IV) obtain information concerning whether the person has been convicted of any other offense under Federal or State law which resulted in imprisonment for more than 1 year;

(V) obtain information concerning whether such person is a person described in section 1382c(e)(4)(A) of this title;

(IV) determine whether payment of benefits to such person has been terminated pursuant to subparagraph (A)(iii), whether the designation of such person as a representative payee has been revoked pursuant to section 1007(a) of
this title, and whether certification of payment of benefits to such person has been revoked pursuant to section 405(j) of this title, by reason of misuse of funds paid as benefits under subchapter II, subchapter VIII, or this subchapter, and

(VII) determine whether such person has been convicted (and not subsequently exonerated), under Federal or State law, of a felony provided under clause (xv), or of an attempt or a conspiracy to commit such a felony.

(iii) Benefits of an individual may not be paid to any other person pursuant to subparagraph (A)(ii) if—

(A) such person has previously been convicted as described in clause (i)(III);

(B) except as provided in clause (iv), payment of benefits to such person pursuant to subparagraph (A)(ii) has previously been terminated as described in clause (ii)(VI), the designation of such person as a representative payee has been revoked pursuant to section 1007(a) of this title, or certification of payment of benefits to such person under section 405(j) of this title has previously been revoked as described in section 405(j)(2)(B)(i)(VI) of this title;

(C) except as provided in clause (v), such person is a creditor of such individual who provides such individual with goods or services for consideration;

(D) the person has previously been convicted as described in clause (i)(IV) of this subparagraph, unless the Commissioner determines that the payment would be appropriate notwithstanding the conviction;

(E) such person is a person described in section 1382(c)(4)(A) of this title, such person has previously been convicted (and not subsequently exonerated) as described in clause (ii)(VII), or

(F) such person’s benefits under this subchapter, subchapter II, or subchapter VIII are certified for payment to a representative payee during the period for which the individual’s benefits would be certified for payment to another person.

(iv) The Commissioner of Social Security shall prescribe regulations under which the Commissioner of Social Security may grant an exemption from clause (iii)(II) to any person on a case-by-case basis if such exemption would be in the best interest of the individual or eligible spouse whose benefits under this subchapter would be paid to such person pursuant to subparagraph (A)(ii).

(v) Clause (iii)(III) shall not apply with respect to any person who is a creditor referred to therein if such creditor is—

(A) a relative of such individual if such relative resides in the same household as such individual;

(B) a legal guardian or legal representative of such individual;

(C) a facility that is licensed or certified as a care facility under the law of a State or a political subdivision of a State;

(D) a person who is an administrator, owner, or employee of a facility referred to in subclause (III) if such individual resides in such facility, and the payment of benefits under this subchapter to such facility or such person is made only after good faith efforts have been made by the local servicing office of the Social Security Administration to locate an alternative representative payee to whom the payment of such benefits would serve the best interests of such individual; or

(V) an individual who is determined by the Commissioner of Social Security, on the basis of written findings and under procedures which the Commissioner of Social Security shall prescribe by regulation, to be acceptable to serve as a representative payee.

(vi) The procedures referred to in clause (v)(V) shall require the individual who will serve as representative payee to establish, to the satisfaction of the Commissioner of Social Security, that—

(A) such individual poses no risk to the beneficiary;

(B) the financial relationship of such individual to the beneficiary poses no substantial conflict of interest; and

(C) no other more suitable representative payee can be found.

(vii) In the case of an individual described in subparagraph (A)(ii)(II), when selecting such individual’s representative payee, preference shall be given to—

(A) a certified community-based nonprofit social service agency (as defined in subparagraph (I));

(B) a Federal, State, or local government agency whose mission is to carry out income maintenance, social service, or health care-related activities;

(C) a State or local government agency with fiduciary responsibilities; or

(D) a designee of an agency (other than of a Federal agency) referred to in the preceding subclauses of this clause, if the Commissioner of Social Security deems it appropriate, unless the Commissioner of Social Security determines that selection of a family member would be appropriate.

(viii) Subject to clause (ix), if the Commissioner of Social Security makes a determination described in subparagraph (A)(ii) with respect to any individual’s benefit and determines that direct payment of the benefit to the individual would cause substantial harm to the individual, the Commissioner of Social Security may defer (in the case of initial entitlement) or suspend (in the case of existing entitlement) direct payment of such benefit to the individual, until such time as the selection of a representative payee is made pursuant to this subparagraph.

(ix)(I) Except as provided in subclause (II), any deferral or suspension of direct payment of a benefit pursuant to clause (viii) shall be for a period of not more than 1 month.

(II) Subclause (I) shall not apply in any case in which the individual or eligible spouse is, as of the date of the Commissioner’s determination, legally incompetent, under the age of 15 years, or described in subparagraph (A)(ii)(II).

(x) Payment pursuant to this subparagraph of any benefits which are deferred or suspended
pending the selection of a representative payee shall be made to the individual, or to the representative payee upon such selection, as a single sum or over such period of time as the Commissioner of Social Security determines is in the best interests of the individual entitled to such benefits.

(xi) Any individual who is dissatisfied with a determination by the Commissioner of Social Security to pay such individual’s benefits to a representative payee under this subchapter, or with the designation of a particular person to serve as representative payee, shall be entitled to a hearing by the Commissioner of Social Security, and to judicial review of the Commissioner’s final decision, to the same extent as is provided in subsection (c).

(xii) In advance of the first payment of an individual’s benefit to a representative payee under subparagraph (A)(ii), the Commissioner of Social Security shall provide written notice of the Commissioner’s initial determination to make any such payment. Such notice shall be provided to such individual, except that, if such individual—

(I) is under the age of 15,

(II) is an unemancipated minor under the age of 18, or

(III) is legally incompetent,

then such notice shall be provided solely to the legal guardian or legal representative of such individual.

(xiii) Any notice described in clause (xii) shall be clearly written in language that is easily understandable to the reader, shall identify the person to be designated as such individual’s representative payee, and shall explain to the reader the right under clause (xi) of such individual or of such individual’s legal guardian or legal representative—

(I) to appeal a determination that a representative payee is necessary for such individual,

(II) to appeal the designation of a particular person to serve as the representative payee of such individual, and

(III) to review the evidence upon which such designation is based and submit additional evidence.

(xiv) Notwithstanding the provisions of section 552a of title 5 or any other provision of Federal or State law (other than section 6103 of the Internal Revenue Code of 1986 and section 1306(c) of this title), the Commissioner shall furnish any Federal, State, or local law enforcement officer, upon the written request of the officer, with the current address, social security account number, and photograph (if applicable) of any person investigated under this subparagraph, if the officer furnishes the Commissioner with the name of such person and such other identifying information as may reasonably be required by the Commissioner to establish the unique identity of such person, and notifies the Commissioner that—

(I) such person is described in section 1382(e)(4)(A) of this title,

(II) such person has information that is necessary for the officer to conduct the officer’s official duties, and

(III) the location or apprehension of such person is within the officer’s official duties.

(xv) The felony crimes provided under this clause, whether an offense under State or Federal law, are the following:

(I) Human trafficking, including as prohibited under sections 1590 and 1591 of title 18.

(II) False imprisonment, including as prohibited under section 1201 of title 18.

(III) Kidnapping, including as prohibited under section 1201 of title 18.

(IV) Rape and sexual assault, including as prohibited under sections 2241, 2242, 2243, and 2244 of title 18.

(V) First-degree homicide, including as prohibited under section 1111 of title 18.

(VI) Robbery, including as prohibited under section 2111 of title 18.

(VII) Fraud to obtain access to government assistance, including as prohibited under sections 287, 1001, and 1343 of title 18.

(VIII) Fraud by scheme, including as prohibited under section 1343 of title 18.

(IX) Theft of government funds or property, including as prohibited under section 641 of title 18.

(X) Abuse or neglect, including as prohibited under sections 111, 113, 114, 115, 116, or 117 of title 18.

(XI) Forgery, including as prohibited under section 642 and chapter 25 (except section 512) of title 18.

(XII) Identity theft or identity fraud, including as prohibited under sections 1028 and 1028A of title 18.

The Commissioner of Social Security may promulgate regulations to provide for additional felony crimes under this clause.

(xvi)(I) For the purpose of carrying out the activities required under clause (ii) as part of the investigation under clause (i)(I), the Commissioner may conduct a background check of any individual seeking to serve as a representative payee under this subchapter and may disqualify from service as a representative payee any such individual who fails to grant permission for the Commissioner to conduct such a background check.

(II) The Commissioner may revoke certification of payment of benefits under this subchapter to any individual serving as a representative payee on or after January 1, 2019 who fails to grant permission for the Commissioner to conduct such a background check.

(xvii)(I) With respect to any person described in subclause (I)—

(a) clause (ii)(VII) shall not apply; and

(bb) the Commissioner may grant an exemption from the provisions of clause (iii)(VI) if the Commissioner determines that such exemption is in the best interest of the individual entitled to benefits.

(II) A person is described in this subclause if the person—

(aa) is the custodial parent of a minor child for whom the person applies to serve;

(bb) is the custodial spouse of the beneficiary for whom the person applies to serve;

(cc) is the custodial parent of a beneficiary who is under a disability which began before
the beneficiary attained the age of 22, for whom the person applies to serve;

(d) is the custodial court appointed guardian of the beneficiary for whom the person applies to serve;

(jj) is the custodial grandparent of a minor grandchild for whom the person applies to serve;

(ff) is the parent who was previously representative payee for his or her minor child who has since turned 18 and continues to be eligible for such benefit; or

(gg) received a presidential or gubernatorial pardon for the relevant conviction.

(C)(i) In any case where payment is made under this subchapter to a representative payee of an individual or spouse, the Commissioner of Social Security shall establish a system of accountability monitoring whereby such person shall report not less often than annually with respect to the use of such payments. The Commissioner of Social Security shall establish and implement statistically valid procedures for reviewing such reports in order to identify instances in which such persons are not properly using such payments.

(ii) Clause (i) shall not apply in any case where the representative payee is a State institution.

(iii) Clause (i) shall not apply in any case where the individual entitled to such payment is a resident of a Federal institution and the representative payee is the institution.

(iv)(I) Clause (i) shall not apply in any case where the representative payee is—

(aa) a parent, or other individual who is a legal guardian of, a minor child entitled to such payment who primarily resides in the same household;

(bb) a parent of an individual entitled to such payment who is under a disability who primarily resides in the same household; or

(cc) the spouse of the individual entitled to such payment.

(ii) The Commissioner of Social Security shall establish and implement procedures as necessary for the Commissioner to determine the eligibility of such parties for the exemption provided in subclause (I). The Commissioner shall prescribe such regulations as necessary to determine eligibility for such exemption.

(v) Notwithstanding clauses (i), (ii), (iii), and (iv), the Commissioner of Social Security may require a report at any time from any representative payee, if the Commissioner of Social Security has reason to believe that the representative payee is misusing such payments.

(vi) In any case in which the person described in clause (i) or (v) receiving payments on behalf of another fails to submit a report required by the Commissioner of Social Security under clause (i) or (v), the Commissioner may, after furnishing notice to the person and the individual entitled to the payment, require that such person appear in person at a field office of the Social Security Administration serving the area in which the individual resides in order to receive such payments.

(D)(i) Except as provided in the next sentence, a qualified organization may collect from an individual a monthly fee for expenses (including overhead) incurred by such organization in providing services performed as such individual’s representative payee pursuant to subparagraph (A)(ii) if the fee does not exceed the lesser of—

(I) 10 percent of the monthly benefit involved, or

(II) $25.00 per month ($50.00 per month in any case in which an individual is described in subparagraph (A)(i)(II)).

A qualified organization may not collect a fee from an individual for any month with respect to which the Commissioner of Social Security or a court of competent jurisdiction has determined that the organization misused all or part of the individual’s benefit, and any amount so collected by the qualified organization for such month shall be treated as a misused part of the individual’s benefit for purposes of subparagraphs (E) and (F). The Commissioner of Social Security shall adjust annually (after 1995) each dollar amount set forth in subclause (II) of this clause under procedures providing for adjustments in the same manner and to the same extent as adjustments are provided for under the procedures used to adjust benefit amounts under section 415(i)(2)(A) of this title, except that any amount so adjusted that is not a multiple of $1.00 shall be rounded to the nearest multiple of $1.00. Any agreement providing for a fee in excess of the amount permitted under this clause shall be void and shall be treated as misuse by the organization of such individual’s benefits.

(ii) For purposes of this subparagraph, the term “qualified organization” means any State or local government agency whose mission is to carry out income maintenance, social service, or health care-related activities, any State or local government agency with fiduciary responsibilities, or any certified community-based nonprofit social service agency (as defined in subparagraph (A)), if the agency, in accordance with any applicable regulations of the Commissioner of Social Security—

(I) regularly provides services as a representative payee pursuant to subparagraph (A)(ii) or section 405(j)(4) or 1007 of this title concurrently to 5 or more individuals; and

(II) demonstrates to the satisfaction of the Commissioner of Social Security that such agency is not otherwise a creditor of any such individual.

The Commissioner of Social Security shall prescribe regulations under which the Commissioner of Social Security may grant an exception from subclause (II) for any individual on a case-by-case basis if such exception is in the best interests of such individual:

(iii) Any qualified organization which knowingly charges or collects, directly or indirectly, any fee in excess of the maximum fee prescribed under clause (i) or makes any agreement, directly or indirectly, to charge or collect any fee in excess of such maximum fee, shall be fined in accordance with title 18, or imprisoned not more than 6 months, or both.

(iv) In the case of an individual who is no longer eligible for benefits under this subchapter
but to whom any amount of past-due benefits under this subchapter has not been paid, for purposes of clause (i), any amount of such past-due benefits payable in any month shall be treated as a monthly benefit referred to in clause (i)(I).

(E) Restitution—In cases where the negligent failure of the Commissioner of Social Security to investigate or monitor a representative payee results in misuse of benefits by the representative payee, the Commissioner of Social Security shall make payment to the beneficiary or the beneficiary’s representative payee of an amount equal to such misused benefits. In any case in which a representative payee that—

(i) is not an individual (regardless of whether it is a “qualified organization” within the meaning of subparagraph (D)(i)(I)); or

(ii) is an individual who, for any month during a period when misuse occurs, serves 15 or more individuals who are beneficiaries under this subchapter, subchapter II, subchapter VIII, or any combination of such subchapters; misuses all or part of an individual’s benefit paid to such representative payee, the Commissioner of Social Security shall pay to the beneficiary or the beneficiary’s alternative representative payee an amount equal to the amount of such benefit so misused. The provisions of this subparagraph are subject to the limitations of subparagraph (H)(ii). The Commissioner of Social Security shall make a good faith effort to obtain restitution from the terminated representative payee.

(F)(i)(I) Each representative payee of an eligible individual under the age of 18 who is eligible for the payment of benefits described in subclause (II) shall establish on behalf of such individual an account in a financial institution into which such benefits shall be paid, and shall thereafter maintain such account for use in accordance with clause (ii).

(II) Benefits described in this subclause are past-due monthly benefits under this subchapter (which, for purposes of this subclause, include State supplementary payments made by the Commissioner pursuant to an agreement under section 1382e of this title or section 212(b) of Public Law 93–66) in an amount (after any withholding by the Commissioner for reimbursement to a State for interim assistance under subsection (g) and payment of attorney fees under subsection (d)(2)(B)) that exceeds the product of—

(aa) 6, and

(bb) the maximum monthly benefit payable under this subchapter to an eligible individual.

(iii) The representative payee may deposit into the account established under clause (i) any other funds representing past due benefits under this subchapter to the eligible individual, provided that the amount of such past due benefits is equal to or exceeds the maximum monthly benefit payable under this subchapter to an eligible individual (including State supplementary payments made by the Commissioner pursuant to an agreement under section 1382e of this title or section 212(b) of Public Law 93–66).

(iv) The Commissioner of Social Security shall establish a system for accountability monitoring whereby such representative payee shall report, at such time and in such manner as the Commissioner shall require, on activity respecting funds in the account established pursuant to clause (i).

(G)(i) In addition to such other reviews of representative payees as the Commissioner of Social Security may otherwise conduct, the Commissioner shall provide for the periodic onsite review of any person or agency that receives the benefits payable under this subchapter (alone or in combination with benefits payable under subchapter II or subchapter VIII) to another individual pursuant to the appointment of the person or agency as a representative payee under this paragraph, section 405(j)(10) of this title; or

(II) the representative payee is a certified community-based nonprofit social service agency (as defined in subparagraph (i) of this paragraph or section 405(j)(10) of this title); or

(III) the representative payee is an agency (other than an agency described in subclause (II)) that serves in that capacity with respect to 50 or more such individuals.
(ii) Within 120 days after the end of each fiscal year, the Commissioner shall submit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate a report on the results of periodic oversight reviews conducted during the fiscal year pursuant to clause (i) and of any other reviews of representative payees conducted during such fiscal year in connection with benefits under this subchapter. Each such report shall describe in detail all problems identified in the reviews and any corrective action taken or planned to be taken to correct the problems, and shall include—

(I) the number of the reviews;
(II) the results of such reviews;
(III) the number of cases in which the representative payee was changed and why;
(IV) the number of cases involving the exercise of expedited, targeted oversight of the representative payee by the Commissioner conducted upon receipt of an allegation of misuse of funds, failure to pay a vendor, or a similar irregularity;
(V) the number of cases discovered in which there was a misuse of funds;
(VI) how any such cases of misuse of funds were dealt with by the Commissioner;
(VII) the number of cases involving the exercise of expedited, targeted oversight of the representative payee by the Commissioner conducted upon receipt of an allegation of misuse of funds, failure to pay a vendor, or a similar irregularity;
(VIII) such other information as the Commissioner deems appropriate.

(H)(i) If the Commissioner of Social Security or a court of competent jurisdiction determines that a representative payee that is not a Federal, State, or local government agency has misuse all or part of an individual's benefit that was paid to the representative payee under this paragraph, the representative payee shall be liable for the amount misused, and the amount (to the extent not repaid by the representative payee) shall be treated as an overpayment of benefits under this subchapter to the representative payee for all purposes of this chapter and related laws pertaining to the recovery of the overpayments. Subject to clause (ii), upon recovering all or any part of the amount, the Commissioner shall make payment of an amount equal to the recovered amount to such individual or such individual's alternative representative payee.

(ii) The total of the amount paid to such individual or such individual's alternative representative payee under clause (i) and the amount paid under subparagraph (E) may not exceed the total benefit amount misused by the representative payee with respect to such individual.

(I) For purposes of this paragraph, the term "certified community-based nonprofit social service agency" means a community-based nonprofit social service agency which is in compliance with requirements, under regulations which shall be prescribed by the Commissioner, for annual certification to the Commissioner that it is bonded in accordance with requirements specified by the Commissioner and that it is licensed in each State in which it serves as a representative payee (if licensing is available in the State) in accordance with requirements specified by the Commissioner. Any such annual certification shall include a copy of any independent audit on the agency which may have been performed since the previous certification.

(3) The Commissioner of Social Security may by regulation establish ranges of incomes within which a single amount of benefits under this subchapter shall apply.

(4) The Commissioner of Social Security—

(A) may make to any individual initially applying for benefits under this subchapter who is presumptively eligible for such benefits for the month following the date the application is filed and who is faced with financial emergency a cash advance against such benefits, including any federally-administered State supplementary payments, in an amount not exceeding the monthly amount that would be payable to an eligible individual with no other income for the first month of such presumptive eligibility, which shall be repaid through proportionate reductions in such benefits over a period of not more than 6 months; and

(B) may pay benefits under this subchapter to an individual applying for such benefits on the basis of disability or blindness for a period not exceeding 6 months prior to the determination of such individual's disability or blindness, if such individual is presumptively disabled or blind and is determined to be otherwise eligible for such benefits, and any benefits so paid prior to such determination shall in no event be considered overpayments for purposes of subsection (b) solely because such individual is determined not to be disabled or blind.

(5) Payment of the benefit of any individual who is an aged, blind, or disabled individual solely by reason of blindness (as determined under section 1382c(a)(2) of this title) or disability (as determined under section 1382c(a)(3) of this title), and who ceases to be blind or to be under such disability, shall continue (so long as such individual is otherwise eligible) through the second month following the month in which such blindness or disability ceases.

(6) Notwithstanding any other provision of this subchapter, payment of the benefit of any individual who is an aged, blind, or disabled individual solely by reason of blindness (as determined under section 1382c(a)(2) of this title) or disability (as determined under section 1382c(a)(3) of this title) shall not be terminated or suspended because the blindness or other physical or mental impairment, on which the individual's eligibility for such benefit is based, has or may have ceased, if—

(A) such individual is participating in a program consisting of the Ticket to Work and Self-Sufficiency Program under section 1320b-19 of this title or another program of vocational rehabilitation services, employment services, or other support services approved by the Commissioner of Social Security, and

(B) the Commissioner of Social Security determines that the completion of such program, or its continuation for a specified period of time, will increase the likelihood that such individual may (following his participation in such program) be permanently removed from the blindness and disability benefit rolls.
(7)(A) In any case where—
(i) an individual is a recipient of benefits based on disability or blindness under this subchapter;
(ii) the physical or mental impairment on the basis of which such benefits are payable is found to have ceased, not to have existed, or to no longer be disabling, and as a consequence such individual is determined not to be entitled to such benefits, and
(iii) a timely request for review or for a hearing is pending with respect to the determination that he is not so entitled,

such individual may elect (in such manner and form and within such time as the Commissioner of Social Security shall by regulations prescribe) to have the payment of such benefits continued for an additional period beginning with the first month after October 9, 1984, for which (under such determination) such benefits are no longer otherwise payable, and ending with the earlier of (I) the month preceding the month in which a decision is made after such hearing, or (II) the month preceding the month in which no such request for review or a hearing is pending.

(B)(i) If an individual elects to have the payment of his benefits continued for an additional period under subparagraph (A), and the final decision of the Commissioner of Social Security affirms the determination that he is not entitled to such benefits, any benefits paid under this subchapter pursuant to such election for such period shall be considered overpayments for all purposes of this subchapter, except as otherwise provided in clause (ii).

(ii) If the Commissioner of Social Security determines that the individual’s appeal of his termination of benefits was made in good faith, all of the benefits paid pursuant to such individual’s election under subparagraph (A) shall be subject to waiver consideration under the provisions of subsection (b)(1).

(C) The provisions of subparagraphs (A) and (B) shall apply with respect to determinations (that individuals are not entitled to benefits) which are made on or after October 9, 1984, or prior to such date but only on the basis of a timely request for review or for a hearing.

§ 1383

§ 1383

(B)(A) In any case in which an administrative law judge has determined after a hearing as provided in subsection (c) that an individual is entitled to benefits based on disability or blindness under this subchapter and the Commissioner of Social Security has not issued the Commissioner’s final decision in such case within 110 days after the date of the administrative law judge’s determination, such benefits shall be currently paid for the months during the period beginning with the month in which such 110-day period expires and ending with the month in which such final decision is issued.

(B) For purposes of subparagraph (A), in determining whether the 110-day period referred to in subparagraph (A) has elapsed, any period of time for which the action or inaction of such individual or such individual’s representative without good cause results in the delay in the issuance of the Commissioner’s final decision shall not be taken into account to the extent that such period of time exceeds 20 calendar days.

(C) Any benefits currently paid under this subchapter pursuant to this paragraph (for the months described in subparagraph (A)) shall not be considered overpayments for any purposes of this subchapter, unless payment of such benefits was fraudulently obtained.

(9) Benefits under this subchapter shall not be denied to any individual solely by reason of the refusal of the individual to accept an amount offered as compensation for a crime of which the individual was a victim.

(10)(A) If an individual is eligible for past-due monthly benefits under this subchapter in an amount that (after any withholding for reimbursement to a State for interim assistance under subsection (g) and payment of attorney fees under subsection (d)(2)(B)) equals or exceeds the product of—

(i) 3, and

(ii) the maximum monthly benefit payable under this subchapter to an eligible individual (or, if appropriate, to an eligible individual and eligible spouse),

then the payment of such past-due benefits (after any such reimbursement to a State and payment of attorney fees under subsection (d)(2)(B)) shall be made in installments as provided in subparagraph (B).

(B)(i) The payment of past-due benefits subject to this subparagraph shall be made in not to exceed 3 installments that are made at 6-month intervals.

(ii) Except as provided in clause (iii), the amount of each of the first and second installments may not exceed an amount equal to the product of clauses (i) and (ii) of subparagraph (A).

(iii) In the case of an individual who has—

(I) outstanding debt attributable to—

(aa) food,

(bb) clothing,

(cc) shelter, or

(dd) medically necessary services, supplies or equipment, or medicine; or

(II) current expenses or expenses anticipated in the near term attributable to—

(aa) medically necessary services, supplies or equipment, or medicine, or

(bb) the purchase of a home, and

such debt or expenses are not subject to reimbursement by a public assistance program, the Secretary under subchapter XIX, a State plan approved under subchapter XIX, or any private entity legally liable to provide payment pursuant to an insurance policy, pre-paid plan, or other arrangement, the limitation specified in clause (ii) may be exceeded by an amount equal to the total of such debt and expenses.

(C) This paragraph shall not apply to any individual who, at the time of the Commissioner’s determination that such individual is eligible for the payment of past-due monthly benefits under this subchapter—

(i) is afflicted with a medically determinable impairment that is expected to result in death within 12 months; or

(ii) is ineligible for benefits under this subchapter and the Commissioner determines that such individual is likely to remain ineligible for the next 12 months.
For purposes of this paragraph, the term "benefits under this subchapter" includes supplementary payments pursuant to an agreement for Federal administration under section 1382e(a) of this title, and payments pursuant to an agreement entered into under section 212(b) of Public Law 93-66.

(b) Overpayments and underpayments; adjustment, recovery, or payment of amounts by Commissioner

(1)(A) Whenever the Commissioner of Social Security finds that more or less than the correct amount of benefits has been paid with respect to any individual, proper adjustment or recovery shall, subject to the succeeding provisions of this subsection, be made by appropriate adjustments in future payments to such individual or by recovery from such individual or his eligible spouse (or from the estate of either) or by payment to such individual or his eligible spouse, or, if such individual is deceased, by payment—

(i) to any surviving spouse of such individual, whether or not the individual’s eligible spouse, if (within the meaning of the first sentence of section 402(1) of this title) such surviving husband or wife was living in the same household with the individual at the time of his death or within the 6 months immediately preceding the month of such death, or

(ii) if such individual was a disabled or blind child who was living with his parent or parents at the time of his death or within the 6 months immediately preceding the month of such death, to such parent or parents.

(B) The Commissioner of Social Security (i) shall make such provision as the Commissioner finds appropriate in the case of payment of more than the correct amount of benefits with respect to an individual with a view to avoiding penalizing such individual or his eligible spouse who was without fault in connection with the overpayment, if adjustment or recovery on account of such overpayment in such case would defeat the purposes of this subchapter, or be against equity and good conscience, or (because of the small amount involved) impede efficient or effective administration of this subchapter, and (ii) shall in any event make the adjustment or recovery (in the case of payment of more than the correct amount of benefits), in the case of an individual or eligible spouse receiving monthly benefit payments under this subchapter (including supplementary payments of the type described in section 1382e(a) of this title and payments pursuant to an agreement entered into under section 212(a) of Public Law 93-66), in amounts which in the aggregate do not exceed (for any month) the lesser of (1) the amount of his or their benefit under this subchapter for that month or (2) an amount equal to 10 percent of his or their income for that month (including such benefit but excluding payments under subchapter II when recovery is made from subchapter II payments pursuant to section 1320b-17 of this title and excluding income included pursuant to section 1382a(b) of this title), and in the case of an individual or eligible spouse to whom a lump sum is payable under this subchapter (including under section 1382e(a) of this title or under an agreement entered into under section 212(a) of Public Law 93-66) shall, as at least one means of recovering such overpayment, make the adjustment or recovery from the lump sum payment in an amount equal to not less than the lesser of the amount of the overpayment or the lump sum payment, unless fraud, willful misrepresentation, or concealment of material information was involved on the part of the individual or spouse in connection with the overpayment, or unless the individual requests that such adjustment or recovery be made at a higher or lower rate and the Commissioner of Social Security determines that adjustment or recovery at such rate is justified and appropriate. The availability (in the case of an individual who has been paid more than the correct amount of benefits) of procedures for adjustment or recovery at a limited rate under clause (ii) of the preceding sentence shall not, in and of itself, prevent or restrict the provision (in such case) of more substantial relief under clause (i) of such sentence.

In making for purposes of this subparagraph a determination of whether an adjustment or recovery would defeat the purposes of this subchapter, the Commissioner of Social Security shall require an individual to provide authorization for the Commissioner to obtain (subject to the cost reimbursement requirements of section 1115(a) of the Right to Financial Privacy Act [12 U.S.C. 3415]) any financial record (within the meaning of section 1101(1) of such Act [12 U.S.C. 3401(1)]) any financial record (within the meaning of section 1101(2) of such Act [12 U.S.C. 3401(2)]) held by the institution with respect to such individual whenever the Commissioner determines that the record is needed in connection with a determination with respect to such adjustment or recovery, under the terms and conditions established under subsection (e)(1)(B).

(2) Notwithstanding any other provision of this section, when any payment of more than the correct amount is made to or on behalf of an individual who has died, and such payment—

(A) is made by direct deposit to a financial institution;

(B) is credited by the financial institution to a joint account of the deceased individual and another person; and

(C) such other person is the surviving spouse of the deceased individual, and was eligible for a payment under this subchapter (including any State supplementation payment paid by the Commissioner of Social Security) as an eligible spouse (or as either member of an eligible couple) for the month in which the deceased individual died,

the amount of such payment in excess of the correct amount shall be treated as a payment of more than the correct amount to such other person. If any amount of any payment of the subchapter, the amount is made to a representative payee on behalf of an individual after the individual’s death, the representative payee shall be liable for the repayment of the overpayment, and the Commissioner of Social Security shall establish an overpayment control record under the social security account number of the representative payee.

(3)(A) When any payment of more than the correct amount is made on behalf of an individ-
ual who is a represented minor beneficiary for a month in which such individual is in foster care under the responsibility of a State and the State is the representative payee of such individual, the State shall be liable for the repayment of the overpayment, and there shall be no adjustment of payments to, or recovery by the United States from, such individual.

(b) For purposes of this paragraph, the term "represented minor beneficiary," with respect to an individual for a month, means a child (as defined for purposes of section 675(b) of this title) entitled to benefits under this subchapter for such month whose benefits are certified for payment to a representative payee.

(c) Hearing to determine eligibility or amount of benefits; subsequent application; time within which to request hearing; time for determinations of Commissioner pursuant to hearing; judicial review

(1)(A) The Commissioner of Social Security is directed to make findings of fact, and decisions as to the rights of any individual applying for payment under this subchapter. Any such decision by the Commissioner of Social Security which involves a determination of disability and which is in whole or in part unfavorable to such individual shall contain a statement of the case, in understandable language, setting forth a discussion of the evidence, and stating the Commissioner's determination and the reason or reasons upon which it is based. The Commissioner of Social Security shall provide reasonable notice and opportunity for a hearing to any individual who is or claims to be an eligible individual or eligible spouse and is in disagreement with any determination under this subchapter with respect to eligibility of such individual for benefits, or the amount of such individual's benefits, if such individual requests a hearing on the matter in disagreement within sixty days after notice of such determination is received, and, if a hearing is held, shall, on the basis of evidence adduced at the hearing affirm, modify, or reverse the Commissioner's findings of fact and such decision. The Commissioner of Social Security is further authorized, on the Commissioner's own motion, to hold such hearings and to conduct such investigations and other proceedings as the Commissioner may deem necessary or proper for the administration of this subchapter. In the course of any hearing, investigation, or other proceeding, the Commissioner may administer oaths and affirmations, examine witnesses, and receive evidence. Evidence may be received at any hearing before the Commissioner of Social Security even though inadmissible under the rules of evidence applicable to court procedure. The Commissioner of Social Security shall specifically take into account any physical, mental, educational, or linguistic limitation of such individual (including any lack of facility with the English language) in determining, with respect to the eligibility of such individual for benefits under this subchapter, whether such individual acted in good faith or was at fault, and in determining fraud, deception, or intent.

(B)(i) A failure to timely request review of an initial adverse determination with respect to an application for any payment under this subchapter or an adverse determination on reconsideration of such an initial determination shall not serve as a basis for denial of a subsequent
application for any payment under this subchapter if the applicant demonstrates that the applicant, or any other individual referred to in subparagraph (A), failed to so request such a review acting in good faith reliance upon incorrect, incomplete, or misleading information, relating to the consequences of reapplying for payments in lieu of seeking review of an adverse determination, provided by any officer or employee of the Social Security Administration or any State agency acting under section 421 of this title.

(ii) In any notice of an adverse determination with respect to which a review may be requested under subparagraph (A), the Commissioner of Social Security shall describe in clear and specific language the effect on possible eligibility to receive payments under this subchapter of choosing to reapply in lieu of requesting review of the determination.

(2) Determination on the basis of such hearing, except to the extent that the matter in disagreement involves a disability (within the meaning of section 1382c(a)(3) of this title), shall be made within ninety days after the individual requests the hearing as provided in paragraph (1).

(3) The final determination of the Commissioner of Social Security after a hearing under paragraph (1) shall be subject to judicial review as provided in section 405(g) of this title to the same extent as the Commissioner’s final determinations under section 405 of this title.

(d) Procedures applicable; prohibition on assignment of payments; representation of claimants; maximum fees; penalties for violations

(1) The provisions of section 407 of this title and subsections (a), (d), and (e) of section 405 of this title shall apply with respect to this part to the same extent as they apply in the case of subchapter II.

(2)(A) The provisions of section 406 of this title (other than subsections (a)(4) and (d) thereof) shall apply to this part to the same extent as they apply in the case of subchapter II, except that such section shall be applied—

(i) by substituting, in subparagraphs (A)(i)(i) and (D)(i) of subsection (a)(2) the phrase “(as determined before any applicable reduction under section 1383(g) of this title, and reduced by the amount of any reduction in benefits under this subchapter or subchapter II made pursuant to section 1320a–6(a) of this title)” for the parenthetical phrase contained therein;

(ii) by substituting, in subsections (a)(2)(B) and (b)(1)(B)(i), the phrase “paragraph (7)(A) or (B)(A) of section 1383(a) of this title or the requirements of due process of law” for the phrase “subsection (g) or (h) of section 423 of this title”;

(iii) by substituting, in subsection (a)(2)(C)(i), the phrase “under subchapter II” for the phrase “under subchapter XVI”;

(iv) by substituting, in subsection (b)(1)(A), the phrase “pay the amount of such fee” for the phrase “certify the amount of such fee for payment” and by striking, in subsection (b)(1)(A), the phrase “or certified for payment”;

(v) by substituting, in subsection (b)(1)(B)(ii), the phrase “deemed to be such amounts as determined before any applicable reduction under section 1383(g) of this title, and reduced by the amount of any reduction in benefits under this subchapter or subchapter II made pursuant to section 1320a–6(a) of this title” for the phrase “determined before any applicable reduction under section 1320a–6(a) of this title”;

(vi) by substituting, in subsection (e)(1)—

(I) “subparagraphs (B) and (C) of section 1383(d)(1)(C) of this title” for “the preceding provisions of this section”; and

(II) “subchapter XVI” for “this subchapter”.

(B) Subject to subparagraph (C), if the claimant is determined to be entitled to past-due benefits under this subchapter and the person representing the claimant is an attorney, the Commissioner of Social Security shall pay out of such past-due benefits to such attorney an amount equal to the lesser of—

(i) so much of the maximum fee as does not exceed 25 percent of such past-due benefits (as determined before any applicable reduction under subsection (g) and reduced by the amount of any reduction in benefits under this subchapter or subchapter II pursuant to section 1320a–6(a) of this title), or

(ii) the amount of past-due benefits available after any applicable reductions under subsection (g) and section 1320a–6(a) of this title.

(C)(i) Whenever a fee for services is required to be paid to an attorney from a claimant’s past-due benefits pursuant to subparagraph (B), the Commissioner shall impose on the attorney an assessment calculated in accordance with clause (ii).

(ii)(I) The amount of an assessment under clause (i) shall be equal to the product obtained by multiplying the amount of the representative’s fee that would be required to be paid by subparagraph (B) before the application of this subparagraph, by the percentage specified in subsection (g) of this title.

(II) The percentage specified in this subclause shall be the percentage that would be required to be paid by subparagraph (B) after the application of this subparagraph, by multiplying the assessment calculated in accordance with clause (i) by the percentage specified in subsection (g).

(III) Subject to subparagraph (C), if a payment to an attorney from a claimant’s past-due benefits is necessary in order to achieve full recovery, the percentage specified in this subclause shall be such percentage as the Commissioner determines is necessary in order to achieve full recovery.

7See References in Text below.
recovery of the costs of determining and approving fees to attorneys from the past-due benefits of claimants, but not in excess of 6.3 percent.

(iii) The Commissioner may collect the assessment imposed on an attorney under clause (i) by offset from the amount of the fee otherwise required by subparagraph (B) to be paid to the attorney from a claimant’s past-due benefits.

(iv) An attorney subject to an assessment under clause (i) may not, directly or indirectly, request or otherwise obtain reimbursement for such assessment from the claimant whose claim gave rise to the assessment.

(v) Assessments on attorneys collected under this subparagraph shall be deposited as miscellaneous receipts in the general fund of the Treasury.

(vi) The assessments authorized under this subparagraph shall be collected and available for obligation only to the extent and in the amount provided in advance in appropriations Acts. Amounts so appropriated are authorized to remain available until expended, for administrative expenses in carrying out this subchapter and related laws.

(D) The Commissioner of Social Security shall notify each claimant in writing, together with the notice to such claimant of an adverse determination, of the options for obtaining attorneys to represent individuals in presenting their cases before the Commissioner.

Such notification shall also advise the claimant of the availability to qualifying claimants of legal services organizations which provide legal services free of charge.

(e) Administrative requirements prescribed by Commissioner; criteria; reduction of benefits to individual for noncompliance with requirements; payment to homeless

(1)(A) The Commissioner of Social Security shall, subject to subparagraph (B) and subsection (j), prescribe such requirements with respect to the filing of applications, the suspension or termination of assistance, the furnishing of other data and material, and the reporting of events and changes in circumstances, as may be necessary for the effective and efficient administration of this subchapter.

(B)(i) The requirements prescribed by the Commissioner of Social Security pursuant to subparagraph (A) shall require that eligibility for benefits under this subchapter will not be determined solely on the basis of declarations by the applicant concerning eligibility factors or other relevant facts, and that relevant information will be verified from independent or collateral sources and additional information obtained as necessary in order to assure that such benefits are only provided to eligible individuals (or eligible spouses) and that the amounts of such benefits are correct. For this purpose and for purposes of federally administered supplemental payments of the type described in section 1382e(a) of this title (including payments pursuant to an agreement entered into under section 212(a) of Public Law 93–66), the Commissioner of Social Security shall, as may be necessary, request and utilize information available pursuant to section 6103(l)(7) of the Internal Revenue Code of 1986, and any information which may be available from State systems under section 1320b–7 of this title, and shall comply with the requirements applicable to States (with respect to information available pursuant to section 6103(l)(7)(B) of such Code) under subsections (a)(6) and (c) of such section 1320b–7 of this title.

(ii)(I) The Commissioner of Social Security may require each applicant for, or recipient of, benefits under this subchapter to provide authorization by the applicant or recipient (or by any other person whose income or resources are material to the determination of the eligibility of the applicant or recipient for such benefits) for the Commissioner to obtain (subject to the cost reimbursement requirements of section 1115(a) of the Right to Financial Privacy Act [12 U.S.C. 3415]) from any financial institution (within the meaning of section 1101(1) of such Act [12 U.S.C. 3401(1)]) any financial record (within the meaning of section 1101(2) of such Act [12 U.S.C. 3401(2)]) held by the institution with respect to the applicant or recipient (or any such other person) whenever the Commissioner determines the record is needed in connection with a determination with respect to such eligibility or the amount of such benefits.

(II) Notwithstanding section 1104(a)(1) of the Right to Financial Privacy Act [12 U.S.C. 3404(a)(1)], an authorization provided by an applicant or recipient (or any other person whose income or resources are material to the determination of the eligibility of the applicant or recipient) pursuant to subclause (I) of this clause shall remain effective until the earliest of—

(aa) the rendering of a final adverse decision on the applicant’s application for eligibility for benefits under this subchapter;

(bb) the cessation of the recipient’s eligibility for benefits under this subchapter; or

(cc) the express revocation by the applicant or recipient (or such other person referred to in subclause (I) of the authorization, in a written notification to the Commissioner.

(III)(aa) An authorization obtained by the Commissioner of Social Security pursuant to this clause shall be considered to meet the requirements of the Right to Financial Privacy Act [12 U.S.C. 3401 et seq.] for purposes of section 1103(a) of such Act [12 U.S.C. 3403(a)], and need not be furnished to the financial institution, notwithstanding section 1104(a) of such Act [12 U.S.C. 3404(a)].

(bb) The certification requirements of section 1103(b) of the Right to Financial Privacy Act [12 U.S.C. 3403(b)] shall not apply to requests by the Commissioner of Social Security pursuant to an authorization provided under this clause.

(cc) A request by the Commissioner pursuant to an authorization provided under this clause is deemed to meet the requirements of section 1104(a)(3) of the Right to Financial Privacy Act [12 U.S.C. 3404(a)(3)] and the flush language of section 1102 of such Act [12 U.S.C. 3402].

(IV) The Commissioner shall inform any person who provides authorization pursuant to this clause of the duration and scope of the authorization.

(V) If an applicant for, or recipient of, benefits under this subchapter (or any such other person referred to in subclause (I)) refuses to provide, or revokes, any authorization made by the ap-
plicant or recipient for the Commissioner of Social Security to obtain from any financial institution any financial record, the Commissioner may, on that basis, determine that the applicant or recipient is ineligible for benefits under this subchapter, or both. In the case of the failure by any individual to submit a report of events and changes in circumstances relevant to eligibility for or amount of benefits under this subchapter as required by the Commissioner of Social Security pursuant to paragraph (1), or delay by any individual in submitting a report as so required, the Commissioner of Social Security (in addition to taking any other action the Commissioner may consider appropriate under paragraph (1)) shall reduce any benefits which may subsequently become payable to such individual under this subchapter by—

(i) $25 in the case of the first such failure or delay,

(ii) $50 in the case of the second such failure or delay, and

(iii) $100 in the case of the third or a subsequent such failure or delay, except where the individual was without fault or good cause for such failure or delay existed.

(B) For purposes of subparagraph (A), the Commissioner of Social Security shall find that good cause exists for the failure of, or delay by, an individual in submitting a report of an event or change in circumstances relevant to eligibility for or amount of benefits under this subchapter in any case where—

(i) the individual (or another person referred to in paragraph (1)(B)(iii)(I)) has provided authorization to the Commissioner to access payroll data records related to the individual; and

(ii) the event or change in circumstance is a change in the individual’s employer.

(3) The Commissioner of Social Security shall provide a method of making payments under this subchapter to an eligible individual who does not reside in a permanent dwelling or does not have a fixed home or mailing address.

(4) A translation into English by a third party of a statement made in a foreign language by an applicant for or recipient of benefits under this subchapter shall not be regarded as reliable for any purpose under this subchapter unless the third party, under penalty of perjury—

(A) certifies that the translation is accurate; and

(B) discloses the nature and scope of the relationship between the third party and the applicant or recipient, as the case may be.

(5) In any case in which it is determined to the satisfaction of the Commissioner of Social Security that an individual failed as of any date to apply for benefits under this subchapter by reason of misinformation provided to such individual by any officer or employee of the Social Security Administration relating to such individual’s eligibility for benefits under this subchapter, such individual shall be deemed to have applied for such benefits on the later of—

(A) the date on which such misinformation was provided to such individual, or

(B) the date on which such individual met all requirements for entitlement to such benefits (other than application therefor).

(6) In any case in which an individual visits a field office of the Social Security Administration and represents during the visit to an officer—

§ 1383
or employee of the Social Security Administration in the office that the individual's visit is occasioned by—

(A) the receipt of a notice from the Social Security Administration indicating a time limit for response by the individual, or

(B) the theft, loss, or nonreceipt of a benefit payment under this subchapter,

the Commissioner of Social Security shall ensure that the individual is granted a face-to-face interview at the office with an officer or employee of the Social Security Administration before the close of business on the day of the visit.

(7)(A)(i) The Commissioner of Social Security shall immediately redetermine the eligibility of an individual for benefits under this subchapter if there is reason to believe that fraud or similar fault was involved in the application of the individual for such benefits, unless a United States attorney, or equivalent State prosecutor, with jurisdiction over potential or actual related criminal cases, certifies, in writing, that there is a substantial risk that such action by the Commissioner of Social Security with regard to recipients in a particular investigation would jeopardize the criminal prosecution of a person involved in a suspected fraud.

(ii) When redetermining the eligibility, or making an initial determination of eligibility, of an individual for benefits under this subchapter, the Commissioner of Social Security shall disregard any evidence if there is reason to believe that fraud or similar fault was involved in the providing of such evidence.

(B) For purposes of subparagraph (A), similar fault is involved with respect to a determination if—

(i) an incorrect or incomplete statement that is material to the determination is knowingly made; or

(ii) information that is material to the determination is knowingly concealed.

(C) If, after redetermining the eligibility of an individual for benefits under this subchapter, the Commissioner of Social Security determines that there is insufficient evidence to support such eligibility, the Commissioner of Social Security may terminate such eligibility and may treat benefits paid on the basis of such insufficient evidence as overpayments.

(g)(1) Notwithstanding subsection (d)(1) and subsection (b) as it relates to the payment of less than the correct amount of benefits, the Commissioner of Social Security may, upon written authorization by an individual, withhold benefits due with respect to such individual and may pay to a State (or a political subdivision thereof if agreed to by the Commissioner of Social Security and the State) from the benefits withheld an amount sufficient to reimburse the State (or political subdivision) for interim assistance furnished on behalf of the individual by the State (or political subdivision).

(f) Furnishing of information by Federal agencies

The head of any Federal agency shall provide such information as the Commissioner of Social Security needs for purposes of determining eligibility for or amount of benefits, or verifying other information with respect thereto.

(g) Reimbursement to States for interim assistance payments

(1) Notwithstanding subsection (d)(1) and subsection (b) as it relates to the payment of less than the correct amount of benefits, the Commissioner of Social Security may, upon written authorization by an individual, withhold benefits due with respect to such individual and may pay to a State (or political subdivision thereof if agreed to by the Commissioner of Social Security and the State) from the benefits withheld an amount sufficient to reimburse the State (or political subdivision) for interim assistance furnished on behalf of the individual by the State (or political subdivision).

(2) For purposes of this subsection, the term "benefits" with respect to any individual means supplemental security income benefits under this subchapter, and any State supplementary benefits under section 1382f of this title, or any State supplementary payments under section 212 of Public Law 93–66 which the Commissioner of Social Security makes on behalf of a State (or political subdivision) for interim assistance furnished on behalf of the individual by the State (or political subdivision).

(3) For purposes of this subsection, the term "interim assistance" with respect to any individual means assistance financed from State or local funds and furnished for meeting basic needs (A) during the period described in clause (A) or (B) of paragraph (3). A cash advance made pursuant to subsection (a)(4)(A) shall not be considered as the first payment of benefits for purposes of the preceding sentence.

(4) For purposes of this subsection, the term "interim assistance" with respect to any individual means assistance financed from State or local funds and furnished for meeting basic needs (A) during the period described in clause (A) or (B) of paragraph (3). A cash advance made pursuant to subsection (a)(4)(A) shall not be considered as the first payment of benefits for purposes of the preceding sentence.
been terminated or suspended if the individual was subsequently found to have been eligible for such benefits.

(4) In order for a State to receive reimbursement under the provisions of paragraph (1), the State shall have in effect an agreement with the Commissioner of Social Security which shall provide—

(A) that if the Commissioner of Social Security makes payment to the State (or a political subdivision of the State) as provided for under the agreement in reimbursement for interim assistance (as defined in paragraph (3)) for any individual in an amount greater than the reimbursable amount authorized by paragraph (1), the State (or political subdivision) shall pay to the individual the balance of such payment in excess of the reimbursable amount as expeditiously as possible, but in any event within ten working days or a shorter period specified in the agreement; and

(B) that the State will comply with such other rules as the Commissioner of Social Security finds necessary to achieve efficient and effective administration of this subsection and to carry out the purposes of the program established by this subchapter, including protection of hearing rights for any individual aggrieved by action taken by the State (or political subdivision) pursuant to this subsection.

(5) The provisions of subsection (c) shall not be applicable to any disagreement concerning payment by the Commissioner of Social Security to a State pursuant to the preceding provisions of this subsection nor the amount retained by the State (or political subdivision).

(h) Payment of certain travel expenses

The Commissioner of Social Security shall pay travel expenses, either on an actual cost or commuted basis, to individuals for travel incident to medical examinations requested by the Commissioner of Social Security in connection with disability determinations under this subchapter, and to parties, their representatives, and all reasonably necessary witnesses for travel within the United States (as defined in section 1382c(e) of this title) to attend reconsideration interviews and proceedings before administrative law judges with respect to any determination under this subchapter. The amount available under the preceding sentence for payment for air travel by any person shall not exceed the coach fare for air travel between the points involved unless the use of first-class accommodations is required (as determined under regulations of the Commissioner of Social Security) because of such person’s health condition or the unavailability of alternative accommodations; and the amount available for payment for other travel by any person shall not exceed the cost of travel (between the points involved) by the most economical and expeditious means of transportation appropriate to such person’s health condition, as specified in such regulations. The amount available for payment under this subsection for travel by a representative to attend an administrative proceeding before an administrative law judge or other adjudicator shall not exceed the maximum amount allowable under this subsection for such travel originating within the geographic area of the office having jurisdiction over such proceeding.

(i) Unnegotiated checks; notice to Commissioner; payment to States; notice to States; investigation of payees

(1) The Secretary of the Treasury shall, on a monthly basis, notify the Commissioner of Social Security of all benefit checks issued under this subchapter which were not presented for payment within one hundred and eighty days after the day on which they were issued.

(2) The Commissioner of Social Security shall from time to time determine the amount representing the total of the State supplementary payments made pursuant to agreements under section 1382e(a) of this title and under section 212(b) of Public Law 93–66 which is included in all such benefit checks not presented for payment within one hundred and eighty days after the day on which they were issued, and shall pay each State (or credit each State with) an amount equal to that State’s share of all such amount. Amounts not paid to the States shall be returned to the appropriation from which they were originally paid.

(3) The Commissioner of Social Security, upon notice from the Secretary of the Treasury under paragraph (1), shall notify any State having an agreement described in paragraph (2) of all such benefit checks issued under that State’s agreement which were not presented for payment within one hundred and eighty days after the day on which they were issued.

(4) The Commissioner of Social Security shall, to the maximum extent feasible, investigate the whereabouts and eligibility of the individuals whose benefit checks were not presented for payment within one hundred and eighty days after the day on which they were issued.

(j) Application and review requirements for certain individuals

(1) Notwithstanding any provision of section 1382 or 1382h of this title, any individual who—

(A) was an eligible individual (or eligible spouse) under section 1382 of this title or was eligible for benefits under or pursuant to section 1382h of this title, and

(B) who, after such eligibility, is ineligible for benefits under or pursuant to both such sections for a period of 12 consecutive months (or 24 consecutive months, in the case of such an individual whose ineligibility for benefits under or pursuant to both such sections is a result of being called to active duty pursuant to section 12301(d) or 12302 of title 10 or section 502(f) of title 32),

may not thereafter become eligible for benefits under or pursuant to either such section until the individual has reapplied for benefits under section 1382 of this title and been determined to be eligible for benefits under such section, or has filed a request for reinstatement of eligibility under subsection (p)(2) and been determined to be eligible for reinstatement.

(2)(A) Notwithstanding any provision of section 1382 of this title or section 1382h of this
title (other than subsection (c) thereof), any individual who was eligible for benefits pursuant to section 1382h(b) of this title, and who—

(ii)(I) on the basis of the same impairment on which his or her eligibility under such section 1382h(b) of this title was based becomes eligible (other than pursuant to a request for reinstatement under subsection (p)) for benefits under section 1382 or 1382h(a) of this title for a month that follows a period during which the individual was ineligible for benefits under sections 1382 and 1382h(a) of this title, and

(ii) has earned income (other than income excluded pursuant to section 1382a(b) of this title) for any month in the 12-month period preceding such month that is equal to or in excess of the amount that would cause him or her to be ineligible for payments under section 1382(b) of this title for that month (if he or she were otherwise eligible for such payments); or

(ii)(I) on the basis of the same impairment on which his or her eligibility under such section 1382h(b) of this title was based becomes eligible under section 1382h(b) of this title for a month that follows a period during which the individual was ineligible under section 1382 of this title and section 1382h of this title, and

(II) has earned income (other than income excluded pursuant to section 1382a(b) of this title) for such month or for any month in the 12-month period preceding such month that is equal to or in excess of the amount that would cause him or her to be ineligible for payments under section 1382h(b) of this title for that month (if he or she were otherwise eligible for such payments);

shall, upon becoming eligible (as described in clause (i)(I) or (ii)(I)), be subject to a prompt review of the type described in section 1382c(a)(4) of this title.

(B) If the Commissioner of Social Security determines pursuant to a review required by subparagraph (A) that the impairment upon which the eligibility of an individual is based has ceased, does not exist, or is not disabling, such individual may not thereafter become eligible for a benefit under or pursuant to section 1382 of this title or section 1382h(b) of this title for which he or she was otherwise eligible for such payments;

(k) Notifications to applicants and recipients

The Commissioner of Social Security shall notify an individual receiving benefits under section 1382 of this title on the basis of disability or blindness of his or her potential eligibility for benefits under or pursuant to section 1382h of this title—

(1) at the time of the initial award of benefits to the individual under section 1382 of this title (if the individual has attained the age of 18 at the time of such initial award), and

(2) at the earliest time after an initial award of benefits to an individual under section 1382 of this title that the individual’s earned income for a month (other than income excluded pursuant to section 1382a(h) of this title) is $200 or more, and periodically thereafter so long as such individual has earned income (other than income so excluded) of $200 or more per month.

(l) Special notice to blind individuals with respect to hearings and other official actions

(1) In any case where an individual who is applying for or receiving benefits under this subchapter on the basis of blindness is entitled (under subsection (c) or otherwise) to receive notice from the Commissioner of Social Security of any decision or determination made or other action taken or proposed to be taken with respect to his or her rights under this subchapter, such individual shall at his or her election be entitled either (A) to receive a supplementary notice of such decision, determination, or action, by telephone, within 5 working days after the initial notice is mailed, (B) to receive the initial notice in the form of a certified letter, or (C) to receive notification by some alternative procedure established by the Commissioner of Social Security and agreed to by the individual.

(2) The election under paragraph (1) may be made at any time; but an opportunity to make such an election shall in any event be given (A) to every individual who is an applicant for benefits under this subchapter on the basis of blindness, at the time of his or her application, and (B) to every individual who is a recipient of such benefits on the basis of blindness, at the time of each redetermination of his or her eligibility.

Such an election, once made by an individual, shall apply with respect to all notices of decisions, determinations, and actions which such individual may thereafter be entitled to receive under this subchapter until such time as it is revoked or changed.

(m) Pre-release procedures for institutionalized persons

The Commissioner of Social Security shall develop a system under which an individual can apply for supplemental security income benefits under this subchapter prior to the discharge or release of the individual from a public institution.

(n) Concurrent SSI and supplemental nutrition assistance applications by institutionalized individuals

The Commissioner of Social Security and the Secretary of Agriculture shall develop a procedure under which an individual who applies for supplemental security income benefits under this subchapter shall also be permitted to apply at the same time for participation in the supplemental nutrition assistance program authorized under the Food and Nutrition Act of 2008 (7 U.S.C. 2011 et seq.).

(o) Notice requirements

The Commissioner of Social Security shall take such actions as are necessary to ensure that any notice to one or more individuals issued pursuant to this subchapter by the Commissioner of Social Security or by a State agency—

(1) is written in simple and clear language, and

(2) includes the address and telephone number of the local office of the Social Security Administration which serves the recipient.

In the case of any such notice which is not generated by a local servicing office, the require-
ments of paragraph (2) shall be treated as satisfied if such notice includes the address of the local office of the Social Security Administration which services the recipient of the notice and a telephone number through which such office can be reached.

(p) Reinstatement of eligibility on the basis of blindness or disability

(1)(A) Eligibility for benefits under this subchapter shall be reinstated in any case where the Commissioner determines that an individual described in subparagraph (B) has filed a request for reinstatement meeting the requirements of paragraph (2)(A) during the period prescribed in subparagraph (C). Reinstatement of eligibility shall be in accordance with the terms of this subsection.

(B) An individual is described in this subparagraph if—

(i) prior to the month in which the individual files a request for reinstatement—

(I) the individual was eligible for benefits under this subchapter on the basis of blindness or disability pursuant to an application filed therefor; and

(II) the individual therefor was ineligible for such benefits due to earned income (or earned and unearned income) for a period of 12 or more consecutive months;

(ii) the individual is blind or disabled and the physical or mental impairment that is the basis for the finding of blindness or disability is the same as (or related to) the physical or mental impairment that was the basis for the finding of blindness or disability that gave rise to the eligibility described in clause (i);

(iii) the individual’s blindness or disability renders the individual unable to perform substantial gainful activity; and

(iv) the individual satisfies the nonmedical requirements for eligibility for benefits under this subchapter.

(C)(i) Except as provided in clause (ii), the period prescribed in this subparagraph with respect to an individual is 60 consecutive months beginning with the month following the most recent month for which the individual was eligible for a benefit under this subchapter (including section 1382h of this title) prior to the period of ineligibility described in subparagraph (B)(i)(II).

(ii) In the case of an individual who fails to file a reinstatement request within the period prescribed in clause (i), the Commissioner may extend the period if the Commissioner determines that the individual had good cause for the failure to so file.

(2)(A)(i) A request for reinstatement shall be filed in such form, and containing such information as the Commissioner may prescribe.

(ii) A request for reinstatement shall include express declarations by the individual that the individual meets the requirements specified in clauses (ii) through (iv) of paragraph (1)(B).

(B) A request for reinstatement filed in accordance with subparagraph (A) may constitute an application for benefits in the case of any individual who the Commissioner determines is not eligible for reinstated benefits under this subsection.

(3) In determining whether an individual meets the requirements of paragraph (1)(B)(ii), the provisions of section 1382c(a)(4) of this title shall apply.

(4)(A) Eligibility for benefits reinstated under this subsection shall commence with the benefit payable for the month following the month in which a request for reinstatement is filed.

(B)(i) Subject to clause (ii), the amount of the benefit payable for any month pursuant to the reinstatement of eligibility under this subsection shall be determined in accordance with the provisions of this subchapter.

(ii) The benefit under this subchapter payable for any month pursuant to a request for reinstatement filed in accordance with paragraph (2) shall be reduced by the amount of any provisional benefit paid to such individual for such month under paragraph (7).

(C) Except as otherwise provided in this subsection, eligibility for benefits under this subchapter reinstated pursuant to a request filed under paragraph (2) shall be subject to the same terms and conditions as eligibility established pursuant to an application filed therefor.

(5) Whenever an individual’s eligibility for benefits under this subchapter is reinstated under this subsection, eligibility for such benefits shall be reinstated with respect to the individual’s spouse if such spouse was previously an eligible spouse of the individual under this subchapter and the Commissioner determines that such spouse satisfies all the requirements for eligibility for such benefits except requirements related to the filing of an application. The provisions of paragraph (4) shall apply to the reinstated eligibility of the spouse to the same extent that they apply to the reinstated eligibility of such individual.

(6) An individual to whom benefits are payable under this subchapter pursuant to a reinstatement of eligibility under this subsection for twenty-four months (whether or not consecutive) shall, with respect to benefits so payable after such twenty-fourth month, be deemed for purposes of paragraph (1)(B)(i)(I) to be eligible for such benefits on the basis of an application filed therefor.

(7)(A) An individual described in paragraph (1)(B) who files a request for reinstatement in accordance with the provisions of paragraph (2)(A) shall be eligible for provisional benefits payable in accordance with this paragraph, unless the Commissioner determines that the individual does not meet the requirements of paragraph (1)(B)(i) or that the individual’s declaration under paragraph (2)(A)(ii) is false. Any such determination by the Commissioner shall be final and not subject to review under paragraph (1) or (3) of subsection (c).

(B)(i) Except as otherwise provided in clause (ii), the amount of a provisional benefit for a month shall equal the amount of the monthly benefit that would be payable to an eligible individual under this subchapter with the same kind and amount of income.

(ii) If the individual has a spouse who was previously an eligible spouse of the individual under this subchapter and the Commissioner determines that such spouse satisfies all the requirements of section 1382c(b) of this title ex-
§ 1383

TITLE 42—THE PUBLIC HEALTH AND WELFARE

cept requirements related to the filing of an application, the amount of a provisional benefit
for a month shall equal the amount of the
monthly benefit that would be payable to an eligible individual and eligible spouse under this
subchapter with the same kind and amount of
income.
(C)(i) Provisional benefits shall begin with the
month following the month in which a request
for reinstatement is filed in accordance with
paragraph (2)(A).
(ii) Provisional benefits shall end with the earliest of—
(I) the month in which the Commissioner
makes a determination regarding the individual’s eligibility for reinstated benefits;
(II) the fifth month following the month for
which provisional benefits are first payable
under clause (i); or
(III) the month in which the Commissioner
determines that the individual does not meet
the requirements of paragraph (1)(B)(i) or that
the individual’s declaration made in accordance with paragraph (2)(A)(ii) is false.
(D) In any case in which the Commissioner determines that an individual is not eligible for reinstated benefits, any provisional benefits paid
to the individual under this paragraph shall not
be subject to recovery as an overpayment unless
the Commissioner determines that the individual knew or should have known that the individual did not meet the requirements of paragraph
(1)(B).
(8) For purposes of this subsection other than
paragraph (7), the term ‘‘benefits under this subchapter’’ includes State supplementary payments made pursuant to an agreement under
section 1382e(a) of this title or section 212(b) of
Public Law 93–66.
(Aug. 14, 1935, ch. 531, title XVI, § 1631, as added
31, 1973, 87 Stat. 969; Pub. L. 93–368, § 5, Aug. 7,
1974, 88 Stat. 420; Pub. L. 94–202, §§ 1, 2, Jan. 2,
1976, 89 Stat. 1135; Pub. L. 94–365, § 1, July 14,
1976, 90 Stat. 990; Pub. L. 94–569, § 4(a), Oct. 20,
1976, 90 Stat. 2700; Pub. L. 96–222, title I,
96–265, title III, §§ 301(b), 305(b), 310(b), title V,
§ 501(c), June 9, 1980, 94 Stat. 450, 457, 459, 470;
VI, §§ 2612(a), 2613, 2651(j), 2663(g)(11), (12), July
18, 1984, 98 Stat. 1131, 1150, 1169; Pub. L. 98–460,
§§ 7(b), 16(b), Oct. 9, 1984, 98 Stat. 1803, 1809; Pub.
L. 99–272, title XII, § 12113(b), Apr. 7, 1986, 100
Stat. 288; Pub. L. 99–514, § 2, title XVIII,
L. 99–570, title XI, §§ 11005(a), 11006, Oct. 27, 1986,
(d)(3)(B), 5, 8(a), Nov. 10, 1986, 100 Stat. 3576–3579;
Pub. L. 100–203, title IX, §§ 9109(a), 9110(a), (b),
1330–302 to 1330–304, 1330–313; Pub. L. 100–647, title
VIII, § 8001(b), Nov. 10, 1988, 102 Stat. 3779; Pub.
L. 101–239, title X, §§ 10302(b)(1), 10303(b), 10305(e),
10307(a)(2), (b)(2), Dec. 19, 1989, 103 Stat. 2482,
2483, 2485; Pub. L. 101–508, title V, §§ 5031(c),

Page 2574

5038(a), 5039(b), 5040, 5105(a)(1)(B), (2)(A)(ii),
(3)(A)(ii), (c)(2), (d)(1)(B), 5106(a)(2), (c), 5107(a)(2),
5109(a)(2), 5113(b), Nov. 5, 1990, 104 Stat. 1388–224,
1388–226, 1388–227, 1388–255, 1388–258, 1388–261,
1388–265, 1388–266, 1388–268, 1388–269, 1388–271,
1388–273; Pub. L. 103–296, title I, § 107(a)(4), title
II, §§ 201(b)(1)(A), (B), (2)(A), (B), 206(a)(2), (d)(2),
(f)(1), title III, § 321(f)(2)(B), (3)(A), (h)(1), Aug. 15,
1994, 108 Stat. 1478, 1499–1501, 1509, 1514, 1515, 1541,
4077; Pub. L. 103–432, title II, §§ 264(b), (e)–(g),
L. 104–121, title I, § 105(b)(2), Mar. 29, 1996, 110
Stat. 853; Pub. L. 104–193, title II, §§ 204(b), (c)(2),
213(a), 221(a), (b), title IV, § 404(c), Aug. 22, 1996,
110 Stat. 2188, 2194, 2196, 2197, 2267; Pub. L. 105–33,
title V, §§ 5522(b), 5564, Aug. 5, 1997, 111 Stat. 622,
Stat. 2929; Pub. L. 106–169, title II, §§ 201(b),
1831, 1832, 1843, 1856; Pub. L. 106–170, title I,
§§ 101(b)(2)(C), 112(b), Dec. 17, 1999, 113 Stat. 1874,
1884; Pub. L. 108–203, title I, §§ 101(c)(1), (3),
102(a)(2), (b)(3), 103(c), 104(b), 105(c), 106(c), title
II, § 210(b)(4), title III, § 302(a), (b), Mar. 2, 2004,
118 Stat. 496, 497, 500, 502, 503, 505, 506, 517, 519,
521; Pub. L. 109–163, div. A, title VI, § 689, Jan. 6,
§ 7502(a), Feb. 8, 2006, 120 Stat. 154; Pub. L.
110–234, title IV, § 4002(b)(1)(A), (B), (2)(V), May
title IV, § 4002(b)(1)(A), (B), (2)(V), June 18, 2008,
122 Stat. 1664, 1857, 1858; Pub. L. 111–115, § 2(b),
Dec. 15, 2009, 123 Stat. 3029; Pub. L. 111–142,
§ 3(b)(1), Feb. 27, 2010, 124 Stat. 39; Pub. L. 113–79,
L. 114–74, title VIII, §§ 824(b)(2), (c)(2), 834(b), Nov.
2, 2015, 129 Stat. 609, 615; Pub. L. 115–165, title I,
§§ 102(c), 104(b), title II, §§ 202(c), 203(c), Apr. 13,
2018, 132 Stat. 1261, 1264, 1270, 1272.)
REFERENCES IN TEXT
The Internal Revenue Code of 1986, referred to in subsecs. (a)(2)(B)(xiv) and (e)(1)(B)(i), is classified generally
to Title 26, Internal Revenue Code.
Section 212 of Public Law 93–66, referred to in subsecs. (a)(2)(F)(i)(II), (iii), (10)(D), (b)(1)(B), (e)(1)(B)(i),
(g)(2), (i)(2), and (p)(8), is section 212 of Pub. L. 93–66,
title II, July 9, 1973, 87 Stat. 155, which is set out in a
note under section 1382 of this title.
Section 302 of the Social Security Protection Act of
means section 302 of the Social Security Protection Act
of 2004, Pub. L. 108–203, which amended this section and
enacted provisions set out as a note under this section.
The Right to Financial Privacy Act, referred to in
subsec. (e)(1)(B)(ii)(III)(aa), probably means the Right
to Financial Privacy Act of 1978, title XI of Pub. L.
95–630, Nov. 10, 1978, 92 Stat. 3697, which is classified
generally to chapter 35 (§ 3401 et seq.) of Title 12, Banks
and Banking. For complete classification of this Act to
the Code, see Short Title note set out under section
3401 of Title 12 and Tables.
The Food and Nutrition Act of 2008, referred to in
subsec. (n), is Pub. L. 88–525, Aug. 31, 1964, 78 Stat. 703,
which is classified generally to chapter 51 (§ 2011 et seq.)
of Title 7, Agriculture. For complete classification of
this Act to the Code, see Short Title note set out under
section 2011 of Title 7 and Tables.
CODIFICATION
amendments to this section. The amendments by Pub.
L. 110–234 were repealed by section 4(a) of Pub. L.
110–246.


Prior Provisions


Amendments

(a)(2)(B)(v)(VI). Added cl. (iv), redesignated former cls. (iv) and (v) as (v) and (vi), respectively, and substituted, in cl. (v), “(ii), (iii), and (iv)” for “and (ii)” and, in cl. (vi), “(iv)” for “(iv)” in two places.
Subsec. (b)(3) to (8). Pub. L. 115-165, §104(b), added par. (3) and redesignated former pars. (3) to (7) as (4) to (8), respectively.
2015—Subsec. (b)(1)(B). Pub. L. 114-74, §834(b)(1), inserted at end “in making for purposes of this subparagraph a determination of whether an adjustment or recovery would defeat the purpose of this chapter, the Commissioner of Social Security shall require an individual to provide authorization for the Commissioner to obtain (subject to the cost reimbursement requirements of section 1115(a) of the Right to Financial Privacy Act) from any financial institution (within the meaning of section 1101(1) of such Act) any financial record (within the meaning of section 1101(2) of such Act) held by the institution with respect to such individual whenever the Commissioner determines that the record is needed in connection with a determination with respect to such adjustment or recovery, under the terms and conditions established under subsection (e)(1)(B).”
Subsec. (e)(1)(B)(ii)(V). Pub. L. 114-74, §834(b)(2), inserted before period at end “, determine that adjustment or recovery on account of an overpayment with respect to the applicant or recipient would not defeat the purpose of this title, or both”.
Subsec. (e)(2)(A). Pub. L. 114-74, §824(c)(2)(A)(ii), redesignated subpars. (A) to (C) of par. (2) as cls. (i) to (iii), respectively, of subpar. (A).
Subsec. (e)(2)(B). Pub. L. 114-74, §824(c)(2)(A)(ii), which directed substitution of “(ii) The case in the failure” for “In the case of the failure”, was executed by making the substitution for “In the case of the failure” to reflect the probable intent of Congress.
Subsec. (j)(1)(B). Pub. L. 109-183 inserted “or for 24 consecutive months, in the case of such an individual whose ineligibility for benefits under or pursuant to both such sections is a result of being called to active duty pursuant to section 12301(d) or 12302 of title 10 or section 5621 of title 10 after for a period of 12 consecutive months”.
Subsec. (a)(2)(B)(i)(IV) to (VI). Pub. L. 108-203, §103(c)(1), added subs. (IV) and (V) and redesignated former subcl. (IV) as (VI).
Subsec. (a)(2)(B)(ii)(I). Pub. L. 108-203, §102(a)(2)(A), substituted “a certified community-based nonprofit social service agency (as defined in subparagraph (I))” for “a community-based nonprofit social service agency licensed or bonded by the State”.
Subsec. (a)(2)(D)(i). Pub. L. 108-203, §104(b), in introductory provisions, substituted “Except as provided in the next sentence, a” for “A” and, in concluding provisions, substituted “A qualified organization may not collect a fee from an individual for any month with respect to which the Commissioner of Social Security or a court of competent jurisdiction has determined that the organization misused all or part of the individual’s benefit, and any amount so collected by the qualified organization for such month shall be treated as a misused amount of the individual’s benefit for purposes of subparagraphs (E) and (F).”
Subsec. (a)(2)(D)(ii). Pub. L. 108-203, §102(a)(2)(B), substituted “or any certified community-based nonprofit social service agency (as defined in subparagraph (I)), if the agency, in accordance” for “or any community-based nonprofit social service agency, which—”
Subsec. (a)(2)(D)(ii). Pub. L. 108-203, §102(a)(2)(B), substituted “or any certified community-based nonprofit social service agency (as defined in subparagraph (I)), if the agency serves as a representative payee; and” for “or any community-based nonprofit social service agency, which—”
Subsec. (a)(2)(D)(ii). Pub. L. 108-203, §102(a)(2)(B), redesignated items (aa) and (bb) as subclauses (I) and (II), respectively, realigned margins, and substituted “subclause (I)” for “subclause (II)(bb)” in concluding provisions.
Subsec. (a)(2)(F)(I). Pub. L. 108-203, §302(b)(1), amended subpar. (G) generally, substituting provisions relating to periodic onsite reviews and annual report on the results of such reviews for provisions directing the Commissioner of Social Security to include as part of the annual report required under former section 904 of this title certain information with respect to the implementation of the preceding provisions of this par.
Subsec. (a)(2)(G). Pub. L. 108-203, §102(b)(3), amended subpar. (G) generally, substituting provisions relating to periodic onsite reviews and annual report on the results of such reviews for provisions directing the Commissioner of Social Security to include as part of the annual report required under former section 904 of this title certain information with respect to the implementation of the preceding provisions of this par.
Subsec. (a)(2)(H). Pub. L. 108-203, §105(c)(1), substituted “section 405(j)(10)” for “section 405(j)(9)” with respect to the implementation of subparagraphs (B) and (C), including the same factors as are required to be in—
cluded in the Commissioner's report under section 405(4)(B) of this title."


Subsec. (b)(1)(B). Pub. L. 108–203, §210(b)(4)(A), substituted "excluding payments under subchapter II when recovery is made from subchapter II payments pursuant to section 1320b–17 of this title and excluding" for "excluding any other and struck out "50 percent of" before "the lump sum payment."

Subsec. (b)(6). Pub. L. 108–203, §210(b)(4)(B), added par. (6) and struck out former par. (6) which read as follows: "For provisions relating to the recovery of benefits incorrectly paid under this subchapter from benefits payable under subchapter II of this chapter, see section 1320b(cc) of this title."

Subsec. (d)(2)(A). Pub. L. 108–203, §302(a)(1), in introductory provisions, substituted "section 406" for "section 406(a)", "(other than subsections (a)(4) and (d)" for "paragraph (2) thereof".


Subsec. (j)(1). Pub. L. 106–170, §112(b)(2)(A), inserted before period at end "," or has filed a request for reinstatement of eligibility under subsection (p)(2) and been determined to be eligible for reinstatement."


1997—Subsec. (a)(2)(F)(ii)(III)(bb). Pub. L. 105–33, §5522(b)(1), substituted "in any case in which the individual knowingly misapplies benefits from such an account, the Commissioner shall reduce future benefits payable to such individual (or to such individual and his spouse) by an amount equal to the total amount of such benefits so misapplied" for "the total amount of such benefits so used shall be considered to be the unclaimed compensated value of a process of law and shall be subject to the provisions of section 1382b(cc) of this title.

Subsec. (a)(2)(F)(ii)(III)(bb). Pub. L. 105–35, §5522(b)(2), added subcl. (III) which read as follows: "The representative payee may deposit into the account established pursuant to clause (i) past-due benefits payable to the eligible individual in an amount less than that specified in clause (i)(II) and (II) any other funds representing an underpayment under this subchapter to such individual, provided that the amount of such underpayment is equal to or exceeds the maximum monthly benefit payable under this subchapter to an eligible individual."


1996—Subsec. (a)(1). Pub. L. 104–193, §221(b), inserted "subject to paragraph (10)" before "in such installments."

Subsec. (a)(2)(A)(ii)(II). Pub. L. 104–121, §105(b)(2)(A), amended subcl. (II) generally. Prior to amendment, (i) read as follows: "In the case of a program of vocational rehabilitation services, employment services, or other support services for a program of vocational rehabilitation services."

Subsec. (b)(1)(B)(i). Pub. L. 104–169, §202(a), inserted "monthly" before "benefit payments" and "and in the case of an individual or eligible spouse to whom a lump sum is payable under this subchapter (including under section 1382e(a) of this title or under an agreement entered into under section 212(a) of Public Law 93–66) shall, as at least one means of recovering such overpayment, make the adjustment or recovery from the lump sum payment in an amount equal to not less than the lesser of the amount of the overpayment or 50 percent of the lump sum payment, before "and in the case of an individual or eligible spouse to whom a lump sum is payable under this subchapter (including under section 1382e(a) of this title or under an agreement entered into under section 212(a) of Public Law 93–66) shall, as at least one means of recovering such overpayment, make the adjustment or recovery from the lump sum payment in an amount equal to not less than the lesser of the amount of the overpayment or 50 percent of the lump sum payment,".

Subsec. (b)(2). Pub. L. 104–169, §201(b), inserted at end "If any payment of more than the correct amount is made to a representative payee on behalf of an individual after the individual’s death, the representative payee shall be liable for the repayment of the overpayment, and the Commissioner of Social Security shall establish an overpayment control record under the social security account number of the representative payee."
eligible for benefits under this subchapter by reason of disability and alcoholism or drug addiction is a contributing factor material to the Commissioner's determination that the individual is disabled.

Subsec. (a)(2)(F) to (H). Pub. L. 104–193, § 221(a), added subpars. (F) and redesignated former subpars. (F) and (G) as (F) and (H), respectively.

Subsec. (a)(2)(A). Pub. L. 104–193, § 204(b), inserted "for the month following the date the application is filed" after "is presumptively eligible for such benefits" and "which shall be reapaid through proportionate reductions in such benefits over a period of not more than 6 months" before semicolon.


Subsec. (e)(6) to (8). Pub. L. 104–193, § 404(c)(1), redesignated pars. (6), relating to suspicion of fraud or similar fault, and (7) as (7) and (8), respectively.


Subsec. (a)(2)(A)(iii). Pub. L. 103–296, § 201(b)(1)(A)(i), substituted "to an alternative representative payee of the individual or eligible spouse or, if the interest of the individual under this subchapter would be served thereby, to the individual or eligible spouse" for "to the individual or eligible spouse or to an alternative representative payee of the individual or eligible spouse".


Pub. L. 103–296, § 201(b)(1)(B)(ii), redesignated former subpars. (F) and (G) as (F) and (G), respectively.

Pub. L. 103–296, § 201(b)(1)(B)(ii), redesignated cl. (ix) as (viii) and redesignated cl. (viii) as (ix) and in subcl. (I) substituted "Commissioner's" for "Secretary's" in two places in subcl. (II).

Subsec. (a)(2)(B)(x) to (xii). Pub. L. 103–296, § 201(b)(2)(A)(i), redesignated cl. (ix) as (x) and in subcl. (I) substituted "clause (viii)

"Commissioner's" for "Secretary's" wherever appearing.


Pub. L. 103–296, § 201(b)(2)(B)(i)(II), struck out cl. (iv) which read as follows: "This subparagraph shall cease to be effective on July 1, 1994.


Pub. L. 103–296, § 201(b)(2)(B)(i)(II), struck out cl. (iv) which read as follows: "This subparagraph shall cease to be effective on July 1, 1994.\n


Pub. L. 103–296, § 107(a)(4), in subpar. (E) as added by Pub. L. 103–342, § 264(f)(1), substituted "to a representative payee" for "to representative payee".\n


Pub. L. 103–296, § 201(b)(2)(B)(i)(II), redesignated cl. (iv) as (iii) and added subpar. (E).

Subsec. (a)(2)(B)(1)(aa). Pub. L. 103–296, § 201(b)(2)(B)(i)(II), redesignated subcl. (II) as (I) and cl. (i) to (v) as (i) to (v).

Pub. L. 103–296, § 107(a)(4), in cl. (i) as amended by Pub. L. 103–296, § 201(b)(2)(B)(i)(II), redesignated cl. (ii) as (i) and substituted "to an alternative representative payee of the individual or eligible spouse or, if the interest of the individual under this subchapter would be served thereby, to the individual or eligible spouse" for "to the individual or eligible spouse or to an alternative representative payee of the individual or eligible spouse".


Subsec. (a)(2)(D)(ii). Pub. L. 103–296, § 201(b)(2)(B)(i)(II), in introductory provisions inserted "State or local government agency whose mission is to carry out income maintenance, social service, or health care-related activities, any State or local government agency with fiduciary responsibilities, or any" after "means any" and a comma after "service agency", at end of subcl. (I) inserted "and", and in subcl. (II) inserted "and" at end of item (aa), substituted a period for a; and" and at end of item (bb), and struck out item (cc) which read as follows: "was in existence on October 1, 1966."
sion of Social Security” for “Secretary” wherever appearing.
Subsec. (a)(2)(F), (G). Pub. L. 103–296, § 321(f)(8)(B)(I), redesignated subpars. (E) and (F) as (F) and (G), respectively.
Pub. L. 103–296, § 107(a)(4), in subpars. (F) and (G) as redesignated by Pub. L. 103–296, § 321(f)(8)(B)(I), substituted “Commissioner of Social Security” for “Secretary” wherever appearing and “Commissioner’s” for “Secretary’s” in subpar. (G).
Subsec. (a)(3), (4), (6) to (8), Pub. L. 103–296, § 107(b)(4), substituted “Secretary” for “Commissioner of Social Security” for “Secretary” wherever appearing, “the Commissioner’s” for “his” in par. (8)(A), and “Commissioner’s” for “Secretary’s” in par. (8)(B).
Subsec. (b). Pub. L. 103–296, § 107(a)(4), substituted “Commissioner of Social Security” for “Secretary” wherever appearing and “the Commissioner finds” for “he finds” in par. (1)(B).
Subsec. (h)(3) to (5). Pub. L. 103–432, § 267(b), redesignated pars. (4) and (5) as (3) and (4), respectively, and struck out former par. (3) which read as follows: “In any case in which advance payments for a taxable year made by all employers to an individual under section 3507 of the Internal Revenue Code of 1986 (relating to advance payment of earned income credit) exceed the amount of such individual’s earned income credit allowable under section 32 of such Code for such year, so that such individual is liable under section 32(g) of such Code for a tax equal to such excess, the Secretary shall provide for an appropriate adjustment of such individual’s benefit amount under this subchapter so as to provide payment to such individual of an amount equal to the amount of such benefits lost by such individual on account of such excess advance payments.”
Subsec. (c)(1)(A). Pub. L. 103–296, § 107(a)(4), substituted “Commissioner of Social Security” for “Secretary” wherever appearing, “Commissioner’s determination” for “Secretary’s determination”, “the Commissioner’s findings” for “his findings”, “the Commissioner’s own motion” for “his own motion”, “the Commissioner may deem” for “he may deem”, and “the Commissioner may administer” for “he may administer”.
Subsec. (c)(1)(B). Pub. L. 103–432, § 264(g), substituted “subparagraph (A)” for “paragraph (1)” in cls. (i) and (I).
Subsec. (c)(3). Pub. L. 103–296, § 107(a)(4), substituted “Commissioner of Social Security” for “Secretary” and “Commissioner’s” for “Secretary’s”.
Subsec. (d)(2)(A)(I). Pub. L. 103–296, § 321(f)(8)(B)(I), amended cl. (I) generally. Prior to amendment, cl. (I) read as follows: “by substituting ‘section 1320a–6(a) or 1383(g) of this title’ for ‘section 1320a–6(a) of this title’; and
Subsec. (e)(2). (F). Pub. L. 103–296, § 107(a)(4), substituted “Commissioner of Social Security” for “Secretary” wherever appearing and “the Commissioner may” for “he may” in par. (2).
Subsec. (e)(6). Pub. L. 103–432, § 268, redesignated subpars. (1) and (2) of par. (6), relating to face-to-face interviews in field offices, as subpars. (A) and (B), respectively.
Pub. L. 101–508, § 107(a)(4), in par. (6), relating to suspicion of fraud or similar fault, as added by Pub. L. 103–296, § 107(a)(4), substituted “Secretary” for “Secretary” wherever appearing.
Pub. L. 103–296, § 107(a)(4), substituted “Commissioner of Social Security” for “Secretary” in closing provisions of par. (6) relating to face-to-face interviews in field offices.
Subsec. (f) to (m). Pub. L. 103–296, § 107(a)(4), substituted “Commissioner of Social Security” for “Secretary” wherever appearing, except where appearing before “of the Treasury” in subsec. (1)(I) and (3).
Subsec. (n). Pub. L. 103–432, § 264(b), which directed substitution of “section” for “subsection”, could not be executed because of amendment by Pub. L. 103–296, § 321(h)(1)(A), which substituted “subchapter” for “subsection”. See below.
Pub. L. 103–296, § 321(h)(1)(B), substituted “subchapter” for “subsection” in subsec. (n) relating to concurrent SSI and food stamp applications by institutionalized individuals.
Pub. L. 103–296, § 107(a)(4), substituted “The Commissioner of Social Security” and “for the Secretary and” in subsec. (n) relating to concurrent SSI and food stamp applications by institutionalized individuals.
1990—Subsec. (a)(2)(A). Pub. L. 101–508, § 5105(a)(1)(B)(i), amended subpar. (A) generally. Prior to amendment, subpar. (A) read as follows: “Payments of the benefit of any individual may be made to any such individual or to his eligible spouse (if any) or partly to each, or if the Secretary deems it appropriate to any other person (including an appropriate public or private agency) who is interested in or concerned with the welfare of such individual (or spouse). Notwithstanding the provisions of the preceding sentence, in the case of any individual or eligible spouse referred to in section 1382(e)(3)(A) of this title, the Secretary shall provide for making payments of the benefit to any other person (including an appropriate public or private agency) who is interested in or concerned with the welfare of such individual (or spouse).”
Subsec. (a)(2)(B). Pub. L. 101–508, § 5105(a)(2)(A)(i), amended subpar. (B) generally. Prior to amendment, subpar. (B) read as follows: “Any determination made under subparagraph (A) that payment should be made to a person other than the individual or spouse entitled to such payment must be made on the basis of an investigation, carried out either prior to such determination or within forty-five days after such determination, and on the basis of adequate evidence that such determination is in the interest of the individual or spouse entitled to such payment (as determined by the Secretary in regulations). The Secretary shall ensure that such determinations are adequately reviewed.”
Subsec. (a)(3). Pub. L. 101–508, § 5105(a)(1)(B)(ii)(II), substituted “representative payee of an individual or spouse” for “a person other than the individual or spouse entitled to such payment”.
Subsec. (a)(2)(C)(i) to (iv). Pub. L. 101–508, § 5105(a)(1)(B)(ii)(II), substituted “representative payee” for “other person to whom such payment is made”. Pub. L. 101–508, § 5105(a)(1)(B)(iv)(II), substituted “representative payee” for “person receiving payments on behalf of another” and for “person receiving such payments”.
Subsec. (a)(2)(E). Pub. L. 101–508, §5105(d)(1)(B), which directed the general amendment of subsec. (a)(2)(E), as redesignated by section 5105(c)(2) of Pub. L. 101–508, was executed to subpar. (E), as added by section 5105(c)(2) of Pub. L. 101–508, to reflect the probable intent of Congress and the subsequent amendments made by Pub. L. 103–296. Prior to amendment, subpar. (E) read as follows:

In cases where the negligence of the Secretary to investigate or monitor a representative payee results in misuse of benefits by the representative payee, the Secretary shall make payment to the beneficiary or the beneficiary’s representative payee of an amount equal to such misused benefits. The Secretary shall make a good faith effort to obtain restitution from the terminated representative payee.


Subsec. (a)(4)(B). Pub. L. 101–508, §5038(b), substituted “6 months” for “3 months”.

Subsec. (a)(6)(A). Pub. L. 101–508, §5113(b)(1), added subpar. (A) and struck out former subpar. (A) which read as follows: “such individual is participating in an approved vocational rehabilitation program under a State plan approved under title I of the Rehabilitation Act of 1973, and”.


Subsec. (c)(1). Pub. L. 101–508, §5107(a)(2), designated existing provision as subpar. (A) and added subpar. (B).

Subsec. (d)(2)(A). Pub. L. 101–508, §5113(b)(1), added subpar. (A) generally, substituting cls. (i) and (ii) for former single par. which authorized Secretary to prescribe regulations relating to representation of claimants before the Secretary, representation by attorneys, suspension of representatives, and maximum fees for representation, provided penalties for deceiving claimants and exceeding maximum fees, and required Secretary to maintain in the electronic information retrieval system of the Social Security Administration the identity of representatives of claimants.

Subsec. (h). Pub. L. 101–508, §5106(c), inserted at end “The amount available for payment under this subsection for travel by a representative to attend an administrative proceeding before an administrative law judge or other adjudicator shall not exceed the maximum amount allowable under this subsection for such travel originating within the geographic area of the office in which the administrative proceeding is held or new claimants before the Secretary, representation by attorneys, suspension of representatives, and maximum fees for representation, provided penalties for deceiving claimants and exceeding maximum fees, and required Secretary to maintain in the electronic information retrieval system of the Social Security Administration the identity of representatives of claimants.”

Subsec. (i). Pub. L. 101–508, §5093(b), inserted “(other than subsection (c) thereof)” after first reference to “section 1382h of this title”.

Subsec. (m). Pub. L. 101–508, §5094(d), struck out at end “The Secretary and the Secretary of Agriculture shall develop a procedure under which an individual who applies for supplemental security income benefits under this subchapter shall also be permitted to apply for participation in the food stamp program by executing a single application.”


Subsec. (a)(2). Subsec. (a)(2). Pub. L. 101–239, §10079(a)(2), inserted at end “The Secretary shall maintain in the electronic information retrieval system used by the Social Security Administration a current record, with respect to the identity of any person representing such claimant in accordance with this paragraph.”


Subsec. (a)(3). Pub. L. 100–203, §9118(b), redesignated subpar. (F) as (E), redesignated subpar. (E) as (F), and struck out former subpar. (F) which read as follows: “(other than subsection (c) thereof)” after first reference to “this Act”.

Subsec. (a)(4). Pub. L. 100–203, §9119(a), redesignated par. (B) as (A) and added par. (C).

Subsec. (a)(8). Pub. L. 100–203, §9121(a), added par. (8).

Subsec. (a)(9). Pub. L. 100–203, §9122(a), redesignated subpar. (A) as (B), redesignated subpar. (B) as (A), redesignated par. (2) as (1), and added par. (3).
substituted “section 1382c(a)(4) of this title” for “section 1382c(a)(5) of this title” in closing provisions.


1989—Subsec. (a)(2). Pub. L. 98–490, § 16(b), redesignated existing provisions as subpar. (A) and added subpars. (B) to (D).


Pub. L. 98–369, § 2621(a), inserted “(A)” before “shall make such provision” in second sentence, and added cl. (B).

Subsec. (b)(1). Pub. L. 98–369, § 2663(g)(11)(A), substituted “equity and good conscience” for “equity or good conscience”.

Subsec. (b)(2). Pub. L. 98–369, § 2663(g)(11)(B), substituted “section 32” and “section 32(g)” for “section 43” and “section 43(g)”, respectively.

Subsec. (b)(3), (4). Pub. L. 98–369, § 2613, added par. (3) and redesignated former par. (3) as (4).

Subsec. (d)(1). Pub. L. 98–369, § 2663(g)(12), substituted “and (e)” for “(e), and (f)”.

Subsec. (e)(1)(B). Pub. L. 98–369, § 2651(j), inserted provision that for this purpose and for purposes of federally administered supplementary payments of the type described in section 1382e(a) of this title (including payments pursuant to an agreement entered into under section 1382e(a)(1)(A), described in section 1382e(a)(1)(B), and (e)” for “(e), and (f)”.

Amendment by section 101(c)(1), (3) of Pub. L. 108–203 enacted a note under section 405 of this title.

Amendment by section 101(c)(2) of Pub. L. 108–203, set out as a note under section 405 of this title.

Amendment by section 203(c) of Pub. L. 115–165 applicable to any individual appointed to serve as a representative payee pursuant to this section or on or after Jan. 1, 2019, subject to provisions relating to prior appointments, see section 203(d) of Pub. L. 115–165, set out as a note under section 405 of this title.

Amendment by section 203(c) of Pub. L. 115–165 applicable to any individual appointed to serve as a representative payee under this subchapter or, after Jan. 1, 2019, with provisions relating to prior appointments, see section 203(d) of Pub. L. 115–165, set out as a note under section 405 of this title.

Amendment by section 824(b)(2), (c)(2) of Pub. L. 114–74 effective one year after Nov. 2, 2015, see section 824(c) of Pub. L. 114–74, set out as a note under section 425 of this title.

Amendment by section 834(b) of Pub. L. 114–74 applicable with respect to determinations made on or after the date that is 3 months after Nov. 2, 2015, see section 834(c) of Pub. L. 114–74, set out as a note under section 404 of this title.

Amendment by section 3(b)(1) of Pub. L. 111–142 shall be fully implemented as provided by the Commissioner of Social Security not later than Mar. 1, 2010, see section 3(c) of Pub. L. 111–142, set out as a note under section 405 of this title.

Amendment by Pub. L. 111–115 effective for payments that would otherwise be made on or after Dec. 15, 2009, see section 2(c) of Pub. L. 111–115, set out as a note under section 405 of this title.


Amendment by Pub. L. 110–171, title VII, § 7502(b), Feb. 8, 2006, 120 Stat. 154, provided that: “The amendment made by subsection (a) [amending this section] shall take effect 3 months after the date of the enactment of this Act [Feb. 8, 2006].”
after Mar. 2, 2004, see section 103(d) of Pub. L. 104–203, set out as a note under section 405 of this title.

Amendment by section 104(b) of Pub. L. 104–203 applicable to any month involving benefit misuse by a representative payee in any case with respect to which the Commissioner of Social Security or a court of competent jurisdiction makes the determination of misuse after Mar. 2, 2004, see section 104(c) of Pub. L. 104–203, set out as a note under section 405 of this title.

Amendment by section 105(c) of Pub. L. 104–203 applicable to benefit misuse by a representative payee in any case with respect to which the Commissioner of Social Security or a court of competent jurisdiction makes the determination of misuse after 180 days after Mar. 2, 2004, see section 105(d) of Pub. L. 104–203, set out as a note under section 405 of this title.

Amendment by section 106(c) of Pub. L. 104–203 effective 180 days after Mar. 2, 2004, see section 106(d) of Pub. L. 104–203, set out as a note under section 405 of this title.

Amendment by section 218(b)(4) of Pub. L. 104–203 effective Mar. 2, 2004, and effective with respect to overpayments made under subchapters II, VIII, and XVI of this chapter that are outstanding on or after such date, see section 218(c) of Pub. L. 104–203, set out as a note under section 404 of this title.

Pub. L. 104–203, title III, § 203, Mar. 2, 2004, 118 Stat. 521, as amended by Pub. L. 111–142, § 2(a)(2), Feb. 27, 2010, 124 Stat. 38, provided that: "The amendments made by this section [amending this section] shall apply with respect to claims for benefits which are first required to be paid under section 1613(d)(2) of the Social Security Act [42 U.S.C. 1388(d)(2)] on or after the date of the submission by the Commissioner of Social Security to each House of Congress pursuant to section 302(a) of this Act [set out as a note under section 406 of this title] of written notice of completion of full implementation of the requirements for operation of the demonstration project under section 303 of this Act [set out as a note under section 406 of this title]."

**Effective Date of 1999 Amendments**

Amendment by section 101(b)(2)(C) of Pub. L. 104–170 effective with the first month following one year after Dec. 17, 1999, subject to section 101(d) of Pub. L. 104–170, see section 101(c) of Pub. L. 104–170, set out as an Effective Date note under section 1320b–9 of this title.

Amendment by section 112(b) of Pub. L. 104–170 effective on the first day of the thirteenth month beginning after Dec. 17, 1999, and no benefit to be payable under this subchapter on the basis of a request for reinstatement filed under subsec. (p) of this section before such date, see section 112(c) of Pub. L. 104–170, set out as a note under section 423 of this title.

Amendment by section 201(b) of Pub. L. 104–169 applicable to overpayments made 12 months or more after Dec. 14, 1999, see section 201(c) of Pub. L. 104–169, set out as an Effective Date note under section 1320b–9 of this title.

Pub. L. 104–169, title II, § 202(b), Dec. 14, 1999, 113 Stat. 1832, provided that: "The amendments made by this section [amending this section] shall take effect 12 months after the date of the enactment of this Act [Dec. 14, 1999] and shall apply to amounts incorrectly paid which remain outstanding on or after such date.

Amendment by section 202(a) of Pub. L. 104–169 applicable to debt outstanding on or after Dec. 14, 1999, see section 202(d) of Pub. L. 104–169, set out as a note under section 5701 of Title 31, Money and Finance.

**Effective Date of 1998 Amendment**

Amendment by Pub. L. 105–506 effective Oct. 28, 1998, and applicable to amounts incorrectly paid which remain outstanding on or after such date, see section 8(c) of Pub. L. 105–506, set out as a note under section 404 of this title.

**Effective Date of 1997 Amendment**

Amendment by section 5522(b) of Pub. L. 105–33 effective as if included in the enactment of title II of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, Pub. L. 104–193, see section 5522(a) of Pub. L. 105–33, set out as a note under section 403 of this title.


**Effective Date of 1996 Amendment**

Amendment by section 204(b), (c)(2) of Pub. L. 104–193 applicable to applications for benefits under this subchapter filed on or after Aug. 22, 1996, without regard to whether regulations have been issued to implement amendments by section 204 of Pub. L. 104–193, see section 204(d) of Pub. L. 104–193, set out as a note under section 1382 of this title.

Amendment by section 213(a) of Pub. L. 104–193 applicable to payments made after Aug. 22, 1996, see section 213(d) of Pub. L. 104–193, set out as a note under section 1382a of this title.

Pub. L. 104–193, title II, § 221(c), Aug. 22, 1996, 110 Stat. 2197, provided that: "(1) IN GENERAL.—The amendments made by this section [amending this section] are effective with respect to past-due benefits payable under title XVI of the Social Security Act [this subchapter] after the third month following the month in which this Act is enacted [Aug. 1996]."

"(2) BENEFITS PAYABLE UNDER TITLE XVI.—For purposes of this subsection, the term 'benefits payable under title XVI of the Social Security Act' includes supplementary payments pursuant to an agreement for Federal administration under section 160(c) of the Social Security Act [title 26 of this title], and payments pursuant to an agreement entered into under section 212(b) of Public Law 93–66 [set out as a note under section 1322 of this title]."

Amendment by Pub. L. 104–121 effective July 1, 1996, with respect to any individual whose claim for benefits is finally adjudicated on or after Mar. 29, 1996, or whose eligibility for benefits is based upon eligibility determination made pursuant to section 105(b)(5)(C) of Pub. L. 104–121, see section 105(b)(5) of Pub. L. 104–121, set out as a note under section 1322 of this title.

**Effective Date of 1994 Amendment**

Amendment by section 294(b) and (e)–(g) of Pub. L. 103–432 effective as if included in the provision of Pub. L. 103–432 to which such provision became law, see section 294(b) of Pub. L. 103–432, set out as a note under section 1320b–9 of this title.

Pub. L. 103–387, § 6(b), Oct. 22, 1994, 108 Stat. 4077, provided that: "The amendments made by subsection (a) [amending this section] shall apply to admissions occurring on or after October 1, 1995."

Amendment by section 197(a)(4) of Pub. L. 103–296 effective Mar. 31, 1995, see section 110(a) of Pub. L. 103–296, set out as a note under section 401 of this title.

Pub. L. 103–296, title II, § 201(b)(1)(C), Aug. 15, 1994, 108 Stat. 1500, provided that: "The amendments made by this paragraph [amending this section] shall apply with respect to months beginning after 180 days after the date of the enactment of this Act [Aug. 15, 1994]."

Pub. L. 103–296, title II, § 201(b)(2)(B)(iii)(I), Aug. 15, 1994, 108 Stat. 1501, provided that: "Except as provided in sub-paragraph (B)(iii)(I) [amending this section and enacting provisions set out as a note above], the amendments made by this paragraph [amending this section] shall apply with respect to months beginning after 90 days after the date of the enactment of this Act [Aug. 15, 1994]."
Amendment by section 206(a)(2) of Pub. L. 103–296 applicable to translations made on or after Oct. 1, 1994, see section 206(a)(3) of Pub. L. 103–296, set out as a note under section 405 of this title.

Amendment by section 206(d)(2) of Pub. L. 103–296 effective Oct. 1, 1994, and applicable to determinations made before, on, or after such date, see section 206(d)(3) of Pub. L. 103–296, set out as a note under section 405 of this title.


Amendment by section 321(f)(2)(B), (3)(A) of Pub. L. 101–508, effective July 1, 1991, and applicable with respect to benefits for months beginning on or after the first day of the 6th calendar month following the month in which this Act is enacted (November 1990), provided that: "The amendment made by subsection (a) [amending this section] shall apply with respect to benefits for months beginning on or after the first day of the 6th calendar month following the month in which this Act is enacted (November 1990)."

Amendment by section 5105(a)(1)(B), (2)(A)(ii) of Pub. L. 101–508 effective July 1, 1991, and applicable only with respect to (i) certifications of payment of benefits under subchapter II of this chapter to representative payees made on or after such date, and (ii) provisions for payment of benefits under this subchapter to representative payees made on or after such date, and amendment by section 5105(a)(3)(A)(ii) of Pub. L. 101–508 effective July 1, 1991, see section 5105(a)(5) of Pub. L. 101–508 set out as a note under section 405 of this title.

Amendment by section 5106(d)(1)(B) of Pub. L. 101–508 applicable with respect to annual reports issued for years after 1991, see section 5105(d)(2) of Pub. L. 101–508, set out as a note under section 405 of this title.

Amendment by section 5106(a)(2), (c) of Pub. L. 101–508 applicable with respect to determinations made on or after July 1, 1991, and to reimbursement for travel expenses incurred on or after Apr. 1, 1991, see section 5106(d) of Pub. L. 101–508, set out as a note under section 405 of this title.

Amendment by section 5107(a)(2) of Pub. L. 101–508 applicable with respect to adverse determinations made on or after July 1, 1991, see section 5107(b) of Pub. L. 101–508, set out as a note under section 405 of this title.

Amendment by section 5109(a)(2) of Pub. L. 101–508, effective on the date of the enactment of this Act [Oct. 9, 1984], except as otherwise provided, see section 16(d) of Pub. L. 98–460, set out as a note under section 423 of this title.

Amendment by section 5113(b) of Pub. L. 101–508, effective Apr. 27, 1986, see section 10(b) of Pub. L. 99–643, set out as a note under section 401 of this title.

Amendment by section 16(b) of Pub. L. 98–460 effective Oct. 9, 1984, see section 16(d) of Pub. L. 98–460, set out as a note under section 405 of this title.

Amendment by sections 2612(a) and 2613 of Pub. L. 98–369 effective Oct. 1, 1984, except as otherwise specifically provided, see section 2646 of Pub. L. 98–369, set out as a note under section 657 of this title.

Amendment by section 2651(j) of Pub. L. 98–369 effective July 1, 1984, see section 2651(h)(1) of Pub. L. 98–369, set out as an Effective Date note under section 13220–7 of this title.

Amendment by section 2663(g)(11), (12) of Pub. L. 98–369 effective July 1, 1984, but not to be construed as changing or affecting any right, liability, status, or interpretation which existed under the provisions of law (as involved) before that date, see section 2664(b) of Pub. L. 98–369, set out as a note under section 401 of this title.

Amendment by section 10303(e) of Pub. L. 101–239 applicable with respect to determinations made on or after July 1, 1990, see section 10305(f) of Pub. L. 101–239, set out as a note under section 405 of this title.


Effective Date of 1988 Amendment
Amendment by Pub. L. 100–647 applicable to determinations by administrative law judges of entitlement to benefits made after 180 days after Nov. 10, 1988, see section 8001(c) of Pub. L. 100–647, set out as a note under section 423 of this title.

Effective Date of 1987 Amendment

Amendment by Pub. L. 100–203, title IX, § 9110(c), Dec. 22, 1987, 101 Stat. 1330–303, provided that: "The amendments made by this section [amending this section] shall become effective with the 13th month following the month in which this Act is enacted [December 1987], or, if sooner, with the first month for which the Secretary of Health and Human Services determines that it is administratively feasible."

Amendment by Pub. L. 100–203, title IX, § 9111(c), Dec. 22, 1987, 101 Stat. 1330–304, provided that: "The amendment made by subsection (a) [amending this section] shall become effective July 1, 1988."


Effective Date of 1986 Amendment
Amendment by sections 4(c)(1), (d)(3)(B) and 5 of Pub. L. 99–643 effective July 1, 1987, except as otherwise provided, see section 10(b) of Pub. L. 99–643, set out as a note under section 1396a of this title.

Amendment by Pub. L. 99–643, § 8(b), Nov. 10, 1986, 100 Stat. 3579, provided that: "The amendments made by subsection (a) [amending this section] shall apply with respect to benefits payable for months after May 1986."


Amendment by Pub. L. 99–272 applicable only in the case of deaths of which the Secretary is first notified on or after Apr. 7, 1986, see section 12113(c) of Pub. L. 99–272, set out as a note under section 404 of this title.

Effective Date of 1984 Amendment
Amendment by section 16(b) of Pub. L. 98–460 effective Oct. 9, 1984, see section 16(d) of Pub. L. 98–460, set out as a note under section 405 of this title.

Amendment by sections 2612(a) and 2613 of Pub. L. 98–369 effective Oct. 1, 1984, except as otherwise specifically provided, see section 2646 of Pub. L. 98–369, set out as a note under section 657 of this title.

Amendment by section 2651(j) of Pub. L. 98–369 effective July 1, 1984, see section 2651(h)(1) of Pub. L. 98–369, set out as an Effective Date note under section 13220–7 of this title.

Amendment by section 2663(g)(11), (12) of Pub. L. 98–369 effective July 1, 1984, but not to be construed as changing or affecting any right, liability, status, or interpretation which existed under the provisions of law (as involved) before that date, see section 2664(b) of Pub. L. 98–369, set out as a note under section 401 of this title.
Effective Date of 1982 Amendment

Effective Date of 1981 Amendment

Effective Date of 1980 Amendment
Amendment by section 301(b) of Pub. L. 96–265 effective on first day of sixth month which begins after June 9, 1980, and applicable with respect to individuals whose disability has not been determined to have ceased prior to such first day, see section 301(c) of Pub. L. 96–265, set out as a note under section 4235 of this title.

Amendment by section 305(b) of Pub. L. 96–265 applicable with respect to decisions made on or after the first day of the 15th month following June 9, 1980, see section 305(c) of Pub. L. 96–265, set out as a note under section 4235 of this title.

Amendment by section 501(c) of Pub. L. 96–265 applicable in the case of payments of monthly insurance benefits under subchapter II of this chapter, entitlement for which is determined on or after July 1, 1981, see section 501(d) of Pub. L. 96–265, set out as an Effective Date note under section 1329–4 of this title.

Effective Date of 1976 Amendment
Pub. L. 94–569, §4(b), Oct. 20, 1976, 90 Stat. 2700, provided that: "The amendments made by this section [amending this section] shall apply with respect to months after the month following the month in which this Act is enacted [October 1976]."

Amendment by sections 1 and 2 of Pub. L. 94–202 effective Jan. 2, 1976, with the amendment by section 2 of Pub. L. 94–202, to the extent that it changes the period within which a hearing must be requested, applicable to any decision or determination which is received on or after Jan. 2, 1976, see section 5 of Pub. L. 94–202, set out as an Effective Date note under section 1329–4 of this title.

Effective Date of 1973 Amendment

Effective Date

Regulations
Pub. L. 104–193, title II, §222, Aug. 22, 1996, 110 Stat. 2397, provided that: "Within 3 months after the date of the enactment of this Act [Aug. 22, 1996], the Commissioner of Social Security shall prescribe such regulations as may be necessary to implement the amendments made by this subtitle [subtitle C (§§221, 222) of title II of Pub. L. 104–193, amending this section]."

Abolition of Immigration and Naturalization Service and Transfer of Functions
For abolition of Immigration and Naturalization Service, transfer of functions, and treatment of related references, see note set out under section 1551 of Title 8, Aliens and Nationality.

Payment of Travel Expenses
Pub. L. 102–394, title II, Oct. 6, 1992, 106 Stat. 1807, provided in part: "That for fiscal year 1993 and thereafter, travel expense payments under section 1631(h) of such Act [section 1631(h) of Title 26, Internal Revenue Code], shall be paid to qualified individuals who request such payments under a written statement that the individual is employed by an agency SSI Outreach Team (as described in subsec. (c)) to facilitate communication between the Federal Government and individuals who are potential participants in the Social Security Administration's SSI outreach program."
agencies and staff involved in taking and processing claims for SSI and other benefits by the homeless who use shelters;

(3) special efforts to identify homeless individuals who are potentially eligible for SSI or other benefits under the Social Security Act [this chapter];

(4) the provision of special assistance to the homeless in applying for benefits, including assistance in obtaining and developing evidence of disability and supporting documentation for nondisability-related eligibility requirements;

(5) the provision of special training and assistance to public and private agency staff, including shelter employees, on disability eligibility procedures and evidentiary requirements;

(6) the provision of ongoing assistance to formerly homeless individuals to ensure their responding to information requests related to periodic redeterminations of eligibility for SSI and other benefits;

(7) the provision of assistance in ensuring appropriate use of benefit funds for the purpose of enabling homeless individuals to obtain permanent housing, nutrition, and physical and individual health care, including the use, where appropriate, of the disabled individual’s representative payee for case management services; and

(8) such other procedures and services as the Secretary may approve.

(c) SSI Outreach Team Projects.—(1) If a State applies for funds under this section for the purpose of establishing a multi-agency SSI Outreach Team, the membership and functions of such Team shall be as follows (except as provided in paragraph (2)):

(A) The membership of the Team shall include a social services case worker (or case workers, if necessary); a consultative medical examiner who is qualified to provide consultative examinations for the Disability Determination Service of the State; a disability examiner, from the State Disability Determination Service; and a representative from an office of the Social Security Administration.

(B) The Team shall have designated members responsible for—

(i) identification of homeless individuals who are potentially eligible for SSI or other benefits under the Social Security Act [this chapter];

(ii) ensuring that such individuals understand their rights under the programs;

(iii) assisting such individuals in applying for benefits, including assistance in obtaining and developing evidence and supporting documentation relating to disability- and nondisability-related eligibility requirements;

(iv) arranging transportation and accompanying applicants to necessary examinations, if needed; and

(v) providing for the tracking and monitoring of all claims for benefits by individuals under the project.

(2) If the Secretary determines that an application by a State for an SSI Outreach Team Project under this section which proposes a membership and functions of such Team different from those prescribed in paragraph (1) but which is expected to be as effective, the Secretary may waive the requirements of such paragraph.


(e) Authorization of Appropriations.—To carry out this section, there are authorized to be appropriated to the Secretary—

(A) the sum of $1,250,000 for the fiscal year 1998;

(B) the sum of $2,500,000 for the fiscal year 1999; and

(C) such sums as may be necessary for each fiscal year thereafter.

Notification of Adjustment of Benefits by Secretary

Pub. L. 98–369, div. B, title VI, §2612(b), July 18, 1984, 98 Stat. 1131, provided that: “If an adjustment referred to in section 1631(b)(1) of the Social Security Act [subsec. (b)(1) of this section] is in effect with respect to an individual or eligible spouse on the effective date of this subsection [Oct. 1, 1984], such adjustment for a month is greater than the amount described in section 1631(b)(1)(B)(ii) of such Act [subsec. (b)(1)(B)(ii) of this section], as added by subsection (a), the Secretary shall notify the individual whose benefits are being adjusted, in writing, of his or her right to have the adjustment reduced to the amount described in such section 1631(b)(1)(B)(ii)."

Payment of Costs of Rehabilitation Services

Amendment to sections 422 and 1382d of this title by section 6(a), (b), (c), and (d) of Pub. L. 98–460 applicable with respect to individuals who receive benefits as a result of section 422(a) or section 1382d(a)(6) of this title, or who refuse to continue to accept rehabilitation services or fail to cooperate in an approved vocational rehabilitation program, in or after the first month following October 1984, see section 6(c) of Pub. L. 98–460, set out as an Effective Date of 1984 Amendment note under section 422 of this title.

Hearing Examiners Appointed Prior to January 2, 1976

Pub. L. 95–216, title III, §371, Dec. 20, 1977, 91 Stat. 1559, provided that: “The persons who were appointed to serve as hearing examiners under section 1631(d)(2) of the Social Security Act [subsec. (d)(2) of this section] (as in effect prior to January 2, 1976), and who by section 3 of Public Law 94–202 [set out as a note under this section] were deemed to be appointed under section 1631(b)(1) of the Social Security Act [subsec. (b)(1) of this section], United States Code, with the same authority and tenure (without regard to the expiration of such period) as hearing examiners appointed directly under such section, shall receive compensation in an approved vocational rehabilitation program, in or after the first month following October 1984, set out as an Effective Date of 1984 Amendment note under section 422 of this title.

Presumptive Disability Benefits; Time Extension

Pub. L. 93–256, §1, Mar. 2, 1974, 88 Stat. 52, provided: “That any individual who would be considered disabled under section 1614(a)(3)(E) of the Social Security Act
[section 1382c(a)(3)(E) of this title] except that he did not receive aid under the appropriate State plan for at least one month prior to July 1973 may be considered to be presumptively disabled under section 1631(a)(4)(B) of that Act [subsec. (a)(4)(B) of this section] and may be paid supplemental security income benefits under title XVI of that Act [this subchapter] on the basis of such presumptive disability, and State supplementary payments under section 212 of Public Law 93–66 [set out as a note under section 1382 of this title] as though he had been determined to be disabled within the meaning of section 1614(a)(3) of the Social Security Act [section 1382c(a)(3) of this title], for any month in calendar year 1974 for which it has been determined that he is otherwise eligible for such benefits, without regard to the three-month limitation in section 1631(a)(4)(B) of that Act [subsec. (a)(4)(B) of this section] on the period for which benefits may be paid to presumptively disabled individuals, except that no such benefits may be paid on the basis of such presumptive disability for any month after the month in which the Secretary of Health, Education, and Welfare [now Health and Human Services] has made a determination as to whether such individual is medically disabled, as defined in section 1614(a)(3)(A) of that Act [section 1382c(a)(3)(A) of this title]."

APPLICATION TO NORTHERN MARIANA ISLANDS

For applicability of this section to the Northern Mariana Islands, see section 502(a)(1) of the Covenant to Establish a Commonwealth of the Northern Mariana Islands in Political Union with the United States of America and Proc. No. 4534, Oct. 24, 1977, 42 F.R. 6593, set out as notes under section 1801 of Title 48, Territories and Insular Possessions.

PUERTO RICO, GUAM, AND VIRGIN ISLANDS

As enacted by Pub. L. 92–603, title XVI of the Social Security Act, which did not contain a section 1603, was not applicable to Puerto Rico, Guam, and the Virgin Islands. See section 303(b) of Pub. L. 92–603, set out as a note under section 301 of this title. Therefore, as to Puerto Rico, Guam, and the Virgin Islands, section 1603 of the Social Security Act as it existed prior to the enactment of Pub. L. 92–603 (former 42 U.S.C. 1383), and as amended, continues to apply and reads as follows:

§ 1383. Payments to States; quarterly expenditures to exceed average of total expenditures for each quarter of previous year ending disabled, as defined in section 1614(a)(3)(A) of that Act [section 1382c(a)(3)(A) of this title]."

(a) From the sums appropriated therefor, the Commissioner of Social Security shall pay to each State which has a plan approved under this subchapter, for each quarter beginning with the quarter commencing October 1, 1962—


(2) In the case of Puerto Rico, the Virgin Islands, and Guam, an amount equal to—

(A) one-half of the total of the sums expended during such quarter as aid to the aged, blind, or disabled under the State plan, not counting so much of any expenditure with respect to any month as exceeds $37.50 multiplied by the total number of recipients of aid to the aged, blind, or disabled for such month; plus

(B) one-half of the amount by which such expenditures exceed the maximum which may be counted under clause (A), not counting so much of any expenditure with respect to any month as exceeds the product of $45 multiplied by the total number of such recipients of aid to the aged, blind, or disabled for such month; and


(b)(1) Prior to the beginning of each quarter, the Commissioner of Social Security shall estimate the amount to which a State will be entitled under subsection (a) of this section for such quarter, such estimates to be based on (A) a report filed by the State containing its estimate of the total sum to be expended in such quarter in accordance with the provisions of such subsection, and stating the amount appropriated or made available by the State and its political subdivisions for such expenditures in such quarter, and if such amount is less than the State’s proportionate share of the total sum of such estimated expenditures, the source or sources from which the difference is expected to be derived, and (B) such other investigation as the Commissioner of Social Security may find necessary.

(2) The Commissioner of Social Security shall then pay, in such installments as the Commissioner may determine, to the State the amount so estimated, reduced or increased to the extent of any overpayment or underpayment which the Commissioner of Social Security determines was made under this section to such State for any prior quarter and with respect to which adjustment has not already been made under this subsection.

(3) The pro rata share to which the United States is equitably entitled, as determined by the Commissioner of Social Security, of the net amount recovered during any quarter by the State or any political subdivision thereof with respect to aid or assistance furnished under the State plan, but excluding any amount of such aid or assistance recovered from the estate of a deceased recipient which is not in excess of the amount expended by the State or any political subdivision thereof for the funeral expenses of the deceased, shall be considered an overpayment to be adjusted under this subsection.

(4) Upon the making of any estimate by the Commissioner of Social Security under this subsection, any appropriations available for payments under this section shall be deemed obligated.


[Amendment by section 107(a)(4) of Pub. L. 103–296 effective Mar. 31, 1995, see section 110(a) of Pub. L. 103–296, set out as an Effective Date of 1994 Amendment note under section 401 of this title.]

[Amendment by Pub. L. 103–66 effective with respect to calendar quarters beginning on or after Apr. 1, 1994, with special rule for States whose legislature meets biennially, and does not have regular session scheduled in calendar year 1994, see section 13741(c) of Pub. L. 103–66, set out as an Effective Date of 1993 Amendment note under section 303 of this title.]


REIMBURSEMENT FOR ERRONEOUS STATE SUPPLEMENTARY PAYMENTS; AUTHORIZATION OF APPROPRIATIONS

Pub. L. 95–216, title IV, § 405, Dec. 20, 1977, 91 Stat. 1564, provided that:

“(a) Notwithstanding any other provision of law, the Secretary of Health, Education, and Welfare [now Health and Human Services] is authorized and directed to pay to each State an amount equal to the amount..."
expended by such State for erroneous supplementary payments to aged, blind, or disabled individuals whenever, and to the extent to which, the Secretary through an act by the Department of Health, Education, and Welfare [now Health and Human Services] which has been reviewed and concurred in by the Inspector General of such department determines that—

"(1) such amount was paid by such State as a supplementary payment during the calendar year 1974 pursuant to an agreement between the State and the Secretary required by section 212 of the Act entitled ‘An Act to extend the Renegotiation Act of 1951 for one year, and for other purposes’, approved July 9, 1973, [set out as a note under section 1382 of this title], or such amount was paid by such State as an optional State supplementation, as defined in section 1616 of the Social Security Act (42 U.S.C. 1382), during the calendar year 1974.

"(2) the erroneous payments were the result of good faith reliance upon incorrect supplemental security income benefit payments made by such department, and

"(3) recovery of the erroneous payments by such State would be impossible or unreasonable.

“(b) There are authorized to be appropriated such sums as are necessary to carry out the provisions of this section.”

§ 1383a. Penalties for fraud

(a) In general

Whoever—

(1) knowingly and willfully makes or causes to be made any false statement or representation of a material fact in any application for any benefit under this subchapter,

(2) at any time knowingly and willfully makes or causes to be made any false statement or representation of a material fact for use in determining rights to any such benefit,

(3) having knowledge of the occurrence of any event affecting (A) his initial or continued right to any such benefit, or (B) the initial or continued right to any such benefit of any other individual in whose behalf he has applied for or is receiving such benefit, conceals or fails to disclose such event with an intent fraudulently to secure such benefit either in a greater amount or quantity than is due or when no such benefit is authorized,

(4) having made application to receive any such benefit for the use and benefit of another and having received it, knowingly and willfully converts such benefit or any part thereof to a use other than for the use and benefit of such other person, or

(5) conspires to commit any offense described in any of paragraphs (1) through (3),

shall be fined under title 18, imprisoned not more than 5 years, or both, except that in the case of a person who receives a fee or other income for services performed in connection with any determination with respect to benefits under this subchapter (including a claimant representative, translator, or current or former employee of the Social Security Administration), or who is a physician or other health care provider who submits, or causes the submission of, medical or other evidence in connection with any such determination, such person shall be guilty of a felony and upon conviction thereof shall be fined under title 18, or imprisoned for not more than ten years, or both.

(b) Restitution

(1) Any Federal court, when sentencing a defendant convicted of an offense under subsection (a), may order, in addition to or in lieu of any other penalty authorized by law, that the defendant make restitution to the Commissioner of Social Security, in any case in which such offense results in—

(A) the Commissioner of Social Security making a benefit payment that should not have been made, or

(B) an individual suffering a financial loss due to the defendant's violation of subsection (a) in his or her capacity as the individual's representative payee appointed pursuant to section 1383(a)(2) of this title.

(2) Sections 3612, 3663, and 3664 of title 18 shall apply with respect to the issuance and enforcement of orders of restitution under this subsection. In so applying such sections, the Commissioner of Social Security shall be considered the victim.

(3) If the court does not order restitution, or orders only partial restitution, under this subsection, the court shall state on the record the reasons therefor.

(4)(A) Except as provided in subparagraph (B), funds paid to the Commissioner of Social Security as restitution pursuant to a court order shall be deposited as miscellaneous receipts in the general fund of the Treasury.

(B) In the case of funds paid to the Commissioner of Social Security pursuant to paragraph (1)(B), the Commissioner of Social Security shall certify for payment to the individual described in such paragraph an amount equal to the lesser of the amount of the funds so paid or the individual's outstanding financial loss as described in such paragraph, except that such amount may be reduced by any overpayment of benefits owed under this subchapter, subchapter II, or subchapter VIII by the individual.

(c) Prohibition on certification as representative payee

Any person or entity convicted of a violation of subsection (a) of this section or of section 408 of this title may not be certified as a representative payee under section 1383(a)(2) of this title.


Amendments

2015—Subsec. (a). Pub. L. 114–74, § 813(b)(3), inserted before period at end of concluding provisions “, except that in the case of a person who receives a fee or other income for services performed in connection with any determination with respect to benefits under this subchapter (including a claimant representative, translator, or current or former employee of the Social Security Administration), or who is a physician or other health care provider who submits, or causes the sub-
mission of, medical or other evidence in connection with such any determination, such person shall be guilty of a felony and upon conviction thereof shall be fined not more than $25,000 or imprisoned for not more than five years, or both.


Subsec. (c). Pub. L. 108–203, § 209(c)(1), (3), redesignated subsec. (b) as (c), struck out “(2)” before “Any person”, and struck out par (1) which read as follows: ‘‘If a person or entity violates subsection (a) of this section in the person’s or entity’s role as, or in applying to become, a representative payee under section 1383a(a)(2) of this title on behalf of another individual (other than the person’s eligible spouse), and the violation includes a willful misuse of funds by the person or entity, the court may also require that full or partial restitution of such funds be made to such other individual.’’

1994—Subsec. (a). Pub. L. 103–296, § 206(c)(1), inserted closing provisions and struck out former closing provisions which read as follows: ‘‘shall be guilty of a misdemeanor and upon conviction thereof shall be fined not more than $1,000 or imprisoned for not more than one year, or both.’’

Subsec. (b). Pub. L. 103–296, § 206(c)(2), amended subsec. (b) generally. Prior to amendment, subsec. (b) read as follows:

‘‘(b)(1) Any person or other entity who is convicted of a violation of any of the provisions of paragraphs (1) through (4) of subsection (a) of this section, if such violation is committed by such person or entity in his role as, or in applying to become, a payee under section 1383a(a)(2) of this title on behalf of another individual (other than such person’s eligible spouse), in lieu of the penalty set forth in subsection (a) of this section—

‘‘(A) upon his first such conviction, shall be guilty of a misdemeanor and shall be fined not more than $5,000 or imprisoned for not more than one year, or both; and

‘‘(B) upon his second or any subsequent such conviction, shall be guilty of a felony and shall be fined not more than $25,000 or imprisoned for not more than five years, or both.

‘‘(2) In any case in which the court determines that a violation described in paragraph (1) includes a willful misuse of funds by such person or entity, the court may also require that full or partial restitution of such funds be made to the individual for whom such person or entity was the certified payee.

‘‘(3) Any person or entity convicted of a felony under this section or under section 408 of this title may not be certified as a payee under section 1383a(a)(2) of this title.’’

1984—Pub. L. 98–460 designated existing provisions as subsec. (a) and added subsec. (b).

§ 1383b. Administration

(a) Authority of Commissioner

Subject to subsection (b), the Commissioner of Social Security may make such administrative and other arrangements (including arrangements for the determination of blindness and disability under section 1382c(a)(2) and (3) of this title in the same manner and subject to the same conditions as provided with respect to disability determinations under section 421 of this title) as may be necessary or appropriate to carry out the Commissioner’s functions under this subchapter.

(b) Examination to determine blindness

In determining, for purposes of this subchapter, whether an individual is blind, there shall be an examination of such individual by a physician skilled in the diseases of the eye or by an optometrist, whichever the individual may select.

(c) Notification of review

(1) In any case in which the Commissioner of Social Security initiates a review under this subchapter, similar to the continuing disability reviews authorized for purposes of subchapter II under section 421(i) of this title, the Commissioner of Social Security shall notify the individual whose case is to be reviewed in the same manner as required under section 421(i)(4) of this title.

(2) For suspension of continuing disability reviews and other reviews under this subchapter similar to reviews under section 421 of this title in the case of an individual using a ticket to work and self-sufficiency, see section 1320b–19(i) of this title.

(d) Regulations regarding completion of plans for achieving self-support

The Commissioner of Social Security shall establish by regulation criteria for time limits and other criteria related to individuals’ plans for achieving self-support, that take into account—

(1) the length of time that the individual will need to achieve the individual’s employment goal (within such reasonable period as the Commissioner of Social Security may establish); and

(2) other factors determined by the Commissioner of Social Security to be appropriate.

(e) Review of State agency blindness and disability determinations

(1) The Commissioner of Social Security shall review determinations, made by State agencies pursuant to subsection (a) in connection with applications for benefits under this subchapter on the basis of blindness or disability, that indi-
individually who have attained 18 years of age are blind or disabled as of a specified onset date. The Commissioner of Social Security shall review such a determination before any action is taken to implement the determination. (2)(A) In carrying out paragraph (1), the Commissioner of Social Security shall review—

(i) at least 20 percent of all determinations referred to in paragraph (1) that are made in fiscal year 2006;

(ii) at least 40 percent of all such determinations that are made in fiscal year 2007; and

(iii) at least 50 percent of all such determinations that are made in fiscal year 2008 or thereafter.

(B) In carrying out subparagraph (A), the Commissioner of Social Security shall, to the extent feasible, select for review the determinations which the Commissioner of Social Security identifies as being the most likely to be incorrect.


AMENDMENTS


1994—Subsec. (a). Pub. L. 103–296, §203(a), substituted “Commissioner of Social Security” for “Secretary” and “the Commissioner’s” for “his”.


1993—Subsec. (a). Pub. L. 99–456, §214(1), (2), designated existing provisions as subsec. (a) and made the author-

ity of the Secretary subject to subsec. (b) of this section.


EFFECTIVE DATE OF 2006 AMENDMENT

Amendment by Pub. L. 109–171 effective as if enacted on Oct. 1, 2006, except as otherwise provided, see section 7703 of Pub. L. 109–171, set out as a note under section 603 of this title.

EFFECTIVE DATE OF 1999 AMENDMENT

Amendment by Pub. L. 106–170 effective with the first month following one year after Dec. 17, 1999, subject to section 101(d) of Pub. L. 106–170, see section 101(c) of Pub. L. 106–170, set out as an Effective Date note under section 1320b–39 of this title.

EFFECTIVE DATE OF 1994 AMENDMENT


Pub. L. 103–296, title II, §203(b), Aug. 15, 1994, 108 Stat. 1508, provided that: “The amendment made by sub-

section (a) [amending this section] shall take effect on January 1, 1995.”

EFFECTIVE DATE


INSTITUTION OF NOTIFICATION SYSTEM

For provisions requiring the Secretary to institute the system of notification required by subsec. (c) of this section as soon as practicable after Oct. 9, 1984, see section 6(c) of Pub. L. 98–460, set out as a note under section 423 of this title.

FEDERAL PROGRAM OF SUPPLEMENTAL SECURITY INCOME; PREFERENCE FOR PRESENT STATE AND LOCAL EMPLOYEES

Pub. L. 93–66, title II, §213, July 9, 1973, 87 Stat. 158, provided that: “The Secretary of Health, Education, and Welfare (now Health and Human Services) in the recruitment and selection for employment of personnel whose services will be utilized in the administration of the Federal program of supplemental security income for the aged, blind, and disabled (established by title XVI of the Social Security Act [this subchapter]), shall give a preference, as among applicants whose qualifications are reasonably equal (subject to any preferences conferred by law or regulation on individuals who have been Federal employees and have been displaced from such employment), to applicants for employment who are or were employed in the administration of any State program approved under title I, X, XIV, or XVI of such Act [42 U.S.C. 301 et seq., 1201 et seq., 1381 et seq.] and are or were involuntarily displaced from their employment as a result of the displacement of such State program by such Federal program.”

APPLICATION TO NORTHERN MARIANA ISLANDS

For applicability of this section to the Northern Mariana Islands, see section 502(a)(1) of the Covenant to Establish a Commonwealth of the Northern Mariana Islands in Political Union with the United States of America and Proc. No. 4534, Oct. 24, 1977, 42 F.R. 6593, set out as notes under section 1801 of Title 48, Territories and Insular Possessions.

PUERTO RICO, GUAM, AND VIRGIN ISLANDS

Enactment of provisions of Pub. L. 92–603, eff. Jan. 1, 1974, not applicable to Puerto Rico, Guam, and the Virgin Islands, see section 303(b) of Pub. L. 92–603, set out as a note under section 301 of this title.

§1383c. Eligibility for medical assistance of aged, blind, or disabled individuals under State's medical assistance plan

(a) Determination by Commissioner pursuant to agreement between Commissioner and State; costs

The Commissioner of Social Security may enter into an agreement with any State which wishes to do so under which the Commissioner will determine eligibility for medical assistance in the case of aged, blind, or disabled individuals under such State’s plan approved under subchapter XIX. Any such agreement shall provide for payments by the State, for use by the Com- mander of Social Security in carrying out the agreement, of an amount equal to one-half of the cost of carrying out the agreement, but in computing such cost with respect to individuals eligible for benefits under this subchapter, the Commissioner of Social Security shall include only those costs which are additional to the costs incurred in carrying out this subchapter.

(b) Preservation of benefit status for certain disabled widows and widowers

(1) An eligible disabled widow or widower (de-
scribed in paragraph (2)) who is entitled to a widow’s or widower’s insurance benefit based on a disability for any month under section 402(e)
or (f) of this title but is not eligible for benefits under this subchapter in that month, and who applies for the protection of this subsection under paragraph (3), shall be deemed for purposes of subchapter XIX to be an individual with respect to whom benefits under this subchapter are paid in that month if he or she—

(A) has been continuously entitled to such widow's or widower's insurance benefits from the first month for which the increase described in paragraph (2)(C) was reflected in such benefits through the month involved, and

(B) would be eligible for benefits under this subchapter in the month involved if the amount of the increase described in paragraph (2)(C) in his or her widow's or widower's insurance benefits, and any subsequent cost-of-living adjustments in such benefits under section 415(i) of this title, were disregarded.

(2) For purposes of paragraph (1), the term "eligible disabled widow or widower" means an individual who—

(A) was entitled to a monthly insurance benefit under subchapter II for December 1983,

(B) was entitled to a widow's or widower's insurance benefit based on a disability under section 402(e) or (f) of this title for January 1984 and with respect to whom a benefit under this subchapter was paid in that month, and

(C) because of the increase in the amount of his or her widow's or widower's insurance benefits which resulted from the amendments made by section 134 of the Social Security Amendments of 1983 (Public Law 98–21) (eliminating the additional reduction factor for disabled widows and widowers under age 60), was ineligible for benefits under this subchapter in the first month in which such increase was paid to him or her (and in which a retroactive payment of such increase for prior months was not made).

(3) This subsection shall only apply to an individual who files a written application for protection under this subsection, in such manner and form as the Commissioner of Social Security may prescribe, no later than July 1, 1988.

(4) For purposes of this subsection, the term "benefits under this subchapter" includes payments of the type described in section 1382e(a) of this title or of the type described in section 212(a) of Public Law 93–66.

(c) Loss of benefits upon entitlement to child's insurance benefits based on disability

If any individual who has attained the age of 18 and is receiving benefits under this subchapter on the basis of blindness or a disability which began before he or she attained the age of 22—

(1) becomes entitled, on or after the effective date of this subsection, to child's insurance benefits which are payable under section 402(d) of this title on the basis of such disability or to an increase in the amount of the child's insurance benefits which are so payable, and

(2) ceases to be eligible for benefits under this subchapter because of such child's insurance benefits or because of the increase in such child's insurance benefits,

such individual shall be treated for purposes of subchapter XIX as receiving benefits under this subchapter so long as he or she would be eligible for benefits under this subchapter in the absence of such child's insurance benefits or such increase.

(d) Retention of medicaid when SSI benefits are lost upon entitlement to early widow's or widower's insurance benefits

(1) This subsection applies with respect to any person who—

(A) applies for and obtains benefits under subsection (e) or (f) of section 402 of this title (or under any other subsection of section 402 of this title if such person is also eligible for benefits under such subsection (e) or (f)) being then not entitled to hospital insurance benefits under part A of subchapter XVIII, and

(B) is determined to be ineligible (by reason of the receipt of such benefits under section 402 of this title) for supplemental security income benefits under this subchapter or for State supplementary payments of the type described in section 1382e(a) of this title (or payments of the type described in section 212(a) of Public Law 93–66).

(2) For purposes of subchapter XIX, each person with respect to whom this subsection applies—

(A) shall be deemed to be a recipient of supplemental security income benefits under this subchapter if such person received such a benefit for the month before the month in which such person began to receive a benefit described in paragraph (1)(A), and

(B) shall be deemed to be a recipient of State supplementary payments of the type referred to in section 1382e(a) of this title (or payments of the type described in section 212(a) of Public Law 93–66) if such person received such a payment for the month before the month in which such person began to receive a benefit described in paragraph (1)(A), for so long as such person (i) would be eligible for such supplemental security income benefits, or such State supplementary payments, (or payments of the type described in section 212(a) of Public Law 93–66), in the absence of benefits described in paragraph (1)(A), and (ii) is not entitled to hospital insurance benefits under part A of subchapter XVIII.


References in Text


Section 212(a) of Public Law 93–66, referred to in subsecs. (b)(4) and (d)(1)(B), (2), is section 212(a) of Pub. L. 93–66.
The effective date of this section, referred to in subsec. (c)(1), is July 1, 1987, except as otherwise provided. See section 10(b) of Pub. L. 99-643, set out as an Effective Date of 1990 Amendments note under section 1396a of this title.

Effective Date of 1990 Amendment
Amendment by Pub. L. 101-508 applicable with respect to medical assistance provided after December 1990, see section 5103(c) of Pub. L. 101-508, set out as a note under section 402 of this title.

Effective Date of 1987 Amendment

Effective Date of 1986 Amendment
Amendment by Pub. L. 99-643 effective July 1, 1987, except as otherwise provided, see section 10(b) of Pub. L. 99-643, set out as a note under section 1396a of this title.

Effective Date

Notice of Possible Eligibility for Medicaid Assistance
Pub. L. 100-203, title IX, §9116(b), Dec. 22, 1987, 101 Stat. 1330-306, provided that: "The Secretary of Health and Human Services, acting through the Social Security Administration, shall (within 3 months after the date of the enactment of this Act (Dec. 22, 1987)) issue a notice to all individuals who will have attained age 60 but not age 65 as of April 1, 1987, and who received supplemental security income benefits under title XVI of the Social Security Act (this subchapter) prior to attaining age 60 but lost those benefits by reason of the receipt of widow's or widower's insurance benefits (or other benefits as described in section 1334(d)(1) of that Act (subsect. (d)(1) of this section) as added by sub-section (a) of this section) under title II of that Act (subchapter II of this chapter). Each such notice shall forth and explain the provisions of section 1334(d)(1) of the Social Security Act (as so added), and shall inform the individual that he or she should contact the Secretary or the appropriate State agency concerning his or her possible eligibility for medical assistance benefits under such title XIX (subchapter XIX of this chapter)."
§ 1383f. Annual report on program

(a) In general

Not later than May 30 of each year, the Commissioner of Social Security shall prepare and deliver a report annually to the President and the Congress regarding the program under this subchapter, including—
(1) a comprehensive description of the program;
(2) historical and current data on allowances and denials, including number of applications and allowance rates for initial determinations, reconsideration determinations, administrative law judge hearings, appeals council reviews, and Federal court decisions;
(3) historical and current data on characteristics of recipients and program costs, by recipient group (aged, blind, disabled adults, and disabled children);
(4) historical and current data on prior enrollment by recipients in public benefit programs, including State programs funded under part A of subchapter IV of this chapter and State general assistance programs;
(5) projections of future number of recipients and program costs, through at least 25 years;
(6) number of redeterminations and continuing disability reviews, and the outcomes of such redeterminations and reviews;
(7) data on the utilization of work incentives;
(8) detailed information on administrative and other program operation costs;
(9) summaries of relevant research undertaken by the Social Security Administration, or by other researchers;
(10) State supplementation program operations;
(11) a historical summary of statutory changes to this subchapter; and
(12) such other information as the Commissioner deems useful.

(b) Views of individual members of Social Security Advisory Board

Each member of the Social Security Advisory Board shall be permitted to provide an individual report, or a joint report if agreed, of views of the program under this subchapter, to be included in the annual report required under this section.


§ 1384. Omitted

Codification


Puerto Rico, Guam, and Virgin Islands

Enactment of subchapter XVI of the Social Security Act (this subchapter) by section 301 of Pub. L. 92-603, eff. Jan. 1, 1974, was not applicable to Puerto Rico, Guam, and the Virgin Islands. See section 303(b) of Pub. L. 92-603, set out as a note under section 301 of this title. Therefore, as to Puerto Rico, Guam, and the Virgin Islands, section 1605 of the Social Security Act (this section) as it existed prior to reenactment of this subchapter by Pub. L. 92-603, and as amended, continues to apply and to read as follows:

§ 1385. Omitted

Codification


Puerto Rico, Guam, and Virgin Islands

Enactment of subchapter XVI of the Social Security Act (this subchapter) by section 301 of Pub. L. 92-603, eff. Jan. 1, 1974, was not applicable to Puerto Rico, Guam, and the Virgin Islands. See section 303(b) of Pub. L. 92-603, set out as a note under section 301 of this title. Therefore, as to Puerto Rico, Guam, and the Virgin Islands, section 1605 of the Social Security Act (this section) as it existed prior to reenactment of this subchapter by Pub. L. 92-603, and as amended, continues to apply and to read as follows:

§ 1385. Definitions

(a) For purposes of this subchapter, the term “aid to the aged, blind, or disabled” means money payments to needy individuals who are 65 years of age or older, are blind, or are 18 years of age or over and permanently and totally disabled, but such term does not include—
(1) any such payments to or care in behalf of any individual who is an inmate of a public institution (except as a patient in a medical institution); or
(2) any such payments to or care in behalf of any individual who has not attained 65 years of age and who is a patient in an institution for tuberculosis or mental diseases.

Such term also includes payments which are not included within the meaning of such term under the preceding sentence, but which were so included except that they are made on behalf of such a needy individual to another individual who (as determined in accordance with standards prescribed by the Commissioner of Social Security) is interested in or concerned with the welfare of such needy individual, but only with respect to a State whose State plan approved under section 1382 of this title includes provision for—

(A) determination by the State agency that such needy individual has, by reason of his physical or mental condition, such inability to manage funds that making payments to him would be contrary to his welfare and, therefore, it is necessary to provide such aid through payments described in this sentence;
(B) making such payments only in cases in which such payments will, under the rules otherwise applicable under the State plan for determining need and the amount of aid to the aged, blind, or disabled to be paid (and in conjunction with other income and resources), meet all the need [sic] of the individuals with respect to whom such payments are made.

(C) undertaking and continuing special efforts to protect the welfare of such individual and to improve, to the extent possible, his capacity for self-care and to manage funds;

(D) periodic review by such State agency of the determination under clause (A) of this subsection to ascertain whether conditions justifying such determination still exist, with provision for termination of such payments if they do not and for seeking judicial appointment of a guardian or other legal representative, as described in section 1311 of this title, if and when it appears that such action will best serve the interests of such needy individual; and

(E) opportunity for a fair hearing before the State agency on the determination referred to in clause (A) of this subsection for any individual with respect to whom it is made.

At the option of a State (if its plan approved under this subchapter so provides), such term (i) need not include money payments to an individual who has been absent from such State for a period in excess of ninety consecutive days (regardless of whether he has maintained his residence in such State during such period) until he has been present in such State for thirty consecutive days in the case of such an individual who has maintained his residence in such State during such period or ninety consecutive days in the case of any other such individual, and (ii) may include rent payments made directly to a public housing agency on behalf of a recipient or a group or groups of recipients of aid under such plan.


[Amendment by section 107(a)(4) of Pub. L. 103–296 effective Mar. 31, 1995, see section 110(a) of Pub. L. 103–296, set out as an Effective Date of 1994 Amendment note under section 401 of this title.]

SUBCHAPTER XVIII—GRANTS FOR PLANING COMPREHENSIVE ACTION TO COMBAT MENTAL RETARDATION

§ 1391. Authorization of appropriations

For the purpose of assisting the States (including the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, and American Samoa) to plan for and take other steps leading to comprehensive State and community action to combat mental retardation, there is authorized to be appropriated the sum of $2,200,000. There are also authorized to be appropriated, for assisting such States in initiating the implementation and carrying out of planning and other steps to combat mental retardation, $2,750,000 for the fiscal year ending June 30, 1966, and $2,750,000 for the fiscal year ending June 30, 1967.


AMENDMENTS


SHORT TITLE

For short title of Pub. L. 88–156, which enacted this subchapter, as the “Maternal and Child Health and Mental Retardation Planning Amendments of 1963”, see section 1 of Pub. L. 88–156, set out as a Short Title of 1963 Amendment note under section 1305 of this title.

§ 1392. Availability of funds during certain fiscal years; limitation on amount; utilization of grant

The sums appropriated pursuant to the first sentence of section 1391 of this title shall be available for grants to States by the Secretary during the fiscal year ending June 30, 1964, and the succeeding fiscal year; and the sums appropriated pursuant to the second sentence of such section for the fiscal year ending June 30, 1966, shall be available for such grants during such year and the next two fiscal years, and sums appropriated pursuant thereto for the fiscal year ending June 30, 1967, shall be available for such grants during such year and the succeeding fiscal year. Any such grant to a State, which shall not exceed 75 per centum of the cost of the planning and related activities involved, may be used by it to determine what action is needed to combat mental retardation in the State and the resources available for this purpose, to develop public awareness of the mental retardation problem and of the need for combating it, to coordinate State and local activities relating to the various aspects of mental retardation and its prevention, treatment, or amelioration, and to plan other activities leading to comprehensive State and community action to combat mental retardation.


AMENDMENTS

1965—Pub. L. 89–97 inserted provision making appropriations for fiscal year ending June 30, 1966, available for grants during such fiscal year and the next two fiscal years and the appropriation for such fiscal year ending June 30, 1967, available for grants during such fiscal year and the succeeding fiscal year.

§ 1393. Applications; single State agency designation; essential planning services; plans for expenditure; final activities report and other necessary reports; records; accounting

In order to be eligible for a grant under section 1392 of this title, a State must submit an application therefor which—

(1) designates or establishes a single State agency, which may be an interdepartmental agency, as the sole agency for carrying out the purposes of this subchapter;

(2) indicates the manner in which provision will be made to assure full consideration of all aspects of services essential to planning for comprehensive State and community action to combat mental retardation, including services in the fields of education, employment, reha-
bilitation, welfare, health, and the law, and services provided through community programs for and institutions for the mentally retarded;

(3) sets forth its plans for expenditure of such grant, which plans provide reasonable assurance of carrying out the purposes of this subchapter;

(4) provides for submission of a final report of the activities of the State agency in carrying out the purposes of this subchapter, and for submission of such other reports, in such form and containing such information, as the Secretary may from time to time find necessary for carrying out the purposes of this subchapter and for keeping such records and affording such access thereto as he may find necessary to assure the correctness and verification of such reports; and

(5) provides for such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of and accounting for funds paid to the State under this subchapter.


§ 1394. Payments to States; adjustments; advances or reimbursement; installments; conditions

Payment of grants under this subchapter may be made (after necessary adjustment on account of previously made underpayments or overpayments) in advance or by way of reimbursement, and in installments and on such conditions, as the Secretary may determine.


SUBCHAPTER XVIII—HEALTH INSURANCE FOR AGED AND DISABLED

EX. ORD. NO. 13890. PROTECTING AND IMPROVING MEDICARE FOR OUR NATION’S SENIORS

Ex. Ord. No. 13890, Oct. 3, 2019, 84 F.R. 5573, provided: by the authority vested in me as President by the Constitution and the laws of the United States of America, it is hereby ordered as follows:

SECTION 1. Purpose. The proposed Medicare for All Act of 2019, as introduced in the Senate [S. 1129, 116th Congress, 1st Session] ("Medicare for All") would destroy our current Medicare program, which enables our Nation’s seniors and other vulnerable Americans to receive affordable, high-quality care from providers of their choice. Rather than upend Medicare as we know it, my Administration will protect and improve it. America’s seniors are overwhelmingly satisfied with their Medicare coverage. The vast majority of seniors believe that the program delivers high-quality health outcomes. Medicare empowers seniors to choose their own providers and the type of health insurance that works best for them, whether it is fee-for-service (FFS) Medicare, in which the Federal Government pays for covered services, or Medicare Advantage (MA), in which Medicare dollars are used to purchase qualified private health insurance. “Medicare for All” would take away the choices currently available within Medicare and centralize even more power in Washington, harming seniors and other Medicare beneficiaries.

Throughout their lives, workers and their employers have contributed their own money to the Medicare Trust Fund. It would be a mistake to eliminate Americans’ healthcare choices and to force them into a new system that is effectively a Government takeover of their healthcare.

“Medicare for All” would not only hurt America’s seniors, it would also eliminate health choices for all Americans. Instead of picking the health insurance that best meets their needs, Americans would generally be subject to a single, Government-run system. Private insurance for traditional health services, upon which millions of Americans depend, would be prohibited. States would be hindered from offering the types of insurance that work best for their citizens. The Secretary of Health and Human Services (Secretary) would have the authority to control and approve health expenditures; such a system could create, among other problems, delays for patients in receiving needed care. To pay for this system, the Federal Government would compel Americans to pay more in taxes. No one—neither seniors nor any American—would have the same options to choose their health coverage as they do now.

Instead of ending the current Medicare program and eliminating health choices for all Americans, my Administration will continue to protect and improve Medicare by building on those aspects of the program that work well, including the market-based approaches in the current system. The MA component, for example, delivers efficient and value-based care through choice and private competition, and has improved aspects of the Medicare program that previously failed seniors. The Medicare program shall adopt and implement those market-based recommendations developed pursuant to Executive Order 13813 of October 12, 2017 (Promoting Healthcare Choice and Competition Across the United States) [42 U.S.C. 18001 note], and published in my Administration’s report on “Reforming America’s Healthcare System Through Choice and Competition.” Doing so would help empower patients to select and access the right care, at the right time, in the right place, from the right provider.

SIC. 2. Policy. It is the policy of the United States to protect and improve the Medicare program by enhancing its financial sustainability through alternative payment methodologies that link payment to value, increase choice, and lower regulatory burdens imposed upon providers.

SIC. 3. Providing More Plan Choices to Seniors. (a) Within 1 year of the date of this order [Oct. 3, 2019], the Secretary shall propose a regulation and implement other administrative actions to enable the Medicare program to provide beneficiaries with more diverse and affordable plan choices. The proposed actions shall:

(i) encourage innovative MA benefit structures and plan designs, including through changes in regulations and guidance that reduce barriers to obtaining Medicare Medical Savings Accounts and that promote innovations in supplemental benefits and telehealth services;

(ii) include a payment model that adjusts supplemental MA benefits to allow Medicare beneficiaries to share more directly in the savings from the program, including through cash or monetary rebates, thus creating more incentives to seek high-value care; and

(iii) ensure that, to the extent permitted by law, FFS Medicare is not advantaged or promoted over MA with respect to its administration.

(b) The Secretary, in consultation with the Chairman of the Council of Economic Advisers, shall submit to the President, through the Assistants to the President for Domestic and Economic Policy, a report within 180 days from the date of this order that identifies approaches to modify Medicare FFS payments to more closely reflect the prices paid for services in MA and the commercial insurance market, to encourage more robust price competition, and otherwise to inject market pricing into Medicare FFS reimbursement.

SIC. 4. Improving Access Through Network Adequacy. Within 1 year of the date of this order, the Secretary shall propose a regulation to provide beneficiaries with improved access to providers by setting network adequacy requirements for MA plans to account for:
(a) the competitiveness of the health market in the States in which such plans operate, including whether those States maintain certificate-of-need laws or other anti-competitive restrictions on health access; and
(b) the enhanced access to health outcomes made possible through telehealth services or other innovative technologies.

S 5. Enabling Providers to Spend More Time with Patients. Within 1 year of the date of this order, the Secretary shall propose reforms to the Medicare program to enable providers to spend more time with patients by:
(a) proposing a regulation that would eliminate burdensome regulatory billing requirements, conditions of participation, supervision requirements, benefit definitions, and all other licensure requirements of the Medicare program that are more stringent than applicable Federal or State laws and require that limit professionals from practicing at the top of their profession;
(b) proposing a regulation that would ensure appropriate reimbursement by Medicare for time spent with patients by both primary and specialist health providers practicing in all types of health professions; and
(c) conducting a comprehensive review of regulatory policies that create disparities in reimbursement between physicians and non-physician practitioners and proposing a regulation that would, to the extent allowed by law, ensure that items and services provided by clinicians, including physicians, physician assistants, and nurse practitioners, are appropriately reimbursed in accordance with the work performed rather than the clinician’s occupation.

S 6. Encouraging Innovation for Patients. Within 1 year of the date of this order, the Secretary shall propose regulatory and sub-regulatory changes to the Medicare program to encourage innovation for patients by:
(a) streamlining the approval, coverage, and coding process so that innovative products are brought to market faster, and so that such products, including breakthrough medical devices and advances in telehealth services and similar technologies, are appropriately reimbursed and widely available, consistent with the principles of patient safety, market-based policies, and value for patients. This process shall include:
(i) adopting regulations and guidance that minimize and eliminate, as appropriate, the time and steps between approval by the Food and Drug Administration (FDA) and coverage decisions by the Centers for Medicare and Medicaid Services (CMS);
(ii) clarifying the application of coverage standards, including the evidence standards CMS uses in applying the reasonable and necessary standard, the standards for deciding appeals of coverage decisions, and the prioritization and timeline for each National Coverage Determination process in light of changes made to local coverage determination processes; and
(iii) identifying challenges to the use of parallel FDA and CMS review and proposing changes to address those challenges; and
(b) modifying the Value-Based Insurance Design payment model to remove any disincentives for MA plans to cover items and services that make use of new technologies that are not covered by FFS Medicare when those items and services can save money and improve the quality of care.

S 7. Rewarding Care Through Site Neutrality. The Secretary shall ensure that Medicare payments and policies encourage competition and a diversity of sites for patients to access care.

S 8. Empowering Patients, Caregivers, and Health Providers. (a) Within 1 year of the date of this order, the Secretary shall propose a regulation that would provide seniors with better quality care and cost data, improving their ability to make decisions about their healthcare that work best for them and to hold providers and plans accountable.
(b) Within 1 year of the date of this order, the Secretary shall use Medicare claims data to give health providers additional information regarding practice patterns for services that may pose undue risks to patients, and to inform health providers about practice patterns that are outliers that are outside recommended standards of care.

S 9. Eliminating Waste, Fraud, and Abuse to Protect Beneficiaries and Taxpayers. (a) The Secretary shall propose regulatory or sub-regulatory changes to the Medicare program, to take effect by January 1, 2021, and shall propose such changes annually thereafter, to combat fraud, waste, and abuse in the Medicare program. The Secretary shall undertake all appropriate efforts to direct public and private resources toward detecting and preventing fraud, waste, and abuse, including through the use of the latest technologies such as artificial intelligence.
(b) The Secretary shall study and, within 180 days of the date of this order, recommend approaches to transition toward true market-based pricing in the FFS Medicare program. The Secretary shall submit the results of this study to the President through the Assistant to the President for Domestic and Economic Policy. Approaches studied shall include:
(i) shared savings and competitive bidding in FFS Medicare;
(ii) use of MA-negotiated rates to set FFS Medicare rates; and
(iii) novel approaches to information development and sharing that may enable markets to lower cost and improve quality for FFS Medicare beneficiaries.

S 10. Reducing Obstacles to Improved Patient Care. Within 1 year of the date of this order, the Secretary shall propose regulatory changes to the Medicare program to reduce the burden on providers and eliminate regulations that create inefficiencies or otherwise undermine patient outcomes.

S 11. Maximizing Freedom for Medicare Patients and Providers. (a) Within 180 days of the date of this order, the Secretary, in coordination with the Commissioner of Social Security, shall revise current rules or policies to preserve the Social Security retirement insurance benefits of seniors who choose not to receive benefits under Medicare Part A, and propose other administrative improvements to Medicare enrollment processes for beneficiaries.
(b) Within 1 year of the date of this order, the Secretary shall identify and remove unnecessary barriers to private contracts that allow Medicare beneficiaries to obtain the care of their choice and facilitate the development of market-driven prices.

S 12. General Provisions. (a) Nothing in this order shall be construed to impair or otherwise affect:
(i) the authority granted by law to an executive department or agency, or the head thereof, to perform its duties;
(ii) the functions of the Director of the Office of Management and Budget relating to budgetary, administrative, or legislative proposals.

(b) This order shall be implemented consistent with applicable law and subject to the availability of appropriations.
(c) This order is not intended to, and does not, create any right or benefit, substantive or procedural, enforceable at law or in equity by any party against the United States, its departments, agencies, or entities, its officers, employees, or agents, or any other person.

Donald J. Trump.

§ 1395. Prohibition against any Federal interference

Nothing in this subchapter shall be construed to authorize any Federal officer or employee to exercise any supervision or control over the practice of medicine or the manner in which medical services are provided, or over the selection, tenure, or compensation of any officer or employee of any institution, agency, or person providing health services; or to exercise any supervision or control over the administration or
§ 1395a  TITLE 42—THE PUBLIC HEALTH AND WELFARE

operation of any such institution, agency, or person.


SHORT TITLE
For short title of title I of Pub. L. 89–97, which enacted this subchapter as the “Health Insurance for the Aged Act”, see section 100 of Pub. L. 89–97, set out as a Short Title of 1965 Amendment note under section 1395 of this title.

PROTECTING AND IMPROVING GUARANTEED MEDICARE BENEFITS


§ 1395a. Free choice by patient guaranteed

(a) Basic freedom of choice

Any individual entitled to insurance benefits under this subchapter may obtain health services from any institution, agency, or person qualified to participate under this subchapter if such institution, agency, or person undertakes to provide him such services.

(b) Use of private contracts by medicare beneficiaries

(1) In general

Subject to the provisions of this subsection, nothing in this subchapter shall prohibit a physician or practitioner from entering into a private contract with a medicare beneficiary for any item or service—

(A) for which no claim for payment is to be submitted under this subchapter; and

(B) for which the physician or practitioner receives—

(i) no reimbursement under this subchapter directly or on a capitated basis, and

(ii) receives no amount for such item or service from an organization which receives reimbursement for such item or service under this subchapter directly or on a capitated basis.

(2) Beneficiary protections

(A) In general

Paragraph (1) shall not apply to any contract unless—

(i) the contract is in writing and is signed by the medicare beneficiary before any item or service is provided pursuant to the contract;

(ii) the contract contains the items described in subparagraph (B); and

(iii) the contract is not entered into at a time when the medicare beneficiary is facing an emergency or urgent health care situation.

(B) Items required to be included in contract

Any contract to provide items and services to which paragraph (1) applies shall clearly indicate to the medicare beneficiary that by signing such contract the beneficiary—

(i) agrees not to submit a claim (or to request that the physician or practitioner submit a claim) under this subchapter for such items or services even if such items or services are otherwise covered by this subchapter;

(ii) agrees to be responsible, whether through insurance or otherwise, for payment of such items or services and understands that no reimbursement will be provided under this subchapter for such items or services;

(iii) acknowledges that no limits under this subchapter (including the limits under section 1395w–4(g) of this title) apply to amounts that may be charged for such items or services;

(iv) acknowledges that Medigap plans under section 1395ss of this title do not, and other supplemental insurance plans may elect not to, make payments for such items and services because payment is not made under this subchapter; and

(v) acknowledges that the medicare beneficiary has the right to have such items or services provided by other physicians or practitioners for whom payment would be made under this subchapter.

Such contract shall also clearly indicate whether the physician or practitioner is excluded from participation under the medicare program under section 1320a–7 of this title.

(3) Physician or practitioner requirements

(A) In general

Paragraph (1) shall not apply to any contract entered into by a physician or practitioner unless an affidavit described in subparagraph (B) is in effect during the period any item or service is to be provided pursuant to the contract.

(B) Affidavit

An affidavit is described in this subparagraph if—

(i) the affidavit identifies the physician or practitioner and is in writing and is signed by the physician or practitioner;

(ii) the affidavit provides that the physician or practitioner will not submit any claim under this subchapter for any item or service provided to any medicare beneficiary (and will not receive any reimbursement or amount described in paragraph (1)(B) for any such item or service) during the applicable 2-year period (as defined in subparagraph (D)); and

(iii) a copy of the affidavit is filed with the Secretary no later than 10 days after the first contract to which such affidavit applies is entered into.
(C) Enforcement

If a physician or practitioner signing an affidavit under subparagraph (B) knowingly and willfully submits a claim under this subchapter for any item or service provided during the applicable 2-year period (or receives any reimbursement or amount described in paragraph (1)(B) for any such item or service) with respect to such affidavit—

(i) this subsection shall not apply with respect to any items and services provided by the physician or practitioner pursuant to any contract on and after the date of such submission and before the end of such period; and

(ii) no payment shall be made under this subchapter for any item or service furnished by the physician or practitioner during the period described in clause (i) (and no reimbursement or payment of any amount described in paragraph (1)(B) shall be made for any such item or service).

(D) Applicable 2-year periods for effectiveness of affidavits

In this subsection, the term “applicable 2-year period” means, with respect to an affidavit of a physician or practitioner under subparagraph (B), the 2-year period beginning on the date the affidavit is signed and includes each subsequent 2-year period unless the physician or practitioner involved provides notice to the Secretary (in a form and manner specified by the Secretary), not later than 30 days before the end of the previous 2-year period, that the physician or practitioner does not want to extend the application of the affidavit for such subsequent 2-year period.

(4) Limitation on actual charge and claim submission requirement not applicable

Section 1395w-4(g) of this title shall not apply with respect to any item or service provided to a medicare beneficiary under a contract entered into on and after the date of the enactment of this Act [Apr. 16, 2015, 129 Stat. 137, 138.] AMENDMENTS


B Effective Date of 2015 Amendment

Pub. L. 114–10, title I, §106(a)(1)(B), Apr. 16, 2015, 129 Stat. 138, provided that: “The amendments made by subparagraph (A) [amending this section] shall apply to affidavits entered into on or after the date that is 60 days after the date of the enactment of this Act [Apr. 16, 2015].”

B Effective Date of 1997 Amendment

Pub. L. 105–33, title IV, §4507(c), Aug. 5, 1997, 111 Stat. 442, provided that: “The amendments made by subsection (a) [amending this section and section 1395x(r) of this title] shall apply with respect to contracts entered into on and after January 1, 1998.”
UPDATE THE WELCOME TO MEDICARE PACKAGE


“(a) IN GENERAL.—Not later than 12 months after the last day of the period for the request for information described in subsection (b), the Secretary of Health and Human Services shall, taking into consideration information collected pursuant to subsection (b), update the information included in the Welcome to Medicare package, including in a clear and simple manner, about options for receiving benefits under the Medicare program under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.), including through the original medicare fee-for-service program under parts A and B of such title (42 U.S.C. 1395c et seq., 42 U.S.C. 1395 et seq.), Medicare Advantage plans under part C of such title (42 U.S.C. 1395w–21 et seq.), and prescription drug plans under part D of such title (42 U.S.C. 1395w–101 et seq.). The Secretary shall make subsequent updates to the information included in the Welcome to Medicare package as appropriate.

“(b) REQUEST FOR INFORMATION.—Not later than 6 months after the date of the enactment of this Act [Dec. 13, 2016], the Secretary of Health and Human Services shall request information, including recommendations, from stakeholders (including patient advocates, issuers, and employers) on information included in the Welcome to Medicare package, including pertinent data and information regarding enrollment and coverage for Medicare eligible individuals.

REPORT TO CONGRESS ON EFFECT OF PRIVATE CONTRACTS

Pub. L. 105–33, title IV, §4021, Aug. 5, 1997, 111 Stat. 347, established National Bipartisan Commission on the Future of Medicare which was directed to review and analyze long-term financial condition of medicare program, identify problems that threaten financial integrity of Federal Hospital Insurance Trust Fund and Federal Supplementary Medical Insurance Trust Fund, analyze potential solutions that will ensure both financial integrity of medicare program and provision of appropriate benefits under such program, and make recommendations for, among other things, restoring solvency of Federal Hospital Insurance Trust Fund and financial integrity of Federal Supplementary Medical Insurance Trust Fund, establishing appropriate financial structure of medicare program as a whole, and establishing appropriate balance of benefits covered and beneficiary contributions to medicare program, further provided for membership of Commission, meetings, personnel and staff matters, powers of Commission, appropriations, submission of final report to Congress not later than Mar. 1, 1999, and termination of Commission 30 days after submission of final report.

EXCLUSION FROM WAGES AND COMPENSATION OF REFUNDS REQUIRED FROM EMPLOYERS TO COMPENSATE FOR DUPLICATION OF MEDICARE BENEFITS BY HEALTH CARE BENEFITS PROVIDED BY EMPLOYERS


“(c) FEDERAL UNEMPLOYMENT PROGRAMS.—


“(2) RAILROAD UNEMPLOYMENT CONTRIBUTIONS.—For purposes of the Railroad Unemployment Insurance Act [45 U.S.C. 351 et seq.], the term ‘wages’ shall not include the amount of any refund required under section 421 of the Medicare Catastrophic Coverage Act of 1988.


“(d) REPORTING REQUIREMENTS.—Any refund required under section 421 of the Medicare Catastrophic Coverage Act of 1988 shall be reported to the Secretary of the Treasury or his delegate and to the person to whom such refund is made in such manner as the Secretary of the Treasury or his delegate shall prescribe.

“(e) EFFECTIVE DATE.—This section shall apply with respect to refunds provided on or after January 1, 1989.

NATIONAL BIPARTISAN COMMISSION ON THE FUTURE OF MEDICARE


UNIVERSITY OF MINNESOTA LIBRARY
Comprehensive Health Care, also known as the “Claude Pepper Commission” or the “Pepper Commission”, and directed Commission to examine shortcomings in health care delivery and financing mechanisms that limit or prevent access of all individuals in United States to comprehensive health care, and make specific recommendations respecting Federal programs, policies, and financing needed to assure the availability of comprehensive long-term care services for elderly and disabled, as well as comprehensive health care services for all individuals in the United States, and further provided for membership of Commission, staff and consultants, powers, authorization of appropriations, submission of findings and recommendations to Congress not later than Nov. 9, 1989, and for termination of Commission 30 days after submissions to Congress.

M AINTENANCE OF E FFORT REGARDING D UPLICATIVE B ENEFITS

Pub. L. 100–360, title IV, § 421, July 1, 1988, 102 Stat. 808, as amended by Pub. L. 100–485, title VI, § 608(a), Oct. 13, 1988, 102 Stat. 2411, which required employers who had been providing health care benefits to employees that were duplicative part A and part B benefits to provide the employees with additional benefits equal to the total actuarial value of such duplicative benefits, was repealed by Pub. L. 101–234, title III, § 301(a), Dec. 13, 1989, 103 Stat. 1625. [Repeal not applicable to duplicative part A benefits for periods before Jan. 1, 1990, see section 301(e)(1) of Pub. L. 101–234, set out as an Effective Date of 1989 Amendment note under section 1395u of this title.]

T ASK F ORCE ON L ONG-T ERRM H EALTH C ARE PO LICIES

Pub. L. 99–272, title IX, § 9601, Apr. 7, 1986, 100 Stat. 221, as amended by Pub. L. 100–362, title VI, § 609(b)(3), Nov. 10, 1988, 102 Stat. 3286, directed Secretary of Health and Human Services, in consultation with National Association of Insurance Commissioners, to establish Task Force on Long-Term Health Care Policies to develop recommendations for long-term health care policies designed to limit marketing and agent abuse for those policies, to assure dissemination of such information to consumers as is necessary to permit informed choice in purchasing policies and to reduce purchase of unnecessary or duplicative coverage, to assure that benefits provided under policies are reasonable in relationship to premiums charged, and to promote development and availability of long-term health care policies which meet these recommendations, and further provided for composition of Task Force, definition of long-term health care policy, assurance of States’ jurisdiction, submission of recommendations to Secretary and Congress not later than 18 months after Apr. 7, 1986, and termination of Task Force 90 days after submission of recommendations.

§ 1395b–1. Incentives for economy while maintaining or improving quality in provision of health services

(a) Grants and contracts to develop and engage in experiments and demonstration projects

(1) The Secretary of Health and Human Services is authorized, either directly or through grants to public or private agencies, institutions, and organizations or contracts with public or private agencies, institutions, and organizations, to develop and engage in experiments and demonstration projects for the following purposes:

(A) to determine whether, and if so which, changes in methods of payment or reimbursement (other than those dealt with in section 222(a) of the Social Security Amendments of 1972) for health care and services under health programs established by this chapter, includ-

ning a change to methods based on negotiated rates, would have the effect of increasing the efficiency and economy of health services under such programs through the creation of additional incentives to these ends without adversely affecting the quality of such services;

(B) to determine whether payments for services other than those for which payment may be made under such programs (and which are incidental to services for which payment may be made under such programs) would, in the judgment of the Secretary, result in more economical provision and more effective utilization of services for which payment may be made under such program, where such services are furnished by organizations and institutions which have the capability of providing—

(i) comprehensive health care services,

(ii) mental health care services (as defined by section 2691(c) of this title),

(iii) ambulatory health care services (including surgical services provided on an outpatient basis), or

(iv) institutional services which may substitute, at lower cost, for hospital care;

(C) to determine whether the rates of payment or reimbursement for health care services, approved by a State for purposes of the administration of one or more of its laws, when utilized to determine the amount to be paid for services furnished in such State under the health programs established by this chapter, would have the effect of reducing the costs of such programs without adversely affecting the quality of such services;

(D) to determine whether payments under such programs based on a single combined rate of reimbursement or charge for the teaching activities and patient care which residents, interns, and supervising physicians render in connection with a graduate medical education program in a patient facility would result in more equitable and economical patient care arrangements without adversely affecting the quality of such care;

(E) to determine whether coverage of intermediate care facility services and homemaker services would provide suitable alternatives to posthospital benefits presently provided under this subchapter; such experiment and demonstration projects may include:

(i) counting each day of care in an intermediate care facility as one day of care in a skilled nursing facility if such care was for a condition for which the individual was hospitalized,

(ii) covering the services of homemakers for a maximum of 21 days, if institutional services are not medically appropriate,

(iii) determining whether such coverage would reduce long-range costs by reducing the lengths of stay in hospitals and skilled nursing facilities, and

(iv) establishing alternative eligibility requirements and determining the probable cost of applying each alternative, if the project suggests that such extension of coverage would be desirable;

1 See References in Text note below.
(F) to determine whether, and if so which type of, fixed price or performance incentive contract would have the effect of inducing to the greatest degree effective, efficient, and economical performance of agencies and organizations making payment under agreements or contracts with the Secretary for health care and services under health programs established by this chapter;

(G) to determine under what circumstances payment for services would be appropriate and the most appropriate, equitable, and non-inflationary methods and amounts of reimbursement under health care programs established by this chapter for services, which are performed independently by an assistant to a physician, including a nurse practitioner (whether or not performed in the office of or at a place at which such physician is physically present), and—

(i) which such assistant is legally authorized to perform by the State or political subdivision wherein such services are performed, and

(ii) for which such physician assumes full legal and ethical responsibility as to the necessity, propriety, and quality thereof;

(H) to establish an experimental program to provide day-care services, which consist of such personal care, supervision, and services as the Secretary shall by regulation prescribe, for individuals eligible to enroll in the supplementary medical insurance program established under part B of this subchapter and subchapter XIX of this chapter, in day-care centers which meet such standards as the Secretary shall by regulation establish;

(I) to determine whether the services of clinical psychologists may be made more generally available to persons eligible for services under this subchapter and subchapter XIX of this chapter in a manner consistent with quality of care and equitable and efficient administration;

(J) to develop or demonstrate improved methods for the investigation and prosecution of fraud in the provision of care or services under the health programs established by this chapter; and

(K) to determine whether the use of competitive bidding in the awarding of contracts, or the use of other methods of reimbursement, under part B of subchapter XI would be efficient and effective methods of furthering the purposes of that part.

For purposes of this subsection, “health programs established by this chapter” means the program established by this subchapter and a program established by a plan of a State approved under subchapter XIX of this chapter.

(2) Grants, payments under contracts, and other expenditures made for experiments and demonstration projects under paragraph (1) shall be made in appropriate part from the Federal Hospital Insurance Trust Fund (established by section 1395 of this title) and the Federal Supplementary Medical Insurance Trust Fund (established by section 1395t of this title) and from funds appropriated under subchapter XIX of this chapter. Grants and payments under contracts may be made either in advance or by way of reimbursement, as may be determined by the Secretary, and shall be made in such installments and on such conditions as the Secretary finds necessary to carry out the purpose of this section. With respect to any such grant, payment, or other expenditure, the amount to be paid from each of such trust funds (and from funds appropriated under such subchapter XIX) shall be determined by the Secretary, giving due regard to the purposes of the experiment or project involved.

(b) Waiver of certain payment or reimbursement requirements; advice and recommendations of specialists preceding experiments and demonstration projects

In the case of any experiment or demonstration project under subsection (a), the Secretary may waive compliance with the requirements of this subchapter and subchapter XIX of this chapter insofar as such requirements relate to reimbursement or payment on the basis of reasonable cost, or (in the case of physicians) on the basis of reasonable charge, or to reimbursement or payment only for such services or items as may be specified in the experiment; and costs incurred in such experiment or demonstration project in excess of the costs which would otherwise be reimbursed or paid may be reimbursed or paid to the extent that such waiver applies to them (with such excess being borne by the Secretary). No experiment or demonstration project shall be engaged in or developed under subsection (a) until the Secretary obtains the advice and recommendations of specialists who are competent to evaluate the proposed experiment or demonstration project as to the soundness of its objectives, the possibilities of securing productive results, the adequacy of resources to conduct the proposed experiment or demonstration project, and its relationship to other similar experiments and projects already completed or in process.


REFERENCES IN TEXT

Section 222(a) of the Social Security Amendments of 1972, referred to in subsec. (a)(1)(A), is section 222(a) of Pub. L. 92–663, Oct. 30, 1972, 86 Stat. 1299, which is set out as a note below.

Section 2691(c) of this title, referred to in subsec. (a)(1)(B)(ii), was repealed by Pub. L. 94–103, title III, §362(c), Oct. 1, 1975, 89 Stat. 507.

CODIFICATION

Section is comprised of subsecs. (a) and (b) of section 402 of Pub. L. 90–248. Subsec. (c) of such section 402 amended section 1395(b) of this title.

Section was enacted as a part of the Social Security Amendments of 1967, and not as a part of the Social Security Act which comprises this chapter.

AMENDMENTS

1984—Subsec. (a)(1). Pub. L. 98–369 substituted “grants to public or private agencies” for “grants to public or
nonprofit private agencies" in provisions preceding subpar. (A).


1981—Subsec. (a)(1). Pub. L. 97–35, § 2193(d)(1), substituted “this subchapter and a program established by a plan of a State approved under subchapter XIX of this chapter, and a program established by a plan of a State approved under subchapter V of this chapter”.

Subsec. (a)(2). Pub. L. 97–35, § 2193(d)(2), substituted reference to subchapter XIX of this chapter for reference to subchapters V and XIX of this chapter in two places.


1972—Subsec. (a). Pub. L. 92–603, §§ 222(b)(1), 278(b)(2), substituted provisions spelling out in detail the purposes for which experiments and demonstration projects may be carried out for a general statement setting out the increase in efficiency and economy of health services as the purpose of experiments selected by the Secretary, inserted references to demonstration projects, and inserted references to the Federal Hospital Insurance Trust Fund and the Federal Supplementary Medical Insurance Trust Fund.

Subsec. (b). Pub. L. 92–603, § 222(b)(2), inserted references to demonstration projects and inserted “…, or to reimbursement or payment only for such services or items as may be specified in the experiment”.

CHANGE OF NAME

“Secretary of Health and Human Services” substituted for “Secretary of Health, Education, and Welfare” in subsec. (a)(1) pursuant to section 3308(b) of Pub. L. 96–88, which is classified to section 3308(b) of Title 20, Education.

EFFECTIVE DATE OF 1984 AMENDMENT

Amendment by Pub. L. 98–369 effective July 18, 1984, see section 2331(c) of Pub. L. 98–369, set out as a note under section 1310 of this title.

EFFECTIVE DATE OF 1982 AMENDMENT

Amendment by Pub. L. 97–248 effective with respect to contracts entered into or renewed on or after Sept. 3, 1982, see section 149 of Pub. L. 97–248, set out as an Effective Date note under section 1320c of this title.

EFFECTIVE DATE OF 1981 AMENDMENT, SAVINGS, AND TRANSITIONAL PROVISIONS

For effective date, savings, and transitional provisions relating to amendment by Pub. L. 97–35, see section 2194 of Pub. L. 97–35, set out as a note under section 701 of this title.

COMMUNITY-BASED CARE TRANSITIONS PROGRAM


“(a) In General.—The Secretary shall establish a Community-Based Care Transitions Program under which the Secretary provides funding to eligible entities that furnish improved care transition services to high-risk Medicare beneficiaries.

“(b) Definitions.—In this section:

“(1) Eligible entity.—The term ‘eligible entity’ means the following:

“(A) A subsection (d) hospital (as defined in section 1886(d)(1)(B) of the Social Security Act (42 U.S.C. 1395ww(d)(1)(B))) identified by the Secretary as having a high readmission rate, such as under section 1886(q) of the Social Security Act, as added by section 3025.

“(B) An appropriate community-based organization that provides care transition services under this section across a continuum of care through arrangements with subsection (d) hospitals (as so defined) to furnish the services described in subsection (c)(2)(B) and whose governing body includes sufficient representation of multiple health care stakeholders (including consumers).

“(2) High-risk Medicare beneficiary.—The term ‘high-risk Medicare beneficiary’ means an individual who is entitled to benefits under part A (42 U.S.C. 1395 et seq.) of title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.) and enrolled under part B (42 U.S.C. 1395 et seq.) of such title, but not enrolled under part C (42 U.S.C. 1395w–21 et seq.) of such title.

“(3) Program.—The term ‘program’ means the program conducted under this section.

“(4) Readmission.—The term ‘readmission’ has the meaning given such term in section 1886(q)(5)(E) of the Social Security Act (42 U.S.C. 1395ww(q)(5)(E)), as added by section 3025.

“(5) Secretary.—The term ‘Secretary’ means the Secretary of Health and Human Services.

“(c) Requirements.—

“(1) DURATION.—

“(A) In general.—The program shall be conducted for a 5-year period, beginning January 1, 2011.

“(B) Expansion.—The Secretary may expand the duration and the scope of the program, to the extent determined appropriate by the Secretary, if the Secretary determines (and the Chief Actuary of the Centers for Medicare & Medicaid Services, with respect to spending under this title [title III of Pub. L. 111–148, see Tables for classification], certifies) that such expansion would reduce spending under this title without reducing quality.

“(2) Application; participation.—

“(A) In general.—

“(I) Application.—An eligible entity seeking to participate in the program shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require.

“(II) Partnership.—If an eligible entity is a hospital, such hospital shall enter into a partnership with a community-based organization to participate in the program.

“(B) Intervention proposal.—Subject to subparagraph (C), an application submitted under subparagraph (A)(i) shall include a detailed proposal for at least 1 care transition intervention, which may include the following:

“(i) Initiating care transition services for a high-risk Medicare beneficiary not later than 24 hours prior to the discharge of the beneficiary from the eligible entity.

“(ii) Arranging timely post-discharge follow-up services to the high-risk Medicare beneficiary to provide the beneficiary (and, as appropriate, the primary caregiver of the beneficiary) with information regarding responding to symptoms that may indicate additional health problems or a deteriorating condition.

“(iii) Providing the high-risk Medicare beneficiary (and, as appropriate, the primary caregiver of the beneficiary) with assistance to ensure productive and timely interactions between patients and post-acute and outpatient providers.
“(iv) Assessing and actively engaging with a high-risk Medicare beneficiary (and, as appropriate, the primary caregiver of the beneficiary) through the provision of self-management support and relevant information that is specific to the beneficiary’s condition.

“(v) Conducting comprehensive medication review and management (including, if appropriate, counseling and self-management support).

“(C) LIMITATION.—A care transition intervention proposed under subparagraph (B) may not include payment for services required under the discharge planning process described in section 1861(ee) of the Social Security Act (42 U.S.C. 1395x(ee)).

“(3) SELECTION.—In selecting eligible entities to participate in the program, the Secretary shall give priority to eligible entities that—

“(A) participate in a program administered by the Administration on Aging to provide concurrent care transitions interventions with multiple hospitals and practitioners; or

“(B) provide services to medically underserved populations, rural or small communities, or rural areas.

“(d) IMPLEMENTATION.—Notwithstanding any other provision of law, the Secretary may implement the provisions of this section by program instruction or otherwise.

“(e) WAIVER AUTHORITY.—The Secretary may waive such requirements of subsection (a) for each provider type described in paragraph (b) for applicable items and services under title XVIII of the Social Security Act for a year shall be established in a manner that does not result in spending more under each such item or service than would otherwise be expended for such provider type for such year if the pilot program were not implemented, as estimated by the Secretary.

“(e) EXPANSION OF PILOT PROGRAM.—The Secretary may, at any point after January 1, 2018, expand the duration and scope of a pilot program conducted under this subsection, to the extent determined appropriate by the Secretary, if

“(1) the Secretary determines that such expansion is expected to—

“(A) reduce spending under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.) without reducing the quality of care; or

“(B) improve the quality of care and reduce spending;

“(2) the Chief Actuary of the Centers for Medicare & Medicaid Services certifies that such expansion would reduce program spending under such title XVIII; and

“(3) the Secretary determines that such expansion would not deny or limit the coverage or provision of benefits under such title XIII (XVIII) for Medicare beneficiaries.

MEDICARE MEDICAL HOME DEMONSTRATION PROJECT


“(a) IN GENERAL.—The Secretary of Health and Human Services (in this section referred to as the ‘Secretary’) shall establish under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.) a medical home demonstration project (in this section referred to as the ‘project’) to redesign the health care delivery system to provide targeted, accessible, continuous and coordinated, family-centered care to high-need populations and under which—

“(1) care management fees are paid to persons performing services as personal physicians; and

“(2) incentive payments are paid to physicians participating in practices that provide services as a medical home under subsection (d).

For purposes of this subsection, the term ‘high-need population’ means individuals with multiple chronic illnesses that require regular medical monitoring, advising, or treatment.

“(b) DETAILS.—

“(1) DURATION; SCOPE.—Subject to paragraph (3), the project shall operate during a period of three years and shall include urban, rural, and underserved areas in a total of no more than 8 States.

“(2) ENCOURAGING PARTICIPATION OF SMALL PHYSICIAN PRACTICES.—The project shall be designed to include the participation of small physician practices with fewer than three full-time equivalent physicians, as well as physicians in larger practices particularly in rural and underserved areas.

“(3) EXPANSION.—The Secretary may expand the duration and the scope of the project under paragraph (1), to an extent determined appropriate by the Secretary, if the Secretary determines that such expansion will result in any of the following conditions being met:

“(A) The expansion of the project is expected to improve the quality of patient care without increasing spending under the Medicare program (not taking into account amounts available under subsection (g)).

“(B) The expansion of the project is expected to reduce spending for value based purchasing program for such year than would otherwise be expended for such provider type for such year if the pilot program were not implemented, as estimated by the Secretary.

“(c) PERSONAL PHYSICIAN DEFINED.—

“(1) IN GENERAL.—For purposes of this section, the term ‘personal physician’ means a physician (as de-
defined in section 1861(r)(1) of the Social Security Act (42 U.S.C. 1395r(1)(1)) who—

"(A) meets the requirements described in paragraph (2); and
"(B) performs the services described in paragraph (3).

Nothing in this paragraph shall be construed as pre-
venting such a physician from being a specialist or
subspecialist for an individual requiring ongoing care
for a specific chronic condition or multiple chronic
conditions (such as severe asthma, complex diabetes,
cardiovascular disease, rheumatologic disorder) or for
an individual with a prolonged illness.

"(2) REQUIREMENTS.—The requirements described in
this paragraph for a personal physician are as fol-
low:

"(A) The physician is a board certified physician
who provides first contact and continuous care for
individuals under the physician’s care.

"(B) The physician has the staff and resources to
manage the comprehensive and coordinated health
care of each such individual.

"(3) SERVICES PERFORMED.—A personal physician
shall perform or provide for the performance of at
least the following services:

"(A) Advocates for and provides ongoing support,
surveillance, and guidance to implement a plan of care
that provides an integrated, coherent, cross-disci-
pline plan for ongoing medical care developed in
partnership with patients and including all other
physicians furnishing care to the patient involved
and other appropriate medical personnel or agen-
cies (such as home health agencies).

"(B) Uses evidence-based medicine and clinical
decision support tools to guide decision-making at
the point-of-care based on patient-specific factors.

"(C) Uses health information technology, that
may include remote monitoring and patient reg-
istrries, to monitor and track the health status of
patients and to provide patients with enhanced and
convenient access to health care services.

"(D) Encourages patients to engage in the man-
agement of their own health through education and
support systems.

"(d) MEDICAL HOME DEFINED.—For purposes of
this section, the term ‘medical home’ means a physician
practice that—

"(1) is in charge of targeting beneficiaries for par-
ticipation in the project; and
"(2) is responsible for—
"(A) providing safe and secure technology to pro-
mote patient access to personal health information;
"(B) developing a health assessment tool for the
individuals targeted; and
"(C) providing training programs for personnel in-
volved in the coordination of care.

"(e) PAYMENT MECHANISMS.—

"(1) PERSONAL PHYSICIAN CARE MANAGEMENT FEE.—
Under the project, the Secretary shall provide for
payment under section 1848 of the Social Security
Act (42 U.S.C. 1395t)) for a care management fee to
personal physicians providing care management
under the project. Under such section and using the
relative value scale update committee (RUC) process
under such section, the Secretary shall develop a care
management fee code for such payments and a value
for such code.

"(2) MEDICAL HOME SHARING IN SAVINGS.—The Sec-
retary shall provide for payment under the project of
a medical home based on the payment methodology
applied to physician group practices under section
1866A of the Social Security Act (42 U.S.C. 1395cc-1).
Under such methodology, 88 percent of the reductions
in expenditures under title XVIII of the Social Secu-
rity Act (42 U.S.C. 1395 et seq.) resulting from partici-
pation of individuals that are attributable to the
medical home (as reduced by the total care manage-
ment fee paid to the medical home under the
project) shall be paid to the medical home. The
amount of such reductions in expenditures shall be
determined by using assumptions with respect to re-
ductions in the occurrence of health complications,
hospitalization rates, medical errors, and adverse
drug reactions.

"(3) SOURCE.—Payments paid under the project
shall be made from the Federal Supplementary Medi-
cal Insurance Trust Fund under section 1841 of the
Social Security Act (42 U.S.C. 1395cc).

"(f) EVALUATIONS AND REPORTS.—

"(1) ANNUAL INTERIM EVALUATIONS AND REPORTS.—
For each year of the project, the Secretary shall pro-
vide for an evaluation of the project and shall submit
to Congress, by a date specified by the Secretary, a
report on the project and on the evaluation of the
project for each such year.

"(2) FINAL EVALUATION AND REPORT.—The Secretary
shall provide for an evaluation of the project and
shall submit to Congress, not later than one year
after completion of the project, a report on the
project and on the evaluation of the project.

"(g) FUNDING FROM SMI TRUST FUND.—There shall be
available, from the Federal Supplementary Medi-

care sites. Under such program, with respect to diag-

nosis specified by the Secretary, an individual who
receives treatment from a provider for such a diag-

nosis shall receive a single comprehensive assessment
on the date of discharge from a subsection (d) hos-
nial (as defined in section 1896(d)(1)(B) of the Social
Security Act (42 U.S.C. 1395ww(d)(1)(B)) of the needs
of the patient and the clinical characteristics of the
diagnosis to determine the appropriate placement of
such patient in a post-acute care site. The Secretary
shall use a standardized patient assessment instru-
ment across all post-acute care sites to measure fun-
tional status and other factors during the treatment
and at discharge from each provider. Participants in
the program shall provide information on the fixed
and variable costs for each individual. An additional
comprehensive assessment shall be provided at the
end of the episode of care.

"(h) APPLICATION.—Chapter 35 of title 44, United
States Code, shall not apply to the conduct of the
project.

POST-ACUTE CARE PAYMENT REFORM DEMONSTRATION
PROGRAM
ry out the demonstration program under this section.

**Medicare Care Management Performance Demonstration**


(A) Establishment.—

(1) In general.—The Secretary [of Health and Human Services] shall establish a pay-for-performance demonstration program with physicians to meet the needs of eligible beneficiaries through the adoption and use of health information technology and evidence-based outcomes measures for—

(A) to promote continuity of care;

(B) helping stabilize medical conditions;

(C) preventing or minimizing acute exacerbations of chronic conditions; and

(D) reducing adverse health outcomes, such as adverse drug interactions related to polypharmacy.

(2) Sites.—The Secretary shall designate no more than:

(A) two shall be in an urban area;

(B) one shall be in a rural area; and

(C) one shall be in a State with a medical school with a Department of Geriatrics that manages rural outreach sites and is capable of managing patients with multiple chronic conditions, one of which is dementia.

(3) Duration.—The Secretary shall conduct the demonstration program under this section for a 3-year period.

(4) Consultation.—In carrying out the demonstration program under this section, the Secretary shall consult with private sector and non-profit groups that are undertaking similar efforts to improve quality and reduce avoidable hospitalizations for chronically ill patients.

(B) Participation.—

(1) In general.—A physician who provides care for a minimum number of eligible beneficiaries (as specified by the Secretary) may participate in the demonstration program under this section if such physician agrees to the requirements in subparagraphs (B) and (C) of subsection (a)(2), a physician who provides care for a minimum number of beneficiaries with two or more chronic conditions, including dementia (as specified by the Secretary), may participate in the program under this section consistent with paragraph (3); and

(2) Special rule.—In the case of the sites referred to in subparagraphs (B) and (C) of subsection (a)(2), a physician who provides care for a minimum number of beneficiaries with two or more chronic conditions, including dementia (as specified by the Secretary), may participate in the program under this section if such physician agrees to the requirements in subparagraphs (A) and (B) of paragraph (1).

(C) Practice Standards.—Each physician participating in the demonstration program under this section must demonstrate the ability—

(A) to assess each eligible beneficiary for conditions other than chronic conditions, such as impaired cognitive ability and co-morbidities, for the purposes of developing care management requirements;

(B) to serve as the primary contact of eligible beneficiaries in accessing items and services for which payment may be made under the medicare program;

(C) to establish and maintain health care information system for such beneficiaries;

(D) to promote continuity of care across providers and settings;

(E) to use evidence-based guidelines and meet such clinical quality and outcome measures as the Secretary shall require;

(F) to promote self-care through the provision of patient education and support for patients or, where appropriate, family caregivers;

(G) when appropriate, to refer such beneficiaries to community service organizations; and

(H) to meet such other complex care management requirements as the Secretary may specify.

The guidelines and measures required under subparagraph (E) shall be designed to take into account beneficiaries with multiple chronic conditions.

(c) Payment Methodology.—Under the demonstration program under this section the Secretary shall pay a per beneficiary amount to each participating physician who meets or exceeds specific performance standards established by the Secretary with respect to the clinical quality and outcome measures reported under subsection (b)(1)(B). Such amount may vary based on different levels of performance or improvement.

(d) Administration.—

(1) Use of Quality Improvement Organizations.—The Secretary shall contract with quality improvement organizations or such other entities as the Secretary deems appropriate to enroll physicians and evaluate their performance under the demonstration program under this section.

(2) Technical Assistance.—The Secretary shall require in such contracts that the contractor be responsible for technical assistance and education as needed to physicians enrolled in the demonstration program under this section for the purpose of aiding such physicians in adopting health information technology, meeting practice standards, and implementing required clinical and outcomes measures.

(e) Funding.—

(1) In general.—The Secretary shall provide for the transfer from the Federal Supplementary Medical Insurance Trust Fund established under section 1841 of the Social Security Act (42 U.S.C. 1395t) of such funds as are necessary for the costs of carrying out the demonstration program under this section.

(2) Budget Neutrality.—In carrying out the demonstration program under this section, the Secretary shall ensure that the aggregate payments made by the Secretary do not exceed the amount which the Secretary estimates would have been paid if the demonstration program under this section was not implemented.

(3) Waiver Authority.—The Secretary may waive such requirements of titles XI and XVIII of the Social Security Act (42 U.S.C. 1301 et seq. and 1395 et seq.) as may be necessary for the purpose of carrying out the demonstration program under this section.

(4) Report.—Not later than 12 months after the date of completion of the demonstration program under this section, the Secretary shall submit to Congress a report on such program, together with recommendations for such legislation and administrative action as the Secretary determines to be appropriate.

(h) Definitions.—In this section:

(A) Eligible beneficiary.—The term ‘eligible beneficiary’ means any individual who—

(i) is entitled to benefits under part A of title XVIII of the Social Security Act [42 U.S.C. 1395 et seq., 1395b et seq.] and is not enrolled in a plan under part C of such title [42 U.S.C. 1395w-21 et seq.]; and

(ii) has one or more chronic medical conditions specified by the Secretary (one of which may be cognitive impairment).

(2) Health Information Technology.—The term ‘health information technology’ means email communication, clinical alerts and reminders, and other information technology that meets such functionality, interoperability, and other standards as prescribed by the Secretary.

**Demonstration Project for Disease Management for Severely Chronically Ill Medicare Beneficiaries**

Pub. L. 106–554, §1(a)(6) [title I, §121], Dec. 21, 2000, 114 Stat. 2763, 2763A–474, provided that the Secretary of
Health and Human Services was to conduct a demonstration project under this section to demonstrate the impact on costs and health outcomes of applying disease management to Medicare beneficiaries with di-agnosed, advanced-stage congestive heart failure, diabetes, or coronary heart disease, that the project was to last for not longer than 3 years, and that the Secretary was to submit a final report to Congress not later than 6 months after the project’s completion.

CANCER PREVENTION AND TREATMENT DEMONSTRATION FOR ETHNIC AND RACIAL MINORITIES

Pub. L. 106-554, §1(a)(6) [title I, §122], Dec. 21, 2000, 114 Stat. 2763, 2763A-476, provided that:

(a) Demonstration.—

(1) In General.—The Secretary of Health and Human Services (in this section referred to as the ‘Secretary’) shall conduct demonstration projects (in this section referred to as ‘demonstration projects’).—

(A) to show conclusively that—

(i) the costs of preventing and treating cancer among Medicare beneficiaries who are members of major racial and ethnic minority groups will be reduced, and

(ii) the costs of caring for Medicare beneficiaries with advanced-stage cancer will be reduced;

(B) to collect the data necessary to conduct demonstration projects.

(b) Program Design.—Not later than 1 year after the date of the enactment of this Act (Dec. 21, 2000), the Secretary shall evaluate best practices in the private sector, community programs, and academic research of methods that reduce disparities among individuals of racial and ethnic minority groups in the prevention and treatment of cancer, and shall design the demonstration projects based on such evaluation.

(c) Number and Project Areas.—Not later than 2 years after the date of the enactment of this Act, the Secretary shall implement at least nine demonstration projects, including the following:

(1) Two projects for each of the four following major racial and ethnic minority groups:

(A) American Indians, including Alaska Natives.

(B) Asian Americans and Pacific Islanders.

(C) Blacks.

(D) Hispanics.

The two projects must target different ethnic sub-populations.

(2) One project within the Pacific Islands.

(d) Target Individual Defined.—In this section, the term ‘target individual’ means an individual of a racial and ethnic minority group, as defined by section 1707 of the Public Health Service Act [42 U.S.C. 300u–6], who is entitled to benefits under part A, and enrolled under part B, of title XVIII of the Social Security Act [42 U.S.C. 1395 et seq.], as amended by Pub. L. 108–173, §736(b)(13), Dec. 8, 2003, 117 Stat. 2356, provided that:

(1) In General.—The Secretary of Health and Human Services shall carry out the demonstration project as conducted under the project. In determining whether such Program is cost-effective, the Secretary shall determine (using a control group of medicare beneficiaries enrolled under the project) whether expenditures incurred for medicare beneficiaries enrolled under the project exceed expenditures for the Secretary shall continue the existing demonstration projects and may expand the number of demonstration projects.

(c) Report to Congress.—

(1) In General.—Not later than 2 years after the date the Secretary implements the demonstration projects, and biannually thereafter, the Secretary shall submit to Congress a report regarding the demonstration projects.

(2) Contents of Report.—Each report under paragraph (1) shall include the following:

(A) A description of the demonstration projects.

(B) An evaluation of—

(i) the cost-effectiveness of the demonstration projects;

(ii) the quality of health care services provided to target individuals under the demonstration projects; and

(iii) beneficiary and health care provider satisfaction under the demonstration projects.

(C) Any other information regarding the demonstration projects that the Secretary determines to be appropriate.

(d) Waiver Authority.—The Secretary shall waive compliance with the requirements of title XVIII of the Social Security Act [42 U.S.C. 1395 et seq.] to such extent and for such period as the Secretary determines is necessary to conduct demonstration projects.

(e) Funding.—

(1) Demonstration Projects.—

(A) State Projects.—Except as provided in subparagraph (B), the Secretary shall provide for the transfer from the Federal Hospital Insurance Trust Fund and the Federal Supplementary [Medicare] Insurance Trust Fund under title XVIII of the Social Security Act [42 U.S.C. 1395 et seq.], in such proportions as the Secretary determines to be appropriate, of such funds as are necessary for the costs of carrying out the demonstration projects.

(B) Territory Projects.—In the case of a demonstration project described in subsection (b)(2)(B), amounts shall be available only as provided in any Federal law making appropriations for the territories.

(2) Limitation.—In conducting demonstration projects, the Secretary shall ensure that the aggregate payments made by the Secretary do not exceed the sum of the amount which the Secretary would have paid under the program for the prevention and treatment of cancer if the demonstration projects were not implemented, plus $25,000,000.

LIFESTYLE MODIFICATION PROGRAM DEMONSTRATION


(1) In General.—The Secretary of Health and Human Services shall carry out the demonstration project known as the Lifestyle Modification Program Demonstration, as described in the Health Care Financing Administration Memorandum of Understanding entered into on November 13, 2000, and as subsequently modified, (in this section referred to as the ‘project’) in accordance with the following requirements:

(a) The project shall include no fewer than 1,800 medicare beneficiaries who complete under the project the entire course of treatment under the Lifestyle Modification Program.

(b) The project shall be conducted over a course of 4 years.

(c) Study on Cost-Effectiveness.—

(1) Study.—The Secretary shall conduct a study on the cost-effectiveness of the Lifestyle Modification Program as conducted under the project. In determining whether such Program is cost-effective, the Secretary shall determine (using a control group of medicare beneficiaries enrolled under the project) whether expenditures incurred for medicare beneficiaries enrolled under the project exceed expenditures for the
control group of Medicare beneficiaries with similar health conditions who are not enrolled under the project.

(2) REPORTS.—

"(A) INITIAL REPORT.—Not later than 1 year after the date on which 900 Medicare beneficiaries have completed the entire course of treatment under the Lifestyle Modification Program under the project, the Secretary shall submit to Congress an initial report on the study conducted under paragraph (1).

"(B) FINAL REPORT.—Not later than 1 year after the date on which 1,800 Medicare beneficiaries have completed the entire course of treatment under such Program under the project, the Secretary shall submit to Congress a final report on the study conducted under paragraph (1)."

MEDICARE COORDINATED CARE DEMONSTRATION PROJECT


"(a) DEMONSTRATION PROJECTS.—

"(1) IN GENERAL.—The Secretary of Health and Human Services (in this section referred to as the 'Secretary') shall conduct demonstration projects for the purpose of evaluating methods, such as case management and other models of coordinated care, that—

"(A) improve the quality of items and services provided to target individuals; and

"(B) reduce expenditures under the Medicare program under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.; 1395j et seq.) for items and services provided to target individuals.

"(2) TARGET INDIVIDUAL DEFINED.—In this section, the term 'target individual' means an individual that has a chronic illness, as defined and identified by the Secretary, and is enrolled under the fee-for-service program under parts A and B of title XVIII of the Social Security Act (42 U.S.C. 1395c et seq.; 1395j et seq.).

"(B) PROGRAM DESIGN.—

"(1) INITIAL DESIGN.—The Secretary shall evaluate best practices in the private sector of methods of coordinated care for a period of 1 year and design the demonstration project based on such evaluation.

"(2) NUMBER AND PROJECT AREAS.—Not later than 2 years after the date of enactment of this Act [Aug. 5, 1997], the Secretary shall implement at least 9 demonstration projects, including—

"(A) 5 projects in urban areas;

"(B) 3 projects in rural areas; and

"(C) 1 project within the District of Columbia which is operated by a nonprofit academic medical center that maintains a National Cancer Institute certified comprehensive cancer center.

"(C) IMPLEMENTATION OF DEMONSTRATION PROJECT RESULTS.—

"(A) EXPANSION OF PROJECTS.—If the initial report under subsection (c) contains an evaluation that demonstration projects—

"(i) reduce expenditures under the Medicare program; or

"(ii) do not increase expenditures under the Medicare program and increase the quality of health care services provided to target individuals and satisfaction of beneficiaries and health care providers;

the Secretary shall continue the existing demonstration projects and may expand the number of demonstration projects.

"(B) IMPLEMENTATION OF DEMONSTRATION PROJECT RESULTS.—If a report under subsection (c) contains an evaluation as described in subparagraph (A), the Secretary may issue regulations to implement, on a permanent basis, the components of the demonstration project that are beneficial to the Medicare program.

"(C) REPORT TO CONGRESS.—

"(I) IN GENERAL.—Not later than 2 years after the Secretary implements the initial demonstration projects under this section, and biannually thereafter, the Secretary shall submit to Congress a report regarding the demonstration projects conducted under this section.

"(II) CONTENTS OF REPORT.—The report in paragraph (I) shall include—

"(a) A description of the demonstration projects conducted under this section;

"(b) An evaluation of the cost-effectiveness of the demonstration projects;

"(c) The quality of health care services provided to target individuals under the demonstration projects; and

"(d) Any other information regarding the demonstration projects conducted under this section that the Secretary determines to be appropriate.

"(D) WAIVER AUTHORITY.—The Secretary shall waive compliance with the requirements of title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.) to such extent and for such period as the Secretary determines is necessary to conduct demonstration projects.

"(E) FUNDING.—

"(1) DEMONSTRATION PROJECTS.—

"(A) IN GENERAL.—

"(i) STATE PROJECTS.—Except as provided in clause (ii), the Secretary shall provide for the transfer from the Federal Hospital Insurance Trust Fund and the Federal Supplementary Medical Insurance Trust Fund under title XVIII of the Social Security Act (42 U.S.C. 1395f, 1395t) in such proportions as the Secretary determines to be appropriate of such funds as are necessary for the costs of carrying out the demonstration projects under this section.

"(ii) CANCER HOSPITAL.—In the case of the project described in subsection (b)(2)(C), the Secretary shall provide for the transfer from the Federal Hospital Insurance Trust Fund and the Federal Supplementary Insurance Trust Fund [Medical] under title XVIII of the Social Security Act (42 U.S.C. 1395f, 1395t), in such proportions as the Secretary determines to be appropriate of such funds as are necessary to cover costs of the project, including costs for information infrastructure and recurring costs of case management services, flexible benefits, and program management.

"(ii) LIMITATION.—In conducting the demonstration project under this section, the Secretary shall ensure that the aggregate payments made by the Secretary do not exceed the amount which the Secretary would have paid if the demonstration projects under this section were not implemented.

"(2) EVALUATION AND REPORT.—There are authorized to be appropriated such sums as are necessary for the purpose of carrying out and submitting the report to Congress under subsection (c)."

INFORMATICS, TELEMEDICINE, AND EDUCATION DEMONSTRATION PROJECT


"(a) PURPOSE AND AUTHORIZATION.—

"(1) IN GENERAL.—Not later than 9 months after the date of enactment of this section [Aug. 5, 1997], the Secretary of Health and Human Services shall provide for a demonstration project described in paragraph (2). The Secretary shall make an award for such project not later than 3 months after the date of the enactment of the Medicare, Medicaid, and SCHIP Balanced Budget Refinement Act of 1999 [Nov. 29, 1999]. The Secretary shall accept the proposal ad-
judged to be the best technical proposal as of such date of enactment without the need for additional review or resubmission of proposals.

(2) DESCRIPTION OF PROJECT.—

(A) IN GENERAL.—The demonstration project described in this paragraph is a single demonstration project to use eligible health care provider telemedicine networks to apply high-capacity computing and advanced networks to improve primary care (and prevent health care complications) to Medicare beneficiaries with diabetes mellitus who are residents of medically underserved rural areas or residents of medically underserved inner-city areas that qualify as Federally designated medically underserved areas or health professional shortage areas at the time of enrollment of beneficiaries under the project.

(B) MEDICALLY UNDERSERVED DEFINED.—As used in this paragraph, the term 'medically underserved' has the meaning given such term in section 330(b)(3) of the Public Health Service Act (42 U.S.C. 254b(b)(3)).

(3) WAIVER.—The Secretary shall waive such provisions of title XVIII of the Social Security Act [this subchapter] as may be necessary to provide for payment for services under the project in accordance with subsection (d).

(4) DURATION OF PROJECT.—The project shall be conducted over a 5-year period.

(5) OBJECTIVES OF PROJECT.—The objectives of the project include the following:

(1) Improving patient access to and compliance with appropriate care guidelines for individuals with diabetes mellitus through direct telecommunications link with information networks in order to improve patient quality-of-life and reduce overall health care costs.

(2) Developing a curriculum to train health professionals (particularly primary care health professionals) in the use of medical informatics and telecommunications.

(3) Demonstrating the application of advanced technologies, such as video-conferencing from a patient's home, remote monitoring of a patient's medical condition, interventional informatics, and applying individualized, automated care guidelines, to assist primary care providers in assisting patients with diabetes in a home setting.

(4) Application of medical informatics to residents with limited English language skills.

(5) Developing standards in the application of telemedicine and medical informatics.

(6) Developing a model for the cost-effective delivery of primary and related care both in a managed care environment and in a fee-for-service environment.

(c) ELIGIBLE HEALTH CARE PROVIDER TELEMEDICINE NETWORKS DEFINED.—For purposes of this subsection, the term 'eligible health care provider telemedicine network' means a consortium that includes at least one tertiary care hospital (but no more than 2 such hospitals), at least one medical school, no more than 4 facilities in rural or urban areas, and at least one regional telecommunications provider and that meets the following requirements:

(1) The consortium is located in an area with a high concentration of medical schools and tertiary care facilities in the United States and has appropriate arrangements (within or outside the consortium) with such schools and facilities, universities, and telecommunications providers, in order to conduct the project.

(2) The consortium submits to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require, including a description of the use to which the consortium would apply any amounts received under the project.

(3) The consortium guarantees that it will be responsible for payment for all costs of the project that are not paid under this section and that the maximum amount of payment that may be made to the consortium under this section shall not exceed the amount specified in subsection (d)(3).

(d) COVERAGE AS MEDICARE PART B SERVICES.—

(1) IN GENERAL.—Subject to the succeeding provisions of this subsection, services related to the treatment or management of diabetes mellitus (including the complications from) diabetes for Medicare beneficiaries furnished under the project shall be considered to be services covered under part B of title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.).

(2) PAYMENTS.—

(A) IN GENERAL.—Subject to paragraph (3), payment for such services shall be made for the costs that are related to the provision of such services. In computing such costs, the Secretary shall include costs described in subparagraph (B), but may not include costs described in subparagraph (C).

(B) COSTS THAT MAY BE INCLUDED.—The costs described in this subparagraph are the permissible costs (as recognized by the Secretary) for the following:

(i) The acquisition of telemedicine equipment for use in patients' homes or at sites providing health care to patients located in medically underserved areas.

(ii) Curriculum development and training of health professionals in medical informatics and telemedicine.

(iii) Payment of telecommunications costs (including salaries and maintenance of equipment), including costs of telecommunications between patients' homes and the eligible network and between the network and other entities under the arrangements described in subsection (c)(1).

(iv) Payments to practitioners and providers under the Medicare program.

(C) COSTS NOT INCLUDED.—The costs described in this subparagraph are costs for any of the following:

(i) The purchase or installation of transmission equipment (other than such equipment used by health professionals for activities related to the project).

(ii) The establishment or operation of a telecommunications common carrier network.

(iii) Construction (except for minor renovations related to the installation of reimbursable equipment or the acquisition or building of real property)

(3) LIMITATION.—The total amount of the payments that may be made under this section shall not exceed $60,000,000 for the period of the project (described in subsection (a)(4)).

(4) COST-SHARING.—The project may not impose cost-sharing on a Medicare beneficiary for the receipt of services under the purposes of this subsection.

(e) REPORTS.—The Secretary shall submit to the Congress at such time, and in such manner, as the Secretary may require a description of the use to which the consortium would apply any amounts received under the project.

(f) DEFINITIONS.—For purposes of this section:

(1) INTERVENTIONAL INFORMATICS.—The term 'interventional informatics' means using information technology and virtual reality technology to intervene in patient care.

(2) MEDICAL INFORMATICS.—The term 'medical informatics' means the storage, retrieval, and use of biomedical and related information for problem-solving.
Volunteer Senior Aides Demonstration Projects for Basic Medical Assistance and Support to Families With Disabled or Ill Children

Public Law 101–239, title X, §10404, Dec. 19, 1989, 103 Stat. 2488, provided that:

"(a) Number of Projects.—In order to determine whether, and if so, the extent to which, the use of volunteer senior aides to provide basic medical assistance and support to families with moderately or severely disabled or chronically ill children contributes to reducing the costs of care for such children, not more than 10 communities may conduct demonstration projects under this section.

"(b) Duties of the Secretary.—

"(1) Consideration of Applications.—The Secretary of Health and Human Services (in this section referred to as the ‘Secretary’ shall consider all applications received from communities desiring to conduct demonstration projects under this section.

"(2) Approval of Certain Applications.—The Secretary shall approve not more than 10 applications to conduct projects which appear likely to contribute significantly to the achievement of the purpose of this section.

"(3) Grants.—The Secretary shall make grants to each community the application of which to conduct a demonstration project under this section is approved by the Secretary to assist the community in carrying out the project.

"(c) Requirements.—Each community receiving a grant with respect to a demonstration project under this section shall conduct the project in accordance with such requirements as the Secretary may prescribe.

"(d) Limitation on Authorization of Appropriations.—For grants under this section, there are authorized to be appropriated to the Secretary of Health and Human Services not to exceed—

"(1) $1,000,000 for each of the fiscal years 1990 and 1991; and

"(2) $2,000,000 for each of the fiscal years 1992, 1993, and 1994.

"(e) Effective Date.—This section shall take effect on October 1, 1989.

Treatment of Certain Nursing Education Programs


"(a) Demonstration of Joint Nursing Graduate Education Programs.—

"(1) The Secretary of Health and Human Services shall provide for demonstration programs under this subsection in each of 5 hospitals for cost reporting periods beginning on or after July 1, 1989, and before July 1, 1994.

"(2) Under each demonstration project, subject to paragraph (4), the reasonable costs incurred by a hospital pursuant to a written agreement with an educational institution for the activities described in paragraph (3) conducted as part of an approved educational program that—

"(A) involves a substantial clinical component (as determined by the Secretary), and

"(B) leads to a master’s or doctoral degree in nursing,

shall be allowable as reasonable costs under title XVIII of the Social Security Act [42 U.S.C. 1395 et seq.] and reimbursed under such title on the same basis as if they were allowable direct costs of a hospital-operated approved educational program (other than an approved graduate medical education program).

"(3) The activities described in this paragraph are the activities for which the reasonable costs of conducting such activities are allowable under title XVIII of the Social Security Act if conducted under a hospital-operated approved educational program (other than an approved graduate medical education program), but only to the extent such activities are directly related to the operation of the educational program conducted pursuant to the written agreement between the hospital and the educational institution.

"(4) The amount paid under a demonstration program under this subsection to a hospital for a cost reporting period may not exceed $200,000.

"(5) The Secretary shall report to Congress, by not later than January 1, 1995, on the demonstration programs conducted under this subsection and on the supply and characteristics of nurses trained under such programs.

Research on Long-Term Care Services for Medicare Beneficiaries


Adjustment of Contracts With Prepaid Health Plans

For requirement that Secretary of Health and Human Services modify contracts with health maintenance organizations under subsec. (a) of this section and section 222(a) of Public Law 92–603, set out below, so as to apply to such organizations and contracts the requirements imposed by the amendments made by section 222 of Public Law 100–647, title III, §3411, set out as a note under section 1395mm of this title.
CASE MANAGEMENT DEMONSTRATION PROJECTS


“(1) IN GENERAL.—Notwithstanding any other provision of law, the Secretary of Health and Human Services shall resume the 3 case management demonstration projects described in paragraph (2) and approved under section 425 of the Medicare Catastrophic Coverage Act of 1988 [Pub. L. 100–360, formerly set out below] (in this subsection referred to as ‘MCCA’).

“(2) PROJECT DESCRIPTIONS.—The demonstration projects referred to in paragraph (1) are—

“(A) the project proposed to be conducted by Providence Hospital for case management of the elderly at risk for acute hospitalization as described in Project No. 18–P–99579–5–01;

“(B) the project proposed to be conducted by the Iowa Foundation for Medical Care to study patients with chronic congestive conditions to reduce repeated hospitalizations of such patients as described in Project No. P–99394–4–01; and

“(C) the project proposed to be conducted by Key Care Health Resources, Inc., to examine the effects of case management on 2,500 high cost medicare beneficiaries as described in Project No. 18–P–99596–5.

“(3) TERMS AND CONDITIONS.—Except as provided in paragraph (4), the demonstration projects resumed pursuant to paragraph (1) shall be subject to the same terms and conditions established under section 425 of MCCA. In determining the 2-year duration period of a project resumed pursuant to paragraph (1), the Secretary may not take into account any period of time for which the project was in effect under section 425 of MCCA.

“(4) AUTHORIZATION OF APPROPRIATIONS.—Notwithstanding section 425(e) of MCCA, there are authorized to be appropriated for administrative costs in carrying out the demonstration projects resumed pursuant to paragraph (1) $2,000,000 in each of fiscal years 1991 and 1992.”


DEMONSTRATION PROJECTS WITH RESPECT TO CHRONIC VENTILATOR-DEPENDENT UNITS IN HOSPITALS

Pub. L. 100–360, title IV, § 423, July 1, 1988, 102 Stat. 817, as amended by Pub. L. 100–697, title VIII, § 8404(a), Nov. 10, 1988, 102 Stat. 3800, directed Secretary of Health and Human Services, in consultation with the Prospective Payment Assessment Commission, to provide for at least 5 demonstration projects each of which an appropriate entity agreed to provide case management services, which was repealed by Pub. L. 101–234, title III, § 301(a), Dec. 13, 1989, 103 Stat. 1985.

RESEARCH AND DEMONSTRATION PROJECTS ON RURAL AND INNER-CITY HEALTH ISSUES


“(a) SET ASIDES FOR ISSUES OF HEALTH CARE IN RURAL AREAS AND IN INNER-CITY AREAS.—(1) Not less than ten percent of the total amounts annually appropriated to, and expended by, the Health Care Financing Administration for the conduct of research and demonstration projects in fiscal years 1988, 1989, and 1990 shall be expended for research and demonstration projects relating exclusively or substantially to rural health issues, including (but not limited to) the impact of the payment methodology under section 1886(d) of the Social Security Act on the financial viability of inner-city hospitals and the effect of medicare payment policies on the ability of rural areas (and rural hospitals in particular) to attract and retain physicians and other health professionals, the appropriateness of medicare conditions of participation and staffing requirements for small rural hospitals, and the impact of medicare policies on access to (and the quality of) health care in rural areas.

“(2) Not less than ten percent of the total amounts annually appropriated to, and expended by, the Health Care Financing Administration for the conduct of research and demonstration projects in fiscal years 1988, 1989, and 1990 shall be expended for research and demonstration projects relating exclusively or substantially to issues of providing health care in inner-city areas, including (but not limited to) the impact of the payment methodology under section 1886(d) of the Social Security Act on the financial viability of inner-city hospitals and the impact of medicare policies on access to (and the quality of) health care in inner-city areas.

“(b) AGENDA.—The Secretary of Health and Human Services shall establish an agenda of research and demonstration projects, relating exclusively or substantially to rural health issues or to inner-city health issues, that are in progress or have been proposed, and shall include such agenda in the annual report submitted pursuant to section 1875(b) of the Social Security Act [42 U.S.C. 1395(b)]. The agenda shall be accompanied by a statement setting forth the amount that has been obligated and expended with respect to such projects in the current and most recently completed fiscal years.”

ALZHEIMER’S DISEASE DEMONSTRATION PROJECTS


SPECIAL TREATMENT OF STATES FORMERLY UNDER WAIVER

For treatment of hospitals in States which have had a waiver approved under this section, upon termination of waiver, see section 9202(c) of Pub. L. 99–272, as amended, set out as a note under section 1395ww of this title.

EXTENSION OF CERTAIN MEDICARE MUNICIPAL HEALTH SERVICES DEMONSTRATION PROJECTS


“(a) The Secretary of Health and Human Services shall extend through December 31, 1997, approval of four municipal health services demonstration projects (located in Baltimore, Cincinnati, Milwaukee, and San Jose) authorized under section 402(a) of the Social Security Amendments of 1967 [42 U.S.C. 1395b–1(a)]. The Secretary shall submit a report to Congress on the waiver program with respect to the quality of health care, beneficiary costs, costs to the medicare program and other payers, access to care, outcomes, beneficiary satisfaction, utilization differences among the different demonstration projects, and such other factors as may be appropriate. Subject to subsection (c), the Secretary may further extend such demonstration
projects through December 31, 2006, but only with respect to individuals who received at least one service during the period beginning on January 1, 1996, and ending on the date of the enactment of the Balanced Budget Act of 1997 [Aug. 5, 1997].

“(b) The Secretary shall work with each such demonstration project to develop a plan, to be submitted to the Committee on Ways and Means and the Committee on Commerce of the House of Representatives and the Committee on Finance of the Senate by March 31, 1998, for the orderly transition of demonstration projects and the project participants to a non-demonstration project health care delivery system, such as through integration with a private or public health plan, including a Medicaid managed care or Medicare+Choice plan.

“(c) A demonstration project under subsection (a) which does not develop and submit a transition plan under subsection (b) by March 31, 1998, or, if later, 6 months after the date of the enactment of the Balanced Budget Act of 1997 [Aug. 5, 1997], shall be discontinued as of December 31, 1998. The Secretary shall provide appropriate technical assistance to assist in the transition so that disruption of medical services to project participants may be minimized.

[References to Medicare+Choice deemed to refer to Medicare Advantage, see section 101(b) of Pub. L. 108–173, set out as a note under section 1395w–21 of this title.]

DEMONSTRATION PROGRAM FOR REDUCTION OF DISABILITY AND DEPENDENCY THROUGH PROVISION OF PREVENTIVE HEALTH SERVICES UNDER MEDICARE


PAYMENT FOR COSTS OF HOSPITAL-BASED MOBILE INTENSIVE CARE UNITS


“(a) In the case of a project described in subsection (b), the Secretary of Health and Human Services shall provide, except as provided in paragraph (2), that the amount of payments to hospitals covered under the project during the period described in paragraph (3) shall include payments for their operation of hospital-based mobile intensive care units (as defined by State statute) if the State provides satisfactory assurances that the total amount of payment would not exceed the total amount of payments which would have been paid under such titles if the demonstration project were not in effect.

“(2) Paragraph (1) shall not apply if the State in which the project is located notifies the Secretary, within 30 days after the date of the enactment of this section [July 18, 1984], that the State does not want paragraph (1) to apply to that project.

“(3) The period referred to in paragraph (1) begins on the date of the enactment of this section and continues so long as the Secretary continues the Statewide waiver referred to in subsection (b), but in no case ends earlier than 90 days after the date final regulations to implement section 1886(c) of the Social Security Act [42 U.S.C. 1395ww(c)] are published.

“(b) The project referred to in subsection (a) is the Statewide demonstration project in the State of New Jersey under section 402 of the Social Security Amendments of 1967, as amended by section 222(b) of the Social Security Amendments of 1972 [Pub. L. 92–663] [42 U.S.C. 1395b–1], which project provides for payments to hospitals in the State on a prospective basis and related to a classification of patients by diagnosis-related groups.

“(c) Payment for services described in this section shall be considered to be payments for services under part A of title XVIII of the Social Security Act [42 U.S.C. 1395c et seq.]."

CONTINUATION OF SECRETARY’S AUTHORITY REGARDING EXPERIMENTS AND DEMONSTRATION PROJECTS

Pub. L. 98–21, title VI, § 603(b), Apr. 20, 1983, 97 Stat. 167, provided that:

“(1) Except as provided in paragraph (2), the amendments made by this title [amending sections 1323a–1, 1323e, 1395c–2, 1395f–1, 1395l–2, 1395n, 1395rr, 1395s, 1395x, 1395y, 1395cc, 1395mm, 1395oo, 1395rr, 1395ww, and 1395xx of this title, enacting provisions set out as notes under this section and sections 1395l, 1395n, 1395rr, 1395cc, and 1395ww of this title, and amending provisions set out as a note under section 1395k of this title] shall not affect the authority of the Secretary to develop, carry out, or continue experiments and demonstration projects.

“(2) The Secretary shall provide that, upon the request of a State which has a demonstration project, for payment of hospitals under title XVIII of the Social Security Act [42 U.S.C. 1395 et seq.] approved under section 402(a) of the Social Security Amendments of 1967 [42 U.S.C. 1395b–1(a)] or section 222(a) of the Social Security Amendments of 1972 [set out as a note below], which (A) is in effect as of March 1, 1983, and (B) was entered into after August 1982 (or upon the request of another party to demonstration project agreement), the terms of the demonstration agreement shall be modified so that the demonstration project is not required to maintain the rate of increase in Medicare hospital costs in that State below the national rate of increase in Medicare hospital costs."

ALTERNATIVE CARE DEMONSTRATION PROJECTS IN HOSPITALS SHORT OF SKILLED NURSING FACILITIES

Pub. L. 98–21, title VI, § 603(d), Apr. 20, 1983, 97 Stat. 168, provided that: "The Secretary shall conduct demonstrations with hospitals in areas with critical shortages of skilled nursing facilities to study the feasibility of providing alternative systems of care or methods of payment."

CONTINUATION OF HOSPICE DEMONSTRATION PROJECTS; REPORT TO CONGRESS


“(1) Notwithstanding any provision of law which has the effect of restricting the time period of a hospice demonstration project in effect on July 15, 1982, pursuant to section 402(a) of the Social Security Amendments of 1967 [42 U.S.C. 1395b–1(a)], the Secretary of Health and Human Services, upon request of the hospice involved, shall permit continuation of the project until November 1, 1983, or, if later, the date on which payments can first be made to any hospice program under the amendments made by this section.

“(2) Prior to September 30, 1983, the Secretary shall submit to Congress a report on the effectiveness of demonstration projects referred to in paragraph (1), including an evaluation of the cost-effectiveness of hospice care, the reasonableness of the 40-percent cap amount for hospice care as provided in section 1814(i) of the Social Security Act [42 U.S.C. 1395l(i)] (as added by this section), proposed standards for requiring and measuring the maintenance of effort for utilizing volunteers as required under section 1861(dd) of such Act [42 U.S.C. 1395x(dd)], an evaluation of the remuneration for services furnished as a part of hospice care and for services furnished to individuals receiving...
hospice care but which are not reimbursed as a part of the hospice care, and any proposed legislative changes in the hospice care provisions of title XVIII of such Act (42 U.S.C. 1395 et seq.).

"(B) Notwithstanding the provisions of paragraph (1), the Secretary of Health and Human Services, upon request of the hospice involved, shall permit continuation of a hospice demonstration project described in paragraph (1) until September 30, 1986, if the hospice involved in such demonstration project does not provide hospice care directly but acts as a channeling agency for the provision of hospice care.

"(C) During the period after the date on which a hospice demonstration project described in subparagraph (1) would otherwise have terminated under the provisions of paragraph (1), and prior to September 30, 1986, any such hospice demonstration project shall be subject to the same requirements as are imposed under the hospice program provided for under the amendments made by this section (amending sections 1395c to 1395f, 1395k, and 1395x to 1395cc of this title) until September 30, 1986, if the hospice involved in such demonstration project does not provide hospice care directly but acts as a channeling agency for the provision of hospice care.

STATEWIDE MEDICARE HOSPITAL REIMBURSEMENT DEMONSTRATION PROJECT LIMITATION


STUDY OF NEED FOR DUAL PARTICIPATION OF SKILLED NURSING FACILITIES


DEMONSTRATION PROJECTS FOR PHYSICIAN-DIRECTED CLINICS IN URBAN MEDICALLY UNDERSERVED AREAS; REPORT SUBMITTED NO LATER THAN JANUARY 1, 1981

Pub. L. 96–410, § 3, Dec. 13, 1977, 91 Stat. 1490, required the Secretary to provide, through demonstration projects, reimbursement on a cost basis for services provided by physician-directed clinics in urban medically underserved areas for which payment may be made for such clinics under this subchapter or other provision of this subchapter, for services provided by a physician assistant or nurse practitioner employed by such clinics which would otherwise be covered under this subchapter if provided by a physician. The Secretary was to evaluate the relative advantages and disadvantages of reimbursement on the basis of costs and fee-for-service for physician-directed clinics employing a physician assistant or nurse practitioner, the appropriate method of determining the compensation for physician services on a cost basis for the purposes of reimbursement of services provided in such clinics, the appropriate definition for such clinics, the appropriate criteria to use for the purposes of designating urban medically underserved areas, and such other possible changes in the provisions of this subchapter as might be appropriate for the efficient and cost-effective reimbursement of services provided in such clinics. Grants, payments under contracts, and other expenditures made for demonstration projects were to be made in appropriate part from the Social Security Trust Fund and the Federal Supplementary Medical Insurance Trust Fund. The Secretary was to submit to the Congress, no later than Jan. 1, 1981, a complete detailed report on the demonstration projects.

SCOPE OF GRANTS FOR EXPERIMENTS AND DEMONSTRATION PROJECTS TO DETERMINE METHODS FOR PROSPECTIVE PAYMENTS TO HOSPITALS, SKILLED NURSING FACILITIES, AND OTHER PROVIDERS OF SERVICES FOR CARE AND FURNISHING; SCOPE; WAIVER OF PAYMENT REQUIREMENTS; SOURCE AND MANNER OF PAYMENTS FOR GRANTS, ETC.; REPORTS TO CONGRESS

Pub. L. 94–182, title I, §107, Dec. 31, 1975, 89 Stat. 1053, provided that: "Nothing contained in section 222(a) of Public Law 92–603 [set out below] shall be construed to preclude or prohibit the Secretary of Health, Education, and Welfare [now Health and Human Services] from including in any grant otherwise authorized to be made under such section moneys which are to be used for payments, to a participant in a demonstration or experiment with respect to which the grant is made, for or on account of costs incurred or services performed by such participant for a period prior to the date that the project of such participant is placed in operation, if:

"(1) the applicant for such grant is a State or an agency thereof.

"(2) such participant is an individual practice association which has been in existence for at least 3 years prior to the date of enactment of this section [Dec. 31, 1975] and which has in effect a contract with such State (or an agency thereof), entered into prior to the date on which the grant is approved by the Secretary, under which such association will, for a period which begins before and ends after the date such grant is so approved, provide health care services for individuals entitled to care and services under the State plan of such State which is approved under title XIX of the Social Security Act [42 U.S.C. 1396 et seq.].

"(3) the purpose of the inclusion of the project of such association is to test the utility of a particular rate-setting methodology, designed to be employed in prepaid health plans, in an individual practice association operation, and

"(4) the applicant for such grant affirms that the use of moneys from such grant to make such payments to such individual practice association is necessary or useful in assuring that such association will be able to continue in operation and carry out the project described in clause (3)."

EXPERIMENTS AND DEMONSTRATION PROJECTS TO DETERMINE METHODS FOR PROSPECTIVE PAYMENTS TO HOSPITALS, SKILLED NURSING FACILITIES, AND OTHER PROVIDERS OF SERVICES FOR CARE AND FURNISHING; SCOPE; WAIVER OF PAYMENT REQUIREMENTS; SOURCE AND MANNER OF PAYMENTS FOR GRANTS, ETC.; REPORTS TO CONGRESS


"(1) The Secretary of Health, Education, and Welfare [now Health and Human Services], directly or through contracts with, or grants to, public or private agencies or organizations, shall develop and carry out experiments and demonstration projects designed to determine the relative advantages and disadvantages of various alternative methods of making payment on a prospective basis to hospitals, skilled nursing facilities, and other providers of services for care and services provided by them under title XVIII of the Social Security Act [42 U.S.C. 1395 et seq.], including alternative methods for classifying providers, for establishing prospective rates of payment, and for implementing on a gradual, selective, or other basis the establishment of a prospective payment system, in order to stimulate such providers through positive (or negative) financial incentives to use their facilities and personnel more efficiently and thereby to reduce the total costs of health programs without adversely affecting the quality of services by containing or lowering the rate of increase in provider costs.
§ 1395b–2. Notice of medicare benefits; medicare and medigap information

(a) Notice of medicare benefits

The Secretary shall prepare (in consultation with groups representing the elderly and with health insurers) and provide for distribution of a notice containing—

(1) a clear, simple explanation of the benefits available under this subchapter and the major categories of health care for which benefits are not available under this subchapter,

(2) the limitations on payment (including deductibles and coinsurance amounts) that are imposed under this subchapter, and

(3) a description of the limited benefits for long-term care services available under this subchapter and generally available under State plans approved under subchapter XIX.

Such notice shall be mailed annually to individuals entitled to benefits under part A or part B of this subchapter and when an individual applies for benefits under part A or enrolls under part B.

(b) Medicare and medigap information

The Secretary shall provide information via a toll-free telephone number on the programs under this subchapter. The Secretary shall provide, through the toll-free telephone number 1–800–MEDICARE, for a means by which individuals seeking information about, or assistance with, such programs who phone such toll-free number are transferred (without charge) to appropriate entities for the provision of such information or assistance. Such toll-free number shall be the toll-free number listed for general information and assistance in the annual notice under subsection (a) instead of the listing of numbers of individual contractors.

(c) Contents of notice

The notice provided under subsection (a) shall include—

(1) a statement which indicates that because errors do occur and because medicare fraud, waste, and abuse is a significant problem, beneficiaries should carefully check any explanation of benefits or itemized statement furnished pursuant to section 1395l–7 of this title for accuracy and report any errors or questionable charges by calling the toll-free phone number described in paragraph (4);

(2) a statement of the beneficiary’s right to request an itemized statement for medicare items and services (as provided in section 1395l–7(b) of this title);

(3) a description of the program to collect information on medicare fraud and abuse established under section 1395l–5(b) of this title; and

(4) a toll-free telephone number maintained by the Inspector General in the Department of Health and Human Services for the receipt of complaints and information about waste, fraud, and abuse in the provision or billing of services under this subchapter.

(d) Medicare opioid safety education

The notice provided under subsection (a) shall include—

(1) references to educational resources regarding opioid use and pain management;

(2) a description of categories of alternative, non-opioid pain management treatments covered under this subchapter; and

(3) a suggestion for the beneficiary to talk to a physician regarding opioid use and pain management.

(Aug. 14, 1955, ch. 531, title XVIII, §1804, as added Pub. L. 100–360, title II, §223(a), July 1, 1988, 102...
§ 1395b-3. Health insurance advisory service for medicare beneficiaries

(a) In general

The Secretary of Health and Human Services shall establish a health insurance advisory service program (in this section referred to as the "beneficiary assistance program") to assist medicare-eligible individuals with the receipt of services under the medicare and medicaid programs and other health insurance programs.

(b) Outreach elements

The beneficiary assistance program shall provide assistance—

(1) through operation using local Federal offices that provide information on the medicare program,

(2) using community outreach programs, and

(3) using a toll-free telephone information service.

(c) Assistance provided

The beneficiary assistance program shall provide for information, counseling, and assistance for medicare-eligible individuals with respect to at least the following:

(1) With respect to the medicare program—

(A) eligibility,

(B) benefits (both covered and not covered),

(C) the process of payment for services,

(D) rights and process for appeals of determinations,

(E) other medicare-related entities (such as peer review organizations, fiscal intermediaries, and carriers), and

(F) recent legislative and administrative changes in the medicare program.
(2) With respect to the medicaid program—
(A) eligibility, benefits, and the application process,
(B) linkages between the medicaid and medicare programs, and
(C) referral to appropriate State and local agencies involved in the medicaid program.

(3) With respect to medicare supplemental policies—
(A) the program under section 1395s of this title and standards required under such program,
(B) how to make informed decisions on whether to purchase such policies and on what criteria to use in evaluating different policies,
(C) appropriate Federal, State, and private agencies that provide information and assistance in obtaining benefits under such policies, and
(D) other issues deemed appropriate by the Secretary.

The beneficiary assistance program also shall provide such other services as the Secretary deems appropriate to increase beneficiary understanding of, and confidence in, the medicare program and to improve the relationship between beneficiaries and the program.

(d) Educational material
The Secretary, through the Administrator of the Centers for Medicare & Medicaid Services, shall develop appropriate educational materials and other appropriate techniques to assist employees in carrying out this section.

(e) Notice to beneficiaries
The Secretary shall take such steps as are necessary to assure that medicare-eligible beneficiaries and the general public are made aware of the beneficiary assistance program.

(f) Report
The Secretary shall include, in an annual report transmitted to the Congress, a report on the beneficiary assistance program and on other health insurance informational and counseling services made available to medicare-eligible individuals. The Secretary shall include in the report recommendations for such changes as may be desirable to improve the relationship between the medicare program and medicare-eligible individuals.


Codification
Section was enacted as part of the Omnibus Budget Reconciliation Act of 1990, and not as part of the Social Security Act which comprises this chapter.

Amendments

State Health Insurance Assistance Program Reporting Requirements
Pub. L. 115–123, div. E, title II, § 50207(b), Feb. 9, 2018, 132 Stat. 3096, provided that: “Beginning not later than April 1, 2019, and biennially thereafter, the Agency for Community Living [probably means the Administration for Community Living] shall electronically post on its website the following information, with respect to grants to States for State health insurance assistance programs, (such information to be presented by State and by entity receiving funds from the State to carry out such a program funded by such grant):

(1) The amount of Federal funding provided to each such State for such program for the period involved and the amount of Federal funding provided by each such State for such program to each such entity for the period involved.

(2) Information as the Secretary may specify, with respect to such programs carried out through such grants, consistent with the terms and conditions for receipt of such grants.

Medicare Enrollment Assistance

(1) GRANTS.

(A) In General.—The Secretary of Health and Human Services (in this section referred to as the ‘‘Secretary’’) shall use amounts made available under subparagraph (B) to make grants to States for State health insurance assistance programs receiving assistance under section 4360 of the Omnibus Budget Reconciliation Act of 1990 (42 U.S.C. 1395b–4).

(B) Funding.—For purposes of making grants under this subsection, the Secretary shall provide for the transfer, from the Federal Hospital Insurance Trust Fund under section 1817 of the Social Security Act (42 U.S.C. 1395l) and the Federal Supplementary Medical Insurance Trust Fund under section 1811 of such Act (42 U.S.C. 1395l), in the same proportion as the Secretary determines under section 1863(f) of such Act (42 U.S.C. 1395v–23(f)), to the Centers for Medicare & Medicaid Services Program Management Account—

(i) for fiscal year 2019, of $7,500,000;
(ii) for the period of fiscal years 2018 through 2022, of $15,000,000;
(iii) for fiscal year 2013, of $7,500,000;
(iv) for fiscal year 2014, of $7,500,000;
(v) for fiscal year 2015, of $7,500,000;
(vi) for fiscal year 2016, of $13,000,000;
(vii) for fiscal year 2017, of $13,000,000;
(viii) for fiscal year 2018, of $13,000,000;
(ix) for fiscal year 2019, of $13,000,000;
(x) for the period beginning on October 1, 2019, and ending on November 21, 2019, of $1,852,000;
(xi) for the period beginning on November 22, 2019, and ending on December 20, 2019, of $1,033,000, and
(xii) for the period beginning on December 21, 2019, and ending on May 22, 2020, of $5,465,000.

Amounts appropriated under this subparagraph shall remain available until expended.

(2) Amount of Grants.—The amount of a grant to a State under this subsection from the total amount made available under paragraph (1) shall be equal to the sum of the amount allocated to the State under paragraph (3)(A) and the amount allocated to the State under subparagraph (3)(B).

(3) Allocation to States.

(A) Allocation Based on Percentage of Low-Income Beneficiaries.—The amount allocated to a
State under this subparagraph from \( \frac{2}{3} \) of the total amount made available under paragraph (1) shall be based on the number of individuals who meet the requirement under subsection (a)(3)(A)(i) of section 1860D–14 of the Social Security Act (42 U.S.C. 1395w–114) but who have not enrolled to receive a subsidy under such section 1860D–14 relative to the total number of individuals who meet the requirement under such subsection (a)(3)(A)(i) in each State, as estimated by the Secretary.

"(B) ALLOCATION BASED ON PERCENTAGE OF RURAL BENEFICIARIES.—The amount allocated to a State under this subparagraph from \( \frac{1}{3} \) of the total amount made available under paragraph (1) shall be based on the number of part D eligible individuals (as defined in section 1860D–1(a)(3)(A) of such Act (42 U.S.C. 1395w–114(a)(3)(A))) residing in a rural area relative to the total number of such individuals in each State, as estimated by the Secretary.

"(4) PORTION OF GRANT BASED ON PERCENTAGE OF LOW-INCOME BENEFICIARIES TO BE USED TO PROVIDE OUTREACH TO INDIVIDUALS WHO MAY BE SUBSIDY ELIGIBLE INDIVIDUALS OR ELIGIBLE FOR THE MEDICARE SAVINGS PROGRAM.—Each grant awarded under this subsection with respect to amounts allocated under paragraph (3)(A) shall be used to provide outreach to individuals who may be subsidy eligible individuals (as defined in section 1860D–1(a)(3)(A) of the Social Security Act (42 U.S.C. 1395w–114(a)(3)(A)) or eligible for the Medicare Savings Program (as defined in section 102 of the Older Americans Act of 1965 (42 U.S.C. 3001 et seq.).

"(B) ADDITIONAL FUNDING FOR AREA AGENCIES ON AGING.—

"(1) GRANTS.—

"(A) IN GENERAL.—The Secretary, acting through the Assistant Secretary for Aging, shall make grants to States for area agencies on aging (as defined in section 102 of the Older Americans Act of 1965 (42 U.S.C. 3002)) and Native American programs carried out under the Older Americans Act of 1965 (42 U.S.C. 3001 et seq.).

"(B) FUNDING.—For purposes of making grants under this subsection, the Secretary shall provide for the transfer, from the Federal Hospital Insurance Trust Fund under section 1817 of the Social Security Act (42 U.S.C. 1395k) and the Federal Supplementary Medical Insurance Trust Fund under section 1841 of such Act (42 U.S.C. 1395t), in the same proportion as the Secretary determines under section 1863(f) of such Act (42 U.S.C. 1395w–23(f)), to the Administration on Aging—

"(i) for fiscal year 2009, of $7,500,000;

"(ii) for the period of fiscal years 2010 through 2012, of $15,000,000;

"(iii) for fiscal year 2013, of $7,500,000;

"(iv) for fiscal year 2014, of $7,500,000;

"(v) for fiscal year 2015, of $7,500,000;

"(vi) for fiscal year 2016, of $7,500,000;

"(vii) for fiscal year 2017, of $7,500,000;

"(viii) for fiscal year 2018, of $7,500,000;

"(ix) for fiscal year 2019, of $7,500,000;

"(x) for the period beginning on October 1, 2019, and ending on November 21, 2019, of $72,000; and

"(xi) for the period beginning on November 22, 2019, and ending on December 20, 2019, of $397,000; and

"(xii) for the period beginning on December 21, 2019, and ending on May 22, 2020, of $2,110,000.

Amounts appropriated under this subparagraph shall remain available until expended.

"(2) REQUIRED USE OF FUNDS.—Each grant awarded under this subsection shall be used to provide outreach to individuals regarding the benefits available under the Medicare prescription drug benefit under part D of title XVIII of the Social Security Act (42 U.S.C. 1395w–101 et seq.) and under the Medicare Savings Program.

"(d) COORDINATION OF EFFORTS TO INFORM OLDER AMERICANS ABOUT BENEFITS AVAILABLE UNDER FEDERAL AND STATE PROGRAMS.—

"(1) IN GENERAL.—The Secretary, acting through the Assistant Secretary for Aging, in cooperation with related Federal agency partners, shall make a grant to, or enter into a contract with, a qualified, experienced entity under which the entity shall—

"(A) maintain and update web-based decision support tools, and integrated, person-centered systems, designed to inform older individuals (as defined in section 102 of the Older Americans Act of 1965 (42 U.S.C. 3002)) about the full range of benefits for which the individuals may be eligible under Federal and State programs;

"(B) utilize cost-effective strategies to find older individuals with the greatest economic need (as defined in such section 102) and inform the individuals of the programs;

"(C) develop and maintain an information clearinghouse on best practices and the most cost-effective methods for finding older individuals with greatest economic need and informing the individuals of the programs; and
“(D) provide, in collaboration with related Federal agency partners administering the Federal programs, training and technical assistance on the most effective outreach, screening, and follow-up strategies for the Federal and State programs.

“(2) FUNDING.—For purposes of making a grant or entering into a contract under paragraph (1), the Secretary shall provide the transfer, from the Federal Hospital Insurance Trust Fund under section 1817 of the Social Security Act (42 U.S.C. 1395i) and the Federal Supplementary Medical Insurance Trust Fund under section 1841 of such Act (42 U.S.C. 1395k–16), in the same proportion as the Secretary determines under section 1833(f) of such Act (42 U.S.C. 1395w–23(f)), to the Administration on Aging:

“(i) for fiscal year 2009, of $5,000,000;

“(ii) for the period of fiscal years 2010 through 2012, of $5,000,000;

“(iii) for fiscal year 2013, of $5,000,000;

“(iv) for fiscal year 2014, of $5,000,000;

“(v) for fiscal year 2015, of $5,000,000;

“(vi) for fiscal year 2016, of $12,000,000;

“(vii) for fiscal year 2017, of $12,000,000;

“(viii) for fiscal year 2018, of $12,000,000;

“(ix) for fiscal year 2019, of $12,000,000;

“(x) for the period beginning on October 1, 2019, and ending on November 21, 2019, of $1,710,000;

“(xi) for the period beginning on November 22, 2019, and ending on December 20, 2019, of $953,000; and

“(xii) for the period beginning on December 21, 2019, and ending on May 22, 2020, of $5,063,000.

“Amounts appropriated under this subparagraph shall remain available until expended.

“(e) REPROGRAMMING FUNDS FROM MEDICARE, MEDICAID, AND SCHIP EXTENSION ACT OF 2007.—The Secretary shall only use the $5,000,000 in funds allocated to make grants to States for Area Agencies on Aging and Aging Disability and Resource Centers for the period of fiscal years 2008 through 2009 under section 118 of the Social Security Act (42 U.S.C. 1395w–101 et seq.), for the sole purpose of providing outreach to individuals regarding the benefits available under the Medicare prescription drug benefit under part D of title XVIII of the Social Security Act (42 U.S.C. 1395w–101 et seq.), the Secretary shall republish the request for proposals issued on April 17, 2008, in order to comply with the preceding sentence.

“(f) MEDICARE SAVINGS PROGRAM DEFINED.—For purposes of this section, the term ‘Medicare Savings Program’ means the program of medical assistance for payment of the cost of medicare cost-sharing under the Medicare program pursuant to sections 1802(a)(10)(E) and 1833 of the Social Security Act (42 U.S.C. 1396a(a)(10)(E), 1396d–3).

“(g) SECRETARIAL AUTHORITY TO ENLIST SUPPORT IN CONDUCTING CERTAIN OUTREACH ACTIVITIES.—The Secretary may request that an entity awarded a grant under this section support the conduct of outreach activities aimed at preventing disease and promoting wellness. Notwithstanding any other provision of this section, an entity may use a grant awarded under this subsection (probably should be ‘section’) to support the conduct of activities described in the preceding sentence.

**Beneficiary Outreach Demonstration Program**


“(a) IN GENERAL.—The Secretary [of Health and Human Services] shall establish a demonstration program (in this section referred to as the ‘demonstration program’) under which medicare specialists employed by the Department of Health and Human Services provide advice and assistance to individuals entitled to benefits under part A of title XVIII of the Social Security Act (42 U.S.C. 1395c et seq.), or enrolled under part B of such title (42 U.S.C. 1395 et seq.), or both, regarding the medicare program at the location of existing local offices of the Social Security Administration.

“(b) LOCATIONS.—

“(1) IN GENERAL.—The demonstration program shall be conducted in at least 6 offices or areas. Subject to paragraph (2), in selecting such offices or areas, the Secretary shall provide preference for offices with a high volume of visits by individuals referred to in subsection (a).

“(2) ASSISTANCE FOR RURAL BENEFICIARIES.—The Secretary shall provide for the selection of at least 2 rural areas to participate in the demonstration program. In conducting the demonstration program in such rural areas, the Secretary shall provide for medicare specialists to travel among local offices in a rural area on a scheduled basis.

“(c) DURATION.—The demonstration program shall be conducted over a 3-year period.

“(d) EVALUATION AND REPORT.—

“(1) EVALUATION.—The Secretary shall provide for an evaluation of the demonstration program. Such evaluation shall include an analysis of—

“(A) utilization of, and satisfaction of those individuals referred to in subsection (a) with, the assistance provided under the program; and

“(B) the cost-effectiveness of providing beneficiary assistance through out-stationing medicare specialists at local offices of the Social Security Administration.

“(2) REPORT.—The Secretary shall submit to Congress a report on such evaluation and shall include in such report recommendations regarding the feasibility of permanently out-stationing medicare specialists at local offices of the Social Security Administration.

**Qualified Medicare Beneficiary Outreach**

Pub. L. 108–432, title I, §154, Oct. 31, 1994, 108 Stat. 4437, provided that not later than 1 year after Oct. 31, 1994, the Secretary of Health and Human Services would establish and implement a method for obtaining information from newly eligible medicare beneficiaries that might be used to determine whether such beneficiaries may be eligible for medical assistance for medicare cost-sharing under State medicaid plans as qualified medicare beneficiaries, and for transmitting such information to the State in which such a beneficiary resides.

§ 1395b–4. Health insurance information, counseling, and assistance grants

**Grants**

The Secretary of Health and Human Services (in this section referred to as the ‘Secretary’) shall make grants to States, with approved State regulatory programs under section 1395ss of this title, that submit applications to the Secretary that meet the requirements of this section for the purpose of providing information, counseling, and assistance relating to the procurement of adequate and appropriate health insurance coverage to individuals who are eligible to receive benefits under this subchapter (in this section referred to as ‘eligible individuals’). The Secretary shall prescribe regulations to establish a minimum level of funding for a grant issued under this section.

**Grant applications**

(1) In submitting an application under this section, a State may consolidate and coordinate an application that consists of parts prepared by more than one agency or department of such State.

(2) As part of an application for a grant under this section, a State shall submit a plan for a State-wide health insurance information, counseling, and assistance program. Such program shall—
(A) establish or improve upon a health insurance information, counseling, and assistance program that provides counseling and assistance to eligible individuals in need of health insurance information, including

(i) information that may assist individuals in obtaining benefits and filing claims under this subchapter and subchapter XIX of this chapter;

(ii) policy comparison information for medicare supplemental policies (as described in section 1395ss(g)(1) of this title) and information that may assist individuals in filing claims under such medicare supplemental policies;

(iii) information regarding long-term care insurance; and

(iv) information regarding other types of health insurance benefits that the Secretary determines to be appropriate;

(B) in conjunction with the health insurance information, counseling, and assistance program described in subparagraph (A), establish a system of referral to appropriate Federal or State departments or agencies for assistance with problems related to health insurance coverage (including legal problems), as determined by the Secretary;

(C) provide for a sufficient number of staff positions (including volunteer positions) necessary to provide the services of the health insurance information, counseling, and assistance program;

(D) provide assurances that staff members (including volunteer staff members) of the health insurance information, counseling, and assistance program have no conflict of interest in providing the counseling described in subparagraph (A);

(E) provide for the collection and dissemination of timely and accurate health care information to staff members;

(F) provide for training programs for staff members (including volunteer staff members); and

(G) provide for the coordination of the exchange of health insurance information between the staff of departments and agencies of the State government and the staff of the health insurance information, counseling, and assistance program;

(H) make recommendations concerning consumer issues and complaints related to the provision of health care to agencies and departments of the State government and the Federal Government responsible for providing or regulating health insurance;

(I) establish an outreach program to provide the health insurance information and counseling described in subparagraph (A) and the referrals described in subparagraph (B) to eligible individuals; and

(J) demonstrate, to the satisfaction of the Secretary, an ability to provide the counseling and assistance required under this section.

(c) Special grants

(1) A State that is conducting a health insurance information, counseling, and assistance program that is substantially similar to a program described in subsection (b)(2), shall, as a requirement for eligibility for a grant under this section, demonstrate, to the satisfaction of the Secretary, that such State shall maintain the activities of such program at least at the level that such activities were conducted immediately preceding the date of the issuance of any grant under this section.

(2) If the Secretary determines that the existing health insurance information, counseling, and assistance program is substantially similar to a program described in subsection (b)(2), the Secretary may waive some or all of the requirements described in such subsection and issue a grant to the State for the purpose of increasing the number of services offered by the health insurance information, counseling, and assistance program, experimenting with new methods of outreach in conducting such program, or expanding such program to geographic areas of the State not previously served by the program.

(d) Criteria for issuing grants

In issuing a grant under this section, the Secretary shall consider—

(1) the commitment of the State to carrying out the health insurance information, counseling, and assistance program described in subsection (b)(2), including the level of cooperation demonstrated—

(A) by the office of the chief insurance regulator of the State, or the equivalent State entity;

(B) other officials of the State responsible for overseeing insurance plans issued by nonprofit hospital and medical service associations; and

(C) departments and agencies of such State responsible for—

(i) administering funds under subchapter XIX of this chapter, and

(ii) administering funds appropriated under the Older Americans Act [42 U.S.C. 3001 et seq.];

(2) the population of eligible individuals in such State as a percentage of the population of such State; and

(3) in order to ensure the needs of rural areas in such State, the relative costs and special problems associated with addressing the special problems of providing health care information, counseling, and assistance eligible individuals residing in rural areas of such State.

(e) Annual State report

A State that receives a grant under this section shall, not later than 180 days after receiving such grant, and annually thereafter during the period of the grant, issue a report to the Secretary that includes information concerning—

(1) the number of individuals served by the health insurance information, counseling and assistance program of such State;

(2) an estimate of the amount of funds saved by the State, and by eligible individuals in the State, in the implementation of such program; and

(3) the problems that eligible individuals in such State encounter in procuring adequate and appropriate health care coverage.

1 So in original. Probably should be preceded by “to”. 
(f) Report to Congress

Beginning with 1992, and annually thereafter, the Secretary shall issue a report to the Committee on Finance of the Senate, the Special Committee on Aging of the Senate, the Committee on Ways and Means of the House of Representatives, and the Committee on Energy and Commerce of the House of Representatives that—

1. summarizes the allocation of funds authorized for grants under this section and the expenditure of such funds;

2. outlines the problems that eligible individuals encounter in procuring adequate and appropriate health care coverage;

3. makes recommendations that the Secretary determines to be appropriate to address the problems described in paragraph (3); and

4. in the case of the report issued 2 years after November 5, 1990, evaluates the effectiveness of counseling programs established under this program, and makes recommendations regarding continued authorization of funds for these purposes.

(g) Authorization of appropriations for grants

There are authorized to be appropriated, in equal parts from the Federal Hospital Insurance Trust Fund and from the Federal Supplementary Medical Insurance Trust Fund, $10,000,000 for each of fiscal years 1991, 1992, 1993, 1994, and 1996, to fund the grant programs described in this section.


REFERENCES IN TEXT

The Older Americans Act, referred to in subsec. (d)(1)(C)(ii), probably means the Older Americans Act of 1965, which is Pub. L. 89–73, July 14, 1965, 79 Stat. 218, as amended, and is classified generally to chapter 75 (§3001 et seq.) of this title. For complete classification of this Act to the Code, see Short Title note set out under section 3001 of this title and Tables.

CODIFICATION

Section was enacted as part of the Omnibus Budget Reconciliation Act of 1990, and not as part of the Social Security Act which comprises this chapter.

AMENDMENTS


Subsec. (b)(2)(D). Pub. L. 103–432, § 171(i)(2), substituted “counseling” for “services” before “described in subparagraph (A)”.


Subsec. (c)(1). Pub. L. 103–432, § 171(i)(4), struck out “and that such activities will continue to be maintained at such level” after “covered by such grant under this section”.

Subsec. (d)(3). Pub. L. 103–432, § 171(i)(5), substituted “eligible individuals residing in rural areas” for “to the rural areas”.

\(^2\)So in original. Probably should be paragraph “(2)”.

Subsec. (e). Pub. L. 103–432, § 171(i)(6)(A), (B), in introductory provisions, substituted “this section” for “subsection (c) or (d) of this section” and “and annually thereafter” for “for and annually thereafter, issue an annual report”.


Pub. L. 103–432, § 171(i)(8)(B), and Pub. L. 103–437, § 15(b)(2), made identical amendments, redesignating subsec. (f), relating to authorization of appropriations for grants, as (g).


Subsec. (f)(2) to (5). Pub. L. 103–432, § 171(i)(7), in subsec. (f), relating to report to Congress, redesignated pars. (3) to (5) as (2) to (4), respectively, and struck out former par. (2) which read as follows: “summarizes the scope and content of training conferences convened under this section.”

Subsec. (g). Pub. L. 103–432, § 171(i)(8)(B), and Pub. L. 103–437, § 15(b)(2), made identical amendments, redesignating subsec. (f), relating to authorization of appropriations for grants, as (g).

CHANGE OF NAME


EFFECTIVE DATE OF 1994 AMENDMENT

Amendment by Pub. L. 103–432 effective as if included in the enactment of Pub. L. 104–14, set out as a note preceding section 21 of this title.

DEMONSTRATION TO IMPROVE CARE TO PREVIOUSLY UNINSURED


“(a) Establishment.—Within one year after the date of the enactment of this Act (July 15, 2008), the Secretary (in this section referred to as the ‘Secretary’) shall establish a demonstration project to determine the greatest needs and most effective methods of outreach to Medicare beneficiaries who were previously uninsured.

“(b) Scope.—The demonstration shall be in no fewer than 10 sites, and shall include state health insurance assistance programs, community health centers, community-based organizations, community health workers, and other service providers under parts A, B, and C of title XVIII of the Social Security Act [42 U.S.C. 1395c et seq., 1395j et seq., 1395w–21 et seq.]. Grantees that are plans operating under part C shall document that enrollees who were previously uninsured receive the ‘Welcome to Medicare’ physical exam.

“(c) Duration.—The Secretary shall conduct the demonstration project for a period of 2 years.

“(d) Report and Evaluation.—The Secretary shall conduct an evaluation of the demonstration and not later than 1 year after the completion of the project shall submit to Congress a report including the following:...
(1) An analysis of the effectiveness of outreach activities targeting beneficiaries who were previously uninsured, such as revising outreach and enrollment materials (including the potential for use of video information), providing one-on-one counseling, working with community health workers, and amending the Medicare and You handbook.

(2) The effect of such outreach on beneficiary access to care, utilization of services, efficiency and cost-effectiveness of health care delivery, patient satisfaction, and select health outcomes.''

STATE REGULATORY PROGRAMS

For provisions relating to changes required to conform State regulatory programs to amendments by section 171 of Pub. L. 103–432, see section 171(m) of Pub. L. 103–432, set out as a note under section 1395ss of this title.

§ 1395b–5. Beneficiary incentive programs


(b) Program to collect information on fraud and abuse

(1) Establishment of program

Not later than 3 months after August 21, 1996, the Secretary shall establish a program under which the Secretary shall encourage individuals to report to the Secretary information on individuals and entities who are engaging in or who have engaged in acts or omissions which constitute grounds for the imposition of a sanction under section 1320a–7, 1320a–7a, or 1320a–7b of this title, or who have otherwise engaged in fraud and abuse against the Medicare program under this subchapter for which there is a sanction provided under law. The program shall discourage provision of, and not consider, information which is frivolous or otherwise not relevant or material to the imposition of such a sanction.

(2) Payment of portion of amounts collected

If an individual reports information to the Secretary under the program established under paragraph (1) which serves as the basis for the collection by the Secretary or the Attorney General of any amount of at least $100 (other than any amount paid as a penalty under section 1320a–7b of this title), the Secretary may pay a portion of the amount collected to the individual (under procedures similar to those applicable under section 7623 of the Internal Revenue Code of 1986 to payments to individuals providing information on violations of such Code).

(c) Program to collect information on program efficiency

(1) Establishment of program

Not later than 3 months after August 21, 1996, the Secretary shall establish a program under which the Secretary shall encourage individuals to submit to the Secretary suggestions on methods to improve the efficiency of the Medicare program.

(2) Payment of portion of program savings

If an individual submits a suggestion to the Secretary under the program established under paragraph (1) which is adopted by the Secretary and which results in savings to the program, the Secretary may make a payment to the individual of such amount as the Secretary considers appropriate.


REFERENCES IN TEXT

The Internal Revenue Code of 1986, referred to in subsec. (b)(2), is classified generally to Title 26, Internal Revenue Code.

CODIFICATION

Section was enacted as part of the Health Insurance Portability and Accountability Act of 1996, and not as part of the Social Security Act which comprises this chapter.

AMENDMENTS

1997—Subsec. (a). Pub. L. 105–33 struck out heading and text of subsec. (a). Text read as follows: “The Secretary of Health and Human Services (in this section referred to as the ‘Secretary’) shall provide an explanation of benefits under the Medicare program under this subchapter with respect to each item or service for which payment may be made under the program which is furnished to an individual, without regard to whether or not a deductible or coinsurance may be imposed against the individual with respect to the item or service.”

§ 1395b–6. Medicare Payment Advisory Commission

(a) Establishment

There is hereby established as an agency of Congress the Medicare Payment Advisory Commission (in this section referred to as the “Commission”).

(b) Duties

(1) Review of payment policies and annual reports

The Commission shall—

(A) review payment policies under this subchapter, including the topics described in paragraph (2);

(B) make recommendations to Congress concerning such payment policies;

(C) by not later than March 15, submit a report to Congress containing the results of such reviews and its recommendations concerning such policies; and

(D) by not later than June 15 of each year, submit a report to Congress containing an examination of issues affecting the Medicare program, including the implications of changes in health care delivery in the United States and in the market for health care services on the Medicare program and including a review of the estimate of the conversion factor submitted under section 1395w–4(d)(1)(E)(ii) of this title, and (beginning with 2012) containing an examination of the topics described in paragraph (9), to the extent feasible.

(2) Specific topics to be reviewed

(A) Medicare+Choice program

Specifically, the Commission shall review, with respect to the Medicare+Choice program under part C, the following:

1 So in original.
§ 1395b–6  TITLE 42—THE PUBLIC HEALTH AND WELFARE  Page 2620

(i) The methodology for making payment to plans under such program, including the making of differential payments and the distribution of differential updates among different payment areas.

(ii) The mechanisms used to adjust payments for risk and the need to adjust such mechanisms to take into account health status of beneficiaries.

(iii) The implications of risk selection both among Medicare+Choice organizations and between the Medicare+Choice option and the original medicare fee-for-service option.

(iv) The development and implementation of mechanisms to assure the quality of care for those enrolled with Medicare+Choice organizations.

(v) The impact of the Medicare+Choice program on access to care for medicare beneficiaries.

(vi) Other major issues in implementation and further development of the Medicare+Choice program.

(B) Original medicare fee-for-service system

Specifically, the Commission shall review payment policies under parts A and B, including—

(i) the factors affecting expenditures for the efficient provision of services in different sectors, including the process for updating hospital, skilled nursing facility, physician, and other fees,

(ii) payment methodologies, and

(iii) their relationship to access and quality of care for medicare beneficiaries.

(C) Interaction of medicare payment policies with health care delivery generally

Specifically, the Commission shall review the effect of payment policies under this subchapter on the delivery of health care services other than under this subchapter and assess the implications of changes in health care delivery in the United States and in the general market for health care services on the medicare program.

(3) Comments on certain secretarial reports

If the Secretary submits to Congress (or a committee of Congress) a report that is required by law and that relates to payment policies under this subchapter, the Secretary shall transmit a copy of the report to the Commission. The Commission shall review the report and, not later than 6 months after the date of submittal of the Secretary’s report to Congress, shall submit to the appropriate committees of Congress written comments on such report. Such comments may include such recommendations as the Commission deems appropriate.

(4) Agenda and additional reviews

The Commission shall consult periodically with the chairmen and ranking minority members of the appropriate committees of Congress regarding the Commission’s agenda and progress towards achieving the agenda. The Commission may conduct additional reviews, and submit additional reports to the appropriate committees of Congress, from time to time on such topics relating to the program under this subchapter as may be requested by such chairmen and members and as the Commission deems appropriate.

(5) Availability of reports

The Commission shall transmit to the Secretary a copy of each report submitted under this subsection and shall make such reports available to the public.

(6) Appropriate committees of Congress

For purposes of this section, the term “appropriate committees of Congress” means the Committees on Ways and Means and Commerce of the House of Representatives and the Committee on Finance of the Senate.

(7) Voting and reporting requirements

With respect to each recommendation contained in a report submitted under paragraph (1), each member of the Commission shall vote on the recommendation, and the Commission shall include, by member, the results of that vote in the report containing the recommendation.

(8) Examination of budget consequences

Before making any recommendations, the Commission shall examine the budget consequences of such recommendations, directly or through consultation with appropriate expert entities.

(9) Review and annual report on Medicaid and commercial trends

The Commission shall review and report on aggregate trends in spending, utilization, and financial performance under the Medicaid program under subchapter XIX and the private market for health care services with respect to providers for which, on an aggregate national basis, a significant portion of revenue or services is associated with the Medicaid program. Where appropriate, the Commission shall conduct such review in consultation with the Medicaid and CHIP Payment and Access Commission established under section 1396 of this title (in this section referred to as “MACPAC”).

(10) Coordinate and consult with the Federal Coordinated Health Care Office

The Commission shall coordinate and consult with the Federal Coordinated Health Care Office established under section 2081 of the Patient Protection and Affordable Care Act before making any recommendations regarding dual eligible individuals.

(11) Interaction of Medicaid and Medicare

The Commission shall consult with MACPAC in carrying out its duties under this section, as appropriate. Responsibility for analysis of and recommendations to change Medicare policy regarding Medicare beneficiaries, including Medicare beneficiaries who are dually eligible for Medicare and Medicaid, shall rest with the Commission. Responsibility for analysis of and recommendations to

---

2See References in Text note below.
change Medicaid policy regarding Medicaid beneficiaries, including Medicaid beneficiaries who are dually eligible for Medicare and Medicaid, shall rest with MACPAC.

c) Membership

(1) Number and appointment

The Commission shall be composed of 17 members appointed by the Comptroller General.

(2) Qualifications

(A) In general

The membership of the Commission shall include individuals with national recognition for their expertise in health finance and economics, actuarial science, health facility management, health plans and integrated delivery systems, reimbursement of health facilities, allopathic and osteopathic physicians, and other providers of health services, and other related fields, who provide a mix of different professionals, broad geographic representation, and a balance between urban and rural representatives.

(B) Inclusion

The membership of the Commission shall include (but not be limited to) physicians and other health professionals, experts in the area of pharmaco-economics or prescription drug benefit programs, employers, third-party payers, individuals skilled in the conduct and interpretation of biomedical, health services, and health economics research and expertise in outcomes and effectiveness research and technology assessment. Such membership shall also include representatives of consumers and the elderly.

(C) Majority nonproviders

Individuals who are directly involved in the provision, or management of the delivery, of items and services covered under this subchapter shall not constitute a majority of the membership of the Commission.

(D) Ethical disclosure

The Comptroller General shall establish a system for public disclosure by members of the Commission of financial and other potential conflicts of interest relating to such members. Members of the Commission shall be treated as employees of Congress for purposes of applying title I of the Ethics in Government Act of 1978 (Public Law 95-521).

(3) Terms

(A) In general

The terms of members of the Commission shall be for 3 years except that the Comptroller General shall designate staggered terms for the members first appointed.

(B) Vacancies

Any member appointed to fill a vacancy occurring before the expiration of the term for which the member’s predecessor was appointed shall be appointed only for the remainder of that term. A member may serve after the expiration of that member’s term until a successor has taken office. A vacancy in the Commission shall be filled in the manner in which the original appointment was made.

(4) Compensation

While serving on the business of the Commission (including travel time), a member of the Commission shall be entitled to compensation at the rate provided for level IV of the Executive Schedule under section 5315 of title 5; and while so serving away from home and the member’s regular place of business, a member may be allowed travel expenses, as authorized by the Chairman of the Commission. Physicians serving as personnel of the Commission may be provided a physician comparability allowance by the Commission in the same manner as Government physicians may be provided such an allowance by an agency under section 5948 of title 5, and for such purpose subsection (i) of such section shall apply to the Commission in the same manner as it applies to the Tennessee Valley Authority. For purposes of pay (other than pay of members of the Commission) and employment benefits, rights, and privileges, all personnel of the Commission shall be treated as if they were employees of the United States Senate.

(5) Chairman; Vice Chairman

The Comptroller General shall designate a member of the Commission, at the time of appointment of the member as Chairman and a member as Vice Chairman for that term of appointment, except that in the case of vacancy of the Chairmanship or Vice Chairmanship, the Comptroller General may designate another member for the remainder of that member’s term.

(6) Meetings

The Commission shall meet at the call of the Chairman.

d) Director and staff; experts and consultants

Subject to such review as the Comptroller General deems necessary to assure the efficient administration of the Commission, the Commission may—

(1) employ and fix the compensation of an Executive Director (subject to the approval of the Comptroller General) and such other personnel as may be necessary to carry out its duties (without regard to the provisions of title 5 governing appointments in the competitive service);

(2) seek such assistance and support as may be required in the performance of its duties from appropriate Federal departments and agencies;

(3) enter into contracts or make other arrangements, as may be necessary for the conduct of the work of the Commission (without regard to section 6101 of title 41);

(4) make advance, progress, and other payments which relate to the work of the Commission;

(5) provide transportation and subsistence for persons serving without compensation; and

(6) prescribe such rules and regulations as it deems necessary with respect to the internal organization and operation of the Commission.
§ 1395b–6
TITLE 42—THE PUBLIC HEALTH AND WELFARE
Page 2622

(e) Powers

(1) Obtaining official data

The Commission may secure directly from any department or agency of the United States information necessary to enable it to carry out this section. Upon request of the Chairman, the head of that department or agency shall furnish that information to the Commission on an agreed upon schedule.

(2) Data collection

In order to carry out its functions, the Commission shall—

(A) utilize existing information, both published and unpublished, where possible, collected and assessed either by its own staff or under other arrangements made in accordance with this section,

(B) carry out, or award grants or contracts for, original research and experimentation, where existing information is inadequate, and

(C) adopt procedures allowing any interested party to submit information for the Commission’s use in making reports and recommendations.

(3) Access of GAO to information

The Comptroller General shall have unrestricted access to all deliberations, records, and nonproprietary data of the Commission, immediately upon request.

(4) Periodic audit

The Commission shall be subject to periodic audit by the Comptroller General.

(f) Authorization of appropriations

(1) Request for appropriations

The Commission shall submit requests for appropriations in the same manner as the Comptroller General submits requests for appropriations, but amounts appropriated for the Commission shall be separate from amounts appropriated for the Comptroller General.

(2) Authorization

There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this section. Sixty percent of such appropriation shall be payable from the Federal Hospital Insurance Trust Fund, and 40 percent of such appropriation shall be payable from the Federal Supplementary Medical Insurance Trust Fund.


AMENDMENTS

2018—Subsec. (b)(4) to (9). Pub. L. 115–123 struck out par. (4), redesignated former pars. (5) to (8) as (4) to (7), respectively, and redesignated former par. (9) relating to examination of budget consequences as par. (8).

Prior to amendment, par. (4) related to review and comment on proposals submitted to the Commission.


2009—Subsec. (b)(1)(D). Pub. L. 111–148, title II, § 2801(b)(2), inserted “and beginning with 2012” containing an examination of the topics described in paragraph (9), to the extent feasible” before the period.


Subsec. (b)(5) to (8). Pub. L. 111–148, § 3403(c)(1), redesignated pars. (4) to (7) as (5) to (8), respectively. Former par. (8) relating to examination of budget consequences redesignated (9).

Subsec. (b)(9). Pub. L. 111–148, § 3403(c)(1), redesignated par. (8) relating to examination of budget consequences as (9).


Subsec. (b)(10). Pub. L. 111–148, § 2801(b)(3), added par. (10) and (11).


2000—Subsec. (b)(1)(D). Pub. L. 106–554, § 1(a)(6) [title V, § 544(a)(1)], substituted “June 15 of each year,” for “June 1 of each year (beginning with 1998)”.


CHANGE OF NAME

References to Medicare+Choice deemed to refer to Medicare Advantage or MA, subject to an appropriate

REFERENCES IN TEXT

References to Medicare+Choice deemed to refer to


CODIFICATION


Measure
transition provided by the Secretary of Health and Human Services in the use of those terms, see section 201 of Pub. L. 108–173, set out as a note under section 1395w–21 of this title.

**Effective Date of 2003 Amendment**

**Effective Date of 2000 Amendment**

**Effective Date of 1999 Amendment**
Amendment by Pub. L. 106–113 effective in determining conversion factor under section 1395w–4(d) of this title for years beginning with 2001 and not applicable to or affecting any update (or any update adjustment factor) for any year before 2001, see section 1000(a)(6) [title II, §211(d)] of Pub. L. 106–113, set out as a note under section 1395w–4 of this title.

**Effective Date; Transition; Transfer of Functions**
Pub. L. 105–33, §4022(c), Aug. 5, 1997, 111 Stat. 355, provided that:

“(1) IN GENERAL.—The Comptroller General shall first provide for appointment of members to the Medicare Payment Advisory Commission (in this subsection referred to as ‘MedPAC’) by not later than September 30, 1997.

“(2) TRANSITION.—As quickly as possible after the date a majority of members of MedPAC are first appointed [Oct. 1, 1997, see 62 FR 52131], the Comptroller General, in consultation with the Prospective Payment Assessment Commission (in this subsection referred to as ‘ProPAC’) and the Physician Payment Review Commission (in this subsection referred to as ‘PPRC’), shall provide for the appointment of members of the MedPAC, the ProPAC and the PPRC. As of the date of termination of the respective Commissions [Nov. 1, 1997, see 62 FR 59556], the amendments made by paragraphs (1) and (2), respectively, of subsection (b) [amending sections 1395w–4, 1395y, and 1395ww of this title and repealing section 1395w–1 of this title] become effective. The Comptroller General, to the extent feasible, shall provide for the transfer to the MedPAC of assets and staff of the ProPAC and the PPRC, without any loss of benefits or seniority by virtue of such transfers. Fund balances available to the ProPAC or the PPRC for any period shall be available to the MedPAC for such period for like purposes.

“(3) CONTINUING RESPONSIBILITY FOR REPORTS.—The MedPAC shall be responsible for the preparation and submission of reports required by law to be submitted (as has not been submitted by the date of establishment of the MedPAC) by the ProPAC and the PPRC, and, for this purpose, any reference in law to either such Commission is deemed, after the appointment of the MedPAC, to refer to the MedPAC.”

**Appointment of Experts in Prescription Drugs**

**MedPAC Analysis of Impact of Volume on Per Unit Cost of Rural Hospitals With Psychiatric Units**

“(1) in such study an analysis of the impact of volume on the per unit cost of rural hospitals with psychiatric units; and

“(2) in its report under subsection (b) of such section a recommendation on whether special treatment for such hospitals may be warranted.”

**MedPAC Study on Complexity of Medicare Program and Levels of Burdens Placed on Providers Through Federal Regulations**

“(1) STUDY.—The Medicare Payment Advisory Commission shall undertake a comprehensive study to review the regulatory burdens placed on all classes of health care providers under parts A and B of the Medicare program under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.) and to determine the costs these burdens impose on the nation’s health care system. The study shall also examine the complexity of the current regulatory system and its impact on providers.

“(2) REPORT.—Not later than December 31, 2001, the Commission shall submit to Congress one or more reports on the study conducted under paragraph (1). The report shall include recommendations regarding—

“(A) how the Health Care Financing Administration can reduce the regulatory burdens placed on patients and providers; and

“(B) legislation that may be appropriate to reduce the complexity of the Medicare program, including improvement of the rules regarding billing, compliance, and fraud and abuse.”

**MedPAC Report**

**MedPAC Study of Rural Providers**

“(a) STUDY.—The Medicare Payment Advisory Commission shall conduct a study of rural providers furnishing items and services for which payment is made under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.) and to determine the adequacy, and appropriateness of the categories of special payments (and payment methodologies) established for rural hospitals under the Medicare program, and the impact of such categories on beneficiary access and quality of health care services.

“(b) REPORT.—Not later than 18 months after the date of the enactment of this Act [Nov. 29, 1999], the Medicare Payment Advisory Commission shall submit to Congress a report on the study conducted under subsection (a).”

**Quality Improvement Standards**

“(1) STUDY.—The Medicare Payment Advisory Commission shall conduct a study on the appropriate quality improvement standards that should apply to—

“(A) each type of Medicare+Choice plan described in section 1851(a)(2) of the Social Security Act (42 U.S.C. 1395w–21(a)(2)), including each type of Medicare+Choice plan that is a coordinated care plan
(as described in subparagraph (A) of such section); and

"(B) the original medicare fee-for-service program under parts A and B (sic) title XVIII of such Act (42 U.S.C. 1395 et seq.) [42 U.S.C. 1395c et seq., 1395j et seq.]."

"(2) CONSIDERATIONS.—Such study shall specifically examine the effects, costs, and feasibility of requiring entities, physicians, and other health care providers that provide items and services under the original medicare fee-for-service program to comply with quality standards and related reporting requirements that are comparable to the quality standards and related reporting requirements that are applicable to Medicare+Choice organizations.

"(3) REPORT.—Not later than 2 years after the date of the enactment of this Act [Nov. 29, 1999], such Commission shall submit a report to Congress on the study conducted under this subsection, together with any recommendations for legislation that it determines to be appropriate as a result of such study."

INITIAL TERMS OF ADDITIONAL MEMBERS

"(1) IN GENERAL.—For purposes of staggering the initial terms of members of the Medicare Payment Advisory Commission under section 1805(c)(3) of such Act (42 U.S.C. 1395b–6(c)(3)(J)), the initial terms of the two additional members of the Commission provided for by the amendment under subsection (a) [amending this section] are as follows:

"(A) One member shall be appointed for one year.

"(B) One member shall be appointed for two years.

"(2) COMMENCEMENT OF TERMS.—Such terms shall begin on May 1, 1999."

INFORMATION INCLUDED IN ANNUAL RECOMMENDATIONS
Pub. L. 105-33, title IV, §4804(c), Aug. 5, 1997, 111 Stat. 552, provided that: "The Medicare Payment Advisory Commission shall include in its annual report under section 1805(b)(1)(B) of the Social Security Act (42 U.S.C. 1395b–6(b)(1)(B)) recommendations on the methodology and level of payments made to PACE providers under sections 1894(d) and 1894(d) of such Act (42 U.S.C. 1395eee(d), 1396u–4(d) and on the treatment of private, for-profit entities as PACE providers."

§ 1395b–7. Explanation of medicare benefits

(a) In general

The Secretary shall furnish to each individual for whom payment has been made under this subchapter (or would be made without regard to any deductible) a statement which—

(1) lists the item or service for which payment has been made and the amount of such payment for each item or service; and

(2) includes a notice of the individual’s right to request an itemized statement (as provided in subsection (b)).

(b) Request for itemized statement for medicare items and services

(1) In general

An individual may submit a written request to any physician, provider, supplier, or any other person (including an organization, agency, or other entity) for an itemized statement for any item or service provided to such individual by such person with respect to which payment has been made under this subchapter.

(2) 30-day period to furnish statement

(A) In general

Not later than 30 days after the date on which a request under paragraph (1) has been made, a person described in such paragraph shall furnish an itemized statement describing each item or service provided to the individual requesting the itemized statement.

(B) Penalty

Whoever knowingly fails to furnish an itemized statement in accordance with subparagraph (A) shall be subject to a civil money penalty of not more than $100 for each such failure. Such penalty shall be imposed and collected in the same manner as civil money penalties under subsection (a) of section 1320a–7a of this title are imposed and collected under that section.

(3) Review of itemized statement

(A) In general

Not later than 90 days after the receipt of an itemized statement furnished under paragraph (1), an individual may submit a written request for a review of the itemized statement to the Secretary.

(B) Specific allegations

A request for a review of the itemized statement shall identify—

(i) specific items or services that the individual believes were not provided as claimed, or

(ii) any other billing irregularity (including duplicate billing).

(4) Findings of Secretary

The Secretary shall, with respect to each written request submitted under paragraph (3), determine whether the itemized statement identifies specific items or services that were not provided as claimed or any other billing irregularity (including duplicate billing) that has resulted in unnecessary payments under this subchapter.

(5) Recovery of amounts

The Secretary shall take all appropriate measures to recover amounts unnecessarily paid under this subchapter with respect to a statement described in paragraph (4).

(c) Format of statements from Secretary

(1) Electronic option beginning in 2016

Subject to paragraph (2), for statements described in subsection (a) that are furnished for a period in 2016 or a subsequent year, in the case that an individual described in subsection (a) elects, in accordance with such form, manner, and time specified by the Secretary, to receive such statement in an electronic format, such statement shall be furnished to such individual for each period subsequent to such election in such a format and shall not be mailed to the individual.

(2) Limitation on revocation option

(A) In general

Subject to subparagraph (B), the Secretary may determine a maximum number of elections described in paragraph (1) by an individual that may be revoked by the individual.

(B) Minimum of one revocation option

In no case may the Secretary determine a maximum number under subparagraph (A) that is less than one.
§ 1395b-8. Chronic care improvement

(a) Implementation of chronic care improvement programs

(1) In general

The Secretary shall provide for the phased-in development, testing, evaluation, and implementation of chronic care improvement programs in accordance with this section. Each such program shall be designed to improve clinical quality and beneficiary satisfaction and achieve spending targets with respect to expenditures under this subchapter for targeted beneficiaries with one or more threshold conditions.

(2) Definitions

For purposes of this section:

(A) Chronic care improvement program

The term “chronic care improvement program” means a program described in paragraph (1) that is offered under an agreement under subsection (b) or (c).

(B) Chronic care improvement organization

The term “chronic care improvement organization” means an entity that has entered into an agreement under subsection (b) or (c) to provide, directly or through contracts with subcontractors, a chronic care improvement program under this section. Such an entity may be a disease management organization, health insurer, integrated delivery system, physician group practice, a consortium of such entities, or any other legal entity that the Secretary determines appropriate to carry out a chronic care improvement program under this section.

(C) Care management plan

The term “care management plan” means a plan established under subsection (d) for a participant in a chronic care improvement program.

(D) Threshold condition

The term “threshold condition” means a chronic condition, such as congestive heart failure, diabetes, chronic obstructive pulmonary disease (COPD), or other diseases or conditions, as selected by the Secretary as appropriate for the establishment of a chronic care improvement program.

(E) Targeted beneficiary

The term “targeted beneficiary” means, with respect to a chronic care improvement program, an individual who—

(i) is entitled to benefits under part A and enrolled under part B, but not enrolled in a plan under part C;

(ii) has one or more threshold conditions covered under such program; and

(iii) has been identified under subsection (d)(1) as a potential participant in such program.

(3) Construction

Nothing in this section shall be construed as—

(A) expanding the amount, duration, or scope of benefits under this subchapter;

(B) providing an entitlement to participate in a chronic care improvement program under this section;

(C) providing for any hearing or appeal rights under section 1395ff, 1395oo of this title, or otherwise, with respect to a chronic care improvement program.
(b) Developmental phase (Phase I)

(1) In general
In carrying out this section, the Secretary shall enter into agreements consistent with subsection (f) with chronic care improvement organizations for the development, testing, and evaluation of chronic care improvement programs using randomized controlled trials. The first such agreement shall be entered into not later than 12 months after December 8, 2003.

(2) Agreement period
The period of an agreement under this subsection shall be for 3 years.

(3) Minimum participation
(A) In general
The Secretary shall enter into agreements under this subsection in a manner so that chronic care improvement programs offered under this section are offered in geographic areas that, in the aggregate, consist of areas in which at least 10 percent of the aggregate number of Medicare beneficiaries reside.

(B) Medicare beneficiary defined
In this paragraph, the term “Medicare beneficiary” means an individual who is entitled to benefits under part A, enrolled under part B, or both, and who resides in the United States.

(4) Site selection
In selecting geographic areas in which agreements are entered into under this subsection, the Secretary shall ensure that each chronic care improvement program is conducted in a geographic area in which at least 10,000 targeted beneficiaries reside among other individuals entitled to benefits under part A, enrolled under part B, or both to serve as a control population.

(5) Independent evaluations of Phase I programs
The Secretary shall contract for an independent evaluation of the programs conducted under this subsection. Such evaluation shall be done by a contractor with knowledge of chronic care management programs and demonstrated experience in the evaluation of such programs. Each evaluation shall include an assessment of the following factors of the programs:

(A) Quality improvement measures, such as adherence to evidence-based guidelines and rehospitalization rates.
(B) Beneficiary and provider satisfaction.
(C) Health outcomes.
(D) Financial outcomes, including any cost savings to the program under this subchapter.

(c) Expanded implementation phase (Phase II)

(1) In general
With respect to chronic care improvement programs conducted under subsection (b), if the Secretary finds that the results of the independent evaluation conducted under subsection (b)(6) indicate that the conditions specified in paragraph (2) have been met by a program (or components of such program), the Secretary shall enter into agreements consistent with subsection (f) to expand the implementation of the program (or components) to additional geographic areas not covered under the program as conducted under subsection (b), which may include the implementation of the program on a national basis. Such expansion shall begin not earlier than 2 years after the program is implemented under subsection (b) and not later than 6 months after the date of completion of such program.

(2) Conditions for expansion of programs
The conditions specified in this paragraph are, with respect to a chronic care improvement program conducted under subsection (b) for a threshold condition, that the program is expected to—

(A) improve the clinical quality of care;
(B) improve beneficiary satisfaction; and
(C) achieve targets for savings to the program under this subchapter specified by the Secretary in the agreement within a range determined to be appropriate by the Secretary, subject to the application of budget neutrality with respect to the program and not taking into account any payments by the organization under the agreement under the program for risk under subsection (f)(3)(B).

(3) Independent evaluations of Phase II programs
The Secretary shall carry out evaluations of programs expanded under this subsection as the Secretary determines appropriate. Such evaluations shall be carried out in the similar manner as is provided under subsection (b)(5).

(d) Identification and enrollment of prospective program participants

(1) Identification of prospective program participants
The Secretary shall establish a method for identifying targeted beneficiaries who may benefit from participation in a chronic care improvement program.

(2) Initial contact by Secretary
The Secretary shall communicate with each targeted beneficiary concerning participation in a chronic care improvement program. Such communication may be made by the Secretary and shall include information on the following:

(A) A description of the advantages to the beneficiary in participating in a program.
(B) Notification that the organization offering a program may contact the beneficiary directly concerning such participation.
(C) Notification that participation in a program is voluntary.
(D) A description of the method for the beneficiary to participate or for declining to participate and the method for obtaining additional information concerning such participation.

(3) Voluntary participation

A targeted beneficiary may participate in a chronic care improvement program on a voluntary basis and may terminate participation at any time.

(e) Chronic care improvement programs

(1) In general

Each chronic care improvement program shall—

(A) have a process to screen each targeted beneficiary for conditions other than threshold conditions, such as impaired cognitive ability and co-morbidities, for the purposes of developing an individualized, goal-oriented care management plan under paragraph (2);

(B) provide each targeted beneficiary participating in the program with such plan; and

(C) carry out such plan and other chronic care improvement activities in accordance with paragraph (3).

(2) Elements of care management plans

A care management plan for a targeted beneficiary shall be developed with the beneficiary and shall, to the extent appropriate, include the following:

(A) A designated point of contact responsible for communications with the beneficiary and for facilitating communications with other health care providers under the plan.

(B) Self-care education for the beneficiary (through approaches such as disease management or medical nutrition therapy) and education for primary caregivers and family members.

(C) Education for physicians and other providers and collaboration to enhance communication of relevant clinical information.

(D) The use of monitoring technologies that enable patient guidance through the exchange of pertinent clinical information, such as vital signs, symptomatic information, and health self-assessment.

(E) The provision of information about hospice care, pain and palliative care, and end-of-life care.

(3) Conduct of programs

In carrying out paragraph (1)(C) with respect to a participant, the chronic care improvement organization shall—

(A) guide the participant in managing the participant’s health (including all co-morbidities, relevant health care services, and pharmaceutical needs) and in performing activities as specified under the elements of the care management plan of the participant;

(B) use decision-support tools such as evidence-based practice guidelines or other criteria as determined by the Secretary; and

(C) develop a clinical information database to track and monitor each participant across settings and to evaluate outcomes.

(4) Additional responsibilities

(A) Outcomes report

Each chronic care improvement organization offering a chronic care improvement program shall monitor and report to the Secretary, in a manner specified by the Secretary, on health care quality, cost, and outcomes.

(B) Additional requirements

Each such organization and program shall comply with such additional requirements as the Secretary may specify.

(5) Accreditation

The Secretary may provide that chronic care improvement programs and chronic care improvement organizations that are accredited by qualified organizations (as defined by the Secretary) may be deemed to meet such requirements under this section as the Secretary may specify.

(f) Terms of agreements

(1) Terms and conditions

(A) In general

An agreement under this section with a chronic care improvement organization shall contain such terms and conditions as the Secretary may specify consistent with this section.

(B) Clinical, quality improvement, and financial requirements

The Secretary may not enter into an agreement with such an organization under this section for the operation of a chronic care improvement program unless—

(i) the program and organization meet the requirements of subsection (e) and such clinical, quality improvement, financial, and other requirements as the Secretary deems to be appropriate for the targeted beneficiaries to be served; and

(ii) the organization demonstrates to the satisfaction of the Secretary that the organization is able to assume financial risk for performance under the agreement (as applied under paragraph (3)(B)) with respect to payments made to the organization under such agreement through available reserves, reinsurance, withholds, or such other means as the Secretary determines appropriate.

(2) Manner of payment

Subject to paragraph (3)(B), the payment under an agreement under—

(A) subsection (b) shall be computed on a per-member per-month basis; or

(B) subsection (c) may be on a per-member per-month basis or such other basis as the Secretary and organization may agree.

(3) Application of performance standards

(A) Specification of performance standards

Each agreement under this section with a chronic care improvement organization shall specify performance standards for each of the factors specified in subsection (c)(2), including clinical quality and spending targets.
under this subchapter, against which the performance of the chronic care improvement organization under the agreement is measured.

(B) Adjustment of payment based on performance

(i) In general

Each such agreement shall provide for adjustments in payment rates to an organization under the agreement insofar as the Secretary determines that the organization failed to meet the performance standards specified in the agreement under subparagraph (A).

(ii) Financial risk for performance

In the case of an agreement under subsection (b) or (c), the agreement shall provide for a full recovery for any amount by which the fees paid to the organization under the agreement exceed the estimated savings to the programs under this subchapter attributable to implementation of such agreement.

(4) Budget neutral payment condition

Under this section, the Secretary shall ensure that the aggregate sum of medicare program benefit expenditures for beneficiaries participating in chronic care improvement programs and funds paid to chronic care improvement organizations under this section, shall not exceed the medicare program benefit expenditures that the Secretary estimates would have been made for such targeted beneficiaries in the absence of such programs.

(g) Funding

(1) Subject to paragraph (2), there are appropriated to the Secretary, in appropriate part from the Federal Hospital Insurance Trust Fund and the Federal Supplementary Medical Insurance Trust Fund, such sums as may be necessary to provide for agreements with chronic care improvement programs under this section.

(2) In no case shall the funding under this section exceed $100,000,000 in aggregate increased expenditures under this subchapter (after taking into account any savings attributable to the operation of this section) over the 3-fiscal-year period beginning on October 1, 2003.


REFERENCES IN TEXT

Parts A, B, and C, referred to in subsecs. (a)(2)(E)(1) and (b)(3)(B), (4), are classified to sections 1395c et seq., 1395d et seq., and 1395w–21 et seq., respectively, of this title.

DEMONSTRATION PROJECT FOR CONSUMER-DIRECTED CHRONIC OUTPATIENT SERVICES


"(a) Establishment.—

"(1) IN GENERAL.—Subject to the succeeding provisions of this section, the Secretary [of Health and Human Services] shall establish demonstration projects (in this section referred to as ‘demonstration projects’) under which the Secretary shall evaluate methods that improve the quality of care provided to individuals with chronic conditions and that reduce expenditures that would otherwise be made under the medicare program on behalf of such individuals for such chronic conditions, such methods to include permitting those beneficiaries to direct their own health care needs and services.

"(2) INDIVIDUALS WITH CHRONIC CONDITIONS DEFINED.—In this section, the term ‘individuals with chronic conditions’ means an individual entitled to benefits under part A of title XVIII of the Social Security Act [42 U.S.C. 1395 et seq.], and enrolled under part B of such title [42 U.S.C. 1395d et seq.], but who is not enrolled under part C of such title [42 U.S.C. 1395w–21 et seq.] who is diagnosed as having one or more chronic conditions (as defined by the Secretary), such as diabetes.

"(b) DESIGN OF PROJECTS.—

"(1) EVALUATION BEFORE IMPLEMENTATION OF PROJECT.—

"(A) IN GENERAL.—In establishing the demonstration projects under this section, the Secretary shall evaluate best practices employed by group health plans and practices under State plans for medical assistance under the medicaid program under title XIX of the Social Security Act [42 U.S.C. 1396 et seq.], as well as best practices in the private sector or other areas, of methods that permit patients to self-direct the provision of personal care services. The Secretary shall evaluate such practices for a 1-year period and, based on such evaluation, shall design the demonstration project.

"(B) REQUIREMENT FOR ESTIMATE OF BUDGET NEUTRAL COSTS.—As part of the evaluation under subparagraph (A), the Secretary shall evaluate the costs of furnishing care under the projects. The Secretary may not implement the demonstration projects under this section unless the Secretary determines that the costs of providing care to individuals with chronic conditions under the project will not exceed the costs, in the aggregate, of furnishing care to such individuals under title XVIII of the Social Security Act [42 U.S.C. 1396 et seq.], that would otherwise be paid without regard to the demonstration projects for the period of the project.

"(C) VOLUNTARY PARTICIPATION.—The Secretary shall determine the appropriate scope of personal care services that would apply under the demonstration projects.

"(d) DEMONSTRATION PROJECT SITES.—Not later than 2 years after the date of the enactment of this Act [Dec. 8, 2003], the Secretary shall conduct a demonstration project in at least one area that the Secretary determines has a population of individuals entitled to benefits under part A of title XVIII of the Social Security Act [42 U.S.C. 1395c et seq.], and enrolled under part B of such title [42 U.S.C. 1395d et seq.], with a rate of incidence of diabetes that significantly exceeds the national average rate of all areas.

"(e) EVALUATION AND REPORT.—

"(1) EVALUATIONS.—The Secretary shall conduct evaluations of the clinical and cost effectiveness of the demonstration projects.

"(2) REPORTS.—Not later than 2 years after the commencement of the demonstration projects, and biannually thereafter, the Secretary shall submit to Congress a report on the evaluation, and shall include in the report the following:

"(A) An analysis of the patient outcomes and costs of furnishing care to the individuals with chronic conditions participating in the projects as compared to such outcomes and costs to other individuals for the same health conditions.

"(B) Evaluation of patient satisfaction under the demonstration projects.

"(C) Such recommendations regarding the extension, expansion, or termination of the projects as the Secretary determines appropriate.

§ 1395b–8

TITLE 42—THE PUBLIC HEALTH AND WELFARE

Page 2628

$2327, provided that:
“(f) WAIVER AUTHORITY.—The Secretary shall waive compliance with the requirements of title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.) to such extent and for such period as the Secretary determines is necessary to conduct demonstration projects.

“(g) AUTHORIZATION OF APPROPRIATIONS.—(1) Payments for the costs of carrying out the demonstration project under this section shall be made from the Federal Supplementary Medical Insurance Trust Fund under section 1841 of such Act (42 U.S.C. 1395c).

“(2) There are authorized to be appropriated from such Trust Fund such sums as may be necessary for the Secretary to enter into contracts with appropriate organizations for the design, implementation, and evaluation of the demonstration project.

“(3) In no case may expenditures under this section exceed the aggregate expenditures that would otherwise have been made for the provision of personal care services.”

REPORTS

“(1) Not later than 2 years after the date of the implementation of such section, the Secretary shall submit to Congress an interim report on the scope of implementation of the programs under subsection (b) of such section, the design of the programs, and preliminary cost and quality findings with respect to those programs based on the following measures of the programs:

“(A) Quality improvement measures, such as adherence to evidence-based guidelines and rehospitalization rates.

“(B) Beneficiary and provider satisfaction.

“(C) Health outcomes.

“(D) Financial outcomes.

“(2) Not later than 3 years and 6 months after the date of the implementation of such section the Secretary shall submit to Congress an update to the report required under paragraph (1) on the results of such programs.

“(3) The Secretary shall submit to Congress 2 additional biennial reports on the chronic care improvement programs conducted under such section. The first such report shall be submitted not later than 2 years after the report is submitted under paragraph (2). Each such report shall include information on—

“(A) the scope of implementation (in terms of both regions and chronic conditions) of the chronic care improvement programs;

“(B) the design of the programs; and

“(C) the improvements in health outcomes and financial efficiencies that result from such implementation.”

CHRONICALLY ILL MEDICARE BENEFICIARY RESEARCH, DATA, DEMONSTRATION STRATEGY

“(a) DEVELOPMENT OF PLAN.—Not later than 6 months after the date of the enactment of this Act [Dec. 8, 2003], the Secretary [of Health and Human Services] shall develop a plan to improve quality of care and reduce the cost of care for chronically ill medicare beneficiaries.

“(b) PLAN REQUIREMENTS.—The plan will utilize existing data and identify data gaps, develop research initiatives, and propose intervention demonstration programs to provide better health care for chronically ill medicare beneficiaries. The plan shall—

“(1) integrate existing data sets including, the Medicare Current Beneficiary Survey (MCBS), Minimum Data Set (MDS), Outcome and Assessment Information Set (OASIS), data from Quality Improvement Organizations (QIO), and claims data;

“(2) identify any new data needs and a methodology to address new data needs;

“(3) plan for the collection of such data in a data warehouse; and

“(4) develop a research agenda using such data.

“(c) CONSULTATION.—In developing the plan under this section, the Secretary shall consult with experts in the fields of care for the chronically ill (including clinicians).

“(d) IMPLEMENTATION.—Not later than 2 years after the date of the enactment of this Act [Dec. 8, 2003], the Secretary shall implement the plan developed under this section. The Secretary may contract with appropriate entities to implement such plan.

“(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary such sums as may be necessary in fiscal years 2004 and 2005 to carry out this section.”

§1395b–9. Provisions relating to administration
(a) Coordinated administration of medicare prescription drug and Medicare Advantage programs
(1) In general
There is within the Centers for Medicare & Medicaid Services a center to carry out the duties described in paragraph (3).

(2) Director
Such center shall be headed by a director who shall report directly to the Administrator of the Centers for Medicare & Medicaid Services.

(3) Duties
The duties described in this paragraph are the following:

(A) The administration of parts C and D.

(B) The provision of notice and information under section 1395b–2 of this title.

(C) Such other duties as the Secretary may specify.

(4) Deadline
The Secretary shall ensure that the center is carrying out the duties described in paragraph (3) by not later than January 1, 2008.

(b) Employment of management staff
(1) In general
The Secretary may employ, within the Centers for Medicare & Medicaid Services, such individuals as management staff as the Secretary determines to be appropriate. With respect to the administration of parts C and D, such individuals shall include individuals with private sector expertise in negotiations with health benefits plans.

(2) Eligibility
To be eligible for employment under paragraph (1) an individual shall be required to have demonstrated, by their education and experience (either in the public or private sector), superior expertise in at least one of the following areas:

(A) The review, negotiation, and administration of health care contracts.

(B) The design of health care benefit plans.

(C) Actuarial sciences.

(D) Compliance with health plan contracts.

(E) Consumer education and decision making.
(F) Any other area specified by the Secretary that requires specialized management or other expertise.

(3) Rates of payment

(A) Performance-related pay

Subject to subparagraph (B), the Secretary shall establish the rate of pay for an individual employed under paragraph (1). Such rate shall take into account expertise, experience, and performance.

(B) Limitation

In no case may the rate of compensation determined under subparagraph (A) exceed the highest rate of basic pay for the Senior Executive Service under section 5382(b) of title 5.

(c) Medicare Beneficiary Ombudsman

(1) In general

The Secretary shall appoint within the Department of Health and Human Services a Medicare Beneficiary Ombudsman who shall have expertise and experience in the fields of health care and education of (and assistance to) individuals entitled to benefits under this subchapter.

(2) Duties

The Medicare Beneficiary Ombudsman shall—

(A) receive complaints, grievances, and requests for information submitted by individuals entitled to benefits under part A or enrolled under part B, or both, with respect to any aspect of the medicare program;

(B) provide assistance with respect to complaints, grievances, and requests referred to in subparagraph (A), including—

(i) assistance in collecting relevant information for such individuals, to seek an appeal of a decision or determination made by a fiscal intermediary, carrier, MA organization, or the Secretary;

(ii) assistance to such individuals with any problems arising from disenrollment from an MA plan under part C; and

(iii) assistance to such individuals in presenting information under section 1395r(i)(4)(C) of this title (relating to income-related premium adjustment); and

(C) submit annual reports to Congress and the Secretary that describe the activities of the Office and that include such recommendations for improvement in the administration of this subchapter as the Ombudsman determines appropriate.

The Ombudsman shall not serve as an advocate for any increases in payments or new coverage of services, but may identify issues and problems in payment or coverage policies.

(3) Working with health insurance counseling programs

To the extent possible, the Ombudsman shall work with health insurance counseling programs (receiving funding under section 1395b–4 of this title) to facilitate the provision of information to individuals entitled to benefits under part A or enrolled under part B, or both regarding MA plans and changes to those plans. Nothing in this paragraph shall preclude further collaboration between the Ombudsman and such programs.

(d) Pharmaceutical and technology ombudsman

(1) In general

Not later than 12 months after December 13, 2016, the Secretary shall provide for a pharmaceutical and technology ombudsman within the Centers for Medicare & Medicaid Services who shall receive and respond to complaints, grievances, and requests that—

(A) are from entities that manufacture pharmaceutical, biotechnology, medical device, or diagnostic products that are covered or for which coverage is being sought under this subchapter; and

(B) are with respect to coverage, coding, or payment under this subchapter for such products.

(2) Application

The second sentence of subsection (c)(2) shall apply to the ombudsman under subparagraph (A) in the same manner as such sentence applies to the Medicare Beneficiary Ombudsman under subsection (c).

AMENDMENTS


DEADLINE FOR APPOINTMENT

Pub. L. 114–173, title IX, §§ 900(b), 923(a), Dec. 8, 2003, 117 Stat. 2369, provided that: “By not later than 1 year after the date of the enactment of this Act (Dec. 8, 2003), the Secretary shall appoint the Medicare Beneficiary Ombudsman under section 18504(e)(1) of the Social Security Act (42 U.S.C. 1395b–9(e)), as amended by subsection (a).”

§ 1395b–10. Addressing health care disparities

(a) Evaluating data collection approaches

The Secretary shall evaluate approaches for the collection of data under this subchapter, to be performed in conjunction with existing quality reporting requirements and programs under this subchapter, that allow for the ongoing, accurate, and timely collection and evaluation of data on disparities in health care services and performance on the basis of race, ethnicity, and gender. In conducting such evaluation, the Secretary shall consider the following objectives:

(1) Protecting patient privacy.

(2) Minimizing the administrative burdens of data collection and reporting on providers and health plans participating under this subchapter.

(3) Improving Medicare program data on race, ethnicity, and gender.
(b) Reports to Congress

(1) Report on evaluation

Not later than 18 months after July 15, 2008, the Secretary shall submit to Congress a report on the evaluation conducted under subsection (a). Such report shall, taking into consideration the results of such evaluation—

(A) identify approaches (including defining methodologies) for identifying and collecting and evaluating data on health care disparities on the basis of race, ethnicity, and gender for the original Medicare fee-for-service program under parts A and B, the Medicare Advantage program under part C, and the Medicare prescription drug program under part D; and

(B) include recommendations on the most effective strategies and approaches to reporting HEDIS quality measures as required under section 1395w–22(e)(3) of this title and other nationally recognized quality performance measures, as appropriate, on the basis of race, ethnicity, and gender.

(2) Reports on data analyses

Not later than 4 years after July 15, 2008, and 4 years thereafter, the Secretary shall submit to Congress a report that includes recommendations for improving the identification of health care disparities for Medicare beneficiaries based on analyses of the data collected under subsection (c).

(c) Implementing effective approaches

Not later than 24 months after July 15, 2008, the Secretary shall implement the approaches identified in the report submitted under subsection (b)(1) for the ongoing, accurate, and timely collection and evaluation of data on health care disparities on the basis of race, ethnicity, and gender.


AMENDMENTS

1989—Pub. L. 101–234 repealed Pub. L. 100–360, §104(d)(1), and provided that the provisions of law amended or repealed by such section are reestablished or revived as if such section had not been enacted, see 1988 Amendment note below.

1988—Pub. L. 100–360 substituted “inpatient hospital services, extended care services” for “hospital, related post-hospital”.


1982—Pub. L. 97–248, §278(b)(3), inserted “(or would be eligible for such benefits if certain Federal employment were covered employment under such subchapter)” after “subchapter II of this chapter” in cl. (1), and inserted “(or would have been so entitled to such benefits if certain Federal employment were covered employment under such subchapter)” after “subchapter II of this chapter” in cl. (2).

1980—Pub. L. 96–499 substituted “related post-hospital, and home health services” for “and home health services”. Pub. L. 96–473 substituted “are entitled for” for “are entitled to”. Pub. L. 96–265 substituted “not less than 24 months” for “not less than 24 consecutive months”. Pub. L. 95–292 inserted references to section 426–1 of this title and to individuals who do not meet the conditions specified in either clause (1) or (2) but who are medically determined to have end stage renal disease.

1972—Pub. L. 92–603 designated existing provisions as cl. (1) and added cl. (2).

Effective Date of 1988 Amendment

Amendment by Pub. L. 100–360 effective Jan. 1, 1989, except as otherwise provided, and applicable to inpatient hospital deductible for 1989 and succeeding years, to care and services furnished on or after Jan. 1, 1989, to premiums for January 1989 and succeeding months, and to blood or blood cells furnished on or after Jan. 1, 1989, see section 104(a) of Pub. L. 100–360, set out as a note under section 1395d of this title.

Effective Date of 1986 Amendment

Amendment by Pub. L. 99–272 effective after Mar. 31, 1986, with no individual to be considered under disabil-
ity for any period beginning before Apr. 1, 1986, for purposes of hospital insurance benefits, see section 1320d(d)(2) of Pub. L. 99–272, set out as a note under section 419 of this title.

**Effective Date of 1982 Amendment**


**Effective Date of 1980 Amendment**

Amendment by Pub. L. 96–473 effective with respect to services furnished on or after July 1, 1981, see section 530(e)(1) of Pub. L. 96–473, set out as a note under section 1395c of this title.


Amendment by Pub. L. 96–265 applicable with respect to hospital insurance or supplementary medical insurance benefits for services provided on or after first day of sixth month which begins after June 9, 1980, see section 103(c) of Pub. L. 96–265, set out as a note under section 426 of this title.

**Effective Date of 1978 Amendment**

Amendment by Pub. L. 95–292 effective with respect to services, supplies, and equipment furnished after the third calendar month beginning after June 13, 1978, except that provisions for the implementation of an incentive reimbursement system for dialysis services furnished in facilities and providers to become effective with respect to a facility’s or provider’s first accounting period beginning after the last day of the twelfth month following the month of June 1978, and except that provisions for reimbursement rates for home dialysis to become effective on Apr. 1, 1979, see section 6 of Pub. L. 95–292, set out as a note under section 426 of this title.

**DEVELOPING GUIDANCE ON PAIN MANAGEMENT AND OPIOID USE DISORDER PREVENTION FOR HOSPITALS RECEIVING PAYMENT UNDER PART A OF THE MEDICARE PROGRAM**

Pub. L. 115–271, title VI, §6092, Oct. 24, 2018, 132 Stat. 3999, provided that:

“(a) IN GENERAL.—Not later than July 1, 2019, the Secretary of Health and Human Services (in this section referred to as the ‘Secretary’) shall develop and publish on the public website of the Centers for Medicare & Medicaid Services guidance for hospitals receiving payment under part A of title XVIII of the Social Security Act (42 U.S.C. 1395c et seq.) on pain management strategies and opioid use disorder prevention strategies with respect to individuals entitled to benefits under such part.

“(b) CONSULTATION.—In developing the guidance described in subsection (a), the Secretary shall consult with relevant stakeholders, including—

“(1) medical professional organizations;

“(2) providers and suppliers of services (as such terms are defined in section 1861 of the Social Security Act (42 U.S.C. 1395c));

“(3) health care consumers or groups representing such consumers; and

“(4) other entities determined appropriate by the Secretary.

“(c) CONTENTS.—The guidance described in subsection (a) shall include, with respect to hospitals and individuals described in such subsection, the following:

“(1) Best practices regarding evidence-based screening and practitioner education initiatives relating to screening and treatment protocols for opioid use disorder, including—

“(A) methods to identify such individuals at-risk of opioid use disorder, including risk stratification;

“(B) ways to prevent, recognize, and treat opioid overdoses; and

“(C) resources available to such individuals, such as opioid treatment programs, peer support groups, and other recovery programs.

“(2) Best practices for such hospitals to educate practitioners furnishing items and services at such hospital with respect to pain management and substance use disorders, including education on—

“(A) the adverse effects of prolonged opioid use;

“(B) non-opioid, evidence-based, non-pharmacological pain management treatments;

“(C) monitoring programs for individuals who have been prescribed opioids; and

“(D) the prescribing of naloxone along with an initial opioid prescription.

“(3) Best practices for such hospitals to make such individuals aware of the risks associated with opioid use (which may include use of the notification template described in paragraph (4)).

“(4) A notification template developed by the Secretary, for use as appropriate, for such individuals who are prescribed an opioid that—

“(A) explains the risks and side effects associated with opioid use (including the risks of addiction and overdose) and the importance of adhering to the prescribed treatment regimen, avoiding medications that may have an adverse interaction with such opioid, and storing such opioid safely and securely;

“(B) highlights multimodal and evidence-based non-opioid alternatives for pain management;

“(C) encourages such individuals to talk to their health care providers about such alternatives;

“(D) provides for a method (through signature or otherwise) for such an individual, or person acting on such individual’s behalf, to acknowledge receipt of such notification template;

“(E) is worded in an easily understandable manner and made available in multiple languages determined appropriate by the Secretary; and

“(F) includes any other information determined appropriate by the Secretary.

“(5) Best practices for such hospital to track opioid prescribing trends by practitioners furnishing items and services at such hospital, including—

“(A) ways for such hospital to establish target levels, taking into account the specialties of such practitioners and the geographic area in which such hospital is located, with respect to opioids prescribed by such practitioners;

“(B) guidance on checking the medical records of such individuals against information included in prescription drug monitoring programs;

“(C) strategies to reduce long-term opioid prescriptions; and

“(D) methods to identify such practitioners who may be over-prescribing opioids.

“(6) Other information the Secretary determines appropriate, including any such information from the Opioid Safety Initiative established by the Department of Veterans Affairs or the Opioid Overdose Prevention Toolkit published by the Substance Abuse and Mental Health Services Administration.”

**Advisory Council To Study Coverage of Disabled Under This Subchapter**

Pub. L. 90–248, title I, §140, Jan. 2, 1968, 81 Stat. 854, directed Secretary of Health, Education, and Welfare to appoint an Advisory Council to study need for coverage of disabled under the health insurance programs of this
subchapter, directed Council to submit a report on such study to Secretary by Jan. 1, 1969, and directed Secretary in turn to transmit such report to Congress, resulting in termination of Council's existence.

**Reimbursement of Charges Under Part A for Services to Patients Admitted Prior to 1968 to Certain Hospitals**

Pub. L. 90–248, title I, §142, Jan. 2, 1968, 81 Stat. 855, provided that:

"(a) Notwithstanding any provision of title XVIII of the Social Security Act [42 U.S.C. 1395 et seq.], an individual who is entitled to hospital insurance benefits under section 226 of such Act [42 U.S.C. 1395x], subject to subsections (b) and (c), receive, on the basis of an itemized bill, reimbursement for charges to him for inpatient hospital services (as defined in section 1861 of such Act [42 U.S.C. 1395x]), but without regard to subsection (e) of such section), furnished by, or under arrangements (as defined in section 1861(w) of such Act [42 U.S.C. 1395x(w)]) with, a hospital if—

"(1) the hospital did not have an agreement in effect under section 1866 of such Act [42 U.S.C. 1396cc] but would have been eligible for payment under part A of title XVIII of such Act [42 U.S.C. 1395 et seq.] with respect to such services if at the time such services were furnished the hospital had such an agreement in effect.

"(2) the hospital (A) meets the requirements of paragraphs (5) and (7) of section 1861(e) of such Act [42 U.S.C. 1395x(e)], (B) is not primarily engaged in providing the services described in section 1861(j)(1)(A) of such Act [42 U.S.C. 1395x(j)(1)(A)], and (C) is primarily engaged in providing, by or under the supervision of individuals referred to in paragraph (1) of section 1861(r) of such Act [42 U.S.C. 1395x(r)], to inpatients (i) diagnostic services and therapeutic services for medical diagnosis, treatment, and care of injured, disabled, or sick persons, or (ii) rehabilitation services for the rehabilitation of injured, disabled, or sick persons;

"(3) the hospital did not meet the requirements that must be met to permit payment to the hospital under part A of title XVIII of such Act [42 U.S.C. 1395 et seq.]; and

"(4) an application is filed (submitted in such form and manner and by such person, and containing and supported by such information, as the Secretary shall by regulations prescribe) for reimbursement before January 1, 1969.

(b) Payments under this section may not be made for inpatient hospital services (as described in subsection (a)) furnished to an individual—

"(1) prior to July 1, 1966,

"(2) after December 31, 1967, unless furnished with respect to an admission to the hospital prior to January 1, 1968, and

"(3) for more than—

"(A) 90 days in any spell of illness, but only if (i) prior to January 1, 1969, the hospital furnishing such services entered into an agreement under section 1866 of the Social Security Act [42 U.S.C. 1395cc] and (ii) the hospital's plan for utilization review, as provided for in section 1861(k) of such Act [42 U.S.C. 1395x(k)], has, in accordance with section 1814 of such Act [42 U.S.C. 1395f], been applied to the services furnished such individual, or

"(B) 20 days in any spell of illness, if the hospital did not meet the conditions of clauses (i) and (ii) of subparagraph (A).

"(c)(1) The amounts payable in accordance with subsection (a) with respect to inpatient hospital services shall, subject to paragraph (2) of this subsection, be paid from the Federal Hospital Insurance Trust Fund in amounts equal to 60 percent of the hospital's reasonable charges for routine services furnished in the accommodations occupied by the individual or in semi-private accommodations (as defined in section 1861(v)(4) of the Social Security Act [42 U.S.C. 1395x(v)(4)]) which ever is less, plus 80 percent of the hospital's reasonable charges for ancillary services. If separate charges for routine and ancillary services are not made by the hospital, reimbursement may be based on two-thirds of the hospital's reasonable charges for the services received but not to exceed the charges which would have been made if the patient had occupied semi-private accommodations (as so defined). For purposes of the preceding provisions of this paragraph, the term 'ancillary services' shall mean the regular room, dietary, and nursing services, minor medical and surgical supplies and the use of equipment and facilities for which a separate charge is not customarily made; the term 'ancillary services' shall mean those special services for which charges are customarily made in addition to routine services.

"(2) Before applying paragraph (1), payments made under this section shall be reduced to the extent provided for under section 1813 of the Social Security Act [42 U.S.C. 1395e] in the case of benefits payable to providers of services under part A of title XVIII of such Act [42 U.S.C. 1395 et seq.].

"(d) For the purposes of this section—

"(1) the 90-day period, referred to in subsection (b)(3)(A), shall be reduced by the number of days of inpatient hospital services furnished to such individual during the spell of illness, referred to therein, and

"with respect to which he was entitled to have payment made under part A of title XVIII of the Social Security Act [42 U.S.C. 1395 et seq.];

"(2) the 20-day period, referred to in subsection (b)(3)(B), shall be reduced by the number of days in excess of 70 days of inpatient hospital services furnished during the spell of illness, referred to therein, and

"with respect to which such individual was entitled to have payment made under part A [42 U.S.C. 1395 et seq.];

"(3) the term 'spell of illness' shall have the meaning assigned to it by subsection (a) of section 1861 of such Act [42 U.S.C. 1395x(a)] except that the term 'inpatient hospital services' as it appears in such subsection shall have the meaning assigned to it by subsection (a) of this section."

**§1395d. Scope of benefits**

(a) Entitlement to payment for inpatient hospital services, post-hospital extended care services, home health services, and hospice care

The benefits provided to an individual by the insurance program under this part shall consist of entitlement to have payment made on his behalf or, in the case of payments referred to in section 1395d(2) of this title to him (subject to the provisions of this part) for—

(1) inpatient hospital services or inpatient critical access hospital services for up to 150 days during any spell of illness minus 1 day for each day of such services in excess of 90 received during any preceding spell of illness (if such individual was entitled to have payment for such services made under this part unless he specifies in accordance with regulations of the Secretary that he does not desire to have such payment made);

(2)(A) post-hospital extended care services for up to 100 days during any spell of illness, and

(B) to the extent provided in subsection (f) extended care services that are not post-hospital extended care services;

(3) in the case of individuals not enrolled in part B, home health services, and in the case of individuals so enrolled, post-institutional home health services furnished during a home health spell of illness for up to 100 visits during such spell of illness;

(4) in lieu of certain other benefits, hospice care with respect to the individual during up
§ 1395d

(b) Services not covered

Payment under this part for services furnished an individual during a spell of illness may not exceed the number of days limit under subsection (d)(1) and (d)(3), and have not previously received services under this paragraph, services that are furnished by a physician (as defined in section 1395x(r)(1) of this title) who is either the medical director or an employee of a hospice program and that—

(A) consist of—

(i) an evaluation of the individual’s need for pain and symptom management, including the individual’s need for hospice care; and

(ii) counseling the individual with respect to hospice care and other care options; and

(B) may include advising the individual regarding advanced care planning.

(c) Inpatients of psychiatric hospitals

If an individual is an inpatient of a psychiatric hospital on the first day of the first month for which he is entitled to benefits under this part, the days on which he was an inpatient of such a hospital in the 150-day period immediately before such first day shall be included in determining the number of days limit under subsection (b)(1) insofar as such limit applies to (1) inpatient psychiatric hospital services, or (2) inpatient hospital services for an individual who is an inpatient primarily for the diagnosis or treatment of mental illness (but shall not be included in determining such number of days limit insofar as it applies to other inpatient hospital services or in determining the 190-day limit under subsection (b)(3)).

(d) Hospice care; election; waiver of rights; revocation; change of election

(1) Payment under this part may be made for hospice care provided with respect to an individual only during two periods of 90 days each and an unlimited number of subsequent periods of 60 days each during the individual’s lifetime and only, with respect to each such period, if the individual makes an election under this paragraph to receive hospice care under this part provided by, or under arrangements made by, a particular hospice program instead of certain other benefits under this subchapter.

(A) Except as provided in subparagraphs (B) and (C) and except in such exceptional and unusual circumstances as the Secretary may provide, if an individual makes such an election for a period with respect to a particular hospice program, the individual shall be deemed to have waived all rights to have payment made under this subchapter with respect to—

(i) hospice care provided by another hospice program (other than under arrangements made by the particular hospice program) during the period, and

(ii) services furnished during the period that are determined (in accordance with guidelines of the Secretary) to be—

(I) related to the treatment of the individual’s condition with respect to which a diagnosis of terminal illness has been made or

(II) equivalent to (or duplicative of) hospice care;

except that clause (ii) shall not apply to physicians’ services furnished by the individual’s attending physician (if not an employee of the hospice program) or to services provided by (or under arrangements made by) the hospice program.

(B) After an individual makes such an election with respect to a 90-day period or a subsequent 60-day period, the individual may revoke the election during the period, in which case—

(i) the revocation shall act as a waiver of the right to have payment made under this part for any hospice care benefits for the remaining time in such period and (for purposes of subsection (a)(4) and subparagraph (A)) the individual shall be deemed to have been provided such benefits during such entire period, and

(ii) the individual may at any time after the revocation execute a new election for a subsequent period, if the individual otherwise is entitled to hospice care benefits with respect to such a period.

(C) An individual may, once in each such period, change the hospice program with respect to which the election is made and such change shall not be considered a revocation of an election under subparagraph (B).

(D) For purposes of this subchapter, an individual’s election with respect to a hospice program shall no longer be considered to be in effect with respect to that hospice program after the date the individual’s revocation or change of election with respect to that election takes effect.

(e) Services taken into account

For purposes of subsections (b) and (c), inpatient hospital services, inpatient psychiatric
hospital services, and post-hospital extended care services shall be taken into account only if payment is or would be, except for this section or the failure to comply with the request and certification requirements of or under section 1395(a) of this title, made with respect to such services under this part.

(f) Coverage of extended care services without regard to three-day prior hospitalization requirement

(1) The Secretary shall provide for coverage, under clause (B) of subsection (a)(2), of extended care services which are not post-hospital extended care services at such time and for so long as the Secretary determines, and under such terms and conditions (described in paragraph (2)) as the Secretary finds appropriate, that the inclusion of such services will not result in any increase in the total of payments made under this subchapter and will not alter the acute care nature of the benefit described in subsection (a)(2).

(2) The Secretary may provide—

(A) for such limitations on the scope and extent of services described in subsection (a)(2)(B) and on the categories of individuals who may be eligible to receive such services, and

(B) notwithstanding sections 1395f, 1395x(v), and 1395ww of this title, for such restrictions and alternatives on the amounts and methods of payment for services described in such subsection, as may be necessary to carry out paragraph (1).

(g) “Spell of illness” defined

For definitions of “spell of illness”, and for definitions of other terms used in this part, see section 1395x of this title.

AMENDMENTS

2003—Subsec. (a)(3). Pub. L. 108–173, §736(c)(1), substituted “‘in the case of individuals not’ for “‘for individuals not’” and “‘in the case of individuals so’ for “‘for individuals so’.”


Subsec. (a)(3). Pub. L. 105–33, §4611(a)(1), substituted “for individuals not enrolled in part B, home health services, and for individuals so enrolled, post-institutional home health services furnished during a home health spell of illness for up to 100 visits during such spell of illness’ for “‘home health services’.”

Subsec. (a)(4). Pub. L. 105–33, §4443(a), substituted “an unlimited number of subsequent periods of 60 days each for “‘a subsequent period of 30 days, and a subsequent extension period’”.


Subsec. (d)(1). Pub. L. 105–33, §4443(a), substituted “an unlimited number of subsequent periods of 60 days each for “‘a subsequent period of 30 days, and a subsequent extension period’”.

1991—Subsec. (a)(4). Pub. L. 101–508, §4006(a)(2)(A), substituted “90 days each, a subsequent period of 30 days, and a subsequent extension period for “‘90- or 30-day period or a subsequent extension period’”.

1989—Subsec. (a)(1). Pub. L. 101–432 substituted “inpatient hospital services or inpatient rural primary care hospital services” for “‘inpatient hospital services’” before “‘for up to 150 days’” and “‘such services’” for “‘inpatient hospital services’” before “‘in excess of 90’” and struck out “‘and inpatient rural primary care hospital services’” after “‘such payment made’”.

1988—Subsec. (a)(4). Pub. L. 101–508, §4006(a)(2)(B), substituted “90 days each, a subsequent period of 30 days, and a subsequent extension period during the individual’s lifetime for “‘90 days each and one subsequent period of 30 days’”.

1987—Subsec. (a). Pub. L. 101–234 deleted section 1395(f)(3) and substituted “(1) inpatient hospital services;” for “‘(1) inpatient hospital services;’”.

Subsec. (b) generally, striking out par. (1) and renumbering and amending and adding par. (2) and (3) as (1) and (2), respectively.

Subsec. (c). Pub. L. 100–360, §101(3), amended subsec. (c) generally, substituting pars. (1) to (4) limiting periods for inpatients of psychiatric hospitals for former single paragraph.

Subsec. (d)(1). Pub. L. 100–360, §101(4)(A), substituted “‘a subsequent period of 30 days, and a subsequent extension period’” for “‘and one subsequent period of 30 days’”.

Subsec. (e), Pub. L. 100–360, §101(5), struck out "post-hospital" before "extended care services".

Subsec. (f), Pub. L. 100–360, §101(6), struck out subsec. (f) which provided coverage of extended care services without regard to three-day prior hospitalization requirement.

Subsec. (g), Pub. L. 100–360, §101(6), struck out subsec. (g) which cross-referenced section 1395x of this title for definitions of "spell of illness" and other terms used in this part.

1980—Subsec. (d)(2)(A), Pub. L. 97–48 substituted "or other than services" for "or to other than services" after "(if not an employee of the hospice program)."

1982—Subsec. (a)(2), Pub. L. 97–248, §123(a), redesignated existing provisions as subpar. (A) and added subpar. (B).


Subsec. (d), Pub. L. 97–248, §122(b)(2), added subsec. (d).

Subsecs. (f), (g), Pub. L. 97–248, §123(b), added subsec. (f) and redesignated former subsec. (f) as (g).

1981—Subsec. (a), Pub. L. 97–35 struck out par. (4) which related to alcohol detoxification facility services.

1980—Subsec. (a)(3), Pub. L. 96–499, §930(b), substituted "home health services" for "post-hospital home health services for up to 100 visits (during the one-year period described in section 1395nn of this title) after the beginning of one spell of illness and before the beginning of the next." and added par. (4).

Subsec. (d), Pub. L. 96–499, §930(c), struck out subsec. (d) which authorized payment for post-hospital home health services furnished an individual only during the one year period described in section 1395nn of this title following his most recent hospital discharge which met the requirements of such section and only for the first 100 visits in such period.

Subsec. (e), Pub. L. 96–499, §930(d), substituted "subsections (b) and (c)" for "subsections (b), (c), and (d)" and "and post-hospital extended care services" for "and post-hospital extended care services, and post-hospital home health services".

1981—Subsec. (a), Pub. L. 96–499, §1395d(d)) before such date.

Pub. L. 100–360, §512(d), Dec. 8, 2003, 117 Stat. 2960, provided that: "The amendments made by this section (amending this section and sections 1395f and 1395x of this title) shall apply to services provided by a hospice program on or after January 1, 2005."

Effective Date of 2003 Amendment
Pub. L. 106–113, div. B, §1000(a)(6) [title III, §321(m)], Nov. 29, 1999, 113 Stat. 1356, 1510A–368, provided that: "Except as otherwise provided, the amendments made by this section (amending this section and sections 1395f, 1395i–4, 1395j, 1395m, 1395u, and 1395w–4, 1395w–21, 1395w–22, 1395w–24, 1395x, 1395y, 1395cc, 1395ss, 1395ww, 1395yy, and 1395ff of this title, repealing section 1320b–5 of this title, and amending provisions set out as notes under sections 1395f and 1395ww of this title) shall take effect as if included in the enactment of BBA [Balanced Budget Act of 1997, Pub. L. 105–33]."

Effective Date of 1999 Amendment
Pub. L. 106–113, div. B, §1000(a)(6) [title III, §321(m)], Nov. 29, 1999, 113 Stat. 1356, 1510A–368, provided that: "Except as otherwise provided, the amendments made by this section (amending this section and sections 1395f, 1395i–4, 1395j, 1395m, 1395u, and 1395w–4, 1395w–21, 1395w–22, 1395w–24, 1395x, 1395y, 1395cc, 1395ss, 1395ww, 1395yy, and 1395ff of this title, repealing section 1320b–5 of this title, and amending provisions set out as notes under sections 1395f and 1395ww of this title) shall take effect as if included in the enactment of BBA [Balanced Budget Act of 1997, Pub. L. 105–33]."

Effective Date of 1997 Amendment
Amendment by section 2401(c)(1) of Pub. L. 105–33 applicable to services furnished on or after Oct. 1, 1997, see section 2401(d) of Pub. L. 105–33, set out as a note under section 1395f of this title.

Pub. L. 105–33, title IV, §4449, Aug. 5, 1997, 111 Stat. 421, provided that: "Except as otherwise provided in this chapter (chapter 4 (§§4441–4449) of subtitle E of title IV of Pub. L. 105–33, amending this section and sections 1395f, 1395x, and 1395pp of this title and enacting provisions set out as notes under section 1395f and 1395x of this title), the amendments made by this chapter apply to benefits provided on or after the date of the enactment of this chapter [Aug. 5, 1997], regardless of whether or not an individual has made an election under section 1612(d) of the Social Security Act (42 U.S.C. 1395d(d)) before such date.

Pub. L. 105–33, title IV, §4611(f), Aug. 5, 1997, 111 Stat. 474, provided that: "The amendments made by this section [amending this section and sections 1395f, 1395x, and 1395ff of this title] apply to services furnished on or after January 1, 1998. For purpose of applying such amendments, any home health spell of illness that began, but not [sic] did not end, before such date shall be considered to have begun as of such date."

Effective Date of 1994 Amendment
Pub. L. 103–432, title I, §102(a), Oct. 31, 1994, 108 Stat. 4904, provided that: "The amendments made by this section [amending this section and sections 1395e, 1395f, 1395i–4, 1395m, 1395u, and 1395w of this title] shall take effect on the date of the enactment of this Act [Oct. 31, 1994]."

Effective Date of 1990 Amendment

Effective Date of 1988 Amendment
Amendment by Pub. L. 100–360, title I, §104(a), July 1, 1988, 102 Stat. 697, as amended by Pub. L. 100–485, title VI, §608(d)(3)(A), Oct. 13, 1988, 102 Stat. 2513, provided that: "(1) In general.—Except as provided in paragraph (2) and subsection (b), the amendments made by this subtitle (subtitle A (§§101–104) of title I of Pub. L. 100–360,
amending this section and sections 1395c, 1395f, 1395i–2, 1395k, 1395x, and 1395cc, and 1395t of this title] shall take effect on January 1, 1969, and shall apply—

(2) to the inpatient hospital deductible for 1969 and succeeding years,

(3) to care and services furnished on or after January 1, 1969,

(4) to premiums for January 1969 and succeeding months, and

(5) to blood or blood cells furnished on or after January 1, 1969.

Elimination of Post-Hospital Requirement for Extended Care Services—The amendments made by this subtitle, insofar as they eliminate the requirement (under section 1812(a)(2) of the Social Security Act (42 U.S.C. 1395a(a)(2))) that extended care services are only covered under title XVIII of such Act (42 U.S.C. 1395 et seq.) if they are post-hospital extended care services, shall only apply to extended care services furnished pursuant to an admission to a skilled nursing facility occurring on or after January 1, 1969.

Effective Date of 1983 Amendment
Amendment by Pub. L. 97–448 effective as if originally included as a part of this section as this section was amended by the Tax Equity and Fiscal Responsibility Act of 1982, Pub. L. 97–248, see section 309(c)(2) of Pub. L. 97–448, set out as a note under section 1395x of this title.

Effective Date of 1982 Amendment
Amendment by section 122(b) of Pub. L. 97–248 applicable to hospice care provided on or after Nov. 1, 1983, see section 122(b)(1) of Pub. L. 97–248, as amended, set out as a note under section 1395c of this title.

Effective Date of 1981 Amendment
Pub. L. 97–35, title XXI, § 2121(i), Aug. 13, 1981, 95 Stat. 796, provided that: “The amendments made by this section [amending this section and sections 1320c–3, 1320c–4, 1320c–7, 1395f, and 1395x of this title (other than by subsection (b) (repealing provisions set out as a note under section 1395f of this title)] shall apply to services furnished in detoxification facilities for inpatient stays beginning on or after the tenth day after the date of the enactment of this Act [Aug. 13, 1981].”

Effective Date of 1980 Amendment
Amendment by section 930(b)(4) of Pub. L. 96–499 effective with respect to services furnished on or after July 1, 1981, see section 930(c)(1) of Pub. L. 96–499, set out as a note under section 1395f of this title.

Effective Date of 1979 Amendment
Pub. L. 90–248, title I, § 129(d), Jan. 2, 1968, 81 Stat. 849, provided that: “The amendments made by this section [amending this section and sections 426, 1395c, 1395f, 1395k, 1395x, and 1395cc of this title and section 228–2 of Title 45, Railroads] shall apply with respect to services furnished after March 31, 1968, except that subsection (c)(5) of such section [amending section 1395f of this title] shall become effective with respect to services furnished after the date of enactment of this Act [Jan. 2, 1968].”

Pub. L. 90–248, title I, §137(c), Jan. 2, 1968, 81 Stat. 854, provided that: “The amendments made by subsections (a) and (b) [amending this section and section 1395e of this title] shall apply with respect to services furnished after December 31, 1967.”


Public Law 97–35, title XXI, §2121(i), Aug. 13, 1981, 95 Stat. 796, provided that: “The provisions made by subsection (a) of this section [amending section 1396x of this title] shall become effective as of July 1, 1968, and the provisions made by subsections (b) and (c) of this section [amending this section and section 1395f of this title] shall apply to services furnished with respect to admissions occurring after December 31, 1967, and to outpatient hospital diagnostic services furnished after December 31, 1967, and before April 1, 1968.”


Medicare Hospice Concurrent Care Demonstration Program

(a) Establishment.—

(1) In general.—The Secretary of Health and Human Services (in this section referred to as the ‘Secretary’) shall establish a Medicare Hospice Concurrent Care demonstration program at participating hospice programs under which Medicare beneficiaries are furnished, during the same period, hospice care and any other items or services covered under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.) from funds otherwise paid under such title to such hospice programs.

(2) Duration.—The demonstration program under this section shall be conducted for a 3-year period.

(3) Site.—The Secretary shall select not more than 15 hospice programs at which the demonstration program under this section shall be conducted. Such hospice programs shall be located in urban and rural areas.

(b) Independent Evaluation and Reports.—

(1) Independent Evaluation.—The Secretary shall provide for the conduct of an independent evaluation of the demonstration program under this section. Such independent evaluation shall determine whether the demonstration program has improved patient care, quality of life, and cost-effectiveness for Medicare beneficiaries participating in the demonstration program.

(2) Reports.—The Secretary shall submit to Congress a report containing the results of the evaluation conducted under paragraph (1), together with such recommendations as the Secretary determines appropriate.

(c) Budget Neutrality.—With respect to the 3-year period of the demonstration program under this section, the Secretary shall ensure that the aggregate expenditures under title XVIII (42 U.S.C. 1395 et seq.) for such period shall not exceed the aggregate expenditures that would have been expended under such title if the demonstration program under this section had not been implemented.

Protecting Home Health Benefits
Pub. L. 111–148, title III, §3143, Mar. 23, 2010, 124 Stat. 442, provided that: “Nothing in the provisions of, or amendments made by, this Act (see Short Title note set out under section 18001 of this title) shall result in the reduction of guaranteed home health benefits under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.).”

Rural Hospice Demonstration Project

(a) In General.—The Secretary of Health and Human Services shall conduct a demonstration project for the delivery of hospice care to Medicare beneficiaries in rural areas. Under the project Medicare beneficiaries who are unable to receive hospice care in the facility for lack of an appropriate caregiver are provided such care in a facility of 20 or fewer beds.
which offers, within its walls, the full range of services provided by hospice programs under section 1861(dd) of the Social Security Act (42 U.S.C. 1395x(dd)).

"(b) Scope of Project.—The Secretary shall conduct the project under this section with respect to no more than 3 hospice programs over a period of not longer than 5 years each.

"(c) Compliance with Conditions.—Under the demonstration project—

"(1) the hospice program shall comply with otherwise applicable requirements, except that it shall not be required to offer services outside of the home or to meet the requirements of section 1861(dd)(2)(A)(i)(II) of the Social Security Act (42 U.S.C. 1395x(dd)(2)(A)(i)(II)); and

"(2) payments for hospice care shall be made at the rates otherwise applicable to such care under title XVIII of such Act (42 U.S.C. 1395 et seq.).

The Secretary may require the program to comply with such additional quality assurance standards for its provision of services in its facility as the Secretary deems appropriate.

"(d) Report.—Upon completion of the project, the Secretary shall submit a report to Congress on the project and shall include in the report recommendations regarding extension of such project to hospice programs serving rural areas.

OIG Report on Notices Relating to Use of Hospital Lifetime Reserve Days


"(1) the extent to which hospitals provide notice to Medicare beneficiaries in accordance with applicable requirements before they use the 60 lifetime reserve days described in section 1812(a)(1) of the Social Security Act (42 U.S.C. 1395k(a)(1)); and

"(2) the appropriateness and feasibility of hospitals providing a notice to such beneficiaries before they completely exhaust such lifetime reserve days.

MedPAC Report on Access to, and Use of, Hospice Benefit


"(a) IN GENERAL.—The Medicare Payment Advisory Commission shall conduct a study to examine the factors affecting the use of hospice benefits under the Medicare program under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.), including a delay in the time (relative to death) of entry into a hospice program, and differences in such use between urban and rural hospice programs and based upon the presenting condition of the patient.

"(b) Report.—Not later than 18 months after the date of the enactment of this Act [Dec. 21, 2000], the Commission shall submit to Congress a report on the study conducted under subsection (a), together with any recommendations for legislation that the Commission deems appropriate.

Transition

Pub. L. 105–33, title IV, § 4611(e), Aug. 5, 1997, 111 Stat. 473, provided that:

"(1) IN GENERAL.—Notwithstanding any provision of title XVIII of the Social Security Act [42 U.S.C. 1395 et seq.], the Secretary of Health and Human Services shall establish a transition for the aggregate amount of expenditures that are transferred from part A to part B of title XVIII of the Social Security Act [42 U.S.C. 1395c et seq., 1395x, and 1395f of this title], during each of the years during the period beginning with 1998 and ending with 2002 according to this subsection. Under the transition for each such year, the Secretary shall effect such transfer, between the trust funds under such parts, as will result in only the proportion (specified in paragraph (2)) of such aggregate expenditures for the year being transferred from such part A to such part B.

"(2) proportion specified.—The proportion specified in this paragraph for—

"(A) 1998 is 3⁄7,

"(B) 1999 is 3⁄7,

"(C) 2000 is 3⁄7,

"(D) 2001 is 7⁄3,

"(E) 2002 is 3⁄7.

"(3) application in establishing monthly premiums for 1998 through 2003.—

"(A) in general.—For purposes only of computing the monthly premium under section 1839 of the Social Security Act (42 U.S.C. 1395e), the monthly actuarial rate for enrollees age 65 and over shall be computed as though any reference in paragraph (1) of this subsection to 2002 were a reference to 2003 and as if the following proportions were substituted for the proportions specified in paragraph (2):

"(i) for 1998, 1⁄2,

"(ii) for 1999, 1⁄2,

"(iii) for 2000, 3⁄4,

"(iv) for 2001, 1⁄2,

"(v) for 2002, 1⁄2,

"(vi) for 2003, 1⁄2.

"(B) no impact on government contribution.—Subparagraph (A) does not apply in determining the amount of the Government contribution under section 1844 of the Social Security Act (42 U.S.C. 1395w).

Repeal of 1988 Expansion of Medicare Part A Benefits

For provisions repealing amendment by section 101 of Pub. L. 100–360, restoring or reviving this section as if section 101 of Pub. L. 100–360 had not been enacted, and providing a transition period for Medicare beneficiaries with respect to inpatient hospital services and extended care services provided on or after Jan. 1, 1990, and providing an exception to such restoration for certain hospice care, see section 101(a)–(b)(2) of Pub. L. 101–234, set out as a note under section 1395e of this title.

§ 1395e. Deductibles and coinsurance

(a) Inpatient hospital services; outpatient hospital diagnostic services; blood; post-hospital extended care services

(1) The amount payable for inpatient hospital services or inpatient critical access hospital services furnished an individual during any spell of illness shall be reduced by a deduction equal to the inpatient hospital deductible or, if less, the charges imposed with respect to such individual for such services, except that, if the customary charges for such services are greater than the charges so imposed, such customary charges shall be considered to be the charges so imposed. Such amount shall be further reduced by a coinsurance amount equal to—

(A) one-fourth of the inpatient hospital deductible for each day (before the 91st day) on which such individual is furnished such services during such spell of illness, or on which such individual is furnished such services during such spell of illness after such services have been furnished to him for 60 days during such spell; and

(B) one-half of the inpatient hospital deductible for each day (before the day following the last day for which such individual is entitled under section 1395d(a)(1) of this title to have payment made on his behalf for inpatient hospital services or inpatient critical access hospital services during such spell of illness) on which such individual is furnished such serv-
ices during such spell of illness after such services have been furnished to him for 90 days during such spell;

except that the reduction under this sentence for any day shall not exceed the charges imposed for that day with respect to such individual for such services (and for this purpose, if the customary charges for such services are greater than the charges so imposed, such customary charges shall be considered to be the charges so imposed).

(2)(A) The amount payable to any provider of services under this part for services furnished an individual shall be further reduced by a deduction equal to the expenses incurred for the first three pints of whole blood (or equivalent quantities of packed red blood cells, as defined under regulations) furnished to the individual during each calendar year, except that such deductible for such blood shall in accordance with regulations be appropriately reduced to the extent that there has been a replacement of such blood (or equivalent quantities of packed red blood cells, as so defined); and for such purposes blood (or equivalent quantities of packed red blood cells, as so defined) furnished such individual shall be deemed replaced when the institution or other person furnishing such blood (or such equivalent quantities of packed red blood cells, as so defined) is given one pint of blood for each pint of blood (or equivalent quantities of packed red blood cells, as so defined) furnished such individual with respect to which a deduction is made under this sentence.

(B) The deductible under subparagraph (A) for blood or blood cells furnished an individual in a year shall be reduced to the extent that a deductible has been imposed under section 1395f(b) of this title to blood or blood cells furnished the individual in the year.

(3) The amount payable for post-hospital extended care services furnished an individual during any spell of illness shall be reduced by a coinsurance amount equal to one-eighth of the inpatient hospital deductible for each day (before the 101st day) on which he is furnished such services after such services have been furnished to him for 20 days during such spell.

(4)(A) The amount payable for hospice care shall be reduced—

(i) in the case of drugs and biologicals provided on an outpatient basis by (or under arrangements made by) the hospice program, by a coinsurance amount equal to an amount (not to exceed $5 per prescription) determined in accordance with a drug copayment schedule (established by the hospice program) which is related to, and approximates 5 percent of, the cost of the drug or biological to the program, and

(ii) in the case of respite care provided by (or under arrangements made by) the hospice program, by a coinsurance amount equal to 5 percent of the amount estimated by the hospice program (in accordance with regulations of the Secretary) to be equal to the amount of payment under section 1395f(l) of this title to that program for respite care;

except that the total of the coinsurance required under clause (ii) for an individual may not exceed for a hospice coinsurance period the inpatient hospital deductible applicable for the year in which the period began. For purposes of this subparagraph, the term "hospice coinsurance period" means, for an individual, a period of consecutive days beginning with the first day for which an election under section 1395d(d) of this title is in effect for the individual and ending with the close of the first period of 14 consecutive days on each of which such an election is not in effect for the individual.

(B) During the period of an election by an individual under section 1395d(d)(1) of this title, no copayments or deductibles other than those under subparagraph (A) shall apply with respect to services furnished to such individual which constitute hospice care, regardless of the setting in which such services are furnished.

(b) Inpatient hospital deductible; application

(1) The inpatient hospital deductible for 1987 shall be $520. The inpatient hospital deductible for any succeeding year shall be an amount equal to the inpatient hospital deductible for the preceding calendar year, as changed by the Secretary's best estimate of the payment-weighted average of the applicable percentage increases (as defined under section 1395ww(b)(3)(B) of this title) which are applied under section 1395ww(d)(3)(A) of this title for discharges in the fiscal year that begins on October 1 of such preceding calendar year, and adjusted to reflect changes in real case mix (determined on the basis of the most recent case mix data available). Any amount determined under the preceding sentence which is not a multiple of $4 shall be rounded to the nearest multiple of $4 (or, if it is midway between two multiples of $4, to the next higher multiple of $4).

(2) The Secretary shall promulgate the inpatient hospital deductible and all coinsurance amounts under this section between September 1 and September 15 of the year preceding the year to which they will apply.

(3) The inpatient hospital deductible for a year shall apply to—

(A) the deduction under the first sentence of subsection (a)(1) for the year in which the first day of inpatient hospital services or inpatient critical access hospital services occurs in a spell of illness, and

(B) to the coinsurance amounts under subsection (a) for inpatient hospital services, inpatient critical access hospital services and post-hospital extended care services furnished in that year.


AMENDMENTS


1994—Subsec. (a)(1). Pub. L. 103–432, §102(g)(2), substituted “inpatient hospital services or inpatient rural primary care hospital services” for “inpatient hospital services” in introductory provisions and in subpar. (B).

Subsec. (b)(3)(A). Pub. L. 103–432, §102(g)(2), substituted “inpatient hospital services or inpatient rural primary care hospital services” for “inpatient hospital services”.

1989—Subsecs. (a)(1) to (3), (b)(3). Pub. L. 101–234 repealed Pub. L. 100–360, §102, subject to an exception for blood deducation, and provided that the provisions of law amended or repealed by such section are restored or revived as if such section had not been enacted, see 1988 Amendment notes below.

1988—Subsec. (a)(1) to (3). Pub. L. 100–360, §102(1), amended pars. (1) to (3) generally, revising and reorganizing former pars. (1)(A), (B), (2), and (3), as par. (1), consisting of subpars. (A) to (D), and pars. (2) and (3), each consisting of subpars. (A) and (B).


Subsec. (b)(3). Pub. L. 100–360, §102(2), struck out par. (3) which related to application of deductible.

1987—Subsec. (b)(1). Pub. L. 100–203, §4002(f)(3), as added by Pub. L. 100–360, §411(b)(1)(H)(ii), substituted “Secretary’s best estimate of the payment-weighted average of the applicable percentage increases (as defined in section 1395ww(b)(3)(B) of this title) which are applied” for “applicable percentage increase (as defined in section 1395ww(b)(3)(B) of this title which is applied”.

1986—Subsec. (b). Pub. L. 99–509 amended subsec. (b) generally. Prior to amendment, subsec. (b) read as follows:

“(1) The inpatient hospital deductible which shall be applicable for the purposes of subsection (a) of this section shall be $40 in the case of any spell of illness beginning before 1969.

“(2) The Secretary shall, between July 1 and September 15 of 1968, and of each year thereafter, determine and promulgate the inpatient hospital deductible which shall be applicable for the purposes of subsection (a) of this section in the case of any inpatient hospital services or post-hospital extended care services furnished during the succeeding calendar year. Such inpatient hospital deductible shall be equal to $45 multiplied by the ratio of (A) the current average per diem rate for inpatient hospital services for the calendar year preceding the promulgation, to (B) the current average per diem rate for such services for 1966. Any amount determined under the preceding sentence which is not a multiple of $4 shall be rounded to the nearest multiple of $4 (or, if it is midway between two multiples of $4, to the next higher multiple of $4). The current average per diem rate for any year shall be determined by the Secretary on the basis of the best information available to him (at the time the determination is made) as to the amounts paid under this part on account of inpatient hospital services furnished during such year, by hospitals with which the Secretary enters into agreements in effect under section 1395ccc of this title, to individuals who are entitled to hospital insurance benefits under section 426 of this title, plus the amount which would have been so paid but for subsection (a)(1) of this section.”

Subsec. (b)(2) to (4). Pub. L. 99–272 substituted “September 15” for “October 1”.

section (a) [amending this section] shall apply to inpatient hospital services and post-hospital extended care services furnished in calendar years beginning with calendar year 1982.

**Effective Date of 1968 Amendment**

Amendment by section 128(c)(3), (4) of Pub. L. 90–248 applicable with respect to services furnished after Mar. 31, 1968, see section 129(d) of Pub. L. 90–248, set out as a note under section 1395d of this title.

Pub. L. 90–248, title I, §132(d), Jan. 2, 1968, 81 Stat. 853, provided that: "The amendments made by this section [amending this section and sections 1395f and 1395cc of this title] shall apply with respect to payment for blood (or packed red blood cells) furnished an individual after December 31, 1967.''

Amendment by section 137(b) of Pub. L. 90–248 applicable with respect to services furnished after Dec. 31, 1967, see section 137(c) of Pub. L. 90–248, set out as a note under section 1395d of this title.

**Repeal of 1988 Expansion of Medicare Part A Benefits**


"(a) In General.—

"(1) General Rule.—Except as provided in paragraphs (1)(A) of sections 101, 102, and 194(d) (other than paragraph (7) of the Medicare Catastrophic Coverage Act of 1988 (Public Law 100–360) [amending this section and sections 1395c, 1395d, 1395f, 1395k, 1395x, 1395w, and 1395cc of this title] (as restored by subsection (a)(1)) shall not apply, but only insofar as such section is effectively as if included in enactment of Medicare Catastrophic Coverage Repeal Act of 1989, Pub. L. 101–234."

**Hold Harmless Provisions; Application of Subsection (a)(1) and (2)**


"In the case of an individual for whom a spell of illness (as defined in section 1813(a)(1)(A) of the Social Security Act [§1395d(a)(4)] of the Medicare Catastrophic Coverage Repeal Act of 1989, Pub. L. 101–234."

**Promulgation of New Deductible**

Pub. L. 99–509, title IX, §3930(c), Oct. 21, 1986, 100 Stat. 2416, directed Secretary of Health and Human Services to provide, within 30 days after Oct. 21, 1986, for publication of inpatient hospital deductible, coinsurance amounts for inpatient hospital services and post-hospital extended care services, and monthly part A premiums for 1987, as modified under the amendment of this section made by subsection (a).

§1395f. Conditions of and limitations on payment for services

(a) Requirement of requests and certifications

Except as provided in subsections (d) and (g) and in section 1395mm of this title, payment for services furnished an individual may be made only to providers of services which are eligible therefor under section 1395cc of this title and only if—

(1) written request, signed by such individual, except in cases in which the Secretary finds it impracticable for the individual to do so, is filed for such payment in such form, in such manner, and by such person or persons as the Secretary may by regulation prescribe, no
later than the close of the period ending 1 calendar year after the date of service;

(2) a physician, or, in the case of services described in subparagraph (B), a physician, or a nurse practitioner, a clinical nurse specialist, or physician assistant (as those terms are defined in section 1395x(aa)(5) of this title) who does not have a direct or indirect employment relationship with the facility but is working in collaboration with a physician,1 or, in the case of services described in subparagraph (C), a physician enrolled under section 1395cc(j) of this title, certifies (and recertifies, where such cases, with such frequency, and accompanied by such supporting material, appropriate to the cases involved, as may be provided by regulations, except that the first of such recertifications shall be required in each case of inpatient hospital services not later than the 20th day of such period) that—

(A) in the case of inpatient psychiatric hospital services, such services are or were required to be given on an inpatient basis, by or under the supervision of a physician, for the psychiatric treatment of an individual; and (i) such treatment can or could reasonably be expected to improve the condition for which such treatment is or was necessary or (ii) inpatient diagnostic study is or was medically required and such services are or were necessary for such purposes;

(B) in the case of post-hospital extended care services, such services are or were required because the individual needs or needed on a daily basis skilled nursing care (provided directly by or requiring the supervision of skilled nursing personnel) or other skilled rehabilitation services, which as a practical matter can only be provided in a skilled nursing facility on an inpatient basis, for any of the conditions with respect to which he was receiving inpatient hospital services (or services which would constitute inpatient hospital services if the institution met the requirements of paragraphs (6) and (9) of section 1395x(e) of this title) prior to transfer to the skilled nursing facility or for a condition requiring such extended care services which arose after such transfer and while he was still in the facility for treatment of the condition or conditions for which he was receiving such inpatient hospital services;

(C) in the case of home health services, such services are or were required because the individual is or was confined to his home (except when receiving items and services referred to in section 1395x(m) of this title) and needs or needed skilled nursing care (other than solely venipuncture for the purpose of obtaining a blood sample) on an intermittent basis or physical or speech therapy or, in the case of an individual who has been furnished home health services based on such a need and who no longer has such a need for such care or therapy, continues or continued to need occupational therapy; a plan for furnishing such services to such individual has been established and is periodically reviewed by a physician; such services are or were furnished while the individual was under the care of a physician, and, in the case of a certification made by a physician after January 1, 2010, prior to making such certification the physician must document that the physician himself or herself, or a nurse practitioner or clinical nurse specialist (as those terms are defined in section 1395x(aa)(5) of this title) who is working in collaboration with the physician in accordance with State law, or a certified nurse-midwife (as defined in section 1395x(gg) of this title) as authorized by State law, or a physician assistant (as defined in section 1395x(aa)(6) of this title) under the supervision of the physician, has had a face-to-face encounter (including through use of telehealth, subject to the requirements in section 1395m(m) of this title, and other than with respect to encounters that are incident to services involved) with the individual within a reasonable timeframe as determined by the Secretary; or

(D) in the case of inpatient hospital services in connection with the care, treatment, filling, removal, or replacement of teeth or structures directly supporting teeth, the individual, because of his underlying medical condition and clinical status or because of the severity of the dental procedure, requires hospitalization in connection with the provision of such services;

(3) with respect to inpatient hospital services (other than inpatient psychiatric hospital services) which are furnished over a period of time, a physician certifies that such services are required to be given on an inpatient basis for such individual’s medical treatment, or that inpatient diagnostic study is medically required and such services are necessary for such purpose, except that (A) such certification shall be furnished only in such cases, with such frequency, and accompanied by such supporting material, appropriate to the cases involved, as may be provided by regulations, and (B) the first such certification required in accordance with clause (A) shall be furnished no later than the 20th day of such period;

(4) in the case of inpatient psychiatric hospital services, the services are those which the records of the hospital indicate were furnished to the individual during periods when he was receiving (A) intensive treatment services, (B) admission and related services necessary for a diagnostic study, or (C) equivalent services;

(5) with respect to inpatient hospital services furnished such individual after the 20th day of a continuous period of such services, there was not in effect, at the time of admission of such individual to the hospital, a decision under section 1395cc(d) of this title (based on a finding that utilization review of long-stay cases is not being made in such hospital); and

(6) with respect to inpatient hospital services or post-hospital extended care services furnished such individual during a continuous period, a finding has not been made (by the physician members of the committee or group, as described in section 1395x(k)(4) of this title, 1So in original.
including any finding made in the course of a sample or other review of admissions to the institution) pursuant to the system of utilization review that further inpatient hospital services or further post-hospital extended care services, as the case may be, are not medically necessary; except that, if such a finding has been made, payment may be made for such services furnished before the 4th day after the day on which the hospital or skilled nursing facility, as the case may be, received notice of such finding;

(7) in the case of hospice care provided an individual—

(A)(i) in the first 90-day period—

(I) the individual’s attending physician (as defined in section 1395x(dd)(3)(B) of this title) (which for purposes of this subparagraph does not include a nurse practitioner or a physician assistant), and

(II) the medical director or physician member of the interdisciplinary group described in section 1395x(dd)(2)(B) of this title) of the hospice program providing (or arranging for) the care,

(each certify in writing at the beginning of the period, that the individual is terminally ill (as defined in section 1395x(dd)(3)(A) of this title) based on the physician’s or medical director’s clinical judgment regarding the normal course of the individual’s illness, and

(ii) in a subsequent 90- or 60-day period, the medical director or physician described in clause (i)(II) recertifies at the beginning of the period that the individual is terminally ill based on such clinical judgment;

(B) a written plan for providing hospice care with respect to such individual has been established (before such care is provided by, or under arrangements made by, that hospice program) and is periodically reviewed by the individual’s attending physician and by the medical director (and the interdisciplinary group described in section 1395x(dd)(2)(B) of this title) of the hospice program;

(C) such care is being or was provided pursuant to such plan of care;

(D) on and after January 1, 2011 (and, in the case of clause (ii), before October 6, 2014)—

(i) a hospice physician or nurse practitioner has a face-to-face encounter with the individual to determine continued eligibility of the individual for hospice care prior to the 180th-day recertification and each subsequent recertification under subparagraph (A)(ii) and attests that such visit took place (in accordance with procedures established by the Secretary); and

(ii) in the case of hospice care provided an individual for more than 180 days by a hospice program for which the number of such cases for such program comprises more than a percent (specified by the Secretary) of the total number of all cases of individuals provided hospice care by the program under this subchapter, the hospice care provided to such individual is medically reviewed (in accordance with procedures established by the Secretary); and

(E) on and after October 6, 2014, in the case of hospice care provided an individual for more than 180 days by a hospice program for which the number of such cases for such program comprises more than a percent (specified by the Secretary) of the total number of all cases of individuals provided hospice care by the program under this subchapter, the hospice care provided to such individual is medically reviewed (in accordance with procedures established by the Secretary); and

To the extent provided by regulations, the certification and recertification requirements of paragraph (2) shall be deemed satisfied where, at a later date, a physician, nurse practitioner, clinical nurse specialist, or physician assistant (as the case may be) makes certification of the kind provided in subparagraph (A), (B), (C), or (D) of paragraph (2) (whichever would have applied), but only where such certification is accompanied by such medical and other evidence as may be required by such regulations. With respect to the physician certification required by paragraph (2) for home health services furnished to any individual by a home health agency (other than an agency which is a governmental entity) and with respect to the establishment and review of a plan for such services, the Secretary shall prescribe regulations which shall become effective no later than July 1, 1981, and which prohibit a physician who has a significant ownership interest in, or a significant financial or contractual relationship with, such home health agency from performing such certification and from establishing or reviewing such plan, except that such prohibition shall not apply with respect to a home health agency which is a sole community home health agency (as determined by the Secretary). For purposes of the preceding sentence, service by a physician as an uncompensated officer or director of a home health agency shall not constitute having a significant ownership interest in, or a significant financial or contractual relationship with, such agency. For purposes of documentation for physician certification and recertification made under paragraph (2) on or after January 1, 2019, and made with respect to home health services furnished by a home health agency, in addition to using documentation in the medical record of the physician who so certifies or the medical record of the acute or post-acute care facility (in the case that home health services were furnished to an individual who was directly admitted to the home health agency from such a facility), the Secretary may use documentation in the medical record of the home health agency as supporting material, as appropriate to the case involved. For purposes of paragraph (2)(C), an individual shall be considered to be “confined to his home” if the individual has a condition, due to an illness or injury, that restricts the ability of the individual to leave his or her home except with the assistance of another individual or the
aid of a supportive device (such as crutches, a cane, a wheelchair, or a walker), or if the individual has a condition such that leaving his or her home is medically contraindicated. While an individual does not have to be bedridden to be considered ‘‘confined to his home’’, the condition of the individual should be such that there exists a normal inability to leave home and that leaving home requires a considerable and taxing effort by the individual. Any absence of an individual from the home attributable to the need to receive health care treatment, including regular absences for the purpose of participating in therapeutic, psychosocial, or medical treatment in an adult day-care program that is licensed or certified by a State, or accredited, to furnish adult day-care services in the State shall not disqualify an individual from being considered to be ‘‘confined to his home’’. Any other absence of an individual from the home shall not so disqualify an individual if the absence is of infrequent or of relatively short duration. For purposes of the preceding sentence, any absence for the purpose of attending a religious service shall be considered to be an absence of infrequent or short duration. In applying paragraph (1), the Secretary may specify exceptions to the 1 calendar year period specified in such paragraph.

(b) Amount paid to provider of services

The amount paid to any provider of services (other than a hospice program providing hospice care, other than a critical access hospital providing inpatient critical access hospital services, and other than a home health agency with respect to durable medical equipment) with respect to services for which payment may be made under this part shall, subject to the provisions of sections 1395e, 1395ww, and 1395fff of this title, be—

(1) except as provided in paragraph (3), the lesser of (A) the reasonable cost of such services, as determined under section 1395v(v) of this title and as further limited by section 1395rr(b)(2)(B) of this title, or (B) the customary charges with respect to such services;

(2) if such services are furnished by a public provider of services, or by another provider which demonstrates to the satisfaction of the Secretary that a significant portion of its patients are low-income (and requests that payment be made under this paragraph), free of charge or at nominal charges to the public, the amount determined on the basis of those items (specified in regulations prescribed by the Secretary) included in the determination of such reasonable cost which the Secretary finds will provide fair compensation to such provider for such services; or

(3) if some or all of the hospitals in a State have been reimbursed for services (for which payment may be made under this part) pursuant to a reimbursement system approved as a demonstration project under section 402 of the Social Security Amendments of 1967 or section 222 of the Social Security Amendments of 1972, if the rate of increase in such hospitals in their costs per hospital inpatient admission of individuals entitled to benefits under this part over the duration of such project was equal to or less than such rate of increase for admissions of such individuals with respect to all hospitals in the United States during such period, and if either the State has legislative authority to operate such system and the State elects to have reimbursement to such hospitals made in accordance with this part or the system is operated through a voluntary agreement of hospitals and such hospitals elect to have reimbursement to those hospitals made in accordance with this paragraph, then, subject to section 1395ww(d)(3)(B)(ix)(III), then the Secretary may provide for continuation of reimbursement to such hospitals under such system until the Secretary determines that—

(A) a third-party payor reimburses such a hospital on a basis other than under such system, or

(B) the aggregate rate of increase from January 1, 1981, to the most recent date for which annual data are available in such hospitals in costs per hospital inpatient admission of individuals entitled to benefits under this part is greater than such rate of increase for admissions of such individuals with respect to all hospitals in the United States for such period.

In the case of any State which has had such a demonstration project reimbursement system in continuous operation since July 1, 1977, the Secretary shall provide under paragraph (3) for continuation of reimbursement to hospitals in the State under such system until the first day of the 36th month beginning after the date the Secretary determines and notifies the Governor of the State that either of the conditions described in subparagraph (A) or (B) of such paragraph has occurred. If, by the end of such 36-month period, the Secretary determines, based on evidence submitted by the Governor of the State, that neither of the conditions described in subparagraph (A) or (B) of such paragraph continues to apply, the Secretary shall continue without interruption payment to hospitals in the State under the State’s system. If, by the end of such 36-month period, the Secretary determines, based on evidence, that either of the conditions described in subparagraph (A) or (B) of such paragraph continues to apply, the Secretary shall—

(i) collect any net excess reimbursement to hospitals in the State during such 36-month period, as measured by including the cumulative savings under the State system compared to the rate of increase in costs per hospital inpatient admission under the State system during such 36-month period, (basing such net excess reimbursement to hospitals in the United States during such period on the net difference, if any, in the rate of increase in costs per hospital inpatient admission under the State system compared to the rate of increase in such costs with respect to all hospitals in the United States during such period, as measured by including the cumulative savings under the State system based on the difference in the rate of increase in costs per hospital inpatient admission under the State system as compared to the rate of increase in such costs with respect to all hospitals in the United States between January 1, 1981, and the date of the Secretary’s initial notice); and (ii) provide a reasonable period, not to exceed 2 years, for transition from the State system to the national payment system. For purposes of applying para-

---

*So in original. Probably should be “1395ww(b)(3)(B)(ix)(III)”.*
(d) Payments for emergency hospital services

(1) Payments shall also be made to any hospital for inpatient hospital services furnished in a calendar year, by the hospital or under arrangements (as defined in section 1395x(w) of this title) with it, to an individual entitled to hospital insurance benefits under section 426 of this title even though such hospital does not have an agreement in effect under this subchapter if (A) such services were emergency services, (B) the Secretary would be required to make such payment if the hospital had such an agreement in effect and otherwise met the conditions of payment hereunder, and (C) such hospital has elected to claim payments for all such inpatient emergency services and for the emergency outpatient services referred to in section 1395n(b) of this title furnished during such year. Such payments shall be made only in the amounts provided under subsection (b) and then only if such hospital agrees to comply, with respect to the emergency services provided, with the provisions of section 1395cc(a) of this title.

(2) Payment may be made on the basis of an itemized bill to an individual entitled to hospital insurance benefits under section 426 of this title for services described in paragraph (1) which are emergency services if (A) payment cannot be made under paragraph (1) solely because the hospital does not elect to claim such payment, and (B) such individual files application (submitted within such time and in such form and manner and by such person, and containing and supported by such information as the Secretary shall by regulations prescribe) for reimbursement.

(3) The amounts payable under the preceding paragraph with respect to services described therein shall, subject to the provisions of section 1395b of this title, be equal to 60 percent of the hospital’s reasonable charges for routine services furnished in the accommodations occupied by the individual or in semiprivate accommodations (as defined in section 1395x(v)(4) of this title), whichever is less, plus 80 percent of the hospital’s reasonable charges for ancillary services. If separate charges for routine and ancillary services are not made by the hospital, reimbursement may be based on two-thirds of the hospital’s reasonable charges for the services received but not to exceed the charges which would have been made if the patient had occupied semiprivate accommodations. For purposes of the preceding provisions of this paragraph, the term “routine services” shall mean the regular room, dietary, and nursing services, minor medical and surgical supplies and the use of equipment and facilities for which a separate charge is not customarily made; the term “ancillary services” shall mean those specified services for which charges are customarily made in addition to routine services.

(e) Payment for inpatient hospital services prior to notification of noneligibility

Notwithstanding that an individual is not entitled to have payment made under this part for inpatient hospital services furnished by any hospital, payment shall be made to such hospital (unless it elects not to receive such payment or, if payment has already been made by or on behalf of such individual, fails to refund such payment within the time specified by the Secretary) for such services which are furnished to the individual prior to notification to such hospital from the Secretary of his lack of entitlement, if such payments are precluded only by reason of section 1395d of this title and if such hospital complies with the requirements of and regulations under this subchapter with respect to such payments, has acted in good faith and without knowledge of such lack of entitlement, and has acted reasonably in assuming entitlement existed. Payment under the preceding sentence may not be made for services furnished an individual pursuant to any admission after the 6th elapsed day (not including as an elapsed day Saturday, Sunday, or a legal holiday) after the day on which such admission occurred.

(f) Payment for certain inpatient hospital services furnished outside United States

(1) Payment shall be made for inpatient hospital services furnished to an individual entitled to hospital insurance benefits under section 426 of this title by a hospital located outside the United States, or under arrangements (as defined in section 1395x(w) of this title) with it, if—

(A) such individual is a resident of the United States, and

(B) such hospital was closer to, or substantially more accessible from, the residence of such individual than the nearest hospital within the United States which was adequately equipped to deal with, and was available for the treatment of, such individual’s illness or injury.

(2) Payment may also be made for emergency inpatient hospital services furnished to an individual entitled to hospital insurance benefits under section 426 of this title by a hospital located outside the United States if—

(A) such individual was physically present—

(i) in a place within the United States; or

(ii) at a place within Canada while traveling without unreasonable delay by the most direct route (as determined by the Secretary) between Alaska and another State;

(B) such hospital was closer to, or substantially more accessible from, such place than the nearest hospital within the United States which was adequately equipped to deal with,
§ 1395f

(3) Payment shall be made in the amount provided under subsection (b) to any hospital for the inpatient hospital services described in paragraph (1) or (2) furnished to an individual by the hospital or under arrangements (as defined in section 1395x(w) of this title) with it if (A) the Secretary would be required to make such payment if the hospital had an agreement in effect under this subchapter and otherwise met the conditions of payment hereunder, (B) such hospital agrees to comply, with respect to such services, with the provisions of section 1395ccc(a) of this title.

(4) Payment for the inpatient hospital services described in paragraph (1) or (2) furnished to an individual entitled to hospital insurance benefits under section 1395x of this title may be made on the basis of an itemized bill to such individual if (A) payment for such services cannot be made under paragraph (3) solely because the hospital does not elect to claim such payment, and (B) such individual files application (submitted within such time and in such form and manner and by such person, and continuing and supported by such information as the Secretary shall by regulations prescribe) for reimbursement. The amount payable with respect to such services shall, subject to the provisions of section 1395e of this title, be equal to the amount which would be payable under subsection (d)(3).

(g) Payments to physicians for services rendered in teaching hospitals

For purposes of services for which the reasonable cost thereof is determined under section 1395x(v)(1)(D) of this title (or if it were if section 1395xw of this title did not apply), payment under this part shall be made to such fund as may be designated by the organized medical staff of the hospital in which such services were furnished or, if such services were furnished in such hospital by the faculty of a medical school, to such fund as may be designated by such faculty, but only if—

(1) such hospital has an agreement with the Secretary under section 1395cc of this title, and

(2) the Secretary has received written assurances that (A) such payment will be used by such fund solely for the improvement of care of hospital patients or for educational or charitable purposes and (B) the individuals who were furnished such services or any other persons will not be charged for such services (or if charged, provision will be made for return of any moneys incorrectly collected).

(h) Payment for specified hospital services provided in Department of Veterans Affairs hospitals; amount of payment

(1) Payments shall also be made to any hospital operated by the Department of Veterans Affairs for inpatient hospital services furnished in a calendar year by the hospital, or under arrangements (as defined in section 1395x(w) of this title) with it, to an individual entitled to hospital benefits under section 1395x of this title even though the hospital is a Federal provider of services if (A) the individual was not entitled to have the services furnished to him free of charge by the hospital, (B) the individual was admitted to the hospital in the reasonable belief on the part of the admitting authorities that the individual was a person who was entitled to have the services furnished to him free of charge, (C) the authorities of the hospital, in admitting the individual, and the individual, acted in good faith, and (D) the services were furnished during a period ending with the close of the day on which the authorities operating the hospital first became aware of the fact that the individual was not entitled to have the services furnished to him by the hospital free of charge, or (if later) ending with the first day on which it was medically feasible to remove the individual from the hospital by discharging him therefrom or transferring him to a hospital which has in effect an agreement under this subchapter.

(2) Payment for services described in paragraph (1) shall be in an amount equal to the charge imposed by the Secretary of Veterans Affairs for such services, or (if less) the amount that would be payable for such services under section (b) and section 1395xw of this title (as estimated by the Secretary). Any such payment shall be made to the entity to which payment for the services involved would have been payable, if payment for such services had been made by the individual receiving the services involved (or by another private person acting on behalf of such individual).

(i) Payment for hospice care

(1)(A) Subject to the limitation under paragraph (2) and the provisions of section 1395e(a)(4) of this title and except as otherwise provided in this paragraph, the amount paid to a hospice program with respect to hospice care for which payment may be made under this part shall be an amount equal to the costs which are reasonable and related to the cost of providing hospice care or which are based on such other tests of reasonableness as the Secretary may prescribe in regulations (including those authorized under section 1395x(v)(1)(A) of this title), except that no payment may be made for bereavement counseling and no reimbursement may be made for other counseling services (including nutritional and dietary counseling) as separate services.

(B) Notwithstanding subparagraph (A), for hospice care furnished on or after April 1, 1985, the daily rate for payment for routine home care shall be $63.17 and the daily rate of payment for other services included in hospice care shall be the daily rate of payment recognized under subparagraph (A) as of July 1, 1985, increased by $10.

(C)(i) With respect to routine home care and other services included in hospice care furnished on or after January 1, 1990, and on or before September 30, 1990, the payment rates for such care and services shall be 120 percent of such rates in effect as of September 30, 1989.

(ii) With respect to routine home care and other services included in hospice care furnished during a subsequent fiscal year (before the first fiscal year in which the payment revisions described in paragraph (6)(D) are implemented), the payment rates for such care and services...
shall be the payment rates in effect under this subparagraph during the previous fiscal year increased by—

(I) for a fiscal year ending on or before September 30, 1993, the market basket percentage increase (as defined in section 1395ww(b)(3)(B)(ii) of this title) for the fiscal year;

(II) for fiscal year 1994, the market basket percentage increase for the fiscal year minus 2.0 percentage points;

(III) for fiscal year 1995, the market basket percentage increase for the fiscal year minus 1.5 percentage points;

(IV) for fiscal year 1996, the market basket percentage increase for the fiscal year minus 1.5 percentage points;

(V) for fiscal year 1997, the market basket percentage increase for the fiscal year minus 0.5 percentage point;

(VI) for each of fiscal years 1998 through 2002, the market basket percentage increase for the fiscal year involved minus 1.0 percentage points, plus, in the case of fiscal year 2001, 5.0 percentage points; and

(VII) for a subsequent fiscal year (before the first fiscal year in which the payment revisions described in paragraph (6)(D) are implemented), subject to clauses (iv) and (vi), the market basket percentage increase for the fiscal year involved minus 1.0 percentage point.

(ii) With respect to routine home care and other services included in hospice care furnished during fiscal years subsequent to the first fiscal year in which payment revisions described in paragraph (6)(D) are implemented, the payment rates for such care and services shall be the payment rates in effect under this clause during the preceding fiscal year increased by, subject to clauses (iv) and (vi), the market basket percentage increase for the fiscal year.

(iii) With respect to fiscal year 2013 and each subsequent fiscal year, the Secretary shall reduce such percentage—

(I) for 2013 and each subsequent fiscal year, by the productivity adjustment described in section 1395ww(b)(3)(B)(II) of this title; and

(II) subject to clause (v), for each of fiscal years 2013 through 2019, by 0.3 percentage point.

The application of this clause may result in the market basket percentage increase under clause (I)(VII) or (iii), as applicable, with respect to fiscal year 2013 and each subsequent fiscal year, the Secretary shall reduce such percentage—

(I) for 2013 and each subsequent fiscal year, by the productivity adjustment described in section 1395ww(b)(3)(B)(II) of this title; and

(II) subject to clause (v), for each of fiscal years 2013 through 2019, by 0.3 percentage point.

The application of this clause may result in the market basket percentage increase under clause (I)(VII) or (iii), as applicable, being less than 0.0 for a fiscal year, and may result in payment rates under this subsection for a fiscal year being less than such payment rates for the preceding fiscal year.

(v) Clause (iv)(II) shall be applied with respect to any of fiscal years 2014 through 2019 by substituting "0.0 percentage points" for "0.3 percentage point", if for such fiscal year—

(I) the excess (if any) of—

(aa) the total percentage of the non-elderly insured population for the preceding fiscal year (based on the most recent estimates available from the Director of the Congressional Budget Office before a vote in either House on the Patient Protection and Affordable Care Act that, if determined in the affirmative, would clear such Act for enrollment); or

(bb) the total percentage of the non-elderly insured population for such preceding fiscal year (as estimated by the Secretary); exceeds

(II) 5 percentage points.

(vi) For fiscal year 2018, the market basket percentage increase under clause (ii)(VII) or (iii), as applicable, after application of clause (iv), shall be 1 percent.

(2)(A) The amount of payment made under this part for hospice care provided by (or under arrangements made by) a hospice program for an accounting year may not exceed the "cap amount" for the year (computed under subparagraph (B)) multiplied by the number of Medicare beneficiaries in the hospice program in that year (determined under subparagraph (C)).

(B)(i) Except as provided in clause (ii), for purposes of subparagraph (A), the "cap amount" for a year is $6,500, increased or decreased, for accounting years that end after October 1, 1984, by the same percentage as the percentage increase or decrease, respectively, in the medical care expenditure category of the Consumer Price Index for All Urban Consumers (United States city average), published by the Bureau of Labor Statistics, from March 1984 to the fifth month of the accounting year.

(ii) For purposes of subparagraph (A) for accounting years that end after September 30, 2016, and before October 1, 2025, the "cap amount" is the cap amount under this subparagraph for the preceding accounting year updated by the percentage update to payment rates for hospice care under paragraph (1)(C) for services furnished during the fiscal year beginning on the October 1 preceding the beginning of the accounting year.

(iii) For accounting years that end after September 30, 2025, the cap amount shall be computed under clause (i) as if clause (ii) had never applied.

(C) For purposes of subparagraph (A), the "number of Medicare beneficiaries" in a hospice program in an accounting year is equal to the number of individuals who have made an election under subsection (d) with respect to the hospice program and have been provided hospice care by (or under arrangements made by) the hospice program under this part in the accounting year, such number reduced to reflect the proportion of hospice care that each such individual was provided in a previous or subsequent accounting year or under a plan of care established by another hospice program.

(D) A hospice program shall submit claims for payment for hospice care furnished in an individual's home under this subchapter only on the basis of the geographic location at which the service is furnished, as determined by the Secretary.

(3) Hospice programs providing hospice care for which payment is made under this sub-
section shall submit to the Secretary such data with respect to the costs for providing such care for each fiscal year, beginning with fiscal year 1999, as the Secretary determines necessary. (4) The amount paid to a hospice program with respect to the services under section 1395w(a)(3) of this title for which payment may be made under this part shall be equal to an amount established for an office or other outpatient visit for evaluation and management associated with presenting problems of moderate severity and requiring medical decisionmaking of low complexity under the fee schedule established under section 1395w-4(b) of this title, other than the portion of such amount attributable to the practice expense component. (5) QUALITY REPORTING — (A) REDUCTION IN UPDATE FOR FAILURE TO REPORT.— (i) IN GENERAL.—For purposes of fiscal year 2014 and each subsequent fiscal year, in the case of a hospice program that does not submit data to the Secretary in accordance with subparagraph (C) with respect to such a fiscal year, after determining the market basket percentage increase under paragraph (1)(C)(ii)(VII) or paragraph (1)(C)(iii), as applicable, and after application of clauses (iv) and (vi) of paragraph (1)(C), with respect to the fiscal year, the Secretary shall reduce such market basket percentage increase by 2 percentage points. (ii) SPECIAL RULE.—The application of this subparagraph may result in the market basket percentage increase under paragraph (1)(C)(ii)(VII) or paragraph (1)(C)(iii), as applicable, being less than 0.0 for a fiscal year, and may result in payment rates under this subsection for a fiscal year being less than such payment rates for the preceding fiscal year. (B) NONCUMULATIVE APPLICATION.—Any reduction under subparagraph (A) shall apply only with respect to the fiscal year involved and the Secretary shall not take into account such reduction in computing the payment amount under this subsection for a subsequent fiscal year. (C) SUBMISSION OF QUALITY DATA.—For fiscal year 2014 and each subsequent fiscal year, each hospice program shall submit to the Secretary data on quality measures specified under subparagraph (D). Such data shall be submitted in a form and manner, and at a time, specified by the Secretary for purposes of this subparagraph. (D) QUALITY MEASURES.— (i) IN GENERAL.—Subject to clause (ii), any measure specified by the Secretary under this subparagraph must have been endorsed by the entity with a contract under section 1395aaa(a)(3) of this title. (ii) EXCEPTION.—In the case of a specified area or medical topic determined appropriate by the Secretary for which a feasible and practical measure has not been endorsed by the entity with a contract under section 1395aaa(a)(3) of this title, the Secretary may specify a measure that is not so endorsed as long as due consideration is given to measures that have been endorsed or adopted by a consensus organization identified by the Secretary. (iii) TIME FRAME.—Not later than October 1, 2012, the Secretary shall publish the measures selected under this subparagraph that will be applicable with respect to fiscal year 2014. (E) PUBLIC AVAILABILITY OF DATA SUBMITTED.—The Secretary shall establish procedures for making data submitted under subparagraph (C) available to the public. Such procedures shall ensure that a hospice program has the opportunity to review the data that is to be made public with respect to the hospice program prior to such data being made public. The Secretary shall report quality measures that relate to hospice care provided by hospice programs on the Internet website of the Centers for Medicare & Medicaid Services.
mated amount of aggregate expenditures under this subchapter for hospice care furnished in the fiscal year in which such revisions in payment are implemented as would have been made under this subchapter for such care in such fiscal year if such revisions had not been implemented.

(E) The Secretary shall consult with hospice programs and the Medicare Payment Advisory Commission regarding the additional data and information to be collected under subparagraph (A) and the payment revisions under subparagraph (D).

(7) In the case of hospice care provided by a hospice program under arrangements under section 1395z(d)(5)(D) of this title made by another hospice program, the hospice program that made the arrangements shall bill and be paid for the hospice care.

(j) Elimination of lesser-of-cost-or-charges provision

(1) The lesser-of-cost-or-charges provisions (described in paragraph (2)) will not apply in the case of services provided by a class of provider if the Secretary determines and certifies to Congress that the failure of such provisions to apply to the services provided by that class of providers will not result in any increase in the amount of payments made for those services under this subchapter. Such change will take effect with respect to services furnished, or cost reporting periods of providers, on or after such date as the Secretary shall provide in the certification. Such change for a class of provider shall be discontinued if the Secretary determines and notifies Congress that such change has resulted in an increase in the amount of payments made under this subchapter for services provided by that class of provider.

(2) The lesser-of-cost-or-charges provisions referred to in paragraph (1) are as follows:

(A) Clause (B) of paragraph (1) and paragraph (2) of subsection (b).

(B) Section 1395m(a)(1)(B) of this title.

(C) So much of subparagraph (A) of section 1395m(a)(2) of this title as provides for payment other than of the reasonable cost of such services, as determined under section 1395v(v) of this title;

(D) Subclause (II) of clause (i) and clause (ii) of section 1395m(a)(2)(B) of this title.

(k) Payments to home health agencies for durable medical equipment

The amount paid to any home health agency with respect to durable medical equipment for which payment may be made under this part shall be the amount described in section 1395m(a)(1) of this title.

(l) Payment for inpatient critical access hospital services

(1) Except as provided in the subsequent paragraphs of this subsection, the amount of payment under this part for inpatient critical access hospital services is equal to 101 percent of the reasonable costs of the critical access hospital in providing such services.

(2) In the case of a distinct part psychiatric or rehabilitation unit of a critical access hospital described in section 1395i–4(c)(2)(E) of this title, the amount of payment for inpatient critical ac-

cess hospital services of such unit shall be equal to the amount of the payment that would otherwise be made if such services were inpatient hospital services of a distinct part psychiatric or rehabilitation unit, respectively, described in the matter following clause (v) of section 1395ww(d)(1)(B) of this title.

(3)(A) The following rules shall apply in determining payment and reasonable costs under paragraph (1) for costs described in subparagraph (C) for a critical access hospital that would be a meaningful EHR user (as would be determined under paragraph (3) of section 1395ww(n) of this title) for an EHR reporting period for a cost reporting period beginning during a payment year if such critical access hospital was treated as an eligible hospital under such section:

(I) The Secretary shall compute reasonable costs by expensing such costs in a single payment year and not depreciating such costs over a period of years (and shall include as costs with respect to cost reporting periods beginning during a payment year costs from previous cost reporting periods to the extent they have not been fully depreciated as of the period involved). (ii) There shall be substituted for the Medicare share that would otherwise be applied under paragraph (1) a percent (not to exceed 100 percent) equal to the sum of—

(I) the Medicare share (as would be specified under paragraph (2)(D) of section 1395ww(n) of this title) for such critical access hospital if such critical access hospital was treated as an eligible hospital under such section; and

(II) 20 percentage points.

(B) The payment under this paragraph with respect to a critical access hospital shall be paid through a prompt interim payment (subject to reconciliation) after submission and review of such information (as specified by the Secretary) necessary to make such payment, including information necessary to apply this paragraph. In no case may payment under this paragraph be made with respect to a cost reporting period beginning during a payment year after 2015 and in no case may a critical access hospital receive payment under this paragraph with respect to more than 4 consecutive payment years.

(C) The costs described in this subparagraph are costs for the purchase of certified EHR technology to which purchase depreciation (excluding interest) would apply if payment was made under paragraph (1) and not under this paragraph.

(D) For purposes of this paragraph, paragraph (4), and paragraph (5), the terms “certified EHR technology”, “eligible hospital”, “EHR reporting period”, and “payment year” have the meanings given such terms in sections 1395ww(n) of this title.

(4)(A) Subject to subparagraph (C), for cost reporting periods beginning in fiscal year 2015 or a subsequent fiscal year, in the case of a critical access hospital that is not a meaningful EHR user (as would be determined under paragraph 3

See References in Text note below.
(3) of section 1395ww(m) of this title if such critical access hospital was treated as an eligible hospital under such section) for an EHR reporting period with respect to such fiscal year, paragraph (1) shall be applied by substituting the applicable percent under subparagraph (B) for the percent described in such paragraph (1).

(B) The percent described in this subparagraph is—

(i) for fiscal year 2015, 100.66 percent;

(ii) for fiscal year 2016, 100.33 percent; and

(iii) for fiscal year 2017 and each subsequent fiscal year, 100 percent.

(C) The provisions of subclause (II) of section 1395ww(b)(3)(B)(i) of this title shall apply with respect to subparagraph (A) for a critical access hospital with respect to a cost reporting period beginning in a fiscal year in the same manner as such subclause applies with respect to subclause (I) of such section for a subsection (d) hospital with respect to such fiscal year.

(5) There shall be no administrative or judicial review under section 1395f of this title, section 1395soo of this title, or otherwise, of—

(A) the methodology and standards for determining the amount of payment and reasonable cost under paragraph (3) and payment adjustments under paragraph (4), including selection of periods under section 1395ww(n)(2) of this title for determining, and making estimates or using proxies of, inpatient-bed-days, hospital charges, charity charges, and Medicare share under subparagraph (D) of section 1395ww(n)(2) of this title;

(B) the methodology and standards for determining a meaningful EHR user under section 1395ww(n)(3) of this title as would apply if the hospital was treated as an eligible hospital under section 1395ww(n) of this title, and the hardship exception under paragraph (4)(C);

(C) the specification of EHR reporting periods under section 1395ww(n)(6)(B) of this title as applied under paragraphs (3) and (4); and

(D) the identification of costs for purposes of paragraphs (3)(C).


REFERENCES IN TEXT


AMENDMENTS

2018—Subsec. (a). Pub. L. 115–123, § 102(a), inserted "For purposes of documentation for physician certification and recertification made under paragraph (2) on or after January 1, 2019, and made with respect to home health services furnished by a home health agency, in addition to using documentation in the medical record of the physician who so certifies or the medical record of the acute or post-acute care facility (in the case that home health services were furnished to an individual

*So in original. Probably should be "1395ww(m)(3)(B)".*
who was directly admitted to the home health agency from such a facility, the Secretary may use documentation in the medical record of the home health agency as supporting material, as appropriate to the case involved.” before “For purposes of paragraph (2)(C),” in concluding provisions.

Subsec. (a)(7)(A)(i). Pub. L. 111–148, § 3132(a)(2)(A)(i), inserted “before the first fiscal year in which the payment revisions described in paragraph (6)(D) are implemented” after “subsequent fiscal year” in introductory provisions.

Subsec. (i)(1)(C)(ii)(VII). Pub. L. 111–148, § 3132(a)(2)(A)(ii), inserted “(before the first fiscal year in which the payment revisions described in paragraph (6)(D) are implemented, subject to clause (iv),” after “subsequent fiscal year”.


Subsec. (i)(1)(C)(v). Pub. L. 111–148, § 10319(f)(1), substituted “0.3” for “0.5”.


Subsec. (b). Pub. L. 111–5, § 4102(d)(1)(B), inserted at end of concluding provisions “For purposes of applying paragraph (3), there shall be taken into account incentive payments, and payment adjustments under subsection (b)(3)(B)(ix) or (n) of section 1395ww of this title.”


Subsec. (c)(6). Pub. L. 111–5, § 4102(a)(2)(A), substituted “the subsequent paragraphs of this subsection” for “paragraph (2)”.


2009—Subsec. (b). Pub. L. 111–5, § 4102(d)(1)(B), inserted at end of concluding provisions “For purposes of applying paragraph (3), there shall be taken into account incentive payments, and payment adjustments under subsection (b)(3)(B)(ix) or (n) of section 1395ww of this title.”


Subsec. (c)(6). Pub. L. 111–5, § 4102(a)(2)(A), substituted “the subsequent paragraphs of this subsection” for “paragraph (2)”.


2003—Subsec. (a)(7)(A)(i). Pub. L. 108–173, § 736(a)(1)(A), (c)(2)(A), in concluding provisions, substituted “leave home for” for “leave home,” and struck out “The certification regarding terminal illness of an individual under paragraph (7) shall be based on the physician’s or medical director’s clinical judgment regarding the normal course of the individual’s illness,” after “taxing effort by the individual.”


Subsec. (f). Pub. L. 108–173, § 736(a)(2), designated existing provisions as par. (1), substituted “Except as provided in paragraph (2), the amount” for “The amount”, and added par. (2).

Subsec. (g). Pub. L. 108–173, § 736(a)(1)(B)(i), inserted “equal to 101 percent of” before “the reasonable costs”.

2000—Subsec. (a)(7)(B). Pub. L. 106–554, § 1(a)(6) [title V, § 507(a)(1)(B)], inserted at end “Any absence of an individual from the home attributable to the need to receive health care treatment, including regular absences (or for the purpose of participation in therapeutic, psychological, social, or medical treatment in an adult day-care program that is licensed or certified by a State, or accred-
that particular cost reporting period applicable to hospitals located in a rural area.

The payment amounts otherwise determined under this paragraph shall be reduced to the extent necessary, to avoid duplication of any payment made under section 1395i–4(a)(2) of this title (or under section 4005(e) of the Omnibus Budget Reconciliation Act of 1987) to cover the provision of inpatient rural primary care hospital services.

“(2) The Secretary shall develop a prospective payment system for determining payment amounts for inpatient rural primary care hospital services under this part furnished on or after January 1, 1996.”

1994—Subsec. (a)(6). Pub. L. 103–432, §106(b)(1)(A), struck out “and” with respect to post-hospital extended care services furnished after such day of a continuous period of such services as may be prescribed in or pursuant to regulations” after “continuous period of such services”, “‘or skilled nursing facility, as the case may be” after “such individual to the hospital”, “and” for “in” after “hospital”.

Subsec. (a)(8). Pub. L. 103–432, §102(a)(3), substituted the “individual may reasonably be expected to be discharged or transferred to a hospital within 72 hours after admission to the rural primary care hospital.” for “services were required to be immediately furnished on a temporary, intermittent basis.”


1993—Subsec. (i)(1)(C). Pub. L. 103–66 substituted “increased by—” and subcls. (i) to (VI) for “increased by the market basket percentage increase (as defined in section 1995ww(b)(5)(B)(iii) of this title) otherwise applicable to discharges occurring in the fiscal year.”

1991—Subsec. (b). Pub. L. 102–54 substituted “Department of Veterans Affairs” for “Veterans Administration” in subpar. (1) and “Secretary of Veterans Affairs” for “Veterans Administration” in par. (2).


Subsec. (b)(3). Pub. L. 101–508, §4008(b)(3), substituted “January 1, 1981” for “October 1, 1983” in subpar. (B) substituted “seventh month” for “seventh month” in sentence following subpar. (B), and inserted at end provisions setting forth procedures to be followed by Secretary at end of 36-month period.


1989—Subsec. (a). Pub. L. 101–239, §6028(2), substituted a physician, nurse practitioner, or clinical nurse specialist (as the case may be) makes” for “a physician makes” in first sentence of concluding provisions.

Subsec. (a)(2). Pub. L. 101–239, §6028(b), substituted a “physician, or, in the case of services described in paragraph (B), a physician, or a nurse practitioner or clinical nurse specialist who does not have a direct or indirect employment relationship with the facility but is working in collaboration with a physician,” for “a physician” after “(2)”. 

Subsec. (a)(2)(B), (6). Pub. L. 101–234 repealed Pub. L. 100–360, §104(d)(2)(A), (B), and provided that the provisions of law amended or repealed by such section are restored or revived as if such section had not been enacted, see 1988 Amendment notes below.

Subsec. (a)(7)(A)(i). Pub. L. 101–239, §6005(b), substituted “certify in writing, not later than two days after hospice care is initiated (or, if each certify verbally not later than 2 days after hospice care is initiated)” for “certify in writing, not later than two days after hospice care is initiated (or, if each certify verbally not later than 2 days after hospice care is initiated)”, in concluding provisions.

Subsec. (a)(7)(A)(iii). Pub. L. 101–234, §104(d)(2)(C), and provided that the provisions of law amended or repealed by such section are restored or revived as if such section had not been enacted, see 1988 Amendment note below.
§ 104(d)(2)(D), and provided that the provisions of law amended or repealed by such section are restored or reinserted, other than a rural primary care hospital providing inpatient rural primary care hospital services," after "providing hospice care" in introductory provisions.

Subsec. (d)(3). Pub. L. 100–203, § 104(d)(2)(A), and struck out former subpar. (C) and struck out former subpar. (C) which read as follows: "With respect to care and services furnished on or after October 1, 1986, the Secretary shall, not less often than annually, review and make appropriate adjustments to the payment rate for routine home care and the payment rates for other services included in hospice care based on the costs that are reasonable and related to the costs of furnishing such care and services. The Secretary shall report to Congress on October 1 each year on such review and such adjustments and on the adequacy of the rates under this paragraph to ensure participation by an adequate number of hospice programs under this subchapter."


1988—Subsec. (a)(2)(B). Pub. L. 100–360, § 104(d)(2)(A), struck out ''post-hospital'' after ''in the case of'' and '', for any of the conditions with respect to which he was receiving inpatient hospital services (or services which would constitute inpatient hospital services if the institution met the requirements of paragraphs (6) and (9) of section 1395xx(e) of this title) prior to transfer to the skilled nursing facility or for a condition requiring such extended care services which arose after such transfer and while he was still in the facility for treatment of the condition or conditions for which he was receiving such inpatient hospital services" before semicolon at end. Subsec. (a)(6). Pub. L. 100–360, § 104(d)(2)(A), struck out "post-hospital" before "extended care services" in two places. Subsec. (a)(7)(A)(iii). Pub. L. 100–360, § 104(d)(2)(C), added cl. (iii) which read as follows: "in a subsequent extension period, the medical director or physician described in clause (i)(II) recertifies at the beginning of the period that the individual is terminally ill". Subsec. (d)(3). Pub. L. 100–360, § 104(d)(2)(D), substituted "equal to 100 percent" for "equal to 60 percent" and "plus 100 percent" for "plus 80 percent" and struck out "two-thirds of" after "based on". Subsec. (e). Pub. L. 100–203, § 402(a), inserted two sentences at end clarifying "confined to his home" for purposes of par. (2)(C).

Subsec. (b)(3)(B). Pub. L. 100–203, § 4008(b)(1), substituted "aggregate rate of increase from October 1, 1983, to the most recent date for which annual data are available" for "rate of increase for the previous three-year period". Subsec. (j)(2)(B). Pub. L. 100–203, § 4062(d)(1)(A), substituted "Section 1395xxi(a)(1)(B) of this title" for "section 1395xxi(a)(1)(B) of this title". Subsec. (k). Pub. L. 100–203, § 4062(d)(1)(B), substituted "the amount described in section 1395xxi(a)(1) of this title" for "a dash and former pars. (1) and (2) which read as follows: "$1,500 less of—" (A) the reasonable cost of such equipment, as determined under section 1395xxi(v) of this title, or "(B) the customary charges with respect to such equipment, less the amount the home health agency may charge as described in section 1955ccaa(2)(A)(ii) of this title, but in no case may the payment for such equipment exceed 80 percent of such reasonable cost, or "(2) if such equipment is furnished by a public home health agency, or by another home health agency which demonstrates to the satisfaction of the Secretary that a significant portion of its patients are low-income (and requests that payment be made under this paragraph), free of charge or at nominal charge to the public, 80 percent of the amount which the Secretary finds will provide fair compensation to the home health agency,". 1986—Subsec. (i)(1)(B). Pub. L. 99–272, § 9123(b)(1), amended subpar. (B) generally. Prior to amendment, subpar. (B) read as follows: "Notwithstanding subparagraph (A), the rate of payment per day for routine home care furnished during fiscal year 1985 shall be $52.17."


Subsec. (a)(5) to (8). Pub. L. 98–369, § 2336(a), inserted sentence at end that for purposes of the preceding sentence, service by a physician as an uncompensated officer or director of a home health agency shall not constitute having a significant ownership interest in, or a significant financial or contractual relationship with, such agency.

Subsec. (a)(9). Pub. L. 98–369, § 2354(b)(iv), in concluding provisions, substituted "or (D)" for "(D), or (E)"). Subsec. (a)(2)(B) to (E). Pub. L. 98–369, § 2335(a)(1), re-designated subpars. (C) to (E) as (B) to (D), respectively, and struck out former subpar. (B) which provided that payment could be made only if a physician was certified, in the case of inpatient tuberculosis hospital services, that such services were required to be given on an inpatient basis, by or under the supervision of a physician, for the treatment of an individual for tuberculosis, and that such treatment could reasonably be expected to improve the condition for which such treatment was necessary or render the condition non-communicable.

Subsec. (a)(9). Pub. L. 98–369, § 2354(b)(2), struck out "and inpatient tuberculosis hospital services" after "psychiatric hospital services". Subsec. (a)(5) to (8). Pub. L. 98–369, § 2335(a)(3), redesignated pars. (6) to (8) as (5) to (7), respectively, and struck out former par. (5) which had provided that payment would be made only if, in the case of inpatient tuberculosis hospital services, the services were those which the records of the hospital indicate were furnished to the individual during periods when he was receiving treatment which could reasonably be expected to improve his condition or render it non-communicable.

Subsec. (b). Pub. L. 98–369, § 2321(a)(1), inserted in provisions preceding par. (1) "and other than a home health agency with respect to durable medical equipment" after "hospice care". Subsec. (b)(2). Pub. L. 98–369, § 2320(b)(2)(A), inserted ,, or by another provider which demonstrates to the satisfaction of the Secretary that a significant portion of its patients are low-income (and requests that payment be made under this paragraph)".


Subsec. (j)(2)(B) to (D). Pub. L. 98–369, § 2321(f), added subpar. (B) and redesignated former subpars. (B) and (C) as (C) and (D), respectively.

the satisfaction of the Secretary that a significant portion of its patients are low-income (and requests that payment be made under this paragraph), after “public home health agency” and “20 percent of”，of the amount.”

1983—Subsec. (g). Pub. L. 98–21, § 602(b), inserted “or would be if section 1395ww of this title did not apply” and section 1395rry(1)(D) of this title.

Subsec. (h)(2). Pub. L. 98–21, § 602(c), substituted “the amount that would be payable for such services under subsection (b) and section 1395ww of this title” for “the reasonable costs for such services”.


Subsec. (i)(2)(A). Pub. L. 98–90, § 111, struck out “located in a region (as defined by the Secretary)” after “a hospice program” and “for the region” after “the cap amount”.

Subsec. (i)(2)(B). Pub. L. 98–90, § 112, amended subpar. (B) generally, substituting provisions establishing a hospice reimbursement cap amount of $6,500, indexed by the medical care component of the Consumer Price Index, for provisions which had established a cap of 40% of the estimated regional average Medicare expenditure per beneficiary in the regular Medicare program during the six months of life for persons dying of cancer.


Subsec. (b). Pub. L. 97–248, § 101(c)(1), substituted “sections 1395e and 1395ww” for “section 1395e” in provisions preceding par. (1), and substituted “until the first day of the seventh month beginning after the date the Secretary determines and notifies the Governor of the State” for “until the Secretary determines” in provisions following par. (3).

Pub. L. 97–248, § 122(c)(2)(A), inserted “(other than a hospice program providing hospice care)” after “The amount paid to any provider of services”.


1981—Subsec. (a)(2)(D). Pub. L. 97–35, § 201(d)(1), substituted “needs or needed skilled nursing care on an intermittent basis or physical or speech therapy or, in the case of an individual who has been furnished home health services based on such need and who no longer has such a need for such care or therapy, continues or continued to need occupational therapy” for “‘need for skilled nursing care on an intermittent basis, or physical or occupational, or speech therapy’”.

Subsec. (a)(2)(F). Pub. L. 97–35, § 221(b), struck out subpar. (F) which provided that in the case of alcohol detoxification facility services, such services were required on an inpatient basis because the individual needs or needed skilled nursing care on a continuing basis”, “‘skilled nursing facility’ for “‘extended care facility’”, and substituted “the care, treatment, filling, removal, or replacement of teeth or structures directly supporting teeth, the individual, because of his underlying medical condition and clinical status, requires hospitalization in connection with the provision of such dental services” for “a dental procedure, the individual suffers from impairments of such severity as to require hospitalization”.

Pub. L. 97–35, § 201(d)(2), inserted “‘subsection (b)’ for ‘section 1395f(b) of this title’”.


1977—Subsec. (c). Pub. L. 95–142, § 23(a), inserted reference to subsection (i) of this section.


1976—Subsec. (c). Pub. L. 94–317 substituted “Subject to section 1395q of this title, no payment” for “No payment”.

1973—Subsec. (a)(2)(E). Pub. L. 93–233, § 18(k)(1), substituted “the care, treatment, filling, removal, or replacement of teeth or structures directly supporting teeth, the individual, because of his underlying medical condition and clinical status, requires hospitalization in connection with the provision of such dental services” for “a dental procedure, the individual suffers from impairments of such severity as to require hospitalization”.


Subsec. (a)(1). Pub. L. 92–603, § 281(e), placed a 3-year time limitation on the time within which a written request for payment is filed, with provision for reduction of the limit to 1 year.

Subsec. (a)(2)(C). Pub. L. 92–603, §§ 234(g)(1), 247(a), 278(a)(1), substituted “because the individual needs or needed on a daily basis skilled nursing care (provided directly by or requiring the supervision of skilled nursing personnel) or other skilled rehabilitation services, which as a practical matter can only be provided in a skilled nursing facility on an inpatient basis,” for “on an inpatient basis because the individual needs or needed skilled nursing care on a continuing basis”, “skilled nursing facility” for “extended care facility”, and paragraphs (6) and (9) of section 1395(e) of this title” for “paragraphs (6) and (8) of section 1395(e) of this title”.

Subsec. (a)(2)(D). Pub. L. 92–603, § 234(g)(1), substituted reference to par. (9) of section 1395(e) of this title for reference to par. (8) of section 1395(e) of this title.


Subsec. (a)(7). Pub. L. 92–603, §§ 239(a), 278(a)(3), inserted “including any finding made in the course of a sample or other review of admissions to the institution” after “as described in section 1395(e)(4)(A) of this title”, in the parenthetical provisions covering the finding not made by the committee or group, and substituted “skilled nursing facility” for “extended care facility”.

Subsec. (b). Pub. L. 92–603, § 233(a), substituted par. (1) and (2) for provisions describing the amount payable as the reasonable cost determined under section 1395(v) of this title.

Subsec. (f). Pub. L. 92–603, § 211(a), designated existing provisions as par. (2), added pars. (1), (3), (4), and in par. (2) as so redesignated inserted provisions covering individuals physically present at a place within Canada while traveling without unsubsidized travel by the most direct route between Alaska and another State.


Subsec. (h). Pub. L. 92–603, §§ 228(a), 278(b)(4), (17), added subsec. (h) and substituted “skilled nursing facility” for “extended care facility”.

Subsec. (b)(1). Pub. L. 96–499, § 903(a)(1), inserted “except as provided in paragraph (3)”.


Subsec. (c). Pub. L. 96–499, § 941(b), substituted “subsection (h)” for “subsection (j)”.

Subsec. (h)(2). Pub. L. 96–499, § 941(a), struck out subsections (b) and (1) and redesignated subsection (j) as (h).
Subsec. (1). Pub. L. 92–603, § 228(a), added subsec. (1).
1968—Subsec. (a). Pub. L. 90–248, §§ 126(a)(5), 126(c)(5)(B), struck out references to former subpars. (E) and (F) in last sentence.
Subsec. (a)(2)(A) to (E). Pub. L. 90–248, § 126(a)(1), (2), struck out subpar. (A) which provided that there be a physician's certification of medical necessity for admission to hospitals other than psychiatric or tuberculosis institutions, and redesignated subpars. (B) to (E) as (A) to (D), respectively.
Subsec. (a)(2)(F). Pub. L. 90–248, § 126(a)(5)(A), struck out subpar. (F) which provided that there be a physician's certification for services furnished to outpatients.
Subsec. (a)(3) to (7). Pub. L. 90–248, § 126(a)(3), (4), added par. (3) and redesignated former pars. (3) to (6) as (4) to (7), respectively.
Subsec. (d). Pub. L. 90–248, § 126(c)(6)(A), struck out reference to outpatient hospital diagnostic services from provisions requiring payment for emergency hospital services.
Subsec. (d)(1) to (3). Pub. L. 90–248, § 143(c), designated existing provisions as par. (1), inserted "in a calendar year in first sentence of par. (2) as a new par. (3) and redesignated former paras. (3) to (6) as (4) to (7), respectively.

Effective Date of 2018 Amendment
Pub. L. 115–123, div. E, title X, § 51006(b), Feb. 9, 2018, 132 Stat. 296, provided that: "The amendments made by this section [amending this section and section 1395x of this title] shall apply to items and services furnished on or after January 1, 2019."

Effective Date of 2010 Amendment
Pub. L. 111–148, title VI, § 6404(b), Mar. 23, 2010, 124 Stat. 768, provided that: "(1) IN GENERAL.—The amendments made by subsection (a) [amending this section and sections 1395n and 1395u of this title] shall apply to items and services furnished on or after January 1, 2010.
(2) SERVICES FURNISHED BEFORE 2010.—In the case of services furnished before January 1, 2010, a bill or request for payment under section 1814(a)(1), 1923(b)(3)(B), or 1923(c) (probably means section 1814(a)(1) [42 U.S.C. 1395(a)(1)], 1923(b)(3)(B) [42 U.S.C. 1395a(b)(3)(B)], or 1923(c) (42 U.S.C. 1395a(a)) of act Aug. 14, 1935 shall be filed not later than December 31, 2010.
Pub. L. 111–148, title VI, § 6405(d), Mar. 23, 2010, 124 Stat. 769, provided that: "The amendments made by this section [amending this section and sections 1395m and 1395n of this title] shall apply to written orders and certifications made on or after July 1, 2010."

Effective Date of 2003 Amendment
Amendment by section 512(b) of Pub. L. 106–173 applicable to services provided by a hospice program on or after Jan. 1, 2005, see section 512(d) of Pub. L. 106–173, set out as a note under section 1395d of this title.
Pub. L. 108–173, title IX, § 964(c), Dec. 8, 2003, 117 Stat. 2425, provided that: "The amendments made by this section [amending this section and section 1395x of this title] shall apply to hospice care provided on or after the date of the enactment of this Act [Dec. 8, 2003]."

Effective Date of 2000 Amendment
Pub. L. 106–554, § 1(a)(6) [title III, § 321(b)], Dec. 21, 2000, 114 Stat. 2763, 2763A–500, provided that: "The amendment made by subsection (a) [amending this section and section 1395x of this title] shall apply to services furnished on or after April 1, 2001. In applying clause (ii) of section 1814(1)(C) of the Social Security Act (42 U.S.C. 1395f(1)(C)) beginning with fiscal year 2002, the payment rates in effect under such section during the period beginning on April 1, 2001, and ending on September 30, shall be treated as the payment rates in effect during fiscal year 2001."
Pub. L. 106–554, § 1(a)(6) [title III, § 322(a)(2)], Dec. 21, 2000, 114 Stat. 2763, 2763A–501, provided that: "The amendment made by paragraph (1) [amending this section] shall apply to certifications made on or after the date of the enactment of this Act [Dec. 21, 2000]."

Effective Date of 1997 Amendment
Amendment by section 4414, 4444(b)(2), and 4448 of Pub. L. 105–33 applicable to benefits provided on or after Aug. 5, 1997, except as otherwise provided, see section 4449 of Pub. L. 105–33, set out as a note under section 1395d of this title.
Amendment by section 4603(c)(1) of Pub. L. 105–33 applicable to cost reporting periods beginning on or after Oct. 1, 1999, except as otherwise provided, see section 4603(d) of Pub. L. 105–33, set out as an Effective Date note under section 1395f of this title.
Pub. L. 105–33, title IV, § 4615(b), Aug. 5, 1997, 111 Stat. 475, provided that: "The amendments made by subsection (a) [amending this section and section 1395n of this title] apply to home health services furnished after the 6-month period beginning after the date of enactment of this Act [Aug. 5, 1997]."

Effective Date of 1994 Amendment
Amendment by section 106(b)(1)(A) of Pub. L. 103–432 effective as if included in the enactment of Pub. L. 103–203, see section 106(b)(2) of Pub. L. 103–432, set out as a note under section 1395cc of this title.

Effective Date of 1990 Amendment
Amendment by section 4006(b) of Pub. L. 101–508 applicable with respect to care and services furnished on or after Jan. 1, 1990, see section 4006(c) of Pub. L. 101–508, set out as a note under section 1395d of this title.

Effective Date of 1989 Amendment
Pub. L. 100–203, title VI, § 6005(c), Dec. 19, 1989, 103 Stat. 2161, as amended by Pub. L. 101–508, title IV, § 4606(b)(3)(B), Nov. 5, 1990, 104 Stat. 4348–54, provided that: "The amendments made by subsections (a) and (b) [amending this section] shall become effective with respect to care and services furnished on or after January 1, 1990."
Amendment by Pub. L. 100–203, title IV, §4008(b)(2), Dec. 22, 1987, 101 Stat. 1330–55, provided that: 'The amendments made by subsections (a) and (b) [amending this section and section 1395n of this title] shall apply to items and services furnished on or after January 1, 1989, and to blood or blood cells furnished on or after Jan. 1, 1989, see section 104(a) of Pub. L. 100–360, set out as a note under section 1395d of this title.

**Effective Date of 1987 Amendment**

Pub. L. 100–203, title IV, §4024(c), Dec. 22, 1987, 101 Stat. 1330–74, provided that: 'The amendments made by sections (a) and (b) [amending this section and section 1395n of this title] shall apply to items and services furnished on or after January 1, 1989, and to blood or blood cells furnished on or after Jan. 1, 1989, see section 104(a) of Pub. L. 100–360, set out as a note under section 1395d of this title.

**Effective Date of 1987 Amendment**


**Effective Date of 1984 Amendment**

Pub. L. 98–617, §(b), Nov. 8, 1984, 98 Stat. 3294, provided that: 'The amendments made by this Act [probably means section 1 of Pub. L. 98–617, amending this section] shall apply to routine home care and other services included in hospice care furnished on or after October 1, 1984.'

Pub. L. 98–617, §(c), Nov. 8, 1984, 98 Stat. 3296, provided that: 'The amendments made by this section [amending this section and sections 1395l, 1395m, 1395cc, 1395d, and 1396d of this title] shall become effective Apr. 1, 1981, see section 931(e) of Pub. L. 96–499, set out as a note under section 1395d of this title.

**Effective Date of 1984 Amendment**

Pub. L. 98–369, div. B, title III, §2321(g), July 18, 1984, 98 Stat. 1085, provided that: 'The amendments made by this section [amending this section and sections 1395l, 1395m, and 1395cc of this title] shall apply to services furnished on or after the date of the enactment of this Act [July 18, 1984].'

Pub. L. 98–369, div. B, title III, §2335(g), July 18, 1984, 98 Stat. 1091, provided that: 'The amendments made by this section [amending this section and sections 1395m, 1395cc, and 1396d of this title] shall become effective on the date of the enactment of this Act [July 18, 1984].'

Amendment by section 2354(c)(1) of Pub. L. 98–369 effective as if originally included in Pub. L. 98–499, see section 2354(c)(2) of Pub. L. 98–369, set out as a note under section 1320a–1 of this title.

**Effective Date of 1983 Amendment**

Amendment by Pub. L. 98–21 applicable to items and services furnished by or under arrangement with a hospital beginning with its first cost reporting period that begins on or after Oct. 1, 1983, any change in a hospital's cost reporting period made after November 1982 to be recognized for such purposes only if the Secretary finds good cause therefor, see section 604(a)(1) of Pub. L. 98–21, set out as a note under section 1395ww of this title.

Amendment by Pub. L. 97–448 effective as if originally included as a part of this section as this section was amended by the Tax Equity and Fiscal Responsibility Act of 1982, Pub. L. 97–383, see section 309(c)(2) of Pub. L. 97–448, set out as a note under section 426–1 of this title.

**Effective Date of 1982 Amendment**

Amendment by section 122(c)(1), (2) of Pub. L. 97–248 applicable to hospice care provided on or after Nov. 1, 1983, see section 122(h)(1) of Pub. L. 97–248, as amended, set out as a note under section 1395cc of this title.

**Effective Date of 1981 Amendment**

Amendment by section 2121(b) of Pub. L. 97–35 applicable to services furnished in detoxification facilities for inpatient stays beginning on or after the tenth day after Aug. 13, 1981, see section 2121(i) of Pub. L. 97–35, set out as a note under section 1395d of this title.

Pub. L. 97–35, title XXI, §2122(b), Aug. 13, 1981, 95 Stat. 797, provided that: 'The amendments made by this section [amending this section and section 1395n of this title] shall apply to services furnished pursuant to plans of treatment implemented after the third month beginning after the date of the enactment of this Act [Aug. 13, 1981].'

**Effective Date of 1980 Amendment**

Amendment by section 930(e), (f) of Pub. L. 96–499 effective with respect to services furnished on or after July 1, 1981, see section 930(s)(1) of Pub. L. 96–499, set out as a note under section 1395x of this title.

Amendment by section 931(b) of Pub. L. 96–499 effective Apr. 1, 1981, see section 931(e) of Pub. L. 96–499, set out as a note under section 1395d of this title.

Pub. L. 96–499, title IX, §936(d), Dec. 5, 1980, 94 Stat. 2640, provided that: 'The amendments made by this section [amending this section and sections 1395x and 1395y of this title] shall apply with respect to services provided on or after July 1, 1981.'


**Effective Date of 1978 Amendment**

Amendment by Pub. L. 95–292 effective with respect to services, supplies, and equipment furnished after the third calendar month beginning after June 13, 1978, except that provisions for the implementation of an incentive reimbursement system for dialysis services furnished in facilities and providers to become effective with respect to a facility's or provider's first accounting period beginning after the last day of the twelfth month following the month of June 1978, and except that provisions for reimbursement rates for home dialysis to become effective on Apr. 1, 1979, see section 6 of Pub. L. 95–292, set out as a note under section 426 of this title.

**Effective Date of 1977 Amendment**

Pub. L. 95–142, §23(c), Oct. 25, 1977, 91 Stat. 1209, provided that: 'The amendments made by this section [amending this section] shall apply to inpatient hospital services furnished on and after July 1, 1974.'
Effective Date of 1973 Amendment

Pub. L. 93–233, §18(a)(3)(D), Dec. 31, 1973, 87 Stat. 974, provided that: "The amendments made by subsection (k) [amending this section and section 1395y of this title] shall be effective with respect to admissions subject to the provisions of section 1814(a)(2) of the Social Security Act (42 U.S.C. 1395f(a)(2)) which occur after December 31, 1972.''

Effective Date of 1972 Amendment

Pub. L. 92–603, title II, §211(d), Oct. 30, 1972, 86 Stat. 1384, provided that: "The amendments made by this section [amending this section and sections 1395k, 1395a, 1395x, and 1395y of this title] shall apply to services furnished with respect to admissions occurring after December 31, 1972.''

Amendment by section 228(c)(1) of Pub. L. 92–603 effective with respect to services provided on or after July 1, 1973, see section 228(f) of Pub. L. 92–603, set out as an Effective Date note under section 1395mm of this title.

Amendment by section 227(b) of Pub. L. 92–603 applicable with respect to accounting periods beginning after June 30, 1973, see section 227(g) of Pub. L. 92–603, set out as a note under section 1395x of this title.

Pub. L. 92–603, title II, §228(b), Oct. 30, 1972, 86 Stat. 1408, provided that: "The amendment made by subsection (a) [amending this section] and any regulations adopted pursuant to such amendment shall apply with respect to plans of care initiated on or after January 1, 1973, and with respect to admission to skilled nursing facilities and home health plans initiated on or after such date.''

Pub. L. 92–603, title II, §233(f), Oct. 30, 1972, 86 Stat. 1412, provided that: "The amendments made by subsections (a) and (b) [amending this section and section 1395j of this title] shall apply to services furnished by hospitals, extended care facilities, and home health agencies in accounting periods beginning after December 31, 1972. The amendments made by subsections (c), (d), and (e) [amending sections 705, 709, and 1396b of this title] shall apply with respect to services furnished by hospitals in accounting periods beginning after December 31, 1972.''

See also, section 16 of Pub. L. 93–233, set out below.

Amendment by section 234(g)(1) of Pub. L. 92–603 applicable with respect to providers of services for fiscal years beginning after fifth month following October 1972, see section 234(i) of Pub. L. 92–603, set out as a note under section 1395u of this title.

Pub. L. 92–603, title II, §238(b), Oct. 30, 1972, 86 Stat. 1416, provided that: "The amendment made by subsection (a) [amending this section] shall apply with respect to services furnished after the second month following the month in which this Act is enacted (October 1972).''

Pub. L. 92–603, title II, §247(c), Oct. 30, 1972, 86 Stat. 1425, provided that: "The amendments made by this section [amending this section and section 1396d of this title] shall be effective with respect to services furnished after December 31, 1972.''

Pub. L. 92–603, title II, §256(d), Oct. 30, 1972, 86 Stat. 1447, provided that: "The amendments made by this section [amending this section and section 1395x of this title] shall apply with respect to admissions occurring after the second month following the month in which this Act is enacted (October 1972).''

Amendment by section 281(e) of Pub. L. 92–603 applicable in the case of services furnished (or deemed to have been furnished) after 1970, see section 281(g) of Pub. L. 92–603, set out as a note under section 1395m of this title.

Effective Date of 1968 Amendment

Pub. L. 90–248, title I, §126(c), Jan. 2, 1968, 81 Stat. 846, provided that: "The amendments made by this section [amending this section and section 1395m of this title] shall apply with respect to services furnished after the date of the enactment of this Act (Jan. 2, 1968).''

Amendment by section 129(c)(5), (6)(A) of Pub. L. 90–248 applicable with respect to services furnished after Jan. 2, 1968, see section 128(d) of Pub. L. 90–248, set out as a note under section 1395m of this title.

Amendment by section 143(c) of Pub. L. 90–248 applicable with respect to services furnished with respect to admissions occurring after Dec. 31, 1967, and to outpatient hospital diagnostic services furnished after Dec. 31, 1967, and before Apr. 1, 1968, see section 143(d) of Pub. L. 90–248, set out as a note under section 1395d of this title.

Revision of Regulations Regarding Access to Home Health Services

Pub. L. 98–369, div. B, title III, §233(c)(2), July 18, 1984, 98 Stat. 1001, provided that: "The Secretary shall provide, not later than 90 days after the date of the enactment of this Act [July 18, 1984], for such revision of regulations as may be required to reflect the amendments made by subsection (b) [amending this section and section 1395a of this title].''

Promulgation of Regulations

Section 122(b)(3) of Pub. L. 97–258 provided that: "In order to provide for the timely implementation of the amendments made by this Act [probably means section 122 of Pub. L. 97–258, which amended this section and sections 1385c to 1385f, 1395b, and 1395x to 1395cc of this title and section 231f of Title 45, Railroads, and enacted provisions set out as notes under this section and sections 1395b–1 and 1395c of this title], the Secretary of Health and Human Services shall, not later than September 1, 1988, promulgate such final regulations as may be necessary to set forth—

"(A) a description of the care included in 'hospice care' and the standards for qualification of a 'hospice program' under section 1861(dd) of the Social Security Act (42 U.S.C. 1395x(dd)), and

"(B) the standards for payment for hospice care under part A of title XVIII of such Act (42 U.S.C. 1395 et seq.), pursuant to section 1814(i) of such Act (42 U.S.C. 1395(i)).''

Application of 2010 Amendment

Pub. L. 111–148, title VI, §6405(c), Mar. 23, 2010, 124 Stat. 768, provided that: "The Secretary [probably means the Secretary of Health and Human Services] may extend the requirements applied by the amendments made by subsections (a) [amending section 1395m of this title] and (b) [amending this section and section 1395a of this title] to durable medical equipment and home health services (relating to requiring certification of home health agencies) to all other categories of items or services under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.), including covered part D drugs as defined in section 1860D–2(1) of such Act (42 U.S.C. 1395w–102(1)), that are ordered, prescribed, or referred by a physician enrolled under section 1866(j) of such Act (42 U.S.C. 1395cc) or an eligible professional under section 1848(k)(3)(B) of such Act (42 U.S.C. 1395w–44(k)(3)(B)).''

Pub. L. 111–148, title VI, §6407(c), Mar. 23, 2010, 124 Stat. 776, provided that: "The Secretary [probably means the Secretary of Health and Human Services] may apply the face-to-face encounter requirement described in the amendments made by subsections (a) [amending this section and section 1385m of this title] to other items and services for which payment is provided under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.) based upon a finding that such an decision would reduce the risk of waste, fraud, or abuse.''

Pub. L. 111–148, title VI, §6407(d), Mar. 23, 2010, 124 Stat. 770, provided that: "The requirements pursuant to the amendments made by subsections (a) [amending this section and section 1395m of this title] and (b) [amending section 1395m of this title] shall apply in the case of physicians making certifications for home
health services under title XIX of the Social Security Act [42 U.S.C. 1396 et seq.] in the same manner and to the same extent as such requirements apply in the case of such persons making such certifications under title XVIII of such Act [42 U.S.C. 1395 et seq.]."

**STUDY AND REPORT ON EFFECT OF 2000 AMENDMENT**

Pub. L. 106–554, §1(a)(6) [title V, §507(b)], Dec. 21, 2000, 114 Stat. 2763, 2763A–501, provided that:

"(1) IN GENERAL.—The Comptroller General of the United States shall conduct an evaluation of the effect of the amendment [amending this section and section 1395m of this title] on the cost of and access to home health services under the medicare program under title XVIII of the Social Security Act [42 U.S.C. 1395 et seq.]."

"(2) REPORT.—Not later than 1 year after the date of the enactment of this Act [Dec. 21, 2000], the Comptroller General shall submit to Congress a report on the study conducted under paragraph (1)."

**STUDY AND REPORT ON PHYSICIAN CERTIFICATION REQUIREMENT FOR HOSPICE BENEFITS**


"(1) STUDY.—The Secretary of Health and Human Services shall conduct a study to examine the appropriateness of the certification regarding terminal illness made by an individual under section 1814(a)(7) of the Social Security Act (42 U.S.C. 1395f(a)(7)) that is required in order for such individual to receive hospice benefits under the medicare program under title XVIII of such Act (42 U.S.C. 1395 et seq.). In conducting such study, the Secretary shall take into account the effect of the amendment made by subsection (a) [amending this section]."

"(2) REPORT.—Not later than 2 years after the date of the enactment of this Act [Dec. 21, 2000], the Secretary of Health and Human Services shall submit to Congress a report on the study conducted under paragraph (1), together with any recommendations for legislation that the Secretary deems appropriate."

**TEMPORARY INCREASE IN PAYMENT FOR HOSPICE CARE**

Pub. L. 106–554, §1(a)(6) [title III, §321(c)], Dec. 21, 2000, 114 Stat. 2763, 2763A–501, provided that: "The provisions of this section [amending this section and enacting provisions set out as a note under this section] shall have no effect on the application of section 131 of BBRA [Pub. L. 106–113, §1008(a)(6) [title I, §131], set out as a note below]."


"(a) INCREASE FOR FISCAL YEARS 2001 AND 2002.—For purposes of payments under section 1814(i)(1)(C) of the Social Security Act (42 U.S.C. 1395f(i)(1)(C)) for hospice care furnished during fiscal years 2001 and 2002, the Secretary of Health and Human Services shall increase the payment rate in effect (but for this section) for—"n fiscal year 2001, by 0.5 percent, and
n fiscal year 2002, by 0.75 percent.

"(b) ADDITIONAL PAYMENT NOT BUILT INTO THE BASE.—The Secretary of Health and Human Services shall not include any additional payment made under this subsection (a) in updating the payment rate, as increased by the applicable market basket percentage increase for the fiscal year involved under section 1814(i)(1)(C)(ii) of that Act (42 U.S.C. 1395f(i)(1)(C)(ii))."

**STUDY AND REPORT TO CONGRESS REGARDING MODIFICATION OF PAYMENT RATES FOR HOSPICE CARE**


"(a) STUDY.—The Comptroller General of the United States shall conduct a study to determine the feasibility and advisability of updating the payment rates and the cap amount determined with respect to a fiscal year by section 1814(i) of the Social Security Act (42 U.S.C. 1395f(i)) for routine home care and other services included in hospice care. Such study shall examine the cost factors used to determine such rates and such amount and shall evaluate whether such factors should be modified, eliminated, or supplemented with additional cost factors.

"(b) REPORT.—Not later than one year after the date of enactment of this Act [Nov. 29, 1999], the Comptroller General of the United States shall submit to Congress a report on the study conducted under subsection (a), together with any recommendations for legislation that the Comptroller General determines to be appropriate as a result of such study."

**STUDY OF METHODS TO COMPENSATE HOSPICES FOR HIGH-COST CARE**

Pub. L. 101–239, title VI, §6016, Dec. 19, 1989, 103 Stat. 2154, directed Secretary of Health and Human Services to conduct a study of high-cost hospice care provided to Medicare beneficiaries under the medicare program, evaluate the ability of hospice programs participating in the medicare program to provide such care to those patients, develop methods to compensate such programs for providing such high-cost care, and submit, not later than Apr. 1, 1991, a report to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate on the study, including in the report any recommendations developed by the Secretary to compensate hospice programs for providing high-cost hospice care to Medicare beneficiaries.

**CONTINUATION OF BAD DEBT RECOGNITION FOR HOSPITAL SERVICES**

Pub. L. 101–239, title IV, §4008(c), Dec. 22, 1987, 101 Stat. 1339–55, as amended by Pub. L. 100–647, title VIII, §8402, Nov. 16, 1987, 101 Stat. 2376; Pub. L. 101–239, title VI, §6023(a), Dec. 19, 1989, 103 Stat. 2157; Pub. L. 112–96, title III, §3201(d), Feb. 22, 2012, 126 Stat. 192, provided that: "In making payments to hospitals under title XVIII of the Social Security Act [42 U.S.C. 1395 et seq.], the Secretary of Health and Human Services shall not make any change in the policy in effect on August 1, 1987, with respect to payment under title XVIII of the Social Security Act to providers of service for reasonable costs relating to unrecovered costs associated with unpaid deductible and coinsurance amounts incurred under such title (including criteria for what constitutes a reasonable collection effort, including criteria for indigency determination procedures, for record keeping, and for determining whether to refer a claim to an external collection agency). The Secretary may not require a hospital to change its bad debt collection policy if a fiscal intermediary, in accordance with the rules in effect as of August 1, 1987, with respect to criteria for indigency determination procedures, record keeping, and determining whether to refer a claim to an external collection agency, has accepted such policy before that date, and the Secretary may not collect from the hospital on the basis of an expectation of a change in the hospital's collection policy. Effective for cost reporting periods beginning on or after October 1, 2012, the provisions of the previous two sentences shall not apply."


bus Budget Reconciliation Act of 1987, Pub. L. 100–203, which was approved Dec. 22, 1987.)

**Provision for Services To Calculate and Report Lesser-of-Cost-Or-Charges Determinations Separately With Respect to Payments Under Parts A and B of This Subchapter; Issuance of Regulations.**

Pub. L. 98–369, div. B, title III, §2308(a), July 18, 1984, 98 Stat. 1074, provided that: “The Secretary of Health and Human Services shall issue regulations which require, for purposes of title XVIII of the Social Security Act [42 U.S.C. 1395 et seq.], that providers of services calculate and report the lesser-of-cost-or-charges determinations separately with respect to payments for services under part B of such title (other than clinical diagnostic laboratory tests paid under section 1833(h) [42 U.S.C. 1395f(b)(2)] and 1833(a)(2)(B)(ii) [42 U.S.C. 1395f(b)(2), and 1833(a)(2)(B)(ii) of the Social Security Act, the Secretary shall, in addition to those rules for establishing nominality which the Secretary determines to be appropriate, provide that charges representing 60 percent or less of costs shall be considered nominal. The charges used in making such determinations shall be the charges actually billed to charge-paying patients who are not entitled to benefits under either part B of such title (42 U.S.C. 1395c et seq., 1395 et seq.) such determination shall be made separately with respect to payments for services under part A and services under part B of such title (other than clinical diagnostic laboratory tests paid under section 1833(h)), and that payment under such title be based upon such separate determinations. Such regulations shall apply to cost reporting periods beginning on or after October 1, 1984.”

**Determination of Nominal Charges for Applying Nominality Test.**

Pub. L. 98–369, div. B, title III, §2308(b)(1), July 18, 1984, 98 Stat. 1074, provided that: “For purposes of applying the nominality test under sections 1814(b)(2) [42 U.S.C. 1395k(b)(2)] and 1833(a)(2)(B)(ii) [42 U.S.C. 1395f(b)(2), and 1395f(b)(2) of the Social Security Act, the Secretary shall, in addition to those rules for establishing nominality which the Secretary determines to be appropriate, provide that charges representing 60 percent or less of costs shall be considered nominal. The charges used in making such determinations shall be the charges actually billed to charge-paying patients who are not entitled to benefits under either part of such title (42 U.S.C. 1395c et seq., 1395 et seq.) such determination shall be made separately with respect to payments for services under part A and services under part B of such title (other than clinical diagnostic laboratory tests paid under section 1833(h)), or on the basis of inpatient and outpatient services, except that the determination need not be made separately for home health services if the Secretary finds that such separation is not appropriate.”

**Study and Report Relating to the Reimbursement Method and Benefit Structure for Hospice Care; Supervision of Report by Comptroller General.**

Pub. L. 97–248, title I, §122(j), formerly §122(j), Sept. 3, 1982, 96 Stat. 363, as redesignated by Pub. L. 97–448, title II, §309(a)(6), Jan. 12, 1983, 96 Stat. 2408, provided that: “(1) The Secretary of Health and Human Services shall conduct a study and, prior to January 1, 1986, report to the Congress on whether or not the reimbursement method and benefit structure (including payment amounts for hospice care under title XVIII of the Social Security Act [42 U.S.C. 1395 et seq.] are fair and equitable and promote the most efficient provision of hospice care. Such report shall include the feasibility and advisability of providing for prospective reimbursement for hospice care, an evaluation of the inclusion of payment for outpatient drugs, an evaluation of the need to alter the method of reimbursement for nutritional, dietary, and bereavement counseling as hospice care, and any recommendations for legislative changes in the hospice care reimbursement or benefit structure.

“(2) The Comptroller General shall monitor and evaluate the study and the preparation of the report under paragraph (1).”

**Waiver of Limitations To Allow Pre-Existing HOSPICES To PARTICIPATE AS A Hospice PROGRAM.**

Pub. L. 97–248, title I, §122(k), formerly §122(k), Sept. 3, 1982, 96 Stat. 363, as redesignated and amended by Pub. L. 97–448, title III, §309(a)(6), Jan. 12, 1983, 96 Stat. 2408, prohibited that: “The Secretary of Health and Human Services shall grant waivers of the limitations imposed by section 1841(a)(2) of the Social Security Act [42 U.S.C. 1395f(i)(2)] (relating to the cap amount), section 1861(dd)(1)(G) of such Act [42 U.S.C. 1395x(dd)(1)(G)] (relating to the limitations on the frequency and number of respite care days), and section 1861(dd)(2)(A)(ii) of such Act [42 U.S.C. 1395x(dd)(2)(A)(ii)] (relating to the aggregate limit on the number of days of inpatient care), as may be necessary to allow any institution which commenced operations as a hospice prior to January 1, 1975, to participate until October 1, 1986, in a viable manner as a hospice program under title XVIII of the Social Security Act [42 U.S.C. 1395 et seq.].”

**Medicare Payment Basis for Services Provided by Agencies and Providers; Effective Date.**

Pub. L. 93–233, §16, Dec. 31, 1973, 87 Stat. 967, provided that: “In the administration of titles V, XVIII, and XIX of the Social Security Act [42 U.S.C. 701 et seq., 1395 et seq., 1396 et seq.], the amount payable under such title to any provider of services on account of services provided by such hospital, skilled nursing facility, or home health agency shall be determined (for any period with respect to which the amendments made by section 233 of Public Law 92–603 [this section and section 709, 709, 1395f, and 1396 of this title] would, except for the provisions of this section, be applicable) in like manner as if the date contained in the first and second sentences of such section 233 (except as an Effective Date of 1972 Amendment note above) were December 31, 1973, rather than December 31, 1972.”

§1395g. Payments to providers of services

(a) Determination of amount

The Secretary shall periodically determine the amount which should be paid under this part to each provider of services with respect to the services furnished by it, and the provider of services shall be paid, at such time or times as the Secretary believes appropriate (but not less often than monthly) and prior to audit or settlement by the Government Accountability Office, from the Federal Hospital Insurance Trust Fund, the amounts so determined, with necessary adjustments on account of previously made overpayments or underpayments; except that no such payments shall be made to any provider unless it has furnished such information as the Secretary may request in order to determine the amounts due such provider under this part for the period with respect to which the amounts are being paid or any prior period.

(b) Conditions

No payment shall be made to a provider of services which is a hospital for or with respect to services furnished by it for any period with respect to which it is deemed, under section 1395x(w)(2) of this title, to have in effect an arrangement with a quality improvement organization for the conduct of utilization review activities by such organization unless such hospital has paid to such organization the amount due (as determined pursuant to such section) to such organization for the activities conducted by it pursuant to such arrangements or such hospital has provided assurances satisfactory to the Secretary that such organization will promptly be paid the amount so due to it from the proceeds of the payment claimed by the hospital. Payment under this subchapter for utilization review activities provided by a quality improvement organization pursuant to an arrangement or deemed arrangement with a hospital under section 1395x(w)(2) of this title shall
be calculated without any requirement that the reasonable cost of such activities be apportioned among the patients of such hospital, if any, to whom such activities were not applicable.

(c) Payments under assignment or power of attorney

No payment which may be made to a provider of services under this subchapter for any service furnished to an individual shall be made to any other person under an assignment or power of attorney; but nothing in this subsection shall be construed to prevent the making of such a payment in accordance with an assignment from the provider if such assignment is made to a governmental agency or entity or is established by or pursuant to the order of a court of competent jurisdiction, or (2) to preclude an agent of the provider of services from receiving any such payment if (but only if) such agent does so pursuant to an agency agreement under which the compensation to be paid to the agent for his services for or in connection with the billing or collection of payments due such provider under this subchapter is unrelated (directly or indirectly) to the amount of such payments or the billings therefor, and is not dependent upon the actual collection of any such payment.

(d) Accrual of interest on balance of excess or deficit not paid

Whenever a final determination is made that the amount of payment made under this part to a provider of services was in excess of or less than the amount of payment that is due, and payment of such excess or deficit is not made (or effected by offset) within 30 days of the date of the determination, interest shall accrue on the balance of such excess or deficit paid or offset (to the extent that the balance is owed by or owing to the provider) at a rate determined in accordance with the regulations of the Secretary of the Treasury applicable to charges for late payments.

(e) Periodic interim payments

(1) The Secretary shall provide payment under this part for inpatient hospital services furnished by a subsection (d) hospital (as defined in section 1395ww(d)(1)(B) of this title, and including a distinct psychiatric or rehabilitation unit of such a hospital) and a subsection (d) Puerto Rico hospital (as defined in section 1395ww(d)(9)(A) of this title) on a periodic interim payment basis (rather than on the basis of bills actually submitted) in the following cases:

(A) Upon the request of a hospital which is paid through an agency or organization with an agreement with the Secretary under section 1395h of this title, if the agency or organization, for three consecutive calendar months, fails to meet the requirements of subsection (c)(2) of such section and if the hospital meets the requirements (in effect as of October 1, 1986) applicable to payment on such a basis, until such time as the agency or organization meets such requirements for three consecutive calendar months.

(B) In the case of a hospital that—

(i) has a disproportionate share adjustment percentage (as established in clause (iv) of such section) of at least 5.1 percent (as computed for purposes of establishing the average standardized amounts for discharges occurring during fiscal year 1987), and

(ii) requests payment on such basis,

but only if the hospital was being paid for inpatient hospital services on such a periodic interim payment basis as of June 30, 1987, and continues to meet the requirements (in effect as of October 1, 1986) applicable to payment on such a basis.

(C) In the case of a hospital that—

(i) is located in a rural area,

(ii) has 100 or fewer beds, and

(iii) requests payment on such basis,

but only if the hospital was being paid for inpatient hospital services on such a periodic interim payment basis as of June 30, 1987, and continues to meet the requirements (in effect as of October 1, 1986) applicable to payment on such a basis.

(2) The Secretary shall provide (or continue to provide) for payment on a periodic interim payment basis (under the standards established under section 405.454(j) of title 42, Code of Federal Regulations, as in effect on October 1, 1986, in the cases described in subparagraphs (A) through (D)) with respect to—

(A) inpatient hospital services of a hospital that is not a subsection (d) hospital (as defined in section 1395ww(d)(1)(B) of this title);

(B) a hospital which is receiving payment under a State hospital reimbursement system under section 1395f(b)(3) or 1395ww(c) of this title, if payment on a periodic interim payment basis is an integral part of such reimbursement system;

(C) extended care services;

(D) hospice care; and

(E) inpatient critical access hospital services;

if the provider of such services elects to receive, and qualifies for, such payments.

(3) In the case of a subsection (d) hospital or a subsection (d) Puerto Rico hospital (as defined for purposes of section 1395ww of this title) which has significant cash flow problems resulting from operations of its intermediary or from unusual circumstances of the hospital's operation, the Secretary may make available appropriate accelerated payments.

(4) A hospital created by the merger or consolidation of 2 or more hospitals or hospital campuses shall be eligible to receive periodic interim payment on the basis described in paragraph (1)(B) if—

(A) at least one of the hospitals or campuses received periodic interim payment on such basis prior to the merger or consolidation; and

(B) the merging or consolidating hospitals or campuses would each meet the requirement of paragraph (1)(B)(i) if such hospitals or campuses were treated as independent hospitals for purposes of this subchapter.


AMENDMENTS

2011—Subsec. (b). Pub. L. 112-40 substituted “quality improvement” for “quality control and peer review” in two places.


1997—Subsec. (e)(2)(C) to (E). Pub. L. 106-33 inserted “and” at end of subpar. (C), redesignated subpar. (E) as (D), and struck out former subpar. (D) which read as follows: “home health services; and”.


1980—Subsec. (c). Pub. L. 96-473 substituted “for or in connection with” for “for on in connection with”.


1975—Pub. L. 94-182 designated existing provisions as subsec. (a) and added subsec. (b).

EFFECTIVE DATE OF 2011 AMENDMENT

Amendment by Pub. L. 112–40 applicable to contracts entered into or renewed on or after Jan. 1, 2012, see section 261(e) of Pub. L. 112–40, set out as a note under section 1320c of this title.

EFFECTIVE DATE OF 2003 AMENDMENT


EFFECTIVE DATE OF 1997 AMENDMENT

Amendment by Pub. L. 105-33 applicable to cost report periods beginning on or after Oct. 1, 1999, except as otherwise provided, see section 4063(d) of Pub. L. 105-33, set out as an Effective Date note under section 1395ff of this title.

EFFECTIVE DATE OF 1989 AMENDMENT

Pub. L. 101-239, title VI, §6201(b), Dec. 19, 1989, 103 Stat. 2167, provided that: “The amendment made by subsection (a) [amending this section] shall apply to payments made for discharges occurring on or after the expiration of the 30-day period that begins on the date of the enactment of this Act [Dec. 19, 1989], regardless of the date of the merger or consolidation involved.

EFFECTIVE DATE OF 1986 AMENDMENT

Pub. L. 96-473, §6(1), Oct. 19, 1980, 94 Stat. 2266, provided that: “The amendment made by paragraph (1) [amending this section] shall apply to claims received on or after July 1, 1987.”

EFFECTIVE DATE OF 1982 AMENDMENT

Pub. L. 97-248, title I, §117(b), Sept. 3, 1982, 96 Stat. 355, provided that: “The amendments made by subsection (a) [amending this section and section 1395f of this title] apply to final determinations made on or after the date of the enactment of this Act [Sept. 3, 1982].”

Amendment by section 148(b) of Pub. L. 97-248 effective with respect to contracts entered into or renewed on or after Sept. 3, 1982, see section 149 of Pub. L. 97-248, set out as an Effective Date note under section 1320c of this title.

EFFECTIVE DATE OF 1977 AMENDMENT

Pub. L. 95-142, §2(a)(4), Oct. 25, 1977, 91 Stat. 1176, provided that: “The amendments made by this subsection [amending this section and sections 1395u and 1396a of this title] shall apply with respect to care and services furnished on or after the date of the enactment of this Act [Oct. 25, 1977].”

EFFECTIVE DATE OF 1975 AMENDMENT

Amendment by Pub. L. 94-182 effective with respect to utilization review activities conducted on and after the first day of the first month which begins more than 30 days after Dec. 31, 1975, see section 148(d) of Pub. L. 94-182, set out as a note under section 1395f of this title.

DEVELOPMENT OF ALTERNATIVE TIMING METHODS OF PERIODIC INTERIM PAYMENTS


TRANSITION


“(A) as of June 30, 1987, is receiving payments under part A of title XVIII of such Act [42 U.S.C. 1395 et seq.] for inpatient hospital services on a periodic interim payment basis,

“(B) requests continuation of payment on such basis, and

“(C) is paid through an agency or organization with an agreement under section 1816 of such Act [42 U.S.C. 1395f], the Secretary of Health and Human Services shall continue payment on such a basis until not earlier than the end of the first period of three consecutive calendar months (beginning no earlier than April 1987) during all of which the agency or organization has met the requirements of section 1816(c)(2) of such Act (relating to prompt payment of claims).”

DELAY IN PERIODIC INTERIM PAYMENTS

Pub. L. 97-248, title I, §120, Sept. 3, 1982, 96 Stat. 355, provided that: “Notwithstanding section 1816(a) of the Social Security Act [42 U.S.C. 1395f(a)], in the case of a hospital which is paid periodic interim payments under such section, the Secretary of Health and Human Services shall provide that—”

“(1) with respect to the last 21 days for which such payments would otherwise be made during fiscal year 1983, such payments shall be deferred until fiscal year 1984; and

“(2) with respect to the last 21 days for which such payments would otherwise be made during fiscal year 1984, such payments shall be deferred until fiscal year 1985.”

Pub. L. 96-499, title IX, §959, Dec. 5, 1980, 94 Stat. 2650, provided for deferral of interim payments to be made during last twenty-one days of fiscal year 1981 until fis-
$1395b. Provisions relating to the administration of part A

(a) In general

The administration of this part shall be conducted through contracts with medicare administrative contractors under section 1395kk–1 of this title.


(c) Prompt payment of claims


(2)(A) Each contract under section 1395kk–1 of this title that provides for making payments under this part shall provide that payment shall be issued, mailed, or otherwise transmitted with respect to not less than 95 percent of all claims submitted under this subchapter—

(i) which are clean claims, and

(ii) for which payment is not made on a periodic interim payment basis,

within the applicable number of calendar days after the date on which the claim is received.

(B) In this paragraph:

(i) The term “clean claim” means a claim that has no defect or impropriety (including any lack of any required substantiating documentation) or particular circumstance requiring special treatment that prevents timely payment from being made on the claim under this subchapter.

(ii) The term “applicable number of calendar days” means—

(I) with respect to claims received in the 12-month period beginning October 1, 1986, 30 calendar days,

(II) with respect to claims received in the 12-month period beginning October 1, 1987, 26 calendar days,

(III) with respect to claims received in the 12-month period beginning October 1, 1988, 25 calendar days,

(IV) with respect to claims received in the 12-month period beginning October 1, 1989, and claims received in any succeeding 12-month period ending on or before September 30, 1993, 24 calendar days, and

(V) with respect to claims received in the 12-month period beginning October 1, 1993, and claims received in any succeeding 12-month period, 30 calendar days.

(C) If payment is not issued, mailed, or otherwise transmitted within the applicable number of calendar days (as defined in clause (i) of subparagraph (B)) after a clean claim (as defined in clause (i) of such subparagraph) is received from a hospital, critical access hospital, skilled nursing facility, home health agency, hospice program, comprehensive outpatient rehabilitation facility, or rehabilitation agency that is not receiving payments on a periodic interim payment basis with respect to such services, interest shall be paid at the rate used for purposes of section 3902(a) of title 31 (relating to interest penalties for failure to make prompt payments) for the period beginning on the day after the required payment date and ending on the date on which payment is made.


(j) Denial of claim; notification and reconsideration

A contract with a medicare administrative contractor under section 1395kk–1 of this title with respect to the administration of this part shall require that, with respect to a claim for home health services, extended care services, or post-hospital extended care services submitted by a provider to such medicare administrative contractor that is denied, such medicare administrative contractor:

(1) furnish the provider and the individual with respect to whom the claim is made with a written explanation of the denial and of the steps taken to recover payment from the provider or the individual,

(2) in the case of a request for reconsideration of a denial, promptly notify such individual and the provider of the disposition of such reconsideration.

(k) Annual reporting requirement on erroneous payment recovery

A contract with a medicare administrative contractor under section 1395kk–1 of this title with respect to the administration of this part shall require that such medicare administrative contractor submit an annual report to the Secretary describing the steps taken to recover payments made for items or services for which payment has been or could be made under a primary plan (as defined in section 1395y(b)(2)(A) of this title).


AMENDMENTS


2003—Pub. L. 108–173, §911(b)(1), substituted “‘Provisions relating to the administration of part A’” for “‘Use of public or private agencies or organizations to facilitate payment to providers of services’” in section catchline.

Subsec. (a). Pub. L. 108–173, §911(b)(2), amended subsec. (a). In effect, prior to amendment, subsec. (a) authorized Secretary to enter into agreements with agencies or organizations to determine and pay amounts under this part.


Subsec. (c)(2)(A). Pub. L. 108–173, §911(b)(4)(B), substituted “contract under section 1395kk–1 of this title that provides for making payments under this part” for “agreement under this section in introductory provisions.”


Subsec. (c)(3)(A). Pub. L. 108–173, §911(b)(4)(B), substituted “contract under section 1395kk–1 of this title that provides for making payments under this part” for “agreement under this section in introductory provisions.”

Subsec. (c)(3)(B). Pub. L. 108–173, §911(b)(5), struck out subsecs. (d) to (i), which related to nomination of agency or organization, designation of agency or organization to perform provider standards, criteria, and procedures for evaluation of agency or organization performance, termination of agreement, bonding requirement for officers and employees, and liability of certifying and disbursing officers.

Subsec. (j). Pub. L. 108–173, §911(b)(6), in introductory provisions, substituted “A contract with a medicare administrative contractor under section 1395kk–1 of this title with respect to the administration of this part” for “An agreement with an agency or organization under this section” and “such medicare administrative contractor” for “such agency or organization” in two places.

Subsec. (k). Pub. L. 108–173, §911(b)(6), substituted “A contract with a medicare administrative contractor under section 1395kk–1 of this title with respect to the administration of this part” for “An agreement with an agency or organization under this section” and “such medicare administrative contractor” for “such agency or organization.”

Subsec. (l). Pub. L. 108–173, §911(b)(7), struck out subsec. (l), which prohibited any activity pursuant to an agreement under this section that is carried out pursuant to a contract under the Medicare Integrity Program.


1994—Subsec. (f)(1)(A). Pub. L. 103–432, §151(b)(2)(A), inserted “(including the agency’s or organization’s success in recovering payments made under this subchapter for services for which payment has been or could be made under a primary plan as defined in section 1395y(b)(2)(A) of this title)’’ after “processing’’.

Subsec. (f)(2)(A)(ii). Pub. L. 103–432, §110(b)(2), substituted “such agency’s” for “such agency’’.


Subsec. (c)(3)(B). Pub. L. 103–66, §13568(a), added cls. (1) and (2) and struck out former cls. (i) and (ii) which read as follows:

(1) with respect to claims received in the 3-month period beginning July 1, 1988, 10 days, and

(ii) with respect to claims received in the 12-month period beginning October 1, 1988, 14 days.

1990—Subsec. (f). Pub. L. 101–508 designated existing provisions as par. (1), redesignated former pars. (1) and (2) as subpars. (A) and (B), respectively, struck out “Such standards and criteria shall be published in the Federal Register, and opportunity shall be provided for public comment prior to implementation. Such standards and criteria shall include with respect to claims for services furnished under this part by any provider of services other than a hospital whether such agency or organization is able to process 75 percent of recombinations within 60 days (except in the case of the fiscal year 1989, 66 percent of recombinations) and 90 percent of recombinations within 90 days and the extent to which its determinations are reversed on appeal.”, and added par. (2).

1989—Subsec. (c)(1). Pub. L. 101–239, §6202(d)(1), added at end “The Secretary may not require, as a condition of entering into or renewing an agreement under this section or under section 1395hh of this title, that a fiscal intermediary match data obtained other than in its activities under this part with data used in the administration of this part for purposes of identifying situations in which the provisions of section 1395y(b) of this title may apply.”.


Subsec. (k). Pub. L. 101–239, §203(f), added subsec. (k), inserted at end “The Secretary may not require, as a condition of entering into or renewing an agreement under this section or under section 1395hh of this title, that a fiscal intermediary match data obtained other than in its activities under this part with data used in the administration of this part for purposes of identifying situations in which the provisions of section 1395y(b) of this title may apply.”.


1987—Subsec. (c)(1). Pub. L. 100–203, §4038(a)(1), inserted at end “The Secretary shall cause to have published in the Federal Register, by not later than September 1 before each fiscal year, data, standards, and methodology to be used to establish budgets for fiscal intermediaries under this section for that fiscal year, and shall cause to be published in the Federal Register for public comment, at least 90 days before such fiscal year, data, standards, and methodology are published, the data, standards, and methodology proposed to be used.”

Subsec. (c)(2)(C). Pub. L. 100–203, §4085(d)(1), substituted “‘hospice program, comprehensive outpatient rehabilitation facility, or rehabilitation agency’” for “‘hospice program’”.

Subsec. (c)(3). Pub. L. 100–203, §4031(a)(1), added par. (3).

Subsec. (f). Pub. L. 100–203, §4023(b), inserted at end “Such standards and criteria shall include with respect to claims for services furnished under this part by any
provider of services other than a hospital whether such agency or organization is able to process 75 percent of reconsiderations within 60 days (except in the case of the fiscal year 1989, 66 percent of reconsiderations) and 90 percent of reconsiderations within 90 days and the extent to which its determinations are reversed on appeal.

Subsec. (h). Pub. L. 99–509, § 931(b), redesignated existing provisions as par. (1) and added par. (2).

1984—Subsec. (c). Pub. L. 98–369, § 2326(d)(1), inserted provision that the Secretary, in determining the necessary and proper cost of administration with respect to each agreement, take into account the amount that is reasonable and adequate to meet the costs which must be incurred by an efficiently and economically operated agency or organization in carrying out the terms of its agreement.

Subsec. (e)(4). Pub. L. 98–369, § 2326(b)(1), struck out cl. (2) by redesignation of subsec. (j). Subsec. (f), added provision that not later than July 1, 1987, the Secretary limit the number of regional agencies or organizations to not more than ten.

Subsec. (b). Pub. L. 95–142, § 14(a)(2), substituted provisions relating to applicability to providers associated (g) and (h), respectively, as (g) and inserted provisions relative to providers assigned to the agency or organization under subsec. (e) of this section.


1980—Subsec. (e)(2). Pub. L. 96–499, § 930(o)(1), inserted "subject to the provisions of paragraph (4)".


1977—Subsec. (a). Pub. L. 95–142, § 14(a)(1), inserted provisions relating to applicability to providers associated with the agency or organization under subsec. (e) of this section.

1965—Subsec. (b). Pub. L. 91–409, § 14(a)(2), substituted provisions setting forth criteria for agreements between the Secretary or renewal of such agreements with agencies or organizations, for provisions setting forth criteria for agreements with agencies or organizations.

Subsecs. (e), (f). Pub. L. 91–452, § 14(a)(4), (5), added subsecs. (e) and (f), Former subsecs. (e) and (f) redesignated (g) and (h), respectively.

Subsec. (g). Pub. L. 95–142, § 14(a)(3), (4), redesignated former subsec. (e) as (g) and inserted provisions relative to applicability of standards, etc., developed under subsec. (d) of this section.


EFFECTIVE DATE OF 2006 AMENDMENT

Pub. L. 109–191, title V, § 5202(b), Feb. 8, 2006, 120 Stat. 47, provided that: "The amendments made by this section [amending this section and section 1395u of this title] shall apply to claims received on or after January 1, 2006."

EFFECTIVE DATE OF 2003 AMENDMENT

Amendment by section 911(b) of Pub. L. 108–173 effective Oct. 1, 2005, except as otherwise provided, with transition rules authorizing Secretary of Health and Human Services to continue to enter into agreements under this section prior to such date, and provisions authorizing continuation of Medicare Integrity Program functions during the period that begins on Dec. 8, 2003, and ends on Oct. 1, 2011, see section 911(d) of Pub. L. 108–173, set out as an Effective Date; Transition Rule note under section 1395kk–1 of this title.

EFFECTIVE DATE OF 1997 AMENDMENT

Amendment by Pub. L. 105–33 applicable to services furnished on or after Oct. 1, 1997, see section 4201(d) of Pub. L. 105–33, set out as a note under section 1395f of this title.

EFFECTIVE DATE OF 1994 AMENDMENT


EFFECTIVE DATE OF 1993 AMENDMENT

Pub. L. 103–66, title XIII, § 13568(c), Aug. 10, 1993, 107 Stat. 608, provided that: "The amendments made by this section [amending this section and section 1395u of this title] shall apply to claims received on or after October 1, 1993."

EFFECTIVE DATE OF 1989 AMENDMENT

Pub. L. 101–239, title VI, § 6202(d)(3), Dec. 19, 1989, 103 Stat. 2224, provided that: "The amendments made by this subsection [amending this section and section 1395u of this title] shall apply to agreements and contracts entered into or renewed on or after the date of the enactment of this Act [Dec. 19, 1989]."


EFFECTIVE DATE OF 1988 AMENDMENT

Amendment by section 203(f) of Pub. L. 100–360 applicable to items and services furnished on or after Jan. 1, 1990, see section 203(g) of Pub. L. 100–360, set out as a note under section 1395u of this title.

Except as specifically provided in section 411 of Pub. L. 100–360, amendment by section 411(e)(1)(B) of Pub. L. 100–360, as it relates to a provision in the Omnibus Budget Reconciliation Act of 1987, Pub. L. 100–203, effective as if included in the enactment of that provision in Pub. L. 100–203, see section 411(a) of Pub. L. 100–360, set out as a Reference to OBRA; Effective Date note under section 106 of Title I, General Provisions.

EFFECTIVE DATE OF 1987 AMENDMENT

Pub. L. 100–203, title IV, § 4031(a)(3)(A), Dec. 22, 1987, 101 Stat. 1330–78, provided that: "The amendments made by subsection (a) [amending this section and section 1395u of this title] shall apply to claims received on or after January 1, 1988."


"(B) The amendment made by subsection (b) [amending this section] shall apply with respect to reconsiderations requested on or after October 1, 1987."


Pub. L. 100–203, title IV, § 4065(d)(2), Dec. 22, 1987, 101 Stat. 1330–131, provided that: "(A) The amendment made by paragraph (1) [amending this section] shall apply to claims received on or after the date of enactment of this Act [Dec. 22, 1987]."

"(B) The Secretary of Health and Human Services shall provide for such timely amendments to agreements under section 1316 [42 U.S.C. 1395f(h)], and regulations, to such extent as may be necessary to implement the amendment made by paragraph (1)."

EFFECTIVE DATE OF 1986 AMENDMENT

"(1) Except as provided in paragraph (2), the amendments made by subsections (b) and (c) [amending this section and section 1395u of this title] shall apply to claims received on or after October 1, 1990, any final regulation, instruction, or other policy change which was primarily intended to have the effect of slowing down claims processing, or delaying payment of claims, under this chapter, and that section 4031 of Pub. L. 100–203, amending this section and section 1395u of this title and enacting provisions set out as notes under this section, was a necessary (but secondary) result of a significant policy change.

AMENDMENTS TO AGREEMENTS AND CONTRACTS NECESSARY TO IMPLEMENT SECTION 4032(a), (b) OF PUB. L. 100–203

Pub. L. 100–203, title IV, § 4032(c)(2), Dec. 22, 1987, 101 Stat. 1330–77, provided that: "The amendments made by this subsection [amending this section and section 1395u of this title] shall apply to agreements made by subsections (a) and (b) [amending this section] on a timely basis."

REPLACEMENT OF AGENCY, ORGANIZATION, OR CARRIER PROCESSING MEDICARE CLAIMS: NUMBER OF AGREEMENTS AND CONTRACTS AUTHORIZED FOR FISCAL YEARS 1985 THROUGH 1993

paragraphs (1) through (4) of section 1842(a) of such Act, as the case may be, and must be a health insuring organization (as determined by the Secretary).

(2) A person who is not a provider and who is in the business of providing health care services may participate in the Medicare program as a provider if, (a)(5) not later than Oct. 1, 1978.

§ 1395i. Federal Hospital Insurance Trust Fund

(a) Creation; deposits; transfers from Treasury

There is hereby created on the books of the Treasury of the United States a trust fund to be known as the “Federal Hospital Insurance Trust Fund” (hereinafter in this section referred to as the “Trust Fund”). The Trust Fund shall consist of such gifts and bequests as may be made as provided in section 401(i)(1) of this title, and any amounts subsequently transferred to the extent prior estimates were in excess of or were less than the taxes specified in such sentence.

(b) Board of Trustees; composition; meetings; duties

With respect to the Trust Fund, there is hereby created a body to be known as the Board of Trustees of the Trust Fund (hereinafter in this section referred to as the “Board of Trustees”) composed of the Commissioner of Social Security, the Secretary of the Treasury, the Secretary of Labor, and the Secretary of Health and Human Services, all ex officio, and of two members of the public (both of whom may not be from the same political party), who shall be nominated by the President for a term of four years and subject to confirmation by the Senate. A member of the Board of Trustees serving as a member of the public and nominated and confirmed to fill a vacancy occurring during a term shall be nominated and confirmed only for the remainder of such term. An individual nominated and confirmed as a member of the public may serve in such position after the expiration of such member’s term until the earlier of the time at which the member’s successor takes office or the time at which a report of the Board is first issued under paragraph (2) after the expiration of the member’s term. The Secretary of the Treasury shall be the Managing Trustee of the Board of Trustees (hereinafter in this section referred to as the “Managing Trustee”). The Administrator of the Centers for Medicare & Medicaid Services shall serve as the Secretary of the Board of Trustees. The Board of Trustees shall meet not less frequently than once each calendar year. It shall be the duty of the Board of Trustees to—

(1) Hold the Trust Fund;

(2) Report to the Congress not later than the first day of April of each year on the operation and status of the Trust Fund during the preceding fiscal year and on its expected operation and status during the current fiscal year and the next 2 fiscal years; Each report provided under paragraph (2) beginning with the report in 2005 shall include the information specified in section 801(a) of the Medicare Prescription Drug, Improvement, and Modernization Act of 2003.1

1 So in original. See 2003 Amendment note below.
(3) Report immediately to the Congress whenever the Board is of the opinion that the amount of the Trust Fund is unduly small; and
(4) Review the general policies followed in managing the Trust Fund, and recommend changes in such policies, including necessary changes in the provisions of law which govern the way in which the Trust Fund is to be managed.

The report provided for in paragraph (2) shall include a statement of the assets of, and the disbursements made from, the Trust Fund during the preceding fiscal year, an estimate of the expected income to, and disbursements to be made from, the Trust Fund during the current fiscal year and each of the next 2 fiscal years, and a statement of the actuarial status of the Trust Fund. Such report shall also include an actuarial opinion by the Chief Actuary of the Centers for Medicare & Medicaid Services certifying that the techniques and methodologies used are generally accepted within the actuarial profession and that the assumptions and cost estimates used are reasonable. Such report shall be printed as a House document of the session of the Congress to which the report is made. A person serving on the Board of Trustees shall not be considered to be a fiduciary and shall not be personally liable for actions taken in such capacity with respect to the Trust Fund.

(c) Investment of Trust Fund by Managing Trustee

It shall be the duty of the Managing Trustee to invest such portion of the Trust Fund as is not, in his judgment, required to meet current withdrawals. Such investments may be made only in interest-bearing obligations of the United States or in obligations guaranteed as to principal and interest by the United States. For such purpose such obligations may be acquired (1) on original issue at the issue price, or (2) by purchase of outstanding obligations at the market price. The purposes for which obligations of the United States may be issued under chapter 31 of title 31 are hereby extended to authorize the issuance at par of public-debt obligations issued for purchase by the Trust Fund. Such obligations issued for purchase by the Trust Fund shall have maturities fixed with due regard for the needs of the Trust Fund and shall bear interest at a rate equal to the average market yield (computed by the Managing Trustee on the basis of market quotations as of the end of the calendar month next preceding the date of such issue) on all marketable interest-bearing obligations of the United States then forming a part of the public debt which are not due or callable until after the expiration of 4 years from the end of such calendar month; except that where such average market yield is not a multiple of one-eighth of 1 per centum, the rate of interest on such obligations shall be the multiple of one-eighth of 1 per centum nearest such market yield. The Managing Trustee may purchase other interest-bearing obligations of the United States or obligations guaranteed as to both principal and interest by the United States, on original issue or at the market price, only where he determines that the purchase of such other obligations is in the public interest.

(d) Authority of Managing Trustee to sell obligations

Any obligations acquired by the Trust Fund (except public-debt obligations issued exclusively to the Trust Fund) may be sold by the Managing Trustee at the market price, and such public-debt obligations may be redeemed at par plus accrued interest.

(e) Interest on and proceeds from sale or redemption of obligations

The interest on, and the proceeds from the sale or redemption of, any obligations held in the Trust Fund shall be credited to and form a part of the Trust Fund.

(f) Payment of estimated taxes

(1) The Managing Trustee is directed to pay from time to time from the Trust Fund into the Treasury the amount estimated by him as taxes imposed under section 3101(b) which are subject to refund under section 6413(c) of the Internal Revenue Code of 1986 with respect to wages paid after December 31, 1965. Such taxes shall be determined on the basis of the records of wages established and maintained by the Commissioner of Social Security in accordance with the wages reported to the Secretary of the Treasury by his delegate pursuant to subtitle F of the Internal Revenue Code of 1986, and the Commissioner of Social Security shall furnish the Managing Trustee such information as may be required by the Managing Trustee for such purpose. The payments by the Managing Trustee shall be covered into the Treasury as repayments to the account for refunding internal revenue collections.

(2) Repayments made under paragraph (1) shall not be available for expenditures but shall be carried to the surplus fund of the Treasury. If it subsequently appears that the estimates under such paragraph in any particular period were too high or too low, appropriate adjustments shall be made by the Managing Trustee in future payments.

(g) Transfers from other Funds

There shall be transferred periodically (but not less often than once each fiscal year) to the Trust Fund from the Federal Old-Age and Survivors Insurance Trust Fund and from the Federal Disability Insurance Trust Fund amounts equivalent to the amounts not previously so transferred which the Secretary of Health and Human Services shall have certified as overpayments (other than amounts so certified to the Railroad Retirement Board) pursuant to section 1395gg(b) of this title. There shall be transferred periodically (but not less often than once each fiscal year) to the Trust Fund from the Railroad Retirement Account amounts equivalent to the amounts not previously so transferred which the Secretary of Health and Human Services shall have certified as overpayments to the Railroad Retirement Board pursuant to section 1395gg(b) of this title.

(h) Payments from Trust Fund amounts certified by Secretary

The Managing Trustee shall also pay from time to time from the Trust Fund such amounts as the Secretary of Health and Human Services certifies are necessary to make the payments...
provided for by this part, and the payments with respect to administrative expenses in accordance with section 401(g)(1) of this title.

(i) Payment of travel expenses for travel within United States; reconsideration interviews and proceedings before administrative law judges

There are authorized to be made available for expenditure out of the Trust Fund such amounts as are required to pay travel expenses, either on an actual cost or commuted basis, to parties, their representatives, and all reasonably necessary witnesses for travel within the United States (as defined in section 410(i) of this title) to attend reconsideration interviews and proceedings before administrative law judges with respect to any determination under this subchapter. The amount available under the preceding sentence for payment for air travel by any person shall not exceed the coach fare for air travel between the points involved unless the use of first-class accommodations is required (as determined under regulations of the Secretary) because of such person’s health condition or the unavailability of alternative accommodations; and the amount available for payment for other travel by any person shall not exceed the cost of travel (between the points involved) by the most economical and expeditious means of transportation appropriate to such person’s health condition, as specified in such regulations.

The amount available for payment under this subsection for travel by a representative to attend an administrative proceeding before an administrative law judge or other adjudicator shall not exceed the maximum amount allowable under this subsection for such travel originating within the geographic area of the office having jurisdiction over such proceeding.

(j) Loans from other Funds; interest; repayment; report to Congress

(1) If at any time prior to January 1988 the Managing Trustee determines that borrowing authorized under this subsection is appropriate in order to best meet the need for financing the benefit payments from the Federal Hospital Insurance Trust Fund, the Managing Trustee may, subject to paragraph (5), borrow such amounts as he determines to be appropriate from either the Federal Old-Age and Survivors Insurance Trust Fund or the Federal Disability Insurance Trust Fund to the Federal Hospital Insurance Trust Fund, the Managing Trustee determines that the Hospital Insurance Trust Fund ratio exceeds 15 percent, he shall transfer from such Trust Fund to the lending trust fund an amount that—

(I) together with any amounts transferred to another lending trust fund under this paragraph for such year, will reduce the Hospital Insurance Trust Fund ratio to 15 percent; and

(II) does not exceed the outstanding balance of such loan.

(ii) Amounts required to be transferred under clause (i) shall be transferred on the last day of the first month of the year succeeding the year in which the determination described in clause (i) is made.

(iii) For purposes of this subparagraph, the term “Hospital Insurance Trust Fund ratio” means, with respect to any calendar year, the ratio of—

(I) the balance in the Federal Hospital Insurance Trust Fund, as of the last day of such calendar year; to

(II) the amount estimated by the Secretary to be the total amount to be paid from the Federal Hospital Insurance Trust Fund during the calendar year following such calendar year (other than payments of interest on, and repayments of, loans from the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund under paragraph (1)), and reducing the amount of any transfer to the Railroad Retirement Account by the amount of any transfers into such Trust Fund from the Railroad Retirement Account.

(C)(i) The full amount of all loans made under paragraph (1) (whether made before or after January 1, 1983) shall be repaid at the earliest feasible date and in any event no later than December 31, 1989.

(ii) For the period after December 31, 1987 and before January 1, 1990, the Managing Trustee shall transfer each month from the Federal Hospital Insurance Trust Fund to any Trust Fund that is owed any amount by the Federal Hospital Insurance Trust Fund on a loan made under paragraph (1), an amount not less than an amount equal to—

(I) the amount owed to such Trust Fund by the Federal Hospital Insurance Trust Fund at the beginning of such month (plus the interest accrued on the outstanding balance of such loan during such month), divided by

(II) the number of months elapsing after the preceding month and before January 1990. The Managing Trustee may, during this period, transfer larger amounts than prescribed by the preceding sentence.

(4) The Board of Trustees shall make a timely report to the Congress of any amounts transferred (including interest payments) under this subsection.
(A) No amounts may be loaned by the Federal Old-Age and Survivors Insurance Trust Fund or the Federal Disability Insurance Trust Fund under paragraph (1) during any month if the OASDI trust fund ratio for such month is less than 10 percent.

(B) For purposes of this paragraph, the term "OASDI trust fund ratio" means, with respect to any month, the ratio of—

(i) the combined balance in the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund, reduced by the outstanding amount of any loan (including interest thereon) theretofore made to either such Trust Fund from the Federal Hospital Insurance Trust Fund under section 401(l) of this title, as of the last day of the second month preceding such month, to

(ii) the amount obtained by multiplying by twelve the total amount which (as estimated by the Secretary) will be paid from the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund during the month for which such ratio is to be determined for all purposes authorized by section 401 of this title (other than payments of interest on, or repayments of, loans from the Federal Hospital Insurance Trust Fund under section 401(l) of this title), but excluding any transfer payments between such trust funds and reducing the amount of any transfers to the Railroad Retirement Account by the amount of any transfers into either such trust fund from that Account.

(k) Health Care Fraud and Abuse Control Account

(1) Establishment

There is hereby established in the Trust Fund an expenditure account to be known as the "Health Care Fraud and Abuse Control Account" (in this subsection referred to as the "Account").

(2) Appropriated amounts to Trust Fund

(A) In general

There are hereby appropriated to the Trust Fund—

(i) such gifts and bequests as may be made as provided in subparagraph (B); and

(ii) such amounts as may be deposited in the Trust Fund as provided in sections 242(b) and 249(c) of the Health Insurance Portability and Accountability Act of 1996, and subchapter XI; and

(iii) such amounts as are transferred to the Trust Fund under subparagraph (C).

(B) Authorization to accept gifts

The Trust Fund is authorized to accept on behalf of the United States money gifts and bequests made unconditionally to the Trust Fund, for the benefit of the Account or any activity financed through the Account.

(C) Transfer of amounts

The Managing Trustee shall transfer to the Trust Fund, under rules similar to the rules in section 9601 of the Internal Revenue Code of 1986, an amount equal to the sum of the following:

(i) Criminal fines recovered in cases involving a Federal health care offense (as defined in section 24(a) of title 18).

(ii) Civil monetary penalties and assessments imposed in health care cases, including amounts recovered under this subchapter and subchapters XI and XIX, and chapter 38 of title 31 (except as otherwise provided by law).

(iii) Amounts resulting from the forfeiture of property by reason of a Federal health care offense.

(iv) Penalties and damages obtained and otherwise creditable to miscellaneous receipts of the general fund of the Treasury obtained under sections 3729 through 3753 of title 31 (known as the False Claims Act), in cases involving claims related to the provision of health care items and services (other than funds awarded to a relator, for restitution or otherwise authorized by law).

(D) Application

Nothing in subparagraph (C)(iii) shall be construed to limit the availability of recoveries and forfeitures obtained under title I of the Employee Retirement Income Security Act of 1974 [29 U.S.C. 1001 et seq.] for the purpose of providing equitable or remedial relief for employee welfare benefit plans, and for participants and beneficiaries under such plans, as authorized under such title.

(3) Appropriated amounts to Account for fraud and abuse control program, etc.

(A) Departments of Health and Human Services and Justice

(i) In general

There are hereby appropriated to the Account from the Trust Fund such sums as the Secretary and the Attorney General certify are necessary to carry out the purposes described in subparagraph (C), to be available without further appropriation until expended, in an amount not to exceed—

(I) for fiscal year 1997, $104,000,000;

(II) for each of the fiscal years 1998 through 2003, the limit for the preceding fiscal year, increased by 15 percent;

(III) for each of fiscal years 2004, 2005, and 2006, the limit for fiscal year 2003; and

(IV) for each fiscal year after fiscal year 2006, the limit under this clause for the preceding fiscal year, increased by the percentage increase in the consumer price index for all urban consumers (all items; United States city average) over the previous year.

(ii) Medicare and medicaid activities

For each fiscal year, of the amount appropriated in clause (i), the following amounts shall be available only for the purposes of the activities of the Office of the Inspector General of the Department of Health and Human Services with respect to the programs under this subchapter and subchapter XIX—

(I) for fiscal year 1997, not less than $60,000,000 and not more than $70,000,000;

(II) for fiscal year 1998, not less than $80,000,000 and not more than $90,000,000;
There are hereby appropriated from the general fund of the United States Treasury the following:

(A) In general

There are hereby appropriated to the Account from the Trust Fund for each fiscal year such amounts as are necessary for activities described in paragraph (3)(C) and to carry out the Medicare Integrity Program under section 1395ddd of this title, subject to subparagraphs (B), (C), and (D) and to be available without further appropriation until expended.

(B) Amounts specified

Subject to subparagraph (C), the amount appropriated under subparagraph (A) for a fiscal year is as follows:

(i) For fiscal year 1997, such amount shall be not less than $430,000,000 and not more than $440,000,000.

(ii) For fiscal year 1998, such amount shall be not less than $490,000,000 and not more than $500,000,000.

(iii) For fiscal year 1999, such amount shall be not less than $550,000,000 and not more than $560,000,000.

(iv) For fiscal year 2000, such amount shall be not less than $620,000,000 and not more than $630,000,000.

(v) For fiscal year 2001, such amount shall be not less than $690,000,000 and not more than $700,000,000.

(vi) For fiscal year 2002, such amount shall be not less than $760,000,000 and not more than $770,000,000.

(vii) For each fiscal year after fiscal year 2002, such amount shall be not less than $710,000,000 and not more than $720,000,000.

(C) Adjustments

The amount appropriated under subparagraph (A) for a fiscal year is increased as follows:

(i) For fiscal year 2006, $100,000,000.

(ii) For each fiscal year after 2010, by the percentage increase in the consumer price index for all urban consumers (all items; United States city average) over the previous year.

(D) Expansion of the Medicare-Medicaid Data Match Program

The amount appropriated under subparagraph (A) for a fiscal year is further increased as follows for purposes of carrying out section 1395ddd(b)(6) of this title for the respective fiscal year:

(i) $12,000,000 for fiscal year 2006.

(ii) $24,000,000 for fiscal year 2007.

(iii) $36,000,000 for fiscal year 2008.

(iv) $48,000,000 for fiscal year 2009.

(v) $60,000,000 for fiscal year 2010 and each fiscal year thereafter.

(5) Annual report

Not later than January 1, the Secretary and the Attorney General shall submit jointly a report to Congress which identifies—

(A) the amounts appropriated to the Trust Fund for the previous fiscal year under paragraph (2)(A) and the source of such amounts; and
(B) the amounts appropriated from the Trust Fund for such year under paragraph (3) and the justification for the expenditure of such amounts.

(6) GAO report

Not later than June 1, 1998, and January 1 of 2000, 2002, and 2004, the Comptroller General of the United States shall submit a report to Congress which—

(A) identifies—

(i) the amounts appropriated to the Trust Fund for the previous two fiscal years under paragraph (2)(A) and the source of such amounts; and

(ii) the amounts appropriated from the Trust Fund for such fiscal years under paragraph (3) and the justification for the expenditure of such amounts;

(B) identifies any expenditures from the Trust Fund with respect to activities not involving the program under this subchapter;

(C) identifies any savings to the Trust Fund, and any other savings, resulting from expenditures from the Trust Fund; and

(D) analyzes such other aspects of the operation of the Trust Fund as the Comptroller General of the United States considers appropriate.

(7) Additional funding

In addition to the funds otherwise appropriated to the Account from the Trust Fund under paragraphs (3) and (4) and for purposes described in paragraphs (3)(C) and (4)(A), there are hereby appropriated an additional $10,000,000 to such Account from such Trust Fund for each of fiscal years 2011 through 2020. The funds appropriated under this paragraph shall be allocated in the same proportion as the total funding appropriated with respect to paragraphs (3)(A) and (4)(A) was allocated with respect to fiscal year 2010, and shall be available without further appropriation until expended.

(8) Additional funding

(A) in general

In addition to the funds otherwise appropriated to the Account from the Trust Fund under paragraphs (3) and (4) and for purposes described in paragraphs (3)(C) and (4)(A), there are hereby appropriated to such Account from such Trust Fund the following additional amounts:

(i) For fiscal year 2011, $95,000,000.

(ii) For fiscal year 2012, $55,000,000.

(iii) For each of fiscal years 2013 and 2014, $30,000,000.

(iv) For each of fiscal years 2015 and 2016, $20,000,000.

(B) allocation

The funds appropriated under this paragraph shall be allocated in the same proportion as the total funding appropriated with respect to paragraphs (3)(A) and (4)(A) was allocated with respect to fiscal year 2010, and shall be available without further appropriation until expended.


REFERENCES IN TEXT

The Internal Revenue Code of 1986, referred to in subsec. (a)(1), (2), (3)(C), and (4)(C)(2), is classified generally to Title 26, Internal Revenue Code. Subtitle E of such Code appears at section 6001 et seq. of Title 26.

Section 801(a) of the Medicare Prescription Drug, Improvement, and Modernization Act of 2003, referred to in subsec. (b)(2), is section 801(a) of Pub. L. 108–173, which is set out as a note under this section.

Sections 242(b) and 249(b) of the Health Insurance Portability and Accountability Act of 1996, referred to in subsec. (k)(2)(A)(ii), are sections 242(b) and 249(b) of Pub. L. 104–191, which are set out as notes under this section.


AMENDMENTS


Subsec. (k)(3)(A)(iv). Pub. L. 111–148, §6021(i)(2)(A)(iv), struck out subcl. (v) which read as follows: “for each fiscal year after fiscal year 2010, the limit under this clause for fiscal year 2010.”


follows: "for each fiscal year after fiscal year 2010, not less than the amount required under this clause for fiscal year 2010."


Subsec. (k)(3)(B)(ix). Pub. L. 111–146, § 6402(1)(2)(C)(iii), struck out cl. (ix) which read as follows: "for each fiscal year after fiscal year 2010, the amount to be appropriated under this subparagraph for fiscal year 2010."

Subsec. (k)(4)(A). Pub. L. 111–152, § 1303(a)(2)(B), inserted "for activities described in paragraph (3)(C) and after "necessary".


Subsec. (k)(3)(B). Pub. L. 109–432, § 303(b), in introductory provisions inserted "until expended" after "without further appropriation"; in cl. (vi) struck out "and" at end, in cl. (vii) substituted "for each of fiscal years 2003, 2004, 2005, and 2006" for "for each fiscal year after fiscal year 2002" and semicolon for period at end, and added clss. (viii) and (ix).

Subsec. (k)(4)(A). Pub. L. 109–171, § 6094(4)(2)(A), substituted "subject to subparagraphs (B), (C), and (D)" for "subject to paragraph (B)".


2003—Subsec. (b). Pub. L. 108–173, § 900(e)(1)(B), inserted after first sentence "A member of the Board of Trustees serving as a member of the public and nominated and confirmed as if such section had not been enacted, see 1988 Amendment note below.

1988 Amendment note below.
1983—Subsec. (a). Pub. L. 98–21, §141(b)(1)(A), in provisions following par. (2) substituted “monthly on the first day of each calendar month” for “from time to time”, substituted “paid to or deposited into the Treasury during such month” for “paid to or deposited into the Treasury”, and inserted provision that all amounts transferred to the Trust Fund under existing provisions shall be invested by the Managing Trustee in the same manner and to the same extent as the other assets of the Trust Fund; and the Trust Fund shall pay interest to the general fund on the amount so transferred on the first day of any month at a rate (calculated on a daily basis, and applied against the difference between the amount so transferred on such first day and the amount which would have been transferred to the Trust Fund up to that day under the procedures in effect on Jan. 1, 1983) equal to the rate earned by the investments of the Trust Fund in the same month under subsection (c).

Subsec. (b). Pub. L. 98–21, §341(b)(1), substituted in provisions preceding par. (1) “Secretary of Health and Human Services, all ex officio, and of two members of the public” for “both of whom may not be from the same political party”, who shall be nominated by the President for a term of four years and subject to confirmation by the Senate” for “Secretary of Health, Education, and Welfare, all ex officio”.

Pub. L. 98–21, §154(b), inserted at end provision that the report referred to in par. (2) shall also include an actuarial opinion by the Chief Actuarial Officer of the Health Care Financing Administration certifying that the techniques and methodologies used are generally accepted within the actuarial profession and that the assumptions and cost estimates used are reasonable and provided further that the certification shall not refer to economic assumptions underlying the Trustee’s report.

Pub. L. 98–21, §341(b)(2), inserted at end provision that a person serving on the Board of Trustees shall not be considered to be a fiduciary and shall not be personally liable for actions taken in such capacity with respect to the Trust Fund.

Subsec. (j)(1). Pub. L. 98–21, §142(b)(1), substituted reference to January 1988 for reference to January 1983 and inserted “, subject to paragraph (5),” after “may”.

Subsec. (j)(2). Pub. L. 98–21, §142(b)(2)(A), substituted “on the last day of each month after such loan is made” for “from time to time”, substituted “the total interest accrued to such day” for “interest”, and inserted “even if such an investment would earn interest at a rate different than the rate earned by investments redeemed by the lending fund in order to make the loan”.

Subsec. (j)(3)(A). Pub. L. 98–21, §142(b)(3), designated existing provisions as subpar. (A) and added subpars. (B) and (C).


1972—Subsec. (a). Pub. L. 92–603 inserted “such gifts and bequests as may be made as provided in section 401(i)(1) of this title,” and “for “March”.

Effective Date of 1994 Amendment

Effective Date of 1990 Amendment
Amendment by Pub. L. 101–508 applicable with respect to determinations made on or after July 1, 1991, and to reimbursement for travel expenses incurred on or after Apr. 1, 1991, see section 1101(g) of Pub. L. 101–508, set out as a note under section 401 of this title.

Effective Date of 1989 Amendment

Effective Date of 1988 Amendment
Amendment by Pub. L. 100–647 applicable to members of Board of Trustees of Federal Hospital Insurance Trust Fund serving on such Board as members of the public on or after Nov. 10, 1988, see section 8005(b) of Pub. L. 100–647, set out as a note under section 401 of this title.

Effective Date of 1984 Amendment
Amendment by Pub. L. 98–369, div. B, title III, §2337(b), July 18, 1984, 98 Stat. 1091, provided that: “The amendments made by subsection (a) [amending this section] shall become effective on the first day of the month following the month in which this Act is enacted [July 1984].”

Amendment by section 2334(b)(2) of Pub. L. 98–369 effective July 18, 1984, but not to be construed as changing or affecting any right, liability, status, or interpretation which existed (under the provisions of law involved) before that date, see section 2354(e)(1) of Pub. L. 98–369, set out as a note under section 3320a–1 of this title.

Amendment by section 2693(j)(2)(F)(i) of Pub. L. 98–369 effective July 18, 1984, but not to be construed as changing or affecting any right, liability, status, or interpretation which existed (under the provisions of law involved) before that date, see section 2694(b) of Pub. L. 98–369, set out as a note under section 401 of this title.

Effective Date of 1983 Amendment
Amendment by section 141(b) of Pub. L. 98–21 effective on first day of month following April 1983, see section 141(c) of Pub. L. 98–21, set out as a note under section 401 of this title.

Pub. L. 98–21, title I, §142(b)(2)(B), Apr. 20, 1983, 97 Stat. 191, provided that: “The amendment made by this paragraph [amending this section] shall apply with respect to months beginning more than 30 days after the date of enactment of this Act [Apr. 20, 1983].”

Amendment by sections 154(b) and 341(b) of Pub. L. 98–21 effective Apr. 20, 1983, see section 154(e) and 341(d) of Pub. L. 98–21, set out as notes under section 401 of this title.

Effective Date of 1981 Amendment

Effective Date of 1978 Amendment
Amendment by Pub. L. 95–292 effective with respect to services, supplies, and equipment furnished after the third calendar month beginning after June 13, 1978, except that provisions for the implementation of an incentive reimbursement system for dialysis services furnished in facilities and providers to become effective with respect to a facility’s or provider’s first accounting period beginning after the last day of the twelfth month following the month of June 1978, and except that provisions for reimbursement rates for home dialysis to become effective by section 201 of the Health Insurance Portability and Accountability Act of 1996 (Public Law 104–191; 110 Stat. 1992),

Effective Date of 1999 Amendment
§ 1395i

TITLE 42—THE PUBLIC HEALTH AND WELFARE  Page 2674

CURRENT EFFECTIVE DATE OF 1972 AMENDMENT

Amendment by Pub. L. 92–601 applicable with respect to gifts and bequests received after Oct. 31, 1972, see section 332 of Pub. L. 92–601, set out as a note under section 401 of this title.

RESTORATION OF MEDICARE TRUST FUNDS


(a) DEFINITIONS.—In this section:

"(1) CLERICAL ERROR.—The term 'clerical error' means a failure that occurs on or after April 15, 2001, to have transferred the correct amount from the general fund of the Treasury to a Trust Fund.

"(2) TRUST FUND.—The term 'Trust Fund' means the Federal Hospital Insurance Trust Fund established under section 1817 of the Social Security Act (42 U.S.C. 1395t) and the Federal Supplementary Medical Insurance Trust Fund established under section 1841 of such Act (42 U.S.C. 1395i).

"(3) IN GENERAL.—The Secretary of the Treasury shall take the actions described in paragraph (2) with respect to the Trust Fund with the goal being that, after such actions are taken, the holdings of the Trust Fund will replicate, to the extent practicable in the judgment of the Secretary of the Treasury, in consultation with the Secretary [of Health and Human Services], the holdings that would have been held by the Trust Fund if the clerical error involved had not occurred.

"(2) OBLIGATIONS ISSUED AND REDEEMED.—The Secretary shall:

"(A) issue to the Trust Fund obligations under chapter 31 of title 31, United States Code, that bear issue dates, interest rates, and maturity dates that are the same as those for the obligations that—

"(i) would have been issued to the Trust Fund if the clerical error involved had not occurred; or

"(ii) were issued to the Trust Fund and were redeemed by reason of the clerical error involved; and

"(B) redeem from the Trust Fund obligations that would have been redeemed from the Trust Fund if the clerical error involved had not occurred.

"(c) APPROPRIATION.—There is appropriated to the Trust Fund, out of any money in the Treasury not otherwise appropriated, an amount determined by the Secretary of the Treasury, in consultation with the Secretary, to be equal to the interest income lost by the Trust Fund through the date on which the appropriation is being made as a result of the clerical error involved.

"(d) CONGRESSIONAL NOTICE.—In the case of a clerical error that occurs after April 15, 2001, the Secretary of the Treasury, before taking action to correct the error under this section, shall notify the appropriate committees of Congress concerning such error and the actions to be taken under this section in response to such error.

"(e) DEADLINE.—With respect to a clerical error that occurred on April 15, 2001, not later than 120 days after the date of the enactment of this Act [Dec. 8, 2003]—

"(1) the Secretary of the Treasury shall take the actions under subsection (b)(1); and

"(2) the appropriation under subsection (c) shall be made.

INCLUSION IN ANNUAL REPORT OF MEDICARE TRUSTEES OF INFORMATION ON STATUS OF MEDICARE TRUST FUNDS


"(a) DETERMINATIONS OF EXCESS GENERAL REVENUE MEDICARE FUNDING.—

"(1) IN GENERAL.—The Board of Trustees of each Medicare trust fund shall include in the annual reports submitted under subsection (b)(2) of sections 1817 and 1841 of the Social Security Act (42 U.S.C. 1395i and 1395t)

"(A) the information described in subsection (b); and

"(B) a determination as to whether there is projected to be excess general revenue Medicare funding (as defined in subsection (c)) for the fiscal year in which the report is submitted or for any of the succeeding 6 fiscal years.

"(2) MEDICARE FUNDING WARNING.—For purposes of section 1395i(a) of title 31, United States Code, and this subtitle [subtitle A (§§801–804) of title VIII of Pub. L. 108–173, amending this section, section 1395t of this title, and section 1105 of Title 31, Money and Finance, and enacting provisions set out as a note under section 1106 of Title 31], an affirmative determination under paragraph (1)(B) in 2 consecutive annual reports shall be treated as a medicare funding warning in the year in which the second such report is made.

"(3) 7-FISCAL-YEAR REPORTING PERIOD.—For purposes of this subtitle, the term '7-fiscal-year reporting period' means, with respect to a year in which an annual report described in paragraph (1) is made, the period of 7 consecutive fiscal years beginning with the fiscal year in which the report is submitted.

"(b) INFORMATION.—The information described in this section for an annual report in a year is as follows:

"(1) PROJECTIONS OF GROWTH OF GENERAL REVENUE SPENDING.—A statement of the general revenue Medicare funding as a percentage of the total Medicare outlays for each of the following:

"(A) Each fiscal year within the 7-fiscal-year reporting period.

"(B) Previous fiscal years and as of 10, 50, and 75 years after such year.

"(2) COMPARISON WITH OTHER GROWTH TRENDS.—A comparison of the trend of such percentages with the annual growth rate in the following:

"(A) The gross domestic product.

"(B) Private health costs.

"(C) National health expenditures.

"(D) Other appropriate measures.


"(4) COMBINED MEDICARE TRUST FUND ANALYSIS.—A financial analysis of the combined Medicare trust funds if general revenue Medicare funding were limited to the percentage specified in subsection (c)(1)(B) of total Medicare outlays.

"(c) DEFINITIONS.—For purposes of this section:

"(1) EXCESS GENERAL REVENUE MEDICARE FUNDING.—The term 'excess general revenue Medicare funding' means, with respect to a fiscal year, that—

"(A) general revenue Medicare funding (as defined in paragraph (2), expressed as a percentage of total Medicare outlays (as defined in paragraph (4)) for the fiscal year; exceeds

"(B) 45 percent.

"(2) GENERAL REVENUE MEDICARE FUNDING.—The term 'general revenue Medicare funding' means for a year—

"(A) the total Medicare outlays (as defined in paragraph (4)) for the year; minus

"(B) the dedicated Medicare financing sources (as defined in paragraph (3)) for the year.

"(3) DEDICATED MEDICARE FINANCING SOURCES.—The term 'dedicated Medicare financing sources' means the following:

"(A) Hospital insurance tax.—Amounts appropriated to the Hospital Insurance Trust Fund under the third sentence of section 1817(a) of the Social Security Act (42 U.S.C. 1395a(a)) and amounts transferred to such Trust Fund under section 7(c)(2) of the Railroad Retirement Act of 1974 (45 U.S.C. 231(c)(2))

"(B) TAXATION OF CERTAIN OASDI BENEFITS.—Amounts appropriated to the Hospital Insurance
Trust Fund under section 121(e)(1)(B) of the Social Security Amendments of 1983 (Public Law 98–21) [set out as a note under section 1401 of this title], as inserted by section 12215(c) of the Omnibus Budget Reconciliation Act of 1993 (Public Law 103–66).

“(C) STATE TRANSFERS.—The State share of amounts paid to the Federal Government by a State under section 1843 of the Social Security Act (42 U.S.C. 1395v) or pursuant to section 1935(c) of such Act (42 U.S.C. 1396a–5(c)).

“(D) PREMIUMS.—The following premiums:

“(i) PART A.—Premiums paid by non-Federal sources under sections 1818 and section (sic) 1818A (42 U.S.C. 1395l–2 and 1395l–2a) of such Act.

“(ii) Part B.—Premiums paid by non-Federal sources under section 1859 of such Act (42 U.S.C. 1395t), including any adjustments in premiums under such section.

“(iii) Part D.—Monthly beneficiary premiums paid under part D of title XVIII of such Act (42 U.S.C. 1395w–21 and seq.), as if such section 101, and MA monthly prescription drug beneficiary premiums paid under part C of such title (42 U.S.C. 1395w–21 and seq.) insofar as they are attributable to basic prescription drug coverage.

Premiums under clauses (i) and (ii) shall be determined without regard to any reduction in such premiums attributable to a beneficiary rebate under section 1854(b)(1)(C) of such title (42 U.S.C. 1395w–24(b)(1)(C)), as amended by section 222(b)(1), and premiums under clause (iii) are deemed to include any amounts paid under section 1860D–13(b) of such title (42 U.S.C. 1395w–13(b)), as added by section 101, and MA monthly prescription drug beneficiary premiums paid under part C of such title (42 U.S.C. 1395w–21 and seq.) insofar as they are attributable to basic prescription drug coverage.

“(4) TOTAL MEDICARE OUTLAYS.—The term ‘total Medicare outlays’ means total outlays from the medicare trust funds and shall—

“(A) include payments made to plans under part C of title XVIII of the Social Security Act (42 U.S.C. 1395w–21 et seq.) that are attributable to any rebates under section 1854(b)(1)(C) of such Act (42 U.S.C. 1395w–24(b)(1)(C)), as amended by section 222(b)(1); and

“(B) include administrative expenditures made in carrying out title XVIII of such Act (42 U.S.C. 1395 et seq.) and Federal outlays under sections 1935(b) of such Act (42 U.S.C. 1396a–5(b)), as added by section 103(a)(2); and

“(C) offset outlays by the amount of fraud and abuse collections insofar as they are applied or deposited into a medicare trust fund.

“(5) MEDICARE TRUST FUND.—The term ‘medicare trust fund’ means—

“(A) the Federal Hospital Insurance Trust Fund established under section 1817 of the Social Security Act (42 U.S.C. 1395l) and

“(B) the Federal Supplementary Medical Insurance Trust Fund established under section 1841 of such Act (42 U.S.C. 1395l) including the Medicare Prescription Drug Account under such Trust Fund.

“(d) CONFORMING AMENDMENTS.—

“(1) FEDERAL HOSPITAL INSURANCE TRUST FUND [Amended section 1395l of this title].

“(2) FEDERAL SUPPLEMENTARY MEDICAL INSURANCE TRUST FUND [Amended section 1395l of this title].

“(c) NOTICE OF MEDICARE FUNDING WARNING.—Whenever any report described in subsection (a) contains a determination that for any fiscal year within the 5-fiscal-year reporting period there will be excess general revenue medicare funding, Congress and the President should address the matter under existing rules and procedures.

CRIMINAL FINES DEPOSITED IN FEDERAL HOSPITAL INSURANCE TRUST FUND

Pub. L. 104–191, title II, §242(b), Aug. 21, 1996, 110 Stat. 2016, provided that: ‘‘The Secretary of the Treasury shall deposit into the Federal Hospital Insurance Trust Fund pursuant to section 1817(k)(2)(C) of the Social Security Act (42 U.S.C. 1395l) an amount equal to the criminal fines imposed under section 1347 of title 18, United States Code (relating to health care fraud).’’

PROPERTY FORFEITED DEPOSITED IN FEDERAL HOSPITAL INSURANCE TRUST FUND

Pub. L. 104–191, title II, §249(c), Aug. 21, 1996, 110 Stat. 2020, provided that: ‘‘(1) IN GENERAL.—After the payment of the costs of asset forfeiture has been made and after all restoration payments (if any) have been made, and notwithstanding any other provision of law, the Secretary of the Treasury shall deposit into the Federal Hospital Insurance Trust Fund pursuant to section 1817(k)(2)(C) of the Social Security Act (42 U.S.C. 1395l(k)(2)(C)), as added by section 301(b), an amount equal to the net amount realized from the forfeiture of property by reason of a Federal health care offense pursuant to section 882(a)(6) of title 18, United States Code.

“(2) COSTS OF ASSET FORFEITURE.—For purposes of paragraph (1), the term ‘payment of the costs of asset forfeiture’ means—

“(A) the payment, at the discretion of the Attorney General, of any expenses necessary to seize, detain, inventory, safeguard, maintain, advertise, sell, or dispose of property under federal supervision, or detention, or forfeiture, or of any other necessary expenses incidental to the seizure, detention, forfeiture, or disposal of such property, including payment for—

“(i) contract services;

“(ii) the employment of outside contractors to operate and manage properties or provide other specialized services necessary to dispose of such properties in an effort to maximize the return from such properties; and

“(iii) reimbursement of any Federal, State, or local agency for any expenditures made to perform the functions described in this subparagraph.

“(B) at the discretion of the Attorney General, the payment of awards for information or assistance leading to a civil or criminal forfeiture involving any Federal agency participating in the Health Care Fraud and Abuse Control Account;

“(C) the compromise and payment of valid liens and mortgages against property that has been forfeited, subject to the discretion of the Attorney General to determine the validity of any such lien or mortgage and the amount of payment to be made, and the employment of attorneys and other personnel skilled in State real estate law as necessary;

“(D) payment authorized in connection with remission or mitigation procedures relating to property forfeited; and

“(E) the payment of State and local property taxes on forfeited real property that accrued between the date of the violation giving rise to the forfeiture and the date of the forfeiture order.

“(3) RESTORATION PAYMENT.—Notwithstanding any other provision of law, if the Federal health care offense referred to in paragraph (1) resulted in a loss to an employee welfare benefit plan within the meaning of section 3(1) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1002(1)), the Secretary of the Treasury shall transfer to such employee welfare benefit plan an amount equal to such loss. For purposes of paragraph (1), the term ‘restoration payment’ means the amount transferred to an employee welfare benefit plan pursuant to this paragraph.’’

DUE DATE FOR 1983 REPORT ON OPERATION AND STATUS OF TRUST FUND

Notwithstanding subsec. (b)(2) of this section, the annual report of the Board of Trustees of the Trust Fund required for calendar year 1983 under this section may be filed at any time not later than forty-five days after Apr. 20, 1983, see section 154(d)(4) of Pub. L. 98–21, set out as a note under section 401 of this title.
§ 1395i–1. Authorization of appropriations

There are authorized to be appropriated to the Federal Hospital Insurance Trust Fund (established by section 1395i of this title) from time to time such sums as the Secretary deems necessary for any fiscal year, on account of—

(1) payments made or to be made during such fiscal year from such Trust Fund under this part with respect to individuals who are qualified railroad retirement beneficiaries (as defined in section 426(c)(1) of this title) and who are not, and upon filing application for monthly insurance benefits under section 402 of this title would not be, entitled to such benefits if service as an employee (as defined in the Railroad Retirement Act of 1937 [45 U.S.C. 228a et seq.]) after December 31, 1936, had been included in the term “employment” as defined in this chapter,

(2) the additional administrative expenses resulting or expected to result therefrom, and

(3) any loss of interest to such Trust Fund resulting from the payment of such amounts, in order to place such Trust Fund in the same position at the end of such fiscal year in which it would have been if the individuals described in paragraph (1) had not been entitled to benefits under this part.


REFERENCES IN TEXT

Section 426(c) of this title, referred to in par. (1), was redesignated section 426(d) of this title by Pub. L. 92–683, title II, § 201(b)(5), Oct. 30, 1972, 86 Stat. 1372.


CODIFICATION

Section was enacted as part of the Social Security Amendments of 1965 and also as part of the Health Insurance for the Aged Act, and not as part of the Social Security Act which comprises this chapter.

EFFECTIVE DATE

Pub. L. 89–97, title I, § 111(e), July 30, 1965, 79 Stat. 343, provided that:

“(1) The amendments made by the preceding provisions of this section (enacting this section and section 228e–2 of Title 45, Railroads, and amending section 1395i of this title and sections 1401, 3101, 3111, 3201, 3211, and 3221 of Title 26, Internal Revenue Code, and section 228b of Title 45) shall apply to the calendar year 1966 or to any subsequent calendar year, but only if the requirement in paragraph (2) of this section has been met with respect to such calendar year.

“(2) The requirement referred to in paragraph (1) shall be deemed to have been met with respect to any calendar year if, of the October 1 immediately preceding such calendar year, the Railroad Retirement Tax Act [section 3101 et seq. of Title 26] provides that the maximum amount of monthly compensation taxable under such Act during all months of such calendar year will be an amount equal to one-twelfth of the maximum wages which the Federal Insurance Contributions Act (section 3301 et seq. of Title 26) provides may be counted for such calendar year.”


EFFECTIVE DATE OF REPEAL

Repeal effective Jan. 1, 1990, see section 102(d)(1) of Pub. L. 101–234, set out as a note under section 59B of Title 26, Internal Revenue Code.

ADJUSTMENTS FOR INTEREST LOST DUE TO DELAY OF TRANSFERS TO RESERVE FUND DURING 1989

Pub. L. 100–360, title I, § 112(b), July 1, 1988, 102 Stat. 699, which directed Secretary of the Treasury, in July of 1990, to calculate interest lost to Federal Hospital Insurance Catastrophic Coverage Reserve Fund due to lag between outlays (attributable to amendments made by Pub. L. 100–360) from Federal Hospital Insurance Trust Fund during 1989 and transfers made to such Reserve Fund to cover such outlays, and provided that appropriations under subsection (a)(2) of this section include amount so calculated, was repealed by Pub. L. 101–234, title I, § 102(a), Dec. 13, 1989, 103 Stat. 1980.

§ 1395i–2. Hospital insurance benefits for uninsured elderly individuals not otherwise eligible

(a) Individuals eligible to enroll

Every individual who—

(1) has attained the age of 65,

(2) is enrolled under part B of this subchapter,

(3) is a resident of the United States, and is either (A) a citizen or (B) an alien lawfully admitted for permanent residence who has resided in the United States continuously during the 5 years immediately preceding the month in which he applies for enrollment under this section, and

(4) is not otherwise entitled to benefits under this part,

shall be eligible to enroll in the insurance program established by this part. Except as otherwise provided, any reference to an individual entitled to benefits under this part includes an individual entitled to benefits under this part pursuant to an enrollment under this section or section 1395i–2a of this title.

(b) Time, manner, and form of enrollment

An individual may enroll under this section only in such manner and form as may be prescribed in regulations, and only during an enrollment period prescribed in or under this section.

(c) Period of enrollment; scope of coverage

The provisions of section 1395p of this title (except subsection (f) thereof), section 1395q of this title, subsection (b) of section 1395r of this title, and subsections (f) and (h) of section 1395s of this title shall apply to persons authorized to enroll under this section except that—

1 See References in Text note below.
(1) individuals who meet the conditions of subsection (a)(1), (3), and (4) on or before the last day of the seventh month after October 1972 may enroll under this part and (if not already so enrolled) may also enroll under part B during an initial general enrollment period which shall begin on the first day of the second month which begins after October 30, 1972, and shall end on the last day of the tenth month after October 1972;

(2) in the case of an individual who first meets the conditions of eligibility under this section on or after the first day of the eighth month after October 1972, the initial enrollment period shall begin on the first day of the third month before the month in which he first becomes eligible and shall end 7 months later;

(3) in the case of an individual who enrolls pursuant to paragraph (1) of this subsection, entitlement to benefits shall begin on—

(A) the first day of the second month after the month in which he enrolls,

(B) July 1, 1973, or

(C) the first day of the first month in which he meets the requirements of subsection (a), whichever is the latest;

(4) an individual's entitlement under this section shall terminate with the month before the first month in which he becomes eligible for hospital insurance benefits under section 426 of this title or section 426a of this title; and upon such termination, such individual shall be deemed, solely for purposes of hospital insurance entitlement, to have filed in such first month the application required to establish such entitlement;

(5) termination of coverage for supplementary medical insurance shall result in simultaneous termination of hospital insurance benefits for uninsured individuals who are not otherwise entitled to benefits under this chapter;

(6) any percent increase effected under section 1395r(b) of this title in an individual's monthly premium may not exceed 10 percent and shall only apply to premiums paid during a period equal to twice the number of months in the full 12-month periods described in that section and shall be subject to reduction in accordance with subsection (d)(6);

(7) an individual who meets the conditions of subsection (a) may enroll under this part during a special enrollment period that includes any month during any part of which the individual is enrolled under section 1395mm of this title with an eligible organization and ending with the last day of the 8th consecutive month in which the individual is at no time so enrolled;

(8) in the case of an individual who enrolls during a special enrollment period under paragraph (7)—

(A) in any month of the special enrollment period in which the individual is at any time enrolled under section 1395mm of this title with an eligible organization or in the first month following such a month, the coverage period shall begin on the first day of the month in which the individual so enrolls (or, at the option of the individual, on the first day of any of the following three months), or

(B) in any other month of the special enrollment period, the coverage period shall begin on the first day of the month following the month in which the individual so enrolls; and

(9) in applying the provisions of section 1395r(b) of this title, there shall not be taken into account months for which the individual can demonstrate that the individual was enrolled under section 1395mm of this title with an eligible organization.

(d) Monthly premiums

(1) The Secretary shall, during September of each year (beginning with 1988), estimate the monthly actuarial rate for months in the succeeding year. Such actuarial rate shall be one-twelfth of the amount which the Secretary estimates (on an average, per capita basis) is equal to 100 percent of the benefits and administrative costs which will be payable from the Federal Hospital Insurance Trust Fund for services performed and related administrative costs incurred in the succeeding year with respect to individuals age 65 and over who will be entitled to benefits under this part during that year.

(2) The Secretary shall, during September of each year determine and promulgate the dollar amount which shall be applicable for premiums for months occurring in the following year. Subject to paragraphs (4) and (5), the amount of an individual's monthly premium under this section shall be equal to the monthly actuarial rate determined under paragraph (1) for that following year. Any amount determined under the preceding sentence which is not a multiple of $1 shall be rounded to the nearest multiple of $1 (or, if it is a multiple of 50 cents but not a multiple of $1, to the next higher multiple of $1).

(3) Whenever the Secretary promulgates the dollar amount which shall be applicable as the monthly premium under this section, he shall, at the time such promulgation is announced, issue a public statement setting forth the actuarial assumptions and bases employed by him in arriving at the amount of an adequate actuarial rate for individuals 65 and older as provided in paragraph (1).

(4)(A) In the case of an individual described in subparagraph (B), the monthly premium for a month shall be reduced by the applicable reduction percent specified in the following table:

<table>
<thead>
<tr>
<th>Year</th>
<th>Reduction Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>1994</td>
<td>25 percent</td>
</tr>
<tr>
<td>1995</td>
<td>30 percent</td>
</tr>
<tr>
<td>1996</td>
<td>35 percent</td>
</tr>
<tr>
<td>1997</td>
<td>40 percent</td>
</tr>
<tr>
<td>1998 or subsequent year</td>
<td>45 percent</td>
</tr>
</tbody>
</table>

(B) An individual described in this subparagraph with respect to a month is an individual who establishes to the satisfaction of the Secretary that, as of the last day of the previous month, the individual—

(i) had at least 30 quarters of coverage under subchapter II;

1 So in original. Probably should be followed by a comma.
(ii) was married (and had been married for the previous 1-year period) to an individual who had at least 30 quarters of coverage under such subchapter;

(iii) had been married to an individual for a period of at least 1 year (at the time of such individual’s death) if at such time the individual had at least 30 quarters of coverage under such subchapter; or

(iv) is divorced from an individual and had been married to the individual for a period of at least 10 years (at the time of the divorce) if at such time the individual had at least 30 quarters of coverage under such subchapter.

(5)(A) The amount of the monthly premium shall be zero in the case of an individual who is a person described in subparagraph (B) for a month if—

(I) the individual’s premium under this section for the month is not (and will not be) paid for, in whole or in part, by a State (under subchapter XIX or otherwise), a political subdivision of a State, or an agency or instrumentality of one or more States or political subdivisions thereof; and

(ii) in each of 84 months before such month, the individual was enrolled in this part under this section and the payment of the individual’s premium under this section for the month was not paid for, in whole or in part, by a State (under subchapter XIX or otherwise), a political subdivision of a State, or an agency or instrumentality of one or more States or political subdivisions thereof.

(B) A person described in this subparagraph for a month is a person who establishes to the satisfaction of the Secretary that, as of the last day of the previous month—

(i) the person was married (and had been married for the previous 1-year period) to an individual who is described in clause (i), (II) and was married (and had been married for the previous 1-year period) to an individual described in clause (i)(I);

(ii) the person had been married to an individual for a period of at least 1 year (at the time of the individual’s death) if (I) the individual was described in clause (i) at the time of the divorce, or (II) the person met the requirement of clause (i)(II) and the individual was described in clause (i)(I) at the time of the divorce.

(C) For purposes of subparagraph (B)(i)(I), the term “qualified State or local government retirement system” means a retirement system that—

(i) is established or maintained by a State or political subdivision thereof, or an agency or instrumentality of one or more States or political subdivisions thereof;

(ii) covers positions of some or all employees of such a State, subdivision, agency, or instrumentality; and

(iii) does not adjust cash retirement benefits based on eligibility for a reduction in premium under this paragraph.

(6)(A) In the case where a State, a political subdivision of a State, or an agency or instrumentality of a State or political subdivision thereof determines to pay, for the life of each individual, the monthly premiums due under paragraph (1) on behalf of each of the individuals in a qualified State or local government retiree group who meets the conditions of subsection (a), the amount of any increase otherwise applicable under section 1395r(b) of this title (as applied and modified by subsection (c)(6) of this section) with respect to the monthly premium for benefits under this part for an individual who is a member of such group shall be reduced by the total amount of taxes paid under section 3101(b) of the Internal Revenue Code of 1986 by such individual and under section 3111(b) of such Code by the employers of such individual on behalf of such individual with respect to employment (as defined in section 3121(b) of such Code).

(B) For purposes of this paragraph, the term “qualified State or local government retiree group” means all of the individuals who retire prior to a specified date that is before January 1, 2002, from employment in one or more occupations or other broad classes of employees of—

(i) the State;

(ii) a political subdivision of the State; or

(iii) an agency or instrumentality of the State or political subdivision of the State.

(e) Contract or other arrangement for payment of monthly premiums

Payment of the monthly premiums on behalf of any individual who meets the conditions of subsection (a) may be made by any public or private agency or organization under a contract or other arrangement entered into between it and the Secretary if the Secretary determines that payment of such premiums under such contract or arrangement is administratively feasible.

(f) Deposit of amounts into Treasury

Amounts paid to the Secretary for coverage under this section shall be deposited in the Treasury to the credit of the Federal Hospital Insurance Trust Fund.

(g) Buy-in under this part for qualified medicare beneficiaries

(1) The Secretary shall, at the request of a State made after 1989, enter into a modification
of an agreement entered into with the State pursuant to section 1395v(a) of this title under which the agreement provides for enrollment in the program established by this part of qualified medicare beneficiaries (as defined in section 1396d(p)(1) of this title).

(2) Except as provided in subparagraph (B), the provisions of subsections (c), (d), (e), and (f) of section 1395v of this title shall apply to qualified medicare beneficiaries enrolled, pursuant to such agreement, in the program established by this part in the same manner and to the same extent as they apply to qualified medicare beneficiaries enrolled, pursuant to such agreement, in part B.

(B) For purposes of this subsection, section 1395v(d)(1) of this title shall be applied by substituting “section 1395i–2 of this title” for “section 1395r of this title” and “subsection (c)” (with reference to subsection (b) of section 1395r of this title) for “subsection (b)”.


REPRESENTATIVE OF TEXT

The Internal Revenue Code of 1986, referred to in subsec. (d)(6)(A), is classified generally to Title 26, Internal Revenue Code.

AMENDMENTS

1983—Subsec. (a). Pub. L. 98–181, §101(c)(5), inserted at end of concluding provisions “Except as otherwise provided, any reference to an individual entitled to benefits under this part includes an individual entitled to coverage under this part pursuant to an enrollment under this section or section 1395i–2a of this title.”


1986—Subsec. (c)(1) to (7). Pub. L. 100–231, §606(a)(3)(D), substituted “subsection (a) of section 1395r of this title” for “subsection (a) of section 1395i–2 of this title”.

Subsec. (c)(1). Pub. L. 98–369, §2354(b)(3), substituted “October 1972” for “the month in which this Act is enacted”.

Subsec. (d). Pub. L. 98–369, §2354(b)(4), substituted “of such Code” after “3111(b)”.


Effective Date of 1993 Amendment

Effective Date of 1990 Amendment

Effective Date of 1989 Amendment

Effective Date of 1988 Amendment
Amendment by Pub. L. 98-21, applicable to premiums

Effective Date of 1987 Amendment
Pub. L. 99-272, title IX, §9124(b), Apr. 7, 1986, 100 Stat. 168, provided that:

“(1) The amendment made by subsection (a)(3) [amending this section] shall apply to premiums paid for months beginning with July 1986.

“(2) In applying that amendment, months (before, during, or after April 1986) in which an individual was required to pay a premium increased under the section that was so amended shall be taken into account in determining the month in which the premium will no longer be subject to an increase under that section as so amended.”

Effective Date of 1984 Amendment
Amendment by section 2315(e) of Pub. L. 98-369 effective as though included in the enactment of the Social Security Amendments of 1983, Pub. L. 98-21, see section 2315(g) of Pub. L. 98-369, set out as an Effective and Termination Dates of 1984 Amendments note under section 1395w of this title.

Amendment by section 2354(b)(3), (4) of Pub. L. 98-369 effective July 18, 1984, but not to be construed as changing or affecting any right, liability, status, or interpretation which existed (under the provisions of law involved) before that date, see section 2354(e)(1) of Pub. L. 98-369, set out as a note under section 1395w of this title.

Effective Date of 1983 Amendment; Transitional Rule
Amendment by Pub. L. 98-21 applicable to premiums for months beginning with January 1984, but for months after June 1983 and before January 1984, the monthly premium for June 1983 shall apply to individuals enrolled under parts A and B of this subchapter, see section 609(c) of Pub. L. 100-360, set out as a note under section 1395r of this title.

Special Enrollment Provisions for Merchant Seamen
Pub. L. 97-246, title I, §125, Sept. 3, 1982, 96 Stat. 365, provided that:

“(a) Any individual who—

“(1) was entitled to medical, surgical, and dental treatment and hospitalization under section 322(a) of the Public Health Service Act [(42 U.S.C. 249(a))] (as in effect on September 30, 1981), including such entitlement on the basis of continuing medical care under 42 C.F.R. §32.17, at any time during the period beginning on March 10, 1981, and ending on October 1, 1981, and

“(2) as of September 30, 1981, was eligible under section 1818 of the Social Security Act [(42 U.S.C. 1395f-2(a), 1395f-2) to enroll in the insurance program established by part A or part B, respectively, of title XVIII of that Act [(42 U.S.C. 1395c et seq., 1395d et seq.)] (hereinafter in this section referred to as the ‘respective program’),

may enroll (if not otherwise enrolled) in the respective program during the period beginning on the first day of the first month beginning at least 20 days after the date of the enactment of this Act (Sept. 3, 1982) and ending on December 31, 1982.

“(b)(1) The coverage period under the respective program of an individual who enrolls under subsection (a) shall begin—

“(A) on the first day of the month following the month in which the individual enrolls, or

“(B) on October 1, 1981, if the individual files a request for this subparagraph to apply and pays the monthly premiums for the months so covered.

“(2) The coverage period under the respective program of an individual described in subsection (a) who enrolled in the respective program before the enrollment period described in that subsection shall be retroactively extended to October 1, 1981, if the individual files a request before January 1, 1983, for such retroactive extension and pays the monthly premiums for the months so covered.

“(c)(1) For purposes of section 1839(d) of the Social Security Act [(42 U.S.C. 1395d)] with respect to the monthly premium for months after September 1981, if an individual described in subsection (a) has enrolled in the insurance program under part B of title XVIII of the Social Security Act [(42 U.S.C. 1395f et seq.)] at any time before the end of the enrollment period described in subsection (a), any month (before the end of that enrollment period) in which he was not enrolled in that program shall not be treated as a month in which he could have been enrolled in the program.

“(2) Paragraph (1) shall not apply to an individual—

“(A) if the individual has enrolled in the insurance program before March 10, 1981, unless the enrollment was terminated solely because the individual lost eligibility to be so enrolled, or

“(B) unless the individual applies for the benefit of such paragraph before January 1, 1983.

“(d) The Secretary of Health and Human Services, beginning as soon as possible but not later than 30 days after the date of the enactment of this Act (Sept. 3, 1982), shall provide for the dissemination of information—

“(A) to unions and other associations representing or assisting seamen,

“(B) to offices enrolling individuals under the respective programs, and

“(C) to such other entities and in such a manner as will effectively inform individuals eligible for benefits under this section, concerning the special benefits provided under this section.

“(2) An individual may establish that the individual was entitled at a date to medical, surgical, and dental
treatment and hospitalization under section 322(a) of the Public Health Service Act [42 U.S.C. 249(a)] (as in effect before October 1, 1981) by providing—

"(A) documentation relating to the status under which the individual was provided care in (or under arrangements with) a Public Health Service facility on that date,

"(B) the individual's seamen's papers covering that date, or

"(C) such other reasonable documentation as the Secretary may require."

§ 1395i-2a. Hospital insurance benefits for disabled individuals who have exhausted other entitlement

(a) Eligibility

Every individual who—

(1) has not attained the age of 65;

(2)(A) has been entitled to benefits under this part under section 426(b) of this title, and

(B)(i) continues to have the disabling physical or mental impairment on the basis of which the individual was found to be under a disability or to be a disabled qualified railroad retirement beneficiary, or (ii) is blind (within the meaning of section 416(i)(1) of this title), but

(C) whose entitlement under section 426(b) of this title ends due solely to the individual having earnings that exceed the substantial gainful activity amount (as defined in section 423(d)(4) of this title); and

(3) is not otherwise entitled to benefits under this part,

shall be eligible to enroll in the insurance program established by this part.

(b) Enrollment

(1) An individual may enroll under this section only in such manner and form as may be prescribed in regulations, and only during an enrollment period prescribed in or under this section.

(2) The individual's initial enrollment period shall begin with the month in which the individual receives notice that the individual's entitlement to benefits under section 426(b) of this title will end due solely to the individual having earnings that exceed the substantial gainful activity amount (as defined in section 423(d)(4) of this title) and shall end 7 months later.

(3) There shall be a general enrollment period during the period beginning on January 1 and ending on March 31 of each year (beginning with 1990).

(c) Coverage period

(1) The period (in this subsection referred to as a "coverage period") during which an individual is entitled to benefits under the insurance program under this part shall begin on whichever of the following is the latest:

(A) As of the month following the month in which the Secretary provides notice to the individual that the individual no longer meets the condition described in subsection (a)(2)(B).

(B) As of the month following the month in which the individual files notice that the individual no longer wishes to participate in the insurance program established by this part.

(C) As of the month before the first month in which the individual becomes eligible for hospital insurance benefits under section 426(a) or 426-1 of this title.

(D) As of a date, determined under regulations of the Secretary, for nonpayment of premiums.

The regulations under subparagraph (D) may provide a grace period of not longer than 90 days, which may be extended to not to exceed 180 days in any case where the Secretary determines that there was good cause for failure to pay the overdue premiums within such 90-day period. Termination of coverage under this section shall result in simultaneous termination of any coverage affected under any other part of this subchapter.

(3) The provisions of subsections (b) and (i) of section 1395p of this title apply to enrollment and nonenrollment under this section in the same manner as they apply to enrollment and nonenrollment and special enrollment periods under section 1395i-2 of this title.

(d) Payment of premiums

(1)(A) Premiums for enrollment under this section shall be paid to the Secretary at such times, and in such manner, as the Secretary shall by regulations prescribe, and shall be deposited in the Treasury to the credit of the Federal Hospital Insurance Trust Fund.

(B)(i) Subject to clause (ii), such premiums shall be payable for the period commencing with the first month of an individual's coverage period and ending with the month in which the individual dies or, if earlier, in which the individual's coverage period terminates.

(ii) Such premiums shall not be payable for any month in which the individual is eligible for benefits under this part pursuant to section 426(b) of this title.

(2) The provisions of subsections (d) through (f) of section 1395i-2 of this title (relating to premiums) shall apply to individuals enrolled under this section in the same manner as they apply to individuals enrolled under that section.

AMENDMENTS
Subsec. (d)(1)(C). Pub. L. 101-508, §4008(m)(3)(C)(ii), struck out subpar. (C) which read as follows: “For purposes of applying section 1395r(g) of this title and section 59B(f)(1)(B)(i) of the Internal Revenue Code of 1986, any reference to section 1395i-2 of this title shall be deemed to include a reference to this section.”

EFFECTIVE DATE
Pub. L. 101-239, title VI, §6012(b), Dec. 19, 1989, 103 Stat. 2163, provided that: “The amendments made by this section (enacting this section and amending section 1395i-2 of this title) shall take effect on the date Stat. 2163, provided that: ‘‘The amendments made by title XVIII of the Social Security Act [42 U.S.C. 1395c et seq.] for any month before July 1990.’’

§1395i-3. Requirements for, and assuring quality of care in, skilled nursing facilities
(a) “Skilled nursing facility” defined
In this subchapter, the term “skilled nursing facility” means an institution (or a distinct part of an institution) which—

(1) is primarily engaged in providing to residents—
(A) skilled nursing care and related services for residents who require medical or nursing care, or
(B) rehabilitation services for the rehabilitation of injured, disabled, or sick persons, and is not primarily for the care and treatment of mental diseases;

(2) has in effect a transfer agreement (meeting the requirements of section 1395x(i) of this title) with one or more hospitals having agreements in effect under section 1395cc of this title; and

(3) meets the requirements for a skilled nursing facility described in subsections (b), (c), and (d) of this section.

(b) Requirements relating to provision of services
(1) Quality of life
(A) In general
A skilled nursing facility must care for its residents in such a manner and in such an environment as will promote maintenance or enhancement of the quality of life of each resident.

(B) Quality assessment and assurance
A skilled nursing facility must maintain a quality assessment and assurance committee, consisting of the director of nursing services, a physician designated by the facility, and at least 3 other members of the facility’s staff, which (i) meets at least quarterly to identify issues with respect to which quality assessment and assurance activities are necessary and (ii) develops and implements appropriate plans of action to correct identified quality deficiencies. A State or the Secretary may not require disclosure of the records of such committee except insofar as such disclosure is related to the compliance of such committee with the requirements of this subparagraph.

(2) Scope of services and activities under plan of care
A skilled nursing facility must provide services to attain or maintain the highest practicable physical, mental, and psychosocial well-being of each resident, in accordance with a written plan of care which—

(A) describes the medical, nursing, and psychosocial needs of the resident and how such needs will be met;

(B) is initially prepared, with the participation to the extent practicable of the resident or the resident’s family or legal representative, by a team which includes the resident’s attending physician and a registered professional nurse with responsibility for the resident; and

(C) is periodically reviewed and revised by such team after each assessment under paragraph (3).

(3) Residents’ assessment
(A) Requirement
A skilled nursing facility must conduct a comprehensive, accurate, standardized, reproducible assessment of each resident’s functional capacity, which assessment—

(i) describes the resident’s capability to perform daily life functions and significant impairments in functional capacity;

(ii) is based on a uniform minimum data set specified by the Secretary under subsection (f)(6)(A);

(iii) uses an instrument which is specified by the State under subsection (e)(5); and

(iv) includes the identification of medical problems.

(B) Certification
(i) In general
Each such assessment must be conducted or coordinated (with the appropriate participation of health professionals) by a registered professional nurse who signs and certifies the completion of the assessment. Each individual who completes a portion of such an assessment shall sign and certify as to the accuracy of that portion of the assessment.

(ii) Penalty for falsification
(I) An individual who willfully and knowingly certifies under clause (i) a material and false statement in a resident assessment is subject to a civil money penalty of not more than $1,000 with respect to each assessment.

(II) An individual who willfully and knowingly causes another individual to certify under clause (i) a material and false statement in a resident assessment is subject to a civil money penalty of not more than $5,000 with respect to each assessment.
(III) The provisions of section 1320a–7a of this title (other than subsections (a) and (b)) shall apply to a civil money penalty under this clause in the same manner as such provisions apply to a penalty or proceeding under section 1320a–7a(a) of this title.

(iii) Use of independent assessors
If a State determines, under a survey under subsection (g) or otherwise, that there has been a knowing and willful certification of false assessments under this paragraph, the State may require (for a period specified by the State) that resident assessments under this paragraph be conducted and certified by individuals who are independent of the facility and who are approved by the State.

(C) Frequency

(i) In general
Subject to the timeframes prescribed by the Secretary under section 1385yy(e)(6) of this title, such an assessment must be conducted—

(I) promptly upon (but no later than 14 days after the date of) admission for each individual admitted on or after October 1, 1990, and by not later than January 1, 1991, for each resident of the facility on that date;

(II) promptly after a significant change in the resident’s physical or mental condition; and

(III) in no case less often than once every 12 months.

(ii) Resident review
The skilled nursing facility must examine each resident no less frequently than once every 3 months and, as appropriate, revise the resident’s assessment to assure the continuing accuracy of the assessment.

(D) Use
The results of such an assessment shall be used in developing, reviewing, and revising the resident’s plan of care under paragraph (2).

(E) Coordination
Such assessments shall be coordinated with any State-required preadmission screening program to the maximum extent practicable in order to avoid duplicative testing and effort.

(4) Provision of services and activities

(A) In general
To the extent needed to fulfill all plans of care described in paragraph (2), a skilled nursing facility must provide, directly or under arrangements (or, with respect to dental services, under agreements) with others for the provision of—

(i) nursing services and specialized rehabilitative services to attain or maintain the highest practicable physical, mental, and psychosocial well-being of each resident;

(ii) medically-related social services to attain or maintain the highest practicable physical, mental, and psychosocial well-being of each resident;

(iii) pharmaceutical services (including procedures that assure the accurate acquiring, receiving, dispensing, and administering of all drugs and biologicals) to meet the needs of each resident;

(iv) dietary services that assure that the meals meet the daily nutritional and special dietary needs of each resident;

(v) an on-going program, directed by a qualified professional, of activities designed to meet the interests and the physical, mental, and psychosocial well-being of each resident;

(vi) routine and emergency dental services to meet the needs of each resident; and

(vii) treatment and services required by mentally ill and mentally retarded residents not otherwise provided or arranged for (or required to be provided or arranged for) by the State.

The services provided or arranged by the facility must meet professional standards of quality. Nothing in clause (vi) shall be construed as requiring a facility to provide or arrange for dental services described in that clause without additional charge.

(B) Qualified persons providing services
Services described in clauses (i), (ii), (iii), (iv), and (vi) of subparagraph (A) must be provided by qualified persons in accordance with each resident’s written plan of care.

(C) Required nursing care

(i) In general
Except as provided in clause (ii), a skilled nursing facility must provide 24-hour licensed nursing service which is sufficient to meet nursing needs of its residents and must use the services of a registered professional nurse at least 8 consecutive hours a day, 7 days a week.

(ii) Exception
To the extent that clause (i) may be deemed to require that a skilled nursing facility engage the services of a registered professional nurse for more than 40 hours a week, the Secretary is authorized to waive such requirement if the Secretary finds that—

(I) the facility is located in a rural area and the supply of skilled nursing facility services in such area is not sufficient to meet the needs of individuals residing therein,

(II) the facility has one full-time registered professional nurse who is regularly on duty at such facility 40 hours a week,

(III) the facility either has only patients whose physicians have indicated (through physicians’ orders or admission notes) that each such patient does not require the services of a registered nurse or a physician for a 48-hour period, or has made arrangements for a registered professional nurse or a physician to
spend such time at such facility as may be indicated as necessary by the physician to provide necessary skilled nursing services on days when the regular full-time registered professional nurse is not on duty.

(IV) The Secretary provides notice of the waiver to the State long-term care ombudsman (established under section 367(a)(12) of the Older Americans Act of 1965) and the protection and advocacy system in the State for the mentally ill and the mentally retarded, and

(V) the facility is granted such a waiver notifies residents of the facility (or, where appropriate, the guardians or legal representatives of such residents) and members of their immediate families of the waiver.

A waiver under this subparagraph shall be subject to annual renewal.

(5) Required training of nurse aides

(A) In general

(i) Except as provided in clause (ii), a skilled nursing facility must not use on a full-time basis any individual as a nurse aide in the facility on or after October 1, 1990 for more than 4 months unless the individual—

(I) has completed a training and competency evaluation program, or a competency evaluation program, approved by the State under subsection (e)(1)(A), and

(II) is competent to provide nursing or nursing-related services.

(ii) A skilled nursing facility must not use on a temporary, per diem, leased, or on any basis other than as a permanent employee any individual as a nurse aide in the facility on or after January 1, 1991, unless the individual meets the requirements described in clause (i).

(B) Offering competency evaluation programs for current employees

A skilled nursing facility must provide, for individuals used as a nurse aide by the facility as of January 1, 1990, for a competency evaluation program approved by the State under subsection (e)(1)(A) and such preparation as may be necessary for the individual to complete such a program by October 1, 1990.

(C) Competency

The skilled nursing facility must not permit an individual, other than in a training and competency evaluation program approved by the State, to serve as a nurse aide or provide services of a type for which the individual has not demonstrated competency and must not use such an individual as a nurse aide unless the facility has inquired of any State registry established under subsection (e)(2)(A) that the facility believes will include information concerning the individual.

(D) Re-training required

For purposes of subparagraph (A), if, since an individual’s most recent completion of a training and competency evaluation program, there has been a continuous period of 24 consecutive months during none of which the individual performed nursing or nursing-related services for monetary compensation, such individual shall complete a new training and competency evaluation program or a new competency evaluation program.

(E) Regular in-service education

The skilled nursing facility must provide such regular performance review and regular in-service education as assures that individuals used as nurse aides are competent to perform services as nurse aides, including training for individuals providing nursing and nursing-related services to residents with cognitive impairments.

(F) “Nurse aide” defined

In this paragraph, the term “nurse aide” means any individual providing nursing or nursing-related services to residents in a skilled nursing facility, but does not include an individual—

(i) who is a licensed health professional (as defined in subparagraph (G)) or a registered dietitian, or

(ii) who volunteers to provide such services without monetary compensation.

Such term includes an individual who provides such services through an agency or under a contract with the facility.

(G) “Licensed health professional” defined

In this paragraph, the term “licensed health professional” means a physician, physician assistant, nurse practitioner, physical, speech, or occupational therapist, physical or occupational therapy assistant, registered professional nurse, licensed practical nurse, licensed or certified social worker, registered respiratory therapist, or certified respiratory therapy technician.

(6) Physician supervision and clinical records

A skilled nursing facility must—

(A) require that the medical care of every resident be provided under the supervision of a physician;

(B) provide for having a physician available to furnish necessary medical care in case of emergency; and

(C) maintain clinical records on all residents, which records include the plans of care (described in paragraph (2)) and the residents’ assessments (described in paragraph (3)).

(7) Required social services

In the case of a skilled nursing facility with more than 120 beds, the facility must have at least one social worker (with at least a bachelor’s degree in social work or similar professional qualifications) employed full-time to provide or assure the provision of social services.

(8) Information on nurse staffing

(A) In general

A skilled nursing facility shall post daily for each shift the current number of licensed

---

1 See References in Text note below.
2 So in original. Probably should be “as nurse aides”.
and unlicensed nursing staff directly responsible for resident care in the facility. The information shall be displayed in a uniform manner (as specified by the Secretary) and in a clearly visible place.

(B) Publication of data

A skilled nursing facility shall, upon request, make available to the public the nursing staff data described in subparagraph (A).

(c) Requirements relating to residents’ rights

(1) General rights

(A) Specified rights

A skilled nursing facility must protect and promote the rights of each resident, including each of the following rights:

(i) Free choice

The right to choose a personal attending physician, to be fully informed in advance about care and treatment, to be fully informed in advance of any changes in care or treatment that may affect the resident’s well-being, and (except with respect to a resident adjudged incompetent) to participate in planning care and treatment or changes in care and treatment.

(ii) Free from restraints

The right to be free from physical or mental abuse, corporal punishment, involuntary seclusion, and any physical or chemical restraints imposed for purposes of discipline or convenience and not required to treat the resident’s medical symptoms. Restraints may only be imposed—

(I) to ensure the physical safety of the resident or other residents, and

(II) only upon the written order of a physician that specifies the duration and circumstances under which the restraints are to be used (except in emergency circumstances specified by the Secretary until such an order could reasonably be obtained).

(iii) Privacy

The right to privacy with regard to accommodations, medical treatment, written and telephonic communications, visits, and meetings of family and of resident groups.

(iv) Confidentiality

The right to confidentiality of personal and clinical records and to access to current clinical records of the resident upon request by the resident or the resident’s legal representative, within 24 hours (excluding hours occurring during a weekend or holiday) after making such a request.

(v) Accommodation of needs

The right—

(I) to reside and receive services with reasonable accommodation of individual needs and preferences, except where the health or safety of the individual or other residents would be endangered, and

(II) to receive notice before the room or roommate of the resident in the facility is changed.

(vi) Grievances

The right to voice grievances with respect to treatment or care that is (or fails to be) furnished, without discrimination or reprisal for voicing the grievances and the right to prompt efforts by the facility to resolve grievances the resident may have, including those with respect to the behavior of other residents.

(vii) Participation in resident and family groups

The right of the resident to organize and participate in resident groups in the facility and the right of the resident’s family to meet in the facility with the families of other residents in the facility.

(viii) Participation in other activities

The right of the resident to participate in social, religious, and community activities that do not interfere with the rights of other residents in the facility.

(ix) Examination of survey results

The right to examine, upon reasonable request, the results of the most recent survey of the facility conducted by the Secretary or a State with respect to the facility and any plan of correction in effect with respect to the facility.

(x) Refusal of certain transfers

The right to refuse a transfer to another room within the facility, if a purpose of the transfer is to relocate the resident from a portion of the facility that is a skilled nursing facility (for purposes of this subchapter) to a portion of the facility that is not such a skilled nursing facility.

(xi) Other rights

Any other right established by the Secretary.

Clause (iii) shall not be construed as requiring the provision of a private room. A resident’s exercise of a right to refuse transfer under clause (x) shall not affect the resident’s eligibility or entitlement to benefits under this subchapter or to medical assistance under subchapter XIX of this chapter.

(B) Notice of rights and services

A skilled nursing facility must—

(i) inform each resident, orally and in writing at the time of admission to the facility, of the resident’s legal rights during the stay at the facility;

(ii) make available to each resident, upon reasonable request, a written statement of such rights (which statement is updated upon changes in such rights) including the notice (if any) of the State developed under section 1396r(e)(6) of this title; and

(iii) inform each other resident, in writing before or at the time of admission and periodically during the resident’s stay, of services available in the facility and of related charges for such services, including any charges for services not covered under
§ 1395i–3  TITLE 42—THE PUBLIC HEALTH AND WELFARE

this subchapter or by the facility’s basic per diem charge.

The written description of legal rights under this subparagraph shall include a description of the protection of personal funds under paragraph (6) and a statement that a resident may file a complaint with a State survey and certification agency respecting resident abuse and neglect and misappropriation of resident property in the facility.

(C) Rights of incompetent residents

In the case of a resident adjudged incompetent under the laws of a State, the rights of the resident under this subchapter shall devolve upon, and, to the extent judged necessary by a court of competent jurisdiction, be exercised by, the person appointed under State law to act on the resident’s behalf.

(D) Use of psychopharmacologic drugs

Psychopharmacologic drugs may be administered only on the orders of a physician and only as part of a plan (included in the written plan of care described in paragraph (2)) designed to eliminate or modify the symptoms for which the drugs are prescribed and only if, at least annually, an independent, external consultant reviews the appropriateness of the drug plan of each resident receiving such drugs. In determining whether such a consultant is qualified to conduct reviews under the preceding sentence, the Secretary shall take into account the needs of nursing facilities under this subchapter to have access to the services of such a consultant on a timely basis.

(E) Information respecting advance directives

A skilled nursing facility must comply with the requirement of section 1395cc(f) of this title (relating to maintaining written policies and procedures respecting advance directives).

(2) Transfer and discharge rights

(A) In general

A skilled nursing facility must permit each resident to remain in the facility and must not transfer or discharge the resident from the facility unless—

(i) the transfer or discharge is necessary to meet the resident’s welfare and the resident’s welfare cannot be met in the facility;

(ii) the transfer or discharge is appropriate because the resident’s health has improved sufficiently so the resident no longer needs the services provided by the facility;

(iii) the safety of individuals in the facility is endangered;

(iv) the health of individuals in the facility would otherwise be endangered;

(v) the resident has failed, after reasonable and appropriate notice, to pay (or to have paid under this subchapter or subchapter XIX on the resident’s behalf) for a stay at the facility; or

(vi) the facility ceases to operate.

In each of the cases described in clauses (i) through (v), the basis for the transfer or discharge must be documented in the resident’s clinical record. In the cases described in clauses (i) and (ii), the documentation must be made by the resident’s physician, and in the cases described in clauses (iii) and (iv) the documentation must be made by a physician.

(B) Pre-transfer and pre-discharge notice

(i) In general

Before effecting a transfer or discharge of a resident, a skilled nursing facility must—

(I) notify the resident (and, if known, a family member of the resident or legal representative) of the transfer or discharge and the reasons therefor;

(II) record the reasons in the resident’s clinical record (including any documentation required under subparagraph (A)), and

(III) include in the notice the items described in clause (iii).

(ii) Timing of notice

The notice under clause (i)(I) must be made at least 30 days in advance of the resident’s transfer or discharge except—

(I) in a case described in clause (iii) or (iv) of subparagraph (A);

(II) in a case described in clause (ii) of subparagraph (A), where the resident’s health improves sufficiently to allow a more immediate transfer or discharge;

(III) in a case described in clause (i) of subparagraph (A), where a more immediate transfer or discharge is necessitated by the resident’s urgent medical needs; or

(IV) in a case where a resident has not resided in the facility for 30 days.

In the case of such exceptions, notice must be given as many days before the date of the transfer or discharge as is practicable.

(iii) Items included in notice

Each notice under clause (i) must include—

(I) for transfers or discharges effected on or after October 1, 1990, notice of the resident’s right to appeal the transfer or discharge under the State process established under subsection (e)(3); and

(II) the name, mailing address, and telephone number of the State long-term care ombudsman (established under title III or VII of the Older Americans Act of 1965 [42 U.S.C. 3021 et seq., 3068 et seq.] in accordance with section 712 of the Act [42 U.S.C. 3068g]).

(C) Orientation

A skilled nursing facility must provide sufficient preparation and orientation to residents to ensure safe and orderly transfer or discharge from the facility.

(3) Access and visitation rights

A skilled nursing facility must—

(A) permit immediate access to any resident by any representative of the Secretary, by any representative of the State, by an
ombudsman described in paragraph (2)(B)(iii)(II), or by the resident’s individual physician;
(B) permit immediate access to a resident, subject to the resident’s right to deny or withdraw consent at any time, by immediate family or other relatives of the resident;
(C) permit immediate access to a resident, subject to reasonable restrictions and the resident’s right to deny or withdraw consent at any time, by others who are visiting with the consent of the resident;
(D) permit reasonable access to a resident by any entity or individual that provides health, social, legal, or other services to the resident, subject to the resident’s right to deny or withdraw consent at any time; and
(E) permit representatives of the State ombudsman (described in paragraph (2)(B)(iii)(II)), with the permission of the resident (or the resident’s legal representative) and consistent with State law, to examine a resident’s clinical records.

(4) Equal access to quality care
A skilled nursing facility must establish and maintain identical policies and practices regarding transfer, discharge, and covered services under this subchapter for all individuals regardless of source of payment.

(5) Admissions policy
(A) Admissions
With respect to admissions practices, a skilled nursing facility must—
(i)(I) not require individuals applying to reside or residing in the facility to waive their rights to benefits under this subchapter or under a State plan under subchapter XIX, (II) not require oral or written assurance that such individuals are not eligible for, or will not apply for, benefits under this subchapter or such a State plan, and (III) prominently display in the facility and provide to such individuals written information about how to apply for and use such benefits and how to receive refunds for previous payments covered by such benefits; and
(ii) not require a third party guarantee of payment to the facility as a condition of admission (or expedited admission) to, or continued stay in, the facility.

(B) Construction
(i) No preemption of stricter standards
Subparagraph (A) shall not be construed as preventing States or political subdivisions therein from prohibiting, under State or local law, the discrimination against individuals who are entitled to medical assistance under this subchapter with respect to admissions practices of skilled nursing facilities.
(ii) Contracts with legal representatives
Subparagraph (A)(ii) shall not be construed as preventing a facility from requiring an individual, who has legal access to a resident’s income or resources available to pay for care in the facility, to sign a contract (without incurring personal financial liability) to provide payment from the resident’s income or resources for such care.

(6) Protection of resident funds
(A) In general
The skilled nursing facility—
(i) may not require residents to deposit their personal funds with the facility, and
(ii) upon the written authorization of the resident, must hold, safeguard, and account for such personal funds under a system established and maintained by the facility in accordance with this paragraph.

(B) Management of personal funds
Upon written authorization of a resident under subparagraph (A)(ii), the facility must manage and account for the personal funds of the resident deposited with the facility as follows:
(i) Deposit
The facility must deposit any amount of personal funds in excess of $100 with respect to a resident in an interest bearing account (or accounts) that is separate from any of the facility’s operating accounts and credits all interest earned on such separate account to such account. With respect to any other personal funds, the facility must maintain such funds in a non-interest bearing account or petty cash fund.

(ii) Accounting and records
The facility must assure a full and complete separate accounting of each resident’s personal funds, maintain a written record of all financial transactions involving the personal funds of a resident deposited with the facility, and afford the resident (or a legal representative of the resident) reasonable access to such record.

(iii) Conveyance upon death
Upon the death of a resident with such an account, the facility must convey promptly the resident’s personal funds (and a final accounting of such funds) to the individual administering the resident’s estate.

(C) Assurance of financial security
The facility must purchase a surety bond, or otherwise provide assurance satisfactory to the Secretary, to assure the security of all personal funds of residents deposited with the facility.

(D) Limitation on charges to personal funds
The facility may not impose a charge against the personal funds of a resident for any item or service for which payment is made under this subchapter or subchapter XIX.

(d) Requirements relating to administration and other matters

(1) Administration
(A) In general
A skilled nursing facility must be administered in a manner that enables it to use its

3So in original. Probably should be “credit”.
resources effectively and efficiently to attain or maintain the highest practicable physical, mental, and psychosocial well-being of each resident (consistent with requirements established under subsection (f)(5)).

(B) Required notices

If a change occurs in—
(i) the persons with an ownership or control interest (as defined in section 1320a–3(a)(3) of this title) in the facility,
(ii) the persons who are officers, directors, agents, or managing employees (as defined in section 1320a–5(b) of this title) of the facility,
(iii) the corporation, association, or other company responsible for the management of the facility, or
(iv) the individual who is the administrator or director of nursing of the facility,

the skilled nursing facility must provide notice to the State agency responsible for the licensing of the facility, at the time of the change, of the change and of the identity of each new person, company, or individual described in the respective clause.

(C) Skilled nursing facility administrator

The administrator of a skilled nursing facility must meet standards established by the Secretary under subsection (f)(4).

(C) Availability of survey, certification, and complaint investigation reports

A skilled nursing facility must—
(i) have reports with respect to any surveys, certifications, and complaint investigations made respecting the facility during the 3 preceding years available for any individual to review upon request; and
(ii) post notice of the availability of such reports in areas of the facility that are prominent and accessible to the public.

The facility shall not make available under clause (i) identifying information about complainants or residents.

(2) Licensing and Life Safety Code

(A) Licensing

A skilled nursing facility must be licensed under applicable State and local law.

(B) Life Safety Code

A skilled nursing facility must meet such provisions of such edition (as specified by the Secretary in regulation) of the Life Safety Code of the National Fire Protection Association as are applicable to nursing homes; except that—
(i) the Secretary may waive, for such periods as he deems appropriate, specific provisions of such Code which if rigidly applied would result in unreasonable hardship upon a facility, but only if such waiver would not adversely affect the health and safety of residents or personnel, and
(ii) the provisions of such Code shall not apply in any State if the Secretary finds

that in such State there is in effect a fire and safety code, imposed by State law, which adequately protects residents of and personnel in skilled nursing facilities.

(3) Sanitary and infection control and physical environment

A skilled nursing facility must—
(A) establish and maintain an infection control program designed to provide a safe, sanitary, and comfortable environment in which residents reside and to help prevent the development and transmission of disease and infection, and
(B) be designed, constructed, equipped, and maintained in a manner to protect the health and safety of residents, personnel, and the general public.

(4) Miscellaneous

(A) Compliance with Federal, State, and local laws and professional standards

A skilled nursing facility must operate and provide services in compliance with all applicable Federal, State, and local laws and regulations (including the requirements of section 1320a–3 of this title) and with accepted professional standards and principles which apply to professionals providing services in such a facility.

(B) Other

A skilled nursing facility must meet such other requirements relating to the health, safety, and well-being of residents or relating to the physical facilities thereof as the Secretary may find necessary.

(e) State requirements relating to skilled nursing facility requirements

The requirements, referred to in section 1395aa(d) of this title, with respect to a State are as follows:

(1) Specification and review of nurse aide training and competency evaluation programs and of nurse aide competency evaluation programs

The State must—
(A) by not later than January 1, 1989, specify those training and competency evaluation programs, and those competency evaluation programs, that the State approves for purposes of subsection (b)(5) and that meet the requirements established under subsection (f)(2), and
(B) by not later than January 1, 1990, provide for the review and reapproval of such programs, at a frequency and using a methodology consistent with the requirements established under subsection (f)(2)(A)(ii).

The failure of the Secretary to establish requirements under subsection (f)(2) shall not relieve any State of its responsibility under this paragraph.

(2) Nurse aide registry

(A) In general

By not later than January 1, 1989, the State shall establish and maintain a registry of all individuals who have satisfactorily completed a nurse aide training and com-

---

*So in original. Two subpars. (C) have been enacted. See Amendment of Subsection (d)(1) note below.*
petency evaluation program, or a nurse aide competency evaluation program, approved under paragraph (i) in the State, or any individual described in subsection (f)(2)(B) or in subparagraph (B), (C), or (D) of section 690(b)(d) of the Omnibus Reconciliation Act of 1989.

(B) Information in registry

The registry under subparagraph (A) shall provide (in accordance with regulations of the Secretary) for the inclusion of specific documented findings by a State under subsection (g)(1)(C) of resident neglect or abuse or misappropriation of resident property involving an individual listed in the registry, as well as any brief statement of the individual disputing the findings, but shall not include any allegations of resident abuse or neglect or misappropriation of resident property that are not specifically documented by the State under such subsection. The State shall make available to the public information in the registry. In the case of inquiries to the registry concerning an individual listed in the registry, any information disclosed concerning such a finding shall also include disclosure of any such statement in the registry relating to the finding or a clear and accurate summary of such a statement.

(C) Prohibition against charges

A State may not impose any charges on a nurse aide relating to the registry established and maintained under subparagraph (A).

(3) State appeals process for transfers and discharges

The State, for transfers and discharges from skilled nursing facilities effected on or after October 1, 1989, must provide for a fair mechanism for hearing appeals on transfers and discharges of residents of such facilities. Such mechanism must meet the guidelines established by the Secretary under subsection (f)(3); but the failure of the Secretary to establish such guidelines shall not relieve any State of its responsibility to provide for such a fair mechanism.

(4) Skilled nursing facility administrator standards

By not later than January 1, 1990, the State must have implemented and enforced the skilled nursing facility administrator standards developed under subsection (f)(4) respecting the qualification of administrators of skilled nursing facilities.

(5) Specification of resident assessment instrument

Effective July 1, 1990, the State shall specify the instrument to be used by nursing facilities in the State in complying with the requirement of subsection (b)(3)(A)(III). Such instrument shall be—

(A) one of the instruments designated under subsection (f)(6)(B), or

(B) an instrument which the Secretary has approved as being consistent with the minimum data set of core elements, common definitions, and utilization guidelines specified by the Secretary under subsection (f)(6)(A).

(f) Responsibilities of Secretary relating to skilled nursing facility requirements

(1) General responsibility

It is the duty and responsibility of the Secretary to assure that requirements which govern the provision of care in skilled nursing facilities under this subchapter, and the enforcement of such requirements, are adequate to protect the health, safety, welfare, and rights of residents and to promote the effective and efficient use of public moneys.

(2) Requirements for nurse aide training and competency evaluation programs and for nurse aide competency evaluation programs

(A) In general

For purposes of subsections (b)(5) and (e)(1)(A), the Secretary shall establish, by not later than September 1, 1989—

(i) requirements for the approval of nurse aide training and competency evaluation programs, including requirements relating to (I) the areas to be covered in such a program (including at least basic nursing skills, personal care skills, recognition of mental health and social service needs, care of cognitively impaired residents, basic restorative services, and residents’ rights) and content of the curriculum (including, in the case of initial training and, if the Secretary determines appropriate, in the case of ongoing training, dementia management training, and patient abuse prevention training,5 (II) minimum hours of initial and ongoing training and retraining (including not less than 75 hours in the case of initial training), (III) qualifications of instructors, and (IV) procedures for determination of competency;

(ii) requirements for the approval of nurse aide competency evaluation programs, including requirement relating to the areas to be covered in such a program, including at least basic nursing skills, personal care skills, recognition of mental health and social service needs, care of cognitively impaired residents, basic restorative services, residents’ rights, and procedures for determination of competency;

(iii) requirements respecting the minimum frequency and methodology to be used by a State in reviewing such programs’ compliance with the requirements for such programs; and

(iv) requirements, under both such programs, that—

(I) provide procedures for determining competency that permit a nurse aide, at the nurse aide’s option, to establish competency through procedures or methods other than the passing of a written examination and to have the competency

5So in original. A closing parenthesis probably should appear before the comma.
(B) Approval of certain programs

Such requirements—

(i) may permit approval of programs offered by or in facilities (subject to clause (ii)), as well as outside facilities (including employee organizations), and of programs in effect on December 22, 1987;

(ii) shall permit a State to find that an individual who has completed (before July 1, 1989) a nurse aide training and competency evaluation program shall be deemed to have completed such a program approved under subsection (b)(5) if the State determines that, at the time the program was offered, the program met the requirements for approval under such paragraph; and

(iii) subject to subparagraphs (C) and (D), shall prohibit approval of such a program—

(I) offered by or in a skilled nursing facility which, within the previous 2 years—

(a) has operated under a waiver under subsection (b)(4)(C)(i)(II);

(b) has been subject to an extended (or partial extended) survey under subsection (g)(2)(B)(i) or section 1396r(g)(2)(B)(i) of this title, unless the survey shows that the facility is in compliance with the requirements of subsections (b), (c), and (d) of this section; or

(c) has been assessed a civil money penalty described in subsection (h)(2)(B)(ii) or section 1396r(h)(2)(A)(ii) of this title of not less than $5,000, or has been subject to a remedy described in clause (i) or (iii) of subsection (h)(2)(A), subsection (h)(4), section 1396r(h)(1)(B)(i) of this title, or in clause (i), (iii), or (iv) of section 1396r(h)(2)(A) of this title, or

(II) offered by or in a skilled nursing facility unless the State makes the determination, upon an individual’s completion of the program, that the individual is competent to provide nursing and nursing-related services in skilled nursing facilities.

A State may not delegate (through subcontract or otherwise) its responsibility under clause (iii)(II) to the skilled nursing facility.

(C) Waiver authorized

Clause (ii)(I) of subparagraph (B) shall not apply to a program offered in (but not by) a nursing facility (or skilled nursing facility for purposes of this subchapter) in a State if the State—

(i) determines that there is no other such program offered within a reasonable distance of the facility.

(ii) assures, through an oversight effort, that an adequate environment exists for operating the program in the facility, and

(iii) provides notice of such determination and assurances to the State long-term care ombudsman.

(D) Waiver of disapproval of nurse-aide training programs

Upon application of a nursing facility, the Secretary may waive the application of subparagraph (B)(ii)(I)(c) if the imposition of the civil monetary penalty was not related to the quality of care provided to residents of the facility. Nothing in this subparagraph shall be construed as eliminating any requirement upon a facility to pay a civil monetary penalty described in the preceding sentence.

(3) Federal guidelines for State appeals process for transfers and discharges

For purposes of subsections (c)(2)(B)(iii)(I) and (e)(3), by not later than October 1, 1988, the Secretary shall establish guidelines for minimum standards which State appeals processes under subsection (e)(3) must meet to provide a fair mechanism for hearing appeals on transfers and discharges of residents from skilled nursing facilities.

(4) Secretarial standards for qualification of administrators

For purposes of subsections (d)(1)(C) and (e)(4), the Secretary shall develop, by not later than March 1, 1989, standards to be applied in assuring the qualifications of administrators of skilled nursing facilities.

(5) Criteria for administration

The Secretary shall establish criteria for assessing a skilled nursing facility’s compliance with the requirement of subsection (d)(1) with respect to—

(A) its governing body and management,

(B) agreements with hospitals regarding transfers of residents to and from the hospitals and to and from other skilled nursing facilities,

(C) disaster preparedness,

(D) direction of medical care by a physician,

(E) laboratory and radiological services.
(g) Survey and certification process

(1) State and Federal responsibility

(A) Pursuant to an agreement under section 1395aa of this title, each State shall be responsible for certifying, in accordance with surveys conducted under paragraph (2), the compliance of skilled nursing facilities (other than facilities of the State) with the requirements of subsections (b), (c), and (d). The Secretary shall be responsible for certifying, in accordance with surveys conducted under paragraph (2), the compliance of State skilled nursing facilities with the requirements of such subsections.

(B) Educational program

Each State shall conduct periodic educational programs for the staff and residents (and their representatives) of skilled nursing facilities in order to present current regulations, procedures, and policies under this section.

(C) Investigation of allegations of resident neglect and abuse and misappropriation of resident property

The State shall provide, through the agency responsible for surveys and certification of nursing facilities under this subsection, for a process for the receipt and timely review and investigation of allegations of neglect and abuse and misappropriation of resident property by a nurse aide of a resident in a nursing facility or by another individual used by the facility in providing services to such a resident. The State shall, after providing the individual involved with a written notice of the allegations (including a statement of the availability of a hearing for the individual to rebut the allegations) and the opportunity for a hearing on the record, make a written finding as to the accuracy of the allegations. If the State finds that a nurse aide has neglected or abused a resident, or misappropriated resident property in a facility, the State shall notify the nurse aide and the registry of such finding. If the State finds that any other individual used by the facility has neglected or abused a resident or misappropriated resident property in a facility, the State shall notify the appropriate licensure authority. A State shall not make a finding that an individual has neglected a resident if the individual demonstrates that such neglect was caused by factors beyond the control of the individual.

(D) Removal of name from nurse aide registry

(i) In general

In the case of a finding of neglect under subparagraph (C), the State shall establish a procedure to permit a nurse aide to petition the State to have his or her name removed from the registry upon a determination by the State that—

(I) the employment and personal history of the nurse aide does not reflect a pattern of abusive behavior or neglect; and

(II) the neglect involved in the original finding was a singular occurrence.

(ii) Timing of determination

In no case shall a determination on a petition submitted under clause (i) be made

[1] So in original. Probably should be “requirements.”
§ 1395i–3

prior to the expiration of the 1-year period beginning on the date on which the name of the petitioner was added to the registry under subparagraph (C).

(E) Construction

The failure of the Secretary to issue regulations to carry out this subsection shall not relieve a State of its responsibility under this subsection.

(2) Surveys

(A) Standard survey

(i) In general

Each skilled nursing facility shall be subject to a standard survey, to be conducted without any prior notice to the facility. Any individual who notifies (or causes to be notified) a skilled nursing facility of the time or date on which such a survey is scheduled to be conducted is subject to a civil money penalty of not to exceed $2,000. The provisions of section 1320a–7a of this title (other than subsections (a) and (b)) shall apply to a civil money penalty under the previous sentence in the same manner as such provisions apply to a penalty or proceeding under section 1320a–7a(a) of this title. The Secretary shall review each State’s procedures for the scheduling and conduct of standard surveys to assure that the State has taken all reasonable steps to avoid giving notice of such a survey through the scheduling procedures and the conduct of the surveys themselves.

(ii) Contents

Each standard survey shall include, for a case-mix stratified sample of residents—

(I) a survey of the quality of care furnished, as measured by indicators of medical, nursing, and rehabilitative care, dietary and nutrition services, activities and social participation, and sanitation, infection control, and the physical environment,

(II) written plans of care provided under subsection (b)(2) and an audit of the residents’ assessments under subsection (b)(3) to determine the accuracy of such plans of care, and

(III) a review of compliance with residents’ rights under subsection (c).

(iii) Frequency

(I) In general

Each skilled nursing facility shall be subject to a standard survey not later than 15 months after the date of the previous standard survey conducted under this subparagraph. The Statewide average interval between standard surveys of skilled nursing facilities under this subsection shall not exceed 12 months.

(II) Special surveys

If not otherwise conducted under subclause (I), a standard survey (or an abbreviated standard survey) may be conducted within 2 months of any change of ownership, administration, management of a skilled nursing facility, or the director of nursing in order to determine whether the change has resulted in any decline in the quality of care furnished in the facility.

(B) Extended surveys

(i) In general

Each extended survey shall be conducted immediately after the standard survey (or, if not practicable, not later than 2 weeks after the date of completion of the standard survey).

(ii) Timing

The extended survey shall be conducted immediately after the standard survey (or, if not practicable, not later than 2 weeks after the date of completion of the standard survey).

(iii) Contents

In such an extended survey, the survey team shall review and identify the policies and procedures which produced such substandard quality of care and shall determine whether the facility has complied with all the requirements described in subsections (b), (c), and (d). Such review shall include an expansion of the size of the sample of residents’ assessments reviewed and a review of the staffing, of in-service training, and, if appropriate, of contracts with consultants.

(iv) Construction

Nothing in this paragraph shall be construed as requiring an extended or partial extended survey as a prerequisite to imposing a sanction against a facility under subsection (h) on the basis of findings in a standard survey.

(C) Survey protocol

Standard and extended surveys shall be conducted—

(i) based upon a protocol which the Secretary has developed, tested, and validated by not later than January 1, 1990, and

(ii) by individuals, of a survey team, who meet such minimum qualifications as the Secretary establishes by not later than such date.

The failure of the Secretary to develop, test, or validate such protocols or to establish such minimum qualifications shall not relieve any State of its responsibility (or the Secretary of the Secretary’s responsibility) to conduct surveys under this subsection.

(D) Consistency of surveys

Each State and the Secretary shall implement programs to measure and reduce inconsistency in the application of survey results among surveyors.

(E) Survey teams

(i) In general

Surveys under this subsection shall be conducted by a multidisciplinary team of
professionals (including a registered professional nurse).

(ii) Prohibition of conflicts of interest

A State may not use as a member of a survey team under this subsection an individual who is serving (or has served within the previous 2 years) as a member of the staff of, or as a consultant to, the facility surveyed respecting compliance with the requirements of subsections (b), (c), and (d), or who has a personal or familial financial interest in the facility being surveyed.

(iii) Training

The Secretary shall provide for the comprehensive training of State and Federal surveyors in the conduct of standard and extended surveys under this subsection, including the auditing of resident assessments and plans of care. No individual shall serve as a member of a survey team unless the individual has successfully completed a training and testing program in survey and certification techniques that has been approved by the Secretary.

(3) Validation surveys

(A) In general

The Secretary shall conduct onsite surveys of a representative sample of skilled nursing facilities in each State, within 2 months of the date of surveys conducted under paragraph (2) by the State, in a sufficient number to allow inferences about the adequacies of each State’s surveys conducted under paragraph (2). In conducting such surveys, the Secretary shall use the same survey protocols as the State is required to use under paragraph (2). If the State has determined that an individual skilled nursing facility meets the requirements of subsections (b), (c), and (d), but the Secretary determines that the facility does not meet such requirements, the Secretary’s determination as to the facility’s noncompliance with such requirements is binding and supersedes that of the State survey.

(B) Scope

With respect to each State, the Secretary shall conduct surveys under subparagraph (A) each year with respect to at least 5 percent of the number of skilled nursing facilities surveyed by the State in the year, but in no case less than 5 skilled nursing facilities in the State.

(C) Remedies for substandard performance

If the Secretary finds, on the basis of such surveys, that a State has failed to perform surveys as required under paragraph (2) or that a State’s survey and certification performance otherwise is not adequate, the Secretary shall provide for an appropriate remedy, which may include the training of survey teams in the State.

(D) Special surveys of compliance

Where the Secretary has reason to question the compliance of a skilled nursing facility with any of the requirements of subsections (b), (c), and (d), the Secretary may conduct a survey of the facility and, on the basis of that survey, make independent and binding determinations concerning the extent to which the skilled nursing facility meets such requirements.

(4) Investigation of complaints and monitoring compliance

Each State shall maintain procedures and adequate staff to—

(A) investigate complaints of violations of requirements by skilled nursing facilities, and

(B) monitor, on-site, on a regular, as needed basis, a skilled nursing facility’s compliance with the requirements of subsections (b), (c), and (d), if—

(i) the facility has been found not to be in compliance with such requirements and is in the process of correcting deficiencies to achieve such compliance;

(ii) the facility was previously found not to be in compliance with such requirements, has corrected deficiencies to achieve such compliance, and verification of continued compliance is indicated; or

(iii) the State has reason to question the compliance of the facility with such requirements.

A State may maintain and utilize a specialized team (including an attorney, an auditor, and appropriate health care professionals) for the purpose of identifying, surveying, gathering and preserving evidence, and carrying out appropriate enforcement actions against substandard skilled nursing facilities.

(5) Disclosure of results of inspections and activities

(A) Public information

Each State, and the Secretary, shall make information respecting all surveys and certifications made respecting skilled nursing facilities, including statements of deficiencies, within 14 calendar days after such information is made available to those facilities, and approved plans of correction.

(i) copies of cost reports of such facilities filed under this subchapter or subchapter XIX,

(ii) copies of statements of ownership under section 1320a–3 of this title, and

(iii) information disclosed under section 1320a–5 of this title.

(B) Notice to ombudsman

Each State shall notify the State long-term care ombudsman (established under title III or VII of the Older Americans Act of 1965 [42 U.S.C. 3021 et seq., 3058 et seq.] in accord with section 712 of the Act [42 U.S.C. 3058g]) of the State’s findings of noncompliance with any of the requirements of subsections (b), (c), and (d), or of any adverse action taken against a skilled nursing facility under paragraph (1), (2), or (4) of subsection (h), with respect to a skilled nursing facility in the State.

§ 1395i–3
(h) Enforcement process

(1) In general

If a State finds that a skilled nursing facility has provided substandard quality of care, the State shall notify—

(i) the attending physician of each resident with respect to which such finding is made, and

(ii) the State board responsible for the licensing of the skilled nursing facility administrator at the facility.

(D) Access to fraud control units

Each State shall provide its State medic-aid fraud and abuse control unit (established under section 1396b(q) of this title) with access to all information of the State agency responsible for surveys and certifications under this subsection.

(E) Submission of survey and certification information to the Secretary

In order to improve the timeliness of information made available to the public under subparagraph (A) and provided on the Nursing Home Compare Medicare website under subsection (i), each State shall submit information respecting any survey or certification made respecting a skilled nursing facility (including any enforcement actions taken by the State) to the Secretary not later than the date on which the State sends such information to the facility. The Secretary shall use the information submitted under this subsection to update the information provided on the Nursing Home Compare Medicare website as expeditiously as practicable but not less frequently than quarterly.

(h) Enforcement process

(1) In general

If a State finds, on the basis of a standard, extended, or partial extended survey under subsection (g)(2) or otherwise, that a skilled nursing facility no longer meets a requirement of subsection (b), (c), (d), or (e), and further finds that the facility’s deficiencies—

(A) immediately jeopardize the health or safety of its residents, the State shall recommend to the Secretary that the Secretary take such action as described in paragraph (2)(A)(i); or

(B) do not immediately jeopardize the health or safety of its residents, the State may recommend to the Secretary that the Secretary take such action as described in paragraph (2)(A)(ii).

If a State finds that a skilled nursing facility meets the requirements of subsections (b), (c), (d), and (e), but, as of a previous period, did not meet such requirements, the Secretary may impose any of the remedies described in subparagraph (B).

Nothing in this subparagraph shall be construed as restricting the remedies available to the Secretary to remedy a skilled nursing facility’s deficiencies. If the Secretary finds, or pursuant to the recommendation of the State under paragraph (1) finds, that a skilled nursing facility meets such requirements but, as of a previous period, did not meet such requirements, the Secretary may provide for a civil money penalty under subparagraph (B)(ii) for the days on which he finds that the facility was not in compliance with such requirements.

(B) Specified remedies

The Secretary may take the following actions with respect to a finding that a facility has not met an applicable requirement:

(i) Denial of payment

The Secretary may deny any further payments under this subchapter with respect to all individuals entitled to benefits under this subchapter in the facility or with respect to such individuals admitted to the facility after the effective date of the finding.

(ii) Authority with respect to civil money penalties

(I) In general

Subject to subclause (II), the Secretary may impose a civil money penalty in an amount not to exceed $10,000 for each day of noncompliance. The provisions of section 1320a–7a of this title (other than subsections (a) and (b)) shall apply to a civil money penalty under the previous sentence in the same manner as such provisions apply to a penalty or proceeding under section 1320a–7a(a) of this title.

(II) Reduction of civil money penalties in certain circumstances

Subject to subclause (III), in the case where a facility self-reports and promptly corrects a deficiency for which a penalty was imposed under this clause not later than 10 calendar days after the date of such imposition, the Secretary may reduce the amount of the penalty imposed by not more than 50 percent.
(III) Prohibitions on reduction for certain deficiencies

(aa) Repeat deficiencies

The Secretary may not reduce the amount of a penalty under subclause (II) if the Secretary had reduced a penalty imposed on the facility in the preceding year under such subclause with respect to a repeat deficiency.

(bb) Certain other deficiencies

The Secretary may not reduce the amount of a penalty under subclause (II) if the penalty is imposed on the facility for a deficiency that is found to result in a pattern of harm or widespread harm, immediately jeopardizes the health or safety of a resident or residents of the facility, or results in the death of a resident of the facility.

(iv) Collection of civil money penalties

In the case of a civil money penalty imposed under this clause, the Secretary shall issue regulations that—

(aa) subject to item (cc), not later than 30 days after the imposition of the penalty, provide for the facility to have the opportunity to participate in an independent informal dispute resolution process which generates a written record prior to the collection of such penalty;

(bb) in the case where the penalty is imposed for each day of noncompliance, provide that a penalty may not be imposed for any day during the period beginning on the initial day of the imposition of the penalty and ending on the day on which the informal dispute resolution process under item (aa) is completed;

(cc) may provide for the collection of such civil money penalty and the placement of such amounts collected in an escrow account under the direction of the Secretary on the earlier of the date on which the informal dispute resolution process under item (aa) is completed or the date that is 90 days after the date of the imposition of the penalty;

(dd) may provide that such amounts collected are kept in such account pending the resolution of any subsequent appeals;

(ee) in the case where the facility successfully appeals the penalty, may provide for the return of such amounts collected (plus interest) to the facility; and

(ff) in the case where all such appeals are unsuccessful, may provide that some portion of such amounts collected may be used to support activities that benefit residents, including assistance to support and protect residents of a facility that closes (voluntarily or involuntarily) or is decertified (including offsetting costs of relocating residents to home and community-based settings or another facility), projects that support resident and family councils and other consumer involvement in assuring quality care in facilities, and facility improvement initiatives approved by the Secretary (including joint training of facility staff and surveyors, technical assistance for facilities implementing quality assurance programs, the appointment of temporary management firms, and other activities approved by the Secretary).

(iii) Appointment of temporary management

In consultation with the State, the Secretary may appoint temporary management to oversee the operation of the facility and to assure the health and safety of the facility’s residents, where there is a need for temporary management while—

(I) there is an orderly closure of the facility, or

(II) improvements are made in order to bring the facility into compliance with all the requirements of subsections (b), (c), and (d).

The temporary management under this clause shall not be terminated under subclause (II) until the Secretary has determined that the facility has the management capability to ensure continued compliance with all the requirements of subsections (b), (c), and (d).

The Secretary shall specify criteria, as to when and how each of such remedies is to be applied, the amounts of any fines, and the severity of each of these remedies, to be used in the imposition of such remedies. Such criteria shall be designed so as to minimize the time between the identification of violations and final imposition of the remedies and shall provide for the imposition of incrementally more severe fines for repeated or uncorrected deficiencies. In addition, the Secretary may provide for other specified remedies, such as directed plans of correction.

(C) Continuation of payments pending remediation

The Secretary may continue payments, over a period of not longer than 6 months after the effective date of the findings, under this subchapter with respect to a skilled nursing facility not in compliance with a requirement of subsection (b), (c), or (d), if—

(i) the State survey agency finds that it is more appropriate to take alternative action to assure compliance of the facility with the requirements than to terminate the certification of the facility;

(ii) the State has submitted a plan and timetable for corrective action to the Secretary for approval and the Secretary approves the plan of corrective action, and

(iii) the facility agrees to repay to the Federal Government payments received under this subparagraph if the corrective action is not taken in accordance with the approved plan and timetable.
The Secretary shall establish guidelines for approval of corrective actions requested by States under this subparagraph.

(D) Assuring prompt compliance

If a skilled nursing facility has not complied with any of the requirements of subsections (b), (c), and (d), within 3 months after the date the facility is found to be out of compliance with such requirements, the Secretary shall impose the remedy described in subparagraph (B)(i) for all individuals who are admitted to the facility after such date.

(E) Repeated noncompliance

In the case of a skilled nursing facility which, on 3 consecutive standard surveys conducted under subsection (g)(2), has been found to have provided substandard quality of care, the Secretary shall (regardless of what other remedies are provided)—

(i) impose the remedy described in subparagraph (B)(i), and

(ii) monitor the facility under subsection (g)(4)(B),

until the facility has demonstrated, to the satisfaction of the Secretary, that it is in compliance with the requirements of subsections (b), (c), and (d), and that it will remain in compliance with such requirements.

(3) Effective period of denial of payment

A finding to deny payment under this subsection shall terminate when the Secretary finds that the facility is in substantial compliance with all the requirements of subsections (b), (c), and (d).

(4) Immediate termination of participation for facility where Secretary finds noncompliance and immediate jeopardy

If the Secretary finds that a skilled nursing facility has not met a requirement of subsection (b), (c), or (d), and finds that the failure immediately jeopardizes the health or safety of its residents, the Secretary shall take immediate action to remove the jeopardy and correct the deficiencies through the remedy specified in paragraph (2)(B)(iii), or the Secretary, subject to section 1320a–7j(h) of this title, shall terminate the facility’s participation under this subchapter. If the facility’s participation under this subchapter is terminated, the State shall provide for the safe and orderly transfer of the residents eligible under this subchapter consistent with the requirements of subsection (c)(2) and section 1320a–7j(h) of this title.

(5) Construction

The remedies provided under this subsection are in addition to those otherwise available under State or Federal law and shall not be construed as limiting such other remedies, including any remedy available to an individual at common law. The remedies described in clauses (i), (ii)(IV), and (iii) of paragraph (2)(B) may be imposed during the pendency of any hearing.

(6) Sharing of information

Notwithstanding any other provision of law, all information concerning skilled nursing facilities required by this section to be filed with the Secretary or a State agency shall be made available by such facilities to Federal or State employees for purposes consistent with the effective administration of programs established under this subchapter and subchapter XIX, including investigations by State medicaid fraud control units.

(i) Nursing Home Compare website

(1) Inclusion of additional information

(A) In general

The Secretary shall ensure that the Department of Health and Human Services includes, as part of the information provided for comparison of nursing homes on the official Internet website of the Federal Government for Medicare beneficiaries (commonly referred to as the “Nursing Home Compare” Medicare website) (or a successor website), the following information in a manner that is prominent, updated on a timely basis, easily accessible, readily understandable to consumers of long-term care services, and searchable:

(i) Staffing data for each facility (including resident census data and data on the hours of care provided per resident per day) based on data submitted under section 1320a–7(g) of this title, including information on staffing turnover and tenure, in a format that is clearly understandable to consumers of long-term care services and allows such consumers to compare differences in staffing between facilities and State and national averages for the facilities. Such format shall include—

(I) concise explanations of how to interpret the data (such as a plain English explanation of data reflecting “nursing home staff hours per resident day”);

(II) differences in types of staff (such as training associated with different categories of staff);

(III) the relationship between nurse staffing levels and quality of care; and

(IV) an explanation that appropriate staffing levels vary based on patient case mix.

(ii) Links to State Internet websites with information regarding State survey and certification programs, links to Form 2567 State inspection reports (or a successor form) on such websites, information to guide consumers in how to interpret and understand such reports, and the facility plan of correction or other response to such report. Any such links shall be posted on a timely basis.

(iii) The standardized complaint form developed under section 1320a–7(f) of this title, including explanatory material on what complaint forms are, how they are used, and how to file a complaint with the State survey and certification program and the State long-term care ombudsman program.

(iv) Summary information on the number, type, severity, and outcome of substantiated complaints.
(v) The number of adjudicated instances of criminal violations by a facility or the employees of a facility—
(I) that were committed inside the facility;
(II) with respect to such instances of violations or crimes committed inside the facility that were the violations or crimes of abuse, neglect, and exploitation, criminal sexual abuse, or other violations or crimes that resulted in serious bodily injury; and
(III) the number of civil monetary penalties levied against the facility, employees, contractors, and other agents.

(B) Deadline for provision of information

(i) In general

Except as provided in clause (ii), the Secretary shall ensure that the information described in subparagraph (A) is included on such website (or a successor website) not later than 1 year after March 23, 2010.

(ii) Exception

The Secretary shall ensure that the information described in subparagraph (A)(i) is included on such website (or a successor website) not later than the date on which the requirements under section 1320a–7j(g) of this title are implemented.

(2) Review and modification of website

(A) In general

The Secretary shall establish a process—
(i) to review the accuracy, clarity of presentation, timeliness, and comprehensiveness of information reported on such website as of the day before March 23, 2010; and
(ii) not later than 1 year after March 23, 2010, to modify or revamp such website in accordance with the review conducted under clause (i).

(B) Consultation

In conducting the review under subparagraph (A)(i), the Secretary shall consult with—
(i) State long-term care ombudsman programs;
(ii) consumer advocacy groups;
(iii) provider stakeholder groups; and
(iv) any other representatives of programs or groups the Secretary determines appropriate.

(3) Funding

The Secretary shall transfer to the Centers for Medicare & Medicaid Services Program Management Account, from the Federal Hospital Insurance Trust Fund under section 1395i of this title a one-time allocation of $11,000,000. The amount shall be available on October 6, 2014. Such sums shall remain available until expended. Such sums shall be used to implement section 1320a–7j(g) of this title.

(j) Construction

Where requirements or obligations under this section are identical to those provided under section 1396r of this title, the fulfillment of those requirements or obligations under section 1396r of this title shall be considered to be the fulfillment of the corresponding requirements or obligations under this section.


AMENDMENT OF SUBSECTION (d)(1)

Pub. L. 111–148, title VI, §6101(c)(1)(A), (2), Mar. 23, 2010, 124 Stat. 702, provided that, effective on the date on which the Secretary of Health and Human Services makes certain information available to the public, subsection (d)(1) of this section is amended by striking subparagraph (B) and redesignating subparagraph (C) relating to skilled nursing facility administrator as subparagraph (B). See 2010 Amendment note and Effective Date of 2010 Amendment note below.

REFERENCES IN TEXT


Subparagraphs (B), (C), and (D) of section 6901(b)(4) of the Omnibus Budget Reconciliation Act of 1989 (Pub. L. 101–239), referred to in subsec. (e)(2)(A), are set out below.

Section 21(b) of the Medicare-Medicaid Anti-Fraud and Abuse Amendments of 1977, referred to in subsec. (f)(7)(A), probably means section 21(b) of the Medicare-Medicaid Anti-Fraud and Abuse Amendments, Pub. L. 95–142, which is set out as a note under section 1395x of this title.

AMENDMENTS

scribed in subsection (f)(2)(B)(ii) or in subparagraph (B), (C), or (D) of section 6003(b)(4) of the Omnibus Budget Reconciliation Act of 1989.


Subsec. (f)(2)(A)(iv). Pub. L. 101–508, § 4008(b)(1)(E), struck out "and" at end of subcl. (I), inserted "who is employed by (or who has received an offer of employment from) a facility on the date on which the aide begins either such program" after "nurse aide" and substituted ", and" for period at end of subcl. (I), and added subcl. (II).


Subsec. (f)(2)(B)(iii)(I). Pub. L. 101–508, § 4008(b)(2)(M), substituted "deficiencies, within 14 calendar days after such information is made available to those facilities, and approved plans" for "deficiencies and plans".


Subsec. (h)(2)(C). Pub. L. 101–239, § 6901(d)(4)(D), inserted "after the effective date of the findings" after "every 6 months" in introductory provisions.

Subsec. (h)(2)(D). Pub. L. 101–239, § 6901(d)(4)(D), struck out "in the case of a resident eligible for benefits under subchapter XIX of this chapter," before "use an instrument".


Subsec. (i)(2)(B). Pub. L. 101–360, § 411(l)(2)(D)(ii), substituted "for a stay at the facility" for "an allowable charge imposed by the facility for an item or service requested by the resident and for which a charge may be imposed consistent with this subchapter and chapter XIX of this title".

Subsec. (i)(2)(B)(i). Pub. L. 101–360, § 411(l)(2)(D)(ii), substituted "such services" for "nursing or nursing-related services".

Subsec. (i)(2)(B)(ii). Pub. L. 101–360, § 411(l)(2)(D)(ii), substituted "A State shall not make a finding that an individual has a significant mental impairment or a mental illness or that an individual is mentally retarded."


Subsec. (i)(2)(B)(vii). Pub. L. 101–360, § 411(l)(2)(D)(ii), substituted "for a stay at the facility" for "an allowable charge imposed by the facility for an item or service requested by the resident and for which a charge may be imposed consistent with this subchapter and chapter XIX of this title".

Subsec. (i)(2)(B)(viii). Pub. L. 101–360, § 411(l)(2)(D)(ii), substituted "such services" for "nursing or nursing-related services".

Subsec. (i)(2)(B)(ix). Pub. L. 101–360, § 411(l)(2)(D)(ii), substituted "A State shall not make a finding that an individual has a significant mental impairment or a mental illness or that an individual is mentally retarded."


Subsec. (g)(1)(D). Pub. L. 100–360, § 411(h)(5)(D), substituted “to issue regulations to carry out this subsection” for “to establish standards under subsection (f) of this section”.

Subsec. (g)(2)(A)(i). Pub. L. 100–360, § 411(h)(5)(E), amended third sentence generally. Prior to amendment, third sentence read as follows: “The Secretary shall provide for imposition of civil money penalties under section 1395i–3 of this title for a hearing for the nurse aide involved and a reasonable opportunity for a hearing for the nurse aide to rebut allegations, that a nurse aide whose name is contained in a nurse aide registry has neglected or abused a resident or misappropriated resident property in a facility, the State shall notify the nurse aide and the registry of such finding.”


Subsec. (h)(2)(B)(ii). Pub. L. 100–360, § 411(h)(7)(A), substituted “the provisions of section 1326a–7a of this title (other than subsections (a) and (b) shall apply to a civil money penalty under the previous sentence in the same manner as such provisions apply to a penalty or proceeding under section 1326a–7a of this title, for “and the Secretary shall impose and collect such a penalty in the same manner as civil money penalties are imposed and collected under section 1326a–7a of this title.”

Subsec. (h)(5). Pub. L. 100–360, § 411(h)(11), as added by Pub. L. 100–485, §608(d)(27)(L), substituted “classes (i), and (iii) of paragraph (2)(B)” for “classes (i), (iii), and (iv) of paragraph (2)(A)”.

Subsec. (i)(6). Pub. L. 100–360, § 411(h)(7)(B), inserted “by such facilities” after “be made available”.

Effective Date of 1994 Amendment


Effective Date of 1992 Amendment

Effective Date of 1991 Amendment
Effective Date of 1990 Amendment


"(i) The amendments made by clause (i) [amending this section] shall take effect as if included in the enactment of the Omnibus Budget Reconciliation Act of 1987 [Pub. L. 100–203], except that a State may not approve a training and competency evaluation program or a competency evaluation program offered by or in a skilled nursing facility which, pursuant to any Federal or State law within the 2-year period beginning on October 1, 1988—"

"(aa) had its participation terminated under title XXVIII of the Social Security Act [42 U.S.C. 1395 et seq.] or under the State plan under title XIX of such Act [42 U.S.C. 1396 et seq.];"

"(bb) was subject to a denial of payment under either such title;"

"(cc) was assessed a civil money penalty not less than $5,000 for deficiencies in skilled nursing facility standards;"

"(dd) operated under a temporary management appointed to oversee the operation of the facility and to ensure the health and safety of the facility’s residents; or;"

"(ee) pursuant to State action, was closed or had its residents transferred.

"(II) Notwithstanding subclause (I) and subject to section 1819(r)(2)(B)(iii) of the Social Security Act [42 U.S.C. 1395i–3] (as amended by clause (i)), a State may approve a training and competency evaluation program or a competency evaluation program offered by or in a skilled nursing facility described in subclause (I) if, during the previous 2 years, item (aa), (bb), (cc), (dd), or (ee) of subclause (I) did not apply to the facility."

Pub. L. 101–508, title IV, §4008(h)(1)(H), Nov. 5, 1990, 104 Stat. 1388–48, provided that: "Except as provided in subparagraph (F) [amending this section and enacting provisions set out as a note above], the amendments made by this subsection [probably means this paragraph, amending this section] shall take effect as if they were included in the enactment of the Omnibus Budget Reconciliation Act of 1987 (Pub. L. 100–203)."

Pub. L. 101–508, title IV, §4008(h)(2)(P), Nov. 5, 1990, 104 Stat. 1388–50, provided that: "The amendments made by this paragraph [amending this section and sections 1385x and 1395yy of this title] shall take effect as if they were included in the enactment of the Omnibus Budget Reconciliation Act of 1987 (Pub. L. 100–203)]."

Pub. L. 101–508, title IV, §4020(e)(1), Nov. 5, 1990, 104 Stat. 1388–117, provided that: "The amendments made by subsections (a) and (d) [amending this section and sections 1395cc and 1395bbb of this title] shall apply with respect to services furnished on or after the first day of the first month beginning more than 1 year after the date of the enactment of this Act [Nov. 5, 1990]."

Effective Date of 1989 Amendment

Pub. L. 101–239, title VI, §6001(b)(6), Dec. 19, 1989, 103 Stat. 2300, provided that:

"(A) In general.—Except as provided in subparagraph (B), the amendments made by this subsection [amending this section and sections 1396i–1 and 1396r of this title] shall take effect as if they were included in the enactment of the Omnibus Budget Reconciliation Act of 1987 [Pub. L. 100–203]."

"(B) Exception.—The amendments made by paragraph (3) [amending this section and section 1396r of this title] shall apply to nurse aide training and competency evaluation programs, and nurse aide competency evaluation programs, offered on or after the end of the 90-day period beginning on the date of the enactment of this Act [Dec. 19, 1989], but shall not affect competency evaluations conducted under programs offered before the end of such period.


"(A) In general.—Except as provided in subparagraph (B), the amendments made by this subsection [amending this section and sections 1386i and 1386r of this title] shall take effect as if they were included in the enactment of the Omnibus Budget Reconciliation Act of 1987 [Pub. L. 100–203]."

"(B) Exception.—The amendments made by paragraph (1) [amending section 1396c of this title] shall take effect on the date of the enactment of this Act [Dec. 19, 1989]."

Effective Date of 1988 Amendment

Amendment by Pub. L. 100–485 effective as if originally included in the Medicare Catastrophic Coverage Act of 1988, Pub. L. 100–360, see section 608(g)(1) of Pub. L. 100–485, set out as a note under section 704 of this title.

Except as specifically provided in section 411 of Pub. L. 100–360, amendment by Pub. L. 100–360, as it relates to a provision in the Omnibus Budget Reconciliation Act of 1987, Pub. L. 100–203, effective as if included in the enactment of that provision in Pub. L. 100–203, see section 411(a) of Pub. L. 100–360, set out as a Reference to OBRA; Effective Date note under section 106 of Title I, General Provisions.

Effective Date


"(a) NEW REQUIREMENTS AND SURVEY AND CERTIFICATION PROCESS.—Except as otherwise specifically provided in section 1819 of the Social Security Act [42 U.S.C. 1395i–5], the amendments made by sections 4201 and 4292 [enacting and amending this section and amending sections 1385x, 1395aa, 1395tt, and 1395yy of this title] (relating to skilled nursing facility requirements and survey and certification requirements) shall apply to services furnished on or after October 1, 1990, without regard to whether regulations to implement such amendments are promulgated by such date.

"(b) ENFORCEMENT.—(1) Except as otherwise specifically provided in section 1819 of the Social Security Act [42 U.S.C. 1395i–5], the amendments made by section 4203 of this Act [amending this section and section 1395aa of this title] apply January 1, 1988, without regard to whether regulations to implement such amendments are promulgated by such date.

"(2) In applying the amendments made by section 4203 of this Act for services furnished by a skilled nursing facility before October 1, 1990, any reference to a requirement of subsection (b), (c), or (d), of section 1819 of the Social Security Act is deemed a reference to the provisions of section 1861(j) of such Act [42 U.S.C. 1395j(j)]."

"(c) WAIVER OF PAPERWORK REDUCTION.—Chapter 35 of title 44, United States Code, shall not apply to information required for purposes of carrying out this part [part 1 of subtitle C (§§4201–4206), enacting this section, amending this section and sections 1395x, 1395aa, 1395tt, and 1395yy of this title, and enacting provisions set out as notes under this section] and implementing the amendments made by this part."
Form 2567 State inspection reports (or a successor form), complaint investigation reports, and a facility’s plan of correction or other response to such Form 2567 State inspection reports (or a successor form) on the Internet website of the State that provides information on skilled nursing facilities and nursing facilities and the Secretary shall, if possible, include such information on Nursing Home Compare.

"(3) DEFINITIONS.—In this subsection:

"(A) NURSING FACILITY.—The term ‘nursing facility’ has the meaning given such term in section 1819(a) of the Social Security Act (42 U.S.C. 1395i–3(a)).

"(B) SECRETARY.—The term ‘Secretary’ means the Secretary of Health and Human Services.

"(C) SKILLED NURSING FACILITY.—The term ‘skilled nursing facility’ has the meaning given such term in section 1819(a) of the Social Security Act (42 U.S.C. 1395i–3(a))."

DEVELOPMENT OF CONSUMER RIGHTS INFORMATION PAGE ON NURSING HOME COMPARE WEBSITE

Pub. L. 111–148, title VI, § 6103(e), Mar. 23, 2010, 124 Stat. 719, provided that: "Not later than 1 year after the date of enactment of this Act [Mar. 23, 2010], the Secretary [of Health and Human Services] shall conduct 2 demonstration projects on the Nursing Home Compare Medicare website develops and includes a consumer rights information page that contains links to descriptions of, and information with respect to, the following:

"(1) The documentation on nursing facilities that is available to the public.

"(2) General information and tips on choosing a nursing facility that meets the needs of the individual.

"(3) General information on consumer rights with respect to nursing facilities.

"(4) The nursing facility survey process (on a national and State-specific basis).

"(5) On a State-specific basis, the services available through the State long-term care ombudsman for such State."

NATIONAL DEMONSTRATION PROJECTS ON CULTURE CHANGE AND USE OF INFORMATION TECHNOLOGY IN NURSING HOMES


"(a) IN GENERAL.—The Secretary [of Health and Human Services] shall conduct 2 demonstration projects, 1 for the development of best practices in skilled nursing facilities and nursing facilities that are involved in the culture change movement (including the development of resources for facilities to find and access funding in order to undertake culture change) and 1 for the development of best practices in skilled nursing facilities and nursing facilities for the use of information technology to improve resident care.

"(b) CONDUCT OF DEMONSTRATION PROJECTS.—

"(1) GRANT AWARD.—Under each demonstration project conducted under this section, the Secretary shall award 1 or more grants to facility-based settings for the development of best practices described in subsection (a) with respect to the demonstration project involved. Such award shall be made on a competitive basis and may be allocated in 1 lump-sum payment.

"(2) CONSIDERATION OF SPECIAL NEEDS OF RESIDENTS.—Each demonstration project conducted under this section shall take into consideration the special needs of residents of skilled nursing facilities and nursing facilities who have cognitive impairment, including dementia.

"(c) DURATION AND IMPLEMENTATION.—

"(1) DURATION.—The demonstration projects shall each be conducted for a period not to exceed 3 years.

"(2) IMPLEMENTATION.—The demonstration projects shall each be implemented not later than 1 year after the date of the enactment of this Act [Mar. 23, 2010]."

"(d) DEFINITIONS.—In this section:

"(1) NURSING FACILITY.—The term ‘nursing facility’ has the meaning given such term in section 1919(a) of the Social Security Act (42 U.S.C. 1396n(a)).

"(2) SECRETARY.—The term ‘Secretary’ means the Secretary of Health and Human Services.

"(3) SKILLED NURSING FACILITY.—The term ‘skilled nursing facility’ has the meaning given such term in section 1819(a) of the Social Security Act (42 U.S.C. 1395i–3(a))."

AUTHORIZATION OF APPROPRIATIONS.

"(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as may be necessary to carry out this section.

"(f) REPORT.—Not later than 9 months after the completion of the demonstration project, the Secretary shall submit to Congress a report on such project, together with recommendations for such legislation and administrative action as the Secretary determines appropriate.”

REVIEW AND REPORT ON CURRENT STANDARDS OF PRACTICE FOR PHARMACY SERVICES PROVIDED TO PATIENTS IN NURSING FACILITIES


"(1) REVIEW.—

"(A) IN GENERAL.—Not later than 12 months after the date of the enactment of this Act [Dec. 8, 2003], the Secretary [of Health and Human Services] shall conduct a thorough review of the current standards of practice for pharmacy services provided to patients in nursing facilities.

"(B) SPECIFIC MATTERS REVIEWED.—In conducting the review under subparagraph (A), the Secretary shall—

"(i) assess the current standards of practice, clinical services, and other service requirements generally used for pharmacy services in long-term care settings; and

"(ii) evaluate the impact of those standards with respect to patient safety, reduction of medication errors and quality of care.

"(2) REPORT.—

"(A) IN GENERAL.—Not later than the date that is 18 months after the date of the enactment of this Act [Dec. 8, 2003], the Secretary shall submit a report to Congress on the study conducted under paragraph (1)(A).

"(B) CONTENTS.—The report submitted under subparagraph (A) shall contain—

"(i) a description of the plans of the Secretary to implement the provisions of this Act [see Tables for classification] in a manner consistent with applicable State and Federal laws designed to protect the safety and quality of care of nursing facility patients; and

"(ii) recommendations regarding necessary actions and appropriate reimbursement to ensure the provision of prescription drugs to medicare beneficiaries residing in nursing facilities in a manner consistent with existing patient safety and quality of care standards under applicable State and Federal laws.”

STUDY AND REPORT REGARDING STATE LICENSURE AND CERTIFICATION STANDARDS AND RESPIRATORY THERAPY COMPETENCY EXAMINATIONS


"(a) STUDY.—The Secretary of Health and Human Services shall conduct a study that—

"(1) identifies variations in State licensure and certification standards for health care providers (including nursing and allied health professionals) and other individuals providing respiratory therapy in skilled nursing facilities.

"(2) examines State requirements relating to respiratory therapy competency examinations for such providers and individuals; and
"(3) determines whether regular respiratory therapy competency examinations or certifications should be required under the medicare program under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.) for such providers and individuals.

"(b) Report.—Not later than 18 months after the date of enactment of this Act [Nov. 29, 1999], the Secretary of Health and Human Services shall submit to Congress a report on the results of the study conducted under this section, together with any recommendations for legislation that the Secretary determines to be appropriate as a result of such study."

RETORETIVE REVIEW
Pub. L. 105-33, title IV, § 4755(c), Aug. 5, 1997, 111 Stat. 527, provided: "The procedures developed by a State under the amendments made by subsection(s) (a) and (b) [amending this section and section 1396r of this title] shall permit an individual to petition for a review of any finding made by a State under section 1819(g)(1)(C) or 1919(g)(1)(C) of the Social Security Act (42 U.S.C. 1396i–3(g)(1)(C) or 1396r(g)(1)(C)) after January 1, 1995."

STUDY AND REPORT ON DREMIN FOR NURSING FACILITIES AND RENAL DIALYSIS FACILITIES

"(1) Study.—The Secretary of Health and Human Services shall provide for—

"(A) a study concerning the effectiveness and appropriateness of the current mechanisms for surveying and certifying skilled nursing facilities for compliance with the conditions and requirements of sections 1819 and 1861(j) of the Social Security Act (42 U.S.C. 1395i–5, 1395x(j)) and nursing facilities for compliance with the conditions of section 1919 of such Act (42 U.S.C. 1396r), and

"(B) a study concerning the effectiveness and appropriateness of the current mechanisms for surveying and certifying renal dialysis facilities for compliance with the conditions and requirements of section 1819(b) of the Social Security Act (42 U.S.C. 1395z-1(b))."

Pub. L. 96-66, title IV, § 4008(h)(2)(O), Nov. 5, 1980, 94 Stat. 1330-174, provided: "Any regulations promulgated and applied by the Secretary of Health and Human Services after the date of the enactment of the Omnibus Budget Reconciliation Act of 1987 [Dec. 22, 1987] with respect to services described in clauses (ii), (iv), (v) of section 1819(b)(4)(A) of the Social Security Act (42 U.S.C. 1395z-1(b)(4)(A)), and (vii) shall include requirements for providers of such services that are at least as strict as the requirements applicable to providers of such services prior to the enactment of the Omnibus Budget Reconciliation Act of 1987."
§ 1395i–4

TITLE 42—THE PUBLIC HEALTH AND WELFARE

Page 2704

grams and long-term care facilities that receive payments under title XVIII or XIX of the Social Security Act [42 U.S.C. 1395 et seq., 1396 et seq.].

(B) Activities carried out by the Institute

The contract entered into under subparagraph (A) shall require the Institute established and operated under such contract to carry out the following activities:

(i) Assess the extent to which State agencies use specialized surveyors for the investigation of reported allegations of abuse, neglect, and misappropriation of property in such programs and long-term care facilities.

(ii) Evaluate how the competencies of surveyors may be improved to more effectively investigate reported allegations of such abuse, neglect, and misappropriation of property, and provide feedback to Federal and State agencies on the evaluations conducted.

(iii) Provide a national program of training, tools, and technical assistance to Federal and State surveyors on investigating reports of such abuse, neglect, and misappropriation of property.

(iv) Develop and disseminate information on best practices for the investigation of such abuse, neglect, and misappropriation of property.

(v) Assess the performance of State complaint intake systems, in order to ensure that the intake of complaints occurs 24 hours per day, 7 days a week (including holidays).

(vi) To the extent approved by the Secretary of Health and Human Services, provide a national 24 hours per day, 7 days a week (including holidays), back-up system to State complaint intake systems in order to ensure optimum national responsiveness to complaints of such abuse, neglect, and misappropriation of property.

(vii) Analyze and report annually on the following:

(I) The total number and sources of complaints of such abuse, neglect, and misappropriation of property.

(II) The extent to which such complaints are referred to law enforcement agencies.

(III) General results of Federal and State investigations of such complaints.

(viii) Conduct a national study of the cost to State agencies of conducting complaint investigations of skilled nursing facilities and nursing facilities under sections 1819 and 1919, respectively, of the Social Security Act (42 U.S.C. 1395i–3; 1396r), and making recommendations to the Secretary of Health and Human Services with respect to options to increase the efficiency and cost-effectiveness of such investigations.

(C) Authorization

There are authorized to be appropriated to carry out this paragraph, for the period of fiscal years 2011 through 2014, $12,000,000.

(2) Grants to State survey agencies

(A) In general

The Secretary of Health and Human Services shall make grants to State agencies that perform surveys of skilled nursing facilities or nursing facilities under sections 1819 or 1919, respectively, of the Social Security Act (42 U.S.C. 1395i–3; 1396r (1396r)).

(B) Use of funds

A grant awarded under subparagraph (A) shall be used for the purpose of designing and implementing complaint investigations systems that—

(i) promptly prioritize complaints in order to ensure a rapid response to the most serious and urgent complaints;

(ii) respond to complaints with optimum effectiveness and timeliness;

(iii) optimize the collaboration between local authorities, consumers, and providers, including—

(I) such State agency;

(II) the State Long-Term Care Ombudsman;

(III) local law enforcement agencies;

(IV) advocacy and consumer organizations;

(V) State aging units;

(VI) Area Agencies on Aging; and

(VII) other appropriate entities.

(C) Authorization

There are authorized to be appropriated to carry out this paragraph, for each of fiscal years 2011 through 2014, $5,000,000.


REFERENCES IN TEXT

The Social Security Act, referred to in par. (1)(A), is act Aug. 14, 1935, ch. 531, §620, 49 Stat. 620. Titles XVIII and XIX of the Act are classified generally to this subchapter (§1395 et seq.) and subchapter XIX (§1396 et seq.), respectively, of this chapter. For complete classification of this Act to the Code, see section 1395 of this title and Tables.

DEFINITIONS

Section was enacted as part of the Patient Protection and Affordable Care Act, and not as part of the Social Security Act which comprises this chapter.

$1395i–4. Medicare rural hospital flexibility program

(a) Establishment

Any State that submits an application in accordance with subsection (b) may establish a medicare rural hospital flexibility program described in subsection (c).

(b) Application

A State may establish a medicare rural hospital flexibility program described in subsection


(c) Medicare rural hospital flexibility program

described

(1) In general

A State that has submitted an application in accordance with subsection (b), may establish a medicare rural hospital flexibility program that provides that—

(A) has developed, or is in the process of developing, a State rural health care plan that—

(i) provides for the creation of 1 or more rural health networks (as defined in subsection (d)) in the State;

(ii) promotes regionalization of rural health services in the State; and

(iii) improves access to hospital and other health services for rural residents of the State; and

(B) has developed the rural health care plan described in subparagraph (A) in consultation with the hospital association of the State, rural hospitals located in the State, and the State Office of Rural Health (or, in the case of a State in the process of developing such plan, that assures the Secretary that the State will consult with its State hospital association, rural hospitals located in the State, and the State Office of Rural Health in developing such plan);

(2) assurances that the State has designated (consistent with the rural health care plan described in paragraph (1)(A), or is in the process of so designating, rural nonprofit or public hospitals or facilities located in the State as critical access hospitals; and

(3) such other information and assurances as the Secretary may require.

(c) If the State submits to the Secretary at such time and in such form as the Secretary may require an application containing—

(1) assurances that the State—

(A) has developed, or is in the process of developing, a State rural health care plan that—

(i) provides for the creation of 1 or more rural health networks (as defined in subsection (d)) in the State;

(ii) promotes regionalization of rural health services in the State; and

(iii) improves access to hospital and other health services for rural residents of the State; and

(B) has developed the rural health care plan described in subparagraph (A) in consultation with the hospital association of the State, rural hospitals located in the State, and the State Office of Rural Health (or, in the case of a State in the process of developing such plan, that assures the Secretary that the State will consult with its State hospital association, rural hospitals located in the State, and the State Office of Rural Health in developing such plan);

(2) assurances that the State has designated (consistent with the rural health care plan described in paragraph (1)(A), or is in the process of so designating, rural nonprofit or public hospitals or facilities located in the State as critical access hospitals; and

(3) such other information and assurances as the Secretary may require.

(C) Recently closed facilities

A State may designate a facility as a critical access hospital if the facility—

(i) was a hospital that ceased operations on or after the date that is 10 years before November 29, 1999; and

(ii) as of the effective date of such designation, meets the criteria for designation under subparagraph (B).

(D) Downsized facilities

A State may designate a health clinic or a health center (as defined by the State) as a critical access hospital if such clinic or center—

(i) is licensed by the State as a health clinic or a health center; and

(ii) was a hospital that was downsized to a health clinic or health center; and

(iii) as of the effective date of such designation, meets the criteria for designation under subparagraph (B).
§ 1395i–4

Authority to establish psychiatric and rehabilitation distinct part units

(i) In general

Subject to the succeeding provisions of this subparagraph, a critical access hospital may establish—

(I) a psychiatric unit of the hospital that is a distinct part of the hospital; and

(II) a rehabilitation unit of the hospital that is a distinct part of the hospital,

if the distinct part meets the requirements (including conditions of participation) that would otherwise apply to the distinct part if the distinct part were established by a subsection (d) hospital in accordance with the matter following clause (v)\(^1\) of section 1395ww(d)(1)(B) of this title, including any regulations adopted by the Secretary under such section.

(ii) Limitation on number of beds

The total number of beds that may be established under clause (i) for a distinct part unit may not exceed 10.

(iii) Exclusion of beds from bed count

In determining the number of beds of a critical access hospital for purposes of applying the bed limitations referred to in subparagraph (B)(iii) and subsection (f), the Secretary shall not take into account any bed established under clause (i).

(iv) Effect of failure to meet requirements

If a psychiatric or rehabilitation unit established under clause (i) does not meet the requirements described in such clause with respect to a cost reporting period, no payment may be made under this subchapter to the hospital for services furnished in such unit during such period. Payment to the hospital for services furnished in the unit may resume only after the hospital has demonstrated to the Secretary that the unit meets such requirements.

(d) “Rural health network” defined

(1) In general

In this section, the term “rural health network” means, with respect to a State, an organization consisting of—

(A) at least 1 facility that the State has designated or plans to designate as a critical access hospital; and

(B) at least 1 hospital that furnishes acute care services.

(2) Agreements

(A) In general

Each critical access hospital that is a member of a rural health network shall have an agreement with respect to each item described in subparagraph (B) with at least 1 hospital that is a member of the network.

(B) Items described

The items described in this subparagraph are the following:

(i) Patient referral and transfer.

(ii) The development and use of communications systems including (where feasible)—

(I) telemetry systems; and

(II) systems for electronic sharing of patient data.

(iii) The provision of emergency and non-emergency transportation among the facility and the hospital.

(C) Credentialing and quality assurance

Each critical access hospital that is a member of a rural health network shall have an agreement with respect to credentialing and quality assurance with at least—

(I) 1 hospital that is a member of the network;

(ii) 1 peer review organization or equivalent entity; or

(iii) 1 other appropriate and qualified entity identified in the State rural health care plan.

(e) Certification by Secretary

The Secretary shall certify a facility as a critical access hospital if the facility—

(1) is located in a State that has established a medicare rural hospital flexibility program in accordance with subsection (c);

(2) is designated as a critical access hospital by the State in which it is located; and

(3) meets such other criteria as the Secretary may require.

(f) Permitting maintenance of swing beds

Nothing in this section shall be construed to prohibit a State from designating or the Secretary from certifying a facility as a critical access hospital solely because, at the time the facility applies to the State for designation as a critical access hospital, there is in effect an agreement between the facility and the Secretary under section 1395tt of this title under which the facility’s inpatient hospital facilities are used for the provision of extended care services, so long as the total number of beds that may be used at any time for the furnishing of either such services or acute care inpatient services does not exceed 25 beds. For purposes of the previous sentence, any bed of a unit of the facility that is licensed as a distinct-part skilled nursing facility at the time the facility applies to the State for designation as a critical access hospital shall not be counted.

(g) Grants

(1) Medicare rural hospital flexibility program

The Secretary may award grants to States that have submitted applications in accordance with subsection (b) for—

(A) engaging in activities relating to planning and implementing a rural health care plan;

(B) engaging in activities relating to planning and implementing rural health networks;

(C) designating facilities as critical access hospitals; and

(D) providing support for critical access hospitals for quality improvement, quality reporting, performance improvements, and benchmarking.

\(^1\) See References in Text note below.
(2) Rural emergency medical services

(A) In general

The Secretary may award grants to States that have submitted applications in accordance with subparagraph (B) for the establishment or expansion of a program for the provision of rural emergency medical services.

(B) Application

An application is in accordance with this subparagraph if the State submits to the Secretary at such time and in such form as the Secretary may require an application containing the assurances described in subparagraphs (A)(ii), (A)(iii), and (B) of subsection (b)(1) and paragraph (3) of that subsection.

(3) Upgrading data systems

(A) Grants to hospitals

The Secretary may award grants to hospitals that have submitted applications in accordance with subparagraph (C) to assist eligible small rural hospitals in meeting the costs of implementing data systems required to meet requirements established under the medicare program pursuant to amendments made by the Balanced Budget Act of 1997 and to assist such hospitals in participating in delivery system reforms under the provisions of and amendments made by the Patient Protection and Affordable Care Act, such as value-based purchasing programs, accountable care organizations under section 1395cc–4 of this title, the National pilot program on payment bundling under section 1395jjj of this title, and other delivery system reform programs determined appropriate by the Secretary.

(B) Eligible small rural hospital defined

For purposes of this paragraph, the term “eligible small rural hospital” means a non-Federal, short-term general acute care hospital that—

(i) is located in a rural area (as defined for purposes of section 1395ww(d) of this title); and

(ii) has less than 50 beds.

(C) Application

A hospital seeking a grant under this paragraph shall submit an application to the Secretary on or before such date and in such form and manner as the Secretary specifies.

(D) Amount of grant

A grant to a hospital under this paragraph may not exceed $50,000.

(E) Use of funds

A hospital receiving a grant under this paragraph may use the funds for the purchase of computer software and hardware, the education and training of hospital staff on computer information systems, to offset costs related to the implementation of prospective payment systems and to participate in delivery system reforms under the provisions of and amendments made by the Patient Protection and Affordable Care Act, such as value-based purchasing programs, accountable care organizations under section 1395jjj of this title, the National pilot program on payment bundling under section 1395cc–4 of this title, and other delivery system reform programs determined appropriate by the Secretary.

(F) Reports

(i) Information

A hospital receiving a grant under this section shall furnish the Secretary with such information as the Secretary may require to evaluate the project for which the grant is made and to ensure that the grant is expended for the purposes for which it is made.

(ii) Timing of submission

(1) Interim reports

The Secretary shall report to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate at least annually on the grant program established under this section, including in such report information on the number of grants made, the nature of the projects involved, the geographic distribution of grant recipients, and such other matters as the Secretary deems appropriate.

(2) Final report

The Secretary shall submit a final report to such committees not later than 180 days after the completion of all of the projects for which a grant is made under this section.

(4) Additional requirements with respect to FLEX grants

With respect to grants awarded under paragraph (1) or (2) from funds appropriated for fiscal year 2005 and subsequent fiscal years—

(A) Consultation with the state hospital association and rural hospitals on the most appropriate ways to use grants

A State shall consult with the hospital association of such State and rural hospitals located in such State on the most appropriate ways to use the funds under such grant.

(B) Limitation on use of grant funds for administrative expenses

A State may not expend more than the lesser of—

(i) 15 percent of the amount of the grant for administrative expenses; or

(ii) the State’s federally negotiated indirect rate for administering the grant.

(5) Use of funds for Federal administrative expenses

Of the total amount appropriated for grants under paragraphs (1) and (2) for a fiscal year (for each of fiscal years 2008 through 2009) and, of the total amount appropriated for grants under paragraphs (1), (2), and (6) for a fiscal year (beginning with fiscal year 2009), up to 5 percent of such amount shall be available to the Health Resources and Services Adminis-
tation for purposes of administering such grants.

(6) Providing mental health services and other health services to veterans and other residents of rural areas

(A) Grants to States

The Secretary may award grants to States that have submitted applications in accordance with subparagraph (B) for increasing the delivery of mental health services or other health care services deemed necessary to meet the needs of veterans of Operation Iraqi Freedom and Operation Enduring Freedom living in rural areas (as defined for purposes of section 1395ww(d) of this title and including areas that are rural census tracks, as defined by the Administrator of the Health Resources and Services Administration), including for the provision of crisis intervention services and the detection of post-traumatic stress disorder, traumatic brain injury, and other signature injuries of veterans of Operation Iraqi Freedom and Operation Enduring Freedom, and for referral of such veterans to medical facilities operated by the Department of Veterans Affairs, and for the delivery of such services to other residents of such rural areas.

(B) Application

(i) In general

An application is in accordance with this subparagraph if the State submits to the Secretary at such time and in such form as the Secretary may require an application containing the assurances described in subparagraphs (A)(ii) and (A)(iii) of subsection (b)(1).

(ii) Consideration of regional approaches, networks, or technology

The Secretary may, as appropriate in awarding grants to States under subparagraph (A), consider whether the application submitted by a State under this subparagraph includes 1 or more proposals that utilize regional approaches, networks, health information technology, telehealth, or telemedicine to deliver services described in subparagraph (A) to individuals described in that subparagraph. For purposes of this clause, a network may, as the Secretary determines appropriate, include Federally qualified health centers (as defined in section 1395x(aa)(4) of this title), rural health clinics (as defined in section 1395x(aa)(2) of this title), home health agencies (as defined in section 1395x(aa)(4) of this title), community mental health centers (as defined in section 1395x(ff)(3B) of this title) and other providers of mental health services, pharmacists, local government, and other providers deemed necessary to meet the needs of veterans.

(iii) Coordination at local level

The Secretary shall require, as appropriate, a State to demonstrate consultation with the hospital association of such State, rural hospitals located in such State, providers of mental health services, or other appropriate stakeholders for the provision of services under a grant awarded under this paragraph.

(iv) Special consideration of certain applications

In awarding grants to States under subparagraph (A), the Secretary shall give special consideration to applications submitted by States in which veterans make up a high percentage (as determined by the Secretary) of the total population of the State. Such consideration shall be given without regard to the number of veterans of Operation Iraqi Freedom and Operation Enduring Freedom living in the areas in which mental health services and other health care services would be delivered under the application.

(C) Coordination with VA

The Secretary shall, as appropriate, consult with the Director of the Office of Rural Health of the Department of Veterans Affairs in awarding and administering grants to States under subparagraph (A).

(D) Use of funds

A State awarded a grant under this paragraph may, as appropriate, use the funds to reimburse providers of services described in subparagraph (A) to individuals described in that subparagraph.

(E) Limitation on use of grant funds for administrative expenses

A State awarded a grant under this paragraph may not expend more than 15 percent of the amount of the grant for administrative expenses.

(F) Independent evaluation and final report

The Secretary shall provide for an independent evaluation of the grants awarded under subparagraph (A). Not later than 1 year after the date on which the last grant is awarded to a State under such subparagraph, the Secretary shall submit a report to Congress on such evaluation. Such report shall include an assessment of the impact of such grants on increasing the delivery of mental health services and other health services to veterans of the United States Armed Forces living in rural areas (as so defined and including such areas that are rural census tracks), with particular emphasis on the impact of such grants on the delivery of such services to veterans of Operation Enduring Freedom and Operation Iraqi Freedom, and to other individuals living in such rural areas.

(7) Critical access hospitals transitioning to skilled nursing facilities and assisted living facilities

(A) Grants

The Secretary may award grants to eligible critical access hospitals that have submitted applications in accordance with subparagraph (B) for assisting such hospitals in the transition to skilled nursing facilities and assisted living facilities.
(B) Application
An applicable critical access hospital seeking a grant under this paragraph shall submit an application to the Secretary on or before such date and in such form and manner as the Secretary specifies.

(C) Additional requirements
The Secretary may not award a grant under this paragraph to an eligible critical access hospital unless—
(i) local organizations or the State in which the hospital is located provides matching funds; and
(ii) the hospital provides assurances that it will surrender critical access hospital status under this subchapter within 180 days of receiving the grant.

(D) Amount of grant
A grant to an eligible critical access hospital under this paragraph may not exceed $1,000,000.

(E) Funding
There are appropriated from the Federal Hospital Insurance Trust Fund under section 1395i of this title for making grants under this paragraph, $5,000,000 for fiscal year 2006.

(F) Eligible critical access hospital defined
For purposes of this paragraph, the term “eligible critical access hospital” means a critical access hospital that has an average daily acute census of less than 10.0 and an average daily swing bed census of greater than 0.

(h) Grandfathering provisions
(1) In general
Any medical assistance facility operating in Montana and any rural primary care hospital designated by the Secretary under this section prior to August 5, 1997, shall be deemed to have been certified by the Secretary under subsection (e) as a critical access hospital if such facility or hospital is otherwise eligible to be designated by the Secretary as a critical access hospital under subsection (c).

(2) Continuation of medical assistance facility and rural primary care hospital terms
Notwithstanding any other provision of this subchapter, with respect to any medical assistance facility or rural primary care hospital described in paragraph (1), any reference in this subchapter to a “critical access hospital” shall be deemed to be a reference to a “medical assistance facility” or “rural primary care hospital”.

(3) State authority to waive 35-mile rule
In the case of a facility that was designated as a critical access hospital before January 1, 2006, and was certified by the State as being a necessary provider of health care services to residents in the area under subsection (c)(2)(B)(i)(II), as in effect before such date, the authority under such subsection with respect to any redesignation of such facility shall continue to apply notwithstanding the amendment made by section 405(h)(1) of the Medicare Prescription Drug, Improvement, and Modernization Act of 2003.

(i) Waiver of conflicting part A provisions
The Secretary is authorized to waive such provisions of this part and part E as are necessary to conduct the program established under this section.

(j) Authorization of appropriations
There are authorized to be appropriated from the Federal Hospital Insurance Trust Fund for making grants to all States under subsection (g), $25,000,000 in each of the fiscal years 1998 through 2002, for making grants to all States under paragraphs (1) and (2) of subsection (g), $35,000,000 in each of fiscal years 2003 through 2008, for making grants to all States under paragraphs (1) and (2) of subsection (g), $55,000,000 in each of fiscal years 2009 and 2010, for making grants to all States under paragraph (6) of subsection (g), $50,000,000 in each of fiscal years 2009 and 2010, to remain available until expended and for making grants to all States under subsection (g), such sums as may be necessary in each of fiscal years 2011 and 2012, to remain available until expended.


The matter following clause (v) of section 1395ww(d)(1)(B) of this title, referred to in subsec. (g)(3)(A), is Pub. L. 114–255, div. C, title XV, § 15008(a)(2)(B), Dec. 13, 2016, 130 Stat. 1321. The matter following clause (v) of section 1395ww(d)(1)(B) of this title, referred to in subsec. (g)(3)(A), now follows cl. (vi) of section 1395ww(d)(1)(B) of this title following the redesignation of subcl. (II) of cl. (iv) of subsec. (b) of section 1395(jj) of this title, the National pilot program on payments for drugs and biologicals under section 1395jj of this title, the National pilot program on quality and value-based purchasing under section 1395jj of this title, and the National pilot program on payment bundling under section 1395cc–4 of this title, and the matter following clause (v) of section 1395ww(d)(1)(B) of this title, referred to in such amendment, now follows cl. (vi) of section 1395ww(d)(1)(B) of this title.
other delivery system reform programs determined appropriate by the Secretary” before period at end.

Subsec. (g)(3)(E). Pub. L. 111–148, § 3129(a), substituted “2010,” for “2010, and for” and inserted “and for making grants to all States under subsection (g), such sums as may be necessary in each of fiscal years 2011 and 2012, to remain available until expended” before period at end.


Subsec. (g)(5). Pub. L. 110–275, § 121(b)(2), which directed insertion of “and, of the total amount appropriated for grants under paragraphs (1), (2), and (6) for a fiscal year (beginning with fiscal year 2009)” after “‘2005’), was executed by making the insertion after “‘2005’), and that” for “and”.

See note below.


Subsec. (c)(2)(B)(iii). Pub. L. 108–173, § 405(e)(1), substituted “‘25’ for ‘15 (or, in the case of a facility under an agreement described in subsection (f) of this section, 25)’.


Subsec. (f). Pub. L. 108–173, § 405(e)(2), struck out “and the number of beds used at any time for acute care inpatient services does not exceed 15 beds” after “does not exceed 25 beds”.


Subsec. (j). Pub. L. 108–173, § 405(f)(1), inserted before period at end “, and for making grants to all States under paragraphs (1) and (2) of subsection (g), $35,000,000 in each of fiscal years 2005 through 2008”.

1999—Subsec. (c)(2)(A). Pub. L. 106–113, § 1000(a)(6) [title IV, § 401(c)(1)], substituted “subparagraphs (B), (C), and (D)” for “subparagraph (B)”.

Subsec. (c)(2)(B)(i). Pub. L. 106–113, § 1000(a)(6) [title IV, § 401(b)(2)], substituted “hospital” for “nonprofit or public hospital”.

Pub. L. 106–113, § 1000(a)(6) [title IV, § 401(b)(2)], inserted “or is treated as being located in a rural area pursuant to section 1935ww(d)(8)(E) of this title” after “section 1935ww(d)(2)(D) of this title”.

Pub. L. 106–113, § 1000(a)(6) [title III, § 321(a)], substituted “that is located in a county (or equivalent unit of local government) in a rural area” as defined in section 1395ww(d)(2)(D) of this title, and that” for “and is located in a county (or equivalent unit of local government) in a rural area (as defined in section 1395ww(d)(2)(D) of this title)”.

Subsec. (c)(2)(B)(ii). Pub. L. 106–113, § 1000(a)(6) [title IV, § 404(a)(1)], substituted “‘for a period that does not exceed, as determined on an annual, average basis, 96 hours per patient;’ for ‘‘for a period not to exceed 96 hours (unless a longer period is required because transfer to a hospital is precluded because of inclement weather or other emergency conditions), except that a peer review organization or equivalent entity may, on request, waive the 96-hour restriction on a case-by-case basis’”.

Subsec. (c)(2)(C), (D). Pub. L. 106–113, § 1000(a)(6) [title IV, § 403(c)(2)], added subpars. (C) and (D).

Subsec. (g)(3). Pub. L. 106–113, § 1000(a)(6) [title IV, § 499], added par. (3).


1994—Subsec. (c)(1). Pub. L. 103–432, § 102(b)(2)(B)(ii), substituted “paragraph (a) or subsection (k) of this section” for “paragraph (3)”.

Subsec. (e)(1). Pub. L. 103–432, § 102(b)(1)(A)(ii), redesignated par. (2) as (1) and struck out former par. (1) which read as follows: “is located in a rural area (as defined in section 1935ww(d)(2)(D) of this title)”.

Subsec. (e)(1)(A). Pub. L. 103–432, § 102(b)(1)(A)(ii), substituted “except in the case of a hospital located in an urban area, is located for ‘‘is located’’ in introductory provisions, substituted ‘‘or (ii)’’ for ‘‘, (ii)’’, and struck out ‘‘or (iii) is located in an urban area that meets the criteria for classification as a regional referral center under such section,’’ after ‘‘section 1935ww(d)(2)(C) of this title’’.

Subsec. (e)(2) to (6). Pub. L. 103–432, § 102(b)(1)(A)(ii), redesignated pars. (2) to (6) as (1) to (5), respectively.

Subsec. (e)(1)(F). Pub. L. 103–432, § 102(a)(1), amended subpar. (F) generally. Prior to amendment, subpar. (F) read as follows: “provides not more than 6 inpatient beds (meeting such conditions as the Secretary may establish) for providing inpatient care for a period not to exceed 72 hours (unless a longer period is required because transfer to a hospital is precluded because of inclement weather or other emergency conditions) to patients requiring stabilization before discharge or transfer to a hospital”.

Subsec. (f)(1)(H). Pub. L. 103–432, § 102(f), inserted before period at end “, except that in determining whether a facility meets the requirements of this subparagraph, subparagraphs (E) and (F) of that paragraph shall be applied as if any reference to a ‘physician’ is a reference to a physician as defined in section 1935(r)(1) of this title”.

Subsec. (f)(3). Pub. L. 103–432, § 102(c), substituted “because, at the time the facility applies to the State for designation as a rural primary care hospital, there is in effect an agreement between the facility and the Secretary under section 1939tt of this title under which the facility’s inpatient hospital facilities are used for the furnishing of extended care services, except that the number of beds used for the furnishing of such services may not exceed the total number of licensed inpatient beds at the time the facility applies to the State for such designation (minus the number of inpatient beds used for providing inpatient care pursuant to paragraph (1)(F))”.

For purposes of the previous sentence, the number of beds of the facility used for the furnishing of extended care services shall not include any beds of a unit of the facility that is licensed as a distinct-part skilled nursing facility at the time the facility applies to the State for designation as a rural primary care hospital.

For purposes of the previous sentence, the number of beds of the facility used for the furnishing of extended care services shall not include any beds of a unit of the facility that is licensed as a distinct-part skilled nursing facility at the time the facility applies to the State for designation as a rural primary care hospital.
may be used for the furnishing of extended care services.”


Subsec. (i)(1)(A). Pub. L. 103–432, § 102(b)(2)(B)(ii), in cl. (i) inserted “(except as provided in subsection (k) of this section)” and in cl. (ii) inserted “or subsection (k) of this section”.


Subsec. (i)(2)(A). Pub. L. 103–432, § 102(b)(2)(B)(ii), in cl. (i) inserted “(except as provided in subsection (k) of this section)” and in cl. (ii) inserted “or subsection (k) of this section”.


Subsec. (g)(1)(A). Pub. L. 101–508, § 4008(m)(2)(B)(ii), inserted before semicolon at end “, or is located in a county whose geographic area is substantially larger than the average geographic area for urban counties in the United States and whose hospital service area is characteristic of service areas of hospitals located in rural areas”.

Subsec. (f)(1)(B). Pub. L. 101–508, § 4008(d)(2), which directed the substitution of “is a hospital (or, in the case of a facility that closed during the 12-month period that ends on the date the facility applies for such designation, at the time the facility closed),” for “is a hospital,” was executed by making the substitution for “is a hospital” to reflect the probable intent of Congress.


Subsec. (1)(2)(C). Pub. L. 101–508, § 4008(d)(1), inserted at end “in designating facilities as rural primary care hospitals under this subparagraph, the Secretary shall give preference to facilities not meeting the requirements of clause (i) of subparagraph (A) that have entered into an agreement described in subsection (g)(2) of this section with a rural health network located in a State receiving a grant under subsection (a)(1) of this section.”

Subj. (j). Pub. L. 101–508, § 4008(m)(2)(B)(ii), inserted “and part C of this subchapter” after “this part”.

**Effective Date of 2010 Amendment**


**Effective Date of 2003 Amendment**

Pub. L. 108–173, title IV, § 405(a)(3), Dec. 8, 2003, 117 Stat. 2267, provided that: “The amendments made by this subsection [amending this section] shall apply to designations made before, on, or after January 1, 2004, but any election made pursuant to regulations promulgated to carry out such amendments shall only apply prospectively.”


**Effective Date of 1999 Amendment**

§ 1395i–4

**DUTIES.**—In administering the demonstration project under this section, the Administrator of the Centers for Medicare & Medicaid Services shall—

(1) award grants to the eligible entities selected to participate in the demonstration project; and

(2) work with such entities to provide technical assistance related to the requirements under the project.

**CMS DUTIES.**—In administering the demonstration project under this section, the Administrator of the Centers for Medicare & Medicaid Services shall determine which provisions of titles XVIII and XIX of the Social Security Act (42 U.S.C. 1395 et seq.; 1396 et seq.) the Secretary should waive under the waiver authority under subsection (i) that are relevant to the development of alternative methodologies, which may include, as appropriate, covering at least the reasonable costs of the provider in furnishing acute care, extended care, and other essential health care services to Medicare beneficiaries and coordinating the survey and certification process under the Medicare and Medicaid programs, as appropriate, across all service categories included in the demonstration project.

**DEFINITIONS.**—In this section:

(1) **Extended care services.**—The term ‘extended care services’ means the following:

(A) Home health services.

(B) Covered skilled nursing facility services.

(C) Hospice care.

(2) **Covered skilled nursing facility services.**—The term ‘covered skilled nursing facility services’ has the meaning given such term in section 1877 of the Social Security Act (42 U.S.C. 1395x).
1888(e)(2)(A) of the Social Security Act (42 U.S.C. 1395yy(e)(2)(A)).

§374. Critical access hospital.—The term 'critical access hospital' means a facility designated as a critical access hospital under section 1820(c) of such Act (42 U.S.C. 1395q-5(c)).

§4. Home health services.—The term 'home health services' has the meaning given such term in section 1861(m) of such Act (42 U.S.C. 1395x(m)).

§5. Hospice care.—The term 'hospice care' has the meaning given such term in section 1861(dd) of such Act (42 U.S.C. 1395x(dd)).

§6. Medicaid program.—The term 'Medicaid program' means the program under title XIX of such Act (42 U.S.C. 1396 et seq.).

§7. Medicare program.—The term 'Medicare program' means the program under title XVIII of such Act (42 U.S.C. 1395 et seq.).

§8. Other essential health care services.—The term 'other essential health care services' means the term 'other essential health care services' as defined in section 1888(e)(2)(A) of the Social Security Act (42 U.S.C. 1395yy(e)(2)(A)).

Section 114 Stat. 2763, 2763A–483, provided that:

GAO STUDY ON CERTAIN ELIGIBILITY REQUIREMENTS FOR CRITICAL ACCESS HOSPITALS

Pub. L. 106–554, §1(a)(6) [title II, §106], Dec. 21, 2000, 114 Stat. 2763, 2763A–483, provided that:

(a) In general.—The Secretary of Health and Human Services shall provide for an appropriate transition for a facility that, as of the date of the enactment of this Act (Aug. 5, 1997), operated as a limited service rural hospital under a demonstration described in section 4008(b)(1) of the Omnibus Budget Reconciliation Act of 1990 [Pub. L. 101–506] (42 U.S.C. 1395b–1 note) from such demonstration to the program established under subsection (a) [amending this section]. At the conclusion of the transition period described in subparagraph (B), the Secretary shall end such demonstration.

(b) Transition period description.—

(i) Initial period.—Subject to clause (ii), the transition period described in this subparagraph is the period beginning on the date of the enactment of this Act and ending on October 1, 1996.

(ii) Extension.—If the Secretary determines that the transition is not complete as of October 1, 1996, the Secretary shall provide for an appropriate extension of the transition period.’’

GAO REPORTS

Pub. L. 103–432, title I, §102(a)(4), Oct. 31, 1994, 108 Stat. 4402, directed Comptroller General to submit to Congress, not later than 2 years after Oct. 31, 1994, reports on application of requirements under subsection (c) of this section that rural primary care hospitals provide inpatient care only to those individuals whose attending physicians certify may reasonably be expected to be discharged within 72 hours after admission and maintain average length of inpatient stay during a year that does not exceed 72 hours, and extent to which such requirements have resulted in such hospitals providing inpatient care beyond their capabilities or have limited ability of such hospitals to provide needed services.

§1395i–5. Conditions for coverage of religious nonmedical health care institutional services

(a) In general.—

Subject to subsections (c) and (d), payment under this part may be made for inpatient hospital services or post-hospital extended care services furnished an individual in a religious nonmedical health care institution and for home health services furnished an individual by a religious nonmedical health care institution only if—

(1) the individual has an election in effect for such benefits under subsection (b); and

(2) the individual has a condition such that the individual would qualify for benefits under this part for inpatient hospital services, extended care services, or home health services, respectively, if the individual were an inpatient or resident in a hospital or skilled nursing facility, or receiving services from a home health agency, that was not such an institution.

(b) Election

(1) In general.—

An individual may make an election under this subsection in a form and manner specified by the Secretary consistent with this subsection. Unless otherwise provided, such an election shall take effect immediately upon its execution. Such an election, once made, shall continue in effect until revoked.

(2) Form.

The election form under this subsection shall include the following:

(A) A written statement, signed by the individual (or such individual’s legal representative), that—

Transition for MAF

Pub. L. 105–33, title IV, §4201(c)(6), Aug. 5, 1997, 111 Stat. 374, provided that:
§ 1395i–5

(1) the individual is conscientiously opposed to acceptance of nonexcepted medical treatment; and

(ii) the individual’s acceptance of nonexcepted medical treatment would be inconsistent with the individual’s sincere religious beliefs.

(B) A statement that the receipt of nonexcepted medical services shall constitute a revocation of the election and may limit further receipt of services described in subsection (a).

(3) Revocation

An election under this subsection by an individual may be revoked by voluntarily notifying the Secretary in writing of such revocation and shall be deemed to be revoked if the individual receives nonexcepted medical treatment for which reimbursement is made under this subchapter.

(4) Limitation on subsequent elections

Once an individual’s election under this subsection has been made and revoked twice—

(A) the next election may not become effective until the date that is 1 year after the date of most recent previous revocation, and

(B) any succeeding election may not become effective until the date that is 5 years after the date of the most recent previous revocation.

(5) Excepted medical treatment

For purposes of this subsection:

(A) Excepted medical treatment

The term “excepted medical treatment” means medical care or treatment (including medical and other health services)—

(i) received involuntarily, or

(ii) required under Federal or State law or law of a political subdivision of a State.

(B) Nonexcepted medical treatment

The term “nonexcepted medical treatment” means medical care or treatment (including medical and other health services) other than excepted medical treatment.

(c) Monitoring and safeguard against excessive expenditures

(1) Estimate of expenditures

Before the beginning of each fiscal year (beginning with fiscal year 2000), the Secretary shall estimate the level of expenditures under this part for services described in subsection (a) for that fiscal year.

(2) Adjustment in payments

(A) Proportional adjustment

If the Secretary determines that the level estimated under paragraph (1) for a fiscal year will exceed the trigger level (as defined in subparagraph (C)) for that fiscal year, the Secretary shall, subject to subparagraph (B), provide for such a proportional reduction in payment amounts under this part for services described in subsection (a) for the fiscal year involved as will assure that such level (taking into account any adjustment under subparagraph (B)) does not exceed the trigger level for that fiscal year.

(B) Alternative adjustments

The Secretary may, instead of making some or all of the reduction described in subparagraph (A), impose such other conditions or limitations with respect to the coverage of covered services (including limitations on new elections of coverage and new facilities) as may be appropriate to reduce the level of expenditures described in paragraph (1) to the trigger level.

(C) Trigger level

For purposes of this subsection—

(i) In general

Subject to adjustment under paragraph (3)(B), the “trigger level” for a year is the unadjusted trigger level described in clause (ii).

(ii) Unadjusted trigger level

The “unadjusted trigger level” for—

(I) fiscal year 1998, is $20,000,000, or

(II) a succeeding fiscal year is the amount specified under this clause for the previous fiscal year increased by the percentage increase in the consumer price index for all urban consumers (all items; United States city average) for the 12-month period ending with July preceding the beginning of the fiscal year.

(D) Prohibition of administrative and judicial review

There shall be no administrative or judicial review under section 1395ff of this title, 1395oo of this title, or otherwise of the estimation of expenditures under subparagraph (A) or the application of reduction amounts under subparagraph (B).

(E) Effect on billing

Notwithstanding any other provision of this subchapter, in the case of a reduction in payment provided under this subsection for services of a religious nonmedical health care institution provided to an individual, the amount that the institution is otherwise permitted to charge the individual for such services is increased by the amount of such reduction.

(3) Monitoring expenditure level

(A) In general

The Secretary shall monitor the expenditure level described in paragraph (2)(A) for each fiscal year (beginning with fiscal year 1999).

(B) Adjustment in trigger level

(i) In general

If the Secretary determines that such level for a fiscal year exceeded, or was less than, the trigger level for that fiscal year, then, subject to clause (ii), the trigger level for the succeeding fiscal year shall be reduced, or increased, respectively, by the amount of such excess or deficit.

(ii) Limitation on carryforward

In no case may the increase effected under clause (i) for a fiscal year exceed $50,000,000.
(d) Sunset

If the Secretary determines that the level of expenditures described in subsection (c)(1) for 3 consecutive fiscal years (with the first such year being not earlier than fiscal year 2002) exceeds the trigger level for such expenditures for such years (as determined under subsection (c)(2)), benefits shall be paid under this part for services described in subsection (a) and furnished on or after the first January 1 that occurs after such 3 consecutive years only with respect to an individual who has an election in effect under subsection (b) as of such January 1 and only during the duration of such election.

(e) Annual report

At the beginning of each fiscal year (beginning with fiscal year 1999), the Secretary shall submit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate an annual report on coverage and expenditures for services described in subsection (a) under this part and under State plans under subchapter XIX. Such report shall include—

1. level of expenditures described in subsection (c)(1) for the previous fiscal year and estimated for the fiscal year involved;
2. trends in such level; and
3. facts and circumstances of any significant change in such level from the level in previous fiscal years.


AMENDMENTS


Subsec. (a)(2). Pub. L. 108–173, § 706(a)(2), substituted “extended care services, or home health services” for “or extended care services” and inserted “or receiving services from a home health agency,” after “skilled nursing facility.”

EFFECTIVE DATE

Pub. L. 105–33, title IV, § 4454(d), Aug. 5, 1997, 111 Stat. 431, provided that: “The amendments made by this section [enacting this section and amending sections 1320a–1, 1320c–11, 1395x, 1396a, and 1396g of this title] shall take effect on the date of the enactment of this Act [Aug. 5, 1997] and shall apply to items and services furnished on or after such date. By not later than July 1, 1998, the Secretary of Health and Human Services shall first issue regulations to carry out such amendments. Such regulations may be issued so they are effective on an interim basis pending notice and opportunity for public comment. For periods before the effective date of such regulations, such regulations shall recognize elections entered into in good faith in order to comply with the requirements of section 1821(b) of the Social Security Act (42 U.S.C. 1395i–5(b)).”

PART B—SUPPLEMENTARY MEDICAL INSURANCE BENEFITS FOR AGED AND DISABLED

§ 1395j. Establishment of supplementary medical insurance program for aged and disabled

There is hereby established a voluntary insurance program to provide medical insurance benefits in accordance with the provisions of this part for aged and disabled individuals who elect to enroll under such program, to be financed from premium payments by enrollees together with contributions from funds appropriated by the Federal Government.


AMENDMENTS

1972—Pub. L. 92–663 substituted “aged and disabled individuals” for “individuals 65 years of age or over”.

STUDY REGARDING COVERAGE UNDER PART B OF MEDICARE FOR NONREIMBURSABLE SERVICES PROVIDED BY OPTOMETRISTS FOR PROSTHETIC LENSES FOR PATIENTS WITH APHAKIA

Pub. L. 94–182, title I, § 109, Dec. 31, 1975, 89 Stat. 1053, provided that the Secretary of Health, Education, and Welfare conduct a study on the appropriateness of reimbursement under the insurance program established by this part for services performed by optometrists with respect to the provision of prosthetic lenses for patients with aphakia and submit such study to Congress not later than 4 months after Dec. 31, 1975.

STUDY TO DETERMINE FEASIBILITY OF INCLUSION OF CERTAIN ADDITIONAL SERVICES UNDER PART B

Pub. L. 90–248, title I, § 141, Jan. 2, 1968, 81 Stat. 855, directed Secretary to conduct a study relating to inclusion under the supplementary medical insurance program under this part of services of additional types of licensed practitioners performing health services in independent practice and submit such study to Congress prior to Jan. 1, 1969.

§ 1395k. Scope of benefits; definitions

(a) Scope of benefits

The benefits provided to an individual by the insurance program established by this part shall consist of—

1. entitlement to have payment made to him or on his behalf (subject to the provisions of this part) for medical and other health services, except those described in subparagraphs (B) and (D) of paragraph (2) and subparagraphs (K) and (F) of section 1395u(b)(6) of this title; and
2. entitlement to have payment made on his behalf (subject to the provisions of this part) for—

(A) home health services (other than items described in subparagraph (G) or subparagraph (I));
(B) medical and other health services (other than items described in subparagraph (G) or subparagraph (I)) furnished by a provider of services or by others under arrangement with them made by a provider of services, excluding—

(I) physician services except where furnished by—

(I) a resident or intern of a hospital, or
(II) a physician to a patient in a hospital which has a teaching program approved as specified in paragraph (6) of section 1395r(b) of this title (including services in conjunction with the teaching programs of such hospital whether or not such patient is an inpatient of such hospital);
hospital) where the conditions specified in paragraph (7) of such section are met,

(ii) services for which payment may be made pursuant to section 1395n(b)(2) of this title,

(iii) services described by section 1395x(o)(5)(C) of this title; certified nurse-midwife services, qualified psychologist services, and services of a certified registered nurse anesthetist; 1

(iv) services of a nurse practitioner or certified registered nurse anesthetist; and

(C) outpatient physical therapy services (other than services to which the second sentence of section 1395x(p) of this title applies), outpatient occupational therapy services (other than services to which the second sentence of section 1395x(p) of this title applies through the operation of section 1395x(l)(2) of this title);

(D)(i) rural health clinic services and (ii) Federally qualified health center services;

(E) comprehensive outpatient rehabilitative facility services;

(F) facility services furnished in connection with surgical procedures specified by the Secretary—

(1) pursuant to section 1395(l)(1)(A) of this title and performed by a physician, described in paragraph (1), (2), or (3) of section 1395x(r) of this title, and if the Secretary has determined that—

(I) a quality improvement organization (having a contract with the Secretary under part B of subchapter XI of this chapter) is willing, able, and has agreed to carry out a review on a sample or other reasonable basis of the physician’s performing such procedures in the physician’s office;

(II) the particular physician involved has agreed to make available to such organiza-


1987—Subsec. (a)(2)(F)(ii). Pub. L. 100–360, §4056(b)(2)(B), added “other than items described in subparagraph (G)” after “health services”.


1982—Subsec. (a)(2)(F). Pub. L. 96–499, §948(a)(2), substituted “where the conditions specified in paragraph (7) of such section are met” for “unless either clause (A) or (B) of paragraph (7) of such section is met”.


1972—Subsec. (a)(2)(B). Pub. L. 92–603, §427(e)(1), inserted provisions relating to medical and other health services performed by a physician to a patient in a hospital which has an approved teaching program.

1971—Subsec. (a)(2)(B). Pub. L. 91–508, §421(b)(7)(B), struck out “other than services to which the next to last sentence of section 1395x(p) of this title applies”.

1968—Subsec. (a)(2)(B). Pub. L. 90–248, §129(c)(6)(B), inserted “and the services for which payment may be made pursuant to section 1395n(b)(2) of this title” after “hospital.”

Effective Date of 2011 Amendment
Amendment by Pub. L. 112–40 applicable to contracts entered into or renewed on or after Jan. 1, 2012, see section 261(e) of Pub. L. 112–40, set out as a note under section 1320c of this title.

Effective Date of 2008 Amendment
Pub. L. 110–175, title I, §143(c), July 15, 2008, 122 Stat. 2563, provided that: “The amendments made by this section [amending this section and sections 1395l, 1395n, 1395x, 1395y, 1395cc, and 1395nn of this title] shall apply to services furnished on or after July 1, 2009.”

Effective Date of 1997 Amendment
Amendment by section 4201(c)(1) of Pub. L. 105–33 applicable to services furnished on or after Oct. 1, 1997, see section 4201(d) of Pub. L. 105–33, set out as a note under section 1395k of this title.

Amendment by section 4432(b)(6)(B) of Pub. L. 105–33 applicable to items and services furnished on or after July 1, 1996, see section 4432(d) of Pub. L. 105–33, set out as a note under section 1395–3 of this title.

Pub. L. 105–33 applicable to cost reporting periods beginning on or after Oct. 1, 1996, except as otherwise provided, see section 4463(d) of Pub. L. 105–33, set out as an Effective Date note under section 1395ff of this title.

Effective Date of 1990 Amendment
Pub. L. 101–508, title IV, §1453(a)(3), Nov. 5, 1990, 104 Stat. 1388–83, provided that: “The amendments made by paragraphs (1) and (2) [amending this section and sections 1395l and 1395m of this title] shall apply to items furnished on or after January 1, 1991.”

Pub. L. 101–508, title IV, §1453(e), Nov. 5, 1990, 104 Stat. 1388–88, provided that: “The amendments made by this section [amending this section and sections 1395l, 1395x, and 1395cc of this title] shall apply to services furnished on or after January 1, 1991.”

Pub. L. 101–508, title IV, §1457(a), Nov. 5, 1990, 104 Stat. 1388–89, provided that: “The amendments made by the preceding subsections [amending this section and sections 1395k, 1395x, and 1395cc of this title] shall apply to services furnished on or after January 1, 1991.”

Pub. L. 101–508, title IV, §1461(a)(6), Nov. 5, 1990, 104 Stat. 1388–95, provided that:

“(A) Subject to subparagraphs (B) and (C), the amendments made by this section [probably means this subsection, which amended this section and sections 1320a–7b, 1395l, 1395x, 1395y, and 1395cc of this title] shall apply to services furnished on or after October 1, 1991.

“(B) In the case of a Federally qualified health care center that has elected, as of January 1, 1990, under part B of title XVIII of the Social Security Act [this part], to have the amount of payments for services under such part determined on a reasonable-charge basis, the amendment made by paragraph (3)(A) [amending this section] shall only apply on and after such date (not earlier than October 1, 1991) as the center may elect.

“(C) The amendment made by paragraph (6) [amending section 1395cc of this title] shall apply to cost reports for periods beginning on or after October 1, 1991.”

Pub. L. 101–508, title IV, §1462(c), Nov. 5, 1990, 104 Stat. 1388–96, provided that: “The amendments made by subsections (a) and (b) [amending this section and sections 1395x and 1395cc of this title] shall apply with respect to partial hospitalization services provided on or after October 1, 1991.”

Effective Date of 1989 Amendment

Amendment by section 201(a) of Pub. L. 101–234 effective Jan. 1, 1990, see section 201(c) of Pub. L. 101–234, set out as a note under section 1320a–7a of this title.

Effective Date of 1988 Amendment
Amendment by section 104(d)(3) of Pub. L. 100–360 applicable to Jan. 1, 1989, except as otherwise provided, and applicable to inpatient hospital deductible for 1989 and succeeding years, to care and services furnished on or after Jan. 1, 1989, to premiums for January 1989 and succeeding months, and to blood or blood cells furnished on or after Jan. 1, 1989, see section 104(a) of Pub. L. 100–360, set out as a note under section 1395j of this title.

Amendment by section 208(a) of Pub. L. 100–360 applicable to items and services furnished on or after Jan. 1, 1990, see section 208(g) of Pub. L. 100–360, set out as a note under section 1320c–3 of this title.

Pub. L. 100–360, title II, §205(f), July 1, 1988, 102 Stat. 761, which provided that the amendments made by section 205 of Pub. L. 100–360 [amending this section and sections 1395j, 1395m, 1395x, and 1395y of this title] were applicable to items and services furnished on or after January 1, 1990, was repealed by Pub. L. 101–234, title II, §201(a), Dec. 13, 1989, 103 Stat. 1981.

Except as specifically provided in section 411 of Pub. L. 100–360, amendment by section 411(g)(2)(E), (h)(4)(A), (T)(B), (T)(C)(VI) of Pub. L. 100–360, as it relates to a provision in the Omnibus Budget Reconciliation Act of 1987, Pub. L. 100–203, effective as if included in the enactment of that provision in Pub. L. 100–203, see section 411(a) of Pub. L. 100–203, set out as a Reference to OBRA: Effective Date note under section 106 of Title I, General Provisions.

Effective Date of 1987 Amendment
Amendment by section 4062(d)(2) of Pub. L. 100–203 applicable to covered items (other than oxygen and oxygen equipment) furnished on or after Jan. 1, 1989, and to oxygen and oxygen equipment furnished on or after June 1, 1989, see section 4062(e) of Pub. L. 100–203, as amended, set out as a note under section 1395f of this title.

Pub. L. 100–203, title IV, §4073(e), Dec. 22, 1987, 101 Stat. 1330–119, provided that: “The amendments made by this section [amending this section and sections 1395j, 1395x, and 1396d of this title] shall be effective with respect to services performed on or after July 1, 1988.”

Pub. L. 100–203, title IV, §4077(b)(5), formerly §4077(b)(6), Dec. 22, 1987, 101 Stat. 1330–121, as renumbered by Pub. L. 100–360, title IV, §411(b)(7)(P), July 1, 1988, 102 Stat. 787, provided that: “The amendments made by this subsection [amending this section and sections 1395j and 1396x of this title] shall be effective with respect to services performed on or after July 1, 1988.”

Effective Date of 1986 Amendment
Pub. L. 99–509, title IX, §9320(1), Oct. 21, 1986, 100 Stat. 2016, as amended by Pub. L. 100–485, title VI, §608(c)(1), Oct. 13, 1988, 102 Stat. 2412, provided that: “Except as provided in subsection (k) [set out below], the amendments made by this section (other than subsection (a)) [amending this section and sections 1395j, 1395x, 1395y, 1395z, 1395aa, 1395bb, 1395cc, 1395ww, 1396a, and 1396n of this title] shall apply to services furnished on or after January 1, 1989.”

Pub. L. 99–509, title IX, §9337(e), Oct. 21, 1986, 100 Stat. 2034, provided that: “The amendments made by this section [amending this section and sections 1395l, 1395x,
1395x, and 1395cc of this title) shall apply to expenses incurred for outpatient occupational therapy services furnished on or after July 1, 1967.

**Effective Date of 1984 Amendment**

Pub. L. 98–369, div. B, title III, §2341(d), July 18, 1984, 98 Stat. 1094, provided that: “The amendments made by this section (amending this section and section 1395x of this title) apply to services furnished on or after the date of the enactment of this Act [July 18, 1984].” Amendment by section 2354(b)(6) of Pub. L. 98–369 effective July 18, 1984, but not to be construed as changing or affecting any right, liability, status, or interpretation which existed (under the provisions of law involved) before that date, see section 2354(e)(1) of Pub. L. 98–369, set out as a note under section 1320a–1 of this title.

**Effective Date of 1982 Amendment**

Amendment by Pub. L. 97–248 effective with respect to contracts entered into or renewed on or after Sept. 3, 1982, see section 149 of Pub. L. 97–248, set out as an Effective Date note under section 1320c of this title.

**Effective Date of 1980 Amendment**

Amendment by section 930(g) of Pub. L. 96–499 effective with respect to services furnished on or after July 1, 1981, see section 930(a)(1) of Pub. L. 96–499, set out as a note under section 1395x of this title.

Pub. L. 96–499, title IX, §933(h), Dec. 5, 1980, 94 Stat. 2637, provided that: “The amendments made by this section (amending this section and sections 1395n, 1395x, 1396a of this title) shall become effective with respect to a comprehensive outpatient rehabilitation facility’s first accounting period which begins on or after July 1, 1981.” Amendment by section 948(a)(2) of Pub. L. 96–499 applicable with respect to accounting periods beginning on or after Oct. 1, 1978, see section 948(c)(1) of Pub. L. 96–499, set out as a note under section 1395x of this title.

**Effective Date of 1977 Amendment**

Pub. L. 95–210, §1(j), Dec. 13, 1977, 91 Stat. 1488, provided that: “The amendments made by this section (amending this section and sections 1396c, 1396y, and 1396aa of this title and enacting provisions set out as notes under sections 1395l and 1395x of this title) shall apply to services rendered on or after the first day of the third calendar month which begins after the date of enactment of this Act [Dec. 13, 1977].”

**Effective Date of 1972 Amendment**

Amendment by section 227(c)(1) of Pub. L. 92–603 applicable with respect to accounting periods beginning after June 30, 1973, see section 227(g) of Pub. L. 92–603, set out as a note under section 1396x of this title.

Amendment by section 251(a)(4) of Pub. L. 92–603 applicable with respect to services furnished on or after July 1, 1973, see section 251(d)(1) of Pub. L. 92–603, set out as a note under section 1396x of this title.

**Effective Date of 1968 Amendment**

Amendment by section 129(c)(6)(B) of Pub. L. 90–248 applicable with respect to services furnished after Mar. 31, 1968, see section 129(d) of Pub. L. 90–248, set out as a note under section 1395c of this title.

Pub. L. 90–248, title I, §133(g), Jan. 2, 1968, 81 Stat. 852, provided that: “The amendments made by the preceding subsections of this section (amending this section and sections 1395n, 1395x, 1396y, 1396aa, and 1396cc of this title) shall apply to services furnished after June 30, 1968.”

**Construction of 2008 Amendment**

Pub. L. 110–275, title I, §143(d), July 15, 2008, 122 Stat. 2543, provided that: “Nothing in this section [amending this section and sections 1395n, 1395x, 1395y, 1396a, and 1396cc of this title] shall be construed to affect existing regulations and policies of the Centers for Medicare & Medicaid Services that require physician oversight of care as a condition of payment for speech-language pathology services under part B of the Medicare program [42 U.S.C. 1395 et seq.]”

**Construction of 1998 Amendment**

Pub. L. 99–509, title IX, §9320(j), Oct. 21, 1986, 100 Stat. 2016, provided that: “Nothing in this section or the amendments made by this section [amending this section and sections 1395l, 1395x, 1395y, 1395aa, 1395bb, 1395cc, 1395ww, 1396a, and 1396n of this title, enacting provisions set out as notes under this section, and amending provisions set out as a note under section 1395lw of this title] shall contravene provisions of State law relating to the practice of medicine or nursing or State law requirements or institutional requirements regarding the administration of anesthesia and its medical direction or supervision.”

**Report on Immunosuppressive Drug Benefits**


**Quality and Utilization of In-Home Care for Chronically Dependent Individuals**


**Study of Alternative Out-of-Home Services**

Pub. L. 100–360, title II, §205(g), July 1, 1988, 102 Stat. 731, which required Secretary of Health and Human Services to study, and report to Congress, not later than 18 months after July 1, 1988, on advisability of providing, to chronically dependent individuals eligible for in-home care under amendments made by section 205 of Pub. L. 100–360 [amending this section and sections 1395f, 1395n, 1395x, and 1395y of this title], out-of-home services as alternative services to in-home care, was repealed by Pub. L. 101–234, title II, §201(a), Dec. 13, 1989, 103 Stat. 1981.

**Continuation of Cost Pass-Through for Certified Registered Nurse Anesthetists**

Pub. L. 99–509, title IX, §9320(k), as added by Pub. L. 100–485, title VI, §608(c)(2), Oct. 13, 1988, 102 Stat. 2412, and amended by Pub. L. 101–239, title VI, §6132(a), Dec. 19, 1989, 103 Stat. 2222, provided that: “(1) Subject to paragraph (2), the amendments made by this section [amending this section and sections 1395f, 1395n, 1395x, 1395y, 1395aa, 1395bb, 1395cc, 1395ww, 1396a, and 1396n of this title and provisions set out as a note under section 1395lw of this title] shall not apply during a year (beginning with 1989) to a hospital located in a rural area (as defined for purposes of section 1866(d) of the Social Security Act [42 U.S.C. 1395ww(d)]) if the hospital establishes, at any time before the year[,] to the satisfaction of the Secretary of Health and Human Services that—

(A) as of January 1, 1986, the hospital employed or contracted with a certified registered nurse anesthetist (but not more than one full-time equivalent certified registered nurse anesthetist),
“(B) in 1987 the hospital had a volume of surgical procedures (including inpatient and outpatient procedures) requiring anesthesia services that did not exceed 500 (or such higher number as the Secretary determines to be appropriate), and

“(C) each certified registered nurse anesthetist employed by, or under contract with, the hospital has agreed not to bill under part B of title XVIII of such Act [42 U.S.C. 1395 et seq.] for professional services furnished by the anesthetist at the hospital.

“(2) Paragraph (1) shall not apply in a year (after 1989) to a hospital unless the hospital establishes, before the beginning of the year, that the hospital has had a volume of surgical procedures (including inpatient and outpatient procedures) requiring anesthesia services in the previous year that did not exceed 500 (or such higher number as the Secretary determines to be appropriate)."


§ 1395f. Payment of benefits

(a) Amounts

Except as provided in section 1395mm of this title, and subject to the succeeding provisions of this section, there shall be paid from the Federal Supplementary Medical Insurance Trust Fund, in the case of each individual who is covered under the insurance program established by this part and incurs expenses for services with respect to which benefits are payable under this part, amounts equal to—

(1) in the case of services described in section 1395k(a)(1) of this title—80 percent of the reasonable charges for the services; except that (A) an organization which provides medical and other health services (or arranges for their availability) on a prepayment basis (and either is sponsored by a union or employer, or does not provide, or arrange for the provision of, any inpatient hospital services) may elect to be paid 80 percent of the reasonable cost of services for which payment may be made under this part on behalf of individuals enrolled in such organization in lieu of 80 percent of the reasonable charges for such services if the organization undertakes to charge such individuals no more than 20 percent of such reasonable cost plus any amounts payable by them as a result of subsection (b), (E) with respect to items and services described in section 1395x(s)(10)(A) of this title, the amounts paid shall be 100 percent of the reasonable charges for such items and services, with respect to expenses incurred for those physicians’ services for which payment may be made under this part that are described in section 1395y(a)(4) of this title, the amounts paid shall be subject to such limitations as may be prescribed by regulations, (D) with respect to clinical diagnostic laboratory tests for which payment is made under this part (i) on the basis of a fee schedule under subsection (h)(1) (for tests furnished before January 1, 2017) or section 1395m(d)(1) of this title, the amount paid shall be equal to 80 percent (or 100 percent, in the case of the amount determined under such fee schedule, the limitation amount for that test determined under subsection (h)(4)(B), or the amount of the charges billed for the tests, or (II) under section 1395m–1 of this title (for tests furnished on or after January 1, 2017), the amount paid shall be equal to 80 percent (or 100 percent, in the case of such tests for which payment is made on an assignment-related basis) of the lesser of the amount determined under such section or the amount of the charges billed for the tests, or (ii) for tests furnished before January 1, 2017, on the basis of a negotiated rate established under subsection (h)(6), the amount paid shall be equal to 100 percent of such negotiated rate, 1 (E) with respect to services furnished to individuals who have been determined to have end stage renal disease, the amounts paid shall be determined subject to the provisions of section 1395rr of this title, (F) with respect to clinical social worker services under section 1395x(s)(2)(N) of this title, the amounts paid shall be 80 percent of the lesser of (i) the actual charge for the services or (ii) 75 percent of the amount determined for payment of a psychologist under clause (L), (G) with respect to facility services furnished in connection with a surgical procedure specified pursuant to subsection (i)(1)(A) and furnished to an individual in an ambulatory surgical center described in such subsection, for services furnished beginning with the implementation date of a revised payment system for such services specified in subsection (i)(2)(D), the amounts paid shall be 80 percent of the lesser of the actual charge for the services or the amount determined by the Secretary under such revised payment system, (H) with respect to services of a certified registered nurse anesthetist under section 1395x(s)(11) of this title, the amounts paid shall be 80 percent of the least of the actual charge, the prevailing charge that would be recognized (or, for services furnished on or after January 1, 1992, the fee schedule amount provided under section 1395w–4 of this title) if the services had been performed by an anesthesiologist, or the fee schedule for such services established by the Secretary in accordance with subsection (l), (I) with respect to covered items (described in section 1395m(a)(13) of this title), the amounts paid shall be the amounts described in section 1395m(a)(1) of this title, and

1 So in original.

2 So in original. The word “and” probably should not appear.
with respect to expenses incurred for radiologist services (as defined in section 1395m(b)(6) of this title), subject to section 1395w–4 of this title, the amounts paid shall be 80 percent of the lesser of the actual charge for the services or the amount provided under the fee schedule established under section 1395m(b) of this title, (K) with respect to certified nurse-midwife services under section 1395x(s)(2)(L) of this title, the amounts paid shall be 80 percent of the lesser of the actual charge for the services or the amounts determined by a fee schedule established by the Secretary for the purposes of this subparagraph (but in no event shall such fee schedule exceed 65 percent of the prevailing charge that would be allowed for the same service performed by a physician, or, for services furnished on or after January 1, 1992, 65 percent (or 100 percent for services furnished on or after January 1, 2011) of the fee schedule amount provided under section 1395w–4 of this title for the same service performed by a physician, (L) with respect to qualified psychologist services under section 1395x(s)(2)(M) of this title, the amounts paid shall be 80 percent of the lesser of the actual charge for the services or the amount determined by a fee schedule established by the Secretary for the purposes of this subparagraph, (M) (other than items and services described in subparagraphs (A) and (B) of this title) other than personalized prevention plan services (as defined in section 1395x(hhh)(1) of this title), the amounts paid shall be 80 percent of the payment basis determined under section 1395w–4(a) of this title, (O) with respect to services described in section 1395x(s)(2)(K) of this title (relating to services furnished by physician assistants, nurse practitioners, or clinic nurse specialists), the amounts paid shall be equal to 80 percent of (i) the lesser of the actual charge or 85 percent of the fee schedule amount provided under section 1395w–4 of this title, or (ii) in the case of services as an assistant at surgery, the lesser of the actual charge or 85 percent of the amount that would otherwise be recognized if performed by a physician who is serving as an assistant at surgery, (P) with respect to surgical dressings, the amounts paid shall be the amounts determined under section 1395m(i) of this title, (Q) with respect to items or services for which fee schedules are established pursuant to section 1395u(s) of this title, the amounts paid shall be 80 percent of the lesser of the actual charge or the fee schedule amount provided under such section, (R) with respect to ambulance services, (i) the amounts paid shall be 80 percent of the lesser of the actual charge for the services or the amount determined by a fee schedule established by the Secretary under section 1395m(f) of this title and (ii) with respect to ambulance services described in section 1395m(f)(8) of this title, the amounts paid shall be the amounts determined under section 1395m(g) of this title for outpatient critical access hospital services, (S) with respect to drugs and biologicals (including intravenous immune globulin (as defined in section 1395x(zz) of this title)) not paid on a cost or prospective payment basis as otherwise provided in this part (other than items and services described in subparagraph (B)), the amounts paid shall be 80 percent of the lesser of the actual charge or the payment amount established in section 1395u(o) of this title (or, if applicable, under section 1395w–3, 1395w–3a, or 1395w–3b of this title), (T) with respect to medical nutrition therapy services (as defined in section 1395x(vv) of this title), the amounts paid shall be 80 percent (or 100 percent if such services are recommended with a grade of A or B by the United States Preventive Services Task Force for any indication or population and are appropriate for the individual) of the lesser of the actual charge for the services or 85 percent of the amount determined under the fee schedule established under section 1395w–4(b) of this title for the same services if furnished by a physician, (U) with respect to facility fees described in section 1395m(m)(2)(B) of this title, the amounts paid shall be 80 percent of the lesser of the actual charge or the amounts specified in such section, (V) notwithstanding subparagraphs (I) (relating to durable medical equipment), (M) (relating to prosthetic devices and orthotics and prosthetics), and (Q) (relating to 1395u(s) items), with respect to competitively priced items and services (described in section 1395w–3a(2) of this title) that are furnished in a competitive area, the amounts paid shall be the amounts described in section 1395w–3b(5) of this title, (W) with respect to additional preventive services (as defined in section 1395x(dd)(1) of this title), the amount paid shall be (i) in the case of such services which are clinical diagnostic laboratory tests, the amount determined under subparagraph (D) (if such subparagraph were applied, by substituting “100 percent” for “80 percent”), and (ii) in the case of all other such services, 100 percent of the lesser of the actual charge for the service or the amount determined under the fee schedule established by the Secretary for purposes of this subparagraph, (X) with respect to personalized prevention plan services (as defined in section 1395x(hhh)(1) of this title), the amounts paid shall be 100 percent of the lesser of the actual charge for the services or the amount determined under the payment basis determined under section 1395w–4 of this title, (Y) with respect to preventive services described in subparagraphs (A) and (B) of section 1395x(dd)(3) of this title that are appropriate for the individual and, in the case of such services described in subparagraph (A), are recommended with a grade of A or B by the United States Preventive Services Task Force for any indication or population, the amount paid shall be 100 percent of (i) except as provided in clause (ii), the lesser of the actual charge for the services or the amount determined under the fee schedule that applies to such services under this part, and (ii) in the case of such services that are covered OPD services (as defined in subsection (t)(1)(B)),
§ 1395

amount determined under subsection (t), (Z) with respect to Federally qualified health center services for which payment is made under section 1395m(o) of this title, the amounts paid shall be 80 percent of the lesser of the actual charge or the amount determined under such section, (AA) with respect to an applicable disposable device (as defined in paragraph (2) of section 1395m(s) of this title) furnished to an individual pursuant to paragraph (1) of such section, the amount paid shall be equal to 80 percent of the lesser of the actual charge or the amount determined under paragraph (3) of such section, (BB) with respect to home infusion therapy, the amount paid shall be an amount equal to 80 percent of the lesser of the actual charge for the services or the amount determined under section 1395m(u) of this title, (CC) with respect to opioid use disorder treatment services furnished during an episode of care, the amount paid shall be equal to the amount payable under section 1395m(w) of this title less any copayment required as specified by the Secretary; (2) in the case of services described in section 1395k(a)(2) of this title (except those services described in subparagraphs (C), (D), (E), (F), (G), (H), and (I) of such section and unless otherwise specified in section 1395rr of this title)—

(A) with respect to home health services (other than a covered osteoporosis drug) (as defined in section 1395x(kk) of this title), the amount determined under the prospective payment system under section 1395ff of this title;

(B) with respect to other items and services (except those described in subparagraph (C), (D), or (E) of this paragraph and except as may be provided in section 1395ww of this title or section 1395y(e)(9) of this title)—

(i) furnished before January 1, 1999, the lesser of—

(I) the reasonable cost of such services, as determined under section 1395x(y) of this title, or

(II) the customary charges with respect to such services, less the amount a provider may charge as described in clause (i) of section 1395cc(a)(2)(A) of this title, but in no case may the payment for such other services exceed 80 percent of such reasonable cost, or

(ii) if such services are furnished before January 1, 1999, by a public provider of services, or by another provider which demonstrates to the satisfaction of the Secretary that a significant portion of its patients are low-income (and requests that payment be made under this clause), free of charge or at nominal charges to the public, 80 percent of the amount determined in accordance with section 1395(b)(2) of this title, or

(iii) if such services are furnished on or after January 1, 1999, the amount determined under subsection (t), or

(iv) if (and for so long as) the conditions described in section 1395(b)(3) of this title are met, the amounts determined under the reimbursement system described in such section;

(C) with respect to services described in the second sentence of section 1395x(p) of this title, 80 percent of the reasonable charges for such services;

(D) with respect to clinical diagnostic laboratory tests for which payment is made under this part (i) on the basis of a fee schedule determined under subsection (h)(1) (for tests furnished before January 1, 2017) or section 1395m(d)(1) of this title, the amount paid shall be equal to 80 percent (or 100 percent, in the case of such tests for which payment is made on an assignment-related basis or to a provider having an agreement under section 1395cc of this title) of the lesser of the amount determined under such fee schedule, the limitation amount for that test determined under subsection (h)(4)(B), or the amount of the charges billed for the tests, or (II) under section 1395m-1 of this title (for tests furnished on or after January 1, 2017), the amount paid shall be equal to 80 percent (or 100 percent, in the case of such tests for which payment is made on an assignment-related basis) of the amount determined under section 1395cc of this title; and

(E) with respect to—

(i) outpatient hospital radiology services (including diagnostic and therapeutic radiology, nuclear medicine and CAT scan procedures, magnetic resonance imaging, and ultrasound and other imaging services, but excluding screening mammography and, for services furnished on or after January 1, 2005, diagnostic mammography), and

(ii) effective for procedures performed on or after October 1, 1999, diagnostic procedures (as defined by the Secretary) described in section 1395x(s)(3) of this title (other than diagnostic x-ray tests and diagnostic laboratory tests), the amount determined under subsection (n) or, for services or procedures performed on or after January 1, 1999, subsection (t);

(F) with respect to a covered osteoporosis drug (as defined in section 1395x(kk) of this title) furnished by a home health agency, 80 percent of the reasonable cost of such service, as determined under section 1395x(y) of this title;

(G) with respect to items and services described in section 1395x(s)(10)(A) of this title, the lesser of—

(i) the reasonable cost of such services, as determined under section 1395x(y) of this title, or

(ii) the customary charges with respect to such services; and

(H) with respect to personalized prevention plan services (as defined in section
1395w–27(e)(3)(B) of this title; (4) in the case of facility services described in section 1395k(a)(2)(F) of this title, and outpatient hospital facility services furnished in connection with surgical procedures specified by the Secretary pursuant to subsection (1)(1)(A), the applicable amount as determined under paragraph (2) or (3) of subsection (1) or subsection (t); (5) in the case of covered items (described in section 1395m(a)(13) of this title) the amounts described in section 1395m(a)(1) of this title; (6) in the case of outpatient critical access hospital services, the amounts described in section 1395m(g) of this title; (7) in the case of prosthetic devices and orthotics and prosthetics (as described in section 1395m(h)(4) of this title), the amounts described in section 1395m(h) of this title; (8) in the case of— (A) outpatient physical therapy services, outpatient speech-language pathology services, and outpatient occupational therapy services furnished— (i) by a rehabilitation agency, public health agency, clinic, comprehensive outpatient rehabilitation facility, or skilled nursing facility, (ii) by a home health agency to an individual who is not homebound, or (iii) by another entity under an arrangement with an entity described in clause (i) or (ii); and (B) outpatient physical therapy services, outpatient speech-language pathology services, and outpatient occupational therapy services furnished— (i) by a hospital to an outpatient or to a hospital inpatient who is entitled to benefits under part A but has exhausted benefits for inpatient hospital services during a spell of illness or is not so entitled to benefits under part A, or (ii) by another entity under an arrangement with a hospital described in clause (i), the amounts described in section 1395m(k) of this title; and (9) in the case of services described in section 1395k(a)(2)(E) of this title that are not described in paragraph (8), the amounts described in section 1395m(k) of this title. Paragraph (3)(A) shall not apply to Federally qualified health center services furnished on or after the implementation date of the prospective payment system under section 1395m(o) of this title.

(b) Deductible provision

Before applying subsection (a) with respect to expenses incurred by an individual during any calendar year, the total amount of the expenses incurred by such individual during such year (which would, except for this subsection, constitute incurred expenses from which benefits payable under subsection (a) are determinable) shall be reduced by a deductible of $75 for calendar years before 1991, $100 for 1991 through 2004, $110 for 2005, and for a subsequent year the amount of such deductible for the previous year increased by the annual percentage increase in the monthly actuarial rate under section 1395f(b)(1) of this title ending with such subsequent year (rounded to the nearest $1); except that (1) such total amount shall not include expenses incurred for preventive services described in subparagraph (A) of section 1395x(ddd)(3) of this title that are recommended with a grade of A or B by the United States Preventive Services Task Force for any indication or population and

\[ *See 2010 Amendment note for subsec. (a)(2)(F) to (H) below.\]

\[ *So in original. Probably should be "1395m(o)".\]
are deductible shall not apply with respect to home health services (other than a covered osteoporosis drug (as defined in section 1395x(kk) of this title)), (3) such deductible shall not apply with respect to clinical diagnostic laboratory tests for which payment is made under this part (A) under subsection (a)(1)(D)(i) or (a)(2)(D)(i) on an assignment-related basis, or to a provider having an agreement under section 1395cc of this title, or (B) for tests furnished before January 1, 2017, on the basis of a negotiated rate determined under subsection (h)(6), (4) such deductible shall not apply to Federally qualified health center services, (5) such deductible shall not apply with respect to screening mammography (as described in section 1395x(j)(j) of this title), (6) such deductible shall not apply with respect to screening pap smear and screening pelvic exam (as described in section 1395x(nn) of this title), (7) such deductible shall not apply with respect to ultrasound screening for abdominal aortic aneurysm (as defined in section 1395x(bbb) of this title), (8) such deductible shall not apply with respect to colorectal cancer screening tests (as described in section 1395x(pp)(1) of this title), (9) such deductible shall not apply with respect to an initial preventive physical examination (as defined in section 1395x(ww) of this title), and (10) such deductible shall not apply with respect to personalized prevention plan services (as defined in section 1395x(wwh)(1) of this title). The total amount of the expenses incurred by an individual as determined under the preceding sentence shall, after the reduction specified in such sentence, be further reduced by an amount equal to the expenses incurred for the first three pints of whole blood (or equivalent quantities of packed red blood cells, as defined under regulations) furnished to the individual during the calendar year, except that such deductible for such blood shall in accordance with regulations be appropriately reduced to the extent that there has been a replacement of such blood (or equivalent quantities of packed red blood cells, as so defined); and for such purposes blood (or equivalent quantities of packed red blood cells, as so defined) furnished such individual shall be deemed replaced when the institution or other person furnishing such blood (or such equivalent quantities of packed red blood cells, as so defined) is given one pint of blood for each pint of blood (or equivalent quantities of packed red blood cells, as so defined) furnished such individual with respect to which a deduction is made under this sentence. The deductible under the previous sentence for blood or blood cells furnished an individual in a year shall be reduced to the extent that a deductible has been imposed under section 1395c(a)(2) of this title to blood or blood cells furnished the individual in the year. Paragraph (1) of the first sentence of this subsection shall apply with respect to a colorectal cancer screening test regardless of the code that is billed for the establishment of a diagnosis as a result of the test, or for the removal of tissue or other matter or other procedure that is furnished in connection with, as a result of, and in the same clinical encounter as the screening test.

(c) Mental disorders

(1) Notwithstanding any other provision of this part, with respect to expenses incurred in a calendar year in connection with the treatment of mental, psychoneurotic, and personality disorders of an individual who is not an inpatient of a hospital at the time such expenses are incurred, there shall be considered as incurred expenses for purposes of subsections (a) and (b),

(A) for expenses incurred in years prior to 2010, only 62½ percent of such expenses;  
(B) for expenses incurred in 2010 or 2011, only 68½ percent of such expenses;  
(C) for expenses incurred in 2012, only 75 percent of such expenses;  
(D) for expenses incurred in 2013, only 81¼ percent of such expenses; and  
(E) for expenses incurred in 2014 or any subsequent calendar year, 100 percent of such expenses.

(2) For purposes of subparagraphs (A) through (E) of paragraph (1), the term “treatment” does not include brief office visits (as defined by the Secretary) for the sole purpose of monitoring or changing drug prescriptions used in the treatment of such disorders or partial hospitalization services that are not directly provided by a physician.

(d) Nonduplication of payments

No payment may be made under this part with respect to any services furnished an individual to the extent that such individual is entitled (or would be entitled except for section 1395e of this title) to have payment made with respect to such services under part A.

(e) Information for determination of amounts due

No payment shall be made to any provider of services or other person under this part unless there has been furnished such information as may be necessary in order to determine the amounts due such provider or other person under this part for the period with respect to which the amounts are being paid or for any prior period.

(f) Maximum rate of payment per visit for independent rural health clinics

In establishing limits under subsection (a) on payment for rural health clinic services provided by rural health clinics (other than such clinics in hospitals with less than 50 beds), the Secretary shall establish such limit, for services provided—

(1) in 1988, after March 31, at $46 per visit, and

(2) in a subsequent year, at the limit established under this subsection for the previous year increased by the percentage increase in the MEI (as defined in section 1395u(i)(3) of this title) applicable to primary care services (as defined in section 1395u(i)(4) of this title) furnished as of the first day of that year.

(g) Physical therapy services

(1)(A) Subject to paragraphs (4) and (5), in the case of physical therapy services of the type described in section 1395x(p) of this title and speech-language pathology services of the type described in such section through the applica-
tion of section 1395x(l)(2) of this title, but (except as provided in paragraph (6)) not described in subsection (a)(8)(B), and physical therapy services and speech-language pathology services of such type which are furnished by a physician or as incident to physicians’ services, with respect to expenses incurred in any calendar year, no more than the amount specified in paragraph (2) for the year shall be considered as incurred expenses for purposes of subsections (a) and (b).

The preceding sentence shall not apply to expenses incurred with respect to services furnished after December 31, 2017.

(B) With respect to services furnished during 2018 or a subsequent year, in the case of physical therapy services of the type described in section 1395x(p) of this title, speech-language pathology services of the type described in such section through the application of section 1395x(l)(2) of this title, and physical therapy services and speech-language pathology services of such type which are furnished by a physician or as incident to physicians’ services, with respect to expenses incurred in any calendar year, any amount that is more than the amount specified in paragraph (2) for the year shall not be considered as incurred expenses for purposes of subsections (a) and (b) unless the applicable requirements of paragraph (7) are met.

(ii) The amount specified in this paragraph—
(A) for 1999, 2000, and 2001, is $1,500, and
(B) for a subsequent year is the amount specified in this paragraph for the preceding year increased by the percentage increase in the MEI (as defined in section 1395u(i)(3) of this title) for such subsequent year;

except that if an increase under subparagraph (B) for a year is not a multiple of $10, it shall be rounded to the nearest multiple of $10.

Subject to paragraphs (4) and (5), in the case of occupational therapy services (of the type that are described in section 1395x(p) of this title (but except as provided in paragraph (6)) not described in subsection (a)(8)(B)) through the operation of section 1395x(g) of this title and of such type which are furnished by a physician or as incident to physicians’ services, with respect to expenses incurred in any calendar year, no more than the amount specified in paragraph (2) for the year shall be considered as incurred expenses for purposes of subsections (a) and (b) unless the applicable requirements of paragraph (7) are met.

(B) With respect to services furnished during 2018 or a subsequent year, in the case of occupational therapy services (of the type that are described in section 1395x(p) of this title through the operation of section 1395x(g) of this title and of such type which are furnished by a physician or as incident to physicians’ services), with respect to expenses incurred in any calendar year, any amount that is more than the amount specified in paragraph (2) for the year shall not be considered as incurred expenses for purposes of subsections (a) and (b) unless the applicable requirements of paragraph (7) are met.

The preceding sentence shall not apply to expenses incurred with respect to services furnished ending on December 31, 2017, for services, the Secretary shall implement a process under which an individual enrolled under this part may, upon request of the individual or a person on behalf of the individual, obtain an exception from the uniform dollar limitation specified in paragraph (2), for services described in paragraphs (1) and (3) if the provision of such services is determined to be medically necessary and if the requirement of subparagraph (B) is met. Under such process, if the Secretary does not make a decision on such a request for an exception within 10 business days of the date of the Secretary’s receipt of the request made in accordance with such requirement, the Secretary shall be deemed to have found the services to be medically necessary.

(E) In the case of outpatient therapy services for which an exception is requested under the first sentence of subparagraph (A), the claim for such services shall contain an appropriate modifier (such as the KX modifier used as of February 22, 2012) indicating that such services are deemed medically necessary as justified by appropriate documentation in the medical record involved.

(i) In applying this paragraph with respect to a request for an exception with respect to expenses that would be incurred for outpatient therapy services (including services described in subsection (a)(8)(B)) that would exceed the threshold described in clause (ii) for a year, the request for such an exception, for services furnished on or after October 1, 2012, shall be subject to a manual medical review process that, subject to subparagraph (E), is similar to the manual medical review process used for certain exceptions under this paragraph in 2006.

(ii) The threshold under this clause for a year is $3,700. Such threshold shall be applied separately—

(I) for physical therapy services and speech-language pathology services; and

(II) for occupational therapy services.

(F) In place of the manual medical review process under subparagraph (C)(i), the Secretary shall implement a process for medical review under this subparagraph under which the Secretary shall identify and conduct medical review for services described in subparagraph (A) furnished by a provider of services or supplier (in this subparagraph referred to as a “therapy provider”) using such factors as the Secretary determines to be appropriate.

(ii) Such factors may include the following:

(I) The therapy provider has had a high claims denial percentage for therapy services under this part or is less compliant with applicable requirements under this subchapter.

(II) The therapy provider has a pattern of billing for therapy services under this part that is aberrant compared to peers or otherwise has questionable billing practices for such services, such as billing medically unlikely units of services in a day.

(III) The therapy provider is newly enrolled under this subchapter or has not previously furnished therapy services under this part.

(IV) The services are furnished to treat a type of medical condition.

\[^{5}\]So in original. There is no subpar. (D).
(V) The therapy provider is part of group\(^6\) that includes another therapy provider identified using the factors determined under this subparagraph.

(iii) For purposes of carrying out this subparagraph, the Secretary shall provide for the transfer, from the Federal Supplementary Medical Insurance Trust Fund under section 1395t of this title, of $5,000,000 to the Centers for Medicare & Medicaid Services Program Management Account for fiscal years 2015 and 2016, to remain available until expended. Such funds may not be used by a contractor under section 1395ddd(h) of this title for medical reviews under this subparagraph.

(iv) The targeted review process under this subparagraph shall not apply to services for which expenses are incurred beyond the period for which the exceptions process under subparagraph (A) is implemented, except as such process is applied under paragraph (7)(B).

(B)(A) In applying paragraphs (1) and (3) to services furnished during the period beginning not later than October 1, 2012, and ending on December 31, 2017, the exclusion of services described in subsection (a)(8)(B) from the uniform dollar limitation specified in paragraph (2) shall not apply to such services furnished during 2012 through 2017.

(B)(i) With respect to outpatient therapy services furnished beginning on or after January 1, 2013, and before January 1, 2014, for which payment is made under section 1395m(g) of this title, the Secretary shall count toward the uniform dollar limitation described in paragraphs (1) and (3) and the threshold described in paragraph (5)(C) the amount that would be payable under this part if such services were paid under section 1395m(k)(1)(B) of this title instead of being paid under section 1395m(g) of this title.

(ii) Nothing in clause (i) shall be construed as changing the method of payment for outpatient therapy services under section 1395m(g) of this title.

(7) For purposes of paragraphs (1)(B) and (3)(B), with respect to services described in such paragraphs, the requirements described in such paragraph are as follows:

(A) Inclusion of appropriate modifier

The claim for such services contains an appropriate modifier (such as the KX modifier described in paragraph (5)(B)) indicating that such services are medically necessary as justified by appropriate documentation in the medical record involved.

(B) Targeted medical review for certain services above threshold

(i) In general

In the case where expenses that would be incurred for such services would exceed the threshold described in clause (ii) for the year, such services shall be subject to the process for medical review implemented under paragraph (5)(E).

(ii) Threshold

The threshold under this clause for—

(1) a year before 2028, is $3,000;

(II) 2028, is the amount specified in subparagraph (I) increased by the percentage increase in the MEI (as defined in section 1395u(i)(3) of this title) for 2028; and

(III) a subsequent year, is the amount specified in this clause for the preceding year increased by the percentage increase in the MEI (as defined in section 1395u(i)(3) of this title) for such subsequent year;

except that if an increase under subclause (II) or (III) for a year is not a multiple of $10, it shall be rounded to the nearest multiple of $10.

(iii) Application

The threshold under clause (ii) shall be applied separately—

(I) for physical therapy services and speech-language pathology services; and

(II) for occupational therapy services.

(iv) Funding

For purposes of carrying out this subparagraph, the Secretary shall provide for the transfer, from the Federal Supplementary Medical Insurance Trust Fund under section 1395t of this title to the Centers for Medicare & Medicaid Services Program Management Account, of $5,000,000 for each fiscal year beginning with fiscal year 2018, to remain available until expended. Such funds may not be used by a contractor under section 1395ddd(h) of this title for medical reviews under this subparagraph.

(8) With respect to services furnished on or after January 1, 2013, where payment may not be made as a result of application of paragraphs (1) and (3), section 1395pp of this title shall apply in the same manner as such section applies to a denial that is made by reason of section 1395y(a)(1) of this title.

(h) Fee schedules for clinical diagnostic laboratory tests; percentage of prevailing charge level; nominal fee for samples; adjustments; recipients of payments; negotiated payment rate

(1)(A) Subject to section 1395m(d)(1) of this title, the Secretary shall establish fee schedules for clinical diagnostic laboratory tests (including prostate cancer screening tests under section 1395x(o)) of this title consisting of prostate-specific antigen blood tests) for which payment is made under this part, other than such tests performed by a provider of services for an inpatient of such provider.

(B) In the case of clinical diagnostic laboratory tests performed by a physician or by a laboratory (other than tests performed by a qualified hospital laboratory (as defined in subparagraph (D)) for outpatients of such hospital), the fee schedules established under subparagraph (A) shall be established on a regional, statewide, or carrier service area basis (as the Secretary may determine to be appropriate) for tests furnished on or after July 1, 1984.

(C) In the case of clinical diagnostic laboratory tests performed by a qualified hospital laboratory (as defined in subparagraph (D)) for outpatients of such hospital, the fee schedules es-
established under subparagraph (A) shall be established on a regional, statewide, or carrier service area basis (as the Secretary may determine to be appropriate) for tests furnished on or after July 1, 1984.

(D) In this subsection, the term “qualified hospital laboratory” means a hospital laboratory, in a sole community hospital (as defined in paragraph (1)(D) of this subsection) for outpatient services (United States city average) minus, for each of the years 2009 and 2010, 0.5 percentage points, and, for tests furnished before April 1, 2014, subject to such other adjustments as the Secretary determines are justified by technological changes.

(ii) Notwithstanding clause (i) —

(I) any change in the fee schedules which would have become effective under this subsection for tests furnished on or after January 1, 1988, shall not be effective for tests furnished during the 3-month period beginning on January 1, 1988;

(II) the Secretary shall not adjust the fee schedules under clause (i) to take into account any increase in the consumer price index for all urban consumers (United States city average) minus, for each of the years 2009 and 2010, 0.5 percentage points, and, for tests furnished before April 1, 2014, subject to such other adjustments as the Secretary determines are justified by technological changes.

(III) the annual adjustment in the fee schedules determined under clause (i) for each of the years 1991, 1992, and 1993 shall be 2 percent, and

(IV) the annual adjustment in the fee schedule determined under clause (i) for each of the years 1994 and 1995, 1996 through 2002, and 2004 through 2008 shall be 0 percent.

(iii) In establishing fee schedules under clause (i) with respect to automated tests and tests (other than cytopathology tests) which before July 1, 1984, the Secretary made subject to a limit based on lowest charge levels under the sixth sentence of section 1395w(b)(3) of this title, the Secretary shall reduce by 8.3 percent the fee schedules otherwise established for 1988, and such reduced fee schedules shall serve as the base for 1989 and subsequent years.

(iv) After determining the adjustment to the fee schedules under clause (i), the Secretary shall reduce such adjustment—

(I) for 2011 and each subsequent year, by the productivity adjustment described in section 1395ww(b)(3)(B)(xi)(I) of this title; and

(II) for each of 2011 through 2015, by 1.75 percentage points.

Subclause (I) shall not apply in a year where the adjustment to the fee schedules determined under clause (i) is 0.0 or a percentage decrease for a year. The application of the productivity adjustment under subclause (I) shall not result in an adjustment to the fee schedules under clause (i) being less than 0.0 for a year. The application of subclause (II) may result in an adjustment to the fee schedules under clause (i) being less than 0.0 for a year, and may result in payment rates for a year being less than such payment rates for the preceding year.

(v) The Secretary shall reduce by 2 percent the fee schedules otherwise determined under clause (i) for 2013, and such reduced fee schedules shall serve as the base for 2014 and subsequent years.

(B) The Secretary may make further adjustments or exceptions to the fee schedules to assure adequate reimbursement of (i) emergency laboratory tests needed for the provision of bona fide emergency services, and (ii) certain low volume high-cost tests where highly sophisticated equipment or extremely skilled personnel are necessary to assure quality.

(3) In addition to the amounts provided under the fee schedules (for tests furnished before January 1, 2017) or under section 1395m-1 of this title (for tests furnished on or after January 1, 2017), subject to subsections (ii)(v), the Secretary shall provide for and establish (A) a nominal fee to cover the appropriate costs in collecting the sample on which a clinical diagnostic laboratory test was performed and for which payment is made under this part, except that not more than one such fee may be provided under this paragraph with respect to samples collected in the same encounter, and (B) a fee to cover the transportation and personnel expenses for trained personnel to travel to the location of an individual to collect the sample, except that such a fee may be provided only with respect to an individual who is homebound or an inpatient in an inpatient facility (other than a hospital). In establishing a fee to cover the transportation and personnel expenses for trained personnel to travel to the location of an individual to collect a sample, the Secretary shall provide a method for computing the fee based on the number of miles traveled and the personnel costs associated with the collection of each individual sample, but the Secretary shall only be required to apply such method in the case of tests furnished during the period beginning on April 1, 1989, and ending on December 31, 1990, by a laboratory that establishes to the satisfaction of the Secretary (based on data for the 12-month period ending June 30, 1988) that (i) the laboratory is dependent upon payments under this subchapter for at least 80 percent of its collected revenues for clinical diagnostic laboratory tests, (ii) at least 85 percent of its gross revenues for such tests are attributable to tests performed with respect to individuals who are homebound or who are residents in a nursing facility, and (iii) the laboratory provided such tests for residents in nursing facilities representing at least 20 percent of the number of such facilities in the State in which the laboratory is located.
(4)(A) In establishing any fee schedule under this subsection, the Secretary may provide for an adjustment to take into account, with respect to the portion of the expenses of clinical diagnostic laboratory tests attributable to wages, the relative difference between a region’s or local area’s wage rates and the wage rate presumed in the data on which the schedule is based.

(B) For purposes of subsections (a)(1)(D)(i) and (a)(2)(D)(i), the limitation amount for a clinical diagnostic laboratory test performed—

(i) on or after July 1, 1986, and before April 1, 1988, is equal to 115 percent of the median of all the fee schedules established for that test for that laboratory setting under paragraph (1),

(ii) after March 31, 1988, and before January 1, 1990, is equal to the median of all the fee schedules established for that test for that laboratory setting under paragraph (1),

(iii) after December 31, 1989, and before January 1, 1991, is equal to 93 percent of the median of all the fee schedules established for that test for that laboratory setting under paragraph (1),

(iv) after December 31, 1990, and before January 1, 1994, is equal to 88 percent of such median,

(v) after December 31, 1993, and before January 1, 1995, is equal to 84 percent of such median,

(vi) after December 31, 1994, and before January 1, 1996, is equal to 80 percent of such median,

(vii) after December 31, 1995, and before January 1, 1998, is equal to 76 percent of such median, and

(viii) after December 31, 1997, is equal to 74 percent of such median or 100 percent of such median in the case of a clinical diagnostic laboratory test performed on or after January 1, 2001, that the Secretary determines is a new test for which no limitation amount has previously been established under this subparagraph.

(5)(A) In the case of a bill or request for payment for a clinical diagnostic laboratory test for which payment may otherwise be made under this part, and which is not described in subparagraph (A), payment may be made to the beneficiary only on the basis of the itemized bill of the person or entity which performed or supervised the performance of the test.

(B) Payment for a clinical diagnostic laboratory test, including a test performed in a physician’s office but excluding a test performed by a rural health clinic may only be made on an assignment-related basis or to a provider of services with an agreement in effect under section 1395ccc of this title.

(D) A person may not bill for a clinical diagnostic laboratory test, including a test performed in a physician’s office but excluding a test performed by a rural health clinic, other than on an assignment-related basis. If a person knowingly and willfully and on a repeated basis bills for a clinical diagnostic laboratory test in violation of the previous sentence, the Secretary may apply sanctions against the person in the same manner as the Secretary may apply sanctions against a physician in accordance with paragraph (2) of section 1395u(j) of this title in the same manner as such paragraphs apply with respect to a physician. Paragraph (4) of such section shall apply in this subparagraph in the same manner as such paragraph applies to such section.

(6) For tests furnished before January 1, 2017, in the case of any diagnostic laboratory test payment for which is not made on the basis of a fee schedule under paragraph (1), the Secretary may establish a payment rate which is acceptable to the person or entity performing the test and which would be considered the full charge for such tests. Such negotiated rate shall be limited to an amount not in excess of the total payment that would have been made for the services in the absence of such rate.

(7) Notwithstanding paragraphs (1) and (4) and section 1395m–1 of this title, the Secretary shall establish a national minimum payment amount under this part for a diagnostic or screening pap smear laboratory test (including all cervical cancer screening technologies that have been approved by the Food and Drug Administration as a primary screening method for detection of cervical cancer) equal to $14.60 for tests fur-

---

8So in original. The comma after “subclause (II)” probably should follow “is performed”.

9So in original. Probably should be “such paragraph applies.”
lished in 2000. For such tests furnished in subsequent years, such national minimum payment amount shall be adjusted annually as provided in paragraph (2).

(8)(A) The Secretary shall establish by regulation procedures for determining the basis for, and amount of, payment under this subsection for any clinical diagnostic laboratory test with respect to which a new or substantially revised HCPCS code is assigned on or after January 1, 2005 (in this paragraph referred to as “new tests”).

(B) Determinations under subparagraph (A) shall be made only after the Secretary—

(i) makes available to the public (through an Internet website and other appropriate mechanisms) a list that includes any such test for which establishment of a payment amount under this subsection is being considered for a year;

(ii) on the same day such list is made available, causes to have published in the Federal Register notice of a meeting to receive comments and recommendations (and data on which recommendations are based) from the public on the appropriate basis under this subsection for establishing payment amounts for the tests on such list;

(iii) not less than 30 days after publication of such notice convenes a meeting, that includes representatives of officials of the Centers for Medicare & Medicaid Services involved in determining payment amounts, to receive such comments and recommendations (and data on which the recommendations are based);

(iv) taking into account the comments and recommendations (and accompanying data) received at such meeting, develops and makes available to the public (through an Internet website and other appropriate mechanisms) a list of proposed determinations with respect to the appropriate basis for establishing a payment amount under this subsection for each such code, together with an explanation of the reasons for each such determination, the data on which the determinations are based, and a request for public written comments on the proposed determination; and

(v) taking into account the comments received during the public comment period, develops and makes available to the public (through an Internet website and other appropriate mechanisms) a list of final determinations of the payment amounts for such tests under this subsection, together with the rationale for each such determination, the data on which the determinations are based, and responses to comments and suggestions received from the public.

(C) Under the procedures established pursuant to subparagraph (A), the Secretary shall—

(i) set forth the criteria for making determinations under subparagraph (A); and

(ii) make available to the public the data (other than proprietary data) considered in making such determinations.

(D) The Secretary may convene such further public meetings to receive public comments on payment amounts for new tests under this subsection as the Secretary deems appropriate.

(E) For purposes of this paragraph:

(i) The term “HCPCS” refers to the Health Care Procedure Coding System.

(ii) A code shall be considered to be “substantially revised” if there is a substantive change to the definition of the test or procedure to which the code applies (such as a new analyte or a new methodology for measuring an existing analyte-specific test).

(9) Notwithstanding any other provision in this part, in the case of any diagnostic laboratory test for HbA1c that is labeled by the Food and Drug Administration for home use and is furnished on or after April 1, 2008, the payment rate for such test shall be the payment rate established under this part for a glycated hemoglobin test (identified as of October 1, 2007, by HCPCS code 83036 (and any succeeding codes)).

(i) Outpatient surgery

(1) The Secretary shall, in consultation with appropriate medical organizations—

(A) specify those surgical procedures which are appropriately (when considered in terms of the proper utilization of hospital inpatient facilities) performed on an inpatient basis in a hospital but which also can be performed safely on an ambulatory basis in an ambulatory surgical center (meeting the standards specified under section 1395k(a)(2)(F)(i) of this title), critical access hospital, or hospital outpatient department, and

(B) specify those surgical procedures which are appropriately (when considered in terms of the proper utilization of hospital inpatient facilities) performed on an inpatient basis in a hospital but which also can be performed safely on an ambulatory basis in a physician’s office.

The lists of procedures established under subparagraphs (A) and (B) shall be reviewed and updated not less often than every 2 years, in consultation with appropriate trade and professional organizations.

(2)(A) For services furnished prior to the implementation of the system described in subparagraph (D), subject to subparagraph (E), the amount of payment to be made for facility services furnished in connection with a surgical procedure specified pursuant to paragraph (1)(A) and furnished to an individual in an ambulatory surgical center described in such paragraph shall be equal to 80 percent of a standard overhead amount established by the Secretary (with respect to each such procedure) on the basis of the Secretary’s estimate of a fair fee which—

(i) takes into account the costs incurred by such centers, or classes of centers, generally in providing services furnished in connection with the performance of such procedure, as determined in accordance with a survey (based upon a representative sample of procedures and facilities) of the actual audited costs incurred by such centers in providing such services.

(ii) takes such costs into account in such a manner as will assure that the performance of the procedure in such a center will result in substantially less amounts paid under this subchapter than would have been paid if the
procedure had been performed on an inpatient basis in a hospital, and
(iii) in the case of insertion of an intraocular lens during or subsequent to cataract surgery includes payment which is reasonable and related to the cost of acquiring the class of lens involved.

Each amount so established shall be reviewed and updated not later than July 1, 1987, and annually thereafter to take account of varying conditions in different areas.

(B) The amount of payment to be made under this part for facility services furnished, in connection with a surgical procedure specified pursuant to paragraph (1)(B), in a physician’s office shall be equal to 80 percent of a standard overhead amount established by the Secretary (with respect to each such procedure) on the basis of the Secretary’s estimate of a fair fee which—

(i) takes into account additional costs, not usually included in the professional fee, incurred by physicians in securing, maintaining, and staffing the facilities and ancillary services appropriate for the performance of such procedure in the physician’s office, and
(ii) takes such items into account in such a manner which will assure that the performance of such procedure in the physician’s office will result in substantially less amounts paid under this subchapter than would have been paid if the services had been furnished on an inpatient basis in a hospital.

Each amount so established shall be reviewed and updated not later than July 1, 1987, and annually thereafter to take account of varying conditions in different areas.

(C)(i) Notwithstanding the second sentence of each of subparagraphs (A) and (B), except as otherwise specified in clauses (ii), (iii), and (iv), if the Secretary has not updated amounts established under such subparagraphs or under subparagraph (D), except as otherwise specified in clauses (ii), (iii), and (iv), the amounts so established under such subparagraphs or under subparagraph (D), with respect to facility services furnished during a fiscal year (beginning with fiscal year 1986 or a calendar year (beginning with 2006)), such amounts shall be increased by the percentage increase in the Consumer Price Index for all urban consumers (U.S. city average) as estimated by the Secretary for the 12-month period ending with the midpoint of the year involved.

(ii) In each of the fiscal years 1998 through 2002, the increase under this subparagraph shall be reduced (but not below zero) by 2.0 percentage points.

(iii) In fiscal year 2004, beginning with April 1, 2004, the increase under this subparagraph shall be the Consumer Price Index for all urban consumers (U.S. city average) as estimated by the Secretary for the 12-month period ending with March 31, 2003, minus 3.0 percentage points.

(iv) In fiscal year 2005, the last quarter of calendar year 2005, and each of calendar years 2006 through 2009, the increase under this subparagraph shall be 0 percent.

(D)(i) Taking into account the recommendations in the report under section 626(d) of Medicare Prescription Drug, Improvement, and Modernization Act of 2003, the Secretary shall implement a revised payment system for payment of surgical services furnished in ambulatory surgical centers.

(ii) In the year the system described in clause (i) is implemented, such system shall be designed to result in the same aggregate amount of expenditures for such services as would be made if this subparagraph did not apply, as estimated by the Secretary, and taking into account reduced expenditures that would apply if subparagraph (E) were to continue to apply, as estimated by the Secretary.

(iii) The Secretary shall implement the system described in clause (i) for periods in a manner so as to provide for a reduction in any annual update for failure to report on quality measures in accordance with paragraph (7).

(iv) The Secretary may implement such system in a manner so as to provide for a reduction in any annual update for failure to report on quality measures in accordance with paragraph (7).

(v) In implementing the system described in clause (i) for 2011 and each subsequent year, any annual update under such system for the year, after application of clause (iv), shall be reduced by the productivity adjustment described in section 1395ww(b)(3)(X)(I) of this title. The application of the preceding sentence may result in payment rates under the system described in clause (i) for a year being less than such payment rates for the preceding year.

(vi) There shall be no administrative or judicial review under section 1395f of this title, or otherwise, of the classification system, the relative weights, payment amounts, and the geographic adjustment factor, if any, under this subparagraph.

(E) With respect to surgical procedures furnished on or after January 1, 2007, and before the effective date of the implementation of a revised payment system under subparagraph (D), if—

(i) the standard overhead amount under subparagraph (A) for a facility service for such procedure, without the application of any geographic adjustment, exceeds

(ii) the Medicare OPD fee schedule amount established under the prospective payment system for hospital outpatient department services under paragraph (3)(D) of subsection (t) for such service for such year, determined without regard to geographic adjustment under paragraph (2)(D) of such subsection, the Secretary shall substitute under subparagraph (A) the amount described in clause (ii) for the standard overhead amount for such service referred to in clause (i).

3(A) The aggregate amount of the payments to be made under this part for outpatient hospital facility services or critical access hospital services furnished before January 1, 1999, in connection with surgical procedures specified under paragraph (1)(A) shall be equal to the lesser of—

(i) the amount determined with respect to such services under subsection (a)(2)(B); or
(ii) the blend amount (described in subparagraph (B)).

(B)(i) The blend amount for a cost reporting period is the sum of—

(I) the cost proportion (as defined in clause (ii)(I)) of the amount described in subparagraph (A)(1), and
(II) the ASC proportion (as defined in clause (ii)(II) of the standard overhead amount payable with respect to the same surgical procedure as it were provided in an ambulatory surgical center in the same area, as determined under paragraph (B), less the amount a provider may charge as described in clause (ii) of section 1395cc(a)(2)(A) of this title.

(ii) Subject to paragraph (4), in this paragraph:

(I) The term “cost proportion” means 75 percent for cost reporting periods beginning in fiscal year 1988, 50 percent for portions of cost reporting periods beginning on or after October 1, 1988, and ending on or before December 31, 1990, and 42 percent for portions of cost reporting periods beginning on or after January 1, 1991.

(II) The term “ASC proportion” means 25 percent for cost reporting periods beginning in fiscal year 1988, 50 percent for portions of cost reporting periods beginning on or after October 1, 1988, and ending on or before December 31, 1990, and 58 percent for portions of cost reporting periods beginning on or after January 1, 1991.

(4)(A) In the case of a hospital that—

(i) makes application to the Secretary and demonstrates that it specializes in eye services or eye and ear services (as determined by the Secretary),

(ii) receives more than 30 percent of its total revenues from outpatient services, and

(iii) on October 1, 1987—

(I) was an eye specialty hospital or an eye and ear specialty hospital, or

(II) was operated as an eye or ear and eye unit (as defined in subparagraph (B)) of a general acute care hospital which, on the date of the application described in clause (i), operates less than 20 percent of the beds that the hospital operated on October 1, 1987, and has sold or otherwise disposed of a substantial portion of the hospital’s other acute care operations,

the cost proportion and ASC proportion in effect under subclauses (I) and (II) of paragraph (3)(B)(ii) for cost reporting periods beginning in fiscal year 1988 shall remain in effect for cost reporting periods beginning on or after October 1, 1988, and before January 1, 1995.

(B) For purposes of this subparagraph (A)(iii)(II), the term “eye or eye and ear unit” means a physically separate or distinct unit containing separate surgical suites devoted solely to eye or eye and ear services.

(5)(A) The Secretary is authorized to provide by regulations that in the case of a surgical procedure, specified by the Secretary pursuant to paragraph (1)(A), performed in an ambulatory surgical center described in such paragraph, there shall be paid (in lieu of any amounts otherwise payable under this part) with respect to the facility services furnished by such center and with respect to all related services (including physicians’ services, laboratory, X-ray, and diagnostic services) a single all-inclusive fee established pursuant to subparagraph (B), if all parties furnishing all such services agree to accept such fee (to be divided among the parties involved in such manner as they shall have previously agreed upon) as full payment for the services furnished.

(B) In implementing this paragraph, the Secretary shall establish with respect to each surgical procedure specified pursuant to paragraph (1)(A) the amount of the all-inclusive fee for such procedure, taking into account such factors as may be appropriate. The amount so established with respect to any surgical procedure shall be reviewed periodically and may be adjusted by the Secretary, when appropriate, to take account of varying conditions in different areas.

(6) Any person, including a facility having an agreement under section 1395k(a)(2)(F)(i) of this title, who knowingly and willfully presents, or causes to be presented, a bill or request for payment, for an intraocular lens inserted during or subsequent to cataract surgery for which payment may be made under paragraph (2)(A)(iii), is subject to a civil money penalty of not to exceed $2,000. The provisions of section 1320a–7a of this title (other than subsections (a) and (b)) shall apply to a civil money penalty under the previous sentence in the same manner as such provisions apply to a penalty or proceeding under section 1320a–7a(a) of this title.

(7)(A) For purposes of paragraph (2)(D)(iv), the Secretary may provide, in the case of an ambulatory surgical center that does not submit, to the Secretary in accordance with this paragraph, data required to be submitted on measures selected under this paragraph with respect to a year, any annual increase provided under the system established under paragraph (2)(D) for such year shall be reduced by 2.0 percentage points. A reduction under this subparagraph shall apply only with respect to the year involved and the Secretary shall not take into account such reduction in computing any annual increase factor for a subsequent year.

(B) Except as the Secretary may otherwise provide, the provisions of subparagraphs (B), (C), (D), and (E) of paragraph (17) of subsection (t) shall apply with respect to services of ambulatory surgical centers under this paragraph in a similar manner to the manner in which they apply under such paragraph and for purposes of this subparagraph, any reference to a hospital, outpatient setting, or outpatient hospital services is deemed a reference to an ambulatory surgical center, the setting of such a center, or services of such a center, respectively.

(8) The Secretary shall conduct a similar type of review as required under paragraph (22) of section 1395(t) of this title, including the second sentence of subparagraph (C) of such paragraph, to payment for services under this subsection, and make such revisions under this paragraph, in an appropriate manner (as determined by the Secretary).

(j) Accrual of interest on balance of excess or deficit not paid

Whenever a final determination is made that the amount of payment made under this part el-

---

9So in original. The word “this” probably should not appear.

10So in original. The closing parenthesis preceding the comma probably should not appear.
ther to a provider of services or to another person pursuant to an assignment under section 1395b(b)(3)(B)(ii) of this title was in excess of or less than the amount of payment that is due, and payment of such excess or deficit is not made (or effected by offset) within 30 days of the date of the determination, interest shall accrue on the balance of such excess or deficit not paid or offset (to the extent that the balance is owed by or owing to the provider) at a rate determined in accordance with the regulations of the Secretary of the Treasury applicable to charges for late payments.

(k) Hepatitis B vaccine

With respect to services described in section 1395x(s)(10)(B) of this title, the Secretary may provide, instead of the amount of payment otherwise provided under this part, for payment of such an amount or amounts as reasonably reflects the general cost of efficiently providing such services.

(l) Fee schedule for services of certified registered nurse anesthetists

(1)(A) The Secretary shall establish a fee schedule for services of certified registered nurse anesthetists under section 1395x(s)(11) of this title.

(B) In establishing the fee schedule under this paragraph the Secretary may utilize a system of time units, a system of base and time units, or any appropriate methodology.

(C) The provisions of this subsection shall not apply to certain services furnished in certain hospitals in rural areas under the provisions of section 1862(b)(1) of the Omnibus Budget Reconciliation Act of 1986, as amended by section 6132 of the Omnibus Budget Reconciliation Act of 1989.

(2) Except as provided in paragraph (3), the fee schedule established under paragraph (1) shall be initially based on audited data from cost reporting periods ending in fiscal year 1985 and such other data as the Secretary determines necessary.

(3)(A) In establishing the initial fee schedule for those services, the Secretary shall adjust the fee schedule to the extent necessary to ensure that the estimated total amount which will be paid under this subchapter for those services plus applicable coinsurance in 1989 will equal the estimated total amount which would be paid under this subchapter for those services in 1989 if the services were included as inpatient hospital services and payment for such services was made under part A in the same manner as payment was made in fiscal year 1987, adjusted to take into account changes in prices and technology relating to the administration of anesthesia.

(B) The Secretary shall also reduce the prevailing charge of physicians for medical direction of a certified registered nurse anesthetist, or the fee schedule for services of certified registered nurse anesthetists, or both, to the extent necessary to ensure that the estimated total amount which will be paid under this subchapter plus applicable coinsurance for such medical direction and such services in 1989 and 1990 will not exceed the estimated total amount which would have been paid plus applicable coinsurance but for the enactment of the amendments made by section 9320 of the Omnibus Budget Reconciliation Act of 1986. A reduced prevailing charge under this subparagraph shall become the prevailing charge but for subsequent years for purposes of applying the economic index furnished under the fourth sentence of section 1395u(b)(3) of this title.

(4)(A) Except as provided in subparagraphs (C) and (D), in determining the amount paid under the fee schedule under this subsection for services furnished on or after January 1, 1991, by a certified registered nurse anesthetist who is not medically directed—

(i) the conversion factor shall be—

(I) for services furnished in 1991, $15.50,

(II) for services furnished in 1992, $15.75,

(III) for services furnished in 1993, $16.00,

(IV) for services furnished in 1994, $16.25,

(V) for services furnished in 1995, $16.50,

(VI) for services furnished in 1996, $16.75, and

(VII) for services furnished in calendar years after 1996, the previous year’s conversion factor increased by the update determined under section 1395w–4(d) of this title for physician anesthesia services for that year;

(ii) the payment areas to be used shall be the fee schedule areas used under section 1395w–4 of this title (or, in the case of services furnished during 1991, the localities used under section 1395u(b) of this title) for purposes of computing payments for physicians’ services that are anesthesia services;

(iii) the geographic adjustment factors to be applied to the conversion factor under clause (i) for services in a fee schedule area or locality is—

(I) in the case of services furnished in 1991, the geographic work index value and the geographic practice cost index value specified in section 1395u(q)(1)(B) of this title for physicians’ services that are anesthesia services furnished in the area or locality, and

(II) in the case of services furnished after 1991, the geographic work index value, the geographic practice cost index value, and the geographic malpractice index value used for determining payments for physicians’ services that are anesthesia services under section 1395w–4 of this title, with 70 percent of the conversion factor treated as attributable to work and 30 percent as attributable to overhead for services furnished in 1991 (and the portions attributable to work, practice expenses, and malpractice expenses in 1992 and thereafter being the same as is applied under section 1395w–4 of this title).

(B)(i) Except as provided in clause (ii) and subparagraph (D), in determining the amount paid under the fee schedule under this subsection for services furnished on or after January 1, 1991, and before January 1, 1994, by a certified registered nurse anesthetist who is medically directed, the Secretary shall apply the same methodology specified in subparagraph (A).

(ii) The conversion factor used under clause (i) shall be—

11 So in original. Probably should be “area—”.

11
(I) for services furnished in 1991, $10.50,
(II) for services furnished in 1992, $10.75, and
(III) for services furnished in 1993, $11.00.

(iii) In the case of services of a certified reg-
istered nurse anesthetist who is medically di-
rected or medically supervised by a physician
which are furnished on or after January 1, 1994,
the fee schedule amount shall be one-half of the
amount described in section 1395w–4(a)(5)(B) of
this title with respect to the physician.

(C) Notwithstanding subclauses (I) through (V)
of subparagraph (A)(i)—

(i) in the case of a 1990 conversion factor
that is greater than $16.50, the conversion fac-
tor for a calendar year after 1990 and before
1996 shall be the 1990 conversion factor reduced
by the product of the last digit of the calendar
year and one-fifth of the amount by which the
1990 conversion factor exceeds $16.50; and

(ii) in the case of a 1990 conversion factor
that is greater than $15.49 but less than $16.51,
the conversion factor for a calendar year after
1990 and before 1996 shall be the greater of—

(I) the 1990 conversion factor, or

(II) the conversion factor specified in sub-
paragraph (A)(i) for the year involved.

(D) Notwithstanding subparagraph (C), in no
case may the conversion factor used to deter-
mine payment for services in a fee schedule area
or locality under this subsection, as adjusted by
the adjustment factors specified in subparagraphs 12
(A)(iii), exceed the conversion factor
used to determine the amount paid for physi-
cians' services that are anesthesia services in the
area or locality.

(5)(A) Payment for the services of a certified
registered nurse anesthetist (for which payment
may otherwise be made under this part) may be
made on the basis of a claim or request for pay-
ment presented by the certified registered nurse
anesthetist furnishing such services, or by a hos-
pital, critical access hospital, physician, group
practice, or ambulatory surgical center with
which the certified registered nurse anesthetist
furnishing such services has an employment or
contractual relationship that provides for pay-
ment to be made under this part for such serv-
cices to such hospital, critical access hospital,
physician, group practice, or ambulatory sur-

gical center.

(B) No hospital or critical access hospital that
presents a claim or request for payment for
services of a certified nurse anesthetist under
this part may treat any uncollected coinsurance
amount imposed under this part with respect to
such services as a bad debt of such hospital or
critical access hospital for purposes of this sub-
chapter.

(6) If an adjustment under paragraph (3)(B) re-

sults in a reduction in the reasonable charge for
a physicians' service and a nonparticipating
physician furnishes the service to an individual
entitled to benefits under this part after the ef-
etive date of the reduction, the physician's ac-
tual charge is subject to a limit under section
1395u(j)(1)(D) of this title.

(m) Incentive payments for physicians' services
furnished in underserved areas

(1) In the case of physicians' services furnished
in a year to an individual, who is covered under
the insurance program established by this part
and who incurs expenses for such services, in an
area that is designated (under section 254e(a)(1)(A)
of this title) as a health profes-
sional shortage area as identified by the Sec-

retary prior to the beginning of such year, in ad-
dition to the amount otherwise paid under this
part, there also shall be paid to the physician
(or to an employer or facility in the cases de-
scribed in clause (A) of section 1395u(b)(6) of this

title) (on a monthly or quarterly basis) from the
Federal Supplementary Medical Insurance Trust
Fund an amount equal to 10 percent of the pay-
ment amount for the service under this part.

(2) For each health professional shortage area
identified in paragraph (1) that consists of an
entire county, the Secretary shall provide for
the additional payment under paragraph (1)
without any requirement on the physician to
identify the health professional shortage area
involved. The Secretary may implement the pre-
vious sentence using the method specified in
subsection (u)(4)(C).

(3) The Secretary shall post on the Internet
website of the Centers for Medicare & Medicaid
Services a list of the health professional short-
age areas identified in paragraph (1) that consist
of a partial county to facilitate the additional
payment under paragraph (1) in such areas.

(4) There shall be no administrative or judicial
review under section 1395f of this title, section
1395oo of this title, or otherwise, respecting—

(A) the identification of a county or area;

(B) the assignment of a specialty of any phy-

sician under this paragraph;

(C) the assignment of a physician to a coun-
ty under this subsection; or

(D) the assignment of a postal ZIP Code to a

county or other area under this subsection.

(n) Payments to hospital outpatient departments
for radiology; amount; definitions

(1)(A) 13 The aggregate amount of the pay-
mments to be made for all or part of a cost report-
ing period for services described in subsection
(a)(2)(E)(i) furnished under this part on or after
October 1, 1988, and before January 1, 1999, and
for services described in subsection (a)(2)(E)(ii)
furnished under this part on or after October 1,
1989, and before January 1, 1999, shall be equal to
the lesser of—

(i) the amount determined with respect to
such services under subsection (a)(2)(E), or

(ii) the blend amount for radiology services
and diagnostic procedures determined in ac-

cordance with subparagraph (B).

(B)(i) The blend amount for radiology services
and diagnostic procedures for a cost reporting
period is the sum of—

(I) the cost proportion (as defined in clause
(ii)) of the amount described in subparagraph
(A)(i); and

(II) the charge proportion (as defined in
clause (ii)) of 62 percent (for services de-

12So in original. Probably should be “subparagraph”.

13So in original. No par. (2) has been enacted.
scribed in subsection (a)(2)(E)(i), or (for procedures described in subsection (a)(2)(E)(ii)), 42 percent or such other percent established by the Secretary (or carriers acting pursuant to guidelines issued by the Secretary) based on prevailing charges established with actual charge data, of the prevailing charge or (for services described in subsection (a)(2)(E)(i)) furnished on or after April 1, 1989 and for services described in subsection (a)(2)(E)(ii) furnished on or after January 1, 1992, the fee schedule amount established for participating physicians for the same services as if they were furnished in a physician’s office in the same locality as determined under section 1395u(b) of this title (or, in the case of services furnished on or after January 1, 1992, under section 1395w–4 of this title), less the amount a provider may charge as described in clause (ii) of section 1395cc(a)(2)(A) of this title.

(ii) In this subparagraph:

(1) The term “cost proportion” means 50 percent, except that such term means 65 percent in the case of outpatient radiology services for portions of cost reporting periods which occur in fiscal year 1989 and in the case of diagnostic procedures described in subsection (a)(2)(E)(ii) for portions of cost reporting periods which occur in fiscal year 1990, and such term means 42 percent in the case of outpatient radiology services for portions of cost reporting periods beginning on or after January 1, 1991.

(2) The term “charge proportion” means 100 percent minus the cost proportion.

(o) Limitation on benefit for payment for therapeutic shoes for individuals with severe diabetic foot disease

(1) In the case of shoes described in section 1395x(s)(12) of this title—

(A) no payment may be made under this part, with respect to any individual for any year, for the furnishing of—

(i) more than one pair of custom molded shoes (including inserts provided with such shoes) and 2 additional pairs of inserts for such shoes, or

(ii) more than one pair of extra-depth shoes (not including inserts provided with such shoes) and 3 pairs of inserts for such shoes, and

(B) with respect to expenses incurred in any calendar year, no more than the amount of payment applicable under paragraph (2) shall be considered as incurred expenses for purposes of subsections (a) and (b).

Payment for shoes (or inserts) under this part shall be considered to include payment for any expenses for the fitting of such shoes (or inserts).

(2)(A) Except as provided by the Secretary under subparagraphs (B) and (C), the amount of payment under this paragraph for custom molded shoes, extra-depth shoes, and inserts shall be the amount determined for such items by the Secretary under section 1395m(h) of this title.

(B) The Secretary may establish payment amounts for shoes and inserts that are lower than the amount established under section 1395m(h) of this title if the Secretary finds that shoes and inserts of an appropriate quality are readily available at or below the amount established under such section.

(C) In accordance with procedures established by the Secretary, an individual entitled to benefits with respect to such shoes described in section 1395x(s)(12) of this title may substitute modification of such shoes instead of obtaining one (or more, as specified by the Secretary) pair of inserts (other than the original pair of inserts with respect to such shoes). In such case, the Secretary shall substitute, for the payment amount established under section 1395m(h) of this title, a payment amount that the Secretary estimates will assure that there is no net increase in expenditures under this subsection as a result of this subparagraph.

(3) In this subchapter, the term “shoes” includes, except for purposes of subparagraphs (A)(ii) and (B) of paragraph (2), inserts for extra-depth shoes.


(q) Requests for payment to include information on referring physician

(1) Each request for payment, or bill submitted, for an item or service furnished by an entity for which payment may be made under this part and for which the entity knows or has reason to believe there has been a referral by a referring physician (within the meaning of section 1385m of this title) shall include the name and unique physician identification number for the referring physician.

(2)(A) In the case of a request for payment for an item or service furnished by an entity under this part on an assignment-related basis and for which information is required to be provided under paragraph (1) but not included, payment may be denied under this part.

(B) In the case of a request for payment for an item or service furnished by an entity under this part not submitted on an assignment-related basis and for which information is required to be provided under paragraph (1) but not included—

(i) if the entity knowingly and willfully fails to provide such information promptly upon request of the Secretary or a carrier, the entity may be subject to a civil money penalty in an amount not to exceed $2,000, and

(ii) if the entity knowingly, willfully, and in repeated cases fails, after being notified by the Secretary of the obligations and requirements of this subsection to provide the information required under paragraph (1), the entity may be subject to exclusion from participation in the programs under this chapter for a period not to exceed 5 years, in accordance with the procedures of subsections (c), (f), and (g) of section 1320a–7 of this title.

The provisions of section 1320a–7a of this title (other than subsections (a) and (b)) shall apply to civil money penalties under clause (i) in the same manner as they apply to a penalty or proceeding under section 1320a–7a(a) of this title.

(r) Cap on prevailing charge; billing on assignment-related basis

(1) With respect to services described in section 1395x(s)(2)(E)(ii) of this title (relating to
nurse practitioner or clinical nurse specialist services), payment may be made on the basis of a claim or request for payment presented by the nurse practitioner or clinical nurse specialist furnishing such services, or by a hospital, critical access hospital, skilled nursing facility or nursing facility (as defined in section 1396(r) of this title), physician, group practice, or ambulatory surgical center with which the nurse practitioner or clinical nurse specialist has an employment or contractual relationship that provides for payment to be made under this part for such services to such hospital, physician, group practice, or ambulatory surgical center.

(2) No hospital or critical access hospital that presents a claim or request for payment under this part for services described in section 1395x(s)(2)(K)(ii) of this title may treat any uncollections as a bad debt of such hospital for purposes of this subchapter.

(s) Other prepaid organizations

The Secretary may not provide for payment under subsection (a)(1)(A) with respect to an organization unless the organization provides assurances satisfactory to the Secretary that the organization meets the requirements of section 1395ccc(ff) of this title (relating to maintaining written policies and procedures respecting advance directives).

(t) Prospective payment system for hospital outpatient department services

(1) Amount of payment

(A) In general

With respect to covered OPD services (as defined in subparagraph (B)) furnished during a year beginning with 1999, the amount of payment under this part shall be determined under a prospective payment system established by the Secretary in accordance with this subsection.

(B) Definition of covered OPD services

For purposes of this subsection, the term “covered OPD services”—

(i) means hospital outpatient services designated by the Secretary;

(ii) subject to clause (iv), includes inpatient hospital services designated by the Secretary that are covered under this part and furnished to a hospital inpatient who (I) is entitled to benefits under part A but has exhausted benefits for inpatient hospital services during a spell of illness, or (II) is not so entitled;

(iii) includes implantable items described in paragraph (3), (6), or (8) of section 1395x(s) of this title;

(iv) does not include any therapy services described in subsection (a)(8) or ambulance services, for which payment is made under a fee schedule described in section 1395mm(k) of this title or section 1395mm(f) of this title and does not include screening mammography (as defined in section 1395x(jj) of this title), diagnostic mammography, or personalized prevention plan services (as defined in section 1395x(hhh)(1) of this title); and

(v) does not include applicable items and services (as defined in subparagraph (A) of paragraph (21)) that are furnished on or after January 1, 2017, by an off-campus outpatient department of a provider (as defined in subparagraph (B) of such paragraph).

(2) System requirements

Under the payment system—

(A) the Secretary shall develop a classification system for covered OPD services;

(B) the Secretary may establish groups of covered OPD services, within the classification system described in subparagraph (A), so that services classified within each group are comparable clinically and with respect to the use of resources and so that an implantable item is classified to the group that includes the service to which the item relates;

(C) the Secretary shall, using data on claims from 1996 and using data from the most recent available cost reports, establish relative weight factors for covered OPD services (and any groups of such services described in subparagraph (B)) based on median (or, at the election of the Secretary, mean) hospital costs and shall determine projections of the frequency of utilization of each such service (or group of services) in 1999;

(D) subject to paragraph (19), the Secretary shall determine a wage adjustment factor to adjust the portion of payment and coinsurance attributable to labor-related costs for relative differences in labor and labor-related costs across geographic regions in a budget neutral manner;

(E) the Secretary shall establish, in a budget neutral manner, outlier adjustments under paragraph (5) and transitional pass-through payments under paragraph (6) and other adjustments as determined to be necessary to ensure equitable payments, such as adjustments for certain classes of hospitals;

(F) the Secretary shall develop a method for controlling unnecessary increases in the volume of covered OPD services;

(G) the Secretary shall create additional groups of covered OPD services that classify such devices separately from those that do not; and

(H) with respect to devices of brachytherapy consisting of a seed or seeds (or radioactive source), the Secretary shall create additional groups of covered OPD services that classify such devices separately from the other services (or group of services) paid for under this subsection in a manner reflecting the number, isotope, and radioactive intensity of such devices furnished, including separate groups for palladium-103 and iodine-125 devices and for stranded and non-stranded devices furnished on or after July 1, 2007.

For purposes of subparagraph (B), items and services within a group shall not be treated as “comparable with respect to the use of resources” if the highest median cost (or mean cost, if elected by the Secretary under sub-
paragraph (C)) for an item or service within
the group is more than 2 times greater than
the lowest median cost (or mean cost, if so
elected) for an item or service within the
group; except that the Secretary may make
exceptions in unusual cases, such as low vol-
ume items and services, but may not make
such an exception in the case of a drug or bio-
logical that has been designated as an orphan
drug under section 360bb of title 21.

(3) Calculation of base amounts

(A) Aggregate amounts that would be pay-
able if deductibles were disregarded

The Secretary shall estimate the sum of—
(i) the total amounts that would be pay-
able from the Trust Fund under this part
for covered OPD services in 1999, deter-
mined without regard to this subsection,
and the deductible under subsection (b) did not apply, and
(ii) the total amounts of copayments es-
timated to be paid under this subsection
by beneficiaries to hospitals for covered
OPD services in 1999, as though the deduct-
ible under subsection (b) did not apply.

(B) Unadjusted copayment amount

(i) In general

For purposes of this subsection, subject
to clause (ii), the “unadjusted copayment
amount” applicable to a covered OPD ser-
vice (or group of such services) is 20 percent
of the national median of the charges for
the service (or services within the group)
furnished during 1996, updated to 1999
using the Secretary’s estimate of charge
growth during the period.

(ii) Adjusted to be 20 percent when fully
phased in

If the pre-deductible payment percentage
for a covered OPD service (or group of such
services) furnished in a year would be
equal to or exceed 80 percent, then the un-
adjusted copayment amount shall be 20
percent of amount determined under sub-
paragraph (D).

(iii) Rules for new services

The Secretary shall establish rules for
establishment of an unadjusted copayment
amount for a covered OPD service not fur-
nished during 1996, based upon its classi-
ification within a group of such services.

(C) Calculation of conversion factors

(i) For 1999

(1) In general

The Secretary shall establish a 1999
conversion factor for determining the
medicare OPD fee schedule amounts for
each covered OPD service (or group of
such services) furnished in 1999. Such
conversion factor shall be established on
the basis of the weights and frequencies
described in paragraph (2)(C) and in such
a manner that the sum for all services
and groups of the products (described in
subparagraph (II) for each such service or
group) equals the total projected amount
described in subparagraph (A).

(ii) Product described

The Secretary shall determine for each
service or group the product of the medi-
care OPD fee schedule amounts (taking
into account appropriate adjustments
described in paragraphs (2)(D) and (2)(E))
and the estimated frequencies for such
service or group.

(ii) Subsequent years

Subject to paragraph (8)(B), the Sec-
retary shall establish a conversion factor
for covered OPD services furnished in sub-
sequent years in an amount equal to the
conversion factor established under this
subparagraph and applicable to such serv-
ices furnished in the previous year in-
creased by the OPD fee schedule increase
factor specified under clause (iv) for the
year involved.

(iii) Adjustment for service mix changes

Insofar as the Secretary determines that
the adjustments for service mix under
paragraph (2) for a previous year (or esti-
mates that such adjustments for a future
year) did (or are likely to) result in a
change in aggregate payments under this
subsection during the year that are a re-
result of changes in the coding or classifica-
tion of covered OPD services that do not
reflect real changes in service mix, the
Secretary may adjust the conversion fac-
tor computed under this subparagraph for
subsequent years so as to eliminate the ef-
effect of such coding or classification
changes.

(iv) OPD fee schedule increase factor

For purposes of this subparagraph, sub-
ject to paragraph (17) and subparagraph (F)
of this paragraph, the “OPD fee schedule
increase factor” for services furnished in a
year is equal to the market basket per-
centage increase applicable under section
1395ww(b)(3)(B)(ii) of this title to hospital
discharges occurring during the fiscal year
ending in such year, reduced by 1 percent-
age point for such factor for services fur-
nished in each of 2000 and 2002. In applying
the previous sentence for years beginning
with 2000, the Secretary may substitute for
the market basket percentage increase an
annual percentage increase that is com-
puted and applied with respect to covered
OPD services furnished in a year in the
same manner as the market basket per-
centage increase is determined and applied
to inpatient hospital services for dis-
charges occurring in a fiscal year.

(D) Calculation of medicare OPD fee sched-
ule amounts

The Secretary shall compute a medicare
OPD fee schedule amount for each covered
OPD service (or group of such services) fur-
nished in a year, in an amount equal to the
product of—

(i) the conversion factor computed under
subparagraph (C) for the year, and

(ii) the relative payment weight (deter-
mined under paragraph (2)(C)) for the serv-
ice or group.
(E) Pre-deductible payment percentage

The pre-deductible payment percentage for a covered OPD service (or group of such services) furnished in a year is equal to the ratio of—

(i) the medicare OPD fee schedule amount established under subparagraph (D) for the year, minus the unadjusted co-payment amount determined under subparagraph (B) for the service or group, to

(ii) the medicare OPD fee schedule amount determined under subparagraph (D) for the year for such service or group.

(F) Productivity and other adjustment

After determining the OPD fee schedule increase factor under subparagraph (C)(iv), the Secretary shall reduce such increase factor—

(i) for 2012 and subsequent years, by the productivity adjustment described in section 1395ww(b)(3)(B)(xi)(II) of this title; and

(ii) for each of 2010 through 2019, by the adjustment described in subparagraph (G).

The application of this subparagraph may result in the increase factor under subparagraph (C)(iv) being less than 0.0 for a year, and may result in payment rates under the payment system under this subsection for a year being less than such payment rates for the preceding year.

(G) Other adjustment

For purposes of subparagraph (F)(ii), the adjustment described in this subparagraph is—

(i) for each of 2010 and 2011, 0.25 percentage point;

(ii) for each of 2012 and 2013, 0.1 percentage point;

(iii) for 2014, 0.3 percentage point;

(iv) for each of 2015 and 2016, 0.2 percentage point; and

(v) for each of 2017, 2018, and 2019, 0.75 percentage point.

(4) Medicare payment amount

The amount of payment made from the Trust Fund under this part for a covered OPD service (and such services classified within a group) furnished in a year is determined, subject to paragraph (7), as follows:

(A) Fee schedule adjustments

The medicare OPD fee schedule amount (computed under paragraph (3)(D)) for the service or group and year is adjusted for relative differences in the cost of labor and other factors determined by the Secretary, as computed under paragraphs (2)(D) and (2)(E).

(B) Subtract applicable deductible

Reduce the adjusted amount determined under subparagraph (A) by the amount of the deductible under subsection (b), to the extent applicable.

(C) Apply payment proportion to remainder

The amount of payment is the amount so determined under subparagraph (B) multiplied by the pre-deductible payment percentage (as determined under paragraph (3)(E)) for the service or group and year involved, plus the amount of any reduction in the co-payment amount attributable to paragraph (8)(C).

(5) Outlier adjustment

(A) In general

Subject to subparagraph (D), the Secretary shall provide for an additional payment for each covered OPD service (or group of services) for which a hospital’s charges, adjusted to cost, exceed—

(i) a fixed multiple of the sum of—

(I) the applicable medicare OPD fee schedule amount determined under paragraph (3)(D), as adjusted under paragraph (4)(A) (other than for adjustments under this paragraph or paragraph (6)); and

(II) any transitional pass-through payment under paragraph (6); and

(ii) at the option of the Secretary, such fixed dollar amount as the Secretary may establish.

(B) Amount of adjustment

The amount of the additional payment under subparagraph (A) shall be determined by the Secretary and shall approximate the marginal cost of care beyond the applicable cutoff point under such subparagraph.

(C) Limit on aggregate outlier adjustments

(i) In general

The total of the additional payments made under this paragraph for covered OPD services furnished in a year (as estimated by the Secretary before the beginning of the year) may not exceed the applicable percentage (specified in clause (ii)) of the total program payments estimated to be made under this subsection for all covered OPD services furnished in that year.

If this paragraph is first applied to less than a full year, the previous sentence shall apply only to the portion of such year.

(ii) Applicable percentage

For purposes of clause (i), the term “applicable percentage” means a percentage specified by the Secretary up to (but not to exceed)—

(I) for a year (or portion of a year) before 2004, 2.5 percent; and

(II) for 2004 and thereafter, 3.0 percent.

(D) Transitional authority

In applying subparagraph (A) for covered OPD services furnished before January 1, 2002, the Secretary may—

(i) apply such subparagraph to a bill for such services related to an outpatient encounter (rather than for a specific service or group of services) using OPD fee schedule amounts and transitional pass-through payments covered under the bill; and

(ii) use an appropriate cost-to-charge ratio for the hospital involved (as determined by the Secretary), rather than for specific departments within the hospital.
§ 1395

Exclusion of separate drug and biological APCS from outlier payments

No additional payment shall be made under subparagraph (A) in the case of ambulatory payment classification groups established separately for drugs or biologicals.

(6) Transitional pass-through for additional costs of innovative medical devices, drugs, and biologicals

(A) In general

The Secretary shall provide for an additional payment under this paragraph for any of the following that are provided as part of a covered OPD service (or group of services):

(i) Current orphan drugs

A drug or biological that is used for a rare disease or condition with respect to which the drug or biological has been designated as an orphan drug under section 360bb of title 21 if payment for the drug or biological as an outpatient hospital service under this part was being made on the first date that the system under this subsection is implemented.

(ii) Current cancer therapy drugs and biologicals and brachytherapy

A drug or biological that is used in cancer therapy, including (but not limited to) a chemotherapeutic agent, an antiemetic, a hematopoietic growth factor, a colony stimulating factor, a biological response modifier, a bisphosphonate, and a device of brachytherapy or temperature monitored crioablaltion, if payment for such drug, biological, or device as an outpatient hospital service under this part was being made on the first date that the system under this subsection is implemented.

(iii) Current radiopharmaceutical drugs and biological products

A radiopharmaceutical drug or biological product used in diagnostic, monitoring, and therapeutic nuclear medicine procedures if payment for the drug or biological as an outpatient hospital service under this part was being made on the first date.

(iv) New medical devices, drugs, and biologicals

A medical device, drug, or biological not described in clause (i), (ii), or (iii) if—

(I) payment for the device, drug, or biological as an outpatient hospital service under this part was not being made as of December 31, 1996; and

(II) the cost of the drug or biological or the average cost of the category of devices is not insignificant in relation to the OPD fee schedule amount (as calculated under paragraph (3)(D)) payable for the service (or group of services) involved.

(B) Use of categories in determining eligibility of a device for pass-through payments

The following provisions apply for purposes of determining whether a medical device qualifies for additional payments under clause (ii) or (iv) of subparagraph (A):

(i) Establishment of initial categories

(I) In general

The Secretary shall initially establish under this clause categories of medical devices based on type of device by April 1, 2001. Such categories shall be established in a manner such that each medical device that meets the requirements of clause (ii) or (iv) of subparagraph (A) as of January 1, 2001, is included in such a category and no such device is included in more than one category. For purposes of the preceding sentence, whether a medical device meets such requirements as of such date shall be determined on the basis of the program memoranda issued before such date.

(II) Authorization of implementation other than through regulations

The categories may be established under this clause by program memorandum or otherwise, after consultation with groups representing hospitals, manufacturers of medical devices, and other affected parties.

(ii) Establishing criteria for additional categories

(I) In general

The Secretary shall establish criteria that will be used for creation of additional categories (other than those established under clause (i)) through rulemaking (which may include use of an interim final rule with comment period).

(II) Standard

Such categories shall be established under this clause in a manner such that no medical device is described by more than one category. Such criteria shall include a test of whether the average cost of devices that would be included in a category and are in use at the time the category is established is not insignificant, as described in subparagraph (A)(iv)(II).

(III) Deadline

Criteria shall first be established under this clause by July 1, 2001. The Secretary may establish in compelling circumstances categories under this clause before the date such criteria are established.

(IV) Adding categories

The Secretary shall promptly establish a new category of medical devices under this clause for any medical device that meets the requirements of subparagraph (A)(iv) and for which none of the categories in effect (or that were previously in effect) is appropriate.

(iii) Period for which category is in effect

A category of medical devices established under clause (i) or (ii) shall be in effect for a period of at least 2 years, but not more than 3 years, that begins—
(I) in the case of a category established under clause (i), on the first date on which payment was made under this paragraph for any device described by such category (including payments made during the period before April 1, 2001); and

(II) in the case of any other category, on the first date on which payment is made under this paragraph for any medical device that is described by such category.

(iv) Requirements treated as met

A medical device shall be treated as meeting the requirements of subparagraph (A)(iv), regardless of whether the device meets the requirement of subclause (I) of such subparagraph, if—

(I) the device is described by a category established and in effect under clause (i); or

(II) the device is described by a category established and in effect under clause (ii) and an application under section 360e of title 21 has been approved with respect to the device, or the device has been cleared for market under section 360(k) of title 21, or the device is exempt from the requirements of section 360(l) of title 21 pursuant to subsection (i) or (m) of section 360 of title 21 or section 360(g) of title 21.

Nothing in this clause shall be construed as requiring an application or prior approval (other than that described in subclause (II)) in order for a covered device described by a category to qualify for payment under this paragraph.

(C) Limited period of payment

(i) Drugs and biologicals

Subject to subparagraph (G), the payment under this paragraph with respect to a drug or biological shall only apply during a period of at least 2 years, but not more than 3 years, that begins—

(I) on the first date this subsection is implemented in the case of a drug or biological described in clause (i), (ii), or (iii) of subparagraph (A) and in the case of a drug or biological described in subparagraph (A)(iv) and for which payment under this part is made as an outpatient hospital service before such first date; or

(II) in the case of a drug or biological described in subparagraph (A)(iv) not described in subclause (I), on the first date on which payment is made under this part for the drug or biological as an outpatient hospital service.

(ii) Medical devices

Payment shall be made under this paragraph with respect to a medical device only if such device—

(I) is described by a category of medical devices established and in effect under subparagraph (B); and

(II) is provided as part of a service (or group of services) paid for under this subsection and provided during the period for which such category is in effect under such subparagraph.

(D) Amount of additional payment

Subject to subparagraph (E)(iii), the amount of the payment under this paragraph with respect to a device, drug, or biological provided as part of a covered OPD service is—

(i) subject to subparagraph (H), in the case of a drug or biological, the amount by which the amount determined under section 1395u(o) of this title (or if the drug or biological is covered under a competitive acquisition contract under section 1395w–3b of this title, an amount determined by the Secretary equal to the average price for the drug or biological for all competitive acquisition areas and year established under such section as calculated and adjusted by the Secretary for purposes of this paragraph) for the drug or biological exceeds the portion of the otherwise applicable medicare OPD fee schedule that the Secretary determines is associated with the drug or biological; or

(ii) in the case of a medical device, the amount by which the hospital’s charges for the device, adjusted to cost, exceeds the portion of the otherwise applicable medicare OPD fee schedule that the Secretary determines is associated with the device.

(E) Limit on aggregate annual adjustment

(i) In general

The total of the additional payments made under this paragraph for covered OPD services furnished in a year (as estimated by the Secretary before the beginning of the year) may not exceed the applicable percentage (specified in clause (ii)) of the total program payments estimated to be made under this subsection for all covered OPD services furnished in that year.

If this paragraph is first applied to less than a full year, the previous sentence shall apply only to the portion of such year. This clause shall not apply for 2018 or 2020.

(ii) Applicable percentage

For purposes of clause (i), the term “applicable percentage” means—

(I) for a year (or portion of a year) before 2004, 2.5 percent; and

(II) for 2004 and thereafter, a percentage specified by the Secretary up to (but not to exceed) 2.0 percent.

(iii) Uniform prospective reduction if aggregate limit projected to be exceeded

If the Secretary estimates before the beginning of a year that the amount of the additional payments under this paragraph for the year (or portion thereof) as determined under clause (i) without regard to this clause will exceed the limit established under such clause, the Secretary shall reduce pro rata the amount of each of the additional payments under this paragraph for that year (or portion thereof) in
order to ensure that the aggregate additional payments under this paragraph (as so estimated) do not exceed such limit.

(F) Limitation of application of functional equivalence standard

(i) In general

The Secretary may not publish regulations that apply a functional equivalence standard to a drug or biological under this paragraph.

(ii) Application

Clause (i) shall apply to the application of a functional equivalence standard to a drug or biological on or after December 8, 2003, unless—

(I) such application was being made to such drug or biological prior to December 8, 2003; and

(II) the Secretary applies such standard to such drug or biological only for the purpose of determining eligibility of such drug or biological for additional payments under this paragraph and not for the purpose of any other payments under this subchapter.

(iii) Rule of construction

Nothing in this subparagraph shall be construed to effect the Secretary’s authority to deem a particular drug to be identical to another drug if the 2 products are pharmaceutically equivalent and biologically equivalent, as determined by the Commissioner of Food and Drugs.

(G) Pass-through extension for certain drugs and biologicals

In the case of a drug or biological whose period of pass-through status under this paragraph ended on December 31, 2017, and for which payment under this subsection was packaged into a payment for a covered OPD service (or group of services) furnished beginning January 1, 2018, such pass-through status shall be extended for a 2-year period beginning on October 1, 2018:

(i) The Secretary shall remove the packaged costs of such drug or biological (as determined by the Secretary) from the payment amount under this subsection for the covered OPD service (or group of services) with which it is packaged.

(ii) The Secretary shall not make any adjustments to payment amounts under this subsection for a covered OPD service (or group of services) for which no costs were removed under clause (i).

(J) Additional pass-through extension and special payment adjustment rule for certain diagnostic radiopharmaceuticals

In the case of a drug or biological furnished in the context of a clinical study on diagnostic imaging tests approved under a coverage with evidence development determination whose period of pass-through status under this paragraph concluded on December 31, 2018, and for which payment under this subsection was packaged into a payment for a covered OPD service (or group of services) furnished beginning January 1, 2019, the Secretary shall—

(i) extend such pass-through status for such drug or biological for the 9-month period beginning on January 1, 2020;

(ii) remove, during such period, the packaged costs of such drug or biological (as determined by the Secretary) from the payment amount under this subsection for the covered OPD service (or group of services) with which it is packaged; and

(iii) not make any adjustments to payment amounts under this subsection for a covered OPD service (or group of services) for which no costs were removed under clause (ii).

(7) Transitional adjustment to limit decline in payment

(A) Before 2002

Subject to subparagraph (D), for covered OPD services furnished before January 1, 2002, for which the PPS amount (as defined in subparagraph (E)) is—

(i) the product of 0.71 and the pre-BBA amount; or

(ii) not make any adjustments to payment amounts under this subsection for a covered OPD service (or group of services) for which no costs were removed under clause (ii).

So in original. Probably should be “a covered OPD”.

14
amount, exceeds (II) the product of 0.70 and the PPS amount;
(iii) at least 70 percent, but less than 80 percent, of the pre-BBA amount, the amount of payment under this subsection shall be increased by the amount by which (I) the product of 0.63 and the pre-BBA amount, exceeds (II) the product of 0.60 and the PPS amount; or
(iv) less than 70 percent of the pre-BBA amount, the amount of payment under this subsection shall be increased by 21 percent of the pre-BBA amount.

**B** 2002

Subject to subparagraph (D), for covered OPD services furnished during 2002, for which the PPS amount is—

(i) at least 90 percent, but less than 100 percent, of the pre-BBA amount, the amount of payment under this subsection shall be increased by 70 percent of the amount of such difference;
(ii) at least 80 percent, but less than 90 percent, of the pre-BBA amount, the amount of payment under this subsection shall be increased by the amount by which (I) the product of 0.61 and the pre-BBA amount, exceeds (II) the product of 0.60 and the PPS amount; or
(iii) less than 80 percent of the pre-BBA amount, the amount of payment under this subsection shall be increased by 13 percent of the pre-BBA amount.

**C** 2003

Subject to subparagraph (D), for covered OPD services furnished during 2003, for which the PPS amount is—

(i) at least 90 percent, but less than 100 percent, of the pre-BBA amount, the amount of payment under this subsection shall be increased by 60 percent of the amount of such difference; or
(ii) less than 90 percent of the pre-BBA amount, the amount of payment under this subsection shall be increased by 6 percent of the pre-BBA amount.

**D** Hold harmless provisions

(i) Temporary treatment for certain rural hospitals

(I) In the case of a hospital located in a rural area and that has not more than 100 beds or a sole community hospital (as defined in section 1395ww(d)(5)(D)(iii) of this title) located in a rural area, for covered OPD services furnished before January 1, 2006, for which the PPS amount is less than the pre-BBA amount, the amount of payment under this subsection shall be increased by the amount of such difference.

(II) In the case of a hospital located in a rural area and that has not more than 100 beds and that is not a sole community hospital (as defined in section 1395ww(d)(5)(D)(iii) of this title), for covered OPD services furnished on or after January 1, 2006, and before January 1, 2013, for which the PPS amount is less than the pre-BBA amount, the amount of payment under this subsection shall be increased by the applicable percentage of the amount of such difference. For purposes of the preceding sentence, the applicable percentage shall be 95 percent with respect to covered OPD services furnished in 2006, 90 percent with respect to such services furnished in 2007, and 85 percent with respect to such services furnished in 2008, 2009, 2010, 2011, or 2012.

(III) In the case of a sole community hospital (as defined in section 1395ww(d)(5)(D)(iii) of this title) that has not more than 100 beds, for covered OPD services furnished on or after January 1, 2009, and before January 1, 2013, for which the PPS amount is less than the pre-BBA amount, the amount of payment under this subsection shall be increased by 85 percent of the amount of such difference. In the case of covered OPD services furnished on or after January 1, 2010, and before March 1, 2012, the preceding sentence shall be applied without regard to the 100-bed limitation.

(ii) Permanent treatment for cancer hospitals and children’s hospitals

In the case of a hospital described in clause (ii) or (v) of section 1395ww(d)(1)(B) of this title, for covered OPD services for which the PPS amount is less than the pre-BBA amount, the amount of payment under this subsection shall be increased by the amount of such difference.

(E) PPS amount defined

In this paragraph, the term “PPS amount” means, with respect to covered OPD services, the amount payable under this subsection for such services (determined without regard to this paragraph), including amounts payable as copayment under paragraph (8), coinsurance under section 1395cc(a)(2)(A)(ii) of this title, and the deductible under subsection (b).

(F) Pre-BBA amount defined

(i) In general

In this paragraph, the “pre-BBA amount” means, with respect to covered OPD services furnished by a hospital in a year, an amount equal to the product of the reasonable cost of the hospital for such services for the portions of the hospital’s cost reporting period (or periods) occurring in the year and the base OPD payment-to-cost ratio for the hospital (as defined in clause (ii)).

(ii) Base payment-to-cost ratio defined

For purposes of this subparagraph, the “base payment-to-cost ratio” for a hospital means the ratio of—

(I) the hospital’s reimbursement under this part for covered OPD services furnished during the cost reporting period ending in 1996 (or in the case of a hospital that did not submit a cost report for such period, during the first subsequent cost reporting period ending before 2001 for which the hospital submitted a cost report), including any reim-
bursement for such services through cost-sharing described in subparagraph (E), to
(ii) the reasonable cost of such services for such period.

The Secretary shall determine such ratios as if the amendments made by section 4521 of the Balanced Budget Act of 1997 were in effect in 1996.

(G) Interim payments

The Secretary shall make payments under this paragraph to hospitals on an interim basis, subject to retrospective adjustments based on settled cost reports.

(H) No effect on copayments

Nothing in this paragraph shall be construed to affect the unadjusted copayment amount described in paragraph (3)(B) or the copayment amount under paragraph (8).

(I) Application without regard to budget neutrality

The additional payments made under this paragraph—
(i) shall not be considered an adjustment under paragraph (2)(E); and
(ii) shall not be implemented in a budget neutral manner.

(8) Copayment amount

(A) In general

Except as provided in subparagraphs (B) and (C), the copayment amount under this subsection is the amount by which the amount described in paragraph (4)(B) exceeds the amount of payment determined under paragraph (4)(C).

(B) Election to offer reduced copayment amount

The Secretary shall establish a procedure under which a hospital, before the beginning of a year (beginning with 1999), may elect to reduce the copayment amount otherwise established under subparagraph (A) for some or all covered OPD services to an amount that is not less than 20 percent of the Medicare OPD fee schedule amount (computed under paragraph (3)(D)) for the service involved. Under such procedures, such reduced copayment amount may not be further reduced or increased during the year involved and the hospital may disseminate information on the reduction of copayment amount effected under this subparagraph.

(C) Limitation on copayment amount

(i) To inpatient hospital deductible amount

In no case shall the copayment amount for a procedure performed in a year exceed the amount of the inpatient hospital deductible established under section 1395e(b) of this title for that year.

(ii) To specified percentage

The Secretary shall reduce the national unadjusted copayment amount for a covered OPD service (or group of such services) furnished in a year in a manner so that the effective copayment rate (determined on a national unadjusted basis) for that service in the year does not exceed the following percentage:
(I) For procedures performed in 2001, on or after April 1, 2001, 57 percent.
(II) For procedures performed in 2002 or 2003, 55 percent.
(III) For procedures performed in 2004, 50 percent.
(IV) For procedures performed in 2005, 45 percent.
(V) For procedures performed in 2006 and thereafter, 40 percent.

(D) No impact on deductibles

Nothing in this paragraph shall be construed as affecting a hospital's authority to waive the charging of a deductible under subsection (b).

(E) Computation ignoring outlier and pass-through adjustments

The copayment amount shall be computed under subparagraph (A) as if the adjustments under paragraphs (5) and (6) (and any adjustment made under paragraph (2)(E) in relation to such adjustments) had not occurred.

(9) Periodic review and adjustments components of prospective payment system

(A) Periodic review

The Secretary shall review not less often than annually and revise the groups, the relative payment weights, and the wage and other adjustments described in paragraph (2) to take into account changes in medical practice, changes in technology, the addition of new services, new cost data, and other relevant information and factors. The Secretary shall consult with an expert outside advisory panel composed of an appropriate selection of representatives of providers to review (and advise the Secretary concerning) the clinical integrity of the groups and weights. Such panel may use data collected or developed by entities and organizations (other than the Department of Health and Human Services) in conducting such review.

(B) Budget neutrality adjustment

If the Secretary makes adjustments under subparagraph (A), then the adjustments for a year may not cause the estimated amount of expenditures under this part for the year to increase or decrease from the estimated amount of expenditures under this part that would have been made if the adjustments had not been made. In determining adjustments under the preceding sentence for 2004 and 2005, the Secretary shall not take into account under this subparagraph or paragraph (2)(E) any expenditures that would not have been made but for the application of paragraph (14).

(C) Update factor

If the Secretary determines under methodologies described in paragraph (2)(F) that the volume of services paid for under this subsection increased beyond amounts estab-
lished through those methodologies, the Secretary may appropriately adjust the update to the conversion factor otherwise applicable in a subsequent year.

(10) Special rule for ambulance services

The Secretary shall pay for hospital outpatient services that are ambulance services on the basis described in section 1395x(v)(1)(U) of this title, or, if applicable, the fee schedule established under section 1395m(i) of this title.

(11) Special rules for certain hospitals

In the case of hospitals described in clause (iii) or (v) of section 1395ww(d)(1)(B) of this title,

(A) the system under this subsection shall not apply to covered OPD services furnished before January 1, 2000; and

(B) the Secretary may establish a separate conversion factor for such services in a manner that specifically takes into account the unique costs incurred by such hospitals by virtue of their patient population and service intensity.

(12) Limitation on review

There shall be no administrative or judicial review under section 1395ff of this title, 1395oo of this title, or otherwise of—

(A) the development of the classification system under paragraph (2), including the establishment of groups and relative payment weights for covered OPD services, of wage adjustment factors, other adjustments, and methods described in paragraph (2)(F);

(B) the calculation of base amounts under paragraph (3);

(C) periodic adjustments made under paragraph (6);

(D) the establishment of a separate conversion factor under paragraph (8)(B); and

(E) the determination of the fixed multiple, or a fixed dollar cutoff amount, the marginal cost of care, or applicable percentage under paragraph (5) or the determination of insignificance of cost, the duration of the additional payments, the determination and deletion of initial and new categories (consistent with subparagraphs (B) and (C) of paragraph (6)), the portion of the medicare OPD fee schedule amount associated with particular devices, drugs, or biologicals, and the application of any pro rata reduction under paragraph (6).

(13) Authorization of adjustment for rural hospitals

(A) Study

The Secretary shall conduct a study to determine if, under the system under this subsection, costs incurred by hospitals located in rural areas by ambulatory payment classification groups (APCs) exceeds those costs incurred by hospitals located in urban areas.

(B) Authorization of adjustment

Insofar as the Secretary determines under subparagraph (A) that costs incurred by hospitals located in rural areas exceed those costs incurred by hospitals located in urban areas, the Secretary shall provide for an appropriate adjustment under paragraph (2)(E) to reflect those higher costs by January 1, 2006.

(14) Drug APC payment rates

(A) In general

The amount of payment under this subsection for a specified covered outpatient drug (defined in subparagraph (B)) that is furnished as part of a covered OPD service (or group of services)—

(i) in 2004, in the case of—

(I) a sole source drug shall in no case be less than 88 percent, or exceed 95 percent, of the reference average wholesale price for the drug;

(II) an innovator multiple source drug shall in no case exceed 68 percent of the reference average wholesale price for the drug; or

(III) a noninnovator multiple source drug shall in no case exceed 46 percent of the reference average wholesale price for the drug;

(ii) in 2005, in the case of—

(I) a sole source drug shall in no case be less than 83 percent, or exceed 95 percent, of the reference average wholesale price for the drug;

(II) an innovator multiple source drug shall in no case exceed 68 percent of the reference average wholesale price for the drug; or

(III) a noninnovator multiple source drug shall in no case exceed 46 percent of the reference average wholesale price for the drug;

(iii) in a subsequent year, shall be equal, subject to subparagraph (E)—

(I) to the average acquisition cost for the drug for that year (which, at the option of the Secretary, may vary by hospital group (as defined by the Secretary based on volume of covered OPD services or other relevant characteristics)), as determined by the Secretary taking into account the hospital acquisition cost survey data under subparagraph (D); or

(II) if hospital acquisition cost data are not available, the average price for the drug in the year established under section 1395u(o) of this title, section 1395w–3a of this title, or section 1395w–3b of this title, as the case may be, as calculated and adjusted by the Secretary as necessary for purposes of this paragraph.

(B) Specified covered outpatient drug defined

(i) In general

In this paragraph, the term “specified covered outpatient drug” means, subject to clause (ii), a covered outpatient drug (as defined in section 1395w–8(k)(2) of this title) for which a separate ambulatory payment classification group (APC) has been established and that is—

(I) a radiopharmaceutical; or

(II) a drug or biological for which payment was made under paragraph (6) (re-
(ii) Exception

Such term does not include—
(I) a drug or biological for which payment is first made on or after January 1, 2003, under paragraph (6);
(II) a drug or biological for which a temporary HCPCS code has not been assigned; or
(III) during 2004 and 2005, an orphan drug (as designated by the Secretary).

(C) Payment for designated orphan drugs during 2004 and 2005

The amount of payment under this subsection for an orphan drug designated by the Secretary under subparagraph (B)(ii)(III) that is furnished as part of a covered OPD service (or group of services) during 2004 and 2005 shall equal such amount as the Secretary may specify.

(D) Acquisition cost survey for hospital outpatient drugs

(i) Annual GAO surveys in 2004 and 2005

(1) In general

The Comptroller General of the United States shall conduct a survey in each of 2004 and 2005 to determine the hospital acquisition cost for each specified covered outpatient drug. Not later than April 1, 2005, the Comptroller General shall furnish data from such surveys to the Secretary for use in setting the payment rates under subparagraph (A) for 2006.

(2) Recommendations

Upon the completion of such surveys, the Comptroller General shall recommend to the Secretary the frequency and methodology of subsequent surveys to be conducted by the Secretary under clause (ii).

(ii) Subsequent secretarial surveys

The Secretary, taking into account such recommendations, shall conduct periodic subsequent surveys to determine the hospital acquisition cost for each specified covered outpatient drug for use in setting the payment rates under subparagraph (A).

(iii) Survey requirements

The surveys conducted under clauses (i) and (ii) shall have a large sample of hospitals that is sufficient to generate a statistically significant estimate of the average hospital acquisition cost for each specified covered outpatient drug. With respect to the surveys conducted under clause (i), the Comptroller General shall report to Congress on the justification for the size of the sample used in order to assure the validity of such estimates.

(iv) Differentiation in cost

In conducting surveys under clause (i), the Comptroller General shall determine and report to Congress if there is (and the extent of any) variation in hospital acquisition costs for drugs among hospitals based on the volume of covered OPD services performed by such hospitals or other relevant characteristics of such hospitals (as defined by the Comptroller General).

(v) Comment on proposed rates

Not later than 30 days after the date the Secretary promulgated proposed rules setting forth the payment rates under subparagraph (A) for 2006, the Comptroller General shall evaluate such proposed rates and submit to Congress a report regarding the appropriateness of such rates based on the surveys the Comptroller General has conducted under clause (i).

(E) Adjustment in payment rates for overhead costs

(i) MedPAC report on drug APC design

The Medicare Payment Advisory Commission shall submit to the Secretary, not later than July 1, 2005, a report on adjustment of payment for ambulatory payment classifications for specified covered outpatient drugs to take into account overhead and related expenses, such as pharmacy services and handling costs. Such report shall include—
(I) a description and analysis of the data available with regard to such expenses;
(II) a recommendation as to whether such a payment adjustment should be made; and
(III) if such adjustment should be made, a recommendation regarding the methodology for making such an adjustment.

(ii) Adjustment authorized

The Secretary may adjust the weights for ambulatory payment classifications for specified covered outpatient drugs to take into account the recommendations contained in the report submitted under clause (i).

(F) Classes of drugs

For purposes of this paragraph:

(i) Sole source drugs

The term “sole source drug” means—
(I) a biological product (as defined under section 1395x(t)(1) of this title); or
(II) a single source drug (as defined in section 1396r–8(k)(7)(A)(iv) of this title).

(ii) Innovator multiple source drugs

The term “innovator multiple source drug” has the meaning given such term in section 1396r–8(k)(7)(A)(ii) of this title.

(iii) Noninnovator multiple source drugs

The term “noninnovator multiple source drug” has the meaning given such term in section 1396r–8(k)(7)(A)(i) of this title.

(G) Reference average wholesale price

The term “reference average wholesale price” means, with respect to a specified covered outpatient drug, the average wholesale price for the drug as determined under section 1395u(o) of this title as of May 1, 2003.
(H) Inapplicability of expenditures in determining conversion, weighting, and other adjustment factors

Additional expenditures resulting from this paragraph shall not be taken into account in establishing the conversion, weighting, and other adjustment factors for 2004 and 2005 under paragraph (9), but shall be taken into account for subsequent years.

(15) Payment for new drugs and biologicals until HCPCS code assigned

With respect to payment under this part for an outpatient drug or biological that is covered under this part and is furnished as part of covered OPD services for which a HCPCS code has not been assigned, the amount provided for payment for such drug or biological under this part shall be equal to 95 percent of the average wholesale price for the drug or biological.

(16) Miscellaneous provisions

(A) Application of reclassification of certain hospitals

If a hospital is being treated as being located in a rural area under section 1395w(d)(8)(E) of this title, that hospital shall be treated under this subsection as being located in that rural area.

(B) Threshold for establishment of separate APCs for drugs

The Secretary shall reduce the threshold for the establishment of separate ambulatory payment classification groups (APCs) with respect to drugs or biologicals to $50 per administration for drugs and biologicals furnished in 2005 and 2006.

(C) Payment for devices of brachytherapy and therapeutic radiopharmaceuticals at charges adjusted to cost

Notwithstanding the preceding provisions of this subsection, for a device of brachytherapy consisting of a seed or seeds (or radioactive source) furnished on or after January 1, 2004, and before January 1, 2010, and for therapeutic radiopharmaceuticals furnished on or after January 1, 2008, and before January 1, 2010, the payment basis for the device or therapeutic radiopharmaceutical under this subsection shall be equal to the hospital’s charges for each device or therapeutic radiopharmaceutical furnished, adjusted to cost. Charges for such devices or therapeutic radiopharmaceuticals shall not be included in determining any outlier payment under this subsection.

(D) Special payment rule

(i) In general

In the case of covered OPD services furnished on or after April 1, 2013, in a hospital described in clause (ii), if—

(I) the payment rate that would otherwise apply under this subsection for stereotactic radiosurgery, complete course of treatment of cranial lesion(s) consisting of 1 session that is multi-source Cobalt 60 based (identified as of January 1, 2013, by HCPCS code 77371 (and any succeeding code) and reimbursed as of such date under APC 0127 (and any succeeding classification group)); exceeds

(II) the payment rate that would otherwise apply under this subsection for linear accelerator based stereotactic radiosurgery, complete course of therapy in one session (identified as of January 1, 2013, by HCPCS code G0173 (and any succeeding code) and reimbursed as of such date under APC 0067 (and any succeeding classification group)).

the payment rate for the service described in subclause (I) shall be reduced to an amount equal to the payment rate for the service described in subclause (II).

(ii) Hospital described

A hospital described in this clause is a hospital that is not—

(I) located in a rural area (as defined in section 1395ww(d)(2)(D) of this title);

(II) classified as a rural referral center under section 1395ww(d)(5)(C) of this title; or

(III) a sole community hospital (as defined in section 1395ww(d)(5)(D)(iii) of this title).

(iii) Not budget neutral

In making any budget neutrality adjustments under this subsection for 2013 (with respect to covered OPD services furnished on or after April 1, 2013, and before January 1, 2014) or a subsequent year, the Secretary shall not take into account the reduced expenditures that result from the application of this subparagraph.

(E) Application of appropriate use criteria for certain imaging services

For provisions relating to the application of appropriate use criteria for certain imaging services, see section 1395m(q) of this title.

(F) Payment incentive for the transition from traditional X-ray imaging to digital radiography

Notwithstanding the previous provisions of this subsection:

(i) Limitation on payment for film X-ray imaging services

In the case of an imaging service that is an X-ray taken using film and that is furnished during 2017 or a subsequent year, the payment amount for such service (excluding the X-ray component of a packaged service) that would otherwise be determined under this section (without application of this paragraph and before application of any other adjustment under this subsection) for such year shall be reduced by 20 percent.

(ii) Phased-in limitation on payment for computed radiography imaging services

In the case of an imaging service that is an X-ray taken using computed radiography technology (as defined in section 1395w–4(b)(9)(C) of this title)—
§ 1395w

(17) Quality reporting

A reduction in update for failure to report—

(i) shall not be considered an adjustment under paragraph (2)(E); and

(ii) shall not be implemented in a budget neutral manner.

(iv) Implementation

In order to implement this subparagraph, the Secretary shall adopt appropriate mechanisms which may include use of modifiers.

(18) Authorization of adjustment for cancer hospitals

(A) Study

The Secretary shall conduct a study to determine if, under the system under this subsection, costs incurred by hospitals described in section 1395ww(d)(1)(B)(v) of this title with respect to ambulatory payment classification groups exceed those costs incurred by other hospitals furnishing services under this subsection (as determined appropriate by the Secretary). In conducting the study under this subparagraph, the Secretary shall take into consideration the cost of drugs and biologicals incurred by such hospitals.

(B) Authorization of adjustment

Insofar as the Secretary determines under subparagraph (A) that costs incurred by hospitals described in section 1395ww(d)(1)(B)(v) of this title exceed those costs incurred by other hospitals furnishing services under this subsection, the Secretary shall, subject to subparagraph (C), provide for an appropriate adjustment under paragraph (2)(E) to reflect those higher costs effective for services furnished on or after January 1, 2011.

C) Target PCR adjustment

In applying section 419.43(i) of title 42 of the Code of Federal Regulations to imple-
ment the appropriate adjustment under this paragraph for services furnished on or after January 1, 2018, the Secretary shall use a target PCR that is 1.0 percentage points less than the target PCR that would otherwise apply. In addition to the percentage point reduction under the previous sentence, the Secretary may consider making an additional percentage point reduction to such target PCR that takes into account payment rates for applicable items and services described in paragraph (21)(C) other than for services furnished by hospitals described in section 1395ww(d)(1)(B)(v) of this title. In making any budget neutrality adjustments under this subsection for 2018 or a subsequent year, the Secretary shall not take into account the reduced expenditures that result from the application of this subparagraph.

(19) Floor on area wage adjustment factor for hospital outpatient department services in frontier States

(A) In general

Subject to subparagraph (B), with respect to covered OPD services furnished on or after January 1, 2011, the area wage adjustment factor applicable under the payment system established under this subsection to any hospital outpatient department which is located in a frontier State (as defined in section 1395ww(d)(3)(E)(iii)(II) of this title) may not be less than 1.00. The preceding sentence shall not be applied in a budget neutral manner.

(B) Limitation

This paragraph shall not apply to any hospital outpatient department located in a State that receives a non-labor related share adjustment under section 1395ww(d)(5)(H) of this title.

(20) Not budget neutral application of reduced expenditures resulting from quality incentives for computed tomography

The Secretary shall not take into account the reduced expenditures that result from the application of section 1395m(p) of this title in making any budget neutrality adjustments this section.

(21) Services furnished by an off-campus outpatient department of a provider

(A) Applicable items and services

For purposes of paragraph (1)(B)(v) and this paragraph, the term “applicable items and services” means items and services other than items and services furnished by a dedicated emergency department (as defined in section 489.24(b) of title 42 of the Code of Federal Regulations). For purposes of applying clause (ii) with respect to applicable items and services furnished during 2017, a department of a provider (as so defined) that was billing under this subsection with respect to covered OPD services furnished prior to November 2, 2015, if the Secretary received from the provider prior to December 2, 2015, an attestation (pursuant to section 413.65(b)(3) of title 42 of the Code of Federal Regulations) that such department was a department of a provider (as so defined).

(iv) Alternative exception beginning with 2018

For purposes of paragraph (1)(B)(v) and this paragraph with respect to applicable items and services furnished during 2018 or a subsequent year, the term “off-campus outpatient department of a provider” also shall not include a department of a provider (as so defined) that is not described in clause (i) if—

(I) the Secretary receives from the provider an attestation (pursuant to such section 413.65(b)(3)) not later than December 31, 2016 (or, if later, 60 days after December 13, 2016), that such department met the requirements of a department of a provider specified in section 413.65 of title 42 of the Code of Federal Regulations;

(II) the provider includes such department as part of the provider on its enrollment form in accordance with the enrollment process under section 1395cc(j) of this title; and

(III) the department met the mid-build requirement of clause (v) and the Secretary receives, not later than 60 days after December 13, 2016, from the chief executive officer or chief operating officer of the provider a written certification that the department met such requirement.

(v) Mid-build requirement described

The mid-build requirement of this clause is, with respect to a department of a pro-
§ 1395m. TITe 42—THE PUBLIC HEALTH AND WELFARE

provider, that before November 2, 2015, the provider had a binding written agreement with an outside unrelated party for the actual construction of such department.

(vi) Exclusion for certain cancer hospitals

For purposes of paragraph (1)(B)(v) and this paragraph with respect to applicable items and services furnished during 2017 or a subsequent year, the term “off-campus outpatient department of a provider” also shall not include a department of a provider (as so defined) that is not described in clause (ii) if the provider is a hospital described in section 1395ww(d)(1)(B)(v) of this title.

(I) in the case of a department that met the requirements of section 413.65 of title 42 of the Code of Federal Regulations after November 1, 2015, and before December 13, 2016, the Secretary receives from the provider an attestation that such department met such requirements not later than 60 days after such date; or

(ii) in the case of a department that meets such requirements after such date, the Secretary receives from the provider an attestation that such department meets such requirements not later than 60 days after the date such requirements are first met with respect to such department.

(vii) Audit

Not later than December 31, 2018, the Secretary shall audit the compliance with requirements of clause (iv) with respect to each department of a provider to which such clause applies. Not later than 2 years after the date the Secretary receives an attestation under clause (vi) relating to compliance of a department of a provider with requirements referred to in such clause, the Secretary shall audit the compliance with such requirements with respect to the department. If the Secretary finds as a result of an audit under this clause that the applicable requirements were not met with respect to such department, the department shall not be excluded from the term “off-campus outpatient department of a provider” under such clause.

(viii) Implementation

For purposes of implementing clauses (iii) through (vii):

(I) Notwithstanding any other provision of law, the Secretary may implement such clauses by program instruction or otherwise.

(II) Subchapter I of chapter 35 of title 42 shall not apply.

(III) For purposes of carrying out this subparagraph with respect to clauses (iii) and (iv) (and clause (vii) insofar as it relates to clause (iv)), $10,000,000 shall be available from the Federal Supplementary Medical Insurance Trust Fund under section 1395t of this title, to remain available until expended.

(C) Availability of payment under other payment systems

Payments for applicable items and services furnished by an off-campus outpatient department of a provider that are described in paragraph (1)(B)(v) shall be made under the applicable payment system under this part (other than under this subsection) if the requirements for such payment are otherwise met.

(D) Information needed for implementation

Each hospital shall provide to the Secretary such information as the Secretary determines appropriate to implement this paragraph and paragraph (1)(B)(v) (which may include reporting of information on a hospital claim using a code or modifier and reporting information about off-campus outpatient departments of a provider on the enrollment form described in section 1395cc(j) of this title).

(E) Limitations

There shall be no administrative or judicial review under section 1395ff of this title, section 1395cc of this title, or otherwise of the following:

(i) The determination of the applicable items and services under subparagraph (A) and applicable payment systems under subparagraph (C).

(ii) The determination of whether a department of a provider meets the term described in subparagraph (B).

(iii) Any information that hospitals are required to report pursuant to subparagraph (B).

(iv) The determination of an audit under subparagraph (B)(vii).

(22) Review and revisions of payments for non-opioid alternative treatments

(A) In general

With respect to payments made under this subsection for covered OPD services (or groups of services), including covered OPD services assigned to a comprehensive ambulatory payment classification, the Secretary—

(i) shall, as soon as practicable, conduct a review (part of which may include a request for information) of payments for opioids and evidence-based non-opioid alternatives for pain management (including drugs and devices, nerve blocks, surgical injections, and neuromodulation) with a goal of ensuring that there are not financial incentives to use opioids instead of non-opioid alternatives;

(ii) may, as the Secretary determines appropriate, conduct subsequent reviews of such payments; and

(iii) shall consider the extent to which revisions under this subsection to such
payments (such as the creation of additional groups of covered OPD services to classify separately those procedures that utilize opioids and non-opioid alternatives for pain management) would reduce payment incentives to use opioids instead of non-opioid alternatives for pain management.

(B) Priority

In conducting the review under clause (i) of subparagraph (A) and considering revisions under clause (iii) of such subparagraph, the Secretary shall focus on covered OPD services (or groups of services) assigned to a comprehensive ambulatory payment classification, ambulatory payment classifications that primarily include surgical services, and other services determined by the Secretary which generally involve treatment for pain management.

(C) Revisions

If the Secretary identifies revisions to payments pursuant to subparagraph (A)(iii), the Secretary shall, as determined appropriate, begin making such revisions for services furnished on or after January 1, 2020. Revisions under the previous sentence shall be treated as adjustments for purposes of application of paragraph (9)(B).

(D) Rules of construction

Nothing in this paragraph shall be construed to preclude the Secretary—

(i) from conducting a demonstration before making the revisions described in subparagraph (C); or

(ii) prior to implementation of this paragraph, from changing payments under this subsection for covered OPD services (or groups of services) which include opioids or non-opioid alternatives for pain management.

(u) Incentive payments for physician scarcity areas

(1) In general

In the case of physicians’ services furnished on or after January 1, 2005, and before July 1, 2008—

(A) by a primary care physician in a primary care scarcity county (identified under paragraph (4)); or

(B) by a physician who is not a primary care physician in a specialist care scarcity county (as so identified),

in addition to the amount of payment that would otherwise be made for such services under this part, there also shall be paid an amount equal to 5 percent of the payment amount for the service under this part.

(2) Determination of ratios of physicians to medicare beneficiaries in area

Based upon available data, the Secretary shall establish for each county or equivalent area in the United States, the following:

(A) Number of physicians practicing in the area

The number of physicians who furnish physicians’ services in the active practice of medicine or osteopathy in that county or area, other than physicians whose practice is exclusively for the Federal Government, physicians who are retired, or physicians who only provide administrative services. Of such number, the number of such physicians who are—

(i) primary care physicians; or

(ii) physicians who are not primary care physicians.

(B) Number of medicare beneficiaries residing in the area

The number of individuals who are residing in the county and are entitled to benefits under part A or enrolled under this part, or both (in this subsection referred to as “individuals”).

(C) Determination of ratios

(i) Primary care ratio

The ratio (in this paragraph referred to as the “primary care ratio”) of the number of primary care physicians (determined under subparagraph (A)(i)), to the number of individuals determined under subparagraph (B).

(ii) Specialist care ratio

The ratio (in this paragraph referred to as the “specialist care ratio”) of the number of other physicians (determined under subparagraph (A)(ii)), to the number of individuals determined under subparagraph (B).

(3) Ranking of counties

The Secretary shall rank each such county or area based separately on its primary care ratio and its specialist care ratio.

(4) Identification of counties

(A) In general

The Secretary shall identify—

(i) those counties and areas (in this paragraph referred to as “primary care scarcity counties”) with the lowest primary care ratios that represent, if each such county or area were weighted by the number of individuals determined under paragraph (2)(B), an aggregate total of 20 percent of the total of the individuals determined under such paragraph; and

(ii) those counties and areas (in this subsection referred to as “specialist care scarcity counties”) with the lowest specialist care ratios that represent, if each such county or area were weighted by the number of individuals determined under paragraph (2)(B), an aggregate total of 20 percent of the total of the individuals determined under such paragraph.

(B) Periodic revisions

The Secretary shall periodically revise the counties or areas identified in subparagraph (A) (but not less often than once every three years) unless the Secretary determines that there is no new data available on the number of physicians practicing in the county or area or the number of individuals residing in the county or area, as identified in paragraph (2).
(C) Identification of counties where service is furnished

For purposes of paying the additional amount specified in paragraph (1), if the Secretary uses the 5-digit postal ZIP Code where the service is furnished, the dominant county of the postal ZIP Code (as determined by the United States Postal Service, or otherwise) shall be used to determine whether the postal ZIP Code is in a scarcity county identified in subparagraph (A) or revised in subparagraph (B).

(D) Special rule

With respect to physicians’ services furnished on or after January 1, 2008, and before July 1, 2008, for purposes of this subsection, the Secretary shall use the primary care scarcity counties and the specialty care scarcity counties (as identified under the preceding provisions of this paragraph) that the Secretary was using under this subsection with respect to physicians’ services furnished on December 31, 2007.

(E) Judicial review

There shall be no administrative or judicial review under section 1395f, 1395oo or this title, or otherwise, respecting—

(i) the identification of a county or area;
(ii) the assignment of a specialty of any physician under this paragraph;
(iii) the assignment of a physician to any county under paragraph (2); or
(iv) the assignment of a postal ZIP Code to a county or other area under this subsection.

(5) Rural census tracts

To the extent feasible, the Secretary shall treat a rural census tract of a metropolitan statistical area (as determined under the most recent modification of the Goldsmith Modification, originally published in the Federal Register on February 27, 1992 (57 Fed. Reg. 6725)), as an equivalent area for purposes of qualifying as a primary care scarcity county or specialist care scarcity county under this subsection.

(6) Physician defined

For purposes of this paragraph, the term “physician” means a physician described in section 1395x(r)(1) of this title and the term “primary care physician” means a physician who is identified in the available data as a general practitioner, family practice practitioner, general internist, or obstetrician or gynecologist.

(7) Publication of list of counties; posting on website

With respect to a year for which a county or area is identified or revised under paragraph (4), the Secretary shall identify such counties or areas as part of the proposed and final rule to implement the physician fee schedule under section 1395w–4 of this title for the applicable year. The Secretary shall post the list of counties identified or revised under paragraph (4) on the Internet website of the Centers for Medicare & Medicaid Services.

(v) Increase of FQHC payment limits

In the case of services furnished by Federally qualified health centers (as defined in section 1395x(aa)(4) of this title), the Secretary shall establish payment limits with respect to such services under this part for services furnished—

(1) in 2010, at the limits otherwise established under this part for such year increased by $5; and

(2) in a subsequent year, at the limits established under this subsection for the previous year increased by the percentage increase in the MEI (as defined in section 1395u(i)(3) of this title) for such subsequent year.

(w) Methods of payment

The Secretary may develop alternative methods of payment for items and services provided under clinical trials and comparative effectiveness studies sponsored or supported by an agency of the Department of Health and Human Services, as determined by the Secretary, to those that would otherwise apply under this section, to the extent such alternative methods are necessary to preserve the scientific validity of such trials or studies, such as in the case where masking the identity of interventions from patients and investigators is necessary to comply with the particular trial or study design.

(x) Incentive payments for primary care services

(1) In general

In the case of primary care services furnished on or after January 1, 2011, and before January 1, 2016, by a primary care practitioner, in addition to the amount of payment that would otherwise be made for such services under this part, there also shall be paid (on a monthly or quarterly basis) an amount equal to 10 percent of the payment amount for the service under this part.

(2) Definitions

In this subsection:

(A) Primary care practitioner

The term “primary care practitioner” means an individual—

(i) who—

(I) is a physician (as described in section 1395x(r)(1) of this title) who has a primary specialty designation of family medicine, internal medicine, geriatric medicine, or pediatric medicine; or

(II) is a nurse practitioner, clinical nurse specialist, or physician assistant (as those terms are defined in section 1395x(aa)(5) of this title); and

(ii) for whom primary care services accounted for at least 60 percent of the allowed charges under this part for such physician or practitioner in a prior period as determined appropriate by the Secretary.

(B) Primary care services

The term “primary care services” means services identified, as of January 1, 2009, by the following HCPCS codes (and as subsequently modified by the Secretary):

(i) 99201 through 99215.

(ii) 99304 through 99340.
(3) Coordination with other payments

The amount of the additional payment for a service under this subsection and subsection (m) shall be determined without regard to any additional payment for the service under subsection (m) and this subsection, respectively. The amount of the additional payment for a service under this subsection and subsection (z) shall be determined without regard to any additional payment for the service under subsection (z) and this subsection, respectively.

(4) Limitation on review

There shall be no administrative or judicial review under section 1395ff of this title, 1395cc(j) of this title, or otherwise, respecting the identification of primary care practitioners under this subsection.

(y) Incentive payments for major surgical procedures furnished in health professional shortage areas

(1) In general

In the case of major surgical procedures furnished on or after January 1, 2011, and before January 1, 2016, by a general surgeon in an area that is designated (under section 254e(a)(1)(A) of this title) as a health professional shortage area as identified by the Secretary prior to the beginning of the year involved, in addition to the amount of payment that would otherwise be made for such services under this part, there also shall be paid (on a monthly or quarterly basis) an amount equal to 10 percent of the payment amount for the service under this part.

(2) Definitions

In this subsection:

(A) General surgeon

In this subsection, the term “general surgeon” means a physician (as described in section 1395x(r)(1) of this title) who has designated CMS specialty code 02—General Surgery as their primary specialty code in the physician’s enrollment under section 1395x(r) of this title.

(B) Major surgical procedures

The term “major surgical procedures” means physicians’ services which are surgical procedures for which a 10-day or 90-day global period is used for payment under the fee schedule under section 1395w–4(b) of this title.

(3) Coordination with other payments

The amount of the additional payment for a service under this subsection and subsection (m) shall be determined without regard to any additional payment for the service under subsection (m) and this subsection, respectively. The amount of the additional payment for a service under this subsection and subsection (z) shall be determined without regard to any additional payment for the service under subsection (z) and this subsection, respectively.

(4) Application

The provisions of paragraph (2) and (4) of subsection (m) shall apply to the determination of additional payments under this subsection in the same manner as such provisions apply to the determination of additional payments under subsection (m).

(2) Incentive payments for participation in eligible alternative payment models

(1) Payment incentive

(A) In general

In the case of covered professional services furnished by an eligible professional during a year that is in the period beginning with 2019 and ending with 2024 and for which the professional is a qualifying APM participant with respect to such year, in addition to the amount of payment that would otherwise be made for such covered professional services under this part for such year, there also shall be paid to such professional an amount equal to 5 percent of the estimated aggregate payment amounts for such covered professional services under this part for the preceding year. For purposes of the previous sentence, the payment amount for the preceding year may be an estimation for the full preceding year based on a period of such preceding year that is less than the full year. The Secretary shall establish policies to implement this subparagraph in cases in which payment for covered professional services furnished by a qualifying APM participant in an alternative payment model—

(i) is made to an eligible alternative payment entity rather than directly to the qualifying APM participant; or

(ii) is made on a basis other than a fee-for-service basis (such as payment on a capitated basis).

(B) Form of payment

Payments under this subsection shall be made in a lump sum, on an annual basis, as soon as practicable.

(C) Treatment of payment incentive

Payments under this subsection shall not be taken into account for purposes of determining actual expenditures under an alternative payment model and for purposes of determining or rebasing any benchmarks used under the alternative payment model.

(D) Coordination

The amount of the additional payment under this subsection or subsection (m) shall be determined without regard to any additional payment under subsection (m) and this subsection, respectively. The amount of the additional payment under this subsection or subsection (x) shall be determined without regard to any additional payment under subsection (x) and this subsection, respectively. The amount of the additional payment under this subsection or subsection (y) shall be determined without regard to any additional payment under subsection (y) and this subsection, respectively.

(2) Qualifying APM participant

For purposes of this subsection, the term “qualifying APM participant” means the following:

---

16So in original. Probably should be “paragraphs”.
§ 1395

2019 and 2020

With respect to 2019 and 2020, an eligible professional for whom the Secretary determines that at least 25 percent of payments under this part for covered professional services furnished by such professional during the most recent period for which data are available (which may be less than a year) were attributable to such services furnished under this part through an eligible alternative payment entity.

2021 and 2022

With respect to 2021 and 2022, an eligible professional described in either of the following clauses:

(i) Medicare payment threshold option

An eligible professional for whom the Secretary determines that at least 50 percent of payments under this part for covered professional services furnished by such professional during the most recent period for which data are available (which may be less than a year) were attributable to such services furnished under this part through an eligible alternative payment entity.

(ii) Combination all-payer and medicare payment threshold option

An eligible professional who:

(I) for whom the Secretary determines, with respect to items and services furnished by such professional during the most recent period for which data are available (which may be less than a year), that at least 50 percent of the sum of:

(aa) payments described in clause (i); and

(bb) all other payments, regardless of payer (other than payments made by the Secretary of Defense or the Secretary of Veterans Affairs and other than payments made under subchapter XIX in a State in which no medical home or alternative payment model is available under the State program under that subchapter),

meet the requirement described in clause (iii)(I) with respect to payments described in clause (i); and

(ii) for whom the Secretary determines at least 25 percent of payments under this part for covered professional services furnished by such professional during the most recent period for which data are available (which may be less than a year) were attributable to such services furnished under this part through an eligible alternative payment entity; and

(iii) who provides to the Secretary such information as is necessary for the Secretary to make a determination under subclause (I), with respect to such professional.

(iii) Requirement

For purposes of clause (ii)(I)—

(I) the requirement described in this subclause, with respect to payments described in item (aa) of such clause, is that such payments are made to an eligible alternative payment entity; and

(II) the requirement described in this subclause, with respect to payments described in item (bb) of such clause, is that such payments are made under arrangements in which—

(aa) quality measures comparable to measures under the performance category described in section 1395w–4(q)(2)(B)(i) of this title apply;

(bb) certified EHR technology is used; and

(cc) the eligible professional participates in an entity that:

(AA) bears more than nominal financial risk if actual aggregate expenditures exceed

BB) with respect to beneficiaries under subchapter XIX, is a medical home that meets criteria comparable to medical homes expanded under section 1315a(c) of this title.

Beginning in 2023

With respect to 2023 and each subsequent year, an eligible professional described in either of the following clauses:

(i) Medicare payment threshold option

An eligible professional for whom the Secretary determines that at least 50 percent of payments under this part for covered professional services furnished by such professional during the most recent period for which data are available (which may be less than a year) were attributable to such services furnished under this part through an eligible alternative payment entity.

(ii) Combination all-payer and medicare payment threshold option

An eligible professional who:

(I) for whom the Secretary determines, with respect to items and services furnished by such professional during the most recent period for which data are available (which may be less than a year), that at least 75 percent of the sum of:

(aa) payments described in clause (i); and

(bb) all other payments, regardless of payer (other than payments made by the Secretary of Defense or the Secretary of Veterans Affairs and other than payments made under subchapter XIX in a State in which no medical home or alternative payment model is available under the State program under that subchapter),

meet the requirement described in clause (iii)(I) with respect to payments described in clause (i); and

(ii) for whom the Secretary determines at least 25 percent of payments under this part for covered professional services furnished by such professional during the most recent period for which data are available (which may be less than a year) were attributable to such services furnished under this part through an eligible alternative payment entity; and

(iii) who provides to the Secretary such information as is necessary for the Secretary to make a determination under subclause (I), with respect to such professional.

17So in original. Probably should be “exceed”.
scribed in item (aa) and meet the requirement described in clause (iii)(II) with respect to payments described in item (bb).

(ii) for whom the Secretary determines at least 25 percent of payments under this part for covered professional services furnished by such professional during the most recent period for which data are available (which may be less than a year) were attributable to such services furnished under this part through an eligible alternative payment entity; and

(iii) who provides to the Secretary such information as is necessary for the Secretary to make a determination under subclause (I), with respect to such professional.

(iii) Requirement

For purposes of clause (ii)(I)—

(I) the requirement described in this subclause, with respect to payments described in item (aa) of such clause, is that such payments are made to an eligible alternative payment entity; and

(II) the requirement described in this subclause, with respect to payments described in item (bb) of such clause, is that such payments are made under arrangements in which—

(aa) quality measures comparable to measures under the performance category described in section 1395w–4(q)(2)(B)(ii) of this title apply;

(bb) certified EHR technology is used; and

(cc) the eligible professional participates in an entity that—

(AA) bears more than nominal financial risk if actual aggregate expenditures exceeds 17 expected aggregate expenditures; or

(BB) with respect to beneficiaries under subchapter XIX, is a medical home that meets criteria comparable to medical homes expanded under section 1315a(c) of this title.

(D) Use of patient approach

The Secretary may base the determination of whether an eligible professional is a qualifying APM participant under this subsection and the determination of whether an eligible professional is a partial qualifying APM participant under section 1395w–4(k)(3)(B) of this title and includes a group that includes such professionals.

(C) Alternative payment model (APM)

The term "alternative payment model (APM)" means, other than for purposes of subparagraphs (B)(ii)(I)(bb) and (C)(ii)(I)(bb) of paragraph (2), any of the following:

(i) A model under section 1315a of this title (other than a health care innovation award).

(ii) The shared savings program under section 1395jj of this title.

(iii) A demonstration under section 1395cc–3 of this title.

(iv) A demonstration required by Federal law.

(D) Eligible alternative payment entity

The term "eligible alternative payment entity" means, with respect to a year, an entity that—

(i) participates in an alternative payment model that—

(I) requires participants in such model to use certified EHR technology (as defined in subsection (o)(4)); and

(II) provides for payment for covered professional services based on quality measures comparable to measures under the performance category described in section 1395w–4(q)(2)(B)(i) of this title; and

(ii)(I) bears financial risk for monetary losses under such alternative payment model that are in excess of a nominal amount; or

(II) is a medical home expanded under section 1315a(c) of this title.

(4) Limitation

There shall be no administrative or judicial review under section 1395ff of this title, 1395oo of this title, or otherwise, of the following:

(A) The determination that an eligible professional is a qualifying APM participant under paragraph (2) and the determination that an entity is an eligible alternative payment entity under paragraph (3)(D).

(B) The determination of the amount of the 5 percent payment incentive under paragraph (1)(A), including any estimation as part of such determination.

(aa) Medical review of spinal subluxation services

(1) In general

The Secretary shall implement a process for the medical review (as described in paragraph (2)) of treatment by a chiropractor described in section 1395x(r)(5) of this title by means of manual manipulation of the spine to correct a subluxation (as described in such section) of an individual who is enrolled under this part and apply such process to such services furnished on or after January 1, 2017, focusing on services such as—

(A) services furnished by a such a chiropractor whose pattern of billing is aberrant compared to peers; and

1So in original. Probably should be preceded by "section".
§ 1395f

(2) Medical review

(A) Prior authorization medical review

(i) In general

Subject to clause (ii), the Secretary shall use prior authorization medical review for services described in paragraph (1) that are furnished to an individual by a chiropractor described in section 1395x(r)(5) of this title that are part of an episode of treatment that includes more than 12 services. For purposes of the preceding sentence, an episode of treatment shall be determined by the underlying cause that justifies the need for services, such as a diagnosis code.

(ii) Ending application of prior authorization medical review

The Secretary shall end the application of prior authorization medical review under clause (i) to services described in paragraph (1) by such a chiropractor if the Secretary determines that the chiropractor has a low denial rate under such prior authorization medical review. The Secretary may subsequently reapply prior authorization medical review to such chiropractor if the Secretary determines it to be appropriate and the chiropractor has, in the time period subsequent to the determination by the Secretary of a low denial rate with respect to the chiropractor, furnished such services described in paragraph (1).

(iii) Early request for prior authorization review permitted

Nothing in this subsection shall be construed to prevent such a chiropractor from requesting prior authorization for services described in paragraph (1) that are to be furnished to an individual before the chiropractor furnishes the twelfth such service to such individual for an episode of treatment.

(B) Type of review

The Secretary may use pre-payment review or post-payment review of services described in section 1395x(r)(5) of this title that are not subject to prior authorization medical review under subparagraph (A).

(C) Relationship to law enforcement activities

The Secretary may determine that medical review under this subsection does not apply in the case where potential fraud may be involved.

(3) No payment without prior authorization

With respect to a service described in paragraph (1) for which prior authorization medical review under this subsection applies, the following shall apply:

(A) Prior authorization determination

The Secretary shall make a determination, prior to the service being furnished, of whether the service would or would not meet the applicable requirements of section 1395y(a)(1)(A) of this title.

(B) Denial of payment

Subject to paragraph (5), no payment may be made under this part for the service unless the Secretary determines pursuant to subparagraph (A) that the service would meet the applicable requirements of such section 1395y(a)(1)(A) of this title.

(4) Submission of information

A chiropractor described in section 1395x(r)(5) of this title may submit the information necessary for medical review by fax, by mail, or by electronic means. The Secretary shall make available the electronic means described in the preceding sentence as soon as practicable.

(5) Timeliness

If the Secretary does not make a prior authorization determination under paragraph (3)(A) within 14 business days of the date of the receipt of medical documentation needed to make such determination, paragraph (3)(B) shall not apply.

(6) Application of limitation on beneficiary liability

Where payment may not be made as a result of the application of paragraph (2)(B), section 1395pp of this title may submit the information necessary for medical review by fax, by mail, or by electronic means. The Secretary shall make available the electronic means described in the preceding sentence as soon as practicable.

(7) Review by contractors

The medical review described in paragraph (2) may be conducted by medicare administrative contractors pursuant to section 1395kk–1(a)(4)(G) of this title or by any other contractor determined appropriate by the Secretary that is not a recovery audit contractor.

(8) Multiple services

The Secretary shall, where practicable, apply the medical review under this subsection in a manner so as to allow an individual described in paragraph (1) to obtain, at a single time rather than on a service-by-service basis, an authorization in accordance with paragraph (3)(A) for multiple services.

(9) Construction

With respect to a service described in paragraph (1) that has been affirmed by medical review under this subsection, nothing in this subsection shall be construed to preclude the subsequent denial of a claim for such service that does not meet other applicable requirements under this chapter.

(10) Implementation

(A) Authority

The Secretary may implement the provisions of this subsection by interim final rule with comment period.

(B) Administration

Chapter 35 of title 44 shall not apply to medical review under this subsection.
(bb) Additional payments for certain rural health clinics with physicians or practitioners receiving data 2000 waivers

(1) In general

In the case of a rural health clinic with respect to which, beginning on or after January 1, 2019, rural health clinic services (as defined in section 1395(aa)(1) of this title) are furnished for the treatment of opioid use disorder by a physician or practitioner who meets the requirements described in paragraph (3), the Secretary shall, subject to availability of funds under paragraph (4), make a payment (at such time and in such manner as specified by the Secretary) to such rural health clinic after receiving and approving an application described in paragraph (2). Such payment shall be in an amount determined by the Secretary, based on an estimate of the average costs of training for purposes of receiving a waiver described in paragraph (3)(B). Such payment may be made only once with respect to each such physician or practitioner.

(2) Application

In order to receive a payment described in paragraph (1), a rural health clinic shall submit to the Secretary an application for such a payment at such time, in such manner, and containing such information as specified by the Secretary. A rural health clinic may apply for such a payment for each physician or practitioner described in paragraph (1) furnishing services described in such paragraph at such clinic.

(3) Requirements

For purposes of paragraph (1), the requirements described in this paragraph, with respect to a physician or practitioner, are the following:

(A) The physician or practitioner is employed by or working under contract with a rural health clinic described in paragraph (1) that submits an application under paragraph (2).

(B) The physician or practitioner first receives a waiver under section 322(g) of title 21 on or after January 1, 2019.

(4) Funding

For purposes of making payments under this subsection, there are appropriated, out of amounts in the Treasury not otherwise appropriated, $2,000,000, which shall remain available until expended.
the date the Secretary receives an attestation under clause (v) relating to compliance of a department of a provider with requirements referred to in such clause, the Secretary shall audit the compliance with such requirements with respect to the department.


Subsec. (a)(2)(D)(iii). Pub. L. 114–97, §308(2), substituted “March 31, 2012” for “February 29, 2012”, inserted “and if the requirement of subparagraph (B) is met” after “determined to be medically necessary and made in accordance with such requirement after receipt of the request”, and added subpars. (B) and (C).


Section 1395t of this title, to remain available until expended.


Subsec. (b)(3)(D). Pub. L. 114–10, §202(b)(1)(A), inserted “and (4) and section 1395m–1 of this title” for “and (4)” and “and under this part” for “under this subsection”.


Subsec. (b)(5)(B). Pub. L. 114–97, §308(7), substituted “reimbursement” for “payment”.

Subsec. (b)(5)(C)(i). Pub. L. 114–97, §308(8), inserted at end “‘incentive payments for participation in eligible alternative payment models’.”

Subsec. (b)(5)(C)(ii). Pub. L. 114–97, §308(9), substituted “and (4)” for “(4) and section 1395m–1 of this title”.

Subsec. (b)(5)(C)(iii). Pub. L. 114–97, §308(10), inserted at end “‘and for tests furnished before April 1, 2014, subject to’.”

Subsec. (b)(6). Pub. L. 114–97, §308(11), substituted “‘and, subject to subparagraph (E),’” after “‘manual review process that’.”


Subsec. (c)(5). Pub. L. 114–97, §308(14), substituted “2012 and 2013” for “2012 through 2013”.

Subsec. (c)(6). Pub. L. 114–97, §308(15), substituted “2012” for “2011” or 100 percent”, substituted “For tests furnished before January 1, 2017, in the case of “For tests furnished before January 1, 2017, in the case of


Subsec. (d)(2). Pub. L. 114–97, §308(17), substituted “‘incentive payments for participation in eligible alternative payment models’.”

Subsec. (e)(1). Pub. L. 114–97, §308(18), substituted “incentive payments for participation in eligible alternative payment models” for “reimbursement”.

Subsec. (e)(2). Pub. L. 114–97, §308(19), substituted “incentive payments for participation in eligible alternative payment models” for “reimbursement”.

Subsec. (e)(3). Pub. L. 114–97, §308(20), substituted “incentive payments for participation in eligible alternative payment models” for “reimbursement”.


Subsec. (f)(1). Pub. L. 114–97, §308(21), substituted “incentive payments for participation in eligible alternative payment models” for “reimbursement”.

Subsec. (f)(2). Pub. L. 114–97, §308(22), substituted “incentive payments for participation in eligible alternative payment models” for “reimbursement”.

Subsec. (f)(3). Pub. L. 114–97, §308(23), substituted “incentive payments for participation in eligible alternative payment models” for “reimbursement”.


percent if such services are recommended with a grade of A or B by the United States Preventive Services Task Force for any indication or population and are appropriate for the individual" after "80 percent".

Subsec. (a)(1)(W). Pub. L. 111–148, § 4104(b)(2), as amended by Pub. L. 111–148, § 10406, inserted "(if such subparagraph were applied, by substituting '100 percent' for '80 percent'" after subparagraph (D) in cl. (i) and substituted "100 percent" for "80 percent" in cl. (ii).


Subsec. (a)(2)(F) to (H). Pub. L. 111–148, § 10403(c)(3)(B), which directed amendment of par. (2) by striking "and" at end of subpar. (F), substituting "; and" for comma at end of subpar. (G)(ii), and adding subpar. (H) after subpar. (G)(ii), was executed as directed despite the presence of concluding provisions following subpar. (G)(ii), which were added as part of subpar. (G) by Pub. L. 105–33, § 1403(c)(2)(A)(iv).

Subsec. (a)(3)(B)(i). Pub. L. 111–148, § 10605(i)(3)(C)(i)(II), inserted subcl. (I) designation after "and" in the case of such services furnished on or after the implementation date of the prospective payment system under section 1395x(m) of this title, under such section (calculated as if '100 percent' were substituted for '80 percent' in such section) for such services if the individual had not been so enrolled" after "been so enrolled".

Subsec. (b). Pub. L. 111–148, § 10404(c)(2), inserted at end "Paragraph (i) of the first sentence of this subsection shall apply with respect to a colorectal cancer screening test regardless of the code that is billed for the examination that is furnished in connection with, as a result of, and in the same clinical encounter as the screening test.".

Subsec. (b)(1). Pub. L. 111–148, § 10404(c)(1), substituted "preventive services described in subparagraph (A) of section 1395x(d)(3) of this title that are recommended with a grade of A or B by the United States Preventive Services Task Force for any indication or population and are appropriate for the individual." for "items and services described in section 1395x(e)(10)(A) of this title".


Subsec. (g)(5). Pub. L. 111–309, § 104, substituted "and ending on December 31, 2011" for "and ending on March 31, 2011".


Subsec. (t)(3)(G)(i)(II). Pub. L. 111–152, § 1105(e)(1)(A), added subcl. (III) and struck out former subcl. (II) which read as follows: "subject to clause (ii), for each of 2014 through 2019, 0.2 percentage point", if for such year—

"(I) the excess (if any) of—

"(aa) the total percentage of the non-elderly insured population for such preceding year (as estimated by the Secretary); exceeds

"(12) 5 percentage points,"


Pub. L. 111–148, § 3121(b), inserted at end "in the case of covered OPD services furnished on or after January 1, 2011, and before January 1, 2011, the preceding sentence shall be applied without regard to the 100-bed limitation.".


Pub. L. 111–148, §§ 3138, 10324(b)(2), added pars. (18) and (19).

Subsec. (c). Pub. L. 110–275, §102, amended subsec. (c) generally. Prior to amendment, text read as follows: “Notwithstanding any other provision of this part, with respect to expenses incurred in any calendar year in connection with the treatment of mental, psycho-neurotic, and personality disorders of an individual who is not an inpatient of a hospital at the time such expenses are incurred, there shall be considered as incurred expenses for purposes of subsections (a) and (b) of this section only 62 2/3% of such expenses. For purposes of this subsection, the term ‘treatment’ does not include brief office visits (as defined by the Secretary) for the sole purpose of monitoring or changing drug prescriptions used in the treatment of such disorders or partial hospitalization services that are not directly provided by a physician.”

Subsec. (g)(1). Pub. L. 110–275, 114(b)(3), inserted “and speech-language pathology services of the type described in such section through the application of the type described in such section through the application of section 1395l(b)(2) of this title” and “and speech-language pathology services” after “physical therapy services”.


Subsec. (h)(2)(A)(i). Pub. L. 110–275, 114(b), inserted “for each of the years 2009 through 2013, 15 percent” after “(city average)”.

Subsec. (b). Pub. L. 110–275, §208, inserted “who is not an inpatient of a hospital at the time such services are furnished”.


Subsec. (t)(7)(D)(ii). Pub. L. 110–275, §147(b), substituted “January 1, 2010” for “January 1, 2009” and “For purposes of the preceding sentence, the applicable percentage shall be 90 percent with respect to covered OPD services furnished in 2006, 90 percent with respect to such services furnished in 2007, and 85 percent with respect to such services furnished in 2008 or 2009.” for “For purposes of the previous sentence, with respect to covered OPD services furnished during 2006, 2007, or 2008, the applicable percentage shall be 90 percent, 90 percent, and 85 percent, respectively.”


Subsec. (t)(16)(C). Pub. L. 110–275, §110, inserted “and therapeutic radiopharmaceuticals” before “at charges”, in first sentence, substituted “July 1, 2008” for “January 1, 2008” and inserted “and for therapeutic radiopharmaceuticals furnished on or after January 1, 2008, and before July 1, 2008, the applicable percentage shall be 90 percent, 90 percent, and 85 percent, respectively.”


Subsec. (l)(2)(D)(ii). Pub. L. 109–171, §5107(a)(1)(D), inserted “and taking into account reduced expenditures that would apply if subparagraph (C) were to continue to apply, as estimated by the Secretary” before period at end.
with fiscal year 1996, such amounts shall be increased by the percentage increase in the consumer price index for all urban consumers (U.S. city average) as estimated by the Secretary by the 12-month period ending with the midpoint of the year involved. In each of the fiscal years 1998 through 2002, the increase for this subparagraph shall be reduced (but not below zero) by 2.0 percentage points.


Subsec. (m). Pub. L. 108–173, § 413(b)(1), designated existing provisions as par. (1), inserted “in a year” after “The Secretary” for par. (2) and “and” after “in a year” for par. (3), designated (D) as (E), and added pars. (2) to (4).

Subsec. (o)(1)(B). Pub. L. 108–173, § 627(a)(1), substituted “no more than the amount of payment applicable under paragraph (2)” for “no more than the limits established under paragraph (2)”.

Subsec. (o)(2). Pub. L. 108–173, § 627(a)(2), amended par. (2) generally, substituting provisions relating to determination of amount of payments pursuant to section 1395m of this title for provisions specifying dollar amounts of payments.

Subsec. (t)(1)(B)(iv). Pub. L. 108–173, § 631(a), inserted before end “and does not include screening mammography (as defined in section 1395x(jj) of this title)” and diagnostic mammography.

Subsec. (t)(2)(B). Pub. L. 108–173, § 621(b)(2), which directed the amendment of par. (2) by adding a new subpar. (H) at the end, was executed by adding subpar. (H) after subpar. (G), to reflect the probable intent of Congress.


Subsec. (t)(6)(D)(i). Pub. L. 108–173, § 621(a)(4), inserted “or if the drug or biological is covered under a competitive acquisition contract under section 1395w–3b of this title, an amount determined by the Secretary” after “The Secretary” for par. (2) and “and the average cost of the category of devices” after “in the case of a drug, biological or device” for par. (3), designated (D) as (E), and struck out “or a sole community hospital” after “an outpatient hospital service.”


Pub. L. 108–173, § 641(a)(1)(B), inserted “or a sole community hospital” after “The Secretary” for par. (2) and “and for the device, drug, or biological” after “or the average cost of the category of devices” for par. (3), designated (D) as (E), added subpar. (E) in heading, inserted “or in the case of a device, drug, or biological” after “an outpatient hospital service,” and struck out heading and text of former subpar. (E).


Subsec. (t)(7)(B). Pub. L. 108–173, § 641(a)(6) (title IV, § 402(a)(2)), added subpar. (B) and struck out heading and text of former subpar. (B). Text read as follows: “The payment under this paragraph with respect to a medical device, drug, or biological shall only apply during a period of at least 2 years, but not more than 3 years, that begins—

‘‘(i) on the first date this subsection is implemented in the case of a drug, biological, or device described in clause (1), (ii), or (iii) of subparagraph (A) and in the case of a drug, biological, or device described in subparagraph (A)(iv) and for which payment under this part is made as an outpatient hospital service before such first date; or

‘‘(ii) in the case of a device, drug, or biological described in subparagraph (A)(iv) not described in clause (1), on the first date on which payment is made under this part for the device, drug, or biological as an outpatient hospital service.”


did not submit a cost report for such period, during the first subsequent cost reporting period ending before 2001 for which the hospital submitted a cost report;” after “1996.”

Subsec. (t)(8)(C). Pub. L. 106–554, § 1(a)(6) [title I, § 111(a)(1)], amended heading and text of subpar. (C). Generally. Prior to amendment, text read as follows: “In no case shall the copayment amount for a procedure performed in a year exceed the amount of the inpatient hospital deductible established under section 1395(b) of this title for that year.”

Subsec. (t)(8)(D). Pub. L. 106–554, § 1(a)(6) [title IV, § 405(a)(2)], substituted “clause (ii) or (v) of section 1395ww(d)(1)(B) of this title” for “section 1395ww(d)(1)(B) of this title” in introductory provisio...
Subsec. (r)(3). Pub. L. 103–33, § 451(b)(2)(C), (D), redesignated par. (3) as (2) and substituted “section 1395x(s)(2)(K)(ii) of this title” for “section 1395x(s)(2)(K)(i) of this title”.

Pub. L. 103–33, § 420(c)(1), substituted “critical access” for “rural primary care”.


1994—Subsec. (a)(1)(D)(i). Pub. L. 103–432, § 156(a)(2)(B)(i), struck out “,” or for tests furnished in connection with obtaining a second opinion required under section 1320c–13(c)(2) of this title (or a third opinion, if the second opinion was in disagreement with the first opinion) after “assignment-related basis”.

Subsec. (a)(1)(G). Pub. L. 103–432, § 156(a)(2)(B)(ii), struck out subpar. (G) which read as follows: “with respect to items and services (other than clinical diagnostic laboratory tests) furnished in connection with obtaining a second opinion required under section 1320c–13(c)(2) of this title (or a third opinion, if the second opinion was in disagreement with the first opinion), the amounts paid shall be 100 percent of the reasonable charges for such items and services.”.

Subsec. (a)(2)(A). Pub. L. 103–432, § 156(a)(2)(B)(iii), struck out “, or for tests (other than clinical diagnostic laboratory tests) furnished in connection with obtaining a second opinion required under section 1320c–13(c)(2) of this title (or a third opinion, if the second opinion was in disagreement with the first opinion) ” before “and to items and services in introductory provisions”.

Pub. L. 103–432, § 1477(f)(6)(C)(iv), substituted “health services (other than a covered osteoporosis drug (as defined in section 1395x(kk) of this title))” for “health services” in introductory provisions.

Subsec. (a)(2)(D)(i). Pub. L. 103–432, § 156(a)(2)(B)(iv), struck out “assignment-related basis or” for “assignment-related basis,” and struck out “,” or for tests furnished in connection with obtaining a second opinion required under section 1320c–13(c)(2) of this title (or a third opinion, if the second opinion was in disagreement with the first opinion) before “and to items and services in introductory provisions”.

Pub. L. 103–432, § 1477(f)(6)(C)(i), substituted “health services for which payment may be made under this part only pursuant to section 1395x(s)(2)(M) of this title, and in the case of clinical social workers services for which payment may be made under this part only pursuant to section 1395x(s)(2)(N) of this title, except for deductible and coinsurance amounts applicable under this section, any person who knowingly and willfully presents, or causes to be presented, to an individual enrolled under this part a bill or request for payment for services described in the previous sentence, is subject to a civil money penalty of not to exceed $2,000 for each such bill or request. The provisions of section 1320a–7a of this title (other than subsections (a) and (b)) shall apply to civil money penalty under the previous sentence in the same manner as such provisions apply to a penalty or proceeding under section 1320a–7a(a) of this title.”


Pub. L. 103–432, § 1477(d)(1), inserted “and for services described in subsection (a)(2)(B)(ii) furnished on or after January 1, 1999” after “in January 1, 1989” and “(or, in the case of services furnished on or after January 1, 1992, under section 1395w–4 of this title)” before period at end.

Subsec. (p). Pub. L. 103–432, § 123(b)(2)(A)(ii), struck out subsec. (p) which read as follows: “in the case of certified nurse-midwife services for which payment may be made under this part only pursuant to section 1395x(s)(2)(L) of this title, in the case of qualified psychologists services for which payment may be made under this part only pursuant to section 1395x(s)(2)(M) of this title, and in the case of clinical social workers services for which payment may be made under this part only pursuant to section 1395x(s)(2)(N) of this title, any person who knowingly and willfully presents, or causes to be presented, to an individual enrolled under this part a bill or request for payment for services described in the previous sentence, is subject to a civil money penalty of not to exceed $2,000 for each such bill or request. The provisions of section 1320a–7a of this title (other than subsections (a) and (b)) shall apply to a civil money penalty under the previous sentence in the same manner as such provisions apply to a penalty or proceeding under section 1320a–7a(a) of this title.”

Subsec. (q)(1). Pub. L. 103–432, § 1477(a), substituted “unique physician identification number” for “provider number” and struck out “and indicate whether or not the referring physician is an interested investor (within the meaning of section 1395x(b)(5) of this title)” after “for the referring physician”.

Subsec. (r). Pub. L. 103–432, § 160(d)(1), redesignated subsec. (r), relating to other prepaid organizations, as (a).

Subsec. (r)(1). Pub. L. 103–432, § 147(e)(2), substituted “or ambulatory” for “ambulatory” in two places and “for the center” for “with which the center”, and struck out “, after “and on” and before “December 31, 1990”.

Subsec. (r)(2)(A). Pub. L. 103–432, § 1477(a), substituted “subsection (a)(1)(O) of this section” for “subsection (a)(1)(M) of this section”.

Subsec. (s). Pub. L. 103–432, § 114(a)(2)(A), struck out “and may be adjusted by the Secretary, when appropriate,” after “annually thereafter” in last sentence.


Subsec. (s)(3)(B)(ii). Pub. L. 103–432, § 114(c)(1), in subcl. (I) and (II) substituted “for portions of cost reporting periods” for “for reporting periods” and “and ending on or before December 31, 1990” for “and on or before December 31, 1990”.

Subsec. (l)(5)(B). Pub. L. 103–432, § 123(b)(2)(A)(ii), redesignated subpar. (C) as (B) and struck out former subpar. (B) which read as follows: “(B) Payment for the services of a certified registered nurse anesthetist under this part may be made only on an assignment-related basis, and any such assignment agreed to by a certified registered nurse anesthetist shall be binding upon any other person presenting a claim or request for payment for such services.

“(ii) Except for deductible and coinsurance amounts applicable under this section, any person who knowingly and willfully presents, or causes to be presented, to an individual enrolled under this part a bill or request for payment for services of a certified registered nurse anesthetist for which payment may be made under this part only on an assignment-related basis, is subject to a civil money penalty of not to exceed $2,000 for each such bill or request. The provisions of section 1320a–7a of this title (other than subsections (a) and (b)) shall apply to civil money penalty under the previous sentence in the same manner as such provisions apply to a penalty or proceeding under section 1320a–7a(a) of this title.”

Subsec. (m)(1)(B)(i). Pub. L. 103–432, § 147(d)(1), inserted “and for services described in subsection (a)(2)(B)(ii) furnished on or after January 1, 1999” after “in January 1, 1989” and “(or, in the case of services furnished on or after January 1, 1992, under section 1395w–4 of this title)” before period at end.
before December 31, 1990, and 58 percent for portions of cost reporting periods beginning on or after January 1, 1991" for “and 50 percent for other cost reporting periods beginning on or after January 1, 1991.”

Subsec. (l)(1). Pub. L. 101–508, §14160(b)(2), struck out at end “The fee schedule shall be adjusted annually (to become effective on January 1 of each calendar year) by the percentage increase in the MEI (as defined in section 1395u(t)(3) of this title) for that year.”

Subsec. (l)(2). Pub. L. 101–508, §14160(b)(2), struck out at end “The fee schedule shall be adjusted annually (to become effective on January 1 of each calendar year) by the percentage increase in the MEI (as defined in section 1395u(t)(3) of this title) for that year.”

Subsec. (m). Pub. L. 101–507 substituted “health professional shortage area” for “health manpower shortage area”.


Subsec. (o)(1). Pub. L. 101–508, §14161(a)(1)(C), inserted “subject to section 1395w(d)(5)(D)(iii) of this title” for “the last sentence of section 1395w(d)(5)(C)(ii) of this title”.


Subsec. (p)(5)(A)(ii). Pub. L. 101–508, §14162(b)(1)(A), substituted “(A) $1375.00, or “(B) 62 1⁄2 percent of such expenses.”

Subsec. (t)(3). Pub. L. 101–234, §201(a), repealed Pub. L. 100–360, §205(c)(1), and provided that the provisions of law amended or repealed by such sections are restored or revived as if such sections had not been enacted, see 1988 Amendment note below.

Subsec. (a)(6). Pub. L. 101–234, §201(a), repealed Pub. L. 100–360, §§202(b)(3), 203(c)(1)(E), and provided that the provisions of law amended or repealed by such sections are restored or revived as if such sections had not been enacted, see 1988 Amendment note below.

Subsec. (b). Pub. L. 101–234, §201(a), repealed Pub. L. 100–360, §§202(b)(3), 203(c)(1)(E), and provided that the provisions of law amended or repealed by such sections are restored or revived as if such sections had not been enacted, see 1988 Amendment notes below.

Subsec. (c). Pub. L. 101–234, §201(a), repealed Pub. L. 100–360, §201(a)(1), (4), and provided that the provisions of law amended or repealed by such section are restored or revived as if such section had not been enacted, see 1988 Amendment notes below.

Subsec. (d). Pub. L. 101–234, §201(a), repealed Pub. L. 100–360, §201(a)(1)(D), (2), and provided that the provisions of law amended or repealed by such section are restored or revived as if such section had not been enacted, see 1988 Amendment note below.

Subsec. (e)(1). Pub. L. 101–234, §201(a), inserted “32 1⁄2 percent of such expenses.” for “whichever of the following amounts is the smaller: “(A) $1,375.00, or “(B) 62 1⁄2 percent of such expenses.”

Subsec. (g). Pub. L. 101–234, §201(a), inserted “$750” for “$500” in two places.

Subsec. (h)(1)(A). Pub. L. 101–234, §201(a), repealed Pub. L. 100–360, §201(a)(3), and provided that the provisions of law amended or repealed by such section are restored or revived as if such section had not been enacted, see 1988 Amendment note below.

Subsec. (h)(2)(B). Pub. L. 101–234, §201(a), substituted “on or after July 1, 1984” for “during the period beginning on July 1, 1984, and ending on December 31, 1989.” For such tests furnished on or after January 1, 1990, the fee schedule shall be established on a nationwide basis.”.


Subsec. (j)(1). Pub. L. 101–234, §201(a), substituted “referring laboratory but only if—” for “referring laboratory, and”.

Subsec. (k)(1). Pub. L. 101–234, §201(a), substituted “(i) through (III),” for “(i) through (III)”.

Subsec. (l)(1)(A). Pub. L. 101–234, §201(a), substituted “referring laboratory but only if—” for “referring laboratory, and”.

Subsec. (m). Pub. L. 101–234, §201(a), struck out “class 1 or class 2” before “health manpower shortage area” and substituted “10 percent” for “5 percent”.

Subsec. (o)(1). Pub. L. 101–234, §201(a)(1)(C), substituted “(B) 62 1⁄2 percent of such expenses.”

Subsec. (a)(1)(A). Pub. L. 101–234, §201(a)(1)(A), amended subpar. (A) generally. Prior to amendment, subpar. (A) read as follows: “no payment may be made under this part for the furnishing of more than one pair of shoes for any individual for any calendar year, and”.
§ 1395f. TITLE 42—THE PUBLIC HEALTH AND WELFARE

Page 2766


Subsec. (b)(6). Pub. L. 100–360, § 411(h)(1)(A), substituted “monitoring or changing drug prescriptions” for “prescribing or monitoring prescription drugs” in last sentence.

Subsec. (h)(2)(A)(i). Pub. L. 100–360, § 411(g)(3)(A), added subsec. (c) relating to limitation on out-of-pocket catastrophic cost-sharing, adjustment, buy-out plans, and conditions for payments with respect to plans other than buy-out plans. Former subsec. (c) redesignated (d)(1).


Subsec. (a)(3). Pub. L. 100–360, § 206(c)(2), substituted “subparagraphs (A)(ii), (D),” for “subparagraphs (D)”.


Subsec. (a)(1)(K). Pub. L. 100–360, § 411(g)(3)(B), (C), added subsec. (b) relating to home intravenous drug therapy services.


Subsec. (f). Pub. L. 100–360, § 411(g)(5), substituted “MEI (as defined in section 1395a(i)(3) of this title) applicable to physicians’ services” for “MEI (as defined in section 1395a(i)(4) of this title)”.

Subsec. (h)(2)(A)(iii). Pub. L. 100–360, § 411(g)(3)(A), (C), inserted “in subsections (a) and (b)” in introductory provisions.


Subsec. (h)(3). Pub. L. 100–647, § 492(a), inserted at end “In establishing a fee to cover the transportation and personnel expenses for trained personnel to travel to the location of an individual to collect a sample, the Secretary shall provide a method for computing the fee based on the number of miles traveled and the person-
nel costs associated with the collection of each individual sample, but the Secretary shall only be required to apply such method in the case of tests furnished during the period beginning on April 1, 1989, and ending on December 31, 1990, by a laboratory that establishes to the satisfaction of the Secretary (based on data for the 12-month period ending June 30, 1988) that (i) the laboratory is dependent upon payments under this subchapter for at least 80 percent of its collected revenues for clinical diagnostic laboratory tests, (ii) at least 85 percent of its gross revenues for such tests are attributable to tests performed with respect to individuals who are homebound or who are residents in a nursing facility, and (iii) the laboratory provided such tests for residents in nursing facilities representing at least 20 percent of the residents of such facilities in the State in which the laboratory is located.


Subsec. (h)(5)(D). Pub. L. 100–360, § 411(i)(4)(B), substituted “‘A person may not bill for a clinical diagnostic laboratory test performed by a laboratory, other than a rural health clinic, other than on an assignment-related basis. If a person knowingly and willfully and on a repeated basis bills for a clinical diagnostic laboratory test in violation of the previous sentence’” for “‘If a person knowingly and willfully and on a repeated basis bills an individual enrolled under this part for charges for a clinical diagnostic laboratory test for which payment may only be made on an assignment-related basis under subparagraph (C) and paragraphs (2) and (3) of section 1395u(c) of this title in the same manner such paragraphs apply with respect to a physician’” for “‘section 1395u(c)(2) of this title’”.

Subsec. (i)(2)(A)(iii). Pub. L. 100–360, § 411(g)(2)(D), substituted “for” insertion” for “for” insertion” and inserted “or subsequent to” after “during”.


Subsec. (i)(6). Pub. L. 100–485, § 608(b)(2)(B), substituted “Any person, including” for “Any person, other than”.


Subsec. (j)(3)(B). Pub. L. 100–647, § 6022(a), inserted “plus applicable coinsurance” after “would have been paid”.


Subsec. (n)(1)(A). Pub. L. 100–360, § 411(i)(4)(C)(vi), as amended by Pub. L. 100–485, § 608(b)(22)(D), substituted “for services described in subsection (a)(2)(E)(i) furnished under this part on or after October 1, 1988, and for services described in subsection (a)(2)(E)(ii) furnished under this part on or after October 1, 1989,” for “beginning on or after October 1, 1988, under this part for services described in subsection (a)(2)(E)” in introductory provisions.

Subsec. (n)(1)(B)(ii)(I). Pub. L. 100–360, § 411(i)(4)(C)(vi), inserted “or for services described in subsection (a)(2)(E)(i) furnished on or after January 1, 1989” after “the fee schedule amount established” after “the prevailing charge”.

Subsec. (n)(1)(B)(i). Pub. L. 100–360, § 411(g)(4)(C)(ii), amended subcls. (I) and (II) generally. Prior to amendment, subcls. (I) and (II) read as follows:

“(I) The term ‘cost proportion’ means 65 percent for all or any part of cost reporting periods which occur in fiscal year 1989 and 50 percent for other cost reporting periods.

“(II) The term ‘charge proportion’ means 35 percent for all or any part of cost reporting periods which occur in fiscal year 1989 and 50 percent for other cost reporting periods.”


Subsec. (d). Pub. L. 100–360, § 4065(a)(1), formerly § 4054(a)(1), as added and renumbered by Pub. L. 100–360, § 411(i)(12)(A), (14), struck out subpar. (F) which read as follows: ‘‘with respect to expenses incurred for services described in subsection (i)(4) of this section under the conditions specified in such subsection, the amounts paid shall be the reasonable charge for such services,’’.


Pub. L. 100–203, § 4085(b)(1)(B), which directed striking out “and” at end, was repealed by Pub. L. 100–360, § 411(i)(4)(C)(i).

Pub. L. 100–203, § 4073(b)(1)(A), formerly § 4073(b)(2)(A), as redesignated and amended by Pub. L. 100–360, § 411(i)(4)(B)(i), (ii), struck out and added subpar. (F) which read as follows: ‘‘services,’” for “services; and’’ was repealed by Pub. L. 100–360, § 411(h)(7)(C)(ii).


Pub. L. 100–203, § 4073(b)(2)(B), which directed substituting “services,” for “services; and’’ was repealed by Pub. L. 100–360, § 411(h)(7)(C)(ii).

Pub. L. 100–203, § 4084(c)(2), as added by Pub. L. 100–360, § 411(i)(3), substituted ‘‘least of the actual charge, the prevailing charge that would be recognized if the services had been performed by an anesthesiologist,” for ‘‘lesser of the actual charge’’.


Pub. L. 100–203, § 4073(b)(1)(B), formerly § 4073(b)(2)(C), as redesignated and amended by Pub. L. 100–360, § 411(h)(7)(C)(iii), (F), added subpar. (K), formerly (I), relating to amounts paid with respect to certified nurse-midwife services under section 1395xx(e)(2)(B) of this title.


Subsec. (b)(3)(A)(iii). Pub. L. 100–203, §4085(i)(3), added cl. (ii) generally. Prior to amendment, cl. (ii) was subdivided as follows: "after December 31, 1987, and so long as the fee schedule for the test was not based on a nationwide basis, is equal to 110 percent of the median of all the fee schedules established for that test for that laboratory setting under paragraph (1)."


Subsec. (b)(3)(A)(v). Pub. L. 100–203, §4085(i)(2), struck out par. (2) which read as follows: "Such a penalty shall be imposed in the same manner as civil monetary penalties provided for in section 1320a–7a of this title with respect to actions described in subsection (a) of that section."
“(B) In subparagraph (A), the term ‘limiting charge’ means, with respect to a service, 125 percent of the prevailing charge for the service after the reduction referred to in subparagraph (A).”

“(C) If a physician knowingly and willfully imposes charges in violation of subparagraph (A), the Secretary may apply sanctions against such physician in accordance with subsection (g) of this section.

“(D) This paragraph shall not apply to services furnished after the earlier of (i) December 31, 1990, or (ii) otherwise, under the date the Secretary reports to Congress, under section 1395w–1(e)(3) of this title, on the development of the relative value scale under section 1395w–1 of this title.”

Subsec. (m). Pub. L. 100–203, § 4043(a), added subsec. (m).


Subsec. (p). Pub. L. 100–203, § 4077(b)(3), formerly § 4077(b)(4), as redesignated and amended by Pub. L. 100–360, § 411(h)(7)(D), (F), inserted “and in the case of qualified psychologists services for which payment may be made under this part only pursuant to section 1395x(s)(2)(M) of this title”.

Pub. L. 100–203, § 4077(b)(2), formerly § 4077(b)(3), as redesignated and amended by Pub. L. 100–360, § 411(h)(7)(D), (F), inserted “‘and in the case of qualified psychologists services for which payment may be made under this part only pursuant to section 1395x(s)(2)(M) of this title’”.


Subsec. (h)(1)(C). Pub. L. 100–550, § 9339(a)(1)(B), substituted “qualified hospital laboratory (as defined in subparagraph (D))” for “hospital laboratory”.

Pub. L. 100–550, § 9339(a)(1)(B), substituted “qualified hospital laboratory (as defined in subparagraph (D))” for “hospital laboratory”.


Subsec. (h)(2). Pub. L. 100–550, § 9339(b)(2), struck out “‘(or, effective January 1, 1988, for the United States)’” after “applicable region, State, or area.”

Pub. L. 100–550, § 9339(a)(1)(D), substituted “qualified hospital laboratory (as defined in subparagraph (D))” for “hospital laboratory”.

Pub. L. 100–550, § 9339(a)(1)(D), substituted “qualified hospital laboratory (as defined in subparagraph (D))” for “hospital laboratory”.

Subsec. (h)(3). Pub. L. 100–550, § 9339(b)(1), inserted subpar. (A) designation after “provide for and establish”, and added subpar. (B).

Subsec. (h)(4). Pub. L. 100–550, § 9339(b)(2), designated existing provisions as subpars. (A) and added subpar. (B).

Subsec. (h)(5)(C). Pub. L. 100–550, § 9339(b)(3), substituted “laboratory other than” for “laboratory which is independent of a physician’s office or”.

Subsec. (i)(1). Pub. L. 100–550, § 9339(b)(4), inserted “80 percent of” before “‘a standard overhead amount’” in introductory provisions of subpars. (A) and (B).

Pub. L. 100–550, § 9339(b)(4), inserted “80 percent of” before “‘a standard overhead amount’” in introductory provisions of subpars. (A) and (B).

Subsec. (i)(2). Pub. L. 100–550, § 9339(c)(2)(B), inserted “80 percent of” before “‘a standard overhead amount’” in introductory provisions of subpars. (A) and (B).

Pub. L. 100–550, § 9339(c)(2)(B), inserted “80 percent of” before “‘a standard overhead amount’” in introductory provisions of subpars. (A) and (B).

Subsec. (j)(3) to (5). Pub. L. 100–550, § 9343(a)(1)(D), added par. (3) and redesignated former pars. (3) and (4) as (4) and (5), respectively.

Subsec. (k)(5). Pub. L. 100–550, § 9343(a)(2), substituted “‘(k)’” for “‘(i)’”.

Pub. L. 100–550, § 9343(a)(2), substituted “‘(k)’” for “‘(i)’”.

Pub. L. 100–550, § 9343(a)(2), substituted “‘(k)’” for “‘(i)’”.


Subsec. (a)(1)(B). Pub. L. 98–369, §2323(b)(1), substituted “section 1395(z)(x)(10)(A) of this title” for “section 1395x(s)(10)(A) of this title”.

Subsec. (a)(1)(C). Pub. L. 98–369, §2205(a), redesignated subpar. (D) as (F), and struck out former subpar. (F) which related to payment of reasonable charges for preadmission diagnostic services furnished by a physician to individuals enrolled under this part which are furnished in the outpatient department of a hospital within seven days of such individual’s admission to the same hospital or another hospital or furnished in the hospital’s own clinical laboratory within seven days of such individual’s admission to a hospital as an inpatient.

Subsec. (a)(2). Pub. L. 98–369, §2305(c), struck out “and in paragraph (5) of this subsection” after “of such section”.

Subsec. (a)(2)(A). Pub. L. 98–369, §2305(b)(2), inserted “,” or by another provider which demonstrates to the satisfaction of the Secretary that a significant portion of its patients are low-income (and requests that payment be made under this provision),”.


Test. Pub. L. 98–369, §2323(b)(1), inserted in provision preceding cl. (1) “(other than durable medical equipment)”.

Pub. L. 98–369, §2323(b)(1), substituted “section 1395x(s)(10)(A) of this title” for “section 1395x(s)(10) of this title”.


Pub. L. 98–369, §2321(b)(2), inserted in provision preceding cl. (1) “and” and “after “to other”.

Pub. L. 98–369, §2303(b)(1), inserted “or “D” after “subparagraph (C)”.

Subsec. (a)(2)(B)(ii). Pub. L. 98–369, §2305(b)(2)(B), inserted “,” or by another provider which demonstrates to the satisfaction of the Secretary that a significant portion of its patients are low-income (and requests that payment be made under this clause),”.


Subsec. (a)(3). Pub. L. 98–369, §2323(b)(1), substituted “section 1395x(s)(x)(10)(A) of this title” for “section 1395x(s)(10) of this title”.

Subsec. (a)(4). Pub. L. 98–369, §2305(b), struck out par. (5) which related to payment of reasonable costs for preadmission diagnostic services described in section 1395x(s)(2)(C) of this title furnished to an individual by the outpatient department of a hospital within seven days of such individual’s admission to the same hospital as an inpatient or to another hospital.

Subsec. (b)(1). Pub. L. 98–369, §2336(b)(2), substituted “section 1395x(s)(x)(10)(A) of this title” for “section 1395x(s)(10) of this title”.


Subsec. (h). Pub. L. 98–369, §2303(b), amended subsec. (h) generally, substituting provisions directing the Secretary to establish fee schedules for clinical diagnostic laboratory tests at a percentage of the prevailing charge level and nominal fees to cover costs in collecting samples and authorizing the Secretary to make adjustments in the fee schedule, setting forth the recipients of payments, and authorizing the Secretary to establish a negotiated payment rate for provision authorized by the agreement to make payment with the laboratory which would be considered the full charge for such tests.

Subsec. (h)(5)(C). Pub. L. 98–369, §2303(b)(3), inserted a comma before “under the procedure described in section”.


1982—Subsec. (a)(1)(B). Pub. L. 97–248, §112(a)(1), substituted provisions that with respect to items and services described in section 1395x(s)(10) of this title, amounts paid shall be 100 percent of reasonable charges for such items and services, or if such services are furnished by a public provider of services free of charge or at nominal charges to the public, the amount determined in accordance with section 1395x(s)(10) of this title, the lesser of reasonable cost of such services as determined under section 1395x(s)(10) of this title or customary charges with respect to such services, or if such services are furnished by a public provider of services free of charge or at nominal charges to the public, the amount determined in accordance with section 1395x(s)(10) of this title.

Subsec. (a)(2)(B). Pub. L. 97–248, §131(c)(2), inserted “and except as may be provided in section 1395ww of this title”.

Subsec. (b)(1). Pub. L. 97–248, §112(b), struck out subpar. (A) provision that total amount of expenses shall not include expenses incurred for radiological or pathological services furnished an individual as an inpatient of a hospital by a physician in field of radiology or pathology who had in effect an agreement with Secretary by which the physician agreed to accept an assignment (as provided for in section 1395x(s)(3)(B)(ii) of this title) for all physicians’ services furnished by him to hospital inpatients enrolled under this part, and redesignated subpar. (B) provisions as par. (1).


1981—Subsec. (a)(2)(A). Pub. L. 97–35, §2106(a), substituted provisions that with respect to home health services and to items and services described in section 1395x(s)(10) of this title, the lesser of reasonable cost of such services as determined under section 1395x(s)(10) of this title or customary charges with respect to such services, or if such services are furnished by a public provider of services free of charge or at nominal charges to the public, the amount determined in accordance with section 1395x(s)(10) of this title, the lesser of reasonable cost of such services, as determined under section 1395x(s)(10) of this title.

Subsec. (a)(2)(B). Pub. L. 97–35, §2106(a), substituted new formula in cl. (i) to (iii) with respect to other services for provisions providing for reasonable costs of such services less the amount a provider may charge as described in section 1395x(s)(3)(A) of this title and that in no case may payment for such other services exceed 80 percent of such costs.

Subsec. (b). Pub. L. 97–35, §§2123(a), 2194(a), redesignated pars. (2) to (4) as (1) to (3), and struck out former par. (1), which provided that amount of deductible for such calendar year as so determined shall first be reduced by an amount of any expenses incurred by such individual in the last three months preceding the calendar year and applied toward such individual’s deductible under this section for such preceding year.
Pub. L. 97–35, §213(a), substituted “by a deductible of $75” for “by a deductible of $60”.

1980—Subsec. (a)(1)(B). Pub. L. 96–499, §943(a), inserted “in effect an agreement with the Secretary by which the physician agrees to accept an assignment (as provided for in section 1395v(b)(3)(B)(ii) of this title) for all physicians’ services furnished by him to hospital inpatients enrolled under this part” after “radiology or pathology”.

Subsec. (a)(1)(D). Pub. L. 96–499, §918(a)(4), substituted “subsection (b)” for “subsection (g)”.


Subsec. (a)(2). Pub. L. 96–611, §1(b)(1)(C), inserted in subpar. (A) “and to items and services described in section 1395x(s)(10) of this title”.

Pub. L. 96–499, §942, authorized payment of reasonable cost of home health services and prescribed formulae for determining payment amounts for services other than home health services.

Subsec. (a)(3). Pub. L. 96–611, §1(b)(1)(D), inserted “other than for items and services described in section 1395x(s)(10) of this title”.

Pub. L. 96–499, §942, prescribed a formula for determining payment amounts for services described in subpars. (D) and (E) of section 1395x(s)(2) of this title.

Subsec. (a)(4). Pub. L. 96–499, §942, added pars. (4) and (5).


Pub. L. 96–499, §943(a), inserted “who has in effect an agreement with the Secretary by which the physician agrees to accept an assignment (as provided for in section 1395v(b)(3)(B)(ii) of this title) for all physicians’ services furnished by him to hospital inpatients enrolled under this part”.


Subsec. (g). Pub. L. 96–499, §934(a), substituted “$50” for “$100”.

Subsec. (h). Pub. L. 96–473 redesignated subsec. (g) as amended by section 776(b) of Pub. L. 92–603 as (h), which for purposes of codification had been editorially set out as subsec. (h), thereby requiring no change in text. See 1972 Amendment note below.


Subsec. (a)(2). Pub. L. 95–292, §4(c), inserted “(unless otherwise specified in section 1395rr of this title)” after “‘and with respect to other services’” in provisions preceding subpar. (A).

1977—Subsec. (a)(2). Pub. L. 95–210, §1(b)(2), inserted parenthetical provisions preceding subpar. (A) excepting those services described in subpar. (D) of section 1395k(a)(2) of this title.


Subsec. (f)(1). Pub. L. 95–142 substituted provisions relating to determinations by Secretary with respect to presumptions regarding purchase price or practicality of buying or renting durable medical equipment, for provisions relating to purchase of durable medical equipment authorized to be paid by Secretary.

Subsec. (f)(2). Pub. L. 95–142 substituted provisions relating to waiver of coinsurance amount in purchase of used durable medical equipment, for provisions relating to reimbursement procedures established by Secretary in cases of rental of durable medical equipment.

Subsec. (f)(3). Pub. L. 95–142 added paras. (3) and (4).


Subsec. (a)(1). Pub. L. 92–603, §§211(c)(4), 279(a), added subpars. (C) and (D).

Subsec. (a)(2). Pub. L. 92–603, §§233(b), 251(a)(3), 299K(a), substituted subparts. (A) and (B) for provisions relating to the amount payable by reference to section 1395x of this title, added subpar. (C), and in provisions preceding subpar. (A), inserted “with respect to home health services, 100 percent, and with respect to other services,” before “80 percent”.

Subsec. (b). Pub. L. 92–665, §204(a), substituted “$60” for “$50”.

Subsec. (f). Pub. L. 92–603, §245(b), designated existing provisions as par. (1)(A) and added par. (1)(B) and (2).


Subsec. was in the original (g) and was changed to accommodate subsec. (g) as added by section 251(a)(2) of Pub. L. 92–665.

1968—Subsec. (a)(1). Pub. L. 90–248, §131(a)(1), (2), designated existing provisions as subpar. (A) and added subpar. (B).

Subsec. (b). Pub. L. 90–248, §§129(c)(7), 131(b), struck out reference in par. (1) to expenses incurred for services furnished in last three months of preceding year, struck out former par. (2) which provided that amount of any deduction imposed by section 1395e(a)(2)(A) of this title for outpatient hospital diagnostic services furnished in any calendar year is to be regarded as an incurred expense for such year; and added par. (2).

Pub. L. 90–248, §135(c), inserted last sentence providing that there shall be a deductible equal to expenses incurred for first three pints of whole blood (or equivalent quantities of packed red blood cells as defined under regulations) furnished to an individual during a calendar year which deductible is to be appropriately reduced to extent that such blood has been replaced, and such blood will be deemed to have been replaced when institution or person furnishing such blood is given one pint of blood for each pint of blood (or equivalent quantities of packed red blood cells) furnished in an individual to which three pint deductible applies.


**Effective Date of 2016 Amendment**


**Effective Date of 2015 Amendment**

Pub. L. 114–113, div. O, title V, §504(d), Dec. 18, 2015, 129 Stat. 3623, provided that: “The amendments made by this section [amending this section and sections 1395m and 1395x of this title] shall apply to items furnished on or after January 1, 2016.”

with respect to requests described in section 1333(g)(5)(C)(i) of the Social Security Act (42 U.S.C. 1333(g)(5)(C)(i)) with respect to which the Secretary of Health and Human Services has not conducted medical review under such section by a date (not later than 90 days after the date of the enactment of this Act (Apr. 16, 2015)) specified by the Secretary.

**Effective Date of 2012 Amendment**


**Effective Date of 2010 Amendment**

Pub. L. 111–148, title IV, § 4104(d), Mar. 23, 2010, 124 Stat. 557, provided that: “The amendments made by this section [amending this section and sections 1395w–4, 1395x, and 1395y of this title] shall apply to services furnished on or after January 1, 2011.”

**Effective Date of 2008 Amendment**

Pub. L. 110–275, title I, § 101(c), July 15, 2008, 122 Stat. 2498, provided that: “The amendments made by this section [amending this section and sections 1395w, and 1395y of this title] shall apply to services furnished on or after January 1, 2009.”

**Effective Date of 2006 Amendment**


**Effective Date of 2005 Amendment**

Pub. L. 109–171, title V, § 5112(f), Feb. 8, 2006, 120 Stat. 546, provided that: “The amendment made by subsection (a) [amending this section and section 1395s of this title] shall apply to items furnished administered [sic] on or after January 1, 2006.”

**Effective Date of 2004 Amendment**


**Effective Date of 2003 Amendment**


**Effective Date of 2002 Amendment**

[TEXT]

Amendment by section 1834(k) of the Social Security Act [42 U.S.C. 1395m(k)] (as added by subsection (a)(2)) shall not apply to services described in section 1833(a)(8)(B) of such Act [42 U.S.C. 1395l(a)(8)(B)], except that section 1833(a)(8)(B) of such Act [42 U.S.C. 1395l(a)(8)(B)] shall not apply to services furnished in connection with the maintenance or operation of a nuclear reactor licensed under the Atomic Energy Act of 1954 [42 U.S.C. 2011 et seq.], except as otherwise provided, see section 4201(d) of Pub. L. 105–33, set out as a note under section 1395f of this title.

Amendment by section 4201(c)(1) of Pub. L. 105–33 applicable to services furnished on or after Oct. 1, 1997, see section 4201(d) of Pub. L. 105–33, set out as a note under section 1395f of this title.

Amendment by section 451(b) of Pub. L. 105–33 applicable with respect to services furnished and supplies provided on or and after Jan. 1, 1998, see section 451(e) of Pub. L. 105–33, set out as a note under section 1395k of this title.

Amendment by section 4511(e) of Pub. L. 105–33, Aug. 5, 1997, 111 Stat. 457, provided that:

"(1) The amendments made by subsections (a)(1), (a)(2), and (b) [amending this section and sections 1395m and 1395y of this title] shall apply to services furnished on or after January 1, 1998,

Amendment by section 4201(c)(1) of Pub. L. 105–33, Aug. 5, 1997, 111 Stat. 362, provided that: "The amendments made by this section [amending this section and sections 1395w–4, 1395x, and 1395y of this title] shall apply to items and services furnished on or after January 1, 1998.

Amendment by section 4201(c)(1) of Pub. L. 105–33 applicable to services furnished on or after Oct. 1, 1997, see section 4201(d) of Pub. L. 105–33, set out as a note under section 1395f of this title.

Amendment by section 4511(b) of Pub. L. 105–33 applicable with respect to services furnished and supplies provided on or after Jan. 1, 1998, see section 451(e) of Pub. L. 105–33, set out as a note under section 1395k of this title.

Amendment by section 4511(e) of Pub. L. 105–33, Aug. 5, 1997, 111 Stat. 457, provided that:

"(1) The amendments made by subsections (a)(1), (a)(2), and (b) [amending this section and sections 1395m and 1395y of this title] shall apply to services furnished on or after January 1, 1998,

Amendment by section 4201(c)(1) of Pub. L. 105–33, Aug. 5, 1997, 111 Stat. 362, provided that: "The amendments made by this section [amending this section and sections 1395w–4, 1395x, and 1395y of this title] shall apply to items and services furnished on or after January 1, 1998.

Amendment by section 4201(c)(1) of Pub. L. 105–33 applicable to services furnished on or after Oct. 1, 1997, see section 4201(d) of Pub. L. 105–33, set out as a note under section 1395f of this title.

Amendment by section 4511(b) of Pub. L. 105–33 applicable with respect to services furnished and supplies provided on or after Jan. 1, 1998, see section 451(e) of Pub. L. 105–33, set out as a note under section 1395k of this title.

Amendment by section 4511(e) of Pub. L. 105–33, Aug. 5, 1997, 111 Stat. 457, provided that:

"(1) The amendments made by subsections (a)(1), (a)(2), and (b) [amending this section and sections 1395m and 1395y of this title] shall apply to services furnished on or after January 1, 1998,

Amendment by section 4201(c)(1) of Pub. L. 105–33, Aug. 5, 1997, 111 Stat. 362, provided that: "The amendments made by this section [amending this section and sections 1395w–4, 1395x, and 1395y of this title] shall apply to items and services furnished on or after January 1, 1998.

Amendment by section 4201(c)(1) of Pub. L. 105–33 applicable to services furnished on or after Oct. 1, 1997, see section 4201(d) of Pub. L. 105–33, set out as a note under section 1395f of this title.

Amendment by section 4511(b) of Pub. L. 105–33 applicable with respect to services furnished and supplies provided on or after Jan. 1, 1998, see section 451(e) of Pub. L. 105–33, set out as a note under section 1395k of this title.

Amendment by section 4511(e) of Pub. L. 105–33, Aug. 5, 1997, 111 Stat. 457, provided that:

"(1) The amendments made by subsections (a)(1), (a)(2), and (b) [amending this section and sections 1395m and 1395y of this title] shall apply to services furnished on or after January 1, 1998,

Amendment by section 4201(c)(1) of Pub. L. 105–33, Aug. 5, 1997, 111 Stat. 362, provided that: "The amendments made by this section [amending this section and sections 1395w–4, 1395x, and 1395y of this title] shall apply to items and services furnished on or after January 1, 1998.

Amendment by section 4201(c)(1) of Pub. L. 105–33 applicable to services furnished on or after Oct. 1, 1997, see section 4201(d) of Pub. L. 105–33, set out as a note under section 1395f of this title.

Amendment by section 4511(b) of Pub. L. 105–33 applicable with respect to services furnished and supplies provided on or after Jan. 1, 1998, see section 451(e) of Pub. L. 105–33, set out as a note under section 1395k of this title.

Amendment by section 4511(e) of Pub. L. 105–33, Aug. 5, 1997, 111 Stat. 457, provided that:

"(1) The amendments made by subsections (a)(1), (a)(2), and (b) [amending this section and sections 1395m and 1395y of this title] shall apply to services furnished on or after January 1, 1998,
1395u of this title] shall apply to drugs and biologicals furnished on or after January 1, 1998."

Amendment by section 4683(c)(2)(A) of Pub. L. 108–33 applicable to cost reporting periods beginning after Oct. 1, 1999, except as otherwise provided, see section 4683(d) of Pub. L. 105–33, set out as an Effective Date note under section 1395ff of this title.

EFFECTIVE DATE OF 1994 AMENDMENT

"(1) ENFORCEMENT; MISCELLANEOUS AND TECHNICAL AMENDMENTS.—The amendments made by subsections (a) and (e) [amending this section and section 1395w–4 of this title] shall apply to services furnished on or after the date of the enactment of this Act [Oct. 31, 1994], except that the amendments made by subsection (a) [amending section 1395w–4 of this title] shall not apply to services furnished on or after January 1, 1995.

"(2) PRACTITIONERS.—The amendments made by subsection (b) [amending this section and section 1395u of this title] shall apply to services furnished on or after January 1, 1995.


Amendment by section 147(a), (c)(2), (3), (f)(6)(C), (D) of Pub. L. 103–432 effective as if included in the enactment of this Act [Oct. 31, 1994], except that the period running on or after January 1, 1995, set out as a note under section 1320b–3a of this title.


EFFECTIVE DATE OF 1993 AMENDMENT


EFFECTIVE DATE OF 1990 AMENDMENT
Pub. L. 101–508, title IV, §4104(d), Nov. 5, 1990, 104 Stat. 1388–59, provided that: "The amendments made by this section [amending this section and section 1395m and 1395w–4 of this title] shall apply to services furnished on or after January 1, 1991.

Amendment by section 4153(a)(2)(B), (C) of Pub. L. 101–508 applicable to items furnished on or after Jan. 1, 1991, see section 4153(a)(3) of Pub. L. 101–508, set out as a note under section 1395k of this title.


Amendment by section 4155(e)(3) of Pub. L. 101–508 applicable to services furnished on or after Jan. 1, 1991, see section 4156(e) of Pub. L. 101–508, set out as a note under section 1395k of this title.


Pub. L. 101–508, title IV, §4206(e)(2), Nov. 5, 1990, 104 Stat. 1388–117, provided that: "The amendments made by this subsection [amending this section and section 1395m of this title] shall apply to contracts under section 1876 of the Social Security Act [42 U.S.C. 1395mm] and payments under section 1833(a)(1)(A) of such Act [42 U.S.C. 1395l(a)(1)(A)] as if effective for the first day of the first month beginning more than 1 year after the date of the enactment of this Act [Nov. 5, 1990]."

EFFECTIVE DATE OF 1989 AMENDMENT


Pub. L. 101–239, title VI, §6113(e), Dec. 19, 1989, 103 Stat. 2217, provided that: "The amendments made by this section [amending this section and section 1395x of this title, and the provisions of subsection (c) [set out below], shall apply to services furnished on or after July 1, 1990, and the amendments made by subsection (d) [amending this section] shall apply to expenses incurred in a year beginning after 1990.

Pub. L. 101–239, title VI, §6131(c), Dec. 19, 1989, 103 Stat. 2220, provided that:

"(1) The amendments made by this section [amending this section and section 1395x of this title] shall apply with respect to therapeutic shoes and inserts furnished on or after July 1, 1989,

"(2) In applying the amendments made by this section, the increase under subparagraph (C) of section
Amendment by section 4045(d) of Pub. L. 100–203, as amended, set out as a note under section 1395f of this title.

Pub. L. 100–203, title IV, § 4063(c), Dec. 22, 1987, 101 Stat. 1330–115, provided that: "The amendments made by subsection (a) [amending this section] shall apply with respect to services furnished on or after July 1, 1988."

Pub. L. 100–203, title IV, § 4064(b)(3), Dec. 22, 1987, 101 Stat. 1330–110, provided that: "The amendments made by subsection (a) [amending this section] shall apply with respect to services furnished on or after April 1, 1988."

Pub. L. 100–203, title IV, § 4064(c)(2), as added by Pub. L. 100–360, title IV, § 411(g)(3)(F), July 1, 1988, 102 Stat. 788, provided that: "The amendment made by paragraph (1) [amending this section] shall apply with respect to diagnostic laboratory tests furnished on or after April 1, 1988."

Pub. L. 100–203, title IV, § 4066(c), Dec. 22, 1987, 101 Stat. 1330–113, provided that: "The amendments made by subsection (a) [amending this section] shall apply with respect to outpatient hospitalradiology services furnished on or after October 1, 1988, and other diagnostic procedures performed on or after October 1, 1989.


Pub. L. 100–203, title IV, § 4070(c)(1), Dec. 22, 1987, 101 Stat. 1330–115, provided that: "The amendment made by subsection (a) [amending this section] shall apply to services furnished on or after July 1, 1988."

Amendment by section 4077(b)(2), (3) of Pub. L. 100–203 effective with respect to services performed on or after July 1, 1988, see section 4077(b)(5) of Pub. L. 100–203, set out as a note under section 1395f of this title.

Amendment by section 4077(b)(2), (3) of Pub. L. 100–203 effective with respect to services performed on or after January 1, 1989, see section 4077(b)(5) of Pub. L. 100–203, set out as a note under section 1395f of this title.

Amendment by section 4078(b)(1)(a) of Pub. L. 100–203, as added, set out as a note under section 1334h(b)(1) of this title.


Pub. L. 100–203, title IV, § 4084(b)(3), as added by Pub. L. 100–360, title IV, § 411(g)(3)(F), July 1, 1988, 102 Stat. 788, provided that: "The amendments made by this subsection [amending this section and section 1395u of this title] shall apply to items furnished on or after July 1, 1988."

portion (1) [amending this section] shall apply to procedures performed on or after January 1, 1988.""


Pub. L. 98–939, div. B, title III, § 2339(e), July 18, 1984, 98 Stat. 1070, provided that: "The amendments made by this section [amending this section and provisions set out below] shall apply to services performed after the date of the enactment of this Act [July 18, 1984]."

Amendment by section 2321(b), (d)(4)(A) of Pub. L. 98–369 applicable to items and services furnished on or after July 18, 1984, see section 2321(g) of Pub. L. 98–369, set out as a note under section 1395x of this title.

Pub. L. 98–939, div. B, title III, § 2323(d), July 18, 1984, 98 Stat. 1086, provided that: "The amendments made by this section [amending this section and provisions set out below] shall apply to services furnished on or after September 1, 1984." Amendment by section 2354(e)(1) of Pub. L. 98–369 effective July 18, 1984, but not to be construed as changing or affecting any right, liability, status, or interpretation which existed (under the provisions of law involved) before that date, see section 2354(e)(1) of Pub. L. 98–369, set out as a note under section 1320a-1 of this title.

Effective Date of 1982 Amendment

Pub. L. 97–248, title I, § 112(c), Sept. 3, 1982, 96 Stat. 340, provided that: "The amendments made by this section [amending this section] shall apply with respect to items and services furnished on or after October 1, 1982." Amendment by section 117(a)(2) of Pub. L. 97–248 applicable to final determinations made on or after Sept. 3, 1982, see section 117(b) of Pub. L. 97–248, set out as a note under section 1396g of this title.

Amendment by section 148(d) of Pub. L. 97–248 effective with respect to contracts entered into or renewed on or after Sept. 3, 1982, see section 149 of Pub. L. 97–248, set out as an Effective Date note under section 1320c of this title.

Effective Date of 1981 Amendment

Pub. L. 97–35, title XXI, § 2120(e), Aug. 13, 1981, 95 Stat. 792, provided that: "The amendments made by subsection (a) [amending this section] effective as of December 5, 1980, and the amendments made by subsection (b) [amending section 1395q(b) of this title], effective as of April 1, 1981.

Pub. L. 97–35, title XXI, § 2133(b), Aug. 13, 1981, 95 Stat. 797, provided that: "The amendments made by subsection (a) [amending this section] first apply to the deductable for calendar year 1982 with respect to expenses incurred on or after October 1, 1981.

Amendment by section 251(a)(2), (3) of Pub. L. 92-603 applicable with respect to services furnished on or after July 1, 1973, see section 251(d)(1) of Pub. L. 92-603, set out as a note under section 1395f of this title.

Pub. L. 92-603, title II, § 295(b), Oct. 30, 1972, 86 Stat. 1464, provided that: “The amendment made by subsection (a) [amending this section] shall apply to services furnished by home health agencies in accounting periods beginning after December 31, 1972.”

Effective Date of 1968 Amendment

Amendment by section 129(c)(7), (8) of Pub. L. 90-248 applicable with respect to services furnished after Mar. 31, 1968, see section 129(d) of Pub. L. 90-248, set out as a note under section 1395d of this title.


Pub. L. 90-248, title I, § 132(c), Jan. 2, 1968, 81 Stat. 850, provided that: “The amendments made by this section [amending this section and section 1395x of this title] shall apply only with respect to items purchased after December 31, 1967.”

Amendment by section 135(c) of Pub. L. 90-248 applicable with respect to payment for blood (or packed red blood cells) furnished an individual after Dec. 31, 1967, see section 135(d) of Pub. L. 90-248, set out as a note under section 1395c of this title.

Construction of 2008 Amendment

Pub. L. 110-275, title I, § 101(a)(4), July 15, 2008, 122 Stat. 2697, provided that: “Nothing in the provisions of, or amendments made by, this subsection [amending this section and sections 1395x and 1395y of this title] shall be construed to provide coverage under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.) of items and services for the treatment of a medical condition that is not otherwise covered under such title.”

Construction Regarding Limiting Increases in Cost-Sharing

Pub. L. 106-554, § 1(a)(6) [title I, § 111(b)], Dec. 21, 2000, 114 Stat. 2763, 2763A-473, provided that: “Nothing in this Act (H.R. 5661, as enacted by section 1(a)(6) of Pub. L. 106-554, see Tables for classification) or the Social Security Act [this chapter] shall be construed as preventing a hospital from waiving the amount of any coinsurance for outpatient hospital services under the medicare program under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.) that may have been increased as a result of the implementation of the prospective payment system under section 1833(t) of the Social Security Act (42 U.S.C. 1395(t)).”

Implementation of 2019 Amendment

Pub. L. 116-94, div. N, title I, § 107(b), Dec. 20, 2019, 133 Stat. 3192, provided that: “Notwithstanding any other provision of law, the Secretary of Health and Human Service may implement the amendments made by subsection (a) [amending this section] by program instruction or otherwise.”

Implementation of 2018 Amendment

Pub. L. 115-141, div. S, title XIII, § 130(a)(3), Mar. 23, 2018, 132 Stat. 1150, provided that: “Notwithstanding any other provision of law, the Secretary of Health and Human Services may implement the amendments made by paragraphs (1) and (2) [amending this section] by program instruction or otherwise.”

Improving Documentation of Services

Pub. L. 114-10, title V, § 531(b), Apr. 16, 2015, 129 Stat. 173, provided that: “(b) In General.—The Secretary of Health and Human Services shall, in consultation with stakeholders (including the American Chiropractic Association)
and representatives of Medicare administrative contractors (as defined in section 1874A(a)(3)(A) of the Social Security Act (42 U.S.C. 1395k-1(a)(3)(A))), develop educational and training programs to improve the ability of chiropractors to provide documentation to the Secretary of services described in section 1861(r)(5) (42 U.S.C. 1395x(r)(5)) in a manner that demonstrates that such services are, in accordance with section 1862(a)(1) of such Act (42 U.S.C. 1395y(a)(1)), reasonable and necessary for the diagnosis or treatment of illness or injury or to improve the functioning of a malformed body member.

“(2) TIMING.—The Secretary shall make the educational and training programs described in paragraph (1) publicly available not later than January 1, 2016.

“(3) FUNDING.—The Secretary shall use funds made available under paragraph (10) of section 1893(h) of the Social Security Act (42 U.S.C. 1395ddd(h)), as added by section 585, to carry out this subsection.”

**MEDICARE PATIENT IVIG ADEQUACY DEMONSTRATION PROJECT**


“(a) ESTABLISHMENT.—The Secretary shall establish and implement a demonstration project under part B of title XVIII of the Social Security Act (42 U.S.C. 1395k et seq.) to evaluate the benefits of providing payment for items and services needed for the in-home administration of intravenous immune globin for the treatment of primary immune deficiency diseases.

“(b) DURATION AND SCOPE.—

“(1) DURATION.—Beginning not later than one year after the date of enactment of this Act [Jan. 10, 2013], the Secretary shall conduct the demonstration project for a period of 3 years and, subject to the availability of funds under subsection (g), shall:

“(A) if the date of enactment of the Disaster Tax Relief and Airport and Airway Extension Act of 2017 is on or before September 30, 2017 [Pub. L. 115–63 was approved Sept. 29, 2017], for the period beginning on October 1, 2017, and ending on December 31, 2020; and

“(B) if the date of enactment of such Act is after September 30, 2017, for the period beginning on the date of enactment of such Act and ending on December 31, 2020.

“(2) SCOPE.—The Secretary shall enroll not more than 300 Medicare beneficiaries who have been diagnosed with primary immunodeficiency disease for participation in the demonstration project. A Medicare beneficiary may participate in the demonstration project on a voluntary basis and may terminate participation at any time. Subject to the preceding sentence, a Medicare beneficiary enrolled in the demonstration project on September 30, 2017, shall be automatically enrolled during the period beginning on the date of the enactment of the Disaster Tax Relief and Airport and Airway Extension Act of 2017 and ending on December 31, 2020, without submission of another application.

“(c) COVERAGE.—Except as otherwise provided in this section, items and services for which payment may be made under the demonstration program shall be treated and covered under part B of title XVIII of the Social Security Act in the same manner as similar items and services covered under such part.

“(d) PAYMENT.—The Secretary shall establish a per visit payment amount for items and services needed for the in-home administration of intravenous immune globin based on the national per visit low-utilization payment amount under the prospective payment system for home health services established under section 1895 of the Social Security Act (42 U.S.C. 1395f).

“(e) WAIVER AUTHORITY.—The Secretary may waive such requirements of title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.) as may be necessary to carry out the demonstration project.

“(f) STUDY AND REPORT TO CONGRESS.—

“(2) FUNDING.—The Secretary shall use funds made available under paragraph (10) of section 1893(h) of the Social Security Act (42 U.S.C. 1395ddd(h)), as added by section 585, to carry out this subsection.”

“(3) FUNDING.—The Secretary shall use funds made available under paragraph (10) of section 1893(h) of the Social Security Act (42 U.S.C. 1395ddd(h)), as added by section 585, to carry out this subsection.”

**IMPLEMENTATION OF 2013 AMENDMENT**

Pub. L. 112–242, title VI, § 603(d), Jan. 10, 2013, 126 Stat. 2347, provided that: “Notwithstanding any other provision of law, the Secretary of Health and Human Services may implement the provisions of, and the amendments made by, this section [amending this section] by program instruction or otherwise.”

**IMPLEMENTATION OF 2012 AMENDMENT**

Pub. L. 112–96, title III, § 3005(d), Feb. 22, 2012, 126 Stat. 189, provided that: “The Secretary of Health and Human Services shall implement such claims processing edits and issue such guidance as may be necessary to implement the amendments made by this section [amending this section and section 1395u of this title] in a timely manner. Notwithstanding any other provision of law, the Secretary may implement the amendments made by this section by program instruction. Of the amount of funds made available to the Secretary for fiscal year 2012 for program management for the Centers for Medicare & Medicaid Services, not to exceed $9,375,000 shall be available for such fiscal year and the first 3 months of fiscal year 2013 to carry out section 1333(g)(5)(C) of the Social Security Act (42 U.S.C. 1395l(g)(5)(C) (relating to manual medical review), as added by subsection (a)).”

**COLLECTION OF ADDITIONAL DATA**

Pub. L. 112–96, title III, § 3005(g), Feb. 22, 2012, 126 Stat. 189, provided that:

“(1) STRATEGY.—The Secretary of Health and Human Services shall implement, beginning on January 1, 2013, a claims-based data collection strategy that is designed to assist in reforming the Medicare payment system for outpatient therapy services subject to the limitations of section 1333(g) of the Social Security Act (42 U.S.C.
1395s(g)). Such strategy shall be designed to provide for the collection of data on patient function during the course of therapy services in order to better understand patient condition and outcomes.

“(2) CONSULTATION.—In proposing and implementing such strategy, the Secretary shall consult with relevant stakeholders.”

TREATMENT OF CERTAIN COMPLEX DIAGNOSTIC LABORATORY TESTS


“(a) DEMONSTRATION PROJECT.—

“(1) IN GENERAL.—The Secretary of Health and Human Services (in this section referred to as the ‘Secretary’) shall conduct a demonstration project under part B [of] title XVIII of the Social Security Act [42 U.S.C. 1395j et seq.] under which separate payments are made under such part for complex diagnostic laboratory tests provided to individuals under such part. Under the demonstration project, the Secretary shall establish appropriate payment rates for such tests.

“(2) COVERED COMPLEX DIAGNOSTIC LABORATORY TEST DEFINED.—In this section, the term ‘complex diagnostic laboratory test’ means a diagnostic laboratory test—

“(A) that is an analysis of gene protein expression, topographic genotyping, or a cancer chemotherapy sensitivity assay;

“(B) that is determined by the Secretary to be a laboratory test for which there is not an alternative test having equivalent performance characteristics;

“(C) which is billed using a Health Care Procedure Coding System (HCPCS) code other than a not otherwise classified code under such Coding System;

“(D) which is approved or cleared by the Food and Drug Administration or is covered under title XVIII of the Social Security Act [42 U.S.C. 1395 et seq.]; and

“(E) is described in section 1861(s)(3) of the Social Security Act [42 U.S.C. 1395(s)(3)].

“(3) SEPARATE PAYMENT DEFINED.—In this section, the term ‘separate payment’ means direct payment to a laboratory (including a hospital-based or independent laboratory) that performs a complex diagnostic laboratory test with respect to a specimen collected from an individual during a period in which the individual is a patient of a hospital if the test is performed after such period of hospitalization and if separate payment would not otherwise be made under title XVIII of the Social Security Act by reason of sections 1862(a)(14) and 1866(a)(1)(H)(1) of the such title (42 U.S.C. 1395y(a)(14); 42 U.S.C. 1395f(m)(1)(H)(1));

“(b) DURATION.—Subject to subsection (c)(2), the Secretary shall conduct the demonstration project under this section for the 2-year period beginning on July 1, 2011.

“(c) PAYMENTS AND LIMITATION.—Payments under the demonstration project under this section shall—

“(1) be made from the Federal Supplemental [probably should be ‘Supplementary’] Medical Insurance Trust Fund under section 1841 of the Social Security Act [42 U.S.C. 1395l]; and

“(2) may not exceed $100,000,000.

“(d) REPORT.—Not later than 2 years after the completion of the demonstration project under this section, the Secretary shall submit to Congress a report on the project. Such report shall include—

“(1) an assessment of the impact of the demonstration project on access to care, quality of care, health outcomes, and expenditures under title XVIII of the Social Security Act [42 U.S.C. 1395 et seq.] (including any savings under such title); and

“(2) such recommendations as the Secretary determines appropriate.

“(e) IMPLEMENTATION FUNDING.—For purposes of administering this section (including preparing and submittting the report under subsection (d)), the Secretary shall provide for the transfer, from the Federal Supplemental [probably should be ‘Supplementary’] Medical Insurance Trust Fund under section 1841 of the Social Security Act [42 U.S.C. 1395l], to the Centers for Medicare & Medicaid Services Program Management Account, of $5,000,000. Amounts transferred under the preceding sentence shall remain available until expended.”

TREATMENT OF CERTIFIED REGISTERED NURSE ANESTHETISTS

Pub. L. 110–275, title I, §139b(b), July 15, 2008, 122 Stat. 2941, provided that: “With respect to items and services furnished on or after January 1, 2010, the Secretary of Health and Human Services shall make appropriate adjustments to payments under the Medicare program under title XVIII of the Social Security Act [42 U.S.C. 1395 et seq.] for teaching certified registered nurse anesthetists to implement a policy with respect to teaching certified registered nurse anesthetists that—

“(1) is consistent with the adjustments made by the special rule for teaching anesthesiologists under section 1481(a)(6) of the Social Security Act [42 U.S.C. 1395w–4(a)(6)], as added by subsection (a); and

“(2) maintains the existing payment differences between teaching anesthesiologists and teaching certified registered nurse anesthetists.”

IMPLEMENTATION OF 2006 AMENDMENT

Pub. L. 109–432, div. B, title I, §107(b)(2), Dec. 20, 2006, 120 Stat. 3963, provided that: “The Secretary of Health and Human Services may implement the amendment made by paragraph (1) [amending this section] by program instruction or otherwise.”

Pub. L. 109–171, title V, §5107(a)(2), Feb. 8, 2006, 120 Stat. 42, provided that: “The Secretary of Health and Human Services shall waive such provisions of law and regulation (including those described in section 110(c) of Public Law 108–173 [set out as a note under section 1395w–101 of this title]) as are necessary to implement the amendments made by paragraph (1) [amending this section] on a timely basis and, notwithstanding any other provision of law, may implement such amendments by program instruction or otherwise. There shall be no administrative or judicial review under section 1869 or section 1878 of the Social Security Act [42 U.S.C. 1395ff and 1395oo], or otherwise of the process (including the establishment of the process) under section 1833(g)(5) of such Act [42 U.S.C. 1395(g)(5)], as added by paragraph (1).”

IMPLEMENTATION OF CLINICALLY APPROPRIATE CODE EDITS IN ORDER TO IDENTIFY AND ELIMINATE IMPROPER PAYMENTS FOR THERAPY SERVICES

Pub. L. 109–171, title V, §5107(b), Feb. 8, 2006, 120 Stat. 43, provided that: “By not later than July 1, 2008, the Secretary of Health and Human Services shall implement clinically appropriate code edits with respect to payments under part B [of] title XVIII of the Social Security Act [42 U.S.C. 1395w] for physical therapy services, occupational therapy services, and speech-language pathology services in order to identify and eliminate improper payments for such services, including edits of clinically illogical combinations of procedure codes and other edits to control inappropriate billings.”

APPLICATION OF 2003 AMENDMENT TO PHYSICIAN SPECIALTIES

Amendment by section 303 of Pub. L. 108–173, insofar as applicable to payments for drugs or biologicals and drug administration services furnished by physicians, is applicable only to physicians in the specialties of hematology, hematology/oncology, and medical oncology under this subchapter, see section 303(i) of Pub. L. 108–173, set out as a note under section 1395u of this title.

Notwithstanding section 303(j) of Pub. L. 108–173 (see note above), amendment by section 303 of Pub. L.
108-173 also applicable to payments for drugs or biologicals and drug administration services furnished by physicians in specialties other than the specialties of pathology, hematology, and medical and surgical pathology, see section 304 of Pub. L. 108-173, set out as a note under section 1395u of this title.

GAO STUDY OF MEDICARE PAYMENT FOR INHALATION THERAPY

Pub. L. 108-173, title III, §305(b), Dec. 8, 2003, 117 Stat. 2255, required the Comptroller General of the United States to conduct a study to examine the adequacy of reimbursements for inhalation therapy under the medicare program, and to submit to Congress a report on this study not later than 1 year after Dec. 8, 2003.

TREATMENT OF CERTAIN CLINICAL DIAGNOSTIC LABORATORY TESTS FURNISHED TO HOSPITAL OUTPATIENTS IN CERTAIN RURAL AREAS


(b) Application.—A cost reporting period described in this subsection is a cost reporting period beginning during the period beginning on July 1, 2004, and ending on June 30, 2005."

“(c) Provision as Part of Outpatient Hospital Services.—For purposes of subsection (a), in determining whether clinical diagnostic laboratory services are furnished as part of outpatient services of a hospital, the Secretary [of Health and Human Services] shall apply the same rules that are used to determine whether clinical diagnostic laboratory services are furnished as an outpatient critical access hospital service under section 1834(d)(1)(A) of the Social Security Act (42 U.S.C. 1395m(d)(1))."


GAO REPORT ON PAYMENTS FOR BRACHYTHERAPY DEVICES

Pub. L. 108-173, title VI, §621(b)(3), Dec. 8, 2003, 117 Stat. 2211, provided that: “The Comptroller General of the United States shall conduct a study to determine appropriate payment amounts under section 1833(t)(15) of the Social Security Act (42 U.S.C. 1395t(b)(15)(C)), as added by paragraph (1), for devices of brachytherapy. Not later than January 1, 2005, the Comptroller General shall submit to Congress a report on the study conducted under this paragraph, and shall include specific recommendations for appropriate payments for such devices.”

MORATORIUM ON PHYSICAL THERAPY SERVICES CAPS IN 2003

Pub. L. 108-173, title VI, §624(a)(2), Dec. 8, 2003, 117 Stat. 2217, provided that: “For the period beginning on the date of the enactment of this Act [Dec. 8, 2003] and ending of [sic] December 31, 2003, the Secretary [of Health and Human Services] shall not apply the provisions of clauses (1) and (3) of section 1833(t)(15) of 42 U.S.C. 1395t(b)(15) to expenses incurred with respect to services described in such paragraphs during such period. Nothing in the preceding sentence shall be construed as affecting the application of such paragraphs by the Secretary before the date of the enactment of this Act.”

PROMPT SUBMISSION OF OVERDUE REPORTS ON PAYMENT AND UTILIZATION OF OUTPATIENT THERAPY SERVICES

Pub. L. 108-173, title VI, §624(b), Dec. 8, 2003, 117 Stat. 2217, provided that: “Not later than March 31, 2004, the Secretary [of Health and Human Services] shall submit to Congress the reports required under section 4541(a)(2) of the Balanced Budget Act of 1997 [Public Law 106-113; 111 Stat. 457] [set out as a note under this section] (relating to alternatives to a single annual dollar cap on outpatient therapy) and under section 221(d) of the Medicare, Medicaid, and SCHIP Balanced Budget Reconciliation Act of 1999 [Appendix F, 119 Stat. 1501A-352], as enacted into law by section 1000(a)(6) of Public Law 106-113 [set out as a note under this section] (relating to utilization patterns for outpatient therapy).”

GAO STUDY OF AMBULATORY SURGICAL CENTER PAYMENTS


“(A) In General.—The Comptroller General of the United States shall conduct a study that compares the relative costs of procedures furnished in ambulatory surgical centers to the relative costs of procedures furnished in hospital outpatient departments under section 1833(t) of the Social Security Act (42 U.S.C. 1395m(t)). The study shall also examine how accurately ambulatory payment categories reflect procedures furnished in ambulatory surgical centers.

“(B) Consideration of ASC Data.—In conducting the study under paragraph (1), the Comptroller General shall consider data submitted by ambulatory surgical centers regarding the matters described in clauses (i) through (iii) of paragraph (2).

“(2) Report and Recommendations.—

“(A) Report.—Not later than January 1, 2005, the Comptroller General shall submit to Congress a report on the study conducted under paragraph (1).

“(B) Recommendations.—The report submitted under subparagraph (A) shall include recommendations provided on the following matters:—

“(i) The appropriateness of using the groups of covered services and relative weights established under the outpatient prospective payment system as the basis of payment for ambulatory surgical centers.

“(ii) If the relative weights under such hospital outpatient prospective payment system are appropriate for such purpose—

“(I) whether the payment rates for ambulatory surgical centers should be based on a uniform percentage of the payment rates or weights under such outpatient system; or

“(II) whether the payment rates for ambulatory surgical centers should vary, or the weights should be revised, based on specific procedures or types of services (such as ophthalmology and pain management services).

“(iii) Whether a geographic adjustment should be used for payment of services furnished in ambulatory surgical centers, and if so, the labor and nonlabor shares of such payment.”

DEMONSTRATION PROJECT FOR COVERAGE OF CERTAIN PRESCRIPTION DRUGS AND BIOLOGICALS

“(a) DEMONSTRATION PROJECT.—The Secretary [of Health and Human Services] shall conduct a demonstration project under part B of title XVIII of the Social Security Act [42 U.S.C. 1395j et seq.] under which payment is made for drugs or biologicals that are prescribed as replacements for drugs and biologicals described in section 1861(s)(2)(A) or 1861(s)(2)(Q) of such Act [42 U.S.C. 1395w(s)(2)(A), 1395w(s)(2)(Q)], or both, for which payment is made under such part. Such project shall provide for cost-sharing applicable with respect to such drugs or biologicals in the same manner as cost-sharing applies with respect to part D [part D of this subchapter] drugs under standard prescription drug coverage (as defined in section 1860D-2(b) of the Social Security Act [42 U.S.C. 1395w-102(b)], as added by section 1301(a)).

“(b) DEMONSTRATION PROJECT SITES.—The project established under this section shall be conducted in sites selected by the Secretary.

“(c) DURATION.—The Secretary shall conduct the demonstration project for the 2-year period beginning on the date that is 90 days after the date of the enactment of this Act [Dec. 21, 2000], but in no case may the project extend beyond December 31, 2005.

“(d) LIMITATION.—Under the demonstration project over the duration of the project, the Secretary may not provide—

“(1) coverage for more than 50,000 patients; and

“(2) more than $500,000,000 in funding.

“(e) REPORT.—Not later than July 1, 2006, the Secretary shall submit to Congress a report on the project. The report shall include an evaluation of patient access to care and patient outcomes under the project, as well as an analysis of the cost effectiveness of the project, including an evaluation of the costs savings (if any) to the medicare program attributable to reduced physicians’ services and hospital outpatient departments services for administration of the biological.

PAYMENT FOR PANCREATIC ISLET CELL INVESTIGATIONAL TRANSPLANTS FOR MEDICARE BENEFICIARIES IN CLINICAL TRIALS

“(a) CLINICAL TRIAL.—

“(1) IN GENERAL.—The Secretary [of Health and Human Services], acting through the National Institute of Diabetes and Digestive and Kidney Disorders, shall conduct a clinical investigation of pancreatic islet cell transplantation which includes medicare beneficiaries.

“(2) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary such sums as may be necessary to conduct the clinical investigation under paragraph (1).

“(b) MEDICARE PAYMENT.—Not earlier than October 1, 2004, the Secretary shall pay for the routine costs as well as transplantation and appropriate related items and services (as described in subsection (c)) in the case of medicare beneficiaries who are participating in a clinical trial described in subsection (a) as if such transplantation were covered under title XVIII of such Act [42 U.S.C. 1395 et seq.] and as would be paid under part A or part B of such title (42 U.S.C. 1395c et seq., 1395d et seq.) for such beneficiary.

“(c) SCOPE OF PAYMENT.—For purposes of subsection (b):

“(1) the term ‘routine costs’ means reasonable and necessary routine patient care costs (as defined in the Centers for Medicare & Medicaid Services Coverage Issues Manual, section 30–1), including immunosuppressive drugs and other followup care.

“(2) the term ‘transplantation and appropriate related items and services’ means items and services related to the acquisition and delivery of the pancreatic islet cell transplantation, notwithstanding any national noncoverage determination contained in the Centers for Medicare & Medicaid Services Coverage Issues Manual.

“(3) the term ‘medicare beneficiary’ means an individual who is entitled to benefits under part A of title XVIII of the Social Security Act [42 U.S.C. 1395 et seq.], or enrolled under part B of such title [42 U.S.C. 1395 et seq.], or both.

“(d) LIMITATION.—The provisions of this section shall not be construed—

“(1) to permit payment for partial pancreatic tissue or islet cell transplantation under title XVIII of the Social Security Act [42 U.S.C. 1395 et seq.] other than payment as described in subsection (b); or

“(2) as authorizing or requiring coverage or payment conveying—

“(A) benefits under part A of such title [42 U.S.C. 1395c et seq.] to a beneficiary not entitled to such part A; or

“(B) benefits under part B of such title [42 U.S.C. 1395d] et seq.] to a beneficiary not enrolled in such part B.”

GAO STUDY OF REDUCTION IN MEDIGAP PREMIUM LEVELS RESULTING FROM REDUCTIONS IN COINSURANCE

MEDPAC STUDY ON LOW-VOLUME, ISOLATED RURAL HEALTH CARE PROVIDERS
Pub. L. 106–554, §1(a)(6) [title II, §225], Dec. 21, 2000, 114 Stat. 2763, 2763A–490, provided that:

“(a) STUDY.—The Medicare Payment Advisory Commission shall conduct a study on the effect of low patient and procedure volume on the financial status of low-volume, isolated rural health care providers participating in the medicare program under title XVIII of the Social Security Act [42 U.S.C. 1395 et seq.].

“(b) REPORT.—Not later than 18 months after the date of the enactment of this Act [Dec. 21, 2000], the Commission shall submit to Congress a report on the study conducted under subsection (a) indicating—

“(1) whether low-volume, isolated rural health care providers are having, or may have, significantly decreased medicare margins or other financial difficulties resulting from any of the payment methodologies described in subsection (c);

“(2) whether the status as a low-volume, isolated rural health care provider should be designated under the medicare program and any criteria that should be used to qualify for such a status; and

“(3) any changes in the payment methodologies described in subsection (c) that are necessary to ensure appropriate reimbursement under the medicare program to low-volume, isolated rural health care providers (as designated pursuant to paragraph (2)).

“(c) PAYMENT METHODOLOGIES DESCRIBED.—The payment methodologies described in this subsection are the following:

“(1) The prospective payment system for hospital outpatient department services under section 1833(t) of the Social Security Act [42 U.S.C. 1395(t)].

“(2) The fee schedule for ambulance services under section 1834(l) of such Act [42 U.S.C. 1395mm(l)].

“(3) The prospective payment system for inpatient hospital services under section 1886 of such Act [42 U.S.C. 1395ww].

“(4) The prospective payment system for routine service costs of skilled nursing facilities under section 1888(e) of such Act [42 U.S.C. 1395yy(e)].

“(5) The prospective payment system for home health services under section 1865 of such Act [42 U.S.C. 1395f].

SPECIAL RULE FOR PAYMENT FOR 2001
Pub. L. 106–554, §1(a)(6) [title IV, §401(o)], Dec. 21, 2000, 114 Stat. 2763, 2763A–503, provided that: “Notwithstanding the amendment made by subsection (a) [amending this section], for purposes of making payments under section 1833(t) of the Social Security Act..."
§ 1395j TITLE 42—THE PUBLIC HEALTH AND WELFARE Page 2782

(42 U.S.C. 1395(t)) for covered OPD services furnished during 2001, the medicare OPD fee schedule amount under such section—

"(1) for services furnished on or after January 1, 2001, and before April 1, 2001, shall be the medicare OPD fee schedule amount for 2001 as determined under the provisions of law in effect on the day before the date of the enactment of this Act [Dec. 21, 2000]; and

"(2) for services furnished on or after April 1, 2001, and before January 1, 2002, shall be the fee schedule amount (as determined taking into account the amendment made by subsection (a)), increased by a transitional percentage allowance equal to 0.32 percent (to account for the timing of implementation of the full market basket update).

TRANSITION PROVISIONS APPLICABLE TO SUBSECTION (1)(t)(B)

Pub. L. 106-554, §1(a)(6) [title IV, § 420(d)], Dec. 21, 2000, 114 Stat. 2763, 2763A-506, provided that:

"(1) IN GENERAL.—In the case of a medical device provided as part of a service (or group of services) furnished during the period before initial categories are implemented under subparagraph (B)(i) of section 1833(t)(6) of the Social Security Act [42 U.S.C. 1395(t)(6)(B)(i)] (as amended by subsection (a)), payment shall be made for such device under such section in accordance with the provisions in effect before the date of the enactment of this Act [Dec. 21, 2000]. In addition, beginning on the date that is 30 days after the date of the enactment of this Act, payment shall be made for such a device that is not included in a program memorandum described in such subparagraph if the Secretary of Health and Human Services determines that the device (including a device that would have been included in such program memorandum but for the requirement of subparagraph (A)(iv)(I) of that section) is likely to be described by such an initial category.

"(2) APPLICATION OF CURRENT PROCESS.—Notwithstanding any other provision of law, the Secretary shall continue to accept applications with respect to medical devices under the process established pursuant to paragraph (6) of section 1833(t) of the Social Security Act [42 U.S.C. 1395(t)(6)] (as in effect on the day before the date of the enactment of this Act [Dec. 21, 2000]) through December 1, 2000, and any device—

"(A) with respect to which an application was submitted (pursuant to such process) on or before such date; and

"(B)(i) that meets the requirements of clause (ii) or (iv) of subparagraph (A) of such paragraph (as determined pursuant to such process),

shall be treated as a device with respect to which an initial category is required to be established under subparagraph (B)(i) of such paragraph (as amended by subsection (a)(2))."

STUDY ON STANDARDS FOR SUPERVISION OF PHYSICAL THERAPIST ASSISTANTS

Pub. L. 106-554, §1(a)(6) [title IV, § 421(c)], Dec. 21, 2000, 114 Stat. 2763, 2763A-518, required the Secretary of Health and Human Services to conduct a study on the implications of eliminating the "in the room" supervision requirement for medicare payment for services of physical therapy assistants who are supervised by physical therapists and of such requirement on the cap imposed under subsec. (g) of this section on physical therapy services, and to submit to Congress a report on the study no later than 18 months after Dec. 21, 2000.

DELAY IN IMPLEMENTATION OF PROSPECTIVE PAYMENT SYSTEM FOR AMBULATORY SURGICAL CENTERS

Pub. L. 106-554, §1(a)(6) [title IV, § 424(a)], Dec. 21, 2000, 114 Stat. 2763, 2763A-518, provided that: "The Secretary of Health and Human Services may not implement a revised prospective payment system for services of ambulatory surgical facilities under section 1833(t) of the Social Security Act (42 U.S.C. 1395(t)) before January 1, 2002."

MEDPAC STUDY AND REPORT ON MEDICARE REIMBURSEMENT FOR SERVICES PROVIDED BY CERTAIN PROVIDERS

Pub. L. 106-554, §1(a)(6) [title IV, §434], Dec. 21, 2000, 114 Stat. 2763, 2763A-526, provided that:

"(a) STUDY.—The Medicare Payment Advisory Commission shall conduct a study on the appropriateness of the current payment rates under the medicare program under title XVIII of the Social Security Act [42 U.S.C. 1395 et seq.] for services provided by—

"(1) certified nurse-midwife (as defined in subsection (gg)(2) of section 1861 of such Act (42 U.S.C. 1395x));

"(2) physician assistant (as defined in subsection (aa)(5)(A) of such section);

"(3) nurse practitioner (as defined in such subsection); and

"(4) clinical nurse specialist (as defined in subsection (aa)(5)(B) of such section).

The study shall separately examine the appropriateness of such payment rates for orthopedic physician assistants, taking into consideration the requirements for accreditation, training, and education.

(b) REPORT.—Not later than 18 months after the date of the enactment of this Act [Dec. 21, 2000], the Commission shall submit to Congress a report on the study conducted under subsection (a), together with any recommendations for legislation that the Commission determines to be appropriate as a result of such study.

MEDPAC STUDY ON ACCESS TO OUTPATIENT PAIN MANAGEMENT SERVICES

Pub. L. 106-554, §1(a)(6) [title IV, §438], Dec. 21, 2000, 114 Stat. 2763, 2763A-526, provided that:

"(a) STUDY.—The Medicare Payment Advisory Commission shall conduct a study on the barriers to coverage and payment for outpatient interventional pain medicine procedures under the medicare program under title XVIII of the Social Security Act [42 U.S.C. 1395 et seq.]. Such study shall examine—

"(1) the specific barriers imposed under the medicare program on the provision of pain management procedures in hospital outpatient departments, ambulatory surgery centers, and physicians' offices; and

"(2) the consistency of medicare payment policies for pain management procedures in those different settings.

(b) REPORT.—Not later than 1 year after the date of the enactment of this Act [Dec. 21, 2000], the Commission shall submit to Congress a report on the study.

ESTABLISHMENT OF CODING AND PAYMENT PROCEDURES FOR NEW CLINICAL DIAGNOSTIC LABORATORY TESTS AND OTHER ITEMS ON A FEE SCHEDULE

Pub. L. 106-554, §1(a)(6) [title V, §531(b)], Dec. 21, 2000, 114 Stat. 2783, 2763A-547, provided that: "Not later than 1 year after the date of the enactment of this Act [Dec. 21, 2000], the Secretary of Health and Human Services shall establish procedures for coding and payment determinations for the categories of new clinical diagnostic laboratory tests and new durable medical equipment under part B of title XVIII of the Social Security Act [42 U.S.C. 1395 et seq.] that permit public consultation in a manner consistent with the procedures established for implementing coding modifications for ICD-9-CM."

REPORT ON PROCEDURES USED FOR ADVANCED, IMPROVED TECHNOLOGIES

Pub. L. 106-554, §1(a)(6) [title V, §531(c)], Dec. 21, 2000, 114 Stat. 2783, 2763A-547, provided that: "Not later than 1 year after the date of the enactment of this Act [Dec. 21, 2000], the Secretary of Health and Human Services shall submit to Congress a report that identifies the specific procedures used by the Secretary under part B of title XVIII of the Social Security Act [42 U.S.C. 1395]..."
et seq.) to adjust payments for clinical diagnostic laboratory tests and durable medical equipment which are classified to existing codes where, because of an advance in technology with respect to the test or equipment, there has been a significant increase or decrease in the resources used in the test or in the manufacture of the equipment, and there has been a significant improvement in the performance of the test or equipment. The report shall include such recommendations for changes in law as may be necessary to assure fair and appropriate payment levels under such part for such improved tests and equipment as reflects increased costs necessary to produce improved results.”

CONGRESSIONAL INTENTION REGARDING BASE AMOUNTS IN APPLYING HOPD FPS
Pub. L. 106–113, div. B, § 1000(a)(6) [title II, § 201(b)], Nov. 29, 1999, 113 Stat. 1356, 1501A–341, provided that: “With respect to determining the amount of copayments described in paragraph (3)(A)(ii) of section 1833(t) of such Act, in a budget neutral manner with respect to aggregate payments to hospitals, and that the Secretary of Health and Human Services has the authority to determine such amount without regard to such section.”

STUDY AND REPORT TO CONGRESS REGARDING SPECIAL TREATMENT OF RURAL AND CANCER HOSPITALS IN PROSPECTIVE PAYMENT SYSTEM FOR HOSPITAL OUT-PATIENT DEPARTMENT SERVICES
Pub. L. 106–113, div. B, § 1000(a)(6) [title II, § 203], Nov. 29, 1999, 113 Stat. 1356, 1501A–344, provided that: “(a) STUDY.—(1) IN GENERAL.—The Medicare Payment Advisory Commission (referred to in this section as ‘MedPAC’) shall conduct a study to determine the appropriateness (and the appropriate method) of providing payments to hospitals described in paragraph (2) for covered OPD services (as defined in paragraph (1)(B) of section 1833(c) of the Social Security Act [42 U.S.C. 1395l]) based on the prospective payment system established by the Secretary in accordance with such section.

(2) HOSPITALS DESCRIBED.—The hospitals described in this paragraph are the following: “(A) A Medicare-dependent, small rural hospital (as defined in section 1886(d)(5)(G)(iv) of the Social Security Act [42 U.S.C. 1395ww(d)(5)(G)(iv)]).

(B) A sole community hospital (as defined in section 1886(d)(5)(D)(ii) of such Act (42 U.S.C. 1395ww(d)(5)(D)(ii))).

(C) Rural health clinics (as defined in section 1861(s)(2) of such Act (42 U.S.C. 1395(s))).

(D) Rural referral centers (as defined under section 1899(d)(5)(C) of such Act (42 U.S.C. 1395ww(d)(5)(C))).

(E) Any other rural hospital with not more than 100 beds.

(F) Any other rural hospital that the Secretary determines appropriate.

(G) A hospital described in section 1886(d)(1)(B)(v) of such Act (42 U.S.C. 1395ww(d)(1)(B)(v)).

(b) REPORT.—Not later than 2 years after the date of the enactment of this Act [Nov. 29, 1999], MedPAC shall submit a report to the Secretary of Health and Human Services and Congress on the study conducted under subsection (a), together with any recommendations for legislation that MedPAC determines to be appropriate as a result of such study.

(c) COMMENTS.—Not later than 60 days after the date on which MedPAC submits the report under subsection (b) to the Secretary of Health and Human Services, the Secretary shall submit comments on such report to Congress.”

GAO STUDY ON RESOURCES REQUIRED TO PROVIDE SAFE AND EFFECTIVE OUTPATIENT CANCER THERAPY
Pub. L. 106–113, div. B, § 1000(a)(6) [title II, § 213], Nov. 29, 1999, 113 Stat. 1356, 1501A–350, provided that: “(a) STUDY.—The Comptroller General of the United States shall conduct a nationwide study to determine the physician and non-physician clinical resources necessary to provide safe outpatient cancer therapy services and the appropriate payment rates for such services under the medicare program. In making such determination, the Comptroller General shall—

(1) determine the adequacy of practice expense relative value units associated with the utilization of those clinical resources;

(2) determine the adequacy of work units in the practice expense formula; and

(3) assess various standards to assure the provision of safe outpatient cancer therapy services.

(b) REPORT TO CONGRESS.—The Comptroller General shall submit to Congress a report on the study conducted under subsection (a). The report shall include recommendations regarding practice expense adjustments to the payment methodology under part B of title XVIII of the Social Security Act [42 U.S.C. 1395 et seq.], including the development and inclusion of adequate work units to assure the adequacy of payment amounts for safe outpatient cancer therapy services. The study shall also include an estimate of the cost of implementing such recommendations.”

FOCUSED MEDICAL REVIEWS OF CLAIMS DURING MORATORIUM PERIOD
Pub. L. 106–113, div. B, § 1000(a)(6) [title II, § 221(a)(2)], Nov. 29, 1999, 113 Stat. 1356, 1501A–351, as amended by Pub. L. 106–554, § 1(a)(6) [title IV, § 421(b)], Dec. 21, 2000, 114 Stat. 2763, 2763A–516, provided that: “During years in which paragraph (4) of section 1833(g) of the Social Security Act (42 U.S.C. 1395ww(d)(5)(C)) applies, the Secretary of Health and Human Services shall conduct focused medical reviews of claims for reimbursement for services described in paragraph (1) or (3) of such section, with an emphasis on such claims for services that are provided to residents of skilled nursing facilities.”

STUDY AND REPORT ON UTILIZATION
Pub. L. 106–113, div. B, § 1000(a)(6) [title II, § 221(d)], Nov. 29, 1999, 113 Stat. 1356, 1501A–352, provided that: “(1) STUDY.—(A) IN GENERAL.—The Secretary of Health and Human Services shall conduct a study which compares—

(i) utilization patterns (including nationwide patterns, and patterns by region, type of setting, and diagnosis or condition) of outpatient physical therapy services, outpatient occupational therapy services, and speech-language pathology services that are covered under the medicare program under title XVIII of the Social Security Act (42 U.S.C. 1395) [42 U.S.C. 1395 et seq.] and provided on or after January 1, 2000, with

(ii) such patterns for services that were provided in 1998 and 1999.

(B) REVIEW OF CLAIMS.—In conducting the study under this subsection the Secretary of Health and Human Services shall review a statistically significant number of claims for reimbursement for the services described in subparagraph (A).

(2) REPORT.—Not later than June 30, 2001, the Secretary of Health and Human Services shall submit a report to Congress on the study conducted under paragraph (1), together with any recommendations for legislation that the Secretary determines to be appropriate as a result of such study.”

PHASE-IN OF FPS FOR AMBULATORY SURGICAL CENTERS
Secretary of Health and Human Services implements a revised prospective payment system for services of ambulatory surgical facilities under section 1833(i) of the Social Security Act (42 U.S.C. 1395l), prior to incorporating data from the 1999 Medicare cost survey or a subsequent cost survey, such system shall be implemented in a manner so that—

"(1) The charges or any its implementation, only a proportion (specified by the Secretary and not to exceed one-fourth) of the payment for such services shall be made in accordance with such system and the remainder shall be made in accordance with current regulations; and

"(2) in each of the following 2 years a proportion (specified by the Secretary and not to exceed one-half and three-fourths, respectively) of the payment for such services shall be made under such system and the remainder shall be made in accordance with current regulations.

By not later than January 1, 2003, the Secretary shall incorporate data from a 1999 Medicare cost survey or a subsequent cost survey for purposes of implementing or revising such system.

MEDPAC STUDY ON POSTSURGICAL RECOVERY CARE CENTER SERVICES


"(1) IN GENERAL.—The Medicare Payment Advisory Commission shall conduct a study on the cost-effectiveness and efficacy of covering under the medicare program under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.) services of a post-surgical recovery center (that provides an intermediate level of recovery care following surgery). In conducting such study the Commission shall consider data on these centers gathered in demonstration projects.

"(2) REPORT.—Not later than 1 year after the date of the enactment of this Act (Nov. 29, 1999), the Commission shall submit a report to Congress on such study and shall include in the report recommendations on the feasibility, costs, and savings of covering such services under the medicare program.

MEDICARE REIMBURSEMENT FOR TELEHEALTH SERVICES


"(1) IN GENERAL.—For services furnished on and after January 1, 1999, and before October 1, 2001, the Secretary of Health and Human Services shall make payments from the Federal Supplementary Medical Insurance Trust Fund under part B of title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.) for professional consultation via telecommunications systems with a physician (as defined in section 1861(r) of such Act) furnishing a service for which payment may be made under such part to a beneficiary described in paragraph (2), notwithstanding that the individual physician or practitioner providing the professional consultation is not at the same location as the physician or practitioner furnishing the service to that beneficiary.

"(2) BENEFICIARY DESCRIBED.—A beneficiary described in this paragraph is a beneficiary under the medicare program residing in a county in a rural area (as defined in section 1861(r)(7) of such Act) that is designated as a health professional shortage area under section 332(a)(1)(A) of the Public Health Service Act (42 U.S.C. 254f(a)(1)(A)), who is homebound or nursing homebound, and for whom being transferred for health care services imposes a serious hardship.

"(3) REPORT.—The report described in paragraph (1) shall contain a detailed statement of the potential costs and savings to the medicare program of making the payments described in that paragraph using various reimbursement schemes.

REPORT ON COVERAGE OF OUTPATIENT OCCUPATIONAL THERAPY SERVICES


"(A) the establishment of a mechanism for assuring appropriate utilization of outpatient physical ther-
apy services, outpatient occupational therapy services, and speech-language pathology services that are covered under the medicare program under title XVIII of the Social Security Act (42 U.S.C. 1395(f) et seq.); and

“(B) the establishment of an alternative payment policy for such services based on classification of individuals by diagnostic category, functional status, priority of use of services (in both inpatient and outpatient settings), and such other criteria as the Secretary determines appropriate, in place of the uniform dollar limitations specified in section 1833(g) of such Act (42 U.S.C. 1395(g)), as amended by paragraph (1).

The recommendations shall include how such a mechanism or policy might be implemented in a budget-neutral manner.”


STUDY AND REPORT ON CLINICAL LABORATORY TESTS

Pub. L. 105–33, title IV, §4535(c), Aug. 5, 1997, 111 Stat. 460, directed the Secretary to request the Institute of Medicine of the National Academy of Sciences to conduct a study of payments under part B of title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.) for clinical laboratory tests, including a review of the adequacy of the current methodology and recommendations regarding alternative payment systems analysis and of the relationship between such payment systems and access to high quality laboratory tests for medicare beneficiaries, including availability and access to new testing methodologies, and to report to Congress the results of the study and any recommendations for legislation not later than 2 years after Aug. 5, 1997.

ADJUSTMENTS TO PAYMENT AMOUNTS FOR NEW TECHNOLOGY INTRAOCULAR LENSES


“(1) ESTABLISHMENT OF PROCESS FOR REVIEW OF AMOUNTS.—Not later than 1 year after the date of the enactment of this Act [Oct. 31, 1994], the Secretary of Health and Human Services (in this subsection referred to as the ‘Secretary’) shall develop and implement a process under which interested parties may request review by the Secretary of the Secretary’s determination of the reimbursement amount provided under section 1833(i)(2)(A)(iii) of the Social Security Act (42 U.S.C. 1395 et seq.) with respect to a class of new technology intraocular lenses. For purposes of the preceding sentence, an intraocular lens may not be treated as a new technology lens unless it has been approved by the Food and Drug Administration.

“(2) FACTORS CONSIDERED.—In determining whether to provide an adjustment of payment with respect to a particular lens under paragraph (1), the Secretary shall take into account whether use of the lens is likely to result in reduced risk of intraoperative or postoperative complication or trauma, accelerated postoperative recovery, reduced induced astigmatism, improved postoperative visual acuity, more stable postoperative vision, or other comparable clinical advantages.

“(3) NOTICE AND COMMENT.—The Secretary shall publish notice in the Federal Register from time to time (but no less often than once each year) of a list of the requests that the Secretary has received for review under this subsection, and shall provide for a 30-day comment period on the lenses that are the subjects of the requests contained in such notice. The Secretary shall publish a notice of the Secretary’s determinations with respect to intraocular lenses listed in the notice within 90 days after the close of the comment period.

“(4) EFFECTIVE DATE OF ADJUSTMENT.—Any adjustment of a payment amount (or payment limit) made under this subsection shall become effective not later than 30 days after the date on which the notice with respect to the adjustment is published under paragraph (3).”

STUDY OF MEDICARE COVERAGE OF PATIENT CARE COSTS ASSOCIATED WITH CLINICAL TRIALS OF NEW CANCER THERAPIES

Pub. L. 103–432, title I, §142, Oct. 31, 1994, 108 Stat. 4426, directed Secretary of Health and Human Services to conduct a study, and to submit a report to Congress not later than 2 years after Oct. 31, 1994, of effects of expressly covering under medicare program patient care costs for beneficiaries enrolled in clinical trials of new cancer therapies, where protocol for the trial has been approved by the National Cancer Institute or met similar scientific and ethical standards, including approval by an institutional review board.

STUDY OF ANNUAL CAP ON AMOUNT OF MEDICARE PAYMENT FOR OUTPATIENT PHYSICAL THERAPY AND OCCUPATIONAL THERAPY SERVICES

Pub. L. 105–432, title I, §143, Oct. 31, 1994, 108 Stat. 4426, directed Secretary of Health and Human Services to submit to Congress, not later than Jan. 1, 1996, study and report on appropriateness of continuing annual limitation on amounts required for outpatient services of independently practicing physical and occupational therapists under medicare program, which was to include such recommendations for changes in such annual limitation as Secretary found appropriate.

AMBULATORY SURGICAL CENTER SERVICES; INFLATION UPDATE

Pub. L. 103–66, title XIII, §13531, Aug. 10, 1993, 107 Stat. 586, provided that: “The Secretary of Health and Human Services shall not provide for any inflation update in the payment amounts under subparagraphs (A) and (B) of section 1833(i)(2) of the Social Security Act (42 U.S.C. 1395(i)(2)(A), (B)) for fiscal year 1994 or for fiscal year 1995.”

FREEZE IN ALLOWANCE FOR INTRAOCULAR LENSES


RESTATEMENT


REPAYMENT OF PAYMENTS UNDER PART B DURING FINAL TWO MONTHS OF 1990

Pub. L. 101–508, title IV, §4158, Nov. 5, 1990, 104 Stat. 1388–89, provided that:

“(a) IN GENERAL.—Notwithstanding any other provision of law (including any other provision of this Act, other than subsection (b)(4)), payments under part B of title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.) for items and services furnished during the period beginning on November 1, 1990, and ending on December 31, 1990, shall be reduced by 2 percent, in accordance with subsection (b).
"(b) SPECIAL RULES FOR APPLICATION OF REDUCTION.—

"(1) PAYMENT ON THE BASIS OF COST REPORTING PERIODS.—In the case in which payment for services of a provider of services is made under part B of such title on a basis relating to the reasonable cost incurred for the services during a cost reporting period of the provider, the reduction made under subsection (a) shall be applied to payment for costs for such services incurred at any time during each cost reporting period of the provider any part of which occurs during the period described in such subsection, but only in the same proportion as the fraction of the cost reporting period that occurs during such period.

"(2) NO INCREASE IN BENEFICIARY CHARGES IN ASSIGNMENT-RELATED CASES.—If a reduction in payment amounts is made under subsection (a) for items or services for which payment under part B of such title is made on an assignment-related basis (as defined in section 1395dd of the Social Security Act [42 U.S.C. 1395dd]), the person furnishing the items or services shall be considered to have accepted payment of the reasonable charge for the items or services, less any reduction in payment amount made under subsection (a), as payment in full.

"(3) TREATMENT OF PAYMENTS TO HEALTH MAINTENANCE ORGANIZATIONS.—Subsection (a) shall not apply to payments under risk-sharing contracts under section 1377 of the Social Security Act [42 U.S.C. 1377a] or under similar contracts under section 402 of the Social Security Amendments of 1967 [Pub. L. 90–248, enacting section 1395b–1 of this title and amending section 1395f of this title] or section 222 of the Social Security Amendments of 1972 [Pub. L. 92–603, amending sections 1395b–1 and 1395f of this title and enacting provisions set out as a note under section 1395b–1 of this title]."

EFFECT ON STATE LAW

Conscientious objections of health care provider under State law unaffected by enactment of subsections (a)(1)(Q) and (f) of this section, see section 4206(c) of Pub. L. 101–508, set out as a note under section 1395cc of this title.

DEVELOPMENT OF CRITERIA REGARDING CONSULTATION WITH A PHYSICIAN

Pub. L. 100–203, title IV, §4050, Dec. 22, 1987, 101 Stat. 1330–98, directed Secretary of Health and Human Services to develop criteria with respect to payment for qualified psychologist services and clinical social worker services for which payment may be made directly to the psychologist or clinical social worker under part B of title XVIII of the Social Security Act [42 U.S.C. 1395dd seq.] under which such a psychologist or clinical social worker must agree to consult with a patient's attending physician in accordance with such criteria.

"[Pub. L. 103–432, title I, §147(b), Oct. 31, 1994, 108 Stat. 4429, provided that the amendment made by that section to section 6113(c) of Pub. L. 101–239, set out above, is effective with respect to services furnished on or after Jan. 1, 1991.]

STUDY OF REIMBURSEMENT FOR AMBULANCE SERVICES

Pub. L. 100–239, title VI, §6136, Dec. 19, 1988, 103 Stat. 2227, as amended by Pub. L. 103–432, title I, §147(b), Oct. 31, 1994, 108 Stat. 4429, directed Secretary of Health and Human Services to conduct a study to determine adequacy and appropriateness of payment amounts under this subsection for ambulance services and, not later than one year after Dec. 19, 1988, submit a report to Congress on results of the study, with report to include such recommendations for changes in medicare payment policy with respect to ambulance services as may be needed to ensure access by medicare beneficiaries to quality ambulance services in metropolitan and rural areas.

PROFAC STUDY OF PAYMENTS FOR SERVICES IN HOSPITAL OUTPATIENT DEPARTMENTS

Pub. L. 101–239, title VI, §6137, Dec. 19, 1988, 103 Stat. 2223, directed Prospective Payment Assessment Commission to conduct a study on payment under this subchapter for hospital outpatient services and, not later than July 1, 1990, and not later than Mar. 1, 1991, to submit reports to Congress on specified portions of the study, with the reports to include such recommendations as the Commission deemed appropriate. Prior to repeal by Pub. L. 103–432, title I, §147(c)(1), Oct. 31, 1994, 108 Stat. 4429.

BUDGET NEUTRALITY

Pub. L. 100–647, title VIII, §821(b), Nov. 10, 1988, 102 Stat. 3802, provided that: "The Secretary of Health and Human Services shall adjust the fees for transportation and personnel established in subsection (f) of this title (amending section 1395(b)(4) of the Social Security Act [42 U.S.C. 1395(b)(4)]) for tests not covered under the amendment made by subsection (a) (amending this section) in such manner that the total cost of fees under such section is the same as would have been the case without such amendment."

ADJUSTMENT OF CONTRACTS WITH PREPAID HEALTH PLANS

For requirement that Secretary of Health and Human Services modify contracts under subsection (a)(1)(A) of this section to take into account amendments made by Pub. L. 100–239 and that such organizations make appropriate adjustments in their agreements with medicare beneficiaries to take into account such amendments, see section 222 of Pub. L. 100–239, set out as a note under section 1395ddm of this title.

STUDY AND REPORT TO CONGRESS RESPECTING INCENTIVE PAYMENTS FOR PHYSICIANS' SERVICES FURNISHED IN UNDERSERVED AREAS

Pub. L. 100–203, title IV, §4053(b), Dec. 22, 1987, 101 Stat. 1330–86, directed Secretary to (1) conduct a study of the services during a cost reporting period of the provider any part of which occurs during the period described in such subsection, but only in the same proportion as the fraction of the cost reporting period that occurs during such period.

"(2) NO INCREASE IN BENEFICIARY CHARGES IN ASSIGNMENT-RELATED CASES.—If a reduction in payment amounts is made under subsection (a) for items or services for which payment under part B of such title is made on an assignment-related basis (as defined in section 1395dd of the Social Security Act [42 U.S.C. 1395dd]), the person furnishing the items or services shall be considered to have accepted payment of the reasonable charge for the items or services, less any reduction in payment amount made under subsection (a), as payment in full.

"(3) TREATMENT OF PAYMENTS TO HEALTH MAINTENANCE ORGANIZATIONS.—Subsection (a) shall not apply to payments under risk-sharing contracts under section 1377 of the Social Security Act [42 U.S.C. 1377a] or under similar contracts under section 402 of the Social Security Amendments of 1967 [Pub. L. 90–248, enacting section 1395b–1 of this title and amending section 1395f of this title] or section 222 of the Social Security Amendments of 1972 [Pub. L. 92–603, amending sections 1395b–1 and 1395f of this title and enacting provisions set out as a note under section 1395b–1 of this title]."

EFFECT ON STATE LAW

Conscientious objections of health care provider under State law unaffected by enactment of subsections (a)(1)(Q) and (f) of this section, see section 4206(c) of Pub. L. 100–203, set out as a note under section 1395cc of this title.

DEVELOPMENT OF CRITERIA REGARDING CONSULTATION WITH A PHYSICIAN


FER SCHEDULES FOR PHYSICIAN PATHOLOGY SERVICES


APPLYING COPAYMENT AND DEDUCTIBLE TO CERTAIN OUTPATIENT PHYSICIANS' SERVICES


OTHER PHYSICIAN PAYMENT STUDIES

Pub. L. 100–203, title IV, §4056(c), formerly §4055(c), Dec. 22, 1987, 101 Stat. 1330–99, as renumbered by Pub. L. 100–360, title IV, §411(f)(14), July 1, 1988, 102 Stat. 781, provided directed Secretary to (1) conduct a study of changes in the payment system for physicians' services, under part B, that would be required for the im-
implementation of a national fee schedule for such services furnished on or after Jan. 1, 1990, and report to Congress on such study by not later than July 1, 1989, (2) conduct a study of issues relating to the volume and intensity of physicians' services under part B and submit to Congress an interim report on such study not later than May 1, 1988, and a final report on such study not later than May 1, 1989, and (3) conduct a survey to determine distribution of (A) the liabilities and expenditures for health care services of individuals entitled to benefits under this subchapter, including liabilities for charges (not paid on an assignment-related basis) in excess of the reasonable charge recognized, and (B) the collection rates among different classes of physicians for such liabilities, including collection rates for required coinsurance and for charges (not paid on an assignment-related basis) in excess of the reasonable charge recognized, report to Congress on such study by not later than July 1, 1990.

STUDY OF PAYMENT FOR CHEMOTHERAPY IN PHYSICIAN'S OFFICES


STATE STANDARDS FOR DIRECTORS OF CLINICAL LABORATORIES

Pub. L. 99–509, title IX, § 9339(d), Oct. 21, 1986, 100 Stat. 2037, provided that:

“(1) IN GENERAL.—If a State (as defined for purposes of title XVIII of the Social Security Act [42 U.S.C. 1395 et seq.]) provides for the licensing or other standards with respect to the operation of clinical laboratories (including such laboratories in hospitals) in the State under which such a laboratory may be directed by an individual with certain qualifications, nothing in such title shall be construed as authorizing the Secretary of Health and Human Services to require such a laboratory, as a condition of payment or participation under such title, to be directed by an individual with other qualifications.

“(2) EFFECTIVE DATE.—Paragraph (1) shall take effect on January 1, 1987.

TRANSITIONAL PROVISIONS FOR PAYMENT OF FEES FOR CLINICAL DIAGNOSTIC LABORATORY TESTS

Pub. L. 99–272, title IX, § 9303(a)(3), Apr. 7, 1986, 100 Stat. 188, provided that: "The Secretary of Health and Human Services shall provide that the annual adjustment under section 1833(h) of the Social Security Act [42 U.S.C. 1395h(b)] for 1986—

“(A) shall take effect on January 1, 1987, 

“(B) shall apply for the 12-month period beginning on that date, and 

“(C) shall take into account the percentage increase or decrease in the Consumer Price Index for all urban consumers (United States city average) occurring over an 18-month period, rather than over a 12-month period.

EXTENSION OF MEDICARE PHYSICIAN PAYMENT PROVISIONS

Amount of payment under this part for physicians’ services furnished between Oct. 1, 1985, and Mar. 14, 1986, to be determined on the same basis as the amount of such services furnished on Sept. 30, 1985, see section 3(b) of Pub. L. 99–107, as amended, set out as a note under title 3495w of this title.

FER SCHEDULES FOR DIAGNOSTIC LABORATORY TESTS AND FEASIBILITY OF DIRECT PAYMENTS TO PHYSICIANS; REPORT TO CONGRESS

Pub. L. 98–369, div. B, title III, § 2303(i), July 18, 1984, 98 Stat. 1067, provided that:

“(1) The Comptroller General shall report to the Congress on—

“(A) the appropriateness of the fee schedules under section 1333(h) of the Social Security Act [42 U.S.C. 1395(h)] and their impact on the volume and quality of clinical diagnostic laboratory tests;

“(B) the potential impact of the adoption of a national fee schedule; and

“(C) the potential impact of applying a national fee schedule to clinical diagnostic laboratory tests provided by hospitals to their outpatients.

“(2) The Secretary of Health and Human Services shall report to the Congress with respect to the availability and feasibility of a system of direct payment to any physician for all clinical diagnostic laboratory tests ordered by such physician.

“(3) The reports required by paragraphs (1) and (2) shall be submitted not later than January 1, 1987.”

PACKER REMUNERATION REVIEW AND REFORM


“(1) The Secretary of Health and Human Services shall issue revisions to the current guidelines for the
payment under part B of title XVIII of the Social Security Act [42 U.S.C. 1395f et seq.] for the transtelephonic monitoring of cardiac pacemakers. Such revised guidelines shall include provisions regarding the specifications for and frequency of transtelephonic monitoring procedures which will be found to be reasonable and necessary.

"(2)(A) Except as provided in subparagraph (B), if the guidelines required by paragraph (1) have not been issued and put into effect by October 1, 1984, and until such guidelines have been issued and put into effect, payment may not be made under part B of title XVIII of the Social Security Act for transtelephonic monitoring procedures, with respect to a single-chamber cardiac pacemaker powered by lithium batteries, conducted more frequently than—

"(i) weekly during the first month after implantation,

"(ii) once every two months during the period representing 80 percent of the estimated life of the implanted device, and

"(iii) monthly thereafter.

"(B) Subparagraph (A) shall not apply in cases where the Secretary determines that special medical factors (including possible evidence of pacemaker or lead malfunction) justify more frequent transtelephonic monitoring procedures.

**PAYMENT FOR PREADMISSION DIAGNOSTIC TESTING PERFORMED IN PHYSICIAN’S OFFICE**

Pub. L. 98–369, div. B, title III, § 2305(f), July 18, 1984, 98 Stat. 170, provided that: "The amendments made by this section (amending this section and enacting provisions set out above) shall not be construed as prohibiting payment, subject to the applicable copayments, under part B of title XVIII of the Social Security Act [42 U.S.C. 1395f et seq.] for preadmission diagnostic testing performed in a physician’s office to the extent such testing is otherwise reimbursable under regulations of the Secretary."

**PROVIDERS OF SERVICES TO CALCULATE AND REPORT LESSER-OF-COST-OR-CHARGES DETERMINATIONS SEPARATELY WITH RESPECT TO PAYMENTS UNDER PARTS A AND B OF THIS SUBCHAPTER; ISSUANCE OF REGULATIONS**

For provision directing the Secretary to issue regulations requiring providers of services to calculate and report the lesser-of-cost-or-charges determinations separately with respect to payments for services under parts A and B of this subchapter other than diagnostic tests under subsec. (h) of this section, see section 2308(a) of Pub. L. 98–369, set out as a note under section 1395f of this title.

**DETERMINATION OF NOMINAL CHARGES FOR APPLYING NOMINALITY TEST**

For provision directing the Secretary to provide, in addition to other rules deemed appropriate, that charges representing 60 percent or less of costs be considered nominal for purposes of applying the nominality test under subsec. (a)(2)(B)(ii) of this section, see section 2308(b)(1) of Pub. L. 98–369, set out as a note under section 1395f of this title.

**STUDY OF MEDICARE PART B PAYMENTS; COMPILATION OF CENTRALIZED CHARGE DATA BASE; REPORT TO CONGRESS**

Pub. L. 98–369, div. B, title III, § 2309, July 18, 1984, 98 Stat. 1074, directed Director of Office of Technology Assessment to conduct a study of physician reimbursement under the Medicare program and make a report not later than Dec. 31, 1985, covering findings and recommendations on methods by which payment amounts and other program policies under the program might be modified, and directed that Secretary of Health and Human Services compile a centralized Medicare part B charge data base to aid in the study.

**MONITORING PROVISION OF HEPATITIS B VACCINE; REVIEW OF CHANGES IN MEDICAL TECHNOLOGY**

Pub. L. 98–369, div. B, title III, § 2323(e), July 18, 1984, 98 Stat. 1086, provided that: "The Secretary shall monitor the provision of hepatitis B vaccine under part B of title XVIII of the Social Security Act [42 U.S.C. 1395f et seq.], and shall review any changes in medical technology which may have an effect on the amounts which should be paid for such service."
(C) Exclusive payment rule

Subject to subparagraph (F)(ii), this subsection shall constitute the exclusive provision of this subchapter for payment for covered items under this part or under part A to a home health agency.

(D) Reduction in fee schedules for certain items

With respect to a seat-lift chair or transcutaneous electrical nerve stimulator furnished on or after April 1, 1990, the Secretary shall reduce the payment amount applied under subparagraph (B)(ii) for such an item by 15 percent, and, in the case of a transcutaneous electrical nerve stimulator furnished on or after January 1, 1991, the Secretary shall further reduce such payment amount (as previously reduced) by 45 percent.

(E) Clinical conditions for coverage

(i) In general

The Secretary shall establish standards for clinical conditions for payment for covered items under this subsection.

(ii) Requirements

The standards established under clause (i) shall include the specification of types or classes of covered items that require, as a condition of payment under this subsection, a face-to-face examination of the individual by a physician (as defined in section 1395x(r) of this title), a physician assistant, nurse practitioner, or a clinical nurse specialist (as those terms are defined in section 1395x(aa)(3) of this title) and a prescription for the item.

(iii) Priority of establishment of standards

In establishing the standards under this subparagraph, the Secretary shall first establish standards for those covered items for which the Secretary determines there has been a proliferation of use, consistent findings of charges for covered items that are not delivered, or consistent findings of falsification of documentation to provide for payment of such covered items under this part.

(iv) Standards for power wheelchairs

Effective on December 8, 2003, in the case of a covered item consisting of a motorized or power wheelchair for an individual, payment may not be made for such covered item unless a physician (as defined in section 1395x(r)(1) of this title), a physician assistant, nurse practitioner, or a clinical nurse specialist (as those terms are defined in section 1395x(aa)(5) of this title) has conducted a face-to-face examination of the individual and written a prescription for the item.

(v) Limitation on payment for covered items

Payment may not be made for a covered item under this subsection unless the item meets any standards established under this subparagraph for clinical condition of coverage.

(F) Application of competitive acquisition; limitation of inherent reasonableness authority

In the case of covered items furnished on or after January 1, 2011, subject to subparagraphs (G) and (H), that are included in a competitive acquisition program in a competitive acquisition area under section 1395w–3(a) of this title—

(i) the payment basis under this subsection for such items and services furnished in such area shall be the payment basis determined under such competitive acquisition program;

(ii) the Secretary may (and, in the case of covered items furnished on or after January 1, 2016, subject to clause (iii), shall) use information on the payment determined under such competitive acquisition program to adjust the payment amount otherwise recognized under subparagraph (B)(ii) for an area that is not a competitive acquisition area under section 1395w–3 of this title and in the case of such adjustment, paragraph (10)(B) shall not be applied; and

(iii) in the case of covered items furnished on or after January 1, 2016, the Secretary shall continue to make such adjustments described in clause (ii) as, under such competitive acquisition programs, additional covered items are phased in or information is updated as contracts under section 1395w–3 of this title are recompeted in accordance with section 1395w–3(b)(3)(B) of this title.

(G) Use of information on competitive bid rates

The Secretary shall specify by regulation the methodology to be used in applying the provisions of subparagraph (F)(ii) and subsection (h)(1)(H)(ii). In promulgating such regulation, the Secretary shall consider the costs of items and services in areas in which such provisions would be applied compared to the payment rates for such items and services in competitive acquisition areas. In the case of items and services furnished on or after January 1, 2019, in making any adjustments under clause (ii) or (iii) of subparagraph (F), under subsection (h)(1)(H)(ii), or under section 1395u(s)(3)(B) of this title, the Secretary shall—

(i) solicit and take into account stakeholder input; and

(ii) take into account the highest amount bid by a winning supplier in a competitive acquisition area and a comparison of each of the following with respect to non-competitive acquisition areas and competitive acquisition areas:

(I) The average travel distance and cost associated with furnishing items and services in the area.

(II) The average volume of items and services furnished by suppliers in the area.

(III) The number of suppliers in the area.
§ 1395m

Title 42—The Public Health and Welfare

(II) Diabetic supplies

(i) In general

On or after the date described in clause (ii), the payment amount under this part for diabetic supplies, including testing strips, that are non-mail order items (as defined by the Secretary) shall be equal to the single payment amounts established under the national mail order competition for diabetic supplies under section 1395w–3 of this title.

(ii) Date described

The date described in this clause is the date of the implementation of the single payment amounts under the national mail order competition for diabetic supplies under section 1395w–3 of this title.

(I) Treatment of vacuum erection systems

Effective for items and services furnished on and after July 1, 2015, vacuum erection systems described as prosthetic devices described in section 1395x(s)(8) of this title shall be treated in the same manner as erectile dysfunction drugs are treated for purposes of section 1395w–102(e)(2)(A) of this title.

(2) Payment for inexpensive and other routinely purchased durable medical equipment

(A) In general

Payment for an item of durable medical equipment (as defined in paragraph (13))—

(i) the purchase price of which does not exceed $150,

(ii) which the Secretary determines is acquired at least 75 percent of the time by purchase,

(iii) which is an accessory used in conjunction with a nebulizer, aspirator, or a ventilator excluded under paragraph (3)(A), or

(iv) in the case of devices furnished on or after October 1, 2015, which serves as a speech generating device or which is an accessory that is needed for the individual to effectively utilize such a device,

shall be made on a rental basis or in a lump sum amount for the purchase of the item. The payment amount recognized for purchase or rental of such equipment is the amount specified in subparagraph (B) for purchase or rental, except that the total amount of payments with respect to an item may not exceed the payment amount specified in subparagraph (B) with respect to the purchase of the item.

(B) Payment amount

For purposes of subparagraph (A), the amount specified in this subparagraph, with respect to the purchase or rental of an item furnished in a carrier service area—

(i) in 1989 and in 1990 is the average reasonable charge in the area for the purchase or rental, respectively, of the item for the 12-month period ending on June 30, 1987, increased by the percentage increase in the consumer price index for all urban consumers (U.S. city average) for the 6-month period ending with December 1987;

(ii) in 1991 is the sum of (I) 67 percent of the local payment amount for the item or device computed under subparagraph (C)(i)(I) for 1991, and (II) 33 percent of the national limited payment amount for the item or device computed under subparagraph (C)(ii) for 1991;

(iii) in 1992 is the sum of (I) 33 percent of the local payment amount for the item or device computed under subparagraph (C)(i)(II) for 1992, and (II) 67 percent of the national limited payment amount for the item or device computed under subparagraph (C)(ii) for 1992; and

(iv) in 1993 and each subsequent year is the national limited payment amount for the item or device computed under subparagraph (C)(ii) for that year (reduced by 10 percent, in the case of a blood glucose testing strip furnished after 1997 for an individual with diabetes).

(C) Computation of local payment amount and national limited payment amount

For purposes of subparagraph (B)—

(i) the local payment amount for an item or device for a year is equal to—

(I) for 1991, the amount specified in subparagraph (B)(i) for 1990 increased by the covered item update for 1991, and

(II) for 1992, 1993, and 1994, the amount determined under this clause for the preceding year increased by the covered item update for the year; and

(ii) the national limited payment amount for an item or device for a year is equal to—

(I) for 1991, the local payment amount determined under clause (i) for such item or device for that year, except that the national limited payment amount may not exceed 100 percent of the weighted average of all local payment amounts determined under such clause for such item for that year and may not be less than 85 percent of the weighted average of all local payment amounts determined under such clause for such item or device for that year, except that the national limited payment amount may not exceed 100 percent of the median of all local payment amounts determined under such clause for such item or device for that year and may not be less than 85 percent of the median of all local payment amounts determined under such clause for such item or device for that year, and

(II) for 1992 and 1993, the amount determined under this clause for the preceding year increased by the covered item update for such subsequent year;

(III) for 1994, the local payment amount determined under clause (i) for such item or device for that year, except that the national limited payment amount may not exceed 100 percent of the median of all local payment amounts determined under such clause for such item or device for that year, and

(IV) for each subsequent year, the amount determined under this clause for the preceding year increased by the covered item update for such subsequent year.

For purposes of subparagraph (B)—

(i) the national limited payment amount for an item or device for a year is equal to—

(I) for 1991, the amount specified in subparagraph (B)(i) for 1990 increased by the covered item update for 1991, and

(II) for 1992, 1993, and 1994, the amount determined under this clause for the preceding year increased by the covered item update for the year; and

(ii) the national limited payment amount for an item or device for a year is equal to—

(I) for 1991, the local payment amount determined under clause (i) for such item or device for that year, except that the national limited payment amount may not exceed 100 percent of the weighted average of all local payment amounts determined under such clause for such item for that year and may not be less than 85 percent of the weighted average of all local payment amounts determined under such clause for such item or device for that year, and

(II) for 1992 and 1993, the amount determined under this clause for the preceding year increased by the covered item update for such subsequent year;

(III) for 1994, the local payment amount determined under clause (i) for such item or device for that year, except that the national limited payment amount may not exceed 100 percent of the median of all local payment amounts determined under such clause for such item or device for that year, and

(IV) for each subsequent year, the amount determined under this clause for the preceding year increased by the covered item update for such subsequent year.
(3) Payment for items requiring frequent and substantial servicing

(A) In general
Payment for a covered item (such as IPPB machines and ventilators, excluding ventilators that are either continuous airway pressure devices or intermittently assist devices with continuous airway pressure devices) for which there must be frequent and substantial servicing in order to avoid risk to the patient's health shall be made on a monthly basis for the rental of the item and the amount recognized is the amount specified in subparagraph (B).

(B) Payment amount
For purposes of subparagraph (A), the amount specified in this subparagraph, with respect to an item or device furnished in a carrier service area—

(i) in 1989 and in 1990 is the average reasonable charge in the area for the rental of the item or device for the 12-month period ending with June 1987, increased by the percentage increase in the consumer price index for all urban consumers (U.S. city average) for the 6-month period ending with December 1987;

(ii) in 1991 is the sum of (I) 67 percent of the local payment amount for the item or device computed under subparagraph (C)(i)(I) for 1991, and (II) 33 percent of the national limited payment amount for the item or device computed under subparagraph (C)(ii) for 1991;

(iii) in 1992 is the sum of (I) 33 percent of the local payment amount for the item or device computed under subparagraph (C)(i)(II) for 1992, and (II) 67 percent of the national limited payment amount for the item or device computed under subparagraph (C)(ii) for 1992; and

(iv) in 1993 and each subsequent year is the national limited payment amount for the item or device computed under subparagraph (C)(ii) for that year.

(C) Computation of local payment amount and national limited payment amount
For purposes of subparagraph (B)—

(i) the local payment amount for an item or device for a year is equal to—

(1) for 1991, the amount specified in subparagraph (B)(i) for 1990 increased by the covered item update for 1991, and

(2) for 1992, 1993, and 1994, the amount determined under this clause for the preceding year increased by the covered item update for the year; and

(ii) the national limited payment amount for an item or device for a year is equal to—

(1) for 1991, the local payment amount determined under clause (i) for such item or device for that year, except that the national limited payment amount may not exceed 100 percent of the weighted average of all local payment amounts determined under such clause for such item for that year and may not be less than 85 percent of the weighted average of all local payment amounts determined under such clause for such item,

(2) for 1992 and 1993, the amount determined under this clause for the preceding year increased by the covered item update for such subsequent year,

(3) for 1994, the local payment amount determined under clause (i) for such item or device for that year, except that the national limited payment amount may not exceed 100 percent of the median of all local payment amounts determined under such clause for such item for that year and may not be less than 85 percent of the median of all local payment amounts determined under such clause for such item or device for that year, and

(4) for each subsequent year, the amount determined under this clause for the preceding year increased by the covered item update for such subsequent year.

(4) Payment for certain customized items
Payment with respect to a covered item that is uniquely constructed or substantially modified to meet the specific needs of an individual patient, and for that reason cannot be grouped with similar items for purposes of payment under this subchapter, shall be made in a lump-sum amount (A) for the purchase of the item in a payment amount based upon the carrier's individual consideration for that item, and (B) for the reasonable and necessary maintenance and servicing for parts and labor not covered by the supplier's or manufacturer's warranty, when necessary during the period of medical need, and the amount recognized for such maintenance and servicing shall be paid on a lump-sum, as needed basis based upon the carrier's individual consideration for that item.

(5) Payment for oxygen and oxygen equipment

(A) In general
Payment for oxygen and oxygen equipment shall be made on a monthly basis in the monthly payment amount recognized under paragraph (9) for oxygen and oxygen equipment (other than portable oxygen equipment), subject to subparagraphs (B), (C), (E), and (F).

(B) Add-on for portable oxygen equipment
When portable oxygen equipment is used, but subject to subparagraph (D), the payment amount recognized under subparagraph (A) shall be increased by the monthly payment amount recognized under paragraph (9) for portable oxygen equipment.

(C) Volume adjustment
When the attending physician prescribes an oxygen flow rate—

(i) exceeding 4 liters per minute, the payment amount recognized under subparagraph (A), subject to subparagraph (D), shall be increased by 50 percent, or

(ii) of less than 1 liter per minute, the payment amount recognized under subparagraph (A) shall be decreased by 50 percent.
(D) Limit on adjustment

When portable oxygen equipment is used and the attending physician prescribes an oxygen flow rate exceeding 4 liters per minute, there shall only be an increase under either subparagraph (B) or (C), whichever increase is larger, and not under both such subparagraphs.

(E) Recertification for patients receiving home oxygen therapy

In the case of a patient receiving home oxygen therapy services who, at the time such services are initiated, has an initial arterial blood gas value at or above a partial pressure of 56 or an arterial oxygen saturation at or above 89 percent (or such other values, pressures, or criteria as the Secretary may specify) no payment may be made under this paragraph for services after the expiration of the 90-day period that begins on the date the patient first receives such services unless the patient’s attending physician certifies that, on the basis of a follow-up test of the patient’s arterial blood gas value or arterial oxygen saturation conducted during the final 30 days of such 90-day period, there is a medical need for the patient to continue to receive such services.

(F) Rental cap

(i) In general

Payment for oxygen equipment (including portable oxygen equipment) under this paragraph may not extend over a period of continuous use (as determined by the Secretary) of longer than 36 months.

(ii) Payments and rules after rental

After the 36th continuous month during which payment is made for the equipment under this paragraph—

(I) the supplier furnishing such equipment under this subsection shall continue to furnish the equipment during any period of medical need for the remainder of the reasonable useful lifetime of the equipment, as determined by the Secretary;

(II) payments for oxygen shall continue to be made in the amount recognized for oxygen under paragraph (9) for the period of medical need; and

(III) maintenance and servicing payments shall, if the Secretary determines such payments are reasonable and necessary, be made (for parts and labor not covered by the supplier’s or manufacturer’s warranty, as determined by the Secretary to be appropriate for the equipment), and such payments shall be in an amount determined to be appropriate by the Secretary.

(6) Payment for other covered items (other than durable medical equipment)

Payment for other covered items (other than durable medical equipment and other covered items described in paragraph (3), (4), or (5)) shall be made in a lump-sum amount for the purchase of the item in the amount of the purchase price recognized under paragraph (8).

(7) Payment for other items of durable medical equipment

(A) Payment

In the case of an item of durable medical equipment not described in paragraphs (2) through (6), the following rules shall apply:

(i) Rental

(I) In general

Except as provided in clause (iii), payment for the item shall be made on a monthly basis for the rental of the item during the period of medical need (but payments under this clause may not extend over a period of continuous use (as determined by the Secretary) of longer than 13 months).

(II) Payment amount

Subject to subclause (III) and subparagraph (B), the amount recognized for the item, for each of the first 13 months of such period, is 10 percent of the purchase price recognized under paragraph (8) with respect to the item, and, for each of the remaining months of such period, is 7.5 percent of such purchase price.

(III) Special rule for power-driven wheelchairs

For purposes of payment for power-driven wheelchairs, subparagraph (B) shall be applied by substituting “15 percent” and “6 percent” for “10 percent” and “7.5 percent”, respectively.

(ii) Ownership after rental

On the first day that begins after the 13th continuous month during which payment is made for the rental of an item under clause (i), the supplier of the item shall transfer title to the item to the individual.

(iii) Purchase agreement option for complex, rehabilitative power-driven wheelchairs

In the case of a complex, rehabilitative power-driven wheelchair, at the time the supplier furnishes the item, the supplier shall offer the individual the option to purchase the item, and payment for such item shall be made on a lump-sum basis if the individual exercises such option.

(iv) Maintenance and servicing

After the supplier transfers title to the item under clause (ii) or in the case of a power-driven wheelchair for which a purchase agreement has been entered into under clause (iii), maintenance and servicing payments shall, if the Secretary determines such payments are reasonable and necessary, be made (for parts and labor not covered by the supplier’s or manufacturer’s warranty, as determined by the Secretary to be appropriate for the particular type of durable medical equipment), and such payments shall be in an amount determined to be appropriate by the Secretary.
(B) Range for rental amounts

(i) For 1989

For items furnished during 1989, the payment amount recognized under subparagraph (A)(i) shall not be more than 115 percent, and shall not be less than 85 percent, of the prevailing charge established for rental of the item in January 1987, increased by the percentage increase in the consumer price index for all urban consumers (U.S. City Average) for the 6-month period ending with December 1987.

(ii) For 1990

For items furnished during 1990, clause (i) shall apply in the same manner as it applies to items furnished during 1989.

(C) Replacement of items

(i) Establishment of reasonable useful lifetime

In accordance with clause (iii), the Secretary shall determine and establish a reasonable useful lifetime for items of durable medical equipment for which payment may be made under this paragraph.

(ii) Payment for replacement items

If the reasonable lifetime of such an item, as so established, has been reached during a continuous period of medical need, or the carrier determines that the item is lost or irreparably damaged, the patient may elect to have payment for an item serving as a replacement for such item made—

(I) on a monthly basis for the rental of the replacement item in accordance with subparagraph (A); or

(II) in the case of an item for which a purchase agreement has been entered into under subparagraph (A)(iii), in a lump-sum amount for the purchase of the item.

(iii) Length of reasonable useful lifetime

The reasonable useful lifetime of an item of durable medical equipment under this subparagraph shall be equal to 5 years, except that, if the Secretary determines that, on the basis of prior experience in making payments for such an item under this subchapter, a reasonable useful lifetime of 5 years is not appropriate with respect to a particular item, the Secretary shall establish an alternative reasonable lifetime for such item.

(8) Purchase price recognized for miscellaneous devices and items

For purposes of paragraphs (6) and (7), the amount that is recognized under this paragraph as the purchase price for a covered item is the amount described in subparagraph (C) of this paragraph, determined as follows:

(A) Computation of local purchase price

Each carrier under section 1395m of this title shall compute a base local purchase price for the item as follows:

(i) The carrier shall compute a base local purchase price, for each item described—

(I) in paragraph (6) equal to the average reasonable charges in the locality for the purchase of the item for the 12-month period ending with June 1987, or

(II) in paragraph (7) equal to the average of the purchase prices on the claims submitted on an assignment-related basis for the unused item supplied during the 6-month period ending with December 1986.

(ii) The carrier shall compute a local purchase price, with respect to the furnishing of each particular item—

(I) in 1989 and 1990, equal to the base local purchase price computed under clause (i) increased by the percentage increase in the consumer price index for all urban consumers (U.S. City Average) for the 6-month period ending with December 1987.

(II) in 1991, equal to the local purchase price computed under this clause for the previous year, increased by the covered item update for 1991, and decreased by the percentage by which the average of the reasonable charges for claims paid for all items described in paragraph (7) is lower than the average of the purchase prices submitted for such items during the final 9 months of 1988;1 or

(III) in 1992, 1993, and 1994, equal to the local purchase price computed under this clause for the previous year increased by the covered item update for the year.

(B) Computation of national limited purchase price

With respect to the furnishing of a particular item in a year, the Secretary shall compute a national limited purchase price—

(i) for 1991, equal to the local purchase price computed under subparagraph (A)(ii) for the item for the year, except that such national limited purchase price may not exceed 100 percent of the weighted average of all local purchase prices for the item computed under such subparagraph for the year, and may not be less than 85 percent of the weighted average of all local purchase prices for the item for the year, except that such national limited purchase price may not exceed 100 percent of the weighted average of all local purchase prices for the item computed under such subparagraph for the year;

(ii) for 1992 and 1993, the amount determined under this subparagraph for the preceding year increased by the covered item update for such subsequent year;

(iii) for 1994, the local purchase price computed under subparagraph (A)(ii) for the item for the year, except that such national limited purchase price may not exceed 100 percent of the median of all local purchase prices computed for the item under such subparagraph for the year and may not be less than 85 percent of the median of all local purchase prices computed under such subparagraph for the year for the year; and

(iv) for each subsequent year, equal to the amount determined under this subparagraph for the preceding year increased

1 So in original. The semicolon probably should be a comma.
§ 1395m

by the covered item update for such subsequent year.

(C) Purchase price recognized

For purposes of paragraphs (6) and (7), the amount that is recognized under this paragraph as the purchase price for each item furnished—

(i) in 1989 or 1990, is 100 percent of the local purchase price computed under subparagraph (A)(ii)(I);

(ii) in 1991, is the sum of (I) 67 percent of the local purchase price computed under subparagraph (A)(ii)(II) for 1991, and (II) 33 percent of the national limited purchase price computed under subparagraph (B) for 1991;

(iii) in 1992, is the sum of (I) 33 percent of the local purchase price computed under subparagraph (A)(ii)(III) for 1992, and (II) 67 percent of the national limited purchase price computed under subparagraph (B) for 1992; and

(iv) in 1993 or a subsequent year, is the national limited purchase price computed under subparagraph (B) for that year.

(9) Monthly payment amount recognized with respect to oxygen and oxygen equipment

For purposes of paragraph (5), the amount that is recognized under this paragraph for payment for oxygen and oxygen equipment is the monthly payment amount described in subparagraph (C) of this paragraph. Such amount shall be computed separately (i) for all items of oxygen and oxygen equipment (other than portable oxygen equipment) and (ii) for portable oxygen equipment (each such group referred to in this paragraph as an “item”).

(A) Computation of local monthly payment rate

Each carrier under this section shall compute a base local payment rate for each item as follows:

(i) The carrier shall compute a base local average monthly payment rate per beneficiary as an amount equal to (I) the total reasonable charges for the item during the 12-month period ending with December 1986, divided by (II) the total number of months for all beneficiaries receiving the item in the area during the 12-month period for which the carrier made payment for the item under this subchapter.

(ii) The carrier shall compute a local average monthly payment rate for the item applicable—

(I) to 1989 and 1990, equal to 95 percent of the base local average monthly payment rate computed under clause (i) for the item increased by the percentage increase in the consumer price index for all urban consumers (U.S. city average) for the 6-month period ending with December 1987, or

(II) to 1991, 1992, 1993, and 1994, equal to the local average monthly payment rate computed under this clause for the item for the previous year increased by the covered item increase for the year.

(B) Computation of national limited monthly payment rate

With respect to the furnishing of an item in a year, the Secretary shall compute a national limited monthly payment rate equal to—

(i) for 1991, the local monthly payment rate computed under subparagraph (A)(ii)(II) for the item for the year, except that such national limited monthly payment rate may not exceed 100 percent of the weighted average of all local monthly payment rates computed for the item under such subparagraph for the year, and may not be less than 85 percent of the weighted average of all local monthly payment rates computed for the item under such subparagraph for the year;

(ii) for 1992 and 1993, the amount determined under this subparagraph for the preceding year increased by the covered item update for such subsequent year;

(iii) for 1994, the local monthly payment rate computed under subparagraph (A)(ii) for the item for the year, except that such national limited monthly payment rate may not exceed 100 percent of the median of all local monthly payment rates computed for the item under such subparagraph for the year and may not be less than 85 percent of the median of all local monthly payment rates computed for the item under such subparagraph for the year;

(iv) for 1995, 1996, and 1997, equal to the amount determined under this subparagraph for the preceding year increased by the covered item update for such subsequent year;

(v) for 1998, 75 percent of the amount determined under this subparagraph for 1997; and

(vi) for 1999 and each subsequent year, 70 percent of the amount determined under this subparagraph for 1997.

(C) Monthly payment amount recognized

For purposes of paragraph (5), the amount that is recognized under this paragraph as the base monthly payment amount for each item furnished—

(i) in 1989 and in 1990, is 100 percent of the local average monthly payment rate computed under subparagraph (A)(ii) for the item;

(ii) in 1991, is the sum of (I) 67 percent of the local average monthly payment rate computed under subparagraph (A)(ii)(II) for the item for 1991, and (II) 33 percent of the national limited monthly payment rate computed under subparagraph (B)(i) for the item for 1991;

(iii) in 1992, is the sum of (I) 33 percent of the local average monthly payment rate computed under subparagraph (A)(ii)(III) for 1992, and (II) 67 percent of the national limited monthly payment rate computed under subparagraph (B)(ii) for the item for 1992; and

(iv) in a subsequent year, is the national limited monthly payment rate computed
under subparagraph (B) for the item for that year.

(D) Authority to create classes

(i) In general

Subject to clause (ii), the Secretary may establish separate classes for any item of oxygen and oxygen equipment and separate national limited monthly payment rates for each of such classes.

(ii) Budget neutrality

The Secretary may take actions under clause (i) only to the extent such actions do not result in expenditures for any year to be more or less than the expenditures which would have been made if such actions had not been taken.

(10) Exceptions and adjustments

(A) Areas outside continental United States

Exceptions to the amounts recognized under the previous provisions of this subsection shall be made to take into account the unique circumstances of covered items furnished in Alaska, Hawaii, or Puerto Rico.

(B) Adjustment for inherent reasonableness

The Secretary is authorized to apply the provisions of paragraphs (8) and (9) of section 1395w(b) of this title to covered items and suppliers of such items and payments under this subsection in an area and with respect to covered items and services for which the Secretary does not make a payment amount adjustment under paragraph (1)(F).

(C) Transcutaneous electrical nerve stimulator (TENS)

In order to permit an attending physician time to determine whether the purchase of a transcutaneous electrical nerve stimulator is medically appropriate for a particular patient, the Secretary may determine an appropriate payment amount for the initial rental of such item for a period of not more than 2 months. If such item is subsequently purchased, the payment amount with respect to such purchase is the payment amount determined under paragraph (1)(F).

(11) Improper billing and requirement of physician order

(A) Improper billing for certain rental items

Notwithstanding any other provision of this subchapter, a supplier of a covered item for which payment is made under this subsection and which is furnished on a rental basis shall continue to supply the item without charge (other than a charge provided under this subsection for the maintenance and servicing of the item) after rental payments may no longer be made under this subsection. If a supplier knowingly and willfully violates the previous sentence, the Secretary may apply sanctions against the supplier under section 1395w(4)(c)(3)(B) of this title that is enrolled under section 1395w(4)(c)(3)(B) of this title and has communicated to the supplier, before delivery of the item, a written order for the item.

(ii) Requirement for face to face encounter

The Secretary shall require that such an order be written pursuant to a physician, a physician assistant, a nurse practitioner, or a clinical nurse specialist (as those terms are defined in section 1395x(aa)(5) of this title) documenting such physician, physician assistant, practitioner, or specialist has had a face-to-face encounter (including through use of telehealth under subsection (m) and other than with respect to encounters that are incident to services involved) with the individual involved during the 6-month period preceding such written order, or other reasonable timeframe as determined by the Secretary.

(12) Regional carriers

The Secretary may designate, by regulation under section 1395u of this title, one carrier for one or more entire regions to process all claims within the region for covered items under this section.

(13) “Covered item” defined

In this subsection, the term “covered item” means durable medical equipment (as defined in section 1395x(n) of this title), including such equipment described in section 1395x(m)(5) of this title, but not including implantable items for which payment may be made under section 1395u of this title.

(14) Covered item update

In this subsection, the term “covered item update” means, with respect to a year—

(A) for 1991 and 1992, the percentage increase in the consumer price index for all urban consumers (U.S. city average) for the 12-month period ending with June of the previous year reduced by 1 percentage point;

(B) for 1993, 1994, 1995, 1996, and 1997, the percentage increase in the consumer price index for all urban consumers (U.S. city average) for the 12-month period ending with June of the previous year;

(C) for each of the years 1998 through 2000, 0 percentage points;

(D) for 2001, the percentage increase in the consumer price index for all urban consumers (U.S. city average) for the 12-month period ending with June 2000;

(E) for 2002, 0 percentage points;

(F) for 2003, the percentage increase in the consumer price index for all urban consumers (U.S. city average) for the 12-month period ending with June of 2002;

(G) for 2004 through 2006, 0 percentage points.

(i) subject to clause (ii), in the case of class III medical devices described in section 360c(a)(1)(C) of title 21, the percentage increase described in subparagraph (B) for the year involved; and
§ 1395m

Title 42—The Public Health and Welfare

Page 2796

(16) Disclosure of information and surety bond

The Secretary shall not provide for the issuance (or renewal) of a provider number for a supplier of durable medical equipment, for purposes of payment under this part for durable medical equipment furnished by the supplier, unless the supplier provides the Secretary on a continuing basis—

(A) with—

(i) full and complete information as to the identity of each person with an ownership or control interest (as defined in section 1320a–3(a)(3) of this title) in the supplier or any subcontractor (as defined by the Secretary in regulations) in which the supplier directly or indirectly has a 5 percent or more ownership interest; and

(ii) to the extent determined to be feasible under regulations of the Secretary, the name of any disclosing entity (as defined in section 1320a–3(a)(2) of this title) with respect to which a person with such an ownership or control interest in the supplier is a person with such an ownership or control interest in the disclosing entity; and

(B) with a surety bond in a form specified by the Secretary and in an amount that is not less than $50,000 that the Secretary determines is commensurate with the volume of the billing of the supplier.
The Secretary may waive the requirement of a bond under subparagraph (B) in the case of a supplier that provides a comparable surety bond under State law. The Secretary, at the Secretary's discretion, may impose the requirements of the first sentence with respect to some or all providers of items or services under part A or some or all suppliers or other persons (other than physicians or other practitioners, as defined in section 1395u(b)(18)(C) of this title) who furnish items or services under this part.

(17) Prohibition against unsolicited telephone contacts by suppliers

(A) In general

A supplier of a covered item under this subsection may not contact an individual enrolled under this part by telephone regarding the furnishing of a covered item to the individual unless 1 of the following applies:

(i) The individual has given written permission to the supplier to make contact by telephone regarding the furnishing of a covered item.

(ii) The supplier has furnished a covered item to the individual and the supplier is contacting the individual only regarding the furnishing of such covered item.

(iii) If the contact is regarding the furnishing of a covered item other than a covered item already furnished to the individual, the supplier has furnished at least 1 covered item to the individual during the 15-month period preceding the date on which the supplier makes such contact.

(B) Prohibiting payment for items furnished subsequent to unsolicited contacts

If a supplier knowingly contacts an individual in violation of subparagraph (A), no payment may be made under this part for any item subsequently furnished to the individual by the supplier.

(C) Exclusion from program for suppliers engaging in pattern of unsolicited contacts

If a supplier knowingly contacts individuals in violation of subparagraph (A) to such an extent that the supplier's conduct establishes a pattern of contacts in violation of such subparagraph, the Secretary shall exclude the supplier from participation in the programs under this chapter, in accordance with the procedures set forth in subsections (c), (f), and (g) of section 1320a-7 of this title.

(18) Refund of amounts collected for certain disallowed items

(A) In general

If a nonparticipating supplier furnishes to an individual enrolled under this part a covered item for which no payment may be made under this part by reason of paragraph (17)(B), the supplier shall refund on a timely basis to the patient (and shall be liable to the patient for) any amounts collected from the patient for the item, unless:

(i) the supplier did not know and could not reasonably have been expected to know that payment may not be made for the item by reason of paragraph (17)(B), or

(ii) before the item was furnished, the patient was informed that payment under this part may not be made for that item and the patient has agreed to pay for that item.

(B) Sanctions

If a supplier knowingly and willfully fails to make refunds in violation of subparagraph (A), the Secretary may apply sanctions against the supplier in accordance with section 1395u(j)(2) of this title.

(C) Notice

Each carrier with a contract in effect under this part with respect to suppliers of covered items shall send any notice of denial of payment for covered items by reason of paragraph (17)(B) and for which payment is not requested on an assignment-related basis to the supplier and the patient involved.

(D) Timely basis defined

A refund under subparagraph (A) is considered to be on a timely basis only if—

(i) in the case of a supplier who does not request reconsideration or seek appeal on a timely basis, the refund is made within 30 days after the date the supplier receives a denial notice under subparagraph (C), or

(ii) in the case in which such a reconsideration or appeal is taken, the refund is made within 15 days after the date the supplier receives notice of an adverse determination on reconsideration or appeal.

(19) Certain upgraded items

(A) Individual's right to choose upgraded item

Notwithstanding any other provision of this subchapter, the Secretary may issue regulations under which an individual may purchase or rent from a supplier an item of upgraded durable medical equipment for which payment would be made under this subsection if the item were a standard item.

(B) Payments to supplier

In the case of the purchase or rental of an upgraded item under subparagraph (A)—

(i) the supplier shall receive payment under this subsection with respect to such item as if such item were a standard item; and

(ii) the individual purchasing or renting the item shall pay the supplier an amount equal to the difference between the supplier's charge and the amount under clause (i).

In no event may the supplier's charge for an upgraded item exceed the applicable fee schedule amount (if any) for such item.

(C) Consumer protection safeguards

Any regulations under subparagraph (A) shall provide for consumer protection standards with respect to the furnishing of upgraded equipment under subparagraph (A). Such regulations shall provide for—

(i) determination of fair market prices with respect to an upgraded item;
§ 1395m

A pharmacy described in this clause is a pharmacy that meets each of the following criteria:

(i) The total billings by the pharmacy for such items and services under this paragraph—

(ii) Pharmacies described in clause (ii) furnishing such items and services, such standards and the accreditation requirement if the Secretary determines that licensing, accreditation, or other mandatory quality requirements apply to such professionals and persons; and

(iii) Items and services described in section 1395u(s)(2) of this title, and including such other persons, such as orthotists and prosthetists, as specified by the Secretary, furnishing such items and services—

(I) such standards and accreditation requirement shall not apply to such professionals and persons unless the Secretary determines that the standards being applied are designed specifically to be applied to such professionals and persons; and

(ii) the Secretary may exempt such professionals and persons from such standards and accreditation requirement if the Secretary determines that licensing, accreditation, or other mandatory quality requirements apply to such professionals and persons with respect to the furnishing of such items and services.

(B) Designation of independent accreditation organizations

Not later than the date that is 1 year after the date on which the Secretary implements the quality standards under subparagraph (A), notwithstanding section 1395bb(a) of this title, the Secretary shall designate and approve one or more independent accreditation organizations for purposes of such subparagraph.

(C) Quality standards

The Secretary may establish and implement quality standards for suppliers of items and services described in subparagraph (D) to comply with the quality standards under subparagraph (B) and with which such suppliers shall be required to comply in order to—

(i) furnish any such item or service for which payment is made under this part; and

(ii) receive or retain a provider or supplier number used to submit claims for reimbursement for any such item or service for which payment may be made under this part.

(D) Items and services described

The items and services described in this subparagraph (A) may not be less stringent than the quality standards that would otherwise apply if this paragraph did not apply and shall include consumer services standards.

(E) Implementation

The Secretary may establish by program instruction or otherwise the quality standards under this paragraph, including subparagraph (F), after consultation with representatives of relevant parties. Such standards shall be applied prospectively and shall be published on the Internet website of the Centers for Medicare & Medicaid Services.

(F) Application of accreditation requirement

In implementing quality standards under this paragraph—

(i) subject to clause (ii) and subparagraph (G), the Secretary shall require suppliers furnishing items and services described in subparagraph (D) on or after October 1, 2009, directly or as a subcontractor for another entity, to have submitted to the Secretary evidence of accreditation by an accreditation organization designated under subparagraph (B) as meeting applicable quality standards, except that the Secretary shall not require under this clause pharmacies to obtain such accreditation before January 1, 2010, except that the Secretary shall not require a pharmacy to have submitted to the Secretary such evidence of accreditation prior to January 1, 2011; and

(ii) in applying such standards and the accreditation requirement of clause (i) with respect to eligible professionals (as defined in section 1395w–4(k)(3)(B) of this title), and including such other persons, such as orthotists and prosthetists, as specified by the Secretary, furnishing such items and services—

(I) such standards and accreditation requirement shall not apply to such professionals and persons unless the Secretary determines that the standards being applied are designed specifically to be applied to such professionals and persons; and

(ii) the Secretary may exempt such professionals and persons from such standards and accreditation requirement if the Secretary determines that licensing, accreditation, or other mandatory quality requirements apply to such professionals and persons with respect to the furnishing of such items and services.
subchapter are less than 5 percent of total pharmacy sales, as determined based on the average total pharmacy sales for the previous 3 calendar years, 3 fiscal years, or other yearly period specified by the Secretary.

(II) The pharmacy has been enrolled under section 1395cc(f) of this title as a supplier of durable medical equipment, prosthetics, orthotics, and supplies, has been issued (which may include the renewal of) a provider number for at least 5 years, and for which a final adverse action (as defined in section 424.57(a) of title 42, Code of Federal Regulations) has not been imposed in the past 5 years.

(III) The pharmacy submits to the Secretary an attestation, in a form and manner, and at a time, specified by the Secretary, that the pharmacy meets the criteria described in subclauses (I) and (II). Such attestation shall be subject to section 1001 of title 18.

(IV) The pharmacy agrees to submit materials as requested by the Secretary, or during the course of an audit conducted on a random sample of pharmacies selected annually, to verify that the pharmacy meets the criteria described in subclauses (I) and (II). Materials submitted under the preceding sentence shall include a certification by an accountant on behalf of the pharmacy or the submission of tax returns filed by the pharmacy during the relevant periods, as requested by the Secretary.

(21) Special payment rule for specified items and supplies

(A) In general

Notwithstanding the preceding provisions of this subsection, for specified items and supplies (described in subparagraph (B)) furnished during 2005, the payment amount otherwise determined under this subsection for such specified items and supplies shall be reduced by the percentage difference between—

(i) the amount of payment otherwise determined for the specified item or supply under this subsection for 2002, and

(ii) the amount of payment for the specified item or supply under chapter 89 of title 5, as identified in the column entitled “Median FEHP Price” in the table entitled “SUMMARY OF MEDICARE PRICES COMPARED TO VA, MEDICAID, RETAIL, AND FEHP PRICES FOR 16 ITEMS” included in the Testimony of the Inspector General before the Senate Committee on Appropriations, June 12, 2002, or any subsequent report by the Inspector General.

(B) Specified item or supply described

For purposes of subparagraph (A), a specified item or supply means oxygen and oxygen equipment, standard wheelchairs (including standard power wheelchairs), nebulizers, diabetic supplies consisting of lancets and testing strips, hospital beds, and air mattresses, but only if the HCPCS code for the item or supply is identified in a table referred to in subparagraph (A)(ii).

(C) Application of update to special payment amount

The covered item update under paragraph (14) for specified items and supplies for 2006 and each subsequent year shall be applied to the payment amount under subparagraph (A) unless payment is made for such items and supplies under section 1395w–3 of this title.

(22) Special payment rule for diabetic supplies

Notwithstanding the preceding provisions of this subsection, for purposes of determining the payment amount under this subsection for diabetic supplies furnished on or after the first day of the calendar quarter during 2013 that is at least 30 days after January 2, 2013, and before the date described in paragraph (1)(H)(ii), the Secretary shall recalculate and apply the covered item update under paragraph (14) as if subparagraph (J)(i) of such paragraph was amended by striking “but only if furnished through mail order”.

(b) Fee schedules for radiologist services

(1) Development

The Secretary shall develop—

(A) a relative value scale to serve as the basis for the payment for radiologist services under this part, and

(B) using such scale and appropriate conversion factors and subject to subsection (c)(1)(A), fee schedules (on a regional, statewide, locality, or carrier service area basis) for payment for radiologist services under this part, to be implemented for such services furnished during 1989.

(2) Consultation

In carrying out paragraph (1), the Secretary shall consult closely with the Physician Payment Review Commission, the American College of Radiology, and other organizations representing physicians or suppliers who furnish radiologist services and shall share with them the data and data analysis being used to make the determinations under paragraph (1), including data on variations in current Medicare payments by geographic area, and by service and physician specialty.

(3) Considerations

In developing the relative value scale and fee schedules under paragraph (1), the Secretary—

(A) shall take into consideration variations in the cost of furnishing such services among geographic areas and among different sites where services are furnished, and

(B) may also take into consideration such other factors respecting the manner in which physicians in different specialties furnish such services as may be appropriate to assure that payment amounts are equitable and designed to promote effective and efficient provision of radiologist services by physicians in the different specialties.

(4) Savings

(A) Budget neutral fee schedules

The Secretary shall develop preliminary fee schedules for 1989, which are designed to
result in the same amount of aggregate payments (net of any coinsurance and deductibles under sections 1395(a)(1)(J) and 1395(b) of this title) for radiologist services furnished in 1989 as would have been made if this subsection had not been enacted.

(B) Initial savings

The fee schedules established for payment purposes under this subsection for services furnished in 1989 shall be 97 percent of the amounts permitted under the preliminary fee schedules developed under subparagraph (A).

(C) 1990 fee schedules

For radiologist services (other than portable X-ray services) furnished under this part during 1990, after March 31 of such year, the conversion factors used under this subsection shall be 96 percent of the conversion factors that applied under this subsection as of December 31, 1989.

(D) 1991 fee schedules

For radiologist services (other than portable X-ray services) furnished under this part during 1991, the conversion factors used in a locality under this subsection shall, subject to clause (vii), be reduced to the adjusted conversion factor for the locality determined as follows:

(i) National weighted average conversion factor

The Secretary shall estimate the national weighted average of the conversion factors used under this subsection for services furnished during 1990 beginning on April 1, using the best available data.

(ii) Reduced national weighted average

The national weighted average estimated under clause (i) shall be reduced by 13 percent.

(iii) Computation of 1990 locality index relative to national average

The Secretary shall establish an index which reflects, for each locality, the ratio of the conversion factor used in the locality under this subsection to the national weighted average estimated under clause (i).

(iv) Adjusted conversion factor

The adjusted conversion factor for the professional or technical component of a service in a locality is the sum of 1/2 of the locally-adjusted amount determined under clause (v) and 1/2 of the GPCI-adjusted amount determined under clause (vi).

(v) Locally-adjusted amount

For purposes of clause (iv), the locally adjusted amount determined under this clause is the product of (a) the portion of the reduced national weighted average conversion factor computed under clause (ii) which is attributable to physician work and (b) the geographic work index value for the locality specified in Addendum C to the Model Fee Schedule for Physician Services (published on September 4, 1990, 55 Federal Register pp. 36238–36243)); and

(ii) the product of (a) the remaining portion of the reduced national weighted average conversion factor computed under clause (ii), and (b) the geographic practice cost index value specified in section 1395u(b)(14)(C)(iv) of this title for the locality.

In applying this clause with respect to the professional component of a service, 80 percent of the conversion factor shall be considered to be attributable to physician work and with respect to the technical component of the service, 0 percent shall be considered to be attributable to physician work.

(vii) Limits on conversion factor

The conversion factor to be applied to a locality to the professional or technical component of a service shall not be reduced under this subparagraph by more than 9.5 percent below the conversion factor applied in the locality under subparagraph (C) to such component, but in no case shall the conversion factor be less than 60 percent of the national weighted average of the conversion factors (computed under clause (i)).

(E) Rule for certain scanning services

In the case of the technical components of magnetic resonance imaging (MRI) services and computer assisted tomography (CAT) services furnished after December 31, 1990, the amount otherwise payable shall be reduced by 10 percent.

(F) Subsequent updating

For radiologist services furnished in subsequent years, the fee schedules shall be the schedules for the previous year updated by the percentage increase in the MEI (as defined in section 1395u(i)(3) of this title) for the year.

(G) Nonparticipating physicians and suppliers

Each fee schedule so established shall provide that the payment rate recognized for nonparticipating physicians and suppliers is equal to the appropriate percent (as defined in section 1395u(b)(4)(A)(iv) of this title) of the payment rate recognized for participating physicians and suppliers.

(5) Limiting charges of nonparticipating physicians and suppliers

(A) In general

In the case of radiologist services furnished after January 1, 1989, for which payment is made under a fee schedule under this subsection, if a nonparticipating physician or supplier furnishes the service to an indi-
individual entitled to benefits under this part, the physician or supplier may not charge the individual more than the limiting charge (as defined in subparagraph (B)).

(B) “Limiting charge” defined

In subparagraph (A), the term “limiting charge” means, with respect to a service furnished—

(i) in 1989, 125 percent of the amount specified for the service in the appropriate fee schedule established under paragraph (1),

(ii) in 1990, 120 percent of the amount specified for the service in the appropriate fee schedule established under paragraph (1),

(iii) after 1990, 115 percent of the amount specified for the service in the appropriate fee schedule established under paragraph (1).

(C) Enforcement

If a physician or supplier knowingly and willfully bills in violation of subparagraph (A), the Secretary may apply sanctions against such physician or supplier in accordance with section 1395u(j)(2) of this title in the same manner as such sanctions may apply to a physician.

(6) “Radiologist services” defined

For the purposes of this subsection and section 1395(a)(1)(J) of this title, the term “radiologist services” only includes radiology services performed by, or under the direction or supervision of, a physician—

(A) who is certified, or eligible to be certified, by the American Board of Radiology,

(B) for whom radiology services account for at least 50 percent of the total amount of charges made under this part.

(c) Payment and standards for screening mammography

(1) In general

With respect to expenses incurred for screening mammography (as defined in section 1395x(j) of this title), payment may be made only—

(A) for screening mammography conducted consistent with the frequency permitted under paragraph (2); and

(B) if the screening mammography is conducted by a facility that has a certificate (or provisional certificate) issued under section 263b of this title.

(2) Frequency covered

(A) In general

Subject to revision by the Secretary under subparagraph (B)—

(i) no payment may be made under this part for screening mammography performed on a woman under 35 years of age;

(ii) payment may be made under this part for only one screening mammography performed on a woman over 34 years of age, but under 40 years of age; and

(iii) in the case of a woman over 39 years of age, payment may not be made under this part for screening mammography performed within 11 months following the month in which a previous screening mammography was performed.

(B) Revision of frequency

(i) Review

The Secretary, in consultation with the Director of the National Cancer Institute, shall review periodically the appropriate frequency for performing screening mammography, based on age and such other factors as the Secretary believes to be pertinent.

(ii) Revision of frequency

The Secretary, taking into consideration the review made under clause (i), may revise from time to time the frequency with which screening mammography may be paid for under this subsection.

(d) Frequency limits and payment for colorectal cancer screening tests

(1) Screening fecal-occult blood tests

(A) Payment amount

The payment amount for colorectal cancer screening tests consisting of screening fecal-occult blood tests is equal to the payment amount established for diagnostic fecal-occult blood tests under section 1395w–4 of this title.

(B) Frequency limit

No payment may be made under this part for a colorectal cancer screening test consisting of a screening fecal-occult blood test—

(i) if the individual is under 50 years of age;

(ii) if the test is performed within the 11 months after a previous screening fecal-occult blood test.

(2) Screening flexible sigmoidoscopies

(A) Fee schedule

With respect to colorectal cancer screening tests consisting of screening flexible sigmoidoscopies, payment under section 1395w–4 of this title shall be consistent with payment under such section for similar or related services.

(B) Payment limit

In the case of screening flexible sigmoidoscopy services, payment under this part shall not exceed such amount as the Secretary specifies, based upon the rates recognized for diagnostic flexible sigmoidoscopy services.

(C) Facility payment limit

(i) In general

Notwithstanding subsections (i)(2)(A) and (t) of section 1395l of this title, in the case of screening flexible sigmoidoscopy services furnished on or after January 1, 1999, that—

(I) in accordance with regulations, may be performed in an ambulatory surgical center and for which the Secretary permits ambulatory surgical center payments under this part, and
(II) are performed in an ambulatory surgical center or hospital outpatient department.

payment under this part shall be based on the lesser of the amount under the fee schedule that would apply to such services if they were performed in a hospital outpatient department in an area or the amount under the fee schedule that would apply to such services if they were performed in an ambulatory surgical center in the same area.

(ii) Limitation on coinsurance

Notwithstanding any other provision of this subchapter, in the case of a beneficiary who receives the services described in clause (i)—

(I) in computing the amount of any applicable copayment, the computation of such coinsurance shall be based upon the fee schedule under which payment is made for the services, and

(II) the amount of such coinsurance is equal to 25 percent of the payment amount under the fee schedule described in subclause (I).

(D) Special rule for detected lesions

If during the course of such screening flexible sigmoidoscopy, a lesion or growth is detected which results in a biopsy or removal of the lesion or growth, payment under this part shall not be made for the screening flexible sigmoidoscopy but shall be made for the procedure classified as a flexible sigmoidoscopy with such biopsy or removal.

(E) Frequency limit

No payment may be made under this part for a colorectal cancer screening test consisting of a screening flexible sigmoidoscopy—

(i) if the individual is under 50 years of age; or

(ii) if the procedure is performed within the 47 months after a previous screening flexible sigmoidoscopy or, in the case of an individual who is not at high risk for colorectal cancer, if the procedure is performed within the 119 months after a previous screening colonoscopy.

(3) Screening colonoscopy

(A) Fee schedule

With respect to colorectal cancer screening test consisting of a screening colonoscopy, payment under section 1395w–4 of this title shall be consistent with payment amounts under such section for similar or related services.

(B) Payment limit

In the case of screening colonoscopy services, payment under this part shall not exceed such amount as the Secretary specifies, based upon the rates recognized for diagnostic colonoscopy services.

(C) Facility payment limit

(i) In general

Notwithstanding subsections (i)(2)(A) and (b) of section 1395f of this title, in the case of screening colonoscopy services furnished on or after January 1, 1999, that are performed in an ambulatory surgical center or a hospital outpatient department, payment under this part shall be based on the lesser of the amount under the fee schedule that would apply to such services if they were performed in a hospital outpatient department in an area or the amount under the fee schedule that would apply to such services if they were performed in an ambulatory surgical center in the same area.

(ii) Limitation on coinsurance

Notwithstanding any other provision of this subchapter, in the case of a beneficiary who receives the services described in clause (i)—

(I) in computing the amount of any applicable coinsurance, the computation of such coinsurance shall be based upon the fee schedule under which payment is made for the services, and

(II) the amount of such coinsurance is equal to 25 percent of the payment amount under the fee schedule described in subclause (I).

(D) Special rule for detected lesions

If during the course of such screening colonoscopy, a lesion or growth is detected which results in a biopsy or removal of the lesion or growth, payment under this part shall not be made for the screening colonoscopy but shall be made for the procedure classified as a colonoscopy with such biopsy or removal.

(E) Frequency limit

No payment may be made under this part for a colorectal cancer screening test consisting of a screening colonoscopy for individuals at high risk for colorectal cancer if the procedure is performed within the 23 months after a previous screening colonoscopy or for other individuals if the procedure is performed within the 119 months after a previous screening colonoscopy or within 47 months after a previous screening flexible sigmoidoscopy.

(e) Accreditation requirement for advanced diagnostic imaging services

(1) In general

(A) In general

Beginning with January 1, 2012, with respect to the technical component of advanced diagnostic imaging services for which payment is made under the fee schedule established under section 1395w–4(b) of this title and that are furnished by a supplier, payment may only be made if such supplier is accredited by an accreditation organization designated by the Secretary under paragraph (2)(B)(i).2

(B) Advanced diagnostic imaging services defined

In this subsection, the term “advanced diagnostic imaging services” includes—

2So in original. Subpar. (B) of par. (2) does not contain clauses.
(i) diagnostic magnetic resonance imaging, computed tomography, and nuclear medicine (including positron emission tomography); and
(ii) such other diagnostic imaging services, including services described in section 1395w–4(b)(4)(B) of this title (excluding X-ray, ultrasound, and fluoroscopy), as specified by the Secretary in consultation with physician specialty organizations and other stakeholders.

(C) Supplier defined
In this subsection, the term “supplier” has the meaning given such term in section 1395x(d) of this title.

(2) Accreditation organizations

(A) Factors for designation of accreditation organizations

The Secretary shall consider the following factors in designating accreditation organizations under subparagraph (B)(i) and in reviewing and modifying the list of accreditation organizations designated pursuant to subparagraph (C):

(i) The ability of the organization to conduct timely reviews of accreditation applications.
(ii) Whether the organization has established a process for the timely integration of new advanced diagnostic imaging services into the organization’s accreditation program.
(iii) Whether the organization uses random site visits, site audits, or other strategies for ensuring accredited suppliers maintain adherence to the criteria described in paragraph (3).
(iv) The ability of the organization to take into account the capacities of suppliers located in a rural area (as defined in section 1395w(d)(2)(D) of this title).
(v) Whether the organization has established reasonable fees to be charged to suppliers applying for accreditation.
(vi) Such other factors as the Secretary determines appropriate.

(B) Designation

Not later than January 1, 2010, the Secretary shall designate organizations to accredit suppliers furnishing the technical component of advanced diagnostic imaging services. The list of accreditation organizations so designated may be modified pursuant to subparagraph (C).

(C) Review and modification of list of accreditation organizations

(i) In general

The Secretary shall review the list of accreditation organizations designated under subparagraph (B) taking into account the factors under subparagraph (A). Taking into account the results of such review, the Secretary may, by regulation, modify the list of accreditation organizations designated under subparagraph (B).

(ii) Special rule for accreditations done prior to removal from list of designated accreditation organizations

In the case where the Secretary removes an organization from the list of accreditation organizations designated under subparagraph (B), any supplier that is accredited by the organization during the period beginning on the date on which the organization is designated as an accreditation organization under subparagraph (B) and ending on the date on which the organization is removed from such list shall be considered to have been accredited by an organization designated by the Secretary under subparagraph (B) for the remaining period such accreditation is in effect.

(3) Criteria for accreditation

The Secretary shall establish procedures to ensure that the criteria used by an accreditation organization designated under paragraph (2)(B) to evaluate a supplier that furnishes the technical component of advanced diagnostic imaging services for the purpose of accreditation of such supplier is specific to each imaging modality. Such criteria shall include—

(A) standards for qualifications of medical personnel who are not physicians and who furnish the technical component of advanced diagnostic imaging services;
(B) standards for qualifications and responsibilities of medical directors and supervising physicians, including standards that recognize the considerations described in paragraph (4);
(C) procedures to ensure that equipment used in furnishing the technical component of advanced diagnostic imaging services meets performance specifications;
(D) standards that require the supplier have procedures in place to ensure the safety of persons who furnish the technical component of advanced diagnostic imaging services and individuals to whom such services are furnished;
(E) standards that require the establishment and maintenance of a quality assurance and quality control program by the supplier that is adequate and appropriate to ensure the reliability, clarity, and accuracy of the technical quality of diagnostic images produced by such supplier; and
(F) any other standards or procedures the Secretary determines appropriate.

(4) Recognition in standards for the evaluation of medical directors and supervising physicians

The standards described in paragraph (3)(B) shall recognize whether a medical director or supervising physician—

(A) in a particular specialty receives training in advanced diagnostic imaging services in a residency program;
(B) has attained, through experience, the necessary expertise to be a medical director or a supervising physician;
(C) has completed any continuing medical education courses relating to such services; or
(D) has met such other standards as the Secretary determines appropriate.

(5) Rule for accreditations made prior to designation

In the case of a supplier that is accredited before January 1, 2010, by an accreditation organization designated by the Secretary under paragraph (2)(B) as of January 1, 2010, such supplier shall be considered to have been accredited by an organization designated by the Secretary under such paragraph as of January 1, 2012, for the remaining period such accreditation is in effect.

(f) Reduction in payments for physician pathology services during 1991

(1) In general

For physician pathology services furnished under this part during 1991, the prevailing charges used in a locality under this part shall be 7 percent below the prevailing charges used in the locality under this part in 1990 after March 31.

(2) Limitation

The prevailing charge for the technical and professional components of an physician pathology service furnished by a physician through an independent laboratory shall not be reduced pursuant to paragraph (1) to the extent that such reduction would reduce such prevailing charge below 115 percent of the prevailing charge for the professional component of such service when furnished by a hospital-based physician in the same locality. For purposes of the preceding sentence, an independent laboratory is a laboratory that is independent of a hospital and separate from the attending or consulting physicians’ office.

(g) Payment for outpatient critical access hospital services

(1) In general

The amount of payment for outpatient critical access hospital services of a critical access hospital is equal to 101 percent of the reasonable costs of the hospital in providing such services, unless the hospital makes the election under paragraph (2).

(2) Election of cost-based hospital outpatient service payment plus fee schedule for professional services

A critical access hospital may elect to be paid for outpatient critical access hospital services amounts equal to the sum of the following, less the amount that such hospital may charge as described in section 1395(1)(d)(A) of this title:

(A) Facility fee

With respect to facility services, not including any services for which payment may be made under subparagraph (B), 101 percent of the reasonable costs of the critical access hospital in providing such services.

(B) Fee schedule for professional services

With respect to professional services otherwise included within outpatient critical access hospital services, 115 percent of such amounts as would otherwise be paid under this part if those services were not included in outpatient critical access hospital services. Subsections (x) and (y) of section 1395 of this title shall not be taken into account in determining the amounts that would otherwise be paid pursuant to the preceding sentence.

The Secretary may not require, as a condition for applying subparagraph (B) with respect to a critical access hospital, that each physician or other practitioner providing professional services in the hospital make billing rights with respect to such services, except that such subparagraph shall not apply to those physicians and practitioners who have not assigned such billing rights.

(3) Disregarding charges

The payment amounts under this subsection shall be determined without regard to the amount of the customary or other charge.

(4) Treatment of clinical diagnostic laboratory services

No coinsurance, deductible, copayment, or other cost-sharing otherwise applicable under this part shall apply with respect to clinical diagnostic laboratory services furnished as an outpatient critical access hospital service. Nothing in this subchapter shall be construed as providing for payment for clinical diagnostic laboratory services furnished as part of outpatient critical access hospital services, other than on the basis described in this subsection. For purposes of the preceding sentence and section 1395x(m)(3) of this title, clinical diagnostic laboratory services furnished by a critical access hospital shall be treated as being furnished as part of outpatient critical access services without regard to whether the individual with respect to whom such services are furnished is physically present in the critical access hospital, or in a skilled nursing facility or a clinic (including a rural health clinic) that is operated by a critical access hospital, at the time the specimen is collected.

(5) Coverage of costs for certain emergency room on-call providers

In determining the reasonable costs of outpatient critical access hospital services under paragraphs (1) and (2)(A), the Secretary shall recognize as allowable costs, amounts (as defined by the Secretary) for reasonable compensation and related costs for physicians, physician assistants, nurse practitioners, and clinical nurse specialists who are on-call (as defined by the Secretary) to provide emergency services but who are not present on the premises of the critical access hospital involved, and are not otherwise furnishing services covered under this subchapter and are not on-call at any other provider or facility.

(h) Payment for prosthetic devices and orthotics and prosthetics

(1) General rule for payment

Payment under this subsection for prosthetic devices and orthotics and prosthetics
shall be made in a lump-sum amount for the purchase of the item in an amount equal to 80 percent of the payment basis described in subparagraph (B).

(B) Payment basis

Except as provided in subparagraphs (C), (E), and (H)(i), the payment basis described in this subparagraph is the lesser of—

(i) the actual charge for the item; or

(ii) the amount recognized under paragraph (2) as the purchase price for the item.

(C) Exception for certain public home health agencies

Subparagraph (B)(i) shall not apply to an item furnished by a public home health agency which demonstrates to the satisfaction of the Secretary that a significant portion of its patients are low income free of charge or at nominal charges to the public.

(D) Exclusive payment rule

Subject to subparagraph (H)(ii), this subsection shall constitute the exclusive provision of this subchapter for payment for prosthetic devices, orthotics, and prosthetics under this part or under part A to a home health agency.

(E) Exception for certain items

Payment for ostomy supplies, tracheostomy supplies, and urologicals shall be made in accordance with subparagraphs (B) and (C) of subsection (a)(2).

(F) Special payment rules for certain prosthetics and custom-fabricated orthotics

(i) In general

No payment shall be made under this subsection for an item of custom-fabricated orthotics described in clause (ii) or for an item of prosthetics unless such item is—

(I) furnished by a qualified practitioner; and

(II) fabricated by a qualified practitioner or a qualified supplier at a facility that meets such criteria as the Secretary determines appropriate.

(ii) Description of custom-fabricated item

(I) In general

An item described in this clause is an item of custom-fabricated orthotics that requires education, training, and experience to custom-fabricate and that is included in a list established by the Secretary in subclause (II). Such an item does not include shoes and shoe inserts.

(II) List of items

The Secretary, in consultation with appropriate experts in orthotics (including national organizations representing manufacturers of orthotics), shall establish and update as appropriate a list of items to which this subparagraph applies. No item may be included in such list unless the item is individually fabricated for the patient over a positive model of the patient.

(iii) Qualified practitioner defined

In this subparagraph, the term “qualified practitioner” means a physician or other individual who—

(I) is a qualified physical therapist or a qualified occupational therapist;

(II) in the case of a State that provides for the licensing of orthotics and prosthetics, is licensed in orthotics or prosthetics by the State in which the item is supplied; or

(III) in the case of a State that does not provide for the licensing of orthotics and prosthetics, is specifically trained and educated to provide or manage the provision of prosthetics and custom-designed or -fabricated orthotics, and is certified by the American Board for Certification in Orthotics and Prosthetics, Inc. or by the Board for Orthotist/Prosthetist Certification, or is credentialed and approved by a program that the Secretary determines, in consultation with appropriate experts in orthotics and prosthetics, has training and education standards that are necessary to provide such prosthetics and orthotics.

(iv) Qualified supplier defined

In this subparagraph, the term “qualified supplier” means any entity that is accredited by the American Board for Certification in Orthotics and Prosthetics, Inc. or by the Board for Orthotist/Prosthetist Certification, or accredited and approved by a program that the Secretary determines has accreditation and approval standards that are essentially equivalent to those of such Board.

(G) Replacement of prosthetic devices and parts

(i) In general

Payment shall be made for the replacement of prosthetic devices which are artificial limbs, or for the replacement of any part of such devices, without regard to continuous use or useful lifetime restrictions if an ordering physician determines that the provision of a replacement device, or a replacement part of such a device, is necessary because of any of the following:

(I) A change in the physiological condition of the patient.

(II) An irreparable change in the condition of the device, or in a part of the device.

(III) The condition of the device, or the part of the device, requires repairs and the cost of such repairs would be more than 60 percent of the cost of a replacement device, or, as the case may be, of the part being replaced.

(ii) Confirmation may be required if device or part being replaced is less than 3 years old

If a physician determines that a replacement device, or a replacement part, is necessary pursuant to clause (i)—

(I) such determination shall be controlling; and
(II) such replacement device or part shall be deemed to be reasonable and necessary for purposes of section 1395y(a)(1)(A) of this title;

except that if the device, or part, being replaced is less than 3 years old (calculated from the date on which the beneficiary began to use the device or part), the Secretary may also require confirmation of necessity of the replacement device or replacement part, as the case may be.

(H) Application of competitive acquisition to orthotics; limitation of inherent reasonableness authority

In the case of orthotics described in paragraph (2)(C) of section 1395w–3(a) of this title furnished on or after January 1, 2011, subject to subsection (a)(1)(G), that are included in a competitive acquisition program in a competitive acquisition area under such section—

(i) the payment basis under this subsection for such orthotics furnished in such area shall be the payment basis determined under such competitive acquisition program; and

(ii) subject to subsection (a)(1)(G), the Secretary may use information on the payment determined under such competitive acquisition programs to adjust the payment amount otherwise recognized under subparagraph (A)(ii) for an area that is not a competitive acquisition area under section 1395w–3 of this title, and in the case of such adjustment, paragraphs (8) and (9) of section 1395u(b) of this title shall not be applied.

(2) Purchase price recognized

For purposes of paragraph (1), the amount that is recognized under this paragraph as the purchase price for each item furnished—

(A) Computation of local purchase price

Each carrier under section 1395u of this title shall compute a base local purchase price for the item as follows:

(i) The carrier shall compute a base local purchase price for each item equal to the average reasonable charge in the locality for the purchase of the item for the 12-month period ending with June 1987.

(ii) The carrier shall compute a local purchase price, with respect to the furnishing of each particular item—

(I) in 1989 and 1990, equal to the base local purchase price computed under clause (i) increased by the percentage increase in the consumer price index for all urban consumers (United States city average) for the 6-month period ending with December 1987, or

(II) in 1991, 1992 or 1993, equal to the local purchase price computed under this clause for the previous year increased by the applicable percentage increase for the year.

(B) Computation of regional purchase price

With respect to the furnishing of a particular item in each region (as defined by the Secretary), the Secretary shall compute a regional purchase price—

(i) for 1992, equal to the average (weighted by relative volume of all claims among carriers) of the local purchase prices for the carriers in the region computed under subparagraph (A)(ii)(II) for the year, and

(ii) for each subsequent year, equal to the regional purchase price computed under this subparagraph for the previous year increased by the applicable percentage increase for the year.

(C) Purchase price recognized

For purposes of paragraph (1) and subject to subparagraph (D), the amount that is recognized under this paragraph as the purchase price for each item furnished—

(i) in 1989, 1990, or 1991, is 100 percent of the local purchase price computed under subparagraph (A)(ii);

(ii) in 1992, is the sum of (I) 75 percent of the local purchase price computed under subparagraph (A)(ii)(II) for 1992, and (II) 25 percent of the regional purchase price computed under subparagraph (B) for 1992;

(iii) in 1993, is the sum of (I) 50 percent of the local purchase price computed under subparagraph (A)(ii)(II) for 1993, and (II) 50 percent of the regional purchase price computed under subparagraph (B) for 1993; and

(iv) in 1994 or a subsequent year, is the regional purchase price computed under subparagraph (B) for that year.

(D) Range on amount recognized

The amount that is recognized under subparagraph (C) as the purchase price for an item furnished—

(i) in 1992, may not exceed 125 percent, and may not be lower than 85 percent, of the average of the purchase prices recognized under such subparagraph for all the carrier service areas in the United States in that year; and

(ii) in a subsequent year, may not exceed 120 percent, and may not be lower than 90 percent, of the average of the purchase prices recognized under such subparagraph for all the carrier service areas in the United States in that year.

(3) Applicability of certain provisions relating to durable medical equipment

Paragraphs (12), (15), and (17) and subparagraphs (A) and (B) of paragraph (10) and paragraph (11) of subsection (a) shall apply to prosthetic devices, orthotics, and prosthetics in the same manner as such provisions apply to covered items under such subsection.

(4) Definitions

In this subsection—

(A) the term “applicable percentage increase” means—

(i) for 1991, 0 percent;

(ii) for 1992 and 1993, the percentage increase in the consumer price index for all
urban consumers (United States city average) for the 12-month period ending with June of the previous year;

(iii) for 1994 and 1995, 0 percent;

(iv) for 1996 and 1997, the percentage increase in the consumer price index for all urban consumers (United States city average) for the 12-month period ending with June of the previous year;

(v) for each of the years 1998 through 2000, 1 percent;

(vi) for 2001, the percentage increase in the consumer price index for all urban consumers (U.S. city average) for the 12-month period ending with June 2000;

(vii) for 2002, 1 percent;

(viii) for 2003, the percentage increase in the consumer price index for all urban consumers (United States city average) for the 12-month period ending with June of the previous year;

(ix) for 2004, 2005, and 2006, 0 percent;

(x) for each of 2007 through 2010, the percentage increase in the consumer price index for all urban consumers (United States city average) for the 12-month period ending with June of the previous year; and

(xi) for 2011 and each subsequent year—

(1) the percentage increase in the consumer price index for all urban consumers (United States city average) for the 12-month period ending with June of the previous year, reduced by—

(II) the productivity adjustment described in section 1395ww(b)(3)(B)(xi)(II) of this title.

The application of subparagraph (A)(xi)(II) may result in the applicable percentage increase under subparagraph (A) being less than 0.0 for a year, and may result in payment rates under this subsection for a year being less than such payment rates for the preceding year.

(B) the term “prosthetic devices” has the meaning given such term in section 1395x(s)(8) of this title, except that such term does not include parenteral and enteral nutrition nutrients, supplies, and equipment and does not include an implantable item for which payment may be made under section 1395(t) of this title; and

(C) the term “orthotics and prosthetics” has the meaning given such term in section 1395x(s)(9) of this title (and includes shoes described in section 1395x(s)(12) of this title), but does not include intraocular lenses or medical supplies (including catheters, catheter supplies, ostomy bags, and supplies related to ostomy care) furnished by a home health agency under section 1395x(m)(5) of this title.

(5) Documentation created by orthotists and prosthetists

For purposes of determining the reasonable-ness and medical necessity of orthotics and prosthetics, documentation created by an orthotist or prosthetist shall be considered part of the individual’s medical record to support documentation created by eligible professionals described in section 1395w–4(k)(3)(B) of this title.

(i) Payment for surgical dressings

(1) In general

Payment under this subsection for surgical dressings (described in section 1395x(s)(5) of this title) shall be made in a lump sum amount for the purchase of the item in an amount equal to 80 percent of the lesser of—

(A) the actual charge for the item; or

(B) a payment amount determined in accordance with the methodology described in subparagraphs (B) and (C) of subsection (a)(2) (except that in applying such methodology, the national limited payment amount referred to in such subparagraphs shall be initially computed based on local payment amounts using average reasonable charges for the 12-month period ending December 31, 1992, increased by the covered item updates described in such subsection for 1993 and 1994).

(2) Exceptions

Paragraph (1) shall not apply to surgical dressings that are—

(A) furnished as an incident to a physician’s professional service; or

(B) furnished by a home health agency.

(j) Requirements for suppliers of medical equipment and supplies

(1) Issuance and renewal of supplier number

(A) Payment

Except as provided in subparagraph (C), no payment may be made under this part after October 31, 1994, for items furnished by a supplier of medical equipment and supplies unless such supplier obtains (and renews at such intervals as the Secretary may require) a supplier number.

(B) Standards for possessing a supplier number

A supplier may not obtain a supplier number unless—

(i) for medical equipment and supplies furnished on or after October 31, 1994, before January 1, 1996, the supplier meets standards prescribed by the Secretary in regulations issued on June 18, 1992; and

(ii) for medical equipment and supplies furnished on or after January 1, 1996, the supplier meets revised standards prescribed by the Secretary (in consultation with representatives of suppliers of medical equipment and supplies, carriers, and consumers) that shall include requirements that the supplier—

(I) comply with all applicable State and Federal licensure and regulatory requirements;

(II) maintain a physical facility on an appropriate site;

(III) have proof of appropriate liability insurance; and

(IV) meet such other requirements as the Secretary may specify.

So in original.
(C) Exception for items furnished as incident to a physician’s service

Subparagraph (A) shall not apply with respect to medical equipment and supplies furnished incident to a physician’s service.

(D) Prohibition against multiple supplier numbers

The Secretary may not issue more than one supplier number to any supplier of medical equipment and supplies unless the issuance of more than one number is appropriate to identify subsidiary or regional entities under the supplier’s ownership or control.

(E) Prohibition against delegation of supplier determinations

The Secretary may not delegate (other than by contract under section 1395u of this title) the responsibility to determine whether suppliers meet the standards necessary to obtain a supplier number.

(2) Certificates of medical necessity

(A) Limitation on information provided by suppliers on certificates of medical necessity

(i) In general

Effective 60 days after October 31, 1994, a supplier of medical equipment and supplies may distribute to physicians, or to individuals entitled to benefits under this part, a certificate of medical necessity for commercial purposes which contains no more than the following information completed by the supplier:

(I) An identification of the supplier and the beneficiary to whom such medical equipment and supplies are furnished.

(II) A description of such medical equipment and supplies.

(III) Any product code identifying such medical equipment and supplies.

(IV) Any other administrative information (other than information relating to the beneficiary’s medical condition) identified by the Secretary.

(ii) Information on payment amount and charges

If a supplier distributes a certificate of medical necessity containing any of the information permitted to be supplied under clause (i), the supplier shall also list on the certificate of medical necessity the fee schedule amount and the supplier’s charge for the medical equipment or supplies being furnished prior to distribution of such certificate to the physician.

(iii) Penalty

Any supplier of medical equipment and supplies who knowingly and willfully distributes a certificate of medical necessity in violation of clause (i) or fails to provide the information required under clause (ii) is subject to a civil money penalty in an amount not to exceed $1,000 for each such certificate of medical necessity so distributed. The provisions of section 1320a–7a of this title (other than subsections (a) and (b)) shall apply to civil money penalties under this subparagraph in the same manner as they apply to a penalty or proceeding under section 1320a–7a(a) of this title.

(B) “Certificate of medical necessity” defined

For purposes of this paragraph, the term “certificate of medical necessity” means a form or other document containing information required by the carrier to be submitted to show that an item is reasonable and necessary for the diagnosis or treatment of illness or injury or to improve the functioning of a malformed body member.

(3) Coverage and review criteria

The Secretary shall annually review the coverage and utilization of items of medical equipment and supplies to determine whether such items should be made subject to coverage and utilization review criteria, and if appropriate, shall develop and apply such criteria to such items.

(4) Limitation on patient liability

If a supplier of medical equipment and supplies (as defined in paragraph (5))—

(A) furnishes an item or service to a beneficiary for which no payment may be made by reason of paragraph (1);

(B) furnishes an item or service to a beneficiary for which payment is denied in advance under subsection (a)(15); or

(C) furnishes an item or service to a beneficiary for which payment is denied under section 1395y(a)(1) of this title;

any expenses incurred for items and services furnished to an individual by such a supplier not on an assigned basis shall be the responsibility of such supplier. The individual shall have no financial responsibility for such expenses and the supplier shall refund on a timely basis to the individual (and shall be liable to the individual for) any amounts collected from the individual for such items or services. The provisions of subsection (a)(18) shall apply to refunds required under the previous sentence in the same manner as such provisions apply to refunds under such subsection.

(5) “Medical equipment and supplies” defined

The term “medical equipment and supplies” means—

(A) durable medical equipment (as defined in section 1395x(n) of this title);

(B) prosthetic devices (as described in section 1395x(s)(8) of this title);

(C) orthotics and prosthetics (as described in section 1395x(s)(9) of this title);

(D) surgical dressings (as described in section 1395x(s)(5) of this title);

(E) such other items as the Secretary may determine;

and

(F) for purposes of paragraphs (1) and (3)—

(i) home dialysis supplies and equipment (as described in section 1395x(s)(2)(F) of this title),

(ii) immunosuppressive drugs (as described in section 1395x(s)(2)(J) of this title),

(iii) therapeutic shoes for diabetics (as described in section 1395x(s)(12) of this title),
(iv) oral drugs prescribed for use as an anticancer therapeutic agent (as described in section 1395x(s)(2)(Q) of this title), and
(v) self-administered erythropoetin (as described in section 1395x(s)(2)(P) of this title).

(k) Payment for outpatient therapy services and comprehensive outpatient rehabilitation services

(1) In general
With respect to services described in section 1395f(a)(8) or 1395f(a)(9) of this title for which payment is determined under this subsection, the payment basis shall be—
(A) for services furnished during 1998, the amount determined under paragraph (2); or
(B) for services furnished during a subsequent year, 80 percent of the lesser of—
(i) the actual charge for the services, or
(ii) the applicable fee schedule amount
(as defined in paragraph (3)) for the services.

(2) Payment in 1998 based upon adjusted reasonable costs
The amount under this paragraph for services is the lesser of—
(A) the charges imposed for the services, or
(B) the adjusted reasonable costs (as defined in paragraph (4)) for the services,
less 20 percent of the amount of the charges imposed for such services.

(3) Applicable fee schedule amount
In this subsection, the term “applicable fee schedule amount” means, with respect to services furnished in a year, the amount determined under the fee schedule established under section 1395w–4 of this title for such services furnished during the year or, if there is no such fee schedule established for such services, the amount determined under the fee schedule established for such comparable services as the Secretary specifies.

(4) Adjusted reasonable costs
In paragraph (2), the term “adjusted reasonable costs” means, with respect to services, reasonable costs determined for such services, reduced by 10 percent. The 10-percent reduction shall not apply to services described in section 1395f(a)(8)(B) of this title (relating to services provided by hospitals).

(5) Uniform coding
For claims for services submitted on or after April 1, 1998, for which the amount of payment is determined under this subsection, the claim shall include a code (or codes) under a uniform coding system specified by the Secretary that identifies the services furnished.

(6) Restraint on billing
The provisions of subparagraphs (A) and (B) of section 1395u(b)(18) of this title shall apply to therapy services for which payment is made under this subsection in the same manner as they apply to services provided by a practitioner described in section 1395u(b)(18)(C) of this title.

(7) Adjustment in discount for certain multiple therapy services
In the case of therapy services furnished on or after April 1, 2013, and for which payment is made under this subsection pursuant to the applicable fee schedule amount (as defined in paragraph (3)), instead of the 25 percent multiple procedure payment reduction specified in the final rule published by the Secretary in the Federal Register on November 29, 2010, the reduction percentage shall be 50 percent.

(l) Establishment of fee schedule for ambulance services

(1) In general
The Secretary shall establish a fee schedule for payment for ambulance services whether provided directly by a supplier or provider or under arrangement with a provider under this part through a negotiated rulemaking process described in title 5 and in accordance with the requirements of this subsection.

(2) Considerations
In establishing such fee schedule, the Secretary shall—
(A) establish mechanisms to control increases in expenditures for ambulance services under this part;
(B) establish definitions for ambulance services which link payments to the type of services provided;
(C) consider appropriate regional and operational differences;
(D) consider adjustments to payment rates to account for inflation and other relevant factors; and
(E) phase in the application of the payment rates under the fee schedule in an efficient and fair manner consistent with paragraph (1), except that such phase-in shall provide for full payment of any national mileage rate for ambulance services provided by suppliers that are paid by carriers in any of the 50 States where payment by a carrier for such services for all such suppliers in such State did not, prior to the implementation of the fee schedule, include a separate amount for all mileage within the county from which the beneficiary is transported.

(3) Savings
In establishing such fee schedule, the Secretary shall—
(A) ensure that the aggregate amount of payments made for ambulance services under this part during 2000 does not exceed the aggregate amount of payments which would have been made for such services under this part during such year if the amendments made by section 4531(a) of the Balanced Budget Act of 1997 continued in effect, except that in making such determination the Secretary shall assume an update in such payments for 2002 equal to percentage increase in the consumer price index for all urban consumers (U.S. city average) for the 12-month period ending with June of the previous year reduced in the case of 2002 by 1.0 percentage points;
§ 1395m

TITLE 42—THE PUBLIC HEALTH AND WELFARE

Page 2810

(B) set the payment amounts provided under the fee schedule for services furnished in 2001 and each subsequent year at amounts equal to the payment amounts under the fee schedule for services furnished during the previous year, increased, subject to subparagraph (C) and the succeeding sentence of this paragraph, by the percentage increase in the consumer price index for all urban consumers (U.S. city average) for the 12-month period ending with June of the previous year reduced in the case of 2002 by 1.0 percentage points; and

(C) for 2011 and each subsequent year, after determining the percentage increase under subparagraph (B) for the year, reduce such percentage increase by the productivity adjustment described in section 1395ww(b)(3)(B)(xi)(II) of this title.

The application of subparagraph (C) may result in the percentage increase under subparagraph (B) being less than 0.0 for a year, and may result in payment rates under the fee schedule under this subsection for a year being less than such payment rates for the preceding year.

(4) Consultation

In establishing the fee schedule for ambulance services under this subsection, the Secretary shall consult with various national organizations representing individuals and entities who furnish and regulate ambulance services under this subsection, including matters described in section 1395x(mm)(1) of this title, or (A) by a critical access hospital (as defined in section 1395x(mm)(1) of this title), or (B) by an entity that is owned and operated by a critical access hospital, but only if the critical access hospital or entity is the only provider or supplier of ambulance services that is located within a 35-mile drive of such critical access hospital.

(9) Transitional assistance for rural providers

In the case of ground ambulance services furnished on or after July 1, 2001, and before January 1, 2004, for which the transportation originates in a rural area (as defined in section 1395ww(d)(2)(D) of this title) or in a rural census tract of a metropolitan statistical area (as determined under the most recent modification of the Goldsmith Modification, originally published in the Federal Register on February 27, 1992 (57 Fed. Reg. 6725)), the fee schedule established under this subsection shall provide that, with respect to the payment rate for mileage for a trip above 17 miles, and up to 50 miles, the rate otherwise established shall be increased by not less than ½ of the additional payment per mile established for the first 17 miles of such a trip originating in a rural area.

(10) Phase-in providing floor using blend of fee schedule and regional fee schedules

In carrying out the phase-in under paragraph (2)(E) for each level of ground service furnished in a year, the portion of the payment amount that is based on the fee schedule shall be the greater of the amount determined under such fee schedule (without regard to this paragraph) or the following blended rate of the fee schedule under paragraph (1) and of a regional fee schedule for the region involved:

(A) For 2004 (for services furnished on or after July 1, 2004), the blended rate shall be based 20 percent on the fee schedule under paragraph (1) and 80 percent on the regional fee schedule.

(B) For 2005, the blended rate shall be based 40 percent on the fee schedule under paragraph (1) and 60 percent on the regional fee schedule.

(C) For 2006, the blended rate shall be based 60 percent on the fee schedule under paragraph (1) and 40 percent on the regional fee schedule.

(D) For 2007, 2008, and 2009, the blended rate shall be based 80 percent on the fee schedule under paragraph (1) and 20 percent on the regional fee schedule.

(E) For 2010 and each succeeding year, the blended rate shall be based 100 percent on the fee schedule under paragraph (1).

For purposes of this paragraph, the Secretary shall establish a regional fee schedule for each of the nine census divisions (referred to in section 1395ww(d)(2) of this title) using the methodology (used in establishing the fee schedule under paragraph (1)) to calculate a regional conversion factor and a regional mileage payment rate and using the same payment adjustments and the same relative value units as used in the fee schedule under such paragraph.

(11) Adjustment in payment for certain long trips

In the case of ground ambulance services furnished on or after July 1, 2004, and before January 1, 2009, regardless of where the transportation originates, the fee schedule estab-
lished under this subsection shall provide that, with respect to the payment rate for mileage for a trip above 50 miles the per mile rate otherwise established shall be increased by \( \frac{1}{4} \) of the payment rate otherwise applicable to miles in excess of 50 miles in such trip.

(12) Assistance for rural providers furnishing services in low population density areas

(A) In general

In the case of ground ambulance services furnished on or after July 1, 2004, and before January 1, 2023, for which the transportation originates in a qualified rural area (identified under subparagraph (B)(iii)), the Secretary shall provide for a percent increase in the base rate of the fee schedule for a trip established under this subsection. In establishing such percent increase, the Secretary shall estimate the average cost per trip for such services (not taking into account mileage) in the lowest quartile as compared to the average cost per trip for such services (not taking into account mileage) in the highest quartile of all rural county populations.

(B) Identification of qualified rural areas

(i) Determination of population density in area

Based upon data from the United States decennial census for the year 2000, the Secretary shall determine, for each rural area, the population density for that area.

(ii) Ranking of areas

The Secretary shall rank each such area based on such population density.

(iii) Identification of qualified rural areas

The Secretary shall identify those areas (in subparagraph (A) referred to as “qualified rural areas”) with the lowest population densities that represent, if each such area were weighted by the population of such area (as used in computing such population densities), an aggregate total of 25 percent of the total of the population of all such areas.

(iv) Rural area

For purposes of this paragraph, the term “rural area” has the meaning given such term in section 1395w(d)(2)(D) of this title. If feasible, the Secretary shall treat a rural census tract of a metropolitan statistical area (as determined under the most recent modification of the Goldsmith Modification, originally published in the Federal Register on February 27, 1992 (57 Fed. Reg. 6725) as a rural area for purposes of this paragraph.

(v) Judicial review

There shall be no administrative or judicial review under section 1395ff, 1395oo of this title, or otherwise, respecting the identification of an area under this subparagraph.

(13) Temporary increase for ground ambulance services

(A) In general

After computing the rates with respect to ground ambulance services under the other applicable provisions of this subsection, in the case of such services furnished on or after July 1, 2004, and before January 1, 2007, and for such services furnished on or after July 1, 2008, and before January 1, 2023, for which the transportation originates in—

(i) a rural area described in paragraph (9) or in a rural census tract described in such paragraph, the fee schedule established under this section shall provide that the rate for the service otherwise established, after the application of any increase under paragraphs (11) and (12), shall be increased by 2 percent (or 3 percent if such service is furnished on or after July 1, 2008, and before January 1, 2023); and

(ii) an area not described in clause (i), the fee schedule established under this subsection shall provide that the rate for the service otherwise established, after the application of any increase under paragraph (11), shall be increased by 1 percent (or 2 percent if such service is furnished on or after July 1, 2008, and before January 1, 2023).

(B) Application of increased payments after applicable period

The increased payments under subparagraph (A) shall not be taken into account in calculating payments for services furnished after the applicable period specified in such subparagraph.

(14) Providing appropriate coverage of rural air ambulance services

(A) In general

The regulations described in section 1395x(s)(7) of this title shall provide, to the extent that any ambulance services (whether ground or air) may be covered under such section, that a rural air ambulance service (as defined in subparagraph (C)) is reimbursed under this subsection at the air ambulance rate if the air ambulance service—

(i) is reasonable and necessary based on the health condition of the individual being transported at or immediately prior to the time of the transport; and

(ii) complies with equipment and crew requirements established by the Secretary.

(B) Satisfaction of requirement of medically necessary

The requirement of subparagraph (A)(i) is deemed to be met for a rural air ambulance service if—

(i) subject to subparagraph (D), such service is requested by a physician or other qualified medical personnel (as specified by the Secretary) who certifies or reasonably determines that the individual’s condition is such that the time needed to transport the individual by land or the instability of transportation by land poses a threat to the individual’s survival
§ 1395m

(15) Payment adjustment for non-emergency ambulance transports for ESRD beneficiaries

The fee schedule amount otherwise applicable under the preceding provisions of this subsection shall be reduced by 10 percent for ambulance services furnished during the period beginning on October 1, 2013, and ending on September 30, 2018, and by 23 percent for such services furnished on or after October 1, 2018, consisting of non-emergency basic life support services involving transport of an individual with end-stage renal disease for renal dialysis services (as described in section 1395rr(b)(14)(B) of this title) furnished other than on an emergency basis by a provider of services or a renal dialysis facility.

(16) Prior authorization for repetitive scheduled non-emergency ambulance transports

(A) In general

Beginning January 1, 2017, if the expansion to all States of the model of prior authorization described in paragraph (2) of section 515(a) of the Medicare Access and CHIP Reauthorization Act of 2015 meets the requirements described in paragraphs (1) through (3) of section 1315a(c) of this title, then the Secretary shall expand such model to all States.

(B) Funding

The Secretary shall use funds made available under section 1395ddd(h)(10) of this title to carry out this paragraph.

(C) Clarification regarding budget neutrality

Nothing in this paragraph may be construed to limit or modify the application of section 1315a(b)(3)(B) of this title to models described in such section, including with respect to the model described in subparagraph (A) and expanded beginning on January 1, 2017, under such subparagraph.

(17) Submission of cost and other information

(A) Development of data collection system

The Secretary shall develop a data collection system (which may include use of a cost survey) to collect cost, revenue, utilization, and other information determined appropriate by the Secretary with respect to providers of services (in this paragraph referred to as “providers”) and suppliers of ground ambulance services. Such system shall be designed to collect information—

(i) needed to evaluate the extent to which reported costs relate to payment rates under this subsection;

(ii) on the utilization of capital equipment and ambulance capacity, including information consistent with the type of information described in section 1320a(a) of this title; and

(iii) on different types of ground ambulance services furnished in different geographic locations, including rural areas and low population density areas described in paragraph (12).

(B) Specification of data collection system

(i) In general

The Secretary shall—

(I) not later than December 31, 2019, specify the data collection system under subparagraph (A); and

(II) identify the providers and suppliers of ground ambulance services that would be required to submit information under such data collection system, including the representative sample described in clause (ii).

(ii) Determination of representative sample

(I) In general

Not later than December 31, 2019, with respect to the data collection for the first year under such system, and for each subsequent year through 2024, the
Secretary shall determine a representative sample to submit information under the data collection system.

(II) Requirements
The sample under subclause (I) shall be representative of the different types of providers and suppliers of ground ambulance services (such as those providers and suppliers that are part of an emergency service or part of a government organization) and the geographic locations in which ground ambulance services are furnished (such as urban, rural, and low population density areas).

(C) Reporting of cost information
For each year, a provider or supplier of ground ambulance services identified by the Secretary under subparagraph (B)(i)(II) as being required to submit information under the data collection system with respect to a period for the year shall submit to the Secretary information specified under the system. Such information shall be submitted in a form and manner, and at a time, specified by the Secretary for purposes of this subparagraph.

(D) Payment reduction for failure to report
(i) In general
Beginning January 1, 2022, subject to clause (ii), a 10 percent reduction to payments under this subsection shall be made for the applicable period (as defined in clause (ii)) to a provider or supplier of ground ambulance services that—

(I) is required to submit information under the data collection system with respect to a period under subparagraph (C); and

(II) does not sufficiently submit such information, as determined by the Secretary.

(ii) Applicable period defined
For purposes of clause (i), the term “applicable period” means, with respect to a provider or supplier of ground ambulance services, a year specified by the Secretary not more than 2 years after the end of the period with respect to which the Secretary has made a determination under clause (i)(II) that the provider or supplier of ground ambulance services failed to sufficiently submit information under the data collection system.

(iii) Hardship exemption
The Secretary may exempt a provider or supplier from the payment reduction under clause (i) with respect to an applicable period in the event of significant hardship, such as a natural disaster, bankruptcy, or other similar situation that the Secretary determines interfered with the ability of the provider or supplier of ground ambulance services to submit such information in a timely manner for the specified period.

(iv) Informal review
The Secretary shall establish a process under which a provider or supplier of ground ambulance services may seek an informal review of a determination that the provider or supplier is subject to the payment reduction under clause (i).

(E) Ongoing data collection
(i) Revision of data collection system
The Secretary may, as the Secretary determines appropriate and, if available, taking into consideration the report (or reports) under subparagraph (F), revise the data collection system under subparagraph (A).

(ii) Subsequent data collection
In order to continue to evaluate the extent to which reported costs relate to payment rates under this subsection and for other purposes the Secretary deems appropriate, the Secretary shall require providers and suppliers of ground ambulance services to submit information for years after 2024 as the Secretary determines appropriate, but in no case less often than once every 3 years.

(F) Ground ambulance data collection system study
(i) In general
Not later than March 15, 2023, and as determined necessary by the Medicare Payment Advisory Commission thereafter, the Commission shall assess, and submit to Congress a report on, information submitted by providers and suppliers of ground ambulance services through the data collection system under subparagraph (A), the adequacy of payments for ground ambulance services under this subsection, and geographic variations in the cost of furnishing such services.

(ii) Contents
A report under clause (i) shall contain the following:
(I) An analysis of information submitted through the data collection system.
(II) An analysis of any burden on providers and suppliers of ground ambulance services associated with the data collection system.
(III) A recommendation as to whether information should continue to be submitted through such data collection system or if such system should be revised under subparagraph (B)(i).
(IV) Other information determined appropriate by the Commission.

(G) Public availability
The Secretary shall post information on the results of the data collection under this paragraph on the Internet website of the Centers for Medicare & Medicaid Services, as determined appropriate by the Secretary.
§ 1395m

TITLE 42—THE PUBLIC HEALTH AND WELFARE

Page 2814

(H) Implementation

The Secretary shall implement this paragraph through notice and comment rulemaking.

(I) Administration

Chapter 35 of title 44 shall not apply to the collection of information required under this subsection.

(J) Limitations on review

There shall be no administrative or judicial review under section 1395ff of this title, section 1395oo of this title, or otherwise of the data collection system or identification of respondents under this paragraph.

(K) Funding for implementation

For purposes of carrying out subparagraph (A), the Secretary shall provide for the transfer, from the Federal Supplementary Medical Insurance Trust Fund under section 1395t of this title, of $15,000,000 to the Centers for Medicare & Medicaid Services Program Management Account for fiscal year 2018. Amounts transferred under this subparagraph shall remain available until expended.

(m) Payment for telehealth services

(1) In general

The Secretary shall pay for telehealth services that are furnished via a telecommunications system by a physician (as defined in section 1395x(r) of this title) or a practitioner (described in section 1395u(b)(18)(C) of this title) to an eligible telehealth individual enrolled under this part notwithstanding that the individual physician or practitioner providing the telehealth service is not at the same location as the beneficiary. For purposes of the preceding sentence, in the case of any Federal telemedicine demonstration program conducted in Alaska or Hawaii, the term “telecommunications system” includes store-and-forward technologies that provide for the asynchronous transmission of health care information in single or multimedia formats.

(2) Payment amount

(A) Distant site

The Secretary shall pay to a physician or practitioner located at a distant site that furnishes a telehealth service to an eligible telehealth individual an amount equal to the amount that such physician or practitioner would have been paid under this subchapter had such service been furnished without the use of a telecommunications system.

(B) Facility fee for originating site

(i) In general

Subject to clause (ii) and paragraph (6)(C), with respect to a telehealth service, subject to section 1395x(r)(1)(U) of this title, there shall be paid to the originating site a facility fee equal to—

(I) for the period beginning on October 1, 2001, and ending on December 31, 2001, and for 2002, $20; and

(II) for a subsequent year, the facility fee specified in subclause (I) or this sub-

clause for the preceding year increased by the percentage increase in the MEI (as defined in section 1395u(i)(3) of this title) for such subsequent year.

(ii) No facility fee if originating site is the home

No facility fee shall be paid under this subparagraph to an originating site described in paragraph (4)(C)(ii)(X).

(C) Telepresenter not required

Nothing in this subsection shall be construed as requiring an eligible telehealth individual to be presented by a physician or practitioner at the originating site for the furnishing of a service via a telecommunications system, unless it is medically necessary (as determined by the physician or practitioner at the distant site).

(3) Limitation on beneficiary charges

(A) Physician and practitioner

The provisions of section 1395w–4(g) of this title and subparagraphs (A) and (B) of section 1395u(b)(18) of this title shall apply to a physician or practitioner receiving payment under this subsection in the same manner as they apply to physicians or practitioners under such sections.

(B) Originating site

The provisions of section 1395u(b)(18) of this title shall apply to originating sites receiving a facility fee in the same manner as they apply to practitioners under such section.

(4) Definitions

For purposes of this subsection:

(A) Distant site

The term “distant site” means the site at which the physician or practitioner is located at the time the service is provided via a telecommunications system.

(B) Eligible telehealth individual

The term “eligible telehealth individual” means an individual enrolled under this part who receives a telehealth service furnished at an originating site.

(C) Originating site

(i) In general

Except as provided in paragraphs (5), (6), and (7), the term “originating site” means only those sites described in clause (ii) at which the eligible telehealth individual is located at the time the service is furnished via a telecommunications system and only if such site is located—

(I) in an area that is designated as a rural health professional shortage area under section 254e(a)(1)(A) of this title;

(II) in a county that is not included in a Metropolitan Statistical Area; or

(III) from an entity that participates in a Federal telemedicine demonstration project that has been approved by (or receives funding from) the Secretary of Health and Human Services as of December 31, 2000.
(ii) Sites described

The sites referred to in clause (i) are the following sites:

(I) The office of a physician or practitioner,

(II) A critical access hospital (as defined in section 1395x(mm)(1) of this title).

(III) A rural health clinic (as defined in section 1395x(aa)(2) of this title).

(IV) A Federally qualified health center (as defined in section 1395x(aa)(4) of this title).

(V) A hospital (as defined in section 1395x(e) of this title).

(VI) A hospital-based or critical access hospital-based renal dialysis center (including satellites).

(VII) A skilled nursing facility (as defined in section 1395x(mm)(1) of this title).

(VIII) A community mental health center (as defined in section 1395x(k)(3)(B) of this title).

(IX) A renal dialysis facility, but only for purposes of section 1395rr(b)(3)(B) of this title.

(X) The home of an individual, but only for purposes of section 1395rr(b)(3)(B) of this title or telehealth services described in paragraph (7).

(D) Physician

The term “physician” has the meaning given that term in section 1395x(r) of this title.

(E) Practitioner

The term “practitioner” has the meaning given that term in section 1395u(b)(18)(C) of this title.

(F) Telehealth service

(i) In general

The term “telehealth service” means professional consultations, office visits, and office psychiatry services (identified as of July 1, 2000, by HCPCS codes 99241–99275, 99291–99215, 90804–90809, and 90842 and as subsequently modified by the Secretary), and any additional service specified by the Secretary.

(ii) Yearly update

The Secretary shall establish a process that provides, on an annual basis, for the addition or deletion of services (and HCPCS codes), as appropriate, to those specified in clause (i) for authorized payment under paragraph (1).

(5) Treatment of home dialysis monthly ESRD-related visit

The geographic requirements described in paragraph (4)(C)(i) shall not apply with respect to telehealth services furnished on or after January 1, 2019, for purposes of section 1395rr(b)(3)(B) of this title, at an originating site described in subparagraph (A) if the originating site does not otherwise meet the requirements for an originating site under paragraph (4)(C).

(6) Treatment of stroke telehealth services

(A) Non-application of originating site requirements

The requirements described in paragraph (4)(C) shall not apply with respect to telehealth services furnished on or after January 1, 2019, for purposes of diagnosis, evaluation, or treatment of symptoms of an acute stroke, as determined by the Secretary.

(B) Inclusion of certain sites

With respect to telehealth services described in subparagraph (A), the term “originating site” shall include any hospital (as defined in section 1395x(e) of this title) or critical access hospital (as defined in section 1395x(mm)(1) of this title), any mobile stroke unit (as defined by the Secretary), or any other site determined appropriate by the Secretary, at which the eligible telehealth individual is located at the time the service is furnished via a telecommunications system.

(C) No originating site facility fee for new sites

No facility fee shall be paid under paragraph (2)(B) to an originating site with respect to a telehealth service described in subparagraph (A) if the originating site does not otherwise meet the requirements for an originating site under paragraph (4)(C).

(7) Treatment of substance use disorder services furnished through telehealth

The geographic requirements described in paragraph (4)(C)(i) shall not apply with respect to telehealth services furnished on or after July 1, 2019, to an eligible telehealth individual with a substance use disorder diagnosis for purposes of treatment of such disorder or co-occurring mental health disorder, as determined by the Secretary, at an originating site described in paragraph (4)(C)(i) (other than an originating site described in subclause (IX) of such paragraph).

(n) Authority to modify or eliminate coverage of certain preventive services

Notwithstanding any other provision of this subchapter, effective beginning on January 1, 2010, if the Secretary determines appropriate, the Secretary may—

(1) modify—

(A) the coverage of any preventive service described in subparagraph (A) of section 1395x(ddd)(3) of this title to the extent that such modification is consistent with the recommendations of the United States Preventive Services Task Force; and

(B) the services included in the initial preventive physical examination described in subparagraph (B) of such section; and

(2) provide that no payment shall be made under this subchapter for a preventive service described in subparagraph (A) of such section that has not received a grade of A, B, C, or I by such Task Force.

(o) Development and implementation of prospective payment system

(1) Development

(A) In general

The Secretary shall develop a prospective payment system for payment for Federally qualified health center services furnished by Federally qualified health centers under this
§ 1395m

TITe2—THE PUBLIC HEALTH AND WELFARE

Page 2816

subchapter. Such system shall include a process for appropriately describing the services furnished by Federally qualified health centers and shall establish payment rates for specific payment codes based on such appropriate descriptions of services. Such system shall be established to take into account the type, intensity, and duration of services furnished by Federally qualified health centers. Such system may include adjustments, including geographic adjustments, determined appropriate by the Secretary.

(B) Collection of data and evaluation

By not later than January 1, 2011, the Secretary shall require Federally qualified health centers to submit to the Secretary such information as the Secretary may require in order to develop and implement the prospective payment system under this subsection, including the reporting of services using HCPCS codes.

(2) Implementation

(A) In general

Notwithstanding section 1395f(a)(3)(A) of this title, the Secretary shall provide, for cost reporting periods beginning on or after October 1, 2014, for payments of prospective payment rates for Federally qualified health center services furnished by Federally qualified health centers under this subchapter in accordance with the prospective payment system developed by the Secretary under paragraph (1).

(B) Payments

(i) Initial payments

The Secretary shall implement such prospective payment system so that the estimated aggregate amount of prospective payment rates (determined prior to the application of section 1395f(a)(1)(Z) of this title) under this subchapter for Federally qualified health center services in the first year that such system is implemented is equal to 100 percent of the estimated amount of reasonable costs (determined without the application of a per visit payment limit or productivity screen and prior to the application of section 1395cc(a)(2)(A)(ii) of this title) that would have occurred for such services under this subchapter in such year if the system had not been implemented.

(ii) Payments in subsequent years

Payment rates in years after the year of implementation of such system shall be the payment rates in the previous year increased—

(I) in the first year after implementation of such system, by the percentage increase in the MEI (as defined in section 1395u(i)(3) of this title) for the year involved; and

(II) in subsequent years, by the percentage increase in a market basket of Federally qualified health center goods and services as promulgated through regulations, or if such an index is not available, by the percentage increase in the MEI (as defined in section 1395u(i)(3) of this title) for the year involved.

(C) Preparation for PPS implementation

Notwithstanding any other provision of law, the Secretary may establish and implement by program instruction or otherwise the payment codes to be used under the prospective payment system under this section.

(3) Additional payments for certain FQHCS with physicians or other practitioners receiving data 2000 waivers

(A) In general

In the case of a Federally qualified health center with respect to which, beginning on or after January 1, 2019, Federally qualified health center services (as defined in section 1395x(aa)(3) of this title) are furnished for the treatment of opioid use disorder by a physician or practitioner described in subparagraph (C), the Secretary shall, subject to availability of funds under subparagraph (D), make a payment (at such time and in such manner as specified by the Secretary) to such Federally qualified health center under subparagraph (B). Such a payment shall be in an amount determined by the Secretary, based on an estimate of the average costs of training for purposes of receiving a waiver described in subparagraph (C)(ii). Such a payment may be made only once with respect to each such physician or practitioner.

(B) Application

In order to receive a payment described in subparagraph (A), a Federally qualified health center shall submit to the Secretary an application for such a payment at such time, in such manner, and containing such information as specified by the Secretary. A Federally qualified health center may apply for such a payment for each physician or practitioner described in subparagraph (A) furnishing services described in such subparagraph at such center.

(C) Requirements

For purposes of subparagraph (A), the requirements described in this subparagraph, with respect to a physician or practitioner, are the following:

(I) The physician or practitioner is employed by or working under contract with a Federally qualified health center described in subparagraph (A) that submits an application under subparagraph (B).

(ii) The physician or practitioner first receives a waiver under section 823(g) of title 21 on or after January 1, 2019.

(D) Funding

For purposes of making payments under this paragraph, there are appropriated, out of amounts in the Treasury not otherwise appropriated, $6,000,000, which shall remain available until expended.
(p) Quality incentives to promote patient safety and public health in computed tomography

(1) Quality incentives

In the case of an applicable computed tomography service (as defined in paragraph (2)) for which payment is made under an applicable payment system (as defined in paragraph (3)) and that is furnished on or after January 1, 2016, using equipment that is not consistent with the CT equipment standard (described in paragraph (4)), the payment amount for such service shall be reduced by the applicable percentage (as defined in paragraph (5)).

(2) Applicable computed tomography services defined

In this subsection, the term “applicable computed tomography service” means a service billed using diagnostic radiological imaging codes for computed tomography (identified as of January 1, 2014, by HCPCS codes 70450–70498, 71250–71275, 72125–72133, 72191–72194, 72200–72206, 73700–73706, 74150–74178, 74261–74263, and 75571–75574 (and any succeeding codes)).

(3) Applicable payment system defined

In this subsection, the term “applicable payment system” means the following:

(A) The technical component and the technical component of the global fee under the fee schedule established under section 1395w–4(b) of this title.

(B) The prospective payment system for hospital outpatient department services under section 1395t of this title.

(4) Consistency with CT equipment standard

In this subsection, the term “not consistent with the CT equipment standard” means, with respect to an applicable computed tomography service, that the service was furnished using equipment that does not meet each of the attributes of the National Electrical Manufacturers Association (NEMA) Standard XR–29–2013, entitled “Standard Attributes on CT Equipment Related to Dose Optimization and Management”. Through rulemaking, the Secretary may apply successor standards.

(5) Applicable percentage defined

In this subsection, the term “applicable percentage” means—

(A) for 2016, 5 percent; and

(B) for 2017 and subsequent years, 15 percent.

(6) Implementation

(A) Information

The Secretary shall require that information be provided and attested to by a supplier and a hospital outpatient department that indicates whether an applicable computed tomography service was furnished that was not consistent with the CT equipment standard (described in paragraph (4)). Such information may be included on a claim and may be a modifier. Such information shall be verified, as appropriate, as part of the periodic accreditation of suppliers under subsection (e) and hospitals under section 1395bb(a) of this title.

(B) Administration

Chapter 35 of title 44 shall not apply to information described in subparagraph (A).

(q) Recognizing appropriate use criteria for certain imaging services

(1) Program established

(A) In general

The Secretary shall establish a program to promote the use of appropriate use criteria (as defined in subparagraph (B)) for applicable imaging services (as defined in subparagraph (C)) furnished in an applicable setting (as defined in subparagraph (D)) by ordering professionals and furnishing professionals (as defined in subparagraphs (E) and (F), respectively).

(B) Appropriate use criteria defined

In this subsection, the term “appropriate use criteria” means criteria, only developed or endorsed by national professional medical specialty societies or other provider-led entities, to assist ordering professionals and furnishing professionals in making the most appropriate treatment decision for a specific clinical condition for an individual. To the extent feasible, such criteria shall be evidence-based.

(C) Applicable imaging service defined

In this subsection, the term “applicable imaging service” means an advanced diagnostic imaging service (as defined in subsection (e)(1)(B)) for which the Secretary determines—

(i) one or more applicable appropriate use criteria specified under paragraph (2) apply;

(ii) there are one or more qualified clinical decision support mechanisms listed under paragraph (3)(C); and

(iii) one or more of such mechanisms is available free of charge.

(D) Applicable setting defined

In this subsection, the term “applicable setting” means a physician’s office, a hospital outpatient department (including an emergency department), an ambulatory surgical center, and any other provider-led outpatient setting determined appropriate by the Secretary.

(E) Ordering professional defined

In this subsection, the term “ordering professional” means a physician (as defined in section 1395x(r) of this title) or a practitioner described in section 1395u(b)(18)(C) of this title who orders an applicable imaging service.

(F) Furnishing professional defined

In this subsection, the term “furnishing professional” means a physician (as defined in section 1395x(r) of this title) or a practitioner described in section 1395u(b)(18)(C) of this title who furnishes an applicable imaging service.
(2) Establishment of applicable appropriate use criteria
(A) In general
Not later than November 15, 2015, the Secretary shall through rulemaking, and in consultation with physicians, practitioners, and other stakeholders, specify applicable appropriate use criteria for applicable imaging services only from among applicable use criteria developed or endorsed by national professional medical specialty societies or other provider-led entities.

(B) Considerations
In specifying applicable appropriate use criteria under subparagraph (A), the Secretary shall take into account whether the criteria—
(i) have stakeholder consensus;
(ii) are scientifically valid and evidence based; and
(iii) are based on studies that are published and reviewable by stakeholders.

(C) Revisions
The Secretary shall review, on an annual basis, the specified applicable appropriate use criteria to determine if there is a need to update or revise (as appropriate) such specification of applicable appropriate use criteria and make such updates or revisions through rulemaking.

(D) Treatment of multiple applicable appropriate use criteria
In the case where the Secretary determines that more than one applicable appropriate use criterion applies with respect to an applicable imaging service, the Secretary shall apply one or more applicable appropriate use criteria under this paragraph for the service.

(3) Mechanisms for consultation with applicable appropriate use criteria
(A) Identification of mechanisms to consult with applicable appropriate use criteria
(i) In general
The Secretary shall specify qualified clinical decision support mechanisms that could be used by ordering professionals to consult with applicable appropriate use criteria for applicable imaging services.

(ii) Consultation
The Secretary shall consult with physicians, practitioners, health care technology experts, and other stakeholders in specifying mechanisms under this paragraph.

(iii) Inclusion of certain mechanisms
Mechanisms specified under this paragraph may include any or all of the following that meet the requirements described in subparagraph (B)(i):
(I) Use of clinical decision support modules in certified EHR technology (as defined in section 1395w–4(a)(4) of this title). 
(II) Use of private sector clinical decision support mechanisms that are independent from certified EHR technology, which may include use of clinical decision support mechanisms available from medical specialty organizations.

(B) Qualified clinical decision support mechanisms
(i) In general
For purposes of this subsection, a qualified clinical decision support mechanism is a mechanism that the Secretary determines meets the requirements described in clause (ii).

(ii) Requirements
The requirements described in this clause are the following:
(I) The mechanism makes available to the ordering professional applicable appropriate use criteria specified under paragraph (2) and the supporting documentation for the applicable imaging service ordered.

(II) In the case where there is more than one applicable appropriate use criterion specified under such paragraph for an applicable imaging service, the mechanism indicates the criteria that it uses for the service.

(III) The mechanism determines the extent to which an applicable imaging service ordered is consistent with the applicable appropriate use criteria so specified.

(IV) The mechanism generates and provides to the ordering professional a certification or documentation that documents that the qualified clinical decision support mechanism was consulted by the ordering professional.

(V) The mechanism is updated on a timely basis to reflect revisions to the specification of applicable appropriate use criteria under such paragraph.

(VI) The mechanism meets privacy and security standards under applicable provisions of law.

(VII) The mechanism performs such other functions as specified by the Secretary, which may include a requirement to provide aggregate feedback to the ordering professional.

(C) List of mechanisms for consultation with applicable appropriate use criteria
(i) Initial list
Not later than April 1, 2016, the Secretary shall publish a list of mechanisms specified under this paragraph.

(ii) Periodic updating of list
The Secretary shall identify on an annual basis the list of qualified clinical decision support mechanisms specified under this paragraph.

(4) Consultation with applicable appropriate use criteria
(A) Consultation by ordering professional
Beginning with January 1, 2017, subject to subparagraph (C), with respect to any applica-
ble imaging service ordered by an ordering professional that would be furnished in an applicable setting and paid for under an applicable payment system (as defined in subparagraph (D)), an ordering professional shall—
   (i) consult with a qualified decision support mechanism listed under paragraph (3)(C); and
   (ii) provide to the furnishing professional the information described in clauses (i) through (iii) of subparagraph (B).

(B) Reporting by furnishing professional

Beginning with January 1, 2017, subject to subparagraph (C), with respect to an applicable imaging service furnished in an applicable setting and paid for under an applicable payment system (as defined in subparagraph (D)), payment for such service may only be made if the claim for the service includes the following:
   (i) Information about which qualified clinical decision support mechanism was consulted by the ordering professional for the service
   (ii) Information regarding—
      (I) whether the service ordered would adhere to the applicable appropriate use criteria specified under paragraph (2);
      (II) whether the service ordered would not adhere to such criteria; or
      (III) whether such criteria was not applicable to the service ordered.
   (iii) The national provider identifier of the ordering professional (if different from the furnishing professional).

(C) Exceptions

The provisions of subparagraphs (A) and (B) and paragraph (6)(A) shall not apply to the following:
   (i) Emergency services

An applicable imaging service ordered for an individual with an emergency medical condition (as defined in section 1395dd(e)(1) of this title).
   (ii) Inpatient services

An applicable imaging service ordered for an inpatient and for which payment is made under part A.
   (iii) Significant hardship

An applicable imaging service ordered by an ordering professional who the Secretary may, on a case-by-case basis, exempt from the application of such provisions if the Secretary determines, subject to annual renewal, that consultation with applicable appropriate use criteria would result in a significant hardship, such as in the case of a professional who practices in a rural area without sufficient Internet access.

(D) Applicable payment system defined

In this subsection, the term “applicable payment system” means the following:
   (i) The physician fee schedule established under section 1395w–4(b) of this title.
   (ii) The prospective payment system for hospital outpatient department services under section 1395l(t) of this title.
   (iii) The ambulatory surgical center payment systems under section 1395(i) of this title.

(5) Identification of outlier ordering professionals

(A) In general

With respect to applicable imaging services furnished beginning with 2017, the Secretary shall determine, on an annual basis, no more than five percent of the total number of ordering professionals who are outlier ordering professionals.

(B) Outlier ordering professionals

The determination of an outlier ordering professional shall—
   (i) be based on low adherence to applicable appropriate use criteria specified under paragraph (2), which may be based on comparison to other ordering professionals; and
   (ii) include data for ordering professionals for whom prior authorization under paragraph (6)(A) applies.

(C) Use of two years of data

The Secretary shall use two years of data to identify outlier ordering professionals under this paragraph.

(D) Process

The Secretary shall establish a process for determining when an outlier ordering professional is no longer an outlier ordering professional.

(E) Consultation with stakeholders

The Secretary shall consult with physicians, practitioners and other stakeholders in developing methods to identify outlier ordering professionals under this paragraph.

(6) Prior authorization for ordering professionals who are outliers

(A) In general

Beginning January 1, 2020, subject to paragraph (4)(C), with respect to services furnished during a year, the Secretary shall, for a period determined appropriate by the Secretary, apply prior authorization for applicable imaging services that are ordered by an outlier ordering professional identified under paragraph (5).

(B) Appropriate use criteria in prior authorization

In applying prior authorization under subparagraph (A), the Secretary shall utilize only the applicable appropriate use criteria specified under this subsection.

(C) Funding

For purposes of carrying out this paragraph, the Secretary shall provide for the transfer, from the Federal Supplementary Medical Insurance Trust Fund under section 1395t of this title, of $5,000,000 to the Centers for Medicare & Medicaid Services Program Management Account for each of fiscal years 2019 through 2021. Amounts transferred under the preceding sentence shall remain available until expended.
§ 1395m

(7) Construction

Nothing in this subsection shall be construed as granting the Secretary the authority to develop or initiate the development of clinical practice guidelines or appropriate use criteria.

(r) Payment for renal dialysis services for individuals with acute kidney injury

(1) Payment rate

In the case of renal dialysis services (as defined in subparagraph (B) of section 1395rr(b)(14) of this title) furnished under this part by a renal dialysis facility or provider of services paid under such section during a year (beginning with 2017) to an individual with acute kidney injury (as defined in paragraph (2)), the amount of payment under this part for such services shall be the base rate for renal dialysis services determined for such year under such section, as adjusted by any applicable geographic adjustment factor applied under subparagraph (D)(iv)(II) of such section and may be adjusted by the Secretary on a budget neutral basis for payments under this paragraph by any other adjustment factor under subparagraph (D) of such section.

(2) Individual with acute kidney injury defined

In this subsection, the term “individual with acute kidney injury” means an individual who has acute loss of renal function and does not receive renal dialysis services for which payment is made under section 1395rr(b)(14) of this title.

(s) Payment for applicable disposable devices

(1) Separate payment

The Secretary shall make a payment (separate from the payments otherwise made under section 1395fff of this title) in the amount established under paragraph (3) to a home health agency for an applicable disposable device (as defined in paragraph (2)) when furnished on or after January 1, 2017, to an individual who receives home health services for which payment is made under section 1395fff(b) of this title.

(2) Applicable disposable device

In this subsection, the term applicable disposable device means a disposable device that, as determined by the Secretary, is—

(A) a disposable negative pressure wound therapy device that is an integrated system comprised of a non-manual vacuum pump, a receptacle for collecting exudate, and dressings for the purposes of wound therapy; and

(B) a substitute for, and used in lieu of, a negative pressure wound therapy durable medical equipment item that is an integrated system of a negative pressure vacuum pump, a separate exudate collection canister, and dressings that would otherwise be covered for individuals for such wound therapy.

(3) Payment amount

The separate payment amount established under this paragraph for an applicable disposable device for a year shall be equal to the amount of the payment that would be made under section 1395(t) of this title (relating to payment for covered OPD services) for the year for the Level I Healthcare Common Procedure Coding System (HCPCS) code for which the description for a professional service includes the furnishing of such device.

(t) Site-of-service price transparency

(1) In general

In order to facilitate price transparency with respect to items and services for which payment may be made either to a hospital outpatient department or to an ambulatory surgical center under this subchapter, the Secretary shall, for 2018 and each year thereafter, make available to the public via a searchable Internet website, with respect to an appropriate number of such items and services—

(A) the estimated payment amount for the item or service under the outpatient department fee schedule under subsection (t) of section 1395l of this title and the ambulatory surgical center payment system under subsection (i) of such section; and

(B) the estimated amount of beneficiary liability applicable to the item or service.

(2) Calculation of estimated beneficiary liability

For purposes of paragraph (1)(B), the estimated amount of beneficiary liability, with respect to an item or service, is the amount for such item or service for which an individual who does not have coverage under a Medicare supplemental policy certified under section 1395ss of this title or any other supplemental insurance coverage is responsible.

(3) Implementation

In carrying out this subsection, the Secretary—

(A) shall include in the notice described in section 1395b–2(a) of this title a notification of the availability of the estimated amounts made available under paragraph (1); and

(B) may utilize mechanisms in existence on December 13, 2016, such as the portion of the Internet website of the Centers for Medicare & Medicaid Services on which information comparing physician performance is posted (commonly referred to as the Physician Compare Internet website), to make available such estimated amounts under such paragraph.

(4) Funding

For purposes of implementing this subsection, the Secretary shall provide for the transfer, from the Federal Supplementary Medical Insurance Trust Fund under section 1395f of this title to the Centers for Medicare & Medicaid Services Program Management Account, of $6,000,000 for fiscal year 2017, to remain available until expended.

(u) Payment and related requirements for home infusion therapy

(1) Payment

(A) Single payment

(i) In general

Subject to clause (iii) and subparagraphs (B) and (C), the Secretary shall implement
a payment system under which a single payment is made under this subchapter to a qualified home infusion therapy supplier for items and services described in subparagraphs (A) and (B) of section 1395x(iii)(2) of this title furnished by a qualified home infusion therapy supplier (as defined in section 1395x(iii)(3)(D) of this title) in coordination with the furnishing of home infusion drugs (as defined in section 1395x(iii)(3)(C) of this title) under this part.

(ii) Unit of single payment

A unit of single payment under the payment system implemented under this subchapter is for each infusion drug administered in the home. The Secretary shall, as appropriate, establish single payment amounts for types of infusion therapy, including to take into account variation in utilization of nursing services by therapy type.

(iii) Limitation

The single payment amount determined under this subparagraph after application of subparagraph (B) and paragraph (3) shall not exceed the amount determined under the fee schedule under section 1395w-4 of this title for infusion therapy services furnished in a calendar day if furnished in a physician office setting, except such single payment shall not reflect more than 5 hours of infusion for a particular therapy in a calendar day.

(B) Required adjustments

The Secretary shall adjust the single payment amount determined under subparagraph (A) for home infusion therapy services under section 1395x(iii)(1) of this title to reflect other factors such as—

(i) a geographic wage index and other costs that may vary by region; and

(ii) patient acuity and complexity of drug administration.

(C) Discretionary adjustments

(i) In general

Subject to clause (ii), the Secretary may adjust the single payment amount determined under subparagraph (A) (after application of subparagraph (B)) to reflect other factors as the Secretary determines appropriate.

(ii) Requirement of budget neutrality

Any adjustment under this subparagraph shall be made in a budget neutral manner.

(2) Considerations

In developing the payment system under this subsection, the Secretary may consider the costs of furnishing infusion therapy in the home, consult with home infusion therapy suppliers, consider payment amounts for similar items and services under this part and part A, and consider payment amounts established by Medicare Advantage plans under part C and in the private insurance market for home infusion therapy (including average per treatment day payment amounts by type of home infusion therapy).

(3) Annual updates

(A) In general

Subject to subparagraph (B), the Secretary shall update the single payment amount under this subsection from year to year beginning in 2022 by increasing the single payment amount from the prior year by the percentage increase in the Consumer Price Index for all urban consumers (United States city average) for the 12-month period ending with June of the preceding year.

(B) Adjustment

For each year, the Secretary shall reduce the percentage increase described in subparagraph (A) by the productivity adjustment described in section 1395ww(b)(3)(B)(x)(II) of this title. The application of the preceding sentence may result in a percentage being less than 0.0 for a year, and may result in payment being less than such payment rates for the preceding year.

(4) Authority to apply prior authorization

The Secretary may, as determined appropriate by the Secretary, apply prior authorization for home infusion therapy services under section 1395ww(b)(3)(C) of this title.

(5) Accreditation of qualified home infusion therapy suppliers

(A) Factors for designation of accreditation organizations

The Secretary shall consider the following factors in designating accreditation organizations under subparagraph (B) and in reviewing and modifying the list of accreditation organizations designated pursuant to subparagraph (C):

(i) The ability of the organization to conduct timely reviews of accreditation applications.

(ii) The ability of the organization to take into account the capacities of suppliers located in a rural area (as defined in section 1395ww(d)(2)(D) of this title).

(iii) Whether the organization has established reasonable fees to be charged to suppliers applying for accreditation.

(iv) Such other factors as the Secretary determines appropriate.

(B) Designation

Not later than January 1, 2021, the Secretary shall designate organizations to accredit suppliers furnishing home infusion therapy. The list of accreditation organizations so designated may be modified pursuant to subparagraph (C).

(C) Review and modification of list of accreditation organizations

(i) In general

The Secretary shall review the list of accreditation organizations designated under subparagraph (B) taking into account the
§ 1395m

(6) Notification of infusion therapy options

establishes the plan described in section therapy to an individual, the physician who
under this part.

(7) Home infusion therapy services temporary

In the case where the Secretary removes an organization from the list of accreditation organizations designated under subparagraph (B), any supplier that is accredited by the organization during the period beginning on the date on which the organization is designated as an accreditation organization under subparagraph (B) and ending on the date on which the organization is removed from such list shall be considered to have been accredited by an organization designated by the Secretary under subparagraph (B) for the remaining period such accreditation is in effect.

(8) Rule for accreditations made prior to designation

In the case of a supplier that is accredited before January 1, 2021, by an accreditation organization designated by the Secretary under subparagraph (B) as of January 1, 2019, such supplier shall be considered to have been accredited by an organization designated by the Secretary under such paragraph as of January 1, 2023, for the remaining period such accreditation is in effect.

(6) Notification of infusion therapy options available prior to furnishing home infusion therapy

Prior to the furnishing of home infusion therapy to an individual, the physician who establishes the plan described in section 1395x(iii)(1) of this title for the individual shall provide notification (in a form, manner, and frequency determined appropriate by the Secretary) of the options available (such as home, physician’s office, hospital outpatient department) for the furnishing of infusion therapy under this part.

(7) Home infusion therapy services temporary transitional payment

(A) Temporary transitional payment

(i) In general

The Secretary shall, in accordance with the payment methodology described in subparagraph (B) and subject to the provisions of this paragraph, provide a home infusion therapy services temporary transitional payment under this part to an eligible home infusion supplier (as defined in subparagraph (F)) for items and services described in subparagraphs (A)(i) and (B)(ii) of section 1395x(iii)(2) of this title furnished during the period specified in clause (ii) by such supplier in coordination with the furnishing of transitional home infusion drugs (as defined in clause (iii)).

(ii) Period specified

For purposes of clause (i), the period specified in this clause is the period beginning on January 1, 2019, and ending on the day before the date of the implementation of the payment system under paragraph (1)(A).

(iii) Transitional home infusion drug defined

For purposes of this paragraph, the term "transitional home infusion drug" has the meaning given to the term "home infusion drug" under section 1395x(iii)(3)(C) of this title, except that clause (ii) of such section shall not apply if a drug described in such clause is identified in clauses (i), (ii), (iii) or (iv) of subparagraph (C) as of February 9, 2018.

(B) Payment methodology

For purposes of this paragraph, the Secretary shall establish a payment methodology, with respect to items and services described in subparagraph (A)(i). Under such payment methodology the Secretary shall—

(i) create the three payment categories described in clauses (i), (ii), and (iii) of subparagraph (C);

(ii) assign drugs to such categories, in accordance with such clauses;

(iii) assign appropriate Healthcare Common Procedure Coding System (HCPCS) codes to each payment category; and

(iv) establish a single payment amount for each such payment category, in accordance with such drug administration calendar day in the individual’s home for drugs assigned to such category.

(C) Payment categories

(i) Payment category 1

The Secretary shall create a payment category 1 and assign to such category drugs which are covered under the Local Coverage Determination on External Infusion Pumps (LCD number L35794) and billed with the following HCPCS codes (as identified as of January 1, 2018, and as subsequently modified by the Secretary): J0125, J0285, J0287, J0288, J0289, J0385, J1170, J1250, J1265, J1325, J1455, J1457, J1570, J2175, J2260, J2270, J2274, J2276, J2810, or J3285.

(ii) Payment category 2

The Secretary shall create a payment category 2 and assign to such category drugs which are covered under such local coverage determination and billed with the following HCPCS codes (as identified as of January 1, 2018, and as subsequently modified by the Secretary): J1555 JB, J1559 JB, J1561 JB, J1562 JB, J1568 JB, J1569 JB, or J1575 JB.

(iii) Payment category 3

The Secretary shall create a payment category 3 and assign to such category drugs which are covered under such local coverage determination and billed with the following HCPCS codes (as identified as of January 1, 2018, and as subsequently modified by the Secretary): J9000, J9039,
(iv) Infusion drugs not otherwise included

With respect to drugs that are not included in payment category 1, 2, or 3 under clause (i), (ii), or (iii), respectively, the Secretary shall assign to the most appropriate of such categories, as determined by the Secretary, drugs which are—

(I) covered under such local coverage determination and billed under HCPCS codes J7799 or J7999 (as identified as of July 1, 2017, and as subsequently modified by the Secretary); or

(II) billed under any code that is implemented after February 9, 2018, and included in such local coverage determination or included in subregulatory guidance as a home infusion drug described in subparagraph (A)(i).

(D) Payment amounts

(i) In general

Under the payment methodology, the Secretary shall pay eligible home infusion suppliers, with respect to items and services described in subparagraph (A)(i) furnished during the period described in subparagraph (A)(ii) by such supplier to an individual, at amounts equal to the amounts determined under the physician fee schedule established under section 1395w–4 of this title for services furnished during the year for codes and units of such codes described in clauses (ii), (iii), and (iv) with respect to drugs included in the payment category under subparagraph (C) specified in the respective clause, determined without application of the geographic adjustment under subsection (e) of such section.

(ii) Payment amount for category 1

For purposes of clause (i), the codes and units described in this clause, with respect to drugs included in payment category 1 described in subparagraph (C)(i), are one unit of HCPCS code 96365 plus three units of HCPCS code 96366 (as identified as of January 1, 2018, and as subsequently modified by the Secretary).

(iii) Payment amount for category 2

For purposes of clause (i), the codes and units described in this clause, with respect to drugs included in payment category 2 described in subparagraph (C)(i), are one unit of HCPCS code 96369 plus three units of HCPCS code 96370 (as identified as of January 1, 2018, and as subsequently modified by the Secretary).

(iv) Payment amount for category 3

For purposes of clause (i), the codes and units described in this clause, with respect to drugs included in payment category 3 described in subparagraph (C)(i), are one unit of HCPCS code 96413 plus three units of HCPCS code 96415 (as identified as of January 1, 2018, and as subsequently modified by the Secretary).

(E) Clarifications

(i) Infusion drug administration day

For purposes of this subsection, with respect to the furnishing of transitional home infusion drugs or home infusion drugs to an individual by an eligible home infusion supplier or a qualified home infusion therapy supplier, a reference to payment to such supplier for an infusion drug administration calendar day in the individual’s home shall refer to payment only for the date on which professional services (as described in section 1395x(iii)(2)(A) of this title) were furnished to administer such drugs to such individual. For purposes of the previous sentence, an infusion drug administration calendar day shall include all such drugs administered to such individual on such day.

(ii) Treatment of multiple drugs administered on same infusion drug administration day

In the case that an eligible home infusion supplier, with respect to an infusion drug administration calendar day in an individual’s home, furnishes to such individual transitional home infusion drugs which are not all assigned to the same payment category under subparagraph (C), payment to such supplier for such infusion drug administration calendar day in the individual’s home shall be a single payment equal to the amount of payment under this paragraph for the drug, among all such drugs so furnished to such individual during such calendar day, for which the highest payment would be made under this paragraph.

(F) Eligible home infusion suppliers

In this paragraph, the term “eligible home infusion supplier” means a supplier that is enrolled under this part as a pharmacy that provides external infusion pumps and external infusion pump supplies and that maintains all pharmacy licensure requirements in the State in which the applicable infusion drugs are administered.

(G) Implementation

Notwithstanding any other provision of law, the Secretary may implement this paragraph by program instruction or otherwise.

(v) Payment for outpatient physical therapy services and outpatient occupational therapy services furnished by a therapy assistant

(1) In general

In the case of an outpatient physical therapy service or outpatient occupational therapy service furnished on or after January 1, 2022, for which payment is made under section 1395w–4 of this title or subsection (k), that is furnished in whole or in part by a therapy assistant (as defined by the Secretary), the amount of payment for such service shall be an amount equal to 85 percent of the amount of payment otherwise applicable for the service under this part. Nothing in the preceding sentence shall be construed to change applicable requirements with respect to such services.
§ 1395m

TITLE 42—THE PUBLIC HEALTH AND WELFARE

(2) Use of modifier
(A) Establishment
Not later than January 1, 2019, the Secretary shall establish a modifier to indicate
(in a form and manner specified by the Secretary), in the case of an outpatient physical
therapy service or outpatient occupational
therapy service furnished in whole or in part
by a therapy assistant (as so defined), that
the service was furnished by a therapy assistant.
(B) Required use
Each request for payment, or bill submitted, for an outpatient physical therapy service or outpatient occupational therapy service furnished in whole or in part by a therapy assistant (as so defined) on or after January 1, 2020, shall include the modifier established under subparagraph (A) for each such
service.
(3) Implementation
The Secretary shall implement this subsection through notice and comment rulemaking.
(w) Opioid use disorder treatment services
(1) In general
The Secretary shall pay to an opioid treatment program (as defined in paragraph (2) of
section 1395x(jjj) of this title) an amount that
is equal to 100 percent of a bundled payment
under this part for opioid use disorder treatment services (as defined in paragraph (1) of
such section) that are furnished by such program to an individual during an episode of
care (as defined by the Secretary) beginning
on or after January 1, 2020. The Secretary
shall ensure, as determined appropriate by the
Secretary, that no duplicative payments are
made under this part or part D for items and
services furnished by an opioid treatment program.
(2) Considerations
The Secretary may implement this subsection through one or more bundles based on
the type of medication provided (such as
buprenorphine, methadone, naltrexone, or a
new innovative drug), the frequency of services, the scope of services furnished, characteristics of the individuals furnished such
services, or other factors as the Secretary determine 7 appropriate. In developing such bundles, the Secretary may consider payment
rates paid to opioid treatment programs for
comparable services under State plans under
subchapter XIX or under the TRICARE program under chapter 55 of title 10.
(3) Annual updates
The Secretary shall provide an update each
year to the bundled payment amounts under
this subsection.
(Aug. 14, 1935, ch. 531, title XVIII, § 1834, as added
and amended Pub. L. 100–203, title IV,
1330–91, 1330–100; Pub. L. 100–360, title II,
7 So

in original. Probably should be ‘‘determines’’.

Page 2824

§§ 202(b)(4),
203(c)(1)(F),
204(b),
title
IV,
§ 411(a)(3)(A), (B)(ii), (C)(ii), (f)(8)(A), (B)(ii), (D),
(g)(1)(A), (B), July 1, 1988, 102 Stat. 704, 722, 726,
768, 779, 781; Pub. L. 100–485, title VI,
Pub. L. 101–234, title II, § 201(a), title III,
Pub. L. 101–239, title VI, §§ 6102(f)(1), 6105(a),
6112(a), (c), (d)(1), (e)(2), 6116(b)(2), 6140, Dec. 19,
1989, 103 Stat. 2188, 2210, 2214–2216, 2220, 2224; Pub.
L. 101–508, title IV, §§ 4102(a), (d), (f), 4104(a),
4152(a)(1), (b), (c)(1)–(4)(B)(i), (e), (f)(1), (g)(1),
4153(a)(1), (2)(D), 4163(b), Nov. 5, 1990, 104 Stat.
1388–55, 1388–57, 1388–59, 1388–74, 1388–77 to 1388–81,
1388–83, 1388–97; Pub. L. 103–66, title XIII,
§§ 13542(a), 13543(a), (b), 13544(a)(1), (2), (b)(1),
13545(a), 13546, Aug. 10, 1993, 107 Stat. 587, 589, 590;
Pub. L. 103–432, title I, §§ 102(e), 126(b)(1), (2), (4),
(5), (g)(1), (10)(B), 131(a), 132(a), (b), 133(a)(1),
134(a)(1), 135(a)(1), (b)(1), (3), (d)(1), (e)(2)–(5),
145(a), 156(a)(2)(C), Oct. 31, 1994, 108 Stat. 4403,
4414–4416, 4419, 4421–4424, 4427, 4440; Pub. L. 105–33,
title IV, §§ 4101(a), (c), 4104(b)(1), 4105(b)(2),
4201(c)(5), 4312(a), (c), 4316(b), 4531(b)(2), 4541(a)(2),
4551(a), (c)(1), 4552(a), (b), Aug. 5, 1997, 111 Stat.
Pub. L. 106–113, div. B, § 1000(a)(6) [title II,
§ 201(e)(2), title III, § 321(k)(3), title IV, § 403(d)(1)],
1501A–371; Pub. L. 106–554, § 1(a)(6) [title I,
§§ 103(b), 104(b), title II, §§ 201(a), 202(a), 204(a),
205(a), 221(a), 223(b), title IV, §§ 423(a)(1), (b)(1),
425(a), 426(a), 427(a), 428(a)], Dec. 21, 2000, 114
Stat. 2763, 2763A–468, 2763A–469, 2763A–481,
2763A–520, 2763A–522; Pub. L. 108–173, title III,
§ 302(a), (c)(1)(A), (2), (3), (d)(1), (2), title IV,
§§ 405(a)(1), (b)(1), (d)(1), 414(a)–(c)(1), (d), 415(a),
8, 2003, 117 Stat. 2223, 2230–2232, 2266, 2267,
2278–2281, 2321, 2356; Pub. L. 109–171, title V,
§§ 5101(a)(1), (b)(1), 5113(b), Feb. 8, 2006, 120 Stat.
37, 38, 44; Pub. L. 110–275, title I, §§ 125(b)(5),
135(a)(1), 144(b)(1), 146(a), (b)(2)(A), 148(a), 149(a),
154(a)(2)(A), (3), (4), (b)(1)(A), (d)(2), July 15, 2008,
122 Stat. 2519, 2532, 2547–2549, 2563, 2564, 2567; Pub.
L. 111–148, title III, §§ 3105(a), (c), 3109(a), 3128(a),
3136(a), (b), 3401(j), (m), (n), title IV, § 4105(a),
title V, §§ 5501(a)(2), (b)(2), 5502(b), title VI,
§§ 6402(g)(1), 6405(a), 6407(b), 6410(b), title X,
§§ 10311(a), (c), 10501(i)(1), (3)(A), Mar. 23, 2010, 124
Stat. 417, 418, 426, 437, 438, 486, 487, 558, 653, 654,
759, 768, 770, 773, 942, 943, 997; Pub. L. 111–309, title
I, § 106(a), (c), Dec. 15, 2010, 124 Stat. 3287; Pub. L.
112–78, title III, § 306(a), (c), Dec. 23, 2011, 125
Stat. 1285; Pub. L. 112–96, title III, § 3007(a), (c),
VI, §§ 604(a), (c), 633(b), 636, 637, Jan. 2, 2013, 126
113–93, title I, § 104, title II, § 218(a)(1), (b)(1), Apr.
1, 2014, 128 Stat. 1042, 1063, 1065; Pub. L. 113–295,
Pub. L. 114–10, title II, § 203, title V, §§ 504(a),
515(b), Apr. 16, 2015, 129 Stat. 144, 165, 174; Pub. L.
418; Pub. L. 114–40, § 3, July 30, 2015, 129 Stat. 441;
Pub. L. 114–113, div. O, title V, § 504(a), Dec. 18,
IV, § 4011, title V, § 5012(b), div. C, title XVI,




Subsec. (a)(7)(A)(ii)(II). Pub. L. 111–148, § 3136(a)(1)(A), struck out “(i)” in the case of items and services described in subparagraph (J)(i) for which a payment adjustment has not been made under subsection (a)(1)(F)(ii) in any previous year, the percentage increase in the consumer price index for all urban consumers (U.S. urban average) for the 12-month period ending with June 2013, plus 2.0 percentage points; or “(i)” in the case of other items and services, the percentage increase in the consumer price index for all urban consumers (U.S. urban average) for the 12-month period ending with June 2013; and “(M) for a subsequent year, the percentage increase in the consumer price index for all urban consumers (U.S. urban average) for the 12-month period ending with June of the previous year.”

Subsec. (a)(16)(B). Pub. L. 111–148, § 6402(g)(1), inserted “that the Secretary determines is commensurate with the volume of the billing of the supplier” after “$50,000.”

Subsec. (a)(20)(F)(i). Pub. L. 111–148, § 3109(a)(1)(B), which directed amendment by inserting “”, except that the Secretary shall not require a pharmacy to have submitted to the Secretary such evidence of accreditation prior to January 1, 2011” before semicolon at “at the end,” was executed by making the insertion before “,” and to reflect the probable intent of Congress.

Pub. L. 111–148, § 3109(a)(1)(A), inserted “and subparagraph (G)” after “clause (ii).”


Subsec. (g)(2)(A). Pub. L. 111–148, § 3128(a), inserted “101 percent of” after “subparagraph (B).”

Subsec. (g)(1)(B). Pub. L. 111–148, § 3109(b)(2), substituted “Subsections (x) and (y) of section 1395f” for “Section 1395(x).”

Pub. L. 111–148, § 5501(a)(2), inserted at end “Section 1395(x) of this title shall not be taken into account in determining the amounts that would otherwise be paid pursuant to the preceding sentence.”


Subsec. (h)(3)(B). Pub. L. 111–148, § 3401(n)(2), inserted “subject to subparagraph (C) and the succeeding sentence of this paragraph,” after “increased.”


Pub. L. 111–148, § 10311(c), substituted “2011” for “2010,” and on or after April 1, 2010, and before January 1, 2011.”


Subsec. (n). Pub. L. 111–148, § 5052(b), which directed the addition of subsec. (n) relating to development and implementation of prospective payment system, was repealed by Pub. L. 111–148, § 10501(i)(1).

Pub. L. 111–148, § 4105(a), added subsec. (n) relating to authority to modify or eliminate coverage of certain preventive services.


2009—Subsec. (a)(20)(F)(i). Pub. L. 111–72 inserted “, except that the Secretary shall not require under this clause these pharmacists to obtain such accreditation before January 1, 2010” before semicolon.


Subsec. (a)(5)(F). Pub. L. 110–275, § 144(b)(1), substituted “Rental cap” for “Ownership of equipment” in heading, added cl. (ii), and struck out former cl. (ii), which related to transfer of title to equipment and payments for oxygen and maintenance and servicing.

Subsec. (a)(4)(J) to (M). Pub. L. 110–275, § 154(a)(2)(A), added subpars. (J) to (L) and redesignated former subpar. (J) as (M).


Subsec. (a)(20)(D). Pub. L. 110–275, § 140(b)(1)(A)(i), inserted “including subparagraph (F),” after “under this paragraph.”
Subsec. (g)(4). Pub. L. 110–275, § 148(a), substituted “Treatment of” for “No beneficiary cost-sharing for” in heading and inserted at end “For purposes of the payment sentence and section 1833(cc)(6) of this title, clinical diagnostic laboratory services furnished by a critical access hospital shall be treated as being furnished as part of outpatient critical access services without regard to whether the individual with respect to whom such services are furnished is physically present in the critical access hospital, or in a skilled nursing facility or a clinic (including a rural health clinic) that is operated by a critical access hospital, at the time the specimen is collected.”
Subsec. (i)(15)(A). Pub. L. 110–275, § 146(a)(1), inserted “Subject to subparagraph (F)(ii), this subsection” for “Subject to subparagraph (E)(iii), this subsection” in introductory provisions, substituted “‘equal to 101 percent of’ before ‘the reasonable costs’.”
Subsec. (a)(17), (19). Pub. L. 108–173, § 405(a), inserted “equal to 101 percent of” before “the reasonable costs”.
Subsec. (g)(5). Pub. L. 108–173, § 405(b)(1), in heading, inserted “‘emergency room physicians who are on-call (as defined by the Secretary to provide emergency services’ for “emergency room physicians who are on-call (as defined by the Secretary)” and substituted “‘services covered under this subchapter’ for ‘physicians’ services’.”
Subsec. (h)(1)(B). Pub. L. 108–173, § 302(d)(2)(A), substituted “(E)” for “(C)” in subsec. (F)(iv), substituted “Subject to subparagraph (E)(i), this subsection” for “Subject to subparagraph (F)(i), this subsection” in introductory provisions.
Subsec. (h)(1)(D). Pub. L. 108–173, § 302(d)(2)(B), substituted “Subject to subparagraph (H)(i), this subsection” for “Subject to subparagraph (H)(i), this subsection” in introductory provisions.
Subsec. (h)(4)(C). Pub. L. 108–173, § 627(b)(1), inserted “and (ii) in section 1395x(s)(12) of this title” after “in section 1395x(s)(9) of this title”.
Subsec. (j)(8). Pub. L. 108–173, § 414(a)(2), redesignated par. (8), relating to transitional assistance for rural providers, as (9).
Subsec. (d)(2)(C)(ii). Pub. L. 109–171, § 511(b), struck out “‘deductible and’ before ‘coinsurance in heading and inserted ‘“equal to 101 percent of” before “the reasonable costs’.”
aged, payment for an item serving as a replacement for such item shall be made on a monthly basis for the rental of the replacement item in accordance with subparagraph (A).


Subsec. (a)(7)(C). Pub. L. 103–432, § 135(e)(4), substituted “‘this paragraph’” for “‘this paragraph or paragraph (3)’”.

Subsec. (a)(10)(B). Pub. L. 103–432, § 134(a)(1), inserted at end “‘in applying such provisions to payments for an item under this subsection, the Secretary shall make adjustments to the payment basis for the item described in paragraph (1)(B) if the Secretary determines (in accordance with such provisions and on the basis of prices and costs applicable at the time the item is furnished) that such payment basis is not inherently reasonable’”.

Pub. L. 103–432, § 126(g)(10)(B), substituted “‘would otherwise apply to physicians’ services’” for “‘apply to physicians’ services’” and inserted before period at end “‘but for the application of section 1390w–4(4)(D)(3) of this title’”.


Subsec. (a)(15). Pub. L. 103–432, § 135(b)(1), amended heading and text of par. (15) generally. Prior to amendment, text read as follows: “(A) DEVELOPMENT OF LIST OF ITEMS BY SECRETARY.—The Secretary shall develop and periodically update a list of items for which payment may be made under this subsection that the Secretary determines, on the basis of prior payment experience, are frequently subject to unnecessary utilization, and shall include in such list seat-lift mechanisms, transcutaneous electrical nerve stimulators, and motorized scooters.

(B) DETERMINATIONS OF COVERAGE IN ADVANCE.—A carrier shall determine in advance whether payment for an item included on the list developed by the Secretary under subparagraph (A) may not be made because of the application of section 1395y(a)(1) of this title.

Subsec. (a)(16). Pub. L. 103–432, § 131(a)(2), struck out heading and text of par. (16). Text read as follows: “(A) IN GENERAL.—A supplier of a covered item under this subsection may not distribute to physicians or to individuals entitled to benefits under this part for commercial purposes any completed or partially completed forms or other documents required by the Secretary to be submitted to show that a covered item is reasonable and necessary for the diagnosis or treatment of illness or injury or to improve the functioning of a malformed body member.

(B) PENALTY.—Any supplier of a covered item who knowingly and willfully distributes a form or other document in violation of subparagraph (A) is subject to a civil money penalty in an amount not to exceed $1,000 for each such form or document so distributed. The provisions of section 1320b–7a of this title (other than subsections (a) and (b)) shall apply to civil money penalties under this paragraph in the same manner as they apply to a penalty or proceeding under section 1320b–7a(a) of this title.”


Subsec. (b)(3)(D). Pub. L. 103–432, § 126(b)(2)(A), in introductory provisions substituted “shall, subject to clause (vii), be reduced to the adjusted conversion factor for the locality determined as follows:” for “shall be determined as follows:”.

Subsec. (b)(4)(IV). Pub. L. 103–432, § 126(b)(2)(B), substituted “Adjusted conversion factor” for “Local adjustment” in heading and “The adjusted conversion factor for” for “Subject to clause (vii), the conversion factor to be applied to” in text.

Subsec. (b)(4)(D)(vii). Pub. L. 103–432, § 126(b)(2)(C), (D), struck out “under this subparagraph” after “applied to a locality” and inserted “reduced under this subparagraph by” before “more than 9.5 percent”.


Subsec. (c)(1)(B). Pub. L. 103–432, § 145(a)(1), substituted “is conducted by a facility that has a certificate (or provisional certificate) issued under section 1395x(s)(10) of this title” for “meets the quality standards established under paragraph (3)”.


Subsec. (c)(3) to (5). Pub. L. 103–432, § 145(a)(3), (4), redesignated pars. (4) and (5) as (3) and (4), respectively, and struck out former par. (3) which directed Secretary to establish standards to assure the safety and accuracy of screening mammography performed under part (c).


Subsec. (g)(1). Pub. L. 103–432, § 126(e)(1)(A), (2), substituted in introductory provisions “‘during a year before the prospective payment system described in paragraph (2) is in effect’” for “‘during a year before 1993’” and inserted at end “The amount of payment shall be determined under other method without regard to the amount of the customary or other charge.”

Subsec. (g)(1)(B). Pub. L. 103–432, § 154(a)(2)(C), struck out “and for items and services furnished in connection with obtaining a second opinion required under section 1320c–13(c)(2) of this title, or a third opinion, if the second opinion was in disagreement with the first opinion” after “section 136xx(e)(10)(A) of this title”. (g)(2). Pub. L. 103–432, § 13545(a), substituted “January 1, 1996” for “January 1, 1993.”

Subsec. (h)(3). Pub. L. 103–432, § 135(b)(3), substituted “‘Paragraphs (12), (15), and (17)’” for “‘Paragraphs (12) and (17)’”.


Subsec. (j)(4), (5). Pub. L. 103–432, § 133(a)(1), added par. (4) and redesignated former par. (4) as (5).

Subsec. (a)(13)(A). Pub. L. 103–432, § 13545(a), substituted “45 percent” for “15 percent” after “(as previously reduced by)’’.


Subsec. (a)(13)(A). Pub. L. 103–432, § 13545(a), substituted “‘IPPP machines and ventilators, excluding ventilators that are either continuous airway pressure devices or intermittent assist devices with continuous airway pressure devices’” for “‘ventilators, aspirators, IPPB machines, and nebulizers’”.


Subsec. (a)(5)(A)(i). Pub. L. 101–508, § 4152(b)(2)(A), added subcl. (II), redesignated former subcl. (II) as (III), struck out “1991 or” before “1992”, and substituted “the the region computed under subparagraph (A)(ii)(II) for the year,” and “(ii) for each subsequent year, equal to the regional purchase price computed under this subparagraph for the previous year increased by the percentage increase in the consumer price index for all urban consumers (U.S. city average) for the 12-month month period ending with June of the previous year”.


Subsec. (a)(13). Pub. L. 101–239, §6112(c)(2), inserted before period at end “or medical supplies (including catheters, catheter supplies, ostomy bags, and supplies related to ostomy care) furnished by a home health agency under section 1395x(m)(5) of this title”.

Subsec. (b)(1)(B). Pub. L. 101–234, §201(a), repealed Pub. L. 100–360, §201(b)(1), and provided that the provisions of law amended or repealed by such section are restored or revived as if such section had not been enacted, see 1988 Amendment note below.

Subsec. (b)(4)(A). Pub. L. 101–234, §301(b)(1), (c)(1), amended subpar. (A) identically, substituting “coinsurance and deductibles under sections 1395(a)(1)” for “insurance and deductibles under section 1395(a)(1)”.

Subsec. (b)(4)(C) to (E). Pub. L. 101–239, §6106(a), added subpars. (C) and (D) and redesignated former subpars. (C) and (D) as (D) and (E), respectively.

Subsecs. (c) to (o). Pub. L. 101–234, §201(a), repealed Pub. L. 100–360, §§202(b)(4), 203(c)(1)(F), 204(b)(2), and provided that the provisions of law amended or repealed by such sections are restored or revived as if such sections had not been enacted, see 1988 Amendment note below.


Subsec. (a)(1)(C). Pub. L. 100–360, §411(g)(1)(B)(ii), inserted “or under part A to a home health agency” before period at end.


Subsec. (a)(10)(B). Pub. L. 100–360, §411(g)(1)(B)(xiii), inserted before period at end “and payments under this subsection as such provisions apply to physicians’ services and physicians and a reasonable charge under section 1395u(b) of this title”.


Subsec. (a)(12). Pub. L. 100–360, §411(g)(1)(B)(xviii), as amended by Pub. L. 100–485, §608(d)(22)(A)(ii), substituted “one or more entire regions defined for purposes of paragraphs (B)(i) and (B)(ii) for each region (as defined in section 1395ww(d)(2)(D) of this title)”.

Subsec. (a)(14). Pub. L. 100–360, §411(g)(1)(B)(xvi), struck out par. (14) which read as follows: “In this subsection, any reference to the term ‘carrier’ includes a reference, with respect to durable medical equipment furnished by a home health agency as part of home health services, to a fiscal intermediary.”

Subsec. (b)(1)(B). Pub. L. 100–360, §204(b)(1), inserted “and subject to subsection (e)(1)(A) of this section” after “conversion factors”.


Subsec. (d). Pub. L. 100–360, §202(b)(4), added subsec. (c) relating to payment for covered outpatient drugs.


Effective Date of 2016 Amendment
Amendment by section 502(b) of Pub. L. 114–255 applicable to items and services furnished on or after Jan. 1, 2021, see section 502(d) of Pub. L. 114–255, set out as a note under section 1395f of this title.

Effective Date of 2015 Amendment
Amendment by Pub. L. 114–113 applicable to items and services furnished on or after Jan. 1, 2017, see section 504(d) of Pub. L. 114–113, set out as a note under section 1395f of this title.
as if included in the enactment of section 405(a) of the Medicare Prescription Drug, Improvement, and Modernization Act of 2003 (Public Law 108-173; 117 Stat. 2549, provided that:

(A) In GENERAL.—Subject to paragraph (2), the amendments made by subsection (a) [amending this section] shall take effect on January 1, 2011, and shall apply to power-driven wheelchairs furnished on or after such date.

(2) APPLICATION TO COMPETITIVE BIDDING.—The amendments made by subsection (a) shall not apply to payment made for items and services furnished pursuant to contracts entered into under section 1887 of the Social Security Act (42 U.S.C. 1395w–3) prior to January 1, 2011, pursuant to the implementation of subsection (a)(1)(B)(1) of such section 1887.

Amendment by section 6405(a) of Pub. L. 111-148 applicable to written orders and certifications made on or after July 1, 2010, see section 6405(d) of Pub. L. 111-148, set out as a note under section 1395f of this title.

**Effective Date of 2008 Amendment**

Amendment by section 125(b)(5) of Pub. L. 110-275 applicable with respect to accreditations of hospitals granted on or after the date that is 24 months after July 15, 2008, with transition rule, see section 125(c)(4) of Pub. L. 110-275, set out as an Effective Date of 2008 Amendment; Transition Rule note under section 1395b of this title.


Pub. L. 110-275, title I, §146(b)(2)(B), July 15, 2008, 122 Stat. 2548, provided that: "The amendment made by subparagraph (A) [amending this section] shall apply to services furnished on or after the date of the enactment of this Act [July 15, 2008]."

Pub. L. 110-275, title I, §148(b), July 15, 2008, 122 Stat. 2549, provided that: "The amendments made by subsection (a) [amending this section] shall apply to services furnished on or after July 1, 2009."

Pub. L. 110-275, title I, §149(c), July 15, 2008, 122 Stat. 2550, provided that: "The amendments made by this section [amending this section and section 1395w-y of this title] shall apply to services furnished on or after January 1, 2009."

Pub. L. 110-275, title I, §154(e), July 15, 2008, 122 Stat. 2568, provided that: "The amendments made by this section [amending this section, sections 1395u and 1395w-3 of this title, and provisions set out as notes under section 1395w-3 of this title] shall take effect as of June 30, 2008."

**Effective Date of 2006 Amendment**

Pub. L. 109-171, title V, §510(a)(2), Feb. 8, 2006, 120 Stat. 38, provided that: "The amendment made by paragraph (1) [amending this section] shall apply to items furnished for which the first rental month occurs on or after January 1, 2006."


(B) APPLICATION TO CERTAIN INDIVIDUALS.—In the case of an individual receiving oxygen equipment on December 31, 2005, for which payment is made under section 1834(a) of the Social Security Act (42 U.S.C. 1395m(a)), the 36-month period described in paragraph (b)(3)(C) of such section, as added by paragraph (1), shall begin on January 1, 2006."

Amendment by section 511(b) of Pub. L. 109-171 applicable to services furnished on or after Jan. 1, 2007, see section 511(c) of Pub. L. 109-171, set out as a note under section 1395f of this title.

**Effective Date of 2003 Amendment**

Amendment by section 405(a)(1) of Pub. L. 108-173 applicable to payments for services furnished during cost reporting periods beginning on or after Jan. 1, 2004, see section 405(a)(2) of Pub. L. 108-173, set out as a note under section 1395f of this title.

Pub. L. 108-173, title IV, §405(b)(2), Dec. 8, 2003, 117 Stat. 2266, provided that: "The amendments made by paragraph (1) [amending this section] shall apply with respect to costs incurred for services furnished on or after January 1, 2006."

Pub. L. 108-173, title IV, §405(d)(2), Dec. 8, 2003, 117 Stat. 2267, provided that: "(A) In GENERAL.—Except as provided in subparagraph (B), the amendment made by paragraph (1) [amending this section] shall apply to cost reporting periods beginning on or after July 1, 2004.

(B) RULE OF APPLICATION.—In the case of a critical access hospital that made an election under section 1834(g)(2) of the Social Security Act (42 U.S.C. 1395m(g)(2)) before November 1, 2003, the amendment made by paragraph (1) shall apply to cost reporting periods beginning on or after July 1, 2001."

Pub. L. 108-173, title IV, §415(c), Dec. 8, 2003, 117 Stat. 2262, provided that: "The amendments made by this subsection [probably should be "this section"] amending this section and section 1395f of this title shall apply to services furnished on or after January 1, 2005."

Amendment by section 627(b)(1) of Pub. L. 108-173 applicable to items furnished on or after Jan. 1, 2005, see section 627(c) of Pub. L. 108-173, set out as a note under section 1395f of this title.

**Effective Date of 2000 Amendment**

Pub. L. 106-554, §1(a)(6) [title I, §103(c)], Dec. 21, 2000, 114 Stat. 2763, 2763A–469, provided that: "The amendments made by this section [amending this section and section 1395x of this title] shall apply to colorectal cancer screening services provided on or after July 1, 2001."

Pub. L. 106-554, §1(a)(6) [title I, §104(c)], Dec. 21, 2000, 114 Stat. 2763, 2763A–470, provided that: "The amendments made by subsections (a) and (b) [amending this section and section 1395w-4 of this title] shall apply with respect to screening mammograms furnished on or after January 1, 2002."

Amendment by section 1(a)(6) [title II, §203(a)] of Pub. L. 106-554 applicable to services furnished on or after Nov. 29, 1999, see section 1(a)(6) [title II, §201(c)] of Pub. L. 106-554, set out as a note under section 1395f of this title.

Pub. L. 106-554, §1(a)(6) [title II, §202(b)], Dec. 21, 2000, 114 Stat. 2763, 2763A–481, provided that: "The amendment made by subsection (a) [amending this section] shall apply to cost reporting periods beginning on or after October 1, 2001."

Amendment by section 1(a)(6) [title II, §204(b)] of Pub. L. 106-554 applicable to services furnished on or after Dec. 21, 2000, see section 1(a)(6) [title II, §205(c)] of Pub. L. 106-554, set out as a note under section 1395f of this title.

Pub. L. 106-554, §1(a)(6) [title II, §201(b)], Dec. 21, 2000, 114 Stat. 2763, 2763A–487, provided that: "The amendment made by subsection (a) [amending this section] shall apply to cost reporting periods beginning on or after July 1, 2001."

Pub. L. 106-554, §1(a)(6) [title II, §204(b)], Dec. 21, 2000, 114 Stat. 2763, 2763A–492, provided that: "The amendment made by subsection (a) [amending this section] shall apply to cost reporting periods beginning on or after January 1, 2002."

Amendment by section 1(a)(6) [title II, §203(a)] of Pub. L. 106-554 applicable to services furnished on or after Dec. 21, 2000, see section 1(a)(6) [title II, §201(c)] of Pub. L. 106-554, set out as a note under section 1395f of this title.
Pub. L. 106-554, §1(a)(6) [title IV, §428(c)], Dec. 21, 2000, 114 Stat. 2763, 2763A-522, provided that: “The amendments made by subsection (a) [amending this section] shall apply to items and services furnished on or after April 1, 2001.”

**Effective Date of 1999 Amendment**


Pub. L. 105-33, div. B, §1808(a)(6) [title IV, §403(d)(2)], Nov. 29, 1999, 113 Stat. 1501A-371, as amended by Pub. L. 106-554, §1(a)(6) [title II, §201(b)(2)], Dec. 21, 2000, 114 Stat. 2763, 2763A-481, provided that: “Paragraphs (1) through (3) of section 1834(c)(2) of the Social Security Act (42 U.S.C. 1395m(c)(1)-(3)) (as amended by paragraph (1)) apply for cost reporting periods beginning on or after October 1, 2000.”

**Effective Date of 1997 Amendment**

Amendment by section 4101(a), (c) of Pub. L. 105-33 applicable to items and services furnished on or after Jan. 1, 1998, see section 4101(d) of Pub. L. 105-33, set out as a note under section 1395d of this title. Amendment by section 4101(b)(1) of Pub. L. 105-33 applicable to items and services furnished on or after Jan. 1, 1998, see section 4101(c) of Pub. L. 105-33, set out as a note under section 1395d of this title. Pub. L. 105-33, title IV, §4105(d), Aug. 5, 1997, 111 Stat. 367, provided that:

“(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section (amending this section and sections 1395w–4 and 1395x of this title) shall apply to items and services furnished on or after July 1, 1998.

“(2) TESTING STRIPS.—The amendment made by subsection (b)(2) [amending this section] shall apply with respect to blood glucose testing strips furnished on or after January 1, 1998.”

Amendment by section 4201(c)(5) of Pub. L. 105-33 applicable to services furnished on or after Oct. 1, 1997, see section 4201(d) of Pub. L. 105-33, set out as a note under section 1395d of this title. Pub. L. 105-33, title IV, §4312(f)(3), Aug. 5, 1997, 111 Stat. 387, provided that: “The amendment made by subsection (a) [amending this section] shall apply to suppliers of durable medical equipment with respect to such equipment furnished on or after January 1, 1998.”

Pub. L. 105-33, title IV, §4312(f)(3), Aug. 5, 1997, 111 Stat. 388, provided that: “The amendments made by subsections (c) through (e) [amending this section and section 1385x of this title] shall take effect on the date of the enactment of this Act [Aug. 5, 1997] and may be applied with respect to items and services furnished on or after January 1, 1998.”

Pub. L. 105-33, title IV, §4316(c), Aug. 5, 1997, 111 Stat. 392, provided that: “The amendments made by this section [amending this section and section 1385u of this title] shall take effect on the date of the enactment of this Act [Aug. 5, 1997] and may be applied with respect to items and services furnished on or after such date, except that subsection (k) of this section inapplicable to services described in section 1385u(a)(8)(B) of this title that are furnished during 1998, see section 4541(e) of Pub. L. 105-33, set out as a note under section 1395f of this title.


“(2) OTHER PROVISIONS.—The amendments made by this section other than subsection (a) [amending this section] shall take effect on the date of the enactment of this Act [Aug. 5, 1997].”

**Effective Date of 1994 Amendment**

Pub. L. 103-432, title I, §126(i), Oct. 31, 1994, 108 Stat. 4416, provided that: “Except as provided in subsection (b) [amending section 1395a of this title, enacting provisions set out as notes under sections 1395u and 1395w–4 of this title, and amending provisions set out as a note under section 1395w–4 of this title], the amendments made by this section and the provisions of this section [amending this section and sections 1395u, 1395w–1, and 1395w–4 of this title, amending provisions set out as notes under sections 1395u and 1395w–4 of this title, and amending provisions set out as notes under this section and sections 1395s and 1395w–4 of this title] shall take effect as if included in the enactment of OBRA–1990 [Pub. L. 101-508].”

Pub. L. 103-432, title I, §131(a)(2), Oct. 31, 1994, 108 Stat. 4419, provided that the amendment made by this section is effective 60 days after Oct. 31, 1994. Pub. L. 103-432, title I, §132(c), Oct. 31, 1994, 108 Stat. 4421, provided that: “The amendments made by subsections (a) and (b) [amending this section] shall apply to items furnished after the expiration of the 60-day period that begins on the date of the enactment of this Act [Oct. 31, 1994].”

Pub. L. 103-432, title I, §133(c), Oct. 31, 1994, 108 Stat. 4422, provided that: “The amendments made by this section [amending this section and sections 1395m and 1395pp of this title] shall apply to items or services furnished on or after January 1, 1995.”


Pub. L. 103-432, title I, §145(d), Oct. 31, 1994, 108 Stat. 4428, provided that: “The amendments made by this section [amending section 1395x of this title] shall apply to mammography furnished by a facility on and after the first date that the certificate requirements of section 354(b) of the Public Health Service Act [section 263(b)(2) of this title] apply to such mammography furnished by such facility.”

Amendment by section 156(a)(2)(C) of Pub. L. 103-432 applicable to services provided on or after Oct. 31, 1994,
see section 135(a)(3) of Pub. L. 101–432, set out as a note under section 1320c–3 of this title.

**Effective Date of 1993 Amendment**


Amendment by section 13544(b)(1) of Pub. L. 103–66 applicable to items furnished on or after Jan. 1, 1994, see section 13544(b)(3) of Pub. L. 103–66, set out as a note under section 1395f of this title.

Pub. L. 103–66, title XIII, §13544(b), Aug. 10, 1993, 107 Stat. 590, provided that: "The amendment made by subsection (a) [amending this section] shall apply to items furnished on or after January 1, 1994."

**Effective Date of 1990 Amendment**
Pub. L. 101–508, title IV, §4102(i), Nov. 5, 1990, 104 Stat. 1388–58, provided that:

"(1) Except as otherwise provided, the amendments made by this section [amending this section, section 1395w–4 of this title, and provisions set out as a note below] shall apply to services furnished on or after January 1, 1991.

"(2) The amendment made by subsection (f) [amending this section] shall be effective as if included in the enactment of the Omnibus Budget Reconciliation Act of 1987 [Pub. L. 100–203]."

Amendment by section 4104(a) of Pub. L. 101–508 applicable to services furnished on or after Jan. 1, 1991, see section 4104(d) of Pub. L. 101–508, set out as a note under section 1395f of this title.


Pub. L. 101–508, title IV, §4152(c)(2), Nov. 5, 1990, 104 Stat. 1388–80, provided that: "The amendment made by paragraph (1) [amending this section] shall apply to patients who first receive home oxygen therapy services on or after January 1, 1991."

Pub. L. 101–508, title IV, §4152(i), Nov. 5, 1990, 104 Stat. 1388–81, provided that: "Except as otherwise provided, the amendments made by this section, section 1395x of this title, and provisions set out as a note under section 1395f of this title shall apply to items furnished on or after January 1, 1991."


Amendment by section 4163(b) of Pub. L. 101–508 applicable to screening mammography performed on or after Jan. 1, 1991, see section 4163(e) of Pub. L. 101–508, set out as a note under section 1395f of this title.

**Effective Date of 1989 Amendment**
Amendment by section 6102(1) of Pub. L. 101–239 applicable to services furnished on or after Jan. 1, 1991, see section 6102(1)(3) of Pub. L. 101–239, set out as a note under section 1395f of this title.

Pub. L. 101–239, title VI, §6112(e)(4), Dec. 19, 1989, 103 Stat. 2216, provided that: "The amendments made by this subsection [amending this section and sections 1395x and 1395cc of this title] shall apply with respect to items furnished on or after January 1, 1990."

Amendment by section 201(a) of Pub. L. 101–234 effective Jan. 1, 1990, see section 201(c) of Pub. L. 101–234, set out as a note under section 1320a–7a of this title.


**Effective Date of 1988 Amendment**
Amendment by Pub. L. 100–485 effective as if included in the enactment of the Medicare Catastrophic Coverage Act of 1988, Pub. L. 100–360, see section 608(g)(1) of Pub. L. 100–485, set out as a note under section 704 of this title.

Amendment by section 202(b)(4) of Pub. L. 100–360 applicable to items dispensed on or after Jan. 1, 1990, see section 202(m)(1) of Pub. L. 100–360, set out as a note under section 1396u of this title.

Amendment by section 203(c)(1)(F) of Pub. L. 100–360 applicable to items and services furnished on or after Jan. 1, 1990, see section 203(g) of Pub. L. 100–360, set out as a note under section 1322c–3 of this title.

Pub. L. 100–360, title II, §204(e), July 1, 1988, 102 Stat. 729, which provided that the amendments made by section 204 of Pub. L. 100–360 [amending this section and sections 1395l, 1395x to 1395x–2, 1396u, 1396b, 1396a, and 1396c of this title] applied to screening mammography performed on or after January 1, 1990, and that subsec. (e)(5) of this section only applied until such time as the Secretary of Health and Human Services implemented the physician fee schedules based on relative value scale developed under section 1395w–1(e) of this title, was repealed by Pub. L. 101–234, title II, §201(a), Dec. 13, 1989, 103 Stat. 1981.

Except as specifically provided in section 411 of Pub. L. 100–360, amendment by section 411(a)(3)(A), (B)(ii), (C)(ii), (D)(ii), (E)(ii), (F)(ii), (B)(iii), (D)(ii), (G)(ii)(A) and (B) of Pub. L. 100–360, as it relates to a provision in the Omnibus Budget Reconciliation Act of 1987, Pub. L. 100–203, effective as if included in the enactment of that provision in Pub. L. 100–203, see section 411(a) of Pub. L. 100–360, set out as a Reference Note for section 416 of Pub. L. 100–203.

**Effective Date of 1987 Amendment**

"(P)ub. L. 101–508, title IV, §4118(b), Nov. 5, 1990, 104 Stat. 1388–70, provided that: "The amendments made by this section [amending this section and section 1395f of this title] shall apply to services performed on or after January 1, 1991."

**Effective Date**
Subsection (a) of this section applicable to covered items (other than oxygen and oxygen equipment) furnished on or after Jan. 1, 1989, and to oxygen and oxygen equipment furnished on or after June 1, 1989, see section 4062(e) of Pub. L. 100–203, set out as an Effective Date.
Date of 1987 Amendment note under section 1395f of this title.

REGULATIONS
Pub. L. 106–554, §1(a)(6) [title IV, §427(b)], Dec. 21, 2000, 114 Stat. 2763, 2763A–521, provided that: “Not later than 1 year after the date of the enactment of this Act [Dec. 21, 2000], the Secretary of Health and Human Services shall promulgate revised regulations to carry out the amendment made by subsection (a) [amending this section] using a negotiated rulemaking process under subchapter III of chapter 5 of title 5, United States Code.”

CONSTRUCTION OF 2010 AMENDMENT
Pub. L. 111–148, title III, §3109(b), Mar. 23, 2010, 124 Stat. 419, provided that: “Nothing in the provisions of or amendments made by this section [amending this section and enacting provisions set out as a note under this section] shall be construed as affecting the application of an accreditation requirement for pharmacies to qualify for bidding in a competitive acquisition area under section 1847 of the Social Security Act [42 U.S.C. 1395w–3].”

Pub. L. 111–148, title IV, §4105(b), Mar. 23, 2010, 124 Stat. 559, provided that: “Nothing in the amendment made by paragraph (1) [probably means subsec. (a), amending this section] shall be construed to affect the coverage of diagnostic or treatment services under title XVIII of the Social Security Act [42 U.S.C. 1395 et seq.”

CONSTRUCTION OF 2009 AMENDMENT
Pub. L. 111–72, §1(b), Oct. 13, 2009, 123 Stat. 2059, provided that: “Nothing in subsection (a) [amending this section] shall be construed as affecting the application of an accreditation requirement for pharmacies to qualify for bidding in a competitive acquisition area under section 1847 of the Social Security Act [42 U.S.C. 1395w–3].”

CONSTRUCTION OF 2008 AMENDMENT

TRANSFER OF FUNCTIONS
Physician Payment Review Commission (PPRC) was terminated and its assets and staff transferred to the Medicare Payment Advisory Commission (MedPAC) by section 4022(c)(2), (3) of Pub. L. 105–33, set out as a note under section 1395b–6 of this title. Section 4022(c)(2)(3) further provided that MedPAC was to be responsible for preparation and submission of reports required by law to be submitted to PPRC, and that, for that purpose, any reference in law to PPRC was to be deemed, after the appointment of MedPAC, to refer to MedPAC.

IMPLEMENTATION OF 2018 AMENDMENT
Pub. L. 115–271, title II, §2001(b), Oct. 24, 2018, 132 Stat. 3925, provided that: “The Secretary of Health and Human Services (in this section [amending this section] referred to as the ‘Secretary’) may implement the amendments made by this section by interim final rule.”

IMPLEMENTATION OF 2015 AMENDMENT
Pub. L. 114–10, title V, §504(b), Apr. 16, 2015, 129 Stat. 166, provided that: “Notwithstanding any other provision of law, the Secretary of Health and Human Services may implement the amendments made by subsection (a) [amending this section] by program instruction or otherwise.”

IMPLEMENTATION OF 2010 AMENDMENT
Pub. L. 111–148, title III, §3109(b), Mar. 23, 2010, 124 Stat. 419, provided that: “Notwithstanding any other provision of law, the Secretary may implement the amendments made by subsection (a) [amending this section] by program instruction or otherwise.”

DEMONSTRATION PROJECT TO ASSESS THE APPROPRIATE USE OF IMAGING SERVICES
Pub. L. 110–275, title I, §135(b), July 15, 2008, 122 Stat. 2535, provided that:

“(1) CONDUCT OF DEMONSTRATION PROJECT—

“(A) IN GENERAL.—The Secretary of Health and Human Services (in this section referred to as the ‘Secretary’) shall conduct a demonstration project using the models described in paragraph (2)(E) to collect data regarding physician compliance with appropriateness criteria selected under paragraph (2)(D) in order to determine the appropriateness of advanced diagnostic imaging services furnished to Medicare beneficiaries.

“(B) ADVANCED DIAGNOSTIC IMAGING SERVICES.—In this subsection, the term ‘advanced diagnostic imaging services’ has the meaning given such term in section 1834(a)(20)(F)(ii) of the Social Security Act [42 U.S.C. 1395m(e)(1)(B)], as added by subsection (a).

“(C) AUTHORITY TO FOCUS DEMONSTRATION PROJECT.—The Secretary may focus the demonstration project with respect to certain advanced diagnostic imaging services, such as services that account for a large amount of expenditures under the Medicare program, services that have recently experienced a high rate of growth, or services for which appropriateness criteria exists.

“(2) IMPLEMENTATION AND DESIGN OF DEMONSTRATION PROJECT—

“(A) IMPLEMENTATION AND DURATION—

“(i) IMPLEMENTATION.—The Secretary shall implement the demonstration project under this subsection not later than January 1, 2010.

“(ii) DURATION.—The Secretary shall conduct the demonstration project under this subsection for a 2-year period.

“(B) APPLICATION AND SELECTION OF PARTICIPATING PHYSICIANS—

“(i) APPLICATION.—Each physician that desires to participate in the demonstration project under this subsection shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require.

“(ii) SELECTION.—The Secretary shall select physicians to participate in the demonstration project under this subsection from among physicians submitting applications under clause (i). The Secretary shall ensure that the physicians selected—

“(I) represent a wide range of geographic areas, demographic characteristics (such as urban, rural, and suburban), and practice settings (such as private and academic practices); and

“(II) have the capability to submit data to the Secretary (or an entity under a subcontract with the Secretary) in an electronic format in accordance with standards established by the Secretary.

“(C) ADMINISTRATIVE COSTS AND INCENTIVES.—The Secretary shall—

“(i) reimburse physicians for reasonable administrative costs incurred in participating in the demonstration project under this subsection; and

“(ii) provide reasonable incentives to physicians to encourage participation in the demonstration project under this subsection.

“(D) USE OF APPROPRIATENESS CRITERIA.—

“(i) IN GENERAL.—The Secretary, in consultation with medical specialty societies and other stakeholders, shall select criteria with respect to the clinical appropriateness of advanced diagnostic imaging services for use in the demonstration project under this subsection.

“(ii) CRITERIA SELECTED.—Any criteria selected under clause (i) shall—
“(I) be developed or endorsed by a medical specialty society; and
“(II) be developed in adherence to appropriate principles developed by a consensus organization, such as the AQA alliance.

“(E) MODELS FOR COLLECTING DATA REGARDING PHYSICIAN COMPLIANCE WITH SELECTED CRITERIA.—Subject to subparagraph (H), in carrying out the demonstration project under this subsection, the Secretary shall use each of the following models for collecting data regarding physician compliance with appropriateness criteria selected under subparagraph (D):

“(i) A model described in subparagraph (F).

“(ii) A model described in subparagraph (G).

“(III) Any other model that the Secretary determines to be useful in evaluating the use of appropriateness criteria for advanced diagnostic imaging services.

“(F) POINT OF SERVICE MODEL DESCRIBED.—A model described in this subparagraph is a model that—

“(i) uses an electronic or paper intake form that—

“(I) contains a certification by the physician furnishing the imaging service that the data on the intake form was confirmed with the Medicare beneficiary before the service was furnished; and

“(II) contains standardized data elements for diagnosis, service ordered, service furnished, and such other information determined by the Secretary, in consultation with medical specialty societies and other stakeholders, to be germane to evaluating the effectiveness of the use of appropriateness criteria selected under subparagraph (D); and

“(III) is accessible to physicians participating in the demonstration project under this subsection in a format that allows for the electronic submission of such form; and

“(ii) provides for feedback reports in accordance with paragraph (3)(B).

“(G) POINT OF ORDER MODEL DESCRIBED.—A model described in this subparagraph is a model that—

“(i) uses a computerized order-entry system that requires the transmittal of relevant supporting information at the time of referral for advanced diagnostic imaging services and provides automated decision-support feedback to the referring physician regarding the appropriateness of furnishing such imaging services; and

“(ii) provides for feedback reports in accordance with paragraph (3)(B).

“(H) LIMITATION.—In no case may the Secretary use prior authorization—

“(i) as a model for collecting data regarding physician compliance with appropriateness criteria selected under subparagraph (D) under the demonstration project under this subsection; or

“(ii) under any model used for collecting such data under the demonstration project.

“(I) REQUIRED CONTRACTS AND PERFORMANCE STANDARDS FOR CERTAIN ENTITIES.—

“(i) IN GENERAL.—The Secretary shall enter into contracts with entities to carry out the model described in subparagraph (G).

“(ii) PERFORMANCE STANDARDS.—The Secretary shall establish and enforce performance standards for such entities under the contracts entered into under clause (i), including performance standards with respect to—

“(I) the satisfaction of Medicare beneficiaries who are furnished advanced diagnostic imaging services by a physician participating in the demonstration project;

“(II) the satisfaction of physicians participating in the demonstration project;

“(III) if applicable, timelines for the provision of feedback reports under paragraph (3)(B); and

“(IV) any other areas determined appropriate by the Secretary.

“(J) COMPARISON OF UTILIZATION OF ADVANCED DIAGNOSTIC IMAGING SERVICES AND FEEDBACK REPORTS.—

“(A) COMPARISON OF UTILIZATION OF ADVANCED DIAGNOSTIC IMAGING SERVICES.—The Secretary shall consult with medical specialty societies and other stakeholders to develop mechanisms for comparing the utilization of advanced diagnostic imaging services by physicians participating in the demonstration project under this subsection against—

“(i) the appropriateness criteria selected under paragraph (2)(D); and

“(ii) to the extent feasible, the utilization of such services by physicians not participating in the demonstration project.

“(B) FEEDBACK REPORTS.—The Secretary shall, in consultation with medical specialty societies and other stakeholders, develop mechanisms to provide feedback reports to physicians participating in the demonstration project under this subsection. Such feedback reports shall include—

“(i) a profile of the rate of compliance by the physician with appropriateness criteria selected under paragraph (2)(D), including a comparison of—

“(I) the rate of compliance by the physician with such criteria; and

“(II) the rate of compliance by the physician’s peers (as defined by the Secretary) with such criteria; and

“(II) to the extent feasible, a comparison of—

“(I) the rate of utilization of advanced diagnostic imaging services by the physician; and

“(II) the rate of utilization of such services by the physician’s peers (as defined by the Secretary) who are not participating in the demonstration project.

“(4) CONDUCT OF DEMONSTRATION PROJECT AND WAIVER.—

“(A) CONDUCT OF DEMONSTRATION PROJECT.—Chapter 35 of title 44, United States Code, shall not apply to the conduct of the demonstration project under this subsection.

“(B) WAIVER.—The Secretary may waive such provisions of titles XI and XVIII of the Social Security Act (42 U.S.C. 1301 et seq.; 1395 et seq.) as may be necessary to carry out the demonstration project under this subsection.

“(5) EVALUATION AND REPORT.—

“(A) EVALUATION.—The Secretary shall evaluate the demonstration project under this subsection to—

“(i) assess the timeliness and efficacy of the demonstration project;

“(ii) assess the performance of entities under a contract entered into under paragraph (2)(I)(i);

“(iii) analyze data—

“(I) on the rates of appropriate, uncertain, and inappropriate advanced diagnostic imaging services furnished by physicians participating in the demonstration project;

“(II) on patterns and trends in the appropriateness and inappropriateness of such services furnished by such physicians;

“(III) on patterns and trends in national and regional variations of care with respect to the furnishing of such services; and

“(IV) on the correlation between the appropriateness of the services furnished and image results; and

“(iv) address—

“(I) the thresholds used under the demonstration project to identify acceptable and outlier levels of performance with respect to the appropriateness of advanced diagnostic imaging services furnished;

“(II) whether prospective use of appropriateness criteria could have an effect on the volume of such services furnished;

“(III) whether expansion of the use of appropriateness criteria with respect to such services to a broader population of Medicare beneficiaries would be advisable;

“(IV) whether, under such an expansion, physicians who demonstrate consistent compliance
with such appropriateness criteria should be exempted from certain requirements;

"(V) the use of incident-specific versus practice-specific outlier information in formulating future recommendations with respect to the use of appropriateness criteria for services under the Medicare program; and

"(VI) the potential for using methods (including financial incentives), in addition to those used under the models under the demonstration project, to ensure compliance with such criteria.

"(b) Funding.—The Secretary shall provide for the transfer from the Federal Supplementary Medical Insurance Trust Fund established under section 1841 of the Social Security Act (42 U.S.C. 1395t) of $10,000,000, for carrying out the demonstration project under this subsection, the Social Security Act (42 U.S.C. 1395x of this title, and provisions set out as a note under this section), and revise the conversion factor applicable under section 1834(j) of the Social Security Act (42 U.S.C. 1395m(l)) for purposes of implementing such amendments, on an interim final basis, or by program instruction."

IMPLEMENTATION OF 2003 AMENDMENT

Pub. L. 108–173, title IV, §414(e), Dec. 8, 2003, 117 Stat. 2280, provided that: "The Secretary [of Health and Human Services] may implement the amendments made by this section [amending this section, section 1395x of this title, and provisions set out as a note under this section], and revise the conversion factor applicable under section 1834(j) of the Social Security Act (42 U.S.C. 1395m(l)) for purposes of implementing such amendments, on an interim final basis, or by program instruction."

GAO REPORT ON COSTS AND ACCESS

Pub. L. 108–173, title IV, §414(f), Dec. 8, 2003, 117 Stat. 2280, which required the Comptroller General of the United States to submit to Congress initial and final reports on how costs differ among the types of ambulance providers and on access, supply, and quality of ambulance services in those regions and States that have a reduction in payment under the medicare ambulance fee schedule under section 1395m(l) of this title, was repealed by Pub. L. 111–68, div. A, title I, §150(e)(1), Oct. 1, 2009, 123 Stat. 2341.

REPORT ON DEMONSTRATION PROJECT PERMITTING SKILLED NURSING FACILITIES TO BE ORIGINATING TELEHEALTH SITES; AUTHORITY TO IMPLEMENT


"(a) Evaluation.—The Secretary [of Health and Human Services], acting through the Administrator of the Health Resources and Services Administration in consultation with the Administrator of the Centers for Medicare & Medicaid Services, shall evaluate demonstration projects conducted by the Secretary under which skilled nursing facilities (as defined in section 1820(a)(1)(B) of the Social Security Act (42 U.S.C. 1395l)), are served as originating sites for telehealth services.

"(b) Report.—Not later than January 1, 2006, the Secretary shall submit to Congress a report on the evaluation conducted under subsection (a). Such report shall include recommendations on mechanisms to ensure that permitting a skilled nursing facility to be an originating site for telehealth services will not result in a substitute for in-person visits furnished by a physician, or for in-person visits furnished by a physician assistant, nurse practitioner or clinical nurse specialist, as is otherwise required by the Secretary.

"(c) Authority To Expand Originating Telehealth Sites To Include Skilled Nursing Facilities.—Insofar as the Secretary concludes in the report required under subsection (b) that it is advisable to permit a skilled nursing facility to be an originating site for telehealth services under section 1834(m) of the Social Security Act (42 U.S.C. 1395l), and that the Secretary can establish the mechanisms to ensure such permission does not serve as a substitute for in-person visits furnished by a physician, or for in-person visits furnished by a physician assistant, nurse practitioner or clinical nurse specialist, the Secretary may deem a skilled nursing facility to be an originating site under paragraph (4)(C)(ii) of such section beginning on January 1, 2006."

PAYMENT FOR NEW TECHNOLOGIES

mammography is an advance in technology with respects to the test or equipment that results in the following:

"(1) In the case of a technology which directly takes a digital image (without involving film), in an amount equal to 150 percent of the amount of payment under section 1848 of such Act (42 U.S.C. 1395w–4) for a bilateral diagnostic mammography (under HCPCS code 76091) for such year.

"(2) In the case of a technology which allows conversion of a standard film mammogram into a digital image and subsequently analyzes such resulting image with software to identify possible problem areas, in an amount equal to the limit that would otherwise be applied under section 1834(c)(3) of such Act (42 U.S.C. 1395m(c)(3)) for 2001, increased by 15.

"(3) New technology described.—For purposes of this subsection, a new technology with respect to a mammography shall be the amount of payment provided under subparagraph (A), payment for such mammography shall be the amount of payment provided for under such subparagraph.

"(4) Allocation of amounts.—The Secretary shall provide for an appropriate allocation of the amounts under subparagraphs (A) and (B) between the professional and technical components.

"(5) Implementation of provision.—The Secretary of Health and Human Services may implement the provisions of this paragraph by program memorandum or otherwise.

"(6) Consideration of new HCPCS Code for new technologies after 2001.—The Secretary shall determine, for such mammographies performed after 2001, whether the assignment of a new HCPCS code is appropriate for mammography that uses a new technology. If the Secretary determines that a new code is appropriate for such mammography, the Secretary shall provide for such new code for such tests furnished after 2001.

"(7) Study.—The Secretary of Health and Human Services shall conduct a study to identify—

"(A) settings and sites for the provision of telehealth services that are in addition to those permitted under section 1384(m) of the Social Security Act (42 U.S.C. 1395m(m)), as added by subsection (b); and

"(B) practitioners that may be reimbursed under such section for furnishing telehealth services that are in addition to the practitioners that may be reimbursed for such services under such section; and

"(C) geographic areas in which such telehealth services may be reimbursed that are in addition to the geographic areas where such services may be reimbursed under such section.

"(8) Report.—Not later than 2 years after the date of the enactment of this Act [Dec. 21, 2000], the Secretary shall submit to Congress a report on the study conducted under paragraph (1) together with such recommendations for legislation and administrative action as the Secretary determines appropriate.

GAO STUDIES ON COSTS OF AMBULANCE SERVICES FURNISHED IN RURAL AREAS

Pub. L. 106–554, § 1(a)(6) [title II, § 221(b)], Dec. 21, 2000, 114 Stat. 2763, 2763A–486, provided that:

"(1) Study.—The Comptroller General of the United States shall conduct a study on each of the matters described in paragraph (2).

"(2) Matters described.—The matters referred to in paragraph (1) are the following:

"(A) The cost of efficiently providing ambulance services for trips originating in rural areas, with special emphasis on collection of cost data from rural providers.

"(B) The means by which rural areas with low population densities can be identified for the purpose of designating areas in which the cost of providing ambulance services would be expected to be higher than similar services provided in more heavily populated areas because of low usage. Such study shall also include an analysis of the additional costs of providing ambulance services in areas designated under the previous sentence.

"(C) Report.—Not later than June 30, 2002, the Comptroller General shall submit to Congress a report on the results of the studies conducted under paragraph (1) and shall include recommendations on steps that should be taken to assure access to ambulance services in rural areas.

ADJUSTMENT IN RURAL RATES


"(1) Study.—The Secretary of Health and Human Services shall conduct a study for trips originating in rural areas, with special emphasis on collection of cost data from rural providers.

"(2) Report.—Not later than June 30, 2002, the Comptroller General shall submit to Congress a report on the results of the studies conducted under paragraph (1) and shall include recommendations on steps that should be taken to assure access to ambulance services in rural areas.

STUDY AND REPORT ON ADDITIONAL COVERAGE FOR TELHEALTH SERVICES

Pub. L. 106–554, § 1(a)(6) [title II, § 222(d)], Dec. 21, 2000, 114 Stat. 2763, 2763A–489, provided that:

"(1) Study.—The Secretary of Health and Human Services shall conduct a study to identify—

"(A) settings and sites for the provision of telehealth services that are in addition to those permitted under section 1384(m) of the Social Security Act (42 U.S.C. 1395m(m)), as added by subsection (b); and

"(B) practitioners that may be reimbursed under such section for furnishing telehealth services that are in addition to the practitioners that may be reimbursed for such services under such section; and

"(C) geographic areas in which such telehealth services may be reimbursed that are in addition to the geographic areas where such services may be reimbursed under such section.

"(2) Report.—Not later than 2 years after the date of the enactment of this Act [Dec. 21, 2000], the Secretary shall submit to Congress a report on the study conducted under paragraph (1) together with such recommendations for legislation that the Secretary determines are appropriate.

SPECIAL RULES FOR PAYMENTS FOR 2001


"(1) TESTS FURNISHED IN 2001.—

"(A) Bilateral Diagnostic mammography (under HCPCS code 76091) for such year.

"(2) Technology described.—For a screening mammography as defined in section 1861(jj) of the Social Security Act (42 U.S.C. 1395x(jj)) furnished during the period beginning on April 1, 2001, and ending on December 31, 2001, that uses a new technology, payment for such screening mammography shall be made as follows:

"(i) In the case of a technology which directly takes a digital image (without involving film), in an amount equal to 150 percent of the amount of payment under section 1848 of such Act (42 U.S.C. 1395w–4) for a bilateral diagnostic mammography (under HCPCS code 76091) for such year.

"(ii) In the case of a technology which allows conversion of a standard film mammogram into a digital image and subsequently analyzes such resulting image with software to identify possible problem areas, in an amount equal to the limit that would otherwise be applied under section 1834(c)(3) of such Act (42 U.S.C. 1395m(c)(3)) for 2001, increased by 15.

"(B) Allocation of amounts.—The Secretary shall provide for an appropriate allocation of the amounts under subparagraphs (A) and (B) between the professional and technical components.

"(C) Implementation of provision.—The Secretary of Health and Human Services may implement the provisions of this paragraph by program memorandum or otherwise.

"(D) Consideration of new HCPCS Code for new technologies after 2001.—The Secretary shall determine, for such mammographies performed after 2001, whether the assignment of a new HCPCS code is appropriate for mammography that uses a new technology. If the Secretary determines that a new code is appropriate for such mammography, the Secretary shall provide for such new code for such tests furnished after 2001.

"(E) Study.—The Secretary of Health and Human Services shall conduct a study to identify—

"(i) settings and sites for the provision of telehealth services that are in addition to those permitted under section 1384(m) of the Social Security Act (42 U.S.C. 1395m(m)), as added by subsection (b); and

"(ii) practitioners that may be reimbursed under such section for furnishing telehealth services that are in addition to the practitioners that may be reimbursed for such services under such section; and

"(F) Geographic areas in which such telehealth services may be reimbursed that are in addition to the geographic areas where such services may be reimbursed under such section.

"(2) Report.—Not later than 2 years after the date of the enactment of this Act [Dec. 21, 2000], the Secretary shall submit to Congress a report on the study conducted under paragraph (1) together with such recommendations for legislation that the Secretary determines are appropriate.

"(b) Report.—Not later than 18 months after the date of the enactment of this Act [Dec. 21, 2000], the Commission shall submit to Congress a report on the study conducted under subsection (a) together with such recommendations for legislation and administrative action as the Commission determines appropriate.”
standing the amendment made by paragraph (1) [amending this section], for purposes of making payments for ambulance services under part B of title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.), for services furnished during 2001, the ‘percentage increase in the consumer price index’ specified in section 1834(h)(3)(B) of such Act (42 U.S.C. 1395m(h)(3)(B))—

"(A) for services furnished on or after January 1, 2001, before and January 1, 2002, shall be the percentage increase for 2001 as determined under such section 1834(a) of the Social Security Act (42 U.S.C. 1395m(a)), other than for oxygen and oxygen equipment specified in paragraph (9) of such section, the payment basis recognized for 2001 under such section—

"(1) for items furnished on or after January 1, 2001, and before July 1, 2001, shall be the payment basis for 2001 as determined under the provisions of law in effect on the date before the date of the enactment of this Act (Dec. 21, 2000); and

"(2) for items furnished on or after July 1, 2001, and before January 1, 2002, shall be equal to 4.7 percent—

Pub. L. 106–554, §1(a)(6) [title IV, §426(b)], Dec. 21, 2000, 114 Stat. 2763, 2763A–519, provided that: ‘’Notwithstanding the amendments made by subsection (a) [amending this section], for purposes of making payments for durable medical equipment under section 1834(a) of the Social Security Act (42 U.S.C. 1395m(a)), other than for oxygen and oxygen equipment specified in paragraph (9) of such section, the payment basis recognized for 2001 under such section—

"(1) for items furnished on or after January 1, 2001, and before July 1, 2001, shall be the payment basis for 2001 as determined under the provisions of law in effect on the date before the date of the enactment of this Act (Dec. 21, 2000) (including the application of section 228(a)(1) of BBRA [Pub. L. 106–113, §1000(a)(6) [title II, §228(a)(1)], set out as a note below); and

"(2) for items furnished on or after July 1, 2001, and before January 1, 2002, shall be the payment basis that is determined under such section 1834(a) if such section 228(a)(1) did not apply and taking into account the amendments made by subsection (a), increased by a transitional percentage allowance equal to 3.28 percent (to account for the timing of implementation of the CPI update).’’

Pub. L. 106–554, §1(a)(6) [title IV, §426(b)], Dec. 21, 2000, 114 Stat. 2763, 2763A–520, provided that: ‘’Notwithstanding the amendments made by subsection (a) [amending this section], for purposes of making payments for prosthetic devices and orthotics and prosthetics (as defined in subparagraphs (B) and (C) of paragraph (4) of section 1834(h) of the Social Security Act (42 U.S.C. 1395m(h)) under such section, the payment basis recognized for 2001 under paragraph (2) of such section—

"(1) for items furnished on or after January 1, 2001, and before July 1, 2001, shall be the payment basis for 2001 as determined under the provisions of law in effect on the date before the date of the enactment of this Act (Dec. 21, 2000); and

"(2) for items furnished on or after July 1, 2001, and before January 1, 2002, shall be the payment basis that is determined under such section taking into account the amendments made by subsection (a), increased by a transitional percentage allowance equal to 2.6 percent (to account for the timing of implementation of the CPI update).’’

PREAMPTION OF RULE

Pub. L. 106–554, §1(a)(6) [title IV, §426(b)], Dec. 21, 2000, 114 Stat. 2763, 2763A–521, provided that: ‘’The provisions of section 1834(h)(1)(G) (42 U.S.C. 1395m(h)(1)(G)) as added by subsection (a) shall supersede any rule that as of the date of the enactment of this Act (Dec. 21, 2000) may have applied a 5-year replacement rule with regard to prosthetic devices.’’

GAO STUDY AND REPORT ON COSTS OF EMERGENCY AND MEDICAL TRANSPORTATION SERVICES

Pub. L. 106–554, §1(a)(6) [title IV, §436], Dec. 21, 2000, 114 Stat. 2763, 2763A–527, provided that:

"(a) STUDY.—The Comptroller General of the United States shall conduct a study on the costs of providing emergency and medical transportation services across the range of acuity levels of conditions for which such transportation services are provided,

"(b) REPORT.—Not later than 18 months after the date of the enactment of this Act [Dec. 21, 2000], the Comptroller General shall submit to Congress a report on the study conducted under subsection (a), together with recommendations for any changes in methodology or payment level necessary to fairly compensate suppliers of emergency and medical transportation services and to ensure the access of beneficiaries under the medicare program under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.).’’

TREATMENT OF TEMPORARY PAYMENT INCREASES AFTER CALENDAR YEAR 2001

Pub. L. 106–554, §1(a)(6) [title V, §547(d)], Dec. 21, 2000, 114 Stat. 2763, 2763A–553, provided that: ‘’The payment increase provided under the following sections shall not apply after calendar year 2001 and shall not be taken into account in calculating the payment amounts applicable for items and services furnished after such year—

"(1) Section 401(c)(2) [set out as a note under section 1395f of this title] (relating to covered OPD services).

"(2) Section 422(e)(2) [set out as a note under section 1395rr of this title] (relating to renal dialysis services paid for on a composite rate basis).

"(3) Section 423(a)(2)(B) [set out above] (relating to ambulance services).

"(4) Section 425(b)(2) [set out above] (relating to durable medical equipment).

"(5) Section 426(b)(2) [set out above] (relating to prosthetic devices and orthotics and prosthetics).’’

STUDY OF DELIVERY OF INTRAVENOUS IMMUNE GLOBULIN (IVIG) OUTSIDE HOSPITALS AND PHYSICIANS’ OFFICES

Pub. L. 106–113, div. B, §1000(a)(6) [title II, §228], Nov. 29, 1999, 113 Stat. 1536, 1501A–341, required the Secretary of Health and Human Services to conduct a study of the extent to which intravenous immune globulin could be delivered and reimbursed under the medicare program outside of a hospital or physician’s office and to submit a report on such study to Congress within 18 months after Nov. 29, 1999.

TEMPORARY INCREASE IN PAYMENT RATES FOR DURABLE MEDICAL EQUIPMENT AND OXYGEN


"(a) IN GENERAL.—For purposes of payments under section 1834(a) of the Social Security Act (42 U.S.C. 1395m(a)) for covered items (as defined in paragraph (13) of that section) furnished during 2001 and 2002, the Secretary of Health and Human Services shall increase the payment amount in effect (but for this section) for such items for—

"(1) 2001 by 0.3 percent, and

"(2) 2002 by 0.6 percent.

(b) LIMITING APPLICATION TO SPECIFIED YEARS.—The payment amount increase—

"(1) under subsection (a)(1) shall not apply after 2001 and shall not be taken into account in calculating the payment amounts applicable for covered items furnished after such year; and

"(2) under subsection (a)(2) shall not apply after 2002 and shall not be taken into account in calculating the payment amounts applicable for covered items furnished after such year.

DEMONSTRATION OF COVERAGE OF AMBULANCE SERVICES UNDER MEDICARE THROUGH CONTRACTS WITH UNITS OF LOCAL GOVERNMENT


"(a) DEMONSTRATION PROJECT CONTRACTS WITH LOCAL GOVERNMENTS.—The Secretary of Health and Human Services shall establish up to 3 demonstration projects
under which, at the request of a unit of local government, the Secretary enters into a contract with the unit of local government under which—

"(1) the unit of local government furnishes (or arranges for the furnishing of) ambulance services for which payment may be made under part B of title XVIII of the Social Security Act [42 U.S.C. 1395 et seq.] for individuals residing in the unit of local government who are enrolled under such part, except that the unit of local government may not enter into the contract unless the contract covers at least 50 percent of the individuals residing in the unit of local government who are enrolled under such part but not in a Medicare+Choice plan;

"(2) any individual or entity furnishing ambulance services under the contract meets the requirements otherwise applicable to individuals and entities furnishing such services under such part; and

"(3) for each month during which the contract is in effect, the Secretary makes a capped payment to the unit of local government in accordance with subsection (b).

The projects may extend over a period of not to exceed 3 years each. Not later than July 1, 2000, the Secretary shall publish a request for proposals for such projects.

"(b) AMOUNT OF PAYMENT.

"(1) IN GENERAL.—The amount of the monthly payment made for months occurring during a calendar year to a unit of local government under a demonstration project contract under subsection (a) shall be equal to the product of—

"(A) the Secretary's estimate of the number of individuals covered under the contract for the month; and

"(B) 1⁄2 of the capitated payment rate for the year established under paragraph (2).

"(2) CAPITATED PAYMENT RATE DEFINED.—In this subsection, the term ‘capitated payment rate’ means, with respect to a demonstration project—

"(A) in its first year, a rate established for the project by the Secretary, using the most current available data, in a manner that ensures that aggregate payments under the project will not exceed the aggregate payment that would have been made for ambulance services under part B of title XVIII of the Social Security Act [42 U.S.C. 1395 et seq.] in the local area of government's jurisdiction; and

"(B) in a subsequent year, the capitated payment rate established for the previous year increased by an appropriate inflation adjustment factor.

"(c) OTHER TERMS OF CONTRACT.—The Secretary and the unit of local government may include in a contract under this section such other terms as the parties consider appropriate, including—

"(1) covering individuals residing in additional units of local government under arrangements entered into between such units and the unit of local government involved;

"(2) permitting the unit of local government to transport individuals to non-hospital providers if such providers are able to furnish quality services at a lower cost than hospital providers; or

"(3) implementing such other innovations as the unit of local government may propose to improve the quality of ambulance services and control the costs of such services.

"(d) CONTRACT PAYMENTS IN LIEU OF OTHER BENEFITS.—Payments under a contract to a unit of local government under this section shall be instead of the amounts which (in the absence of the contract) would otherwise be payable under part B of title XVIII of the Social Security Act [42 U.S.C. 1395 et seq.] for the services covered under the contract which are furnished to individuals who reside in the unit of local government.

"(e) REPORT ON EFFECTS OF CAPITATED CONTRACTS.—

"(1) STUDY.—The Secretary shall evaluate the demonstration projects conducted under this section. Such evaluation shall include an analysis of the quality and cost-effectiveness of ambulance services furnished under the projects.

"(2) REPORT.—Not later than one year after the date of the enactment of this Act [Oct. 31, 1994], the Secretary shall submit a report to Congress on the study conducted under paragraph (1), and shall include in the report such recommendations as the Secretary considers appropriate, including recommendations regarding modifications to the methodology used to determine the amount of payments made under such contracts and extending or expanding such projects.

[References to Medicare+Choice deemed to refer to Medicare Advantage, see section 201(b) of Pub. L. 103–173, set out as a note under section 1395w–21 of this title.]


PAYMENT FREEZE FOR PARENTERAL AND ENTERAL NUTRIENTS, SUPPLIES, AND EQUIPMENT

Pub. L. 108–193, title IV, §4053(c), Aug. 5, 2004, 118 Stat. 2103, provided that: ‘‘(1) STUDY.—The Comptroller General of the United States shall study issues relating to access to home oxygen equipment and shall, within 6 months after the date of the enactment of this Act [Aug. 5, 1997], report to the Committees on Commerce and Ways and Means of the House of Representatives and the Committee on Finance of the Senate the results of the study, including recommendations (if any) for legislation.

"(2) PEER REVIEW EVALUATION.—The Secretary of Health and Human Services shall arrange for peer review (now ‘‘quality improvement’’) organizations established under section 1154 of the Social Security Act [42 U.S.C. 1320c–3] to evaluate access to, and quality of, home oxygen equipment.

ACCESS TO HOME OXYGEN EQUIPMENT

Pub. L. 105–33, title IV, §4552(d), Aug. 5, 1997, 111 Stat. 459, provided that:

"(1) STUDY.—The Secretary shall submit a report to Congress on the study conducted under paragraph (1), and shall include in the report such recommendations as the Secretary consid-
ers appropriate to assure that disabled medicare beneficiaries have access to items of durable medical equipment.'"

**Criteria for Treatment of Items as Prosthetic Devices or Orthotics and Prosthetics**

Pub. L. 103–432, title I, §131(c), Oct. 31, 1994, 108 Stat. 4419, provided that not later than one year after Oct. 31, 1994, Secretary of Health and Human Services was to submit to Congress a report describing prosthetic devices or orthotics and prosthetics covered under this part that do not require individualized or custom fitting and adjustment to be used by a patient, including recommendations for appropriate methodology for determining amount of payment for such items.

**Adjustment Required for Certain Items**


"(1) In General.—In accordance with section 1834(a)(10)(B) of the Social Security Act [42 U.S.C. 1395m(a)(10)(B)] (as amended by subsection (a)), the Secretary of Health and Human Services shall determine whether the payment amounts for the items described in paragraph (2) are not inherently reasonable, and shall adjust such amounts in accordance with such section if the amounts are not inherently reasonable.

"(2) Items Described.—The items referred to in paragraph (1) are decubitus care equipment, transcutaneous electrical nerve stimulators, and any other items considered appropriate by the Secretary.'"

**Limitation on Prevailing Charge for Physicians' Radiology Services Furnished During 1991; Exceptions**

Pub. L. 101–508, title IV, §4102(e), Nov. 9, 1990, 104 Stat. 4415, provided that:

"(1) In General.—In applying part B of title XVIII of the Social Security Act [42 U.S.C. 1395 et seq.], the prevailing charge for physicians' services, furnished during 1991, which are radiology services may not exceed the fee schedule amount established under section 1834(b) of such Act [42 U.S.C. 1395m(b)] with respect to such services.

"(2) Exception.—Paragraph (1) shall not apply to nuclear medicine services.'"

**Limitation on Carrier Adjustments for Radiologist Services Furnished During 1991**

Pub. L. 101–508, title IV, §4102(e), Nov. 5, 1990, 104 Stat. 4415, provided that:

"(1) In General.—In applying part B of title XVIII of the Social Security Act [42 U.S.C. 1395m(b)] with respect to nuclear medicine services furnished by a physician for whom nuclear medicine services account for at least 80 percent of the total amount of charges made under part B of title XVIII of the Social Security Act [42 U.S.C. 1395 et seq.], beginning April 1, 1990, and ending December 31, 1991, there shall be substituted for the fee schedule otherwise applicable a fee schedule based 1⁄3 on the fee schedule computed under such section (without regard to this subsection) and 2⁄3 on 101 percent of the 1988 prevailing charge for such services.'"

**Special Rule for Interventional Radiologists; ‘Split Billing’**

Pub. L. 101–239, title VI, §6105(b), Dec. 19, 1989, 103 Stat. 2215, provided that:

"(1) In General.—Except as provided in paragraph (2), the amount of any monthly rental payment under part B of title XVIII of the Social Security Act [42 U.S.C. 1395m(b)] for an enteral or parenteral pump furnished on or after April 1, 1990, shall be determined in accordance with the methodology under which monthly rental payments for such pumps were determined during 1989.

"(2) Cap on Rental Payments, Servicing, and Repairs.—In the case of an enteral or parenteral pump described in paragraph (1) that is furnished on a rental basis during a period of medical need—

"(A) monthly rental payments shall not be made under part B of title XVIII of the Social Security Act for more than 15 months during such period, and

"(B) after monthly rental payments have been made for 15 months during such period, payment under such part shall be made for maintenance and servicing of the pump in such amounts as the Secretary determines to be reasonable and necessary to ensure the proper operation of the pump.'"

**Treatment of Power-Driven Wheelchairs as Customized Items**

Pub. L. 101–239, title VI, §6112(d)(2), Dec. 19, 1989, 103 Stat. 2215, provided that: "The Secretary of Health and Human Services shall by regulation specify criteria to be used by carriers in making determinations on a case-by-case basis as to whether to classify power-driven wheelchairs as a customized item (as described in section 1834(a)(4) of the Social Security Act [42 U.S.C. 1395m(a)(4)]) for purposes of reimbursement under title XVIII of such Act [42 U.S.C. 1395 et seq.]."
to conduct a study of costs of furnishing, and payments for, portable x-ray services under part B and, not later than 1 year after Dec. 19, 1989, report to Congress on results of such study including a recommendation respecting whether payment for such services should be made in the same manner as for radiologists' services or on the basis of a separate fee schedule.

GAO Study of Standards for Use of and Payment for Items of Durable Medical Equipment

Pub. L. 101-239, title VI, §6139, Dec. 19, 1989, 103 Stat. 2224, directed Comptroller General to conduct a study of appropriate uses of items of durable medical equipment and of appropriate criteria for making determinations of medical necessity under this subchapter for such items, with particular emphasis on items (including seat-lift chairs) that may be subject to abusive billing practices, such study to include an analysis of appropriate use of forms in making medical necessity determinations for items of durable medical equipment under such title, and procedures for identifying items of durable medical equipment that should no longer be covered under this subchapter, and to be conducted with a panel convened by the Comptroller General consisting of specialists in the disciplines of orthopedic medicine, rehabilitation, arthritis, and geriatric medicine, representatives of consumer organizations, and representatives of carriers under the medicare program to submit not later than Apr. 1, 1991, a report to Committees on Ways and Means and Energy and Commerce of House of Representatives and Committee on Finance of Senate on the study including recommendations.

Reports on Medicare Beneficiary Drug Expenses


Additional Studies by Secretary or Comptroller General

Pub. L. 100-360, title II, §202(k), July 1, 1988, 102 Stat. 719, directed Secretary of Health and Human Services to conduct a study, and make a report to Congress by Jan. 1, 1990, on possibility of including drugs which have not yet been approved under section 355 or 357 of Title 21, Food and Drugs, and biological products which have not been licensed under section 262 of this title but which are commonly used in the treatment of cancer or in immunosuppressive therapy and other experimental drugs and biological products as covered outpatient drugs under medicare program, to conduct a study, and report to Congress by Jan. 1, 1990, evaluating potential to use mail service pharmacies to reduce costs to medicare program and to medicare beneficiaries, to conduct a study, and report to Congress by Jan. 1, 1990, on methods to improve utilization review of covered outpatient drugs, and to conduct a longitudinal study, and report to Congress by Jan. 1, 1995, on use of outpatient prescription drugs by medicare beneficiaries with respect to medical necessity, potential for adverse drug interactions (including whether lower cost drugs could have been used), and patient stockpiling or wastage, and which further directed Comptroller General to conduct studies, and report to Congress by not later than May 1, 1991, on comparing average wholesale prices with actual pharmacy acquisition costs by type of pharmacy, on determining the overhead costs of retail pharmacies, and on discounts given by pharmacies to enrollees prior to repeal by Pub. L. 101-234, title II, §201(a), Dec. 13, 1989, 103 Stat. 1981.

Development of Standard Medicare Claims Forms


Studies and Reports on Screening Mammography


Deadline for Establishment of Fee Schedules for Radiologist Services


Study and Evaluation

Pub. L. 100-203, title IV, §4062(c), Dec. 22, 1987, 101 Stat. 1309-107, as amended by Pub. L. 100-360, title IV, §411(g)(1)(C), July 1, 1988, 102 Stat. 782, provided that:

"(1) The Secretary of Health and Human Services shall monitor the impact of the amendments made by this section (enacting this section, amending sections 1835f, 1395k, 1395i, and 1395cc of this title, and repealing section 1395sz of this title) on the availability of covered items and shall evaluate the appropriateness of the volume adjustment for oxygen and oxygen equipment under section 1834a(a)(5)(C) of the Social Security Act (42 U.S.C. 1395m(a)(5)(C)) as amended by subsection (b) of this section).

"(2) Before January 1, 1991, the Secretary may not conduct any demonstrator project, respecting the alternative methods of payment for covered items under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.)."

"(3) In this subsection, the term ‘covered item’ has the meaning given such term in section 1383(a)(13) of the Social Security Act (42 U.S.C. 1395m(a)(13)) (as amended by subsection (b) of this section).

"(4) The Secretary shall, upon written request and payment of a reasonable copying fee which the Secretary may establish, provide the data and information used in determining the payment amounts for covered items under section 1834(a) of the Social Security Act (42 U.S.C. 1395m(a)), but only in a form which does not permit identification of individual suppliers.

"(5) The Comptroller General shall conduct a study on the appropriateness of the level of payments allowed for covered items under the medicare program, and shall report to Congress on the results of such study (including recommendations on the transition to regional or national rates) by not later than January 1, 1991. Entities furnishing such items which fail to provide the Comptroller General with reasonable accessible to necessary records to carry out the study under this paragraph are subject to exclusion from the medicare program under section 1128(a) of the Social Security Act (42 U.S.C. 1320a-7(a))."
§ 1395m–1. Improving policies for clinical diagnostic laboratory tests

(a) Reporting of private sector payment rates for establishment of medicare payment rates

(1) In general

(A) General reporting requirements

Subject to subparagraph (B), beginning January 1, 2016, and every 3 years thereafter (or, annually, in the case of reporting with respect to an advanced diagnostic laboratory test, as defined in subsection (d)(5)), an applicable laboratory (as defined in paragraph (2)) shall report to the Secretary, at a time specified by the Secretary (referred to in this subsection as the “reporting period”), applicable information (as defined in paragraph (3)) for a data collection period (as defined in paragraph (4)) for each clinical diagnostic laboratory test that the laboratory furnishes during such period for which payment is made under this part.

(B) Revised reporting period

In the case of reporting with respect to clinical diagnostic laboratory tests that are not advanced diagnostic laboratory tests, the Secretary shall revise the reporting period under subparagraph (A) such that—

(i) no reporting is required during the period beginning January 1, 2020, and ending December 31, 2020;

(ii) reporting is required during the period beginning January 1, 2021, and ending March 31, 2021; and

(iii) reporting is required every three years after the period described in clause (ii).

(2) Definition of applicable laboratory

In this section, the term “applicable laboratory” means a laboratory that, with respect to its revenues under this subchapter, a majority of such revenues are from this section, section 1395w–3a(h), or section 1395w–4 of this title. The Secretary may establish a low volume or low expenditure threshold for excluding a laboratory from the definition of applicable laboratory under this paragraph, as the Secretary determines appropriate.

(3) Applicable information defined

(A) In general

In this section, subject to subparagraph (B), the term “applicable information” means, with respect to a laboratory test for a data collection period, the following:

(i) The payment rate (as determined in accordance with paragraph (5)) that was paid by each private payor for the test during the period.

(ii) The volume of such tests for each such payor for the period.

(B) Exception for certain contractual arrangements

Such term shall not include information with respect to a laboratory test for which payment is made on a capitated basis or other similar payment basis during the data collection period.

(4) Data collection period defined

(A) In general

Subject to subparagraph (B), in this section, the term “data collection period” means a period of time, such as a previous 12 month period, specified by the Secretary.

(B) Exception

In the case of the reporting period described in paragraph (1)(B)(ii) with respect to clinical diagnostic laboratory tests that are not advanced diagnostic laboratory tests, the term “data collection period” means the period beginning January 1, 2019, and ending June 30, 2019.

(5) Treatment of discounts

The payment rate reported by a laboratory under this subsection shall reflect all discounts, rebates, coupons, and other price concessions, including those described in section 1395w–3a(1)(3) of this title.

(6) Ensuring complete reporting

In the case where an applicable laboratory has more than one payment rate for the same payor for the same test or more than one payment rate for different payors for the same test, the applicable laboratory shall report each such payment rate and the volume for the test at each such rate under this subsection. Beginning with January 1, 2019, the Secretary may establish rules to aggregate reporting with respect to the situations described in the preceding sentence.

(7) Certification

An officer of the laboratory shall certify the accuracy and completeness of the information reported under this subsection.

(8) Private payor defined

In this section, the term “private payor” means the following:

(A) A health insurance issuer and a group health plan (as such terms are defined in section 300gg–91 of this title).

(B) A Medicare Advantage plan under part C.

(C) A medicaid managed care organization (as defined in section 1396b(m) of this title).

(9) Civil money penalty

(A) In general

If the Secretary determines that an applicable laboratory has failed to report or made a misrepresentation or omission in reporting information under this subsection with respect to a clinical diagnostic laboratory test, the Secretary may apply a civil money penalty in an amount of up to $10,000 per day for each failure to report or each such misrepresentation or omission.

(B) Application

The provisions of section 1320a–7a of this title (other than subsections (a) and (b)) shall apply to a civil money penalty under this paragraph in the same manner as they apply to a civil money penalty or proceeding under section 1320a–7a(a) of this title.

(10) Confidentiality of information

Notwithstanding any other provision of law, information disclosed by a laboratory under
this subsection is confidential and shall not be disclosed by the Secretary or a Medicare contractor in a form that discloses the identity of a specific payor or laboratory, or prices charged or payments made to any such laboratory, except—

(A) as the Secretary determines to be necessary to carry out this section;

(B) to permit the Comptroller General to review the information provided;

(C) to permit the Director of the Congressional Budget Office to review the information provided; and

(D) to permit the Medicare Payment Advisory Commission to review the information provided.

(11) Protection from public disclosure

A payor shall not be identified on information reported under this subsection. The name of an applicable laboratory under this subsection shall be exempt from disclosure under section 552(b)(3) of title 5.

(12) Regulations

Not later than June 30, 2015, the Secretary shall establish through notice and comment rulemaking parameters for data collection under this subsection.

(b) Payment for clinical diagnostic laboratory tests

(1) Use of private payor rate information to determine medicare payment rates

(A) In general

Subject to paragraph (3) and subsections (c) and (d), in the case of a clinical diagnostic laboratory test furnished on or after January 1, 2017, the payment amount under this section shall be equal to the weighted median determined for the test under paragraph (2) for the most recent data collection period.

(B) Application of payment amounts to hospital laboratories

The payment amounts established under this section shall apply to a clinical diagnostic laboratory test furnished by a hospital laboratory if such test is paid for separately, and not as part of a bundled payment under section 1395l of this title.

(2) Calculation of weighted median

For each laboratory test with respect to which information is reported under subsection (a) for a data collection period, the Secretary shall calculate a weighted median for the test for the period, by arraying the distribution of all payment rates reported for the period for each test weighted by volume for each payor and each laboratory.

(3) Phase-in of reductions from private payor rate implementation

(A) In general

Payment amounts determined under this subsection for a clinical diagnostic laboratory test for each of 2017 through 2023 shall not result in a reduction in payments for a clinical diagnostic laboratory test for the year of greater than the applicable percent

(as defined in subparagraph (B) of the amount of payment for the test for the preceding year.

(B) Applicable percent defined

In this paragraph, the term “applicable percent” means—

(i) for each of 2017 through 2020, 10 percent; and

(ii) for each of 2021 through 2023, 15 percent.

(C) No application to new tests

This paragraph shall not apply to payment amounts determined under this section for either of the following.

(i) A new test under subsection (c).

(ii) A new advanced diagnostic test \( ^1 \) (as defined in subsection (d)(5)) under subsection (d).

(4) Application of market rates

(A) In general

Subject to paragraph (3), once established for a year following a data collection period, the payment amounts under this subsection shall continue to apply until the year following the next data collection period.

(B) Other adjustments not applicable

The payment amounts under this section shall not be subject to any adjustment (including any geographic adjustment, budget neutrality adjustment, annual update, or other adjustment).

(5) Sample collection fee

In the case of a sample collected from an individual in a skilled nursing facility or by a laboratory on behalf of a home health agency, the nominal fee that would otherwise apply under section 1395l(h)(3)(A) of this title shall be increased by $2.

(c) Payment for new tests that are not advanced diagnostic laboratory tests

(1) Payment during initial period

In the case of a clinical diagnostic laboratory test that is assigned a new or substantially revised HCPCS code on or after April 1, 2014, and which is not an advanced diagnostic laboratory test (as defined in subsection (d)(5)), during an initial period until payment rates under subsection (b) are established for the test, payment for the test shall be determined—

(A) using cross-walking (as described in section 414.508(a) of title 42, Code of Federal Regulations, or any successor regulation) to the most appropriate existing test under the fee schedule under this section during that period; or

(B) if no existing test is comparable to the new test, according to the gapfilling process described in paragraph (2).

(2) Gapfilling process described

The gapfilling process described in this paragraph shall take into account the following sources of information to determine gapfill amounts, if available:

---

\( ^1 \) So in original. Probably should be preceded by “laboratory”.
(A) Charges for the test and routine discounts to charges.
(B) Resources required to perform the test.
(C) Payment amounts determined by other payors.
(D) Charges, payment amounts, and resources required for other tests that may be comparable or otherwise relevant.
(E) Other criteria the Secretary determines appropriate.

(3) Additional consideration

In determining the payment amount under crosswalking or gapfilling processes under this subsection, the Secretary shall consider recommendations from the panel established under subsection (f)(1).

(4) Explanation of payment rates

In the case of a clinical diagnostic laboratory test for which payment is made under this subsection, the Secretary shall make available to the public an explanation of the payment rate for the test, including an explanation of how the criteria described in paragraph (2) and paragraph (3) are applied.

(d) Payment for new advanced diagnostic laboratory tests

(1) Payment during initial period

(A) In general

In the case of an advanced diagnostic laboratory test for which payment has not been made under the fee schedule under section 1395(h) of this title prior to April 1, 2014, during an initial period of three quarters, the payment amount for the test for such period shall be based on the actual list charge for the laboratory test.

(B) Actual list charge

For purposes of subparagraph (A), the term “actual list charge”, with respect to a laboratory test furnished during such period, means the publicly available rate on the first day at which the test is available for purchase by a private payor.

(2) Special rule for timing of initial reporting

With respect to an advanced diagnostic laboratory test described in paragraph (1)(A), an applicable laboratory shall initially be required to report under subsection (a) not later than the last day of the second quarter of the initial period under such paragraph.

(3) Application of market rates after initial period

Subject to paragraph (4), data reported under paragraph (2) shall be used to establish the payment amount for an advanced diagnostic laboratory test after the initial period under paragraph (1)(A) using the methodology described in subsection (b). Such payment amount shall continue to apply until the year following the next data collection period.

(4) Recoupment if actual list charge exceeds market rate

With respect to the initial period described in paragraph (1)(A), if, after such period, the Secretary determines that the payment amount for an advanced diagnostic laboratory test under paragraph (1)(A) that was applicable during the period was greater than 130 percent of the payment amount for the test established using the methodology described in subsection (b) that is applicable after such period, the Secretary shall recoup the difference between such payment amounts for tests furnished during such period.

(5) Advanced diagnostic laboratory test defined

In this subsection, the term “advanced diagnostic laboratory test” means a clinical diagnostic laboratory test covered under this part that is offered and furnished only by a single laboratory and not sold for use by a laboratory other than the original developing laboratory (or a successor owner) and meets one of the following criteria:

(A) The test is an analysis of multiple biomarkers of DNA, RNA, or proteins combined with a unique algorithm to yield a single patient-specific result.

(B) The test is cleared or approved by the Food and Drug Administration.

(C) The test meets other similar criteria established by the Secretary.

(e) Coding

(1) Temporary codes for certain new tests

(A) In general

The Secretary shall adopt temporary HCPCS codes to identify new advanced diagnostic laboratory tests (as defined in subsection (d)(5)) and new laboratory tests that are cleared or approved by the Food and Drug Administration.

(B) Duration

(i) In general

Subject to clause (ii), the temporary code shall be effective until a permanent HCPCS code is established (but not to exceed 2 years).

(ii) Exception

The Secretary may extend the temporary code or establish a permanent HCPCS code, as the Secretary determines appropriate.

(2) Existing tests

Not later than January 1, 2016, for each existing advanced diagnostic laboratory test (as so defined) and each existing clinical diagnostic laboratory test that is cleared or approved by the Food and Drug Administration for which payment is made under this part as of April 1, 2014, if such test has not already been assigned a unique HCPCS code, the Secretary shall—

(A) assign a unique HCPCS code for the test; and

(B) publicly report the payment rate for the test.

(3) Establishment of unique identifier for certain tests

For purposes of tracking and monitoring, if a laboratory or a manufacturer requests a unique identifier for an advanced diagnostic laboratory test (as so defined) or a laboratory
test that is cleared or approved by the Food and Drug Administration, the Secretary shall utilize a means to uniquely track such test through a mechanism such as a HCPCS code or modifier.

(f) Input from clinicians and technical experts

(1) In general

The Secretary shall consult with an expert outside advisory panel, established by the Secretary not later than July 1, 2015, composed of an appropriate selection of individuals with expertise, which may include molecular pathologists, researchers, and individuals with expertise in laboratory science or health economics, in issues related to clinical diagnostic laboratory tests, which may include the development, validation, performance, and application of such tests, to provide—

(A) input on—

(i) the establishment of payment rates under this section for new clinical diagnostic laboratory tests, including whether to use crosswalking or gapfilling processes to determine payment for a specific new test; and

(ii) the factors used in determining coverage and payment processes for new clinical diagnostic laboratory tests; and

(B) recommendations to the Secretary under this section.

(2) Compliance with FACA

The panel shall be subject to the Federal Advisory Committee Act (5 U.S.C. App.).

(3) Continuation of annual meeting

The Secretary shall continue to convene the national advisory panel, as described in section 1395i(h)(8)(B)(i) of this title after the implementation of this section for purposes of receiving comments and recommendations (and data on which the recommendations are based) as described in such section on the establishment of payment amounts under this section.

(g) Coverage

(1) Issuance of coverage policies

(A) In general

A medicare administrative contractor shall only issue a coverage policy with respect to a clinical diagnostic laboratory test in accordance with the process for making a local coverage determination (as defined in section 1395f(f)(2)(B) of this title), including the appeals and review process for local coverage determinations under part 426 of title 42, Code of Federal Regulations (or successor regulations).

(B) No effect on national coverage determination process

This paragraph shall not apply to the national coverage determination process (as defined in section 1395f(f)(1)(B) of this title).

(C) Effective date

This paragraph shall apply to coverage policies issued on or after January 1, 2015.

(2) Designation of one or more medicare administrative contractors for clinical diagnostic laboratory tests

The Secretary may designate one or more (not to exceed 4) medicare administrative contractors to either establish coverage policies or establish coverage policies and process claims for payment for clinical diagnostic laboratory tests, as determined appropriate by the Secretary.

(h) Implementation

(1) Implementation

There shall be no administrative or judicial review under section 1395f of this title, section 1395oo of this title, or otherwise, of the establishment of payment amounts under this section.

(2) Administration

Chapter 35 of title 44 shall not apply to information collected under this section.

(3) Funding

For purposes of implementing this section, the Secretary shall provide for the transfer, from the Federal Supplementary Medical Insurance Trust Fund under section 1395f of this title, to the Centers for Medicare & Medicaid Services Program Management Account, for each of fiscal years 2014 through 2018, $4,000,000, and for each of fiscal years 2019 through 2023, $3,000,000. Amounts transferred under the preceding sentence shall remain available until expended.

(i) Transitional rule

During the period beginning on April 1, 2014, and ending on December 31, 2016, with respect to advanced diagnostic laboratory tests under this part, the Secretary shall use the methodologies for pricing, coding, and coverage in effect on the day before April 1, 2014, which may include cross-walking or gapfilling methods.

REFERENCES IN TEXT


AMENDMENTS

2019—Subsec. (a)(1). Pub. L. 116–193, § 105(a)(1)(A), designated existing provisions as subpar. (A) and inserted heading, substituted “Subject to subparagraph (B), beginning January 1, 2016” for “Beginning January 1, 2015”, inserted “(referred to in this subsection as the ‘reporting period’)” after “at a time specified by the Secretary”, and added subpar. (B).

Subsec. (a)(4). Pub. L. 116–94, § 105(a)(1)(B), designated existing provisions as subpar. (A) and inserted heading, substituted “Subject to subparagraph (B), in this section” for “In this section”, and added subpar. (B).


MONITORING OF MEDICARE EXPENDITURES AND IMPLEMENTATION OF NEW PAYMENT SYSTEM FOR LABORATORY TESTS

§ 1395n. Procedure for payment of claims of providers of services

(a) Conditions for payment for services described in section 1395k(a)(2) of this title

Except as provided in subsections (b), (c), and (e), payment for services described in section 1395k(a)(2) of this title furnished an individual may be made only to providers of services which are eligible therefor under section 1395cc(a) of this title, and only if—

(1) written request, signed by such individual, except in cases in which the Secretary finds it impracticable for the individual to do so, is filed for such payment in such form, in such manner and by such person or persons as the Secretary may by regulation prescribe, no later than the close of the period ending 1 calendar year after the date of service; and

(2) a physician, or, in the case of services described in subparagraph (A), a physician enrolled under section 1395cc(j) of this title, certifies (and recertifies, where such services are furnished over a period of time, in such cases, with such frequency, and accompanied by such supporting material, appropriate to the case involved, as may be provided by regulations) that—

(A) in the case of home health services (i) such services are or were required because the individual is or was confined to his home (except when receiving items and services referred to in section 1395x(m)(7) of this title) and needs or needed skilled nursing care (other than solely venipuncture for the purpose of obtaining a blood sample) on an intermittent basis or physical or speech therapy or, in the case of an individual who has been furnished home health services based on such a need and who no longer has such a need for such care or therapy, continues or continued to need occupational therapy, (i) a plan for furnishing such services to such individual has been established and is periodically reviewed by a physician, (ii) such services are or were furnished while the individual is or was under the care of a physician; and

(B) in the case of outpatient speech pathology services, (i) such services are or were required because the individual needed skilled rehabilitation services, (ii) a plan for furnishing such services has been established and is periodically reviewed by a physician, and (iii) such services are or were furnished while the individual is or was under the care of a physician; and

(F) in the case of partial hospitalization services, (i) the individual would require inpatient psychiatric care in the absence of such services, (ii) an individualized, written plan for furnishing such services has been established by a physician and is reviewed periodically by a physician, and (iii) such services are or were furnished while the individual is or was under the care of a physician.

For purposes of this section, the term "provider of services" shall include a clinic, rehabilitation agency, or public health agency if, in the case of a clinic or rehabilitation agency, such clinic or agency meets the requirements of section 1395x(p)(4)(A) of this title (or meets the requirements of such section through the operation of subsection (g) or (ll)(2) of section 1395x of this title), or if, in the case of a public health agency, such agency meets the requirements of section 1395x(p)(4)(B) of this title (or meets the requirements of such section through the operation of subsection (g) or (ll)(2) of section 1395x of this title), but only with respect to the furnishing of outpatient physical therapy services (as therein defined) or (through the operation of subsection (g) or (ll)(2) of section 1395x of this title) with respect to encounters that are incident to services involved with the individual during the 6-month period preceding such certification, or other reasonable timeframe as determined by the Secretary:

(B) in the case of medical and other health services, except services described in subparagraphs (B), (C), and (D) of section 1395x(s)(2) of this title, such services are or were medically required; and

(C) in the case of outpatient physical therapy services or outpatient occupational therapy services, (i) such services are or were required because the individual needed physical therapy services or occupational therapy services, respectively, (ii) a plan for furnishing such services has been established by a physician or by the qualified physical therapist or qualified occupational therapist, respectively, providing such services and is periodically reviewed by a physician, and (iii) such services are or were furnished while the individual is or was under the care of a physician; and

(D) in the case of outpatient speech pathology services, (i) such services are or were required because the individual needed skilled rehabilitation services, (ii) a plan for furnishing such services has been established and is periodically reviewed by a physician, and (iii) such services are or were furnished while the individual is or was under the care of a physician; and

(E) in the case of comprehensive outpatient rehabilitation facility services, (i) such services are or were required because the individual needed skilled rehabilitation services, (ii) a plan for furnishing such services has been established and is periodically reviewed by a physician, and (iii) such services are or were furnished while the individual is or was under the care of a physician; and

(F) in the case of partial hospitalization services, (i) the individual would require inpatient psychiatric care in the absence of such services, (ii) an individualized, written plan for furnishing such services has been established by a physician and is reviewed periodically by a physician, and (iii) such services are or were furnished while the individual is or was under the care of a physician.

For purposes of this section, the term "provider of services" shall include a clinic, rehabilitation agency, or public health agency if, in the case of a clinic or rehabilitation agency, such clinic or agency meets the requirements of section 1395x(p)(4)(A) of this title (or meets the requirements of such section through the operation of subsection (g) or (ll)(2) of section 1395x of this title), or if, in the case of a public health agency, such agency meets the requirements of section 1395x(p)(4)(B) of this title (or meets the requirements of such section through the operation of subsection (g) or (ll)(2) of section 1395x of this title), but only with respect to the furnishing of outpatient physical therapy services (as therein defined) or (through the operation of subsection (g) or (ll)(2) of section 1395x of this title) with respect to encounters that are incident to services involved with the individual during the 6-month period preceding such certification, or other reasonable timeframe as determined by the Secretary:
to the furnishing of outpatient occupational therapy services or outpatient speech-language pathology services, respectively.

To the extent provided by regulations, the certification and recertification requirements of paragraph (2) shall be deemed satisfied where, at a later date, a physician makes a certification of the kind provided in subparagraph (A) or (B) of paragraph (2) (whichever would have applied), but only where such certification is accompanied by such medical and other evidence as may be required by such regulations. With respect to the physician certification required by paragraph (2) for home health services furnished to any individual by a home health agency (other than an agency which is a governmental entity) and with respect to the establishment and review of a plan for such services, the Secretary shall prescribe regulations which shall become effective no later than July 1, 1981, and which prohibit a physician who has a significant ownership interest in, or a significant financial or contractual relationship with, such home health agency from performing such certification and from establishing or reviewing such plan except that such prohibition shall not apply with respect to a home health agency which is a sole community home health agency (as determined by the Secretary). For purposes of the preceding sentence, service by a physician as an uncompensated officer or director of a home health agency shall not constitute having a significant ownership interest in, or a significant financial or contractual relationship with, such agency. For purposes of documentation for physician certification and recertification made under paragraph (2) or after January 1, 2019, and made with respect to home health services furnished by a home health agency, in addition to using documentation in the medical record of the physician who so certifies or the medical record of the acute or post-acute care facility (if the home health services were furnished to an individual who was directly admitted to the home health agency from such a facility), the Secretary may use documentation in the medical record of the home health agency as supporting material, as appropriate to the case involved. For purposes of paragraph (2)(A), an individual shall be considered to be “confined to his home” if the individual has a condition, due to an illness or injury, that restricts the ability of the individual to leave his or her home except with the assistance of another individual or the aid of a supportive device (such as crutches, a cane, a wheelchair, or a walker), or if the individual has a condition such that leaving his or her home is medically contraindicated. While an individual does not have to be bedridden to be considered “confined to his home”; the condition of the individual should be such that there exists a normal inability to leave home and that leaving home requires a considerable and taxing effort by the individual. Any absence of an individual from the home attributable to the need to receive health care treatment, including regular absences for the purpose of participating in therapeutic, psychosocial, or medical treatment in an adult day-care program that is licensed or certified by a State, or accredited, to furnish adult day-care services in the State shall not disqualify an individual from being considered to be “confined to his home”. Any other absence of an individual from the home shall not so disqualify an individual if the absence is of infrequent or of relatively short duration. For purposes of the preceding sentence, any absence for the purpose of attending a religious service shall be deemed to be an absence of infrequent or short duration. In applying paragraph (1), the Secretary may specify exceptions to the 1 calendar year period specified in such paragraph.

(b) Conditions for payment for services described in section 1395x(s) of this title

(1) Payment may also be made to any hospital for services described in section 1395x(s) of this title furnished as an outpatient service by a hospital or by others under arrangements made by it to an individual entitled to benefits under this part even though such hospital does not have an agreement in effect under this subchapter if (A) such services were emergency services, (B) the Secretary would be required to make such payment if the hospital had such an agreement in effect and otherwise met the conditions of payment hereunder, and (C) such hospital has made an election pursuant to section 1395f(d)(1)(C) of this title with respect to the calendar year in which such emergency services are provided. Such payments shall be made only in the amounts provided under section 1395(a)(2) of this title and then only if such hospital agrees to comply, with respect to the emergency services provided, with the provisions of section 1395cc(a) of this title.

(2) Payment may also be made on the basis of an itemized bill to an individual for services described in paragraph (1) of this subsection if (A) payment cannot be made under such paragraph (1) solely because the hospital does not elect, in accordance with section 1395f(d)(1)(C) of this title, to claim such payments and (B) such individual files application (submitted within such time and in such form and manner, and containing and supported by such information as the Secretary shall by regulations prescribe) for reimbursement. The amounts payable under this paragraph shall, subject to the provisions of section 1395 of this title, be equal to 80 percent of the hospital’s reasonable charges for such services.

(c) Collection of charges from individuals for services specified in section 1395x(s) of this title

Notwithstanding the provisions of this section and sections 1395k, 1395n, and 1395cc(a)(1)(A) of this title, a hospital or a critical access hospital may, subject to such limitations as may be prescribed by regulations, collect from an individual the customary charges for services specified in section 1395x(s) of this title and furnished to him by such hospital as an outpatient, but only if such charges for such services do not exceed the applicable supplementary medical insurance deductible, and such customary charges shall be regarded as expenses incurred by such individual with respect to which benefits are payable in accordance with section 1395(a)(1) of this title. Payments under this subchapter to hospitals which have elected to make collections from individuals in accordance with the preceding sen-
tence shall be adjusted periodically to place the hospital in the same position it would have been had it instead been reimbursed in accordance with section 1395f(a)(2) of this title (or, in the case of a critical access hospital, in accordance with section 1395f(a)(6) of this title).

(d) Payment to Federal provider of services or other Federal agencies prohibited

Subject to section 1395gg of this title, no payment may be made under this part to any Federal provider of services or other Federal agency, except a provider of services which the Secretary determines is providing services to the public generally as a community institution or agency; and no such payment may be made to any provider of services or other person for any item or service which such provider or person is obligated by a law of, or a contract with, the United States to render at public expense.

(e) Payment to fund designated by medical staff or faculty of medical school

For purposes of services (1) which are inpatient hospital services by reason of paragraph (7) of section 1395x(b) of this title or for which entitlement exists by reason of clause (II) of section 1395x(a)(2)(B)(i) of this title, and (2) for which the reasonable cost thereof is determined under section 1395x(v)(1)(D) of this title (or would be if section 1395ww of this title did not apply), payment under this part shall be made to such fund as may be designated by the organized medical staff of the hospital in which such services were furnished or, if such services were furnished in such hospital by the faculty of a medical school, to such fund as may be designated by such faculty, but only if—

(A) such hospital has an agreement with the Secretary under section 1395cc of this title, and

(B) the Secretary has received written assurances that (i) such payment will be used by such fund solely for the improvement of care to patients in such hospital or for educational or charitable purposes and (ii) the individuals who are furnished such services or any other persons will not be charged for such services (or if charged provision will be made for return of any moneys incorrectly collected).


AMENDMENTS

2018—Subsec. (a). Pub. L. 115–123 inserted “For purposes of documentation for physician certification and recertification made under paragraph (2) on or after January 1, 2019, and made with respect to home health services furnished by a home health agency, in addition to using documentation in the medical record of the physician who so certifies or the medical record of the acute or post-acute care facility in the case that the home health services were furnished to an individual who was directly admitted to the home health agency from such a facility, the Secretary may use documentation in the medical record of the home health agency as supporting material, as appropriate to the case involved,” before “For purposes of paragraph (2)(A),” in concluding provisions.

2019—Subsec. (a). Pub. L. 111–148, § 6404(a)(2)(B)(ii), inserted at end of concluding provisions “In applying paragraph (1), the Secretary may specify exceptions to the 1 calendar year period specified in such paragraph.”

2020—Subsec. (a)(1). Pub. L. 111–148, § 6405(b)(2), substituted “period ending 1 calendar year after the date of service” for “period of 3 calendar years following the year in which such services are furnished (deeming any services furnished in the last 3 calendar months of any calendar year to have been furnished in the succeeding calendar year) except that, where the Secretary deems that efficient administration so requires, such period may be reduced to not less than 1 calendar year.”

2021—Subsec. (a)(2). Pub. L. 111–148, § 6405(b)(2), as amended by Pub. L. 111–148, § 10604, inserted “or, in the case of such services described in subparagraph (A), a physician assistant (as defined in section 1395x(aa)(5) of this title) or a nurse practitioner or clinical nurse specialist (as those terms are defined in section 1395x(aa)(5) of this title) who is working in collaboration with the physician in accordance with State law, or a certified nurse-midwife (as defined in section 1395x(aa)(5) of this title) as authorized by State law, or a physician assistant (as defined in section 1395x(aa)(5) of this title) under the supervision of the physician,” after “must document that the physician”.


2008—Subsec. (a). Pub. L. 110–275, in second sentence, substituted “subsection (g) or (h)(2) of section 1395x of this title” for “section 1395x(g) of this title” wherever appearing and inserted “or outpatient speech-language pathology services, respectively” before period at end.


2000—Subsec. (a). Pub. L. 106–554, in concluding provisions, struck out “., and that absences of the individual from home are infrequent or of relatively short duration, or are attributable to the need to receive medical treatment” after “taxing effort by the individual” and inserted at end “Any absence of an individual from the home attributable to the need to receive health care treatment, including regular absences for the purpose of…”
of participating in therapeutic, psychosocial, or medical treatment in an adult day-care program that is licensed or certified by a State, or accredited, to furnish adult day-care services in the State shall not disqualify an individual from being considered to be ‘confined to his home’. Any other absence of an individual from the home shall not so disqualify an individual if the absence is of infrequent or of relatively short duration.

For purposes of the preceding sentence, any absence for the purpose of attending a religious service shall be deemed to be an absence of infrequent or short duration.

1997—Subsec. (a)(2)(A). Pub. L. 105–33, § 4615(a), inserted “(other than solely venipuncture for the purpose of obtaining a blood sample)” after “skilled nursing care”.

Subsec. (c). Pub. L. 105–33, § 4201(c)(1), substituted “critical access” for “rural primary care” in two places.

1990—Subsec. (c). Pub. L. 101–508 substituted “a hospital or a rural primary care hospital may” for “a hospital may in first sentence, substituted “section 1395x(k) of this title (or, in the case of a rural primary care hospital, in accordance with section 1395a(6) of this title)” for “section 1395a(2) of this title” in second sentence, and struck out at end “A rural primary care hospital shall be considered a hospital for purposes of this subsection.”

1989—Subsec. (a)(2)(G). Pub. L. 101–234 repealed Pub. L. 100–360, §§203(d)(1), 205(d), and provided that the provisions of law amended or repealed by such sections are restored or revived as if such sections had not been enacted, see 1988 Amendment notes below.

Subsec. (c). Pub. L. 101–234 inserted at end “A rural primary care hospital shall be considered a hospital for purposes of this subsection.”


Subsec. (a)(2)(H). Pub. L. 100–360, §205(d), added subpar. (H) relating to in-home provided to chronically dependent individuals.


1986—Subsec. (a). Pub. L. 99–509, §9337(c)(2), inserted in second sentence “(or meets the requirements of such section through the operation of section 1395x(g) of this title)” in two places, and “or (through the operation of section 1395x(g) of this title) with respect to the furnishing of outpatient occupational therapy services” in cl. (i), and “or qualified occupational therapist, respectively,” in cl. (i).


Pub. L. 98–369, §2336(a), inserted before period at end of fourth sentence “, except that such prohibition shall not apply with respect to a home health agency which is a sole community home health agency (as determined by the Secretary)”. Pub. L. 98–369, §2336(a), inserted sentence at end that for purposes of the preceding sentence, service by a physical therapist as an uncompensated officer or director of a home health agency shall not constitute having a significant ownership interest in, or a significant financial or contractual relationship with, such agency.


Subsec. (a)(2)(C)(ii). Pub. L. 98–369, §2342(b), substituted “by a physician or by the qualified physical therapist providing such services and is periodically reviewed by a physician” for “, and is periodically reviewed, by a physician”.


Subsec. (e)(2). Pub. L. 98–369, §2354(b)(9), designated concluding pars. (1) and (2) as (A) and (B), respectively, and in par. (B) inserted “(i)” after “written assurances that” and substituted “(ii) the individuals who” for “(B) the individuals who” and “return of” for “return for”.

1983—Subsec. (e). Pub. L. 98–21 inserted “(or would be section 1395ww of this title did not apply)” after “‘section 1395v(r)(1)(D) of this title’”.

1981—Subsec. (a)(2)(A). Pub. L. 97–35, §2122(a)(1), substituted “needs or needed skilled nursing care on an intermittent basis or physical or speech therapy or, in the case of an individual who has been furnished home health services based on such a need and who no longer has such a need for such care or therapy, continues or continued to need occupational therapy” for “needed skilled nursing care on an intermittent basis, or physical, occupational, or speech therapy”.


1980—Subsec. (a). Pub. L. 96–499, §930(e), inserted sentence at end authorizing Secretary to prescribe regulations to prohibit significantly interested physicians from performing physician certification required by par. (2) for home health services.

Subsec. (a)(2)(A). Pub. L. 96–499, §930(j), substituted “physical, occupational, or speech” for “physical or speech”.

Subsec. (a)(2)(D)(ii). Pub. L. 96–499, §944(a), inserted “by a physician or by the speech pathologist providing such services”, after “has been established”.


1976—Subsec. (d). Pub. L. 94–437 substituted “Subject to section 1395qq of this title, no payment” for “No payment”.


Subsec. (a)(1). Pub. L. 92–603, §281(f), placed a 3-year time limitation on time within which a written request for payment is filed, with provision for reduction of limit to 1 year.

Subsec. (a)(2)(C). Pub. L. 92–603, §251(b)(2), substituted “because the individual needed physical therapy services” for “because the individual needed physical therapy services on an outpatient basis”.


Subsec. (c). Pub. L. 92–603, §204(b), substituted “the applicable supplementary medical insurance deductible” for “$50”.


Subsec. (a)(2). Pub. L. 90–248, §133(e)(5), inserted sentence at end defining “provider of services”.

Subsec. (a)(2)(B). Pub. L. 90–248, §§126(b)(4), 133(e)(4), inserted “except services described in subparagraphs (B) and (C) of section 1395x(a)(2) of this title,” after “health services,” and inserted reference to subpar. (d).


Subsec. (b). Pub. L. 90–248, §129(c)(9)(B), added subsec. (b). Former subsec. (b) redesignated (c), in turn redesignated (d).

Subsec. (c). Pub. L. 90–248, §130(b), added subsec. (c). Former subsec. (c), previously designated (b), redesignated (d).

Subsec. (d). Pub. L. 90–248, §§129(c)(9)(B), 130(b), redesignated former subsec. (b) as (c), in turn as (d), respectively.

Effective Date of 2010 Amendment
Amendment by section 640(a)(2)(B) of Pub. L. 111–148 applicable to services furnished on or after Jan. 1, 2010,
and in case of services furnished before Jan. 1, 2010, a bill or request for payment under 42 U.S.C. 1395n(a) to be filed not later than Dec. 31, 2010, see section 6464(b) of Pub. L. 111–148, set out as a note under section 1395f of this title.

Amendment by section 6465(b)(2) of Pub. L. 111–148 applicable to written orders and certifications made on or after July 1, 2010, see section 6465(d) of Pub. L. 111–148, set out as a note under section 1395f of this title.

**Effective Date of 2008 Amendment**

Amendment by Pub. L. 110–275 applicable to services furnished on or after July 1, 2006, see section 143(c) of Pub. L. 110–275, set out as a note under section 1395k of this title.

**Effective Date of 2000 Amendment**

Amendment by Pub. L. 106–554 applicable to home health services furnished on or after Dec. 21, 2000, see section 1(a)(6) (title V, §507(a)(2)) of Pub. L. 106–554, set out as a note under section 1395f of this title.

**Effective Date of 1997 Amendment**

Amendment by section 4201(c)(1) of Pub. L. 105–33 applicable to services furnished on or after Oct. 1, 1997, see section 4201(d) of Pub. L. 105–33, set out as a note under section 1395f of this title.

Amendment by section 4615(a) of Pub. L. 105–33 applicable to home health services furnished after 6-month period beginning after Aug. 5, 1997, see section 4615(b) of Pub. L. 105–33, set out as a note under section 1395f of this title.

**Effective Date of 1998 Amendment**

Amendment by section 201(c) of Pub. L. 101–234 effective Jan. 1, 1990, see section 201(c) of Pub. L. 101–234, set out as a note under section 1395a–7a of this title.

**Effective Date of 1988 Amendment**

Amendment by section 203(d)(1) of Pub. L. 100–360 applicable to items and services furnished on or after Jan. 1, 1990, see section 203(g) of Pub. L. 100–360, set out as a note under section 1393c–3 of this title.

Amendment by section 205(d) of Pub. L. 100–360 applicable to items and services furnished on or after Jan. 1, 1990, see section 205(f) of Pub. L. 100–360, set out as a note under section 1395k of this title.

**Effective Date of 1987 Amendment**

Amendment by section 4024(b) of Pub. L. 100–203 applicable to items and services provided on or after Jan. 1, 1987, see section 4024(c) of Pub. L. 100–203, set out as a note under section 1395f of this title.

**Effective Date of 1986 Amendment**

Amendment by Pub. L. 99–509 applicable to expenses incurred for outpatient occupational therapy services furnished on or after July 1, 1987, see section 9337(e) of Pub. L. 99–509, set out as a note under section 1395x of this title.

**Effective Date of 1984 Amendment**

Amendment by Pub. L. 98–617 effective as if originally included in the Deficit Reduction Act of 1984, Pub. L. 98–369, see section 3(c) of Pub. L. 98–617, set out as a note under section 1395f of this title.

Amendment by section 2536(a) of Pub. L. 98–369 applicable to certifications and plans of care made or established on or after July 1, 1984, see section 2536(c)(1) of Pub. L. 98–369, set out as a note under section 1395f of this title.

Pub. L. 98–369, div. B, title III, §2332(c), July 18, 1984, 98 Stat. 1094, provided that: "The amendments made by this section [amending this section and section 1395f of this title] apply to plans of care established on or after the date of the enactment of this Act (July 18, 1984)."

Amendment by section 2534(b)(1), (8), (9) of Pub. L. 98–369 effective July 18, 1984, but not to be construed as changing or affecting any right, liability, status, or interpretation which existed (under the provisions of law involved) before that date, see section 2534(e)(1) of Pub. L. 98–369, set out as a note under section 1395a–1 of this title.

**Effective Date of 1993 Amendment**

Amendment by Pub. L. 98–21 applicable to items and services furnished by or under arrangement with a hospital beginning with its first cost reporting period that begins on or after Oct. 1, 1983, any change in a hospital’s cost reporting period made after November 1982 to be recognized for such purposes only if the Secretary finds good cause therefor, see section 604(a)(1) of Pub. L. 98–21, set out as a note under section 1395w of this title.

**Effective Date of 1990 Amendment**

Amendment by section 205(f) of Pub. L. 100–360 applicable to services furnished pursuant to plans of treatment implemented after the third month beginning after Aug. 13, 1981, see section 205(b) of Pub. L. 100–360, set out as a note under section 1395f of this title.

**Effective Date of 1989 Amendment**


**Effective Date of 1988 Amendment**

Amendment by section 2332(c) of Pub. L. 92–603 applicable to services furnished after June 30, 1973, see section 2332(g) of Pub. L. 92–603, set out as a note under section 1395f of this title.

**Effective Date of 1987 Amendment**


**Effective Date of 1986 Amendment**

Amendment by Pub. L. 98–21 applicable with respect to services furnished after March 31, 1968, see section 126(c) of Pub. L. 90–248, set out as a note under section 1395d of this title.

**Effective Date of 1985 Amendment**

Amendment by section 126(b) of Pub. L. 90–248 applicable with respect to services furnished after Jan. 2, 1968, see section 126(b) of Pub. L. 90–248, set out as a note under section 1395d of this title.

**Effective Date of 1984 Amendment**

Amendment by Pub. L. 98–617 effective as if originally included in the Deficit Reduction Act of 1984, Pub. L. 98–369, see section 3(c) of Pub. L. 98–617, set out as a note under section 1395f of this title.

Amendment by section 2536(a) of Pub. L. 98–369 applicable to certifications and plans of care made or established on or after July 1, 1984, see section 2536(c)(1) of Pub. L. 98–369, set out as a note under section 1395f of this title.

Pub. L. 98–369, div. B, title III, §2332(c), July 18, 1984, 98 Stat. 1094, provided that: "The amendments made by this section [amending this section and section 1395f of this title] apply to plans of care established on or after the date of the enactment of this Act (July 18, 1984)."

Amendment by section 2534(b)(1), (8), (9) of Pub. L. 98–369 effective July 18, 1984, but not to be construed as changing or affecting any right, liability, status, or interpretation which existed (under the provisions of law involved) before that date, see section 2534(e)(1) of Pub. L. 98–369, set out as a note under section 1395a–1 of this title.

**Effective Date of 1983 Amendment**

Amendment by Pub. L. 98–21 applicable to items and services furnished by or under arrangement with a hospital beginning with its first cost reporting period that begins on or after Oct. 1, 1983, any change in a hospital’s cost reporting period made after November 1982 to be recognized for such purposes only if the Secretary finds good cause therefor, see section 604(a)(1) of Pub. L. 98–21, set out as a note under section 1395w of this title.
1968, see section 133(g) of Pub. L. 90–248, set out as a note under section 1395k of this title.

REGULATIONS
Secretary of Health and Human Services required to provide, not later than 90 days after July 18, 1984, for revision of regulations as may be required to reflect amendment to subsection (b) by section 2386(b) of Pub. L. 98–369, see section 2386(c)(2) of Pub. L. 98–369, set out as a note under section 1395f of this title.

MEDPAC STUDY ON DIRECT ACCESS TO PHYSICAL THERAPY SERVICES

"(a) STUDY.—The Medicare Payment Advisory Commission (in this section referred to as the 'Commission') shall conduct a study on the feasibility and advisability of allowing medicare fee-for-service beneficiaries direct access to outpatient physical therapy services and physical therapy services furnished as comprehensive rehabilitation facility services.

"(b) REPORT.—Not later than January 1, 2005, the Commission shall submit to Congress a report on the study conducted under subsection (a) together with recommendations for such legislation or administrative action as the Commission determines to be appropriate.

"(c) DIRECT ACCESS DEFINED.—The term 'direct access' means, with respect to outpatient physical therapy services and physical therapy services furnished as comprehensive outpatient rehabilitation facility services, coverage of and payment for such services in accordance with the provisions of title XVIII of the Social Security Act [42 U.S.C. 1395 et seq.], except that sections 1835(a)(2), 1861(p), and 1861(cc) of such Act (42 U.S.C. 1395n(a)(2), 1395x(p), and 1395x(cc), respectively) shall be applied—

"(1) without regard to any requirement that—

"(A) an individual be under the care of (or referred by) a physician; or

"(B) services be provided under the supervision of a physician; and

"(2) by allowing a physician or a qualified physical therapist to satisfy any requirement for—

"(A) certification and recertification; and

"(B) establishment and periodic review of a plan of care.

HOME HEALTH PROSPECTIVE PAYMENT DEMONSTRATION PROJECT
Pub. L. 100–203, title IV, §4027, Dec. 22, 1987, 101 Stat. 1330–75, as amended by Pub. L. 102–112, title IV, §411(d)(6), July 1, 1988, 102 Stat. 775, directed Secretary of Health and Human Services to provide for a demonstration project to develop and test alternative methods of paying home health agencies on a prospective basis for services furnished under the medicare and medicaid programs, directed that the project be designed in a manner to enable the Secretary to evaluate the effects of various methods of prospective payment (including payments on a per-visit, per-case, and per-episode basis) on program expenditures, access to, and quality of, home health care, and home health agency operations, directed Secretary to assure that services are first furnished under the project not later than Apr. 1, 1989, and, for this purpose, authorized Secretary to reinstate a previously awarded contract, or award a sole source contract, to carry out the project, provided for funding, and directed Secretary to submit to Congress, not later than one year after Dec. 22, 1987, an interim report on the demonstration project and, not later than four years after Dec. 22, 1987, a final report on results of the project.

§1395p. Enrollment periods

(a) Generally; regulations
An individual may enroll in the insurance program established by this part only in such manner and form as may be prescribed by regulations, and only during an enrollment period prescribed in or under this section.


(c) Initial general enrollment period; eligible individuals before March 1, 1966
In the case of individuals who first satisfy paragraph (1) or (2) of section 1395o of this title before March 1, 1966, the initial general enrollment period shall begin on the first day of the second month which begins after July 30, 1965, and shall end on May 31, 1966. For purposes of this subsection and subsection (d), an individual who has attained age 65 and who satisfies paragraph (1) of section 1395o of this title but not paragraph (2) of such section shall be treated as satisfying such paragraph (1) on the first day on which he is (or on filing application would have been) entitled to hospital insurance benefits under part A.

(d) Eligible individuals on or after March 1, 1966
In the case of an individual who first satisfies paragraph (1) or (2) of section 1395o of this title on or after March 1, 1966, his initial enrollment period shall begin on the first day of the third month before the month in which he first satisfies such paragraphs and shall end seven months later. Where the Secretary finds that an individual who has attained age 65 failed to enroll
under this part during his initial enrollment period (based on a determination by the Secretary of the month in which such individual attained age 65), because such individual (relying on documentary evidence) was mistaken as to his correct date of birth, the Secretary shall establish for such individual an initial enrollment period based on his attaining age 65 at the time shown in such documentary evidence (with a coverage period determined under section 1395q of this title as though he had attained such age at that time).

(e) General enrollment period

There shall be a general enrollment period during the period beginning on January 1 and ending on March 31 of each year.

(f) Individuals deemed enrolled in medical insurance program

Any individual—

(1) who is eligible under section 1395o of this title to enroll in the medical insurance program by reason of entitlement to hospital insurance benefits as described in paragraph (1) of such section, and

(2) whose initial enrollment period under subsection (d) begins after March 31, 1973, and

(3) who is residing in the United States, exclusive of Puerto Rico,

shall be deemed to have enrolled in the medical insurance program established by this part.

(g) Commencement of enrollment period

All of the provisions of this section shall apply to individuals satisfying subsection (f), except that—

(1) in the case of an individual who satisfies subsection (f) by reason of entitlement to disability insurance benefits described in section 426(b) of this title, his initial enrollment period shall begin on the first day of the later of (A) April 1973 or (B) the third month before the 25th month of such entitlement, and shall recur with each continuous period of eligibility (as defined in section 1395m(d) of this title) and upon attainment of age 65;

(2)(A) in the case of an individual who is entitled to monthly benefits under section 423 of this title on the first day of his initial enrollment period or becomes entitled to monthly benefits under section 402 of this title during the first 3 months of such period, his enrollment shall be deemed to have occurred in the third month of his initial enrollment period, and

(B) in the case of an individual who is not entitled to benefits under section 422 of this title on the first day of his initial enrollment period and does not become so entitled during the first 3 months of such period, his enrollment shall be deemed to have occurred in the month in which he files the application establishing his entitlement to hospital insurance benefits provided such filing occurs during the last 4 months of his initial enrollment period; and

(3) in the case of an individual who would otherwise satisfy subsection (f) but does not establish his entitlement to hospital insurance benefits until after the last day of his initial enrollment period (as defined in subsection (d) of this section), his enrollment shall be deemed to have occurred on the first day of the earlier of the then current or immediately succeeding general enrollment period (as defined in subsection (e) of this section).

(h) Waiver of enrollment period requirements where individual's rights were prejudiced by administrative error or inaction

In any case where the Secretary finds that an individual's enrollment or nonenrollment in the insurance program established by this part or part A pursuant to section 1395i-2 of this title is unintentional, inadvertent, or erroneous and is the result of the error, misrepresentation, or inaction of an officer, employee, or agent of the Federal Government, or its instrumentalities, the Secretary may take such action (including the designation for such individual of a special initial or subsequent enrollment period, with a coverage period determined on the basis thereof and with appropriate adjustments of premiums) as may be necessary to correct or eliminate the effects of such error, misrepresentation, or inaction.

(i) Special enrollment periods

(1) In the case of an individual who—

(A) at the time the individual first satisfies paragraph (1) or (2) of section 1395o of this title, is enrolled in a group health plan described in section 1395y(b)(1)(A)(v) of this title by reason of the individual's (or the individual's spouse's) current employment status, and

(B) has elected not to enroll (or to be deemed enrolled) under this section during the individual's initial enrollment period,

there shall be a special enrollment period described in paragraph (3). In the case of an individual not described in the previous sentence who has not attained the age of 65, at the time the individual first satisfies paragraph (1) of section 1395o of this title, is enrolled in a large group health plan (as that term is defined in section 1395y(b)(1)(B)(i)(I) of this title) by reason of the individual's current employment status (or the current employment status of a family member of the individual), and has elected not to enroll (or to be deemed enrolled) under this section during which the individual was not enrolled in a group health plan described in section 1395y(b)(1)(A)(v) of this title by reason of the individual's (or individual's spouse's) current employment status; and

(C) has not terminated enrollment under this section at any time at which the individual is not enrolled in such a group health plan by reason of the individual's (or individual's spouse's) current employment status,
there shall be a special enrollment period described in paragraph (3). In the case of an individual not described in the previous sentence who has not attained the age of 65, has enrolled (or has been deemed to have enrolled) in the medical insurance program established under this part during the individual’s initial enrollment period, or is an individual described in the second sentence of paragraph (1), has enrolled in such program during any subsequent special enrollment period under this subsection during which the individual was not enrolled in a large group health plan (as that term is defined in section 1395y(b)(1)(B)(iii) of this title) by reason of the individual’s current employment status (or the current employment status of a family member of the individual), and has not terminated enrollment under this section at any time at which the individual is not enrolled in a large group health plan by reason of the individual’s current employment status (or the current employment status of a family member of the individual), there shall be a special enrollment period described in paragraph (3)(B).

(3)(A) The special enrollment period referred to in the first sentences of paragraphs (1) and (2) is the period including each month during any part of which the individual is enrolled in a group health plan described in section 1395y(b)(1)(A)(v) of this title by reason of current employment status ending with the last day of the eighth consecutive month in which the individual is at no time so enrolled.

(B) The special enrollment period referred to in the last sentence of paragraphs (1) and (2) is the period including each month during any part of which the individual is enrolled in a large group health plan (as that term is defined in section 1395y(b)(1)(B)(iii) of this title) by reason of the individual’s current employment status (or the current employment status of a family member of the individual) ending with the last day of the eighth consecutive month in which the individual is at no time so enrolled.

(4)(A) In the case of an individual who is entitled to benefits under part A pursuant to section 426(b) of this title and—

(i) who at the time the individual first satisfies paragraph (1) of section 1395o of this title—

(I) is enrolled in a group health plan described in section 1395y(b)(1)(A)(v) of this title by reason of the individual’s current or former employment or by reason of the current or former employment status of a member of the individual’s family, and

(II) has elected not to enroll (or to be deemed enrolled) under this section during the individual’s initial enrollment period; and

(ii) whose continuous enrollment under such group health plan is involuntarily terminated at a time when the enrollment under the plan is not by reason of the individual’s current employment or by reason of the current employment of a member of the individual’s family,

there shall be a special enrollment period described in subparagraph (B).

(B) The special enrollment period referred to in subparagraph (A) is the 6-month period beginning on the first day of the month which includes the date of the enrollment termination described in subparagraph (A)(ii).

(j) Special rules for individuals with ALS

In applying this section in the case of an individual who is entitled to benefits under part A pursuant to the operation of section 426(h) of this title, the following special rules apply:

(1) The initial enrollment period under subsection (d) shall begin on the first day of the first month of entitlement to disability insurance benefits referred to in such subsection.

(k) Special enrollment period for certain volunteers serving outside United States

(1) In the case of an individual who—

(A) at the time the individual first satisfies paragraph (1) or (2) of section 1395o of this title, is described in paragraph (3), and has elected not to enroll (or to be deemed enrolled) under this section during the individual’s initial enrollment period; or

(B) has terminated enrollment under this section during a month in which the individual is described in paragraph (3), there shall be a special enrollment period described in paragraph (2).

(2) The special enrollment period described in this paragraph is the 6-month period beginning on the first day of the month which includes the date that the individual is no longer described in paragraph (3).

(3) For purposes of paragraph (1), an individual described in this paragraph is an individual who—

(A) is serving as a volunteer outside of the United States through a program—

(i) that covers at least a 12-month period; and

(ii) that is sponsored by an organization described in section 501(c)(3) of the Internal Revenue Code of 1986 and exempt from taxation under section 501(a) of such Code; and

(B) demonstrates health insurance coverage while serving in the program.

(l) Special enrollment period for disabled TRICARE beneficiaries

(1) In the case of any individual who is a covered beneficiary (as defined in section 1072(b) of title 10) at the time the individual is entitled to part A under section 426(b) of this title or section 426–1 of this title, is described in paragraph (3), and who is eligible to enroll but who has elected not to enroll (or to be deemed enrolled) during the individual’s initial enrollment period, there shall be a special enrollment period described in paragraph (2).

(2) The special enrollment period described in this paragraph, with respect to an individual, is the 12-month period beginning on the day after the last day of the initial enrollment period of the individual or, if later, the 12-month period beginning with the month the individual is notified of enrollment under this section.
(3) In the case of an individual who enrolls during the special enrollment period provided under paragraph (1), the coverage period under this part shall begin on the first day of the month in which the individual enrolls, or, at the option of the individual, the first month after the end of the individual's initial enrollment period.

(4) An individual may only enroll during the special enrollment period provided under paragraph (1) one time during the individual's lifetime.

(5) The Secretary shall ensure that the materials relating to coverage under this part that are provided to an individual described in paragraph (1) prior to the individual's initial enrollment period contain information concerning the impact of not enrolling under this part, including the impact on health care benefits under the TRICARE program under chapter 55 of title 10.

(6) The Secretary of Defense shall collaborate with the Secretary of Health and Human Services and the Commissioner of Social Security to provide for the accurate identification of individuals described in paragraph (1). The Secretary of Defense shall provide such individuals with notification with respect to this subsection. The Secretary of Defense shall collaborate with the Secretary of Health and Human Services and the Commissioner of Social Security to ensure appropriate follow up pursuant to any notification provided under the preceding sentence.


REFERENCES IN TEXT


AMENDMENTS


Subsec. (i)(2)(B). Pub. L. 99–272, §291(a)(2)(B), amended subpar. (B) generally. Prior to amendment, subpar. (B) read as follows: “has enrolled (or has been deemed enrolled in the medical insurance program established under this part) during the period beginning on January 1 and ending seven months later.


1980—Subsec. (b). Pub. L. 96–265, §145(a), provided that: ‘‘The amendments made by subsection (a)(1) [amending section 1395r of this title] shall apply to elections made on and after the date of enactment of this Act [Mar. 23, 2010].’’

1979—Subsec. (i)(3). Pub. L. 96–554, provided that: ‘‘The amendments made by paragraph (1) [amending this section] and section 1395q of this title shall take effect on January 1, 1979.’’

1977—Subsec. (i)(2)(A). Pub. L. 95–265 substituted ‘‘the 25th day of the first month that begins after the expiration of an enrollment period during which the individual was not enrolled in a large group health plan, and has not terminated enrollment’’ for ‘‘the month in which the individual attains age of 70 before month in which the individual files an application to enroll’’.

1975—Subsec. (i)(2)(A). Pub. L. 94–402, amended subpar. (A) generally, substituting ‘‘has attained the age of 65’’ for ‘‘meets the conditions described in clauses (i) and (ii) of section 1395y(b)(3)(A) of this title’’.

Subsec. (d). Pub. L. 92–603, §259(a), added subsec. (b), 1968—Subsec. (b)(1). Pub. L. 90–248, §145(a), permitted an individual enrolling in supplementary medical insurance program for first time to enroll at any time in a general enrollment period which begins within 3 years of close of his initial enrollment period.

1966—Subsec. (d). Pub. L. 90–248, §139(a), inserted last sentence providing that if an individual who has attained age 65 failed to enroll in program because, relying on erroneous documentary evidence, he was mistaken about his age, he may enroll using date of attainment of age 65 that he alleges under documentary evidence.

Subsec. (a). Pub. L. 93–422, title I, §147(f)(1)(C), Oct. 31, 1994, 108 Stat. 4831, provided that: ‘‘The amendments made by subparagraphs (A) and (B) [amending this section and section 1395q of this title] shall take effect on the first day of the first month that begins after the expiration of the 120-day period that begins on the date of the enactment of this Act [Oct. 31, 1994].’’


EFFECTIVE DATE OF 2010 AMENDMENT


**Effective Date of 1989 Amendment**
Amendment by section 6202(b)(4)(C) of Pub. L. 101–239 applicable to items and services furnished after Dec. 19, 1989, see section 6202(b)(5) of Pub. L. 101–239, set out as a note under section 162 of Title 26, Internal Revenue Code.

Pub. L. 101–239, title VI, §6202(c)(3), Dec. 19, 1989, 103 Stat. 2234, provided that: "The amendments made by this subsection [amending this section and section 1395r of this title] shall apply to enrollments occurring after, and premiums for months after, the second calendar quarter beginning after the date of the enactment of this Act [Dec. 19, 1989]."

**Effective Date of 1986 Amendment**


Pub. L. 99–272, title IX, §9219(a)(3)(B), Apr. 7, 1986, 100 Stat. 182, provided that: "(i) The amendments made by paragraph (2) [amending this section] shall apply to enrollments in months beginning with the first effective month (as defined in clause (ii)), except that in the case of any individual who would have a special enrollment period under section 1837(i) of the Social Security Act (42 U.S.C. 1395l(i)) that would have begun before November 1984 and before the first effective month, the period shall be deemed to begin with the first day of the first effective month.

(ii) For purposes of clause (i), the term 'first effective month' means the first month that begins more than 90 days after the date of the enactment of this Act [Apr. 7, 1986]."

**Effective Date of 1984 Amendment**

"(A) The amendments made by subsections (b) and (c) [amending this section and section 1395q of this title] shall apply to enrollments in months beginning with the first effective month, except that in the case of any individual who would have had a special enrollment period under section 1837(i) of the Social Security Act (42 U.S.C. 1395l(i)) that would have begun after November 1984 and before the first effective month, the period shall be deemed to begin with the first day of the first effective month.

"(B) For purposes of subparagraph (A), the term 'first effective month' means the first month which begins more than 90 days after the date of the enactment of this Act [July 18, 1984]."

Amendment by section 2354(b)(10) of Pub. L. 98–369 effective July 18, 1984, but not to be construed as changing or affecting any right, liability, status, or interpretation which existed (under the provisions of law involved) before that date, see section 2354(e)(10) of Pub. L. 98–369, set out as a note under section 1320a–1 of this title.

**Effective Date of 1981 Amendment**
Pub. L. 97–35, title XXI, §2151(b), Aug. 13, 1981, 95 Stat. 802, provided that: "The amendments made by this section [amending this section and sections 1395q and 1395r of this title] shall not apply to enrollments pursuant to written requests for enrollment filed before October 1, 1981."

**Effective Date of 1980 Amendment**
Pub. L. 96–499, title IX, §945(d), Dec. 5, 1980, 94 Stat. 2642, amendments that: "The amendments made by subsections (a), (b), and (c) [amending this section and sections 1395q and 1395r of this title] shall apply to enrollments occurring on or after April 1, 1981."

Amendment by Pub. L. 96–265 applicable with respect to hospital insurance or supplementary medical insurance benefits for services provided on or after the first day of the sixth month which begins after June 9, 1980, see section 103(c) of Pub. L. 96–265, set out as a note under section 426 of this title.

**Effective Date of 1972 Amendment**
Pub. L. 92–603, title II, §259(b), Oct. 30, 1972, 86 Stat. 1448, provided that: "The amendment made by subsection (a) [amending this section] shall be effective as of July 1, 1966."

**Effective Date of 1968 Amendment**
Pub. L. 90–248, title I, §138(b), Jan. 2, 1968, 81 Stat. 533, provided that: "The amendments made by subsection (a) [amending this section] shall apply to individuals enrolling under part B of title XVIII (42 U.S.C. 1395 et seq.) in months beginning after the date of the enactment of this Act (Jan. 2, 1968)."

Pub. L. 90–248, title I, §145(e), Jan. 2, 1968, 81 Stat. 595, provided that: "The amendments made by subsections (a), (b), and (c) [amending this section and section 1395q of this title] shall become effective April 1, 1968. Notwithstanding the provisions of section 2 of Public Law 90–97, the amendments made by subsection (d) [amending section 1395r of this title] shall become effective December 1, 1968."

**Medicare Part B Special Enrollment Period**

"(1) In general.—In the case of any individual who, as of the date of the enactment of this Act (Dec. 8, 2003), is eligible to enroll but is not enrolled under part B of title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.), and is a covered beneficiary (as defined in section 1072(b) of title 10, United States Code), the Secretary of Health and Human Services shall provide for a special enrollment period during which the individual may enroll under such part. Such period shall begin as soon as possible after the date of the enactment of this Act and shall end on December 31, 2004.

"(2) Coverage period.—In the case of an individual who enrolls during the special enrollment period provided under paragraph (1), the coverage period under part B of title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.) shall begin on the first day of the month following the month in which the individual enrolls."

**Extension Through March 31, 1968 of 1967 General Enrollment Period**
Pub. L. 90–97, §1, Sept. 30, 1967, 81 Stat. 249, extended the general enrollment period under subsec. (e) of this section, beginning Oct. 1, 1967, and ending Dec. 31, 1967, for purposes of enrolling in the insurance program established under part B of title XVIII of such Act (42 U.S.C. 1395 et seq.) and of terminating such enrollment as provided in section 1395q(b)(1) of this title, through Mar. 31, 1968.

**Enrollment Before Oct. 1, 1966, of Eligible Individuals Failing for Good Cause To Enroll Before June 1, 1966; Commencement of Coverage Period**
§ 1395q. Coverage period

(a) Commencement

The period during which an individual is entitled to benefits under the insurance program established by this part (hereinafter referred to as his “coverage period”) shall begin on whichever of the following is the latest:

(1) July 1, 1966, or (in the case of a disabled individual who has not attained age 65) July 1, 1973; or

(2)(A) in the case of an individual who enrolls pursuant to subsection (d) of section 1395p of this title before the month in which he first satisfies paragraph (1) or (2) of section 1395p of this title, the first day of such month, or

(B) in the case of an individual who enrolls pursuant to such subsection (d) in the month in which he first satisfies such paragraph, the first day of the month following the month in which he so enrolls, or

(C) in the case of an individual who enrolls pursuant to such subsection (d) in the month following the month in which he first satisfies such paragraph, the first day of the second month following the month in which he so enrolls, or

(D) in the case of an individual who enrolls pursuant to such subsection (d) more than one month following the month in which he satisfies such paragraph, the first day of the third month following the month in which he so enrolls, or

(E) in the case of an individual who enrolls pursuant to subsection (e) of section 1395p of this title, the July 1 following the month in which he so enrolls; or

(3)(A) in the case of an individual who is deemed to have enrolled on or before the last day of the third month of his initial enrollment period, the first day of the month in which he first meets the applicable requirements of section 1395p of this title or July 1, 1973, whichever is later, or

(B) in the case of an individual who is deemed to have enrolled on or after the first day of the fourth month of his initial enrollment period, as prescribed under subparagraphs (B), (C), (D), and (E) of paragraph (2) of this subsection.

(b) Continuation

An individual’s coverage period shall continue until his enrollment has been terminated—

(1) by the filing of notice that the individual no longer wishes to participate in the insurance program established by this part, or

(2) for nonpayment of premiums.

The termination of a coverage period under paragraph (1) shall (except as otherwise provided in section 1395v(e) of this title) take effect at the close of the month following the month in which the notice is filed. The termination of a coverage period under paragraph (2) shall take effect on a date determined under regulations, which may be determined so as to provide a grace period in which overdue premiums may be paid and coverage continued. The grace period determined under the preceding sentence shall not exceed 90 days; except that it may be extended to not exceed 180 days in any case where the Secretary determines that there was good cause for failure to pay the overdue premiums within such 90-day period.

Where an individual who is deemed to have enrolled for medical insurance pursuant to section 1395p(f) of this title files a notice before the first day of the month in which his coverage period begins advising that he does not wish to be so enrolled, the termination of the coverage period resulting from such deemed enrollment shall take effect with the first day of the month the coverage would have been effective. Where an individual who is deemed enrolled for medical insurance benefits pursuant to section 1395p(f) of this title files a notice requesting termination of his deemed coverage in or after the month in which such coverage becomes effective, the termination of such coverage shall take effect at the close of the month following the month in which the notice is filed.

(c) Termination

In the case of an individual satisfying paragraph (1) of section 1395p of this title whose entitlement to hospital insurance benefits under part A is based on a disability rather than on his having attained the age of 65, his coverage period (and his enrollment under this part) shall be terminated as of the close of the last month for which he is entitled to hospital insurance benefits.

(d) Payment of expenses incurred during coverage period

No payments may be made under this part with respect to the expenses of an individual unless such expenses were incurred by such individual during a period which, with respect to him, is a coverage period.

(e) Commencement of coverage for special enrollment periods

Notwithstanding subsection (a), in the case of an individual who enrolls during a special enrollment period pursuant to section 1395p(1)(B) or 1395p(1)(4)(B) of this title—

(1) in any month of the special enrollment period in which the individual is at any time enrolled in a plan (specified in subparagraph (A) or (B), as applicable, of section 1395p(1)(B) of this title or specified in section 1395p(1)(4)(A)(i) of this title) or in the first month following such a month, the coverage period shall begin on the first day of the month in which the individual so enrolls (or,
at the option of the individual, on the first day of any of the following three months), or

(2) in any other month of the special enrollment period, the coverage period shall begin on the first day of the month following the month in which the individual so enrolls.

(f) Commencement of coverage for certain volunteers serving outside United States

Notwithstanding subsection (a), in the case of an individual who enrolls during a special enrollment period pursuant to section 1395p(k) of this title, the coverage period shall begin on the first day of the month following the month in which the individual so enrolls.


AMENDMENTS


1994—Subsec. (e). Pub. L. 103–432 amended pars. (1) and (2) generally. Prior to amendment, subsec. (e) read as follows: “(1) in the first month of the special enrollment period, the coverage period shall begin on the first day of that month, or

(2) in a month after the first month of the special enrollment period, the coverage period shall begin on the first day of the month following the month in which the individual so enrolls.”

1986—Subsec. (b). Pub. L. 99–509 substituted “month following the month” for “calendar quarter following the calendar quarter” in second and sixth sentences.

Subsec. (e). Pub. L. 99–272 amended subsec. (e) generally. Prior to amendment, subsec. (e) read as follows: “Notwithstanding subsection (a) of this section, in the case of an individual who enrolls during a special enrollment period pursuant to—

(1) subparagraph (A) of section 1395p(14)(B) of this title—

(A) before the month in which he attains the age of 70, the coverage period shall begin on the first day of the month in which he has attained the age of 70, or

(B) in or after the month in which he attains the age of 70, the coverage period shall begin on the first day of the month following the month in which he so enrolls; or

(2) subparagraph (B) of section 1395p(13) of this title—

(A) in the first month of the special enrollment period, the coverage period shall begin on the first day of such month, or

(“B) in a month after the first month of the special enrollment period, the coverage period shall begin on the first day of the month following the month in which he so enrolls.”


Subsec. (b), Pub. L. 97–35, § 2106(b)(2), struck out provision that notice filed by an individual enrolled pursuant to section 1395p(f) of this title shall not be considered a disenrollment for purposes of section 1395p(b) of this title.

1980—Subsec. (a)(2)(E). Pub. L. 96–499, § 945(c)(1), substituted “the first day of the third month” for “the July 1”.

Subsec. (b). Pub. L. 96–499, § 947(b), inserted “except as otherwise provided in section 1395v(e) of this title”.


Subsec. (b). Pub. L. 92–603, § 206(c), substituted in provisions relating to an individual who is deemed to have enrolled for medical insurance pursuant to section 1395p(f) of this title and an individual who is deemed enrolled for medical insurance benefits pursuant to section 1395p(f) of this title and struck out provisions limiting the allowable grace period to 90 days and inserted provision for extension of such period of up to 180 days where failure to pay premiums is due to good cause.

Subsecs. (c), (d), Pub. L. 92–603, § 2302(c)(3)(C), added subsec. (c) and redesignated former subsec. (c) as (d).

1968—Subsec. (b). Pub. L. 90–248 struck out “, during a general enrollment period described in section 1395p(e) of this title, after notice in par. (1), and substituted in first sentence following par. (2) ‘‘the calendar quarter following the calendar quarter’’ for ‘‘December 31 of the year’’.”

EFFECTIVE DATE OF 2006 AMENDMENT


EFFECTIVE DATE OF 1997 AMENDMENT

Amendment by Pub. L. 105–33 applicable to involuntary terminations of coverage under a group health plan occurring on or after Aug. 5, 1997, see section 4581(c) of Pub. L. 105–33, set out as a note under section 1395p of this title.

EFFECTIVE DATE OF 1994 AMENDMENT

Amendment by Pub. L. 103–432 effective on first day of first month beginning after expiration of the 120-day period that begins on Oct. 31, 1994, see section 147(f)(1)(C) of Pub. L. 103–432, set out as a note under section 1395p of this title.

EFFECTIVE DATE OF 1986 AMENDMENT

Pub. L. 99–509, title IX, § 9344(b)(2), Oct. 21, 1986, 100 Stat. 2042, provided that: ‘‘The amendments made by paragraph (1) [amending this section] shall apply to notices filed on or after July 1, 1987.’’


EFFECTIVE DATE OF 1984 AMENDMENT

For effective date of amendment by Pub. L. 98–369, see section 2338(d)(2) of Pub. L. 98–369, set out as a note under section 1395p of this title.

EFFECTIVE DATE OF 1981 AMENDMENT

Amendment by section 2106(b)(2) of Pub. L. 97–35 effective Apr. 1, 1981, see section 2106(c) of Pub. L. 97–35, set out as a note under section 1395p of this title.
Amendment by section 2151(a)(3) of Pub. L. 97–35 not applicable to enrollments pursuant to written requests for enrollment filed before Oct. 1, 1961, see section 2151(b) of Pub. L. 97–35, set out as a note under section 1395p of this title.

**Effective Date of 1980 Amendment**

Amendment by section 945c(1) of Pub. L. 96–499 applicable to enrollments occurring on or after Apr. 1, 1981, see section 945(d) of Pub. L. 96–499, set out as a note under section 1395p of this title.

Amendment by section 947(b) of Pub. L. 96–499 applicable to notices filed after third calendar month beginning after Dec. 5, 1980, see section 947(d) of Pub. L. 96–499, set out as a note under section 1395v of this title.

**Effective Date of 1972 Amendment**


**Coverage Period; Termination Dates**

Pub. L. 90–97, § 3(a), Sept. 30, 1967, 81 Stat. 249, provided that: "(1) shall terminate at the close of December 31, 1967, if he filed his notice of termination before Jan. 1, 1968, or

(2) shall terminate at the close of March 31, 1968, if he filed his notice of termination after Jan. 1, 1968. An individual whose coverage period terminated pursuant to paragraph (1) at the close of December 31, 1967, may, notwithstanding section 1837(b)(2) of such Act [42 U.S.C. 1395p(b)(2)], enroll in such program established under part B of title XVIII of such Act [42 U.S.C. 1395w–24(b)(1)(C)(ii)(III)] in March, 1968, and who enrolled under this paragraph shall not be considered a premium becoming due and payable on or after the date of the enactment of this Act." **Extension of 1967 General Enrollment Period through March 31, 1968**

Extension of the general enrollment period under section 1395p(e) of this title through March 31, 1968, see section 1 of Pub. L. 90–97, Sept. 30, 1967, 81 Stat. 249, set out as a note under section 1395p of this title.

**Coverage Period for Individuals Becoming Eligible in March 1966 Who Enroll in May 1966**

Pub. L. 89–384, § 3(d), Apr. 8, 1966, 80 Stat. 105, provided that: "In the case of any individual who, pursuant to section 1838(b)(1) of the Social Security Act [42 U.S.C. 1395q(a)(2)(B)] and 1837(b)(2) of such Act [42 U.S.C. 1395p(e)], his coverage period became due and payable within such 90-day period shall be considered a premium becoming due and payable on or after the date of the enactment of this Act."
§ 1395r

TITLE 42—THE PUBLIC HEALTH AND WELFARE Page 2862

(5)(A) In applying this part (including subsection (i) and section 1395(b) of this title), the monthly actuarial rate for enrollees age 65 and over for 2016 shall be determined as if subsection (f) did not apply.

(B) Subsection (f) shall continue to be applied to paragraph (6)(A) (during a repayment month, as described in paragraph (6)(B)) and without regard to the application of subparagraph (A).

(6)(A) With respect to a repayment month (as described in subparagraph (B)), the monthly premium otherwise established under paragraph (3) shall be increased by, subject to subparagraph (D), §3.

(B) For purposes of this paragraph, a repayment month is a month during a year, beginning with 2016, for which a balance due amount is computed under subparagraph (C) as greater than zero.

(C) For purposes of this paragraph, the balance due amount computed under this subparagraph, with respect to a month, is the amount estimated by the Chief Actuary of the Centers for Medicare & Medicaid Services to be equal to—

(i) the amount transferred under section 1395w(d)(1) of this title; plus

(ii) the amount that is equal to the aggregate reduction, for all individuals enrolled under this part, in the income related monthly adjustment amount as a result of the application of paragraph (5); minus

(iii) the amounts payable under this part as a result of the application of this paragraph for preceding months.

(D) If the balance due amount computed under subparagraph (C), without regard to this subparagraph, for December of a year would be less than zero, the Chief Actuary of the Centers for Medicare & Medicaid Services shall estimate, and the Secretary shall apply, a reduction to the dollar amount increase applied under subparagraph (A) for each month during such year in a manner such that the balance due amount for January of the subsequent year is equal to zero.

(b) Increase in monthly premium

In the case of an individual whose coverage period began pursuant to an enrollment after his initial enrollment period (determined pursuant to subsection (c) or (d) of section 1395p of this title) and not pursuant to a special enrollment period under subsection (1)(d) or (l) of section 1395p of this title, the monthly premium determined under subsection (a) (without regard to any adjustment under subsection (i)) shall be increased by 10 percent of the monthly premium so determined for each full 12 months (in the same continuous period of eligibility) in which he could have been but was not enrolled. For purposes of the preceding sentence, there shall be taken into account (which elapsed between the close of his initial enrollment period and the close of the enrollment period in which he enrolled, plus (in the case of an individual who reenrolls) (2) the months which elapsed between the date of termination of a previous coverage period and the close of the enrollment period in which he reenrolled, but there shall not be taken into account months for which the individual can demonstrate that the individual was enrolled in a group health plan described in section 1395y(b)(1)(A)(v) of this title by reason of the individual’s (or the individual’s spouse’s) current employment status or months during which the individual has not attained the age of 65 and for which the individual can demonstrate that the individual was enrolled in a large group health plan (as that term is defined in section 1395y(b)(1)(B)(iii) of this title) by reason of the individual’s current employment status (or the current employment status of a family member of the individual) or months for which the individual can demonstrate that the individual was an individual described in section 1395p(k)(3) of this title. Any increase in an individual’s monthly premium under the first sentence of this subsection with respect to a particular continuous period of eligibility shall not be applicable with respect to any other continuous period of eligibility which such individual may have. No increase in the premium shall be effected for a month in the case of an individual who enrolls under this part during 2001, 2002, 2003, or 2004 and who demonstrates to the Secretary before December 31, 2004, that the individual is a covered beneficiary (as defined in section 1072(5) of title 10). The Secretary of Health and Human Services shall consult with the Secretary of Defense in identifying individuals described in the previous sentence.

(c) Premiums rounded to nearest multiple of ten cents

If any monthly premium determined under the foregoing provisions of this section is not a multiple of 10 cents, such premium shall be rounded to the nearest multiple of 10 cents.

(d) “Continuous period of eligibility” defined

For purposes of subsection (b) and section 1395p(g)(1) of this title, an individual’s “continuous period of eligibility” is the period beginning with the first day on which he is eligible to enroll under section 1395p of this title and ending with his death, except that any period during all of which an individual satisfied paragraph (1) of section 1395p of this title and which terminated in or before the month preceding the month in which he attained age 65 shall be a separate “continuous period of eligibility” with respect to such individual (and each such period which terminates shall be deemed not to have existed for purposes of subsequently applying this section).

(e) State payment of part B late enrollment premium increases

(1) Upon the request of a State (or any appropriate State or local governmental entity specified by the Secretary), the Secretary may enter into an agreement with the State (or such entity) under which the State (or such entity) agrees to pay on a quarterly or other periodic basis to the Secretary (to be deposited in the Treasury to the credit of the Federal Supplementary Medical Insurance Trust Fund) an amount equal to the amount of the part B late enrollment premium increases with respect to the premiums for eligible individuals (as defined in paragraph (3)(A)).

(2) No part B late enrollment premium increase shall apply to an eligible individual for premiums for months for which the amount of
such an increase is payable under an agreement under paragraph (1).

(3) In this subsection:

(A) The term “eligible individual” means an individual who is enrolled under this part B and who is within a class of individuals specified in the agreement under paragraph (1).

(B) The term “part B late enrollment premium increase” means any increase in a premium as a result of the application of subsection (b).

(f) Limitation on increase in monthly premium

For any calendar year after 1988, if an individual is entitled to monthly benefits under section 402 or 423 of this title or to a monthly annuity under section 3(a), 4(a), or 4(f) of the Railroad Retirement Act of 1974 [45 U.S.C. 231b(a), 231c(a), (f)] for November and December of the preceding year, if the monthly premium of the individual under this section for December and for January is deducted from those benefits under section 1395s(a)(1) of this title or section 1395s(b)(1) of this title, and if the amount of the individual’s premium is not adjusted for such January under subsection (i), the monthly premium otherwise determined under this section for an individual for that year shall not be increased, pursuant to this subsection, to the extent that such increase would reduce the amount of benefits payable to that individual for that December below the amount of benefits payable to that individual for that November (after the deduction of the premium under this section). For purposes of this subsection, retroactive adjustments or payments and deductions on account of work shall not be taken into account in determining the amount of benefits payable to that individual for that December.

(g) Exclusions from estimate of benefits and administrative costs

In estimating the benefits and administrative costs which will be payable from the Federal Supplementary Medical Insurance Trust Fund for a year for purposes of determining the monthly premium rate under subsection (a)(3), the Secretary shall exclude an estimate of any benefits and administrative costs attributable to—

(1) the application of section 1395x(v)(1)(L)(viii) of this title or to the establishment under section 1395x(v)(1)(L)(i)(V) of this title of a per visit limit at 106 percent of the median (instead of 105 percent of the median), but only to the extent payment for home health services under this subchapter is not being made under section 1395ff of this title (relating to prospective payment for home health services); and

(2) the medicare prescription drug discount card and transitional assistance program under section 1395w–141 of this title.

(h) Potential application of comparative cost adjustment in CCA areas

(1) In general

Certain individuals who are residing in a CCA area under section 1395w–29 of this title who are not enrolled in an MA plan under part C may be subject to a premium adjustment under subsection (f) of such section for months in which the CCA program under such section is in effect in such area.

(2) No effect on late enrollment penalty or income-related adjustment in subsidies

Nothing in this subsection or section 1395w–29(f) of this title shall be construed as affecting the amount of any premium adjustment under subsection (b) or (i). Subsection (f) shall be applied without regard to any premium adjustment referred to in paragraph (1).

(3) Implementation

In order to carry out a premium adjustment under this subsection and section 1395w–29(f) of this title (insofar as it is effected through the manner of collection of premiums under section 1395s(a) of this title), the Secretary shall transmit to the Commissioner of Social Security—

(A) at the beginning of each year, the name, social security account number, and the amount of the premium adjustment (if any) for each individual enrolled under this part for each month during the year; and

(B) periodically throughout the year, information to update the information previously transmitted under this paragraph for the year.

(i) Reduction in premium subsidy based on income

(1) In general

In the case of an individual whose modified adjusted gross income exceeds the threshold amount applicable under subparagraph (A) for each individual enrolled under this paragraph for an individual for a month in a year; and

(2) Threshold amount

For purposes of this subsection, subject to paragraph (6), the threshold amount is—

(A) except as provided in subparagraph (B), $80,000 (or, beginning with 2018, $85,000), and

(B) in the case of a joint return, twice the amount applicable under subparagraph (A) for the calendar year.

(3) Monthly adjustment amount

(A) In general

Subject to subparagraph (B), the monthly adjustment amount specified in this paragraph for an individual for a month in a year is equal to the product of the following:

(i) Sliding scale percentage

Subject to paragraph (6), the applicable percentage specified in the applicable table in subparagraph (C) for the individual minus 25 percentage points.

(ii) Unsubsidized part B premium amount

(I) 200 percent of the monthly actuarial rate for enrollees age 65 and over (as determined under subsection (a)(1) for the year); plus

1 See References in Text note below.
If the modified adjusted gross income is:
The applicable percentage is:

More than $80,000 but not more than $100,000 .................. 35 percent
More than $100,000 but not more than $150,000 .......... 50 percent
More than $150,000 but not more than $200,000 ....... 65 percent
More than $200,000 .................. 80 percent.

(II) Subject to paragraph (5), for 2018:

If the modified adjusted gross income is:
The applicable percentage is:

More than $85,000 but not more than $107,000 .......... 35 percent
More than $107,000 but not more than $133,500 ....... 50 percent
More than $133,500 but not more than $160,000 .. 65 percent
More than $160,000 ............ 70 percent.

(III) Subject to paragraph (5), for years beginning with 2019:

If the modified adjusted gross income is:
The applicable percentage is:

More than $85,000 but not more than $107,000 .......... 35 percent
More than $107,000 but not more than $133,500 ....... 50 percent
More than $133,500 but not more than $160,000 .. 65 percent
More than $160,000 but less than $500,000 ............ 80 percent
At least $500,000 .................. 85 percent.

(ii) Joint returns

In the case of a joint return, clause (i) shall be applied by substituting dollar amounts which are twice the dollar amounts otherwise applicable under clause (i) for the calendar year except, with respect to the dollar amounts applied in the last row of the table under subclause (III) of such clause (and the second dollar amount specified in the second to last row of such table), clause (i) shall be applied by substituting dollar amounts which are 150 percent of such dollar amounts for the calendar year.

(iii) Married individuals filing separate returns

In the case of an individual who—
(I) is married as of the close of the taxable year (within the meaning of section 7703 of the Internal Revenue Code of 1986) but does not file a joint return for such year, and
(II) does not live apart from such individual's spouse at all times during the taxable year,
clause (i) shall be applied by reducing each of the dollar amounts otherwise applicable under such clause for the calendar year by the threshold amount for such year applicable to an unmarried individual.

(4) Modified adjusted gross income
(A) In general

For purposes of this subsection, the term “modified adjusted gross income” means adjusted gross income (as defined in section 62 of the Internal Revenue Code of 1986)—
(i) determined without regard to sections 135, 911, 931, and 933 of such Code; and
(ii) increased by the amount of interest received or accrued during the taxable year which is exempt from tax under such Code.

In the case of an individual filing a joint return, any reference in this subsection to the modified adjusted gross income of such individual shall be to such return’s modified adjusted gross income.

(B) Taxable year to be used in determining modified adjusted gross income
(i) In general

In applying this subsection for an individual’s premiums in a month in a year, subject to clause (ii) and subparagraph (C), the individual’s modified adjusted gross income shall be such income determined for the individual’s last taxable year beginning in the second calendar year preceding the year involved.

(ii) Temporary use of other data

If, as of October 15 before a calendar year, the Secretary of the Treasury does not have adequate data for an individual in appropriate electronic form for the taxable year referred to in clause (i), the individual’s modified adjusted gross income shall be determined using the data in such form from the previous taxable year. Except as provided in regulations prescribed by the Commissioner of Social Security in consultation with the Secretary, the preceding sentence shall cease to apply when adequate data in appropriate electronic form are available for the individual for the taxable year referred to in clause (i), and proper adjustments shall be made to the extent that the premium adjustments determined under the preceding sentence were inconsistent with those determined using such taxable year.

(iii) Non-filers

In the case of individuals with respect to whom the Secretary of the Treasury does not have adequate data in appropriate electronic form for either taxable year referred to in clause (i) or clause (ii), the Commissioner of Social Security, in con-
sultation with the Secretary, shall pre-
scribe regulations which provide for the
treatment of the premium adjustment
with respect to such individual under this
subsection, including regulations which
provide for—
(I) the application of the highest appli-
cable percentage under paragraph (3)(C)
to such individual if the Commissioner
has information which indicates that
such individual’s modified adjusted gross
income might exceed the threshold
amount for the taxable year referred to
in clause (i), and
(II) proper adjustments in the case of the
application of an applicable percent-
age under subclause (I) to such indi-
vidual which is inconsistent with such indi-
vidual’s modified adjusted gross income
for such taxable year.
(C) Use of more recent taxable year
(i) In general
The Commissioner of Social Security in
consultation with the Secretary of the
Treasury shall establish a procedures
under which an individual’s modified ad-
justed gross income shall, at the request of
such individual, be determined under this
subsection—
(I) for a more recent taxable year than
the taxable year otherwise used under
subsection, including regulations which
provide for the premium adjustment (if
any) under this subsection; and
(II) by such methodology as the Com-
missioner, in consultation with such
Secretary, determines to be appropriate,
which may include a methodology for
aggregating or disaggregating informa-
tion from tax returns in the case of mar-
rriage or divorce.
(ii) Standard for granting requests
A request under clause (i)(I) to use a
more recent taxable year may be granted
only if—
(I) the individual furnishes to such
Commissioner with respect to such year
such documentation, such as a copy of a
filed Federal income tax return or an
equivalent document, as the Commis-
sioner specifies for purposes of deter-
mining the premium adjustment (if any)
under this subsection; and
(II) the individual’s modified adjusted
gross income for such year is signifi-
cantly less than such income for the tax-
able year determined under subpara-
graph (B) by reason of the death of such
individual’s spouse, the marriage or di-
vorce of such individual, or other major
life changing events specified in regula-
tions prescribed by the Commissioner in
consultation with the Secretary.
(5) Inflation adjustment
(A) In general
Subject to subparagraph (C), in the case of
any calendar year beginning after 2007 (other
than 2018 and 2019), each dollar amount in
paragraph (2) or (3) shall be increased by an
amount equal to—
(i) such dollar amount, multiplied by
(ii) the percentage (if any) by which the
average of the Consumer Price Index for
all urban consumers (United States city
average) for the 12-month period ending
with August of the preceding calendar year
exceeds such average for the 12-month pe-
riod ending with August 2006 (or, in the
case of a calendar year beginning with
2020, August 2018).
(B) Rounding
If any dollar amount after being increased
under paragraph (A) or (C) is not a mul-
tiple of $1,000, such dollar amount shall be
rounded to the nearest multiple of $1,000.
(C) Treatment of adjustments for certain
higher income individuals
(i) In general
Paragraph (A) shall not apply with
respect to each dollar amount in para-
graph (3) of $500,000.
(ii) Adjustment beginning 2028
In the case of any calendar year beginning
after 2027, each dollar amount in
paragraph (3) of $500,000 shall be increased
by an amount equal to—
(I) such dollar amount, multiplied by
(II) the percentage (if any) by which the
average of the Consumer Price Index
for all urban consumers (United States
city average) for the 12-month period
ending with August of the preceding cal-
endar year exceeds such average for the
12-month period ending with August 2026.
(6) Temporary adjustment to income thresh-
olds
Notwithstanding any other provision of this
subsection, during the period beginning on
January 1, 2011, and ending on December 31,
2017—
(A) the threshold amount otherwise appli-
cable under paragraph (2) shall be equal to
such amount for 2010; and
(B) the dollar amounts otherwise applica-
ble under paragraph (3)(C)(i) shall be equal
to such dollar amounts for 2010.
(7) Joint return defined
For purposes of this subsection, the term
“joint return” has the meaning given to such
term by section 7701(a)(38) of the Internal

REFERENCES IN TEXT


to the Code, see Codification note set out preceding Tables.
Subtitle (g). Pub. L. 105–173, § 105(a), substituted “attributable to” for “attributable to”, inserted par. (1) designation before “the application of”, substituted “and” for period at end, and added par. (2).


2000—Subtitle (a)(2). Pub. L. 106–554 substituted “shall be the amount determined under paragraph (3), adjusted as required in accordance with subsections (b), (c), and (f), and to reflect 85 percent of any reduction permitted under section 1395w–24(c)(1)(E) of this title.” for “‘shall, except as provided in subsections (b), (c), and (f), be the amount determined under paragraph (3).’”

(a)(3). Pub. L. 105–277, § 5101(e)(1), inserted “except as provided in subsection (g)” after “year that”.


1997—Subtitle (a)(2). Pub. L. 105–33, § 4571(b)(1)(A), substituted “subsections (b), (c), and (f)” for “subsections (b) and (e)”. Subtitle (a)(3). Pub. L. 105–33, § 4571(b)(1)(B), in last sentence, inserted “after” “monthly premium” and struck out “and the derivation of the dollar amounts specified in this paragraph” before period at end.

Pub. L. 105–33, § 4571(a), substituted “The Secretary, during September of each year, shall determine the monthly premium rate for the succeeding calendar year that is equal to 50 percent of the monthly actuarial rate for enrollees age 65 and over, determined according to paragraph (1), for that succeeding calendar year.” for “The Secretary shall, during September of 1993 and of each year thereafter, determine and promulgate a monthly premium rate for the succeeding calendar year that is equal to 50 percent of the monthly actuarial rate for enrollees age 65 and over, determined according to paragraph (1), for that succeeding calendar year.”

1993—Subsec. (a)(1)(A). Pub. L. 103–66, § 13571(1), substituted “(A) the monthly actuarial rate for enrollees age 65 and over, determined according to paragraph (1) for the succeeding calendar year.” for “(A) the monthly actuarial rate for enrollees age 65 and over, determined according to paragraph (1), for that succeeding calendar year.”


Pub. L. 105–277, § 5101(e)(1), inserted “except as provided in subsection (g)” after “year that”.

1994—Subtitle (b). Pub. L. 103–432, § 151(o)(3), in second sentence, inserted “status” after “current employment” and substituted “(as that term is defined in section 1395y(b)(1)(B)(iv) of this title) by reason of the individual’s current employment status (or the current employment status of a family member of the individual)” for “(as an active individual (as those terms are defined in section 1395y(b)(1)(B)(iv) of this title)”.

Subtitle (g). Pub. L. 103–432, § 144, added subsec. (g).

1993—Subsec. (e)(1)(A). Pub. L. 103–66, § 13571(1), substituted “after December 1995 and prior to January 1999 shall be an amount equal to 50 percent” for “December 1993 and prior to January 1999 shall be an amount equal to 50 percent”.


Subtitle (e)(1). Pub. L. 101–234, § 202(c)(2), struck out “during which the individual has attained the age of 65 and” after “into account months” in second sentence.


Pub. L. 101–234 amended or repealed by such section are restored or revised as if such section had not been enacted, see 1988 Amendment note below.


Subtitle (e)(1). Pub. L. 101–234 substituted Pub. L. 101–360, § 211(c)(1)(A), (D), and provided that the provisions of law amended or repealed by such section are restored or revised as if such section had not been enacted, see 1988 Amendment note below.

Subtitle (g). Pub. L. 101–234 substituted Pub. L. 101–360, § 211(c)(1)(F), and provided that the provisions of law amended or repealed by such section are restored or revised as if such section had not been enacted, see 1988 Amendment note below.

1988—Subtitle (a)(1). Pub. L. 100–360, § 211(c)(1)(A), (B), inserted “(other than costs relating to the amendments made by the Medicare Catastrophic Coverage Act of 1988)” before period at end of second sentence, and “but shall not take into account any amounts in the Trust Fund that may be attributable to receipts or outlays relating to the Medicare Catastrophic Coverage Account” before period at end of last sentence.

Subtitle (a)(2). Pub. L. 100–360, § 211(c)(1)(C), substituted “(e), and (f)” for “(e)”.

Subtitle (a)(3). Pub. L. 100–360, § 211(c)(1)(D), substituted “subsections (e) and (g)” for “subsection (e)” in introductory provisions.

Subtitle (a)(4). Pub. L. 100–360, § 211(c)(1)(A), (B), inserted “(other than costs relating to the amendments made by the Medicare Catastrophic Coverage Act of 1395r

1395r

TITL

E 42—THE PUBLIC HEALTH AND WELFARE

Page 2867

§ 1395r

1983 and of each year thereafter, determine and promulgate a monthly premium rate for the succeeding calendar year.” for “The Secretary shall, during September of each year, shall determine and promulgate a monthly premium rate for the succeeding calendar year that is equal to 50 percent of the monthly actuarial rate for enrollees age 65 and over, determined according to paragraph (1), for that succeeding calendar year.” for “‘shall, except as provided in subsections (b), (c), and (f), be the amount determined under paragraph (3).’”


‘‘(i) 1991 shall be $29.90, ‘‘(ii) 1992 shall be $31.80, ‘‘(iii) 1993 shall be $35.60, ‘‘(iv) 1994 shall be $41.10, and ‘‘(v) 1995 shall be $46.10.

‘‘(2) Any increases in premium amounts taking effect prior to January 1996 by reason of paragraph (1) shall be taken into account for purposes of determining increases thereafter under subsection (a)(3) of this section.’’

Suffix (e)(1). Pub. L. 100–360, § 211(c)(1)(A), (B), and inserted “(other than costs relating to the amendments made by the Medicare Catastrophic Coverage Act of 1988)” before period at end of second sentence, and “but shall not take into account any amounts in the Trust Fund that may be attributable to receipts or outlays relating to the Medicare Catastrophic Coverage Account” before period at end of last sentence.
§ 608(d)(9)(A)(i), substituted “year, over” for “year, relating to adjustment in medicare part B premium.

that January below the amount of benefits payable to
under subsection (a) or (e)”.

substituting a single paragraph for former pars. (1) and
that individual for that December”.

after “subsection (a) of this section”.

lays relating to the Medicare Catastrophic Coverage
Trust Fund that may be attributable to receipts or out-
‘‘, but shall not take into account any amounts in the
Trust Fund that may be attributable to receipts or out-

1988)” before period at end of second sentence, and
‘‘, but shall not take into account any amounts in the
Trust Fund that may be attributable to receipts or out-

Subsec. (g), Pub. L. 1989–1990, added subsec. (g) relating to adjustment in medicare part B premium.


1986—Subsec. (b). Pub. L. 99–509, § 3002(b), substituted “for months during which the individual has not attained the age of 65 and for which the individual can demonstrate that the individual was enrolled in a large group health plan as an active individual (as those terms are defined in section 1395y(b)(4)(B) of this title)” at end of second sentence.

Pub. L. 99–509, § 3002(b), added subsec. (b), substituted “months during which the individual has attained the age of 65 and for which the individual can demonstrate that the individual was enrolled in a group health plan described in section 1395y(b)(3)(A)(iv) of this title” for “months in which the individual has met the conditions specified in clauses (i) and (iii) of section 1395y(b)(3)(A) of this title and can demonstrate that the individual was enrolled in a group health plan described in clause (iv) of such section”.


Subsec. (f)(2)(A). Pub. L. 99–509, § 3001(c), amended subpar. (A) generally. Prior to amendment, subpar. (A) read as follows: “the monthly premium amount determined under subsection (a)(2) of this section for that January reduced by the amount (if any) necessary to determine under subsection (a) or (e)”.


Subsecs. (f), (g). Pub. L. 98–369, § 2302(d), redesignated subsec. (f) as (g) and redesignated subsec. (g) as (f).

Subsec. (e). Pub. L. 98–21, § 606(a)(2), redesignated subsec. (e) as (g), inserted “except as otherwise provided in subsection (g) of this section”.

Subsec. (e)(1). Pub. L. 98–21, § 606(a)(3)(C), substituted “(a)’’ for “(c)’’ and “(a)(1)’’ for “(c)(1)’’.


Subssec. (f), (g). Pub. L. 98–21, § 606(a)(2), redesignated subsec. (f) as (g) and redesignated subsec. (g) as (f).


Subsec. (e)(2). Pub. L. 98–21, § 606(a)(3)(C)(ii), substituted “except as provided in subsections (d) and (g)” for “except as provided in subsection (d)”.

Subsec. (e)(3). Pub. L. 97–248, § 1224(a)(3), inserted “except as otherwise provided in subsection (g) of this section”.

Subsec. (g). Pub. L. 97–248, § 1224(b), added subsec. (g).

1981—Subsec. (d). Pub. L. 97–248 substituted “the close of the enrollment period in which he reenrolled” for “the month after the month in which he reenrolled” in cl. (2).

1980—Subsec. (d). Pub. L. 96–499 substituted “who reenrols” (2) the months which elapsed between the date of termination of a previous coverage period and the month after the month in which he reenrolled” for “who enrolls for the first time” (2) the months which elapsed between the date of the termination of his first coverage period and the close of the enrollment period in which he enrolled for the second time”.

1977—Subsec. (c)(5)(B). Pub. L. 94–402 substituted “the monthly premium rate most recently promulgated by the Secretary under this paragraph, increased by a percentage determined as follows: The Secretary shall ascertain the primary insurance amount computed under section 415(a)(1) of this title, based upon average indexed monthly earnings of $900, that applied to individuals who became eligible for and entitled to old-age insurance benefits on May 1 of the year of the promulgation” for “the monthly premium rate most recently promulgated by the Secretary under this paragraph or,
in the case of the determination made in December 1971, such rate promulgated under subsection (b)(2) of this section multiplied by the ratio of (i) the amount in column IV of the table which, by reason of the law in effect at the time the promulgation is made, will be in effect as of May 1 next following such determination appears (or is deemed to appear) in section 415(a) of this title, to the amount in column IV of the table which appeared (or was deemed to appear) in section 415(a) of this title on the line which included the figure '750' in column III as of May 1 of the year in which such determination is made" and inserted "He shall increase the monthly premium rate by the same percentage by which that primary insurance amount is increased when, by reason of the law in effect at the time the promulgation is made, it is so computed to apply to those individuals on the following May 1."

1955—Subsec. (c)(3). Pub. L. 94–182 substituted "May 1" for "June 1" wherever appearing.


Subsec. (b)(2). Pub. L. 92–603, §203(b), substituted "ending on or before December 31, 1971" for "thereafter".


Former subsec. (c) redesignated (d).

Subsec. (d). Pub. L. 92–603, §§201(c)(4), 203(c), (d)(1), redesignated former subsec. (c) as (d), inserted reference to subsec. (c) after reference to subsec. (b), inserted "the same continuous period of eligibility" after "for each full 12 months" and inserted provisions relating to any increase in an individual's monthly premium under the first sentence of this subsection. Former subsec. (d) redesignated (e).

Subsec. (e). Pub. L. 92–603, §203(c), redesignated former subsec. (d) as (e). Former subsec. (e) redesignated (f).


Subsec. (f). Pub. L. 92–603, §203(c), (d)(2), redesignated former subsec. (e) as (f) and substituted "subsection (d)" for "subsubsection (c)".

1968—Subsec. (b)(2). Pub. L. 90–248 required Secretary, during December of each year, beginning in 1968, to determine and announce amount (whether or not such amount was applicable for premiums for any prior month) of supplementary medical insurance premium for 12-month period beginning on July 1 of each following year, which premium is to be such that aggregate premiums will equal one-half estimated benefit and administrative expenses of supplementary medical insurance program for such 12-month period, and that at time of announcement of premium amount, Secretary must make public actuarial assumptions and bases used in deciding amount of premium.

**Effective Date of 2006 Amendment**

Amendment by section 5115(a)(1) of Pub. L. 109–171 applicable to months beginning with Jan. 2007, see section 5115(b) of Pub. L. 109–171, set out as a note under section 1395p of this title.

**Effective Date of 2003 Amendment**


Pub. L. 108–173, title VI, §825(a)(2), Dec. 8, 2003, 117 Stat. 2318, provided that: "The amendment made by paragraph (1) [amending this section] shall apply to premiums for months beginning with January 2004. The Secretary [of Health and Human Services] shall establish a method for providing rebates of premium penalties paid for months occurring after January 2004 for which a penalty does not apply under such amendment but for which a penalty was previously collected."

**Effective Date of 2000 Amendment**

Pub. L. 106–554, §14(a)(6) [title VI, §§606(b)], Dec. 21, 2000, 114 Stat. 2763, 2763A–558, provided that: "The amendments made by subsection (a) [amending this section and sections 1395s, 1395w, 1395w–21, 1395w–23, and 1395w–24 of this title] shall apply to years beginning with 2003."

**Effective Date of 1997 Amendment**

Amendment by section 4581(a) of Pub. L. 105–33 applicable to involuntary terminations of coverage under a group health plan occurring on or after Aug. 5, 1997, see section 4581(c) of Pub. L. 105–33, set out as a note under section 1395p of this title.

**Effective Date of 1994 Amendment**


**Effective Date of 1998 Amendment**

Amendment by section 6202(b)(4)(C) of Pub. L. 101–239 applicable to items and services furnished after Dec. 19, 1989, see section 6202(b)(5) of Pub. L. 101–239, set out as a note under section 162 of Title 26, Internal Revenue Code.

Amendment by section 6302(c)(2) of Pub. L. 101–239 applicable to enrollments occurring after, and premiums for months after, second calendar quarter beginning after Dec. 19, 1989, see section 6302(c)(3) of Pub. L. 101–239, set out as a note under section 1395p of this title.


**Effective Date of 1988 Amendment**

Amendment by Pub. L. 100–465 effective as if included in the enactment of the Medicare Catastrophic Coverage Act of 1988, Pub. L. 100–360, see section 608(g)(1) of Pub. L. 100–465, set out as a note under section 704 of this title.

Pub. L. 100–360, title II, §211(d), July 1, 1988, 102 Stat. 739, which provided that the amendments made by section 211 of Pub. L. 100–360 (amending this section and sections 1395w and 1395wmm of this title) applied (except as otherwise specified in such amendments) to monthly premiums for months beginning with January 1989, was repealed by Pub. L. 101–234, title II, §120(a), Dec. 13, 1989, 103 Stat. 1961.

**Effective Date of 1986 Amendment**

Amendment by section 9001(c) of Pub. L. 99–509 applicable with respect to monthly premiums under this section for months after December 1986, see section 9001(d)(3) of Pub. L. 99–509, set out as a note under section 415 of this title.


Pub. L. 99–272, title IX, §9219(a)(3)(A), Apr. 7, 1986, 100 Stat. 182, provided that: "The amendment made by paragraph (1) [amending this section] shall apply to months beginning with January 1989 for premiums for months beginning with the first month that begins more than 30 days after the date of the enactment of this Act [Apr. 7, 1986]."

**Effective Date of 1984 Amendment**

Amendment by Pub. L. 98–617 effective as if originally included in the Deficit Reduction Act of 1984, Pub. L. 98–369, see section 3(c) of Pub. L. 98–617, set out as a note under section 1395w of this title.


made by subsection (a) [amending this section] shall apply to months beginning with January 1983 for premiums for months beginning with the first month which begins more than 30 days after the date of the enactment of this Act [July 18, 1984]."

**Effective Date of 1983 Amendment; Transitional Rule**

Pub. L. 98–21, title VI, §606(c), Apr. 20, 1983, 97 Stat. 171, provided that: "The amendments made by this section [amending this section and sections 1395i–2, 1395v, 1395w, and 1395w–23 of this title] shall apply to premiums for months beginning with January 1984, and for months after June 1983 and before January 1984—

"(1) the monthly premiums under part A and under part B of title XVIII of the Social Security Act [42 U.S.C. 1395w(a)(1)] shall be computed on the basis of the actuarially adequate rate which would have been in effect under part B of title XVIII of such Act for such months without regard to the amendments made by this section, but using the amount of the premium in effect for the month of June 1983;

"(2) the amount of the Government contributions under section 1844(a)(1) of such Act [42 U.S.C. 1395w(a)(1)] shall be included as a part of this section as this section was amended by the Tax Equity and Fiscal Responsibility Act of 1982, Pub. L. 97–248, see section 309(c)(2) of Pub. L. 97–248, set out as a note under section 239–1 of this title.

**Effective Date of 1981 Amendment**


**Effective Date of 1980 Amendment**

Amendment by Pub. L. 96–499 applicable to enrollments occurring on or after Apr. 1, 1981, see section 945(d) of Pub. L. 96–499, set out as a note under section 1395p of this title.

**Effective Date of 1977 Amendment**


**Effective Date of 1975 Amendment**

Pub. L. 94–182, title I, §104(b), Dec. 31, 1975, 89 Stat. 1032, provided that: "The amendments made by subsection (a) [amending this section] shall apply with respect to determinations made under section 1839(c)(5) of the Social Security Act [42 U.S.C. 1395f(c)(5)] as of the date of the enactment of this Act [Dec. 31, 1975]."

**Effective Date of 1968 Amendment**


**Construction Regarding No Authority To Initiate Application To Years After 2017**

Pub. L. 114–74, title VI, §601(c), Nov. 2, 2015, 129 Stat. 596, provided that: "Nothing in subsection (d) [set out as a note below] or the amendments made by this section [amending this section and section 1395w of this title] shall be construed as authorizing the Secretary of Health and Human Services to initiate application of such subsection or amendments for a year after 2017."

**Conditional Application to 2017 If No Social Security COLA for 2017**

Pub. L. 114–74, title VI, §601(d), Nov. 2, 2015, 129 Stat. 596, provided that: "If there is no increase in the monthly insurance benefits payable under title II [probably means title II of act Aug. 14, 1935, ch. 531, which is classified to 42 U.S.C. 401 et seq.] with respect to December 2016 pursuant to section 215(i) [probably means section 215(i) of act Aug. 14, 1935, ch. 531, which is classified to 42 U.S.C. 415(i)], then the amendments made by this section [amending this section and section 1395w of this title] shall be applied as if—

"(1) the reference to '2016' in paragraph (5)(A) of section 1393(a) of the Social Security Act [42 U.S.C. 1395r(a)], as added by subsection (a)(2), was a reference to '2016 and 2017';

"(2) the reference to 'a month during a year, beginning with 2016' in paragraph (6)(B) of section 1393 of such Act [42 U.S.C. 1395r(a)], as added by subsection (a)(2), was a reference to 'each of 2016 and 2017' Any increase in premiums effected under this subsection shall be in addition to the increase effected by the amendments made by subsection (a) [amending this section]."

**No Change in Medicare’s Defined Benefit Package**

Pub. L. 108–173, title II, §214(c), Dec. 8, 2003, 117 Stat. 2221, provided that: "Nothing in this Act [amending the provisions of section 1393(a) and (b) of the Social Security Act [42 U.S.C. 1395r(a), as added by subsection (b)(2)], was a reference to '2016 and 2017' such subsection or amendments for a year after 2017.''

---

§ 1395s. Payment of premiums

(a) Deductions from section 402 or 423 monthly benefits

(1) In the case of an individual who is entitled to monthly benefits under section 402 or 423 of this title, his monthly premiums under this part [probably means part B of title XVIII of the Social Security Act [42 U.S.C. 1395w]] shall be collected by deducting the amount thereof from the amount of such monthly benefits. Such deduction shall be made in such manner and at such times as the Commissioner of Social Security shall by regulation prescribe.
Such regulations shall be prescribed after consultation with the Secretary.

(2) The Secretary of the Treasury shall, from time to time, transfer from the Federal Old-Age and Survivors Insurance Trust Fund or the Federal Disability Insurance Trust Fund or the Federal Supplementary Medical Insurance Trust Fund the aggregate amount deducted under paragraph (1) for the period to which such transfer relates from benefits under section 402 or 423 of this title which are payable from such Trust Fund. Such transfer shall be made on the basis of a certification by the Commissioner of Social Security and shall be appropriately adjusted to the extent that prior transfers were too great or too small.

(b) Deductions from railroad retirement annuities or pensions

(1) In the case of an individual who is entitled to receive for a month an annuity under the Railroad Retirement Act of 1974 [45 U.S.C. 231 et seq.] whether or not such individual is also entitled for such month to a monthly insurance benefit under section 402 of this title, his monthly premiums under this part shall (except as provided in subsection (c)) be collected by deducting the amount thereof from such annuity or pension. Such deduction shall be made in such manner and at such times as the Secretary shall by regulations prescribe. Such regulations shall be prescribed only after consultation with the Railroad Retirement Board.

(2) The Secretary of the Treasury shall, from time to time, transfer from the Railroad Retirement Account to the Federal Supplementary Medical Insurance Trust Fund the aggregate amount deducted under paragraph (1) for the period to which such transfer relates. Such transfers shall be made on the basis of a certification by the Railroad Retirement Board and shall be appropriately adjusted to the extent that prior transfers were too great or too small.

(c) Portion of monthly premium in excess of deducted amount

If an individual to whom subsection (a) or (b) applies estimates that the amount which will be available for deduction under such subsection for any premium payment period will be less than the amount of the monthly premiums for such period, he may (under regulations) pay such amount to the Secretary which such transfer relates. Such transfer shall be made on the basis of a certification by the Director of the Office of Personnel Management and shall be appropriately adjusted to the extent that prior transfers were too great or too small.

(d) Deductions from civil service retirement annuities

(1) In the case of an individual receiving an annuity under subchapter III of chapter 83 of title 5 or any other law administered by the Director of the Office of Personnel Management providing retirement or survivorship protection, to whom neither subsection (a) nor subsection (b) applies, his monthly premiums under this part (and the monthly premiums of the spouse of such individual under this part if neither subsection (a) nor subsection (b) applies to such spouse and if such individual agrees) shall, upon notice from the Secretary of Health and Human Services to the Director of the Office of Personnel Management, be collected by deducting the amount thereof from each installment of such annuity. Such deduction shall be made in such manner and at such times as the Director of the Office of Personnel Management may determine. The Director of the Office of Personnel Management shall furnish such information as the Secretary of Health and Human Services may reasonably request in order to carry out his functions under this part with respect to individuals to whom this subsection applies. A plan described in section 8903 or 8903a of title 5 may reimburse each annuitant enrolled in such plan an amount equal to the premiums paid by him under this part if such reimbursement is paid entirely from funds of such plan which are derived from sources other than the contributions described in section 8906 of such title.

(2) The Secretary of the Treasury shall, from time to time, but not less often than quarterly, transfer from the Civil Service Retirement and Disability Fund, or the account (if any) applicable in the case of such other law administered by the Director of the Office of Personnel Management, to the Federal Supplementary Medical Insurance Trust Fund the aggregate amount deducted under paragraph (1) for the period to which such transfer relates. Such transfer shall be made on the basis of a certification by the Director of the Office of Personnel Management and shall be appropriately adjusted to the extent that prior transfers were too great or too small.

(e) Manner and time of payment prescribed by Secretary

In the case of an individual who participates in the insurance program established by this part but with respect to whom none of the preceding provisions of this section applies, or with respect to whom subsection (c) applies, the premiums shall be paid to the Secretary at such times, and in such manner, as the Secretary shall by regulations prescribe.

(f) Deposit of amounts in Treasury

Amounts paid to the Secretary under subsection (c) or (e) shall be deposited in the Treasury to the credit of the Federal Supplementary Medical Insurance Trust Fund.

(g) Premium payability period

In the case of an individual who participates in the insurance program established by this part, premiums shall be payable for the period commencing with the first month of his coverage period and ending with the month in which he dies or, if earlier, in which his coverage under such program terminates.

(h) Exempted monthly benefits

In the case of an individual who is enrolled under the program established by this part as a member of a coverage group to which an agreement with a State entered into pursuant to section 1395v of this title is applicable, subsections (a), (b), (c), and (d) of this section shall not apply to his monthly premium for any month in his coverage period which is determined under section 1395v(d) of this title.

(i) Adjustments for individuals enrolled in Medicare+Choice plans

In the case of an individual enrolled in a Medicare+Choice plan, the Secretary shall pro-
vide for necessary adjustments of the monthly beneficiary premium to reflect 80 percent of any reduction elected under section 1395w–24(f)(1)(E) of this title and to reflect any credit provided under section 1395w–24(b)(1)(C)(iv) of this title. To extent to which the Secretary determines that such an adjustment is appropriate, with the concurrence of any agency responsible for the administration of such benefits, such premium adjustment may be provided directly, as an adjustment to any social security, railroad retirement, or civil service retirement benefits, or, in the case of an individual who receives medical assistance under subchapter XIX for medicare costs described in section 1396d(p)(3)(A)(i) of this title, as an adjustment to the amount otherwise owed by the State for such medical assistance.


REFERENCES IN TEXT


Subsec. (a)(1). Pub. L. 106–554, §1(a)(6) [title I, §206(b)(1)], Dec. 19, 2000, substituted “(whether or not such individual is also entitled for such month to a monthly insurance benefit under section 402 of this title)” after “1987” and substituted “subsection (c)” for “subsection (d)”.


Subsec. (b)(1). Pub. L. 92–603, §235(b)(1), inserted subsection (c) covering individuals entitled both to monthly benefits under section 402 of this title and to an annuity or pension under Railroad Retirement Act of 1967 and redesignated former subsec. (d) as (c).
(b) Board of Trustees; composition; meetings; duties

With respect to the Trust Fund, there is hereby created a body to be known as the Board of Trustees of the Trust Fund (hereinafter in this section referred to as the “Board of Trustees”) composed of the Commissioner of Social Security, the Secretary of the Treasury, the Secretary of Labor, and the Secretary of Health and Human Services, all ex officio, and of two members of the public (both of whom may not be from the same political party), who shall be nominated by the President for a term of four years and subject to confirmation by the Senate. A member of the Board of Trustees serving as a member of the public and nominated and confirmed to fill a vacancy occurring during a term shall be nominated and confirmed only for the remainder of such term. An individual nominated and confirmed as a member of the public may serve in such position after the expiration of such person’s term until the earlier of the time at which the member’s successor takes office or the time at which a report of the Board is first issued under paragraph (2) after the expiration of the member’s term. The Secretary of the Treasury shall be the Managing Trustee of the Board of Trustees (hereinafter in this section referred to as the “Managing Trustee”). The Administrator of the Centers for Medicare & Medicaid Services shall serve as the Secretary of the Board of Trustees. The Board of Trustees shall meet not less frequently than once each calendar year. It shall be the duty of the Board of Trustees to—

(1) Hold the Trust Fund;
(2) Report to the Congress not later than the first day of April of each year on the operation and status of the Trust Fund during the preceding fiscal year and on its expected operation and status during the current fiscal year and the next 2 fiscal years; Each report provided under paragraph (2) beginning with the report in 2005 shall include the information specified in section 801(a) of the Medicare Prescription Drug, Improvement, and Modernization Act of 2003.2
(3) Report immediately to the Congress whenever the Board is of the opinion that the amount of the Trust Fund is unduly small; and
(4) Review the general policies followed in managing the Trust Fund, and recommend changes in such policies, including necessary changes in the provisions of law which govern the way in which the Trust Fund is to be managed.

The report provided for in paragraph (2) shall include a statement of the assets of, and the disbursements made from, the Trust Fund during the preceding fiscal year, an estimate of the expected income to, and disbursements to be made from, the Trust Fund during the current fiscal year and each of the next 2 fiscal years, and a statement of the actuarial status of the Trust Fund. Such report shall also include an actuarial opinion by the Chief Actuary of the Centers for Medicare & Medicaid Services certifying that the techniques and methodologies used are

\[1\] See References in Text note below.
\[2\] So in original. See 2003 Amendment note below.
section 1395g of this title. There shall be transferred periodically (but not less often than once each fiscal year) to the Trust Fund from the Railroad Retirement Account amounts equivalent to the amounts not previously so transferred which the Secretary of Health and Human Services shall have certified as overpayments to the Railroad Retirement Board pursuant to section 1395gg(b) of this title.

(g) Payments from Trust Fund of amounts provided for by this part or with respect to administrative expenses

The Managing Trustee shall pay from time to time from the Trust Fund such amounts as the Secretary of Health and Human Services certifies are necessary to pay the costs incurred by the Director of the Office of Personnel Management in making deductions pursuant to section 1395s(d) of this title or pursuant to section 1395w–113(c)(1) or 1395w–24(d)(2)(A) of this title in which case payments shall be made in appropriate part from the Medicare Prescription Drug Account in the Trust Fund. During each fiscal year, or after the close of such fiscal year, the Director of the Office of Personnel Management shall certify to the Secretary the amount of the costs the Director incurred in making such deductions, and such certified amount shall be the basis for the amount of such costs certified by the Secretary to the Managing Trustee.

(i) Payments from Trust Fund of costs incurred by Railroad Retirement Board

The Managing Trustee shall pay from time to time from the Trust Fund such amounts as the Secretary of Health and Human Services certifies are necessary to pay the costs incurred by the Railroad Retirement Board for services performed pursuant to section 1395s(b)(1) and section 1395u(g) of this title and pursuant to sections 1395w–113(c)(1) and 1395w–24(d)(2)(A) of this title in which case payments shall be made in appropriate part from the Medicare Prescription Drug Account in the Trust Fund. During each fiscal year, or after the close of such fiscal year, the Railroad Retirement Board shall certify to the Secretary the amount of the costs it incurred.

d) Authority of Managing Trustee to sell obligations

Any obligations acquired by the Trust Fund (except public-debt obligations issued exclusively to the Trust Fund) may be sold by the Managing Trustee at the market price, and such public-debt obligations may be redeemed at par plus accrued interest.

e) Interest on or proceeds from sale or redemption of obligations

The interest on, and the proceeds from the sale or redemption of, any obligations held in the Trust Fund shall be credited to and form a part of the Trust Fund.

(f) Transfers to other Funds

There shall be transferred periodically (but not less often than once each fiscal year) to the Trust Fund from the Federal Old-Age and Survivors Insurance Trust Fund and from the Federal Disability Insurance Trust Fund amounts equivalent to the amounts not previously so transferred which the Secretary of Health and Human Services shall have certified as overpayments (other than amounts so certified to the Railroad Retirement Board) pursuant to section 1395g(b) of this title.

§ 1395t

The payment of interest on, and the proceeds from the sale or redemption of, any obligations held in the Trust Fund shall be credited to and form a part of the Trust Fund.

(c) Investment of Trust Fund by Managing Trustee

It shall be the duty of the Managing Trustee to invest such portion of the Trust Fund as is not, in his judgment, required to meet current withdrawals. Such investments may be made only in interest-bearing obligations of the United States or in obligations guaranteed as to both principal and interest by the United States. For such purpose such obligations may be acquired (1) on original issue at the issue price, or (2) by purchase of outstanding obligations at the market price. The purposes for which obligations of the United States may be issued under chapter 31 of title 31 are hereby extended to authorize the issuance at par of public-debt obligations for purchase by the Trust Fund. Such obligations issued for purchase by the Trust Fund shall have maturities fixed with due regard for the needs of the Trust Fund and shall bear interest at a rate equal to the average market yield (computed by the Managing Trustee on the basis of market quotations as of the end of the calendar month next preceding the date of such issue) on all marketable interest-bearing obligations of the United States then forming a part of the public debt which are not due or callable until after the expiration of 4 years from the end of such calendar month; except that where such average market yield is not a multiple of one-eighth of 1 per centum, the rate of interest on such obligations shall be the multiple of one-eighth of 1 per centum nearest such market yield. The Managing Trustee may purchase other interest-bearing obligations of the United States or obligations guaranteed as to both principal and interest by the United States, on original issue or at the market price, only where he determines that the purchase of such other obligations is in the public interest.

(e) Transfers from the Medicare Prescription Drug Account

During each fiscal year, or after the close of such fiscal year, the Director of the Office of Personnel Management shall certify to the Secretary the amount of the costs incurred by the Director in making such deductions, and such certified amount shall be the basis for the amount of such costs certified by the Secretary to the Managing Trustee.
curred in performing such services and such certified amount shall be the basis for the amount of such costs certified by the Secretary to the Managing Trustee.


REFERENCES IN TEXT

Section 9008(c) of the Patient Protection and Affordable Care Act of 2009, referred to in subsec. (a), probably means section 9008(c) of Pub. L. 111–148, known as the Patient Protection and Affordable Care Act, which is set out as a note under section 1395i of this title, Internal Revenue Code.

Section 801(a) of the Medicare Prescription Drug, Improvement, and Modernization Act of 2003, referred to in subsec. (b)(2), is section 801(a) of Pub. L. 108–173, which is set out as a note under section 1395i of this title.

AMENDMENTS

2010—Subsec. (a). Pub. L. 111–148 inserted ‘‘or section 9008(c) of the Patient Protection and Affordable Care Act of 2009’’ after ‘‘this part’’.

2009—Subsec. (a). Pub. L. 108–173, § 105(d)(1), inserted ‘‘or the Transitional Assistance Account established by section 1395w–141(k)(1) of this title’’ after ‘‘section 1395w–116 of this title’’.

Pub. L. 108–173, § 100(e)(3)(C)(i), substituted ‘‘section 401(i)(1) of this title’’ for ‘‘section 401(h)(1) of this title’’, and inserted ‘‘, and such amounts as may be deposited in, or appropriated to, the Medicare Prescription Drug Account established by section 1395w–116 of this title’’ before period at end.


Subsec. (b)(2). Pub. L. 108–173, § 401(d)(2), inserted at end ‘‘Each report provided under paragraph (2) beginning with the report in 2009 shall include the information specified in section 860(a) of the Medicare Prescription Drug, Improvement, and Modernization Act of 2003’’.

Subsec. (g). Pub. L. 108–173, § 105(d)(2), inserted at end ‘‘The payments provided for under section 1395w–141(k)(2) of this title shall be made from the Transitional Assistance Account in the Trust Fund’’.

Pub. L. 108–173, § 100(e)(3)(C)(i), inserted at end ‘‘The payments provided for under part D, other than under section 1395w–141(k)(2) of this title, shall be made from the Medicare Prescription Drug Account in the Trust Fund’’.

Subsec. (b). Pub. L. 108–173, § 101(e)(3)(C)(iii), inserted ‘‘or pursuant to section 1395w–113(c)(1) or 1395w–24(d)(2)(A) of this title (in which case payments shall be made in appropriate part from the Medicare Prescription Drug Account in the Trust Fund)’’ after ‘‘section 1395w–6 of this title’’.

Subsec. (1). Pub. L. 108–173, § 101(e)(3)(C)(iv), inserted ‘‘and pursuant to sections 1395w–113(c)(1) and 1395w–24(d)(2)(A) of this title (in which case payments shall be made in appropriate part from the Medicare Prescription Drug Account in the Trust Fund)’’ after ‘‘section 1395w–6 of this title’’.


1989—Subsecs. (a), (b). Pub. L. 101–154 repealed Pub. L. 100–360, § 212(b)(2), (c)(4), and provided that the provisions of law amended or repealed by such section are restored or revised as if such section had not been enacted, see 1988 Amendment notes below.

Pub. L. 100–360, § 212(c)(4), inserted after sixth sentence ‘‘Such report shall also identify (and treat separately) those receipts and outlays in the Trust Fund which are also receipts and outlays in the Medicare Catastrophic Coverage Account created under section 1395–2 of this title.’’

1986—Subsec. (b). Pub. L. 99–272 struck out provision at end of penultimate sentence that the certification shall not refer to economic assumptions underlying Trustee’s report.


Pub. L. 98–369, § 2354(b)(11), substituted ‘‘Director of the Office of Personnel Management’’ for ‘‘Civil Service Commission’’ in two places.

Pub. L. 98–369, § 2354(b)(12), substituted ‘‘the Director’’ for ‘‘it’’.


1983—Subsec. (b). Pub. L. 98–21, § 341(c)(1), substituted ‘‘Secretary of Health and Human Services, all ex officio, and of two members of the public (both of whom may not be from the same political party), who shall be nominated by the President for a term of four years and subject to confirmation by the Senate’’ for ‘‘Secretary of Health, Education, and Welfare, all ex officio’’ in provisions preceding par. (1).

Pub. L. 98–21, § 114(c), inserted at end provision that the report referred to in par. (2) shall also include an actuarial opinion by the Chief Actuarial Officer of the Health Care Financing Administration certifying that the techniques and methodologies used are generally accepted within the actuarial profession and that the assumptions and cost estimates used are reasonable, and provided further that the certification shall not refer to economic assumptions underlying the Trustee’s report.

Pub. L. 98–21, § 341(c)(2), inserted at end provision that a person serving on the Board of Trustees shall not be
considered to be a fiduciary and shall not be personally liable for actions taken in such capacity with respect to the Trust Fund. 


1972—Subsec. (a). Pub. L. 92–603, §132(e), inserted “such gifts and bequests as may be made as provided in section 401(i)(1) of this title, and” after “consist of” and before “such amounts”. 

Subsec. (b). Pub. L. 92–603, §263(d)(4), substituted “1395s(d)” for “1395s(e)”.


Effective Date of 1994 Amendment 


Effective Date of 1989 Amendment 


Effective Date of 1988 Amendment 

Amendment by Pub. L. 100–647 applicable to members of Board of Trustees of Federal Supplementary Medical Insurance Trust Fund serving on such Board as members of the public on or after Nov. 10, 1988, see section 8005(b) of Pub. L. 100–647, set out as a note under section 401 of this title. 

Effective Date of 1984 Amendment 

Amendment by section 2354(b)(2), (11), (12) of Pub. L. 98–369 effective July 18, 1984, but not to be construed as changing or affecting any right, liability, status, or interpretation which existed (under the provisions of law changing or affecting any right, liability, status, or in- 

Effective Date of 1983 Amendment 

Amendment by sections 154(c) and 341(c) of Pub. L. 98–21 effective Apr. 20, 1983, see sections 154(e) and 341(d) of Pub. L. 98–21, set out as notes under section 401 of this title. 

Effective Date of 1978 Amendment 

Amendment by Pub. L. 95–292 effective with respect to services, supplies, and equipment furnished after the third calendar month beginning after June 13, 1978, except that provisions for the implementation of an incentive reimbursement system for dialysis services furnished in facilities and providers to become effective with respect to a facility’s or provider’s first accounting period beginning after the last day of the twelfth month following the month of June 1978, and except that provisions for reimbursement rates for home dialysis to become effective Apr. 1, 1979, see section 6 of Pub. L. 95–292, set out as a note under section 426 of this title. 

Effective Date of 1972 Amendment 

Amendment by section 132(e) of Pub. L. 92–603 applicable with respect to gifts and bequests received after Oct. 30, 1972, see section 132(f) of Pub. L. 92–603, set out as a note under section 401 of this title. Amendment by section 263(d)(4), (e) of Pub. L. 92–603 with respect to collection of premiums applicable to premiums becoming due and payable after the fourth month following the month of enactment of Pub. L. 92–603 which was approved on Oct. 30, 1972, see section 263(c) of Pub. L. 92–603, set out as a note under section 1395s of this title. 

Disposal of Funds in Federal Hospital Insurance Catastrophic Coverage Reserve Fund 


Due Date for 1983 Report on Operation and Status of Trust Fund 

Notwithstanding subsec. (b)(2) of this section, the annual report of the Board of Trustees of the Trust Fund required for calendar year 1983 under this section may be filed at any time not later than forty-five days after Apr. 20, 1983, see section 154(d) of Pub. L. 98–21, set out as a note under section 401 of this title. 


Effective Date of Repeal 

Repeal effective Jan. 1, 1990, see section 202(b) of Pub. L. 101–234, set out as an Effective Date of 1989 Amendment note under section 401 of this title. 

§ 1395u. Provisions relating to the administration of part B 

(a) In General 

The administration of this part shall be conducted through contracts with medicare administrative contractors under section 1395kk–1 of this title. 

(b) Determination of reasonable charges 


(C) In the case of residents of nursing facilities who receive services described in clause (1) or (1) of section 1395x(c)(2)(K) of this title performed by a member of a team, the Secretary shall instruct medicare administrative contractors to develop mechanisms which permit routine payment under this part for up to 1.5 visits per month per resident. In the previous sentence, the term “team” refers to a physician and includes a physician assistant acting under the supervision of the physician or a nurse practitioner working in collaboration with that physician, or both.
(3) The Secretary—
(A) shall take such action as may be necessary to assure that, where payment under this part for a service is on a cost basis, the cost is reasonable cost (as determined under section 1395x(v) of this title);
(B) shall take such action as may be necessary to assure that, where payment under this part for a service is on a charge basis, such charge will be reasonable and not higher than the charge applicable, for a comparable service and under comparable circumstances, to the policyholders and subscribers of the medicare administrative contractor, and such payment will (except as otherwise provided in section 1395gg(f) of this title) be made—
(i) on the basis of an itemized bill; or
(ii) on the basis of an assignment under the terms of which (I) the reasonable charge is the full charge for the service, (II) the physician or other person furnishing such service agrees not to charge (and to refund amounts already collected) for services for which payment under this subchapter is denied under section 1320c-3(a)(2) of this title by reason of a determination under section 1320c-3a(1)(B) of this title, and (III) the physician or other person furnishing such service agrees not to charge (and to refund amounts already collected) for such service if payment may not be made therefor by reason of the provisions of paragraph (1) of section 1395y(a) of this title, and if the individual to whom such service was furnished was without fault in incurring the expenses of such service, and if the Secretary’s determination that payment (pursuant to such assignment) was incorrect and was made subsequent to the third year following the year in which notice of such payment was sent to such individual; except that the Secretary may reduce such three-year period to not less than one year if he finds such reduction is consistent with the objectives of this subchapter (except in the case of physicians’ services and ambulance service furnished as described in section 1395y(a)(4) of this title, other than for purposes of section 1395gg(f) of this title);
but (in the case of bills submitted, or requests for payment made, after March 1968) only if the bill is submitted, or a written request for payment is made in such other form as may be permitted under regulations, no later than the period ending 1 calendar year after the date of service;
(F) shall take such action as may be necessary to assure that, where payment under this part for a service rendered is on a charge basis, such payment shall be determined on the basis of the charge that is determined in accordance with this section on the basis of customary and prevailing charge levels in effect at the time the service was rendered or, in the case of services rendered more than 12 months before the year in which the bill is submitted or request for payment is made, on the basis of such levels in effect for the 12-month period preceding such year;
(G) shall, for a service that is furnished with respect to an individual enrolled under this part, that is not paid on an assignment-related basis, and that is subject to a limiting charge under section 1395w–4(g) of this title—
(i) determine, prior to making payment, whether the amount billed for such service exceeds the limiting charge applicable under section 1395w–4(g)(2) of this title;
(ii) notify the physician, supplier, or other person periodically (but not less often than once every 30 days) of determinations that amounts billed exceeded such applicable limiting charges; and
(iii) provide for prompt response to inquiries of physicians, suppliers, and other persons concerning the accuracy of such limiting charges for their services;
(H) shall implement—
(i) programs to recruit and retain physicians as participating physicians in the area served by the medicare administrative contractor, including educational and outreach activities and the use of professional relations personnel to handle billing and other problems relating to payment of claims of participating physicians; and
(ii) programs to familiarize beneficiaries with the participating physician program and to assist such beneficiaries in locating participating physicians;
(L) shall monitor and profile physicians’ billing patterns within each area or locality and provide comparative data to physicians whose utilization patterns vary significantly from other physicians in the same payment area or locality.
In determining the reasonable charge for services for purposes of this paragraph, there shall be taken into consideration the customary charges for similar services generally made by the physician or other person furnishing such services, as well as the prevailing charges in the locality for similar services. No charge may be determined to be reasonable in the case of bills submitted or requests for payment made under this part after December 31, 1970, if it exceeds the higher of (i) the prevailing charge recognized by the carrier and found acceptable by the Secretary for similar services in the same locality in administering this part on December 31, 1970, or (ii) the prevailing charge level that, on the basis of statistical data and methodology acceptable to the Secretary, would cover 75 percent of the customary charges made for similar services in the same locality during the 12-month period ending on the June 30 last preceding the start of the calendar year in which the service is rendered. In the case of physicians’ services the prevailing charge level determined for purposes of clause (i) of the preceding sentence for any twelve-month period (beginning after June 30, 1973) specified in clause (ii) of such sentence may not exceed (in the aggregate) the

1 So in original. Probably should be followed by “and”.

— THE PUBLIC HEALTH AND WELFARE

§ 1395u
level determined under such clause for the fiscal year ending June 30, 1973, or (with respect to physicians' services furnished in a year after 1987) the level determined under this sentence (or under any other provision of law affecting the prevailing charge level) for the previous year except to the extent that the Secretary finds, on the basis of appropriate economic index data, that such higher level is justified by year-to-year economic changes. With respect to power-operated wheelchairs for which payment may be made in accordance with section 1395x(s)(6) of this title, charges determined to be reasonable may not exceed the lowest charge at which power-operated wheelchairs are available in the locality. In the case of medical services, supplies, and equipment (including equipment servicing) that, in the judgment of the Secretary, do not generally vary significantly in quality from one supplier to another, the charges incurred after December 31, 1972, determined to be reasonable may not exceed the lowest charge levels at which such services, supplies, and equipment are widely and consistently available in a locality except to the extent and under the circumstances specified by the Secretary. The requirement in subparagraph (B) that a bill be submitted or request for payment be made by the close of the following calendar year shall not apply if (I) failure to submit the bill or request the payment by the close of such year is due to the error or misrepresentation of an officer, employee, fiscal intermediary, carrier, medicare administrative contractor, or agent of the Department of Health and Human Services performing functions under this subchapter and acting within the scope of his or its authority, and (II) the bill is submitted or the payment is requested promptly after such error or misrepresentation is eliminated or corrected. Notwithstanding the provisions of the third and fourth sentences preceding this sentence, the prevailing charge level in the case of a physician service in a particular locality determined pursuant to such third and fourth sentences for any calendar year after 1974 shall, if lower than the prevailing charge level for the fiscal year ending June 30, 1975, in the case of a similar physician service in the same locality by reason of the application of economic index data, be raised to such prevailing charge level for the fiscal year ending June 30, 1975, and shall remain at such prevailing charge level until the prevailing charge for a year (as adjusted by economic index data) equals or exceeds such prevailing charge level. The amount of any charges for outpatient services which shall be considered reasonable shall be subject to the limitations established by regulations issued by the Secretary pursuant to section 1395x(v)(1)(K) of this title, and in determining the reasonable charge for such services, the Secretary may limit such reasonable charge to a percentage of the amount of the prevailing charge for similar services furnished in a physician's office, taking into account the extent to which overhead costs associated with such outpatient services have been included in the reasonable cost or charge of the facility. In applying subparagraph (B), the Secretary may specify exceptions to the 1 calendar year period specified in such subparagraph.

(4)(A)(i) In determining the prevailing charge levels under the third and fourth sentences of paragraph (3) for physicians' services furnished during the 15-month period beginning July 1, 1984, the Secretary shall not set any level higher than the same level as was set for the 12-month period beginning July 1, 1983.

(ii) In determining the prevailing charge levels under the third and fourth sentences of paragraph (3) for physicians' services furnished during the 8-month period beginning May 1, 1986, by a physician who is not a participating physician (as defined in subsection (h)(1)) at the time of furnishing the services, the Secretary shall not set any level higher than the same level as was set for the 12-month period beginning July 1, 1983.

(II) In determining the prevailing charge levels under the fourth sentence of paragraph (3) for physicians' services furnished during the 8-month period beginning May 1, 1986, by a physician who is a participating physician (as defined in subsection (h)(1)) at the time of furnishing the services, the Secretary shall permit an additional one percentage point increase in the increase otherwise permitted under that sentence.

(iii) In determining the maximum allowable prevailing charges which may be recognized consistent with the index described in the fourth sentence of paragraph (3) for physicians' services furnished on or after January 1, 1987, by participating physicians, the Secretary shall treat the maximum allowable prevailing charges recognized as of December 31, 1986, under such sentence with respect to participating physicians as having been justified by economic changes.

(iv) The reasonable charge for physicians' services furnished on or after January 1, 1987, and before January 1, 1989, by a nonparticipating physician shall be no greater than the applicable percent of the prevailing charge levels established under the third and fourth sentences of paragraph (3) or (or under any other applicable provision of law affecting the prevailing charge level). In the previous sentence, the term "applicable percent" means for services furnished on or after January 1, 1987, and before April 1, 1988, 96 percent, (II) on or after April 1, 1988, and before January 1, 1989, 95.5 percent, and (III) on or after January 1, 1989, 95 percent.

(v) In determining the prevailing charge levels under the third and fourth sentences of paragraph (3) for physicians' services furnished during the 3-month period beginning January 1, 1988, the Secretary shall not set any level higher than the same level as was set for the 12-month period beginning January 1, 1987.

(vi) Before each year (beginning with 1989), the Secretary shall establish a prevailing charge floor for primary care services (as defined in subsection (i)(4)) equal to 60 percent of the estimated average prevailing charge levels based on the best available data (determined, under the third and fourth sentences of paragraph (3) and under paragraph (4), without regard to this clause and without regard to physician specialty) for such service for all localities in the United States (weighted by the relative frequency of the service in each locality) for the year.

(vii) Beginning with 1987, the percentage increase in the MEI (as defined in subsection (i)(3))
for each year shall be the same for nonparticipating physicians as for participating physicians.

(B)(i) In determining the reasonable charge under paragraph (3) for physicians' services furnished during the 8-month period beginning July 1, 1984, the customary charges shall be the same customary charges as were recognized under this section for the 12-month period beginning July 1, 1983.

(ii) In determining the reasonable charge under paragraph (3) for physicians' services furnished during the 8-month period beginning May 1, 1986, by a physician who is not a participating physician (as defined in subsection (h)(1)) at the time of furnishing the services—

(I) if the physician was not a participating physician at any time during the 12-month period beginning on October 1, 1984, the customary charges shall be the same customary charges as were recognized under this section for the 12-month period beginning July 1, 1983, and

(II) if the physician was a participating physician at any time during the 12-month period beginning on October 1, 1984, the physician's customary charges shall be determined based upon the physician's actual charges billed during the 12-month period ending on March 31, 1985.

(iii) In determining the reasonable charge under paragraph (3) for physicians' services furnished during the 3-month period beginning January 1, 1988, the customary charges shall be the same customary charges as were recognized under this section for the 12-month period beginning January 1, 1987.

(iv) In determining the reasonable charge under paragraph (3) for physicians' services (other than primary care services, as defined in subsection (i)(4)) furnished during 1991, the customary charges shall be the same customary charges as were recognized under this section for the 9-month period beginning April 1, 1990. In a case in which subparagraph (F) applies (relating to new physicians) so as to limit the customary charges of a physician during 1990 to a percent of prevailing charges, the previous sentence shall not prevent such limit on customary charges under such subparagraph from increasing in 1991 to a higher percent of such prevailing charges.

(C) In determining the prevailing charge levels under the third and fourth sentences of paragraph (3) for physicians' services furnished during periods beginning after September 30, 1985, the Secretary shall treat the level as set under subparagraph (A)(i) as having fully provided for the economic changes which would have been taken into account but for the limitations contained in subparagraph (A)(i).

(D)(i) In determining the customary charges for physicians' services furnished during the 8-month period beginning May 1, 1986, or the 12-month period beginning January 1, 1987, by a physician who was not a participating physician (as defined in subsection (h)(1)) on September 30, 1985, the Secretary shall not recognize increases in actual charges for services furnished during the 15-month period beginning on July 1, 1984, above the level of the physician's actual charges billed in the 3-month period ending on June 30, 1984.

(ii) In determining the customary charges for physicians' services furnished during the 12-month period beginning January 1, 1987, by a physician who is not a participating physician (as defined in subsection (h)(1)) on April 30, 1986, the Secretary shall not recognize increases in actual charges for services furnished during the 7-month period beginning on October 1, 1985, above the level of the physician's actual charges billed during the 3-month period ending on June 30, 1984.

(iii) In determining the customary charges for physicians' services furnished during the 12-month period beginning January 1, 1987, or January 1, 1988, by a physician who is not a participating physician (as defined in subsection (h)(1)) on December 31, 1986, the Secretary shall not recognize increases in actual charges for services furnished during the 8-month period beginning on May 1, 1986, above the level of the physician's actual charges billed during the 3-month period ending on June 30, 1984.

(iv) In determining the customary charges for a physician's service furnished on or after January 1, 1988, if a physician was a nonparticipating physician in a previous year (beginning with 1987), the Secretary shall not recognize any amount of such actual charges (for that service furnished during such previous year) that exceeds the maximum allowable actual charge for such service established under subsection (j)(1)(C).

(E)(i) For purposes of this part for physicians' services furnished in 1987, the percentage increase in the MEI is 3.2 percent.

(ii) For purposes of this part for physicians' services furnished in 1988, on or after April 1, the percentage increase in the MEI is—

(I) 3.6 percent for primary care services (as defined in subsection (i)(4)), and

(II) 1 percent for other physicians' services.

(iii) For purposes of this part for physicians' services furnished in 1989, the percentage increase in the MEI is—

(I) 3.0 percent for primary care services, and

(II) 1 percent for other physicians' services.

(iv) For purposes of this part for items and services furnished in 1990, after March 31, 1990, the percentage increase in the MEI is—

(I) 0 percent for radiology services, for anesthesia services, and for other services specified in the list referred to in paragraph (14)(C)(i),

(II) 2 percent for other services (other than primary care services), and

(III) such percentage increase in the MEI (as defined in subsection (i)(3)) as would be otherwise determined for primary care services (as defined in subsection (i)(4)).

(v) For purposes of this part for items and services furnished in 1991, the percentage increase in the MEI is—

(I) 0 percent for services (other than primary care services), and

(II) 2 percent for primary care services (as defined in subsection (i)(4)).


(6) No payment under this part for a service provided to any individual shall (except as pro-
vided in section 1395gg of this title) be made to anyone other than such individual or (pursuant to an assignment described in subparagraph (B)(ii) of paragraph (3)) the physician or other person who provided the service, except that (A) payment may be made to the employer or to the employer of such physician or other person if such physician or other person is required as a condition of his employment to turn over his fee for such service to his employer, or (ii) where the service was provided under a contractual arrangement between such physician or other person and an entity, to the entity if, under the contractual arrangement, the entity submits the bill for the service and the contractual arrangement meets such program integrity and other safeguards as the Secretary may determine to be appropriate; (B) payment may be made to an entity (i) which provides coverage of the services under a health benefits plan, but only to the extent that payment is not made under this part, (ii) which has paid the person who provided the service an amount (including the amount payable under this subparagraph) which that individual has agreed in writing that payment in full for the service, and (iii) to which the individual has agreed in writing that payment may be made under this part, (C) in the case of services described in clause (i) of section 1395x(aa)(2)(K) of this title, payment shall be made to either (i) the employer of the physician assistant involved, or (ii) with respect to a physician assistant who was the owner of a rural health clinic (as described in section 1395x(aa)(2) of this title) for a continuous period beginning prior to August 5, 1997, and ending on the date that the Secretary determines such rural health clinic no longer meets the requirements of section 1395x(aa)(2)(K) of this title, payment shall be made to anyone else under a reassignment of the service involved (pursuant to an assignment described in subparagraph (B)(ii) of paragraph (3)) shall be made to anyone else under a reassignment of the service involved, (D) payment may be made to an entity (i) which has accepted a payment under this paragraph, the entity submits the bill for the service from receiving any such payment if (but only if) such agent does so pursuant to an agency agreement under which the compensation to be paid to the agent for his services for or in connection with the billing or collection of payments due such physician or other person under this subchapter is unrelated (directly or indirectly) to the amount of such payments or the billings therefor, and is not dependent upon the actual collection of any such payment. For purposes of subparagraph (C) of the first sentence of this paragraph, an employment relationship may include any independent contractor arrangement, and employer status shall be determined in accordance with the law of the State in which the services described in such clause are performed, (I) in the case of home infusion therapy, payment shall be made to the qualified home infusion therapy supplier or, in the case of items and services described in clause (i) of section 1395m(u)(7)(A) of this title, furnished to an individual during the period described in clause (ii) of such section, payment shall be made to the eligible home infusion therapy supplier, and (J) in the case of outpatient physical therapy services furnished by physical therapists in a health professional shortage area (as defined in section 254e(a)(1)(A) of this title), a medically underserved area (as designated pursuant to section 254(b)(3)(A) of this title), or a rural area (as defined in section 1395ww(d)(2)(D) of this title), subparagraph (D) of this section shall apply to such services and therapists in the same manner as such subparagraph applies to physicians' services furnished by physicians.
(7)(A) In the case of physicians' services furnished to a patient in a hospital with a teaching program approved as specified in section 1395x(b)(6) of this title but which does not meet the conditions described in section 1395x(b)(7) of this title, if the conditions described in subclauses (I) and (II) of subparagraph (A)(i) are met and if the physician elects payment to be determined under this subparagraph, the Secretary shall provide for payment for such services under this part—

(i) unless—

(I) the physician renders sufficient personal and identifiable physicians' services to the patient to exercise full, personal control over the management of the portion of the case for which the payment is sought,

(II) the services are of the same character as the services the physician furnishes to patients not entitled to benefits under this subchapter, and

(III) at least 25 percent of the hospital's patients (during a representative past period, as determined by the Secretary) who were not entitled to benefits under this subchapter and who were furnished services described in subclauses (I) and (II) paid all or a substantial part of charges (other than nominal charges) imposed for such services; and

(ii) to the extent that the payment is based upon a reasonable charge for the services in excess of the customary charge as determined in accordance with subparagraph (B).

(B) The customary charge for such services in a hospital shall be determined in accordance with regulations issued by the Secretary and taking into account the following factors:

(i) In the case of a physician who is not a teaching physician (as defined by the Secretary), the Secretary shall take into account the amounts the physician charges for similar services in the physician's practice outside the teaching setting.

(ii) In the case of a teaching physician, if the hospital, its physicians, or other appropriate billing entity has established one or more schedules of charges which are collected for medical and surgical services, the Secretary shall base payment under this subchapter on the greatest of—

(I) the charges (other than nominal charges) which are most frequently collected in full or substantial part with respect to patients who were not entitled to benefits under this subchapter and who were furnished services described in subclauses (I) and (II) of subparagraph (A)(i),

(II) the mean of the charges (other than nominal charges) which were collected in full or substantial part with respect to such patients, or

(III) 85 percent of the prevailing charges paid for similar services in the same locality.

(iii) If all the teaching physicians in a hospital agree to have payment made for all of their physicians' services under this paragraph except on the basis described in subparagraph (C) for payment for such services under this part—

(a) the hospital shall be determined in accordance with regulations issued by the Secretary and taking into account the following factors:

(1) the amount of the customarily prevailing charges (other than nominal charges) imposed for such services;

(2) the amount of charges (other than nominal charges) paid in full or substantial part with respect to such services; and

(3) the amount of charges (other than nominal charges) paid in full or substantial part with respect to such services in the same locality.

(b) If the hospital, its physicians, or other appropriate billing entity has established one or more schedules of charges, the Secretary shall adjust the scheduled charges to the greater of—

(I) the amount of charges (other than nominal charges) which are most frequently collected in full or substantial part with respect to patients who were not entitled to benefits under this subchapter and who were furnished services described in subclauses (I) and (II) of subparagraph (A)(i),

(II) the mean of the charges (other than nominal charges) which were collected in full or substantial part with respect to such patients, or

(III) 85 percent of the prevailing charges paid for similar services in the same locality.
(B) The Secretary may make a determination under this subparagraph that would result in an increase or decrease under subparagraph (A) of more than 15 percent of the payment amount for a year, but only if—

(i) the Secretary's determination takes into account the factors described in subparagraph (C) and any additional factors the Secretary determines appropriate,

(ii) the Secretary's determination takes into account the potential impacts described in subparagraph (D), and

(iii) the Secretary complies with the procedural requirements of paragraph (9).

(C) The factors described in this subparagraph are as follows:

(i) The programs established under this subchapter and subchapter XIX are the sole or primary sources of payment for an item or service.

(ii) The payment amount does not reflect changing technology, increased facility with that technology, or reductions in acquisition or production costs.

(iii) The payment amount for an item or service under this part is substantially higher or lower than the payment made for the item or service by other purchasers.

(D) The potential impacts of a determination under subparagraph (B) on quality, access, and beneficiary liability, including the likely effects on assignment rates and participation rates.

(9)(A) The Secretary shall consult with representatives of suppliers or other individuals who furnish an item or service before making a determination under paragraph (8)(B) with regard to that item or service.

(B) The Secretary shall publish notice of a proposed determination under paragraph (8)(B) in the Federal Register—

(i) specifying the payment amount proposed to be established with respect to an item or service,

(ii) explaining the factors and data that the Secretary took into account in determining the payment amount so specified, and

(iii) explaining the potential impacts described in paragraph (8)(D).

(C) After publication of the notice required by subparagraph (B), the Secretary shall allow not less than 60 days for public comment on the proposed determination.

(D) Taking into consideration the comments made by the public, the Secretary shall publish in the Federal Register a final determination under paragraph (8)(B) with respect to the payment amount to be established with respect to the item or service.

(ii) A final determination published pursuant to clause (i) shall explain the factors and data that the Secretary took into consideration in making the final determination.

(10)(A)(i) In determining the reasonable charge for procedures described in subparagraph (B) and performed during the 9-month period beginning on April 1, 1988, the prevailing charge for such procedure shall be the prevailing charge otherwise recognized for such procedure for 1987—

(I) subject to clause (iii), reduced by 2.0 percent, and

(II) further reduced by the applicable percentage specified in clause (ii).

(ii) For purposes of clause (i), the applicable percentage specified in this clause is—

(I) 15 percent, in the case of a prevailing charge otherwise recognized (without regard to this paragraph and determined without regard to physician specialty) that is at least 150 percent of the weighted national average (as determined by the Secretary) of such prevailing charges for such procedure for all localities in the United States for 1987;

(II) 9 percent, in the case of a prevailing charge that does not exceed 85 percent of such weighted national average; and

(III) in the case of any other prevailing charge, a percent determined on the basis of a straight-line sliding scale, equal to ¾ of a percentage point for each percent by which the prevailing charge exceeds 85 percent of such weighted national average.

(iii) In no case shall the reduction under clause (i) for a procedure result in a prevailing charge in a locality for 1988 which is less than 85 percent of the Secretary’s estimate of the weighted national average of such prevailing charges for such procedure for all localities in the United States for 1987 (based upon the best available data and determined without regard to physician specialty) after making the reduction described in clause (i)(I).

(B) The procedures described in this subparagraph are as follows: bronchoscopy, carpal tunnel repair, cataract surgery (including subsequent insertion of an intraocular lens), coronary artery bypass surgery, diagnostic and/or therapeutic dilation and curettage, knee arthroscopy, knee arthroplasty, pacemaker implantation surgery, total hip replacement, suprapubic prostatectomy, transurethral resection of the prostate, and upper gastrointestinal endoscopy.

(C) In the case of a reduction in the reasonable charge for a physicians' service under subparagraph (A), if a nonparticipating physician furnishes the service to an individual entitled to benefits under this part, after the effective date of such reduction, the physician's actual charge, a percent determined on the basis of a straight-line sliding scale, equal to ¾ of a percentage point for each percent by which the prevailing charge exceeds 85 percent of such weighted national average.

(III) in the case of any other prevailing charge, a percent determined on the basis of a straight-line sliding scale, equal to ¾ of a percentage point for each percent by which the prevailing charge exceeds 85 percent of such weighted national average.

(ii) For purposes of clause (i), the applicable percentage specified in this clause is—

(I) 15 percent, in the case of a prevailing charge otherwise recognized (without regard to this paragraph and determined without regard to physician specialty) that is at least 150 percent of the weighted national average (as determined by the Secretary) of such prevailing charges for such procedure for all localities in the United States for 1987;

(II) 9 percent, in the case of a prevailing charge that does not exceed 85 percent of such weighted national average; and

(III) in the case of any other prevailing charge, a percent determined on the basis of a straight-line sliding scale, equal to ¾ of a percentage point for each percent by which the prevailing charge exceeds 85 percent of such weighted national average.

(iii) In no case shall the reduction under clause (i) for a procedure result in a prevailing charge in a locality for 1988 which is less than 85 percent of the Secretary’s estimate of the weighted national average of such prevailing charges for such procedure for all localities in the United States for 1987 (based upon the best available data and determined without regard to physician specialty) after making the reduction described in clause (i)(I).

(B) The procedures described in this subparagraph are as follows: bronchoscopy, carpal tunnel repair, cataract surgery (including subsequent insertion of an intraocular lens), coronary artery bypass surgery, diagnostic and/or therapeutic dilation and curettage, knee arthroscopy, knee arthroplasty, pacemaker implantation surgery, total hip replacement, suprapubic prostatectomy, transurethral resection of the prostate, and upper gastrointestinal endoscopy.

(C) In the case of a reduction in the reasonable charge for a physicians' service under subparagraph (A), if a nonparticipating physician furnishes the service to an individual entitled to benefits under this part, after the effective date of such reduction, the physician's actual charge, a percent determined on the basis of a straight-line sliding scale, equal to ¾ of a percentage point for each percent by which the prevailing charge exceeds 85 percent of such weighted national average.

(III) in the case of any other prevailing charge, a percent determined on the basis of a straight-line sliding scale, equal to ¾ of a percentage point for each percent by which the prevailing charge exceeds 85 percent of such weighted national average.
for participating and nonparticipating physicians shall be reduced by 10 percent with respect to procedures performed in 1987.

(ii) In case shall the reduction under clause (i) for a surgical procedure result in a prevailing charge for a locality for a year which is less than 75 percent of the weighted national average of such prevailing charges for such procedure for all the localities in the United States for 1986.

(C)(i) The prevailing charge level determined with respect to A-mode ophthalmic ultrasound procedures may not exceed 5 percent of the prevailing charge level established with respect to extracapsular cataract removal with lens insertion.

(ii) The reasonable charge for an intraocular lens inserted during or subsequent to cataract surgery in a physician's office may not exceed the actual acquisition cost for the lens (taking into account any discount) plus a handling fee (not to exceed 5 percent of such actual acquisition cost).

(D) In the case of a reduction in the reasonable charge for a physician's service or item under subparagraph (B) or (C), if a nonparticipating physician furnishes the service or item to an individual entitled to benefits under this part after the effective date of such reduction, the physician's actual charge is subject to a limit under subsection (j)(1)(D).


(13)(A) In determining payments under section 1395l(l) of this title and section 1395w–4 of this title for anesthesia services furnished on or after January 1, 1994, the methodology for determining the base and time units used shall be the same for services furnished by physicians, for medical direction by physicians of two, three, or four certified registered nurse anesthetists, or for services furnished by a certified registered nurse anesthetist (whether or not medically directed) and shall be based on the methodology in effect, for anesthesia services furnished by physicians, as of August 10, 1993.

(B) The Secretary shall require claims for physicians' services for medical direction of nurse anesthetists during the period in which the provisions of subparagraph (A) apply to indicate the number of such anesthetists being medically directed concurrently at any time during the procedure, the name of each nurse anesthetist being directed, and the type of procedure for which the services are provided.

(14)(A)(i) In determining the reasonable charge for a physician's service specified in subparagraph (C)(i) and furnished during the 9-month period beginning on April 1, 1990, the prevailing charge for such service shall be the prevailing charge otherwise recognized for such service for the period during 1990 beginning on April 1, reduced by the same amount as the amount of the reduction effected under this paragraph (as amended by the Omnibus Budget Reconciliation Act of 1990) for such service during such period.

(B) For purposes of this paragraph:

(i) The "locally-adjusted reduced prevailing amount" for a locality for a physician's service is equal to the product of—

(I) the reduced national weighted average prevailing charge for the service (specified under clause (ii)), and

(II) the adjustment factor (specified under clause (iii)) for the locality.

(ii) The "reduced national weighted average prevailing charge" for a physician's service is equal to the national weighted average prevailing charge for the service (specified in subparagraph (C)(ii)) reduced by the percentage change (specified in subparagraph (C)(iii)) for the service.

(iii) The "adjustment factor", for a physician's service for a locality, is the sum of—

(I) the practice expense component (percent), divided by 100, specified in appendix A (pages 187 through 194) of the Report of the Medicare and Medicaid Health Budget Reconciliation Amendments of 1989, prepared by the Subcommittee on Health and the Environment of the Committee on Energy and Commerce, House of Representatives, (Committee Print 101–M, 101st Congress, 1st Session) for the service, multiplied by the geographic practice cost index value (specified in subparagraph (C)(iv)) for the locality, and

(II) 1 minus the practice expense component (percent), divided by 100.

(C) For purposes of this paragraph:

(i) The physicians' services specified in this clause are the procedures specified (by code and description) in the Overvalued Procedures List for Finance Committee, Revised September 20, 1989, prepared by the Physician Payment Review Commission which specification is of physicians' services that have been identified as overvalued by at least 10 percent based on a comparison of payments for such services under a resource-based relative value scale and of the national average prevailing charges under this part.

(ii) The "national weighted average prevailing charge" specified in this clause, for a physician's service specified in clause (i), is the national weighted average prevailing charge for the service in 1989 as determined by the Secretary using the best data available.

(iii) The "percentage change" specified in this clause, for a physician's service specified in clause (i), is the percent difference (but expressed as a positive number) specified for the service in the list referred to in clause (i).

(iv) The geographic practice cost index value specified in this clause for a locality is the Geographic Overhead Costs Index specified for the locality in table 1 of the September 1989 Supplement to the Geographic Medicare Economic Index: Alternative Approaches (prepared by the Urban Institute and the Center for Health Economics Research).

(D) In the case of a reduction in the prevailing charge for a physician's service under subpara-
§ 1395u


(c) Prompt payment of claims


(B) A practitioner described in subparagraph (C) or other person may not bill (or collect any amount from) the individual or another person for any service described in subparagraph (A), except for deductible and coinsurance amounts applicable under this part. No person is liable for payment of any amounts billed for such a service in violation of the previous sentence. If a practitioner or other person knowingly and willfully bills (or collects an amount) for such a service in violation of such sentence, the Secretary may apply sanctions against the practitioner or other person in the same manner as the Secretary may apply sanctions against a physician in accordance with subsection (j)(2) in the same manner as such section applies with respect to a physician. Paragraph (4) of subsection (j) shall apply in the same manner as such paragraph applies to such section.

(C) A practitioner described in this subparagraph is any of the following:

(i) A physician assistant, nurse practitioner, or clinical nurse specialist (as defined in section 1395x(aa)(3) of this title).

(ii) A certified registered nurse anesthetist (as defined in section 1395x(bb)(2) of this title).

(iii) A certified nurse-midwife (as defined in section 1395x(gg)(2) of this title).

(iv) A clinical social worker (as defined in section 1395x(hh)(1) of this title).

(v) A clinical psychologist (as defined by the Secretary for purposes of section 1395x(ii) of this title).

(vi) A registered dietitian or nutrition professional.

(D) For purposes of this paragraph, a service furnished by a practitioner described in subparagraph (C) includes any services and supplies furnished as incident to the service as would otherwise be covered under this part if furnished by a physician or as incident to a physician’s service.

(19) For purposes of section 1395f(a)(1) of this title, the reasonable charge for ambulance services (as described in section 1395x(x)(7) of this title) provided during the calendar year 1998 and calendar year 1999 may not exceed the reasonable charge for such services provided during the previous calendar year (after application of this paragraph), increased by the percentage increase in the consumer price index for all urban consumers (U.S. city average) as estimated by the Secretary for the 12-month period ending with the midpoint of the year involved reduced by 1.0 percentage point.

(e) National health service plan


(B) In this paragraph:

(i) The term “clean claim” means a claim that has no defect or impropriety (including any lack of any required substantiating documentation) or particular circumstance requiring special treatment that prevents timely payment from being made on the claim under this part.

(ii) The term “applicable number of calendar days” means—

(I) with respect to claims received in the 12-month period beginning October 1, 1986, 30 calendar days,

(II) with respect to claims received in the 12-month period beginning October 1, 1987, 26 calendar days (or 19 calendar days with respect to claims submitted by participating physicians),

(III) with respect to claims received in the 12-month period beginning October 1, 1988, 25 calendar days (or 18 calendar days with respect to claims submitted by participating physicians),

(IV) with respect to claims received in the 12-month period beginning October 1, 1989, and claims received in any succeeding 12-month period ending on or before September 30, 1993, 24 calendar days (or 17 calendar days with respect to claims submitted by participating physicians), and

(V) with respect to claims received in the 12-month period beginning October 1, 1993, and claims received in any succeeding 12-month period, 30 calendar days.

(C) If payment is not issued, mailed, or otherwise transmitted within the applicable number of calendar days (as defined in clause (ii) of subparagraph (B)) after a clean claim (as defined in clause (i) of such subparagraph) is received, interest shall be paid at the rate used for purposes of section 3902(a) of title 31 (relating to interest penalties for failure to make prompt payments) for the period beginning on the day after the required payment date and ending on the date on which payment is made.

(3)(A) Each contract under this section which provides for the disbursement of funds, as described in section 1395kk–1(a)(3)(B) of this title, shall provide that no payment shall be issued, mailed, or otherwise transmitted with respect to any claim submitted under this subchapter within the applicable number of calendar days after the date on which the claim is received.

(B) In this paragraph, the term “applicable number of calendar days” means—

(i) with respect to claims submitted electronically as prescribed by the Secretary, 13 days, and

(ii) with respect to claims submitted otherwise, 28 days.

(4) Neither a medicare administrative contractor nor the Secretary may impose a fee under this subchapter—

(A) for the filing of claims related to physicians’ services,

(B) for an error in filing a claim relating to physicians’ services or for such a claim which is denied,

(C) for any appeal under this subchapter with respect to physicians’ services, (D) for applying for (or obtaining) a unique identifier under subsection (r), or

(E) for responding to inquiries respecting physicians’ services or for providing information with respect to medical review of such services.


(g) Authority of Railroad Retirement Board to enter into contracts with medicare administrative contractors

The Railroad Retirement Board shall, in accordance with such regulations as the Secretary may prescribe, contract with a medicare administrative contractor or contractors to perform the functions set out in this section with respect to individuals entitled to benefits as qualified railroad retirement beneficiaries pursuant to section 426(a) of this title and section 231f(d) of title 45.

(h) Participating physician or supplier; agreement with Secretary; publication of directories; availability; inclusion of program in explanation of benefits; payment of claims on assignment-related basis

(1) Any physician or supplier may voluntarily enter into an agreement with the Secretary to become a participating physician or supplier. For purposes of this section, the term “participating physician or supplier” means a physician or supplier (excluding any provider of services) who, before the beginning of any year beginning with 1984, enters into an agreement with the Secretary which provides that such physician or supplier will accept payment under this part on an assignment-related basis for all items and services furnished to individuals enrolled under this part during such year. In the case of a newly licensed physician or a physician who begins a practice in a new area, or in the case of a new supplier who begins a new business, or in such similar cases as the Secretary may specify, such physician or supplier may enter into such an agreement after the beginning of a year, for items and services furnished during the remainder of the year.

(2) The Secretary shall maintain a toll-free telephone number or numbers at which individuals enrolled under this part may obtain the names, addresses, specialty, and telephone numbers of participating physicians and suppliers and may request a copy of an appropriate directory published under paragraph (4). The Secretary shall, without charge, mail a copy of such directory upon such a request.

(3)(A) In any case in which medicare administrative contractor having a contract under section 1395kk–1 of this title that provides for making payments under this part is able to develop a system for the electronic transmission to such contractor of bills for services, such contractor shall establish direct lines for the electronic receipt of claims from participating physicians and suppliers.

(B) The Secretary shall establish a procedure whereby an individual enrolled under this part may assign, in an appropriate manner on the

So in original. Probably should be followed by “a”.
form claiming a benefit under this part for an item or service furnished by a participating physician or supplier, the individual’s rights of payment under a Medicare supplemental policy (described in section 1395ss(g)(1) of this title) in which the individual is enrolled. In the case in which an assignment is properly executed and a payment determination is made by a Medicare administrative contractor with a contract under this subsection, the contractor shall transmit to the private entity issuing the Medicare supplemental policy notice of such fact and shall include an explanation of benefits and any additional information that the Secretary may determine to be appropriate in order to enable the entity to decide whether (and the amount of) any payment is due under the policy. The Secretary may enter into agreements for the transmittal of such information to entities electronically. The Secretary shall impose user fees for the transmittal of information under this subparagraph by a Medicare administrative contractor, whether electronically or otherwise, and such user fees shall be collected and retained by the contractor.

(4) At the beginning of each year the Secretary shall publish directories (for appropriate local geographic areas) containing the name, address, and specialty of all participating physicians and suppliers (as defined in paragraph (1)) for that area for that year. Each directory shall be organized to make the most useful presentation of the information (as determined by the Secretary) for individuals enrolled under this part. Each participating physician directory for an area shall provide an alphabetical listing of all participating physicians practicing in the area and an alphabetical listing by locality and specialty of such physicians.

(5)(A) The Secretary shall promptly notify individuals enrolled under this part through a mailing of the participation program under this subsection and the publication and availability of the directories and shall make the appropriate area directory or directories available in each district and branch office of the Social Security Administration, in the offices of Medicare administrative contractors, and to senior citizen organizations.

(B) The annual notice provided under subparagraph (A) shall include—
(i) a description of the participation program,
(ii) an explanation of the advantages to beneficiaries of obtaining covered services through a participating physician or supplier,
(iii) an explanation of the assistance offered by Medicare administrative contractors in obtaining the names of participating physicians and suppliers, and
(iv) the toll-free telephone number under paragraph (2)(A) for inquiries concerning the program and for requests for free copies of appropriate directories.

(6) The Secretary shall provide that the directories shall be available for purchase by the public. The Secretary shall provide that each appropriate area directory is sent to each participating physician located in that area and that an appropriate number of copies of each such directory is sent to hospitals located in the area. Such copies shall be sent free of charge.

(7) The Secretary shall provide that each explanation of benefits provided under this part for services furnished in the United States, in conjunction with the payment of claims under section 1395(a)(1) of this title (made other than on an assignment-related basis), shall include—
(A) a prominent reminder of the participating physician and supplier program established under this subsection (including the limitation on charges that may be imposed by such physicians and suppliers and a clear statement of any amounts charged for the particular items or services on the claim involved above the amount recognized under this part),
(B) the toll-free telephone number or numbers, maintained under paragraph (2), at which an individual enrolled under this part may obtain information on participating physicians and suppliers,
(C)(i) an offer of assistance to such an individual in obtaining the names of participating physicians of appropriate specialty and (ii) an offer to provide a free copy of the appropriate participating physician directory, and
(D) in the case of services for which the billed amount exceeds the limiting charge imposed under section 1395w–4(g) of this title, information regarding such applicable limiting charge (including information concerning the right to a refund under section 1395w–4(g)(1)(A)(iv) of this title).

(8) The Secretary may refuse to enter into an agreement with a physician or supplier under this subsection, or may terminate or refuse to renew such agreement, in the event that such physician or supplier has been convicted of a felony under Federal or State law for an offense which the Secretary determines is detrimental to the best interests of the program or program beneficiaries.

(9) The Secretary may revoke enrollment, for a period of not more than one year for each act, for a physician or supplier under section 1395ce(j) of this title if such physician or supplier fails to maintain and, upon request of the Secretary, provide access to documentation relating to written orders or requests for payment for durable medical equipment, certifications for home health services, or referrals for other items or services written or ordered by such physician or supplier under this subchapter, as specified by the Secretary.

(i) Definitions
For purposes of this subchapter:
(1) A claim is considered to be paid on an “assignment-related basis” if the claim is paid on the basis of an assignment described in subsection (b)(2)(B)(ii), in accordance with subsection (b)(6)(B), or under the procedure described in section 1395gg(f)(1) of this title.
(2) The term “participating physician” refers, with respect to the furnishing of services, to a physician who at the time of furnishing the services is a participating physician (under subsection (b)(1)); the term “nonparticipating physician” refers, with respect to the furnishing of services, to a physician who at the time of furnishing the services is not a participating physician; and the term “nonparticipating supplier or other person” means...
a supplier or other person (excluding a provider of services) that is not a participating physician or supplier (as defined in subsection (h)(1)).

(3) The term “percentage increase in the MEC” means, with respect to physicians’ services furnished in a year, the percentage increase in the medicare economic index (referred to in the fourth sentence of subsection (b)(3)) applicable to such services furnished as of the first day of that year.

(4) The term “primary care services” means physicians’ services which constitute office medical services, emergency department services, home medical services, skilled nursing, intermediate care, and long-term care medical services, or nursing home, boarding home, domiciliary, or custodial care medical services.

(j) Monitoring of charges of nonparticipating physicians; sanctions; restitution

(1)(A) In the case of a physician who is not a participating physician for items and services furnished during a portion of the 30-month period beginning July 1, 1984, the Secretary shall monitor the physician’s actual charges to individuals enrolled under this part during that portion of that period. If such physician knowingly and willfully bills individuals enrolled under this part for actual charges in excess of such physician’s actual charges for the calendar quarter beginning on April 1, 1984, the Secretary may apply sanctions against such physician in accordance with paragraphs (2).

(B)(i) During any period (on or after January 1, 1987, and before the date specified in clause (ii)), during which a physician is a nonparticipating physician, the Secretary shall monitor the actual charges of each such physician for physicians’ services furnished to individuals enrolled under this part. If such physician knowingly and willfully bills individuals enrolled under this part for actual charges in excess of such physician’s actual charges for the calendar quarter beginning on April 1, 1984, the Secretary may apply sanctions against such physician in accordance with paragraph (2).

(ii) Clause (i) shall not apply to services furnished after December 31, 1990.

(C)(i) For a particular physicians’ service furnished by a nonparticipating physician to individuals enrolled under this part during a year, for purposes of subparagraph (B), the maximum allowable actual charge is determined as follows: If the physician’s maximum allowable actual charge for that service in the previous year was:

(I) less than 115 percent of the applicable percent (as defined in subsection (b)(4)(A)(iv)) of the prevailing charge for the year and service involved, the maximum allowable actual charge for the year involved is the greater of the maximum allowable actual charge described in subclause (II) or the charge described in clause (ii), or

(II) equal to, or greater than, 115 percent of the applicable percent (as defined in subsection (b)(4)(A)(iv)) of the prevailing charge for the year and service involved, the maximum allowable actual charge is 101 percent of the physician’s maximum allowable actual charge for the service for the previous year.

(ii) For purposes of clause (i)(I), the charge described in this clause for a particular physician’s service furnished in a year is the maximum allowable actual charge for the service of the physician for the previous year plus the product of (I) the applicable fraction (as defined in clause (iii)) and (II) the amount by which 115 percent of the prevailing charge for the year involved for such service furnished by nonparticipating physicians, exceeds the physician’s maximum allowable actual charge for the service for the previous year.

(iii) In clause (ii), the “applicable fraction” is—

(I) for 1987, 1,⁄4,

(II) for 1988, 1,⁄3,

(III) for 1989, 1,⁄2, and

(IV) for any subsequent year, 1.

(iv) For purposes of determining the maximum allowable actual charge under clauses (i) and (ii) for 1987, in the case of a physicians’ service for which the physician has actual charges for the calendar quarter beginning on April 1, 1984, the “maximum allowable actual charge” for 1986 is the physician’s actual charge for such service furnished during such quarter.

(v) For purposes of determining the maximum allowable actual charge under clauses (i) and (ii) for a year after 1986, in the case of a physicians’ service for which the physician has no actual charges for the calendar quarter beginning on April 1, 1984, and for which a maximum allowable actual charge has not been previously established under this clause, the “maximum allowable actual charge” for the previous year shall be the 50th percentile of the customary charges for the service (weighted by frequency of the service) performed by nonparticipating physicians in the locality during the 12-month period ending June 30 of that previous year.

(vi) For purposes of this subparagraph, a “physician’s actual charge” for a physicians’ service furnished in a year or other period is the weighted average (or, at the option of the Secretary, for a service furnished in the calendar quarter beginning April 1, 1984, the median) of the physician’s charges for such service furnished in the year or other period.

(vii) In the case of a nonparticipating physician who was a participating physician during a previous period, for the purpose of computing the physician’s maximum allowable actual charge during the physician’s period of nonparticipation, the physician shall be deemed to have had a maximum allowable actual charge during the period of participation, and such deemed maximum allowable actual charge shall be determined according to clauses (i) through (vi).

(viii) Notwithstanding any other provision of this subparagraph, the maximum allowable actual charge for a particular physician’s service furnished by a nonparticipating physician to individuals enrolled under this part during the 3-month period beginning on January 1, 1988, shall be the amount determined under this subparagraph for 1987. The maximum allowable actual
charge for any such service otherwise determined under this subparagraph for 1988 shall take effect on April 1, 1988.

(ix) If there is a reduction under subsection (b)(13) in the reasonable charge for medical direction furnished by a nonparticipating physician, the maximum allowable actual charge otherwise permitted under this subsection for such services shall be reduced in the same manner and in the same percentage as the reduction in such reasonable charge.

(D)(i) If an action described in clause (ii) results in a reduction in a reasonable charge for a physicians’ service or item and a nonparticipating physician furnishes the service or item to an individual entitled to benefits under this part after the effective date of such action, the physician may not charge the individual more than 125 percent of the reduced payment allowance (as defined in clause (iii)) plus (for services or items furnished during the 12-month period or 9-month period in the case of an action described in clause (ii)(II) beginning on the effective date of the action) ½ of the amount by which the physician’s maximum allowable actual charge for the service or item for the previous 12-month period exceeds such 125 percent level.

(ii) The first sentence of clause (i) shall apply to—

(I) an adjustment under subsection (b)(8)(B) (relating to inherent reasonableness),

(II) a reduction under subsection (b)(10)(A) or (b)(14)(A) (relating to certain overpriced procedures),

(III) a reduction under subsection (b)(11)(B) (relating to certain cataract procedures),

(IV) a prevailing charge limit established under subsection (b)(11)(C)(i) or (b)(15)(A),

(V) a reasonable charge limit established under subsection (b)(11)(C)(ii) of this section, and

(VI) an adjustment under section 1395l(3)(B) of this title (relating to physician supervision of certified registered nurse anesthetists).

(iii) In clause (i), the term “reduced payment allowance” means, with respect to an action—

(I) under subsection (b)(8)(B), the inherently reasonable charge established under subsection (b)(8);

(II) under subsection (b)(10)(A), (b)(11)(B), (b)(11)(C)(i), (b)(14)(A), or (b)(15)(A) or under section 1395l(3)(B) of this title, the prevailing charge for the service after the action; or

(III) under subsection (b)(11)(C)(ii), the payment allowance established under such subsection.

(iv) If a physician knowingly and willfully presents or causes to be presented a claim or bills in violation of clause (i) (whether or not such charge violates subparagraph (B)), the Secretary may apply sanctions against such physician in accordance with paragraph (2).

(v) Clause (i) shall not apply to items and services furnished after December 31, 1990.

(2) Subject to paragraph (3), the sanctions which the Secretary may apply under this paragraph are—

(A) excluding a physician from participation in the programs under this chapter for a period not to exceed 5 years, in accordance with the procedures of subsections (c), (f), and (g) of section 1320a–7 of this title, or

(B) civil monetary penalties and assessments, in the same manner as such penalties and assessments are authorized under section 1320a–7(a) of this title, or both. The provisions of section 1320a–7a of this title (other than the first 2 sentences of subsection (a) and other than subsection (b)) shall apply to a civil money penalty and assessment under subparagraph (B) in the same manner as such provisions apply to a penalty, assessment, or proceeding under section 1320a–7a(a) of this title, except to the extent such provisions are inconsistent with subparagraph (A) or paragraph (3).

(3)(A) The Secretary may not exclude a physician pursuant to paragraph (2)(A) if such physician is a sole community physician or sole source of essential specialized services in a community.

(B) The Secretary shall take into account access of beneficiaries to physicians’ services for which payment may be made under this part in determining whether to bar a physician from participation under paragraph (2)(A).

(4) The Secretary may, out of any civil monetary penalty or assessment collected from a physician pursuant to this subsection, make a payment to a beneficiary enrolled under this part in the nature of restitution for amounts paid by such beneficiary to such physician which was determined to be an excess charge under paragraph (1).

(b) Sanctions for billing for services of assistant at cataract operations

(1) If a physician knowingly and willfully presents or causes to be presented a claim or bills an individual enrolled under this part for charges for services as an assistant at surgery for which payment may not be made by reason of section 1395y(a)(15) of this title, the Secretary may apply sanctions against such physician in accordance with subsection (j)(2) in the case of surgery performed on or after March 1, 1987.

(2) If a physician knowingly and willfully presents or causes to be presented a claim or bills an individual enrolled under this part for charges that includes a charge for an assistant at surgery for which payment may not be made by reason of section 1395y(a)(15) of this title, the Secretary may apply sanctions against such physician in accordance with subsection (j)(2) in the case of surgery performed on or after March 1, 1987.

(f) Prohibition of unassigned billing of services determined to be medically unnecessary by carrier

(1)(A) Subject to subparagraph (C), if—

(i) a nonparticipating physician furnishes services to an individual enrolled for benefits under this part,

(ii) payment for such services is not accepted on an assignment-related basis,

(iii)(I) a medicare administrative contractor determines under this part or a quality improvement organization determines under part B of subchapter XI that payment may not be
made by reason of section 1395y(a)(1) of this title because a service otherwise covered under this subchapter is not reasonable and necessary under the standards described in that section or (II) payment under this subchapter for such service is denied under section 1320c–3(a)(2) of this title by reason of a determination under section 1320c–3(a)(1)(B) of this title, and
(iv) the physician has collected any amounts for such services,
the physician shall refund on a timely basis to the individual (and shall be liable to the individual for) any amounts so collected.

(B) A refund under subparagraph (A) is considered to be on a timely basis only if—
(i) in the case of a physician who does not request reconsideration or seek appeal on a timely basis, the refund is made within 30 days after the date the physician receives a denial notice under paragraph (2), or
(ii) in the case in which such a reconsideration or appeal is taken, the refund is made within 15 days after the date the physician receives notice of an adverse determination on reconsideration or appeal.

(C) Subparagraph (A) shall not apply to the furnishing of a service by a physician to an individual in the case described in subparagraph (A)(iii)(I) if—
(i) the physician establishes that the physician did not know and could not reasonably have been expected to know that payment may not be made for the service by reason of section 1395y(a)(1) of this title, or
(ii) before the service was provided, the individual was informed that payment under this part may not be made for the specific service and the individual has agreed to pay for that service.

(2) Each medicare administrative contractor with a contract under subchapter XI shall send any notice of denial of payment for services billed by a physician to an individual in the case described in subparagraph (A)(iii)(I) if—
(i) the physician establishes that the physician did not know and could not reasonably have been expected to know that payment may not be made for the service by reason of section 1395y(a)(1) of this title, or
(ii) before the service was provided, the individual was informed that payment under this part may not be made for the specific service and the individual has agreed to pay for that service.

(3) If a physician knowingly and willfully fails to make refunds in violation of paragraph (1) with respect to a procedure shall refund on a timely basis to the individual (and shall be liable to the individual for) any amounts collected for the procedure in excess of the charges recognized and approved under this part.

(3) If a physician knowingly and willfully fails to comply with paragraph (2), the Secretary may apply sanctions against such physician in accordance with subsection (j)(2).

(4) The Secretary shall provide for such monitoring of requests for payment for physicians' services to which paragraph (1) applies as is necessary to assure compliance with paragraph (2).

(n) Elimination of markup for certain purchased services

(1) If a physician's bill or a request for payment for services billed by a physician includes a charge for a diagnostic test described in section 1395y(a)(3) of this title (other than a clinical diagnostic laboratory test) for which the bill or request for payment does not indicate that the billing physician personally performed or supervised the performance of the test or that another physician with whom the physician who shares a practice personally performed or supervised the performance of the test, the amount payable with respect to the test shall be determined as follows:
(A) If the bill or request for payment indicates that the test was performed by a supplier, identifies the supplier, and indicates the amount the supplier charged the billing physician, payment for the test (less the applicable deductible and coinsurance amounts) shall be the actual acquisition costs (net of any discounts) or, if lower, the supplier's reasonable charge (or other applicable limit) for the test.
(B) If the bill or request for payment (i) does not indicate who performed the test, or (ii) indicates that the test was performed by a supplier but does not identify the supplier or include the amount charged by the supplier, no payment shall be made under this part.

(2) A physician may not bill an individual enrolled under this part—
(A) any amount other than the payment amount specified in paragraph (1)(A) and any applicable deductible and coinsurance for a diagnostic test for which payment is made pursuant to paragraph (1)(A), or
(B) any amount for a diagnostic test for which payment may not be made pursuant to paragraph (1)(B).

(3) If a physician knowingly and willfully in repeated cases bills one or more individuals in violation of paragraph (2), the Secretary may apply sanctions against such physician in accordance with subsection (j)(2).

(o) Reimbursement for drugs and biologicals

(1) If a physician's, supplier's, or any other person's bill or request for payment for services
includes a charge for a drug or biological for which payment may be made under this part and the drug or biological is not paid on a cost or prospective payment basis as otherwise provided in this part, the amount payable for the drug or biological is equal to the following:

(A) In the case of any of the following drugs or biologicals, 95 percent of the average wholesale price:

(i) A drug or biological furnished before January 1, 2004.


(iii) A drug or biological furnished during 2004 that was not available for payment under this part as of April 1, 2003.

(iv) A vaccine described in subparagraph (A) or (B) of section 1395w–3a of this title furnished on or after January 1, 2004.

(v) A drug or biological furnished during 2004 in connection with the furnishing of renal dialysis services if separately billed by renal dialysis facilities.

(B) In the case of a drug or biological furnished during 2004 that is not described in—

(i) clause (ii), (iii), (iv), or (v) of subparagraph (A),

(ii) subparagraph (D)(i), or

(iii) subparagraph (F)

the amount determined under paragraph (4).

(C) In the case of a drug or biological that is not described in subparagraph (A)(iv), (D)(i), or (F) furnished on or after January 1, 2005 (and including a drug or biological described in subparagraph (D)(i) furnished on or after January 1, 2017), the amount provided under section 1395w–3 of this title, section 1395w–3a of this title, section 1395w–3b of this title, or section 1395w–3c of this title, as the case may be for the drug or biological.

(D)(i) Except as provided in clause (ii), in the case of infusion drugs or biologicals furnished through an item of durable medical equipment covered under section 1395x(n) of this title that are furnished—

(i) in 2004, the amount provided under paragraph (4) for the drug or biological; and

(ii) in 2005 and subsequent years, the amount provided under section 1395w–3a of this title for the drug or biological.

(2) If payment for a drug or biological is made to a licensed pharmacy approved to dispense drugs or biologicals under this part, the Secretary may pay a dispensing fee (less the applicable deductible and coinsurance amounts) to the pharmacy. This paragraph shall not apply in the case of payment under paragraph (1)(C).

(3)(A) Payment for a charge for any drug or biological for which payment may be made under this part may be made only on an assignment-related basis.

(B) The provisions of subsection (b)(18)(B) shall apply to charges for such drugs or biologicals in the same manner as they apply to services furnished by a practitioner described in subsection (b)(18)(C).

(4)(A) Subject to the succeeding provisions of this paragraph, the amount of payment for a drug or biological under this paragraph furnished in 2004 is equal to 95 percent of the average wholesale price (determined as of April 1, 2003) for the drug or biological.

(B) The Secretary shall substitute for the percentage under subparagraph (A) for a drug or biological the percentage that would apply to the drug or biological under the column entitled “Average of GAO and OIG data (percent)” in the table entitled “Table 3.—Medicare Part B Drugs in the Most Recent GAO and OIG Studies” published on August 20, 2003, in the Federal Register (68 Fed. Reg. 50445).

(C)(i) The Secretary may substitute for the percentage under subparagraph (A) with respect to drugs and biologicals furnished during 2004 on or after April 1, 2004, a percentage that is based on data and information submitted by the manufacturer of the drug or biological by October 15, 2003.

(ii) The Secretary may substitute for the percentage under subparagraph (A) with respect to drugs and biologicals furnished during 2004 on or after April 1, 2004, a percentage that is based on data and information submitted by the manufacturer of the drug or biological after October 15, 2003, and before January 1, 2004.

(D) In no case may the percentage substituted under subparagraph (B) or (C) be less than 80 percent.

(5)(A) Subject to subparagraph (B), in the case of clotting factors furnished on or after January 1, 2005, the Secretary shall, after reviewing the January 2003 report to Congress by the Controller General of the United States entitled “Payment for Blood Clotting Factor Exceeds Providers Acquisition Cost”, provide for a separate payment, to the entity which furnishes to the patient blood clotting factors, for items and services related to the furnishing of such factors in an amount that the Secretary determines to be appropriate. Such payment amount may take into account any or all of the following:

(i) The mixing (if appropriate) and delivery of factors to an individual, including special inventory management and storage requirements.

So in original. The period probably should not appear.
(i) Ancillary supplies and patient training necessary for the self-administration of such factors.

(B) In determining the separate payment amount under subparagraph (A) for blood clotting factors furnished in 2005, the Secretary shall ensure that the total amount of payments under this part (as estimated by the Secretary) for such factors under paragraph (1)(C) and such separate payments for such factors does not exceed the total amount of payments that would have been made for such factors under this part (as estimated by the Secretary) if the amendments made by section 303 of the Medicare Prescription Drug, Improvement, and Modernization Act of 2003 had not been enacted.

(C) The separate payment amount under this subparagraph for blood clotting factors furnished in 2006 or a subsequent year shall be equal to the separate payment amount determined under this paragraph for the previous year increased by the percentage increase in the consumer price index for medical care for the 12-month period ending with June of the previous year.

(6) In the case of an immunosuppressive drug described in subparagraph (J) of section 1395x(s)(2) of this title and an oral drug described in subparagraph (Q) or (T) of such section, the Secretary shall pay to the pharmacy supplying fee for such a drug determined appropriate by the Secretary (less the applicable deductible and coinsurance amounts).

(7) There shall be no administrative or judicial review under section 1395f of this title, section 1395xx of this title, or otherwise, of determinations of payment amounts, methods, or adjustments under paragraphs (4) through (6).

(p) Requiring submission of diagnostic information

(1) Each request for payment, or bill submitted, for an item or service furnished by a physician or practitioner specified in subsection (b)(18)(C) for which payment may be made under this part shall include the appropriate diagnosis code (or codes) as established by the Secretary for such item or service.

(2) In the case of a request for payment for an item or service furnished by a physician or practitioner specified in subsection (b)(18)(C) on an assignment-related basis which does not include the code (or codes) required under paragraph (1), payment may be denied under this part.

(3) In the case of a request for payment for an item or service furnished by a physician not submitted on an assignment-related basis and which does not include the code (or codes) required under paragraph (1)—

(A) if the physician knowingly and willfully fails to provide the code (or codes) promptly upon request of the Secretary or a Medicare administrative contractor, the physician may be subject to a civil money penalty in an amount not to exceed $2,000, and

(B) if the physician knowingly, willfully, and in repeated cases fails, after being notified by the Secretary of the obligations and requirements of this subsection, to include the code (or codes) required under paragraph (1), the physician may be subject to the sanction described in subsection (j)(2)(A).

The provisions of section 1320a–7a of this title (other than subsections (a) and (b)) shall apply to civil money penalties under subparagraph (A) in the same manner as they apply to a penalty or proceeding under section 1320a–7a(a) of this title.

(4) In the case of an item or service defined in paragraph (3), (6), (8), or (9) of subsection 1395x(s) of this title ordered by a physician or a practitioner specified in subsection (b)(18)(C), but furnished by another entity, if the Secretary (or fiscal agent of the Secretary) requires the entity furnishing the item or service to provide diagnostic or other medical information in order for payment to be made to the entity, the physician or practitioner shall provide that information to the entity at the time that the item or service is ordered by the physician or practitioner.

(q) Anesthesia services; counting actual time units

(1)(A) The Secretary, in consultation with groups representing physicians who furnish anesthesia services, shall establish by regulation a relative value guide for use in all localities in making payment for physician anesthesia services furnished under this part. Such guide shall be designed so as to result in expenditures under this subchapter for such services in an amount that would not exceed the amount of such expenditures which would otherwise occur.

(B) For physician anesthesia services furnished under this part during 1991, the prevailing charge conversion factor used in a locality under this subsection shall, subject to clause (iv), be reduced to the adjusted prevailing charge conversion factor for the locality determined as follows:

(i) The Secretary shall estimate the national weighted average of the prevailing charge conversion factors used under this subsection for services furnished during 1990 after March 31, using the best available data.

(ii) The national weighted average estimated under clause (i) shall be reduced by 7 percent.

(iii) The adjusted prevailing charge conversion factor for a locality is the sum of—

(I) the product of (a) the portion of the reduced national weighted average prevailing charge conversion factor computed under clause (ii) which is attributable to physician work and (b) the geographic work index value for the locality (specified in Addendum C to the Model Fee Schedule for Physician Services (published on September 4, 1990, 55 Federal Register pp. 36238–36243)); and

(II) the product of (a) the remaining portion of the reduced national weighted average prevailing charge conversion factor computed under clause (ii) and (b) the geographic practice cost index value specified in subsection (b)(14)(C)(iv) for the locality.

In applying this clause, 70 percent of the prevailing charge conversion factor shall be considered to be attributable to physician work.

(iv) The prevailing charge conversion factor to be applied to a locality under this subsection shall not be reduced by more than 15 percent below the prevailing charge conversion factor applied in the locality for the period during 1990 after March 31, but in no case

§ 1395u
shall be 60 percent of the national weighted average of the prevailing charge conversion factors (computed under clause (i)).

(2) For purposes of payment for anesthesia services (whether furnished by physicians or by certified registered nurse anesthetists) under this part, the time units shall be counted based on actual time rather than rounded to full time units.

(r) Establishment of physician identification system

The Secretary shall establish a system which provides for a unique identifier for each physician who furnishes services for which payment may be made under this subchapter. Under such system, the Secretary may impose appropriate fees on such physicians to cover the costs of investigation and recertification activities with respect to the issuance of the identifiers.

(s) Application of fee schedule

(1)(A) Subject to paragraph (3), the Secretary may implement a statewide or other areawide fee schedule to be used for payment of any item or service described in paragraph (2) which is paid on a reasonable charge basis.

(B) Any fee schedule established under this paragraph for such item or service shall be updated—

(i) for years before 2011—

(I) subject to subclause (II), by the percentage increase in the consumer price index for all urban consumers (United States city average) for the 12-month period ending with June of the preceding year; and

(II) for items and services described in paragraph (2)(D) for 2009, section 1395m(a)(14)(J) of this title shall apply under this paragraph instead of the percentage increase otherwise applicable; and

(ii) for 2011 and subsequent years—

(I) the percentage increase in the consumer price index for all urban consumers (United States city average) for the 12-month period ending with June of the previous year, reduced by—

(II) the productivity adjustment described in section 1395ww(b)(3)(B)(x)(II) of this title.

The application of subparagraph (B)(ii)(II) may result in the update under this paragraph being less than 0.0 for a year, and may result in payment rates under any fee schedule established under this paragraph for a year being less than such payment rates for the preceding year.

(2) The items and services described in this paragraph are as follows:

(A) Medical supplies.

(B) Home dialysis supplies and equipment (as defined in section 1395rr(b)(8) of this title).


(D) Parenteral and enteral nutrients, equipment, and supplies.

(E) Electromyogram devices.

(F) Salivation devices.

(G) Blood products.

(H) Transfusion medicine.

(3) In the case of items and services described in paragraph (2)(D) that are included in a competitive acquisition program in a competitive acquisition area under section 1395w–3(a) of this title—

(A) the payment basis under this subsection for such items and services furnished in such area shall be the payment basis determined under such competitive acquisition program; and

(B) subject to section 1395m(a)(1)(G) of this title, the Secretary may use information on the payment determined under such competitive acquisition programs to adjust the payment amount otherwise applicable under paragraph (1) for an area that is not a competitive acquisition area under section 1395w–3 of this title, and in the case of such adjustment, paragraphs (8) and (9) of subsection (b) shall not be applied.

(t) Facility provider number required on claims

(1) Each request for payment, or bill submitted, for an item or service furnished to an individual who is a resident of a skilled nursing facility for which payment may be made under this part shall include the facility’s medicare provider number.

(2) Each request for payment, or bill submitted, for therapy services described in paragraph (1) or (3) of section 1395l of this title, including services described in section 1395(a)(8)(B) of this title, furnished on or after October 1, 2012, for which payment may be made under this part shall include the national provider identifier of the physician who periodically reviews the plan for such services under section 1395x(p)(2) of this title.

(u) Reporting of anemia quality indicators for cancer anti-anemia drugs

Each request for payment, or bill submitted, for a drug furnished to an individual for the treatment of anemia in connection with the treatment of cancer shall include (in a form and manner specified by the Secretary) information on the hemoglobin or hematocrit levels for the individual.

sentence, which read as follows: “Any fee schedule established under this paragraph for such item or service shall be updated each year by the percentage increase in the consumer price index for all urban consumers (United States city average) for the 12-month period ending with June of the preceding year, except that for items and services described in paragraph (2)(D)—

(1) for calendar year 2008, the percentage increase in the consumer price index for all urban consumers established under this paragraph for such item or service shall apply instead of the percentage increase otherwise applicable.”

2008—Subsec. (b)(6)(D)(iii). Pub. L. 105–275, §137, struck out “(before July 1, 2008)” after “or are providing.”

Subsec. (a)(1). Pub. L. 110–197, §114(a)(2)(B), substituted “except that for items and services described in paragraph (2)(D)—” for “except that in no event shall a fee schedule for an item described in paragraph (2)(D) be updated before 2003.” and added subpars. (A) and (B).


Pub. L. 110–54 inserted “or are provided (before January 1, 2008) over a longer continuous period during all of which the physician has been called or ordered to active duty as a member of a reserve component of the Armed Forces” after “of more than 60 days”.


Subsec. (a). Pub. L. 107–183, §911(c)(2), amended subsec. (a) generally. Prior to amendment, subsec. (a) authorized the Secretary to enter into contracts with carriers for the administration of benefits under this part.

Subsec. (b)(1). Pub. L. 108–173, §911(c)(3)(A), struck out par. (1), which provided that contracts with carriers under subsection (a) could be entered into without regard to section 1395d(f) or any other provision of law requiring competitive bidding.

Subsec. (b)(2)(A). Pub. L. 108–173, §911(c)(3)(B)(i), struck out subpars. (A) and (B), which conditioned entering into contract on Secretary’s finding that carrier would perform obligations efficiently and effectively, provided for establishment and publication of standards and criteria for efficient and effective performance, and directed Secretary to establish standards for evaluating carriers’ performance of reviews of initial carrier determinations and of fair hearings under former paragraph 3(f)(C).


Subsec. (b)(2)(D). Pub. L. 108–173, §911(c)(3)(B)(iii), struck out subpars. (D) and (E), which directed that carrier be subject to standards and criteria relating to the carrier’s success in recovering payments for items or services for which payment has been or could be made under a primary plan and that Secretary could continue administration of claims for certain home health services through fiscal intermediaries under section 1395h of this title.


Pub. L. 108–173, §911(c)(3)(C)(viii), struck out “and shall contain such other terms and conditions not inconsistent with this section as the Secretary may find necessary or appropriate,” before “in determining” in concluding provisions.

Pub. L. 108–173, §911(c)(3)(C)(i), substituted “The Secretary” for “Each such contract shall provide that the carrier” in introductory provisions.

Subsec. (b)(3)(A). Pub. L. 108–173, §911(c)(3)(C)(ii), substituted “shall take such action” for “will take such action.”


Pub. L. 108–173, §911(c)(3)(C)(ii), substituted “shall take such action” for “will take such action” in introductory provisions.

Subsec. (b)(3)(C) to (E). Pub. L. 108–173, §911(c)(3)(C)(iv), struck out subpars. (C) to (E), which directed that each contract provide that the carrier would establish and maintain procedures for a fair hearing in any case where the amount in controversy was between $100 and $500, that the carrier would furnish to the Secretary such information and reports as he would find necessary in performing his functions under this part, and that the carrier would maintain such records and afford such access thereto as the Secretary would find necessary to assure the correctness and verification of the information and reports under former subpars. (D) and otherwise to carry out the purposes of this part.

Subsec. (b)(3)(F). Pub. L. 108–173, §911(c)(3)(C)(ii), substituted “shall take such action” for “will take such action.”


Subsec. (b)(3)(I). Pub. L. 108–173, §911(c)(3)(C)(vi), struck out subpar. (I), which directed that each contract would require the carrier to submit to the Secretary describing steps taken to recover payments made under this part for items or services for which payment had been or could have been made under a primary plan.


Subsec. (b)(5). Pub. L. 108–173, §911(c)(3)(D), struck out par. (6), which provided that each contract under this section would be for a term of at least one year and could be made automatically renewable and authorized Secretary to terminate any contract where carrier had failed substantially to carry out the contract or was carrying out the contract in a manner inconsistent with the efficient and effective administration of the insurance program established by this part.

Subsec. (b)(6). Pub. L. 108–173, §952(b), substituted “except to an employer or facility as described in clause (A)” for “except to an employer or facility as described in clause (A)” in second sentence.

Subsec. (b)(6)(A)(i). Pub. L. 108–173, §952(a), added cl. (i) and struck out former cl. (i) which read as follows: “(where the service was provided in a hospital, critical access hospital, clinic, or other facility) to the facility in which the service was provided if there is a contractual arrangement between such physician or other person and such facility under which such facility submits the bill for such service,”.

Subsec. (b)(7). Pub. L. 108–173, §911(c)(3)(F), substituted “the Secretary” for “the carrier” in introductory provisions of subpar. (A), before “shall take into account” in subpar. (B)(ii), in introductory provisions of subpar. (B)(ii), and before “shall provide” in subpar. (C).

Subsec. (c)(1). Pub. L. 108–173, §911(c)(4)(A), struck out par. (1), which provided that any contract entered into with a carrier under this section would provide for advances of funds for the making of payments and for payment for necessary and proper cost of administration, and directed the Secretary to cause to have published in the Federal Register, by not later than Sept. 1 each year, data, standards, and methodology to be used to establish budgets for carriers and to cause to be published in the Federal Register for public comment, at least 90 days before Sept. 1, the data, standards, and methodology proposed to be used.

Subsec. (c)(2)(A). Pub. L. 108–173, §911(c)(4)(B), substituted “contract under section 1395kk–1 of this title that provides for making payments under this part” for “contract under this section which provides for the disbursement of funds, as described in subsection (a)(1)(B) of this section,” in introductory provisions.


Subsec. (c)(5). Pub. L. 108–173, §911(c)(4)(E), struck out paras. (5) and (6), which provided that each contract would require the carrier to meet criteria to measure the timeliness of responses to requests for payment of items described in section 1395m(a)(15)(C) of this title and prohibited any carrier from carrying out any activity pursuant to a contract under the Medicare Integrity Program under section 1395dd of this title.

Subsec. (d). (d) (f). Pub. L. 108–173, §911(c)(5), struck out subsecs. (d) to (f), which provided that contracts under this section could require surety bonds and that certifying or disbursing officers or carriers would not be liable with respect to payments in the absence of gross negligence or intent to defraud and defined “carrier” for purposes of this part.

Subsec. (g). Pub. L. 108–173, §911(c)(6), substituted “medicare administrative contractor or contractors” for “carrier or carriers”.

Subsec. (h)(2). Pub. L. 108–173, §911(c)(7)(A), substituted “The Secretary” for “Each carrier having an agreement with the Secretary under subsection (a) of this section” in first sentence and for “Each such carrier” in last sentence.

Subsec. (h)(3)(A). Pub. L. 108–173, §911(c)(7)(B)(ii), which directed substitution of “such contractor” for “such carrier”, was executed by making the substitution in two places to reflect the probable intent of Congress.

Pub. L. 108–173, §911(c)(7)(B)(i), substituted “medicare administrative contractor having a contract under section 1395kk–1 of this title that provides for making payments under this part” for “a carrier having an agreement with the Secretary under subsection (a) of this section”.

Subsec. (h)(3)(B). Pub. L. 108–173, §911(c)(7)(C), substituted “a medicare administrative contractor” for “a contractor” in two places and “the contractor” for “the carrier” in two places.


Subsec. (i)(2). Pub. L. 108–173, §736(b)(9), substituted “services, to a physician” for “services, a physician”.


Subsec. (o)(1). Pub. L. 108–173, §303(b)(1), substituted “equal to the following:” for “equal to 95 percent of the average wholesale price,” and added subpars. (A) to (G).

Subsec. (o)(1)(G). Pub. L. 108–173, §305(a), amended subpar. (G) generally. Prior to amendment, subpar. (G) read as follows: “The provisions of subparagraphs (A) through (F) of this paragraph shall not apply to an inhalation drug or biological furnished through durable medical equipment covered under section 1395x(n) of this title.”

Subsec. (o)(2). Pub. L. 108–173, §303(b)(1), inserted at end “This paragraph shall not apply in the case of payment under paragraph (1)(C).”


Subsec. (s)(1). Pub. L. 108–173, §302(d)(3)(A), substituted “Subject to paragraph (3), the Secretary” for “The Secretary.”


2000—Subsec. (b)(6)(C). Pub. L. 106–554, §141(a)(6) [title II, §222(a)], struck out “for such services provided before January 1, 2003,” before “payment may be made” and substituted comma for semicolon at end.

Subsec. (b)(6)(E). Pub. L. 106–554, §141(a)(8) [title III, §313(b)(1)], added subpar. (G) generally. Prior to amendment, subpar. (G) read as follows: “The provisions of subparagraphs (A) through (F) of this paragraph shall not apply to an inhalation drug or biological furnished through durable medical equipment covered under section 1395x(n) of this title.”


Subsec. (c)(3). Pub. L. 106–554, §141(a)(6) [title I, §114(a)], added par. (3).

Subsec. (t). Pub. L. 106–554, §141(a)(6) [title III, §313(b)(2)], struck out “by a physician” before “to an individual who” and struck out “or of a part of a facility that includes a skilled nursing facility (as determined under regulations)” before “payment shall be made” and “(without regard to whether or not the item or service was furnished by the facility, by others under arrangement with them made by the facility, under any other contracting or consulting arrangement, or otherwise)” after “to the facility.”


Subsec. (c)(3). Pub. L. 106–554, §141(a)(6) [title I, §114(a)], added par. (3).

Subsec. (t). Pub. L. 106–554, §141(a)(6) [title III, §313(b)(2)], struck out “by a physician” before “to an individual who” and struck out “or of a part of a facility that includes a skilled nursing facility (as determined under regulations)” before “payment may be made”.

1999—Subsec. (b)(6)(F). Pub. L. 106–113, §1000(a)(6) [title III, §305(a)], inserted “(including medical supplies described in section 1395x(m)(5) of this title, but excluding durable medical equipment to the extent provided for in such section)” after “home health services.”

Subsec. (b)(8)(A)(i)(I). Pub. L. 106–113, §1000(a)(6) [title II, §225(c)], substituted “the application of this subchapter to payment under this part” for “the application of this part”.

Subsec. (a)(2)(E). Pub. L. 106–113, §1000(a)(6) [title III, §321(k)(4)], inserted at end “For purposes of subparagraph (C) of the first sentence of this paragraph, an employment relationship may include any independent contractor arrangement, and employer status shall be determined in accordance with the law of the State in which the services described in such clause are performed.”

Subsec. (b)(6)(C). Pub. L. 103–33, § 4205(d)(3)(B), amended subpar. (C) generally. Prior to amendment, subpar. (C) read as follows: “In the case of services described in clauses (i), (ii), or (iv) of section 1395x(s)(2)(K) of this title payment shall be made to the employer of the physician assistant or nurse practitioner involved, and”.


Subsec. (b)(8). Pub. L. 105–33, § 4316(a), amended par. (8) generally. Prior to amendment, par. (8) related to determination of reasonable charges for physician services, including factors to be considered, provision for increase or decrease of charge, consideration of resource costs, accounting for regional differences in prevailing charges, and impact of changes in reasonable charges, and par. (9) related to notice of proposed reasonable charges to be published in Federal Register, provision for comments on proposed changes, and publication of final determinations with respect to change in reasonable charges.

Subsec. (b)(12). Pub. L. 105–33, § 4512(b)(2), struck out subpar. (12) which read as follows: “(A) With respect to services described in clauses (1), (ii), or (iv) of section 1395x(s)(2)(K) of this title (relating to a physician assistants and nurse practitioners)—

(i) payment under this part may only be made on an assignment-related basis; and

(ii) the prevailing charges determined under paragraph (3) shall not exceed—

(I) in the case of services performed as an assistant at surgery, 65 percent of the amount that would otherwise be recognized if performed by a physician who is serving as an assistant at surgery, or

(II) in other cases, the applicable percentage (as defined in subparagraph (B)) of the prevailing charge rate determined for such services (or, for services furnished on or after January 1, 1992, the fee schedule amount specified in section 1395w–4 of this title) performed by physicians who are not specialists.

(B) In subparagraph (A)(i)(II), the term ‘applicable percentage’ means—

(i) 75 percent in the case of services performed (other than as an assistant at surgery) in a hospital, and

(ii) 85 percent in the case of other services.”


Subsec. (c). Pub. L. 105–33, § 4315(a), added subsec. (c).


Subsec. (r). Pub. L. 104–191, § 221(b), inserted at end ‘‘Under such system, the Secretary may impose appropriate fees on such physicians to cover the costs of investigation and recertification activities with respect to the issuance of the identifiers.’’.


Subsec. (b)(3)(G). Pub. L. 103–432, § 151(b)(1)(B)(i), which directed striking out “and” at end of subpar. (G), could not be executed because “and” does not appear at end.


Subsec. (b)(6)(D). Pub. L. 103–432, § 125(b)(1), amended subpar. (D) generally. Prior to amendment, subpar. (D) read as follows: “Except for deductible and coinsurance amounts applicable under section 1395f of this title, any person who knowingly and willfully presents, or causes to be presented, to an individual enrolled under this part a bill or request for payment for services described in clauses (i), (ii), or (iv) of section 1395x(s)(2)(K) of this title in violation of subparagraph (A)(i) is subject to a civil money penalty of not to exceed $2,000 for each such bill or request. The provisions of section 1320a–7a of this title (other than subsections (a) and (b)) shall apply to a civil money penalty under the previous sentence in the same manner as such provisions apply to a penalty or proceeding under section 1320a–7a of this title.’’

Subsec. (b)(16)(B)(i)(II). Pub. L. 103–432, § 126(a)(1), struck out “, simple and subcutaneous” after “Partial”, substituted “injections and small joint” for “injections; small joint; and” and “femoral fracture and” for “femoral fracture treatments;’’, struck out “lobeectomy;” after “thoracotomy;” and “enterectomy; colostomy;” after “aneurysm repair;”, substituted “fulguration and resection” for “fulguration; transurethral resection;” and struck out “sacral laminectomy;” before “tympanoplasty.”

Subsec. (b)(17). Pub. L. 103–432, § 126(e), redesignated par. (18), relating to payment for technical component of diagnostic tests, as (17) and inserted “, tests specified in paragraph (14)(C)(i),” after “diagnostic laboratory tests”.

Subsec. (b)(18). Pub. L. 103–432, § 126(e), redesignated par. (18), relating to payment for technical component of diagnostic tests, as (17).


Subsec. (h)(1)(B). Pub. L. 103–432, §126(c)(2)(A), substituted “shall, subject to clause (iv), be reduced to the adjusted prevailing charge conversion factor for the locality determined as follows:” for “shall be determined as follows:” in introductory provisions.

Subsec. (h)(1)(B). Pub. L. 103–432, §126(c)(2)(B), substituted “The adjusted prevailing charge conversion factor for” for “Subject to clause (iv), the prevailing charge conversion factor to be applied in”.

1993—Subsec. (b)(4)(F). Pub. L. 101–106, §1355(a)(2), struck out subpar. (F) which related to prevailing charge or fee schedule amount in case of professional services of health care practitioner (other than primary care services and other than services furnished in rural area designated as health professional shortage area) furnished during practitioner’s first through fourth years of practice.

Subsec. (b)(13)(A). Pub. L. 103–66, §1355(a)(2)(A), added subpar. (A) and struck out former subpar. (A) which read as follows: “In determining the reasonable charge under paragraph (3) of a physician for medical direction of two or more nurse anesthetists performing, on or after April 1, 1988, and before January 1, 1996, anesthesia services in whole or in part concurrently, the number of base units which may be recognized with respect to each concurrent medical direction for each concurrent procedure (other than cataract surgery or an iridectomy) shall be reduced by—

(i) 10 percent, in the case of medical direction of 2 nurse anesthetists concurrently, and

(ii) 25 percent, in the case of medical direction of 3 nurse anesthetists concurrently, and

(iii) 40 percent, in the case of medical direction of 4 nurse anesthetists concurrently.”

Subsec. (b)(13)(B), (C), Pub. L. 103–66, §1355(a)(2), redesignated subpar. (C) as (B), substituted “subparagraph (A)” for “subparagraph (A) or (B)”, and struck out former subpar. (B) which read as follows: “In determining the reasonable charge under paragraph (3) of a physician for medical direction of two or more nurse anesthetists performing, on or after January 1, 1989, and before January 1, 1996, anesthesia services in whole or in part concurrently, the number of base units which may be recognized with respect to such medical direction for each concurrent cataract surgery or iridectomy procedure shall be reduced by 10 percent.”

Subsec. (c)(2)(B)(ii). Pub. L. 103–66, §1356(b), substituted “period ending on or before September 30, 1993” for “period in subcl. (IV) and added subcl. (V)”. Subsec. (c)(3)(B). Pub. L. 103–66, §1356(b), added cls. (i) and (ii) and struck out former cls. (i) and (ii) which read as follows: “(i) with respect to claims received in the 3-month period beginning July 1, 1988, 10 days, and

(ii) with respect to claims received in the 12-month period beginning October 1, 1988, 14 days.”

Subsec. (i)(2). Pub. L. 103–66, §1357(b), substituted “‘the term’ for ‘‘, and the term ‘nonparticipating supplier or other person’ means a supplier or other person (exclusive of a provider of services) that is not a participating physician or supplier (as defined in subsection (b)(1))”.


Subsec. (b)(4)(A)(vi). Pub. L. 101–508, §4105(b)(1), substituted “60 percent” for “50 percent”.


Subsec. (b)(4)(F). Pub. L. 101–508, §4106(a)(1), amended subpar. (F) generally. Prior to amendment, subpar. (F) read as follows: “In determining the customary charges for physicians’ services furnished during a calendar year (other than primary care services and other than services furnished in a rural area (as defined in section 1395w–4 of this title) that is designated, under section 256(a)(1)(A) of this title, as a health manpower shortage area) for which adequate actual charge data are not available because a physician has not yet been in practice for a sufficient period of time, the Secretary shall set a customary charge at a level no higher than 80 percent of the prevailing charge for a service. For the first calendar year during which the preceding sentence no longer applies, the Secretary shall set the customary charge at a level no higher than 85 percent of the prevailing charge for each service.”


Pub. L. 101–508, §4106(b)(2)(A), (B), substituted “professional services” for “physicians’ services and professional services” and “physician’s or practitioner’s first” for “physician’s or practitioner’s first”. Subsec. (b)(4)(F)(ii)(I). Pub. L. 101–508, §4106(b)(2)(C), substituted “practitioner” for “physician or practitioner” in two places.


Subsec. (b)(12)(A). Pub. L. 101–508, §4115(c), substituted “subsection (b)” for “subsection (a)”.


Subsec. (b)(14)(C)(iii). Pub. L. 101–508, § 4118(a)(1)(D), which directed amendment of cl. (iv) by substituting “the Geographical Medicare Economic Index: Alternative Approaches (prepared by the Urban Institute and the Center for Health Economics Research)” for “such value specified for the locality in table #3 in the Joint Explanatory Statement”, was executed by making the substitution for “the percentage change specified in this clause, for a physicians’ service specified in clause (i), is the percent change specified for the service in table #2 in the Joint Explanatory Statement” to reflect the probable intent of Congress.


Subsec. (q)(1). Pub. L. 101–508, § 4108(a), as amended by Pub. L. 103–142, § 1263(c)(1), designated existing provisions as subpars. (A) and added subpars. (B).


1989—Subsec. (b)(2)(A). Pub. L. 101–239, § 6282(b)(2), inserted at end “The Secretary may not require, as a condition of entering into or renewing a contract under this section or under section 1395hh of this title, that a carrier match data obtained other than in its activities under this part with data used in the administration of this part for purposes of identifying situations in which section 1395y(b) of this title may apply.”


Subsec. (b)(12)(V). Pub. L. 101–239, § 6106(a)(9), substituted “December 31, 1990.” for “the earlier of (I) December 31, 1990, or (II) one-year after the date the Secretary reports to Congress, under section 1395w–1(e)(3) of this title, on the development of the relative value scale under section 1395w–1 of this title.”


Subsec. (j)(1)(D)(v). Pub. L. 101–239, § 6106(e)(9), substituted “December 31, 1990.” for “the earlier of (I) December 31, 1990, or (II) one-year after the date the Secretary reports to Congress, under section 1395w–1(e)(3) of this title, on the development of the relative value scale under section 1395w–1 of this title.”

Subsec. (j)(2). Pub. L. 101–239, § 301(b)(5), (d)(3), which directed identical amendment to subsec. (j)(2) by such section restored or revived as if such section had not been enacted, see 1988 Amendment note below.


Subsec. (j)(2)(D). Pub. L. 101–239, § 6106(e)(9), substituted “December 31, 1990.” for “the earlier of (I) December 31, 1990, or (II) one-year after the date the Secretary reports to Congress, under section 1395w–1(e)(3) of this title, on the development of the relative value scale under section 1395w–1 of this title.”

Subsec. (j)(2)(E)(2). Pub. L. 101–239, § 6106(b)(2), directed identical amendment to subsection “subsections” for “paragraphs” in subpar. (B) as amended by section 8(c)(2)(A) of the Medicare and Medicaid Fraud and Abuse Patient Protection Act of 1987 (probably meaning section 8(c)(2)(A) of the Medicare and Medicaid Patient and Program Protection Act of 1987, which amended subpar. (A) of subsection (j)(2), generally) could not be executed because the word “paragraphs” did not appear.


lished under subsection (o)(4) of this section, the Secretary may enter into contracts with carriers under this section to perform such activities on a regional basis.”


Subsec. (b)(3)(I). Pub. L. 100–360, §201(c), added subpar. (1) requiring notice that an individual has reached the part catastrophic limit on out-of-pocket cost sharing for the year.

Subsec. (b)(3)(J). Pub. L. 100–360, §202(e)(2), added subpar. (J) relating to requirements for determinations with respect to described in subsection (f)(3) of this section to implement and operate the electronic system established under subsection (o)(4) of this section for covered outpatient drugs.


Pub. L. 100–360, §4085(i)(25), see 1987 Amendment note below.


Subsec. (c)(1)(A). Pub. L. 100–360, §202(e)(9)(A), designated existing provisions as cl. (1), inserted “except that, with respect to a supplier of covered outpatient drugs, the term ‘participating supplier’ means a participating pharmacy (as defined in subsection (f)(3) of this section), a voluntary association, corporation, partnership, or other nongovernmental organization, which the Secretary determines to be qualified to conduct such activities.”

Subsec. (h)(1). Pub. L. 100–360, §202(e)(1), added par. (3) which read as follows: “with respect to implementation and operation (and related functions) of the electronic system established under subsection (o)(4) of this section, a voluntary association, corporation, partnership, or other nongovernmental organization, which the Secretary determines to be qualified to conduct such activities.”

Subsec. (h)(2). Pub. L. 100–360, §202(e)(4)(A), inserted “‘other than a carrier described in subsection (f)(3) of this section’” after “‘part during such year’.”

Subsec. (h)(3). Pub. L. 100–360, §202(e)(4)(A), inserted “except that, with respect to a supplier of covered outpatient drugs, the term ‘participating supplier’ means a participating pharmacy (as defined in subsection (o)(1) of this section)” after “part during such year.”

Subsec. (h)(4). Pub. L. 100–360, §202(e)(1)(B), inserted at end “In publishing directories under this paragraph, the Secretary shall provide for separate directories (wherever appropriate) for participating pharmacies.”

Subsec. (h)(5). Pub. L. 100–360, §222(b), designated existing provisions as subpar. (A), inserted “through an annual mailing,” struck out at end “The Secretary shall include such notice in the mailing of appropriate benefit checks provided under subchapter II of this chapter.”, and added subpar. (B).
Subsec. (b)(11)(B)(i). Pub. L. 100–203, § 4045(c)(2)(B), as amended by Pub. L. 100–360, § 411(f)(4)(B)(i), struck out “and shall be further reduced by 2 percent with respect to the prevailing charge for services performed in 1988” after “in 1987” and struck out second sentence which read as follows: “A reduced prevailing charge under this subparagraph shall become the prevailing charge level for subsequent years for purposes of applying the economic index under the fourth sentence of paragraph (3).”

Subsec. (b)(11)(C). Pub. L. 100–203, § 4063(a)(1)(A), designated existing provisions as cl. (i) and added cl. (ii). Pub. L. 100–203, § 4066(a)(1)(B), (C), added subpar. (C) and redesignated former subpar. (C) as (D).

Pub. L. 100–203, § 4045(c)(1)(A), struck out former cl. (i) designation in paragraph (b) for purposes of applying the economic index under the fourth sentence of paragraph (3).”

Subsec. (b)(11)(D). Pub. L. 100–203, § 4063(a)(1)(D), added subpar. (D) for “subject to clause (iv), the physician may not charge the individual more than the limiting charge (as defined in clause (ii)) plus” (for services furnished during the 12-month period beginning on the effective date of the reduction) ½ of the amount by which the physician’s actual charges for the service during the period exceeded the limiting charge.” and struck out former cl. (ii) to (iv) which read as follows:

In clause (i), the term ‘limiting charge’ means, with respect to a service, 125 percent of the prevailing charge for the service after the reduction referred to in clause (i).”


Pub. L. 100–203, § 4063(a)(1)(F), redesignated former cl. (E) as (F).

Subsec. (b)(11)(F). Pub. L. 100–203, § 4063(a)(1)(F), redesignated former cl. (F) as (G) and inserted subcl. (I).

Subsec. (b)(11)(G). Pub. L. 100–203, § 4063(a)(1)(G), redesignated former cl. (G) as (H) and inserted subcl. (II).


he is excluded from participation in the programs under this chapter pursuant to this subsection.”.

Pub. L. 100–93, § 8(c)(2)(A), amended subpar. (A) generally and substituted “excluded from participation in the programs” for “barred from participation in the program” in last sentence. Prior to amendment, subpar. (A) read as follows: “barring a physician from participating in the program under this chapter pursuant to this subsection for a period not to exceed 5 years, in accordance with the procedures of paragraphs (2) and (3) of section 1395y(d) of this title, or”.


Subsec. (b)(4)(C). Pub. L. 100–93, § 8305(g)(1), substituted “subsection (j)(2) in the case of surgery performed on or after March 1, 1987” for “subsection (j)(2) in the case of surgery performed on or after Jan. 1, 1987, which is identical to substituted “exclude” for “bar”.


1986—Subsec. (b)(3). Pub. L. 99–509, § 9331(c)(3), inserted “or (with respect to physicians services furnished in a year after 1987) the level determined under this sentence for the previous year” after “ending June 30, 1976,” and “year-to-year” before “economic changes” in fourth sentence.

Pub. L. 99–272, § 9301(b)(1)(C), (D), substituted “June 30 last preceding the start of the calendar year” for “March 31 last preceding the start of the twelve-month period beginning October 1 of each year” in third sentence, and struck out “the twelve-month period beginning October 1 in” before “any calendar year” after 1974” in eighth sentence.

Subsec. (b)(3)(C). Pub. L. 99–509, § 9341(a)(2), substituted “at least $100, but not more than $500” for “$100 or more”.


Subsec. (b)(4)(A)(ii). Pub. L. 99–509, § 9331(a)(1), added cl. (III) and struck out former cl. (iii) which read as follows: “In determining the prevailing charge levels under the third and fourth sentences of paragraph (3) for physicians' services furnished during a 12-month period beginning on or after January 1, 1987, by a physician who is not a participating physician (as defined in subsection (h)(1) of this section) at the time of furnishing the services, the Secretary shall not set any level higher than the same level as was set for services furnished during the previous calendar year (without regard to clause (i)(II)) for physicians who were participating physicians during that year.”.

Pub. L. 99–272, § 9301(b)(1)(B), designated existing provisions as cl. (I) and added cl. (II).


Pub. L. 99–514, § 1805(b)(14)(A), as amended by Pub. L. 99–509, § 9307(c)(2)(A), struck out cl. (i) designation, and struck out cl. (ii) which read as follows: “In determining the prevailing charge levels under the third and fourth sentences of paragraph (3) for physicians' services furnished during the period beginning December 31, 1986, by a physician who was not a participating physician on that date, the Secretary shall set the level as set under subparagraph (A)(ii) as having fully provided for the economic changes which would have been taken into account but for the limitations contained in subparagraph (A)(i).”


Subsec. (b)(4)(D)(i) to (iii). Pub. L. 99–272, § 9301(b)(1)(D), designated existing provisions as cl. (I), substituted “In determining the customary charges for physicians' services furnished during the 8-month period beginning May 1, 1986, or the 12-month period beginning January 1, 1987, by a participating physician (as defined in subsection (h)(1)) on September 30, 1986” for “In determining the customary charges for physicians’ services furnished during the 12-month period beginning October 1, 1985, or October 1, 1986, by a physician who at no time for any services furnished during the 12-month period beginning October 1, 1984, was a participating physician (as defined in subsection (h)(1))”, and added cls. (II) and (III).


Subsec. (b)(6). Pub. L. 99–509, § 9331(c), substituted “except that (A) payment may be made (i)” for “except that payment may be made (A)(i)”, substituted “(B) payment may be made for” for “(B)”, and inserted before the period at end “, and (C) in the case of services described in section 1395v(e)(2)(K) of this title payment shall be made to the employer of the physician assistant involved”.


Subsec. (b)(8). Pub. L. 99–509, § 9331(a)(3), designated existing provisions as subpar. (A), redesignated former subpar. (A) and (B) as cls. (I) and (II), respectively, and added subpars. (B) and (C).

Pub. L. 99–272, § 9204(a), added par. (8).


Former par. (9) redesignated (11).

Pub. L. 99–272, § 9206(a), added par. (9).


Subsec. (b)(11). Pub. L. 99–509, § 9331(a), designated existing provisions as subpar. (A), redesignated former subpar. (A) and (B) as cls. (I) and (II), respectively, and added subpars. (B) and (C).

Pub. L. 99–509, § 9331(b), redesignated former par. (9) as (11).


Subsec. (c). Pub. L. 99–509, § 9311(c), designated existing provisions as par. (1) and added par. (2).


Pub. L. 99–272, § 9301(b)(1)(E), struck out period at end and substituted “and may request a copy of an appropriate directory published under paragraph (4). Each such carrier shall, without charge, mail a copy of such directory upon such a request.”
Subsec. (h)(4). Pub. L. 99–509, §9332(b)(2), inserted at end: “Each participating physician directory for an area shall provide an alphabetical listing of all participating physicians practicing in the area and an alphabetical listing by locality and specialty of such physicians.”

Pub. L. 99–272, §9301(c)(3)(D), redesignated par. (2) of subsec. (i) as par. (4) of this subsection.

Subsec. (i)(4). Pub. L. 99–509, §9332(b)(1)(B), substituted the “the participation program under this subsection and the publication and availability of the directories” for “publication of the directories” and inserted at end: “The Secretary shall include each notice in the mailing of appropriate benefit checks provided under subchapter II of this chapter.”

Pub. L. 99–514, §1895(b)(15)(A), struck out “such” before “thedirectories” and before “the appropriate area directory.”

Pub. L. 99–272, §9301(c)(3)(D), redesignated par. (3) of subsec. (i) as par. (5) of this subsection.

Subsec. (h)(6). Pub. L. 99–509, §9332(b)(1)(C), inserted before period at end of second sentence “and that an appropriate number of copies of each such directory is sent to hospitals located in the area” and inserted at end: “Such copies shall be sent free of charge.”

Pub. L. 99–514, §1895(b)(15)(B), substituted “the” for “the the” before “directories”.

Pub. L. 99–272, §9301(c)(3)(D), redesignated par. (4) of subsec. (i) as par. (6) of this subsection.

Subsec. (h)(7), (8). Pub. L. 99–272, §9301(c)(4), added pars. (7) and (8).

Subsec. (i)(1). Pub. L. 99–272, §9301(c)(3)(A), struck out par. (1) which required the Secretary to publish a list containing the name, address, specialty, and percent of claims submitted with respect to each physician and supplier during preceding year that were paid on the basis of an assignment described in subsec. (b)(3)(B)(ii) of this section, in accordance with subsec. (b)(6)(B) of this section, or under procedure described in section 1835gg(f)(1) of this title.

Subsec. (i)(2). Pub. L. 99–272, §9301(c)(3)(D), redesignated par. (2) of this subsection as par. (4) of subsec. (h).


Pub. L. 99–272, §9301(c)(2)(A), (B), (3)(B), substituted “shall publish directories (for appropriate local geographic areas)” for “shall publish a directory”, inserted “for that area” before “for that fiscal year”, substituted “Each directory shall” for “The directory shall”, and substituted “paragraph (1)” for “subparagraph (b)(1) of this section”.


Pub. L. 99–272, §9301(c)(2)(C), (3)(C), struck out “directory” first place it appeared and inserted in lieu “the directories”, struck out “directory” second place it appeared and inserted in lieu “the appropriate area directory or directories”, and struck out “and whenever appearing.”


Pub. L. 99–272, §9301(c)(2)(D), (3)(C), struck out “list and” after “The Secretary shall provide that the” in first sentence, substituted “the directories shall” for “directory shall”, and inserted provision requiring the Secretary to provide that each appropriate area directory be sent to each participating physician located in that area.

Subsec. (j)(1). Pub. L. 99–509, §9332(b)(1), designated existing provisions as subpar. (A) and added subpars. (B) and (C).

Pub. L. 99–272, §9301(b)(2), amended first sentence generally. Prior to amendment, first sentence read as follows: “In the case of a physician who is not a participating physician, the Secretary shall monitor each such physician’s actual charges to individuals enrolled under this part for physicians’ services furnished during the 15-month period beginning July 1, 1984.”

Subsec. (j)(2). Pub. L. 99–509, §9332(e)(3), substituted “this paragraph” for “paragraph (1) or subsection (k) of this section” in introductory text.

Pub. L. 99–272, §9301(c)(3)(D), redesignated reference to subsec. (k) of this section in introductory text.

Subsec. (k). Pub. L. 99–514, §1895(b)(16)(A), inserted “presents or causes to be presented a claim for” in pars. (1) and (2).


1964—Subsec. (b)(2). Pub. L. 98–369, §2306(b)(1)(B), (C), substituted “during the 12-month period ending on the March 31 last preceding” for “during the last preceding calendar year elapsing prior to” in third sentence and substituted “October 1” for “July 1” wherever appearing in third and eighth sentences.

Pub. L. 98–369, §2306(b)(14), substituted “(I)” and “(II)” for “(i)” and “(ii)”, respectively, in concluding provisions.


Subsec. (b)(4), (5). Pub. L. 98–369, §2306(a), added par. (4) and redesignated former pars. (4) and (5) as (5) and (6), respectively.

Subsec. (b)(6). Pub. L. 98–369, §2339, redesignated cl. (A) as cl. (A)(i) and former cl. (B) as cl. (A)(ii), added a new cl. (B), and in the provisions after cl. (B), substituted “clause (A) of such sentence” for “clause (A) or (B) of such sentence”.

Pub. L. 98–369, §2306(a), redesignated par. (5) as (6). Former par. (6) redesignated (7).

Subsec. (b)(7). Pub. L. 98–369, §2306(a), redesignated par. (6) as (7).

Subsec. (b)(7)(A). Pub. L. 98–617, §3(a)(5)(B), struck out at end “If all the teaching physicians in a hospital agree to have payment made for all of their physicians’ services under this part furnished patients in the hospital on the basis of an assignment described in paragraph (3)(B)(ii) or under the procedure described in section 1395gg(f)(1) of this title, notwithstanding clause (ii) of this subparagraph, the carrier shall provide for payment in an amount equal to 90 percent of the prevailing charges paid for similar services in the same locality.”

Pub. L. 98–369, §2307(a)(1), as amended by Pub. L. 98–617, §3(a)(1), inserted “If all the teaching physicians in a hospital agree to have payment made for all of their physicians’ services under this part furnished patients in the hospital on the basis of an assignment described in paragraph (3)(B)(ii) or under the procedure described in section 1395gg(f)(1) of this title, notwithstanding clause (ii) of this subparagraph, the carrier shall provide for payment in an amount equal to 90 percent of the prevailing charges paid for similar services in the same locality.” at the end.

Subsec. (b)(7)(A)(i). Pub. L. 98–617, §3(b)(5)(A), substituted “the payment is based upon a reasonable charge for the services in excess of the customary charge as determined in accordance with subparagraph (B)” for “the amount of the payment exceeds the reasonable charge for the services (with the customary charge determined consistent with subparagraph (B))”.

Subsec. (b)(7)(B)(i). Pub. L. 98–369, §2307(a)(2)(A), (B), substituted “physician who is not a teaching physician” in the first sentence of the definition for “physician (as defined by the Secretary)” for “physician who has a substantial practice outside the teaching setting”.

Page 2903  TITLE 42—THE PUBLIC HEALTH AND WELFARE  §1395u
and “practice outside the teaching setting” for “outside practice”.

Subsec. (b)(7)(B)(i). Pub. L. 98–369, § 2303(a)(2)(C), substituted “in the case of a teaching physician” for “in the case of a physician who does not have a practice described in clause (1)” and “greatest” for “greater”.


Subsecs. (1), (j). Pub. L. 98–369, § 2306(c), added subsecs. (1) and (j).


Subsec. (b)(3). Pub. L. 97–248, § 104(a), in provisions following subpar. (F), inserted provisos that in determining the reasonable charge for outpatient services, the Secretary may limit such reasonable charge to a percentage of the amount of the prevailing charge for similar services furnished in a physician's office, taking into account the extent to which overhead costs associated with such outpatient services have been included in the reasonable cost or charge of the facility.


1981—Subsec. (b)(3). Pub. L. 97–35 inserted provision that the amount of any charges for outpatient services which shall be considered reasonable shall be subject to the limitations established by regulations issued by the Secretary pursuant to section 1395x(v)(1)(K) of this title.

1980—Subsec. (b)(3). Pub. L. 96–499, § 946(a), in provisions following subpar. (F), substituted “service is rendered” for “bill is submitted or the request for payment is made”.


1977—Subsec. (b)(3). Pub. L. 95–216 provided that, with respect to power-operated wheelchairs for which payment may be made in accordance with section 1395x(s)(6) of this title, charges determined to be reasonable may not exceed the lowest charge at which power-operated wheelchairs are available in the locality.

Subsec. (b)(5). Pub. L. 95–142 inserted provisions relating to payments under a reassignment or power of attorney in cases other than direct payments to physicians or service providers.

1976—Subsec. (b)(3). Pub. L. 94–368 substituted “for the twelve-month period beginning on July 1 in any calendar year after 1974” for “for the fiscal year beginning July 1, 1975,” “prior to the start of the twelve-month period (beginning July 1, of each year) in which the bill is submitted or the request for payment is made” for “prior to the start of the fiscal year in which the bill is submitted or the request for payment is made”, and “for any twelve-month period (beginning after June 30, 1973) specified in clause (ii) of such sentence” for “for any fiscal year beginning after June 30, 1973”.

1975—Subsec. (b)(3). Pub. L. 94–182 inserted provisions relating to raising for fiscal year beginning July 1, 1975, the method of determining an estimated maximum charge for services of physicians or service providers derived from contracts entered into or renewed on or after Jan. 1, 1972.

1974—Subsec. (g). Pub. L. 93–445 substituted “section 231(f)(d) of title 45” for “section 228a–2(b) of title 45”.

1973—Subsec. (a). Pub. L. 92–603, § 227(e)(3), substituted “which involve payments for physicians’ services on a reasonable charge basis” for “which involve payments for physicians’ services”.

Subsec. (b)(3). Pub. L. 92–603, §§ 224(a), 258(a), inserted provisions relating to determination of reasonableness of physician charges, medical services, supplies, and equipment and for the extension of time for filing claims for supplementary medical insurance benefits where the delay is due to administrative error, at end thereof.

Subsec. (b)(3)(C). Pub. L. 92–603, § 262(a), inserted provisions setting a $100 minimum amount on claims to establish entitlement to a hearing.

Subsec. (b)(5). Pub. L. 92–603, § 239(a), added par. (5).


1968—Subsec. (b)(3)(B). Pub. L. 90–248 provided that payment be made on the basis of an itemized bill instead of a receipted bill as formerly required, and established a time limit within which payment may be requested except as otherwise provided in section 1395g(f) of this title” after “payment will”.

CHANGE OF NAME

Committee on Energy and Commerce of House of Representatives treated as referring to Committee on Commerce of House of Representatives by section 1(a) of Pub. L. 104–14, set out as a note preceding section 21 of Title 2, The Congress.

EFFECTIVE DATE OF 2016 AMENDMENT

Amendment by section 5012(c)(2) of Pub. L. 114–255 applicable to items and services furnished on or after Jan. 1, 2019, see section 5012(d) of Pub. L. 114–255, set out as a note under section 1395f of this title.


(1) EFFECTIVE DATE.—The amendments made by subsection (a) [amending this section] shall apply to services furnished beginning not later than six months after the date of the enactment of this Act (Dec. 13, 2016).

(2) IMPLEMENTATION.—The Secretary of Health and Human Services may implement subparagraph (J) of section 1842(b)(6) of the Social Security Act [42 U.S.C. 1395u(b)(6)], as added by subsection (a)(2), by program instruction or otherwise.

EFFECTIVE DATE OF 2011 AMENDMENT

Amendment by Pub. L. 112–40 applicable to contracts entered into or renewed on or after Jan. 1, 2012, see section 261(e) of Pub. L. 112–40, set out as a note under section 1320c of this title.

EFFECTIVE DATE OF 2010 AMENDMENT


Amendment by section 6406(a) of Pub. L. 111–148 applicable to orders, certifications, and referrals made on or after Jan. 1, 2010, see section 6406(d) of Pub. L. 111–148, set out as a note under section 1320a–7 of this title.
Effective Date of 2008 Amendment

Effective Date of 2007 Amendment
Pub. L. 110–54, §1(b), Aug. 3, 2007, 121 Stat. 551, provided that: "The amendment made by subsection (a) [amending this section] shall apply to services furnished on or after the date of the enactment of this section [Aug. 3, 2007]."

Effective Date of 2006 Amendment
Pub. L. 109–432, div. B, title I, §110(b), Dec. 20, 2006, 120 Stat. 2965, provided that: "The amendment made by subsection (a) [amending this section] shall apply to drugs furnished on or after January 1, 2008. The Secretary of Health and Human Services shall address the implementation of such amendment in the rulemaking process under section 1848 of the Social Security Act (42 U.S.C. 1395w–4) for payment for physicians' services for 2008, consistent with the previous sentence."


Amendment by section 5202(a)(2) of Pub. L. 109–171 applicable to claims submitted on or after Jan. 1, 2006, see section 5202(b) of Pub. L. 109–171, set out as a note under section 1395h of this title.

Effective Date of 2003 Amendment
Amendment by section 627(b)(2) of Pub. L. 108–173 applicable to items furnished on or after Jan. 1, 2006, see section 627(c) of Pub. L. 108–173, set out as a note under section 1395f of this title.

Amendment by section 911(c) of Pub. L. 108–173 effective Oct. 1, 2005, except as otherwise provided, with transitional rules authorizing Secretary of Health and Human Services to continue to enter into contracts under this section prior to such date, and provisions authorizing continuation of Medicare Integrity Program functions during the period that begins on Dec. 8, 2003, and ends on Oct. 1, 2011, see section 911(d) of Pub. L. 108–173, set out as an Effective Date; Transition Rule note under section 1395kk–1 of this title.

Pub. L. 108–173, title IX, §952(c), Dec. 8, 2003, 117 Stat. 2427, provided that: "The amendments made by this section [amending this section] shall apply to payments made on or after the date of the enactment of this Act [Dec. 8, 2003]."

Effective Date of 2000 Amendment
Amendment by section 1(a)(6) [title I, §105(d)] of Pub. L. 106–554 applicable to services furnished on or after Jan. 1, 2002, see section 1(a)(6) [title I, §105(e)] of Pub. L. 106–554, set out as a note under section 1395f of this title.


Pub. L. 106–554, §1(a)(6) [title IV, §432(c)], Dec. 21, 2000, 114 Stat. 2763, 2763A–526, provided that: "The amendments made by this section [amending this section and sections 1395y and 1395qq of this title] shall apply to services furnished on or after July 1, 2001."

Effective Date of 1997 Amendment
Amendment by section 4201(c)(1) of Pub. L. 105–33 applicable to services furnished on or after Oct. 1, 1997, see section 4201(d) of Pub. L. 105–33, set out as a note under section 1395f of this title.


Pub. L. 105–33, title IV, §4302(c), Aug. 5, 1997, 111 Stat. 382, provided that: "The amendments made by this section [amending this section and section 1395cc of this title] shall take effect on the date of the enactment of this Act [Aug. 5, 1997] and apply to the entry and renewal of contracts on or after such date.

Amendment by section 4315(a) of Pub. L. 105–33, to the extent such amendment substitutes fee schedules for reasonable charges, applicable to particular services as of date specified by the Secretary of Health and Human Services, see section 4315(c) of Pub. L. 105–33, set out as a note under section 1395x of this title.

Amendment by section 4316(a) of Pub. L. 105–33 effective Aug. 5, 1997, see section 4316(c) of Pub. L. 105–33, set out as a note under section 1395m of this title.


Amendment by section 4432(f)(2), (4) of Pub. L. 105–33 applicable to items and services furnished on or after July 1, 1998, see section 4432(d) of Pub. L. 105–33, set out as a note under section 1395s–3 of this title.

Amendment by section 4512(b)(2), (c) of Pub. L. 105–33 applicable with respect to services furnished and supplies provided on and after Jan. 1, 1998, see section 4512(d) of Pub. L. 105–33, set out as a note under section 1395l of this title.

Amendment by section 4556(a) of Pub. L. 105–33 applicable to drugs and biologicals furnished on or after Jan. 1, 1998, see section 4556(d) of Pub. L. 105–33, set out as a note under section 1395 of this title.

Amendment by section 4603(c)(2)(B)(i) of Pub. L. 105–33 applicable to cost reporting periods beginning on or after Oct. 1, 1999, except as otherwise provided, see section 4603(d) of Pub. L. 105–33, set out as an Effective Date note under section 1395fff of this title.

Amendment by section 4611(d) of Pub. L. 105–33 applicable to services furnished on or after Jan. 1, 1998, and for purposes of applying such amendment, any home health spell of illness that began, but did not end, before such date, to be considered to have begun as of
such date, see section 461(i) of Pub. L. 103–33, set out as a note under section 1395t of this title.

**Effective Date of 1994 Amendment**

Amendment by section 123(b)(1), (2)(B) of Pub. L. 103–432 applicable to services furnished on or after Jan. 1, 1995, see section 123(b)(2), Oct. 31, 1994, 104 Stat. 1041, provided that:

"(3) EOMB.—The amendments made by subsection (c) [amending this section] shall apply to explanations of benefits provided on or after July 1, 1995.

"(4) CARRIER DETERMINATIONS.—The amendments made by subsection (c)(2) [amending this section] shall apply to contracts as of January 1, 1995, as included in the enactment of Pub. L. 103–432, title I, §126(b)(2), Oct. 31, 1994, 104 Stat. 1414, provided that: "The amendment made by paragraph (1) [amending this section] shall apply to services furnished on or after the first day of the first month beginning more than 60 days after the date of the enactment of this Act [Oct. 31, 1994]."

Amendment by section 126(a)(1), (c), (e), (g)(9) of Pub. L. 103–432 applicable to contracts as included in the enactment of Pub. L. 103–432, see section 126(i) of Pub. L. 103–432, set out as a note under section 1395m of this title.

Stat. 103–432, title I, §126(b)(2), Oct. 31, 1994, 104 Stat. 1041, provided that: "The amendment made by this subsection [amending this section and provisions set out below] shall apply to services furnished on or after January 1, 1995, as included in the enactment of Pub. L. 103–432, title I, as included in the enactment of Pub. L. 103–432, set out as a note under section 1395m of this title.

**Effective Date of 1993 Amendment**

Pub. L. 103–66, title XIII, §13515(d), Aug. 10, 1993, 107 Stat. 583, provided that: "The amendments made by subsection (a) [amending this section and section 1395w–4 of this title] shall apply to services furnished on or after January 1, 1994."

Amendment by section 13568(a), (b) of Pub. L. 103–66 applicable to claims received on or after Oct. 1, 1993, see section 13568(c) of Pub. L. 103–66, set out as a note under section 1395h of this title.

**Effective Date of 1990 Amendment**


Pub. L. 101–506, title IV, §4106(d), Nov. 5, 1990, 104 Stat. 1388–62, provided that:

"(1) The amendments made by subsection (a) [amending this section and provisions set out below] apply to services furnished after 1990, except that—

"(A) the provisions concerning the third and fourth years of practice apply only to physicians' services furnished after 1990 and 1991, respectively, and

"(B) the provisions concerning the second, third, and fourth years of practice apply only to services furnished by a health care practitioner furnished after 1991, 1992, and 1993, respectively.

"(2) The amendments made by subsection (b) [amending this section and section 1395w–4 of this title] shall apply to services furnished after 1991."

Pub. L. 101–508, title IV, §4108(b), Nov. 5, 1990, 104 Stat. 1388–63, provided that: "The amendment made by subsection (a) [amending this section and provisions set out below] apply to services furnished on or after January 1, 1991.

Pub. L. 101–508, title IV, §4110(a), Nov. 5, 1990, 104 Stat. 1388–64, provided that: "The amendment made by subsection (a) [amending this section] shall apply to services furnished on or after the first day of the first month beginning more than 60 days after the date of the enactment of this Act [Nov. 5, 1990]."

Pub. L. 101–508, title IV, §4110(a)(3), Nov. 5, 1990, 104 Stat. 1388–67, provided that: "The amendments made by paragraphs (1) and (2) [amending this section] apply to services furnished after March 1990."


Amendment by section 4155(c) of Pub. L. 101–508 applicable to services furnished on or after Jan. 1, 1991, see section 4155(e) of Pub. L. 101–508, set out as a note under section 1395k of this title.

**Effective Date of 1989 Amendment**


Pub. L. 101–239, title VI, §6106(b), Dec. 19, 1989, 103 Stat. 2219, provided that: "The amendment made by subsection (a) [amending this section] shall apply to services furnished on or after April 1, 1990."


"(A) Subject to subparagraph (B), the amendments made by paragraph (1) [amending this section] apply to services furnished in 1990 or 1991 which were subject to the first sentence of section 1842(b)(4)(F) of the Social Security Act (42 U.S.C. 1395a(b)(4)(F)) in 1989 or 1990.

"(B) The amendments made by paragraph (1) shall not apply to services furnished in 1990 before April 1, 1990. With respect to physicians' services furnished during 1990 on and after April 1, such amendments shall be applied as though any reference, in the matter inserted by such amendments, to the 'first calendar year during which the preceding sentence no longer applies' were deemed a reference to the remainder of 1990."


Pub. L. 101–239, title VI, §4114(f), Dec. 19, 1989, 103 Stat. 2218, provided that: "The amendments made by this section [amending this section and section 1395x of this title] shall apply to services furnished on or after April 1, 1990.

Amendment by section 6202(d)(2) of Pub. L. 101–239 applicable to agreements and contracts entered into or renewed on or after Dec. 19, 1989, see section 6202(d)(2) of Pub. L. 101–239, set out as a note under section 1395h of this title.

Amendment by section 201(a) of Pub. L. 101–234 effective Jan. 1, 1990, see section 201(c) of Pub. L. 101–234, set out as a note under section 1232a–7a of this title.

Pub. L. 101–234, title III, §301(e), Dec. 13, 1989, 103 Stat. 1986, provided that: "The provisions of this section [amending this section and sections 1395m, 1395cc, 1395l, and 1395ww of this title, enacting provisions set out as notes under section 1385m of this title, and repealing provisions set out as notes under sections 1395b, 1395c, and 1395d of this title and section 4102 of Title 5, Government Organization and Employees] (other than subsections (c) and (d) [amending this section and sections 1395m, 1395cc, 1395l, and 1395ww of this title and enacting provisions set out as a note under section 1395m of this title]) shall take effect January 1, 1990, except that—

"(1) the repeal of section 421 of MCCA [Pub. L. 100–360, set out as a note under section 1395b of this title] shall not apply to duplicative part A benefits for periods before January 1, 1990, and
“(2) the amendments made by subsection (b) [amending this section and sections 1395m, 1395cc, 1395l, and 1395ww of this title] shall take effect on the date of the enactment of this Act [Dec. 13, 1989].”

**Effective Date of 1988 Amendment**


“(1) [Repealed. Prior to repeal by Pub. L. 101–234, par. (1) read as follows: ‘IN GENERAL.—Except as otherwise provided in this subsection, the amendments made by this section (enacting section 1395w–3 of this title and amending this section and sections 1320a–7a, 1395f, 1395m, 1395l, 1395cc, 1395f, and 1395bb of this title) shall apply to items dispensed on or after January 1, 1990.’]

“(2) [Repealed. Prior to repeal by Pub. L. 101–234, par. (2) read as follows: ‘CARRIERS.—The amendments made by subsection (e) [amending this section] shall take effect on the date of the enactment of this Act [July 1, 1988]; except that the amendments made by subsection (e) [amending this section] shall take effect on January 1, 1991, but shall not be construed as requiring payment before February 1, 1991.’]

“(3) [Repealed. Prior to repeal by Pub. L. 101–234, par. (3) read as follows: ‘HMO-CMP ENROLLMENTS.—The amendment made by subsection (f) [amending section 1395mm of this title] shall apply to enrollments effective on or after January 1, 1990.’]

“(4) DIAGNOSTIC CODING.—The amendment made by subsection (g) [amending this section] shall apply to services furnished after March 31, 1989.

“(5) [Repealed. Prior to repeal by Pub. L. 101–234, par. (5) read as follows: ‘TRANSITION.—With respect to administrative expenses (and costs of the Prescription Drug Payment Review Commission) for periods before January 1, 1990, amounts otherwise payable from the Federal Catastrophic Drug Insurance Trust Fund shall be payable from the Federal Supplementary Medical Insurance Trust Fund and shall also be treated as a debit to the Medicare Catastrophic Coverage Account.]’

[Amendment of section 202(m) of Pub. L. 100–360, set out above, effective Jan. 1, 1990, see section 201(c) of Pub. L. 101–234, set out as an Effective Date of 1989 Amendment note under section 1320a–7a of this title.]

Pub. L. 100–360, title II, § 223(d)(2), (3), July 1, 1988, 102 Stat. 748, provided that:

“(2) The amendments made by subsection (b) [amending this section] shall apply to annual notices beginning with 1989.

“(3) The amendments made by subsection (c) (amending this section) shall first apply to explanations of benefits provided for items and services furnished on or after January 1, 1989.

Except as specifically provided in section 411 of Pub. L. 100–360, amendment by section 411(a)(3)(A), (C)(i), (D)(1)(A), (B), (2)–(4)(C), (5), (6)(B), (7), (9), (11)(A), (14), (g)(2)(A)–(C), (1)(1)(A)(1), (2), (4)(C)(vi), and (j)(4)(A) of Pub. L. 100–360, as it relates to a provision in the Omnibus Budget Reconciliation Act of 1987, Pub. L. 100–203, effective as if included in the enactment of that provision in Pub. L. 100–203, see section 411(a) of Pub. L. 100–360, set out as a Reference to OHRSA; Effective Date note under section 106 of Title I, General Provisions.

**Effective Date of 1987 Amendment**

Amendment by section 4031(a)(2) of Pub. L. 100–203 applicable to claims received on or after July 1, 1988, see section 4031(a)(3)(A) of Pub. L. 100–203, set out as a note under section 1395f of this title.

Amendment by section 4035(a)(2) of Pub. L. 100–203 effective Dec. 22, 1987, and applicable to budgets for fiscal years beginning with fiscal year 1989, see section 4035(a)(3) of Pub. L. 100–203, set out as a note under section 1395f of this title.


Pub. L. 100–203, title IV, § 4045(d), Dec. 22, 1987, 101 Stat. 1330–88, provided that: “The amendments made by this section [amending this section and sections 1395f and 1395w–1 of this title and amending provisions set out below] shall apply to items and services furnished on or after April 1, 1988, except the amendment made by subsection (c)(2)(B) [amending this section] shall apply to services furnished on or after January 1, 1988.”

Pub. L. 100–203, title IV, § 4046(b), Dec. 22, 1987, 101 Stat. 1330–89, provided that: “The amendments made by subsection (a) [amending this section] shall apply to services furnished on or after April 1, 1988.”


“(2) The Secretary of Health and Human Services shall complete the review and make an appropriate adjustment of prevailing charge levels under subsection (b) [set out below] for items and services furnished no later than January 1, 1989.”


Pub. L. 100–203, title IV, § 4054(c), formerly § 4053(c), Dec. 22, 1987, 101 Stat. 1330–97, as renumbered by Pub. L. 100–360, title IV, § 411(f)(14), July 1, 1988, 102 Stat. 781, provided that: “The amendment made by subsection (a) [amending this section] shall apply to services furnished on or after April 1, 1988.”

Amendment by section 4063(a) of Pub. L. 100–203 applicable to items furnished on or after July 1, 1988, see section 4063(c) of Pub. L. 100–203, set out as a note under section 1395(i) of this title.


Amendment by section 4096(a)(1) of Pub. L. 100–203 applicable to services furnished on or after Jan. 1, 1988, see section 4096(d) of Pub. L. 100–203, set out as a note under section 1395–3 of this title.

Amendment by Pub. L. 100–93 effective at end of fourteen-day period beginning Aug. 18, 1987, and inapplica-
Amendment by section 9314(a)(2) of Pub. L. 99–509 applicable to items and services furnished on or after Jan. 1, 1987, see section 9314(b) of Pub. L. 99–509, set out as a note under section 1395f of this title.


Amendment by section 9330(c)(3) of Pub. L. 99–509 applicable to services furnished on or after Jan. 1, 1989, with exceptions for hospitals located in rural areas which meet certain requirements related to certified registered nurse anesthetists, see section 9330(b), (k) of Pub. L. 99–509, as amended, set out as notes under section 1395k of this title.


Pub. L. 99–509, title IX, §9332(a)(4)(A), Oct. 21, 1986, 100 Stat. 2023, provided that: "The amendment made by paragraph (1) [amending this section] shall apply to contracts entered into or in effect on or after January 1, 1988, and shall apply to contracts entered into or in effect on or after January 1, 1988, and shall apply to the affected contracts of any State."


Pub. L. 99–509, title IX, §9343(c), Oct. 21, 1986, 100 Stat. 2029, provided that: "The amendments made by this section [amending this section] shall apply to services furnished on or after January 1, 1987."

Amendment by section 9333(b)(c) of Pub. L. 99–509 applicable to services furnished on or after Jan. 1, 1987, see section 9333(f) of Pub. L. 99–509 set out as a note under section 1395x of this title.
changing or affecting any right, liability, status, or interpretation which existed (under the provisions of law involved) before that date, see section 2664(b) of Pub. L. 96–369, set out as a note under section 401 of this title.

**Effective Date of 1982 Amendment**


Pub. L. 97–248, title I, §113(b)(1), Sept. 3, 1982, 96 Stat. 341, provided that: "The amendment made by subsection (a) [amending this section] is effective with respect to services performed on or after October 1, 1982."


**Effective Date of 1980 Amendment**

Pub. L. 96–499, title IX, §918(a)(2), Dec. 5, 1980, 94 Stat. 2626, provided that: "The amendment made by paragraph (1) [amending this section] shall apply to bills submitted and requests for payment made on or after such date (not later than April 1, 1981) as the Secretary of Health and Human Services prescribes by a notice published in the Federal Register." Pub. L. 96–499, title IX, §946(c), Dec. 5, 1980, 94 Stat. 2643, provided that: "The amendments made by subsections (a) and (b) [amending this section] shall become effective with respect to bills submitted or requests for payment made on or after July 1, 1981." Pub. L. 96–499, title IX, §948(c)(2), Dec. 5, 1980, 94 Stat. 2645, provided that: "The amendment made by subsection (b) [amending this section] shall apply with respect to cost accounting periods beginning on or after January 1, 1981."
§ 1395u

TITLe 42—THE PUBLIC HEALTH AND WELFARE

1395w–4, 1395x, 1395y, and 1396e–8 of this title, and repealing provisions set out as a note under this section] shall be construed as changing the payment methodology under part B of title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.) for radiopharmaceuticals, including the use by carriers of invoice pricing methodology."

IMPLEMENTATION OF 2003 AMENDMENT

Pub. L. 108–173, title III, §303(1)(g), Dec. 8, 2003, 117 Stat. 2255, provided that: "The provisions of chapter 8 of title 5, United States Code, shall not apply with respect to regulations implementing the amendments made by this section and sections 1395w–3a and 1395w–3b of this section, and to regulations implementing the amendment made by section 305(a) [amending this section], insofar as such regulations apply in 2004."

APPLICATION OF 2003 AMENDMENT TO PHYSICIAN SPECIALTIES

Pub. L. 108–173, title III, §303(j), Dec. 8, 2003, 117 Stat. 2255, provided that: "Insofar as the amendments made by this section [enacting sections 1395w–3a and 1395w–3b of this title, amending this section and sections 1395w–4, 1395x, 1395y, and 1396e–8 of this title, and repealing provisions set out as a note under this section] apply to payments for drugs or biologicals and drug administration services furnished by physicians, such amendments shall only apply to physicians in the specialties of hematology, hematology/oncology, and medical oncology under part B of title XVIII of the Social Security Act [42 U.S.C. 1395 et seq.]."

Pub. L. 108–173, title III, §304, Dec. 8, 2003, 117 Stat. 2255, provided that: "Notwithstanding section 303(j) [set out above], the amendments made by section 303 [enacting sections 1395w–3a and 1395w–3b of this title, amending this section and sections 1395w–4, 1395x, 1395y, and 1396e–8 of this title, and repealing provisions set out as a note under this section] shall also apply to payments for drugs or biologicals and drug administration services furnished by physicians in specialties other than the specialties of hematology, hematology/oncology, and medical oncology."

ISSUANCE OF TEMPORARY NATIONAL CODES


REVISED PART B PAYMENT FOR DRUGS AND BIOLOGICALS AND RELATED SERVICES

Pub. L. 106–554, §1(a)(6) [title IV, §429], Dec. 21, 2000, 114 Stat. 2763, 2763A–522, provided that:

"(a) RECOMMENDATIONS FOR REVISED PAYMENT METHODOLOGY FOR DRUGS AND BIOLOGICALS.—

"(1) STUDY.—

"(A) IN GENERAL.—The Comptroller General of the United States shall conduct a study on the reimbursement for drugs and biologicals under the current medicare payment methodology (provided under section 1842(o) of the Social Security Act (42 U.S.C. 1395u(o))) and for related services under part B of title XVIII of such Act (42 U.S.C. 1395f et seq.). In the study, the Comptroller General shall—

"(i) identify the average prices at which such drugs and biologicals are acquired by physicians and other suppliers;

"(ii) quantify the difference between such average prices and the reimbursement amount under such section; and

"(iii) determine the extent to which (if any) payment under such part is adequate to compensate physicians, providers of services, or other suppliers of such drugs and biologicals for costs incurred in the administration, handling, or storage of such drugs or biologicals.

"(B) CONSULTATION.—In conducting the study under subparagraph (A), the Comptroller General shall consult with physicians, providers of services, and suppliers of drugs and biologicals under the medicare program under title XVIII of such Act (42 U.S.C. 1395 et seq.), as well as other organizations involved in the distribution of such drugs and biologicals to such physicians, providers of services, and suppliers.

"(2) REPORT.—Not later than 9 months after the date of the enactment of this Act [Dec. 21, 2000], the Comptroller General shall submit to Congress and to the Secretary of Health and Human Services a report on the study conducted under this subsection, and shall include in such report recommendations for revised payment methodologies described in paragraph (1)."

"(3) RECOMMENDATIONS FOR REVISED PAYMENT METHODOLOGIES.—

"(A) IN GENERAL.—The Comptroller General shall provide specific recommendations for revised payment methodologies for reimbursement for drugs and biologicals and for related services under the medicare program. The Comptroller General may include in the recommendations—

"(i) proposals to make adjustments under subsection (c) of section 1848 of the Social Security Act (42 U.S.C. 1395w–4), for the practice expense component of the physician fee schedule under such section for the costs incurred in the administration, handling, or storage of certain categories of such drugs and biologicals, if appropriate; and

"(ii) proposals for new payments to providers of services or suppliers for such costs, if appropriate.

"(B) ENSURING PATIENT ACCESS TO CARE.—In making recommendations under this paragraph, the Comptroller General shall ensure that any proposed revised payment methodology results in a method that medicare beneficiaries continue to have appropriate access to health care services under the medicare program.

"(C) MATTERS CONSIDERED.—In making recommendations under this paragraph, the Comptroller General shall consider—

"(i) the method and amount of reimbursement for similar drugs and biologicals made by large group health plans;

"(ii) as a result of any revised payment methodology, the potential for patients to receive inpatient or outpatient hospital services in lieu of services in a physician’s office; and

"(iii) the effect of any revised payment methodology on the delivery of drug therapies by hospital outpatient departments.

"(D) COORDINATION WITH BBRA STUDY.—In making recommendations under this paragraph, the Comptroller General shall conclude and take into account the results of the study provided for under section 213(a) of BBRA [Pub. L. 106–113, §1000(a)(6) [title II, §213(a)], set out as a note under section 1395f of this title] (119 Stat. 1501A–350).

"(b) IMPLEMENTATION OF NEW PAYMENT METHODOLOGY.—

"(1) IN GENERAL.—Notwithstanding any other provision of law, based on the recommendations contained in the report under subsection (a), the Secretary of Health and Human Services, subject to paragraph (2), shall revise the payment methodology under section 1842(o) of the Social Security Act (42 U.S.C. 1395u(o)) for drugs and biologicals furnished under part B of the medicare program (42 U.S.C. 1395 et seq.). To the extent the Secretary determines appropriate, the Secretary may provide for the adjustments to payments amounts referred to in subsection (a)(3)(A)(i) or additional payments referred to in subsection (a)(2)(A)(i).

"(2) LIMITATION.—In revising the payment methodology under paragraph (1), in no case may the esti-
mated aggregate payments for drugs and biologicals under the revised system (including additional payments referred to in subsection (a)(3)(A)(i)(II)) exceed the aggregate amount of payment for such drugs and biologicals, as projected by the Secretary, that would have been made under the payment methodology in effect under such section 1842(o).

(i) MORATORIUM ON DECREASES IN PAYMENT RATES.—Notwithstanding any other provision of law, effective for drugs and biologicals furnished on or after January 1, 2001, the Secretary may not directly or indirectly decrease the rates of reimbursement (in effect as of such date) for drugs and biologicals under the current medicare payment methodology (provided under section 1842(o) of the Social Security Act (42 U.S.C. 1395a(o))) until such time as the Secretary has reviewed the report submitted under subsection (a)(2).

IMPLEMENTATION OF INHERENT REASONABLENESS (IR) AUTHORITY


“(a) LIMITATION ON USE.—The Secretary of Health and Human Services may not use, or permit fiscal intermediaries or carriers to use, the inherent reasonableness authority provided under section 1842(b)(8) of the Social Security Act (42 U.S.C. 1395a(b)(8)) until after—

“(1) the Comptroller General of the United States releases a report pursuant to the request for such a report made on March 1, 1999, regarding the impact of the Secretary’s, fiscal intermediaries’, and carriers’ use of such authority; and

“(2) the Secretary has published a notice of final rulemaking in the Federal Register that relates to such authority and that responds to such report and to comments received in response to the Secretary’s interim final regulation relating to such authority that was published in the Federal Register on January 7, 1998.

“(b) REEVALUATION OF IR CRITERIA.—In promulgating the final regulation under subsection (a)(2), the Secretary shall—

“(1) reevaluate the appropriateness of the criteria included in such interim final regulation for identifying payments which are excessive or deficient; and

“(2) take appropriate steps to ensure the use of valid and reliable data when exercising such authority.”

INITIAL BUDGET NEUTRALITY


“(a) LIMITATION ON USE.—The Secretary of Health and Human Services may not use, or permit fiscal intermediaries or carriers to use, the inherent reasonableness authority provided under section 1842(b)(8) of the Social Security Act (42 U.S.C. 1395a(b)(8)) until after—

“(1) the Comptroller General of the United States releases a report pursuant to the request for such a report made on March 1, 1999, regarding the impact of the Secretary’s, fiscal intermediaries’, and carriers’ use of such authority; and

“(2) the Secretary has published a notice of final rulemaking in the Federal Register that relates to such authority and that responds to such report and to comments received in response to the Secretary’s interim final regulation relating to such authority that was published in the Federal Register on January 7, 1998.

“(b) REEVALUATION OF IR CRITERIA.—In promulgating the final regulation under subsection (a)(2), the Secretary shall—

“(1) reevaluate the appropriateness of the criteria included in such interim final regulation for identifying payments which are excessive or deficient; and

“(2) take appropriate steps to ensure the use of valid and reliable data when exercising such authority.”

IMPROVEMENTS IN ADMINISTRATION OF LABORATORY TESTS BENEFIT


“(a) SELECTION OF REGIOINAL CARRIERS.—

“(1) IN GENERAL.—The Secretary of Health and Human Services (in this section referred to as the ‘Secretary’) shall—

“(A) divide the United States into no more than 5 regions, and

“(B) designate a single carrier for each such region, for the purpose of payment of claims under part B of title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.) with respect to clinical diagnostic laboratory tests furnished on or after such date (not later than July 1, 1999) as the Secretary specifies.

“(2) DESIGNATION.—In designating such carriers, the Secretary shall consider, among other criteria—

“(A) a carrier’s timeliness, quality, and experience in claims processing, and

“(B) a carrier’s capacity to conduct electronic data interchange with laboratories and data matches with other carriers.

“(3) SINGLE DATA RESOURCE.—The Secretary shall select one of the designated carriers to serve as a central statistical resource for all claims information relating to such clinical diagnostic laboratory tests handled by all the designated carriers under such part.

“(4) ALLOCATION OF CLAIMS.—The allocation of claims for clinical diagnostic laboratory tests to particular designated carriers shall be based on whether a carrier serves the geographic area where the laboratory specimen was collected or other method specified by the Secretary.

“(5) SECRETARIAL EXCLUSION.—Paragraph (1) shall not apply with respect to clinical diagnostic laboratory tests furnished by physician office laboratories if the Secretary determines that such offices would be unduly burdened by the application of billing responsibilities with respect to more than one carrier.

“(b) ADOPTION OF NATIONAL POLICIES FOR CLINICAL LABORATORY TESTS BENEFIT.—

“(1) IN GENERAL.—Not later than January 1, 1999, the Secretary shall first adopt, consistent with paragraph (2), national coverage and administrative policies for clinical diagnostic laboratory tests under part B of title XVIII of the Social Security Act (42 U.S.C. 1395) et seq., using a negotiated rulemaking process under subchapter III of chapter 5 of title 5, United States Code.

“(2) CONSIDERATIONS IN DESIGN OF NATIONAL POLICIES.—The policies under paragraph (1) shall be designed to promote program integrity and national uniformity and simplify administrative requirements with respect to clinical diagnostic laboratory tests payable under such part in connection with the following:

“(A) Beneficiary information required to be submitted with each claim or order for laboratory tests.

“(B) The medical conditions for which a laboratory test is reasonable and necessary (within the meaning of section 1862(a)(1)(A) of the Social Security Act (42 U.S.C. 1395a(1)(A))).

“(C) The appropriate use of procedure codes in billing for a laboratory test, including the unbundling of laboratory services.

“(D) The medical documentation that is required by a Medicare contractor at the time a claim is submitted for a laboratory test in accordance with section 1833(e) of the Social Security Act (42 U.S.C. 1395a(e)).

“(E) Recordkeeping requirements in addition to any information required to be submitted with a claim, including physicians’ obligations regarding such requirements.

“(F) Procedures for filing claims and for providing remittances by electronic media.

“(G) Limitation on frequency of coverage for the same tests performed on the same individual.

“(3) CHANGES IN LABORATORY POLICIES PENDING ADOPTION OF NATIONAL POLICY.—During the period that begins on the date of the enactment of this Act [Aug. 5, 1997] and ends on the date the Secretary first implements national policies pursuant to regulations promulgated under this subsection, a carrier under such part may implement changes relating to requirements for the submission of a claim for clinical diagnostic laboratory tests.

“(4) USE OF INTERIM POLICIES.—After the date the Secretary first implements such national policies, the Secretary shall permit any carrier to develop and implement interim policies of the type described in
paragraph (1), in accordance with guidelines established by the Secretary, in cases in which a uniform national policy has not been established under this subsection and there is a demonstrated need for a policy to respond to aberrant utilization or provision of unnecessary tests. Except as the Secretary specifically permits, no policy shall be implemented under this paragraph for a period of longer than 2 years.

(5) INTERIM NATIONAL POLICIES.—After the date the Secretary first designates regional carriers under subsection (a), the Secretary shall establish a process under which designated carriers can collectively develop and implement interim national policies of the type described in paragraph (1). No such policy shall be implemented under this paragraph for a period of longer than 2 years.

(6) BIENNIAL REVIEW PROCESS.—Not less often than once every 2 years, the Secretary shall solicit and review comments regarding changes in the national policies established under this subsection. As part of such biennial review process, the Secretary shall specifically review and consider whether to incorporate or supersede interim policies developed under paragraph (4) or (5). Based upon such review, the Secretary may provide for appropriate changes in the national policies previously adopted under this subsection.

(7) REQUIREMENT AND NOTICE.—The Secretary shall ensure that any policies adopted under paragraph (3), (4), or (5) shall apply to all laboratories charges payable under part B of title XVIII of the Social Security Act (42 U.S.C. 1395j et seq.), and shall provide for advance notice to interested parties and a 45-day period in which such parties may submit comments on the proposed change.

(c) INCLUSION OF LABORATORY REPRESENTATIVE ON CARRIER ADVISORY COMMITTEES.—The Secretary shall direct that any advisory committee established by a carrier to advise such carrier with respect to coverage and administrative policies under part B of title XVIII of the Social Security Act [42 U.S.C. 1395j et seq.] shall include an individual to represent the independent clinical laboratories and such other laboratories as the Secretary deems appropriate. The Secretary shall consider recommendations from national and local organizations that represent independent clinical laboratories in such selection.

WHOLESALE PRICE STUDY AND REPORT

Pub. L. 105–33, title IV, § 4556(c), Aug. 5, 1997, 111 Stat. 463, which directed the Secretary of Health and Human Services to study the effect on the average wholesale price of drugs and biologicals of the amendments to this section by section 4556(a) of Pub. L. 105–33, and to report to Congress the result of such study not later than Oct. 1, 1992.

BUDGET NEUTRALITY ADJUSTMENT

Pub. L. 101–508, title IV, § 4155(b), Aug. 5, 1997, 111 Stat. 587, provided that: "In determining the amount of payment under part B of title XVIII of the Social Security Act [42 U.S.C. 1395j et seq.] with respect to parenteral and enteral nutrients, supplies, and equipment during 1994 and 1995, the charges determined to be reasonable with respect to such nutrients, supplies, and equipment may not exceed the charges determined to be reasonable with respect to such items for 1990."

Pub. L. 101–508, title IV, § 4155(b)(1), Nov. 5, 1990, 104 Stat. 1388–84, provided that: "(A) Notwithstanding any other provision of law (except as provided in subparagraph (B)) the Secretary of

(3) The prevailing charges or fee schedule amounts to be applied under such part for services of a health care practitioner (as defined in section 1842(b)(1)(B) of such Act [42 U.S.C. 1395u(b)(1)(B)]) in applying section 1842(b)(16) of such Act, as in effect before the date of the enactment of this Act (Aug. 10, 1993))."

PROCEDURE CODES


(A) The codes for the procedures specified in clause (i) are as follows: Hospital inpatient medical services (HCPCS codes 90000 through 90292), consultations (HCPCS codes 90600 through 90654), other visits (HCPCS code 90699), preventive medicine visits (HCPCS codes 90750 through 90764), psychiatric services (HCPCS codes 90801 through 90962), emergency care facility services (HCPCS codes 99062 through 99065), and critical care services (HCPCS codes 99160 through 99174).

(B) The codes for the procedures specified in clause (ii) are as follows: Partial mastectomy (HCPCS code 19160); tendon sheath injections and small joint arthrocentesis (HCPCS codes 20550, 20560, 20655, and 20656); femoral fracture and trochanteric fracture treatments (HCPCS codes 27230, 27232, 27234, 27238, 27240, 27242, 27246, and 27248); endotracheal intubation (HCPCS code 31500); thoracentesis (HCPCS code 32300); thoracostomy (HCPCS codes 32320, 32335, and 32306); aneurysm repair (HCPCS codes 35111); cystourethroscopy (HCPCS code 52340); transurethral fulguration and resection (HCPCS codes 53006 and 53620); tympanoplasty with mastoidectomy (HCPCS code 69645); and ophthalmoscopy (HCPCS codes 92250 and 92260).

STUDY OF RELEASE OF PREPAYMENT MEDICAL REVIEW SCREEN PARAMETERS

Pub. L. 101–508, title IV, § 4111, Nov. 5, 1990, 104 Stat. 1388–64, directed Secretary of Health and Human Services to conduct a study of effect of release of medicare prepayment medical review screen parameters on physician billings for services to which the parameters apply, such study to be based upon the release of the screen parameters at a minimum of six carriers, with Secretary to report results of study to Congress not later than Oct. 1, 1992.

FREEZE IN CHARGES FOR PARENTERAL AND ENTERAL NUTRIENTS, SUPPLIES, AND EQUIPMENT

Pub. L. 103–66, title XII, § 13541, Aug. 10, 1993, 107 Stat. 587, provided that: "In determining the amount of payment under part B of title XVIII of the Social Security Act [42 U.S.C. 1395j et seq.] with respect to parenteral and enteral nutrients, supplies, and equipment during 1994 and 1995, the charges determined to be reasonable with respect to such nutrients, supplies, and equipment may not exceed the charges determined to be reasonable with respect to such items for 1990."

Pub. L. 101–508, title IV, § 4155(b)(1), Nov. 5, 1990, 104 Stat. 1388–79, provided that: "In determining the amount of payment under part B of title XVIII of the Social Security Act [42 U.S.C. 1395j et seq.] with respect to conventional eyewear...

PROHIBITION ON REGULATIONS CHANGING COVERAGE OF CONVENTIONAL EYEWAR
Health and Human Services (referred to in this subsection as the ‘Secretary’) may not issue any regulation that changes the coverage of conventional eyewear furnished to individuals (enrolled under part B of title XVIII of the Social Security Act [42 U.S.C. 1395j et seq.]) following cataract surgery with insertion of an intraocular lens.

"(B) Paragraph (1) shall not apply to any regulation issued for the sole purpose of implementing the amendments made by paragraph (2)."

**DIRECTORY OF UNIQUE PHYSICIAN IDENTIFIER NUMBERS**

Pub. L. 101–239, title VI, §6102(c)(10), Dec. 19, 1989, 103 Stat. 2138, provided that: "In applying section 1842(b)(1)(C) of the Social Security Act [42 U.S.C. 1395u(i)(4)] for services furnished on or after January 1, 1990, intermediate and comprehensive office visits for eye examinations and treatments (codes 92022 and 92044) shall be considered to be primary care services."

**DELAY IN UPDATE UNTIL APRIL 1, 1990, AND REDUCTION IN PERCENTAGE INCREASE IN MEDICARE ECONOMIC INDEX**

Pub. L. 101–239, title VI, §6107(a), Dec. 19, 1989, 103 Stat. 2211, provided that:

"(A) Subject to the amendments made by this section [amending this section], any increase or adjustment in customary, prevailing, or reasonable charges, fee schedule amounts, maximum allowable actual charges, and other limits on actual charges with respect to physicians’ services and other items and services described in paragraph (2) under part B of title XVIII of the Social Security Act [42 U.S.C. 1395j et seq.] which would otherwise occur as of January 1, 1990, shall be delayed so as to occur as of April 1, 1990, and, notwithstanding any other provision of law, the amount of payment under such part for such items and services which are furnished during the period beginning on January 1, 1990, and ending on March 31, 1990, shall be determined on the same basis as the amount of payment for such services furnished on December 31, 1989."

"(B) Except as provided in paragraph (3), items and services described in this paragraph are items and services (other than ambulance services and clinical diagnostic laboratory services) for which payment is made under part B of title XVIII of the Social Security Act on the basis of a reasonable charge or a fee schedule.

"(C) Extension of participation agreements and related provisions. —Notwithstanding any other provision of law—

"(A) subject to the last sentence of this paragraph, each participation agreement in effect on December 31, 1989, under section 1842(b)(1) of the Social Security Act [42 U.S.C. 1395u(h)(1)] shall remain in effect for the 3-month period beginning on January 1, 1990;

"(B) the effective period for such agreements under such section entered into for 1990 shall be the 3-month period beginning on April 1, 1990, and the Secretary of Health and Human Services shall provide an opportunity for physicians and suppliers to enroll as participating physicians and suppliers before April 1, 1990;

"(C) instead of publishing, under section 1842(b)(4) of the Social Security Act [42 U.S.C. 1395u(h)(4)], at the beginning of 1990, directories of participating physicians and suppliers for 1990, the Secretary shall provide for such publication, at the beginning of the 9-month period beginning on April 1, 1990, a list of maximum allowable actual charges for such period; and

"(D) instead of providing to nonparticipating physicians under section 1842(b)(3)(D) of the Social Security Act [42 U.S.C. 1395u(b)(3)(D)] at the beginning of 1990, a list of maximum allowable actual charges for 1990, the Secretary shall provide, at the beginning of the 9-month period beginning on April 1, 1990, such physicians a list for such 9-month period."

An agreement with a participating physician or supplier described in subparagraph (A) in effect on December 31, 1989, under section 1842(b)(1) of the Social Security Act shall not remain in effect for the period described in subparagraph (A) if the participating physician or supplier requests on or before December 31, 1989, that the agreement be terminated."

**STATE DEMONSTRATION PROJECTS ON APPLICATION OF LIMITATION ON VISITS PER MONTH PER RESIDENT ON AGGREGATE BASIS FOR A TEAM**

Pub. L. 101–239, title VI, §6114(e), Dec. 19, 1989, 103 Stat. 2218, provided that: "The Secretary of Health and Human Services shall provide for at least 1 demonstration project under which, in the application of section 1842(b)(2)(C) of the Social Security Act [42 U.S.C. 1395u(b)(2)(C)] (as added by subsection (c)(2) of this section) in one or more States, the limitation on the number of visits per month per resident would be applied on an average basis over the aggregate total of residents receiving services from members of the team.

**APPLICATION OF DIFFERENT PERFORMANCE STANDARDS FOR ELECTRONIC SYSTEM FOR COVERED OUTPATIENT DRUGS**


**DELAY IN APPLICATION OF COORDINATION OF BENEFITS WITH PRIVATE HEALTH INSURANCE**


**EXTENSION OF PHYSICIAN PARTICIPATION AGREEMENTS AND RELATED PROVISIONS**


"(A) subject to the last sentence of this paragraph, each agreement with a participating physician in effect on December 31, 1987, under section 1842(h)(1) of the Social Security Act [42 U.S.C. 1395u(h)(1)] shall remain in effect for the 3-month period beginning on January 1, 1988;

"(B) the effective period for such agreements under such section entered into for 1988 shall be the 3-month period beginning on April 1, 1988, and the Secretary shall provide an opportunity for physicians to enroll as participating physicians prior to April 1, 1988;

"(C) instead of publishing, under section 1842(h)(4) of the Social Security Act [42 U.S.C. 1395u(h)(4) at the beginning of 1988, directories of participating physicians for 1988, the Secretary shall provide for
such publication, at the beginning of the 9-month period beginning on April 1, 1988, of such directories of participating physicians for such period; and

"(D) instead of providing to nonparticipating physicians, under section 1842(b)(3)(G) of the Social Security Act [42 U.S.C. 1395b(b)(3)(G)] at the beginning of 1988, a list of maximum allowable actual charges for 1989, the Secretary shall provide, at the beginning of such 9-month period beginning on April 1, 1988, to such physicians such a list for such 9-month period.

An agreement with a participating physician in effect on December 31, 1987, under section 1842(b)(1) of the Social Security Act shall not remain in effect for the period described in subparagraph (A) if the participating physician requests on or before December 31, 1987, that the agreement be terminated."

DEVELOPMENT OF UNIFORM RELATIVE VALUE GUIDE

Pub. L. 100–203, title IV, §4048(b), Dec. 22, 1987, 101 Stat. 1330–94, as amended by Pub. L. 101–508, title IV, §4118(b)(1), Nov. 5, 1990, 104 Stat. 1388–70, provided that: "The Secretary of Health and Human Services, in consultation with groups representing physicians who furnish anesthesia services, shall establish by regulation a relative value guide for use in all carrier localities in making payment for physician anesthesia services furnished under part B of title XVIII of the Social Security Act [42 U.S.C. 1395b et seq.] on and after March 1, 1989. Such guide shall be designed so as to result in expenditures under such title [42 U.S.C. 1395 et seq.] for such services in an amount that would not exceed the amount of such expenditures which would otherwise occur."

[Pub. L. 101–508, title IV, §4118(h), Nov. 5, 1990, 104 Stat. 1388–70, provided that the amendment by that section to section 4048(h) of Pub. L. 100–203, set out above, is effective as if included in enactment of Omnibus Budget Reconciliation Act of 1987, Pub. L. 100–203.]

STUDY OF PREVAILING CHARGES FOR ANESTHESIA SERVICES

Pub. L. 100–203, title IV, §4048(c), Dec. 22, 1987, 101 Stat. 1330–90, which required Secretary of Health and Human Services to study variations in conversion factors used by carriers under section 1395b(b) of this title to determine prevailing charge for anesthesia services and to report results of study and make recommendations for appropriate adjustments in such factors not later than Jan. 1, 1989, was repealed by Pub. L. 101–508, title IV, §4118(g)(2), Nov. 5, 1990, 104 Stat. 1388–70.

GAO STUDIES

Pub. L. 100–203, title IV, §4048(d), Dec. 22, 1987, 101 Stat. 1330–90, provided that:

"(1) The Comptroller General shall conduct a study—
"(A) to determine the average anesthesia times reported for medicare reimbursement purposes,
"(B) to verify those times from patient medical records,
"(C) to compare anesthesia times to average surgical times, and
"(D) to determine whether the current payments for physician supervision of nurse anesthetists are excessive.

The Comptroller General shall report to Congress, by not later than January 1, 1989, on such study and in the report include recommendations regarding the appropriateness of the anesthesia times recognized by medicare for reimbursement purposes and recommendations regarding adjustments of payments for physician supervision of nurse anesthetists.

"(2) The Comptroller General shall conduct a study on the impact of the amendment made by subsection (a) [amending this section], and shall report to Congress on the results of such study by April 1, 1990."

ADJUSTMENT IN MEDICARE PREVAILING CHARGES


"(1) REVIEW.—The Secretary of Health and Human Services shall review payment levels under part B of title XVIII of the Social Security Act [42 U.S.C. 1395 et seq.] for diagnostic tests (described in section 1861(s)(3) of such Act [42 U.S.C. 1395x(s)(3)], but excluding clinical diagnostic laboratory tests) which are commonly performed by independent suppliers, sold as a service to physicians, and billed by such suppliers, in order to determine the reasonableness of payment amounts for such tests (and for associated professional services component of such tests). The Secretary may require physicians and suppliers to provide such information on the purchase or sale price (net of any discounts) for such tests as is necessary to complete the review and to make the adjustments under this subsection. The Secretary shall also review the reasonableness of payment levels for comparable in-office diagnostic tests.

"(2) EMBASSY OF REVISED PAYMENT SCREENS.—If, as a result of such review, the Secretary determines, after notice and opportunity of at least 60 days for public comment, that the current prevailing charge levels (under the third and fourth sentences of section 1842(b) of the Social Security Act [42 U.S.C. 1395b(b)]) for any such tests or associated professional services are excessive, the Secretary shall establish such charge levels at levels which, consistent with assuring that the test is widely and consistently available to medicare beneficiaries, reflect a reasonable price for the test without any markup. Alternatively, the Secretary, pursuant to guidelines published after notice and opportunity of at least 60 days for public comment, may delegate to carriers with contracts under section 1842 of the Social Security Act the establishment of new prevailing charge levels under this paragraph. When such charge levels are established, the provisions of section 1842(b)(1)(D) of such Act shall apply in the same manner as they apply to a reduction under section 1842(b)(8)(A) of such Act.

ADJUSTMENT FOR MAXIMUM ALLOWABLE ACTUAL CHARGE

Pub. L. 100–203, title IV, §4054(b), formerly §4053(b), Dec. 22, 1987, 101 Stat. 1330–97, as renumbered by Pub. L. 100–360, title IV, §411(f)(13)(A), (14), July 1, 1988, 102 Stat. 781, provided that: "In the case of a physician who did not have actual charges under title XVIII of the Social Security Act [42 U.S.C. 1395 et seq.] for a procedure in the calendar quarter beginning on April 1, 1984, who establishes to the satisfaction of a carrier that he or she had actual charges (whether under such title or otherwise) for the procedure performed prior to June 30, 1984, the carrier shall compute the maximum allowable actual charge under section 1842(j)(3) of the Social Security Act [42 U.S.C. 1395u(j)] for such procedure performed by such physician in 1988 based on such physician's actual charges for the procedure."

PHYSICIAN PAYMENT STUDIES; DEFINITIONS OF MEDICAL AND SURGICAL PROCEDURES


"(1) REPORT ON VARIATIONS IN CARRIER PAYMENT PRACTICE.—The Secretary of Health and Human Services (in this section referred to as the 'Secretary') shall conduct a study of variations in payment practices for physicians' services among the different carriers under section 1842 of the Social Security Act [42 U.S.C. 1395c–4]. Such study shall examine carrier variations in the services included in global fees and pre- and post-operative services included in payment for the operation.

"(2) UNIFORM DEFINITIONS OF PROCEDURES FOR PAYMENT PURPOSES.—The Secretary shall develop, in consultation with appropriate national medical specialty societies and by not later than July 1, 1989, uniform definitions of physicians' services (including an appropriate classification scheme for procedures) which could serve as the basis for making payments for such procedures."

"M" "A" "S" "M"
services under part B of title XVIII of the Social Security Act [42 U.S.C. 1395j et seq.]. In developing such definitions, to the extent practicable,

(1) all auxiliary services commonly performed in conjunction with a major procedure would be included with the major procedure;

(2) pre- and post-procedure services would be included in the procedure; and

"(C) similar procedures would be listed together if the procedures are similar in resource requirements."

PAYMENTS FOR DURABLE MEDICAL EQUIPMENT, PROSTHETIC DEVICES, ORTHOTICS, AND PROSTHETICS: 1-YEAR FREEZE ON CHARGE LIMITATIONS


"(1) IN GENERAL.—In imposing limitations on allowable charges for items and services (other than physicians' services) furnished in 1988 under part B of title XVIII of such Act [42 U.S.C. 1395j et seq.] and for which payment is made on the basis of the reasonable charge for the item or service, the Secretary of Health and Human Services shall not impose any limitation at a level lower than the same level as was in effect in December 1987.

"(2) TRANSITION.—The provisions of section 401(a)(2) (other than subparagraph (D) thereof) of this title shall apply to suppliers of items and services described in paragraph (1), and directories of participating suppliers of such items and services, in the same manner as such section applies to physicians furnishing physicians' services, and directories of participating physicians.

SPECIAL RULE WITH RESPECT TO PAYMENT FOR INTRAOCULAR LENSES

Pub. L. 100–203, title IV, §408(d), Dec. 22, 1987, 101 Stat. 1330–124, provided that: "The Comptroller General shall conduct a study concerning the cost effectiveness of requiring hearings with a carrier under part B of title XVIII of the Social Security Act [42 U.S.C. 1395u(b)(1)(C)(ii)], in applying section 1842(j)(1)(D)(i) of such Act, the matter beginning with ‘plus’ shall be considered to have been deleted.

STUDY ON COST EFFECTIVENESS OF HEARING PRIOR TO HEARING BY ADMINISTRATIVE LAW JUDGE ON CARRIER DETERMINATIONS; REPORT TO CONGRESS

Pub. L. 100–203, title IV, §408(d), Dec. 22, 1987, 101 Stat. 1330–110, provided that: "The Secretary shall conduct a study concerning the establishment of a reasonable charge limit under section 1395u(b)(11)(C)(ii) of the Social Security Act [42 U.S.C. 1395u(b)(11)(C)(ii)], in applying section 1842(j)(1)(D)(i) of such Act, the matter beginning with ‘plus’ shall be considered to have been deleted.

CAPACITY TO SET GEOGRAPHIC PAYMENT LIMITS

Pub. L. 100–203, title IV, §408(d), Dec. 22, 1987, 101 Stat. 1330–131, provided that: "The Secretary of Health and Human Services shall develop the capability to implement (for services furnished on or after January 1, 1989) geographic limits on charges and payments under part B of title XVIII of the Social Security Act [42 U.S.C. 1395u et seq.] for physicians' services based on statewide, regional, or national average (or percentile in a distribution) of prevailing charges or payment amounts (weighted by frequency of services). Any such limits shall take into account adjustments for geographic differences in cost of practice and cost of living.

UTILIZATION SCREENS FOR PHYSICIAN SERVICES PROVIDED TO PATIENTS IN REHABILITATION HOSPITALS

Pub. L. 101–508, title IV, §4114, Nov. 5, 1990, 104 Stat. 1388–65, as amended by Pub. L. 103–432, title I, §126(e)(4), Oct. 31, 1994, 108 Stat. 4416, provided that: "Not later than 180 days after the date of the enactment of this Act [Nov. 5, 1990], the Secretary of Health and Human Services shall issue guidelines to assure a uniform level of review of physician visits to patients of a rehabilitation hospital or unit after the medical review screen parameter established under section 4085(h) of the Omnibus Budget Reconciliation Act of 1987 [Pub. L. 100–203, set out below] has been exceeded;"
tence of section 1842(b)(3) of the Social Security Act [42 U.S.C. 1395u(b)(3)].”

**DEVELOPMENT AND USE OF HCFA COMMON PROCEDURE CODING SYSTEM**

Pub. L. 99–509, title IX, §9331(d), Oct. 21, 1986, 100 Stat. 2022, provided that:

“(1) Not later than July 1, 1989, the Secretary of Health and Human Services (in this subsection referred to as the ‘Secretary’), after public notice and opportunity for public comment and after consultation [consultation] with appropriate medical and other experts, shall group the procedure codes contained in any HCFA Common Procedure Coding System for payment purposes to minimize inappropriate increases in the intensity or volume of services provided as a result of coding distinctions which do not reflect substantial differences in the services rendered.

“(2) Not later than January 1, 1990, each carrier with which the Secretary has entered into a contract under section 1842 of the Social Security Act [42 U.S.C. 1395u] shall make payments under part B of title XVIII of such Act [42 U.S.C. 1395 et seq.] based on the grouping of procedure codes effected under paragraph (1).”

**MEASURING CARRIER PERFORMANCE; CARRIER BONUSES FOR GOOD PERFORMANCE**


“Notwithstanding any other provision of law, for purposes of making payment under part B of title XVIII of the Social Security Act [42 U.S.C. 1395 et seq.] (determined on the basis of the aggregate annual payments under such part with respect to each such procedure).”

**RATIFICATION OF REGULATIONS**


“(1) In general.—The Congress hereby ratifies the final regulation of the Secretary of Health and Human Services published on page 35693 of volume 51 of the Federal Register on October 7, 1986, relating to reasonable charge payment limits for anesthesia services under the Medicare program.

“(2) Patient protections.—In the case of any reduction in the reasonable charge for physicians’ services effected under the regulation described in paragraph (1), the provisions of section 1842(j)(1)(D) of the Social Security Act (42 U.S.C. 1395u(j)(1)(D)) (added by the amendment made by subsection (a)(3)) shall apply in the same manner and to the same extent as they apply to a reduction in the reasonable charge for physicians’ service effected under section 1842(b)(8) of such Act.”

**PAYMENT FOR PARENTERAL AND ENTERAL NUTRITION SUPPLIES AND EQUIPMENT**


“(1) for enteral nutrition nutrients, supplies, and equipment and parenteral nutrition supplies and equipment furnished on or after January 1, 1987, and

“(2) for parenteral nutrition nutrients furnished on or after October 1, 1987.”

**REPORTING OF OPD SERVICES USING HCPCS**


**PERIOD FOR ENTERING INTO PARTICIPATION AGREEMENTS**

Pub. L. 99–272, title IX, §9001(b)(3), Apr. 7, 1986, 100 Stat. 186, provided that: “The Secretary of Health and Human Services shall provide, during the month of April 1986, that physicians and suppliers may enter into an agreement under section 1842(h)(1) of the Social Security Act [42 U.S.C. 1395u(h)(1)] for the 8-month period beginning May 1, 1986, or terminate such an agreement previously entered into for fiscal year 1986. In the case of a physician or supplier who entered into such an agreement for fiscal year 1986, the physician or supplier shall be deemed to have entered into such agreement for such 8-month period and for each succeeding year unless the physician or supplier terminates such agreement before the beginning of the respective period. At the beginning of such 8-month period, the Secretary shall publish a new directory (described in section 1842(h)(4) of that Act [42 U.S.C. 1395u(h)(4)], as redesignated by subsection (c)(3)(D) of this section) of participating physicians and suppliers.”

**TRANSITIONAL PROVISIONS FOR MEDICARE PART B PAYMENTS**

Pub. L. 99–272, title IX, §9001(d)(6), Apr. 7, 1986, 100 Stat. 188, provided that: “Notwithstanding any other provision of law, for purposes of making payment under part B of title XVIII of the Social Security Act [42 U.S.C. 1395u et seq.] (determined on the basis of the aggregate annual payments under such part with respect to each such procedure).”

**REVIEW OF PROCEDURES**

Pub. L. 99–509, title IX, §9333(c), Oct. 21, 1986, 100 Stat. 2028, provided that: “Not later than October 1, 1987, the Secretary of Health and Human Services shall review the inherent reasonableness of the reasonable charge for at least 10 of the most costly procedures with respect to which payment is made under part B of title XVIII of the Social Security Act [42 U.S.C. 1395u et seq.] (determined on the basis of the aggregate annual payments under such part with respect to each such procedure).”
U.S.C. 1395j et seq.], customary and prevailing charges 
and the lowest charges determined under the sixth 
section of 1842(b)(3) of such Act [42 U.S.C. 1395u(b)(3)] for items and services furnished during 
the period beginning on October 1, 1986, and ending on 
December 31, 1986, shall be determined on the same basis 
as for items and services furnished on September 30, 1986.

**COMPUTATION OF CUSTOMARY CHARGES FOR CERTAIN FORMERLY HOSPITAL-COMPENSATED PHYSICIANS**

Pub. L. 99-272, title IX, §9034(b), Apr. 7, 1986, 100 Stat. 190, provided that:

"(1) In applying section 1842(b) of the Social Security 
Act [42 U.S.C. 1395u(b)] to payment for physicians' serv-
ices performed during the 4-month period beginning 
May 1, 1986, in the case of a physician who at anytime 
during the period beginning on October 31, 1982, and 
ending on January 31, 1983, was a hospital-compensated 
physician (as defined in paragraph (3) but who, as of 
February 1, 1985, was no longer a hospital-compensated 
physician, the physician's customary charges shall— 

"(A) be based upon the physician's actual charges 
billed during the 12-month period ending on March 31, 1985, and 

"(B) in the case of a physician who was not a par-
ticipating physician (as defined in section 1842(b)(1) of 
the Social Security Act [42 U.S.C. 1395u(b)(1)]) on 
September 30, 1985, and who is not such a physician 
on May 1, 1986, be deflated (to take into account the 
legislative freeze on actual charges for nonparticipa-
ting physicians' services) by multiplying the physi-
cian's customary charges by .85.

"(2) In applying section 1842(b) of the Social Security 
Act [42 U.S.C. 1395u(b)] to payment for physicians' serv-
ices performed during the 4-month period beginning 
May 1, 1986, in the case of a physician who during the 
period beginning on February 1, 1985, and ending on 
December 31, 1985, changes from being a hospital-com-
penated physician, to not being a hospital-compensated 
physician, the physician's customary charges shall be determined in the same manner as if the physi-
cian were considered to be a new physician.

"(3) In this subsection, the term 'hospital-compens-
ated physician' means, with respect to services fur-
nished to patients of a hospital, a physician who is 
compensated by the hospital for the furnishing of phys-
icians' services for which payment may be made under 
this part."

**EXTENSION OF MEDICARE PHYSICIAN PAYMENT PROVISIONS**

Period of 15 months referred to in subsec. (j)(1) of this 
section for monitoring the charges of nonparticipating 
physicians to be deemed to include the period Oct. 1, 1985, 
to Mar. 14, 1986, see section 5(b) of Pub. L. 99-107, set 
out as a note under section 1395w of this title.

**SIMPLIFICATION OF PROCEDURES WITH RESPECT TO CLAIMS AND PAYMENTS FOR CLINICAL DIAGNOSTIC LABORATORY TESTS**

Pub. L. 98-369, div. B, title III, §3203(h), July 18, 1984, 
98 Stat. 1066, provided that: "The Secretary of Health 
and Human Services shall simplify the procedures 
under section 1842 of the Social Security Act [42 U.S.C. 1395u] with respect to claims and payments for clinical 
diagnostic laboratory tests so as to reduce unnecessary 
paperwork while assuring that sufficient information is 
supplied to identify instances of fraud and abuse."

**STUDY OF AMOUNTS BILLED FOR PHYSICIAN SERVICES AND PAID BY CARRIERS UNDER SUBSECTION (b)(7) OF THIS SECTION; REPORT TO CONGRESS**

Pub. L. 98-369, div. B, title III, §3207(c), July 18, 1984, 
98 Stat. 1074, directed Comptroller General to conduct 
a study of the amounts billed for physician services and 
paid by carriers under subsection (b)(7) of this section to 
determine whether such payments were made only 
where the physician satisfied the requirements of sub-
sec. (b)(7)(A)(i) of this section, and to submit to Con-
gress a report on results of such study not later than 18 
months after July 18, 1984.

**REPLACEMENT OF AGENCY, ORGANIZATION, OR CARRIER PROCESSING MEDICARE CLAIMS; NUMBER OF AGREEMENTS AND CONTRACTS AUTHORIZED FOR FISCAL YEARS 1983 THROUGH 1993**

For provision authorizing two agreements under sec-
section 1395u of this title and two contracts under this sec-
tion for replacement of an agency, organization, or car-
rrier in the lowest 20th percentile, see section 2326(a) of 
Pub. L. 98-369, as amended, set out as a note under 
section 1395u of this title.

**RULES AND REGULATIONS**

341, provided that: "The Secretary of Health and 
Human Services shall first issue such final regulations 
whether on an interim or other basis) before October 1, 1982, as may be necessary to implement the amend-
ment made by section 2326(a) of the Social Security Act 
[42 U.S.C. 1395u(b)(3)] for items and services furnished during the 12-month period ending on March 31, 1985, and 
who is not such a physician 
on May 1, 1986, be deflated (to take into account the 
legislative freeze on actual charges for nonparticipa-
ting physicians' services) by multiplying the physi-
cian's customary charges by .85.

"(2) In applying section 1842(b) of the Social Security 
Act [42 U.S.C. 1395u(b)] to payment for physicians' serv-
ices performed during the 4-month period beginning 
May 1, 1986, in the case of a physician who during the 
period beginning on February 1, 1985, and ending on 
December 31, 1985, changes from being a hospital-com-
penated physician, to not being a hospital-compensated 
physician, the physician's customary charges shall be determined in the same manner as if the physi-
cian were considered to be a new physician.

"(3) In this subsection, the term 'hospital-compens-
ated physician' means, with respect to services fur-
nished to patients of a hospital, a physician who is 
compensated by the hospital for the furnishing of phys-
icians' services for which payment may be made under 
this part."

**REPORT ON REIMBURSEMENT OF CLINICAL LABORATORIES**

2626, provided that not later than 24 months after an 
effective date (not later than Apr. 1, 1981) which was to 
have been prescribed by the Secretary of Health and 
Human Services, the Secretary was to report to the 
Congress (A) the proportion of bills and requests for 
payment submitted (during the 18-month period begin-
ing on such effective date) under this subchapter for 
laboratory tests which did not identify who performed 
the tests, (B) the proportion of bills and requests for 
payment submitted during such period for laboratory 
tests with respect to which the amount payable under 
this subchapter was less than the amount that would other-
wise have been payable in the absence of subsec. (b) of 
this section, (C) with respect to requests for payment 
described in subparagraph (A) which were submitted 
for patients, the average additional cost per laboratory 
test to patients resulting from reductions in payment that would otherwise have been made for such tests in 
the absence of such subsec. (b), and (D) with respect to 
bills described in subparagraph (B) which were submitted 
by physicians, the average reduction in payment per 
laboratory test to physicians resulting from the 
application of such subsec. (b).

**PREVAILING CHARGE LEVELS FOR FISCAL YEAR BEGINNING JULY 1, 1975**

1051, provided that: "The amendment made by sub-
section (a) [amending subsec. (b)(3) of this section] 
shall be applicable with respect to claims filed under 
Part B of title XVIII of the Social Security Act [42 U.S.C. 1395u et seq.] with a carrier designated pursuant 
to section 1842 of such Act [42 U.S.C. 1395u] and proc-
essed by such carrier after the appropriate changes 
were made in the prevailing charge levels for the fiscal 
year beginning July 1, 1975, on the basis of economic 
index data under the third and fourth sentences of sec-
section 1842(b)(3) of such Act [42 U.S.C. 1395u(b)(3)]; except 
that (1) if less than the correct amount was paid (after 
the application of subsection (a) of this section) on any 
claim processed prior to the enactment of this section 
[Dec. 31, 1975], the correct amount shall be paid by such 
carrier at such time (not exceeding 6 months after the 
date of the enactment of this section) [Dec. 31, 1975] as 
administratively feasible, and (2) no such payment shall be made on any claim where the difference be-
between the amount paid and the correct amount due is less than $1.'''

REPORT by HEALTH INSURANCE BENEFITS ADVISORY COUNCIL ON METHODS OF REIMBURSEMENT FOR PHYSICIANS FOR THEIR SERVICES


§ 1395v. Agreements with States

(a) Duty of Secretary; enrollment of eligible individuals

The Secretary shall, at the request of a State made before January 1, 1970, or during 1981 or after 1988, enter into an agreement with such State pursuant to which all eligible individuals in either of the coverage groups described in subsection (b) (as specified in the agreement) will be enrolled under the program established by this part.

(b) Coverage of groups to which applicable

An agreement entered into with any State pursuant to subsection (a) may be applicable to either of the following coverage groups:

(1) individuals receiving money payments under the plan of such State approved under subchapter I or subchapter XVI; or

(2) individuals receiving money payments under all of the plans of such State approved under subchapters I, X, XIV, and XVI, and part A of subchapter IV.

Except as provided in subsection (g), there shall be excluded from any coverage group any individual who is entitled to monthly insurance benefits under subchapter II or who is entitled to receive an annuity under the Railroad Retirement Act of 1974 (45 U.S.C. 231 et seq.). Effective January 1, 1974, and subject to section 1396a(f) of this title, the Secretary shall, at the request of any State not eligible to participate in the State plan program established under subchapter XVI, continue in effect the agreement entered into under this section with such State subject to such modifications as the Secretary may by regulations provide to take account of the termination of any plans of such State approved under subchapters I, X, XIV, and XVI and the establishment of the supplemental security income program under subchapter XVI.

(c) Eligible individuals

For purposes of this section, an individual shall be treated as an eligible individual only if he is an eligible individual (within the meaning of section 1395u of this title) on the date an agreement covering him is entered into under subsection (a) or he becomes an eligible individual (within the meaning of such section) at any time after such date; and he shall be treated as receiving money payments described in subsection (b) if he receives such payments for the month in which the agreement is entered into or any month thereafter.

(d) Monthly premiums; coverage periods

In the case of any individual enrolled pursuant to this section—

(1) the monthly premium to be paid by the State shall be determined under section 1395r of this title (without any increase under subsection (b) thereof);

(2) his coverage period shall begin on whichever of the following is the latest:

(A) July 1, 1966;

(B) the first day of the third month following the month in which the State agreement is entered into;

(C) the first day of the first month in which he is both an eligible individual and a member of a coverage group specified in the agreement under this section; or

(D) such date as may be specified in the agreement; and

(3) his coverage period attributable to the agreement with the State under this section shall end on the last day of whichever of the following first occurs:

(A) the month in which he is determined by the State agency to have become ineligible both for money payments of a kind specified in the agreement and (if there is in effect a modification entered into under subsection (b)) for medical assistance, or

(B) the month preceding the first month for which he becomes entitled to monthly benefits under subchapter II or to an annuity or pension under the Railroad Retirement Act of 1974 (45 U.S.C. 231 et seq.).

(e) Subsection (d)(3) terminations deemed resulting in section 1395p enrollment

Any individual whose coverage period attributable to the State agreement is terminated pursuant to subsection (d)(3) shall be deemed for purposes of this part (including the continuation of his coverage period under this part) to have enrolled under section 1395p of this title in the initial general enrollment period provided by section 1395p(c) of this title. The coverage period under this part of any such individual who (in the last month of his coverage period attributable to the State agreement or in any of the following six months) files notice that he no longer wishes to participate in the insurance program established by this part, shall terminate at the close of the month in which the notice is filed.

(f) “Carrier” as including State agency; provisions facilitating deductions, coinsurance, etc., and leading to economy and efficiency of operation

With respect to eligible individuals receiving money payments under the plan of a State approved under subchapter I, X, XIV, or XVI, or part A of subchapter IV, or eligible to receive medical assistance under the plan of such State approved under subchapter XIX, if the agreement entered into under this section so provides, the term “carrier” as defined in section 1395u(f) of this title also includes the State agency, specified in such agreement, which administers or supervises the administration of the plan of such State approved under subchapter I, XVI, or XIX. The agreement shall also contain such provisions as will facilitate the fi-
financial transactions of the State and the carrier with respect to deductions, coinsurance, and otherwise, and as will lead to economy and efficiency of operation, with respect to individuals receiving money payments under plans of the State approved under subchapters I, X, XIV, and XVI, and part A of subchapter IV, and individuals eligible to receive medical assistance under the plan of the State approved under subchapter XIX.

(g) Subsection (b) exclusions from coverage groups

(1) The Secretary shall, at the request of a State made before January 1, 1970, or during 1961 or after 1988, enter into a modification of an agreement entered into with such State pursuant to subsection (a) under which the second sentence of subsection (b) shall not apply with respect to such agreement.

(2) In the case of any individual who would (but for this subsection) be excluded from the applicable coverage group described in subsection (b) by the second sentence of such subsection—

(A) subsections (c) and (d)(2) shall be applied as if such subsections referred to the modification under this subsection (in lieu of the agreement under subsection (a)), and

(B) subsection (d)(3)(B) shall not apply so long as there is in effect a modification entered into by the State under this subsection.

(h) Modifications respecting subsection (b) coverage groups

(1) The Secretary shall, at the request of a State made before January 1, 1970, or during 1961 or after 1988, enter into a modification of an agreement entered into with such State pursuant to subsection (a) under which the coverage group described in subsection (b) and specified in such agreement is broadened to include (A) individuals who are eligible to receive medical assistance under the plan of such State approved under subchapter XIX, or (B) qualified medicare beneficiaries (as defined in section 1396a(a)(10)(E)(iii) of title I) who are determined to be eligible to receive medical assistance under such plan. In the case of qualified medicare beneficiaries, as defined in section 1396a(a)(10)(E)(ii)(I) of this title, the notice was filed.

(2) For purposes of this section, an individual shall be treated as eligible to receive medical assistance under the plan of the State approved under subchapter XIX if, for the month in which the modification is entered into under this subsection or for any month thereafter, he has been determined to be eligible to receive medical assistance under such plan. In the case of any individual who would (but for this subsection) be excluded from the agreement under subsection (a), and subsection (d)(2)(C) shall be applied (except in the case of qualified medicare beneficiaries, as defined in section 1396d(p)(1) of this title) by substituting “second month following the first month” for “first month”.

(3) In this subsection, the term “qualified medicare beneficiary” also includes an individual described in section 1396a(a)(10)(E)(ii)(II) of this title.

(i) Enrollment of qualified medicare beneficiaries

For provisions relating to enrollment of qualified medicare beneficiaries under part A, see section 1395l–2(g) of this title.


References in Text


Amendments


Pub. L. 100–360, §301(e)(1)(B), as added by Pub. L. 100–485, §608(d)(14)(H)(ii), inserted cl. (A) designation after “include” and added cl. (B).

Subsec. (h)(2). Pub. L. 100–360, §301(e)(1)(C), as added by Pub. L. 100–485, §608(d)(14)(H)(ii), inserted “except in the case of qualified medicare beneficiaries, as defined in section 1396d(p)(1) of this title” after “shall be applied”.


1983—Subsec. (d)(1). Pub. L. 98–21 substituted “without any increase under subsection (b) thereof” for “without any increase under subsection (c) thereof”.


Subsec. (e). Pub. L. 96–499, §947(a), inserted provision that the coverage period under this part of any individual who filed notice that he no longer wished to participate in the insurance program established by this part was to terminate at the close of the month in which the notice was filed.

Subsec. (g)(1). Pub. L. 96–499, §945(e), inserted “or during 1981” after “January 1, 1970,”.

Subsec. (g)(2)(C). Pub. L. 96–499, §947(c)(3), struck out cl. (C) which authorized individuals facing exclusion from the applicable coverage group to terminate their enrollment under this part by the filing of a notice in—
indicating he no longer wished to participate in the insurance program established by this part.


1965—Pub. L. 90–248, §222(b)(4), inserted "(or are eligible for medical assistance)" in section catchline.


Subsec. (c). Pub. L. 90–248, §222(e)(2), struck out "and before January 1, 1968" after "such date" and "before January 1968" after "thereafter" just before the period.

Subsec. (d)(2)(D). Pub. L. 90–248, §222(e)(3), struck out "(not later than January 1, 1968)" after "such date".


Effective Date of 1990 Amendment

Amendment by Pub. L. 101–508 applicable to calendar quarters beginning on or after Jan. 1, 1991, without regard to whether or not regulations to implement such amendment are promulgated by such date, see section 4501(f) of Pub. L. 101–508, set out as a note under section 1396a of this title.

Effective Date of 1989 Amendment


Effective Date of 1988 Amendment

Amendment by Pub. L. 100–485 effective as if included in the enactment of the Medicare Catastrophic Coverage Act of 1988, Pub. L. 100–360, see section 608(g)(1) of Pub. L. 100–485, set out as a note under section 704 of this title.

Pub. L. 100–360, title III, §301(c)(2), July 1, 1988, 102 Stat. 750, provided that: "The amendment made by paragraph (1) [amending this section] shall take effect on January 1, 1989, and the amendments made by paragraph (2) [amending section 1396a of this title] shall take effect on July 1, 1989."

Effective Date of 1984 Amendment

Amendment by Pub. L. 98–369 effective July 18, 1984, but not to be construed as changing or affecting any right, liability, status, or interpretation which existed (under the provisions of law involved) before that date, see section 2354(c)(1) of Pub. L. 98–369, set out as a note under section 1320a–1 of this title.

Effective Date of 1983 Amendment; Transitional Rule

Amendment by Pub. L. 98–21 applicable to premiums for months beginning with January 1984, but for months after June 1983 and before January 1984, the monthly premium for June 1983 shall apply to individuals enrolled under parts A and B of this chapter, see section 606(c) of Pub. L. 98–21, set out as a note under section 1395 of this title.

Effective Date of 1980 Amendment

Pub. L. 96–499, title IX, §947(d), Dec. 5, 1980, 94 Stat. 2653, provided that: "The amendments made by this section [amending this section and section 1395q of this title] apply to notices filed after the third calendar month beginning after the date of the enactment of this Act [Dec. 5, 1980]."

Effective Date of 1974 Amendment


Effective Date of 1973 Amendment


Termination Period for Certain Individuals Covered Pursuant to State Agreements

Pub. L. 96–499, title IX, §947(e), Dec. 5, 1980, 94 Stat. 2653, provided that: "The coverage period under part B of title XVIII of the Social Security Act [42 U.S.C. 1395 et seq.] of an individual whose coverage period attributable to a State agreement under section 1843 of such Act [42 U.S.C. 1395w] is terminated and who has filed notice before the end of the third calendar month beginning after the date of the enactment of this Act [Dec. 5, 1980] that he no longer wishes to participate in the medical insurance program established by part B of title XVIII shall terminate on the earlier of (1) the day specified in section 1838 [42 U.S.C. 1395q] without the amendments made by this section, or (2) unless the individual files notice before the day specified in this clause that he wishes his coverage period to terminate as provided in clause (1) the day on which his coverage period would terminate if the individual filed notice in the fourth calendar month beginning after the date of the enactment of this Act."

District of Columbia; Agreement of Commissioner With Secretary for Supplementary Medical Insurance

Pub. L. 90–227, §2, Dec. 27, 1967, 81 Stat. 745, provided that: "The Commissioner [now Mayor of District of Columbia] may enter into an agreement (and any modifications of such agreement) with the Secretary under section 1843 of the Social Security Act [42 U.S.C. 1395w] pursuant to which (1) eligible individuals (as defined in section 1836 of the Social Security Act) [42 U.S.C. 1395q] who are eligible to receive medical assistance under the District of Columbia’s plan for medical assistance approved under title XIX of the Social Security Act [42 U.S.C. 1396 et seq.] will be enrolled in the supplementary medical insurance program established under part B of title XVIII of the Social Security Act [42 U.S.C. 1395q et seq.], and (2) provisions will be made for payment of the monthly premiums of such individuals for such program."
not otherwise appropriated, to the Federal Supplementary Medical Insurance Trust Fund—

(1) A Government contribution equal to the aggregate premiums payable for a month for enrollees age 65 and over under this part and deposited in the Trust Fund, multiplied by the ratio of—

(i) twice the dollar amount of the actuarially adequate rate per enrollee age 65 and over as determined under section 1395r(a)(1) of this title for such month minus the dollar amount of the premium per enrollee for such month, as determined under section 1395r(a)(3) of this title, to

(ii) the dollar amount of the premium per enrollee for such month, plus

(B) a Government contribution equal to the aggregate premiums payable for a month for enrollees under age 65 and over under this part and deposited in the Trust Fund, multiplied by the ratio of—

(i) twice the dollar amount of the actuarially adequate rate per enrollee age 65 as determined under section 1395r(a)(4) of this title for such month minus the dollar amount of the premium per enrollee for such month, as determined under section 1395r(a)(3) of this title, to

(ii) the dollar amount of the premium per enrollee for such month; minus

(C) the aggregate amount of additional premium payments attributable to the application of section 1395r(i) of this title; plus

(2) such sums as the Secretary deems necessary to place the Trust Fund, at the end of any fiscal year occurring after June 30, 1967, in the same position in which it would have been at the end of such fiscal year if (A) a Government contribution representing the excess of the premiums deposited in the Trust Fund during the fiscal year ending June 30, 1967, over the Government contribution actually appropriated to the Trust Fund during such fiscal year had been appropriated to it on June 30, 1967, and (B) the Government contribution for premiums deposited in the Trust Fund after June 30, 1967, had been appropriated to it when such premiums were deposited; plus

(3) a Government contribution equal to the amount of payment incentives payable under sections 1395w–4(o) and 1395w–23(l)(3) of this title.

In applying paragraph (1), the amounts transferred under subsection (d)(1) with respect to enrollees described in subparagraphs (A) and (B) of such subsection shall be treated as premiums payable and deposited in the Trust Fund under subparagraphs (A) and (B), respectively, of paragraph (1).

(b) Contingency reserve

In order to assure prompt payment of benefits provided under this part and the administrative expenses thereunder during the early months of the program established by this part, and to provide a contingency reserve, there is also authorized to be appropriated, out of any moneys in the Treasury not otherwise appropriated, to remain available through the calendar year 1969 for repayable advances (without interest) to the Trust Fund, an amount equal to $18 multiplied by the number of individuals (as estimated by the Secretary) who could be covered in July 1966 by the insurance program established by this part if they had theretofore enrolled under this part.

(c) Election under section 1395w–24

The Secretary shall determine the Government contribution under subparagraphs (A) and (B) of subsection (a)(1) without regard to any premium reduction resulting from an election under section 1395w–24(f)(1)(E) of this title or any credits provided under section 1395w–24(b)(1)(C)(iv) of this title and without regard to any premium adjustment effected under sections 1395r(h) and 1395w–29(f) of this title and without regard to any premium adjustment under section 1395r(c) of this title.

(d) Transfer of certain General Fund amounts for 2016

(1) For 2016, there shall be transferred from the General Fund to the Trust Fund an amount, as estimated by the Chief Actuary of the Centers for Medicare & Medicaid Services, equal to the reduction in aggregate premium payments payable under this part for a month in such year (excluding any changes in amounts collected under section 1395r(i) of this title) that is attributable to the application of section 1395r(a)(5)(A) of this title and without regard to any premium adjustment under section 1395r(i) of this title.

(2) Premium increases affected under section 1395r(a)(6) of this title shall not be taken into account in applying subsection (a).

(3) There shall be transferred from the Trust Fund to the General Fund of the Treasury amounts equivalent to the additional premiums payable as a result of the application of section 1395r(a)(6) of this title, excluding the aggregate payments attributable to the application of section 1395r(i)(3)(A)(ii)(II) of this title.


REFERENCES IN TEXT

Section 1395w–24(b)(1)(C)(iv) of this title, referred to in subsec. (c), was redesignated section 1

1See References in Text note below.


AMENDMENTS


2009—Subsec. (a)(2), (3). Pub. L. 111–5 in par. (2) substituted ‘‘; plus’’ for period at end and added par. (3).


Pub. L. 108–173, §241(b)(2)(C), inserted ‘‘and without regard to any premium adjustment under section 1395r(i) of this title’’ before period at end.


1988 Amendment note below.

1988 Amendment note: See Historical and Subject Matter Notes under section 4022(c)(2) of Pub. L. 105–33 set out as an Effective Date of Repeal note under section 401 of this title.

1984 Amendment.

Amendment by Pub. L. 98–369 effective July 18, 1984, but not to be construed as changing or affecting any right, liability, status, or interpretation which existed (under the provisions of law involved) before that date, see section 254(e)(1) of Pub. L. 98–369, set out as a note under section 1385r of this title.

Amendment by Pub. L. 104–191 applicable to premiums for months beginning with January 1996, see section 4022(c)(2) of Pub. L. 104–191, set out as an Effective Date of Repeal note under section 401 of this title.

Effective Date of 1983 Amendment; Transitional Rule

Amendment by Pub. L. 98–21 applicable to premiums for months beginning with January 1984, but for months after June 1983 and before January 1984, the amount of Government contributions under section (a)(1) of this section shall be computed with the actuarially adequate rate which would have been in effect for the amendments made by this section and using the amount of the premium in effect for June 1983, see section 606(c) of Pub. L. 98–21, set out as a note under section 1385r of this title.

Effective Date of 1972 Amendment

Pub. L. 92–603, title II, §203(e), Oct. 30, 1972, 86 Stat. 1377, provided that the amendment made by that section is effective with respect to enrollee premiums payable for months after June 1973.

Construction of 2015 Amendment; Conditional Application to 2017

For provisions relating to construction and application of amendment by Pub. L. 114–74, see sections 601(d) and 601(e) of Pub. L. 114–74, set out as notes under section 1385r of this title.

1395w–2. Intermediate sanctions for providers or suppliers of clinical diagnostic laboratory tests

(a) If the Secretary determines that any provider or clinical laboratory approved for participation with

1972 Amendment

Amendment by Pub. L. 92–603, title II, §203(e), Oct. 30, 1972, 86 Stat. 1377, provided that the amendment made by that section is effective with respect to enrollee premiums payable for months after June 1973.

Construction of 2015 Amendment; Conditional Application to 2017

For provisions relating to construction and application of amendment by Pub. L. 114–74, see sections 601(d) and 601(e) of Pub. L. 114–74, set out as notes under section 1385r of this title.


Effective Date of Repeal

Repeal effective Nov. 1, 1997, the date of termination of the Prospective Payment Assessment Commission and the Physician Payment Review Commission, see section 4022(c)(2) of Pub. L. 105–33 set out as an Effective Date of Repeal note under section 1385b–6 of this title.

1395w–2. Intermediate sanctions for providers or suppliers of clinical diagnostic laboratory tests

(a) If the Secretary determines that any provider or clinical laboratory approved for partici-
pation under this subchapter no longer substantially meets the conditions of participation or for coverage specified under this subchapter with respect to the provision of clinical diagnostic laboratory tests under this part, the Secretary may (for a period not to exceed one year) impose intermediate sanctions developed pursuant to subsection (b), in lieu of terminating immediately the provider agreement or cancelling immediately the provider agreement or cancelling immediately approval of the clinical laboratory. 

(b)(1) The Secretary shall develop and implement—

(A) a range of intermediate sanctions to apply to providers or clinical laboratories under the conditions described in subsection (a), and

(B) appropriate procedures for appealing determinations relating to the imposition of such sanctions.

(2)(A) The intermediate sanctions developed under paragraph (1) shall include—

(i) directed plans of correction,

(ii) civil money penalties in an amount not to exceed $10,000 for each day of substantial noncompliance,

(iii) payment for the costs of onsite monitoring by an agency responsible for conducting surveys, and

(iv) suspension of all or part of the payments to which a provider or clinical laboratory would otherwise be entitled under this subchapter with respect to clinical diagnostic laboratory tests furnished on or after the date on which the Secretary determines that intermediate sanctions should be imposed pursuant to subsection (a).

The provisions of section 1320a–7a of this title (other than subsections (a) and (b)) shall apply to a civil money penalty under clause (ii) in the same manner as such provisions apply to a penalty or proceeding under section 1320a–7(a) of this title.

(B) The sanctions specified in subparagraph (A) are in addition to sanctions otherwise available under State or Federal law.

(3) The Secretary shall develop and implement specific procedures with respect to when and how each of the intermediate sanctions developed under paragraph (1) is to be applied, the amounts of any penalties, and the severity of each of these penalties. Such procedures shall be designed so as to minimize the time between identification of violations and imposition of these sanctions and shall provide for the imposition of incrementally more severe penalties for repeated or uncorrected deficiencies.


AMENDMENTS

1999—Pub. L. 106–144 amended or repealed by such section are restored or revived as if such section had not been enacted, see 1988 Amendment notes below.

1995—Pub. L. 104–199 amended or repealed by such section are restored or revived as if such section had not been enacted, see 1988 Amendment notes below.


AMENDMENTS

1999—Pub. L. 106–144 substituted “providers or suppliers of” for “providers of” in section catchline.

1989—Pub. L. 101–234 repealed Pub. L. 100–360, §203(e)(4), and provided that the provisions of law
§ 1395w–3. Competitive acquisition of certain items and services

(a) Establishment of competitive acquisition programs

(1) Implementation of programs

(A) In general

The Secretary shall establish and implement programs under which competitive acquisition areas are established throughout the United States for contract award purposes for the furnishing under this part of competitively priced items and services (described in paragraph (2)) for which payment is made under this part. Such areas may differ for different items and services.

(B) Phased-in implementation

The programs—

(i) shall be phased in among competitive acquisition areas in a manner consistent with subparagraph (D) so that the competition under the programs occurs in—

(I) 10 of the largest metropolitan statistical areas in 2007;

(II) an additional 91 of the largest metropolitan statistical areas in 2011; and

(III) additional areas after 2011 (or, in the case of national mail order for items and services, after 2010); and

(ii) may be phased in first among the highest cost and highest volume items and services or those items and services that the Secretary determines have the largest savings potential.

(C) Waiver of certain provisions

In carrying out the programs, the Secretary may waive such provisions of the Federal Acquisition Regulation as are necessary for the efficient implementation of this section, other than provisions relating to confidentiality of information and such other provisions as the Secretary determines appropriate.

(D) Changes in competitive acquisition programs

(i) Round 1 of competitive acquisition program

Notwithstanding subparagraph (B)(i)(I) and in implementing the first round of the competitive acquisition programs under this section—

(I) the contracts awarded under this section before July 15, 2008, are terminated, no payment shall be made under this subchapter on or after July 15, 2008, based on such a contract, and, to the extent that any damages may be applicable as a result of the termination of such contracts, such damages shall be payable from the Federal Supplementary Medical Insurance Trust Fund under section 1395t of this title; and

(ii) the Secretary shall conduct the competition for such round in a manner so that it occurs in 2009 with respect to the same items and services and the same areas, except as provided in subclauses (II) and (IV); and

(iii) the Secretary shall exclude Puerto Rico so that such round of competition covers 9, instead of 10, of the largest metropolitan statistical areas; and

(iv) there shall be excluded negative pressure wound therapy items and services.

Nothing in subclause (I) shall be construed to provide an independent cause of action or right to administrative or judicial review with regard to the termination provided under such subclause.

(ii) Round 2 of competitive acquisition program

In implementing the second round of the competitive acquisition programs under this section described in subparagraph (B)(i)(II)—

(I) the metropolitan statistical areas to be included shall be those metropolitan statistical areas selected by the Secretary for such round as of June 1, 2008;

(II) the Secretary shall include the next 21 largest metropolitan statistical areas by total population (after those selected under subclause (I)) for such round; and

(III) the Secretary may subdivide metropolitan statistical areas with populations (based upon the most recent data from the Census Bureau) of at least 8,000,000 into separate areas for competitive acquisition purposes.

(iii) Exclusion of certain areas in subsequent rounds of competitive acquisition programs

In implementing subsequent rounds of the competitive acquisition programs under this section, including under subparagraph (B)(i)(III), for competitions occurring before 2015, the Secretary shall exempt from the competitive acquisition program (other than national mail order) the following:

(I) Rural areas.

(II) Metropolitan statistical areas not selected under round 1 or round 2 with a population of less than 250,000.

(III) Areas with a low population density within a metropolitan statistical area that is otherwise selected, as determined for purposes of paragraph (3)(A).

(E) Verification by OIG

The Inspector General of the Department of Health and Human Services shall, through post-award audit, survey, or otherwise, assess the process used by the Centers for Medicare & Medicaid Services to conduct competitive bidding and subsequent pricing determinations under this section that are the basis for pivotal bid amounts and single payment amounts for items and services in competitive bidding areas under rounds 1...
and 2 of the competitive acquisition programs under this section and may continue to verify such calculations for subsequent rounds of such programs.

(F) Supplier feedback on missing financial documentation

(i) In general

In the case of a bid where one or more covered documents in connection with such bid have been submitted not later than the covered document review date specified in clause (ii), the Secretary—

(I) shall provide, by not later than 45 days (in the case of the first round of the competitive acquisition programs as described in subparagraph (B)(i)(I)) or 90 days (in the case of a subsequent round of such programs) after the covered document review date, for notice to the bidder of all such documents that are missing as of the covered document review date; and

(II) may not reject the bid on the basis that any covered document is missing or has not been submitted on a timely basis, if all such missing documents identified in the notice provided to the bidder under subclause (I) are submitted to the Secretary not later than 10 business days after the date of such notice.

(ii) Covered document review date

The covered document review date specified in this clause with respect to a competitive acquisition program is the later of—

(I) the date that is 30 days before the final date specified by the Secretary for submission of bids under such program; or

(II) the date that is 30 days after the first date specified by the Secretary for submission of bids under such program.

(iii) Limitations of process

The process provided under this subparagraph—

(I) applies only to the timely submission of covered documents;

(II) does not apply to any determination as to the accuracy or completeness of covered documents submitted or whether such documents meet applicable requirements;

(III) shall not prevent the Secretary from rejecting a bid based on any basis not described in clause (i)(II); and

(IV) shall not be construed as permitting a bidder to change bidding amounts or to make other changes in a bid submission.

(iv) Covered document defined

In this subparagraph, the term “covered document” means a financial, tax, or other document required to be submitted by a bidder as part of an original bid submission under a competitive acquisition program in order to meet required financial standards. Such term does not include other documents, such as the bid itself or accreditation documentation.

(G) Requiring bid bonds for bidding entities

With respect to rounds of competitions beginning under this subsection for contracts beginning not earlier than January 1, 2017, and not later than January 1, 2019, an entity may not submit a bid for a competitive acquisition area unless, as of the deadline for bid submission, the entity has obtained (and provided the Secretary with proof of having obtained) a bid surety bond (in this paragraph referred to as a “bid bond”) in a form specified by the Secretary consistent with subparagraph (H) and in an amount that is not less than $50,000 and not more than $100,000 for each competitive acquisition area in which the entity submits the bid.

(H) Treatment of bid bonds submitted

(i) For bidders that submit bids at or below the median and are offered but do not accept the contract

In the case of a bidding entity that is offered a contract for any product category for a competitive acquisition area, if—

(I) the entity’s composite bid for such product category and area was at or below the median composite bid rate for all bidding entities included in the calculation of the single payment amounts for such product category and area; and

(II) the entity does not accept the contract offered for such product category and area, the bid bond submitted by such entity for such area shall be forfeited by the entity and the Secretary shall collect on it.

(ii) Treatment of other bidders

In the case of a bidding entity for any product category for a competitive acquisition area, if the entity does not meet the bid forfeiture conditions in subclauses (I) and (II) of clause (i) for any product category for such area, the bid bond submitted by such entity for such area shall be returned within 90 days of the public announcement of the contract suppliers for such area.

(2) Items and services described

The items and services referred to in paragraph (1) are the following:

(A) Durable medical equipment and medical supplies

Covered items (as defined in section 1395m(a)(13) of this title) for which payment would otherwise be made under section 1395m(a) of this title, including items used in infusion and drugs (other than inhalation drugs) and supplies used in conjunction with durable medical equipment, but excluding class III devices under the Federal Food, Drug, and Cosmetic Act [21 U.S.C. 301 et seq.], excluding certain complex rehabilitative power wheelchairs recognized by the Secretary as classified within group 3 or higher, complex rehabilitative manual wheelchairs (as determined by the Secretary), and certain manual wheelchairs (identified, as of October 1, 2018, by HCPCS
§ 1395w–3

(3) Exception authority

In carrying out the programs under this section, the Secretary may exempt—

(A) rural areas and areas with low population density within urban areas that are not competitive, unless there is a significant national market through mail order for a particular item or service; and

(B) items and services for which the application of competitive acquisition is not likely to result in significant savings.

(C) Off-the-shelf orthotics

Orthotics described in section 1395x(s)(9) of this title for which payment would otherwise be made under section 1395m(h) of this title which require minimal self-adjustment for appropriate use and do not require expertise in trimming, bending, molding, assembling, or customizing to fit to the individual.

(4) Special rule for certain rented items of durable medical equipment and oxygen

In the case of a covered item for which payment is made on a rental basis under section 1395m(a) of this title and in the case of payment for oxygen under section 1395m(a)(5) of this title, the Secretary shall establish a process by which rental agreements for the covered items and supply arrangements with oxygen suppliers entered into before the application of the competitive acquisition program under this section for the item may be continued notwithstanding this section. In the case of a covered item or service the supplier involved shall provide for appropriate servicing and replacement, as required under section 1395m(a) of this title.

(5) Physician authorization

(A) In general

With respect to items or services included within a particular HCPCS code, the Secretary may establish a process for certain items and services under which a physician may prescribe a particular brand or mode of delivery of an item or service within such code if the physician determines that use of the particular item or service would avoid an adverse medical outcome on the individual, as determined by the Secretary.

(B) No effect on payment amount

A prescription under subparagraph (A) shall not affect the amount of payment otherwise applicable for the item or service under the code involved.

(6) Application

For each competitive acquisition area in which the program is implemented under this subsection with respect to items and services, the payment basis determined under the competition conducted under subsection (b) shall be substituted for the payment basis otherwise applied under section 1395m(a) of this title, section 1395m(h) of this title, or section 1395u(s) of this title, as appropriate.

(7) Exemption from competitive acquisition

The programs under this section shall not apply to the following:

(A) Certain off-the-shelf orthotics

Items and services described in paragraph (2)(C) if furnished—

(i) by a physician or other practitioner (as defined by the Secretary) to the physician’s or practitioner’s own patients as part of the physician’s or practitioner’s professional service; or

(ii) by a hospital to the hospital’s own patients during an admission or on the date of discharge.

(B) Certain durable medical equipment

Those items and services described in paragraph (2)(A)—

(i) that are furnished by a hospital to the hospital’s own patients during an admission or on the date of discharge; and

(ii) to which such programs would not apply, as specified by the Secretary, if furnished by a physician to the physician’s own patients as part of the physician’s professional service.

(b) Program requirements

(1) In general

The Secretary shall conduct a competition among entities supplying items and services described in subsection (a)(2) for each competitive acquisition area in which the program is implemented under subsection (a) with respect to such items and services.

(2) Conditions for awarding contract

(A) In general

The Secretary may not award a contract to any entity under the competition conducted in an competitive acquisition area pursuant to paragraph (1) to furnish such items or services unless the Secretary finds all of the following:

(i) The entity meets applicable quality standards specified by the Secretary under section 1395m(a)(20) of this title.

(ii) The entity meets applicable financial standards specified by the Secretary, taking into account the needs of small providers.

(iii) The total amounts to be paid to contractors in a competitive acquisition area are expected to be less than the total amounts that would otherwise be paid.

(iv) Access of individuals to a choice of multiple suppliers in the area is maintained.

1 So in original. Probably should be “a”.
§ 1395w–3

The entity meets applicable State licensure requirements.

(B) Timely implementation of program

Any delay in the implementation of quality standards under section 1395m(a)(20) of this title or delay in the receipt of advice from the program oversight committee established under subsection (c) shall not delay the implementation of the competitive acquisition program under this section.

(3) Contents of contract

(A) In general

A contract entered into with an entity under the competition conducted pursuant to paragraph (1) is subject to terms and conditions that the Secretary may specify.

(B) Term of contracts

The Secretary shall recompete contracts under this section not less often than once every 3 years.

(C) Disclosure of subcontractors

(i) Initial disclosure

Not later than 10 days after the date a supplier enters into a contract with the Secretary under this section, such supplier shall disclose to the Secretary, in a form and manner specified by the Secretary, the information on—

(I) each subcontracting relationship that such supplier has in furnishing items and services under the contract; and

(II) whether each such subcontractor meets the requirement of section 1395m(a)(20)(F)(i) of this title, if applicable to such subcontractor.

(ii) Subsequent disclosure

Not later than 10 days after such a supplier subsequently enters into a subcontracting relationship described in clause (i)(II), such supplier shall disclose to the Secretary, in such form and manner, the information described in subclauses (I) and (II) of clause (i).

(4) Limit on number of contractors

(A) In general

The Secretary may limit the number of contractors in a competitive acquisition area to the number needed to meet projected demand for items and services covered under the contracts. In awarding contracts, the Secretary shall take into account the ability of bidding entities to furnish items or services in sufficient quantities to meet the anticipated needs of individuals for such items or services in the geographic area covered under the contract on a timely basis.

(B) Multiple winners

The Secretary shall award contracts to multiple entities submitting bids in each area for an item or service.

(5) Payment

(A) In general

Payment under this part for competitively priced items and services described in subsection (a)(2) shall be based on bids submitted and accepted under this section for such items and services. Based on such bids the Secretary shall determine a single payment amount for each item or service in each competitive acquisition area.

(B) Reduced beneficiary cost-sharing

(i) Application of coinsurance

Payment under this section for items and services shall be in an amount equal to 80 percent of the payment basis described in subparagraph (A).

(ii) Application of deductible

Before applying clause (i), the individual shall be required to meet the deductible described in section 1395l(b) of this title.

(C) Payment on assignment-related basis

Payment for any item or service furnished by the entity may only be made under this section on an assignment-related basis.

(D) Construction

Nothing in this section shall be construed as precluding the use of an advanced beneficiary notice with respect to a competitively priced item and service.

(6) Participating contractors

(A) In general

Except as provided in subsection (a)(4), payment shall not be made for items and services described in subsection (a)(2) furnished by a contractor and for which competition is conducted under this section unless—

(i) the contractor has submitted a bid for such items and services under this section; and

(ii) the Secretary has awarded a contract to the contractor for such items and services under this section.

(B) Bid defined

In this section, the term “bid” means an offer to furnish an item or service for a particular price and time period that includes, where appropriate, any services that are attendant to the furnishing of the item or service.

(C) Rules for mergers and acquisitions

In applying subparagraph (A) to a contractor, the contractor shall include a successor entity in the case of a merger or acquisition, if the successor entity assumes such contract along with any liabilities that may have occurred thereunder.

(D) Protection of small suppliers

In developing procedures relating to bids and the awarding of contracts under this section, the Secretary shall take appropriate steps to ensure that small suppliers of items and services have an opportunity to be considered for participation in the program under this section.

(7) Consideration in determining categories for bids

The Secretary may consider the clinical efficiency and value of specific items within
§ 1395w–3 TIT. 42—THE PUBLIC HEALTH AND WELFARE

codes, including whether some items have a greater therapeutic advantage to individuals.

(8) Authority to contract for education, monitoring, outreach, and complaint services

The Secretary may enter into contracts with appropriate entities to address complaints from individuals who receive items and services from an entity with a contract under this section and to conduct appropriate education of and outreach to such individuals and monitoring quality of services with respect to the program.

(9) Authority to contract for implementation

The Secretary may contract with appropriate entities to implement the competitive bidding program under this section.

(10) Special rule in case of competition for diabetic testing strips

(A) In general

With respect to the competitive acquisition program for diabetic testing strips conducted after the first round of the competitive acquisition programs, if an entity does not demonstrate to the Secretary that its bid covers types of diabetic testing strip products that, in the aggregate and taking into account volume for the different products, cover 50 percent (or such higher percentage as the Secretary may specify) of all such types of products, the Secretary shall reject such bid. With respect to bids to furnish such types of products on or after January 1, 2019, the volume for such types of products shall be determined by the Secretary through the use of multiple sources of data (from mail order and non-mail order Medicare markets), including market-based data measuring sales of diabetic testing strip products that are not exclusively sold by a single retailer from such markets.

(B) Study of types of testing strip products

Before 2011, the Inspector General of the Department of Health and Human Services shall conduct a study to determine the types of diabetic testing strip products by volume that could be used to make determinations pursuant to subparagraph (A) for the first competition under the competitive acquisition program described in such subparagraph and submit to the Secretary a report on the results of the study. The Inspector General shall also conduct such a study and submit such a report before the Secretary conducts a subsequent competitive acquisition program described in subparagraph (A).

(C) Demonstration of ability to furnish types of diabetic testing strip products

With respect to bids to furnish diabetic testing strip products on or after January 1, 2019, an entity shall attest to the Secretary that the entity has the ability to obtain an inventory of the types and quantities of diabetic testing strip products that will allow the entity to furnish such products in a manner consistent with its bid and—

(i) demonstrate to the Secretary, through letters of intent with manufacturers, wholesalers, or other suppliers, or other evidence as the Secretary may specify, such ability; or

(ii) demonstrate to the Secretary that it made a good faith attempt to obtain such a letter of intent or such other evidence.

(D) Use of unlisted types in calculation of percentage

With respect to bids to furnish diabetic testing strip products on or after January 1, 2019, in determining under subparagraph (A) whether a bid submitted by an entity under such subparagraph covers 50 percent (or such higher percentage as the Secretary may specify) of all types of diabetic testing strip products, the Secretary may not attribute a percentage to types of diabetic testing strip products that the Secretary does not identify by brand, model, and market share volume.

(E) Adherence to demonstration

(i) In general

In the case of an entity that is furnishing diabetic testing strip products on or after January 1, 2019, under a contract entered into under the competition conducted pursuant to paragraph (1), the Secretary shall establish a process to monitor, on an ongoing basis, the extent to which such entity continues to cover the product types included in the entity’s bid.

(ii) Termination

If the Secretary determines that an entity described in clause (i) fails to maintain in inventory, or otherwise maintain ready access to (through requirements, contracts, or otherwise) a type of product included in the entity’s bid, the Secretary may terminate such contract unless the Secretary finds that the failure of the entity to maintain inventory of, or ready access to, the product is the result of the discontinuation of the product by the product manufacturer, a market-wide shortage of the product, or the introduction of a newer model or version of the product in the market involved.

(11) Additional special rules in case of competition for diabetic testing strips

(A) In general

With respect to an entity that is furnishing diabetic testing strip products to individuals under a contract entered into under the competitive acquisition program established under this section, the entity shall furnish to each individual a brand of such products that is compatible with the home blood glucose monitor selected by the individual.

(B) Prohibition on influencing and incentivizing

An entity described in subparagraph (A) may not attempt to influence or incentivize an individual to switch the brand of glucose monitor or diabetic testing strip product selected by the individual, including by—

So in original. Probably should be “acquisition”.

...
(i) persuading, pressuring, or advising the individual to switch; or
(ii) furnishing information about alternative brands to the individual where the individual has not requested such information.

(C) Provision of information

(i) Standardized information

Not later than January 1, 2019, the Secretary shall develop and make available to entities described in subparagraph (A) standardized information that describes the rights of an individual with respect to such an entity. The information described in the preceding sentence shall include information regarding—
(I) the requirements established under subparagraphs (A) and (B);
(II) the right of the individual to purchase diabetic testing strip products from another mail order supplier of such products or a retail pharmacy if the entity is not able to furnish the brand of such product that is compatible with the home blood glucose monitor selected by the individual; and
(III) the right of the individual to return diabetic testing strip products furnished to the individual by the entity.

(ii) Requirement

With respect to diabetic testing strip products furnished on or after January 1, 2019, the Secretary shall require an entity furnishing diabetic testing strip products to an individual to contact and receive a request from the individual for such products not more than 14 days prior to dispensing a refill of such products to the individual.

(D) Order refills

With respect to diabetic testing strip products furnished on or after January 1, 2019, the Secretary shall require an entity furnishing diabetic testing strip products to an individual to contact and receive a request from the individual for such products not more than 14 days prior to dispensing a refill of such products to the individual.

(12) No administrative or judicial review

There shall be no administrative or judicial review under section 1395ff of this title, section 1395oo of this title, or otherwise, of—
(A) the establishment of payment amounts under paragraph (5);
(B) the awarding of contracts under this section;
(C) the designation of competitive acquisition areas under subsection (a)(1)(A) and the identification of areas under subsection (a)(1)(D)(iii);
(D) the phased-in implementation under subsection (a)(1)(B) and implementation of subsection (a)(1)(D);
(E) the selection of items and services for competitive acquisition under subsection (a)(2);
(F) the bidding structure and number of contractors selected under this section; or
(G) the implementation of the special rule described in paragraph (10).

(c) Program Advisory and Oversight Committee

(1) Establishment

The Secretary shall establish a Program Advisory and Oversight Committee (hereinafter in this section referred to as the “Committee”).

(2) Membership; terms

The Committee shall consist of such members as the Secretary may appoint who shall serve for such term as the Secretary may specify.

(3) Duties

(A) Advice

The Committee shall provide advice to the Secretary with respect to the following functions:
(i) The implementation of the program under this section,
(ii) The establishment of financial standards for purposes of subsection (b)(2)(A)(ii),
(iii) The establishment of requirements for collection of data for the efficient management of the program,
(iv) The development of proposals for efficient interaction among manufacturers, providers of services, suppliers (as defined in section 1395x(d) of this title), and individuals,
(v) The establishment of quality standards under section 1395m(a)(20) of this title.

(B) Additional duties

The Committee shall perform such additional functions to assist the Secretary in carrying out this section as the Secretary may specify.

(4) Inapplicability of FACA

The provisions of the Federal Advisory Committee Act (5 U.S.C. App.) shall not apply.

(5) Termination

The Committee shall terminate on December 31, 2011.

(d) Report

Not later than July 1, 2011, the Secretary shall submit to Congress a report on the programs under this section. The report shall include information on savings, reductions in cost-sharing, access to and quality of items and services, and satisfaction of individuals.


(f) Competitive acquisition ombudsman

The Secretary shall provide for a competitive acquisition ombudsman within the Centers for Medicare & Medicaid Services in order to respond to complaints and inquiries made by suppliers and individuals relating to the application of the competitive acquisition program under this section. The ombudsman may be within the office of the Medicare Beneficiary Ombudsman appointed under section 1395b–9(c) of this title. The ombudsman shall submit to Congress an an-
nual report on the activities under this subsection, which report shall be coordinated with the report provided under section 1395b–9(c)(2)(C) of this title.

(Aug. 14, 1935, ch. 531, title XVIII, § 1847, as added Pub. L. 105–33, except as otherwise provided, see section 1395b–9(c)(2)(C) of this title).

References in Text


Amendments

2008—Subsec. (a)(1)(D), (H). Pub. L. 114–10, § 522(a), added subpar. (G) and (H).


2015—Subsec. (a)(1)(G), (H). Pub. L. 114–10, § 522(a), added subpars. (G) and (H).

 EFFECTIVE DATE OF 2008 AMENDMENT


 EFFECTIVE DATE OF 1999 AMENDMENT


CONSTRUCTION OF 2015 AMENDMENT

made by paragraph (1) [amending this section] shall be construed as affecting the authority of the Secretary of Health and Human Services to require State licensure of any entity under the Medicare competitive acquisition program under section 1847 of the Social Security Act (42 U.S.C. 1395w–3) before the date of the enactment of this Act [Apr. 16, 2015].”

Non-application of Medicare Fee Schedule Adjustments for Wheelchair Accessories and Seat and Back Cushions When Furnished in Connection with Complex Rehabilitative Manual Wheelchairs


“(1) IN GENERAL.—Notwithstanding any other provision of law, the Secretary of Health and Human Services shall not, during the period beginning on January 1, 2020, and ending on June 30, 2021, use information on the payment determined under the competitive acquisition programs under section 1847 of the Social Security Act (42 U.S.C. 1395w–3) to adjust the payment amount that would otherwise be recognized under section 1834(a)(1)(B)(i) of such Act (42 U.S.C. 1395u(a)(1)(B)(i)) for wheelchair accessories (including seating systems) and seat and back cushions when furnished in connection with complex rehabilitative manual wheelchairs (as determined by the Secretary), and certain manual wheelchairs (identified, as of October 1, 2018, by HCPCS codes E1235, E1236, E1237, and K0008 or any successor to such codes).

“(2) IMPLEMENTATION.—Notwithstanding any other provision of law, the Secretary may implement this subsection by program instruction or otherwise.

Implementation of 2018 Amendment

Pub. L. 115–123, div. E, title IV, §504(h)(c), Feb. 9, 2018, 132 Stat. 223, provided that:

“(1) IMPLEMENTATION.—Notwithstanding any other provision of law, the Secretary of Health and Human Services may implement the provisions of, and amendments made by, this section [amending this section] by program instruction or otherwise.

“(2) NON-APPLICATION OF THE PAPERWORK REDUCTION ACT.—This section shall not apply to the Paperwork Reduction Act of 1995, as commonly referred to as the ‘Paperwork Reduction Act of 1995’.

GAO Report on Impact of Competitive Acquisition on Suppliers


“(A) STUDY.—The Comptroller General of the United States shall conduct a study on the impact of competitive acquisition of durable medical equipment under section 1847 of the Social Security Act (42 U.S.C. 1395w–3), as amended by paragraph (1) and as amended by section 2 of the Medicare DMEPOS Competitive Acquisition Reform Act of 2008 [probably should refer to section 154 of the Medicare Improvements for Patients and Providers Act of 2008, Pub. L. 110–275], on suppliers and manufacturers of such equipment and on patients. Such study shall specifically examine the impact of such competitive acquisition on access to, and quality of, such equipment and service related to such equipment and the topics specified in subparagraph (C).

“(B) REPORT.—Not later than 1 year after the first date that payments are made under section 1847 of the Social Security Act, the Comptroller General shall submit to Congress a report on the study conducted under subparagraph (A) and shall include in the report such recommendations as the Comptroller General determines appropriate.

“(C) TOPICS.—The topics specified in this subparagraph, for the study under subparagraph (A) concerning the competitive acquisition program, are the following:

“(i) Beneficiary access to items and services under the program, including the impact on such access of awarding contracts to bidders that—

“(I) did not have a physical presence in an area where they received a contract; or

“(II) had no previous experience providing the product category they were contracted to provide.

“(ii) Beneficiary satisfaction with the program and cost savings to beneficiaries under the program.

“(iii) Costs to suppliers of participating in the program and the recommendations about ways to reduce those costs without compromising quality standards or savings to the Medicare program.

“(iv) Impact of the program on small business suppliers.

“(v) Analysis of the impact on utilization of different items and services paid within the same Healthcare Common Procedure Coding System (HCPCS) code.

“(vi) Costs to the Centers for Medicare & Medicaid Services, including payments made to contractors, for administering the program compared with administration of a fee schedule, in comparison with the relative savings of the program.

“(vii) Impact on access, Medicare spending, and beneficiary spending of any difference in treatment for diabetic testing supplies depending on how such supplies are furnished.

“(viii) Such other topics as the Comptroller General determines to be appropriate.

STUDY BY GAO

Pub. L. 108–33, title IV, §4319(c), Aug. 5, 1997, 111 Stat. 394, provided that: “The Comptroller of the United States shall study the effectiveness of the establishment of competitive acquisition areas under section 1847(a) of the Social Security Act (42 U.S.C. 1395w–3a), as added by this section.”

§ 1395w–3a. Use of average sales price payment methodology

(a) Application

(1) In general

Except as provided in paragraph (2), this section shall apply to payment for drugs and biologicals that are described in section 1395u(a)(1)(C) of this title and that are furnished on or after January 1, 2005.

(2) Election

This section shall not apply in the case of a physician who elects under subsection (a)(1)(A)(i) of section 1395w–3b of this title for that section to apply instead of this section for the payment for drugs and biologicals.

(b) Payment amount

(1) In general

Subject to paragraph (7) and subsections (d)(3)(C) and (e), the amount of payment determined under this section for the billing and payment code for a drug or biological (based on a minimum dosage unit) is, subject to applicable deductible and coinsurance—
(A) in the case of a multiple source drug (as defined in subsection (c)(6)(C)), 106 percent of the amount determined under paragraph (3) for a multiple source drug furnished before April 1, 2008, or 106 percent of the amount determined under paragraph (6) for a multiple source drug furnished on or after April 1, 2008;

(B) in the case of a single source drug or biological (as defined in subsection (c)(6)(D)), 106 percent of the amount determined under paragraph (4); or

(C) in the case of a biosimilar biological product (as defined in subsection (c)(6)(H)), the amount determined under paragraph (8).

(2) Specification of unit

(A) Specification by manufacturer

The manufacturer of a drug or biological shall specify the unit associated with each National Drug Code (including package size) as part of the submission of data under section 1396r–8(b)(3)(A)(iii) of this title.

(B) Unit defined

In this section, the term “unit” means, with respect to each National Drug Code (including package size) associated with a drug or biological, the lowest identifiable quantity (such as a capsule or tablet, milligram of molecules, or grams) of the drug or biological that is dispensed, exclusive of any diluent without reference to volume measures pertaining to liquids. For years after 2004, the Secretary may establish the unit for a manufacturer to report and methods for counting units as the Secretary determines appropriate to implement this section.

(3) Multiple source drug

For all drug products included within the same multiple source drug billing and payment code, the amount specified in this paragraph is the volume-weighted average of the average sales prices reported under section 1396r–8(b)(3)(A)(iii) of this title determined by—

(A) computing the sum of the products (for each National Drug Code assigned to such drug products) of—

(i) the manufacturer’s average sales price (as defined in subsection (c)); and

(ii) the total number of units specified under paragraph (2) sold; and

(B) dividing the sum determined under subparagraph (A) by the sum of the total number of units under subparagraph (A)(i) for all National Drug Codes assigned to such drug products.

(4) Single source drug or biological

The amount specified in this paragraph for a single source drug or biological is the lesser of the following:

(A) Average sales price

The average sales price as determined using the methodology applied under paragraph (3) for single source drugs and biologicals furnished before April 1, 2008, and using the methodology applied under paragraph (6) for single source drugs and biologicals furnished on or after April 1, 2008, for all National Drug Codes assigned to such drug or biological product.

(B) Wholesale acquisition cost (WAC)

The wholesale acquisition cost (as defined in subsection (c)(6)(B)) using the methodology applied under paragraph (3) for single source drugs and biologicals furnished before April 1, 2008, and using the methodology applied under paragraph (6) for single source drugs and biologicals furnished on or after April 1, 2008, for all National Drug Codes assigned to such drug or biological product.

(5) Basis for payment amount

The payment amount shall be determined under this subsection based on information reported under subsection (f) and without regard to any special packaging, labeling, or identifiers on the dosage form or product or package.

(6) Use of volume-weighted average sales prices in calculation of average sales price

(A) In general

For all drug products included within the same multiple source drug billing and payment code, the amount specified in this paragraph is the volume-weighted average of the average sales prices reported under section 1396r–8(b)(3)(A)(iii) of this title determined by—

(i) computing the sum of the products (for each National Drug Code assigned to such drug products) of—

(I) the manufacturer’s average sales price (as defined in subsection (c)), determined by the Secretary without dividing such price by the total number of billing units for the National Drug Code for the billing and payment code; and

(II) the total number of units specified under paragraph (2) sold; and

(ii) dividing the sum determined under clause (i) by the sum of the products (for each National Drug Code assigned to such drug products) of—

(I) the total number of units specified under paragraph (2) sold; and

(II) the total number of billing units for the National Drug Code for the billing and payment code.

(B) Billing unit defined

For purposes of this subsection, the term “billing unit” means the identifiable quantity associated with a billing and payment code, as established by the Secretary.

(7) Special rule

Beginning with April 1, 2008, the payment amount for—

(A) each single source drug or biological described in section 1395u(o)(1)(G) of this title that is treated as a multiple source drug because of the application of subsection (c)(6)(C)(ii) is the lower of—

(i) the payment amount that would be determined for such drug or biological applying such subsection; or

(ii) the payment amount that would have been determined for such drug or biological—
(B) a multiple source drug described in section 1395u(o)(1)(G) of this title (excluding a drug or biological that is treated as a multiple source drug because of the application of such subsection) is the lower of—
(ii) the payment amount that would have been determined for such drug or biological if such subsection were not applied.

(8) Biosimilar biological product
The amount specified in this paragraph for a biosimilar biological product described in paragraph (1)(C) is the sum of—
(A) the average sales price as determined using the methodology described under paragraph (6) applied to a biosimilar biological product for all National Drug Codes assigned to such product in the same manner as such paragraph is applied to drugs described in such paragraph; and
(B) 6 percent of the amount determined under paragraph (4) for the reference biological product (as defined in subsection (c)(6)(I)).

(c) Manufacturer’s average sales price
(1) In general
For purposes of this section, subject to paragraphs (2) and (3), the manufacturer’s “average sales price” means, of a drug or biological for a National Drug Code for a calendar quarter for a manufacturer for a unit—
(A) the manufacturer’s sales to all purchasers (excluding sales exempted in paragraph (2)) in the United States for such drug or biological in the calendar quarter; divided by
(B) the total number of such units of such drug or biological sold by the manufacturer in such quarter.

(2) Certain sales exempted from computation
In calculating the manufacturer’s average sales price under this subsection, the following sales shall be excluded:
(A) Sales exempt from best price
Sales exempt from the inclusion in the determination of “best price” under section 1396r–8(c)(1)(C)(i) of this title.
(B) Sales at nominal charge
Such other sales as the Secretary identifies as sales to an entity that are merely nominal in amount (as applied for purposes of section 1396r–8(c)(1)(C)(ii)(III) of this title, except as the Secretary may otherwise provide).

(3) Sale price net of discounts
In calculating the manufacturer’s average sales price under this subsection, such price shall include volume discounts, prompt pay discounts, cash discounts, free goods that are contingent on any purchase requirement, chargebacks, and rebates (other than rebates under section 1396r–8 of this title). For years after 2004, the Secretary may include in such price other price concessions, which may be based on recommendations of the Inspector General, that would result in a reduction of the cost to the purchaser.

(4) Payment methodology in cases where average sales price during first quarter of sales is unavailable
In the case of a drug or biological during an initial period (not to exceed a full calendar quarter) in which data on the prices for sales for the drug or biological is not sufficiently available from the manufacturer to compute an average sales price for the drug or biological, the Secretary may determine the amount payable under this section—
(A) in the case of a drug or biological furnished prior to January 1, 2019, based on—
(i) the wholesale acquisition cost; or
(ii) the methodologies in effect under this part on November 1, 2003, to determine payment amounts for drugs or biologicals; and
(B) in the case of a drug or biological furnished on or after January 1, 2019—
(i) at an amount not to exceed 103 percent of the wholesale acquisition cost; or
(ii) based on the methodologies in effect under this part on November 1, 2003, to determine payment amounts for drugs or biologicals.

(5) Frequency of determinations
(A) In general on a quarterly basis
The manufacturer’s average sales price, for a drug or biological of a manufacturer, shall be calculated by such manufacturer under this subsection on a quarterly basis. In making such calculation insofar as there is a lag in the reporting of the information on rebates and chargebacks under paragraph (3) so that adequate data are not available on a timely basis, the manufacturer shall apply a methodology based on a 12-month rolling average for the manufacturer to estimate costs attributable to rebates and chargebacks. For years after 2004, the Secretary may establish a uniform methodology under this subparagraph to estimate and apply such costs.

(B) Updates in payment amounts
The payment amounts under subsection (b) shall be updated by the Secretary on a quarterly basis and shall be applied based upon the manufacturer’s average sales price calculated for the most recent calendar quarter for which data is available.

(C) Use of contractors; implementation
The Secretary may contract with appropriate entities to calculate the payment amount under subsection (b). Notwithstanding any other provision of law, the Secretary may implement, by program instruction or otherwise, any of the provisions of this section.

(6) Definitions and other rules
In this section:
§ 1395w–3a

(A) Manufacturer

The term “manufacturer” means, with respect to a drug or biological, the manufacturer (as defined in section 1396r–8(k)(5) of this title).

(B) Wholesale acquisition cost

The term “wholesale acquisition cost” means, with respect to a drug or biological, the manufacturer’s list price for the drug or biological to wholesalers or direct purchasers in the United States, not including prompt pay or other discounts, rebates or reductions in price, for the most recent month for which the information is available, as reported in wholesale price guides or other publications of drug or biological pricing data.

(C) Multiple source drug

(i) In general

The term “multiple source drug” means, for a calendar quarter, a drug for which there are 2 or more drug products which—

(I) are rated as therapeutically equivalent (under the Food and Drug Administration’s most recent publication of “Approved Drug Products with Therapeutic Equivalence Evaluations”).

(II) except as provided in subparagraph (E), are pharmaceutically equivalent and bioequivalent, as determined under subparagraph (F) and as determined by the Food and Drug Administration, and

(III) are sold or marketed in the United States during the quarter.

(ii) Exception

With respect to single source drugs or biologicals that are within the same billing and payment code as of October 1, 2003, the Secretary shall treat such single source drugs or biologicals as if the single source drugs or biologicals were multiple source drugs.

(D) Single source drug or biological

The term “single source drug or biological” means—

(i) a biological; or

(ii) a drug which is not a multiple source drug and which is produced or distributed under a new drug application approved by the Food and Drug Administration, including a drug product marketed by any cross-licensed producers or distributors operating under the new drug application.

(E) Exception from pharmaceutical equivalence and bioequivalence requirement

Subparagraph (O)(ii) shall not apply if the Food and Drug Administration changes by regulation the requirement that, for purposes of the publication described in subparagraph (O)(i), in order for drug products to be rated as therapeutically equivalent, they must be pharmaceutically equivalent and bioequivalent, as defined in subparagraph (F).

(F) Determination of pharmaceutical equivalence and bioequivalence

For purposes of this paragraph—

(i) drug products are pharmaceutically equivalent if the products contain identical amounts of the same active drug ingredient in the same dosage form and meet compendial or other applicable standards of strength, quality, purity, and identity; and

(ii) drugs are bioequivalent if they do not present a known or potential bioequivalence problem, or, if they do present such a problem, they are shown to meet an appropriate standard of bioequivalence.

(G) Inclusion of vaccines

In applying provisions of section 1396r–8 of this title under this section, “other than a vaccine” is deemed deleted from section 1396r–8(k)(2)(B) of this title.

(H) Biosimilar biological product

The term “biosimilar biological product” means a biological product approved under an abbreviated application for a license of a biological product that relies in part on data or information in an application for another biological product licensed under section 262 of this title.

(I) Reference biological product

The term “reference biological product” means the biological product licensed under such section 262 of this title that is referred to in the application described in subparagraph (H) of the biosimilar biological product.

(d) Monitoring of market prices

(1) In general

The Inspector General of the Department of Health and Human Services shall conduct studies, which may include surveys, to determine the widely available market prices of drugs and biologicals to which this section applies, as the Inspector General, in consultation with the Secretary, determines to be appropriate.

(2) Comparison of prices

Based upon such studies and other data for drugs and biologicals, the Inspector General shall compare the average sales price under this section for drugs and biologicals with—

(A) the widely available market price for such drugs and biologicals (if any); and

(B) the average manufacturer price (as determined under section 1396r–8(k)(1) of this title) for such drugs and biologicals.

(3) Limitation on average sales price

(A) In general

The Secretary may disregard the average sales price for a drug or biological that exceeds the widely available market price or the average manufacturer price for such drug or biological by the applicable threshold percentage (as defined in subparagraph (B)).

(B) Applicable threshold percentage defined

In this paragraph, the term “applicable threshold percentage” means—

(i) in 2005, in the case of an average sales price for a drug or biological that exceeds
widely available market price or the average manufacturer price, 5 percent; and
(ii) in 2006 and subsequent years, the percentage applied under this subparagraph subject to such adjustment as the Secretary may specify for the widely available market price or the average manufacturer price, or both.
(C) Authority to adjust average sales price
If the Inspector General finds that the average sales price for a drug or biological exceeds such widely available market price or average manufacturer price for such drug or biological by the applicable threshold percentage, the Inspector General shall inform the Secretary (at such times as the Secretary may specify to carry out this subparagraph) and the Secretary shall, effective as of the next quarter, substitute for the amount of payment otherwise determined under this section for such drug or biological the lesser of—
(i) the widely available market price for the drug or biological (if any); or
(ii) 103 percent of the average manufacturer price (as determined under section 1396r–8(k)(1) of this title) for the drug or biological.
(4) Civil money penalty
(A) In general
If the Secretary determines that a manufacturer has made a misrepresentation in the reporting of the manufacturer’s average sales price for a drug or biological, the Secretary may apply a civil money penalty in an amount of up to $10,000 for each such price misrepresentation and for each day in which such price misrepresentation was applied.
(B) Procedures
The provisions of section 1320a–7a of this title (other than subsections (a) and (b)) shall apply to civil money penalties under subparagraph (B) in the same manner as they apply to a penalty or proceeding under section 1320a–7a(a) of this title.
(5) Widely available market price
(A) In general
In this subsection, the term “widely available market price” means the price that a prudent physician or supplier would pay for the drug or biological. In determining such price, the Inspector General shall take into account the discounts, rebates, and other price concessions routinely made available to such prudent physicians or suppliers for such drugs or biologicals.
(B) Considerations
In determining the price under subparagraph (A), the Inspector General shall consider information from one or more of the following sources:
(i) Manufacturers.
(ii) Wholesalers.
(iii) Distributors.
(iv) Physician supply houses.
(v) Specialty pharmacies.
(vi) Group purchasing arrangements.
(vii) Surveys of physicians.
(viii) Surveys of suppliers.
(ix) Information on such market prices from private health plans.
(e) Authority to use alternative payment in response to public health emergency
In the case of a public health emergency under section 247d of this title in which there is a documented inability to access drugs and biologicals, and a concomitant increase in the price, of a drug or biological which is not reflected in the manufacturer’s average sales price for one or more quarters, the Secretary may use the wholesale acquisition cost (or other reasonable measure of drug or biological price) instead of the manufacturer’s average sales price for such quarters and for subsequent quarters until the price and availability of the drug or biological has stabilized and is substantially reflected in the applicable manufacturer’s average sales price.
(f) Quarterly report on average sales price
For requirements for reporting the manufacturer’s average sales price (and, if required to make payment, the manufacturer’s wholesale acquisition cost) for the drug or biological under this section, see section 1396r–8(b)(3) of this title.
(g) Judicial review
There shall be no administrative or judicial review under section 1395f of this title, section 1395oo of this title, or otherwise, of—
(1) determinations of payment amounts under this section, including the assignment of National Drug Codes to billing and payment codes;
(2) the identification of units (and package size) under subsection (b)(2);
(3) the method to allocate rebates, chargebacks, and other price concessions to a quarter if specified by the Secretary;
(4) the manufacturer’s average sales price when it is used for the determination of a payment amount under this section; and
(5) the disclosure of the average manufacturer price by reason of an adjustment under subsection (d)(3)(C) or (e).

AMENDMENTS
2019—Subsec. (c)(4). Pub. L. 116–39 substituted “payable under this section—” for “payable under this section for the drug or biological based on—” in introductory provisions, added subpars. (A) and (B), and struck out former subpars. (A) and (B) which read as follows: “(A) the wholesale acquisition cost; or
“(B) the methodologies in effect under this part on November 1, 2008, to determine payment amounts for drugs or biologicals.”

1 So in original. The comma probably should not appear.

APPLICATION OF 2003 AMENDMENT TO PHYSICIAN SPECIALTIES

Amendment by section 303 of Pub. L. 108–173, insofar as applicable to payments for drugs or biologicals and drug administration services furnished by physicians, is applicable only to physician in the specialties of hematology, hematology/oncology, and medical oncology under this subchapter, see section 303(j) of Pub. L. 108–173, set out as a note under section 1395u of this title.

Notwithstanding section 303(j) of Pub. L. 108–173 (see note above), amendment by section 303 of Pub. L. 108–173 also applicable to payments for drugs or biologicals and drug administration services furnished by physicians in specialties other than the specialties of hematology, hematology/oncology, and medical oncology, see section 304 of Pub. L. 108–173, set out as a note under section 1395u of this title.

§ 1395w–3b. Competitive acquisition of outpatient drugs and biologicals

(a) Implementation of competitive acquisition

(1) Implementation of program

(A) In general

The Secretary shall establish and implement a competitive acquisition program under which—

(i) competitive acquisition areas are established for contract award purposes for acquisition of and payment for categories of competitively biddable drugs and biologicals (as defined in paragraph (2)) under this part;

(ii) each physician is given the opportunity annually to elect to obtain drugs and biologicals under the program, rather than under section 1395w–3a of this title; and

(iii) each physician who elects to obtain drugs and biologicals under the program makes an annual selection under paragraph (5) of the contractor through which drugs and biologicals within a category of drugs and biologicals will be acquired and received by the physician under this part.

This section shall not apply in the case of a physician who elects section 1395w–3a of this title to apply.

(B) Implementation

For purposes of implementing the program, the Secretary shall establish categories of competitively biddable drugs and biologicals. The Secretary shall phase in the program with respect to those categories beginning in 2006 in such manner as the Secretary determines to be appropriate.

(C) Waiver of certain provisions

In order to promote competition, in carrying out the program the Secretary may waive such provisions of the Federal Acquisition Regulation as are necessary for the efficient implementation of this section, other than provisions relating to confidentiality of information and such other provisions as the Secretary determines appropriate.

(D) Exclusion authority

The Secretary may exclude competitively biddable drugs and biologicals (including a class of such drugs and biologicals) from the...
competitive bidding system under this section if the application of competitive bidding to such drugs or biologicals—
   (i) is not likely to result in significant savings; or
   (ii) is likely to have an adverse impact on access to such drugs or biologicals.

(2) Competitively biddable drugs and biologicals and program defined

For purposes of this section—

(A) Competitively biddable drugs and biologicals defined

The term “competitively biddable drugs and biologicals” means a drug or biological described in section 1395u(o)(1)(C) of this title and furnished on or after January 1, 2006.

(B) Program

The term “program” means the competitive acquisition program under this section.

(C) Competitive acquisition area; area

The terms “competitive acquisition area” and “area” mean an appropriate geographic region established by the Secretary under the program.

(D) Contractor

The term “contractor” means an entity that has entered into a contract with the Secretary under this section.

(3) Application of program payment methodology

(A) In general

With respect to competitively biddable drugs and biologicals which are supplied under the program in an area and which are prescribed by a physician who has elected this section to apply—
   (i) the claim for such drugs and biologicals shall be submitted by the contractor that supplied the drugs and biologicals;
   (ii) collection of amounts of any deductible and coinsurance applicable with respect to such drugs and biologicals shall be the responsibility of such contractor and shall not be collected unless the drug or biological is administered to the individual involved; and
   (iii) the payment under this section (and related amounts of any applicable deductible and coinsurance) for such drugs and biologicals shall be made only to such contractor upon receipt of a claim for a drug or biological supplied by the contractor for administration to a beneficiary.

(B) Process for adjustments

The Secretary shall provide a process for adjustments to payments in the case in which payment is made for drugs and biologicals which were billed at the time of dispensing but which were not actually administered.

(C) Information for purposes of cost-sharing

The Secretary shall provide a process by which physicians submit information to contractors for purposes of the collection of any applicable deductible or coinsurance amounts under subparagraph (A)(ii).

(D) Post-payment review process

The Secretary shall establish (by program instruction or otherwise) a post-payment review process (which may include the use of statistical sampling) to assure that payment is made for a drug or biological under this section only if the drug or biological has been administered to a beneficiary. The Secretary shall recoup, offset, or collect any overpayments determined by the Secretary under such process.

(4) Contract required

Payment may not be made under this part for competitively biddable drugs and biologicals prescribed by a physician who has elected this section to apply within a category and a competitive acquisition area with respect to which the program applies unless—
   (A) the drugs or biologicals are supplied by a contractor with a contract under this section for such category of drugs and biologicals and area; and
   (B) the physician has elected such contractor under paragraph (5) for such category and area.

(5) Contractor selection process

(A) Annual selection

   (i) In general

The Secretary shall provide a process for the selection of a contractor, on an annual basis and in such exigent circumstances as the Secretary may provide and with respect to each category of competitively biddable drugs and biologicals for an area by selecting physicians.

   (ii) Timing of selection

The selection of a contractor under clause (i) shall be made at the time of the election described in section 1395w–3a(a) of this title for this section to apply and shall be coordinated with agreements entered into under section 1395u(h) of this title.

(B) Information on contractors

The Secretary shall make available to physicians on an ongoing basis, through a directory posted on the Internet website of the Centers for Medicare & Medicaid Services or otherwise and upon request, a list of the contractors under this section in the different competitive acquisition areas.

(C) Selecting physician defined

For purposes of this section, the term “selecting physician” means, with respect to a contractor and category and competitive acquisition area, a physician who has elected this section to apply and has selected to apply under this section such contractor for such category and area.

(b) Program requirements

(1) Contract for competitively biddable drugs and biologicals

The Secretary shall conduct a competition among entities for the acquisition of competi-
§ 1395w–3b  TITLE 42—THE PUBLIC HEALTH AND WELFARE  Page 2938

(2) Conditions for awarding contract

(A) In general

The Secretary may not award a contract to any entity under the competition conducted in a competitive acquisition area pursuant to paragraph (1) with respect to the acquisition of competitively biddable drugs and biologicals within a category unless the Secretary finds that the entity meets all of the following with respect to the contract period involved:

(i) Capacity to supply competitively biddable drug or biological within category

(I) In general

The entity has sufficient arrangements to acquire and to deliver competitively biddable drugs and biologicals within such category in the area specified in the contract.

(II) Shipment methodology

The entity has arrangements in effect for the shipment at least 5 days each week of competitively biddable drugs and biologicals under the contract and for the timely delivery (including for emergency situations) of such drugs and biologicals in the area under the contract.

(ii) Quality, service, financial performance and solvency standards

The entity meets quality, service, financial performance, and solvency standards specified by the Secretary, including—

(I) the establishment of procedures for the prompt response and resolution of complaints of physicians and individuals and of inquiries regarding the shipment of competitively biddable drugs and biologicals; and

(II) a grievance and appeals process for the resolution of disputes.

(B) Additional considerations

The Secretary may refuse to award a contract under this section, and may terminate such a contract, with an entity based upon—

(i) the suspension or revocation, by the Federal Government or a State government, of the entity’s license for the distribution of drugs or biologicals (including controlled substances); or

(ii) the exclusion of the entity under section 1320a–7 of this title from participation under this subchapter.

(C) Application of Medicare Provider Ombudsman

For provision providing for a program-wide Medicare Provider Ombudsman to view complaints, see section 1395ee(b) of this title, as added by section 923 of the Medicare Prescription Drug, Improvement, and Modernization Act of 2003.\(^1\)

(3) Awarding multiple contracts for a category and area

The Secretary may limit (but not below 2) the number of qualified entities that are awarded such contracts for any category and area. The Secretary shall select among qualified entities based on the following:

(A) The bid prices for competitively biddable drugs and biologicals within the category and area.

(B) Bid price for distribution of such drugs and biologicals.

(C) Ability to ensure distribution of such drugs and biologicals.

(D) Customer service.

(E) Past experience in the distribution of drugs and biologicals, including controlled substances.

(F) Such other factors as the Secretary may specify.

(4) Terms of contracts

(A) In general

A contract entered into with an entity under the competition conducted pursuant to paragraph (1) is subject to terms and conditions that the Secretary may specify consistent with this section.

(B) Period of contracts

A contract under this section shall be for a term of 3 years, but may be terminated by the Secretary or the entity with appropriate, advance notice.

(C) Integrity of drug and biological distribution system

A contractor (as defined in subsection (a)(2)(D)) shall—

(i) acquire all drug and biological products it distributes directly from the manufacturer or from a distributor that has acquired the products directly from the manufacturer; and

(ii) comply with any product integrity safeguards as may be determined to be appropriate by the Secretary.

Nothing in this subparagraph shall be construed to relieve or exempt any contractor from the provisions of the Federal Food, Drug, and Cosmetic Act [21 U.S.C. 301 et seq.] that relate to the wholesale distribution of prescription drugs or biologicals.

(D) Compliance with code of conduct and fraud and abuse rules

Under the contract—

(i) the contractor shall comply with a code of conduct, specified or recognized by the Secretary, that includes standards relating to conflicts of interest; and

(ii) the contractor shall comply with all applicable provisions relating to prevention of fraud and abuse, including compliance with applicable guidelines of the Department of Justice and the Inspector Gen-

---

\(^1\) See References in Text note below.
eral of the Department of Health and Human Services.

(E) Direct delivery of drugs and biologicals to physicians

Under the contract the contractor shall only supply competitively biddable drugs and biologicals directly to the selecting physicians and not directly to individuals, except under circumstances and settings where an individual currently receives a drug or biological in the individual’s home or other non-physician office setting as the Secretary may provide. The contractor shall not deliver drugs and biologicals to a selecting physician except upon receipt of a prescription for such drugs and biologicals, and such necessary data as may be required by the Secretary to carry out this section. This section does not—

(1) require a physician to submit a prescription for each individual treatment; or
(2) change a physician’s flexibility in terms of writing a prescription for drugs or biologicals for a single treatment or a course of treatment.

(5) Permitting access to drugs and biologicals

The Secretary shall establish rules under this section under which drugs and biologicals which are acquired through a contractor under this section under which drugs and biologicals for a single treatment or a course of treatment.

(E) Direct delivery of drugs and biologicals

The amount of the bid submitted in a contract offer for any drug or biological for an area shall be the same for that drug or biological for all portions of that area.

(5) Confidentiality of bids

The provisions of subparagraph (D) of section 1396d–8(b)(3) of this title shall apply to periods during which a bid is submitted with respect to a competitively biddable drug or biological under this section in the same manner as it applies to information disclosed under such section, except that any reference—

(A) in that subparagraph to a “manufacturer or wholesaler” is deemed a reference to a “bidder” under this section;
(B) in that section to “prices charged for drugs” is deemed a reference to a “bid” submitted under this section; and
(C) in clause (i) of that section to “this section”, is deemed a reference to “part B of subchapter XVIII”.

(6) Inclusion of costs

The bid price submitted in a contract offer for a competitively biddable drug or biological shall—

(A) include all costs related to the delivery of the drug or biological to the selecting physician (or other point of delivery); and
(B) include the costs of dispensing (including shipping) of such drug or biological and management fees, but shall not include any costs related to the administration of the drug or biological, or wastage, spillage, or spoilage.

(7) Price adjustments during contract period; disclosure of costs

Each contract awarded shall provide for—

(A) disclosure to the Secretary the contractor’s reasonable, net acquisition costs for periods specified by the Secretary, not more often than quarterly, of the contract;

(B) appropriate price adjustments over the period of the contract to reflect significant increases or decreases in a contractor’s reasonable, net acquisition costs, as so disclosed.

(d) Computation of payment amounts

(1) In general

Payment under this section for competitively biddable drugs or biologicals shall be based on bids submitted and accepted under this section for such drugs or biologicals in an area. Based on such bids the Secretary shall determine a single payment amount for each competitively biddable drug or biological in the area.

(2) Special rules

The Secretary shall establish rules regarding the use under this section of the alternative payment amount provided under section 1395w–3a of this title to the use of a price for specific competitively biddable drugs and biologicals in the following cases:
(A) New drugs and biologicals
A competitively biddable drug or biological for which a payment and billing code has not been established.

(B) Other cases
Such other exceptional cases as the Secretary may specify in regulations.

(e) Cost-sharing

(1) Application of coinsurance
Payment under this section for competitively biddable drugs and biologicals shall be in an amount equal to 80 percent of the payment basis described in subsection (d)(1).

(2) Deductible
Before applying paragraph (1), the individual shall be required to meet the deductible described in section 1395(b) of this title.

(3) Collection
Such coinsurance and deductible shall be collected by the contractor that supplies the drug or biological involved. Subject to subsection (a)(3)(B), such coinsurance and deductible may be collected in a manner similar to the manner in which the coinsurance and deductible are collected for durable medical equipment under this part.

(f) Special payment rules

(1) Use in exclusion cases
If the Secretary excludes a drug or biological (or class of drugs or biologicals) under subsection (a)(1)(D), the Secretary may provide for payment to be made under this part for such drugs and biologicals (or class) using the payment methodology under section 1395w–3a of this title.

(2) Application of requirement for assignment
For provision requiring assignment of claims for competitively biddable drugs and biologicals, see section 1395u(o)(3) of this title.

(3) Protection for beneficiary in case of medical necessity denial
For protection of individuals against liability in the case of medical necessity determinations, see section 1395u(b)(3)(B)(ii)(III) of this title.

(g) Judicial review
There shall be no administrative or judicial review under section 1395ff of this title, section 1395oo of this title, or otherwise, of—

(1) the establishment of payment amounts under subsection (d)(1);
(2) the awarding of contracts under this section;
(3) the establishment of competitive acquisition areas under subsection (a)(2)(C);
(4) the phased-in implementation under subsection (a)(1)(B);
(5) the selection of categories of competitively biddable drugs and biologicals for competitive acquisition under such subsection or the selection of a drug in the case of multiple source drugs; or
(6) the bidding structure and number of contractors selected under this section.


REFERENCES IN TEXT
Section 1395ee(b) of this title, referred to in subsec. (b)(2)(C), was added by section 942(a)(5) of the Medicare Prescription Drug, Improvement, and Modernization Act of 2003, Pub. L. 108–173, not section 923 of that Act, and relates to the Council for Technology and Innovation, not to the Medicare Provider Ombudsman.

The Federal Food, Drug, and Cosmetic Act, referred to in subsec. (b)(4)(C), is act June 25, 1938, ch. 675, 52 Stat. 1040, as amended, which is classified generally to chapter 9 (§301 et seq.) of Title 21, Food and Drugs. For complete classification of this Act to the Code, see section 301 of Title 21 and Tables.

AMENDMENTS

‘‘(1) shall be made only to such contractor; and
‘‘(2) shall be conditioned upon the administration of such drugs and biologicals.’’


EFFECTIVE DATE OF 2006 AMENDMENT

‘‘(1) requiring the conduct of any additional competition under subsection (b)(1) of section 1847B of the Social Security Act (42 U.S.C. 1395w–3b)—

‘‘(I) on or after April 1, 2007; and
‘‘(II) on or after July 1, 2006, and before April 1, 2007, for claims that are unpaid as of April 1, 2007.’’

CONSTRUCTION OF 2006 AMENDMENT

‘‘(1) requiring the conduct of any additional competition under subsection (b)(1) of section 1847B of the Social Security Act (42 U.S.C. 1395w–3b); or
‘‘(2) requiring any additional procedure for elections by physicians under subsection (a)(1)(A)(ii) of such section or additional selection by a selecting physician of a contractor under subsection (a)(5) of such section.’’

REPORT
Pub. L. 108–173, title III, §303(d)(2), Dec. 8, 2003, 117 Stat. 2252, provided that: “Not later than July 1, 2006, the Secretary [of Health and Human Services] shall submit to Congress a report on the program conducted under section 1847B of the Social Security Act (42 U.S.C. 1395w–3b), as added by paragraph (1). Such report shall include information on savings, reductions in cost-sharing, access to competitively biddable drugs and biologicals, the range of choices of contractors available to physicians, the satisfaction of physicians and of individuals enrolled under this part [probably means part B of title XVIII of the Social Security Act, 42 U.S.C. 1395] et seq., and information comparing prices for drugs and biologicals under such section and section 1847A of such Act (42 U.S.C. 1395w–3a), as added by subsection (c).’’

APPLICATION OF 2003 AMENDMENT TO PHYSICIAN SPECIALTIES
Amendment by section 303 of Pub. L. 108–173, insofar as applicable to payments for drugs or biologicals and drug administration services furnished by physicians, is applicable only to physicians in the specialties of he-
§ 1395w–4. Payment for physicians’ services

(a) Payment based on fee schedule

(1) In general

Effective for all physicians’ services (as defined in subsection (j)(3)) furnished under this part during a year (beginning with 1992) for which payment is otherwise made on the basis of a reasonable charge or on the basis of a fee schedule under section 1395m(b) of this title, payment under this part shall instead be based on the lesser of—

(A) the actual charge for the service, or

(B) subject to the succeeding provisions of this subsection, the amount determined under the fee schedule established under subsection (b) for services furnished during that year (in this subsection referred to as the “fee schedule amount”).

(2) Transition to full fee schedule

(A) Limiting reductions and increases to 15 percent in 1992

(i) Limit on increase

In the case of a service in a fee schedule area (as defined in subsection (j)(2)) for which the adjusted historical payment basis (as defined in subparagraph (D)) is less than 85 percent of the fee schedule amount for services furnished in 1992, there shall be substituted for the fee schedule amount an amount equal to the adjusted historical payment basis plus 15 percent of the fee schedule amount otherwise established (without regard to this paragraph).

(ii) Limit in reduction

In the case of a service in a fee schedule area for which the adjusted historical payment basis exceeds 115 percent of the fee schedule amount for services furnished in 1992, there shall be substituted for the fee schedule amount an amount equal to the adjusted historical payment basis minus 15 percent of the fee schedule amount otherwise established (without regard to this paragraph).

(B) Special rule for 1993, 1994, and 1995

If a physicians’ service in a fee schedule area is subject to the provisions of subparagraph (A) in 1992, for physicians’ services furnished in the area—

(i) during 1993, there shall be substituted for the fee schedule amount an amount equal to the sum of—

(I) 75 percent of the fee schedule amount determined under subparagraph (A), adjusted by the update established under subsection (d)(3) for 1993, and

(II) 25 percent of the fee schedule amount determined under paragraph (1) for 1993 without regard to this paragraph;

(ii) during 1994, there shall be substituted for the fee schedule amount an amount equal to the sum of—

(I) 67 percent of the fee schedule amount determined under clause (i), adjusted by the update established under subsection (d)(3) for 1994 and as adjusted under subsection (c)(2)(F)(ii) and under section 13515(b) of the Omnibus Budget Reconciliation Act of 1993, and

(II) 33 percent of the fee schedule amount determined under paragraph (1) for 1994 without regard to this paragraph; and

(iii) during 1995, there shall be substituted for the fee schedule amount an amount equal to the sum of—

(I) 50 percent of the fee schedule amount determined under clause (ii) adjusted by the update established under subsection (d)(3) for 1995, and

(II) 50 percent of the fee schedule amount determined under paragraph (1) for 1995 without regard to this paragraph.

(C) Special rule for anesthesia and radiology services

With respect to physicians’ services which are anesthesia services, the Secretary shall provide for a transition in the same manner as a transition is provided for other services under subparagraph (B). With respect to radiology services, “109 percent” and “9 percent” shall be substituted for “115 percent” and “15 percent”, respectively, in subparagraph (A)(i).

(D) “Adjusted historical payment basis” defined

(i) In general

In this paragraph, the term “adjusted historical payment basis” means, with respect to a physicians’ service furnished in a fee schedule area, the weighted average prevailing charge applied in the area for the service in 1991 (as determined by the Secretary without regard to physician specialty and as adjusted to reflect payments for services with customary charges below the prevailing charge or other payment limitations imposed by law or regulation) adjusted by the update established under subsection (d)(3) for 1992.

(ii) Application to radiology services

In applying clause (i) in the case of physicians’ services which are radiology services (including radiologist services, as defined in section 1395m(b)(6) of this title), but excluding nuclear medicine services that are subject to section 6105(b) of the Omnibus Budget Reconciliation Act of 1989, there shall be substituted for the weighted average prevailing charge the amount provided under the fee schedule established for the service for the fee sched-
§ 1395w–4
TITLe 42—THE PUBLIC HEALTH AND WELFARE

1395w–4

(3) Incentives for participating physicians and suppliers

In applying paragraph (1)(B) in the case of a nonparticipating physician or a nonparticipating supplier or other person, the fee schedule amount shall be 95 percent of such amount otherwise applied under this subsection (without regard to this paragraph). In the case of physicians’ services (including services which the Secretary excludes pursuant to subsection (j)(3)) of a nonparticipating physician, supplier, or other person for which payment is made under this part on a basis other than the fee schedule amount, the payment shall be based on 95 percent of the payment basis for such services furnished by a participating physician, supplier, or other person.

(4) Special rule for medical direction

(A) In general

With respect to physicians’ services furnished on or after January 1, 1994, and consisting of medical direction of two, three, or four concurrent anesthesia cases, except as provided in paragraph (5), the fee schedule amount to be applied shall be equal to one-half of the amount described in subparagraph (B).

(B) Amount

The amount described in this subparagraph, for a physician’s medical direction of the performance of anesthesia services, is the following percentage of the fee schedule amount otherwise applicable under this section if the anesthesia services were personally performed by the physician alone:

(i) For services furnished during 1994, 120 percent.
(ii) For services furnished during 1995, 115 percent.
(iii) For services furnished during 1996, 110 percent.
(iv) For services furnished during 1997, 105 percent.
(v) For services furnished after 1997, 100 percent.

(5) Incentives for electronic prescribing

(A) Adjustment

(i) In general

Subject to subparagraph (B) and subsection (m)(2)(B), with respect to covered professional services furnished by an eligible professional during 2012, 2013 or 2014, if the eligible professional is not a successful electronic prescriber for the reporting period for the year (as determined under subsection (m)(3)(B)), the fee schedule amount for such services furnished by such professional during the year (including the fee schedule amount for purposes of determining a payment based on such amount) shall be equal to the applicable percent of the fee schedule amount that would otherwise apply to such services under this subsection (determined after application of paragraph (3) but without regard to this paragraph).

(ii) Applicable percent

For purposes of clause (i), the term “applicable percent” means—

(I) for 2012, 99 percent;
(II) for 2013, 98.5 percent; and
(III) for 2014, 98 percent.

(B) Significant hardship exception

The Secretary may, on a case-by-case basis, exempt an eligible professional from the application of the payment adjustment under subparagraph (A) if the Secretary determines, subject to annual renewal, that compliance with the requirement for being a successful electronic prescriber would result in a significant hardship, such as in the case of an eligible professional who practices in a rural area without sufficient Internet access.

(C) Application

(i) Physician reporting system rules

Paragraphs (5), (6), and (8) of subsection (k) shall apply for purposes of this paragraph in the same manner as they apply for purposes of such subsection.

(ii) Incentive payment validation rules

Clauses (ii) and (iii) of subsection (m)(5)(D) shall apply for purposes of this paragraph in a similar manner as they apply for purposes of such subsection.

(D) Definitions

For purposes of this paragraph:

(i) Eligible professional; covered professional services

The terms “eligible professional” and “covered professional services” have the meanings given such terms in subsection (k)(3).

(ii) Physician reporting system

The term “physician reporting system” means the system established under subsection (k).

(iii) Reporting period

The term “reporting period” means, with respect to a year, a period specified by the Secretary.

(6) Special rule for teaching anesthesiologists

With respect to physicians’ services furnished on or after January 1, 2010, in the case of teaching anesthesiologists involved in the training of physician residents in a single anesthesia case or two concurrent anesthesia cases, the fee schedule amount to be applied shall be 100 percent of the fee schedule amount otherwise applicable under this section if the anesthesia services were personally performed by the teaching anesthesiologist alone and paragraph (4) shall not apply if—
(A) the teaching anesthesiologist is present during all critical or key portions of the anesthesia service or procedure involved; and

(B) the teaching anesthesiologist (or another anesthesiologist with whom the teaching anesthesiologist has entered into an arrangement) is immediately available to furnish anesthesia services during the entire procedure.

(7) Incentives for meaningful use of certified EHR technology

(A) Adjustment

(i) In general

Subject to subparagraphs (B) and (D), with respect to covered professional services furnished by an eligible professional during each of 2015 through 2018, if the eligible professional is not a meaningful EHR user (as determined under subsection (o)(2)) for an EHR reporting period for the year, the fee schedule amount for such services furnished by such professional during the year (including the fee schedule amount for purposes of determining a payment based on such amount) shall be equal to the applicable percent of the fee schedule amount that would otherwise apply to such services under this subsection (determined after application of paragraph (3) but without regard to this paragraph).

(ii) Applicable percent

Subject to clause (iii), for purposes of clause (i), the term “applicable percent” means—

(I) for 2015, 99 percent (or, in the case of an eligible professional who was subject to the application of the payment adjustment under subsection (a)(5) for 2014, 98 percent);

(II) for 2016, 98 percent; and

(III) for 2017 and 2018, 97 percent.

(iii) Authority to decrease applicable percentage for 2018

For 2018, if the Secretary finds that the proportion of eligible professionals who are meaningful EHR users (as determined under subsection (o)(2)) is less than 75 percent, the applicable percent shall be decreased by 1 percentage point from the applicable percent in the preceding year.

(B) Significant hardship exception

The Secretary may, on a case-by-case basis (and, with respect to the payment adjustment under subparagraph (A) for 2017, for categories of eligible professionals, as established by the Secretary and posted on the Internet website of the Centers for Medicare & Medicaid Services prior to December 15, 2015, an application for which must be submitted to the Secretary by not later than March 15, 2016), exempt an eligible professional from the application of the payment adjustment under subparagraph (A) if the Secretary determines, subject to annual renewal, that compliance with the requirement for being a meaningful EHR user would result in a significant hardship, such as in the case of an eligible professional who practices in a rural area without sufficient Internet access. The Secretary shall exempt an eligible professional from the application of the payment adjustment under subparagraph (A) with respect to a year, subject to annual renewal, if the Secretary determines that compliance with the requirement for being a meaningful EHR user is not possible because the certified EHR technology used by such professional has been decertified under a program kept or recognized pursuant to section 300jj–11 of this title. In no case may an eligible professional be granted an exemption under this subparagraph for more than 5 years.

(C) Application of physician reporting system rules

Paragraphs (5), (6), and (8) of subsection (k) shall apply for purposes of this paragraph in the same manner as they apply for purposes of such subsection.

(D) Non-application to hospital-based and ambulatory surgical center-based eligible professionals

(i) Hospital-based

No payment adjustment may be made under subparagraph (A) in the case of hospital-based eligible professionals (as defined in subsection (o)(1)(C)(ii)).

(ii) Ambulatory surgical center-based

Subject to clause (iv), no payment adjustment may be made under subparagraph (A) for 2017 and 2018 in the case of an eligible professional with respect to whom substantially all of the covered professional services furnished by such professional are furnished in an ambulatory surgical center.

(iii) Determination

The determination of whether an eligible professional is an eligible professional described in clause (ii) may be made on the basis of—

(I) the site of service (as defined by the Secretary); or

(II) an attestation submitted by the eligible professional.

Determinations made under subclauses (I) and (II) shall be made without regard to any employment or billing arrangement between the eligible professional and any other supplier or provider of services.

(iv) Sunset

Clause (ii) shall no longer apply as of the first year that begins more than 3 years after the date on which the Secretary determines, through notice and comment rulemaking, that certified EHR technology applicable to the ambulatory surgical center setting is available.

(E) Definitions

For purposes of this paragraph:

(i) Covered professional services

The term “covered professional services” has the meaning given such term in subsection (k)(3).
§ 1395w–4

The term “EHR reporting period” means, with respect to a year, a period (or periods) specified by the Secretary.

(ii) Eligible professional

The term “eligible professional” means a physician, as defined in section 1395x(r) of this title.

(8) Incentives for quality reporting

(A) Adjustment

(i) In general

With respect to covered professional services furnished by an eligible professional during each of 2015 through 2018, if the eligible professional does not satisfactorily submit data on quality measures for covered professional services for the quality reporting period for the year (as determined under subsection (m)(3)(A)), the fee schedule amount for such services furnished by such professional during the year (including the fee schedule amount for purposes of determining a payment based on such amount) shall be equal to the applicable percent of the fee schedule amount that would otherwise apply to such services under this subsection (determined after application of paragraphs (3), (5), and (7), but without regard to this paragraph).

(ii) Applicable percent

For purposes of clause (i), the term “applicable percent” means—

(I) for 2015, 98.5 percent; and


(B) Application

(i) Physician reporting system rules

Paragraphs (5), (6), and (8) of subsection (k) shall apply for purposes of this paragraph in the same manner as they apply for purposes of such subsection.

(ii) Incentive payment validation rules

Clauses (ii) and (iii) of subsection (m)(5)(D) shall apply for purposes of this paragraph in a similar manner as they apply for purposes of such subsection.

(C) Definitions

For purposes of this paragraph:

(i) Eligible professional; covered professional services

The terms “eligible professional” and “covered professional services” have the meanings given such terms in subsection (j)(3).

(ii) Physician reporting system

The term “physician reporting system” means the system established under subsection (k).

(iii) Quality reporting period

The term “quality reporting period” means, with respect to a year, a period specified by the Secretary.

(9) Information reporting on services included in global surgical packages

With respect to services for which a physician is required to report information in accordance with subsection (c)(8)(B)(i), the Secretary may through rulemaking delay payment of 5 percent of the amount that would otherwise be payable under the physician fee schedule under this section for such services until the information so required is reported.

(b) Establishment of fee schedules

(1) In general

Before November 1 of the preceding year, for each year beginning with 1998, subject to subsection (p), the Secretary shall establish, by regulation, fee schedules that establish payment amounts for all physicians’ services furnished in all fee schedule areas (as defined in subsection (j)(2)) for the year. Except as provided in paragraph (2), each such payment amount for a service shall be equal to the product of—

(A) the relative value for the service (as determined in subsection (c)(2)),

(B) the conversion factor (established under subsection (d)) for the year, and

(C) the geographic adjustment factor (established under subsection (e)(2)) for the service for the fee schedule area.

(2) Treatment of radiology services and anesthesia services

(A) Radiology services

With respect to radiology services (including radiologist services, as defined in section 1395m(b)(6) of this title), the Secretary shall base the relative values on the relative value scale developed under section 1395m(b)(1)(A) of this title, with appropriate modifications of the relative values to assure that the relative values established for radiology services which are similar or related to other physicians’ services are consistent with the relative values established for those similar or related services.

(B) Anesthesia services

In establishing the fee schedule for anesthesia services for which a relative value guide has been established under section 4048(b) of the Omnibus Budget Reconciliation Act of 1987, the Secretary shall use, to the extent practicable, such relative value guide, with appropriate adjustment of the conversion factor, in a manner to assure that the fee schedule amounts for anesthesia services are consistent with the fee schedule amounts for other services determined by the Secretary to be of comparable value. In applying the previous sentence, the Secretary shall adjust the conversion factor by geographic adjustment factors in the same manner as such adjustment is made under paragraph (1)(C).

(C) Consultation

The Secretary shall consult with the Physician Payment Review Commission and organizations representing physicians or suppliers who furnish radiology services and anesthesia services in applying subparagraphs (A) and (B).

(3) Treatment of interpretation of electrocardiograms

The Secretary—
(A) shall make separate payment under this section for the interpretation of electrocardiograms performed or ordered to be performed as part of or in conjunction with a visit to or a consultation with a physician, and

(B) shall adjust the relative values established for visits and consultations under subsection (c) so as not to include relative value units for interpretations of electrocardiograms in the relative value for visits and consultations.

(4) Special rule for imaging services

(A) In general

In the case of imaging services described in subparagraph (B) furnished on or after January 1, 2007, if—

(i) the technical component (including the technical component portion of a global service established for a year under the fee schedule described in paragraph (1) without application of the geographic adjustment factor described in paragraph (1)(C), exceeds

(ii) the Medicare OPD fee schedule amount established under the prospective payment system for hospital outpatient department services under paragraph (3)(D) of section 1395(t) of this title for such service for such year, determined without regard to geographic adjustment under paragraph (2)(D) of such section, the Secretary shall substitute the amount described in clause (ii), adjusted by the geographic adjustment factor described in paragraph (1)(C), for the fee schedule amount for such technical component for such year.

(B) Imaging services described

For purposes of subparagraph (A), imaging services described in this subparagraph are imaging and computer-assisted imaging services, including X-ray, ultrasound (including echocardiography), nuclear medicine (including positron emission tomography), magnetic resonance imaging, computed tomography, and fluoroscopy, but excluding diagnostic and screening mammography, and for 2010, 2011, and the first 2 months of 2012, dual-energy x-ray absorptiometry services (as described in paragraph (6)).

(C) Adjustment in imaging utilization rate

With respect to fee schedules established for 2011, 2012, and 2013, in the methodology for determining practice expense relative value units for expensive diagnostic imaging equipment under the final rule published by the Secretary in the Federal Register on November 25, 2009 (42 CFR 410 et al.), the Secretary shall use a 75 percent assumption instead of the utilization rates otherwise established in such final rule. With respect to fee schedules established for 2014 and subsequent years, in such methodology, the Secretary shall use a 90 percent utilization rate.

(D) Adjustment in technical component discount on single-session imaging involving consecutive body parts

For services furnished on or after July 1, 2010, the Secretary shall increase the reduction in payments attributable to the multiple procedure payment reduction applicable to the technical component for imaging under the final rule published by the Secretary in the Federal Register on November 21, 2005 (part 405 of title 42, Code of Federal Regulations) from 25 percent to 50 percent.

(5) Treatment of intensive cardiac rehabilitation program

(A) In general

In the case of an intensive cardiac rehabilitation program described in section 1395x(eee)(4) of this title, the Secretary shall substitute the Medicare OPD fee schedule amount established under the prospective payment system for hospital outpatient department service under paragraph (3)(D) of section 1395(t) of this title for cardiac rehabilitation (under HCPCS codes 93797 and 93798 for calendar year 2007, or any succeeding HCPCS codes for cardiac rehabilitation).

(B) Definition of session

Each of the services described in subparagraphs (A) through (E) of section 1395x(eee)(3) of this title, when furnished for one hour, is a separate session of intensive cardiac rehabilitation.

(C) Multiple sessions per day

Payment may be made for up to 6 sessions per day of the series of 72 one-hour sessions of intensive cardiac rehabilitation services described in section 1395x(eee)(4)(B) of this title.

(6) Treatment of bone mass scans

For dual-energy x-ray absorptiometry services (identified in 2006 by HCPCS codes 76075 and 76077 (and any succeeding codes)) furnished during 2010, 2011, and the first 2 months of 2012, instead of the payment amount that would otherwise be determined under this section for such years, the payment amount shall be equal to 70 percent of the product of—

(A) the relative value for the service (as determined in subsection (c)(2)) for 2006;

(B) the conversion factor (established under subsection (d)) for 2006; and

(C) the geographic adjustment factor (established under subsection (e)(2)) for the service for the fee schedule area for 2010, 2011, and the first 2 months of 2012, respectively.

(7) Adjustment in discount for certain multiple therapy services

In the case of therapy services furnished on or after January 1, 2011, and before April 1, 2013, and for which payment is made under fee schedules established under this section, instead of the 25 percent multiple procedure payment reduction specified in the final rule published by the Secretary in the Federal Register on November 29, 2010, the reduction percentage shall be 20 percent. In the case of such services furnished on or after April 1, 2013, and for which payment is made under such fee schedules, instead of the 25 percent multiple procedure payment reduction specified in such final rule, the reduction percentage shall be 50 percent.
(8) Encouraging care management for individuals with chronic care needs

(A) In general

In order to encourage the management of care for individuals with chronic care needs the Secretary shall, subject to subparagraph (B), make payment (as the Secretary determines to be appropriate) under this section for chronic care management services furnished on or after January 1, 2015, by a physician (as defined in section 1395x(ww) of this title), physician assistant or nurse practitioner (as defined in section 1395x(aa)(5)(A) of this title), clinical nurse specialist (as defined in section 1395x(aa)(5)(B) of this title), or certified nurse midwife (as defined in section 1395x(aa)(5)(AA) of this title), or any combination of these providers provided for services furnished by a single provider on a single visit (as defined in section 1395x(hhh) of this title), or by multiple providers for services furnished to an individual during a period.

(B) Policies relating to payment

In carrying out this paragraph, with respect to chronic care management services, the Secretary shall—

(i) make payment to only one applicable provider for such services furnished to an individual during a period;

(ii) not make payment under subparagraph (A) if such payment would be duplicative of payment that is otherwise made under this subchapter for such services; and

(iii) not require that an annual wellness visit (as defined in section 1395x(hhh) of this title) or an initial preventive physical examination (as defined in section 1395x(ww) of this title) be furnished as a condition of payment for such management services.

(9) Special rule to incentivize transition from traditional X-ray imaging to digital radiography

(A) Limitation on payment for film X-ray imaging services

In the case of an imaging service (including the imaging portion of a service) that is an X-ray taken using film and that is furnished during 2017 or a subsequent year, the payment amount for the technical component (including the technical component portion of a global service) of such service that would otherwise be determined under this section (without application of this paragraph and before application of any other adjustment under this section) for such year shall be reduced by 10 percent.

(B) Phased-in limitation on payment for computed radiography imaging services

In the case of an imaging service (including the imaging portion of a service) that is an X-ray taken using computed radiography technology—

(i) in the case of such a service furnished during 2018, 2019, 2020, 2021, or 2022, the payment amount for the technical component (including the technical component portion of a global service) of such service that would otherwise be determined under this section (without application of this paragraph and before application of any other adjustment under this section) for such year shall be reduced by 7 percent; and

(ii) in the case of such a service furnished during 2023 or a subsequent year, the payment amount for the technical component (including the technical component portion of a global service) of such service that would otherwise be determined under this section (without application of this paragraph and before application of any other adjustment under this section) for such year shall be reduced by 10 percent.

(C) Computed radiography technology defined

For purposes of this paragraph, the term “computed radiography technology” means cassette-based imaging which utilizes an imaging plate to create the image involved.

(D) Implementation

In order to implement this paragraph, the Secretary shall adopt appropriate mechanisms which may include use of modifiers.

(10) Reduction of discount in payment for professional component of multiple imaging services

In the case of the professional component of imaging services furnished on or after January 1, 2017, instead of the 25 percent reduction for multiple procedures specified in the final rule published by the Secretary in the Federal Register on November 28, 2011, as amended in the final rule published by the Secretary in the Federal Register on November 16, 2012, the reduction percentage shall be 5 percent.

(11) Special rule for certain radiation therapy services

The code definitions, the work relative value units under subsection (c)(2)(C)(i), and the direct inputs for the practice expense relative value units under subsection (c)(2)(C)(ii) for radiation treatment delivery and related imaging services (identified in 2016 by HCPCS G-codes G6001 through G6015) for the fee schedule established under this subsection for services furnished in 2017, 2018, and 2019 shall be the same as such definitions, units, and inputs for such services for the fee schedule established for services furnished in 2016.

(e) Determination of relative values for physicians' services

(1) Division of physicians' services into components

In this section, with respect to a physicians' service:

(A) “Work component” defined

The term “work component” means the portion of the resources used in furnishing the service that reflects physician time and intensity in furnishing the service. Such portion shall—

(i) include activities before and after direct patient contact, and

(ii) be defined, with respect to surgical procedures, to reflect a global definition including pre-operative and post-operative physicians' services.
(B) “Practice expense component” defined

The term “practice expense component” means the portion of the resources used in furnishing the service that reflects the general categories of expenses (such as office rent and wages of personnel, but excluding malpractice expenses) comprising practice expenses.

(C) “Malpractice component” defined

The term “malpractice component” means the portion of the resources used in furnishing the service that reflects malpractice expenses in furnishing the service.

2) Determination of relative values

(A) In general

(i) Combination of units for components

The Secretary shall develop a methodology for combining the work, practice expense, and malpractice relative value units, determined under subparagraph (C), for each service in a manner to produce a single relative value for that service. Such relative values are subject to adjustment under subparagraph (F)(i) and section 13515(b) of the Omnibus Budget Reconciliation Act of 1993.

(ii) Extrapolation

The Secretary may use extrapolation and other techniques to determine the number of relative value units for physicians’ services for which specific data are not available and shall take into account recommendations of the Physician Payment Review Commission and the results of consultations with organizations representing physicians who provide such services.

(B) Periodic review and adjustments in relative values

(i) Periodic review

The Secretary, not less often than every 5 years, shall review the relative values established under this paragraph for all physicians’ services.

(ii) Adjustments

(I) In general

The Secretary shall, to the extent the Secretary determines to be necessary and subject to subclause (II) and paragraph (7), adjust the number of such units to take into account changes in medical practice, coding changes, new data on relative value components, or the addition of new procedures. The Secretary shall publish an explanation of the basis for such adjustments.

(II) Limitation on annual adjustments

Subject to clauses (iv) and (v), the adjustments under subclause (I) for a year may not cause the amount of expenditures under this part for the year to differ by more than $20,000,000 from the amount of expenditures under this part that would have been made if such adjustments had not been made.

(iii) Consultation

The Secretary, in making adjustments under clause (ii), shall consult with the Medicare Payment Advisory Commission and organizations representing physicians.

(iv) Exemption of certain additional expenditures from budget neutrality

The additional expenditures attributable to—

(I) subparagraph (H) shall not be taken into account in applying clause (ii)(II) for 2004:

(II) subparagraph (I) insofar as it relates to a physician fee schedule for 2005 or 2006 shall not be taken into account in applying clause (ii)(II) for drug administration services under the fee schedule for such year for a specialty described in subparagraph (I)(i)(II):

(III) subparagraph (J) insofar as it relates to a physician fee schedule for 2005 or 2006 shall not be taken into account in applying clause (ii)(II) for drug administration services under the fee schedule for such year; and

(IV) subsection (b)(6) shall not be taken into account in applying clause (ii)(II) for 2010, 2011, or the first 2 months of 2012.

(v) Exemption of certain reduced expenditures from budget-neutrality calculation

The following reduced expenditures, as estimated by the Secretary, shall not be taken into account in applying clause (ii)(II):

(I) Reduced payment for multiple imaging procedures

Effective for fee schedules established beginning with 2007, reduced expenditures attributable to the multiple procedure payment reduction for imaging under the final rule published by the Secretary in the Federal Register on November 21, 2005 (42 CFR 405, et al.) insofar as it relates to the physician fee schedules for 2006 and 2007.

(II) OPD payment cap for imaging services

Effective for fee schedules established beginning with 2007, reduced expenditures attributable to subsection (b)(4).

(III) Change in utilization rate for certain imaging services

Effective for fee schedules established beginning with 2011, reduced expenditures attributable to the changes in the utilization rate applicable to 2011 and 2014, as described in the first and second sentence, respectively, of subsection (b)(4)(C).


(VI) Additional reduced payment for multiple imaging procedures

Effective for fee schedules established beginning with 2010 (but not applied for
§ 1395w–4

TITLE 42—THE PUBLIC HEALTH AND WELFARE

Page 2948

services furnished prior to July 1, 2010), reduced expenditures attributable to the increase in the multiple procedure payment reduction from 25 to 50 percent (as described in subsection (b)(4)(D)).

(VII) Reduced expenditures for multiple therapy services

Effective for fee schedules established beginning with 2011, reduced expenditures attributable to the multiple procedure payment reduction for therapy services (as described in subsection (b)(7)).

(VIII) Reduced expenditures attributable to application of quality incentives for computed tomography

Effective for fee schedules established beginning with 2016, reduced expenditures attributable to the application of the quality incentives for computed tomography under section 1395m(p) of this title.

(IX) Reduction for misvalued services if target not met

Effective for fee schedules beginning with 2016, reduced expenditures attributable to the application of the target recapture amount described in subparagraph (O)(iii).

(X) Reduced expenditures attributable to incentives to transition to digital radiography

Effective for fee schedules established beginning with 2017, reduced expenditures attributable to subparagraph (A) of subsection (b)(9) and effective for fee schedules established beginning with 2018, reduced expenditures attributable to subparagraph (B) of such subsection.

(XI) Discount in payment for professional component of imaging services

Effective for fee schedules established beginning with 2017, reduced expenditures attributable to subsection (b)(10).

(vi) Alternative application of budget-neutrality adjustment

Notwithstanding subsection (d)(9)(A), effective for fee schedules established beginning with 2009, with respect to the 5-year review of work relative value units used in fee schedules for 2007 and 2008, in lieu of continuing to apply budget-neutrality adjustments required under clause (ii) for 2007 and 2008 to work relative value units, the Secretary shall apply such budget-neutrality adjustments to the conversion factor otherwise determined for years beginning with 2009.

(C) Computation of relative value units for components

For purposes of this section for each physicians’ service—

(i) Work relative value units

The Secretary shall determine a number of work relative value units for the service or group of services based on the relative resources incorporating physician time and intensity required in furnishing the service or group of services.

(ii) Practice expense relative value units

The Secretary shall determine a number of practice expense relative value units for the service or group of services for years before 1999 equal to the product of—

(I) the base allowed charges (as defined in subparagraph (D)) for the service, and

(II) the practice expense percentage for the service (as determined under paragraph (3)(C)(ii)),

and for years beginning with 1999 based on the relative practice expense resources involved in furnishing the service or group of services. For 1999, such number of units shall be determined based 75 percent on such product and based 25 percent on the relative practice expense resources involved in furnishing the service. For 2000, such number of units shall be determined based 50 percent on such product and based 50 percent on such relative practice expense resources. For 2001, such number of units shall be determined based 25 percent on such product and based 75 percent on such relative practice expense resources. For a subsequent year, such number of units shall be determined based entirely on such relative practice expense resources.

(iii) Malpractice relative value units

The Secretary shall determine a number of malpractice relative value units for the service or group of services for years before 2000 equal to the product of—

(I) the base allowed charges (as defined in subparagraph (D)) for the service or group of services (as determined under paragraph (3)(C)(ii)),

and for years beginning with 2000 based on the malpractice expense resources involved in furnishing the service or group of services.

(D) “Base allowed charges” defined

In this paragraph, the term “base allowed charges” means, with respect to a physician’s service, the national average allowed charges for the service under this part for services furnished during 1991, as estimated by the Secretary using the most recent data available.

(E) Reduction in practice expense relative value units for certain services

(i) In general

Subject to clause (ii), the Secretary shall reduce the practice expense relative value units applied to services described in clause (iii) furnished in—

(I) 1994, by 25 percent of the number by which the number of practice expense relative value units (determined for 1994 without regard to this subparagraph) ex-

1So in original. Probably should be followed by a period.
ceeds the number of work relative value units determined for 1994,
(ii) 1995, by an additional 25 percent of such excess, and
(iii) 1996, by an additional 25 percent of such excess.
(ii) Floor on reductions
The practice expense relative value units for a physician’s service shall not be reduced under this subparagraph to a number less than 128 percent of the number of work relative value units.
(iii) Services covered
For purposes of clause (i), the services described in this clause are physicians’ services that are not described in clause
(iv) and for which—
(I) there are work relative value units, and
(II) the number of practice expense relative value units (determined for 1994) exceeds 128 percent of the number of work relative value units (determined for such year).
(iv) Excluded services
For purposes of clause (iii), the services described in this clause are services which the Secretary determines at least 75 percent of which are provided under this subchapter in an office setting.
(F) Budget neutrality adjustments
The Secretary—
(i) shall reduce the relative values for all services (other than anesthesia services) established under this paragraph (and, in the case of anesthesia services, the conversion factor established by the Secretary for such services) by such percentage as the Secretary determines to be necessary so that, beginning in 1996, the amendment made by section 13514(a) of the Omnibus Budget Reconciliation Act of 1993 would not result in expenditures under this section that exceed the amount of such expenditures that would have been made if such amendment had not been made, and
(ii) shall reduce the amounts determined under subsection (a)(2)(B)(ii)(I) by such percentage as the Secretary determines to be required to assure that, taking into account the reductions made under clause (i), the amendment made by section 13514(a) of the Omnibus Budget Reconciliation Act of 1993 would not result in expenditures under this section that exceed the amount of such expenditures that would have been made if such amendment had not been made.
(G) Adjustments in relative value units for 1998
(i) In general
The Secretary shall—
(I) subject to clauses (iv) and (v), reduce the practice expense relative value units applied to any services described in clause (ii) furnished in 1998 to a number equal to 110 percent of the number of work relative value units, and
(II) increase the practice expense relative value units for office visit procedure codes during 1998 by a uniform percentage which the Secretary estimates will result in an aggregate increase in payments for such services equal to the aggregate decrease in payments by reason of subclause (I).
(ii) Services covered
For purposes of clause (i), the services described in this clause are physicians’ services that are not described in clause (iii) and for which—
(I) there are work relative value units, and
(II) the number of practice expense relative value units (determined for 1998) exceeds 110 percent of the number of work relative value units (determined for such year).
(iii) Excluded services
For purposes of clause (ii), the services described in this clause are services which the Secretary determines at least 75 percent of which are provided under this subchapter in an office setting.
(iv) Limitation on aggregate reallocation
If the application of clause (i)(I) would result in an aggregate amount of reductions under such clause in excess of $390,000,000, such clause shall be applied by substituting for 110 percent such greater percentage as the Secretary estimates will result in the aggregate amount of such reductions equaling $390,000,000.
(v) No reduction for certain services
Practice expense relative value units for a procedure performed in an office or in a setting out of an office shall not be reduced under clause (i) if the in-office or out-of-office practice expense relative value, respectively, for the procedure would increase under the proposed rule on resource-based practice expenses issued by the Secretary on June 18, 1997 (62 Federal Register 33158 et seq.).
(H) Adjustments in practice expense relative value units for certain drug administration services beginning in 2004
(i) Use of survey data
In establishing the physician fee schedule under subsection (b) with respect to payments for services furnished on or after January 1, 2004, the Secretary shall, in determining practice expense relative value units under this subsection, utilize a survey submitted to the Secretary as of January 1, 2003, by a physician specialty organization pursuant to section 212 of the Medicare, Medicaid, and SCHIP Balanced Budget Refinement Act of 1999 if the survey—
(I) covers practice expenses for oncology drug administration services; and
(II) meets criteria established by the Secretary for acceptance of such surveys.
(ii) Pricing of clinical oncology nurses in practice expense methodology

If the survey described in clause (i) includes data on wages, salaries, and compensation of clinical oncology nurses, the Secretary shall utilize such data in the methodology for determining practice expense relative value units under subsection (c).

(iii) Work relative value units for certain drug administration services

In establishing the relative value units under this paragraph for drug administration services described in clause (iv) furnished on or after January 1, 2004, the Secretary shall establish work relative value units equal to the work relative value units for a level 1 office medical visit for an established patient.

(iv) Drug administration services described

The drug administration services described in this clause are physicians’ services—

(I) which are classified as of October 1, 2003, within any of the following groups of procedures: therapeutic or diagnostic infusions (excluding chemotherapy); chemotherapy administration services; and therapeutic, prophylactic, or diagnostic injections;

(ii) for which there are no work relative value units assigned under this subsection as of such date; and

(iii) for which national relative value units have been assigned under this subsection as of such date.

(I) Adjustments in practice expense relative value units for certain drug administration services beginning with 2005

(i) In general

In establishing the physician fee schedule under subsection (b) with respect to payments for services furnished on or after January 1, 2005 or 2006, the Secretary shall adjust the practice expense relative value units for such year consistent with clause (ii).

(ii) Use of supplemental survey data

(I) In general

Subject to subclause (II), if a specialty submits to the Secretary by not later than March 1, 2004, for 2005, or March 1, 2005, for 2006, data that includes expenses for the administration of drugs and biologicals for which the payment amount is determined pursuant to section 1395w-4 of this title, the Secretary shall use such supplemental survey data in carrying out this subparagraph for the years involved insofar as they are collected and provided by entities and organizations consistent with the criteria established by the Secretary pursuant to section 212(a) of the Medicare, Medicaid, and SCHIP Balanced Budget Refinement Act of 1999.

(II) Limitation on specialty

Subclause (I) shall apply to a specialty only insofar as not less than 40 percent of payments for the specialty under this subchapter in 2002 are attributable to the administration of drugs and biologicals, as determined by the Secretary.

(III) Application

This clause shall not apply with respect to a survey to which subparagraph (II)(i) applies.

(J) Provisions for appropriate reporting and billing for physicians’ services associated with the administration of covered outpatient drugs and biologicals

(i) Evaluation of codes

The Secretary shall promptly evaluate existing drug administration codes for physicians’ services to ensure accurate reporting and billing for such services, taking into account levels of complexity of the administration and resource consumption.

(ii) Use of existing processes

In carrying out clause (i), the Secretary shall use existing processes for the consideration of coding changes and, to the extent coding changes are made, shall use such processes in establishing relative values for such services.

(iii) Implementation

In carrying out clause (i), the Secretary shall consult with representatives of physician specialties affected by the implementation of section 1395w-3a of this title or section 1395w-3b of this title, and shall take such steps within the Secretary’s authority to expedite such considerations under clause (ii).

(iv) Subsequent, budget neutral adjustments permitted

Nothing in subparagraph (H) or (I) or this subparagraph shall be construed as preventing the Secretary from providing for adjustments in practice expense relative value units under (and consistent with) subparagraph (B) for years after 2004, 2005, or 2006, respectively.

(K) Potentially misvalued codes

(i) In general

The Secretary shall—

(I) periodically identify services as being potentially misvalued using criteria specified in clause (ii); and

(II) review and make appropriate adjustments to the relative values established under this paragraph for services identified as being potentially misvalued under subclause (I).

(ii) Identification of potentially misvalued codes

For purposes of identifying potentially misvalued codes pursuant to clause (i)(I), the Secretary shall examine codes (and families of codes as appropriate) based on any or all of the following criteria:

(I) Codes that have experienced the fastest growth.

(II) Codes that have experienced substantial changes in practice expenses.
(III) Codes that describe new technologies or services within an appropriate time period (such as 3 years) after the relative values are initially established for such codes.

(IV) Codes which are multiple codes that are frequently billed in conjunction with furnishing a single service.

(V) Codes with low relative values, particularly those that are often billed multiple times for a single treatment.

(VI) Codes that have not been subject to review since implementation of the fee schedule.

(VII) Codes that account for the majority of spending under the physician fee schedule.

(VIII) Codes for services that have experienced a substantial change in the hospital length of stay or procedure time.

(IX) Codes for which there may be a change in the typical site of service since the code was last valued.

(X) Codes for which there is a significant difference in payment for the same service between different sites of service.

(XI) Codes for which there may be anomalies in relative values within a family of codes.

(XII) Codes for services where there may be efficiencies when a service is furnished at the same time as other services.

(XIII) Codes with high intra-service work per unit of time.

(XIV) Codes with high practice expense relative value units.

(XV) Codes with high cost supplies.

(XVI) Codes as determined appropriate by the Secretary.

(iii) Review and adjustments

(I) The Secretary may use existing processes to receive recommendations on the review and appropriate adjustment of potentially misvalued services described in clause (iv).

(II) The Secretary may conduct surveys, other data collection activities, studies, or other analyses as the Secretary determines to be appropriate to facilitate the review and appropriate adjustment described in clause (iv).

(III) The Secretary may use analytic contractors to identify and analyze services identified under clause (i)(I), conduct surveys or collect data, and make recommendations on the review and appropriate adjustment of services described in clause (1)(II).

(IV) The Secretary may coordinate the review and appropriate adjustment described in clause (i)(II) with the periodic review described in subparagraph (B).

(V) As part of the review and adjustment described in clause (i)(II), including with respect to codes with low relative values described in clause (ii), the Secretary may make appropriate coding revisions (including using existing processes for consideration of coding changes) which may include consolidation of individual services into bundled codes for payment under the fee schedule under subsection (b).

(VI) The provisions of subparagraph (B)(ii)(II) and paragraph (7) shall apply to adjustments to relative value units made pursuant to this subparagraph in the same manner as such provisions apply to adjustments under subparagraph (B)(ii)(I).

(iv) Treatment of certain radiation therapy services

Radiation treatment delivery and related imaging services identified under subsection (b)(11) shall not be considered as potentially misvalued services for purposes of this subparagraph and subparagraph (O) for 2017, 2018, and 2019.

(L) Validating relative value units

(i) In general

The Secretary shall establish a process to validate relative value units under the fee schedule under subsection (b).

(ii) Components and elements of work

The process described in clause (i) may include validation of work elements (such as time, mental effort and professional judgment, technical skill and physical effort, and stress due to risk) involved with furnishing a service and may include validation of the pre-, post-, and intra-service components of work.

(iii) Scope of codes

The validation of work relative value units shall include a sampling of codes for services that is the same as the codes listed under subparagraph (K)(ii).

(iv) Methods

The Secretary may conduct the validation under this subparagraph using methods described in subclauses (i) through (V) of subparagraph (K)(iii) as the Secretary determines to be appropriate.

(v) Adjustments

The Secretary shall make appropriate adjustments to the work relative value units under the fee schedule under subsection (b). The provisions of subparagraph (B)(ii)(II) shall apply to adjustments to relative value units made pursuant to this subparagraph in the same manner as such provisions apply to adjustments under subparagraph (B)(ii)(II).

(M) Authority to collect and use information on physicians’ services in the determination of relative values

(i) Collection of information

Notwithstanding any other provision of law, the Secretary may collect or obtain information on the resources directly or indirectly related to furnishing services for which payment is made under the fee schedule established under subsection (b). Such information may be collected or obtained from any eligible professional or any other source.
(ii) Use of information

Notwithstanding any other provision of law, subject to clause (v), the Secretary may (as the Secretary determines appropriate) use information collected or obtained pursuant to clause (i) in the determination of relative values for services under this section.

(iii) Types of information

The types of information described in clauses (i) and (ii) may, at the Secretary’s discretion, include any or all of the following:

(I) Time involved in furnishing services.

(II) Amounts and types of practice expense inputs involved with furnishing services.

(III) Prices (net of any discounts) for practice expense inputs, which may include paid invoice prices or other documentation or records.

(IV) Overhead and accounting information for practices of physicians and other suppliers.

(V) Any other element that would improve the valuation of services under this section.

(iv) Information collection mechanisms

Information may be collected or obtained pursuant to this subparagraph from any or all of the following:

(I) Surveys of physicians, other suppliers, providers of services, manufacturers, and vendors.

(II) Surgical logs, billing systems, or other practice or facility records.

(III) Electronic health records.

(V) Any other mechanism determined appropriate by the Secretary.

(v) Transparency of use of information

(I) In general

Subject to subclauses (II) and (III), if the Secretary uses information collected or obtained under this subparagraph in the determination of relative values under this subsection, the Secretary shall disclose the information source and discuss the use of such information in such determination of relative values through notice and comment rulemaking.

(II) Thresholds for use

The Secretary may establish thresholds in order to use such information, including the exclusion of information collected or obtained from eligible professionals who use very high resources (as determined by the Secretary) in furnishing a service.

(III) Disclosure of information

The Secretary shall make aggregate information available under this subparagraph but shall not disclose information in a form or manner that identifies an eligible professional or a group practice, or information collected or obtained pursuant to a nondisclosure agreement.

(vi) Incentive to participate

The Secretary may provide for such payments under this part to an eligible professional that submits such solicited information under this subparagraph as the Secretary determines appropriate in order to compensate such eligible professional for such submission. Such payments shall be provided in a form and manner specified by the Secretary.

(vii) Administration

Chapter 35 of title 44 shall not apply to information collected or obtained under this subparagraph.

(viii) Definition of eligible professional

In this subparagraph, the term “eligible professional” has the meaning given such term in subsection (k)(3)(B).

(ix) Funding

For purposes of carrying out this subparagraph, in addition to funds otherwise appropriated, the Secretary shall provide for the transfer, from the Federal Supplementary Medical Insurance Trust Fund under section 1395t of this title, of $2,000,000 to the Centers for Medicare & Medicaid Services Program Management Account for each fiscal year beginning with fiscal year 2014. Amounts transferred under the preceding sentence for a fiscal year shall be available until expended.

(N) Authority for alternative approaches to establishing practice expense relative values

The Secretary may establish or adjust practice expense relative values under this subsection using cost, charge, or other data from suppliers or providers of services, including information collected or obtained under subparagraph (M).

(O) Target for relative value adjustments for misvalued services

With respect to fee schedules established for each of 2016 through 2018, the following shall apply:

(i) Determination of net reduction in expenditures

For each year, the Secretary shall determine the estimated net reduction in expenditures under the fee schedule under this section with respect to the year as a result of adjustments to the relative values established under this paragraph for misvalued codes.

(ii) Budget neutral redistribution of funds if target met and counting overages towards the target for the succeeding year

If the estimated net reduction in expenditures determined under clause (i) for the year is equal to or greater than the target for the year—

(I) reduced expenditures attributable to such adjustments shall be redistrib-
uted for the year in a budget neutral manner in accordance with subparagraph (B)(ii)(II); and
(ii) the amount by which such reduced expenditures exceeds the target for the year shall be treated as a reduction in expenditures described in clause (i) for the succeeding year, for purposes of determining whether the target has or has not been met under this subparagraph with respect to that year.

(iii) Exemption from budget neutrality if target not met
If the estimated net reduction in expenditures determined under clause (i) for the year is less than the target for the year, reduced expenditures in an amount equal to the target recapture amount shall not be taken into account in applying subparagraph (B)(ii)(II) with respect to fee schedules beginning with 2016.

(iv) Target recapture amount
For purposes of clause (iii), the target recapture amount is, with respect to a year, an amount equal to the difference between—
(I) the target for the year; and
(II) the estimated net reduction in expenditures determined under clause (i) for the year.

(v) Target
For purposes of this subparagraph, with respect to a year, the target is calculated as 0.5 percent (or, for 2016, 1.0 percent) of the estimated amount of expenditures under the fee schedule under this section for the year.

(3) Component percentages
For purposes of paragraph (2), the Secretary shall determine a work percentage, a practice expense percentage, and a malpractice percentage for each physician’s service as follows:

(A) Division of services by specialty
For each physician’s service or class of physicians’ services, the Secretary shall determine the average percentage of each such service or class of services that is performed, nationwide, under this part by physicians in each of the different physician specialties (as identified by the Secretary).

(B) Division of specialty by component
The Secretary shall determine the average percentage division of resources, among the work component, the practice expense component, and the malpractice component, used by physicians in each of such specialties in furnishing physicians’ services. Such percentages shall be based on national data that describe the elements of physician practice costs and revenues, by physician specialty. The Secretary may use extrapolation and other techniques to determine practice costs and revenues for specialties for which adequate data are not available.

(C) Determination of component percentages
(i) Work percentage
The work percentage for a service (or class of services) is equal to the sum (for all physician specialties) of—
(I) the average percentage division for the work component for each physician specialty (determined under subparagraph (B)), multiplied by
(II) the proportion (determined under subparagraph (A)) of such service (or services) performed by physicians in that specialty.

(ii) Practice expense percentage
For years before 2002, the practice expense percentage for a service (or class of services) is equal to the sum (for all physician specialties) of—
(I) the average percentage division for the practice expense component for each physician specialty (determined under subparagraph (B)), multiplied by
(II) the proportion (determined under subparagraph (A)) of such service (or services) performed by physicians in that specialty.

(iii) Malpractice percentage
For years before 1999, the malpractice percentage for a service (or class of services) is equal to the sum (for all physician specialties) of—
(I) the average percentage division for the malpractice component for each physician specialty (determined under subparagraph (B)), multiplied by
(II) the proportion (determined under subparagraph (A)) of such service (or services) performed by physicians in that specialty.

(D) Periodic recomputation
The Secretary may, from time to time, provide for the recomputation of work percentages, practice expense percentages, and malpractice percentages determined under this paragraph.

(4) Ancillary policies
The Secretary may establish ancillary policies (with respect to the use of modifiers, local codes, and other matters) as may be necessary to implement this section.

(5) Coding
The Secretary shall establish a uniform procedure coding system for the coding of all physicians’ services. The Secretary shall provide for an appropriate coding structure for visits and consultations. The Secretary may incorporate the use of time in the coding for visits and consultations. The Secretary, in establishing such coding system, shall consult with the Physician Payment Review Commission and other organizations representing physicians.

(6) No variation for specialists
The Secretary may not vary the conversion factor or the number of relative value units for a physician’s service based on whether the physician furnishing the service is a specialist.
or based on the type of specialty of the physician.

(7) Phase-in of significant relative value unit (RVU) reductions

Effective for fee schedules established beginning with 2016, for services that are not new or revised codes, if the total relative value units for a service for a year would otherwise be decreased by an estimated amount equal to or greater than 20 percent as compared to the total relative value units for the previous year, the applicable adjustments in work, practice expense, and malpractice relative value units shall be phased-in over a 2-year period.

(8) Global surgical packages

(A) Prohibition of implementation of rule regarding global surgical packages

(i) In general

The Secretary shall not implement the policy established in the final rule published on November 13, 2014 (79 Fed. Reg. 67548 et seq.), that requires the transition of all 10-day and 90-day global surgery packages to 0-day global periods.

(ii) Construction

Nothing in clause (i) shall be construed to prevent the Secretary from revaluing misvalued codes for specific surgical services or assigning values to new or revised codes for surgical services.

(B) Collection of data on services included in global surgical packages

(i) In general

Subject to clause (ii), the Secretary shall through rulemaking develop and implement a process to gather, from a representative sample of physicians, beginning not later than January 1, 2017, information needed to value surgical services. Such information shall include the number and level of medical visits furnished during the global period and other items and services related to the surgery and furnished during the global period, as appropriate. Such information shall be reported on claims at the end of the global period or in another manner specified by the Secretary. For purposes of carrying out this paragraph (other than clause (iii)), the Secretary shall transfer from the Federal Supplemental Medical Insurance Trust Fund under section 1395t of this title $2,000,000 to the Center for Medicare & Medicaid Services Program Management Account for fiscal year 2015. Amounts transferred under the previous sentence shall remain available until expended.

(ii) Reassessment and potential sunset

Every 4 years, the Secretary shall reassess the value of the information collected pursuant to clause (i). Based on such a reassessment and by regulation, the Secretary may discontinue the requirement for collection of information under such clause if the Secretary determines that the Secretary has adequate information from other sources, such as qualified clinical data registries, surgical logs, billing systems or other practice or facility records, and electronic health records, in order to accurately value global surgical services under this section.

(iii) Inspector general audit

The Inspector General of the Department of Health and Human Services shall audit a sample of the information reported under clause (i) to verify the accuracy of the information so reported.

(C) Improving accuracy of pricing for surgical services

For years beginning with 2019, the Secretary shall use the information reported under subparagraph (B)(ii) as appropriate and other available data for the purpose of improving the accuracy of valuation of surgical services under the physician fee schedule under this section.

(d) Conversion factors

(1) Establishment

(A) In general

The conversion factor for each year shall be the conversion factor established under this subsection for the previous year (or, in the case of 1992, specified in subparagraph (B)) adjusted by the update (established under paragraph (3)) for the year involved (for years before 2001) and, for years beginning with 2001 and ending with 2025, multiplied by the update (established under paragraph (4) or a subsequent paragraph) for the year involved. There shall be two separate conversion factors for each year beginning with 2026, one for items and services furnished by a qualifying APM participant (as defined in section 1395(z)(2) of this title) (referred to in this subsection as the “qualifying APM conversion factor”) and the other for other items and services (referred to in this subsection as the “nonqualifying APM conversion factor”) equal to the respective conversion factor for the previous year (or, in the case of 2026, equal to the single conversion factor for 2025) multiplied by the update established under paragraph (20) for such respective conversion factor for such year.

(B) Special provision for 1992

For purposes of subparagraph (A), the conversion factor specified in this subparagraph is a conversion factor (determined by the Secretary) which, if this section were to apply during 1991 using such conversion factor, would result in the same aggregate amount of payments under this part for physicians’ services as the estimated aggregate amount of the payments under this part for such services in 1991.

(C) Special rules for 1998

Except as provided in subparagraph (D), the single conversion factor for 1998 under this subsection shall be the conversion factor for primary care services for 1997, increased by the Secretary’s estimate of the
(D) Special rules for anesthesia services

The separate conversion factor for anesthesia services for a year shall be equal to 46 percent of the single conversion factor (or, beginning with 2026, applicable conversion factor) established for other physicians’ services, except as adjusted for changes in work, practice expense, or malpractice relative value units.

(E) Publication and dissemination of information

The Secretary shall—

(i) cause to have published in the Federal Register not later than November 1 of each year (beginning with 2000) the conversion factor which will apply to physicians’ services for the succeeding year, the update determined under paragraph (4) for such succeeding year, and the allowed expenditures under such paragraph for such succeeding year; and

(ii) make available to the Medicare Payment Advisory Commission and the public by March 1 of each year (beginning with 2000) an estimate of the sustainable growth rate and of the conversion factor which will apply to physicians’ services for the succeeding year and data used in making such estimate.


(3) Update for 1999 and 2000

(A) In general

Unless otherwise provided by law, subject to subparagraph (D) and the budget-neutrality factor determined by the Secretary under subsection (c)(2)(B)(ii), the update to the single conversion factor established in paragraph (1)(C) for 1999 and 2000 is equal to the product of—

(i) 1 plus the Secretary’s estimate of the percentage increase in the MEI (as defined in section 1395u(i)(3) of this title) for the year (divided by 100), and

(ii) 1 plus the Secretary’s estimate of the update adjustment factor for the year (divided by 100),

minus 1 and multiplied by 100.

(B) Update adjustment factor

For purposes of subparagraph (A)(ii), the “update adjustment factor” for a year is equal (as estimated by the Secretary) to—

(i) the difference between (I) the sum of the allowed expenditures for physicians’ services (as determined under subparagraph (C)) for the period beginning April 1, 1997, and ending on March 31 of the year involved, and (II) the amount of actual expenditures for physicians’ services furnished during the period beginning April 1, 1997, and ending on March 31 of the preceding year; divided by

(ii) the actual expenditures for physicians’ services for the 12-month period ending on March 31 of the preceding year, increased by the sustainable growth rate under subsection (f) for the fiscal year which begins during such 12-month period.

(C) Determination of allowed expenditures

For purposes of this paragraph and paragraph (4), the allowed expenditures for physicians’ services for the 12-month period ending with March 31 of—

(i) 1997 is equal to the actual expenditures for physicians’ services furnished during such 12-month period, as estimated by the Secretary; or

(ii) a subsequent year is equal to the allowed expenditures for physicians’ services for the previous year, increased by the sustainable growth rate under subsection (f) for the fiscal year which begins during such 12-month period.

(D) Restriction on variation from medicare economic index

Notwithstanding the amount of the update adjustment factor determined under subparagraph (B) for a year, the update in the conversion factor under this paragraph for the year may not be—

(i) greater than 100 times the following amount: (1.03 + (MEI percentage/100)) − 1; or

(ii) less than 100 times the following amount: (0.93 + (MEI percentage/100)) − 1,

where “MEI percentage” means the Secretary’s estimate of the percentage increase in the MEI (as defined in section 1395u(i)(3) of this title) for the year involved.

(4) Update for years beginning with 2001 and ending with 2014

(A) In general

Unless otherwise provided by law, subject to the budget-neutrality factor determined by the Secretary under subsection (c)(2)(B)(ii) and subject to adjustment under subparagraph (F), the update to the single conversion factor established in paragraph (1)(C) for a year beginning with 2001 and ending with 2014 is equal to the product of—

(i) 1 plus the Secretary’s estimate of the percentage increase in the MEI (as defined in section 1395u(i)(3) of this title) for the year (divided by 100), and

(ii) 1 plus the Secretary’s estimate of the update adjustment factor under subparagraph (B) for the year.

(B) Update adjustment factor

For purposes of subparagraph (A)(ii), subject to subparagraph (D) and the succeeding paragraphs of this subsection, the “update adjustment factor” for a year is equal (as estimated by the Secretary) to the sum of the following:

(i) Prior year adjustment component

An amount determined by—

(I) computing the difference (which may be positive or negative) between the amount of the allowed expenditures for
physicians’ services for the prior year (as determined under subparagraph (C)) and the amount of the actual expenditures for such services for that year;

(ii) dividing that difference by the amount of the actual expenditures for such services for that year; and

(iii) multiplying that quotient by 0.75.

(ii) Cumulative adjustment component

An amount determined by—

(I) computing the difference (which may be positive or negative) between the amount of the allowed expenditures for physicians’ services (as determined under subparagraph (C)) from April 1, 1996, through the end of the prior year and the amount of the actual expenditures for such services during that period;

(II) dividing that difference by actual expenditures for such services for the prior year as increased by the sustainable growth rate under subsection (f) for the year for which the update adjustment factor is to be determined; and

(III) multiplying that quotient by 0.33.

(C) Determination of allowed expenditures

For purposes of this paragraph:

(i) Period up to April 1, 1999

The allowed expenditures for physicians’ services for a period before April 1, 1999, shall be the amount of the allowed expenditures for such period as determined under paragraph (3)(C).

(ii) Transition to calendar year allowed expenditures

Subject to subparagraph (E), the allowed expenditures for—

(I) the 9-month period beginning April 1, 1999, shall be the Secretary’s estimate of the amount of the allowed expenditures for physicians’ services for the prior year as increased by the sustainable growth rate under subsection (f) for the year involved.

(II) the year of 1999, shall be the Secretary’s estimate of the amount of the allowed expenditures that would be permitted under paragraph (3)(C) for such year.

(iii) Years beginning with 2000

The allowed expenditures for a year (beginning with 2000) is equal to the allowed expenditures for physicians’ services for the previous year, increased by the sustainable growth rate under subsection (f) for the year involved.

(D) Restriction on update adjustment factor

The update adjustment factor determined under subparagraph (B) for a year may not be less than 0.07 or greater than 0.03.

(E) Recalculation of allowed expenditures for updates beginning with 2001

For purposes of determining the update adjustment factor for a year beginning with 2001, the Secretary shall recompute the allowed expenditures for previous periods beginning on or after April 1, 1999, consistent with subsection (f)(3).

(F) Transitional adjustment designed to provide for budget neutrality

Under this subparagraph the Secretary shall provide for an adjustment to the update under subparagraph (A)—

(i) for each of 2001, 2002, 2003, and 2004, of −0.2 percent; and

(ii) for 2005 of +0.8 percent.

(5) Update for 2004 and 2005

The update to the single conversion factor established in paragraph (1)(C) for each of 2004 and 2005 shall be not less than 1.5 percent.

(6) Update for 2006

The update to the single conversion factor established in paragraph (1)(C) for 2006 shall be 0 percent.

(7) Conversion factor for 2007

(A) In general

The conversion factor that would otherwise be applicable under this subsection for 2007 shall be the amount of such conversion factor divided by the product of—

(i) 1 plus the Secretary’s estimate of the percentage increase in the MEI (as defined in section 1395u(i)(3) of this title) for 2007 (divided by 100); and

(ii) 1 plus the Secretary’s estimate of the update adjustment factor under paragraph (4)(B) for 2007.

(B) No effect on computation of conversion factor for 2008

The conversion factor under this subsection shall be computed under paragraph (1)(A) for 2008 as if subparagraph (A) had never applied.

(8) Update for 2008

(A) In general

Subject to paragraph (7)(B), in lieu of the update to the single conversion factor established in paragraph (1)(C) that would otherwise apply for 2008, the update to the single conversion factor shall be 0.5 percent.

(B) No effect on computation of conversion factor for 2009

The conversion factor under this subsection shall be computed under paragraph (1)(A) for 2009 and subsequent years as if subparagraph (A) had never applied.

(9) Update for 2009

(A) In general

Subject to paragraphs (7)(B) and (8)(B), in lieu of the update to the single conversion factor established in paragraph (1)(C) that would otherwise apply for 2009, the update to the single conversion factor shall be 1.1 percent.

(B) No effect on computation of conversion factor for 2010 and subsequent years

The conversion factor under this subsection shall be computed under paragraph (1)(A) for 2010 and subsequent years as if subparagraph (A) had never applied.

(10) Update for January through May of 2010

(A) In general

Subject to paragraphs (7)(B), (8)(B), and (9)(B), in lieu of the update to the single con-
(A) In general
Subject to paragraphs (7)(B), (8)(B), (9)(B), (10)(B), (11)(B), and (12)(B), and (13)(B), in lieu of the update to the single conversion factor established in paragraph (1)(C) that would otherwise apply for 2012, the update to the single conversion factor shall be zero percent.

(B) No effect on computation of conversion factor for 2013 and subsequent years
The conversion factor under this subsection shall be computed under paragraph (1)(A) for 2013 and subsequent years as if subparagraph (A) had never applied.

(11) Update for June through December of 2010

(A) In general
Subject to paragraphs (7)(B), (8)(B), (9)(B), (10)(B), and (11)(B), in lieu of the update to the single conversion factor established in paragraph (1)(C) that would otherwise apply for 2010 for the period beginning on June 1, 2010, and ending on December 31, 2010, the update to the single conversion factor shall be 0 percent.

(B) No effect on computation of conversion factor for 2011 and subsequent years
The conversion factor under this subsection shall be computed under paragraph (1)(A) for 2011 and subsequent years as if subparagraph (A) had never applied.

(12) Update for 2011

(A) In general
Subject to paragraphs (7)(B), (8)(B), (9)(B), (10)(B), and (11)(B), in lieu of the update to the single conversion factor established in paragraph (1)(C) that would otherwise apply for 2011, the update to the single conversion factor shall be 0 percent.

(B) No effect on computation of conversion factor for 2012 and subsequent years
The conversion factor under this subsection shall be computed under paragraph (1)(A) for 2012 and subsequent years as if subparagraph (A) had never applied.

(13) Update for 2012

(A) In general
Subject to paragraphs (7)(B), (8)(B), (9)(B), (10)(B), (11)(B), and (12)(B), in lieu of the update to the single conversion factor established in paragraph (1)(C) that would otherwise apply for 2012, the update to the single conversion factor shall be zero percent.

(B) No effect on computation of conversion factor for 2013 and subsequent years
The conversion factor under this subsection shall be computed under paragraph (1)(A) for 2013 and subsequent years as if subparagraph (A) had never applied.

(14) Update for 2013

(A) In general
Subject to paragraphs (7)(B), (8)(B), (9)(B), (10)(B), (11)(B), (12)(B), and (13)(B), in lieu of the update to the single conversion factor established in paragraph (1)(C) that would otherwise apply for 2013, the update to the single conversion factor for such year shall be zero percent.

(B) No effect on computation of conversion factor for 2014 and subsequent years
The conversion factor under this subsection shall be computed under paragraph (1)(A) for 2014 and subsequent years as if subparagraph (A) had never applied.

(15) Update for 2014

(A) In general
Subject to paragraphs (7)(B), (8)(B), (9)(B), (10)(B), (11)(B), (12)(B), (13)(B), and (14)(B), in lieu of the update to the single conversion factor established in paragraph (1)(C) that would otherwise apply for 2014, the update to the single conversion factor shall be 0.5 percent.

(B) No effect on computation of conversion factor for subsequent years
The conversion factor under this subsection shall be computed under paragraph (1)(A) for 2015 and subsequent years as if subparagraph (A) had never applied.

(16) Update for January through June of 2015

Subject to paragraphs (7)(B), (8)(B), (9)(B), (10)(B), (11)(B), (12)(B), (13)(B), (14)(B), and (15)(B), in lieu of the update to the single conversion factor established in paragraph (1)(C) that would otherwise apply for 2015 for the period beginning on January 1, 2015, and ending on June 30, 2015, the update to the single conversion factor shall be 0.0 percent.

(17) Update for July through December of 2015

The update to the single conversion factor established in paragraph (1)(C) for the period beginning on July 1, 2015, and ending on December 31, 2015, shall be 0.5 percent.

(18) Update for 2016 through 2019

The update to the single conversion factor established in paragraph (1)(C)—

(A) for 2016 and each subsequent year through 2018 shall be 0.5 percent; and

(B) for 2019 shall be 0.25 percent.

(19) Update for 2020 through 2025

The update to the single conversion factor established in paragraph (1)(C) for 2020 and each subsequent year through 2025 shall be 0.0 percent.

(20) Update for 2026 and subsequent years

For 2026 and each subsequent year, the update to the qualifying APM conversion factor established in paragraph (1)(A) is 0.75 percent, and the update to the nonqualifying APM conversion factor established under such paragraph is 0.25 percent.

(e) Geographic adjustment factors

(1) Establishment of geographic indices

(A) In general
Subject to subparagraphs (B), (C), (E), (G), (H), and (I), the Secretary shall establish—

(i) an index which reflects the relative costs of the mix of goods and services comprising practice expenses (other than mal-
practice expenses) in the different fee schedule areas compared to the national average of such costs,

(iii) an index which reflects the relative costs of malpractice expenses in the different fee schedule areas compared to the national average of such costs, and

(iii) an index which reflects ½ of the difference between the relative value of physicians’ work effort in each of the different fee schedule areas and the national average of such work effort.

(B) Class-specific geographic cost-of-practice indices

The Secretary may establish more than one index under subparagraph (A)(i) in the case of classes of physicians’ services, if, because of differences in the mix of goods and services comprising practice expenses for the different classes of services, the application of a single index under such clause to different classes of such services would be substantially inequitable.

(C) Periodic review and adjustments in geographic adjustment factors

The Secretary, not less often than every 3 years, shall, in consultation with appropriate representatives of physicians, review the indices established under subparagraph (A) and the geographic index values applied under this subsection for all fee schedule areas. Based on such review, the Secretary may revise such index and adjust such index values, except that, if more than 1 year has elapsed since the date of the last previous adjustment, the adjustment to be applied in the first year of the next adjustment shall be ½ of the adjustment that otherwise would be made.

(D) Use of recent data

In establishing indices and index values under this paragraph, the Secretary shall use the most recent data available relating to practice expenses, malpractice expenses, and physician work effort in different fee schedule areas.

(E) Floor at 1.0 on work geographic index

After calculating the work geographic index in subparagraph (A)(i), for purposes of payment for services furnished on or after January 1, 2004, and before May 23, 2020, the Secretary shall increase the work geographic index to 1.00 for any locality for which such work geographic index is less than 1.00.

(G) Floor for practice expense, malpractice, and work geographic indices for services furnished in Alaska

For purposes of payment for services furnished in Alaska on or after January 1, 2004, and before January 1, 2006, after calculating the practice expense, malpractice, and work geographic indices in clauses (i), (ii), and (iii) of subparagraph (A) and in subparagraph (B), the Secretary shall increase any such index to 1.67 if such index would otherwise be less than 1.67. For purposes of payment for services furnished in the State described in the preceding sentence on or after January 1, 2009, after calculating the work geographic index in subparagraph (A)(iii), the Secretary shall increase the work geographic index to 1.5 if such index would otherwise be less than 1.5.

(H) Practice expense geographic adjustment for 2010 and subsequent years

(i) For 2010

Subject to clause (iii), for services furnished during 2010, the employee wage and rent portions of the practice expense geographic index described in subparagraph (A)(i) shall reflect ½ of the difference between the relative costs of employee wages and rents in each of the different fee schedule areas and the national average of such employee wages and rents.

(ii) For 2011

Subject to clause (iii), for services furnished during 2011, the employee wage and rent portions of the practice expense geographic index described in subparagraph (A)(i) shall reflect ½ of the difference between the relative costs of employee wages and rents in each of the different fee schedule areas and the national average of such employee wages and rents.

(iii) Hold harmless

The practice expense portion of the geographic adjustment factor applied in a fee schedule area for services furnished in 2010 or 2011 shall not, as a result of the application of clause (i) or (ii), be reduced below the practice expense portion of the geographic adjustment factor under subparagraph (A)(i) (as calculated prior to the application of such clause (i) or (ii), respectively) for such area for such year.

(iv) Analysis

The Secretary shall analyze current methods of establishing practice expense geographic adjustments under subparagraph (A)(i) and evaluate data that fairly and reliably establishes distinctions in the costs of operating a medical practice in the different fee schedule areas. Such analysis shall include an evaluation of the following:

(I) The feasibility of using actual data or reliable survey data developed by medical organizations on the costs of operating a medical practice, including office rents and non-physician staff wages, in different fee schedule areas.

(II) The office expense portion of the practice expense geographic adjustment described in subparagraph (A)(i), including the extent to which types of office expenses are determined in local markets instead of national markets.

(III) The weights assigned to each of the categories within the practice expense geographic adjustment described in subparagraph (A)(i).
(v) Revision for 2012 and subsequent years

As a result of the analysis described in clause (iv), the Secretary shall, not later than January 1, 2012, make appropriate adjustments to the practice expense geographic adjustment described in subparagraph (A)(i) to ensure accurate geographic adjustments across fee schedule areas, including—

(I) basing the office rents component and its weight on office expenses that vary among fee schedule areas; and

(II) considering a representative range of professional and non-professional personnel employed in a medical office based on the use of the American Community Survey data or other reliable data for wage adjustments.

Such adjustments shall be made without regard to adjustments made pursuant to clauses (i) and (ii) and shall be made in a budget neutral manner.

(1) Floor for practice expense index for services furnished in frontier States

(ii) In general

Subject to clause (i), for purposes of payment for services furnished in a frontier State (as defined in section 1395ww(d)(3)(E)(ii)(II) of this title) on or after January 1, 2011, after calculating the practice expense index in subparagraph (A)(i), the Secretary shall increase any such index to 1.00 if such index would otherwise be less than 1.00. The preceding sentence shall not be applied in a budget neutral manner.

(ii) Limitation

This subparagraph shall not apply to services furnished in a State that receives a non-labor related share adjustment under section 1395ww(d)(5)(H) of this title.

(2) Computation of geographic adjustment factor

For purposes of subsection (b)(1)(C), for all physicians’ services for each fee schedule area the Secretary shall establish a geographic adjustment factor equal to the sum of the geographic cost-of-practice adjustment factor (specified in paragraph (3)), the geographic malpractice adjustment factor (specified in paragraph (4)), and the geographic physician work adjustment factor (specified in paragraph (5)) for the service and the area.

(3) Geographic cost-of-practice adjustment factor

For purposes of paragraph (2), the “geographic cost-of-practice adjustment factor”, for a service for a fee schedule area, is the product of—

(A) the proportion of the total relative value for the service that reflects the relative value units for the practice expense component, and

(B) the geographic cost-of-practice index value for the area for the service, based on the index established under paragraph (1)(A)(i) or (1)(B) (as the case may be).

(4) Geographic malpractice adjustment factor

For purposes of paragraph (2), the “geographic malpractice adjustment factor”, for a service for a fee schedule area, is the product of—

(A) the proportion of the total relative value for the service that reflects the relative value units for the malpractice component, and

(B) the geographic malpractice index value for the area, based on the index established under paragraph (1)(A)(ii).

(5) Geographic physician work adjustment factor

For purposes of paragraph (2), the “geographic physician work adjustment factor”, for a service for a fee schedule area, is the product of—

(A) the proportion of the total relative value for the service that reflects the relative value units for the work component, and

(B) the geographic physician work index value for the area, based on the index established under paragraph (1)(A)(iii).

(6) Use of MSAs as fee schedule areas in California

(A) In general

Subject to the succeeding provisions of this paragraph and notwithstanding the previous provisions of this subsection, for services furnished on or after January 1, 2017, the fee schedule areas used for payment under this section applicable to California shall be the following:

(i) Each Metropolitan Statistical Area (each in this paragraph referred to as an “MSA”), as defined by the Director of the Office of Management and Budget as of December 31 of the previous year, shall be a fee schedule area.

(ii) All areas not included in an MSA shall be treated as a single rest-of-State fee schedule area.

(B) Transition for MSAs previously in rest-of-state payment locality or in locality 3

(i) In general

For services furnished in California during a year beginning with 2017 and ending with 2021 in an MSA in a transition area (as defined in subparagraph (D)), subject to subparagraph (C), the geographic index values to be applied under this subsection for such year shall be equal to the sum of the following:

(I) Current law component

The old weighting factor (described in clause (ii)) for such year multiplied by the geographic index values under this subsection for the fee schedule area that included such MSA that would have applied in such area (as estimated by the Secretary) if this paragraph did not apply.

(II) MSA-based component

The MSA-based weighting factor (described in clause (iii)) for such year mul-

---

4 So in original. Probably should be “than”.

§ 1395w–4

(1) Publication
in the Federal Register not later than—

(A) for 2000 and the years 2000 and 2001 shall be determined on the basis of the best data available to the Secretary as of September 1, 2000.

(B) For 2001

For purposes of such calculations for 2001, the sustainable growth rates for fiscal year 2000 and the years 2000 and 2001 shall be determined on the basis of the best data available to the Secretary as of September 1, 2000.

(C) For 2002

For purposes of such calculations for 2002, the sustainable growth rates for fiscal year 2000 and for years 2000, 2001, and 2002 shall be determined on the basis of the best data available to the Secretary as of September 1, 2001.

(D) For 2003 and succeeding years

For purposes of such calculations for a year after 2002—

(i) the sustainable growth rates for that year and the preceding 2 years shall be determined on the basis of the best data available to the Secretary as of September 1 of the year preceding the year for which the calculation is made; and

(ii) the sustainable growth rate for any year before a year described in clause (i) shall be the rate as most recently determined for that year under this subsection.

Nothing in this paragraph shall be construed as affecting the sustainable growth rates established for fiscal year 1998 or fiscal year 1999.

(2) Specification of growth rate

The sustainable growth rate for all physicians' services for a fiscal year (beginning with fiscal year 1998 and ending with fiscal year 2000) and a year beginning with 2000 and ending with 2014 shall be equal to the product of:

(A) 1 plus the Secretary's estimate of the weighted average percentage increase (divided by 100) in the fees for all physicians' services in the applicable period involved,

(B) 1 plus the Secretary's estimate of the percentage change (divided by 100) in the average number of individuals enrolled under this part (other than Medicare+Choice plan enrollees) from the previous applicable period to the applicable period involved,

(C) 1 plus the Secretary's estimate of the annual average percentage growth in real gross domestic product per capita (divided by 100) during the 10-year period ending with the applicable period involved, and

(D) 1 plus the Secretary's estimate of the percentage change (divided by 100) in expenditures for all physicians' services in the applicable period (compared with the previous applicable period) which will result from changes in law and regulations, determined without taking into account estimated changes in expenditures resulting from the update adjustment factor determined under subsection (d)(3)(B) or (d)(4)(B), as the case may be,

minus 1 and multiplied by 100.

(3) Data to be used

For purposes of determining the update adjustment factor under subsection (d)(4)(B) for a year beginning with 2001, the sustainable growth rates taken into consideration in the determination under paragraph (2) shall be determined as follows:

(A) For 2001

For purposes of such calculations for 2001, the sustainable growth rates for fiscal year 2000 and the years 2000 and 2001 shall be determined on the basis of the best data available to the Secretary as of September 1, 2000.

(B) For 2002

For purposes of such calculations for 2002, the sustainable growth rates for fiscal year 2000 and for years 2000, 2001, and 2002 shall be determined on the basis of the best data available to the Secretary as of September 1, 2001.

(C) For 2003 and succeeding years

For purposes of such calculations for a year after 2002—

(i) the sustainable growth rates for that year and the preceding 2 years shall be determined on the basis of the best data available to the Secretary as of September 1 of the year preceding the year for which the calculation is made; and

(ii) the sustainable growth rate for any year before a year described in clause (i) shall be the rate as most recently determined for that year under this subsection.

Nothing in this paragraph shall be construed as affecting the sustainable growth rates established for fiscal year 1998 or fiscal year 1999.

(4) Definitions

In this subsection:

(A) Services included in physicians' services

The term "physicians' services" includes other items and services (such as clinical diagnostic laboratory tests and radiology services), specified by the Secretary, that are commonly performed or furnished by a physician or in a physician's office, but does not include services furnished to a Medicare+Choice plan enrollee.

(B) Medicare+Choice plan enrollee

The term "Medicare+Choice plan enrollee" means, with respect to a fiscal year, an indi-
individual enrolled under this part who has elected to receive benefits under this subchapter for the fiscal year through a Medicare+Choice plan offered under part C, and also includes an individual who is receiving benefits under this part through enrollment with an eligible organization with a risk-sharing contract under section 1395mm of this title.

(C) Applicable period

The term “applicable period” means—

(i) a fiscal year, in the case of fiscal year 1998, fiscal year 1999, and fiscal year 2000; or

(ii) a calendar year with respect to a year beginning with 2001, as the case may be.

(g) Limitation on beneficiary liability

(1) Limitation on actual charges

(A) In general

In the case of a nonparticipating physician or nonparticipating supplier or other person (as defined in section 1395u(i)(2) of this title) who does not accept payment on an assignment-related basis for a physician’s service furnished with respect to an individual enrolled under this part, the following rules apply:

(i) Application of limiting charge

No person may bill or collect an actual charge for the service in excess of the limiting charge described in paragraph (2) for such service.

(ii) No liability for excess charges

No person is liable for payment of any amounts billed for the service in excess of such limiting charge.

(iii) Correction of excess charges

If such a physician, supplier, or other person collects an actual charge for a service in violation of clause (i), the physician, supplier, or other person shall provide on a timely basis a refund to the individual to whom such service is provided on a timely basis, but does not collect, an actual charge for a service in violation of clause (i), the physician, supplier, or other person shall reduce on a timely basis the actual charge billed for the service to an amount not to exceed the limiting charge for the service.

(iv) Refund of excess collections

If such a physician, supplier, or other person collects an actual charge for a service in violation of clause (i), the physician, supplier, or other person shall provide on a timely basis a refund to the individual charged in the amount by which the amount collected exceeded the limiting charge for the service. The amount of such a refund shall be reduced to the extent the individual has an outstanding balance owed by the individual to the physician.

(B) Sanctions

If a physician, supplier, or other person—

(i) knowingly and willfully bills or collects for services in violation of subparagraph (A)(i) on a repeated basis, or

(ii) fails to comply with clause (iii) or (iv) of subparagraph (A) on a timely basis,

the Secretary may apply sanctions against the physician, supplier, or other person in accordance with paragraph (2) of section 1385u(j) of this title. In applying this subparagraph, paragraph (4) of such section applies in the same manner as such paragraph applies to such section and any reference in such section to a physician is deemed also to include a reference to a supplier or other person under this subparagraph.

(C) Timely basis

For purposes of this paragraph, a correction of a bill for an excess charge or refund of an amount with respect to a violation of subparagraph (A)(i) in the case of a service is considered to be provided “on a timely basis”, if the reduction or refund is made not later than 30 days after the date the physician, supplier, or other person is notified by the carrier under this part of such violation and of the requirements of subparagraph (A).

(2) “Limiting charge” defined

(A) For 1991

For physicians’ services of a physician furnished during 1991, other than radiologist services subject to section 1395m(b) of this title, the “limiting charge” shall be the same percentage (or, if less, 25 percent) above the recognized payment amount under this part with respect to the physician (as a nonparticipating physician) as the percentage by which—

(i) the maximum allowable actual charge (as determined under section 1395u(j)(1)(C) of this title as of December 31, 1990, or, if less, the maximum actual charge otherwise permitted for the service under this part as of such date) for the service of the physician, exceeds

(ii) the recognized payment amount for the service of the physician (as a nonparticipating physician) as of such date.

In the case of evaluation and management services (as specified in section 1395u(b)(16)(B)(ii) of this title), the preceding sentence shall be applied by substituting “40 percent” for “25 percent”.

(B) For 1992

For physicians’ services furnished during 1992, other than radiologist services subject to section 1395m(b) of this title, the “limiting charge” shall be the same percentage (or, if less, 20 percent) above the recognized payment amount under this part for nonparticipating physicians as the percentage by which—

(i) the limiting charge (as determined under subparagraph (A) as of December 31, 1991) for the service, exceeds

(ii) the recognized payment amount for the service for nonparticipating physicians as of such date.

(C) After 1992

For physicians’ services furnished in a year after 1992, the “limiting charge” shall be 115 percent of the recognized payment amount under this part for nonparticipating physicians or for nonparticipating suppliers or other persons.
(D) Recognized payment amount

In this section, the term “recognized payment amount” means, for services furnished on or after January 1, 1992, the fee schedule amount determined under subsection (a) (or, if payment under this part is made on a basis other than the fee schedule under this section, 95 percent of the other payment basis), and, for services furnished during 1991, the applicable percentage (as defined in section 1395u(b)(4)(A)(iv) of this title) of the prevailing charge (or fee schedule amount) for nonparticipating physicians for that year.

(3) Limitation on charges for medicare beneficiaries eligible for medicaid benefits

(A) In general

Payment for physicians’ services furnished on or after April 1, 1990, to an individual who is enrolled under this part and eligible for any medical assistance (including as a qualified medicare beneficiary, as defined in section 1396d(p)(1) of this title) with respect to such services under a State plan approved under subchapter XIX may only be made on an assignment-related basis and the provisions of section 1396a(n)(3)(A) of this title apply to further limit permissible charges under this section.

(B) Penalty

A person may not bill for physicians’ services subject to subparagraph (A) other than on an assignment-related basis. No person is liable for payment of any amounts billed for such a service in violation of the previous sentence. If a person knowingly and willfully bills for physicians’ services in violation of the first sentence, the Secretary may apply sanctions against the person in accordance with section 1395u(j)(2) of this title.

(4) Physician submission of claims

(A) In general

For services furnished on or after September 1, 1990, within 1 year after the date of providing a service for which payment is made under this part on a reasonable charge or fee schedule basis, a physician, supplier, or other person (or an employer or facility in the cases described in section 1395u(b)(6)(A) of this title)—

(i) shall complete and submit a claim for such service on a standard claim form specified in subclause (I) and (II) of subparagraph (A) of section 1395u(b)(6)(A) of this title; and

(ii) may not impose any charge relating to completing and submitting such a form.

(B) Penalty

(i) With respect to an assigned claim whenever a physician, provider, supplier or other person (or an employer or facility in the cases described in section 1395u(b)(6)(A) of this title) fails to submit such a claim as required in subparagraph (A), the Secretary shall reduce by 10 percent the amount that would otherwise be paid for such claim under this part.

(ii) If a physician, supplier, or other person (or an employer or facility in the cases described in section 1395u(b)(6)(A) of this title) fails to submit a claim required to be submitted under subparagraph (A) or imposes a charge in violation of such subparagraph, the Secretary shall apply the sanction with respect to such a violation in the same manner as a sanction may be imposed under section 1395u(p)(3) of this title for a violation of section 1395u(p)(1) of this title.

(5) Electronic billing; direct deposit

The Secretary shall encourage and develop a system providing for expedited payment for claims submitted electronically. The Secretary shall also encourage and provide incentives allowing for direct deposit as payments for services furnished by participating physicians. The Secretary shall provide physicians with such technical information as necessary to enable such physicians to submit claims electronically. The Secretary shall submit a plan to Congress on this paragraph by May 1, 1990.

(6) Monitoring of charges

(A) In general

The Secretary shall monitor—

(i) the actual charges of nonparticipating physicians for physicians’ services furnished on or after January 1, 1991, to individuals enrolled under this part, and

(ii) changes (by specialty, type of service, and geographic area) in (I) the proportion of expenditures for physicians’ services provided under this part by participating physicians, (II) the proportion of expenditures for such services for which payment is made under this part on an assignment-related basis, and (III) the amounts charged above the recognized payment amounts under this part.

(B) Report

The Secretary shall, by not later than April 15 of each year (beginning in 1992), report to the Congress information on the extent to which actual charges exceed limiting charges, the number and types of services involved, and the average amount of excess charges and information regarding the charges described in subparagraph (A)(ii).

(C) Plan

If the Secretary finds that there has been a significant decrease in the proportions described in subclauses (I) and (II) of subparagraph (A)(ii) or an increase in the amounts described in subclause (III) of that subparagraph, the Secretary shall develop a plan to address such a problem and transmit to Congress recommendations regarding the plan. The Medicare Payment Advisory Commission shall review the Secretary’s plan and recommendations and transmit to Congress its comments regarding such plan and recommendations.

(7) Monitoring of utilization and access

(A) In general

The Secretary shall monitor—

(i) changes in the utilization of and access to services furnished under this part

(ii) ...
within geographic, population, and service related categories.

(ii) possible sources of inappropriate utilization of services furnished under this part which contribute to the overall level of expenditures under this part, and

(iii) factors underlying these changes and their interrelationships.

(B) Report

The Secretary shall by not later than April 15,\(^5\) of each year (beginning with 1991) report to the Congress on the changes described in subparagraph (A)(i) and shall include in the report an examination of the factors (including factors relating to different services and specific categories and groups of services and geographic and demographic variations in utilization) which may contribute to such changes.

(C) Recommendations

The Secretary shall include in each annual report under subparagraph (B) recommendations—

(i) addressing any identified patterns of inappropriate utilization,

(ii) on utilization review,

(iii) on physician education or patient education,

(iv) addressing any problems of beneficiary access to care made evident by the monitoring process, and

(v) on such other matters as the Secretary deems appropriate.

The Medicare Payment Advisory Commission shall comment on the Secretary’s recommendations and in developing its comments, the Commission shall convene and consult a panel of physician experts to evaluate the implications of medical utilization patterns for the quality of and access to patient care.

(h) Sending information to physicians

Before the beginning of each year (beginning with 1992), the Secretary shall send to each physician or nonparticipating supplier or other person furnishing physicians’ services (as defined in subsection (j)(3)) furnishing physicians’ services under this part, for services commonly performed by the physician, supplier, or other person, information on fee schedule amounts that the physician, supplier, or other person furnishing physician services other than surgical services, surgical services, and all services (as defined by the Secretary and including

(A) the determination of the adjusted historical payment basis (as defined in subsection (a)(2)(D)(i)),

(B) the determination of relative values and relative value units under subsection (e), including adjustments under subsections (c)(2)(F), (c)(2)(H), and (c)(2)(I) and section 13515(b) of the Omnibus Budget Reconciliation Act of 1993,

(C) the determination of conversion factors under subsection (d), including without limitation a prospective redetermination of the sustainable growth rates for any or all previous fiscal years,

(D) the establishment of geographic adjustment factors under subsection (e),

(E) the establishment of the system for the coding of physicians’ services under this section, and

(F) the collection and use of information in the determination of relative values under subsection (c)(2)(M).

(2) Assistants-at-surgery

(A) In general

Subject to subparagraph (B), in the case of a surgical service furnished by a physician, if payment is made separately under this part for the services of a physician serving as an assistant-at-surgery, the fee schedule amount shall not exceed 16 percent of the fee schedule amount otherwise determined under this section for the global surgical service involved.

(B) Denial of payment in certain cases

If the Secretary determines, based on the most recent data available, that for a surgical procedure (or class of surgical procedures) the national average percentage of such procedure performed under this part in the baseline period is greater than the baseline period percentage of such procedure performed under this part in the baseline period, the fee schedule amount otherwise determined under this section shall be reduced by an amount determined by the Secretary.

(3) No comparability adjustment

For physicians’ services for which payment under this part is determined under this section—

(A) a carrier may not make any adjustment in the payment amount under section 1395u(b)(3)(B) of this title on the basis that the payment amount is higher than the charge applicable, for comparable services and under comparable circumstances, to the policyholders and subscribers of the carrier,

(B) no payment adjustment may be made under section 1395u(b)(8) of this title, and

(C) section 1395u(b)(9) of this title shall not apply.

(j) Definitions

In this section:

(1) Category

For services furnished before January 1, 1998, the term ‘‘category’’ means, with respect to physicians’ services, surgical services, and all physicians’ services other than surgical services (as defined by the Secretary and including

---

\(^5\)So in original. The comma probably should not appear.
§ 1395w–4

(1) In general

The Secretary shall implement a system for the reporting by eligible professionals of data on quality measures specified under paragraph (2). Such data shall be submitted in a form and manner specified by the Secretary (by program instruction or otherwise), which may include submission of such data on claims under this part.

(2) Use of consensus-based quality measures

(A) For 2007

(i) In general

For purposes of applying this subsection for the reporting of data on quality measures for covered professional services furnished during the period beginning July 1, 2007, and ending December 31, 2007, the quality measures specified under this paragraph are the measures identified as 2007 physician voluntary reporting program measures by the Physician Voluntary Reporting Program as published on the public website of the Centers for Medicare & Medicaid Services as of December 20, 2006, except as may be changed by the Secretary based on the results of a consensus-based process in January of 2007, if such change is published on such website by not later than April 1, 2007.

(ii) Subsequent refinements in application permitted

The Secretary may, from time to time (but not later than July 1, 2007), publish on such website (without notice or opportunity for public comment) modifications or refinements (such as code additions, corrections, or revisions) for the application of quality measures previously published under clause (i), but may not, under this clause, change the quality measures under the reporting system.

(iii) Implementation

Notwithstanding any other provision of law, the Secretary may implement by program instruction or otherwise this subsection for 2007.

(B) For 2008 and 2009

(i) In general

For purposes of reporting data on quality measures for covered professional services furnished during 2008 and 2009, the quality measures specified under this paragraph for covered professional services shall be measures that have been adopted or endorsed by a consensus organization (such as the National Quality Forum or AQA), that include measures that have been submitted by a physician specialty, and that the Secretary identifies as having used a consensus-based process for developing such measures. Such measures shall include structural measures, such as the use of electronic health records and electronic prescribing technology.

(ii) Proposed set of measures

Not later than August 15 of each of 2007 and 2008, the Secretary shall publish in the Federal Register a proposed set of quality measures that the Secretary determines are described in clause (i) and would be appropriate for eligible professionals to use to submit data to the Secretary in 2008 or 2009, as applicable. The Secretary shall provide for a period of public comment on such set of measures.

(iii) Final set of measures

Not later than November 15 of each of 2007 and 2008, the Secretary shall publish in the Federal Register a final set of quality measures that the Secretary determines are described in clause (i) and would be appropriate for eligible professionals to use to submit data to the Secretary in 2008 or 2009, as applicable.

(C) For 2010 and subsequent years

(i) In general

Subject to clause (ii), for purposes of reporting data on quality measures for covered professional services furnished during 2010 and each subsequent year, subject to subsection (m)(3)(C), the quality measures (including electronic prescribing quality measures) specified under this paragraph shall be such measures selected by the Secretary from measures that have been endorsed by the entity with a contract

So in original. Probably should be followed by a comma.
with the Secretary under section 1395aaa(a) of this title.

(ii) Exception

In the case of a specified area or medical topic determined appropriate by the Secretary for which a feasible and practical measure has not been endorsed by the entity with a contract under section 1395aaa(a) of this title, the Secretary may specify a measure that is not so endorsed as long as due consideration is given to measures that have been endorsed or adopted by a consensus organization identified by the Secretary, such as the AQA alliance.

(D) Opportunity to provide input on measures for 2009 and subsequent years

For each quality measure (including an electronic prescribing quality measure) adopted by the Secretary under subparagraph (B) (with respect to 2009) or subparagraph (C), the Secretary shall ensure that eligible professionals have the opportunity to provide input during the development, endorsement, or selection of measures applicable to services they furnish.

(3) Covered professional services and eligible professionals defined

For purposes of this subsection:

(A) Covered professional services

The term “covered professional services” means services for which payment is made under, or is based on, the fee schedule established under this section and which are furnished by an eligible professional.

(B) Eligible professional

The term “eligible professional” means any of the following:

(i) A physician.

(ii) A practitioner described in section 1395u(b)(18)(C) of this title.

(iii) A physical or occupational therapist or a qualified speech-language pathologist.

(iv) Beginning with 2009, a qualified audiologist (as defined in section 1395x(ll)(3)(B) of this title).

(4) Use of registry-based reporting

As part of the publication of proposed and final quality measures for 2008 under clauses (ii) and (iii) of paragraph (2)(B), the Secretary shall address a mechanism whereby an eligible professional may provide data on quality measures through an appropriate medical registry (such as the Society of Thoracic Surgeons National Database) or through a Maintenance of Certification program operated by a specialty body of the American Board of Medical Specialties that meets the criteria for such a registry, as identified by the Secretary.

(5) Identification units

For purposes of applying this subsection, the Secretary may identify eligible professionals through billing units, which may include the use of the Provider Identification Number, the unique physician identification number (described in section 1395l(q)(1) of this title), the taxpayer identification number, or the National Provider Identifier. For purposes of applying this subsection for 2007, the Secretary shall use the taxpayer identification number as the billing unit.

(6) Education and outreach

The Secretary shall provide for education and outreach to eligible professionals on the operation of this subsection.

(7) Limitations on review

There shall be no administrative or judicial review under section 1395ff of this title, section 1395oo of this title, or otherwise, of the development and implementation of the reporting system under paragraph (1), including identification of quality measures under paragraph (2) and the application of paragraphs (4) and (5).

(8) Implementation

The Secretary shall carry out this subsection acting through the Administrator of the Centers for Medicare & Medicaid Services.

(9) Continued application for purposes of MIPS and for certain professionals volunteering to report

The Secretary shall, in accordance with subsection (q)(1)(F), carry out the provisions of this subsection—

(A) for purposes of subsection (q); and

(B) for eligible professionals who are not MIPS eligible professionals (as defined in subsection (q)(1)(C)) for the year involved.

(f) Physician Assistance and Quality Initiative Fund

(1) Establishment

The Secretary shall establish under this subsection a Physician Assistance and Quality Initiative Fund (in this subsection referred to as the “Fund”) which shall be available to the Secretary for physician payment and quality improvement initiatives, which may include application of an adjustment to the update of the conversion factor under subsection (d).

(2) Funding

(A) Amount available

(i) In general

Subject to clause (ii), there shall be available to the Fund the following amounts:

(I) For expenditures during 2008, an amount equal to $150,500,000.

(II) For expenditures during 2009, an amount equal to $24,500,000.

(ii) Limitations on expenditures

(I) 2008

The amount available for expenditures during 2008 shall be reduced as provided by subparagraph (A) of section 225(c)(1) and section 524 of the Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 2008 (division G of the Consolidated Appropriations Act, 2008).

(II) 2009

The amount available for expenditures during 2009 shall be reduced as provided
by subparagraph (B) of such section 225(c)(1).

(B) Timely obligation of all available funds for services

The Secretary shall provide for expenditures from the Fund in a manner designed to provide (to the maximum extent feasible) for the obligation of the entire amount available for expenditures, after application of subparagraph (A)(ii), during—

(i) 2008 for payment with respect to physicians’ services furnished during 2008; and

(ii) 2009 for payment with respect to physicians’ services furnished during 2009.

(C) Payment from Trust Fund

The amount specified in subparagraph (A) shall be available to the Fund, as expenditures are made from the Fund, from the Federal Supplementary Medical Insurance Trust Fund under section 1395t of this title.

(D) Funding limitation

Amounts in the Fund shall be available in advance of appropriations in accordance with subparagraph (B) but only if the total amount obligated from the Fund does not exceed the amount available to the Fund under subparagraph (A). The Secretary may obligate funds from the Fund only if the Secretary determines (and the Chief Actuary of the Centers for Medicare & Medicaid Services and the appropriate budget officer certify) that there are available in the Fund sufficient amounts to cover all such obligations incurred consistent with the previous sentence.

(E) Construction

In the case that expenditures from the Fund are applied to, or otherwise affect, a conversion factor under subsection (d) for a year, the conversion factor under such subsection shall be computed for a subsequent year as if such application or effect had not occurred.

(m) Incentive payments for quality reporting

(1) Incentive payments

(A) In general

For 2007 through 2014, with respect to covered professional services furnished during a reporting period by an eligible professional, if—

(i) there are any quality measures that have been established under the physician reporting system that are applicable to any such services furnished by such professional for such reporting period; and

(ii) the eligible professional satisfactorily submits (as determined under this subsection) to the Secretary data on such quality measures in accordance with such reporting system for such reporting period, in addition to the amount otherwise paid under this paragraph (3)(C), to the group practice, from the Federal Supplementary Medical Insurance Trust Fund established under section 1395t of this title an amount equal to the applicable quality percent of the Secretary’s estimate (based on claims submitted not later than 2 months after the end of the reporting period) of the allowed charges under this part for all such covered professional services furnished by the eligible professional (or, in the case of a group practice under paragraph (3)(C), by the group practice) during the reporting period.

(B) Applicable quality percent

For purposes of subparagraph (A), the term “applicable quality percent” means—

(i) for 2007 and 2008, 1.5 percent;

(ii) for 2009 and 2010, 2.0 percent;

(iii) for 2011, 1.0 percent; and

(iv) for 2012, 2013, and 2014, 0.5 percent.

(2) Incentive payments for electronic prescribing

(A) In general

Subject to subparagraph (D), for 2009 through 2013, with respect to covered professional services furnished during a reporting period by an eligible professional, if the eligible professional is a successful electronic prescriber for such reporting period, in addition to the amount otherwise paid under this part, there also shall be paid to the eligible professional (or to an employer or facility in the cases described in clause (A) of section 1395u(b)(6) of this title) or, in the case of a group practice under paragraph (3)(C), to the group practice, from the Federal Supplementary Medical Insurance Trust Fund established under section 1395t of this title an amount equal to the applicable electronic prescribing percent of the Secretary’s estimate (based on claims submitted not later than 2 months after the end of the reporting period) of the allowed charges under this part for all such covered professional services furnished by the eligible professional (or, in the case of a group practice under paragraph (3)(C), by the group practice) during the reporting period.

(B) Limitation with respect to electronic prescribing quality measures

The provisions of this paragraph and subsection (a)(5) shall not apply to an eligible professional (or, in the case of a group practice under paragraph (3)(C), to the group practice) if, for the reporting period (or, for purposes of subsection (a)(5), for the reporting period for a year)—

(i) the allowed charges under this part for all covered professional services furnished by the eligible professional (or group, as applicable) for the codes to which the electronic prescribing quality measure applies (as identified by the Secretary and published on the Internet website of the Centers for Medicare & Medicaid Services as of January 1, 2008, and as subsequently modified by the Secretary) are less than 10 percent of the total of the allowed charges under this part for all such covered professional services fur-
nished by the eligible professional (or the group, as applicable); or

(ii) If determined appropriate by the Secretary, the eligible professional does not submit (including both electronically and nonelectronically) a sufficient number (as determined by the Secretary) of prescriptions under part D.

If the Secretary makes the determination to apply clause (ii) for a period, then clause (i) shall not apply for such period.

(C) Applicable electronic prescribing percent

For purposes of subparagraph (A), the term “applicable electronic prescribing percent” means—

(i) for 2009 and 2010, 2.0 percent;
(ii) for 2011 and 2012, 1.0 percent; and
(iii) for 2013, 0.5 percent.

(D) Limitation with respect to EHR incentive payments

The provisions of this paragraph shall not apply to an eligible professional (or, in the case of a group practice under paragraph (3)(C), to the group practice) if, for the EHR reporting period the eligible professional (or group practice) receives an incentive payment under subsection (a)(1)(A) with respect to a certified EHR technology (as defined in subsection (o)(4))) that has the capability of electronic prescribing.

(3) Satisfactory reporting and successful electronic prescriber described

(A) In general

For purposes of paragraph (1), an eligible professional shall be treated as satisfactory prescriber described in

(i) Three or fewer quality measures applicable

If there are no more than 3 quality measures that are provided under the physician reporting system and that are applicable to such services of such professional furnished during the period, each such quality measure has been reported under such system in at least 80 percent of the cases in which such measure is reportable under the system.

(ii) Four or more quality measures applicable

If there are 4 or more quality measures that are provided under the physician reporting system and that are applicable to such services of such professional furnished during the period, at least 80 percent of the cases in which the respective measure is reportable under the system.

For years after 2008, quality measures for purposes of this subparagraph shall not include electronic prescribing quality measures.

(B) Successful electronic prescriber

(i) In general

For purposes of paragraph (2) and subsection (a)(5), an eligible professional shall be treated as a successful electronic prescriber for a reporting period (or, for purposes of subsection (a)(5), for the reporting period for a year) if the eligible professional meets the requirement described in clause (ii), or, if the Secretary determines appropriate, the requirement described in clause (iii). If the Secretary makes the determination under the preceding sentence to apply the requirement described in clause (iii) for a period, then the requirement described in clause (ii) shall not apply for such period.

(ii) Requirement for submitting data on electronic prescribing quality measures

The requirement described in this clause is that, with respect to covered professional services furnished by an eligible professional during a reporting period (or, for purposes of subsection (a)(5), for the reporting period for a year), if there are any electronic prescribing quality measures that have been established under the physician reporting system and are applicable to any such services furnished by such professional for the period, such professional reported each such measure under such system in at least 50 percent of the cases in which such measure is reportable by such professional under such system.

(iii) Requirement for electronically prescribing under part D

The requirement described in this clause is that the eligible professional electronically submitted a sufficient number (as determined by the Secretary) of prescriptions under part D during the reporting period (or, for purposes of subsection (a)(5), for the reporting period for a year).

(iv) Use of part D data

Notwithstanding sections 1395w–115(d)(2)(B) and 1395w–115(f)(2) of this title, the Secretary may use data regarding drug claims submitted for purposes of section 1395w–115 of this title that are necessary for purposes of clause (iii), paragraph (2)(B)(i), and paragraph (5)(G).

(v) Standards for electronic prescribing

To the extent practicable, in determining whether eligible professionals meet the requirements under clauses (ii) and (iii) for purposes of clause (i), the Secretary shall ensure that eligible professionals utilize electronic prescribing systems in compliance with standards established for such systems pursuant to the Part D Electronic Prescribing Program under section 1395w–104(e) of this title.

(C) Satisfactory reporting measures for group practices

(i) In general

By January 1, 2010, the Secretary shall establish and have in place a process under
which eligible professionals in a group practice (as defined by the Secretary) shall be treated as satisfactorily submitting data on quality measures under subparagraph (A) and as meeting the requirement described in subparagraph (B)(ii) for covered professional services for a reporting period (or, for purposes of subsection (a)(5), for a reporting period for a year), or, for purposes of subsection (a)(8), for a quality reporting period for the year if, in lieu of reporting measures under subsection (k)(2)(C), the group practice reports measures determined appropriate by the Secretary, such as measures that target high-cost chronic conditions and preventive care, in a form and manner, and at a time, specified by the Secretary.

(ii) Statistical sampling model

The process under clause (i) shall provide and, for 2016 and subsequent years, may provide for the use of a statistical sampling model to submit data on measures, such as the model used under the Physician Group Practice demonstration project under section 1395cc-1 of this title.

(iii) No double payments

Payments to a group practice under this subsection by reason of the process under clause (i) shall be in lieu of the payments that would otherwise be made under this subsection to eligible professionals in the group practice for satisfactorily submitting data on quality measures.

(D) Satisfactory reporting measures through participation in a qualified clinical data registry

For 2014 and subsequent years, the Secretary shall treat an eligible professional as satisfactorily submitting data on quality measures under subparagraph (A) and, for 2016 and subsequent years, subparagraph (A) or (C) if, in lieu of reporting measures under subsection (k)(2)(C), the group practice reports measures determined appropriate by the Secretary, in a qualified clinical data registry (as described in subparagraph (E)) for the year.

(E) Qualified clinical data registry

(i) In general

The Secretary shall establish requirements for an entity to be considered a qualified clinical data registry. Such requirements shall include a requirement that the entity provide the Secretary with such information, at such times, and in such manner, as the Secretary determines necessary to carry out this subsection.

(ii) Considerations

In establishing the requirements under clause (i), the Secretary shall consider whether an entity—

(I) has in place mechanisms for the transparency of data elements and specifications, risk models, and measures;

(II) requires the submission of data from participants with respect to multiple payers;

(III) provides timely performance reports to participants at the individual participant level; and

(IV) supports quality improvement initiatives for participants.

(iii) Measures

With respect to measures used by a qualified clinical data registry—

(I) sections 1395aaa(b)(7) and 1395aaa-1(a) of this title shall not apply; and

(II) measures endorsed by the entity with a contract with the Secretary under section 1395aaa(a) of this title may be used.

(iv) Consultation

In carrying out this subparagraph, the Secretary shall consult with interested parties.

(v) Determination

The Secretary shall establish a process to determine whether or not an entity meets the requirements established under clause (i). Such process may involve one or both of the following:

(I) A determination by the Secretary.

(II) A designation by the Secretary of one or more independent organizations to make such determination.

(F) Authority to revise satisfactorily reporting data

For years after 2009, the Secretary, in consultation with stakeholders and experts, may revise the criteria under this subsection for satisfactorily submitting data on quality measures under subparagraph (A) and the criteria for submitting data on electronic prescribing quality measures under subparagraph (B)(ii).

(4) Form of payment

The payment under this subsection shall be in the form of a single consolidated payment.

(5) Application

(A) Physician reporting system rules

Paragraphs (5), (6), and (8) of subsection (k) shall apply for purposes of this subsection in the same manner as they apply for purposes of such subsection.

(B) Coordination with other bonus payments

The provisions of this subsection shall not be taken into account in applying subsections (m) and (u) of section 1395l of this title and any payment under such subsections shall not be taken into account in computing allowable charges under this subsection.

(C) Implementation

Notwithstanding any other provision of law, for 2007, 2008, and 2009, the Secretary may implement by program instruction or otherwise this subsection.

(D) Validation

(i) In general

Subject to the preceding provisions of this subparagraph, for purposes of deter-
mining whether a measure is applicable to the covered professional services of an eligible professional under this subsection for 2007 and 2008, the Secretary shall presume that if an eligible professional submits data for a measure, such measure is applicable to such professional.

(ii) Method

The Secretary may establish procedures to validate (by sampling or other means as the Secretary determines to be appropriate) whether measures applicable to covered professional services of an eligible professional have been reported.

(iii) Denial of payment authority

If the Secretary determines that an eligible professional (or, in the case of a group practice under paragraph (3)(C), the group practice) has not reported measures applicable to covered professional services of such professional, the Secretary shall not pay the incentive payment under this subsection. If such payments for such period have already been made, the Secretary shall recoup such payments from the eligible professional (or the group practice).

(E) Limitations on review

Except as provided in subparagraph (I), there shall be no administrative or judicial review under section 1395ff of this title, section 1395oo of this title, or otherwise of—

(i) the determination of measures applicable to services furnished by eligible professionals under this subsection;

(ii) the determination of satisfactory reporting under this subsection;

(iii) the determination of a successful electronic prescriber under paragraph (3), the limitation under paragraph (2)(B), and the exception under subsection (a)(5)(B); and

(iv) the determination of any incentive payment under this subsection and the payment adjustment under paragraphs (5)(A) and (8)(A) of subsection (a).

(F) Extension

For 2008 through reporting periods occurring in 2015, the Secretary shall establish and, for reporting periods occurring in 2016 and subsequent years, the Secretary may establish alternative criteria for satisfactorily reporting under this subsection and alternative reporting periods under paragraph (6)(C) for reporting groups of measures under subsection (k)(2)(B) and for reporting using the method specified in subsection (k)(4).

(G) Posting on website

The Secretary shall post on the Internet website of the Centers for Medicare & Medicaid Services, in an easily understandable format, a list of the names of the following:

(i) The eligible professionals (or, in the case of reporting under paragraph (3)(C), the group practices) who are successful electronic prescribers.

(ii) The eligible professionals (or, in the case of reporting under paragraph (3)(C),

(H) Feedback

The Secretary shall provide timely feedback to eligible professionals on the performance of the eligible professional with respect to satisfactorily submitting data on quality measures under this subsection.

(I) Informal appeals process

The Secretary shall, by not later than January 1, 2011, establish and have in place an informal process for eligible professionals to seek a review of the determination that an eligible professional did not satisfactorily submit data on quality measures under this subsection.

(6) Definitions

For purposes of this subsection:

(A) Eligible professional; covered professional services

The terms “eligible professional” and “covered professional services” have the meanings given such terms in subsection (k)(3).

(B) Physician reporting system

The term “physician reporting system” means the system established under subsection (k).

(C) Reporting period

(i) In general

Subject to clauses (ii) and (iii), the term “reporting period” means—

(1) for 2007, the period beginning on July 1, 2007, and ending on December 31, 2007; and

(2) for 2008 and subsequent years, the entire year.

(ii) Authority to revise reporting period

For years after 2009, the Secretary may revise the reporting period under clause (i) if the Secretary determines such revision is appropriate, produces valid results on measures reported, and is consistent with the goals of maximizing scientific validity and reducing administrative burden. If the Secretary revises such period pursuant to the preceding sentence, the term “reporting period” shall mean such revised period.

(iii) Reference

Any reference in this subsection to a reporting period with respect to the application of subsection (a)(5) (a)(8)

7 shall be deemed a reference to the reporting period under subsection (a)(5)(D)(iii) or the quality reporting period under subsection (a)(8)(D)(iii), respectively.

(7) Integration of physician quality reporting and EHR reporting

Not later than January 1, 2012, the Secretary shall develop a plan to integrate reporting on quality measures under this subsection with reporting requirements under subsection (o)
relating to the meaningful use of electronic health records. Such integration shall consist of the following:

(A) The selection of measures, the reporting of which would both demonstrate—
(i) meaningful use of an electronic health record for purposes of subsection (o); and
(ii) quality of care furnished to an individual.

(B) Such other activities as specified by the Secretary.

(8) Additional incentive payment

(A) In general

For 2011 through 2014, if an eligible professional meets the requirements described in subparagraph (B), the applicable quality percent for such year, as described in clauses (iii) and (iv) of paragraph (1)(B), shall be increased by 0.5 percentage points.

(B) Requirements described

In order to qualify for the additional incentive payment described in subparagraph (A), an eligible professional shall meet the following requirements:

(i) The eligible professional shall—
(I) satisfactorily submit data on quality measures for purposes of paragraph (1) for a year; and
(II) have such data submitted on their behalf through a Maintenance of Certification Program (as defined in subparagraph (C)(i)) that meets—
(aa) the criteria for a registry (as described in subsection (k)(4)); or
(bb) an alternative form and manner determined appropriate by the Secretary.

(ii) The eligible professional, more frequently than is required to qualify for or maintain board certification status—
(I) participates in such a Maintenance of Certification program for a year; and
(II) successfully completes a qualified Maintenance of Certification Program practice assessment (as defined in subparagraph (C)(ii)) for such year.

(iii) A Maintenance of Certification program submits to the Secretary, on behalf of the eligible professional, information—
(I) in a form and manner specified by the Secretary, that the eligible professional has successfully met the requirements of clause (ii) (which may be in the form of a structural measure);
(II) if requested by the Secretary, on the survey of patient experience with care (as described in subparagraph (C)(ii)(II)); and
(III) as the Secretary may require, on the methods, measures, and data used under the Maintenance of Certification Program and the qualified Maintenance of Certification Program practice assessment.

(C) Definitions

For purposes of this paragraph:

(i) The term “Maintenance of Certification Program” means a continuous assessment program, such as qualified American Board of Medical Specialties Maintenance of Certification program or an equivalent program (as determined by the Secretary), that advances quality and the lifelong learning and self-assessment of board certified specialty physicians by focusing on the competencies of patient care, medical knowledge, practice-based learning, interpersonal and communication skills and professionalism. Such a program shall include the following:

(I) The program requires the physician to maintain a valid, unrestricted medical license in the United States.

(II) The program requires a physician to participate in educational and self-assessment programs that require an assessment of what was learned.

(III) The program requires a physician to demonstrate, through a formalized, secure examination, that the physician has the fundamental diagnostic skills, medical knowledge, and clinical judgment to provide quality care in their respective specialty.

(IV) The program requires successful completion of a qualified Maintenance of Certification Program practice assessment as described in clause (ii).

(ii) The term “qualified Maintenance of Certification Program practice assessment” means an assessment of a physician’s practice that—
(I) includes an initial assessment of an eligible professional’s practice that is designed to demonstrate the physician’s use of evidence-based medicine;

(II) includes a survey of patient experience with care; and

(III) requires a physician to implement a quality improvement intervention to address a practice weakness identified in the initial assessment under subclause (I) and then to remeasure to assess performance improvement after such intervention.

(9) Continued application for purposes of MIPS and for certain professionals volunteering to report

The Secretary shall, in accordance with subsection (q)(1)(F), carry out the processes under this subsection—

(A) for purposes of subsection (q); and

(B) for eligible professionals who are not MIPS eligible professionals (as defined in subsection (q)(1)(C)) for the year involved.

(n) Physician Feedback Program

(1) Establishment

(A) In general

(i) Establishment

The Secretary shall establish a Physician Feedback Program (in this subsection referred to as the “Program”).

(ii) Reports on resources

The Secretary shall use claims data under this subchapter (and may use other
data) to provide confidential reports to physicians (and, as determined appropriate by the Secretary, to groups of physicians) that measure the resources involved in furnishing care to individuals under this subchapter.

(iii) Inclusion of certain information
If determined appropriate by the Secretary, the Secretary may include information on the quality of care furnished to individuals under this subchapter by the physician (or group of physicians) in such reports.

(B) Resource use
The resources described in subparagraph (A)(ii) may be measured—
(i) on an episode basis;
(ii) on a per capita basis; or
(iii) on both an episode and a per capita basis.

(2) Implementation
The Secretary shall implement the Program by not later than January 1, 2009.

(3) Data for reports
To the extent practicable, reports under the Program shall be based on the most recent data available.

(4) Authority to focus initial application
The Secretary may focus the initial application of the Program as appropriate, such as focusing the Program on—
(A) physician specialties that account for a certain percentage of all spending for physicians’ services under this subchapter;
(B) physicians who treat conditions that have a high cost or a high volume, or both, under this subchapter;
(C) physicians who use a high amount of resources compared to other physicians;
(D) physicians practicing in certain geographic areas; or
(E) physicians who treat a minimum number of individuals under this subchapter.

(5) Authority to exclude certain information if insufficient information
The Secretary may exclude certain information regarding a service from a report under the Program with respect to a physician (or group of physicians) if the Secretary determines that there is insufficient information relating to that service to provide a valid report on that service.

(6) Adjustment of data
To the extent practicable, the Secretary shall make appropriate adjustments to the data used in preparing reports under the Program, such as adjustments to take into account variations in health status and other patient characteristics. For adjustments for reports on utilization under paragraph (9), see subparagraph (D) of such paragraph.

(7) Education and outreach
The Secretary shall provide for education and outreach activities to physicians on the operation of, and methodologies employed under, the Program.

(8) Disclosure exemption
Reports under the Program shall be exempt from disclosure under section 552 of title 5.

(9) Reports on utilization
(A) Development of episode grouper
(i) In general
The Secretary shall develop an episode grouper that combines separate but clinically related items and services into an episode of care for an individual, as appropriate.
(ii) Timeline for development
The episode grouper described in subparagraph (A) shall be developed by not later than January 1, 2012.
(iii) Public availability
The Secretary shall make the details of the episode grouper described in subparagraph (A) available to the public.
(iv) Endorsement
The Secretary shall seek endorsement of the episode grouper described in subparagraph (A) by the entity with a contract under section 1395aaa(a) of this title.

(B) Reports on utilization
Effective beginning with 2012, the Secretary shall provide reports to physicians that compare, as determined appropriate by the Secretary, patterns of resource use of the individual physician to such patterns of other physicians.

(C) Analysis of data
The Secretary shall, for purposes of preparing reports under this paragraph, establish methodologies as appropriate, such as to—
(i) attribute episodes of care, in whole or in part, to physicians;
(ii) identify appropriate physicians for purposes of comparison under subparagraph (B); and
(iii) aggregate episodes of care attributed to a physician under clause (i) into a composite measure per individual.

(D) Data adjustment
In preparing reports under this paragraph, the Secretary shall make appropriate adjustments, including adjustments—
(i) to account for differences in socio-economic and demographic characteristics, ethnicity, and health status of individuals (such as to recognize that less healthy individuals may require more intensive interventions); and
(ii) to eliminate the effect of geographic adjustments in payment rates (as described in subsection (e)).

(E) Public availability of methodology
The Secretary shall make available to the public—
(i) the methodologies established under subparagraph (C);
(ii) information regarding any adjustments made to data under subparagraph (D); and

So in original. Probably means cl. (i) of this subpar.
(iii) aggregate reports with respect to physicians.

(F) Definition of physician

In this paragraph:

(i) In general

The term “physician” has the meaning given that term in section 1395x(r)(1) of this title.

(ii) Treatment of groups

Such term includes, as the Secretary determines appropriate, a group of physicians.

(G) Limitations on review

There shall be no administrative or judicial review under section 1395ff of this title, section 1395oo of this title, or otherwise of the establishment of the methodology under subparagraph (C), including the determination of an episode of care under such methodology.

(10) Coordination with other value-based purchasing reforms

The Secretary shall coordinate the Program with the value-based payment modifier established under subsection (p) and, as the Secretary determines appropriate, other similar provisions of this subchapter.

(11) Reports ending with 2017

Reports under the Program shall not be provided after December 31, 2017. See subsection (q)(12) for reports under the eligible professionals Merit-based Incentive Payment System.

(o) Incentives for adoption and meaningful use of certified EHR technology

(1) Incentive payments

(A) In general

(i) In general

Subject to the succeeding subparagraphs of this paragraph, with respect to covered professional services furnished by an eligible professional during a payment year (as defined in subparagraph (E)), if the eligible professional is a meaningful EHR user (as determined under paragraph (2)) for the EHR reporting period with respect to such year, in addition to the amount otherwise paid under this part, there also shall be paid to the eligible professional (or to an employer or facility in the cases described in clause (A) of section 1395u(b)(6) of this title), from the Federal Supplementary Medical Insurance Trust Fund established under section 1395t of this title an amount equal to 75 percent of the Secretary’s estimate (based on claims submitted not later than 2 months after the end of the payment year) of the allowed charges under this part for all such covered professional services furnished by the eligible professional during such year.

(ii) No incentive payments with respect to years after 2016

No incentive payments may be made under this subsection with respect to a year after 2016.

(B) Limitations on amounts of incentive payments

(i) In general

In no case shall the amount of the incentive payment provided under this paragraph for an eligible professional for a payment year exceed the applicable amount specified under this subparagraph with respect to such eligible professional and such year.

(ii) Amount

Subject to clauses (iii) through (v), the applicable amount specified in this subparagraph for an eligible professional is as follows:

(I) For the first payment year for such professional, $15,000 (or, if the first payment year for such eligible professional is 2011 or 2012, $18,000).

(II) For the second payment year for such professional, $12,000.

(III) For the third payment year for such professional, $8,000.

(IV) For the fourth payment year for such professional, $4,000.

(V) For the fifth payment year for such professional, $2,000.

(VI) For any succeeding payment year for such professional, $0.

(iii) Phase down for eligible professionals first adopting EHR after 2013

If the first payment year for an eligible professional is after 2013, then the amount specified in this subparagraph for a payment year for such professional is the same as the amount specified in clause (ii) for such payment year for an eligible professional whose first payment year is 2013.

(iv) Increase for certain eligible professionals

In the case of an eligible professional who predominantly furnishes services under this part in an area that is designated by the Secretary (under section 254e(a)(1)(A) of this title) as a health professional shortage area, the amount that would otherwise apply for a payment year for such professional under subclauses (I) through (V) of clause (ii) shall be increased by 10 percent. In implementing the preceding sentence, the Secretary may, as determined appropriate, apply provisions of subsections (m) and (u) of section 1395l of this title in a similar manner as such provisions apply under such subsection.

(v) No incentive payment if first adopting after 2014

If the first payment year for an eligible professional is after 2014 then the applicable amount specified in this subparagraph for such professional and such year and any subsequent year shall be $0.

(C) Non-application to hospital-based eligible professionals

(i) In general

No incentive payment may be made under this paragraph in the case of a hospital-based eligible professional.
(ii) Hospital-based eligible professional

For purposes of clause (i), the term “hospital-based eligible professional” means, with respect to covered professional services furnished by an eligible professional during the EHR reporting period for a payment year, an eligible professional, such as a pathologist, anesthesiologist, or emergency physician, who furnishes substantially all of such services in a hospital inpatient or emergency room setting and through the use of the facilities and equipment, including qualified electronic health records, of the hospital. The determination of whether an eligible professional is a hospital-based eligible professional shall be made on the basis of the site of service (as defined by the Secretary) and without regard to any employment or billing arrangement between the eligible professional and any other provider.

(D) Payment

(i) Form of payment

The payment under this paragraph may be in the form of a single consolidated payment or in the form of such periodic installments as the Secretary may specify.

(ii) Coordination of application of limitation for professionals in different practices

In the case of an eligible professional furnishing covered professional services in more than one practice (as specified by the Secretary), the Secretary shall establish rules to coordinate the incentive payments, including the application of the limitation on amounts of such incentive payments under this paragraph, among such practices.

(iii) Coordination with Medicaid

The Secretary shall seek, to the maximum extent practicable, to avoid duplicative requirements from Federal and State governments to demonstrate meaningful use of certified EHR technology under this subsection for a year if each of the following requirements is met:

(2) Meaningful EHR user

(A) In general

An eligible professional shall be treated as a meaningful EHR user for an EHR reporting period for a payment year (or, for purposes of subsection (a)(7), for an EHR reporting period under such subsection for a year, pursuant to subparagraph (D) for purposes of subsection (q), for a performance period under such subsection for a year) if each of the following requirements is met:

(i) Meaningful use of certified EHR technology

The eligible professional demonstrates to the satisfaction of the Secretary, in accordance with subparagraph (i)(1), that during such period the professional is using certified EHR technology in a meaningful manner, which shall include the use of electronic prescribing as determined to be appropriate by the Secretary.

(ii) Information exchange

The eligible professional demonstrates to the satisfaction of the Secretary, in accordance with subparagraph (i)(1), that during such period such certified EHR technology is connected in a manner that provides in accordance with law and standards applicable to the exchange of information, for the electronic exchange of health information to improve the quality of health care, such as promoting care coordination, and the professional demonstrates (through a process specified by the Secretary, such as the use of an attestation) that the professional has not knowingly and willfully taken action (such as to disable functionality) to limit or restrict the compatibility or interoperability of the certified EHR technology.

(iii) Reporting on measures using EHR

Subject to subparagraph (B)(i) and subsection (q)(5)(B)(ii)(II) and using such certified EHR technology, the eligible professional submits information for such period, in a form and manner specified by the Secretary, on such clinical quality measures and such other measures as selected by the Secretary under subparagraph (B)(i).

The Secretary may provide for the use of alternative means for meeting the requirements of clauses (i), (ii), and (iii) in the case of an eligible professional furnishing covered professional services in a group practice (as defined by the Secretary). The Secretary shall seek to improve the use of electronic health records and health care quality over time.

(B) Reporting on measures

(i) Selection

The Secretary shall select measures for purposes of subparagraph (A)(iii) but only consistent with the following:

(I) The Secretary shall provide preference to clinical quality measures that have been endorsed by the entity with a
contract with the Secretary under section 1395aaa(a) of this title.

(II) Prior to any measure being selected under this subparagraph, the Secretary shall publish in the Federal Register such measure and provide for a period of public comment on such measure.

(ii) Limitation

The Secretary may not require the electronic reporting of information on clinical quality measures under subparagraph (A)(iii) unless the Secretary has the capacity to accept the information electronically, which may be on a pilot basis.

(iii) Coordination of reporting of information

In selecting such measures, and in establishing the form and manner for reporting measures under subparagraph (A)(iii), the Secretary shall seek to avoid redundant or duplicative reporting otherwise required, including reporting under subsection (k)(2)(C).

(C) Demonstration of meaningful use of certified EHR technology and information exchange

(i) In general

A professional may satisfy the demonstration requirement of clauses (i) and (ii) of subparagraph (A) through means specified by the Secretary, which may include—

(I) an attestation;

(II) the submission of claims with appropriate coding (such as a code indicating that a patient encounter was documented using certified EHR technology);

(III) a survey response;

(IV) reporting under subparagraph (A)(iii); and

(V) other means specified by the Secretary.

(ii) Use of part D data

Notwithstanding sections 1395w–115(d)(2)(B) and 1395w–115(f)(2) of this title, the Secretary may use data regarding drug claims submitted for purposes of section 1395w–115 of this title that are necessary for purposes of subparagraph (A).

(D) Continued application for purposes of MIPS

With respect to 2019 and each subsequent payment year, the Secretary shall, for purposes of subsection (q) and in accordance with paragraph (1)(F) of such subsection, determine whether an eligible professional who is a MIPS eligible professional (as defined in subsection (q)(1)(C)) for such year is a meaningful EHR user under this paragraph for the performance period under subsection (q) for such year. The provisions of subparagraphs (B) and (D) of subsection (a)(7),5 shall apply to assessments of MIPS eligible professionals under subsection (q) with respect to the performance category described in subsection (q)(2)(A)(iv) in an appropriate manner which may be similar to the manner in which such provisions apply with respect to payment adjustments made under subsection (a)(7)(A).

(3) Application

(A) Physician reporting system rules

Paragraphs (5), (6), and (8) of subsection (k) shall apply for purposes of this subsection in the same manner as they apply for purposes of such subsection.

(B) Coordination with other payments

The provisions of this subsection shall not be taken into account in applying the provisions of subsection (m) of this section and of section 1395f(m) of this title and any payment under such provisions shall not be taken into account in computing allowable charges under this subsection.

(C) Limitations on review

There shall be no administrative or judicial review under section 1395ff of this title, section 1395oo of this title, or otherwise, of—

(i) the methodology and standards for determining payment amounts under this subsection and payment adjustments under subsection (a)(7)(A), including the limitation under paragraph (1)(B) and coordination under clauses (ii) and (iii) of paragraph (1)(D);

(ii) the methodology and standards for determining a meaningful EHR user under paragraph (2), including selection of measures under paragraph (2)(B), specification of the means of demonstrating meaningful EHR use under paragraph (2)(C), and the hardship exception under subsection (a)(7)(B);

(iii) the methodology and standards for determining a hospital-based eligible professional under paragraph (1)(C); and

(iv) the specification of reporting periods under paragraph (5) and the selection of the form of payment under paragraph (1)(D)(I).

(D) Posting on website

The Secretary shall post on the Internet website of the Centers for Medicare & Medicaid Services, in an easily understandable format, a list of the names, business addresses, and business phone numbers of the eligible professionals who are meaningful EHR users and, as determined appropriate by the Secretary, of group practices receiving incentive payments under paragraph (1).

(4) Certified EHR technology defined

For purposes of this section, the term “certified EHR technology” means a qualified electronic health record (as defined in section 300jj(13) of this title) that is certified pursuant to section 300jj–11(c)(5) of this title as meeting standards adopted under section 300jj–14 of this title that are applicable to the type of record involved (as determined by the Secretary, such as an ambulatory electronic health record for office-based physicians or an inpatient hospital electronic health record for hospitals).

(5) Definitions

For purposes of this subsection:
(A) Covered professional services
The term “covered professional services” has the meaning given such term in subsection (k)(3).

(B) EHR reporting period
The term “EHR reporting period” means, with respect to a payment year, any period (or periods) as specified by the Secretary.

(C) Eligible professional
The term “eligible professional” means a physician, as defined in section 1395x(r) of this title.

(p) Establishment of value-based payment modifier

(1) In general
The Secretary shall establish a payment modifier that provides for differential payment to a physician or a group of physicians under the fee schedule established under subsection (b) based upon the quality of care furnished compared to cost (as determined under paragraphs (2) and (3), respectively) during a performance period. Such payment modifier shall be separate from the geographic adjustment factors established under subsection (e).

(2) Quality
(A) In general
For purposes of paragraph (1), quality of care shall be evaluated, to the extent practicable, based on a composite of measures of the quality of care furnished (as established by the Secretary under subparagraph (B)).

(B) Measures
(i) The Secretary shall establish appropriate measures of the quality of care furnished by a physician or group of physicians to individuals enrolled under this part, such as measures that reflect health outcomes. Such measures shall be risk adjusted as determined appropriate by the Secretary.

(ii) The Secretary shall seek endorsement of the measures established under this subparagraph by the entity with a contract under section 1395aaa(a) of this title.

(C) Continued application for purposes of MIPS
The Secretary shall, in accordance with subsection (q)(1)(F), carry out subparagraph (B) for purposes of subsection (q).

(3) Costs
For purposes of paragraph (1), costs shall be evaluated, to the extent practicable, based on a composite of appropriate measures of costs established by the Secretary (such as the composite measure under the methodology established under subsection (n)(9)(C)(iii)) that eliminate the effect of geographic adjustments in payment rates (as described in subsection (e)), and take into account risk factors (such as socioeconomic and demographic characteristics, ethnicity, and health status of individuals (such as to recognize that less healthy individuals may require more intensive interventions)\(^\text{10}\) and other factors determined appropriate by the Secretary. With respect to 2019 and each subsequent year, the Secretary shall, in accordance with subsection (q)(1)(F), carry out this paragraph for purposes of subsection (q).

(4) Implementation

(A) Publication of measures, dates of implementation, performance period
Not later than January 1, 2012, the Secretary shall publish the following:

(i) The measures of quality of care and costs established under paragraphs (2) and (3), respectively.

(ii) The dates for implementation of the payment modifier (as determined under subparagraph (B)).

(iii) The initial performance period (as specified under subparagraph (B)(ii)).

(B) Deadlines for implementation

(i) Initial implementation
Subject to the preceding provisions of this subparagraph, the Secretary shall begin implementing the payment modifier established under this subsection through the rulemaking process during 2013 for the physician fee schedule established under subsection (b).

(ii) Initial performance period
(I) In general
The Secretary shall specify an initial performance period for application of the payment modifier established under this subsection with respect to 2015.

(II) Provision of information during initial performance period
During the initial performance period, the Secretary shall, to the extent practicable, provide information to physicians and groups of physicians about the quality of care furnished by the physician or group of physicians to individuals enrolled under this part compared to cost (as determined under paragraphs (2) and (3), respectively) with respect to the performance period.

(iii) Application
The Secretary shall apply the payment modifier established under this subsection for items and services furnished on or after January 1, 2017, with respect to specific physicians and groups of physicians the Secretary determines appropriate, and for services furnished on or after January 1, 2015, with respect to specific physicians and groups of physicians the Secretary determines appropriate, and for services furnished on or after January 1, 2019.

(C) Budget neutrality
The payment modifier established under this subsection shall be implemented in a budget neutral manner.

(5) Systems-based care
The Secretary shall, as appropriate, apply the payment modifier established under this subsection in a manner that promotes systems-based care.

\(^\text{10}\)So in original. Probably should be followed by a second closing parenthesis.
(6) Consideration of special circumstances of certain providers

In applying the payment modifier under this subsection, the Secretary shall, as appropriate, take into account the special circumstances of physicians or groups of physicians in rural areas and other underserved communities.

(7) Application

For purposes of the initial application of the payment modifier established under this subsection during the period beginning on January 1, 2015, and ending on December 31, 2016, the term “physician” has the meaning given such term in section 1395x(r) of this title. On or after January 1, 2017, the Secretary may apply this subsection to eligible professionals (as defined in subsection (k)(3)(B)) as the Secretary determines appropriate.

(8) Definitions

For purposes of this subsection:

(A) Costs

The term “costs” means expenditures per individual as determined appropriate by the Secretary. In making the determination under the preceding sentence, the Secretary may take into account the amount of growth in expenditures per individual for a physician compared to the amount of such growth for other physicians.

(B) Performance period

The term “performance period” means a period specified by the Secretary.

(9) Coordination with other value-based purchasing reforms

The Secretary shall coordinate the value-based payment modifier established under this subsection with the Physician Feedback Program under subsection (n) and, as the Secretary determines appropriate, other similar provisions of this subchapter.

(10) Limitations on review

There shall be no administrative or judicial review under section 1395ff of this title, section 1395oo of this title, or otherwise of—

(A) the establishment of the value-based payment modifier under this subsection;

(B) the evaluation of quality of care under paragraph (2), including the establishment of appropriate measures of the quality of care under paragraph (2)(B);

(C) the evaluation of costs under paragraph (3), including the establishment of appropriate measures of costs under such paragraph;

(D) the dates for implementation of the value-based payment modifier;

(E) the specification of the initial performance period and any other performance period under paragraphs (4)(D)(ii) and (8)(B), respectively;

(F) the application of the value-based payment modifier under paragraph (7); and

(G) the determination of costs under paragraph (8)(A).

(q) Merit-based Incentive Payment System

(1) Establishment

(A) In general

Subject to the succeeding provisions of this subsection, the Secretary shall establish an eligible professional Merit-based Incentive Payment System (in this subsection referred to as the “MIPS”) under which the Secretary shall—

(i) develop a methodology for assessing the total performance of each MIPS eligible professional according to performance standards under paragraph (3) for a performance period (as established under paragraph (4)) for a year;

(ii) using such methodology, provide for a composite performance score in accordance with paragraph (5) for each such professional for each performance period; and

(iii) use such composite performance score of the MIPS eligible professional for a performance period for a year to determine and apply a MIPS adjustment factor (and, as applicable, an additional MIPS adjustment factor) under paragraph (6) to the professional for the year.

Notwithstanding subparagraph (C)(ii), under the MIPS, the Secretary shall permit any eligible professional (as defined in subsection (k)(3)(B)) to report on applicable measures and activities described in paragraph (2)(B).

(B) Program implementation

The MIPS shall apply to payments for covered professional services (as defined in subsection (k)(3)(A)) furnished on or after January 1, 2019.

(C) MIPS eligible professional defined

(i) In general

For purposes of this subsection, subject to clauses (ii) and (iv), the term “MIPS eligible professional” means—

(I) for the first and second years for which the MIPS applies to payments (and for the performance period for such first and second year), a physician (as defined in section 1395x(r) of this title), a physician assistant, nurse practitioner, and clinical nurse specialist (as such terms are defined in section 1395x(aa)(5) of this title), a certified registered nurse anesthetist (as defined in section 1395x(bb)(2) of this title), and a group that includes such professionals; and

(II) for the third year for which the MIPS applies to payments (and for the performance period for such third year) and for each succeeding year (and for the performance period for such such year), the professionals described in subclause (I), such other eligible professionals (as defined in subsection (k)(3)(B)) as specified by the Secretary, and a group that includes such professionals.

(ii) Exclusions

For purposes of clause (i), the term “MIPS eligible professional” does not include, with respect to a year, an eligible
professional (as defined in subsection (k)(3)(B)) who—
(I) is a qualifying APM participant (as defined in section 1395(z)(2) of this title; 
(II) subject to clause (vii), is a partial qualifying APM participant (as defined in clause (iii)) for the most recent period for which data are available and who, for the performance period with respect to such year, does not report on applicable measures and activities described in paragraph (2)(B) that are required to be reported by such a professional under the MIPS; or 
(III) for the performance period with respect to such year, does not exceed the low-volume threshold measurement selected under clause (iv).

(iii) Partial qualifying APM participant
For purposes of this subparagraph, the term “partial qualifying APM participant” means, with respect to a year, an eligible professional for whom the Secretary determines the minimum payment percentage (or percentages), as applicable, described in paragraph (2) of section 1395(z) of this title for such year have not been satisfied, but who would be considered a qualifying APM participant (as defined in such paragraph) for such year if—
(I) with respect to 2019 and 2020, the reference in subparagraph (A) of such paragraph to 25 percent was instead a reference to 20 percent; 
(II) with respect to 2021 and 2022—
(aa) the reference in subparagraph (B)(i) of such paragraph to 50 percent was instead a reference to 40 percent; and 
(bb) the references in subparagraph (B)(ii) of such paragraph to 50 percent and 25 percent of such paragraph were instead references to 40 percent and 20 percent, respectively; and 
(III) with respect to 2023 and subsequent years—
(aa) the reference in subparagraph (C)(i) of such paragraph to 75 percent was instead a reference to 50 percent; and 
(bb) the references in subparagraph (C)(ii) of such paragraph to 75 percent and 25 percent of such paragraph were instead references to 50 percent and 20 percent, respectively.

(iv) Selection of low-volume threshold measurement
The Secretary shall select a low-volume threshold to apply for purposes of clause (iii) for the performance period involved.

(I) The minimum number (as determined by the Secretary) of—
(aa) for performance periods beginning before January 1, 2018, individuals enrolled under this part who are furnished covered professional services (as defined in subsection (k)(3)(A)) by the eligible professional for the performance period involved; 
(bb) for performance periods beginning on or after January 1, 2018, individuals enrolled under this part who are furnished covered professional services (as defined in subsection (k)(3)(A)) by the eligible professional for the performance period involved.

(II) The minimum number (as determined by the Secretary) of—
(aa) for performance periods beginning before January 1, 2018, allowed charges billed by such professional under this part for such performance period; and 
(bb) for performance periods beginning on or after January 1, 2018, allowed charges for covered professional services (as defined in subsection (k)(3)(A)) billed by such professional for such performance period.

(v) Treatment of new Medicare enrolled eligible professionals
In the case of a professional who first becomes a Medicare enrolled eligible professional during the performance period for a year (and had not previously submitted claims under this subchapter such as a person, an entity, or a part of a physician group or under a different billing number or tax identifier), such professional shall not be treated under this subsection as a MIPS eligible professional until the subsequent year and performance period for such subsequent year.

(vi) Clarification
In the case of items and services furnished during a year by an individual who is not a MIPS eligible professional (including pursuant to clauses (ii) and (v)) with respect to a year, in no case shall a MIPS adjustment factor (or additional MIPS adjustment factor) under paragraph (6) apply to such individual for such year.

(vii) Partial qualifying APM participant clarifications

(I) Treatment as MIPS eligible professional
In the case of an eligible professional who is a partial qualifying APM participant, with respect to a year, and who, for the performance period for such year, reports on applicable measures and activities described in paragraph (2)(B) that are required to be reported by such a professional under the MIPS, such eligible professional is considered to be a MIPS eligible professional with respect to such year.

(II) Not eligible for qualifying APM participant payments
In no case shall an eligible professional who is a partial qualifying APM participant, with respect to a year, be considered a qualifying APM participant (as
defined in paragraph (2) of section 1395(z) of this title) for such year or be eligible for the additional payment under paragraph (1) of such section for such year.

(D) Application to group practices

(i) In general

Under the MIPS:

(I) Quality performance category

The Secretary shall establish and apply a process that includes features of the provisions of subsection (m)(3)(C) for MIPS eligible professionals in a group practice with respect to assessing performance of such group with respect to the performance category described in clause (i) of paragraph (2)(A).

(II) Other performance categories

The Secretary may establish and apply a process that includes features of the provisions of subsection (m)(3)(C) for MIPS eligible professionals in a group practice with respect to assessing the performance of such group with respect to the performance categories described in clauses (ii) through (iv) of such paragraph.

(ii) Ensuring comprehensiveness of group practice assessment

The process established under clause (i) shall to the extent practicable reflect the range of items and services furnished by the MIPS eligible professionals in the group practice involved.

(E) Use of registries

Under the MIPS, the Secretary shall encourage the use of qualified clinical data registries pursuant to subsection (m)(3)(E) in carrying out this subsection.

(F) Application of certain provisions

In applying a provision of subsection (k), (m), (o), or (p) for purposes of this subsection, the Secretary shall—

(i) adjust the application of such provision to ensure the provision is consistent with the provisions of this subsection; and

(ii) not apply such provision to the extent that the provision is duplicative with a provision of this subsection.

(G) Accounting for risk factors

(i) Risk factors

Taking into account the relevant studies conducted and recommendations made in reports under section 2(d) of the Improving Medicare Post-Acute Care Transformation Act of 2014, and, as appropriate, other information, including information collected before completion of such studies and recommendations, the Secretary, on an ongoing basis, shall, as the Secretary determines appropriate and based on an individual’s health status and other risk factors—

(I) assess appropriate adjustments to quality measures, resource use measures, and other measures used under the MIPS; and

(II) assess and implement appropriate adjustments to payment adjustments, composite performance scores, scores for performance categories, or scores for measures or activities under the MIPS.

(2) Measures and activities under performance categories

(A) Performance categories

Under the MIPS, the Secretary shall use the following performance categories (each of which is referred to in this subsection as a performance category) in determining the composite performance score under paragraph (5):

(i) Quality.

(ii) Resource use.

(iii) Clinical practice improvement activities.

(iv) Meaningful use of certified EHR technology.

(B) Measures and activities specified for each category

For purposes of paragraph (3)(A) and subject to subparagraph (C), measures and activities specified for a performance period (as established under paragraph (4)) for a year are as follows:

(i) Quality

For the performance category described in subparagraph (A)(i), the quality measures included in the final measures list published under subparagraph (D)(i) for such year and the list of quality measures described in subparagraph (A)(ii), the measurement of resource use for such period under subparagraph (A)(iii), clinical practice improvement activities (as defined in subparagraph (C)(v)(III)) under subcategories specified by the Secretary for such period, which shall include at least the following:

(I) The subcategory of expanded practice access, such as same day appointments for urgent needs and after hours access to clinician advice.

(II) The subcategory of population management, such as monitoring health conditions of individuals to provide timely health care interventions or participation in a qualified clinical data registry.

(III) The subcategory of care coordination, such as timely communication of test results, timely exchange of clinical information to patients and other providers, and use of remote monitoring or telehealth.
(IV) The subcategory of beneficiary engagement, such as the establishment of care plans for individuals with complex care needs, beneficiary self-management assessment and training, and using shared decision-making mechanisms.

(V) The subcategory of patient safety and practice assessment, such as through use of clinical or surgical checklists and practice assessments related to maintaining certification.

(VI) The subcategory of participation in an alternative payment model (as defined in section 1395(z)(3)(C) of this title).

In establishing activities under this clause, the Secretary shall give consideration to the circumstances of small practices (consisting of 15 or fewer professionals) and practices located in rural areas and in health professional shortage areas (as designated under section 254e(a)(1)(A) of this title).

(iv) Meaningful EHR use

For the performance category described in subparagraph (A)(iv), the requirements established for such period under subsection (o)(2) for determining whether an eligible professional is a meaningful EHR user.

(C) Additional provisions

(i) Emphasizing outcome measures under the quality performance category

In applying subparagraph (B)(i), the Secretary shall, as feasible, emphasize the application of outcome measures.

(ii) Application of additional system measures

The Secretary may use measures used for a payment system other than for physicians, such as measures for inpatient hospitals, for purposes of the performance categories described in clauses (i) and (ii) of subparagraph (A). For purposes of the previous sentence, the Secretary may not use measures for hospital outpatient departments, except in the case of items and services furnished by emergency physicians, radiologists, and anesthesiologists.

(iii) Global and population-based measures

The Secretary may use global measures, such as global outcome measures, and population-based measures for purposes of the performance category described in subparagraph (A)(i).

(iv) Application of measures and activities to non-patient-facing professionals

In carrying out this paragraph, with respect to measures and activities specified in subparagraph (B) for performance categories described in subparagraph (A), the Secretary—

(I) shall give consideration to the circumstances of professional types (or subcategories of those types determined by practice characteristics) who typically furnish services that do not involve face-to-face interaction with a patient; and

(II) may, to the extent feasible and appropriate, take into account such circumstances and apply under this subsection with respect to MIPS eligible professionals of such professional types or subcategories, alternative measures or activities that fulfill the goals of the applicable performance category.

In carrying out the previous sentence, the Secretary shall consult with professionals of such professional types or subcategories.

(v) Clinical practice improvement activities

(I) Request for information

In initially applying subparagraph (B)(iii), the Secretary shall use a request for information to solicit recommendations from stakeholders to identify activities described in such subparagraph and specifying criteria for such activities.

(II) Contract authority for clinical practice improvement activities performance category

In applying subparagraph (B)(iii), the Secretary may contract with entities to assist the Secretary in—

(aa) identifying activities described in subparagraph (B)(iii);

(bb) specifying criteria for such activities; and

(cc) determining whether a MIPS eligible professional meets such criteria.

(III) Clinical practice improvement activities defined

For purposes of this subsection, the term “clinical practice improvement activity” means an activity that relevant eligible professional organizations and other relevant stakeholders identify as improving clinical practice or care delivery and that the Secretary determines, when effectively executed, is likely to result in improved outcomes.

(D) Annual list of quality measures available for MIPS assessment

(i) In general

Under the MIPS, the Secretary, through notice and comment rulemaking and subject to the succeeding clauses of this subparagraph, shall, with respect to the performance period for a year, establish an annual final list of quality measures from which MIPS eligible professionals may choose for purposes of assessment under this subsection for such performance period. Pursuant to the previous sentence, the Secretary shall—

(I) not later than November 1 of the year prior to the first day of the first performance period under the MIPS, establish and publish in the Federal Register a final list of quality measures; and

(II) not later than November 1 of the year prior to the first day of each subsequent performance period, update the final list of quality measures from the
previous year (and publish such updated final list in the Federal Register), by—

(aa) removing from such list, as appropriate, quality measures, which may include the removal of measures that are no longer meaningful (such as measures that are topped out);

(bb) adding to such list, as appropriate, new quality measures; and

(cc) determining whether or not quality measures on such list that have undergone substantive changes should be included in the updated list.

(ii) Call for quality measures

(I) In general

Eligible professional organizations and other relevant stakeholders shall be requested to identify and submit quality measures to be considered for selection under this subparagraph in the annual list of quality measures published under clause (i) and to identify and submit updates to the measures on such list. For purposes of the previous sentence, measures may be submitted regardless of whether such measures were previously published in a proposed rule or endorsed by an entity with a contract under section 1395aaa(a) of this title.

(II) Eligible professional organization defined

In this subparagraph, the term "eligible professional organization" means a professional organization as defined by nationally recognized specialty boards of certification or equivalent certification boards.

(iii) Requirements

In selecting quality measures for inclusion in the annual final list under clause (i), the Secretary shall—

(I) provide that, to the extent practicable, all quality domains (as defined in subsection (s)(1)(B)) are addressed by such measures; and

(II) ensure that such selection is consistent with the process for selection of measures under subsections (k), (m), and (p)(2).

(iv) Peer review

Before including a new measure in the final list of measures published under clause (i) for a year, the Secretary shall submit for publication in applicable specialty-appropriate, peer-reviewed journals such measure and the method for developing and selecting such measure, including clinical and other data supporting such measure.

(v) Measures for inclusion

The final list of quality measures published under clause (i) shall include, as applicable, measures under subsections (k), (m), and (p)(2), including quality measures from among—

(I) measures endorsed by a consensus-based entity;

(II) measures developed under subsection (s); and

(III) measures submitted under clause (ii)(I).

Any measure selected for inclusion in such list that is not endorsed by a consensus-based entity shall have a focus that is evidence-based.

(vi) Exception for qualified clinical data registry measures

Measures used by a qualified clinical data registry under subsection (m)(3)(E) shall not be subject to the requirements under clauses (i), (iv), and (v). The Secretary shall publish the list of measures used by such qualified clinical data registries on the Internet website of the Centers for Medicare & Medicaid Services.

(vii) Exception for existing quality measures

Any quality measure specified by the Secretary under subsection (k) or (m), including under subsection (m)(3)(E), and any measure of quality of care established under subsection (p)(2) for the first performance period under the MIPS—

(I) shall not be subject to the requirements under clause (i) (except under items (aa) and (cc) of subclause (II) of such clause) or to the requirement under clause (iv); and

(II) shall be included in the final list of quality measures published under clause (i) unless removed under clause (i)(II)(aa).

(viii) Consultation with relevant eligible professional organizations and other relevant stakeholders

Relevant eligible professional organizations and other relevant stakeholders, including State and national medical societies, shall be consulted in carrying out this subparagraph.

(ix) Optional application

The process under section 1395aaa–1 of this title is not required to apply to the selection of measures under this subparagraph.

(3) Performance standards

(A) Establishment

Under the MIPS, the Secretary shall establish performance standards with respect to measures and activities specified under paragraph (2)(B) for a performance period (as established under paragraph (4)) for a year.

(B) Considerations in establishing standards

In establishing such performance standards with respect to measures and activities specified under paragraph (2)(B), the Secretary shall consider the following:

(i) Historical performance standards.

(ii) Improvement.

(iii) The opportunity for continued improvement.
(4) **Performance period**

The Secretary shall establish a performance period (or periods) for a year (beginning with 2019). Such performance period (or periods) shall begin and end prior to the beginning of such year and be as close as possible to such year. In this subsection, such performance period (or periods) for a year shall be referred to as the performance period for the year.

(5) **Composite performance score**

(A) In general

Subject to the succeeding provisions of this paragraph and taking into account, as available and applicable, paragraph (1)(G), the Secretary shall develop a methodology for assessing the total performance of each MIPS eligible professional according to performance standards under paragraph (3) with respect to applicable measures and activities specified in paragraph (2)(B) with respect to each performance category applicable to such professional for a performance period (as established under paragraph (4)) for a year. Using such methodology, the Secretary shall provide for a composite assessment for each such professional for the performance period for such year. In this subsection such a composite assessment for such a professional with respect to a performance period shall be referred to as the “composite performance score” for such professional for such performance period.

(B) **Incentive to report; encouraging use of certified EHR technology for reporting quality measures**

(i) **Incentive to report**

Under the methodology established under subparagraph (A), the Secretary shall provide that in the case of a MIPS eligible professional who fails to report on an applicable measure or activity that is required to be reported by the professional, the professional shall be treated as achieving the lowest potential score applicable to such measure or activity.

(ii) **Encouraging use of certified EHR technology for reporting quality measures**

Under the methodology established under subparagraph (A), the Secretary shall—

(I) encourage MIPS eligible professionals to report on applicable measures with respect to the performance category described in paragraph (2)(A)(i) through the use of certified EHR technology and qualified clinical data registries; and

(II) with respect to a performance period, with respect to a year, for which a MIPS eligible professional reports such measures through the use of such EHR technology, treat such professional as satisfying the clinical quality measures reporting requirement described in subsection (o)(2)(A)(iii) for such year.

(C) **Clinical practice improvement activities performance score**

(i) **Rule for certification**

A MIPS eligible professional who is in a practice that is certified as a patient-centered medical home or comparable specialty practice, as determined by the Secretary, with respect to a performance period shall be given the highest potential score for the performance category described in paragraph (2)(A)(iii) for such period.

(ii) **APM participation**

Participation by a MIPS eligible professional in an alternative payment model (as defined in section 1395w–4(a)(2)(C) of this title) with respect to a performance period shall earn such eligible professional a minimum score of one-half of the highest potential score for the performance category described in paragraph (2)(A)(iii) for such performance period.

(iii) **Subcategories**

A MIPS eligible professional shall not be required to perform activities in each subcategory under paragraph (2)(B)(iii) or participate in an alternative payment model in order to achieve the highest potential score for the performance category described in paragraph (2)(A)(iii).

(D) **Achievement and improvement**

(i) **Taking into account improvement**

Beginning with the second year to which the MIPS applies, in addition to the achievement of a MIPS eligible professional, if data sufficient to measure improvement is available, the methodology developed under subparagraph (A)—

(I) in the case of the performance score for the performance category described in clauses (i) and (ii) of paragraph (2)(A), subject to clause (iii), shall take into account the improvement of the professional; and

(II) in the case of performance scores for other performance categories, may take into account the improvement of the professional.

(ii) **Assigning higher weight for achievement**

Subject to clause (i), under the methodology developed under subparagraph (A), the Secretary may assign a higher scoring weight under subparagraph (F) with respect to the achievement of a MIPS eligible professional than with respect to any improvement of such professional applied under clause (i) with respect to a measure, activity, or category described in paragraph (2).

(iii) **Transition years**

For each of the second, third, fourth, and fifth years for which the MIPS applies to payments, the performance score for the performance category described in paragraph (2)(A)(i) shall not take into account the improvement of the professional involved.
§ 1395w–4

(E) Weights for the performance categories

(i) In general

Under the methodology developed under subparagraph (A), subject to subparagraph (F)(i) and clause (ii), the composite performance score shall be determined as follows:

(I) Quality

(aa) In general

Subject to Item (bb), thirty percent of such score shall be based on performance with respect to the category described in clause (i) of paragraph (2)(A). In applying the previous sentence, the Secretary shall, as feasible, encourage the application of outcome measures within such category.

(bb) First 5 years

For each of the first through fifth years for which the MIPS applies to payments, the percentage applicable under item (aa) shall be increased in a manner such that the total percentage points of the increase under this item for the respective year equals the total number of percentage points by which the percentage applied under subclause (II)(bb) for the respective year is less than 30 percent.

(II) Resource use

(aa) In general

Subject to Item (bb), thirty percent of such score shall be based on performance with respect to the category described in clause (i) of paragraph (2)(A).

(bb) First 5 years

For the first year for which the MIPS applies to payments, not more than 10 percent of such score shall be based on performance with respect to the category described in clause (i) of paragraph (2)(A).

For the second, third, fourth, and fifth years for which the MIPS applies to payments, not less than 10 percent and not more than 30 percent of such score shall be based on performance with respect to the category described in clause (i) of paragraph (2)(A). Nothing in the previous sentence shall be construed, with respect to a performance period for a year described in the previous sentence, as preventing the Secretary from basing 30 percent of such score for such year with respect to the category described in such clause (ii), if the Secretary determines, based on information posted under subsection (r)(2)(I) that sufficient resource use measures are ready for adoption for use under the performance category under paragraph (2)(A)(ii) for such performance period.

(III) Clinical practice improvement activities

Fifteen percent of such score shall be based on performance with respect to the category described in clause (iii) of paragraph (2)(A).

(iv) Meaningful use of certified EHR technology

Twenty-five percent of such score shall be based on performance with respect to the category described in clause (iv) of paragraph (2)(A).

(ii) Authority to adjust percentages in case of high EHR meaningful use adoption

In any year in which the Secretary estimates that the proportion of eligible professionals (as defined in subsection (o)(3)) who are meaningful EHR users (as determined under subsection (o)(2)) is 75 percent or greater, the Secretary may reduce the percent applicable under clause (i)(IV), but not below 15 percent. If the Secretary makes such reduction for a year, subject to subclauses (I)(bb) and (II)(bb) of clause (i), the percentages applicable under one or more of subclauses (I), (II), and (III) of clause (i) for such year shall be increased in a manner such that the total percentage points of the increase under this clause for such year equals the total number of percentage points reduced under the preceding sentence for such year.

(F) Certain flexibility for weighting performance categories, measures, and activities

Under the methodology under subparagraph (A), if there are not sufficient measures and activities (described in paragraph (2)(B)) applicable and available to each type of eligible professional involved, the Secretary shall assign different scoring weights (including a weight of 0)—

(i) which may vary from the scoring weights specified in subparagraph (E), for each performance category based on the extent to which the category is applicable to the type of eligible professional involved; and

(ii) for each measure and activity specified under paragraph (2)(B) with respect to each such category based on the extent to which the measure or activity is applicable and available to the type of eligible professional involved.

(G) Resource use

Analysis of the performance category described in paragraph (2)(A)(ii) shall include results from the methodology described in subsection (r)(5), as appropriate.

(H) Inclusion of quality measure data from other payers

In applying subsections (kc), (m), and (p) with respect to measures described in paragraph (2)(B)(i), analysis of the performance category described in paragraph (2)(A)(i) may include data submitted by MIPS eligible professionals with respect to items and services furnished to individuals who are not individuals entitled to benefits under part A or enrolled under part B.
(I) Use of voluntary virtual groups for certain assessment purposes

(i) In general

In the case of MIPS eligible professionals electing to be a virtual group under clause (ii) with respect to a performance period for a year, for purposes of applying the methodology under subparagraph (A) with respect to the performance categories described in clauses (i) and (ii) of paragraph (2)(A)—

(I) the assessment of performance provided under such methodology with respect to such performance categories that is to be applied to each such professional in such group for such performance period shall be with respect to the combined performance of all such professionals in such group for such period; and

(ii) with respect to the composite performance score provided under this paragraph for such performance period for each such MIPS eligible professional in such virtual group, the components of the composite performance score that assess performance with respect to such performance categories shall be based on the assessment of the combined performance under subparagraph (I) for such performance categories and performance period.

(ii) Election of practices to be a virtual group

The Secretary shall, in accordance with the requirements under clause (iii), establish a process to allow an individual MIPS eligible professional or a group practice consisting of not more than 10 MIPS eligible professionals to elect, with respect to a performance period for a year to be a virtual group under this subparagraph with at least one other such individual MIPS eligible professional or group practice. Such a virtual group may be based on appropriate classifications of providers, such as by geographic areas or by provider specialties defined by nationally recognized specialty boards of certification or equivalent certification boards.

(iii) Requirements

The requirements for the process under clause (ii) shall—

(I) provide that an election under such clause, with respect to a performance period, shall be made before the beginning of such performance period and may not be changed during such performance period;

(II) provide that an individual MIPS eligible professional and a group practice described in clause (ii) may elect to be in no more than one virtual group for a performance period and that, in the case of such a group practice that elect to be in such virtual group for such performance period, such election applies to all MIPS eligible professionals in such group practice;

(III) provide that a virtual group be a combination of tax identification numbers;

(IV) provide for formal written agreements among MIPS eligible professionals electing to be a virtual group under this subparagraph; and

(V) include such other requirements as the Secretary determines appropriate.

(6) MIPS payments

(A) MIPS adjustment factor

Taking into account paragraph (1)(G), the Secretary shall specify a MIPS adjustment factor for each MIPS eligible professional for a year. Such MIPS adjustment factor for a MIPS eligible professional for a year shall be in the form of a percent and shall be determined—

(i) by comparing the composite performance score of the eligible professional for such year to the performance threshold established under subparagraph (D)(i) for such year;

(ii) in a manner such that the adjustment factors specified under this subparagraph for a year result in differential payments under this paragraph reflecting that—

(I) MIPS eligible professionals with composite performance scores for such year at or above such performance threshold for such year receive zero or positive payment adjustment factors for such year in accordance with clause (iii), with such professionals having higher composite performance scores receiving higher adjustment factors; and

(II) MIPS eligible professionals with composite performance scores for such year below such performance threshold for such year receive negative payment adjustment factors for such year in accordance with clause (iv), with such professionals having lower composite performance scores receiving lower adjustment factors;

(iii) in a manner such that MIPS eligible professionals with composite scores described in clause (ii)(I) for such year, subject to clauses (i) and (ii) of subparagraph (F), receive a zero or positive adjustment factor on a linear sliding scale such that an adjustment factor of 0 percent is assigned for a score at the performance threshold and an adjustment factor of the applicable percent specified in subparagraph (B) is assigned for a score of 100; and

(iv) in a manner such that—

(I) subject to subclause (II), MIPS eligible professionals with composite performance scores described in clause (ii)(II) for such year receive a negative payment adjustment factor on a linear sliding scale such that an adjustment factor of 0 percent is assigned for a score at the performance threshold and an adjustment factor of the negative of the applicable percent specified in subparagraph (B) is assigned for a score of 0; and

(II) MIPS eligible professionals with composite performance scores that are
equal to or greater than 0, but not greater than 1/4 of the performance threshold specified under subparagraph (D)(i) for such year, receive a negative payment adjustment factor that is equal to the negative of the applicable percent specified in subparagraph (B) for such year.

(B) Applicable percent defined

For purposes of this paragraph, the term “applicable percent” means—

(i) for 2019, 4 percent;
(ii) for 2020, 5 percent;
(iii) for 2021, 7 percent; and
(iv) for 2022 and subsequent years, 9 percent.

(C) Additional MIPS adjustment factors for exceptional performance

For 2019 and each subsequent year through 2024, in the case of a MIPS eligible professional with a composite performance score for a year at or above the additional performance threshold under subparagraph (D)(ii) for such year, in addition to the MIPS adjustment factor under subparagraph (A) for the eligible professional for such year, subject to subparagraph (F)(iv), the Secretary shall specify an additional positive MIPS adjustment factor for such professional and year. Such additional MIPS adjustment factors shall be in the form of a percent and determined by the Secretary in a manner such that professionals having higher composite performance scores receive higher additional MIPS adjustment factors.

(D) Establishment of performance thresholds

(i) Performance threshold

For each year of the MIPS, the Secretary shall compute a performance threshold with respect to which the composite performance score of MIPS eligible professionals shall be compared for purposes of determining adjustment factors under subparagraph (A) that are positive, negative, and zero. Subject to clauses (iii) and (iv), such performance threshold for a year shall be the mean or median (as selected by the Secretary) of the composite performance scores for all MIPS eligible professionals with respect to a prior period specified by the Secretary. The Secretary may reassess the selection of the mean or median under the previous sentence every 3 years.

(ii) Additional performance threshold for exceptional performance

In addition to the performance threshold under clause (i), for each year of the MIPS (beginning with 2019 and ending with 2024), the Secretary shall compute an additional performance threshold for purposes of determining the additional MIPS adjustment factors under subparagraph (C). For each such year, subject to clause (iii), the Secretary shall apply either of the following methods for computing such additional performance threshold for such a year:

(I) The threshold shall be the score that is equal to the 25th percentile of the range of possible composite performance scores above the performance threshold determined under clause (i).

(II) The threshold shall be the score that is equal to the 25th percentile of the actual composite performance scores for MIPS eligible professionals with composite performance scores at or above the performance threshold with respect to the prior period described in clause (i).

(iii) Special rule for initial 5 years

With respect to each of the first five years to which the MIPS applies, the Secretary shall, prior to the performance period for such years, establish an additional performance threshold for purposes of determining MIPS adjustment factors under subparagraph (A) and a threshold for purposes of determining additional MIPS adjustment factors under subparagraph (C). Each such performance threshold shall—

(I) be based on a period prior to such performance periods; and
(II) take into account—

(aa) data available with respect to performance on measures and activities that may be used under the performance categories under subparagraph (2)(B); and
(bb) other factors determined appropriate by the Secretary.

(iv) Additional special rule for third, fourth and fifth years of MIPS

For purposes of determining MIPS adjustment factors under subparagraph (A), in addition to the requirements specified in clause (iii), the Secretary shall increase the performance threshold with respect to each of the third, fourth, and fifth years to which the MIPS applies to ensure a gradual and incremental transition to the performance threshold described in clause (i) (as estimated by the Secretary) with respect to the sixth year to which the MIPS applies.

(E) Application of MIPS adjustment factors

In the case of covered professional services (as defined in subsection (k)(3)(A)) furnished by a MIPS eligible professional during a year (beginning with 2019), the amount otherwise paid under this part with respect to such covered professional services and MIPS eligible professional for such year, shall be multiplied by—

(i) 1, plus
(ii) the sum of—

(I) the MIPS adjustment factor determined under subparagraph (A) divided by 100, and
(II) as applicable, the additional MIPS adjustment factor determined under subparagraph (C) divided by 100.

(F) Aggregate application of MIPS adjustment factors

(i) Application of scaling factor

(I) In general

With respect to positive MIPS adjustment factors under subparagraph
(A)(i)(I) for eligible professionals whose composite performance score is above the performance threshold under subparagraph (D)(i) for such year, subject to subclause (II), the Secretary shall increase or decrease such adjustment factors by a scaling factor in order to ensure that the budget neutrality requirement of clause (ii) is met.

(II) Scaling factor limit

In no case may the scaling factor applied under this clause exceed 3.0.

(ii) Budget neutrality requirement

(I) In general

Subject to clause (iii), the Secretary shall ensure that the estimated amount described in subclause (II) for a year is equal to the estimated amount described in subclause (III) for such year.

(II) Aggregate increases

The amount described in this subclause is the estimated increase in the aggregate allowed charges resulting from the application of positive MIPS adjustment factors under subparagraph (A) after application of the scaling factor described in clause (i) to MIPS eligible professionals whose composite performance score for a year is above the performance threshold under subparagraph (D)(i) for such year.

(III) Aggregate decreases

The amount described in this subclause is the estimated decrease in the aggregate allowed charges resulting from the application of negative MIPS adjustment factors under subparagraph (A) to MIPS eligible professionals whose composite performance score for a year is below the performance threshold under subparagraph (D)(i) for such year.

(iii) Exceptions

(I) In the case that all MIPS eligible professionals receive composite performance scores for a year that are below the performance threshold under subparagraph (D)(i) for such year, the negative MIPS adjustment factors under subparagraph (A) shall apply with respect to such MIPS eligible professionals and the budget neutrality requirement of clause (ii) and the additional adjustment factors under clause (iv) shall not apply for such year.

(II) In the case that, with respect to a year, the application of clause (i) results in a scaling factor equal to the maximum scaling factor specified in clause (i)(II), such scaling factor shall apply and the budget neutrality requirement of clause (ii) shall not apply for such year.

(iv) Additional incentive payment adjustments

(I) In general

Subject to subclause (II), in specifying the MIPS additional adjustment factors under subparagraph (C) for each applicable MIPS eligible professional for a year, the Secretary shall ensure that the estimated aggregate increase in payments under this part resulting from the application of such additional adjustment factors for MIPS eligible professionals in a year shall be equal (as estimated by the Secretary) to $500,000,000 for each year beginning with 2019 and ending with 2024.

(II) Limitation on additional incentive payment adjustments

The MIPS additional adjustment factor under subparagraph (C) for a year for an applicable MIPS eligible professional whose composite performance score is above the additional performance threshold under subparagraph (D)(ii) for such year shall not exceed 10 percent. The application of the previous sentence may result in an aggregate amount of additional incentive payments that are less than the amount specified in subclause (I).

(7) Announcement of result of adjustments

Under the MIPS, the Secretary shall, not later than 30 days prior to January 1 of the year involved, make available to MIPS eligible professionals the MIPS adjustment factor (and, as applicable, the additional MIPS adjustment factor) under paragraph (6) applicable to the eligible professional for covered professional services (as defined in subsection (k)(3)(A)) furnished by the professional for such year. The Secretary may include such information in the confidential feedback under paragraph (12).

(8) No effect in subsequent years

The MIPS adjustment factors and additional MIPS adjustment factors under paragraph (6) shall apply only with respect to the year involved, and the Secretary shall not take into account such adjustment factors in making payments to a MIPS eligible professional under this part in a subsequent year.

(9) Public reporting

(A) In general

The Secretary shall, in an easily understandable format, make available on the Physician Compare Internet website of the Centers for Medicare & Medicaid Services the following:

(i) Information regarding the performance of MIPS eligible professionals under the MIPS, which—

(I) shall include the composite score for each such MIPS eligible professional and the performance of each such MIPS eligible professional with respect to each performance category; and

(II) may include the performance of each such MIPS eligible professional with respect to each measure or activity specified in paragraph (2)(B).

(ii) The names of eligible professionals in eligible alternative payment models

11So in original. Section 1395zz(z)(3)(D) of this title defines the term "eligible alternative payment entity".
defined in section 1395(z)(3)(D) of this title) and, to the extent feasible, the names of such eligible alternative payment models and performance of such models.

(B) Disclosure

The information made available under this paragraph shall indicate, where appropriate, that publicized information may not be representative of the eligible professional’s entire patient population, the variety of services furnished by the eligible professional, or the health conditions of individuals treated.

(C) Opportunity to review and submit corrections

The Secretary shall provide for an opportunity for a professional described in subparagraph (A) to review, and submit corrections for, the information to be made public with respect to the professional under such subparagraph prior to such information being made public.

(D) Aggregate information

The Secretary shall periodically post on the Physician Compare Internet website aggregate information on the MIPS, including the range of composite scores for all MIPS eligible professionals and the range of the performance of all MIPS eligible professionals with respect to each performance category.

(10) Consultation

The Secretary shall consult with stakeholders in carrying out the MIPS, including for the identification of measures and activities under paragraph (2)(B) and the methodologies developed under paragraphs (5)(A) and (6) and regarding the use of qualified clinical data registries. Such consultation shall include the use of a request for information or other mechanisms determined appropriate.

(11) Technical assistance to small practices and practices in health professional shortage areas

(A) In general

The Secretary shall enter into contracts or agreements with appropriate entities (such as quality improvement organizations, regional extension centers (as described in section 300j–32(c) of this title), or regional health collaboratives) to offer guidance and assistance to MIPS eligible professionals in practices of 15 or fewer professionals (with priority given to such practices located in rural areas, health professional shortage areas (as designated under in section 254e(a)(1)(A) of this title), and medically underserved areas, and practices with low composite scores) with respect to—

(i) the performance categories described in clauses (i) through (iv) of paragraph (2)(A); or

(ii) how to transition to the implementation of and participation in an alternative payment model as described in section 1395(z)(3)(C) of this title.

(B) Funding for technical assistance

For purposes of implementing subparagraph (A), the Secretary shall provide for the transfer from the Federal Supplementary Medical Insurance Trust Fund established under section 1395t of this title to the Centers for Medicare & Medicaid Services Program Management Account of $20,000,000 for each of fiscal years 2016 through 2020. Amounts transferred under this subparagraph for a fiscal year shall be available until expended.

(12) Feedback and information to improve performance

(A) Performance feedback

(i) In general

Beginning July 1, 2017, the Secretary—

(I) shall make available timely (such as quarterly) confidential feedback to MIPS eligible professionals on the performance of such professionals with respect to the performance categories under clauses (i) and (ii) of paragraph (2)(A); and

(II) may make available confidential feedback to such professionals on the performance of such professionals with respect to the performance categories under clauses (iii) and (iv) of such paragraph.

(ii) Mechanisms

The Secretary may use one or more mechanisms to make feedback available under clause (i), which may include use of a web-based portal or other mechanisms determined appropriate by the Secretary. With respect to the performance category described in paragraph (2)(A)(i), feedback under this subparagraph shall, to the extent an eligible professional chooses to participate in a data registry for purposes of this subsection (including registries under subsections (k) and (m)), be provided based on performance on quality measures reported through the use of such registries. With respect to any other performance category described in paragraph (2)(A), the Secretary shall encourage provision of feedback through qualified clinical data registries as described in subsection (m)(3)(E).

(iii) Use of data

For purposes of clause (i), the Secretary may use data, with respect to a MIPS eligible professional, from periods prior to the current performance period and may use rolling periods in order to make illustrative calculations about the performance of such professional.

(iv) Disclosure exemption

Feedback made available under this subparagraph shall be exempt from disclosure under section 552 of title 5.

(v) Receipt of information

The Secretary may use the mechanisms established under clause (ii) to receive information from professionals, such as information with respect to this subsection.

8So in original. Probably should be preceded by an opening parenthesis.
(B) Additional information

(i) In general

Beginning July 1, 2018, the Secretary shall make available to MIPS eligible professionals information, with respect to individuals who are patients of such MIPS eligible professionals, about items and services for which payment is made under this subchapter that are furnished to such individuals by other suppliers and providers of services, which may include information described in clause (ii). Such information may be made available under the previous sentence to such MIPS eligible professionals by mechanisms determined appropriate by the Secretary, which may include use of a web-based portal. Such information may be made available in accordance with the same or similar terms as data are made available to accountable care organizations participating in the shared savings program under section 1395jj of this title.

(ii) Type of information

For purposes of clause (i), the information described in this clause, is the following:

(I) With respect to selected items and services (as determined appropriate by the Secretary) for which payment is made under this subchapter and that are furnished to individuals, who are patients of a MIPS eligible professional, by another supplier or provider of services during the most recent period for which data are available (such as the most recent three-month period), such as the name of such providers furnishing such items and services to such patients during such period, the types of such items and services so furnished, and the dates such items and services were so furnished.

(II) Historical data, such as averages and other measures of the distribution if appropriate, of the total, and components of, allowed charges (and other figures as determined appropriate by the Secretary).

(13) Review

(A) Targeted review

The Secretary shall establish a process under which a MIPS eligible professional may seek an informal review of the calculation of the MIPS adjustment factor (or factors) applicable to such eligible professional under this subsection for a year. The results of a review conducted pursuant to the previous sentence shall not be taken into account for purposes of paragraph (6) with respect to a year (other than with respect to the calculation of such eligible professional’s MIPS adjustment factor for such year or additional MIPS adjustment factor for such year) after the factors determined in subparagraph (A) and subparagraph (C) of such paragraph have been determined for such year.

(B) Limitation

Except as provided for in subparagraph (A), there shall be no administrative or judicial review under section 1395ff of this title, section 1395oo of this title, or otherwise of the following:

(i) The methodology used to determine the amount of the MIPS adjustment factor under paragraph (6)(A) and the amount of the additional MIPS adjustment factor under paragraph (6)(C) and the determination of such amounts.

(ii) The establishment of the performance standards under paragraph (3) and the performance period under paragraph (4).

(iii) The identification of measures and activities specified under paragraph (2)(B) and information made public or posted on the Physician Compare Internet website of the Centers for Medicare & Medicaid Services under paragraph (9).

(iv) The methodology developed under paragraph (5) that is used to calculate performance scores and the calculation of such scores, including the weighting of measures and activities under such methodology.

(r) Collaborating with the physician, practitioner, and other stakeholder communities to improve resource use measurement

(1) In general

In order to involve the physician, practitioner, and other stakeholder communities in enhancing the infrastructure for resource use measurement, including for purposes of the Merit-based Incentive Payment System under subsection (q) and alternative payment models under section 1395(z) of this title, the Secretary shall undertake the steps described in the succeeding provisions of this subsection.

(2) Development of care episode and patient condition groups and classification codes

(A) In general

In order to classify similar patients into care episode groups and patient condition groups, the Secretary shall undertake the steps described in the succeeding provisions of this paragraph.

(B) Public availability of existing efforts to design an episode grouper

Not later than 180 days after April 16, 2015, the Secretary shall post on the Internet website of the Centers for Medicare & Medicaid Services a list of the episode groups developed pursuant to subsection (n)(9)(A) and related descriptive information.

(C) Stakeholder input

The Secretary shall accept, through the date that is 120 days after the day the Secretary posts the list pursuant to subparagraph (B), suggestions from physician specialty societies, applicable practitioner organizations, and other stakeholders for episode groups in addition to those posted pursuant to such subparagraph, and specific clinical criteria and patient characteristics to classify patients into—
(i) care episode groups; and
(ii) patient condition groups.

(D) Development of proposed classification codes

(i) In general

Taking into account the information described in subparagraph (B) and the information received under subparagraph (C), the Secretary shall—
(I) establish care episode groups and patient condition groups, which account for a target of an estimated ½ of expenditures under parts A and B (with such target increasing over time as appropriate); and
(II) assign codes to such groups.

(ii) Care episode groups

In establishing the care episode groups under clause (i), the Secretary shall take into account—
(I) the patient’s clinical problems at the time items and services are furnished during an episode of care, such as the clinical conditions or diagnoses, whether or not inpatient hospitalization occurs, and the principal procedures or services furnished; and
(II) other factors determined appropriate by the Secretary.

(iii) Patient condition groups

In establishing the patient condition groups under clause (i), the Secretary shall take into account—
(I) the patient’s clinical history at the time of a medical visit, such as the patient’s combination of chronic conditions, current health status, and recent significant history (such as hospitalization and major surgery during a previous period, such as 3 months); and
(II) other factors determined appropriate by the Secretary, such as eligibility status under this subchapter (including eligibility under section 426(a) of this title, section 426(b) of this title, or section 426-1 of this title, and dual eligibility under this subchapter and subchapter XIX).

(E) Draft care episode and patient condition groups and classification codes

Not later than 270 days after the end of the comment period described in subparagraph (C), the Secretary shall post on the Internet website of the Centers for Medicare & Medicaid Services a draft list of the care episode and patient condition codes established under subparagraph (D) (and the criteria and characteristics assigned to such code).

(F) Solicitation of input

The Secretary shall seek, through the date that is 120 days after the Secretary posts the list pursuant to subparagraph (E), comments from physician specialty societies, applicable practitioner organizations, and other stakeholders, including representatives of individuals entitled to benefits under part A or enrolled under this part, regarding the care episode and patient condition groups (and codes) posted under subparagraph (E). In seeking such comments, the Secretary shall use one or more mechanisms (other than notice and comment rulemaking) that may include use of open door forums, town hall meetings, or other appropriate mechanisms.

(G) Operational list of care episode and patient condition groups and codes

Not later than 270 days after the end of the comment period described in subparagraph (F), taking into account the comments received under such subparagraph, the Secretary shall post on the Internet website of the Centers for Medicare & Medicaid Services an operational list of care episode and patient condition codes (and the criteria and characteristics assigned to such code).

(H) Subsequent revisions

Not later than November 1 of each year (beginning with 2018), the Secretary shall, through rulemaking, make revisions to the operational lists of care episode and patient condition codes as the Secretary determines may be appropriate. Such revisions may be based on experience, new information developed pursuant to subsection (n)(9)(A), and input from the physician specialty societies, applicable practitioner organizations, and other stakeholders, including representatives of individuals entitled to benefits under part A or enrolled under this part.

(I) Information

The Secretary shall, not later than December 31st of each year (beginning with 2018), post on the Internet website of the Centers for Medicare & Medicaid Services information on resource use measures in use under subsection (q), resource use measures under development and the time-frame for such development, potential future resource use measure topics, a description of stakeholder engagement, and the percent of expenditures under part A and this part that are covered by resource use measures.

(3) Attribution of patients to physicians or practitioners

(A) In general

In order to facilitate the attribution of patients and episodes (in whole or in part) to one or more physicians or applicable practitioners furnishing items and services, the Secretary shall undertake the steps described in the succeeding provisions of this paragraph.

(B) Development of patient relationship categories and codes

The Secretary shall develop patient relationship categories and codes that define and distinguish the relationship and responsibility of a physician or applicable practitioner with a patient at the time of furnishing an item or service. Such patient relationship categories shall include different relationships of the physician or applicable practitioner to the patient (and the codes
may reflect combinations of such categories, such as a physician or applicable practitioner who—

(i) considers themselves to have the primary responsibility for the general and ongoing care for the patient over extended periods of time;

(ii) considers themselves to be the lead physician or practitioner and who furnishes items and services and coordinates care furnished by other physicians or practitioners for the patient during an acute episode;

(iii) furnishes items and services to the patient on a continuing basis during an acute episode of care, but in a supportive rather than a lead role;

(iv) furnishes items and services to the patient on an occasional basis, usually at the request of another physician or practitioner; or

(v) furnishes items and services only as ordered by another physician or practitioner.

(C) Draft list of patient relationship categories and codes

Not later than one year after April 16, 2015, the Secretary shall post on the Internet website of the Centers for Medicare & Medicaid Services a draft list of the patient relationship categories and codes developed under subparagraph (B).

(D) Stakeholder input

The Secretary shall seek, through the date that is 120 days after the Secretary posts the list pursuant to subparagraph (C), comments from physician specialty societies, applicable practitioner organizations, and other stakeholders, including representatives of individuals entitled to benefits under part A or enrolled under this part, regarding the patient relationship categories and codes posted under subparagraph (B).

(E) Operational list of patient relationship categories and codes

Not later than 240 days after the end of the comment period described in subparagraph (D), taking into account the comments received under such subparagraph, the Secretary shall post on the Internet website of the Centers for Medicare & Medicaid Services an operational list of patient relationship categories and codes.

(F) Subsequent revisions

Not later than November 1 of each year (beginning with 2018), the Secretary shall, through rulemaking, make revisions to the operational list of patient relationship categories and codes as the Secretary determines appropriate. Such revisions may be based on experience, new information developed pursuant to subsection (n)(9)(A), and input from the physician specialty societies, applicable practitioner organizations, and other stakeholders, including representatives of individuals entitled to benefits under part A or enrolled under this part.

(4) Reporting of information for resource use measurement

Claims submitted for items and services furnished by a physician or applicable practitioner on or after January 1, 2018, shall, as determined appropriate by the Secretary, include—

(A) applicable codes established under paragraphs (2) and (3); and

(B) the national provider identifier of the ordering physician or applicable practitioner (if different from the billing physician or applicable practitioner).

(5) Methodology for resource use analysis

(A) In general

In order to evaluate the resources used to treat patients (with respect to care episode and patient condition groups), the Secretary shall, as the Secretary determines appropriate—

(i) use the patient relationship codes reported on claims pursuant to paragraph (4) to attribute patients (in whole or in part) to one or more physicians and applicable practitioners;

(ii) use the care episode and patient condition codes reported on claims pursuant to paragraph (4) as a basis to compare similar patients and care episodes and patient condition groups; and

(iii) conduct an analysis of resource use (with respect to care episodes and patient condition groups of such patients).

(B) Analysis of patients of physicians and practitioners

In conducting the analysis described in subparagraph (A)(iii) with respect to patients attributed to physicians and applicable practitioners, the Secretary shall, as feasible—

(i) use the claims data experience of such patients by patient condition codes during a common period, such as 12 months; and

(ii) use the claims data experience of such patients by care episode codes—

(I) in the case of episodes with a hospitalization, during periods of time (such as the number of days) before, during, and after the hospitalization.

(II) in the case of episodes without a hospitalization, during periods of time (such as the number of days) determined appropriate by the Secretary; and

(C) Measurement of resource use

In measuring such resource use, the Secretary—

(i) shall use per patient total allowed charges for all services under part A and this part (and, if the Secretary determines appropriate, part D) for the analysis of patient resource use, by care episode codes and by patient condition codes; and

(ii) may, as determined appropriate, use other measures of allowed charges (such as
subtotals for categories of items and services) and measures of utilization of items and services (such as frequency of specific items and services and the ratio of specific items and services among attributed patients or episodes).

(D) Stakeholder input

The Secretary shall seek comments from the physician specialty societies, applicable practitioner organizations, and other stakeholders, including representatives of individuals entitled to benefits under part A or enrolled under this part, regarding the resource use methodology established pursuant to this paragraph. In seeking comments the Secretary shall use one or more mechanisms (other than notice and comment rulemaking) that may include open door forums, town hall meetings, web-based forums, or other appropriate mechanisms.

(6) Implementation

To the extent that the Secretary contracts with an entity to carry out any part of the provisions of this subsection, the Secretary may not contract with an entity or an entity with a subcontract if the entity or subcontracting entity currently makes recommendations to the Secretary on relative values for services under the fee schedule for physicians’ services under this section.

(7) Limitation

There shall be no administrative or judicial review under section 1395ff of this title, section 1395oo of this title, or otherwise of—

(A) care episode and patient condition groups and codes established under paragraph (2);

(B) patient relationship categories and codes established under paragraph (3); and

(C) measurement of, and analyses of resource use with respect to, care episode and patient condition codes and patient relationship codes pursuant to paragraph (5).

(8) Administration

Chapter 35 of title 44 shall not apply to this section.

(9) Definitions

In this subsection:

(A) Physician

The term “physician” has the meaning given such term in section 1395x(r)(1) of this title.

(B) Applicable practitioner

The term “applicable practitioner” means—

(i) a physician assistant, nurse practitioner, and clinical nurse specialist (as such terms are defined in section 1395x(aa)(5) of this title), and a certified registered nurse anesthetist (as defined in section 1395x(bb)(2) of this title); and

(ii) beginning January 1, 2019, such other eligible professionals (as defined in subsection (k)(3)(B)) as specified by the Secretary.

(10) Clarification

The provisions of sections 1395aaa(b)(7) of this title and 1395aaa–1 of this title shall not apply to this subsection.

(s) Priorities and funding for measure development

(1) Plan identifying measure development priorities and timelines

(A) Draft measure development plan

Not later than January 1, 2016, the Secretary shall develop, and post on the Internet website of the Centers for Medicare & Medicaid Services, a draft plan for the development of quality measures for application under the applicable provisions (as defined in paragraph (5)). Under such plan the Secretary shall—

(i) address how measures used by private payers and integrated delivery systems could be incorporated under subchapter XVIII;

(ii) describe how coordination, to the extent possible, will occur across organizations developing such measures; and

(iii) take into account how clinical best practices and clinical practice guidelines should be used in the development of quality measures.

(B) Quality domains

For purposes of this subsection, the term “quality domains” means at least the following domains:

(i) Clinical care.

(ii) Safety.

(iii) Care coordination.

(iv) Patient and caregiver experience.

(v) Population health and prevention.

(C) Consideration

In developing the draft plan under this paragraph, the Secretary shall consider—

(i) gap analyses conducted by the entity with a contract under section 1395aaa(a) of this title or other contractors or entities;

(ii) whether measures are applicable across health care settings;

(iii) clinical practice improvement activities submitted under subsection (q)(2)(C)(iv) for identifying possible areas for future measure development and identifying existing gaps with respect to such measures; and

(iv) the quality domains applied under this subsection.

(D) Priorities

In developing the draft plan under this paragraph, the Secretary shall give priority to the following types of measures:

(i) outcome measures, including patient reported outcome and functional status measures.

(ii) Patient experience measures.

(iii) Care coordination measures.

(iv) Measures of appropriate use of services, including measures of over use.

(E) Stakeholder input

The Secretary shall accept through March 1, 2016, comments on the draft plan posted
under paragraph (1)(A) from the public, including health care providers, payers, consumers, and other stakeholders.

(F) Final measure development plan

Not later than May 1, 2016, taking into account the comments received under this sub-paragraph, the Secretary shall finalize the plan and post on the Internet website of the Centers for Medicare & Medicaid Services an operational plan for the development of quality measures for use under the applicable provisions. Such plan shall be updated as appropriate.

(2) Contracts and other arrangements for quality measure development

(A) In general

The Secretary shall enter into contracts or other arrangements with entities for the purpose of developing, improving, updating, or expanding in accordance with the plan under paragraph (1) quality measures for application under the applicable provisions. Such entities shall include organizations with quality measure development expertise.

(B) Prioritization

(i) In general

In entering into contracts or other arrangements under subparagraph (A), the Secretary shall give priority to the development of the types of measures described in paragraph (1)(D).

(ii) Consideration

In selecting measures for development under this subsection, the Secretary shall consider—

(I) whether such measures would be electronically specified; and

(II) clinical practice guidelines to the extent that such guidelines exist.

(3) Annual report by the Secretary

(A) In general

Not later than May 1, 2017, and annually thereafter, the Secretary shall post on the Internet website of the Centers for Medicare & Medicaid Services a report on the progress made in developing quality measures for application under the applicable provisions.

(B) Requirements

Each report submitted pursuant to subparagraph (A) shall include the following:

(i) A description of the Secretary’s efforts to implement this paragraph.

(ii) With respect to the measures developed during the previous year—

(I) a description of the total number of quality measures developed and the types of such measures, such as an outcome or patient experience measure;

(II) the name of each measure developed;

(III) the name of the developer and steward of each measure;

(IV) with respect to each type of measure, an estimate of the total amount expended under this subchapter to develop all measures of such type; and

(V) whether the measure would be electronically specified.

(iii) With respect to measures in development at the time of the report—

(I) the information described in clause (ii), if available; and

(II) a timeline for completion of the development of such measures.

(iv) A description of any updates to the plan under paragraph (1) (including newly identified gaps and the status of previously identified gaps) and the inventory of measures applicable under the applicable provisions.

(v) Other information the Secretary determines to be appropriate.

(4) Stakeholder input

With respect to paragraph (1), the Secretary shall seek stakeholder input with respect to—

(A) the identification of gaps where no quality measures exist, particularly with respect to the types of measures described in paragraph (1)(D);

(B) prioritizing quality measure development to address such gaps; and

(C) other areas related to quality measure development determined appropriate by the Secretary.

(5) Definition of applicable provisions

In this subsection, the term “applicable provisions” means the following provisions:

(A) Subsection (q)(2)(B)(i).

(b) section 1395(z)(3)(D) of this title.

(6) Funding

For purposes of carrying out this subsection, the Secretary shall provide for the transfer, from the Federal Supplementary Medical Insurance Trust Fund under section 1395t of this title, of $15,000,000 to the Centers for Medicare & Medicaid Services Program Management Account for each of fiscal years 2015 through 2019. Amounts transferred under this paragraph shall remain available through the end of fiscal year 2022.

(7) Administration

Chapter 35 of title 44 shall not apply to the collection of information for the development of quality measures.


13So in original. Probably should be “Section".
REFERENCES IN TEXT

Section 1355(b) of the Omnibus Budget Reconciliation Act of 1993, referred to in subsec. (a)(2)(B)(i)(i), (c)(2)(A)(i), and (d)(1)(B), is section 1355(b) of Pub. L. 103–66, which is set out as a note under section 1395m of this title.

Section 404(b) of the Omnibus Budget Reconciliation Act of 1997, referred to in subsec. (b)(1)(B), is section 404(b) of Pub. L. 106–203, which is set out as a note under section 1395u of this title.

Section 1354(a) of the Omnibus Budget Reconciliation Act of 1993, referred to in subsec. (c)(2)(F), is section 1354(a) of Pub. L. 103–66, which amended subsec. (b)(3) of this section. See 1993 Amendment note below.

Section 212 of the Medicare, Medicaid, and SCHIP Balanced Budget Refinement Act of 1999, referred to in subsec. (c)(2)(H)(i), is section 1000(a)(6) (title II, §212) of Pub. L. 106–113, which is set out as a note under this section.

The Balanced Budget Act of 1997, referred to in subsec. (d)(1)(C), is Pub. L. 105–33, as amended by Pub. L. 105–33, Aug. 5, 1997, 111 Stat. 257. Chapter 1 of subtitle F of title IV of the Act is chapter 1 (§§4501–4513) of subtitle F of title IV of Pub. L. 105–33, which amended this section and sections 1395a, 1395k, 1395u, 1395x, 1395y, 1395cc, and 1395yy of this title and enacted provisions set out as notes under this section and sections 1396a, 1396k, 1396s, and 1398ww of this title. For complete classification of this Act to the Code, see Tables.


Section 2(d) of the Improving Medicare Post-Acute Care Transformation Act of 2014, referred to in subsec. (q)(1)(G)(i), is section 2(d) of Pub. L. 113–185, which is set out as a note under section 1395ll of this title.

CODIFICATION


AMENDMENTS


Subsec. (d)(18). Pub. L. 115–123, §53106, substituted “paragraph (1)(C)—” for “paragraph (1)(C) for the period beginning on January 1, 2018, and ending on December 31, 2019, shall be 0.5 percent.” and added subpars. (A) and (B).


Subsec. (q)(2)(A). Pub. L. 115–123, §50413, struck out “by requiring more stringent measures of meaningful use selected under this paragraph” after “health care quality over time” in concluding provisions.

Subsec. (q)(1)(B). Pub. L. 115–123, §5003(a)(1)(A)(i), substituted “covered professional services (as defined in subsection (k)(3)(A))” for “items and services”. Pub. L. 115–123, §50413, amended subcl. (i) generally. Prior to amendment, subcl. (i) read as follows: “The minimum number (as determined by the Secretary) of individuals enrolled under this part who are treated by an eligible professional for the performance period in—”.


Prior to amendment, subcl. (III) read as follows: "The minimum amount (as determined by the Secretary) of allowed charges billed by such professional under this part for such performance period." Subsec. (q)(5)(D)(i). Pub. L. 115–123, §51003(a)(1)(B)(i), inserted "subject to clause (iii)," after "clauses (i) and (ii) of paragraph (2)(A)."


Subsec. (q)(6)(E)(1)(bb). Pub. L. 115–123, §51003(a)(1)(C)(ii), substituted "First 5 years" for "First 2 years" in heading and "each of the first through fifth years" for "the first and second years" in text.

Subsec. (q)(6)(E)(1)(bb). Pub. L. 115–123, §51003(a)(1)(C)(ii), substituted "First 5 years" for "First 2 years" in heading and "each of the first through fifth years" for "the first and second years" in text.

Subsec. (q)(6)(E)(1)(bb). Pub. L. 115–123, §51003(a)(1)(C)(ii), substituted "First 5 years" for "First 2 years" in heading and "each of the first through fifth years" for "the first and second years" in text.

Subsec. (q)(5)(E)(1)(bb). Pub. L. 115–123, §51003(a)(1)(C)(i), inserted "subject to clause (iii)," after "clauses (i) and (ii) of paragraph (2)(A)."

Subsec. (q)(5)(E)(1)(bb). Pub. L. 115–123, §51003(a)(1)(C)(i), inserted "subject to clause (iii)," after "clauses (i) and (ii) of paragraph (2)(A)."


Subsec. (a)(7)(B). Pub. L. 114–115, §4(a), inserted "and, with respect to the payment adjustment under subparagraph (A) for 2017, for categories of eligible professionals, as established by the Secretary and posted on the Internet website of the Centers for Medicare & Medicaid Services prior to December 15, 2015, an application for which must be submitted to the Secretary by not later than March 15, 2016" after "case-by-case basis".


Subsec. (c)(8). Pub. L. 114–110, §523(a), added par. (8).

Subsec. (d)(1)(A). Pub. L. 114–110, §101(a)(1)(A)(i), (2)(A), inserted "and ending with 2025" after "beginning with 2001", "or a subsequent paragraph" after "paragraph (4)", and "There shall be two separate conversion factors for each year beginning with 2026, one for items and services furnished by a qualifying APM participant (as defined in section 1395w–4(2)(A) of this title) (referred to in this subsection as the "qualifying APM conversion factor") and the other for other items and services (referred to in this subsection as the "nonqualifying APM conversion factor"), equal to the respective conversion factor for the previous year (or, in the case of 2026, equal to the single conversion factor for 2025) multiplied by the update established under paragraph (20) for such respective conversion factor for such year." at end.

Subsec. (d)(1)(D). Pub. L. 114–110, §101(a)(2)(B), inserted "(or, beginning with 2026, applicable conversion factor)" after "single conversion factor".


Subsec. (d)(16) to (20). Pub. L. 114–10, §101(a)(2)(C), added pars. (16) to (20) and struck out former par. (16) which related to update for January through March of 2015.


Subsec. (i)(2). Pub. L. 113–93, §101(1)(A), struck out subpar. (16), redesignated subpar. (7) as (16), and inserted “and, for 2016 and subsequent years, subpar. (9)” after “and added pars. (8) and (9).”


Subsec. (m)(3)(D). Pub. L. 114–10, §101(d)(2), substituted “through reporting periods occurring in 2015” for “and subsequent years” and inserted “and, for reporting periods occurring in 2016 and subsequent years, the Secretary may establish” after “‘shall establish’.”

substantiated “changes in the utilization rate applicable to 2011 and 2012, as described in the first and second sentences, respectively, of the change in the utilization rate applicable to 2011, as described in”.


Subsec. (m)(3)(D) to (F). Pub. L. 112–240, §601(b)(1), added subpars. (D) and (E) and redesignated former subpar. (D) as (F).


Subsec. (m)(3)(C)(vii). Pub. L. 111–148, §3135(b)(2), in subpar. (C)(vii), inserted “, and for 2010 and 2011, dual-energy x-ray absorptiometry services (as defined in section 1395w–4(1395w–4) as health professional shortage areas.”


Subsec. (c)(2)(B)(v)(III) to (V). Pub. L. 111–152, §1107(2), added subcl. (III) and struck out former subcls. (III) to (V), which read as follows:

“(III) Change in presumed utilization level of certain advanced diagnostic imaging services for 2010 through 2012—Effective for fee schedules established beginning with 2010 and ending with 2012, reduced expenditures attributable to the presumed rate of utilization of imaging equipment of 65 percent under subsection (b)(4)(C)(i) instead of a presumed rate of utilization of such equipment of 50 percent.

“(IV) Change in presumed utilization level of certain advanced diagnostic imaging services for 2013.—Effective for fee schedules established with 2013, reduced expenditures attributable to the presumed rate of utilization of imaging equipment of 70 percent under subsection (b)(4)(C)(i) instead of a presumed rate of utilization of such equipment of 50 percent.

“(V) Change in presumed utilization level of certain advanced diagnostic imaging services for 2014 and subsequent years.—Effective for fee schedules established with 2014, reduced expenditures attributable to the presumed rate of utilization of imaging equipment of 75 percent under subsection (b)(4)(C)(i) instead of a presumed rate of utilization of such equipment of 50 percent.”

and “for the year”.


Pub. L. 111–148, §5501(c), which directed the addition of cl. (vii), was repealed by Pub. L. 111–148, §10501(h). As enacted, text read as follows:

“Fifty percent of the additional expenditures under this part attributable to subsections (x) and (y) of section 1395f of this title for a year (as estimated by the Secretary) shall be taken into account in applying clause (ii)(II) for 2011 and subsequent years. In lieu of applying the budget-neutrality adjustments required under clause (ii)(II) to relative value units to account for such costs for the year, the Secretary shall apply such budget-neutrality adjustments to the conversion factor otherwise determined for the year. For 2011 and subsequent years, the Secretary shall increase the incentive payment otherwise applicable under section 1395f(m) of this title by a percent estimated to be equal to the additional expenditures estimated under the first sentence of this clause for such year that is applicable to physicians who primarily furnish services in areas designated (under section 254e(a)(1)(A) of this title) as health professional shortage areas.”

Subsec. (c)(2)(K). (L). Pub. L. 111–148, §3134(a), added subpars. (K) and (L).


Pub. L. 111–148, §3101, which directed the addition of par. (10) relating to update for 2010, was repealed by Pub. L. 111–148, §10810. As enacted, text read as follows:

“(A) In general.—Subject to paragraphs (7)(B), (8)(B), and (9)(B), in lieu of the update to the single conversion factor established in paragraph (1)(C) that would otherwise apply for 2010, the update to the single conversion factor shall be 0.5 percent.

“(B) No effect on computation of conversion factor for 2011 and subsequent years.—The conversion factor under this subsection shall be computed under paragraph (1)(A) for 2011 and subsequent years as if subparagraph (A) had never applied.”

Pub. L. 111–144, §3135(b)(2), added subcl. (C)(vii), was repealed by Pub. L. 111–144, §5(2), which directed the addition of cl. (vii), was repealed by Pub. L. 111–144, §5(2), which directed the addition of cl. (vii).
follows: “The amount available for expenditures during 2013 shall only be available for an adjustment to the update of the conversion factor under subsection (d) for that year.’’

Subsec. (i)(2)(A)(iv). Pub. L. 110–275, § 131(a)(3)(C)(iv), struck out subcl. (IV), text read as follows: “The amount available for expenditures during 2014 shall only be available for an adjustment to the update of the conversion factor under subsection (d) for that year.’’


Subsec. (j)(2)(B). Pub. L. 110–275, § 131(a)(3)(C)(ii), inserted “and” at end of cl. (i), substituted period for semicolon at end of cl. (ii), and struck out clss. (iii) and (iv) which read as follows: “(iii) 2013 for payment with respect to physicians’ services furnished during 2013; and (iv) 2014 for payment with respect to physicians’ services furnished during 2014.’’


Subsec. (m)(1). Pub. L. 110–275, § 131(b)(3)(B), added par. (1) and struck out former par. (1) which provided for an additional payment for certain covered professional services furnished by an eligible professional.


Pub. L. 110–275, § 131(b)(3)(D)(i), (ii), designated existing provisions as subpar. (A) and inserted heading, redesignated former subpars. (A) and (B) as clss. (i) and (ii), respectively, of subpar. (A), and realigned margins. Pub. L. 110–275, § 131(b)(3)(C), redesignated par. (2) as (3) and struck out former par. (3) which provided for payment limitation.


Subsec. (m)(5)(A). Pub. L. 110–275, § 131(b)(5)(A)(i), substituted “subsection (k)” for “section 1848(k) of the Social Security Act, as added by subsection (b),’’ and “such subsection” for “such section”.


Subsec. (m)(5)(D)(i). Pub. L. 110–275, § 131(b)(3)(E)(ii)(D), which directed amendment of cl. (i) by inserting “for 2007 and 2008” after “under this subsection” and then substituting “this subsection” for “paragraph (2),” was executed by substituting “under this subsection for 2007 and 2008” for “paragraph (2)” to reflect the probable intent of Congress.


Subsec. (m)(5)(D)(iii). Pub. L. 110–275, § 131(b)(3)(E)(ii)(C)(ii), inserted “or, in the case of a group practice, under paragraph (3)(C), the group practice” after “an eligible professional,” substituted “incentive payment under this subsection” for “bonus incentive payment,” and inserted at end “if such payments for such period have already been made, the Secretary shall recoup such payments from the eligible professional (or the group practice).”
Pub. L. 110–90, § 6(f), inserted at end: “In addition, there shall be available to the Fund for expenditures during 2009 an amount equal to $325,000,000 and for expenditures during or after 2013 an amount equal to $60,000,000.”

Subsec. (j)(2)(B). Pub. L. 110–173, § 101(a)(2)(A)(ii), substituted “entire amount available for expenditures, after application of subparagraph (A)(ii), during—” and cl. (i) to (iii) “for entire amount specified in the first sentence of subparagraph (A) for payment with respect to physicians’ services furnished during 2008 and for the obligation of the entire first amount specified in the second sentence of such subparagraph for payment with respect to physicians’ services furnished during 2009 and of the entire second amount so specified for payment with respect to physicians’ services furnished on or after January 1, 2013.”

Subsec. (l)(6). Pub. L. 110–90, § 6(f), in heading, struck out “furnishing during 2008” after “services” and, in text, substituted “specified in the first sentence of subparagraph (A)” for “specified in subparagraph (A)” and inserted “and for the obligation of the entire first amount specified in the second sentence of such subparagraph for payment with respect to physicians’ services furnished during 2009 and of the entire second amount so specified for payment with respect to physicians’ services furnished on or after January 1, 2013,” after “furnished during 2008”.


Subsec. (c)(2)(B)(ii). Pub. L. 109–171, § 5102(a)(1), substituted “clauses (iv) and (v)” for “clause (iv)”.


Subsec. (f)(3). Pub. L. 109–171, § 5112(c), inserted “(ii) each succeeding year, the conversion factor determined for the following year and the update determined under paragraph (3) for such year.”


(i) 1991, the conversion factor which will apply to physicians’ services for 1992, and the update determined under paragraph (3) for 1992; and

(ii) each succeeding year, the conversion factor which will apply to physicians’ services for the following year and the update determined under paragraph (3) for such year.”


Subsec. (f)(1). Pub. L. 106–113, § 1001(a)(6) [title II, § 211(b)(1)], amended heading and text of par. (1) generally. Prior to amendment, text read as follows: “The Secretary shall cause to have published in the Federal Register the annual average for projected expenditures during or after 2013 an amount equal to $325,000,000 and for expenditures during 2009 an amount equal to $60,000,000.”

Subsec. (f)(2)(C). Pub. L. 106–173, § 601(b)(1), substituted “annual average” for “projected” and “during the 10-year period ending with the applicable period involved” for “from the previous applicable period to the applicable period involved”.


Subsec. (i)(1)(C). Pub. L. 106–7 amended subpar. (C) generally. Prior to amendment, subpar. (C) read as follows: “(C) each succeeding year, the conversion factor which will apply to physicians’ services for the following year and the update determined under paragraph (3) for such year.”


(i) 1991, the conversion factor which will apply to physicians’ services for 1992, and the update determined under paragraph (3) for 1992; and

(ii) each succeeding year, the conversion factor which will apply to physicians’ services for the following year and the update determined under paragraph (3) for such year.”

Subsec. (d)(3). Pub. L. 106–113, § 1001(a)(6) [title II, § 211(a)(1)(A)(ii)], inserted and paragraph (4)” after “subparagraph (b)”.


Subsec. (f)(1). Pub. L. 106–113, § 1001(a)(6) [title II, § 211(b)(1)], amended heading and text of par. (1) generally. Prior to amendment, text read as follows: “The Secretary shall cause to have published in the Federal Register the annual average for projected expenditures during or after 2013 an amount equal to $325,000,000 and for expenditures during 2009 an amount equal to $60,000,000.”


Subsec. (j)(3). Pub. L. 106–113, § 1001(a)(6) [title III, § 321(k)(5)], substituted “section 1395x(c)(2)” of this
Prior to amendment, par. (1) related to process for establishing medicare volume performance standard rates of increase.

Subsec. (f)(1)(B). Pub. L. 105–33, § 4022(b)(2)(B)(i), struck out heading and text of subpar. (B). Text read as follows: “The Physician Payment Review Commission shall review the recommendation transmitted during a year under subparagraph (A) and shall make its recommendation to Congress, by not later than May 15 of the year, respecting the performance standard rates of increase for the fiscal year beginning in that year.”

Subsec. (f)(2). Pub. L. 105–33, § 4505(a), added par. (2) and struck out heading and text of former par. (2) which related to specification of performance standard rates of increase for physician services for fiscal years beginning in 1991.

Subsec. (f)(3). Pub. L. 105–33, § 4505(a), added par. (3) and struck out heading and text of former par. (3). Text read as follows: “The Secretary shall establish procedures for providing, on a quarterly basis to the the Congressional Budget Office, the Congressional Research Service, the Committees on Ways and Means and Energy and Commerce of the House of Representatives, and the Committee on Finance of the Senate, information on compliance with performance standard rates of increase established under this section.”


Subsec. (f)(4). (5). Pub. L. 105–33, § 4505(a), struck out heading and text of par. (4) which related to separate group-specific performance standard rates of increase and par. (5) which defined “physicians’ services” and “HMO enrollee”.

Subsec. (g)(3)(A). Pub. L. 105–33, § 4714(b)(2), inserted before period at end “and the provisions of section 1996a(m)(3)(A) of this title apply to further limit permissible charges under this section”.


Subsec. (j)(3). Pub. L. 105–33, § 4106(b), substituted “(4), (14)” for “(4) and (14)” and inserted “(and (15))” after “1395w–4 of this title”.

Pub. L. 105–33, § 4105(a)(2), inserted “(2)(S),” before “(3)”.

Pub. L. 105–33, § 4103(d), inserted “(2)(F) (with respect to services described in subparagraph (A) and (D) of section 1395x(nn)(2) of this title,” after “(2)(G)”.

Pub. L. 105–33, §§ 4102(d), 4106(d), inserted “(2)(B) (with respect to services described in subparagraph (A) and (D) of section 1395x(pp)(1) of this title),” before “(3)” and substituted “(4) and (14) (with respect to services described in section 1395x(nn)(2) of this title)” for “(4)”.

1994—Subsec. (a)(2)(D)(iii). Pub. L. 103–432, § 122(b)(6), struck out “that are subject to section 610(b) of the Omnibus Budget Reconciliation Act of 1989” after “nuclear medicine services” and substituted “provided under section 615(b) of the Omnibus Budget Reconciliation Act of 1989” for “provided under such section”.  

Subsec. (c)(2)(C)(i), Pub. L. 103–432, § 121(b)(3), inserted “for the service for years before 1998” before “equal to” in introductory provisions, substituted comma for “and (15)” in proviso.  

1994—Subsec. (a)(2)(D)(iii). Pub. L. 103–432, § 122(b)(6), struck out “that are subject to section 610(b) of the Omnibus Budget Reconciliation Act of 1989” after “nuclear medicine services” and substituted “provided under section 615(b) of the Omnibus Budget Reconciliation Act of 1989” for “provided under such section”.  

Subsec. (c)(2)(C)(ii). Pub. L. 103–432, § 121(b)(2), substituted “For years before 1998, the term” for “The term”.  


Subsec. (g)(1). Pub. L. 103–432, §123(a)(1), amended heading and text of par. (1) generally. Prior to amendment, text read as follows: “If a nonparticipating physician or nonparticipating supplier or other person (as defined in section 1395u(j)(2) of this title) knowingly and willfully bills on a repeated basis for physicians’ services (including services which the Secretary excludes pursuant to subsection (j)(3) of this section, furnished with respect to an individual enrolled under this part on or after January 1, 1991) an actual charge in excess of the limiting charge described in paragraph (2) and for which payment is not made on an assignment-related basis under this part, the Secretary may apply sanctions against such physician, supplier, or other person in accordance with section 1395u(j)(2) of this title. In applying this subparagraph, any reference in such section to a physician is deemed also to include a reference to a supplier or other person under this subparagraph.”

Subsec. (g)(3)(B). Pub. L. 103–432, §123(a)(2), inserted after first sentence “No person is liable for payment of any amounts billed for such a service in violation of the previous sentence,” and in last sentence substituted “first sentence” for “previous sentence.”

Subsec. (g)(6)(B). Pub. L. 103–432, §123(d), inserted “information on the extent to which actual charges exceed limiting charges, the number and types of services involved, and the average amount of excess charges and information” after “report to the Congress”.


Pub. L. 103–66, §13514(c)(1), inserted ‘‘and as adjusted under subsection (c)(2)(F)’’ after ‘‘for 1994’’.

Subsec. (a)(3). Pub. L. 103–66, §13517(a)(1), in heading inserted ‘‘and suppliers’’ after ‘‘physicians’’ and in text inserted ‘‘or a nonparticipating supplier or other person’’ after ‘‘nonparticipating physician’’ and inserted at end ‘‘In the case of physicians’ services furnished by a physician before the end of the physician’s first full calendar year of furnishing services for which payment may be made under this part, and during each of the 3 succeeding years, the fee schedule amount to be applied shall be $99, 85 percent, 90 percent, and 95 percent, respectively, of the fee schedule amount applicable to physicians who are not subject to this paragraph. The preceding sentence shall not apply to primary care services or services furnished in a rural area (as defined in section 1395ww(d)(2) of this title) that is designated under section 226(a)(1)(A) of this title as a health manpower shortage area.’’

Subsec. (b)(3). Pub. L. 103–66, §13514(a), amended heading and text of par. (3) generally. Prior to amendment, text read as follows: “If payment is made under this part for a visit to a physician, supplier, or other person under this part for a visit to a physician or consultation with a physician and, as part of or in conjunction with the visit or consultation there is an electrocardiogram performed or ordered to be performed, no payment may be made under this part with respect to the interpretation of the electrocardiogram and no physician may bill an individual enrolled under this part separately for such an interpretation. If a physician knowingly and willfully bills one or more individuals in violation of the previous sentence, the Secretary may apply sanctions against the physician or entity in accordance with section 1395u(j)(2) of this title.’’

Subsec. (c)(2)(A)(i). Pub. L. 103–66, §13514(c)(2), inserted before period at end ‘‘and section 13515(b) of the Omnibus Budget Reconciliation Act of 1993’’.

Pub. L. 103–66, §13514(c)(2), inserted at end ‘‘Such relative values are subject to adjustment under subparagraph (F)’’.


Subsec. (g)(2)(B). Pub. L. 103–66, §13512(a), added cls. (iii) to (v) and struck out former cl. (iii) which read as follows: ‘‘For each succeeding year 2 percentage points.”

Subsec. (g)(1). Pub. L. 103–66, §13517(a)(2)(C), (D), inserted ‘‘or nonparticipating supplier or other person’’ after ‘‘such physician’’ and inserted at end ‘‘In applying this subparagraph, any reference in such section to a physician is deemed also to include a reference to a supplier or other person under this subparagraph.’’

Pub. L. 103–66, §13517(a)(2)(B), which directed insertion of ‘‘including services which the Secretary excludes pursuant to subsection (j)(3) of this section, furnished with respect to an individual enrolled under this part separately for such a service in violation of the previous sentence, the Secretary may apply sanctions against such physician, supplier, or other person in accordance with section 1395u(j)(2) of this title’’ after ‘‘physician’s services (‘’, was executed by making the insertion after ‘‘physician’s services (’’ to reflect the probable intent of Congress.

Pub. L. 103–66, §13517(a)(2)(A), inserted ‘‘or nonparticipating supplier or other person (as defined in section 1395u(a)(2) of this title)’’ after ‘‘nonparticipating physician’’.

Subsec. (g)(2)(C). Pub. L. 103–66, §13517(a)(3), inserted ‘‘or nonparticipating supplier or other persons’’ after ‘‘nonparticipating physicians’’.

Subsec. (g)(2)(D). Pub. L. 103–66, §13517(a)(4), inserted ‘‘or, if payment under this part is made on a basis other than the fee schedule under this section, 95 percent of the other payment basis’’ after ‘‘subsection (a)’’.

Subsec. (b). Pub. L. 103–66, §13517(a)(5), inserted ‘‘or nonparticipating supplier or other person furnishing physicians’ services (as defined in subsection (j)(3)) after ‘‘each physician’’, inserted ‘‘supplier, or other person’’ after ‘‘by the physician’’, and inserted ‘‘suppliers, and other persons’’ after ‘‘notices to physicians’’.


Subsec. (j)(1). Pub. L. 103–66, §13511(a)(2), substituted ‘‘Secretary and including anesthesia services), primary care services (as defined in section 1395u(a)(4) of this title), for ‘‘Secretary’’.’’


Pub. L. 103–66, §13517(a)(6), inserted ‘‘, except for purposes of subsections (a)(3), (g), and (h)’’ after ‘‘tests and’’.

1990—Subsec. (a)(1). Pub. L. 101–508, §4104(b)(2), struck out ‘‘or 1398m(f)’’ after ‘‘section 1398m(b)’’ in introductory provisions.

Subsec. (a)(2)(C). Pub. L. 101–508, §4102(b), inserted ‘‘and radiology’’ after ‘‘Special rule for anesthesia’’ in

---
heading and inserted at end "With respect to radiology services, ‘109 percent’ and ‘9 percent’ shall be substituted for ‘115 percent’ and ‘15 percent’, respectively, in paragraph (A)(1)."

Subsec. (a)(2)(D)(ii). Pub. L. 101–508, §4102(g)(2)(A), inserted the paragraph as designated paragraphs (4) and (5) as (5) and (6), respectively, in introductory provisions, substituted "section 1395m(b)(6) of this title)"


Subsec. (c)(1)(B). Pub. L. 101–508, §4118(f)(1)(E). (as defined in subsection (a)(2)(D)(i) of this title), substituted for "conversion factor (or factors)" "conversion factor" for "conversion factor (or factors) which will apply to physicians' services for the following year and before the update (or updates) and substituted "such year" for "the following year".


Pub. L. 101–508, §4118(f)(1)(F)(1)(I), (II), substituted "conversion factor (or factors)" for "conversion factor in two places and "update or updates" for "update",

Subsec. (d)(1)(C)(i). Pub. L. 101–508, §4118(f)(1)(C), redesignated par. (4) and (5) as (5) and (6), respectively.


Pub. L. 101–508, §4118(f)(1)(F)(1)(I), (II), substituted "conversion factor (or factors)" for "conversion factor (or factors) which will apply to physicians' services for the following year and before the update (or updates) and substituted "such year" for "the following year".

Subsec. (d)(2)(A). Pub. L. 101–508, §4118(f)(1)(G). (I), substituted "physicians' services (as defined in subsection (f)(5)(A) of this section)" for "physicians' services (as defined in clause (i) of this section)".

Pub. L. 101–508, §4118(f)(1)(H), substituted "(as defined in clause (i) of this section)" for "as defined in clause (i) of this section)"

Subsec. (d)(2)(B). Pub. L. 101–508, §4118(f)(1)(I), substituted "(as defined in clause (i) of this section)" for "as defined in clause (i) of this section)"


Pub. L. 101–508, §4118(f)(1)(L)(ii), which directed amendment of cl. (i) by substituting "services in such category for "physicians' services as defined in subsection (f)(5)(A))", was executed by making the substitution for "physicians' services (as defined in clause (i) of this section)" to reflect the probable intent of Congress.

Pub. L. 101–508, §4118(f)(1)(L)(ii), substituted "update for a category of physicians' services for a year" for "update for a year for a category of physicians' services for a year".


Subsec. (e)(1)(A). Pub. L. 101–508, §4118(c)(1), substituted "subparagraphs (B) and (C)" for "paragraph (B) in introductory provisions.


Subsec. (f)(2)(A). Pub. L. 101–508, §4118(b)(1), (f)(1)(N)(ii), in introductory provisions, substituted "the performance standard rate of increase, for all physicians' services and for each category of physicians' services," for "each performance standard rate of increase, and "product" for "sum"

Subsec. (g)(2)(A)(i). Pub. L. 101–508, §4118(f)(1)(N)(ii), as amended by Pub. L. 103–432, §126(b)(7), substituted "all physicians' services or for the category of physicians' services, respectively," for "physicians' services (as defined in subsection (f)(5)(A) of this section)"

Pub. L. 101–508, §4118(f)(1)(M), substituted "portions of calendar years for "calendar years."

Pub. L. 101–508, §4118(b)(2), (3), substituted "I plus the Secretary's", for "the Secretary's" and "and percentage increase (divided by 100)" for "percentage increase.

Subsec. (f)(2)(A)(ii). Pub. L. 101–508, §4118(b)(2), (4), substituted "I plus the Secretary's" for "the Secretary's" and inserted "(divided by 100)" after "decrease".

Subsec. (f)(2)(A)(iii). Pub. L. 101–508, §4118(b)(1)(N)(iii), substituted "all physicians' services or of the category of physicians' services, respectively," for "physicians' services".

Pub. L. 101–508, §4118(b)(2), (5), substituted "I plus the Secretary's" for "the Secretary's" and inserted "(divided by 100)" after "decrease"


Pub. L. 101–508, §4116, inserted at end "In the case of evaluation and management services (as specified in section 1395a(b)(16)(B)(ii) of this title), the preceding sentence shall be applied by substituting ‘40 percent' for section (1992)".


Subsec. (j)(1). Pub. L. 101–508, §4118(f)(1)(S), which directed the amendment of par. (1) by substituting "as (as defined in subsection (a)(2)(C)(i) of this title) after "(as defined in subsection (a)(2)(C)(i) of this title)".


defined by the Secretary) and all other physicians’ services” for “, and such other” and all that follows through the period was executed by making the substitution for “, and such other category or categories of physicians’ services as the Secretary, from time to time, defines in regulation.” to reflect the probable intent of Congress.

CHANGE OF NAME

References to Medicare+Choice deemed to refer to Medicare Advantage or MA, subject to an appropriate transition provided by the Secretary of Health and Human Services in the use of those terms, see section 201 of Pub. L. 108–173, set out as a note under section 1395w–21 of this title.

EFFECTIVE DATE OF 2015 AMENDMENT

Pub. L. 114–10, title I, §106(b)(2)(C), Apr. 16, 2015, 129 Stat. 140, provided that: “The amendments made by this subsection [amending this section and section 1395ww of this title] shall apply to meaningful EHR users [which term has the meaning given under 42 U.S.C. 1395w–4(o), 42 U.S.C. 1395w–2(e)(4), and 42 U.S.C. 1395ww(m)] as of the date that is one year after the date of the enactment of this Act [Apr. 16, 2015].”

EFFECTIVE DATE OF 2010 AMENDMENT


Amendment by section 4103(c)(2) of Pub. L. 111–148 applicable to services furnished on or after Jan. 1, 2011, see section 4103(e) of Pub. L. 111–148, set out as a note under section 1395m of this title.

EFFECTIVE DATE OF 2008 AMENDMENT


Pub. L. 110–114—§152(b)(2), July 15, 2008, 122 Stat. 2553, provided that: “The amendments made by this subsection [amending this section and sections 1395w and 1395y of this title] shall apply to services furnished on or after January 1, 2010.”

EFFECTIVE DATE OF 2007 AMENDMENT


“(i) IN GENERAL.—Subject to clause (ii), the amendments made by subparagraph (A) [amending this section] shall take effect on the date of the enactment of this Act [Dec. 29, 2007];

“(ii) SPECIAL RULE FOR COORDINATION WITH CONSOLIDATED APPROPRIATIONS ACT, 2008.—If the date of the enactment of the Consolidated Appropriations Act, 2008 [Dec. 29, 2007], occurs on or after the date described in clause (i), the amendments made by subparagraph (A) shall be deemed to be made on the day after the effective date of sections 225(c)(1) [121 Stat. 2190] and 524 [amending this section] of the Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 2008 (division G of the Consolidated Appropriations Act, 2008).”

EFFECTIVE DATE OF 2006 AMENDMENT

Amendment by section 5112(c) of Pub. L. 109–171 applicable to services furnished on or after Jan. 1, 2007, see section 5112(c) of Pub. L. 109–171, set out as a note under section 1395l of this title.

EFFECTIVE DATE OF 2003 AMENDMENT


Pub. L. 108–173, title VI, §611(e), Dec. 8, 2003, 117 Stat. 2304, provided that: “The amendments made by this section [amending this section and sections 1395x and 1395y of this title] shall apply to services furnished on or after January 1, 2005, but only for individuals whose coverage period under part B [probably means part B of title XVIII of the Social Security Act, 42 U.S.C. 1395j et seq.] begins on or after such date.’’

EFFECTIVE DATE OF 2000 AMENDMENT

Amendment by Pub. L. 106–554 applicable with respect to screening mammographies furnished on or after Jan. 1, 2002, see section 101(a)(6) [title I, §104(c)] of Pub. L. 106–554, set out as a note under section 1395m of this title.

EFFECTIVE DATE OF 1999 AMENDMENT

Pub. L. 106–113, div. B, §1000(a)(6) [title II, §211(d)], Nov. 29, 1999, 113 Stat. 1536, 1501A–350, provided that: “The amendments made by this section [amending this section and sections 1905(s)–6 and 1905(c) of this title] shall be effective in determining the conversion factor under section 1848(d) of the Social Security Act (42 U.S.C. 1395w–4(d)) for years beginning with 2001 and shall not apply to or affect any update (or any update adjustment factor) for any year before 2001.”


EFFECTIVE DATE OF 1997 AMENDMENT

Amendment by section 4022(b)(2)(B), (C) of Pub. L. 105–33 effective Nov. 1, 1997, the date of termination of the Prospective Payment Assessment Commission and the Physician Payment Review Commission, see section 4022(b)(2) of Pub. L. 105–33 set out as an Effective Date; Transition; Transfer of Functions note under section 1395s–6 of this title.

Amendment by section 4120(d) of Pub. L. 105–33 applicable to items and services furnished on or after Jan. 1, 1998, see section 4120(e) of Pub. L. 105–33, set out as a note under section 1395l of this title.

Amendment by section 4133(d) of Pub. L. 105–33 applicable to items and services furnished on or after Jan. 1, 2000, see section 4133(e) of Pub. L. 105–33, set out as a note under section 1395l of this title.

Amendment by section 4140(d) of Pub. L. 105–33 applicable to items and services furnished on or after Jan. 1, 1998, see section 4140(e) of Pub. L. 105–33, set out as a note under section 1395l of this title.

Amendment by section 4105(a)(2) of Pub. L. 105–33 applicable to items and services furnished on or after July 1, 1998, see section 4105(d)(1) of Pub. L. 105–33, set out as a note under section 1395l of this title.

Amendment by section 4106(b) of Pub. L. 105–33 applicable to bone mass measurements performed on or after July 1, 1998, see section 4106(d)(1) of Pub. L. 105–33, set out as a note under section 1395l of this title.


Pub. L. 105–33, title IV, §4504(b), Aug. 5, 1997, 111 Stat. 435, provided that: “The amendments made by sub-
section (a) [amending this section] shall apply to services furnished on or after January 1, 1996.

Amendment by section 471(b)(2) of Pub. L. 105–33 applied to payment for (and with respect to) items and services furnished on or after Aug. 5, 1997, see section 471(c) of Pub. L. 105–33, set out as a note under section 1395a of this title.

**Effective Date of 1994 Amendment**

Amendment by section 129(a) of Pub. L. 103–432 applicable to services furnished on or after Oct. 31, 1994, but inapplicable to services of nonparticipating supplier or other person furnished before Jan. 1, 1995, see section 129(c)(1) of Pub. L. 103–432, set out as a note under section 1395m of this title.


**Effective Date of 1993 Amendment**

Amendment by section 123(a) of Pub. L. 103–432 applicable to services furnished on or after July 1, 1994, see section 123(c)(1) of Pub. L. 103–432, set out as a note under section 1395l of this title.


**Effective Date of 1992 Amendment**

Amendment by section 126(a) of Pub. L. 103–432 applicable to services furnished on or after Jan. 1, 1992, see section 126(c)(1) of Pub. L. 103–432, set out as a note under section 1395l of this title.


**Transfer of Functions**

Physician Payment Review Commission (PPRC) was terminated and its assets and staff transferred to the Medicare Payment Advisory Commission (MedPAC) by section 402(c)(2), (3) of Pub. L. 105–33, set out as a note under section 1395w–6 of this title. Section 402(c)(2), (3) further provided that MedPAC was to be responsible for preparation and submission of reports required by law to be submitted by PPRC, and that, for that purpose, any reference in law to PPRC was to be deemed, after the appointment of MedPAC, to refer to MedPAC.

**Termination of Reporting Requirements**

For termination, effective May 15, 2000, of provisions of law requiring submittal to Congress of any annual, semiannual, or other regular periodic report listed in House Document No. 103–7 (in which item 8 on page 94 identifies a reporting provision which, as subsequently amended, is contained in subsec. (g)(6)(B) of this section and in which item 9 on page 94 identifies a reporting provision which is contained in subsec. (g)(7)(B) of this section), see section 3003 of Pub. L. 104–66, as amended, set out as a note under section 1113 of Title 31, Money and Finance.

**Implementation**

Pub. L. 114–115, §4(c), Dec. 28, 2015, 129 Stat. 3133, provided that: "Notwithstanding any other provision of law, the Secretary of Health and Human Services shall implement the provisions of, and the amendments made by, subsections (a) and (b) [amending this section and section 1395ww of this title] by program instruction, such as through information on the Internet website of the Centers for Medicare & Medicaid Services."

**Education and Outreach Campaign**

Pub. L. 114–10, title I, §103(b)(1), Apr. 16, 2015, 129 Stat. 132, provided that:

"(A) In general.—The Secretary of Health and Human Services (in this subsection referred to as the ‘Secretary’) shall conduct an education and outreach campaign to inform professionals who furnish items and services under part B of title XVIII of the Social Security Act (42 U.S.C. 1395w–4(f)) and individuals enrolled under such part of the benefits of chronic care management services described in section 1848(b)(3) of the Social Security Act (42 U.S.C. 1395w–4(f)(2)(B)), as added by subsection (a), and encourage such individuals with chronic care needs to receive such services.

"(B) Requirements.—Such campaign shall—

"(iv) be directed by the Office of Rural Health Policy of the Department of Health and Human Services and the Office of Minority Health of the Centers for Medicare & Medicaid Services; and

"(v) focus on encouraging participation by under-served rural populations and racial and ethnic minority populations."
RECOMMENDATIONS FOR ACHIEVING WIDESPREAD ELECTRONIC HEALTH RECORD (EHR) INTEROPERABILITY
Pub. L. 114–10, title I, §106(b)(1), Apr. 16, 2015, 129 Stat. 138, provided that:

"(A) OBJECTIVE.—As a consequence of a significant Federal investment in the implementation of health information technology through the Medicare and Medicaid EHR incentive programs, Congress declares it a national objective to achieve widespread exchange of health information through interoperable certified EHR technology nationwide by December 31, 2018.

"(B) DEFINITIONS.—In this paragraph:

"(i) WIDESPREAD INTEROPERABILITY.—The term ‘widespread interoperability’ means interoperability between certified EHR technology systems employed by meaningful EHR users under the Medicare and Medicaid EHR incentive programs and other clinicians and health care providers on a nationwide basis.

"(ii) INTEROPERABILITY.—The term ‘interoperability’ means the ability of two or more health information systems or components to exchange clinical and other information and to use the information that has been exchanged using common standards as to provide access to longitudinal information for health care providers in order to facilitate coordinated care and improved patient outcomes.

"(C) ESTABLISHMENT OF METRICS.—Not later than July 1, 2016, and in consultation with stakeholders, the Secretary of Health and Human Services shall establish metrics to be used to determine if and to the extent that the objective described in subparagraph (A) has been achieved.

"(D) RECOMMENDATIONS IF OBJECTIVE NOT ACHIEVED.—If the Secretary of Health and Human Services determines that the objective described in subparagraph (A) has not been achieved by December 31, 2018, then the Secretary shall submit to Congress a report, by not later than December 31, 2019, that identifies barriers to such objective and recommends actions that the Federal Government can take to achieve such objective. Such recommended actions may include recommendations—

"(i) to adjust payments for not being meaningful EHR users under the Medicare EHR incentive programs; and

"(ii) for criteria for decertifying certified EHR technology products.

(As used in section 106(b)(1) of Pub. L. 114–10, set out above, ‘‘certified EHR technology’’ has the meaning given in 42 U.S.C. 1395w–4(o)(4); ‘‘meaningful EHR user’’ has the meaning given under the ‘‘Medicare EHR incentive programs’’, which term means the incentive programs under 42 U.S.C. 1395w–4(o), 42 U.S.C. 1395w–23(l), (m), and 42 U.S.C. 1395w(nn); and ‘‘Medicaid EHR incentive program’’ means the incentive program under 42 U.S.C. 1396a(33), (F), (t). See Pub. L. 114–10, title I, §106(b)(4), Apr. 16, 2015, 129 Stat. 140.)

DISCLOSURE OF DATA USED TO ESTABLISH MULTIPLE PROCEDURE PAYMENT REDUCTION POLICY

CENTERS FOR MEDICARE & MEDICAID SERVICES TO STUDY REFORM OF PHYSICIAN REIMBURSEMENTS
Pub. L. 113–67, div. B, §1002, Dec. 26, 2013, 127 Stat. 1195, provided that: ‘‘In order to support the provision of quality care for our nation’s seniors, Congress finds it appropriate to reform physician reimbursements under the Medicare program. SGR reform legislation provides such an opportunity, but not until next year. In order to facilitate such reform, Congress finds that the Centers for Medicare & Medicaid Services should continue to focus its efforts on the following areas:

"(1) SIMPLIFY AND REDUCE ADMINISTRATIVE BURDEN ON PHYSICIAN.—The application and assessment of measures and other activities under SGR reform should be facilitated by the Centers for Medicare and Medicaid Services (CMS) in a way that accounts for the administrative burden such measurement places on physicians. Therefore, the Congress encourages CMS to identify and implement, to the extent practicable, mechanisms to ensure that the application and assessment of measures be coordinated across programs.

"(2) TIMELY FEEDBACK FOR PHYSICIANS.—In order for measure and assessment programs to encourage the highest quality care for Medicare seniors, the Congress finds it critical that CMS provide physicians with feedback on performance in as close to real time as possible. Such timely feedback will ensure that physicians can excel under a system of meaningful measurement.

"(3) ENCOURAGE DEVELOPMENT OF NEW MODELS.—There is great need to test alternatives to Fee-For-Service reimbursement in the Medicare program. One option is the promotion and adoption of new models of care for physicians. To date, there has been significant development and testing of models for primary care. Congress supports these efforts and encourages them to continue in the future. Congress also encourages the development and testing of models of specialty care.’’

IMPLEMENTATION OF 2010 AMENDMENT
Pub. L. 111–148, title III, §3111(a)(2), Mar. 23, 2010, 124 Stat. 421, provided that: ‘‘For years after 2014, if the Secretary of Health and Human Services may implement the amendments made by this section [amending this section and section 1396b of this title and enacting provisions set out as a note under this section] by program instruction or otherwise.’’

Pub. L. 111–148, title III, §3111(a)(2), Mar. 23, 2010, 124 Stat. 421, provided that: ‘‘Notwithstanding any other provision of law, the Secretary may implement the amendments made by paragraph (1) [amending this section] by program instruction or otherwise.’’


"(A) Chapter 35 of title 44, United States Code and the provisions of the Federal Advisory Committee Act (5 U.S.C. App.) shall not apply to this section [amending this section and section 1396b of this title] and enacting provisions set out as a note under this section] by program instruction or otherwise.

"(B) Notwithstanding any other provision of law, the Secretary may implement subparagraphs (K) and (L) of section 1848(c)(2) of the Social Security Act [42 U.S.C. 1395w–4(c)(2)(K), (L)], as added by subsection (a), by program instruction or otherwise.

"(C) Repealed section 4505(d) of Pub. L. 105–33, formerly set out below.

"(D) Except for provisions related to confidentiality of information, the provisions of the Federal Acquisition Regulation shall not apply to this section or the amendment made by this section.’’

AUTHORITY TO INCORPORATE MAINTENANCE OF CERTIFICATION PROGRAMS INTO MEASURES OF QUALITY OF CARE
Pub. L. 111–148, title III, §3092(c)(3), as added by Pub. L. 111–148, title X, §1427(b), Mar. 23, 2010, 124 Stat. 963, provided that: ‘‘For years after 2014, if the Secretary of Health and Human Services determines it to be appropriate, the Secretary may incorporate participation in a Maintenance of Certification Program and successful completion of a qualified Maintenance of Certification Program practice assessment into the composite of measures of quality of care furnished pursuant to the physician fee schedule payment and assessment of measures and other activities under SGR reform legislation, as described in section 1848(p)(2) of the Social Security Act (42 U.S.C. 1395w–4(p)(2)).’’
No Change in Billing


No Effect on Incentive Payments for 2007 or 2008

Pub. L. 110-275, title I, §131(b)(6), July 15, 2008, 122 Stat. 2526, provided that: “Nothing in the amendments made by this subsection [section 132 [amending this section]] shall affect the operation of the provisions of section 1848(m) of the Social Security Act [42 U.S.C. 1395w–4(m)], as redesignated and amended by such subsection and section, with respect to 2007 or 2008.”

Adjustment for Medicare Mental Health Services


“(a) Payment Adjustment.—

“(1) In General.—For purposes of payment for services furnished under the physician fee schedule under section 1848 of the Social Security Act (42 U.S.C. 1395w–4) during the period beginning on July 1, 2008, and ending on February 29, 2012, the Secretary of Health and Human Services shall increase the fee schedule otherwise applicable for specified services by 5 percent.


“(b) Definition of Specified Services.—In this section, the term ‘specified services’ means procedure codes for services in the categories of the Health Care Common Procedure Coding System, established by the Secretary of Health and Human Services under section 1848(c)(5) of the Social Security Act (42 U.S.C. 1395w–4(c)(5)), as of July 1, 2007, and as subsequently modified by the Secretary, consisting of psychiatric therapeutic procedures furnished in office or other outpatient facility settings or in inpatient hospital, partial hospital, or residential care facility settings, but only with respect to such services in such categories that are in the subcategories of services which are—

“(1) insight oriented, behavior modifying, or supportive psychotherapy; or

“(2) interactive psychotherapy.

“(c) Implementation.—Notwithstanding any other provision of law, the Secretary may implement this section by program instruction or otherwise.”

Transfer of Funds to Part B Trust Fund

Pub. L. 110-173, title I, §101(a)(2)(C), Dec. 29, 2007, 121 Stat. 2404, provided that: “Amounts that would have been available to the Physician Assistance and Quality Initiative Fund under section 1848(l)(2) of the Social Security Act (42 U.S.C. 1395w–4(l)(2)) for payment with respect to physicians’ services furnished prior to January 1, 2013, but for the amendments made by subparagraph (A) [amending this section], shall be deposited into, and made available for expenditures from, the Federal Supplementary Medical Insurance Trust Fund under section 1441 of such Act (42 U.S.C. 1395b-4).”

Transitional Bonus Incentive Payments for Physician Reporting in 2007 and 2008

Pub. L. 109-422, div. B, title I, §101(c), Dec. 20, 2006, 120 Stat. 2977, as amended, formerly set out as a note under this section, was transferred to subsec. (m) of this section.

Treatment of Other Services Currently in the Nonphysician Work Pool

Pub. L. 108-173, title III, §303(a)(2), Dec. 8, 2003, 117 Stat. 2236, provided that: “The Secretary [of Health and Human Services] shall make adjustments to the nonphysician work pool methodology (as such term is used in the final rule promulgated by the Secretary in the Federal Register on December 31, 2002 (67 Fed. Reg. 251)), for the determination of practice expense relative value units under the physician fee schedule under section 1848(c)(2)(C)(i)(I) of the Social Security Act (42 U.S.C. 1395w–4(c)(2)(C)(i)(I)), so that the practice expense relative value units for services determined under such methodology are not affected relative to the practice expense relative value units of services not determined under such methodology, as a result of the amendments made by paragraph (1) [amending this section].”

Payment for Multiple Chemotherapy Agents Furnished on a Single Day Through the Push Technique

Pub. L. 108-173, title III, §303(a)(3), Dec. 8, 2003, 117 Stat. 2236, provided that: “(A) Review of Policy.—The Secretary [of Health and Human Services] shall review and modify the policy or any effect on October 1, 2003, with respect to payment under section 1848 of the Social Security Act (42 U.S.C. 1395w–4) for the administration of more than 1 drug or biological to an individual on a single day through the push technique.

“(B) Modification of Policy.—After conducting the review under subparagraph (A), the Secretary shall modify such payment policy as the Secretary determines to be appropriate.

“(C) Exemption from Budget Neutrality Under Physician Fee Schedule.—If the Secretary modifies such payment policy pursuant to subparagraph (B), any increased expenditures under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.) resulting from such modification shall be treated as additional expenditures attributable to subparagraph (B) of section 1848(c)(2) of the Social Security Act (42 U.S.C. 1395w–4(c)(2)), as added by paragraph (1)(B), for purposes of applying the exemption to budget neutrality under subparagraph (B)(iv) of such section, as added by paragraph (1)(A).”

Transitional Adjustment

Pub. L. 108-173, title III, §303(a)(4), Dec. 8, 2003, 117 Stat. 2237, provided that: “(A) In General.—In order to provide for a transition during 2004 and 2005 to the payment system established under the amendments made by this section [enacting sections 1395w–3a and 1395w–3b of this title, amending sections 1396r–8 of this title, and repealing provisions set out as a note under section 1395u of this title], in the payment of physicians’ services consisting of drug administration services described in subparagraph (H) of section 1848(c)(2) of the Social Security Act (42 U.S.C. 1395w–4(c)(2)), as added by paragraph (1)(B), furnished on or after January 1, 2004, and before January 1, 2006, in addition to the amount determined under the fee schedule under section 1848(b) of such Act (42 U.S.C. 1395w–4(b)) there also shall be paid to the physician from the Federal Supplementary Medical Insurance Trust Fund an amount equal to the applicable percentage specified in subparagraph (B) of such fee schedule amount for the services so determined.

“(B) Applicable Percentage.—The applicable percentage specified in this subparagraph for services furnished—

“(i) during 2004, is 32 percent; and

“(ii) during 2005, is 3 percent.”

MedPAC Review and Reports; Secretarial Response

“(A) REVIEW.—The Medicare Payment Advisory Commission shall review the payment changes made under this section (enacting sections 1395w–3a and 1395w–3b of this title, amending this section and sections 1395j, 1395u, 1395x, 1395y, and 1396–b of this title, enacting provisions set out as notes under this section and sections 1395u, 1395w–3a, and 1395w–3b of this title, and repealing provisions set out as a note under section 1395u of this title) as far as they affect payment under part B of title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.)."

“(1) for items and services furnished by oncolgists; and

“(ii) for drug administration services furnished by other specialists.

“(B) OTHER MATTERS STUDIED.—In conducting the review under subparagraph (A), the Commission shall also review such changes as they affect—

“(i) the quality of care furnished to individuals enrolled under part B and the satisfaction of such individuals with that care;

“(ii) the adequacy of reimbursement as applied in, and the availability in, different geographic areas and to different physician practice sizes; and

“(iii) the impact on physician practices.

“(C) REPORTS.—The Commission shall submit to the Secretary [of Health and Human Services] and Congress—

“(1) not later than January 1, 2006, a report on the review conducted under subparagraph (A)(i); and

“(2) not later than January 1, 2007, a report on the review conducted under subparagraph (A)(ii).

"Each such report may include such recommendations regarding further adjustments in such payments as the Commission deems appropriate."

“(D) SECRETARIAL RESPONSE.—As part of the rulemaking with respect to payment for physicians services under section 1848 of the Social Security Act (42 U.S.C. 1395w–4) for 2007, the Secretary may make appropriate adjustments to payment for items and services described in subparagraph (A)(i), taking into account the report submitted under such subparagraph (C)(1)."

MULTIPLE CHEMOTHERAPY AGENTS, OTHER SERVICES CURRENTLY ON THE NON-PHYSICIAN WORK FLOOR, AND TRANSITIONAL ADJUSTMENT

Pub. L. 108–173, title III, § 303(c)(3), Dec. 8, 2003, 117 Stat. 2253, provided that: "There shall be no administrative or judicial review under section 1869 [probably means section 1869 of the Social Security Act, 42 U.S.C. 1395f], section 1878 [probably means section 1878 of the Social Security Act, 42 U.S.C. 1395w], or, otherwise, of determinations of payment amounts, methods, or adjustments under paragraphs (2) through (4) of subsection (a) [enacting provisions set out as notes under this section]."

APPLICATION OF 2003 AMENDMENT TO PHYSICIAN SPECIALTIES

Amendment by section 303 of Pub. L. 108–173, insofar as applicable to payments for drugs, biologicals, and drug administration services furnished by physicians, is applicable only to physicians in the specialties of hematology, hematology/oncology, and medical oncology under this subchapter, see section 303(j), of Pub. L. 108–173, set out as a note under section 1395u of this title. Notwithstanding section 303(j) of Pub. L. 108–173 (see note above), amendment by section 303 of Pub. L. 108–173 also applicable to payments for drugs or biologicals and drug administration services furnished by physicians in specialties other than the specialties of hematology, hematology/oncology, and medical oncology, see section 304 of Pub. L. 108–173, set out as a note under section 1395u of this title.

GAO STUDY OF GEOGRAPHIC DIFFERENCES IN PAYMENTS FOR PHYSICIANS’ SERVICES

Pub. L. 108–173, title IV, § 413(c), Dec. 8, 2003, 117 Stat. 2277, provided that:

“(1) STUDY.—The Comptroller General of the United States shall conduct a study of differences in payment amounts under the physician fee schedule under section 1848 of the Social Security Act (42 U.S.C. 1395w–4) for physicians’ services in different geographic areas. Such study shall include—

“(A) an assessment of the validity of the geographic adjustment factors used for each component of the fee schedule;

“(B) an evaluation of the measures used for such adjustment, including the frequency of revisions;

“(C) an evaluation of the methods used to determine professional liability insurance costs used in computing the malpractice component, including a review of increases in professional liability insurance premiums and variation in such increases by State and physician specialty and methods used to update the geographic cost of practice index and relative weights for the malpractice component; and

“(D) an evaluation of the effect of the adjustment to the physician work geographic index under section 1848(e)(1)(E) of the Social Security Act [42 U.S.C. 1395w–4(e)(1)(E)], as added by section 412, on physician location and retention in areas affected by such adjustment, taking into account—

“(i) differences in recruitment costs and retention rates for physicians, including specialists, between large urban areas and other areas; and

“(ii) the mobility of physicians, including specialists, over the last decade.

“(2) REPORT.—Not later than 1 year after the date of the enactment of this Act (Dec. 8, 2003), the Comptroller General shall submit to Congress a report on the study conducted under paragraph (1). The report shall include recommendations regarding the use of more current data in computing geographic cost of practice indices as well as the use of data directly representative of physicians’ costs (rather than proxy measures of such costs)."

AMENDMENTS NOT TREATED AS CHANGE IN LAW AND REGULATION IN SUSTAINABLE GROWTH RATE DETERMINATION


COLLABORATIVE DEMONSTRATION-BASED REVIEW OF PHYSICIAN PRACTICE EXPENSE GEOGRAPHIC ADJUSTMENT DATA

Pub. L. 108–173, title VI, § 605, Dec. 8, 2003, 117 Stat. 2302, provided that: "(a) IN GENERAL.—Not later than January 1, 2005, the Secretary [of Health and Human Services] shall, in collaboration with State and other appropriate organizations representing physicians, and other appropriate persons, review and consider alternative data sources than those currently used in establishing the geographic index for the practice expense component under the Medicare physician fee schedule under section 1848(e)(1)(A)(i) of the Social Security Act (42 U.S.C. 1395w–4(e)(1)(A)(i))."

(b) SITES.—The Secretary shall select two physician payment localities in which to carry out subsection (a). One locality shall include rural areas and at least one locality shall be a statewide locality that includes both urban and rural areas.

“(c) REPORT AND RECOMMENDATIONS.—

“(1) REPORT.—Not later than January 1, 2006, the Secretary shall submit to Congress a report on the
review and consideration conducted under subsection (a). Such report shall include information on the alternative developed data sources considered by the Secretary under subsection (a), including the accuracy and validity of the data as measures of the elements of the geographic index for practice expenses under the medicare physician fee schedule as well as the comparability of using alternative data nationwide in lieu of current proxy data used in such index, and the estimated impacts of using such alternative data.

(2) RECOMMENDATIONS.—The report submitted under paragraph (1) shall contain recommendations on which data sources reviewed and considered under subsection (a) are appropriate for use in calculating the geographic index for practice expenses under the medicare physician fee schedule.

MEDPAC REPORT ON PAYMENT FOR PHYSICIANS' SERVICES


(a) PRACTICE EXPENSE COMPONENT.—Not later than 1 year after the date of the enactment of this Act (Dec. 8, 2003), the Medicare Payment Advisory Commission shall submit to Congress a report on the extent to which changes in reimbursement rates to other providers have effected these changes.

(b) REPORT.—Not later than January 1, 2005, the Commission shall submit to Congress a report on the study conducted under subsection (a) together with recommendations for such legislation or administrative action as the Commission determines to be appropriate.

REPORT ON PHYSICIAN COMPENSATION

Pub. L. 108–173, title IX, §953(a)(2), Dec. 8, 2003, 117 Stat. 2428, provided that: "Not later than 12 months after the date of the enactment of this Act (Dec. 8, 2003), the Comptroller General shall submit to Congress a report on all aspects of the physician compensation for services furnished under title XVIII of the Social Security Act [42 U.S.C. 1395 et seq.], and how those aspects interact and the effect on appropriate compensation for physician services. Such report shall review alternatives for the physician fee schedule under section 1848 of such title (42 U.S.C. 1395w–4)."

TREATMENT OF CERTAIN PHYSICIAN PATHOLOGY SERVICES UNDER MEDICARE


(a) IN GENERAL.—When an independent laboratory furnishes the technical component of a physician pathology service to a fee-for-service medicare beneficiary who is an inpatient or outpatient of a covered hospital, the Secretary of Health and Human Services shall treat such component as a service for which payment shall be made to the laboratory under section 1848 of the Social Security Act (42 U.S.C. 1395w–4) and not as an inpatient hospital service for which payment is made to the hospital under section 1886(d) of such Act (42 U.S.C. 1395ww(d)) or as an outpatient hospital service for which payment is made to the hospital under section 1833(c) of such Act (42 U.S.C. 1395l(c)).

(b) DEFINITIONS.—For purposes of this section:

(1) COVERED HOSPITAL.—The term ‘covered hospital’ means, with respect to an inpatient or an outpatient, a hospital that had an arrangement with an independent laboratory that was in effect as of July 22, 1999, under which a laboratory furnished the technical component of a physician pathology service to a fee-for-service medicare beneficiary who was hospital inpatient or outpatient, respectively, and submitted claims for payment for such component to a medicare carrier (that has a contract with the Secretary under section 1842 of the Social Security Act, 42 U.S.C. 1395a) and not to such hospital.

(2) FEE-FOR-SERVICE MEDICARE BENEFICIARY.—The term ‘fee-for-service medicare beneficiary’ means an individual who—

(A) is entitled to benefits under part A, or enrolled under part B, or both, of such title [42 U.S.C. 1395 et seq., 1395] et seq.]; and

(B) is not enrolled in any of the following:

(i) A Medicare+Choice plan under part C of such title [42 U.S.C. 1395w–21 et seq.].

MEDPAC STUDY OF PAYMENT FOR CARDIO-THORACIC SURGEONS

Pub. L. 108–173, title VI, §644, Dec. 8, 2003, 117 Stat. 2323, provided that: "(a) STUDY.—The Medicare Payment Advisory Commission (in this section referred to as the ‘Commission’) shall conduct a study on the practice expense relative value units established by the Secretary of Health and Human Services under the medicare physician fee schedule under section 1848 of the Social Security Act (42 U.S.C. 1395w–4) for physicians in the specialties of thoracic and cardiac surgery to determine whether such values adequately take into account the attendant costs that such physicians incur in providing clinical staff for patient care in hospitals.

(b) REPORT.—Not later than 1 year after the date of enactment of this Act [Dec. 8, 2003], the Comptroller General shall submit to Congress a report on alternative developed data sources considered by the Medicare Payment Advisory Commission shall submit to Congress a report on the extent to which these components of the medicare physician fee schedule under section 1848 of the Social Security Act [42 U.S.C. 1395w–4] are appropriate for use in calculating physician practice expenses under such section."
in relative value units and the extent to which the Secretary has used such external data in making such adjustments for each such year, particularly in cases in which the data otherwise used are inadequate because such data are not based upon a large enough sample size to be statistically reliable.''

**Consultation With Organizations in Establishing Payment Amounts for Services Provided by Physicians**

Pub. L. 105–33, title IV, §4105(a)(3), Aug. 5, 1997, 111 Stat. 367, provided that: "In establishing payment amounts under section 1848 of the Social Security Act (42 U.S.C. 1395w–4) for physicians' services consisting of diabetes outpatient self-management training services, the Secretary of Health and Human Services shall consult with appropriate organizations, including such organizations representing individuals or Medicare beneficiaries with diabetes.''

**Development of Resource-Based Practice Expense Relative Value Units**

Pub. L. 105–33, title IV, §4105(d), Aug. 5, 1997, 111 Stat. 435, which required the Secretary of Health and Human Services to develop new resource-based relative value units in accordance with certain procedures, transmitted a report by Mar. 1, 1998, to certain Congressional Committees. A social health maintenance organization was added as a new relative value unit on or before May 1, 1998, and allow public comment, was repealed by Pub. L. 111–148, title III, §3134(b)(1)(C), Mar. 21, 2010, 124 Stat. 455.

**Application of Certain Budget Neutrality Provisions**

Pub. L. 105–33, title IV, §4105(f)(2), Aug. 5, 1997, 111 Stat. 437, provided that: "In implementing the amendments made by paragraph (1)(C) of section 1848(c)(2)(B) of the Social Security Act (42 U.S.C. 1395w–4) apply in the same manner as they apply to adjustments under clause (ii)(1) of such section.''

**Development of Resource-Based Methodology for Practice Expenses**

Pub. L. 103–432, title I, §121(a), Oct. 31, 1994, 108 Stat. 4408, provided that:

"(1) In general.—The Secretary of Health and Human Services shall develop a methodology for implementing in 1998 a resource-based system for determining practice expense relative value units for each physician's service. The methodology utilized shall recognize the staff, equipment, and supplies used in the provision of various medical and surgical services in various settings.

"(2) Report.—The Secretary shall transmit a report by June 30, 1996, on the methodology developed under paragraph (1) to the Committees on Ways and Means and Energy and Commerce of the House of Representatives and the Committee on Finance of the Senate. The report shall include a presentation of data utilized in developing the methodology and an explanation of the methodology.''

**Application of Subsection (c)(2)(B)(i)(II), (iii)**

Pub. L. 103–432, title I, §121(b)(3), Oct. 31, 1994, 108 Stat. 4409, provided that: "In implementing the amendments made by paragraph (1)(C) [amending this section], the provisions of clauses (ii)(II) and (iii) of section 1848(c)(2)(B) of the Social Security Act (42 U.S.C. 1395w–4)(c)(2)(B)(i)(II), (iii) shall apply in the same manner as they apply to adjustments under clause (ii)(1) of such section.''

**Report on Review Process**

Pub. L. 103–432, title I, §122(c), Oct. 31, 1994, 108 Stat. 4409, provided that not later than 1 year after Oct. 31,
1994, Secretary of Health and Human Services was to study and report to Congress on data necessary to review and revise indices established under subsection (c) of this section, any limitations on availability of data necessary to review and revise such indices at least every three years, ways of addressing such limitations, with particular attention to the development of alternative data sources for input components for which current index values are based on data collected less frequently than every three years, and costs of developing more accurate and timely data.

**Relative Value for Pediatric Services**

Pub. L. 101–342, title I, §124(a), Oct. 31, 1994, 108 Stat. 4413, provided that: "The Secretary of Health and Human Services shall fully develop, by not later than July 1, 1995, relative values for the full range of pediatric physicians’ services which are consistent with the relative values developed for other physicians’ services under section 1848(c) of the Social Security Act [42 U.S.C. 1395w–4(c)]. In developing such values, the Secretary shall conduct such refinements as may be necessary to produce appropriate estimates for such relative values."

**Budget Neutrality Adjustment**

For provisions requiring reduction of relative values established under subsection (c) of this section and amounts determined under subsection (a)(2)(B)(ii)(I) of this section for 1994 (to be applied for that year and subsequent years) in order to assure that the amendments to this section and section 1395u of this title by section 13515(a) of Pub. L. 101–508 will not result in expenditures under part B of title XVIII of the Social Security Act [42 U.S.C. 1395w–4(c)] in 1995 for services described in such amendment that shall be equal to the amount of expenditures for such services that would have been made if such amendment had not been made.

**Ancillary Policies; Adjustment for Independent Laboratories Furnishing Physician Pathology Services**

Pub. L. 101–508, title IV, §4106(c), Nov. 5, 1990, 104 Stat. 1388–59, provided that: "(1) the adjusted historical payment basis (as defined in section 1848(a)(2)(D) of such Act [42 U.S.C. 1395w–4(a)(2)(D)]), and

(2) the fee schedule amount (as referred to in section 1848(a) [42 U.S.C. 1395w–4(a) of such Act] for physicians’ services (as defined in section 1848(a)(3) of such Act [42 U.S.C. 1395w–4(a)(3)])."

**Computation of Conversion Factor for 1992**

§ 1395w–5. Public reporting of performance information

(a) In general

(1) Development

Not later than January 1, 2013, and with respect to reporting periods that begin no earlier than January 1, 2012, the Secretary shall implement a plan for making publicly available through Physician Compare, consistent with subsection (c), information on physicians' performance that provides comparable information for the public on quality and patient experience measures with respect to physicians enrolled in the Medicare program under section 1866(j). To the extent scientifically sound measures that are developed consistent with the requirements of this section are available, such information, to the extent practicable, shall include—

(A) measures collected under the Physician Quality Reporting Initiative;

(B) an assessment of patient health outcomes and the functional status of patients;

(C) an assessment of the continuity and coordination of care and care transitions, including episodes of care and risk-adjusted resource use;

(D) an assessment of efficiency;

(E) an assessment of patient experience and patient, caregiver, and family engagement;

(F) an assessment of the safety, effectiveness, and timeliness of care; and

(G) other information as determined appropriate by the Secretary.

(b) Other required considerations

In developing and implementing the plan described in subsection (a)(2), the Secretary shall, to the extent practicable, include—

(1) processes to assure that data made public, either by the Centers for Medicare & Medicaid Services or by other entities, is statistically valid and reliable, including risk adjustment mechanisms used by the Secretary;

(2) processes by which a physician or other eligible professional whose performance on measures is being publicly reported has a reasonable opportunity, as determined by the Secretary, to review his or her individual results before they are made public;

(3) processes by the Secretary to assure that the implementation of the plan and the data made available on Physician Compare provide a robust and accurate portrayal of a physician's performance;

(4) data that reflects the care provided to all patients seen by physicians, under both the Medicare program and, to the extent practicable, other payers, to the extent such information would provide a more accurate portrayal of physician performance;

(5) processes to ensure appropriate attribution of care when multiple physicians and other providers are involved in the care of a patient;

(6) processes to ensure timely statistical performance feedback is provided to physicians concerning the data reported under any program subject to public reporting under this section; and
(c) Ensuring patient privacy

The Secretary shall ensure that information on physician performance and patient experience is not disclosed under this section in a manner that violates sections 1 552 or 552a of title 5 with regard to the privacy of individually identifiable health information.

(d) Feedback from multi-stakeholder groups

The Secretary shall take into consideration input provided by multi-stakeholder groups, consistent with sections 1890(b)(7) and 1890A of the Social Security Act (42 U.S.C. 1395aaa(b)(7), 1395aaa-1), as added by section 3014 of this Act, in selecting quality measures for use under this section.

(e) Consideration of transition to value-based purchasing

In developing the plan under this subsection (a)(2), the Secretary shall, as the Secretary determines appropriate, consider the plan to transition to a value-based purchasing program for physicians and other practitioners developed under section 131 of the Medicare Improvements for Patients and Providers Act of 2008 (Public Law 110–275).

(f) Report to Congress

Not later than January 1, 2015, the Secretary shall submit to Congress a report on the Physician Compare Internet website developed under subsection (a)(1). Such report shall include information on the efforts of and plans made by the Secretary to collect and publish data on physician quality and efficiency and on patient experience of care in support of value-based purchasing and consumer choice, together with recommendations for such legislation and administrative action as the Secretary determines appropriate.

(g) Expansion

At any time before the date on which the report is submitted under subsection (f), the Secretary may establish a demonstration program. The Secretary shall ensure that any such demonstration program does not disadvantage those beneficiaries without reasonable access to high performing physicians or create financial inequities under such title.

(i) Definitions

In this section:

(1) Eligible professional

The term “eligible professional” has the meaning given that term for purposes of the Physician Quality Reporting Initiative under section 1848 of the Social Security Act (42 U.S.C. 1395w–4).

(2) Physician

The term “physician” has the meaning given that term in section 1861(r) of such Act (42 U.S.C. 1395x(r)).

(3) Physician Compare

The term “Physician Compare” means the Internet website developed under subsection (a)(1).

(4) Secretary

The term “Secretary” means the Secretary of Health and Human Services.


REFERENCES IN TEXT

Section 3014 of this Act, referred to in subsec. (d), is section 3014 of Pub. L. 111–148 which enacted section 1395aaa–1 of this title and amended section 1395aaa of this title.

Section 313 of the Medicare Improvements for Patients and Providers Act of 2008, referred to in subsec. (e), is section 131 of Pub. L. 110–275, 122 Stat. 2520, which amended section 1395w–4 of this title, enacted provisions set out as notes under section 1395w–4 of this title, and redesignated provisions formerly set out as a note under section 1395w–4 of this title as section 1395w–4(m).

The Social Security Act, referred to in subsec. (g) and (h), is act Aug. 14, 1935, ch. 531, 49 Stat. 620, Title XVIII of the Act is classified generally to this subchapter. For complete classification of this Act to the Code, see section 1365 of this title and Tables.

CODIFICATION

Section was enacted as part of the Patient Protection and Affordable Care Act, and not as part of the Social Security Act which comprises this chapter.

§ 1395w–6. Empowering beneficiary choices through continued access to information on physicians’ services

(a) In general

On an annual basis (beginning with 2015), the Secretary shall make publicly available, in an easily understandable format, information with respect to physicians and, as appropriate, other eligible professionals on items and services furnished to Medicare beneficiaries under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.).

(b) Type and manner of information

The information made available under this section shall be similar to the type of information in the Medicare Provider Utilization and Payment Data: Physician and Other Supplier
Public Use File released by the Secretary with respect to 2012 and shall be made available in a manner similar to the manner in which the information in such file is made available.

(c) Requirements
The information made available under this section shall include, at a minimum, the following:

(1) Information on the number of services furnished by the physician or other eligible professional under part B of title XVIII of the Social Security Act (42 U.S.C. 1395j et seq.), which may include information on the most frequent services furnished or groupings of services.

(2) Information on submitted charges and payments for services under such part.

(3) A unique identifier for the physician or other eligible professional that is available to the public, such as a national provider identifier.

(d) Searchability
The information made available under this section shall be searchable by at least the following:

(1) The specialty or type of the physician or other eligible professional.

(2) Characteristics of the services furnished, such as volume or groupings of services.

(3) The location of the physician or other eligible professional.

(e) Integration on physician compare
Beginning with 2016, the Secretary shall integrate the information made available under this section on Physician Compare.

(f) Definitions
In this section:

(1) Eligible professional; physician; Secretary
The terms “eligible professional”, “physician”, and “Secretary” have the meaning given such terms in section 1395w–5(i) of this title.

(2) Physician compare
The term “Physician Compare” means the Physician Compare Internet website of the Centers for Medicare & Medicaid Services (or a successor website).


References in Text
The Social Security Act, referred to in subsecs. (a) and (c)(1), is act Aug. 14, 1935, ch. 531, 49 Stat. 620. Title XVIII of the Act is classified generally to this subchapter. Part B of title XVIII of the Act is classified generally to this part. For complete classification of this Act to the Code, see section 1305 of this title and Tables.

Codification
Section was enacted as part of the Medicare Access and CHIP Reauthorization Act of 2015, and not as part of the Social Security Act which comprises this chapter.

PART C—MEDICARE+CHOICE PROGRAM

Prior Provisions
A prior part C of this subchapter, consisting of section 1395x et seq., was redesignated part E of this subchapter.

§1395w–21. Eligibility, election, and enrollment

(a) Choice of medicare benefits through Medicare+Choice plans

(1) In general
Subject to the provisions of this section, each Medicare+Choice eligible individual (as defined in paragraph (3)) is entitled to elect to receive benefits (other than qualified prescription drug benefits) under this subchapter—

(A) through the original medicare fee-for-service program under parts A and B, or

(B) through enrollment in a Medicare+Choice plan under this part,

and may elect qualified prescription drug coverage in accordance with section 1395w–101 of this title.

(2) Types of Medicare+Choice plans that may be available
A Medicare+Choice plan may be any of the following types of plans of health insurance:

(A) Coordinated care plans (including regional plans)

(i) In general
Coordinated care plans which provide health care services, including but not limited to health maintenance organization plans (with or without point of service options), plans offered by provider-sponsored organizations (as defined in section 1395w–25(d) of this title), and regional or local preferred provider organization plans (including MA regional plans).

(ii) Specialized MA plans for special needs individuals
Specialized MA plans for special needs individuals (as defined in section 1395w–28(b)(6) of this title) may be any type of coordinated care plan.

(B) Combination of MSA plan and contributions to Medicare+Choice MSA
An MSA plan, as defined in section 1395w–28(b)(3) of this title, and a contribution into a Medicare+Choice medical savings account (MSA).

(C) Private fee-for-service plans
A Medicare+Choice private fee-for-service plan, as defined in section 1395w–28(b)(2) of this title.

(3) Medicare+Choice eligible individual
In this subchapter, the term “Medicare+Choice eligible individual” means an individual who is entitled to benefits under part A and enrolled under part B.

(b) Special rules

(1) Residence requirement

(A) In general
Except as the Secretary may otherwise provide and except as provided in subpara-
graph (C), an individual is eligible to elect a Medicare+Choice plan offered by a Medicare+Choice organization only if the plan serves the geographic area in which the individual resides.

(B) Continuation of enrollment permitted

Pursuant to rules specified by the Secretary, the Secretary shall provide that an MA local plan may offer to all individuals residing in a geographic area the option to continue enrollment in the plan, notwithstanding that the individual no longer resides in the service area of the plan, so long as the plan provides that individuals exercising this option have, as part of the benefits under the original Medicare fee-for-service program option, reasonable access within that geographic area to the full range of basic benefits, subject to reasonable cost sharing liability in obtaining such benefits.

(C) Continuation of enrollment permitted where service changed

Notwithstanding subparagraph (A) and in addition to subparagraph (B), if a Medicare+Choice organization eliminates from its service area a Medicare+Choice payment area that was previously within its service area, the organization may elect to offer individuals residing in all or portions of the affected area who would otherwise be ineligible to continue enrollment the option to continue enrollment in an MA local plan it offers so long as—

(i) the enrollee agrees to receive the full range of basic benefits (excluding emergency and urgently needed care) exclusively at facilities designated by the organization within the plan service area; and

(ii) there is no other Medicare+Choice plan offered in the area in which the enrollee resides at the time of the organization’s election.

(2) Special rule for certain individuals covered under FEHBP or eligible for veterans or military health benefits

(A) FEHBP

An individual who is enrolled in a health benefit plan under chapter 89 of title 5 is not eligible to enroll in an MSA plan until such time as the Director of the Office of Management and Budget certifies to the Secretary that the Office of Personnel Management has adopted policies which will ensure that the enrollment of such individuals in such plans will not result in increased expenditures for the Federal Government for health benefit plans under such chapter.

(B) VA and DOD

The Secretary may apply rules similar to the rules described in subparagraph (A) in the case of individuals who are eligible for health care benefits under chapter 55 of title 10 or under chapter 17 of title 38.

(3) Limitation on eligibility of qualified medicare beneficiaries and other medicaid beneficiaries to enroll in an MSA plan

An individual who is a qualified Medicare beneficiary (as defined in section 1396d(p)(1) of this title), a qualified disabled and working individual (described in section 1396d(s) of this title), an individual described in section 1396a(a)(10)(E)(iii) of this title, or otherwise entitled to medicare cost-sharing under a State plan under subchapter XIX is not eligible to enroll in an MSA plan.

(4) Coverage under MSA plans

(A) In general

Under rules established by the Secretary, an individual is not eligible to enroll (or continue enrollment) in an MSA plan for a year unless the individual provides assurances satisfactory to the Secretary that the individual will reside in the United States for at least 183 days during the year.

(B) Evaluation

The Secretary shall regularly evaluate the impact of permitting enrollment in MSA plans under this part on selection (including adverse selection), use of preventive care, access to care, and the financial status of the Trust Funds under this subchapter.

(C) Reports

The Secretary shall submit to Congress periodic reports on the numbers of individuals enrolled in such plans and on the evaluation being conducted under subparagraph (B).

(e) Process for exercising choice

(1) In general

The Secretary shall establish a process through which elections described in subsection (a) are made and changed, including the form and manner in which such elections are made and changed. Subject to paragraph (4), such elections shall be made or changed only during coverage election periods specified under subsection (e) and shall become effective as provided in subsection (f).

(2) Coordination through Medicare+Choice organizations

(A) Enrollment

Such process shall permit an individual who wishes to elect a Medicare+Choice plan offered by a Medicare+Choice organization to make such election through the filing of an appropriate election form with the organization.

(B) Disenrollment

Such process shall permit an individual, who has elected a Medicare+Choice plan offered by a Medicare+Choice organization and who wishes to terminate such election, to terminate such election through the filing of an appropriate election form with the organization.

(3) Default

(A) Initial election

(i) In general

Subject to clause (ii), an individual who fails to make an election during an initial election period under subsection (e)(1) is deemed to have chosen the original Medicare fee-for-service program option.
§ 1395w–21
TITLED 42—THE PUBLIC HEALTH AND WELFARE Page 3014

(ii) Seamless continuation of coverage

The Secretary may establish procedures under which an individual who is enrolled in a health plan (other than Medicare+Choice plan) offered by a Medicare+Choice organization at the time of the initial election period and who fails to elect to receive coverage other than through the organization is deemed to have elected the Medicare+Choice plan offered by the organization (or, if the organization offers more than one such plan, such plan or plans as the Secretary identifies under such procedures).

(B) Continuing periods

An individual who has made (or is deemed to have made) an election under this section is considered to have continued to make such election until such time as—

(i) the individual changes the election under this section, or
(ii) the Medicare+Choice plan with respect to which such election is in effect is discontinued or, subject to subsection (b)(1)(B), no longer serves the area in which the individual resides.

(4) Deemed enrollment relating to converted reasonable cost reimbursement contracts

(A) In general

On the first day of the annual, coordinated election period under subsection (e)(3) for plan years beginning on or after January 1, 2017, an MA eligible individual described in clause (i) or (ii) of subparagraph (B) is deemed, unless the individual elects otherwise, to have elected to receive benefits under this subchapter through an applicable MA plan (and shall be enrolled in such plan) beginning with such plan year, if—

(i) the individual is enrolled in a reasonable cost reimbursement contract under section 1395mm(h) of this title in the previous plan year;
(ii) such reasonable cost reimbursement contract was extended or renewed for the last reasonable cost reimbursement contract year of the contract (as described in subclause (I) of section 1395mm(h)(5)(C)(iv) of this title) pursuant to such section;
(iii) the eligible organization that is offering such reasonable cost reimbursement contract provided the notice described in subclause (III) of such section that the contract was to be converted;
(iv) the applicable MA plan

(I) is the plan that was converted from the reasonable cost reimbursement contract described in clause (iii);
(II) is offered by the same entity (or an organization affiliated with such entity that has a common ownership interest of control) that entered into such contract; and
(III) is offered in the service area where the individual resides;
(v) in the case of reasonable cost reimbursement contracts that provide coverage under parts A and B (and, to the extent the Secretary determines it to be feasible, contracts that provide only part B coverage), the difference between the estimated individual costs (as determined applicable by the Secretary) for the applicable MA plan and such costs for the predecessor cost plan does not exceed a threshold established by the Secretary; and
(vi) the applicable MA plan—

(I) provides coverage for enrollees transitioning from the converted reasonable cost reimbursement contract to such plan to maintain current providers of services and suppliers and course of treatment at the time of enrollment for a period of at least 90 days after enrollment; and
(II) during such period, pays such providers of services and suppliers for items and services furnished to the enrollee an amount that is not less than the amount of payment applicable for such items and services under the original Medicare fee-for-service program under parts A and B.

(B) MA eligible individuals described

(i) Without prescription drug coverage

An MA eligible individual described in this clause, with respect to a plan year, is an MA eligible individual who is enrolled in a reasonable cost reimbursement contract under section 1395mm(h) of this title in the previous plan year and who is not, for such previous plan year, enrolled in a prescription drug plan under part D, including coverage under section 1395w–132 of this title.

(ii) With prescription drug coverage

An MA eligible individual described in this clause, with respect to a plan year, is an MA eligible individual who is enrolled in a reasonable cost reimbursement contract under section 1395mm(h) of this title in the previous plan year and who, for such previous plan year, is enrolled in a prescription drug plan under part D—

(I) through such contract; or
(II) through a prescription drug plan, if the sponsor of such plan is the same entity (or an organization affiliated with such entity) that entered into such contract.

(C) Applicable MA plan defined

In this paragraph, the term “applicable MA plan” means, in the case of an individual described in—

(i) subparagraph (B)(i), an MA plan that is not an MA–PD plan; and
(ii) subparagraph (B)(ii), an MA–PD plan.

(D) Identification and notification of deemed individuals

Not later than 45 days before the first day of the annual, coordinated election period under subsection (e)(3) for plan years beginning on or after January 1, 2017, the Secretary shall identify and notify the individuals who will be subject to deemed elections under subparagraph (A) on the first day of such period.
(d) Providing information to promote informed choice

(1) In general

The Secretary shall provide for activities under this subsection to broadly disseminate information to Medicare beneficiaries (and prospective Medicare beneficiaries) on the coverage options provided under this section in order to promote an active, informed selection among such options.

(2) Provision of notice

(A) Open season notification

At least 15 days before the beginning of each annual, coordinated election period (as defined in subsection (e)(3)(B)), the Secretary shall mail to each Medicare+Choice eligible individual residing in an area the following:

(i) General information

The general information described in paragraph (3).

(ii) List of plans and comparison of plan options

A list identifying the Medicare+Choice plans that are (or will be) available to residents of the area and information described in paragraph (4) concerning such plans. Such information shall be presented in a comparative form.

(iii) Additional information

Any other information that the Secretary determines will assist the individual in making the election under this section.

The mailing of such information shall be coordinated, to the extent practicable, with the mailing of any annual notice under section 1395b–2 of this title.

(B) Notifications required

(i) Notification to newly eligible Medicare Advantage eligible individuals

To the extent practicable, the Secretary shall, not later than 30 days before the beginning of the initial Medicare+Choice enrollment period for an individual described in paragraph (4), mail to the individual the information described in subparagraph (A).

(ii) Notification related to certain deemed elections

The Secretary shall require a Medicare Advantage organization that is offering a Medicare Advantage plan that has been converted from a reasonable cost reimbursement contract pursuant to section 1395mm(h)(5)(C)(iv) of this title to mail, not later than 30 days prior to the first day of the annual, coordinated election period under subsection (e)(3) of a year, to any individual enrolled under such contract and identified by the Secretary in subsection (c)(4)(D) for such year—

(I) a notification that such individual will, on such day, be deemed to have made an election with respect to such plan to receive benefits under this subchapter through an MA plan or MA–PD plan (and shall be enrolled in such plan) for the next plan year under subsection (c)(4)(A), but that the individual may make a different election during the annual, coordinated election period for such year;

(II) the information described in subparagraph (A);

(III) a description of the differences between such MA plan or MA–PD plan and the reasonable cost reimbursement contract in which the individual was most recently enrolled with respect to benefits covered under such plans, including cost-sharing, premiums, drug coverage, and provider networks;

(IV) information about the special period for elections under subsection (e)(2)(F); and

(V) other information the Secretary may specify.

(C) Form

The information disseminated under this paragraph shall be written and formatted using language that is easily understandable by Medicare beneficiaries.

(D) Periodic updating

The information described in subparagraph (A) shall be updated on at least an annual basis to reflect changes in the availability of Medicare+Choice plans and the benefits and Medicare+Choice monthly basic and supplemental beneficiary premiums for such plans.

(3) General information

General information under this paragraph, with respect to coverage under this part during a year, shall include the following:

(A) Benefits under original Medicare fee-for-service program option

A general description of the benefits covered under the original Medicare fee-for-service program under parts A and B, including—

(i) covered items and services,

(ii) beneficiary cost sharing, such as deductibles, coinsurance, and copayment amounts, and

(iii) any beneficiary liability for balance billing.

(B) Election procedures

Information and instructions on how to exercise election options under this section.

(C) Rights

A general description of procedural rights (including grievance and appeals procedures) of beneficiaries under the original Medicare fee-for-service program and the Medicare+Choice program and the right to be protected against discrimination based on health status-related factors under section 1395w–22(b) of this title.

(D) Information on medigap and Medicare select

A general description of the benefits, enrollment rights, and other requirements app-
§ 1395w–21

(4) Information comparing plan options

Information under this paragraph, with respect to a Medicare+Choice plan for a year, shall include the following:

(A) Benefits

The benefits covered under the plan, including the following:

(i) Covered items and services beyond those provided under the original medicare fee-for-service program.

(ii) Any beneficiary cost sharing, including information on the single deductible (if applicable) under section 1395w–27a(b)(1) of this title.

(iii) Any maximum limitations on out-of-pocket expenses.

(iv) In the case of an MA regional plan, a description of the catastrophic coverage and single deductible applicable under the plan.

(B) Premiums

(i) In general

The monthly amount of the premium charged to an individual.

(ii) Reductions

The reduction in part B premiums, if any.

(C) Service area

The service area of the plan.

(D) Quality and performance

To the extent available, plan quality and performance indicators for the benefits applicable to medicare supplemental policies under section 1395ss of this title and provisions relating to medicare select policies described in section 1395ss(t) of this title.

(E) Potential for contract termination

The fact that a Medicare+Choice organization may terminate its contract, refuse to renew its contract, or reduce the service area included in its contract, under this part, and the effect of such a termination, nonrenewal, or service area reduction may have on individuals enrolled with the Medicare+Choice plan under this part.

(F) Catastrophic coverage and single deductible

In the case of an MA regional plan, a description of the catastrophic coverage and single deductible applicable under the plan.

(5) Maintaining a toll-free number and Internet site

The Secretary shall maintain a toll-free number for inquiries regarding Medicare+Choice options and Medicare+Choice plans. The Secretary may enter into contracts with non-Federal entities to carry out activities under this subsection.

(7) Provision of information

A Medicare+Choice organization shall provide the Secretary with such information on the organization and each Medicare+Choice plan it offers as may be required for the preparation of the information referred to in paragraph (2)(A).

(e) Coverage election periods

(1) Initial choice upon eligibility to make election if Medicare+Choice plans available to individual

If, at the time an individual first becomes entitled to benefits under part A and enrolled under part B, there is one or more Medicare+Choice plans offered in the area in which the individual resides, the individual shall make the election under this section during a period specified by the Secretary such that if the individual elects a Medicare+Choice plan during the period, coverage under the plan becomes effective as of the first date on which the individual may receive such coverage. If any portion of an individual’s initial enrollment period under part B occurs after the end of the annual, coordinated election period described in paragraph (3)(B)(iii), the initial enrollment period under this part shall further extend through the end of the individual’s initial enrollment period under part B.

(2) Open enrollment and disenrollment opportunities

Subject to paragraph (5)—
(A) Continuous open enrollment and dis-
enrollment through 2005
At any time during the period beginning
January 1, 1998, and ending on December 31,
2005, a Medicare+Choice eligible individual
may change the election under subsection
(a)(1).

(B) Continuous open enrollment and dis-
enrollment for first 6 months during 2006
(i) In general
Subject to clause (ii), subparagraph
(C)(ii), and subparagraph (D), at any time
during the first 6 months of 2006, or, if the
individual first becomes a Medicare+Choice eligible individual during
2006, during the first 6 months during 2006
in which the individual is a
Medicare+Choice eligible individual, a
Medicare+Choice eligible individual may
change the election under subsection
(a)(1).

(ii) Limitation of one change
An individual may exercise the right
under clause (i) only once. The limitation
under this clause shall not apply to
changes in elections effected during an an-
nual, coordinated election period under
paragraph (3) or during a special enroll-
ment period under the first sentence of
paragraph (4).

(C) Annual 45-day period from 2011 through
2018 for disenrollment from MA plans
to elect to receive benefits under the origi-
nal Medicare fee-for-service program
Subject to subparagraph (D), at any time
during the first 45 days of a year (beginning
with 2011 and ending with 2018), an individ-
ual who is enrolled in a Medicare Advantage
plan may change the election under sub-
section (a)(1), but only with respect to cov-
erage under the original medicare fee-for-
service program under parts A and B, and
cannot exercise the right under subsection (a)(1)—

(i) to enroll in a Medicare+Choice plan; or
(ii) to change the Medicare+Choice plan
in which the individual is enrolled.

(E) Limited continuous open enrollment
of original fee-for-service enrollees in medi-
care advantage non-prescription drug
plans
(i) In general
On any date during the period beginning
on January 1, 2007, and ending on July 31,
2007, on which a Medicare Advantage eligi-
ble individual is an unenrolled fee-for-serv-
tice individual (as defined in clause (ii)),
the individual may elect under subsection
(a)(1) to enroll in a Medicare Advantage
plan that is not an MA–PD plan.

(ii) Unenrolled fee-for-service individual
defined
In this subparagraph, the term “un-
enrolled fee-for-service individual” means,
with respect to a date, a Medicare Advan-
tage eligible individual who—

(I) is receiving benefits under this sub-
chapter through enrollment in the origi-
nal medicare fee-for-service program
under parts A and B;

(II) is not enrolled in an MA plan on
such date; and

(III) as of such date is not otherwise el-
igible to elect to enroll in an MA plan.

(iii) Limitation of one change during the
applicable period
An individual may exercise the right
under clause (i) only once during the pe-
riod described in such clause.

(iv) No effect on coverage under a prescrip-
tion drug plan
Nothing in this subparagraph shall be
construed as permitting an individual ex-
cercising the right under clause (i)—

(I) who is enrolled in a prescription
drug plan under part D, to disenroll from
such plan or to enroll in a different pre-
scription drug plan; or

(II) who is not enrolled in a prescrip-
tion drug plan, to enroll in such a plan.

(F) Special period for certain deemed elec-
tions
(i) In general
At any time during the period beginning
after the last day of the annual, coordi-
nated election period under paragraph (3)
in which an individual is deemed to have
elected to enroll in an MA plan or MA–PD
plan under subsection (c)(4) and ending on
the last day of February of the first plan
year for which the individual is enrolled in
such plan, such individual may change the
election under subsection (a)(1) (including
changing the MA plan or MA–PD plan in
which the individual is enrolled).

(ii) Limitation of one change
An individual may exercise the right
under clause (i) only once during the appli-
cable period described in such clause. The
limitation under this clause shall not apply
to changes in elections effected dur-
ing an annual, coordinated election period
under paragraph (3) or during a special en-
rollment period under paragraph (4).

(G) Continuous open enrollment and dis-
enrollment for first 3 months in 2016 and
subsequent years
(i) In general
Subject to clause (ii) and subparagraph
(D)—

(I) in the case of an MA eligible indi-
vidual who is enrolled in an MA plan, at

1See References in Text note below.
any time during the first 3 months of a year (beginning with 2019); or
(ii) in the case of an individual who first becomes an MA eligible individual during a year (beginning with 2019) and enrolls in an MA plan, during the first 3 months during such year in which the individual is an MA eligible individual; such MA eligible individual may change the election under subsection (a)(1).

(ii) Limitation of one change during open enrollment period each year

An individual may change the election pursuant to clause (i) only once during the applicable 3-month period described in such clause in each year. The limitation under this clause shall not apply to changes in elections effected during an annual, coordinated election period under paragraph (3) or during a special enrollment period under paragraph (4).

(iii) Limited application to part D

Clauses (i) and (ii) of this subparagraph shall only apply with respect to changes in enrollment in a prescription drug plan under part D in the case of an individual who, previous to such change in enrollment, is enrolled in a Medicare Advantage plan.

(iv) Limitations on marketing

Pursuant to subsection (j), no unsolicited marketing or marketing materials may be sent to an individual described in clause (i) during the continuous open enrollment and disenrollment period established by the Centers for Medicare & Medicaid Services.

(3) Annual, coordinated election period

(A) In general

Subject to paragraph (5), each individual who is eligible to make an election under this section may change such election during an annual, coordinated election period.

(B) Annual, coordinated election period

For purposes of this section, the term “annual, coordinated election period” means—
(i) with respect to a year before 2002, the month of November before such year;
(ii) with respect to 2002, 2003, 2004, and 2005, the period beginning on November 15 and ending on December 31 of the year before such year;
(iii) with respect to 2006, the period beginning on November 15, 2006, and ending on May 15, 2006;
(iv) with respect to 2007, 2008, 2009, and 2010, the period beginning on November 15 and ending on December 31 of the year before such year; and
(v) with respect to 2012 and succeeding years, the period beginning on October 15 and ending on December 7 of the year before such year.

(C) Medicare+Choice health information fairs

During the fall season of each year (beginning with 1999) and during the period described in subparagraph (B)(iii), in conjunction with the annual coordinated election period defined in subparagraph (B), the Secretary shall provide for a nationally coordinated educational and publicity campaign to inform Medicare+Choice eligible individuals about Medicare+Choice plans and the election process provided under this section.

(D) Special information campaigns

During November 1998 the Secretary shall provide for an educational and publicity campaign to inform Medicare+Choice eligible individuals about the availability of Medicare+Choice plans, and eligible organizations with risk-sharing contracts under section 1395mm of this title, offered in different areas and the election process provided under this section. During the period described in subparagraph (B)(iii), the Secretary shall provide for an educational and publicity campaign to inform MA eligible individuals about the availability of MA plans (including MA–PD plans) offered in different areas and the election process provided under this section.

(4) Special election periods

Effective as of January 1, 2006, an individual may discontinue an election of a Medicare+Choice plan offered by a Medicare+Choice organization other than during an annual, coordinated election period and make a new election under this section if—

(A) the certification of the organization or plan under this part has been terminated, or the organization or plan has notified the individual of an impending termination of such certification; or
(ii) the organization has terminated or otherwise discontinued providing the plan in the area in which the individual resides, or has notified the individual of an impending termination or discontinuation of such plan;
(B) the individual is no longer eligible to elect the plan because of a change in the individual’s place of residence or other change in circumstances (specified by the Secretary, but not including termination of the individual’s enrollment on the basis described in clause (i) or (ii) of subsection (g)(3)(B));
(C) the individual demonstrates (in accordance with guidelines established by the Secretary) that—
(i) the organization offering the plan substantially violated a material provision of the organization’s contract under this part in relation to the individual (including the failure to provide an enrollee on a timely basis medically necessary care for which benefits are available under the plan or the failure to provide such covered care in accordance with applicable quality standards); or
(ii) the organization (or an agent or other entity acting on the organization’s behalf) materially misrepresented the plan’s provisions in marketing the plan to the individual; or
(D) the individual meets such other exceptional conditions as the Secretary may provide.
Effective as of January 1, 2006, an individual who, upon first becoming eligible for benefits under part A at age 65, enrolls in a Medicare+Choice plan under this part, the individual may discontinue the election of such plan, and elect coverage under the original fee-for-service plan, at any time during the 12-month period beginning on the effective date of such enrollment.

(5) Special rules for MSA plans

Notwithstanding the preceding provisions of this subsection, an individual—

(A) may elect an MSA plan only during—

(i) an initial open enrollment period described in paragraph (1),

(ii) an annual, coordinated election period described in paragraph (3)(B);

(B) subject to subparagraph (C), may not discontinue an election of an MSA plan except during the periods described in clause (ii) or (iii) of subparagraph (A) and under the first sentence of paragraph (4); and

(C) who elects an MSA plan during an annual, coordinated election period, and who never previously had elected such a plan, may revoke such election, in a manner determined by the Secretary, by not later than December 15 following the date of the election.

(6) Open enrollment periods

Subject to paragraph (5), a Medicare+Choice organization—

(A) shall accept elections or changes to elections during the initial enrollment periods described in paragraph (1), during the period described in paragraph (2)(F), during the month of November 1998 and during the annual, coordinated election period under paragraph (3) for each subsequent year, and during special election periods described in the first sentence of paragraph (4); and

(B) may accept other changes to elections at such other times as the organization provides.

(f) Effectiveness of elections and changes of elections

(1) During initial coverage election period

An election of coverage made during the initial coverage election period under subsection (e)(1) shall take effect upon the date the individual becomes entitled to benefits under part A and enrolled under part B, except as the Secretary may provide (consistent with section 1395q of this title) in order to prevent retroactive coverage.

(2) During continuous open enrollment periods

An election or change of coverage made under subsection (e)(2) shall take effect with the first day of the first calendar month following the date on which the election or change is made.

(3) Annual, coordinated election period

An election or change of coverage made during an annual, coordinated election period (as defined in subsection (e)(3)(B), other than the period described in clause (iii) of such subsection) in a year shall take effect as of the first day of the following year.

(4) Other periods

An election or change of coverage made during any other period under subsection (e)(4) shall take effect in such manner as the Secretary provides in a manner consistent (to the extent practicable) with protecting continuity of health benefit coverage.

(g) Guaranteed issue and renewal

(1) In general

Except as provided in this subsection, a Medicare+Choice organization shall provide that at any time during which elections are accepted under this section with respect to a Medicare+Choice plan offered by the organization, the organization will accept without restrictions individuals who are eligible to make such election.

(2) Priority

If the Secretary determines that a Medicare+Choice organization, in relation to a Medicare+Choice plan it offers, has a capacity limit and the number of Medicare+Choice eligible individuals who elect the plan under this section exceeds the capacity limit, the organization may limit the election of individuals of the plan under this section but only if priority in election is provided—

(A) first to such individuals as have elected the plan at the time of the determination, and

(B) then to other such individuals in such a manner that does not discriminate, on a basis described in section 1395w–22(b) of this title, among the individuals (who seek to elect the plan).

The preceding sentence shall not apply if it would result in the enrollment of enrollees substantially nonrepresentative, as determined in accordance with regulations of the Secretary, of the Medicare population in the service area of the plan.

(3) Limitation on termination of election

(A) In general

Subject to subparagraph (B), a Medicare+Choice organization may not for any reason terminate the election of any individual under this section for a Medicare+Choice plan it offers.

(B) Basis for termination of election

A Medicare+Choice organization may terminate an individual's election under this section with respect to a Medicare+Choice plan it offers if—

(i) any Medicare+Choice monthly basic and supplemental beneficiary premiums required with respect to such plan are not paid on a timely basis (consistent with standards under section 1395w–26 of this title that provide for a grace period for late payment of such premiums),

(ii) the individual has engaged in disruptive behavior (as specified in such standards), or

(iii) the plan is terminated with respect to all individuals under this part in the area in which the individual resides.
(C) Consequence of termination

(i) Terminations for cause

Any individual whose election is terminated under clause (i) or (ii) of subparagraph (B) is deemed to have elected the original Medicare fee-for-service program option described in subsection (a)(1)(A).

(ii) Termination based on plan termination or service area reduction

Any individual whose election is terminated under subparagraph (B)(iii) shall have a special election period under subsection (e)(4)(A) in which to change coverage to coverage under another Medicare+Choice plan. Such an individual who fails to make an election during such period is deemed to have chosen to change coverage to the original Medicare fee-for-service program option described in subsection (a)(1)(A).

(D) Organization obligation with respect to election forms

Pursuant to a contract under section 1395w–27 of this title, each Medicare+Choice organization receiving an election form under subsection (c)(2) shall transmit to the Secretary (at such time and in such manner as the Secretary may specify) a copy of such form or such other information respecting the election as the Secretary may specify.

(h) Approval of marketing material and application forms

(1) Submission

No marketing material or application form may be distributed by a Medicare+Choice organization to (or for the use of) Medicare+Choice eligible individuals unless—

(A) at least 45 days (or 10 days in the case described in paragraph (5)) before the date of distribution the organization has submitted the material or form to the Secretary for review; and

(B) the Secretary has not disapproved the distribution of such material or form.

(2) Review

The standards established under section 1395w–26 of this title shall include guidelines for the review of any material or form submitted and under such guidelines the Secretary shall disapprove (or later require the correction of) such material or form if the material or form is materially inaccurate or misleading or otherwise makes a material misrepresentation.

(3) Deemed approval (1-stop shopping)

In the case of material or form that is submitted under paragraph (1)(A) to the Secretary or a regional office of the Department of Health and Human Services and the Secretary or the office has not disapproved the distribution of marketing material or form under paragraph (1)(B) with respect to a Medicare+Choice plan in an area, the Secretary is deemed not to have disapproved such distribution in all other areas covered by the plan and organization except with regard to that portion of such material or form that is specific only to an area involved.

(4) Prohibition of certain marketing practices

Each Medicare+Choice organization shall conform to fair marketing standards, in relation to Medicare+Choice plans offered under this part, included in the standards established under section 1395w–26 of this title. Such standards—

(A) shall not permit a Medicare+Choice organization to provide for, subject to subsection (j)(2)(C), cash, gifts, prizes, or other monetary rebates as an inducement for enrollment or otherwise;

(B) may include a prohibition against a Medicare+Choice organization (or the agents, brokers, and other third parties representing such organization) completing any portion of any election form used to carry out elections under this section on behalf of any individual;

(C) shall not permit a Medicare Advantage organization (or the agents, brokers, and other third parties representing such organization) to conduct the prohibited activities described in subsection (j)(1); and

(D) shall only permit a Medicare Advantage organization (and the agents, brokers, and other third parties representing such organization) to conduct the prohibited activities described in subsection (j)(2) in accordance with the limitations established under such subsection.

(5) Special treatment of marketing material following model marketing language

In the case of marketing material of an organization that uses, without modification, proposed model language specified by the Secretary, the period specified in paragraph (1)(A) shall be reduced from 45 days to 10 days.

(6) Required inclusion of plan type in plan name

For plan years beginning on or after January 1, 2010, a Medicare Advantage organization must ensure that the name of each Medicare Advantage plan offered by the Medicare Advantage organization includes the plan type of the plan (using standard terminology developed by the Secretary).

(7) Strengthening the ability of States to act in collaboration with the Secretary to address fraudulent or inappropriate marketing practices

(A) Appointment of agents and brokers

Each Medicare Advantage organization shall—

(i) only use agents and brokers who have been licensed under State law to sell Medicare Advantage plans offered by the Medicare Advantage organization;

(ii) in the case where a State has a State appointment law, abide by such law; and

(iii) report to the applicable State the termination of any such agent or broker, including the reasons for such termination (as required under applicable State law).

(B) Compliance with State information requests

Each Medicare Advantage organization shall comply in a timely manner with any request by a State for information regarding
the performance of a licensed agent, broker, or other third party representing the Medicare Advantage organization as part of an investigation by the State into the conduct of the agent, broker, or other third party.

(i) Effect of election of Medicare+Choice plan option

(1) Payments to organizations

Subject to sections 1395w–22(a)(5), 1395w–23(a)(4), 1395w–23(g), 1395w–23(h), 1395ww(d)(11), 1395ww(h)(3)(D), and 1395w–23(m) of this title, payments under a contract with a Medicare+Choice organization under section 1395w–23(a) of this title with respect to an individual electing a Medicare+Choice plan offered by the organization shall be instead of the amounts which (in the absence of the contract) would otherwise be payable under parts A and B for items and services furnished to the individual.

(2) Only organization entitled to payment

Subject to sections 1395w–23(a)(4), 1395w–23(e), 1395w–23(g), 1395w–23(h), 1395w–27(f)(2), 1395w–27a(h), 1395ww(d)(11), and 1395ww(h)(3)(D) of this title, only the Medicare+Choice organization shall be entitled to receive payments from the Secretary under this subchapter for services furnished to the individual.

(3) FFS payment for expenses for kidney acquisitions

Paragraphs (1) and (2) shall not apply with respect to expenses for organ acquisitions for kidney transplants described in section 1395w–22(a)(1)(B)(1) of this title.

(j) Prohibited activities described and limitations on the conduct of certain other activities

(1) Prohibited activities described

The following prohibited activities are described in this paragraph:

(A) Unsolicited means of direct contact

Any unsolicited means of direct contact of prospective enrollees, including soliciting door-to-door or any outbound telemarketing without the prospective enrollee initiating contact.

(B) Cross-selling

The sale of other non-health related products (such as annuities and life insurance) during any sales or marketing activity or presentation conducted with respect to a Medicare Advantage plan.

(C) Meals

The provision of meals of any sort, regardless of value, to prospective enrollees at promotional and sales activities.

(D) Sales and marketing in health care settings and at educational events

Sales and marketing activities for the enrollment of individuals in Medicare Advantage plans that are conducted—

(i) in health care settings in areas where health care is delivered to individuals (such as physician offices and pharmacies), except in the case where such activities are conducted in common areas in health care settings; and

(ii) at educational events.

(2) Limitations

The Secretary shall establish limitations with respect to at least the following:

(A) Scope of marketing appointments

The scope of any appointment with respect to the marketing of a Medicare Advantage plan. Such limitation shall require advance agreement with a prospective enrollee on the scope of the marketing appointment and documentation of such agreement by the Medicare Advantage organization. In the case where the marketing appointment is in person, such documentation shall be in writing.

(B) Co-branding

The use of the name or logo of a co-branded network provider on Medicare Advantage plan membership and marketing materials.

(C) Limitation of gifts to nominal dollar value

The offering of gifts and other promotional items other than those that are of nominal value (as determined by the Secretary) to prospective enrollees at promotional activities.

(D) Compensation

The use of compensation other than as provided under guidelines established by the Secretary. Such guidelines shall ensure that the use of compensation creates incentives for agents and brokers to enroll individuals in the Medicare Advantage plan that is intended to best meet their health care needs.

(E) Required training, annual retraining, and testing of agents, brokers, and other third parties

The use by a Medicare Advantage organization of any individual as an agent, broker, or other third party representing the organization that has not completed an initial training and testing program and does not complete an annual retraining and testing program.
Title 42—The Public Health and Welfare

§ 1395w–21

Amendment of section by section 17006(a)(1), (c)(2) of Pub. L. 114–255 applicable with respect to plan years beginning on or after Jan. 1, 2021. See 2016 Amendment notes below.

REFERENCES IN TEXT

Subsec. (e)(2)(C), referred to in subsec. (e)(2)(B)(i), was amended generally by section 3204(a)(1) of Pub. L. 111–148 and, as so amended, no longer contains a cl. (iii).

AMENDMENTS

2016—Subsec. (a)(3). Pub. L. 114–255, § 103(c)(1)(A), struck out subpar. (A) designation and heading, substituted “in this subsection—” for “in this subchapter—”, and struck out subpar. (B), which provided a special rule for end-stage renal disease.

Subsec. (e)(2)(C). Pub. L. 114–255, § 17005(1), struck out “from 2011 through 2018” after “45-day period” in heading and “the applicable period” for “year” in heading and “the period described in such clause” for “the year” in text.


Subsec. (e)(2)(E)(i). Pub. L. 114–255, § 17005(2), substituted “the period described in such clause” for “the year” in text.


Subsec. (b)(4)(B). Pub. L. 108–173, § 223(b)(3)(A)(i), substituted “an MA local plan” for “a plan” and “benefits under the original medicare fee-for-service program option” for “basic benefits described in section 1395w–22(a)(1)(A) of this title”.


Subsec. (a)(2)(B). Pub. L. 114–255, § 17005(2), substituted “Coordinated care plans (including regional or local” for “Coordinated care plans (including regional” in text.


Subsec. (e)(3)(B)(ii)(B), Pub. L. 114–10, § 208(b)(3), substituted “‘subject to paragraph (4), such elections’” for “‘such elections’”.


Subsec. (c)(1). Pub. L. 114–10, § 208(b)(1)(A), substituted “‘subject to paragraph (4), such elections’” for “‘such elections’”.


Subsec. (b)(4)(A). Pub. L. 108–173, § 223(b)(2), struck out first sentence which read as follows: “An individual is not eligible to enroll in an MSA plan under this part . . .”


Subsec. (d)(4)(B)(i). Pub. L. 108–173, § 223(b)(3)(B)(iii), substituted “monthly amount of the premium charged to an individual” for “Medicare+Choice monthly basic beneficiary premium and Medicare+Choice monthly supplemental beneficiary premium, if any, for the plan or, in the case of an MSA plan, the Medicare+Choice monthly MSA premium”.


Subsec. (e)(2)(E)(ii). Pub. L. 110–48, § 2(2), substituted “the applicable period” for “year” in heading and “the period described in such clause” for “the year” in text.


Subsec. (a)(2)(A). Pub. L. 108–173, § 223(a)(1), substituted “Coordinated care plans (including regional plans)” for “Coordinated care plans” in heading, inserted cl. (i) designation and heading before “Coordinated”, and inserted “‘regional or local’” before “‘preferred provider organization plans’” and “‘including MA regional plans’” before period at end.


Subsec. (b)(1)(B). Pub. L. 108–173, § 223(b)(3)(A)(ii), substituted “an MA local plan” for “a plan” and “benefits under the original medicare fee-for-service program option” for “basic benefits described in section 1395w–22(a)(1)(A) of this title”.


Subsec. (b)(4)(A). Pub. L. 108–173, § 223(b)(2), struck out first sentence which read as follows: “An individual is not eligible to enroll in an MSA plan under this part . . .”


package or offers optional supplemental benefits and the terms and conditions (including premiums) for such coverage."

Subsec. (e)(1). Pub. L. 108–173, §102(a)(2)(A), inserted at end "If any portion of an individual’s initial enrollment period under part B occurs after the end of the annual, coordinated election period described in paragraph (3) of subsection (B), the initial enrollment period under this paragraph shall further extend through the end of the individual’s initial enrollment period under part B.".


Subsec. (h)(1)(A). Pub. L. 114–255, §1(a)(6) [title VI, §619(a)], struck out "except that if such election or change is made after the 10th day of any calendar month, then the election or change shall not take effect until the first day of the second calendar month following the date on which the election or change is made" before period at end.


1999—Subsec. (h)(1)(A). Pub. L. 106–113, §1000(a)(6) [title V, §501(a)(1)], added subpar. (A) and struck out former subpar. (A) which read as follows: "the organization’s or plan’s certification under this part has been terminated or the organization has terminated or otherwise discontinued providing the plan in the area in which the individual resides;".


Subsec. (e)(3)(C). Pub. L. 106–113, §1000(a)(6) [title V, §519(a)], substituted "During the fall season" for "In the month of November".

Subsec. (e)(4)(A). Pub. L. 106–113, §1000(a)(6) [title V, §519(a)(1)], added subpar. (A) and struck out former subpar. (A) which read as follows: "the organization’s or plan’s certification under this part has been terminated or the organization has terminated or otherwise discontinued providing the plan in the area in which the individual resides;"

Subsec. (f)(2). Pub. L. 106–113, §1000(a)(6) [title V, §625(a), inserted "or change" before "is made" and "except that if such election or change is made after the 10th day of any calendar month, then the election or change shall not take effect until the first day of the second calendar month following the date on which the election or change is made" before period at end.


EFFECTIVE DATE OF 2016 AMENDMENT

EFFECTIVE DATE OF 2010 AMENDMENT
Pub. L. 111–152, title I, §1102(a), Mar. 30, 2010, 124 Stat. 1940, provided that sections 3221 (amending this section and sections 1395w–22, 1395w–24, 1395w–27a, 1395w–28, and 1395w–29 of this title and enacting provisions set out as notes under this section and section 1395w–24 of this title).
title) and §3203 (amending section 1395w–23 of this title) of Pub. L. 111–148, and the amendments made by such sections, were repealed, effective as if included in the enactment of Pub. L. 111–148.


EFFECTIVE DATE OF 2008 AMENDMENT


Pub. L. 110–275, title I, §108(b)(3), July 15, 2008, 122 Stat. 2500, provided that: “The amendments made by this subsection [amending this section and section 1395w–104 of this title] shall take effect on a date specified by the Secretary (but in no case later than November 15, 2008).”


EFFECTIVE DATE OF 2003 AMENDMENT


Pub. L. 108–173, title II, §231(f)(1), Dec. 8, 2003, 117 Stat. 2208, provided that: “The amendments made by subsections (a), (b), and (c) [amending this section and section 1395w–28 of this title] shall take effect upon the date of the enactment of this Act [Dec. 8, 2003].”

Amendment by section 237(b)(2)(A) of Pub. L. 108–173 applicable to services provided on or after Jan. 1, 2006, and contract years beginning on or after such date, see section 237(e) of Pub. L. 108–173, set out as a note under section 1323a–7b of this title.

EFFECTIVE DATE OF 2002 AMENDMENT


EFFECTIVE DATE OF 2000 AMENDMENT

Amendment by section 1(a)(6) [title VI, §606(a)(2)(C)] of Pub. L. 106–554 applicable to years beginning with 2003, see section 1(a)(6) [title VI, §606(b)] of Pub. L. 106–554, set out as a note under section 1395r of this title.

Pub. L. 106–554, §1(a)(6) [title VI, §613(b)], Dec. 21, 2000, 114 Stat. 2763, 2763A–560, provided that: “The amendments made by subsection (a) [amending this section] shall apply to the annual, coordinated election period for years beginning with 2003.”

Amendment by section 1(a)(6) [title VI, §613(b)] of Pub. L. 106–554, set out as a note under section 1395r of this title.

Pub. L. 106–554, §1(a)(6) [title VI, §613(b)], Dec. 21, 2000, 114 Stat. 2763, 2763A–563, provided that: “The amendment made by this section [amending this section] shall apply to elections and changes of coverage made on or after June 1, 2001.”

Pub. L. 106–554, §1(a)(6) [title VI, §620(b)], Dec. 21, 2000, 114 Stat. 2763, 2763A–564, provided that:

“(1) IN GENERAL.—The amendment made by subsection (a) [amending this section] shall apply to terminations and discontinuations occurring on or after the date of the enactment of this Act [Dec. 21, 2000].

“(2) APPLICATION TO PRIOR PLAN TERMINATIONS.—

Clause (ii) of section 1851(a)(3)(B) of the Social Security Act [42 U.S.C. 1395w–21(a)(3)(B)] (as inserted by subsection (a)) shall also apply to individuals whose enrollment in a Medicare+Choice plan was terminated or discontinued after December 31, 1998, and before the date of the enactment of this Act. In applying this paragraph, such an individual shall be treated, for purposes of part C of title XVIII of the Social Security Act [42 U.S.C. 1395w–21 et seq.], as having discontinued enrollment in such a plan as of the date of the enactment of this Act.”

EFFECTIVE DATE OF 1999 AMENDMENT


“(1) The amendments made by subsection (a) [amending this section and section 1395w–28 of this title] apply to notices of impending terminations or discontinuances made on or after the date of the enactment of this Act [Nov. 29, 1999].

“(2) The amendments made by subsection (c) [amending this section] apply to elections and changes of coverage made on or after the date of the enactment of this Act [Nov. 29, 1999] with respect to eliminations of Medicare+Choice payment areas from a service area that occur before, on, or after the date of the enactment of this Act.”


REGULATIONS


CONSTRUCTION

Pub. L. 108–173, title II, §223(b)(2), Dec. 8, 2003, 117 Stat. 2181, provided that: “Nothing in part C of title XVIII of the Social Security Act [42 U.S.C. 1395w–21 et seq.] shall be construed as preventing an MA plan or MA private fee-for-service plan from having a service area that covers one or more MA regions or the entire nation.”

NO CUTS IN GUARANTEED BENEFITS

IMPLEMENTATION OF MEDICARE ADVANTAGE PROGRAM


“(a) IN GENERAL.—There is hereby established the Medicare Advantage program. The Medicare Advantage program shall consist of the program under part C of title XVIII of the Social Security Act [42 U.S.C. 1395w–21 et seq.] (as amended by this Act [see Tables for classification]).

“(b) REFERENCES.—Subject to subsection (c), any reference to the program under part C of title XVIII of the Social Security Act [42 U.S.C. 1395w–21 et seq.] shall be deemed a reference to the Medicare Advantage program and, with respect to such part, any reference to ‘Medicare+Choice’ is deemed a reference to ‘Medicare Advantage’ and ‘MA’.

“(c) TRANSITION.—In order to provide for an orderly transition and avoid beneficiary and provider confusion, the Secretary [of Health and Human Services] shall provide for an appropriate transition in the use of the terms ‘Medicare+Choice’ and ‘Medicare Advantage’ (or ‘MA’) in reference to the program under part C of title XVIII of the Social Security Act [42 U.S.C. 1395w–21 et seq.]. Such transition shall be fully completed for all materials for plan years beginning not later than January 1, 2006. Before the completion of such transition, any reference to ‘Medicare Advantage’ or ‘MA’ shall be deemed to include a reference to ‘Medicare+Choice’.

REPORT ON IMPACT OF INCREASED FINANCIAL ASSISTANCE TO MEDICARE ADVANTAGE PLANS

Pub. L. 108–173, title II, §211(g), Dec. 8, 2003, 117 Stat. 2178, directed the Secretary of Health and Human Services to submit to Congress, not later than July 1, 2006, a report that described the impact of additional financing provided under Pub. L. 108–173 and other Acts on the availability of Medicare Advantage plans in different areas and its impact on lowering premiums and increasing benefits under such plans.

MEDPAC STUDY AND REPORT ON CLARIFICATION OF AUTHORITY REGARDING DISAPPROVAL OF UNREASONABLE BENEFICIARY COST-SHARING

Pub. L. 108–173, title II, §211(h), Dec. 8, 2003, 117 Stat. 2178, directed the Medicare Payment Advisory Commission to consult with beneficiaries, consumer groups, employers, and organizations offering plans under this part, to conduct a study to determine the extent to which the cost-sharing structures under such plans affect access to covered services or select enrollees based on the health status of eligible individuals described in subsection (a)(3) of this section, and to submit a report to Congress on such study not later than Dec. 31, 2004.

MORATORIUM ON NEW LOCAL PREFERRED PROVIDER ORGANIZATION PLANS

Pub. L. 108–173, title II, §221(a)(2), Dec. 8, 2003, 117 Stat. 2180, directed the Secretary of Health and Human Services not to permit the offering of a local preferred provider organization plan under this part during 2006 or 2007 in a service area unless such plan was offered under this part (including under a demonstration project under this part) in such area as of Dec. 31, 2005.

SPECIALIZED MA PLANS


“(1) AUTHORITY TO DESIGNATE OTHER PLANS AS SPECIALIZED MA PLANS.—During the period beginning on January 1, 2008, and ending on December 31, 2009, the Secretary of Health and Human Services shall not exercise the authority provided under section 231(d) of the Medicare Prescription Drug, Improvement, and Modernization Act of 2003 [Pub. L. 108–173] (42 U.S.C. 1395w–21 note) to designate other plans as specialized MA plans for special needs individuals under part C of title XVIII of the Social Security Act [42 U.S.C. 1395w–21 et seq.]. The preceding sentence shall not apply to plans designated as specialized MA plans for special needs individuals under such authority prior to January 1, 2008.

“(2) ENROLLMENT IN NEW PLANS.—During the period beginning on January 1, 2008, and ending on December 31, 2009, the Secretary of Health and Human Services shall not permit enrollment of any individual residing in an area in a specialized Medicare Advantage plan for special needs individuals under part C of title XVIII of the Social Security Act to take effect unless that specialized Medicare Advantage plan for special needs individuals was available for enrollment for individuals residing in that area on January 1, 2008.

Pub. L. 110–173, title II, §231(d), Dec. 8, 2003, 117 Stat. 2208, provided that: “In promulgating regulations to carry out section 1851(a)(2)(A) (113 Stat. 1536, 1501A–392, 1501A–393) [amending this section and section 1395w–28 of this title], the Secretary [of Health and Human Services] may provide (notwithstanding section 1859(b)(6)(A) of such Act) for the offering of specialized MA plans for special needs individuals by MA plans that disproportionately serve special needs individuals.”

Pub. L. 108–173, title II, §231(e), Dec. 8, 2003, 117 Stat. 2208, provided that: “Not later than December 31, 2007, the Secretary [of Health and Human Services] shall submit to Congress a report that assesses the impact of specialized MA plans for special needs individuals on the cost and quality of services provided to enrollees. Such report shall include an analysis of the savings and costs to the Medicare program as a result of amendments made by subsections (a), (b), and (c) [amending this section and section 1395w–28 of this title].”

MEDPAC STUDY ON CONSUMER COALITIONS

Pub. L. 106–554, §1(a)(6) [title I, §124], Dec. 21, 2000, 114 Stat. 2763, 2763A–478, directed the Medicare Payment Advisory Commission to conduct a study examining the use of consumer coalitions in the marketing of Medicare+Choice plans under the medicare program under this subchapter and to submit a report on the study to Congress no later than 1 year after Dec. 21, 2000.

REPORT ON ACCOUNTING FOR VA AND DOD EXPENDITURES FOR MEDICARE BENEFICIARIES


REPORT ON MEDICARE MSA (MEDICAL SAVINGS ACCOUNT) PLANS

Pub. L. 106–113, div. B, §1000(a)(6) [title V, §552(b)], Nov. 29, 1999, 113 Stat. 1536, 1501A–393, directed the Medicare Payment Advisory Commission to submit to Congress, no later than 1 year after Nov. 29, 1999, a report on specific legislative changes that should be
made to make MSA plans a viable option under the Medicare+Choice program.  

**GAO AUDIT AND REPORTS ON PROVISION OF MEDICARE+CHOICE HEALTH INFORMATION TO BENEFICIARIES**


"(1) IN GENERAL.—Beginning in 2000, the Comptroller General shall conduct an annual audit of the expenditures by the Secretary of Health and Human Services during the preceding year in providing information regarding the Medicare+Choice program under part C of title XVIII of the Social Security Act (42 U.S.C. 1395w–21 et seq.) to eligible Medicare beneficiaries.  

"(2) REPORTS.—Not later than March 31 of 2001, 2004, 2007, and 2010, the Comptroller General shall submit a report to Congress on the results of the audit of the expenditures of the preceding 3 years conducted pursuant to subsection (a) [enacting provisions set out as a note under section 1395w of this title], together with an evaluation of the effectiveness of the means used by the Secretary of Health and Human Services in providing information regarding the Medicare+Choice program under part C of title XVIII of the Social Security Act (42 U.S.C. 1395w–21 et seq.) to eligible Medicare beneficiaries."  

**ENROLLMENT TRANSITION RULE**

Pub. L. 105–33, title IV, §4002(c), Aug. 5, 1997, 111 Stat. 329, provided that: "An individual who is enrolled on December 31, 1998, with an eligible organization under section 1395mm) shall be considered to be enrolled with that organization have a contract under that part for providing transition of this title shall not be conducted in conjunction with any other demonstration project."  

**§ 1395w–22. Benefits and beneficiary protections**

(a) Basic benefits

(1) Requirement  

(A) In general  

Except as provided in section 1395w–22(b)(3) of this title for MSA plans and except as provided in paragraph (6) for MA regional plans, each Medicare+Choice plan shall provide to members enrolled under this part, through providers and other persons that meet the applicable requirements of this subchapter and part A of subchapter XI, benefits under the original medicare fee-for-service program option (and, for plan years before 2006, additional benefits required under section 1395w–24(f)(1)(A) of this title).  

(B) Benefits under the original medicare fee-for-service program option defined

(i) In general  

For purposes of this part, the term "benefits under the original medicare fee-for-service program option" means, subject to subsection (m), those items and services (other than hospice care or coverage for organ acquisitions for kidney transplants, including as covered under section 1395rr(d) of this title) for which benefits are available under parts A and B to individuals entitled to benefits under part A and enrolled under part B, with cost-sharing for those services as required under parts A and B or, subject to clause (ii), an actuarially equivalent level of cost-sharing as determined in this part.  

(ii) Special rule for regional plans  

In the case of an MA regional plan in determining an actuarially equivalent level of cost-sharing with respect to benefits under the original medicare fee-for-service program option, there shall only be taken
(2) Satisfaction of requirement

(A) In general

A Medicare+Choice plan (other than an MSA plan) offered by a Medicare+Choice organization satisfies paragraph (1)(A), with respect to benefits for items and services furnished other than through a provider or other person that has a contract with the organization offering the plan, if the plan provides payment in an amount so that—

(i) the sum of such payment amount and any cost sharing provided for under the plan, is equal to at least

(ii) the total dollar amount of payment for such items and services as would otherwise be authorized under parts A and B (including any balance billing permitted under such parts).

(B) Reference to related provisions

For provision relating to—

(i) limitations on balance billing against Medicare+Choice organizations for non-contract providers, see section 1395c(a)(1)(O) of this title, and

(ii) limiting actuarial value of enrollee liability for covered benefits, see section 1395w–24(e) of this title.

(C) Election of uniform coverage determination

In the case of a Medicare+Choice organization that offers a Medicare+Choice plan in an area in which more than one local coverage determination is applied with respect to different parts of the area, the organization may elect to have the local coverage determination for the part of the area that is most beneficial to Medicare+Choice enrollees (as identified by the Secretary) apply with respect to all Medicare+Choice enrollees enrolled in the plan.

(3) Supplemental benefits

(A) Benefits included subject to Secretary’s approval

Subject to subparagraph (D), each Medicare+Choice organization may provide to individuals enrolled under this part, other than under an MSA plan (without affording those individuals an option to decline the coverage), supplemental health care benefits that the Secretary may approve. The Secretary shall approve any such supplemental benefits unless the Secretary determines that including such supplemental benefits would substantially discourage enrollment by Medicare+Choice eligible individuals with the organization.

(B) At enrollees’ option

(i) In general

Subject to clause (ii), a Medicare+Choice organization may provide to individuals enrolled under this part supplemental health care benefits that the individuals may elect, at their option, to have covered.

(ii) Special rule for MSA plans

A Medicare+Choice organization may not provide, under an MSA plan, supplemental health care benefits that cover the deductible described in section 1395w–28(b)(2)(B) of this title. In applying the previous sentence, health benefits described in section 1395ss(u)(2)(B) of this title shall not be treated as covering such deductible.

(C) Application to Medicare+Choice private fee-for-service plans

Nothing in this paragraph shall be construed as preventing a Medicare+Choice private fee-for-service plan from offering supplemental benefits that include payment for some or all of the balance billing amounts permitted consistent with subsection (k) and coverage of additional services that the plan finds to be medically necessary. Such benefits may include reductions in cost-sharing below the actuarial value specified in section 1395w–24(e)(4)(B) of this title.

(D) Expanding supplemental benefits to meet the needs of chronically ill enrollees

(i) In general

For plan year 2020 and subsequent plan years, in addition to any supplemental health care benefits otherwise provided under this paragraph, an MA plan, including a specialized MA plan for special needs individuals (as defined in section 1395w–28(b)(6) of this title), may provide supplemental benefits described in clause (ii) to a chronically ill enrollee (as defined in clause (iii)).

(ii) Supplemental benefits described

(I) In general

Supplemental benefits described in this clause are supplemental benefits
that, with respect to a chronically ill enrollee, have a reasonable expectation of improving or maintaining the health or overall function of the chronically ill enrollee and may not be limited to being primarily health related benefits.

(II) Authority to waive uniformity requirements

The Secretary may, only with respect to supplemental benefits provided to a chronically ill enrollee under this subparagraph, waive the uniformity requirements under this part, as determined appropriate by the Secretary.

(iii) Chronically ill enrollee defined

In this subparagraph, the term “chronically ill enrollee” means an enrollee in an MA plan that the Secretary determines—

(I) has one or more comorbid and medically complex chronic conditions that is life threatening or significantly limits the overall health or function of the enrollee;

(II) has a high risk of hospitalization or other adverse health outcomes; and

(III) requires intensive care coordination.

(4) Organization as secondary payer

Notwithstanding any other provision of law, a Medicare+Choice organization may (in the case of the provision of items and services to an individual under a Medicare+Choice plan under circumstances in which payment under this subchapter is made secondary pursuant to section 1395w(b)(2) of this title) charge or authorize the provider of such services to charge, in accordance with the charges allowed under a law, plan, or policy described in such section—

(A) the insurance carrier, employer, or other entity which under such law, plan, or policy is to pay for the provision of such services, or

(B) such individual to the extent that the individual has been paid under such law, plan, or policy for such services.

(5) National coverage determinations and legislative changes in benefits

If there is a national coverage determination or legislative change in benefits required to be provided under this part made in the period beginning on the date of an announcement under section 1395w–23(b) of this title and ending on the date of the next announcement under such section and the Secretary projects that the determination will result in a significant change in the costs to a Medicare+Choice organization of providing the benefits that are the subject of such national coverage determination and that such change in costs was not incorporated in the determination of the annual Medicare+Choice capitation rate under section 1395w–23 of this title included in the announcement made at the beginning of such period, then, unless otherwise required by law—

(A) such determination or legislative change in benefits shall not apply to contracts under this part until the first contract year that begins after the end of such period, and

(B) if such coverage determination or legislative change provides for coverage of additional benefits or coverage under additional circumstances, section 1395w–21(i)(1) of this title shall not apply to payment for such additional benefits or benefits provided under such additional circumstances until the first contract year that begins after the end of such period.

The projection under the previous sentence shall be based on an analysis by the Chief Actuary of the Centers for Medicare & Medicaid Services of the actuarial costs associated with the coverage determination or legislative change in benefits.

(6) Special benefit rules for regional plans

In the case of an MA plan that is an MA regional plan, benefits under the plan shall include the benefits described in paragraphs (1) and (2) of section 1395w–27a(b) of this title.

(7) Limitation on cost-sharing for dual eligibles and qualified medicare beneficiaries

In the case of an individual who is a full-benefit dual eligible individual (as defined in section 1396a–5(c)(6) of this title) or a qualified medicare beneficiary (as defined in section 1396d(p)(1) of this title) and who is enrolled in a specialized Medicare Advantage plan for special needs individuals described in section 1395w–28(b)(6)(B)(ii) of this title, the plan may not impose cost-sharing that exceeds the amount of cost-sharing that would be permitted with respect to the individual under subchapter XIX if the individual were not enrolled in such plan.

(b) Antidiscrimination

(1) Beneficiaries

A Medicare Advantage organization may not deny, limit, or condition the coverage or provision of benefits under this part, for individuals permitted to be enrolled with the organization under this part, based on any health status-related factor described in section 2702(a)(1) of the Public Health Service Act. The Secretary shall not approve a plan of an organization if the Secretary determines that the design of the plan and its benefits are likely to substantially discourage enrollment by certain MA eligible individuals with the organization.

(2) Providers

A Medicare+Choice organization shall not discriminate with respect to participation, reimbursement, or indemnification as to any provider who is acting within the scope of the provider’s license or certification under applicable State law, solely on the basis of such license or certification. This paragraph shall not be construed to prohibit a plan from excluding providers only to the extent necessary to meet the needs of the plan’s enrollees or from establishing any measure designed to

1 See References in Text note below.
maintain quality and control costs consistent with the responsibilities of the plan.

(c) Disclosure requirements

(1) Detailed description of plan provisions

A Medicare+Choice organization shall disclose, in clear, accurate, and standardized form to each enrollee with a Medicare+Choice plan offered by the organization under this part at the time of enrollment and at least annually thereafter, the following information regarding such plan:

(A) Service area

The plan’s service area.

(B) Benefits

Benefits offered under the plan, including information described in section 1395w–21(d)(3)(A) of this title and exclusions from coverage and, if it is an MSA plan, a comparison of benefits under such a plan with benefits under other Medicare+Choice plans.

(C) Access

The number, mix, and distribution of plan providers, out-of-network coverage (if any) provided by the plan, and any point-of-service option (including the supplemental premium for such option).

(D) Out-of-area coverage

Out-of-area coverage provided by the plan.

(E) Emergency coverage

Coverage of emergency services, including—

(i) the appropriate use of emergency services, including use of the 911 telephone system or its local equivalent in emergency situations and an explanation of what constitutes an emergency situation;

(ii) the process and procedures of the plan for obtaining emergency services; and

(iii) the locations of (I) emergency departments, and (II) other settings, in which plan physicians and hospitals provide emergency services and post-stabilization care.

(F) Supplemental benefits

Supplemental benefits available from the organization offering the plan, including—

(i) whether the supplemental benefits are optional,

(ii) the supplemental benefits covered, and

(iii) the Medicare+Choice monthly supplemental beneficiary premium for the supplemental benefits.

(G) Prior authorization rules

Rules regarding prior authorization or other review requirements that could result in nonpayment.

(H) Plan grievance and appeals procedures

All plan appeal or grievance rights and procedures.

(I) Quality improvement program

A description of the organization’s quality improvement program under subsection (e).

(2) Disclosure upon request

Upon request of a Medicare+Choice eligible individual, a Medicare+Choice organization must provide the following information to such individual:

(A) The general coverage information and general comparative plan information made available under clauses (i) and (ii) of section 1395w–21(d)(2)(A) of this title.

(B) Information on procedures used by the organization to control utilization of services and expenditures.

(C) Information on the number of grievances, redeterminations, and appeals and on the disposition in the aggregate of such matters.

(D) An overall summary description as to the method of compensation of participating physicians.

(d) Access to services

(1) In general

A Medicare+Choice organization offering a Medicare+Choice plan may select the providers from whom the benefits under the plan are provided so long as—

(A) the organization makes such benefits available and accessible to each individual electing the plan within the plan service area with reasonable promptness and in a manner which assures continuity in the provision of benefits;

(B) when medically necessary the organization makes such benefits available and accessible 24 hours a day and 7 days a week;

(C) the plan provides for reimbursement with respect to services which are covered under subparagraphs (A) and (B) and which are provided to such an individual other than through the organization, if—

(i) the services were not emergency services (as defined in paragraph (3)), but (I) the services were medically necessary and immediately required because of an unforeseen illness, injury, or condition, and (II) it was not reasonable given the circumstances to obtain the services through the organization,

(ii) the services were renal dialysis services and were provided other than through the organization because the individual was temporarily out of the plan’s service area, or

(iii) the services are maintenance care or post-stabilization care covered under the guidelines established under paragraph (2);

(D) the organization provides access to appropriate providers, including credentialed specialists, for medically necessary treatment and services; and

(E) coverage is provided for emergency services (as defined in paragraph (3)) without regard to prior authorization or the emergency care provider’s contractual relationship with the organization.

(2) Guidelines respecting coordination of post-stabilization care

A Medicare+Choice plan shall comply with such guidelines as the Secretary may prescribe relating to promoting efficient and
timely coordination of appropriate maintenance and post-stabilization care of an enrollee after the enrollee has been determined to be stable under section 1395dd of this title.  

(3) “Emergency services” defined

In this subsection—

(A) In general

The term “emergency services” means, with respect to an individual enrolled with an organization, covered inpatient and outpatient services that—

(i) are furnished by a provider that is qualified to furnish such services under this subchapter, and

(ii) are needed to evaluate or stabilize an emergency medical condition (as defined in subparagraph (B)).

(B) Emergency medical condition based on prudent layperson

The term “emergency medical condition” means a medical condition manifesting itself by acute symptoms of sufficient severity (including severe pain) such that a prudent layperson, who possesses an average knowledge of health and medicine, could reasonably expect the absence of immediate medical attention to result in—

(i) placing the health of the individual (or, with respect to a pregnant woman, the health of the woman or her unborn child) in serious jeopardy,

(ii) serious impairment to bodily functions, or

(iii) serious dysfunction of any bodily organ or part.

(4) Assuring access to services in Medicare+Choice private fee-for-service plans

In addition to any other requirements under this part, in the case of a Medicare+Choice private fee-for-service plan, the organization offering the plan must demonstrate to the Secretary that the organization has sufficient number and range of health care professionals and providers willing to provide services under the terms of the plan. Subject to paragraphs (5) and (6), the Secretary shall find that an organization has met such requirement with respect to any category of health care professional or provider if, with respect to that category of provider—

(A) the plan has established payment rates for covered services furnished by that category of provider that are not less than the payment rates provided for under part A, part B, or both, for such services, or

(B) the plan has contracts or agreements (other than deemed contracts or agreements under subsection (j)(6)) with a sufficient number and range of providers within such category to meet the access standards in subparagraphs (A) through (E) of paragraph (1),

or a combination of both. The previous sentence shall not be construed as restricting the persons from whom enrollees under such a plan may obtain covered benefits, except that, if a plan entirely meets such requirement with respect to a category of health care professional or provider on the basis of subparagraph (B), it may provide for a higher beneficiary copayment in the case of health care professionals and providers of that category who do not have contracts or agreements (other than deemed contracts or agreements under subsection (j)(6)) to provide covered services under the terms of the plan.

(5) Requirement of certain nonemployer Medicare Advantage private fee-for-service plans to use contracts with providers

(A) In general

For plan year 2011 and subsequent plan years, in the case of a Medicare Advantage private fee-for-service plan not described in paragraph (1) or (2) of section 1395w–27(i) of this title operating in a network area (as defined in subparagraph (B)), the plan shall meet the access standards under paragraph (4) in that area only through entering into written contracts as provided for under subparagraph (B) of such paragraph and not, in whole or in part, through the establishment of payment rates meeting the requirements under subparagraph (A) of such paragraph.

(B) Network area defined

For purposes of subparagraph (A), the term “network area” means, for a plan year, an area which the Secretary identifies (in the Secretary’s announcement of the proposed payment rates for the previous plan year under section 1395w–23(b)(1)(B) of this title) as having at least 2 network-based plans (as defined in subparagraph (C)) with enrollment under this part as of the first day of the year in which such announcement is made.

(C) Network-based plan defined

(i) In general

For purposes of subparagraph (B), the term “network-based plan” means—

(I) except as provided in clause (ii), a Medicare Advantage plan that is a coordinated care plan described in section 1395w–21(a)(2)(A)(i) of this title;

(II) a network-based MSA plan; and

(III) a reasonable cost reimbursement plan under section 1395mm of this title.

(ii) Exclusion of non-network regional PPOS

The term “network-based plan” shall not include an MA regional plan that, with respect to the area, meets access adequacy standards under this part substantially through the authority of section 422.112(a)(1)(ii) of title 42, Code of Federal Regulations, rather than through written contracts.

(6) Requirement of all employer Medicare Advantage private fee-for-service plans to use contracts with providers

For plan year 2011 and subsequent plan years, in the case of a Medicare Advantage private fee-for-service plan that is described in paragraph (1) or (2) of section 1395w–27(i) of this title, the plan shall meet the access standards under paragraph (4) only through
entering into written contracts as provided for under subparagraph (B) of such paragraph and not, in whole or in part, through the establishment of payment rates meeting the requirements under subparagraph (A) of such paragraph.

(e) Quality improvement program

(1) In general

Each MA organization shall have an ongoing quality improvement program for the purpose of improving the quality of care provided to enrollees in each MA plan offered by such organization.

(2) Chronic care improvement programs

As part of the quality improvement program under paragraph (1), each MA organization shall have a chronic care improvement program. Each chronic care improvement program shall have a method for monitoring and identifying enrollees with multiple or sufficiently severe chronic conditions that meet criteria established by the organization for participation under the program.

(3) Data

(A) Collection, analysis, and reporting

(i) In general

Except as provided in clauses (ii) and (iii) with respect to plans described in such clauses and subject to subparagraph (B), as part of the quality improvement program under paragraph (1), each MA organization shall provide for the collection, analysis, and reporting of data that permits the measurement of health outcomes and other indices of quality. With respect to MA private fee-for-service plans and MSA plans, the requirements under the preceding sentence may not exceed the requirements under this subparagraph with respect to MA local plans that are preferred provider organization plans, except that, for plan year 2010, the limitation under clause (iii) shall not apply and such requirements shall apply only with respect to administrative claims data.

(ii) Special requirements for specialized MA plans for special needs individuals

In addition to the data required to be collected, analyzed, and reported under clause (i) and notwithstanding the limitations under subparagraph (B), as part of the quality improvement program under paragraph (1), each MA organization offering a specialized Medicare Advantage plan for special needs individuals shall provide for the collection, analysis, and reporting of data that permits the measurement of health outcomes and other indices of quality with respect to the requirements described in paragraphs (2) through (5) of subsection (f). Such data may be based on claims data and shall be at the plan level.

(iii) Application to local preferred provider organizations and MA regional plans

Clause (i) shall apply to MA organizations with respect to MA local plans that are preferred provider organization plans and to MA regional plans only insofar as services are furnished by providers or services, physicians, and other health care practitioners and suppliers that have contracts with such organization to furnish services under such plans.

(iv) Definition of preferred provider organization plan

In this subparagraph, the term “preferred provider organization plan” means an MA plan that—

(I) has a network of providers that have agreed to acontractually specified reimbursement for covered benefits with the organization offering the plan;

(ii) provides for reimbursement for all covered benefits regardless of whether such benefits are provided within such network of providers; and

(III) is offered by an organization that is not licensed or organized under State law as a health maintenance organization.

(B) Limitations

(i) Types of data

The Secretary shall not collect under subparagraph (A) data on quality, outcomes, and beneficiary satisfaction to facilitate consumer choice and program administration other than the types of data that were collected by the Secretary as of November 1, 2003.

(ii) Changes in types of data

Subject to subclause (iii), the Secretary may only change the types of data that are required to be submitted under subparagraph (A) after submitting to Congress a report on the reasons for such changes that was prepared in consultation with MA organizations and private accrediting bodies.

(iii) Construction

Nothing in the

2

subsection shall be construed as restricting the ability of the Secretary to carry out the duties under section 1395w–21(d)(4)(D) of this title.

(4) Treatment of accreditation

(A) In general

The Secretary shall provide that a Medicare+Choice organization is deemed to meet all the requirements described in any specific clause of subparagraph (B) if the organization is accredited (and periodically reaccredited) by a private accrediting organization under a process that the Secretary has determined assures that the accrediting organization applies and enforces standards that meet or exceed the standards established under section 1395w–26 of this title to carry out the requirements in such clause.

(B) Requirements described

The provisions described in this subparagraph are the following:

(i) Paragraphs (1) through (3) of this subparagraph (relating to quality improvement programs).
including any entity or individual through which solving grievances between the organization (provide meaningful procedures for hearing and reconsideration).

(g) Coverage determinations, reconsiderations, and appeals

(1) Determinations by organization

(A) In general

A Medicare+Choice organization shall have a procedure for making determinations regarding whether an individual enrolled with the plan of the organization under this part is entitled to receive a health service under this section and the amount (if any) that the individual is required to pay with respect to such service. Subject to paragraph (3), such procedures shall provide for such determination to be made on a timely basis.

(B) Explanation of determination

Such a determination that denies coverage, in whole or in part, shall be in writing and shall include a statement in understandable language of the reasons for the denial and a description of the reconsideration and appeals processes.

(2) Reconsiderations

(A) In general

The organization shall provide for reconsideration of a determination described in paragraph (1)(B) upon request by the enrollee involved. The reconsideration shall be within a time period specified by the Secretary, but shall be made, subject to paragraph (3), not later than 60 days after the date of the receipt of the request for reconsideration.

(B) Physician decision on certain reconsiderations

A reconsideration relating to a determination to deny coverage based on a lack of medical necessity shall be made only by a physician with appropriate expertise in the field of medicine which necessitates treatment who is other than a physician involved in the initial determination.

(3) Expedited determinations and reconsiderations

(A) Receipt of requests

(i) Enrollee requests

An enrollee in a Medicare+Choice plan may request, either in writing or orally, an expedited determination under paragraph (1) or an expedited reconsideration under paragraph (2) by the Medicare+Choice organization.

(ii) Physician requests

A physician, regardless whether the physician is affiliated with the organization or not, may request, either in writing or orally, such an expedited determination or reconsideration.

(B) Organization procedures

(i) In general

The Medicare+Choice organization shall maintain procedures for expediting organization determinations and reconsiderations when, upon request of an enrollee, the organization determines that the application of the normal time frame for making a determination (or a reconsideration involving a determination) could seriously jeopardize the life or health of the enrollee or the enrollee’s ability to regain maximum function.

(ii) Expedition required for physician requests

In the case of a request for an expedited determination or reconsideration made under subparagraph (A)(ii), the organization shall expedite the determination or reconsideration if the request indicates that the application of the normal time frame for making a determination (or a reconsideration involving a determination) could seriously jeopardize the life or health of the enrollee or the enrollee’s ability to regain maximum function.

(iii) Timely response

In cases described in clauses (i) and (ii), the organization shall notify the enrollee (and the physician involved, as appropriate) of the determination or reconsideration under time limitations established by the Secretary, but not later than 72 hours of the time of receipt of the request.
for the determination or reconsideration (or receipt of the information necessary to make the determination or reconsideration), or such longer period as the Secretary may permit in specified cases.

(4) Independent review of certain coverage denials

The Secretary shall contract with an independent, outside entity to review and resolve in a timely manner reconsiderations that affirm denial of coverage, in whole or in part. (A) The provisions of section 1395ff(c)(5) of this title shall apply to independent outside entities under contract with the Secretary under this paragraph.

(5) Appeals

An enrollee with a Medicare+Choice plan of a Medicare+Choice organization under this part who is dissatisfied by reason of the enrollee’s failure to receive any health service to which the enrollee believes the enrollee is entitled and at no greater charge than the enrollee believes the enrollee is required to pay is entitled, if the amount in controversy is $100 or more, to a hearing before the Secretary to the same extent as is provided in section 405(b) of this title, and in any such hearing the Secretary shall make the organization a party. If the amount in controversy is $1,000 or more, the individual or organization shall, upon notifying the other party, be entitled to judicial review of the Secretary’s final decision as provided in section 405(g) of this title, and both the individual and the organization shall be entitled to be parties to that judicial review. In applying subsections (b) and (g) of section 405 of this title as provided in this paragraph, and in applying section 405(i) of this title, any reference therein to the Commissioner of Social Security or the Social Security Administration shall be considered a reference to the Secretary or the Department of Health and Human Services, respectively. The provisions of section 1395ff(b)(1)(E)(ii) of this title shall apply with respect to dollar amounts specified in the first 2 sentences of this paragraph in the same manner as they apply to the dollar amounts specified in section 1395ff(b)(1)(E)(1) of this title.

(h) Confidentiality and accuracy of enrollee records

Insofar as a Medicare+Choice organization maintains medical records or other health information regarding enrollees under this part, the Medicare+Choice organization shall establish procedures—

(1) to safeguard the privacy of any individually identifiable enrollee information;
(2) to maintain such records and information in a manner that is accurate and timely; and
(3) to assure timely access of enrollees to such records and information.

(i) Information on advance directives

Each Medicare+Choice organization shall meet the requirement of section 1395cc(f) of this title (relating to maintaining written policies and procedures respecting advance directives).

(j) Rules regarding provider participation

(1) Procedures

Insofar as a Medicare+Choice organization offers benefits under a Medicare+Choice plan through agreements with physicians, the organization shall establish reasonable procedures relating to the participation (under an agreement between a physician and the organization) of physicians under such a plan. Such procedures shall include—

(A) providing notice of the rules regarding participation,
(B) providing written notice of participation decisions that are adverse to physicians, and
(C) providing a process within the organization for appealing such adverse decisions, including the presentation of information and views of the physician regarding such decision.

(2) Consultation in medical policies

A Medicare+Choice organization shall consult with physicians who have entered into participation agreements with the organization regarding the organization’s medical policy, quality, and medical management procedures.

(3) Prohibiting interference with provider advice to enrollees

(A) In general

Subject to subparagraphs (B) and (C), a Medicare+Choice organization (in relation to an individual enrolled under a Medicare+Choice plan offered by the organization under this part) shall not prohibit or otherwise restrict a covered health care professional (as defined in subparagraph (D)) from advising such an individual who is a patient of the professional about the health status of the individual or medical care or treatment for the individual’s condition or disease, regardless of whether benefits for such care or treatment are provided under the plan, if the professional is acting within the lawful scope of practice.

(B) Conscience protection

Subparagraph (A) shall not be construed as requiring a Medicare+Choice plan to provide, reimburse for, or provide coverage of a counseling or referral service if the Medicare+Choice organization offering the plan—

(i) objects to the provision of such service on moral or religious grounds; and
(ii) in the manner and through the written instrumentalities such Medicare+Choice organization deems appropriate, makes available information on its policies regarding such service to prospective enrollees before or during enrollment and to enrollees within 90 days after the date that the organization or plan adopts a change in policy regarding such a counseling or referral service.

(C) Construction

Nothing in subparagraph (B) shall be construed to affect disclosure requirements under State law or under the Employee Re-
§ 1395w–22  TITLE 42—THE PUBLIC HEALTH AND WELFARE

(4) Limitations on physician incentive plans

(A) In general

No Medicare+Choice organization may operate any physician incentive plan (as defined in subparagraph (B)) unless the organization provides assurances satisfactory to the Secretary that the following requirements are met:

(i) No specific payment is made directly or indirectly under the plan to a physician or physician group as an inducement to reduce or limit medically necessary services provided with respect to a specific individual enrolled with the organization.

(ii) If the plan places a physician or physician group at substantial financial risk (as determined by the Secretary) for services not provided by the physician or physician group, the organization provides stop-loss protection for the physician or group that is adequate and appropriate, based on standards developed by the Secretary that take into account the number of physicians placed at such substantial financial risk in the group or under the plan and the number of individuals enrolled with the organization who receive services from the physician or group.

(B) “Physician incentive plan” defined

In this paragraph, the term “physician incentive plan” means any compensation arrangement between a Medicare+Choice organization and a physician or physician group that may directly or indirectly have the effect of reducing or limiting services provided with respect to individuals enrolled with the organization under this part.

(5) Limitation on provider indemnification

A Medicare+Choice organization may not provide (directly or indirectly) for a health care professional, provider of services, or other entity providing health care services (or group of such professionals, providers, or entities) to indemnify the organization against any liability resulting from a civil action brought for any damage caused to an enrollee with a Medicare+Choice plan of the organization under this part by the organization’s denial of medically necessary care.

(6) Special rules for Medicare+Choice private fee-for-service plans

For purposes of applying this part (including subsection (k)(1)) and section 1395w–22 of this title, a hospital (or other provider of services), a physician or other health care professional, or other entity furnishing health care services is treated as having an agreement or contract in effect with a Medicare+Choice organization (with respect to an individual enrolled in a Medicare+Choice private fee-for-service plan it offers), if—

(A) the provider, professional, or other entity furnishes services that are covered under the plan to such an enrollee; and

(B) before providing such services, the provider, professional, or other entity—

(i) has been informed of the individual’s enrollment under the plan; and

(ii) either—

(I) has been informed of the terms and conditions of payment for such services under the plan, or

(II) is given a reasonable opportunity to obtain information concerning such terms and conditions, in a manner reasonably designed to effect informed agreement with a provider.

The previous sentence shall only apply in the absence of an explicit agreement between such a provider, professional, or other entity and the Medicare+Choice organization.

(7) Promotion of e-prescribing by MA plans

(A) In general

An MA–PD plan may provide for a separate payment or otherwise provide for a differential payment for a participating physician that prescribes covered part D drugs in accordance with an electronic prescription drug program that meets standards established under section 1395w–104(e) of this title.

(B) Considerations

Such payment may take into consideration the costs of the physician in implementing such a program and may also be increased for those participating physicians who significantly increase—

(i) formulary compliance;

(ii) lower cost, therapeutically equivalent alternatives;

(iii) reductions in adverse drug interactions; and

(iv) efficiencies in filing prescriptions through reduced administrative costs.

(C) Structure

Additional or increased payments under this subsection may be structured in the same manner as medication therapy management fees are structured under section 1395w–104(e)(2)(EE) of this title.

(k) Treatment of services furnished by certain providers

(1) In general

Except as provided in paragraph (2), a physician or other entity (other than a provider of retirement Income Security Act of 1974 [29 U.S.C. 1001 et seq.].

(D) “Health care professional” defined

For purposes of this paragraph, the term “health care professional” means a physician (as defined in section 1395x(r) of this title) or other health care professional if coverage for the professional’s services is provided under the Medicare+Choice plan for the services of the professional. Such term includes a podiatrist, optometrist, chiropractor, psychologist, dentist, physician assistant, physical or occupational therapist and therapy assistant, speech-language pathologist, audiologist, registered or licensed practical nurse (including nurse practitioner, clinical nurse specialist, certified registered nurse anesthetist, and certified nurse-midwife), licensed certified social worker, registered respiratory therapist, and certified respiratory therapy technician.
services) that does not have a contract establishing payment amounts for services furnished to an individual enrolled under this part with a Medicare+Choice organization described in section 1395w–21(a)(2)(A) of this title or with an organization offering an MSA plan shall accept as payment in full for covered services under this subchapter that are furnished to such an individual the amounts that the physician or other entity could collect if the individual were not so enrolled. Any penalty or other provision of law that applies to such a payment with respect to an individual entitled to benefits under this subchapter (but not enrolled with a Medicare+Choice organization under this part) also applies with respect to an individual so enrolled.

(2) Application to Medicare+Choice private fee-for-service plans

(A) Balance billing limits under Medicare+Choice private fee-for-service plans in case of contract providers

(i) In general

In the case of an individual enrolled in a Medicare+Choice private fee-for-service plan under this part, a physician, provider of services, or other entity that has a contract (including through the operation of subsection (j)(6)) establishing a payment rate for services furnished to the enrollee shall accept as payment in full for covered services under this subchapter that are furnished to such an individual an amount not to exceed (including any deductibles, coinsurance, copayments, or balance billing otherwise permitted under the plan) an amount equal to 115 percent of such payment rate.

(ii) Procedures to enforce limits

The Medicare+Choice organization that offers such a plan shall establish procedures, similar to the procedures described in section 1395w–4(g)(1)(A) of this title, in order to carry out the previous sentence.

(iii) Assuring enforcement

If the Medicare+Choice organization fails to establish and enforce procedures required under clause (ii), the organization is subject to intermediate sanctions under section 1395w–27(g) of this title.

(B) Enrollee liability for noncontract providers

For provision—

(i) establishing minimum payment rate in the case of noncontract providers under a Medicare+Choice private fee-for-service plan, see subsection (a)(2); or

(ii) limiting enrollee liability in the case of covered services furnished by such providers, see paragraph (1) and section 1395cc(a)(1)(O) of this title.

(C) Information on beneficiary liability

(i) In general

Each Medicare+Choice organization that offers a Medicare+Choice private fee-for-service plan shall provide that enrollees under the plan who are furnished services for which payment is sought under the plan are provided an appropriate explanation of benefits (consistent with that provided under parts A and B and, if applicable, under medicare supplemental policies) that includes a clear statement of the amount of the enrollee’s liability (including any liability for balance billing consistent with this subsection) with respect to payments for such services.

(ii) Advance notice before receipt of inpatient hospital services and certain other services

In addition, such organization shall, in its terms and conditions of payments to hospitals for inpatient hospital services and for other services identified by the Secretary for which the amount of the balance billing under subparagraph (A) could be substantial, require the hospital to provide to the enrollee, before furnishing such services and if the hospital imposes balance billing under subparagraph (A)—

(I) notice of the fact that balance billing is permitted under such subparagraph for such services, and

(II) a good faith estimate of the likely amount of such balance billing (if any), with respect to such services, based upon the presenting condition of the enrollee.

(f) Return to home skilled nursing facilities for covered post-hospital extended care services

(1) Ensuring return to home SNF

(A) In general

In providing coverage of post-hospital extended care services, a Medicare+Choice plan shall provide for such coverage through a home skilled nursing facility if the following conditions are met:

(i) Enrollee election

The enrollee elects to receive such coverage through such facility.

(ii) SNF agreement

The facility has a contract with the Medicare+Choice organization for the provision of such services, or the facility agrees to accept substantially similar payment under the same terms and conditions that apply to similarly situated skilled nursing facilities that are under contract with the Medicare+Choice organization for the provision of such services and through which the enrollee would otherwise receive such services.

(B) Manner of payment to home SNF

The organization shall provide payment to the home skilled nursing facility consistent with the contract or the agreement described in subparagraph (A)(ii), as the case may be.

(2) No less favorable coverage

The coverage provided under paragraph (1) (including scope of services, cost-sharing, and other criteria of coverage) shall be no less favorable to the enrollee than the coverage that would be provided to the enrollee with respect
to a skilled nursing facility the post-hospital extended care services of which are otherwise covered under the Medicare+Choice plan.

(3) Rule of construction

Nothing in this subsection shall be construed to do the following:

(A) To require coverage through a skilled nursing facility that is not otherwise qualified to provide benefits under part A for Medicare beneficiaries not enrolled in a Medicare+Choice plan.

(B) To prevent a skilled nursing facility from refusing to accept, or imposing conditions upon the acceptance of, an enrollee for the receipt of post-hospital extended care services.

(4) Definitions

In this subsection:

(A) Home skilled nursing facility

The term “home skilled nursing facility” means, with respect to an enrollee who is entitled to receive post-hospital extended care services under a Medicare+Choice plan, any of the following skilled nursing facilities:

(i) SNF residence at time of admission

The skilled nursing facility in which the enrollee resided at the time of admission to the hospital preceding the receipt of such post-hospital extended care services.

(ii) SNF in continuing care retirement community

A skilled nursing facility that is providing such services through a continuing care retirement community (as defined in subparagraph (B)) which provided residence to the enrollee at the time of such admission.

(iii) SNF residence of spouse at time of discharge

The skilled nursing facility in which the spouse of the enrollee is residing at the time of discharge from such hospital.

(B) Continuing care retirement community

The term “continuing care retirement community” means, with respect to an enrollee in a Medicare+Choice plan, an arrangement under which housing and health-related services are provided (or arranged) through an organization for the enrollee under an agreement that is effective for the life of the enrollee or for a specified period.

(m) Provision of additional telehealth benefits

(1) MA plan option

For plan year 2020 and subsequent plan years, subject to the requirements of paragraph (3), an MA plan may provide additional telehealth benefits (as defined in paragraph (2)) to individuals enrolled under this part.

(2) Additional telehealth benefits defined

(A) In general

For purposes of this subsection and section 1395w–24 of this title:

(i) Definition

The term “additional telehealth benefits” means services—

(I) for which benefits are available under part B, including services for which payment is not made under section 1395m(m) of this title due to the conditions for payment under such section; and

(II) that are identified for such year as clinically appropriate to furnish using electronic information and telecommunications technology when a physician (as defined in section 1395x(r) of this title) or practitioner (described in section 1395u(b)(18)(C) of this title) providing the service is not at the same location as the plan enrollee.

(ii) Exclusion of capital and infrastructure costs and investments

The term “additional telehealth benefits” does not include capital and infrastructure costs and investments relating to such benefits.

(B) Public comment

Not later than November 30, 2018, the Secretary shall solicit comments on—

(i) what types of items and services (including those provided through supplemental health care benefits, such as remote patient monitoring, secure messaging, store and forward technologies, and other non-face-to-face communication) should be considered to be additional telehealth benefits; and

(ii) the requirements for the provision or furnishing of such benefits (such as training and coordination requirements).

(3) Requirements for additional telehealth benefits

The Secretary shall specify requirements for the provision or furnishing of additional telehealth benefits, including with respect to the following:

(A) Physician or practitioner qualifications (other than licensure) and other requirements such as specific training.

(B) Factors necessary for the coordination of such benefits with other items and services including those furnished in-person.

(C) Such other areas as determined by the Secretary.

(4) Enrollee choice

If an MA plan provides a service as an additional telehealth benefit (as defined in paragraph (2))—

(A) the MA plan shall also provide access to such benefit through an in-person visit (and not only as an additional telehealth benefit); and

(B) an individual enrollee shall have discretion as to whether to receive such service through the in-person visit or as an additional telehealth benefit.

(5) Treatment under MA

For purposes of this subsection and section 1395w–24 of this title, if a plan provides additional telehealth benefits, such additional telehealth benefits shall be treated as if they were benefits under the original Medicare fee-for-service program option.
(6) Construction

Nothing in this subsection shall be construed as affecting the requirement under subsection (a)(1) that MA plans provide enrollees with items and services (other than hospice care) for which benefits are available under parts A and B, including benefits available under section 1395m(m) of this title.

(n) Provision of information relating to the safe disposal of certain prescription drugs

(1) In general

In the case of an individual enrolled under an MA or MA–PD plan who is furnished an in-home health risk assessment on or after January 1, 2021, such plan shall ensure that such assessment includes information on the safe disposal of prescription drugs that are controlled substances.


APPLICABILITY OF AMENDMENT

Amendment of section by section 17006(a)(2)(A), (c)(1) of Pub. L. 111–233 applicable with respect to plan years beginning on or after Jan. 1, 2021. See 2016 Amendment notes below.

REFERENCES IN TEXT

Section 2702 of the Public Health Service Act, referred to in subsec. (b)(1), is section 2702 of act July 1, 1944, which was classified to section 300gg–1 of this title, was amended by Pub. L. 111–148, title I, §1201(3), Mar. 23, 2010, 124 Stat. 154, and was transferred to subsection (a)(1) that MA plans provide enrollees with items and services (other than hospice care) for which benefits are available under parts A and B, including benefits available under section 1395m(m) of this title.


AMENDMENTS


Subsec. (a)(3)(A). Pub. L. 115–123, §5032(a)(1), substituted “Subject to subparagraph (D), each” for “Each”.


2016—Subsec. (a)(1)(B)(1). Pub. L. 114–255, §17006(a)(2)(A), struck out subpar. (A) designation and heading, substituted “A Medicare Advantage organization” for “A Medicare+Choice organization”, and struck out subpar. (B). Prior to amendment, text of subpar. (B) read as follows: “Subparagraph (A) shall not be construed as requiring a Medicare+Choice organization to enroll individuals who are determined to have end-stage renal disease, except as provided under section 1395w–21(a)(3)(D) of this title.”


Subsec. (d)(4). Pub. L. 110–275, §162(a)(1)(A), (2), (A), in introductory provisions, substituted “Subject to paragraphs (5) and (6), the Secretary” for “The Secretary” in second sentence.

Subsec. (d)(4)(B). Pub. L. 110–275, §162(a)(3)(A), substituted “a sufficient number and range of providers within such category to meet the access standards in subparagraphs (A) through (E) of paragraph (1)” for “a sufficient number and range of providers within such category to provide covered services under the terms of the plan”.


Subsec. (e)(1). Pub. L. 110–275, §163(a), struck out “other than an MA private fee-for-service plan or an MSA plan” before period at end.

Subsec. (e)(3)(A)(1). Pub. L. 110–275, §163(b)(1), inserted at end “With respect to MA private fee-for-service plans and MSA plans, the requirements under the preceding sentence may not exceed the requirements under this subparagraph with respect to MA local plans that are preferred provider organization plans, except that, for plan year 2020, the limitation under clause (iii) shall not apply and such requirements shall apply only with respect to administrative claims data.”

Prior to amendment, text read as follows: “The Secretary shall establish as appropriate by regulation requirements for the collection, analysis, and reporting of data that permits the measurement of health outcomes and other indices of quality for MA organizations with respect to MA regional plans. Such requirements may not exceed the requirements under this paragraph with respect to MA local plans that are preferred provider organizations.”


Subsec. (e)(4)(C). Pub. L. 110–275, § 125(b)(6), substituted “section 1395bb(b)(3)” for “section 1395bb(b)(2)”.

2003—Subsec. (a)(1). Pub. L. 108–173, § 222(a)(2), substituted “Requirement” for “In general” in par. heading, designated existing provisions as subpar. (a), inserted heading, substituted “chapter, benefits under the original medicare fee-for-service program option (and, for plan years before 2006, additional benefits required under section 1395w–24(c)(1)(A) of this title)” for “chapter—”, added subpar. (B), and struck out former subpars. (A) and (B) which read as follows: “(A) those items and services (other than hospice care for which benefits are available under parts A and B of this subchapter to individuals residing in the area served by the plan, and (B) additional benefits required under section 1395w–24(c)(1)(A) of this title.”


Subsec. (a)(3)(C). Pub. L. 108–173, § 222(a)(3), inserted at end “Such benefits may include reductions in cost-sharing below the actuarial value specified in section 1395w–24(e)(4)(B) of this title.”


Subsec. (b)(1)(A). Pub. L. 108–173, § 222(a)(1), inserted at end “The Secretary shall not approve a plan of an organization if the Secretary determines that the design of the plan and the benefits included in such plan are likely to substantially discourage enrollment by certain MA eligible individuals with the organization.”

Subsec. (c)(1)(A). Pub. L. 108–173, § 722(b), amended heading and text of subpar. (I) generally. Prior to amendment, text read as follows: “A description of the organization’s quality assurance program under subsection (e) of this section, if required under such section.”

Pub. L. 108–173, § 223(a)(2)(A), inserted “if, required under such section” before period at end.

Subsec. (d)(4). Pub. L. 108–173, § 221(l)(2), inserted before period at end of concluding provisions “except that, if a plan entirely meets such requirement with respect to a category of health care professional or provider on the list of categories under subparagraph (B), it may provide for a higher beneficiary copayment in the case of health care professionals and providers of that category who do not have contracts or agreements (other than deemed contracts or agreements under subsection (j)(6)) to provide covered services under the terms of the plan”.

Subsec. (d)(4)(B). Pub. L. 108–173, § 221(l)(1), inserted “other than deemed contracts or agreements under subsection (j)(6)” after “the plan has contracts or agreements”.


Subsec. (e)(1). Pub. L. 108–173, § 722(a)(2), reenacted heading without change and amended text generally. Prior to amendment, text read as follows: “Each Medicare+Choice organization must have arrangements, consistent with any regulation, for an ongoing quality assurance program for health care services it provides to individuals enrolled with Medicare+Choice plans (other than MSA plans) of the organization.”

Pub. L. 108–173, § 223(a)(1), inserted “(other than MSA plans)” after “plans”.


Subsec. (e)(4)(B)(I). Pub. L. 108–173, § 722(a)(3)(A), amended cl. (i) generally. Prior to amendment, cl. (i) read as follows: “Paragraphs (1) and (2) of this subsection (relating to quality assurance program)”.


Subsec. (g)(5). Pub. L. 108–173, § 948(b)(2)(A), inserted at end “The provisions of section 1395ff(b)(1)(E)(iii) of this title shall apply with respect to dollar amounts specified in the first 2 sentences of this paragraph in the same manner as they apply to the dollar amounts specified in section 1395ff(b)(1)(E)(i) of this title.”


Subsec. (j)(4)(A)(I). Pub. L. 108–173, § 222(b)(2), substituted “the organization” for “the organization—”, struck out subcl. (I) designation before “provides”, substituted period for “,” at end of subcl. (I), and struck out subcl. (II), which read as follows: “conducted periodic surveys of both individuals enrolled and individuals previously enrolled with the organization to determine the degree of access of such individuals to services provided by the organization and satisfaction with the quality of such services.”

Subsec. (j)(4)(A)(II). Pub. L. 108–173, § 222(h)(3), struck out cl. (iii) which read as follows: “The organization provides the Secretary with descriptive information regarding the plan, sufficient to permit the Secretary to determine whether the plan is in compliance with the requirements of this subparagraph.”


Subsec. (k)(1). Pub. L. 108–173, § 233, inserted “or with an organization offering an MSA plan after” “section 1395w–21(a)(2)(A) of this title”.


Pub. L. 106–554, § 1(a)(6) [title VI, § 611(b)(1)], (2), inserted “and legislative changes in benefits required to be provided under this part” after “there is a national coverage determination” in introductory provisions.

Subsec. (a)(5)(A). Pub. L. 106–554, § 1(a)(6) [title VI, § 611(b)(3)], inserted “or legislative change in benefits” after “such determination”.

Subsec. (a)(5)(B). Pub. L. 106–554, § 1(a)(6) [title VI, § 611(b)(4)], inserted “or legislative change” after “if such coverage determination”. 

§ 1395w–22
TITLE 42—THE PUBLIC HEALTH AND WELFARE Page 3038
Subsec. (e)(2)(A), (B), Pub. L. 106–554, §1(a)(6) [title VI, §616(a)], inserted concluding provisions.

Subsec. (e)(5), Pub. L. 106–554, §1(a)(6) [title VI, §616(b)], added par. (5).

Subsec. (g)(4), Pub. L. 106–554, §1(a)(6) [title V, §521(b)], inserted at end “The provisions of section 1395w–5(c)(5) of this title shall apply to independent outside entities under contract with the Secretary under this paragraph.”

Subsec. (l), Pub. L. 106–554, §1(a)(6) [title VI, §621(a)], added subsec. (l).


Subsec. (e)(3)(A), Pub. L. 106–113, §1000(a)(6) [title V, §520(a)(1)], substituted “non-network MSA plan, or preferred provider organization plan” for “or non-network MSA plan” in introductory provisions.

Subsec. (e)(2)(B), Pub. L. 106–113, §1000(a)(6) [title V, §520(a)(2)], substituted “network MSA plan, or preferred provider organization plan” for “or non-network MSA plan” in introductory provisions.

Subsec. (e)(2)(D), Pub. L. 106–113, §1000(a)(6) [title V, §520(a)(3)], added subpar. (D).

Subsec. (e)(4), Pub. L. 106–113, §1000(a)(6) [title V, §518], amended heading and text of par. (4) generally. Prior to amendment, text read as follows: “The Secretary shall provide that a Medicare+Choice organization is deemed to meet requirements of paragraphs (1) and (2) of this subsection and subsection (h) of this section (relating to confidentiality and accuracy of enrollee records) if the organization is accredited (and periodically reaccredited by a private organization under a process that the Secretary has determined assures that the organization, as a condition of accreditation, applies and enforces standards with respect to the requirements involved that are no less stringent than the standards established under section 1395w–26 of this title to carry out the respective requirements.”

Subsec. (g)(1)(B), Pub. L. 106–113, §1000(a)(6) [title III, §321(k)(6)(B)(ii)], substituted “or” after “in whole”.


CHANGE OF NAME

References to Medicare+Choice deemed to refer to Medicare Advantage or MA, subject to an appropriate transition provided by the Secretary of Health and Human Services in the use of those terms, see section 201 of Pub. L. 108–173, set out as an effective date of 2008–21 of this title.

EFFECTIVE DATE OF 2018 AMENDMENT


Amendment by section 17066(c)(1) of Pub. L. 114–255 applicable with respect to plan years beginning on or after Jan. 1, 2021, see section 17066(c)(3) of Pub. L. 114–255, set out as an effective date of 2018–21 of this title.

EFFECTIVE DATE OF 2010 AMENDMENT


EFFECTIVE DATE OF 2008 AMENDMENT

Amendment by section 125(b)(6) of Pub. L. 110–275 applicable with respect to accreditations of hospitals granted on or after the date that is 24 months after July 15, 2008, with transition rule, see section 125(c) of Pub. L. 110–275, set out as an Effective Date of 2008 Amendment; Transition Rule note under section 1395sb of this title.


Amendment by Pub. L. 110–275, title I, §168(c), July 15, 2008, 122 Stat. 2571, provided that: “The amendments made by this section [amending this section] shall apply to plan years beginning on or after January 1, 2010.”

EFFECTIVE AND TERMINATION DATES OF 2003 AMENDMENT

Amendment by sections 221(d)(3) and 222(a)(2), (3), (h), (l)(1) of Pub. L. 108–173 applicable with respect to plan years beginning on or after Jan. 1, 2006, see section 223(a) of Pub. L. 108–173, set out as an Effective Date of 2003 Amendment note under section 1395w–21 of this title.


Amendment by section 948(b)(2) of Pub. L. 108–173 effective, except as otherwise provided, as if included in the enactment of HPA (the Medicare, Medicaid, and SCHIP Benefits Improvement and Protection Act of 2000, H.R. 5661, as enacted by section 1(a)(6) of Public Law 106–554), see section 948(e) of Pub. L. 108–173, set out as an Effective Date of 2003 Amendment note under section 1314 of this title.

EFFECTIVE DATE OF 2000 AMENDMENT

Amendment by section 1a(a)(6) [title V, §521(b)] of Pub. L. 106–554 applicable with respect to initial determinations made on or after Oct. 1, 2002, see section 1a(a)(6) [title V, §521(d)] of Pub. L. 106–554, set out as an effective date of 2000–3 of this title.

Amendment by Pub. L. 106–554, §1(a)(6) [title VI, §611(c)], Dec. 21, 2000, 114 Stat. 2763, 2763A–560, provided that: “The amendments made by this section [amending this section and section 1395w–23 of this title] are effective on the date of the enactment of this Act [Dec. 21, 2000] and shall apply to national coverage determinations and legislative changes in benefits occurring on or after such date.”

Amendment by Pub. L. 106–554, §1(a)(6) [title VI, §621(b)], Dec. 21, 2000, 114 Stat. 2763, 2763A–565, provided that: “The amendment made by subsection (a) [amending this section] shall apply with respect to contracts entered into or renewed on or after the date of the enactment of this Act [Dec. 21, 2000].”
§ 1395w–23
TITL E 42—THE PUBLIC HEALTH AND WELFARE
Page 3040

EFFECTIVE DATE OF 1999 AMENDMENT


MEDPAC STUDY
Pub. L. 106–554, §1(a)(6) [title VI, §621(c)], Dec. 21, 2000, 114 Stat. 2763, 2763A–565, provided that: "(1) STUDY.—The Medicare Payment Advisory Commission shall conduct a study analyzing the effects of the amendments made by this section on Medicare+Choice organizations. In conducting such study, the Commission shall examine the effects (if any) such amendment has had—

(A) on the scope of additional benefits provided under the Medicare+Choice program;

(B) on the administrative and other costs incurred by Medicare+Choice organizations; and

(C) on the contractual relationships between such organizations and skilled nursing facilities.

(2) REPORT.—Not later than 2 years after the date of the enactment of this Act [Dec. 21, 2000], the Commission shall submit to Congress a report on the study conducted under paragraph (1)."

TRANSLATIONAL PASS-THROUGH OF ADDITIONAL COSTS
UNDER MEDICARE+CHOICE PROGRAM FOR 2000
Pub. L. 106–113, div. B, §1000(a)(6) [title II, §227(c)], Nov. 29, 1999, 113 Stat. 1536, 1501A–355, provided that: "The provisions of subparagraphs (A) and (B) of section 1852(a)(5) of the Social Security Act (42 U.S.C. 1395w–22(a)(5)) shall apply with respect to the coverage of additional benefits for immunosuppressive drugs under the amendments made by this section [amending sections 1395k and 1395x of this title] for drugs furnished in 2000 in the same manner as if such amendments constituted a national coverage determination described in the matter in such section before subparagraph (A).

§ 1395w–23. Payments to Medicare+Choice organizations

(a) Payments to organizations

(1) Monthly payments

(A) In general

Under a contract under section 1395w–27 of this title and subject to subsections (e), (g), (1), and (l) and section 1395w–28(e)(4) of this title, the Secretary shall make monthly payments under this section in advance to each Medicare+Choice organization, with respect to coverage of an individual under this part in a Medicare+Choice payment area for a month, in an amount determined as follows:

(i) Payment before 2006

For years before 2006, the payment amount shall be equal to 1⁄2 of the annual MA capitation rate (as calculated under subsection (c)(1)(E)) with respect to that individual for that area, adjusted under subparagraph (C) and reduced by the amount of any reduction elected under section 1395w–24(f)(1)(E) of this title.

(ii) Payment for original fee-for-service benefits beginning with 2006

For years beginning with 2006, the amount specified in subparagraph (B).

(B) Payment amount for original fee-for-service benefits beginning with 2006

(i) Payment of bid for plans with bids below benchmark

In the case of a plan for which there are no average per capita monthly savings described in section 1395w–24(b)(3)(C) or 1395w–24(b)(4)(C) of this title, as the case may be, the amount specified in this subparagraph is equal to the unadjusted MA area-specific non-drug monthly benchmark amount, adjusted under subparagraph (C) and (if applicable) under subparagraphs (F) and (G), plus the amount (if any) of any rebate under subparagraph (E).

(ii) Payment of benchmark for plans with bids at or above benchmark

In the case of a plan for which there are average per capita monthly savings described in section 1395w–24(b)(3)(C) or 1395w–24(b)(4)(C) of this title, as the case may be, the amount specified in this subparagraph is equal to the MA area-specific non-drug monthly benchmark amount, adjusted under subparagraph (C) and (if applicable) under subparagraphs (F) and (G).

(iii) Payment of benchmark for MSA plans

Notwithstanding clauses (i) and (ii), in the case of an MSA plan, the amount specified in this subparagraph is equal to the MA area-specific non-drug monthly benchmark amount, adjusted under subparagraph (C).

(iv) Authority to apply frailty adjustment under PACE payment rules for certain specialized MA plans for special needs individuals

(I) In general

Notwithstanding the preceding provisions of this paragraph, for plan year 2011 and subsequent plan years, in the case of a plan described in subclause (II), the Secretary may apply the payment rules under section 1395w–24(f)(4)(C) of this title (other than paragraph (3) of such section) rather than the payment rules that would otherwise apply under this part, but only to the extent necessary to reflect the costs of treating high concentrations of frail individuals.

(II) Plan described

A plan described in this subclause is a specialized MA plan for special needs individuals described in section 1395w–28(b)(6)(B)(II) of this title that is fully integrated with capitated contracts with States for Medicaid benefits, including long-term care, and that have similar average levels of frailty (as determined by the Secretary) as the PACE program.
(C) Demographic adjustment, including adjustment for health status

(i) In general

Subject to subparagraph (I), the Secretary shall adjust the payment amount under subparagraph (A)(i) and the amount specified under subparagraph (B)(i), (B)(ii), and (B)(iii) for such risk factors as age, disability status, gender, institutional status, and such other factors as the Secretary determines to be appropriate, including adjustment for health status under paragraph (3), so as to ensure actuarial equivalence. The Secretary may add to, modify, or substitute for such adjustment factors if such changes will improve the determination of actuarial equivalence.

(ii) Application of coding adjustment

For 2006 and each subsequent year:

(I) In applying the adjustment under clause (i) for health status to payment amounts, the Secretary shall ensure that such adjustment reflects changes in treatment and coding practices in the fee-for-service sector and reflects differences in coding patterns between Medicare Advantage plans and providers under part A and B to the extent that the Secretary has identified such differences.

(II) In order to ensure payment accuracy, the Secretary shall annually conduct an analysis of the differences described in subclause (I). The Secretary shall complete such analysis by a date necessary to ensure that the results of such analysis are incorporated on a timely basis into the risk scores for 2008 and subsequent years. In conducting such analysis, the Secretary shall use data submitted with respect to 2004 and subsequent years, as available and updated as appropriate.

(III) In calculating each year’s adjustment, the adjustment factor shall be for 2014, not less than the adjustment factor applied for 2010, plus 1.5 percentage points; for each of years 2015 through 2018, not less than the adjustment factor applied for the previous year, plus 0.25 percentage point; and for 2019 and each subsequent year, not less than 5.9 percent.

(IV) Such adjustment shall be applied to risk scores until the Secretary implements risk adjustment using Medicare Advantage diagnostic, cost, and use data.

(iii) Improvements to risk adjustment for special needs individuals with chronic health conditions

(I) In general

For 2011 and subsequent years, for purposes of the adjustment under clause (i) with respect to individuals described in subclause (II), the Secretary shall use a risk score that reflects the known underlying risk profile and chronic health status of similar individuals. Such risk score shall be used instead of the default risk score for new enrollees in Medicare Advantage plans that are not specialized MA plans for special needs individuals (as defined in section 1395w–28(b)(6) of this title).

(II) Individuals described

An individual described in this subclause is a special needs individual described in subsection (b)(6)(B)(iii) of this title.

For 2011 and periodically thereafter, the Secretary shall evaluate and revise the risk adjustment system under this subparagraph in order to, as accurately as possible, account for higher medical and care coordination costs associated with frailty, individuals with multiple, comorbid chronic conditions, and individuals with a diagnosis of mental illness, and also to account for costs that may be associated with higher concentrations of beneficiaries with those conditions.

(IV) Publication of evaluation and revisions

The Secretary shall publish, as part of an announcement under subsection (b), a description of any evaluation conducted under subclause (III) during the preceding year and any revisions made under such subclause as a result of such evaluation.

(D) Separate payment for Federal drug subsidies

In the case of an enrollee in an MA–PD plan, the MA organization offering such plan also receives—

(i) subsidies under section 1395w–115 of this title (other than under subsection (g)); and

(ii) reimbursement for premium and cost-sharing reductions for low-income individuals under section 1395w–114(c)(1)(C) of this title.

(E) Payment of rebate for plans with bids below benchmark

In the case of a plan for which there are average per capita monthly savings described in section 1395w–24(b)(5)(C) or 1395w–24(b)(4)(C) of this title, as the case may be, the amount specified in this subparagraph is the amount of the monthly rebate computed under section 1395w–24(b)(1)(C)(i) of this title for that plan and year (as reduced by the amount of any credit provided under section 1395w–24(b)(1)(C)(iv) of this title).

(F) Adjustment for intra-area variations

(i) Intra-regional variations

In the case of payment with respect to an MA regional plan for an MA region, the

---

1 See in original. Probably should be “parts”.

2 See References in Text note below.
Secretary shall also adjust the amounts specified under subparagraphs (B)(i) and (B)(ii) in a manner to take into account variations in MA local payment rates under this part among the different MA local areas included in such region.

(ii) Intra-service area variations

In the case of payment with respect to an MA local plan for a service area that covers more than one MA local area, the Secretary shall also adjust the amounts specified under subparagraphs (B)(i) and (B)(ii) in a manner to take into account variations in MA local payment rates under this part among the different MA local areas included in such service area.

(G) Adjustment relating to risk adjustment

The Secretary shall adjust payments with respect to MA plans as necessary to ensure that—

(i) the sum of—

(I) the monthly payment made under subparagraph (A)(ii); and

(II) the MA monthly basic beneficiary premium under section 1395w–24(b)(2)(A) of this title; equals

(ii) the unadjusted MA statutory non-drug monthly bid amount, adjusted in the manner described in subparagraph (C) and, for an MA regional plan, subparagraph (F).

(H) Special rule for end-stage renal disease

The Secretary shall establish separate rates of payment to a Medicare+Choice organization with respect to classes of individuals determined to have end-stage renal disease and enrolled in a Medicare+Choice plan of the organization. Such rates of payment shall be actuarially equivalent to rates that would have been paid with respect to other enrollees in the MA payment area (or such other area as specified by the Secretary) under the provisions of this section as in effect before December 8, 2003. In accordance with regulations, the Secretary shall provide for the application of the seventh sentence of section 1395rr(b)(7) of this title to payments under this section covering the provision of renal dialysis treatment in the same manner as such sentence applies to composite rate payments described in such sentence. In establishing such rates, the Secretary shall provide for appropriate adjustments to increase each rate to reflect the demonstration rate (including the risk adjustment methodology associated with such rate) of the social health maintenance organization end-stage renal disease capitation demonstrations (established by section 2335 of the Deficit Reduction Act of 1984, as amended by section 13677(b) of the Omnibus Budget Reconciliation Act of 1995), and shall compute such rates by taking into account such factors as renal treatment modality, age, and the underlying cause of the end-stage renal disease. The Secretary may apply the competitive bidding methodology provided for in this section, with appropriate adjustments to account for the risk adjustment methodology applied to end stage renal disease payments.

(I) Improvements to risk adjustment for 2019 and subsequent years

(i) In general

In order to determine the appropriate adjustment for health status under subparagraph (C)(i), the following shall apply:

(I) Taking into account total number of diseases or conditions

The Secretary shall take into account the total number of diseases or conditions of an individual enrolled in an MA plan. The Secretary shall make an additional adjustment under such subparagraph as the number of diseases or conditions of an individual increases.

(II) Using at least 2 years of diagnostic data

The Secretary may use at least 2 years of diagnostic data.

(III) Providing separate adjustments for dual eligible individuals

With respect to individuals who are dually eligible for benefits under this subchapter and subchapter XIX, the Secretary shall make separate adjustments for each of the following:

(aa) Full-benefit dual eligible individuals (as defined in section 1396u–5(c)(6) of this title).

(bb) Such individuals not described in item (aa).

(IV) Evaluation of mental health and substance use disorders

The Secretary shall evaluate the impact of including additional diagnosis codes related to mental health and substance use disorders in the risk adjustment model.

(V) Evaluation of chronic kidney disease

The Secretary shall evaluate the impact of including the severity of chronic kidney disease in the risk adjustment model.

(VI) Evaluation of payment rates for end-stage renal disease

The Secretary shall evaluate whether other factors (in addition to those described in subparagraph (H)) should be taken into consideration when computing payment rates under such subparagraph.

(ii) Phased-in implementation

The Secretary shall phase-in any changes to risk adjustment payment amounts under subparagraph (C)(i) under this subparagraph over a 3-year period, beginning with 2019, with such changes being fully implemented for 2022 and subsequent years.

(iii) Opportunity for review and public comment

The Secretary shall provide an opportunity for review of the proposed changes to such risk adjustment payment amounts under this subparagraph and a public com-
(2) Adjustment to reflect number of enrollees
(A) In general
The amount of payment under this subsection may be retroactively adjusted to take into account any difference between the actual number of individuals enrolled with an organization under this part and the number of such individuals estimated to be so enrolled in determining the amount of the advance payment.
(B) Special rule for certain enrollees
(i) In general
Subject to clause (ii), the Secretary may make retroactive adjustments under subparagraph (A) to take into account individuals enrolled during the period beginning on the date on which the individual enrolls with a Medicare+Choice organization under a plan operated, sponsored, or contributed to by the individual’s employer or former employer (or the employer or former employer of the individual’s spouse) and ending on the date on which the individual is enrolled in the organization under this part, except that for purposes of making such retroactive adjustments under this subparagraph, such period may not exceed 90 days.
(ii) Exception
No adjustment may be made under clause (i) with respect to any individual who does not certify that the organization provided the individual with the disclosure statement described in section 1395w–22(c) of this title at the time the individual enrolled with the organization.

(3) Establishment of risk adjustment factors
(A) Report
The Secretary shall develop, and submit to Congress by not later than March 1, 1999, a report on the method of risk adjustment of payment rates under this section, to be implemented under subparagraph (C), that accounts for variations in per capita costs based on health status. Such report shall include an evaluation of such method by an outside, independent actuary of the actuarial soundness of the proposal.
(B) Data collection
In order to carry out this paragraph, the Secretary shall require Medicare+Choice organizations (and eligible organizations with risk-sharing contracts under section 1395mm of this title) to submit data regarding inpatient hospital services for periods beginning on or after July 1, 1997, and data regarding other services and other information as the Secretary deems necessary for periods beginning on or after July 1, 1998. The Secretary may not require an organization to submit such data before January 1, 1998.
(C) Initial implementation
(i) In general
The Secretary shall first provide for implementation of a risk adjustment methodology that accounts for variations in per capita costs based on health status and other demographic factors for payments by no later than January 1, 2000.
(ii) Phase-in
Except as provided in clause (iv), such risk adjustment methodology shall be implemented in a phased-in manner so that the methodology insofar as it makes adjustments to capitation rates for health status applies to—
(I) 10 percent of 1⁄12 of the annual Medicare+Choice capitation rate in 2000 and each succeeding year through 2003;
(II) 30 percent of such capitation rate in 2004;
(III) 50 percent of such capitation rate in 2005;
(IV) 75 percent of such capitation rate in 2006; and
(V) 100 percent of such capitation rate in 2007 and succeeding years.
(iii) Data for risk adjustment methodology
Such risk adjustment methodology for 2004 and each succeeding year, shall be based on data from inpatient hospital and ambulatory settings.
(iv) Full implementation of risk adjustment for congestive heart failure enrollees for 2001
(I) Exemption from phase-in
Subject to subclause (II), the Secretary shall fully implement the risk adjustment methodology described in clause (i) with respect to each individual who has had a qualifying congestive heart failure inpatient diagnosis (as determined by the Secretary under such risk adjustment methodology) during the period beginning on July 1, 1999, and ending on June 30, 2000, and who is enrolled in a coordinated care plan that is the only coordinated care plan offered on January 1, 2001, in the service area of the individual.
(II) Period of application
Subclause (I) shall only apply during the 1-year period beginning on January 1, 2001.
(D) Uniform application to all types of plans
Subject to section 1395w–28(a)(4) of this title, the methodology shall be applied uniformly without regard to the type of plan.
(4) Payment rule for federally qualified health center services
If an individual who is enrolled with an MA plan under this part receives a service from a federally qualified health center that has a written agreement with the MA organization that offers such plan for providing such a service (including any agreement required under section 1395w–27(e)(3) of this title)—
(a) the Secretary shall pay the amount determined under section 1395w(a)(3)(B) of this title directly to the federally qualified health center not less frequently than quarterly; and
(B) the Secretary shall not reduce the amount of the monthly payments under this subsection as a result of the application of subparagraph (A).

(b) Annual announcement of payment rates

(1) Annual announcements

(A) For 2005

The Secretary shall determine, and shall announce (in a manner intended to provide notice to interested parties), not later than the second Monday in May of 2004, with respect to each MA payment area, the following:

(i) MA capitation rates

The annual MA capitation rate for each MA payment area for 2005.

(ii) Adjustment factors

The risk and other factors to be used in adjusting such rates under subsection (a)(1)(C) for payments for months in 2005.

(B) For 2006 and subsequent years

For a year after 2005—

(i) Initial announcement

The Secretary shall determine, and shall announce (in a manner intended to provide notice to interested parties), not later than the first Monday in April before the calendar year concerned, with respect to each MA payment area, the following:

(I) MA capitation rates; MA local area benchmark

The annual MA capitation rate for each MA payment area for the year.

(II) Adjustment factors

The risk and other factors to be used in adjusting such rates under subsection (a)(1)(C) for payments for months in such year.

(ii) Regional benchmark announcement

The Secretary shall determine, and shall announce (in a manner intended to provide notice to interested parties), on a timely basis before the calendar year concerned, with respect to each MA region and each MA regional plan for which a bid was submitted under section 1395w–24 of this title, the MA region-specific non-drug monthly benchmark amount for that region for the year involved.

(iii) Benchmark announcement for CCA local areas

The Secretary shall determine, and shall announce (in a manner intended to provide notice to interested parties), on a timely basis before the calendar year concerned, with respect to each CCA area (as defined in section 1395w–28(b)(1)(A) of this title), the CCA non-drug monthly benchmark amount under section 1395w–29(e)(1) of this title for that area for the year involved.

(2) Advance notice of methodological changes

At least 45 days (or, in 2017 and each subsequent year, at least 60 days) before making the annual announcement under paragraph (1) for a year, the Secretary shall provide for notice to Medicare+Choice organizations of proposed changes to be made in the methodology from the methodology and assumptions used in the previous announcement and shall provide such organizations an opportunity (in 2017 and each subsequent year, of no less than 30 days) to comment on such proposed changes.

(3) Explanation of assumptions

In each announcement made under paragraph (1), the Secretary shall include an explanation of the assumptions and changes in methodology used in such announcement.

(4) Continued computation and publication of county-specific per capita fee-for-service expenditure information

The Secretary, through the Chief Actuary of the Centers for Medicare & Medicaid Services, shall provide for the computation and publication, on an annual basis beginning with 2001 at the time of publication of the annual Medicare+Choice capitation rates under paragraph (1), of the following information for the original medicare fee-for-service program under parts A and B (exclusive of individuals eligible for coverage under section 426–1 of this title) for each Medicare+Choice payment area for the second calendar year ending before the date of publication:

(A) Total expenditures per capita per month, computed separately for part A and for part B.

(B) The expenditures described in subparagraph (A) reduced by the best estimate of the expenditures (such as graduate medical education and disproportionate share hospital payments) not related to the payment of claims.

(C) The average risk factor for the covered population based on diagnoses reported for medicare inpatient services, using the same methodology as is expected to be applied in making payments under subsection (a).

(D) Such average risk factor based on diagnoses for inpatient and other sites of service, using the same methodology as is expected to be applied in making payments under subsection (a).

(e) Calculation of annual Medicare+Choice capitation rates

(1) In general

For purposes of this part, subject to paragraphs (6)(C) and (7), each annual Medicare+Choice capitation rate, for a Medicare+Choice payment area that is an MA local area for a contract year consisting of a calendar year, is equal to the largest of the amounts specified in the following subparagraphs (A), (B), (C), or (D):

(A) Blended capitation rate

For a year before 2006, the sum of—

(i) the area-specific percentage (as specified under paragraph (2) for the year) of the annual area-specific Medicare+Choice capitation rate for the Medicare+Choice payment area, as determined under paragraph (3) for the year, and
(ii) the national percentage (as specified under paragraph (2) for the year) of the input-price-adjusted annual national Medicare+Choice capitation rate, as determined under paragraph (4) for the year, multiplied (for a year other than 2004) by the budget neutrality adjustment factor determined under paragraph (5).

(B) **Minimum amount**

12 multiplied by the following amount:

(i) For 1998, $367 (but not to exceed, in the case of an area outside the 50 States and the District of Columbia, 150 percent of the annual per capita rate of payment for 1997 determined under section 1395mm(a)(1)(C) of this title for the area).

(ii) For 1999 and 2000, the minimum amount determined under clause (i) or this clause, respectively, for the preceding year, increased by the national per capita Medicare+Choice growth percentage described in paragraph (6)(A) applicable to 1999 or 2000, respectively.

(iii)(I) Subject to subclause (II), for 2001, for any area in a Metropolitan Statistical Area with a population of more than 250,000, $525, and for any other area $475.

(II) In the case of an area outside the 50 States and the District of Columbia, the amount specified in this clause shall not exceed 120 percent of the amount determined under clause (ii) for such area for 2000.

(iv) For 2002, 2003, and 2004, the minimum amount specified in this clause (or clause (iii)) for the preceding year increased by the national per capita Medicare+Choice growth percentage, described in paragraph (6)(A) for that succeeding year.

(C) **Minimum percentage increase**

(i) For 1998, 102 percent of the annual per capita rate of payment for 1997 determined under section 1395mm(a)(1)(C) of this title for the Medicare+Choice payment area.

(ii) For 1999 and 2000, 102 percent of the annual Medicare+Choice capitation rate under this paragraph for the area for the previous year.

(iii) For 2001, 103 percent of the annual Medicare+Choice capitation rate under this paragraph for the area for the previous year.

(iv) For 2002 and 2003, 102 percent of the annual Medicare+Choice capitation rate under this paragraph for the area for the previous year.

(v) For 2004 and each succeeding year, the greater of:

(I) 102 percent of the annual MA capitation rate under this paragraph for the area for the previous year; or

(II) the annual MA capitation rate under this paragraph for the area for the previous year increased by the national per capita MA growth percentage, described in paragraph (6) for that succeeding year, but not taking into account any adjustment under paragraph (6)(C) for a year before 2004.

(D) **100 percent of fee-for-service costs**

(i) **In general**

For each year specified in clause (ii), the adjusted average per capita cost for the year involved, determined under section 1395mm(a)(4) of this title and adjusted as appropriate for the purpose of risk adjustment, for the MA payment area for individuals who are not enrolled in an MA plan under this part for the year, but adjusted to exclude costs attributable to payments under sections, and 1395w–4(o), and 1395ww(n) and 1395ww(h) of this title.

(ii) **Periodic rebasing**

The provisions of clause (i) shall apply for 2004 and for subsequent years as the Secretary shall specify (but not less than once every 3 years).

(iii) **Inclusion of costs of VA and DOD military facility services to medicare-eligible beneficiaries**

In determining the adjusted average per capita cost under clause (i) for a year, such cost shall be adjusted to include the Secretary’s estimate, on a per capita basis, of the amount of additional payments that would have been made in the area involved under this subchapter if individuals entitled to benefits under this subchapter had not received services from facilities of the Department of Defense or the Department of Veterans Affairs.

(2) **Area-specific and national percentages**

For purposes of paragraph (1)(A), subject to subparagraphs (B) and (E), the area-specific percentage, for a year after 2002, is 50 percent and the “national percentage” is 50 percent.

(A) **for 1998**

The area-specific percentage, for 1998, is 90 percent and the “national percentage” is 10 percent.

(B) **for 1999**

The area-specific percentage, for 1999, is 82 percent and the “national percentage” is 18 percent.

(C) **for 2000**

The area-specific percentage, for 2000, is 74 percent and the “national percentage” is 26 percent.

(D) **for 2001**

The area-specific percentage, for 2001, is 66 percent and the “national percentage” is 34 percent.

(E) **for 2002**

The area-specific percentage, for 2002, is 58 percent and the “national percentage” is 42 percent, and

(F) **for a year after 2002**

The area-specific percentage is 50 percent and the “national percentage” is 50 percent.

(3) **Annual area-specific Medicare+Choice capitation rate**

(A) **In general**

For purposes of paragraph (1)(A), subject to subparagraphs (B) and (E), the annual area-specific Medicare+Choice capitation rate for a Medicare+Choice payment area—

(i) for 1998 is, subject to subparagraph (D), the annual per capita rate of payment for 1997 determined under section 1395mm(a)(1)(C) of this title for the area, increased by the national per capita Medicare+Choice growth percentage for 1998 (described in paragraph (6)(A)); or

[ii]So in original.
.§ 1395w–23

(B) Removal of medical education from calculation of adjusted average per capita cost

(i) In general

In determining the area-specific Medicare+Choice capitation rate under subparagraph (A) for a year (beginning with 1998), the annual per capita rate of payment for 1997 determined under section 1395mm(a)(1)(C) of this title shall be adjusted to exclude from the rate the applicable percent (specified in clause (ii)) of the payment adjustments described in subparagraph (C).

(ii) Applicable percent

For purposes of clause (i), the applicable percent for—

(I) 1998 is 20 percent,

(II) 1999 is 40 percent,

(III) 2000 is 60 percent,

(IV) 2001 is 80 percent, and

(V) a succeeding year is 100 percent.

(C) Payment adjustment

(i) In general

Subject to clause (ii), the payment adjustments described in this subparagraph are payment adjustments which the Secretary estimates were payable during 1997—

(I) for the indirect costs of medical education under section 1395ww(d)(5)(B) of this title, and

(II) for direct graduate medical education costs under section 1395ww(h) of this title.

(ii) Treatment of payments covered under State hospital reimbursement system

To the extent that the Secretary estimates that an annual per capita rate of payment for 1997 described in clause (i) reflects payments to hospitals reimbursed under section 1395f(b)(3) of this title, the Secretary shall estimate a payment adjustment that is comparable to the payment adjustment that would have been made under clause (i) if the hospitals had not been reimbursed under such section.

(D) Treatment of areas with highly variable payment rates

In the case of a Medicare+Choice payment area for which the annual per capita rate of payment determined under section 1395mm(a)(1)(C) of this title for 1997 varies by more than 20 percent from such rate for 1996, for purposes of this subsection the Secretary may substitute for such rate for 1997 a rate that is more representative of the costs of the enrollees in the area.

(E) Inclusion of costs of DOD and VA military facility services to Medicare-eligible beneficiaries

In determining the area-specific Medicare+Choice capitation rate under subparagraph (A) for a year (beginning with 2004), the annual per capita rate of payment for 1997 determined under section 1395mm(a)(1)(C) of this title shall be adjusted to include in the rate the Secretary’s estimate, on a per capita basis, of the amount of additional payments that would have been made in the area involved under this subchapter if individuals entitled to benefits under this subchapter had not received services from facilities of the Department of Defense or the Department of Veterans Affairs.
(ii) the proportions described in subparagraph (A)(ii)—
   (I) for part A services shall be the ratio (expressed as a percentage) of the
   national average annual per capita rate of payment for part A for 1997 to the total
   national average annual per capita rate of payment for parts A and B for 1997, and
   (II) for part B services shall be 100 percent minus the ratio described in sub-
   clause (I);
   (iii) for part A services, 70 percent of payments attributable to such services
   shall be adjusted by the index used under section 1395ww(d)(3)(E) of this title to ad-
   just payment rates for relative hospital wage levels for hospitals located in the
   payment area involved;
   (iv) for part B services—
      (I) 66 percent of payments attributable to such services shall be adjusted by the
      index of the geographic area factors under section 1395w–4(e) of this title used
      to adjust payment rates for physicians’ services furnished in the payment area,
      and
      (II) of the remaining 34 percent of the amount of such payments, 40 percent
      shall be adjusted by the index described in clause (iii); and
      (v) the index values shall be computed based only on the beneficiary population
      who are 65 years of age or older and who are not determined to have end stage renal
      disease.

The Secretary may continue to apply the rules described in this subparagraph (or similar rules) for 1999.

(5) Payment adjustment budget neutrality fac-

tor

For purposes of paragraph (1)(A), for each year (other than 2004), the Secretary shall de-
termine a budget neutrality adjustment factor so that the aggregate of the payments under
this part (other than those attributable to subsections (a)(3)(C)(iv), (a)(4), and (i)) shall
be adjusted by the index described in paragraph (1), the Secretary shall
adjust appropriately the payments to such or-

(d) MA payment area; MA local area; MA region
defined

(1) MA payment area

In this part, except as provided in this sub-
section, the term “MA payment area” means—
(A) with respect to an MA local plan, an
MA local area (as defined in paragraph (2)); and
(B) with respect to an MA regional plan, an
MA region (as established under section
1395w–27a(a)(2) of this title).

(2) MA local area

The term “MA local area” means a county
or equivalent area specified by the Secretary.

(3) Rule for ESRD beneficiaries

In the case of individuals who are deter-
mined to have end stage renal disease, the
Medicare+Choice payment area shall be a
§ 1395w–23 TITLE 42—THE PUBLIC HEALTH AND WELFARE Page 3048

State or such other payment area as the Secretary specifies.

(4) Geographic adjustment

(A) In general

Upon written request of the chief executive officer of a State for a contract year (beginning after 1998) made not later than February 1 of the previous year, the Secretary shall make a geographic adjustment to a Medicare+Choice payment area in the State otherwise determined under paragraph (1) for MA local plans—

(i) to a single statewide Medicare+Choice payment area,

(ii) to the metropolitan based system described in subparagraph (C), or

(iii) to consolidating into a single Medicare+Choice payment area noncontiguous counties (or equivalent areas described in paragraph (1)(A)) within a State.

Such adjustment shall be effective for payments for months beginning with January of the year following the year in which the request is received.

(B) Budget neutrality adjustment

In the case of a State requesting an adjustment under this paragraph, the Secretary shall initially (and annually thereafter) adjust the payment rates otherwise established under this section with respect to MA local plans for Medicare+Choice payment areas in the State in a manner so that the aggregate of the payments under this section for such plans in the State shall not exceed the aggregate payments that would have been made under this section for such plans for Medicare+Choice payment areas in the State in the absence of the adjustment under this paragraph.

(C) Metropolitan based system

The metropolitan based system described in this subparagraph is one in which—

(i) all the portions of each metropolitan statistical area in the State or in the case of a consolidated metropolitan statistical area, all of the portions of each primary metropolitan statistical area within the consolidated area within the State, are treated as a single Medicare+Choice pay-

ment area, and

(ii) all areas in the State that do not fall within a metropolitan statistical area are treated as a single Medicare+Choice pay-

ment area.

(D) Areas

In subparagraph (C), the terms “metropolitan statistical area”, “consolidated metropolitan statistical area”, and “primary metropolitan statistical area” mean any area designated as such by the Secretary of Commerce.

(e) Special rules for individuals electing MSA plans

(1) In general

If the amount of the Medicare+Choice monthly MSA premium (as defined in section 1395w–23(b)(2)(C) of this title) for an MSA plan for a year is less than ¼ of the annual Medicare+Choice capitation rate applied under this section for the area and year involved, the Secretary shall deposit an amount equal to 100 percent of such difference in a Medicare+Choice MSA established (and, if applicable, designated) by the individual under paragraph (2).

(2) Establishment and designation of Medicare+Choice medical savings account as requirement for payment of contribution

In the case of an individual who has elected coverage under an MSA plan, no payment shall be made under paragraph (1) on behalf of an individual for a month unless the individual—

(A) has established before the beginning of the month (or by such other deadline as the Secretary may specify) a Medicare+Choice MSA (as defined in section 138(b)(2) of the Internal Revenue Code of 1986), and

(B) if the individual has established more than one such Medicare+Choice MSA, has designated one of such accounts as the individual’s Medicare+Choice MSA for purposes of this part.

Under rules under this section, such an individual may change the designation of such account under subparagraph (B) for purposes of this part.

(3) Lump-sum deposit of medical savings account contribution

In the case of an individual electing an MSA plan effective beginning with a month in a year, the amount of the contribution to the Medicare+Choice MSA on behalf of the individual for that month and all successive months in the year shall be deposited during that first month. In the case of a termination of such an election as of a month before the end of a year, the Secretary shall provide for a procedure for the recovery of deposits attributable to the remaining months in the year.

(f) Payments from Trust Funds

The payment to a Medicare+Choice organization under this section for individuals enrolled under this part with the organization and for payments under subsection (l) and subsection (m) and payments to a Medicare+Choice MSA under subsection (o)(1) shall be made from the Federal Hospital Insurance Trust Fund and the Federal Supplementary Medical Insurance Trust Fund in such proportion as the Secretary determines reflects the relative weight that benefits under part A and under part B represents of the actuarial value of the total benefits under this subchapter. Payments to MA organizations for statutory drug benefits provided under this subchapter are made from the Medicare Prescription Drug Account in the Federal Supplementary Medical Insurance Trust Fund. Monthly payments otherwise payable under this section for October 2000 shall be paid on the first business day of such month. Monthly payments otherwise payable under this section for October 2001 shall be paid on the last business day of September 2001. Monthly payments otherwise payable under this section for October 2006 shall be paid on the first business day of October 2006.
(g) Special rule for certain inpatient hospital stays

In the case of an individual who is receiving inpatient hospital services from a subsection (d) hospital (as defined in section 1395ww(d)(1)(B) of this title), a rehabilitation hospital described in section 1395ww(d)(1)(B)(ix)(I) of this title or a distinct part rehabilitation unit described in the matter following clause (v) of section 1395ww(d)(1)(B) of this title, or a long-term care hospital (described in section 1395ww(d)(1)(B)(iv) of this title) as of the effective date of the individual’s—

(1) election under this part of a Medicare+Choice plan offered by a Medicare+Choice organization—
   (A) payment for such services until the date of the individual’s discharge shall be made under this subchapter through the Medicare+Choice plan or the original medicare fee-for-service program option described in section 1395w–21(a)(1)(A) of this title (as the case may be) elected before the election with such organization,
   (B) the elected organization shall not be financially responsible for payment for such services during the stay until the date after the date of the individual’s discharge, and
   (C) the organization nonetheless be paid the full amount otherwise payable to the organization under this part; or

(2) termination of election with respect to a Medicare+Choice organization under this part—
   (A) the organization shall be financially responsible for payment for such services after such date and until the date of the individual’s discharge,
   (B) payment for such services during the stay shall not be made under section 1395ww(d) of this title or other payment provision under this subchapter for inpatient services for the type of facility, hospital, or unit involved, described in the matter preceding paragraph (1), as the case may be, or by any succeeding Medicare+Choice organization, and
   (C) the terminated organization shall not receive any payment with respect to the individual under this part during the period the individual is not enrolled.

(h) Special rule for hospice care

(1) Information

A contract under this part shall require the Medicare+Choice organization to inform each individual enrolled under this part with a Medicare+Choice plan offered by the organization about the availability of hospice care if—
   (A) a hospice program participating under this subchapter is located within the organization’s service area; or
   (B) it is common practice to refer patients to hospice programs outside such service area.

(2) Payment

If an individual who is enrolled with a Medicare+Choice organization under this part makes an election under section 1395d(d)(I) of this title to receive hospice care from a particular hospice program—
   (A) payment for the hospice care furnished to the individual shall be made to the hospice program elected by the individual by the Secretary;
   (B) payment for other services for which the individual is eligible notwithstanding the individual’s election of hospice care under section 1395d(d)(I) of this title, including services not related to the individual’s terminal illness, shall be made by the Secretary to the Medicare+Choice organization or the provider or supplier of the service instead of payments calculated under subsection (a); and
   (C) the Secretary shall continue to make monthly payments to the Medicare+Choice organization in an amount equal to the value of the additional benefits required under section 1395w–24(f)(1)(A) of this title.

(i) New entry bonus

(1) In general

Subject to paragraphs (2) and (3), in the case of Medicare+Choice payment area in which a Medicare+Choice plan has not been offered since 1997 (or in which all organizations that offered a plan since such date have filed notice with the Secretary, as of October 13, 1999, that they will not be offering such a plan as of January 1, 2000, or filed notice with the Secretary as of October 3, 2000, that they will not be offering such a plan as of January 1, 2001), the amount of the monthly payment otherwise made under this section shall be increased—
   (A) only for the first 12 months in which any Medicare+Choice plan is offered in the area, by 5 percent of the total monthly payment otherwise computed for such payment area; and
   (B) only for the subsequent 12 months, by 3 percent of the total monthly payment otherwise computed for such payment area.

(2) Period of application

Paragraph (1) shall only apply to payment for Medicare+Choice plans which are first offered in a Medicare+Choice payment area during the 2-year period beginning on January 1, 2000.

(3) Limitation to organization offering first plan in an area

Paragraph (1) shall only apply to payment to the first Medicare+Choice organization that offers a Medicare+Choice plan in each Medicare+Choice payment area, except that if more than one such organization first offers such a plan in an area on the same date, paragraph (1) shall apply to payment for such organizations.

(4) Construction

Nothing in paragraph (1) shall be construed as affecting the calculation of the annual Medicare+Choice capitation rate under subsection (c) for any payment area or as applying to payment for any period not described in such paragraph and paragraph (2).

(5) Offered defined

In this subsection, the term ‘‘offered’’ means, with respect to a Medicare+Choice
plan as of a date, that a Medicare+Choice eligible individual may enroll with the plan on that date, regardless of when the enrollment takes effect or when the individual obtains benefits under the plan.

(j) Computation of benchmark amounts

For purposes of this part, subject to subsection (a), the term ‘‘MA area-specific non-drug monthly benchmark amount’’ means for a month in a year—

(1) with respect to—

(A) a service area that is entirely within an MA local area, subject to section 1395w–28(d)(2)(A) of this title, an amount equal to $\frac{1}{12}$ of the annual MA capitation rate under subsection (c)(1) for the area for the year (or, for 2007, 2008, 2009, and 2010, $\frac{1}{12}$ of the applicable amount determined under subsection (k)(1) for the area for the year; for 2011, $\frac{1}{12}$ of the applicable amount determined under subsection (k)(1) for the area for the year; and, beginning with 2012, $\frac{1}{12}$ of the blended benchmark amount determined under subsection (n)(1) for the area for the year), adjusted as appropriate (for years before 2007) for the purpose of risk adjustment; or

(B) a service area that includes more than one MA local area, an amount equal to the average of the amounts described in subparagraph (A) for each such local MA area, weighted by the projected number of enrollees in the plan residing in the respective local MA areas (as used by the plan for purposes of the bid and disclosed to the Secretary under section 1395w–24(a)(6)(A)(iii) of this title), adjusted as appropriate (for years before 2007) for the purpose of risk adjustment; or

(2) with respect to an MA region for a month in a year, the MA region-specific non-drug monthly benchmark amount, as defined in section 1395w–27a(f) of this title for the region for the year.

(k) Determination of applicable amount for purposes of calculating the benchmark amounts

(1) Applicable amount defined

For purposes of subsection (j), subject to paragraphs (2), (4), and (5), the term ‘‘applicable amount’’ means for an area—

(A) for 2007—

(i) if such year is not specified under subsection (c)(1)(D)(ii), an amount equal to the amount specified in subsection (c)(1)(C) for the area for 2006—

(I) first adjusted by the rescaling factor for 2006 for the area (as made available by the Secretary in the announcement of the rates on April 4, 2005, under subsection (b)(1), but excluding any national adjustment factors for coding intensity and risk adjustment budget neutrality that were included in such factor); and

(II) then increased by the national per capita MA growth percentage, described in subsection (c)(6) for 2007, but not taking into account any adjustment under subparagraph (C) of such subsection for a year before 2004;

(ii) if such year is specified under subsection (c)(1)(D)(ii), an amount equal to the greater of—

(I) the amount determined under clause (i) for the area for the year; or

(II) the amount specified in subsection (c)(1)(D) for the area for the year; and

(B) for a subsequent year—

(i) if such year is not specified under subsection (c)(1)(D)(ii), an amount equal to the amount determined under this paragraph for the area for the previous year (determined without regard to paragraphs (2), (4), and (5)), increased by the national per capita MA growth percentage, described in subsection (c)(6) for that succeeding year, but not taking into account any adjustment under subparagraph (C) of such subsection for a year before 2004; and

(ii) if such year is specified under subsection (c)(1)(D)(ii), an amount equal to the greater of—

(I) the amount determined under clause (i) for the area for the year; or

(II) the amount specified in subsection (c)(1)(D) for the area for the year.

(2) Phase-out of budget neutrality factor

(A) In general

Except as provided in subparagraph (D), in the case of 2007 through 2010, the applicable amount determined under paragraph (1) shall be multiplied by a factor equal to 1 plus the product of—

(i) the percent determined under subparagraph (B) for the year; and

(ii) the applicable phase-out factor for the year under subparagraph (C).

(B) Percent determined

(i) In general

For purposes of subparagraph (A)(i), subject to clause (iv), the percent determined under this subparagraph for a year is a percent equal to a fraction the numerator of which is described in clause (ii) and the denominator of which is described in clause (iii).

(ii) Numerator based on difference between demographic rate and risk rate

(I) In general

The numerator described in this clause is an amount equal to the amount by which the demographic rate described in subparagraph (II) exceeds the risk rate described in subparagraph (III).

(II) Demographic rate

The demographic rate described in this subparagraph is the Secretary’s estimate of the total payments that would have been made under this part in the year if all the monthly payment amounts for all MA plans were equal to $\frac{1}{12}$ of the annual MA capitation rate under subsection (c)(1) for the area and year, adjusted pursuant to subsection (a)(1)(C).

(III) Risk rate

The risk rate described in this subparagraph is the Secretary’s estimate of the
The term “standardized IME cost percentage” means, for an area for a year, the ratio (expressed as a percentage, but in no case greater than 100 percent) of—

(I) the maximum cumulative adjustment percentage for the year (as defined in clause (ii)); to

(II) the standardized IME cost percentage (as defined in clause (iii)) for the area and year.

(ii) Standardized IME cost percentage

The term “standardized IME cost percentage” means, for an area for a year, the per capita costs for payments under section 1395ww(d)(5)(B) of this title (expressed as a percentage of the fee-for-service amount specified in subparagraph (C)) for the area and the year.

(C) Fee-for-service amount

The fee-for-service amount specified in this subparagraph for an area for a year is the amount specified under subsection (c)(1)(D) for the area and the year.

(5) Exclusion of costs for kidney acquisitions from capitation rates

After determining the applicable amount for an area for a year under paragraph (1) (beginning with 2021), the Secretary shall adjust such applicable amount to exclude from such applicable amount the Secretary’s estimate of the standardized costs for payments for organ acquisitions for kidney transplants covered under this subchapter (including expenses covered under section 1395rr(d) of this title) in the area for the year.
(i) Application of eligible professional incentives for certain MA organizations for adoption and meaningful use of certified EHR technology

(1) In general

Subject to paragraphs (3) and (4), in the case of a qualifying MA organization, the provisions of sections 1395w–4(o)(1)(A) and 1395w–4(a)(7) of this title shall apply with respect to eligible professionals described in paragraph (2) of the organization who the organization attests under paragraph (6) to be meaningful EHR users in a similar manner as they apply to eligible professionals under such sections. Incentive payments under paragraph (3) shall be made to and payment adjustments under paragraph (4) shall apply to such qualifying organizations.

(2) Eligible professional described

With respect to a qualifying MA organization, an eligible professional described in this paragraph is an eligible professional (as defined for purposes of section 1395w–4(a)(7) of this title) who—

(A) (i) is employed by the organization; or

(ii) is employed by, or is a partner of, an entity that through contract with the organization furnishes at least 80 percent of the entity’s Medicare patient care services to enrollees of such organization; and

(B) furnishes at least 80 percent of the professional services of the eligible professional covered under this subchapter to enrollees of the organization; and

(B) furnishes, on average, at least 20 hours per week of patient care services.

(3) Eligible professional incentive payments

(A) In general

In applying section 1395w–4(o) of this title under paragraph (1), instead of the additional payment amount under section 1395w–4(o)(1)(A) of this title and subject to subparagraph (B), the Secretary may substitute an amount determined by the Secretary to the extent feasible and practical to be similar to the estimated amount in the aggregate that would be payable if payment for services furnished by such professionals was payable under part B instead of this part.

(B) Avoiding duplication of payments

(i) In general

In the case of an eligible professional described in paragraph (2)—

(I) that is eligible for the maximum incentive payment under section 1395w–4(o)(1)(A) of this title for the same payment period, the payment incentive shall be made only under such section and not under this subsection; and

(II) that is eligible for less than such maximum incentive payment for the same payment period, the payment incentive shall be made only under this subsection and not under section 1395w–4(o)(1)(A) of this title.

(ii) Methods

In the case of an eligible professional described in paragraph (2) who is eligible for an incentive payment under section 1395w–4(o)(1)(A) of this title but is not described in clause (i) for the same payment period, the Secretary shall develop a process—

(I) to ensure that duplicate payments are not made with respect to an eligible professional both under this subsection and under section 1395w–4(o)(1)(A) of this title; and

(II) to collect data from Medicare Advantage organizations to ensure against such duplicate payments.

(C) Fixed schedule for application of limitation on incentive payments for all eligible professionals

In applying section 1395w–4(o)(1)(B)(ii) of this title under subparagraph (A), in accordance with rules specified by the Secretary, a qualifying MA organization shall specify a year (not earlier than 2011) that shall be treated as the first payment year for all eligible professionals with respect to such organization.

(4) Payment adjustment

(A) In general

In applying section 1395w–4(a)(7) of this title under paragraph (1), instead of the payment adjustment being an applicable percent of the fee schedule amount for a year under such section, subject to subparagraph (D), the payment adjustment under paragraph (1) shall be equal to the percent specified in subparagraph (B) for such year of the payment amount otherwise provided under this section for such year.

(B) Specified percent

The percent specified under this subparagraph for a year is 100 percent minus a number of percentage points equal to the product of—

(i) the number of percentage points by which the applicable percent (under section 1395w–4(a)(7)(A)(ii) of this title) for the year is less than 100 percent; and

(ii) the Medicare physician expenditure proportion specified in subparagraph (C) for the year.

(C) Medicare physician expenditure proportion

The Medicare physician expenditure proportion under this subparagraph for a year is the Secretary’s estimate of the proportion, of the expenditures under parts A and B that are not attributable to this part, that are attributable to expenditures for physicians’ services.

(D) Application of payment adjustment

In the case that a qualifying MA organization attests that not all eligible professionals of the organization are meaningful EHR users with respect to a year, the Secretary shall apply the payment adjustment under this paragraph based on the proportion of all such eligible professionals of the organization that are not meaningful EHR users for such year.
(5) Qualifying MA organization defined

In this subsection and subsection (m), the term "qualifying MA organization" means a Medicare Advantage organization that is organized as a health maintenance organization (as defined in section 300gg–9(i)(b)(3) of this title).

(6) Meaningful EHR user user attestation

For purposes of this subsection and subsection (m), a qualifying MA organization shall submit an attestation, in a form and manner specified by the Secretary which may include the submission of such attestation as part of submission of the initial bid under section 1395w–23(a)(1)(A)(iv) of this title, identifying—

(A) whether each eligible professional described in paragraph (2), with respect to such organization is a meaningful EHR user (as defined in section 1395w–4(o)(2) of this title) for a year specified by the Secretary; and

(B) whether each eligible hospital described in subsection (m), with respect to such organization, is a meaningful EHR user (as defined in section 1395ww(n)(3) of this title) for an applicable period specified by the Secretary.

(7) Posting on website

The Secretary shall post on the Internet website of the Centers for Medicare & Medicaid Services, in an easily understandable format, a list of the names, business addresses, and business phone numbers of—

(A) each qualifying MA organization receiving an incentive payment under this subsection for eligible professionals of the organization; and

(B) the eligible professionals of such organization for which such incentive payment is based.

(8) Limitation on review

There shall be no administrative or judicial review under section 1395f of this title, section 1395oo of this title, or otherwise, of—

(A) the methodology and standards for determining payment amounts and payment adjustments under this subsection, including avoiding duplication of payments under paragraph (3)(B) and the specification of rules for the fixed schedule for application of limitation on incentive payments for all eligible professionals under paragraph (3)(C);

(B) the methodology and standards for determining eligible professionals under paragraph (2); and

(C) the methodology and standards for determining a meaningful EHR user under section 1395w–4(o)(2) of this title, including specification of the means of demonstrating meaningful EHR use under section 1395w–4(o)(3)(C) of this title and selection of measures under section 1395w–4(o)(3)(B) of this title.

(m) Application of eligible hospital incentives for certain MA organizations for adoption and meaningful use of certified EHR technology

(1) Application

Subject to paragraphs (3) and (4), in the case of a qualifying MA organization, the provisions of sections 1395ww(n) and 1395ww(b)(3)(B) of this title shall apply with respect to eligible hospitals described in paragraph (2) of the organization which the organization attests under subsection (l)(6) to be meaningful EHR users in a similar manner as they apply to eligible hospitals under such sections. Incentive payments under paragraph (3) shall be made to and payment adjustments under paragraph (4) shall apply to such qualifying organizations.

(2) Eligible hospital described

With respect to a qualifying MA organization, an eligible hospital described in this paragraph is an eligible hospital (as defined in section 1395ww(n)(6)) of this title that is common corporate governance with such organization and serves individuals enrolled under an MA plan offered by such organization.

(3) Eligible hospital incentive payments

(A) In general

In applying section 1395ww(n)(2) of this title under paragraph (1), instead of the additional payment amount under section 1395ww(n)(2) of this title, there shall be substituted an amount determined by the Secretary to be similar to the estimated amount in the aggregate that would be payable if payment for services furnished by such hospitals was payable under part A instead of this part.

(i) shall, insofar as data to determine the discharge related amount under section 1395ww(n)(2)(C) of this title for an eligible hospital are not available to the Secretary, use such alternative data and methodology to estimate such discharge related amount as the Secretary determines appropriate; and

(ii) shall, insofar as data to determine the medicare share described in section 1395ww(n)(2)(D) of this title for an eligible hospital are not available to the Secretary, use such alternative data and methodology to estimate such share, which data and methodology may include use of the inpatient-bed-days (or discharges) with respect to an eligible hospital during the appropriate period which are attributable to both individuals for whom payment may be made under part A or individuals enrolled in an MA plan under a Medicare Advantage organization under this part as a proportion of the estimated total number of patient-bed-days (or discharges) with respect to such hospital during such period.

(B) Avoiding duplication of payments

(i) In general

In the case of a hospital that for a payment year is an eligible hospital described...
in paragraph (2) and for which at least one-third of their discharges (or bed-days) of Medicare patients for the year are covered under part A, payment for the payment year shall be made only under section 1395ww(n) of this title and not under this subsection.

(ii) Methods

In the case of a hospital that is an eligible hospital described in paragraph (2) and also is eligible for an incentive payment under section 1395ww(n) of this title but is not described in clause (i) for the same payment period, the Secretary shall develop a process—

(I) to ensure that duplicate payments are not made with respect to an eligible hospital both under this subsection and under section 1395ww(n) of this title; and

(II) to collect data from Medicare Advantage organizations to ensure against such duplicate payments.

(4) Payment adjustment

(A) Subject to paragraph (3), in the case of a qualifying MA organization (as defined in subsection (b)(5)), if, according to the attestation of the organization submitted under subsection (b)(6) for an applicable period, one or more eligible hospitals (as defined in section 1395ww(n)(6)(B) of this title) that are under common corporate governance with such organization and that serve individuals enrolled under a plan offered by such organization are not meaningful EHR users (as defined in section 1395ww(n) of this title) with respect to a period, the payment amount payable under this section for such organization for such period shall be the percent specified in subparagraph (B) for such period of the payment amount otherwise provided under this section for such period.

(B) SPECIFIED PERCENT.—The percent specified under this subparagraph for a year is 100 percent minus a number of percentage points equal to the product of—

(i) the number of the percentage point reduction effected under section 1395ww(b)(3)(B)(ix)(I) of this title for the period; and

(ii) the Medicare hospital expenditure proportion specified in subparagraph (C) for the year.

(C) MEDICARE HOSPITAL EXPENDITURE PROPORTION.—The Medicare hospital expenditure proportion under this subparagraph for a year is the Secretary’s estimate of the proportion of the expenditures under parts A and B that are not attributable to this part, that are attributable to expenditures for inpatient hospital services.

(D) APPLICATION OF PAYMENT ADJUSTMENT.—In the case that a qualifying MA organization attests that not all eligible hospitals are meaningful EHR users with respect to an applicable period, the Secretary shall apply the payment adjustment under this paragraph based on a methodology specified by the Secretary, taking into account the proportion of such eligible hospitals, or discharges from such hospitals, that are not meaningful EHR users for such period.

(5) Posting on website

The Secretary shall post on the Internet website of the Centers for Medicare & Medicaid Services, in an easily understandable format—

(A) a list of the names, business addresses, and business phone numbers of each qualifying MA organization receiving an incentive payment under this subsection for eligible hospitals described in paragraph (2); and

(B) a list of the names of the eligible hospitals for which such incentive payment is based.

(6) Limitations on review

There shall be no administrative or judicial review under section 1395oo of this title, or otherwise, of—

(A) the methodology and standards for determining payment amounts and payment adjustments under this subsection, including avoiding duplication of payments under paragraph (3)(B);

(B) the methodology and standards for determining eligible hospitals under paragraph (2); and

(C) the methodology and standards for determining a meaningful EHR user under section 1395ww(n)(3) of this title, including specification of the means of demonstrating meaningful EHR use under subparagraph (C) of such section and selection of measures under subparagraph (B) of such section.

(n) Determination of blended benchmark amount

(1) In general

For purposes of subsection (j), subject to paragraphs (3), (4), and (5), the term “blended benchmark amount” means for an area—

(A) for 2012 the sum of—

(i) 1⁄2 of the applicable amount for the area and year; and

(ii) 1⁄2 of the amount specified in paragraph (2)(A) for the area and year; and

(B) for a subsequent year the amount specified in paragraph (2)(A) for the area and year.

(2) Specified amount

(A) In general

The amount specified in this subparagraph for an area and year is the product of—

(i) the base payment amount specified in subparagraph (B) for the area and year adjusted to take into account the phase-out in the indirect costs of medical education from capitation rates described in subsection (k)(4) and, for 2021 and subsequent years, the exclusion of payments for organ acquisitions for kidney transplants from the capitation rate as described in subsection (k)(5); and

(ii) the applicable percentage for the area for the year specified under subparagraph (B).

(B) Applicable percentage

Subject to subparagraph (D), the applicable percentage specified in this subparagraph
for an area for a year in the case of an area that is ranked—

(i) in the highest quartile under subparagraph (C) for the previous year is 95 percent;
(ii) in the second highest quartile under such subparagraph for the previous year is 100 percent;
(iii) in the third highest quartile under such subparagraph for the previous year is 107.5 percent; or
(iv) in the lowest quartile under such subparagraph for the previous year is 115 percent.

(C) Periodic ranking

For purposes of this paragraph in the case of an area located—

(i) in 1 of the 50 States or the District of Columbia, the Secretary shall rank such area in each year specified under subsection (c)(1)(D)(ii) based upon the level of the amount specified in subparagraph (A)(i) for such areas; or
(ii) in a territory, the Secretary shall rank such areas in each such year based upon the level of the amount specified in subparagraph (A)(i) for such area relative to quartile rankings computed under clause (i).

(D) 1-year transition for changes in applicable percentage

If, for a year after 2012, there is a change in the quartile in which an area is ranked compared to the previous year, the applicable percentage for the area in the year shall be the average of—

(i) the applicable percentage for the area for the previous year; and
(ii) the applicable percentage that would otherwise apply for the area for the year.

(E) Base payment amount

Subject to subparagraphs (F) and (G), the base payment amount specified in this subparagraph—

(i) for 2012 is the amount specified in subsection (c)(1)(D) for the area for the year; or
(ii) for a subsequent year that—

(I) is not specified under subsection (c)(1)(D)(ii), is the base amount specified in this subparagraph for the area for the previous year, increased by the national per capita MA growth percentage, described in subsection (c)(6) for that succeeding year, but not taking into account any adjustment under subparagraph (C) of such subsection for a year before 2004; and
(II) is specified under subsection (c)(1)(D)(ii), is the amount specified in subsection (c)(1)(D) for the area for the year.

(F) Application of indirect medical education phase-out

The base payment amount specified in subparagraph (E) for a year shall be adjusted in the same manner under paragraph (4) of subsection (k) as the applicable amount is adjusted under such subsection.

(G) Application of kidney acquisitions adjustment

The base payment amount specified in subparagraph (E) for a year (beginning with 2021) shall be adjusted in the same manner under paragraph (5) of subsection (k) as the applicable amount is adjusted under such subsection.

(3) Alternative phase-ins

(A) 4-year phase-in for certain areas

If the difference between the applicable amount (as defined in subsection (k)) for an area for 2010 and the projected 2010 benchmark amount (as defined in subparagraph (C)) for the area is at least $30 but less than $50, the blended benchmark amount for the area is—

(i) for 2012 the sum of—

(I) ¾ of the applicable amount for the area and year; and
(II) 1⁄4 of the amount specified in paragraph (2)(A) for the area and year;

(ii) for 2013 the sum of—

(I) 1⁄2 of the applicable amount for the area and year; and
(II) 1⁄2 of the amount specified in paragraph (2)(A) for the area and year;

(iii) for 2014 the sum of—

(I) 1⁄4 of the applicable amount for the area and year; and
(II) ¾ of the amount specified in paragraph (2)(A) for the area and year; and
(iv) for a subsequent year the amount specified in paragraph (2)(A) for the area and year;

(B) 6-year phase-in for certain areas

If the difference between the applicable amount (as defined in subsection (k)) for an area for 2010 and the projected 2010 benchmark amount (as defined in subparagraph (C)) for the area is at least $30 but less than $50, the blended benchmark amount for the area is—

(i) for 2012 the sum of—

(I) 1⁄6 of the applicable amount for the area and year; and
(II) 5⁄6 of the amount specified in paragraph (2)(A) for the area and year;

(ii) for 2013 the sum of—

(I) 1⁄3 of the applicable amount for the area and year; and
(II) 2⁄3 of the amount specified in paragraph (2)(A) for the area and year;

(iii) for 2014 the sum of—

(I) 1⁄2 of the applicable amount for the area and year; and
(II) 1⁄2 of the amount specified in paragraph (2)(A) for the area and year;

(iv) for 2015 the sum of—

(I) 5⁄6 of the applicable amount for the area and year; and
(II) 1⁄6 of the amount specified in paragraph (2)(A) for the area and year;

(v) for 2016 the sum of—

(I) 2⁄3 of the applicable amount for the area and year; and
(II) 1⁄3 of the amount specified in paragraph (2)(A) for the area and year; and
(vi) for a subsequent year the amount specified in paragraph (2)(A) for the area and year.

(C) Projected 2010 benchmark amount
The projected 2010 benchmark amount described in this subparagraph for an area is equal to the sum of—
(I) ½ of the applicable amount (as defined in subsection (k)) for the area for 2010; and
(ii) ½ of the amount specified in paragraph (2)(A) for the area for 2010 but determined as if there were substituted for the applicable percentage specified in clause (ii) of such paragraph the sum of—
(I) the applicable percent that would be specified under subparagraph (B) of paragraph (2) (determined without regard to subparagraph (D) of such paragraph) for the area for 2010 if any reference in such paragraph to “the previous year” were deemed a reference to 2010; and
(II) the applicable percentage increase that would apply to a qualifying plan in the area under subsection (o) as if any reference in such subsection to 2012 were deemed a reference to 2010 and as if the determination of a qualifying county under paragraph (3)(B) of such subsection were made for 2010.

(4) Cap on benchmark amount
In no case shall the blended benchmark amount for an area for a year (determined taking into account subsection (o)) be greater than the applicable amount that would (but for the application of this subsection) be determined under subsection (k)(1) for the area for the year.

(5) Non-application to PACE plans
This subsection shall not apply to payments to a PACE program under section 1395eee of this title.

(o) Applicable percentage quality increases
(1) In general
Subject to the succeeding paragraphs, in the case of a qualifying plan with respect to a year beginning with 2012, the applicable percentage under subsection (n)(2)(B) shall be increased on a plan or contract level, as determined by the Secretary—
(A) for 2012, by 1.5 percentage points;
(B) for 2013, by 3.0 percentage points; and
(C) for 2014 or a subsequent year, by 5.0 percentage points.

(2) Increase for qualifying plans in qualifying counties
The increase applied under paragraph (1) for a qualifying plan located in a qualifying county for a year shall be doubled.

(3) Qualifying plans and qualifying county defined; application of increases to low enrollment and new plans
For purposes of this subsection:
(A) Qualifying plan
(i) In general
The term “qualifying plan” means, for a year and subject to paragraph (4), a plan that had a quality rating under paragraph (4) of 4 stars or higher based on the most recent data available for such year.

(ii) Application of increases to low enrollment plans
(I) 2012
For 2012, the term “qualifying plan” includes an MA plan that the Secretary determines is not able to have a quality rating under paragraph (4) because of low enrollment.

(II) 2013 and subsequent years
For 2013 and subsequent years, for purposes of determining whether an MA plan with low enrollment (as defined by the Secretary) is included as a qualifying plan, the Secretary shall establish a method to apply to MA plans with low enrollment (as defined by the Secretary) the computation of quality rating and the rating system under paragraph (4).

(iii) Application of increases to new plans
(I) In general
A new MA plan that meets criteria specified by the Secretary shall be treated as a qualifying plan, except that in applying paragraph (1), the applicable percentage under subsection (n)(2)(B) shall be increased—
(aa) for 2012, by 1.5 percentage points;
(bb) for 2013, by 2.5 percentage points; and
(cc) for 2014 or a subsequent year, by 3.5 percentage points.

(II) New MA plan defined
The term “new MA plan” means, with respect to a year, a plan offered by an organization or sponsor that has not had a contract as a Medicare Advantage organization in the preceding 3-year period.

(B) Qualifying county
The term “qualifying county” means, for a year, a county—
(i) that has an MA capitation rate that, in 2004, was based on the amount specified in subsection (c)(1)(B) for a Metropolitan Statistical Area with a population of more than 250,000;
(ii) for which, as of December 2009, of the Medicare Advantage eligible individuals residing in the county at least 25 percent of such individuals were enrolled in Medicare Advantage plans; and
(iii) that has per capita fee-for-service spending that is lower than the national monthly per capita cost for expenditures for individuals enrolled under the original Medicare fee-for-service program for the year.

(4) Quality determinations for application of increase
(A) Quality determination
The quality rating for a plan shall be determined according to a 5-star rating system (based on the data collected under section 1395w–22(e) of this title).
An MA plan which does not report data that enables the Secretary to rate the plan for purposes of this paragraph shall be counted as having a rating of fewer than 3.5 stars.

(B) Special rule for first 3 plan years for plans that were converted from a reasonable cost reimbursement contract

For purposes of applying paragraph (1) and section 1395w–24(b)(1)(C) of this title for the first 3 plan years under this part in the case of an MA plan to which deemed enrollment applies under section 1395w–21(c)(4) of this title—

(i) such plan shall not be treated as a new MA plan (as defined in paragraph (3)(A)(iii)(II)); and

(ii) in determining the star rating of the plan under subparagraph (A), to the extent that Medicare Advantage data for such plan is not available for a measure used to determine such star rating, the Secretary shall use data from the period in which such plan was a reasonable cost reimbursement contract.

(D) Special rule to prevent the artificial inflation of star ratings after the consolidation of Medicare Advantage plans offered by a single organization

(i) In general

If—

(I) a Medicare Advantage organization has entered into more than one contract with the Secretary with respect to the offering of Medicare Advantage plans; and

(II) on or after January 1, 2019, the Secretary approves a request from the organization to consolidate the plans under one or more contract after the effective date of this subsection and rebate amounts under section 1395w–24 of this title to reflect an enrollment-weighted average of scores or ratings for the continuing and closed contracts, as determined appropriate by the Secretary.

(ii) Application

An adjustment under clause (i) shall apply for any year for which the quality rating of the continuing contract is based primarily on a measurement period that is prior to the first year in which a closed contract is no longer offered.

(5) Exception for PACE plans

This subsection shall not apply to payments to a PACE program under section 1395eee of this title.

(6) Quality measurement at the plan level for SNPs

(A) In general

Subject to subparagraph (B), the Secretary may require reporting of data under section 1395w–22(e) of this title for, and apply under this subsection, quality measures at the plan level for specialized MA plans for special needs individuals instead of at the contract level.

(B) Considerations

Prior to applying quality measurement at the plan level under this paragraph, the Secretary shall—

(i) take into consideration the minimum number of enrollees in a specialized MA plan for special needs individuals in order to determine if a statistically significant or valid measurement of quality at the plan level is possible under this paragraph;

(ii) take into consideration the impact of such application on plans that serve a disproportionate number of individuals dually eligible for benefits under this subchapter and under subchapter XIX;

(iii) if quality measures are reported at the plan level, ensure that MA plans are not required to provide duplicative information; and

(iv) ensure that such reporting does not interfere with the collection of encounter data submitted by MA organizations or the administration of any changes to the program under this part as a result of the collection of such data.

(C) Application

If the Secretary applies quality measurement at the plan level under this paragraph—

(i) such quality measurement may include Medicare Health Outcomes Survey (HOS), Healthcare Effectiveness Data and Information Set (HEDIS), Consumer Assessment of Healthcare Providers and Systems (CAHPS) measures and quality measures under part D; and

(ii) the Secretary shall consider applying administrative actions, such as remedies described in section 1395w–27(g)(2) of this title, at the plan level.

(7) Determination of feasibility of quality measurement at the plan level for all MA plans

(A) Determination of feasibility

The Secretary shall determine the feasibility of requiring reporting of data under section 1395w–22(e) of this title for, and applying under this subsection, quality measures at the plan level for all MA plans under this part.

(B) Consideration of change

After making a determination under subparagraph (A), the Secretary shall consider requiring such reporting and applying such quality measures at the plan level as described in such subparagraph.

So in original. Probably should be “contracts”.

MA local area (as defined in subsection (d)(2)) for "MA payment area" in introductory provisions and substituting "MA local area (as so defined)" for "MA payment area" in par. (1), was repealed by Pub. L. 111–152, §1102(a). See Effective Date of 2010 Amendment note below.


Subsec. (c)(6). Pub. L. 111–148, §3201(b), which directed amendment of par. (6) by substituting "for 2003 through 2010" for "for a year after 2002" in cl. (vi) and adding cl. (vii), which read "for 2011, 3 percentage points; and", and cl. (vii), which read "for a year after 2011, 0 percentage points." was repealed by Pub. L. 111–152, §1102(a). See Effective Date of 2010 Amendment note below.

Subsec. (d). Pub. L. 111–148, §3201(e)(1)(A), which directed substitution of "MA region" for "MA local area (as defined in paragraph (2))", was repealed by Pub. L. 111–152, §1102(a). See Effective Date of 2010 Amendment note below.

Subsec. (d)(1)(A). Pub. L. 111–148, §3201(e)(1)(B), which directed substitution of "with respect to an MA local plan," "(I) for years before 2012, an MA local area (as defined in paragraph (2)); and" "(ii) for 2012 and succeeding years, a service area that is an entire urban or rural area, as applicable (as described in paragraph (5)); and" for "with respect to an MA local plan, an MA local area (as defined in paragraph (2)); and", was repealed by Pub. L. 111–152, §1102(a). See Effective Date of 2010 Amendment note below.

Subsec. (d)(5). Pub. L. 111–148, §3201(e)(1)(C), which directed the addition of par. (5), was repealed by Pub. L. 111–152, §1102(a). As enacted, text read as follows: "For 2012 and succeeding years, the service area for an MA local plan shall be an entire urban or rural area in each State as follows:

(A) Urban Areas.—Subject to clause (ii) and subparagraphs (C) and (D), the service area for an MA local plan in an urban area shall be the Core Based Statistical Area (in this paragraph referred to as a "CBSA") or, if applicable, a conceptually similar alternative classification, as defined by the Director of the Office of Management and Budget.

(ii) CBSA covering more than one State.—In the case of a CBSA (or alternative classification) that covers more than one State, the Secretary shall divide the CBSA (or alternative classification) into separate service areas with respect to each State covered by the CBSA (or alternative classification).

(B) Rural Areas.—Subject to subparagraphs (C) and (D), the service area for an MA local plan in a rural area shall be a county that does not qualify for inclusion in a CBSA (or alternative classification), as defined by the Director of the Office of Management and Budget.

(C) Refinements to Service Areas.—For 2015 and succeeding years, in order to reflect actual patterns of health care service utilization, the Secretary may adjust the boundaries of service areas for MA local plans in urban areas and rural areas under subparagraphs (A) and (B), respectively, but may only do so based on recent analyses of actual patterns of care.

(D) Additional Authority to Make Limited Exclusions from Service Area Requirements for MA Local Plans.—The Secretary may, in addition to any adjustments under subparagraph (C), make limited exceptions to service area requirements otherwise applicable under this part for MA local plans that have in effect (as of March 23, 2010)—

(i) agreements by another MA organization or MA plan that preclude the offering of benefits throughout an entire service area; or

(ii) limitations in their structural capacity to support adequate network risk adjustment service area as a result of the delivery system model of the MA local plan.

See Effective Date of 2010 Amendment note below.

Subsec. (d)(6). Pub. L. 111–148, §3201(b)(2), which directed the addition of par. (6), was repealed by Pub. L. 111–152, §1102(a). As enacted, text read as follows: "For years beginning with 2012, in the case of a PACE program under section 1927e of this title, the MA payment area shall be the MA local area (as defined in paragraph (2))." See Effective Date of 2010 Amendment note below.

Subsec. (j). Pub. L. 111–152, §1102(c)(1), inserted "subject to subsection (c)," after "For purposes of this part," in introductory provisions.

Pub. L. 111–148, §3201(a)(1)(A)–(C)(ii), which directed the designation of existing provisions as par. (1), the insertion of par. (1) heading, the redesignation of former pars. (1) and (2) as subpars. (A) and (B), respectively, and the reductions of former par. (1) as cls. (i) and (ii) of subparagraph (A), respectively, and the realignment of margins, was repealed by Pub. L. 111–152, §1102(a). See Effective Date of 2010 Amendment note below.

Subsec. (j)(1)(A). Pub. L. 111–152, §1102(b)(1), substituted "for the area for the year (or, for 2007, 2008, 2009, and 2010, ½ of the applicable amount determined under subsection (k)(1) for the area for the year; for 2011, ½ of the applicable amount determined under subsection (k)(1) for the area for 2010; and, beginning with 2012, ½ of the blended benchmark amount determined under subsection (n)(1) for the area for the year)" for "(or, beginning with 2007, ½ of the applicable amount determined under subsection (k)(1)) for the area for the year;" Pub. L. 111–148, §3201(a)(1)(A)–(C)(ii), (iii), which, in cl. (i), directed substitution of "section 1395w–29(d)(2)(A) of this title, an amount equal to—" for "section 1395w–29(d)(2)(A) of this title, an amount equal to"; subcls. (I) to (VI) for "(as so determined) for the area for the month;" and, in cl. (ii), directed substitution of "clause (i)" for "paragraph (A)," was repealed by Pub. L. 111–152, §1102(a). As enacted, subcls. (I) to (VI) read as follows:

(I) for years before 2007, ½ of the annual MA capitation rate under subsection (c)(1) (or, beginning with 2007, ½ of the applicable amount determined under subsection (k)(1)) for the area for the year, adjusted as appropriate for the purpose of risk adjustment;

(II) for 2007 through 2011, ½ of the applicable amount determined under subsection (k)(1)) for the area for the year, adjusted as appropriate for the purpose of risk adjustment;

(III) for 2012, the sum of—

(aa) ½ of the quotient of—

"(AA) the applicable amount determined under subsection (k)(1) for the area for the year; and"

"(BB) 12; and"

"(bb) ½ of the MA competitive benchmark amount (determined under paragraph (2)) for the area for the month;"

(IV) for 2013, the sum of—

(aa) ½ of the quotient of—

"(AA) the applicable amount determined under subsection (k)(1) for the area for the year; and"

"(BB) 12; and"

"(bb) ½ of the MA competitive benchmark amount (as so determined) for the area for the month;"

(V) for 2014, the MA competitive benchmark amount for the area for a month in 2013 (as so determined), increased by the national per capita MA growth percent-"
age, described in subsection (c)(6) for 2014, but not taking into account any adjustment under subparagraph (C) of such subsection for a year before 2004; and

(ii) the total number of programs described in clauses (i) through (ix) of subparagraph (C) that the Secretary determines the plan is conducting for the year under such subparagraph.

(B) LIMITATION.—In no case may the total amount of payment with respect to a year under subparagraph (A) be greater than 2 percent of the national monthly per capita cost for expenditures for individuals enrolled under the original medicare fee-for-service program for the year, as determined prior to the application of risk adjustment under paragraph (4).

(C) PROGRAMS DESCRIBED.—The following programs are described in this paragraph:

(i) Care management programs that—

(I) target individuals with 1 or more chronic conditions;

(II) identify gaps in care; and

(III) facilitate improved care by using additional resources like nurses, nurse practitioners, and physician assistants.

(ii) Programs that focus on patient education and self-management of health conditions, including interventions that—

(I) help manage chronic conditions;

(II) reduce declines in health status; and

(III) foster patient and provider collaboration.

(iii) Transitional care interventions that focus on care provided around a hospital inpatient episode, including programs that target post-discharge patient care in order to reduce unnecessary health complications and readmissions.

(iv) Patient safety programs, including provisions for hospital-based patient safety programs in contracts that the Medicare Advantage organization offering the MA plan has with hospitals.

(v) Financial policies that promote systematic coordination of care by primary care physicians across the full spectrum of specialties and sites of care, such as medical homes, capitation arrangements, or pay-for-performance programs.

(vi) Programs that address, identify, and ameliorate health care disparities among principal at-risk subpopulations.

(vii) Medication therapy management programs that are more extensive than is required under section 1395w–16(c) of this title (as determined by the Secretary).

(viii) Health information technology programs, including clinical decision support and other tools to facilitate data collection and ensure patient-centered, appropriate care.

(ix) Such other care management and coordination programs as the Secretary determines appropriate.

(D) CONDUCT OF PROGRAM IN URBAN AND RURAL AREAS.—An MA plan may conduct a program described in subparagraph (C) in a manner appropriate for an urban or rural area, as applicable.

(E) REPORTING OF DATA.—Each Medicare Advantage organization shall provide to the Secretary the information needed to determine whether they are eligible for a care coordination and management performance bonus at a time and in a manner specified by the Secretary.

(F) PERIODIC AUDITING.—The Secretary shall provide for the annual auditing of programs described in subparagraph (C) for which an MA plan receives a care coordination and management performance bonus under this paragraph. The Comptroller General shall monitor auditing activities conducted under this subparagraph.

(2) QUALITY PERFORMANCE BONUSES.

(A) QUALITY BONUS.—For years beginning with 2014, the Secretary shall, in addition to any other payment provided under this part, make monthly payments, with respect to coverage of an individual under this part, to an MA plan that achieves at least a 3 star rating (or comparable rating) on a rating system described in subparagraph (C) in an amount equal to—
“(i) in the case of a plan that achieves a 3 star rating (or comparable rating) on such system 2 percent of the national monthly per capita cost for expenditures for individuals enrolled under the original medicare fee-for-service program for the year; and

“(ii) in the case of a plan that achieves a 4 or 5 star rating (or comparable rating) on such system, 4 percent of such national monthly per capita cost for the year.

“(B) IMPROVED QUALITY BONUS.—For years beginning with 2014, in the case of an MA plan that does not receive a quality bonus under subparagraph (A) and is an improved quality MA plan with respect to the year (as identified by the Secretary), the Secretary shall, in addition to any other payment provided under this part, make monthly payments, with respect to coverage of an individual under this part, to the MA plan in an amount equal to 1 percent of such national monthly per capita cost for the year.

“(C) USE OF RATING SYSTEM.—For purposes of subparagraph (A), a rating system described in this paragraph is—

“(i) a rating system that uses up to 5 stars to rate clinical quality and enrollee satisfaction and performance at the Medicare Advantage contract or MA plan level; or

“(ii) such other system established by the Secretary that provides for the determination of a comparable quality performance rating to the rating system described in clause (i).

“(D) DATA USED IN DETERMINING SCORE.—

“(i) IN GENERAL.—The rating of an MA plan under the rating system described in subparagraph (C) with respect to a year shall be based on based on the most recent data available.

“(ii) PLANS THAT FAIL TO REPORT DATA.—An MA plan which does not report data that enables the Secretary to rate the plan for purposes of subparagraph (A) or identify the plan for purposes of subparagraph (B) shall be counted, for purposes of such rating or identification, as having the lowest plan performance rating and the lowest percentage improvement, respectively.

“(3) QUALITY BONUS FOR NEW AND LOW ENROLLMENT MA PLANS.—

“(A) NEW MA PLANS.—For years beginning with 2014, in the case of an MA plan that first submits a bid under section 1395w–24(a)(1)(A) of this title for 2012 or a subsequent year, only receives enrollments made during the coverage election periods described in section 1395w–21(e) of this title, and is not able to receive a bonus under subparagraph (A) or (B) of paragraph (2) for the year, the Secretary shall, in addition to any other payment provided under this part, make monthly payments, with respect to coverage of an individual under this part, to the MA plan in an amount equal to 2 percent of national monthly per capita cost for expenditures for individuals enrolled under the original medicare fee-for-service program for the year. In its fourth year of operation, the MA plan shall be paid in the same manner as other MA plans with comparable enrollment.

“(B) LOW ENROLLMENT PLANS.—For years beginning with 2014, in the case of an MA plan that has low enrollment (as defined by the Secretary) and would not otherwise be able to receive a bonus under subparagraph (A) or (B) of paragraph (2) or subparagraph (A) of this paragraph for the year (referred to in this subparagraph as a ‘low enrollment plan’), the Secretary shall use a regional or local mean of the rating of all MA plans in the region or local area, as determined appropriate by the Secretary, on measures used to determine performance at the MA plan level; or

“(i) for 2012, the monthly per capita dollar amount of such rebates provided to enrollees under the MA local plan with respect to 2011; and

“(ii) for a subsequent year, 95 percent of the amount determined under this subparagraph for the preceding year.

“(4) SPECIAL RULES FOR PLANS IN IDENTIFIED AREAS.—Notwithstanding any other provision of this part, the following shall apply with respect to each Medicare Advantage organization offering an MA local plan in an area identified by the Secretary under paragraph (1) that makes an election described in paragraph (2):

“(A) PAYMENTS.—The amount of the monthly payment under this section to the Medicare Advantage organization, with respect to coverage of a grandfathered enrollee under this part in the area for a month, shall be equal to—

“(i) for 2012 and 2013, the sum of—

“(I) the bid amount under section 1395w–24(b)(1)(C) of this title for the MA local plan; and

“(II) the applicable amount (as defined in paragraph (2)(B)) for the MA local plan for the year.

“(B) QUALITY BONUS.—The Secretary shall risk adjust a performance bonus under this subsection in the same manner as the Secretary risk adjusts beneficiary rebates described in section 1395w–24(b)(1)(C) of this title.

“(5) NOTIFICATION.—The Secretary, in the annual announcement required under paragraph (4) for 2014 and each succeeding year, shall notify the Medicare Advantage organization of any performance bonus (including a care coordination and management performance bonus under subparagraph (A), a quality performance bonus under paragraph (2), and a quality bonus for new and low enrollment plans under paragraph (3)) that the organization will receive under this subsection with respect to the year. The Secretary shall provide for the publication of the information described in the previous sentence on the Internet website of the Centers for Medicare & Medicaid Services.

See Effective Date of 2010 Amendment note below.

Subsec. (n)(2)(B). Pub. L. 111–111, §1102(c)(2), which directed insertion of ‘subject to subsection (o)’ after as follows’ could not be executed because ‘as follows’ did not appear in text.

Subsec. (n)(6). Pub. L. 111–148, §3202(b)(2), which directed that subsec. (n), as added by Pub. L. 111–148, §3201(f), be amended by adding a par. (6), was not executed to reflect the probable intent of Congress and the subsequent repeal of §3201(f) by Pub. L. 111–152, §1102(a). See Amendment note above.


Pub. L. 111–148, §3201(g), which directed addition of subsec. (o) relating to grandfathering supplemental benefits for current enrollees after implementation of competitive bidding, was repealed by Pub. L. 111–152, §1102(a). As enacted, text read as follows:

“(1) IDENTIFICATION OF AREAS.—The Secretary shall identify MA local areas in which, with respect to 2009, average bids submitted by an MA organization under section 1395w–24(a) of this title for MA local plans in the area are not greater than 75 percent of the adjusted average per capita cost for the year involved, determined under section 1395mm(a)(4) of this title, for the area for individuals who are not enrolled in an MA plan in this area for the year, but adjusted to exclude costs attributable to payments under section 1395w–4(o), 1395ww(n), and 1395ww(h) of this title.

“(2) ELECTION TO PROVIDE REBATES TO GRANDFATHERED ENROLLMENTS.—

“(A) IN GENERAL.—For years beginning with 2012, each Medicare Advantage organization offering an MA local plan in an area identified by the Secretary under paragraph (1) may elect to provide rebates to grandfathered enrollees under section 1395w–24(b)(1)(C) of this title. In the case where an MA organization makes such an election, the monthly per capita dollar amount of such rebates shall not exceed the applicable amount for the year (as defined in subparagraph (B)).

“(B) APPLICABLE AMOUNT.—For purposes of this subsection, the term ‘aplicable amount’ means—

“(i) for 2012, the monthly per capita dollar amount of such rebates provided to enrollees under the MA local plan with respect to 2011; and

“(ii) for a subsequent year, 95 percent of the amount determined under this subparagraph for the preceding year.

“(6) REBATES FOR GRANDFATHERED ENROLLMENTS.—The Secretary shall risk adjust rebates described in section 1395w–24(b)(1)(C) of this title.

“(7) NOTIFICATION.—The Secretary, in the annual announcement required under paragraph (6) for 2014 and each succeeding year, shall notify the Medicare Advantage organization of any performance bonus (including a care coordination and management performance bonus under subparagraph (A), a quality performance bonus under paragraph (2), and a quality bonus for new and low enrollment plans under paragraph (3)) that the organization will receive under this subsection with respect to the year. The Secretary shall provide for the publication of the information described in the previous sentence on the Internet website of the Centers for Medicare & Medicaid Services.

See Effective Date of 2010 Amendment note below.

Subsec. (o)(2)(B). Pub. L. 111–111, §1102(c)(2), which directed insertion of ‘subject to subsection (o)’ after as follows’ could not be executed because ‘as follows’ did not appear in text.

Subsec. (o)(6). Pub. L. 111–148, §3202(b)(2), which directed that subsec. (n), as added by Pub. L. 111–148, §3201(f), be amended by adding a par. (6), was not executed to reflect the probable intent of Congress and the subsequent repeal of §3201(f) by Pub. L. 111–152, §1102(a). See Amendment note above.
“(ii) for 2014 and subsequent years, the sum of—
“(A) the MA competitive benchmark amount under subsection (j)(1)(A) for the area for the month, adjusted, only to the extent the Secretary determines necessary, to account for induced utilization as a result of rebates provided to grandfathered enrollees (except that such adjustment shall not exceed 5 percent of such MA competitive benchmark amount); and
“(B) the applicable amount (as so defined) for the MA local plan for the year.

“b. Requirement to submit bids under competitive bidding.—The Medicare Advantage organization shall submit a single bid amount under section 1395w–24(a) of this title for the MA local plan. The Medicare Advantage organization shall remove from such bid amount any effects of induced demand for care that may result from the higher rebates available to grandfathered enrollees under this subsection.

“c. Nonapplication of bonus payments and any other rebates.—The Medicare Advantage organization offering the MA local plan shall not be eligible for any bonus payment under subsection (p) or any rebate under this part (other than as provided under this subsection) with respect to grandfathered enrollees.

“d. Nonapplication of uniform bid and premium amounts to grandfathered enrollees.—Section 1395w–24(c) of this title shall not apply with respect to the MA local plan.

“e. Nonapplication of limitation on application of plan rebates toward payment of Part B premiums.—Notwithstanding clause (ii) of section 1395w–24(b)(1)(C) of this title, in the case of a grandfathered enrollee, a rebate under such section may be used for the purpose described in clause (ii)(III) of such section.

“(F) Risk adjustment.—The Secretary shall risk adjust rebates to grandfathered enrollees under this subsection in the same manner as the Secretary risk adjusts beneficiary rebates described in section 1395w–24(b)(1)(C) of this title.

“(G) Definition of grandfathered enrollee.—In this subsection, the term ‘grandfathered enrollee’ means an individual who is enrolled (effective as of March 23, 2010) in an MA local plan in an area that is applicable to grandfathered enrollees.

“(1) Nonapplication of uniform bid and premium amounts to grandfathered enrollees.—Section 1395w–24(c) of this title shall not apply with respect to the MA local plan.

“(2) Nonapplication of limitation on application of plan rebates toward payment of Part B premiums.—Notwithstanding clause (ii) of section 1395w–24(b)(1)(C) of this title, the term ‘grandfathered enrollee’ means an individual who—

“(A) enrolls in an MA local plan in an applicable area; and

“(B) experiences a significant reduction in extra benefits described in clause (ii) of section 1395w–24(b)(1)(C) of this title as a result of competitive bidding under this part (as determined by the Secretary).

“(3) Applicable area.—In this subsection, the term ‘applicable area’ means the following:

“(A) The 2 largest metropolitan statistical areas, if the Secretary determines that the total amount of such extra benefits for each enrollee for the month in those areas is greater than $100.

“(B) A county where—

“(i) the MA area-specific non-drug monthly benchmark amount for a month in 2011 is equal to the legacy urban floor amount (as described in subpart (c)(1)(B)(iii)), as determined by the Secretary for the area for 2011;

“(ii) the percentage of Medicare Advantage eligible beneficiaries in the county who are enrolled in an MA plan for 2009 is greater than 30 percent (as determined by the Secretary); and

“(iii) average bids submitted by an MA organization under section 1395w–24(a) of this title for MA local plans in the county for 2011 are not greater than the adjusted average per capita cost for the year involved, determined under section 1395ww(a)(4) of this title, for the county for individuals who are not enrolled in an MA plan under this part for the year, but adjusted to exclude costs attributable to payments under section 1395w–4(a), 1395ww(a), and 1395ww(h) of this title.

“(C) If the Secretary determines appropriate, a county contiguous to an area or county described in subparagraph (A) or (B), respectively.

“(4) Review of plan bids.—In the case of a bid submitted by an MA organization under section 1395w–24(a) of this title for an MA local plan in an applicable area, the Secretary shall review such bid in order to ensure that extra benefits (as specified by the Secretary) are provided to enrollees described in paragraph (2).

“(5) Funding.—The Secretary shall provide for the transfer from the Federal Hospital Insurance Trust Fund under section 1395i of this title and the Federal Supplementary Medical Insurance Trust Fund established under section 1395f of this title, in such proportion as the Secretary determines appropriate, of an amount not to exceed $5,000,000,000 for the period of fiscal years 2012 through 2019 for the purpose of providing transitional rebates under section 1395w–24(b)(1)(C) of this title for the provision of extra benefits under this subsection.”

See Effective Date of 2010 Amendment note below.


2009—Subsec. (a)(1)(A). Pub. L. 111–5, § 4101(e)(1), substituted “(i), and (i)” for “and (i)”.


Pub. L. 111–5, § 4101(e)(2)(A), substituted “sections ‘1395w–4(a) and 1395ww(h) of this title’ for “section 1395ww(h)” of this title.

Subsec. (c)(5)(B). Pub. L. 111–5, § 4102(d)(3)(A)(II), inserted “and subsections (b)(3)(B)(ix) and (n) of section 1395ww of this title” after “1395w–4 of this title”.

Subsec. (f). Pub. L. 111–5, § 4101(e)(2)(B), inserted “excluding expenditures attributable to subsections (a)(7) and (o) of section 1395w–4 of this title,” after “under part B”.

Subsec. (i). Pub. L. 111–5, § 4101(e)(3), inserted “and for payments under subsection (i)” after “the organization”.


Subsec. (m). Pub. L. 111–5, § 4102(c), added subsec. (m).

2008—Subsec. (k)(1). Pub. L. 110–275, § 161(a)(1), (b), substituted “paragraphs (2) and (4)” for “paragraph (2)” in introductory provisions and cl. (i) of subpar. (B).


(1) and (ii) for “amount” and provisions describing amount equal to 1⁄12 of the annual Medicare+Choice capitation rate, reduced by the amount of any reduction under section 1395ww–24F(i)(E) of this title and adjusted for certain factors.

Subsec. (a)(1)(B) to (G). Pub. L. 108–173, § 222(e)(1)(B), added subpars. (B) to (G). Former subpar. (B redesignated (H)).

Subsec. (a)(1)(H). Pub. L. 108–173, § 222(i), substituted as second sentence provisions relating to actuarial equivalence of rates of payment to rates that would have been paid with respect to other enrollees in the Medicare+Choice payment area and inserted sentence at end authorizing application of the competitive bidding methodology for this in section, with appropriate adjustments to account for the risk adjustment methodology applied to end stage renal disease payments.

Pub. L. 108–173, § 222(e)(1)(A), redesignated subpar. (B) and (C) as (B) and (C), respectively.


Subsec. (b)(3). Pub. L. 108–173, § 222(f)(2), substituted “such announcement” for “in the announcement in sufficient detail so that Medicare+Choice organizations can compute monthly adjusted Medicare+Choice capitation rates for individuals in each Medicare+Choice payment area which is in whole or in part within the service area of such an organization”.


Pub. L. 108–173, § 221(a)(2), substituted “(C), or (D)” for “or (D)” in introductory provisions.


Pub. L. 108–173, § 221(b)(2), inserted “other than 2004” after “for each year”.

Subsec. (c)(6)(C). Pub. L. 108–173, § 221(c)(2), inserted “except that for purposes of paragraph (1)(C)(iv), no such adjustment shall be made for a year before 2004” before period at end.


Subsec. (d). Pub. L. 108–173, § 221(d)(1)(A), substituted “MA payment area; MA local area; MA region defined for Medicare+Choice payment area’ defined in heading”.

Subsec. (d)(1). Pub. L. 108–173, § 221(d)(1)(C), amended heading and text of par. (1) generally. Prior to amendment, text read as follows: “In this part, except as provided in paragraph (3), the term ‘Medicare+Choice payment area’ means a county, or equivalent area specified by the Secretary.”

Subsec. (d)(2). Pub. L. 108–173, § 221(d)(1)(B), (D), added par. (2) and redesignated former par. (2) as (3). Former par. (3) redesignated (4).


Subsec. (d)(4)(B). Pub. L. 108–173, § 221(d)(1)(E)(iii), inserted “with respect to MA local plans’ after “established under this section” and “for such plans” after “payments under this section” and “made under this section”.

Subsec. (f). Pub. L. 108–173, § 1401(e)(3)(D), in heading, substituted “Trust Funds” for “Trust Fund” and, after first sentence, inserted “Payments to MA organizations for statutory drug benefits provided under this subchapter are made from the Medicare Prescription Drug Account in the Federal Supplementary Medical Insurance Trust Fund”.


Subsec. (g)(2)(B). Pub. L. 108–173, § 221(e)(1)(B), inserted “or other payment provision under this subchapter for inpatient services for the type of facility, hospital, or unit involved, described in the matter preceding paragraph (1), as the case may be,” after “1395ww(d) of this title”.


Subsec. (j)(1)(A). Pub. L. 108–173, § 241(b)(1)(A), inserted “subject to section 1395w–29(d)(2)(A) of this title” after “within an MA local area’’. 2002—Subsec. (b)(1). Pub. L. 107–188 in introductory provisions substituted “for years before 2004 and after 2005 not later than March 1 before the calendar year concerned” for “before the calendar year 2004 and not later than the second Monday in May before the preceding calendar year for ‘‘no later than March 1 before the calendar year concerned’’. 2000—Subsec. (a)(1)(A). Pub. L. 106–554, § 110(a)(6) [title VI, § 609(a)(2)(A)], inserted “reduced by the amount of any reduction elected under section 1395w–24F(i)(E) of this title” after “for that area’’. Subsec. (a)(1)(B). Pub. L. 106–554, § 110(a)(6) [title VI, § 609(a)(4)], inserted at end “In establishing such rates, the Secretary shall provide for appropriate adjustments to increase each rate to reflect the demonstration rate (including the risk adjustment methodology associated with such rate) of the social health maintenance organization end-stage renal disease capitation demonstration programs (established by section 221 of the Balanced Budget Act of 1997, as amended by section 13577(b) of the Omnibus Budget Reconciliation Act of 1993), and shall
compute such rates by taking into account such factors as renal treatment modality, age, and the underlying cause of the end-stage renal disease.\(^{\text{a}}\)

Subsec. (a)(3)(C)(iii). Pub. L. 106–554, § 611(a), substituted ‘‘subsections (e), (g), and (i)’’ for ‘‘subsections (e), (g), (h), and (i)’’.


Subsec. (c)(5). Pub. L. 106–554, § 611(a), substituted ‘‘subsections (a)(3)(C)(iii) and (i)’’ for ‘‘subsection (i)’’.

Subsec. (c)(5). Pub. L. 106–554, § 611(a), substituted ‘‘subsections (e), (g), and (i)’’ for ‘‘subsections (e) and (f)’’.

Amendment by section 1(a)(6) [title VI, § 611(a)] of Pub. L. 106–554, set out as a note under section 1395ww of this title.

Repeal of sections 3201 and 3203 of Pub. L. 111–148 and the amendments made by such sections, effective as if included in the enactment of Pub. L. 111–148, see section 1102(a) of Pub. L. 111–152, set out as a note under section 1395w–21 of this title.

Repeal of sections 3201 and 3203 of Pub. L. 111–148 and the amendments made by such sections, effective as if included in the enactment of Pub. L. 111–148, see section 1102(a) of Pub. L. 111–152, set out as a note under section 1395w–21 of this title.

Effective Date of 2000 Amendment

Pub. L. 106–554, § 611(a), Dec. 21, 2000, 114 Stat. 2763, 2763A–556, provided that: ‘‘The amendment made by subsection (a) [amending this section] shall apply to payments for months beginning with January 2002.”

Amendment by section 1(a)(6) [title VI, § 606(a)(2)(A)] of Pub. L. 106–554 applicable to years beginning with 2003, see section 1(a)(6) [title VI, § 606(b)] of Pub. L. 106–554, set out as a note under section 1398g–7b of this title.

Effective Date of 2003 Amendment

Pub. L. 106–173, title II, § 221(c)(1), Dec. 8, 2003, 117 Stat. 2178, provided that: ‘‘The amendments made by paragraph (1) [amending this section] shall first apply to announcements for years after 2005.”

Effective Date of 2002 Amendment


Effective Date of 2000 Amendment

Pub. L. 106–554, § 611(a), Dec. 21, 2000, 114 Stat. 2763, 2763A–556, provided that: ‘‘The amendment made by subsection (a) [amending this section] shall apply to payments for months beginning with January 2002.”

Amendment by section 1(a)(6) [title VI, § 606(a)(2)(A)] of Pub. L. 106–554 applicable to years beginning with 2003, see section 1(a)(6) [title VI, § 606(b)] of Pub. L. 106–554, set out as a note under section 1398g–7b of this title.

Effective Date of 2000 Amendment

Pub. L. 106–554, § 611(a), Dec. 21, 2000, 114 Stat. 2763, 2763A–556, provided that: ‘‘The amendment made by subsection (a) [amending this section] shall apply as if included in the enactment of BBRA [Pub. L. 106–113, § 1000(a)(6)].”

Amendment by section 1(a)(6) [title VI, § 611(a)] of Pub. L. 106–554 effective Dec. 21, 2000, and applicable to national coverage determinations and legislative changes in benefits occurring on or after such date, see section 1(a)(6) [title VI, § 611(c)] of Pub. L. 106–554, set out as a note under section 1398g–22 of this title.

Reports on Risk Adjustment Models

Pub. L. 114–255, div. C, title XVII, § 17006(c)(2)(A)(ii), Dec. 13, 2015, 130 Stat. 1337, provided that: ‘‘Not later than December 31, 2018, and every 3 years thereafter, the Secretary of Health and Human Services shall submit to Congress a report on the risk adjustment model and the ESRD risk adjustment model under the Medicare Advantage program under part C of title XVIII of the Social Security Act [42 U.S.C. 1395w–21 et seq.], including any revisions to either such model since the previous report. Such report shall include information on how such revisions impact the predictive ratios under either such model for groups of enrollees in Medicare Advantage plans, including very high and very low cost enrollees, and groups defined by the number of chronic conditions of enrollees.’’

MEDPAC STUDY OF AAPCPC

Pub. L. 108–173, title II, § 211(f), Dec. 8, 2003, 117 Stat. 2178, directed the Medicare Payment Advisory Commission to conduct a study that would assess the method used for determining the adjusted average per capita cost (AAPCPC) under section 1395mm(a)(4) of this title,
as applied under subsection (c)(1)(A) of this section, and to submit to Congress a report on such study not later than 18 months after Dec. 8, 2003.

**IMPLEMENTATION OF 2003 AMENDMENT**

Pub. L. 108–173, title II, §211(i), Dec. 8, 2003, 117 Stat. 2179, provided that:

"(1) ANNOUNCEMENT OF REVISED MEDICARE ADVANTAGE PAYMENT RATES.—Within 6 weeks after the date of the enactment of this Act [Dec. 8, 2003], the Secretary [of Health and Human Services] shall determine, and shall announce (in a manner intended to provide notice to interested parties) MA capitation rates under section 1833 of the Social Security Act (42 U.S.C. 1395w–23) for 2004, revised in accordance with the provisions of this section [amending this section and section 1395w–22 of this title and enacting provisions set out as notes under this section and section 1395w–21 of this title].

"(2) TRANSITION TO REVISED PAYMENT RATES.—The provisions of section 604 of BIPA [the Medicare, Medicaid, and SCHIP Benefits Improvement and Protection Act of 2000, H.R. 5661, as enacted by section 1(a)(6) of Pub. L. 106–554, 114 Stat. 2763, 2763A–554, provided that: "The provisions of section 601(b) [set out above] shall apply with respect to the amendments made by subsection (a) [amending this section] in the same manner as they apply to the amendments made by section 601(a) [amending this section]."

"(3) SPECIAL RULE FOR PAYMENT RATES IN 2003.—

"(A) JANUARY AND FEBRUARY.—Notwithstanding the amendments made by subsections (a) through (d) [amending this section], for purposes of making payments under section 1833 of the Social Security Act (42 U.S.C. 1395w–23) for January and February 2004, the annual capitation rate for a payment area shall be calculated and the excess amount under section 1854(f)(1)(B) of such Act (42 U.S.C. 1395w–24(f)(1)(B)) shall be determined as if such amendments had not been enacted.

"(B) MARCH THROUGH DECEMBER.—Notwithstanding the amendments made by subsections (a) through (d) [amending this section], for purposes of making payments under section 1833 of the Social Security Act (42 U.S.C. 1395w–23) for March through December 2004, the annual capitation rate for a payment area shall be calculated and the excess amount under section 1854(f)(1)(B) of such Act (42 U.S.C. 1395w–24(f)(1)(B)) shall be determined, in such manner as the Secretary estimates will ensure that the total of such payments with respect to 2004 is the same as the amounts that would have been if subparagraph (A) had not been enacted.

"(C) CONSTRUCTION.—Subparagraphs (A) and (B) shall not be taken into account in computing such capitation rate for 2005 and subsequent years.

"(D) PLANs REQUIRED TO PROVIDE NOTICE OF CHANGES IN PLAN BENEFITS.—In the case of an organization offering a plan under part C of title XVIII of the Social Security Act [this part] that revises its submission of the information described in section 1854(a)(1) of such Act (42 U.S.C. 1395w–23(a)(1)) for March through December 2004, the plan shall provide to each beneficiary enrolled in the plan with written notice of such changes.

"(E) LIMITATION ON REVIEW.—There shall be no administrative or judicial review under section 6869 or section 1878 of the Social Security Act (42 U.S.C. 1395f and 1395oo) of any of the amendments made by the Secretary under this subsection or the application of the payment rates determined pursuant to this subsection.

**SPECIAL RULE FOR JANUARY AND FEBRUARY OF 2001**

Pub. L. 106–554, §1(a)(6) [title VI, §601(b)], Dec. 21, 2000, 114 Stat. 2763, 2763A–554, provided that:

"(1) IN GENERAL.—Notwithstanding the amendments made by subsection (a) [amending this section], for purposes of making payments under section 1833 of the Social Security Act (42 U.S.C. 1395w–23) for January and February 2001, the annual Medicare+Choice capitation rate for a Medicare+Choice payment area shall be calculated, and the excess amount under section 1854(f)(1)(B) of such Act (42 U.S.C. 1395w–24(f)(1)(B)) shall be determined, as if such amendments had not been enacted.

"(2) CONSTRUCTION.—Paragraph (1) shall not be taken into account in computing such capitation rate for 2002 and subsequent years.

Pub. L. 106–554, §1(a)(6) [title VI, §601(b)], Dec. 21, 2000, 114 Stat. 2763, 2763A–555, provided that:

"(a) ANNOUNCEMENT OF REVISED MEDICARE+CHOICE PAYMENT RATES.—Within 2 weeks after the date of the enactment of this Act [Dec. 21, 2000], the Secretary of Health and Human Services shall determine, and shall announce (in a manner intended to provide notice to interested parties) Medicare+Choice capitation rates under section 1833 of the Social Security Act (42 U.S.C. 1395w–23) for 2001, revised in accordance with the provisions of this Act.

"(b) REGISTRY INTO PROGRAM PERMITTED FOR MEDICARE+CHOICE PROGRAMS.—A Medicare+Choice organization that provided notice to the Secretary of Health and Human Services before the date of the enactment of this Act [Dec. 21, 2000] that it was terminating its contract under part C of title XVIII of the Social Security Act [42 U.S.C. 1395w–21 et seq.] or was reducing the service area of a Medicare+Choice plan offered under such part shall be permitted to continue participation under such part, or to maintain the service area of such plan, for 2001 if it submits the Secretary with the information described in section 1854(a)(1) of the Social Security Act (42 U.S.C. 1395w–23) for 2001, in the same manner as if such amendments had not been enacted.

"(c) REVISED SUBMISSION OF PROPOSED PREMIUMS AND RELATED INFORMATION.—If—

"(1) a Medicare+Choice organization provided notice to the Secretary of Health and Human Services as of July 3, 2000, that it was renewing its contract under part C of title XVIII of the Social Security Act [this part] for all or part of the service area or areas served under its current contract, and

"(2) any part of the service area or areas addressed in such notice includes a payment area for which the Medicare+Choice capitation rate under section 1833(c) of such Act (42 U.S.C. 1395w–23(c)) for 2001, as determined under subsection (a), is higher than the rate previously determined for such year, such organization shall revise its submission of the information described in section 1854(a)(1) of the Social Security Act (42 U.S.C. 1395w–23(a)(1)), and shall submit such revised information to the Secretary, within 2 weeks after the date revised rates are announced by the Secretary under subsection (a).

"(d) WAIVER OF LIMITS ON STABILIZATION FUND.—Any regulatory provision that limits the proportion of the
excess amount that can be withheld in such stabilization fund for a contract period shall not apply with respect to submissions described in subsections (b) and (c).

"(e) Disregard of New Rate Announcement in Applying Pass-Through for New National Coverage Determinations.—For purposes of applying section 1832(a) of the Social Security Act (42 U.S.C. 1395w–22(a)(5)), the announcement of revised rates under subsection (a) shall not be treated as an announcement under section 1855(b) of such Act (42 U.S.C. 1395w–20(b))."

**Publication**

Pub. L. 106–554, §101(a)(6) [title VI, §605(c)], Dec. 21, 2000, 114 Stat. 2763, 2763A–556, provided that: "Not later than 6 months after the date of the enactment of this Act [Dec. 21, 2000], the Secretary of Health and Human Services shall publish for public comment a description of the appropriate adjustments described in the last sentence of section 1855(a)(1)(B) of the Social Security Act (42 U.S.C. 1395w–23(a)(1)(B)), as added by subsection (a). The Secretary shall publish such adjustments in final form by not later than July 1, 2001, so that the amendment made by subsection (a) is implemented on a timely basis consistent with subsection (b) [set out as a note above]."

**Report on Inclusion of Certain Costs of the Department of Veterans Affairs and Military Facility Services in Calculating Medicare+Choice Payment Rates**

Pub. L. 106–554, §101(a)(6) [title VI, §609], Dec. 21, 2000, 114 Stat. 2763, 2763A–559, provided that: "The Secretary of Health and Human Services shall report to Congress by not later than January 1, 2003, on a method to phase-in the costs of military facility services furnished by the Department of Veterans Affairs, and the costs of military facility services furnished by the Department of Defense, to medicare-eligible beneficiaries in the calculation of Medicare+Choice capitation payment. Such report shall include on a county-by-county basis—

"(1) the actual or estimated cost of such services to medicare-eligible beneficiaries;

"(2) the change in Medicare+Choice capitation payment rates if such costs are included in the calculation of payment rates;

"(3) one or more proposals for the implementation of payment adjustments to Medicare+Choice plans in counties where the payment rate has been affected due to the failure to calculate the cost of such services to medicare-eligible beneficiaries; and

"(4) a system to ensure that when a Medicare+Choice enrollee receives covered services through a facility of the Department of Veterans Affairs or the Department of Defense there is an appropriate payment recovery to the medicare program under title XVIII of the Social Security Act [this subchapter]."

**MedPAC Study and Report**

Pub. L. 106–113, div. B, §1000(a)(6) [title V, §511(c)], Nov. 29, 1999, 113 Stat. 1536, 1501A–381, provided that:

"(1) Study.—The Secretary of Health and Human Services shall conduct a study on how to reduce the costs and burdens on Medicare+Choice organizations of their complying with reporting requirements for encounter data imposed by the Secretary in establishing and implementing a risk adjustment methodology used in making payments to such organizations under section 1833 of the Social Security Act (42 U.S.C. 1395w–23).

\[\text{The Secretary shall consult with representatives of Medicare+Choice organizations in conducting the study. The study shall address the following issues:}\]

\[\text{""(A) Limiting the number and types of sites of services (that are in addition to inpatient sites) for which encounter data must be reported.}\]

\[\text{""(B) Establishing alternative risk adjustment methods that would require submission of less data.}\]

\[\text{""(C) The potential for Medicare+Choice organizations to misreport, overreport, or underreport prevalence of diagnoses in outpatient sites of care, the potential for increases in payments to Medicare+Choice organizations from changes in Medicare+Choice plan coding practices (commonly known as ‘coding creep’) and proposed methods for detecting and adjusting for such variations in diagnosis coding as part of the risk adjustment methodology using encounter data from multiple sites of care.}\]

\[\text{""(D) The impact of such requirements on the willingness of insurers to offer Medicare+Choice MSA plans and options for modifying encounter data reporting requirements to accommodate such plans.}\]

\[\text{""(E) Differences in the ability of Medicare+Choice organizations to report encounter data, and the potential for adverse competitive impacts on group and staff model health maintenance organizations or other integrated providers of care based on data reporting capabilities.}\]

\[\text{""(2) Report.—Not later than January 1, 2001, the Secretary shall submit a report to Congress on the study conducted under this subsection, together with any recommendations for legislation that the Secretary determines to be appropriate as a result of such study.}\]

**Special Rule for 2001**


"(B) The year-to-year stability of the risk factors applied to each Medicare+Choice plan and the potential for substantial changes in payment for small Medicare+Choice plans.

"(C) For medicare beneficiaries newly enrolled in Medicare+Choice plans in a given year, the correspondence between the average risk factor calculated from medicare-eligible for-service data for those individuals from the period prior to their enrollment in a Medicare+Choice plan and the average risk factor calculated for such individuals during their initial year of enrollment in a Medicare+Choice plan.

"(D) For medicare beneficiaries disenrolling from or switching among Medicare+Choice plans in a given year, the correspondence between the average risk factor calculated from data pertaining to the period prior to their disenrollment from a Medicare+Choice plan and the average risk factor calculated from data pertaining to the period after disenrollment.

"(E) An evaluation of the exclusion of ‘discretionary’ hospitalizations from consideration in the risk adjustment methodology.

"(F) Suggestions for changes or improvements in the risk adjustment methodology.

"(3) Report.—Not later than December 1, 2000, the Commission shall submit a report to Congress on the study conducted under paragraph (1), together with any recommendations for legislation that the Commission determines to be appropriate as a result of such study."
“In providing for the publication of information under section 1833(b)(4) of the Social Security Act (42 U.S.C. 1395w-23(b)(4)), as added by subsection (a), in 2001, the Secretary of Health and Human Services shall also include the information described in such section for 1998, as well as for 1999.”

DEVELOPMENT OF SPECIAL PAYMENT RULES UNDER MEDICARE+CHOICE PROGRAM FOR FRAIL ELDERLY ENROLLED IN SPECIALIZED PROGRAMS


“(1) STUDY.—The Medicare Payment Advisory Commission shall conduct a study on the development of a payment methodology under the Medicare+Choice program for frail elderly Medicare+Choice beneficiaries enrolled in a Medicare+Choice plan under a specialized program for the frail elderly that—

“(A) accounts for the prevalence, mix, and severity of chronic conditions among such frail elderly Medicare+Choice beneficiaries;

“(B) includes functional indicators of health status and such other factors as may be necessary to achieve appropriate payments for plans serving such beneficiaries.

“(2) REPORT.—Not later than 1 year after the date of the enactment of this Act [Nov. 29, 1999], the Commission shall submit a report to Congress on the study conducted under paragraph (1), together with any recommendations for legislation that the Commission determines to be appropriate as a result of such study.”

PUBLICATION OF NEW CAPITATION RATES

Pub. L. 105-33, title IV, §4021(1), Aug. 5, 1997, 111 Stat. 330, provided that: “Not later than 4 weeks after the date of the enactment of this Act [Aug. 5, 1997], the Secretary of Health and Human Services shall announce the annual Medicare+Choice capitation rates for 1998 under section 1853(b) of the Social Security Act [subsec. (b) of this section].”

SEC. 4011. MEDICARE PREPAID COMPETITIVE PRICING DEMONSTRATION PROJECT.

“(a) ESTABLISHMENT OF PROJECT.—

“(1) IN GENERAL.—Subject to the succeeding provisions of this subsection, the Secretary of Health and Human Services shall announce the Medicare+Choice capitation rates for 1998 under section 1853(b) of the Social Security Act [subsec. (b) of this section].

“(2) DELAY IN IMPLEMENTATION.—The Secretary shall not implement the project until January 1, 2000, or, if later, 6 months after the date the Competitive Pricing Advisory Committee has submitted to Congress a report on each of the following topics:

“(A) INCORPORATION OF ORIGINAL MEDICARE FEE-FOR-SERVICE PROGRAM INTO PROJECT.—What changes would be required in the project to feasibly incorporate the original medicare fee-for-service program into the project in the areas in which the project is operational.

“(B) QUALITY ACTIVITIES.—The nature and extent of the quality reporting and monitoring activities that should be required of plans participating in the project, the estimated costs that plans will incur as a result of these requirements, and the current ability of the Health Care Financing Administration to collect and report comparable data, sufficient to support comparable quality reporting and monitoring activities with respect to beneficiaries enrolled in the original medicare fee-for-service program generally.

“(C) RURAL PROJECT.—The current viability of initiating a project site in a rural area, given the site specific budget neutrality requirements of the project under subsection (e), and in such areas in which the Committee decides that the addition of such a site is not viable, recommendations on how the project might best be changed so that such a site is viable.

“(D) BENEFIT STRUCTURE.—The nature and extent of the benefit structure that should be required of plans participating in the project, the rationale for such benefit structure, the potential implications that any benefit standardization requirement may have on the number of plan choices available to a beneficiary in an area designated under the project, the potential implications of requiring participating plans to offer variations on any standardized benefit package the committee might recommend, such that a beneficiary could elect to pay a higher percentage of out-of-pocket costs in exchange for a lower premium (or premium rebate as the case may be), and the potential implications of expanding the project (in conjunction with the potential inclusion of the original medicare fee-for-service program) to require medicare supplemental insurance plans operating in an area designated under the project to offer a coordinated and comparable standardized benefit package.

“(3) CONFORMING DEADLINES.—Any dates specified in the succeeding provisions of this section shall be delayed (as specified by the Secretary) in a manner consistent with the delay effected under paragraph (2).

“(b) DESIGNATION OF 7 MEDICARE PAYMENT AREAS COVERED BY PROJECT.—

“(1) IN GENERAL.—The Secretary shall designate, in accordance with the recommendations of the Competitive Pricing Advisory Committee under paragraphs (2) and (3), medicare payment areas as areas in which the project under this subchapter will be conducted. In this section, the term ‘Competitive Pricing Advisory Committee’ means the Competitive Pricing Advisory Committee established under section 4012(a).

“(2) INITIAL DESIGNATION OF 4 AREAS.—

“(A) IN GENERAL.—The Competitive Pricing Advisory Committee shall recommend to the Secretary, consistent with subparagraph (B), the designation of 4 specific areas as medicare payment areas to be included in the project. Such recommendations shall be made in a manner so as to ensure that payments under the project in 2 such areas will begin on January 1, 1999, and in 2 such areas will begin on January 1, 2000.

“(B) LOCATION OF DESIGNATION.—Of the 4 areas recommended under subparagraph (A), 3 shall be in urban areas and 1 shall be in a rural area.

“(3) DESIGNATION OF ADDITIONAL 3 AREAS.—Not later than December 31, 2001, the Competitive Pricing Advisory Committee may recommend to the Secretary the designation of up to 3 additional, specific medicare payment areas to be included in the project.

“(c) PROJECT IMPLEMENTATION.—

“(1) IN GENERAL.—Subject to paragraph (2), the Secretary shall for each medicare payment area designated under subsection (b)—

“(A) in accordance with the recommendations of the Competitive Pricing Advisory Committee—

“(i) establish the benefit design among plans offered in such area,

“(ii) structure the method for selecting plans offered in such area, and

“(iii) establish beneficiary premiums for plans offered in such area in a manner such that a bene-
the Secretary shall appoint the Competitive Pricing Advisory Committee, including independent actuaries, individuals with expertise in competitive health plan pricing, and an employee of the Office of Personnel Management with expertise in the administration of the Federal Employees Health Benefit Program, to make recommendations to the Secretary concerning the designation of areas for inclusion in the project and appropriate research design for implementing the project.

"(2) INITIAL RECOMMENDATIONS.—The Competitive Pricing Advisory Committee initially shall submit recommendations regarding the area selection, benefit design among plans offered, structuring choice among health plans offered, methods for setting the price to be paid to plans, collection of plan information (including information concerning quality and access to care), information dissemination, and methods of evaluating the results of the project.

"(3) QUALITY RECOMMENDATION.—The Competitive Pricing Advisory Committee shall study and make recommendations regarding the feasibility of providing financial incentives and penalties to plans operating under the project that meet, or fail to meet, applicable quality standards.

"(4) ADVICE DURING IMPLEMENTATION.—Upon implementation of the project, the Competitive Pricing Advisory Committee shall continue to advise the Secretary on the application of the design in different areas and changes in the project based on experience with its operations.


"(b) APPOINTMENT OF AREA ADVISORY COMMITTEE.—Upon the designation of an area for inclusion in the project, the Secretary shall appoint an area advisory committee, composed of representatives of health plans, providers, and medicare beneficiaries in the area, to advise the Secretary concerning how the project will be implemented in the area. Such advice may include advice concerning the marketing and pricing of plans in the area and other salient factors. The duration of such a committee for an area shall be for the duration of the operation of the project in the area.

"(c) SPECIAL APPLICATION.—Notwithstanding section 9(c) of the Federal Advisory Committee Act (5 U.S.C. App.), the Competitive Pricing Advisory Commission and any area advisory committee (described in subsection (b)) may meet as soon as the members of the commission or committee, respectively, are appointed.”

§ 1395w–24. Premiums and bid amounts

(a) Submission of proposed premiums, bid amounts, and related information

(1) In general

(A) Initial submission

Not later than the second Monday in September of 2002, 2003, and 2004 (or the first Monday in June of each subsequent year), each MA organization shall submit to the Secretary, in a form and manner specified by the Secretary and for each MA plan for the service area (or segment of such an area if permitted under subsection (h)) in which it intends to be offered in the following year the following:

(i) The information described in paragraph (2), (3), (4), or (6)(A) for the type of plan and year involved.

(ii) The plan type for each plan.

(iii) The enrollment capacity (if any) in relation to the plan and area.

(B) Beneficiary rebate information

In the case of a plan required to provide a monthly rebate under subsection (b)(1)(C) for

The information described in paragraph (2), (3), (4), or (6)(A) for the type of plan and year involved.
§ 1395w–24

(2) Information required for coordinated care

For a Medicare+Choice plan described in section 1395w–21(a)(2)(A) of this title—

(i) the adjusted community rate (as defined in subsection (f)(3));

(ii) the amount of the Medicare+Choice monthly basic beneficiary premium;

(iii) a description of the deductibles, coinsurance, and copayments applicable to the plan, and the actuarial value of such deductibles, coinsurance, and copayments, as described in subsection (e)(1)(A); and

(iv) if required under subsection (f)(1), a description of the additional benefits to be provided pursuant to such subsection and the value determined for such proposed benefits under such subsection.

(B) Supplemental benefits

For benefits described in section 1395w–21(a)(2)(B) of this title—

(i) the adjusted community rate (as defined in subsection (f)(3));

(ii) the Medicare+Choice monthly supplemental beneficiary premium;

(iii) a description of the deductibles, coinsurance, and copayments applicable under the plan, and the actuarial value of such deductibles, coinsurance, and copayments, as described in subsection (e)(4)(A); and

(iv) if required under subsection (f)(1), a description of the additional benefits to be provided pursuant to such subsection and the value determined for such proposed benefits under such subsection.

(3) Requirements for MSA plans

For an MSA plan for any year, the information described in this paragraph is as follows:

(A) Basic (and additional) benefits

For benefits described in section 1395w–22(a)(1)(A) of this title—

(i) the adjusted community rate (as defined in subsection (f)(3));

(ii) the Medicare+Choice monthly basic beneficiary premium (as defined in subsection (b)(2)(A));

(iii) a description of the deductibles, coinsurance, and copayments applicable to the plan and the actuarial value of such deductibles, coinsurance, and copayments, described in subsection (e)(1)(A); and

(iv) if required under subsection (f)(1), a description of the additional benefits to be provided pursuant to such subsection and the value determined for such proposed benefits under such subsection.

(B) Supplemental benefits

For benefits described in section 1395w–22(a)(3) of this title—

(i) the adjusted community rate (as defined in subsection (f)(3));

(ii) the Medicare+Choice monthly supplemental beneficiary premium; and

(iii) a description of the deductibles, coinsurance, and copayments applicable under the plan and the actuarial value of such deductibles, coinsurance, and copayments, described in subsection (e)(2).

(5) Review

(A) In general

Subject to subparagraph (B), the Secretary shall review the adjusted community rates, the amounts of the basic and supplemental premiums, and values filed under paragraphs (2) and (4) of this subsection and shall approve or disapprove such rates, amounts, and values so submitted. The Chief Actuary of the Centers for Medicare & Medicaid Services shall review the actuarial assumptions and data used by the Medicare+Choice organization with respect to such rates, amounts, and values so submitted to determine the appropriateness of such assumptions and data.

(B) Exception

The Secretary shall not review, approve, or disapprove the amounts submitted under paragraph (3) or, in the case of an MA private fee-for-service plan, subparagraphs (A)(ii) and (B) of paragraph (4).

(C) Rejection of bids

(i) In general

Nothing in this section shall be construed as requiring the Secretary to accept any or every bid submitted by an MA organization under this subsection.

(ii) Authority to deny bids that propose significant increases in cost sharing or decreases in benefits

The Secretary may deny a bid submitted by an MA organization for an MA plan if it
proposes significant increases in cost sharing or decreases in benefits offered under the plan.

(6) Submission of bid amounts by MA organizations beginning in 2006

(A) Information to be submitted

For an MA plan (other than an MSA plan) for a plan year beginning on or after January 1, 2006, the information described in this subparagraph is as follows:

(i) The monthly aggregate bid amount for the provision of all items and services under the plan, which amount shall be based on average revenue requirements (as used for purposes of section 300e-1(8) of this title) in the payment area for an enrollee with a national average risk profile for the factors described in section 1395w-23(a)(1)(C) of this title (as specified by the Secretary).

(ii) The proportions of such bid amount that are attributable to—

(I) the provision of benefits under the original medicare fee-for-service program option (as defined in section 1395w-22(a)(1)(B) of this title), including, for plan year 2020 and subsequent plan years, the provision of additional telehealth benefits as described in section 1395w-22(m) of this title;

(II) the provision of basic prescription drug coverage; and

(III) the provision of supplemental health care benefits.

(iii) The actuarial basis for determining the amount under clause (i) and the proportions described in clause (ii) and such additional information as the Secretary may require to verify such actuarial bases and the projected number of enrollees in each MA local area.

(iv) A description of deductibles, coinsurance, and copayments applicable under the plan and the actuarial value of such deductibles, coinsurance, and copayments, described in subsection (e)(4)(A).

(v) With respect to qualified prescription drug coverage, the information required under section 1395w-104 of this title, as incorporated under section 1395w-111(b)(2) of this title, with respect to such coverage.

In the case of a specialized MA plan for special needs individuals, the information described in this subparagraph is such information as the Secretary shall specify.

(B) Acceptance and negotiation of bid amounts

(i) Authority

Subject to clauses (iii) and (iv), the Secretary has the authority to negotiate regarding monthly bid amounts submitted under subparagraph (A) (and the proportions described in subparagraph (A)(ii)), including supplemental benefits provided under subsection (b)(1)(C)(ii)(I) and exercising such authority the Secretary shall have authority similar to the authority of the Director of the Office of Personnel Management with respect to health benefits plans under section 1395w-22(m) of this title, with respect to such coverage.

(ii) Application of FEHBP standard

Subject to clause (iv), the Secretary may only accept such a bid amount or proportion if the Secretary determines that such amount and proportions are supported by the actuarial bases provided under subparagraph (A) and reasonably and equitably reflects the revenue requirements (as used for purposes of section 300e-1(8) of this title) of benefits provided under that plan.

(iii) Noninterference

In order to promote competition under this part and part D and in carrying out such parts, the Secretary may not require any MA organization to contract with a particular hospital, physician, or other entity or individual to furnish items and services under this subchapter or require a particular price structure for payment under such a contract to the extent consistent with the Secretary's authority under this part.

(iv) Exception

In the case of a plan described in section 1395w-21(a)(2)(C) of this title, the provisions of clauses (i) and (ii) shall not apply and the provisions of paragraph (5)(B), prohibiting the review, approval, or disapproval of amounts described in such paragraph, shall apply to the negotiation and rejection of the monthly bid amounts and the proportions referred to in subparagraph (A).

(b) Monthly premium charged

(1) In general

(A) Rule for other than MSA plans

Subject to the rebate under subparagraph (C), the monthly amount (if any) of the premium charged to an individual enrolled in a Medicare+Choice plan (other than an MSA plan) offered by a Medicare+Choice organization shall be equal to the sum of the Medicare+Choice monthly basic beneficiary premium, the Medicare+Choice monthly supplemental beneficiary premium (if any), and, if the plan provides qualified prescription drug coverage, the MA monthly prescription drug beneficiary premium.

(B) MSA plans

The monthly amount of the premium charged to an individual enrolled in an MSA plan offered by a Medicare+Choice organization shall be equal to the Medicare+Choice monthly supplemental beneficiary premium (if any).

(C) Beneficiary rebate rule

(i) Requirement

The MA plan shall provide to the enrollee a monthly rebate equal to 75 percent (or the applicable rebate percentage specified in clause (iii) in the case of plan years beginning on or after January 1, 2012) of the average per capita savings (if any) de-
scribed in paragraph (3)(C) or (4)(C), as applicable to the plan and year involved.

(ii) Form of rebate for plan years before 2012

For plan years before 2012, a rebate required under this subparagraph shall be provided through the application of the amount of the rebate toward one or more of the following:

(I) Provision of supplemental health care benefits and payment for premium for supplemental benefits

The provision of supplemental health care benefits described in section 1395w–22(a)(3) of this title in a manner specified under the plan, which may include the reduction of cost-sharing otherwise applicable as well as additional health care benefits which are not otherwise applicable as well as additional health care benefits which are not benefits under the original medicare fee-for-service program option, or crediting toward an MA monthly supplemental beneficiary premium (if any).

(II) Payment for premium for prescription drug coverage

Crediting toward the MA monthly prescription drug beneficiary premium.

(III) Payment toward part B premium

Crediting toward the premium imposed under part B (determined without regard to the application of subsections (b), (h), and (i) of section 1395r of this title).

(iii) Applicable rebate percentage

The applicable rebate percentage specified in this clause for a plan for a year, based on the system under section 1395w–23(o)(4)(A), is the sum of—

(I) the product of the old phase-in proportion for the year under clause (iv) and 75 percent; and

(II) the product of the new phase-in proportion for the year under clause (iv) and the final applicable rebate percentage under clause (v).

(iv) Old and new phase-in proportions

For purposes of clause (iv)—

(I) for 2012, the old phase-in proportion is 2⁄3; and

(II) for 2013, the old phase-in proportion is 3⁄5; and

(III) for 2014 and any subsequent year, the old phase-in proportion is 0 and the new phase-in proportion is 1.

(v) Final applicable rebate percentage

Subject to clause (vi), the final applicable rebate percentage under this clause is—

(I) in the case of a plan with a quality rating under such system of at least 4.5 stars, 70 percent; and

(II) in the case of a plan with a quality rating under such system of at least 3.5 stars and less than 4.5 stars, 65 percent; and

(III) in the case of a plan with a quality rating under such system of less than 3.5 stars, 50 percent.

(vi) Treatment of low enrollment and new plans

For purposes of clause (v)—

(I) for 2012, in the case of a plan described in subclause (I) of subsection (o)(3)(A)(ii), the plan shall be treated as having a rating of 4.5 stars; and

(II) for 2012 or a subsequent year, in the case of a new MA plan (as defined under subclause (III) of subsection (o)(3)(A)(ii)) that is treated as a qualifying plan pursuant to subclause (I) of such subsection, the plan shall be treated as having a rating of 3.5 stars.

(vii) Disclosure relating to rebates

The plan shall disclose to the Secretary information on the form and amount of the rebate provided under this subparagraph or the actuarial value in the case of supplemental health care benefits.

(viii) Application of part B premium reduction

Insofar as an MA organization elects to provide a rebate under this subparagraph under a plan as a credit toward the part B premium under clause (ii)(III), the Secretary shall apply such credit to reduce the premium under section 1395r of this title of each enrollee in such plan as provided in section 1395se(i) of this title.

(2) Premium and bid terminology defined

For purposes of this part:

(A) MA monthly basic beneficiary premium

The term “MA monthly basic beneficiary premium” means, with respect to an MA plan—

(I) described in section 1395w–23(a)(1)(B)(i) of this title (relating to plans providing rebates), zero; or

(ii) described in section 1395w–23(a)(1)(B)(ii) of this title, the amount (if any) by which the unadjusted MA statutory non-drug monthly bid amount (as defined in subparagraph (E)) exceeds the applicable unadjusted MA area-specific non-drug monthly benchmark amount (as defined in section 1395w–23(j) of this title).

(B) MA monthly prescription drug beneficiary premium

The term “MA monthly prescription drug beneficiary premium” means, with respect to an MA plan, the base beneficiary premium (as determined under section 1395w–113(a)(2) of this title and as adjusted under section 1395w–113(a)(3)(A)(ii) of this title), less the amount of rebate credited toward such amount under subsection (b)(1)(C)(ii)(I).

1So in original. Probably means subclause (I) of section 1395w–23(o)(3)(A)(ii) of this title.

See References in Text note below.

(C) MA monthly supplemental beneficiary premium

(i) In general

The term “MA monthly supplemental beneficiary premium” means, with respect to an MA plan, the portion of the aggregate monthly bid amount submitted under clause (i) of subsection (a)(6)(A) for the year that is attributable under clause (ii)(III) of such subsection to the provision of supplemental health care benefits, less the amount of rebate credited toward such portion under subsection (b)(1)(C)(ii)(I).

(ii) Application of MA monthly supplemental beneficiary premium

For plan years beginning on or after January 1, 2012, any MA monthly supplemental beneficiary premium charged to an individual enrolled in an MA plan shall be used for the purposes, and in the priority order, described in subclauses (i) through (III) of paragraph (1)(C)(iii).

(D) Medicare+Choice monthly MSA premium

The term “Medicare+Choice monthly MSA premium” means, with respect to a Medicare+Choice plan, the amount of such premium filed under subsection (a)(3)(A) for the plan.

(E) Unadjusted MA statutory non-drug monthly bid amount

The term “unadjusted MA statutory non-drug monthly bid amount” means the portion of the bid amount submitted under clause (i) of subsection (a)(6)(A) for the year that is attributable under clause (ii)(I) of such subsection to the provision of benefits under the original medicare fee-for-service program option (as defined in section 1395w–22(a)(1)(B) of this title).

(3) Computation of average per capita monthly savings for local plans

For purposes of paragraph (1)(C)(i), the average per capita monthly savings referred to in such paragraph for an MA local plan and year is computed as follows:

(A) Determination of statewide average risk adjustment for local plans

(i) In general

Subject to clause (iii), the Secretary shall determine, at the same time rates are promulgated under section 1395w–23(b)(1) of this title (beginning with 2006) for each State, the average of the risk adjustment factors to be applied under section 1395w–23(a)(1)(C) of this title to payment for enrollees in that State for MA local plans.

(ii) Treatment of States for first year in which local plan offered

In the case of a State in which no MA local plan was offered in the previous year, the Secretary shall estimate such average. In making such estimate, the Secretary may use average risk adjustment factors applied to comparable States or applied on a national basis.

(iii) Authority to determine risk adjustment for areas other than States

The Secretary may provide for the determination and application of risk adjustment factors under this subparagraph on the basis of areas other than States or on a plan-specific basis.

(B) Determination of risk adjusted benchmark and risk-adjusted bid for local plans

For each MA plan offered in a local area in a State, the Secretary shall—

(i) adjust the applicable MA area-specific non-drug monthly benchmark amount (as defined in section 1395w–23(j)(1) of this title) for the area by the average risk adjustment factor computed under subparagraph (A); and

(ii) adjust the unadjusted MA statutory non-drug monthly bid amount by such applicable average risk adjustment factor.

(C) Determination of average per capita monthly savings

The average per capita monthly savings described in this subparagraph for an MA local plan is equal to the amount (if any) by which—

(i) the risk-adjusted benchmark amount computed under subparagraph (B)(i); exceeds

(ii) the risk-adjusted bid computed under subparagraph (B)(ii).

(4) Computation of average per capita monthly savings for regional plans

For purposes of paragraph (1)(C)(i), the average per capita monthly savings referred to in such paragraph for an MA regional plan and year is computed as follows:

(A) Determination of regionwide average risk adjustment for regional plans

(i) In general

The Secretary shall determine, at the same time rates are promulgated under section 1395w–23(b)(1) of this title (beginning with 2006) for each MA region the average of the risk adjustment factors to be applied under section 1395w–23(a)(1)(C) of this title to payment for enrollees in that region for MA regional plans.

(ii) Treatment of regions for first year in which regional plan offered

In the case of an MA region in which no MA regional plan was offered in the previous year, the Secretary shall estimate such average. In making such estimate, the Secretary may use average risk adjustment factors applied to comparable regions or applied on a national basis.

(iii) Authority to determine risk adjustment for areas other than regions

The Secretary may provide for the determination and application of risk adjustment factors under this subparagraph on the basis of areas other than MA regions or on a plan-specific basis.

*See References in Text note below.*
(B) Determination of risk-adjusted benchmark and risk-adjusted bid for regional plans

For each MA regional plan offered in a region, the Secretary shall—

(i) adjust the applicable MA area-specific non-drug monthly benchmark amount (as defined in section 1395w–22(g)(2) of this title) for the region by the average risk adjustment factor computed under subparagraph (A); and

(ii) adjust the unadjusted MA statutory non-drug monthly bid amount by such applicable average risk adjustment factor.

(C) Determination of average per capita monthly savings

The average per capita monthly savings described in this subparagraph for an MA regional plan is equal to the amount (if any) by which—

(i) the risk-adjusted benchmark amount computed under subparagraph (B)(i) exceeds

(ii) the risk-adjusted bid computed under subparagraph (B)(ii).

(c) Uniform premium and bid amounts

Except as permitted under section 1395w–27(1) of this title, the MA monthly bid amount submitted under subsection (a)(6), the amounts of the MA monthly basic, prescription drug, and supplemental beneficiary premiums, and the MA monthly MSA premium charged under subsection (b) of an MA organization under this part may not vary among individuals enrolled in the plan.

(d) Terms and conditions of imposing premiums

(1) In general

Each Medicare+Choice organization shall permit the payment of Medicare+Choice monthly basic, prescription drug, and supplemental beneficiary premiums on a monthly basis, may terminate election of individuals for a Medicare+Choice plan for failure to make premium payments only in accordance with section 1395w–21(g)(3)(B)(i) of this title, and may not provide for cash or other monetary rebates as an inducement for enrollment or otherwise.

(2) Beneficiary’s option of payment through withholding from social security payment or use of electronic funds transfer mechanism

In accordance with regulations, an MA organization shall permit each enrollee, at the enrollee’s option, to make payment of premiums (if any) under this part to the organization through—

(A) withholding from benefit payments in the manner provided under section 1395s of this title with respect to monthly premiums under section 1395s of this title; or

(B) an electronic funds transfer mechanism (such as automatic charges of an account at a financial institution or a credit or debit card account); or

(C) such other means as the Secretary may specify, including payment by an employer or under employment-based retiree health coverage (as defined in section 1395w–12(c)(1) of this title) on behalf of an employee or former employee (or dependent).

All premium payments that are withheld under subparagraph (A) shall be credited to the appropriate Trust Fund (or Account thereof), as specified by the Secretary, under this subchapter and shall be paid to the MA organization involved. No charge may be imposed under an MA plan with respect to the election of the payment option described in subparagraph (A). The Secretary shall consult with the Commissioner of Social Security and the Secretary of the Treasury regarding methods for allocating premiums withheld under subparagraph (A) among the appropriate Trust Funds and Account.

(3) Information necessary for collection

In order to carry out paragraph (2)(A) with respect to an enrollee who has elected such paragraph to apply, the Secretary shall transmit to the Commissioner of Social Security—

(A) by the beginning of each year, the name, social security account number, consolidated monthly beneficiary premium described in paragraph (4) owed by such enrollee for each month during the year, and other information determined appropriate by the Secretary, in consultation with the Commissioner of Social Security; and

(B) periodically throughout the year, information to update the information previously transmitted under this paragraph for the year.

(4) Consolidated monthly beneficiary premium

In the case of an enrollee in an MA plan, the Secretary shall provide a mechanism for the consolidation of—

(A) the MA monthly basic beneficiary premium (if any);

(B) the MA monthly supplemental beneficiary premium (if any); and

(C) the MA monthly prescription drug beneficiary premium (if any).

(e) Limitation on enrollee liability

(1) For basic and additional benefits before 2006

For periods before 2006, in no event may—

(A) the Medicare+Choice monthly basic beneficiary premium (multiplied by 12) and the actuarial value of the deductibles, coinsurance, and copayments applicable on average to individuals enrolled under this part with a Medicare+Choice plan described in section 1395w–21(a)(2)(A) of this title exceed

(B) the actuarial value of the deductibles, coinsurance, and copayments that would be applicable on average to individuals entitled to benefits under part A and enrolled under part B if they were not members of a Medicare+Choice organization for the year.

(2) For supplemental benefits before 2006

For periods before 2006, if the Medicare+Choice organization provides to its
members enrolled under this part in a Medicare+Choice plan described in section 1395w–21(a)(2)(A) of this title with respect to supplemental benefits described in section 1395w–22(a)(3) of this title, the sum of the Medicare+Choice monthly supplemental beneficiary premium (multiplied by 12) charged and the actuarial value of its deductibles, coinsurance, and copayments charged with respect to such benefits may not exceed the adjusted community rate for such benefits (as defined in subsection (f)(3)).

(3) Determination on other basis
If the Secretary determines that adequate data are not available to determine the actuarial value under paragraph (1)(A), (2), or (4), the Secretary may determine such amount with respect to all individuals in same geographic area, the State, or in the United States, eligible to enroll in the Medicare+Choice plan involved under this part or on the basis of other appropriate data.

(4) Special rule for private fee-for-service plans and for basic benefits beginning in 2006
With respect to a Medicare+Choice private fee-for-service plan (other than a plan that is an MSA plan) and for periods beginning with 2006, with respect to an MA plan described in section 1395w–21(a)(2)(A) of this title, in no event may—
(A) the actuarial value of the deductibles, coinsurance, and copayments applicable on average to individuals enrolled under this part with such a plan of an organization with respect to benefits under the original Medicare fee-for-service program option, exceed
(B) the actuarial value of the deductibles, coinsurance, and copayments that would be applicable with respect to such benefits on average to individuals entitled to benefits under part A and enrolled under part B if they were not members of a Medicare+Choice organization for the year.

(f) Requirement for additional benefits before 2006

(1) Requirement
(A) In general
For years before 2006, each Medicare+Choice organization (in relation to a Medicare+Choice plan, other than an MSA plan, it offers) shall provide that if there is an excess amount (as defined in subparagraph (B)) for the plan for a contract year, subject to the succeeding provisions of this subsection, the organization shall provide to individuals such additional benefits (as the organization may specify) in a value which the Secretary determines is at least equal to the adjusted excess amount (as defined in subparagraph (C)).

(B) Excess amount
For purposes of this paragraph, the “excess amount”, for an organization for a plan, is the amount (if any) by which—
(i) the average of the capitation payments made to the organization under section 1395w–23 of this title for the plan at the beginning of contract year, exceeds
(ii) the actuarial value of the required benefits described in section 1395w–22(a)(1)(A) of this title under the plan for individuals under this part, as determined based upon an adjusted community rate described in paragraph (3) (as reduced for the actuarial value of the coinsurance, copayments, and deductibles under parts A and B).

(C) Adjusted excess amount
For purposes of this paragraph, the “adjusted excess amount”, for an organization for a plan, is the excess amount reduced to reflect any amount withheld and reserved for the organization for the year under paragraph (2).

(D) Uniform application
This paragraph shall be applied uniformly for all enrollees for a plan.

(E) Premium reductions

(i) In general
Subject to clause (ii), as part of providing any additional benefits required under subparagraph (A), a Medicare+Choice organization may elect a reduction in its payments under section 1395w–23(a)(1)(A) of this title with respect to a Medicare+Choice plan and the Secretary shall apply such reduction to reduce the premium under section 1395r of this title of each enrollee in such plan as provided in section 1395s(i) of this title.

(ii) Amount of reduction
The amount of the reduction under clause (i) with respect to any enrollee in a Medicare+Choice plan—
(I) may not exceed 125 percent of the premium described under section 1395r(a)(3) of this title; and
(II) shall apply uniformly to each enrollee of the Medicare+Choice plan to which such reduction applies.

(F) Construction
Nothing in this subsection shall be construed as preventing a Medicare+Choice organization from providing supplemental benefits (described in section 1395w–22(a)(3) of this title) that are in addition to the health care benefits otherwise required to be provided under this paragraph and from imposing a premium for such supplemental benefits.

(2) Stabilization fund
A Medicare+Choice organization may provide that a part of the value of an excess amount described in paragraph (1) be withheld and reserved in the Federal Hospital Insurance Trust Fund and in the Federal Supplementary Medical Insurance Trust Fund (in such proportions as the Secretary determines to be appropriate) by the Secretary for subsequent annual contract periods, to the extent required to stabilize and prevent undue fluctuations in the additional benefits offered in those subsequent periods by the organization in accordance with such paragraph. Any of such value of the amount reserved which is not provided as ad-
ditional benefits described in paragraph (1)(A) to individuals electing the Medicare+Choice plan of the organization in accordance with such paragraph prior to the end of such periods, shall revert for the use of such trust funds.

(3) Adjusted community rate

For purposes of this subsection, subject to paragraph (4), the term "adjusted community rate" for a service or services means, at the election of a Medicare+Choice organization, either—

(A) the rate of payment for that service or services which the Secretary annually determines would apply to an individual electing a Medicare+Choice plan under this part if the rate of payment were determined under a "community rating system" (as defined in section 300e–1(8) of this title, other than subparagraph (C)), or

(B) such portion of the weighted aggregate premium, which the Secretary annually estimates would apply to such an individual, as the Secretary annually estimates is attributable to that service or services, but adjusted for differences between the utilization characteristics of the individuals electing coverage under this part and the utilization characteristics of the other enrollees with the plan (or, if the Secretary finds that adequate data are not available to adjust for those differences, the differences between the utilization characteristics of individuals selecting other Medicare+Choice coverage, Medicare+Choice eligible individuals in the area, in the State, or in the United States, eligible to elect Medicare+Choice coverage under this part and the utilization characteristics of the rest of the population in the area, in the State, or in the United States, respectively).

(4) Determination based on insufficient data

For purposes of this subsection, if the Secretary finds that there is insufficient enrollment experience to determine an average of the capitation payments to be made under this part at the beginning of a contract period or to determine (in the case of a newly operated provider-sponsored organization or other new organization) the adjusted community rate for the organization, the Secretary may determine such an average based on the enrollment experience of other contracts entered into under this part and may determine such a rate using data in the general commercial marketplace.

(g) Prohibition of State imposition of premium taxes

No State may impose a premium tax or similar tax with respect to payments to Medicare+Choice organizations under section 1395w–23 of this title or premiums paid to such organizations under this part.

(h) Permitting use of segments of service areas

The Secretary shall permit a Medicare+Choice organization to elect to apply the provisions of this section uniformly to separate segments of a service area (rather than uniformly to an entire service area) as long as such segments are composed of one or more Medicare+Choice payment areas.


REFERENCES IN TEXT

Cl. (ii) of par. (1)(C), referred to in subsec. (b)(2)(C)(ii), was struck out and a new cl. (iii) was added by Pub. L. 111–152, 111–115, §1102(d)(2). See 2010 Amendment note below. As so amended, par. (1)(C)(iii) no longer relates to purposes of rebates and no longer contains a subcl. (III).

AMENDMENTS

2018—Subsec. (a)(6)(A)(i). Pub. L. 115–123 inserted "including, for plan year 2020 and subsequent plan years, the provision of additional telehealth benefits as described in section 1395w–22(m) of this title" before semicolon at end.


Subsec. (a)(6)(A). Pub. L. 111–148, §3201(d)(1), which directed insertion of "Information to be submitted under this paragraph shall be certified by a qualified member of the American Academy of Actuaries and shall meet actuarial guidelines and rules established by the Secretary under subparagraph (B)(v)." at end of concluding provisions, was repealed by Pub. L. 111–152, §1102(a). See Effective Date of 2010 Amendment note below.

Subsec. (a)(6)(B). Pub. L. 111–148, §3201(d)(1), which directed substitution of "(iii), (iv), and (v)" for "(iii) and (iv)" was repealed by Pub. L. 111–152, §1102(a). See Effective Date of 2010 Amendment note below.

Subsec. (a)(6)(B)(v). Pub. L. 111–148, §3201(d)(2)(B), which directed addition of cl. (v), was repealed by Pub. L. 111–152, §1102(a). As enacted, text read as follows: "(I) IN GENERAL.—In order to establish FA competitive benchmarks under section 1395w–23(j)(1)(A)(i) of this title, the Secretary, acting through the Chief Actuary of the Centers for Medicare & Medicaid Services (in this clause referred to as the ‘Chief Actuary’), shall establish—"

"(aa) actuarial guidelines for the submission of bid information under this paragraph; and"

"(bb) bidding rules that are appropriate to ensure accurate bids and fair competition among MA plans.

"(II) DENIAL OF BID AMOUNTS.—The Secretary shall deny monthly bid amounts submitted under subparagraph (A) that do not meet the actuarial guidelines and rules established under subclause (I).

"(III) REFUSAL TO ACCEPT CERTAIN BIDS DUE TO MISREPRESENTATIONS AND FAILURES TO ADEQUATELY MEET REQUIREMENTS.—In the case where the Secretary determines that information submitted by an MA organization under subparagraph (A) contains consistent misrepresentations and failures to adequately meet requirements of the organization, the Secretary may refuse to accept any additional such bid amounts from the organization for the plan year and the Chief Actu-
ary shall, if the Chief Actuary determines that the acts-

ures of the organization were complicit in those mis-

representations and failures, report those actuaries to

the Actuarial Board for Counseling and Discipline.” See Effective Date of 2010 Amendment note below.

Subsec. (b)(1)(C)(i). Pub. L. 111–152, §1102(d)(1), in-

serted the applicable rebate percentage specified in clause (iii) in the case of plan years beginning on or after January 1, 2012” after “75 percent”.

Pub. L. 111–148, §3201(c)(c), which directed insertion of “75 percent in the case of plan years beginning on or after January 1, 2014” after “75 percent”, was re-

pealed by Pub. L. 111–152, §1102(a). See Effective Date of 2010 Amendment note below.


Prior to amendment, text read as follows: “For plan years beginning on or after January 1, 2012, a rebate required under this subparagraph may not be used for the purpose de-

scribed in clause (ii) and shall be provided through the application of the amount of the rebate in the fol-

lowing priority order:

“(1) First, to use the most significant share to meaningfully reduce cost-sharing otherwise applicable for benefits under the original medicare fee-for-

service program under parts A and B and for qualified prescription drug coverage under part D, including the reduction of any deductibles, copayments, and maximum limitations on out-of-pocket expenses otherwise applicable. Any reduction of maximum limitations on out-of-pocket expenses under the pre-

ceding sentence shall apply to all benefits under the original medicare fee-for-service program option. The Secretary may provide guidance on meaningfully re-

ducing cost-sharing under this subclause, except that such guidance may not require a particular amount of cost-sharing or reduction in cost-sharing.

“(2) Second, to use the next most significant share to meaningfully provide coverage of preventive and wellness health care benefits (as defined by the Sec-

retary) which are not benefits under the original medicare fee-for-service program, such as smoking cessation, a free flu shot, and an annual physical ex-

amination.

“(3) Third, to use the remaining share to mean-

ingfully provide coverage of other health care bene-

fits which are not benefits under the original medicare fee-for-service program, such as eye examinations and dental coverage, and are not benefits de-

scribed in subclause (I).”


Former cl. (iv) redesignated (vii).

Pub. L. 111–148, §3202(b)(1)(B), redesignated cl. (iii)

as (iv).”


Pub. L. 111–148, §3202(b)(1)(B), redesignated cl. (iv)

as (v).”


2003—Pub. L. 108–173, §222(g)(1)(A), substituted “Pre-

miums and bid amounts” for “Premiums” in section catchline.

Subsec. (f). Pub. L. 108–173, § 222(g)(4)(C), substituted “(2), (3), or (4)” for “or (2)”.


Subsec. (h). Pub. L. 108–173, § 222(g)(4)(D)(ii), substituted “under the original Medicare fee-for-service program option” for “required benefits described in section 1395w–22(a)(1) of this title”.

Subsec. (i). Pub. L. 108–173, § 222(g)(4)(D)(iii), deleted “with respect to such benefits” after “after”.


Amendment by section 222(a)(1), (b), (c), (g) of Pub. L. 108–173 applicable with respect to plan years beginning on or after Jan. 1, 2006, see section 222(a) of Pub. L. 108–173, set out as a note under section 1395w–21 of this title.

Amendment by section 232(c), Dec. 8, 2003, 117 Stat. 2299, provided that: “The amendments made by this subsection [probably should be “this section”, amending this section and section 1395w–26 of this title] shall take effect on the date of the enactment of this Act [Dec. 8, 2003].”

Amendment by section 232(c), Dec. 8, 2003, 117 Stat. 2299, provided that: “The amendments made by subsection (a) [amending this section] shall apply to information submitted for years beginning with 2003.”

Amendment by section 222(a)(1), (b), (c), (g) of Pub. L. 108–173 applicable with respect to plan years beginning on or after Jan. 1, 2006, see section 222(a) of Pub. L. 108–173, set out as a note under section 1395w–21 of this title.

Amendment by section 222(a)(1), (b), (c), (g) of Pub. L. 108–173 applicable with respect to plan years beginning on or after Jan. 1, 2006, see section 222(a) of Pub. L. 108–173, set out as a note under section 1395w–21 of this title.

References to Medicare+Choice deemed to refer to Medicare Advantage or MA, subject to an appropriate transition provided by the Secretary of Health and Human Services in the use of those terms, see section 201 ofPub. L. 108–173, set out as a note under section 1395w–21 of this title.

CHANGE OF NAME

References to Medicare+Choice deemed to refer to Medicare Advantage or MA, subject to an appropriate transition provided by the Secretary of Health and Human Services in the use of those terms, see section 201 ofPub. L. 108–173, set out as a note under section 1395w–21 of this title.

Effective Date of 2010 Amendment

Repeal of sections 3201 and 3203 of Pub. L. 111–148 and the amendments made by such sections, effective as if included in the enactment of Pub. L. 111–148, see section 1102(a) of Pub. L. 111–148, set out as a note under section 1395w–21 of this title.


Effective Date of 2003 Amendment

Amendment by section 222(a)(1), (b), (c), (g) of Pub. L. 108–173 applicable with respect to plan years beginning on or after Jan. 1, 2006, see section 222(a) of Pub. L. 108–173, set out as a note under section 1395w–21 of this title.

Pub. L. 108–173, title II, § 232(c), Dec. 8, 2003, 117 Stat. 2299, provided that: “The amendments made by this subsection [probably should be “this section”, amending this section and section 1395w–26 of this title] shall take effect on the date of the enactment of this Act [Dec. 8, 2003].”

Effective Date of 2002 Amendment


Amendment by section 1(a)(6) [title VI, § 606(a)(1)] of Pub. L. 106–554 applicable to years beginning with 2003, see section 1(a)(6) [title VI, § 606(b)] of Pub. L. 106–554, set out as a note under section 1395w–2 of this title.

Pub. L. 106–554, § 1(a)(6) [title VI, § 622(b)], Dec. 21, 2000, 114 Stat. 2763, 2763A–566, provided that: “The amendments made by subsection (a) [amending this section] shall apply to submissions made on or after May 1, 2001.”

Effective Date of 1999 Amendment


§ 1395w–25

(2) Special exception for provider-sponsored organizations

(A) In general

In the case of a provider-sponsored organization that seeks to offer a Medicare+Choice plan in a State, the Secretary shall waive the requirement of paragraph (1) that the organization be licensed in that State if—

(i) the organization files an application for such waiver with the Secretary by not later than November 1, 2002, and

(ii) the Secretary determines, based on the application and other evidence presented to the Secretary, that any of the grounds for approval of the application described in subparagraph (B), (C), or (D) has been met.

(B) Failure to act on licensure application on a timely basis

The ground for approval of such a waiver application described in this subparagraph is that the State has failed to complete action on a licensing application of the organization within 90 days of the date of the State’s receipt of a substantially complete application. No period before August 5, 1997, shall be included in determining such 90-day period.

(C) Denial of application based on discriminatory treatment

The ground for approval of such a waiver application described in this subparagraph is that the State has denied such a licensing application and—

(i) the standards or review process imposed by the State as a condition of approval of the license imposes any material requirements, procedures, or standards (other than solvency requirements) to such organizations that are not generally applicable to other entities engaged in a substantially similar business or

(ii) the State requires the organization, as a condition of licensure, to offer any product or plan other than a Medicare+Choice plan.

(D) Denial of application based on application of solvency requirements

With respect to waiver applications filed on or after the date of publication of solvency standards under section 1395w–26(a) of this title, the ground for approval of such a waiver application described in this subparagraph is that the State has denied such a licensing application based (in whole or in part) on the organization’s failure to meet applicable solvency requirements and—

(i) such requirements are not the same as the solvency standards established under section 1395w–26(a) of this title; or

(ii) the State has imposed as a condition of approval of the license documentation or information requirements relating to solvency or other material requirements, procedures, or standards relating to solvency that are different from the requirements, procedures, and standards applied by the Secretary under subsection (d)(2).

For purposes of this paragraph, the term “solvency requirements” means requirements relating to solvency and other matters covered under the standards established under section 1395w–26(a) of this title.

(E) Treatment of waiver

In the case of a waiver granted under this paragraph for a provider-sponsored organization with respect to a State—

(i) Limitation to State

The waiver shall be effective only with respect to that State and does not apply to any other State.

(ii) Limitation to 36-month period

The waiver shall be effective only for a 36-month period and may not be renewed.

(iii) Conditioned on compliance with consumer protection and quality standards

The continuation of the waiver is conditioned upon the organization’s compliance with the requirements described in subparagraph (G).

(iv) Preemption of State law

Any provisions of law of that State which relate to the licensing of the organization and which prohibit the organization from providing coverage pursuant to a contract under this part shall be superseded.

(F) Prompt action on application

The Secretary shall grant or deny such a waiver application within 60 days after the date the Secretary determines that a substantially complete waiver application has been filed. Nothing in this section shall be construed as preventing an organization which has had such a waiver application denied from submitting a subsequent waiver application.

(G) Application and enforcement of State consumer protection and quality standards

(i) In general

A waiver granted under this paragraph to an organization with respect to licensing under State law is conditioned upon the organization’s compliance with all consumer protection and quality standards insofar as such standards—

(I) would apply in the State to the organization if it were licensed under State law;

(II) are generally applicable to other Medicare+Choice organizations and plans in the State; and

(III) are consistent with the standards established under this part.

Such standards shall not include any standard preempted under section 1395w–26(b)(3)(B) of this title.

(ii) Incorporation into contract

In the case of such a waiver granted to an organization with respect to a State, the Secretary shall incorporate the requirement that the organization (and
Medicare+Choice plans it offers) comply with standards under clause (i) as part of the contract between the Secretary and the organization under section 1395w–27 of this title.

(iii) Enforcement

In the case of such a waiver granted to an organization with respect to a State, the Secretary may enter into an agreement with the State under which the State agrees to provide for monitoring and enforcement activities with respect to compliance of such an organization and its Medicare+Choice plans with such standards. Such monitoring and enforcement shall be by the State in the same manner as the State enforces such standards with respect to other Medicare+Choice organizations and plans, without discrimination based on the type of organization to which the standards apply. Such an agreement shall specify or establish mechanisms by which compliance activities are undertaken, while not lengthening the time required to review and process applications for waivers under this paragraph.

(H) Report

By not later than December 31, 2001, the Secretary shall submit to the Committee on Ways and Means and the Committee on Commerce of the House of Representatives and the Committee on Finance of the Senate a report regarding whether the waiver process under this paragraph should be continued after December 31, 2002. In making such recommendations, the Secretary shall consider, among other factors, the impact of such process on beneficiaries and on the long-term solvency of the program under this subchapter.

(3) Licensure does not substitute for or constitute certification

The fact that an organization is licensed in accordance with paragraph (1) does not deem the organization to meet other requirements imposed under this part.

(b) Assumption of full financial risk

The Medicare+Choice organization shall assume full financial risk on a prospective basis for the provision of the health care services for which benefits are required to be provided under section 1395w–22(a)(1) of this title, except that the organization—

(1) may obtain insurance or make other arrangements for the cost of providing to any enrolled member such services the aggregate value of which exceeds such aggregate level as the Secretary specifies from time to time,

(2) may obtain insurance or make other arrangements for the cost of such services provided to its enrolled members other than through the organization because medical necessity required their provision before they could be secured through the organization,

(3) may obtain insurance or make other arrangements for not more than 90 percent of the amount by which its costs for any of its fiscal years exceed 115 percent of its income for such fiscal year, and

(4) may make arrangements with physicians or other health care professionals, health care institutions, or any combination of such individuals or institutions to assume all or part of the financial risk on a prospective basis for the provision of basic health services by the physicians or other health professionals or through the institutions.

(c) Certification of provision against risk of insolvency for unlicensed PSOs

(1) In general

Each Medicare+Choice organization that is a provider-sponsored organization, that is not licensed by a State under subsection (a), and for which a waiver application has been approved under subsection (a)(2), shall meet standards established under section 1395w–26(a) of this title relating to the financial solvency and capital adequacy of the organization.

(2) Certification process for solvency standards for PSOs

The Secretary shall establish a process for the receipt and approval of applications of a provider-sponsored organization described in paragraph (1) for certification (and periodic recertification) of the organization as meeting such solvency standards. Under such process, the Secretary shall act upon such a certification application not later than 60 days after the date the application has been received.

(d) “Provider-sponsored organization” defined

(1) In general

In this part, the term “provider-sponsored organization” means a public or private entity—

(A) that is established or organized, and operated, by a health care provider, or group of affiliated health care providers,

(B) that provides a substantial proportion (as defined by the Secretary in accordance with paragraph (2)) of the health care items and services under the contract through provider or affiliated group of providers, and

(C) with respect to which the affiliated providers share, directly or indirectly, substantial financial risk with respect to the provision of such items and services and have at least a majority financial interest in the entity.

(2) Substantial proportion

In defining what is a “substantial proportion” for purposes of paragraph (1)(B), the Secretary—

(A) shall take into account the need for such an organization to assume responsibility for providing—

(i) significantly more than the majority of the items and services under the contract under this section through its own affiliated providers; and

(ii) most of the remainder of the items and services under the contract through providers with which the organization has an agreement to provide such items and services,
in order to assure financial stability and to address the practical considerations involved in integrating the delivery of a wide range of service providers;

(B) shall take into account the need for such an organization to provide a limited proportion of the items and services under the contract through providers that are neither affiliated with nor have an agreement with the organization; and

(C) may allow for variation in the definition of substantial proportion among such organizations based on relevant differences among the organizations, such as their location in an urban or rural area.

(3) Affiliation

For purposes of this subsection, a provider is “affiliated” with another provider if, through contract, ownership, or otherwise—

(A) one provider, directly or indirectly, controls, is controlled by, or is under common control with the other;

(B) both providers are part of a controlled group of corporations under section 1563 of the Internal Revenue Code of 1986;

(C) each provider is a participant in a lawful combination under which each provider shares substantial financial risk in connection with the organization’s operations, or

(D) both providers are part of an affiliated service group under section 414 of such Code.

(4) Control

For purposes of paragraph (3), control is presumed to exist if one party, directly or indirectly, owns, controls, or holds the power to vote, or proxies for, not less than 51 percent of the voting rights or governance rights of another.

(5) “Health care provider” defined

In this subsection, the term “health care provider” means—

(A) any individual who is engaged in the delivery of health care services in a State and who is required by State law or regulation to be licensed or certified by the State to engage in the delivery of such services in the State, and

(B) any entity that is engaged in the delivery of health care services in a State and that, if it is required by State law or regulation to be licensed or certified by the State to engage in the delivery of such services in the State, is so licensed.

(6) Regulations

The Secretary shall issue regulations to carry out this subsection.


References in Text

The Internal Revenue Code of 1986, referred to in subsec. (d)(3)(B), (D), is classified generally to Title 26, Internal Revenue Code.

Change of Name

References to Medicare+Choice deemed to refer to Medicare Advantage or MA, subject to an appropriate transition provided by the Secretary of Health and Human Services in the use of those terms, see section 201 of Pub. L. 108–173, set out as a note under section 1395w–21 of this title.

Committee on Commerce of House of Representatives changed to Committee on Energy and Commerce of House of Representatives, and jurisdiction over matters relating to securities and exchanges and insurance generally transferred to Committee on Financial Services of House of Representatives by House Resolution No. 5, One Hundred Seventh Congress, Jan. 3, 2001.

§ 1395w–26. Establishment of standards

(a) Establishment of solvency standards for provider-sponsored organizations

(1) Establishment

(A) In general

The Secretary shall establish, on an expedited basis and using a negotiated rulemaking process under subchapter III of chapter 5 of title 5, standards described in section 1395w–25(c)(1) of this title (relating to the financial solvency and capital adequacy of the organization) that entities must meet to qualify as provider-sponsored organizations under this part.

(B) Factors to consider for solvency standards

In establishing solvency standards under subparagraph (A) for provider-sponsored organizations, the Secretary shall consult with interested parties and shall take into account—

(i) the delivery system assets of such an organization and ability of such an organization to provide services directly to enrollees through affiliated providers,

(ii) alternative means of protecting against insolvency, including reinsurance, unrestricted surplus, letters of credit, guarantees, organizational insurance coverage, partnerships with other licensed entities, and valuation attributable to the ability of such an organization to meet its service obligations through direct delivery of care, and

(iii) any standards developed by the National Association of Insurance Commissioners specifically for risk-based health care delivery organizations.

(C) Enrollee protection against insolvency

Such standards shall include provisions to prevent enrollees from being held liable to any person or entity for the Medicare+Choice organization’s debts in the event of the organization’s insolvency.

(2) Publication of notice

In carrying out the rulemaking process under this subsection, the Secretary, after consultation with the National Association of Insurance Commissioners, the American Academy of Actuaries, organizations representative of medicare beneficiaries, and other interested parties, shall publish the notice provided for under section 564(a) of title 5 by not later than 45 days after August 5, 1997.

(3) Target date for publication of rule

As part of the notice under paragraph (2), and for purposes of this subsection, the “tar-
get date for publication” (referred to in section 564(a)(5) of such title) shall be April 1, 1998.

(4) Abbreviated period for submission of comments
In applying section 564(c) of such title under this subsection, “15 days” shall be substituted for “30 days”.

(5) Appointment of negotiated rulemaking committee and facilitator
The Secretary shall provide for—
(A) the appointment of a negotiated rulemaking committee under section 566(a) of such title by not later than 30 days after the end of the comment period provided for under section 564(c) of such title (as shortened under paragraph (4)), and
(B) the nomination of a facilitator under section 566(c) of such title by not later than 10 days after the date of appointment of the committee.

(6) Preliminary committee report
The negotiated rulemaking committee appointed under paragraph (5) shall report to the Secretary, by not later than January 1, 1998, regarding the committee’s progress on achieving a consensus with regard to the rulemaking proceeding and whether such consensus is likely to occur before 1 month before the target date for publication of the rule. If the committee reports that the committee has failed to make significant progress towards such consensus or is unlikely to reach such consensus by the target date, the Secretary may terminate such process and provide for the publication of a rule under this subsection through such other methods as the Secretary may provide.

(7) Final committee report
If the committee is not terminated under paragraph (6), the rulemaking committee shall submit a report containing a proposed rule by not later than 1 month before the target date of publication.

(8) Interim, final effect
The Secretary shall publish a rule under this subsection in the Federal Register by not later than the target date of publication. Such rule shall be effective and final immediately on an interim basis, but is subject to change and revision after public notice and opportunity for a period (of not less than 60 days) for public comment. In connection with such rule, the Secretary shall specify the process for the timely review and approval of applications of entities to be certified as provider-sponsored organizations pursuant to such rules and consistent with this subsection.

(9) Publication of rule after public comment
The Secretary shall provide for consideration of such comments and republication of such rule by not later than 1 year after the target date of publication.

(b) Establishment of other standards
(1) In general
The Secretary shall establish by regulation other standards (not described in subsection (a)) for Medicare+Choice organizations and plans consistent with, and to carry out, this part. The Secretary shall publish such regulations by June 1, 1998. In order to carry out this requirement in a timely manner, the Secretary may promulgate regulations that take effect on an interim basis, after notice and pending opportunity for public comment.

(2) Use of current standards
Consistent with the requirements of this part, standards established under this subsection shall be based on standards established under section 1395mm of this title to carry out analogous provisions of such section.

(3) Relation to State laws
The standards established under this part shall supersede any State law or regulation (other than State licensing laws or State laws relating to plan solvency) with respect to MA plans which are offered by MA organizations under this part.

(4) Prohibition of midyear implementation of significant new regulatory requirements
The Secretary may not implement, other than at the beginning of a calendar year, regulations under this section that impose new, significant regulatory requirements on a Medicare+Choice organization or plan.

References to Medicare+Choice deemed to refer to Medicare Advantage or MA, subject to an appropriate transition provided by the Secretary of Health and Human Services in the use of those terms, see section 301 of Pub. L. 108–173, set out as a note under section 1395w–27.

AMENDMENTS
2003—Subsec. (b)(3). Pub. L. 108–173 reenacted heading without change and amended text generally. Prior to amendment, text consisted of subpars. (A) and (B) stating general rule and listing standards specifically superseded.


CHANGE OF NAME
References to Medicare+Choice deemed to refer to Medicare Advantage or MA, subject to an appropriate transition provided by the Secretary of Health and Human Services in the use of those terms, see section 201 of Pub. L. 108–173, set out as a note under section 1395w–21 of this title.

EFFECTIVE DATE OF 2000 AMENDMENT
Pub. L. 106–554, §1(a)(6) [title VI, §612(b)], Dec. 21, 2000, 114 Stat. 2763, 2763A–560, provided that: “The amendment made by subsection (a) [amending this section] takes effect on the date of the enactment of this Act [Dec. 21, 2000].”

Pub. L. 106–554, §1(a)(6) [title VI, §614(b)], Dec. 21, 2000, 114 Stat. 2763, 2763A–561, provided that: “The amendments made by subsection (a) [amending this section] take effect on the date of the enactment of this Act [Dec. 21, 2000].”

§1395w–27. Contracts with Medicare+Choice organizations
(a) In general
The Secretary shall not permit the election under section 1395w–21 of this title of a
Medicare+Choice plan offered by a Medicare+Choice organization under this part, and no payment shall be made under section 1395w–23 of this title to an organization, unless the Secretary has entered into a contract under this section with the organization with respect to the offering of such plan. Such a contract with an organization may cover more than 1 Medicare+Choice plan. Such contract shall provide that the organization agrees to comply with the applicable requirements and standards of this part and the terms and conditions of payment as provided for in this part.

(b) Minimum enrollment requirements

(1) In general

Subject to paragraph (2), the Secretary may not enter into a contract under this section with a Medicare+Choice organization unless the organization has—

(A) at least 5,000 individuals (or 1,500 individuals in the case of an organization that is a provider-sponsored organization) who are receiving health benefits through the organization, or

(B) at least 1,500 individuals (or 500 individuals in the case of an organization that is a provider-sponsored organization) who are receiving health benefits through the organization if the organization primarily serves individuals residing outside of urbanized areas.

(2) Application to MSA plans

In applying paragraph (1) in the case of a Medicare+Choice organization that is offering an MSA plan, paragraph (1) shall be applied by substituting covered lives for individuals.

(3) Allowing transition

The Secretary may waive the requirement of paragraph (1) during the first 3 contract years with respect to an organization.

c) Contract period and effectiveness

(1) Period

Each contract under this section shall be for a term of at least 1 year, as determined by the Secretary, and may be made automatically renewable from term to term in the absence of notice by either party of intention to terminate at the end of the current term.

(2) Termination authority

In accordance with procedures established under subsection (h), the Secretary may at any time terminate any such contract if the Secretary determines that the organization—

(A) has failed substantially to carry out the contract;

(B) is carrying out the contract in a manner inconsistent with the efficient and effective administration of this part; or

(C) no longer substantially meets the applicable conditions of this part.

(3) Effective date of contracts

The effective date of any contract executed pursuant to this section shall be specified in the contract, except that in no case shall a contract under this section which provides for coverage under an MSA plan be effective before January 1999 with respect to such coverage.

(4) Previous terminations

(A) In general

The Secretary may not enter into a contract with a Medicare+Choice organization if a previous contract with that organization under this section was terminated at the request of the organization within the preceding 2-year period, except as provided in subparagraph (B) and except in such other circumstances which warrant special consideration, as determined by the Secretary.

(B) Earlier re-entry permitted where change in payment policy

Subparagraph (A) shall not apply with respect to the offering by a Medicare+Choice organization of a Medicare+Choice plan in a Medicare+Choice payment area if during the 6-month period beginning on the date the organization notified the Secretary of the intention to terminate the most recent previous contract, there was a legislative change enacted (or a regulatory change adopted) that has the effect of increasing payment amounts under section 1395w–23 of this title for that Medicare+Choice payment area.

(5) Contracting authority

The authority vested in the Secretary by this part may be performed without regard to such provisions of law or regulations relating to the making, performance, amendment, or modification of contracts of the United States as the Secretary may determine to be inconsistent with the furtherance of the purpose of this subchapter.

d) Protections against fraud and beneficiary protections

(1) Periodic auditing

The Secretary shall provide for the annual auditing of the financial records (including data relating to medicare utilization and costs, including allowable costs under section 1395w–27a(c) of this title) of at least one-third of the Medicare+Choice organizations offering Medicare+Choice plans under this part. The Comptroller General shall monitor auditing activities conducted under this subsection.

(2) Inspection and audit

Each contract under this section shall provide that the Secretary, or any person or organization designated by the Secretary—

(A) shall have the right to timely inspect or otherwise evaluate (i) the quality, appropriateness, and timeliness of services performed under the contract, and (ii) the facilities of the organization when there is reasonable evidence of some need for such inspection, and

(B) shall have the right to timely audit and inspect any books and records of the Medicare+Choice organization that pertain to services performed or determinations of amounts payable under the contract.
(3) Enrollee notice at time of termination
Each contract under this section shall require the organization to provide (and pay for) written notice in advance of the contract's termination, as well as a description of alternatives for obtaining benefits under this subchapter, to each individual enrolled with the organization under this part.

(4) Disclosure

(A) In general
Each Medicare+Choice organization shall, in accordance with regulations of the Secretary, report to the Secretary financial information which shall include the following:
(i) Such information as the Secretary may require demonstrating that the organization has a fiscally sound operation.
(ii) A copy of the report, if any, filed with the Secretary containing the information required to be reported under section 1320a–3 of this title by disclosing entities.
(iii) A description of transactions, as specified by the Secretary, between the organization and a party in interest. Such transactions shall include—
(I) any sale or exchange, or leasing of any property between the organization and a party in interest;
(II) any furnishing for consideration of goods, services (including management services), or facilities between the organization and a party in interest, but not including salaries paid to employees for services provided in the normal course of their employment and health services provided to members by hospitals and other providers and by staff, medical group (or groups), individual practice association (or associations), or any combination thereof; and
(III) any lending of money or other extension of credit between an organization and a party in interest.

The Secretary may require that information reported respecting an organization which controls, is controlled by, or is under common control with, another entity be in the form of a consolidated financial statement for the organization and such entity.

(B) “Party in interest” defined
For the purposes of this paragraph, the term “party in interest” means—
(i) any director, officer, partner, or employee responsible for management or administration of a Medicare+Choice organization, any person who is directly or indirectly the beneficial owner of more than 5 percent of the equity of the organization, any person who is the beneficial owner of a mortgage, deed of trust, note, or other interest secured by, and valuing more than 5 percent of the organization, and, in the case of a Medicare+Choice organization organized as a nonprofit corporation, an incorporator or member of such corporation under applicable State corporation law;
(ii) any entity in which a person described in clause (i)—
(i) is an officer or director;
(ii) is a partner (if such entity is organized as a partnership);
(iii) has directly or indirectly a beneficial interest of more than 5 percent of the equity; or
(iv) has a mortgage, deed of trust, note, or other interest valuing more than 5 percent of the assets of such entity;
(iii) any person directly or indirectly controlling, controlled by, or under common control with an organization; and
(iv) any spouse, child, or parent of an individual described in clause (i).

(C) Access to information
Each Medicare+Choice organization shall make the information reported pursuant to subparagraph (A) available to its enrollees upon reasonable request.

(5) Loan information
The contract shall require the organization to notify the Secretary of loans and other special financial arrangements which are made between the organization and subcontractors, affiliates, and related parties.

(6) Review to ensure compliance with care management requirements for specialized Medicare Advantage plans for special needs individuals
In conjunction with the periodic audit of a specialized Medicare Advantage plan for special needs individuals under paragraph (1), the Secretary shall conduct a review to ensure that such organization offering the plan meets the requirements described in section 1395w–28(f)(5) of this title.

(e) Additional contract terms

(1) In general
The contract shall contain such other terms and conditions not inconsistent with this part (including requiring the organization to provide the Secretary with such information) as the Secretary may find necessary and appropriate.

(2) Cost-sharing in enrollment-related costs

(A) In general
A Medicare+Choice organization and a PDP sponsor under part D shall pay the fee established by the Secretary under subparagraph (B).

(B) Authorization
The Secretary is authorized to charge a fee to each Medicare+Choice organization with a contract under this part and each PDP sponsor with a contract under part D that is equal to the organization's or sponsor's pro rata share (as determined by the Secretary) of the aggregate amount of fees which the Secretary is directed to collect in a fiscal year. Any amounts collected shall be available without further appropriation to the Secretary for the purpose of carrying out section 1395w–21 of this title (relating to enrollment and dissemination of information), section 1395w–101(c) of this title, and section...
§ 1395w–27  TITLE 42—THE PUBLIC HEALTH AND WELFARE  Page 3084

1395b–4 of this title (relating to the health insurance counseling and assistance program).

(C) Authorization of appropriations

There are authorized to be appropriated for the purposes described in subparagraph (B) for each fiscal year beginning with fiscal year 2001 and ending with fiscal year 2005 an amount equal to $100,000,000; and for each fiscal year beginning with fiscal year 2006 an amount equal to $200,000,000, reduced by the amount of fees authorized to be collected under this paragraph and section 1395w–112(b)(3)(D) of this title for the fiscal year.

(D) Limitation

In any fiscal year the fees collected by the Secretary under subparagraph (B) shall not exceed the lesser of—

(i) the estimated costs to be incurred by the Secretary in the fiscal year in carrying out the activities described in section 1395w–21 of this title and section 1395w–101(c) of this title and section 1395b–4 of this title; or

(ii) (I) $200,000,000 in fiscal year 1998;

(II) $150,000,000 in fiscal year 1999;

(III) $100,000,000 in fiscal year 2000;

(IV) the Medicare+Choice portion (as defined in subparagraph (E)) of $100,000,000 in fiscal year 2001 and each succeeding fiscal year before fiscal year 2006; and

(V) the applicable portion (as defined in subparagraph (F)) of $200,000,000 in fiscal year 2006 and each succeeding fiscal year.

(E) Medicare+Choice portion defined

In this paragraph, the term “Medicare+Choice portion” means, for a fiscal year—

(i) the average number of individuals enrolled in Medicare+Choice plans during the fiscal year, to

(ii) the average number of individuals entitled to benefits under part A, and enrolled under part B, during the fiscal year.

(F) Applicable portion defined

In this paragraph, the term “applicable portion” means, for a fiscal year—

(i) with respect to MA organizations, the Secretary’s estimate of the total proportion of expenditures under this subchapter that are attributable to expenditures made under this part (including payments under part D that are made to such organizations); or

(ii) with respect to PDP sponsors, the Secretary’s estimate of the total proportion of expenditures under this subchapter that are attributable to expenditures made to such sponsors under part D.

(3) Agreements with federally qualified health centers

(A) Payment levels and amounts

A contract under this section with an MA organization shall require the organization to provide, in any written agreement described in section 1395w–23(a)(4) of this title between the organization and a federally qualified health center, for a level and amount of payment to the federally qualified health center for services provided by such health center that is not less than the level and amount of payment that the plan would make for such services if the services had been furnished by an entity providing similar services that was not a federally qualified health center.

(B) Cost-sharing

Under the written agreement referred to in subparagraph (A), a federally qualified health center must accept the payment amount referred to in such subparagraph plus the Federal payment provided for in section 1395l(a)(3)(B) of this title as payment in full for services covered by the agreement, except that such a health center may collect any amount of cost-sharing permitted under the contract under this section, so long as the amounts of any deductible, coinsurance, or copayment comply with the requirements under section 1395w–24(e) of this title.

(4) Requirement for minimum medical loss ratio

If the Secretary determines for a contract year (beginning with 2014) that an MA plan has failed to have a medical loss ratio of at least .85—

(A) the MA plan shall remit to the Secretary an amount equal to the product of—

(i) the total revenue of the MA plan under this part for the contract year; and

(ii) the difference between .85 and the medical loss ratio;

(B) for 3 consecutive contract years, the Secretary shall not permit the enrollment of new enrollees under the plan for coverage during the second succeeding contract year; and

(C) the Secretary shall terminate the plan contract if the plan fails to have such a medical loss ratio for 5 consecutive contract years.

(5) Communicating plan corrective actions against opioids over-prescribers

(A) In general

Beginning with plan years beginning on or after January 1, 2021, a contract under this section with an MA organization shall require the organization to submit to the Secretary, through the process established under subparagraph (B), information on the investigations, credible evidence of suspicious activities of a provider of services (including a prescriber) or supplier related to fraud, and other actions taken by such plans related to inappropriate prescribing of opioids.

(B) Process

Not later than January 1, 2021, the Secretary shall, in consultation with stakeholders, establish a process under which MA plans and prescription drug plans shall submit to the Secretary information described in subparagraph (A).
(f) Prompt payment by Medicare+Choice organization

(1) Requirement

A contract under this part shall require a Medicare+Choice organization to provide prompt payment (consistent with the provisions of sections 1395h(c)(2) and 1395u(c)(2) of this title) of claims submitted for services and supplies furnished to enrollees pursuant to the contract, if the services or supplies are not furnished under a contract between the organization and the provider or supplier (or in the case of a Medicare+Choice private fee-for-service plan, if a claim is submitted to such organization to provide services and supplies furnished to enrollees pursuant to the contract, if the failure has adversely affected (or has substantial likelihood of adversely affecting) the individual; (B) imposes premiums on individuals enrolled under this part in excess of the amount of the Medicare+Choice monthly basic and supplemental beneficiary premiums permitted under section 1395w–24 of this title; (C) acts to expel or to refuse to re-enroll an individual in violation of the provisions of this part; (D) engages in any practice that would reasonably be expected to have the effect of denying or discouraging enrollment (except as permitted by this part) by eligible individuals with the organization whose medical condition or history indicates a need for substantial future medical services; (E) misrepresents or falsifies information that is furnished—(i) to the Secretary under this part, or (ii) to an individual or to any other entity under this part; (F) fails to comply with the applicable requirements of section 1395w–22(j)(3) or 1395w–22(k)(2)(A)(i) of this title; (G) employs or contracts with any individual or entity that is excluded from participation under this subchapter under section 1320a–7 or 1320a–7a of this title for the provision of health care, utilization review, medical social work, or administrative services or employs or contracts with any entity for the provision (directly or indirectly) through such an excluded individual or entity of such services; (H) except as provided under subparagraph (C) or (D) of section 1395w–101(b)(1) of this title, enrolls an individual in any plan under this part without the prior consent of the individual or the designee of the individual; (I) transfers an individual enrolled under this part from one plan to another without the prior consent of the individual or the designee of the individual or solely for the purpose of earning a commission; (J) fails to comply with marketing restrictions described in subsections (h) and (j) of section 1395w–21 of this title or applicable implementing regulations or guidance; or (K) employs or contracts with any individual or entity who engages in the conduct described in subparagraphs (A) through (J) of this paragraph;

the Secretary may provide, in addition to any other remedies authorized by law, for any of
§ 1395w–27

The remedies described in paragraph (2). The Secretary may provide, in addition to any other remedies authorized by law, for any of the remedies described in paragraph (2), if the Secretary determines that any employee or agent of such organization, or any provider or supplier who contracts with such organization, has engaged in any conduct described in subparagraphs (A) through (K) of this paragraph.

(2) Remedies

The remedies described in this paragraph are—

(A) civil money penalties of not more than $25,000 for each determination under paragraph (1) or, with respect to a determination under subparagraph (D) or (E)(i) of such paragraph, of not more than $100,000 for each such determination, except with respect to a determination under subparagraph (E), an assessment of not more than the amount claimed by such plan or plan sponsor based upon the misrepresentation or falsified information involved, plus, with respect to a determination under paragraph (1)(B), double the excess amount charged in violation of such paragraph (and the excess amount charged shall be deducted from the penalty and returned to the individual concerned), and plus, with respect to a determination under paragraph (1)(D), $15,000 for each individual not enrolled as a result of the practice involved;

(B) suspension of enrollment of individuals under this part after the date the Secretary notifies the organization of a determination under paragraph (1) and until the Secretary is satisfied that the basis for such determination has been corrected and is not likely to recur; or

(C) suspension of payment to the organization under this part for individuals enrolled after the date the Secretary notifies the organization of a determination under paragraph (1) and until the Secretary is satisfied that the basis for such determination has been corrected and is not likely to recur.

(3) Other intermediate sanctions

In the case of a Medicare+Choice organization for which the Secretary makes a determination under subsection (c)(2) the basis of which is not described in paragraph (1), the Secretary may apply the following intermediate sanctions:

(A) civil money penalties of not more than $25,000 for each determination under subsection (c)(2) if the deficiency that is the basis of the determination has directly adversely affected (or has the substantial likelihood of adversely affecting) an individual covered under the organization’s contract.

(B) civil money penalties of not more than $10,000 for each week beginning after the initiation of civil money penalty procedures by the Secretary during which the deficiency that is the basis of a determination under subsection (c)(2) exists.

(C) Suspension of enrollment of individuals under this part after the date the Secretary notifies the organization of a determination under subsection (c)(2) and until the Secretary is satisfied that the deficiency that is the basis for the determination has been corrected and is not likely to recur.

(D) Civil monetary penalties of not more than $100,000, or such higher amount as the Secretary may establish by regulation, where the finding under subsection (c)(2)(A) is based on the organization’s termination of its contract under this section other than at a time and in a manner provided for under subsection (a).

(4) Civil money penalties

The provisions of section 1320a–7a (other than subsections (a) and (b)) of this title shall apply to a civil money penalty under paragraph (2) or (3) in the same manner as they apply to a civil money penalty or proceeding under section 1320a–7a(a) of this title.

(h) Procedures for termination

(1) In general

The Secretary may terminate a contract with a Medicare+Choice organization under this section in accordance with formal investigation and compliance procedures established by the Secretary under which—

A) the Secretary provides the organization with the reasonable opportunity to develop and implement a corrective action plan to correct the deficiencies that were the basis of the Secretary’s determination under subsection (c)(2); and

B) the Secretary provides the organization with reasonable notice and opportunity for hearing (including the right to appeal an initial decision) before terminating the contract.

(2) Exception for imminent and serious risk to health

Paragraph (1) shall not apply if the Secretary determines that a delay in termination, resulting from compliance with the procedures specified in such paragraph prior to termination, would pose an imminent and serious risk to the health of individuals enrolled under this part with the organization.

(3) Delay in contract termination authority for plans failing to achieve minimum quality rating

During the period beginning on December 13, 2016, and through the end of plan year 2018, the Secretary may not terminate a contract under this section with respect to the offering of an MA plan by a Medicare Advantage organization solely because the MA plan has failed to achieve a minimum quality rating under the 5-star rating system under section 1395w–22(a) of this title.

(i) Medicare+Choice program compatibility with employer or union group health plans

(1) Contracts with MA organizations

To facilitate the offering of Medicare+Choice plans under contracts between Medicare+Choice organizations and employers, labor organizations, or the trustees of a fund established by one or more employers

1So in original. Probably means subpar. (E) of par. (1).
or labor organizations (or combination thereof) to furnish benefits to the entity’s employees, former employees (or combination thereof) or members or former members (or combination thereof) of the labor organizations, the Secretary may waive or modify requirements that hinder the design of, the offering of, or the enrollment in such Medicare+Choice plans.

(2) Employer sponsored MA plans

To facilitate the offering of MA plans by employers, labor organizations, or the trustees of a fund established by one or more employers or labor organizations (or combination thereof) to furnish benefits to the entity’s employees, former employees (or combination thereof) or members or former members (or combination thereof) of the labor organizations, the Secretary may waive or modify requirements that hinder the design of, the offering of, or the enrollment in such MA plans. Notwithstanding section 1395w-21(g) of this title, an MA plan described in the previous sentence may restrict the enrollment of individuals under this part to individuals who are beneficiaries and participants in such plan.


AMENDMENTS


References to Medicare+Choice deemed to refer to Medicare Advantage or MA, subject to an appropriate transition provided by the Secretary of Health and Human Services in the use of those terms, see section 201 of Pub. L. 108–173, set out as a note under section 1395w–21 of this title.

EFFECTIVE DATE OF 2018 AMENDMENT
Pub. L. 115–271, title II, §2008(e), Oct. 24, 2018, 132 Stat. 3931, provided that: “The amendments made by this section [amending this section and sections 1395w–112 and 1395y of this title] shall apply with respect to plan years beginning on or after January 1, 2020.”

EFFECTIVE DATE OF 2010 AMENDMENT

EFFECTIVE DATE OF 2008 AMENDMENT
Pub. L. 110–275, title I, §164(e), July 15, 2008, 122 Stat. 2575, provided that: “The amendments made by subsection (a) [amending this section and section 1395w–28 of this title] shall apply to plan years beginning on or after January 1, 2009.”


EFFECTIVE DATE OF 2003 AMENDMENT
Amendment by section 222(j), (k), (l)(3)(C) of Pub. L. 108–173 applicable with respect to plan years beginning on or after Jan. 1, 2006, see section 223(a) of Pub. L. 108–173, set out as a note under section 1395w–21 of this title.

Amendment by section 237(c) of Pub. L. 108–173 applicable to services provided on or after Jan. 1, 2006, and contract years beginning on or after such date, see section 237(e) of Pub. L. 108–173, set out as a note under section 1320a–7b of this title.

EFFECTIVE DATE OF 2000 AMENDMENT
Pub. L. 106–544, §1(a)(6) [title VI, §617(b)], Dec. 21, 2000, 114 Stat. 2763, 2763A–562, provided that: “The amendment made by subsection (a) [amending this section] shall apply with respect to years beginning with 2001.”

Pub. L. 106–544, §1(a)(6) [title VI, §623(b)], Dec. 21, 2000, 114 Stat. 2763, 2763A–566, provided that: “The amendment made by subsection (a) [amending this section] shall apply to terminations occurring after the date of the enactment of this Act [Dec. 21, 2000].”

EFFECTIVE DATE OF 1999 AMENDMENT
Pub. L. 106–113, div. B, §1000(a)(6) [title V, §513(c)], Nov. 29, 1999, 113 Stat. 1536, 1501A–383, provided that: “The amendments made by this section [amending this section] apply to termination occurring before, on, or after the date of the enactment of this Act [Nov. 29, 1999].”

Pub. L. 106–113, div. B, §1000(a)(6) [title V, §522(b)], Nov. 29, 1999, 113 Stat. 1536, 1501A–387, provided that: “The amendments made by subsection (a) [amending this section] apply to fees charged on or after January 1, 2001. The Secretary of Health and Human Services may not increase the fees charged under section 1857(e)(2) of the Social Security Act (42 U.S.C. 1395w–27(e)(2)) for the 3-month period beginning with October 2000 above the level in effect during the previous 9-month period.”

CONSTRUCTION RELATING TO ADDITIONAL EXCEPTIONS
Pub. L. 106–113, div. B, §1000(a)(6) [title V, §513(b)(2)], Nov. 29, 1999, 113 Stat. 1536, 1501A–383, provided that: “Nothing in the amendment made by paragraph (1)(C) [amending this section] shall be construed to affect the authority of the Secretary of Health and Human Services to provide for exceptions in addition to the exceptions provided in such amendment, including exceptions provided under Operational Policy Letter #103 (OPL99.103).”

DELAY IN AUTHORITY TO TERMINATE CONTRACTS FOR MEDICARE ADVANTAGE PLANS FAILING TO ACHIEVE MINIMUM QUALITY RATINGS
Pub. L. 114–255, div. C, title XVII, §1700(a), Dec. 13, 2016, 130 Stat. 1330, provided that: “Consistent with the studies provided under the IMPACT Act of 2014 (Public Law 113–185) (see Tables for classification), it is the intent of Congress—

‘‘(1) to continue to study and request input on the effects of socioeconomic status and dual-eligible populations on the Medicare Advantage STARS rating system before reforming such system with the input of stakeholders; and

‘‘(2) pending the results of such studies and input, to provide for a temporary delay in authority of the Centers for Medicare & Medicaid Services (CMS) to terminate Medicare Advantage plan contracts solely on the basis of performance of plans under the STARS rating system.’’

TECHNICAL CORRECTION TO MA PRIVATE FEE-FOR-SERVICE PLANS
Pub. L. 111–148, title III, §3207, Mar. 23, 2010, 124 Stat. 459, provided that: “For plan year 2011 and subsequent plan years, to the extent that the Secretary of Health and Human Services is applying the 2008 service area extension waiver policy (as modified in the April 11, 2008, Centers for Medicare & Medicaid Services’ memorandum with the subject ‘2009 Employer Group Waiver Modification of the 2008 Service Area Extension Waiver Granted to Certain MA Local Coordinated Care Plans’ to Medicare Advantage coordinated care plans, the Secretary shall extend the application of such waiver policy to employers who contract directly with the Secretary as a Medicare Advantage private fee-for-service plan under section 1857(i)(2) of the Social Security Act (42 U.S.C. 1395w–27(i)(2)) and that had enrolment as of October 1, 2009.”

STUDY OF MULTI-YEAR CONTRACTS
Pub. L. 108–173, title I, §107(d), Dec. 8, 2003, 117 Stat. 2171, directed the Secretary of Health and Human Services to provide for a study on the feasibility and advisability of providing for contracting with PDP sponsors and MA organizations under this part and part D of this subchapter on a multi-year basis, and to submit to Congress a report on such study not later than Jan. 1, 2007.

IMMEDIATE EFFECTIVE DATE FOR CERTAIN REQUIREMENTS FOR DEMONSTRATIONS
§ 1395w–27a. Special rules for MA regional plans

(a) Regional service area; establishment of MA regions

(1) Coverage of entire MA region

The service area for an MA regional plan shall consist of an entire MA region established under paragraph (2) and the provisions of section 1395w–24(h) of this title shall not apply to such a plan.

(2) Establishment of MA regions

(A) MA region

For purposes of this subchapter, the term “MA region” means such a region within the 50 States and the District of Columbia as established by the Secretary under this paragraph.

(B) Establishment

(i) Initial establishment

Not later than January 1, 2005, the Secretary shall first establish and publish MA regions.

(ii) Periodic review and revision of service areas

The Secretary may periodically review MA regions under this paragraph and, based on such review, may revise such regions if the Secretary determines such revision to be appropriate.

(C) Requirements for MA regions

The Secretary shall establish, and may revise, MA regions under this paragraph in a manner consistent with the following:

(i) Number of regions

There shall be no fewer than 10 regions, and no more than 50 regions.

(ii) Maximizing availability of plans

The regions shall maximize the availability of MA regional plans to all MA eligible individuals without regard to health status, especially those residing in rural areas.

(D) Market survey and analysis

Before establishing MA regions, the Secretary shall conduct a market survey and analysis, including an examination of current insurance markets, to determine how the regions should be established.

(3) National plan

Nothing in this subsection shall be construed as preventing an MA regional plan from being offered in more than one MA region (including all regions).

(b) Application of single deductible and catastrophic limit on out-of-pocket expenses

An MA regional plan shall include the following:

(1) Single deductible

Any deductible for benefits under the original medicare fee-for-service program option shall be a single deductible (instead of a separate inpatient hospital deductible and a part B deductible) and may be applied differentially for in-network services and may be waived for preventive or other items and services.

(2) Catastrophic limit

(A) In-network

A catastrophic limit on out-of-pocket expenditures for in-network benefits under the original medicare fee-for-service program option.

(B) Total

A catastrophic limit on out-of-pocket expenditures for all benefits under the original medicare fee-for-service program option.

(c) Portion of total payments to an organization subject to risk for 2006 and 2007

(1) Application of risk corridors

(A) In general

This subsection shall only apply to MA regional plans offered during 2006 or 2007.

(B) Notification of allowable costs under the plan

In the case of an MA organization that offers an MA regional plan in an MA region in 2006 or 2007, the organization shall notify the Secretary, before such date in the succeeding year as the Secretary specifies, of—

(i) its total amount of costs that the organization incurred in providing benefits covered under the original medicare fee-for-service program option for all enrollees under the plan in the region in the year and the portion of such costs that is attributable to administrative expenses described in subparagraph (C); and

(ii) its total amount of costs that the organization incurred in providing rebatable integrated benefits (as defined in subparagraph (D)) and with respect to such benefits the portion of such costs that is attributable to administrative expenses described in subparagraph (C) and not described in clause (i) of this subparagraph.

(C) Allowable costs defined

For purposes of this subsection, the term “allowable costs” means, with respect to an MA regional plan for a year, the total amount of costs described in subparagraph (B) for the plan and year, reduced by the portion of such costs attributable to administrative expenses incurred in providing the benefits described in such subparagraph.

(D) Rebatable integrated benefits

For purposes of this subsection, the term “rebatable integrated benefits” means such non-drug supplemental benefits under subclause (I) of section 1395w–24(b)(1)(C)(ii) of this title pursuant to a rebate under such section that the Secretary determines are integrated with the benefits described in such subparagraph.

(2) Adjustment of payment

(A) No adjustment if allowable costs within 3 percent of target amount

If the allowable costs for the plan for the year are at least 97 percent, but do not ex-
ceed 103 percent, of the target amount for the plan and year, there shall be no payment adjustment under this subsection for the plan and year.

(B) Increase in payment if allowable costs exceed 103 percent of target amount

(i) Costs between 103 and 108 percent of target amount

If the allowable costs for the plan for the year are greater than 103 percent, but not greater than 108 percent, of the target amount for the plan and year, the Secretary shall increase the total of the monthly payments made to the organization offering the plan for the year under section 1395w–23(a) of this title by an amount equal to 50 percent of the difference between such allowable costs and 103 percent of such target amount.

(ii) Costs above 108 percent of target amount

If the allowable costs for the plan for the year are greater than 108 percent, but not greater than 109 percent, of the target amount for the plan and year, the Secretary shall increase the total of the monthly payments made to the organization offering the plan for the year under section 1395w–23(a) of this title by an amount equal to 2.5 percent of such target amount.

(II) 80 percent of the difference between such allowable costs and 108 percent of such target amount

(C) Reduction in payment if allowable costs below 97 percent of target amount

(i) Costs between 92 and 97 percent of target amount

If the allowable costs for the plan for the year are less than 97 percent, but greater than or equal to 92 percent, of the target amount for the plan and year, the Secretary shall reduce the total of the monthly payments made to the organization offering the plan for the year under section 1395w–23(a) of this title by an amount (or otherwise recover from the plan an amount) equal to 50 percent of the difference between 97 percent of the target amount and such allowable costs.

(ii) Costs below 92 percent of target amount

If the allowable costs for the plan for the year are less than 92 percent of the target amount for the plan and year, the Secretary shall reduce the total of the monthly payments made to the organization offering the plan for the year under section 1395w–23(a) of this title by an amount (or otherwise recover from the plan an amount) equal to the sum of—

(I) 2.5 percent of such target amount; and

(II) 80 percent of the difference between 92 percent of such target amount and such allowable costs.

(D) Target amount described

For purposes of this paragraph, the term “target amount” means, with respect to an MA regional plan offered by an organization in a year, an amount equal to—

(i) the sum of—

(I) the total monthly payments made to the organization for enrollees in the plan for the year that are attributable to benefits under the original medicare fee-for-service program option (as defined in section 1395w–22(a)(1)(B) of this title);

(II) the total of the MA monthly basic beneficiary premium collectable for such enrollees for the year; and

(III) the total amount of the rebates under section 1395w–24(b)(1)(C)(ii) of this title that are attributable to rebatable integrated benefits; reduced by

(ii) the amount of administrative expenses assumed in the bid insofar as the bid is attributable to benefits described in clause (i)(I) or (i)(III).

(3) Disclosure of information

(A) In general

Each contract under this part shall provide—

(i) that an MA organization offering an MA regional plan shall provide the Secretary with such information as the Secretary determines is necessary to carry out this subsection; and

(ii) that, pursuant to section 1395w–27(a)(3) of this title, the Secretary has the right to inspect and audit any books and records of the organization pertaining to the information regarding costs provided to the Secretary under paragraph (1)(B).

(B) Restriction on use of information

Information disclosed or obtained pursuant to the provisions of this subsection may be used by officers, employees, and contractors of the Department of Health and Human Services only for the purposes of, and to the extent necessary in, carrying out this subsection.

(d) Organizational and financial requirements

(1) In general

In the case of an MA organization that is offering an MA regional plan in an MA region and—

(A) meets the requirements of section 1395w–23(a)(1) of this title with respect to at least one such State in such region; and

(B) with respect to each other State in such region in which it does not meet requirements, it demonstrates to the satisfaction of the Secretary that it has filed the necessary application to meet such requirements,

the Secretary may waive such requirement with respect to each State described in subparagraph (B) for such period of time as the Secretary determines appropriate for the timely processing of such an application by the State (and, if such application is denied, through the end of such plan year as the Secretary determines appropriate to provide for a transition).

(e) Computation of applicable MA region-specific non-drug monthly benchmark amounts

(1) Computation for regions

For purposes of section 1395w–23(j)(2) of this title and this section, subject to subsection (e), the term “MA region-specific non-drug monthly benchmark amount” means, with respect to an MA region for a month in a year, the sum of the 2 components described in paragraph (2) for the region and year. The Secretary shall compute such benchmark amount for each MA region before the beginning of each annual, coordinated election period under section 1395w–21(e)(3)(B) of this title for each MA region and year (beginning with 2006).

(2) 2 components

For purposes of paragraph (1), the 2 components described in this paragraph for an MA region and a year are the following:

(A) Statutory component

The product of the following:

(i) Statutory region-specific non-drug amount

The statutory region-specific non-drug amount (as defined in paragraph (3)) for the region and year.

(ii) Statutory national market share

The statutory national market share percentage, determined under paragraph (4) for the year.

(B) Plan-bid component

The product of the following:

(i) Weighted average of MA plan bids in region

The weighted average of the plan bids for the region and year (as determined under paragraph (5)(A)).

(ii) Non-statutory market share

1 minus the statutory national market share percentage, determined under paragraph (4) for the year.

(3) Statutory region-specific non-drug amount

For purposes of paragraph (2)(A)(i), the term “statutory region-specific non-drug amount” means, for an MA region and year, an amount equal the sum (for each MA local area within the region) of the product of—

(A) MA area-specific non-drug monthly benchmark, as determined under section 1395w–23(j)(1)(A) of this title for that area and year; and

(B) the number of MA eligible individuals residing in the local area, divided by the total number of MA eligible individuals residing in the region.

(4) Computation of statutory market share percentage

(A) In general

The Secretary shall determine for each year a statutory national market share percentage that is equal to the proportion of MA eligible individuals nationally who were not enrolled in an MA plan during the reference month.

(B) Reference month defined

For purposes of this part, the term “reference month” means, with respect to a year, the most recent month during the previous year for which the Secretary determines that data are available to compute the percentage specified in subparagraph (A) and other relevant percentages under this part.

(5) Determination of weighted average MA bids for a region

(A) In general

For purposes of paragraph (2)(B)(i), the weighted average of plan bids for an MA region and a year is the sum, for MA regional plans described in subparagraph (D) in the region and year, of the products (for each such plan) of the following:

(i) Monthly MA statutory non-drug bid amount

The unadjusted MA statutory non-drug monthly bid amount for the plan.

(ii) Plan’s share of MA enrollment in region

The factor described in subparagraph (B) for the plan.

(B) Plan’s share of MA enrollment in region

(i) In general

Subject to the succeeding provisions of this subparagraph, the factor described in this subparagraph for a plan is equal to the number of individuals described in subparagraph (C) for such plan, divided by the total number of such individuals for all MA regional plans described in subparagraph (D) for that region and year.

(ii) Single plan rule

In the case of an MA region in which only a single MA regional plan is being offered, the factor described in this subparagraph shall be equal to 1.

(iii) Equal division among multiple plans in year in which plans are first available

In the case of an MA region in the first year in which any MA regional plan is offered, if more than one MA regional plan is offered in such year, the factor described in this subparagraph for a plan shall (as specified by the Secretary) be equal to—

(I) 1 divided by the number of such plans offered in such year; or

(II) a factor for such plan that is based upon the organization’s estimate of projected enrollment, as reviewed and adjusted by the Secretary to ensure reason-
§ 1395w–27a

TITLE 42—THE PUBLIC HEALTH AND WELFARE

Page 3092

ableness and as is certified by the Chief Actuary of the Centers for Medicare & Medicaid Services.

(C) Counting of individuals

For purposes of subparagraph (B)(i), the Secretary shall count for each MA regional plan described in subparagraph (D) for an MA region and year, the number of individuals who reside in the region and who were enrolled under such plan under this part during the reference month.

(D) Plans covered

For an MA region and year, an MA regional plan described in this subparagraph is an MA regional plan that is offered in the region and year and was offered in the region in the reference month.

(g) Election of uniform coverage determination

Instead of applying section 1395w–22(a)(2)(C) of this title with respect to an MA regional plan, the organization offering the plan may elect to have a local coverage determination for the entire MA region be the local coverage determination applied for any part of such region (as selected by the organization).

(h) Assuring network adequacy

(1) In general

For purposes of enabling MA organizations that offer MA regional plans to meet applicable provider access requirements under section 1395w–22 of this title with respect to such plans, the Secretary may provide for payment under this section to an essential hospital that provides inpatient hospital services to enrollees in such a plan where the MA organization offering the plan certifies to the Secretary that the organization was unable to reach an agreement between the hospital and the organization regarding provision of such services under the plan. Such payment shall be available only if—

(A) the organization provides assurances satisfactory to the Secretary that the organization will make payment to the hospital for inpatient hospital services of an amount that is not less than the amount that would be payable to the hospital under section 1395ww of this title with respect to such services; and

(B) with respect to specific inpatient hospital services provided to an enrollee, the hospital demonstrates to the satisfaction of the Secretary that the hospital’s costs of such services exceed the payment amount described in subparagraph (A).

(2) Payment amounts

The payment amount under this subsection for inpatient hospital services provided by a subsection (d) hospital to an enrollee in an MA regional plan shall be, subject to the limitation of funds under paragraph (3), the amount (if any) by which—

(A) the amount of payment that would have been paid for such services under this subsection if the enrollees were covered under the original medicare fee-for-service program option and the hospital were a critical access hospital; exceeds

(b) the amount of payment made for such services under paragraph (1)(A).

(3) Available amounts

There shall be available for payments under this subsection—

(A) in 2006, $25,000,000; and

(B) in each succeeding year the amount specified in this paragraph for the preceding year increased by the market basket percentage increase (as defined in section 1395ww(d)(3)(B)(iii) of this title) for the fiscal year ending in such succeeding year.

Payments under this subsection shall be made from the Federal Hospital Insurance Trust Fund.

(4) Essential hospital

In this subsection, the term “essential hospital” means, with respect to an MA regional plan offered by an MA organization, a subsection (d) hospital (as defined in section 1395ww(d) of this title) that the Secretary determines, based upon an application filed by the organization with the Secretary, is necessary to meet the requirements referred to in paragraph (1) for such plan.


AMENDMENTS


Subsec. (i). Pub. L. 111–148, § 3201(f)(2)(B), which directed addition of subsec. (i), was repealed by Pub. L. 111–152, § 1102(a). As enacted, text read as follows: “For years beginning with 2014, the Secretary shall apply the performance bonuses under section 1395w–23(n) of this title (relating to bonuses for care coordination and management, quality performance, and new and low enrollment MA plans) to MA regional plans in a similar manner as such performance bonuses apply to MA plans under such subsection.” See Effective Date of 2010 Amendment note below.

2009—Subsec. (e)(7). Pub. L. 111–8 struck out par. (7) which related to biennial GAO reports to be submitted by the Comptroller General to the Secretary and Congress.

2009—Subsec. (e)(2)(A)(1). Pub. L. 110–375 substituted “2014” for “2013” and “$3” for “$1,790,000,000”.

2007—Subsec. (e)(2)(A)(1). Pub. L. 110–173, which directed substitution of “the Fund during 2013, $1,790,000,000” for “the Fund during 2013, $25,000,000”.
$1,790,000,000." for "the Fund" and all that follows, was executed by making the substitution for "the Fund—

"(I) during 2012, $1,600,000,000; and

"(II) during 2013, $1,790,000,000," to reflect the probable intent of Congress.

Pub. L. 110–48 substituted "the Fund—

"(I) during 2012, $1,600,000,000; and

"(II) during 2013, $1,790,000,000," for "the Fund during the period beginning on January 1, 2012, and ending on December 31, 2013, a total of $3,500,000,000.

2006—Subsec. (e)(2)(A)(i). Pub. L. 109–432 substituted "2007" for "2006" and "$3,500,000,000." for "the Fund" and all that follows, was executed by making the substitution for "the Fund—

"(I) during 2012, $1,600,000,000; and

"(II) during 2013, $1,790,000,000." for "the Fund during the period beginning on January 1, 2012, and ending on December 31, 2013, a total of $3,500,000,000.

EFFECTIVE DATE OF 2010 AMENDMENT

Repeal of sections 3201 and 3203 of Pub. L. 111–148 and the amendments made by such sections, effective as if included in the enactment of Pub. L. 111–148, see section 1107(b) of Pub. L. 111–148, set out as a note under section 1395w–21 of this title.

EFFECTIVE DATE

Section applicable with respect to plan years beginning on or after Jan. 1, 2012, see section 1102(a) of Pub. L. 111–152, set out as a note under section 1395w–21 of this title.

Section applicable with respect to plan years beginning on or after Jan. 1, 2006, see section 223(a) of Pub. L. 108–173, set out as an Effective Date of 2003 Amendment note under section 1395w–21 of this title.

ELIMINATION OF MA REGIONAL PLAN STABILIZATION FUND; TRANSITION


§ 1395w–28. Definitions; miscellaneous provisions

(a) Definitions relating to Medicare+Choice organizations

In this part—

(1) Medicare+Choice organization

The term "Medicare+Choice organization" means a public or private entity that is certified under section 1395w–26 of this title as meeting the requirements and standards of this part for such an organization.

(2) Provider-sponsored organization

The term "provider-sponsored organization" is defined in section 1395w–25(d)(1) of this title.

(b) Definitions relating to Medicare+Choice plans

(1) Medicare+Choice plan

The term "Medicare+Choice plan" means health benefits coverage offered under a policy, contract, or plan by a Medicare+Choice organization pursuant to and in accordance with a contract under section 1395w–27 of this title.

(2) Medicare+Choice private fee-for-service plan

The term "Medicare+Choice private fee-for-service plan" means a Medicare+Choice plan that—

(A) reimburses hospitals, physicians, and other providers at a rate determined by the plan on a fee-for-service basis without placing the provider at financial risk;

(B) does not vary such rates for such a provider based on utilization relating to such provider; and

(C) does not restrict the selection of providers among those who are lawfully authorized to provide the covered services and agree to accept the terms and conditions of payment established by the plan.

Nothing in subparagraph (B) shall be construed to preclude a plan from varying rates for such a provider based on the specialty of the provider, the location of the provider, or other factors related to such provider that are not related to utilization, or to preclude a plan from increasing rates for such a provider based on increased utilization of specified preventive or screening services.

(3) MSA plan

(A) In general

The term "MSA plan" means a Medicare+Choice plan that—

(i) provides reimbursement for at least the items and services described in section 1395w–22(a)(1) of this title in a year but only after the enrollee incurs countable expenses (as specified under the plan) equal to the amount of an annual deductible (described in subparagraph (B));

(ii) counts as such expenses (for purposes of such deductible) at least all amounts that would have been payable under parts A and B, and that would have been payable by the enrollee as deductibles, coinsurance, or copayments, if the enrollee had elected to receive benefits through the provisions of such parts; and

(iii) provides, after such deductible is met for a year and for all subsequent expenses for items and services referred to in clause (i) in the year, for a level of reimbursement that is not less than—

(I) 100 percent of such expenses, or

(II) 100 percent of the amounts that would have been paid (without regard to any deductibles or coinsurance) under parts A and B with respect to such expenses, whichever is less.

(B) Deductible

The amount of annual deductible under an MSA plan—

(i) for contract year 1999 shall be not more than $6,000; and

(ii) for a subsequent contract year shall be not more than the maximum amount of such deductible for the previous contract year under this subparagraph increased by the national per capita Medicare+Choice growth percentage under section 1395w–23(c)(6) of this title for the year.

If the amount of the deductible under clause (ii) is not a multiple of $50, the amount shall be rounded to the nearest multiple of $50.

(4) MA regional plan

The term "MA regional plan" means an MA plan described in section 1395w–21(a)(2)(A)(i) of this title—

(A) that has a network of providers that have agreed to a contractually specified reimbursement for covered benefits with the organization offering the plan; and
(B) that provides for reimbursement for all covered benefits regardless of whether such benefits are provided within such network of providers; and
(C) the service area of which is one or more entire MA regions.

(5) MA local plan
The term “MA local plan” means an MA plan that is not an MA regional plan.

(6) Specialized MA plans for special needs individuals
(A) In general
The term “specialized MA plan for special needs individuals” means an MA plan that exclusively serves special needs individuals (as defined in subparagraph (B)) and that, as of January 1, 2010, meets the applicable requirements of paragraph (2), (3), or (4) of subsection (f), as the case may be.

(B) Special needs individual
The term “special needs individual” means an MA eligible individual who—
(I) is institutionalized (as defined by the Secretary);
(II) is entitled to medical assistance under a State plan under subchapter XIX; or
(III) meets such requirements as the Secretary may determine would benefit from enrollment in such a specialized MA plan described in subparagraph (A) for individuals with severe or disabling chronic conditions who—
(A) before January 1, 2022, have one or more comorbid and medically complex chronic conditions that are substantially disabling or life threatening, have a high risk of hospitalization or other significant adverse health outcomes, and require specialized delivery systems across domains of care; and
(B) on or after January 1, 2022, have one or more comorbid and medically complex chronic conditions that is life threatening or significantly limits overall health or function, have a high risk of hospitalization or other adverse health outcomes, and require intensive care coordination and that is listed under subsection (f)(9)(A).

The Secretary may apply rules similar to the rules of section 1395eee(c)(4) of this title for continued eligibility of special needs individuals.

(c) Other references to other terms
(1) Medicare+Choice eligible individual
The term “Medicare+Choice eligible individual” is defined in section 1395w–21(a)(3) of this title.

(2) Medicare+Choice payment area
The term “Medicare+Choice payment area” is defined in section 1395w–23(d) of this title.

(3) National per capita Medicare+Choice growth percentage
The “national per capita Medicare+Choice growth percentage” is defined in section 1395w–23(c)(6) of this title.

(4) Medicare+Choice monthly basic beneficiary premium; Medicare+Choice monthly supplemental beneficiary premium
The terms “Medicare+Choice monthly basic beneficiary premium” and “Medicare+Choice monthly supplemental beneficiary premium” are defined in section 1395w–24(a)(2) of this title.

(5) MA local area
The term “MA local area” is defined in section 1395w–23(d)(2) of this title.

(d) Coordinated acute and long-term care benefits under Medicare+Choice plan
Nothing in this part shall be construed as preventing a State from coordinating benefits under a Medicaid plan under subchapter XIX with those provided under a Medicare+Choice plan in a manner that assures continuity of a full-range of acute care and long-term care services to poor elderly or disabled individuals eligible for benefits under this subchapter and under such plan.

(e) Restriction on enrollment for certain Medicare+Choice plans
(1) In general
In the case of a Medicare+Choice religious fraternal benefit society plan described in paragraph (2), notwithstanding any other provision of this part to the contrary and in accordance with regulations of the Secretary, the society offering the plan may restrict the enrollment of individuals under this part to individuals who are members of the church, convention, or group described in paragraph (3)(B) with which the society is affiliated.

(2) Medicare+Choice religious fraternal benefit society plan described
For purposes of this subsection, a Medicare+Choice religious fraternal benefit society plan described in this paragraph is a Medicare+Choice plan described in section 1395w–21(a)(2) of this title that—
(A) is offered by a religious fraternal benefit society described in paragraph (3) only to members of the church, convention, or group described in paragraph (3)(B); and
(B) permits all such members to enroll under the plan without regard to health status-related factors.

Nothing in this subsection shall be construed as waiving any plan requirements relating to financial solvency.

(3) “Religious fraternal benefit society” defined
For purposes of paragraph (2)(A), a “religious fraternal benefit society” described in this section is an organization that—
(A) is described in section 501(c)(8) of the Internal Revenue Code of 1986 and is exempt from taxation under section 501(a) of such Act;
(B) is affiliated with, carries out the tenets of, and shares a religious bond with, a
church or convention or association of churches or an affiliated group of churches; 
(C) offers, in addition to a Medicare+Choice religious fraternal benefit society plan, health coverage to individuals not entitled to benefits under this subchapter who are members of such church, convention, or group; and 
(D) does not impose any limitation on membership in the society based on any health status-related factor.

(4) Payment adjustment
Under regulations of the Secretary, in the case of individuals enrolled under this part under a Medicare+Choice religious fraternal benefit society plan described in paragraph (2), the Secretary shall provide for such adjustment to the payment amounts otherwise established under section 1395w–24 of this title as may be appropriate to assure an appropriate accounting for the actuarial characteristics and experience of such individuals.

(5) Requirements regarding enrollment in specialized MA plans for special needs individuals

(1) Requirements for enrollment
In the case of a specialized MA plan for special needs individuals (as defined in subsection (b)(6)), notwithstanding any other provision of this part and in accordance with regulations of the Secretary, the plan may restrict the enrollment of individuals under the plan to individuals who are within one or more classes of special needs individuals.

(2) Additional requirements for institutional SNPs
In the case of a specialized MA plan for special needs individuals described in subsection (b)(6)(B)(i), the applicable requirements described in this paragraph are as follows:

(A) Each individual that enrolls in the plan on or after January 1, 2010, is a special needs individual described in subsection (b)(6)(B)(i). In the case of an individual who is living in the community but requires an institutional level of care, such individual shall not be considered a special needs individual described in subsection (b)(6)(B)(i) unless the determination that the individual requires an institutional level of care was made—

(i) using a State assessment tool of the State in which the individual resides; and
(ii) by an entity other than the organization offering the plan.

(B) The plan meets the requirements described in paragraph (5).

(C) If applicable, the plan meets the requirement described in paragraph (7).

(3) Additional requirements for dual SNPS
In the case of a specialized MA plan for special needs individuals described in subsection (b)(6)(B)(ii), the applicable requirements described in this paragraph are as follows:

(A) Each individual that enrolls in the plan on or after January 1, 2010, is a special needs individual described in subsection (b)(6)(B)(ii).

(B) The plan meets the requirements described in paragraph (5).

(C) The plan provides each prospective enrollee, prior to enrollment, with a comprehensive written statement (using standardized content and format established by the Secretary) that describes—

(i) the benefits and cost-sharing protections that the individual is entitled to under the State Medicaid program under subchapter XIX; and
(ii) which of such benefits and cost-sharing protections are covered under the plan.
Such statement shall be included with any description of benefits offered by the plan.

(D) The plan has a contract with the State Medicaid agency to provide benefits, or arrange for benefits to be provided, for which such individual is entitled to receive as medical assistance under subchapter XIX. Such benefits may include long-term care services consistent with State policy.

(E) If applicable, the plan meets the requirement described in paragraph (7).

(F) The plan meets the requirements applicable under paragraph (8).

(4) Additional requirements for severe or disabling chronic condition SNPS
In the case of a specialized MA plan for special needs individuals described in subsection (b)(6)(B)(iii), the applicable requirements described in this paragraph are as follows:

(A) Each individual that enrolls in the plan on or after January 1, 2010, is a special needs individual described in subsection (b)(6)(B)(iii).

(B) The plan meets the requirements described in paragraph (5).

(C) If applicable, the plan meets the requirement described in paragraph (7).

(5) Care management requirements for all SNPs

(A) In general
Subject to subparagraph (B), the requirements described in this paragraph are that the organization offering a specialized MA plan for special needs individuals—

(i) have in place an evidenced-based model of care with appropriate networks of providers and specialists; and
(ii) with respect to each individual enrolled in the plan—

(I) conduct an initial assessment and an annual reassessment of the individual’s physical, psychosocial, and functional needs;
(II) develop a plan, in consultation with the individual as feasible, that identifies goals and objectives, including measurable outcomes as well as specific services and benefits to be provided; and
(III) use an interdisciplinary team in the management of care.

So in original. Probably should be “individual”.

2
(B) Improvements to care management requirements for severe or disabling chronic condition SNPs

For 2020 and subsequent years, in the case of a specialized MA plan for special needs individuals described in subsection (b)(6)(B)(iii), the requirements described in this paragraph include the following:

(i) The interdisciplinary team under subparagraph (A)(ii)(III) includes a team of providers with demonstrated expertise, including training in an applicable specialty, in treating individuals similar to the targeted population of the plan.

(ii) Requirements developed by the Secretary to provide face-to-face encounters with individuals enrolled in the plan not less frequently than on an annual basis.

(iii) As part of the model of care under clause (i) of subparagraph (A), the results of the initial assessment and annual reassessment under clause (ii)(I) of such subparagraph of each individual enrolled in the plan are addressed in the individual’s individualized care plan under clause (ii)(II) of such subparagraph.

(iv) As part of the annual evaluation and approval of such model of care, the Secretary shall take into account whether the plan fulfilled the previous year’s goals (as required under the model of care).

(v) The Secretary shall establish a minimum benchmark for each element of the model of care of a plan. The Secretary shall only approve a plan’s model of care under this paragraph if each element of the model of care meets the minimum benchmark applicable under the preceding sentence.

(6) Transition and exception regarding restriction on enrollment

(A) In general

Subject to subparagraph (C), the Secretary shall establish procedures for the transfer of applicable individuals to—

(i) a Medicare Advantage plan that is not a specialized MA plan for special needs individuals (as defined in subsection (b)(6)); or

(ii) the original Medicare fee-for-service program under parts A and B.

(B) Applicable individuals

For purposes of clause (i), the term “applicable individual” means an individual who—

(i) is enrolled under a specialized MA plan for special needs individuals (as defined in subsection (b)(6)); and

(ii) is not within the 1 or more of the classes of special needs individuals to which enrollment under the plan is restricted.

(C) Exception

The Secretary shall provide for an exception to the transition described in subparagraph (A) for a limited period of time for individuals enrolled under a specialized MA plan for special needs individuals described in subsection (b)(6)(B)(ii) who are no longer eligible for medical assistance under subchapter XIX.

(D) Timeline for initial transition

The Secretary shall ensure that applicable individuals enrolled in a specialized MA plan for special needs individuals (as defined in subsection (b)(6)) prior to January 1, 2010, are transitioned to a plan or the program described in subparagraph (A) by not later than January 1, 2013.

(7) Authority to require special needs plans be NCQA approved

For 2012 and subsequent years, the Secretary shall require that a Medicare Advantage organization offering a specialized MA plan for special needs individuals be approved by the National Committee for Quality Assurance (based on standards established by the Secretary).

(8) Increased integration of dual SNPs

(A) Designated contact

The Secretary, acting through the Federal Coordinated Health Care Office established under section 1315b of this title, shall serve as a dedicated point of contact for States to address misalignments that arise with the integration of specialized MA plans for special needs individuals described in subsection (b)(6)(B)(ii) under this paragraph and, consistent with such role, shall establish—

(i) a uniform process for disseminating to State Medicaid agencies information under this subchapter impacting contracts between such agencies and such plans under this subsection; and

(ii) basic resources for States interested in exploring such plans as a platform for integration, such as a model contract or other tools to achieve those goals.

(B) Unified grievances and appeals process

(i) In general

Not later than April 1, 2020, the Secretary shall establish procedures, to the extent feasible as determined by the Secretary, unifying grievances and appeals procedures under sections 1395w–22(f), 1395w–22(g), 1396a(a)(3), 1396a(a)(5), and 1396u–2(b)(4) of this title for items and services provided by specialized MA plans for special needs individuals described in subsection (b)(6)(B)(ii) under this subchapter and subchapter XIX. With respect to items and services described in the preceding sentence, procedures established under this clause shall apply in place of otherwise applicable grievances and appeals procedures. The Secretary shall solicit comment in developing such procedures from States, plans, beneficiaries and their representatives, and other relevant stakeholders.

(ii) Procedures

The procedures established under clause (i) shall be included in the plan contract under paragraph (3)(D) and shall—

(I) adopt the provisions for the enrollee that are most protective for the enrollee
and, to the extent feasible as determined by the Secretary, are compatible with
unified timeframes and consolidated access to external review under an inte-
grated process;
(II) take into account differences in State plans under subchapter XIX to the
extent necessary;
(III) be easily navigable by an enrollee;
and
(IV) include the elements described in clause (iii), as applicable.

(iii) Elements described
Both unified appeals and unified griev-
ance procedures shall include, as applica-
ble, the following elements described in
this clause:
(I) Single written notification of all
applicable grievances and appeal rights
under this subchapter and subchapter
XIX. For purposes of this subparagraph,
the Secretary may waive the require-
ments under section 1395w–22(g)(1)(B) of
this title when the specialized MA plan
covers items or services under this part
or under subchapter XIX.
(II) Single pathways for resolution of
any grievance or appeal related to a par-
ticular item or service provided by spe-
cialized MA plans for special needs indi-
viduals described in subsection (b)(6)(B)(ii) under this subchapter and
subchapter XIX.
(III) Notices written in plain language
and available in a language and format
that is accessible to the enrollee, includ-
ing in non-English languages that are
prevalent in the service area of the
specialized MA plan.
(IV) Unified timeframes for grievances
and appeals processes, such as an indi-
vidual’s filing of a grievance or appeal, a
plan’s acknowledgment and resolution of
a grievance or appeal, and notification of
decisions with respect to a grievance or
appeal.
(V) Requirements for how the plan
must process, track, and resolve griev-
ances and appeals, to ensure bene-
ficiaries are notified on a timely basis of
decisions that are made throughout the
grievance or appeals process and are able
to easily determine the status of a griev-
ance or appeal.

(iv) Continuation of benefits pending ap-
peal
The unified procedures under clause (i)
shall, with respect to all benefits under
parts A and B and subchapter XIX subject
to appeal under such procedures, incor-
porate provisions under current law and
implementing regulations that provide
continuation of benefits pending appeal
under this subchapter and subchapter XIX.

(C) Requirement for unified grievances and
appeals
For 2021 and subsequent years, the con-
tact of a specialized MA plan for special
needs individuals described in subsection
(b)(6)(B)(ii) with a State Medicaid agency
under paragraph (3)(D) shall require the use
of unified grievances and appeals procedures
as described in subparagraph (B).

(D) Requirements for integration
(i) In general
For 2021 and subsequent years, a spe-
cialized MA plan for special needs individu-
als described in subsection (b)(6)(B)(ii) shall
meet one or more of the following require-
ments, to the extent permitted under
State law, for integration of benefits under
this subchapter and subchapter XIX:
(I) The specialized MA plan must meet
the requirements of contracting with the
State Medicaid agency described in para-
graph (3)(D) in addition to coordinating
long-term services and supports or be-
havioral health services, or both, by
meeting an additional minimum set of
requirements determined by the Sec-
retary through the Federal Coordinated
Health Care Office established under sec-
tion 1315b of this title based on input
from stakeholders, such as notifying the
State in a timely manner of hospitaliza-
tions, emergency room visits, and hos-
pital or nursing home discharges of en-
rrollees, assigning one primary care pro-
vider for each enrollee, or sharing data
that would benefit the coordination of
items and services under this subchapter
and the State plan under subchapter
XIX. Such minimum set of requirements
must be included in the contract of the
specialized MA plan with the State Med-
icaid agency under such paragraph.
(II) The specialized MA plan must meet
the requirements of a fully integrated
plan described in section 1395w–23(a)(1)(B)(iv)(II) of this title
(other than the requirement that the
plan have similar average levels of frail-
ity, as determined by the Secretary, as
the PACE program), or enter into a
capitated contract with the State Medi-
caid agency to provide long-term services
and supports or behavioral health serv-
ces, or both.
(III) In the case of a specialized MA
plan that is offered by a parent organiza-
tion that is also the parent organization
of a Medicaid managed care organization
providing long term services and sup-
ports or behavioral services under a con-
tact under section 1396b(m) of this title,
the parent organization must assume
clinical and financial responsibility for
benefits provided under this subchapter
and subchapter XIX with respect to any
individual who is enrolled in both the
specialized MA plan and the Medicaid
managed care organization.

(ii) Suspension of enrollment for failure to
meet requirements during initial pe-
riod
During the period of plan years 2021
through 2025, if the Secretary determines
that a specialized MA plan for special

needs individuals described in subsection (b)(6)(B)(ii) has failed to comply with clause (i), the Secretary may provide for the application against the Medicare Advantage organization offering the plan of the remedy described in section 1395w–27(g)(2)(B) of this title in the same manner as the Secretary may apply such remedy, and in accordance with the same procedures as would apply, in the case of an MA organization determined by the Secretary to have engaged in conduct described in section 1395w–27(g)(1) of this title. If the Secretary applies such remedy to a Medicare Advantage organization under the preceding sentence, the organization shall submit to the Secretary (at a time, and in a form and manner, specified by the Secretary) information describing how the plan will come into compliance with clause (i).

(E) Study and report to Congress

(i) In general

Not later than March 15, 2022, and, subject to clause (iii), biennially thereafter through 2032, the Medicare Payment Advisory Commission established under section 1395b–6 of this title, in consultation with the Medicaid and CHIP Payment and Access Commission established under section 1396 of this title, shall conduct (and submit to the Secretary and the Committees on Ways and Means and Energy and Commerce of the House of Representatives and the Committee on Finance of the Senate a report on) a study to determine how specialized MA plans for special needs individuals described in subsection (b)(6)(B)(ii) perform among each other based on data from Healthcare Effectiveness Data and Information Set (HEDIS) quality measures, reported on the plan level, as required under section 1395w–22(e)(3) of this title (or such other measures or data sources that are available and appropriate, such as encounter data and Consumer Assessment of Healthcare Providers and Systems data, as specified by such Commissions as enabling an accurate evaluation under this subparagraph). Such study shall include, as feasible, the following comparison groups of specialized MA plans for special needs individuals described in subsection (b)(6)(B)(ii):

(I) A comparison group of such plans that are described in subparagraph (D)(i)(I).

(II) A comparison group of such plans that are described in subparagraph (D)(i)(II).

(III) A comparison group of such plans operating within the Financial Alignment Initiative demonstration for the period for which such plan is so operating and the demonstration is in effect, and, in the case that an integration option that is not with respect to specialized MA plans for special needs individuals is established after the conclusion of the demonstration involved.

(IV) A comparison group of such plans that are described in subparagraph (D)(i)(III).

(V) A comparison group of MA plans, as feasible, not described in a previous subclause of this clause, with respect to the performance of such plans for enrollees who are special needs individuals described in subsection (b)(6)(B)(ii).

(ii) Additional reports

Beginning with 2033 and every five years thereafter, the Medicare Payment Advisory Commission, in consultation with the Medicaid and CHIP Payment and Access Commission, shall conduct a study described in clause (i).

(9) List of conditions for clarification of the definition of a severe or disabling chronic conditions specialized needs individual

(A) In general

Not later than December 31, 2020, and every 5 years thereafter, subject to subparagraphs (B) and (C), the Secretary shall convene a panel of clinical advisors to establish and update a list of conditions that meet each of the following criteria:

(i) Conditions that meet the definition of a severe or disabling chronic condition under subsection (b)(6)(B)(iii) on or after January 1, 2022.

(ii) Conditions that require prescription drugs, providers, and models of care that are unique to the specific population of enrollees in a specialized MA plan for special needs individuals described in such subsection on or after such date and—

(I) as a result of access to, and enrollment in, such a specialized MA plan for special needs individuals, individuals with such condition would have a reasonable expectation of slowing or halting the progression of the disease, improving health outcomes and decreasing overall costs for individuals diagnosed with such condition compared to available options of care other than through such a specialized MA plan for special needs individuals; or

(II) have a low prevalence in the general population of beneficiaries under this subchapter or a disproportionally high per-beneficiary cost under this subchapter.

(B) Inclusion of certain conditions

The conditions listed under subparagraph (A) shall include HIV/AIDS, end stage renal disease, and chronic and disabling mental illness.

(C) Requirement

In establishing and updating the list under subparagraph (A), the panel shall take into account the availability of varied benefits, cost-sharing, and supplemental benefits under the model described in paragraph (2) of section 1395w–28(h) of this title, including the expansion under paragraph (1) of such section.
(g) Special rules for senior housing facility plans

(1) In general
In the case of a Medicare Advantage senior housing facility plan described in paragraph (2), notwithstanding any other provision of this part to the contrary and in accordance with regulations of the Secretary, the service area of such plan may be limited to a senior housing facility in a geographic area.

(2) Medicare Advantage senior housing facility plan described
For purposes of this subsection, a Medicare Advantage senior housing facility plan is a Medicare Advantage plan that—

(A) restricts enrollment of individuals under this part to individuals who reside in a continuing care retirement community (as defined in section 1395w–22(l)(4)(B) of this title);

(B) provides primary care services onsite and has a ratio of accessible physicians to beneficiaries that the Secretary determines is adequate;

(C) provides transportation services for beneficiaries to specialty providers outside of the facility; and

(D) has participated (as of December 31, 2009) in a demonstration project established by the Secretary under which such a plan was offered for not less than 1 year.

(h) National testing of Medicare Advantage Value-Based Insurance Design model

(1) In general
In implementing the Medicare Advantage Value-Based Insurance Design model that is being tested under section 1315a(b) of this title, the Secretary shall revise the testing of the model under such section to cover, effective not later than January 1, 2020, all States.

(2) Termination and modification provision not applicable until January 1, 2022
The provisions of section 1315a(b)(3)(B) of this title shall apply to the Medicare Advantage Value-Based Insurance Design model, including such model as revised under paragraph (1), beginning January 1, 2022, but shall not apply to such model, as so revised, prior to such date.

(3) Funding
The Secretary shall allocate funds made available under section 1315a(f)(1) of this title to design, implement, and evaluate the Medicare Advantage Value-Based Insurance Design model, as revised under paragraph (1).

(i) Program integrity transparency measures

(1) Program integrity portal

(A) In general
Not later than 2 years after October 24, 2018, the Secretary shall, after consultation with stakeholders, establish a secure internet website portal (or other successor technology) that would allow a secure path for communication between the Secretary, MA plans under this part, prescription drug plans under part D, and an eligible entity with a contract under section 1395dd of this title (such as a Medicare drug integrity contractor or an entity responsible for carrying out program integrity activities under this part and part D) for the purpose of enabling through such portal (or other successor technology)—

(i) the referral by such plans of substantiated or suspicious activities, as defined by the Secretary, of a provider of services (including a prescriber) or supplier related to fraud, waste, and abuse for initiating or assisting investigations conducted by the eligible entity; and

(ii) data sharing among such MA plans, prescription drug plans, and the Secretary.

(B) Required uses of portal
The Secretary shall disseminate the following information to MA plans under this part and prescription drug plans under part D through the secure internet website portal (or other successor technology) established under subparagraph (A):

(i) Providers of services and suppliers that have been referred pursuant to subparagraph (A)(i) during the previous 12-month period.

(ii) Providers of services and suppliers who are the subject of an active exclusion under section 1320a–7 of this title or who are subject to a suspension of payment under this subchapter pursuant to section 1395y(o) of this title or otherwise.

(iii) Providers of services and suppliers who are the subject of an active revocation under subchapter XI with respect to similar activities, a notification to such plan of such action so taken.

(C) Rulemaking
For purposes of this paragraph, the Secretary shall, through rulemaking, specify what constitutes substantiated or suspicious activities of fraud, waste, or abuse, using guidance such as what is provided in the Medicare Program Integrity Manual 4.8. In carrying out this subsection, a fraud hotline tip (as defined by the Secretary) without further evidence shall not be treated as sufficient evidence for substantiated fraud, waste, or abuse.

(D) HIPAA compliant information only
For purposes of this subsection, communications may only occur if the communications are permitted under the Federal regulations (concerning the privacy of individually identifiable health information) promulgated under section 264(c) of the Health
Insurance Portability and Accountability Act of 1996.

(2) Quarterly reports

Beginning not later than 2 years after October 24, 2018, the Secretary shall make available to MA plans under this part and prescription drug plans under part D in a timely manner (but no less frequently than quarterly) and using information submitted to an entity described in paragraph (1) through the portal (or other successor technology) described in such paragraph or pursuant to section 1395dd of this title, information on fraud, waste, and abuse schemes and trends in identifying suspicious activity. Information included in each such report shall—

(A) include administrative actions, pertinent information related to opioid over-prescribing, and other data determined appropriate by the Secretary in consultation with stakeholders; and

(B) be anonymized information submitted by plans without identifying the source of such information.

(3) Clarification

Nothing in this subsection shall preclude or otherwise affect referrals to the Inspector General of the Department of Health and Human Services or other law enforcement entities.


APPlicability of Amendment

Amendment of section by section 17006(a)(2)(B) of Pub. L. 114–255 applicable with respect to plan years beginning on or after Jan. 1, 2021. See 2016 Amendment note below.

REFERENCES IN TEXT

The Internal Revenue Code of 1986, referred to in subsec. (c)(8)(A), is classified generally to Title 26, Internal Revenue Code.

Section 264(c) of the Health Insurance Portability and Accountability Act of 1996, referred to in subsec. (i)(1)D, is section 264(c) of Pub. L. 104–191, which is set out as a note under section 13304 of this title.

AMendments

2018—Subsec. (b)(6)(B)(ii). Pub. L. 115–123, § 50311(c)(2)(A), substituted “who—” for “who have”, inserted “(1) before January 1, 2022, have” before “one or more comorbid and medically complex chronic conditions that are substantially disabling”, and added subcl. (ii).

Subsec. (f)(1). Pub. L. 115–123, § 50311(a), struck out “and for periods before January 1, 2019” after “the Secretary”.


Subsec. (f)(5). Pub. L. 115–123, § 50311(c)(1), designated existing provisions as subpar. (A), inserted heading, substituted “Subject to subparagraph (B), the requirements” for “The requirements”, redesignated former subpars. (A) and (B)(i) to (iii) as cls. (i) and (ii)(I) to (ii)(iii), respectively, of subpar. (A), and added subpar. (B).


2016—Subsec. (b)(6). Pub. L. 114–255 struck out “may waive application of section 1395w–21(a)(3)(B)” of this title in the case of an individual described in clause (i), (ii), or (iii) of this subparagraph and” after “the Secretary” in concluding provisions.


Subsec. (g). Pub. L. 111–148, § 3208(a), added subsec. (g).


Subsec. (b)(6)(A). Pub. L. 110–275, § 164(c)(1)(A), inserted “and that, as of January 1, 2010, meets the applicable requirements of paragraphs (2), (3), or (4) of subsection (f), as the case may be” before period at end.

Subsec. (b)(6)(B)(iii). Pub. L. 110–275, § 164(c)(1), inserted “who have one or more comorbid and medically complex chronic conditions that are substantially disabling or life threatening, have a high risk of hospitalization or other significant adverse health outcomes, and require specialized delivery systems across domains of care” before period at end.


Pub. L. 110–275, § 164(c)(1)(B)(ii), amended heading generally. Prior to amendment, heading read “Restriction on enrollment for specialized MA plans for special needs individuals”.

Pub. L. 110–275, § 164(a), substituted “2011” for “2010”.


1999—Subsec. (e)(2). Pub. L. 106–113 substituted “section 1395w–21(a)(2)” of this title for “section 1395w–21(a)”.
§ 1395w–101

1395w–21(a)(2)(A) of this title’’ in introductory provisions.

CHANGE OF NAME
References to Medicare+Choice deemed to refer to Medicare Advantage or MA, subject to an appropriate transition provided by the Secretary of Health and Human Services in the use of those terms, see section 201 of Pub. L. 110–173, set out as a note under section 1395w–21 of this title.

EFFECTIVE DATE OF 2016 AMENDMENT

EFFECTIVE DATE OF 2010 AMENDMENT
Pub. L. 111–148, title III, § 3208(b), Mar. 23, 2010, 124 Stat. 460, provided that: ‘‘The amendment made by this section [amending this section] shall take effect on January 1, 2010, and shall apply to plan years beginning on or after such date.’’

EFFECTIVE DATE OF 2008 AMENDMENT
Amendment by section 164(c)(1), (d)(1), (e)(1) of Pub. L. 110–275 applicable to plan years beginning on or after Jan. 1, 2010, and applicable to all specialized Medicare Advantage plans for special needs individuals regardless of when the plan first entered the Medicare Advantage program under this part, see section 164(g) of Pub. L. 110–275, set out as a note under section 1395w–27 of this title.

EFFECTIVE DATE OF 2003 AMENDMENT
Amendment by section 231(b)(1), (d)(2) of Pub. L. 108–173 applicable with respect to plan years beginning on or after Jan. 1, 2006, see section 231(a) of Pub. L. 108–173, set out as a note under section 1395w–21 of this title.


REGULATIONS
Pub. L. 108–173, title II, § 231(f)(2), Dec. 8, 2003, 117 Stat. 2208, provided that: ‘‘No later than 1 year after the date of the enactment of this Act [Dec. 8, 2003], the Secretary of Health and Human Services shall issue final regulations to establish requirements for special needs individuals under section 1859(b)(b)(b)(iii) of the Social Security Act [42 U.S.C. 1395w–28(b)(b)(b)(iii)], as added by subsection (b).’’

AUTHORIZATION TO OPERATE; RESOURCES FOR STATE MEDICAID AGENCIES; CONTRACTING REQUIREMENTS

‘‘(2) AUTHORITY TO OPERATE BUT NO SERVICE AREA EXPANSION FOR DUAL SNPs THAT DO NOT MEET CERTAIN REQUIREMENTS.—Notwithstanding subsection (f) of section 1859 of the Social Security Act (42 U.S.C. 1395w–28), during the period beginning on January 1, 2010, and ending on December 31, 2012, in the case of a specialized Medicare Advantage plan for special needs individuals described in section 1859(b)(b)(b)(iii) of the Social Security Act (42 U.S.C. 1395w–28(b)(b)(b)(iii)), as amended by this section. (4) NO REQUIREMENT FOR CONTRACT.—Nothing in the provisions of, or amendments made by, this subsection [amending this section] shall require a State to enter into a contract with a Medicare Advantage organization with respect to a specialized MA plan for special needs individuals described in section 1859(b)(b)(b)(iii) of the Social Security Act (42 U.S.C. 1395w–28(b)(b)(b)(iii)), as amended by this section.’’

NO EFFECT ON MEDICAID BENEFITS FOR DUALS
Pub. L. 110–275, title I, § 164(h), July 15, 2008, 122 Stat. 2394, provided that: ‘‘Nothing in the provisions of, or amendments made by, this section [amending this section and sections 1395w–22 and 1395w–27 of this title and enacting provisions set out as notes under this section and sections 1395w–21, 1395w–22, and 1395w–27 of this title] shall affect the benefits available under the Medicaid program under title XIX of the Social Security Act [42 U.S.C. 1396 et seq.] for special needs individuals described in section 1859(b)(b)(b)(iii) of such Act (42 U.S.C. 1395w–28(b)(b)(b)(iii)).’’

AUTHORITY TO DESIGNATE OTHER PLANS AS SPECIALIZED MA PLANS
Secretary of Health and Human Services authorized, in promulgating regulations to carry out subsection (b)(6) of this section, to provide, notwithstanding subsection (b)(6)(A) of this section, for the offering of specialized MA plans for special needs individuals by MA plans that disproportionately serve special needs individuals, see section 231(d) of Pub. L. 108–173, set out as a note under section 1395w–21 of this title.


PART D—VOLUNTARY PRESCRIPTION DRUG BENEFIT PROGRAM

PRIOR PROVISIONS
A prior part D of this subchapter, consisting of section 1395x et seq., was redesignated part E of this subchapter.

SUBPART I—PART D ELIGIBLE INDIVIDUALS AND PRESCRIPTION DRUG BENEFITS

§ 1395w–101. Eligibility, enrollment, and information

(a) Provision of qualified prescription drug coverage through enrollment in plans

(1) In general

Subject to the succeeding provisions of this part, each part D eligible individual (as de-
fined in paragraph (3)(A)) is entitled to obtain qualified prescription drug coverage (described in section 1395w–102(a) of this title) as follows:

(A) Fee-for-service enrollees may receive coverage through a prescription drug plan

A part D eligible individual who is not enrolled in an MA plan may obtain qualified prescription drug coverage through enrollment in a prescription drug plan as defined in section 1395w–151(a)(14) of this title.

(B) Medicare Advantage enrollees

(i) Enrollees in a plan providing qualified prescription drug coverage receive coverage through the plan

A part D eligible individual who is enrolled in an MA–PD plan obtains such coverage through such plan.

(ii) Limitation on enrollment of MA plan enrollees in prescription drug plans

Except as provided in clauses (i) and (iv), a part D eligible individual who is enrolled in an MA plan may not enroll in a prescription drug plan under this part.

(iii) Private fee-for-service enrollees in MA plans not providing qualified prescription drug coverage permitted to enroll in a prescription drug plan

A part D eligible individual who is enrolled in an MA private fee-for-service plan (as defined in section 1395w–28(b)(2) of this title) that does not provide qualified prescription drug coverage may obtain qualified prescription drug coverage through enrollment in a prescription drug plan.

(iv) Enrollees in MSA plans permitted to enroll in a prescription drug plan

A part D eligible individual who is enrolled in an MSA plan (as defined in section 1395w–28(b)(3) of this title) may obtain qualified prescription drug coverage through enrollment in a prescription drug plan.

(2) Coverage first effective January 1, 2006

Coverage under prescription drug plans and MA–PD plans shall first be effective on January 1, 2006.

(3) Definitions

For purposes of this part:

(A) Part D eligible individual

The term “part D eligible individual” means an individual who is entitled to benefits under part A or enrolled under part B.

(B) MA plan

The term “MA plan” has the meaning given such term in section 1395w–28(b)(1) of this title.

(C) MA–PD plan

The term “MA–PD plan” means an MA plan that provides qualified prescription drug coverage.

(b) Enrollment process for prescription drug plans

(1) Establishment of process

(A) In general

The Secretary shall establish a process for the enrollment, disenrollment, termination, and change of enrollment of part D eligible individuals in prescription drug plans consistent with this subsection.

(B) Application of MA rules

In establishing such process, the Secretary shall use rules similar to (and coordinated with) the rules for enrollment, disenrollment, termination, and change of enrollment with an MA–PD plan under the following provisions of section 1395w–21 of this title:

(i) Residence requirements

Section 1395w–21(b)(1)(A) of this title, relating to residence requirements.

(ii) Exercise of choice

Section 1395w–21(c) of this title (other than paragraph (3)(A) and paragraph (4) of such section), relating to exercise of choice.

(iii) Coverage election periods

Subject to paragraphs (2) and (3) of this subsection, section 1395w–21(e) of this title (other than subparagraphs (B), (C), (E), and (F) of paragraph (2) and the second sentence of paragraph (4) of such section), relating to coverage election periods, including initial periods, annual coordinated election periods, special election periods, and election periods for exceptional circumstances.

(iv) Coverage periods

Section 1395w–21(f) of this title, relating to effectiveness of elections and changes of elections.

(v) Guaranteed issue and renewal

Section 1395w–21(g) of this title (other than paragraph (2) of such section and clause (i) and the second sentence of clause (ii) of paragraph (3)(C) of such section), relating to guaranteed issue and renewal.

(vi) Marketing material and application forms

Section 1395w–21(h) of this title, relating to approval of marketing material and application forms.

In applying clauses (ii), (iv), and (v) of this subparagraph, any reference to section 1395w–21(e) of this title shall be treated as a reference to such section as applied pursuant to clause (iii) of this subparagraph.

(C) Special rule

The process established under subparagraph (A) shall include, except as provided in subparagraph (D), in the case of a part D eligible individual who is a full-benefit dual eligible individual (as defined in section 1396u–5(c)(6) of this title) who has failed to enroll in a prescription drug plan or an MA–PD plan, for the enrollment in a prescription drug plan that has a monthly beneficiary premium that does not exceed the premium assistance available under section 1395w–114(a)(1)(A) of this title.1 If there is

1So in original. The closing parenthesis probably should not appear.
more than one such plan available, the Secretary shall enroll such an individual on a random basis among all such plans in the PDP region. Nothing in the previous sentence shall prevent such an individual from declining or changing such enrollment.

(D) Special rule for plans that waive de minimis premiums

The process established under subparagraph (A) may include, in the case of a part D eligible individual who is a subsidy eligible individual (as defined in section 1395w–114(a)(3) of this title) who has failed to enroll in a prescription drug plan or an MA–PD plan, for the enrollment in a prescription drug plan or MA–PD plan that has waived the monthly beneficiary premium for such subsidy eligible individual under section 1395w–114(a)(5) of this title. If there is more than one such plan available, the Secretary shall enroll such an individual under the preceding sentence on a random basis among all such plans in the PDP region. Nothing in the previous sentence shall prevent such an individual from declining or changing such enrollment.

(2) Initial enrollment period

(A) Program initiation

In the case of an individual who is a part D eligible individual as of November 15, 2005, there shall be an initial enrollment period that shall be the same as the annual, coordinated open enrollment period described in section 1395w–21(e)(3)(B)(ii) of this title, as applied under paragraph (1)(B)(iii).

(B) Continuing periods

In the case of an individual who becomes a part D eligible individual after November 15, 2005, there shall be an initial enrollment period which is the period under section 1395w–21(e)(1) of this title, as applied under paragraph (1)(B)(iii) of this section, as if “entitled to benefits under part A or enrolled under part B” were substituted for “entitled to benefits under part A and enrolled under part B”, but in no case shall such period end before the period described in subparagraph (A).

(3) Additional special enrollment periods

The Secretary shall establish special enrollment periods, including the following:

(A) Involuntary loss of creditable prescription drug coverage

(i) In general

In the case of a part D eligible individual who involuntarily loses creditable prescription drug coverage (as defined in section 1395w–115(b)(4) of this title).

(ii) Notice

In establishing special enrollment periods under clause (i), the Secretary shall take into account when the part D eligible individuals are provided notice of the loss of creditable prescription drug coverage.

(ii) Failure to pay premium

For purposes of clause (i), a loss of coverage shall be treated as voluntary if the coverage is terminated because of failure to pay a required beneficiary premium.

(iv) Reduction in coverage

For purposes of clause (i), a reduction in coverage so that the coverage no longer meets the requirements under section 1395w–113(b)(5) of this title (relating to actuarial equivalence) shall be treated as an involuntary loss of coverage.

(B) Errors in enrollment

In the case described in section 1395p(h) of this title (relating to errors in enrollment), in the same manner as such section applies to part B.

(C) Exceptional circumstances

In the case of part D eligible individuals who meet such exceptional conditions (in addition to those conditions applied under paragraph (1)(B)(iii)) as the Secretary may provide.

(D) Medicaid coverage

In the case of an individual (as determined by the Secretary, subject to such limits as the Secretary may establish for individuals identified pursuant to section 1395w–104(c)(5) of this title) who is a full-benefit dual eligible individual (as defined in section 1396u–5(c)(6) of this title).

(E) Discontinuance of MA–PD election during first year of eligibility

In the case of a part D eligible individual who discontinues enrollment in an MA–PD plan under the second sentence of section 1395w–21(e)(4) of this title at the time of the election of coverage under such sentence under the original medicare fee-for-service program.

(4) Information to facilitate enrollment

(A) In general

Notwithstanding any other provision of law but subject to subparagraph (B), the Secretary may provide to each PDP sponsor and MA organization such identifying information about part D eligible individuals as the Secretary determines to be necessary to facilitate efficient marketing of prescription drug plans and MA–PD plans to such individuals and enrollment of such individuals in such plans.

(B) Limitation

(i) Provision of information

The Secretary may provide the information under subparagraph (A) only to the extent necessary to carry out such subparagraph.

(ii) Use of information

Such information provided by the Secretary to a PDP sponsor or an MA organization may be used by such sponsor or organization only to facilitate marketing of, and enrollment of part D eligible individuals in, prescription drug plans and MA–PD plans.
§ 1395w–101

(5) Reference to enrollment procedures for MA–PD plans

For rules applicable to enrollment, disenrollment, termination, and change of enrollment of part D eligible individuals in MA–PD plans, see section 1395w–21 of this title.

(6) Reference to penalties for late enrollment

Section 1395w–113(b) of this title imposes a late enrollment penalty on part D eligible individuals—
(A) enroll in a prescription drug plan or an MA–PD plan after the initial enrollment period described in paragraph (2); and
(B) fail to maintain continuous creditable prescription drug coverage during the period of non-enrollment.

(c) Providing information to beneficiaries

(1) Activities

The Secretary shall conduct activities that are designed to broadly disseminate information to part D eligible individuals (and prospective part D eligible individuals) regarding the coverage provided under this part. Such activities shall ensure that such information is first made available at least 30 days prior to the initial enrollment period described in subsection (b)(2)(A).

(2) Requirements

The activities described in paragraph (1) shall—
(A) be similar to the activities performed by the Secretary under section 1395w–21(d) of this title, including dissemination (including through the toll-free telephone number 1–800–MEDICARE) of comparative information for prescription drug plans and MA–PD plans; and
(B) be coordinated with the activities performed by the Secretary under such section and under section 1395b–2 of this title.

(3) Comparative information

(A) In general

Subject to subparagraph (B), the comparative information referred to in paragraph (2)(A) shall include a comparison of the following with respect to qualified prescription drug coverage:
(i) Benefits
The benefits provided under the plan.
(ii) Monthly beneficiary premium
The monthly beneficiary premium under the plan.
(iii) Quality and performance
The quality and performance under the plan.
(iv) Beneficiary cost-sharing
The cost-sharing required of part D eligible individuals under the plan.
(v) Consumer satisfaction surveys
The results of consumer satisfaction surveys regarding the plan conducted pursuant to section 1395w–104(d) of this title.

(B) Exception for unavailability of information

The Secretary is not required to provide comparative information under clauses (iii) and (v) of subparagraph (A) with respect to a plan—
(i) for the first plan year in which it is offered; and
(ii) for the next plan year if it is impracticable or the information is otherwise unavailable.

(4) Information on late enrollment penalty

The information disseminated under paragraph (1) shall include information concerning the methodology for determining the late enrollment penalty under section 1395w–113(b) of this title.


AMENDMENTS

2016—Subsec. (b)(3)(D). Pub. L. 114–198 inserted ‘‘subject to such limits as the Secretary may establish for individuals identified pursuant to section 1395w–113(c)(1) of this title’’ after ‘‘the Secretary’’.

Subsec. (b)(1)(B)(iii). Pub. L. 114–10, §209(b)(2)(B)(ii), substituted ‘‘(E), and (F)’’ for ‘‘and (E)’’.


2006—Subsec. (b)(1)(B)(ii). Pub. L. 109–422 substituted ‘‘subparagraphs (B), (C), and (E)’’ for ‘‘subparagraphs (B) and (C)’’.

Effectivity Date of 2016 Amendment

Pub. L. 114–198, title VII, §704(g)(1), July 22, 2016, 130 Stat. 751, provided that: ‘‘The amendments made by this section (amending this section and sections 1395w–104, 1395w–102, 1395d, and 1395ii of this title) shall apply to prescription drug plans (and MA–PD plans) for plan years beginning on or after January 1, 2019.’’

Effectivity Date of 2010 Amendment

Pub. L. 111–148, title III, §3303(c), Mar. 23, 2010, 124 Stat. 469, provided that: ‘‘The amendments made by this subsection [probably should be ‘‘this section’’, amending this section and section 1395w–114 of this title] shall apply to premiums for months, and enrollments for plan years, beginning on or after January 1, 2011.’’

Regulations

Pub. L. 114–198, title VII, §704(g)(2), (3), July 22, 2016, 130 Stat. 751, 752, provided that:
‘‘(2) STAKEHOLDER MEETINGS PRIOR TO EFFECTIVE DATE.—
(A) IN GENERAL.—Not later than January 1, 2017, the Secretary of Health and Human Services shall convene stakeholders, including individuals entitled to benefits under part A of title XVIII of the Social Security Act (42 U.S.C. 1395c et seq.) or enrolled under part B of such title (42 U.S.C. 1395d et seq.), advocacy groups representing such individuals, physicians, pharmacists, and other clinicians, retail pharmacies, plan sponsors, entities delegated by plan
sponsors, and biopharmaceutical manufacturers for input regarding the topics described in subparagraph (B). The input described in the preceding sentence shall be provided to the Secretary in sufficient time in order for the Secretary to take such input into account in promulgating the regulations pursuant to paragraph (3).

"(2) TOPICS DESCRIBED.—The topics described in this subparagraph are the topics of—

"(i) the anticipated impact of drug management programs for at-risk beneficiaries under paragraph (5) of section 1860D–4(c) of the Social Security Act (42 U.S.C. 1395w–104(c)) on cost-sharing and ensuring accessibility to prescription drugs for enrollees in prescription drug plans of PDP sponsors, and enrollees in MA–PD plans, who are at-risk beneficiaries for prescription drug abuse (as defined in subparagraph (C) of such paragraph);

"(ii) the manner in which terms and definitions in such subparagraph are to be applied, such as the use of clinical appropriateness in determining whether an enrollee is an at-risk beneficiary for prescription drug abuse as defined in subparagraph (C) of such paragraph;

"(i) the information to be included in the notices described in subparagraph (B) of such paragraph and the standardization of such notices;

"(ii) with respect to a PDP sponsor (or Medicare Advantage organization) that establishes a drug management program for at-risk beneficiaries under such paragraph, the responsibilities of such PDP sponsor (or organization) with respect to the implementation of such program;

"(iii) notices for plan enrollees at the point of sale that would explain why an at-risk beneficiary has been prohibited from receiving a prescription at a location outside of the designated pharmacy;

"(iv) evidence-based prescribing guidelines for opiates; and

"(v) the sharing of claims data under parts A and B of title XVIII of the Social Security Act (42 U.S.C. 1395c et seq., 1395f et seq.) with PDP sponsors.

"(3) RULEMAKING.—Not later than one year after the date of the enactment of this Act [July 22, 2010], the Secretary of Health and Human Services shall, taking into account the input gathered pursuant to paragraph (2)(A) and after providing notice and an opportunity to comment, promulgate regulations to carry out the provisions of, and amendments made by[,] this section [amending this section and sections 1399w–101, 1395w–152, 1396dd, and 1395ll of this title and enacting provisions set out as a note above]."

OFFICE OF THE INSPECTOR GENERAL STUDIES AND REPORTS


"(2) ANNUAL REPORTS.—Not later than July 1 of each year (beginning with 2011), the Inspector General shall submit to Congress a report on the study conducted under paragraph (1), together with such recommendations as the Inspector General determines appropriate.

"(b) STUDY AND REPORT ON PRESCRIPTION DRUG PRICES UNDER MEDICARE PART D AND MEDICAID.—

"(1) STUDY.—

"(A) IN GENERAL.—The Inspector General of the Department of Health and Human Services shall conduct a study on prices for covered part D drugs under the Medicare prescription drug program under part D of title XVIII of the Social Security Act (42 U.S.C. 1395w–101 et seq.) and for covered outpatient drugs under title XIX (42 U.S.C. 1396 et seq.). Such study shall include the following:

"(i) A comparison, with respect to the 200 most frequently dispensed covered part D drugs under such program and covered outpatient drugs under such title (as determined by the Inspector General based on volume and expenditures), of—

"(I) the prices paid for covered part D drugs by PDP sponsors of prescription drug plans and Medicare Advantage organizations offering MA–PD plans; and

"(II) the prices paid for covered outpatient drugs by a State plan under title XIX.

"(B) PRICE.—For purposes of subparagraph (A), the price of a covered part D drug or a covered outpatient drug shall include any rebate or discount under such program or such title, respectively, including any negotiated price concession described in section 1860D–2(d)(1)(B) of the Social Security Act (42 U.S.C. 1395w–102(d)(1)(B)) or rebate under an agreement under section 1927 of the Social Security Act (42 U.S.C. 1396f–8).

"(C) AUTHORITY TO COLLECT ANY NECESSARY INFORMATION.—Notwithstanding any other provision of law, the Inspector General of the Department of Health and Human Services shall be able to collect any information related to the prices of covered part D drugs under such program and covered outpatient drugs under such title XIX necessary to carry out the comparison under subparagraph (A).

"(2) REPORT.—

"(A) IN GENERAL.—Not later than October 1, 2011, subject to subparagraph (B), the Inspector General shall submit to Congress a report containing the results of the study conducted under paragraph (1), together with recommendations for such legislation and administrative action as the Inspector General determines appropriate.

"(B) LIMITATION ON INFORMATION CONTAINED IN REPORT.—The report submitted under subparagraph (A) shall not include any information that the Inspector General determines is proprietary or is likely to negatively impact the ability of a PDP sponsor or a State plan under title XIX (42 U.S.C. 1396 et seq.) to negotiate prices for covered part D drugs or covered outpatient drugs, respectively.

"(3) DEFINITIONS.—In this section:

"(A) COVERED PART D DRUG.—The term ‘covered part D drug’ has the meaning given such term in section 1860D–2(e) of the Social Security Act (42 U.S.C. 1395w–102(e)).

"(B) COVERED OUTPATIENT DRUG.—The term ‘covered outpatient drug’ has the meaning given such term in section 1927(k) of such Act (42 U.S.C. 1396r[–8](k)).

"(C) MA–PD PLAN.—The term ‘MA–PD plan’ has the meaning given such term in section 1860D–4(a)(9) of such Act (42 U.S.C. 1395w–151(a)(9)).
“(D) MEDICARE ADVANTAGE ORGANIZATION.—The term ‘Medicare Advantage organization’ has the meaning given such term in section 1859(a)(1) of such Act (42 U.S.C. 1395w–29(a)(1)).

“(E) PDP SPONSOR.—The term ‘PDP sponsor’ has the meaning given such term in section 1860D–41(a)(13) of such Act (42 U.S.C. 1395w–151(a)(13)).

“(F) PRESCRIPTION DRUG PLAN.—The term ‘prescription drug plan’ has the meaning given such term in section 1860D–41(a)(14) of such Act (42 U.S.C. 1395w–151(a)(14))."

SUBMISSION OF LEGISLATIVE PROPOSAL


REPORT ON PROGRESS IN IMPLEMENTATION OF PRESCRIPTION DRUG BENEFIT

Pub. L. 108–173, title I, §101(c), Dec. 8, 2003, 117 Stat. 2150, provided that: ‘‘Not later than January 1, 2005, the Secretary [of Health and Human Services] shall submit a report to Congress on the progress that has been made in implementing the prescription drug benefit under this title (see Tables for classification). The Secretary shall include in the report a description of the steps that have been taken, and that need to be taken, to ensure a timely start of the program on January 1, 2006. The report shall include recommendations regarding an appropriate transition from the program under section 1860D–31 of the Social Security Act [42 U.S.C. 1395w–141] to prescription drug benefits under subpart 1 of part D of title XVIII of such Act (42 U.S.C. 1395w–101 et seq.).’’

STATE PHARMACEUTICAL ASSISTANCE TRANSITION COMMISSION

Pub. L. 108–173, title I, §106, Dec. 8, 2003, 117 Stat. 2168, provided that: ‘‘(a) ESTABLISHMENT.— ‘‘(1) IN GENERAL.—There is established, as of the first day of the third month beginning after the date of the enactment of this Act [Dec. 8, 2003], a State Pharmaceutical Assistance Transition Commission (in this section referred to as the ‘Commission’) to develop a proposal for addressing the unique transitional issues facing State pharmaceutical assistance programs, and program participants, due to the implementation of the voluntary prescription drug benefit program under part D of title XVIII of the Social Security Act (42 U.S.C. 1395w–101 et seq.), as added by section 101. ‘‘(2) DEFINITIONS.—For purposes of this section: ‘‘(A) STATE PHARMACEUTICAL ASSISTANCE PROGRAM DEFINED.—The term ‘State pharmaceutical assistance program’ means a program (other than the medicaid program) operated by a State (or under contract with a State) that provides as of the date of the enactment of this Act [Dec. 8, 2003] financial assistance to medicare beneficiaries for the purchase of prescription drugs. ‘‘(B) PROGRAM PARTICIPANT.—The term ‘program participant’ means a low-income medicare beneficiary who is a participant in a State pharmaceutical assistance program. ‘‘(c) DEVELOPMENT OF PROPOSAL.—The Commission shall develop the proposal described in subsection (a) in a manner consistent with the following principles: ‘‘(1) Protection of the interests of program participants in a manner that is the least disruptive to such participants and that includes a single point of contact for enrollment and processing of benefits. ‘‘(2) Protection of the financial and flexibility in interests of States so that States are not financially worse off as a result of the enactment of this title (see Tables for classification). ‘‘(3) Principles of medicare modernization under this Act (see Tables for classification). ‘‘(d) REPORT.—By not later than January 1, 2005, the Commission shall submit to the President and Congress a report that contains a detailed proposal (including specific legislative or administrative recommendations, if any) and such other recommendations as the Commission deems appropriate.

(e) SUPPORT.—The Secretary shall provide the Commission with the administrative support services necessary for the Commission to carry out its responsibilities under this section.

(f) TERMINATION.—The Commission shall terminate 30 days after the date of submission of the report under subsection (d).’’

CONFLICT OF INTEREST STUDY

Pub. L. 108–173, title I, §110, Dec. 8, 2003, 117 Stat. 2174, provided that: ‘‘(a) STUDY.—The Federal Trade Commission shall conduct a study of differences in payment amounts for pharmacy services provided to enrollees in group health plans that utilize pharmacy benefit managers. Such study shall include the following: ‘‘(1) An assessment of the differences in costs incurred by such enrollees and plans for prescription drugs dispensed by mail-order pharmacies owned by pharmaceutical benefit managers compared to mail-order pharmacies not owned by pharmaceutical benefit managers, and community pharmacies. ‘‘(2) Whether such plans are acting in a manner that maximizes competition and results in lower prescription drug prices for enrollees.

(b) REPORT.—Not later than 18 months after the date of the enactment of this Act [Dec. 8, 2003], the Commission shall submit to Congress a report on the study conducted under subsection (a). Such report shall in-
include recommendations regarding any need for legislation to ensure the fiscal integrity of the voluntary prescription drug benefit program under part D of title XVII [42 U.S.C. 1395w-101 et seq.], as added by section 101, that may be appropriated as the result of such study.

“(c) EXEMPTION FROM PAPERWORK REDUCTION ACT.—Chapter 35 of title 44, United States Code, shall not apply to the collection of information under subsection (a).”

§ 1395w–102. Prescription drug benefits

(a) Requirements

(1) In general

For purposes of this part and part C, the term “qualified prescription drug coverage” means either of the following:

(A) Standard prescription drug coverage with access to negotiated prices

Standard prescription drug coverage (as defined in subsection (b)) and access to negotiated prices under subsection (d).

(B) Alternative prescription drug coverage with at least actuarially equivalent benefits and access to negotiated prices

Coverage of covered part D drugs which meets the alternative prescription drug coverage requirements of subsection (c) and access to negotiated prices under subsection (d).

(2) Permitting supplemental prescription drug coverage

(A) In general

Subject to subparagraph (B), qualified prescription drug coverage may include supplemental prescription drug coverage consisting of either or both of the following:

(i) Certain reductions in cost-sharing

(I) In general

A reduction in the annual deductible, a reduction in the coinsurance percentage, or an increase in the initial coverage limit with respect to covered part D drugs, or any combination thereof, so as such a reduction or increase increases the actuarial value of benefits above the actuarial value of basic prescription drug coverage.

(II) Construction

Nothing in this paragraph shall be construed as affecting the application of subsection (c)(3).

(ii) Optional drugs

Coverage of any product that would be a covered part D drug but for the application of subsection (c)(2)(A).

(B) Requirement

A PDP sponsor may not offer a prescription drug plan that provides supplemental prescription drug coverage pursuant to subparagraph (A) in an area unless the sponsor also offers a prescription drug plan in the area that only provides basic prescription drug coverage.

(3) Basic prescription drug coverage

For purposes of this part and part C, the term “basic prescription drug coverage” means either of the following:

(A) Coverage that meets the requirements of paragraph (1)(A).

(B) Coverage that meets the requirements of paragraph (1)(B) but does not have any supplemental prescription drug coverage described in paragraph (2)(A).

(4) Application of secondary payor provisions

The provisions of section 1395w–22(a)(4) of this title shall apply under this part in the same manner as they apply under part C.

(5) Construction

Nothing in this subsection shall be construed as changing the computation of incurred costs under subsection (b)(4).

(b) Standard prescription drug coverage

For purposes of this part and part C, the term “standard prescription drug coverage” means coverage of covered part D drugs that meets the following requirements:

(1) Deductible

(A) In general

The coverage has an annual deductible—

(i) for 2006, that is equal to $250; or

(ii) for a subsequent year, that is equal to the amount specified under this paragraph for the previous year increased by the percentage specified in paragraph (6) for the year involved.

(B) Rounding

Any amount determined under subparagraph (A)(ii) that is not a multiple of $5 shall be rounded to the nearest multiple of $5.

(2) Benefit structure

(A) 25 percent coinsurance

Subject to subparagraphs (C) and (D), the coverage has coinsurance (for costs above the annual deductible specified in paragraph (1) and up to the initial coverage limit under paragraph (3)) that is—

(i) equal to 25 percent; or

(ii) actuarially equivalent (using processes and methods established under section 1395w–111(c) of this title) to an average expected payment of 25 percent of such costs.

(B) Use of tiers

Nothing in this part shall be construed as preventing a PDP sponsor or an MA organization from applying tiered copayments under a plan, so long as such tiered copayments are consistent with subparagraphs (A)(ii), (C), and (D).

(C) Coverage for generic drugs in coverage gap

(i) In general

Except as provided in paragraph (4), the coverage for an applicable beneficiary (as defined in section 1395w–114a(g)(1) of this title) has coinsurance (for costs above the
§ 1395w–102

TITLE 42—THE PUBLIC HEALTH AND WELFARE

Page 3108

initial coverage limit under paragraph (3) and below the out-of-pocket threshold) for covered part D drugs that are not applicable drugs under section 1395w–114a(g)(2) of this title that is—

(i) equal to the generic-gap coinsurance percentage (specified in clause (ii)) for the year; or

(II) actuarially equivalent (using processes and methods established under section 1395w–114a(g)(2) of this title) to the generic-gap coinsurance percentage under this clause for the previous year decreased by 7 percentage points; and

(iii) for 2020 and each subsequent year is 25 percent.

(D) Coverage for applicable drugs in coverage gap

(i) In general

Except as provided in paragraph (4), the coverage for an applicable beneficiary (as defined in section 1395w–114a(g)(1) of this title) has coinsurance (for costs above the initial coverage limit under paragraph (3) and below the out-of-pocket threshold) for the negotiated price (as defined in section 1395w–114a(g)(6) of this title) of covered part D drugs that are applicable drugs under section 1395w–114a(g)(2) of this title.

(ii) Generic-gap coinsurance percentage

The generic-gap coinsurance percentage specified in this clause for—

(I) 2011 is 93 percent;

(II) 2012 and each succeeding year before 2020 is the generic-gap coinsurance percentage under this clause for the previous year decreased by 7 percentage points; and

(iii) for 2020 and each subsequent year is 25 percent.

(iii) Applicable gap percentage

The applicable gap percentage specified in this clause for—

(I) 2013 and 2014 is 97.5 percent;

(II) 2015 and 2016 is 95 percent;

(III) 2017 is 90 percent;

(IV) 2018 is 85 percent; and

(V) 2019 and each subsequent year is 75 percent.

(3) Initial coverage limit

(A) In general

Except as provided in paragraphs (2)(C), (2)(D), and (4), the coverage has an initial coverage limit on the maximum costs that may be recognized for payment purposes (including the annual deductible)—

(i) for 2006, that is equal to $2,250; or

(ii) for a subsequent year, that is equal to the amount specified in this subparagraph for the previous year, increased by the annual percentage increase described in paragraph (6) for the year involved.

(B) Rounding

Any amount determined under subparagraph (A)(ii) that is not a multiple of $10 shall be rounded to the nearest multiple of $10.

(4) Protection against high out-of-pocket expenditures

(A) In general

(i) In general

The coverage provides benefits, after the annual out-of-pocket threshold specified in subparagraph (B), with cost-sharing that is equal to the greater of—

(I) a copayment of $2 for a generic drug or a preferred drug that is a multiple source drug (as defined in section 1396r–8(k)(7)(A)(i) of this title) and $5 for any other drug; or

(II) coinsurance that is equal to 5 percent.

(ii) Adjustment of amount

For a year after 2006, the dollar amounts specified in clause (i)(I) shall be equal to the dollar amounts specified in this subparagraph for the previous year, increased by the annual percentage increase described in paragraph (6) for the year involved. Any amount established under this clause that is not a multiple of 5 cents shall be rounded to the nearest multiple of 5 cents.

(B) Annual out-of-pocket threshold

(i) In general

For purposes of this part, the “annual out-of-pocket threshold” specified in this subparagraph—

(I) for 2006, is equal to $3,600;

(II) for each of years 2007 through 2013, is equal to the amount specified in this subparagraph for the previous year, increased by the annual percentage increase described in paragraph (6) for the year involved;

(III) for 2014 and 2015, is equal to the amount specified in this subparagraph for the previous year, increased by the annual percentage increase described in paragraph (6) for the year involved, minus 0.25 percentage point;

(IV) for each of years 2016 through 2019, is equal to the amount specified in this subparagraph for the previous year, increased by the lesser of—

(aa) the annual percentage increase described in paragraph (7) for the year involved, plus 2 percentage points; or

(bb) 5 cents.
(bb) the annual percentage increase described in paragraph (6) for the year;

(V) for 2020, is equal to the amount that would have been applied under this subparagraph for 2020 if the amendments made by section 110(a)(1) of the Health Care and Education Reconciliation Act of 2010 had not been enacted; or

(VI) for a subsequent year, is equal to the amount specified in this subparagraph for the previous year, increased by the annual percentage increase described in paragraph (6) for the year involved.

(ii) Rounding

Any amount determined under clause (i)(II) that is not a multiple of $50 shall be rounded to the nearest multiple of $50.

(C) Application

Except as provided in subparagraph (E), in applying subparagraph (A)—

(i) incurred costs shall only include costs incurred with respect to covered part D drugs for the annual deductible described in paragraph (1), for cost-sharing described in paragraph (2), and for amounts for which benefits are not provided because of the application of the initial coverage limit described in paragraph (3), but does not include any costs incurred for covered part D drugs which are not included (or treated as being included) in the plan’s formulary;

(ii) subject to clause (iii), such costs shall be treated as incurred only if they are paid by the part D eligible individual (or by another person, such as a family member, on behalf of the individual) and the part D eligible individual (or other person) is not reimbursed through insurance or otherwise, a group health plan, or other third-party payment arrangement (other than under such section or such a Program) for such costs; and

(iii) such costs shall be treated as incurred and shall not be considered to be reimbursed under clause (ii) if such costs are borne or paid—

(I) under section 1395w–114 of this title;

(II) under a State Pharmaceutical Assistance Program;

(III) by the Indian Health Service, an Indian tribe or tribal organization, or an urban Indian organization (as defined in section 1663 of title 25);

(IV) under an AIDS Drug Assistance Program under part B of title XXVI of the Public Health Service Act [42 U.S.C. 300ff–21 et seq.];

(D) Information regarding third-party reimbursement

(i) Procedures for exchanging information

In order to accurately apply the requirements of subparagraph (C)(ii), the Secretary is authorized to establish procedures, in coordination with the Secretary of the Treasury and the Secretary of Labor—

(I) for determining whether costs for part D eligible individuals are being re-

imbursed through insurance or otherwise, a group health plan, or other third-

party payment arrangement; and

(II) for alerting the PDP sponsors and MA organizations that offer the prescription drug plans and MA–PD plans in which such individuals are enrolled about such reimbursement arrange-

ments.

(ii) Authority to request information from enrollees

A PDP sponsor or an MA organization may periodically ask part D eligible indi-

viduals enrolled in a prescription drug plan or an MA–PD plan whether the sponsor or organization whether such indi-

viduals have or expect to receive such third-party reimbursement. A material misrepresentation of the information de-

scribed in the preceding sentence by an individual (as defined in standards set by the Secretary and determined through a proc-

ess established by the Secretary) shall constitute grounds for termination of en-

rollment in any plan under section 1395w–21(g)(3)(B) of this title (and as ap-

plied under this part under section 1395w–101(b)(1)(B)(v) of this title) for a pe-

riod specified by the Secretary.

(E) Inclusion of costs of applicable drugs under medicare coverage gap discount program

In applying subparagraph (A), incurred costs shall include the negotiated price (as defined in paragraph (6) of section 1395w–114a(g) of this title) of an applicable drug (as defined in paragraph (1) of such section) of a manufacturer that is furnished to an applicable beneficiary (as defined in para-

graph (1) of such section) under the Medicare coverage gap discount program under section 1395w–114a of this title, regardless of whether part of such costs were paid by a manufacturer under such program, except that incurred costs shall not include the portion of the negotiated price that represents the reduction in coinsurance resulting from the application of paragraph (2)(D).

(5) Construction

Nothing in this part shall be construed as preventing a PDP sponsor or an MA organization offering an MA–PD plan from reducing to zero the cost-sharing otherwise applicable to preferred or generic drugs.

(6) Annual percentage increase

The annual percentage increase specified in this paragraph for a year is equal to the annual percentage increase in average per capita aggregate expenditures for covered part D drugs in the United States for part D eligible individuals, as determined by the Secretary for the 12-month period ending in July of the previous year using such methods as the Sec-

retary shall specify.

(7) Additional annual percentage increase

The annual percentage increase specified in this paragraph for a year is equal to the an-

nual percentage increase in the consumer
price index for all urban consumers (United States city average) for the 12-month period ending in July of the previous year.

(c) Alternative prescription drug coverage requirements

A prescription drug plan or an MA–PD plan may provide a different prescription drug benefit design from standard prescription drug coverage so long as the Secretary determines (consistent with section 1395w–111(c) of this title) that the following requirements are met and the plan applies for, and receives, the approval of the Secretary for such benefit design:

(1) Assuring at least actuarially equivalent coverage

(A) Assuring equivalent value of total coverage

The actuarial value of the total coverage is at least equal to the actuarial value of standard prescription drug coverage.

(B) Assuring equivalent unsubsidized value of coverage

The unsubsidized value of the coverage is at least equal to the unsubsidized value of standard prescription drug coverage. For purposes of this subparagraph, the unsubsidized value of coverage is the amount by which the actuarial value of the coverage exceeds the actuarial value of the subsidy payments under section 1395w–115 of this title with respect to such coverage.

(C) Assuring standard payment for costs at initial coverage limit

The coverage is designed, based upon an actuarially representative pattern of utilization, to provide for the payment, with respect to costs incurred that are equal to the initial coverage limit under subsection (b)(3) for the year, of an amount equal to at least the product of—

(i) the amount by which the initial coverage limit described in subsection (b)(3) for the year exceeds the deductible described in subsection (b)(1) for the year; and

(ii) 100 percent minus the coinsurance percentage specified in subsection (b)(2)(A)(i).

(2) Maximum required deductible

The deductible under the coverage shall not exceed the deductible amount specified under subsection (b)(1) for the year.

(3) Same protection against high out-of-pocket expenditures

The coverage provides the coverage required under subsection (b)(4).

(d) Access to negotiated prices

(1) Access

(A) In general

Under qualified prescription drug coverage offered by a PDP sponsor offering a prescription drug plan or an MA organization offering an MA–PD plan, the sponsor or organization shall provide enrollees with access to negotiated prices used for payment for covered part D drugs, regardless of the fact that no benefits may be payable under the coverage with respect to such drugs because of the application of a deductible or other cost-sharing or an initial coverage limit (described in subsection (b)(3)).

(B) Negotiated prices

For purposes of this part, negotiated prices shall take into account negotiated price concessions, such as discounts, direct or indirect subsidies, rebates, and direct or indirect remunerations, for covered part D drugs, and include any dispensing fees for such drugs.

(C) Medicaid-related provisions

The prices negotiated by a prescription drug plan, by an MA–PD plan with respect to covered part D drugs, or by a qualified retiree prescription drug plan (as defined in section 1365w–132(a)(2) of this title) with respect to such drugs on behalf of part D eligible individuals, shall (notwithstanding any other provision of law) not be taken into account for the purposes of establishing the best price under section 1396r–8(c)(1)(C) of this title.

(2) Disclosure

A PDP sponsor offering a prescription drug plan or an MA organization offering an MA–PD plan shall disclose to the Secretary (in a manner specified by the Secretary) the aggregate negotiated price concessions described in paragraph (1)(B) made available to the sponsor or organization by a manufacturer which are passed through in the form of lower subsidies, lower monthly beneficiary prescription drug premiums, and lower prices through pharmacies and other dispensers. The provisions of section 1396r–8(b)(3)(D) of this title apply to information disclosed to the Secretary under this paragraph.

(3) Audits

To protect against fraud and abuse and to ensure proper disclosures and accounting under this part and in accordance with section 1395w–27(d)(2)(B) of this title (as applied under section 1395w–112(b)(3)(C) of this title), the Secretary may conduct periodic audits, directly or through contracts, of the financial statements and records of PDP sponsors with respect to prescription drug plans and MA organizations with respect to MA–PD plans.

(e) Covered part D drug defined

(1) In general

Except as provided in this subsection, for purposes of this part, the term “covered part D drug” means—

(A) a drug that may be dispensed only upon a prescription and that is described in subparagraph (A)(i), (A)(ii), or (A)(iii) of section 1396r–8(k)(2) of this title; or

(B) a biological product described in clauses (i) through (iii) of subparagraph (B) of such section or insulin described in subparagraph (C) of such section and medical supplies associated with the injection of insulin (as defined in regulations of the Secretary).
and such term includes a vaccine licensed under section 262 of this title (and, for vaccines administered on or after January 1, 2008, its administration) and any use of a covered part D drug for a medically accepted indication (as defined in paragraph (4)).

(2) Exclusions
(A) In general

Such term does not include drugs or classes of drugs, or their medical uses, which may be excluded from coverage or otherwise restricted under section 1396r–8(d)(2) of this title, other than subparagraph (E) of such section (relating to smoking cessation agents), other than subparagraph (I) of such section (relating to barbiturates if the barbiturate is used in the treatment of epilepsy, cancer, or a chronic mental health disorder, and other than subparagraph (J) of such section (relating to benzodiazipines), or under section 1396r–8(d)(3) of this title, as such sections were in effect on December 8, 2003.

Such term also does not include a drug when used for the treatment of sexual or erectile dysfunction, unless such drug were used to treat a condition, other than sexual or erectile dysfunction, for which the drug has been approved by the Food and Drug Administration.

(B) Medicare covered drugs

A drug prescribed for a part D eligible individual that would otherwise be a covered part D drug under this part shall not be considered if payment for such drug as so prescribed and dispensed or administered with respect to that individual is available (or would be available but for the application of a deductible) under part A or B for that individual.

(3) Application of general exclusion provisions

A prescription drug plan or an MA–PD plan may exclude from qualified prescription drug coverage any covered part D drug—

(A) for which payment would not be made if section 1395y(a) of this title applied to this part; or

(B) which is not prescribed in accordance with the plan or this part.

Such exclusions are determinations subject to reconsideration and appeal pursuant to subparts (g) and (h), respectively, of section 1395w–102 of this title.

(4) Medically accepted indication defined

(A) In general

For purposes of paragraph (1), the term “medically accepted indication” has the meaning given that term—

(i) in the case of a covered part D drug used in an anticancer chemotherapeutic regimen, in section 1395x(t)(2)(B) of this title, except that in applying such section—

(I) “prescription drug plan or MA–PD plan” shall be substituted for “carrier” each place it appears; and

(II) subject to subparagraph (B), the compendia described in section 1396r–8(g)(1)(B)(i)(III) of this title shall be included in the list of compendia described in clause (ii)(1) section 1395x(t)(2)(B) of this title; and

(ii) in the case of any other covered part D drug, in section 1396r–8(k)(6) of this title.

(B) Conflict of interest

On and after January 1, 2010, subparagraph (A)(i) shall not apply unless the compendia described in section 1396r–8(g)(1)(B)(i)(III) of this title meets the requirement in the third sentence of section 1395x(t)(2)(B) of this title.

(C) Update

For purposes of applying subparagraph (A)(i), the Secretary shall revise the list of compendia described in section 1396r–8(g)(1)(B)(i) of this title as is appropriate for identifying medically accepted indications for drugs. Any such revision shall be done in a manner consistent with the process for revising compendia under section 1395x(t)(2)(B) of this title.

NOTE: See the amendment table following the text for amendments affecting this section.

Subsec. 111–148, §3315(l), which directed substitution of paragraphs (4) and (7) for “paragraph (4)” in introductory provisions, was repealed by Pub. L. 111–152, §1101(a)(2). See Construction of 2010 Amendment note below.

Subsec. (b)(4)(B)(ii) to (VI). Pub. L. 111–152, §1101(d)(1), added subcls. (II) to (V) and redesignated former subcl. (II) as (VI).

Subsec. (b)(4)(C). Pub. L. 111–148, §3314(a), in cl. (ii), substituted “subject to clause (iii)” for “subject to clause (ii),” as such sections were in effect on December 8, 2003.


Pub. L. 111–148, §3315(2), which directed addition of paragraphs (4) and (7) for “paragraph (4)” in applying for “applying” in introductory provisions.

Subsec. (b)(4)(E). Pub. L. 111–152, §1101(b)(3)(E), inserted before period at end “, except that incurred costs shall not include the portion of the negotiated price that represents the reduction in coinsurance resulting from the application of paragraph (2)(D)”.


Pub. L. 111–148, §3315(2), which directed addition of par. (7), was repealed by Pub. L. 111–152, §1101(a)(2). As enacted, text read as follows:

“(A) In general.—For the plan year beginning on January 1, 2010, the initial coverage limit described in paragraph (3)(B) otherwise applicable shall be increased by $500.

“(B) Application.—In applying subparagraph (A)—

“(i) except as otherwise provided in this subparagraph, there shall be no change in the premiums, bids, or any other parameters under this part or part C;

“(ii) costs that would be treated as incurred costs for purposes of applying paragraph (4) but for the application of subparagraph (A) shall continue to be treated as incurred costs;

“(iii) the Secretary shall establish procedures, which may include a reconciliation process, to fully reimburse PDP sponsors with respect to prescription drug plans and MA organizations with respect to MA–PD plans for the reduction in beneficiary cost sharing associated with the application of subparagraph (A);

“(iv) the Secretary shall develop an estimate of the additional increased costs attributable to the application of this paragraph for increased drug utilization and financing and administrative costs and shall use such estimate to adjust payments to PDP sponsors with respect to prescription drug plans under this part and MA organizations with respect to MA–PD plans under part C; and

“(v) the Secretary shall establish procedures for retroactive reimbursement of part D eligible individuals who are covered under such a plan for costs which are incurred before the date of initial implementation of subparagraph (A) and which would be reimbursed under such a plan if such implementation occurred as of January 1, 2010.

“(C) No effect on subsequent years.—The increase under subparagraph (A) shall only apply with respect to the plan year beginning on January 1, 2010, and the initial coverage limit for plan years beginning on or after January 1, 2011, shall be determined as if subparagraph (A) had never applied.

See Construction of 2010 Amendment note below.


Subsec. (e)(2)(A). Pub. L. 110–275, §175(a), inserted “other than subparagraph (I) of such section (relating to barbiturates) if the barbiturate is used in the treatment of epilepsy, cancer, or a chronic mental health disorder, and other than subparagraph (J) of such section (relating to benzodiazepines),” after “agents),”.
other provision of law, in the case of a vaccine that is a covered part D drug under section 1860D–2(e) of the Social Security Act (42 U.S.C. 1395w–102(e)) and that is administered during 2007, the administration of such vaccine shall be paid under part B of title XVIII of such Act (42 U.S.C. 1395w–10(1)(B)) (probably should be 1395w–10(1)(B)).

§ 1395w–103. Access to a choice of qualified prescription drug coverage

(a) Assuring access to a choice of coverage

(1) Choice of at least two plans in each area

The Secretary shall ensure that each part D eligible individual has available, consistent with paragraph (2), a choice of enrollment in at least 2 qualifying plans (as defined in paragraph (3)) in the area in which the individual resides, at least one of which is a prescription drug plan. In any such case in which such plans are not available, the part D eligible individual shall be given the opportunity to enroll in a fallback prescription drug plan.

(2) Requirement for different plan sponsors

The requirement in paragraph (1) is not satisfied with respect to an area if only one entity offers all the qualifying plans in the area.

(3) Qualifying plan defined

For purposes of this section, the term ‘qualifying plan’ means—

(A) a prescription drug plan; or

(B) an MA–PD plan described in section 1395w–21(a)(2)(A)(i) of this title that provides—

(i) basic prescription drug coverage; or

(ii) qualified prescription drug coverage that provides supplemental prescription drug coverage so long as there is no MA monthly supplemental beneficiary premium applicable under the plan, due to the application of a credit against such premium of a rebate under section 1395w–24(b)(1)(C) of this title.

(b) Flexibility in risk assumed and application of fallback plan

In order to ensure access pursuant to subsection (a) in an area—

(1) the Secretary may approve limited risk plans under section 1395w–111(f) of this title for the area; and

(2) only if such access is still not provided in the area after applying paragraph (1), the Secretary shall provide for the offering of a fallback prescription drug plan for that area under section 1395w–111(g) of this title.


§ 1395w–104. Beneficiary protections for qualified prescription drug coverage

(a) Dissemination of information

(1) General information

(A) Application of MA information

A PDP sponsor shall disclose, in a clear, accurate, and standardized form to each enrollee with a prescription drug plan offered by the sponsor under this part at the time of enrollment and at least annually thereafter, the information described in section 1395w–22(c)(1) of this title relating to such plan, insofar as the Secretary determines appropriate with respect to benefits provided under this part, and, subject to subparagraph (C), including the information described in subparagraph (B).

(B) Drug specific information

The information described in this subparagraph is information concerning the following:

(i) Access to specific covered part D drugs, including access through pharmacy networks.

(ii) How any formulary (including any tiered formulary structure) used by the sponsor functions, including a description of how a part D eligible individual may obtain information on the formulary consistent with paragraph (3).

(iii) Beneficiary cost-sharing requirements and how a part D eligible individual may obtain information on such requirements, including tiered or other copayment level applicable to each drug (or class of drugs), consistent with paragraph (3).

(iv) The medication therapy management program required under subsection (c).

(v) The drug management program for at-risk beneficiaries under subsection (c)(5).

(vi) For plan year 2021 and each subsequent plan year, subject to subparagraph (C), with respect to the treatment of pain—

(I) the risks associated with prolonged opioid use; and

(II) coverage of nonpharmacological therapies, devices, and nonopioid medications—

(aa) in the case of an MA–PD plan under part C, under such plan; and

(bb) in the case of a prescription drug plan, under such plan and under parts A and B.

(C) Targeted provision of information

A PDP sponsor of a prescription drug plan may, in lieu of disclosing the information described in subparagraph (B)(vi) to each enrollee under the plan, disclose such information through mail or electronic communications to a subset of enrollees under the plan, such as enrollees who have been prescribed an opioid in the previous 2-year period.

(2) Disclosure upon request of general coverage, utilization, and grievance information

Upon request of a part D eligible individual who is eligible to enroll in a prescription drug plan, the PDP sponsor offering such plan shall provide information similar (as determined by the Secretary) to the information described in subparagraphs (A), (B), and (C) of section 1395w–22(c)(2) of this title to such individual.
Provision of specific information

(A) Response to beneficiary questions

Each PDP sponsor offering a prescription drug plan shall have a mechanism for providing specific information on a timely basis to enrollees upon request. Such mechanism shall include access to information through the use of a toll-free telephone number and, upon request, the provision of such information in writing.

(B) Availability of information on changes in formulary through the Internet

A PDP sponsor offering a prescription drug plan shall make available on a timely basis through an Internet website information on specific changes in the formulary under the plan (including changes to tiered or preferred status of covered part D drugs).

(4) Claims information

A PDP sponsor offering a prescription drug plan must furnish to each enrollee in a form easily understandable to such enrollees—

(A) an explanation of benefits (in accordance with section 1395b–7(a) of this title or in a comparable manner); and

(B) when prescription drug benefits are provided under this part, a notice of the benefits in relation to—

(i) the initial coverage limit for the current year; and

(ii) the annual out-of-pocket threshold for the current year.

Notices under subparagraph (B) need not be provided more often than as specified by the Secretary and notices under subparagraph (B)(ii) shall take into account the application of section 1395w–102(b)(4)(C) of this title to the extent practicable, as specified by the Secretary.

(b) Access to covered part D drugs

(1) Assuring pharmacy access

(A) Participation of any willing pharmacy

A prescription drug plan shall permit the participation of any pharmacy that meets the terms and conditions under the plan.

(B) Discounts allowed for network pharmacies

For covered part D drugs dispensed through in-network pharmacies, a prescription drug plan may, notwithstanding subparagraph (A), reduce coinsurance or copayments for part D eligible individuals enrolled in the plan below the level otherwise required. In no case shall such a reduction result in an increase in payments made by the Secretary under section 1395w–115 of this title to a plan.

(C) Convenient access for network pharmacies

(i) In general

The PDP sponsor of the prescription drug plan shall secure the participation in its network of a sufficient number of pharmacies that dispense (other than by mail order) drugs directly to patients to ensure convenient access (consistent with rules established by the Secretary).

(ii) Application of TRICARE standards

The Secretary shall establish rules for convenient access to in-network pharmacies under this subparagraph that are no less favorable to enrollees than the rules for convenient access to pharmacies included in the statement of work of solicitation (#MDA906–03–R–0002) of the Department of Defense under the TRICARE Retail Pharmacy (TRRx) as of March 13, 2003.

(iii) Adequate emergency access

Such rules shall include adequate emergency access for enrollees.

(iv) Convenient access in long-term care facilities

Such rules may include standards with respect to access for enrollees who are residing in long-term care facilities and for pharmacies operated by the Indian Health Service, Indian tribes and tribal organizations, and urban Indian organizations (as defined in section 1603 of title 25).

(D) Level playing field

Such a sponsor shall permit enrollees to receive benefits (which may include a 90-day supply of drugs or biologicals) through a pharmacy (other than a mail order pharmacy), with any differential in charge paid by such enrollees.

(E) Not required to accept insurance risk

The terms and conditions under subparagraph (A) may not require participating pharmacies to accept insurance risk as a condition of participation.

(2) Use of standardized technology

(A) In general

The PDP sponsor of a prescription drug plan shall issue (and reissue, as appropriate) such a card (or other technology) that may be used by an enrollee to assure access to negotiated prices under section 1395w–102(d) of this title.

(B) Standards

(i) In general

The Secretary shall provide for the development, adoption, or recognition of standards relating to a standardized format for the card or other technology required under subparagraph (A). Such standards shall be compatible with part C of subchapter XI and may be based on standards developed by an appropriate standard setting organization.

(ii) Consultation

In developing the standards under clause (i), the Secretary shall consult with the National Council for Prescription Drug Programs and other standard setting organizations determined appropriate by the Secretary.

(iii) Implementation

The Secretary shall develop, adopt, or recognize the standards under clause (i) by such date as the Secretary determines shall be sufficient to ensure that PDP
§ 1395w–104

sponsors utilize such standards beginning January 1, 2006.

(3) Requirements on development and application of formularies
If a PDP sponsor of a prescription drug plan uses a formulary (including the use of tiered cost-sharing), the following requirements must be met:

(A) Development and revision by a pharmacy and therapeutic (P&T) committee

(i) In general
The formulary must be developed and reviewed by a pharmacy and therapeutic committee. A majority of the members of such committee shall consist of individuals who are practicing physicians or practicing pharmacists (or both).

(ii) Inclusion of independent experts
Such committee shall include at least one practicing physician and at least one practicing pharmacist, each of whom—

(I) is independent and free of conflict with respect to the sponsor and plan; and

(II) has expertise in the care of elderly or disabled persons.

(B) Formulary development
In developing and reviewing the formulary, the committee shall—

(i) base clinical decisions on the strength of scientific evidence and standards of practice, including assessing peer-reviewed medical literature, such as randomized clinical trials, pharmacoeconomic studies, outcomes research data, and on such other information as the committee determines to be appropriate; and

(ii) take into account whether including in the formulary (or in a tier in such formulary) particular covered part D drugs has therapeutic advantages in terms of safety and efficacy.

(C) Inclusion of drugs in all therapeutic categories and classes

(i) In general
Subject to subparagraph (G), the formulary must include drugs within each therapeutic category and class of covered part D drugs, although not necessarily all drugs within such categories and classes.

(ii) Model guidelines
The Secretary shall request the United States Pharmacopeia to develop, in consultation with pharmaceutical benefit managers and other interested parties, a list of categories and classes that may be used by prescription drug plans under this paragraph and to revise such classification from time to time to reflect changes in therapeutic uses of covered part D drugs and the additions of new covered part D drugs.

(iii) Limitation on changes in therapeutic classification
The PDP sponsor of a prescription drug plan may not change the therapeutic categories and classes in a formulary other than at the beginning of each plan year except as the Secretary may permit to take into account new therapeutic uses and newly approved covered part D drugs.

(D) Provider and patient education
The PDP sponsor shall establish policies and procedures to educate and inform health care providers and enrollees concerning the formulary.

(E) Notice before removing drug from formulary or changing preferred or tier status of drug
Any removal of a covered part D drug from a formulary and any change in the preferred or tiered cost-sharing status of such a drug shall take effect only after appropriate notice is made available (such as under subsection (a)(3)) to the Secretary, affected enrollees, physicians, pharmacists, and pharmacies.

(F) Periodic evaluation of protocols
In connection with the formulary, the sponsor of a prescription drug plan shall provide for the periodic evaluation and analysis of treatment protocols and procedures.

(G) Required inclusion of drugs in certain categories and classes

(i) Formulary requirements

(I) In general
Subject to subclause (II), a PDP sponsor offering a prescription drug plan shall be required to include all covered part D drugs in the categories and classes identified by the Secretary under clause (ii)(I).

(II) Exceptions
The Secretary may establish exceptions that permit a PDP sponsor offering a prescription drug plan to exclude from its formulary a particular covered part D drug in a category or class that is otherwise required to be included in the formulary under subclause (I) (or to otherwise limit access to such a drug, including through prior authorization or utilization management).

(ii) Identification of drugs in certain categories and classes

(I) In general
Subject to clause (iv), the Secretary shall identify, as appropriate, categories and classes of drugs for which the Secretary determines are of clinical concern.

(II) Criteria
The Secretary shall use criteria established by the Secretary in making any determination under subclause (I).

(iii) Implementation
The Secretary shall establish the criteria under clause (ii)(II) and any exceptions under clause (i)(II) through the promulgation of a regulation which includes a public notice and comment period.
(iv) Requirement for certain categories and classes until criteria established

Until such time as the Secretary establishes the criteria under clause (ii)(II) the following categories and classes of drugs shall be identified under clause (ii)(I):

(I) Anticonvulsants.
(II) Antidepressants.
(III) Antineoplastics.
(IV) Antipsychotics.
(V) Antiretrovirals.
(VI) Immunosuppressants for the treatment of transplant rejection.

(H) Use of single, uniform exceptions and appeals process

Notwithstanding any other provision of this part, each PDP sponsor of a prescription drug plan shall—

(i) use a single, uniform exceptions and appeals process (including, to the extent the Secretary determines feasible, a single, uniform model form for use under such process) with respect to the determination of prescription drug coverage for an enrollee under the plan; and

(ii) provide instant access to such process by enrollees through a toll-free telephone number and an Internet website.

(c) Cost and utilization management; quality assurance; medication therapy management program

(1) In general

The PDP sponsor shall have in place, directly or through appropriate arrangements, with respect to covered part D drugs, the following:

(A) A cost-effective drug utilization management program, including incentives to reduce costs when medically appropriate, such as through the use of multiple source drugs (as defined in section 1396r–8(k)(7)(A)(i) of this title).

(B) Quality assurance measures and systems to reduce medication errors and adverse drug interactions and improve medication use.

(C) A medication therapy management program described in paragraph (2).

(D) A program to control fraud, abuse, and waste.

(E) A utilization management tool to prevent drug abuse (as described in paragraph (6)(A)).

(F) With respect to plan years beginning on or after January 1, 2022, a drug management program for at-risk beneficiaries described in paragraph (5).

Nothing in this section shall be construed as impairing a PDP sponsor from utilizing cost management tools (including differential payments) under all methods of operation.

(2) Medication therapy management program

(A) Description

(i) In general

A medication therapy management program described in this paragraph is a program of drug therapy management that may be furnished by a pharmacist and that is designed to assure, with respect to targeted beneficiaries described in clause (ii), that covered part D drugs under the prescription drug plan are appropriately used to optimize therapeutic outcomes through improved medication use, and to reduce the risk of adverse events, including adverse drug interactions. Such a program may distinguish between services in ambulatory and institutional settings.

(ii) Targeted beneficiaries described

Targeted beneficiaries described in this clause are the following:

(I) Part D eligible individuals who—

(aa) have multiple chronic diseases (such as diabetes, asthma, hypertension, hyperlipidemia, and congestive heart failure);

(bb) are taking multiple covered part D drugs; and

(cc) are identified as likely to incur annual costs for covered part D drugs that exceed a level specified by the Secretary.

(II) Beginning January 1, 2021, at-risk beneficiaries for prescription drug abuse (as defined in paragraph (5)(C)).

(B) Elements

Such program—

(i) may include elements that promote—

(I) enhanced enrollee understanding to promote the appropriate use of medications by enrollees and to reduce the risk of potential adverse events associated with medications, through beneficiary education, counseling, and other appropriate means;

(II) increased enrollee adherence with prescription medication regimens through medication refill reminders, special packaging, and other compliance programs and other appropriate means; and

(III) detection of adverse drug events and patterns of overuse and underuse of prescription drugs; and

(ii) with respect to plan years beginning on or after January 1, 2021, shall provide for—

(I) the provision of information to the enrollee on the safe disposal of prescription drugs that are controlled substances that meets the criteria established under section 1395w–22(n)(2) of this title, including information on drug takeback programs that meet such requirements determined appropriate by the Secretary and information on in-home disposal; and

(II) cost-effective means by which an enrollee may so safely dispose of such drugs.

(C) Required interventions

For plan years beginning on or after the date that is 2 years after March 23, 2010, prescription drug plan sponsors shall offer

---

1So in original. Probably means first par. (6).
medication therapy management services to targeted beneficiaries described in subparagraph (A)(ii) that include, at a minimum, the following to increase adherence to prescription medications or other goals deemed necessary by the Secretary:

(i) An annual comprehensive medication review furnished person-to-person or using telehealth technologies (as defined by the Secretary) by a licensed pharmacist or other qualified provider. The comprehensive medication review—

(I) shall include a review of the individual’s medications and may result in the creation of a recommended medication action plan or other actions in consultation with the individual and with input from the prescriber to the extent necessary and practicable; and

(ii) Follow-up interventions as warranted based on the findings of the annual medication review or the targeted medication enrollment and which may be provided person-to-person or using telehealth technologies (as defined by the Secretary).

(D) Assessment

The prescription drug plan sponsor shall have in place a process to—

(i) subject to clause (ii), automatically enroll targeted beneficiaries described in subparagraph (A)(ii), including beneficiaries identified under subparagraph (D), in the medication therapy management program required under this subsection; and

(ii) permit such beneficiaries to opt-out of enrollment in such program.

(E) Automatic enrollment with ability to opt-out

The prescription drug plan sponsor shall have in place a process to—

(i) subject to clause (ii), automatically enroll targeted beneficiaries described in subparagraph (A)(ii), including beneficiaries identified under subparagraph (D), in the medication therapy management program required under this subsection; and

(ii) permit such beneficiaries to opt-out of enrollment in such program.

(F) Development of program in cooperation with licensed pharmacists

Such program shall be developed in cooperation with licensed and practicing pharmacists and physicians.

(G) Coordination with care management plans

The Secretary shall establish guidelines for the coordination of any medication therapy management program under this paragraph with respect to a targeted beneficiary with any care management plan established with respect to such beneficiary under a chronic care improvement program under section 1395b–8 of this title.

(G) Considerations in pharmacy fees

The PDP sponsor of a prescription drug plan shall take into account, in establishing fees for pharmacists and others providing services under such plan, the resources used, and time required to, implement the medication therapy management program under this paragraph. Each such sponsor shall disclose to the Secretary upon request the amount of any such management or dispensing fees. The provisions of section 1396r–8(b)(3)(D) of this title apply to information disclosed under this subparagraph.

(3) Reducing wasteful dispensing of outpatient prescription drugs in long-term care facilities

The Secretary shall require PDP sponsors of prescription drug plans to utilize specific, uniform dispensing techniques, as determined by the Secretary, in consultation with relevant stakeholders (including representatives of nursing facilities, residents of nursing facilities, pharmacists, the pharmacy industry (including retail and long-term care pharmacy), prescription drug plans, MA–PD plans, and any other stakeholders the Secretary determines appropriate), such as weekly, daily, or automated dose dispensing, when dispensing covered part D drugs to enrollees who reside in a long-term care facility in order to reduce waste associated with 30-day fills.

(4) Requiring valid prescriber National Provider Identifiers on pharmacy claims

(A) In general

For plan year 2016 and subsequent plan years, the Secretary shall require a claim for a covered part D drug for a part D eligible individual enrolled in a prescription drug plan under this part or an MA–PD plan under part C to include a prescriber National Provider Identifier that is determined to be valid under the procedures established under subparagraph (B)(i).

(B) Procedures

(i) Validity of prescriber National Provider Identifiers

The Secretary, in consultation with appropriate stakeholders, shall establish procedures for determining the validity of prescriber National Provider Identifiers under subparagraph (A).

(ii) Informing beneficiaries of reason for denial

The Secretary shall establish procedures to ensure that, in the case that a claim for a covered part D drug of an individual described in subparagraph (A) is denied because the claim does not meet the requirements of this paragraph, the individual is properly informed at the point of service of the reason for the denial.

(C) Report

Not later than January 1, 2018, the Inspector General of the Department of Health and

---

2So in original. Two subpars. (E) have been enacted.
Human Services shall submit to Congress a report on the effectiveness of the procedures established under subparagraph (B)(i).

(D) Notification and additional requirements with respect to outlier prescribers of opioids

(i) Notification
Not later than January 1, 2021, the Secretary shall, in the case of a prescriber identified by the Secretary under clause (ii) to be an outlier prescriber of opioids, provide, subject to clause (iv), an annual notification to such prescriber that such prescriber has been so identified and that includes resources on proper prescribing methods and other information as specified in accordance with clause (iii).

(ii) Identification of outlier prescribers of opioids

(I) In general
The Secretary shall, subject to subclause (III), using the valid prescriber National Provider Identifiers included pursuant to subparagraph (A) on claims for covered Part D drugs for Part D eligible individuals enrolled in prescription drug plans under this part or MA–PD plans under part C and based on the thresholds established under subclause (II), identify prescribers that are outlier opioids prescribers for a period of time specified by the Secretary.

(II) Establishment of thresholds
For purposes of subclause (I) and subject to subclause (III), the Secretary shall, after consultation with stakeholders, establish thresholds, based on prescriber specialty and geographic area, for identifying whether a prescriber in a specialty and geographic area is an outlier prescriber of opioids as compared to other prescribers of opioids within such specialty and area.

(III) Exclusions
The following shall not be included in the analysis for identifying outlier prescribers of opioids under this clause:

(aa) Claims for covered Part D drugs for Part D eligible individuals who are receiving hospice care under this subchapter.

(bb) Claims for covered Part D drugs for Part D eligible individuals who are receiving oncology services under this subchapter.

(cc) Prescribers who are the subject of an investigation by the Centers for Medicare & Medicaid Services or the Inspector General of the Department of Health and Human Services.

(iii) Contents of notification
The Secretary shall include the following information in the notifications provided under clause (I):

(I) Information on how such prescriber compares to other prescribers within the same specialty and geographic area.

(II) Information on opioid prescribing guidelines, based on input from stakeholders, that may include the Centers for Disease Control and Prevention guidelines for prescribing opioids for chronic pain and guidelines developed by physician organizations.

(III) Other information determined appropriate by the Secretary.

(iv) Modifications and expansions

(I) Frequency
Beginning 5 years after October 24, 2018, the Secretary may change the frequency of the notifications described in clause (i) based on stakeholder input and changes in opioid prescribing utilization and trends.

(II) Expansion to other prescriptions
The Secretary may expand notifications under this subparagraph to include identifications and notifications with respect to concurrent prescriptions of covered Part D drugs used in combination with opioids that are considered to have adverse side effects when so used in such combination, as determined by the Secretary.

(v) Additional requirements for persistent outlier prescribers
In the case of a prescriber who the Secretary determines is persistently identified under clause (ii) as an outlier prescriber of opioids, the following shall apply:

(I) Such prescriber may be required to enroll in the program under this subchapter under section 1395w–104 of this title if such prescriber is not otherwise required to enroll, but only after other appropriate remedies have been provided, such as the provision of education funded through section 6052 of the SUPPORT for Patients and Communities Act, for a period determined by the Secretary as sufficient to correct the prescribing patterns that lead to identification of such prescriber as a persistent outlier prescriber of opioids. The Secretary shall determine the length of the period for which such prescriber is required to maintain such enrollment, which shall be the minimum period necessary to correct such prescribing patterns.

(II) Not less frequently than annually (and in a form and manner determined appropriate by the Secretary), the Secretary, consistent with clause (iv)(I), shall communicate information on such prescribers to sponsors of a prescription drug plan and Medicare Advantage organizations offering an MA–PD plan.

(vi) Public availability of information
The Secretary shall make aggregate information under this subparagraph available on the internet website of the Centers for Medicare & Medicaid Services. Such information shall be in a form and manner
determined appropriate by the Secretary and shall not identify any specific prescriber. In carrying out this clause, the Secretary shall consult with interested stakeholders.

(vii) Opioids defined

For purposes of this subparagraph, the term “opioids” has such meaning as specified by the Secretary.

(viii) Other activities

Nothing in this subparagraph shall preclude the Secretary from conducting activities that provide prescribers with information as to how they compare to other prescribers that are in addition to the activities under this subparagraph, including activities that were being conducted as October 24, 2018.

(5) Drug management program for at-risk beneficiaries

(A) Authority to establish

A PDP sponsor may (and for plan years beginning on or after January 1, 2022, a PDP sponsor shall) establish a drug management program for at-risk beneficiaries under which, subject to subparagraph (B), the PDP sponsor may, in the case of an at-risk beneficiary for prescription drug abuse who is an enrollee in a prescription drug plan of such PDP sponsor, limit such beneficiary’s access to coverage for frequently abused drugs under such plan to frequently abused drugs that are prescribed for such beneficiary by one or more prescribers selected under subparagraph (D), and dispensed for such beneficiary by one or more pharmacies selected under such subparagraph.

(B) Requirement for notices

(i) In general

A PDP sponsor may not limit the access of an at-risk beneficiary for prescription drug abuse to coverage for frequently abused drugs under a prescription drug plan until such sponsor—

(I) provides to the beneficiary an initial notice described in clause (ii) and a second notice described in clause (iii); and

(II) verifies with the providers of the beneficiary that the beneficiary is an at-risk beneficiary for prescription drug abuse.

(ii) Initial notice

An initial notice described in this clause is a notice that provides to the beneficiary—

(I) notice that the PDP sponsor has identified the beneficiary as potentially being an at-risk beneficiary for prescription drug abuse;

(II) information describing all State and Federal public health resources that are designed to address prescription drug abuse to which the beneficiary has access, including mental health services and other counseling services;

(III) notice of, and information about, the right of the beneficiary to appeal such identification under subsection (h), including notice that if on reconsideration a PDP sponsor affirms its denial, in whole or in part, the case shall be automatically forwarded to the independent, outside entity contracted with the Secretary for review and resolution;

(IV) a request for the beneficiary to submit to the PDP sponsor preferences for which prescribers and pharmacies the beneficiary would prefer the PDP sponsor to select under subparagraph (D) in the case that the beneficiary is identified as an at-risk beneficiary for prescription drug abuse as described in clause (iii)(I);

(V) an explanation of the meaning and consequences of the identification of the beneficiary as potentially being an at-risk beneficiary for prescription drug abuse, including an explanation of the drug management program established by the PDP sponsor pursuant to subparagraph (A);

(VI) clear instructions that explain how the beneficiary can contact the PDP sponsor in order to submit to the PDP sponsor the preferences described in subclause (IV) and any other communications relating to the drug management program for at-risk beneficiaries established by the PDP sponsor; and

(VII) contact information for other organizations that can provide the beneficiary with assistance regarding such drug management program (similar to the information provided by the Secretary in other standardized notices provided to part D eligible individuals enrolled in prescription drug plans under this part).

(iii) Second notice

A second notice described in this clause is a notice that provides to the beneficiary notice—

(I) that the PDP sponsor has identified the beneficiary as an at-risk beneficiary for prescription drug abuse;

(II) that such beneficiary is subject to the requirements of the drug management program for at-risk beneficiaries established by such PDP sponsor for such plan;

(III) of the prescriber (or prescribers) and pharmacy (or pharmacies) selected for such individual under subparagraph (D);

(IV) of, and information about, the beneficiary’s right to appeal such identification under subsection (h), including notice that if on reconsideration a PDP sponsor affirms its denial, in whole or in part, the case shall be automatically forwarded to the independent, outside entity contracted with the Secretary for review and resolution;

(V) that the beneficiary can, in the case that the beneficiary has not previously submitted to the PDP sponsor preferences for which prescribers and
§1395w–104

pharmacies the beneficiary would prefer the PDP sponsor select under subparagraph (D), submit such preferences to the PDP sponsor; and

(VI) that includes clear instructions that explain how the beneficiary can contact the PDP sponsor.

(iv) Timing of notices

(I) In general

Subject to subclause (II), a second notice described in clause (iii) shall be provided to the beneficiary on a date that is not less than 30 days after an initial notice described in clause (ii) is provided to the beneficiary.

(II) Exception

In the case that the PDP sponsor, in conjunction with the Secretary, determines that concerns identified through rulemaking by the Secretary regarding the health or safety of the beneficiary or regarding significant drug diversion activities require the PDP sponsor to provide a second notice described in clause (iii) to the beneficiary on a date that is earlier than the date described in subclause (I), the PDP sponsor may provide such second notice on such earlier date.

(C) At-risk beneficiary for prescription drug abuse

(i) In general

Except as provided in clause (v), for purposes of this paragraph, the term “at-risk beneficiary for prescription drug abuse” means a part D eligible individual who is not an exempted individual described in clause (ii) and—

(I) who is identified as such an at-risk beneficiary through the use of clinical guidelines that indicate misuse or abuse of prescription drugs described in subparagraph (G) and that are developed by the Secretary in consultation with PDP sponsors and other stakeholders, including individuals entitled to benefits under part A or enrolled under part B, advocacy groups representing such individuals, physicians, pharmacists, and other clinicians, retail pharmacies, plan sponsors, entities delegated by plan sponsors, and biopharmaceutical manufacturers; or

(II) with respect to whom the PDP sponsor of a prescription drug plan, upon enrolling such individual in such plan, received notice from the Secretary that such individual was identified under this paragraph to be an at-risk beneficiary for prescription drug abuse under the prescription drug plan in which such individual was most recently previously enrolled and such identification has not been terminated under subparagraph (F).

(ii) Exempted individual described

An exempted individual described in this clause is an individual who—

(I) receives hospice care under this subchapter;

(II) is a resident of a long-term care facility, of a facility described in section 1396d(d) of this title, or of another facility for which frequently abused drugs are dispensed for residents through a contract with a single pharmacy; or

(III) the Secretary elects to treat as an exempted individual for purposes of clause (i).

(iii) Program size

The Secretary shall establish policies, including the guidelines developed under clause (i)(I) and the exemptions under clause (ii)(III), to ensure that the population of enrollees in a drug management program for at-risk beneficiaries operated by a prescription drug plan can be effectively managed by such plans.

(iv) Clinical contact

With respect to each at-risk beneficiary for prescription drug abuse enrolled in a prescription drug plan offered by a PDP sponsor, the PDP sponsor shall contact the beneficiary’s providers who have prescribed frequently abused drugs regarding whether prescribed medications are appropriate for such beneficiary’s medical conditions.

(v) Treatment of enrollees with a history of opioid-related overdose

(I) In general

For plan years beginning not later than January 1, 2021, a part D eligible individual who is not an exempted individual described in clause (ii) and who is identified under this clause as a part D eligible individual with a history of opioid-related overdose (as defined by the Secretary) shall be included as a potentially at-risk beneficiary for prescription drug abuse under the drug management program under this paragraph.

(II) Identification and notice

For purposes of this clause, the Secretary shall—

(aa) identify part D eligible individuals with a history of opioid-related overdose (as so defined); and

(bb) notify the PDP sponsor of the prescription drug plan in which such an individual is enrolled of such identification.

(D) Selection of prescribers and pharmacies

(i) In general

With respect to each at-risk beneficiary for prescription drug abuse enrolled in a prescription drug plan offered by such sponsor, a PDP sponsor shall, based on the preferences submitted to the PDP sponsor by the beneficiary pursuant to clauses (ii)(IV) and (iii)(V) of subparagraph (B) (except as otherwise provided in this subparagraph) select—

(I) one, or, if the PDP sponsor reasonably determines it necessary to provide the beneficiary with reasonable access under clause (ii), more than one, individu-
uual who is authorized to prescribe frequently abused drugs (referred to in this paragraph as a “prescriber”) who may write prescriptions for such drugs for such beneficiary; and

(ii) one, or, if the PDP sponsor reasonably determines it necessary to provide the beneficiary with reasonable access under clause (ii), more than one, pharmacy that may dispense such drugs to such beneficiary.

For purposes of subclause (II), in the case of a pharmacy that has multiple locations that share real-time electronic data, all such locations of the pharmacy shall collectively be treated as one pharmacy.

(ii) Reasonable access

In making the selections under this subparagraph—

(I) a PDP sponsor shall ensure that the beneficiary continues to have reasonable access to frequently abused drugs (as defined in subparagraph (G)), taking into account geographic location, beneficiary preference, impact on costsharing, and reasonable travel time; and

(II) a PDP sponsor shall ensure such access (including access to prescribers and pharmacies with respect to frequently abused drugs) in the case of individuals with multiple residences, in the case of natural disasters and similar situations, and in the case of the provision of emergency services.

(iii) Beneficiary preferences

If an at-risk beneficiary for prescription drug abuse submits preferences for which in-network prescribers and pharmacies the beneficiary would prefer the PDP sponsor select in response to a notice under subparagraph (B), the PDP sponsor shall—

(I) review such preferences;

(II) select or change the selection of prescribers and pharmacies for the beneficiary based on such preferences; and

(III) inform the beneficiary of such selection or change of selection.

(iv) Exception regarding beneficiary preferences

In the case that the PDP sponsor determines that a change to the selection of prescriber or pharmacy under clause (iii)(II) by the PDP sponsor is contributing or would contribute to prescription drug abuse or drug diversion by the beneficiary, the PDP sponsor may change the selection of prescriber or pharmacy for the beneficiary without regard to the preferences of the beneficiary described in clause (iii). If the PDP sponsor changes the selection pursuant to the preceding sentence, the PDP sponsor shall provide the beneficiary with—

(I) at least 30 days written notice of the change of selection; and

(II) a rationale for the change.

(v) Confirmation

Before selecting a prescriber or pharmacy under this subparagraph, a PDP sponsor must notify the prescriber and pharmacy that the beneficiary involved has been identified for inclusion in the drug management program for at-risk beneficiaries and that the prescriber and pharmacy has been selected as the beneficiary’s designated prescriber and pharmacy.

(E) Terminations and appeals

The identification of an individual as an at-risk beneficiary for prescription drug abuse under this paragraph, a coverage determination made under a drug management program for at-risk beneficiaries, the selection of prescriber or pharmacy under subparagraph (D), and information to be shared under subparagraph (I), with respect to such individual, shall be subject to reconsideration and appeal under subsection (h) and if on reconsideration a PDP sponsor affirms its denial, in whole or in part, the case shall be automatically forwarded to the independent, outside entity contracted with the Secretary for review and resolution.

(F) Termination of identification

(i) In general

The Secretary shall develop standards for the termination of identification of an individual as an at-risk beneficiary for prescription drug abuse under this paragraph. Under such standards such identification shall terminate as of the earlier of—

(I) the date the individual demonstrates that the individual is no longer likely, in the absence of the restrictions under this paragraph, to be an at-risk beneficiary for prescription drug abuse described in subparagraph (C)(i); and

(II) the end of such maximum period of identification as the Secretary may specify.

(ii) Rule of construction

Nothing in clause (i) shall be construed as preventing a plan from identifying an individual as an at-risk beneficiary for prescription drug abuse under this paragraph. Under such standards such identification shall terminate as of the earlier of—

(I) the date the individual demonstrates that the individual is no longer likely, in the absence of the restrictions under this paragraph, to be an at-risk beneficiary for prescription drug abuse described in subparagraph (C)(i); and

(II) the end of such maximum period of identification as the Secretary may specify.

(G) Frequently abused drug

For purposes of this subsection, the term “frequently abused drug” means a drug that is a controlled substance that the Secretary determines to be frequently abused or diverted.

(H) Data disclosure

(i) Data on decision to impose limitation

In the case of an at-risk beneficiary for prescription drug abuse (or an individual who is a potentially at-risk beneficiary for prescription drug abuse) whose access to coverage for frequently abused drugs under a prescription drug plan has been limited by a PDP sponsor under this paragraph, the Secretary shall establish rules and
§ 1395w–104

Pursuant to section 1395w–131(c)(1) of this title, the provisions of this paragraph apply under part D to MA organizations offering MA–PD plans to MA eligible individuals in the same manner as such provisions apply under this part to a PDP sponsor offering a prescription drug plan to a part D eligible individual.

(M) CMS compliance review
The Secretary shall ensure that existing plan sponsor compliance reviews and audit processes include the drug management programs for at-risk beneficiaries under this paragraph, including appeals processes under such programs.

(6) Utilization management tool to prevent drug abuse

(A) In general
A tool described in this paragraph is any of the following:

(i) A utilization tool designed to prevent the abuse of frequently abused drugs by individuals and to prevent the diversion of such drugs at pharmacies.

(ii) Retrospective utilization review to identify—
(I) individuals that receive frequently abused drugs at a frequency or in amounts that are not clinically appropriate; and
(II) providers of services or suppliers that may facilitate the abuse or diversion of frequently abused drugs by beneficiaries.

(iii) Consultation with the contractor described in subparagraph (B) to verify if an individual enrolling in a prescription drug plan offered by a PDP sponsor has been previously identified by another PDP sponsor as an individual described in clause (ii)(I).

(B) Reporting
A PDP sponsor offering a prescription drug plan (and an MA organization offering an MA–PD plan) in a State shall submit to the Secretary and the Medicare drug integrity contractor with which the Secretary has entered into a contract under section 1395ddd of this title with respect to such State a report, on a monthly basis, containing information on—

(i) any provider of services or supplier described in subparagraph (A)(i)(II) that is identified by such plan sponsor (or organization) during the 30-day period before such report is submitted; and

(ii) the name and prescription records of individuals described in paragraph (5)(C).

(C) CMS compliance review
The Secretary shall ensure that plan sponsor compliance reviews and program audits biennially include a certification that utilization management tools under this paragraph are in compliance with the requirements for such tools.

3So in original. Two pars. (6) have been enacted.
Providing prescription drug plans with parts A and B claims data to promote the appropriate use of medications and improve health outcomes

(A) Process
Subject to subparagraph (B), the Secretary shall establish a process under which a PDP sponsor of a prescription drug plan may submit a request for the Secretary to provide the sponsor, on a periodic basis and in an electronic format, beginning in plan year 2020, data described in subparagraph (D) with respect to enrollees in such plan. Such data shall be provided without regard to whether such enrollees are described in clause (ii) of paragraph (2)(A).

(B) Purposes
A PDP sponsor may use the data provided to the sponsor pursuant to subparagraph (A) for any of the following purposes:

(i) To optimize therapeutic outcomes through improved medication use, as such phrase is used in clause (i) of paragraph (2)(A).

(ii) To improving care coordination so as to prevent adverse health outcomes, such as preventable emergency department visits and hospital readmissions.

(iii) To facilitate enrollment changes to a different prescription drug plan or an MA–PD plan offered by the same parent organization.

(iv) To inform marketing of benefits.

(v) For any other purpose determined appropriate by the Secretary.

(C) Limitations on data use
A PDP sponsor shall not use data provided to the sponsor pursuant to subparagraph (A) for any of the following purposes:

(i) To inform coverage determinations under this part.

(ii) To conduct retroactive reviews of medically accepted indications determinations.

(iii) To facilitate enrollment changes to a different prescription drug plan or an MA–PD plan offered by the same parent organization.

(iv) To inform marketing of benefits.

(v) For any other purpose that the Secretary determines is necessary to include in order to protect the identity of individuals entitled to, or enrolled for, benefits under this subchapter and to protect the security of personal health information.

(D) Data described
The data described in this clause are standardized extracts (as determined by the Secretary) of claims data under parts A and B for items and services furnished under such parts for time periods specified by the Secretary. Such data shall include data as current as practicable.

(d) Consumer satisfaction surveys
In order to provide for comparative information under section 1395w–101(c)(3)(A)(v) of this title, the Secretary shall conduct consumer satisfaction surveys with respect to PDP sponsors and prescription drug plans in a manner similar to the manner such surveys are conducted for MA organizations and MA plans under part C.

(e) Electronic prescription program

(1) Application of standards
As of such date as the Secretary may specify, but not later than 1 year after the date of promulgation of final standards under paragraph (4)(D), prescriptions and other information described in paragraph (2)(A) for covered part D drugs prescribed for part D eligible individuals that are transmitted electronically shall be transmitted only in accordance with such standards under an electronic prescription drug program that meets the requirements of paragraph (2).

(2) Program requirements
Consistent with uniform standards established under paragraph (3)—

(A) Provision of information to prescribing health care professional and dispensing pharmacies and pharmacists

An electronic prescription drug program shall provide for the electronic transmittal to the prescribing health care professional and to the dispensing pharmacy and pharmacist of the prescription and information on eligibility and benefits (including the drugs included in the applicable formulary, any tiered formulary structure, and any requirements for prior authorization) and of the following information with respect to the prescribing and dispensing of a covered part D drug:

(i) Information on the drug being prescribed or dispensed and other drugs listed on the medication history, including information on drug-drug interactions, warnings or cautions, and, when indicated, dosage adjustments.

(ii) Information on the availability of lower cost, therapeutically appropriate alternatives (if any) for the drug prescribed.

(B) Application to medical history information
Effective on and after such date as the Secretary specifies and after the establishment of appropriate standards to carry out this subparagraph, the program shall provide for the electronic transmittal in a manner similar to the manner under subparagraph (A) of information that relates to the medical history concerning the individual and related to a covered part D drug being prescribed or dispensed, upon request of the professional or pharmacist involved.

(C) Limitations
Information shall only be disclosed under subparagraph (A) or (B) if the disclosure of such information is permitted under the Federal regulations (concerning the privacy of individually identifiable health information) promulgated under section 264(c) of the Health Insurance Portability and Accountability Act of 1996.

(D) Timing
To the extent feasible, the information exchanged under this paragraph shall be on an interactive, real-time basis.
§ 1395w–104  TITLE 42—THE PUBLIC HEALTH AND WELFARE

§ 1395w–104  TITLE 42—THE PUBLIC HEALTH AND WELFARE

(E) Electronic prior authorization

(i) In general

Not later than January 1, 2021, the program shall provide for the secure electronic transmission of—

(I) a prior authorization request from the prescribing health care professional for coverage of a covered part D drug for a part D eligible individual enrolled in a part D plan (as defined in section 1395w–133(a)(5) of this title) to the PDP sponsor or Medicare Advantage organization offering such plan; and

(II) a response, in accordance with this subparagraph, from such PDP sponsor or Medicare Advantage organization, respectively, to such professional.

(ii) Electronic transmission

(I) Exclusions

For purposes of this subparagraph, a facsimile, a proprietary payer portal that does not meet standards specified by the Secretary, or an electronic form shall not be treated as an electronic transmission described in clause (i).

(II) Standards

In order to be treated, for purposes of this subparagraph, as an electronic transmission described in clause (i), such transmission shall comply with technical standards adopted by the Secretary in consultation with the National Council for Prescription Drug Programs, other standard setting organizations determined appropriate by the Secretary, and stakeholders including PDP sponsors, Medicare Advantage organizations, health care professionals, and health information technology software vendors.

(III) Application

Notwithstanding any other provision of law, for purposes of this subparagraph, the Secretary may require the use of such standards adopted under subclause (II) in lieu of any other applicable standards for an electronic transmission described in clause (i) for a covered part D drug for a part D eligible individual.

(3) Standards

(A) In general

The Secretary shall provide consistent with this subsection for the promulgation of uniform standards relating to the requirements for electronic prescription drug programs under paragraph (2).

(B) Objectives

Such standards shall be consistent with the objectives of improving—

(i) patient safety;

(ii) the quality of care provided to patients; and

(iii) efficiencies, including cost savings, in the delivery of care.

(C) Design criteria

Such standards shall—

(i) be designed so that, to the extent practicable, the standards do not impose an undue administrative burden on prescribing health care professionals and dispensing pharmacies and pharmacists;

(ii) be compatible with standards established under part C of subchapter XI, standards established under subsection (b)(2)(B)(i), and with general health information technology standards; and

(iii) be designed so that they permit electronic exchange of drug labeling and drug listing information maintained by the Food and Drug Administration and the National Library of Medicine.

(D) Permitting use of appropriate messaging

Such standards shall allow for the messaging of information only if it relates to the appropriate prescribing of drugs, including quality assurance measures and systems referred to in subsection (c)(1)(B).

(E) Permitting patient designation of dispensing pharmacy

(i) In general

Consistent with clause (ii), such standards shall permit a part D eligible individual to designate a particular pharmacy to dispense a prescribed drug.

(ii) No change in benefits

Clause (i) shall not be construed as affecting—

(I) the access required to be provided to pharmacies by a prescription drug plan; or

(II) the application of any differences in benefits or payments under such a plan based on the pharmacy dispensing a covered part D drug.

(4) Development, promulgation, and modification of standards

(A) Initial standards

Not later than September 1, 2005, the Secretary shall develop, adopt, recognize, or modify initial uniform standards relating to the requirements for electronic prescription drug programs described in paragraph (2) taking into consideration the recommendations (if any) from the National Committee on Vital and Health Statistics (as established under section 242k(k) of this title) under subparagraph (B).

(B) Role of NCVHS

The National Committee on Vital and Health Statistics shall develop recommendations for uniform standards relating to such requirements in consultation with the following:

(I) Standard setting organizations (as defined in section 1320d(8) of this title)\(^4\)

(ii) Practicing physicians.

(iii) Hospitals.

(iv) Pharmacies.

(v) Practicing pharmacists.

(vi) Pharmacy benefit managers.

(vii) State boards of pharmacy.

(viii) State boards of medicine.

(ix) Experts on electronic prescribing.

---

\(^4\)So in original. Probably should be followed by a period.
(x) Other appropriate Federal agencies.

(C) Pilot project to test initial standards

(i) In general

During the 1-year period that begins on January 1, 2006, the Secretary shall conduct a pilot project to test the initial standards developed under subparagraph (A) prior to the promulgation of the final uniform standards under subparagraph (D) in order to provide for the efficient implementation of the requirements described in paragraph (2).

(ii) Exception

Pilot testing of standards is not required under clause (i) where there already is adequate industry experience with such standards, as determined by the Secretary after consultation with effective standard setting organizations and industry users.

(iii) Voluntary participation of physicians and pharmacies

In order to conduct the pilot project under clause (i), the Secretary shall enter into agreements with physicians, physician groups, pharmacies, hospitals, PDP sponsors, MA organizations, and other appropriate entities under which health care professionals electronically transmit prescriptions to dispensing pharmacies and pharmacists in accordance with such standards.

(iv) Evaluation and report

(I) Evaluation

The Secretary shall conduct an evaluation of the pilot project conducted under clause (i).

(II) Report to Congress

Not later than April 1, 2007, the Secretary shall submit to Congress a report on the evaluation conducted under subparagraph (A), with respect to a covered part D drug, including in the case of—

(a) a prescription issued when the practitioner and dispensing pharmacy are the same entity;

(b) a prescription issued that cannot be transmitted electronically under the most recently implemented version of the National Council for Prescription Drug Programs SCRIPT Standard;

(c) a prescription issued by a practitioner who received a waiver or a renewal thereof for a period of time as determined by the Secretary, not to exceed one year, for a period of one year.

(5) Relation to State laws

The standards promulgated under this subsection shall supersede any State law or regulation that—

(A) is contrary to the standards or restricts the ability to carry out this part; and

(B) pertains to the electronic transmission of medication history and of information on eligibility, benefits, and prescriptions with respect to covered part D drugs under this part.

(6) Establishment of safe harbor

The Secretary, in consultation with the Attorney General, shall promulgate regulations that provide for a safe harbor from sanctions under paragraphs (1) and (2) of section 1320a-7b(b) of this title and an exception to the prohibition under subsection (a)(1) of section 1395nn of this title with respect to the provision of nonmonetary remuneration (in the form of hardware, software, or information technology and training services) necessary and used solely to receive and transmit electronic prescription information in accordance with the standards promulgated under this subsection—

(A) in the case of a hospital, by the hospital to members of its medical staff;

(B) in the case of a group practice (as defined in section 1395nn(h)(4) of this title), by the practice to prescribing health care professionals who are members of such practice; and

(C) in the case of a PDP sponsor or MA organization, by the sponsor or organization to pharmacists and pharmacies participating in the network of such sponsor or organization, and to prescribing health care professionals.

(7) Requirement of e-prescribing for controlled substances

(A) In general

Subject to subparagraph (B), a prescription for a covered part D drug under a prescription drug plan (or under an MA–PD plan) for a schedule II, III, IV, or V controlled substance shall be transmitted by a health care practitioner electronically in accordance with an electronic prescription drug program that meets the requirements of paragraph (2).

(B) Exception for certain circumstances

The Secretary shall, through rulemaking, specify circumstances and processes by which the Secretary may waive the requirement under subparagraph (A), with respect to a covered part D drug, including in the case of—

(i) a prescription issued when the practitioner and dispensing pharmacy are the same entity;

(ii) a prescription issued that cannot be transmitted electronically under the most recently implemented version of the National Council for Prescription Drug Programs SCRIPT Standard;

(iii) a prescription issued by a practitioner who received a waiver or a renewal thereof for a period of time as determined by the Secretary, not to exceed one year, for a period of one year.

(iv) a prescription issued by a practitioner under circumstances in which, notwithstanding the practitioner’s ability to submit a prescription electronically as required by this subsection, such practitioner reasonably determines that it would be impractical for the individual involved to obtain substances prescribed by electronic prescription in a timely manner, and such delay would adversely impact the individual’s medical condition involved;
§ 1395w–104

(1395w–102) of this title with respect to covered benefits under the prescription drug plan it offers under this part in the same manner as such requirements apply to an MA organization with respect to benefits it offers under an MA plan under part C.

(2) Request for a determination for the treatment of tiered formulary drug

In the case of a prescription drug plan offered by a PDP sponsor that provides for tiered cost-sharing for drugs included within a formulary and provides lower cost-sharing for preferred drugs included within the formulary, a part D eligible individual who is enrolled in the plan may request an exception to the tiered cost-sharing structure. Under such an exception, a nonpreferred drug could be covered under the terms applicable for preferred drugs if the prescribing physician determines that the preferred drug for treatment of the same condition either would not be as effective for the individual or would have adverse effects for the individual or both. A PDP sponsor shall have an exceptions process under this paragraph consistent with guidelines established by the Secretary for making a determination with respect to such a request. Denial of such an exception shall be treated as a coverage denial for purposes of applying subsection (h).

(h) Appeals

(1) In general

Subject to paragraph (2), a PDP sponsor shall meet the requirements of paragraphs (4) and (5) of section 1395w–22(g) of this title in a manner similar (as determined by the Secretary) to the manner such requirements apply to an MA organization with respect to benefits under the original medicare fee-for-service program option it offers under an MA plan under part C. In applying this paragraph only the part D eligible individual shall be entitled to bring such an appeal.

(2) Limitation in cases on nonformulary determinations

A part D eligible individual who is enrolled in a prescription drug plan offered by a PDP sponsor may appeal under paragraph (1) a determination not to provide for coverage of a covered part D drug that is not on the formulary under the plan only if the prescribing physician determines that all covered part D drugs on any tier of the formulary for treatment of the same condition would not be as effective for the individual as the nonformulary drug, would have adverse effects for the individual, or both.

(3) Treatment of nonformulary determinations

If a PDP sponsor determines that a plan provides coverage for a covered part D drug that is not on the formulary for purposes of section 1395w–102(b)(4)(C)(i) of this title.

(v) a prescription issued by a practitioner prescribing a drug under a research protocol;

(vi) a prescription issued by a practitioner for a drug for which the Food and Drug Administration requires a prescription to contain elements that are not able to be included in electronic prescribing, such as a drug with risk evaluation and mitigation strategies that include elements to assure safe use;

(vii) a prescription issued by a practitioner—

(I) for an individual who receives hospice care under this subchapter; and

(II) that is not covered under the hospice benefit under this subchapter; and

(viii) a prescription issued by a practitioner for an individual who is—

(I) a resident of a nursing facility (as defined in section 1396r(a) of this title); and

(II) dually eligible for benefits under this subchapter and subchapter XIX.

(C) Dispensing

(i) Nothing in this paragraph shall be construed as requiring a sponsor of a prescription drug plan under this part, MA organization offering an MA–PD plan under part C, or a pharmacist to verify that a practitioner, with respect to a prescription for a covered part D drug, has a waiver (or is otherwise exempt) under subparagraph (B) from the requirement under subparagraph (A).

(ii) Nothing in this paragraph shall be construed as affecting the ability of the plan to cover or the pharmacists’ ability to continue to dispense covered part D drugs from otherwise valid written, oral, or fax prescriptions that are consistent with laws and regulations.

(iii) Nothing in this paragraph shall be construed as affecting the ability of an individual who is being prescribed a covered part D drug to designate a particular pharmacy to dispense the covered part D drug to the extent consistent with the requirements under subsection (b)(1) and under this paragraph.

(D) Enforcement

The Secretary shall, through rulemaking, have authority to enforce and specify appropriate penalties for non-compliance with the requirement under subparagraph (A).

(f) Grievance mechanism

Each PDP sponsor shall provide meaningful procedures for hearing and resolving grievances between the sponsor (including any entity or individual through which the sponsor provides covered benefits) and enrollees with prescription drug plans of the sponsor under this part in accordance with section 1395w–22(f) of this title.

(g) Coverage determinations and reconsiderations

(1) Application of coverage determination and reconsideration provisions

A PDP sponsor shall meet the requirements of paragraphs (1) through (3) of section 1395w–22(g) of this title with respect to covered benefits under the prescription drug plan it offers under this part in the same manner as such requirements apply to an MA organization with respect to benefits it offers under an MA plan under part C.
(i) Privacy, confidentiality, and accuracy of enrollee records

The provisions of section 1395w–22(h) of this title shall apply to a PDP sponsor and prescription drug plan in the same manner as it applies to an MA organization and an MA plan.

(j) Treatment of accreditation

Subparagraph (A) of section 1395w–22(e)(4) of this title (relating to treatment of accreditation) shall apply to a PDP sponsor under this part with respect to the following requirements, in the same manner as it applies to an MA organization with respect to the requirements in subparagraph (B) (other than clause (vii) thereof) of such section:

(1) Subsection (b) of this section (relating to access to covered part D drugs).

(2) Subsection (c) of this section (including quality assurance and medication therapy management).

(3) Subsection (i) of this section (relating to confidentiality and accuracy of enrollee records).

(k) Public disclosure of pharmaceutical prices for equivalent drugs

(1) In general

A PDP sponsor offering a prescription drug plan shall provide that each pharmacy that dispenses a covered part D drug shall inform an enrollee of any differential between the price of the drug to the enrollee and the price of the lowest priced generic covered part D drug under the plan that is therapeutically equivalent and bioequivalent and available at such pharmacy.

(2) Timing of notice

(A) In general

Subject to subparagraph (B), the information under paragraph (1) shall be provided at the time of purchase of the drug involved, or, in the case of dispensing by mail order, at the time of delivery of such drug.

(B) Waiver

The Secretary may waive subparagraph (A) in such circumstances as the Secretary may specify.

(l) Requirements with respect to sales and marketing activities

The following provisions shall apply to a PDP sponsor (and the agents, brokers, and other third parties representing such sponsor) in the same manner as such provisions apply to a Medicare Advantage organization (and the agents, brokers, and other third parties representing such organization):

(1) The prohibition under section 1395w–21(h)(4)(C) of this title on conducting activities described in section 1395w–21(j)(1) of this title.

(2) The requirement under section 1395w–21(h)(4)(D) of this title to conduct activities described in section 1395w–21(j)(2) of this title in accordance with the limitations established under such subsection.

(3) The inclusion of the plan type in the plan name under section 1395w–21(h)(6) of this title.

(4) The requirements regarding the appointment of agents and brokers and compliance with State information requests under subparagraphs (A) and (B), respectively, of section 1395w–21(h)(7) of this title.

(m) Prohibition on limiting certain information on drug prices

A PDP sponsor and a Medicare Advantage organization shall ensure that each prescription drug plan or MA–PD plan offered by the sponsor or organization does not restrict a pharmacy that dispenses a prescription drug or biological from informing, nor penalize such pharmacy for informing, an enrollee in such plan of any differential between the negotiated price of, or copayment or coinsurance for, the drug or biological to the enrollee under the plan and a lower price the individual would pay for the drug or biological if the enrollee obtained the drug without using any health insurance coverage.

(m) Program integrity transparency measures

For program integrity transparency measures applied with respect to prescription drug plan and MA plans, see section 1395w–28(i) of this title.

Amendment of section by section 2003(a) of Pub. L. 115–271 applicable to coverage of drugs prescribed on or after Jan. 1, 2021. See 2018 Amendment note below.

Amendment of section by section 2007(a) of Pub. L. 115–271 applicable beginning not later than Jan. 1, 2021. See 2018 Amendment note below.

References in Text

Section 6052 of the SUPPORT for Patients and Communities Act, referred to in subsec. (c)(4)(D)(v)(I), is section 6052 of title VI of Pub. L. 115–271, which is set out as a note under this section.

Section 264(c) of the Health Insurance Portability and Accountability Act of 1996, referred to in subsec. (c)(5)(J) and (e)(2)(C), is section 264(c) of Pub. L. 104–191, which is set out as a note under section 1320d–2 of this title.


Amendments

(a) GRANTS AUTHORIZED.—The Secretary of Health and Human Services (in this section referred to as the ‘Secretary’) shall, through the Centers for Medicare & Medicaid Services, award grants, contracts, or cooperative agreements to eligible entities for the purposes described in subsection (b).

(b) USE OF FUNDS.—Grants, contracts, and cooperative agreements awarded under subsection (a) shall be used to support eligible entities through technical assistance—

(1) to educate and provide outreach to prescribers of opioids about best practices for prescribing opioids;

(2) to educate and provide outreach to prescribers of opioids about non-opioid pain management therapies; and

(3) to reduce the amount of opioid prescriptions prescribed by prescribers of opioids.

(c) APPLICATION.—Each eligible entity seeking to receive a grant, contract, or cooperative agreement under subsection (a) shall submit to the Secretary an application, at such time, in such manner, and containing such information as the Secretary may require.

(d) PRIORITY TO RURAL AND UNDERSERVED AREAS.—In awarding grants, contracts, and cooperative agreements under this section, the Secretary shall prioritize establishing technical assistance resources in each State.

(e) DEFINITIONS.—In this section:

(1) ELIGIBLE ENTITY.—The term ‘eligible entity’ means—

(A) an organization—

(i) that has demonstrated expertise providing technical assistance to health care professionals on a State or regional basis; and

(ii) that has at least—

(I) one individual who is a representative of consumers on its governing body; and

(II) one individual who is a representative of health care providers on its governing body; or

(B) an entity that is a quality improvement entity with a contract under part B of title XI of the Social Security Act (42 U.S.C. 1320j et seq.),

(2) OUTLIER PRESCRIBER OF OPIOIDS.—The term ‘outlier prescriber of opioids’ means, with respect to a period, a prescriber identified by the Secretary under subparagraph (D)(ii) of section 1860D–4(c)(4) of the Social Security Act (42 U.S.C. 1395w–27a(c)(4)), as added by section 6065 of this Act, to be an outlier prescriber of opioids for such period.

(f) PREScriBER.—The term ‘prescriber’ means any health care professional, including a nurse practitioner or physician assistant, who is licensed to prescribe opioids by the State or territory in which such professional practices.

(g) FUNDING.—For purposes of implementing this section, $75,000,000 shall be available from the Federal Supplementary Medical Insurance Trust Fund under section 1841 of the Social Security Act (42 U.S.C. 1395t), to remain available until expended.

GRANTS TO PHYSICIANS TO IMPLEMENT ELECTRONIC PRESCRIPTION DRUG PROGRAMS


(a) IN GENERAL.—The Secretary of Health and Human Services is authorized to make grants to physicians for the purpose of assisting such physicians to implement electronic prescription drug programs that comply with the standards promulgated or modified under section 1860D–4(e) of the Social Security Act (42 U.S.C. 1395w–27a(e)), as inserted by section 101(a).

(b) AWARDING OF GRANTS.—

(1) APPLICATION.—No grant may be made under this section except pursuant to a grant application that is submitted and approved in a timely manner, and form specified by the Secretary.

(2) CONSIDERATIONS AND PREFERENCES.—In awarding grants under this section, the Secretary shall—

(A) give special consideration to physicians who serve a disproportionate number of medicare patients; and

(B) give preference to physicians who serve a rural or underserved area.

(3) LIMITATION ON GRANTS.—Only 1 grant may be awarded under this section with respect to any physician or group practice of physicians.

(c) TERMS AND CONDITIONS.—

(1) IN GENERAL.—Grants under this section shall be made under such terms and conditions as the Secretary specifies consistent with this section.

(2) USE OF GRANT FUNDS.—Funds provided under grants under this section may be used for any of the following:

(A) For purchasing, leasing, and installing computer software and hardware, including handheld computer technologies.

(B) Making upgrades and other improvements to existing computer software and hardware to enable e-prescribing.

(C) Providing education and training to eligible physician staff on the use of technology to implement the electronic transmission of prescription and patient information.

(d) PROVISION OF INFORMATION.—As a condition for the awarding of a grant under this section, an applicant shall provide to the Secretary such information as the Secretary may require in order to—

(A) evaluate the project for which the grant is made; and

(B) ensure that funding provided under the grant is expended only for the purposes for which it is made.

(e) AUDIT.—The Secretary shall conduct appropriate audits of grants under this section.

(f) MATCHING REQUIREMENT.—The applicant for a grant under this section shall agree, with respect to the costs to be incurred by the applicant in implementing an electronic prescription drug program, to make available (directly or through donations from public or private entities) non-Federal contributions toward such costs in an amount that is not less than 50 percent of such costs. Non-Federal contributions under the previous sentence may be in cash or in kind, fairly evaluated, including plant, equipment, or services. Amounts provided by the Federal Government, or services assisted or subsidized to any significant extent by the Federal Government, may not be included in determining the amount of such contributions.

Subpart 2—Prescription Drug Plans; PDP Sponsors; Financing

§ 1395w–111. PDP regions; submission of bids; plan approval

(a) Establishment of PDP regions; service areas

(1) Coverage of entire PDP region

The service area for a prescription drug plan shall consist of an entire PDP region established under paragraph (2).

(2) Establishment of PDP regions

(A) In general

The Secretary shall establish, and may revise, PDP regions in a manner that is consistent with the requirements for the establishment and revision of MA regions under subparagraphs (B) and (C) of section 1395w–27a(a)(2) of this title.
(B) Relation to MA regions

To the extent practicable, PDP regions shall be the same as MA regions under section 1395w–27(a)(2) of this title. The Secretary may establish PDP regions which are not the same as MA regions if the Secretary determines that the establishment of different regions under this part would improve access to benefits under this part.

(C) Authority for territories

The Secretary shall establish, and may revise, PDP regions for areas that are not within the 50 States or the District of Columbia.

(3) National plan

Nothing in this subsection shall be construed as preventing a prescription drug plan from being offered in more than one PDP region (including all PDP regions).

(b) Submission of bids, premiums, and related information

(1) In general

A PDP sponsor shall submit to the Secretary information described in paragraph (2) with respect to each prescription drug plan it offers. Such information shall be submitted at the same time and in a similar manner to the manner in which information described in paragraph (6) of section 1395w–24(a) of this title is submitted by an MA organization under paragraph (1) of such section.

(2) Information described

The information described in this paragraph is information on the following:

(A) Coverage provided

The prescription drug coverage provided under the plan, including the deductible and other cost-sharing.

(B) Actuarial value

The actuarial value of the qualified prescription drug coverage in the region for a part D eligible individual with a national average risk profile for the factors described in section 1395w–115(c)(1)(A) of this title (as specified by the Secretary).

(C) Bid

Information on the bid, including an actuarial certification of—

(i) the basis for the actuarial value described in subparagraph (B) assumed in such bid;

(ii) the portion of such bid attributable to basic prescription drug coverage and, if applicable, the portion of such bid attributable to supplemental benefits;

(iii) assumptions regarding the reinsurance subsidy payments provided under section 1395w–115(b) of this title subtracted from the actuarial value to produce such bid; and

(iv) administrative expenses assumed in the bid.

(D) Service area

The service area for the plan.

(E) Level of risk assumed

(i) In general

Whether the PDP sponsor requires a modification of risk level under clause (ii) and, if so, the extent of such modification. Any such modification shall apply with respect to all prescription drug plans offered by a PDP sponsor in a PDP region. This subparagraph shall not apply to an MA–PD plan.

(ii) Risk levels described

A modification of risk level under this clause may consist of one or more of the following:

(I) Increase in Federal percentage assumed in initial risk corridor

An equal percentage point increase in the percents applied under subparagraphs (B)(i), (B)(ii)(I), (C)(i), and (C)(ii)(I) of section 1395w–115(e)(2) of this title. In no case shall the application of previous sentence prevent the application of a higher percentage under section 1395w–115(e)(2)(B)(ii) of this title.

(II) Increase in Federal percentage assumed in second risk corridor

An equal percentage point increase in the percents applied under subparagraphs (B)(ii)(II) and (C)(ii)(II) of section 1395w–115(e)(2) of this title.

(III) Decrease in size of risk corridors

A decrease in the threshold risk percentages specified in section 1395w–115(e)(3)(C) of this title.

(F) Additional information

Such other information as the Secretary may require to carry out this part.

(3) Paperwork reduction for offering of prescription drug plans nationally or in multi-region areas

The Secretary shall establish requirements for information submission under this subsection in a manner that promotes the offering of such plans in more than one PDP region (including all regions) through the filing of consolidated information.

(c) Actuarial valuation

(1) Processes

For purposes of this part, the Secretary shall establish processes and methods for determining the actuarial valuation of prescription drug coverage, including—

(A) an actuarial valuation of standard prescription drug coverage under section 1395w–102(b) of this title;

(B) actuarial valuations relating to alternative prescription drug coverage under section 1395w–102(c)(1) of this title;

(C) an actuarial valuation of the reinsurance subsidy payments under section 1395w–115(b) of this title;

(D) the use of generally accepted actuarial principles and methodologies; and

1 See References in Text note below.
(E) applying the same methodology for determinations of actuarial valuations under subparagraphs (A) and (B).

(2) Accounting for drug utilization

Such processes and methods for determining actuarial valuation shall take into account the effect that providing alternative prescription drug coverage (rather than standard prescription drug coverage) has on drug utilization.

(3) Responsibilities

(A) Plan responsibilities

PDP sponsors and MA organizations are responsible for the preparation and submission of actuarial valuations required under this part for prescription drug plans and MA–PD plans they offer.

(B) Use of outside actuaries

Under the processes and methods established under paragraph (1), PDP sponsors offering prescription drug plans and MA organizations offering MA–PD plans may use actuarial opinions certified by independent, qualified actuaries to establish actuarial values.

(d) Review of information and negotiation

(1) Review of information

The Secretary shall review the information filed under subsection (b) for the purpose of conducting negotiations under paragraph (2).

(2) Negotiation regarding terms and conditions

Subject to subsection (i), in exercising the authority under paragraph (1), the Secretary—

(A) has the authority to negotiate the terms and conditions of the proposed bid submitted and other terms and conditions of a proposed plan; and

(B) has authority similar to the authority of the Director of the Office of Personnel Management with respect to health benefits plans under chapter 89 of title 5.

(3) Rejection of bids

Paragraph (5)(C) of section 1395w–24(a) of this title shall apply with respect to bids submitted by a PDP sponsor under subsection (b) in the same manner as such paragraph applies to bids submitted by an MA organization under such section 1395w–24(a) of this title.

(e) Approval of proposed plans

(1) In general

After review and negotiation under subsection (d), the Secretary shall approve or disapprove the prescription drug plan.

(2) Requirements for approval

The Secretary may approve a prescription drug plan only if the following requirements are met:

(A) Compliance with requirements

The plan and the PDP sponsor offering the plan comply with the requirements under this part, including the provision of qualified prescription drug coverage.

(B) Actuarial determinations

The Secretary determines that the plan and PDP sponsor meet the requirements under this part relating to actuarial determinations, including such requirements under section 1395w–102(c) of this title.

(C) Application of FEHBP standard

(i) In general

The Secretary determines that the portion of the bid submitted under subsection (b) that is attributable to basic prescription drug coverage is supported by the actuarial bases provided under such subsection and reasonably and equitably reflects the revenue requirements (as used for purposes of section 300e–1(8)(C) of this title) for benefits provided under that plan, less the sum (determined on a monthly per capita basis) of the actuarial value of the reinsurance payments under section 1395w–115(b) of this title.

(ii) Supplemental coverage

The Secretary determines that the portion of the bid submitted under subsection (b) that is attributable to supplemental prescription drug coverage pursuant to section 1395w–102(a)(2) of this title is supported by the actuarial bases provided under such subsection and reasonably and equitably reflects the revenue requirements (as used for purposes of section 300e–1(8)(C) of this title) for such coverage under the plan.

(D) Plan design

(i) In general

The Secretary does not find that the design of the plan and its benefits (including any formulary and tiered formulary structure) are likely to substantially discourage enrollment by certain part D eligible individuals under the plan.

(ii) Use of categories and classes in formularies

The Secretary may not find that the design of categories and classes within a formulary violates clause (i) if such categories and classes are consistent with guidelines (if any) for such categories and classes established by the United States Pharmacopeia.

(f) Application of limited risk plans

(1) Conditions for approval of limited risk plans

The Secretary may only approve a limited risk plan (as defined in paragraph (4)(A)) for a PDP region if the access requirements under section 1395w–103(a) of this title would not be met for the region but for the approval of such a plan (or a fallback prescription drug plan under subsection (g)).

(2) Rules

The following rules shall apply with respect to the approval of a limited risk plan in a PDP region:

(A) Limited exercise of authority

Only the minimum number of such plans may be approved in order to meet the access requirements under section 1395w–103(a) of this title.
(B) Maximizing assumption of risk
The Secretary shall provide priority in approval for those plans bearing the highest level of risk (as computed by the Secretary), but the Secretary may take into account the level of the bids submitted by such plans.

(C) No full underwriting for limited risk plans
In no case may the Secretary approve a limited risk plan under which the modification of risk level provides for no (or a de minimis) level of financial risk.

(3) Acceptance of all full risk contracts
There shall be no limit on the number of full risk plans that are approved under subsection (e).

(4) Risk-plans defined
For purposes of this subsection:

(A) Limited risk plan
The term “limited risk plan” means a prescription drug plan that provides basic prescription drug coverage and for which the PDP sponsor includes a modification of risk level described in subparagraph (E) of subsection (b)(2) in its bid submitted for the plan under such subsection. Such term does not include a fallback prescription drug plan.

(B) Full risk plan
The term “full risk plan” means a prescription drug plan that is not a limited risk plan or a fallback prescription drug plan.

(g) Guaranteeing access to coverage

(1) Solicitation of bids

(A) In general
Separate from the bidding process under subsection (b), the Secretary shall provide for a process for the solicitation of bids from eligible fallback entities (as defined in paragraph (3)) for the offering in all fallback service areas (as defined in paragraph (3)) in one or more PDP regions of a fallback prescription drug plan (as defined in paragraph (4)) during the contract period specified in paragraph (5).

(B) Acceptance of bids

(i) In general
Except as provided in this subparagraph, the provisions of subsection (e) shall apply with respect to the approval or disapproval of fallback prescription drug plans. The Secretary shall enter into contracts under this subsection with eligible fallback entities for the offering of fallback prescription drug plans so approved in fallback service areas.

(ii) Limitation of 1 plan for all fallback service areas in a PDP region
With respect to all fallback service areas in any PDP region for a contract period, the Secretary shall approve the offering of only 1 fallback prescription drug plan.

(iii) Competitive procedures
Competitive procedures (as defined in section 132 of title 41) shall be used to enter into a contract under this subsection. The provisions of subsection (d) of section 1395kk–1 of this title shall apply to a contract under this section in the same manner as they apply to a contract under such section.

(iv) Timing
The Secretary shall approve a fallback prescription drug plan for a PDP region in a manner so that, if there are any fallback service areas in the region for a year, the fallback prescription drug plan is offered at the same time as prescription drug plans would otherwise be offered.

(V) No national fallback plan
The Secretary shall not enter into a contract with a single fallback entity for the offering of fallback plans throughout the United States.

(2) Eligible fallback entity
For purposes of this section, the term “eligible fallback entity” means, with respect to all fallback service areas in a PDP region for a contract period, an entity that—

(A) meets the requirements to be a PDP sponsor (or would meet such requirements but for the fact that the entity is not a risk-bearing entity); and

(B) does not submit a bid under subsection (b) for any prescription drug plan for any PDP region for the first year of such contract period.

For purposes of subparagraph (B), an entity shall be treated as submitting a bid with respect to a prescription drug plan if the entity is acting as a subcontractor of a PDP sponsor that is offering such a plan. The previous sentence shall not apply to entities that are subcontractors of an MA organization except insofar as such organization is acting as a PDP sponsor with respect to a prescription drug plan.

(3) Fallback service area
For purposes of this subsection, the term “fallback service area” means, for a PDP region with respect to a year, any area within such region for which the Secretary determines before the beginning of the year that the access requirements of the first sentence of section 1395w–103(a) of this title will not be met for part D eligible individuals residing in the area for the year.

(4) Fallback prescription drug plan
For purposes of this part, the term “fallback prescription drug plan” means a prescription drug plan that—

(A) only offers the standard prescription drug coverage and access to negotiated prices described in section 1395w–102(a)(1)(A) of this title and does not include any supplemental prescription drug coverage; and

(B) meets such other requirements as the Secretary may specify.

(5) Payments under the contract

(A) In general
A contract entered into under this subsection shall provide for—

So in original. Probably should be “(v)”. 
(i) payment for the actual costs (taking into account negotiated price concessions described in section 1395w–102(d)(1)(B) of this title) of covered part D drugs provided to part D eligible individuals enrolled in a fallback prescription drug plan offered by the entity; and

(ii) payment of management fees that are tied to performance measures established by the Secretary for the management, administration, and delivery of the benefits under the contract.

(B) Performance measures

The performance measures established by the Secretary pursuant to subparagraph (A)(ii) shall include at least measures for each of the following:

(i) Costs

The entity contains costs to the Medicare Prescription Drug Account and to part D eligible individuals enrolled in a fallback prescription drug plan offered by the entity through mechanisms such as generic substitution and price discounts.

(ii) Quality programs

The entity provides such enrollees with quality programs that avoid adverse drug reactions and overutilization and reduce medical errors.

(iii) Customer service

The entity provides timely and accurate delivery of services and pharmacy and beneficiary support services.

(iv) Benefit administration and claims adjudication

The entity provides efficient and effective benefit administration and claims adjudication.

(6) Monthly beneficiary premium

Except as provided in section 1395w–113(b) of this title (relating to late enrollment penalty) and subject to section 1395w–114 of this title (relating to late enrollment penalty), the monthly beneficiary premium to be charged and subject to section 1395w–114 of this title (relating to late enrollment penalty) under a fallback prescription drug plan offered by the entity; and

(B) Period of contract

(i) In general

Subject to clause (ii), a contract approved for a fallback prescription drug plan for fallback service areas for a PDP region under this section shall be for a period of 3 years (except as may be renewed after a subsequent bidding process).

(ii) Limitation

A fallback prescription drug plan may be offered under a contract in an area for a year only if that area is a fallback service area for that year.

(C) Entity not permitted to market or brand fallback prescription drug plans

An eligible fallback entity with a contract under this subsection may not engage in any marketing or branding of a fallback prescription drug plan.

(h) Annual report on use of limited risk plans and fallback plans

The Secretary shall submit to Congress an annual report that describes instances in which limited risk plans and fallback prescription drug plans were offered under subsections (f) and (g). The Secretary shall include in such report such recommendations as may be appropriate to limit the need for the provision of such plans and to maximize the assumption of financial risk under section subsection3 (f).

(i) Noninterference

In order to promote competition under this part and in carrying out this part, the Secretary—

(1) may not interfere with the negotiations between drug manufacturers and pharmacies and PDP sponsors; and

(2) may not require a particular formulary or institute a price structure for the reimbursement of covered part D drugs.

(j) Coordination of benefits

A PDP sponsor offering a prescription drug plan shall permit State Pharmaceutical Assistance Programs and Rx plans under sections 1395w–133 and 1395w–134 of this title to coordinate benefits with the plan and, in connection with such coordination with such a Program, not to impose fees that are unrelated to the cost of coordination.


REFERENCES IN TEXT


3So in original.
§ 1395w–112  TITLE 42—THE PUBLIC HEALTH AND WELFARE

CODIFICATION


AMENDMENTS


EFFECTIVE DATE OF 2010 AMENDMENT

Amendment by Pub. L. 111–148 applicable to bids submitted for contract years beginning on or after Jan. 1, 2011, see section 3209(c) of Pub. L. 111–148, set out as a note under section 1395w–24 of this title.

§ 1395w–112. Requirements for and contracts with prescription drug plan (PDP) sponsors

(a) General requirements

Each PDP sponsor of a prescription drug plan shall meet the following requirements:

(1) Licensure

Subject to subsection (c), the sponsor is organized and licensed under State law as a risk-bearing entity eligible to offer health insurance or health benefits coverage in each State in which it offers a prescription drug plan.

(2) Assumption of financial risk for unsubsidized coverage

(A) In general

Subject to subparagraph (B), to the extent that the entity is at risk the entity assumes financial risk on a prospective basis for benefits that it offers under a prescription drug plan and that is not covered under section 1395w–115(b) of this title.

(B) Reinsurance permitted

The plan sponsor may obtain insurance or make other arrangements for the cost of coverage provided to any enrollee to the extent that the sponsor is at risk for providing such coverage.

(3) Solvency for unlicensed sponsors

In the case of a PDP sponsor that is not described in paragraph (1) and for which a waiver has been approved under subsection (c), such sponsor shall meet solvency standards established by the Secretary under subsection (d).

(b) Contract requirements

(1) In general

The Secretary shall not permit the enrollment under section 1395w–101 of this title in a prescription drug plan offered by a PDP sponsor under this part, and the sponsor shall not be eligible for payments under section 1395w–114 or 1395w–115 of this title, unless the Secretary has entered into a contract under this subsection with the sponsor with respect to the offering of such plan. Such a contract with a sponsor may cover more than one prescription drug plan. Such contract shall provide that the sponsor agrees to comply with the applicable requirements and standards of this part and the terms and conditions of payment as provided for in this part.

(2) Limitation on entities offering fallback prescription drug plans

The Secretary shall not enter into a contract with a PDP sponsor for the offering of a prescription drug plan (other than a fallback prescription drug plan) in a PDP region for a year if the sponsor—

(A) submitted a bid under section 1395w–111(g) of this title for such year (as the first year of a contract period under such section) to offer a fallback prescription drug plan in any PDP region;

(B) offers a fallback prescription drug plan in any PDP region during the year; or

(C) offered a fallback prescription drug plan in that PDP region during the previous year.

For purposes of this paragraph, an entity shall be treated as submitting a bid with respect to a prescription drug plan or offering a fallback prescription drug plan if the entity is acting as a subcontractor of a PDP sponsor that is offering such a plan. The previous sentence shall not apply to entities that are subcontractors of an MA organization except insofar as such organization is acting as a PDP sponsor with respect to a prescription drug plan.

(3) Incorporation of certain medicare advantage contract requirements

Except as otherwise provided, the following provisions of section 1395w–27 of this title shall apply to contracts under this section in the same manner as they apply to contracts under section 1395w–27(a) of this title:

(A) Minimum enrollment

Paragraphs (1) and (3) of section 1395w–27(b) of this title, except that—

(i) the Secretary may increase the minimum number of enrollees required under such paragraph (1) as the Secretary determines appropriate; and
(ii) the requirement of such paragraph (1) shall be waived during the first contract year with respect to an organization in a region.

(B) Contract period and effectiveness

Section 1395w–27(c) of this title, except that in applying paragraph (4)(B) of such section any reference to payment amounts under section 1395w–23 of this title shall be deemed payment amounts under section 1395w–115 of this title.

(C) Protections against fraud and beneficiary protections

Section 1395w–27(d) of this title.

(D) Additional contract terms

Section 1395w–27(e) of this title; except that section 1395w–27(e)(2) of this title shall apply as specified to PDP sponsors and payments under this part to an MA–PD plan shall be treated as expenditures made under part D. Notwithstanding any other provision of law, information provided to the Secretary under the application of section 1395w–27(e)(1) of this title to contracts under this section under the preceding sentence—

(i) may be used for the purposes of carrying out this part, improving public health through research on the utilization, safety, effectiveness, quality, and efficiency of health care services (as the Secretary determines appropriate); and

(ii) shall be made available to Congressional support agencies (in accordance with their obligations to support Congress as set out in their authorizing statutes) for the purposes of conducting Congressional oversight, monitoring, making recommendations, and analysis of the program under this subchapter.

(E) Intermediate sanctions

Section 1395w–27(g) of this title (other than paragraph (1)(F) of such section), except that in applying such section the reference in section 1395w–27(g)(1)(B) of this title to section 1395w–23 of this title is deemed a reference to the preceding sentence—

(A) Prompt payment of clean claims

(i) In general

Each contract entered into with a PDP sponsor under this part with respect to a prescription drug plan offered by such sponsor shall provide that payment shall be issued, mailed, or otherwise transmitted with respect to all clean claims submitted by pharmacies (other than pharmacies that dispense drugs by mail order only or are located in, or contract with, a long-term care facility) under this part within the applicable number of calendar days after the date on which the claim is received.

(ii) Clean claim defined

In this paragraph, the term “clean claim” means a claim that has no defect or impropriety (including any lack of any required substantiating documentation) or particular circumstance requiring special treatment that prevents timely payment from being made on the claim under this part.

(iii) Date of receipt of claim

In this paragraph, a claim is considered to have been received—

(I) with respect to claims submitted electronically, on the date on which the claim is transferred; and

(ii) with respect to claims submitted otherwise, 30 days.

(C) Interest payment

(i) In general

Subject to clause (ii), if payment is not issued, mailed, or otherwise transmitted within the applicable number of calendar days (as defined in subparagraph (B)) after a clean claim is received, the PDP sponsor shall pay interest to the pharmacy that submitted the claim at a rate equal to the weighted average of interest on 3-month marketable Treasury securities determined for such period, increased by 0.1 percentage point for the period beginning on the day after the required payment date and ending on the date on which payment is made (as determined under subparagraph (D)(iv)). Interest amounts paid under this subparagraph shall not be counted against the administrative costs of a prescription drug plan or treated as allowable risk corridor costs under section 1395w–115(e) of this title.

(ii) Authority not to charge interest

The Secretary may provide that a PDP sponsor is not charged interest under clause (i) in the case where there are exigent circumstances, including natural disasters and other unique and unexpected events, that prevent the timely processing of claims.

(D) Procedures involving claims

(i) Claim deemed to be clean

A claim is deemed to be a clean claim if the PDP sponsor involved does not provide notice to the claimant of any deficiency in the claim—

(I) with respect to claims submitted electronically, within 10 days after the date on which the claim is received; and
§ 1395w–112

(TITLE 42—THE PUBLIC HEALTH AND WELFARE Page 3136)

(ii) Claim determined to not be a clean claim

(I) In general

If a PDP sponsor determines that a submitted claim is not a clean claim, the PDP sponsor shall, not later than the end of the period described in clause (i), notify the claimant of such determination. Such notification shall specify all defects or improprieties in the claim and shall list all additional information or documents necessary for the proper processing and payment of the claim.

(ii) Determination after submission of additional information

A claim is deemed to be a clean claim under this paragraph if the PDP sponsor involved does not provide notice to the claimant of any defect or impropriety in the claim within 10 days of the date on which additional information is received under subparagraph (A).

(iii) Obligation to pay

A claim submitted to a PDP sponsor that is not paid or contested by the sponsor within the applicable number of days (as defined in subparagraph (B)) after the date on which the claim is received shall be deemed to be a clean claim and shall be paid by the PDP sponsor in accordance with subparagraph (A).

(iv) Date of payment of claim

Payment of a clean claim under such subparagraph is considered to have been made on the date on which—

(I) with respect to claims paid electronically, the payment is transferred; and

(ii) with respect to claims paid otherwise, the payment is submitted to the United States Postal Service or common carrier for delivery.

(E) Electronic transfer of funds

A PDP sponsor shall pay all clean claims submitted electronically by electronic transfer of funds if the pharmacy so requests or has so requested previously. In the case where such payment is made electronically, remittance may be made by the PDP sponsor electronically as well.

(F) Protecting the rights of claimants

(i) In general

Nothing in this paragraph shall be construed to prohibit or limit a claim or action not covered by the subject matter of this section that any individual or organization has against a provider or a PDP sponsor.

(ii) Anti-retaliation

Consistent with applicable Federal or State law, a PDP sponsor shall not retaliate against an individual or provider for exercising a right of action under this subparagraph.

(G) Rule of construction

A determination under this paragraph that a claim submitted by a pharmacy is a clean claim shall not be construed as a positive determination regarding eligibility for payment under this subchapter, nor is it an indication of government approval of, or acquiescence regarding, the claim submitted. The determination shall not relieve any party of civil or criminal liability with respect to the claim, nor does it offer a defense to any administrative, civil, or criminal action with respect to the claim.

(5) Submission of claims by pharmacies located in or contracting with long-term care facilities

Each contract entered into with a PDP sponsor under this part with respect to a prescription drug plan offered by such sponsor shall provide that a pharmacy located in, or having a contract with, a long-term care facility shall have not less than 30 days (but not more than 90 days) to submit claims to the sponsor for reimbursement under the plan.

(6) Regular update of prescription drug pricing standard

If the PDP sponsor of a prescription drug plan uses a standard for reimbursement of pharmacies based on the cost of a drug, each contract entered into with such sponsor under this part with respect to the plan shall provide that the sponsor shall update such standard not less frequently than once every 7 days, beginning with an initial update on January 1 of each year, to accurately reflect the market price of acquiring the drug.

(7) Suspension of payments pending investigation of credible allegations of fraud by pharmacies

(A) In general

Section 1395y(o)(1) of this title shall apply with respect to a PDP sponsor with a contract under this part, a pharmacy, and payments to such pharmacy under this part in the same manner as such section applies with respect to the Secretary, a provider of services or supplier, and payments to such provider of services or supplier under this subchapter. A PDP sponsor shall notify the Secretary regarding the imposition of any payment suspension pursuant to the previous sentence, such as through the secure internet website portal (or other successor technology) established under section 1395w–28(i) of this title.

(B) Rule of construction

Nothing in this paragraph shall be construed as limiting the authority of a PDP sponsor to conduct postpayment review.

(c) Waiver of certain requirements to expand choice

(1) Authorizing waiver

(A) In general

In the case of an entity that seeks to offer a prescription drug plan in a State, the Secretary shall waive the requirement of sub-
section (a)(1) that the entity be licensed in that State if the Secretary determines, based on the application and other evidence presented to the Secretary, that any of the grounds for approval of the application described in paragraph (2) have been met.

(B) Application of regional plan waiver rule

In addition to the waiver available under subparagraph (A), the provisions of section 1395w–27a(d) of this title shall apply to PDP sponsors under this part in a manner similar to the manner in which such provisions apply to MA organizations under part C, except that no application shall be required under paragraph (1)(B) of such section in the case of a State that does not provide a licensing process for such a sponsor.

(2) Grounds for approval

(A) In general

The grounds for approval under this paragraph are—

(i) the ground of approval described in section 1395w–25(a)(2)(B) of this title is deemed to have been met if the State does not have a licensing process in effect with respect to the PDP sponsor; and

(ii) for plan years beginning before January 1, 2008, if the State does have such a licensing process in effect, such ground for approval described in such section is deemed to have been met upon submission of an application described in such section.

(B) Special rules

In applying subparagraph (A)(i)—

(i) the ground of approval described in section 1395w–25(a)(2)(B) of this title is deemed to have been met if the State does not have a licensing process in effect with respect to the PDP sponsor; and

(ii) for plan years beginning before January 1, 2008, if the State does have such a licensing process in effect, such ground for approval described in such section is deemed to have been met upon submission of an application described in such section.

(3) Application of waiver procedures

With respect to an application for a waiver (or a waiver granted) under paragraph (1)(A) of this subsection, the provisions of subparagraphs (E), (F), and (G) of section 1395w–25(a)(2) of this title shall apply, except that clauses (i) and (ii) of such subparagraph (E) shall not apply in the case of a State that does not have a licensing process described in paragraph (2)(B)(i) in effect.

(4) References to certain provisions

In applying provisions of section 1395w–25(a)(2) of this title under paragraphs (2) and (3) of this subsection to prescription drug plans and PDP sponsors—

(A) any reference to a waiver application under section 1395w–25 of this title shall be treated as a reference to a waiver application under paragraph (1)(A) of this subsection; and

(B) any reference to solvency standards shall be treated as a reference to solvency standards established under subsection (d) of this section.

(d) Solvency standards for non-licensed entities

(1) Establishment and publication

The Secretary, in consultation with the National Association of Insurance Commis-
§ 1395w–113. Premiums; late enrollment penalty

(a) Monthly beneficiary premium

(1) Computation

(A) In general

The monthly beneficiary premium for a prescription drug plan is the base beneficiary premium computed under paragraph (2) as adjusted under this paragraph.

(B) Adjustment to reflect difference between bid and national average bid

(i) Above average bid

If for a month the amount of the standardized bid amount (as defined in paragraph (5)) exceeds the amount of the adjusted national average monthly bid amount (as defined in clause (iii)), the base beneficiary premium for the month shall be increased by the amount of such excess.

(ii) Below average bid

If for a month the amount of the adjusted national average monthly bid amount for the month exceeds the standardized bid amount, the base beneficiary premium for the month shall be decreased by the amount of such excess.

(iii) Adjusted national average monthly bid amount defined

For purposes of this subparagraph, the term "adjusted national average monthly bid amount" means the national average monthly bid amount computed under paragraph (4), as adjusted under section 1395w–115(b) of this title.

(C) Increase for supplemental prescription drug benefits

The base beneficiary premium shall be increased by the portion of the PDP approved bid that is attributable to supplemental prescription drug benefits.

(D) Increase for late enrollment penalty

The base beneficiary premium shall be increased by the amount of any late enrollment penalty under subsection (b).

(E) Decrease for low-income assistance

The monthly beneficiary premium is subject to decrease in the case of a subsidy eligible individual under section 1395w–114 of this title.

(F) Increase based on income

The monthly beneficiary premium shall be increased pursuant to paragraph (7).

(G) Uniform premium

Except as provided in subparagraphs (D), (E), and (F), the monthly beneficiary premium for a prescription drug plan in a PDP region is the same for all part D eligible individuals enrolled in the plan.

(2) Base beneficiary premium

The base beneficiary premium under this paragraph for a prescription drug plan for a month is equal to the product of

(A) the beneficiary premium percentage (as specified in paragraph (3)); and

(B) the national average monthly bid amount (computed under paragraph (4)) for the month.

(3) Beneficiary premium percentage

For purposes of this paragraph, the beneficiary premium percentage for any year is the percentage equal to a fraction—

(A) the numerator of which is 25.5 percent; and

(B) the denominator of which is 100 percent minus a percentage equal to—

(i) the total reinsurance payments which the Secretary estimates are payable under section 1395w–115(b) of this title with respect to the coverage year; divided by

(ii) the sum of—

(I) the amount estimated under clause (i) for the year; and

(II) the total payments which the Secretary estimates will be paid to prescription drug plans and MA–PD plans that are attributable to the standardized bid amount during the year, taking into account amounts paid by the Secretary and enrollees.

(4) Computation of national average monthly bid amount

(A) In general

For each year (beginning with 2006) the Secretary shall compute a national average monthly bid amount equal to the average of the standardized bid amounts (as defined in paragraph (5)) for each prescription drug plan and for each MA–PD plan described in section 1395w–21(a)(2)(A)(i) of this title. Such average does not take into account the bids submitted for MSA plans, MA private fee-for-service plan, and specialized MA plans for special needs individuals, PACE programs under section 1396ee of this title (pursuant to section 1395w–131(e) of this title), and under reasonable cost reimbursement contracts under section 1395mm(h) of this title (pursuant to section 1395w–131(e) of this title).

(B) Weighted average

(i) In general

The monthly national average monthly bid amount computed under subparagraph (A) for a year shall be a weighted average, with the weight for each plan being equal to the average number of part D eligible individuals enrolled in such plan in the reference month (as defined in section 1395w–27a(f)(4) of this title).

(ii) Special rule for 2006

For purposes of applying this paragraph for 2006, the Secretary shall establish pro-
c edures for determining the weighted average under clause (i) for 2005.

(5) Standardized bid amount defined

For purposes of this subsection, the term “standardized bid amount” means the following:

(A) Prescription drug plans

(i) Basic coverage

In the case of a prescription drug plan that provides basic prescription drug coverage, the PDP approved bid (as defined in paragraph (6)).

(ii) Supplemental coverage

In the case of a prescription drug plan that provides supplemental prescription drug coverage, the portion of the PDP approved bid that is attributable to basic prescription drug coverage.

(B) MA–PD plans

In the case of an MA–PD plan, the portion of the accepted bid amount that is attributable to basic prescription drug coverage.

(6) PDP approved bid defined

For purposes of this part, the term “PDP approved bid” means, with respect to a prescription drug plan, the bid amount approved for the plan under this part.

(7) Increase in base beneficiary premium based on income

(A) In general

In the case of an individual whose modified adjusted gross income exceeds the threshold amount applicable under paragraph (2) of section 1395r(i) of this title (including application of paragraph (5) of such section) for the calendar year, the monthly amount of the base beneficiary premium applicable under this section for a month after December 2010 shall be increased by the monthly adjustment amount specified in subparagraph (B).

(B) Monthly adjustment amount

The monthly adjustment amount specified in this subparagraph for an individual for a month in a year is equal to the product of—

(i) the quotient obtained by dividing—

(I) the applicable percentage determined under paragraph (3)(C) of section 1395r(i) of this title (including application of paragraph (5) of such section) for the individual for the calendar year reduced by 25.5 percent; by

(II) 25.5 percent; and

(ii) the base beneficiary premium (as computed under paragraph (2)).

(C) Modified adjusted gross income

For purposes of this paragraph, the term “modified adjusted gross income” has the meaning given such term in subparagraph (A) of section 1395r(i)(4) of this title, determined for the taxable year applicable under subparagraphs (B) and (C) of such section.

(D) Determination by Commissioner of Social Security

The Commissioner of Social Security shall make any determination necessary to carry out the income-related increase in the base beneficiary premium under this paragraph.

(E) Procedures to assure correct income-related increase in base beneficiary premium

(i) Disclosure of base beneficiary premium

Not later than September 15 of each year beginning with 2010, the Secretary shall disclose to the Commissioner of Social Security the amount of the base beneficiary premium (as computed under paragraph (2)) for the purpose of carrying out the income-related increase in the base beneficiary premium under this paragraph with respect to the following year.

(ii) Additional disclosure

Not later than October 15 of each year beginning with 2010, the Secretary shall disclose to the Commissioner of Social Security the following information for the purpose of carrying out the income-related increase in the base beneficiary premium under this paragraph with respect to the following year:

(I) The modified adjusted gross income threshold applicable under paragraph (2) of section 1395r(i) of this title (including application of paragraph (5) of such section).

(II) The applicable percentage determined under paragraph (3)(C) of section 1395r(i) of this title (including application of paragraph (5) of such section).

(III) The monthly adjustment amount specified in subparagraph (B).

(IV) Any other information the Commissioner of Social Security determines necessary to carry out the income-related increase in the base beneficiary premium under this paragraph.

(F) Rule of construction

The formula used to determine the monthly adjustment amount specified under subparagraph (B) shall only be used for the purpose of determining such monthly adjustment amount under such subparagraph.

(b) Late enrollment penalty

(1) In general

Subject to the succeeding provisions of this subsection, in the case of a part D eligible individual described in paragraph (2) with respect to a continuous period of eligibility, there shall be an increase in the monthly beneficiary premium established under subsection (a) in an amount determined under paragraph (3).

(2) Individuals subject to penalty

A part D eligible individual described in this paragraph is, with respect to a continuous period of eligibility, an individual for whom there is a continuous period of 63 days or longer (all of which in such continuous period of eligibility) beginning on the day after the last date of the individual’s initial enrollment period under section 1395w–101(b)(2) of this title and ending on the date of enrollment under a prescription drug plan or MA–PD plan
§ 1395w–113

TITLE 42—THE PUBLIC HEALTH AND WELFARE

Page 3140

during all of which the individual was not covered under any creditable prescription drug coverage.

(3) Amount of penalty

(A) In general

The amount determined under this paragraph for a part D eligible individual for a continuous period of eligibility is the greater of—

(i) an amount that the Secretary determines is actuarially sound for each uncovered month (as defined in subparagraph (B) in the same continuous period of eligibility; or

(ii) 1 percent of the base beneficiary premium (computed under subsection (a)(2)) for each such uncovered month in such period.

(B) Uncovered month defined

For purposes of this subsection, the term “uncovered month” means, with respect to a part D eligible individual, any month beginning after the end of the initial enrollment period under section 1395w–101(b)(2) of this title unless the individual can demonstrate that the individual had creditable prescription drug coverage (as defined in paragraph (4)) for any portion of such month.

(4) Creditable prescription drug coverage defined

For purposes of this part, the term “creditable prescription drug coverage” means any of the following coverage, but only if the coverage meets the requirement of paragraph (5):

(A) Coverage under prescription drug plan or MA–PD plan

Coverage under a prescription drug plan or under an MA–PD plan.

(B) Medicaid

Coverage under a medicaid plan under subchapter XIX or under a waiver under section 1315 of this title.

(C) Group health plan

Coverage under a group health plan, including a health benefits plan under chapter 89 of title 5 (commonly known as the Federal employees health benefits program), and a qualified retiree prescription drug plan (as defined in section 1395w–132(a)(2) of this title).

(D) State pharmaceutical assistance program

Coverage under a State pharmaceutical assistance program described in section 1395w–133(b)(1) of this title.

(E) Veterans’ coverage of prescription drugs

Coverage for veterans, and survivors and dependents of veterans, under chapter 17 of title 38.

(F) Prescription drug coverage under medigap policies

Coverage under a medicare supplemental policy under section 1395ss of this title that provides benefits for prescription drugs (whether or not such coverage conforms to the standards for packages of benefits under section 1395ss(p)(1) of this title).

(G) Military coverage (including TRICARE)

Coverage under chapter 55 of title 10.

(H) Other coverage

Such other coverage as the Secretary determines appropriate.

(5) Actuarial equivalence requirement

Coverage meets the requirement of this paragraph only if the coverage is determined (in a manner specified by the Secretary) to provide coverage of the cost of prescription drugs the actuarial value of which (as defined by the Secretary) to the individual equals or exceeds the actuarial value of standard prescription drug coverage (as determined under section 1395w–111(c) of this title).

(6) Procedures to document creditable prescription drug coverage

(A) In general

The Secretary shall establish procedures (including the form, manner, and time) for the documentation of creditable prescription drug coverage, including procedures to assist in determining whether coverage meets the requirement of paragraph (5).

(B) Disclosure by entities offering creditable prescription drug coverage

(i) In general

Each entity that offers prescription drug coverage of the type described in subparagraphs (B) through (H) of paragraph (4) shall provide for disclosure, in a form, manner, and time consistent with standards established by the Secretary, to the Secretary and part D eligible individuals of whether the coverage meets the requirement of paragraph (5) or whether such coverage is changed so it no longer meets such requirement.

(ii) Disclosure of non-creditable coverage

In the case of such coverage that does not meet such requirement, the disclosure to part D eligible individuals under this subparagraph shall include information regarding the fact that because such coverage does not meet such requirement there are limitations on the periods in a year in which the individuals may enroll under a prescription drug plan or an MA–PD plan and that any such enrollment is subject to a late enrollment penalty under this subsection.

(C) Waiver of requirement

In the case of a part D eligible individual who was enrolled in prescription drug coverage of the type described in subparagraphs (B) through (H) of paragraph (4) which is not creditable prescription drug coverage because it does not meet the requirement of paragraph (5), the individual may apply to the Secretary to have such coverage treated as creditable prescription drug coverage if the individual establishes that the individual was not adequately informed that such coverage did not meet such requirement.

(7) Continuous period of eligibility

(A) In general

Subject to subparagraph (B), for purposes of this subsection, the term “continuous pe-
period of eligibility” means, with respect to a part D eligible individual, the period that begins with the first day on which the individual is eligible to enroll in a prescription drug plan under this part and ends with the individual’s death.

(B) Separate period

Any period during all of which a part D eligible individual is entitled to hospital insurance benefits under part A and

(i) which terminated in or before the month preceding the month in which the individual attained age 65; or

(ii) for which the basis for eligibility for such entitlement changed between section 426(b) of this title and section 426(a) of this title, between 426(b) of this title and section 426–1 of this title, or between section 426–1 of this title and section 426(a) of this title, shall be a separate continuous period of eligibility with respect to the individual (and each such period which terminates shall be deemed not to have existed for purposes of subsequently applying this paragraph).

(8) Waiver of penalty for subsidy-eligible individuals

In no case shall a part D eligible individual who is determined to be a subsidy eligible individual (as defined in section 1395w–114(a)(3) of this title) be subject to an increase in the monthly beneficiary premium established under subsection (a).

(c) Collection of monthly beneficiary premiums

(1) In general

Subject to paragraphs (2), (3), and (4), the provisions of section 1395w–24(d) of this title shall apply to PDP sponsors and premiums (and any late enrollment penalty) under this part in the same manner as they apply to MA organizations and beneficiary premiums under part C, except that any reference to a Trust Fund is deemed for this purpose a reference to the Medicare Prescription Drug Account.

(2) Crediting of late enrollment penalty

(A) Portion attributable to increased actuarial costs

With respect to late enrollment penalties imposed under subsection (b), the Secretary shall specify the portion of such a penalty that the Secretary estimates is attributable to increased actuarial costs assumed by the PDP sponsor or MA organization (and not taken into account through risk adjustment provided under section 1395w–115(c)(1) of this title or through reinsurance payments under section 1395w–115(b) of this title) as a result of such late enrollment.

(B) Collection through withholding

In the case of a late enrollment penalty that is collected from a part D eligible individual in the manner described in section 1395w–24(d)(2)(A) of this title, the Secretary shall establish procedures for reducing payments otherwise made to the PDP sponsor or MA organization by an amount equal to the amount of such penalty less the portion of such penalty estimated under subparagraph (A).

(3) Fallback plans

In applying this subsection in the case of a fallback prescription drug plan, paragraph (2) shall not apply and the monthly beneficiary premium shall be collected in the manner specified in section 1395w–24(d)(2)(A) of this title (or such other manner as may be provided under section 1395s of this title in the case of monthly premiums under section 1395r of this title).

(4) Collection of monthly adjustment amount

(A) In general

Notwithstanding any provision of this subsection or section 1395w–24(d)(2) of this title, subject to subparagraph (B), the amount of the income-related increase in the base beneficiary premium for an individual for a month (as determined under subsection (a)(7)) shall be paid through withholding from benefit payments in the manner provided under section 1395s of this title.

(B) Agreements

In the case where the monthly benefit payments of an individual that are withheld under subparagraph (A) are insufficient to pay the amount described in such subparagraph, the Commissioner of Social Security shall enter into agreements with the Secretary, the Director of the Office of Personnel Management, and the Railroad Retirement Board as necessary in order to allow other agencies to collect the amount described in subparagraph (A) that was not withheld under such subparagraph.

\(^2\)So in original. Probably should be “section 426(b)”.

AMENDMENTS

2010—Subsec. (a)(1)(F), (G). Pub. L. 111–148, § 3308(b)(1), added subpar. (F), redesignated former subpar. (F) as (G), and substituted “(D), (E), and (F)” for “(D) and (E)” in subpar. (G).


Subsec. (c)(1). Pub. L. 111–148, § 3308(a)(2)(A), substituted “(2), (3), and (4)” for “(2) and (3)”.


§ 1395w–114  PREMIUM AND COST-SHARING SUBSIDIES FOR LOW-INCOME INDIVIDUALS

(a) Income-related subsidies for individuals with income up to 150 percent of poverty line

(1) Individuals with income below 135 percent of poverty line

In the case of a subsidy eligible individual (as defined in paragraph (3)) who is determined to have income that is below 135 percent of the poverty line applicable to a family of the size involved and who meets the resources requirement described in paragraph (3)(D) or who is covered under this paragraph under paragraph (3)(B)(i), the individual is entitled under this section to the following:

(A) Full premium subsidy

An income-related premium subsidy equal to 100 percent of the amount described in subsection (b)(2)(B).

(B) Elimination of deductible

A reduction in the annual deductible applicable under section 1395w–102(b)(1) of this title to $0.

(C) Continuation of coverage above the initial coverage limit

The continuation of coverage from the initial coverage limit (under paragraph (3) of section 1395w–102(b) of this title) or, effective on a date specified by the Secretary (but in no case earlier than January 1, 2012), who would be such an institutionalized individual or couple, if the full-benefit dual eligible individual were not receiving services under a home and community-based waiver authorized for a State under section 1315 of this title or under section 1396d(m) of this title or under a State plan amendment under subsection (i) of such section or services provided through enrollment in a medical managed care organization with a contract under section 1396m of this title or under section 1396u–2 of this title, the elimination of any beneficiary coinsurance described in section 1395w–102(b)(2) of this title (for all amounts through the total amount of expenditures at which benefits are available under section 1395w–102(b)(4) of this title).

(ii) Lowest income dual eligible individuals

In the case of an individual not described in clause (i) who is a full-benefit dual eligible individual and whose income does not exceed 100 percent of the poverty line applicable to a family of the size involved, the substitution for the beneficiary coinsurance described in section 1395w–102(b)(2) of this title (for all amounts through the total amount of expenditures at which benefits are available under section 1395w–102(b)(4) of this title) of a copayment amount that does not exceed $1 for a generic drug or a preferred drug that is a multiple source drug (as defined in section 1396r–8(k)(7)(A)(i) of this title) and $3 for any other drug, or, if less, the copayment amount applicable to an individual under clause (iii).

(iii) Other individuals

In the case of an individual not described in clause (i) or (ii), the substitution for the beneficiary coinsurance described in section 1395w–102(b)(2) of this title (for all amounts through the total amount of expenditures at which benefits are available under section 1395w–102(b)(4) of this title) of a copayment amount that does not exceed the copayment amount specified under section 1395w–102(b)(4)(A)(1)(I) of this title for the drug and year involved.

(E) Elimination of cost-sharing above annual out-of-pocket threshold

The elimination of any cost-sharing imposed under section 1395w–102(b)(4)(A) of this title.

(2) Other individuals with income below 150 percent of poverty line

In the case of a subsidy eligible individual who is not described in paragraph (1), the individual is entitled under this section to the following:

(A) Sliding scale premium subsidy

An income-related premium subsidy determined on a linear sliding scale ranging from 100 percent of the amount described in paragraph (1)(A) for individuals with incomes at or below 135 percent of such level to 0 percent of such amount for individuals with incomes at 150 percent of such level.

(B) Reduction of deductible

A reduction in the annual deductible applicable under section 1395w–102(b)(1) of this title to $50.

(C) Continuation of coverage above the initial coverage limit

The continuation of coverage from the initial coverage limit (under paragraph (3) of section 1395w–102(b) of this title) for expenditures incurred through the total amount of expenditures at which benefits are available under paragraph (4) of such section, subject to the reduced coinsurance described in subparagraph (D).
(D) Reduction in cost-sharing below out-of-pocket threshold

The substitution for the beneficiary coinsurance described in section 1395w–102(b)(2) of this title (for all amounts above the deductible under subparagraph (B) through the total amount of expenditures at which benefits are available under section 1395w–102(b)(4) of this title) of coinsurance of “15 percent” instead of coinsurance of “25 percent” in section 1395w–102(b)(2) of this title.

(E) Reduction of cost-sharing above annual out-of-pocket threshold

Subject to subsection (c), the substitution for the cost-sharing imposed under section 1395w–102(b)(4)(A) of this title of a copayment or coinsurance not to exceed the copayment or coinsurance amount specified under section 1395w–102(b)(4)(A)(I) of this title for the drug and year involved.

(3) Determination of eligibility

(A) Subsidy eligible individual defined

For purposes of this paragraph, a subsidy eligible individual is—

(i) is enrolled in a prescription drug plan or MA–PD plan;

(ii) has income below 150 percent of the poverty line applicable to a family of the size involved; and

(iii) meets the resources requirement described in subparagraph (D) or (E).

(B) Determinations

(i) In general

The determination of whether a part D eligible individual residing in a State is a subsidy eligible individual and whether the individual is described in paragraph (1) shall be determined under the State plan under subchapter XIX for the State under section 1396u–5(a) of this title or by the Commissioner of Social Security.

(ii) Effective period

Determinations made under this subparagraph shall be effective beginning with the month in which the individual applies for a determination that the individual is a subsidy eligible individual and shall remain in effect for a period specified by the Secretary, but not to exceed 1 year.

(iii) Redeterminations and appeals through medicaid

Redeterminations and appeals, with respect to eligibility determinations under clause (i) made under a State plan under subchapter XIX, shall be made in accordance with the frequency of, and manner in which, redeterminations and appeals of eligibility are made under such plan for purposes of medical assistance under such subchapter.

(iv) Redeterminations and appeals through Commissioner

With respect to eligibility determinations under clause (i) made by the Commissioner of Social Security—

(I) redeterminations shall be made at such time or times as may be provided by the Commissioner;

(II) the Commissioner shall establish procedures for appeals of such determinations that are similar to the procedures described in the third sentence of section 1383(c)(1)(A) of this title; and

(III) the Commissioner shall provide that section 405 of this title.

(v) Treatment of medicaid beneficiaries

Subject to subparagraph (F), the Secretary—

(I) shall provide that part D eligible individuals who are full-benefit dual eligible individuals (as defined in section 1396u–5(c)(6) of this title) or who are recipients of supplemental security income benefits under subchapter XVI shall be treated as subsidy eligible individuals described in paragraph (1); and

(II) may provide that part D eligible individuals not described in subclause (I) who are determined for purposes of the State plan under subchapter XIX to be eligible for medical assistance under clause (i), (iii), or (iv) of section 1396a(a)(10)(E) of this title are treated as being determined to be subsidy eligible individuals described in paragraph (1).

Insofar as the Secretary determines that the eligibility requirements under the State plan for medical assistance referred to in subclause (II) are substantially the same as the requirements for being treated as a subsidy eligible individual described in paragraph (1), the Secretary shall provide for the treatment described in such subclause.

(vi) Special rule for widows and widowers

Notwithstanding the preceding provisions of this subparagraph, in the case of an individual whose spouse dies during the effective period for a determination or redetermination that has been made under this subparagraph, such effective period shall be extended through the date that is 1 year after the date on which the determination or redetermination would (but for the application of the clause) otherwise cease to be effective.

(C) Income determinations

For purposes of applying this section—

(i) in the case of a part D eligible individual who is not treated as a subsidy eligible individual under subparagraph (B)(v), income shall be determined in the manner described in section 1396d(p)(1)(B) of this title, without regard to the application of
section 1396a(r)(2) of this title and except that support and maintenance furnished in kind shall not be counted as income; and
(ii) the term “poverty line” has the meaning given such term in section 9902(2) of this title, including any revision required by such section.

Nothing in clause (i) shall be construed to affect the application of section 1396a(r)(2) of this title for purposes of the supplemental security income program subject to the life insurance policy exclusion provided under subparagraph (G)) do not exceed—

(i) for 2006 three times the maximum amount of resources that an individual may have and obtain benefits under that program; and
(ii) for a subsequent year the resource limitation established under this clause for the previous year increased by the annual percentage increase in the consumer price index (all items; U.S. city average) as of September of such previous year.

Any resource limitation established under clause (ii) that is not a multiple of $10 shall be rounded to the nearest multiple of $10.

(E) Alternative resource standard

(i) In general

The resources requirement of this subparagraph is that an individual’s resources (as determined under section 1382b of this title for purposes of the supplemental security income program subject to the life insurance policy exclusion provided under subparagraph (G)) do not exceed—

(I) for 2006, $10,000 (or $20,000 in the case of the combined value of the individual’s assets or resources and the assets or resources of the individual’s spouse); and

(II) for a subsequent year the dollar amounts specified in this subclause (or subclause (I)) for the previous year increased by the annual percentage increase in the consumer price index (all items; U.S. city average) as of September of such previous year.

Any dollar amount established under subclause (II) that is not a multiple of $10 shall be rounded to the nearest multiple of $10.

(ii) Use of simplified application form and process

The Secretary, jointly with the Commissioner of Social Security, shall—

(I) develop a model, simplified application form and process consistent with clause (iii) for the determination and verification of a part D eligible individual’s assets or resources under this subparagraph; and

(II) provide such form to States.

(iii) Documentation and safeguards

Under such process—

(I) the application form shall consist of an attestation under penalty of perjury regarding the level of assets or resources (or combined assets and resources in the case of a married part D eligible individual) and valuations of general classes of assets or resources;

(II) such form shall be accompanied by copies of recent statements (if any) from financial institutions in support of the application; and

(III) matters attested to in the application shall be subject to appropriate methods of verification.

(iv) Methodology flexibility

The Secretary may permit a State in making eligibility determinations for premium and cost-sharing subsidies under this section to use the same asset or resource methodologies that are used with respect to eligibility for medical assistance for medicare cost-sharing described in section 1396d(p) of this title so long as the Secretary determines that the use of such methodologies will not result in any significant differences in the number of individuals determined to be subsidy eligible individuals.

(F) Treatment of territorial residents

In the case of a part D eligible individual who is not a resident of the 50 States or the District of Columbia, the individual is not eligible to be a subsidy eligible individual under this section but may be eligible for financial assistance with prescription drug expenses under section 1396u-8(e) of this title.

(G) Life insurance policy exclusion

In determining the resources of an individual (and the eligible spouse of the individual, if any) under section 1382b of this title for purposes of subparagraphs (D) and (E) no part of the value of any life insurance policy as determined under section 1382b of this title for the determination of eligibility for medical assistance under subchapter XIX.

(D) Resource standard applied to full low-income subsidy to be based on three times SSI resource standard

The resources requirement of this subparagraph is that an individual’s resources (as determined under section 1382b of this title for purposes of the supplemental security income program subject to the life insurance policy exclusion provided under subparagraph (G)) do not exceed—

(i) for 2007 shall be the dollar amounts specified in this subparagraph (or combined assets and resources in the case of a married part D eligible individual) and valuations of general classes of assets or resources;

(ii) for a subsequent year shall be the dollar amounts specified in this subparagraph (or combined assets and resources in the case of a married part D eligible individual) and valuations of general classes of assets or resources;

(IV) matters attested to in the application shall be subject to appropriate methods of verification.

(4) Indexing dollar amounts

(A) Copayment for lowest income dual eligible individuals

The dollar amounts applied under paragraph (1)(D)(ii)—

(i) for 2007 shall be the dollar amounts specified in such paragraph increased by the annual percentage increase in the consumer price index (all items; U.S. city average) as of September of such previous year; or

(ii) for a subsequent year shall be the dollar amounts specified in this clause (or clause (I) for the previous year) increased by the annual percentage increase in the consumer price index (all items; U.S. city average) as of September of such previous year.
Any amount established under clause (i) or (ii), that is based on an increase of $1 or $3, that is not a multiple of 5 cents or 10 cents, respectively, shall be rounded to the nearest multiple of 5 cents or 10 cents, respectively.

(B) Reduced deductible

The dollar amount applied under paragraph (2)(B) —

(i) for 2007 shall be the dollar amount specified in such paragraph increased by the annual percentage increase described in section 1395w–102(b)(6) of this title for 2007;

(ii) for a subsequent year shall be the dollar amount specified in this clause (or clause (i)) for the previous year increased by the annual percentage increase described in section 1395w–102(b)(6) of this title for the year involved.

Any amount established under clause (i) or (ii) that is not a multiple of $1 shall be rounded to the nearest multiple of $1.

(5) Waiver of de minimis premiums

The Secretary shall, under procedures established by the Secretary, permit a prescription drug plan or an MA–PD plan to waive the monthly beneficiary premium for a subsidy eligible individual if the amount of such premium is de minimis. If such premium is waived under the plan, the Secretary shall not reassign subsidy eligible individuals enrolled in the plan to other plans based on the fact that the monthly beneficiary premium under the plan was greater than the low-income benchmark premium amount.

(b) Premium subsidy amount

(1) In general

The premium subsidy amount described in this subsection for a subsidy eligible individual residing in a PDP region and enrolled in a prescription drug plan or MA–PD plan —

(i) is the low-income benchmark premium amount (as defined in paragraph (2)) for the PDP region in which the individual resides or, if greater, the low-income benchmark premium amount (as defined in such paragraph) increased by the annual percentage increase described in section 1395w–102(b)(6) of this title for the year involved.

(ii) is not a multiple of $1 shall be rounded to the nearest multiple of $1.

(2) Low-income benchmark premium amount defined

(A) In general

For purposes of this subsection, the term “low-income benchmark premium amount” means, with respect to a PDP region in which —

(i) all prescription drug plans are offered by the same PDP sponsor, the weighted average of the amounts described in subparagraph (B)(i) for such plans; or

(ii) there are prescription drug plans offered by more than one PDP sponsor, the weighted average of amounts described in subparagraph (B) for prescription drug plans and MA–PD plans described in section 1395w–21(a)(2)(A)(i) of this title offered in such region.

(B) Premium amounts described

The premium amounts described in this subparagraph are, in the case of—

(i) a prescription drug plan that is a basic prescription drug plan, the monthly beneficiary premium for such plan; and

(ii) a prescription drug plan that provides alternative prescription drug coverage the actuarial value of which is greater than that of standard prescription drug coverage, the portion of the monthly beneficiary premium that is attributable to basic prescription drug coverage; and

(iii) an MA–PD plan, the portion of the MA monthly prescription drug beneficiary premium that is attributable to basic prescription drug benefits (described in section 1395w–24(b)(1)(C)(i) of this title) and determined before the application of the monthly rebate computed under section 1395w–24(b)(1)(C)(i) of this title for that plan and year involved and, in the case of a qualifying plan, before the application of the increase under section 1395w–23(a) of this title for that plan and year involved.

The premium amounts described in this subparagraph do not include any amounts attributable to late enrollment penalties under section 1395w–113(b) of this title.

(3) Access to 0 premium plan

In no case shall the premium subsidy amount under this subsection for a PDP region be less than the lowest monthly beneficiary premium for a prescription drug plan that offers basic prescription drug coverage in the region.

(c) Administration of subsidy program

(1) In general

The Secretary shall provide a process whereby, in the case of a part D eligible individual who is determined to be a subsidy eligible individual and who is enrolled in a prescription drug plan or is enrolled in an MA–PD plan—

(A) the Secretary provides for a notification of the PDP sponsor or the MA organization offering the plan involved that the individual is eligible for a subsidy and the amount of the subsidy under subsection (a);

(B) the sponsor or organization involved reduces the premiums or cost-sharing otherwise imposed by the amount of the applicable subsidy and submits to the Secretary information on the amount of such reduction;

(C) the Secretary periodically and on a timely basis reimburses the sponsor or organization for the amount of such reductions; and

(D) the Secretary ensures the confidentiality of individually identifiable information.

In applying subparagraph (C), the Secretary shall compute reductions based upon imposition under subsections (a)(1)(D) and (a)(2)(E) of unreduced copayment amounts applied under such subsections.

(2) Use of capitated form of payment

The reimbursement under this section with respect to cost-sharing subsidies may be computed on a capitated basis, taking into account the actuarial value of the subsidies and with appropriate adjustments to reflect differences in the risks actually involved.

1 So in original. Section 1395w–22(a)(6) of this title does not contain a subpar. (B).
(d) Facilitation of reassignments

Beginning not later than January 1, 2011, the Secretary shall, in the case of a subsidy eligible individual who is enrolled in one prescription drug plan and is subsequently reassigned by the Secretary to a new prescription drug plan, provide the individual, within 30 days of such reassignment, with—

(1) information on formulary differences between the individual’s former plan and the plan to which the individual is reassigned with respect to the individual’s drug regimens; and

(2) a description of the individual’s right to request a drug plan formulary redetermination, exception, or reconsideration under section 1395w–104(g) of this title, bring an appeal under section 1395w–104(h) of this title, or resolve a grievance under section 1395w–104(f) of this title.

(e) Relation to medicaid program

For special provisions under the medicaid program relating to medicare prescription drug benefits, see section 1396u–5 of this title.

Title I—The Medicare Drug Rebate Program

Subsection (a)(1) of this section, as amended by section 114(a)(2) of Pub. L. 110–275, effective as of January 1, 2012, provided that:

+(i) 100 percent of the amount described in subsection (b)(1) of this section, but not to exceed the premium amount specified in subsection (b)(2)(B) of this section; plus

+(ii) 80 percent of any late enrollment penalties imposed under section 1395w–113(b) of this title for the first 60 months in which such penalties are imposed for that individual, and 100 percent of any such penalties for any subsequent month.


Subsec. (a)(3)(C)(i), Pub. L. 110–275, §116(a)(1), inserted “and except that support and maintenance furnished in kind shall not be counted as income” after “section 1396a(f)(2) of this title”.

Subsec. (a)(3)(D), (E)(i), Pub. L. 110–275, §116(a)(2), (3), inserted “subject to the life insurance policy exclusion provided in subparagraph (G)” after “program” in introductory provisions.


Amendments

2010—Subsec. (a)(1)(D)(i), Pub. L. 111–148, §3309, inserted “or, effective on a date specified by the Secretary (but in no case earlier than January 1, 2012), who would lost an institutionalized individual or couple, if the full-benefit dual eligible individual were not receiving services under a home and community-based waiver authorized for a State under section 1315 of this title or subsection (c) or (d) of section 1396a of this title or under a State plan amendment under subsection (i) of such section or services provided through enrollment in a medicare managed care organization with a contract under section 1396a(m) of this title or under section 1396a–2 of this title” after “1396a(q)(1)(B) of this title”.


Subsec. (a)(5), Pub. L. 111–148, §3303(a), added par. (5).

Subsec. (b)(2)(B)(iii), Pub. L. 111–152 substituted “and determined before the application of the monthly rebate computed under section 1395w–24(b)(1)(C)(i) of this title for that plan and year involved and, in the case of a qualifying plan, before the application of the increase under section 1396w–23(e) of this title for that plan and year involved” for “,” determined without regard to any reduction in such premium as a result of any beneficiary rebate under section 1395w–24(b)(1)(C) of this title or bonus payment under section 1395w–23(n) of this title.”

Pub. L. 111–148, §3302(a), inserted “, determined without regard to any reduction in such premium as a result of any beneficiary rebate under section 1854(b)(1)(C) or bonus payment under section 1395w–23(n) of this title” before period at end.

Subsecs. (d), (e), Pub. L. 111–148, §3305, added subsec. (d) and redesignated former subsec. (d) as (e).

2009—Subsec. (a)(1)(A), Pub. L. 110–275, §116(a)(1), substituted “equal to 100 percent of the amount described in subsection (b)(1), but not to exceed the premium amount specified in subsection (b)(2)(B)” for “equal to—

+(i) 100 percent of the amount described in subsection (b)(1) of this section, but not to exceed the premium amount specified in subsection (b)(2)(B) of this section; plus

+(ii) 80 percent of any late enrollment penalties imposed under section 1395w–113(b) of this title for the first 60 months in which such penalties are imposed for that individual, and 100 percent of any such penalties for any subsequent month.”

§ 1395w–114a. Medicare coverage gap discount program

(a) Establishment

The Secretary shall establish a Medicare coverage gap discount program (in this section re-
ferred to as the “program”) by not later than January 1, 2011. Under the program, the Secretary shall enter into agreements described in subsection (b) with manufacturers and provide for the performance of the duties described in subsection (c)(1). The Secretary shall establish a model agreement for use under the program by not later than 180 days after March 23, 2010, in consultation with manufacturers, and allow for comment on such model agreement.

(b) Terms of agreement

(1) In general

(A) Agreement

An agreement under this section shall require the manufacturer to provide applicable beneficiaries access to discounted prices for applicable drugs of the manufacturer.

(B) Provision of discounted prices at the point-of-sale

Except as provided in subsection (c)(1)(A)(iii), such discounted prices shall be provided to the applicable beneficiary at the pharmacy or by the mail order service at the point-of-sale of an applicable drug.

(C) Timing of agreement

(i) Special rule for 2011

In order for an agreement with a manufacturer to be in effect under this section with respect to the period beginning on January 1, 2011, and ending on December 31, 2011, the manufacturer shall enter into such agreement not later than not later than \(^1\) 30 days after the date of the establishment of a model agreement under subsection (a).

(ii) 2012 and subsequent years

In order for an agreement with a manufacturer to be in effect under this section with respect to plan year 2012 or a subsequent plan year, the manufacturer shall enter into such agreement (or such agreement shall be renewed under paragraph (4)(A)) not later than January 30 of the preceding year.

(2) Provision of appropriate data

Each manufacturer with an agreement in effect under this section shall collect and have available appropriate data, as determined by the Secretary, to ensure that it can demonstrate to the Secretary compliance with the requirements under the program.

(3) Compliance with requirements for administration of program

Each manufacturer with an agreement in effect under this section shall comply with requirements imposed by the Secretary or a third party with a contract under subsection (d)(3), as applicable, for purposes of administering the program, including any determination under clause (i) of subsection (c)(1)(A) or procedures established under such subsection (c)(1)(A).

(4) Length of agreement

(A) In general

An agreement under this section shall be effective for an initial period of not less than 18 months and shall be automatically renewed for a period of not less than 1 year unless terminated under subparagraph (B).

(B) Termination

(i) By the Secretary

The Secretary may provide for termination of an agreement under this section for a knowing and willful violation of the requirements of the agreement or other good cause shown. Such termination shall not be effective earlier than 30 days after the date of notice to the manufacturer of such termination. The Secretary shall provide, upon request, a manufacturer with a hearing concerning such a termination, and such hearing shall take place prior to the effective date of the termination with sufficient time for such effective date to be repealed if the Secretary determines appropriate.

(ii) By a manufacturer

A manufacturer may terminate an agreement under this section for any reason. Any such termination shall be effective, with respect to a plan year—

(I) if the termination occurs before January 30 of a plan year, as of the day after the end of the plan year; and

(II) if the termination occurs on or after January 30 of a plan year, as of the day after the end of the succeeding plan year.

(iii) Effectiveness of termination

Any termination under this subparagraph shall not affect discounts for applicable drugs of the manufacturer that are due under the agreement before the effective date of its termination.

(iv) Notice to third party

The Secretary shall provide notice of such termination to a third party with a contract under subsection (d)(3) within not less than 30 days before the effective date of such termination.

(c) Duties described and special rule for supplemental benefits

(1) Duties described

The duties described in this subsection are the following:

(A) Administration of program

Administering the program, including—

(i) the determination of the amount of the discounted price of an applicable drug of a manufacturer;

(ii) except as provided in clause (iii), the establishment of procedures under which discounted prices are provided to applicable beneficiaries at pharmacies or by mail order service at the point-of-sale of an applicable drug;

(iii) in the case where, during the period beginning on January 1, 2011, and ending

---

\(^1\) So in original. Second “not later than” probably should not appear.
on December 31, 2011, it is not practicable to provide such discounted prices at the point-of-sale (as described in clause (ii)), the establishment of procedures to provide such discounted prices as soon as practicable after the point-of-sale;

(iv) the establishment of procedures to ensure that, not later than the applicable number of calendar days after the dispensing of an applicable drug by a pharmacy or mail order service, the pharmacy or mail order service is reimbursed for an amount equal to the difference between—

(I) the negotiated price of the applicable drug; and

(II) the discounted price of the applicable drug;

(v) the establishment of procedures to ensure that the discounted price for an applicable drug under this section is applied before any coverage or financial assistance under other health benefit plans or programs that provide coverage or financial assistance for the purchase or provision of prescription drug coverage on behalf of applicable beneficiaries as the Secretary may specify;

(vi) the establishment of procedures to implement the special rule for supplemental benefits under paragraph (2); and

(vii) providing a reasonable dispute resolution mechanism to resolve disagreements between manufacturers, applicable beneficiaries, and the third party with a contract under subsection (d)(3).

(B) Monitoring compliance

(i) In general

The Secretary shall monitor compliance by a manufacturer with the terms of an agreement under this section.

(ii) Notification

If a third party with a contract under subsection (d)(3) determines that the manufacturer is not in compliance with such agreement, the third party shall notify the Secretary of such noncompliance for appropriate enforcement under subsection (e).

(C) Collection of data from prescription drug plans and MA–PD plans

The Secretary may collect appropriate data from prescription drug plans and MA–PD plans in a timeframe that allows for discounted prices to be provided for applicable drugs under this section.

(2) Special rule for supplemental benefits

For plan year 2011 and each subsequent plan year, in the case where an applicable beneficiary has supplemental benefits with respect to applicable drugs under the prescription drug plan or MA–PD plan that the applicable beneficiary is enrolled in, the applicable beneficiary shall not be provided a discounted price for an applicable drug under this section until after such supplemental benefits have been applied with respect to the applicable drug.

(d) Administration

(1) In general

Subject to paragraph (2), the Secretary shall provide for the implementation of this section, including the performance of the duties described in subsection (c)(1).

(2) Limitation

(A) In general

Subject to subparagraph (B), in providing for such implementation, the Secretary shall not receive or distribute any funds of a manufacturer under the program.

(B) Exception

The limitation under subparagraph (A) shall not apply to the Secretary with respect to drugs dispensed during the period beginning on January 1, 2011, and ending on December 31, 2011, but only if the Secretary determines that the exception to such limitation under this subparagraph is necessary in order for the Secretary to begin implementation of this section and provide applicable beneficiaries timely access to discounted prices during such period.

(3) Contract with third parties

The Secretary shall enter into a contract with 1 or more third parties to administer the requirements established by the Secretary in order to carry out this section. At a minimum, the contract with a third party under the preceding sentence shall require that the third party—

(A) receive and transmit information between the Secretary, manufacturers, and other individuals or entities the Secretary determines appropriate;

(B) receive, distribute, or facilitate the distribution of funds of manufacturers to appropriate individuals or entities in order to meet the obligations of manufacturers under agreements under this section;

(C) provide adequate and timely information to manufacturers, consistent with the agreement with the manufacturer under this section, as necessary for the manufacturer to fulfill its obligations under this section; and

(D) permit manufacturers to conduct periodic audits, directly or through contracts, of the data and information used by the third party to determine discounts for applicable drugs of the manufacturer under the program.

(4) Performance requirements

The Secretary shall establish performance requirements for a third party with a contract under paragraph (3) and safeguards to protect the independence and integrity of the activities carried out by the third party under the program under this section.

(5) Implementation

The Secretary may implement the program under this section by program instruction or otherwise.

(6) Administration

Chapter 35 of title 44 shall not apply to the program under this section.
(e) Enforcement

(1) Audits

Each manufacturer with an agreement in effect under this section shall be subject to periodic audit by the Secretary.

(2) Civil money penalty

(A) In general

The Secretary shall impose a civil money penalty on a manufacturer that fails to provide applicable beneficiaries discounts for applicable drugs of the manufacturer in accordance with such agreement for each such failure in an amount the Secretary determines is commensurate with the sum of—

(i) the amount that the manufacturer would have paid with respect to such discounts under the agreement, which will then be used to pay the discounts which the manufacturer had failed to provide; and

(ii) 25 percent of such amount.

(B) Application

The provisions of section 1320a–7a of this title (other than subsections (a) and (b)) shall apply to a civil money penalty under this paragraph in the same manner as such provisions apply to a penalty or proceeding under section 1320a–7a(a) of this title.

(f) Clarification regarding availability of other covered part D drugs

Nothing in this section shall prevent an applicable beneficiary from purchasing a covered part D drug that is not an applicable drug (including a generic drug or a drug that is not on the formulary of the prescription drug plan or MA–PD plan that the applicable beneficiary is enrolled in).

(g) Definitions

In this section:

(1) Applicable beneficiary

The term “applicable beneficiary” means an individual who, on the date of dispensing a covered part D drug—

(A) is enrolled in a prescription drug plan or an MA–PD plan;

(B) is not enrolled in a qualified retiree prescription drug plan;

(C) is not entitled to an income-related subsidy under section 1395w–114(a) of this title; and

(D) who—

(i) has reached or exceeded the initial coverage limit under section 1395w–102(b)(3) of this title during the year; and

(ii) has not incurred costs for covered part D drugs in the year equal to the annual out-of-pocket threshold specified in section 1395w–102(b)(4)(B) of this title.

(2) Applicable drug

The term “applicable drug” means, with respect to an applicable beneficiary, a covered part D drug—

(A) approved under a new drug application under section 355(b) of title 21 or, in the case of a biologic product, licensed under section 262 of this title (other than, with respect to a plan year before 2019, a product licensed under subsection (k) of such section 262); and

(B)(i) if the PDP sponsor of the prescription drug plan or the MA organization offering the MA–PD plan uses a formulary, which is on the formulary of the prescription drug plan or MA–PD plan that the applicable beneficiary is enrolled in;

(ii) if the PDP sponsor of the prescription drug plan or the MA organization offering the MA–PD plan does not use a formulary, for which benefits are available under the prescription drug plan or MA–PD plan that the applicable beneficiary is enrolled in; or

(iii) is provided through an exception or appeal.

(3) Applicable number of calendar days

The term “applicable number of calendar days” means—

(A) with respect to claims for reimbursement submitted electronically, 14 days; and

(B) with respect to claims for reimbursement submitted otherwise, 30 days.

(4) Discounted price

(A) In general

The term “discounted price” means 50 percent (or, with respect to a plan year after plan year 2018, 30 percent) of the negotiated price of the applicable drug of a manufacturer.

(B) Clarification

Nothing in this section shall be construed as affecting the responsibility of an applicable beneficiary for payment of a dispensing fee for an applicable drug.

(C) Special case for certain claims

In the case where the entire amount of the negotiated price of an individual claim for an applicable drug with respect to an applicable beneficiary does not fall at or above the initial coverage limit under section 1395w–102(b)(3) of this title and below the annual out-of-pocket threshold specified in section 1395w–102(b)(4)(B) of this title for the year, the manufacturer of the applicable drug shall provide the discounted price under this section on only the portion of the negotiated price of the applicable drug that falls at or above such initial coverage limit and below such annual out-of-pocket threshold.

(5) Manufacturer

The term “manufacturer” means any entity which is engaged in the production, preparation, propagation, compounding, conversion, or processing of prescription drug products, either directly or indirectly by extraction from substances of natural origin, or independently by means of chemical synthesis, or by a combination of extraction and chemical synthesis. Such term does not include a wholesale distributor of drugs or a retail pharmacy licensed under State law.

(6) Negotiated price

The term “negotiated price” has the meaning given such term in section 423.100 of title
§ 1395w–115  TITLE 42—THE PUBLIC HEALTH AND WELFARE  Page 3150

42. Code of Federal Regulations (as in effect on March 23, 2010), except that such negotiated price shall not include any dispensing fee for the applicable drug.

(7) Qualified retiree prescription drug plan

The term “qualified retiree prescription drug plan” has the meaning given such term in section 1395w–132(a)(2) of this title.


AMENDMENTS

2018—Subsec. (g)(2)(A). Pub. L. 115–123, §53113, inserted “, with respect to a plan year before 2019,” after “‘other than’”.

Subsec. (g)(4)(A). Pub. L. 115–123, §53116(b), inserted “(or, with respect to a plan year after plan year 2018, 30 percent)” after “‘50 percent’”.


Subsec. (b)(1)(C)(i). Pub. L. 111–152, §1101(b)(2)(B)(i), which directed the amendment of subpar. (C) by striking “‘2010’” and “‘before 2011’” in cl. (i) heading to reflect the probable intent of Congress, Pub. L. 111–152, §1101(b)(2)(B)(i), (iii), substituted “‘January 1, 2011’” for “‘July 1, 2010’” and “‘not later than 30 days after the date of the establishment of a model agreement under subsection (a)” for “‘May 1, 2010’”.


Subsec. (g)(1)(C) to (E). Pub. L. 111–152, §1101(b)(2)(E)(ii)–(iv), inserted “and” at end of subpar. (C), redesignated subpar. (E) as (D), and struck out former subpar. (D) which read as follows: “is not subject to a reduction in premium subsidy under section 1395w(i) of this title; and”.

§ 1395w–115. Subsidies for part D eligible individuals for qualified prescription drug coverage

(a) Subsidy payment

In order to reduce premium levels applicable to qualified prescription drug coverage for part D eligible individuals consistent with an overall subsidy level of 74.5 percent for basic prescription drug coverage, to reduce adverse selection among prescription drug plans and MA–PD plans, and to promote the participation of PDP sponsors under this part and MA organizations under part C, the Secretary shall provide for payment to a PDP sponsor that offers a prescription drug plan and an MA organization that offers an MA–PD plan of the following subsidies

(A) the amount of the plan’s standardized bid amount (as defined in section 1395w–113(a)(5) of this title), adjusted under subsection (c)(1), reduced by

(B) the base beneficiary premium (as computed under paragraph (2) of section 1395w–113(a) of this title and as adjusted under paragraph (1)(B) of such section).

(2) Subsidy through reinsurance

The reinsurance payment amount (as defined in subsection (b)).

This section constitutes budget authority in advance of appropriations Acts and represents the obligation of the Secretary to provide for the payment of amounts provided under this section.

(b) Reinsurance payment amount

(1) In general

The reinsurance payment amount under this subsection for a part D eligible individual enrolled in a prescription drug plan or MA–PD plan for a coverage year is an amount equal to 80 percent of the allowable reinsurance costs (as specified in paragraph (2)) attributable to that portion of gross covered prescription drug costs as specified in paragraph (3) incurred in the coverage year after such individual has incurred costs that exceed the annual out-of-pocket threshold specified in section 1395w–102(b)(4)(B) of this title.

(2) Allowable reinsurance costs

For purposes of this section, the term “allowable reinsurance costs” means, with respect to gross covered prescription drug costs under a prescription drug plan offered by a PDP sponsor or an MA–PD plan offered by an MA organization, the part of such costs that are actually paid (net of discounts, chargebacks, and average percentage rebates) by the sponsor or organization or by (or on behalf of) an enrollee under the plan, but in no case more than the part of such costs that would have been paid under the plan if the prescription drug coverage under the plan were basic prescription drug coverage, or, in the case of a plan providing supplemental prescription drug coverage, if such coverage were standard prescription drug coverage.

(3) Gross covered prescription drug costs

For purposes of this section, the term “gross covered prescription drug costs” means, with respect to a part D eligible individual enrolled in a prescription drug plan or MA–PD plan during a coverage year, the costs incurred under the plan, not including administrative costs, but including costs directly related to the dispensing of covered part D drugs during the year and costs relating to the deductible. Such costs shall be determined whether they are paid by the individual or under the plan, regardless of whether the coverage under the plan exceeds basic prescription drug coverage.

(4) Coverage year defined

For purposes of this section, the term “coverage year” means a calendar year in which covered part D drugs are dispensed if the claim for such drugs (and payment on such claim) is
made not later than such period after the end of such year as the Secretary specifies.

(c) Adjustments relating to bids

(1) Health status risk adjustment

(A) Establishment of risk adjustors

The Secretary shall establish an appropriate methodology for adjusting the standardized bid amount under subsection (a)(1)(A) to take into account variation in costs for basic prescription drug coverage among prescription drug plans and MA–PD plans based on the differences in actuarial risk of different enrollees being served. Any such risk adjustment shall be designed in a manner so as not to result in a change in the aggregate amounts payable to such plans under subsection (a)(1) and through that portion of the monthly beneficiary prescription drug premiums described in subsection (a)(1)(B) and MA monthly prescription drug beneficiary premiums.

(B) Considerations

In establishing the methodology under subparagraph (A), the Secretary may take into account the similar methodologies used under section 1395w–23(a)(3) of this title to adjust payments to MA organizations for benefits under the original medicare fee-for-service program option.

(C) Data collection

In order to carry out this paragraph, the Secretary shall require—

(i) PDP sponsors to submit data regarding drug claims that can be linked at the individual level to part A and part B data and such other information as the Secretary determines necessary; and

(ii) MA organizations that offer MA–PD plans to submit data regarding drug claims that can be linked at the individual level to other data that such organizations are required to submit to the Secretary and such other information as the Secretary determines necessary.

(D) Publication

At the time of publication of risk adjustment factors under section 1395w–23(b)(1)(B)(i)(II) of this title, the Secretary shall publish the risk adjusters established under this paragraph for the succeeding year.

(2) Geographic adjustment

(A) In general

Subject to subparagraph (B), for purposes of section 1395w–113(a)(1)(B)(iii) of this title, the Secretary shall establish an appropriate methodology for adjusting the national average monthly bid amount (computed under section 1395w–113(a)(4) of this title) to take into account differences in prices for covered part D drugs among PDP regions.

(B) De minimis rule

If the Secretary determines that the price variations described in subparagraph (A) among PDP regions are de minimis, the Secretary shall not provide for adjustment under this paragraph.

(C) Budget neutral adjustment

Any adjustment under this paragraph shall be applied in a manner so as to not result in a change in the aggregate payments made under this part that would have been made if the Secretary had not applied such adjustment.

(d) Payment methods

(1) In general

Payments under this section shall be based on such a method as the Secretary determines. The Secretary may establish a payment method by which interim payments of amounts under this section are made during a year based on the Secretary’s best estimate of amounts that will be payable after obtaining all of the information.

(2) Requirement for provision of information

(A) Requirement

Payments under this section to a PDP sponsor or MA organization are conditioned upon the furnishing to the Secretary, in a form and manner specified by the Secretary, of such information as may be required to carry out this section.

(B) Restriction on use of information

Information disclosed or obtained pursuant to subparagraph (A) may be used by officers, employees, and contractors of the Department of Health and Human Services only for the purposes of, and to the extent necessary in, carrying out this section.

(3) Source of payments

Payments under this section shall be made from the Medicare Prescription Drug Account.

(4) Application of enrollee adjustment

The provisions of section 1395w–23(a)(2) of this title shall apply to payments to PDP sponsors under this section in the same manner as they apply to payments to MA organizations under section 1395w–23(a) of this title.

(e) Portion of total payments to a sponsor or organization subject to risk (application of risk corridors)

(1) Computation of adjusted allowable risk corridor costs

(A) In general

For purposes of this subsection, the term “adjusted allowable risk corridor costs” means, for a plan for a coverage year (as defined in subsection (b)(4))—

(i) the allowable risk corridor costs (as defined in subparagraph (B)) for the plan for the year, reduced by

(ii) the sum of (I) the total reinsurance payments made under subsection (b) to the sponsor of the plan for the year, and (II) the total subsidy payments made under section 1395w–114 of this title to the sponsor of the plan for the year.

(B) Allowable risk corridor costs

For purposes of this subsection, the term “allowable risk corridor costs” means, with respect to a prescription drug plan offered by a PDP sponsor or an MA–PD plan offered
§ 1395w–115  TITLE 42—THE PUBLIC HEALTH AND WELFARE  Page 3152

by an MA organization, the part of costs (not including administrative costs, but including costs directly related to the dispensing of covered part D drugs during the year) incurred by the sponsor or organization under the plan that are actually paid (net of discounts, chargebacks, and average percentage rebates) by the sponsor or organization under the plan, in no case more than the part of such costs that would have been paid under the plan if the prescription drug coverage under the plan were basic prescription drug coverage, if such coverage were basic prescription drug coverage taking into account the adjustment under section 1395w–111(c)(2) of this title. In computing allowable costs under this paragraph, the Secretary shall compute such costs based upon imposition under paragraphs (1)(D) and (2)(E) of section 1395w–114(a) of this title of the maximum amount of copayments permitted under such paragraphs.

(2) Adjustment of payment

(A) No adjustment if adjusted allowable risk corridor costs within risk corridor

If the adjusted allowable risk corridor costs (as defined in paragraph (1)) for the plan for the year are at least equal to the first threshold lower limit of the risk corridor (specified in paragraph (3)(A)(i)), but not greater than the first threshold upper limit of the risk corridor (specified in paragraph (3)(A)(ii)) for the plan for the year, then no payment adjustment shall be made under this subsection.

(B) Increase in payment if adjusted allowable risk corridor costs above upper limit of risk corridor

(i) Costs between first and second threshold upper limits

If the adjusted allowable risk corridor costs for the plan for the year are greater than the first threshold upper limit, but not greater than the second threshold upper limit, of the risk corridor for the plan for the year, the Secretary shall increase the total of the payments made to the sponsor or organization offering the plan for the year under this section by an amount equal to the sum of—

(I) 50 percent (or, for 2006 and 2007, 75 percent or 90 percent if the conditions described in clause (iii) are met for the year) of the difference between the second threshold upper limit and the first threshold upper limit; and

(II) 80 percent of the difference between such adjusted allowable risk corridor costs and the second threshold upper limit of the risk corridor.

(iii) Conditions for application of higher percentage for 2006 and 2007

The conditions described in this clause are met for 2006 or 2007 if the Secretary determines with respect to such year that—

(I) at least 60 percent of prescription drug plans and MA–PD plans to which this subsection applies have adjusted allowable risk corridor costs for the plan for the year that are more than the first threshold upper limit of the risk corridor for the plan for the year; and

(II) such plans represent at least 60 percent of part D eligible individuals enrolled in any prescription drug plan or MA–PD plan.

(C) Reduction in payment if adjusted allowable risk corridor costs below lower limit of risk corridor

(i) Costs between first and second threshold lower limits

If the adjusted allowable risk corridor costs for the plan for the year are less than the first threshold lower limit, but not less than the second threshold lower limit, of the risk corridor for the plan for the year, the Secretary shall reduce the total of the payments made to the sponsor or organization offering the plan for the year under this section by an amount (or otherwise recover from the sponsor or organization an amount) equal to 50 percent (or, for 2006 and 2007, 75 percent) of the difference between the first threshold lower limit of the risk corridor and such adjusted allowable risk corridor costs.

(ii) Costs below second threshold lower limit

If the adjusted allowable risk corridor costs for the plan for the year are less than the second threshold lower limit of the risk corridor for the plan for the year, the Secretary shall reduce the total of the payments made to the sponsor or organization offering the plan for the year under this section by an amount (or otherwise recover from the sponsor or organization an amount) equal to the sum of—

(I) 50 percent (or, for 2006 and 2007, 75 percent) of the difference between the first threshold lower limit and the second threshold lower limit; and

(II) 80 percent of the difference between the second threshold upper limit of the risk corridor and such adjusted allowable risk corridor costs.

(3) Establishment of risk corridors

(A) In general

For each plan year the Secretary shall establish a risk corridor for each prescription
drug corridor for a plan for a year shall be equal to a range as follows:

(i) First threshold lower limit

The first threshold lower limit of such corridor shall be equal to—

(I) the target amount described in subparagraph (B) for the plan; minus

(II) an amount equal to the first threshold risk percentage for the plan (as determined under subparagraph (C)(i)) of such target amount.

(ii) Second threshold lower limit

The second threshold lower limit of such corridor shall be equal to—

(I) the target amount described in subparagraph (B) for the plan; minus

(II) an amount equal to the second threshold risk percentage for the plan (as determined under subparagraph (C)(i)) of such target amount.

(iii) First threshold upper limit

The first threshold upper limit of such corridor shall be equal to sum of—

(I) such target amount; and

(II) the amount described in clause (i)(I).

(iv) Second threshold upper limit

The second threshold upper limit of such corridor shall be equal to sum of—

(I) such target amount; and

(II) the amount described in clause (i)(II).

(B) Target amount described

The target amount described in this paragraph is, with respect to a prescription drug plan or an MA–PD plan in a year, the total amount of payments paid to the PDP sponsor or MA–PD organization for the plan for the year, taking into account amounts paid by the Secretary and enrollees, based upon the standardized bid amount (as defined in section 1395w–113(a)(5) of this title and as determined under subparagraph (C)(i)) of such target amount.

(C) First and second threshold risk percentage defined

(i) First threshold risk percentage

Subject to clause (iii), for purposes of this section, the first threshold risk percentage is—

(I) for 2006 and 2007, and 1 2.5 percent; (II) for 2008 through 2011, 5 percent; and (III) for 2012 and subsequent years, a percentage established by the Secretary that is greater than the percent established for the year under clause (i)(III), but in no case less than 10 percent.

(ii) Second threshold risk percentage

Subject to clause (iii), for purposes of this section, the second threshold risk percentage is—

(I) for 2006 and 2007, 5 percent; (II) for 2008 through 2011, 10 percent; and

(III) for 2012 and subsequent years, a percentage established by the Secretary that is greater than the percent established for the year under clause (i)(III), but in no case less than 10 percent.

(iii) Reduction of risk percentage to ensure 2 plans in an area

Pursuant to section 1395w–111(b)(2)(E)(i) of this title, a PDP sponsor may submit a bid that requests a decrease in the applicable first or second threshold risk percentages or an increase in the percents applied under paragraph (2).

(4) Plans at risk for entire amount of supplemental prescription drug coverage

A PDP sponsor and MA organization that offers a plan that provides supplemental prescription drug benefits shall be at full financial risk for the provision of such supplemental benefits.

(5) No effect on monthly premium

No adjustment in payments made by reason of this subsection shall affect the monthly beneficiary premium or the MA monthly prescription drug beneficiary premium.

(f) Disclosure of information

(1) In general

Each contract under this part and under part C shall provide that—

(A) the PDP sponsor offering a prescription drug plan or an MA organization offering an MA–PD plan shall provide the Secretary with such information as the Secretary determines is necessary to carry out this section; and

(B) the Secretary shall have the right in accordance with section 1395w–27(d)(2)(B) of this title (as applied under section 1395w–112(b)(3)(C) of this title) to inspect and audit any books and records of a PDP sponsor or MA organization that pertain to the information regarding costs provided to the Secretary under subparagraph (A).

(2) Restriction on use of information

Information disclosed or obtained pursuant to the provisions of this section may be used—

(A) by officers, employees, and contractors of the Department of Health and Human Services for the purposes of, and to the extent necessary in—

(i) carrying out this section; and

(ii) conducting oversight, evaluation, and enforcement under this subchapter; and

(B) by the Attorney General and the Comptroller General of the United States for the purposes of, and to the extent necessary in, carrying out health oversight activities.

(g) Payment for fallback prescription drug plans

In lieu of the amounts otherwise payable under this section to a PDP sponsor offering a fallback prescription drug plan (as defined in section 1395w–111(g)(4) of this title), the amount payable shall be the amounts determined under

1 So in original. The word “and” probably should not appear.

2 See References in Text note below.
§ 1395w–116. Medicare Prescription Drug Account in the Federal Supplementary Medical Insurance Trust Fund

(a) Establishment and operation of Account

(1) Establishment

There is created within the Federal Supplementary Medical Insurance Trust Fund established by section 1395t of this title an account to be known as the “Medicare Prescription Drug Account” (in this section referred to as the “Account”).

(2) Funding

The Account shall consist of such gifts and bequests as may be made as provided in section 401(i)(1) of this title, accrued interest on balances in the Account, and such amounts as may be deposited in, or appropriated to, such Account as provided in this part.

(3) Separate from rest of Trust Fund

Funds provided under this part to the Account shall be kept separate from all other funds within the Federal Supplementary Medical Insurance Trust Fund, but shall be invested, and such investments redeemed, in the same manner as all other funds and investments within such Trust Fund.

(b) Payments from Account

(1) In general

The Managing Trustee shall pay from time to time from the Account such amounts as the Secretary certifies are necessary to make payments to operate the program under this part, including:

(A) payments under section 1395w–114 of this title (relating to low-income subsidy payments);

(B) payments under section 1395w–115 of this title (relating to subsidy payments and payments for fallback plans);

(C) payments to sponsors of qualified retiree prescription drug plans under section 1395w–132(a) of this title; and

(D) payments with respect to administrative expenses under this part in accordance with section 401(g) of this title.

(2) Transfers to Medicaid account for increased administrative costs

The Managing Trustee shall transfer from time to time from the Account to the Grants to States for Medicaid account amounts the Secretary certifies are attributable to increases in payment resulting from the application of section 1396u–5(b) of this title.

(3) Payments of premiums withheld

The Managing Trustee shall make payment to the PDP sponsor or MA organization involved of the premiums (and the portion of late enrollment penalties) that are collected and that are payable under a prescription drug plan or MA–PD plan offered by such sponsor or organization.

(4) Treatment in relation to part B premium

Amounts payable from the Account shall not be taken into account in computing actuarial rates or premium amounts under section 1395r of this title.

(c) Deposits into Account

(1) Low-income transfer

Amounts paid under section 1396u–5(c) of this title (and any amounts collected or offset under paragraph (1)(C) of such section) are deposited into the Account.

(2) Amounts withheld

Pursuant to sections 1395w–113(c) and 1395w–24(d) of this title (as applied under this part), amounts that are withheld (and allocated) to the Account are deposited into the Account.

(3) Appropriations to cover Government contributions

There are authorized to be appropriated from time to time, out of any moneys in the Treasury not otherwise appropriated, to the Account, an amount equivalent to the amount of payments made from the Account under subsection (b) plus such amounts as the Managing Trustee certifies is necessary to maintain an appropriate contingency margin, reduced by the amounts deposited under paragraph (1) or subsection (a)(2).

(4) Initial funding and reserve

In order to assure prompt payment of benefits provided under this part and the administrative expenses thereunder during the early months of the program established by this part and to provide an initial contingency reserve, there are authorized to be appropriated to the Account, out of any moneys in the Treasury not otherwise appropriated, such amount as the Secretary certifies are required, but not to exceed 10 percent of the estimated total expenditures from such Account in 2006.

(5) Transfer of any remaining balance from Transitional Assistance Account

Any balance in the Transitional Assistance Account that is transferred under section 1395w–141(k)(5) of this title shall be deposited into the Account.

§ 1395w–131. Application to Medicare Advantage program and related managed care programs

(a) Special rules relating to offering of qualified prescription drug coverage

(1) In general

An MA organization on and after January 1, 2006—

(A) may not offer an MA plan described in section 1395w–21(a)(2)(A) of this title in an area unless either that plan (or another MA plan offered by the organization in that same service area) includes required prescription drug coverage (as defined in paragraph (2)); and

(B) may not offer prescription drug coverage (other than that required under parts A and B) to an enrollee—

(i) under an MSA plan; or

(ii) under another MA plan unless such drug coverage under such other plan provides qualified prescription drug coverage and unless the requirements of this section with respect to such coverage are met.

(2) Qualifying coverage

For purposes of paragraph (1)(A), the term “required coverage” means with respect to an MA–PD plan—

(A) basic prescription drug coverage; or

(B) qualified prescription drug coverage that provides supplemental prescription drug coverage, so long as there is no MA monthly supplemental beneficiary premium applied under the plan (due to the application of a credit against such premium of a rebate under section 1395w–24(b)(1)(C) of this title).

(b) Application of default enrollment rules

(1) Seamless continuation

In applying section 1395w–21(c)(3)(A)(i) of this title, an individual who is enrolled in a health benefits plan shall not be considered to have been deemed to make an election into an MA–PD plan unless such health benefits plan provides any prescription drug coverage.

(2) MA continuation

In applying section 1395w–21(c)(3)(B) of this title, an individual who is enrolled in an MA plan shall not be considered to have been deemed to make an election into an MA–PD plan unless—

(A) for purposes of the election as of January 1, 2006, the MA plan provided as of December 31, 2005, any prescription drug coverage; or

(B) for periods after January 1, 2006, such MA plan is an MA–PD plan.

(3) Discontinuance of MA–PD election during first year of eligibility

In applying the second sentence of section 1395w–21(e)(4) of this title in the case of an individual who is electing to discontinue enrollment in an MA–PD plan, the individual shall be permitted to enroll in a prescription drug plan under part D at the time of the election of coverage under the original medicare fee-for-service program.

(4) Rules regarding enrollees in MA plans not providing qualified prescription drug coverage

In the case of an individual who is enrolled in an MA plan (other than an MSA plan) that does not provide qualified prescription drug coverage, if the organization offering such coverage discontinues the offering with respect to the individual of all MA plans that do not provide such coverage—

(i) the individual is deemed to have elected the original medicare fee-for-service program option, unless the individual affirmatively elects to enroll in an MA–PD plan; and

(ii) in the case of such a deemed election, the disenrollment shall be treated as an involuntary termination of the MA plan described in subparagraph (B)(ii) of section 1395ss(s)(3) of this title for purposes of applying such section.

The information disclosed under section 1395w–22(c)(1) of this title for individuals who are enrolled in such an MA plan shall include information regarding such rules.

(c) Application of part D rules for prescription drug coverage

With respect to the offering of qualified prescription drug coverage by an MA organization under this part on and after January 1, 2006—

(1) In general

Except as otherwise provided, the provisions of this part shall apply under part C with respect to prescription drug coverage provided under MA–PD plans in lieu of the other provisions of part C that would apply to such coverage under such plans.

(2) Waiver

The Secretary may waive the requirements referred to in paragraph (1) to the extent the Secretary determines that such provisions duplicate, or are in conflict with, provisions otherwise applicable to the organization or plan under part C or as may be necessary in order to improve coordination of this part with the benefits under this part.

(3) Treatment of MA owned and operated pharmacies

The Secretary may waive the requirement of section 1395w–104(b)(1)(C) of this title in the case of an MA–PD plan that provides access (other than mail order) to qualified prescription drug coverage through pharmacies owned and operated by the MA organization, if the Secretary determines that the organization’s pharmacy network is sufficient to provide comparable access for enrollees under the plan.

(d) Special rules for private fee-for-service plans that offer prescription drug coverage

With respect to an MA plan described in section 1395w–21(a)(2)(C) of this title that offers qualified prescription drug coverage, on and after January 1, 2006, the following rules apply:
§ 1395w–132  TITLE 42—THE PUBLIC HEALTH AND WELFARE  Page 3156

(1) Requirements regarding negotiated prices
Subsections (a)(1) and (d)(1) of section 1395w–102 of this title and section 1395w–104(b)(2)(A) of this title shall not be construed to require the plan to provide negotiated prices (described in subsection (d)(1)(B) of such section), but shall apply to the extent the plan does so.

(2) Modification of pharmacy access standard and disclosure requirement
If the plan provides coverage for drugs purchased from all pharmacies, without charging additional cost-sharing, and without regard to whether they are participating pharmacies in a network or have entered into contracts or agreements with pharmacies to provide drugs to enrollees covered by the plan, subsections (b)(1)(C) and (k) of section 1395w–104 of this title shall not apply to the plan.

(3) Drug utilization management program and medication therapy management program not required
The requirements of subparagraphs (A) and (C) of section 1395w–104(c)(1) of this title shall not apply to the plan.

(4) Application of reinsurance
The Secretary shall determine the amount of reinsurance payments under section 1395w–115(b) of this title using a methodology that—

(A) bases such amount on the Secretary’s estimate of the amount of such payments that would be payable if the plan were an MA–PD plan described in section 1395w–21(a)(2)(A)(1) of this title and the provisions of this subsection did not apply; and

(B) takes into account the average reinsurance payments made under section 1395w–115(b) of this title for populations of similar risk under MA–PD plans described in such section.

(5) Exemption from risk corridor provisions
The provisions of section 1395w–115(e) of this title shall not apply.

(6) Exemption from negotiations
Subsections (d) and (e)(2)(C) of section 1395w–111 of this title shall not apply and the provisions of section 1395w–24(a)(5)(B) of this title prohibiting the review, approval, or disapproval of amounts described in such section shall apply to the proposed bid and terms and conditions described in section 1395w–111(d) of this title.

(7) Treatment of incurred costs without regard to formulary
The exclusion of costs incurred for covered part D drugs which are not included (or treated as being included) in a plan’s formulary under section 1395w–102(b)(4)(B)(1) of this title shall not apply insofar as the plan does not utilize a formulary.

(e) Application to reasonable cost reimbursement contractors
(1) In general
Subject to paragraphs (2) and (3) and rules established by the Secretary, in the case of an organization that is providing benefits under a reasonable cost reimbursement contract under section 1395mm(h) of this title and that elects to provide qualified prescription drug coverage to a part D eligible individual who is enrolled under such a contract, the provisions of this part (and related provisions of part C) shall apply to the provision of such coverage to such enrollee in the same manner as such provisions apply to the provision of such coverage under an MA–PD local plan described in section 1395w–21(a)(2)(A)(i) of this title and coverage under such a contract that so provides qualified prescription drug coverage shall be deemed to be an MA–PD local plan.

(2) Limitation on enrollment
In applying paragraph (1), the organization may not enroll part D eligible individuals who are not enrolled under the reasonable cost reimbursement contract involved.

(3) Bids not included in determining national average monthly bid amount
The bid of an organization offering prescription drug coverage under this subsection shall not be taken into account in computing the national average monthly bid amount and low-income benchmark premium amount under this part.

(f) Application to PACE
(1) In general
Subject to paragraphs (2) and (3) and rules established by the Secretary, in the case of a PACE program under section 1395eee of this title that elects to provide qualified prescription drug coverage to a part D eligible individual who is enrolled under such program, the provisions of this part (and related provisions of part C) shall apply to the provision of such coverage to such enrollee in a manner that is similar to the manner in which such provisions apply to the provision of such coverage under an MA–PD local plan described in section 1395w–21(a)(2)(A)(i) of this title and a PACE program that so provides such coverage may be deemed to be an MA–PD local plan.

(2) Limitation on enrollment
In applying paragraph (1), the organization may not enroll part D eligible individuals who are not enrolled under the PACE program involved.

(3) Bids not included in determining standardized bid amount
The bid of an organization offering prescription drug coverage under this subsection is not be taken into account in computing any average benchmark bid amount and low-income benchmark premium amount under this part.


§ 1395w–132. Special rules for employer-sponsored programs

(a) Subsidy payment
(1) In general
The Secretary shall provide in accordance with this subsection for payment to the spon-
sor of a qualified retiree prescription drug plan (as defined in paragraph (2)) of a special subsidy payment equal to the amount specified in paragraph (3) for each qualified covered retiree under the plan (as defined in paragraph (4)). This subsection constitutes budget authority in advance of appropriations Acts and represents the obligation of the Secretary to provide for the payment of amounts provided under this section.

(2) Qualified retiree prescription drug plan defined

For purposes of this subsection, the term “qualified retiree prescription drug plan” means employment-based retiree health coverage (as defined in subsection (c)(1)) if, with respect to a Part D eligible individual who is a participant or beneficiary under such coverage, the following requirements are met:

(A) Attestation of actuarial equivalence to standard coverage

The sponsor of the plan provides the Secretary, annually or at such other time as the Secretary may require, with an attestation that the actuarial value of prescription drug coverage under the plan (as determined using the processes and methods described in section 1395w–111(c) of this title) is at least equal to the actuarial value of standard prescription drug coverage, not taking into account the value of any discount or coverage provided during the gap in prescription drug coverage that occurs between the initial coverage limit under section 1395w–102(b)(3)(A) of this title during the year and the out-of-pocket threshold specified in section 1395w–102(b)(4)(B) of this title.

(B) Audits

The sponsor of the plan, or an administrator of the plan designated by the sponsor, shall maintain (and afford the Secretary access to) such records as the Secretary may require for purposes of audits and other oversight activities necessary to ensure the adequacy of prescription drug coverage and the accuracy of payments made under this section. The provisions of section 1395w–102(c)(3) of this title shall apply to such information under this section (including such actuarial value and attestation) in a manner similar to the manner in which they apply to financial records of PDP sponsors and MA organizations.

(C) Provision of disclosure regarding prescription drug coverage

The sponsor of the plan shall provide for disclosure of information regarding prescription drug coverage in accordance with section 1395w–113(b)(6)(B) of this title.

(3) Employer and union special subsidy amounts

(A) In general

For purposes of this subsection, the special subsidy payment amount under this paragraph for a qualifying covered retiree for a coverage year enrolled with the sponsor of a qualified retiree prescription drug plan is, for the portion of the retiree’s gross covered retiree plan-related prescription drug costs (as defined in subparagraph (C)(i)) for such year that exceeds the cost threshold amount specified in subparagraph (B) and does not exceed the cost limit under such subparagraph, an amount equal to 28 percent of the allowable retiree costs (as defined in subparagraph (C)(i)) attributable to such gross covered prescription drug costs.

(B) Cost threshold and cost limit applicable

(i) In general

Subject to clause (ii)—

(I) the cost threshold under this subparagraph is equal to $250 for plan years that end in 2006; and

(II) the cost limit under this subparagraph is equal to $5,000 for plan years that end in 2006.

(ii) Indexing

The cost threshold and cost limit amounts specified in subclauses (I) and (II) of clause (i) for a plan year that ends after 2006 shall be adjusted in the same manner as the annual deductible and the annual out-of-pocket threshold, respectively, are annually adjusted under paragraphs (1) and (4)(B) of section 1395w–102(b) of this title.

(C) Definitions

For purposes of this paragraph:

(i) Allowable retiree costs

The term “allowable retiree costs” means, with respect to gross covered prescription drug costs under a qualified retiree prescription drug plan by a plan sponsor, the part of such costs that are actually paid (net of discounts, chargebacks, and average percentage rebates) by the sponsor or by or on behalf of a qualifying covered retiree under the plan.

(ii) Gross covered retiree plan-related prescription drug costs

For purposes of this section, the term “gross covered retiree plan-related prescription drug costs” means, with respect to a qualifying covered retiree enrolled in a qualified retiree prescription drug plan during a coverage year, the costs incurred under the plan, not including administrative costs, but including costs directly related to the dispensing of covered part D drugs during the year. Such costs shall be determined whether they are paid by the retiree or under the plan.

(iii) Coverage year

The term “coverage year” has the meaning given such term in section 1395w–115(b)(4) of this title.

(4) Qualifying covered retiree defined

For purposes of this subsection, the term “qualifying covered retiree” means a Part D eligible individual who is not enrolled in a prescription drug plan or an MA–PD plan but is covered under a qualified retiree prescription drug plan.
(5) Payment methods, including provision of necessary information
The provisions of section 1395w–115(d) of this title (including paragraph (2), relating to requirement for provision of information) shall apply to payments under this subsection in a manner similar to the manner in which they apply to payment under section 1395w–115(b) of this title.

(6) Construction
Nothing in this subsection shall be construed as—
(A) precluding a part D eligible individual who is covered under employment-based retiree health coverage from enrolling in a prescription drug plan or in an MA–PD plan;
(B) precluding such employment-based retiree health coverage or an employer or other person from paying all or any portion of any premium required for coverage under a prescription drug plan or MA–PD plan on behalf of such an individual;
(C) preventing such employment-based retiree health coverage from providing coverage—
(i) that is better than standard prescription drug coverage to retirees who are covered under a qualified retiree prescription drug plan; or
(ii) that is supplemental to the benefits provided under a prescription drug plan or an MA–PD plan, including benefits to retirees who are not covered under a qualified retiree prescription drug plan but who are enrolled in such a prescription drug plan or MA–PD plan; or
(D) preventing employers to provide for flexibility in benefit design and pharmacy access provisions, without regard to the requirements for basic prescription drug coverage, so long as the actuarial equivalence requirement of paragraph (2)(A) is met.

(b) Application of MA waiver authority
The provisions of section 1395w–27(i) of this title shall apply with respect to prescription drug plans in relation to employment-based retiree health coverage in a manner similar to the manner in which they apply to payment under section 1395w–115(b) of this title.

(c) Definitions
For purposes of this section:

(1) Employment-based retiree health coverage
The term “employment-based retiree health coverage” means health insurance or other coverage of health care costs (whether provided by voluntary insurance coverage or pursuant to statutory or contractual obligation) for part D eligible individuals (or for such individuals and their spouses and dependents) under a group health plan based on their status as retired participants in such plan.

(2) Sponsor
The term “sponsor” means a plan sponsor, as defined in section 1002(16)(B) of title 29, in relation to a group health plan, except that, in the case of a plan maintained jointly by one employer and an employee organization and with respect to which the employer is the primary source of financing, such term means such employer.

(3) Group health plan
The term “group health plan” includes such a plan as defined in section 1107(1) of title 29 and also includes the following:

(A) Federal and State governmental plans
Such a plan established or maintained for its employees by the Government of the United States, by the government of any State or political subdivision thereof, or by any agency or instrumentality of any of the foregoing, including a health benefits plan offered under chapter 89 of title 5.

(B) Collectively bargained plans
Such a plan established or maintained under or pursuant to one or more collective bargaining agreements.

(C) Church plans
Such a plan established and maintained for its employees (or their beneficiaries) by a church or by a convention or association of churches which is exempt from tax under section 501 of the Internal Revenue Code of 1986.

(D) Preventing employers to provide for flexibility in benefit design and pharmacy access provisions, without regard to the requirements for basic prescription drug coverage, so long as the actuarial equivalence requirement of paragraph (2)(A) is met.

(b) Application of MA waiver authority
The provisions of section 1395w–27(i) of this title shall apply with respect to prescription drug plans in relation to employment-based retiree health coverage in a manner similar to the manner in which they apply to payment under section 1395w–115(b) of this title.

(c) Definitions
For purposes of this section:

(1) Employment-based retiree health coverage
The term “employment-based retiree health coverage” means health insurance or other coverage of health care costs (whether provided by voluntary insurance coverage or pursuant to statutory or contractual obligation) for part D eligible individuals (or for such individuals and their spouses and dependents) under a group health plan based on their status as retired participants in such plan.

(2) Sponsor
The term “sponsor” means a plan sponsor, as defined in section 1002(16)(B) of title 29, in relation to a group health plan, except that, in the case of a plan maintained jointly by one employer and an employee organization and with respect to which the employer is the primary source of financing, such term means such employer.

(3) Group health plan
The term “group health plan” includes such a plan as defined in section 1107(1) of title 29 and also includes the following:

(A) Federal and State governmental plans
Such a plan established or maintained for its employees by the Government of the United States, by the government of any State or political subdivision thereof, or by any agency or instrumentality of any of the foregoing, including a health benefits plan offered under chapter 89 of title 5.

(B) Collectively bargained plans
Such a plan established or maintained under or pursuant to one or more collective bargaining agreements.

(C) Church plans
Such a plan established and maintained for its employees (or their beneficiaries) by a church or by a convention or association of churches which is exempt from tax under section 501 of the Internal Revenue Code of 1986.

(D) Preventing employers to provide for flexibility in benefit design and pharmacy access provisions, without regard to the requirements for basic prescription drug coverage, so long as the actuarial equivalence requirement of paragraph (2)(A) is met.

(b) Application of MA waiver authority
The provisions of section 1395w–27(i) of this title shall apply with respect to prescription drug plans in relation to employment-based retiree health coverage in a manner similar to the manner in which they apply to payment under section 1395w–115(b) of this title.

(c) Definitions
For purposes of this section:

(1) Employment-based retiree health coverage
The term “employment-based retiree health coverage” means health insurance or other coverage of health care costs (whether provided by voluntary insurance coverage or pursuant to statutory or contractual obligation) for part D eligible individuals (or for such individuals and their spouses and dependents) under a group health plan based on their status as retired participants in such plan.

(2) Sponsor
The term “sponsor” means a plan sponsor, as defined in section 1002(16)(B) of title 29, in relation to a group health plan, except that, in the case of a plan maintained jointly by one employer and an employee organization and with respect to which the employer is the primary source of financing, such term means such employer.

(3) Group health plan
The term “group health plan” includes such a plan as defined in section 1107(1) of title 29 and also includes the following:

(A) Federal and State governmental plans
Such a plan established or maintained for its employees by the Government of the United States, by the government of any State or political subdivision thereof, or by any agency or instrumentality of any of the foregoing, including a health benefits plan offered under chapter 89 of title 5.

(B) Collectively bargained plans
Such a plan established or maintained under or pursuant to one or more collective bargaining agreements.

(C) Church plans
Such a plan established and maintained for its employees (or their beneficiaries) by a church or by a convention or association of churches which is exempt from tax under section 501 of the Internal Revenue Code of 1986.

(D) Preventing employers to provide for flexibility in benefit design and pharmacy access provisions, without regard to the requirements for basic prescription drug coverage, so long as the actuarial equivalence requirement of paragraph (2)(A) is met.

(b) Application of MA waiver authority
The provisions of section 1395w–27(i) of this title shall apply with respect to prescription drug plans in relation to employment-based retiree health coverage in a manner similar to the manner in which they apply to payment under section 1395w–115(b) of this title.

(c) Definitions
For purposes of this section:

(1) Employment-based retiree health coverage
The term “employment-based retiree health coverage” means health insurance or other coverage of health care costs (whether provided by voluntary insurance coverage or pursuant to statutory or contractual obligation) for part D eligible individuals (or for such individuals and their spouses and dependents) under a group health plan based on their status as retired participants in such plan.

(2) Sponsor
The term “sponsor” means a plan sponsor, as defined in section 1002(16)(B) of title 29, in relation to a group health plan, except that, in the case of a plan maintained jointly by one employer and an employee organization and with respect to which the employer is the primary source of financing, such term means such employer.

(3) Group health plan
The term “group health plan” includes such a plan as defined in section 1107(1) of title 29 and also includes the following:

(A) Federal and State governmental plans
Such a plan established or maintained for its employees by the Government of the United States, by the government of any State or political subdivision thereof, or by any agency or instrumentality of any of the foregoing, including a health benefits plan offered under chapter 89 of title 5.

(B) Collectively bargained plans
Such a plan established or maintained under or pursuant to one or more collective bargaining agreements.

(C) Church plans
Such a plan established and maintained for its employees (or their beneficiaries) by a church or by a convention or association of churches which is exempt from tax under section 501 of the Internal Revenue Code of 1986.

(D) Preventing employers to provide for flexibility in benefit design and pharmacy access provisions, without regard to the requirements for basic prescription drug coverage, so long as the actuarial equivalence requirement of paragraph (2)(A) is met.
§ 1395w–133. State Pharmaceutical Assistance Programs

(a) Requirements for benefit coordination

(1) In general

Before July 1, 2005, the Secretary shall establish consistent with this section requirements for prescription drug plans to ensure the effective coordination between a part D plan (as defined in paragraph (5)) and a State Pharmaceutical Assistance Program (as defined in subsection (b)) with respect to—

(A) payment of premiums and coverage; and

(B) payment for supplemental prescription drug benefits,

for part D eligible individuals enrolled under both types of plans.

(2) Coordination elements

The requirements under paragraph (1) shall include requirements relating to coordination of each of the following:

(A) Enrollment file sharing.

(B) The processing of claims, including electronic processing.

(C) Claims payment.

(D) Claims reconciliation reports.

(E) Application of the protection against high out-of-pocket expenditures under section 1395w–102(b)(4) of this title.

(F) Other administrative processes specified by the Secretary.

Such requirements shall be consistent with applicable law to safeguard the privacy of any individually identifiable beneficiary information.

(3) Use of lump sum per capita method

Such requirements shall include a method for the application by a part D plan of specified funding amounts from a State Pharmaceutical Assistance Program for enrolled individuals for supplemental prescription drug benefits.

(4) Consultation

In establishing requirements under this subsection, the Secretary shall consult with State Pharmaceutical Assistance Programs, MA organizations, States, pharmaceutical benefit managers, employers, representatives of part D eligible individuals, the data processing experts, pharmacists, pharmaceutical manufacturers, and other experts.

(5) Part D plan defined

For purposes of this section and section 1395w–134 of this title, the term "part D plan" means a prescription drug plan and an MA–PD plan.

(b) State Pharmaceutical Assistance Program

For purposes of this part, the term "State Pharmaceutical Assistance Program" means a State program—

(1) which provides financial assistance for the purchase or provision of supplemental prescription drug coverage or benefits on behalf of part D eligible individuals;

(2) which, in determining eligibility and the amount of assistance to part D eligible indi-
individuals under the Program, provides assistance to such individuals in all part D plans and does not discriminate based upon the part D plan in which the individual is enrolled; and
(3) which satisfies the requirements of subsections (a) and (c).

(c) Relation to other provisions

(1) Medicare as primary payor
The requirements of this section shall not change or affect the primary payor status of a part D plan.

(2) Use of a single card
A card that is issued under section 1395w–104(b)(2)(A) of this title for use under a part D plan may also be used in connection with coverage of benefits provided under a State Pharmaceutical Assistance Program and, in such case, may contain an emblem or symbol indicating such connection.

(3) Other provisions
The provisions of section 1395w–134(c) of this title shall apply to the requirements under this section.

(4) Special treatment under out-of-pocket rule
In applying section 1395w–102(b)(4)(C)(ii) of this title, expenses incurred under a State Pharmaceutical Assistance Program may be counted toward the annual out-of-pocket threshold.

(5) Construction
Nothing in this section shall be construed as requiring a State Pharmaceutical Assistance Program to coordinate or provide financial assistance with respect to any part D plan.

(d) Facilitation of transition and coordination with State Pharmaceutical Assistance Programs

(1) Transitional grant program
The Secretary shall provide payments to State Pharmaceutical Assistance Programs with an application approved under this subsection.

(2) Use of funds
Payments under this section may be used by a Program for any of the following:
(A) Educating part D eligible individuals enrolled in the Program about the prescription drug coverage available through part D plans under this part.
(B) Providing technical assistance, phone support, and counseling for such enrollees to facilitate selection and enrollment in such plans.
(C) Other activities designed to promote the effective coordination of enrollment, coverage, and payment between such Program and such plans.

(3) Allocation of funds
Of the amount appropriated to carry out this subsection for a fiscal year, the Secretary shall allocate payments among Programs that have applications approved under paragraph (4) for such fiscal year in proportion to the number of enrollees enrolled in each such Program as of October 1, 2003.

(4) Application
No payments may be made under this subsection except pursuant to an application that is submitted and approved in a time, manner, and form specified by the Secretary.

(5) Funding
Out of any funds in the Treasury not otherwise appropriated, there are appropriated for each of fiscal years 2005 and 2006, $62,500,000 to carry out this subsection.


§ 1395w–134. Coordination requirements for plans providing prescription drug coverage

(a) Application of benefit coordination requirements to additional plans

(1) In general
The Secretary shall apply the coordination requirements established under section 1395w–133(a) of this title to Rx plans described in subsection (b) in the same manner as such requirements apply to a State Pharmaceutical Assistance Program.

(2) Application to treatment of certain out-of-pocket expenditures
To the extent specified by the Secretary, the requirements referred to in paragraph (1) shall apply to procedures established under section 1395w–102(b)(4)(D) of this title.

(3) User fees

(A) In general
The Secretary may impose user fees for the transmittal of information necessary for benefit coordination under section 1395w–102(b)(4)(D) of this title in a manner similar to the manner in which user fees are imposed under section 1395u(h)(3)(B) of this title, except that the Secretary may retain a portion of such fees to defray the Secretary’s costs in carrying out procedures under section 1395w–102(b)(4)(D) of this title.

(B) Application
A user fee may not be imposed under subparagraph (A) with respect to a State Pharmaceutical Assistance Program.

(b) Rx Plan
An Rx plan described in this subsection is any of the following:

(1) Medicaid programs
A State plan under subchapter XIX, including such a plan operating under a waiver under section 1315 of this title, if it meets the requirements of section 1395w–139(b)(2) of this title.

(2) Group health plans
An employer group health plan.

(3) FEHBP
The Federal employees health benefits plan under chapter 89 of title 5.

(4) Military coverage (including TRICARE)
Coverage under chapter 55 of title 10.
(5) Other prescription drug coverage

Such other health benefit plans or programs that provide coverage or financial assistance for the purchase or provision of prescription drug coverage on behalf of part D eligible individuals as the Secretary may specify.

(c) Relation to other provisions

(1) Use of cost management tools

The requirements of this section shall not impair or prevent a PDP sponsor or MA organization from applying cost management tools (excluding differential payments) under all methods of operation.

(2) No affect¹ on treatment of certain out-of-pocket expenditures

The requirements of this section shall not affect the application of the procedures established under section 1395w–102(b)(4)(D) of this title.


SUBPART 4—MEDICARE PRESCRIPTION DRUG DISCOUNT CARD AND TRANSITIONAL ASSISTANCE PROGRAM

§1395w–141. Medicare prescription drug discount card and transitional assistance program

(a) Establishment of program

(1) In general

The Secretary shall establish a program under this section—

(A) to endorse prescription drug discount card programs that meet the requirements of this section in order to provide access to prescription drug discounts through prescription drug card sponsors for discount card eligible individuals throughout the United States; and

(B) to provide for transitional assistance for transitional assistance eligible individuals enrolled in such endorsed programs.

(2) Period of operation

(A) Implementation deadline

The Secretary shall implement the program under this section so that discount cards and transitional assistance are first available by not later than 6 months after December 8, 2003.

(B) Expediting implementation

The Secretary shall promulgate regulations to carry out the program under this section which may be effective and final immediately on an interim basis as of the date of publication of the interim final regulation. If the Secretary provides for an interim final regulation, the Secretary shall provide for a period of public comments on such regulation after the date of publication. The Secretary may change or revise such regulation after completion of the period of public comment.

(1) In general

Subject to clause (ii)—

(I) the program under this section shall not apply to covered discount card drugs dispensed after December 31, 2005; and

(ii) transitional assistance shall be available after such date to the extent the assistance relates to drugs dispensed on or before such date.

(ii) Transition

In the case of an individual who is enrolled in an endorsed discount card program as of December 31, 2005, during the individual’s transition period (if any) under clause (iii), in accordance with transition rules specified by the Secretary—

(I) such endorsed program may continue to apply to covered discount card drugs dispensed to the individual under the program during such transition period;

(II) no annual enrollment fee shall be applicable during the transition period;

(iii) during such period the individual may not change the endorsed program plan in which the individual is enrolled; and

(IV) the balance of any transitional assistance remaining on January 1, 2006, shall remain available for drugs dispensed during the individual’s transition period.

(iii) Transition period

The transition period under this clause for an individual is the period beginning on January 1, 2006, and ending in the case of an individual who—

(I) is enrolled in a prescription drug plan or an MA–PD plan before the last date of the initial enrollment period under section 1395w–101(b)(2)(A) of this title, on the effective date of the individual’s coverage under such part; or

(ii) is not so enrolled, on the last day of such initial period.

(3) Voluntary nature of program

Nothing in this section shall be construed as requiring a discount card eligible individual to enroll in an endorsed discount card program under this section.

(4) Glossary and definitions of terms

For purposes of this section:

(A) Covered discount card drug

The term “covered discount card drug” has the meaning given the term “covered part D drug” in section 1395w–102(e) of this title.

(B) Discount card eligible individual

The term “discount card eligible individual” is defined in subsection (b)(1)(A).

(C) Endorsed discount card program; endorsed program

The terms “endorsed discount card program” and “endorsed program” mean a prescription drug discount card program that is

¹So in original. Probably should be “effect”. 
§ 1395w–141

(1) Discount card eligible individual
(A) In general
The term “discount card eligible individual” means an individual who—
(i) is entitled to benefits, or enrolled, under part A or enrolled under part B; and
(ii) subject to paragraph (4), is not an individual described in subparagraph (B).

(B) Individual described
An individual described in this subparagraph is an individual described in subparagraph (A)(i) who is enrolled under subchapter XIX (or under a waiver under section 1315 of this title of the requirements of such subchapter) and is entitled to any medical assistance for outpatient prescribed drugs described in section 1396d(a)(12) of this title.

(2) Transitional assistance eligible individual
(A) In general
Subject to subparagraph (B), the term “transitional assistance eligible individual” means a discount card eligible individual who resides in one of the 50 States or the District of Columbia and whose income (as determined under subsection (f)(1)(B)) is not more than 135 percent of the poverty line (as defined in section 9902(2) of this title, including any revision required by such section) applicable to the family size involved (as determined under subsection (f)(1)(B)).

(B) Exclusion of individuals with certain prescription drug coverage
Such term does not include an individual who has coverage of, or assistance for, covered discount card drugs under any of the following:
(i) A group health plan or health insurance coverage (as such terms are defined in section 300gg–91 of this title), other than coverage under a plan under part C and other than coverage consisting only of excepted benefits (as defined in such section).

(ii) Chapter 55 of title 10 (relating to medical and dental care for members of the uniformed services).

(iii) A plan under chapter 89 of title 5 (relating to the Federal employees’ health benefits program).

(3) Special transitional assistance eligible individual
The term “special transitional assistance eligible individual” means a transitional assistance eligible individual whose income (as determined under subsection (f)(1)(B)) is not more than 100 percent of the poverty line (as defined in section 9902(2) of this title, including any revision required by such section) applicable to the family size involved (as determined under subsection (f)(1)(B)).

(4) Treatment of medicaid medically needy
For purposes of this section, the Secretary shall provide for appropriate rules for the treatment of medicaid medically needy individuals described in section 1396a(a)(10)(C) of this title as discount card eligible individuals and as transitional assistance eligible individuals.

(c) Enrollment and enrollment fees

(1) Enrollment process
The Secretary shall establish a process through which a discount card eligible individual is enrolled and disenrolled in an endorsed discount card program under this section consistent with the following:

(A) Continuous open enrollment
Subject to the succeeding provisions of this paragraph and subsection (h)(9), a discount card eligible individual who is not enrolled in an endorsed discount card program and is residing in a State may enroll in any such endorsed program—
(i) that serves residents of the State; and
(ii) at any time beginning on the initial enrollment date, specified by the Secretary, and before January 1, 2006.

(B) Use of standard enrollment form
An enrollment in an endorsed program shall only be effected through completion of a standard enrollment form specified by the Secretary. Each sponsor of an endorsed program shall transmit to the Secretary (in a form and manner specified by the Secretary) information on individuals who complete such enrollment forms and, to the extent provided under subsection (f), information regarding certification as a transitional assistance eligible individual.

(C) Enrollment only in one program

(i) In general
Subject to clauses (ii) and (iii), a discount card eligible individual may be enrolled in only one endorsed discount card program under this section.

(ii) Change in endorsed program permitted for 2005
The Secretary shall establish a process, similar to (and coordinated with) the process for annual, coordinated elections under section 1395w–21(e)(3) of this title during...
2004, under which an individual enrolled in an endorsed discount card program may change the endorsed program in which the individual is enrolled for 2005.

(iii) Additional exceptions

The Secretary shall permit an individual to change the endorsed discount card program in which the individual is enrolled in the case of an individual who changes residence to be outside the service area of such program and in such other exceptional cases as the Secretary may provide (taking into account the circumstances for special election periods under section 1395w–21(e)(4) of this title). Under the previous sentence, the Secretary may consider a change in residential setting (such as placement in a nursing facility) or enrollment in or disenrollment from a plan under part C through which the individual was enrolled in an endorsed program to be an exceptional circumstance.

(D) Disenrollment

(i) Voluntary

An individual may voluntarily disenroll from an endorsed discount card program at any time. In the case of such a voluntary disenrollment, the individual may not enroll in another endorsed program, except under such exceptional circumstances as the Secretary may recognize under subparagraph (C)(ii) or during the annual coordinated enrollment period provided under subparagraph (C)(iii).

(ii) Involuntary

An individual who is enrolled in an endorsed discount card program and not a transitional assistance eligible individual may be disenrolled by the sponsor of the program if the individual fails to pay any annual enrollment fee required under the program.

(E) Application to certain enrollees

In the case of a discount card eligible individual who is enrolled in a plan described in section 1395w–21(a)(2)(A) of this title or under a reasonable cost reimbursement contract under section 1395mm(h) of this title that is offered by an organization that also is a prescription discount card sponsor that offers an endorsed discount card program under which the individual may be enrolled and that has made an election to apply the special rules under subsection (h)(9)(B) for such an endorsed program, the individual may only enroll in such an endorsed discount card program offered by that sponsor.

(2) Enrollment fees

(A) In general

Subject to the succeeding provisions of this paragraph, a prescription drug card sponsor may charge an annual enrollment fee for each discount card eligible individual enrolled in an endorsed discount card program offered by such sponsor. The annual enrollment fee for either 2004 or 2005 shall not be prorated for portions of a year. There shall be no annual enrollment fee for a year after 2005.

(B) Amount

No annual enrollment fee charged under subparagraph (A) may exceed $30.

(C) Uniform enrollment fee

A prescription drug card sponsor shall ensure that the annual enrollment fee (if any) for an endorsed discount card program is the same for all discount card eligible individuals enrolled in the program and residing in the State.

(D) Collection

The annual enrollment fee (if any) charged for enrollment in an endorsed program shall be collected by the sponsor of the program.

(E) Payment of fee for transitional assistance eligible individuals

Under subsection (g)(1)(A), the annual enrollment fee (if any) otherwise charged under this paragraph with respect to a transitional assistance eligible individual shall be paid by the Secretary on behalf of such individual.

(F) Optional payment of fee by State

(i) In general

The Secretary shall establish an arrangement under which a State may provide for payment of some or all of the enrollment fee for some or all enrollees who are not transitional assistance eligible individuals in the State, as specified by the State under the arrangement. Insofar as such a payment arrangement is made with respect to an enrollee, the amount of the enrollment fee shall be paid directly by the State to the sponsor.

(ii) No Federal matching available under medicaid or SCHIP

Expenditures made by a State for enrollment fees described in clause (i) shall not be treated as State expenditures for purposes of Federal matching payments under subchapter XIX or XXI.

(G) Rules in case of changes in program enrollment during a year

The Secretary shall provide special rules in the case of payment of an annual enrollment fee for a discount card eligible individual who changes the endorsed program in which the individual is enrolled during a year.

(3) Issuance of discount card

Each prescription drug card sponsor of an endorsed discount card program shall issue, in a standard format specified by the Secretary, to each discount card eligible individual enrolled in such program a card that establishes proof of enrollment and that can be used in a coordinated manner to identify the sponsor, program, and individual for purposes of the program under this section.

(4) Period of access

In the case of a discount card eligible individual who enrolls in an endorsed program, ac-
cess to negotiated prices and transitional assistance, if any, under such endorsed program shall take effect on such date as the Secretary shall specify.

(d) Provision of information on enrollment and program features

(1) Secretarial responsibilities

(A) In general

The Secretary shall provide for activities under this subsection to broadly disseminate information to discount card eligible individuals (and prospective eligible individuals) regarding—

(i) enrollment in endorsed discount card programs; and

(ii) the features of the program under this section, including the availability of transitional assistance.

(B) Promotion of informed choice

In order to promote informed choice among endorsed prescription drug discount card programs, the Secretary shall provide for the dissemination of information which—

(i) compares the annual enrollment fee and other features of such programs, which may include comparative prices for covered discount card drugs; and

(ii) includes educational materials on the variability of discounts on prices of covered discount card drugs under an endorsed program.

The dissemination of information under clause (i) shall, to the extent practicable, be coordinated with the dissemination of educational information on other medicare options.

(C) Special rule for initial enrollment date under the program

To the extent practicable, the Secretary shall ensure, through the activities described in subparagraphs (A) and (B), that discount card eligible individuals are provided with such information at least 30 days prior to the initial enrollment date specified under subsection (c)(1)(A)(ii).

(D) Use of medicare toll-free number

The Secretary shall provide through the toll-free telephone number 1–800–MEDICARE for the receipt and response to inquiries and complaints concerning the program under this section and endorsed programs.

(2) Prescription drug card sponsor responsibilities

(A) In general

Each prescription drug card sponsor that offers an endorsed discount card program shall make available to discount card eligible individuals (through the Internet and otherwise) information that the Secretary identifies as being necessary to promote informed choice among endorsed discount card programs by such individuals, including information on enrollment fees and negotiated prices for covered discount card drugs charged to such individuals.

(B) Response to enrollee questions

Each sponsor offering an endorsed discount card program shall have a mechanism (including a toll-free telephone number) for providing upon request specific information (such as negotiated prices and the amount of transitional assistance remaining available through the program) to discount card eligible individuals enrolled in the program. The sponsor shall inform transitional assistance eligible individuals enrolled in the program of the availability of such toll-free telephone number to provide information on the amount of available transitional assistance.

(C) Information on balance of transitional assistance available at point-of-sale

Each sponsor offering an endorsed discount card program shall have a mechanism so that information on the amount of transitional assistance remaining under subsection (g)(1)(B) is available (electronically or by telephone) at the point-of-sale of covered discount card drugs.

(3) Public disclosure of pharmaceutical prices for equivalent drugs

(A) In general

A prescription drug card sponsor offering an endorsed discount card program shall provide that each pharmacy that dispenses a covered discount card drug shall inform a discount card eligible individual enrolled in the program of any differential between the price of the drug to the enrollee and the price of the lowest priced generic covered discount card drug under the program that is therapeutically equivalent and bioequivalent and available at such pharmacy.

(B) Timing of notice

(i) In general

Subject to clause (ii), the information under subparagraph (A) shall be provided at the time of purchase of the drug involved, or, in the case of dispensing by mail order, at the time of delivery of such drug.

(ii) Waiver

The Secretary may waive clause (i) in such circumstances as the Secretary may specify.

(e) Discount card features

(1) Savings to enrollees through negotiated prices

(A) Access to negotiated prices

(i) In general

Each prescription drug card sponsor that offers an endorsed discount card program shall provide each discount card eligible individual enrolled in the program with access to negotiated prices.

(ii) Negotiated prices

For purposes of this section, negotiated prices shall take into account negotiated price concessions, such as discounts, direct or indirect subsidies, rebates, and direct or indirect remunerations, for covered discount card drugs, and include any dispensing fees for such drugs.

(B) Ensuring pharmacy access

Each prescription drug card sponsor offering an endorsed discount card program shall
secure the participation in its network of a sufficient number of pharmacies that dispense (other than solely by mail order) drugs directly to enrollees to ensure convenient access to covered discount card drugs at negotiated prices (consistent with rules established by the Secretary). The Secretary shall establish convenient access rules under this clause that are no less favorable to enrollees than the standards for convenient access to pharmacies included in the statement of work of solicitation (#MDA906–03–R–0002) of the Department of Defense under the TRICARE Retail Pharmacy (TRRX) as of March 13, 2003.

(C) Prohibition on charges for required services

(i) In general

Subject to clause (ii), a prescription drug card sponsor (and any pharmacy contracting with such sponsor for the provision of covered discount card drugs to individuals enrolled in such sponsor’s endorsed discount card program) may not charge an enrollee any amount for any items and services required to be provided by the sponsor under this section.

(ii) Construction

Nothing in clause (i) shall be construed to prevent—

(I) the sponsor from charging the annual enrollment fee (except in the case of a transitional assistance eligible individual); and

(II) the pharmacy dispensing the covered discount card drug, from imposing a charge (consistent with the negotiated price) for the covered discount card drug dispensed, reduced by the amount of any transitional assistance made available.

(D) Inapplicability of medicaid best price rules

The prices negotiated from drug manufacturers for covered discount card drugs under an endorsed discount card program under this section shall (notwithstanding any other provision of law) not be taken into account for the purposes of establishing the best price under section 1396r–8(c)(1)(C) of this title.

(2) Reduction of medication errors and adverse drug interactions

Each endorsed discount card program shall implement a system to reduce the likelihood of medication errors and adverse drug interactions and to improve medication use.

(f) Eligibility procedures for endorsed programs and transitional assistance

(1) Determinations

(A) Procedures

The determination of whether an individual is a discount card eligible individual or a transitional assistance eligible individual or a special transitional assistance eligible individual (as defined in subsection (b)) shall be determined under procedures specified by the Secretary consistent with this subsection.

(B) Income and family size determinations

For purposes of this section, the Secretary shall define the terms “income” and “family size” and shall specify the methods and period for which they are determined. If under such methods income or family size is determined based on the income or family size for prior periods of time, the Secretary shall permit (whether through a process of reconsideration or otherwise) an individual whose income or family size has changed to elect to have eligibility for transitional assistance determined based on income or family size for a more recent period.

(2) Use of self-certification for transitional assistance

(A) In general

Under the procedures specified under paragraph (1)(A) an individual who wishes to be treated as a transitional assistance eligible individual or a special transitional assistance eligible individual under this section (or another qualified person on such individual’s behalf) shall certify on the enrollment form under subsection (c)(1)(B) (or similar form specified by the Secretary), through a simplified means specified by the Secretary and under penalty of perjury or similar sanction for false statements, as to the amount of the individual’s income, family size, and individual’s prescription drug coverage (if any) insofar as they relate to eligibility to be a transitional assistance eligible individual or a special transitional assistance eligible individual. Such certification shall be deemed as consent to verification of respective eligibility under paragraph (3). A certification under this paragraph may be provided before, on, or after the time of enrollment under an endorsed program.

(B) Treatment of self-certification

The Secretary shall treat a certification under subparagraph (A) that is verified under paragraph (3) as a determination that the individual involved is a transitional assistance eligible individual or special transitional assistance eligible individual (as the case may be) for the entire period of the enrollment of the individual in any endorsed program.

(3) Verification

(A) In general

The Secretary shall establish methods (which may include the use of sampling and the use of information described in subparagraph (B) to verify eligibility for individuals who seek to enroll in an endorsed program and for individuals who provide a certification under paragraph (2).

(B) Information described

The information described in this subparagraph is as follows:

(i) Medicaid-related information

Information on eligibility under subchapter XIX and provided to the Secretary under arrangements between the Secretary and States in order to verify the eli-
§ 1395w–141

(4) Reconsideration

(A) In general

The Secretary shall establish a process under which a discount card eligible individual, who is determined through the certification and verification methods under paragraphs (2) and (3) not to be a transitional assistance eligible individual or a special transitional assistance eligible individual, may request a reconsideration of the determination.

(B) Contract authority

The Secretary may enter into a contract to perform the reconsiderations requested under subparagraph (A).

(C) Communication of results

Under the process under subparagraph (A) the results of such reconsideration shall be communicated to the individual and the prescription drug card sponsor involved.

(g) Transitional assistance

(1) Provision of transitional assistance

An individual who is a transitional assistance eligible individual (as determined under this section) and who is enrolled with an endorsed program is entitled—

(A) to have payment made of any annual enrollment fee charged under subsection (c)(2) for enrollment under the program; and

(B) to have payment made, up to the amount specified in paragraph (2), under such endorsed program of 90 percent (or 95 percent in the case of a special transitional assistance eligible individual) of the costs incurred for covered discount card drugs obtained through the program taking into account the negotiated price (if any) for the drug under the program.

(2) Limitation on dollar amount

(A) In general

Subject to subparagraph (B), the amount specified in this paragraph for a transitional assistance eligible individual—

(i) for costs incurred during 2004, is $600; or

(ii) for costs incurred during 2005, is—

(I) $600, plus

(II) except as provided in subparagraph (E), the amount by which the amount available under this paragraph for 2004 for that individual exceeds the amount of payment made under paragraph (1)(B) for that individual for costs incurred during 2004.

(B) Proration

(i) In general

In the case of an individual not described in clause (ii) with respect to a year, the Secretary may prorate the amount specified in subparagraph (A) for the balance of the year involved in a manner specified by the Secretary.

(ii) Individual described

An individual described in this clause is a transitional assistance eligible individual who—

(I) with respect to 2004, enrolls in an endorsed program, and provides a certification under subsection (f)(2), before the initial implementation date of the program under this section; and

(II) with respect to 2005, is enrolled in an endorsed program, and has provided such a certification, before February 1, 2005.

(C) Accounting for available balances in cases of changes in program enrollment

In the case of a transitional assistance eligible individual who changes the endorsed discount card program in which the individual is enrolled under this section, the Secretary shall provide a process under which the Secretary provides to the sponsor of the endorsed program in which the individual enrolls information concerning the balance of amounts available on behalf of the individual under this paragraph.

(C) Verification in cases of medicaid enrollees

(i) In general

Nothing in this section shall be construed as preventing the Secretary from finding that a discount card eligible individual meets the income requirements under subsection (b)(2)(A) if the individual is within a category of discount card eligible individuals who are enrolled under subchapter XIX (such as qualified medicare beneficiaries (QMBs), specified low-income medicare beneficiaries (SLMBs), and certain qualified individuals (QI–1s)).

(ii) Availability of information for verification purposes

As a condition of provision of Federal financial participation to a State that is one of the 50 States or the District of Columbia under subchapter XIX, for purposes of carrying out this section, the State shall provide the information it submits to the Secretary relating to such subchapter in a manner specified by the Secretary that permits the Secretary to identify individuals who are described in subsection (b)(1)(B) or are transitional assistance eligible individuals or special transitional assistance eligible individuals.

(4) Reconsideration

(A) In general

The Secretary shall establish a process under which a discount card eligible individual, who is determined through the certification and verification methods under paragraphs (2) and (3) not to be a transitional assistance eligible individual or a special transitional assistance eligible individual, may request a reconsideration of the determination.

(B) Contract authority

The Secretary may enter into a contract to perform the reconsiderations requested under subparagraph (A).

(C) Communication of results

Under the process under subparagraph (A) the results of such reconsideration shall be communicated to the individual and the prescription drug card sponsor involved.
(D) Limitation on use of funds
Pursuant to subsection (a)(2)(C), no assistance shall be provided under paragraph (1)(B) with respect to covered discount card drugs dispensed after December 31, 2005.

(E) No rollover permitted in case of voluntary disenrollment
Except in such exceptional cases as the Secretary may provide, in the case of a transitional assistance eligible individual who voluntarily disenrolls from an endorsed program, the provisions of subclause (II) of subparagraph (A)(ii) shall not apply.

(3) Payment
The Secretary shall provide a method for the reimbursement of prescription drug card sponsors for assistance provided under this subsection.

(4) Coverage of coinsurance

(A) Waiver permitted by pharmacy
Nothing in this section shall be construed as precluding a pharmacy from reducing or waiving the application of coinsurance imposed under paragraph (1)(B) in accordance with section 1320a-7b(b)(3)(G) of this title.

(B) Optional payment of coinsurance by State

(i) In general
The Secretary shall establish an arrangement under which a State may provide for payment of some or all of the coinsurance under paragraph (1)(B) for some or all enrollees in the State, as specified by the State under the arrangement. Insofar as such a payment arrangement is made with respect to an enrollee, the amount of the coinsurance shall be paid directly by the State to the pharmacy involved.

(ii) No Federal matching available under medicaid or SCHIP
Expenditures made by a State for coinsurance described in clause (i) shall not be treated as State expenditures for purposes of Federal matching payments under subchapter XIX or XXI.

(iii) Not treated as medicare cost-sharing
Coinsurance described in paragraph (1)(B) shall not be treated as coinsurance under this subchapter for purposes of section 1396d(p)(3)(B) of this title.

(C) Treatment of coinsurance
The amount of any coinsurance imposed under paragraph (1)(B), whether paid or waived under this paragraph, shall not be taken into account in applying the limitation in dollar amount under paragraph (2).

(5) Ensuring access to transitional assistance for qualified residents of long-term care facilities and American Indians

(A) Residents of long-term care facilities
The Secretary shall establish procedures and may waive requirements of this section as necessary to negotiate arrangements with sponsors to provide arrangements with pharmacies that support long-term care facilities in order to ensure access to transitional assistance for transitional assistance eligible individuals who reside in long-term care facilities.

(B) American Indians
The Secretary shall establish procedures and may waive requirements of this section to ensure that, for purposes of providing transitional assistance, pharmacies operated by the Indian Health Service, Indian tribes and tribal organizations, and urban Indian organizations (as defined in section 1603 of title 25) have the opportunity to participate in the pharmacy networks of at least two endorsed programs in each of the 50 States and the District of Columbia where such a pharmacy operates.

(6) No impact on benefits under other programs
The availability of negotiated prices or transitional assistance under this section shall not be treated as benefits or otherwise taken into account in determining an individual’s eligibility for, or the amount of benefits under, any other Federal program.

(7) Disregard for purposes of part C
Nonuniformity of benefits resulting from the implementation of this section (including the provision or nonprovision of transitional assistance and the payment or waiver of any enrollment fee under this section) shall not be taken into account in applying section 1395w-24(f) of this title.

(h) Qualification of prescription drug card sponsors and endorsement of discount card programs; beneficiary protections

(1) Prescription drug card sponsor and qualifications

(A) Prescription drug card sponsor and sponsor defined
For purposes of this section, the terms “prescription drug card sponsor” and “sponsor” mean any nongovernmental entity that the Secretary determines to be appropriate to offer an endorsed discount card program under this section, which may include—

(i) a pharmaceutical benefit management company;

(ii) a wholesale or retail pharmacy delivery system;

(iii) an insurer (including an insurer that offers medicare supplemental policies under section 1395ss of this title);

(iv) an organization offering a plan under part C; or

(v) any combination of the entities described in clauses (i) through (iv).

(B) Administrative qualifications
Each endorsed discount card program shall be operated directly, or through arrangements with an affiliated organization (or organizations), by one or more entities that have demonstrated experience and expertise in operating such a program or a similar program and that meets such business sta-
§ 1395w–141

(2) Applications for program endorsement

(A) Submission

Each prescription drug card sponsor that seeks endorsement of a prescription drug discount card program under this section shall submit to the Secretary, at such time and in such manner as the Secretary may specify, an application containing such information as the Secretary may require.

(B) Approval; compliance with applicable requirements

The Secretary shall review the application submitted under subparagraph (A) and shall determine whether to endorse the prescription drug discount card program. The Secretary may not endorse such a program unless—

(i) the program and prescription drug card sponsor offering the program comply with the applicable requirements under this section; and

(ii) the sponsor has entered into a contract with the Secretary to carry out such requirements.

(C) Termination of endorsement and contracts

An endorsement of an endorsed program and a contract under subparagraph (B) shall be for the duration of the program under this section (including any transition applicable under subsection (a)(2)(C)(ii)), except that the Secretary may, with notice and for cause (as defined by the Secretary), terminate such endorsement and contract.

(D) Ensuring choice of programs

(i) In general

The Secretary shall ensure that there is available to each discount card eligible individual a choice of at least 2 endorsed programs (each offered by a different sponsor).

(ii) Limitation on number

The Secretary may limit (but not below 2) the number of sponsors in a State that are awarded contracts under this paragraph.

(3) Service area encompassing entire States

Except as provided in paragraph (9), if a prescription drug card sponsor that offers an endorsed program enrolls in the program individuals residing in any part of a State, the sponsor must permit any discount card eligible individual residing in any portion of the State to enroll in the program.

(4) Savings to medicare beneficiaries

Each prescription discount card program that offers an endorsed discount card program shall pass on to discount card eligible individuals enrolled in the program negotiated prices on covered discount card drugs, including discounts negotiated with pharmacies and manufacturers, to the extent disclosed under subsection (i)(1).

(5) Grievance mechanism

Each prescription drug card sponsor shall provide meaningful procedures for hearing and resolving grievances between the sponsor (including any entity or individual through which the sponsor carries out the endorsed discount card program) and enrollees in endorsed discount card programs of the sponsor under this section in a manner similar to that required under section 1395w–22(f) of this title.

(6) Confidentiality of enrollee records

(A) In general

For purposes of the program under this section, the operations of an endorsed program are covered functions and a prescription drug card sponsor is a covered entity for purposes of applying part C of subchapter XI and all regulatory provisions promulgated thereunder, including regulations (relating to privacy) adopted pursuant to the authority of the Secretary under section 264(c) of the Health Insurance Portability and Accountability Act of 1996 (42 U.S.C. 1320d–2 note).1

(B) Waiver authority

In order to promote participation of sponsors in the program under this section, the Secretary may waive such relevant portions of regulations relating to privacy referred to in subparagraph (A), for such appropriate, limited period of time, as the Secretary specifies.

(7) Limitation on provision and marketing of products and services

The sponsor of an endorsed discount card program—

(A) may provide under the program—

(i) a product or service only if the product or service is directly related to a covered discount card drug; or

(ii) a discount price for nonprescription drugs; and

(B) may, to the extent otherwise permitted under paragraph (6) (relating to application of HIPAA requirements), market a product or service under the program only if the product or service is directly related to—

(i) a covered discount card drug; or

(ii) a drug described in subparagraph (A)(ii) and the marketing consists of information on the discounted price made available for the drug involved.

(8) Additional protections

Each endorsed discount card program shall meet such additional requirements as the Secretary identifies to protect and promote the interest of discount card eligible individuals, including requirements that ensure that discount card eligible individuals enrolled in en-

1 See References in Text note below.
endorsed discount card programs are not charged more than the lower of the price based on negotiated prices or the usual and customary price.

(9) Special rules for certain organizations

(A) In general

In the case of an organization that is offering a plan under part C or enrollment under a reasonable cost reimbursement contract under section 1395mm(h) of this title that is seeking to be a prescription drug card sponsor under this section, the organization may elect to apply the special rules under subparagraph (B) with respect to enrollees in any plan described in section 1395w–21(a)(2)(A) of this title to the extent to which negotiated prices or the usual and customary price.

(B) Special rules

The special rules under this subparagraph are as follows:

(i) Limitation on enrollment

The sponsor limits enrollment under this section under the endorsed discount card program to discount card eligible individuals who are enrolled in the part C plan involved or under the reasonable cost reimbursement contract involved and is not required nor permitted to enroll other individuals under such program.

(ii) Pharmacy access

Pharmacy access requirements under subsection (e)(1)(B) are deemed to be met if the access is made available through a pharmacy network (and not only through mail order) and the network used by the sponsor is approved by the Secretary.

(iii) Sponsor requirements

The Secretary may waive the application of such requirements for a sponsor as the Secretary determines to be duplicative or to conflict with a requirement of the organization under part C or section 1395mm of this title (as the case may be) or to be necessary in order to improve coordination of this section with the benefits under such part or section.

(i) Disclosure and oversight

(1) Disclosure

Each prescription drug card program or the usual and customary price.

(9) Special rules for certain organizations

(A) In general

In the case of an organization that is offering a plan under part C or enrollment under a reasonable cost reimbursement contract under section 1395mm(h) of this title that is seeking to be a prescription drug card sponsor under this section, the organization may elect to apply the special rules under subparagraph (B) with respect to enrollees in any plan described in section 1395w–21(a)(2)(A) of this title to the extent to which negotiated prices or the usual and customary price.

(B) Special rules

The special rules under this subparagraph are as follows:

(i) Limitation on enrollment

The sponsor limits enrollment under this section under the endorsed discount card program to discount card eligible individuals who are enrolled in the part C plan involved or under the reasonable cost reimbursement contract involved and is not required nor permitted to enroll other individuals under such program.

(ii) Pharmacy access

Pharmacy access requirements under subsection (e)(1)(B) are deemed to be met if the access is made available through a pharmacy network (and not only through mail order) and the network used by the sponsor is approved by the Secretary.

(iii) Sponsor requirements

The Secretary may waive the application of such requirements for a sponsor as the Secretary determines to be duplicative or to conflict with a requirement of the organization under part C or section 1395mm of this title (as the case may be) or to be necessary in order to improve coordination of this section with the benefits under such part or section.

(j) Treatment of territories

(1) In general

The Secretary may waive any provision of this section (including subsection (h)(2)(D)) in the case of a resident of a State (other than the 50 States and the District of Columbia) insofar as the Secretary determines it is necessary to secure access to negotiated prices for discount card eligible individuals or, at the option of the Secretary, individuals described in subsection (b)(1)(A)(i)).

(2) Transitional assistance

(A) In general

In the case of a State, other than the 50 States and the District of Columbia, the Secretary may establish a plan described in subparagraph (B) (for providing transitional assistance with respect to the provision of prescription drugs to some or all individuals residing in the State who are described in subparagraph (B)(i)), the Secretary shall pay to the State for the entire period of the operation of this section an amount equal to the amount allotted to the State under subparagraph (C).

(B) Plan

The plan described in this subparagraph is a plan that—

(i) provides transitional assistance with respect to the provision of covered discount card drugs to some or all individuals who are entitled to benefits under part A or enrolled under part B, who reside in the State, and who have income below 135 percent of the poverty line; and
(ii) assures that amounts received by the State under this paragraph are used only for such assistance.

(C) Allotment limit

The amount described in this subparagraph for a State is equal to $35,000,000 multiplied by the ratio (as estimated by the Secretary) of—

(i) the number of individuals who are entitled to benefits under part A or enrolled under part B and who reside in the State (as determined by the Secretary as of July 1, 2003), to

(ii) the sum of such numbers for all States to which this paragraph applies.

(D) Continued availability of funds

Amounts made available to a State under this paragraph which are not used under this paragraph shall be added to the amount available to that State for purposes of carrying out section 1396u–5(e) of this title.

(k) Funding

(1) Establishment of Transitional Assistance Account

(A) In general

There is created within the Federal Supplementary Medical Insurance Trust Fund established by section 1395t of this title an account to be known as the “Transitional Assistance Account” (in this subsection referred to as the “Account”).

(B) Funds

The Account shall consist of such gifts and bequests as may be made as provided in section 401(i)(1) of this title, accrued interest on balances in the Account, and such amounts as may be deposited in, or appropriated to, the Account as provided in this subsection.

(C) Separate from rest of Trust Fund

Funds provided under this subsection to the Account shall be kept separate from all other funds within the Federal Supplementary Medical Insurance Trust Fund, but shall be invested, and such investments redeemed, in the same manner as all other funds and investments within such Trust Fund.

(2) Payments from account

(A) In general

The Managing Trustee shall pay from time to time from the Account such amounts as the Secretary certifies are necessary to make payments for transitional assistance provided under subsections (g) and (j)(2).

(B) Treatment in relation to part B premium

Amounts payable from the Account shall not be taken into account in computing actuarial rates or premium amounts under section 1395r of this title.

(3) Appropriations to cover benefits

There are appropriated to the Account in a fiscal year, out of any moneys in the Treasury not otherwise appropriated, an amount equal to the payments made from the Account in the year.

(4) For administrative expenses

There are authorized to be appropriated to the Secretary such sums as may be necessary to carry out the Secretary’s responsibilities under this section.

(5) Transfer of any remaining balance to Medicare Prescription Drug Account

Any balance remaining in the Account after the Secretary determines that funds in the Account are no longer necessary to carry out the program under this section shall be transferred and deposited into the Medicare Prescription Drug Account under section 1395w–116 of this title.

(6) Construction

Nothing in this section shall be construed as authorizing the Secretary to provide for payment (other than payment of an enrollment fee on behalf of a transitional assistance eligible individual under subsection (g)(1)(A)) to a sponsor for administrative expenses incurred by the sponsor in carrying out this section (including in administering the transitional assistance provisions of subsections (f) and (g)).


REFERENCES IN TEXT


Section 264(c) of the Health Insurance Portability and Accountability Act of 1996, referred to in subsec. (h)(6)(A), is section 264(c) of Pub. L. 104–191, which is set out as a note under section 1330d–2 of this title.

RULES FOR IMPLEMENTATION


“(1) In promulgating regulations pursuant to subsection (a)(2)(B) of such section 1860D–31 [42 U.S.C. 1395w–141(a)(2)(B)],—

“(A) section 1871(a)(3) of the Social Security Act [42 U.S.C. 1395hh(a)(3)], as added by section 902(a)(1), shall not apply;

“(B) chapter 35 of title 44, United States Code, shall not apply; and

“(C) sections 553(d) and 801(a)(3)(A) of title 5, United States Code, shall not apply.

“(2) Section 1857(c)(5) of the Social Security Act [42 U.S.C. 1395w–27(c)(5)] shall apply with respect to section 1860D–31 of such Act, as added by section 101(a), in the same manner as it applies to part C of title XVIII of such Act [42 U.S.C. 1395w–21 et seq.].

“(3) The administration of such program shall be made without regard to chapter 33 of title 44, United States Code.

“(4)(A) There shall be no judicial review of a determination not to endorse, or enter into a contract, with a prescription drug card sponsor under section 1860D–31 of the Social Security Act.

“(B) In the case of any order issued to enjoin any provision of section 1860D–31 of the Social Security Act (or of any provision of this section [amending sections 1395r, 1395t, and 1396c–8 of this title and sections 6102 and 7213 of Title 26, Internal Revenue Code]), such order shall not affect any other provision of such section (or of this section) and all such provisions shall be treated as severable.”
§ 1395w–151. Definitions; treatment of references to provisions in part C

(a) Definitions

For purposes of this part:

(1) Basic prescription drug coverage

The term “basic prescription drug coverage” is defined in section 1395w–102(a)(3) of this title.

(2) Covered part D drug

The term “covered part D drug” is defined in section 1395w–102(e) of this title.

(3) Creditable prescription drug coverage

The term “creditable prescription drug coverage” has the meaning given such term in section 1395w–113(b)(4) of this title.

(4) Part D eligible individual

The term “part D eligible individual” has the meaning given such term in section 1395w–101(a)(3)(A) of this title.

(5) Fallback prescription drug plan

The term “fallback prescription drug plan” has the meaning given such term in section 1395w–111(g)(4) of this title.

(6) Initial coverage limit

The term “initial coverage limit” means such limit as established under section 1395w–113(b)(3) of this title, or, in the case of coverage that is not standard prescription drug coverage, the comparable limit (if any) established under the coverage.

(7) Insurance risk

The term “insurance risk” means, with respect to a participating pharmacy, risk of the type commonly assumed only by insurers licensed by a State and does not include payment variations designed to reflect performance-based measures of activities within the control of the pharmacy, such as formulary compliance and generic drug substitution.

(8) MA plan

The term “MA plan” has the meaning given such term in section 1395w–101(a)(3)(B) of this title.

(9) MA–PD plan

The term “MA–PD plan” has the meaning given such term in section 1395w–101(a)(3)(C) of this title.

(10) Medicare Prescription Drug Account

The term “Medicare Prescription Drug Account” means the Account created under section 1395w–116(a) of this title.

(11) PDP approved bid

The term “PDP approved bid” has the meaning given such term in section 1395w–113(a)(6) of this title.

(12) PDP region

The term “PDP region” means such a region as provided under section 1395w–111(a)(2) of this title.

(13) PDP sponsor

The term “PDP sponsor” means a non-governmental entity that is certified under this part as meeting the requirements and standards of this part for such a sponsor.

(14) Prescription drug plan

The term “prescription drug plan” means prescription drug coverage that is offered—

(A) under a policy, contract, or plan that has been approved under section 1395w–111(e) of this title; and

(B) by a PDP sponsor pursuant to, and in accordance with, a contract between the Secretary and the sponsor under section 1395w–112(b) of this title.

(15) Qualified prescription drug coverage

The term “qualified prescription drug coverage” is defined in section 1395w–102(a)(1) of this title.

(16) Standard prescription drug coverage

The term “standard prescription drug coverage” is defined in section 1395w–102(b) of this title.

(17) State Pharmaceutical Assistance Program

The term “State Pharmaceutical Assistance Program” has the meaning given such term in section 1395w–133(b) of this title.

(18) Subsidy eligible individual

The term “subsidy eligible individual” has the meaning given such term in section 1395w–114(a)(3)(A) of this title.

(b) Application of part C provisions under this part

For purposes of applying provisions of part C under this part with respect to a prescription drug plan and a PDP sponsor, unless otherwise provided in this part such provisions shall be applied as if—

(1) any reference to an MA plan included a reference to a prescription drug plan;

(2) any reference to an MA organization or a provider-sponsored organization included a reference to a PDP sponsor;

(3) any reference to a contract under section 1395w–27 of this title included a reference to a contract under section 1395w–112(b) of this title;

(4) any reference to part C included a reference to this part; and

(5) any reference to an election period under section 1395w–21 of this title were a reference to an enrollment period under section 1395w–101 of this title.


REFERENCES IN TEXT

Section 1395w–101(a)(3) of this title, referred to in subsec. (a)(4), (8), (9), was in the original “section 1860D–1(a)(4)”, and was translated as meaning section 1860D–1(a)(3) of act Aug. 14, 1995, which is classified to section 1395w–101(a)(3) of this title, to reflect the probable intent of Congress, because section 1395w–101(a) of this title does not contain a par. (4) and par. (3) defines terms for purposes of this part.

1 See References in Text note below.
§ 1395w–152. Miscellaneous provisions

(a) Access to coverage in territories

The Secretary may waive such requirements of this part, including section 1395w–103(a)(1) of this title, insofar as the Secretary determines it is necessary to secure access to qualified prescription drug coverage for part D eligible individuals residing in a State (other than the 50 States and the District of Columbia).

(b) Application of demonstration authority

The provisions of section 402 of the Social Security Amendments of 1967 (Public Law 90–248) shall apply with respect to this part and part C in the same manner it applies with respect to parts A and B, except that any reference with respect to a Trust Fund in relation to an experiment or demonstration project relating to prescription drug coverage under this part shall be deemed a reference to the Medicare Prescription Drug Account within the Federal Supplementary Medical Insurance Trust Fund.

(c) Coverage gap rebate for 2010

(1) In general

In the case of an individual described in subparagraphs (A) through (D) of section 1395w–114a(g)(1) of this title who as of the last day of a calendar quarter in 2010 has incurred costs for covered part D drugs so that the individual has exceeded the initial coverage limit under section 1395w–102(b)(3) of this title for 2010, the Secretary shall provide for payment from the Medicare Prescription Drug Account of $250 to the individual by not later than the 15th day of the third month following the end of such quarter.

(2) Limitation

The Secretary shall provide only 1 payment under this subsection with respect to any individual.

(d) Treatment of certain complaints for purposes of quality or performance assessment

In conducting a quality or performance assessment of a PDP sponsor, the Secretary shall develop or utilize existing screening methods for reviewing and considering complaints that are received from enrollees in a prescription drug plan offered by such PDP sponsor and that are complaints regarding the lack of access by the individual to prescription drugs due to a drug management program for at-risk beneficiaries.


AMENDMENTS


§ 1395w–153. Condition for coverage of drugs under this part

(a) In general

In order for coverage to be available under this part for covered part D drugs (as defined in section 1395w–102(e) of this title) of a manufacturer, the manufacturer must—

1. participate in the Medicare coverage gap discount program under section 1395w–114a of this title;
2. have entered into and have in effect an agreement described in subsection (b) of such section with the Secretary; and
3. have entered into and have in effect, under terms and conditions specified by the Secretary, a contract with a third party that the Secretary has entered into a contract with under subsection (d)(3) of such section.

(b) Effective date

Subsection (a) shall apply to covered part D drugs dispensed under this part on or after January 1, 2011.

(c) Authorizing coverage for drugs not covered under agreements

Subsection (a) shall not apply to the dispensing of a covered part D drug if—

1. the Secretary has made a determination that the availability of the drug is essential to the health of beneficiaries under this part; or
2. the Secretary determines that in the period beginning on January 1, 2011, and December 31, 2011, there were extenuating circumstances.

(d) Definition of manufacturer

In this section, the term “manufacturer” has the meaning given such term in section 1395w–114a(g)(5) of this title.


AMENDMENTS


§ 1395w–154. Improved Medicare prescription drug plan and MA–PD plan complaint system

(a) In general

The Secretary shall develop and maintain a complaint system, that is widely known and easy to use, to collect and maintain information on MA–PD plan and prescription drug plan complaints that are received (including by telephone, letter, e-mail, or any other means) by the Secretary (including by a regional office of the

1So in original. Probably should be followed by “ending on”.

REFERENCES IN TEXT


AMENDMENTS


Department of Health and Human Services, the Medicare Beneficiary Ombudsman, a subcontractor, a carrier, a fiscal intermediary, and a Medicare administrative contractor under section 1395kk–1 of this title) through the date on which the complaint is resolved. The system shall be able to report and initiate appropriate interventions and monitoring based on substantial complaints and to guide quality improvement.

(b) Model electronic complaint form

The Secretary shall develop a model electronic complaint form to be used for reporting plan complaints under the system. Such form shall be prominently displayed on the front page of the Medicare.gov Internet website and on the Internet website of the Medicare Beneficiary Ombudsman.

(c) Annual reports by the Secretary

The Secretary shall submit to Congress annual reports on the system. Such reports shall include an analysis of the number and types of complaints reported in the system, geographic variations in such complaints, the timeliness of agency or plan responses to such complaints, and the resolution of such complaints.

(d) Definitions

In this section:

(1) MA–PD plan

The term “MA–PD plan” has the meaning given such term in section 1395w–151(a)(9) of this title.

(2) Prescription drug plan

The term “prescription drug plan” has the meaning given such term in section 1395w–151(a)(14) of this title.

(3) Secretary

The term “Secretary” means the Secretary of Health and Human Services.

(4) System

The term “system” means the plan complaint system developed and maintained under subsection (a).


CODIFICATION

Section was enacted as part of the Patient Protection and Affordable Care Act, and not as part of the Social Security Act which comprises this chapter.

PART E—MISCELLANEOUS PROVISIONS

CODIFICATION


Pub. L. 105–33, title IV, § 4001, Aug. 5, 1997, 111 Stat. 275, redesignated part C of this subchapter as part D.

§ 1395x. Definitions

For purposes of this subchapter—

(a) Spell of illness

The term “spell of illness” with respect to any individual means a period of consecutive days—

(1) beginning with the first day (not included in a previous spell of illness) (A) on which such individual is furnished inpatient hospital services, inpatient critical access hospital services or extended care services, and (B) which occurs in a month for which he is entitled to benefits under part A, and which (2) ending with the close of the first period of 60 consecutive days thereafter on each of which he is neither an inpatient of a hospital or critical access hospital nor an inpatient of a facility described in section 1395–3(a)(1) of this title or subsection (y)(1).

(b) Inpatient hospital services

The term “inpatient hospital services” means the following items and services furnished to an inpatient of a hospital and (except as provided in paragraph (3)) by the hospital—

(1) bed and board;

(2) such nursing services and other related services, such use of hospital facilities, and such medical social services as are ordinarily furnished by the hospital for the care and treatment of inpatients, and such drugs, biologicals, supplies, appliances, and equipment, for use in the hospital, as are ordinarily furnished by such hospital for the care and treatment of inpatients; and

(3) such other diagnostic or therapeutic items or services, furnished by the hospital or by others under arrangements with them made by the hospital, as are ordinarily furnished to inpatients either by such hospital or by others under such arrangements;

excluding, however,

(4) medical or surgical services provided by a physician, resident, or intern, services described by subsection (s)(2)(K), certified nurse-midwife services, qualified psychologist services, and services of a certified registered nurse anesthetist; and

(5) the services of a private-duty nurse or other private-duty attendant.

Paragraph (4) shall not apply to services provided in a hospital by—

(6) an intern or a resident-in-training under a teaching program approved by the Council on Dental Education of the American Dental Association, or in the case of services in a hospital or osteopathic hospital by an intern or resident-in-training in the field of dentistry, approved by the Council on Dental Education of the American Dental Association, or in the case of services in a hospital or osteopathic hospital by an intern or resident-in-training in the field of podiatry, approved by the Council on Podiatric Medical Education of the American Podiatric Medical Association; or

(7) a physician where the hospital has a teaching program approved as specified in paragraph (6), if (A) the hospital elects to receive any payment due under this subchapter for reasonable costs of such services, and (B) all physicians in such hospital agree not to bill charges for professional services rendered in such hospital to individuals covered under the insurance program established by this subchapter.
(c) Inpatient psychiatric hospital services
The term “inpatient psychiatric hospital services” means inpatient hospital services furnished to an inpatient of a psychiatric hospital.

(d) Supplier
The term “supplier” means, unless the context otherwise requires, a physician or other practitioner, a facility, or other entity (other than a provider of services) that furnishes items or services under this subchapter.

(e) Hospital
The term “hospital” (except for purposes of sections 1395f(d), 1395f(f), and 1395n(b) of this title, subsection (a)(2) of this section, paragraph (7) of this subsection, and subsection (i) of this section) means an institution which—
1. is primarily engaged in providing, by or under the supervision of physicians, to inpatients (A) diagnostic services and therapeutic services for medical diagnosis, treatment, and care of injured, disabled, or sick persons, or (B) rehabilitation services for the rehabilitation of injured, disabled, or sick persons;
2. maintains clinical records on all patients;
3. has bylaws in effect with respect to its staff of physicians;
4. has a requirement that every patient with respect to whom payment may be made under this subchapter must be under the care of a physician, except that a patient receiving qualified psychologist services (as defined in subsection (ii)) may be under the care of a clinical psychologist with respect to such services to the extent permitted under State law;
5. provides 24-hour nursing service rendered or supervised by a registered professional nurse, and has a licensed practical nurse or registered professional nurse on duty at all times; except that until January 1, 1979, the Secretary is authorized to waive the requirement of this paragraph for any one-year period with respect to any institution, insofar as such requirement relates to the provision of twenty-four-hour nursing service rendered or supervised by a registered professional nurse (except that in any event a registered professional nurse must be present on the premises to render or supervise the nursing service provided, during at least the regular daytime shift), where immediately preceding such one-year period he finds that—
(A) such institution is located in a rural area and the supply of hospital services in such area is not sufficient to meet the needs of individuals residing therein,
(B) the failure of such institution to qualify as a hospital would seriously reduce the availability of such services to such individuals, and
(C) such institution has made and continues to make a good faith effort to comply with this paragraph, but such compliance is impeded by the lack of qualified nursing personnel in such area;
6. (A) has in effect a hospital utilization review plan which meets the requirements of subsection (k) and (B) has in place a discharge planning process that meets the requirements of subsection (ee);
7. in the case of an institution in any State in which State or applicable local law provides for the licensing of hospitals, (A) is licensed pursuant to such law or (B) is approved, by the agency of such State or locality responsible for licensing hospitals, as meeting the standards established for such licensing;
8. has in effect an overall plan and budget that meets the requirements of subsection (z); and
9. meets such other requirements as the Secretary finds necessary in the interest of the health and safety of individuals who are furnished services in the institution.

For purposes of subsection (a)(2), such term includes any institution which meets the requirements of paragraphs (1) of this subsection. For purposes of sections 1395f(d) and 1395n(b) of this title (including determination of whether an individual received inpatient hospital services or diagnostic services for purposes of such sections), section 1395f(f)(2) of this title, and subsection (i) of this section, such term includes any institution which (i) meets the requirements of paragraphs (5) and (7) of this subsection, (ii) is not primarily engaged in providing the services described in subsection (j)(1)(A) and (iii) is primarily engaged in providing, by or under the supervision of individuals referred to in paragraph (1) of subsection (r), to inpatients diagnostic services and therapeutic services for medical diagnosis, treatment, and care of injured, disabled, or sick persons, or rehabilitation services for the rehabilitation of injured, disabled, or sick persons. For purposes of section 1395f(f)(1) of this title, such term includes an institution which (i) is a hospital for purposes of sections 1395f(d), 1395f(f)(2), and 1395n(b) of this title and (ii) is accredited by a national accreditation body recognized by the Secretary under section 1395bb(a) of this title, or is accredited by or approved by a program of the country in which such institution is located if the Secretary finds the accreditation or comparable approval standards of such program to be essentially equivalent to those of such a national accreditation body. Notwithstanding the preceding provisions of this subsection, such term shall not, except for purposes of subsection (a)(2), include any institution which is primarily for the care and treatment of mental diseases unless it is a psychiatric hospital (as defined in subsection (f)). The term “hospital” also includes a religious nonmedical health care institution (as defined in subsection (ss)), but only with respect to items and services ordinarily furnished by such institution to inpatients, and payment may be made with respect to services provided by or in such an institution only to such extent and under such conditions, limitations, and requirements (in addition to or in lieu of the conditions, limitations, and requirements otherwise applicable) as may be provided in regulations consistent with section 1395i–5 of this title. For provisions deeming certain requirements of this subsection to be met in the case of accredited institutions, see section 1395bb of this title. The term “hospital” also includes a facil-
ity of fifty beds or less which is located in an area determined by the Secretary to meet the definition relating to a rural area described in subparagraph (A) of paragraph (5) of this subsection and which meets the other requirements of this subsection, except that—

(A) with respect to the requirements for nursing services applicable after December 31, 1978, such requirements shall provide for temporary waiver of the requirements, for such period as the Secretary deems appropriate, where (i) the facility’s failure to fully comply with the requirements is attributable to a temporary shortage of qualified nursing personnel in the area in which the facility is located, (ii) a registered professional nurse is present on the premises to render or supervise the nursing service provided during at least the regular daytime shift, and (iii) the Secretary determines that the employment of such nursing personnel as are available to the facility during such temporary period will not adversely affect the health and safety of patients;

(B) with respect to the health and safety requirements promulgated under paragraph (9), such requirements shall be applied by the Secretary to a facility herein defined in such manner as to assure that personnel requirements take into account the availability of technical personnel and the educational opportunities for technical personnel in the area in which such facility is located, and the scope of services rendered by such facility; and the Secretary, by regulations, shall provide for the continued participation of such a facility where such personnel requirements are not fully met, for such period as the Secretary determines that (i) the facility is making good faith efforts to fully comply with the personnel requirements, (ii) the employment by the facility of such personnel as are available to the facility will not adversely affect the health and safety of patients, and (iii) if the Secretary has determined that because of the facility’s waiver under this subparagraph the facility should limit its scope of services in order not to adversely affect the health and safety of the facility’s patients, the facility is so limiting the scope of services it provides; and

(C) with respect to the fire and safety requirements promulgated under paragraph (9), the Secretary (i) may waive, for such period as he deems appropriate, specific provisions of such requirements which if rigidly applied would result in unreasonable hardship for such a facility and which, if not applied, would not jeopardize the health and safety of patients, and (ii) may accept a facility’s compliance with all applicable State codes relating to fire and safety in lieu of compliance with the fire and safety requirements promulgated under paragraph (9), if he determines that such State law, which adequately protect patients.

The term “hospital” does not include, unless the context otherwise requires, a critical access hospital (as defined in subsection (mm)(1)).

(f) Psychiatric hospital

The term “psychiatric hospital” means an institution which—

(1) is primarily engaged in providing, by or under the supervision of a physician, psychiatric services for the diagnosis and treatment of mentally ill persons;

(2) satisfies the requirements of paragraphs (3) through (9) of subsection (e);

(3) maintains clinical records on all patients and maintains such records as the Secretary finds to be necessary to determine the degree and intensity of the treatment provided to individuals entitled to hospital insurance benefits under part A; and

(4) meets such staffing requirements as the Secretary finds necessary for the institution to carry out an active program of treatment for individuals who are furnished services in the institution.

In the case of an institution which satisfies paragraphs (1) and (2) of the preceding sentence and which contains a distinct part which satisfies paragraphs (3) and (4) of such sentence, such distinct part shall be considered to be a “psychiatric hospital”.

(g) Outpatient occupational therapy services

The term “outpatient occupational therapy services” has the meaning given the term “outpatient physical therapy services” in subsection (p), except that “occupational” shall be substituted for “physical” each place it appears therein.

(h) Extended care services

The term “extended care services” means the following items and services furnished to an inpatient of a skilled nursing facility and (except as provided in paragraphs (3), (6), and (7)) by such skilled nursing facility—

(1) nursing care provided by or under the supervision of a registered professional nurse;

(2) bed and board in connection with the furnishing of such nursing care;

(3) physical or occupational therapy or speech-language pathology services furnished by the skilled nursing facility or by others under arrangements with them made by the facility;

(4) medical social services;

(5) such drugs, biologicals, supplies, appliances, and equipment, furnished for use in the skilled nursing facility, as are ordinarily furnished by such facility for the care and treatment of inpatients;

(6) medical services provided by an intern or resident-in-training of a hospital with which the facility has in effect a transfer agreement (meeting the requirements of subsection (l)), under a teaching program of such hospital approved as provided in the last sentence of subsection (b), and other diagnostic or therapeutic services provided by a hospital with which the facility has such an agreement in effect; and

(7) such other services necessary to the health of the patients as are generally provided by skilled nursing facilities, or by others under arrangements with them made by the facility;
excluding, however, any item or service if it would not be included under subsection (b) if furnished to an inpatient of a hospital.

(i) Post-hospital extended care services

The term “post-hospital extended care services” means extended care services furnished an individual after transfer from a hospital in which he was an inpatient for not less than 3 consecutive days before his discharge from the hospital in connection with such transfer. For purposes of the preceding sentence, items and services shall be deemed to have been furnished to an individual after transfer from a hospital, and he shall be deemed to have been an inpatient in the hospital immediately before transfer therefrom, if he is admitted to the skilled nursing facility (A) within 30 days after discharge from such hospital, or (B) within such time as it would be medically appropriate to begin an active course of treatment, in the case of an individual whose condition is such that skilled nursing facility care would not be medically appropriate within 30 days after discharge from a hospital; and an individual shall be deemed not to have been discharged from a skilled nursing facility if, within 30 days after discharge therefrom, he is admitted to such facility or any other skilled nursing facility.

(j) Skilled nursing facility

The term “skilled nursing facility” has the meaning given such term in section 1395i-3(a) of this title.

(k) Utilization review

A utilization review plan of a hospital or skilled nursing facility shall be considered sufficient if it is applicable to services furnished by the institution to individuals entitled to insurance benefits under this subchapter and if it provides—

1. for the review, on a sample or other basis, of admissions to the institution, the duration of stays therein, and the professional services (including drugs and biologicals) furnished, (A) with respect to the medical necessity of the services, and (B) for the purpose of promoting the most efficient use of available health facilities and services;

2. for such review to be made by either (A) a staff committee of the institution composed of two or more physicians (of which at least two must be physicians described in subsection (r)(1) of this section), with or without participation of other professional personnel, or (B) a group outside the institution which is similarly composed and (i) which is established by the local medical society and some or all of the hospitals and skilled nursing facilities in the locality, or (ii) if (and for as long as) there has not been such a group which serves such institution, which is established in such other manner as may be approved by the Secretary;

3. for such review, in each case of inpatient hospital services or extended care services furnished to such an individual during a continuous period of extended duration, as of such days of such period (which may differ for different classes of cases) as may be specified in regulations, with such review to be made as promptly as possible, after each day so specified, and in no event later than one week following such day; and

4. for prompt notification to the institution, the individual, and his attending physician of any finding (made after opportunity for consultation to such attending physician) by the physician members of such committee or group that any further stay in the institution is not medically necessary.

The review committee must be composed as provided in clause (B) of paragraph (2) rather than as provided in clause (A) of such paragraph in the case of any hospital or skilled nursing facility where, because of control by reason of a written agreement, or (in the case of a skilled nursing facility) because of lack of an organized medical staff, or for such other reason or reasons as may be included in regulations, it is impracticable for the institution to have a properly functioning staff committee for the purposes of this subsection. If the Secretary determines that the utilization review procedures established pursuant to subchapter XIX are superior in their effectiveness to the procedures required under this section, he may, to the extent that he deems it appropriate, require for purposes of this subchapter that the procedures established pursuant to subchapter XIX be utilized instead of the procedures required by this section.

(l) Agreements for transfer between skilled nursing facilities and hospitals

A hospital and a skilled nursing facility shall be considered to have a transfer agreement in effect if, by reason of a written agreement between them or (in case the two institutions are under common control) by reason of a written agreement undertaken by the person or body which controls them, there is reasonable assurance that—

1. a transfer of patients will be effected between the hospital and the skilled nursing facility whenever such transfer is medically appropriate as determined by the attending physician; and

2. there will be interchange of medical and other information necessary or useful in the care and treatment of individuals transferred between the institutions, or in determining whether such individuals can be adequately cared for otherwise than in either of such institutions.

Any skilled nursing facility which does not have such an agreement in effect, but which is found by a State agency (of the State in which such facility is situated) with which an agreement under section 1395aa of this title is in effect (or, in the case of a State in which no such agency has an agreement under section 1395aa of this title, by the Secretary) to have attempted in good faith to enter into such an agreement with a hospital sufficiently close to the facility to make feasible the transfer between them of patients and the information referred to in paragraph (2), shall be considered to have such an agreement in effect if, and for so long as, the Secretary, in his discretion, finds that to do so is in the public interest and essential to assuring extended care services for persons in the community who are eligible for
payments with respect to such services under this subchapter.

(m) Home health services

The term "home health services" means the following items and services furnished to an individual, who is under the care of a physician, by a home health agency or by others under arrangements with them made by such agency, under a plan (for furnishing such items and services to such individual) established and periodically reviewed by a physician, which items and services are, except as provided in paragraph (7), provided on a visiting basis in a place of residence used as such individual's home—

(1) part-time or intermittent nursing care provided by or under the supervision of a registered professional nurse;
(2) physical or occupational therapy or speech-language pathology services;
(3) medical social services under the direction of a physician;
(4) to the extent permitted in regulations, part-time or intermittent services of a home health aide who has successfully completed a training program approved by the Secretary;
(5) medical supplies (including catheters, catheter supplies, ostomy bags, and supplies related to ostomy care, and a covered osteoporosis drug (as defined in subsection (kk)), but excluding other drugs and biologicals) and durable medical equipment and applicable disposable devices (as defined in section 1395m(s)(2) of this title) while under such a plan;
(6) in the case of a home health agency which is affiliated or under common control with a hospital, medical services provided by an intern or resident-in-training of such hospital, under a teaching program of such hospital approved as provided in the last sentence of subsection (b); and
(7) any of the foregoing items and services which are provided on an outpatient basis, under arrangements made by the home health agency, at a hospital or skilled nursing facility, or at a rehabilitation center which meets such standards as may be prescribed in regulations, and—

(A) the furnishing of which involves the use of equipment of such a nature that the items and services cannot readily be made available to the individual in such place of residence, or
(B) which are furnished at such facility while he is there to receive any such item or service described in clause (A), but not including transportation of the individual in connection with any such item or service;

excluding, however, any item or service if it would not be included under subsection (b) if furnished to an inpatient of a hospital and home infusion therapy (as defined in subsection (ll)(1)). For purposes of paragraphs (1) and (4), the term "part-time or intermittent services" means skilled nursing and home health aide services furnished any number of days per week as long as they are furnished (combined) less than 8 hours each day and 28 or fewer hours each week (or, subject to review on a case-by-case basis as to the need for care, less than 8 hours each day and 35 or fewer hours per week). For purposes of sections 1395f(a)(2)(C) and 1395m(a)(2)(A) of this title, "intermittent" means skilled nursing care that is either provided or needed on fewer than 7 days each week, or less than 8 hours of each day for periods of 21 days or less (with extensions in exceptional circumstances when the need for additional care is finite and predictable).

(n) Durable medical equipment

The term "durable medical equipment" includes iron lungs, oxygen tents, hospital beds, and wheelchairs (which may include a power-operated vehicle that may be appropriately used as a wheelchair, but only where the use of such a vehicle is determined to be necessary on the basis of the individual's medical and physical condition and the vehicle meets such safety requirements as the Secretary may prescribe) used in the patient's home (including an institution used as his home other than an institution that meets the requirements of subsection (e)(1) of this section or section 1395i–3(a)(1) of this title), whether furnished on a rental basis or purchased, and includes blood-testing strips and blood glucose monitors for individuals with diabetes without regard to whether the individual has Type I or Type II diabetes or to the individual's use of insulin (as determined under standards established by the Secretary in consultation with the appropriate organizations) and eye tracking and gaze interaction accessories for speech generating devices furnished to individuals with a demonstrated medical need for such accessories; except that such term does not include such equipment furnished by a supplier who has used, for the demonstration and use of specific equipment, an individual who has not met such minimum training standards as the Secretary may establish with respect to the demonstration and use of such specific equipment. With respect to a seat-lift chair, such term includes only the seat-lift mechanism and does not include the chair.

(o) Home health agency

The term "home health agency" means a public agency or private organization, or a subdivision of such an agency or organization, which—

(1) is primarily engaged in providing skilled nursing services and other therapeutic services;
(2) has policies, established by a group of professional personnel (associated with the agency or organization), including one or more physicians and one or more registered professional nurses, to govern the services (referred to in paragraph (1)) which it provides, and provides for supervision of such services by a physician or registered professional nurse;
(3) maintains clinical records on all patients;
(4) in the case of an agency or organization in any State in which State or applicable local law provides for the licensing of agencies or organizations of this nature, (A) is licensed pursuant to such law, or (B) is approved, by the agency of such State or locality responsible for licensing agencies or organizations of this nature, as meeting the standards established for such licensing;
§ 1395x  TITLE 42—THE PUBLIC HEALTH AND WELFARE  Page 3178

(5) has in effect an overall plan and budget that meets the requirements of subsection (2); 
(6) meets the conditions of participation specified in section 1395bbb(a) of this title and such other conditions of participation as the Secretary may find necessary in the interest of the health and safety of individuals who are furnished services by such agency or organization; 
(7) provides the Secretary with a surety bond—
(A) in a form specified by the Secretary and in an amount that is not less than the minimum of $50,000; and 
(B) that the Secretary determines is commensurate with the volume of payments to the home health agency; and 
(8) meets such additional requirements (including conditions relating to bonding or establishing of escrow accounts as the Secretary finds necessary for the financial security of the program) as the Secretary finds necessary for the effective and efficient operation of the program; 

except that for purposes of part A such term shall not include any agency or organization which is primarily for the care and treatment of mental diseases. The Secretary may waive the requirement of a surety bond under paragraph (7) in the case of an agency or organization that provides a comparable surety bond under State law.

(p) Outpatient physical therapy services

The term "outpatient physical therapy services" means physical therapy services furnished by a provider of services, a clinic, rehabilitation agency, or a public health agency, or by others under an arrangement with, and under the supervision of, such provider, clinic, rehabilitation agency, or public health agency to an individual as an outpatient—

(1) who is under the care of a physician (as defined in paragraph (1), (3), or (4) of subsection (r)), and 
(2) with respect to whom a plan prescribing the type, amount, and duration of physical therapy services that are to be furnished such individual has been established by a physician (as so defined) or by a qualified physical therapist and is periodically reviewed by a physician (as so defined); 

excluding, however—

(3) any item or service if it would not be included under subsection (b) if furnished to an inpatient of a hospital; and 
(4) any such service—

(A) if furnished by a clinic or rehabilitation agency, or by others under arrangements with such clinic or agency, unless such clinic or rehabilitation agency—

(i) provides an adequate program of physical therapy services for outpatients and has the facilities and personnel required for such program or required for the supervision of such a program, in accordance with such requirements as the Secretary may specify, 
(ii) has policies, established by a group of professional personnel, including one or more physicians (associated with the clinic or rehabilitation agency) and one or more qualified physical therapists, to govern the services (referred to in clause (i)) it provides, 
(iii) maintains clinical records on all patients, 
(iv) if such clinic or agency is situated in a State in which State or applicable local law provides for the licensing of institutions of this nature, (I) is licensed pursuant to such law, or (II) is approved by the agency of such State or locality responsible for licensing institutions of this nature, as meeting the standards established for such licensing; and 
(v) meets such other conditions relating to the health and safety of individuals who are furnished services by such clinic or agency on an outpatient basis, as the Secretary may find necessary, and provides the Secretary on a continuing basis with a surety bond in a form specified by the Secretary and in an amount that is not less than $50,000, or 

(B) if furnished by a public health agency, unless such agency meets such other conditions relating to health and safety of individuals who are furnished services by such agency on an outpatient basis, as the Secretary may find necessary. 

The term "outpatient physical therapy services" also includes physical therapy services furnished an individual by a physical therapist (in his office or in such individual's home) who meets licensing and other standards prescribed by the Secretary in regulations, otherwise than under an arrangement with and under the supervision of a provider of services, clinic, rehabilitation agency, or public health agency, if the furnishing of such services meets such conditions relating to health and safety as the Secretary may find necessary. In addition, such term includes physical therapy services which meet the requirements of the first sentence of this subsection except that they are furnished to an individual as an inpatient of a hospital or an extended care facility. Nothing in this subsection shall be construed as requiring, with respect to outpatients who are not entitled to benefits under this subchapter, a physical therapist to provide outpatient physical therapy services only to outpatients who are under the care of a physician or pursuant to a plan of care established by a physician. The Secretary may waive the requirement of a surety bond under paragraph (4)(A)(v) in the case of a clinic or agency that provides a comparable surety bond under State law.

(q) Physicians' services

The term "physicians' services" means professional services performed by physicians, including surgery, consultation, and home, office, and institutional calls (but not including services described in subsection (b)(6)).

(r) Physician

The term "physician", when used in connection with the performance of any function or action, means (1) a doctor of medicine or osteop-
(a) A legally authorized to practice medicine and surgery by the State in which he performs such functions or action (including a physician within the meaning of section 1391(a)(7) of this title) (2) a doctor of dental surgery or of dental medicine who is also authorized to practice dentistry by the State in which he performs such functions and who is acting within the scope of his license when he performs such functions, (3) a doctor of podiatric medicine for the purposes of subsections (k), (m), (p)(1), and (s) of this section and sections 1395f(a), 1395k(a)(2)(F)(ii), and 1395n of this title but only with respect to functions which he is legally authorized to perform as such by the State in which he performs them, (4) a doctor of optometry, but only for purposes of subsection (p)(1) and with respect to the provision of items or services described in subsection (s) which he is legally authorized to perform as a doctor of optometry by the State in which he performs them, or (5) a chiropractor who is licensed as such by the State in which he performs such functions, (4) a doctor of podiatric medicine for the purposes of subsection (k), (m), (p)(1), and (s) of this section and sections 1395f(a), 1395k(a)(2)(F)(ii), and 1395n of this title but only with respect to functions which he is legally authorized to perform as such by the State in which he performs them, (4) a doctor of optometry, but only for purposes of subsection (p)(1) and with respect to the provision of items or services described in subsection (s) which he is legally authorized to perform as a doctor of optometry by the State in which he performs them, or (5) a chiropractor who is licensed as such by the State (or in a State which does not license chiropractors as such, is legally authorized to perform the services of a chiropractor in the jurisdiction in which he performs such services), and who meets uniform minimum standards promulgated by the Secretary, but only for the purpose of subsections (s)(1) and (s)(2)(A) and only with respect to treatment by means of manual manipulation of the spine (to correct a subluxation) which he is legally authorized to perform by the State or jurisdiction in which such treatment is provided. For the purposes of section 1395y(a)(4) of this title and subject to the conditions and limitations provided in the previous sentence, such term includes a doctor of one of the arts, specified in such previous sentence, legally authorized to practice such art in the country in which the inpatient hospital services (referred to in such section 1395y(a)(4) of this title) are furnished.

(s) Medical and other health services

The term “medical and other health services” means any of the following items or services:

(1) physicians’ services;

(2)(A) services and supplies (including drugs and biologicals which are not usually self-administered by the patient) furnished as an incident to a physician’s professional service, of kinds which are commonly furnished in physicians’ offices and are commonly either rendered without charge or included in the physicians’ bills (or would have been so included but for the application of section 1395w–30 of this title);

(B) hospital services (including drugs and biologicals which are not usually self-administered by the patient) incident to physicians’ services rendered to outpatients and partial hospitalization services incident to such services;

(C) diagnostic services which are—

(i) furnished to an individual as an outpatient by a hospital or by others under arrangements with them made by a hospital, and

(ii) ordinarily furnished by such hospital (or by others under such arrangements) to its outpatients for the purpose of diagnostic study;

(D) outpatient physical therapy services, outpatient speech-language pathology services, and outpatient occupational therapy services;

(E) rural health clinic services and Federally qualified health center services;

(F) home dialysis supplies and equipment, self-care home dialysis support services, and institutional dialysis services and supplies, and, for items and services furnished on or after January 1, 2011, renal dialysis services (as defined in section 1395rr(b)(14)(B) of this title), including such renal dialysis services furnished on or after January 1, 2017, by a renal dialysis facility or provider of services paid under section 1395rr(b)(14) of this title to an individual with acute kidney injury (as defined in section 1395rr(m)(2) of this title);

(G) antigens (subject to quantity limitations prescribed in regulations by the Secretary) prepared by a physician, as defined in subsection (r)(1), for a particular patient, including antigens so prepared which are forwarded to another qualified person (including a rural health clinic) for administration to such patient, from time to time, by or under the supervision of another such physician;

(H)(i) services furnished pursuant to a contract under section 1395mm of this title to a member of an eligible organization by a physician assistant or by a nurse practitioner (as defined in subsection (aa)(5)) and such services and supplies furnished as an incident to his service to such a member as would otherwise be covered under this part if furnished by a physician or as an incident to a physician’s service; and

(ii) services furnished pursuant to a risk-sharing contract under section 1395mm(g) of this title to a member of an eligible organization by a clinical psychologist (as defined by the Secretary) or by a clinical social worker (as defined in subsection (hh)(2)), and such services and supplies furnished as an incident to such clinical psychologist’s services or clinical social worker’s services to such a member as would otherwise be covered under this part if furnished by a physician or as an incident to a physician’s service;

(I) blood clotting factors, for hemophilia patients competent to use such factors to control bleeding without medical or other supervision, and items related to the administration of such factors, subject to utilization controls deemed necessary by the Secretary for the efficient use of such factors;

(J) prescription drugs used in immuno-suppressive therapy furnished, to an individual who receives an organ transplant for which payment is made under this subchapter;

(K)(i) services which would be physicians’ services and services described in subsections (ww)(1) and (hh) if furnished by a physician (as defined in subsection (r)(1)) and which are performed by a physician assistant (as defined in subsection (aa)(5)) under the supervision of a physician (as so defined) and which the physician assistant is legally authorized to perform by the State in which the services are performed, and such services and supplies furnished as incident to such services as would be
covered under subparagraph (A) if furnished incident to a physician's professional service, but only if no facility or other provider charges or is paid any amounts with respect to the furnishing of such services.

(ii) Services which would be physicians' services and services described in subsections (ww)(1) and (hhh) if furnished by a physician (as defined in subsection (r)(1)) and which are performed by a nurse practitioner or clinical nurse specialist (as defined in subsection (aa)(5)) working in collaboration (as defined in subsection (r)(1)) with a physician (as defined in subsection (r)(1)) which the nurse practitioner or clinical nurse specialist is legally authorized to perform by the State in which the services are performed, and such services and supplies furnished as an incident to such services as would be covered under subparagraph (A) if furnished incident to a physician's professional service, but only if no facility or other provider charges or is paid any amounts with respect to the furnishing of such services;

(2) Services which would be physicians' services and services described in subsections (ww)(1) and (hhh) if furnished by a physician (as defined in subsection (r)(1)) and which are performed by a nurse practitioner or clinical nurse specialist (as defined in subsection (aa)(5)) working in collaboration (as defined in subsection (r)(1)) with a physician (as defined in subsection (r)(1)) which the nurse practitioner or clinical nurse specialist is legally authorized to perform by the State in which the services are performed, and such services and supplies furnished as an incident to such services as would be covered under subparagraph (A) if furnished incident to a physician's professional service, but only if no facility or other provider charges or is paid any amounts with respect to the furnishing of such services;

(A) if furnished incident to a physician's professional service, but only if no facility or other provider charges or is paid any amounts with respect to the furnishing of such services;

(B) certified nurse-midwife services;

(C) qualified psychologist services;

(D) clinical social worker services (as defined in subsection (hh)(2));

(E) erythropoietin for dialysis patients competent to use such drug without medical or other supervision with respect to the administration of such drug, subject to methods and standards established by the Secretary by regulation for the safe and effective use of such drug, and items related to the administration of such drug;

(F) prostate cancer screening tests (as defined in subsection (oo));

(G) an oral drug (which is approved by the Federal Food and Drug Administration) prescribed for use as an anticancer chemotherapeutic agent for a given indication, and containing an active ingredient (or ingredients), which is the same indication and active ingredient (or ingredients) as a drug which the carrier determines would be covered pursuant to subparagraph (A) or (B) if the drug could not be self-administered;

(H) colorectal cancer screening tests (as defined in subsection (pp));

(S) diabetes outpatient self-management training services (as defined in subsection (qq));

(T) an oral drug (which is approved by the Federal Food and Drug Administration) prescribed for use as an acute anti-emetic used as part of an anticancer chemotherapeutic regimen if the drug is administered by a physician (or as prescribed by a physician)—

(i) for use immediately before, at, or within 48 hours after the time of the administration of the anticancer chemotherapeutic agent; and

(ii) as a full replacement for the anti-emetic therapy which would otherwise be administered intravenously;

(U) screening for glaucoma (as defined in subsection (uu)) for individuals determined to be at high risk for glaucoma, individuals with a family history of glaucoma and individuals with diabetes;

(V) medical nutrition therapy services (as defined in subsection (vv)(1)) in the case of a beneficiary with diabetes or a renal disease who—

(i) has not received diabetes outpatient self-management training services within a time period determined by the Secretary;

(ii) is not receiving maintenance dialysis for which payment is made under section 1395rr of this title; and

(iii) meets such other criteria determined by the Secretary after consideration of protocols established by dietary or nutrition professional organizations;

(W) an initial preventive physical examination (as defined in subsection (ww));

(X) cardiovascular screening blood tests (as defined in subsection (xx)(1));

(Y) diabetes screening tests (as defined in subsection (yy));

(Z) intravenous immune globulin for the treatment of primary immune deficiency diseases in the home (as defined in subsection (zz));

(AA) ultrasound screening for abdominal aortic aneurysm (as defined in subsection (bbb)) for an individual—

(i) who receives a referral for such an ultrasound screening as a result of an initial preventive physical examination (as defined in subsection (ww)(1));

(ii) who has not been previously furnished such an ultrasound screening under this subchapter; and

(iii) who—

(I) has a family history of abdominal aortic aneurysm; or

(II) manifests risk factors included in a beneficiary category recommended for screening by the United States Preventive Services Task Force regarding abdominal aortic aneurysms;

(BB) additional preventive services (described in subsection (ddd)(1));

(CC) items and services furnished under a cardiac rehabilitation program (as defined in subsection (eee)(1)) or under a pulmonary rehabilitation program (as defined in subsection (fff)(1));

(DD) items and services furnished under an intensive cardiac rehabilitation program (as defined in subsection (eee)(4));

(EE) kidney disease education services (as defined in subsection (ggg));

(FF) personalized prevention plan services (as defined in subsection (hhh));

(GG) home infusion therapy (as defined in subsection (iii)(1)); and

(HH) opioid use disorder treatment services (as defined in subsection (jjj));

(3) diagnostic X-ray tests (including tests under the supervision of a physician, furnished in a place of residence used as the patient's home, if the performance of such tests meets such conditions relating to health and safety as the Secretary may find necessary and including diagnostic mammography if conducted by a facility that has a certificate (or provi-
sional certificate) issued under section 354 of the Public Health Service Act [42 U.S.C. 263b], diagnostic laboratory tests, and other diagnostic tests;
(4) X-ray, radium, and radioactive isotope therapy, including materials and services of technicians;
(5) surgical dressings, and splints, casts, and other devices used for reduction of fractures and dislocations;
(6) durable medical equipment;
(7) ambulance service where the use of other methods of transportation is contraindicated by the individual’s condition, but, subject to section 1395m(l)(14) of this title, only to the extent provided in regulations;
(8) prosthetic devices (other than dental) which replace all or part of an internal body organ (including colostomy bags and supplies directly related to colostomy care), including replacement of such devices, and including one pair of conventional eyeglasses or contact lenses furnished subsequent to each cataract surgery with insertion of an intraocular lens;
(9) leg, arm, back, and neck braces, and artificial legs, arms, and eyes, including replacements if required because of a change in the patient’s physical condition;
(10) (A) pneumococcal vaccine and its administration (as determined by the Secretary), and influenza vaccine and its administration; and (B) hepatitis B vaccine and its administration, furnished to an individual who is at high or intermediate risk of contracting hepatitis B (as determined by the Secretary under regulations);
(11) services of a certified registered nurse anesthetist (as defined in subsection (bb));
(12) subject to section 4072(e) of the Omnibus Budget Reconciliation Act of 1987, extra-depth shoes with inserts or custom molded shoes with inserts for an individual with diabetes, if—
(A) the physician who is managing the individual’s diabetic condition (i) documents that the individual has peripheral neuropathy with evidence of callus formation, a history of previous ulceration, foot deformity, or previous amputation, or poor circulation, and (ii) certifies that the individual needs such shoes under a comprehensive plan of care related to the individual’s diabetic condition;
(B) the particular type of shoes is prescribed by a podiatrist or other qualified physician (as established by the Secretary); and
(C) the shoes are fitted and furnished by a podiatrist or other qualified individual (such as a pedorthist or orthotist, as established by the Secretary) who is not the physician described in subparagraph (A) (unless the Secretary finds that the physician is the only such qualified individual in the area);
(13) screening mammography (as defined in subsection (jj));
(14) screening pap smear and screening pelvic exam; and
(15) bone mass measurement (as defined in subsection (rr)).

No diagnostic tests performed in any laboratory, including a laboratory that is part of a rural health clinic, or a hospital (which, for purposes of this sentence, means an institution considered a hospital for purposes of section 1395f(d) of this title) shall be included within paragraph (3) unless such laboratory—
(16) if situated in any State in which State or applicable local law provides for licensing of establishments of this nature, (A) is licensed pursuant to such law, or (B) is approved, by the agency of such State or locality responsible for licensing establishments of this nature, as meeting the standards established for such licensing; and
(17) (A) meets the certification requirements under section 353 of the Public Health Service Act [42 U.S.C. 263a]; and
(B) meets such other conditions relating to the health and safety of individuals with respect to whom such tests are performed as the Secretary may find necessary.

There shall be excluded from the diagnostic services specified in paragraph (2)(C) any item or service (except services referred to in paragraph (1)) which would not be included under subsection (b) if it were furnished to an inpatient of a hospital. None of the items and services referred to in the preceding paragraphs (other than paragraphs (1) and (2)(A)) of this subsection which are furnished to a patient of an institution which meets the definition of a hospital for purposes of section 1395f(d) of this title shall be included unless such other conditions are met as the Secretary may find necessary relating to health and safety of individuals with respect to whom such items and services are furnished.

(t) Drugs and biologicals

(1) The term “drugs” and the term “biologicals”, except for purposes of subsection (m)(5) of this section and paragraph (2), include only such drugs (including contrast agents) and biologicals, respectively, as are included (or approved for inclusion) in the United States Pharmacopoeia, the National Formulary, or the United States Homeopathic Pharmacopoeia, or in New Drugs or Accepted Dental Remedies (except for any drugs and biologicals unfavorably evaluated therein), or as are approved by the pharmacy and drug therapeutics committee (or equivalent committee) of the medical staff of the hospital furnishing such drugs and biologicals for use in such hospital.

(2)(A) For purposes of paragraph (1), the term “drugs” also includes any drugs or biologicals used in an anticancer chemotherapeutic regimen for a medically accepted indication (as described in subparagraph (B)).

(B) In subparagraph (A), the term “medically accepted indication”, with respect to the use of a drug, includes any use which has been approved by the Food and Drug Administration for the drug, and includes another use of the drug if—
(i) the drug has been approved by the Food and Drug Administration; and
(ii)(I) such use is supported by one or more citations which are included (or approved for inclusion) in one or more of the following compendia: the American Hospital Formulary...
Service-Drug Information, the American Medical Association Drug Evaluations, the United States Pharmacopeia-Drug Information (or its successor publications), and other authoritative compendia as identified by the Secretary, unless the Secretary has determined that the use is not medically appropriate or the use is identified as not indicated in one or more such compendia, or

(II) the carrier involved determines, based upon guidance provided by the Secretary to carriers for determining accepted uses of drugs, that such use is medically accepted based on supportive clinical evidence in peer reviewed medical literature appearing in publications which have been identified for purposes of this subclause by the Secretary.

The Secretary may revise the list of compendia in clause (ii)(I) as is appropriate for identifying paragraphs unless the compendia has

§ 1395x

(u) Provider of services

The term “provider of services” means a hospital, critical access hospital, skilled nursing facility, comprehensive outpatient rehabilitation facility, home health agency, hospice program, or, for purposes of section 1395n(e) of this title, a fund.

(v) Reasonable costs

(1)(A) The reasonable cost of any services shall be the cost actually incurred, excluding therefrom any part of incurred cost found to be unnecessary in the efficient delivery of needed health services, and shall be determined in accordance with regulations establishing the method or methods to be used, and the items to be included, in determining such costs for various types or classes of institutions, agencies, and services; except that in any case to which paragraph (2) or (3) applies, the amount of the payment determined under such paragraph with respect to the services involved shall be considered the reasonable cost of such services. In prescribing the regulations referred to in the preceding sentence, the Secretary shall consider, among other things, the principles generally applied by national organizations or established prepayment organizations (which have developed such principles) in computing the amount of payment, to be made by persons other than the recipients of services, to providers of services on account of services furnished to such recipients by such providers. Such regulations may provide for determination of the costs of services on a per diem, per unit, per capita, or other basis, may provide for using different methods in different circumstances, may provide for the use of estimates of costs of particular items or services, may provide for the establishment of limits on the direct or indirect over-all incurred costs or incurred costs of specific items or services or groups of items or services to be recognized as reasonable based on esti-

mates of the costs necessary in the efficient delivery of needed health services to individuals covered by the insurance programs established under this subchapter, and may provide for the use of charges or a percentage of charges where this method reasonably reflects the cost. Such regulations shall (i) take into account both direct and indirect costs of providers of services (excluding therefrom any such costs, including standby costs, which are determined in accordance with regulations to be unnecessary in the efficient delivery of services covered by the insurance programs established under this subchapter) in order that, under the methods of determining costs, the necessary costs of efficiently delivering covered services to individuals covered by the insurance programs established by this subchapter will not be borne by individuals not so covered, and the costs with respect to individuals not so covered will not be borne by such insurance programs, and (ii) provide for the making of suitable retroactive corrective adjustments where, for a provider of services for any fiscal period, the aggregate reimbursement produced by the methods of determining costs proves to be either inadequate or excessive.

(B) In the case of extended care services, the regulations under subparagraph (A) shall not include provision for specific recognition of a return on equity capital.

(C) Where a hospital has an arrangement with a medical school under which the faculty of such school provides services at such hospital, an amount not in excess of the reasonable cost of such services to the medical school shall be included in determining the reasonable cost to the hospital of furnishing services—

(i) for which payment may be made under part A, but only if—

(I) payment for such services as furnished under such arrangement would be made under part A to the hospital had such services been furnished by the hospital, and

(II) such hospital pays to the medical school at least the reasonable cost of such services to the medical school, or

(ii) for which payment may be made under part B, but only if such hospital pays to the medical school at least the reasonable cost of such services to the medical school.

(D) Where (i) physicians furnish services which are either inpatient hospital services (including services in conjunction with the teaching programs of such hospital) by reason of paragraph (7) of subsection (b) or for which entitlement exists by reason of clause (II) of section 1395k(a)(2)(B)(i) of this title, and (ii) such hospital (or medical school under arrangement with such hospital) incurs no actual cost in the furnishing of such services, the reasonable cost of such services shall (under regulations of the Secretary) be deemed to be the cost such hospital or medical school would have incurred had it paid a salary to such physicians rendering such services approximately equivalent to the average salary paid to all physicians employed by such hospital (or if such employment does not exist, or is minimal in such hospital, by similar hospitals in a geographic area of suffi-
cient size to assure reasonable inclusion of sufficient physicians in development of such average salary.

(E) Such regulations may, in the case of skilled nursing facilities in any State, provide for the use of rates, developed by the State in which such facilities are located, for the payment of the cost of skilled nursing facility services furnished under the State's plan approved under subchapter XIX (and such rates may be increased by the Secretary on a class or size of institution or on a geographical basis by a percentage factor not in excess of 10 percent to take into account determinable items or services or other requirements under this subchapter not otherwise included in the computation of such State rates), if the Secretary finds that such rates are reasonably related to (but not necessarily limited to) analyses undertaken by such State of costs of care in comparable facilities in such State. Notwithstanding the previous sentence, such regulations with respect to skilled nursing facilities shall take into account (in a manner consistent with subparagraph (A) and based on patient-days of services furnished) the costs (including the costs of services required to attain or maintain the highest practicable physical, mental, and psychosocial well-being of each resident eligible for benefits under this subchapter) of such facilities complying with the requirements of subsections (b), (c), and (d) of section 1395i-3 of this title (including the costs of conducting nurse aide training and competency evaluation programs and competency evaluation programs).

(F) Such regulations shall require each provider of services (other than a fund) to make reports to the Secretary of information described in section 1320a(a) of this title in accordance with the uniform reporting system (established under such section) for that type of provider.

(G)(i) In any case in which a hospital provides inpatient services to an individual that would constitute post-hospital extended care services if provided by a skilled nursing facility and a quality improvement organization (or, in the absence of such a qualified organization, the Secretary or such agent as the Secretary may designate) determines that inpatient hospital services for the individual are not medically necessary but post-hospital extended care services for the individual are medically necessary and such extended care services are not otherwise available to the individual (as determined in accordance with criteria established by the Secretary) at the time of such determination, payment for such services provided to the individual shall continue to be made under this subchapter at the payment rate described in clause (ii) during the period in which—

(I) such post-hospital extended care services for the individual are medically necessary and not otherwise available to the individual (as so determined).

(II) inpatient hospital services for the individual are not medically necessary, and

(III) the individual is entitled to have payment made for post-hospital extended care services under this subchapter.

except that if the Secretary determines that there is not an excess of hospital beds in such hospital and (subject to clause (iv)) there is not an excess of hospital beds in the area of such hospital, such payment shall be made (during such period) on the basis of the amount otherwise payable under part A with respect to inpatient hospital services.

(ii)(I) Except as provided in subclause (II), the payment rate referred to in clause (i) is a rate equal to the estimated adjusted State-wide average rate per patient-day paid for services provided in skilled nursing facilities under the State plan approved under subchapter XIX for the State in which such hospital is located, or, if the State in which the hospital is located does not have a State plan approved under subchapter XIX, the estimated adjusted State-wide average allowable costs per patient-day for extended care services under this subchapter in that State.

(II) If a hospital has a unit which is a skilled nursing facility, the payment rate referred to in clause (i) for the hospital is a rate equal to the lesser of the rate described in subclause (I) or the allowable costs in effect under this subchapter for extended care services provided to patients of such unit.

(iii) Any day on which an individual receives inpatient services for which payment is made under this subparagraph shall, for purposes of this chapter (other than this subparagraph), be deemed to be a day on which the individual received inpatient hospital services.

(iv) In determining under clause (i), in the case of a public hospital, whether or not there is an excess of hospital beds in the area of such hospital, such determination shall be made on the basis of only the public hospitals (including the hospital) which are in the area of the hospital and which are under common ownership with that hospital.

(H) In determining such reasonable cost with respect to home health agencies, the Secretary may not include—

(i) any costs incurred in connection with bonding or establishing an escrow account by any such agency as a result of the surety bond requirement described in subsection (o)(7) and the financial security requirement described in subsection (o)(8); and

(ii) in the case of home health agencies to which the surety bond requirement described in subsection (o)(7) and the financial security requirement described in subsection (o)(8) apply, any costs attributed to interest charged on amounts borrowed by the agency to repay overpayments made under this subchapter to the agency, except that such costs may be included in reasonable cost if the Secretary determines that the agency was acting in good faith in borrowing the amounts; and

(iii) in the case of contracts entered into by a home health agency after December 5, 1980, for the purpose of having services furnished for or on behalf of such agency, any cost incurred by such agency pursuant to any such contract which is entered into for a period exceeding five years; and

(iv) in the case of contracts entered into by a home health agency before December 5, 1980, for the purpose of having services furnished...
for or on behalf of such agency, any cost incurred by such agency pursuant to any such contract, which determines the amount payable by the home health agency on the basis of a percentage of the agency’s reimbursement or claims for reimbursement for services furnished by the agency, to the extent that such cost exceeds the reasonable value of the services furnished on behalf of such agency.

(I) In determining such reasonable cost, the Secretary may not include any costs incurred by a provider with respect to any services furnished in connection with matters for which payment may be made under this subchapter and furnished pursuant to a contract between the provider and any of its subcontractors which is entered into after December 5, 1980, and the value or cost of which is $10,000 or more over a twelve-month period unless the contract contains a clause to the effect that—

(i) until the expiration of four years after the furnishing of such services pursuant to such contract, the subcontractor shall make available, upon written request by the Secretary, or upon request by the Comptroller General, any of their duly authorized representatives, the contract, and books, documents and records of such subcontractor that are necessary to certify the nature and extent of such costs, and

(ii) if the subcontractor carries out any of the duties of the contract through a subcontract, with a value or cost of $10,000 or more over a twelve-month period, with a related organization, such subcontract shall contain a clause to the effect that until the expiration of four years after the furnishing of such services pursuant to such subcontract, the related organization shall make available, upon written request by the Secretary, or upon request by the Comptroller General, any of their duly authorized representatives, the subcontract, and books, documents and records of such subcontractor that are necessary to verify the nature and extent of such costs.

The Secretary shall prescribe in regulation criteria and procedures which the Secretary shall use in obtaining access to books, documents, and records under clauses required in contracts and subcontracts under this subparagraph.

(J) Such regulations may not provide for any inpatient routine salary cost differential as a reimbursable cost for hospitals and skilled nursing facilities.

(K)(i) The Secretary shall issue regulations that provide, to the extent feasible, for the establishment of limitations on the amount of any costs or charges that shall be considered reasonable with respect to services provided on an outpatient basis by hospitals (other than bona fide emergency services as defined in clause (ii)) or clinics (other than rural health clinics), which are reimbursed on a cost basis or on the basis of cost-related charges, and by physicians utilizing such outpatient facilities. Such limitations shall be reasonably related to the charges in the same area for similar services provided in physicians’ offices. Such regulations shall provide for exceptions to such limitations in cases where similar services are not generally available in physicians’ offices in the area to individuals entitled to benefits under this subchapter.

(ii) For purposes of clause (i), the term “bona fide emergency services” means services provided in a hospital emergency room after the sudden onset of a medical condition manifesting itself by acute symptoms of sufficient severity (including severe pain) such that the absence of immediate medical attention could reasonably be expected to result in—

(I) placing the patient’s health in serious jeopardy;

(II) serious impairment to bodily functions; or

(III) serious dysfunction of any bodily organ or part.

(L)(i) The Secretary, in determining the amount of the payments that may be made under this subchapter with respect to services furnished by home health agencies, may not recognize as reasonable (in the efficient delivery of such services) costs for the provision of such services by an agency to the extent these costs exceed (on the aggregate for the agency) for cost reporting periods beginning on or after—

(I) July 1, 1985, and before July 1, 1986, 120 percent of the mean of the labor-related and nonlabor per visit costs for freestanding home health agencies,

(II) July 1, 1986, and before July 1, 1987, 115 percent of such mean,

(III) July 1, 1987, and before October 1, 1997, 112 percent of such mean,

(IV) October 1, 1997, and before October 1, 1998, 105 percent of the median of the labor-related and nonlabor per visit costs for freestanding home health agencies, or

(V) October 1, 1998, 106 percent of such median.

(ii) Effective for cost reporting periods beginning on or after July 1, 1986, such limitations shall be applied on an aggregate basis for the agency, rather than on a discipline specific basis. The Secretary may provide for such exemptions and exceptions to such limitation as he deems appropriate.

(iii) Not later than July 1, 1991, and annually thereafter (but not for cost reporting periods beginning on or after July 1, 1994, and before July 1, 1996, or on or after July 1, 1997, and before October 1, 1997), the Secretary shall establish limits under this subparagraph for cost reporting periods beginning on or after such date by utilizing the area wage index applicable under section 1395ww(d)(3)(E) of this title and determined using the survey of the most recent available wages and wage-related costs of hospitals located in the geographic area in which the home health service is furnished (determined without regard to whether such hospitals have been reclassified to a new geographic area pursuant to section 1395ww(d)(8)(B) of this title, a decision of the Medicare Geographic Classification Review Board under section 1395ww(d)(10) of this title, or a decision of the Secretary).

(iv) In establishing limits under this subparagraph for cost reporting periods beginning after

---

5So in original. Probably should be “regulations”.

---
September 30, 1997, the Secretary shall not take into account any changes in the home health market basket, as determined by the Secretary, with respect to cost reporting periods which began on or after July 1, 1994, and before July 1, 1996.

(v) For services furnished by home health agencies for cost reporting periods beginning on or after October 1, 1997, subject to clause (viii)(I), the Secretary shall provide for an interim system of limits. Payment shall not exceed the costs determined under the preceding provisions of this subparagraph or, if lower, the product of—

(I) an agency-specific per beneficiary annual limitation calculated based 75 percent on 98 percent of the reasonable costs (including non-routine medical supplies) for the agency’s 12-month cost reporting period ending during fiscal year 1994, and based 25 percent on 98 percent of the standardized regional average of such costs for the agency’s census division, as applied to such agency, for cost reporting periods ending during fiscal year 1994, such costs updated by the home health market basket index; and

(II) the agency’s unduplicated census count of patients (entitled to benefits under this subchapter) for the cost reporting period subject to the limitation.

(vi) For services furnished by home health agencies for cost reporting periods beginning on or after October 1, 1997, the following rules apply:

(I) For new providers and those providers without a 12-month cost reporting period ending in fiscal year 1994 subject to clauses (viii)(II) and (viii)(III), the per beneficiary limitation shall be equal to the median of these limits (or the Secretary’s best estimates thereof) applied to other home health agencies as determined by the Secretary. A home health agency that has altered its corporate structure or name shall not be considered a new provider for this purpose.

(II) For beneficiaries who use services furnished by more than one home health agency, the per beneficiary limitations shall be prorated among the agencies.

(vii)(I) Not later than January 1, 1998, the Secretary shall establish per visit limits applicable for fiscal year 1998, and not later than April 1, 1998, the Secretary shall establish per beneficiary limits under clause (v)(I) for fiscal year 1998.

(II) Not later than August 1 of each year (beginning in 1998) the Secretary shall establish the limits applicable under this subparagraph for services furnished during the fiscal year beginning October 1 of the year.

(viii)(I) In the case of a provider with a 12-month cost reporting period ending in fiscal year 1994, if the limit imposed under clause (v) (determined without regard to this subclause) for a cost reporting period beginning during or after fiscal year 1999 is less than the median described in clause (vi)(I) (but determined as if any reference in clause (v) to “98 percent” were a reference to “100 percent”), the limit otherwise imposed under clause (v) for such provider and period shall be increased by 2 percent.

(II) Subject to subclause (IV), for new providers and those providers without a 12-month cost reporting period ending in fiscal year 1994, but for which the first cost reporting period begins before fiscal year 1999, for cost reporting periods beginning during or after fiscal year 1999, the per beneficiary limitation described in clause (vi)(I) shall be equal to the median described in such clause (determined as if any reference in clause (v) to “98 percent” were a reference to “100 percent”).

(III) Subject to subclause (IV), in the case of a new provider for which the first cost reporting period begins during or after fiscal year 1999, the limitation applied under clause (vi)(I) (but only with respect to such provider) shall be equal to 75 percent of the median described in clause (vii)(I).

(IV) In the case of a new provider or a provider without a 12-month cost reporting period ending in fiscal year 1994, subclause (II) shall apply, instead of subclause (III), to a home health agency which filed an application for home health agency provider status under this subchapter before September 15, 1998, or which was approved as a branch of its parent agency before such date and becomes a subunit of the parent agency or a separate agency on or after such date.

(V) Each of the amounts specified in subclauses (I) through (III) are such amounts as adjusted under clause (iii) to reflect variations in wages among different areas.

(ix) Notwithstanding the per beneficiary limit under clause (viii), if the limit imposed under clause (v) (determined without regard to this clause) for a cost reporting period beginning during or after fiscal year 2000 is less than the median described in clause (vi)(I) (but determined as if any reference in clause (v) to “98 percent” were a reference to “100 percent”), the limit otherwise imposed under clause (v) for such provider and period shall be increased by 2 percent.

(x) Notwithstanding any other provision of this subparagraph, in updating any limit under this subparagraph by a home health market basket index for cost reporting periods beginning during each of fiscal years 2000, 2002, and 2003, the update otherwise provided shall be reduced by 1.1 percentage points. With respect to cost reporting periods beginning during fiscal year 2001, the update to any limit under this subparagraph shall be the home health market basket index.

(M) Such regulations shall provide that costs respecting care provided by a provider of services, pursuant to an assurance under title VI or XVI of the Public Health Service Act [42 U.S.C. 291 et seq., 300q et seq.] that the provider will make available a reasonable volume of services to persons unable to pay therefor, shall not be allowable as reasonable costs.

(N) In determining such reasonable costs, costs incurred for activities directly related to influencing employees respecting unionization may not be included.

(O)(i) In establishing an appropriate allowance for depreciation and for interest on capital indebtedness with respect to an asset of a provider of services which has undergone a change of ownership, such regulations shall provide, ex-
cept as provided in clause (iii), that the valuation of the asset after such change of ownership shall be the historical cost of the asset, as recognized under this subchapter, less depreciation allowed, to the owner of record as of August 5, 1997, in the case of an asset not in existence as of August 5, 1997, the first owner of record of the asset after August 5, 1997.

(ii) Such regulations shall not recognize, as reasonable in the provision of health care services, costs (including legal fees, accounting and administrative costs, travel costs, and the costs of feasibility studies) attributable to the negotiation or settlement of the sale or purchase of any capital asset (by acquisition or merger) for which any payment has previously been made under this subchapter.

(iii) In the case of the transfer of a hospital from ownership by a State to ownership by a nonprofit corporation without monetary consideration, the basis for capital allowances to the new owner shall be the book value of the hospital to the State at the time of the transfer.

(Q) Except as otherwise explicitly authorized, the Secretary is not authorized to limit the rate of increase on allowable costs of approved medical educational activities.

(R) In determining such reasonable cost, costs incurred by a provider of services representing a beneficiary in an unsuccessful appeal of a determination described in section 1395f(b) of this title shall not be allowable as reasonable costs.

(S)(i) Such regulations shall not include provision for specific recognition of any return on equity capital with respect to hospital outpatient departments.

(ii) Such regulations shall provide that, in determining the amount of the payments that may be made under this subchapter with respect to all the capital-related costs of outpatient hospital services, the Secretary shall reduce the amounts of such payments otherwise established under this subchapter by 15 percent for payments attributable to portions of cost reporting periods occurring during fiscal year 1990, by 15 percent for payments attributable to portions of cost reporting periods occurring during fiscal year 1991, and by 10 percent for payments attributable to portions of cost reporting periods occurring during fiscal years 1992 through 1999, and until the first date that the prospective payment system under section 1395(t) of this title is implemented.

(IV) In applying subclauses (I) and (II) to services for which payment is made on the basis of a blend amount under section 1395(l)(3)(A)(i) or 1395(n)(1)(A)(ii) of this title, the costs reflected in the amounts described in sections 1395(l)(3)(B)(i)(I) and 1395(n)(1)(B)(i)(I) of this title, respectively, shall be reduced in accordance with each such subclause.

(T) In determining such reasonable costs for hospitals, no reduction in copayments under section 1395(t)(8)(B) of this title shall be treated as a bad debt and the amount of bad debts otherwise treated as allowable costs which are attributable to the deductibles and coinsurance amounts under this subchapter shall be reduced—

(i) for cost reporting periods beginning during fiscal year 1998, by 25 percent of such amount otherwise allowable,

(ii) for cost reporting periods beginning during fiscal year 1999, by 40 percent of such amount otherwise allowable,

(iii) for cost reporting periods beginning during fiscal year 2000, by 45 percent of such amount otherwise allowable,

(iv) for cost reporting periods beginning during fiscal years 2001 through 2012, by 30 percent of such amount otherwise allowable, and

(v) for cost reporting periods beginning during fiscal years 2013 or a subsequent fiscal year, by 35 percent of such amount otherwise allowable.

(U) In determining the reasonable cost of ambulance services (as described in subsection (s)(7)) provided during fiscal year 1998, during fiscal year 1999, and during so much of fiscal year 2000 as precedes January 1, 2000, the Secretary shall not recognize the costs per trip in excess of costs recognized as reasonable for ambulance services provided on a per trip basis during the previous fiscal year (after application of this subparagraph), increased by the percentage increase in the consumer price index for all urban consumers (U.S. city average) as estimated by the Secretary for the 12-month period ending with the midpoint of the fiscal year involved reduced by 1.0 percentage point. For ambulance services provided after June 30, 1998, the Secretary may provide that claims for such services must include a code (or codes) under a uniform coding system specified by the Secretary that identifies the services furnished.

(V) In determining such reasonable costs for skilled nursing facilities and (beginning with respect to cost reporting periods beginning during fiscal year 2013) for covered skilled nursing services described in section 1395yy(e)(2)(A) of this title furnished by hospital providers of extended care services (as described in section 1395tt of
this title), the amount of bad debts otherwise treated as allowed costs which are attributable to the coinsurance amounts under this subchapter for individuals who are entitled to benefits under part A and—

(i) are not described in section 1396a–5(o)(6)(A)(ii) of this title shall be reduced by—

(I) for cost reporting periods beginning on or after October 1, 2005, but before fiscal year 2013, 30 percent of such amount otherwise allowable; and

(II) for cost reporting periods beginning during fiscal year 2013 or a subsequent fiscal year, by 7 35 percent of such amount otherwise allowable.

(ii) are described in this section—

(I) for cost reporting periods beginning on or after October 1, 2005, but before fiscal year 2013, shall not be reduced;

(II) for cost reporting periods beginning during fiscal year 2013, shall be reduced by 12 percent of such amount otherwise allowable;

(III) for cost reporting periods beginning during fiscal year 2014, shall be reduced by 24 percent of such amount otherwise allowable; and

(IV) for cost reporting periods beginning during a subsequent fiscal year, shall be reduced by 35 percent of such amount otherwise allowable.

(W)(i) In determining such reasonable costs for providers described in clause (ii), the amount of bad debts otherwise treated as allowable costs which are attributable to deductibles and coinsurance amounts under this subchapter shall be reduced—

(I) for cost reporting periods beginning during fiscal year 2013, by 12 percent of such amount otherwise allowable;

(II) for cost reporting periods beginning during fiscal year 2014, by 24 percent of such amount otherwise allowable; and

(III) for cost reporting periods beginning during a subsequent fiscal year, by 35 percent of such amount otherwise allowable.

(ii) A provider described in this clause is a provider of services not described in subparagraph (T) or (V), a supplier, or any other type of entity that receives payment for bad debts under the authority under subparagraph (A).

(2)(A) If the bed and board furnished as part of inpatient hospital services (including inpatient tuberculosis hospital services and inpatient psychiatric hospital services) or post-hospital extended care services is in accommodations other than, but not more expensive than, semi-private accommodations and the use of such other accommodations rather than semi-private accommodations was neither at the request of the patient nor for a reason which the Secretary determines is consistent with the purposes of this subchapter, the amount of the payment with respect to such bed and board under part A shall be the amount otherwise payable under this subchapter for such bed and board furnished in semi-private accommodations minus the difference between the charge customarily made by the hospital or skilled nursing facility for bed and board in semi-private accommodations and the charge customarily made by it for bed and board in the accommodations furnished.

(4) If a provider of services furnishes items or services to an individual which are in excess of or more expensive than the items or services determined to be necessary in the efficient delivery of needed health services and charges are imposed for such more expensive items or services under the authority granted in section 1395cc(a)(2)(B)(ii) of this title, the amount of payment with respect to such items or services otherwise due such provider in any fiscal period shall be reduced to the extent that such payment plus such charges exceed the cost actually incurred for such items or services in the fiscal period in which such charges are imposed.

(5)(A) Where physical therapy services, occupational therapy services, speech therapy services, or other therapy services or services of other health-related personnel (other than physicians) are furnished under an arrangement with a provider of services or other organization, specified in the first sentence of subsection (p) (including through the operation of subsection (g)) the amount included in any payment to such provider or other organization under this subchapter as the reasonable cost of such services (as furnished under such arrangements) shall not exceed an amount equal to the salary which would reasonably have been paid for such services (together with any additional costs that would have been incurred by the provider or other organization) to the person performing them if they had been performed in an employment relationship with such provider or other organization (rather than under such arrangement) plus the cost of such other expenses (including a reasonable allowance for traveltime and other reasonable types of expense related to any differences in acceptable methods of organization for the provision of such therapy) incurred by such person, as the Secretary may in regulations determine to be appropriate.

---

1See in original. The word "by" probably should not appear.

8See References in Text note below.
(B) Notwithstanding the provisions of subparagraph (A), if a provider of services or other organization specified in the first sentence of subsection (p) requires the services of a therapist on a limited part-time basis, or only to perform intermittent services, the Secretary may make payment on the basis of a reasonable rate per unit of service, even though such rate is greater per unit of time than salary related amounts, where he finds that such greater payment is, in the aggregate, less than the amount that would have been paid if such organization had employed a therapist on a full- or part-time salary basis.

(6) For purposes of this subsection, the term, “semi-private accommodations” means two-bed, three-bed, or four-bed accommodations.

(7)(A) For limitation on Federal participation for capital expenditures which are out of conformity with a comprehensive plan of a State or area-wide planning agency, see section 1320a–1 of this title.

(B) For further limitations on reasonable cost and determination of payment amounts for operating costs of inpatient hospital services and waivers for certain States, see section 1395ww of this title.

(C) For provisions restricting payment for provider-based physicians’ services and for payments under certain percentage arrangements, see section 1395xx of this title.

(D) For further limitations on reasonable cost and determination of payment amounts for routine service costs of skilled nursing facilities, see subsections (a) through (c) of section 1395yy of this title.

(8) ITEMS UNRELATED TO PATIENT CARE.—Reasonable costs do not include costs for the following—

(i) entertainment, including tickets to sporting and other entertainment events;

(ii) gifts or donations;

(iii) personal use of motor vehicles;

(iv) costs for fines and penalties resulting from violations of Federal, State, or local laws; and

(v) education expenses for spouses or other dependents of providers of services, their employees or contractors.

(w) ARRANGEMENTS FOR CERTAIN SERVICES; PAYMENTS PURSUANT TO ARRANGEMENTS FOR UTILIZATION REVIEW ACTIVITIES

(1) The term “arrangements” is limited to arrangements under which receipt of payment by the hospital, critical access hospital, skilled nursing facility, home health agency, or hospice program (whether in its own right or as agent), with respect to services for which an individual is entitled to have payment made under this subchapter, discharges the liability of such individual or any other person to pay for the services.

(2) Utilization review activities conducted, in accordance with the requirements of the program established under part B of subchapter XI of this chapter with respect to services furnished by a hospital or critical access hospital to patients insured under part A of this subchapter or entitled to have payment made for such services under part B of this subchapter or under a State plan approved under subchapter XIX, by a quality improvement organization designated for the area in which such hospital or critical access hospital is located shall be deemed to have been conducted pursuant to arrangements between such hospital or critical access hospital and such organization under which such hospital or critical access hospital is obligated to pay to such organization, as a condition of receiving payment for hospital or critical access hospital services so furnished under this part or under such a State plan, such amount as is reasonably incurred and requested (as determined under regulations of the Secretary) by such organization in conducting such review activities with respect to services furnished by such hospital or critical access hospital to such patients.

(x) STATE AND UNITED STATES

The terms “State” and “United States” have the meaning given to them by subsections (h) and (i), respectively, of section 410 of this title.

(y) EXTENDED CARE IN RELIGIOUS NONMEDICAL HEALTH CARE INSTITUTIONS

(1) The term “skilled nursing facility” also includes a religious nonmedical health care institution (as defined in subsection (aa)(3)), but only except for purposes of subsection (aa)(2) with respect to items and services ordinarily furnished by such an institution to inpatients, and payment may be made with respect to services provided by or in such an institution only to such extent and under such conditions, limitations, and requirements (in addition to or in lieu of the conditions, limitations, and requirements otherwise applicable) as may be provided in regulations consistent with section 1395i–4 of this title.

(2) Notwithstanding any other provision of this subchapter, payment under part A may not be made for services furnished an individual in a skilled nursing facility to which paragraph (1) applies unless such individual elects, in accordance with regulations, for a spell of illness to have such services treated as post-hospital extended care services for purposes of such part; and payment under part A may not be made for post-hospital extended care services—

(A) furnished an individual during such spell of illness in a skilled nursing facility to which paragraph (1) applies after—

(i) such services have been furnished to him in such a facility for 30 days during such spell, or

(ii) such services have been furnished to him during such spell in a skilled nursing facility to which such paragraph does not apply; or

(B) furnished an individual during such spell of illness in a skilled nursing facility to which paragraph (1) does not apply after such services have been furnished to him during such spell in a skilled nursing facility to which such paragraph applies.

(3) The amount payable under part A for post-hospital extended care services furnished an individual during any spell of illness in a skilled nursing facility to which paragraph (1) applies shall be reduced by a coinsurance amount equal to one-eighth of the inpatient hospital deduct-
ible for each day before the 31st day on which he is furnished such services in such a facility during such spell (and the reduction under this paragraph shall be in lieu of any reduction under section 1385e(a)(3) of this title).

(4) For purposes of subsection (1), the determination of whether services furnished by or in an institution described in paragraph (1) constitute post-hospital extended care services shall be made in accordance with and subject to such conditions, limitations, and requirements as may be provided in regulations.

(a) Institutional planning

An overall plan and budget of a hospital, skilled nursing facility, comprehensive outpatient rehabilitation facility, or home health agency shall be considered sufficient if it—

(1) provides for an annual operating budget which includes all anticipated income and expenses related to items which would, under generally accepted accounting principles, be considered income and expense items (except that nothing in this paragraph shall require that there be prepared, in connection with any budget, an item-by-item identification of the components of each type of anticipated expenditure or income);

(2)(A) provides for a capital expenditures plan for at least a 3-year period (including the year to which the operating budget described in paragraph (1) is applicable) which includes and identifies in detail the anticipated sources of financing for, and the objectives of, each anticipated expenditure in excess of $500,000 (or such lesser amount as may be established by the State under section 1320a-1(g)(1) of this title in which the hospital is located) related to the acquisition of land, the improvement of land, buildings, and equipment, and the replacement, modernization, and expansion of the buildings and equipment which would, under generally accepted accounting principles, be considered capital items;

(B) provides that such plan is submitted to the agency designated under section 1320a-1(b) of this title, or if no such agency is designated, to the appropriate health planning agency in the State (but this subparagraph shall not apply in the case of a facility exempt from review under section 1320a-1 of this title by reason of section 1320a-1(j) of this title);

(3) provides for review and updating at least annually; and

(4) is prepared, under the direction of the governing body of the institution or agency, by a committee consisting of representatives of the governing body, the administrative staff, and the medical staff (if any) of the institution or agency.

(aa) Rural health clinic services and Federally qualified health center services

(1) The term “rural health clinic services” means—

(A) physicians’ services and such services and supplies as are covered under subsection (s)(2)(A) if furnished as an incident to a physician’s professional service and items and services described in subsection (s)(10),

(B) such services furnished by a physician assistant or a nurse practitioner (as defined in paragraph (5)), by a clinical psychologist (as defined by the Secretary) or by a clinical social worker (as defined in subsection (hh)(1)), and such services and supplies furnished as an incident to his service as would otherwise be covered if furnished by a physician or as an incident to a physician’s service, and

(C) in the case of a rural health clinic located in an area in which there exists a shortage of home health agencies, part-time or intermittent nursing care and related medical supplies (other than drugs and biologicals) furnished by a registered professional nurse or licensed practical nurse to a homebound individual under a written plan of treatment (i) established and periodically reviewed by a physician described in paragraph (2)(B), or (ii) established by a nurse practitioner or physician assistant and periodically reviewed and approved by a physician described in paragraph (2)(B), when furnished to an individual as an outpatient of a rural health clinic.

(2) The term “rural health clinic” means a facility which—

(A) is primarily engaged in furnishing to outpatients services described in subparagraphs (A) and (B) of paragraph (1);

(B) in the case of a facility which is not a physician-directed clinic, has an arrangement (consistent with the provisions of State and local law relative to the practice, performance, and delivery of health services) with one or more physicians (as defined in subsection (rr)(1)) under which provision is made for the periodic review by such physicians of covered services furnished by physician assistants and nurse practitioners, the supervision and guidance by such physicians of physician assistants and nurse practitioners, the preparation by such physicians of such medical orders for care and treatment of clinic patients as may be necessary, and the availability of such physicians for such referral of and consultation for patients as is necessary and for advice and assistance in the management of emergencies; and, in the case of a physician-directed clinic, has one or more of its staff physicians perform the activities accomplished through such an arrangement;

(C) maintains clinical records on all patients;

(D) has arrangements with one or more hospitals, having agreements in effect under section 1395cc of this title, for the referral and admission of patients requiring inpatient services or such diagnostic or other specialized services as are not available at the clinic;

(E) has written policies, which are developed with the advice of (and with provision for review of such policies from time to time by) a group of professional personnel, including one or more physicians and one or more physician assistants or nurse practitioners, to govern those services described in paragraph (1) which it furnishes;

(F) has a physician, physician assistant, or nurse practitioner responsible for the execution of policies described in subparagraph (E) and relating to the provision of the clinic’s services;

§ 1395x
(G) directly provides routine diagnostic services, including clinical laboratory services, as prescribed in regulations by the Secretary, and has prompt access to additional diagnostic services from facilities meeting requirements under this subchapter;

(H) in compliance with State and Federal law, has available for administering to patients of the clinic at least such drugs and biologicals as are determined by the Secretary to be necessary for the treatment of emergency cases (as defined in regulations) and has appropriate procedures or arrangements for storing, administering, and dispensing any drugs and biologicals;

(I) has a quality assessment and performance improvement program, and appropriate procedures for review of utilization of clinic services, as the Secretary may specify;

(J) has a nurse practitioner, a physician assistant, or a certified nurse-midwife (as defined in subsection (gg)) available to furnish patient care services not less than 50 percent of the time the clinic operates; and

(K) meets such other requirements as the Secretary may find necessary in the interest of the health and safety of the individuals who are furnished services by the clinic.

For the purposes of this subchapter, such term includes only a facility which (i) is located in an area that is not an urbanized area (as defined by the Bureau of the Census) and in which there are insufficient numbers of needed health care practitioners (as determined by the Secretary), and that, within the previous 4-year period, has been designated by the chief executive officer of the State and certified by the Secretary as an area with a shortage of personal health services or designated by the Secretary either (I) as an area with a shortage of personal health services under section 330(b)(3) or 1302(7) of the Public Health Service Act [42 U.S.C. 254b(b)(3), 300e-1(7)], (II) as a health professional shortage area described in section 332(a)(1)(A) of that Act [42 U.S.C. 254e(a)(1)(A)] because of its shortage of primary medical care manpower, (III) as a high impact area described in section 329(a)(5) of that Act, or (IV) as an area which includes a population group which the Secretary determines has a health manpower shortage under section 332(a)(2)(B) of that Act [42 U.S.C. 254e(a)(2)(B)], (ii) has filed an agreement with the Secretary by which it agrees not to charge any individual or other person for items or services for which such individual is entitled to have payment made under this subchapter, except for the amount of any deductible or coinsurance amount imposed with respect to such items or services (not in excess of the amount customarily charged for such items and services by such clinic), pursuant to subsections (a) and (b) of section 1395f of this title, (iii) employs a physician assistant or nurse practitioner, and (iv) is not a rehabilitation agency or a facility which is primarily for the care and treatment of mental diseases. A facility that is in operation and qualifies as a rural health clinic under this subchapter or subchapter XIX and that subsequently fails to satisfy the requirement of clause (i) shall be considered, for purposes of this subchapter and subchapter XIX, as still satisfying the requirement of such clause if it is determined, in accordance with criteria established by the Secretary in regulations, to be essential to the delivery of primary care services that would otherwise be unavailable in the geographic area served by the clinic. If a State agency has determined under section 1395aa(a) of this title that a facility is a rural health clinic and the facility has applied to the Secretary for approval as such a clinic, the Secretary shall notify the facility of the Secretary’s approval or disapproval not later than 60 days after the date of the State agency determination or the application (whichever is later).

(3) The term “Federally qualified health center services” means—

(A) services of the type described in subparagraphs (A) through (C) of paragraph (1) and preventive services (as defined in subsection (dd)(3)); and

(B) preventive primary health services that a center is required to provide under section 330 of the Public Health Service Act [42 U.S.C. 254b], when furnished to an individual as an outpatient of a Federally qualified health center by the center or by a health care professional under contract with the center and, for this purpose, any reference to a rural health clinic or a physician described in paragraph (2)(B) is deemed a reference to a Federally qualified health center or a physician at the center, respectively.

(4) The term “Federally qualified health center” means an entity which—

(A) (i) is receiving a grant under section 330 of the Public Health Service Act [42 U.S.C. 254b], or

(ii) is receiving funding from such a grant under a contract with the recipient of such a grant, and

(B) based on the recommendation of the Health Resources and Services Administration within the Public Health Service, is determined by the Secretary to meet the requirements for receiving such a grant;

(C) was treated by the Secretary, for purposes of part B, as a comprehensive Federally funded health center as of January 1, 1990; or

(D) is an outpatient health program or facility operated by a tribe or tribal organization under the Indian Self-Determination Act [25 U.S.C. 5321 et seq.] or by an urban Indian organization receiving funds under title V of the Indian Health Care Improvement Act [25 U.S.C. 1651 et seq.].

(5)(A) The term “physician assistant” and the term “nurse practitioner” mean, for purposes of this subchapter, a physician assistant or nurse practitioner who performs such services as such individual is legally authorized to perform (in the State in which the individual performs such services) in accordance with State law (or the State regulatory mechanism provided by State law), and who meets such training, education, and experience requirements (or any combination thereof) as the Secretary may prescribe in regulations.

(B) The term “clinical nurse specialist” means, for purposes of this subchapter, an individual who—
(i) is a registered nurse and is licensed to practice nursing in the State in which the clinical nurse specialist services are performed; and

(ii) holds a master's degree in a defined clinical area of nursing from an accredited educational institution.

(6) The term “collaboration” means a process in which a nurse practitioner works with a physician to deliver health care services within the scope of the practitioner’s professional expertise, with medical direction and appropriate supervision as provided for in jointly developed guidelines or other mechanisms as defined by the law of the State in which the services are performed.

(7)(A) The Secretary shall waive for a 1-year period the requirements of paragraph (2) that a rural health clinic employ a physician assistant, nurse practitioner or certified nurse midwife or that such clinic require such providers to furnish services at least 50 percent of the time that the clinic operates for any facility that requests such waiver if the facility demonstrates that the facility has been unable, despite reasonable efforts, to hire a physician assistant, nurse practitioner, or certified nurse-midwife in the previous 90-day period.

(B) The Secretary may not grant such a waiver under subparagraph (A) to a facility if the request for the waive is made less than 6 months after the date of the expiration of any previous such waiver for the facility, or if the facility has not yet been determined to meet the requirements (including subparagraph (J) of the first sentence of paragraph (2)) of a rural health clinic.

(C) A waiver which is requested under this paragraph shall be deemed granted unless such request is denied by the Secretary within 60 days after the date such request is received.

(bb) Services of a certified registered nurse anesthetist

(1) The term “services of a certified registered nurse anesthetist” means anesthesia services and related care furnished by a certified registered nurse anesthetist (as defined in paragraph (2)) which the nurse anesthetist is legally authorized to perform as such by the State in which the services are furnished.

(2) The term “certified registered nurse anesthetist” means a certified registered nurse anesthetist licensed by the State who meets such education, training, and other requirements relating to anesthesia services and related care as the Secretary may prescribe. In prescribing such requirements the Secretary may use the same requirements as those established by a national organization for the certification of nurse anesthetists. Such term also includes, as prescribed by the Secretary, an anesthesiologist assistant.

(cc) Comprehensive outpatient rehabilitation facility services

(1) The term “comprehensive outpatient rehabilitation facility services” means the following items and services furnished by a physician or other qualified professional personnel (as defined in regulations by the Secretary) to an individual who is an outpatient of a comprehensive outpatient rehabilitation facility under a plan (for furnishing such items and services to such individual) established and periodically reviewed by a physician—

(A) physicians’ services;

(B) physical therapy, occupational therapy, speech-language pathology services, and respiratory therapy;

(C) prosthetic and orthotic devices, including testing, fitting, or training in the use of prosthetic and orthotic devices;

(D) social and psychological services;

(E) nursing care provided by or under the supervision of a registered professional nurse;

(F) drugs and biologicals which cannot, as determined in accordance with regulations, be self-administered;

(G) supplies and durable medical equipment; and

(H) such other items and services as are medically necessary for the rehabilitation of the patient and are ordinarily furnished by comprehensive outpatient rehabilitation facilities.

excluding, however, any item or service if it would not be included under subsection (b) if furnished to an inpatient of a hospital. In the case of physical therapy, occupational therapy, and speech pathology services, there shall be no requirement that the item or service be furnished at any single fixed location if the item or service is furnished pursuant to such plan and payments are not otherwise made for the item or service under this subchapter.

(2) The term “comprehensive outpatient rehabilitation facility” means a facility which—

(A) is primarily engaged in providing (by or under the supervision of physicians) diagnostic, therapeutic, and restorative services to outpatients for the rehabilitation of injured, disabled, or sick persons;

(B) provides at least the following comprehensive outpatient rehabilitation services: (i) physicians’ services (rendered by physicians, as defined in subsection (r)(1), who are available at the facility on a full- or part-time basis); (ii) physical therapy; and (iii) social or psychological services;

(C) maintains clinical records on all patients;

(D) has policies established by a group of professional personnel (associated with the facility), including one or more physicians defined in subsection (r)(1) to govern the comprehensive outpatient rehabilitation services it furnishes, and provides for the carrying out of such policies by a full- or part-time physician referred to in subparagraph (B)(i);

(E) has a requirement that every patient must be under the care of a physician;

(F) in the case of a facility in any State in which State or applicable local law provides for the licensing of facilities of this nature (i) is licensed pursuant to such law, or (ii) is approved by the agency of such State or locality, responsible for licensing facilities of this nature, as meeting the standards established for such licensing;

(G) has in effect a utilization review plan in accordance with regulations prescribed by the Secretary;
§ 1395x TITLE 42—THE PUBLIC HEALTH AND WELFARE Page 3192

(H) has in effect an overall plan and budget that meets the requirements of subsection (2);
(I) provides the Secretary on a continuing basis with a surety bond in a form specified by the Secretary and in an amount that is not less than $50,000; and
(J) meets such other conditions of participation as the Secretary may find necessary in the interest of the health and safety of individuals who are furnished services by such facility, including conditions concerning qualifications of personnel in these facilities.

The Secretary may waive the requirement of a surety bond under subparagraph (I) in the case of a facility that provides a comparable surety bond under State law.

(dd) Hospice care; hospice program; definitions; certification; waiver by Secretary

(1) The term “hospice care” means the following items and services provided to a terminally ill individual by, or by others under arrangements made by, a hospice program under a written plan (for providing such care to such individual) established and periodically reviewed by the individual’s attending physician and by the medical director (and by the interdisciplinary group described in paragraph (2)(B)) of the program—

(A) nursing care provided by or under the supervision of a registered professional nurse,
(B) physical or occupational therapy, or speech-language pathology services,
(C) medical social services under the direction of a physician,
(D)(i) services of a home health aide who has successfully completed a training program approved by the Secretary and (ii) homemaker services,
(E) medical supplies (including drugs and biologicals) and the use of medical appliances, while under such a plan,
(F) physicians’ services,
(G) short-term inpatient care (including both respite care and procedures necessary for pain control and acute and chronic symptom management) in an inpatient facility meeting such conditions as the Secretary determines to be appropriate to provide such care, but such respite care may be provided only on an intermittent, nonroutine, and occasional basis and may not be provided consecutively over longer than five days,
(H) counseling (including dietary counseling) with respect to care of the terminally ill individual and adjustment to his death, and
(I) any other item or service which is specified in the plan and for which payment may otherwise be made under this subchapter.

The care and services described in subparagraphs (A) and (D) may be provided on a 24-hour, continuous basis only during periods of crisis (meeting criteria established by the Secretary) and only as necessary to maintain the terminally ill individual at home.

(2) The term “hospice program” means a public agency or private organization (or a subdivision thereof) which—

(A)(i) is primarily engaged in providing the care and services described in paragraph (1) and makes such services available (as needed) on a 24-hour basis and which also provides bereavement counseling for the immediate family of terminally ill individuals and services described in section 1395d(a)(5) of this title,
(ii) provides for such care and services in individuals’ homes, on an outpatient basis, and on a short-term inpatient basis, directly or under arrangements made by the agency or organization, except that—
(I) the agency or organization must routinely provide directly substantially all of each of the services described in subparagraphs (A), (C), and (H) of paragraph (1), except as otherwise provided in paragraph (5), and
(II) in the case of other services described in paragraph (1) which are not provided directly by the agency or organization, the agency or organization must maintain professional management responsibility for all such services furnished to an individual, regardless of the location or facility in which such services are furnished; and
(iii) provides assurances satisfactory to the Secretary that the aggregate number of days of inpatient care described in paragraph (1)(G) provided in any 12-month period to individuals who have an election in effect under section 1395d(d) of this title with respect to that agency or organization does not exceed 20 percent of the aggregate number of days during that period on which such elections for such individuals are in effect;
(B) has an interdisciplinary group of personnel which—
(i) includes at least—
(I) one physician (as defined in subsection (r)(1)),
(II) one registered professional nurse, and
(III) one social worker,
employed by or, in the case of a physician described in subclause (I), under contract with the agency or organization, and also includes at least one pastoral or other counselor;
(ii) provides (or supervises the provision of) the care and services described in paragraph (1), and
(iii) establishes the policies governing the provision of such care and services;
(C) maintains central clinical records on all patients;
(D) does not discontinue the hospice care it provides with respect to a patient because of the inability of the patient to pay for such care;
(E)(i) utilizes volunteers in its provision of care and services in accordance with standards set by the Secretary, which standards shall ensure a continuing level of effort to utilize such volunteers, and (ii) maintains records on the use of these volunteers and the cost savings and expansion of care and services achieved through the use of these volunteers;
(F) in the case of an agency or organization in any State in which State or applicable local law provides for the licensing of agencies or organizations of this nature, is licensed pursuant to such law; and
(G) meets such other requirements as the Secretary may find necessary in the interest of the health and safety of the individuals who are provided care and services by such agency or organization.

(3)(A) An individual is considered to be “terminally ill” if the individual has a medical prognosis that the individual’s life expectancy is 6 months or less.

(B) The term “attending physician” means, with respect to an individual, the physician (as defined in subsection (r)(1)), the nurse practitioner (as defined in subsection (aa)(5)), or the physician assistant (as defined in such subsection), who may be employed by a hospice program, whom the individual identifies as having the most significant role in the determination and delivery of medical care to the individual at the time the individual makes an election to receive hospice care.

(4)(A) An entity which is certified as a provider of services other than a hospice program shall be considered, for purposes of certification as a hospice program, to have met any requirements under paragraph (2) which are also the same requirements for certification as such other type of provider. The Secretary shall coordinate surveys for determining certification under this subchapter so as to provide, to the extent feasible, for simultaneous surveys of an entity which seeks to be certified as a hospice program and as a provider of services of another type.

(B) Any entity which is certified as a hospice program and as a provider of another type shall have separate provider agreements under section 1395cc of this title and shall file separate cost reports with respect to costs incurred in providing hospice care and in providing other services and items under this subchapter.

(C) Any entity that is certified as a hospice program shall be subject to a standard survey by an appropriate State or local survey agency, or an approved accreditation agency, as determined by the Secretary, not less frequently than once every 36 months beginning 6 months after October 6, 2014, and ending September 30, 2025.

(5)(A) The Secretary may waive the requirements of paragraph (2)(A)(ii)(I) for an agency or organization with respect to the services described in paragraph (1)(B) and, with respect to dietary counseling, paragraph (1)(H), if such agency or organization—

(i) is located in an area which is not an urbanized area (as defined by the Bureau of the Census), and

(ii) demonstrates to the satisfaction of the Secretary that the agency or organization has been unable, despite diligent efforts, to recruit appropriate personnel.

(D) In extraordinary, exigent, or other non-routine circumstances, such as unanticipated periods of high patient loads, staffing shortages due to illness or other events, or temporary travel of a patient outside a hospice program’s service area, a hospice program may enter into arrangements with another hospice program for the provision by that other program of services described in paragraph (2)(A)(ii)(I). The provisions of paragraph (2)(A)(ii)(II) shall apply with respect to the services provided under such arrangements.

(E) A hospice program may provide services described in paragraph (1)(A) other than directly by the program if the services are highly specialized services of a registered professional nurse and are provided non-routinely and so infrequently so that the provision of such services directly would be impracticable and prohibitively expensive.

(ee) Discharge planning process

(1) A discharge planning process of a hospital shall be considered sufficient if it is applicable to services furnished by the hospital to individuals entitled to benefits under this subchapter and if it meets the guidelines and standards established by the Secretary under paragraph (2).

(2) The Secretary shall develop guidelines and standards for the discharge planning process in order to ensure a timely and smooth transition to the most appropriate type of and setting for post-hospital or rehabilitative care. The guidelines and standards shall include the following:

(A) The hospital must identify, at an early stage of hospitalization, those patients who are likely to suffer adverse health consequences upon discharge in the absence of adequate discharge planning.

(B) Hospitals must provide a discharge planning evaluation for patients identified under subparagraph (A) and for other patients upon the request of the patient, patient’s representative, or patient’s physician.

(C) Any discharge planning evaluation must be made on a timely basis to ensure that appropriate arrangements for post-hospital care will be made before discharge and to avoid unnecessary delays in discharge.

(D) A discharge planning evaluation must include an evaluation of a patient’s likely need for appropriate post-hospital services, including hospice care and post-hospital extended care services, and the availability of those services, including the availability of home health services through individuals and
entities that participate in the program under this subchapter and that serve the area in which the patient resides and that request to be listed by the hospital as available and, in the case of individuals who are likely to need post-hospital extended care services, the availability of such services through facilities that participate in the program under this subchapter and that serve the area in which the patient resides.

(E) The discharge planning evaluation must be included in the patient’s medical record for use in establishing an appropriate discharge plan and the results of the evaluation must be discussed with the patient (or the patient’s representative).

(F) Upon the request of a patient’s physician, the hospital must arrange for the development and initial implementation of a discharge plan for the patient.

(G) Any discharge planning evaluation or discharge plan required under this paragraph must be developed by, or under the supervision of, a registered professional nurse, social worker, or other appropriately qualified personnel.

(H) Consistent with section 1395a of this title, the discharge plan shall—

(i) not specify or otherwise limit the qualified provider which may provide post-hospital home health services, and

(ii) identify (in a form and manner specified by the Secretary) any entity to whom the individual is referred in which the hospital has a disclosable financial interest (as specified by the Secretary consistent with section 1395cc(a)(1)(S) of this title) or which has such an interest in the hospital.

(3) With respect to a discharge plan for an individual who is enrolled with a Medicare+Choice organization under a Medicare+Choice plan and is furnished inpatient hospital services by a hospital under a contract with the organization—

(A) the discharge planning evaluation under paragraph (2)(D) is not required to include information on the availability of home health services through individuals and entities which do not have a contract with the organization; and

(B) notwithstanding subparagraph (H)(1), the plan may specify or limit the provider (or providers) of post-hospital home health services or other post-hospital services under the plan.

(ff) Partial hospitalization services

(1) The term “partial hospitalization services” means the items and services described in paragraph (2) prescribed by a physician and provided under a program described in paragraph (3) under the supervision of a physician pursuant to an individualized, written plan of treatment established and periodically reviewed by a physician (in consultation with appropriate staff participating in such program), which plan sets forth the physician’s diagnosis, the type, amount, frequency, and duration of the items and services provided under the plan, and the goals for treatment under the plan.

(2) The items and services described in this paragraph are—

(A) individual and group therapy with physicians or psychologists (or other mental health professionals to the extent authorized under State law),

(B) occupational therapy requiring the skills of a qualified occupational therapist,

(C) services of social workers, trained psychiatric nurses, and other staff trained to work with psychiatric patients,

(D) drugs and biologicals furnished for therapeutic purposes (which cannot, as determined in accordance with regulations, be self-administered),

(E) individualized activity therapies that are not primarily recreational or diversionary,

(F) family counseling (the primary purpose of which is treatment of the individual’s condition),

(G) patient training and education (to the extent that training and educational activities are closely and clearly related to individual’s care and treatment),

(H) diagnostic services, and

(I) such other items and services as the Secretary may provide (but in no event to include meals and transportation);

that are reasonable and necessary for the diagnosis or active treatment of the individual’s condition, reasonably expected to improve or maintain the individual’s condition and functional level and to prevent relapse or hospitalization, and furnished pursuant to such guidelines relating to frequency and duration of services as the Secretary shall by regulation establish (taking into account accepted norms of medical practice and the reasonable expectation of patient improvement).

(3)(A) A program described in this paragraph is a program which is furnished by a hospital to its outpatients or by a community mental health center (as defined in subparagraph (B)), and which is a distinct and organized intensive ambulatory treatment service offering less than 24-hour-daily care other than in an individual’s home or in an inpatient or residential setting.

(B) For purposes of subparagraph (A), the term “community mental health center” means an entity that—

(i) provides the mental health services described in section 1913(c)(1) of the Public Health Service Act [42 U.S.C. 300x–2(c)(1)]; or

(ii) in the case of an entity operating in a State that by law precludes the entity from providing itself the service described in subparagraph (E) of such section, provides for such service by contract with an approved organization or entity (as determined by the Secretary);

(iii) meets applicable licensing or certification requirements for community mental health centers in the State in which it is located; and

(iv) meets such additional conditions as the Secretary shall specify to ensure (I) the health and safety of individuals being furnished such services, (II) the effective and efficient fur-
nishing of such services, and (III) the compliance of such entity with the criteria described in section 1933(c)(1) of the Public Health Service Act [42 U.S.C. 300x–3(c)(1)].

(gg) Certified nurse-midwife services

(1) The term “certified nurse-midwife services” means such services furnished by a certified nurse-midwife (as defined in paragraph (2)) and such services and supplies furnished as an incident to the nurse-midwife’s service which the certified nurse-midwife is legally authorized to perform under State law (or the State regulatory mechanism provided by State law) as would otherwise be covered if furnished by a physician or as an incident to a physician’s service.

(2) The term “certified nurse-midwife” means a registered nurse who has successfully completed a program of study and clinical experience meeting guidelines prescribed by the Secretary, or has been certified by an organization recognized by the Secretary.

(hh) Clinical social worker; clinical social worker services

(1) The term “clinical social worker” means an individual who—

(A) possesses a master’s or doctor’s degree in social work;
(B) after obtaining such degree has performed at least 2 years of supervised clinical social work; and
(C)(i) is licensed or certified as a clinical social worker by the State in which the services are performed, or
(ii) in the case of an individual in a State which does not provide for licensure or certification—

(I) has completed at least 2 years or 3,000 hours of post-master’s degree supervised clinical social work practice under the supervision of a master’s level social worker in an appropriate setting (as determined by the Secretary), and
(II) meets such other criteria as the Secretary establishes.

(2) The term “clinical social worker services” means services performed by a clinical social worker (as defined in paragraph (1)) for the diagnosis and treatment of mental illnesses (other than services furnished to an inpatient of a hospital and other than services furnished to an inpatient of a skilled nursing facility which the facility is required to provide as a requirement for participation) which the clinical social worker is legally authorized to perform under State law (or the State regulatory mechanism provided by State law) of the State in which such services are performed as would otherwise be covered if furnished by a physician or as an incident to a physician’s professional service.

(ii) Qualified psychologist services

The term “qualified psychologist services” means such services and such services and supplies furnished as an incident to his service furnished by a qualified psychologist (as defined by the Secretary) which the psychologist is legally authorized to perform under State law (or the State regulatory mechanism provided by State law) as would otherwise be covered if furnished by a physician or as an incident to a physician’s service.

(jj) Screening mammography

The term “screening mammography” means a radiologic procedure provided to a woman for the purpose of early detection of breast cancer and includes a physician’s interpretation of the results of the procedure.

(kk) Covered osteoporosis drug

The term “covered osteoporosis drug” means an injectable drug approved for the treatment of post-menopausal osteoporosis provided to an individual by a home health agency if, in accordance with regulations promulgated by the Secretary—

(1) the individual’s attending physician certifies that the individual has suffered a bone fracture related to post-menopausal osteoporosis and that the individual is unable to learn the skills needed to self-administer such drug or is otherwise physically or mentally incapable of self-administering such drug; and
(2) the individual is confined to the individual’s home (except when receiving items and services referred to in subsection (m)(7)).

(II) Speech-language pathology services; audiology services

(1) The term “speech-language pathology services” means such speech, language, and related function assessment and rehabilitation services furnished by a qualified speech-language pathologist as the speech-language pathologist is legally authorized to perform under State law (or the State regulatory mechanism provided by State law) as would otherwise be covered if furnished by a physician.

(2) The term “outpatient speech-language pathology services” has the meaning given the term “outpatient physical therapy services” in subsection (p), except that in applying such subsection—

(A) “speech-language pathology” shall be substituted for “physical therapy” each place it appears; and
(B) “speech-language pathologist” shall be substituted for “physical therapist” each place it appears.

(3) The term “audiology services” means such hearing and balance assessment services furnished by a qualified audiologist as the audiologist is legally authorized to perform under State law (or the State regulatory mechanism provided by State law), as would otherwise be covered if furnished by a physician.

(4) In this subsection:

(A) The term “qualified speech-language pathologist” means an individual with a master’s or doctoral degree in speech-language pathology who—

(i) is licensed as a speech-language pathologist by the State in which the individual furnishes such services, or
(ii) in the case of an individual who furnishes services in a State which does not license speech-language pathologists, has successfully completed 350 clock hours of supervised clinical practicum (or is in the process of accumulating such supervised clinical experience), performed not less than 9 months
(oo) Prostate cancer screening tests
(1) The term "prostate cancer screening test" means a test that consists of any (or all) of the procedures described in paragraph (2) provided for the purpose of early detection of prostate cancer to a man over 50 years of age who has not had such a test during the preceding year.
(2) The procedures described in this paragraph are as follows:
(A) A digital rectal examination.
(B) A prostate-specific antigen blood test.
(C) For years beginning after 2002, such other procedures as the Secretary finds appropriate for the purpose of early detection of prostate cancer, taking into account changes in technology and standards of medical practice, availability, effectiveness, costs, and such other factors as the Secretary considers appropriate.

(pp) Colorectal cancer screening tests
(1) The term "colorectal cancer screening test" means any of the following procedures furnished to an individual for the purpose of early detection of colorectal cancer:
(A) Screening fecal-occult blood test.
(B) Screening flexible sigmoidoscopy.
(C) Screening colonoscopy.
(D) Such other tests or procedures, and modifications to tests and procedures under this subsection, with such frequency and payment limits, as the Secretary determines appropriate, in consultation with appropriate organizations.
(2) An "individual at high risk for colorectal cancer" is an individual who, because of family history, prior experience of cancer or precursor neoplastic polyps, a history of chronic digestive disease condition (including inflammatory bowel disease, Crohn’s Disease, or ulcerative colitis), the presence of any appropriate recognized gene markers for colorectal cancer, or other predisposing factors, faces a high risk for colorectal cancer.

(qq) Diabetes outpatient self-management training services
(1) The term "diabetes outpatient self-management training services" means educational and training services furnished (at such times as the Secretary determines appropriate) to an individual with diabetes by a certified provider (as described in paragraph (2)(A)) in an outpatient setting by an individual or entity who meets the quality standards described in paragraph (2)(B), but only if the physician who is managing the individual’s diabetic condition certifies that such services are needed under a comprehensive plan of care related to the individual’s diabetic condition to ensure therapy compliance or to provide the individual with necessary skills and knowledge (including skills related to the self-administration of injectable drugs) to participate in the management of the individual’s condition.
(2) In paragraph (1)—
(A) a “certified provider” is a physician, or other individual or entity designated by the Secretary, that, in addition to providing diabetes outpatient self-management training services, provides other items or services for
which payment may be made under this subchapter; and

(B) a physician, or such other individual or entity, meets the quality standards described in this paragraph if the physician, or individual or entity, meets quality standards established by the Secretary, except that the physician or other individual or entity shall be deemed to have met such standards if the physician or other individual or entity meets applicable standards originally established by the National Diabetes Advisory Board and subsequently revised by organizations who participated in the establishment of standards by such Board, or is recognized by an organization that represents individuals (including individuals under this subchapter) with diabetes as meeting standards for furnishing the services.

(rr) Bone mass measurement

(1) The term “bone mass measurement” means a radiologic or radioisotopic procedure or other procedure approved by the Food and Drug Administration performed on a qualified individual (as defined in paragraph (2)) for the purpose of identifying bone mass or detecting bone loss or determining bone quality, and includes a physician’s interpretation of the results of the procedure.

(2) For purposes of this subsection, the term “qualified individual” means an individual who is (in accordance with regulations prescribed by the Secretary)—

(A) an estrogen-deficient woman at clinical risk for osteoporosis;
(B) an individual with vertebral abnormalities;
(C) an individual receiving long-term glucocorticoid steroid therapy;
(D) an individual with primary hyperparathyroidism; or
(E) an individual being monitored to assess the response to or efficacy of an approved osteoporosis drug therapy.

(3) The Secretary shall establish such standards regarding the frequency with which a qualified individual shall be eligible to be provided benefits for bone mass measurement under this subchapter.

(ss) Religious nonmedical health care institution

(1) The term “religious nonmedical health care institution” means an institution that—

(A) is described in subsection (c)(3) of section 501 of the Internal Revenue Code of 1986 and is exempt from taxes under subsection (a) of such section;
(B) is lawfully operated under all applicable Federal, State, and local laws and regulations;
(C) provides only nonmedical nursing items and services exclusively to patients who choose to rely solely upon a religious method of healing and for whom the acceptance of medical health services would be inconsistent with their religious beliefs;
(D) provides such nonmedical items and services exclusively through nonmedical nursing personnel who are experienced in caring for the physical needs of such patients;
(E) provides such nonmedical items and services to inpatients on a 24-hour basis;

(F) on the basis of its religious beliefs, does not provide through its personnel or otherwise medical items and services (including any medical screening, examination, diagnosis, prognosis, treatment, or the administration of drugs) for its patients;
(G) (I) is not owned by, under common ownership with, or has an ownership interest in, a provider of medical treatment or services;
(ii) is not affiliated with—
(I) a provider of medical treatment or services, or
(II) an individual who has an ownership interest in a provider of medical treatment or services;
(H) has in effect a utilization review plan which—
(i) provides for the review of admissions to the institution, of the duration of stays therein, of cases of continuous extended duration, and of the items and services furnished by the institution,
(ii) requires that such reviews be made by an appropriate committee of the institution that includes the individuals responsible for overall administration and for supervision of nursing personnel at the institution,
(iii) provides that records be maintained of the meetings, decisions, and actions of such committee,
(iv) meets such other requirements as the Secretary finds necessary to establish an effective utilization review plan;
(I) provides the Secretary with such information as the Secretary may require to implement section 1395i–5 of this title, including information relating to quality of care and coverage determinations; and
(J) meets such other requirements as the Secretary finds necessary in the interest of the health and safety of individuals who are furnished services in the institution.

(2) To the extent that the Secretary finds that the accreditation of an institution by a State, regional, or national agency or association provides reasonable assurances that any or all of the requirements of paragraph (1) are met or exceeded, the Secretary may treat such institution as meeting the condition or conditions with respect to which the Secretary made such finding.

(3)(A)(i) In administering this subsection and section 1395i–5 of this title, the Secretary shall not require any patient of a religious nonmedical health care institution to undergo medical screening, examination, diagnosis, prognosis, treatment or to accept any other medical health service, if such patient (or legal representative of the patient) objects thereto on religious grounds.
(ii) Clause (i) shall not be construed as preventing the Secretary from requiring under section 1395i–5(a)(2) of this title the provision of sufficient information regarding an individual’s condition as a condition for receipt of benefits under part A for services provided in such an institution.

(B)(i) In administering this subsection and section 1395i–5 of this title, the Secretary shall not subject a religious nonmedical health care insti-
§ 1395x  TITLE 42—THE PUBLIC HEALTH AND WELFARE Page 3198
tution or its personnel to any medical supervision, regulation, or control, insofar as such supervision, regulation, or control would be contrary to the religious beliefs observed by the institution or such personnel.

Clause (i) shall not be construed as preventing the Secretary from reviewing items and services billed by the institution to the extent the Secretary determines such review to be necessary to determine whether such items and services were not covered under part A, are excessive, or are fraudulent.

(4)(A) For purposes of paragraph (1)(G)(i), an ownership interest of less than 5 percent shall not be taken into account.

(B) For purposes of paragraph (1)(G)(ii), none of the following shall be considered to create an affiliation:

(i) The individual serving as an uncompensated director, trustee, officer, or other member of the governing body of a religious nonmedical health care institution.

(ii) An individual who is a director, trustee, officer, employee, or staff member of a religious nonmedical health care institution having a family relationship with an individual who is affiliated with (or has an ownership interest in) a provider of medical treatment or services.

(iii) An individual or entity furnishing goods or services as a vendor to both providers of medical treatment or services and religious nonmedical health care institutions.

(tt) Post-institutional home health services; home health spell of illness

(1) The term “post-institutional home health services” means home health services furnished to an individual—

(A) after discharge from a hospital or critical access hospital in which the individual was an inpatient for not less than 3 consecutive days before such discharge if such home health services were initiated within 14 days after the date of such discharge; or

(B) after discharge from a skilled nursing facility in which the individual was provided post-hospital extended care services if such home health services were initiated within 14 days after the date of such discharge.

(2) The term “home health spell of illness” with respect to any individual means a period of consecutive days—

(A) beginning with the first day (not included in a previous home health spell of illness) (i) on which such individual is furnished post-institutional home health services, and (ii) which occurs in a month for which the individual is entitled to benefits under part A, and

(B) ending with the close of the first period of 60 consecutive days thereafter on each of which the individual is neither an inpatient of a hospital or critical access hospital nor an inpatient of a facility described in section 1395i–3(a)(1) of this title or subsection (y)(1) nor provided home health services.

(uu) Screening for glaucoma

The term “screening for glaucoma” means a dilated eye examination with an intraocular pressure measurement, and a direct ophthalmoscopy or a slit-lamp biomicroscopic examination for the early detection of glaucoma which is furnished by or under the direct supervision of an optometrist or ophthalmologist who is legally authorized to furnish such services under State law (or the State regulatory mechanism provided by State law) of the State in which the services are furnished, as would otherwise be covered if furnished by a physician or as an incident to a physician’s professional service, if the individual involved has not had such an examination in the preceding year.

(vv) Medical nutrition therapy services; registered dietitian or nutrition professional

(1) The term “medical nutrition therapy services” means nutritional diagnostic, therapy, and counseling services for the purpose of disease management which are furnished by a registered dietitian or nutrition professional (as defined in paragraph (2)) pursuant to a referral by a physician (as defined in subsection (r)(1)).

(2) Subject to paragraph (3), the term “registered dietitian or nutrition professional” means an individual who—

(A) holds a baccalaureate or higher degree granted by a regionally accredited college or university in the United States (or an equivalent foreign degree) with completion of the academic requirements of a program in nutrition or dietetics, as accredited by an appropriate national accreditation organization recognized by the Secretary for this purpose;

(B) has completed at least 900 hours of supervised dietetics practice under the supervision of a registered dietitian or nutrition professional; and

(C)(i) is licensed or certified as a dietitian or nutrition professional by the State in which the services are performed; or

(ii) in the case of an individual in a State that does not provide for such licensure or certification, meets such other criteria as the Secretary establishes.

(3) Subparagraphs (A) and (B) of paragraph (2) shall not apply in the case of an individual who, as of December 21, 2000, is licensed or certified as a dietitian or nutrition professional by the State in which medical nutrition therapy services are performed.

(ww) Initial preventive physical examination

(1) The term “initial preventive physical examination” means physicians’ services consisting of a physical examination (including measurement of height, weight body mass index,10 and blood pressure) with the goal of health promotion and disease detection and includes education, counseling, and referral with respect to screening and other preventive services described in paragraph (2), end-of-life planning (as defined in paragraph (4)) upon the agreement with the individual, and the furnishing of a review of any current opioid prescriptions (as defined in paragraph (4)), but does not include clinical laboratory tests.

(2) The screening and other preventive services described in this paragraph include the follow-

---

10See in original. Probably should be “weight, body mass index.”
(A) Pneumococcal, influenza, and hepatitis B vaccine and administration under subsection (s)(10).
(B) Screening mammography as defined in subsection (jj).
(C) Screening pap smear and screening pelvic exam as defined in subsection (nn).
(D) Prostate cancer screening tests as defined in subsection (oo).
(E) Colorectal cancer screening tests as defined in subsection (pp).
(F) Diabetes outpatient self-management training services as defined in subsection (qq)(1).
(G) Bone mass measurement as defined in subsection (rr).
(H) Screening for glaucoma as defined in subsection (uu).
(I) Medical nutrition therapy services as defined in subsection (vv).
(J) Cardiovascular screening blood tests as defined in subsection (xx)(1).
(K) Diabetes screening tests as defined in subsection (yy). 
(L) Ultrasound screening for abdominal aortic aneurysm as defined in subsection (bbb).
(M) An electrocardiogram.
(N) Screening for potential substance use disorders.
(O) Additional preventive services (as defined in subsection (dd)(1)).
(3) For purposes of paragraph (1), the term "end-of-life planning" means verbal or written information regarding—
(A) an individual’s ability to prepare an advance directive in the case that an injury or illness causes the individual to be unable to make health care decisions; and
(B) whether or not the physician is willing to follow the individual’s wishes as expressed in an advance directive.
(4) For purposes of paragraph (1), the term “a review of any current opioid prescriptions” means, with respect to an individual determined to have a current prescription for opioids—
(A) a review of the potential risk factors to the individual for opioid use disorder;
(B) an evaluation of the individual’s severity of pain and current treatment plan;
(C) the provision of information on non-opioid treatment options; and
(D) a referral to a specialist, as appropriate.

(xx) Cardiovascular screening blood test

(1) The term “cardiovascular screening blood test” means a blood test for the early detection of cardiovascular disease (or abnormalities associated with an elevated risk of cardiovascular disease) that tests for the following:
(A) Cholesterol levels and other lipid or triglyceride levels.
(B) Such other indications associated with the presence of, or an elevated risk for, cardiovascular disease as the Secretary may approve for all individuals (or for some individuals determined by the Secretary to be at risk for cardiovascular disease), including indications measured by noninvasive testing.

The Secretary may not approve an indication under subparagraph (B) for any individual unless a blood test for such is recommended by the United States Preventive Services Task Force.

(2) The Secretary shall establish standards, in consultation with appropriate organizations, regarding the frequency for each type of cardiovascular screening blood tests, except that such frequency may not be more often than once every 2 years.

(yy) Diabetes screening tests

(1) The term “diabetes screening tests” means testing furnished to an individual at risk for diabetes (as defined in paragraph (2)) for the purpose of early detection of diabetes, including—
(A) a fasting plasma glucose test; and
(B) such other tests, and modifications to tests, as the Secretary determines appropriate, in consultation with appropriate organizations.
(2) For purposes of paragraph (1), the term “individual at risk for diabetes” means an individual who has any of the following risk factors for diabetes:
(A) Hypertension.
(B) Dyslipidemia.
(C) Obesity, defined as a body mass index greater than or equal to 30 kg/m².
(D) Previous identification of an elevated impaired fasting glucose.
(E) Previous identification of impaired glucose tolerance.
(F) A risk factor consisting of at least 2 of the following characteristics:
(i) Overweight, defined as a body mass index greater than 25, but less than 30, kg/m².
(ii) A family history of diabetes.
(iii) A history of gestational diabetes mellitus or delivery of a baby weighing greater than 9 pounds.
(iv) 65 years of age or older.
(3) The Secretary shall establish standards, in consultation with appropriate organizations, regarding the frequency of diabetes screening tests, except that such frequency may not be more often than within the 12-month period following the date of the most recent diabetes screening test of that individual.

(zz) Intravenous immune globulin

The term “intravenous immune globulin” means an approved pooled plasma derivative for the treatment in the patient’s home of a patient with a diagnosed primary immune deficiency disease, but not including items or services related to the administration of the derivative, if a physician determines administration of the derivative in the patient’s home is medically appropriate.

(aaa) Extended care in religious nonmedical health care institutions

(1) The term “home health agency” also includes a religious nonmedical health care institution (as defined in subsection (ss)(1)), but only with respect to items and services ordinarily furnished by such an institution to individuals in their homes, and that are comparable to items and services furnished to individuals by a home health agency that is not religious nonmedical health care institution.
§ 1395x

(2)(A) Subject to subparagraphs (B), payment may be made with respect to services provided by such an institution only to such extent and under such conditions, limitations, and requirements (in addition to or in lieu of the conditions, limitations, and requirements otherwise applicable) as may be provided in regulations consistent with section 1395i-5 of this title.

(B) Notwithstanding any other provision of this subchapter, payment may not be made under subparagraph (A)—

(1) in a year insofar as such payments exceed $700,000; and

(i) after December 31, 2006.

(bb) Ultrasound screening for abdominal aortic aneurysm

The term “ultrasound screening for abdominal aortic aneurysm” means—

(1) a procedure using sound waves (or such other procedures using alternative technologies, of commensurate accuracy and cost, that the Secretary may specify) provided for the early detection of abdominal aortic aneurysm; and

(2) includes a physician’s interpretation of the results of the procedure.

(ccc) Long-term care hospital

The term “long-term care hospital” means a hospital which—

(1) is primarily engaged in providing inpatient services, by or under the supervision of a physician, to Medicare beneficiaries whose medically complex conditions require a long hospital stay and programs of care provided by a long-term care hospital;

(2) has an average inpatient length of stay (as determined by the Secretary) of greater than 25 days, or meets the requirements of clause (ii) of section 1395ww(d)(1)(B)(iv) of this title;

(3) satisfies the requirements of subsection (e); and

(4) meets the following facility criteria:

(A) the institution has a patient review process, documented in the patient medical record, that screens patients prior to admission for appropriateness of admission to a long-term care hospital, validates within 48 hours of admission that patients meet admission criteria for long-term care hospitals, regularly evaluates patients throughout their stay for continuation of care in a long-term care hospital, and assesses the available discharge options when patients no longer meet such continued stay criteria;

(B) the institution has active physician involvement with patients during their treatment through an organized medical staff, physician-directed treatment with physician on-site availability on a daily basis to review patient progress, and consulting physicians on call and capable of being at the patient’s side within a moderate period of time, as determined by the Secretary; and

(C) the institution has interdisciplinary team treatment for patients, requiring interdisciplinary teams of health care professionals, including physicians, to prepare and carry out an individualized treatment plan for each patient.

(ddd) Additional preventive services; preventive services

(1) The term “additional preventive services” means services not described in subparagraph (A) or (C) of paragraph (3) that identify medical conditions or risk factors and that the Secretary determines are—

(A) reasonable and necessary for the prevention or early detection of an illness or disability;

(B) recommended with a grade of A or B by the United States Preventive Services Task Force; and

(C) appropriate for individuals entitled to benefits under part A or enrolled under part B.

(2) In making determinations under paragraph (1) regarding the coverage of a new service, the Secretary shall use the process for making national coverage determinations (as defined in section 1395ff(f)(1)(B) of this title) under this subchapter. As part of the use of such process, the Secretary may conduct an assessment of the relation between predicted outcomes and the expenditures for such service and may take into account the results of such assessment in making such determination.

(3) The term “preventive services” means the following:

(A) The screening and preventive services described in subsection (ww)(2) (other than the service described in subparagraph (M) of such subsection).

(B) An initial preventive physical examination (as defined in subsection (ww)).

(C) Personalized prevention plan services (as defined in subsection (hhh)(1)).

(eee) Cardiac rehabilitation program; intensive cardiac rehabilitation program

(1) The term “cardiac rehabilitation program” means a physician-supervised program (as described in paragraph (2)) that furnishes the items and services described in paragraph (3).

(2) A program described in this paragraph is a program under which—

(A) items and services under the program are delivered—

(i) in a physician’s office;

(ii) in a hospital on an outpatient basis; or

(iii) in other settings determined appropriate by the Secretary.

(B) a physician is immediately available and accessible for medical consultation and medical emergencies at all times items and services are being furnished under the program, except that, in the case of items and services furnished under such a program in a hospital, such availability shall be presumed; and

(C) individualized treatment is furnished under a written plan established, reviewed, and signed by a physician every 30 days that describes—

(i) the individual’s diagnosis;

(ii) the type, amount, frequency, and duration of the items and services furnished under the plan; and

(iii) the goals set for the individual under the plan.

(3) The items and services described in this paragraph are—
(A) physician-prescribed exercise;
(B) cardiac risk factor modification, including
education, counseling, and behavioral
intervention (to the extent such education,
counseling, and behavioral intervention is
reasonably expected to improve or maintain
the individual’s condition and functional level;
and
(iii) furnished under such guidelines relating
to the frequency and duration of such
items and services as the Secretary shall es-
tablish, taking into account accepted norms
of medical practice and the reasonable ex-
pectation of improvement of the individual.

(ii) a statistically significant reduction in 5
or more of the following measures from their
level before receipt of cardiac rehabilitation
services to their level after receipt of such
services:
(I) low density lipoprotein;
(II) triglycerides;
(III) body mass index;
(IV) systolic blood pressure;
(V) diastolic blood pressure; or
(VI) the need for cholesterol, blood pres-
sure, and diabetes medications.

(B) To be eligible for an intensive cardiac re-
habilitation program, an individual must have—
(i) an acute myocardial infarction within
the preceding 12 months;
(ii) had coronary bypass surgery;
(iii) stable angina pectoris;
(iv) had heart valve repair or replacement;
(v) had percutaneous transluminal coronary
angioplasty (PTCA) or coronary stenting;
(vi) had a heart or heart-lung transplant;
(vii) stable, chronic heart failure (defined as
patients with left ventricular ejection fraction
of 35 percent or less and New York Heart Asso-
ciation (NYHA) class II to IV symptoms de-
spite being on optimal heart failure therapy
for at least 6 weeks); or
(viii) any additional condition for which the
Secretary has determined that a cardiac rehab-
ilitation program shall be covered, unless the Secretary determines, using the same process
used to determine that the condition is cov-
ered for a cardiac rehabilitation program, that
such coverage is not supported by the clinical
evidence.

(C) An intensive cardiac rehabilitation pro-
gram may be provided in a series of 72 one-hour
sessions (as defined in section 1395w–4(b)(5) of
this title), up to 6 sessions per day, over a period of
up to 18 weeks.

(5) The Secretary shall establish standards to
ensure that a physician with expertise in the
management of individuals with cardiac pathophysiology who is licensed to practice
medicine in the State in which a cardiac reha-
bilitation program (or the intensive cardiac re-
habilitation program, as the case may be) is of-
fered—

(A) is responsible for such program; and
(B) in consultation with appropriate staff, is
involved substantially in directing
the progress of individual 1 in the program.

(ff) Pulmonary rehabilitation program

(1) The term “pulmonary rehabilitation pro-
gram” means a physician-supervised program
(as described in subsection (ee)(2) with respect
to a program under this subsection) that fur-
nishes the items and services described in para-
graph (2).

(2) The items and services described in this
paragraph are—

(A) physician-prescribed exercise;
(B) education or training (to the extent the
education or training is closely and clearly re-
lated to the individual’s care and treatment
and is tailored to such individual’s needs);
(C) psychosocial assessment;
(D) outcomes assessment; and
(E) such other items and services as the Sec-
retary may determine, but only if such items
and services are—

(i) reasonable and necessary for the diag-
nosis or active treatment of the individual’s
condition;

(ii) reasonably expected to improve or
maintain the individual’s condition and
functional level;

(iii) furnished under such guidelines relat-
ing to the frequency and duration of such
items and services as the Secretary shall es-
tablish, taking into account accepted norms
of medical practice and the reasonable ex-
pectation of improvement of the individual.

(ggg) Kidney disease education services

(1) The term “kidney disease education serv-
ces” means educational services that are—

(A) furnished to an individual with stage IV
chronic kidney disease who, according to ac-
cepted clinical guidelines identified by the
Secretary, will require dialysis or a kidney
transplant;
(B) furnished, upon the referral of the physician managing the individual's kidney condition, by a qualified person (as defined in paragraph (2)); and

(C) designed—

(i) to provide comprehensive information (consistent with the standards set under paragraph (3)) regarding—

(I) the management of comorbidities, including for purposes of delaying the need for dialysis;

(II) the prevention of uremic complications; and

(III) each option for renal replacement therapy (including hemodialysis and peritoneal dialysis at home and in-center as well as vascular access options and transplantation);

(ii) to ensure that the individual has the opportunity to actively participate in the choice of therapy; and

(iii) to be tailored to meet the needs of the individual involved.

(2)(A) The term "qualified person" means—

(i) a physician (as defined in subsection (r)(1)) or a physician assistant, nurse practitioner, or clinical nurse specialist (as defined in subsection (aa)(5)), who furnishes services for which payment may be made under the fee schedule established under section 1395w-4 of this title; and

(ii) a provider of services located in a rural area (as defined in section 1395ww(d)(2)(D) of this title).

(B) Such term does not include a provider of services (other than a provider of services described in subparagraph (A)(ii)) or a renal dialysis facility.

(3) The Secretary shall set standards for the content of such information to be provided under paragraph (1)(C)(i) after consulting with physicians, other health professionals, health educators, professional organizations, accreditation organizations, kidney patient organizations, dialysis facilities, transplant centers, network organizations described in section 1395rr(c)(2) of this title, and other knowledgeable persons. To the extent possible the Secretary shall consult with persons or entities described in the previous sentence, other than a dialysis facility, that has not received industry funding from a drug or biological manufacturer or dialysis facility.

(4) No individual shall be furnished more than 6 sessions of kidney disease education services under this subchapter.

(hhh) Annual wellness visit

(1) The term "personalized prevention plan services" means the creation of a plan for an individual—

(A) that includes a health risk assessment (that meets the guidelines established by the Secretary under paragraph (4)(A)) of the individual that is completed prior to or as part of the initial preventive physical examination (as defined in section 1395w(d)(2)(D) of this title); and

(B) that—

(i) takes into account the results of the health risk assessment; and

(ii) may contain the elements described in paragraph (2).

(2) Subject to paragraph (4)(H), the elements described in this paragraph are the following:

(A) The establishment of, or an update to, the individual’s medical and family history.

(B) A list of current providers and suppliers that are regularly involved in providing medical care to the individual (including a list of all prescribed medications).

(C) A measurement of height, weight, body mass index (or waist circumference, if appropriate), blood pressure, and other routine measurements.

(D) Detection of any cognitive impairment.

(E) The establishment of, or an update to, the following:

(i) A screening schedule for the next 5 to 10 years, as appropriate, based on recommendations of the United States Preventive Services Task Force and the Advisory Committee on Immunization Practices, and the individual’s health status, screening history, and age-appropriate preventive services covered under this subchapter.

(ii) A list of risk factors and conditions for which primary, secondary, or tertiary prevention interventions are recommended or are underway, including any mental health conditions or any such risk factors or conditions that have been identified through an initial preventive physical examination (as described under subsection (ww)(1)), and a list of treatment options and their associated risks and benefits.

(F) The furnishing of personalized health advice and a referral, as appropriate, to health education or preventive counseling services or programs aimed at reducing identified risk factors and improving self-management, or community-based lifestyle interventions to reduce health risks and promote self-management and wellness, including weight loss, physical activity, smoking cessation, fall prevention, and nutrition.

(G) Screening for potential substance use disorders and referral for treatment as appropriate.

(H) The furnishing of a review of any current opioid prescriptions (as defined in subsection (ww)(4)).

(I) Any other element determined appropriate by the Secretary.

(3) A health professional described in this paragraph is—

(A) a physician;

(B) a practitioner described in clause (i) of section 1395u(b)(1B)(C) of this title; or

(C) a medical professional (including a health educator, registered dietitian, or nutrition professional) or a team of medical professionals, as determined appropriate by the Secretary, under the supervision of a physician.

(4)(A) For purposes of paragraph (1)(A), the Secretary, not later than 1 year after March 23, 2010, shall establish publicly available guidelines for health risk assessments. Such guidelines shall be developed in consultation with relevant groups and entities and shall provide that a health risk assessment—
(i) identify chronic diseases, injury risks, modifiable risk factors, and urgent health needs of the individual; and
(ii) may be furnished—
(I) through an interactive telephonic or web-based program that meets the standards established under subparagraph (B);
(II) during an encounter with a health care professional;
(III) through community-based prevention programs; or
(IV) through any other means the Secretary determines appropriate to maximize accessibility and ease of use by beneficiaries, while ensuring the privacy of such beneficiaries.

(B) Not later than 1 year after March 23, 2010, the Secretary shall establish standards for interactive telephonic or web-based programs used to furnish health risk assessments under subparagraph (A)(I)(I). The Secretary may utilize any health risk assessment developed under section 300u–12(f) of this title as part of the requirement to develop a personalized prevention plan to comply with this subparagraph.

(C)(i) Not later than 18 months after March 23, 2010, the Secretary shall develop and make available to the public a health risk assessment model. Such model shall meet the guidelines under subparagraph (A) and may be used to meet the requirement under paragraph (1)(A).

(ii) Any health risk assessment that meets the guidelines under subparagraph (A) and is approved by the Secretary may be used to meet the requirement under paragraph (1)(A).

(D) The Secretary may coordinate with community-based entities (including State Health Insurance Programs, Area Agencies on Aging, Aging and Disability Resource Centers, and the Administration on Aging) to—

(i) ensure that health risk assessments are accessible to beneficiaries; and
(ii) provide appropriate support for the completion of health risk assessments by beneficiaries.

(E) The Secretary shall establish procedures to make beneficiaries and providers aware of the requirement that a beneficiary complete a health risk assessment prior to or at the same time as receiving personalized prevention plan services.

(F) To the extent practicable, the Secretary shall encourage the use of, integration with, and coordination of health information technology (including use of technology that is compatible with electronic medical records and personal health records) and may experiment with the use of personalized technology to aid in the development of self-management skills and management of and adherence to provider recommendations in order to improve the health status of beneficiaries.

(G) A beneficiary shall be eligible to receive only an initial preventive physical examination (as defined under subsection (w)(1)) during the 12-month period after the date that the beneficiary’s coverage begins under part B and shall be eligible to receive personalized prevention plan services under this subsection each year thereafter provided that the beneficiary has not received either an initial preventive physical examination or personalized prevention plan services within the preceding 12-month period.

(H) The Secretary shall issue guidance that—

(i) identifies elements under paragraph (2) that are required to be provided to a beneficiary as part of their first visit for personalized prevention plan services; and
(ii) establishes a yearly schedule for appropriate provision of such elements thereafter.

(ii) Home infusion therapy

(1) The term “home infusion therapy” means the items and services described in paragraph (2) furnished by a qualified home infusion therapy supplier (as defined in paragraph (3)(D)) which are furnished in the individual’s home (as defined in paragraph (3)(B)) to an individual—

(A) who is under the care of an applicable provider (as defined in paragraph (3)(A)); and

(B) with respect to whom a plan prescribing the type, amount, and duration of infusion therapy services that are to be furnished such individual has been established by a physician (as defined in subsection (y)(1)) and is periodically reviewed by a physician (as so defined) in coordination with the furnishing of home infusion drugs (as defined in paragraph (3)(C)) under part B.

(2) The items and services described in this paragraph are the following:

(A) Professional services, including nursing services, furnished in accordance with the plan.

(B) Training and education (not otherwise paid for as durable medical equipment (as defined in subsection (n)), remote monitoring, and monitoring services for the provision of home infusion therapy and home infusion drugs furnished by a qualified home infusion therapy supplier.

(3) For purposes of this subsection:

(A) The term “applicable provider” means—

(i) a physician;

(ii) a nurse practitioner; and

(iii) a physician assistant.

(B) The term “home” means a place of residence used as the home of an individual (as defined for purposes of subsection (n)).

(C) The term “home infusion drug” means a parenteral drug or biological administered intravenously, or subcutaneously for an administration period of 15 minutes or more, in the home of an individual through a pump that is an item of durable medical equipment (as defined in subsection (n)). Such term does not include the following:

(i) Insulin pump systems.

(ii) A self-administered drug or biological on a self-administered drug exclusion list.

(D)(i) The term “qualified home infusion therapy supplier” means a pharmacy, physician, or other provider of services or supplier licensed by the State in which the pharmacy, physician, or provider or services or supplier furnishes items or services and that—

(I) furnishes infusion therapy to individuals with acute or chronic conditions requiring administration of home infusion drugs;

(II) ensures the safe and effective provision and administration of home infusion therapy on a 7-day-a-week, 24-hour-a-day basis;
(III) is accredited by an organization designated by the Secretary pursuant to section 1395m(u)(5) of this title; and

(IV) meets such other requirements as the Secretary determines appropriate, taking into account the standards of care for home infusion therapy established by Medicare Advantage plans under part C and in the private sector.

(i) A qualified home infusion therapy supplier may subcontract with a pharmacy, physician, provider of services, or supplier to meet the requirements of this subparagraph.

(jj) Opioid use disorder treatment services; opioid treatment program

(1) Opioid use disorder treatment services

The term "opioid use disorder treatment services" means items and services that are furnished by an opioid treatment program for the treatment of opioid use disorder, including—

(A) opioid agonist and antagonist treatment medications (including oral, injected, or implanted versions) that are approved by the Food and Drug Administration under section 505 of this title;

(B) dispensing and administration of such medications, if applicable;

(C) substance use counseling by a professional to the extent authorized under State law to furnish such services;

(D) individual and group therapy with a physician or psychologist (or other mental health professional to the extent authorized under State law);

(E) toxicology testing, and

(F) other items and services that the Secretary determines are appropriate (but in no event to include meals or transportation).

(2) Opioid treatment program

The term "opioid treatment program" means an entity that is an opioid treatment program (as defined in section 8.2 of title 42 of the Code of Federal Regulations, or any successor regulation) that—

(A) is enrolled under section 1395cc(j) of this title;

(B) has in effect a certification by the Substance Abuse and Mental Health Services Administration for such a program;

(C) is accredited by an accrediting body approved by the Substance Abuse and Mental Health Services Administration; and

(D) meets such additional conditions as the Secretary may find necessary to ensure—

(i) the health and safety of individuals being furnished services under such program; and

(ii) the effective and efficient furnishing of such services.
The term ‘cardiac rehabilitation program’ means a program (as described in paragraph (2)) that furnishes the items and services described in paragraph (3) under the supervision of a physician (as defined in subsection (r)(1)) or a physician assistant, nurse practitioner, or clinical nurse specialist (as those terms are defined in subsection (aa)(5)).

(2) A program described in this paragraph is a program under which—

(A) items and services under the program are delivered—

(i) in a physician’s office;

(ii) in a hospital on an outpatient basis; or

(iii) in other settings determined appropriate by the Secretary;

(B) a physician (as defined in subsection (r)(1)) or an assistant, nurse practitioner, or clinical nurse specialist (as those terms are defined in subsection (aa)(5)) is immediately available and accessible for medical consultation and medical emergencies at all times items and services are being furnished under the program, except that, in the case of items and services furnished under such a program in a hospital, such availability shall be presumed; and

(4)(A) The term ‘intensive cardiac rehabilitation program’ means a program (as described in paragraph (2)) that furnishes the items and services described in paragraph (3) under the supervision of a physician (as defined in subsection (r)(1)) or a physician assistant, nurse practitioner, or clinical nurse specialist (as those terms are defined in subsection (aa)(5)) and has shown, in peer-reviewed published medical literature, that medical attention is provided—

(i) in a hospital on an outpatient basis; or

(ii) in a physician’s office; or

(iii) in a hospital setting.

(5) A program described in paragraph (3) that is not an intensive cardiac rehabilitation program shall be presumed to be a program described in paragraph (2) only if the Secretary determines that the program meets the requirements of paragraph (3) under the supervision of a physician (as defined in subsection (r)(1)).

Subsec. (h)(1). Pub. L. 115–123, §51006(b), struck out “physician-supervised” after “means a” and inserted “under the supervision of a physician (as defined in subsection (r)(1)) or a physician assistant, nurse practitioner, or clinical nurse specialist (as those terms are defined in subsection (aa)(3) and XVII ($300o et seq.) of this Act)”.


Subsec. (o)(7)(C). Pub. L. 111–148, § 6402(q)(2), which directed amendment by inserting “that the Secretary determines is commensurate with the volume of the billing of the home health agency” before semicolon “at the end”, was executed by making the insertion before “;” and to reflect the probable intent of Congress.


Subsec. (aa)(3)(A). Pub. L. 111–148, § 10501(i)(2)(A), amended subpar. (A) generally. Prior to amendment, subpar. (A) read as follows: “services of the type described in subparagraphs (A) through (G) of paragraph (1) and services described in subsections (qq) and (vv); and”.


Subsec. (ff)(3)(A). Pub. L. 111–152, § 1301(b), inserted “other than in an individual’s home or in an inpatient or residential setting” before period at end.


Subsec. (ddd)(1). Pub. L. 111–148, § 4104(a)(2), substituted “not described in subparagraph (A) or (C) of paragraph (3)” for “not otherwise described in this subchapter”.


Subsec. (hhh)(4)(G). Pub. L. 111–148, § 10402(b), amended subpar. (G) generally. Prior to amendment, subpar. (G) read as follows: “(G)(ii) A beneficiary shall only be eligible to receive an initial preventive physical examination (as defined under subsection (ww)(1)) at any time during the 12-month period after the date that the beneficiary’s coverage begins under part B of this subchapter and shall be eligible to receive personalized prevention plan services under this subchapter provided that the beneficiary has not received such services within the preceding 12-month period. ““(ii) The Secretary shall establish procedures to make beneficiaries aware of the option to select an initial preventive physical examination or personalized prevention plan services during the period of 12 months after the date that a beneficiary’s coverage begins under part B of this subchapter, which shall include information regarding any relevant differences between such services.”


Subsec. (aa)(3). Pub. L. 109–171, § 5114(a)(1), substituted “and services described in subsections (qq) and (vv); and” for “, and” in subpar. (A) and “section 330” for “sections 329, 330, and 340” in subpar. (B) and inserted “by the center or by a health care professional under contract with the center” after “outpatient of a Federally qualified health center” in concluding provisions.


Subsec. (ll)(2) to (4). Pub. L. 110–275, § 143(a), inserted par. (2) and redesignated former pars. (2) and (3) as (3) and (4), respectively.

Subsec. (ww)(1). Pub. L. 110–275, § 101(b)(1)(A), inserted “body mass index,” after “weight”, struck out “;” and an electrocardiogram” after “blood pressure”, and inserted “and end-of-life planning (as defined in paragraph (3)) upon the agreement with the individual” after “paragraph (2)”.}


Subsec. (aa)(3). Pub. L. 109–171, § 5114(a)(1), substituted “and services described in subsections (qq) and (vv); and” for “, and” in subpar. (A) and “section 330” for “sections 329, 330, and 340” in subpar. (B) and inserted “by the center or by a health care professional under contract with the center” after “outpatient of a Federally qualified health center” in concluding provisions.


Subsec. (ll)(2) to (4). Pub. L. 110–275, § 143(a), inserted par. (2) and redesignated former pars. (2) and (3) as (3) and (4), respectively.

Subsec. (ww)(1). Pub. L. 110–275, § 101(b)(1)(A), inserted “body mass index,” after “weight”, struck out “;” and an electrocardiogram” after “blood pressure”, and inserted “and end-of-life planning (as defined in paragraph (3)) upon the agreement with the individual” after “paragraph (2)”.


Subsec. (aa)(3). Pub. L. 109–171, § 5114(a)(1), substituted “and services described in subsections (qq) and (vv); and” for “, and” in subpar. (A) and “section 330” for “sections 329, 330, and 340” in subpar. (B) and inserted “by the center or by a health care professional under contract with the center” after “outpatient of a Federally qualified health center” in concluding provisons.


tion of section 1395w-3b of this title)" after "included in the physicians' bills".

Subsec. (s)(2)(K)(i). Pub. L. 108–173, §736(b)(11), substituted "but for ... and but".

Pub. L. 108–173, §611(d)(2), inserted "and services described in subsection (ww)(1) after "services which would be physicians' services".

Subsec. (s)(2)(K)(ii). Pub. L. 108–173, §611(d)(2), inserted "and services described in subsection (ww)(1) after "services which would be physicians' services".


Subsec. (s)(7). Pub. L. 108–173, §415(b), inserted "subject to section 1395m(f)(14) of this title," after "but".


Subsec. (dd)(3)(B). Pub. L. 108–173, §408(a), inserted "or nurse practitioner (as defined in subsection (aa)(5))" after "the physician (as defined in subsection (P)(1))".

Subsec. (dd)(5)(D), (E). Pub. L. 108–173, §946(a), added subpars. (D) and (E).

Subsec. (ee)(2)(D). Pub. L. 108–173, §926(b)(1), substituted "hospital care and post-hospital extended care services" for "hospice services and inserted before period at end "and, in the case of individuals who are likely to need post-hospital extended care services, the availability of such services through facilities that participate in the program under this subchapter and that serve the area in which the patient resides".


2000—Subsec. (s)(2)(A). (B). Pub. L. 106–554, §1(a)(6) (title I, §102(a)), substituted "(including drugs and biologicals which are not usually self-administered by the patient)" for "(including drugs and biologicals which cannot, as determined in accordance with regulations, be self-administered)".

Subsec. (s)(2)(J). Pub. L. 106–554, §1(a)(6) (title I, §113(a)), struck out provisions limiting application to drugs furnished within 12 months after the date of the transplant procedure for drugs furnished before 1995, to within 18 months after the date of the transplant procedure for drugs furnished during 1995, to within 24 months after the date of the transplant procedure for drugs furnished during 1996, to within 30 months after the date of the transplant procedure for drugs furnished during 1997, and to within 36 months after the date of the transplant procedure plus additional number of months provided under section 1395k(b) for drugs furnished during any year after 1997.


Subsec. (t)(1). Pub. L. 106–554, §1(a)(6) (title IV, §430(b)), inserted "(including contrast agents)" after "only such drugs".


Subsec. (t)(3)(B). Pub. L. 106–554, §1(a)(6) (title IV, §431(a)), substituted "entity that—" for "entity—".


Subsec. (v)(1)(A). Pub. L. 106–554, §1(a)(6) (title IV, §431(a)), substituted "entity that—" for "entity—".

Subsec. (t)(4). Pub. L. 106–554, §1(a)(6) (title IV, §428(b)(1)(B)), inserted "for purposes of subsection (p)(1) and "after "but only".

Subsec. (v)(1)(J)(v). Pub. L. 106–554, §1(a)(6) (title II, §227(a)), inserted before semicolon at end "plus such additional number of months (if any) provided under section 1395k(b) of this title ".

Subsec. (p)(1). Pub. L. 106–113, §1000(a)(6) (title II, §221(b)(1)(A)), substituted "(3), (4) or (5)" for "(3)".

Subsec. (r)(4). Pub. L. 106–113, §1000(a)(6) (title II, §221(b)(1)(B)), inserted "for purposes of subsection (p)(1) and "after "but only".

Subsec. (s)(2)(J)(v). Pub. L. 106–113, §1000(a)(6) (title II, §227(a)), inserted before semicolon at end "plus such additional number of months (if any) provided under section 1395k(b) of this title ".


Subsec. (v)(1)(L)(ix), (x). Pub. L. 106–113, §1000(a)(6) (title III, §303(a)), added cl. (ix) and redesignated former cl. (ix) as (x).

Subsec. (v)(1)(S)(ii)(I), (II). Pub. L. 106–113, §1000(a)(6) (title II, §201(k)), substituted "and until the first date that the prospective payment system under section 1395(t) of this title is implemented" for "and during fiscal year 2000 before January 1, 2000.


Subsec. (ss)(1)(G)(i), Pub. L. 106–113, §1000(a)(6) (title III, §321(k)(9)(B)), which directed substitution of "or" for "of", was executed by making the substitution for "of" the second time appearing to reflect the probable intent of Congress.
added par. (7) and redesignated former par. (7) as (8).

requirement of a surety bond under paragraph (4)(A)(v) in case of an agency or organization that provides a comparable surety bond under State law.''

inserted “and provides the Secretary on a continuing basis as to the need for care, less than 8 hours each day and 28 or fewer hours per week). For purposes of paragraphs (1) and (2).

Subsec. (r)(5). Pub. L. 105–33, § 4613(a), struck out “demonstrated by x-ray to exist” following “(to correct a subluxation”.

Subsec. (s)(2)(K)(i). Pub. L. 105–33, §§ 4511(a)(2)(A)(i), 4512(a), struck out “(I) in a hospital, skilled nursing facility, or nursing facility (as defined in section 1396w(d)(2)(D) of this title) that is designated, under section 332(a)(1)(A) of the Public Health Service Act, as a health professional shortage area,” after “physician (as so defined)” and inserted at end “and such services and supplies furnished as incident to such services as would be covered under subparagraph (A) if furnished incident to a physician’s professional service, and but only if no facility or other provider charges or is paid any amounts with respect to the furnishing of such services,”.

Subsec. (s)(2)(K)(ii). Pub. L. 105–33, § 4611(a)(1), amended cl. (ii) generally. Prior to amendment, cl. (ii) read as follows: “services which would be physicians’ services if furnished by a physician (as defined in subsection (r)(1) of this section) which are performed by a nurse practitioner (as defined in subsection (aa)(5) of this section) working in collaboration (as defined in subsection (aa)(6) of this section) and which the nurse practitioner is legally authorized to perform by the State in which the services are performed,”.

Subsec. (t)(2)(K)(ii). Pub. L. 105–33, § 4611(a)(2)(A)(ii), struck out cl. (ii) which read as follows: “(ii) services which would be physicians’ services if furnished by a physician (as defined in subsection (r)(1) of this section) which are performed by a nurse practitioner or clinical nurse specialist (as defined in subsection (aa)(5) of this section) in a skilled nursing facility or nursing facility (as defined in subsection (r)(1) of this section in a rural area (as defined in section 1395wddd(2)(D) of this title) which the nurse practitioner is legally authorized to perform by the State in which the services are performed, and such services and supplies furnished as an incident to such services as would be covered under subparagraph (A) if furnished as an incident to a physician’s professional service, and

“(iv) such services and supplies furnished as an incident to services described in clause (i) or (ii) as would be covered under subparagraph (A) if furnished as an incident to a physician’s professional service,”.

Subsec. (s)(2)(N) to (P). Pub. L. 105–33, § 4108(a)(1), struck out “and” at end of subpars. (N) and (O) and added subpar. (P).


(2) Pub. L. 105–33, § 4102(c), inserted “and” at end of subpars. (R) and (S).


Subsec. (s)(2)(U). Pub. L. 105–33, § 4312(c), inserted “and screening pelvic exam” after “screening pap smear”.

Subsec. (s)(15) to (17). Pub. L. 105–33, § 4109(a)(1)(B)–(D), added par. (15) and redesignated former pars. (15) and (16) as (16) and (17), respectively.

Subsec. (u). Pub. L. 105–33, § 4201(c)(1), substituted “critical access” for “rural primary care”.

Subsec. (v)(1)(H)(i). Pub. L. 105–33, § 4312(b)(2)(B), substituted “the surety bond requirement described in subsection (o)(7) and the financial security requirement described in subsection (o)(8)” for “the financial security requirement described in subsection (o)(7)”.

Subsec. (v)(1)(H)(ii). Pub. L. 105–33, § 4312(b)(2)(B), substituted “the surety bond requirement described in subsection (o)(7)” and the financial security requirement described in subsection (o)(8) for “the financial security requirement described in subsection (o)(7)”.

Subsec. (v)(1)(I). Pub. L. 105–33, § 4312(b)(2)(B), substituted “the surety bond requirement described in subsection (o)(7)” and the financial security requirement described in subsection (o)(8) for “the financial security requirement described in subsection (o)(7)”.

Subsec. (v)(2)(K). Pub. L. 105–33, § 4613(a), struck out “demonstrated by x-ray to exist” following “(to correct a subluxation”.

Pub. L. 105–33, § 4432(b)(5)(D)(ii), inserted “critical access” for “rural primary care”.

Pub. L. 105–33, § 4201(c)(1), substituted “critical access” for “rural primary care”.

Pub. L. 105–33, § 4312(b)(1)(A)–(C), inserted at end of closing provisions “‘critical access’ for ‘rural primary care’ and added closing provisions “For purposes of paragraphs (1) and (4), the term ‘part-time or intermittent services’ means skilled nursing and home health aide services furnished any number of days per week as long as they are furnished (combined) less than 8 hours each day and 35 or fewer hours per week). For purposes of sections 1395f(a)(2)(C) and 1395n(a)(2)(A) of this title, ‘intermittent’ means skilled nursing care that is either provided or needed on fewer than 7 days each week, or less than 8 hours of each day for periods of 21 days or less (with extensions in exceptional circumstances when the need for additional care is finite and predictable.)”.

Subsec. (n). Pub. L. 105–33, § 4108(b)(1), inserted before semicolon in first sentence “,” and added blood-testing kits and blood glucose monitors for individuals with diabetes without regard to whether the individual has Type I or Type II diabetes or to the individual’s use of insulin (as determined under standards established by the Secretary in consultation with the appropriate organizations)’”.

Subsec. (o). Pub. L. 105–33, § 4312(b)(1)(D), inserted at end of closing provisions “The Secretary may waive the requirement of a surety bond under paragraph (7) in the case of an agency or organization that provides a comparable surety bond under State law.”

Subsec. (o)(7). Pub. L. 105–33, § 4312(b)(1)(A)–(C), added par. (7) and redesignated former par. (7) as (8).

Subsec. (p). Pub. L. 105–33, § 4312(a)(2), inserted at end of closing provisions “The Secretary may waive the requirement of a surety bond under paragraph (4)(A)(v) in the case of a clinic or agency that provides a comparable surety bond under State law.”

Subsec. (p)(4)(A)(v). Pub. L. 105–33, § 4312(a)(1), inserted “and provides the Secretary on a continuing basis as to the need for care, less than 8 hours each day and 35 or fewer hours per week). For purposes of sections 1395f(a)(2)(C) and 1395n(a)(2)(A) of this title, ‘intermittent’ means skilled nursing care that is either provided or needed on fewer than 7 days each week, or less than 8 hours of each day for periods of 21 days or less (with extensions in exceptional circumstances when the need for additional care is finite and predictable.)”.
the Secretary may specify in the case of a woman who is at high risk of developing cervical or vaginal cancer (as determined pursuant to factors identified by the Secretary), and added paras. (2) and (3).


Subsec. (aa)(4)(A)(11)(II). Pub. L. 104–299 which directed amendment of subcl. (I) by substituting "section 330 (other than subsection (h))" for "section 329, 330, or 340", was executed to subcl. (II) to reflect the probable intent of Congress.


Subsec. (a)(2). Pub. L. 103–432, §102(g)(4)(B), substituted "hospital or primary care hospital services" for "hospital services".


Pub. L. 103–432, §147(e)(4), substituted "clauses (i) or (ii) of subsection (a)(2)(K)" for "subsection (a)(2)(K)(i)".

Subsec. (e)(4). Pub. L. 103–432, §104, substituted "physician, except that a patient receiving qualified psychologist services (as defined in subsection (ii)) may be under the care of a clinical psychologist with respect to such services to the extent permitted under State law;" for "physician;"

Subsec. (h)(3). Pub. L. 103–432, §146(b)(1), substituted "or occupational therapy or speech-language pathology services" for "or, occupational, or speech therapy".

Subsec. (m)(2). Pub. L. 103–432, §102(g)(4)(B), substituted "or occupational therapy or speech-language pathology services" for "or, occupational, or speech therapy".

Subsec. (p). Pub. L. 103–432, §146(b)(3), substituted "speech-language pathology services" for "speech pathology services" after "term 'outpatient physical therapy services'" and added paragraph (2).

Subsec. (q)(1)(N). Pub. L. 103–432, §147(f)(6)(B)(I), designated subpar. (F) as (O) and struck out former subpar. (O) which read as follows: "a covered osteoporosis drug and its administration (as defined in subsection (j)) of this section) furnished on or after January 1, 1991, and on or before December 31, 1995, and".

Subsec. (s)(3). Pub. L. 103–432, §145(b), inserted "and including diagnostic mammography if conducted by a facility that has a certificate (or provisional certificate) issued under section 334 of the Public Health Service Act" after "necessary".

Subsec. (v)(1)(L)(i)(I). Pub. L. 103–432, §158(a)(1), substituted "and determined using the survey of the most recent available wages and wage-related costs of hospitals" for "as of such date in capital;"

Subsec. (aa)(2). Pub. L. 103–432, §147(f)(4)(A), in last sentence of closing provisions, substituted "approved as such a clinic" for "certification as such a clinic" and "Secretary's approval or disapproval" for "the Secretary's approval or disapproval of the certification".

Subsec. (aa)(3). Pub. L. 103–432, §147(e)(5), substituted "this subchapter" for "this chapter".


Subsec. (dd)(1)(B). Pub. L. 103–432, §146(b)(5), substituted "therapy, or speech-language pathology services" for "therapy or speech-language pathology services".

Subsec. (ee)(2)(D). Pub. L. 103–432, §107(a), inserted "including hospice services," after "post-hospital services".


Pub. L. 103–432, §147(f)(6)(A), (B)(I), amended subsec. (jj), defining "covered osteoporosis drug", in introductory provisions, by striking out "a bone fracture related to post-menopausal osteoporosis and the individual" for "patient".


Subsec. (t). Pub. L. 103–66, §13553(b), designated existing provisions as par. (1), "inserted and paragraph (2)"; and added par. (2).

Subsec. (v)(1)(B). Pub. L. 103–66, §13560(c)(1), amended subpar. (B) generally. Prior to amendment, subpar. (B) read as follows: "Such regulations in the case of extended care services furnished by proprietary facilities shall include provision for specifying a reasonable return on equity capital, including necessary working capital, invested in the facility and used in the furnishing of such services, in lieu of other allowances to the extent that they reflect similar items. The rate of return recognized pursuant to the preceding sentence for determining the reasonable cost of any services furnished in any cost reporting period shall be equal to the average of the rates of interest, for each of the months any part of which is included in the period, on obligations issued for purchase by the Federal Housing Trust Fund.

Subsec. (v)(1)(L)(I). Pub. L. 103–66, §13564(b)(1), struck out "with appropriate adjustment for administrative and general costs of hospital-based agencies" after "discipline specific basis".

Subsec. (v)(1)(L)(II). Pub. L. 103–66, §13569(a)(2), substituted "thereafter (but not for cost reporting periods beginning on or after July 1, 1994, and before July 1, 1996)" for "thereafter".


Subsec. (gg)(2). Pub. L. 103–66, §13554(a), substituted a period for "", and performs services in the area of man-
agreement of the care of mothers and babies throughout the maternity cycle.”


Subsec. (b)(4). Pub. L. 101–508, § 4157(a)(2), as amended by Pub. L. 103–422, § 147(f)(3), substituted “services described by subsection (a)(2)(K)(i), certified nurse-midwife services, qualified psychosocial services, and services of a certified registered nurse anesthetist; and” for “and anesthesia services provided by a certified registered nurse anesthetist; and”.

Subsec. (n). Pub. L. 101–508, § 415(a)(2), inserted at end “With respect to a seal-lift chair, such term includes only the seal-lift mechanism and does not include the chair.”.


Subsec. (a)(2)(K)(iv). Pub. L. 101–508, § 4161(a)(5)(A), substituted “subsection (aa)(5)” for “subsection (aa)(3)”. Pub. L. 101–508, § 4161(a)(5)(A), substituted “subsection (aa)(4)” for “subsection (aa)(3)”, and inserted at end “If a State agency has determined under section 1395aa(a) of this title that a facility is a rural health clinic and the facility has applied to the Secretary for certification as such a clinic, the Secretary shall notify the facility of such a determination of eligibility.”

Pub. L. 101–508, § 415(b)(1), inserted at end “‘covered osteoporosis drug’.


Pub. L. 101–508, § 4161(a)(2)(C), added par. (4) and redesignated former pars. (3) and (4) as (5) and (6), respectively.


Subsec. (f)(3). Pub. L. 101–508, § 4162(a), designated existing provision as subpar. (A), substituted outpatients or by a community mental health center (as defined in subparagraph (B),) “for ‘outpatients’, and added subpar. (B).


1989—Subsec. (a). Pub. L. 101–234, § 101(a), repealed Pub. L. 100–360, § 104(d)(4)(A), and provided that the provisions of law amended or repealed by such section are restored or revived as if such section had not been enacted, see 1988 Amendment note below.

Subsec. (e). Pub. L. 101–234, § 101(a), repealed Pub. L. 100–360, § 104(d)(4)(B), and provided that the provisions of law amended or repealed by such section are restored or re-
vived as if such section had not been enacted, see 1988 Amendment note below.

Subsec. (i). Pub. L. 101–234, §201(a), repealed Pub. L. 100–360, §203(e)(1), and provided that the provisions of law amended or repealed by such section are restored or revived as if such section had not been enacted, see 1988 Amendment note below.

Subsec. (m). Pub. L. 101–234, §201(a), repealed Pub. L. 100–360, §206(a), and provided that the provisions of law amended or repealed by such section are restored or revived as if such section had not been enacted, see 1988 Amendment note below.


Subsec. (s)(13). Pub. L. 101–234, §201(a), which repealed Pub. L. 100–360, §204(a)(1)(B)–(D), and directed that the provisions of law amended or repealed by such section are restored or revived as if such section had not been enacted, was executed by striking out par. (13) as added by Pub. L. 100–360, §204(a)(1)(B)–(D), but former par. (13) which was redesignated (14) was not restored in view of intervening redesignation as (15). by Pub. L. 101–239, §6113(a)(1), see 1988 Amendment note below.

Subsec. (s)(14). Pub. L. 101–239, §6113(a)(1)(A), (B), (D), added subpar. (15). Former par. (15) redesignated (16). Pub. L. 101–234, §201(a), which repealed Pub. L. 100–360, §204(a)(1)(A), and directed that the provisions of law amended or repealed by such section are restored or revived as if such section had not been enacted, was not executed in view of intervening redesignation of par. (14) as (15) by Pub. L. 101–239, §6115(a)(1)(C), see 1988 Amendment note below.


Pub. L. 101–234, §201(a), which repealed Pub. L. 100–360, §204(a)(1)(A), and directed that the provisions of law amended or repealed by such section are restored or revived as if such section had not been enacted, was not executed in view of intervening redesignation of par. (15) as (16) by Pub. L. 101–239, §6115(a)(1)(C), see 1988 Amendment note below.


Subsec. (t). Pub. L. 101–234, §201(a), repealed Pub. L. 100–360, §202(a)(2), and provided that the provisions of law amended or repealed by such section are restored or revived as if such section had not been enacted, see 1988 Amendment note below.


Subsec. (e). Pub. L. 100–360, §194(d)(4)(B), substituted “paragraph (7) of this subsection,” for “paragraph (7) of this subsection, and subsection (i) of this section in introductory provisions, struck out second sentence which read as follows: “For purposes of subsection (a)(1), such term includes any institution which meets the requirements of paragraph (1) of this subsection.”, substituted “and section 1395f(2) of this title” for “section 1395f(2) of this title, and subsection (i) of this section in third sentence, and struck out ‘‘, except for purposes of subsection (a)(2),’’ after “such term shall not” in fifth sentence.


Subsec. (m). Pub. L. 100–360, §206(a), inserted at end “For purposes of paragraphs (1) and (4) and sections 1395e(a)(2)(C) and 1395e(a)(2)(A) of this title, nursing care and home health aide services shall be considered to be provided or needed on an ‘intermittent’ basis if they are provided or needed less than 7 days each week and in the case they are provided or needed for 7 days each week, if they are provided or needed for a period of up to 38 consecutive days.”


Subsec. (p). Pub. L. 100–647, §8424(a), inserted a comma before “year” in provisions immediately preceding par. (10).


Subsec. (r)(2)(J). Pub. L. 100–360, §202(a)(1), amended par. (J) generally, substituting “covered outpatient drugs (as defined in subsection (t) of this section); and for provision which related to prescription drugs used in immunosuppressive therapy.”


Subsec. (v)(1)(L)(iii). Pub. L. 100–360, §411(i)(5)(A), substituted “verified” for “audited” in subcls. (I) and (II) and inserted at end “In the case of a home health agency that refuses to provide data, or deliberately provides false data, respecting wages for purposes of this clause upon the request of the Secretary, the Secretary may withhold up to 5 percent of the amount of the payments otherwise payable to the agency under this subchapter until such date as the Secretary determines that such data has been satisfactorily provided.”


Subsec. (y)(1). Pub. L. 100–360, §104(d)(4)(E)(ii), struck out “(except for purposes of subsection (a)(2))” after “Massachusetts, but only”.

Subsec. (y)(2). Pub. L. 100–360, §104(d)(4)(E)(iv), (iii), (iv), struck out “post-hospital” before “extended care services” in two places, substituted “year” for “spell of illness” and “spell” wherever each appeared, and substituted “45 days” for “30 days”.

Subsec. (y)(3). Pub. L. 100–360, §104(d)(4)(E)(ii), (iii), (v), struck out “post-hospital” before “extended care services” and substituted “year” for “spell of illness” and “the coinsurance amount established under section 1396a(a)(3)(C) of this title for each day before the 46th day” for “one-eighth of the inpatient hospital deductible for each day before the 31st day”, and “year” for “spell”.

Subsec. (y)(4). Pub. L. 100–360, §104(d)(4)(E)(vi), struck out par. (4) which provided that certain determinations about services provided by an institution described in par. (1) be made under regulations.


Subsec. (ff)(3). Pub. L. 100–360, §411(h)(1)(B)(ii), substituted “furnished by a hospital to its outpatients” for “hospital-based or hospital-affiliated (as defined by the Secretary)”.


Subsec. (i). Pub. L. 100–360, §411(h)(6), added par. (6) relating to ophthalmic mammography (as defined in subsection (kk) of this section). Former par. (13) redesignated (14).
ment, because of institutionalization, or because of similar circumstances of the individual," after "Public Health Service Act"


Pub. L. 100–360, §203(b), added subsec. (j) relating to home intravenous drug therapy services.


1987—Subsec. (a)(2). Pub. L. 100–203, §4201(d)(1), formerly §4201(d), as redesignated and amended by Pub. L. 100–360, §411(h)(1)(D), (ii), substituted "facility described in section 1395i–3(a)(1) of this title or subsection (e)(1) of this section or section 1395(bb)(a) of the Public Health Service Act, as a health manpower shortage area," for "or as an assistant at surgery;".


Subsec. (c)(1). Pub. L. 100–203, §4076(a), as amended by Pub. L. 100–360, §411(h)(5)(A), inserted "or by a clinical social worker (as defined in subsection (b)(h)) after "clinical psychologist (as defined by the Secretary)', and substituted "incident to such clinical psychologist's services or clinical social worker's services" for "incident to his services."

Subsec. (d)(2)(h)(ii). Pub. L. 100–203, §4076(a), as amended by Pub. L. 100–360, §411(h)(5)(A), inserted "or by a clinical social worker (as defined in subsection (b)(h)) after "clinical psychologist (as defined by the Secretary)', and substituted "incident to such clinical psychologist's services or clinical social worker's services" for "incident to his services."


Subsec. (g)(1). Pub. L. 100–203, §4074(a), added subpar. (L).

Subsec. (h)(1). Pub. L. 100–203, §4074(a), substituted in subpart "impressions taken by a registered dentist (including the costs of conductung routine X-ray examinations (including the costs of conductung routine X-ray examinations),"


Subsec. (l)(1)(C). Pub. L. 100–203, §4074(a), inserted "which would not be included under subsection (b) of this section if it were furnished to an inpatient of a hospital; or".

Pub. L. 100–203, §4072(a), redesignated par. (12) as par. (16).

Pub. L. 100–203, §4072(a), added par. (12).

Pub. L. 100–203, §4072(a), redesignated par. (12) as par. (15).

Pub. L. 100–203, §4072(a), redesignated par. (15).
Subsec. (ee). Pub. L. 100–203, §4088(i)(14), made technical amendment to heading.


Subsec. (n). Pub. L. 99–272, §9219(b)(1)(B), substituted “as his home” for “at his home.”

Subsec. (rr)(4). Pub. L. 99–509, §9336(a), amended cl. (4) generally. Prior to amendment, cl. (4) read as follows: “a doctor of optometry who is legally authorized to practice optometry by the State in which he performs such function, but only with respect to services related to the condition of aphakia, or”.


Subsec. (ss)(11) to (15). Pub. L. 99–509, §9320(b), added subpar. (11) and redesignated former pars. (11) to (14) as (12) to (15), respectively.
Subsec. (v)(1)(B). Pub. L. 99–272, §9107(b)(2), substituted “any cost reporting period shall be equal to” for “any fiscal period shall not exceed one and one-half times” and “the period” for “such fiscal period”.
Subsec. (v)(1)(L). Pub. L. 99–509, §9335(a), inserted “(i)” after “(L)”, struck out “the 75th percentile of otherwise) as the Secretary may determine.” and substituted “and durable medical equipment” as the probable intent of Congress.

Subsec. (v)(5)(A). Pub. L. 99–509, §9357(d)(3), inserted “(including through the operation of subsection (g)” after “subsection (p)”.


1984—Subsec. (d). Pub. L. 98–369, §2335(b)(1), struck out subsec. (d) which defined “inpatient tuberculosis hospital services” as inpatient hospital services furnished to an inpatient of a tuberculosis hospital.
Subsec. (e). Pub. L. 98–369, §2336(b)(2), struck out “or tuberculosis unless it is a tuberculosis hospital (as defined in subsection (g) of this section)” or “unless it is a psychiatric hospital” in provisions following par. (9).
Subsec. (f). Pub. L. 98–369, §2340(a), struck out par. (5) which provided that “psychiatric hospital” meant an institution which was accredited by the Joint Commission on Accreditation of Hospitals, and struck out “if the institution is accredited by the Joint Commission on Accreditation of Hospitals or if such distinct part meets requirements equivalent to such accreditation requirements as determined by the Secretary” in concluding provisions.
Subsec. (g). Pub. L. 98–369, §2335(b)(1), struck out subsec. (g) which defined “tuberculosis hospital”.
Subsec. (j). Pub. L. 98–369, §2336(b)(5), in provisions following par. (15), struck out “or tuberculosis” after “treatment of mental diseases”.
Subsec. (j)(2). Pub. L. 98–369, §2354(b)(18), substituted “provision for” for “provision of”.
Subsec. (j)(13). Pub. L. 98–369, §2354(b)(19), substituted “an institution” for “a nursing home”.
Subsec. (m)(5). Pub. L. 98–369, §2212(e)(1), directed the substitution of “and durable medical equipment” for “, and the use of medical applications” was executed by making the substitution for “, and the use of medical applications” as the probable intent of Congress.

Subsec. (p)(1). Pub. L. 98–369, §2341(a), substituted “paragraph (1) or (3) of subsection (r)” for “subsection (r)(1)”.
Subsec. (p)(2). Pub. L. 98–369, §2342(a), substituted “by a physician as so defined” or by a qualified physical therapist and is periodically reviewed by a physician (as so defined)” for “, and is periodically reviewed, by a physician (as so defined)”.
Subsec. (r)(3). Pub. L. 98–617, §3(b)(7), substituted “under subsections (k), (m), and (p) of this section and sections 1395(a)(2)(F)(i), 1395n of this title” for “under subsections (k) and (m) and sections 1395(a) and 1395n of this title” before “is consistent with the policy”.
Subsec. (v)(1)(C)(i). Pub. L. 98–369, §2341(c), substituted “for the purposes of subsections (k), (m), and (p) of this section” for “for the purposes of subsections (k) and (m) of this section”, and substituted “sections 1395(a), 1395(a)(2)(F)(ii), and 1395n of this title but only if” for “sections 1395(a) and 1395n of this title only if”.
Subsec. (s)(2)(H). Pub. L. 98–369, §2322(a), designated existing provisions as cl. (i) and added cl. (ii).
Subsec. (s)(6). Pub. L. 98–369, §2321(e)(2), struck out provision which included iron lungs, oxygen tents, etc. with durable medical equipment. See subsec. (n) of this section.
Subsec. (s)(10). Pub. L. 98–369, §2323(a), designated existing provisions as subpar. (A) and added subpar. (B).
Subsec. (u). Pub. L. 98–369, §2334(b)(20), struck out “or “home health agency”.”
Subsec. (v)(1)(C)(i). Pub. L. 98–369, §2354(b)(22), inserted a dash after “but only if”.
Subsec. (v)(3)(E). Pub. L. 98–369, §2319(a)(1), struck out cl. (i) which directed that such regulations provide that any determination of reasonable cost with respect
to services provided by hospital-based skilled nursing facilities be made on the basis of a single standard based on the reasonableness of costs incurred by free standing skilled nursing facilities, subject to such adjustments as deemed appropriate by the Secretary, and struck out the designation "(ii)".


Subsec. (y)(1)(H)(iii). Pub. L. 97–248, §109(b)(1), struck out "(i)" and "(ii) which determines the amount payable by the home health agency on the basis of a percentage of the agency's reimbursement or claim for reimbursement for services furnished by the agency".


Subsec. (y)(1)(K). Pub. L. 97–248, §103(a), substituted provisions that cost regulations may not provide for any inpatient routine salary cost differential as a reimbursable cost for hospitals and skilled nursing facilities in provisions that such regulations would provide that an inpatient routine nursing salary cost differential would be allowable as a reimbursable cost of hospitals, at a rate not to exceed 3 percent, to be applied under the same methodology used for the nursing salary cost differential for the month of April 1961.

Subsec. (y)(1)(L). Pub. L. 97–248, §101(a)(2), struck out cl. (i) which provided that the Secretary, in determining the amount of the payments that could be made under this subchapter with respect to routine operating costs for the provision of general inpatient hospital services, could not recognize as reasonable, routine operating costs for the provision of general inpatient hospital services by a hospital to the extent these costs exceeded 10 percent of the mean of such routine operating costs per diem for hospitals, or, in the judgment of the Secretary, such lower percentage or such comparable or lower limit as the Secretary could determine, and struck out "(ii)".

Pub. L. 97–248, §105(a), inserted "fee standing" after "costs per visit for".


Subsec. (y)(7). Pub. L. 97–248, §161(d), redesignated existing provisions as subpars. (A) and added subpar. (B).


Subsec. (y)(1)(P). Pub. L. 97–35, §1202(a)(1), substituted "home health agency, or hospice program" for "or home health agency".


Subsec. (y)(1)(G)(i). Pub. L. 97–35, §2102(a)(1), substituted "there is not an excess of hospital beds in such hospital and (subject to clause (iv)) there is not an excess of hospital beds in the area of such hospital" for "the hospital had (during the immediately preceding calendar year) an average daily occupancy rate of 80 percent or more" in provision following subcl. (III).

Pub. L. 97–35, §2114, substituted "the Secretary or such agent as the Secretary may designate" for "an organization or agency with review responsibility as is otherwise provided for under part A of subchapter XI of this chapter" in provision preceding subcl. (I).

Subsec. (y)(1)(G)(iv). Pub. L. 97–35, §2102(a)(2), substituted provisions that the determination under cl. (i) of this subparagraph, in the case of a public hospital, whether or not there is an excess of hospital beds in the area of such hospital, be made on the basis of the needs of the public hospitals which are in the area of the hospital and which are under common ownership with that hos-
pital for provisions that public hospitals under common ownership may elect to be treated as a single hospital, and beginning two years after the date this subpara-
graph was first applied with respect to a hospital in which the Secretary, to the extent feasible, shall not treat as an inpatient an individual with respect to whom payment was made to the hospital only because of this subpara-
graph or section 1396a(h) of this title for such determination.

(J).

(K).

(L).

Pub. L. 97–35, §2144(a), designated existing provisions as cl. (i) and added cl. (ii).

Subsec. (w)(2). Pub. L. 97–35, §2183(c)(9), substituted “subchapter XIX” for “subchapter V or XIX”.

Subsec. (bb). Pub. L. 97–35, §2121(d), struck out subsec. (bb) which defined “alcohol detoxification facility services” and “detoxification facility”.

1980—Subsec. (bb)(7). Pub. L. 96–499, §948(a)(1), provided that par. (4) was not to apply to services provided in a hospital by a physician with respect to a hospital, the individual unable to be admitted to such facilities within 14 days because of a shortage of appropriate bed space, and redesignated existing second sentence of subsec. (b) as (b).

Subsec. (j)(13). Pub. L. 96–499, §915(a), substituted “‘such edition as is specified by the Secretary in regulations of the Life Safety Code of the National Fire Protection Association’ for the National Fire Protection Association”.

1973—Subsec. (e)(3). Pub. L. 96–499, §934(a), substituted “subsection (i)” for “subsections (i) and (m)” in text preceding par. (1) and in text following par. (9).

Pub. L. 96–499, §949, in text following par. (9), inserted provision defining “hospital” as a facility of fifty beds or less located in an area determined by the Secretary to meet definition relating to a rural area described in subpar. (A) of par. (5) and prescribing exceptions to such definition.

Subsec. (i). Pub. L. 96–499, §950, substituted “30 days” for “14 days” in three places and struck out former cl. (B) which related to admission to skilled nursing facilities within 14 days after hospital discharge of an individual unable to be admitted to such facilities within 14 days because of a shortage of appropriate bed space, and redesignated former cl. (C) as (B).


Subsec. (k)(2)(A). Pub. L. 96–499, §948(a)(1), provided that par. (4) was not to apply to services provided in a hospital by a physician with respect to a hospital, the individual unable to be admitted to such facilities within 14 days because of a shortage of appropriate bed space, and redesignated existing second sentence of subsec. (b) as (b).

Subsec. (s)(10) to (14). Pub. L. 96–499, §102(a), added par. (10) and redesignated former pars. (10) to (13) as (11) to (14), respectively.

Subsec. (u). Pub. L. 96–499, §933(c), inserted “comprehensive outpatient rehabilitation facility,” after “nursing facility”.

Pub. L. 96–499, §931(c), inserted “detoxification facility.”


Subsec. (w)(2). Pub. L. 95–142, §3(a)(2), substituted provisions relating to compliance with requirements of section 1320a–3 of this title, for provisions relating disclosure of ownership, corporate status, etc., information to the Secretary or his delegate.


Subsec. (s). Pub. L. 95–210, §1(g), inserted “(which may in the judgment of the Secretary, in regulations extending provisions as par. (1) and added par. (2), 1972—Subsec. (a)(2). Pub. L. 94–182, §202(a), substituted “skilled nursing facility” for “nursing facility”, after “nursing facility”.a facility”’ after “‘independent of a physician’s office’.”

Subsec. (a)(6). Pub. L. 95–216 inserted “‘which may include a power-operated vehicle that may be appropriately used as a wheelchair, but only where the use of such a vehicle is determined to be necessary on the basis of the individual’s medical and physical condition and the vehicle meets such safety requirements as the Secretary may prescribe’” after “‘wheelchairs’.”


Subsec. (w)(2). Pub. L. 95–142, §5(m), inserted “part B of this subchapter or under after ‘or entitled to have payment made for such services under’”.


Subsec. (w). Pub. L. 94–182, §112(a)(1), designated existing provisions as par. (1) and added par. (2).


Subsec. (e)(6). Pub. L. 92–603, §§227(a), 276(a), redesignated existing second sentence of subsec. (b) as par. (6) and in subsec. (b)(6) as so designated inserted reference to services in a hospital or osteopathic hospital by an intern or resident-in-training in the field of podiatry, approved by the Council on Podiatry Education of the American Podiatry Association.


Subsec. (e). Pub. L. 92–603, §211(b), inserted reference to section 1385(f) of this title in the provisions preceding par. (1), inserted reference to sections 1395f(2) of
this title after “For purposes of sections 1395(d) and 1395(a) of this title (including determination of whether an individual received inpatient hospital services or diagnostic services for purposes of such sections),” and inserted provisions for accreditation by the Joint Commission on Accreditation of Hospitals.


Subsec. (e)(9). Pub. L. 92–603, §§ 234(a), 244(c), redesignated former par. (8) as (9) and struck out provisions requiring that other requirements not be higher than the comparable requirements prescribed for the accreditation of hospitals by the Joint Commission on Accreditation of Hospitals.

Subsec. (f)(2), (g)(2). Pub. L. 92–603, § 234(b), (c), inserted reference to par. (9) of subsec. (e) of this section.

Subsec. (h). Pub. L. 92–603, §§ 278(a)(5), substituted “skilled nursing facility” for “extended care facility”, “skilled nursing facilities” for “extended care facilities”, and “a” for “an”.

Subsec. (i). Pub. L. 92–603, §§ 248, 278(a)(6), (b)(10), extended the class of persons qualifying to be deemed as having been an inpatient in a hospital immediately before transfer therefrom by designating as clause (A) the existing requirement that the person have been admitted to the skilled nursing facility within 14 days after discharge from such hospital and adding cls. (B) and (C) and substituted “skilled nursing facility” for “extended care facility”.

Subsec. (j). Pub. L. 92–603, § 278(a)(7), substituted “the necessary costs of efficiently delivering care, services, or supplies” for “the costs with respect to persons covered by the insurance programs”, designated existing provisions as subpars. (A) and (B), and added subpars. (C), (D), and (E), and substituted “skilled nursing facilities” for “extended care facilities”. Subsec. (j)(10). Pub. L. 92–603, § 234(d), added par. (10).


Subsec. (j)(15). Pub. L. 92–603, §§ 234(d), 246(b)(2), (4), 265, 267, 278(b)(13), redesignated former par. (10) as (11), amended par. (11) as thus redesignated by inserting provisions that the Secretary shall not require as a condition of participation that medical social services be furnished in any such institution, redesignated such par. (11) as thus amended as par. (15), and inserted provision that all information concerning skilled nursing facilities required to be filed with the Secretary be made available to Federal and state employees for purposes consistent with the effective administration of programs established under subchapters XVIII and XIX and inserted provision for the waiver of the registration and nurse requirement in skilled nursing facilities in rural areas.

Subsec. (k). Pub. L. 92–603, §§ 237(c), 278(a)(8), inserted provisions authorizing the Secretary to utilize the procedures established under subchapter XIX of this chapter if such procedures were determined to be superior in their effectiveness and substituted “skilled nursing facility” for “extended care facility”, “skilled nursing facilities” for “extended care facilities”, and “a” for “an”.

Subsec. (l). Pub. L. 92–603, § 278(a)(9), substituted “skilled nursing facility” for “extended care facility” and “a” for “an”.

Subsec. (m)(7). Pub. L. 92–603, § 278(a)(10), substituted “skilled nursing facility” for “extended care facility”.

Subsec. (n). Pub. L. 92–603, § 278(a)(11), substituted “skilled nursing facility” for “extended care facility” and “a” for “an”.

Subsec. (o)(6). Pub. L. 92–603, § 234(e), added par. (5) and redesignated former par. (5) as (6).

Subsec. (p). Pub. L. 92–603, §§ 251(a)(1), (b)(1), 283(a), inserted provisions covering physical therapy services of a skilled physical therapist other than under an arrangement with and under the supervision of a provider of services, clinic, rehabilitation agency, or public health agency, inserted “in addition, such term includes physical therapy services which meet the requirements of the first sentence of this subsection except that they are furnished to an individual as an inpatient of a hospital or extended care facility”, and extended definition of “outpatient physical therapy services” to include outpatient speech pathology services.

Subsec. (q). Pub. L. 92–603, §§ 277(t), (u), substituted “the last sentence of subsection (b)” for “the last sentence of section 1395k(b) of this title” in parenthesis phrase.

Subsec. (r). Pub. L. 92–603, §§ 251(c)(2), 256(b), 264(a), 278(a), inserted “or (C) the certification required by section 1395x(a)(2)(E) of this title,” inserted provision so as to include doctors in one of the specified arts legally authorized to practice such art in the country in which inpatient hospital services referred to in section 1395k(a)(4) are furnished, added cl. (4) covering doctors of optometry who are legally authorized to practice optometry by the State in which they perform such functions, but only with respect to establishing the necessity for prosthetic lenses, and added cl. (5) providing for the inclusion of chiropractor services.

Subsec. (s)(8). Pub. L. 92–603, § 252(a), inserted “(including colostomy bags and supplies directly related to colostomy care)” after “organ”.

Subsec. (u). Pub. L. 92–603, §§ 227(d)(1), 278(a)(12), substituted “skilled nursing facility, or home health agency” for “extended care facility, or home health agency.”

Subsec. (v)(1). Pub. L. 92–603, §§ 223(a), (b), (c), (d), 227(c)(1), (2), (3), (4), 249(b), 278(b)(11), inserted definition of the costs of services, inserted provision that the regulation for the establishment of limits on the direct or indirect overall incurred costs or incurred costs of specific items or services or groups of items or services to be recognized as reasonably based on estimates of the costs necessary in the efficient delivery of needed health services to individuals covered by the insurance programs established under this subchapter, inserted parenthetical provisions covering exclusion of costs, substituted “the necessary costs of efficiently delivering covered services covered by the insurance programs” for “the costs with respect to individuals covered by the insurance programs”, designated existing provisions as subpars. (A) and (B), and added subpars. (C), (D), and (E), and substituted “skilled nursing facilities” for “extended care facilities”. Subsec. (v)(3). Pub. L. 92–603, § 278(a)(13), substituted “skilled nursing facility” for “extended care facility”. Subsec. (v)(4). Pub. L. 92–603, § 223(f), added par. (4).

Former par. (4) redesignated (6).


Subsec. (v)(6). Pub. L. 92–603, §§ 223(c)(4), 223(b), 251(c), redesignated former par. (4) as (6).


Subsec. (w). (y). Pub. L. 92–603, § 278(a)(14), (15), substituted “skilled nursing facility” for “extended care facility” and “a” for “an”.

Subsec. (z). Pub. L. 92–603, §§ 234(b), 278(b)(6), added subsec. (z) and substituted “skilled nursing facility” for “extended care facility”. 1971—Subsec. (e)(5). Pub. L. 91–690 authorized the Secretary, until January 1, 1976, to waive the requirement relating to the provision of 24 hour nursing service rendered or supervised by a registered professional nurse. 1968—Subsec. (e). Pub. L. 90–248, § 126(c)(9)(C), inserted reference to section 1395m(b) in first and third sentences and inserted “or diagnostic services” after “hospital services” in third sentence. Pub. L. 90–248, § 139(a), in second sentence after par. (8), changed definition of hospitals for purposes of making payments for emergency hospital services by deleting provision that hospital mean requirements of par. (1) to (4), by requiring that such hospitals have full time nursing services, be licensed as a hospital, and be primarily engaged in providing not nursing care and related services but medical or rehabilitative care and be under the supervision of a doctor of medicine or osteopathy.

Subsec. (r)(3), Pub. L. 90–248, §129(a), added cl. (3).

Subsec. (s). Pub. L. 90–248, §144(c)–(c), struck out "‘unless they would otherwise constitute inpatient hospital services, extended care services, or home health services’" after ‘‘items or services’’ in text preceding par. (1), inserted after ‘‘hospital’’ in sentence following par. (9) ‘‘which, for purposes of this sentence, means an institution considered a hospital for purposes of section 1395(d) of this title’’, and inserted sentence following par. (13) providing that medical and other health services (other than physicians’ services) furnished to a patient of a facility which meets the definition of a hospital for emergency services will be covered under the medical insurance program only if such facility satisfies such health and safety requirements as are appropriate for the item or service furnished as the Secretary may determine are necessary.

Subsec. (s)(2)(A) to (D). Pub. L. 90–248, §133(a), added subpars. (A) to (D).

Subsec. (s)(3), Pub. L. 90–248, §134(a), included in medical and other health services diagnostic X-ray tests furnished in the patient’s home under the supervision of a physician if the tests meet such health and safety conditions as the Secretary finds necessary.

Subsec. (s)(6), Pub. L. 90–248, §132(a), provided that payments may be made with respect to expenses incurred in the purchase as well as in the rental of durable medical equipment.

Pub. L. 90–248, §144(d), inserted ‘‘other than in institution that meets the requirements of subsection (e)(1) or (j)(1) of this section’’.

Pub. L. 90–248, §129(b), added pars. (12) and (13) which excluded from the diagnostic services referred to in par. (2)(C) (other than physician’s services) certain items or services.


1966—Subsec. (v)(1). Pub. L. 89–713 inserted provisions which required that, in the case of extended care services furnished by proprietary facilities, the regulations include provision for specific recognition of a reasonable return on equity capital and which placed a limitation on the rate of return of one and one-half times the average of the rates of interest on obligations issued for purchase by the Federal Hospital Insurance Trust Fund.

CHANGE OF NAME

References to Medicare+Choice deemed to refer to Medicare Advantage or MA, subject to an appropriate transition provided by the Secretary of Health and Human Services in the transition terms, see section 201 of Pub. L. 108–173, set out as a note under section 1395w–21 of this title.

Effective Date of 2018 Amendment
Amendment by Pub. L. 115–271, title II, §2002(d), Oct. 24, 2018, 132 Stat. 3926, provided that: ‘‘The amendments made by this section [amending this section] shall apply to examinations and visits furnished on or after January 1, 2019.’’

Amendment by section 51006(a)(1) of Pub. L. 115–123 applicable to items and services furnished on or after Jan. 1, 2019, see section 51006(b) of Pub. L. 115–123, set out as a note under section 1395f of this title.

Pub. L. 115–123, div. E, title X, §51006(c), Feb. 9, 2018, 132 Stat. 297, provided that: ‘‘The amendments made by this section [amending this section] shall apply to items and services furnished on or after January 1, 2024.’’

Effective Date of 2016 Amendment
Amendment by Pub. L. 114–256 applicable to items and services furnished on or after Jan. 1, 2021, see section 5012(d) of Pub. L. 114–256, set out as a note under section 1395f of this title.

Effective Date of 2015 Amendment
Amendment by Pub. L. 114–113 applicable to items furnished on or after Jan. 1, 2017, see section 5012(d) of Pub. L. 114–113, set out as a note under section 1395f of this title.

Pub. L. 114–40, §2(b), July 30, 2015, 129 Stat. 441, provided that: ‘‘The amendment made by subsection (a) [amending this section] shall apply with respect to devices furnished on or after January 1, 2016.’’

Effective Date of 2011 Amendment
Amendment by Pub. L. 112–40 applicable to contracts entered into or renewed on or after Jan. 1, 2012, see section 261(e) of Pub. L. 112–40, set out as a note under section 1320c of this title.

Effective Date of 2010 Amendment
Amendment by Pub. L. 111–152, title I, §1301(c), Mar. 30, 2010, 124 Stat. 1057, provided that: ‘‘The amendments made by this section [amending this section] shall apply to items and services furnished on or after the first day of the first calendar quarter that begins at least 12 months after the date of the enactment of this Act [Mar. 30, 2010].’’

Amendment by section 4103(a), (b) of Pub. L. 111–148 applicable to services furnished on or after Jan. 1, 2011, see section 4103(e) of Pub. L. 111–148, set out as a note under section 1395d of this title.

Amendment by section 4103(a) of Pub. L. 111–148 applicable to items and services furnished on or after Jan. 1, 2011, see section 4104(d) of Pub. L. 111–148, set out as a note under section 1395d of this title.


Pub. L. 111–148, title X, §10501(c)(2)(B), Mar. 23, 2010, 124 Stat. 997, provided that: ‘‘The amendment made by subparagraph (A) [amending this section] shall apply to services furnished on or after January 1, 2011.’’

Effective Date of 2008 Amendment
Amendment by section 119–355, §7(b), Oct. 8, 2008, 122 Stat. 3995, provided that: ‘‘The amendment made by subsection (a) [amending this section] shall take effect on the date of the enactment of this Act [Oct. 8, 2008].’’

Amendment by section 125(b)(2) of Pub. L. 110–275 applicable with respect to accreditations of hospitals granted on or after the date that is 24 months after July 15, 2008, with transition rule, see section 125(c) of Pub. L. 110–275, set out as an Effective Date of 2008 Amendment; Transition Rule note under section 1395bb of this title.

Amendment by section 143(a), (b)(5), (6) of Pub. L. 110–275 applicable to services furnished on or after July 1, 2009, see section 143(c) of Pub. L. 110–275, set out as a note under section 1395f of this title.

Amendment by section 144(a)(1) of Pub. L. 110–275 applicable to items and services furnished on or after Jan. 1, 2010, see section 144(a)(3) of Pub. L. 110–275, set out as a note under section 1395w–4 of this title.

Amendment by section 145(b)(1)(A), (B) of Pub. L. 110–275 applicable to services furnished on or after Jan. 1, 2010, see section 145(b)(2) of Pub. L. 110–275, set out as a note under section 1395w–4 of this title.

Effective Date of 2006 Amendment
Amendment by section 5112(a), (b) of Pub. L. 109–171 applicable to services furnished on or after Jan. 1, 2007, see section 5112(f) of Pub. L. 109–171, set out as a note under section 1395f of this title.

Amendment by section 5114(a)(1), (b) of Pub. L. 109–171 applicable to services furnished on or after Jan.
1, 2006, see section 514(c) of Pub. L. 109-171, set out as a note under section 1395s of this title.

Amendment by section 6001(t)(1) of Pub. L. 109-171 effective, see section 6001(t)(3) of Pub. L. 109-171, set out as a note under section 1396v-8 of this title.

EFFECTIVE DATE OF 2003 AMENDMENT

Amendment by section 415(b) of Pub. L. 108-173 applicable to services furnished on or after Jan. 1, 2005, see section 415(c) of Pub. L. 108-173, set out as a note under section 1395m of this title.

Amendment by section 512(c) of Pub. L. 108-173 applicable to services provided by a hospice program on or after Jan. 1, 2005, see section 512(d) of Pub. L. 108-173, set out as a note under section 1395d of this title.

Amendment by section 611(a), (b), (d)(2) of Pub. L. 108-173 applicable to services furnished on or after Jan. 1, 2005, but only for individuals whose coverage period under this part begins on or after such date, see section 611(e) of Pub. L. 108-173, set out as a note under section 1395w-4 of this title.


Pub. L. 108-173, title VI, §613(d), Dec. 8, 2003, 117 Stat. 2396, provided that: "The amendments made by this section [amending section and section 1395u of this title] shall apply to tests furnished on or after January 1, 2005."

Amendment by section 612(a) of Pub. L. 108-173 applicable to items furnished on or after Jan. 1, 2004, see section 612(c) of Pub. L. 108-173, set out as a note under section 1395f of this title.


Amendment by section 946(a) of Pub. L. 108-173 applicable to hospice care provided on or after Dec. 8, 2003, see section 946(c) of Pub. L. 108-173, set out as a note under section 1395f of this title.

EFFECTIVE DATE OF 2000 AMENDMENT

Pub. L. 106-554, §100(a)(6) [title II, §201(k)], Dec. 21, 2000, 114 Stat. 2763, 2763A-468, provided that: "The amendments made by subsection (a) [amending this section] shall apply to drugs furnished on or after the date of the enactment of this Act [Dec. 21, 2000]."

Amendment by section 4104(a)(1) of Pub. L. 105-33 applicable to items and services furnished on or after July 1, 2001, see section 4104(a)(6) [title IV, §430(b)] of Pub. L. 106-554 applicable to items and services furnished on or after July 1, 2001, see section 1(a)(6) [title IV, §430(c)] of Pub. L. 106-554, set out as a note under section 1395f of this title.

Pub. L. 106-554, §10(a)(6) [title IV, §431(b)], Dec. 21, 2000, 114 Stat. 2763, 2763A-525, provided that: "The amendments made by subsection (a) [amending this section] shall apply with respect to community mental health centers with respect to services furnished on or after the first day of the third month beginning after the date of the enactment of this Act [Dec. 21, 2000]."

EFFECTIVE DATE OF 1999 AMENDMENT

Amendment by section 1000(a)(6) [title II, §201(k)] of Pub. L. 106-113 effective as if included in enactment of the Balanced Budget Act of 1997, Pub. L. 105-33, except as otherwise provided, see section 1000(a)(6) [title II, §201(m)] of Pub. L. 106-113, set out as a note under section 1395f of this title.

Pub. L. 106-113, div. B, §1000(a)(6) [title II, §221(b)(2)], Nov. 29, 1999, 113 Stat. 1538, 1501A-351, provided that: "The amendments made by paragraph (1) [amending this section] apply to services furnished on or after January 1, 2000."


Amendment by section 1000(a)(6) [title III, §331(k)(7)-(9)] of Pub. L. 106-113, except as if included in the enactment of the Balanced Budget Act of 1997, Pub. L. 105-33, except as otherwise provided, see section 1000(a)(6) [title III, §331(m)] of Pub. L. 106-113, set out as a note under section 1395f of this title.

EFFECTIVE DATE OF 1997 AMENDMENT

Amendment by section 4102(a, (c) of Pub. L. 105-33 applicable to items and services furnished on or after Jan. 1, 1998, see section 4102(e) of Pub. L. 105-33, set out as a note under section 1395f of this title.

Amendment by section 4103(a) of Pub. L. 105-33 applicable to items and services furnished on or after Jan. 1, 2000, see section 4103(e) of Pub. L. 105-33, set out as a note under section 1395f of this title.

Amendment by section 4104(a)(1), (b)(1) of Pub. L. 105-33 applicable to items and services furnished on or after Jan. 1, 1998, see section 4104(e) of Pub. L. 105-33, set out as a note under section 1395f of this title.

Amendment by section 4104(a)(1), (b)(1) of Pub. L. 105-33 applicable to services furnished on or after Jan. 1, 1998, see section 4104(d)(1) of Pub. L. 105-33, set out as a note under section 1395m of this title.

Pub. L. 105-33, title IV, §4106(d), Aug. 5, 1997, 111 Stat. 368, provided that: "The amendments made by this section [amending sections 1395zz-4, 1395zza, 1395aa, and 1396d of this title] shall apply to bone mass measurements performed on or after July 1, 1998."

Amendment by section 4201(c)(1), (2) of Pub. L. 105-33 applicable to services furnished on or after Oct. 1, 1997, see section 4201(d) of Pub. L. 105-33, set out as a note under section 1395f of this title.

Pub. L. 105-33, title IV, §4205(b)(2), Aug. 5, 1997, 111 Stat. 376, provided that: "The amendment made by
paragraph (1) [amending this section] shall take effect on January 1, 1998.''

Pub. L. 105–33, title IV, §4205(c)(2), Aug. 5, 1997, 111 Stat. 592, provided that: "The amendment made by paragraph (1) [amending this section] applies to waiver requests made on or after January 1, 1998.''

Pub. L. 105–33, title IV, §4205(d)(1), Aug. 5, 1997, 111 Stat. 592, provided that:

"(A) In general.—Except as otherwise provided, the amendments made by the preceding paragraphs [amending this section and section 1395ii of this title] take effect on the date of the enactment of this Act [Aug. 5, 1997]."

"(B) Grandfathered health plans.—The amendments made by the preceding paragraphs take effect, with respect to entities that are rural health clinics under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.) on the date of enactment of this Act, on the date of the enactment of this Act [sic]."

"(C) Grandfathered health plans.—"'

"(i) In general.—The amendment made by paragraph (3)(A) [amending this section] shall take effect on the effective date of regulations issued by the Secretary under clause (ii)."

"(ii) Regulations.—The Secretary shall issue final regulations implementing paragraph (3)(A) that shall take effect no later than January 1, 1999."

Amendment by section 4312(d), (e) of Pub. L. 105–33 effective Aug. 5, 1997, and may be applied with respect to items and services furnished on or after Jan. 1, 1998, see section 4312(f)(3) of Pub. L. 105–33, set out as a note under section 1395ii of this title.

Pub. L. 105–33, title IV, §4312(f)(2), Aug. 5, 1997, 111 Stat. 388, provided that: 'The amendments made by subsection (b) [amending this section] shall apply to home health agencies with respect to services furnished on or after January 1, 1998. The Secretary of Health and Human Services shall modify participation agreements under section 1861(a)(1) of the Social Security Act (42 U.S.C. 1395cc(a)(1)) with respect to home health agencies to provide for implementation of such amendments on or after July 1, 1998.'


Pub. L. 105–33, title IV, §4312(f)(2), Aug. 5, 1997, 111 Stat. 388, provided that: 'The amendments made by subsection (b) [amending this section] shall apply to home health agencies with respect to services furnished on or after January 1, 1998. The Secretary of Health and Human Services shall modify participation agreements under section 1861(a)(1) of the Social Security Act (42 U.S.C. 1395cc(a)(1)) with respect to home health agencies to provide for implementation of such amendments on or after July 1, 1998.'


Amendment by section 4512(a) of Pub. L. 105–33 applicable to services furnished and supplies provided on and after Jan. 1, 1998, see section 4512(d) of Pub. L. 105–33, set out as a note under section 1395u of this title.

Pub. L. 105–33, title IV, §4513(b), Aug. 5, 1997, 111 Stat. 463, provided that: 'The amendment made by subsection (a) [amending this section] shall apply to items and services furnished on or after January 1, 1998.'

Pub. L. 105–33, title IV, §4514(b), Aug. 5, 1997, 111 Stat. 463, provided that: 'The amendments made by subsection (a) [amending this section] shall apply to items and services furnished on or after January 1, 1998.'

Pub. L. 105–33, title IV, §4515(c), Aug. 5, 1997, 111 Stat. 474, provided that: 'The amendments made by subsection (a) [amending this section] shall apply to services furnished on or after October 1, 1997.'

Amendment by section 4611(b) of Pub. L. 105–33 applicable to services furnished on or after Jan. 1, 1998, and for purposes of applying such amendment, any home health spell of illness that began, but did not end, before such date, to be considered to have begun as of such date, see section 4611(f) of Pub. L. 105–33, set out as a note under section 1395ii of this title.

Pub. L. 105–33, title IV, §4612(b), Aug. 5, 1997, 111 Stat. 474, provided that: 'The amendment made by subsection (a) [amending this section] applies to services furnished on or after October 1, 1997.'


Amendment by Pub. L. 103–432 title I, §107(b), Oct. 31, 1994, 108 Stat. 4407, provided that: 'The amendment made by subsection (a) [amending this section] shall apply to services furnished on or after the first day of the first month beginning more than one year after the date of the enactment of this Act (Oct. 31, 1994).'

Amendment by section 145(b) of Pub. L. 103–432 applicable to mammography furnished by the facility on and after the first date that the certificate requirements of section 263(b) of this title apply to such mammography conducted by such facility, see section 145(d) of Pub. L. 103–432, set out as a note under section 1395m of this title.


Amendment by section 147(e)(1), (4), (5), (f)(3), (4)(A), (6)(A), (B), (E) of Pub. L. 103–432 effective as if included in the enactment of Pub. L. 101–508, see section 147(g) of Pub. L. 103–432, set out as a note under section 1320a–3 of this title.

Pub. L. 103–432, title I, §158(a)(2), Oct. 31, 1994, 108 Stat. 4442, provided that: 'The amendment made by paragraph (1) [amending this section] shall apply with respect to cost reporting periods beginning on or after July 1, 1996.'

Amendment by Pub. L. 103–432, title XIII, §13503(c)(2), Aug. 10, 1993, 107 Stat. 579, provided that: 'The amendments made by paragraph (1) [amending this section and section 1395moo of this title] shall take effect October 1, 1993.'

Pub. L. 103–432, title XIII, §13504(c), Aug. 10, 1993, 107 Stat. 579, provided that: 'The amendments made by subsections (a) and (b) [amending this section] shall apply to items furnished on or after January 1, 1994.'

Pub. L. 103–432, title XIII, §13504(b), Aug. 10, 1993, 107 Stat. 579, provided that: 'The amendments made by subsection (a) [amending this section] shall apply to services furnished on or after January 1, 1994.'

Pub. L. 103–432, title XIII, §13504(b), Aug. 10, 1993, 107 Stat. 579, provided that: 'The amendments made by subsection (a) [amending this section] shall take effect
as if included in the enactment of section 4161(a)(2)(C) of OBRA-1990 [Pub. L. 101–508]."


**Effective Date of 1990 Amendment**

Amendment by section 4008(h)(2)(P) of Pub. L. 101–508, set out as a note under section 1395m of this title.

Amendment by section 6112(e)(1) of Pub. L. 101–239 applicable with respect to therapeutic shoes and inserts furnished on or after January 1, 1989, with additional provisions regarding applicability of the increase under section 1395l(b)(2)(C) of this title, see section 6131(c) of Pub. L. 101–239, set out as a note under section 1395l of this title.

Amendment by section 6113(a)(2) of Pub. L. 101–239 applicable with respect to screening pap smears performed on or after July 1, 1990, with additional provisions regarding applicability of the increase under section 1395p(a)(2)(C) of this title, see section 6131(e) of Pub. L. 101–239, set out as a note under section 1395p of this title.

Amendment by section 101(a) of Pub. L. 101–234, set out as a note under section 1395m of this title.

Amendment by section 6131(a)(2) of Pub. L. 101–239 effective as if included in the enactment of section 1395rr of this title.

Amendment by section 6131(a)(2) of Pub. L. 101–239 applicable with respect to partial hospitalization services furnished on or after July 1, 1989, see section 1320c–7a of this title.


Amendment by section 201(a) of Pub. L. 101–234 effective Jan. 1, 1990, see section 4155(a), (d) of Pub. L. 101–508, set out as a note under section 1395l of this title.


**Effective Date of 1988 Amendment**

Amendment by section 6114(a), (d) of Pub. L. 101–239 applicable to services furnished on or after Apr. 1, 1990, see section 6114(f) of Pub. L. 101–239, set out as a note under section 1395u of this title.

Pub. L. 101–239, title VI, § 6115(d), Dec. 19, 1989, 103 Stat. 2219, provided that: "The amendments made by this section [amending this section and sections 1395y, 1396a, 1396b, 1396c, and 1396d of this title] shall apply to screening pap smears performed on or after July 1, 1990."

Amendment by section 6131(a)(2) of Pub. L. 101–239 applicable with respect to therapeutic shoes and inserts furnished on or after July 1, 1989, with additional provisions regarding applicability of the increase under section 1395l(b)(2)(C) of this title, see section 6131(c) of Pub. L. 101–239, set out as a note under section 1395l of this title.

Amendment by section 6131(a)(2) of Pub. L. 101–239 applicable with respect to partial hospitalization services furnished on or after July 1, 1989, see section 1320c–7a of this title.


**Effective Date of 1987 Amendment**


Amendment by section 4155(a), (d) of Pub. L. 101–508 applicable to items furnished on or after Jan. 1, 1991, see section 4155(e) of Pub. L. 101–508, set out as a note under section 1395k of this title.

Amendment by section 4157(a) of Pub. L. 101–508 applicable to services furnished on or after Jan. 1, 1991, see section 4157(d) of Pub. L. 101–508, set out as a note under section 1395k of this title.

Amendment by section 6131(a)(2) of Pub. L. 101–239 applicable to services furnished on or after Oct. 1, 1988, see section 6131(a)(2) of Pub. L. 101–239, set out as a note under section 1395k of this title.

Amendment by section 6112(e)(1) of Pub. L. 101–239 applicable with respect to partial hospitalization services furnished on or after Oct. 1, 1993, see section 6112(e)(1) of Pub. L. 101–239, set out as a note under section 1395(1k) of this title.

Amendment by section 6131(a)(2) of Pub. L. 101–239 applicable to screening mammography performed on or after Jan. 1, 1991, see section 6131(a)(2) of Pub. L. 101–239, set out as a note under section 1395k of this title.

Amendment by section 6131(a)(2) of Pub. L. 101–239 applicable with respect to partial hospitalization services furnished on or after Oct. 1, 1991, see section 6131(a)(2) of Pub. L. 101–239, set out as a note under section 1395k of this title.

Amendment by section 6131(a)(2) of Pub. L. 101–239 applicable to services furnished on or after Jan. 1, 1991, see section 6131(a)(2) of Pub. L. 101–239, set out as a note under section 1395k of this title.

Amendment by section 6131(a)(2) of Pub. L. 101–239 applicable to services furnished on or after Oct. 1, 1991, see section 6131(a)(2) of Pub. L. 101–239, set out as a note under section 1395k of this title.

Amendment by section 104(d)(4) of Pub. L. 100–360 effective Jan. 1, 1989, except as otherwise provided, and applicable to inpatient hospital deductible for 1989 and succeeding years, to care and services furnished on or after Jan. 1, 1989, to premiums for January 1989 and succeeding months, and to blood or blood cells furnished on or after Jan. 1, 1989, see section 104(a) of Pub. L. 100–360, set out as a note under section 1395d of this title.

Amendment by section 202(a) of Pub. L. 100–360 applicable to items dispensed on or after Jan. 1, 1990, see section 202(m)(1) of Pub. L. 100–360, set out as a note under section 1395u of this title.

Amendment by section 201(a) of Pub. L. 100–360 applicable to items and services furnished on or after Jan. 1, 1989, see section 201(c) of Pub. L. 100–360, set out as a note under section 1395u of this title.

Except as specifically provided in section 411 of Pub. L. 100–360, amendment by section 411(d)(5)(A), (g)(3)(H), (h), (i)(3), (j)(1)(A), (4)(A), (4)(B), (5), (6), (7), (10)(C), (11), (12) of Pub. L. 100–360, as it relates to a provision in the Omnibus Budget Reconciliation Act of 1987, Pub. L. 100–203, effective as if included in the enactment of that provision in Pub. L. 100–203, see section 411(a) of Pub. L. 100–360, set out as a Reference to OBRA: Effective Date note under section 106 of Title 1, General Provisions.

Pub. L. 100–360, title IV, § 411(d)(1)(B)(ii), July 1, 1988, 102 Stat. 773, provided that: "The amendment made by clause (i) [amending this section] shall apply to equipment furnished on or after the effective date provided in section 4021(c) of OBRA [Pub. L. 100–203, set out below]."

**Effective Date of 1987 Amendment**

Pub. L. 100–203, title IV, § 4009(e)(2), Dec. 22, 1987, 101 Stat. 1330–58, provided that: "(The amendment made by paragraph (1) [amending this section] shall apply with respect to services furnished on or after April 1, 1988.

"(2)(A) The Secretary of Health and Human Services shall implement the amendments made by this section [amending this section] in the same manner as it applies to section 4072."


Amendment by section 4073(a), (c) of Pub. L. 100–203 effective with respect to services performed on or after January 1, 1988.


(B) The Secretary of Health and Human Services shall implement the amendments made by subsection (b) so as to ensure that there is no additional cost to the medicare program by reason of such amendments."
Amendment by section 4077(b)(1), (4) of Pub. L. 100–203 effective with respect to services performed on or after July 1, 1988, see section 4077(b)(5) of Pub. L. 100–203, as amended, set out as a note under section 1395k of this title.

Amendment by section 4084(c)(1) of Pub. L. 100–203 applicable to services furnished after Dec. 31, 1988, see section 4084(c)(3) of Pub. L. 100–203, as added, set out as a note under section 1395f of this title.

Amendments by section 4201(a)(1), (b)(1), (d)(1), (2), (5) of Pub. L. 100–203 applicable to services furnished on or after Oct. 1, 1990, without regard to whether regulations to implement such amendments are promulgated by such date, except as otherwise specifically provided in section 1395i–3 of this title, see section 4204(a) of Pub. L. 100–203, as amended, set out as an Effective Date note under section 1395i–3 of this title.

**Effective Date of 1986 Amendment**


Pub. L. 99–509, title IX, §3933(a)(3), Oct. 21, 1986, 100 Stat. 2033, provided: "That the amendments made by this paragraph [probably means "this subsection"] amending this section and section 1395f of this title take effect on the date of the enactment of this Act [Oct. 21, 1986]."

Amendment by section 9320(b), (c), (f) of Pub. L. 99–509 applicable to services furnished on or after Jan. 1, 1989, with exceptions for hospitals located in rural areas which meet certain requirements related to certified registered nurse anesthetists, see section 9320(k), (k) of Pub. L. 99–509, as amended, set out as notes under section 1395k of this title.

Pub. L. 99–509, title IX, §3935(c)(2), Oct. 21, 1986, 100 Stat. 2030, provided: "That the amendments made by paragraph (1) [amending this section] shall apply to immunosuppressive drugs furnished on or after January 1, 1989."

Amendment by section 9337(d) of Pub. L. 99–509 applicable to expenses incurred for outpatient occupational therapy services furnished on or after July 1, 1987, see section 9337(c) of Pub. L. 99–509, set out as a note under section 1395k of this title.

Pub. L. 99–509, title IX, §3938(f), Oct. 21, 1986, 100 Stat. 2033, provided: "That the amendments made by subsection (a) [amending this section] shall apply to services furnished on or after April 1, 1987."

Amendment by section 9387(d) of Pub. L. 99–509 applicable to cost reporting periods beginning on or after October 1, 1985, see section 9387(c) of Pub. L. 99–509, set out as a note under section 1395k of this title.

Pub. L. 99–509, title IX, §3910(c)(2), Apr. 7, 1986, 100 Stat. 161, provided: "That the amendments made by subsection (b) [amending this section] shall apply to cost reporting periods beginning on or after October 1, 1985."

Pub. L. 99–509, title IX, §3910(b), Apr. 7, 1986, 100 Stat. 162, provided: "That the amendments made by subsection (a) [amending this section] shall be applied as though they were originally included in the Deficit Reduction Act of 1984 [Pub. L. 98–369]."

Pub. L. 99–509, title IX, §3920(1)(3), Apr. 7, 1986, 100 Stat. 177, provided: "That the amendment made by paragraph (1) [amending this section] shall apply to cost reporting periods beginning on or after July 1, 1985."


Pub. L. 99–509, title IX, §3921(b)(3)(B), Apr. 7, 1986, 100 Stat. 183, provided: "That the amendment made by subsection (A) [amending this section] shall be effective as if it had been originally included in the Social Security Amendments of 1983 [Pub. L. 98–21]."

**Effective Date of 1984 Amendment**

Amendment by Pub. L. 98–617 effective as if originally included in the Deficit Reduction Act of 1984, Pub. L. 98–369, see section 3(c) of Pub. L. 98–617, set out as a note under section 1395f of this title.


"(2) Clause (ii) of section 1861(v)(1)(O) of such Act [42 U.S.C. 1395x(v)(1)(O)(ii)] shall apply to costs incurred on or after the date of the enactment of this Act."
ment with a hospital beginning with its first cost reporting period that begins on or after Oct. 1, 1983, any change in a hospital’s cost reporting period made after November 30, 1982 to be declared for such purposes only if the Secretary finds good cause therefor, see section 604(a)(1) of Pub. L. 98–21, set out as a note under section 1395ww of this title.

Amendment by Pub. L. 97–448 effective as if originally included in the provision of the Tax Equity and Fiscal Responsibility Act of 1982, Pub. L. 97–248, to which such amendment relates, see section 309(c)(1) of Pub. L. 97–448, set out as a note under section 426 of this title.

**Effective Date of 1982 Amendment**

Amendment by section 101(a)(2) of Pub. L. 97–248 applicable to cost reporting periods beginning on or after Oct. 1, 1982, see section 101(b)(1) of Pub. L. 97–248, set out as an Effective Date note under section 1395ww of this title.


Pub. L. 97–248, title I, §105(b), Sept. 3, 1982, 96 Stat. 336, provided that: “The amendment made by section (a) [amending this section] shall be effective with respect to cost reporting periods beginning on or after the date of the enactment of this Act [Sept. 3, 1982].”

Pub. L. 97–248, title I, §106(b), Sept. 3, 1982, 96 Stat. 337, provided that: “The amendment made by subsection (a) [amending this section] shall be effective with respect to costs incurred under title XVIII of the Social Security Act [42 U.S.C. 1395 et seq.] for the calendar year 1983, as such provision of such Act was amended by the Omnibus Budget Reconciliation Act of 1981, Pub. L. 97–35, as may be, in the case of any such cost, imposed only in proportion to the period which occurs after September 30, 1982.”

Pub. L. 97–248, title I, §109(b), Sept. 3, 1982, 96 Stat. 337, provided that: “The amendment made by subsection (a) [amending this section] shall be effective with respect to cost reporting periods beginning on or after the date of the enactment of this Act [Sept. 3, 1982].”


Amendment by section 122(d) of Pub. L. 97–248 applicable to hospice care provided on or after Nov. 1, 1983, see section 122(d)(1) of Pub. L. 97–248, as amended, set out as a note under section 1395cc of this title.


“(2) Except as otherwise provided in this section, any amendment to the Social Security Act [42 U.S.C. 301 et seq.] or the Internal Revenue Code of 1986 [formerly I.R.C. 1954] [Title 26, Internal Revenue Code] made by this section (other than subsection (d) [amending this section and sections 1395u, 1395cc, and 1395gg of this title and section 162 of Title 26] shall be effective as if it had been originally included as a part of that provision of the Social Security Act or Internal Revenue Code to which it relates, as such provision of such Act or Code was amended by the Omnibus Budget Reconciliation [Reconciliation] Act of 1981 [Pub. L. 97–35].”

“(3) The amendments made by subsection (d) [amending this section and sections 1395u, 1395cc, and 1395gg of this title] shall take effect upon enactment [Sept. 3, 1982].”

Amendment by section 148(b) of Pub. L. 97–248 effective with respect to contracts entered into or renewed on or after Sept. 3, 1982, see section 149 of Pub. L. 97–248, set out as an Effective Date note under section 1395cc of this title.

**Effective Date of 1981 Amendment**

Pub. L. 97–95, title XXII, §212(b)(1), Aug. 13, 1981, 95 Stat. 757, provided that: “The amendments made by subsection (a) [amending this section] shall apply to services furnished or renewed on or after the first day of the first month beginning after the date of the enactment of this Act [Aug. 13, 1981].”

Amendment by section 2121(c), (d) of Pub. L. 97–35 applicable to services furnished in detoxification facilities for inpatient stays beginning on or after the tenth day after Aug. 13, 1981, see section 2121(d) of Pub. L. 97–35, set out as a note under section 1395cc of this title.

Pub. L. 97–95, title XXII, §214(b), Aug. 13, 1981, 95 Stat. 798, provided that:

“(1) Subject to paragraph (2), the amendment made by subsection (a) [amending this section] shall apply to cost reporting periods ending after September 30, 1981.

“(2) In the case of a cost reporting period beginning before October 1, 1981, any reduction in payments resulting from the amendment made by subsection (a) shall be imposed only in proportion to the part of the period that occurs after September 30, 1981.

“(1) Subject to paragraph (2), the amendment made by subsection (a) [amending this section] shall apply to cost reporting periods ending after September 30, 1981.

“(2) In the case of a cost reporting period beginning before October 1, 1981, any reduction in payments resulting from the amendment made by subsection (a) shall be imposed only in proportion to the part of the period that occurs after September 30, 1981.”

Pub. L. 97–95, title XXII, §214(b), Aug. 13, 1981, 95 Stat. 799, provided that:

“(1) Subject to paragraph (2), the amendment made by subsection (a) [amending this section] shall apply to cost reporting periods ending after September 30, 1981.

“(2) In the case of a cost reporting period beginning before October 1, 1981, any reduction in payments resulting from the amendment made by subsection (a) shall be imposed only in proportion to the part of the period that occurs after September 30, 1981.”

Pub. L. 97–95, title XXII, §214(b), Aug. 13, 1981, 95 Stat. 799, provided that:

“(1) Subject to paragraph (2), the amendment made by subsection (a) [amending this section] shall apply to cost reporting periods ending after September 30, 1981.

“(2) In the case of a cost reporting period beginning before October 1, 1981, any reduction in payments resulting from the amendment made by subsection (a) shall be imposed only in proportion to the part of the period that occurs after September 30, 1981.”

For effective date, savings, and transitional provisions relating to amendment by section 2193(c)(9) of Pub. L. 97–35, see section 2194 of Pub. L. 97–35, set out as a note under section 761 of this title.

**Effective Date of 1980 Amendment**

Amendment by Pub. L. 96–611 effective July 1, 1981, and applicable to services furnished on or after that date, see section 2 of Pub. L. 96–611, set out as a note under section 1395f of this title.

Pub. L. 96–499, title IX, §902(c), Dec. 5, 1980, 94 Stat. 2614, provided that: “The amendments made by this section [amending this section and sections 1395cc–7 and 1396a of this title] shall become effective on the date of [probably should be “on”] which final regulations, pro-
nulated by the Secretary to implement such amendments, are first issued; and those regulations shall be issued not later than the first day of the sixth month following the month in which this Act is enacted (December 1980).

Pub. L. 96–499, title IX, §930(e), Dec. 5, 1980, 94 Stat. 2633, provided that:

"(1) the amendments made by this section [amending this section, sections 426, 1395c, 1395d, 1395f, 1395h, 1395k, 1395n, and 1395u of this title, and section 231 of Title 45, Railroads, and repealing section 1380m of this title] shall become effective with respect to services furnished on or after July 1, 1981, except that the amendments made by subsections (n)(1) and (o) [amending this section and section 1395s of this title] shall become effective on the date of the enactment of this Act (Dec. 5, 1980).

"(2) The Secretary of Health and Human Services shall take administrative action to assure that improvements, in accordance with the amendment made by subsection (n)(1) [amending this section], will be made not later than June 30, 1981.

Amendment by section 931(c), (d) of Pub. L. 96–499 effective Apr. 1, 1981, see section 931(e) of Pub. L. 96–499, set out as a note under section 1395d of this title.

Amendment by section 933(c)–(e) of Pub. L. 96–499 effective with respect to a comprehensive outpatient rehabilitation facility's first accounting period beginning on or after July 1, 1981, see section 933(h) of Pub. L. 96–499, set out as a note under section 1395d of this title.

Amendment by section 938(a) of Pub. L. 96–499 applicable with respect to services provided on or after July 1, 1981, see section 938(d) of Pub. L. 96–499, set out as a note under section 1395d of this title.


"The amendments made by subsection (a) [amending this section] shall apply to services furnished on or after July 1, 1981.

Pub. L. 96–499, title IX, §938(b), Dec. 5, 1980, 94 Stat. 2640, provided that:

"The amendments made by subsection (a) [amending this section] shall apply to services furnished on or after January 1, 1981.

Pub. L. 96–499, title IX, §948(c)(1), Dec. 5, 1980, 94 Stat. 2644, provided that:

"The amendments made by subsection (a) [amending this section and section 1395k of this title] shall apply with respect to cost accounting periods beginning on or after October 1, 1978. A hospital's election under section 1861(b)(7)(A) of the Social Security Act (42 U.S.C. 1395(b)(7)(A)) (as administered in accordance with section 15 of Public Law 93–233) as of September 30, 1978, shall constitute such hospital's election under such section (as amended by subsection (a)(1)) on and after October 1, 1978, until otherwise provided by the hospital.

Pub. L. 96–499, title IX, §951(c), Dec. 5, 1980, 94 Stat. 2646, provided that:

"The amendments made by this section [amending this section] shall take effect on January 1, 1981.

EFFECTIVE DATE OF 1978 AMENDMENT

Amendment by Pub. L. 95–292 effective with respect to services, supplies, and equipment furnished after the third calendar month beginning after June 13, 1978, except that provisions for the implementation of an incentive reimbursement system for dialysis services furnished in facilities and providers to become effective with respect to a facility's or provider's first accounting period beginning after the last day of the tenth month following the month of June 1978, and except that provisions for reimbursement rates for home dialysis become effective on Apr. 1, 1979, see section 6 of Pub. L. 95–292, set out as a note under section 426 of this title.

EFFECTIVE DATE OF 1977 AMENDMENT

Pub. L. 95–216, title V, §501(c), Dec. 20, 1977, 91 Stat. 1565, provided that:

"The amendments made by this section [amending this section and section 1395a of this title] shall be effective in the case of items and services furnished after the date of the enactment of this Act (Dec. 20, 1977).

Amendment by Pub. L. 95–210 applicable to services rendered on or after the first day of the third calendar month which begins after Dec. 31, 1977, see section 1(j) of Pub. L. 95–210, set out as a note under section 1395k of this title.

Amendment by section 3(a)(2) of Pub. L. 95–142 effective Oct. 25, 1977, see section 3(e) of Pub. L. 95–142, set out as an Effective Date note under section 1320a–3 of this title.

Amendment by section 19(b)(1) of Pub. L. 95–142 effective with respect to operation of a hospital, skilled nursing facility, or intermediate care facility on and after the first day of its fiscal year which begins after the end of the six-month period beginning on the date a uniform reporting system is established under section 1320a(a) of this title for that type of health services facility, except that for other types of facilities or organizations effective with respect to operations on and after the first day of its first fiscal year which begins after such date as the Secretary determines to be appropriate for the implementation of the reporting requirement for that type of facility or organization, see section 19(c)(2) of Pub. L. 95–142, set out as a note under section 1396a of this title.

Pub. L. 95–142, §21(c)(1), Oct. 25, 1977, 91 Stat. 1208, provided that:

"The amendments made by subsection (a) [amending this section] shall be effective on the first day of the first calendar quarter which begins more than six months after the date of enactment of this Act (Oct. 25, 1977).

EFFECTIVE DATE OF 1975 AMENDMENT

Pub. L. 94–182, title I, §106(b), Dec. 31, 1975, 89 Stat. 1052, provided that:

"Subject to subsection (c) [enacting provisions set out below], the amendment made by subsection (a) [amending this section] shall be effective on the first day of the first calendar quarter which begins more than six months after the date of enactment of this Act (Dec. 31, 1975).

Pub. L. 94–182, title I, §112(d), Dec. 31, 1975, 89 Stat. 1055, provided that:

"The amendments made by this section [amending this section and sections 1330e–17 and 1395g of this title] shall be effective with respect to utilization review activities conducted on and after the first day of the first month which begins more than 30 days after the date of enactment of this Act (Dec. 31, 1975).

EFFECTIVE DATE OF 1972 AMENDMENT

Amendment by section 211(b), (c)(2) of Pub. L. 92–603 applicable to services furnished with respect to admissions occurring after Dec. 31, 1972, see section 211(d) of Pub. L. 92–603, set out as a note under section 1395f of this title.

Pub. L. 92–603, title II, §223(b), Oct. 31, 1972, 86 Stat. 1394, provided that:

"The amendments made by this section [amending this section and sections 1396c of this title] shall be effective with respect to accounting periods beginning after December 31, 1972.

Pub. L. 92–603, title II, §227(g), Oct. 31, 1972, 86 Stat. 1467, provided that:

"The amendments made by this section [amending this section and sections 1395a, 1395k, 1395n, and 1395u of this title] shall be effective with respect to accounting periods beginning after June 30, 1972.


"The amendments made by this section [amending this section and sections 1395f, 1395z, and 1395bb of this title] shall apply with respect to any provider of services for fiscal years (of such provider) beginning after the fifth month following the month in which this Act is enacted (October 1972).

Pub. L. 92–603, title II, §246(c), Oct. 31, 1972, 86 Stat. 1425, provided that:

"The amendments made by this section [amending this section and section 1396 of this title] shall be effective July 1, 1973."
Amendment by section 132(a) of Pub. L. 90–248 applicable to payments for drugs or biologicals and drug administration services furnished by physicians, is applicable only to physician services in the specialties of hematology, hematology/oncology, and medical oncology under this subchapter, see section 303(j) of Pub. L. 108–173, set out as a note under section 1395u of this title.

Notwithstanding section 303(j) of Pub. L. 108–173 (see note above), amendment by section 303 of Pub. L. 108–173 also applicable to payments for drugs or biologicals and drug administration services furnished by physicians in specialties other than the specialties of hematology, hematology/oncology, and medical oncology, see section 304 of Pub. L. 108–173, set out as a note under section 1395u of this title.

Frontier Extended Stay Clinic Demonstration Project


“(a) AUTHORITY TO CONDUCT DEMONSTRATION PROJECT.—The Secretary of Health and Human Services shall waive such provisions of the medicare program established under title XVIII of the Social Security Act (42 U.S.C. 1395w–1 et seq.) as are necessary to conduct a demonstration project under which frontier extended stay clinics described in subsection (b) in isolated rural areas are treated as providers of items and services under the medicare program.

“(b) CLINICS DESCRIBED.—A frontier extended stay clinic is described in this subsection if the clinic—

“(1) is located in a community where the closest short-term acute care hospital or critical access hospital is at least 75 miles away from the community or is inaccessible by public road; and

“(2) is designed to address the needs of—

“(A) seriously or critically ill or injured patients who, due to adverse weather conditions or other reasons, cannot be transferred quickly to acute care referral centers; or

“(B) patients who need monitoring and observation for a limited period of time.

“(c) SPECIFICATION OF CODES.—The Secretary shall determine the appropriate life-safety codes for such clinics that treat patients for needs referred to in subsection (b)(2).

“(d) FUNDING.—

“(1) IN GENERAL.—Subject to paragraph (2), there are authorized to be appropriated, in appropriate part from the Federal Hospital Insurance Trust Fund and
the Federal Supplementary Medical Insurance Trust Fund, such sums as are necessary to conduct the demonstration project under this section.

"(2) BUDGET NEUTRAL IMPLEMENTATION.—In conducting the demonstration project under this section, the Secretary shall ensure that the aggregate payments made by the Secretary under the medicare program do not exceed the amount which the Secretary would have paid under the medicare program if the demonstration project under this section was not implemented.

"(e) ThREE-YEAR PERIOD.—The Secretary shall conduct the demonstration under this section for a 3-year period.

"(1) REPORT.—Not later than the date that is 1 year after the date on which the demonstration project concludes, the Secretary shall submit to Congress a report on the demonstration project, together with such recommendations for legislation or administrative action as the Secretary determines appropriate.

"(g) DEFINITIONS.—In this section, the terms 'hospital' and 'critical access hospital' have the meanings given such terms in subsections (e) and (mm), respectively, of section 1861 of the Social Security Act (42 U.S.C. 1395x).

MEDPAC STUDY OF COVERAGE OF SURGICAL FIRST ASSISTING SERVICES OF CERTIFIED REGISTERED NURSE FIRST ASSISTANTS


"(a) STUDY.—The Medicare Payment Advisory Commission (in this section referred to as the 'Commission') shall conduct a study on the feasibility and advisability of providing for payment under part B of title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.) for surgical first assisting services furnished by a certified registered nurse first assistant to medicare beneficiaries.

"(b) REPORT.—Not later than January 1, 2005, the Commission shall submit to Congress a report on the study conducted under subsection (a) together with recommendations for such legislation or administrative action as the Commission determines to be appropriate.

"(c) DEFINITIONS.—In this section:

"(1) SURGICAL FIRST ASSISTING SERVICES.—The term 'surgical first assisting services' means services consisting of first assisting a physician with surgery and related preoperative, intraoperative, and postoperative care (as determined by the Secretary of Health and Human Services) furnished by a certified registered nurse first assistant (as defined in paragraph (2)) which the certified registered nurse first assistant is legally authorized to perform by the State or jurisdiction in which such treatment is performed.

"(2) CERTIFIED REGISTERED NURSE FIRST ASSISTANT.—The term 'certified registered nurse first assistant' means an individual who—

"(A) is a registered nurse and is licensed to practice nursing in the State in which the surgical first assisting services are performed;

"(B) has completed a minimum of 2,000 hours of first assisting a physician with surgery and related preoperative, intraoperative, and postoperative care; and

"(C) is certified as a registered nurse first assistant by an organization recognized by the Secretary.''

STUDIES RELATING TO VISION IMPAIRMENTS


"(a) COVERAGE OF OUTPATIENT VISION SERVICES FURNISHED BY VISION REHABILITATION PROFESSIONALS UNDER PART B.—

"(1) STUDY.—The Secretary of Health and Human Services shall conduct a study to determine the feasibility and advisability of providing for payment for vision rehabilitation services furnished by vision rehabilitation professionals.

"(2) REPORT.—Not later than January 1, 2005, the Secretary shall submit to Congress a report on the study conducted under paragraph (1) together with recommendations for such legislation or administrative action as the Secretary determines to be appropriate.

"(3) VISION REHABILITATION PROFESSIONAL DEFINED.—In this subsection, the term 'vision rehabilitation professional' means an orientation and mobility specialist, a rehabilitation teacher, or a low vision therapist.

"(b) REPORT ON APPROPRIATENESS OF A DEMONSTRATION PROJECT TO TEST FEASIBILITY OF USING PPO NETWORKS TO REDUCE COSTS OF ACQUIRING EYEGlasses FOR MEDICARE BENEFICIARIES AFTER CatarACT SURGERY.—Not later than 1 year after the date of enactment of this Act (Dec. 8, 2003), the Secretary shall submit to Congress a report on the feasibility of establishing a two-year demonstration project under which the Secretary enters into arrangements with vision care preferred provider organization networks to furnish and pay for conventional eyeglasses subsequent to each cataract surgery with insertion of an intraocular lens on behalf of medicare beneficiaries. In such report, the Secretary shall include an estimate of potential cost savings to the Medicare program through the use of such networks, taking into consideration quality of service and beneficiary access to services offered by vision care preferred provider organization networks.

DEMONSTRATION OF COVERAGE OF CHIROPRACTIC SERVICES UNDER MEDICARE


"(a) DEFINITIONS.—In this section:

"(1) CHIROPRACTIC SERVICES.—The term 'chiropractic services' has the meaning given that term by the Secretary of Health and Human Services for purposes of the demonstration projects, but shall include, at a minimum—

"(A) care for neuromusculoskeletal conditions typical among eligible beneficiaries; and

"(B) diagnostic and other services that a chiropractor is legally authorized to perform by the State or jurisdiction in which such treatment is performed.

"(2) DEMONSTRATION PROJECT.—The term 'demonstration project' means a demonstration project established by the Secretary under subsection (b)(1).

"(3) ELIGIBLE BENEFICIARY.—The term 'eligible beneficiary' means an individual who is enrolled under part B of the medicare program.

"(4) MEDICARE PROGRAM.—The term 'medicare program' means the health benefits program under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.).

"(b) DEMONSTRATION OF COVERAGE OF CHIROPRACTIC SERVICES UNDER MEDICARE.—

"(1) ESTABLISHMENT.—The Secretary shall establish demonstration projects in accordance with the provisions of this section for the purpose of evaluating the feasibility and advisability of covering chiropractic services under the medicare program in addition to the coverage provided for services consisting of treatment by means of manual manipulation of the spine to correct a subluxation described in section 1861(r)(5) of the Social Security Act (42 U.S.C. 1395x(r)(5)).

"(2) NO PHYSICIAN APPROVAL REQUIRED.—In establishing the demonstration projects, the Secretary shall ensure that an eligible beneficiary who participates in a demonstration project, including an eligible beneficiary who is enrolled for coverage under a Medicare+Choice plan (or, on and after January 1, 2006, under a medicare advantage plan), is not required to receive approval from a physician or other health care provider in order to receive a chiropractic service under a demonstration project.

"(3) CONSULTATION.—In establishing the demonstration projects, the Secretary shall consult with chiro-
practitioners, organizations representing chiropractors, eligible beneficiaries, and organizations representing eligible beneficiaries.

(4) PARTICIPATION.—Any eligible beneficiary may participate in the demonstration projects on a voluntary basis.

(c) CONDUCT OF DEMONSTRATION PROJECTS.—

(1) DEMONSTRATION SITES.—

(A) SELECTION OF DEMONSTRATION SITES.—The Secretary shall conduct demonstration projects at 4 demonstration sites.

(B) GEOGRAPHIC DIVERSITY.—Of the sites described in subparagraph (A)—

(i) two shall be in rural areas; and

(ii) two shall be in urban areas.

(C) SITES LOCATED IN HPSAS.—At least 1 site described in clause (i) of subparagraph (B) and at least 1 site described in clause (ii) of such subparagraph shall be located in an area that is designated under section 332(a)(1)(A) of the Public Health Service Act (42 U.S.C. 254e(a)(1)(A)) as a health professional shortage area.

(2) IMPLEMENTATION: DURATION.—

(A) IMPLEMENTATION.—The Secretary shall not implement the demonstration projects before October 1, 2004.

(B) DURATION.—The Secretary shall complete the demonstration projects by the date that is 2 years after the date on which the first demonstration project is implemented.

(3) EVALUATION AND REPORT.—

(A) EVALUATION.—The Secretary shall conduct an evaluation of the demonstration projects—

(i) to determine whether eligible beneficiaries who use chiropractic services use a lesser overall amount of items and services for which payment is made under the medicare program than eligible beneficiaries who do not use such services;

(ii) to determine the satisfaction of eligible beneficiaries participating in the demonstration projects and the quality of care received by such beneficiaries; and

(iii) to evaluate such other matters as the Secretary determines is appropriate.

(B) REPORT.—Not later than the date that is 1 year after the date on which the demonstration projects conclude, the Secretary shall submit to Congress a report on the evaluation conducted under paragraph (1) together with such recommendations for legislation or administrative action as the Secretary determines is appropriate.

(e) WAIVER OF MEDICARE REQUIREMENTS.—The Secretary may waive compliance with such requirements of the medicare program to the extent and for the period that the Secretary finds necessary to conduct the demonstration projects.

(1) DEMONSTRATION PROJECTS.—

(A) IN GENERAL.—Subject to subparagraph (B) and paragraph (2), the Secretary shall provide for the transfer from the Federal Supplementary Insurance Trust Fund under section 1841 of the Social Security Act (42 U.S.C. 1395l) of such funds as are necessary for the costs of carrying out the demonstration projects under this section.

(B) LIMITATION.—In conducting the demonstration projects under this section, the Secretary shall ensure that the aggregate payments made by the Secretary under the medicare program do not exceed the amount which the Secretary would have paid under the medicare program if the demonstration projects under this section were not implemented.

(2) EVALUATION AND REPORT.—There are authorized to be appropriated such sums as are necessary for the purpose of developing and submitting the report to Congress under subsection (d).
“(g) Waiver Authority.—The Secretary shall waive compliance with the requirements of title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.) to such extent and for such period as the Secretary determines is necessary to conduct demonstration projects.

“(h) Construction.—Nothing in this section shall be construed as waiving any applicable civil monetary penalty, criminal penalty, or other remedy available to the Secretary under title XI or title XVIII of the Social Security Act [42 U.S.C. 1395 et seq., 1301 et seq.] for acts prohibited under such titles, including penalties for false certifications for purposes of receipt of items or services under the medicare program.

“(i) Authorization of Appropriations.—Payments for the costs of carrying out the demonstration project under this section shall be made from the Federal Supplementary Medical Insurance Trust Fund under section 1841 of such Act (42 U.S.C. 1395f).

“(j) Definitions.—In this section:

“(1) Activities of daily living defined.—The term ‘activities of daily living’ means eating, toileting, transferring, bathing, and dressing.

“(2) Home health services.—The term ‘home health services’ has the meaning given such term in section 1861(m) of the Social Security Act (42 U.S.C. 1395x(m)).

“(3) Median of wage index.—The term ‘median of wage index’ means the median of wage rates for the census division specified in Table 3A published in the Federal Register on that date (63 FR 42925) and as subsequently corrected, multiplied by 1.17496, and adjusted to reflect variations in wages among different geographic areas as specified in Tables 4a and 4b published in the Federal Register on August 11, 1998 (63 FR 42925–42933).”

STUDY ON EXPANSION OF MEDICAL NUTRITION THERAPY SERVICES BENEFIT

Pub. L. 106–554, § 1(a)(6) [title I, § 105(f)], Dec. 21, 2000, 114 Stat. 2763, 2763A–472, provided that: “Not later than July 1, 2003, the Secretary of Health and Human Services shall submit to Congress a report that contains recommendations with respect to the expansion to other Medicare beneficiary populations of the medical nutrition therapy services benefit (furnished under the amendments made by this section (amending this section and sections 1395d and 1395t of this title)).”

STUDY ON MEDICARE COVERAGE OF ROUTINE THYROID SCREENING

Pub. L. 106–554, § 1(a)(6) [title I, § 123], Dec. 21, 2000, 114 Stat. 2763, 2763A–476, provided that: “(a) Study.—The Secretary of Health and Human Services shall request the National Academy of Sciences, and as appropriate in consultation with the United States Preventive Services Task Force, to conduct a study on the addition of coverage of routine thyroid screening using a thyroid stimulating hormone test as a preventive benefit provided to Medicare beneficiaries under title XVIII of the Social Security Act [42 U.S.C. 1395 et seq.] for some or all Medicare beneficiaries. In conducting the study, the Academy shall consider the short-term and long-term benefits, and costs to the Medicare program, of such addition.

“(b) Report.—Not later than 2 years after the date of the enactment of this Act [Dec. 21, 2000], the Secretary of Health and Human Services shall submit to Congress a report that contains the findings of the study conducted under subsection (a) to the Committee on Ways and Means and the Committee on Energy and Commerce of the House of Representatives and the Committee on Finance of the Senate.”

GAO STUDY ON COVERAGE OF SURGICAL FIRST ASSISTING SERVICES OF CERTIFIED REGISTERED NURSE FIRST ASSISTANTS

Pub. L. 106–554, § 1(a)(6) [title IV, § 433], Dec. 21, 2000, 114 Stat. 2763, 2763A–526, provided that: “(a) Study.—The Comptroller General of the United States shall conduct a study on the effect on the Medicare program under title XVIII of the Social Security Act [42 U.S.C. 1395 et seq.] and on Medicare beneficiaries of coverage under the program of surgical first assisting services of certified registered nurse first assistants. The Comptroller General shall consider the following when conducting the study:

“(1) Any impact on the quality of care furnished to Medicare beneficiaries by reason of such coverage.

“(2) Appropriate education and training requirements for certified registered nurse first assistants who furnish such first assisting services.

“(3) Appropriate rates of payment under the program to such certified registered nurse first assistants for furnishing such services, taking into account the costs of compensation, overhead, and supervision attributable to certified registered nurse first assistants.

“(b) Report.—Not later than 1 year after the date of the enactment of this Act [Dec. 21, 2000], the Comptrol-
ler General shall submit to Congress a report on the study conducted under subsection (a)."

MEDPAC STUDY AND REPORT ON MEDICARE COVERAGE OF SERVICES PROVIDED BY CERTAIN NONPHYSICIAN PROVIDERS

Pub. L. 106–554, § 1(a)(6) [title IV, § 435], Dec. 21, 2000, 114 Stat. 2763, 2783A–527, provided that:

"(a) STUDY.—

"(1) IN GENERAL.—The Medicare Payment Advisory Commission shall conduct a study to determine the appropriateness of providing coverage under the medicare program under title XVIII of the Social Security Act [42 U.S.C. 1395 et seq.] for services provided by a—

"(A) surgical technologist;

"(B) marriage counselor;

"(C) marriage and family therapist;

"(D) pastoral care counselor; and

"(E) licensed professional counselor of mental health.

"(2) COSTS TO PROGRAM.—The study shall consider the short-term and long-term benefits, and costs to the medicare program, of providing the coverage described in paragraph (1).

"(b) REPORT.—Not later than 18 months after the date of the enactment of this Act [Dec. 21, 2000], the Commission shall submit to Congress a report on the study conducted under subsection (a), together with any recommendations for legislation that the Commission determines to be appropriate as a result of such study."

DEVELOPMENT OF PATIENT ASSESSMENT INSTRUMENTS

Pub. L. 106–554, § 1(a)(6) [title V, § 455], Dec. 21, 2000, 114 Stat. 2763, 2783A–551, provided that:

"(a) DEVELOPMENT.—

"(1) IN GENERAL.—Not later than January 1, 2005, the Secretary of Health and Human Services shall submit to the Committee on Ways and Means and the Committee on Commerce [now Committee on Energy and Commerce] of the House of Representatives and the Committee on Finance of the Senate a report on the development of standard instruments for the assessment of the health and functional status of patients, for whom items and services described in subsection (b) are furnished, and include in the report a recommendation on the use of such standard instruments for payment purposes.

"(2) DESIGN FOR COMPARISON OF COMMON ELEMENTS.—The Secretary shall design such standard instruments in a manner such that—

"(A) elements that are common to the items and services described in subsection (b) may be readily comparable and are statistically compatible;

"(B) only elements necessary to meet program objectives are collected; and

"(C) the standard instruments supersede any other assessment instrument used before that date.

"(3) CONSULTATION.—In developing an assessment instrument under paragraph (1), the Secretary shall consult with the Medicare Payment Advisory Commission, the Agency for Healthcare Research and Quality, and qualified organizations representing providers of services and suppliers under title XVIII [42 U.S.C. 1395 et seq.]."

"(b) DESCRIPTION OF SERVICES.—For purposes of subsection (a), items and services described in this subsection are those items and services furnished to individuals entitled to benefits under part A, or enrolled under part B, or both of title XVIII of the Social Security Act [42 U.S.C. 1395 et seq., 1395 et seq.] for which payment is made under such title [42 U.S.C. 1395 et seq.], and include the following:

"(1) Inpatient and outpatient hospital services.

"(2) Inpatient and outpatient rehabilitation services.

"(3) Covered skilled nursing facility services.

"(4) Home health services.

"(5) Physical or occupational therapy or speech-language pathology services.

"(6) Items and services furnished to such individuals determined to have end stage renal disease.

"(7) Partial hospitalization services and other mental health services.

"(8) Any other service for which payment is made under such title as the Secretary determines to be appropriate."

CONFORMING REFERENCES TO PREVIOUS PART C


DEADLINE FOR PUBLICATION OF DETERMINATION ON COVERAGE OF SCREENING SERVICES

Pub. L. 105–33, title IV, § 4104(a)(2), Aug. 5, 1997, 111 Stat. 363, provided that: "Not later than the earlier of the date that is January 1, 1998, or 90 days after the date of the enactment of this Act [Aug. 5, 1997], the Secretary of Health and Human Services shall publish notice in the Federal Register with respect to the determination under paragraph (1)(D) of section 1861(pp) of the Social Security Act [42 U.S.C. 1395x(pp)], as amended by paragraph (1), on the coverage of a screening barium enema as a colorectal cancer screening test under such section."

ESTABLISHMENT OF OUTCOME MEASURES FOR BENEFICIARIES WITH DIABETES

Pub. L. 105–33, title IV, § 4105(c), Aug. 5, 1997, 111 Stat. 367, provided that:

"(1) IN GENERAL.—The Secretary of Health and Human Services, in consultation with appropriate organizations, shall establish outcome measures, including glycosylated hemoglobin (past 90-day average blood sugar levels), for purposes of evaluating the improvement of the health status of medicare beneficiaries with diabetes mellitus.

"(2) RECOMMENDATIONS FOR MODIFICATIONS TO SCREENING BENEFITS.—Taking into account information on the health status of medicare beneficiaries with diabetes mellitus as measured under the outcome measures established under paragraph (1), the Secretary shall from time to time submit recommendations to Congress regarding modifications to the coverage of services for such beneficiaries under the medicare program."

VACCINES OUTREACH EXPANSION

Pub. L. 105–33, title IV, § 4107, Aug. 5, 1997, 111 Stat. 368, provided that:

"(a) EXTENSION OF INFLUENZA AND PNEUMOCOCCAL VACCINATION CAMPAIGN.—In order to increase utilization of pneumococcal and influenza vaccines in medicare beneficiaries, the Influenza and Pneumococcal Vaccination Campaign carried out by the Health Care Financing Administration in conjunction with the Centers for Disease Control and Prevention and the National Coalition for Adult Immunization, is extended until the end of fiscal year 2002.

"(b) AUTHORIZATION OF APPROPRIATION.—There are hereby authorized to be appropriated for each of fiscal years 1998 through 2002, $8,000,000 for the Campaign described in subsection (a). Of the amount so authorized to be appropriated in each fiscal year, 60 percent of the amount so appropriated shall be payable from the Federal Hospital Insurance Trust Fund, and 40 percent shall be payable from the Federal Supplementary Medical Insurance Trust Fund."

STUDY ON PREVENTIVE AND ENHANCED BENEFITS

Pub. L. 105–33, title IV, § 4108, Aug. 5, 1997, 111 Stat. 369, directed the Secretary of Health and Human Services to request the National Academy of Sciences to analyze the expansion or modification of preventive or other benefits provided to medicare beneficiaries under
this subchapter, and not later than 2 years after Aug. 5, 1997, to submit a report on the findings of the analy-
sis to Congress.

Utilization Guidelines

Pub. L. 105–33, title IV, § 4531(c), Aug. 5, 1997, 111 Stat. 444, provided that: "The Secretary of Health and Human Services shall develop and implement utiliza-
tion guidelines relating to the coverage of chiropractic services under part B of title XVIII of the Social Security Act (42 U.S.C. 1395x et seq.) in cases in which a sub-
luxation has not been demonstrated by X-ray to exist."

Authorizing Payment for Paramedic Intercept Service Providers in Rural Communities

ices may include coverage of advanced life support services (in this subsection referred to as 'ALS inter-
cept services') provided by a paramedic intercept service provider in a rural area if the following conditions are met:

'(1) The ALS intercept services are provided under a contract with one or more volunteer ambulance services and are medically necessary based on the health condition of the individual being transported. 
'(2) The volunteer ambulance service involved—
'"(A) is certified as qualified to provide ambulance service for purposes of such section, 
'"(B) provides only basic life support services at the time of the intercept, and
'"(C) is prohibited by State law from billing for any services.

'(3) The entity supplying the ALS intercept serv-
ices—
'"(A) is certified as qualified to provide such serv-
ices under the medicare program under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.), 
and
'"(B) bills all recipients who receive ALS inter-
cept services from the entity, regardless of whether 
or not such recipients are medicare beneficiaries.

For purposes of this subsection, an area shall be treat-
ed as a rural area if it is designated as a rural area by any law or regulation of the State or if it is located in a rural census tract of a metropolitan statistical area (as determined under the most recent Goldsmith Mod-
ification, originally published in the Federal Register on February 27, 1992 (57 Fed. Reg. 6725))."

fect on January 1, 2000, and applies to ALS intercept services furnished on or after such date."]"

No Exceptions Permitted Based on Amendment to Subsection (v)(1)(L)

Pub. L. 105–33, title IV, § 4601(b), Aug. 5, 1997, 111 Stat. 466, provided that: "The Secretary of Health and Human Services shall not consider the amendment made by subsection (a) [amending this section] in mak-
ing any exemptions and exceptions pursuant to section 1861(v)(1)(L)(i) of the Social Security Act (42 U.S.C. 1395x(v)(1)(L)(i))."

Study on Definition of Homebound

Pub. L. 105–33, title IV, § 4613, Aug. 5, 1997, 111 Stat. 474, provided that:

'(a) Study.—The Secretary of Health and Human Services shall conduct a study of the criteria that should be applied, and the method of applying such cri-
"eria, in the determination of whether an individual is homebound for purposes of qualifying for receipt of

benefits for home health services under the medicare program. Such criteria shall include the extent and cir-
stances under which a person may be absent from the home but nonetheless qualify.

'(b) Report.—Not later than October 1, 1998, the Sec-
retary shall submit a report to Congress on the study
conduct conducted under subsection (a). The report shall in-
clude specific recommendations on such criteria and methods."

Revisions of Coverage for Immunosuppressive Drug Therapy

Pub. L. 103–432, title I, § 160(c), Oct. 31, 1994, 108 Stat. 4443, provided that: "The Secretary of Health and Human Services may administer section 1861(s)(2)(J) of the Social Security Act (42 U.S.C. 1395x(s)(2)(J)) in a manner such that the months of coverage of drugs de-
scribed in such section are provided consecutively, so long as the total number of months of coverage pro-
vided is the same as the number of months described in such section."

Freeze in Per Visit Cost Limits for Home Health Services

Pub. L. 103–66, title XIII, § 13854(a)(1), Aug. 10, 1993, 107 Stat. 607, provided that: "The Secretary of Health and Human Services shall not provide for any change in the per visit cost limits for home health services under sec-
tion 1861(v)(1)(L) of such Act [42 U.S.C. 1395x(v)(1)(L)] for cost reporting periods beginning on or after July 1, 1994, and before July 1, 1996, except as may be necessary to take into account the amendment made by sub-
section (b)(1) [amending this section]. The effect of the 
preceding sentence shall not be considered by the Sec-
retary in making adjustments pursuant to section 1861(v)(1)(L)(ii) of such Act to the payment limits for such services during such cost reporting periods."

Study and Report on Effects of Coverage of Osteoporosis Drugs

Pub. L. 101–508, title IV, § 4156(b), Nov. 5, 1990, 104 Stat. 1388–88, directed Secretary of Health and Human Services to conduct a study analyzing effects of cov-
erage of osteoporosis drugs under part B of this sub-
chapter on health of individuals enrolled under such part and utilization of inpatient hospital and extended care services by such individuals, and, by not later than Oct. 1, 1994, to submit a report to Congress on such study, which was to include recommendations regard-
ing expansion of coverage under the medicare pro-
gram of items and services for individuals with post-
menopausal osteoporosis as the Secretary considered appropriate.

Productivity Screening Guidelines Application to Staff in Rural Health Clinics

guideline in determining the productivity of physi-
cians, physician assistants, nurse practitioners, and 
certified nurse-midwives in a rural health clinic, the 
Secretary of Health and Human Services shall provide 
that the guideline shall take into account the combined 
services of such staff and not merely the service 
within each class of practitioners."

Development of Prospective Payment System for Home Health Services

retary of Health and Human Services to develop a pro-
posal to modify the current system under which pay-
ment is made for home health services under this sub-
chapter or a proposal to replace such system with a 
system under which such payments would be made on 
the basis of prospectively determined rates, with Sec-
secretary to submit to Congress by not later than Apr. 1, 1993, the research findings upon which the proposal was to be based, and directed Prospective Payment Assessment Committee to submit to Congress by not later than Mar. 1, 1994, an analysis of and comments on the proposal.

**APPLICATION OF BUDGET-NEUTRAL BASIS**

Pub. L. 101–508, title IV, § 4207(d)(2), formerly § 4207(d)(3), Nov. 5, 1990, 104 Stat. 1388–120, as renumbered by Pub. L. 101–432, title I, § 160(d)(4), Oct. 31, 1994, 108 Stat. 4471, provided that: "Notwithstanding subsec. (b)(2)(A) [set out above] shall apply with respect to cost reporting periods beginning on or after the date of the enactment of this Act (Dec. 19, 1989) and on or before the date on which the Secretary issues regulations pursuant to subsection (b)(2)(A) [set out as a note under section 1395ww of this title]."

**DISSEMINATION OF RURAL HEALTH CLINIC INFORMATION**

Pub. L. 101–239, title VI, § 6213(e), Dec. 19, 1989, 103 Stat. 2251, directed Secretary of Health and Human Services, not later than 60 days after Dec. 19, 1989, in consultation with the Director of the Office of Rural Health Policy, to disseminate to health care facilities and to the chief executive officer, chief health officer, and chief human services officer of each State, applications and other necessary information to enable such a facility to apply for designation as a rural health clinic for the purposes of this subchapter and subchapter XIX of this chapter.

**TREATMENT OF CERTAIN FACILITIES AS RURAL HEALTH CLINICS**

Pub. L. 101–239, title VI, § 6213(f), Dec. 19, 1989, 103 Stat. 2251, provided that: "The Secretary of Health and Human Services shall not deny certification of a facility as a rural health clinic under section 1861(aa)(2) of the Social Security Act [42 U.S.C. 1395x(aa)(2)] if the facility is located on an island and would otherwise be qualified to be certified as such a facility but for the requirement that the services of a physician assistant or nurse practitioner be provided in the facility."

**CONTINUED USE OF HOME HEALTH WAGE INDEX IN EFFECT PRIOR TO JULY 1, 1989, UNTIL AFTER JULY 1, 1991**

1395x(j)) is deemed to include the requirement described in section 1819(c)(3)(A) of such Act (42 U.S.C. 1395i–3(c)(3)(A)) (as added by section 4201(a)(3) of OBRA).

**MORATORIUM ON PRIOR AUTHORIZATION FOR HOME HEALTH SERVICES TO ELIMINATE ESTIMATED DUPLICATE PAYMENTS FOR HOME HEALTH SERVICES IN THE 1986 BUDGET RECONCILIATION ACT**

Pub. L. 100–203, title IV, §4030(e), Dec. 22, 1987, 101 Stat. 1330–82, provided that: ‘‘The Secretary of Health and Human Services shall not implement any voluntary or mandatory program of prior authorization for home health services, extended care services, or post-hospital extended care services under part A or B of title XVIII of the Social Security Act (42 U.S.C. 1395 et seq., 1395x et seq.) at any time prior to six months after the date on which the Congress receives the report required under section 9305(k)(4) of the Omnibus Budget Reconciliation Act of 1986 (section 9305(k)(4) of Pub. L. 99–509, set out below).’’

**DELAY IN PUBLISHING REGULATIONS WITH RESPECT TO DEEMING STATUS OF ENTITIES**

Pub. L. 100–203, title IV, §4030(f), Dec. 22, 1987, 101 Stat. 1330–82, provided that: ‘‘(1) on any date prior to 6 months after the date on which the Secretary has published a proposed rule with respect to the deeming of the entity, and

‘‘(2) until the Secretary publishes a final rule with respect to the deeming of the entity.’’

**DEVELOPMENT OF UNIFORM NEEDS ASSESSMENT INSTRUMENT**

Pub. L. 99–509, title IX, §9005(h), Oct. 21, 1986, 100 Stat. 1993, directed Secretary of Health and Human Services to develop a uniform needs assessment instrument that could be used by discharge planners, hospitals, nursing facilities, other health care providers, and fiscal intermediaries in evaluating individual’s need for post-hospital extended care services, home health services, and long-term care services of health-related or supportive nature, and further provided for creation of advisory panel to assist Secretary and for a report to Congress not later than Jan. 1, 1989.

**PRIOR AND CONCurrent AUTHORIZATION DEMONSTRATION PROJECT**

Pub. L. 99–509, title IX, §9005(k), Oct. 21, 1986, 100 Stat. 1994, directed Secretary of Health and Human Services to conduct a demonstration program concerning prior and concurrent authorization for post-hospital extended care services and home health services furnished under part A or part B of this subchapter, which was to include at least four projects and was to be initiated by not later than Jan. 1, 1987, under which the Secretary was to monitor the acceptance of individuals entitled to benefits under this subchapter by providers to ensure that the placement of such individuals was not delayed until the results of prior and concurrent review were known, and further directed Secretary to evaluate the demonstration program and report to Congress on such evaluation no later than Feb. 1, 1989.

**CONSIDERATIONS IN ESTABLISHING LIMITS ON PAYMENT FOR HOME HEALTH SERVICES**

Pub. L. 99–509, title IX, §9315(b), Oct. 21, 1986, 100 Stat. 2006, provided that: ‘‘In establishing limitations under section 1861(v)(1)(L) of the Social Security Act (42 U.S.C. 1395x(v)(1)(L)) on payment for home health services for cost reporting periods beginning on or after July 1, 1986, the Secretary of Health and Human Services shall—

‘‘(1) base such limitations on the most recent data available, which data may be for cost reporting periods beginning no earlier than October 1, 1983; and

‘‘(2) take into account the changes in costs of home health agencies for billing and verification procedures that result from the Secretary’s changing the requirements for such procedures, to the extent the changes in costs are not reflected in such data.

Paragraph (2) shall apply to changes in requirements effected before, on, or after July 1, 1986.’’

**COMPTROLLER GENERAL STUDY AND REPORT ON COST LIMITS FOR HOME HEALTH SERVICES**

Pub. L. 99–509, title IX, §9315(c), Oct. 21, 1986, 100 Stat. 2006, directed Comptroller General to study and report to Congress, not later than Feb. 1, 1988, on appropriate-ness and impact on medicare beneficiaries of applying the per visit cost limits for home health services under subsec. (v)(1)(L) of this section on a discipline-specific basis, rather than on an aggregate basis, for all home health services furnished by an agency, and appropriateness of the percentage limits so established.

**REDUCTION IN PAYMENT TO AVOID DUPLICATE PAYMENT FOR SERVICES OF PHYSICIANS ASSISTANTS**

Pub. L. 99–509, title IX, §9338(d), Oct. 21, 1986, 100 Stat. 2035, directed Secretary of Health and Human Services to reduce the amount of payments otherwise made to hospitals and skilled nursing facilities under this subchapter to eliminate estimated duplicate payments for historical or current costs attributable to services described in section 1395x(k)(2)(K) of this title, prior to repeal by Pub. L. 101–509, title IV, §4002(f), Nov. 5, 1990, 104 Stat. 1388–36, effective as if included in the enactment of Pub. L. 99–509.

**STUDY AND REPORT ON PAYMENTS FOR PHYSICIAN ASSISTANTS**

Pub. L. 99–509, title IX, §9338(e), Oct. 21, 1986, 100 Stat. 2035, directed Secretary to report to Congress, by Apr. 1, 1988, concerning adjustments to amount of payment made, under part B for services described in subsec. (w)(2)(K) of this section, to ensure that amount of such payments reflects approximate cost of furnishing the services, taking into account compensation costs and overhead and supervision costs attributable to physician assistants.

**COST LIMITS FOR ROUTINE SERVICES FOR URBAN AND RURAL HOSPITAL-BASED SKILLED NURSING FACILITIES; COST REPORTING PERIODS BEGINNING ON OR AFTER OCTOBER 1, 1982, AND PRIOR TO JULY 1, 1984**

Pub. L. 98–369, div. B, title III, §2319(d), July 18, 1984, 98 Stat. 1883, provided that: ‘‘Notwithstanding limits on the cost of skilled nursing facilities which may have been issued under section 1861(v) of the Social Security Act (42 U.S.C. 1395x(v)) prior to the date of the enactment of this Act (July 18, 1984), in the case of cost reporting periods beginning on or after October 1, 1982, and prior to July 1, 1984, the cost limits for routine services for urban and rural hospital-based skilled nursing facilities shall be 112 percent of the mean of the respective routine costs for urban and rural hospital-based skilled nursing facilities.’’

**STUDY AND REPORT RELATING TO REQUIREMENTS THAT CORE SERVICES BE FURNISHED DIRECTLY BY HOSPICES**

Pub. L. 98–369, div. B, title III, §2343(d), July 18, 1984, 98 Stat. 1095, directed Secretary of Health and Human Services to conduct a study of necessity and appropriateness of requirements that certain ‘‘core’’ services be furnished directly by a hospice, as required under subsec. (dd)(2)(A)(i)(I) of this section and report results of such study to Congress with the report required under section 122(i)(1) [122(j)(1)] of the Tax Equity and Fiscal Responsibility Act of 1982 (Pub. L. 97–248), set out as a note under section 1395f of this title.

**REPORT ON EFFECT OF 1982 AMENDMENT ON HOSPITAL-BASED SKILLED NURSING FACILITIES**

Pub. L. 98–21, title VI, §605(b), Apr. 20, 1983, 97 Stat. 169, directed Secretary of Health and Human Services,
prior to Dec. 31, 1983, to complete a study and report to Congress with respect to (1) effect which implementation of section 102 of the Tax Equity and Fiscal Responsibility Act of 1982, amended this section, would have on hospital-based skilled nursing facilities, given the differences (if any) in patient populations served by such facilities and by community-based skilled nursing facilities and (2) impact on skilled nursing facilities of hospital prospective payment systems, and recommendations concerning payment of skilled nursing facilities.


Elimination of Private Room Subsidy


“(a) The Secretary of Health and Human Services shall, pursuant to section 1861(v)(2) of the Social Security Act [42 U.S.C. 1395x(v)(2)], not allow as a reasonable cost the estimated amount by which the costs incurred by a hospital or skilled nursing facility for non-medically necessary private accommodations for medicare beneficiaries exceeds the costs which would have been incurred by such hospital or facility for semi-private accommodations.

“(b) The Secretary of Health and Human Services shall first issue such final regulations (whether on an interim or other basis) as may be necessary to implement subsection (a) by October 1, 1982. If such regulations are promulgated on an interim final basis, the Secretary shall take such steps as may be necessary to provide for public comment, and appropriate revision based thereon, so as to provide that such regulations are not on an interim basis later than January 31, 1983.”

Regulations Regarding Access to Books and Records

Pub. L. 96–499, title IX, §952(b), as added by Pub. L. 97–248, title I, §127(2), Sept. 3, 1982, 96 Stat. 366, provided that: “Unless the Secretary of Health and Human Services first publishes final regulations prescribing the criteria and procedures described in the last sentence of section 1861(v)(1)(C) of the Social Security Act [42 U.S.C. 1395x(v)(1)] by January 1, 1983, after providing a period of not less than 60 days for public comment on proposed regulations, the amendment made by subsection (a) [amending this section] shall only apply to books, documents, and records relating to services furnished (pursuant to contract or subcontract) on or after the date on which final regulations of the Secretary are first published.”

Compliance With the Life Safety Code or State Fire and Safety Code

Pub. L. 96–499, title IX, §952(b), Dec. 5, 1980, 94 Stat. 2623, provided that: “Any institution (or part of an institution) which complied with the requirements of section 1861(j)(13) of the Social Security Act [42 U.S.C. 1395x(j)(13)] on the day preceding the first day referred to in subsection (b) [enacting provisions set out as a note under this section] shall, so long as such compliance is maintained (either by meeting the applicable provisions of the Life Safety Code (21st edition, 1967), with or without waivers of specific provisions, or by meeting applicable provisions of a fire and safety code imposed by State law as provided for in such section 1861(j)(13)], be considered (for purposes of titles XVIII and XIX of such Act [42 U.S.C. 1395 et seq., 1396 et seq.]) to be in compliance with the requirements of such section 1861(j)(13), as it is amended by subsection (a) of this section.”

Private, Nonprofit Health Care Clinics Qualifying, as of July 1, 1977, as Rural Health Clinics


“(1) on July 1, 1977, was operating and located in an area which on that date (A) was not an urbanized area (as defined by the Bureau of the Census) and (B) had a supply of physicians insufficient to meet the needs of the area (as determined by the Secretary), and

“(2) meets the definition of a rural health clinic under section 1861(aa)(2) [42 U.S.C. 1395x(aa)(2)] or section 1906(a) of the Social Security Act [42 U.S.C. 1396a(a)], except for clause (i) of section 1861(aa)(2) [42 U.S.C. 1395x(aa)(2)], shall be considered, for purposes of title XVIII or XIX, respectively, of the Social Security Act [42 U.S.C. 1395 et seq., 1396 et seq.], as satisfying the definition of a rural health clinic under such section.”

Prolongation of Regulations Defining Costs Chargeable to Personal Funds of Patients in Skilled Nursing Facilities; Date of Issuance

Pub. L. 95–142, §21(b), Oct. 25, 1977, 91 Stat. 1207, provided that: “The Secretary of Health, Education, and Welfare [now Health and Human Services] shall, by regulation, define those costs which may be charged to the personal funds of patients in skilled nursing facilities who are individuals receiving benefits under the provisions of title XVIII [42 U.S.C. 1395 et seq.], or under a State plan approved under the provisions of title XIX [42 U.S.C. 1396 et seq.], of the Social Security Act, and those costs which are to be included in the reasonable cost or reasonable charge for extended care services as determined under the provisions of title XVIII, or for skilled nursing and intermediate care facility services as determined under the provisions of title XIX, of such Act.”


Home Health Services; Grants for Establishment, Operation, Staffing, Etc., of Public and Nonprofit Private Agencies and Entities; Procedures; Payments; Authorization of Appropriations


Payment for Services of Physicians Rendered in a Teaching Hospital for Accounting Periods Beginning After June 30, 1975, and Prior to October 1, 1978; Studies, Reports, Etc.; Effective Dates

There are few moments in our lives that call for greater compassion and companionship than when a loved one is admitted to the hospital. In these hours of need and moments of pain and anxiety, all of us would hope to have a hand to hold, a shoulder on which to lean—a loved one to be there for us, as we would be there for them.

Yet every day, all across America, patients are denied the kindnesses and caring of a loved one at their sides—whether in a sudden medical emergency or a prolonged hospital stay. Often, a widow or widower with no children is denied the support and comfort of a good friend. Members of religious orders are sometimes unable to choose someone other than an immediate family member to visit them and make medical decisions on their behalf. Also uniquely affected are gay and lesbian Americans who are often barred from the bedside of the partners with whom they may have spent decades of their lives—unable to be there for the person they love, and unable to act as a legal surrogate if their partner is incapacitated.

For all of these Americans, the failure to have their wishes respected concerning who may visit them or make medical decisions on their behalf has real consequences. It means that doctors and nurses do not always have the best information about patients’ medications and medical histories and that friends and certain family members are unable to serve as intermediaries to help communicate patients’ needs. It means that a stressful and at times terrifying experience for patients is senselessly compounded by indignity and unfairness. And it means that all too often, people are made to suffer or even to pass away alone, denied the comfort of companionship in their final moments while a loved one is left worrying and pacing down the hall.

Many States have taken steps to try to put an end to these problems. North Carolina recently amended its Patients’ Bill of Rights to give each patient “the right to designate visitors who shall receive the same visitation privileges as the patient’s immediate family members, regardless of whether the visitors are legally related to the patient”—a right that applies in every hospital in the State. Delaware, Nebraska, and Minnesota have adopted similar laws.

My Administration can expand on these important steps to ensure that patients can receive compassionate care and equal treatment during their hospital stays. By this memorandum, I request that you take the following steps:

1. Initiate appropriate rulemaking, pursuant to your authority under 42 U.S.C. 1388d and other relevant provisions of law, to ensure that hospitals that participate in Medicare or Medicaid respect the rights of patients to designate visitors. It should be made clear that designated visitors, including individuals designated by legally valid advance directives (such as durable power of attorney and health care proxies), should enjoy visitation privileges that are no more restrictive than those that immediate family members enjoy. You should also provide that participating hospitals may not deny visitation privileges on the basis of race, color, national origin, religion, sex, sexual orientation, gender identity, or disability. The rulemaking should take into account the need for hospitals to restrict visitation in medically appropriate circumstances as well as the clinical decisions that medical professionals make about a patient’s care or treatment.

2. Ensure that all hospitals governed by Medicare or Medicaid are in full compliance with regulations, codified at 42 CFR 482.13 and 42 CFR 489.102(a), promulgated to guarantee that all patients’ advance directives, such as durable powers of attorney and health care proxies, are respected, and that patients’ representatives otherwise have the right to make informed decisions regarding patients’ care. Additionally, I request that you issue new guidelines, pursuant to your authority under 42 U.S.C. 1395cc and other relevant provisions of law, and provide technical assistance on how
hospitals participating in Medicare or Medicaid can best comply with the regulations and take any additional appropriate measures to fully enforce the regulations.

3. Provide additional recommendations to me, within 180 days of the date of this memorandum, on actions the Department of Health and Human Services can take to address hospital visitation, medical decision-making, or other health care issues that affect LGBT patients and their families.

This memorandum is not intended to, and does not, create any right or benefit, substantive or procedural, enforceable at law or in equity by any party against the United States, its departments, agencies, or entities, its officers, employees, or agents, or any other person.

You are hereby authorized and directed to publish this memorandum in the Federal Register.

Barack Obama.

§ 1395y. Exclusions from coverage and medicare as secondary payer

(a) Items or services specifically excluded

Notwithstanding any other provision of this subchapter, no payment may be made under part A or part B for any expenses incurred for items or services—

(1)(A) which, except for items and services described in a succeeding subparagraph or additional preventive services (as described in section 1395x(ddd)(1) of this title), are not reasonable and necessary for the diagnosis or treatment of illness or injury or to improve the functioning of a malformed body member,

(B) in the case of items and services described in section 1395x(x)(10) of this title, which are not reasonable and necessary for the prevention of illness,

(C) in the case of hospice care, which are not reasonable and necessary for the palliation or management of terminal illness,

(D) in the case of clinical care items and services provided with the concurrence of the Secretary and with respect to research and experimentation conducted by, or under contract with, the Medicare Payment Advisory Commission or the Secretary, which are not reasonable and necessary to carry out the purposes of section 1395ww(e)(6) of this title,1

(E) in the case of research conducted pursuant to section 1320b–12 of this title, which is not reasonable and necessary to carry out the purposes of that section,

(F) in the case of screening mammography, which is performed more frequently than is covered under section 1395m(c)(2) of this title or which is not conducted by a facility described in section 1395m(c)(1)(B) of this title, in the case of screening pap smear and screening pelvic exam, which is performed more frequently than is provided under section 1395x(2) of this title, or which such inpatient hospital services but only for the period during which such inpatient hospital services were furnished;
which are required as a result of war, or of an act of war, occurring after the effective date of such individual’s current coverage under such part;

(6) which constitute personal comfort items (except, in the case of hospice care, as is otherwise permitted under paragraph (1)(C));

(7) where such expenses are for routine physical checkups, eyeglasses (other than eyewear described in section 1395x(s)(8) of this title) or eye examinations for the purpose of prescribing, fitting, or changing eyeglasses, procedures performed (during the course of any eye examination) to determine the refractive state of the eyes, hearing aids or examinations therefore, or immunizations (except as otherwise allowed under section 1395x(s)(10) of this title and subparagraph (B), (F), (G), (H), (K), or (P) of paragraph (1));

(8) where such expenses are for orthopedic shoes or other supportive devices for the feet, other than such shoes furnished pursuant to section 1395x(s)(12) of this title;

(9) where such expenses are for custodial care (except, in the case of hospice care, as is otherwise permitted under paragraph (1)(C));

(10) where such expenses are for cosmetic surgery or are incurred in connection therewith, except as required for the prompt repair of accidental injury or for improvement of the functioning of a malformed body member;

(11) where such expenses constitute charges imposed by immediate relatives of such individual or members of his household;

(12) where expenses are for services in connection with the care, treatment, filling, removal, or replacement of teeth or structures directly supporting teeth, except that payment may be made under part A in the case of inpatient hospital services in connection with the provision of such dental services if the individual, because of his underlying medical condition and clinical status or because of the severity of the dental procedure, requires hospitalization in connection with the provision of such services;

(13) where such expenses are for—

(A) the treatment of flat foot conditions and the prescription of supportive devices therefor,

(B) the treatment of subluxations of the foot, or

(C) routine foot care (including the cutting or removal of corns or calluses, the trimming of nails, and other routine hygienic care);

(14) which are other than physicians’ services (as defined in regulations promulgated specifically for purposes of this paragraph), services described by section 1395x(s)(2)(K) of this title, certified nurse-midwife services, qualified psychologist services, and services of a certified registered nurse anesthetist, and which are furnished to an individual who is a patient of a hospital or critical access hospital by an entity other than the hospital or critical access hospital, unless the services are furnished under arrangements (as defined in section 1395x(w)(1) of this title) with the entity made by the hospital or critical access hospital;

(15)(A) which are for services of an assistant at surgery in a cataract operation (including subsequent insertion of an intraocular lens) unless, before the surgery is performed, the appropriate quality improvement organization (under part B of subchapter XI) or a carrier under section 1395a of this title has approved of the use of such an assistant in the surgical procedure based on the existence of a complicating medical condition, or

(B) which are for services of an assistant at surgery to which section 1395w–4(1)(2)(B) of this title applies;

(16) in the case in which funds may not be used for such items and services under the Assisted Suicide Funding Restriction Act of 1997 [42 U.S.C. 14401 et seq.];

(17) where the expenses are for an item or service furnished in a competitive acquisition area (as established by the Secretary under section 1395w–3(a) of this title) by an entity other than an entity with which the Secretary has entered into a contract under section 1395w–3(b) of this title for the furnishing of such an item or service in that area, unless the Secretary finds that the expenses were incurred in a case of urgent need, or in other circumstances specified by the Secretary;

(18) which are covered skilled nursing facility services described in section 1395yy(e)(2)(A)(i) of this title and which are furnished to an individual who is a resident of a skilled nursing facility during a period in which the resident is provided covered post-hospital extended care services (or, for services described in section 1395x(s)(2)(D) of this title, which are furnished to such an individual without regard to such period), by an entity other than the skilled nursing facility, unless the services are furnished under arrangements (as defined in section 1395x(w)(1) of this title) with the entity made by the skilled nursing facility;

(19) which are for items or services which are furnished pursuant to a private contract described in section 1395a(b) of this title;

(20) in the case of outpatient physical therapy services, outpatient speech-language pathology services, or outpatient occupational therapy services furnished as an incident to a physician’s professional services (as described in section 1395x(s)(2)(A) of this title), that do not meet the standards and conditions (other than any licensing requirement specified by the Secretary) under the second sentence of section 1395x(p) of this title (or under such sentence through the operation of subsection (g) or (l)(2) of section 1395x of this title) as such standards and conditions would apply to such therapy services if furnished by a therapist;

(21) where such expenses are for home health services (including medical supplies described in section 1395(m)(5) of this title, but excluding durable medical equipment to the extent provided for in such section) furnished to an individual who is under a plan of care of the home health agency if the claim for payment for such services is not submitted by the agency;
§ 1395y

(22) subject to subsection (h), for which a claim is submitted other than in an electronic form specified by the Secretary;

(23) which are the technical component of advanced diagnostic imaging services described in section 1395m(e)(1)(B) of this title for which payment is made under the fee schedule established under section 1395w–4(h) of this title and that are furnished by a supplier (as defined in section 1395x(d) of this title), if such supplier is not accredited by an accreditation organization designated by the Secretary under section 1395m(e)(2)(B) of this title:

(24) where such expenses are for renal dialysis services (as defined in subparagraph (B) of section 1395rr(b)(14) of this title) for which payment is made under such section unless such payment is made under such section to a provider of services or a renal dialysis facility for such services; or

(25) not later than January 1, 2014, for which the payment is other than by electronic funds transfer (EFT) or an electronic remittance in a form as specified in ASC X12 835 Health Care Payment and Remittance Advice or subsequent standard.

Paragraph (7) shall not apply to Federally qualified health center services described in section 1395x(aa)(3)(B) of this title. In making a national coverage determination (as defined in paragraph (1)(B) of section 1395ff(f) of this title) the Secretary shall ensure consistent with subsection (h), for which a claim is submitted other than in an electronic form specified by the Secretary under section 1395m(e)(2)(B) of this title:

(a) Requirements of group health plans

(i) In general

A group health plan—

(I) may not take into account that an individual (or the individual’s spouse) who is covered under the plan by virtue of the individual’s current employment status with an employer is entitled to benefits under this subchapter under section 426(a) of this title, and

(II) shall provide that any individual age 65 or older (and the spouse age 65 or older of any individual) who has current employment status with an employer shall be entitled to the same benefits under the plan under the same conditions as any such individual (or spouse) under age 65.

(ii) Exclusion of group health plan of a small employer

Clause (i) shall not apply to a group health plan unless the plan is a plan of, or contributed to by, an employer that has 20 or more employees for each working day in each of 20 or more calendar weeks in the current calendar year or the preceding calendar year.

(iii) Exception for small employers in multiemployer or multiple employer group health plans

Clause (i) also shall not apply with respect to individuals enrolled in a multiemployer or multiple employer group health plan if the coverage of the individuals under the plan is by virtue of current employment status with an employer that does not have 20 or more individuals in current employment status for each working day in each of 20 or more calendar weeks in the current calendar year and the preceding calendar year; except that the exception provided in this clause shall only apply if the plan elects treatment under this clause.

(iv) Exception for individuals with end stage renal disease

Subparagraph (C) shall apply instead of clause (i) to an item or service furnished in a month to an individual if for the month the individual is, or (without regard to entitlement under section 426 of this title) would upon application be, entitled to benefits under section 426–1 of this title.

(v) “Group health plan” defined

In this subparagraph, and subparagraph (C), the term “group health plan” has the meaning given such term in section 5000(b)(2) of the Internal Revenue Code of 1986, without regard to section 5000(d) of such Code.

(B) Disabled individuals in large group health plans

(i) In general

A large group health plan (as defined in clause (iii)) may not take into account that an individual (or a member of the individual’s family) who is covered under the plan by virtue of the individual’s current employment status with an employer is entitled to benefits under this subchapter under section 426(b) of this title.

(ii) Exception for individuals with end stage renal disease

Subparagraph (C) shall apply instead of clause (i) to an item or service furnished in a month to an individual if for the month the individual is, or (without regard to entitlement under section 426 of this title) would upon application be, entitled to benefits under section 426–1 of this title.

(iii) “Large group health plan” defined

In this subparagraph, the term “large group health plan” has the meaning given such term in section 5000(b)(2) of the Inter-
nal Revenue Code of 1986, without regard to section 5000(d) of such Code.

(C) **Individuals with end stage renal disease**

A group health plan (as defined in subparagraph (A)(v))—

(i) may not take into account that an individual is entitled to or eligible for benefits under this subchapter under section 426–1 of this title during the 12-month period which begins with the first month in which the individual becomes entitled to benefits under part A under the provisions of section 426–1 of this title, or, if earlier, the first month in which the individual would have been entitled to benefits under such part under the provisions of section 426–1 of this title if the individual had filed an application for such benefits; and

(ii) may not differentiate in the benefits it provides between individuals having end stage renal disease and other individuals covered by such plan on the basis of the existence of end stage renal disease, the need for renal dialysis, or in any other manner;

except that clause (ii) shall not prohibit a plan from paying benefits secondary to this subchapter when an individual is entitled to or eligible for benefits under this subchapter under section 426–1 of this title after the end of the 12-month period described in clause (i). Effective for items and services furnished on or after February 1, 1991, and before August 5, 1997, 2 with respect to periods beginning on or after February 1, 1990, this subparagraph shall be applied by substituting “18-month” for “12-month” each place it appears. Effective for items and services furnished on or after August 5, 1997, 2 with respect to periods beginning on or after the date that is 18 months prior to August 5, 1997, clauses (i) and (ii) shall be applied by substituting “30-month” for “12-month” each place it appears.

(D) **Treatment of certain members of religious orders**

In this subsection, an individual shall not be considered to be employed, or an employee, with respect to the performance of services as a member of a religious order which are considered employment only by virtue of an election made by the religious order under section 3121(r) of the Internal Revenue Code of 1986.

(E) **General provisions**

For purposes of this subsection:

(i) **Aggregation rules**

(I) All employers treated as a single employer under subsection (a) or (b) of section 52 of the Internal Revenue Code of 1986 shall be treated as a single employer.

(II) All employees of the members of an affiliated service group (as defined in section 414(m) of such Code) shall be treated as employed by a single employer.

(ii) **Current employment status** defined

An individual has “current employment status” with an employer if the individual is an employee, is the employer, or is associated with the employer in a business relationship.

(iii) **Treatment of self-employed persons as employers**

The term “employer” includes a self-employed person.

(F) **Limitation on beneficiary liability**

An individual who is entitled to benefits under this subchapter and is furnished an item or service for which such benefits are incorrectly paid is not liable for repayment of such benefits under this paragraph unless payment of such benefits was made to the individual.

(2) **Medicare secondary payer**

(A) **In general**

Payment under this subchapter may not be made, except as provided in subparagraph (B), with respect to any item or service to the extent that—

(i) payment has been made, or can reasonably be expected to be made, with respect to the item or service as required under paragraph (1), or

(ii) payment has been made 3 or can reasonably be expected to be made under a workmen’s compensation law or plan of the United States or a State or under an automobile or liability insurance policy or plan (including a self-insured plan) or under no fault insurance.

In this subsection, the term “primary plan” means a group health plan or large group health plan, to the extent that clause (i) applies, and a workmen’s compensation law or plan, an automobile or liability insurance policy or plan (including a self-insured plan) or no fault insurance, to the extent that clause (ii) applies. An entity that engages in a business, trade, or profession shall be deemed to have a self-insured plan if it carries its own risk (whether by a failure to obtain insurance, or otherwise) in whole or in part.

(B) **Conditional payment**

(i) **Authority to make conditional payment**

The Secretary may make payment under this subchapter with respect to an item or service if a primary plan described in sub-

---

2So in original. The comma probably should not appear.

3So in original. Probably should be “made,”. 
paragraph (A)(ii) has not made or cannot reasonably be expected to make payment with respect to such item or service promptly (as determined in accordance with regulations). Any such payment by the Secretary shall be conditioned on reimbursement to the appropriate Trust Fund in accordance with the succeeding provisions of this subsection.

(ii) Repayment required

Subject to paragraph (9), a primary plan, and an entity that receives payment from a primary plan, shall reimburse the appropriate Trust Fund for any payment made by the Secretary under this subchapter with respect to an item or service if it is demonstrated that such primary plan has or had a responsibility to make payment with respect to such item or service. A primary plan’s responsibility for such payment may be demonstrated by a judgment, a payment conditioned upon the recipient’s compromise, waiver, or release (whether or not there is a determination or admission of liability) of payment for items or services included in a claim against the primary plan or the primary plan’s insured, or by other means. If reimbursement is not made to the appropriate Trust Fund before the expiration of the 60-day period that begins on the date notice of, or information related to, a primary plan’s responsibility for such payment or other information is received, the Secretary may charge interest (beginning with the date on which the notice or other information is received) on the amount of the reimbursement until reimbursement is made (at a rate determined by the Secretary in accordance with regulations of the Secretary of the Treasury applicable to charges for late payments).

(iii) Action by United States

In order to recover payment made under this subchapter for an item or service, the United States may bring an action against any or all entities that are or were required or responsible (directly, as an insurer or self-insurer, as a third-party administrator, as an employer that sponsors or contributes to a group health plan, or large group health plan, or otherwise) to make payment with respect to the same item or service (or any portion thereof) under a primary plan. The United States may, in accordance with paragraph (3)(A) collect double damages against any such entity. In addition, the United States may recover under this clause from any entity that has received payment from a primary plan or from the proceeds of a primary plan’s payment to any entity. The United States may not recover from a third-party administrator under this clause in cases where the third-party administrator would not be able to recover the amount at issue from the employer or group health plan and is not employed by or under contract with the employer or group health plan at the time the action for recovery is initiated by the United States or for whom it provides administrative services due to the insolvency or bankruptcy of the employer or plan. An action may not be brought by the United States under this clause with respect to payment owed unless the complaint is filed not later than 3 years after the date of the receipt of notice of a settlement, judgment, award, or other payment made pursuant to paragraph (8) relating to such payment owed.

(iv) Subrogation rights

The United States shall be subrogated (to the extent of payment made under this subchapter for such an item or service) to any right under this subsection of an individual or any other entity to payment with respect to such item or service under a primary plan.

(v) Waiver of rights

The Secretary may waive (in whole or in part) the provisions of this subparagraph in the case of an individual claim if the Secretary determines that the waiver is in the best interests of the program established under this subchapter.

(vi) Claims-filing period

Notwithstanding any other time limits that may exist for filing a claim under an employer group health plan, the United States may seek to recover conditional payments in accordance with this subparagraph where the request for payment is submitted to the entity required or responsible under this subsection to pay with respect to the item or service (or any portion thereof) under a primary plan within the 3-year period beginning on the date on which the item or service was furnished.

(vii) Use of website to determine final conditional reimbursement amount

(I) Notice to Secretary of expected date of a settlement, judgment, etc.

In the case of a payment made by the Secretary pursuant to clause (i) for items and services provided to the claimant, the claimant or applicable plan (as defined in paragraph (8)(F)) may at any time beginning 120 days before the reasonably expected date of a settlement, judgment, award, or other payment, notify the Secretary that a payment is reasonably expected and the expected date of such payment.

(II) Secretarial providing access to claims information through a website

The Secretary shall maintain and make available to individuals to whom items and services are furnished under this subchapter (and to authorized family or other representatives recognized under regulations and to an applicable plan which has obtained the consent of the individual) access to information on the claims for such items and services

So in original. Probably should be “subparagraph (A)”.

So in original. Probably should be “paragraph (A)(ii)”.

§ 1395y

So in original. Probably should be “subparagraph (A)”.

So in original. Probably should be “paragraph (A)(ii)”.
(including payment amounts for such claims), including those claims that relate to a potential settlement, judgment, award, or other payment. Such access shall be provided to an individual, representative, or plan through a website that requires a password to gain access to the information. The Secretary shall update the information on claims and payments on such website in as timely a manner as possible but not later than 15 days after the date that payment is made. Information related to claims and payments subject to the notice under subclause (I) shall be maintained and made available consistent with the following:

(aa) The information shall be as complete as possible and shall include provider or supplier name, diagnosis codes (if any), dates of service, and conditional payment amounts.

(bb) The information accurately identifies those claims and payments that are related to a potential settlement, judgment, award, or other payment to which the provisions of this subsection apply.

(cc) The website provides a method for the receipt of secure electronic communications with the individual, representative, or plan involved.

(dd) The website provides that information is transmitted from the website in a form that includes an official time and date that the information is transmitted.

(ee) The website shall permit the individual, representative, or plan to download a statement of reimbursement amounts (in this clause referred to as a “statement of reimbursement amount”) on payments for claims under this subchapter relating to a potential settlement, judgment, award, or other payment.

(III) Use of timely web download as basis for final conditional amount

If an individual (or other claimant or applicable plan with the consent of the individual) obtains a statement of reimbursement amount from the website during the protected period as defined in subclause (V) and the related settlement, judgment, award or other payment is made during such period, then the last statement of reimbursement amount that is downloaded during such period and within 3 business days before the date of the settlement, judgment, award, or other payment shall constitute the final conditional amount subject to recovery under clause (ii) related to such settlement, judgment, award, or other payment.

(IV) Resolution of discrepancies

If the individual (or authorized representative) believes there is a discrepancy with the statement of reimbursement amount, the Secretary shall provide a timely process to resolve the discrepancy. Under such process the individual (or representative) must provide documentation explaining the discrepancy and a proposal to resolve such discrepancy. Within 11 business days after the date of receipt of such documentation, the Secretary shall determine whether there is a reasonable basis to include or remove claims on the statement of reimbursement. If the Secretary does not make such determination within the 11 business-day period, then the proposal to resolve the discrepancy shall be accepted. If the Secretary determines within such period that there is not a reasonable basis to include or remove claims on the statement of reimbursement, the proposal shall be rejected. If the Secretary determines within such period that there is a reasonable basis to conclude there is a discrepancy, the Secretary must respond in a timely manner by agreeing to the proposal to resolve the discrepancy or by providing documentation showing with good cause why the Secretary is not agreeing to such proposal and establishing an alternate discrepancy resolution. In no case shall the process under this subclause be treated as an appeals process or as establishing a right of appeal for a statement of reimbursement amount and there shall be no administrative or judicial review of the Secretary’s determinations under this subclause.

(V) Protected period

In subclause (III), the term “protected period” means, with respect to a settlement, judgment, award or other payment relating to an injury or incident, the portion (if any) of the period beginning on the date of notice under subclause (I) with respect to such settlement, judgment, award, or other payment that is after the end of a Secretarial response period beginning on the date of such notice to the Secretary. Such Secretarial response period shall be a period of 65 days, except that such period may be extended by the Secretary for a period of an additional 30 days if the Secretary determines that additional time is required to address claims for which payment has been made. Such Secretarial response period shall be extended and shall not include any days for any part of which the Secretary determines (in accordance with regulations) that there was a failure in the claims and payment posting system and the failure was justified due to exceptional circumstances (as defined in such regulations). Such regulations shall define exceptional circumstances in a manner so that not more than 1 percent of the repayment obligations under this subclause would qualify as exceptional circumstances.

(VI) Effective date

The Secretary shall promulgate final regulations to carry out this clause not
later than 9 months after January 10, 2013.

(VII) Website including successor technology

In this clause, the term “website” includes any successor technology.

(viii) Right of appeal for secondary payer determinations relating to liability insurance (including self-insurance), no fault insurance, and workers’ compensation laws and plans

The Secretary shall promulgate regulations establishing a right of appeal and appeals process, with respect to any determination under this subsection for a payment made under this subchapter for an item or service for which the Secretary is seeking to recover conditional payments from an applicable plan (as defined in paragraph (8)(F)) that is a primary plan under subsection (A)(ii), under which the applicable plan involved, or an attorney, agent, or third party administrator on behalf of such plan, may appeal such determination. The individual furnished such an item or service shall be notified of the plan’s intent to appeal such determination.

(C) Treatment of questionnaires

The Secretary may not fail to make payment under subparagraph (A) solely on the ground that an individual failed to complete a questionnaire concerning the existence of a primary plan.

(3) Enforcement

(A) Private cause of action

There is established a private cause of action for damages (which shall be in an amount double the amount otherwise provided) in the case of a primary plan which fails to provide for primary payment (or appropriate reimbursement) in accordance with paragraphs (1) and (2)(A).

(B) Reference to excise tax with respect to nonconforming group health plans

For provision imposing an excise tax with respect to nonconforming group health plans, see section 5000 of the Internal Revenue Code of 1986.

(C) Prohibition of financial incentives not to enroll in a group health plan or a large group health plan

It is unlawful for an employer or other entity to offer any financial or other incentive for an individual entitled to benefits under this subchapter not to enroll (or to terminate enrollment) under a group health plan or a large group health plan which would (in the case of such enrollment) be a primary plan (as defined in paragraph (2)(A)). Any entity that violates the previous sentence is subject to a civil money penalty of not to exceed $5,000 for each such violation. The provisions of section 1320a-7a of this title (other than subsections (a) and (b)) shall apply to a civil money penalty under the previous sentence in the same manner as such provisions apply to a penalty or proceeding under section 1320a-7a(a) of this title.

(4) Coordination of benefits

Where payment for an item or service by a primary plan is less than the amount of the charge for such item or service and is not payment in full, payment may be made under this subchapter (without regard to deductibles and coinsurance under this subchapter) for the remainder of such charge, but—

(A) payment under this subchapter may not exceed an amount which would be payable under this subchapter for such item or service if paragraph (2)(A) did not apply; and

(B) payment under this subchapter, when combined with the amount payable under the primary plan, may not exceed—

(i) in the case of an item or service payment for which is determined under this subchapter on the basis of reasonable cost (or other cost-related basis) or under section 1395ww of this title, the amount which would be payable under this subchapter on such basis, and

(ii) in the case of an item or service for which payment is authorized under this subchapter on another basis—

(I) the amount which would be payable under the primary plan (without regard to deductibles and coinsurance under such plan), or

(II) the reasonable charge or other amount which would be payable under this subchapter (without regard to deductibles and coinsurance under this subchapter), whichever is greater.

(5) Identification of secondary payer situations

(A) Requesting matching information

(i) Commissioner of Social Security

The Commissioner of Social Security shall, not less often than annually, transmit to the Secretary of the Treasury a list of the names and TINs of Medicare beneficiaries (as defined in section 6103(k)(12) of the Internal Revenue Code of 1986) and request that the Secretary disclose to the Commissioner the information described in subparagraph (A) of such section.

(ii) Administrator

The Administrator of the Centers for Medicare & Medicaid Services shall request, not less often than annually, the Commissioner of the Social Security Administration to disclose to the Administrator the information described in subparagraph (B) of section 6103(k)(12) of the Internal Revenue Code of 1986.

(B) Disclosure to fiscal intermediaries and carriers

In addition to any other information provided under this subchapter to fiscal intermediaries and carriers, the Administrator

---

5 So in original. Probably should be “subparagraph (A)(i).”
6 So in original. Probably should be followed by a period.
shall disclose to such intermediaries and carriers (or to such a single intermediary or carrier as the Secretary may designate) the information received under subparagraph (A) for purposes of carrying out this subsection.

(C) Contacting employers

(i) In general

With respect to each individual (in this subparagraph referred to as an “employee”) who was furnished a written statement under section 6051 of the Internal Revenue Code of 1986 by a qualified employer (as defined in section 6103(l)(12)(B)(i)(III) of such Code), as disclosed under subparagraph (B), the appropriate fiscal intermediary or carrier shall contact the employer in order to determine during what period the employee or employee’s spouse may be (or have been) covered under a group health plan of the employer and the nature of the coverage that is or was provided under the plan (including the name, address, and identifying number of the plan).

(ii) Employer response

Within 30 days of the date of receipt of the inquiry, the employer shall notify the intermediary or carrier making the inquiry as to the determinations described in clause (i). An employer (other than a Federal or other governmental entity) who willfully or repeatedly fails to provide timely and accurate notice in accordance with the previous sentence shall be subject to a civil money penalty of not to exceed $1,000 for each individual with respect to which such an inquiry is made. The provisions of section 1320a–7a of this title (other than subsections (a) and (b)) shall apply to a civil money penalty under the previous sentence in the same manner as such provisions apply to a penalty or proceeding under section 1320a–7a(a) of this title.

(D) Obtaining information from beneficiaries

Before an individual applies for benefits under part A or enrolls under part B, the administrator shall mail the individual a questionnaire to obtain information on whether the individual is covered under a primary group health plan that is self-insured and self-administered, a plan administrator or fiduciary described in subparagraph (A) that serves as an insurer or third party administrator for a group health plan, as defined in paragraph (1)(A)(v), and, in the case of a group health plan that is self-insured and self-administered, a plan administrator or fiduciary, shall—

(i) secure from the plan sponsor and plan participants such information as the Secretary shall specify for the purpose of identifying situations where the group health plan is or has been—

(I) a primary plan to the program under this subchapter; or

(II) for calendar quarters beginning on or after January 1, 2020, a primary payer with respect to benefits relating to prescription drug coverage under part D; and

(ii) submit such information to the Secretary in a form and manner (including frequency) specified by the Secretary.

(E) End date

The provisions of this paragraph shall not apply to information required to be provided on or after July 1, 2016.

(6) Screening requirements for providers and suppliers

(A) In general

Notwithstanding any other provision of this subchapter, no payment may be made for any item or service furnished under part B unless the entity furnishing such item or service completes (to the best of its knowledge and on the basis of information obtained from the individual to whom the item or service is furnished) the portion of the claim form relating to the availability of other health benefit plans.

(B) Penalties

An entity that knowingly, willfully, and repeatedly fails to complete a claim form in accordance with subparagraph (A) or provides inaccurate information relating to the availability of other health benefit plans on a claim form under such subparagraph shall be subject to a civil money penalty of not to exceed $2,000 for each such incident. The provisions of section 1320a–7a of this title (other than subsections (a) and (b)) shall apply to a civil money penalty under the previous sentence in the same manner as such provisions apply to a penalty or proceeding under section 1320a–7a(a) of this title.

(7) Required submission of information by group health plans

(A) Requirement

On and after the first day of the first calendar quarter beginning after the date that is 1 year after December 29, 2007, an entity serving as an insurer or third party administrator for a group health plan, as defined in paragraph (1)(A)(v), and, in the case of a group health plan that is self-insured and self-administered, a plan administrator or fiduciary, shall—

(i) secure from the plan sponsor and plan participants such information as the Secretary shall specify for the purpose of identifying situations where the group health plan is or has been—

(I) a primary plan to the program under this subchapter; or

(II) for calendar quarters beginning on or after January 1, 2020, a primary payer with respect to benefits relating to prescription drug coverage under part D; and

(ii) submit such information to the Secretary in a form and manner (including frequency) specified by the Secretary.

(B) Enforcement

(i) In general

An entity, a plan administrator, or a fiduciary described in subparagraph (A) that fails to comply with the requirements under such subparagraph shall be subject to a civil money penalty of $1,000 for each day of noncompliance for each individual for which the information under such subparagraph should have been submitted. The provisions of subsections (e) and (k) of section 1320a–7a of this title shall apply to a civil money penalty under the previous sentence in the same manner as such provisions apply to a penalty or proceeding under section 1320a–7a(a) of this title. A civil money penalty under this clause shall be in addition to any other penalties prescribed by law and in addition to any Medicare secondary payer claim under this subchapter with respect to an individual.

(ii) Deposit of amounts collected

Any amounts collected pursuant to clause (i) shall be deposited in the Federal
§ 1395y

Hospital Insurance Trust Fund under section 1395i of this title.

(C) **Sharing of information**

Notwithstanding any other provision of law, under terms and conditions established by the Secretary, the Secretary—

(i) shall share information on entitlement under part A and enrollment under part B under this subchapter with entities, plan administrators, and fiduciaries described in subparagraph (A);

(ii) may share the entitlement and enrollment information described in clause (i) with entities and persons not described in such clause; and

(iii) may share information collected under this paragraph as necessary for purposes of the proper coordination of benefits.

(D) **Implementation**

Notwithstanding any other provision of law, the Secretary may implement this paragraph by program instruction or otherwise.

(8) **Required submission of information by or on behalf of liability insurance (including self-insurance), no fault insurance, and workers' compensation laws and plans**

(A) **Requirement**

On and after the first day of the first calendar quarter beginning after the date that is 18 months after December 29, 2007, an applicable plan shall—

(i) determine whether a claimant (including an individual whose claim is unresolved) is entitled to benefits under the program under this subchapter on any basis; and

(ii) if the claimant is determined to be so entitled, submit the information described in subparagraph (B) with respect to the claimant to the Secretary in a form and manner (including frequency) specified by the Secretary.

(B) **Required information**

The information described in this subparagraph is—

(i) the identity of the claimant for which the determination under subparagraph (A) was made; and

(ii) such other information as the Secretary shall specify in order to enable the Secretary to make an appropriate determination concerning coordination of benefits, including any applicable recovery claim.

Not later than 18 months after January 10, 2013, the Secretary shall modify the reporting requirements under this paragraph so that an applicable plan in complying with such requirements is permitted but not required to access or report to the Secretary beneficiary social security account numbers or health identification claim numbers, except that the deadline for such modification shall be extended by one or more periods (specified by the Secretary) of up to 1 year each if the Secretary notifies the committees of jurisdiction of the House of Representatives and of the Senate that the prior deadline for such modification, without such extension, threatens patient privacy or the integrity of the secondary payer program under this subchapter. Any such deadline extension notice shall include information on the progress being made in implementing such modification and the anticipated implementation date for such modification.

(C) **Timing**

Information shall be submitted under subparagraph (A)(ii) within a time specified by the Secretary after the claim is resolved through a settlement, judgment, award, or other payment (regardless of whether or not there is a determination or admission of liability).

(D) **Claimant**

For purposes of subparagraph (A), the term “claimant” includes—

(i) an individual filing a claim directly against the applicable plan; and

(ii) an individual filing a claim against an individual or entity insured or covered by the applicable plan.

(E) **Enforcement**

(i) **In general**

An applicable plan that fails to comply with the requirements under subparagraph (A) with respect to any claimant may be subject to a civil money penalty of up to $1,000 for each day of noncompliance with respect to each claimant. The provisions of subsections (e) and (k) of section 1320a–7a of this title shall apply to a civil money penalty under the previous sentence in the same manner as such provisions apply to a penalty or proceeding under section 1320a–7a(a) of this title. A civil money penalty under this clause shall be in addition to any other penalties prescribed by law and in addition to any Medicare secondary payer claim under this subchapter with respect to an individual.

(ii) **Deposit of amounts collected**

Any amounts collected pursuant to clause (i) shall be deposited in the Federal Hospital Insurance Trust Fund.

(F) **Applicable plan**

In this paragraph, the term “applicable plan” means the following laws, plans, or other arrangements, including the fiduciary or administrator for such law, plan, or arrangement:

(i) Liability insurance (including self-insurance).

(ii) No fault insurance.

(iii) Workers’ compensation laws or plans.

(G) **Sharing of information**

The Secretary may share information collected under this paragraph as necessary for purposes of the proper coordination of benefits.

(H) **Implementation**

Notwithstanding any other provision of law, the Secretary may implement this
(9) Exception

(A) In general

Clause (ii) of paragraph (2)(B) and any reporting required by paragraph (8) shall not apply with respect to any settlement, judgment, award, or other payment by an applicable plan arising from liability insurance (including self-insurance) and from alleged physical trauma-based incidents (excluding alleged ingestion, implantation, or exposure cases) constituting a total payment obligation to a claimant of not more than the single threshold amount calculated by the Secretary under subparagraph (B) for the year involved.

(B) Annual computation of threshold

(i) In general

Not later than November 15 before each year, the Secretary shall calculate and publish a single threshold amount for settlements, judgments, awards, or other payments for obligations arising from liability insurance (including self-insurance) and for alleged physical trauma-based incidents (excluding alleged ingestion, implantation, or exposure cases) subject to this section for that year. The annual single threshold amount for a year shall be set such that the estimated average amount to be credited to the Medicare trust funds of collections of conditional payments from such settlements, judgments, awards, or other payments arising from liability insurance (including self-insurance) and for such alleged incidents subject to this section shall equal the estimated cost of collection incurred by the United States (including payments made to contractors) for a conditional payment arising from liability insurance (including self-insurance) and for such alleged incidents subject to this section for the year. At the time of calculating, but before publishing, the single threshold amount for 2014, the Secretary shall inform, and seek review of, the Comptroller General of the United States with regard to such amount.

(ii) Publication

The Secretary shall include, as part of such publication for a year—

(I) the estimated cost of collection incurred by the United States (including payments made to contractors) for a conditional payment arising from liability insurance (including self-insurance) and for such alleged incidents; and

(II) a summary of the methodology and data used by the Secretary in computing such threshold amount and such cost of collection.

(C) Exclusion of ongoing expenses

For purposes of this paragraph and with respect to a settlement, judgment, award, or other payment not otherwise addressed in clause (ii) of paragraph (2)(B) that includes ongoing responsibility for medical payments (excluding settlements, judgments, awards, or other payments made by a workers’ compensation law or plan or no fault insurance), the amount utilized for calculation of the threshold described in subparagraph (A) shall include only the cumulative value of the medical payments made under this subchapter.

(D) Report to Congress

Not later than November 15 before each year, the Secretary shall submit to the Congress a report on the single threshold amount for settlements, judgments, awards, or other payments for conditional payment obligations arising from liability insurance (including self-insurance) and alleged incidents described in subparagraph (A) for that year and on the establishment and application of similar thresholds for such payments for conditional payment obligations arising from worker compensation cases and from no fault insurance cases subject to this section for the year. For each such report, the Secretary shall—

(i) calculate the threshold amount by using the methodology applicable to certain liability claims described in subparagraph (B); and

(ii) include a summary of the methodology and data used in calculating each threshold amount and the amount of estimated savings under this subchapter achieved by the Secretary implementing each such threshold.

(c) Drug products

No payment may be made under part B for any expenses incurred for—

(1) a drug product—

(A) which is described in section 107(c)(3) of the Drug Amendments of 1962,

(B) which may be dispensed only upon prescription,

(C) for which the Secretary has issued a notice of an opportunity for a hearing under subsection (e) of section 355 of title 21 on a proposed order of the Secretary to withdraw approval of an application for such drug
§ 1395y  TITLE 42—THE PUBLIC HEALTH AND WELFARE  Page 3248

product under such section because the Secretary has determined that the drug is less than effective for all conditions of use prescribed, recommended, or suggested in its labeling, and

(D) for which the Secretary has not determined there is a compelling justification for its medical need; and

(2) any other drug product—

(A) which is identical, related, or similar (as determined in accordance with section 310.6 of title 21 of the Code of Federal Regulations) to a drug product described in paragraph (1), and

(B) for which the Secretary has not determined there is a compelling justification for its medical need,

until such time as the Secretary withdraws such proposed order.

(d) Items or services provided for emergency medical conditions

For purposes of subsection (a)(1)(A), in the case of any item or service that is required to be provided pursuant to section 1395dd of this title to an individual who is entitled to benefits under this subchapter, determinations as to whether the item or service is reasonable and necessary shall be made on the basis of the information available to the treating physician or practitioner (including the patient’s presenting symptoms or complaint) at the time the item or service was ordered or furnished by the physician or practitioner (and not on the patient’s principal diagnosis). When making such determinations with respect to such an item or service, the Secretary shall not consider the frequency with which the item or service was provided to the patient before or after the time of the admission or visit.

(e) Item or service by excluded individual or entity or at direction of excluded physician; limitation of liability of beneficiaries with respect to services furnished by excluded individuals and entities

(1) No payment may be made under this subchapter with respect to any item or service (other than an emergency item or service, not including items or services furnished in an emergency room of a hospital) furnished—

(A) by an individual or entity during the period when such individual or entity is excluded pursuant to section 1320a–7, 1320a–7a, 1320c–5, 1320c–9 (as in effect on September 2, 1982), 1395u(j)(2), 1395y(d) (as in effect on August 18, 1987), or 1395cc of this title, and such beneficiary did not know or have reason to know that such individual or entity was so excluded, then, to the extent permitted by this subchapter, and notwithstanding such exclusion, payment shall be made for such items or services. In each such case the Secretary shall notify the beneficiary of the exclusion of the individual or entity furnishing the items or services. Payment shall not be made for items or services furnished by an excluded individual or entity to a beneficiary after a reasonable time (as determined by the Secretary in regulations) after the Secretary has notified the beneficiary of the exclusion of that individual or entity.

(f) Utilization guidelines for provision of home health services

The Secretary shall establish utilization guidelines for the determination of whether or not payment may be made, consistent with paragraph (1)(A) of subsection (a), under part A or part B for expenses incurred with respect to the provision of home health services, and shall provide for the implementation of such guidelines through a process of selective postpayment coverage review by intermediaries or otherwise.

(g) Contracts with quality improvement organizations

The Secretary shall, in making the determinations under paragraphs (1) and (9) of subsection (a), and for the purposes of promoting the effective, efficient, and economical delivery of health care services, and of promoting the quality of services of the type for which payment may be made under this subchapter, enter into contracts with quality improvement organizations pursuant to part B of subchapter XI of this chapter.

(h) Waiver of electronic form requirement

(1) The Secretary—

(A) shall waive the application of subsection (a)(22) in cases in which—

(i) there is no method available for the submission of claims in an electronic form; or

(ii) the entity submitting the claim is a small provider of services or supplier; and

(B) may waive the application of such subsection in such unusual cases as the Secretary finds appropriate.

(2) For purposes of this subsection, the term “small provider of services or supplier” means—

(A) a provider of services with fewer than 25 full-time equivalent employees; or

(B) a physician, practitioner, facility, or supplier other than provider of services with fewer than 10 full-time equivalent employees.

(i) Awards and contracts for original research and experimentation of new and existing medical procedures; conditions

In order to supplement the activities of the Medicare Payment Advisory Commission under section 1395ww(e) of this title in assessing the
safety, efficacy, and cost-effectiveness of new and existing medical procedures, the Secretary may carry out, or award grants or contracts for, original research and experimentation of the type described in clause (ii) of section 1395ww(e)(6)(E) of this title with respect to such a procedure if the Secretary finds that—

(1) such procedure is not of sufficient commercial value to justify research and experimentation by a commercial organization;

(2) research and experimentation with respect to such procedure is not of a type that may appropriately be carried out by an institution, division, or bureau of the National Institutes of Health; and

(3) such procedure has the potential to be more cost-effective in the treatment of a condition than procedures currently in use with respect to such condition.

(j) Nonvoting members and experts

(1) Any advisory committee appointed to advise the Secretary on matters relating to the interpretation, application, or implementation of subsection (a)(1) shall assure the full participation of a nonvoting member in the deliberations of the advisory committee, and shall provide such nonvoting member access to all information and data made available to voting members of the advisory committee, other than information that—

(A) is exempt from disclosure pursuant to subsection (a) of section 552 of title 5 by reason of subsection (b)(4) of such section (relating to trade secrets); or

(B) the Secretary determines would present a conflict of interest relating to such nonvoting member.

(2) If an advisory committee described in paragraph (1) organizes into panels of experts according to types of items or services considered by the advisory committee, any such panel of experts may report any recommendation with respect to such items or services directly to the Secretary without the prior approval of the advisory committee or an executive committee thereof.

(k) Dental benefits under group health plans

(1) Subject to paragraph (2), a group health plan (as defined in subsection (a)(1)(A)(v)) [7] providing supplemental or secondary coverage to individuals also entitled to services under this subchapter shall not require a Medicare claims determination under this subchapter for dental benefits specifically excluded under subsection (a)(12) as a condition of making a claims determination for such benefits under the group health plan.

(2) A group health plan may require a claims determination under this subchapter in cases involving or appearing to involve inpatient dental hospital services or dental services expressly covered under this subchapter pursuant to actions taken by the Secretary.

(1) National and local coverage determination process

(1) Factors and evidence used in making national coverage determinations

The Secretary shall make available to the public the factors considered in making national coverage determinations of whether an item or service is reasonable and necessary. The Secretary shall develop guidance documents to carry out this paragraph in a manner similar to the development of guidance documents under section 371(h) of title 21.

(2) Timeframe for decisions on requests for national coverage determinations

In the case of a request for a national coverage determination that—

(A) does not require a technology assessment from an outside entity or deliberation from the Medicare Coverage Advisory Committee, the decision on the request shall be made not later than 6 months after the date of the request; or

(B) requires such an assessment or deliberation and in which a clinical trial is not requested, the decision on the request shall be made not later than 9 months after the date of the request.

(3) Process for public comment in national coverage determinations

(A) Period for proposed decision

Not later than the end of the 6-month period (or 9-month period for requests described in paragraph (2)(B)) that begins on the date a request for a national coverage determination is made, the Secretary shall make a draft of proposed decision on the request available to the public through the Internet website of the Centers for Medicare & Medicaid Services or other appropriate means.

(B) 30-day period for public comment

Beginning on the date the Secretary makes a draft of the proposed decision available under subparagraph (A), the Secretary shall provide a 30-day period for public comment on such draft.

(C) 60-day period for final decision

Not later than 60 days after the conclusion of the 30-day period referred to under paragraph (B), the Secretary shall—

(i) make a final decision on the request;

(ii) include in such final decision summaries of the public comments received and responses to such comments;

(iii) make available to the public the clinical evidence and other data used in making such a decision when the decision differs from the recommendations of the Medicare Coverage Advisory Committee; and

(iv) in the case of a final decision under clause (i) to grant the request for the national coverage determination, the Secretary shall assign a temporary or permanent code (whether existing or unclassified) and implement the coding change.

So in original. Probably should be “(b)(1)(A)(v))”. 
(4) Consultation with outside experts in certain national coverage determinations
With respect to a request for a national coverage determination for which there is not a review by the Medicare Coverage Advisory Committee, the Secretary shall consult with appropriate outside clinical experts.

(5) Local coverage determination process
(A) Plan to promote consistency of coverage determinations
The Secretary shall develop a plan to evaluate new local coverage determinations to determine which determinations should be adopted nationally and to what extent greater consistency can be achieved among local coverage determinations.

(B) Consultation
The Secretary shall require the fiscal intermediaries or carriers providing services within the same area to consult on all new local coverage determinations within the area.

(C) Dissemination of information
The Secretary should serve as a center to disseminate information on local coverage determinations among fiscal intermediaries and carriers to reduce duplication of effort.

(D) Local coverage determinations
The Secretary shall require each Medicare administrative contractor that develops a local coverage determination to make available on the Internet website of such contractor and on the Medicare Internet website, at least 45 days before the effective date of such determination, the following information:

(i) Such determination in its entirety.
(ii) Where and when the proposed determination was first made public.
(iii) Hyperlinks to the proposed determination and a response to comments submitted to the contractor with respect to such proposed determination.
(iv) A summary of evidence that was considered by the contractor during the development of such determination and a list of the sources of such evidence.
(v) An explanation of the rationale that supports such determination.

(6) National and local coverage determination defined
For purposes of this subsection—

(A) National coverage determination
The term "national coverage determination" means a determination by the Secretary with respect to whether or not a particular item or service is covered nationally under this subchapter.

(B) Local coverage determination
The term "local coverage determination" has the meaning given in section 1395ff(f)(2)(B) of this title.

(m) Coverage of routine costs associated with certain clinical trials of category A devices
(1) In general
In the case of an individual entitled to benefits under part A, or enrolled under part B, or both who participates in a category A clinical trial, the Secretary shall not exclude under subsection (a)(1) payment for coverage of routine costs of care (as defined by the Secretary) furnished to such individual in the trial.

(2) Category A clinical trial
For purposes of paragraph (1), a "Category A clinical trial" means a trial of a medical device if—

(A) the trial is of an experimental/investigational (category A) medical device (as defined in regulations under section 405.201(b) of title 42, Code of Federal Regulations (as in effect as of September 1, 2003));
(B) the trial meets criteria established by the Secretary to ensure that the trial conforms to appropriate scientific and ethical standards; and
(C) in the case of a trial initiated before January 1, 2010, the device involved in the trial has been determined by the Secretary to be intended for use in the diagnosis, monitoring, or treatment of an immediately life-threatening disease or condition.

(o) Requirement of a surety bond for certain providers of services and suppliers
(1) In general
The Secretary may require a provider of services or supplier described in paragraph (2) to provide the Secretary on a continuing basis with a surety bond in a form specified by the Secretary in an amount (not less than $50,000) that the Secretary determines is commensurate with the volume of the billing of the provider of services or supplier. The Secretary may waive the requirement of a bond under the preceding sentence in the case of a provider of services or supplier that provides a comparable surety bond under State law.

(2) Provider of services or supplier described
A provider of services or supplier described in this paragraph is a provider of services or supplier the Secretary determines appropriate based on the level of risk involved with respect to the provider of services or supplier, and consistent with the surety bond requirements under sections 1395m(a)(16)(B) and 1395x(o)(7)(C) of this title.

(p) Suspension of payments pending investigation of credible allegations of fraud
(1) In general
The Secretary may suspend payments to a provider of services or supplier under this subchapter pending an investigation of a credible allegation of fraud against the provider of services or supplier, unless the Secretary determines there is good cause not to suspend such payments.

(2) Consultation
The Secretary shall consult with the Inspector General of the Department of Health and Human Services in determining whether there is a credible allegation of fraud against a provider of services or supplier.

(3) Promulgation of regulations
The Secretary shall promulgate regulations to carry out this subsection, section
(4) Credible allegation of fraud

In carrying out this subsection, the definition of the term "credible allegation of fraud" for purposes of this title (including as applicable to section 1395w–27(f)(3)(D) of this title), and section 1396b(i)(2)(C) of this title, a fraud hotline tip (as defined by the Secretary) without further evidence shall not be treated as sufficient evidence for a credible allegation of fraud.


REFERENCES IN TEXT

Section 1395ww(e)(6) of this title, referred to in subsec. (a)(1)(D), was repealed by Pub. L. 108–133, title IV, §4022(b)(1)(A)(i), Aug. 5, 1997, Pub. L. 108–183, title III, §301(a), (c), (d)(4), 108 Stat. 2022, which is set out as a reference to this section, and as a cross-reference to section 1321(b) of Title 19, Immigration and Naturalization Service.

The Assisted Suicide Funding Restriction Act of 1997, referred to in subsec. (a)(16), is Pub. L. 105–12, Apr. 30, 1997, 111 Stat. 23, which is classified principally to chapter 138 (§14401 et seq.) of this title. For complete classification of this Act to the Code, see Short Title Note set out under section 14001 of this title and Table.

The Internal Revenue Code of 1986, referred to in subsec. (b), is classified generally to Title 26, Internal Revenue Code.


COMPARISON

Section 1314(i) of this title, which was transferred and redesignated as subsec. (j) of this section by Pub. L. 106–173, was based on act Aug. 14, 1935, ch. 531, title XI, §1114(i), as added Pub. L. 98–554, §114(a) (title V, §522(c)), Dec. 21, 2000, 114 Stat. 2763, 2763A–546. Amendments by section 305(a) to (c) of Pub. L. 108–173 were executed to this section as it read on the date of enactment of Pub. L. 108–173 to reflect the probable intent of Congress, notwithstanding section 305(d) of Pub. L. 108–173, set out as an Effective Date of 2003 Amendment note below, which provided that the amendments by section 305(a) of Pub. L. 108–173 be effective as if included in the enactment of the title III of Pub. L. 98–369 and that the amendments by section 305(b), (c) of Pub. L. 108–173 be effective as if included in the enactment of section 953 of Pub. L. 96–499. The amendments by section 305(a) are incapable of being executed to this section as it read on the effective date of title III of Pub. L. 98–369.
L. 98–369, and the amendments by section 301(b), (c) are incapable of being executed to this section as it read on the effective date of section 953 of Pub. L. 96–499. See 2003 Amendment notes below.

AMENDMENTS

2018—Subsec. (b)(7)(A)(i). Pub. L. 115–271, § 4002, added cl. (i) generally. Prior to amendment, cl. (i) read as follows: “secure from the plan sponsor and plan participants such information as the Secretary shall specify for the purpose of identifying situations where the group health plan is or has been a primary plan to the program under this subchapter; and”.

Subsec. (o)(3). Pub. L. 115–271, § 208(c), inserted “section 1395w–112(b)(7) of this section (including as applied pursuant to section 1395w–27(f)(3)(D) of this title),” after “this subsection”.


2014—Subsec. (b)(9)(B)(i). Pub. L. 113–188 substituted “for 2014, the Secretary shall” for “for a year, the Secretary shall”.

2013—Subsec. (b)(2)(B)(ii). Pub. L. 112–222, § 202(a)(1), substituted “Subject to paragraph (8), a primary plan” for “A primary plan”.

Subsec. (b)(2)(B)(iii). Pub. L. 112–222, § 205(a), inserted at end “An action may not be brought by the United States under this clause with respect to payment owed unless the complaint is filed not later than 3 years after the date of the receipt of notice of a settlement, judgment, award, or other payment made pursuant to paragraph (8) relating to such payment owed.”


Subsec. (b)(8)(E)(I). Pub. L. 112–242, § 203(1), substituted “may be subject to a civil money penalty of up to $1,000” for “shall be subject to a civil money penalty of $1,000”.


Subsec. (a)(7). Pub. L. 111–148, § 4103(d)(2), substituted “(K), or (P)” for “(K)”, and “(K), or (P)” for “(K)”.


2009—Subsec. (a)(1)(A). Pub. L. 110–275, § 101(a)(3), inserted “or additional preventive services (as described in section 1365x(d)(1) of this title)” after “succeeding subparagraph”.

Subsec. (a)(1)(K). Pub. L. 110–275, § 101(b)(3), (4), substituted “more” for “not later” and “1 year” for “6 months”.


Subsec. (a)(20). Pub. L. 110–275, § 143(b)(7), substituted “outpatient physical therapy services, outpatient speech-language pathology services, or outpatient occupational therapy services for outpatient occupational therapy services or outpatient physical therapy services” and “subsection (g) or (f)(2) of section 1395x” for “section 1395x(g)”.


Subsec. (a)(7). Pub. L. 108–173, § 611(d)(1)(B), substituted “(H), or (K)” for “(or H)”.


Subsec. (b)(2)(A). Pub. L. 108–173, § 301(b)(1), inserted at end of concluding provisions “An entity that engages in a business, trade, or profession shall be deemed to have a self-insured plan if it carries its own risk (whether by a failure to obtain insurance, or otherwise) in whole or in part.”

Subsec. (b)(2)(A)(I). Pub. L. 108–173, § 301(a)(1), struck out “promptly (as determined in accordance with regulations)” after “be expected to be made”.


Subsec. (b)(2)(B)(II). Pub. L. 108–173, § 301(b)(2), substituted “A primary plan, and an entity that receives payment from a primary plan, shall reimburse the appropriate Trust Fund for any payment made by the Secretary under this subchapter with respect to an item or service if it is demonstrated that such primary plan has or had a responsibility to make payment with respect to such item or service. A primary plan’s responsibility for such payment may be demonstrated by a judgment, a payment conditioned upon the recipient’s compromise, waiver, or release (whether or not there is a determination or admission of liability) of payment for items or services included in a claim against the primary plan or the primary plan’s insured, or by other means.” for “Any payment under this subchapter with respect to any item or service to which subparagraph (A) applies shall be conditioned on reimbursement to the appropriate Trust Fund established by this subchapter when notice or other information is received that payment for such item or service has been or could be made under such subparagraph.” and “on the date notice of, or information related to, a primary plan’s responsibility for such payment or other information is received” for “on the date such notice or other information is received”.


Subsec. (b)(2)(B)(III). Pub. L. 108–173, § 301(b)(3), substituted “In order to recover payment made under this subchapter for an item or service, the United States may bring an action against any entity which is required or responsible (directly, as an insurer or self-insurer, as a third-party administrator, as an employer that sponsors or contributes to a group health plan, or large group health plan, or otherwise) to make payment with respect to the same item or service (or any portion thereof) under a primary plan. The United States may, in accordance with paragraph (5)(A) collect double damages against any such entity. In addition, the United States may recover under this subchapter for an item or service, the United States may bring an action against any entity which is required or responsible (directly, as a
third-party administrator, or otherwise) to make payment with respect to such item or service (or any portion thereof) under a primary plan (and may, in accordance with paragraph (3)(A) collect double damages against that entity), or against any other entity (including any physician or provider) that has received payment from that entity with respect to the item or service and may join or intervene in any action related to the events that gave rise to the need for the item or service.


Subsec. (b)(2)(B)(iv) to (vi). Pub. L. 108–173, § 301(a)(2)(A), redesignated cls. (iii) to (v) as (iv) to (vi), respectively.


2000—Subsec. (a). Pub. L. 106–554, § 1(a)(6) (title V, § 522(b)), inserted at end “In making a national coverage determination (as defined in paragraph (1)(B) of section 1395f(f) of this title) the Secretary shall ensure that the public is afforded notice and opportunity to comment prior to implementation by the Secretary of the determination; meetings of advisory committees established under section 1314(f) of this title with respect to the determination are made on the record; in making the determination, the Secretary has considered applicable information (including clinical experience and medical, technical, and scientific evidence) with respect to the subject matter of the determination; and in the determination, provide a clear statement of the basis for the determination (including responses to comments received from the public), the assumptions underlying that basis, and make available to the public the data (other than proprietary data) considered in making the determination.”


Subsec. (b)(1)(B)(i). Pub. L. 106–554, § 1(a)(6) (title I, § 102(c)), struck out “and,” after “section 1395m(c)(1)(B) of this title,” and inserted at end “and, in the case of screening for glaucoma, which is performed more frequently than is provided under section 1395x(h)(4) of this title.”

Subsec. (a)(21). Pub. L. 106–113, § 1000(a)(6) (title III, § 305(b)), inserted “(including medical supplies described in section 1380m(6) of this title, but excluding durable medical equipment to the extent provided for in such section) after ‘home health services’.”


Subsec. (a)(1)(F). Pub. L. 105–33, § 4102(c)(1), inserted “and screening pelvic exam” after “screening pap smear”.


Subsec. (a)(7). Pub. L. 105–33, § 4104(c)(3)(B), substituted “(G), or (H)” for “(G)”.

Page 3253 TITTLE 42—THE PUBLIC HEALTH AND WELFARE § 1395y

Subsec. (a)(8). Pub. L. 105–33, § 4105(c)(2), substituted “subparagraphs (B), (F), or (G) of paragraph (1)” for “paragraph (1)(B) or paragraph (1)(F)”.


Subsec. (b)(1)(B)(ii), (iv). Pub. L. 105–33, § 4631(a)(1)(B), (C), redesignated cl. (iv) as (iii) and struck out heading and text of former cl. (iii). Text read as follows: “Clause (i) shall only apply to items and services furnished on or after January 1, 1987, and before October 1, 1998.”

Subsec. (b)(1)(C). Pub. L. 105–33, § 4631(b), in concluding provisions, substituted “August 5, 1997” for “October 1, 1998” and inserted at end “Effective for items and services furnished on or after August 5, 1997, with respect to periods beginning on or after the date that is 18 months prior to August 5, 1997, clauses (i) and (ii) shall be applied by substituting ‘30-month’ for ‘12-month’ each place it appears.”


Subsec. (b)(2)(B)(ii). Pub. L. 105–33, § 4633(a), substituted “(directly, as a third-party administrator, or otherwise) to make payment” for “under this subsection” and inserted “and” at the end of such clause.

Subsec. (c). Pub. L. 105–33, § 4631(c)(1), struck out heading and text of cl. (iii). Text read as follows: “Clause (ii) shall not apply to inquiries made after September 30, 1998.”


1996—Subsec. (b)(5)(B). Pub. L. 104–226, § 1(b)(1)(A), substituted “under paragraph (A) for purposes of carrying out this subsection” for “under—
(i) subparagraph (A), and 

(ii) section 1320b–14 of this title, for purposes of carrying out this subsection".

Subsec. (b)(1)(B). Pub. L. 103–66, § 1356(e)(1)(F), substituted "disclosed under subparagraph (B)" for "disclosed under subparagraph (B)".

Subsec. (b)(1)(A)(i). Pub. L. 103–66, § 1356(e)(1)(B), substituted "unless the plan is a plan of, or contributed to by, an employer or employee organization that has 20 or more individuals in current employment status for "unless the plan is sponsored by or contributed to by an employer that has 20 or more employees".

Subsec. (b)(2)(B). Pub. L. 103–66, § 1356(e)(1)(C), substituted "by virtue of current employment status with an employer that does not have 20 or more individuals in current employment status for "by virtue of current employment status with an employer that does not have 20 or more employees".


Subsec. (b)(1)(B)(i). Pub. L. 103–66, § 1356(e)(1)(A), substituted "under—" for "under subparagraph (A) for the purposes of carrying out this subsection," and added cls. (i) and (ii) and concluding provisions.

Subsec. (b)(5)(C)(i). Pub. L. 103–66, § 1356(a)(1), inserted at end "Paragraph (7) shall not apply to Federally qualified health center services described in section 1906(aa)(3)(B) of this title."


Subsec. (a)(7). Pub. L. 101–508, §415(d)(2)(B), inserted "or under paragraph (1)(F)" after "paragraph (1)(B)".

Pub. L. 101–508, §415(d)(2)(B), inserted ", (other than other than eyewear described in section 1395x(n)(8) of this title)" after first reference to "eyeglasses".

Subsec. (a)(14)(A). Pub. L. 101–508, §415(c)(1), inserted "services described by section 1395x(o)(2)(K)(i) of this title, certified nurse-midwife services, qualified psychologist services, and services of a certified registered nurse anesthetist," after "this paragraph" and struck out before semicolon at end "or as services of a certified registered nurse anesthetist".

Subsec. (a)(15). Pub. L. 101–508, §410(b), designated existing provisions as par. (A), substituted ", or for " for "or" at end, and added par. (B).


Subsec. (b)(1)(C). Pub. L. 101–508, §4203(c)(1)(B), inserted at end "Effective for items and services furnish- ed on or after February 1, 1991, and on or before January 1, 1996, with respect to periods beginning on or after February 1, 1990, clauses (i) and (ii) shall be applied by substituting '18-month' for '12-month' each place it appears.".

Subsec. (b)(1)(C). Pub. L. 101–508, §4203(c)(1)(A), substituted "during the 12-month period which begins with the first month in which the individual becomes entitled to benefits under part A under the provisions of section 426 of this title if the individual had filed an application for such benefits; and" for "during the 12-month period which begins with the earlier of—".

"(I) the month in which a regular course of renal dialysis is initiated, or

"(II) in the case of an individual who receives a kidney transplant, the first month in which he would be eligible for benefits under part A of this subchapter (if he had filed an application for such benefits) under the provisions of section 426 of this title if the individual had filed an application for such benefits; and"


Subsec. (a)(1)(A). Pub. L. 101–233, §4032(b)(1)(A), inserted "and except, in the case of in-home care, as is otherwise permitted under paragraph (1)(G)" after "paragraph (1)(G)".


Subsec. (a)(1)(G). Pub. L. 101–360, §205(e)(1)(A), as amended by Pub. L. 100–485, §608(d)(6)(C)(i), designated existing provisions as par. (1), redesignated former par. (1) as subpar. (A), redesignated former subpar. (A) as (D) as cls. (i) to (iv), redesignated former par. (2) as subpar. (B), redesignated former subpar. (A) as cl. (i) and substituted "subparagraph (A)" for "subparagraph (1)(F)"; redesignated former par. (2) as cl. (ii), and added par. (2) prohibiting payment for expenses incurred for a covered outpatient drug if the drug is dispensed in a quantity exceeding a supply of 30 days with an exception.


Subsec. (a)(8). Pub. L. 101–203, §4072(c), inserted ", other than shoes furnished pursuant to section 1395x(s)(12) of this title before semicolon.

Subsec. (a)(14). Pub. L. 101–239, §4036(a)(1), substituted "can reasonably be expected to be made under such a plan" for "the Secretary determines will be made under such a plan as promptly as would otherwise be the case if payment were made by the Secretary under this subchapter".

Subsec. (b)(4)(B)(i). Pub. L. 101–203, §4034(a), substituted "subsection (b) of section 5000 of the Internal Revenue Code" for "subchapter B of chapter 37 of the Internal Revenue Code".
Revenue Code of 1986 without regard to subsection (d) of such section” for “section 5000(b) of the Internal Revenue Code of 1986”.

Subsec. (d). Pub. L. 100–93, §8(c)(1)(A), struck out subsec. (d), which provided that no payment be made under this subchapter for any item or service to an individual by a person where Secretary determines such person knowingly and willfully made any false statement or representation of a material fact, submitted excessive bills or requests, or furnished excessive services or supplies, and provided a disqualified person with a hearing determination of the Secretary.


Pub. L. 100–93, §8(c)(1)(B), amended subsec. (e) generally. Prior to amendment, subsec. (e) read as follows: “No payment may be made under this subchapter with respect to any item or service furnished by a physician or other individual during the period when he is barred pursuant to section 1320a–7 of this title from participation in the program under this subchapter.”

Subsec. (h)(1)(B). Pub. L. 100–203, §4039(c)(1)(A), substituted “law (and any amount paid to a provider under any such warranty)” for “law.”

Subsec. (h)(1)(D). Pub. L. 100–203, §4039(c)(1)(B), inserted “in determining the amount subject to repayment under paragraph (2)(C)” after “(3)”.


Subsec. (h)(4). Pub. L. 100–93, §8(c)(3), substituted “subsections (c), (f), and (g) of section 1320a–7 of this section” for “paragraphs (2) and (3) of subsection (d) of this section”.

Subsec. (h)(4)(B). Pub. L. 100–203, §4039(c)(1)(D), substituted “has improperly” for “or has improperly” and inserted “or has failed to make repayment to the Secretary as required under paragraph (2)(C),” after “(2)(B),”.


Subsec. (a)(15). Pub. L. 99–509, §9316(b), substituted “law,” for “law (and any amount paid to a provider under any such warranty)”.


Subsec. (b)(3)(A)(i). Pub. L. 99–272, §1820(a)(1), substituted “furnished” for “or (or to the spouse of such individual)” for “who is under 70 years of age during any part of such month (or to the spouse of such individual, if the spouse is under 70 years of age during any part of such month)”.

Subsec. (b)(3)(A)(ii). Pub. L. 99–272, §1820(a)(1), struck out “and ending with the month before the month in which such individual attains the age of 70” after “section 420(a) of this title”.


Subsec. (b)(11). Pub. L. 98–369, §2344(b), substituted “to be made promptly” for “to be made” and “has been or could be made under such a law” for “has been made under such a law,” and inserted “because of services furnished to an individual or service under such a plan or service under such a law, or to an individual or service under such a plan, or insurance.” The United States may bring action against any entity which would be responsible for payment with respect to such item or service (or any portion thereof) under such a plan, or against any entity (including any physician or provider) which has been paid with respect to such item or service under such plan, and may join or intervene in any action related to the events that gave rise to the need for such item or service. The United States shall be subrogated (to the extent of payment made under this subchapter for an item or service) to any right of an individual or any other entity to payment with respect to such item or service under such a plan.”

Subsec. (b)(3)(A)(i). Pub. L. 98–369, §2301(a), struck out “over 64” but before “under 70 years” in two places.

Subsec. (b)(3)(A)(ii). Pub. L. 98–369, §2301(b), substituted “has been or could be made under a group health plan” for “has been made under a group health plan,” and inserted “In order to recover payment made under this subchapter for an item or service, the United States may bring an action against any entity which would be responsible for payment with respect to such item or service (or any portion thereof) under such a plan, or against any entity (including any physician or provider) which has been paid with respect to such item or service under such plan, and may join or intervene in any action related to the events that gave rise to the need for such item or service. The United States shall be subrogated (to the extent of payment made under this subchapter for an item or service) to any right of an individual or any other entity to payment with respect to such item or service under such a plan.”

Subsec. (b)(3)(A)(iii). Pub. L. 98–369, §2354(b)(31), inserted “before the month” after “ending with the month”.


1982—Subsec. (a)(1). Pub. L. 97–238, §122(f)(1), designated existing provisions as subpars. (A) and (B), in subpar. (A) so designated inserted exception to provisions for items and services described in subpar. (B) or (C), substituted “and” for “or” as the connector between provisions, and added subpar. (C).

Subsec. (a)(6). Pub. L. 97–238, §122(f)(2), inserted “except, in the case of hospice care, as is otherwise permitted under paragraph (1)(C))”.


Subsec. (a)(8). Pub. L. 97–238, §122(f)(4), inserted “except, in the case of hospice care, as is otherwise permitted under paragraph (1)(C))”.

Subsec. (b)(1). Pub. L. 97–238, §128(a)(2), struck out “or plan” after “service has been made under such a law”.


Subsec. (d)(1)(C). Pub. L. 97–248, §148(a), substituted “on the basis of information acquired by the Secretary in the administration of this subchapter” for “on the basis of reports transmitted to him in accordance with section 1320c–6 of this title or (in the absence of any such report, on the basis of such data as he acquires in the administration of the program under this subchapter)”.

Subsec. (f). Pub. L. 97–248, §122(g)(1), substituted “paragraph (1)(A)” for “paragraph (1)”.


1981—Subsec. (b). Pub. L. 97–33, §2146(a), designated existing provisions as par. (1) and added par. (2).

Subsec. (c). Pub. L. 97–33, §2130(a)(1), added subsec. (c).


Subsec. (a)(7). Pub. L. 96–611, §1(a)(3)(B), inserted “‘except as otherwise allowed under section 1395x(aa)(10) of this title and paragraph (1)’” after “‘immunizations’”.

Subsec. (a)(12). Pub. L. 96–499, §106(c), inserted “or because of the severity of the dental procedure,” after “and clinical status”.


Subsec. (b). Pub. L. 96–499, §953, inserted “or under an automobile or liability insurance policy or plan (including a self-insured plan) or under no fault insurance” and “‘policy, plan, or insurance’ after ‘or a State’ and ‘‘policy, plan, or insurance’ after ‘or plan’” and inserted provision authorizing the Secretary to waive the provisions of this subsection in the case of an individual claim if he determined that the probability of recovery or amount involved did not warrant the pursuit of the claim.


Subsec. (e). Pub. L. 96–499, §913(b), substituted provisions barring payment under this subchapter with respect to items or services furnished by a physician or other individual during a period when such physician or other individual was barred pursuant to section 1320a–7 of this title from participation under this subchapter for provisions authorizing the Secretary to suspend a physician or individual practitioner from participation under this subchapter upon determining that such physician or practitioner had been convicted of a criminal offense related to such physician’s or practitioner’s involvement in the programs under this subchapter or the program under subchapter XIX of this chapter.

1977—Subsec. (a)(3). Pub. L. 95–210 substituted “except in the case of rural health clinic services, as defined in section 1395x(aa)(1) of this title, and in such other cases as the Secretary may specify” for “except in such cases as the Secretary may specify”.

Subsec. (d)(1)(B). Pub. L. 95–142, §13(b)(1), struck out requirement for concurrence of appropriate program review team for finding of Secretary under this paragraph.

Subsec. (d)(1)(C). Pub. L. 95–142, §13(b)(2), substituted provisions relating to determinations by the Secretary on the basis of reports transmitted to him in accordance with section 1320c–6 of this title or other data acquired in the administration of this subchapter, for provisions relating to determinations by the Secretary with the concurrence of appropriate review team members.

Subsec. (d)(4). Pub. L. 95–142, §13(a), struck out par. (4) which set forth provisions relating to appointment and functions of program review teams.


1975—Subsec. (c). Pub. L. 94–162 struck out subsec. (c) prohibiting payments to Federal employees under this subchapter unless a determination and certification by the Secretary of a modification of any health benefits plan under chapter 89 of Title 5 was made which would allow a Federal employee benefits under part A or B of this subchapter.

1974—Subsec. (c). Pub. L. 93–480 substituted “January 1, 1976” for “January 1, 1975”. 1973—Subsec. (a)(12). Pub. L. 93–233 substituted the provision of such dental services if the individual, because of his underlying medical condition and clinical status, requires hospitalization in connection with the provision of such services” for “a dental procedure where the individual suffers from impairments of such severity as to require hospitalization”.

1972—Subsec. (a)(4). Pub. L. 92–603, §211(c)(1), inserted reference to physicians’ services and ambulance services furnished an individual in conjunction with emergency inpatient hospital services.

Subsec. (a)(12). Pub. L. 92–603, §256(c), authorized payment under part A in the case of inpatient hospital services in connection with a dental procedure where the individual suffers from impairments of such severity as to require hospitalization.


1968—Subsec. (a)(7). Pub. L. 90–248, §128, prohibited payment for procedures performed (during the course of any examination) to determine the refractive state of the eyes.


Effective Date of 2018 Amendment

Amendment by section 2008(c), (d) of Pub. L. 115–271 applicable with respect to plan years beginning on or after Jan. 1, 2020, see section 2008(e) of Pub. L. 115–271, set out as a note under section 1395w–27 of this title.

Effective Date of 2016 Amendment

Pub. L. 114–255, div. A, title IV, §4009(b), Dec. 13, 2016, 130 Stat. 1185, provided that: “The amendment made by subsection (a) [amending this section] shall apply with respect to local coverage determinations that are proposed or revised on or after the date that is 180 days after the date of enactment of this Act [Dec. 13, 2016].”

Effective Date of 2015 Amendment

Pub. L. 114–10, title V, §516(b), Apr. 16, 2015, 129 Stat. 175, provided that: “The amendment made by subsection (a) [amending this section] shall apply with respect to actions brought and penalties sought on or after January 1, 2016.”

Effective Date of 2013 Amendment


Pub. L. 112–242, title II, §205(b), Jan. 10, 2013, 126 Stat. 2361, provided that: “The amendment made by subsection (a) [amending this section] shall apply with respect to actions brought and penalties sought on or after 6 months after the date of the enactment of this Act [Jan. 10, 2013].”

Effective Date of 2011 Amendment

Amendment by Pub. L. 112–40 applicable to contracts entered into or renewed on or after Jan. 1, 2012, see section 261(e) of Pub. L. 112–40, set out as a note under section 1320c of this title.

Effective Date of 2010 Amendment

Amendment by section 4103(d) of Pub. L. 111–148 applicable to services furnished on or after Jan. 1, 2011, see section 4103(e) of Pub. L. 111–148, set out as a note under section 1395f of this title.

Effective Date of 2008 Amendment

Amendment by section 101(a)(3), (b)(5), (4) of Pub. L. 110–275 applicable to services furnished on or after Jan. 1, 2009, see section 101(c) of Pub. L. 110–275, set out as a note under section 1395f of this title.

this paragraph [amending this section] shall apply to advanced diagnostic imaging services furnished on or after January 1, 2012.'

Amendment by section 143(b)(7) of Pub. L. 110–275 applicable to services furnished on or after July 1, 2009, see section 143(c) of Pub. L. 110–275, set out as a note under section 1395x of this title.

Amendment by section 152(b)(1)(D) of Pub. L. 110–275 applicable to services furnished on or after Jan. 1, 2010, see section 152(b)(2) of Pub. L. 110–275, set out as a note under section 1395w–4 of this title.

**Effective Date of 2006 Amendment**

Amendment by Pub. L. 109–171 applicable to services furnished on or after Jan. 1, 2007, see section 5112(f) of Pub. L. 109–171, set out as a note under section 1395f of this title.

**Effective Date of 2003 Amendment**

Pub. L. 108–173, title III, §301(d), Dec. 8, 2003, 117 Stat. 2222, provided that: "The amendments made by this section [amending this section] shall be effective:

(1) in the case of subsection (a), as if included in the enactment of title III [sic] of the Medicare and Medicaid Budget Reconciliation Amendments of 1994 (Public Law 98–369); and

(2) in the case of subsections (b) and (c), as if included in the enactment of section 953 of the Omnibus Reconciliation Act of 1990 (Public Law 96–399); and

Pub. L. 108–173, section 611(d)(1) of Pub. L. 108–173 applicable to services furnished on or after Jan. 1, 2005, but only for individuals whose coverage period under this part begins on or after such date, see section 611(e) of Pub. L. 108–173, set out as a note under section 1395w–4 of this title.

Amendment by section 612(c) of Pub. L. 108–173 applicable to tests furnished on or after Jan. 1, 2005, see section 612(d) of Pub. L. 108–173, set out as a note under section 1395x of this title.

Amendment by section 613(c) of Pub. L. 108–173 applicable to tests furnished on or after Jan. 1, 2005, see section 613(d) of Pub. L. 108–173, set out as a note under section 1395x of this title.

Pub. L. 108–173, title VII, §731(a)(2), Dec. 8, 2003, 117 Stat. 2351, provided that: "The amendments made by paragraph (1) [amending this section] shall apply to national coverage determinations as of January 1, 2004, and section 1862(l)(5) of the Social Security Act [42 U.S.C. 1395y(b)(5)], as added by such paragraph, shall apply to local coverage determinations made on or after July 1, 2004.'

Amendment by section 613(d) of Pub. L. 108–173 applicable to payments for services provided on or after Nov. 29, 1999, see §1000(a)(6) [title III, §305(c)] of Pub. L. 106–113, set out as a note under section 1395u of this title.

**Effective Date of 1999 Amendment**

Amendment by section 1000(a)(6) [title III, §305(b)] of Pub. L. 106–113 applicable to payments for services provided on or after Nov. 29, 1999, see §1000(a)(6) [title III, §305(c)] of Pub. L. 106–113, set out as a note under section 1395u of this title.


**Effective Date of 1997 Amendment**

Amendment by Pub. L. 105–12 effective Apr. 30, 1997, and applicable to Federal payments made pursuant to obligations incurred after Apr. 30, 1997, for items and services provided on or after such date, subject to also being applicable with respect to contracts entered into, renewed, or extended after Apr. 30, 1997, as well as contracts entered into before Apr. 30, 1997, to the extent permitted under such contracts, see section 11 of Pub. L. 105–12, set out as an Effective Date note under section 14401 of this title.

Amendment by section 4022(b)(1)(B) of Pub. L. 105–33 effective Nov. 1, 1997, the date of termination of the Prospective Payment Assessment Commission and the Physician Payment Review Commission, see section 4022(c)(2) of Pub. L. 105–33, set out as an Effective Date; Transition; Transfer of Functions note under section 1395–b–6 of this title.

Amendment by section 4102(c) of Pub. L. 105–33 applicable to items and services furnished on or after Jan. 1, 1998, see section 4102(e) of Pub. L. 105–33, set out as a note under section 1395d of this title.

Amendment by section 4103(c) of Pub. L. 105–33 applicable to items and services furnished on or after Jan. 1, 2000, see section 4103(e) of Pub. L. 105–33, set out as a note under section 1395d of this title.

Amendment by section 4104(c)(3) of Pub. L. 105–33 applicable to items and services furnished on or after Jan. 1, 1998, see section 4104(e) of Pub. L. 105–33, set out as a note under section 1395d of this title.

Amendment by section 4201(c)(1) of Pub. L. 105–33 applicable to services furnished on or after Oct. 1, 1997, see section 4201(d) of Pub. L. 105–33, set out as a note under section 1395f of this title.

Amendment by section 4432(b)(1) of Pub. L. 105–33 applicable to items and services furnished on or after July 1, 1998, see section 4432(d) of Pub. L. 105–33, set out as a note under section 1395–3 of this title.

Amendment by section 4507(a)(2)(B) of Pub. L. 105–33 applicable with respect to contracts entered into on or after October 16, 2003.'

**Effective Date of 2000 Amendment**

Amendment by section 1(a)(6) [title I, §102(c)] of Pub. L. 106–554 applicable to services furnished on or after Jan. 1, 2002, see section 1(a)(6) [title I, §102(d)] of Pub. L. 106–554, set out as a note under section 1395x of this title.

Amendment by section 1(a)(6) [title III, §313(a)] of Pub. L. 106–554 applicable to services furnished on or after Jan. 1, 2001, see section 1(a)(6) [title III, §313(c)] of Pub. L. 106–554, set out as a note under section 1395u of this title.

Amendment by section 1(a)(6) [title IV, §432(b)(1)] of Pub. L. 106–554 applicable to services furnished on or after July 1, 2001 see section 1(a)(6) [title IV, §432(c)] of Pub. L. 106–554, set out as a note under section 1395u of this title.

Amendment by section 1(a)(6) [title V, §522(b)] of Pub. L. 106–554 applicable with respect to a review of any national or local coverage determination filed, a request to make such a determination made, and a national coverage determination made, and on or after Oct. 1, 2001, see section 1(a)(6) [title V, §522(d)] of Pub. L. 106–554, set out as a note under section 1314 of this title.
and after Jan. 1, 1998, see section 4507(c) of Pub. L. 103–33, set out as a note under section 1365a of this title. Amendment by section 451(a)(2)(C) of Pub. L. 103–33 applicable with respect to services furnished and supplies provided on and after Jan. 1, 1998, see section 451(e) of Pub. L. 103–33, set out as a note under section 1365a of this title.

Amendment by section 451(b) of Pub. L. 103–33 applicable to services furnished on or after Jan. 1, 1998, including portions of cost reporting periods occurring on or after such date, see section 451(e) of Pub. L. 103–33, set out as a note under section 1365a of this title.

Amendment by section 4603(c)(2)(C) of Pub. L. 103–33 applicable to cost reporting periods beginning on or after Oct. 1, 1999, except as otherwise provided, see section 4603(d) of Pub. L. 103–33, set out as an Effective Date note under section 1365ff of this title.

Pub. L. 103–33, title IV, § 4614(c), Aug. 5, 1991, 111 Stat. 475, provided that: "The amendments made by this section [amending this section] apply to services furnished on or after October 1, 1997."

Pub. L. 103–33, title IV, § 4632(b), Aug. 5, 1991, 111 Stat. 486, provided that: "The amendments made by this section [amending this section] apply to items and services furnished on or after the date of the enactment of this Act [Aug. 5, 1991]."

Pub. L. 103–33, title IV, § 4633(c), Aug. 5, 1991, 111 Stat. 486, provided that: "The amendments made by this section [amending this section] apply to items and services furnished on or after the date of the enactment of this Act [Aug. 5, 1991]."

**Effective Date of 1994 Amendment**

Amendment by section 145(c)(1) of Pub. L. 103–342 applicable to mammography furnished by a facility on and after the first day that the certificate requirements of section 263b(b) of this title apply to such mammography conducted by such facility, see section 145(d) of Pub. L. 103–422, set out as a note under section 1365ff of this title.

Amendment by section 147(e)(6) of Pub. L. 103–422 effective as if included in the enactment of Pub. L. 101–508, see section 147(g) of Pub. L. 103–422, set out as a note under section 1365a–3a of this title.

Pub. L. 103–422, title I, § 151(a)(2)(B), Oct. 31, 1994, 108 Stat. 4433, provided that: "The amendments made by this paragraph [amending this section] shall apply with respect to items and services furnished on or after the expiration of the 120-day period beginning on the date of the enactment of this Act [Oct. 31, 1994]."

Pub. L. 103–422, title I, § 151(b)(3)(C), Oct. 31, 1994, 108 Stat. 4434, provided that: "The amendments made by this paragraph [amending this section] apply to payments for items and services furnished on or after the date of the enactment of this Act [Oct. 31, 1994]."

Pub. L. 103–422, title I, § 151(c)(1), (9), Oct. 31, 1994, 108 Stat. 4435, 4436, provided that the amendment made by that section is effective as if included in the enactment of Pub. L. 103–66.


Pub. L. 103–422, title I, § 151(c)(5), (6), Oct. 31, 1994, 108 Stat. 4436, provided that the amendment made by that section is effective as if included in the enactment of Pub. L. 101–239.

Amendment by section 158(a)(2)(D) of Pub. L. 103–422 applicable to services provided on or after Oct. 31, 1994, see section 158(a)(3) of Pub. L. 103–422, set out as a note under section 1320a–3 of this title.


**Effective Date of 1993 Amendment**


**Effective Date of 1990 Amendment**


Amendment by section 4157(c)(1) of Pub. L. 101–508 applicable to services furnished on or after Jan. 1, 1991, see section 4157(d) of Pub. L. 101–508, set out as a note under section 1365f of this title.

Amendment by section 4161(a)(3) of Pub. L. 101–508 applicable to services furnished on or after Oct. 1, 1991, see section 4161(a)(4) of Pub. L. 101–508, set out as a note under section 1365f of this title.

Amendment by section 4161(c)(3)(B)(i)–(iii) of Pub. L. 101–508 applicable to screening mammography performed on or after Jan. 1, 1991, see section 4163(e) of Pub. L. 101–508, as amended, set out as a note under section 1365f of this title.

Pub. L. 101–508, title IV, § 4204(g)(2), Nov. 5, 1990, 104 Stat. 1388–112, provided that: "The amendment made by paragraph (1) [amending this section] shall apply to incentives offered on or after the date of the enactment of this Act [Nov. 5, 1990]."

**Effective Date of 1989 Amendment**

Amendment by section 6115(b) of Pub. L. 101–239 applicable to screening mammography performed on or after July 1, 1990, see section 6115(d) of Pub. L. 101–239, set out as a note under section 1365f of this title.

Amendment by section 6202(b)(1) of Pub. L. 101–239 applicable to items and services furnished after Dec. 19, 1989, see section 6202(b)(5) of Pub. L. 101–239, set out as a note under section 162 of Title 26, Internal Revenue Code.

Pub. L. 101–239, title VI, § 6202(e)(2), Dec. 19, 1989, 103 Stat. 2235, provided that: "The amendment made by paragraph (1) [amending this section] shall apply to items and services furnished on or after October 1, 1989."

**Effective Date of 1988 Amendment**

Amendment by Pub. L. 101–485 effective as if included in the enactment of the Medicare Catastrophic Coverage Act of 1988, Pub. L. 100–360, see section 608(g)(1) of Pub. L. 100–360, set out as a note under section 1306a of this title.

Amendment by section 202(d) of Pub. L. 100–360 applicable to items dispensed on or after Jan. 1, 1990, see section 202(m)(1) of Pub. L. 100–360, set out as a note under section 1365a of this title.
Amendment by section 2304(c) of Pub. L. 98-369 applicable to services furnished on or after January 1, 1985."


Amendment by section 9307(a) of Pub. L. 99-272 applicable to services performed on or after Apr. 1, 1986, set out as a note under section 1395cc-3 of this title.

**Effective Date of 1981 Amendment**


Pub. L. 98-369, div. B, title III, §233(e), Aug. 18, 1984, 98 Stat. 1079, provided that: "The amendments made by this section [amending this section and section 1395ww of this title] shall become effective on the date of the enactment of this Act [Aug. 18, 1984]."

Amendment by section 234(a) of Pub. L. 98-369 effective on or after the date of the enactment of Pub. L. 100-203, title IV, §4041(a), Dec. 22, 1987, 101 Stat. 1330-79, provided that: "The amendments made by subsection (a) [amending this section] shall become effective on the date of the enactment of section 9319(a) of the Internal Revenue Code, and amending this section shall be effective as if included in the enactment of that provision in Pub. L. 100-203, set out as a note under section 1395d of this title.

 Except as specifically provided in section 411 of Pub. L. 100-203, amendment by section 411(i)(4)(D) of Pub. L. 100-203, as it relates to a provision in the Omnibus Budget Reconciliation Act of 1987, Pub. L. 100-203, effective as if included in the enactment of that provision in Pub. L. 100-203, see section 411(a) of Pub. L. 100-203, set out as a Reference to OBRA; Effective Date note under section 106 of Title I, General Provisions.

Pub. L. 100-360, title IV, §4041(a), Dec. 22, 1987, 101 Stat. 778, provided that: "The amendment made by this subsection [amending this section] shall apply to operations performed on or after 60 days after the date of the enactment of this Act [July 1, 1988]."

**Effective Date of 1987 Amendment**

Pub. L. 100-203, title IV, §4009(d)(6), Dec. 22, 1987, 101 Stat. 1330-59, provided that: "The amendment made by this section is effective as if included in the enactment of Pub. L. 100-29-509.

 Pub. L. 100-203, title IV, §4009(a)(2), Dec. 22, 1987, 101 Stat. 1330-77, provided that: "The amendment made by paragraph (1) [amending this section] shall apply with respect to items and services furnished on or after 30 days after the date of the enactment of this Act [Dec. 22, 1987]."


For effective date of amendment by section 4072(c) of Pub. L. 100-203, see section 4072(e) of Pub. L. 100-203, set out as a note under section 1395x of this title.

Amendment by Pub. L. 100-29-509 effective at end of fourteen-day period beginning Aug. 18, 1987, and inapplicable to administrative proceedings commenced before end of such period, see section 1395x of Pub. L. 100-93, set out as a note under section 1395x-7 of this title.

**Effective Date of 1986 Amendment**

Pub. L. 99-272, title IX, §9201(d)(1), Apr. 7, 1986, 100 Stat. 767, provided that: "The amendment made by paragraph (1) [amending this section] shall apply with respect to items and services furnished on or after May 1, 1986."

Amendment by section 204 of Pub. L. 98-369 applicable to screening mammography performed on or after Jan. 1, 1990, see section 204(e) of Pub. L. 98-369, set out as a note under section 1395cc-3 of this title.

Effective Date of 1981 Amendment


Amendment by section 2304(c) of Pub. L. 98-369 applicable to pacemaker devices and leads implanted or removed on or after the effective date of final regulations promulgated to carry out such amendment, see section 2304(d) of Pub. L. 98-369, set out as a note below.


Amendment by section 2354(b)(30), (31) of Pub. L. 98-369 effective July 18, 1984, but not to be construed as changing or affecting any right, liability, status, or interpretation which existed (under the provisions of law involved) before that date, see section 2354(e)(1) of Pub. L. 98-369, set out as a note under section 1320a-1 of this title.

**Effective Date of 1983 Amendment**

Amendment by section 601(f) of Pub. L. 98-21 applicable to items and services furnished by or under arrangement with a hospital beginning with its first cost reporting period that begins on or after Oct. 1, 1983, any change in a hospital's cost reporting period made after November 1982 to be recognized for such purposes only if the Secretary finds good cause therefor, and amendment by section 602(e)(3) of Pub. L. 98-21 applicable Oct. 1, 1983, see section 602(e)(3) of Pub. L. 98-21, set out as a note under section 1395ww of this title.

Amendment by Pub. L. 97-488 effective as if originally included as a part of this section as this section was amended by the Tax Equity and Fiscal Responsibility Act of 1982, Pub. L. 97-248, see section 909(c)(2) of Pub. L. 97-488, set out as a note under section 426-1 of this title.

**Effective Date of 1982 Amendment**

Amendment by section 116(b) of Pub. L. 97-248 applicable with respect to items and services furnished on or after Jan. 1, 1983, see section 116(c) of Pub. L. 97-248, set out as a note under section 1395w of Title 29, Labor.

Amendment by section 122(f), (g)(1) of Pub. L. 97-248 applicable to hospice care provided on or after Nov. 1, 1983, see section 122(h)(1) of Pub. L. 97-248, as amended, set out as a note under section 1395cc of this title.

Amendment by section 128(a)(2)-(4) of Pub. L. 97-248 effective as if originally included as part of this section as this section was amended by the Omnibus Budget Reconciliation Act of 1981, Pub. L. 97-35, set out as a note under section 1395cc of this title.

Amendment by sections 142 and 148(a) of Pub. L. 97-248 effective with respect to contracts entered into or renewed on or after Sept. 3, 1982, see section 149 of Pub. L. 97-248, set out as an Effective Date note under section 1395cc of this title.

**Effective Date of 1981 Amendment**

Amendment by section 303 of Pub. L. 108–173, insofar as applicable to payments for drugs or biologicals and drug administration services furnished by physicians, is applicable only to physicians in the specialties of hematology, hematology/oncology, and medical oncology under this subchapter, see section 1395(f) of Pub. L. 108–173, set out as a note under section 1395f of this title.

Notwithstanding section 303(j) of Pub. L. 108–173 (see note above), amendment by section 303 of Pub. L. 108–173 also applicable to payments for drugs or biologicals and drug administration services furnished by physicians in specialties other than the specialties of hematology, hematology/oncology, and medical oncology, see section 304 of Pub. L. 108–173, set out as a note under section 1395f of this title.

TREATMENT OF HOSPITALS FOR CERTAIN SERVICES UNDER MEDICARE SECONDARY PAYOR (MSP) PROVISIONS


"(a) IN GENERAL.—The Secretary [of Health and Human Services] shall not require a hospital (including a critical access hospital) to ask questions (or obtain information) relating to the application of section 1862(b) of the Social Security Act [42 U.S.C. 1395y(b)] (relating to medicare secondary payer provisions) in the case of reference laboratory services described in subsection (b), if the Secretary does not impose such requirement in the case of such services furnished by an independent laboratory.

"(b) REFERENCE LABORATORY SERVICES DESCRIBED.—Reference laboratory services described in this subsection are clinical laboratory diagnostic tests (or the interpretation of such tests, or both) furnished without a face-to-face encounter between the individual entitled to benefits under part A (probably means part A of title XVIII of the Social Security Act which is classified to 42 U.S.C. 1395 et seq.), and in which the hospital involved and in which the hospital submits a claim only for such test or interpretation."

ANNUAL PUBLICATION OF LIST OF NATIONAL COVERAGE DETERMINATIONS

Pub. L. 108–173, title IX, § 953(b), Dec. 8, 2003, 117 Stat. 2428, provided that: "The Secretary [of Health and Human Services] shall provide, in an appropriate annual publication available to the public, a list of national coverage determinations made under title XVIII of the Social Security Act [42 U.S.C. 1395 et seq.] in the previous year and information on how to get more information with respect to such determinations."

NOTIFICATION TO PHYSICIANS OF EXCESSIVE HOME HEALTH VISITS

Pub. L. 105–33, title IV, § 404(b), Aug. 5, 1997, 111 Stat. 474, provided that: "The Secretary of Health and Human Services may establish a process for notifying a physician in cases in which the number of home health visits, furnished under title XVIII of the Social Security Act [42 U.S.C. 1395 et seq.], pursuant to a prescription or certification of the physician, significantly exceeds such threshold (or thresholds) as the Secretary specifies. The Secretary may adjust such threshold to reflect demonstrated differences in the need for home health services among different beneficiaries."

DISTRIBUTION OF QUESTIONNAIRE BY CONTRACTOR

Pub. L. 103–432, title I, § 151(a)(1)(B), Oct. 31, 1994, 108 Stat. 4418, provided that: "The Secretary of Health and Human Services shall enter into an agreement with an entity not later than 60 days after the date of the en-
§ 1395y TITe 42—THE PUBLIC HEALTH AND WELFARE Page 3262

acmment of the Social Security Act Amendments of 1994 [Oct. 31, 1994], to distribute the questionnaire described in section 1862(b)(5)(D) of the Social Security Act [42 U.S.C. 1395y(b)(5)(D)] (as added by subparagraph (A))."

RETRoCtIVE EXEmPTION FOR CERTAIN SITUATIONS INVOLVING RELIGIOUS ORDERS

Pub. L. 103-66, title XIII, § 1356(f), Aug. 10, 1993, 107 Stat. 555, provided that: "Section 1862(b)(1)(D) of the Social Security Act [42 U.S.C. 1395y(b)(1)(D)] applies, with respect to items and services furnished before Oct. 1, 1989, to any claims that the Secretary of Health and Human Services had not identified as of that date as subject to the provisions of section 1862(b) of such Act."

GAO STUDY OF EXTENSION OF SECONDARY PAYER PERIOD


DEADLINE FOR FIRST TRANSMITTED AND REQUEST OF MATCHING INFORMATION


"(1) transmit to the Secretary of the Treasury information under paragraph (5)(A)(1) of section 1862(b) of the Social Security Act [42 U.S.C. 1395y(b)(5)(A)(1)] (as inserted by subparagraph (A)), and

"(2) request from the Secretary disclosure of information described in section 6013((12)(A) of the Internal Revenue Code of 1986 [26 U.S.C. 6013((12)(A)], by not later than 14 days after the date of the enactment of this Act [Dec. 19, 1989]."

IDENTIFICATION OF PEDIATRIC HOSPITALS AS MEETING CERTIFICATION AS HEART TRANSPLANT FACILITY

Pub. L. 100-203, title IV, § 4009(b), Dec. 22, 1987, 101 Stat. 1388–108, provided that: "For purposes of determining whether a pediatric hospital that performs pediatric heart transplants meets the criteria established by the Secretary of Health and Human Services for facilities in which the heart transplants performed will be considered to meet the requirement of section 1862(a)(1)(A) of the Social Security Act [42 U.S.C. 1395y(a)(1)(A)], the Secretary shall treat such a hospital and such criteria as if—

"(1) the hospital's pediatric heart transplant program is operated jointly by the hospital and another facility that meets such criteria, and

"(2) the unified program shares the same transplant surgeons and quality assurance program (including oversight committee, patient protocol, and patient selection criteria), and

"(3) the hospital demonstrates to the satisfaction of the Secretary that it is able to provide the specialized facilities, services, and personnel that are required by pediatric heart transplant patients."

APPROVAL OF SURGICAL ASSISTANTS FOR PROCEDURES PERFORMED APRIL 1, 1986, TO DECEMBER 15, 1986

Pub. L. 99-514, title XVIII, § 1895(b)(16)(C), Oct. 22, 1986, 100 Stat. 2904, provided that: "For purposes of section 1862(a)(15) of the Social Security Act [42 U.S.C. 1395y(a)(15)], added by section 9307(a)(3) of COBRA, and for surgical procedures performed during the period beginning on April 1, 1986, and ending on December 15, 1986, a carrier is deemed to have approved the use of an assistant in a surgical procedure, before the surgery is performed, based on the existence of a complicating medical condition if the carrier determined after the surgery is performed that the use of the assistant in the procedure was appropriate based on the existence of a complicating medical condition before or during the surgery."

EXTENDING WAIVER OF LIABILITY PROVISIONS TO HOSPICE PROGRAMS

Pub. L. 99-509, title IX, § 9305(f), Oct. 21, 1986, 100 Stat. 1991, as amended by Pub. L. 100-203, title IV, § 426(b), July 1, 1988, 102 Stat. 814; Pub. L. 101-508, title IV, § 4008(a)(2), Nov. 5, 1990, 104 Stat. 1388–44, provided that: "(1) In general.—The Secretary of Health and Human Services shall, for purposes of determining whether payments to a hospice program should be denied pursuant to section 1862(a)(1)(C) of the Social Security Act [42 U.S.C. 1395y(a)(1)(C)], apply (under section 1879(a) of such Act [42 U.S.C. 1395y(a)(1)] a presumption of compliance of 2.5 percent (based on the number of days of hospice care billed) in a manner substantially similar to that provided to home health agencies under policies in effect as of July 1, 1986.

"(2) Effective date.—Paragraph (1) shall apply to hospice care furnished on or after the first day of the first month that begins at least 6 months after the date of the enactment of this Act [Oct. 21, 1986] and before December 31, 1995." [Pub. L. 101-508, title IV, § 4008(a)(3), Nov. 5, 1990, 104 Stat. 1388–44, provided that: "The amendments made by paragraphs (1) and (2) [amending section 9305(f) of Pub. L. 99-509, set out above, and adding section 9126(c) of Pub. L. 99-272, set out below] shall take effect on the date of the enactment of this Act [Nov. 5, 1990]."]

STUDY OF IMPACT ON DISABLED BENEFICIARIES AND FAMILY OF AMENDMENTS RELATING TO LABOR AND HEALTH PLANS AND MEDICARE AS SECONDARY PAYER

Pub. L. 99-509, title IX, § 9319(e), Oct. 21, 1986, 100 Stat. 1992, directed Comptroller General to study and report to Congress, not later than Mar. 1, 1990, the impact of the amendments made by this section (enacting section 5000 of Title 26, Internal Revenue Code, and amending this section and sections 1395p and 1395r of this title) on access of disabled individuals and members of their family to employment and health insurance, such report to include information relating to number of disabled Medicare beneficiaries for whom Medicare has become secondary, either through their employment or the employment of a family member, amount of savings to the Medicare program achieved annually through this provision, and effect on employment, and employment-based health coverage, of disabled individuals and family members.

REINSTATEMENT OF WAIVER OF LIABILITY PRESCRIPTION

Pub. L. 99-272, title IX, § 9126(c), Apr. 7, 1986, 100 Stat. 170, as amended by Pub. L. 100-360, title IV, § 426(a), July 1, 1988, 102 Stat. 814; Pub. L. 101-508, title IV, § 4008(a)(1), Nov. 5, 1990, 104 Stat. 1388–44, provided that: "The Secretary of Health and Human Services shall, for purposes of determining whether payments to a skilled nursing facility should be denied pursuant to section 1862(a)(1)(A) of the Social Security Act [42 U.S.C. 1395y(a)(1)(A)], apply the same presumption of compliance (5 percent) as in effect under regulations as of July 1, 1985. Such presumption shall apply for the period beginning with the first month beginning after the date of the enactment of this Act [Apr. 7, 1986] and ending on December 31, 1995."

HOME HEALTH WAIVER OF LIABILITY

The amendment made by paragraph (1) [amending section 9260 of Pub. L. 99–272, set out above] shall take effect as if included in the enactment of OBRA–1990 [Pub. L. 101–508].

Recommendations and Guidelines for Elimination of Assistants at Surgery; Report to Congress

Pub. L. 99–272, title IX, §9307(d), Apr. 7, 1986, 100 Stat. 194, provided that, with respect to those items and services billed under part B of title XVIII of the Social Security Act solely by reason of such waiver—

(A) payment under such part shall be equal to 100 percent of the reasonable charge or other applicable payment base for the items and services; and

(B) the entity furnishing the items and services must agree to accept the amount paid pursuant to subparagraph (A) as the full charge for the items and services.

Payment for Debridement of Mycotic Toenails

Pub. L. 98–369, div. B, title III, §2304(d), July 21, 1984, 98 Stat. 1069, provided that: “The Secretary of Health and Human Services shall promulgate final regulations to carry out this section and the amendment made by this section (amending this section and enacting provisions set out as a note under section 1395t of this title) prior to January 1, 1985, and the amendment made by subsection (c) (amending this section) shall apply to pacemaker devices and leads implanted or removed on or after the effective date of such regulations.”

Payment for Debridement of Mycotic Toenails

Pub. L. 98–369, div. B, title III, §2305, July 21, 1984, 98 Stat. 1067, provided that: “The Secretary shall provide, pursuant to section 1862(a) of the Social Security Act [42 U.S.C. 1395j et seq.] the guidelines described in subsec. (f) of this section shall apply to pacemaker devices and leads implanted or removed on or after the effective date of such regulations.”

Interim Waiver in Certain Cases of Billing Rule for Items and Services Other Than Physicians’ Services


(1) The Secretary of Health and Human Services may, for any cost reporting period beginning prior to October 1, 1986, waive the requirements of sections 1862(a)(14) and 1866(a)(1)(H) of the Social Security Act [42 U.S.C. 1395j(a)(14), 1395m(a)(1)(H)] in the case of a hospital which has followed a practice, since prior to October 1, 1982, of allowing direct billing under part B of title XVIII of such Act [42 U.S.C. 1395j et seq.] for services (other than physicians’ services) so extensively, that immediate compliance with those requirements would threaten the stability of patient care. Any such waiver shall provide that such billing may continue to be made under part B of such title only if the payments to such hospital under part A of such title [42 U.S.C. 1395c et seq.] shall be reduced by the amount of the billings for such services under part B of such title. If such a waiver is granted, at the end of the waiver period the Secretary may provide for such methods of payments under part A as is appropriate, given the organizational structure of the institution.

(2) In the case of a hospital which is receiving payments pursuant to a waiver under paragraph (1), payment of the adjustment for indirect costs of approved educational activities shall be made if the hospital were receiving under part A of title XVIII of the Social Security Act all the payments which are made under part B of such title solely by reason of such waiver.

(3) Any waiver granted under paragraph (1) shall provide that, with respect to those items and services billed under part B of title XVIII of the Social Security Act solely by reason of such waiver—

(A) payment under such part shall be equal to 100 percent of the reasonable charge or other applicable payment base for the items and services; and

(B) the entity furnishing the items and services must agree to accept the amount paid pursuant to subparagraph (A) as the full charge for the items and services.

Pub. L. 99–272, title IX, §912(b), Apr. 7, 1986, 100 Stat. 163, provided that:

‘‘(1) Section 602(k)(2) of the Social Security Amendments of 1983 (as added by subsection (a)) [set out above] shall apply to cost reporting periods beginning on or after January 1, 1986.

‘‘(2) Section 602(k)(3) of the Social Security Amendments of 1983 (as added by subsection (a)) [set out above] shall apply to items and services furnished after the end of the 10-day period beginning on the date of the enactment of this Act [Apr. 7, 1986].’’

Prohibition of Payment for Ineffective Drugs

Pub. L. 97–248, title I, §115(b), Sept. 3, 1982, 96 Stat. 353, provided that: “No provision of law limiting the use of funds for purposes of enforcing or implementing regulations of 1983 (as added by subsection (a)) [set out above] shall apply to cost reporting periods beginning on or after September 30, 1982, unless such provision of law is enacted after the date on which the amendment to the Act solely by reason of such waiver—

EstABLISHMENT AND IMPLEMENTATION OF GUIDELINES

Pub. L. 97–35, title XXI, §2152(b), Aug. 13, 1981, 95 Stat. 802, directed the Secretary of Health and Human Services to establish, and provide for the implementation of, the guidelines described in subsec. (l) of this section not later than Oct. 1, 1981.

Report to Congressional Committees on Implementation of Certification Requirements Relating to Modification of Health Benefits Plan or Program; Failure To Submit Report

Pub. L. 93–480, §4(b), Oct. 26, 1974, 88 Stat. 1545, provided that the Civil Service Commission and the Secretary of Health, Education, and Welfare submit a report on or before Mar. 1, 1975, on the steps which have been taken, and the steps which are planned, to enable the Secretary to make the determination and certification referred to in former subsec. (c) of this section and that if such report is not submitted by Mar. 1, 1975, the date specified in former subsec. (c) shall be deemed to be July 1, 1975, rather than Jan. 1, 1976.

§1395a. Consultation with State agencies and other organizations to develop conditions of participation for providers of services

In carrying out his functions, relating to determination of conditions of participation by providers of services, under subsections (e)(9), (f)(4), (j)(15), (o)(6), (cc)(2)(I), and (dd)(2), and (mm)(4) of section 1395x of this title, or by ambulatory surgical centers, under section 1395k(a)(2)(F)(i) of this title, the Secretary shall

1See References in Text note below.

2So in original. The word “and” probably should not appear.
consult with appropriate State agencies and recognized national listing or accrediting bodies, and may consult with appropriate local agencies. Such conditions prescribed under any of such subsections may be varied for different areas or different classes of institutions or agencies and may, at the request of a State, provide higher requirements for such State than for other States; except that, in the case of any State or political subdivision of a State which imposes higher requirements on institutions as a condition to the purchase of services (or of certain specified services) in such institutions under a State plan approved under subchapter I, XVI, or XIX, the Secretary shall impose like requirements as a condition to the payment for services (or for the services specified by the State or subdivision) in such institutions in such State or subdivision.


REFERENCES IN TEXT


AMENDMENTS

1994—Pub. L. 103–432 struck out “or whether screening mammography meets the standards established under section 1395m(c)(3) of this title,” before “the Secretary shall consult”.

1990—Pub. L. 101–508 inserted “or whether screening mammography meets the standards established under section 1395m(c)(3) of this title,” after “section 1395k(a)(2)(F)(i) of this title,”.

(Oct. 31, 1994, see section 1102(c) of Pub. L. 103–432, set out as a note under section 1395x of this title).


1988—Pub. L. 100–360 applicable to screening mammography performed on or after Jan. 1, 1990, see section 4163(e) of Pub. L. 101–508, set out as a note under section 1385f of this title.

1989 Amendment

Amendment by Pub. L. 101–234 effective Jan. 1, 1990, see section 201(c) of Pub. L. 101–234, set out as a note under section 1320a–7a of this title.

1988 Amendment

Amendment by section 203(e)(2) of Pub. L. 100–360 applicable to items and services furnished on or after Jan. 1, 1990, see section 203(g) of Pub. L. 100–360, set out as a note under section 1395c–3 of this title.

1988 Amendment

Amendment by section 204(e) of Pub. L. 100–360 applicable to screening mammography performed on or after Jan. 1, 1990, see section 204(e) of Pub. L. 100–360, set out as a note under section 1395m of this title.

1984 Amendment

Amendment by section 2355(c) of Pub. L. 98–369 applicable to screening mammography performed on or after July 18, 1984, see section 2355(g) of Pub. L. 98–369, set out as a note under section 1395c–3 of this title.

1984 Amendment

Amendment by section 2349(b)(1) of Pub. L. 98–369 applicable to screening mammography performed on or after July 18, 1984, see section 2349(c) of Pub. L. 98–369, set out as a note under section 1395a–7 of this title.

1982 Amendment

Amendment by Pub. L. 97–248 applicable to hospice care provided on or after Nov. 1, 1983, see section 122(h)(1) of Pub. L. 97–248, set out as a note under section 1395c of this title.

1980 Amendment

Amendment by section 933(h) of Pub. L. 92–603 applicable with respect to providers of services for fiscal years beginning after the fifth month following October 1972, see section 234(1) of Pub. L. 92–603, set out as a note under section 1395x of this title.

1972 Amendment

Amendment by Pub. L. 92–603 applicable to screening mammography performed on or after the first date that the certificate requirements of section 263b(b) of this title apply to such mammography conducted by such facility, see section 145(d) of Pub. L. 100–432, set out as a note under section 1395m of this title.

1972 Amendment

Amendment by section 2355(c) of Pub. L. 98–369 effective July 18, 1984, see section 2355(g) of Pub. L. 98–369, set out as a note under section 1395c–3 of this title.

1984 Amendment

Amendment by section 2349(b)(1) of Pub. L. 98–369 applicable to screening mammography performed on or after July 18, 1984, see section 2349(c) of Pub. L. 98–369, set out as a note under section 1395a–7 of this title.

1982 Amendment

Amendment by Pub. L. 97–248 applicable to hospice care provided on or after Nov. 1, 1983, see section 122(h)(1) of Pub. L. 97–248, set out as a note under section 1395c of this title.

1980 Amendment

Amendment by section 933(h) of Pub. L. 92–603 effective with respect to a comprehensive outpatient rehabilitation facility’s first accounting period beginning on or after July 1, 1981, see section 933(h) of Pub. L. 96–499, set out as a note under section 1395k of this title.

1972 Amendment

Amendment by Pub. L. 92–603 applicable with respect to providers of services for fiscal years beginning after the fifth month following October 1972, see section 234(1) of Pub. L. 92–603, set out as a note under section 1395x of this title.
Termination of Advisory Councils

Advisory councils in existence on Jan. 5, 1973, to terminate not later than the expiration of the 2-year period following Jan. 5, 1973, unless, in the case of a council established by the President or an officer of the Federal Government, such council is renewed by appropriate action prior to the expiration of such 2-year period, or in the case of a council established by the Congress, its duration is otherwise provided by law. See sections 3(2) and 14 of Pub. L. 92–463, Oct. 6, 1972, 86 Stat. 770, 776, set out in the Appendix to Title 5, Government Organization and Employees.

§ 1395aa. Agreements with States

(a) Use of State agencies to determine compliance by providers of services with conditions of participation

The Secretary shall make an agreement with any State which is able and willing to do so under which the services of the State health agency or other appropriate State agency (or the appropriate local agencies) will be utilized by him for the purpose of determining whether an institution therein is a hospital or skilled nursing facility, or whether an agency therein is a home health agency, or whether an agency is a hospice program or whether a facility therein is a rural health clinic as defined in section 1395x(aa)(2) of this title, a critical access hospital, as defined in section 1395x(mm)(1) of this title, or a comprehensive outpatient rehabilitation facility as defined in section 1395x(cc)(2) of this title, or whether a laboratory meets the requirements of paragraphs (16) and (17) of section 1395x(s) of this title, or whether an ambulatory surgical center, rural health clinic, comprehensive outpatient rehabilitation facility, laboratory, clinic, agency, or organization with (1) the statutory conditions of participation imposed under this subchapter and (2) the major additional conditions which the Secretary finds necessary in the interest of health and safety of individuals who are furnished care or services by any such health care facility, ambulatory surgical center, rural health clinic, comprehensive outpatient rehabilitation facility, laboratory, clinic, agency, or organization. Any agreement under this subsection shall provide for the appropriate State or local agency to maintain a toll-free hotline (1) to collect, maintain, and continually update information on home health agencies located in the State or locality that are certified to participate in the program established under this subchapter (which information shall include any significant deficiencies found with respect to patient care in the most recent certification survey conducted by a State agency or accreditation survey conducted by a private accreditation agency under section 1395bb of this title with respect to the home health agency, when that survey was completed, whether corrective actions have been taken or are planned, and the sanctions, if any, imposed under this subchapter with respect to the agency) and (2) to receive complaints (and answer questions) with respect to home health agencies in the State or locality. Any such agreement shall provide for such State or local agency to maintain a unit for investigating such complaints that possesses enforcement authority and has access to survey and certification reports, information gathered by any private accreditation agency utilized by the Secretary under section 1395bb of this title, and consumer medical records (but only with the consent of the consumer or his or her legal representative).

(b) Payment in advance or by way of reimbursement to State for performance of functions of subsection (a)

The Secretary shall pay any such State, in advance or by way of reimbursement, as may be provided in the agreement with it (and may make adjustments in such payment, including the payment of overpayments or underpayments previously made), for the reasonable cost of performing the functions specified in subsection (a), and for the Federal Hospital Insurance Trust Fund’s fair share of the costs attributable to the planning and other efforts directed toward coordination of activities in carrying out its agreement and other activities related to the provision of services similar to those for which payment may be made under part A, or related to the facilities and personnel required for the provision of such services, or related to improving the quality of such services.

(c) Use of State or local agencies to survey hospitals

The Secretary is authorized to enter into an agreement with any State under which the appropriate State or local agency which performs the certification function described in sub-
section (a) will survey, on a selective sample basis (or where the Secretary finds that a survey is appropriate because of substantial allegations of the existence of a significant deficiency or deficiencies which would, if found to be present, adversely affect health and safety of patients, to provider entities that, pursuant to section 1395bb(a)(1) of this title, are treated as meeting the conditions or requirements of this subchapter. The Secretary shall pay for such services in the manner prescribed in subsection (b).

(d) Fulfillment of requirements by States

The Secretary may not enter an agreement under this section with a State with respect to determining whether an institution therein is a skilled nursing facility unless the State meets the requirements specified in section 1395i–3(e) of this title and section 1395i–3(g) of this title and the establishment of remedies under sections 1395i–3(b)(2)(B) and 1395i–3(b)(2)(C) of this title (relating to establishment and application of remedies).

(e) Prohibition of user fees for survey and certification

Notwithstanding any other provision of law, the Secretary may not impose, or require a State to impose, any fee on any facility or entity subject to a determination under subsection (a), or any renal dialysis facility subject to the requirements of section 1395rr(b)(1) of this title, for any such determination or any survey relating to determining the compliance of such facility or entity with any requirement of this subchapter (other than any fee relating to section 263a of this title).


AMENDMENTS

2008—Subsec. (c). Pub. L. 110–275 substituted “pursuant to section 1395b(a)(1)” for “pursuant to subsection (a) or (b)(1) of section 1395bb”.

1997—Subsec. (a). Pub. L. 105–33, §4201(c)(1), substituted “critical access” for “rural primary care”.

1996—Subsec. (c). Pub. L. 104–134, in first sentence, substituted at end “provider entities that, pursuant to subsection (a) or (b)(1) of section 1395bb of this title, are treated as meeting the conditions or requirements of this subchapter.” for “hospitals which have an agreement with the Secretary under section 1395cc of this title and which are accredited by the Joint Commission on Accreditation of Hospitals.”

1994—Subsec. (a). Pub. L. 103–432, §160(a)(1)(B), struck out “or (in the case of a laboratory that does not participate or seek to participate in the medicare program) the requirements of section 263a of this title after “section 1395s(e) of this title” in first sentence.

Pub. L. 103–432, §145(c)(3), struck out “, or whether screening mammography meets the standards established under section 1395m(c)(3) of this title” after “section 1395s(e) of this title” in first sentence.

Subsec. (e). Pub. L. 103–432, §160(a)(1)(A), inserted before period at end “(other than any fee relating to section 263a of this title)”.

1990—Subsec. (a). Pub. L. 101–508, §4163(c)(2), inserted before period at end of first sentence “, or whether screening mammography meets the standards established under section 1395m(c)(3) of this title”.

Pub. L. 101–508, §4154(d)(1), substituted “section 1395s(e) of this title or (in the case of a laboratory that does not participate or seek to participate in the medicare program) the requirements of section 263a of this title,” for “section 1395s(e) of this title,” in first sentence.


1989—Subsec. (a). Pub. L. 101–239, §6115(c), substituted “paragraphs (15) and (16)” for “paragraphs (14) and (15)”.

Pub. L. 101–239, §6003(c)(3)(C)(iii), inserted “a rural primary care hospital, as defined in section 1395xx(mm)(1) of this title,” after “1395a(aa)(2) of this title”.

Pub. L. 101–234 repealed Pub. L. 100–360, §§203(e)(3), 204(c)(2), (d)(3), and provided that the provisions of law amended or repealed by such sections are restored as if such sections had not been enacted, see 1988 and 1989 Amendment notes.


Pub. L. 100–360, §411(d)(4)(A)(i), as amended by Pub. L. 100–485, §608(d)(20)(B)(ii), substituted “most recent certification survey conducted by a State agency or accreditation survey conducted by a private accreditation agency under section 1395bb of this title with respect to the home health agency,” for “most recent certification survey conducted with respect to the home health agency,” as amended by Pub. L. 100–360, §411(l)(4)(A)(i)(I), as amended by Pub. L. 100–485, §608(d)(20)(C)(ii), substituted “such State or local agency to maintain a unit” for “such agency to maintain a unit”.

by the Secretary under section 1395bb of this title" for "pursuant to an agreement with the Secretary under this section"

Pub. L. 100–360, § 204(d)(3), substituted "paragraphs (14) and (15)" for "paragraphs (13) and (14)".

Pub. L. 100–360, § 204(c)(2), inserted "or, whether screening mammography meets the standards established under section 1395i of this title", after "section 1395i–3(a)(2)(F)(i) of this title".

Pub. L. 100–360, § 203(e)(3), inserted "or a home intravenous drug therapy provider", after "hospice program" and substituted "hospice program, or home intravenous drug therapy provider" for "or hospice program".

1987—Subsec. (a). Pub. L. 100–203, § 422(b), directed an amendment of subsec. (a) identical to Pub. L. 100–203, § 4202(c), was amended generally by Pub. L. 100–360, § 411(h)(6)(B), so that it does not amend this section but rather section 1996c of this title.

Pub. L. 100–203, § 4202(c), inserted "and (require in the case of skilled nursing facilities) the posting in a place readily accessible to patients (and patients' representatives)," after "place" in fifth sentence.

Pub. L. 100–203, § 4203(d), as added by Pub. L. 100–360, § 411(h)(1)(C), as added by Pub. L. 100–485, § 608(d)(27)(B), substituted "conditions specified in section 1385l–3(a)" for "conditions specified in section 1385f(x) of this title".

Pub. L. 100–203, § 4072(d), inserted at end of first sentence for determining whether a clinic, rehabilitation agency, or public health agency meets the requirements of section 1395x(p)(4)(A) or (B) of this title.

Pub. L. 100–203, § 4202(b), struck out last sentence providing for utilization of State facilities to provide consultative services to institutions furnishing medical care, covered in section 1396a(a)(24) of this title.

**Effective Date of 2008 Amendment; Transition Rule**

Amendment by Pub. L. 110–275 applicable with respect to accreditations of hospitals granted on or after the date that is 24 months after July 15, 2008, with transition rule, see section 125(d) of Pub. L. 110–275, set out as a note under section 1395bb of this title.

**Effective Date of 1997 Amendment**

Amendment by section 4106(c) of Pub. L. 105–33 applicable to bone mass measurements performed on or after July 1, 1998, see section 4106(d) of Pub. L. 105–33, set out as a note under section 1395f(x) of this title.

Amendment by section 4201(d) of Pub. L. 105–33 applicable to services furnished on or after Oct. 1, 1997, see section 4201(d) of Pub. L. 105–33, set out as a note under section 1395f(x) of this title.

**Effective Date of 1994 Amendment**

Amendment by section 145(c)(3) of Pub. L. 103–432 applicable to mammography furnished by a facility on and after the date that the certificate requirements of section 263b(b) of this title apply to such mammography conducted by such facility, see section 145(d) of Pub. L. 103–432, set out as a note under section 1395f(x) of this title.

**Effective Date of 1990 Amendment**

Amendment by section 101–508, title IV, § 4154(d)(2), Nov. 5, 1990, 104 Stat. 1388–85, provided that: "The amendment made by paragraph (1) [amending this section] shall take effect as if included in the enactment of the Clinical Laboratory Improvement Amendments of 1988 [Pub. L. 100–578]."

Amendment by section 4163(c)(2) of Pub. L. 101–508 applicable to screening mammography performed on or after Jan. 1, 1991, see section 4163(e) of Pub. L. 101–508, set out as a note under section 1395f(x) of this title.

**Effective Date of 1989 Amendments**

Amendment by section 6115(c) of Pub. L. 101–239 applicable to screening pap smears performed on or after July 1, 1990, see section 6115(d) of Pub. L. 101–239, set out as a note under section 1395f(x) of this title.

Amendment by Pub. L. 101–234 effective Jan. 1, 1990, see section 201(c) of Pub. L. 101–234, set out as a note under section 1320a–7a of this title.

**Effective Date of 1988 Amendments**

Amendment by Pub. L. 100–485 effective as if included in the enactment of the Medicare Catastrophic Cov-

Amendment by section 203(e)(3) of Pub. L. 100–360 applicable to items and services furnished on or after Jan. 1, 1990, see section 203(g) of Pub. L. 100–360, set out as a note under section 1395c–3 of this title.

Amendment by section 204(c)(2), (d)(3) of Pub. L. 100–360 applicable to screening mammography performed on or after Jan. 1, 1990, see section 204(e) of Pub. L. 100–360, set out as a note under section 1395m of this title.

Except as specifically provided in section 411 of Pub. L. 100–360, amendment by section 411(d)(4)(A), (f)(1)(C), (6)(B) of Pub. L. 100–360, as it relates to a provision in the Omnibus Budget Reconciliation Act of 1987, Pub. L. 100–360, effective as if included in the enactment of that provision in Pub.L. 100–360, set out as a note under section 1395m of this title.

Effective Date note under section 106 of Title I, General Provisions.

Effective Date of 1987 Amendment


For effective date of amendment by section 4072(d) of Pub. L. 100–203, see section 4072(e) of Pub. L. 100–203, set out as a note under section 1395e of this title.

Amendments by sections 4201(a)(2), (d)(4) and 4202(a)(1), (c) of Pub. L. 100–203 applicable to services furnished on or after Oct. 1, 1990, without regard to whether regulations to implement such amendments are promulgated by such date, except as otherwise specifically provided in section 1395i–3 of this title, see section 4209(a) of Pub. L. 100–203, as amended, set out as an Effective Date note under section 1395i–3 of this title.

Amendment by section 4203(a)(1) of Pub. L. 100–203 applicable Jan. 1, 1988, except as otherwise specifically provided in section 1395i–3 of this title, without regard to whether regulations to implement such amendment are promulgated by such date, and in applying amendment by section 4203(a)(1) of Pub. L. 100–203 for services furnished by a skilled nursing facility before Oct. 1, 1990, any reference to a requirement of section 1395i–3(b), (c), or (d) of this title is deemed a reference to section 1395f(j) of this title, see section 4209(b) of Pub. L. 100–203, as added by Pub. L. 100–485, set out as an Effective Date note under section 1395f–3 of this title.

Effective Date of 1986 Amendment

Amendment by Pub. L. 99–509 applicable to services furnished on or after Jan. 1, 1989, with exceptions for hospitals located in rural areas which meet certain requirements related to certified registered nurse anesthetists, see section 9320(i), (k) of Pub. L. 99–509, as amended, set out as a note under section 1395k of this title.

Effective Date of 1984 Amendment

Amendment by Pub. L. 98–360 effective July 18, 1984, but not to be construed as changing or affecting any right, liability, status, or interpretation which existed (under the provisions of law involved) before that date, see section 2554(e)(1) of Pub. L. 98–360, set out as a note under section 1392a–1 of this title.

Effective Date of 1982 Amendment

Amendment by Pub. L. 97–248 applicable to hospice care provided on or after Nov. 1, 1983, see section 122(h)(1) of Pub. L. 97–248, as amended, set out as a note under section 1395c of this title.

Effective Date of 1980 Amendments

Amendment by Pub. L. 96–611 effective July 1, 1981, and applicable to services furnished on or after that date, see section 2 of Pub. L. 96–611, set out as a note under section 1395f of this title.

For effective date of amendment by section 933(g) of Pub. L. 96–499, see section 933(h) of Pub. L. 96–499, set out as a note under section 1395k of this title.

Effective Date of 1977 Amendment

Amendment by Pub. L. 95–210 applicable to services rendered on or after first day of third calendar month which begins after Dec. 31, 1977, see section 1(j) of Pub. L. 95–210, set out as a note under section 1395k of this title.

Effective Date of 1972 Amendment

Pub. L. 92–603, title II, § 2993(c), Oct. 30, 1972, 86 Stat. 1462, provided that: ‘‘The provisions of this section (amending this section and section 1396a of this title) shall be effective beginning January 1, 1973, or within 6 months following the enactment of this Act (Oct. 30, 1972), whichever is later.’’

Effective Date of 1968 Amendment

Amendment by section 133(f) of Pub. L. 100–203 applicable with respect to services furnished after June 30, 1968, see section 133(g) of Pub. L. 100–203, effective as if included in the enactment of that Act, see section 4204(b) of Pub. L. 100–203, effective as if included in the enactment of that Act (Oct. 30, 1972), whichever is later.

Use of State or Local Agencies in Evaluating Laboratories

Pub. L. 103–432, title I, § 116(a)(2), Oct. 31, 1994, 108 Stat. 4443, provided that: ‘‘An agreement made by the Secretary of Health and Human Services with a State under section 1864(a) of the Social Security Act [42 U.S.C. 1395aa(a)] may include an agreement that the services of the State health agency or other appropriate State agency (or the appropriate local agencies) will be utilized by the Secretary for the purpose of determining whether a laboratory meets the requirements of section 363 of the Public Health Service Act [42 U.S.C. 263a].’’

Nurse Aid Training and Competency Evaluation, Failure by State To Meet Guidelines

Pub. L. 101–508, title IV, § 4008(b)(1)(A), Nov. 5, 1990, 104 Stat. 1388–46, provided that: ‘‘The Secretary of Health and Human Services may not refuse to enter into an agreement or cancel an existing agreement with a State under section 1864 of the Social Security Act [42 U.S.C. 1395aa] on the basis that the State failed to meet the requirement of section 1818(e)(1)(A) of such Act [42 U.S.C. 1395l–3(e)(1)(A)] before the effective date of guidelines, issued by the Secretary, establishing requirements under section 1818(e)(2)(A) of such Act, if the State demonstrates to the satisfaction of the Secretary that it has made a good faith effort to meet such requirement before such effective date.’’

§ 1395bb. Effect of accreditation

(a) Accreditation by American Osteopathic Association or other national accreditation body

(1) If the Secretary finds that accreditation of a provider entity (as defined in paragraph (4)) by the American Osteopathic Association or any other national accreditation body demonstrates that all of the applicable conditions or requirements of this subchapter (other than the requirements of section 1395m(j) of this title) are met, such accreditation shall be considered an accreditation for purposes of this subchapter.

(A) In the case of a provider entity not described in paragraph (3)(B), the Secretary shall treat such entity as meeting those conditions or requirements with respect to which the Secretary made such finding; or
(B) in the case of a provider entity described in paragraph (3)(B), the Secretary may treat such entity as meeting those conditions or requirements with respect to which the Secretary made such finding.

(2) In making such a finding, the Secretary shall consider, among other factors with respect to a national accreditation body, its requirements for accreditation, its survey procedures, its ability to provide adequate resources for conducting required surveys and supplying information for use in enforcement activities, its monitoring procedures for provider entities found out of compliance with the conditions or requirements, and its ability to provide the Secretary with necessary data for validation.

(3)(A) Except as provided in subparagraph (B), not later than 60 days after the date of receipt of a written request for a finding under paragraph (1) (with any documentation necessary to make a determination on the request), the Secretary shall publish a notice identifying the national accreditation body making the request, describing the nature of the request, and providing a period of at least 30 days for the public to comment on the request. The Secretary shall approve or deny a request for such a finding, and shall publish notice of such approval or denial, not later than 210 days after the date of receipt of the request (with such documentation). Such an approval shall be effective with respect to accreditation determinations made on or after such effective date (which may not be later than the date of publication of the approval) as the Secretary specifies in the publication notice.

(B) The 210-day and 60-day deadlines specified in subparagraphs (A) shall not apply in the case of any request for a finding with respect to accreditation of a provider entity to which the conditions and requirements of sections 1395i-3 and 1395x(j) of this title apply.

For purposes of this section, the term “provider entity” means a provider of services, supplier, facility (including a renal dialysis facility), clinic, agency, or laboratory.

(b) Disclosure of accreditation survey

The Secretary may not disclose any accreditation survey (other than a survey with respect to a home health agency) made and released to the Secretary by the American Osteopathic Association or any other national accreditation body, of an entity accredited by such body, except that the Secretary may disclose such a survey and information related to such a survey to the extent such survey and information relate to an enforcement action taken by the Secretary.

(c) Deficiencies

Notwithstanding any other provision of this subchapter, if the Secretary finds that a provider entity has significant deficiencies (as defined in regulations pertaining to health and safety), the entity shall, after the date of notice of such finding to the entity and for such period as may be prescribed in regulations, be deemed not to meet the conditions or requirements the entity has been treated as meeting pursuant to subsection (a)(1).

(d) State or local accreditation

For provisions relating to validation surveys of entities that are treated as meeting applicable conditions or requirements of this subchapter pursuant to subsection (a)(1), see section 1395aa(c) of this title.

(e) Accreditation for dialysis facilities

With respect to an accreditation body that has received approval from the Secretary under subsection (a)(3)(A) for accreditation of provider entities that are required to meet the conditions and requirements under section 1395yy(b) of this title, in addition to review and oversight authorities otherwise applicable under this subchapter, the Secretary shall (as the Secretary determines appropriate) conduct, with respect to such accreditation body and provider entities, any or all of the following as frequently as is otherwise required to be conducted under this subchapter with respect to other accreditation bodies or other provider entities:

(1) Validation surveys referred to in subsection (d).

(2) Accreditation program reviews (as defined in section 188.8(c) of title 42 of the Code of Federal Regulations, or a successor regulation).

(3) Performance reviews (as defined in section 188.8(a) of title 42 of the Code of Federal Regulations, or a successor regulation).

to meet certain requirements enumerated in section 1395x(e) of this title.


Subsec. (b)(1). Pub. L. 119–275, §125(a), (b)(1)(B), redesignated subsec. (c) as (b), substituted "released to the Secretary by" for "released to him by the Joint Commission on Accreditation of Hospitals," and struck out the comma after "Osteopathic Association." Former subsec. (b) redesignated (a).

Subsec. (c). Pub. L. 119–275, §125(a), (b)(1)(C), redesignated subsecs. (d) and (e) as (c) and (d), respectively, and substituted "pursuant to subsection (a)(1)" for "pursuant to subsection (a) or (b)(1)." Former subsec. (c) redesignated (b).

Subsec. (e). Pub. L. 119–275, §125(a), redesignated subsec. (e) as (d).


1996—Subsec. (a). Pub. L. 104–134, §101(d) [title V, §516(b)(2), (3)], struck out after second sentence: "In addition, if the Secretary finds that accreditation of an entity by the American Osteopathic Association or any other national accreditation body provides reasonable assurance that any or all of the conditions of section 1395k(a)(2)(F)(i), 1395x(e), 1395x(f), 1395x(j), 1395x(o), 1395x(p)(4)(A) or (B), paragraphs (15) and (16) of section 1395x(s), section 1395x(aa)(2), 1395x(cc)(2), 1395x(dd)(2), or 1395x(dd)(3) of this title, as the case may be, are met, he may, to the extent he deems it appropriate, treat such entity as meeting the condition or conditions with respect to which he made such finding," and redesignated fourth sentence as subsec. (c).

Subsec. (b). Pub. L. 104–134, §101(d) [title V, §516(b)(3)], added subsec. (b). Former subsec. (b) redesignated (d).

Subsec. (c). Pub. L. 104–134, §101(d) [title V, §516(b)(2)], redesignated fourth sentence of subsec. (a) as subsec. (c).

Subsec. (d). Pub. L. 104–134, §101(d) [title V, §516(b)(1), (c)(2)(A)], redesignated subsec. (b) as (d) and substituted "a provider entity" for "a hospital," "the entity" for "the hospital in two places, and "the conditions or requirements the entity has been treated as meeting pursuant to subsection (a) or (b)(1) of this section" for "the requirements of the numbered paragraphs of section 1395x(e) of this title". Subsec. (e). Pub. L. 104–134, §101(d) [title V, §516(c)(2)(B)], added subsec. (e).


1990—Subsec. (a). Pub. L. 91–508 inserted "or (d)(3)," and substituted "1395x(dd)(2)" for "1395x(dd)(1)" in second sentence.

1989—Subsec. (a). Pub. L. 101–239, §§610(b), substituted "paragraphs (15) and (16)" for "paragraphs (14) and (15)".

Pub. L. 101–239, §610(b), inserted before period at end "except that the Secretary may disclose such a survey and information related to such a survey to the extent such survey and information relate to an enforcement action taken by the Secretary." Pub. L. 101–239, §6003(c)(3)(Cy), substituted "1395x(dd)(2), or 1395x(mm)(1) of this title" for "or 1395x(dd)(2) of this title" in third sentence.

Pub. L. 101–234 repealed Pub. L. 100–360, §204(c)(3), (d)(3), and provided that the provisions of law amended or repealed by such section are restored or revived as if such section had not been enacted, see 1988 and 1989 Amendment notes.

Subsec. (a)(2). Pub. L. 101–239, §601(a), designated existing provisions as subpar. (A), struck out "(if it is included within a survey described in section 1395aa(c) of this title)" after "such institution", inserted "together with any other information directly related to the survey as the Secretary may require (including corrective action plans)" after "by such Commission". and added subpar. (B).

Subsec. (b). Pub. L. 101–239, §601(c), struck out "following a survey made pursuant to section 1395aa(c) of this title after "if the Secretary finds".

Effective Date of Amendment
Amendment by Pub. L. 103–422 applicable to mammography furnished by a facility on and after the first date that the certificate requirements of section 263(b)
of this title apply to such mammography conducted by such facility, see section 145(d) of Pub. L. 103–432, set out as a note under section 1395m of this title.

**Effective Date of 1990 Amendment**
Amendment by Pub. L. 101–508 applicable to screening mammography performed on or after Jan. 1, 1991, see section 413(e) of Pub. L. 101–508, set out as a note under section 1395m of this title.

**Effective Date of 1989 Amendment**
Amendment by section 6115(c) of Pub. L. 101–239 applicable to screening pap smears performed on or after July 1, 1990, see section 6115(d) of Pub. L. 101–239, set out as a note under section 1395x of this title.

Amendment by section 201(c) of Pub. L. 101–234, set out as a note under section 1320a–7a of this title.

**Effective Date of 1988 Amendment**
Amendment by Pub. L. 100–485 effective as if included in the enactment of the Medicare Catastrophic Coverage Act of 1988, Pub. L. 100–360, see section 608(g)(1) of Pub. L. 100–485, set out as a note under section 704 of this title.

Amendment by section 294(c)(3), (d)(3) of Pub. L. 100–360 applicable to screening mammography performed on or after Jan. 1, 1990, see section 294(e) of Pub. L. 100–360, set out as a note under section 1395m of this title.

Except as specifically provided in section 411 of Pub. L. 100–360, amendment by section 411(d)(4)(B)(ii) of Pub. L. 100–360, as it relates to a provision in the Omnibus Budget Reconciliation Act of 1987, Pub. L. 100–203, effective as if included in the enactment of that provision in Pub. L. 100–203, see section 411(a) of Pub. L. 100–203, set out as a Reference to OBRA: Effective Date note under section 106 of Title I, General Provisions.

**Effective Date of 1987 Amendment**
Amendment by section 4025(b) of Pub. L. 100–203 applicable with respect to agreements entered into or renewed on or after Dec. 22, 1987, see section 4025(c) of Pub. L. 100–203, as amended, set out as a note under section 1385a of this title.

For effective date of amendment by section 4072(d) of Pub. L. 100–203, see section 4072(e) of Pub. L. 100–203, set out as a note under section 1385x of this title.

**Effective Date of 1986 Amendment**
Amendment by section 9305(c)(3) of Pub. L. 99–509 applicable to hospitals as of one year after Oct. 21, 1986, see section 9305(c)(4) of Pub. L. 99–509, set out as a note under section 1395x of this title.

Amendment by section 9320(h)(3) of Pub. L. 99–509 applicable to services furnished on or after Jan. 1, 1989, with exceptions for hospitals located in rural areas which meet certain requirements related to certified registered nurse anesthetists, see section 9320(i), (k) of Pub. L. 99–509, as amended, set out as notes under section 1385x of this title.

**Effective Date of 1984 Amendment**
Amendment by section 98–369, div. B, title III, § 2345(b), July 18, 1984, 98 Stat. 1096, provided that: "The amendments made by this section [amending this section] shall become effective on the date of the enactment of this Act [July 18, 1984], and shall apply with respect to surveys released to the Secretary on, before, or after such date."

**Effective Date of 1982 Amendment**
Amendment by section 122(g)(4) of Pub. L. 97–248 applicable to hospice care provided on or after Nov. 1, 1983, see section 122(h)(1) of Pub. L. 97–248, as amended, set out as a note under section 1395c of this title.


**Effective Date of 1972 Amendment**
Amendment by section 234(b) of Pub. L. 92–603 applicable with respect to providers of services for fiscal years beginning after the fifth month following October 1972, see section 234(i) of Pub. L. 92–603, set out as a note under section 1396x of this title.

**Timing for Acceptance of Requests From Accreditation Organizations**
Pub. L. 110–275, title I, § 125(c), July 15, 2008, 122 Stat. 210, provided that: "The Secretary of Health and Human Services may recognize the Joint Commission on Accreditation of Healthcare Organizations as a national accreditation body under section 1395k of this title."

**Authority To Recognize the Joint Commission as a National Accreditation Body**
Pub. L. 110–275, title I, § 125(c), July 15, 2008, 122 Stat. 210, provided that: "The Secretary of Health and Human Services may recognize the Joint Commission as a national accreditation body under section 1865 of the Social Security Act (42 U.S.C. 1395bb(a)(3)(A)), for purposes of accrediting provider entities that are required to meet the conditions and requirements under section 1881(b) of such Act (42 U.S.C. 1320c(b))."

Date of enactment: Section 1395cc takes effect on the date of the enactment of the Medicare Catastrophic Coverage Act of 1988.
paragraph (1) or (9) of section 1395y(a) of this title, but only if (i) such individual was without fault in incurring such expenses and (ii) the Secretary's determination that such payment may not be made for such items and services was made after the third year following the year in which notice of such payment was sent to such individual; except that the Secretary may reduce such three-year period to not less than one year if he finds such reduction is consistent with the objectives of this subchapter.

(C) to make adequate provision for return (or other disposition, in accordance with regulations) of any moneys incorrectly collected from such individual or other person

(D) to promptly notify the Secretary of its employment of an individual who, at any time during the year preceding such employment, was employed in a managerial, accounting, auditing, or similar capacity (as determined by the Secretary by regulation) by an agency or organization which serves as a fiscal intermediary or carrier (for purposes of part A or part B, or both, of this subchapter) with respect to the provider

(E) to release data with respect to patients of such provider upon request to an organization having a contract with the Secretary under part B of subchapter XI as may be necessary (i) to allow such organization to carry out its functions under such contract, or (ii) to allow such organization to carry out similar review functions under any contract the organization may have with a private or public agency paying for health care in the same area with respect to patients who authorize release of such data for such purposes

(F)(i) in the case of hospitals which provide inpatient hospital services for which payment may be made under subsection (b), (c), or (d) of section 1395ww of this title, to maintain an agreement with a professional standards review organization (if there is such an organization in existence in the area in which the hospital is located) or with a quality improvement organization which has a contract with the Secretary under part B of subchapter XI for the area in which the hospital is located, under which the organization will perform functions under that part with respect to the review of the validity of diagnostic information provided by such hospital, the completeness, adequacy, and quality of care provided, the appropriateness of admissions and discharges, and the appropriateness of care provided for which additional payments are sought under section 1395ww(d)(5) of this title, with respect to inpatient hospital services for which payment may be made under part A of this subchapter (and for purposes of payment under this subchapter, the cost of such agreement to the hospital shall be considered a cost incurred by such hospital in providing inpatient services under part A, and (I) shall be paid directly by the Secretary to such organization on behalf of such hospital in accordance with a rate per review established by the Secretary, (II) shall be transferred from the Federal Hospital Insurance Trust Fund, without regard to amounts appropriated in advance in appropriation Acts, in the same manner as transfers are made for payment for services provided directly to beneficiaries, and (III) shall not be less in the aggregate for a fiscal year than the aggregate amount expended in fiscal year 1988 for direct and administrative costs (adjusted for inflation and for any direct or administrative costs incurred as a result of review functions added with respect to a subsequent fiscal year) of such reviews,

(ii) in the case of hospitals, critical access hospitals, skilled nursing facilities, and home health agencies, to maintain an agreement with a quality improvement organization (which has a contract with the Secretary under part B of subchapter XI for the area in which the hospital, facility, or agency is located) to perform the functions described in paragraph (3)(A),

(G) in the case of hospitals which provide inpatient hospital services for which payment may be made under subsection (b) or (d) of section 1395ww of this title, not to charge any individual or any other person for inpatient hospital services for which such individual would be entitled to have payment made under part A but for a denial or reduction of payments under section 1395ww(f)(2) of this title

(H)(i) in the case of hospitals which provide services for which payment may be made under this subchapter and in the case of critical access hospitals which provide critical access hospital services, to have all items and services (other than physicians' services as defined in regulations for purposes of section 1395y(a)(14) of this title, and other than services described by section 1395x(s)(2)(K) of this title, certified nurse-midwife services, qualified psychologist services, and services of a certified registered nurse anesthetist) (1) that are furnished to an individual who is a patient of the hospital, and (II) for which the individual is entitled to have payment made under this subchapter, furnished by the hospital or otherwise under arrangements (as defined in section 1395x(w)(1) of this title) made by the hospital,

(ii) in the case of skilled nursing facilities which provide covered skilled nursing facility services—

(I) that are furnished to an individual who is a resident of the skilled nursing facility during a period in which the resident is provided covered post-hospital extended care services (or, for services described in section 1395x(s)(2)(D) of this title, that are furnished to such an individual without regard to such period), and

(II) for which the individual is entitled to have payment made under this subchapter, to have items and services (other than services described in section 1395yy(e)(2)(A)(ii) of this title) furnished by the skilled nursing facility or otherwise under arrangements (as defined in section 1395x(w)(1) of this title) made by the skilled nursing facility,

(I) in the case of a hospital or critical access hospital—

(i) to adopt and enforce a policy to ensure compliance with the requirements of section 1395dd of this title and to meet the requirements of such section,
(ii) to maintain medical and other records related to individuals transferred to or from the hospital for a period of five years from the date of the transfer, and

(iii) to maintain a list of physicians who are on call for duty after the initial examination to provide treatment necessary to stabilize an individual with an emergency medical condition,

(J) in the case of hospitals which provide inpatient hospital services for which payment may be made under this subchapter, to be a participating provider of medical care under any health plan contracted for under section 1079 or 1086 of title 10, or under section 1713\(^1\) of title 38, in accordance with admission practices, payment methodology, and amounts as prescribed under joint regulations issued by the Secretary and by the Secretaries of Defense and Transportation, in implementation of sections 1079 and 1086 of title 10,

(K) not to charge any individual or any other person for items or services for which payment under this subchapter is denied as a result of a determination under section 1320c–3(a)(1)(B) of title 10, or under section 1320c–3(a)(2) of this title by reason of a determination under section 1320c–3(a)(1)(B) of this title,

(L) in the case of hospitals which provide inpatient hospital services for which payment may be made under this subchapter, to be a participating provider of medical care under chapter 17 of title 38, in accordance with such admission practices, and such payment methodology and amounts, as are prescribed under joint regulations issued by the Secretary and by the Secretary of Veterans Affairs in implementation of such section.

(M) in the case of hospitals, to provide to each individual who is entitled to benefits under part A (or to a person acting on the individual's behalf), at or about the time of the individual's admission as an inpatient to the hospital, a written statement (containing such language as the Secretary prescribes consistent with this paragraph) which explains—

(i) the individual's rights to benefits for inpatient hospital services and for post-hospital services under this subchapter,

(ii) the circumstances under which such an individual will and will not be liable for charges for continued stay in the hospital,

(iii) the individual's right to appeal denials of benefits for continued inpatient hospital services, including the practical steps to initiate such an appeal, and

(iv) the individual's liability for payment for services if such a denial of benefits is upheld on appeal,

and which provides such additional information as the Secretary may specify.

(N) in the case of hospitals and critical access hospitals—

(i) to make available to its patients the directory or directories of participating physicians (published under section 1395uc(h)(4) of this title) for the area served by the hospital or critical access hospital,

(ii) if hospital personnel (including staff of any emergency or outpatient department) refer a patient to a nonparticipating physician for further medical care on an outpatient basis, the personnel must inform the patient that the physician is a nonparticipating physician and, whenever practicable, must identify at least one qualified participating physician who is listed in such a directory and from whom the patient may receive the necessary services,

(iii) to post conspicuously in any emergency department a sign (in a form specified by the Secretary) specifying rights of individuals under section 1395dd of this title with respect to examination and treatment for emergency medical conditions and women in labor, and

(iv) to post conspicuously (in a form specified by the Secretary) information indicating whether or not the hospital participates in the medicare program under a State plan approved under subchapter XIX,

(O) to accept as payment in full for services that are covered under this subchapter and are furnished to any individual enrolled with a Medicare+Choice organization under part C, with a PACE provider under section 1395eee or 1396a–4 of this title, or with an eligible organization with a risk-sharing contract under section 1395mm of this title, under section 1395mm(i)(2)(A) of this title (as in effect before February 1, 1985), under section 1395b–1(a) of this title, or under section 222(a) of the Social Security Amendments of 1972, which does not have a contract (or, in the case of a PACE provider, contract or other agreement) establishing payment amounts for services furnished to members of the organization or PACE program eligible individuals enrolled with the PACE provider, the amounts that would be made as a payment in full under this subchapter (less any payments under sections 1395ww(d)(11) and 1395ww(h)(3)(D) of this title) if the individuals were not so enrolled,

(P) in the case of home health agencies which provide home health services to individuals entitled to benefits under this subchapter who require catheters, catheter supplies, ostomy bags, and supplies related to ostomy care (described in section 1395x(ee)(2)(H)(ii) of this title), to offer to furnish such supplies to such an individual as part of their furnishing of home health services,

(Q) in the case of hospitals, skilled nursing facilities, home health agencies, and hospice programs, to comply with the requirement of subsection (f) (relating to maintaining written policies and procedures respecting advance directives),

(R) to contract only with a health care clearinghouse (as defined in section 1320d of this title) that meets each standard and implementation specification adopted or established under part C of subchapter XI on or after the date on which the health care clearinghouse is required to comply with the standard or specification,

(S) in the case of a hospital that has a financial interest (as specified by the Secretary in regulations) in an entity to which individuals are referred as described in section 1395x(ee)(2)(H)(ii) of this title, or in which such

---

\(^1\) See References in Text note below.
an entity has such a financial interest, or in which another entity has such a financial interest (directly or indirectly) with such hospital and such an entity, to maintain and disclose to the Secretary (in a form and manner specified by the Secretary) information on—

(i) the nature of such financial interest,
(ii) the number of individuals who were discharged from the hospital and who were identified as requiring home health services, and
(iii) the percentage of such individuals who received such services from such provider (or another such provider).

(T) in the case of hospitals and critical access hospitals, to furnish to the Secretary such data as the Secretary determines appropriate pursuant to subparagraph (E) of section 1395ww(d)(12) of this title to carry out such sections;

(U) in the case of hospitals which furnish inpatient hospital services for which payment may be made under this subchapter, to be a participating provider of medical care both—

(i) under the contract health services program funded by the Indian Health Service and operated by the Indian Health Service, an Indian tribe, or tribal organization (as those terms are defined in section 1603 of title 25), with respect to items and services that are covered under such program and furnished to an individual eligible for such items and services under such program; and
(ii) under any program funded by the Indian Health Service and operated by an urban Indian organization with respect to the purchase of items and services for an eligible urban Indian (as those terms are defined in section 1603);

in accordance with regulations promulgated by the Secretary regarding admission practices, payment methodology, and rates of payment (including the acceptance of no more than such payment rate as payment in full for such items and services).

(V) in the case of hospitals that are not otherwise subject to the Occupational Safety and Health Act of 1970 (29 U.S.C. 651 et seq.) (or a State occupational safety and health plan that is approved under 18(b) of such Act (29 U.S.C. 667(b))), to comply with the Bloodborne Pathogens standard under section 1910.1030 of title 29 of the Code of Federal Regulations (or as subsequently redesignated),

(W) in the case of a hospital described in section 1395ww(d)(1)(B)(v) of this title, to report quality data to the Secretary in accordance with subsection (k);

(X) maintain and, upon request of the Secretary, provide access to documentation relating to written orders or requests for payment for durable medical equipment, certifications for home health services, or referrals for other items or services written or ordered by the provider under this subchapter, as specified by the Secretary, and

(Y) beginning 12 months after August 6, 2015, in the case of a hospital or critical access hospital, with respect to each individual who receives observation services as an outpatient at such hospital or critical access hospital for more than 24 hours, to provide to such individual not later than 36 hours after the time such individual begins receiving such services (or, if sooner, upon release)—

(i) such oral explanation of the written notification described in clause (ii), and such documentation of the provision of such explanation, as the Secretary determines to be appropriate;
(ii) a written notification (as specified by the Secretary pursuant to rulemaking and containing such language as the Secretary prescribes consistent with this paragraph) which—

(I) explains the status of the individual as an outpatient receiving observation services and not as an inpatient of the hospital or critical access hospital and the reasons for such status of such individual;
(II) explains the implications of such status on services furnished by the hospital or critical access hospital (including services furnished on an inpatient basis), such as implications for cost-sharing requirements under this title and for subsequent eligibility for coverage under this title for services furnished by a skilled nursing facility;
(III) includes such additional information as the Secretary determines appropriate;
(IV) either—
(aa) is signed by such individual or a person acting on such individual’s behalf to acknowledge receipt of such notification; or
(bb) if such individual or person refuses to provide the signature described in item (aa), is signed by the staff member of the hospital or critical access hospital who presented the written notification and includes the name and title of such staff member, a certification that the notification was presented, and the date and time the notification was presented; and
(V) is written and formatted using plain language and is made available in appropriate languages as determined by the Secretary.

In the case of a hospital which has an agreement in effect with an organization described in subparagraph (F), which organization’s contract with the Secretary under part B of subchapter XI is terminated on or after October 1, 1984, the hospital shall not be determined to be out of compliance with the requirement of such subparagraph during the six month period beginning on the date of the termination of that contract.

(2)(A) A provider of services may charge such individual or other person (i) the amount of any deduction or coinsurance amount imposed pursuant to section 1395(e)(a)(1), (a)(3), or (a)(4), section 1395(f), or section 1395x(y)(3) of this title...
with respect to such items and services (not in excess of the amount customarily charged for such items and services by such provider), and (ii) an amount equal to 20 percent of the reasonable charges for such items and services (not in excess of 20 percent of the amount customarily charged for such items and services by such provider) for which payment is made under part B or which are durable medical equipment furnished as home health services (but in the case of items and services furnished to individuals with end-stage renal disease, an amount equal to 20 percent of the estimated amounts for such items and services calculated on the basis established by the Secretary). In the case of items and services described in section 1395(e)(c) of this title, clause (ii) of the preceding sentence shall be applied by substituting for 20 percent the proportion which is appropriate under such section. A provider of services may not impose a charge under clause (ii) of the first sentence of this subparagraph with respect to items and services described in section 1395x(s)(10)(A) of this title and with respect to clinical diagnostic laboratory tests for which payment is made under part B. Notwithstanding the first sentence of this subparagraph, a home health agency may charge such an individual or person, with respect to covered items subject to payment under section 1395m(a) of this title, the amount of any deduction imposed under section 1395(b) of this title and 20 percent of the payment basis described in section 1395m(a)(1)(B) of this title. In the case of items and services for which payment is made under part B under the prospective payment system established under section 1395(t) of this title, clause (ii) of the first sentence shall be applied by substituting for 20 percent of the reasonable charge, the applicable co-payment amount established under section 1395(t)(5)\(^1\) of this title. In the case of services described in section 1395(a)(6) of this title or section 1395(a)(9) of this title for which payment is made under part B under section 1395m(k) of this title, clause (ii) of the first sentence shall be applied by substituting for 20 percent of the reasonable charge for such services 20 percent of the lesser of the actual charge or the applicable co-payment amount (as defined in such section) for such services.

(B) Where a provider of services has furnished, at the request of such individual, items or services which are in excess of or more expensive than the items or services with respect to which payment may be made under this subchapter, such provider of services may also charge such individual or other person for such more expensive items or services to the extent that the amount customarily charged by it for the items or services furnished at such request exceeds the amount customarily charged by it for the items or services with respect to which payment may be made under this subchapter.

(C) A provider of services may in accordance with its customary practice also appropriately charge any such individual for any whole blood (or equivalent quantities of packed red blood cells, as so defined) furnished him with respect to which a deductible is imposed under section 1395e(a)(2) of this title, except that (i) any excess of such charge over the cost to such provider for the blood (or equivalent quantities of packed red blood cells, as so defined) shall be deducted from any payment to such provider under this subchapter, (ii) no such charge may be imposed for the cost of administrative items or services (or equivalent quantities of packed red blood cells, as so defined), and (iii) such charge may not be made to the extent such blood (or equivalent quantities of packed red blood cells, as so defined) has been replaced on behalf of such individual or arrangements have been made for its replacement on its behalf. For purposes of this subparagraph, whole blood (or equivalent quantities of packed red blood cells, as so defined) furnished such individual with respect to which a deduction is imposed under section 1395e(a)(2) of this title.

(D) Where a provider of services customarily furnishes items or services which are in excess of or more expensive than the items or services with respect to which payment may be made under this subchapter, such provider, notwithstanding the preceding provisions of this paragraph, may not, under the authority of subparagraph (B)(ii) of this paragraph, charge any individual or other person any amount for such items or services in excess of the amount of the payment which may otherwise be made for such items or services under this subchapter if the admitting physician has a direct or indirect financial interest in such provider.

(3)(A) Under the agreement required under paragraph (1)(F)(ii), the quality improvement organization must perform functions (other than those covered under an agreement under paragraph (1)(F)(i)) under the third sentence of section 1320c-3(a)(4)(A) of this title and under section 1320c-3(a)(14) of this title with respect to services, furnished by the hospital, critical access hospital, facility, or agency involved for which payment may be made under this subchapter.

(B) For purposes of payment under this subchapter, the cost of such an agreement under the hospital, critical access hospital, facility, or agency shall be considered a cost incurred by such hospital, critical access hospital, facility, or agency in providing covered services under this subchapter and shall be paid directly by the Secretary to the quality improvement organization on behalf of such hospital, critical access hospital, facility, or agency in accordance with a schedule established by the Secretary.

(C) Such payments—

(i) shall be transferred in appropriate proportions from the Federal Hospital Insurance Trust Fund and from the Federal Supplementary Medical Insurance Trust Fund, without regard to amounts appropriated in advance in appropriation Acts, in the same manner as transfers are made for payment for services provided directly to beneficiaries, and (ii) shall not be less in the aggregate for a fiscal year—

(I) in the case of hospitals, than the amount specified in paragraph (1)(F)(i)(III), and
§ 1395cc

(b) Termination or nonrenewal of agreements

(1) A provider of services may terminate an agreement with the Secretary under this section at such time and upon such notice to the Secretary and the public as may be provided in regulations, except that notice of more than six months shall not be required.

(2) The Secretary may refuse to enter into an agreement under this section or, upon such reasonable notice to the provider and the public as may be specified in regulations, may refuse to renew or may terminate such an agreement after the Secretary—

(A) has determined that the provider fails to comply substantially with the provisions of the agreement, with the provisions of this subchapter and regulations thereunder, or with a corrective action required under section 1395x(t)(2)(B) of this title.

(B) has determined that the provider fails substantially to meet the applicable provisions of section 1395x of this title.

(C) has excluded the provider from participation in a program under this subchapter pursuant to section 1320a–7 of this title or section 1320a–7a of this title, or

(D) has ascertained that the provider has been convicted of a felony under Federal or State law for an offense which the Secretary determines is detrimental to the best interests of the program or program beneficiaries.

(3) A termination of an agreement or a refusal to renew an agreement under this subsection shall become effective on the same date and in the same manner as an exclusion from participation under the programs under this subchapter becomes effective under section 1320a–7 of this title.

(4)(A) A hospital that fails to comply with the requirements of section 1395x(p)(4)(A) (relating to the Bloodborne Pathogens standard) is subject to a civil money penalty in an amount described in subparagraph (B), but is not subject to termination of an agreement under this section.

(B) The amount referred to in subparagraph (A) is an amount that is similar to the amount of civil penalties that may be imposed under section 17 of the Occupational Safety and Health Act of 1970 (29 U.S.C. 666) for a violation of the Bloodborne Pathogens standard referred to in subsection (a)(1)(U) by a hospital that is subject to the provisions of such Act (29 U.S.C. 651 et seq.).

(C) A civil money penalty under this paragraph shall be imposed and collected in the same manner as civil money penalties under subsection (a) of section 1320a–7a of this title are imposed and collected under that section.

(2) Where the Secretary has terminated or has refused to renew an agreement under this subchapter with a provider of services, the Secretary shall promptly notify each State agency which administers or supervises the administration of a State plan approved under subchapter XIX of such termination or nonrenewal.

(d) Decision to withhold payment for failure to review long-stay cases

If the Secretary finds that there is a substantial failure to make timely review in accordance with section 1395x(k) of this title of long-stay cases in a hospital, he may, in lieu of terminating his agreement with such hospital decide that, with respect to any individual admitted to such hospital after a subsequent date specified by him, no payment shall be made under this subchapter for inpatient hospital services (including inpatient psychiatric hospital services) after the 20th day of a continuous period of such services. Such decision may be made effective only after such notice to the hospital and to the public, as may be prescribed by regulations, and its effectiveness shall terminate when the Secretary finds that the reason therefore has been removed and that there is reasonable assurance that it will not recur. The Secretary shall not make any such decision except after reasonable notice and opportunity for hearing to the institution or agency affected thereby.

(e) “Provider of services” defined

For purposes of this section, the term “provider of services” shall include—

(1) a clinic, rehabilitation agency, or public health agency if, in the case of a clinic or rehabilitation agency, such clinic or agency meets the requirements of section 1395x(p)(4)(A) of this title, or meets the requirements of such section through the operation of subsection (g) or (l)(2) of section 1395x of this title, or if, in the case of a public health agency, such agency meets the requirements of section 1395x(p)(4)(B) of this title, or meets the requirements of such section through the operation of subsection (g) or (l)(2) of section 1395x of this title, but only with respect to the furnishing of outpatient physical therapy services (as therein defined), (through the operation of section 1395x(g)(1) of this title) with respect to the furnishing of outpatient occupational therapy services, or (through the operation of section 1395x(l)(2) of this title) with respect to the furnishing of outpatient speech-language pathology;

(2) a community mental health center (as defined in section 1395x(ff)(1)(B) of this title), but only with respect to the furnishing of partial hospitalization services (as described in section 1395x(ff)(1) of this title); and

[4] So in original. Probably should be subsection “(a)(1)(V)”.

(c) Refiling after termination or nonrenewal; agreements with skilled nursing facilities

(1) Where the Secretary has terminated or has refused to renew an agreement under this subchapter with a provider of services, such provider may not file another agreement under this subchapter unless the Secretary finds that the reason for the termination or nonrenewal has been removed and that there is reasonable assurance that it will not recur.

(2) Where the Secretary has terminated or has refused to renew an agreement under this subchapter with a provider of services, the Secretary shall promptly notify each State agency which administers or supervises the administration of a State plan approved under subchapter XIX of such termination or nonrenewal.
(3) opioid treatment programs (as defined in paragraph (2) of section 1395x(jjj) of this title), but only with respect to the furnishing of opioid use disorder treatment services (as defined in paragraph (1) of such section).

(f) Maintenance of written policies and procedures

(1) For purposes of subsection (a)(1)(Q) and sections 1395i–3(c)(2)(E), 1395b(g)(2)(E), 1395m–25(e), 1395mm(c)(8), and 1395bbb(a)(6) of this title, the requirement of this subsection is that a provider of services, Medicare+Choice organization, or prepaid or eligible organization (as the case may be) maintain written policies and procedures with respect to all adult individuals receiving medical care by or through the provider or organization—

(A) to provide written information to each such individual concerning—

(i) an individual’s rights under State law (whether statutory or as recognized by the courts of the State) to make decisions concerning such medical care, including the right to accept or refuse medical or surgical treatment and the right to formulate advance directives (as defined in paragraph (3)), and

(ii) the written policies of the provider or organization respecting the implementation of such rights;

(B) to document in a prominent part of the individual’s current medical record whether or not the individual has executed an advance directive;

(C) not to condition the provision of care or otherwise discriminate against an individual based on whether or not the individual has executed an advance directive;

(D) to ensure compliance with requirements of State law (whether statutory or as recognized by the courts of the State) respecting advance directives at facilities of the provider or organization; and

(E) to provide (individually or with others) for education for staff and the community on issues concerning advance directives.

Subparagraph (C) shall not be construed as requiring the provision of care which conflicts with an advance directive.

(2) The written information described in paragraph (1)(A) shall be provided to an adult individual—

(A) in the case of a hospital, at the time of the individual’s admission as an inpatient,

(B) in the case of a skilled nursing facility, at the time of the individual’s admission as a resident,

(C) in the case of a home health agency, in advance of the individual coming under the care of the agency,

(D) in the case of a hospice program, at the time of initial receipt of hospice care by the individual from the program, and

(E) in the case of an eligible organization (as defined in section 1395mm(b) of this title) or an organization provided payments under section 1395(a)(1)(A) of this title or a Medicare+Choice organization, at the time of enrollment of the individual with the organization.

(3) In this subsection, the term “advance directive” means a written instruction, such as a living will or durable power of attorney for health care, recognized under State law (whether statutory or as recognized by the courts of the State) and relating to the provision of such care when the individual is incapacitated.

(4) For construction relating to this subsection, see section 14406 of this title (relating to clarification respecting assisted suicide, euthanasia, and mercy killing).

(g) Penalties for improper billing

Except as permitted under subsection (a)(2), any person who knowingly and willfully presents, or causes to be presented, a bill or request for payment inconsistent with an arrangement under subsection (a)(1)(H) or in violation of the requirement for such an arrangement, is subject to a civil money penalty of not to exceed $2,000. The provisions of section 1320a–7a of this title (other than subsections (a) and (b)) shall apply to a civil money penalty under the previous sentence in the same manner as such provisions apply to a penalty or proceeding under section 1320a–7a(a) of this title.

(h) Dissatisfaction with determination of Secretary; appeal by institutions or agencies; single notice and hearing

(1)(A) Except as provided in paragraph (2), an institution or agency dissatisfied with a determination by the Secretary that it is not a provider of services or with a determination described in subsection (b)(2) shall be entitled to a hearing thereon by the Secretary (after reasonable notice) to the same extent as is provided in section 405(b) of this title, and to judicial review of the Secretary’s final decision after such hearing as is provided in section 405(g) of this title, except that, in so applying such sections and in applying section 405(i) of this title thereto, any reference therein to the Commissioner of Social Security or the Social Security Administration shall be considered a reference to the Secretary or the Department of Health and Human Services, respectively.

(B) An institution or agency described in subparagraph (A) that has filed for a hearing under subparagraph (A) shall have expedited access to judicial review under this subparagraph in the same manner as providers of services, suppliers, and individuals entitled to benefits under part A or enrolled under part B, or both, may obtain expedited access to judicial review under the process established under section 1395ff(b)(2) of this title. Nothing in this subparagraph shall be construed to affect the application of any remedy imposed under section 1395i–3 of this title during the pendency of an appeal under this subparagraph.

(C)(i) The Secretary shall develop and implement a process to expedite proceedings under this subsection in which—

(I) the remedy of termination of participation has been imposed; or

(II) a remedy described in clause (i) or (iii) of section 1395i–3(h)(2)(B) of this title has been imposed, but only if such remedy has been imposed on an immediate basis; or

(II) a remedy described in clause (i) or (iii) of section 1395i–3(h)(2)(B) of this title has been imposed, but only if such remedy has been imposed on an immediate basis; or
(III) a determination has been made as to a finding of substandard quality of care that results in the loss of approval of a skilled nursing facility's nurse aide training program.

(ii) Under such process under clause (i), priority shall be provided in cases of termination described in clause (i)(I).

(iii) Nothing in this subparagraph shall be construed to affect the application of any remedy imposed under section 1395i–3 of this title during the pendency of an appeal under this subparagraph.

(2) An institution or agency is not entitled to separate notice and opportunity for a hearing under both section 1320a–7 of this title and this section with respect to a determination or determinations based on the same underlying facts and issues.

(i) Intermediate sanctions for psychiatric hospitals

(1) If the Secretary determines that a psychiatric hospital which has an agreement in effect under this subchapter no longer meets the requirements for a psychiatric hospital under this subchapter and further finds that the hospital's deficiencies—

(A) immediately jeopardize the health and safety of its patients, the Secretary shall terminate such agreement; or

(B) do not immediately jeopardize the health and safety of its patients, the Secretary may terminate such agreement, or provide that no payment will be made under this subchapter with respect to any individual admitted to such hospital after the effective date of the finding, or both.

(2) If a psychiatric hospital, found to have deficiencies described in paragraph (1)(B), has not complied with the requirements of this subchapter—

(A) within 3 months after the date the hospital is found to be out of compliance with such requirements, the Secretary shall provide that no payment will be made under this subchapter with respect to any individual admitted to such hospital after the end of such 3-month period, or

(B) within 6 months after the date the hospital is found to be out of compliance with such requirements, no payment may be made under this subchapter with respect to any individual in the hospital until the Secretary finds that the hospital is in compliance with the requirements of this subchapter.

(j) Enrollment process for providers of services and suppliers

(1) Enrollment process

(A) In general

The Secretary shall establish by regulation a process for the enrollment of providers of services and suppliers under this subchapter. Such process shall include screening of providers and suppliers in accordance with paragraph (2), a provisional period of enhanced oversight in accordance with paragraph (3), disclosure requirements in accordance with paragraph (5), the imposition of temporary enrollment moratoria in accordance with paragraph (7), and the establishment of compliance programs in accordance with paragraph (9).

(B) Deadlines

The Secretary shall establish by regulation procedures under which there are deadlines for actions on applications for enrollment (and, if applicable, renewal of enrollment). The Secretary shall monitor the performance of Medicare administrative contractors in meeting the deadlines established under this subparagraph.

(C) Consultation before changing provider enrollment forms

The Secretary shall consult with providers of services and suppliers before making changes in the provider enrollment forms required of such providers and suppliers to be eligible to submit claims for which payment may be made under this subchapter.

(2) Provider screening

(A) Procedures

Not later than 180 days after March 23, 2010, the Secretary, in consultation with the Inspector General of the Department of Health and Human Services, shall establish procedures under which screening is conducted with respect to providers of medical or other items or services and suppliers under the program under this subchapter, the Medicaid program under subchapter XIX, and the CHIP program under subchapter XXI.

(B) Level of screening

The Secretary shall determine the level of screening conducted under this paragraph according to the risk of fraud, waste, and abuse, as determined by the Secretary, with respect to the category of provider of medical or other items or services or supplier. Such screening—

(i) shall include a licensure check, which may include such checks across States; and

(ii) may, as the Secretary determines appropriate based on the risk of fraud, waste, and abuse described in the preceding sentence, include—

(I) a criminal background check;

(II) fingerprinting;

(III) unscheduled and unannounced site visits, including preenrollment site visits;

(IV) database checks (including such checks across States); and

(V) such other screening as the Secretary determines appropriate.

(C) Application fees

(i) Institutional providers

Except as provided in clause (ii), the Secretary shall impose a fee on each institutional provider of medical or other items or services or supplier (such as a hospital or skilled nursing facility) with respect to which screening is conducted under this paragraph in an amount equal to—

(I) for 2010, $500; and
(II) for 2011 and each subsequent year, the amount determined under this clause for the preceding year, adjusted by the percentage change in the consumer price index for all urban consumers (all items; United States city average) for the 12-month period ending with June of the previous year.

(ii) Hardship exception; waiver for certain Medicaid providers

The Secretary may, on a case-by-case basis, exempt a provider of medical or other items or services or supplier from the imposition of an application fee under this subparagraph if the Secretary determines that the imposition of the application fee would result in a hardship. The Secretary may waive the application fee under this subparagraph for providers enrolled in a State Medicaid program for whom the State demonstrates that imposition of the fee would impede beneficiary access to care.

(iii) Use of funds

Amounts collected as a result of the imposition of a fee under this subparagraph shall be used by the Secretary for program integrity efforts, including to cover the costs of conducting screening under this paragraph and to carry out this subsection and section 1320a–7k of this title.

(D) Application and enforcement

(i) New providers of services and suppliers

The screening under this paragraph shall apply, in the case of a provider of medical or other items or services or supplier who is not enrolled in the program under this subchapter, subchapter XIX, or subchapter XXI as of March 23, 2010, on or after the date that is 1 year after such date.

(ii) Current providers of services and suppliers

The screening under this paragraph shall apply, in the case of a provider of medical or other items or services or supplier who is enrolled in the program under this subchapter, subchapter XIX, or subchapter XXI as of March 23, 2010, on or after the date that is 2 years after such date.

(iii) Revalidation of enrollment

Effective beginning on the date that is 180 days after such date, the screening under this paragraph shall apply with respect to the revalidation of enrollment of a provider of medical or other items or services or supplier in the program under this subchapter, subchapter XIX, or subchapter XXI.

(iv) Limitation on enrollment and revalidation of enrollment

In no case may a provider of medical or other items or services or supplier who has not been screened under this paragraph be initially enrolled or reenrolled in the program under this subchapter, subchapter XIX, or subchapter XXI on or after the date that is 3 years after such date.

(E) Use of information from the Department of Treasury concerning tax debts

In reviewing the application of a provider of services or supplier to enroll or reenroll under the program under this subchapter, the Secretary shall take into account the information supplied by the Secretary of the Treasury pursuant to section 6031(h)(22) of the Internal Revenue Code of 1986, in determining whether to deny such application or to apply enhanced oversight to such provider of services or supplier pursuant to paragraph (3) if the Secretary determines such provider of services or supplier owes such a debt.

(F) Expedited rulemaking

The Secretary may promulgate an interim final rule to carry out this paragraph.

(3) Provisional period of enhanced oversight for new providers of services and suppliers

(A) In general

The Secretary shall establish procedures to provide for a provisional period of not less than 30 days and not more than 1 year during which new providers of medical or other items or services and suppliers, as the Secretary determines appropriate, including categories of providers or suppliers, would be subject to enhanced oversight, such as prepayment review and payment caps, under the program under this subchapter, the Medicaid program under subchapter XIX, and the CHIP program under subchapter XXI.

(B) Implementation

The Secretary may establish by program instruction or otherwise the procedures under this paragraph.

(4) 90-day period of enhanced oversight for initial claims of DME suppliers

For periods beginning after January 1, 2011, if the Secretary determines that there is a significant risk of fraudulent activity among suppliers of durable medical equipment, in the case of a supplier of durable medical equipment who is within a category or geographic area under this subchapter identified pursuant to such determination and who is initially enrolling under such subchapter, the Secretary shall, notwithstanding sections 1395h(c), 1395u(c), and 1395ff(a)(2) of this title, withhold payment under such subchapter with respect to durable medical equipment furnished by such supplier during the 90-day period beginning on the date of the first submission of a claim under such subchapter for durable medical equipment furnished by such supplier.

(5) Increased disclosure requirements

(A) Disclosure

A provider of medical or other items or services or supplier who submits an application for enrollment or revalidation of enrollment in the program under this subchapter, subchapter XIX, or subchapter XXI on or after the date that is 1 year after March 23, 2010, shall disclose (in a form and manner and at such time as determined by the Sec-
(6) Authority to adjust payments of providers of services and suppliers with the same tax identification number for Medicare obligations

(A) In general

Notwithstanding any other provision of this subchapter, in the case of an applicable provider of services or supplier, the Secretary may make any necessary adjustments to payments to the applicable provider of services or supplier under this subchapter in order to satisfy any amount described in subparagraph (B)(ii) due from such obligated provider of services or supplier.

(B) Definitions

In this paragraph:

(i) In general

The term “applicable provider of services or supplier” means a provider of services or supplier that has the same taxpayer identification number assigned under section 6109 of the Internal Revenue Code of 1986 as is assigned to the obligated provider of services or supplier under such section, regardless of whether the applicable provider of services or supplier is assigned a different billing number or national provider identification number under the program under this subchapter than is assigned to the obligated provider of services or supplier.

(ii) Obligated provider of services or supplier

The term “obligated provider of services or supplier” means a provider of services or supplier that owes an amount that is more than the amount required to be paid under the program under this subchapter (as determined by the Secretary).

(7) Temporary moratorium on enrollment of new providers; nonpayment

(A) In general

The Secretary may impose a temporary moratorium on the enrollment of new providers of services and suppliers, including categories of providers of services and suppliers, in the program under this subchapter, under the Medicaid program under subchapter XIX, or under the CHIP program under subchapter XXI if the Secretary determines such moratorium is necessary to prevent or combat fraud, waste, or abuse under either such program.

(B) Limitation on review

There shall be no judicial review under section 1395ff of this title, section 1395oo of this title, or otherwise, of a temporary moratorium imposed under subparagraph (A).

(C) Nonpayment

(i) In general

No payment may be made under this subchapter or under a program described in subparagraph (A) with respect to an item or service described in clause (ii) furnished on or after October 1, 2017.

(ii) Item or service described

An item or service described in this clause is an item or service furnished—

(I) by a provider of services or supplier described in clause (ii)(II) subject to such temporary moratorium imposed under subparagraph (A) is in effect; and

(II) by a provider of services or supplier that meets the requirements of clause (iii).

(iii) Requirements

For purposes of clause (ii), the requirements of this clause are that a provider of services or supplier—

(I) enrolls under this subchapter on or after the effective date of such temporary moratorium; and

(II) is within a category of providers of services and suppliers (as described in subparagraph (A)) subject to such temporary moratorium.

(iv) Prohibition on charges for specified items or services

In no case shall a provider of services or supplier described in clause (ii)(II) charge an individual or other person for an item or service described in clause (ii) furnished on or after October 1, 2017, to an individual entitled to benefits under part A or enrolled under part B or an individual under a program specified in subparagraph (A).

(8) Hearing rights in cases of denial or non-renewal

A provider of services or supplier whose application to enroll (or, if applicable, to renew enrollment) under this subchapter is denied may have a hearing and judicial review of such denial under the procedures that apply under subsection (h)(1)(A) to a provider of services that is dissatisfied with a determination by the Secretary.

(9) Compliance programs

(A) In general

On or after the date of implementation determined by the Secretary under subparagraph (C), a provider of medical or other items or services or supplier within a par-
ticular industry sector or category shall, as a condition of enrollment in the program under this subchapter, subchapter XIX, or subchapter XXXI, establish a compliance program that contains the core elements established under subparagraph (B) with respect to that provider or supplier and industry or category.

(B) Establishment of core elements

The Secretary, in consultation with the Inspector General of the Department of Health and Human Services, shall establish core elements for a compliance program under subparagraph (A) for providers or suppliers within a particular industry or category.

(C) Timeline for implementation

The Secretary shall determine the timeline for the establishment of the core elements under subparagraph (B) and the date of the implementation of subparagraph (A) for providers or suppliers within a particular industry or category. The Secretary shall, in determining such date of implementation, consider the extent to which the adoption of compliance programs by a provider of medical or other items or services or supplier is widespread in a particular industry sector or with respect to a particular provider or supplier category.

(k) Quality reporting by cancer hospitals

(1) In general

For purposes of fiscal year 2014 and each subsequent fiscal year, a hospital described in section 1395ww(d)(1)(B)(v) of this title shall submit data to the Secretary in accordance with paragraph (2) with respect to such a fiscal year.

(2) Submission of quality data

For fiscal year 2014 and each subsequent fiscal year, each hospital described in such section shall submit to the Secretary data on quality measures specified under paragraph (3). Such data shall be submitted in a form and manner, and at a time, specified by the Secretary for purposes of this subparagraph.

(3) Quality measures

(A) In general

Subject to subparagraph (B), any measure specified by the Secretary under this paragraph must have been endorsed by the entity with a contract under section 1395aaa(a) of this title.

(B) Exception

In the case of a specified area or medical topic determined appropriate by the Secretary for which a feasible and practical measure has not been endorsed by the entity with a contract under section 1395aaa(a) of this title, the Secretary may specify a measure that is not so endorsed as long as due consideration is given to measures that have been endorsed or adopted by a consensus organization identified by the Secretary.

(C) Time frame

Not later than October 1, 2012, the Secretary shall publish the measures selected under this paragraph that will be applicable with respect to fiscal year 2014.

(4) Public availability of data submitted

The Secretary shall establish procedures for making data submitted under paragraph (4) available to the public. Such procedures shall ensure that a hospital described in section 1395ww(d)(1)(B)(v) of this title has the opportunity to review the data that is to be made public with respect to the hospital prior to such data being made public. The Secretary shall report quality measures of process, structure, outcome, patients' perspective on care, efficiency, and costs of care that relate to services furnished in such hospitals on the Internet website of the Centers for Medicare & Medicaid Services.
§ 1395sec


Subsec. (a)(1)(I). Pub. L. 105–33, § 450(c)(1), substituted “critical access” for “rural primary care” in paragraph (1) of this section.

Subsec. (a)(1)(J). Pub. L. 105–33, § 450(c)(2), substituted “critical access” for “rural primary care” in paragraph (1) of this section.

Subsec. (a)(1)(K). Pub. L. 105–33, § 450(c)(3), substituted “critical access” for “rural primary care” in paragraph (1) of this section.

Subsec. (a)(1)(L). Pub. L. 105–33, § 450(c)(4), substituted “critical access” for “rural primary care” in paragraph (1) of this section.

Subsec. (a)(1)(M). Pub. L. 105–33, § 450(c)(5), substituted “critical access” for “rural primary care” in paragraph (1) of this section.

Subsec. (a)(1)(N). Pub. L. 105–33, § 450(c)(6), substituted “critical access” for “rural primary care” in paragraph (1) of this section.

Subsec. (a)(1)(O). Pub. L. 105–33, § 450(c)(7), substituted “critical access” for “rural primary care” in paragraph (1) of this section.

Subsec. (a)(1)(P). Pub. L. 105–33, § 450(c)(8), substituted “critical access” for “rural primary care” in paragraph (1) of this section.

Subsec. (a)(1)(Q). Pub. L. 105–33, § 450(c)(9), substituted “critical access” for “rural primary care” in paragraph (1) of this section.

Subsec. (a)(1)(R). Pub. L. 105–33, § 450(c)(10), substituted “critical access” for “rural primary care” in paragraph (1) of this section.

Subsec. (a)(1)(S). Pub. L. 105–33, § 450(c)(11), substituted “critical access” for “rural primary care” in paragraph (1) of this section.

Subsec. (a)(1)(T). Pub. L. 105–33, § 450(c)(12), substituted “critical access” for “rural primary care” in paragraph (1) of this section.
§ 1395sec

TITLE 42—THE PUBLIC HEALTH AND WELFARE

Page 3284

a hospital or skilled nursing facility”, “such hospital” for “such hospital or facility” in two places, “period of such services” for “period of such services or for post-hospital extended care services after such day of a continuous period of such care as is prescribed in or pursuant to regulations, as the case may be”, and “notice to the hospital” for “notice to the hospital or, in the case of a hospital or skilled nursing facility and the hospital or hospitals with which it has a transfer agreement,”.


Subsec. (a)(2)(A). Pub. L. 101–234, § 201(a), repealed Pub. L. 100–360, §§ 201(b), (d), 202(h)(1), and provided that the provisions of law amended or repealed by such sections are restored or revived as if such sections had not been enacted, see 1988 Amendment notes below.

Subsec. (a)(2)(B). Pub. L. 101–238, § 6017, redesignated cl. (i) as subpar. (B) and struck out cl. (ii) which authorized charges for items or services more expensive than determined to be necessary and which have not been requested by the individual to the extent that such costs in the second fiscal period preceding the fiscal period in which such charges are imposed exceed necessary costs, under certain circumstances.


Subsec. (a)(3)(A). Pub. L. 101–234, § 110(a), repealed Pub. L. 100–360, § 104(d)(5), and provided that the provisions of law amended or repealed by such section are restored or revived as if such section had not been enacted, see 1988 Amendment note below.


Subsec. (a)(1)(O). Pub. L. 100–360, § 1141(c)(2)(A)(i), substituted cls. (i) and (ii) for “with a risk-sharing contract under section 1395mm of this title”.

Subsec. (a)(2)(A). Pub. L. 100–360, § 201(d), substituted “section 1395mm(d)(1) of this title” for “section 1395m(c) of this title” in second sentence.


Pub. L. 100–360, § 1141(g)(3)(D)(II), inserted “1395mm,” after “1395m(b),” and “and in the case of covered outpatient drugs, applicable coinsurance percent (specified in section 1395m(c)(2)(C) of this title) of the lesser of the actual charges for the drugs or the payment limit (established under section 1395m(c)(3) of this title)” after “established by the Secretary”.

Pub. L. 100–360, § 201(b), inserted at end “A provider of services may not impose a charge under the first sentence of this subparagraph for services for which payment is made to the provider pursuant to section 1395l(c) of this title (relating to catastrophic benefits),”.


Subsec. (f). Pub. L. 100–485, § 608(b)(1), struck out subsec. (f) which provided for termination or decertification of acute care hospitals.


1987—Subsec. (a)(1)(F)(i)(III). Pub. L. 100–203, § 4097(a), substituted “1988” for “1986” and inserted “and for any direct or administrative costs incurred as a result of re-
view functions added with respect to a subsequent fiscal year after ‘‘inflation’’.


Subsec. (a)(2)(A). Pub. L. 100–203, § 4062(d)(4), inserted at end ‘‘Notwithstanding the first sentence of this subparagraph, a home health agency may charge such an individual or person, with respect to covered items and services of a certified registered nurse anesthetist after ‘‘section 1395v(s)(14) of this title’’.’

Subsec. (a)(3). Pub. L. 100–93, § 4(d)(1), (4), substituted ‘‘(the Secretary has terminated or has refused to renew an agreement under this subchapter with a provider of services for ‘‘an agreement filed under this subchapter by a provider of services has been terminated by the Secretary’’ and inserted ‘‘or nonrenewal’’ after ‘‘termination’’.’

Subsec. (b). Pub. L. 100–93, § 4(d)(2), amended subsec. (b) generally, substituting paras. (1) to (3) for former paras. (1) to (5).

Subsec. (c)(1). Pub. L. 100–93, § 4(d)(3), (4), substituted ‘‘the Secretary has terminated or has refused to renew an agreement under this subchapter with a provider of services for ‘‘an agreement filed under this subchapter by a provider of services has been terminated by the Secretary’’ and inserted ‘‘or nonrenewal’’ after ‘‘termination’’.’

Subsec. (c)(2). Pub. L. 100–203, § 4212(e)(4), redesignated paras. (3) and (4) and struck out former paras. (2) which read as follows: ‘‘In the case of a skilled nursing facility participating in the programs established by this subchapter and subchapter XIX of this chapter, the Secretary may enter into an agreement under this section only if such facility has been approved pursuant to section 1396a(a) of this title, and the term of any such agreement shall be in accordance with the period of approval of eligibility specified by the Secretary pursuant to such section.’’

Subsec. (c)(3). Pub. L. 100–203, § 4212(e)(4), redesignated paras. (3) and (4), substituted ‘‘the Secretary has terminated or has refused to renew an agreement under this subchapter with a provider of services for ‘‘an agreement filed under this subchapter by a provider of services has been terminated by the Secretary’’ and inserted ‘‘or nonrenewal’’ after ‘‘termination’’.’

Subsec. (g). Pub. L. 100–203, § 4085(c)(26), as added by Pub. L. 100–360, § 411(i)(4)(C)(vi), substituted ‘‘money penalty’’ for ‘‘monetary penalty’’ in first sentence and amended second sentence generally. Prior to amendment, second sentence read as follows: ‘‘Such a penalty shall be imposed in the same manner as civil monetary penalties are imposed under section 1320c–19 of this title with respect to actions described in subsection (a) of that section.’’

Pub. L. 100–203, § 4085(c)(17), substituted ‘‘inconsistent with an arrangement under subsection (a)(1)(H)’’ for ‘‘in violation of the requirement for such an arrangement’’ for ‘‘for a hospital outpatient service for which payment may be made under part B of this subchapter and such bill or request violates an arrangement under subsection (a)(1)(H)’’.


1986—Subsec. (a)(1)(F). Pub. L. 99–509, § 9333(e)(1)(A), designated existing provisions as cl. (i) and in cl. (i), as so designated, redesignated former cls. (i) to (iii) as subcls. (i) to (II), and added cl. (I).

Pub. L. 99–272, § 9402(a), redesignated cl. (iv) as (iii) and in cl. (iii), as so redesignated, substituted ‘‘1986’’ for ‘‘1982’’ and struck out former cl. (ii) which provided that the cost of such arrangement to the hospital shall not be less than amount which reflects the rates per review established in fiscal year 1982 for both direct and administrative costs (adjusted for inflation).
Pub. L. 98–369, §2335(d)(1), substituted “(including inpatient psychiatric hospital services)” for “(including inpatient hospital services and inpatient psychiatric hospital services)”.
Subsec. (b)(4). Pub. L. 98–369, §2348(a), substituted “more than 30 days after such effective date” for “after the calendar year in which such termination is effective”.
Subsec. (d). Pub. L. 98–369, §2335(d)(2), substituted “(including inpatient psychiatric hospital services)” for “(including inpatient tuberculosis hospital services and inpatient psychiatric hospital services)”.

1982—Subsec. (a)(1). Pub. L. 98–21, §602(v), inserted provision at end of par. (1) that in the case of a hospital which has an agreement in effect with an organization described in subparagraph (F), which organization’s contract with the Secretary under part B of subchapter XI terminates on or after October 1, 1981, the hospital shall not be determined to be out of compliance with the requirement of such subparagraph during the six month period beginning on the date of the termination of that contract.
Subsec. (a)(1)(A). Pub. L. 98–21, §602(v)(1), which provided that, effective Oct. 1, 1984, subpar. (F) is amended by substituting “with an organization” for “‘if there is such an organization’”, was repealed by Pub. L. 98–369, §2347(a)(2), effective July 18, 1984.
Subsec. (a)(2)(B)(ii). Pub. L. 98–21, §602(f)(2), inserted “and except with respect to inpatient hospital costs with respect to which amounts are payable under section 1395ww(d) of this title” after “except with respect to emergency services” in provision preceding subcl. (1).


Subsec. (b). Pub. L. 97–248, §128(a)(5), in provisions preceding par. (1), struck out “‘(and in the case of a skilled nursing facility, prior to the end of the term specified in subsection (a)(1) of this section)’” after “may be terminated”.
Subsec. (b)(4)(A). Pub. L. 97–248, §122(g)(6), inserted “or hospice care” after “home health services”.

1980—Subsec. (a)(2)(A). Pub. L. 96–611 inserted provision that a provider of services may not impose a charge under clause (ii) of the first sentence of this subparagraph with respect to items and services described in section 1395f(a)(10) of this title for which payment is made under part B of this subchapter.

1978—Subsec. (a)(2)(A). Pub. L. 95–292 provided for computation of and charging of coinsurance amounts for items and services furnished individuals with end stage renal disease on the basis established by the Secretary.

Subsec. (b)(2)(C). Pub. L. 95–142, §3(b), designated existing provisions as subcl. (i) and added subcl. (ii).
14(b) of Pub. L. 115–182, set out as a note under section 1712 of Title 38, Veterans’ Benefits.

**Effective Date of 2011 Amendment**

Amendment by Pub. L. 112–40 applicable to contracts entered into or renewed on or after Jan. 1, 2012, see section 261(e) of Pub. L. 112–40, set out as a note under section 1320c of this title.

**Effective Date of 2010 Amendment**

Amendment by section 6406(b) of Pub. L. 111–148 applicable to orders, certifications, and referrals made on or after Jan. 1, 2010, see section 6406(d) of Pub. L. 111–148, set out as a note under section 1320a–7 of this title.

**Effective Date of 2008 Amendment**

Amendment by Pub. L. 110–275 applicable to services furnished on or after July 1, 2009, see section 143(c) of Pub. L. 110–275, set out as a note under section 1395k of this title.

**Effective Date of 2003 Amendment**

Pub. L. 108–173, title II, §236(c), Dec. 8, 2003, 117 Stat. 2212, provided that: ‘‘The amendments made by this section [amending this section and sections 1395ee, 1395gs, and 1396u–4 of this title] shall apply to services furnished on or after January 1, 2004.’’

Amendment by section 505(b) of Pub. L. 108–173 first applicable to the wage index for discharges occurring on or after Oct. 1, 2004, see section 505(c) of Pub. L. 108–173, set out as a note under section 1395sw of this title.

Pub. L. 108–173, title V, §506(b), Dec. 8, 2003, 117 Stat. 2295, provided that: ‘‘The amendments made by this section [amending this section shall apply as of a date specified by the Secretary of Health and Human Services (but in no case later than 1 year after the date of enactment of this Act [Dec. 8, 2003]) to Medicare participation agreements in effect (or entered into) on or after such date.’’

Amendment by section 932(b), (c)(1) of Pub. L. 108–173 applicable to appeals filed on or after Oct. 1, 2004, see section 932(d) of Pub. L. 108–173, set out as a note under section 1385–1 of this title.


‘‘(1) ENROLLMENT PROCESS.—The Secretary of Health and Human Services shall provide for the establishment of the enrollment process under section 1866(j)(1) of the Social Security Act [42 U.S.C. 1395cc(j)(1)], as added by subsection (a)(2), within 6 months after the date of the enactment of this Act [Dec. 8, 2003].’’

‘‘(2) PROVIDER AGREEMENT.—Section 1866(j)(1)(C) of the Social Security Act [42 U.S.C. 1395cc(j)(1)(C)], as added by subsection (a)(2), shall apply with respect to changes in provider enrollment forms made on or after January 1, 2004.’’

‘‘(3) HEARING RIGHTS.—Section 1866(j)(2) [now 1866(j)(1)] of the Social Security Act [42 U.S.C. 1395cc(j)(1)], as added by subsection (a)(2), shall apply to denials occurring on or after such date (not later than 1 year after the date of the enactment of this Act [Dec. 8, 2003]) as the Secretary specifies.’’

Pub. L. 108–173, title IX, §947(b), Dec. 8, 2003, 117 Stat. 2425, provided that: ‘‘The amendments made by this [sic] subsection (a) [amending this section] shall apply to hospitals as of July 1, 2004.’’

**Effective Date of 2000 Amendment**

Amendment by Pub. L. 106–544 applicable to services furnished on or after Jan. 1, 2001, see section 1(a)(6) [title III, §313(c)] of Pub. L. 106–544, set out as a note under section 1395n of this title.

**Effective Date of 1999 Amendment**


**Effective Date of 1997 Amendment**

Amendment by Pub. L. 105–12 effective Apr. 30, 1997, and applicable to Federal payments made pursuant to obligations incurred after Apr. 30, 1997, for items and services provided on or after such date, subject to also being applicable with respect to contracts entered into, renewed, or extended after Apr. 30, 1997, as well as contracts entered into before Apr. 30, 1997, to the extent permitted under such contracts, see section 11 of Pub. L. 105–12, set out as an Effective Date note under section 14401 of this title.

Amendment by section 4201(c)(1) of Pub. L. 105–33 applicable to services furnished on or after Oct. 1, 1997, see section 4201(d) of Pub. L. 105–33, set out as a note under section 1395f of this title.

Amendment by section 4202(a) of Pub. L. 105–33 effective Aug. 5, 1997, and applicable to the entry and renewal of contracts on or after such date, see section 4202(c) of Pub. L. 105–33, set out as a note under section 1395k of this title.

Amendment by section 4202(b) of Pub. L. 105–33 effective as of date specified by Secretary of Health and Human Services in regulations to be issued by Secretaty not later than date which is one year after Aug. 5, 1997, see section 4202(d)(2) of Pub. L. 105–33, set out as an Effective Date note under section 1320b–16 of this title.

Amendment by section 4423(b)(5)(F) of Pub. L. 105–33 applicable to items and services furnished on or after July 1, 1998, see section 4423(d) of Pub. L. 105–33, set out as a note under section 1395l–3 of this title.


Amendment by section 451(a)(3) of Pub. L. 105–33 applicable to services furnished on or after Jan. 1, 1999, see section 451(e) of Pub. L. 105–33, set out as a note under section 1395f of this title.

Pub. L. 105–33, title IV, §4641(b), Aug. 5, 1997, 111 Stat. 487, provided that: ‘‘The amendment made by subsection (a) [amending this section] shall apply to provider agreements entered into, renewed, or extended on or after such date (not later than 1 year after the date of the enactment of this Act [Aug. 5, 1997]) as the Secretary of Health and Human Services specifies.’’

Amendments by section 4714(c) of Pub. L. 105–33 applicable to payment for (and with respect to provider agreements with respect to) items and services furnished on or after Aug. 5, 1997, see section 4714(c) of Pub. L. 105–33, set out as a note under section 1396a of this title.

**Effective Date of 1994 Amendment**


Amendment by section 147(e)(7) of Pub. L. 105–432 effective as if included in the enactment of Pub. L. 105–51, set out as section 147(g) of Pub. L. 105–432, set out as a note under section 1395n of this title.

Amendment by section 156(a)(2)(E) of Pub. L. 105–432 applicable to services provided on or after Oct. 31, 1994, see section 156(a)(3) of Pub. L. 105–432, set out as a note under section 1320c–3 of this title.


**Effective Date of 1990 Amendment**

this subsection [amending this section and section 1395dd of this title] shall apply to actions occurring on or after the first day of the sixth month following the date of the enactment of this Act (Nov. 5, 1990).”


Amendment by section 4153(c)(2) of Pub. L. 101–508 applicable to services furnished on or after Jan. 1, 1991, see section 4157(d) of Pub. L. 101–508, set out as a note under section 1395f of this title.

Amendment by section 4153(b)(2) of Pub. L. 101–508 applicable with respect to partial hospitalization services provided on or after Oct. 1, 1991, see section 4162(c) of Pub. L. 101–508, set out as a note under section 1395k of this title.

Effective Date of 1989 Amendment


Effective Date of 1988 Amendment

Amendment by section 608(d)(3)(F), (19(A) of Pub. L. 100–485 effective as if included in the enactment of the Omnibus Budget Reconciliation Act of 1989 [Pub. L. 101–239, as amended, set out as a note under section 1395m of this title].

Effective Date of 1987 Amendment

Amendment by section 4012(a) of Pub. L. 100–203 applicable to admissions occurring on or after Jan. 1, 1988, or, if later, the earliest date the Secretary can provide the information required under section 4012(c) of Pub. L. 100–203 (42 U.S.C. 1395m note) in machine readable form, see section 4012(d) of Pub. L. 100–203, set out as a note under section 1395mm of this title.

Effective Date of 1986 Amendment

Pub. L. 99–576, title II, § 233(b), Oct. 28, 1986, 100 Stat. 3265, provided that: “The amendments made by subsection (a) [amending this section] shall apply to patient hospital services provided pursuant to admissions to hospitals occurring after June 30, 1987.”

Amendment by Pub. L. 99–514 effective, except as otherwise provided, as if included in enactment of the Consolidated Omnibus Budget Reconciliation Act of 1985, Pub. L. 99–272, see section 1895(c) of Pub. L. 99–514, set out as a note under section 162 of Title 26, Internal Revenue Code.


Amendment by section 9332(i)(2) of Pub. L. 99–509 applicable to services furnished on or after Jan. 1, 1989, with exceptions for hospitals located in rural areas which meet certain requirements related to certified registered nurse anesthetists, see section 9305(b)(2), Oct. 21, 1986, 100 Stat. 3255, provided that: “The amendment made by paragraph (1) [amending this section] shall apply to admissions occurring under section 1866(a) of the Social Security Act [42 U.S.C. 1395cc(a)(1)(M)] not later than six months after the date of the enactment of this Act [Oct. 21, 1986]. The requirement of such section shall apply to admissions to hospitals occurring on such date (not later than 60 days after the date such language is first prescribed) as the Secretary shall provide.”

Amendment by section 9330(b)(2) of Pub. L. 99–509 applicable to services furnished on or after Jan. 1, 1989, with exceptions for hospitals located in rural areas which meet certain requirements related to certified registered nurse anesthetists, see section 9330(b)(2), Oct. 21, 1986, 100 Stat. 2025, provided that: “The amendment made by paragraph (1) [amending this section] shall apply to admissions occurring after Jan. 1, 1988, to premiums for January 1989 and effective Jan. 1, 1989, see section 15(a) of Pub. L. 100–93, set out as a note under section 1395a–7 of this title.”
tional therapy services furnished on or after July 1, 1987, see section 933(c) of Pub. L. 99–509, set out as a note under section 1395k of this title.

Amendment by section 9343(c) of Pub. L. 99–509 applicable to services furnished after June 30, 1987, see section 9344(c)(4) of Pub. L. 99–509, as amended, set out as a note under section 1395i of this title.


Amendment by section 602(b)(2) of Pub. L. 98–21 applicable to items and services furnished by or under arrangement with a hospital beginning with its first cost reporting period that begins on or after Oct. 1, 1983, any change in a hospital’s cost reporting period made after November 1982 to be recognized for such purposes only if the Secretary finds good cause therefor, see section 604(a)(1) of Pub. L. 98–21, set out as a note under section 1395ww of this title.

Subsec. (a)(1)(P) to (H) of this section, as added by section 602(b)(1)(C) of Pub. L. 98–21, effective Oct. 1, 1983, see section 604(a)(2) of Pub. L. 98–21, set out as a note under section 1395ww of this title.

Amendment by section 309(c)(3) of Pub. L. 97–48 effective as if originally included in the provision of the Tax Equity and Fiscal Responsibility Act of 1982, Pub. L. 97–248, to which such amendment relates, see section 309(c)(1) of Pub. L. 97–48, set out as a note under section 426 of this title.

Amendment by section 309(b)(11) of Pub. L. 97–48 effective as if originally included as a part of this section as this section was amended by the Tax Equity and Fiscal Responsibility Act of 1982, Pub. L. 97–248, see section 309(c)(2) of Pub. L. 97–48, set out as a note under section 426–1 of this title.

Amendment by section 122(g)(5), (6) of Pub. L. 97–248 applicable to hospice care provided on or after Nov. 1, 1983, see section 122(h)(1) of Pub. L. 97–248, as amended, set out as a note under section 1395cc of this title.

Amendment by section 123(a)(5) of Pub. L. 97–248 effective as if originally included as part of this section as this section was amended by the Omnibus Budget Reconciliation Act of 1981, Pub. L. 97–35, see section 128(e)(2) of Pub. L. 97–248, set out as a note under section 1396x of this title.


Amendment by section 144 of Pub. L. 97–248 effective with respect to contracts entered into or renewed on or after Sept. 3, 1982, see section 149 of Pub. L. 97–248, set out as an Effective Date note under section 1320c of this title.

Amendment by Pub. L. 96–611 effective July 1, 1981, and applicable to services furnished on or after that date, see section 2 of Pub. L. 96–611, set out as a note under section 1320c of this title.

Amendment by Pub. L. 95–292 effective with respect to services, supplies, and equipment furnished after the third calendar month beginning after June 13, 1978, except that provisions for the implementation of an incentive reimbursement system for dialysis services furnished in facilities and providers to become effective with respect to a facility’s or provider’s first accounting period beginning after the last day of the twelfth month following the month of June 1978, and except that provisions for reimbursement rates for home dialysis to become effective on Apr. 1, 1979, see section 6 of Pub. L. 95–292, set out as a note under section 426 of this title.


"(1) The amendments made by this section [amending this section and sections 1396a, 1396d, and 1396i of this title] shall (except as otherwise provided in paragraph (2)) apply to medical assistance provided, under a State plan approved under title XIX of the Social Security Act [42 U.S.C. 1396 et seq.], on and after the first day of the first calendar quarter that begins more than six


"(1) The amendments made by this section [amending this section and sections 1396a, 1396d, and 1396i of this title] shall (except as otherwise provided in paragraph (2)) apply to medical assistance provided, under a State plan approved under title XIX of the Social Security Act [42 U.S.C. 1396 et seq.], on and after the first day of the first calendar quarter that begins more than six
months after the date of enactment of this Act [Dec. 13, 1977].

“(2) In the case of a State plan for medical assistance under title XIX of the Social Security Act [42 U.S.C. 1396 et seq.],] which the Secretary determines requires State legislation in order for the plan to meet the additional requirements imposed by the amendments made by this section, the State plan shall not be regarded as failing to comply with the requirements of such title [42 U.S.C. 1396 et seq.], solely on the basis of its failure to meet those additional requirements before the first day of the first calendar quarter beginning after the close of the first regular session of the State legislature that begins after the date of enactment of this Act [Dec. 13, 1977].”

Amendment by section 3(b) of Pub. L. 95–142 effective Oct. 25, 1977, see section 3(e) of Pub. L. 95–142, set out as an Effective Date note under section 1320a–3 of this title.

Amendment by section 8(b) of Pub. L. 95–142 (amending this section) applicable with respect to contracts, agreements, etc., made on and after first day of fourth month beginning after Oct. 25, 1977, see section 8(e) of Pub. L. 95–142, set out as an Effective Date note under section 1320a–5 of this title.

Amendment by section 19(b)(3) of Pub. L. 95–142 effective Oct. 25, 1977, see section 19(c) of Pub. L. 95–142, set out as a note under section 1399v of this title.

Pub. L. 95–142, §15(b), Oct. 25, 1977, 91 Stat. 1200, provided that: “The amendments made by subsection (a) [amending this section] shall apply with respect to agreements entered into or renewed on and after the date of enactment of this Act [Oct. 25, 1977].”

**Effective Date of 1972 Amendment**

Amendment by section 22(e), (g) of Pub. L. 92–603 effective with respect to accounting periods beginning after Dec. 31, 1972, see section 22(h) of Pub. L. 92–603, set out as a note under section 1365x of this title.

Amendment by section 227(d)(2) of Pub. L. 92–603 applicable with respect to accounting periods beginning after June 30, 1973, see section 227(g) of Pub. L. 92–603, set out as a note under section 1365x of this title.

Pub. L. 92–603, title II, §284(a), Oct. 30, 1972, 86 Stat. 1427, provided that: “The provisions of this section [enacting section 1396 of this title and amending this section] shall be effective with respect to agreements filed with the Secretary under section 1866 of the Social Security Act (42 U.S.C. 1396c) by skilled nursing facilities (as defined in section 1861(j) of such Act [42 U.S.C. 1395x(j)]) before, on, or after the date of enactment of this Act [Oct. 30, 1972], but accepted by him on or after such date.”

Amendment by section 281(c) of Pub. L. 92–603 applicable in the case of notices sent to individuals after 1968, see section 281(g) of Pub. L. 92–603, set out as a note under section 1395gg of this title.

**Effective Date of 1968 Amendment**

Amendment by section 128(c)(12) of Pub. L. 90–248 applicable with respect to services furnished after Mar. 31, 1968, see section 129(d) of Pub. L. 90–248, set out as a note under section 1395s of this title.

Amendment by section 133(c) of Pub. L. 90–248 applicable with respect to services furnished after June 30, 1968, see section 133(g) of Pub. L. 90–248, set out as a note under section 1395s of this title.

Amendment by section 135(b) of Pub. L. 90–248 applicable with respect to payment for blood (or packed red blood cells) furnished an individual after Dec. 31, 1967, see section 135(d) of Pub. L. 90–248, set out as a note under section 1395s of this title.

**Disclosure of Medicare Terminated Providers and Suppliers to States**

Pub. L. 111–148, title VI, §4601(b)(2), Mar. 23, 2010, 124 Stat. 752, provided that: “The Administrator of the Centers for Medicare & Medicaid Services shall establish a process for making available to the each [sic] State agency with responsibility for administering a State Medicaid plan (or a waiver of such plan) under title XIX of the Social Security Act [42 U.S.C. 1396 et seq.] or a child health plan under title XXI [42 U.S.C. 1397aa et seq.] the name, national provider identifier, and other identifying information for any provider of medical or other items or services or supplier under the Medicare program under title XVIII [42 U.S.C. 1395 et seq.] or under the CHIP program under title XXI that is terminated from participation under that program within 30 days of the termination (and, with respect to all such providers or suppliers who are terminated from the Medicare program on the date of enactment of this Act [Mar. 23, 2010], within 90 days of such date].”

**Office of the Inspector General, Report on Compliance with and Enforcement of National Standards on Culturally and Linguistically Appropriate Services (CLAS) in Medicare**


“(a) Report.—Not later than two years after the date of the enactment of this Act [July 15, 2008], the Inspector General of the Department of Health and Human Services shall prepare and publish a report on the extent to which Medicare providers and plans are complying with the Office for Civil Rights’ Guidance to Federal Financial Assistance Recipients Regarding Title VI Prohibition Against National Origin Discrimination Affecting Limited English Proficient Persons and the Office of Minority Health’s Culturally and Linguistically Appropriate Services Standards in health care, and

“(2) a description of the costs associated with or savings related to the provision of language services. Such report shall include recommendations on improving compliance with CLAS Standards and recommendations on improving enforcement of CLAS Standards.

“(b) Implementation.—Not later than one year after the date of publication of the report under subsection (a), the Department of Health and Human Services shall implement changes responsive to any deficiencies identified in the report.”

**GAO Study and Report on the Propagation of Concierge Care**


“(A) Study.—

“(1) In general.—The Comptroller General of the United States shall conduct a study on concierge care (as defined in paragraph (2)) to determine the extent to which such care—

“(A) is used by Medicare beneficiaries (as defined in section 1802(b)(5)(A) of the Social Security Act (42 U.S.C. 1395aa(b)(5)(A))); and

“(B) has impacted upon the access of Medicare beneficiaries (as so defined) to items and services for which reimbursement is provided under the Medicare program under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.).

“(2) Concierge care.—In this section, the term ‘concierge care’ means an arrangement under which, as a prerequisite for the provision of a health care item or service to an individual, a physician, practitioner (as described in section 1842(b)(18)(C) of the Social Security Act (42 U.S.C. 1395uu(b)(18)(C))), or other individual—

“(A) charges a membership fee or another incidental fee to an individual desiring to receive the health care item or service from such physician, practitioner, or other individual or regulation to carry out the amendments made by subsection (a) [amending this section].”
cian, practitioner, or other individual to purchase an item or service.

"(b) Report.—Not later than the date that is 12 months after the date of enactment of this Act (Dec. 8, 2003), the Comptroller General of the United States shall submit to Congress a report on the study conducted under subsection (a)(1) together with such recommendations for legislative or administrative action as the Comptroller General determines to be appropriate."

EFFECT ON STATE LAW

Pub. L. 101–508, title IV, §4206(c), Nov. 5, 1990, 104 Stat. 1388–116, provided that: “Nothing in subsections (a) and (b) [amending this section and sections 1395 and 1395mm of this title] shall be construed to prohibit the application of a State law which allows for an objection on the basis of conscience for any health care provider or any agent of such provider which, as a matter of conscience, cannot implement an advance directive.”

REPORTS TO CONGRESS ON NUMBER OF HOSPITALS TERMINATING OR NOT RENEWING PROVIDER AGREEMENTS

Pub. L. 99–576, title II, §229(c), Oct. 29, 1986, 100 Stat. 3265, provided that: “(1) The Secretary of Health and Human Services shall periodically submit to the Congress a report on the number of hospitals that have terminated or failed to renew an agreement under section 1866 of the Social Security Act [42 U.S.C. 1395cc] as a result of the additional conditions imposed under the amendments made by section (a) [amending this section].

“(2) Not later than October 1, 1987, the Administrator of Veterans’ Affairs shall submit to the Committees on Veterans’ Affairs of the Senate and House of Representatives a report regarding implementation of this section [amending this section]. Thereafter, the Administrator shall notify such committees if any hospital terminates or fails to renew an agreement described in paragraph (1) for the reasons described in that paragraph.”

[For termination, effective May 15, 2000, of provisions of law requiring submittal to Congress of any annual, semiannual, or other regular periodic report listed in House Document No. 103–7 (in which item 7 on page 96 identifies a report on “Hospitals that have terminated or failed to renew an agreement under section 1866 of the Social Security Act [42 U.S.C. 1395cc] as a result of the additional conditions imposed” authorized by 42 U.S.C. 1395cc note), see section 3003 of Pub. L. 101–66, as amended, set out as a note under section 1113 of Title 31, Money and Finance.]

Pub. L. 99–772, title IX, §9122(d), Apr. 7, 1986, 100 Stat. 167, provided that: “The Secretary of Health and Human Services shall report to Congress periodically on the number of hospitals that have terminated or failed to renew an agreement under section 1866 of the Social Security Act [42 U.S.C. 1395cc] as a result of the additional conditions imposed under the amendments made by subsection (a) [amending this section].”

[For termination, effective May 15, 2000, of provisions of law requiring submittal to Congress of any annual, semiannual, or other regular periodic report listed in House Document No. 103–7 (in which item 7 on page 96 identifies a report on “Hospitals that have terminated or failed to renew an agreement under section 1866 of the Social Security Act [42 U.S.C. 1395cc] as a result of the additional conditions imposed” authorized by 42 U.S.C. 1395cc note), see section 3003 of Pub. L. 101–66, as amended, set out as a note under section 1113 of Title 31, Money and Finance.]

DELAY IN IMPLEMENTATION OF REQUIREMENT THAT HOSPITALS MAINTAIN AGREEMENTS WITH UTILIZATION AND QUALITY CONTROL PEER REVIEW ORGANIZATION

Pub. L. 98–369, div. B, title III, §2347(b), July 18, 1984, 98 Stat. 1427, provided that: “Notwithstanding any other provision of law, any agreement, filed by a skilled nursing facility (as defined in section 1861(j) of the Social Security Act [42 U.S.C. 1395 et seq.]), in accordance with section 1114(d) of this title shall be deemed to be in effect on such date as the Administrator determines to be appropriate.”

INTERIM WAIVER IN CERTAIN CASES OF BILLING RULE FOR ITEMS AND SERVICES OTHER THAN PHYSICIANS’ SERVICES

For authority to waive the requirements of subsection (a)(1)(H) of this section for any cost period prior to Oct. 1, 1986, where immediate compliance would threaten the stability of patient care, see section 602(k) of Pub. L. 98–21, set out as a note under section 1395y of this title.

PRIVATE SECTOR REVIEW INITIATIVE

Pub. L. 97–428, title I, §119, Sept. 3, 1982, 96 Stat. 355, provided that: “The Secretary of Health and Human Services shall undertake an initiative to encourage similar review efforts by private insurers and other private entities. The initiative shall include the development of specific standards for measuring the performance of such intermediaries and carriers with respect to the identification and reduction of unnecessary utilization of health services.

“(b) Where such review activity results in the denial of payment to providers of services under title XVIII of the Social Security Act [42 U.S.C. 1395 et seq.], such providers shall be prohibited, in accordance with sections 1866 and 1879 of such title [42 U.S.C. 1395cc, 1395pp], from collecting any payments from beneficiaries unless otherwise provided under such title.”

AGREEMENTS FILED AND ACCEPTED PRIOR TO OCT. 30, 1972, DEEMED TO BE FOR SPECIFIED TERM ENDING DEC. 31, 1973

Pub. L. 92–603, title II, §249A(f), Oct. 30, 1972, 86 Stat. 1427, provided that: “Notwithstanding any other provision of law, any agreement, filed by a skilled nursing facility (as defined in section 1861(j) of the Social Security Act [42 U.S.C. 1395cc(j)]) with the Secretary under section 1866 of such Act [42 U.S.C. 1395cc] and accepted by him prior to the date of enactment of this Act [Oct. 30, 1972], which was in effect on such date shall be deemed to be for a specified term ending on December 31, 1973.”

§1395cc–1. Demonstration program authorized

(a) Demonstration program authorized

(1) In general

The Secretary shall conduct demonstration projects to test and, if proven effective, expand the use of incentives to health care groups participating in the program under this subchapter that—

(A) encourage coordination of the care furnished to individuals under the programs under parts A and B by institutional and other providers, practitioners, and suppliers of health care items and services;

(B) encourage investment in administrative structures and processes to ensure efficient service delivery; and

(C) reward physicians for improving health outcomes.

Such projects shall focus on the efficiencies of furnishing health care in a group-practice setting as compared to the efficiencies of furnishing health care in other health care delivery systems.
§ 1395cc–1

(2) Administration by contract

Except as otherwise specifically provided, the Secretary may administer the program under this section in accordance with section 1395cc–2 of this title.

(3) Definitions

For purposes of this section, terms have the following meanings:

(A) Physician

Except as the Secretary may otherwise provide, the term "physician" means any individual who furnishes services which may be paid for as physicians' services under this subchapter.

(B) Health care group

The term "health care group" means a group of physicians (as defined in subparagraph (A)) organized at least in part for the purpose of providing physicians' services under this subchapter. As the Secretary finds appropriate, a health care group may include a hospital and any other individual or entity furnishing items or services for which payment may be made under this subchapter that is affiliated with the health care group under an arrangement structured so that such individual or entity participates in a demonstration under this section and will share in any bonus earned under subsection (d).

(b) Eligibility criteria

(1) In general

The Secretary is authorized to establish criteria for health care groups eligible to participate in a demonstration under this section, including criteria relating to numbers of health care professionals in, and of patients served by, the group, scope of services provided, and quality of care.

(2) Payment method

A health care group participating in the demonstration under this section shall agree with respect to services furnished to beneficiaries within the scope of the demonstration (as determined under subsection (c))—

(A) to be paid on a fee-for-service basis; and

(B) that payment with respect to all such services furnished by members of the health care group to such beneficiaries shall (where determined appropriate by the Secretary) be made to a single entity.

(3) Data reporting

A health care group participating in a demonstration under this section shall report to the Secretary such data, at such times and in such format as the Secretary requires, for purposes of monitoring and evaluation of the demonstration under this section.

(c) Patients within scope of demonstration

(1) In general

The Secretary shall specify, in accordance with this subsection, the criteria for identifying those patients of a health care group who shall be considered within the scope of the demonstration under this section for purposes of application of subsection (d) and for assessment of the effectiveness of the group in achieving the objectives of this section.

(2) Other criteria

The Secretary may establish additional criteria for inclusion of beneficiaries within a demonstration under this section, which may include frequency of contact with physicians in the group or other factors or criteria that the Secretary finds to be appropriate.

(3) Notice requirements

In the case of each beneficiary determined to be within the scope of a demonstration under this section with respect to a specific health care group, the Secretary shall ensure that such beneficiary is notified of the incentives, and of any waivers of coverage or payment rules, applicable to such group under such demonstration.

(d) Incentives

(1) Performance target

The Secretary shall establish for each health care group participating in a demonstration under this section—

(A) a base expenditure amount, equal to the average total payments under parts A and B for patients served by the health care group on a fee-for-service basis in a base period determined by the Secretary; and

(B) an annual per capita expenditure target for patients determined to be within the scope of the demonstration, reflecting the base expenditure amount adjusted for risk and expected growth rates.

(2) Incentive bonus

The Secretary shall pay to each participating health care group (subject to paragraph (4)) a bonus for each year under the demonstration equal to a portion of the medicare savings realized for such year relative to the performance target.

(3) Additional bonus for process and outcome improvements

At such time as the Secretary has established appropriate criteria based on evidence the Secretary determines to be sufficient, the Secretary shall also pay to a participating health care group (subject to paragraph (4)) an additional bonus for a year, equal to such portion as the Secretary may designate of the savings to the program under this subchapter resulting from process improvements made by and patient outcome improvements attributable to activities of the group.

(4) Limitation

The Secretary shall limit bonus payments under this section as necessary to ensure that the aggregate expenditures under this subchapter (inclusive of bonus payments) with respect to patients within the scope of the demonstration do not exceed the amount which the Secretary estimates would be expended if the demonstration projects under this section were not implemented.

§ 1395cc–2. Provisions for administration of demonstration program

(a) General administrative authority

(1) Beneficiary eligibility

Except as otherwise provided by the Secretary, an individual shall only be eligible to receive benefits under the program under section 1395cc–1 of this title (in this section referred to as the “demonstration program”) if such individual—

(A) is enrolled under the program under part B and entitled to benefits under part A; and

(B) is not enrolled in a Medicare+Choice plan under part C, an eligible organization under a contract under section 1395mm of this title (or a similar organization operating under a demonstration project authority), an organization with an agreement under section 1395l(a)(1)(A) of this title, or a PACE program under section 1395eee of this title.

(2) Secretary’s discretion as to scope of program

The Secretary may limit the implementation of the demonstration program to—

(A) a geographic area (or areas) that the Secretary designates for purposes of the program, based upon such criteria as the Secretary finds appropriate;

(B) a subgroup (or subgroups) of beneficiaries or individuals and entities furnishing items or services (otherwise eligible to participate in the program), selected on the basis of the number of such participants that the Secretary finds consistent with the effective and efficient implementation of the program;

(C) an element (or elements) of the program that the Secretary determines to be suitable for implementation; or

(D) any combination of any of the limits described in subparagraphs (A) through (C).

(3) Voluntary receipt of items and services

Items and services shall be furnished to an individual under the demonstration program only at the individual’s election.

(4) Agreements

The Secretary is authorized to enter into agreements with individuals and entities to furnish health care items and services to beneficiaries under the demonstration program.

(5) Program standards and criteria

The Secretary shall establish performance standards for the demonstration program including, as applicable, standards for quality of health care items and services, cost-effectiveness, beneficiary satisfaction, and such other factors as the Secretary finds appropriate. The eligibility of individuals or entities for the initial award, continuation, and renewal of agreements to provide health care items and services under the program shall be conditioned, at a minimum, on performance that meets or exceeds such standards.

(6) Administrative review of decisions affecting individuals and entities furnishing services

An individual or entity furnishing services under the demonstration program shall be entitled to a review by the program administrator (or, if the Secretary has not contracted with a program administrator, by the Secretary) of a decision not to enter into, or to terminate, or not to renew, an agreement with the entity to provide health care items or services under the program.

(7) Secretary’s review of marketing materials

An agreement with an individual or entity furnishing services under the demonstration program shall require the individual or entity to guarantee that it will not distribute materials that market items or services under the program without the Secretary’s prior review and approval.

(8) Payment in full

(A) In general

Except as provided in subparagraph (B), an individual or entity receiving payment from the Secretary under a contract or agreement under the demonstration program shall agree to accept such payment as payment in full, and such payment shall be in lieu of any payments to which the individual or entity would otherwise be entitled under this subchapter.

(B) Collection of deductibles and coinsurance

Such individual or entity may collect any applicable deductible or coinsurance amount from a beneficiary.

(b) Contracts for program administration

(1) In general

The Secretary may administer the demonstration program through a contract with a program administrator in accordance with the provisions of this subsection.

(2) Scope of program administrator contracts

The Secretary may enter into such contracts for a limited geographic area, or on a regional or national basis.

(3) Eligible contractors

The Secretary may contract for the administration of the program with—

(A) an entity that, under a contract under section 1395h or 1395u of this title, determines the amount of and makes payments for health care items and services furnished under this subchapter; or

(B) any other entity with substantial experience in managing the type of program concerned.
(4) Contract award, duration, and renewal
   (A) In general
   A contract under this subsection shall be for an initial term of up to three years, renewable for additional terms of up to three years.
   (B) Noncompetitive award and renewal for entities administering part A or part B payments
   The Secretary may enter or renew a contract under this subsection with an entity described in paragraph (3)(A) without regard to the requirements of section 6101 of title 41.

(5) Applicability of Federal Acquisition Regulation
   The Federal Acquisition Regulation shall apply to program administration contracts under this subsection.

(6) Performance standards
   The Secretary shall establish performance standards for the program administrator including, as applicable, standards for the quality and cost-effectiveness of the program administered, and such other factors as the Secretary finds appropriate. The eligibility of entities for the initial award, continuation, and renewal of program administration contracts shall be conditioned, at a minimum, on performance that meets or exceeds such standards.

(7) Functions of program administrator
   A program administrator shall perform any or all of the following functions, as specified by the Secretary:
   (A) Agreements with entities furnishing health care items and services
   Determine the qualifications of entities seeking to enter or renew agreements to provide services under the demonstration program, and as appropriate enter or renew (or refuse to enter or renew) such agreements on behalf of the Secretary.
   (B) Establishment of payment rates
   Negotiate or otherwise establish, subject to the Secretary’s approval, payment rates for covered health care items and services.
   (C) Payment of claims or fees
   Administer payments for health care items or services furnished under the program.
   (D) Payment of bonuses
   Using such guidelines as the Secretary shall establish, and subject to the approval of the Secretary, make bonus payments as described in subsection (c)(2)(B) to entities furnishing items or services for which payment may be made under the program.
   (E) Oversight
   Monitor the compliance of individuals and entities with agreements under the program with the conditions of participation.
   (F) Administrative review
   Conduct reviews of adverse determinations specified in subsection (a)(6).

(G) Review of marketing materials
   Conduct a review of marketing materials proposed by an entity furnishing services under the program.

(H) Additional functions
   Perform such other functions as the Secretary may specify.

(8) Limitation of liability
   The provisions of section 1320c–6(b) of this title shall apply with respect to activities of contractors and their officers, employees, and agents under a contract under this subsection.

(9) Information sharing
   Notwithstanding section 1306 of this title and section 552a of title 5, the Secretary is authorized to disclose to an entity with a program administration contract under this subsection such information (including medical information) on individuals receiving health care items and services under the program as the entity may require to carry out its responsibilities under the contract.

(c) Rules applicable to both program agreements and program administration contracts

(1) Records, reports, and audits
   The Secretary is authorized to require entities with agreements to provide health care items or services under the demonstration program, and entities with program administration contracts under subsection (b), to maintain adequate records, to afford the Secretary access to such records (including for audit purposes), and to furnish such reports and other materials (including audited financial statements and performance data) as the Secretary may require for purposes of implementation, oversight, and evaluation of the program and of individuals’ and entities’ effectiveness in performance of such agreements or contracts.

(2) Bonuses
   Notwithstanding any other provision of law, but subject to subparagraph (B)(ii), the Secretary may make bonus payments under the demonstration program from the Federal Health Insurance Trust Fund and the Federal Supplementary Medical Insurance Trust Fund in amounts that do not exceed the amounts authorized under the program in accordance with the following:
   (A) Payments to program administrators
   The Secretary may make bonus payments under the program to program administrators.
   (B) Payments to entities furnishing services
      (i) In general
      Subject to clause (ii), the Secretary may make bonus payments to individuals or entities furnishing items or services for which payment may be made under the demonstration program, or may authorize the program administrator to make such bonus payments in accordance with such guidelines as the Secretary shall establish and subject to the Secretary’s approval.
(ii) Limitations

The Secretary may condition such payments on the achievement of such standards related to efficiency, improvement in processes or outcomes of care, or such other factors as the Secretary determines to be appropriate.

(3) Antidiscrimination limitation

The Secretary shall not enter into an agreement with an entity to provide health care items or services under the demonstration program, or with an entity to administer the program, unless such entity guarantees that it will not deny, limit, or condition the coverage or provision of benefits under the program for individuals eligible to be enrolled under such program, based on any health status-related factor described in section 2702(a)(1) of the Public Health Service Act.

(d) Limitations on judicial review

The following actions and determinations with respect to the demonstration program shall not be subject to review by a judicial or administrative tribunal:

(1) Limiting the implementation of the program under subsection (a)(2).
(2) Establishment of program participation standards under subsection (a)(5) or the denial or termination of, or refusal to renew, an agreement with an entity to provide health care items and services under the program.
(3) Establishment of program administration contract performance standards under subsection (b)(6), the refusal to renew a program administration contract, or the noncompetitive award or renewal of a program administration contract under subsection (b)(4)(B).
(4) Establishment of payment rates, through negotiation or otherwise, under a program agreement or a program administration contract.
(5) A determination with respect to the program (where specifically authorized by the program authority or by subsection (c)(2))—
(A) as to whether cost savings have been achieved, and the amount of savings; or
(B) as to whether, to whom, and in what amounts bonuses will be paid.

(e) Application limited to parts A and B

None of the provisions of this section or of the demonstration program shall apply to the programs under part C.

(f) Reports to Congress

Not later than two years after December 21, 2000, and biennially thereafter for six years, the Secretary shall report to Congress on the use of authorities under the demonstration program. Each report shall address the impact of the use of those authorities on expenditures, access, and quality under the programs under this subchapter.


§ 1395cc–3. Health care quality demonstration program

(a) Definitions

In this section:

(1) Beneficiary

The term “beneficiary” means an individual who is entitled to benefits under part A and enrolled under part B, including any individual who is enrolled in a Medicare Advantage plan under part C.

(2) Health care group

(A) In general

The term “health care group” means—
(i) a group of physicians that is organized at least in part for the purpose of providing physician’s services under this subchapter;
(ii) an integrated health care delivery system that delivers care through coordinated hospitals, clinics, home health agencies, ambulatory surgery centers, skilled nursing facilities, rehabilitation facilities and clinics, and employed, independent, or contracted physicians; or
(iii) an organization representing regional coalitions of groups or systems described in clause (i) or (ii).

(B) Inclusion

As the Secretary determines appropriate, a health care group may include a hospital or any other individual or entity furnishing items or services for which payment may be made under this subchapter that is affiliated with the health care group under an arrangement structured so that such hospital, individual, or entity participates in a demonstration project under this section.
§ 1395cc–3

(3) Physician

Except as otherwise provided for by the Secretary, the term “physician” means any individual who furnishes services that may be paid for as physicians’ services under this subchapter.

(b) Demonstration projects

The Secretary shall establish a demonstration program under which the Secretary shall approve demonstration projects that examine health delivery factors that encourage the delivery of improved quality in patient care, including—

(1) the provision of incentives to improve the safety of care provided to beneficiaries;
(2) the appropriate use of best practice guidelines by providers and services by beneficiaries;
(3) reduced scientific uncertainty in the delivery of care through the examination of variations in the utilization and allocation of services, and outcomes measurement and research;
(4) encourage shared decision making between providers and patients;
(5) the provision of incentives for improving the quality and safety of care and achieving the efficient allocation of resources;
(6) the appropriate use of culturally and ethically sensitive health care delivery; and
(7) the financial effects on the health care marketplace of altering the incentives for care delivery and changing the allocation of resources.

(c) Administration by contract

(1) In general

Except as otherwise provided in this section, the Secretary may administer the demonstration program established under this section in a manner that is similar to the manner in which the demonstration program established under section 1395cc–1 of this title is administered in accordance with section 1395cc–2 of this title.

(2) Alternative payment systems

A health care group that receives assistance under this section may, with respect to the demonstration project to be carried out with such assistance, include proposals for the use of alternative payment systems for items and services provided to beneficiaries by the group that are designed to—

(A) encourage the delivery of high quality care while accomplishing the objectives described in subsection (b); and
(B) streamline documentation and reporting requirements otherwise required under this subchapter.

(3) Benefits

A health care group that receives assistance under this section may, with respect to the demonstration project to be carried out with such assistance, include modifications to the package of benefits available under the original medicare fee-for-service program under parts A and B or the package of benefits available through a Medicare Advantage plan under part C. The criteria employed under the demonstration program under this section to evaluate outcomes and determine best practice guidelines and incentives shall not be used as a basis for the denial of medicare benefits under the demonstration program to patients against their wishes (or if the patient is incompetent, against the wishes of the patient’s surrogate) on the basis of the patient’s age or expected length of life or of the patient’s present or predicted disability, degree of medical dependency, or quality of life.

(d) Eligibility criteria

To be eligible to receive assistance under this section, an entity shall—

(1) be a health care group;
(2) meet quality standards established by the Secretary, including—
(A) the implementation of continuous quality improvement mechanisms that are aimed at integrating community-based support services, primary care, and referral care;
(B) the implementation of activities to increase the delivery of effective care to beneficiaries;
(C) encouraging patient participation in preference-based decisions;
(D) the implementation of activities to encourage the coordination and integration of medical service delivery; and
(E) the implementation of activities to measure and document the financial impact on the health care marketplace of altering the incentives of health care delivery and changing the allocation of resources; and
(3) meet such other requirements as the Secretary may establish.

(e) Waiver authority

The Secretary may waive such requirements of this subchapter and subchapter XI as may be necessary to carry out the purposes of the demonstration program established under this section.

(f) Budget neutrality

With respect to the period of the demonstration program under subsection (b), the aggregate expenditures under this subchapter for such period shall not exceed the aggregate expenditures that would have been expended under this subchapter if the program established under this section had not been implemented.

(g) Notice requirements

In the case of an individual that receives health care items or services under a demonstration program carried out under this section, the Secretary shall ensure that such individual is notified of any waivers of coverage or payment rules that are applicable to such individual under this subchapter as a result of the participation of the individual in such program.

(h) Participation and support by Federal agencies

In carrying out the demonstration program under this section, the Secretary may direct—

(1) the Director of the National Institutes of Health to expand the efforts of the Institutes to evaluate current medical technologies and
improve the foundation for evidence-based practice;

(2) the Administrator of the Agency for Healthcare Research and Quality to, where possible and appropriate, use the program under this section as a laboratory for the study of quality improvement strategies and to evaluate, monitor, and disseminate information relevant to such program; and

(3) the Administrator of the Centers for Medicare & Medicaid Services and the Administrator of the Center for Medicare Choices to support linkages of relevant medicare data to registry information from participating health care groups for the beneficiary populations served by the participating groups, for analysis supporting the purposes of the demonstration program, consistent with the applicable provisions of the Health Insurance Portability and Accountability Act of 1996.


REFERENCES IN TEXT


AMENDMENTS


Subsec. (f). Pub. L. 111–148 struck out “5-year” before “period of the demonstration program”.

§1395cc–4. National pilot program on payment bundling

(a) Implementation

(1) In general

The Secretary shall establish a pilot program for integrated care during an episode of care provided to an applicable beneficiary around a hospitalization in order to improve the coordination, quality, and efficiency of health care services under this subchapter.

(2) Definitions

In this section:

(A) Applicable beneficiary

The term “applicable beneficiary” means an individual who—

(i) is entitled to, or enrolled for, benefits under part A and enrolled for benefits under part B of such subchapter, but not enrolled under part C or a PACE program under section 1395see of this title; and

(ii) is admitted to a hospital for an applicable condition.

(B) Applicable condition

The term “applicable condition” means 1 or more of 10 conditions selected by the Secretary. In selecting conditions under the preceding sentence, the Secretary shall take into consideration the following factors:

(i) Whether the conditions selected include a mix of chronic and acute conditions.

(ii) Whether the conditions selected include a mix of surgical and medical conditions.

(iii) Whether a condition is one for which there is evidence of an opportunity for providers of services and suppliers to improve the quality of care furnished while reducing total expenditures under this subchapter.

(iv) Whether a condition has significant variation in—

(I) the number of readmissions; and

(II) the amount of expenditures for post-acute care spending under this subchapter.

(v) Whether a condition is high-volume and has high post-acute care expenditures under this subchapter.

(vi) Which conditions the Secretary determines are most amenable to bundling across the spectrum of care given practice patterns under this subchapter.

(C) Applicable services

The term “applicable services” means the following:

(i) Acute care inpatient services.

(ii) Physicians’ services delivered in and outside of an acute care hospital setting.

(iii) Outpatient hospital services, including emergency department services.

(iv) Post-acute care services, including home health services, skilled nursing services, inpatient rehabilitation services, and inpatient hospital services furnished by a long-term care hospital.

(v) Other services the Secretary determines appropriate.

(D) Episode of care

(i) In general

Subject to clause (ii), the term “episode of care” means, with respect to an applicable condition and an applicable beneficiary, the period that includes—

(I) the 3 days prior to the admission of the applicable beneficiary to a hospital for the applicable condition;

(II) the length of stay of the applicable beneficiary in such hospital; and

(III) the 30 days following the discharge of the applicable beneficiary from such hospital.

(ii) Establishment of period by the Secretary

The Secretary, as appropriate, may establish a period (other than the period described in clause (i)) for an episode of care under the pilot program.

(E) Physicians’ services

The term “physicians’ services” has the meaning given such term in section 1395x(q) of this title.

(F) Pilot program

The term “pilot program” means the pilot program under this section.

(G) Provider of services

The term “provider of services” has the meaning given such term in section 1395x(u) of this title.
(H) Readmission
The term “readmission” has the meaning given such term in section 1395ww(q)(5)(E) of this title.

(I) Supplier
The term “supplier” has the meaning given such term in section 1395x(d) of this title.

(3) Deadline for implementation
The Secretary shall establish the pilot program not later than January 1, 2013.

(b) Developmental phase

(1) Determination of patient assessment instrument
The Secretary shall determine which patient assessment instrument (such as the Continuity Assessment Record and Evaluation (CARE) tool) shall be used under the pilot program to evaluate the applicable condition of an applicable beneficiary for purposes of determining the most clinically appropriate site for the provision of post-acute care to the applicable beneficiary.

(2) Development of quality measures for an episode of care and for post-acute care

(A) In general
The Secretary, in consultation with the Agency for Healthcare Research and Quality and the entity with a contract under section 1395aaa(a) of this title, shall develop quality measures for use in the pilot program—
(i) for episodes of care; and
(ii) for post-acute care.

(B) Site-neutral post-acute care quality measures
Any quality measures developed under subparagraph (A)(ii) shall be site-neutral.

(C) Coordination with quality measure development and endorsement procedures
The Secretary shall ensure that the development of quality measures under subparagraph (A) is done in a manner that is consistent with the measures developed and endorsed under section 1395aaa and 1395aaa–1 of this title that are applicable to all post-acute care settings.

(c) Details

(1) Duration

(A) In general
Subject to subparagraph (B), the pilot program shall be conducted for a period of 5 years.

(B) Expansion
The Secretary may, at any point after January 1, 2016, expand the duration and scope of the pilot program, to the extent determined appropriate by the Secretary, if—
(i) the Secretary determines that such expansion is expected to—
(I) reduce spending under this subchapter without reducing the quality of care; or

(ii) improve the quality of care and reduce spending;

(iii) the Chief Actuary of the Centers for Medicare & Medicaid Services certifies that such expansion would reduce program spending under this subchapter; and

(iv) the Secretary determines that such expansion would not deny or limit the coverage or provision of benefits under this subchapter for individuals.

(2) Participating providers of services and suppliers

(A) In general
An entity comprised of providers of services and suppliers, including a hospital, a physician group, a skilled nursing facility, and a home health agency, who are otherwise participating under this subchapter, may submit an application to the Secretary to provide applicable services to applicable individuals under this section.

(B) Requirements
The Secretary shall develop requirements for entities to participate in the pilot program under this section. Such requirements shall ensure that applicable beneficiaries have an adequate choice of providers of services and suppliers under the pilot program.

(3) Payment methodology

(A) In general

(i) Establishment of payment methods
The Secretary shall develop payment methods for the pilot program for entities participating in the pilot program. Such payment methods may include bundled payments and bids from entities for episodes of care. The Secretary shall make payments to the entity for services covered under this section.

(ii) No additional program expenditures
Payments under this section for applicable items and services under this subchapter (including payment for services described in subparagraph (B)) for applicable beneficiaries for a year shall be established in a manner that does not result in spending more for such entity for such beneficiaries than would otherwise be expended for such entity for such beneficiaries for such year if the pilot program were not implemented, as estimated by the Secretary.

(B) Inclusion of certain services
A payment methodology tested under the pilot program may include payment for the furnishing of applicable services and other appropriate services, such as care coordination, medication reconciliation, discharge planning, transitional care services, and other patient-centered activities as determined appropriate by the Secretary.

(C) Bundled payments

(i) In general
A bundled payment under the pilot program shall—
(d) Waiver

The Secretary may waive such provisions of this subchapter and subchapter XI as may be necessary to carry out the pilot program.

(4) Quality measures

(A) In general

The Secretary shall establish quality measures (including quality measures of process, outcome, and structure) related to care provided by entities participating in the pilot program. Quality measures established under the preceding sentence shall include measures of the following:

(i) Functional status improvement.

(ii) Reducing rates of avoidable hospital readmissions.

(iii) Rates of discharge to the community.

(iv) Rates of admission to an emergency room after a hospitalization.

(v) Incidence of health care acquired infections.

(vi) Efficiency measures.

(vii) Measures of patient-centeredness of care.

(viii) Measures of patient perception of care.

(ix) Other measures, including measures of patient outcomes, determined appropriate by the Secretary.

(B) Reporting on quality measures

(i) In general

A entity shall submit data to the Secretary on quality measures established under subparagraph (A) during each year of the pilot program (in a form and manner, subject to clause (iii), specified by the Secretary).

(ii) Submission of data through electronic health record

To the extent practicable, the Secretary shall specify that data on measures be submitted under clause (i) through the use of an qualified electronic health record (as defined in section 300jj(13) of this title) in a manner specified by the Secretary.

(e) Independent evaluation and reports on pilot program

(1) Independent evaluation

The Secretary shall conduct an independent evaluation of the pilot program, including the extent to which the pilot program has—

(A) improved quality measures established under subsection (c)(4)(A);

(B) improved health outcomes;

(C) improved applicable beneficiary access to care; and

(D) reduced spending under this subchapter.

(2) Reports

(A) Interim report

Not later than 2 years after the implementation of the pilot program, the Secretary shall submit to Congress a report on the initial results of the independent evaluation conducted under paragraph (1).

(B) Final report

Not later than 3 years after the implementation of the pilot program, the Secretary shall submit to Congress a report on the final results of the independent evaluation conducted under paragraph (1).

(f) Consultation

The Secretary shall consult with representatives of small rural hospitals, including critical access hospitals (as defined in section 1395x(mm)(1) of this title), regarding their participation in the pilot program. Such consultation shall include consideration of innovative methods of implementing bundled payments in hospitals described in the preceding sentence, taking into consideration any difficulties in doing so as a result of the low volume of services provided by such hospitals.

(g) Application of pilot program to continuing care hospitals

(1) In general

In conducting the pilot program, the Secretary shall apply the provisions of the program so as to separately pilot test the continuing care hospital model.

(2) Special rules

In pilot testing the continuing care hospital model under paragraph (1), the following rules shall apply:

(A) Such model shall be tested without the limitation to the conditions selected under subsection (a)(2)(B).

(B) Notwithstanding subsection (a)(2)(D), an episode of care shall be defined as the full period that a patient stays in the continuing care hospital plus the first 30 days following discharge from such hospital.

(3) Continuing care hospital defined

In this subsection, the term ‘‘continuing care hospital’’ means an entity that has demonstrated the ability to meet patient care and patient safety standards and that provides under common management the medical and rehabilitation services provided in inpatient rehabilitation hospitals and units (as defined in section 1395ww(d)(1)(B)(i) of this title), long

§ 1395cc–4
term care hospitals (as defined in section 1395ww(d)(1)(B)(iv)(I) of this title), and skilled nursing facilities (as defined in section 1395i–3(a) of this title) that are located in a hospital described in section 1395ww(d) of this title.

(b) Administration

Chapter 35 of title 44 shall not apply to the selection, testing, and evaluation of models or the expansion of such models under this section.


REFERENCES IN TEXT

Parts A, B, and C, referred to in subsec. (a)(2)(A)(i), are classified to sections 1395c et seq., 1395j et seq., and 1395w–21 et seq., respectively, of this title.

Section 1395ww(d)(1)(B)(iv)(I) of this title, referred to in subsection (g)(3), was redesignated section 1395w–21 et seq., respectively, of this title.

See References in Text note below.

Amendments


Subsec. (c)(1)(B). Pub. L. 111–148, § 10308(a)(2), added subpar. (B) and struck out former subpar. (B). Prior to amendment, text read as follows: “The Secretary may extend the duration of the pilot program for providers of services and suppliers participating in the pilot program as of the day before the end of the 5-year period described in subparagraph (A), for a period determined appropriate by the Secretary, if the Secretary determines that such extension will result in improving or not reducing the quality of patient care and reducing spending under this subchapter.”

Subsec. (g). Pub. L. 111–148, § 10308(a)(3), added subsec. (g) and struck out former subsec. (g). Prior to amendment, text read as follows: “Not later than January 1, 2016, the Secretary shall submit a plan for the implementation of an expansion of the pilot program if the Secretary determines that such expansion will result in improving or not reducing the quality of patient care and reducing spending under this subchapter.”

§ 1395cc–5. Independence at home medical practice demonstration program

(a) Establishment

(1) In general

The Secretary shall conduct a demonstration program (in this section referred to as the “demonstration program”) to test a payment incentive and service delivery model that utilizes physician and nurse practitioner directed home-based primary care teams designed to reduce expenditures and improve health outcomes in the provision of items and services under this subchapter to applicable beneficiaries (as defined in subsection (d)).

(ii) is organized at least in part for the purpose of providing physicians’ services; (iii) has documented experience in providing home-based primary care services to high-cost chronically ill beneficiaries, as determined appropriate by the Secretary; (iv) furnishes services to at least 200 applicable beneficiaries (as defined in subsection (d)) during each year of the demonstration program; (v) has entered into an agreement with the Secretary; (vi) uses electronic health information systems, remote monitoring, and mobile diagnostic technology; and (vii) meets such other criteria as the Secretary determines to be appropriate to participate in the demonstration program.

(b) Physician

The term “physician” includes, except as the Secretary may otherwise provide, any

which is accountable for providing comprehensive, coordinated, continuous, and accessible care to high-need populations at home and coordinating health care across all treatment settings, results in—

(A) reducing preventable hospitalizations; (B) preventing hospital readmissions; (C) reducing emergency room visits; (D) improving health outcomes commensurate with the beneficiaries’ stage of chronic illness; (E) improving the efficiency of care, such as by reducing duplicative diagnostic and laboratory tests; (F) reducing the cost of health care services covered under this subchapter; and (G) achieving beneficiary and family caregiver satisfaction.
individual who furnishes services for which payment may be made as physicians' services and has the medical training or experience to fulfill the physician's role described in subparagraph (A)(i).

(2) Participation of nurse practitioners and physician assistants

Nothing in this section shall be construed to prevent a nurse practitioner or physician assistant from participating in, or leading, a home-based primary care team as part of an independence at home medical practice if—
(A) all the requirements of this section are met;
(B) the nurse practitioner or physician assistant, as the case may be, is acting consistent with State law; and
(C) the nurse practitioner or physician assistant has the medical training or experience to fulfill the nurse practitioner or physician assistant role described in paragraph (1)(A)(i).

(3) Inclusion of providers and practitioners

Nothing in this subsection shall be construed as preventing an independence at home medical practice from including a provider of services or a participating practitioner described in section 1395u(b)(18)(C) of this title that is affiliated with the practice under an arrangement structured so that such provider of services or practitioner participates in the demonstration program and shares in any savings under the demonstration program.

(4) Quality and performance standards

The Secretary shall develop quality performance standards for independence at home medical practices participating in the demonstration program.

(c) Payment methodology

(1) Establishment of target spending level

The Secretary shall establish an estimated annual spending target, for the amount the Secretary estimates would have been spent in the absence of the demonstration, for items and services covered under parts A and B furnished to applicable beneficiaries for each qualifying independence at home medical practice under this section. Such spending targets shall be determined on a per capita basis. Such spending targets shall include a risk corridor that takes into account normal variation in expenditures for items and services covered under parts A and B furnished to such beneficiaries with the size of the corridor being related to the number of applicable beneficiaries furnished services by each independence at home medical practice. The spending targets may also be adjusted for other factors as the Secretary determines appropriate.

(2) Incentive payments

Subject to performance on quality measures, a qualifying independence at home medical practice is eligible to receive an incentive payment under this section if actual expenditures for a year for the applicable beneficiaries it enrolls are less than the estimated spending target established under paragraph (1) for such year. An incentive payment for such year shall be equal to a portion (as determined by the Secretary) of the amount by which actual expenditures (including incentive payments under this paragraph) for applicable beneficiaries under parts A and B for such year are estimated to be less than 5 percent less than the estimated spending target for such year, as determined under paragraph (1).

(d) Applicable beneficiaries

(1) Definition

In this section, the term “applicable beneficiary” means, with respect to a qualifying independence at home medical practice, an individual who the practice has determined—
(A) is entitled to benefits under part A and enrolled for benefits under part B;
(B) is not enrolled in a Medicare Advantage plan under part C or a PACE program under section 1395eee of this title;
(C) has 2 or more chronic illnesses, such as congestive heart failure, diabetes, other dementias designated by the Secretary, chronic obstructive pulmonary disease, ischemic heart disease, stroke, Alzheimer's Disease and neurodegenerative diseases, and other diseases and conditions designated by the Secretary which result in high costs under this subchapter;
(D) within the past 12 months has had a non-elective hospital admission;
(E) within the past 12 months has received acute or subacute rehabilitation services;
(F) has 2 or more functional dependencies requiring the assistance of another person (such as bathing, dressing, toileting, walking, or feeding); and
(G) meets such other criteria as the Secretary determines appropriate.

(2) Patient election to participate

The Secretary shall determine an appropriate method of ensuring that applicable beneficiaries have agreed to enroll in an independence at home medical practice under the demonstration program. Enrollment in the demonstration program shall be voluntary.

(3) Beneficiary access to services

Nothing in this section shall be construed as encouraging physicians or nurse practitioners to limit applicable beneficiary access to services covered under this subchapter and applicable beneficiaries shall not be required to relinquish access to any benefit under this subchapter as a condition of receiving services from an independence at home medical practice.

(e) Implementation

(1) Starting date

The demonstration program shall begin no later than January 1, 2012. Agreements with an independence at home medical practice under the demonstration program may cover not more than a 7-year period.

(2) No physician duplication in demonstration participation

The Secretary shall not pay an independence at home medical practice under this section that participates in section 1395jjj of this title.
(3) No beneficiary duplication in demonstration participation

The Secretary shall ensure that no applicable beneficiary enrolled in an independence at home medical practice under this section is participating in the programs under section 1385jjj of this title.

(4) Preference

In approving an independence at home medical practice, the Secretary shall give preference to practices that are—

(A) located in high-cost areas of the country;
(B) have experience in furnishing health care services to applicable beneficiaries in the home; and
(C) use electronic medical records, health information technology, and individualized plans of care.

(5) Limitation on number of practices

In selecting qualified independence at home medical practices to participate under the demonstration program, the Secretary shall limit the number of such practices so that the number of applicable beneficiaries that may participate in the demonstration program does not exceed 15,000. An applicable beneficiary that participates in the demonstration program by reason of the increase from 10,000 to 15,000 in the preceding sentence pursuant to the amendment made by section 50301(a)(1)(B)(i) of the Advancing Chronic Care, Extenders, and Social Services Act shall be considered in the spending target estimates under paragraph (1) of subsection (c) and the incentive payment calculations under paragraph (2) of such subsection for the sixth and seventh years of such program.

(6) Waiver

The Secretary may waive such provisions of this subchapter and subchapter XI as the Secretary determines necessary in order to implement the demonstration program.

(7) Administration

Chapter 35 of title 44 shall not apply to this section.

(f) Evaluation and monitoring

(1) In general

The Secretary shall evaluate each independence at home medical practice under the demonstration program to assess whether the practice achieved the results described in subsection (a).

(2) Monitoring applicable beneficiaries

The Secretary may monitor data on expenditures and quality of services under this subchapter after an applicable beneficiary discontinues receiving services under this subchapter through a qualifying independence at home medical practice.

(g) Reports to Congress

The Secretary shall conduct an independent evaluation of the demonstration program and submit to Congress a final report, including best practices under the demonstration program, including, to the extent practicable, with respect to the use of electronic health information systems, as described in subsection (b)(1)(A)(vi). Such report shall include an analysis of the demonstration program on coordination of care, expenditures under this subchapter, applicable beneficiary access to services, and the quality of health care services provided to applicable beneficiaries.

(h) Funding

For purposes of administering and carrying out the demonstration program, other than for payments for items and services furnished under this subchapter and incentive payments under subsection (c), in addition to funds otherwise appropriated, there shall be transferred to the Secretary for the Center for Medicare & Medicaid Services Program Management Account from the Federal Hospital Insurance Trust Fund under section 1395i of this title and the Federal Supplementary Medical Insurance Trust Fund under section 1385c of this title (in proportions determined appropriate by the Secretary) $5,000,000 for each of fiscal years 2010 through 2015. Amounts transferred under this subsection for a fiscal year shall be available until expended.

(i) Termination

(1) Mandatory termination

The Secretary shall terminate an agreement with an independence at home medical practice if—

(A) the Secretary estimates or determines that such practice did not achieve savings for the third of 3 consecutive years under the demonstration program; or
(B) such practice fails to meet quality standards during any year of the demonstration program.

(2) Permissive termination

The Secretary may terminate an agreement with an independence at home medical practice for such other reasons determined appropriate by the Secretary.

REFERENCES IN TEXT

Parts A, B, and C, referred to in subsecs. (c) and (d)(1)(A), (B), are classified to sections 1395c et seq., 1395l et seq., and 1395w-21 et seq., respectively, of this title.


AMENDMENTS

2018—Subsec. (e)(1). Pub. L. 115–123, § 50301(a)(1)(A), substituted “Agreements” for “An agreement” and “7-year” for “5-year”.

Subsec. (e)(5). Pub. L. 115–123, § 50301(a)(1)(B), substituted “15,000” for “10,000” and inserted at end “An applicable beneficiary that participates in the demo-
onstration program by reason of the increase from 10,000 to 15,000 in the preceding sentence pursuant to the amendment made by section 50301(a)(1)(B)(ii) of the Advancing Chronic Care, Extenders, and Social Services Act shall be considered in the spending target estimates under paragraph (1) of subsection (c) and the incentive payment calculations under paragraph (2) of such subsection for the sixth and seventh years of such program.”

Subsec. (g). Pub. L. 115–123, § 50301(a)(2), inserted “... including, to the extent practicable, with respect to the use of electronic health information systems, as described in subsection (b)(1)(A)(vi)” after “‘under the demonstration program’.”

Subsec. (i)(1)(A). Pub. L. 115–123, § 50301(a)(3), substituted “did not achieve savings for the third of 3'' for “will not receive an incentive payment for the second of 3'' for also substituted “demonstration program”.

Paragraph (1) of subsection (b)(1)(A)(vi)” after “under the use of electronic health information systems, as described in subsection (b)(1)(A)(vi)” after “‘under the demonstration program’”.


§ 1395cc–6. Opioid use disorder treatment demonstration program

(a) Implementation of 4-year demonstration program

(1) In general

Not later than January 1, 2021, the Secretary shall implement a 4-year demonstration program under this subchapter (in this section referred to as the “Program”) to increase access of applicable beneficiaries to opioid use disorder treatment services, improve physical and mental health outcomes for such beneficiaries, and to the extent possible, reduce expenditures under this subchapter. Under the Program, the Secretary shall make payments under subsection (e) to participants (as defined in subsection (c)(1)(A)) for furnishing opioid use disorder treatment services delivered through opioid use disorder care teams, or arranging for such services to be furnished, to applicable beneficiaries participating in the Program.

(2) Opioid use disorder treatment services

For purposes of this section, the term “opioid use disorder treatment services”—

(A) means, with respect to an applicable beneficiary, services that are furnished for the treatment of opioid use disorders and that utilize drugs approved under section 355 of title 21 for the treatment of opioid use disorders in an outpatient setting; and

(B) includes—

(i) medication-assisted treatment;

(ii) treatment planning;

(iii) psychiatric, psychological, or counseling services (or any combination of such services), as appropriate;

(iv) social support services, as appropriate; and

(v) care management and care coordination services, including coordination with other providers of services and suppliers not on an opioid use disorder care team.

(b) Program design

(1) In general

The Secretary shall design the Program in such a manner to allow for the evaluation of the extent to which the Program accomplishes the following purposes:

(A) Reduces hospitalizations and emergency department visits.

(B) Increases use of medication-assisted treatment for opioid use disorders.

(C) Improves health outcomes of individuals with opioid use disorders, including by reducing the incidence of infectious diseases (such as hepatitis C and HIV).

(D) Does not increase the total spending on items and services under this subchapter.

(E) Reduces deaths from opioid overdose.

(F) Reduces the utilization of inpatient residential treatment.

(2) Consultation

In designing the Program, including the criteria under subsection (e)(2)(A), the Secretary shall consult with specialists in the field of addiction, clinicians in the primary care community, and beneficiary groups.

(c) Participants; opioid use disorder care teams

(1) Participants

(A) Definition

In this section, the term “participant” means an entity or individual—

(i) that is otherwise enrolled under this subchapter and that is—

(I) a physician (as defined in section 1395x(r)(1) of this title);

(II) a group practice comprised of at least one physician described in clause (I);

(III) a hospital outpatient department;

(IV) a federally qualified health center (as defined in section 1395x(aa)(4) of this title);

(V) a rural health clinic (as defined in section 1395x(aa)(2) of this title);

(VI) a community mental health center (as defined in section 1395x(ff)(9)(B) of this title);

(VII) a clinic certified as a certified community behavioral health clinic pursuant to section 233 of the Protecting Access to Medicare Act of 2014; or

(VIII) any other individual or entity specified by the Secretary;

(ii) that applied for and was selected to participate in the Program pursuant to an application and selection process established by the Secretary; and

(iii) that establishes an opioid use disorder care team (as defined in paragraph (2) through employing or contracting with health care practitioners described in paragraph (2)(A), and uses such team to furnish or arrange for opioid use disorder treatment services in the outpatient setting under the Program.

(B) Preference

In selecting participants for the Program, the Secretary shall give preference to indi-
viduals and entities that are located in areas with a prevalence of opioid use disorders that is higher than the national average prevalence.

(2) Opioid use disorder care teams

(A) In general

For purposes of this section, the term “opioid use disorder care team” means a team of health care practitioners established by a participant described in paragraph (1)(A) that—

(i) shall include—

(I) at least one physician (as defined in section 1395x(r)(1) of this title) furnishing primary care services or addiction treatment services to an applicable beneficiary; and

(II) at least one eligible practitioner (as defined in paragraph (3)), who may be a physician who meets the criterion in subclause (I); and

(ii) may include other practitioners licensed under State law to furnish psychiatric, psychological, counseling, and social services to applicable beneficiaries.

(B) Requirements for receipt of payment under program

In order to receive payments under subsection (e), each participant in the Program shall—

(i) furnish opioid use disorder treatment services through opioid use disorder care teams to applicable beneficiaries who agree to receive the services;

(ii) meet minimum criteria, as established by the Secretary; and

(iii) submit to the Secretary, in such form, manner, and frequency as specified by the Secretary, with respect to each applicable beneficiary for whom opioid use disorder treatment services are furnished by the opioid use disorder care team, data and such other information as the Secretary determines appropriate to—

(I) monitor and evaluate the Program;

(II) determine if minimum criteria are met under clause (ii); and

(III) determine the incentive payment under subsection (e).

(3) Eligible practitioner defined

For purposes of this section, the term “eligible practitioner” means a physician or other health care practitioner, such as a nurse practitioner, that—

(A) is enrolled under section 1395cc(j)(1) of this title;

(B) is authorized to prescribe or dispense narcotic drugs to individuals for maintenance treatment or detoxification treatment; and

(C) has in effect a waiver in accordance with section 823(g) of title 21 for such purpose and is otherwise in compliance with regulations promulgated by the Substance Abuse and Mental Health Services Administration to carry out such section.

(d) Participation of applicable beneficiaries

(1) Applicable beneficiary defined

In this section, the term “applicable beneficiary” means an individual who—

(A) is entitled to, or enrolled for, benefits under part A and enrolled for benefits under part B;

(B) is not enrolled in a Medicare Advantage plan under part C;

(C) has a current diagnosis for an opioid use disorder; and

(D) meets such other criteria as the Secretary determines appropriate.

Such term shall include an individual who is dually eligible for benefits under this subchapter and subchapter XIX if such individual satisfies the criteria described in subparagraphs (A) through (D).

(2) Voluntary beneficiary participation; limitation on number of beneficiaries

An applicable beneficiary may participate in the Program on a voluntary basis and may terminate participation in the Program at any time. Not more than 20,000 applicable beneficiaries may participate in the Program at any time.

(3) Services

In order to participate in the Program, an applicable beneficiary shall agree to receive opioid use disorder treatment services from a participant. Participation under the Program shall not affect coverage of or payment for any other item or service under this subchapter for the applicable beneficiary.

(4) Beneficiary access to services

Nothing in this section shall be construed as encouraging providers to limit applicable beneficiary access to services covered under this subchapter, and applicable beneficiaries shall not be required to relinquish access to any benefit under this subchapter as a condition of receiving services from a participant in the Program.

(e) Payments

(1) Per applicable beneficiary per month care management fee

(A) In general

The Secretary shall establish a schedule of per applicable beneficiary per month care management fees. Such a per applicable beneficiary per month care management fee shall be paid to a participant in addition to any other amount otherwise payable under this subchapter to the health care practitioners in the participant’s opioid use disorder care team or, if applicable, to the participant. A participant may use such per applicable beneficiary per month care management fee to deliver additional services to applicable beneficiaries, including services not otherwise eligible for payment under this subchapter.

(B) Payment amounts

In carrying out subparagraph (A), the Secretary may—

(i) consider payments otherwise payable under this subchapter for opioid use disorder treatment services and the needs of applicable beneficiaries;

(ii) pay a higher per applicable beneficiary per month care management fee for
Under the Program under subsection (e)(2)(C), the Secretary may enter into a memorandum of understanding with other payers to align the methodology for payment provided by such a payer related to opioid use disorder treatment services with such methodology for payment under the Program.

(g) Evaluation

(1) In general

The Secretary shall conduct an intermediate and final evaluation of the program. Each such evaluation shall determine the extent to which each of the purposes described in subsection (b) have been accomplished under the Program.

(2) Reports

The Secretary shall submit to Congress—

(A) a report with respect to the intermediate evaluation under paragraph (1) not later than 6 years after the date of the implementation of the Program; and

(B) a report with respect to the final evaluation under paragraph (1) not later than 6 years after such date.

(h) Funding

(1) Administrative funding

For the purposes of implementing, administering, and carrying out the Program (other than for purposes described in paragraph (2)), $5,000,000 shall be available from the Federal Supplementary Medical Insurance Trust Fund under section 1395t of this title.

(2) Care management fees and incentives

For the purposes of making payments under subsection (e), $10,000,000 shall be available from the Federal Supplementary Medical Insurance Trust Fund under section 1395t of this title for each of fiscal years 2021 through 2024.

(3) Availability

Amounts transferred under this subsection for a fiscal year shall be available until expended.

(i) Waivers

The Secretary may waive any provision of this subchapter as may be necessary to carry out the Program under this section.

References in Text


§ 1395dd. Examination and treatment for emergency medical conditions and women in labor

(a) Medical screening requirement

In the case of a hospital that has a hospital emergency department, if any individual (whether or not eligible for benefits under this subchapter) comes to the emergency department and a request is made on the individual’s behalf for examination or treatment for a medical con-
dation, the hospital must provide for an appropriate medical screening examination within the capability of the hospital's emergency department, including ancillary services routinely available to the emergency department, to determine whether or not an emergency medical condition (within the meaning of subsection (e)(1)) exists.

(b) Necessary stabilizing treatment for emergency medical conditions and labor

(1) In general
If any individual (whether or not eligible for benefits under this subchapter) comes to a hospital and the hospital determines that the individual has an emergency medical condition, the hospital must provide either—

(A) within the staff and facilities available at the hospital, for such further medical examination and such treatment as may be required to stabilize the medical condition, or

(B) for transfer of the individual to another medical facility in accordance with subsection (c).

(2) Refusal to consent to treatment
A hospital is deemed to meet the requirement of paragraph (1)(A) with respect to an individual if the hospital offers the individual the further medical examination and treatment described in that paragraph and informs the individual (or a person acting on the individual's behalf) of the risks and benefits to the individual of such examination and treatment, but the individual (or a person acting on the individual's behalf) refuses to consent to the examination and treatment. The hospital shall take all reasonable steps to secure the individual's (or person's) written informed consent to refuse such examination and treatment.

(3) Refusal to consent to transfer
A hospital is deemed to meet the requirement of paragraph (1) with respect to an individual if the hospital offers to transfer the individual to another medical facility in accordance with subsection (c) and informs the individual (or a person acting on the individual's behalf) if the hospital offers the individual the further medical examination and treatment, but the individual (or a person acting on the individual's behalf) refuses to consent to the transfer. The hospital shall take all reasonable steps to secure the individual's (or person's) written informed consent to refuse such examination and treatment.

(c) Restricting transfers until individual stabilized

(1) Rule
If an individual at a hospital has an emergency medical condition which has not been stabilized (within the meaning of subsection (e)(3)(B)), the hospital may not transfer the individual unless—

(A)(i) the individual (or a legally responsible person acting on the individual's behalf) after being informed of the hospital's obligations under this section and of the risk of transfer, in writing requests transfer to another medical facility,

(ii) a physician (within the meaning of section 1395xx(r)(1) of this title) has signed a certification that, based upon the information available at the time of transfer, the medical benefits reasonably expected from the provision of appropriate medical treatment at another medical facility outweigh the increased risks to the individual and, in the case of labor, to the unborn child from effecting the transfer, or

(iii) if a physician is not physically present in the emergency department at the time an individual is transferred, a qualified medical person (as defined by the Secretary in regulations) has signed a certification described in clause (ii) after a physician (as defined in section 1395x(r)(1) of this title), in consultation with the person, has made the determination described in such clause, and subsequently countersigns the certification; and

(B) the transfer is an appropriate transfer (within the meaning of paragraph (2)) to that facility.

A certification described in clause (ii) or (iii) of subparagraph (A) shall include a summary of the risks and benefits upon which the certification is based.

(2) Appropriate transfer
An appropriate transfer to a medical facility is a transfer—

(A) in which the transferring hospital provides the medical treatment within its capacity which minimizes the risks to the individual's health and, in the case of a woman in labor, the health of the unborn child;

(B) in which the receiving facility—

(i) has available space and qualified personnel for the treatment of the individual, and

(ii) has agreed to accept transfer of the individual and to provide appropriate medical treatment;

(C) in which the transferring hospital sends to the receiving facility all medical records (or copies thereof), related to the emergency condition for which the individual has presented, available at the time of the transfer, including records related to the individual's emergency medical condition, observations of signs or symptoms, preliminary diagnosis, treatment provided, results of any tests and the informed written consent or certification (or copy thereof) provided under paragraph (1)(A), and the name and address of any on-call physician (described in subsection (d)(1)(C)) who has refused or failed to appear within a reasonable time to provide necessary stabilizing treatment;

(D) in which the transfer is effected through qualified personnel and transportation equipment, as required including the use of necessary and medically appropriate life support measures during the transfer; and

(E) which meets such other requirements as the Secretary may find necessary in the interest of the health and safety of individuals transferred.

1 So in original. Probably should be followed by a comma.
(d) Enforcement

(1) Civil money penalties

(A) A participating hospital that negligently violates a requirement of this section is subject to a civil money penalty of not more than $50,000 (or not more than $25,000 in the case of a hospital with less than 100 beds) for each such violation. The provisions of section 1320a-7a of this title (other than subsections (a) and (b)) shall apply to a civil money penalty under this subparagraph in the same manner as such provisions apply with respect to a penalty or proceeding under section 1320a-7a(a) of this title.

(B) Subject to subparagraph (C), any physician who is responsible for the examination, treatment, or transfer of an individual in a participating hospital, including a physician on-call for the care of such an individual, and who negligently violates a requirement of this section is subject to a civil money penalty of not more than $50,000 for each such violation and, if the violation is gross and flagrant or is repeated, than $50,000 for each such violation and, if the violation is gross and flagrant or is repeated, more than two years after the date of the violation with respect to which the action is brought.

(2) Civil enforcement

(A) A participating hospital that negligently violates a requirement of this section may, in a civil action against the participating hospital, obtain those damages available for financial loss, under the law of the State in which the hospital is located, and such equitable relief as is appropriate.

(B) Financial loss to other medical facility

Any medical facility that suffers a financial loss as a direct result of a participating hospital’s violation of a requirement of this section may, in a civil action against the participating hospital, obtain those damages available for financial loss, under the law of the State in which the hospital is located, and such equitable relief as is appropriate.

(C) Limitations on actions

No action may be brought under this paragraph more than two years after the date of the violation with respect to which the action is brought.

(3) Consultation with quality improvement organizations

In considering allegations of violations of the requirements of this section in imposing sanctions under paragraph (1) or in terminating a hospital’s participation under this subchapter for violations related to the appropriateness of a medical screening examination, stabilizing treatment, or an appropriate transfer as required by this section, the Secretary shall request the appropriate quality improvement organization (with a contract under part B of subchapter XI) to assess whether the individual involved had an emergency medical condition which had not been stabilized, and provide a report on its findings. Except in the case in which a delay would jeopardize the health or safety of individuals, the Secretary shall request such a review before effecting a sanction under paragraph (1) and shall provide a period of at least 60 days for such review. Except in the case in which a delay would jeopardize the health or safety of individuals, the Secretary shall request such a review before making a compliance determination as part of the process of terminating a hospital’s participation under this subchapter for violations related to the appropriateness of a medical screening examination, stabilizing treatment, or an appropriate transfer as required by this section, and shall provide a period of 5 days for such review. The Secretary shall provide a copy of the organization’s report to the hospital or physician consistent with confidentiality requirements imposed on the organization under such part B.

(4) Notice upon closing an investigation

The Secretary shall establish a procedure to notify hospitals and physicians when an investigation under this section is closed.

(e) Definitions

In this section:

(1) The term ‘emergency medical condition’ means—

(A) a medical condition manifesting itself by acute symptoms of sufficient severity (including severe pain) such that the absence of immediate medical attention could reasonably be expected to result in—

(i) placing the health of the individual (or, with respect to a pregnant woman, the health of the woman or her unborn child) in serious jeopardy,

(ii) serious impairment to bodily functions, or

(iii) complications of pregnancy, childbirth, or the Jacobs postpartum period that endanger the woman’s life

under the law of the State in which the hospital is located, and such equitable relief as is appropriate.
(iii) serious dysfunction of any bodily organ or part; or

(B) with respect to a pregnant woman who is having contractions—

(i) that there is inadequate time to effect a safe transfer to another hospital before delivery, or

(ii) that transfer may pose a threat to the health or safety of the woman or the unborn child.

(2) The term “participating hospital” means a hospital that has entered into a provider agreement under section 1395cc of this title.

(3)(A) The term “to stabilize” means, with respect to an emergency medical condition described in paragraph (1)(A), to provide such medical treatment of the condition as may be necessary to assure, within reasonable medical probability, that no material deterioration of the condition is likely to result from or occur during the transfer of the individual from a facility, or, with respect to an emergency medical condition described in paragraph (1)(B), to deliver (including the placenta).

(B) The term “stabilized” means, with respect to an emergency medical condition described in paragraph (1)(A), that no material deterioration of the condition is likely, within reasonable medical probability, to result from or occur during the transfer of the individual from a facility, or, with respect to an emergency medical condition described in paragraph (1)(B), that the woman has delivered (including the placenta).

(4) The term “transfer” means the movement (including the discharge) of an individual outside a hospital’s facilities at the direction of any person employed by (or affiliated with or associated, directly or indirectly, with) the hospital, but does not include such a movement of an individual who (A) has been declared dead, or (B) leaves the facility without the permission of any such person.

(5) The term “hospital” includes a critical access hospital (as defined in section 1395x(mm)(1) of this title).

(f) Preemption

The provisions of this section do not preempt any State or local law requirement, except to the extent that the requirement directly conflicts with a requirement of this section.

(g) Nondiscrimination

A participating hospital that has specialized capabilities or facilities (such as burn units, shock-trauma units, neonatal intensive care units, or (with respect to rural areas) regional referral centers as identified by the Secretary in regulation) shall not refuse to accept an appropriate transfer of an individual who requires such specialized capabilities or facilities if the hospital has the capacity to treat the individual.

(h) No delay in examination or treatment

A participating hospital may not delay provision of an appropriate medical screening examination required under subsection (a) or further medical examination and treatment required under subsection (b) in order to inquire about the individual’s method of payment or insurance status.

(i) Whistleblower protections

A participating hospital may not penalize or take adverse action against a qualified medical person described in subsection (c)(1)(A)(iii) or a physician because the person or physician refuses to authorize the transfer of an individual with an emergency medical condition that has not been stabilized or against any hospital employee because the employee reports a violation of a requirement of this section.

“(i) is employed by, or under contract with, the participating hospital, and
(ii) acting as such an employee or under such a contract, has professional responsibility for the provision of examinations or treatments for the individual, or transfers of the individual, with respect to which the violation occurred.

Subsec. (e)(1). Pub. L. 101–239, § 6211(b)(1)(A), substituted “means—” and subpars. (A) and (B) for “means a medical condition manifesting itself by acute symptoms of sufficient severity (including severe pain) such that the absence of immediate medical attention could reasonably be expected to result in—

(A) placing the patient’s health in serious jeopardy,

(B) serious impairment to bodily functions, or

(C) serious dysfunction of any bodily organ or part.”

Subsec. (e)(2). Pub. L. 101–239, § 6211(b)(1)(B), redesignated par. (3) as (2) and struck out former par. (2) which defined “active labor”.


Subsec. (e)(5). Pub. L. 101–239, § 6211(b)(1)(C), struck out former par. (6) and substituted “emergency medical condition described in paragraph (1)(A)” for “emergency medical condition”, “likely to result from or occur during” for “likely to result from”, “and” for “or”, and “result from”, “or” for “and”, “emergency medical condition described in paragraph (1)(A)” for “emergency medical condition”, “deliver (including the placenta)” for “deliver”, “a facility” for “a facility’, “and” for “or”, “that the woman has delivered (including the placenta)” for “that the woman has delivered”, “or” for “and”, “a facility” for “a facility”, “or from a facility, or, with respect to an emergency medical condition described in paragraph (1)(A)” for “emergency medical condition”.

Subsec. (e)(4)(B). Pub. L. 101–239, § 6211(b)(1)(D), inserted “described in paragraph (1)(A)’” after “emergency medical condition”, “occur during” after “to result from”, “and”, or, with respect to an emergency medical condition described in paragraph (1)(B), to deliver (including the placenta)” for “from a facility.”

Subsec. (e)(5)(B). Pub. L. 101–239, § 6211(b)(1)(D), inserted “described in paragraph (1)(A)” after “emergency medical condition”, “occur during” after “to result from”, “and”, or, with respect to an emergency medical condition described in paragraph (1)(B), to deliver (including the placenta)” for “from a facility.”

Subsec. (f)(3). Pub. L. 101–239, § 6211(c)(1), redesignated par. (3) as (2) and struck out former par. (2) which defined “labor”.
set out as a note under section 162 of Title 26, Internal Revenue Code.

**Effective Date**

Pub. L. 99–272, title IX, §921(c), Apr. 7, 1986, 100 Stat. 167, provided that: "The amendments made by this section [enacting this section and amending section 1395cc of this title] shall take effect on the first day of the first month that begins at least 90 days after the date of the enactment of this Act [Apr. 7, 1986]."

**Short Title**

This section is popularly known as the Emergency Medical Treatment and Labor Act (EMTALA).

**Emergency Medical Treatment and Labor Act (EMTALA)**

**Technical Advisory Group**


"(a) Establishment.—The Secretary [of Health and Human Services] shall establish a Technical Advisory Group (in this section referred to as the 'Advisory Group') to review issues related to the Emergency Medical Treatment and Labor Act (EMTALA) and its implementation. In this section, the term 'EMTALA' refers to the provisions of section 1867 of the Social Security Act (42 U.S.C. 1395dd).

"(b) Membership.—The Advisory Group shall be composed of 19 members, including the Administrator of the Centers for Medicare & Medicaid Services and the Inspector General of the Department of Health and Human Services and of which—

"(1) 4 shall be representatives of hospitals, including at least one public hospital, that have experience with the application of EMTALA and at least 2 of which have not been cited for EMTALA violations;

"(2) 7 shall be practicing physicians drawn from the fields of emergency medicine, cardiology or cardiothoracic surgery, orthopedic surgery, neurosurgery, pediatrics or a pediatric subspecialty, obstetrics-gynecology, and psychiatry, with not more than one physician from any particular field;

"(3) 2 shall represent patients;

"(4) 2 shall be staff involved in EMTALA investigations from different regional offices of the Centers for Medicare & Medicaid Services; and

"(5) 1 shall be from a State survey office involved in EMTALA investigations and 1 shall be from a peer review organization, both of whom shall be from areas other than the regions represented under paragraph (4).

In selecting members described in paragraphs (1) through (3), the Secretary shall consider qualified individuals nominated by organizations representing providers and patients.

"(c) General Responsibilities.—The Advisory Group—

"(1) shall review EMTALA regulations;

"(2) may provide advice and recommendations to the Secretary with respect to those regulations and their application to hospitals and physicians;

"(3) shall solicit comments and recommendations from hospitals, physicians, and the public regarding the implementation of such regulations; and

"(4) may disseminate information on the application of such regulations to hospitals, physicians, and the public.

"(d) Administrative Matters.—

"(1) Chairperson.—The members of the Advisory Group shall elect a member to serve as chairperson of the Advisory Group for the life of the Advisory Group.

"(2) Meetings.—The Advisory Group shall first meet at the direction of the Secretary. The Advisory Group shall then meet twice per year and at such other times as the Advisory Group may provide.

"(e) Termination.—The Advisory Group shall terminate 30 months after the date of the first meeting.

"(f) Waiver of Administrative Limitation.—The Secretary shall establish the Advisory Group notwithstanding any limitation that may apply to the number of advisory committees that may be established (with the Department of Health and Human Services or otherwise)."

**Federal Reimbursement of Emergency Health Services Furnished to Undocumented Aliens**


"(a) Total Amount Available for Allotment.—

"(1) In General.—Out of any funds in the Treasury not otherwise appropriated, there are appropriated to the Secretary [of Health and Human Services] $250,000,000 for each of fiscal years 2005 through 2008 for the purpose of making allotments under this section for payments to eligible providers in States described in paragraph (1) or (2) of subsection (b).

"(2) Availability.—Funds appropriated under paragraph (1) shall remain available until expended.

"(b) State Allotments.—

"(1) Based on Percentage of Undocumented Aliens.—

"(A) In General.—Out of the amount appropriated under subsection (a) for a fiscal year, the Secretary shall use $167,000,000 of such amount to make allotments for such fiscal year in accordance with subparagraph (B).

"(B) Formula.—The amount of the allotment for payments to eligible providers in each State for a fiscal year shall be equal to the product of—

"(i) the total amount available for allotments under this paragraph for the fiscal year; and

"(ii) the percentage of undocumented aliens residing in the State as compared to the total number of such aliens residing in all States, as determined by the Statistics Division of the Immigration and Naturalization Service, as of January 2003, based on the 2000 decennial census.

"(2) Based on Number of Undocumented Alien Apprehension States.—

"(A) In General.—Out of the amount appropriated under subsection (a) for a fiscal year, the Secretary shall use $33,000,000 of such amount to make allotments, in addition to amounts allotted under paragraph (1), for each fiscal year for each of the 6 States with the highest number of undocumented alien apprehensions for such fiscal year.

"(B) Determination of Allotments.—The amount of the allotment for each State described in subparagraph (A) for a fiscal year shall be equal to the product of—

"(i) the total amount available for allotments under this paragraph for the fiscal year; and

"(ii) the percentage of undocumented alien apprehensions in the State in that fiscal year as compared to the total of such apprehensions for all such States for the preceding fiscal year.

"(C) Data.—For purposes of this paragraph, the highest number of undocumented alien apprehensions for a fiscal year shall be based on the apprehension rates for the 4-consecutive-quarter period ending before the beginning of the fiscal year for which information is available for undocumented aliens in such States, as reported by the Department of Homeland Security.

"(1) Authority to Make Payments.—From the allotments made for a State under subsection (b) for a fiscal year, the Secretary shall pay the amount (subject to the total amount available from such allotments) determined under paragraph (2) directly to eligible providers located in the State for the provision of eligible services to aliens described in paragraph (5) to the extent that the eligible provider was not otherwise reimbursed (through insurance or otherwise) for such services during that fiscal year.

"(2) Determination of Payment Amounts.—

"(A) In General.—Subject to subparagraph (B), the payment amount determined under this paragraph shall be an amount determined by the Secretary that is equal to the lesser of—
\(\text{§ 1395ee} \) TITLE 42—THE PUBLIC HEALTH AND WELFARE

“(1) the amount that the provider demonstrates was incurred for the provision of such services; or

“(ii) amounts determined under a methodology established by the Secretary for purposes of this subsection.

“(B) PRO-RATA REDUCTION.—If the amount of funds allotted to a State under subsection (b) for a fiscal year is insufficient to ensure that each eligible provider in that State receives the amount of payment calculated under subparagraph (A), the Secretary shall reduce that amount of payment with respect to each eligible provider to ensure that the entire amount allotted to the State for that fiscal year is paid to such eligible providers.

“(3) METHODOLOGY.—In establishing a methodology under paragraph (2)(A)(ii), the Secretary—

“(A) may establish different methodologies for types of eligible providers;

“(B) may base payments for hospital services on estimated hospital charges, adjusted to estimated cost, through the application of hospital-specific cost-to-charge ratios;

“(C) shall provide for the election by a hospital to receive either payments to the hospital for—

“(i) hospital and physician services; or

“(ii) hospital services and for a portion of the on-call payments made by the hospital to physicians; and

“(D) shall make quarterly payments under this section to eligible providers.

If a hospital makes the election under subparagraph (C)(i), the hospital shall pass on payments for services of a physician to the physician and may not charge any administrative or other fee with respect to such payments.

“(4) LIMITATION ON USE OF FUNDS.—Payments made to eligible providers in a State from allotments made under subsection (b) for a fiscal year may only be used for costs incurred in providing eligible services to aliens described in paragraph (5).

“(5) ALIENS DESCRIBED.—For purposes of paragraphs (1) and (2), aliens described in this paragraph are any of the following:

“(A) Undocumented aliens.

“(B) Aliens who have been paroled into the United States at a United States port of entry for a period of not more than 60 days under section 202(c) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(15)(C)).

“(C) Mexican citizens permitted to enter the United States for not more than 72 hours under the authority of a biometric machine readable border crossing identification card (also referred to as a ‘laser visa’) issued in accordance with the requirements of regulations prescribed under section 101(a)(6) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(6)).

“(D) APPLICATIONS; ADVANCE PAYMENTS.—

“(1) DEADLINE FOR ESTABLISHMENT OF APPLICATION PROCESS.—

“(A) IN GENERAL.—Not later than September 1, 2004, the Secretary shall establish a process under which eligible providers located in a State may request payments under subsection (c).

“(B) INCLUSION OF MEASURES TO COMBAT FRAUD AND ABUSE.—The Secretary shall include in the process established under subparagraph (A) measures to ensure that inappropriate, excessive, or fraudulent payments are not made from the allotments determined under subsection (b), including certification by the eligible provider of the veracity of the payment request.

“(2) ADVANCE PAYMENT; RETROSPECTIVE ADJUSTMENT.—The process established under paragraph (1) may provide for making payments under this section for each quarter of a fiscal year on the basis of advance estimates of expenditures submitted by applicants for such payments and such other investigation as the Secretary may find necessary, and for making reductions or increases in the payments as necessary to adjust for any overpayment or underpayment for prior quarters of such fiscal year.

“(e) DEFINITIONS.—In this section:

“(1) ELIGIBLE PROVIDER.—The term ‘eligible provider’ means a hospital, physician, or provider of ambulatory services (including an Indian health service facility whether operated by the Indian Health Service or by an Indian tribe or tribal organization).

“(2) ELIGIBLE SERVICES.—The term ‘eligible services’ means health care services required by the application of section 1867 of the Social Security Act (42 U.S.C. 1395dd), and related hospital inpatient and outpatient services and ambulance services (as defined by the Secretary).

“(3) HOSPITAL.—The term ‘hospital’ has the meaning given such term in section 1861(e) of the Social Security Act (42 U.S.C. 1395x(e)), except that such term shall include a critical access hospital (as defined in section 1861(mm)(1) of such Act (42 U.S.C. 1395x(mm)(1)).

“(4) PHYSICIAN.—The term ‘physician’ has the meaning given such term in section 1861(r) of the Social Security Act (42 U.S.C. 1395x(f)).

“(5) INDIAN TRIBE; TRIBAL ORGANIZATION.—The terms ‘Indian tribe’ and ‘tribal organization’ have the meanings given such terms in section 4 of the Indian Health Care Improvement Act (25 U.S.C. 1689).

“(6) STATE.—The term ‘State’ means the 50 States and the District of Columbia.”

INSPECTOR GENERAL STUDY OF PROHIBITION ON HOSPITAL EMPLOYMENT OF PHYSICIANS

Pub. L. 101–508, title IV, § 3143(b), Nov. 5, 1990, 104 Stat. 1395x–44, directed Secretary of Health and Human Services (acting through Inspector General of Department of Health and Human Services) to conduct a study of the effect of State laws prohibiting the employment of physicians by hospitals on the availability and accessibility of trauma and emergency care services, and include in such study an analysis of the effect of such laws on the ability of hospitals to meet the requirements of section 1867 of the Social Security Act (this section) relating to the examination and treatment of individuals with an emergency medical condition and women in labor, with Secretary to submit a report to Congress on the study not later than 1 year after Nov. 5, 1990.

§ 1395ee. Practicing Physicians Advisory Council; Council for Technology and Innovation


(b) Council for Technology and Innovation

(1) Establishment

The Secretary shall establish a Council for Technology and Innovation within the Centers for Medicare & Medicaid Services (in this section referred to as “CMS”).

(2) Composition

The Council shall be composed of senior CMS staff and clinicians and shall be chaired by the Executive Coordinator for Technology and Innovation (appointed or designated under paragraph (4)).

(3) Duties

The Council shall coordinate the activities of coverage, coding, and payment processes under this subchapter with respect to new technologies and procedures, including new drug therapies, and shall coordinate the exchange of information on new technologies between CMS and other entities that make similar decisions.

(4) Executive Coordinator for Technology and Innovation

The Secretary shall appoint (or designate) a noncareer appointee (as defined in section
(c) Physician-focused payment models

(1) Technical Advisory Committee

(A) Establishment

There is established an ad hoc committee to be known as the “Physician-Focused Payment Model Technical Advisory Committee” (referred to in this subsection as the “Committee”).

(B) Membership

(i) Number and appointment

The Committee shall be composed of 11 members appointed by the Comptroller General of the United States.

(ii) Qualifications

The membership of the Committee shall include individuals with national recognition for their expertise in physician-focused payment models and related delivery of care. No more than 5 members of the Committee shall be providers of services or suppliers, or representatives of providers of services or suppliers.

(iii) Prohibition on Federal employment

A member of the Committee shall not be an employee of the Federal Government.

(iv) Ethics disclosure

The Comptroller General shall establish a system for public disclosure by members of the Committee for purposes of applying title I of the Ethics in Government Act of 1978 (Public Law 95–521).

(v) Date of initial appointments

The initial appointments of members of the Committee shall be made by not later than 180 days after April 16, 2015.

(C) Term; vacancies

(i) Term

The terms of members of the Committee shall be for 3 years except that the Comptroller General shall designate staggered terms for the members first appointed.

(ii) Vacancies

Any member appointed to fill a vacancy occurring before the expiration of the term for which the member’s predecessor was appointed shall be appointed only for the remainder of that term. A member may serve after the expiration of that member’s term until a successor has taken office. A vacancy in the Committee shall be filled in the manner in which the original appointment was made.

(D) Duties

The Committee shall meet, as needed, to provide comments and recommendations to the Secretary, as described in paragraph (2)(C), on physician-focused payment models.

(E) Compensation of members

(i) In general

Except as provided in clause (ii), a member of the Committee shall serve without compensation.

(ii) Travel expenses

A member of the Committee shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for an employee of an agency under subchapter I of chapter 57 of title 5 while away from the home or regular place of business of the member in the performance of the duties of the Committee.

(F) Operational and technical support

(i) In general

The Assistant Secretary for Planning and Evaluation shall provide technical and operational support for the Committee, which may be by use of a contractor. The Office of the Actuary of the Centers for Medicare & Medicaid Services shall provide to the Committee actuarial assistance as needed.

(ii) Funding

The Secretary shall provide for the transfer, from the Federal Supplementary Medical Insurance Trust Fund under section 1395t of this title, such amounts as are necessary to carry out this paragraph (not to exceed $5,000,000) for fiscal year 2015 and each subsequent fiscal year. Any amounts transferred under the preceding sentence for a fiscal year shall remain available until expended.

(G) Application

Section 14 of the Federal Advisory Committee Act (5 U.S.C. App.) shall not apply to the Committee.

(2) Criteria and process for submission and review of physician-focused payment models

(A) Criteria for assessing physician-focused payment models

(i) Rulemaking

Not later than November 1, 2016, the Secretary shall, through notice and comment rulemaking, following a request for information, establish criteria for physician-focused payment models, including models for specialist physicians, that could be used by the Committee for making comments and recommendations pursuant to paragraph (1)(D).

(ii) MedPAC submission of comments

During the comment period for the proposed rule described in clause (i), the Medicare Payment Advisory Commission may submit comments to the Secretary on the proposed criteria under such clause.
(iii) Updating
The Secretary may update the criteria established under this subparagraph through rulemaking.

(B) Stakeholder submission of physician-focused payment models
On an ongoing basis, individuals and stakeholder entities may submit to the Committee proposals for physician-focused payment models that such individuals and entities believe meet the criteria described in subparagraph (A).

(C) Committee review of models submitted
The Committee, on a periodic basis—
(i) shall review models submitted under subparagraph (B);
(ii) may provide individuals and stakeholder entities who submitted such models with—
(I) initial feedback on such models regarding the extent to which such models meet the criteria described in subparagraph (A); and
(II) an explanation of the basis for the feedback provided under clause (i); and
(iii) shall prepare comments and recommendations regarding whether such models meet the criteria described in subparagraph (A) and submit such comments and recommendations to the Secretary.

(D) Secretary review and response
The Secretary shall review the comments and recommendations submitted by the Committee under subparagraph (C) and post a detailed response to such comments and recommendations on the Internet website of the Centers for Medicare & Medicaid Services.

(3) Rule of construction
Nothing in this subsection shall be construed to impact the development or testing of models under this subchapter or subchapters XI, XIX, or XXI.


REFERENCES IN TEXT

Section 14 of the Federal Advisory Committee Act, referred to in subsec. (c)(1)(G), is section 14 of Pub. L. 92–463, which is set out in the Appendix to Title 5, Government Organization and Employees.

PRIOR PROVISIONS

AMENDMENTS
2018—Subsec. (c)(2)(C). Pub. L. 115–123 amended subpar. (C) generally. Prior to amendment, text read as follows: ‘‘The Committee shall, on a periodic basis, review models submitted under subparagraph (B), prepare comments and recommendations regarding whether such models meet the criteria described in subparagraph (A), and submit such comments and recommendations to the Secretary.’’


2003—Pub. L. 108–173, §942(a)(1), inserted ‘‘Council for Technology and Innovation’’ in section catchline. Subsec. (a). Pub. L. 108–173, §942(a)(2)(A), inserted subsec. heading, redesignated existing provisions as pars. (1), substituted ‘‘in this subsection’’ for ‘‘in this section’’, and redesignated former subsecs. (b) and (c) as pars. (2) and (3), respectively.


TERMINATION OF ADVISORY COUNCILS
Advisory councils established after Jan. 5, 1973, to terminate not later than the expiration of the 2-year period beginning on the date of their establishment, unless, in the case of a council established by the President or an officer of the Federal Government, such council is renewed by appropriate action prior to the expiration of such 2-year period, or in the case of a council established by Congress, its duration is otherwise provided by law. See sections 3(2) and 14 of Pub. L. 92–463, Oct. 6, 1972, 86 Stat. 770, 776, set out in the Appendix to Title 5, Government Organization and Employees.

§ 1395ff. Determinations; appeals
(a) Initial determinations
(1) Promulgations of regulations
The Secretary shall promulgate regulations and make initial determinations with respect to benefits under part A or part B in accordance with those regulations for the following:
(A) The initial determination of whether an individual is entitled to benefits under such parts.
(B) The initial determination of the amount of benefits available to the individual under such parts.
(C) Any other initial determination with respect to a claim for benefits under such parts, including an initial determination by the Secretary that payment may not be made, or may no longer be made, for an item or service under such parts, an initial determination made by a quality improvement organization under section 1320c–3(a)(2) of this title, and an initial determination made by an entity pursuant to a contract (other than a contract under section 1395w–22 of this title) with the Secretary to administer provisions of this subchapter or subchapter XI.
(2) Deadlines for making initial determinations

(A) In general
Subject to subparagraph (B), in promulgating regulations under paragraph (1), initial determinations shall be concluded by not later than the 45-day period beginning on the date the fiscal intermediary or the carrier, as the case may be, receives a claim for benefits from an individual as described in paragraph (1). Notice of such determination shall be mailed to the individual filing the claim before the conclusion of such 45-day period.

(B) Clean claims
Subparagraph (A) shall not apply with respect to any claim that is subject to the requirements of section 1395h(c)(2) or 1395u(c)(2) of this title.

(3) Redeterminations

(A) In general
In promulgating regulations under paragraph (1) with respect to initial determinations, such regulations shall provide for a fiscal intermediary or a carrier to make a redetermination with respect to a claim for benefits that is denied in whole or in part.

(B) Limitations
(i) Appeal rights
No initial determination may be reconsidered or appealed under subsection (b) unless the fiscal intermediary or carrier has made a redetermination of that initial determination under this paragraph.

(ii) Decisionmaker
No redetermination may be made by any individual involved in the initial determination.

(C) Deadlines
(i) Filing for redetermination
A redetermination under subparagraph (A) shall be available only if notice is filed with the Secretary to request the redetermination by not later than the end of the 120-day period beginning on the date the individual receives notice of the initial determination under paragraph (2).

(ii) Concluding redeterminations
Redeterminations shall be concluded by not later than the 60-day period beginning on the date the fiscal intermediary or the carrier, as the case may be, receives a request for a redetermination. Notice of such determination shall be mailed to the individual filing the claim before the conclusion of such 60-day period.

(D) Construction
For purposes of the succeeding provisions of this section a redetermination under this paragraph shall be considered to be part of the initial determination.

(4) Requirements of notice of determinations

With respect to an initial determination insofar as it results in a denial of a claim for benefits—

(A) the written notice on the determination shall include—

(i) the reasons for the determination, including whether a local medical review policy or a local coverage determination was used;

(ii) the procedures for obtaining additional information concerning the determination, including the information described in subparagraph (B); and

(iii) notification of the right to seek a redetermination or otherwise appeal the determination and instructions on how to initiate such a redetermination under this section;

(B) such written notice shall be provided in printed form and written in a manner calculated to be understood by the individual entitled to benefits under part A or enrolled under part B, or both; and

(C) the individual provided such written notice may obtain, upon request, information on the specific provision of the policy, manual, or regulation used in making the redetermination.

(5) Requirements of notice of redeterminations

With respect to a redetermination insofar as it results in a denial of a claim for benefits—

(A) the written notice on the redetermination shall include—

(i) the specific reasons for the redetermination;

(ii) as appropriate, a summary of the clinical or scientific evidence used in making the redetermination;

(iii) a description of the procedures for obtaining additional information concerning the redetermination; and

(iv) notification of the right to appeal the redetermination and instructions on how to initiate such an appeal under this section;

(B) such written notice shall be provided in printed form and written in a manner calculated to be understood by the individual entitled to benefits under part A or enrolled under part B, or both; and

(C) the individual provided such written notice may obtain, upon request, information on the specific provision of the policy, manual, or regulation used in making the redetermination.

(b) Appeal rights

(1) In general

(A) Reconsideration of initial determination
Subject to subparagraph (D), any individual dissatisfied with any initial determination under subsection (a)(1) shall be entitled to reconsideration of the determination, and, subject to subparagraphs (D) and (E), a hearing thereon by the Secretary to the same extent as is provided in section 405(b) of this title and, subject to paragraph (2), to judicial review of the Secretary’s final decision after such hearing as is provided in section 405(g) of this title. For purposes of the preceding sentence, any reference to the “Commissioner of Social Security” or the “Social Security Administration” in subsection (g) or (l) of section 405 of this title...
shall be considered a reference to the “Secretary” or the “Department of Health and Human Services”, respectively.

(B) Representation by provider or supplier

(i) In general

Sections 406(a), 1302, and 1395hh of this title shall not be construed as authorizing the Secretary to prohibit an individual from being represented under this section by a person that furnishes or supplies the individual, directly or indirectly, with services or items, solely on the basis that the person furnishes or supplies the individual with such a service or item.

(ii) Mandatory waiver of right to payment from beneficiary

Any person that furnishes services or items to an individual may not represent an individual under this section with respect to the issue described in section 1395pp(a)(2) of this title unless the person has waived any rights for payment from the beneficiary with respect to the services or items involved in the appeal.

(iii) Prohibition on payment for representation

If a person furnishes services or items to an individual and represents the individual under this section, the person may not impose any financial liability on such individual in connection with such representation.

(iv) Requirements for representatives of a beneficiary

The provisions of section 405(j) of this title and of section 406 of this title (other than subsection (a)(4) of such section) regarding representation of claimants shall apply to representation of an individual with respect to appeals under this section in the same manner as they apply to representation of an individual under those sections.

(C) Succession of rights in cases of assignment

The right of an individual to an appeal under this section with respect to an item or service may be assigned to the provider of services or supplier of the item or service upon the written consent of such individual using a standard form established by the Secretary for such an assignment.

(D) Time limits for filing appeals

(i) Reconsiderations

Reconsideration under subparagraph (A) shall be available only if the individual described in subparagraph (A) files notice with the Secretary to request reconsideration by not later than the end of the 180-day period beginning on the date the individual receives notice of the redetermination under subsection (a)(3), or within such additional time as the Secretary may allow.

(ii) Hearings conducted by the Secretary

The Secretary shall establish in regulations time limits for the filing of a request for a hearing by the Secretary in accordance with provisions in sections 405 and 406 of this title.

(E) Amounts in controversy

(i) In general

A hearing (by the Secretary) shall not be available to an individual under this section if the amount in controversy is less than $100, and judicial review shall not be available to the individual if the amount in controversy is less than $1,000.

(ii) Aggregation of claims

In determining the amount in controversy, the Secretary, under regulations, shall allow two or more appeals to be aggregated if the appeals involve—

(I) the delivery of similar or related services to the same individual by one or more providers of services or suppliers, or

(II) common issues of law and fact arising from services furnished to two or more individuals by one or more providers of services or suppliers.

(iii) Adjustment of dollar amounts

For requests for hearings or judicial review made in a year after 2004, the dollar amounts specified in clause (i) shall be equal to such dollar amounts increased by the percentage increase in the medical care component of the consumer price index for all urban consumers (U.S. city average) for July 2003 to the July preceding the year involved. Any amount determined under the previous sentence that is not a multiple of $10 shall be rounded to the nearest multiple of $10.

(F) Expedited proceedings

(i) Expedited determination

In the case of an individual who has received notice from a provider of services that such provider plans—

(I) to terminate services provided to an individual and a physician certifies that failure to continue the provision of such services is likely to place the individual’s health at significant risk, or

(II) to discharge the individual from the provider of services, the individual may request, in writing or orally, an expedited determination or an expedited reconsideration of an initial determination made under subsection (a)(1), as the case may be, and the Secretary shall provide such expedited determination or expedited reconsideration.

(ii) Reference to expedited access to judicial review

For the provision relating to expedited access to judicial review, see paragraph (2).

(G) Reopening and revision of determinations

The Secretary may reopen or revise any initial determination or reconsidered determination described in this subsection under guidelines established by the Secretary in regulations.
(2) Expedited access to judicial review

(A) In general
The Secretary shall establish a process under which a provider of services or supplier that furnishes an item or service or an individual entitled to benefits under part A or enrolled under part B, or both, who has filed an appeal under paragraph (1) (other than an appeal filed under paragraph (1)(F)(i)) may obtain access to judicial review when a review entity (described in subparagraph (D)), on its own motion or at the request of the appellant, determines that the Departmental Appeals Board does not have authority to decide the question of law or regulation relevant to the matters in controversy and that there is no material issue of fact in dispute. The appellant may make such request only once with respect to a question of law or regulation for a specific matter in dispute in a case of an appeal.

(B) Prompt determinations
If, after or coincident with appropriately filing a request for an administrative hearing, the appellant requests a determination by the appropriate review entity that the Departmental Appeals Board does not have authority to decide the question of law or regulations relevant to the matters in controversy and that there is no material issue of fact in dispute, and if such request is accompanied by the documents and materials as the appropriate review entity shall require for purposes of making such determination, such review entity shall make a determination on the request in writing within 60 days after the date such review entity receives the request and such accompanying documents and materials. Such a determination by such review entity shall be considered a final decision and not subject to review by the Secretary.

(C) Access to judicial review

(i) In general
If the appropriate review entity—

(I) determines that there are no material issues of fact in dispute and that the only issues to be adjudicated are ones of law or regulation that the Departmental Appeals Board does not have authority to decide; or

(II) fails to make such determination within the period provided under subparagraph (B),

then the appellant may bring a civil action as described in this subparagraph.

(ii) Deadline for filing
Such action shall be filed, in the case described in—

(I) clause (i)(I), within 60 days of the date of the determination described in such clause; or

(II) clause (i)(II), within 60 days of the end of the period provided under subparagraph (B) for the determination.

(iii) Venue
Such action shall be brought in the district court of the United States for the judicial district in which the appellant is located (or, in the case of an action brought jointly by more than one applicant, the judicial district in which the greatest number of applicants are located) or in the District Court for the District of Columbia.

(iv) Interest on any amounts in controversy
Where a provider of services or supplier is granted judicial review pursuant to this paragraph, the amount in controversy (if any) shall be subject to annual interest beginning on the first day of the first month beginning after the 60-day period as determined pursuant to clause (ii) and equal to the rate of interest on obligations issued for purchase by the Federal Supplementary Medical Insurance Trust Fund for the month in which the civil action authorized under this paragraph is commenced, to be awarded by the reviewing court in favor of the prevailing party. No interest awarded pursuant to the preceding sentence shall be deemed income or cost for the purposes of determining reimbursement due providers of services or suppliers under this subchapter.

(D) Review entity defined
For purposes of this subsection, the term “review entity” means an entity of up to three reviewers who are administrative law judges or members of the Departmental Appeals Board selected for purposes of making determinations under this paragraph.

(3) Requiring full and early presentation of evidence by providers
A provider of services or supplier may not introduce evidence in any appeal under this section that was not presented at the reconsideration conducted by the qualified independent contractor under subsection (c), unless there is good cause which precluded the introduction of such evidence at or before that reconsideration.

(c) Conduct of reconsiderations by independent contractors

(1) In general
The Secretary shall enter into contracts with qualified independent contractors to conduct reconsiderations of initial determinations made under subparagraphs (B) and (C) of subsection (a)(1). Contracts shall be for an initial term of three years and shall be renewable on a triennial basis thereafter.

(2) Qualified independent contractor
For purposes of this subsection, the term “qualified independent contractor” means an entity or organization that is independent of any organization under contract with the Secretary that makes initial determinations under subsection (a)(1), and that meets the requirements established by the Secretary consistent with paragraph (3).

(3) Requirements
Any qualified independent contractor entering into a contract with the Secretary under this subsection shall meet all of the following requirements:
(A) In general

The qualified independent contractor shall perform such duties and functions and assume such responsibilities as may be required by the Secretary to carry out the provisions of this subsection, and shall have sufficient medical, legal, and other expertise (including knowledge of the program under this subchapter) and sufficient staffing to make reconsiderations under this subsection.

(B) Reconsiderations

(i) In general

The qualified independent contractor shall review initial determinations. Where an initial determination is made with respect to whether an item or service is reasonable and necessary for the diagnosis or treatment of illness or injury (under section 1395y(a)(1)(A) of this title), such review shall include consideration of the facts and circumstances of the initial determination by a panel of physicians or other appropriate health care professionals and any decisions with respect to the reconsideration shall be based on applicable information, including clinical experience (including the medical records of the individual involved) and medical, technical, and scientific evidence.

(ii) Effect of national and local coverage determinations

(I) National coverage determinations

If the Secretary has made a national coverage determination pursuant to the requirements established under the third sentence of section 1395y(a) of this title, such determination shall be binding on the qualified independent contractor in making a decision with respect to a reconsideration under this section.

(II) Local coverage determinations

If the Secretary has made a local coverage determination, such determination shall not be binding on the qualified independent contractor in making a decision with respect to a reconsideration under this section.

(III) Absence of national or local coverage determination

In the absence of such a national coverage determination or local coverage determination, the qualified independent contractor shall consider the local coverage determination in making such decision.

(C) Deadlines for decisions

(i) Reconsiderations

Except as provided in clauses (iii) and (iv), the qualified independent contractor shall conduct and conclude a reconsideration under subparagraph (B), and mail the notice of the decision with respect to the reconsideration by not later than the end of the 60-day period beginning on the date a request for reconsideration has been timely filed.

(ii) Consequences of failure to meet deadline

In the case of a failure by the qualified independent contractor to mail the notice of the decision by the end of the period described in clause (i) or to provide notice by the end of the period described in clause (iii), as the case may be, the party requesting the reconsideration or appeal may request a hearing before the Secretary, notwithstanding any requirements for a reconsidered determination for purposes of the party’s right to such hearing.

(iii) Expedited reconsiderations

The qualified independent contractor shall perform an expedited reconsideration under subsection (b)(1)(F) as follows:

(I) Deadline for decision

Notwithstanding section 416(j) of this title and subject to clause (iv), not later than the end of the 72-hour period beginning on the date the qualified independent contractor has received a request for such reconsideration and has received such medical or other records needed for such reconsideration, the qualified independent contractor shall provide notice (by telephone and in writing) to the individual and the provider of services and attending physician of the individual involved. Such reconsideration shall be conducted regardless of whether the provider of services or supplier will charge the individual for continued services or whether the individual will be liable for payment for such continued services.

(II) Consultation with beneficiary

In such reconsideration, the qualified independent contractor shall solicit the views of the individual involved.

(III) Special rule for hospital discharges

A reconsideration of a discharge from a hospital shall be conducted under this clause in accordance with the provisions of paragraphs (2), (3), and (4) of section 1395y(a)(1)(A) of this title as in effect on the date that precedes December 21, 2000.

(iv) Extension

An individual requesting a reconsideration under this subparagraph may be granted such additional time as the individual specifies (not to exceed 14 days) for the qualified independent contractor to conclude the reconsideration. The individual may request such additional time orally or in writing.

(D) Qualifications for reviewers

The requirements of subsection (g) shall be met (relating to qualifications of reviewing professionals).
(E) Explanation of decision

Any decision with respect to a reconsideration of a qualified independent contractor shall be in writing, be written in a manner calculated to be understood by the individual entitled to benefits under part A or enrolled under part B, or both, and shall include (to the extent appropriate) and shall include\(^1\) a detailed explanation of the decision as well as a discussion of the pertinent facts and applicable regulations applied in making such decision, and\(^2\) a notification of the right to appeal such determination and instructions on how to initiate such appeal under this section\(^3\) and\(^3\) in the case of a determination of whether an item or service is reasonable and necessary for the diagnosis or treatment of illness or injury (under section 1395y(a)(1)(A) of this title)\(^4\) an explanation of the medical and scientific rationale for the decision.

(F) Notice requirements

Whenever a qualified independent contractor makes a decision with respect to a reconsideration under this subsection, the qualified independent contractor shall promptly notify the entity responsible for the payment of claims under part A or part B of such decision.

(G) Dissemination of decisions on reconsiderations

Each qualified independent contractor shall make available all decisions with respect to reconsiderations of such qualified independent contractors to fiscal intermediaries (under section 1395h of this title), carriers (under section 1395u of this title), quality improvement organizations (under part B of subchapter XI), Medicare+Choice organizations offering Medicare+Choice plans under part C, other entities under contract with the Secretary to make initial determinations under part A or part B or subchapter XI, and to the public. The Secretary shall establish a methodology under which qualified independent contractors shall carry out this subparagraph.

(H) Ensuring consistency in decisions

Each qualified independent contractor shall monitor its decisions with respect to reconsiderations to ensure the consistency of such decisions with respect to requests for reconsideration of similar or related matters.

(I) Data collection

(i) In general

Consistent with the requirements of clause (ii), a qualified independent contractor shall collect such information relevant to its functions, and keep and maintain such records in such form and manner as the Secretary may require to carry out the purposes of this section and shall permit access to and use of any such inform-

1 So in original.
2 So in original. The word “and” probably should not appear.
3 So in original. A comma probably should appear.
4 So in original. A comma probably should appear.

ation and records as the Secretary may require for such purposes.

(ii) Type of data collected

Each qualified independent contractor shall keep accurate records of each decision made, consistent with standards established by the Secretary for such purpose. Such records shall be maintained in an electronic database in a manner that provides for identification of the following:

(I) Specific claims that give rise to appeals.

(II) Situations suggesting the need for increased education for providers of services, physicians, or suppliers.

(III) Situations suggesting the need for changes in national or local coverage determination.

(IV) Situations suggesting the need for changes in local coverage determinations.

(iii) Annual reporting

Each qualified independent contractor shall submit annually to the Secretary (or otherwise as the Secretary may request) records maintained under this paragraph for the previous year.

(J) Hearings by the Secretary

The qualified independent contractor shall (i) submit such information as is required for an appeal of a decision of the contractor, and (ii) participate in such hearings as required by the Secretary.

(K) Independence requirements

(i) In general

Subject to clause (ii), a qualified independent contractor shall not conduct any activities in a case unless the entity—

(I) is not a related party (as defined in subsection (g)(5));

(II) does not have a material familial, financial, or professional relationship with such a party in relation to such case; and

(III) does not otherwise have a conflict of interest with such a party.

(ii) Exception for reasonable compensation

Nothing in clause (i) shall be construed to prohibit receipt by a qualified independent contractor of compensation from the Secretary for the conduct of activities under this section if the compensation is provided consistent with clause (iii).

(iii) Limitations on entity compensation

Compensation provided by the Secretary to a qualified independent contractor in connection with reviews under this section shall not be contingent on any decision rendered by the contractor or by any reviewing professional.

(4) Number of qualified independent contractors

The Secretary shall enter into contracts with a sufficient number of qualified independent contractors (but not fewer than 4 such contractors) to conduct reconsiderations con-
sistent with the timeframes applicable under this subsection.

(5) Limitation on qualified independent contractor liability
No qualified independent contractor having a contract with the Secretary under this subsection and no person who is employed by, or who has a fiduciary relationship with, any such qualified independent contractor or who furnishes professional services to such qualified independent contractor, shall be held by reason of the performance of any duty, function, or activity required or authorized pursuant to this subsection or to a valid contract entered into under this subsection, to have violated any criminal law, or to be civilly liable under any law of the United States or of any State (or political subdivision thereof) provided due care was exercised in the performance of such duty, function, or activity.

(d) Deadlines for hearings by the Secretary; notice

(1) Hearing by administrative law judge
(A) In general
Except as provided in subparagraph (B), an administrative law judge shall conduct and conclude a hearing on a decision of a qualified independent contractor under subsection (c) and render a decision on such hearing by not later than the end of the 90-day period beginning on the date a request for hearing has been timely filed.

(B) Waiver of deadline by party seeking hearing
The 90-day period under subparagraph (A) shall not apply in the case of a motion or stipulation by the party requesting the hearing to waive such period.

(2) Departmental Appeals Board review
(A) In general
The Departmental Appeals Board of the Department of Health and Human Services shall conduct and conclude a review of the decision on a hearing described in paragraph (1) and make a decision or remand the case to the administrative law judge for reconsideration by not later than the end of the 90-day period beginning on the date a request for review has been timely filed.

(B) DAB hearing procedure
In reviewing a decision on a hearing under this paragraph, the Departmental Appeals Board shall review the case de novo.

(3) Consequences of failure to meet deadlines
(A) Hearing by administrative law judge
In the case of a failure by an administrative law judge to render a decision by the end of the period described in paragraph (1), the party requesting the hearing may seek judicial review, notwithstanding any requirements for a hearing for purposes of the party’s right to such judicial review.

(4) Notice
Notice of the decision of an administrative law judge shall be in writing in a manner calculated to be understood by the individual entitled to benefits under part A or enrolled under part B, or both, and shall include—

(A) the specific reasons for the determination (including, to the extent appropriate, a summary of the clinical or scientific evidence used in making the determination);

(B) the procedures for obtaining additional information concerning the decision; and

(C) notification of the right to appeal the decision and instructions on how to initiate such an appeal under this section.

(e) Administrative provisions

(1) Limitation on review of certain regulations
A regulation or instruction that relates to a method for determining the amount of payment under part B and that was initially issued before January 1, 1981, shall not be subject to judicial review.

(2) Outreach
The Secretary shall perform such outreach activities as are necessary to inform individuals entitled to benefits under this subchapter and providers of services and suppliers with respect to their rights of, and the process for, appeals made under this section. The Secretary shall use the toll-free telephone number maintained by the Secretary under section 1395b–2(b) of this title to provide information regarding appeal rights and respond to inquiries regarding the status of appeals.

(3) Continuing education requirement for qualified independent contractors and administrative law judges
The Secretary shall provide to each qualified independent contractor, and, in consultation with the Commissioner of Social Security, to administrative law judges that decide appeals of reconsiderations of initial determinations or other decisions or determinations under this section, such continuing education with respect to coverage of items and services under this subchapter or policies of the Secretary with respect to part B of subchapter XI as is necessary for such qualified independent contractors and administrative law judges to make informed decisions with respect to appeals.

(4) Reports
(A) Annual report to Congress
The Secretary shall submit to Congress an annual report describing the number of appeals for the previous year, identifying issues that require administrative or legislative actions, and including any recommendations of the Secretary with respect to such actions. The Secretary shall include in such report an analysis of determinations by qualified independent contractors with re-
pect to inconsistent decisions and an analysis of the causes of any such inconsistencies.

(B) Survey
Not less frequently than every 5 years, the Secretary shall conduct a survey of a valid sample of individuals entitled to benefits under this subchapter who have filed appeals of determinations under this section, providers of services, and suppliers to determine the satisfaction of such individuals or entities with the process for appeals of determinations provided for under this section and education and training provided by the Secretary with respect to that process. The Secretary shall submit to Congress a report describing the results of the survey, and shall include any recommendations for administrative or legislative actions that the Secretary determines appropriate.

(f) Review of coverage determinations

(1) National coverage determinations

(A) In general
Review of any national coverage determination shall be subject to the following limitations:

(i) Such a determination shall not be reviewed by any administrative law judge.

(ii) Such a determination shall not be held unlawful or set aside on the ground that a requirement of section 553 of title 5 or section 1395hh(b) of this title, relating to publication in the Federal Register or opportunity for public comment, was not satisfied.

(iii) Upon the filing of a complaint by an aggrieved party, such a determination shall be reviewed by the Departmental Appeals Board of the Department of Health and Human Services. In conducting such a review, the Departmental Appeals Board—

(I) shall review the record and shall permit discovery and the taking of evidence to evaluate the reasonableness of the determination, if the Board determines that the record is incomplete or lacks adequate information to support the validity of the determination;

(II) may, as appropriate, consult with appropriate scientific and clinical experts; and

(III) shall defer only to the reasonable findings of fact, reasonable interpretations of law, and reasonable applications of fact to law by the Secretary.

(iv) The Secretary shall implement a decision of the Departmental Appeals Board within 30 days of receipt of such decision.

(v) A decision of the Departmental Appeals Board constitutes a final agency action and is subject to judicial review.

(B) Definition of national coverage determination
For purposes of this section, the term “national coverage determination” means a determination by the Secretary with respect to whether or not a particular item or service is covered nationally under this subchapter, but does not include a determination of what code, if any, is assigned to a particular item or service covered under this subchapter or a determination with respect to the amount of payment made for a particular item or service so covered.

(2) Local coverage determination

(A) In general
Review of any local coverage determination shall be subject to the following limitations:

(i) Upon the filing of a complaint by an aggrieved party, such a determination shall be reviewed by an administrative law judge. The administrative law judge—

(I) shall review the record and shall permit discovery and the taking of evidence to evaluate the reasonableness of the determination, if the administrative law judge determines that the record is incomplete or lacks adequate information to support the validity of the determination;

(II) may, as appropriate, consult with appropriate scientific and clinical experts; and

(III) shall defer only to the reasonable findings of fact, reasonable interpretations of law, and reasonable applications of fact to law by the Secretary.

(ii) Upon the filing of a complaint by an aggrieved party, a decision of an administrative law judge under clause (i) shall be reviewed by the Departmental Appeals Board of the Department of Health and Human Services.

(iii) The Secretary shall implement a decision of the administrative law judge or the Departmental Appeals Board within 30 days of receipt of such decision.

(iv) A decision of the Departmental Appeals Board constitutes a final agency action and is subject to judicial review.

(B) Definition of local coverage determination
For purposes of this section, the term “local coverage determination” means a determination by a fiscal intermediary or a carrier under part A or part B, as applicable, respecting whether or not a particular item or service is covered on an intermediary- or carrier-wide basis under such parts, in accordance with section 1395y(a)(1)(A) of this title.

(C) Local coverage determinations for clinical diagnostic laboratory tests
For provisions relating to local coverage determinations for clinical diagnostic laboratory tests, see section 1395m–1(g) of this title.

(3) No material issues of fact in dispute
In the case of a determination that may otherwise be subject to review under paragraph (1)(A)(iii) or paragraph (2)(A)(i), where the moving party alleges that—

(A) there are no material issues of fact in dispute, and

(B) the only issue of law is the constitutionality of a provision of this subchapter,
or that a regulation, determination, or ruling by the Secretary is invalid, the moving party may seek review by a court of competent jurisdiction without filing a complaint under such paragraph and without otherwise exhausting other administrative remedies.

(4) Pending national coverage determinations
(A) In general
In the event the Secretary has not issued a national coverage or noncoverage determination with respect to a particular type or class of items or services, an aggrieved person (as described in paragraph (5)) may submit to the Secretary a request to make such a determination with respect to such items or services. By not later than the end of the 90-day period beginning on the date the Secretary receives such a request (notwithstanding the receipt by the Secretary of new evidence (if any) during such 90-day period), the Secretary shall take one of the following actions:

(i) Issue a national coverage determination, with or without limitations.
(ii) Issue a national noncoverage determination.
(iii) Issue a determination that no national coverage or noncoverage determination is appropriate as of the end of such 90-day period with respect to national coverage of such items or services.
(iv) Issue a notice that states that the Secretary has not completed a review of the request for a national coverage determination and that includes an identification of the remaining steps in the Secretary’s review process and a deadline by which the Secretary will complete the review and take an action described in clause (i), (ii), or (iii).

(B) Deemed action by the Secretary
In the case of an action described in subparagraph (A)(iv), if the Secretary fails to take an action referred to in such clause by the deadline specified by the Secretary under such clause, then the Secretary is deemed to have taken an action described in subparagraph (A)(iii) as of the deadline.

(C) Explanation of determination
When issuing a determination under subparagraph (A), the Secretary shall include an explanation of the basis for the determination. An action taken under subparagraph (A) (other than clause (iv)) is deemed to be a national coverage determination for purposes of review under paragraph (1)(A).

(5) Standing
An action under this subsection seeking review of a national coverage determination or local coverage determination may be initiated only by individuals entitled to benefits under part A, or enrolled under part B, or both, who are in need of the items or services that are the subject of the coverage determination.

(6) Publication on the Internet of decisions of hearings of the Secretary
Each decision of a hearing by the Secretary with respect to a national coverage determination shall be made public, and the Secretary shall publish each decision on the Medicare Internet site of the Department of Health and Human Services. The Secretary shall remove from such decision any information that would identify any individual, provider of services, or supplier.

(7) Annual report on national coverage determinations
(A) In general
Not later than December 1 of each year, beginning in 2001, the Secretary shall submit to Congress a report that sets forth a detailed compilation of the actual time periods that were necessary to complete and fully implement national coverage determinations that were made in the previous fiscal year for items, services, or medical devices not previously covered as a benefit under this subchapter, including, with respect to each new item, service, or medical device, a statement of the time taken by the Secretary to make and implement the necessary coverage, coding, and payment determinations, including the time taken to complete each significant step in the process of making and implementing such determinations.

(B) Publication of reports on the Internet
The Secretary shall publish each report submitted under clause (i) on the medicare Internet site of the Department of Health and Human Services.

(8) Construction
Nothing in this subsection shall be construed as permitting administrative or judicial review pursuant to this section insofar as such review is explicitly prohibited or restricted under another provision of law.

(g) Qualifications of reviewers
(1) In general
In reviewing determinations under this section, a qualified independent contractor shall assure that—

(A) each individual conducting a review shall meet the qualifications of paragraph (2);

(B) compensation provided by the contractor to each such reviewer is consistent with paragraph (3); and

(C) in the case of a review by a panel described in subsection (c)(3)(B) composed of physicians or other health care professionals (each in this subsection referred to as a ‘‘reviewing professional’’), a reviewing professional meets the qualifications described in paragraph (4) and, where a claim is regarding the furnishing of treatment by a physician (allopathic or osteopathic) or the provision of items or services by a physician (allopathic or osteopathic), a reviewing professional shall be a physician (allopathic or osteopathic).

(2) Independence
(A) In general
Subject to subparagraph (B), each individual conducting a review in a case shall—

*So in original. Probably should not be capitalized.
(i) not be a related party (as defined in paragraph (5));
(ii) not have a material familial, financial, or professional relationship with such a party in the case under review; and
(iii) not otherwise have a conflict of interest with such a party.

(B) Exception

Nothing in subparagraph (A) shall be construed to—

(i) prohibit an individual, solely on the basis of a participation agreement with a fiscal intermediary, carrier, or other contractor, from serving as a reviewing professional if

(I) the individual is not involved in the provision of items or services in the case under review;

(II) the fact of such an agreement is disclosed to the Secretary and the individual entitled to benefits under part A or enrolled under part B, or both, of such individual’s authorized representative, and neither party objects; and

(III) the individual is not an employee of the intermediary, carrier, or contractor and does not provide services exclusively or primarily to or on behalf of such intermediary, carrier, or contractor;

(ii) prohibit an individual who has staff privileges at the institution where the treatment involved takes place from serving as a reviewer merely on the basis of having such staff privileges if the existence of such privileges is disclosed to the Secretary and such individual (or authorized representative), and neither party objects; or

(iii) prohibit receipt of compensation by a reviewing professional from a contractor if the compensation is provided consistent with paragraph (3).

For purposes of this paragraph, the term “participation agreement” means an agreement relating to the provision of health care services by the individual and does not include the provision of services as a reviewer under this subsection.

(3) Limitations on reviewer compensation

Compensation provided by a qualified independent contractor to a reviewer in connection with a review under this section shall not be contingent on the decision rendered by the reviewer.

(4) Licensure and expertise

Each reviewing professional shall be—

(A) a physician (allopathic or osteopathic) who is appropriately credentialed or licensed in one or more States to deliver health care services and has medical expertise in the field of practice that is appropriate for the items or services at issue; or

(B) a health care professional who is legally authorized in one or more States (in accordance with State law or the State regulatory mechanism provided by State law) to furnish the health care items or services at issue and has medical expertise in the field of practice that is appropriate for such items or services.

(5) Related party defined

For purposes of this section, the term “related party” means, with respect to a case under this subchapter involving a specific individual entitled to benefits under part A or enrolled under part B, or both, any of the following:

(A) The Secretary, the medicare administrative contractor involved, or any fiduciary, officer, director, or employee of the Department of Health and Human Services, or of such contractor.

(B) The individual (or authorized representative).

(C) The health care professional that provides the items or services involved in the case.

(D) The institution at which the items or services (or treatment) involved in the case are provided.

(E) The manufacturer of any drug or other item that is included in the items or services involved in the case.

(F) Any other party determined under any regulations to have a substantial interest in the case involved.

(h) Prior determination process for certain items and services

(1) Establishment of process

(A) In general

With respect to a medicare administrative contractor that has a contract under section 1395kk–1 of this title that provides for making payments under this subchapter with respect to physicians’ services (as defined in section 1395w–4(j)(3) of this title), the Secretary shall establish a prior determination process that meets the requirements of this subsection and that shall be applied by such contractor in the case of eligible requesters.

(B) Eligible requester

For purposes of this subsection, each of the following shall be an eligible requester:

(i) A participating physician, but only with respect to physicians’ services to be furnished to an individual who is entitled to benefits under this subchapter and who has consented to the physician making the request under this subsection for those physicians’ services.

(ii) An individual entitled to benefits under this subchapter, but only with respect to a physicians’ service for which the individual receives, from a physician, an advance beneficiary notice under section 1395pp(a) of this title.

(2) Secretarial flexibility

The Secretary shall establish by regulation reasonable limits on the physicians’ services for which a prior determination of coverage may be requested under this subsection. In establishing such limits, the Secretary may consider the dollar amount involved with respect to the physicians’ service, administrative costs and burdens, and other relevant factors.
(3) Request for prior determination

(A) In general

Subject to paragraph (2), under the process established under this subsection an eligible requester may submit to the contractor a request for a determination, before the furnishing of a physicians’ service, as to whether the physicians’ service is covered under this subchapter consistent with the applicable requirements of section 1395y(a)(1)(A) of this title (relating to medical necessity).

(B) Accompanying documentation

The Secretary may require that the request be accompanied by a description of the physicians’ service, supporting documentation relating to the medical necessity for the physicians’ service, and any other appropriate documentation. In the case of a request submitted by an eligible requester who is described in paragraph (1)(B)(ii), the Secretary may require that the request also be accompanied by a copy of the advance beneficiary notice involved.

(4) Response to request

(A) In general

Under such process, the contractor shall provide the eligible requester with written notice of a determination as to whether—

(i) the physicians’ service is so covered;
(ii) the physicians’ service is not so covered; or
(iii) the contractor lacks sufficient information to make a coverage determination with respect to the physicians’ service.

(B) Contents of notice for certain determinations

(i) Noncoverage

If the contractor makes the determination described in subparagraph (A)(ii), the contractor shall include in the notice a brief explanation of the basis for the determination, including on what national or local coverage or noncoverage determination (if any) the determination is based, and a description of any applicable rights under subsection (a).

(ii) Insufficient information

If the contractor makes the determination described in subparagraph (A)(iii), the contractor shall include in the notice a description of the additional information required to make the coverage determination.

(C) Deadline to respond

Such notice shall be provided within the same time period as the time period applicable to the contractor providing notice of initial determinations on a claim for benefits under subsection (a)(2)(A).

(D) Informing beneficiary in case of physician request

In the case of a request by a participating physician under paragraph (1)(B)(i), the process shall provide that the individual to whom the physicians’ service is proposed to be furnished shall be informed of any determination described in subparagraph (A)(ii) (relating to a determination of non-coverage) and the right (referred to in paragraph (6)(B)) to obtain the physicians’ service and have a claim submitted for the physicians’ service.

(5) Binding nature of positive determination

If the contractor makes the determination described in paragraph (4)(A)(i), such determination shall be binding on the contractor in the absence of fraud or evidence of misrepresentation of facts presented to the contractor.

(6) Limitation on further review

(A) In general

Contractor determinations described in paragraph (4)(A)(ii) or (4)(A)(iii) (relating to pre-service claims) are not subject to further administrative appeal or judicial review under this section or otherwise.

(B) Decision not to seek prior determination or negative determination does not impact right to obtain services, seek reimbursement, or appeal rights

Nothing in this subsection shall be construed as affecting the right of an individual who—

(i) decides not to seek a prior determination under this subsection with respect to physicians’ services; or

(ii) seeks such a determination and has received a determination described in paragraph (4)(A)(ii), from receiving (and submitting a claim for) such physicians’ services and from obtaining administrative or judicial review respecting such claim under the other applicable provisions of this section. Failure to seek a prior determination under this subsection with respect to physicians’ service shall not be taken into account in such administrative or judicial review.

(C) No prior determination after receipt of services

Once an individual is provided physicians’ services, there shall be no prior determination under this subsection with respect to such physicians’ services.

(i) Mediation process for local coverage determinations

(1) Establishment of process

The Secretary shall establish a mediation process under this subsection through the use of a physician trained in mediation and employed by the Centers for Medicare & Medicaid Services.

(2) Responsibility of mediator

Under the process established in paragraph (1), such a mediator shall mediate in disputes between groups representing providers of services, suppliers (as defined in section 1395x(d) of this title), and the medical director for a medicare administrative contractor whenever the regional administrator (as defined by the Secretary) involved determines that there was a systematic pattern and a large volume of complaints from such groups regarding deci-
sions of such director or there is a complaint from the co-chair of the advisory committee for such contractor to such regional administrator regarding such dispute.


AMENDMENTS


Subsec. (b)(1)(A). Pub. L. 108–173, §932(a), (b), (c), (d), substituted “submit” for “prepare” and struck out “with respect to a reconsideration to the Secretary for a hearing, including as necessary, explanations of issues involved in the decision and relevant policies” after “decision of the contractor”.


Subsec. (c)(4). Pub. L. 108–173, §932(d)(3), substituted “must submit” for “prepare” and struck out “with respect to a reconsideration to the Secretary for a hearing, including as necessary, explanations of issues involved in the decision and relevant policies” after “decision of the contractor”.


Subsec. (f)(4)(A)(iv). Pub. L. 108–173, §940(c)(1), substituted “clause (i), (ii), or (iii)” for “subclause (I), (II), or (III)”.


Subsec. (i). Pub. L. 108–173, §940(a)(A), added subsec. (i). 2000—Pub. L. 106–554, §1(a)(6) (title V, §522(a)), amended section generally, completely revising and expanding provisions relating to determinations with respect to benefits under part A or part B of this chapter, changing the structure of the section from two subsecs. lettered (a) and (b) to five subsecs. lettered (a) to (e).


1997—Subsec. (b)(2)(B). Pub. L. 105–33 inserted “or $100 in the case of home health services” after “$300”.

1994—Subsec. (b)(1). Pub. L. 103–296 added “, except that, in so applying such sections and in applying section 405(g) of this title thereto, any reference therein to the Commissioner of Social Security or the Social Security Administration shall be considered a reference to the Secretary or the Department of Health and Human Services, respectively” after “$405(g)” of this title in closing provisions.

1987—Subsec. (a). Pub. L. 100–203, §4085(1)(c), inserted “or a claim for benefits with respect to home health services under part B of this subchapter” before “shall”.


Subsec. (b)(3). Pub. L. 100–203, §4082(a), substituted “section 553” for “chapter 5”.

Subsec. (b)(5). Pub. L. 100–203, §4082(b), added par. (5).

Subsec. (c). Pub. L. 100–93 struck out subsec. (c) which read as follows—“An institution or agency dissatisfied with any determination by the Secretary shall not be a provider of services, or with any determina-
tion described in section 1395cc(b)(2) of this title, shall be entitled to a hearing thereon by the Secretary (after reasonable notice and opportunity for hearing) to the same extent as is provided in section 405(b) of this title, and to judicial review of the Secretary’s final decision after such hearing as is provided in section 405(g) of this title.


Pub. L. 99–509, §931(b)(1)(A), inserted “and any other determination with respect to a claim for benefits under part A of this subchapter” before “shall”.

Subsec. (b)(1). Pub. L. 99–509, §931(a)(1), in concluding provisions, inserted at end “Sections 405(a), 1302, and 1395h of this title shall not be construed as authorizing the Secretary to prohibit an individual from being represented under this subsection by a person that furnishes or supplies the individual, directly or indirectly, with services or items solely on the basis that the person furnishes or supplies the individual with such a service or item. Any person that furnishes services or items to an individual may not represent an individual under this subsection with respect to the issue described in section 1395pp(a)(2) of this title unless the person has waived any rights for payment from the beneficiary with respect to the services or items involved in the appeal. If a person furnishes services or items to an individual and represents the individual under this subsection, the person may not impose any financial liability on such individual in connection with such representation.”


Subsec. (b)(2). Pub. L. 99–509, §941(a)(1)(C), amended par. (2) generally. Prior to amendment, par. (2) read as follows: “Notwithstanding the provisions of subparagraph (C) of paragraph (1) of this subsection, a hearing shall not be available to an individual by reason of such subparagraph (C) if the amount in controversy is less than $100, nor shall judicial review be available to an individual by reason of such subparagraph (C) if the amount in controversy is less than $1,000.”


1984—Subsec. (b)(1)(B). Pub. L. 98–369 struck out the comma before “or section 1395l–2” and struck out “; or section 1395l–1” after “section 1395l–2 of this title”.

1972—Subsec. (b). Pub. L. 92–663 redesignated existing provisions as par. (1), generally amended conditions under which a dissatisfied individual shall be entitled to a hearing by Secretary and to judicial review of final decision of Secretary after such hearing, and added par. (2).

CHANGE OF NAME

References to Medicare+Choice deemed to refer to Medicare Advantage or MA, subject to an appropriate transition provided by the Secretary of Health and Human Services in the use of those terms, see section 201 of Pub. L. 108–173, set out as a note under section 1395w–21 of this title.

EFFECTIVE DATE OF 2011 AMENDMENT

Amendment by Pub. L. 112–40 applicable to contracts entered into or renewed on or after Jan. 1, 2012, see section 261(e) of Pub. L. 112–40, set out as a note under section 1320c of this title.

EFFECTIVE DATE OF 2003 AMENDMENT


Pub. L. 108–173, title IX, §933(d), Dec. 8, 2003, 117 Stat. 2406, provided that: “The amendments made by paragraphs (1) and (2) [amending this section] shall be effective as if included in the respective provisions of subtitle C of title V of BIPA [the Medicare, Medicaid, and SCHIP Benefits Improvement and Protection Act of 2000, H.R. 5661, as enacted by section 1(a)(6) of Public Law 106–554] (114 Stat. 2763–A534).” Pub. L. 108–173, title IX, §938(b), Dec. 8, 2003, 117 Stat. 2415, provided that: “(1) EFFECTIVE DATE.—The Secretary [of Health and Human Services] shall establish the prior determination process under the amendment made by subsection (a) [amending this section] in such a manner as to provide for the acceptance of requests for determinations under such process filed not later than 18 months after the date of the enactment of this Act (Dec. 8, 2003).

“(2) SUNSET.—Such prior determination process shall not apply to requests filed after the end of the 5-year period beginning on the first date on which requests for determinations under such process are accepted.

“(3) TRANSITION.—During the period in which the amendment made by subsection (a) [amending this section] has become effective but contracts are not provided under section 1874A of the Social Security Act (42 U.S.C. 1395kkk–1) with Medicare administrative contractors, any reference in section 1869(h) (probably should be 1869(h)) of such Act (42 U.S.C. 1395f(h)) (as added by such amendment) to such a contractor is deemed a reference to a fiscal intermediary or carrier with an agreement under section 1816, or contract under section 1882, respectively, of such Act (42 U.S.C. 1395l).

“(4) LIMITATION ON APPLICATION TO SGR.—For purposes of applying section 1846(f)(2)(D) of the Social Security Act (42 U.S.C. 1395w–4(f)(2)(D)), the amendment made by subsection (a) [amending this section] shall not be considered to be a change in law or regulation.”

Amendment by section 948(b)(1), (c) of Pub. L. 106–173 effective, except as otherwise provided, as if included in the enactment of BIPA [the Medicare, Medicaid, and SCHIP Benefits Improvement and Protection Act of 2000, H.R. 5661, as enacted by section 1(a)(6) of Public Law 106–554], see section 948(e) of Pub. L. 108–173, set out as a note under section 1314 of this title.

EFFECTIVE DATE OF 2000 AMENDMENT

Amendment by section 1(a)(6) [title V, §522(a)] of Pub. L. 106–554 applicable with respect to initial determinations made on or after Oct. 1, 2002, see section 1(a)(6) [title V, §521(d)] of Pub. L. 106–554, set out as a note under section 1320c–3 of this title.

Amendment by section 1(a)(6) [title V, §522(a)] of Pub. L. 106–554 applicable with respect to a review of any national or local coverage determination filed, a request to make such a determination made, and a national coverage determination made, on or after Oct. 1, 2001, see section 1(a)(6) [title V, §522(d)] of Pub. L. 106–554, set out as a note under section 1314 of this title.

EFFECTIVE DATE OF 1997 AMENDMENT

Amendment by Pub. L. 105–33 applicable to services furnished on or after Jan. 1, 1998, and for purposes of applying such amendment, any home health spell of illness that began, but did not end, before such date, to be considered to have begun as of such date, see section 4611(f) of Pub. L. 105–33, set out as a note under section 1314 of this title.

EFFECTIVE DATE OF 1994 AMENDMENT


EFFECTIVE DATE OF 1987 AMENDMENT

“(2) The amendment made by subsection (b) (amending this section) shall apply to requests for hearings filed after the end of the 60-day period beginning on the date of the enactment of this Act.

Amendment by Pub. L. 100–95 effective at end of fourteen-day period beginning Aug. 18, 1987, and inapplicable to administrative proceedings commenced before end of such period, see section 190–95, set out as a note under section 1320a–7 of this title.

**Effective Date of 1988 Amendment**


Pub. L. 99–509, title IX, §931(b)(2), Oct. 21, 1986, 100 Stat. 3038, provided that: "The amendments made by subsection (a) [amending this section and sections 1395u and 1395pp of this title] shall apply to items and services furnished on or after January 1, 1987."

**Effective Date of 1984 Amendment**

Amendment by Pub. L. 98–369 effective July 18, 1984, but not to be construed as changing or affecting any right, liability, status, or interpretation which existed (under the provisions of law involved) before that date, see section 2554(e)(1) of Pub. L. 98–369, set out as a note under section 1320a–7 of this title.

**Effective Date of 1972 Amendment**

Pub. L. 92–603, title II, §299O(b), Oct. 30, 1972, 86 Stat. 1455, provided that:

"(1) The provisions of subparagraphs (A) and (B) of section 1869(b)(1) of the Social Security Act [42 U.S.C. 1395f(b)(1)(A), (B)], as amended by subsection (a) of this section, shall be effective on the date of enactment of this Act [Oct. 30, 1972]."

"(2) The provisions of paragraph (2) and subparagraph (C) of paragraph (1) of section 1869(b) of the Social Security Act [42 U.S.C. 1395f(b)(2), (b)(1)(C)], as amended by subsection (a) of this section, shall be effective with respect to any claims under part A of title XVIII of such Act [42 U.S.C. 1395 et seq.], filed—"

"(A) in or after the month in which this Act is enacted [Oct. 1972], or"

"(B) before the month in which this Act is enacted [Oct. 1972], but only if a civil action with respect to a final decision of the Secretary of Health, Education, and Welfare on such claim has not been commenced under such section 1869(b) [42 U.S.C. 1395f(b)] before such month."

**Transfer of Responsibility for Medicare Appeals**


"(a) TRANSITION PLAN.—"

"(1) IN GENERAL.—Not later than April 1, 2004, the Commissioner of Social Security and the Secretary of Health and Human Services shall develop and transmit to Congress and the Comptroller General of the United States a plan under which the functions of administrative law judges responsible for hearing cases under title XVIII of the Social Security Act [42 U.S.C. 1395 et seq.] (and related provisions in title XI of such Act [42 U.S.C. 1301 et seq.]) are transferred from the responsibility of the Commissioner and the Social Security Administration to the Secretary and the Department of Health and Human Services.

"(2) CONTENTS.—The plan shall include information on the following:

"(A) WORKLOAD.—The number of such administrative law judges and support staff required now and in the future to hear and decide such cases in a timely manner, taking into account the current and anticipated claims volume, appeals, number of beneficiaries, and statutory changes.

"(B) COST PROJECTIONS AND FINANCING.—Funding levels required for fiscal year 2005 and subsequent fiscal years to carry out the functions transferred under the plan.

"(C) TRANSITION TIMETABLE.—A timetable for the transition.

"(D) REGULATIONS.—The establishment of specific regulations to govern the appeals process.

"(E) CASE TRACKING.—The development of a unified case tracking system that will facilitate the maintenance and transfer of case specific data across both the fee-for-service and managed care components of the medicare program.

"(F) FEASIBILITY OF PRECEDENTIAL AUTHORITY.—The feasibility of developing a process to give decisions of the Departmental Appeals Board in the Department of Health and Human Services addressing broad legal issues binding, precedential authority.

"(G) ACCESS TO ADMINISTRATIVE LAW JUDGES.—The feasibility of—"

"(i) filing appeals with administrative law judges electronically; and"

"(ii) conducting hearings using tele- or video-conference technologies.

"(H) INDEPENDENCE OF ADMINISTRATIVE LAW JUDGES.—The steps that should be taken to ensure the independence of administrative law judges consistent with the requirements of subsection (b)(2).

"(I) GEOGRAPHIC DISTRIBUTION.—The steps that should be taken to provide for an appropriate geographic distribution of administrative law judges throughout the United States to carry out subsection (b)(3).

"(J) HIRING.—The steps that should be taken to hire administrative law judges (and support staff) to carry out subsection (b)(4).

"(K) PERFORMANCE STANDARDS.—The appropriateness of establishing performance standards for administrative law judges with respect to timeliness for decisions in cases under title XVIII of the Social Security Act [42 U.S.C. 1395 et seq.] taking into account requirements under subsection (b)(2) for the independence of such judges and consistent with the applicable provisions of title 5, United States Code[,] relating to impartiality.

"(L) SHARED RESOURCES.—The steps that should be taken to share office space, support staff, and other resources, with appropriate reimbursement.

"(M) TRAINING.—The training that should be provided to administrative law judges with respect to laws and regulations under title XVIII of the Social Security Act [42 U.S.C. 1395 et seq.].

"(3) ADDITIONAL INFORMATION.—The plan may also include recommendations for further congressional action, including modifications to the requirements and deadlines established under section 1869 of the Social Security Act [42 U.S.C. 1395f] (as amended by this Act)."

"(4) GAO EVALUATION.—The Comptroller General of the United States shall evaluate the plan and, not later than the date that is 6 months after the date on which the plan is received by the Comptroller General, shall submit to Congress a report on such evaluation.

"(b) TRANSFER OF ADJUDICATION AUTHORITY.—"

"(1) IN GENERAL.—Not earlier than July 1, 2005, and not later than October 1, 2005, the Commissioner of Social Security and the Secretary shall implement the transition plan under subsection (a) and transfer the administrative law judge functions described in such subsection from the Social Security Administration to the Secretary.

"(2) ASSURING INDEPENDENCE OF JUDGES.—The Secretary shall assure the independence of administrative law judges performing the administrative law judge functions transferred under paragraph (1) from the Centers for Medicare & Medicaid Services and its contractors. In order to assure such independence, the Secretary shall place such judges in an administrative office that is organizationally and functionally separate from such Centers. Such judges shall report to, and be under the general supervision of, the
Secretary, but shall not report to, or be subject to supervision by, another officer of the Department of Health and Human Services.

"(4) HIRING AUTHORITY.—Subject to the amounts provided in advance in appropriations Acts, the Secretary shall have authority to hire administrative law judges to hear such cases, taking into consideration those judges with expertise in handling Medicare appeals and in a manner consistent with paragraph (3), and to hire support staff for such judges.

"(5) FINANCING.—Amounts payable under law to the Commissioner for administrative law judges performing the administrative law judge functions transferred under paragraph (1) from the Federal Hospital Insurance Trust Fund and the Federal Supplementary Medical Insurance Trust Fund shall become payable to the Secretary for the functions so transferred.

"(6) SHARED RESOURCES.—The Secretary shall enter into such arrangements with the Commissioner as may be appropriate with respect to transferred functions of the administrative law judges to share office space, support staff, and other resources, with appropriate reimbursement from the Trust Funds described in paragraph (5).

"(c) INCREASED FINANCIAL SUPPORT.—In addition to any amounts otherwise appropriated, to ensure timely action on appeals before administrative law judges and the Departmental Appeals Board consistent with section 1869(b)(2) of the Social Security Act (42 U.S.C. 1395ff) (as amended by this Act), there are authorized to be appropriated (in appropriate part from the Federal Hospital Insurance Trust Fund and the Federal Supplementary Medical Insurance Trust Fund, established under section 1817 of such Act (42 U.S.C. 1395t)) to the Secretary such sums as are necessary for the Social Security Act (42 U.S.C. 1395i), and the Federal Hospital Insurance Trust Fund and the Federal Supplementary Medical Insurance Trust Fund, established under section 1841 of such Act (42 U.S.C. 1395t) to the Secretary such sums as are necessary for fiscal year 2005 and each subsequent fiscal year to—

"(1) increase the number of administrative law judges (and their staffs) under subsection (b)(4);

"(2) improve education and training opportunities for administrative law judges (and their staffs); and

"(3) increase the staff of the Departmental Appeals Board.

TRANSITION


"(a) MAINTAINING CURRENT SYSTEM FOR HEARINGS AND APPEALS.—Any hearing conducted under section 1832(h)(1) of the Social Security Act [42 U.S.C. 1395f(f)(1)] prior to the earliest of the date on which the Secretary of Health and Human Services submits the report required to be submitted by the Secretary under subsection (b)(1) or September 1 shall be conducted by Administrative Law Judges of the Office of Hearings and Appeals of the Social Security Administration in the same manner as are hearings conducted under section 206(b)(1) of such Act (42 U.S.C. 405(g)(1)).

"(b) STUDY AND REPORT ON USE OF TELEPHONE HEARINGS.—

"(1) The Secretary of Health and Human Services and the Comptroller General of the United States shall each conduct a study on holding hearings under section 1832(h)(1) of the Social Security Act [42 U.S.C. 1395f(f)(1)] by telephone and shall each report the results of the study not later than 6 months after the date of enactment of this Act (Dec. 22, 1987).

"(2) The studies under paragraph (1) shall focus on whether telephone hearings allow for a full and fair evidentiary hearing, in general, or with respect to any particular category of claims and shall examine the possible improvements to the hearing process (such as cost-effectiveness, convenience to the claimant, and reduction in time under the process) resulting from the use of such hearings as compared to the adoption of other changes to the process (such as expansions in staff and resources)."

§ 1395gg. Overpayment on behalf of individuals and settlement of claims for benefits on behalf of deceased individuals

(a) Payments to providers of services or other person regarded as payment to individuals

Any payment under this subchapter to any provider of services or other person with respect to any items or services furnished any individual shall be regarded as a payment to such individual.

(b) Incorrect payments on behalf of individuals; payment adjustment

Where—

(1) more than the correct amount is paid under this subchapter to a provider of services or other person for items or services furnished an individual and the Secretary determines (A) that, within such period as he may specify, the excess over the correct amount cannot be recovered from such provider of services or other person, or (B) that such provider of services or other person was without fault with respect to the payment of such excess over the correct amount, or
(2) any payment has been made under section 1395f(e) of this title to a provider of services or other person for items or services furnished an individual,

proper adjustments shall be made, under regulations prescribed (after consultation with the Railroad Retirement Board) by the Secretary, by decreasing subsequent payments—

(3) to which such individual is entitled under subchapter II of this chapter or under the Railroad Retirement Act of 1974 [45 U.S.C. 231 et seq.], as the case may be, or

(4) if such individual dies before such adjustment has been completed, to which any other individual is entitled under subchapter II of this chapter or under the Railroad Retirement Act of 1974 [45 U.S.C. 231 et seq.], as the case may be, with respect to the wages and self-employment income or the compensation constituting the basis of the benefits of such deceased individual under subchapter II of this chapter.

As soon as practicable after any adjustment under paragraph (3) or (4) is determined to be necessary, the Secretary, for purposes of this section, section 1395i(g) of this title, and section 1395l(f) of this title, shall certify (to the Railroad Retirement Board if the adjustment is to be made by decreasing subsequent payments under the Railroad Retirement Act of 1974 [45 U.S.C. 231 et seq.]) the amount of the overpayment as to which the adjustment is to be made. For purposes of clause (B) of paragraph (1), such provider of services or such other person shall, in the absence of evidence to the contrary, be deemed to be without fault if the Secretary’s determination that such reduction is consistent with the objectives of this subchapter.

(c) Exception to subsection (b) payment adjustment

There shall be no adjustment as provided in subsection (b) (nor shall there be recovery) in any case where the incorrect payment has been made (including payments under section 1395f(e) of this title) with respect to an individual who is without fault or where the adjustment (or recovery) would be made by decreasing payments to which another person who is without fault is entitled as provided in subsection (b)(4), if such adjustment (or recovery) would defeat the purposes of subchapter II or subchapter XVIII or would be against equity and good conscience. Adjustment or recovery of an incorrect payment (or only such part of an incorrect payment as the Secretary determines to be inconsistent with the purposes of this subchapter) against an individual who is without fault shall be deemed to be against equity and good conscience if (A) the incorrect payment was made for expenses incurred for items or services for which payment may not be made under this subchapter by reason of the provisions of paragraph (1) or (9) of section 1395y(a) of this title and (B) the Secretary’s determination that such payment was incorrect was made subsequent to the fifth year following the year in which notice of such payment was sent to such individual; except that the Secretary may reduce such five-year period to not less than one year if he finds such reduction is consistent with the objectives of this subchapter.

(d) Liability of certifying or disbursing officer for failure to recoup

No certifying or disbursing officer shall be held liable for any amount certified or paid by him to any provider of services or other person where the adjustment or recovery of such amount is waived under subsection (c) or where adjustment under subsection (b) is not completed prior to the death of all persons against whose benefits such adjustment is authorized.

(e) Settlement of claims for benefits under this subchapter on behalf of deceased individuals

If an individual, who received services for which payment may be made to such individual under this subchapter, dies, and payment for such services was made (other than under this subchapter), and the individual died before any payment due him under this subchapter with respect to such services was completed, payment of the amount due (including the amount of any unnegotiated checks) shall be made—

(1) if the payment for such services was made (before or after such individual’s death) by a person other than the deceased individual, to the person or persons determined by the Secretary under regulations to have paid for such services, or if the payment for such services was made by the deceased individual before his death, to the legal representative of the estate of such deceased individual, if any;

(2) if there is no person who meets the requirements of paragraph (1), to the person, if any, who is determined by the Secretary to be the surviving spouse of the deceased individual and who was either living in the same household with the deceased at the time of his death or was, for the month in which the deceased individual died, entitled to a monthly benefit on the basis of the same wages and self-employment income as was the deceased individual;

(3) if there is no person who meets the requirements of paragraph (1) or (2), or if the person who meets such requirements dies before the payment due him under this subchapter is completed, to the child or children, if any, of the deceased individual who were, for the month in which the deceased individual died, entitled to monthly benefits on the basis of the same wages and self-employment income as was the deceased individual (and, in case there is more than one such child, in equal parts to each such child);

(4) if there is no person who meets the requirements of paragraph (1), (2), or (3), or if each person who meets such requirements dies before the payment due him under this subchapter is completed, to the parent or parents, if any, of the deceased individual who were, for the month in which the deceased individual died, entitled to monthly benefits on the basis of the same wages and self-employment in-
come as was the deceased individual (and, in case there is more than one such parent, in equal parts to each such parent); 
(5) if there is no person who meets the requirements of paragraph (1), (2), (3), (4), or (4), or if each person who meets such requirements dies before the payment due him under this subchapter is completed, to the person, if any, determined by the Secretary to be the surviving spouse of the deceased individual; 
(6) if there is no person who meets the requirements of paragraph (1), (2), (3), (4), or (5), or if each person who meets such requirements dies before the payment due him under this subchapter is completed, to the person or persons, if any, determined by the Secretary to be the child or children of the deceased individual (and, in case there is more than one such child, in equal parts to each such child); 
(7) if there is no person who meets the requirements of paragraph (1), (2), (3), (4), (5), or (6), or if each person who meets such requirements dies before the payment due him under this subchapter is completed, to the legal representatives of the estate of the deceased individual, if any.

(f) Settlement of claims for section 1395k benefits on behalf of deceased individuals

If an individual who received medical and other health services for which payment may be made under section 1395k(a)(1) of this title dies, and no assignment of the right to payment for such services was made by such individual before his death, and payment for such services has not been made—

(1) if the person or persons who furnished the services agree to the terms of assignment specified in section 1395u(b)(3)(B)(i) of this title with respect to the services, payment for such services shall be made to such person or persons, and

(2) if the person or persons who furnished the services do not agree to the terms of assignment specified in section 1395u(b)(3)(B)(i) of this title with respect to the services, payment for such services shall be made on the basis of an itemized bill to the person who has agreed to assume the legal obligation to make payment for such services and files a request for payment (with such accompanying evidence of such legal obligation as may be required in regulations), but only in such amount and subject to such conditions as would be applicable if the individual who received the services had not died.

(g) Refund of premiums for deceased individuals

If an individual, who is enrolled under section 1395i–2(c) of this title or under section 1395p of this title, dies, and premiums with respect to such enrollment have been received with respect to such individual for any month after the month of his death, such premiums shall be refunded to the person or persons determined by the Secretary under regulations to have paid such premiums or if payment for such premiums was made by the deceased individual before his death, to the legal representative of the estate of such deceased individual, if any. If there is no person who meets the requirements of the preceding sentence such premiums shall be refunded to the person or persons in the priorities specified in paragraphs (2) through (7) of subsection (e).

(h) Appeals by providers of services or suppliers

Notwithstanding subsection (f) or any other provision of law, the Secretary shall permit a provider of services or supplier to appeal any determination of the Secretary under this subchapter relating to services rendered under this subchapter to an individual who subsequently dies if there is no other party available to appeal such determination.


REFERENCES IN TEXT


AMENDMENTS

2013—Subsecs. (b), (c). Pub. L. 112–240 substituted “fifth year” for “third year” and “five-year” for “three-year” in last sentence.


Subsec. (f)(1), (2). Pub. L. 100–360, §4096(a)(2), substituted “to the terms specified in subclauses (I) and (II) of”.


1980—Subsec. (f). Pub. L. 96–499 amended subsec. (f) generally, inserting provision for payments to providers of medical and other health services where the person or persons furnishing the services did not agree
that the reasonable charge was the full charge for such services.


1972—Subsec. (b). Pub. L. 92–603, §281(a), required that provider of services or other person be without fault with respect to payment of excess over correct amount as prerequisite to adjustment or recovery of incorrect payments.

Subsec. (c). Pub. L. 92–603, §§261(a), 281(b), substituted “or where the adjustment (or recovery) would be made by decreasing payments to which another person who is without fault is entitled as provided in subsection (b)(4), if” for “and where”, inserted reference to subchapter XVIII of this chapter, and inserted provisions covering the adjustment or recovery of incorrect payments against individuals who are without fault.


1968—Pub. L. 90–248, §154(c), provided for settlement of claims on behalf of deceased individuals in section catchline.

Subsecs. (e), (f). Pub. L. 90–248, §154(c), added subsecs. (e) and (f).

**Effective Date of 2013 Amendment**

Pub. L. 112–240, title VI, §6109(b), Jan. 3, 2013, 126 Stat. 2213, provided that: “In the case where more than the correct amount may have been paid to a physician or individual under part B of title XVIII of the Social Security Act [42 U.S.C. 1395j et seq.] with respect to services furnished during the period beginning on July 1, 1965, and ending on March 31, 1966, as a result of a carrier’s establishing statewide fees for certain procedure codes while the carrier was in the process of implementing the national common procedure coding system of the Health Care Financing Administration, the provisions of section 1870c(c) of the Social Security Act [42 U.S.C. 1395gg(c)] shall apply, without the need for affirmative action by such a physician or individual, so as to prevent any recoupment, or other decrease in subsequent payments, to the physician or individual. The previous sentence shall apply to claims and services which were reopen by carriers on or after July 31, 1987.”

§ 1395hh. Regulations

(a) Authority to prescribe regulations; ineffectiveness of substantive rules not promulgated by regulation

(1) The Secretary shall prescribe such regulations as may be necessary to carry out the administration of the insurance programs under this subchapter. When used in this subchapter, the term “regulations” means, unless the context otherwise requires, regulations prescribed by the Secretary.

(2) No rule, requirement, or other statement of policy (other than a national coverage determination) that establishes or changes a substantive legal standard governing the scope of benefits, the payment for services, or the eligibility of individuals, entities, or organizations to furnish or receive services or benefits under this subchapter shall take effect unless it is promulgated by the Secretary by regulation under paragraph (1).

(3)(A) The Secretary, in consultation with the Director of the Office of Management and Budget, shall establish and publish a regular timeline for the publication of final regulations based on the previous publication of a proposed regulation or an interim final regulation.

(B) Such timeline may vary among different regulations based on differences in the complexity of the regulation, the number and scope of comments received, and other relevant factors, but shall not be longer than 3 years except under exceptional circumstances. If the Secretary intends to vary such timeline with respect to the publication of a final regulation, the Secretary shall cause to have published in the Federal Register notice of the different timeline by not later than the timeline previously established with respect to such regulation. Such notice shall include a brief explanation of the justification for such variation.
§ 1395hh

(C) In the case of interim final regulations, upon the expiration of the regular timeline established under this paragraph for the publication of a final regulation after opportunity for public comment, the interim final regulation shall not continue in effect unless the Secretary publishes (at the end of the regular timeline and, if applicable, at the end of each succeeding 1-year period) a notice of continuation of the regulation that includes an explanation of why the regular timeline (and any subsequent 1-year extension) was not complied with. If such a notice is published, the regular timeline (or such timeline as previously extended under this paragraph) for publication of the final regulation shall be treated as having been extended for 1 additional year.

(D) The Secretary shall annually submit to Congress a report that describes the instances in which the Secretary failed to publish a final regulation within the applicable regular timeline under this paragraph and that provides an explanation for such failures.

(4) If the Secretary publishes a final regulation that includes a provision that is not a logical outgrowth of a previously published notice of proposed rulemaking or interim final rule, such provision shall be treated as a proposed regulation and shall not take effect until there is the further opportunity for public comment and a publication of the provision again as a final regulation.

(b) Notice of proposed regulations; public comment

(1) Except as provided in paragraph (2), before issuing in final form any regulation under subsection (a), the Secretary shall provide for notice of the proposed regulation in the Federal Register and a period of not less than 60 days for public comment thereon.

(2) Paragraph (1) shall not apply where—

(A) a statute specifically permits a regulation to be issued in interim final form or otherwise with a shorter period for public comment,

(B) a statute establishes a specific deadline for the implementation of a provision and the deadline is less than 150 days after the date of the enactment of the statute in which the deadline is contained, or

(C) subsection (b) of section 553 of title 5 does not apply pursuant to subparagraph (B) of such subsection.

(c) Publication of certain rules; public inspection; changes in data collection and retrieval

(1) The Secretary shall publish in the Federal Register, not less frequently than every 3 months, a list of all manual instructions, interpretative rules, statements of policy, and guidelines of general applicability which—

(A) are promulgated to carry out this subchapter; but

(B) are not published pursuant to subsection (a)(1) and have not been previously published in a list under this subsection.

(2) Effective June 1, 1988, each fiscal intermediary and carrier administering claims for extended care, post-hospital extended care, home health care, and durable medical equipment benefits under this subchapter shall make available to the public all interpretative materials, guidelines, and clarifications of policies which relate to payments for such benefits.

(3) The Secretary shall to the extent feasible make such changes in automated data collection and retrieval by the Secretary and fiscal intermediaries with agreements under section 1395h of this title as are necessary to make easily accessible for the Secretary and other appropriate parties a data base which fairly and accurately reflects the provision of extended care, post-hospital extended care and home health care benefits pursuant to this subchapter, including such categories as benefit denials, results of appeals, and other relevant factors, and selectable by such categories and by fiscal intermediary, service provider, and region.

(e) Retroactivity of substantive changes; reliance upon written guidance

(1) A substantive change in regulations, manual instructions, interpretative rules, statements of policy, or guidelines of general applicability under this subchapter shall not be applied by extrapolation or otherwise retroactively to items and services furnished before the effective date of the change, unless the Secretary determines that—

(i) such retroactive application is necessary to comply with statutory requirements; or

(ii) failure to apply the change retroactively would be contrary to the public interest.

(B)(i) Except as provided in clause (ii), a substantive change referred to in subparagraph (A) shall not become effective before the end of the 30-day period that begins on the date that the Secretary has issued or published, as the case may be, the substantive change.

(ii) The Secretary may provide for such a substantive change to take effect on a date that precedes the end of the 30-day period under clause (i) if the Secretary finds that waiver of such 30-day period is necessary to comply with statutory requirements or that the application of such 30-day period is contrary to the public interest.

If the Secretary provides for an earlier effective date pursuant to this clause, the Secretary shall include in the issuance or publication of the substantive change a finding described in the first sentence, and a brief statement of the reasons for such finding.

(C) No action shall be taken against a provider of services or supplier with respect to noncompliance with such a substantive change for items and services furnished before the effective date of such a change.

(2)(A) If—

(i) a provider of services or supplier follows the written guidance (which may be transmitted electronically) provided by the Secretary or by a medicare contractor (as defined in section 1395zz(g) of this title) acting within the scope of the contractor’s contract authority, with respect to the furnishing of items or services and submission of a claim for benefits for such items or services with respect to such provider or supplier;

(ii) the Secretary determines that the provider of services or supplier has accurately

1So in original. No subsec. (d) has been enacted.
presented the circumstances relating to such items, services, and claim to the contractor in writing; and

(iii) the guidance was in error;

the provider of services or supplier shall not be subject to any penalty or interest under this subchapter or the provisions of subchapter XI insofar as they relate to this subchapter (including interest under a repayment plan under section 1395ddd of this title or otherwise) relating to the provision of such items or service or such claim if the provider of services or supplier reasonably relied on such guidance.

(B) Subparagraph (A) shall not be construed as preventing the recoupment or repayment (without any additional penalty) relating to an overpayment insofar as the overpayment was solely the result of a clerical or technical operational error.

(f) Report on areas of inconsistency or conflict

(1) Not later than 2 years after December 8, 2003, and every 3 years thereafter, the Secretary shall submit to Congress a report with respect to the administration of this subchapter and areas of inconsistency or conflict among the various provisions under law and regulation.

(2) In preparing a report under paragraph (1), the Secretary shall collect—

(A) information from individuals entitled to benefits under part A or enrolled under part B, or both, providers of services, and suppliers and from the Medicare Beneficiary Ombudsman with respect to such areas of inconsistency and conflict; and

(B) information from Medicare contractors that tracks the nature of written and telephone inquiries.

(3) A report under paragraph (1) shall include a description of efforts by the Secretary to reduce such inconsistency or conflicts, and recommendations for legislation or administrative action that the Secretary determines appropriate to further reduce such inconsistency or conflicts.


Amendments


Subsec. (e)(1)(B), (C). Pub. L. 108–173, § 903(b)(1), added subpars. (B) and (C).


1987—Subsec. (a). Pub. L. 100–203, § 4003(b), designated existing provisions as par. (1) and added par. (2).

Subsec. (c). Pub. L. 100–203, § 4003(c), added subsec. (c).

1986—Pub. L. 99–509 designated existing provisions as subsec. (a) and added subsec. (b).
§ 1395ii Title 42—The Public Health and Welfare

§ 1395ii. Application of certain provisions of subchapter II

The provisions of sections 406 and 416(j) of this title, and of subsections (a), (d), (e), (h), (i), (j), (k), and (l) of section 405 of this title, shall also apply with respect to this subchapter to the same extent as they are applicable with respect to subchapter II, except that, in applying such provisions with respect to this subchapter, any reference therein to the Commissioner of Social Security or the Social Security Administration shall be considered a reference to the Secretary or the Department of Health and Human Services, respectively.


AMENDMENTS

1994—Pub. L. 103–296 inserted before period at end ‘‘except that, in applying such provisions with respect to this subchapter, any reference therein to the Commissioner of Social Security or the Social Security Administration shall be considered a reference to the Secretary or the Department of Health and Human Services, respectively’’.

1984—Pub. L. 98–369 struck out the comma after ‘‘406’’ and struck out reference to subsection (d) of section 405 of this title.


Effects of provisions of law on designation of organization or publication by name

Designation in this subchapter, by name, of any nongovernmental organization or publication shall not be affected by change of name of such organization or publication, and shall apply to any successor organization or publication which the Secretary finds serves the purpose for which such designation is made.


§ 1395kk. Administration of insurance programs

(a) Functions of Secretary; performance directly or by contract

Except as otherwise provided in this subchapter and in the Railroad Retirement Act of 1974 (45 U.S.C. 231 et seq.), the insurance programs established by this subchapter shall be administered by the Secretary. The Secretary may perform any of his functions under this subchapter directly, or by contract providing for payment in advance or by way of reimbursement, and in such installments, as the Secretary may deem necessary.

(b) Contracts to secure special data, actuarial information, etc.

The Secretary may contract with any person, agency, or institution to secure on a reimbursable basis such special data, actuarial information, and other information as may be necessary in the carrying out of his functions under this subchapter.

(c) Oaths and affirmations

In the course of any hearing, investigation, or other proceeding that he is authorized to conduct under this subchapter, the Secretary may administer oaths and affirmations.

(d) Inclusion of Medicare provider and supplier payments in Federal Payment Levy Program

(1) In general

The Centers for Medicare & Medicaid Services shall take all necessary steps to participate in the Federal Payment Levy Program under section 6331(h) of the Internal Revenue Code of 1986 as soon as possible and shall ensure that—
(A) at least 50 percent of all payments under parts A and B are processed through such program beginning within 1 year after July 15, 2008; \(^1\)

(B) at least 75 percent of all payments under parts A and B are processed through such program beginning within 2 years after July 15, 2008; and

(C) all payments under parts A and B are processed through such program beginning not later than September 30, 2011.

(2) Assistance

The Financial Management Service and the Internal Revenue Service shall provide assistance to the Centers for Medicare & Medicaid Services to ensure that all payments described in paragraph (1) are included in the Federal Payment Levy Program by the deadlines specified in that subsection.

(e) Availability of data

(1) In general

Subject to paragraph (4), the Secretary shall make available to qualified entities (as defined in paragraph (2)) data described in paragraph (3) for the evaluation of the performance of providers of services and suppliers.

(2) Qualified entities

For purposes of this subsection, the term “qualified entity” means a public or private entity that—

(A) is qualified (as determined by the Secretary) to use claims data to evaluate the performance of providers of services and suppliers on measures of quality, efficiency, effectiveness, and resource use; and

(B) agrees to meet the requirements described in paragraph (4) and meets such other requirements as the Secretary may specify, such as ensuring security of data.

(3) Data described

The data described in this paragraph are standardized extracts (as determined by the Secretary) of claims data under parts A, B, and D for items and services furnished under such parts for one or more specified geographic areas and time periods requested by a qualified entity. Beginning July 1, 2016, if the Secretary determines appropriate, the data described in this paragraph may also include standardized extracts (as determined by the Secretary) of claims data under subchapters XIX and XXI for assistance provided under such subchapters for one or more specified geographic areas and time periods requested by a qualified entity. The Secretary shall take such actions as the Secretary deems necessary to protect the identity of individuals entitled to or enrolled for benefits under such parts or under subchapters \(^2\) XIX or XXI.

(4) Requirements

(A) Fee

Data described in paragraph (3) shall be made available to a qualified entity under this subsection at a fee equal to the cost of making such data available. Any fee collected pursuant to the preceding sentence shall be deposited, for periods prior to July 1, 2016, into the Federal Supplementary Medical Insurance Trust Fund under section 1395t of this title, and, beginning July 1, 2016, into the Centers for Medicare & Medicaid Services Program Management Account.

(B) Specification of uses and methodologies

A qualified entity requesting data under this subsection shall—

(i) submit to the Secretary a description of the methodologies that such qualified entity will use to evaluate the performance of providers of services and suppliers using such data;

(ii) except as provided in subclause (II), if available, use standard measures, such as measures endorsed by the entity with a contract under section 1395aaa(a) of this title and measures developed pursuant to section 299b–31 of this title; or

(II) use alternative measures if the Secretary, in consultation with appropriate stakeholders, determines that use of such alternative measures would be more valid, reliable, responsive to consumer preferences, cost-effective, or relevant to dimensions of quality and resource use not addressed by such standard measures;

(iii) include data made available under this subsection with claims data from sources other than claims data under this subchapter in the evaluation of performance of providers of services and suppliers;

(iv) only include information on the evaluation of performance of providers and suppliers in reports described in subparagraph (C);

(v) make available to providers of services and suppliers, upon their request, data made available under this subsection; and

(vi) prior to their release, submit to the Secretary the format of reports under subparagraph (C).

(C) Reports

Any report by a qualified entity evaluating the performance of providers of services and suppliers using data made available under this subsection shall—

(i) include an understandable description of the measures, which shall include quality measures and the rationale for use of other measures described in subparagraph (B)(ii)(II), risk adjustment methods, physician attribution methods, other applicable methods, data specifications and limitations, and the sponsors, so that consumers, providers of services and suppliers, health plans, researchers, and other stakeholders can assess such reports;

(ii) be made available confidentially, to any provider of services or supplier to be identified in such report, prior to the public release of such report, and provide an opportunity to appeal and correct errors;

(iii) only include information on a provider of services or supplier in an aggregate form as determined appropriate by the Secretary; and

---

\(^1\) See References in Text note below.

\(^2\) So in original. Probably should be “subchapter”.
§ 1395kk  TITLE 42—THE PUBLIC HEALTH AND WELFARE  Page 3336

(iv) except as described in clause (ii), be made available to the public.

(D) Approval and limitation of uses

The Secretary shall not make data described in paragraph (3) available to a qualified entity unless the qualified entity agrees to release the information on the evaluation of performance of providers of services and suppliers. Such entity shall only use such data, and information derived from such evaluation, for the reports under subparagraph (C). Data released to a qualified entity under this subsection shall not be subject to discovery or admission as evidence in judicial or administrative proceedings without consent of the applicable provider of services or supplier.

(f) Requirement for the Secretary to establish policies and claims edits relating to incarcerated, lawfully present, and deceased individuals

The Secretary shall establish and maintain procedures, including procedures for using claims processing edits, updating eligibility information to improve provider accessibility, and conducting recoupment activities such as through recovery audit contractors, in order to ensure that payment is not made under this subchapter for items and services furnished to an individual who is one of the following:

(1) An individual who is incarcerated.

(2) An individual who is not lawfully present in the United States and who is not eligible for coverage under this subchapter.

(3) A deceased individual.

(g) Requirement for enrollment data reporting

(1) In general

Each year (beginning with 2016), the Secretary shall submit to the Committees on Ways and Means and Energy and Commerce of the House of Representatives and the Committee on Finance of the Senate a report on Medicare enrollment data (and, in the case of part A, data on individuals receiving benefits under such part) as of a date in such year specified by the Secretary. Such data shall be presented:

(A) by Congressional district and State; and

(B) in a manner that provides for such data based on—

(i) fee-for-service enrollment (as defined in paragraph (2));

(ii) enrollment under part C (including separate for aggregate enrollment in MA–PD plans and aggregate enrollment in MA plans that are not MA–PD plans); and

(iii) enrollment under part D.

(2) Fee-for-service enrollment defined

For purpose of paragraph (1)(B)(i), the term “fee-for-service enrollment” means aggregate enrollment (including receipt of benefits other than through enrollment) under—

(A) part A only;

(B) part B only; and

(C) both part A and part B.


REFERENCES IN TEXT

The Railroad Retirement Act of 1974, referred to in subsec. (a), is act Aug. 29, 1935, ch. 812, as amended generally by Pub. L. 93–445, title I, §101, Oct. 16, 1974, 88 Stat. 1355, which is classified generally to subchapter IV (§121 et seq.) of chapter 9 of Title 45, Railroads. For further details and complete classification of this Act to the Code, see Codification note set out preceding section 231 of Title 45, section 231t of Title 45, and Tables.

The Internal Revenue Code of 1986, referred to in subsec. (d)(1), is classified generally to Title 26, Internal Revenue Code.

July 15, 2008, referred to in subsec. (d)(1)(A) and (B), was in the original “the date of the enactment of this section” and “such date”, which were translated as meaning the date of enactment of Pub. L. 110–275, which enacted subsec. (d), to reflect the probable intent of Congress.

AMENDMENTS


Subsec. (e)(3). Pub. L. 114–10, §105(c)(2), inserted “Beginning July 1, 2016, if the Secretary determines appropriate, the data described in this paragraph may also include standardized extracts (as determined by the Secretary) of claims data under subchapters XIX and XXI for assistance provided under such subchapters for one or more specified geographic areas and time periods requested by a qualified entity,” before “The Secretary” and “or under subchapters XIX or XXI” before period at end.

Subsec. (e)(4)(A). Pub. L. 114–10, §105(d), inserted “... for periods prior to July 1, 2016,” after “deposited” and “,” and, beginning July 1, 2016, into the Centers for Medicare & Medicaid Services Program Management Account” before period at end.


Effective Date of 2010 Amendment

Effective Date of 2008 Amendment
Amendment by Pub. L. 110–275 effective July 15, 2008, see section 189(c) of Pub. L. 110–275, set out as a note under section 3716 of Title 31, Money and Finance.

Effective Date of 1974 Amendment

Effective Date of 1965 Amendment
Amendment by Pub. L. 89–97 applicable to calendar year 1966 or to any subsequent calendar year but only
79 Stat. 343.

for such calendar year, see Pub. L. 89–97, title I, § 111(e),
equal to one-twelfth of maximum wages which Federal
Insurance Contributions Act provides may be counted
for such calendar year, see Pub. L. 89–97, title I, § 111(e).


REPORT
161, provided that: “Not later than 18 months after the
date of the enactment of this section [Apr. 16, 2015], and
periodically thereafter as determined necessary by the
Office of Inspector General of the Department of Health
and Human Services, such Office shall submit to Con-
gress a report on the activities described in subsection
(f) of section 1874 of the Social Security Act (42 U.S.C.
1395kk), as added by subsection (a), that have been con-
ducted since such date of enactment.”

§ 1395kk–1. Contracts with medicare administra-
tive contractors

(a) Authority

(1) Authority to enter into contracts

The Secretary may enter into contracts with
any eligible entity to serve as a medicare adminis-
trative contractor with respect to the performance of any or all of the functions described
in paragraph (4) or parts of those functions
(or, to the extent provided in a contract, to
secure performance thereof by other enti-
ties).

(2) Eligibility of entities

An entity is eligible to enter into a contract
with respect to the performance of a particular
function described in paragraph (4) only if—

(A) the entity has demonstrated capability
to carry out such function;

(B) the entity complies with such conflict
of interest standards as are generally appli-
cable to Federal acquisition and procurement;

(C) the entity has sufficient assets to fi-
nancially support the performance of such
function; and

(D) the entity meets such other require-
ments as the Secretary may impose.

(3) Medicare administrative contractor defined

For purposes of this subchapter and sub-
chapter XI—

(A) In general

The term “medicare administrative con-
tractor” means an agency, organization, or
other person with a contract under this sec-
tion.

(B) Appropriate medicare administrative
contractor

With respect to the performance of a par-
ticular function in relation to an individual
to that individual, provider of
services or supplier or class of provider of
services or supplier.

(4) Functions described

The functions referred to in paragraphs (1) and
(2) are payment functions (including the function of developing local coverage deter-
minations, as defined in section 1395ff(f)(2)(B)
of this title), provider services functions, and
functions relating to services furnished to indi-
viduals entitled to benefits under part A or
enrolled under part B, or both, as follows:

(A) Determination of payment amounts

Determining (subject to the provisions of
section 1395oo of this title and to such review
by the Secretary as may be provided for by
the contracts) the amount of the payments
required pursuant to this subchapter to be
made to providers of services, suppliers and
individuals.

(B) Making payments

Making payments described in subpara-
graph (A) (including receipt, disbursement,
and accounting for funds in making such
payments).

(C) Beneficiary education and assistance

Providing education and outreach to indi-
viduals entitled to benefits under part A or
enrolled under part B, or both, and providing
assistance to those individuals with specific
issues, concerns, or problems.

(D) Provider consultative services

Providing consultative services to institu-
tions, agencies, and other persons to enable
them to establish and maintain fiscal
records necessary for purposes of this sub-
chapter and otherwise to qualify as provid-
ers of services or suppliers.

(E) Communication with providers

Communicating to providers of services
and suppliers any information or instruc-
tions furnished to the medicare administra-
tive contractor by the Secretary, and facili-
tating communication between such provid-
ers and suppliers and the Secretary.

(F) Provider education and technical assis-
tance

Performing the functions relating to pro-
vider education, training, and technical as-
\n
(G) Improper payment outreach and edu-
cation program

Having in place an improper payment out-
reach and education program described in
subsection (h).

(H) Additional functions

Performing such other functions, includ-
ing (subject to paragraph (5)) functions
under the Medicare Integrity Program under
section 1395dd of this title, as are necessary
to carry out the purposes of this subchapter.

(5) Relationship to MIP contracts

(A) Nonduplication of duties

In entering into contracts under this sec-
tion, the Secretary shall assure that func-
tions of medicare administrative contractors in carrying out activities under parts A and B do not duplicate activities carried out under a contract entered into under the Medicare Integrity Program under section 1395ddd of this title. The previous sentence shall not apply with respect to the activity described in section 1395ddd(b)(5) of this title (relating to prior authorization of certain items of durable medical equipment under section 1395ddd of this title).

(B) Construction

An entity shall not be treated as a medicare administrative contractor merely by reason of having entered into a contract with the Secretary under section 1395ddd of this title.

(6) Application of Federal Acquisition Regulation

Except to the extent inconsistent with a specific requirement of this section, the Federal Acquisition Regulation applies to contracts under this section.

(b) Contracting requirements

(1) Use of competitive procedures

(A) In general

Except as provided in laws with general applicability to Federal acquisition and procurement or in subparagraph (B), the Secretary shall use competitive procedures when entering into contracts with medicare administrative contractors under this section, taking into account performance quality as well as price and other factors.

(B) Renewal of contracts

The Secretary may renew a contract with a medicare administrative contractor under this section from term to term without regard to section 6101 of title 41 or any other provision of law requiring competition, if the medicare administrative contractor has met or exceeded the performance requirements applicable with respect to the contract and contractor, except that the Secretary shall provide for the application of competitive procedures under such a contract not less frequently than once every 10 years.

(C) Transfer of functions

The Secretary may transfer functions among medicare administrative contractors consistent with the provisions of this paragraph. The Secretary shall ensure that performance quality is considered in such transfers. The Secretary shall provide public notice (whether in the Federal Register or otherwise) of any such transfer (including a description of the functions so transferred, a description of the providers of services and suppliers affected by such transfer, and contact information for the contractors involved).

(D) Incentives for quality

(i) In general

Subject to clauses (ii) and (iii), the Secretary shall provide incentives for medi-care administrative contractors to provide quality service and to promote efficiency.

(ii) Improper payment rate reduction incentives

The Secretary shall provide incentives for medicare administrative contractors to reduce the improper payment error rates in their jurisdictions.

(iii) Incentives

The incentives provided for under clause (ii)—

(I) may include a sliding scale of award fee payments and additional incentives to medicare administrative contractors that either reduce the improper payment rates in their jurisdictions to certain thresholds, as determined by the Secretary, or accomplish tasks, as determined by the Secretary, that further improve payment accuracy; and

(II) may include substantial reductions in award fee payments under cost-plus-award-fee contracts, for medicare administrative contractors that reach an upper end improper payment rate threshold or other threshold as determined by the Secretary, or fail to accomplish tasks, as determined by the Secretary, that further improve payment accuracy.

(2) Compliance with requirements

No contract under this section shall be entered into with any medicare administrative contractor unless the Secretary finds that such medicare administrative contractor will perform its obligations under the contract efficiently and effectively and will meet such requirements as to financial responsibility, legal authority, quality of services provided, and other matters as the Secretary finds pertinent.

(3) Performance requirements

(A) Development of specific performance requirements

(i) In general

The Secretary shall develop contract performance requirements to carry out the specific requirements applicable under this subchapter to a function described in subsection (a)(4) and shall develop standards for measuring the extent to which a contractor has met such requirements. Such requirements shall include specific performance duties expected of a medical director of a medicare administrative contractor, including requirements relating to professional relations and the availability of such director to conduct medical determination activities within the jurisdiction of such a contractor.

(ii) Consultation

In developing such performance requirements and standards for measurement, the Secretary shall consult with providers of services, organizations representative of beneficiaries under this subchapter, and organizations and agencies performing functions necessary to carry out the pur-
The Secretary shall make such performance requirements and measurement standards available to the public.

(iv) Contractor performance transparency

To the extent possible without compromising the process for entering into and renewing contracts with medicare administrative contractors under this section, the Secretary shall make available to the public the performance of each medicare administrative contractor with respect to such performance requirements and measurement standards.

(B) Considerations

The Secretary shall include, as one of the standards developed under subparagraph (A), provider and beneficiary satisfaction levels.

(C) Inclusion in contracts

All contractor performance requirements shall be set forth in the contract between the Secretary and the appropriate medicare administrative contractor. Such performance requirements—

(i) shall reflect the performance requirements published under subparagraph (A), but may include additional performance requirements;

(ii) shall be used for evaluating contractor performance under the contract; and

(iii) shall be consistent with the written statement of work provided under the contract.

(4) Information requirements

The Secretary shall not enter into a contract with a medicare administrative contractor under this section unless the contractor agrees—

(A) to furnish to the Secretary such timely information and reports as the Secretary may find necessary in performing his functions under this subchapter; and

(B) to maintain such records and afford such access thereto as the Secretary finds necessary to assure the correctness and verification of the information and reports under subparagraph (A) and otherwise to carry out the purposes of this subchapter.

(5) Surety bond

A contract with a medicare administrative contractor under this section may require the medicare administrative contractor, and any of its officers or employees certifying payments or disbursing funds pursuant to the contract, or otherwise participating in carrying out the contract, to give surety bond to the United States in such amount as the Secretary may deem appropriate.

c) Terms and conditions

(1) In general

A contract with any medicare administrative contractor under this section may contain such terms and conditions as the Secretary finds necessary or appropriate and may provide for advances of funds to the medicare administrative contractor for the making of payments by it under subsection (a)(4)(B).

(2) Prohibition on mandates for certain data collection

The Secretary may not require, as a condition of entering into, or renewing, a contract under this section, that the medicare administrative contractor match data other than in its activities under this subchapter with data used in the administration of this subchapter for purposes of identifying situations in which the provisions of section 1395y(b) of this title may apply.

(d) Limitation on liability of medicare administrative contractors and certain officers

(1) Certifying officer

No individual designated pursuant to a contract under this section as a certifying officer shall, in the absence of the reckless disregard of the individual’s obligations or the intent by that individual to defraud the United States, be liable with respect to any payments certified by the individual under this section.

(2) Disbursing officer

No disbursing officer shall, in the absence of the reckless disregard of the officer’s obligations or the intent by that officer to defraud the United States, be liable with respect to any payment by such officer under this section.

Nothing in this subsection shall be construed to limit liability for conduct that would constitute a violation of sections 3729 through 3731 of title 31.

(4) Indemnification by Secretary

(A) In general

Subject to subparagraphs (B) and (D), in the case of a medicare administrative contractor (or a person who is a director, officer, or employee of such a contractor or who is engaged by the contractor to participate directly in the claims administration process) who is made a party to any judicial or administrative proceeding arising from or relating directly to the claims administration process under this subchapter, the Secretary may, to the extent the Secretary de-
§ 1395kk–1

(1) Development of information security program

A medicare administrative contractor that performs the functions referred to in subparagraphs (A) and (B) of subsection (a)(4) (relating to determining and making payments) shall implement a contractor-wide information security program to provide information security for the operation and assets of the contractor with respect to such functions under this subchapter. An information security program under this paragraph shall meet the requirements for information security programs imposed on Federal agencies under paragraphs (2)(D)(i), (5)(A), and (5)(B) of such section.

(2) Independent audits

(A) Performance of annual evaluations

Each year a medicare administrative contractor that performs the functions referred to in subparagraphs (A) and (B) of subsection (a)(4) (relating to determining and making payments) shall undergo an evaluation of the information security of the contractor with respect to such functions under this subchapter. The evaluation shall—

(i) be performed by an entity that meets such requirements for independence as the Inspector General of the Department of Health and Human Services may establish; and

(ii) test the effectiveness of information security control techniques of an appropriate subset of the contractor’s information systems (as defined in section 3502(8) of title 44) relating to such functions under this subchapter and an assessment of compliance with the requirements of this subsection and related information security policies, procedures, standards and guidelines, including policies and procedures as may be prescribed by the Director of the Office of Management and Budget and applicable information security standards promulgated under section 11331 of title 40.

(B) Deadline for initial evaluation

(i) New contractors

In the case of a medicare administrative contractor covered by this subsection that has not previously performed the functions referred to in subparagraphs (A) and (B) of subsection (a)(4) (relating to determining and making payments) as a fiscal intermediary or carrier under section 1395h or 1395u of this title, the first independent evaluation conducted pursuant to subparagraph (A) shall be completed prior to commencing such functions.

(ii) Other contractors

In the case of a medicare administrative contractor covered by this subsection that is not described in clause (i), the first independent evaluation conducted pursuant to subparagraph (A) shall be completed within 1 year after the date the contractor commences functions referred to in clause (i) under this section.

(C) Reports on evaluations

(i) To the Department of Health and Human Services

The results of independent evaluations under subparagraph (A) shall be submitted promptly to the Inspector General of the Department of Health and Human Services and to the Secretary.

(ii) To Congress

The Inspector General of the Department of Health and Human Services shall submit to Congress annual reports on the results of such evaluations, including assessments of the scope and sufficiency of such evaluations.
(iii) Agency reporting

The Secretary shall address the results of such evaluations in reports required under section 3544(c) of title 44.

(f) Incentives to improve contractor performance in provider education and outreach

The Secretary shall use specific claims payment error rates or similar methodology of medicare administrative contractors in the processing or reviewing of medicare claims in order to give such contractors an incentive to implement effective education and outreach programs for providers of services and suppliers.

(g) Communications with beneficiaries, providers of services and suppliers

(1) Communication strategy

The Secretary shall develop a strategy for communications with individuals entitled to benefits under part A or enrolled under part B, or both, and with providers of services and suppliers under this subchapter.

(2) Response to written inquiries

Each medicare administrative contractor shall, for those providers of services and suppliers which submit claims to the contractor for claims processing and for those individuals entitled to benefits under part A or enrolled under part B, or both, with respect to whom claims are submitted for claims processing, provide general written responses (which may be through electronic transmission) in a clear, concise, and accurate manner to inquiries of providers of services, suppliers, and individuals entitled to benefits under part A or enrolled under part B, or both, concerning the programs under this subchapter within 45 business days of the date of receipt of such inquiries.

(3) Response to toll-free lines

The Secretary shall ensure that each medicare administrative contractor shall provide, for those providers of services and suppliers which submit claims to the contractor for claims processing and for those individuals entitled to benefits under part A or enrolled under part B, or both, with respect to whom claims are submitted for claims processing, a toll-free telephone number at which such individuals, providers of services, and suppliers may obtain information regarding billing, coding, claims, coverage, and other appropriate information under this subchapter.

(4) Monitoring of contractor responses

(A) In general

Each medicare administrative contractor shall, consistent with standards developed by the Secretary under subparagraph (B)—

(i) maintain a system for identifying who provides the information referred to in paragraphs (2) and (3); and

(ii) monitor the accuracy, consistency, and timeliness of the information so provided.

(B) Development of standards

(i) In general

The Secretary shall establish and make public standards to monitor the accuracy, consistency, and timeliness of the information provided in response to written and telephone inquiries under this subsection. Such standards shall be consistent with the performance requirements established under subsection (b)(3).

(ii) Evaluation

In conducting evaluations of individual medicare administrative contractors, the Secretary shall take into account the results of the monitoring conducted under subparagraph (A) taking into account as performance requirements the standards established under clause (i). The Secretary shall, in consultation with organizations representing providers of services, suppliers, and individuals entitled to benefits under part A or enrolled under part B, or both, establish standards relating to the accuracy, consistency, and timeliness of the information so provided.

(C) Direct monitoring

Nothing in this paragraph shall be construed as preventing the Secretary from directly monitoring the accuracy, consistency, and timeliness of the information so provided.

(5) Authorization of appropriations

There are authorized to be appropriated such sums as are necessary to carry out this subsection.

(h) Improper payment outreach and education program

(1) In general

In order to reduce improper payments under this subchapter, each medicare administrative contractor shall establish and have in place an improper payment outreach and education program under which the contractor, through outreach, education, training, and technical assistance or other activities, shall provide providers of services and suppliers located in the region covered by the contract under this section with the information described in paragraph (2). The activities described in the preceding sentence shall be conducted on a regular basis.

(2) Information to be provided through activities

The information to be provided under such payment outreach and education program shall include information the Secretary determines to be appropriate, which may include the following information:

(A) A list of the providers’ or suppliers’ most frequent and expensive payment errors over the last quarter.

(B) Specific instructions regarding how to correct or avoid such errors in the future.

(C) A notice of new topics that have been approved by the Secretary for audits conducted by recovery audit contractors under section 1395dd(d)(b) of this title.

(D) Specific instructions to prevent future issues related to such new audits.

(E) Other information determined appropriate by the Secretary.
(3) Priority

A medicare administrative contractor shall give priority to activities under such program that will reduce improper payments that are one or more of the following:

(A) Are for items and services that have the highest rate of improper payment.

(B) Are for items and services that have the greatest total dollar amount of improper payments.

(C) Are due to clear misapplication or misinterpretation of Medicare policies.

(D) Are clearly due to common and inadvertent clerical or administrative errors.

(E) Are due to other types of errors that the Secretary determines could be prevented through activities under the program.

(4) Information on improper payments from recovery audit contractors

(A) In general

In order to assist medicare administrative contractors in carrying out improper payment outreach and education programs, the Secretary shall provide each contractor with a complete list of the types of improper payments identified by recovery audit contractors under section 1395ddd(h) of this title with respect to providers of services and suppliers located in the region covered by the contract under this section. Such information shall be provided on a time frame the Secretary determines appropriate which may be on a quarterly basis.

(B) Information

The information described in subparagraph (A) shall include information such as the following:

(i) Providers of services and suppliers that have the highest rate of improper payments.

(ii) Providers of services and suppliers that have the greatest total dollar amounts of improper payments.

(iii) Items and services furnished in the region that have the highest rates of improper payments.

(iv) Items and services furnished in the region that are responsible for the greatest total dollar amount of improper payments.

(v) Other information the Secretary determines would assist the contractor in carrying out the program.

(5) Communications

Communications with providers of services and suppliers under an improper payment outreach and education program are subject to the standards and requirements of subsection (g).
§ 1395kk–1

"(2) DEADLINE FOR PROMULGATION OF CERTAIN REGULATIONS.—The Secretary [of Health and Human Services] shall first issue regulations under section 1874A(h) of the Social Security Act [42 U.S.C. 1395kk–1(h)], as added by subsection (a), not later than 1 year after the date of the enactment of this Act [Dec. 8, 2003]."

"(3) APPLICATION OF STANDARD PROTOCOLS FOR RANDOM PREPAYMENT REVIEW.—Section 1874A(b)(1)(B) of the Social Security Act [42 U.S.C. 1395kk–1(b)(1)(B)], as added by subsection (a), shall apply to random prepayment reviews conducted on or after such date (not later than 1 year after the date of the enactment of this Act [Dec. 8, 2003]) as the Secretary shall specify."

"(2) to prevent or impede the Department of Health and Human Services in any way from its ongoing efforts to eliminate waste, fraud, and abuse in the medicare program. Furthermore, the consolidation of medicare administrative contracting set forth in this division [Pub. L. 108–173 does not contain any divisions] does not constitute consolidation of the Federal Hospital Insurance Trust Fund and the Federal Supplementary Medical Insurance Trust Fund or reflect any position on that issue."

"(2) DEADLINE FOR PROMULGATION OF CERTAIN REGULATIONS.—The Secretary [of Health and Human Services] shall first issue regulations under section 1874A(h) of the Social Security Act [42 U.S.C. 1395kk–1(h)], as inserted by paragraph (1), the Secretary [of Health and Human Services] shall consider inclusion of the performance standards described in sections 1816(c)(2)(D) of such Act [42 U.S.C. 1395bb–1(c)(2)(D)] (relating to timely processing of reconsiderations and applications for exemptions) and section 1842(b)(2)(B) of such Act [42 U.S.C. 1396b(b)(2)(B)] (relating to timely review of determinations and fair hearing requests), as such sections were in effect before the date of the enactment of this Act [Dec. 8, 2003]."

"(2) DEADLINE FOR PROMULGATION OF CERTAIN REGULATIONS.—The Secretary [of Health and Human Services] shall consider inclusion of the performance standards described in sections 1816(c)(2)(D) of such Act [42 U.S.C. 1395bb–1(c)(2)(D)] (relating to timely processing of reconsiderations and applications for exemptions) and section 1842(b)(2)(B) of such Act [42 U.S.C. 1396b(b)(2)(B)] (relating to timely review of determinations and fair hearing requests), as such sections were in effect before the date of the enactment of this Act [Dec. 8, 2003]."

"(2) GENERAL TRANSITION RULES.—The Secretary shall provide for the lotting by competitive bidding of all contracts for functions of medicare administrative contractors for annual contract periods that begin on or after October 1, 2004."

"(1) To compromise or affect existing legal remedies, including under sections 3729 through 3733 of title 31, United States Code (commonly known as the "False Claims Act")

"(2) To prevent or impede the Department of Health and Human Services in any way from its ongoing efforts to eliminate waste, fraud, and abuse in the medicare program. Furthermore, the consolidation of medicare administrative contracting set forth in this division [Pub. L. 108–173 does not contain any divisions] does not constitute consolidation of the Federal Hospital Insurance Trust Fund and the Federal Supplementary Medical Insurance Trust Fund or reflect any position on that issue."

"(2) AUTHORITY TO ENTER INTO NEW CONTRACTS.—The Secretary may, consistent with subsection (a), enter into new contracts for functions of medicare administrative contractors for annual contract periods that begin on or after October 1, 2004, the Secretary [of Health and Human Services] shall submit a report to Congress and the appropriate committees of Congress and the Comptroller General of the United States that describes the plan for implementation of the amendments made by this section [enacting this section and amending sections 1395h and 1395u of this title, and enacting provisions set out as notes under this section]."

"(2) AUTHORITY TO ENTER INTO NEW CONTRACTS.—The Secretary may, consistent with subsection (a), enter into new contracts for functions of medicare administrative contractors for annual contract periods that begin on or after October 1, 2004, the Secretary [of Health and Human Services] shall submit a report to Congress and the appropriate committees of Congress and the Comptroller General of the United States that describes the plan for implementation of the amendments made by this section [enacting this section and amending sections 1395h and 1395u of this title, and enacting provisions set out as notes under this section]."

"(2) AUTHORITY TO ENTER INTO NEW CONTRACTS.—The Secretary may, consistent with subsection (a), enter into new contracts for functions of medicare administrative contractors for annual contract periods that begin on or after October 1, 2004, the Secretary [of Health and Human Services] shall submit a report to Congress and the appropriate committees of Congress and the Comptroller General of the United States that describes the plan for implementation of the amendments made by this section [enacting this section and amending sections 1395h and 1395u of this title, and enacting provisions set out as notes under this section]."

"(2) AUTHORITY TO ENTER INTO NEW CONTRACTS.—The Secretary may, consistent with subsection (a), enter into new contracts for functions of medicare administrative contractors for annual contract periods that begin on or after October 1, 2004, the Secretary [of Health and Human Services] shall submit a report to Congress and the appropriate committees of Congress and the Comptroller General of the United States that describes the plan for implementation of the amendments made by this section [enacting this section and amending sections 1395h and 1395u of this title, and enacting provisions set out as notes under this section]."

"(2) AUTHORITY TO ENTER INTO NEW CONTRACTS.—The Secretary may, consistent with subsection (a), enter into new contracts for functions of medicare administrative contractors for annual contract periods that begin on or after October 1, 2004, the Secretary [of Health and Human Services] shall submit a report to Congress and the appropriate committees of Congress and the Comptroller General of the United States that describes the plan for implementation of the amendments made by this section [enacting this section and amending sections 1395h and 1395u of this title, and enacting provisions set out as notes under this section]."

"(2) AUTHORITY TO ENTER INTO NEW CONTRACTS.—The Secretary may, consistent with subsection (a), enter into new contracts for functions of medicare administrative contractors for annual contract periods that begin on or after October 1, 2004, the Secretary [of Health and Human Services] shall submit a report to Congress and the appropriate committees of Congress and the Comptroller General of the United States that describes the plan for implementation of the amendments made by this section [enacting this section and amending sections 1395h and 1395u of this title, and enacting provisions set out as notes under this section]."

"(2) AUTHORITY TO ENTER INTO NEW CONTRACTS.—The Secretary may, consistent with subsection (a), enter into new contracts for functions of medicare administrative contractors for annual contract periods that begin on or after October 1, 2004, the Secretary [of Health and Human Services] shall submit a report to Congress and the appropriate committees of Congress and the Comptroller General of the United States that describes the plan for implementation of the amendments made by this section [enacting this section and amending sections 1395h and 1395u of this title, and enacting provisions set out as notes under this section]."
“(A) The number of contracts that have been competitively bid as of such date.

(B) The distribution of functions among contracts and contractors.

(C) A timeline for complete transition to full competition.

(D) A detailed description of how the Secretary has modified oversight and management of Medicare contractors to adapt to full competition.”

APPLICATION TO FISCAL INTERMEDIARIES AND CARRIERS


“(1) IN GENERAL.—The provisions of section 1874A(e)(2) of the Social Security Act [42 U.S.C. 1395kk–1(e)(2)] (other than subparagraph (B)), as added by subsection (a), shall apply to each fiscal intermediary under section 1816 of the Social Security Act [42 U.S.C. 1395h] and each carrier under section 1842 of such Act [42 U.S.C. 1395u] in the same manner as they apply to Medicare administrative contractors under such provisions.

“(2) DEADLINE FOR INITIAL EVALUATION.—In the case of such a fiscal intermediary or carrier with an agreement or contract under such respective section in effect as of the date of the enactment of this Act [Dec. 8, 2003], the first evaluation under section 1874A(e)(2)(A) of the Social Security Act [42 U.S.C. 1395kk–1(f)] (as added by subsection (a)), pursuant to paragraph (1), shall be completed (and a report on the evaluation submitted to the Secretary [of Health and Human Services]) by not later than 1 year after such date.’’


“The provisions of section 1874A(f) of the Social Security Act [42 U.S.C. 1395kk–1(f)], as added by paragraph (1), shall apply to each fiscal intermediary under section 1816 of the Social Security Act [42 U.S.C. 1395h] and each carrier under section 1842 of such Act [42 U.S.C. 1395u] in the same manner as they apply to Medicare administrative contractors under such provisions.”


“The provisions of section 1874A(h)(1) of the Social Security Act [42 U.S.C. 1395kk–1(g)(1)], as added by paragraph (1), shall apply to each fiscal intermediary under section 1816 of the Social Security Act [42 U.S.C. 1395h] and each carrier under section 1842 of such Act [42 U.S.C. 1395u] in the same manner as they apply to Medicare administrative contractors under such provisions.”

Pub. L. 108–173, title IX, §934(c), Dec. 8, 2003, 117 Stat. 2467, provided that:

“The provisions of section 1874A(h) of the Social Security Act [42 U.S.C. 1395kk–1(h)], as added by subsection (a), shall apply to each fiscal intermediary under section 1816 of the Social Security Act [42 U.S.C. 1395h] and each carrier under section 1842 of such Act [42 U.S.C. 1395u] in the same manner as they apply to Medicare administrative contractors under such provisions.”

POLICY DEVELOPMENT REGARDING EVALUATION AND MANAGEMENT (E & M) DOCUMENTATION GUIDELINES


“(a) IN GENERAL.—The Secretary [of Health and Human Services] may not implement any new or modified documentation guidelines (which for purposes of this section includes clinical examples) for evaluation and management (E & M) documentation of physician services in teaching settings and at least one shall be conducted in a setting other than a teaching setting.

“(3) has conducted appropriate and representative pilot projects under subsection (b) to test such guidelines;

“(4) finds, based on reports submitted under subsection (b)(5) with respect to pilot projects conducted for such or related guidelines, that the objectives described in subsection (c) will be met in the implementation of such guidelines; and

“(5) has established, and is implementing, a program to educate physicians on the use of such guidelines and that includes appropriate outreach.

The Secretary shall make changes to the manner in which existing evaluation and management documentation guidelines are implemented to reduce paperwork burdens on physicians.

“(b) PILOT PROJECTS TO TEST MODIFIED OR NEW EVALUATION AND MANAGEMENT DOCUMENTATION GUIDELINES.—

“(1) IN GENERAL.—With respect to proposed new or modified documentation guidelines referred to in subsection (a), the Secretary shall conduct under this subsection appropriate and representative pilot projects to test the proposed guidelines.

“(2) LENGTH AND CONSULTATION.—Each pilot project under this subsection shall—

“(A) be voluntary;

“(B) be of sufficient length as determined by the Secretary (but in no case to exceed 1 year) to allow for preparatory physician and Medicare contractor education, analysis, and use and assessment of potential evaluation and management guidelines; and

“(C) be conducted, in development and throughout the planning and operational stages of the project, in consultation with practicing physicians (including both generalists and specialists).

“(3) RANGE OF PILOT PROJECTS.—Of the pilot projects conducted under this subsection with respect to proposed new or modified documentation guidelines—

“(A) at least one shall focus on a peer review method by physicians (not employed by a Medicare contractor) which evaluates medical record information for claims submitted by physicians identified as statistical outliers relative to codes used for billing purposes for such services;

“(B) at least one shall focus on an alternative method to detailed guidelines based on physician documentation of face to face encounter time with a patient;

“(C) at least one shall be conducted for services furnished in a rural area and at least one for services furnished outside such an area; and

“(D) at least one shall be conducted in a setting where physicians bill under physician services in teaching settings and at least one shall be conducted in a setting other than a teaching setting.

“(4) STUDY OF IMPACT.—Each pilot project shall examine the effect of the proposed guidelines on—

“(A) different types of physician practices, including those with fewer than 10 full-time-equivalent employees (including physicians); and

“(B) the costs of physician compliance, including education, implementation, auditing, and monitoring.

“(5) REPORT ON PILOT PROJECTS.—Not later than 6 months after the date of completion of pilot projects carried out under this subsection with respect to a proposed guideline described in paragraph (1), the Secretary shall submit to Congress a report on the pilot projects. Each such report shall include a finding by the Secretary of whether the objectives described in subsection (c) will be met in the implementation of such proposed guideline.

“(c) OBJECTIVES FOR EVALUATION AND MANAGEMENT GUIDELINES.—The objectives for modified evaluation and management documentation guidelines developed by the Secretary shall be—

“(1) has developed the guidelines in collaboration with practicing physicians (including both generalists and specialists) and provided for an assessment of the proposed guidelines by the physician community;

“(2) has established a plan that contains specific goals, including a schedule, for improving the use of such guidelines;
§ 1395kk–2. Expanding availability of Medicare data

(a) Expanding uses of Medicare data by qualified entities

(1) Additional analyses

(A) In general

Subject to subparagraph (B), to the extent consistent with applicable information, privacy, security, and disclosure laws (including paragraph (3)), notwithstanding paragraph (4)(B) of section 1874(e) of the Social Security Act (42 U.S.C. 1395kk(e)) and the second sentence of paragraph (4)(D) of such section, beginning July 1, 2016, a qualified entity may use the combined data described in paragraph (4)(B)(iii) of such section received by such entity under such section, and information derived from the evaluation described in such paragraph (4)(D), to conduct additional non-public analyses (as determined appropriate by the Secretary) and provide or sell such analyses to authorized users for non-public use (including for the purposes of assisting providers of services and suppliers to develop and participate in quality and patient care improvement activities, including developing new models of care).

(B) Limitations with respect to analyses

(i) Employers

Any analyses provided or sold under subparagraph (A) to an employer described in paragraph (9)(A)(iv) may only be used by such employer for purposes of providing health insurance to employees and retirees of the employer.

(ii) Health insurance issuers

A qualified entity may not provide or sell an analysis to a health insurance issuer described in paragraph (9)(A)(iv) unless the issuer is providing the qualified entity with data under section 1874(e)(4)(B)(iii) of the Social Security Act (42 U.S.C. 1395kk(e)(4)(B)(iii)).

(2) Access to certain data

(A) Access

To the extent consistent with applicable information, privacy, security, and disclosure laws (including paragraph (3)), notwithstanding paragraph (4)(B) of section 1874(e) of the Social Security Act (42 U.S.C. 1395kk(e)) and the second sentence of paragraph (4)(D) of such section, beginning July 1, 2016, a qualified entity may—

(i) provide or sell the combined data described in paragraph (4)(B)(iii) of such section to authorized users described in clauses (i), (ii), and (v) of paragraph (9)(A) for non-public use, including for the purposes described in subparagraph (B); or

(ii) subject to subparagraph (C), provide Medicare claims data to authorized users described in clauses (i), (ii), and (v),1 of paragraph (9)(A) for non-public use, including for the purposes described in subparagraph (B).

(B) Purposes described

The purposes described in this subparagraph are assisting providers of services and suppliers in developing and participating in quality and patient care improvement activities, including developing new models of care.

(C) Medicare claims data must be provided at no cost

A qualified entity may not charge a fee for providing the data under subparagraph (A)(ii).

(3) Protection of information

(A) In general

Except as provided in subparagraph (B), an analysis or data that is provided or sold

1So in original. The comma probably should not appear.
under paragraph (1) or (2) shall not contain information that individually identifies a patient.

(B) Information on patients of the provider of services or supplier

To the extent consistent with applicable information, privacy, security, and disclosure laws, an analysis or data that is provided or sold to a provider of services or supplier under paragraph (1) or (2) may contain information that individually identifies a patient of such provider or supplier, including with respect to items and services furnished to the patient by other providers of services or suppliers.

(C) Prohibition on using analyses or data for marketing purposes

An authorized user shall not use an analysis or data provided or sold under paragraph (1) or (2) for marketing purposes.

(4) Data use agreement

A qualified entity and an authorized user described in clauses (i), (ii), and (v) of paragraph (4) shall enter into an agreement regarding the use of any data that the qualified entity is providing or selling to the authorized user under paragraph (2). Such agreement shall describe the requirements for privacy and security of the data and, as determined appropriate by the Secretary, any prohibitions on using such data to link to other individually identifiable sources of information. If the authorized user is not a covered entity under the rules promulgated pursuant to the Health Insurance Portability and Accountability Act of 1996, the agreement shall identify the relevant regulations, as determined by the Secretary, that the user shall comply with as if it were acting in the capacity of such a covered entity.

(5) No redisclosure of analyses or data

(A) In general

Except as provided in subparagraph (B), an authorized user that is provided or sold an analysis or data under paragraph (1) or (2) shall not redisclose or make public such analysis or data or any analysis using such data.

(B) Permitted redisclosure

A provider of services or supplier that is provided or sold an analysis or data under paragraph (1) or (2) may, as determined by the Secretary, redisclose such analysis or data for the purposes of performance improvement and care coordination activities but shall not make public such analysis or data or any analysis using such data.

(6) Opportunity for providers of services and suppliers to review

Prior to a qualified entity providing or selling an analysis to an authorized user under paragraph (1), to the extent that such analysis would individually identify a provider of services or supplier who is not being provided or sold such analysis, such qualified entity shall provide such provider or supplier with the opportunity to appeal and correct errors in the manner described in section 1874(e)(4)(C)(ii) of the Social Security Act (42 U.S.C. 1395kk(e)(4)(C)(ii)).

(7) Assessment for a breach

(A) In general

In the case of a breach of a data use agreement under this section or section 1874(e) of the Social Security Act (42 U.S.C. 1395kk(e)), the Secretary shall impose an assessment on the qualified entity both in the case of—

(i) an agreement between the Secretary and a qualified entity; and

(ii) an agreement between a qualified entity and an authorized user.

(B) Assessment

The assessment under subparagraph (A) shall be an amount up to $100 for each individual entitled to, or enrolled for, benefits under part A of title XVIII of the Social Security Act [42 U.S.C. 1395c et seq.] or enrolled for benefits under part B of such title [42 U.S.C. 1395 et seq.]—

(i) in the case of an agreement described in subparagraph (A)(i), for whom the Secretary provided data on to the qualified entity under paragraph (2); and

(ii) in the case of an agreement described in subparagraph (A)(ii), for whom the qualified entity provided data on to the authorized user under paragraph (2).

(C) Deposit of amounts collected

Any amounts collected pursuant to this paragraph shall be deposited in Federal Supplementary Medical Insurance Trust Fund under section 1841 of the Social Security Act (42 U.S.C. 1395c).

(8) Annual reports

Any qualified entity that provides or sells an analysis or data under paragraph (1) or (2) shall annually submit to the Secretary a report that includes—

(A) a summary of the analyses provided or sold, including the number of such analyses, the number of purchasers of such analyses, and the total amount of fees received for such analyses;

(B) a description of the topics and purposes of such analyses;

(C) information on the entities who received the data under paragraph (2), the uses of the data, and the total amount of fees received for providing, selling, or sharing the data; and

(D) other information determined appropriate by the Secretary.

(9) Definitions

In this subsection and subsection (b):

(A) Authorized user

The term “authorized user” means the following:

(i) A provider of services.

(ii) A supplier.

(iii) An employer (as defined in section 1002(5) of title 29).

(iv) A health insurance issuer (as defined in section 300gg–91 of this title).

\(^2\)So in original. Probably should be preceded by “the”.\n
(v) A medical society or hospital association.
(vi) Any entity not described in clauses (i) through (v) that is approved by the Secretary (other than an employer or health insurance issuer not described in clauses (iii) and (iv), respectively, as determined by the Secretary).

(B) **Provider of services**

The term “provider of services” has the meaning given such term in section 1861(u) of the Social Security Act (42 U.S.C. 1395x(u)).

(C) **Qualified entity**

The term “qualified entity” has the meaning given such term in section 1874(e)(2) of the Social Security Act (42 U.S.C. 1395kk(e)(2)).

(D) **Secretary**

The term “Secretary” means the Secretary of Health and Human Services.

(E) **Supplier**

The term “supplier” has the meaning given such term in section 1861(u) of the Social Security Act (42 U.S.C. 1395x(u)).

(b) **Access to Medicare data by qualified clinical data registries to facilitate quality improvement**

(1) **Access**

(A) **In general**

To the extent consistent with applicable information, privacy, security, and disclosure laws, beginning July 1, 2016, the Secretary shall, at the request of a qualified clinical data registry under section 1848(m)(3)(E) of the Social Security Act (42 U.S.C. 1395w–4(m)(3)(E)), provide the data described in subparagraph (B) (in a form and manner determined to be appropriate) to such qualified clinical data registry for purposes of linking such data with clinical outcomes data and performing risk-adjusted, scientifically valid analyses and research to support quality improvement or patient safety, provided that any public reporting of such analyses or research that identifies a provider of services or supplier shall only be conducted with the opportunity of such provider or supplier to appeal and correct errors in the manner described in subsection (a)(6).

(B) **Data described**

The data described in this subparagraph is—

(i) claims data under the Medicare program under title XVIII of the Social Security Act [42 U.S.C. 1395 et seq.]; and

(ii) if the Secretary determines appropriate, claims data under the Medicaid program under title XIX of such Act [42 U.S.C. 1396 et seq.] and the State Children’s Health Insurance Program under title XXI of such Act [42 U.S.C. 1397aa et seq.].

(2) **Fee**

Data described in paragraph (1)(B) shall be provided to a qualified clinical data registry under paragraph (1) at a fee equal to the cost of providing such data. Any fee collected pursuant to the preceding sentence shall be deposited in the Centers for Medicare & Medicaid Services Program Management Account.


**REFERENCES IN TEXT**


The Social Security Act, referred to in subsecs. (a)(7)(B) and (b)(1)(B), is act Aug. 14, 1935, ch. 531, 49 Stat. 620. Titles XVIII, XIX, and XXI of the Act are classified generally to this subchapter and subchapters XIX (§1396 et seq.) and XXI (§1397aa et seq.) of this chapter, respectively. Parts A and B of title XVIII of the Act are classified generally to parts A ($1395c et seq.) and B ($1395j et seq.) of this subchapter, respectively. For complete classification of this Act to the Code, see section 1903 of this title and Tables.

**CODIFICATION**

Section is comprised of section 105 of Pub. L. 114–10. Subsecs. (c) and (d) of section 105 of Pub. L. 114–10 amended section 1395kk of this title.

Section was enacted as part of the Medicare Access and CHIP Reauthorization Act of 2015, and not as part of the Social Security Act which comprises this chapter.

§ 1395ff. **Studies and recommendations**

(a) **Health care of the aged and disabled**

The Secretary shall carry on studies and develop recommendations to be submitted from time to time to the Congress relating to health care of the aged and the disabled, including studies and recommendations concerning (1) the adequacy of existing personnel and facilities for health care for purposes of the programs under parts A and B of this subchapter; (2) methods for encouraging the further development of efficient and economical forms of health care which are a constructive alternative to inpatient hospital care; and (3) the effects of the deductibles and coinsurance provisions upon beneficiaries, persons who provide health services, and the financing of the program.

(b) **Operation and administration of insurance programs**

The Secretary shall make a continuing study of the operation and administration of this subchapter (including a validation of the accreditation process of national accreditation bodies under section 1380b(a) of this title), the operation and administration of health maintenance organizations authorized by section 226 of the Social Security Amendments of 1972 [42 U.S.C. 1395mm], the experiments and demonstration projects authorized by section 402 of the Social Security Amendments of 1967 [42 U.S.C. 1395b–1] and the experiments and demonstration projects authorized by section 222(a) of the Social Security Amendments of 1972 [42 U.S.C. 1395b–1 note]), and shall transmit to the Congress annu-

---

1 So in original. Probably should be followed by a comma.
2 So in original. Probably should be followed by a comma.
ally a report concerning the operation of such programs.


Passed by Pub. L. 110–275 applicable with respect to accreditations of hospitals granted on or after the date that is 24 months after July 15, 2008, with transition rule, see section 125(d) of Pub. L. 110–275, set out as a note under section 1395bb of this title.

REMARKS IN TEXT

Section 226 of the Social Security Amendments of 1972, referred to in subsec. (b), is section 226 of Pub. L. 92–603, which enacted section 1395mm of this title and provisions set out as notes under that section and amended this section and sections 1395f, 1395f, and 1396b of this title.

Section 402 of the Social Security Amendments of 1967, referred to in subsec. (b), is section 402 of Pub. L. 90–248, which enacted section 1395b–1 of this title and amended this section.

Section 222(a) of the Social Security Amendments of 1967, referred to in subsec. (b), is section 222(a) of Pub. L. 92–603, which enacted provisions set out as note under section 1395b–1 of this title.

AMENDMENTS

2008—Subsec. (b). Pub. L. 110–275 substituted “national accreditation bodies under section 1395b(a) of this title” for “the Joint Commission on Accreditation of Hospitals,”.

2003—Subsec. (b). Pub. L. 108–173 substituted “this subchapter” for “the insurance programs under parts A and B of this subchapter”.


1988—Subsec. (c)(7). Pub. L. 101–234, §301(b)(5), (d)(2), amended par. (7) identically, substituting “date of the enactment of this section” for “date of the enactment of this Act”.

1988—Subsec. (c)(3). Pub. L. 100–647 amended par. (3) generally. Prior to amendment, par. (3) read as follows: “For purposes of carrying out the research program, there are authorized to be appropriated—

“A. from the Federal Hospital Insurance Trust Fund $4,000,000 for fiscal year 1987 and $5,000,000 for each of fiscal years 1988 and 1989, and

“B. from the Federal Supplementary Medical Insurance Trust Fund $2,000,000 for fiscal year 1987 and $2,500,000 for each of fiscal years 1988 and 1989.”


1984—Subsec. (b). Pub. L. 98–369 struck out “the” after “Joint Commission on”.


Subsec. (b). Pub. L. 92–603, §§222(c), 226(d)(1), 244(d), substituted “(including a validation of the accreditation process of the Joint Commission on the Accreditation of Hospitals, the operation and administration of health maintenance organizations authorized by section 228 of the Social Security Amendments of 1972, the experiments and demonstration projects authorized by section 402 of the Social Security Amendments of 1967 and the experiments and demonstration projects authorized by section 222(a) of the Social Security Amendments of 1972) for (including the experiments and demonstration projects authorized by section 402 of the Social Security Amendments of 1967)”.


1969—Subsec. (b). Pub. L. 90–248 inserted “(including the experiments and demonstration projects authorized by section 402 of the Social Security Amendments of 1967) after “under parts A and B of this subchapter”.

EFFECTIVE DATE OF 2008 AMENDMENT; TRANSITION RULE

Amendment by Pub. L. 110–275 applicable with respect to accreditations of hospitals granted on or after the date that is 24 months after July 15, 2008, with transition rule, see section 125(d) of Pub. L. 110–275, set out as a note under section 1395bb of this title.

EFFECTIVE DATE OF 1989 AMENDMENT

Amendment by Pub. L. 99–509 effective July 18, 1984, but not to be construed as changing or affecting any right, liability, status, or interpretation which existed (under the provisions of law involved) before that date, see section 235(e)(1) of Pub. L. 98–369, set out as a note under section 1320a–1 of this title.

EFFECTIVE DATE OF 1972 AMENDMENT

Amendment by section 226(d) of Pub. L. 92–603 effective with respect to services provided on or after July 1, 1973, see section 226(f) of Pub. L. 92–603, set out as an Effective Date note under section 1395mm of this title.

INSTITUTE OF MEDICINE EVALUATION AND REPORT ON HEALTH CARE PERFORMANCE MEASURES


“(a) EVALUATION.—

“(1) IN GENERAL.—Not later than the date that is 2 months after the date of the enactment of this Act [Dec. 8, 2003], the Secretary [of Health and Human Services] shall enter into an arrangement under which the Institute of Medicine of the National Academy of Sciences (in this section referred to as the ‘Institute’) shall conduct an evaluation of leading health care performance measures in the public and private sectors and options to implement policies that align performance with payment under the medicare program under title XVIII of the Social Security Act [42 U.S.C. 1395 et seq.].

“(2) SPECIFIC MATTERS EVALUATED.—In conducting the evaluation under paragraph (1), the Institute shall—

“(A) catalogue, review, and evaluate the validity of leading health care performance measures;

“(B) catalogue and evaluate the success and utility of alternative performance incentive programs in public or private sector settings; and

“(C) identify and prioritize options to implement policies that align performance with payment under the medicare program that indicate—

“(i) the performance measurement set to be used and how that measurement set will be updated;

“(ii) the payment policy that will reward performance; and

“(iii) the key implementation issues (such as data and information technology requirements) that must be addressed.

“(3) SCOPE OF HEALTH CARE PERFORMANCE MEASURES.—The health care performance measures described in paragraph (2)(A) shall encompass a variety

Page 3348 TITLE 42—THE PUBLIC HEALTH AND WELFARE

§ 1395f/1
of perspectives, including physicians, hospitals, other health care providers, health plans, purchasers, and patients.

''CONSULTATION WITH MEDPAC.—In evaluating the matters described in paragraph (2)(C), the Institute shall consult with the Medicare Payment Advisory Commission established under section 1805 of the Social Security Act (42 U.S.C. 1395b–6).''

''(b) REPORT.—Not later than the date that is 18 months after the date of enactment of this Act [Dec. 8, 2003], the Institute shall submit to the Secretary and appropriate committees of jurisdiction of the Senate and House of Representatives a report on the evaluation conducted under subsection (a)(1) describing the findings of such evaluation and recommendations for an overall strategy and approach for aligning payment with performance, including options for updating performance measures, in the original medicare fee-for-service program under parts A and B of title XVIII of the Social Security Act [42 U.S.C. 1395 et seq.], the Medicare Advantage program under part C of the Social Security Act [42 U.S.C. 1395c et seq., 1395j et seq.], the Medicare Advantage program under part C of such title [42 U.S.C. 1395w–21 et seq.], and any other programs under such title XVIII [42 U.S.C. 1395 et seq.].''

''(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as may be necessary for purposes of conducting the evaluation and preparing the report required by this section.''

GAO STUDY ON ACCESS TO PHYSICIANS' SERVICES


''(a) STUDY.—The Comptroller General of the United States shall conduct a study on access of medicare beneficiaries to physicians' services under the medicare program. The study shall include—

''(1) an assessment of the use by beneficiaries of such services through an analysis of claims submitted by physicians for services under part B of the medicare program [42 U.S.C. 1395 et seq.];

''(2) an examination of changes in the use by beneficiaries of physicians' services over time; and

''(3) an examination of the extent to which physicians are not accepting new medicare beneficiaries as patients.

''(b) REPORT.—Not later than 18 months after the date of enactment of this Act [Dec. 8, 2003], the Comptroller General shall submit to Congress a report on the study conducted under subsection (a). The report shall include a determination whether—

''(1) data from claims submitted by physicians under part B of the medicare program [42 U.S.C. 1395 et seq.] indicate potential access problems for medicare beneficiaries in certain geographic areas; and

''(2) access by medicare beneficiaries to physicians' services may have improved, remained constant, or deteriorated over time.''

STUDY ON ENROLLMENT PROCEDURES FOR GROUPS THAT RETAIN INDEPENDENT CONTRACTOR PHYSICIANS

Pub. L. 106–554, §1(a)(6) [title IV, §437], Dec. 21, 2000, 114 Stat. 2783, 2783A–527, provided that:

''(1) STUDY.—The Comptroller General of the United States shall conduct a study of the current medicare enrollment process for groups that retain independent contractor physicians with particular emphasis on hospital-based physicians, such as emergency department staffing groups. In conducting the evaluation, the Comptroller General shall consult with groups that retain independent contractor physicians and shall—

''(1) review the issuance of individual medicare provider numbers and the possible medicare program integrity vulnerabilities of the current process;

''(2) review direct and indirect costs associated with the current process incurred by the medicare program and groups that retain independent contractor physicians;

''(3) assess the effect on program integrity by the enrollment of groups that retain independent contractor hospital-based physicians; and

''(4) develop suggested procedures for the enrollment of these groups.

''(b) REPORT.—Not later than 1 year after the date of the enactment of this Act [Dec. 21, 2000], the Comptroller General shall submit to Congress a report on the study conducted under subsection (a).''

GAO STUDIES AND REPORTS ON MEDICARE PAYMENTS

Pub. L. 106–554, §1(a)(6) [title IV, §437], Dec. 21, 2000, 114 Stat. 2783, 2783A–527, provided that:

''(a) GAO STUDY ON HCFA POST-PAYMENT AUDIT PROCEDURES.—Not later than 18 months after the date of the enactment of this Act [Dec. 21, 2000], the Comptroller General shall submit to Congress a report on the post-payment audit process under the medicare program under title XVIII of the Social Security Act [42 U.S.C. 1395 et seq.] as such process applies to physicians, including the proper level of resources that the Health Care Financing Administration should devote to educating physicians regarding—

''(A) coding and billing;

''(B) documentation requirements; and

''(C) the calculation of overpayments.

''(b) REPORT.—Not later than 18 months after the date of the enactment of this Act [Dec. 21, 2000], the Comptroller General shall submit to Congress a report on the study conducted under paragraph (1) together with specific recommendations for changes or improvements in the post-payment audit process described in such paragraph.

''(c) REPORT ON ADMINISTRATION AND OVERSIGHT.—

''(1) STUDY.—The Comptroller General of the United States shall conduct a study on the post-payment audit process under the medicare program under title XVIII of the Social Security Act [42 U.S.C. 1395 et seq.] resulting from—

''(A) coding and billing;

''(B) documentation requirements; and

''(C) the calculation of overpayments.

''(2) REPORT.—Not later than 18 months after the date of enactment of this Act [Dec. 21, 2000], the Comptroller General shall submit to Congress a report on the study conducted under paragraph (1) together with recommendations regarding any area in which—

''(A) a reduction in paperwork, an ease of administration, or an appropriate change in oversight and review may be accomplished; or

''(B) additional payments or education are needed to assist physicians and other health care providers in understanding and complying with any legal or regulatory requirements.''

STUDY AND REPORT REGARDING UTILIZATION OF PHYSICIANS' SERVICES BY MEDICARE BENEFICIARIES

Pub. L. 106–113, div. B, §1000(a)(6) [title II, §211(c)], Nov. 29, 1999, 113 Stat. 1358, 1501A–419, provided that:

''(1) STUDY BY SECRETARY.—The Secretary of Health and Human Services, acting through the Administrator of the Agency for Health Care Policy and Research, shall conduct a study of the issues specified in paragraph (2).

''(2) ISSUES TO BE STUDIED.—The issues specified in this paragraph are the following:

''(A) The various methods for accurately estimating the economic impact on expenditures for physicians' services under the original medicare fee-for-service program under parts A and B of title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.) (42 U.S.C. 1833 et seq., 1395j et seq.) resulting from—

''(i) improvements in medical capabilities;

''(ii) advancements in scientific technology;

''(iii) demographic changes in the types of medicare beneficiaries that receive benefits under such program; and

''(iv) geographic changes in locations where medicare beneficiaries receive benefits under such program.

''(B) The rate of usage of physicians' services under the original medicare fee-for-service program under
§ 1395I/ TITLE 42—THE PUBLIC HEALTH AND WELFARE Page 3350

parts A and B of title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.) among beneficiaries between ages 65 and 74, 75 and 84, 85 and over, and disabled beneficiaries under age 65.

(C) Other factors that may be reliable predictors of beneficiary utilization of physicians' services under the original medicare fee-for-service program under parts A and B of title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.).

“(3) REPORT TO CONGRESS.—Not later than 3 years after the date of the enactment of this Act [Nov. 29, 1990], the Secretary of Health and Human Services shall submit a report to Congress setting forth the results of the study conducted pursuant to paragraph (1), together with any recommendations the Secretary determines are appropriate.

“(4) MEDICAID REPORT TO CONGRESS.—Not later than 180 days after the date of submission of the report under paragraph (3), the Medicare Payment Advisory Commission shall submit a report to Congress that includes—

“(A) an analysis and evaluation of the report submitted under paragraph (3); and

“(B) such recommendations as it determines are appropriate.”

STUDY OF ADULT DAY CARE SERVICES


STUDY TO DEVELOP A STRATEGY FOR QUALITY REVIEW AND ASSURANCE

Pub. L. 99–509, title IX, § 9313(d), Oct. 21, 1986, 100 Stat. 2004, as amended by Pub. L. 100–203, title IV, § 4085(i)(21)(A), Dec. 22, 1987, 101 Stat. 1339–133, directed Secretary of Health and Human Services to arrange, with the National Academy of Sciences or other appropriate nonprofit private entity, for a study to design a strategy for reviewing and assuring the quality of care for which payment may be made under this subchapter, specified items to be included in the study, and directed Secretary to submit to Congress, no later than six months after Dec. 13, 1980.

SPECIAL TREATMENT OF STATES FORMERLY UNDER WAIVER

For treatment of hospitals in States which have had a waiver approved under this section, upon termination of waiver, see section 922(i)(2) of Pub. L. 99–272, as amended, set out as a note under section 1395sw of this title.

DRUG DETOXIFICATION MEDICARE COVERAGE AND FACILITY INCENTIVES

Pub. L. 96–499, title IX, § 931(f), Dec. 5, 1980, 94 Stat. 2634, which related to a study of medicare coverage of certain additional detoxification-related services, was repealed by Pub. L. 97–35, title XXI, § 2121(h), Aug. 13, 1988, 102 Stat. 1330–133, directed Secretary of Health and Human Services to carry out certain demonstration projects and conduct certain studies as follows: (a) a demonstration project to determine extent to which nutritional therapy in early renal failure could retard the disease with resultant substantive deferment of dialysis, and aspects of making such therapy available under this subchapter, report to Congress to be submitted within twenty-four months of Dec. 5, 1980; (b) demonstration projects with respect to waiving the applicable cost sharing amounts which beneficiaries under this subchapter had to pay for obtaining a second opinion on having surgery, report to be submitted within one year after Dec. 5, 1980; (c) a study of conditions under which services of registered dietitians could be covered as a home health benefit under this subchapter, report to be submitted within twenty-four months of Dec. 5, 1980; (d) demonstration projects to determine aspects of making services of clinical social workers more generally available under this subchapter, report to be submitted within twenty-four months of Dec. 5, 1980; (e) a study of methods for providing coverage under part B of this subchapter for orthopedic shoes for individuals with disabling or deforming conditions requiring special fitting considerations, or requiring special shoes in conjunction with the use of an orthosis or foot support, report to be submitted no later than July 1, 1981; (f) a study of conditions under which services with respect to respiratory therapy could be covered as a home health benefit under this subchapter, report to be submitted within twenty-four months of Dec. 5, 1980; (g) a study analyzing cost effects of alternative approaches to improving coverage under this subchapter for treatment of various types of foot conditions, report to be submitted within twenty-four months of Dec. 5, 1980. Payments and expenditures for such studies and projects were to be made in appropriate part from the Federal Hospital Insurance Trust Fund established by section 1395i of this title, and the Federal Supplemental Medical Insurance Trust Fund established by section 1395t of this title.

DEMONSTRATION PROJECT RELATING TO THE TERMINALLY ILL

Pub. L. 96–265, title V, § 506, June 9, 1980, 94 Stat. 475, authorized Secretary of Health and Human Services to provide for participation, by Social Security Administration, in a demonstration project relating to the terminally ill then being conducted within the Department of Health and Human Services, the purpose of such participation to be to study impact on terminally ill of provisions of disability programs administered by Social Security Administration and to determine how best to provide services needed by persons who were terminally ill through programs over which the Social Security Administration had administrative responsibility, and authorized to be appropriated necessary sums not in excess of $2,000,000 for any fiscal year.

REPORT TO CONGRESS WITH RESPECT TO URBAN OR RURAL COMPREHENSIVE MENTAL HEALTH CENTERS AND CENTERS FOR TREATMENT OF ALCOHOLISM AND DRUG ABUSE; SUBMISSION NO LATER THAN JUNE 13, 1978

Pub. L. 95–210, § 4, Jan. 1, 1982, 95 Stat. 796, directed Secretary of Health and Human Services to submit to Congress, no later than six months after Dec. 13, 1977, a report on the advantages and disadvantages of extending coverage under this subchapter to urban or
rural comprehensive mental health centers and to centers for treatment of alcoholism and drug abuse.

**Study and Review by Comptroller General of Administrative Structure for Processing Medicare Claims; Report to Congress**

Pub. L. 95–142, §12, Oct. 25, 1977, 91 Stat. 1197, directed Comptroller General to conduct a comprehensive study and review of administrative structure established for processing of claims under this subchapter for the purpose of determining whether and to what extent more efficient claims administration under this subchapter could be achieved and directed Comptroller General to submit to Congress no later than July 1, 1979, a complete report with respect to such study and review.

**Report by Secretary of Health, Education, and Welfare on Delivery of Home Health and Other In-Home Services; Contents; Consultation Requirements; Submission to Congress**

Pub. L. 95–142, §18, Oct. 25, 1977, 91 Stat. 1202, directed Secretary of Health, Education, and Welfare, not later than one year after Oct. 25, 1977, to submit to appropriate committees of Congress a report analyzing, evaluating, and making recommendations with respect to all aspects of delivery of home health and other in-home services authorized to be provided under subchapters XVIII, XIX, and XX of this chapter.

§ 1395mm. Payments to health maintenance organizations and competitive medical plans

(a) Rates and adjustments

(1)(A) The Secretary shall annually determine, and shall announce (in a manner intended to provide notice to interested parties) not later than September 7 before the calendar year concerned—

(i) a per capita rate of payment for each class of individuals who are enrolled under this section with an eligible organization which has entered into a risk-sharing contract and who are entitled to benefits under part A and enrolled under part B; and

(ii) a per capita rate of payment for each class of individuals who are so enrolled with such an organization and who are enrolled under part B only.

For purposes of this section, the term “risk-sharing contract” means a contract entered into under subsection (g) and the term “reasonable cost reimbursement contract” means a contract entered into under subsection (h).

(B) The Secretary shall define appropriate classes of members, based on age, disability status, and such other factors as the Secretary determines to be appropriate, so as to ensure actuarial equivalence. The Secretary may add to, modify, or substitute for such classes, if such changes will improve the determination of actuarial equivalence.

(C) The annual per capita rate of payment for each such class shall be equal to 95 percent of the adjusted average per capita cost (as defined in paragraph (4)) for that class.

(D) In the case of an eligible organization with a risk-sharing contract, the Secretary shall make monthly payments in advance and in accordance with the rate determined under subparagraph (C) and except as provided in subsection (g)(8), to the organization for each individual enrolled with the organization under this section.

(E)(i) The amount of payment under this paragraph may be retroactively adjusted to take into account any difference between the actual number of individuals enrolled in the plan under this section and the number of such individuals estimated to be so enrolled in determining the amount of the advance payment.

(ii) Subject to subclause (I), the Secretary may make retroactive adjustments under clause (i) to take into account individuals enrolled during the period beginning on the date on which the individual enrolls with an eligible organization (which has a risk-sharing contract under this section) under a health benefit plan operated, sponsored, or contributed to by the individual’s employer or former employer (or the employer or former employer of the individual’s spouse) and ending on the date on which the individual is enrolled in the plan under this section, except that for purposes of making such retroactive adjustments under this clause, such period may not exceed 90 days.

(II) No adjustment may be made under subclause (I) with respect to any individual who does not certify that the organization provided the individual with the explanation described in subsection (c)(3)(E) at the time the individual enrolled with the organization.

(F)(i) At least 45 days before making the announcement under subparagraph (A) for a year (beginning with the announcement for 1991), the Secretary shall provide notice to eligible organizations of proposed changes to be made in the methodology or benefit coverage assumptions from the methodology and assumptions used in the previous announcement and shall provide such organizations an opportunity to comment on such proposed changes.

(ii) In each announcement made under subparagraph (A) for a year (beginning with the announcement for 1991), the Secretary shall include an explanation of the assumptions (including any benefit coverage assumptions) and changes in methodology used in the announcement in sufficient detail so that eligible organizations can compute per capita rates of payment for classes of individuals located in each county (or equivalent area) which is in whole or in part within the service area of such an organization.

(2) With respect to any eligible organization which has entered into a reasonable cost reimbursement contract, payments shall be made to such plan in accordance with subsection (h)(2) rather than paragraph (1).

(3) Subject to subsections (c)(2)(B)(ii) and (c)(7), payments under a contract to an eligible organization under paragraph (1) or (2) shall be instead of the amounts which (in the absence of the contract) would be otherwise payable, pursuant to sections 1395f(b) and 1395f(a) of this title, for services furnished by or through the organization to individuals enrolled with the organization under this section.

(4) For purposes of this section, the term “adjusted average per capita cost” means the average per capita amount that the Secretary estimates in advance (on the basis of actual experience, or retrospective actuarial equivalent based upon an adequate sample and other information and data, in a geographic area served by an eligible organization or in a similar area, with appropriate adjustments to assure actuarial equivalence) would be payable in any contract...
year for services covered under parts A and B, or part B only, and types of expenses otherwise reimbursable under parts A and B, or part B only (including administrative costs incurred by organizations described in sections 1395h and 1395i of this title), if the services were to be furnished by other than an eligible organization or, in the case of services covered only under section 1395x(s)(2)(H) of this title, if the services were to be furnished by a physician or as an incident to a physician’s service.

(5) The payment to an eligible organization under this section for individuals enrolled under this section with the organization and entitled to benefits under part A and enrolled under part B shall be made from the Federal Hospital Insurance Trust Fund and the Federal Supplementary Medical Insurance Trust Fund. The portion of that payment to the organization for a month to be paid by each trust fund shall be determined as follows:

(A) In regard to expenditures by eligible organizations having risk-sharing contracts, the allocation shall be determined each year by the Secretary based on the relative weight that benefits from each fund contribute to the adjusted average per capita cost.

(B) In regard to expenditures by eligible organizations operating under a reasonable cost reimbursement contract, the initial allocation shall be based on the plan’s most recent budget, such allocation to be adjusted, as needed, after cost settlement to reflect the distribution of actual expenditures.

The remainder of that payment shall be paid by the former trust fund.

(6) Subject to subsections (c)(2)(B)(ii) and (c)(7), if an individual is enrolled under this section with an eligible organization having a risk-sharing contract, only the eligible organization shall be entitled to receive payments from the Secretary under this subchapter for services furnished to the individual.

(b) Definitions; requirements

For purposes of this section, the term “eligible organization” means a public or private entity (which may be a health maintenance organization or a competitive medical plan), organized under the laws of any State, which—

1. is a qualified health maintenance organization (as defined in section 300e–9(d) of this title), or
2. meets the following requirements:

(A) The entity provides to enrolled members at least the following health care services:

(i) Physicians’ services performed by physicians (as defined in section 1395x(r)(1) of this title).

(ii) Inpatient hospital services.

(iii) Laboratory, X-ray, emergency, and preventive services.

(iv) Out-of-area coverage.

(B) The entity is compensated (except for deductibles, coinsurance, and copayments) for the provision of health care services to enrolled members by a payment which is paid on a periodic basis without regard to the date the health care services are provided and which is fixed without regard to the frequency, extent, or kind of health care service actually provided to a member.

(C) The entity provides physicians’ services primarily (i) directly through physicians who are either employees or partners of such organization, or (ii) through contracts with individual physicians or one or more groups of physicians (organized on a group practice or individual practice basis).

(D) The entity assumes full financial risk on a prospective basis for the provision of the health care services listed in subparagraph (A), except that such entity may—

(i) obtain insurance or make other arrangements for the cost of providing to any enrolled member health care services listed in subparagraph (A) the aggregate value of which exceeds $5,000 in any year,

(ii) obtain insurance or make other arrangements for the cost of health care service listed in subparagraph (A) provided to its enrolled members other than through the entity because medical necessity required their provision before they could be secured through the entity,

(iii) obtain insurance or make other arrangements for not more than 30 percent of the amount by which its costs for any of its fiscal years exceed 115 percent of its income for such fiscal year, and

(iv) make arrangements with physicians or other health professionals, health care institutions, or any combination of such individuals or institutions to assume all or part of the financial risk on a prospective basis for the provision of basic health services by the physicians or other health professionals or through the institutions.

(E) The entity has made adequate provision against the risk of insolvency, which provision is satisfactory to the Secretary.

Paragraph (2)(A)(ii) shall not apply to an entity which had contracted with a single State agency administering a State plan approved under subchapter XIX for the provision of services (other than inpatient hospital services) to individuals eligible for such services under such State plan on a prepaid risk basis prior to 1970.

(c) Enrollment in plan; duties of organization to enrollees

(1) The Secretary may not enter into a contract under this section with an eligible organization unless it meets the requirements of this subsection and subsection (e) with respect to members enrolled under this section.

(2)(A) The organization must provide to members enrolled under this section, through providers and other persons that meet the applicable requirements of this subchapter and part A of subchapter XI—

(i) only those services covered under parts A and B of this subchapter, for those members entitled to benefits under part A and enrolled under part B, or

(ii) only those services covered under part B, for those members enrolled only under such part,
which are available to individuals residing in the geographic area served by the organization, except that (I) the organization may provide such members with such additional health care services as the members may elect, at their option, to have covered, and (II) in the case of an organization with a risk-sharing contract, the organization may provide such members with such additional health care services as the Secretary may approve. The Secretary shall approve any such additional health care services which the organization proposes to offer to such members, unless the Secretary determines that including such additional services will substantially discourage enrollment by covered individuals with the organization.

(B) If there is a national coverage determination made in the period beginning on the date of an announcement under subsection (a)(1)(A) and ending on the date of the next announcement under such subsection that the Secretary projects will result in a significant change in the costs to the organization of providing the benefits that are the subject of such national coverage determination and that was not incorporated in the determination of the per capita rate of payment included in the announcement made at the beginning of such period—

(i) such determination shall not apply to risk-sharing contracts under this section until the first contract year that begins after the end of such period; and

(ii) if such coverage determination provides for coverage of additional benefits or under additional circumstances, subsection (a)(3) shall not apply to payment for such additional benefits or benefits provided under such additional circumstances until the first contract year that begins after the end of such period, unless otherwise required by law.

(3)(A)(i) Each eligible organization must have an open enrollment period, for the enrollment of individuals under this section, of at least 30 days duration every year and including the period or periods specified under clause (ii), and must provide that at any time during which enrollments are accepted, the organization will accept up to the limits of its capacity (as determined by the Secretary) and without restrictions, except as may be authorized in regulations, individuals who are eligible to enroll under subsection (d) in the order in which they apply for enrollment, unless to do so would result in failure to meet the requirements of subsection (f) or would result in the enrollment of enrollees substantially nonrepresentative, as determined in accordance with regulations of the Secretary, of the population in the geographic area served by the organization.

(ii)(I) If a risk-sharing contract under this section is not renewed or is otherwise terminated, eligible organizations with risk-sharing contracts under this section and serving a part of the service area as under the terminated contract are required to have an open enrollment period for individuals residing in the part of the service area who were enrolled under the terminated contract as of the date of notice of such discontinued coverage.

(II) The open enrollment periods required under subclause (I) shall be for 30 days and shall begin 30 days after the date that the Secretary provides notice of such requirement.

(III) Enrollment under this clause shall be effective 30 days after the end of the open enrollment period, or, if the Secretary determines that such date is not feasible, such other date as the Secretary specifies.

(B) An individual may enroll under this section with an eligible organization in such manner as may be prescribed in regulations and may terminate his enrollment with the eligible organization as of the beginning of the first contract year that begins after the date on which the request is made for such termination (or, in the case of financial insolvency of the organization, as may be prescribed by regulations) or, in the case of such an organization with a reasonable cost reimbursement contract, as may be prescribed by regulations. In the case of an individual’s termination of enrollment, the organization shall provide the individual with a copy of the written request for termination of enrollment and a written explanation of the period (ending on the effective date of the termination) during which the individual continues to be enrolled with the organization and may not receive benefits under this subchapter other than through the organization.

(C) The Secretary may prescribe the procedures and conditions under which an eligible organization that has entered into a contract with the Secretary under this subsection may inform individuals eligible to enroll under this section with the organization about the organization, or may enroll such individuals with the organization. No brochures, application forms, or other promotional or informational material may be distributed by an organization to (or for the use of) individuals eligible to enroll with the organization under this section unless (i) at least 45 days before its distribution, the organization has submitted the material to the Secretary for review and (ii) the Secretary has not disapproved the distribution of the material. The Secretary shall review all such material submitted and shall disapprove such material if the Secretary determines, in the Secretary’s discretion, that the material is materially inaccurate or misleading or otherwise makes a material misrepresentation.

(D) The organization must provide assurances to the Secretary that it will not expel or refuse to re-enroll any such individual because of the individual’s health status or requirements for health care services, and that it will notify each such individual of such fact at the time of the individual’s enrollment.

(E) Each eligible organization shall provide each enrollee, at the time of enrollment and not less frequently than annually thereafter, an explanation of the enrollee’s rights under this section, including an explanation of—
§ 1395mm TITRE 42—THE PUBLIC HEALTH AND WELFARE

(1) the enrollee’s rights to benefits from the organization,
(2) the restrictions on payments under this subchapter for services furnished other than by or through the organization,
(3) out-of-area coverage provided by the organization,
(4) the organization’s coverage of emergency services and urgently needed care, and
(5) appeal rights of enrollees.

(F) Each eligible organization that provides items and services pursuant to a contract under this section shall provide assurances to the Secretary that in the event the organization ceases to provide such items and services, the organization shall provide or arrange for supplemental coverage of benefits under this subchapter related to a pre-existing condition with respect to any exclusion period, to all individuals enrolled with the entity who receive benefits under this subchapter, for the lesser of six months or the duration of such period.

(G)(1) Each eligible organization having a risk-sharing contract under this section shall notify individuals eligible to enroll with the organization under this section and individuals enrolled with the organization under this section that—
(I) the organization is authorized by law to terminate or refuse to renew the contract, and
(II) termination or nonrenewal of the contract may result in termination of the enrollments of individuals enrolled with the organization under this section.

(ii) The notice required by clause (i) shall be included in—
(I) any marketing materials described in subparagraph (C) that are distributed by an eligible organization to individuals eligible to enroll under this section with the organization, and
(II) any explanation provided to enrollees by the organization pursuant to subparagraph (E).

(4) The organization must—
(A) make the services described in paragraph (2) and such other health care services as such individuals have contracted for (i) available and accessible to each such individual, within the area served by the organization, with reasonable promptness and in a manner which assures continuity, and (ii) when medically necessary, available and accessible twenty-four hours a day and seven days a week, and
(B) provide for reimbursement with respect to services which are described in subparagraph (A) and which are provided to such individual other than through the organization, if (i) the services were medically necessary and immediately required because of an unforeseen illness, injury, or condition and (ii) it was not reasonable given the circumstances to obtain the services through the organization.

(A) A member enrolled with an eligible organization under this section who is dissatisfied by reason of his failure to receive any health service to which he believes he is entitled and at no greater charge than he believes he is required to pay is entitled, if the amount in controversy is $100 or more, to a hearing before the Secretary to the same extent as is provided in section 405(b) of this title, and in any such hearing the Secretary shall make the eligible organization a party. If the amount in controversy is $1,000 or more, the individual or eligible organization shall, upon notifying the other party, be entitled to judicial review of the Secretary’s final decision as provided in section 405(g) of this title, and both the individual and the eligible organization shall be entitled to be parties to that judicial review. In applying sections 405(b) and 405(g) of this title as provided in this subparagraph, and in applying section 405(i) of this title thereto, any reference therein to the Commissioner of Social Security or the Social Security Administration shall be considered a reference to the Secretary or the Department of Health and Human Services, respectively. The provisions of section 1395f(b)(1)(E)(iii) of this title shall apply with respect to dollar amounts specified in the first 2 sentences of this subparagraph in the same manner as they apply to the dollar amounts described in section 1395f(b)(1)(E)(i) of this title.

(B) The organization must have arrangements, established in accordance with regulations of the Secretary, for an ongoing quality assurance program for health care services it provides to such individuals, which program (A) stresses health outcomes and (B) provides review by physicians and other health care professionals of the process followed in the provision of such health care services.

(7) A risk-sharing contract under this section shall provide that in the case of an individual who is receiving inpatient hospital services from a subsection (d) hospital (as defined in section 1395ww(d)(1)(B) of this title) as of the effective date of the individual’s—
(A) enrollment with an eligible organization under this section—
(i) payment for such services until the date of the individual’s discharge shall be made under this subchapter as if the individual were not enrolled with the organization, (ii) the organization shall not be financially responsible for payment for such services until the date after the date of the individual’s discharge, and
(iii) the organization shall nonetheless be paid the full amount otherwise payable to the organization under this section; or
(B) termination of enrollment with an eligible organization under this section—
(i) the organization shall be financially responsible for payment for such services after such date and until the date of the individual’s discharge,
(ii) payment for such services during the stay shall not be made under section 1395ww(d) of this title, and
(iii) the organization shall not receive any payment with respect to the individual under this section during the period the individual is not enrolled.
(8) A contract under this section shall provide that the eligible organization shall meet the requirement of section 1395cc(f) of this title (relating to maintaining written policies and procedures respecting advance directives).

(d) Right to enroll with contracting organization geographic area

Subject to the provisions of subsection (c)(3), every individual entitled to benefits under part A and enrolled under part B or enrolled under part B only (other than an individual medically determined to have end-stage renal disease) shall be eligible to enroll under this section with any eligible organization with which the Secretary has entered into a contract under this section and which serves the geographic area in which the individual resides.

(e) Limitation on charges; election of coverage; “adjusted community rate” defined; workmen’s compensation and insurance benefits

(1) In no case may—

(A) the portion of an eligible organization’s premium rate and the actuarial value of its deductibles, coinsurance, and copayments charged (with respect to services covered under parts A and B) to individuals who are enrolled under this section with the organization and who are entitled to benefits under part A and enrolled under part B, or

(B) the portion of its premium rate and the actuarial value of its deductibles, coinsurance, and copayments charged (with respect to services covered under part B) to individuals who are enrolled under this section with the organization and who are entitled to benefits under part A and enrolled under part B only

exceed the actuarial value of the coinsurance and deductibles that would be applicable on the average to individuals enrolled under this section with the organization (or, if the Secretary finds that adequate data are not available to determine that actuarial value, the actuarial value of the coinsurance and deductibles applicable on the average to individuals in the area, in the State, or in the United States, eligible to enroll under this section with the organization, or other appropriate data) and entitled to benefits under part A and enrolled under part B or enrolled under part B only, respectively, if they were not members of an eligible organization.

(2) If the eligible organization provides to its members enrolled under this section services in addition to services covered under parts A and B of this subchapter, election of coverage for such additional services (unless such services have been approved by the Secretary under subsection (c)(2)) shall be optional for such members and such organization shall furnish such members with information on the portion of its premium rate or other charges applicable to such additional services. In no case may the sum of—

(A) the portion of such organization’s premium rate charged, with respect to such additional services, to members enrolled under this section, and

(B) the actuarial value of its deductibles, coinsurance, and copayments charged, with respect to such services to such members

exceed the adjusted community rate for such services.

(3) For purposes of this section, the term “adjusted community rate” for a service or services means, at the election of an eligible organization, either—

(A) the rate of payment for that service or services which the Secretary annually determines would apply to a member enrolled under this section with an eligible organization if the rate of payment were determined under a “community rating system” (as defined in section 300e–1(8) of this title, other than subparagraph (C)), or

(B) such portion of the weighted aggregate premium, which the Secretary annually estimates would apply to a member enrolled under this section with the eligible organization, as the Secretary annually estimates is attributable to that service or services, but adjusted for differences between the utilization characteristics of the members enrolled with the eligible organization under this section and the utilization characteristics of the other members of the organization (or, if the Secretary finds that adequate data are not available to adjust for those differences, the differences between the utilization characteristics of members in other eligible organizations, or individuals in the area, in the State, or in the United States, eligible to enroll under this section with an eligible organization and the utilization characteristics of the rest of the population in the area, in the State, or in the United States, respectively).

(4) Notwithstanding any other provision of law, the eligible organization may (in the case of the provision of services to a member enrolled under this section for an illness or injury for which the member is entitled to benefits under a workmen’s compensation law or plan of the United States or a State, under an automobile or liability insurance policy or plan, including a self-insured plan, or under no fault insurance) charge or authorize the provider of such services to charge, in accordance with the charges allowed under such law or policy—

(A) the insurance carrier, employer, or other entity which under such law, plan, or policy is to pay for the provision of such services, or

(B) such member to the extent that the member has been paid under such law, plan, or policy for such services.

(f) Membership requirements

(1) For contract periods beginning before January 1, 1999, each eligible organization with which the Secretary enters into a contract under this section shall have, for the duration of such contract, an enrolled membership at least one-half of which consists of individuals who are not entitled to benefits under this subchapter.

(2) Subject to paragraph (4), the Secretary may modify or waive the requirement imposed by paragraph (1) only—

(A) to the extent that more than 50 percent of the population of the area served by the organization consists of individuals who are entitled to benefits under this subchapter or under a State plan approved under subchapter XIX, or

(B) in the case of an eligible organization that is owned and operated by a governmental...
§ 1395mm  TITLE 42—THE PUBLIC HEALTH AND WELFARE  Page 3356

entity, only with respect to a period of three years beginning on the date the organization first enters into a contract under this section, and only if the organization has taken and is making reasonable efforts to enroll individuals who are not entitled to benefits under this subchapter or under a State plan approved under subchapter XIX.

(3) If the Secretary determines that an eligible organization has failed to comply with the requirements of this subsection, the Secretary may provide for the suspension of enrollment of individuals under this section or of payment to the organization under this section for individuals newly enrolled with the organization, after the date the Secretary notifies the organization of such noncompliance.

(4) Effective for contract periods beginning after December 31, 1996, the Secretary may waive or modify the requirement imposed by paragraph (1) to the extent the Secretary finds that it is in the public interest.

(g) Risk-sharing contract

(1) The Secretary may enter a risk-sharing contract with any eligible organization, as defined in subsection (b), which has at least 5,000 members, except that the Secretary may enter into such a contract with an eligible organization that has fewer members if the organization primarily serves members residing outside of urbanized areas.

(2) Each risk-sharing contract shall provide that—

(A) if the adjusted community rate, as defined in subsection (e)(3), for services under parts A and B (as reduced for the actuarial value of the coinsurance and deductibles under those parts) for members enrolled under this section with the organization and entitled to benefits under part A and enrolled in part B, or

(B) if the adjusted community rate for services under part B (as reduced for the actuarial value of the coinsurance and deductibles under that part) for members enrolled under this section with the organization and entitled to benefits under part B only

is less than the average of the per capita rates of payment to be made under subsection (a)(1) at the beginning of an annual contract period for members enrolled under this section with the organization and entitled to benefits under part A and enrolled in part B, or enrolled in part B only, respectively, the eligible organization shall provide to members enrolled under a risk-sharing contract under this section with the organization and entitled to benefits under part A and enrolled in part B, or enrolled in part B only, respectively, the additional benefits referred to in paragraph (2) are—

(A) the reduction of the premium rate or other charges made with respect to services furnished by the organization to members enrolled under this section, or

(B) the provision of additional health benefits, or both.


(5) An organization having a risk-sharing contract under this section may (with the approval of the Secretary) provide that a part of the value of additional benefits otherwise required to be provided by reason of paragraph (2) be withheld and reserved in the Federal Hospital Insurance Trust Fund and in the Federal Supplementary Medical Insurance Trust Fund (in such proportions as the Secretary determines to be appropriate) by the Secretary for subsequent annual contract periods, to the extent required to stabilize and prevent undue fluctuations in the additional benefits offered in those subsequent periods by the organization in accordance with paragraph (3). Any of such value of additional benefits which is not provided to members of the organization in accordance with paragraph (3) prior to the end of such period, shall revert for the use of such trust funds.

(6)(A) A risk-sharing contract under this section shall require the eligible organization to provide prompt payment (consistent with the provisions of sections 1395h(c)(2) and 1395u(c)(2) of this title) of claims submitted for services and supplies furnished to individuals pursuant to such contract, if the services or supplies are not furnished under a contract between the organization and the provider or supplier.

(B) In the case of an eligible organization which the Secretary determines, after notice and opportunity for a hearing, has failed to make payments of amounts in compliance with subparagraph (A), the Secretary may provide for direct payment of the amounts owed to providers and suppliers for such covered services furnished to individuals enrolled under this section under the contract. If the Secretary provides for such direct payments, the Secretary shall provide for an appropriate reduction in the amount of payments otherwise made to the organization under this section to reflect the amount of the Secretary’s payments (and costs incurred by the Secretary in making such payments).

(h) Reasonable cost reimbursement contract; requirements

(1) If—
(A) the Secretary is not satisfied that an eligible organization has the capacity to bear the risk of potential losses under a risk-sharing contract under this section, or

(B) the eligible organization so elects or has an insufficient number of members to be eligible to enter into a risk-sharing contract under subsection (g)(1),

the Secretary may, if he is otherwise satisfied that the eligible organization is able to perform its contractual obligations effectively and efficiently, enter into a contract with such organization pursuant to which such organization is reimbursed on the basis of its reasonable cost (as defined in section 1395x(v) of this title) in the manner prescribed in paragraph (3).

(2) A reasonable cost reimbursement contract under this subsection may, at the option of such organization, provide that the Secretary—

(A) will reimburse hospitals and skilled nursing facilities either for the reasonable cost (as determined under section 1395x(v) of this title) or for payment amounts determined in accordance with section 1395ww of this title, as applicable, of services furnished to individuals enrolled with such organization pursuant to subsection (d), and

(B) will deduct the amount of such reimbursement from payment which would otherwise be made to such organization.

If such an eligible organization pays a hospital or skilled nursing facility directly, the amount paid shall not exceed the reasonable cost of the services (as determined under section 1395x(v) of this title) or the amount determined under section 1395ww of this title, as applicable, unless such organization demonstrates to the satisfaction of the Secretary that such excess payments are justified on the basis of advantages gained by the organization.

(3) Payments made to an organization with a reasonable cost reimbursement contract shall be subject to appropriate retroactive corrective adjustment at the end of each contract year so as to assure that such organization is paid for the reasonable cost actually incurred (excluding any part of incurred cost found to be unnecessary in the efficient delivery of health services) or the amounts otherwise determined under section 1395ww of this title for the types of expenses otherwise reimbursable under this subchapter.

(4) Any reasonable cost reimbursement contract with an eligible organization under this subsection shall provide that the Secretary shall require, at such time following the expiration of each accounting period of the eligible organization (and in such form and in such detail) as he may prescribe—

(A) that the organization report to him in an independently certified financial statement its per capita incurred cost based on the types of components of expenses otherwise reimbursable under this subchapter for providing services described in subsection (a)(1), including therein, in accordance with accounting procedures prescribed by the Secretary, its methods of allocating costs between individuals enrolled under this section and other individuals enrolled with such organization;

(B) that failure to report such information as may be required may be deemed to constitute evidence of likely overpayment on the basis of which appropriate collection action may be taken;

(C) that in any case in which an eligible organization is related to another organization by common ownership or control, a consolidated financial statement shall be filed and that the allowable costs for such organization may not include costs for the types of expense otherwise reimbursable under this subchapter, in excess of those which would be determined to be reasonable in accordance with regulations (providing for limiting reimbursement to costs rather than charges to the eligible organization by related organizations and owners) issued by the Secretary; and

(D) that in any case in which compensation is paid by an eligible organization substantially in excess of what is normally paid for similar services by similar practitioners (regardless of method of compensation), such compensation may as appropriate be considered to constitute a distribution of profits.

(5)(A) After August 5, 1997, the Secretary may not enter into a reasonable cost reimbursement contract under this subsection (if the contract is not in effect as of August 5, 1997), except for a contract with an eligible organization which, immediately previous to entering into such contract, had an agreement in effect under section 1395(a)(1)(A) of this title.

(B) Subject to subparagraph (C), the Secretary shall approve an application for a modification to a reasonable cost contract under this subsection in order to expand the service area of such contract if—

(i) such application is submitted to the Secretary on or before September 1, 2003; and

(ii) the Secretary determines that the organization with the contract continues to meet the requirements applicable to such organizations and contracts under this section.

(C)(i) Subject to clause (ii), a reasonable cost reimbursement contract under this subsection may be extended or renewed indefinitely.

(ii) Subject to clause (iv), for any period beginning on or after January 1, 2016, a reasonable cost reimbursement contract under this subsection may not be extended or renewed for a service area insofar as such area during the entire previous year was within the service area of—

(I) 2 or more MA regional plans described in clause (iii), provided that all such plans are not offered by the same Medicare Advantage organization; or

(II) 2 or more MA local plans described in clause (iii), provided that all such plans are not offered by the same Medicare Advantage organization.

(iii) A plan described in this clause for a year for a service area is a plan described in section 1395w–2(2)(A)(i) of this title if the service area for the year meets the following minimum enrollment requirements:

(I) With respect to any portion of the cost plan service area involved that is within a
§ 1395mm

TITLE 42—THE PUBLIC HEALTH AND WELFARE

Page 3358

Metropolitan Statistical Area with a population of more than 250,000 and counties contiguous to such Metropolitan Statistical Area that are not in another Metropolitan Statistical Area with a population of more than 250,000, 5,000 individuals. If the service area includes a portion in more than 1 Metropolitan Statistical Area with a population of more than 250,000, the minimum enrollment determination under the preceding sentence shall be made with respect to each such Metropolitan Statistical Area (and such applicable contiguous counties to such Metropolitan Statistical Area).

(ii) With respect to any other portion of such cost plan service area, 1,500 individuals.

(iv) In the case of an eligible organization that is offering a reasonable cost reimbursement contract that may no longer be extended or renewed because of the application of clause (i), or where such contract has been extended or renewed but the eligible organization has informed the Secretary in writing not later than a date determined appropriate by the Secretary that such organization voluntarily plans not to seek renewal of the reasonable cost reimbursement contract, the following shall apply:

(I) Notwithstanding such clause, such contract may be extended or renewed for the two years subsequent to 2016. The final year in which such contract is extended or renewed is referred to in this subsection as the “last reasonable cost reimbursement contract year for the contract.”

(II) The organization may not enroll a new enrollee under such contract during the last reasonable cost reimbursement contract year for the contract (but may continue to enroll new enrollees through the end of the year immediately preceding such year) unless such enrollee is any of the following:

(aa) An individual who chooses enrollment in the reasonable cost contract during the annual election period with respect to such last year.

(bb) An individual whose spouse, at the time of the individual’s enrollment, is an enrollee under the reasonable cost reimbursement contract.

(cc) An individual who is covered under an employer group health plan that offers coverage through the reasonable cost reimbursement contract.

(dd) An individual who becomes entitled to benefits under part A, or enrolled under part B, and was enrolled in a plan offered by the eligible organization immediately prior to the individual’s enrollment under the reasonable cost reimbursement contract.

(III) Not later than a date determined appropriate by the Secretary prior to the beginning of the last reasonable cost reimbursement contract year for the contract, the organization shall provide notice to the Secretary as to whether the organization will apply to have the contract converted over; in whole or in part, and offered as a Medicare Advantage plan under part C for the year following the last reasonable cost reimbursement contract year for the contract.

(IV) If the organization provides the notice described in subclause (III) that the contract will be converted, in whole or in part, the organization shall, no later than a date determined appropriate by the Secretary, provide the Secretary with such information as the Secretary determines appropriate in order to carry out section 1395w–21(c)(4) of this title and to carry out section 1395w–24(a)(5) of this title, including subparagraph (C)(ii) of such section.

(V) In the case that the organization enrolls a new enrollee under such contract during the last reasonable cost reimbursement contract year for the contract, the organization shall provide the individual with a notification that such year is the last year for such contract.

(v) If an eligible organization that is offering a reasonable cost reimbursement contract that is extended or renewed pursuant to clause (iv) provides the notice described in clause (iv)(III) that the contract will be converted, in whole or in part, the following shall apply:

(I) The deemed enrollment under section 1395w–21(c)(4) of this title.

(ii) The special rule for quality increase under section 1395w–23(o)(4)(C) of this title.

(iii) During the last reasonable cost reimbursement contract year for the contract and the year immediately preceding such year, the eligible organization, or the corporate parent organization of the eligible organization, shall be permitted to offer an MA plan in the area that such contract is being offered and enroll Medicare Advantage eligible individuals in such MA plan and such cost plan.

(i) Duration, termination, effective date, and terms of contract; powers and duties of Secretary

(1) Each contract under this section shall be for a term of at least one year, as determined by the Secretary, and may be made automatically renewable from term to term in the absence of notice by either party of intention to terminate at the end of the current term; except that in accordance with procedures established under paragraph (9), the Secretary may at any time terminate any such contract or may impose the intermediate sanctions described in paragraph (6)(B) or (6)(C) (whichever is applicable) on the eligible organization if the Secretary determines that the organization—

(A) has failed substantially to carry out the contract;

(B) is carrying out the contract in a manner substantially inconsistent with the efficient and effective administration of this section; or

(C) no longer substantially meets the applicable conditions of subsections (b), (c), (e), and (f).

(2) The effective date of any contract executed pursuant to this section shall be specified in the contract.

(3) Each contract under this section—

(A) shall provide that the Secretary, or any person or organization designated by him—

(i) shall have the right to inspect or otherwise evaluate (I) the quality, appropriate-

---

2So in original. Probably should be followed by a comma.
ness, and timeliness of services performed under the contract and (II) the facilities of the organization when there is reasonable evidence of some need for such inspection, and

(ii) shall have the right to audit and inspect any books and records of the eligible organization that pertain (I) to the ability of the organization to bear the risk of potential financial losses, or (II) to services performed or determinations of amounts payable under the contract;

(B) shall require the organization with a risk-sharing contract to provide (and pay for) written notice in advance of the contract’s termination, as well as a description of alternatives for obtaining benefits under this subchapter, to each individual enrolled under this section with the organization; and

(C)(i) shall require the organization to comply with subsections (a) and (c) of section 300e–17 of this title (relating to disclosure of certain financial information) and with the requirement of section 300e(c)(8) of this title (relating to liability arrangements to protect members);

(ii) shall require the organization to provide and supply information (described in section 1395cc(b)(2)(C)(ii) of this title) in the manner such information is required to be provided or supplied under that section;

(iii) shall require the organization to notify the Secretary of loans and other special financial arrangements which are made between the organization and subcontractors, affiliates, and related parties; and

(D) shall contain such other terms and conditions not inconsistent with this section (including requiring the organization to provide the Secretary with such information) as the Secretary may find necessary and appropriate.

(4) The Secretary may not enter into a risk-sharing contract with an eligible organization if a previous risk-sharing contract with that organization under this section was terminated at the request of the organization within the preceding five-year period, except in circumstances which warrant special consideration, as determined by the Secretary.

(5) The authority vested in the Secretary by this section may be performed without regard to such provisions of law or regulations relating to the making, performance, amendment, or modification of contracts of the United States as the Secretary may determine to be inconsistent with the furtherance of the purpose of this subchapter.

(6)(A) If the Secretary determines that an eligible organization with a contract under this section—

(i) fails substantially to provide medically necessary items and services that are required (under law or under the contract) to be provided to an individual covered under the contract, if the failure has adversely affected (or has substantial likelihood of adversely affecting) the individual;

(ii) imposes premiums on individuals enrolled under this section in excess of the premiums permitted;

(iii) acts to expel or to refuse to re-enroll an individual in violation of the provisions of this section;

(iv) engages in any practice that would reasonably be expected to have the effect of denying or discouraging enrollment (except as permitted by this section) by eligible individuals with the organization whose medical condition or history indicates a need for substantial future medical services;

(v) misrepresents or falsifies information that is furnished—

(I) to the Secretary under this section, or

(II) to an individual or to any other entity under this section;

(vi) fails to comply with the requirements of subsection (g)(6)(A) or paragraph (8); or

(vii) in the case of a risk-sharing contract, employs or contracts with any individual or entity that is excluded from participation under this subchapter under section 1320a–7 or 1320a–7a of this title for the provision of health care, utilization review, medical social work, or administrative services or employs or contracts with any entity for the provision (directly or indirectly) through such an excluded individual or entity of such services;

the Secretary may provide, in addition to any other remedies authorized by law, for any of the remedies described in subparagraph (B).

(B) The remedies described in this subparagraph are—

(i) civil money penalties of not more than $25,000 for each determination under subparagraph (A) or, with respect to a determination under clause (iv) or (v)(I) of such subparagraph, of not more than $100,000 for each such determination, plus, with respect to a determination under subparagraph (A)(ii), double the excess amount charged in violation of such subparagraph (and the excess amount charged shall be deducted from the penalty and returned to the individual concerned), and plus, with respect to a determination under subparagraph (A)(iv), $15,000 for each individual not enrolled as a result of the practice involved,

(ii) suspension of enrollment of individuals under this section after the date the Secretary notifies the organization of a determination of a basis for such determination has been corrected and is not likely to recur, or

(iii) suspension of payment to the organization under this section for individuals enrolled after the date the Secretary notifies the organization of a basis for such determination has been corrected and is not likely to recur.

(C) In the case of an eligible organization for which the Secretary makes a determination under paragraph (1), the basis of which is not described in subparagraph (A), the Secretary may apply the following intermediate sanctions:

(i) Civil money penalties of not more than $25,000 for each determination under paragraph (1) if the deficiency that is the basis of the determination has directly adversely affected (or
has the substantial likelihood of adversely affecting an individual covered under the organization’s contract.

(ii) Civil money penalties of not more than $10,000 for each week beginning after the initiation of procedures by the Secretary under paragraph (9) during which the deficiency that is the basis of a determination under paragraph (1) exists.

(iii) Suspension of enrollment of individuals under this section after the date the Secretary notifies the organization of a determination under paragraph (1) and until the Secretary is satisfied that the deficiency that is the basis for the determination has been corrected and is not likely to recur.

(D) The provisions of paragraph (B)(i) or (C)(i) in the same manner as such provisions apply to a civil money penalty or proceeding under section 1320a-7a(a) of this title.

(7)(A) Each risk-sharing contract with an eligible organization under this section shall provide that the organization will maintain a written agreement with a quality improvement organization (which has a contract with the Secretary under part B of subchapter XI for the area in which the eligible organization is located) or with an entity selected by the Secretary under section 1332c-3(a)(4)(C) of this title under which the review organization will perform functions under section 1332c-3(a)(4)(B) of this title and section 1332c-3(a)(14) of this title (other than those performed under contracts described in section 1385cc(a)(1)(F) of this title) with respect to services, furnished by the eligible organization for a fiscal year than the amounts appropriated in advance in appropriation Acts, in the same manner as transfers are made under this subchapter.

(B) For purposes of payment under this subchapter, the cost of such agreement to the organization shall be paid directly by the Secretary to the review organization on behalf of such eligible organization in accordance with a schedule established by the Secretary.

(C) Such payments—

(i) shall be transferred in appropriate proportions from the Federal Hospital Insurance Trust Fund and from the Supplementary Medical Insurance Trust Fund, without regard to amounts appropriated in advance in appropriation Acts, in the same manner as transfers are made for payment for services provided directly to beneficiaries, and

(ii) shall be less in the aggregate for such organizations for a fiscal year than the amounts the Secretary determines to be sufficient to cover the costs of such organizations’ conducting activities described in subparagraph (A) with respect to such eligible organizations under part B of subchapter XI.

(8)(A) Each contract with an eligible organization under this section shall provide that the organization may not operate any physician incentive plan (as defined in subparagraph (B)) unless the following requirements are met:

(i) No specific payment is made directly or indirectly under the plan to a physician or physician group as an inducement to reduce or limit medically necessary services provided with respect to a specific individual enrolled with the organization.

(ii) If the plan places a physician or physician group at substantial financial risk (as determined by the Secretary) for services not provided by the physician or physician group, the organization—

(I) provides stop-loss protection for the physician or group that is adequate and appropriate, based on standards developed by the Secretary that take into account the number of physicians placed at such substantial financial risk in the group or under the plan and the number of individuals enrolled with the organization who receive services from the physician or the physician group, and

(II) conducts periodic surveys of both individuals enrolled and individuals previously enrolled with the organization to determine the degree of access of such individuals to services provided by the organization and satisfaction with the quality of such services.

(iii) The organization provides the Secretary with descriptive information regarding the plan, sufficient to permit the Secretary to determine whether the plan is in compliance with the requirements of this subparagraph.

(B) In this paragraph, the term "physician incentive plan" means any compensation arrangement between an eligible organization and a physician or physician group that may directly or indirectly have the effect of reducing or limiting services provided with respect to individuals enrolled with the organization.

(9) The Secretary may terminate a contract with an eligible organization under this section or may impose the intermediate sanctions described in paragraph (6) on the organization in accordance with formal investigation and compliance procedures established by the Secretary under which—

(A) the Secretary first provides the organization with the reasonable opportunity to develop and implement a corrective action plan to correct the deficiencies that were the basis of the Secretary’s determination under paragraph (1) and the organization fails to develop or implement such a plan;

(B) in deciding whether to impose sanctions, the Secretary considers aggravating factors such as whether an organization has a history of deficiencies or has not taken action to correct deficiencies the Secretary has brought to the organization’s attention;

(C) there are no unreasonable or unnecessary delays between the finding of a deficiency and the imposition of sanctions; and

(D) the Secretary provides the organization with reasonable notice and opportunity for hearing (including the right to appeal an initial decision) before imposing any sanction or terminating the contract.
(j) Payment in full and limitation on actual charges; physicians, providers of services, or renal dialysis facilities not under contract with organization

(1)(A) In the case of physicians' services or renal dialysis services described in paragraph (2) which are furnished by a participating physician or provider of services or renal dialysis facility to an individual enrolled with an eligible organization under this section and enrolled under part B, the applicable participation agreement is deemed to provide that the physician or provider of services or renal dialysis facility will accept as payment in full from the eligible organization the amount that would be payable to the physician or provider of services or renal dialysis facility under part B and from the individual under such part, if the individual were not enrolled with an eligible organization under this section.

(B) In the case of physicians' services described in paragraph (2) which are furnished by a nonparticipating physician, the limitations on actual charges for such services otherwise applicable under part B (to services furnished by individuals not enrolled with an eligible organization under this section) shall apply in the same manner as such limitations apply to services furnished by an individual enrolled with an eligible organization the amount that would be payable to a nonparticipating physician, the limitations on services described in paragraph (2) which are furnished by an individual enrolled with an eligible organization under part B, the applicable participation agreement to an individual enrolled with an eligible organization under this section by a physician, provider of services or renal dialysis facility will not enrolled with an eligible organization under this section.

(2) The physicians' services or renal dialysis services described in this paragraph are physicians' services or renal dialysis services which are furnished to an enrollee of an eligible organization under this section by a physician, provider of services, or renal dialysis facility who is not under a contract with the organization.

(k) Risk-sharing contracts

(1) Except as provided in paragraph (2)—

(A) on or after the date standards for Medicare+Choice organizations and plans are first established under section 1395w–26(b)(1) of this title, the Secretary shall not enter into any risk-sharing contract under this section with an eligible organization; and

(B) for any contract year beginning on or after January 1, 1999, the Secretary shall not renew any such contract.

(2) An individual who is enrolled in part B only and is enrolled in an eligible organization with a risk-sharing contract under this section on December 31, 1998, may continue enrollment in such organization in accordance with regulations described in section 1395w–26(b)(1) of this title.

(3) Notwithstanding subsection (a), the Secretary shall provide that payment amounts under risk-sharing contracts under this section for months in a year (beginning with January 1998) shall be computed—

(A) with respect to individuals entitled to benefits under both parts A and B, by substituting payment rates under section 1395w–23(a) of this title for the payment rates otherwise established under subsection (a); and

(B) with respect to individuals only entitled to benefits under part B, by substituting an appropriate proportion of such rates (reflecting the relative proportion of payments under this subchapter attributable to such part) for the payment rates otherwise established under subsection (a).

(4) The following requirements shall apply to eligible organizations with risk-sharing contracts under this section in the same manner as they apply to Medicare+Choice organizations under part C:

(A) Data collection requirements under section 1395w–23(a)(3)(B) of this title.

(B) Restrictions on imposition of premium taxes under section 1395w–24(g) of this title in relating to payments to such organizations under this section.

(C) The requirement to accept enrollment of new enrollees during November 1998 under section 1395w–21(e)(6) of this title.

(D) Payments under section 1395w–27(e)(2) of this title.
§ 1395mm

TITLE 42—THE PUBLIC HEALTH AND WELFARE

Stat. 423; Pub. L. 112–240, title VI, § 608, Jan. 2,
§ 1108, Dec. 26, 2013, 127 Stat. 1197; Pub. L. 113–93,
146.)
REFERENCES IN TEXT
Section 300e–9(d) of this title, referred to in subsec.
(b)(1), was redesignated section 300e–9(c) of this title by
Section 300e(c)(8) of this title, referred to in subsec.
(i)(3)(C)(i), was redesignated section 300e(c)(7) of this
2579.
Section 1320c–3(a)(4)(C) of this title, referred to in
subsec. (i)(7)(A), was repealed by Pub. L. 112–40, title II,
AMENDMENTS
substituted ‘‘Subject to clause (iv), for any’’ for ‘‘For
any’’ in introductory provisions.
portion of the’’.
other portion of such’’ in introductory provisions.
added cls. (iv) and (v).
‘‘January 1, 2016’’ for ‘‘January 1, 2015’’ in introductory
provisions.
‘‘January 1, 2015’’ for ‘‘January 1, 2014’’ in introductory
provisions.
Pub. L. 112–240 substituted ‘‘January 1, 2014’’ for
‘‘January 1, 2013’’ in introductory provisions.
‘‘quality improvement’’ for ‘‘utilization and quality
control peer review’’.
‘‘January 1, 2013’’ for ‘‘January 1, 2010’’ in introductory
provisions.
Subsec. (h)(5)(C)(ii)(I), (II). Pub. L. 110–275, § 167(b), inserted ‘‘, provided that all such plans are not offered by
the same Medicare Advantage organization’’ after
‘‘clause (iii)’’.
Subsec. (h)(5)(C)(iii)(I). Pub. L. 110–275, § 167(c), inserted ‘‘that are not in another Metropolitan Statistical Area with a population of more than 250,000’’ after
‘‘such Metropolitan Statistical Area’’ and inserted ‘‘If
the service area includes a portion in more than 1 Metropolitan Statistical Area with a population of more
than 250,000, the minimum enrollment determination
under the preceding sentence shall be made with respect to each such Metropolitan Statistical Area (and
such applicable contiguous counties to such Metropolitan Statistical Area).’’ at end.
‘‘January 1, 2009’’ for ‘‘January 1, 2008’’ in introductory
provisions.
substituted ‘‘significant’’ for ‘‘signifcant’’ in introductory provisions.
directed amendment of subsec. (b)(5)(B) by inserting at
end ‘‘The provisions of section 1395ff(b)(1)(E)(iii) of this
title shall apply with respect to dollar amounts specified in the first 2 sentences of this subparagraph in the
same manner as they apply to the dollar amounts specified in section 1395ff(b)(1)(E)(i) of this title.’’, was executed by making the insertion at end of subsec.
(c)(5)(B), to reflect the probable intent of Congress.
Subsec. (b) does not contain a par. (5)(B).

Page 3362

read as follows: ‘‘The Secretary may not extend or
renew a reasonable cost reimbursement contract under
this subsection for any period beyond December 31,
2004.’’
Subsec. (j)(2). Pub. L. 108–173, § 736(d)(2)(B), substituted ‘‘this section’’ for ‘‘this setion’’.
2000—Subsec. (h)(5)(B), (C). Pub. L. 106–554 added subpar. (B) and redesignated former subpar. (B) as (C).
‘‘2004’’ for ‘‘2002’’.
a State plan approved under subchapter XIX of this
chapter’’ before period at end.
‘‘Subject to paragraph (4), the Secretary’’ for ‘‘The Secretary’’.
(4).
(5).
(k).
under paragraph (9), the Secretary may at any time
terminate any such contract or may impose the intermediate sanctions described in paragraph (6)(B) or
(6)(C) (whichever is applicable) on the eligible organization if the Secretary determines that the organization—’’ for ‘‘the Secretary may terminate any such
contract at any time (after such reasonable notice and
opportunity for hearing to the eligible organization involved as he may provide in regulations), if he finds
that the organization—’’ in introductory provisions,
added subpars. (A) to (C), and struck out former subpars. (A) to (C) which read as follows:
‘‘(A) has failed substantially to carry out the contract,
‘‘(B) is carrying out the contract in a manner inconsistent with the efficient and effective administration
of this section, or
‘‘(C) no longer substantially meets the applicable
conditions of subsections (b), (c), (e), and (f) of this section.’’
concluding provisions which read as follows: ‘‘The provisions of section 1320a–7a of this title (other than subsections (a) and (b)) shall apply to a civil money penalty under clause (i) in the same manner as they apply
to a civil money penalty or proceeding under section
1320a–7a(a) of this title.’’
‘‘a written agreement’’ for ‘‘an agreement’’.
(9).
struck out comma after ‘‘contributed to’’.
‘‘subsections (c)(2)(B)(ii) and (c)(7)’’ for ‘‘subsection
(c)(7)’’.
Subsec. (c)(5)(B). Pub. L. 103–296 inserted at end ‘‘In
applying sections 405(b) and 405(g) of this title as provided in this subparagraph, and in applying section
405(l) of this title thereto, any reference therein to the
Commissioner of Social Security or the Social Security
Administration shall be considered a reference to the
Secretary or the Department of Health and Human
Services, respectively.’’
Subsec. (a)(6). Pub. L. 101–508, § 4204(c)(2), substituted
‘‘subsections (c)(2)(B)(ii) and (c)(7)’’ for ‘‘subsection
(c)(7)’’.


Subsec. (c)(2). Pub. L. 101–508, § 4204(a)(1), designated existing provisions as subpar. (A), redesignated former subpars. (A) and (B) and former cls. (i) and (ii) as cls. (i) and (ii) respectively, and added subpar. (B).


Subsec. (j)(1)(A). Pub. L. 101–508, § 4204(d)(1)(A), substituted “physicians’ services or renal dialysis services” for “physicians’ services”, “physician or provider of services or renal dialysis facility” for “physician” in three places, and “applicable participation agreement” for “participation agreement under section 1395u(h)(1) of this title”.

Subsec. (j)(2). Pub. L. 101–508, § 4204(d)(1)(B), substituted “physicians’ services or renal dialysis services” for “physicians’ services” in two places and “an eligible organization which—” for “an eligible organization under this section by a person who is not under a contract with the organization.”

1989—

Subsec. (a)(5). Pub. L. 101–234, § 201(a), repealed Pub. L. 100–360, §§ 411(c)(3)(A), and provided that the provisions of law amended or repealed by such section are restored or revised as if such section had not been enacted, see 1988 Amendment note below.


Subsec. (c)(3)(A)(ii). Pub. L. 101–239, § 6206(b)(1)(B), added cl. (ii) and struck out former cl. (ii) which read as follows: “For each area served by more than one eligible organization under this section, the Secretary (after consultation with such organizations) shall establish a single 30-day period each year during which all eligible organizations serving the area must provide for open enrollment under this section. The Secretary shall determine annual per capita rates under subsection (a)(1)(A) of this section in a manner that assures that individuals enrolled during such a 30-day period will not have premium charges increased or any additional benefits decreased for 12 months beginning on the date the individual’s enrollment becomes effective. An eligible organization may provide for such other open enrollment period or periods as it deems appropriate consistent with this section.”

Subsec. (e)(1), (g)(3)(A). Pub. L. 101–234, § 201(a), repealed L. 100–360, § 4206(a), and provided that the provisions of law amended or repealed by such section are restored or revised as if such section had not been enacted, see 1988 Amendment note below.

Subsec. (g)(11), Pub. L. 101–239, § 6212(c)(2), struck out “and during a period of not longer than four years” after first reference to “Secretary”.

1988—Subsec. (a)(5). Pub. L. 100–360, § 411(c)(3), amended second sentence generally. Prior to amendment, second sentence read as follows: “The portion of that payment to the organization for a month to be paid by the latter trust fund shall be equal to 200 percent of the sum of—“

“(A) the product of (i) the number of such individuals for the month who have attained age 65, and (ii) the monthly actuarial rate for supplementary medical insurance for the month as determined under section 1395(b)(1) of this title, and

“(B) the product of (i) the number of such individuals for the month who have not attained age 65, and (ii) the monthly actuarial rate for supplementary medical insurance for the month as determined under section 1395(a)(4) of this title.”


Subsec. (e)(1). Pub. L. 100–360, § 202(c)(1), inserted at end “The preceding sentence shall be applied separately with respect to covered outpatient drugs.”

Subsec. (f)(3). Pub. L. 100–474 redesignated par. (4) as (3) and struck out former par. (3) which read as follows: “(A) An eligible organization described in subparagraph (B) may elect, for purposes of enrollment and residency requirements under this section and for determining the compliance of a subdivision, subsidiary, or affiliate described in subparagraph (B) with the requirement of paragraph (1) for the period before October 1, 1992, to have members described in subparagraph (B) who receive services through the subdivision, subsidiary, or affiliate considered to be members of the parent organization.

“(B) An eligible organization described in this subparagraph is an eligible organization which—

(1) is described in section 1396b(m)(2)(B)(ii) of this title;

(2) has members who have a collectively bargained contractual right to obtain health benefits from the organization;

(3) elects to provide benefits under a risk-sharing contract to individuals residing in a service area who have a collectively bargained contractual right to obtain benefits from the organization, through a subdivision, subsidiary, or affiliate which is an eligible organization serving the area and which is owned or controlled by the parent eligible organization; and

(4) has assumed any risk of insolvent and quality assurance with respect to individuals receiving benefits through such a subdivision, subsidiary, or affiliate.”

Subsec. (f)(3)(A). Pub. L. 100–360, § 411(c)(6), formerly § 411(c)(5), as redesignated by Pub. L. 100–485, § 608(d)(19)(C), inserted “enrollment and residency requirements under this section and for” after “for purposes of” and substituted “described in subparagraph (B)(ii) who receives services through the subdivision” for “‘of the subdivision’”.


Subsec. (i)(6)(A). Pub. L. 100–360, § 411(c)(4)(A), inserted “, in addition to any other remedies authorized by law,” after “the Secretary may provide in concluding provisions.”

Subsec. (i)(6)(B). Pub. L. 100–360, § 411(c)(4)(C), formerly § 411(c)(4)(B), as redesignated by Pub. L. 100–485, § 608(d)(19)(B)(ii), substituted “or proceeding under section 1320a–7a(a) of this title” for “under that section” in last sentence.


Pub. L. 100–360, § 224, inserted at end “plus, with respect to a determination under subparagraph (A)(i), double the excess amount charged in violation of such subparagraph (and the excess amount charged shall be deducted from the penalty and returned to the individual concerned), and plus, with respect to a determination under subparagraph (A)(ii), $15,000 for each individual not enrolled as a result of the practice involved.”
The text provided is a legal document discussing provisions regarding civil money penalties, the provision of medically necessary items and services, and the termination of enrollment. The text includes legislative changes and amendments over time, with specific references to sections and paragraphs indicating the evolution of the law. The document references other statutes and provisions, indicating a comprehensive approach to healthcare regulations.
1976—Subsec. (b), Pub. L. 94–460, §201(a), struck out provisions defining a health maintenance organization as a public or private organization which provides physical and mental services and a sufficient number of primary care and specialty care physicians, assures its members access to qualified practitioners in specialties available in area served by such organization, demonstrates financial responsibility and means to provide comprehensive health care services, has at least half of its enrolled members under age 65, assures prompt and qualified health service, and has an open enrollment period at least every year, and revised the definition and requirements of an health maintenance organization to conform to those set forth in the Public Health Service Act, except that the services which such an organization must provide are those covered in parts A and B of this subchapter rather than the basic health services defined in the Public Health Service Act, and inserted provisions requiring Secretary to administer determinations of whether an organization is a health maintenance organization through and in the office of the Assistant Secretary for Health, to integrate the administration of such functions and duties with the administration of provisions requiring the continued regulation of health maintenance organizations under the Public Health Service Act, and to administer other provisions of this section through the Commissioner of Social Security.

Subsec. (h). Pub. L. 94–460, §201(b), substituted provisions that each health maintenance organization with which the Secretary enters into a contract under this section have an enrolled membership at least half of which consists of individuals who have not attained age 65, with the Secretary empowered to waive that requirement for a period of not more than three years from the date a health maintenance organization first enters into an agreement with the Secretary pursuant to subsection (i) of this section for provisions that such requirement not apply with respect to any health maintenance organization for such period not to exceed three years from the date such organization enters into an agreement with the Secretary pursuant to subsection (i) of this section, as the Secretary might permit.

Subsec. (i)(6)(B). Pub. L. 94–460, §201(c), substituted “other than costs with respect to out-of-area services and, in the case of an organization which has entered into a risk-sharing contract with the Secretary pursuant to paragraph (2)(A), the cost of providing any member with basic health services the aggregate value of which exceeds $5,000 in any year” for “(other than those with respect to out-of-area services)”.


Subsec. (a)(3)(I). Pub. L. 93–233, §18(n), struck out “, with the apportionment of savings being proportional to the losses absorbed and not yet offset’” at end.

Subsec. (g)(2). Pub. L. 93–233, §18(n), substituted “portion of its premium rate or other charges” for “portion” and “shall not exceed” for “may not exceed”, and struck out cl. (i) designating preceding “the actuarial value” and provisions reading “less (ii) the actuarial value of other charges made in lieu of such deductible and coinsurance”, respectively.

1972—Subsec. (i). Pub. L. 92–603, §278(b)(3), substituted “skilled nursing facility” for “extended care facility” and “skilled nursing facilities” for “extended care facilities”.

CHANGE OF NAME

References to Medicare+Choice deemed to refer to Medicare Advantage or MA, subject to an appropriate transition provided by the Secretary of Health and Human Services in the use of those terms, see section 201 of Pub. L. 108–173, set out as a note under section 1395w–21 of this title.

EFFECTIVE DATE OF 2011 AMENDMENT

Amendment by Pub. L. 112–40 applicable to contracts entered into or renewed on or after Jan. 1, 2012, see section 261(e) of Pub. L. 112–40, set out as a note under section 1320c of this title.

EFFECTIVE DATE OF 1996 AMENDMENT


Amendment by section 231(g) of Pub. L. 104–191 applicable to acts or omissions occurring on or after Jan. 1, 1997, see section 231(i) of Pub. L. 104–191, set out as a note under section 1320a–7a of this title.

EFFECTIVE DATE OF 1994 AMENDMENT

Amendment by Pub. L. 103–422 effective as if included in the enactment of Pub. L. 101–508, see section 157(b)(b) of Pub. L. 103–422, set out as a note under section 1395y of this title.


EFFECTIVE DATE OF 1990 AMENDMENT

Pub. L. 101–508, title IV, §4204(a)(4), Nov. 5, 1990, 104 Stat. 1388–109, provided that: “The amendments made by paragraphs (1) and (2) [amending this section] shall apply with respect to contract years beginning on or after January 1, 1992, and the amendments made by paragraph (3) [amending section 1320a–7a of this title] shall take effect on the date of the enactment of this Act.”


EFFECTIVE DATE OF 1989 AMENDMENTS

Pub. L. 101–239, title VI, §6206(b)(2), Dec. 19, 1989, 103 Stat. 2245, provided that: “The amendments made by paragraph (1) [amending this section] shall take effect 60 days after the date of the enactment of this Act [Dec. 19, 1989].”

Pub. L. 101–239, title VI, §6212(b)(2), Dec. 19, 1989, 103 Stat. 2250, provided that: “The amendments made by paragraph (1) [amending this section] shall apply to services furnished on or after April 1, 1990.”

Pub. L. 101–239, title VI, §6212(b)(3), Dec. 19, 1989, 103 Stat. 2250, provided that: “The amendments made by this subsection [amending this section and repealing...
provisions set out as notes below) shall take effect on the date of the enactment of this Act [Dec. 19, 1989].''
Pub. L. 101–234, title VI, §411(d)(1)(B), Dec. 19, 1989, 103 Stat. 2721, provided that: "The amendments made by paragraph (3) [amending this section and section 1309c of this title] shall apply to employment and contracts as of 90 days after the date of the enactment of this Act [Dec. 19, 1989].''
Amendment by section 201(a) of Pub. L. 101–234 effective Jan. 1, 1990, see section 201(c) of Pub. L. 101–234, set out as a note under section 1335a–7a of this title.
Amendment by section 202(a) of Pub. L. 101–234 effective Jan. 1, 1990, and applicable to premiums for months beginning after Dec. 31, 1989, see section 202(b) of Pub. L. 101–234, set out as a note under section 401 of this title.

**Effective Date of 1988 Amendments**

Pub. L. 100–447, title VIII, §8412(b), Nov. 10, 1988, 102 Stat. 3801, provided that: "The amendments made by subsection (a) [amending this section] shall not apply to contracts in effect on the date of the enactment of this Act [Nov. 10, 1988] or extensions (not exceeding 90 days thereof)''.
Amendment by section 202(d) of Pub. L. 100–360 applicable to enrollments effected on or after Jan. 1, 1990, see section 202(m)(3) of Pub. L. 100–360, set out as a note under section 1309u of this title.
Amendment by section 211(c)(3) of Pub. L. 100–360 applicable, except as specified in such amendment, to monthly premiums for months beginning with January 1989, see section 211(d) of Pub. L. 100–360, set out as a note under section 1309s of this title.
Except as specifically provided in section 411 of Pub. L. 100–360, amendment by section 411(c)(1), (3), (4), (6), (e)(3) of Pub. L. 100–360, as it relates to a provision in the Omnibus Budget Reconciliation Act of 1987, Pub. L. 100–203, effective as if included in the enactment of that provision in Pub. L. 100–203, see section 411(a) of Pub. L. 100–203, set out as a Reference to OBRA; Effective Date note under section 106 of Title 1, General Provisions.

**Effective Date of 1987 Amendment**

Pub. L. 100–203, title IV, §401(a)(2), Dec. 22, 1987, 101 Stat. 1330–60, provided that: "The amendments made by subsections (a) and (b) of this section (amending this section and section 1395cc of this title) shall apply to admissions occurring on or after April 1, 1988, or, if later, the earliest date the Secretary can provide the information required under subsection (c) [set out as a note below] in machine readable form.''
Pub. L. 99–509, title IX, §9312(b)(2), Oct. 21, 1986, 100 Stat. 1999, provided that: "The amendment made by paragraph (1) [amending this section] shall take effect on January 1, 1987, and apply to enrollments effected on or after such date.''

"(A) New Restriction.—The amendment made by paragraph (1) [amending this section] shall take effect on the date of the enactment of this Act [Oct. 21, 1986].

"(B) Sanctions for Noncompliance.—The amendments made by paragraph (2) [amending this section] shall take effect on the date of the enactment of this Act.

"(C) Treatment of Current Waivers.—In the case of an eligible organization (or successor organization) that—

"(i) as of the date of the enactment of this Act, has been granted, under paragraph (2) of section 1876(f) of the Social Security Act [42 U.S.C. 1395mm(f)(2)], a modification or waiver of the requirement imposed by paragraph (1) of that section, but

"(ii) does not meet the requirement for such modification or waiver under the amendment made by paragraph (1) of this subsection, the organization shall make, and continue to make, reasonable efforts to meet scheduled enrollment goals, consistent with a schedule of compliance approved by the Secretary of Health and Human Services. If the Secretary determines that the organization has complied, or made significant progress towards compliance, with such schedule of compliance, the Secretary may extend such waiver. If the Secretary determines that the organization has not complied with such schedule, the Secretary may provide for a sanction described in section 1876(c)(3) of the Social Security Act [42 U.S.C. 1395mm(f)(3)] (as amended by this section) effective with respect to individuals enrolling with the organization after the date the Secretary notifies the organization of such noncompliance.

"(D) Treatment of Certain Waivers.—In the case of an eligible organization (or successor organization) that is described in clauses (i) and (ii) of subparagraph (C) and that received a grant or grants totaling at least $3,000,000 in fiscal year 1987 under section 329(d)(1)(A) or (B) of the Public Health Service Act [42 U.S.C. 294b(d)(1)] (a) in the case of an eligible organization (or successor organization) that—

"(i) before January 1, 1996, section 1876(f) of the Social Security Act [42 U.S.C. 1395mm(f)] shall not apply to the organization;

"(ii) beginning on January 1, 1996, the Secretary of Health and Human Services shall conduct an annual review of the organization to determine the organization's compliance with the quality assurance requirements of section 1876(c)(6) of such Act [42 U.S.C. 1395mm(c)(6)]; and

"(iii) after January 1, 1996, if the organization receives an unfavorable review under clause (ii), the Secretary, after notice to the organization of the unfavorable review and an opportunity to correct any deficiencies identified during the review, may provide for the sanction described in section 1876(f)(3) of such Act [42 U.S.C. 1395mm(f)(3)] effective with respect to individuals enrolling with the organization before the date the Secretary notifies the organization that the organization is not in compliance with the requirements of section 1876(c)(6) of such Act.'"
paragraph (1) [amending this section] shall apply to contracts as of January 1, 1987.'"  
Pub. L. 99–509, title IX, §9211(e), Apr. 7, 1986, 100 Stat. 179, provided that:  
"(1) FINANCIAL RESPONSIBILITY.—The amendments made by subsection (a) [amending this section] shall apply to enrollments and disenrollments that become effective on or after the date of enactment of this Act [Apr. 7, 1986].  

(2) DISENROLLMENTS.—The amendments made by subsection (b) [amending this section] shall apply to requests for termination of enrollment submitted on or after May 1, 1986.  

(3) MATERIAL REVIEW.—(A) The amendment made by subsection (c) [amending this section] shall not apply to material which has been distributed before July 1, 1986.  

(B) Such amendment also shall not apply so as to require the submission of material which is distributed before July 1, 1986.  

(C) Such amendment shall also not apply to material which the Secretary determines has been prepared before the date of the enactment of this Act and for which a commitment for distribution has been made, if the application of such amendment would constitute a hardship for the organization involved.  

(4) PUBLICATION.—The amendment made by subsection (d) [amending this section] shall apply to determinations of per capita rates of payment for 1987 and subsequent years.  

(B) NEEDED MODIFICATION OF CONTRACTS.—The Secretary of Health and Human Services shall provide for such changes in the risk-sharing contracts which have been entered into under section 1876 of the Social Security Act [42 U.S.C. 1395mm] as may be necessary to conform to the requirements imposed by the amendments made by this section [amending this section] on a timely basis."

**Effective Date of 1984 Amendment**

"The amendments made by this section [amending this section and enacting provisions set out as notes under this section] shall become effective on the date of the enactment of this Act [July 18, 1984]."  

Amendment by section 2354(b)(37), (38) of Pub. L. 98–369 effective July 18, 1984, but not to be construed as changing or affecting any right, liability, status, or interpretation which existed under the provisions of law involved before that date, see section 2254(e)(1) of Pub. L. 98–369, set out as a note under section 1320a–1 of this title.

**Effective Date of 1983 Amendments: Transitional Rule**

Amendment by section 603(c) of Pub. L. 98–21 applicable to items and services furnished by or under arrangement with a hospital beginning with its first cost reporting period that begins any change in a hospital's cost reporting period made after November 1982 to be recognized for such purposes only if the Secretary finds good cause therefor, see section 604(a)(1) of Pub. L. 98–21, set out as a note under section 1395ww of this title.

Amendment by section 606(a)(3)(H) of Pub. L. 98–21 applicable to premiums for months beginning with January 1984, but for months after June 1983 and before January 1984, the monthly premium for June 1983 shall apply to individuals enrolled under parts A and B of this subchapter, see section 606(c) of Pub. L. 98–21, set out as a note under section 1395w of this title.

Amendment by section 309(b)(12) of Pub. L. 97–448 effective as if originally included as a part of this section as this section was amended by the Tax Equity and Fiscal Responsibility Act of 1982, Pub. L. 97–248, see section 309(c)(2) of Pub. L. 97–448, set out as a note under section 426–1 of this title.

**Effective Date of 1982 Amendment**


"(i) Subject to paragraph (2), the amendment made by subsection (a) [amending this section] shall apply with respect to services furnished on or after the initial effective date (as defined in paragraph (4)), except that such amendment shall not apply—  

(A) with respect to services furnished by an eligible organization to any individual who is enrolled with that organization under an existing cost contract (as defined in paragraph (3)(A)) and entitled to benefits under part A [42 U.S.C. 1395c et seq.] or enrolled in part B [42 U.S.C. 1395 et seq.], of title XVIII of the Social Security Act at the time the organization first enters into a new risk-sharing contract [as defined in paragraph (3)(D)] unless—  

(i) the amendment should apply to all members of the organization because of administrative costs or other administrative burdens involved and so informs in advance each affected member of the eligible organization;  

(B) with respect to services furnished by an eligible organization during the five-year period beginning on the initial effective date, if—  

(i) the organization has an existing risk-sharing contract [as defined in paragraph (3)(B)] on the initial effective date, or  

(ii) on the date of the enactment of this Act [Sept. 3, 1982] the organization was furnishing services pursuant to an existing demonstration project [as defined in paragraph (3)(C)], such demonstration project is concluded before the initial effective date, and before such initial effective date the organization enters into an existing risk-sharing contract, unless the organization requests that the amendment apply earlier; or  

(C) with respect to services furnished by an eligible organization during the period of an existing demonstration project if on the initial effective date the organization was furnishing services pursuant to the project and if the project concludes after such date, "(2) (A) In the case of an eligible organization which has in effect an existing cost contract (as defined in paragraph (3)(A)) on the initial effective date, the organization may receive payment under a new risk-sharing contract with respect to a current, nonrisk medicare enrollee [as defined in subparagraph (C)] only to the extent that the organization enrolls, for each such enrollee, two new medicare enrollees [as defined in subparagraph (D)]. The selection of those current nonrisk medicare enrollees with respect to whom payment may be so received under a new risk-sharing contract shall be made in a manner consistent with the initial determination of enrollees under paragraph (1) of this subsection, (2)(B) Subparagraph (A) shall not be construed to prevent an eligible organization from providing for enroll-
Act \[Pub. L. 97–248\].

(v) the requirement of section 1876(g)(2) of the Social Security Act \[42 U.S.C. 1395mm(g)(2)\] (as amended by this Act \[Pub. L. 97–248\]), but except as provided in subparagraph (A)—

(i) payment to the organization with respect to such enrollee shall only be made in accordance with the terms of a reasonable cost reimbursement contract, and

(ii) no payment may be made under section 1876 of such Act \[42 U.S.C. 1395mm\] with respect to such enrollees for any such additional benefits.

Individuals enrolled with the organization under this subparagraph shall be considered to be individuals enrolled with the organization for the purpose of meeting the requirement of section 1876(g)(2) of the Social Security Act \[42 U.S.C. 1395mm(g)(2)\] (as amended by this Act \[Pub. L. 97–248\]).

(C) For purposes of this paragraph, the term ‘current, nonrisk medicare enrollee’ means, with respect to an organization, an individual who on the initial effective date—

(i) is enrolled with that organization under an existing cost contract, and

(ii) is entitled to benefits under part A \[42 U.S.C. 1395c et seq.\] and enrolled under part B \[42 U.S.C. 1395 et seq.\], or enrolled in part B, of title XVIII of the Social Security Act.

(D) For purposes of this paragraph, the term ‘new medicare enrollee’ means, with respect to an organization, an individual who—

(i) is enrolled with the organization after the date the organization first enters into a new risk-sharing contract,

(ii) at the time of such enrollment is entitled to benefits under part A, or enrolled in part B, of title XVIII of the Social Security Act, and

(iii) was not enrolled with the organization at the time the individual became entitled to benefits under part A, or to enroll in part B, of such title.

(E) The preceding provisions of this paragraph shall not to [sic] apply to payments made for current, nonrisk medicare enrollees for months beginning with April 1967.

(3) For purposes of this subsection:

(A) The term ‘existing cost contract’ means a contract which is entered into under section 1876 of the Social Security Act \[42 U.S.C. 1395mm\], as in effect before the initial effective date, or reimbursement on a reasonable cost basis under section 1833(a)(1)(A) of such Act \[42 U.S.C. 1395(a)(1)(A)\].

(B) The term ‘existing demonstration project’ means a demonstration project under section 422(a) of the Social Security Amendments of 1972 \[42 U.S.C. 1395 et seq.\], as in effect before the initial effective date.

(C) The term ‘existing demonstration project’ means a demonstration project under section 402(a) of the Social Security Amendments of 1967 \[42 U.S.C. 1395b–1(a)\], or under section 222(a) of the Social Security Amendments of 1972 \[section 222(a) of Pub. L. 92–603, set out as a note under section 1395b–1 of this title\], relating to the provision of services for which payment may be made under title XVIII of the Social Security Act \[42 U.S.C. 1395 et seq.\].

(D) The term ‘new risk-sharing contract’ means a contract entered into under section 1876(g) of the Social Security Act \[42 U.S.C. 1395mm(g)\], as amended by this Act \[Pub. L. 97–248\].

(E) The term ‘reasonable cost reimbursement contract’ means a contract entered into under section 1876(b) of such Act \[42 U.S.C. 1395mm(h)\], as amended by this Act, or reimbursement on a reasonable cost basis under section 1833(a)(1)(A) of such Act \[42 U.S.C. 1395(a)(1)(A)\].

(4) As used in this section, the term ‘initial effective date’ means—

(A) the first day of the thirteenth month which begins after the date of the enactment of this Act \[Sept. 3, 1982\], or

(B) the first day of the first month \[Feb. 1, 1985\] after the month in which the Secretary of Health and Human Services notifies the Committee on Finance of the Senate and the Committee on Ways and Means and on Energy and Commerce of the House of Representatives that he is reasonably certain that the methodology to make appropriate adjustments (referred to in section 1876(a)(4) of the Social Security Act \[42 U.S.C. 1395mm(a)(4)\], as amended by this Act \[Pub. L. 97–248\]) has been developed and can be implemented to assure actuarial equivalence in the estimation of adjusted average per capita costs under that section, whichever is later.''

**Effective Date of 1978 Amendment**

Amendment by Pub. L. 95–292 effective with respect to services, supplies, and equipment furnished after the third calendar month beginning after June 13, 1978, except that provisions for the implementation of an incentive reimbursement system for dialysis services furnished in facilities and providers to become effective with respect to a facility’s or provider’s first accounting period beginning after the last day of the twelfth month following the month of June 1978, except that provisions for reimbursement rates for home dialysis to become effective on Apr. 1, 1979, see section 6 of Pub. L. 95–292, set out as a note under section 426 of this title.

**Effective Date of 1976 Amendment**

Pub. L. 94–460, title II, § 201(e), Oct. 6, 1976, 90 Stat. 1957, provided that: ‘‘The amendments made by this section [amending this section] shall be effective with respect to contracts entered into between the Secretary and health maintenance organizations under section 1876 of the Social Security Act \[42 U.S.C. 1395mm\] on and after the first day of the first calendar month which begins more than 30 days after the date of enactment of this Act \[Oct. 6, 1976\].’’

**Effective Date of 1973 Amendment**

Pub. L. 93–233, § 18(c–3)(3), Dec. 31, 1973, 87 Stat. 974, provided that: ‘‘The amendments made by this section [amending this section and (n) amending this section] shall be effective with respect to services provided after June 30, 1973.’’

**Effective Date**

Pub. L. 92–603, title II, § 226(f), Oct. 30, 1972, 86 Stat. 1404, provided that: ‘‘The amendments made by this section [enacting this section, amending sections 1395f, 1395j, 1395l, and 1396b of this title, and enacting provisions set out as notes under this section] shall be effective with respect to services provided on or after July 1, 1973.’’

**Report on Impact**

Pub. L. 105–13, title IV, § 4002(b)(2)(B), Aug. 5, 1997, 111 Stat. 329, provided that: ‘‘By not later than January 1, 2001, the Secretary of Health and Human Services shall submit to Congress a report that analyzes the potential impact of termination of reasonable cost reimbursement contracts, pursuant to the amendment made by subparagraph (A), on medicare beneficiaries enrolled under such contracts and on the medicare program. The report shall include such recommendations regarding any extension or transition with respect to such contracts as the Secretary deems appropriate.’’

**Transition Rule for PPSO Enrollment**

Pub. L. 105–13, title IV, § 4002(h), Aug. 5, 1997, 111 Stat. 330, provided that: ‘‘In applying subsection (g)(1) of sec-
tion 1876 of the Social Security Act (42 U.S.C. 1395mm) to a risk-sharing contract entered into with an eligible organization that is a provider-sponsored organization (as defined in section 1855(d)(1) of such Act (42 U.S.C. 1395w-25(d)(1)), as inserted by section 5001 (4001)) for a contract year beginning on or after January 1, 1998, there shall be substituted for the minimum number of enrollees provided under such section the minimum number of enrollees permitted under section 1875(b)(1) of such Act (42 U.S.C. 1395w-27(b)(1)) (as so inserted)."

REQUIREMENTS WITH RESPECT TO ACTUAL EQUIVALENCE OF AAPCC


"(1)(A) Not later than October 1, 1995, the Secretary of Health and Human Services (in this subsection referred to as the 'Secretary') shall submit a proposal to the Congress that provides for revisions to the payment method to be applied in years beginning with 1997 for organizations with a risk-sharing contract under section 1876(g) of the Social Security Act [42 U.S.C. 1395mm(g)].

"(B) In proposing the revisions required under subparagraph (A), the Secretary shall consider—

"(i) the difference in costs associated with medicare beneficiaries with differing health status and demographic characteristics; and

"(ii) the effects of using alternative geographic classifications on the determinations of costs associated with beneficiaries residing in different areas.

"(2) Not later than 3 months after the date of submittal of the proposal under paragraph (1), the Comptroller General shall review the proposal and shall report to Congress on the appropriateness of the proposed modifications."

[Amendment by section 122(g) of Pub. L. 101–316 to Pub. L. 101–508 to Pub. L. 101–508 not contained pars. (4) and (5) subsequent to amendment by Pub. L. 103–432.]

STUDY OF CHIROPRACTIC SERVICES


"(1) the Secretary of Health and Human Services shall provide for revisions to the payment method to be applied in years beginning with 1997 for organizations with a risk-sharing contract under section 1876(g) of the Social Security Act [42 U.S.C. 1395mm(g)].

"(2) Not later than 3 months after the date of submittal of the proposal under paragraph (1), the Comptroller General shall review the proposal and shall report to Congress on the appropriateness of the proposed modifications."

[Amendment by section 122(g) of Pub. L. 101–316 to Pub. L. 101–508 to Pub. L. 101–508 not contained pars. (4) and (5) subsequent to amendment by Pub. L. 103–432.]

EFFECT ON STATE LAW

Conscientious objections of health care provider under State law unaffected by enactment of subsection (c)(6) of this section, see section 4206(c) of Pub. L. 101–508, set out as a note under section 1395cc of this title.

NOTICE OF METHODOLOGY USED IN MAKING ANNOUNCEMENTS UNDER SUBSECTION (A)(1)(A)


ADJUSTMENT OF CONTRACTS WITH PREPAID HEALTH PLANS

Pub. L. 101–234, title II, § 203(b), Dec. 13, 1989, 103 Stat. 1964, provided that: "Notwithstanding any other provision of this Act (see Title II of Pub. L. 101–234), the amendments made by this Act (other than the repeal of sections 1833(c)(5) and 1834(c)(6) of the Social Security Act [42 U.S.C. 1395l(c)(5), 1385m(c)(6)]) shall not apply to risk-sharing contracts, for contract year 1990—"

"(1) with eligible organizations under section 1876 of the Social Security Act [42 U.S.C. 1395m], or

"(2) with health maintenance organizations under section 1876(c)(2)(A) of such Act [42 U.S.C. 1395mm(c)(2)(A)] (as in effect before February 1, 1985), under section 402(a) of the Social Security Amendment of 1967 [42 U.S.C. 1395b–1(a)], or under section 222(a) of the Social Security Amendments of 1972 [Pub. L. 92–603, set out as a note under section 1395b–1 of this title]."

ADJUSTMENT OF CONTRACTS WITH PREPAID HEALTH PLANS


"(1) modify contracts under section 1876 of the Social Security Act [42 U.S.C. 1395mm], for portions of contract years occurring after December 31, 1988, to take into account the amendments made by this Act [see Short Title of 1988 Amendment note under section 1395(a) of this title]; and

"(2) require such organizations and organizations paid under section 1833(a)(1)(A) of such Act [42 U.S.C. 1395m(a)(1)(A)] to make appropriate adjustments (including adjustments in premiums and benefits) in the terms of their agreements with medicare beneficiaries to take into account such amendments."

The Secretary shall also provide for appropriate modifications of contracts with health maintenance organizations under section 1876(c)(2)(A) of the Social Security Act [42 U.S.C. 1395mm(c)(2)(A)] (as in effect before February 1, 1985), under section 402(a) of the Social Security Amendment of 1967 [42 U.S.C. 1395b–1(a)], or under section 222(a) of the Social Security Amendments of 1972 [42 U.S.C. 1395b–1 note], for portions of contract years occurring after December 31, 1988, as so to apply to such organizations and contracts the requirements imposed by the amendments made by this Act upon an organization with a risk-sharing contract under section 1876 of the Social Security Act."

PROVISION OF MEDICARE DRG RATES FOR CERTAIN PAYMENTS AND DATA ON INPATIENT COST PASS-THROUGH ITEMS

Pub. L. 100–203, title IV, § 4012(c), Dec. 22, 1987, 101 Stat. 1330–61, as amended by Pub. L. 100–360, title IV, § 411(c)(2)(B), July 1, 1988, 102 Stat. 773, provided that: "The Secretary of Health and Human Services shall provide (in machine readable form) to eligible organizations under section 1876 of the Social Security Act [42 U.S.C. 1395mm] medicare DRG rates for payments required by the amendment made by subsection (a) [amending section 1395cc of this title] and data on cost pass-through items for all inpatient services provided to medicare beneficiaries enrolled with such organizations."

MEDICARE PAYMENT DEMONSTRATION PROJECTS


"(1) The Secretary of Health and Human Services (in this subsection referred to as the 'Secretary') may
provide for capitation demonstration projects (in this subsection referred to as ‘projects’) with an entity which is an eligible organization with a contract with the Secretary under section 1876 of the Social Security Act [42 U.S.C. 1395mm] or which meets the restrictions and requirements of this subsection. The Secretary may not approve a project unless it meets the requirements of this subsection.

(2) The Secretary may not conduct more than 3 projects and may not expend, from funds under title XVIII of the Social Security Act [42 U.S.C. 1395 et seq.], more than $600,000,000 in any fiscal year for all such projects.

(3) The per capita rate of payment under a project—

(A) may be based on the adjusted average per capita cost (as defined in section 1876(a)(4) of the Social Security Act [42 U.S.C. 1395mm(a)(4)]) determined only with respect to the group of individuals involved (rather than with respect to Medicare beneficiaries generally), but

(B) the rate of payment may not exceed the lesser of—

(i) 95 percent of the adjusted average per capita cost described in subparagraph (A), or

(ii)(I) in the 4th year or 5th year of a project, 115 percent of the adjusted average per capita cost (as defined in section 1876(a)(4)) of such Act [42 U.S.C. 1395mm(a)(4)] for classes of individuals described in section 1876(a)(1)(B) of that Act [42 U.S.C. 1395mm(a)(1)(B)], or

(II) in any subsequent year of a project, 95 percent of the adjusted average per capita cost (as defined in section 1876(a)(4) [42 U.S.C. 1395mm(a)(4)]) for such classes.

(4) If the payment amounts made to a project are greater than the costs of the project (as determined by the Secretary or, if applicable, on the basis of adjusted community rates described in section 1876(e)(3) of the Social Security Act [42 U.S.C. 1395mm(e)(3)]), the project—

(A) may retain the surplus, but not to exceed 5 percent of the average adjusted per capita cost determined in accordance with paragraph (3)(A), and

(B) with respect to any additional surplus not retained by the project, shall apply such surplus to additional benefits for individuals served by the project or return such surplus to the Secretary.

(5) Enrollment under the project shall be voluntary. Individuals enrolled with the project may terminate such enrollment as of the beginning of the first calendar month following the date on which the request is made for such termination. Upon such termination, such individuals shall retain the same rights and additional benefits that such individuals would have had if they had never enrolled with the project without any exclusion or waiting period for pre-existing conditions.

(6) The requirements of—

(A) subsection (c)(3)(C) (relating to dissemination of information),

(B) subsection (c)(3)(E) (annual statement of rights),

(C) subsection (c)(5) (grievance procedures),

(D) subsection (c)(6) (on-going quality),

(E) subsection (g)(6) (relating to prompt payment of claims),

(F) subsection (i)(3)(A) and (B) (relating to access to information and termination notices),

(G) subsection (i)(6) (relating to providing necessary services), and

(H) subsection (i)(7) (relating to agreements with peer review [now ‘quality improvement’] organizations) of section 1876 of the Social Security Act [42 U.S.C. 1395mm] shall apply to a project in the same manner as they apply to eligible organizations with risk-sharing contracts under such section.

(7) The benefits provided under a project must be at least actuarially equivalent to the combination of the benefits available under title XVIII of the Social Security Act [42 U.S.C. 1395 et seq.] and the benefits available through any alternative plan in which the individual can enroll through the employer. The project shall guarantee the actuarial value of benefits available under the employer plan for the duration of the project.

(8) A project shall comply with all applicable State laws.

(9) The Secretary may not authorize a project unless the entity offering the project demonstrates to the satisfaction of the Secretary that it has the necessary financial reserves to pay for any liability for benefits under the project (including those liabilities for health benefits under Medicare and any supplemental benefits).

(10) The Comptroller General shall monitor projects under this subsection and shall report periodically (not less often than once every year) to the Committee on Finance of the Senate and the Committee on Energy and Commerce and Committee on Ways and Means of the House of Representatives on the status of such projects and the effect on such projects of the requirements of this section and shall submit a final report to each such committee on the results of such projects.

B. PAYMENT METHODOLOGY REFORM DEMONSTRATION PROJECTS

(1) The Secretary of Health and Human Services (in this subsection referred to as the ‘Secretary’) is specifically authorized to conduct demonstration projects under this subsection for the purpose of testing alternative payment methodologies pertaining to capitation payments under title XVIII of the Social Security Act [42 U.S.C. 1395 et seq.], including—

(A) computing adjustments to the average per capita cost under section 1876 of such Act [42 U.S.C. 1395mm] on the basis of health status or prior utilization of services, and

(B) accounting for geographic variations in cost in the adjusted average per capita costs applicable to an eligible organization under such section which differs from payments currently provided on a county-by-county basis.

(2) No project may be conducted under this subsection—

(A) with an entity which is not an eligible organization (as defined in section 1876(b) of the Social Security Act [42 U.S.C. 1395mm(b)]), and

(B) unless the project meets all the requirements of subsections (c) and (i)(3) of section 1876 of such Act [42 U.S.C. 1395mm(c), (i)(3)].

(3) There are authorized to be appropriated to carry out projects under this subsection $5,000,000 in each of fiscal years 1989 and 1990.

(c) APPLICATION OF PROVISIONS.—The provisions of subsection (a)(2) and the first sentence of subsection (b) of section 492 of the Social Security Amendments of 1967 [42 U.S.C. 1395g–1(a)(2), (b)] shall apply to the demonstration projects under this section in the same manner as they apply to experiments under subsection (a)(4) of that section.

[For termination, effective May 15, 2000, of provisions of law requiring submittal to Congress of any annual, semiannual, or other regular periodic report listed in House Document No. 103–7 (in which the requirement to report not less than once every year to certain committees of Congress under section 4015(a)(10) of Pub. L. 100–203, set out above, is listed on page 9), see section 3003 of Pub. L. 104–66, as amended, set out as a note under section 1113 of Title 31, Money and Finance.]
ita cost; the method for establishing relative costs for geographic areas and the data used to establish age, sex, and other weighting factors; ways to refine the calculation of adjusted average per capita costs under section 1876 of such Act, including making adjustments for health status or prior utilization of services and improvements in the definition of geographic areas; the extent to which individuals enrolled with organizations with a risk-sharing contract with the Secretary under section 1876 of such Act differ in utilization and cost from fee-for-service beneficiaries and ways for modifying enrollment patterns through program changes or for reflecting the differences in rates through group experience rating or other means; approaches for limiting the liability of the contracting organization under section 1876 of such Act in catastrophic cases; ways of establishing capitation rates on a basis other than fee-
for-service experience in areas with high prepaid mar-
et penetration; and methods for providing the rate levels necessary to maintain access to quality prepaid services in rural or medically underserved areas, while maintaining cost savings; and directed Comptroller
General later than January 1 of 1989 and 1990, to submit to Congress interim reports on the progress of the study and, not later than Jan. 1, 1991, a final report on the results of such study.

DEMONSTRATION PROJECTS TO PROVIDE PAYMENT ON A PREPAID, CAPITATED BASIS FOR COMMUNITY NURSING AND AMBULATORY CARE FURNISHED TO MEDICARE BENEFICIARIES


Provided that:

"(a) EXTENSION.—Notwithstanding any other provi-
sion of law, any demonstration project conducted under section 4079 of the Omnibus Budget Reconciliation Act of 1987 (Public Law 100–123 [Pub. L. 100–203; 42 U.S.C. 1395mm note]) and conducted for the additional period of 2 years as provided for under section 4019 of BBA [Pub. L. 105–33, set out as a note below], shall be con-
ducted for an additional period of 2 years.

"(b) TERMS AND CONDITIONS.—

"(1) JANUARY THROUGH SEPTEMBER 2000.—For the 9-
month period beginning with January 2000, any such demonstration project shall be conducted under the same terms and conditions as applied to such dem-
stration during 1999.

"(2) OCTOBER 2000 THROUGH DECEMBER 2001.—For the 15-month period beginning with October 2000, any such demonstration project shall be conducted under the same terms and conditions as applied to such dem-
stration during 1999, except that the following modifications shall apply:

(A) BASIC CAPITATION RATE.—The basic capita-
tion rate paid for services covered under the project (other than case management services) per enrollee per month and furnished during—

"(i) the period beginning with October 1, 2000, and ending with December 31, 2000, shall be deter-
mied by actuarially adjusting the actual capita-
tion rate paid for such services in 1999 for infla-
tion, utilization, and other changes to the CNO service package, and by reducing such adjusted capita-
tion rate by 10 percent in the case of the demonstration sites located in Arizona, Min-
nesota, and Illinois, and 15 percent for the demo-
stration site located in New York; and

"(ii) 2001 shall be determined by actuarially ad-
justing the capitation rate determined under sub-
clause (i) for inflation, utilization, and other changes to the CNO service package.

(B) TARGETED CASE MANAGEMENT FEE.—Effective October 1, 2000—

"(i) the case management fee per enrollee per month for—

"(I) the period described in subparagraph (A)
shall be determined by actuarially adjus-
ting the case management fee for 1999 for infla-
tion; and

"(II) 2001 shall be determined by actuarially adjusting the amount determined under sub-
clause (I) for inflation; and

"(ii) such case management fee shall be paid only for enrollees who are classified as moder-
ately frail or frail pursuant to criteria estab-
lished by the Secretary.

(c) GREATER UNIFORMITY IN CLINICAL FEATURES AMONG SITES.—Each project shall implement for each site—

"(i) protocols for periodic telephonic contact with enrollees based on—

"(I) the results of such standardized written health assessment; and

"(II) the application of appropriate care plan-
ning approaches;

"(ii) disease management programs for targeted diseases (such as congestive heart failure, arthri-
tis, diabetes, and hypertension) that are highly prevalent in the enrolled populations;

"(iii) systems and protocols to track enrollees through hospitalizations, including pre-admission planning, concurrent management during inpa-
tient hospital stays, and post-discharge assess-
ment, planning, and follow-up; and

"(iv) standardized patient educational mate-
rials for specified diseases and health con-
en; and

"(D) QUALITY IMPROVEMENT.—Each project shall implement at each site once during the 15-month period—

"(i) enrollee satisfaction surveys; and

"(ii) reporting on specified quality indicators for the enrolled population.

"(e) EVALUATION.—

"(1) PRELIMINARY REPORT.—Not later than July 1, 2001, the Secretary of Health and Human Services shall submit to the Committees on Ways and Means and Commerce (now Energy and Commerce) of the House of Representatives and the Committee on Fi-
cance of the Senate a preliminary report that—

"(A) evaluates such demonstration projects for the period beginning July 1, 1997, and ending De-
cember 31, 1999, on a site-specific basis with respect to the impact on per beneficiary spending, specific health utilization measures, and enrollee satisfac-
tion; and

"(B) includes a similar evaluation of such projects for the portion of the extension period that occurs after September 30, 2000.

"(2) FINAL REPORT.—The Secretary shall submit a final report to such Committees on such demonstra-
tion projects not later than July 1, 2002. Such report shall include the same elements as the preliminary report required by paragraph (1), but for the period after December 31, 1999.

"(3) METHODOLOGY FOR SPENDING COMPARISONS.—

Any evaluation of the impact of the demonstration projects on per beneficiary spending included in such reports shall include a comparison of—

"(A) data for all individuals who—

"(i) were enrolled in such demonstration projects as of the first day of the period under evalua-
tion; and

"(ii) were enrolled for a minimum of 6 months thereafter; with

"(B) data for a matched sample of individuals who are enrolled under part B of title XVIII of the So-
cial Security Act [42 U.S.C. 1395j et seq.] and are not enrolled in such a project, or in a Medicare-Choice plan under part C of such title [42
U.S.C. 1395w–21 et seq.], a plan offered by an eligible organization under section 1876 of such Act [42 U.S.C. 1395mm], or a health care prepayment plan under section 1513(a)(1)(A) of such Act [42 U.S.C. 1395(a)(1)(A)]."
§ 1395mm

TITLE 42—THE PUBLIC HEALTH AND WELFARE

Page 3372

...nished to any individual entitled to benefits under part

tions under this section to conduct demonstration
'

'secretary') shall enter into an agreement with not less
served by the organization and enrolls with such orga-

'Human Services (in this section referred to as the 'Sec-

'section of law, demonstration projects conducted under
section 4079 of the Omnibus Budget Reconciliation Act
of 1987 [Pub. L. 100–203, set out as a note below] may be
conducted for an additional period of 2 years, and the
deadline for any report required relating to the results
of such projects shall be not later than 6 months before
the end of such additional period.'

1330–121, as amended by Pub. L. 100–360, title IV,
§ 411(h)(6), July 1, 1988, 102 Stat. 787, provided that:

'(a) In General.—The Secretary of Health and
Human Services (in this section referred to as the 'Sec-
retary') shall enter into an agreement with not less
than four eligible organizations submitting applica-
tions under this section to conduct demonstration
projects to provide payment on a prepaid, capitated
basis for community nursing and ambulatory care fur-
nished to any individual entitled to benefits under part
A and enrolled under part B of title XVIII of the Social
Security Act [42 U.S.C. 1395c et seq., 1395f et seq.] (other
than an individual medically determined to have end-
stage renal disease) who resides in the geographic area
served by the organization and enrolls with such orga-
nization as required with subsection (c)(2).

'(b) Definitions of Community Nursing and Ambu-
latory Care and Eligible Organization.—As used in
this section:

'"(1) The term 'community nursing and ambulatory
care' means the following services:

'"(A) Part-time or intermittent nursing care fur-
ished by or under the supervision of registered
professional nurses.

'"(B) Physical, occupational, or speech therapy.

'"(C) Social and related services supportive of a
plan of ambulatory care.

'"(D) Part-time or intermittent services of a home
health aide.

'"(E) Medical supplies (other than drugs and
biologicals) and durable medical equipment
while under a plan of care.

'"(F) Medical and other health services described
in paragraphs (3)(H)(i) and (5) through (9) of
section 1861(s) of the Social Security Act [42 U.S.C.
1395(s)(2)(H)(i), (5)–(9)].

'"(G) Rural health clinic services described in
sections 1861(a)(11)(C) of such Act [42 U.S.C.
1395(a)(11)(C)].

'"(H) Certain other related services listed in sec-
tion 1915(c)(4)(B) of such Act [42 U.S.C.
1396m(c)(4)(B)] to the extent the Secretary finds
such services are appropriate to prevent the need
for institutionalization of a patient.

'(2) The term 'eligible organization' means a public
or private entity, organized under the laws of any
State, which meets the following requirements:

'"(A) The entity (or a division or part of such en-
tity) is primarily engaged in the direct provision
of community nursing and ambulatory care.

'"(B) The entity provides directly, or through ar-
rangements with other qualified personnel, the
services described in paragraph (1).

'"(C) The entity, which provides that all nursing care
(including services of home health aids) is furnished
by or under the supervision of a registered nurse.

'"(D) The entity provides that all services are fur-
nished by qualified staff and are coordinated by a
registered professional nurse.

'"(E) The entity has policies governing the fur-
nishing of community nursing and ambulatory care
that are developed by registered professional nurses
in cooperation with (as appropriate) other profes-
sionals.

'"(F) The entity maintains clinical records on all
patients and local laws governing the provision of
community nursing and ambulatory care to patients.

'"(G) The entity has protocols and procedures to
assure, when appropriate, timely referral to or con-
sultation with other health care providers or pro-
essionals.

'"(H) The entity complies with applicable State
and local laws governing the provision of commu-
nity nursing and ambulatory care to patients.

'(I) The requirements of subparagraphs (B), (D),
and (E) of section 1876(b)(2) of the Social Security
Act [42 U.S.C. 1395mm(b)(2), (D), (E)]

'(c) Agreements With Eligible Organizations To
Conduct Demonstration Projects.—

'(1) The Secretary may not enter into an agree-
ment with an eligible organization to conduct a dem-
onstration project under this section unless the orga-
nization meets the requirements of this subsection
and subsection (e) with respect to members enrolled
with the organization under this section.

'(2) The organization shall have an open enroll-
ment period for the enrollment of individuals under
this section. The duration of such period of enroll-
ment and any other requirement pertaining to enroll-
ment or termination of enrollment shall be specified
in the agreement with the organization.

'(3) The organization must provide to members en-
rolled with the organization under this section, through
providers and other persons that meet the
applicable requirements of titles XVIII and XIX of the
Social Security Act [42 U.S.C. 1395 et seq., 1396 et
seq.], community nursing and ambulatory care (as
defined in subsection (b)(1)) which is generally available
to individuals residing in the geographic area served
by the organization except that the organization may
provide such members with such additional
health care services as the members may elect, at
their option, to have covered.

'(4) The organization must make community nurs-
ing and ambulatory care (and such other health care
services as such individuals have contracted for)
available and accessible to each individual enrolled
with the organization under this section, within the
area served by the organization, with reasonable
promptness and in a manner which assures contin-
uitv.

'(5) Section 1376(c)(5) of the Social Security Act [42
U.S.C. 1395mm(c)(5)] shall apply to organizations
under this section in the same manner as it applies to
organizations under section 1876 of such Act.

'(6) The organization must have arrangements, es-
tablished in accordance with regulations of the Sec-
retary, for an ongoing quality assurance program for
health care services it provides to such individuals
under the demonstration project conducted under this
section, which program (A) stresses health out-
comes and (B) provides review by health care profes-
sionals of the process followed in the provision of
such health care services.

'(7) Under a demonstration project under this sec-
ction—

'"(A) the Secretary could require the organization
to provide financial or other assurances (including
financial risk-sharing) that minimize the inappro-
priate substitution of other services under title
XVIII of such Act [42 U.S.C. 1395 et seq.] for
community nursing services;

'"(B) if the Secretary determines that the organi-
zation has failed to perform in accordance with the
requirements of the project (including meeting fi-
nancial responsibility requirements under the
project, any pattern of disproportionate or inappro-
priate institutionalization) the Secretary shall,
after notice, terminate the project.

'(d) Determination of Per Capita Payment Rates.—

'(1) The Secretary shall determine for each 12-
month period in which a demonstration project is
conducted under this section, and shall announce (in
a manner intended to provide notice to interested
parties) not later than three months before the begin-
ing of such period, with respect to each eligible or-
organization conducting a demonstration project under
this section, a per capita rate of payment for each
...
class of individuals who are enrolled with such organ-
ization who are entitled to benefits under part A and
enrolled under part B of title XVIII of the Social
].
“(2)(A) Except as provided in paragraph (3), the per
capita rate of payment under paragraph (1) shall be
determined in accordance with this paragraph.
(B) The Secretary shall define appropriate classes
of members, based on age, disability status, and such
other factors as the Secretary determines to be ap-
propriate, so as to ensure actuarial equivalence. The
Secretary may add to, modify, or substitute for any
such classes, if such changes will improve the determi-
nation of actuarial equivalence.
(C) The per capita rate of payment under para-
graph (1) for each such class shall be equal to 95 per-
cent of the adjusted average per capita cost (as de-
 fined in subparagraph (D)) for that class.
(D) For purposes of subparagraph (C), the term
‘adjusted average per capita cost’ means the average
per capita amount that the Secretary estimates in
advance (on the basis of actual experience, or retro-
pective actuarial equivalent) based upon an adequate
sample and other information and data, in a geo-
graphic area served by an eligible organization or in
a similar area, with appropriate adjustments to as-
sure actuarial equivalence; such amount would be payable in any
contract year for those services covered under parts
A and B of title XVIII of the Social Security Act [42
U.S.C. 1395c et seq., 1395j et seq.] and types of ex-
penses otherwise reimbursable under such parts
A and B which are described in subparagraphs (A)
through (G) of subsection (b)(1) (including adminis-
trative costs incurred by organizations described in
sections 1816 and 1842 of such Act [42 U.S.C. 1395h,
1395j]), if the services were to be furnished by other
than an eligible organization.
(3) The Secretary shall, in consultation with pro-
viders, health policy experts, and consumer groups
develop capitation-based reimbursement rates for
such classes of individuals entitled to benefits under
part A and enrolled under part B of the Social Se-
curity Act [probably means parts A and B of title XVIII
of that Act, 42 U.S.C. 1395c et seq., 1395j et seq.] as the
Secretary shall determine. Such rates shall be ap-
plied in determining per capita rates of payment
under paragraph (1) with respect to at least one eligi-
bile organization conducting a demonstration project
under this section.
(4) In the case of an eligible organization con-
ducting a demonstration project under this section,
the Secretary shall make monthly payments in ad-
vance and in accordance with the rate determined
under paragraph (2) or (3), except as provided in sub-
section (e)(3)(B), to the organization for each individ-
ual enrolled with the organization.
(4)(A) The amount of payment under paragraph (2) or
(3) may be retroactively adjusted to take into ac-
count any difference between the actual number of
individuals enrolled in the plan under this section and
the number of such individuals estimated to be so
enrolled in determining the amount of the advance
payment.
(5) The payment to an eligible organization under
this section for individuals enrolled under this sec-
tion with the organization and entitled to benefits
under part A and enrolled under part B of the Social
Security Act shall be made from the Federal Hospital
Insurance Trust Fund and the Federal Supple-
mentary Medical Insurance Trust Fund established
under such Act [42 U.S.C. 301 et seq.] in such propor-
tions from each such trust fund as the Secretary
dees to be fair and equitable taking into consider-
ation benefits attributable to such parts A and B, re-
spectively.
(6) During any period in which an individual is en-
rolled with an eligible organization conducting a
demonstration project under this section, only the el-
igible organization (and no other individual or per-
son) shall be entitled to receive payments from the
Secretary under this title [probably means title
XVIII of the Social Security Act, 42 U.S.C. 1395 et
seq.] for community nursing and ambulatory care (as
defined in subsection (b)(1)) furnished to the individ-
ual.
(6) RESTRICTION ON PREMIUMS, DEDUCTIBLES, CO-
PAYMENTS, AND COINSURANCE
(1) In no case may the portion of an eligible orga-
nization’s premium rate and the actuarial value of its
deductibles, coinsurance, and copayments charged
(with respect to community nursing and ambulatory
care) to individuals who are enrolled under this sec-
tion with the organization, exceed the actuarial value
of the coinsurance and deductibles that would be ap-
plied on the average to individuals enrolled under
this section with the organization (or, if the Sec-
retary finds that adequate data are not available to
determine that actuarial value, the actuarial value of
the coinsurance and deductibles applicable on the av-
erage to individuals in the area, in the State, or in
the United States, eligible to enroll under this sec-
tion with the organization, or other appropriate data)
and entitled to benefits under part A and enrolled
under part B of the Social Security Act [probably
means parts A and B of title XVIII of that Act, 42
U.S.C. 1395c et seq., 1395j et seq.], if they were not
members of an eligible organization.
(2) If the eligible organization provides to its
members enrolled under this section services in addi-
tion to community nursing and ambulatory care,
election of coverage for such additional services
shall be optional for such members and such organization
shall furnish such members with information on the
portions of its premium rate or other charges applica-
table to such additional services. In no case may the
sum of—
“(A) the portion of such organization’s premium
rate charged, with respect to such additional ser-
vices, to members enrolled under this section, and
“(B) the actuarial value of its deductibles, coins-
urance, and copayments charged, with respect to
such services to such members exceed the adjusted
community rate for such services
(as defined in section 1876(e)(3) of the Social
Security Act [42 U.S.C. 1395mm(e)(3)])
(3) The Secretary shall, in consultation with pro-
viders, health policy experts, and consumer groups
develop capitation-based reimbursement rates for
such classes of individuals entitled to benefits under
part A and enrolled under part B of the Social Se-
curity Act [probably means parts A and B of title XVIII
of that Act, 42 U.S.C. 1395c et seq., 1395j et seq.] as the
Secretary shall determine. Such rates shall be ap-
plied in determining per capita rates of payment
under paragraph (1) with respect to at least one eligi-
bile organization conducting a demonstration project
under this section.
(4) The Secretary shall, in consultation with pro-
viders, health policy experts, and consumer groups
develop capitation-based reimbursement rates for
such classes of individuals entitled to benefits under
part A and enrolled under part B of the Social Se-
curity Act [probably means parts A and B of title XVIII
of that Act, 42 U.S.C. 1395c et seq., 1395j et seq.] as the
Secretary shall determine. Such rates shall be ap-
plied in determining per capita rates of payment
under paragraph (1) with respect to at least one eligi-
bile organization conducting a demonstration project
under this section.
(5) The Secretary shall, in consultation with pro-
viders, health policy experts, and consumer groups
develop capitation-based reimbursement rates for
such classes of individuals entitled to benefits under
part A and enrolled under part B of the Social Se-
curity Act [probably means parts A and B of title XVIII
of that Act, 42 U.S.C. 1395c et seq., 1395j et seq.] as the
Secretary shall determine. Such rates shall be ap-
plied in determining per capita rates of payment
under paragraph (1) with respect to at least one eligi-
bile organization conducting a demonstration project
under this section.
(6) The Secretary shall, in consultation with pro-
viders, health policy experts, and consumer groups
develop capitation-based reimbursement rates for
such classes of individuals entitled to benefits under
part A and enrolled under part B of the Social Se-
curity Act [probably means parts A and B of title XVIII
of that Act, 42 U.S.C. 1395c et seq., 1395j et seq.] as the
Secretary shall determine. Such rates shall be ap-
plied in determining per capita rates of payment
under paragraph (1) with respect to at least one eligi-
bile organization conducting a demonstration project
under this section.
(7) The Secretary shall, in consultation with pro-
viders, health policy experts, and consumer groups
develop capitation-based reimbursement rates for
such classes of individuals entitled to benefits under
part A and enrolled under part B of the Social Se-
curity Act [probably means parts A and B of title XVIII
of that Act, 42 U.S.C. 1395c et seq., 1395j et seq.] as the
Secretary shall determine. Such rates shall be ap-
plied in determining per capita rates of payment
under paragraph (1) with respect to at least one eligi-
bile organization conducting a demonstration project
under this section.
(8) The Secretary shall, in consultation with pro-
viders, health policy experts, and consumer groups
develop capitation-based reimbursement rates for
such classes of individuals entitled to benefits under
part A and enrolled under part B of the Social Se-
curity Act [probably means parts A and B of title XVIII
of that Act, 42 U.S.C. 1395c et seq., 1395j et seq.] as the
Secretary shall determine. Such rates shall be ap-
plied in determining per capita rates of payment
under paragraph (1) with respect to at least one eligi-
bile organization conducting a demonstration project
under this section.
withheld and reserved by the Secretary as provided in section 1876(g)(5) of the Social Security Act [42 U.S.C. 1395mm(g)(5)].

The provisions of paragraphs (3), (5), and (6) of section 1876(g) of the Social Security Act [42 U.S.C. 1395mm(g)(3), (5), (6)] shall apply in the same manner to agreements under this section as they apply to risk-sharing contracts under section 1876 of such Act, and, for this purpose, any reference in such paragraphs to paragraph (2) is deemed a reference to paragraph (3) of this subsection.

"(5) Section 1876(e)(4) of the Social Security Act [42 U.S.C. 1395mm(e)(4)] shall apply to eligible organizations under this section in the same manner as it applies to eligible organizations under section 1876 of such Act.

"(f) Commencement and Duration of Projects.—Each demonstration project under this section shall begin not later than July 1, 1989, and shall be conducted for a period of three years.

"(g) Report.—Not later than January 1, 1992, the Secretary shall submit to the Congress a report on the results of the demonstration projects conducted under this section."

STUDY OF AAPOP C AND ACR
Pub. L. 99–509, title IX, § 9312(a), Oct. 21, 1986, 100 Stat. 2001, directed Secretary of Health and Human Services to provide, through contract with an appropriate organization, for a study of methods by which the adjusted average per capita cost ("AAPOP C", as defined in subsec. (a)(4) of this section) can be refined to more accurately reflect the average cost of providing care to different classes of patients, and the adjusted community rate ("ACCR", as defined in subsec. (e)(3) of this section) can be refined, with Secretary to submit to Congress, by not later than Jan. 1, 1988, specific legislative recommendations concerning methods by which the calculation of the AAPOP C and the ACR could be refined.

ALLOWING MEDICARE BENEFICIARIES TO DISENROLL AT LOCAL SOCIAL SECURITY OFFICES

USE OF RESERVE FUNDS
Pub. L. 99–509, title IX, § 9312(c), Oct. 21, 1986, 100 Stat. 2002, provided that: "Notwithstanding any provision of section 1876(g)(5) of the Social Security Act [42 U.S.C. 1395mm(g)(5)] to the contrary, funds reserved by an eligible organization under such section before the date of the enactment of this Act [Oct. 21, 1986] may be applied, at the organization's option, to offset the amount of any reduction in payment amounts to the organization effected under Public Law 99–177 [Dec. 12, 1985, 99 Stat. 1037, see Tables for classification] during fiscal year 1986."

PHASE-IN OF ENROLLMENT PERIOD BY SECRETARY
Pub. L. 98–369, div. B, title III, § 2350(a)(2), July 18, 1984, 98 Stat. 1096, provided that: "The Secretary of Health and Human Services may phase in, over a period of not longer than three years, the application of the amendments made by paragraph (1) [amending this section] to all applicable areas in the United States if the Secretary determines that it is not administratively feasible to establish a single 30-day open enrollment period in such applicable areas before the end of the period."
“(3) If the Secretary determines that the per capita cost of any such organization in any contract year for providing services to individuals described in paragraph (2), when combined with the cost of the Federal Hospital Insurance Trust Fund and the Federal Supplementary Medical Insurance Trust Fund in such year for providing out-of-plan services to such individuals, is less than or greater than the adjusted average per capita cost (as defined in section 1876(a)(3) of such Act [42 U.S.C. 1395mm(a)(3)]) of providing such services, the resulting savings shall be apportioned between such organization and such Trust Funds, or the resulting losses shall be absorbed by such organization, in the manner prescribed in section 1876(a)(3) of such Act [42 U.S.C. 1395mm(a)(3)].”

§ 1395nn. Limitation on certain physician referrals

(a) Prohibition of certain referrals

(1) In general

Except as provided in subsection (b), if a physician (or an immediate family member of such physician) has a financial relationship with an entity specified in paragraph (2), then—

(A) the physician may not make a referral to the entity for the furnishing of designated health services for which payment otherwise may be made under this subchapter, and

(B) the entity may not present or cause to be presented a claim under this subchapter or bill to any individual, third party payor, or other entity for designated health services furnished pursuant to a referral prohibited under subparagraph (A).

(2) Financial relationship specified

For purposes of this paragraph, a financial relationship of a physician (or an immediate family member of such physician) with an entity specified in this paragraph is—

(A) except as provided in subsections (c) and (d), an ownership or investment interest in the entity, or

(B) except as provided in subsection (e), a compensation arrangement (as defined in subsection (h)(1)) between the physician (or an immediate family member of such physician) and the entity.

An ownership or investment interest described in subparagraph (A) may be through equity, debt, or other means and includes an interest in an entity that holds an ownership or investment interest in any entity providing the designated health service.

(b) General exceptions to both ownership and compensation arrangement prohibitions

Subsection (a)(1) shall not apply in the following cases:

(1) Physicians’ services

In the case of physicians’ services (as defined in section 1395x(q) of this title) provided personally by (or under the personal supervision of) another physician in the same group practice (as defined in subsection (h)(4)) as the referring physician.

(2) In-office ancillary services

In the case of services (other than durable medical equipment (excluding infusion pumps) and parenteral and enteral nutrients, equipment, and supplies)—

(A) that are furnished—

(i) personally by the referring physician, personally by a physician who is a member of the same group practice as the referring physician, or personally by individuals who are directly supervised by the physician or by another physician in the group practice, and

(ii)(I) in a building in which the referring physician (or another physician who is a member of the same group practice) furnishes physicians’ services unrelated to the furnishing of designated health services, or

(II) in the case of a referring physician who is a member of a group practice, in another building which is used by the group practice—

(aa) for the provision of some or all of the group’s clinical laboratory services, or

(bb) for the centralized provision of the group’s designated health services (other than clinical laboratory services), unless the Secretary determines other terms and conditions under which the provision of such services does not present a risk of program or patient abuse, and

(B) that are billed by the physician performing or supervising the services, by a group practice of which such physician is a member under a billing number assigned to the group practice, or by an entity that is wholly owned by such physician or such group practice,

if the ownership or investment interest in such services meets such other requirements as the Secretary may impose by regulation as needed to protect against program or patient abuse. Such requirements shall, with respect to magnetic resonance imaging, computed tomography, positron emission tomography, and any other designated health services specified under subsection (h)(6)(D) that the Secretary determines appropriate, include a requirement that the referring physician inform the individual in writing at the time of the referral that the individual may obtain the services for which the individual is being referred from a person other than a person described in subparagraph (A)(i) and provide such individual with a written list of suppliers (as defined in section 1395x(d) of this title) who furnish such services in the area in which such individual resides.

(3) Prepaid plans

In the case of services furnished by an organization—

(A) with a contract under section 1395mm of this title to an individual enrolled with the organization,

(B) described in section 1395f(a)(1)(A) of this title to an individual enrolled with the organization,

(C) receiving payments on a prepaid basis, under a demonstration project under section 1395b–1(a) of this title or under section 222(a) of the Social Security Amendments of 1972, to an individual enrolled with the organization,
(D) that is a qualified health maintenance organization (within the meaning of section 300e–9(d) of this title) to an individual enrolled with the organization, or

(E) that is a Medicare+Choice organization under part C that is offering a coordinated care plan described in section 1395w–21(a)(2)(A) of this title to an individual enrolled with the organization.

(4) Other permissible exceptions

In the case of any other financial relationship which the Secretary determines, and specifies in regulations, does not pose a risk of program or patient abuse.

(5) Electronic prescribing

An exception established by regulation under section 1395w–104(e)(6) of this title.\(^1\)

(c) General exception related only to ownership or investment prohibition for ownership in publicly traded securities and mutual funds

Ownership of the following shall not be considered to be an ownership or investment interest described in subsection (a)(2)(A):

(1) Ownership of investment securities (including shares or bonds, debentures, notes, or other debt instruments) which may be purchased on terms generally available to the public and which are—

(A)(i) securities listed on the New York Stock Exchange, the American Stock Exchange, or any regional exchange in which quotations are published on a daily basis, or foreign securities listed on a recognized foreign, national, or regional exchange in which quotations are published on a daily basis, or

(ii) traded under an automated interdealer quotation system operated by the National Association of Securities Dealers, and

(B) in a corporation that had, at the end of the corporation’s most recent fiscal year, or on average during the previous 3 fiscal years, stockholder equity exceeding $75,000,000.

(2) Ownership of shares in a regulated investment company as defined in section 851(a) of the Internal Revenue Code of 1986, if such company had, at the end of the company’s most recent fiscal year, or on average during the previous 3 fiscal years, total assets exceeding $75,000,000.

(d) Additional exceptions related only to ownership or investment prohibition

The following, if not otherwise excepted under subsection (b), shall not be considered to be an ownership or investment interest described in subsection (a)(2)(A):

(1) Hospitals in Puerto Rico

In the case of designated health services provided by a hospital located in Puerto Rico.

(2) Rural providers

In the case of designated health services furnished in a rural area (as defined in section 1395ww(d)(2)(D) of this title) by an entity, if—

(A) substantially all of the designated health services furnished by the entity are furnished to individuals residing in such a rural area;

(B) effective for the 18-month period beginning on December 8, 2003, the entity is not a specialty hospital (as defined in subsection (h)(7)); and

(C) in the case where the entity is a hospital, the hospital meets the requirements of paragraph (3)(D).

(3) Hospital ownership

In the case of designated health services provided by a hospital (other than a hospital described in paragraph (1)) if—

(A) the referring physician is authorized to perform services at the hospital;

(B) effective for the 18-month period beginning on December 8, 2003, the hospital is not a specialty hospital (as defined in subsection (h)(7));

(C) the ownership or investment interest is in the hospital itself (and not merely in a subdivision of the hospital); and

(D) the hospital meets the requirements described in subsection (i)(1) not later than 18 months after March 23, 2010.

(e) Exceptions relating to other compensation arrangements

The following shall not be considered to be a compensation arrangement described in subsection (a)(2)(B):

(1) Rental of office space; rental of equipment

(A) Office space

Payments made by a lessee to a lessor for the use of premises if—

(i) the lease is set out in writing, signed by the parties, and specifies the premises covered by the lease,

(ii) the space rented or leased does not exceed that which is reasonable and necessary for the legitimate business purposes of the lease or rental and is used exclusively by the lessee when being used by the lessee, except that the lessee may make payments for the use of space consisting of common areas if such payments do not exceed the lessee’s pro rata share of expenses for such space based upon the ratio of the space used exclusively by the lessee to the total amount of space (other than common areas) occupied by all persons using such common areas,

(iii) the lease provides for a term of rental or lease for at least 1 year,

(iv) the rental charges over the term of the lease are set in advance, are consistent with fair market value, and are not determined in a manner that takes into account the volume or value of any referrals or other business generated between the parties,

(v) the lease would be commercially reasonable even if no referrals were made between the parties, and

(vi) the lease meets such other requirements as the Secretary may impose by regulation as needed to protect against program or patient abuse.

\(^1\) See References in Text note below.
(B) Equipment
Payments made by a lessee of equipment to the lessor of the equipment for the use of the equipment if—
(i) the lease is set out in writing, signed by the parties, and specifies the equipment covered by the lease,
(ii) the equipment rented or leased does not exceed that which is reasonable and necessary for the legitimate business purposes of the lease or rental and is used exclusively by the lessee when being used by the lessee,
(iii) the lease provides for a term of rental or lease of at least 1 year,
(iv) the rental charges over the term of the lease are set in advance, are consistent with fair market value, and are not determined in a manner that takes into account the volume or value of any referrals or other business generated between the parties,
(v) the lease would be commercially reasonable even if no referrals were made between the parties, and
(vi) the lease meets such other requirements as the Secretary may impose by regulation as needed to protect against program or patient abuse.

(C) Holdover lease arrangements
In the case of a holdover lease arrangement for the lease of office space or equipment, which immediately follows a lease arrangement described in subparagraph (A) for the use of such office space or subparagraph (B) for the use of equipment, or other business generated between the parties,
(i) the lease arrangement met the conditions of subparagraph (A) for the lease of office space or subparagraph (B) for the use of equipment when the arrangement expired;
(ii) the holdover lease arrangement is on the same terms and conditions as the immediately preceding arrangement; and
(iii) the holdover lease arrangement continues to satisfy the conditions of subparagraph (A) for the lease of office space or subparagraph (B) for the use of equipment.

(2) Bonafide employment relationships
Any amount paid by an employer to a physician (or an immediate family member of such physician) who has a bona fide employment relationship with the employer for the provision of services if—
(A) the employment is for identifiable services,
(B) the amount of the remuneration under the employment—
(i) is consistent with the fair market value of the services, and
(ii) is not determined in a manner that takes into account (directly or indirectly) the volume or value of any referrals by the referring physician,
(C) the remuneration is provided pursuant to an agreement which would be commercially reasonable even if no referrals were made to the employer, and
(D) the employment meets such other requirements as the Secretary may impose by regulation as needed to protect against program or patient abuse.

Subparagraph (B)(ii) shall not prohibit the payment of remuneration in the form of a productivity bonus based on services performed personally by the physician (or an immediate family member of such physician).

(3) Personal service arrangements
(A) In general
Remuneration from an entity under an arrangement (including remuneration for specific physicians' services furnished to a non-profit blood center) if—
(i) the arrangement is set out in writing, signed by the parties, and specifies the services covered by the arrangement,
(ii) the arrangement covers all of the services to be provided by the physician (or an immediate family member of such physician) to the entity,
(iii) the aggregate services contracted for do not exceed those that are reasonable and necessary for the legitimate business purposes of the arrangement,
(iv) the term of the arrangement is for at least 1 year,
(v) the compensation to be paid over the term of the arrangement is set in advance, does not exceed fair market value, and except in the case of a physician incentive plan described in subparagraph (B), is not determined in a manner that takes into account the volume or value of any referrals or other business generated between the parties,
(vi) the services to be performed under the arrangement do not involve the counseling or promotion or a business arrangement or other activity that violates any State or Federal law, and
(vii) the arrangement meets such other requirements as the Secretary may impose by regulation as needed to protect against program or patient abuse.

(B) Physician incentive plan exception
(i) In general
In the case of a physician incentive plan (as defined in clause (ii)) between a physician and an entity, the compensation may be determined in a manner (through a withhold, capitation, bonus, or otherwise) that takes into account directly or indirectly the volume or value of any referrals or other business generated between the parties, if the plan meets the following requirements:
(I) No specific payment is made directly or indirectly under the plan to a physician or a physician group as an inducement to reduce or limit medically necessary services provided with respect to a specific individual enrolled with the entity.
(II) In the case of a plan that places a physician or a physician group at sub-
§ 1395nn  TITLE 42—THE PUBLIC HEALTH AND WELFARE  Page 3378

In the case of a holdover personal service arrangement, which immediately follows an arrangement described in subparagraph (A) that expired after a term of at least 1 year, remuneration from an entity pursuant to such holdover personal service arrangement, if—

(i) the personal service arrangement met the conditions of subparagraph (A) when the arrangement expired;

(ii) the holdover personal service arrangement is on the same terms and conditions as the immediately preceding arrangement; and

(iii) the holdover arrangement continues to satisfy the conditions of subparagraph (A).

(4) Remuneration unrelated to the provision of designated health services

In the case of remuneration which is provided by a hospital to a physician if such remuneration does not relate to the provision of designated health services.

(5) Physician recruitment

In the case of remuneration which is provided by a hospital to a physician to induce the physician to relocate to the geographic area served by the hospital in order to be a member of the medical staff of the hospital, if—

(A) the physician is not required to refer patients to the hospital,

(B) the amount of the remuneration under the arrangement is not determined in a manner that takes into account (directly or indirectly) the volume or value of any referrals by the referring physician, and

(C) the arrangement meets such other requirements as the Secretary may impose by regulation as needed to protect against program or patient abuse.

(6) Isolated transactions

In the case of an isolated financial transaction, such as a one-time sale of property or practice, if—

(A) the requirements described in subparagraphs (B) and (C) of paragraph (2) are met with respect to the entity in the same manner as they apply to an employer, and

(B) the transaction meets such other requirements as the Secretary may impose by regulation as needed to protect against program or patient abuse.

(7) Certain group practice arrangements with a hospital

(A) In general

An arrangement between a hospital and a group under which designated health services are provided by the group but are billed by the hospital if—

(i) with respect to services provided to an inpatient of the hospital, the arrangement is pursuant to the provision of inpatient hospital services under section 1395x(b)(3) of this title,

(ii) the arrangement began before December 19, 1989, and has continued in effect without interruption since such date,

(iii) with respect to the designated health services covered under the arrangement, substantially all of such services furnished to patients of the hospital are furnished by the group under the arrangement,

(iv) the arrangement is pursuant to an agreement that is set out in writing and that specifies the services to be provided by the parties and the compensation for services provided under the agreement,

(v) the compensation paid over the term of the agreement is consistent with fair market value and the compensation per unit of services is fixed in advance and is not determined in a manner that takes into account the volume or value of any referrals or other business generated between the parties,

(vi) the compensation is provided pursuant to an agreement which would be commercially reasonable even if no referrals were made to the entity, and

(vii) the arrangement between the parties meets such other requirements as the Secretary may impose by regulation as needed to protect against program or patient abuse.

(B) Payments by a physician for items and services

Payments made by a physician—

(A) to a laboratory in exchange for the provision of clinical laboratory services, or

(B) to an entity as compensation for other items or services if the items or services are furnished at a price that is consistent with fair market value.

(f) Reporting requirements

Each entity providing covered items or services for which payment may be made under this subchapter shall provide the Secretary with the information concerning the entity’s ownership, investment, and compensation arrangements, including—

So in original. No subpar. (B) has been enacted.
(1) the covered items and services provided by the entity, and
(2) the names and unique physician identification numbers of all physicians with an ownership or investment interest (as described in subsection (a)(2)(A)), or with a compensation arrangement (as described in subsection (a)(2)(B)), in the entity, or whose immediate relatives have such an ownership or investment interest or who have such a compensation relationship with the entity.

Such information shall be provided in such form, manner, and at such times as the Secretary shall specify. The requirement of this subsection shall not apply to designated health services provided outside the United States or to entities which the Secretary determines provides services for which payment may be made under this subchapter very infrequently.

(g) Sanctions

(1) Denial of payment

No payment may be made under this subchapter for a designated health service which is provided in violation of subsection (a)(1).

(2) Requiring refunds for certain claims

If a person collects any amounts that were billed in violation of subsection (a)(1), the person shall be liable to the individual for, and shall refund on a timely basis to the individual, any amounts so collected.

(3) Civil money penalty and exclusion for improper claims

Any person that presents or causes to be presented a bill or a claim for a service that such person knows or should know is for a service for which payment may not be made under paragraph (1) or for which a refund has not been made under paragraph (2) shall be subject to a civil money penalty of not more than $15,000 for each such service. The provisions of section 1320a–7a of this title (other than the first sentence of subsection (a) and other than subsection (b)) shall apply to a civil money penalty under the previous sentence in the same manner as such provisions apply to a penalty or proceeding under section 1320a–7a(a) of this title.

(4) Civil money penalty and exclusion for circumvention schemes

Any physician or other entity that enters into an arrangement or scheme (such as a cross-referral arrangement) which the physician or entity knows or should know has a principal purpose of assuring referrals by the physician to a particular entity which, if the physician directly made referrals to such entity, would be in violation of this section, shall be subject to a civil money penalty of not more than $100,000 for each such arrangement or scheme. The provisions of section 1320a–7a of this title (other than the first sentence of subsection (a) and other than subsection (b)) shall apply to a civil money penalty under the previous sentence in the same manner as such provisions apply to a penalty or proceeding under section 1320a–7a(a) of this title.

(h) Definitions and special rules

For purposes of this section:

(1) Compensation arrangement; remuneration

(A) The term “compensation arrangement” means any arrangement involving any remuneration between a physician (or an immediate family member of such physician) and an entity other than an arrangement involving only remuneration described in subparagraph (C).

(B) The term “remuneration” includes any remuneration, directly or indirectly, overtly or covertly, in cash or in kind.

(C) Remuneration described in this subparagraph is any remuneration consisting of any of the following:

(i) The forgiveness of amounts owed for inaccurate tests or procedures, mistakenly performed tests or procedures, or the correction of minor billing errors.

(ii) The provision of items, devices, or supplies that are used solely to—

So in original. Probably should be “provide”. 
(I) collect, transport, process, or store specimens for the entity providing the item, device, or supply, or
(II) order or communicate the results of tests or procedures for such entity.

(iii) A payment made by an insurer or a self-insured plan to a physician to satisfy a claim, submitted on a fee for service basis, for the furnishing of health services by that physician to an individual who is covered by a policy with the insurer or by the self-insured plan, if—

(I) the health services are not furnished, and the payment is not made, pursuant to a contract or other arrangement between the insurer or the plan and the physician,

(II) the payment is made to the physician on behalf of the covered individual and would otherwise be made directly to such individual,

(III) the amount of the payment is set in advance, does not exceed fair market value, and is not determined in a manner that takes into account directly or indirectly the volume or value of any referrals, and

(IV) the payment meets such other requirements as the Secretary may impose by regulation as needed to protect against program or patient abuse.

(D) WRITTEN REQUIREMENT CLARIFIED.—In the case of any requirement pursuant to this section for a compensation arrangement to be in writing, such requirement shall be satisfied by such means as determined by the Secretary, including by a collection of documents, including contemporaneous documents evidencing the course of conduct between the parties involved.

(E) SPECIAL RULE FOR SIGNATURE REQUIREMENTS.—In the case of any requirement pursuant to this section for a compensation arrangement to be in writing and signed by the parties, such signature requirement shall be met if—

(i) not later than 90 consecutive calendar days immediately following the date on which the compensation arrangement became noncompliant, the parties obtain the required signatures; and

(ii) the compensation arrangement otherwise complies with all criteria of the applicable exception.

(2) EMPLOYEE

An individual is considered to be “employed by” or an “employee” of an entity if the individual would be considered to be an employee of the entity under the usual common law rules applicable in determining the employer-employee relationship (as applied for purposes of section 3121(d)(2) of the Internal Revenue Code of 1986).

(3) FAIR MARKET VALUE

The term “fair market value” means the value in arms length transactions, consistent with the general market value, and, with respect to rentals or leases, the value of rental property for general commercial purposes (not taking into account its intended use) and, in the case of a lease of space, not adjusted to reflect the additional value the prospective lessee or lessor would attribute to the proximity or convenience to the lessor where the lessor is a potential source of patient referrals to the lessee.

(4) GROUP PRACTICE

(A) DEFINITION OF GROUP PRACTICE

The term “group practice” means a group of 2 or more physicians legally organized as a partnership, professional corporation, foundation, not-for-profit corporation, faculty practice plan, or similar association—

(i) in which each physician who is a member of the group provides substantially the full range of services which the physician routinely provides, including medical care, consultation, diagnosis, or treatment, through the joint use of shared office space, facilities, equipment and personnel,

(ii) for which substantially all of the services of the physicians who are members of the group are provided through the group and are billed under a billing number assigned to the group and amounts so received are treated as receipts of the group,

(iii) in which the overhead expenses of and the income from the practice are distributed in accordance with methods previously determined,

(iv) except as provided in subparagraph (B)(i), in which no physician who is a member of the group directly or indirectly receives compensation based on the volume or value of referrals by the physician,

(v) in which members of the group personally conduct no less than 75 percent of the physician-patient encounters of the group practice, and

(vi) which meets such other standards as the Secretary may impose by regulation.

(B) SPECIAL RULES

(i) PROFITS AND PRODUCTIVITY BONUSES

A physician in a group practice may be paid a share of overall profits of the group, or a productivity bonus based on services personally performed or services incident to such personally performed services, so long as the share or bonus is not determined in any manner which is directly related to the volume or value of referrals by such physician.

(ii) FACULTY PRACTICE PLANS

In the case of a faculty practice plan associated with a hospital, institution of higher education, or medical school with an approved medical residency training program in which physician members may provide a variety of different specialty services and provide professional services both within and outside the group, as well as perform other tasks such as research, subparagraph (A) shall be applied only with respect to the services provided within the faculty practice plan.
(5) Referral; referring physician

(A) Physicians’ services

Except as provided in subparagraph (C), in the case of an item or service for which payment may be made under part B, the request by a physician for the item or service, including the request by a physician for a consultation with another physician (and any test or procedure ordered by, or to be performed by (or under the supervision of) that other physician), constitutes a “referral” by a “referring physician”.

(B) Other items

Except as provided in subparagraph (C), the request or establishment of a plan of care by a physician which includes the provision of the designated health service constitutes a “referral” by a “referring physician”.

(C) Clarification respecting certain services integral to a consultation by certain specialists

A request by a pathologist for clinical diagnostic laboratory tests and pathological examination services, a request by a radiologist for diagnostic radiology services, and a request by a radiation oncologist for radiation therapy, if such services are furnished by (or under the supervision of) such pathologist, radiologist, or radiation oncologist pursuant to a consultation requested by another physician does not constitute a “referral” by a “referring physician”.

(6) Designated health services

The term “designated health services” means any of the following items or services:

(A) Clinical laboratory services.

(B) Physical therapy services.

(C) Occupational therapy services.

(D) Radiology services, including magnetic resonance imaging, computerized axial tomography scans, and ultrasound services.

(E) Radiation therapy services and supplies.

(F) Durable medical equipment and supplies.

(G) Parenteral and enteral nutrients, equipment, and supplies.

(H) Prosthetics, orthotics, and prosthetic devices and supplies.

(I) Home health services.

(J) Outpatient prescription drugs.

(K) Inpatient and outpatient hospital services.

(L) Outpatient speech-language pathology services.

(7) Specialty hospital

(A) In general

For purposes of this section, except as provided in subparagraph (B), the term “specialty hospital” means a subsection (d) hospital (as defined in section 1395ww(d)(1)(B) of this title) that is primarily or exclusively engaged in the care and treatment of one of the following categories:

(i) Patients with a cardiac condition.

(ii) Patients with an orthopedic condition.

(iii) Patients receiving a surgical procedure.

(iv) Any other specialized category of services that the Secretary designates as inconsistent with the purpose of permitting physician ownership and investment interests in a hospital under this section.

(B) Exception

For purposes of this section, the term “specialty hospital” does not include any hospital—

(i) determined by the Secretary—

(I) to be in operation before November 18, 2003; or

(II) under development as of such date;

(ii) for which the number of physician investors at any time on or after such date is no greater than the number of such investors as of such date;

(iii) for which the type of categories described in subparagraph (A) at any time on or after such date is no different than the type of such categories as of such date;

(iv) for which any increase in the number of beds occurs only in the facilities on the main campus of the hospital and does not exceed 50 percent of the number of beds in the hospital as of November 18, 2003, or 5 beds, whichever is greater; and

(v) that meets such other requirements as the Secretary may specify.

(i) Requirements for hospitals to qualify for rural provider and hospital exception to ownership or investment prohibition

(1) Requirements described

For purposes of subsection (d)(3)(D), the requirements described in this paragraph for a hospital are as follows:

(A) Provider agreement

The hospital had—

(i) physician ownership or investment on December 31, 2010; and

(ii) a provider agreement under section 1395cc of this title in effect on such date.

(B) Limitation on expansion of facility capacity

Except as provided in paragraph (3), the number of operating rooms, procedure rooms, and beds for which the hospital is licensed at any time on or after March 23, 2010, is no greater than the number of operating rooms, procedure rooms, and beds for which the hospital is licensed as of such date.

(C) Preventing conflicts of interest

(i) The hospital submits to the Secretary an annual report containing a detailed description of—

(I) the identity of each physician owner or investor and any other owners or investors of the hospital; and

(II) the nature and extent of all ownership and investment interests in the hospital.

(ii) The hospital has procedures in place to require that any referring physician owner
or investor discloses to the patient being referred, by a time that permits the patient to make a meaningful decision regarding the receipt of care, as determined by the Secretary—

(I) the ownership or investment interest, as applicable, of such referring physician in the hospital; and

(II) if applicable, any such ownership or investment interest of the treating physician.

(iii) The hospital does not condition any physician ownership or investment interests either directly or indirectly on the physician owner or investor making or influencing referrals to the hospital or otherwise generating business for the hospital.

(iv) The hospital discloses the fact that the hospital is partially owned or invested in by physicians—

(I) on any public website for the hospital; and

(II) in any public advertising for the hospital.

(D) Ensuring bona fide investment

(i) The percentage of the total value of the ownership or investment interests held in the hospital, or in an entity whose assets include the hospital, by physician owners or investors in the aggregate does not exceed such percentage as of March 23, 2010.

(ii) Any ownership or investment interests that the hospital offers to a physician owner or investor are not offered on more favorable terms than the terms offered to a person who is not a physician owner or investor.

(iii) The hospital (or any owner or investor in the hospital) does not directly or indirectly provide loans or financing for any investment in the hospital by a physician owner or investor.

(iv) The hospital (or any owner or investor in the hospital) does not directly or indirectly guarantee a loan, make a payment toward a loan, or otherwise subsidize a loan, for any individual physician owner or investor or group of physician owners or investors that is related to acquiring any ownership or investment interest in the hospital.

(v) Ownership or investment returns are distributed to each owner or investor in the hospital in an amount that is directly proportional to the ownership or investment interest of such owner or investor in the hospital.

(vi) Physician owners and investors do not receive, directly or indirectly, any guaranteed receipt of or right to purchase other business interests related to the hospital, including the purchase or lease of any property under the control of other owners or investors in the hospital or located near the premises of the hospital.

(vii) The hospital does not offer a physician owner or investor the opportunity to purchase or lease any property under the control of the hospital or any other owner or investor in the hospital on more favorable terms than the terms offered to an individual who is not a physician owner or investor.

(E) Patient safety

(i) Insofar as the hospital admits a patient and does not have any physician available on the premises to provide services during all hours in which the hospital is providing services to such patient, before admitting the patient—

(I) the hospital discloses such fact to a patient; and

(II) following such disclosure, the hospital receives from the patient a signed acknowledgment that the patient understands such fact.

(ii) The hospital has the capacity to—

(I) provide assessment and initial treatment for patients; and

(II) refer and transfer patients to hospitals with the capability to treat the needs of the patient involved.

(F) Limitation on application to certain converted facilities

The hospital was not converted from an ambulatory surgical center to a hospital on or after March 23, 2010.

(2) Publication of information reported

The Secretary shall publish, and update on an annual basis, the information submitted by hospitals under paragraph (1)(C)(i) on the public Internet website of the Centers for Medicare & Medicaid Services.

(3) Exception to prohibition on expansion of facility capacity

(A) Process

(i) Establishment

The Secretary shall establish and implement a process under which a hospital that is an applicable hospital (as defined in subparagraph (F)) or is a high Medicaid facility described in subparagraph (F) may apply for an exception from the requirement under paragraph (1)(B).

(ii) Opportunity for community input

The process under clause (i) shall provide individuals and entities in the community in which the applicable hospital applying for an exception is located with the opportunity to provide input with respect to the application.

(iii) Timing for implementation

The Secretary shall implement the process under clause (i) on February 1, 2012.

(iv) Regulations

Not later than January 1, 2012, the Secretary shall promulgate regulations to carry out the process under clause (i).

(B) Frequency

The process described in subparagraph (A) shall permit an applicable hospital to apply for an exception up to once every 2 years.

(C) Permitted increase

(i) In general

Subject to clause (ii) and subparagraph (D), an applicable hospital granted an exception under the process described in sub-
paragraph (A) may increase the number of operating rooms, procedure rooms, and beds for which the applicable hospital is licensed above the baseline number of operating rooms, procedure rooms, and beds of the applicable hospital (or, if the applicable hospital has been granted a previous exception under this paragraph, above the number of operating rooms, procedure rooms, and beds for which the hospital is licensed after the application of the most recent increase under such an exception).

(ii) 100 percent increase limitation
The Secretary shall not permit an increase in the number of operating rooms, procedure rooms, and beds for which an applicable hospital is licensed under clause (i) to the extent such increase would result in the number of operating rooms, procedure rooms, and beds for which the applicable hospital is licensed exceeding 200 percent of the baseline number of operating rooms, procedure rooms, and beds of the applicable hospital.

(iii) Baseline number of operating rooms, procedure rooms, and beds
In this paragraph, the term “baseline number of operating rooms, procedure rooms, and beds” means the number of operating rooms, procedure rooms, and beds for which the applicable hospital is licensed as of March 23, 2010 (or, in the case of a hospital that did not have a provider agreement in effect as of such date but does have such an agreement in effect on December 31, 2010, the effective date of such provider agreement).

(D) Increase limited to facilities on the main campus of the hospital
Any increase in the number of operating rooms, procedure rooms, and beds for which an applicable hospital is licensed pursuant to this paragraph may only occur in facilities on the main campus of the applicable hospital.

(E) Applicable hospital
In this paragraph, the term “applicable hospital” means a hospital—

(i) that is located in a county in which the percentage increase in the population during the most recent 5-year period (as of the date of the application under subparagraph (A)) is at least 150 percent of the percentage increase in the population growth of the State in which the hospital is located during that period, as estimated by Bureau of the Census;

(ii) whose annual percent of total inpatient admissions that represent inpatient admissions under subchapter XIX is at least 150 percent of the percentage increase in the number of operating rooms, angiographies, angiograms, and endoscopies performed, except such term shall not include emergency rooms or departments (exclusive of rooms in which catheterizations, angiographies, angiograms, and endoscopies are performed).

(F) High Medicaid facility described
A high Medicaid facility described in this subparagraph is a hospital that—

(i) is not the sole hospital in a county;

(ii) with respect to each of the 3 most recent years for which data are available, has an annual percent of total inpatient admissions that represent inpatient admissions under subchapter XIX that is estimated to be greater than such percent with respect to such admissions for any other hospital located in the county in which the hospital is located; and

(iii) meets the conditions described in subparagraph (E)(iii).

(G) Procedure rooms
In this subsection, the term “procedure rooms” includes rooms in which catheterizations, angiographies, angiograms, and endoscopies are performed, except such term shall not include emergency rooms or departments (exclusive of rooms in which catheterizations, angiographies, angiograms, and endoscopies are performed).

(H) Publication of final decisions
Not later than 60 days after receiving a complete application under this paragraph, the Secretary shall publish in the Federal Register the final decision with respect to such application.

(I) Limitation on review
There shall be no administrative or judicial review under section 1395ff of this title, section 1395oo of this title, or otherwise of the process under this paragraph (including the establishment of such process).

(4) Collection of ownership and investment information
For purposes of subparagraphs (A)(i) and (D)(i) of paragraph (1), the Secretary shall collect physician ownership and investment information for each hospital.

(5) Physician owner or investor defined
For purposes of this subsection, the term “physician owner or investor” means a physician (or an immediate family member of such physician) with a direct or an indirect ownership or investment interest in the hospital.

(6) Clarification
Nothing in this subsection shall be construed as preventing the Secretary from revoking a hospital’s provider agreement if not in compliance with regulations implementing section 1395cc of this title.


References In Text


Subsection (b)(3)(C) is classified generally to Title 26, Internal Revenue Code.

Prior Provisions


2001—Subsec. (b)(2). Pub. L. 108–173, § 507(a)(2), amended heading and text of par. (2) generally. Prior to amendment, text read as follows: “In the case of designated health services furnished in a rural area (as defined in section 1395vv–10 of this title), the Secretary may waive such requirements with respect to the provider of such services if the Secretary determines that such services are substantially all of the designated health services furnished by such entity are furnished to individuals residing in such a rural area.”

Subsec. (b)(3)(B), (C), Pub. L. 108–173, § 507(a)(1)(A), added subpar. (B) and redesignated former subpar. (B) as (C).


1998—Subsec. (b)(3)(B). Pub. L. 106–113, § 5000(a)(6) (title V, § 524(a)(3)), which directed addition of provisions at end of par. (3) but which separated directly language intended to be added because of the apparent placement of sequence of provisions, (2) and (3) of § 524(a), was executed by adding subpar. (E) at end (par. (3) to reflect the probable intent of Congress).


1996—Subsec. (i). Pub. L. 103–432, § 152(a)(1), (4), (5), in introductory provisions, substituted “ownership, investment, and compensation arrangements” for “ownership arrangements”, and in closing provisions, substituted “designated health services” for “covered items and services” and struck out “Such information shall be provided not later than October 1, 1991.” after “shall specify.” and “The Secretary may waive the requirements of this subsection (and the requirements of section 35 of title 44 with respect to information provided under this subsection) with respect to reporting by entities in a State (except for entities providing designated health services) so long as such reporting occurs in at least 10 States, and the Secretary may waive such requirements with respect to the providers in a State required to report so long as such requirements are not waived with respect to parenteral and enteral suppliers, end stage renal disease facilities, suppliers of ambulance services, hospitals, entities providing physical therapy services, and entities providing diagnostic imaging services of any type.” at end.
Subsec. (f)(2). Pub. L. 103–432, §152(a)(2), (3), inserted ‘‘or with a compensation arrangement (as described in subsection (a)(2)(B),’’ after ‘‘investment interest (as described in subsection (a)(2)(A))’’ and ‘‘interest or who have such a compensation relationship with the entity’’ before period at end.

Subsec. (b)(6). Pub. L. 103–432, §152(b), in subpar. (D), substituted ‘‘services, including magnetic resonance imaging, computerized axial tomography scans, and ultrasound services’’ for ‘‘or other diagnostic services’’, and inserted ‘‘and supplies’’ before period at end before period at end.

1993—Subsecs. (a) to (e). Pub. L. 103–66, §13562(a)(1), amended headings and text of subsecs. (a) to (e) generally, substituting present provisions for provisions which related to: prohibition of certain referrals in subsec. (a), general exceptions to both ownership and compensation arrangement prohibitions in subsec. (b), general exception related only to ownership or investment prohibition for ownership in publicly-traded securities in subsec. (c), additional exceptions related only to ownership or investment prohibition in subsec. (d), and exceptions relating to other compensation arrangements in subsec. (e).


Subsec. (g)(1). Pub. L. 103–66, §13562(a)(4), substituted ‘‘designated health service’’ for ‘‘clinical laboratory service’’.

Subsec. (h). Pub. L. 103–66, §13562(a)(2), amended heading and text of subsec. (h) generally, substituting pars. (1) to (6) for former pars. (1) to (7) which defined ‘‘compensation arrangement’’, ‘‘remuneration’’, ‘‘employee’’, ‘‘fair market value’’, ‘‘group practice’’, ‘‘investor’’, ‘‘interested investor’’, ‘‘disinterested investor’’, ‘‘referral’’, and ‘‘referring physician’’.


Subsec. (f). Pub. L. 100–508, §4207(e)(3)(B), (C), formerly §4027(e)(3)(B), (C), as renumbered by Pub. L. 103–432, §160(d)(4), substituted ‘‘October 1, 1991’’ for ‘‘1 year after December 19, 1989’’ in third sentence and inserted at end ‘‘The requirement of this subsection shall not apply to covered items and services provided outside the United States or to entities which the Secretary determines provides services for which payment may be made under this subchapter very infrequently. The Secretary may waive the requirements of this subsection (and the requirements of chapter 35 of title 44 with respect to information provided under this subsection) with respect to reporting by entities in a State (except for entities providing clinical laboratory services) so long as such reporting occurs in at least 10 States, and the Secretary may waive such requirements with respect to the providers in a State required to report so long as such requirements are not waived with respect to parenteral and enteral suppliers, end-stage renal disease facilities, suppliers of ambulance services, hospitals, entities providing physical therapy services, and entities providing diagnostic imaging services of any type.’’

Subsec. (f)(2). Pub. L. 101–508, §4207(e)(3)(A), formerly §4027(e)(3)(A), as renumbered by Pub. L. 103–432, §160(d)(4), amended par. (2) generally. Prior to amendment, par. (2) read as follows: ‘‘the names and all of the Medicare provider numbers of the physicians who are interested investors or who are immediate relatives of interested investors.’’

Subsec. (g)(5). Pub. L. 101–508, §4207(k)(2), formerly §4027(k)(2), as renumbered by Pub. L. 103–432, §160(d)(4), inserted at end ‘‘The provisions of section 1335a–7a of this title (other than the first sentence of subsection (a) and other than subsection (b)) shall apply to a civil money penalty under the previous sentence in the same manner as such provisions apply to a penalty or proceeding under section 1335a–7a.’’


Pub. L. 101–508, §4207(e)(1)(A), (B), formerly §4027(e)(1)(A), (B), as redesignated by Pub. L. 103–432, §160(d)(4), substituted ‘‘in the case of an item or service for which payment may be made under part B of this subchapter, the request by a physician for the item or service, for ‘‘in the case of a clinical laboratory service which under law is required to be provided by (or under the supervision of a) physician, a request by a physician for the service,’’ in subpar. (A) and struck out ‘‘in the case of another clinical laboratory service,’’ after ‘‘paragraph (C),’’ in subpar. (B).


CHANGE OF NAME

References to Medicare+Choice deemed to refer to Medicare Advantage or MA, subject to an appropriate transition provided by the Secretary of Health and Human Services in the use of those terms, see section 201 of Pub. L. 108–173, set out as a note under section 1395w–21 of this title.

EFFECTIVE DATE OF 2010 AMENDMENT

Pub. L. 111–148, title VI, §6003(b), Mar. 23, 2010, 124 Stat. 697, provided that: ‘‘The amendment made by this section [amending this section] shall apply to services furnished on or after January 1, 2010.’’

EFFECTIVE DATE OF 2008 AMENDMENT

Amendment by Pub. L. 110–275 applicable to services furnished on or after July 1, 2009, see section 143(c) of Pub. L. 110–275, set out as a note under section 1395k of this title.

EFFECTIVE DATE OF 1999 AMENDMENT

Pub. L. 106–113, div. B, §1000(a)(6) [title V, §524(b)], Nov. 29, 1999, 113 Stat. 1356, 1501A–388, provided that: ‘‘The amendment made by this section [amending this section] shall apply to services furnished on or after the date of the enactment of this Act [Nov. 29, 1999].’’

EFFECTIVE DATE OF 1994 AMENDMENT

Pub. L. 103–432, title I, §112(d)(1), Oct. 31, 1994, 108 Stat. 4437, provided that: ‘‘(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section [amending this section] shall apply to referrals made on or after January 1, 1995.’’

EFFECTIVE DATE OF 1993 AMENDMENT


‘‘(A) made on or after January 1, 1992, in the case of clinical laboratory services, and

‘‘(B) made after December 31, 1994, in the case of other designated health services.

‘‘(2) EXCEPTIONS.—With respect to referrals made for clinical laboratory services on or before December 31, 1994—

‘‘(A) the second sentence of subsection (a)(2), and subsections (b)(2)(B) and (d)(2), of section 1877 of the Social Security Act [42 U.S.C. 1395nn(a)(2), (b)(2)(B), (d)(2)] (as in effect on the day before the date of the enactment of this Act [Aug. 10, 1993]) shall apply instead of the corresponding provisions in section 1877 (as amended by this Act);

‘‘(B) section 1877(b)(4) of the Social Security Act [42 U.S.C. 1395nn(b)(4)] (as in effect on the day before the date of the enactment of this Act) shall apply; and

‘‘(C) the requirements of section 1877(c)(2) of the Social Security Act [42 U.S.C. 1395nn(c)(2)] (as amended by this Act) shall not apply to any securities of a corporation that meets the requirements of section

Subsec. (h)(2), Pub. L. 110–508, §4207(e)(1)(A), (B), formerly §4027(e)(1)(A), (B), as redesignated by Pub. L. 103–432, §160(d)(4), substituted ‘‘in the case of an item or service for which payment may be made under part B of this subchapter, the request by a physician for the item or service, for ‘‘in the case of a clinical laboratory service which under law is required to be provided by (or under the supervision of a) physician, a request by a physician for the service,’’ in subpar. (A) and struck out ‘‘in the case of another clinical laboratory service,’’ after ‘‘paragraph (C),’’ in subpar. (B).
§ 1395nn  TITLE 42—THE PUBLIC HEALTH AND WELFARE  Page 3386

1877(c)(2) of the Social Security Act (as in effect on the day before the date of the enactment of this Act); (d) section 1877(c)(3) of the Social Security Act (42 U.S.C. 1395nn(c)(3)) (as amended by this Act) shall apply, except that it shall not apply to any arrangement that meets the requirements of subsection (e)(2) or subsection (e)(3) of section 1877 of the Social Security Act (as in effect on the day before the date of the enactment of this Act); (E) the requirements of clauses (iv) and (v) of section 1877(h)(4)(A), and of clause (i) of section 1877(h)(4)(B) of the Social Security Act (42 U.S.C. 1395nn(h)(4)(A)(iv), (v), (B)(i)) (as amended by this Act) shall not apply; and (F) section 1877(h)(4)(B) of the Social Security Act (42 U.S.C. 1395nn(h)(4)(B)) (as in effect on the day before the date of the enactment of this Act) shall apply instead of section 1877(h)(4)(A)(ii) of such Act (as amended by this Act).


EFFECTIVE DATE OF 1990 AMENDMENT


EFFECTIVE DATE

Pub. L. 101–239, title VI, §6204(c), Dec. 19, 1989, 103 Stat. 2242, provided that: "(1) Except as provided in paragraph (2), the amendments made by this section (enacting this section and amending section 1985 of this title) shall become effective with respect to referrals made on or after January 1, 1992.

"(2) The reporting requirement of section 1877(f) of the Social Security Act (42 U.S.C. 1395nn(f)) shall take effect on October 1, 1990."

DEADLINE FOR CERTAIN REGULATIONS


ENFORCEMENT

Pub. L. 111–148, title VI, §6001(b), Mar. 23, 2010, 124 Stat. 689, as amended by Pub. L. 111–148, title X, §10601(b), Mar. 23, 2010, 124 Stat. 1063, provided that: "(1) Ensuring Compliance.—The Secretary of Health and Human Services shall establish policies and procedures to ensure compliance with the requirements described in subsection (b)(1) of section 1877 of the Social Security Act (42 U.S.C. 1395nn(b)(1)), as added by subsection (a)(3), beginning on the date such requirements first apply. Such policies and procedures may include announced site reviews of hospitals.

"(2) Audits.—Beginning not later than May 1, 2012, the Secretary of Health and Human Services shall conduct audits to determine if hospitals violate the requirements referred to in paragraph (1).

MEDICARE SELF-REFERAL DISCLOSURE PROTOCOL


"(1) In General.—The Secretary of Health and Human Services, in cooperation with the Inspector General of the Department of Health and Human Services, shall establish, not later than 6 months after the date of the enactment of this Act (Mar. 23, 2010), a protocol to enable health care providers of services and suppliers to disclose an actual or potential violation of section 1877 of the Social Security Act (42 U.S.C. 1395nn) pursuant to a self-referral disclosure protocol (in this section referred to as an "SRDP"). The SRDP shall include direction to health care providers of services and suppliers on—

"(A) a specific person, official, or office to whom such disclosures shall be made; and

"(B) instruction on the implication of the SRDP on corporate integrity agreements and corporate compliance agreements.

"(2) Publication on Internet Website of SRDP Information.—The Secretary of Health and Human Services shall post information on the public Internet website of the Centers for Medicare & Medicaid Services to inform relevant stakeholders of how to disclose actual or potential violations pursuant to an SRDP.

"(3) Relation to Advisory Opinions.—The SRDP shall be separate from the advisory opinion process set forth in regulations implementing section 1877(g) of the Social Security Act (42 U.S.C. 1395nn(g)).

"(b) Reduction in Amounts Owed.—The Secretary of Health and Human Services is authorized to reduce the amount due and owing for all violations under section 1877 of the Social Security Act (42 U.S.C. 1395nn) to an amount less than that specified in subsection (g) of such section. In establishing such amount for a violation, the Secretary may consider the following factors:

"(1) The nature and extent of the improper or illegal practice.

"(2) The timeliness of such self-disclosure.

"(3) The cooperation in providing additional information related to the disclosure.

"(4) Such other factors as the Secretary considers appropriate.

"(c) Report.—Not later than 18 months after the date on which the SRDP protocol is established under subsection (a)(1), the Secretary shall submit to Congress a report on the implementation of this section. Such report shall include—

"(1) the number of health care providers of services and suppliers making disclosures pursuant to the SRDP;

"(2) the amounts collected pursuant to the SRDP;

"(3) the types of violations reported under the SRDP; and

"(4) such other information as may be necessary to evaluate the impact of this section.

APPLICATION OF EXCEPTION FOR HOSPITALS UNDER DEVELOPMENT


"(1) whether architectural plans have been completed, funding has been received, zoning requirements have been met, and necessary approvals from appropriate State agencies have been received; and

"(2) any other evidence the Secretary determines would indicate whether a hospital is under development as of such date.

STUDIES


"(1) MEÐPAC Study.—The Medicare Payment Advisory Commission, in consultation with the Comptroller General of the United States, shall conduct a study to determine—
“(A) any differences in the costs of health care services furnished to patients by physician-owned specialty hospitals and the costs of such services furnished by local full-service community hospitals within specific diagnosis-related groups;

“(B) the extent to which specialty hospitals, relative to local full-service community hospitals, treat patients in certain diagnosis-related groups within a category, such as cardiology, and an analysis of the selection;

“(C) the financial impact of physician-owned specialty hospitals on local full-service community hospitals;

“(D) how the current diagnosis-related group system should be updated to better reflect the cost of delivering care in a hospital setting; and

“(E) the proportions of payments received, by type of payer, between the specialty hospitals and local full-service community hospitals.

“(2) HHS study—The Secretary [of Health and Human Services] shall conduct a study of a representative sample of specialty hospitals—

“(A) to determine the percentage of patients admitted to physician-owned specialty hospitals who are referred by physicians with an ownership interest;

“(B) to determine the referral patterns of physician owners, including the percentage of patients they referred to physician-owned specialty hospitals and the percentage of patients they referred to local full-service community hospitals for the same condition;

“(C) to compare the quality of care furnished in physician-owned specialty hospitals and in local full-service community hospitals for similar conditions and patient satisfaction with such care; and

“(D) to assess the differences in uncompensated care, as defined by the Secretary, between the specialty hospital and local full-service community hospitals, and the relative value of any tax exemption available to such hospitals.

“(3) Reports.—Not later than 15 months after the date of the enactment of this Act [Dec. 8, 2003], the Commissioner and the Secretary, respectively, shall each submit to Congress a report on the studies conducted under paragraphs (1) and (2), respectively, and shall include any recommendations for legislation or administrative changes.”

**GAO Study of Ownership by Referring Physicians**


**Statistical Summary of Comparative Utilization**


**§ 1395oo. Provider Reimbursement Review Board**

(a) Establishment

Any provider of services which has filed a required cost report within the time specified in regulations may obtain a hearing with respect to such cost report by a Provider Reimbursement Review Board (hereinafter referred to as the “Board”) which shall be established by the Secretary in accordance with subsection (b) and (except as provided in subsection (g)(2)) any hospital which receives payments in amounts computed under subsection (b) or (d) of section 1395w of this title and which has submitted such reports within such time as the Secretary may require in order to make payment under such section may obtain a hearing with respect to such payment by the Board, if—

(1) such provider—

(A)(i) is dissatisfied with a final determination of the organization serving as its fiscal intermediary pursuant to section 1395h of this title as to the amount of total program reimbursement due the provider for the items and services furnished to individuals for which payment may be made under this subchapter for the period covered by such report, or

(ii) is dissatisfied with a final determination of the Secretary as to the amount of the payment under subsection (b) or (d) of section 1395ww of this title,

(B) has not received such final determination from such intermediary on a timely basis after filing such report, where such report complied with the rules and regulations of the Secretary relating to such report, or

(C) has not received such final determination on a timely basis after filing a supplementary cost report, where such cost report did not so comply and such supplementary cost report did so comply,

(2) the amount in controversy is $10,000 or more, and

(3) such provider files a request for a hearing within 180 days after notice of the intermediary’s final determination under paragraph (1)(A)(i), or with respect to appeals under paragraph (1)(A)(ii), 180 days after notice of the Secretary’s final determination, or with respect to appeals pursuant to paragraph (1) (B) or (C), within 180 days after notice of such determination would have been received if such determination had been made on a timely basis.

(b) Appeals by groups

The provisions of subsection (a) shall apply to any group of providers of services if each provider of services in such group would, upon the filing of an appeal (but without regard to the $10,000 limitation), be entitled to such a hearing, but only if the matters in controversy involve a common question of fact or interpretation of law or regulations and the amount in controversy is, in the aggregate, $50,000 or more.

(c) Right to counsel; rules of evidence

At such hearing, the provider of services shall have the right to be represented by counsel, to introduce evidence, and to examine and cross-examine witnesses. Evidence may be received at any such hearing even though inadmissible under rules of evidence applicable to court procedure.

(d) Decisions of Board

A decision by the Board shall be based upon the record made at such hearing, which shall in-
clude the evidence considered by the intermediary and such other evidence as may be obtained or received by the Board, and shall be supported by substantial evidence when the record is viewed as a whole. The Board shall have the power to affirm, modify, or reverse a final determination of the fiscal intermediary with respect to a cost report and to make any other revisions on matters covered by such cost report (including revisions adverse to the provider of services) even though such matters were not considered by the intermediary in making such final determination.

(e) Rules and regulations

The Board shall have full power and authority to make rules and establish procedures, not inconsistent with the provisions of this subchapter or regulations of the Secretary, which are necessary or appropriate to carry out the provisions of this section. In the course of any hearing the Board may administer oaths and affirmations. The provisions of subsections (d) and (e) of section 405 of this title with respect to subpoenas shall apply to the Board to the same extent as they apply to the Secretary with respect to subsection II.

(f) Finality of decision; judicial review; determinations of Board authority; jurisdiction; venue; interest on amount in controversy

(1) A decision of the Board shall be final unless the Secretary, on his own motion, and within 60 days after the provider of services is notified of the Board’s decision, reverses, affirms, or modifies the Board’s decision. Providers shall have the right to obtain judicial review of any final decision of the Board, or of any reversal, affirmance, or modification by the Secretary, by a civil action commenced within 60 days of the date on which notice of any final decision by the Board or of any reversal, affirmance, or modification by the Secretary is received. Providers also shall have the right to obtain judicial review of any action of the fiscal intermediary which involves a question of law or regulations relevant to the matters in controversy whenever the Board determines (on its own motion or at the request of a provider of services as described in the following sentence) that it is without authority to decide the question, by a civil action commenced within sixty days of the date on which notification of such determination is received. If a provider of services may obtain a hearing under subsection (a) and has filed a request for such a hearing, such provider may file a request for a determination by the Board of its authority to decide the question of law or regulations relevant to the matters in controversy (accompanied by such documents and materials as the Board shall require for purposes of rendering such determination). The Board shall render such determination in writing within thirty days after the Board receives the request and such accompanying documents and materials, and the determination shall be considered a final decision and not subject to review by the Secretary. If the Board fails to render such determination within such period, the provider may bring a civil action (within sixty days of the end of such period) with respect to the matter in controversy contained in such request for a hearing. Such action shall be brought in the district court of the United States for the judicial district in which the provider is located (or, in an action brought jointly by several providers, the judicial district in which the greatest number of such providers are located) or in the District Court for the District of Columbia and shall be tried pursuant to the applicable provisions under chapter 7 of title 5 notwithstanding any other provisions in section 405 of this title. Any appeal to the Board or action for judicial review by providers which are under common ownership or control or which have obtained a hearing under subsection (b) must be brought by such providers as a group with respect to any matter involving an issue common to such providers.

(2) Where a provider seeks judicial review pursuant to paragraph (1), the amount in controversy shall be subject to annual interest beginning on the first day of the first month beginning after the 180-day period as determined pursuant to subsection (a)(3) and equal to the rate of interest on obligations issued for purchase by the Federal Hospital Insurance Trust Fund for the month in which the civil action authorized under paragraph (1) is commenced, to be awarded by the reviewing court in favor of the prevailing party.

(3) No interest awarded pursuant to paragraph (2) shall be deemed income or cost for the purposes of determining reimbursement due providers under this chapter.

(g) Certain findings not reviewable

(1) The finding of a fiscal intermediary that no payment may be made under this subchapter for any expenses incurred for items or services furnished to an individual because such items or services are listed in section 1395y of this title shall not be reviewed by the Board, or by any court pursuant to an action brought under subsection (f).

(2) The determinations and other decisions described in section 1395ww(d)(7) of this title shall not be reviewed by the Board or by any court pursuant to an action brought under subsection (f) or otherwise.

(h) Composition and compensation

The Board shall be composed of five members appointed by the Secretary without regard to the provisions of title 5 governing appointments in the competitive services. Two of such members shall be representative of providers of services. All of the members of the Board shall be persons knowledgeable in the field of payment of providers of services, and at least one of them shall be a certified public accountant. Members of the Board shall be entitled to receive compensation at rates fixed by the Secretary, but not exceeding the rate specified (at the time the service involved is rendered by such members) for grade GS–18 in section 5332 of title 5. The term of office shall be three years, except that the Secretary shall appoint the initial members of the Board for shorter terms to the extent necessary to permit staggered terms of office.

(i) Technical and clerical assistance

The Board is authorized to engage such technical assistance as may be required to carry out
its functions, and the Secretary shall, in addition, make available to the Board such secretarial, clerical, and other assistance as the Board may require to carry out its functions.

(j) "Provider of services" defined

In this section, the term "provider of services" includes a rural health clinic and a Federally qualified health center.


AMENDMENTS

1993—Subsec. (f)(2). Pub. L. 103–66 substituted "the rate of interest on obligations issued for purchase by the Federal Hospital Insurance Trust Fund for the month in which" for "the rate of return on equity capital established by regulation pursuant to section 1395x(v)(1)(B) of this title and in effect at the time".

1990—Subsec. (j). Pub. L. 101–508, §4161(a)(6), inserted "a rural health clinic and" after "includes".

Subsec. (a)(1), (A), Pub. L. 100–508, §4161(a)(6), inserted "and (e)" for ", (e), and (f)".

Subsec. (f)(1), Pub. L. 98–369, §2351(a)(1), substituted "notification of such determination is received" for "such determination is rendered" in third sentence.

1983—Subsec. (a). Pub. L. 98–21, §602(b)(1)(A), inserted provision in introductory text that, except as provided in subsec. (g)(2) of this section, any hospital which receives payments in amounts computed under section 1395ww(b) or (d) of this title and which has submitted such reports within such time as Secretary may require in order to make payment under such section may obtain a hearing under subsection (b)" after "common ownership or control" in last sentence.

1982—Subsec. (a)(1), (A), Pub. L. 92–603, title II, §243(b)(1), designated existing provisions as cl. (i) and added cl. (ii).

1976—Subsec. (f)(1). Pub. L. 94–404, §602(h)(2), inserted "(or, in an action brought jointly by several providers, the judicial district in which the greatest number of such providers are located)" after "the judicial district in which the provider is located", and "Any appeal to the Board or action for judicial review by providers which are under common ownership or control must be brought by such providers as a group with respect to any matter involving an issue common to such providers."

1974—Subsec. (f). Pub. L. 93–484 redesignated existing provisions as par. (1), inserted provisions authorizing judicial review for providers of final decisions of Board and judicial review of any affiancy by Secretary, and added pars. (2) and (3).

EFFECTIVE DATE OF 1993 AMENDMENT


EFFECTIVE DATE OF 1990 AMENDMENT


Amendment by section 4161(b)(4) of Pub. L. 101–508 applicable to cost reports for periods beginning on or after Oct. 1, 1991, see section 4161(b)(5) of Pub. L. 101–508, set out as a note under section 1395x of this title.

EFFECTIVE DATE OF 1984 AMENDMENT

Pub. L. 98–369, div. B, title III, §§2351(a)(2), July 18, 1984, 98 Stat. 1099, provided that: "The amendment made by paragraph (1) [amending this section] shall be effective with respect to any action commenced on or after the date of the enactment of this Act [July 18, 1984]."

Pub. L. 98–369, div. B, title III, §§2351(b)(2), July 18, 1984, 98 Stat. 1099, provided that: "The amendment made by paragraph (1) [amending this section] shall be effective with respect to any appeal or action brought on or after the date of the enactment of this Act [July 18, 1984]."

Amendment by section 2354(b)(39), (40) of Pub. L. 98–369 effective July 18, 1984, but not to be construed as changing or affecting any right, liability, status, or interpretation which existed under the provisions of law involved before that date, see section 2354(e)(1) of Pub. L. 98–369, set out as a note under section 1395x–1 of this title.

EFFECTIVE DATE OF 1983 AMENDMENT

Amendment by Pub. L. 98–21 applicable to items and services furnished by or under arrangement with a hospital beginning with its first cost reporting period that begins on or after Oct. 1, 1983, any change in a hospital’s cost reporting period made after November 1982 to be recognized for such purposes only if the Secretary finds good cause therefor, see section 604(a)(1) of Pub. L. 98–21, set out as a note under section 1395x of this title.

EFFECTIVE DATE OF 1974 AMENDMENT

Pub. L. 92–603, title II, §243(c), Oct. 30, 1972, 86 Stat. 1422, provided that: "The amendments made by this section [enacting this section and amending section 1395x of this title] shall apply with respect to cost reports of providers of services for accounting periods ending on or after June 30, 1973."

EFFECTIVE DATE

Pub. L. 92–603, title II, §243(c), Oct. 30, 1972, 86 Stat. 1422, provided that: "The amendments made by this section [enacting this section and amending section 1395x of this title] shall apply with respect to cost reports of providers of services, as defined in title XVIII of the Social Security Act [42 U.S.C. 1395 et seq.], for accounting periods ending on or after June 30, 1973."

REFERENCES IN OTHER LAWS TO GS–16, 17, OR 18 PAY RATES

References in laws to the rates of pay for GS–16, 17, or 18, or to maximum rates of pay under the General Schedule, to be considered references to rates payable under specified sections of Title 5, Government Organi-
§ 1395pp. Limitation on liability where claims are disallowed

(a) Conditions prerequisite to payment for items and services notwithstanding determination of disallowance

Where—

(1) a determination is made that, by reason of section 1395y(a)(1) or (9) of this title or by reason of a coverage denial described in subsection (g), payment may not be made under part A or part B of this subchapter for any expenses incurred for items or services furnished an individual by a provider of services or by another person pursuant to an assignment under section 1395u(b)(3)(B)(ii) of this title, and

(2) both such individual and such provider of services or such other person, as the case may be, did not know, and could not reasonably have been expected to know, that payment could not be made for such items or services under such part A or part B,

then to the extent permitted by this subchapter, payment shall, notwithstanding such determination, be made for such items or services (and for such period of time as the Secretary finds will carry out the objectives of this subchapter), as though section 1395y(a)(1) and section 1395y(a)(9) of this title did not apply and as though the coverage denial described in subsection (g) had not occurred. In each such case the Secretary shall notify both such individual and such provider of services or such other person, as the case may be, of the conditions under which payment for such items or services was made and in the case of comparable situations arising thereafter with respect to such individual or such provider or such other person, each shall, by reason of such notice (or similar notices provided before the enactment of this section), be deemed to have knowledge that payment cannot be made for such items or services or reasonably comparable items or services. Any provider or other person furnishing items or services for which payment may not be made by reason of section 1395y(a)(1) or (9) of this title or by reason of a coverage denial described in subsection (g) shall be deemed to have knowledge that payment cannot be made for such items or services if the claim relating to such items or services involves a case, provider or other person furnishing services, procedure, or test, with respect to which such provider or other person has been notified by the Secretary (including notification by a quality improvement organization) that a pattern of inappropriate utilization has occurred in the past, and such provider or other person has followed a reasonable time to correct such inappropriate utilization.

(b) Knowledge of person or provider that payment could not be made; indemnification of individual

In any case in which the provisions of paragraphs (1) and (2) of subsection (a) are met, except that such provider or such other person, as the case may be, knew, or could be expected to know, that payment for such services or items could not be made under such part A or part B, then the Secretary shall, upon proper application filed within such time as may be prescribed in regulations, indemnify the individual (referred to in such paragraphs) for any payments received from such individual by such provider or such other person, as the case may be, for such items or services. Any payments made by the Secretary as indemnification shall be deemed to have been made to such provider or such other person, as the case may be, and shall be treated as overpayments, recoverable from such provider or such other person, as the case may be, under applicable provisions of law. In each such case the Secretary shall notify such individual of the conditions under which indemnification is made and in the case of comparable situations arising thereafter with respect to such individual, he shall, by reason of such notice (or similar notices provided before the enactment of this section), be deemed to have knowledge that payment cannot be made for such items or services. No item or service for which an individual is indemnified under this subsection shall be taken into account in applying any limitation on the amount of items and services for which payment may be made to or on behalf of the individual under this subchapter.

(c) Knowledge of both provider and individual to whom items or services were furnished that payment could not be made

No payments shall be made under this subchapter in any cases in which the provisions of paragraph (1) of subsection (a) are met, but both the individual to whom the items or services were furnished and the provider of service or other person, as the case may be, who furnished the items or services knew, or could reasonably have been expected to know, that payment could not be made for items or services under part A or part B by reason of section 1395y(a)(1) or (a)(9) of this title or by reason of a coverage denial described in subsection (g).

(d) Exercise of rights

In any case arising under subsection (b) (but without regard to whether payments have been made by the individual to the provider or other person) or subsection (c), the provider or other person shall have the same rights that an individual has under sections 1395ff(b) and 1395u(b)(3)(C) of this title (as may be applicable) when the amount of benefit or payments is in
controversy, except that such rights may, under prescribed regulations, be exercised by such provider or other person only after the Secretary determines that the individual will not exercise such rights under such sections.

(e) Payment where beneficiary not at fault

Where payment for inpatient hospital services or extended care services may not be made under part A of this subchapter on behalf of an individual entitled to benefits under such part solely because of an unintentional, inadvertent, or erroneous action with respect to the transfer of such individual from a hospital or skilled nursing facility that meets the requirements of section 1395x(e) or (f) of this title by such a provider of services acting in good faith in accordance with the advice of a utilization review committee, quality improvement organization, or fiscal intermediary, or on the basis of a clearly erroneous administrative decision by a provider of services, the Secretary shall take such action with respect to the payment of such benefits as he determines may be necessary to correct the effects of such unintentional, inadvertent, or erroneous action.

(f) Presumption with respect to coverage denial; rebuttal; requirements; “fiscal intermediary” defined

(1) A home health agency which meets the applicable requirements of paragraphs (3) and (4) shall be presumed to meet the requirement of subsection (a)(2).

(2) The presumption of paragraph (1) with respect to specific services may be rebutted by actual or imputed knowledge of the facts described in subsection (a)(2), including any of the following:

(A) Notice by the fiscal intermediary of the fact that payment may not be made under this subchapter with respect to the services.

(B) It is clear and obvious that the provider should have known at the time the services were furnished that they were excluded from coverage.

(3) The requirements of this paragraph are as follows:

(A) The agency complies with requirements of the Secretary under this subchapter respecting timely submittal of bills for payment and medical documentation.

(B) The agency program has reasonable procedures to notify promptly each patient (and the patient’s physician) where it is determined that a patient is being or will be furnished items or services which are excluded from coverage under this subchapter.

(4)(A) The requirement of this paragraph is that, on the basis of bills submitted by a home health agency under section 13955(c) or, for the purposes of determining the rate of denial of bills for the agency by reason of a coverage denial described in subsection (g), does not exceed 2.5 percent, computed based on visits for home health services billed.

(B) For purposes of determining the rate of denial for a home health agency under subparagraph (A), a bill shall not be considered to be denied until the expiration of the 60-day period that begins on the date such bill is denied by the fiscal intermediary, or, with respect to such a denial for which the agency requests reconsideration, until the fiscal intermediary issues a decision denying payment for such bill.

(5) In this subsection, the term “fiscal intermediary” means, with respect to a home health agency, an agency or organization with an agreement under section 1395h of this title with respect to the agency.

(6) The Secretary shall monitor the proportion of denied bills submitted by home health agencies for which reconsideration is requested, and shall notify Congress if the proportion of denials reversed upon reconsideration increases significantly.

(g) Coverage denial defined

The coverage denial described in this subsection is—

(1) with respect to the provision of home health services to an individual, a failure to meet the requirements of section 1395f(a)(2)(C) of this title or section 1395n(a)(2)(A) of this title in that the individual—

(A) is or was not confined to his home, or

(B) does or did not need skilled nursing care on an intermittent basis; and

(2) with respect to the provision of hospice care to an individual, a determination that the individual is not terminally ill.

(h) Supplier responsibility for items furnished on assignment basis

If a supplier of medical equipment and supplies (as defined in section 1395m(j)(5) of this title) furnishes an item or service to a beneficiary for which no payment may be made by reason of section 1395m(i)(1) of this title;

(1) meets the applicable requirements of part C of this subchapter with respect to the provision of home health services to an individual, a failure to meet the requirements of section 1395f(a)(2)(C) of this title or section 1395n(a)(2)(A) of this title

(A) is or was not confined to his home, or

(B) does or did not need skilled nursing care on an intermittent basis; and

(2) with respect to the provision of hospice care to an individual, a determination that the individual is not terminally ill.

(i) Hospice program eligibility recertification

The provisions of this section shall apply with respect to a denial of a payment under this subchapter by reason of section 1395f(a)(7)(E) of this title in the same manner as such provisions apply with respect to the denial of a payment under this subchapter by reason of section 1395y(a)(1) of this title.


AMENDMENTS


Subsec. (e). Pub. L. 112–40, § 261(a)(3)(B), substituted "quality improvement" for "quality control and peer review".

1997—Subsec. (g). Pub. L. 105–33 substituted "subsection is—" for "subsection is," redesignated remaining text as par. (1) and former pars. (1) and (2) as subpars. (A) and (B), respectively, of par. (1), realigned margins, substituted "and" for "or" at end, and added par. (2).


1989—Subsec. (f)(1). Pub. L. 101–239, § 6214(a)(2), struck out "with respect to any coverage denial described in subsection (g) of this section" before period at end.


1987—Subsec. (b). Pub. L. 100–203 struck out "subject to the deductible and coinsurance provisions of this subchapter," after "referred to in such paragraphs," and inserted at end "No item or service for which an individual is indemnified under this subsection shall be taken into account in applying any limitation on the amount of items and services for which payment may be made to or on behalf of the individual under this subchapter."—

1986—Subsec. (a). Pub. L. 99–509, § 9305(g)(1)(A)–(C), inserted in par. (1) "or by reason of a coverage denial described in subsection (g)", and in concluding provisions inserted "and as though the coverage denial described in subsection (g) had not occurred" and "or by reason of a coverage denial described in subsection (g)".

Subsec. (b). Pub. L. 99–509, §§ 9305(i)(1)(A)–(D), inserted "or by reason of a coverage denial described in subsection (g)"

Subsec. (d). Pub. L. 99–509, § 9341(a)(3), substituted "sections 1395f(b) and 1395u(b)(3)(C) of this title (as may be applicable)" for "section 1395f(b) of this title (when the determination is under part A) or section 1395u(b)(3)(C) of this title (when the determination is under part B)".

Subsecs. (f), (g). Pub. L. 99–509, § 9305(g)(1)(E), added subsecs. (f) and (g).

1982—Subsec. (a). Pub. L. 97–248, § 145, inserted provisions relating to imputing knowledge to provider or other person furnishing items or services for which payment may not be made that payment may not be made if the provider or other person has been notified that a pattern of inappropriate utilization has occurred in the past and there has been a reasonable time for correction of such utilization.

Subsec. (e). Pub. L. 97–248, § 148(e), substituted "quality control and peer review organization" for "professional standards review organization".


EFFECTIVE DATE OF 2011 AMENDMENT

Amendment by Pub. L. 112–40 applicable to contracts entered into or renewed on or after Jan. 1, 2012, see section 261(e) of Pub. L. 112–40, set out as a note under section 1320c of this title.

EFFECTIVE DATE OF 1997 AMENDMENT

Amendment by Pub. L. 104–33 applicable to benefits provided on or after Aug. 5, 1997, except as otherwise provided, see section 4449 of Pub. L. 105–33, set out as a note under section 1395d of this title.

EFFECTIVE DATE OF 1994 AMENDMENT

Amendment by Pub. L. 103–432 applicable to items or services furnished on or after Jan. 1, 1994, see section 133(c) of Pub. L. 103–432, set out as a note under section 1395m of this title.

EFFECTIVE DATE OF 1989 AMENDMENT

Amendment by Pub. L. 101–239, title VI, § 6214(c), Dec. 19, 1989, 103 Stat. 2252, provided that "The amendments made by subsection (a) [amending this section] shall apply to determinations for quarters beginning on or after the date of the enactment of this Act [Dec. 19, 1989]."

EFFECTIVE DATE OF 1987 AMENDMENT

Amendment by Pub. L. 100–203 applicable to services furnished on or after Jan. 1, 1988, see section 4096(d) of Pub. L. 100–203, set out as a note under section 1320c–3 of this title.

EFFECTIVE DATE OF 1986 AMENDMENT


EFFECTIVE DATE OF 1982 AMENDMENT

Amendment by Pub. L. 97–248 effective with respect to contracts entered into or renewed on or after Sept. 3, 1982, see section 149 of Pub. L. 97–248, set out as an Effective Date note under section 1320c of this title.

EFFECTIVE DATE OF 1980 AMENDMENT


EFFECTIVE DATE

Pub. L. 92–603, title II, § 213(b), Oct. 30, 1972, 86 Stat. 1386, provided that: "The amendments made by this section [enacting this section] shall be effective with respect to claims under part A or part B of title XVIII of the Social Security Act [42 U.S.C. 1395c et seq., 1395c] and inserted at end "No item or service for which an individual is indemnified under this subsection shall be taken into account in applying any limitation on the amount of items and services for which payment may be made to or on behalf of the individual under this subchapter."—

Provisions relating to advance beneficiary notices; report on prior determination process

Pub. L. 108–173, title IX, § 938(c), Dec. 8, 2003, 117 Stat. 2415, provided that:

"(1) DATA COLLECTION.—The Secretary [of Health and Human Services] shall establish a process for the collection of information on the instances in which an advance beneficiary notice (as defined in paragraph (5)) has been provided and on instances in which a beneficiary indicates on such a notice that the beneficiary does not intend to seek to have the item or service that is the subject of the notice furnished.

"(2) OUTREACH AND EDUCATION.—The Secretary shall establish a program of outreach and education for beneficiaries and providers of services and other persons on the appropriate use of advance beneficiary notices and coverage policies under the Medicare program.

"(3) GAO REPORT ON USE OF ADVANCE BENEFICIARY NOTICES.—Not later than 18 months after the date on..."
which section 1869(h) of the Social Security Act [(42 U.S.C. 1395ff(h)) (as added by subsection (a))] takes effect, the Comptroller General of the United States shall submit to Congress a report on the use of advance beneficiary notices under title XVIII of such Act [(42 U.S.C. 1395 et seq.)]. Such report shall include information concerning the providers of services and other persons that have provided such notices and the response of beneficiaries to such notices.

(4) GAO REPORT ON USE OF PRIOR DETERMINATION PROCESS.—Not later than 30 months after the date on which section 1869(h) of the Social Security Act [(42 U.S.C. 1395ff(h)) (as added by subsection (a))] takes effect, the Comptroller General of the United States shall submit to Congress a report on the use of the prior determination process under such section. Such report shall include—

(A) information concerning—

(i) the number and types of procedures for which a prior determination has been sought;

(ii) determinations made under the process;

(iii) the percentage of beneficiaries prevailing;

(iv) in those cases in which the beneficiaries do not prevail, the reasons why such beneficiaries did not prevail; and

(v) changes in receipt of services resulting from the application of such process;

(B) an evaluation of whether the process was useful for physicians (and other suppliers) and beneficiaries, whether it was timely, and whether the amount of information required was burdensome to physicians and beneficiaries; and

(C) recommendations for improvements or continuation of such process.

(5) ADVANCE BENEFICIARY NOTICE DEFINED.—In this subsection, the term ‘advance beneficiary notice’ means a written notice provided under section 1870(a) of the Social Security Act [(42 U.S.C. 1395ff(a))] to an individual entitled to benefits under part A or enrolled under part B of title XVIII of such Act [(42 U.S.C. 1395c et seq., 1395f et seq.)] before items or services are furnished under such part in cases where a provider of services or other person that would furnish the item or service believes that payment will not be made for some or all of such items or services under such title [(42 U.S.C. 1395 et seq.).]

REPORTS TO CONGRESS ON DENIALS OF BILLS FOR PAYMENT

Pub. L. 99–509, title IX, § 9305(g)(2), Oct. 21, 1986, 100 Stat. 1992, directed Secretary of Health and Human Services to report to Congress annually in March of 1987 and 1988 information on frequency and distribution (by type of provider) of denials of bills for payment under this subchapter for extended care services, home health services, and hospice care, by reason of section 1866(a)(1) or (9) of this title, and coverage denials described in subsec. (g) of this section, and such other information as appropriate to evaluate the appropriateness of any percentage standards established for the granting of favorable presumptions with respect to such denials.

§ 1395qq. Indian Health Service facilities

(a) Eligibility for payments; conditions and requirements

A hospital or skilled nursing facility of the Indian Health Service, whether operated by such Service or by an Indian tribe or tribal organization (as those terms are defined in section 1603 of title 25) shall be eligible for payments under this subchapter, notwithstanding sections 1395f(c) and 1395n(d) of this title, if and for so long as it meets all of the conditions and requirements for such payments which are applicable generally to hospitals or skilled nursing facilities (as the case may be) under this subchapter.

(b) Eligibility based on submission of plan to achieve compliance with conditions and requirements; twelve-month period

Notwithstanding subsection (a), a hospital or skilled nursing facility of the Indian Health Service which does not meet all of the conditions and requirements of this subchapter which are applicable generally to hospitals or skilled nursing facilities (as the case may be), but which submits to the Secretary within six months after September 30, 1976, an acceptable plan for achieving compliance with such conditions and requirements, shall be deemed to meet such conditions and requirements (and to be eligible for payments under this subchapter), without regard to the extent of its actual compliance with such conditions and requirements, during the first 12 months after the month in which such plan is submitted.

(c) Payments into special fund for improvements to achieve compliance with conditions and requirements; certification of compliance by Secretary

Notwithstanding any other provision of this subchapter, payments to which any hospital or skilled nursing facility of the Indian Health Service is entitled by reason of this section shall be placed in a special fund to be held by the Secretary and used by him (to such extent as is necessary to achieve compliance with the applicable conditions and requirements of this subchapter) exclusively for the purpose of making any improvements in the hospitals and skilled nursing facilities of such Service which may be necessary to achieve compliance with the applicable conditions and requirements of this subchapter. The preceding sentence shall cease to apply when the Secretary determines and certifies that substantially all of the hospitals and skilled nursing facilities of such Service in the United States are in compliance with such conditions and requirements.

(d) Report by Secretary; status of facilities in complying with conditions and requirements

The annual report of the Secretary which is required by section 1671 of title 25 shall include (along with the matters specified in section 1643 of title 25) a detailed statement of the status of the hospitals and skilled nursing facilities of the Service in terms of their compliance with the applicable conditions and requirements of this subchapter and of the progress being made by such hospitals and facilities (under plans submitted under subsection (b) and otherwise) toward the achievement of such compliance.

(e) Services provided by Indian Health Service, Indian tribe, or tribal organization

(1)(A) Notwithstanding section 1398n(d) of this title, subject to subparagraph (B), the Secretary shall make payment under part B to a hospital or an ambulatory care clinic (whether provider-based or freestanding) that is operated by the Indian Health Service or by an Indian tribe or tribal organization (as defined for purposes of subsection (a)) for services described in paragraph (2) (and for items and services furnished on or after January 1, 2005, all items and services for which payment may be made under part B) furnished in or at the direction of the hospital or clinic under the same situations, terms,
and conditions as would apply if the services were furnished in or at the direction of such a hospital or clinic that was not operated by such Service, tribe, or organization.

(B) Payment shall not be made for services under subparagraph (A) to the extent that payment is otherwise made for such services under this subchapter.

(2) The services described in this paragraph are the following:

(A) Services for which payment is made under section 1395w–4 of this title.

(B) Services furnished by a practitioner described in section 1395u(b)(18)(C) of this title for which payment under part B is made under a fee schedule.

(C) Services furnished by a physical therapist or occupational therapist as described in section 1395x(p) of this title for which payment under part B is made under a fee schedule.

(3) Subsection (c) shall not apply to payments made under this subsection.

(f) Cross reference

For provisions relating to the authority of certain Indian tribes, tribal organizations, and Alaska Native health organizations to elect to directly bill for, and receive payment for, health care services provided by a hospital or clinic of such tribes or organizations and for which payment may be made under this subchapter, see section 1645 of title 25.1

Amendment by section 1(a)(6) [title IV, §432(a)] of Pub. L. 106–554 applicable to services furnished on or after July 1, 2001, see section 1(a)(6) [title IV, §432(c)] of Pub. L. 106–554, set out as a note under section 1395s of this title.


Medicare Payments Not Considered in Determining Appropriations for Indian Health Care

Pub. L. 94–437, title IV, §401(c), Sept. 30, 1976, 90 Stat. 1409, provided that any payments received for services provided to beneficiaries under this section were not to be considered in determining appropriations for health care and services to Indians, prior to the general amendment of section 401 of Pub. L. 94–437 by Pub. L. 102–573, title IV, §401(a), Oct. 29, 1992, 106 Stat. 4565. Similar provisions are contained in section 401(a) of Pub. L. 94–437, which is classified to section 1641(a) of Title 25, Indians.

Preference in Services for Indians With Medicare Coverage Not Authorized

Pub. L. 94–437, title IV, §401(d), Sept. 30, 1976, 90 Stat. 1409, provided that nothing in this section authorized the Secretary to provide services to an Indian beneficiary with coverage under this subchapter, in preference to an Indian beneficiary without such coverage, prior to the general amendment of section 401 of Pub. L. 94–437 by Pub. L. 102–573, title IV, §401(a), Oct. 29, 1992, 106 Stat. 4565. Similar provisions are contained in section 401(b) of Pub. L. 94–437, which is classified to section 1641(b) of Title 25, Indians.

§ 1395rr. End stage renal disease program

(a) Type, duration, and scope of benefits

The benefits provided by parts A and B of this subchapter shall include benefits for individuals who have been determined to have end stage renal disease as provided in section 426–1 of this title, and benefits for kidney donors as provided in subsection (d) of this section. Notwithstanding any other provision of this subchapter, the type, duration, and scope of the benefit provided by parts A and B with respect to individuals who have been determined to have end stage renal disease and who are entitled to such benefits without regard to section 426–1 of this title shall in no case be less than the type, duration, and scope of the benefits so provided for individuals entitled to such benefits solely by reason of that section.

(b) Payments with respect to services; dialysis; regulations; physicians' services; target reimbursement rates; home dialysis supplies and equipment; self-care home dialysis support services; self-care dialysis units; hepatitis B vaccine

(1) Payments under this subchapter with respect to services, in addition to services for...
which payment would otherwise be made under this subchapter, furnished to individuals who have been determined to have end stage renal disease shall include (A) payments on behalf of such individuals to providers of services and renal dialysis facilities which meet such requirements as the Secretary shall by regulation prescribe for institutional dialysis services and supplies (including self-dialysis services in a self-care dialysis unit maintained by the provider or facility), transplantation services, self-care home dialysis support services which are furnished by the provider or facility, and routine professional services performed by a physician during a maintenance dialysis episode if payments for his other professional services furnished to an individual who has end stage renal disease are made on the basis specified in paragraph (3)(A)(i) of this subsection, (B) payments to or on behalf of such individuals for home dialysis supplies and equipment, and (C) payments to a supplier of home dialysis supplies and equipment that is not a provider of services, a renal dialysis facility, or a physician for self-administered erythropoietin as described in section 1395x(s)(2)(P) of this title if the Secretary finds that the patient receiving such drug from such a supplier can safely and effectively administer the drug (in accordance with the applicable methods and standards established by the Secretary pursuant to such section). The requirements prescribed by the Secretary under subparagraph (A) shall include requirements for a minimum utilization rate for transplantations. Beginning 180 days after February 9, 2018, an initial survey of a provider of services or a renal dialysis facility to determine if the conditions and requirements under this paragraph are met shall be initiated not later than 90 days after such date on which both the provider enrollment form (without regard to whether such form is submitted prior to or after such date of enactment) has been determined by the Secretary to be complete and the provider’s enrollment status indicates approval is pending the results of such survey.

(2)(A) With respect to payments for dialysis services furnished by providers of services and renal dialysis facilities to individuals determined to have end stage renal disease for which payments may be made under part B of this subchapter, such payments (unless otherwise provided in this section) shall be equal to 80 percent of the amounts determined in accordance with subparagraph (B); and with respect to payments for services for which payments may be made under part A of this subchapter, the amounts of such payments (which amounts shall not exceed, in respect to costs in procuring organs attributable to payments made to an organ procurement agency or histocompatibility laboratory, the costs incurred by that agency or laboratory) shall be determined in accordance with section 1395x(v) of this title or section 1395ww of this title.

(3)(A) With respect to payments for physicians’ services furnished to individuals determined to have end stage renal disease in furnishing covered services to individuals determined to have end stage renal disease, and (ii) determine, on a cost-related basis or other economical and equitable basis (including any basis authorized under section 1395x(v) of this title) and consistent with any regulations promulgated under paragraph (7), the amounts of payments to be made for part B services furnished by such providers and facilities to such individuals.

(C) Such regulations, in the case of services furnished by proprietary providers and facilities (other than hospital outpatient departments) may include, if the Secretary finds it feasible and appropriate, provision for recognition of a reasonable rate of return on equity capital, providing such rate of return does not exceed the rate of return stipulated in section 1395x(v)(1)(B) of this title.

(D) For purposes of section 1395oo of this title, a renal dialysis facility shall be treated as a provider of services.

(3)(A) Pursuant to agreements with approved transplant agencies or histocompatibility laboratories, the Secretary may make payments to such transplant agencies or histocompatibility laboratories for the increased use of home dialysis for an aggregate of services provided over a period of time (as defined in regulations).

(B)(i) For purposes of subparagraph (A)(ii), subject to clause (ii), an individual determined to have end stage renal disease receiving home dialysis may choose to receive monthly end stage renal disease-related clinical assessments furnished on or after January 1, 2019, via telehealth.

(ii) Clause (i) shall apply to an individual only if the individual receives a face-to-face clinical assessment, without the use of telehealth—

(I) in the case of the initial 3 months of home dialysis of such individual, at least monthly; and

(II) after such initial 3 months, at least once every 3 consecutive months.

(4)(A) Pursuant to agreements with approved providers of services and renal dialysis facilities, the Secretary may make payments to such providers and facilities for the cost of home dialysis supplies and equipment and self-care home

---

1 See References in Text note below.
dialysis support services furnished to patients whose self-care home dialysis is under the direct supervision of such provider or facility, on the basis of a target reimbursement rate (as defined in paragraph (6)) or on the basis of a method established under paragraph (7).

(B) The Secretary shall make payments to a supplier of home dialysis supplies and equipment furnished to a patient whose self-care home dialysis is not under the direct supervision of an approved provider of services or renal dialysis facility only in accordance with a written agreement under which—

(i) the patient certifies that the supplier is the sole provider of such supplies and equipment to the patient;

(ii) the patient agrees to receive payment for the cost of such supplies and equipment only on an assignment-related basis, and

(iii) the supplier certifies that it has entered into a written agreement with an approved provider of services or renal dialysis facility under which such provider or facility agrees to furnish to such patient all self-care home dialysis support services and all other necessary dialysis services and supplies, including institutional dialysis services and supplies and emergency services.

(5) An agreement under paragraph (4) shall require, in accordance with regulations prescribed by the Secretary, that the provider or facility will—

(A) assume full responsibility for directly obtaining or arranging for the provision of—

(i) such medically necessary dialysis equipment as is prescribed by the attending physician;

(ii) dialysis equipment maintenance and repair services;

(iii) the purchase and delivery of all necessary medical supplies; and

(iv) where necessary, the services of trained home dialysis aides;

(B) perform all such administrative functions and maintain such information and records as the Secretary may require to verify the transactions and arrangements described in subparagraph (A);

(C) submit such cost reports, data, and information as the Secretary may require with respect to the costs incurred for equipment, supplies, and services furnished to the facility’s home dialysis patient population; and

(D) provide for full access for the Secretary to all such records, data, and information as he may require to perform his functions under this section.

(6) The Secretary shall establish, for each calendar year, commencing with January 1, 1979, a target reimbursement rate for home dialysis which shall be adjusted for regional variations in the cost of providing home dialysis. In establishing such a rate, the Secretary shall include—

(A) the Secretary’s estimate of the cost of providing medically necessary home dialysis supplies and equipment;

(B) an allowance, in an amount determined by the Secretary, to cover the cost of providing personnel to aid in home dialysis; and

(C) an allowance, in an amount determined by the Secretary, to cover administrative costs and to provide an incentive for the efficient delivery of home dialysis;

but in no event (except as may be provided in regulations under paragraph (7)) shall such target rate exceed 75 percent of the national average payment, adjusted for regional variations, for maintenance dialysis services furnished in approved providers and facilities during the most recent fiscal year. Any such target rate so established shall be utilized, without renegotiation of the rate, throughout the calendar year for which it is established. During the last quarter of each calendar year, the Secretary shall establish a home dialysis target reimbursement rate for the next calendar year based on the most recent data available to the Secretary at the time. In establishing any rate under this paragraph, the Secretary may utilize a competitive-bid procedure, a renegotiated rate procedure, or any other procedure (including a method established under paragraph (7)) which the Secretary determines is appropriate and feasible in order to carry out this paragraph in an effective and efficient manner.

(7) Subject to paragraph (12), the Secretary shall provide by regulation for a method (or methods) for determining prospectively the amounts of payments to be made for dialysis services furnished by providers of services and renal dialysis facilities to individuals in a facility and to such individuals at home. Such method (or methods) shall provide for the prospective determination of a rate (or rates) for each mode of care based on a single composite weighted formula (which takes into account the mix of patients who receive dialysis services at a facility or at home and the relative costs of providing such services in such settings) for hospital-based facilities and such a single composite weighted formula for other renal dialysis facilities, or based on such other method or combination of methods which differentiate between hospital-based facilities and other renal dialysis facilities and which the Secretary determines, after detailed analysis, will more effectively encourage the more efficient and effective delivery of dialysis services and will provide greater incentives for increased use of home dialysis than through the single composite weighted formulas. The amount of a payment made under any method other than a method based on a single composite weighted formula may not exceed the amount (or, in the case of continuous cycling peritoneal dialysis, 130 percent of the amount) of the median payment that would have been made under the formula for hospital-based facilities. Subject to section 422(a)(2) of the Medicare, Medicaid, and SCHIP Benefits Improvement and Protection Act of 2000, the Secretary shall provide for such exceptions to such methods as may be warranted by unusual circumstances (including the special circumstances of sole facilities located in isolated, rural areas and of pediatric facilities). Each application for such an exception shall be deemed to be approved unless the Secretary disapproves it by not later than 60 working days after the date the application is filed. The Secretary may provide that such method will serve in lieu of any target reimbursement rate that would otherwise be established under paragraph (6). The Secretary shall reduce the
amount of each composite rate payment under this paragraph for each treatment by 50 cents (subject to such adjustments as may be required to reflect modes of dialysis other than hemodialysis) and provide for payment of such amount to the organizations (designated under subsection (c)(1)(A)) for such organizations' necessary and proper administrative costs incurred in carrying out the responsibilities described in subsection (c)(2). The Secretary shall provide that amounts paid under the previous sentence shall be distributed to the organizations described in subsection (c)(1)(A) to ensure equitable treatment of all such network organizations. The Secretary in distributing any such payments to network organizations shall take into account—

(A) the geographic size of the network area;
(B) the number of providers of end stage renal disease services in the network area;
(C) the number of individuals who are entitled to end stage renal disease services in the network area; and
(D) the proportion of the aggregate administrative funds collected in the network area.

The Secretary shall increase the amount of each composite rate payment for dialysis services furnished during 2000 by 1.2 percent above such composite rate payment amounts for such services furnished on or before January 1, 2001, and before January 1, 2005, by 2.4 percent above such composite rate payment amounts for such services furnished on or before January 1, 2000, and for such services furnished on or after January 1, 2005, by 1.6 percent above such composite rate payment amounts for such services furnished on December 31, 2004.

(8) For purposes of this subchapter, the term “home dialysis supplies and equipment” means medically necessary supplies and equipment (including supportive equipment) required by an individual suffering from end stage renal disease in connection with renal dialysis carried out in his home (as defined in regulations), including obtaining, installing, and maintaining such equipment.

(9) For purposes of this subchapter, the term “self-care home dialysis support services”, to the extent permitted in regulation, means—

(A) periodic monitoring of the patient’s home adaptation, including visits by qualified provider or facility personnel (as defined in regulations), so long as this is done in accordance with a plan prepared and periodically reviewed by a professional team (as defined in regulations) including the individual’s physician;
(B) installation and maintenance of dialysis equipment;
(C) testing and appropriate treatment of the water; and
(D) such additional supportive services as the Secretary finds appropriate and desirable.

(10) For purposes of this subchapter, the term “self-care dialysis unit” means a renal dialysis facility or a distinct part of such facility or of a provider of services, which has been approved by the Secretary to make self-dialysis services, as defined by the Secretary in regulations, available to individuals who have been trained for self-dialysis. A self-care dialysis unit must, at a minimum, furnish the services, equipment and supplies needed for self-care dialysis, have patient-staff ratios which are appropriate to self-dialysis (allowing for such appropriate lesser degree of ongoing medical supervision and assistance of ancillary personnel than is required for full care maintenance dialysis), and meet such other requirements as the Secretary may prescribe with respect to the quality and cost-effectiveness of services.

(11)(A) Hepatitis B vaccine and its administration, when provided to a patient determined to have end stage renal disease, shall not be included as dialysis services for purposes of payment under any prospective payment amount or comprehensive fee established under this section. Payment for such vaccine and its administration shall be made separately in accordance with section 1395f of this title.

(B) Erythropoietin, when provided to a patient determined to have end stage renal disease, shall not be included as a dialysis service for purposes of payment under any prospective payment amount or comprehensive fee established under this section, and subject to paragraphs (12) and (13) payment for such item shall be made separately—

(i) in the case of erythropoietin provided by a physician, in accordance with section 1395f of this title; and
(ii) in the case of erythropoietin provided by a provider of services, renal dialysis facility, or other supplier of home dialysis supplies and equipment—

(I) for erythropoietin provided during 1994, in an amount equal to $10 per thousand units (rounded to the nearest 100 units), and

(II) for erythropoietin provided during a subsequent year, in an amount determined to be appropriate by the Secretary, except that such amount may not exceed the amount determined under this clause for the previous year increased by the percentage increase (if any) in the implicit price deflator for gross national product (as published by the Department of Commerce) for the second quarter of the preceding year over the implicit price deflator for the second quarter of the second preceding year.

(C) The amount payable to a supplier of home dialysis supplies and equipment that is not a provider of services, a renal dialysis facility, or a physician for erythropoietin shall be determined in the same manner as the amount payable to a renal dialysis facility for such item.

(12)(A) Subject to paragraph (14), in lieu of payment under paragraph (7) beginning with services furnished on January 1, 2005, the Secretary shall establish a basic case-mix adjusted prospective payment system for dialysis services furnished by providers of services and renal dialysis facilities in a year to individuals in a facility and to such individuals at home. The case-mix under such system shall be for a limited number of patient characteristics. Under such system, the payment rate for dialysis services furnished on or after January 1, 2009, by providers of services shall be the same as the payment rate (computed without regard to this sentence)
for such services furnished by renal dialysis facilities, and in applying the geographic index under subparagraph (D) to providers of services, the labor share shall be based on the labor share otherwise applied for renal dialysis facilities.

(B) The system described in subparagraph (A) shall include—

(i) the services comprising the composite rate established under paragraph (7); and

(ii) the difference between payment amounts under this subchapter for separately billed drugs and biologicals (including erythropoietin) and acquisition costs of such drugs and biologicals, as determined by the Inspector General reports to the Secretary as required by section 623(c) of the Medicare Prescription Drug, Improvement, and Modernization Act of 2003—

(I) beginning with 2005, for such drugs and biologicals for which a billing code exists prior to January 1, 2004; and

(ii) beginning with 2007, for such drugs and biologicals for which a billing code does not exist prior to January 1, 2004, adjusted to 2005, or 2007, respectively, as determined to be appropriate by the Secretary.

(C)(i) In applying subparagraph (B)(ii) for 2005, such payment amounts under this subchapter shall be determined using the methodology specified in paragraph (13)(A)(i).

(ii) For 2006, the Secretary shall provide for an adjustment to the payments under clause (i) to reflect the difference between the payment amounts using the methodology under paragraph (13)(A)(i) and the payment amount determined using the methodology applied by the Secretary under paragraph (13)(A)(ii) of such subparagraph, as estimated by the Secretary.

(D) The Secretary shall adjust the payment rates under such system by a geographic index as the Secretary determines to be appropriate. If the Secretary applies a geographic index under this paragraph that differs from the index applied under paragraph (7) the Secretary shall phase-in the application of the index under this paragraph over a multiyear period.

(E)(i) Such system shall be designed to result in the same aggregate amount of expenditures for such services, as estimated by the Secretary, as would have been made for 2005 if this paragraph did not apply.

(ii) The adjustment made under subparagraph (B)(ii)(II) shall be done in a manner to result in the same aggregate amount of expenditures after such adjustment as would otherwise have been made for such services for 2006 or 2007, respectively, as estimated by the Secretary, if this paragraph did not apply.

(F) Beginning with 2006, the Secretary shall annually increase the basic case-mix adjusted payment amounts established under this paragraph, by an amount determined by—

(i) applying the estimated growth in expenditures for drugs and biologicals (including erythropoietin) that are separately billable to the component of the basic case-mix adjusted system described in subparagraph (B)(ii) and

(ii) converting the amount determined in clause (i) to an increase applicable to the basic case-mix adjusted payment amounts established under subparagraph (B).

Except as provided in subparagraph (G), nothing in this paragraph or paragraph (14) shall be construed as providing for an update to the composite rate component of the basic case-mix adjusted system under subparagraph (B) or under the system under paragraph (14).

(G) The Secretary shall increase the amount of the composite rate component of the basic case-mix adjusted system under subparagraph (B) for dialysis services—

(i) furnished on or after January 1, 2006, and before April 1, 2007, by 1.6 percent above the amount of such composite rate component for such services furnished on December 31, 2005;

(ii) furnished on or after April 1, 2007, and before January 1, 2009, by 1.6 percent above the amount of such composite rate component for such services furnished on December 31, 2008; and

(iii) furnished on or after January 1, 2009, and before January 1, 2010, by 1.0 percent above the amount of such composite rate component for such services furnished on December 31, 2009.

(H) There shall be no administrative or judicial review under section 1395ff of this title, section 1395ww of this title, or otherwise, of the case-mix system, relative weights, payment amounts, the geographic adjustment factor, or the update for the system established under this paragraph, or the determination of the difference between medicare payment amounts and acquisition costs for separately billed drugs and biologicals (including erythropoietin) under this paragraph and paragraph (13).
Secretary shall implement a payment system under which a single payment is made under this subchapter to a provider of services or a renal dialysis facility for renal dialysis services (as defined in subparagraph (B)) in lieu of any other payment (including a payment adjustment under paragraph (12)(B)(ii)) and for such services and items furnished pursuant to paragraph (4).

(ii) In implementing the system under this paragraph the Secretary shall ensure that the estimated total amount of payments under this subchapter for 2011 for renal dialysis services shall equal 98 percent of the estimated total amount of payments for renal dialysis services, including payments under paragraph (12)(B)(ii), that would have been made under this subchapter with respect to services furnished in 2011 if such system had not been implemented. In making the estimation under subclause (I), the Secretary shall use per patient utilization data from 2007, 2008, or 2009, whichever has the lowest per patient utilization.

(B) For purposes of this paragraph, the term "renal dialysis services" includes—

(i) items and services included in the composite rate for renal dialysis services as of December 31, 2010;

(ii) erythropoiesis stimulating agents and any oral form of such agents that are furnished to individuals for the treatment of end stage renal disease;

(iii) other drugs and biologicals that are furnished to individuals for the treatment of end stage renal disease and for which payment was (before the application of this paragraph) made separately under this subchapter, and any oral equivalent form of such drug or biological;

(iv) diagnostic laboratory tests and other items and services not described in clause (i) that are furnished to individuals for the treatment of end stage renal disease.

Such term does not include vaccines.

(C) The system under this paragraph may provide for payment on the basis of services furnished during a week or month or such other appropriate unit of payment as the Secretary specifies.

(D) Such system—

(i) shall include a payment adjustment based on case mix that may take into account patient weight, body mass index, comorbidities, length of time on dialysis, age, race, ethnicity, and other appropriate factors;

(ii) shall include a payment adjustment for high cost outliers due to unusual variations in the type or amount of medically necessary care, including variations in the amount of erythropoiesis stimulating agents necessary for anemia management;

(iii) shall include a payment adjustment that reflects the extent to which costs incurred by low-volume facilities (as defined by the Secretary) in furnishing renal dialysis services exceed the costs incurred by other facilities in furnishing such services, and for payment for renal dialysis services furnished on or after January 1, 2011, and before January 1, 2014, such payment adjustment shall not be less than 10 percent; and

(iv) may include such other payment adjustments as the Secretary determines appropriate, such as a payment adjustment—

(I) for pediatric providers of services and renal dialysis facilities;

(II) by a geographic index, such as the index referred to in paragraph (12)(D), as the Secretary determines to be appropriate; and

(III) for providers of services or renal dialysis facilities located in rural areas.

The Secretary shall take into consideration the unique treatment needs of children and young adults in establishing such system.

(E)(i) The Secretary shall provide for a four-year phase-in (in equal increments) of the payment amount under the payment system under this paragraph, with such payment amount being fully implemented for renal dialysis services furnished on or after January 1, 2014.

(ii) A provider of services or renal dialysis facility may make a one-time election to be excluded from the phase-in under clause (i) and be paid entirely based on the payment amount under the payment system under this paragraph.

Such an election shall be made prior to January 1, 2011, in a form and manner specified by the Secretary, and is final and may not be rescinded.

(iii) The Secretary shall make an adjustment to the payments under this paragraph for years during which the phase-in under clause (i) is applicable so that the estimated total amount of payments under this paragraph, including payments under this subparagraph, shall equal the estimated total amount of payments that would otherwise occur under this paragraph without such phase-in.

(F)(1) Subject to subclauses (II) and (III) and clause (ii), beginning in 2012, the Secretary shall annually increase payment amounts established under this paragraph by an ESRD market basket percentage increase factor for a bundled payment system for renal dialysis services that reflects changes over time in the prices of an appropriate mix of goods and services included in renal dialysis services. In order to accomplish the purposes of subparagraph (I) with respect to 2016, 2017, and 2018, after determining the increase factor described in the preceding sentence for each of 2016, 2017, and 2018, the Secretary shall reduce such increase factor by 1.25 percentage points for each of 2016 and 2017 and by 1 percentage point for 2018.

(2) Subject to subclause (III), for 2012 and each subsequent year, after determining the increase factor described in subclause (I), the Secretary shall reduce such increase factor by the productivity adjustment described in section 1395ww(b)(3)(B)(xi)(II) of this title. The application of the preceding sentence may result in such increase factor being less than 0.0 for a year, and may result in payment rates under the payment system under this paragraph for a year being less than such payment rates for the preceding year.

(3) Notwithstanding subclauses (I) and (II), in order to accomplish the purposes of subparagraph (I) with respect to 2015, the increase factor described in subclause (I) for 2015 shall be 0.0 percent pursuant to the regulation issued by the Secretary on December 2, 2013, entitled "Medi-
care Program; End-Stage Renal Disease Prospective Payment System, Quality Incentive Program, and Durable Medical Equipment, Pros-}

ects; Orthotics, and Supplies; Final Rule 78 Fed. Reg. 72156).

(2) For years during which a phase-in of the payment system pursuant to subparagraph (E) is applicable, the following rules shall apply to the portion of the payment under the system that is based on the payment of the composite rate that would otherwise apply if the system under this paragraph had not been enacted:

(I) The update under clause (I) shall not apply.

(II) Subject to clause (i)(II), the Secretary shall annually increase such composite rate by the ESRD market basket percentage increase factor described in clause (i)(I).

(G) There shall be no administrative or judicial review under section 1395ff of this title, section 1395x(s)(2)(F) of this title, or otherwise of the determination of payment amounts under subparagraph (A), the establishment of an appropriate unit of payment under subparagraph (C), the identification of renal dialysis services included in the bundled payment, the adjustments under subparagraph (D), the application of the phase-in under subparagraph (E), and the establishment of the market basket percentage increase factors under subparagraph (F).

(H) Erythropoiesis stimulating agents and other drugs and biologicals shall be treated as prescribed and dispensed or administered and available only under part B if they are—

(i) furnished to an individual for the treatment of end stage renal disease; and

(ii) included in subparagraph (B) for purposes of payment under this paragraph.

(I) For services furnished on or after January 1, 2014, and before January 1, 2015, the Secretary shall, by comparing per patient utilization data from 2007 with such data from 2012, make reductions under the preced-}
duties and functions as may be prescribed by the Secretary, for—

(A) encouraging, consistent with sound medical practice, the use of those treatment settings most compatible with the successful rehabilitation of the patient and the participation of patients, providers of services, and renal disease facilities in vocational rehabilitation programs;

(B) developing criteria and standards relating to the quality and appropriateness of patient care and with respect to working with patients, facilities, and providers in encouraging participation in vocational rehabilitation programs; and network goals with respect to the placement of patients in self-care settings and undergoing or preparing for transplantation;

(C) evaluating the procedure by which facilities and providers in the network assess the appropriateness of patients for proposed treatment modalities;

(D) implementing a procedure for evaluating and resolving patient grievances;

(E) conducting on-site reviews of facilities and providers as necessary (as determined by a medical review board or the Secretary), utilizing standards of care established by the network organization to assure proper medical care;

(F) collecting, validating, and analyzing such data as are necessary to prepare the reports required by subparagraph (H) and to assure the maintenance of the registry established under paragraph (7);

(G) identifying facilities and providers that are not cooperating toward meeting network goals and assisting such facilities and providers in developing appropriate plans for correction and reporting to the Secretary on facilities and providers that are not providing appropriate medical care; and

(H) submitting an annual report to the Secretary on July 1 of each year which shall include a full statement of the network’s goals, data on the network’s performance in meeting its goals (including data on the comparative performance of facilities and providers with respect to the identification and placement of suitable candidates in self-care settings and transplantation and encouraging participation in vocational rehabilitation programs), identification of those facilities that have consistently failed to cooperate with network goals, and recommendations with respect to the need for additional or alternative services or facilities in the network in order to meet the network goals, including self-dialysis training, transplantation, and organ procurement facilities.

(3) Where the Secretary determines, on the basis of the data contained in the network’s annual report and such other relevant data as may be available to him, that a facility or provider has consistently failed to cooperate with network plans and goals or to follow the recommendations of the medical review board, he may terminate or withhold certification of such facility or provider (for purposes of payment for services furnished to individuals with end stage renal disease) until he determines that such provider or facility is making reasonable and appropriate efforts to cooperate with the network’s plans and goals. If the Secretary determines that the facility’s or provider’s failure to cooperate with network plans and goals does not jeopardize patient health or safety or justify termination of certification, he may, instead, after reasonable notice to the provider or facility and to the public, impose such other sanctions as he determines to be appropriate, which sanctions may include denial of reimbursement with respect to some or all patients admitted to the facility after the date of notice to the facility or provider, and graduated reduction in reimbursement for all patients.

(4) The Secretary shall, in determining whether to certify additional facilities or expansion of existing facilities within a network, take into account the network’s goals and performance as reflected in the network’s annual report.

(5) The Secretary, after consultation with appropriate professional and planning organizations, shall provide such guidelines with respect to the planning and delivery of renal disease services as are necessary to assist network organizations in their development of their respective networks’ goals to promote the optimum use of self-dialysis and transplantation by suitable candidates for such modalities.

(6) It is the intent of the Congress that the maximum practical number of patients who are medically, socially, and psychologically suitable candidates for home dialysis or transplantation should be so treated and that the maximum practical number of patients who are suitable candidates for vocational rehabilitation services be given access to such services and encouraged to return to gainful employment. The Secretary shall consult with appropriate professional and network organizations and consider available evidence relating to developments in research, treatment methods, and technology for home dialysis and transplantation.

(7) The Secretary shall establish a national end stage renal disease registry the purpose of which shall be to assemble and analyze the data reported by network organizations, transplant centers, and other sources on all end stage renal disease patients in a manner that will permit—

(A) the preparation of the annual report to the Congress required under subsection (g); 1

(B) an identification of the economic impact, cost-effectiveness, and medical efficacy of alternative modalities of treatment;

(C) an evaluation with respect to the most appropriate allocation of resources for the treatment and research into the cause of end stage renal disease;

(D) the determination of patient mortality and morbidity rates, and trends in such rates, and other indices of quality of care; and

(E) such other analyses relating to the treatment and management of end stage renal disease as will assist the Congress in evaluating the end stage renal disease program under this section.

The Secretary shall provide for such coordination of data collection activities, and such consolidation of existing end stage renal disease data systems, as is necessary to achieve the purpose of such registry, shall determine the appro-
private location of the registry, and shall provide for the appointment of a professional advisory group to assist the Secretary in the formulation of policies and procedures relevant to the management of such registry.

(8) The provisions of sections 1320c-6 and 1320c-9 of this title shall apply with respect to network administrative organizations (including such organizations as medical review boards) with which the Secretary has entered into agreements under this subsection.

(d) Donors of kidney for transplant surgery

Notwithstanding any provision to the contrary in section 426 of this title any individual who donates a kidney for transplant surgery shall be entitled to benefits under parts A and B of this subchapter with respect to such donation. Reimbursement for the reasonable expenses incurred by such an individual with respect to a kidney donation shall be made (without regard to the deductible, premium, and coinsurance provisions of this subchapter), in such manner as may be prescribed by the Secretary in regulations, for all reasonable preparatory, operation, and postoperation recovery expenses associated with such donation, including but not limited to the expenses for which payment could be made if he were an eligible individual for purposes of parts A and B of this subchapter without regard to this subsection. Payments for postoperation recovery expenses shall be limited to the actual period of recovery.

(e) Reimbursement of providers, facilities, and nonprofit entities for costs of artificial kidney and automated dialysis peritoneal machines for home dialysis

(1) Notwithstanding any other provision of this subchapter, the Secretary may, pursuant to agreements with approved providers of services, renal dialysis facilities, and nonprofit entities which the Secretary finds can furnish equipment economically and efficiently, reimburse such providers, facilities, and nonprofit entities (without regard to the deductible and coinsurance provisions of this subchapter) for the reasonable cost of the purchase, installation, maintenance and reconditioning for subsequent use of artificial kidney and automated dialysis peritoneal machines (including supportive equipment) which are to be used exclusively by entitled individuals dialyzing at home.

(2) An agreement under this subsection shall require that the provider, facility, or other entity will:

(A) make the equipment available for use only by entitled individuals dialyzing at home;

(B) recondition the equipment, as needed, for reuse by such individuals throughout the useful life of the equipment, including modification of the equipment consistent with advances in research and technology;

(C) provide for full access for the Secretary to all records and information relating to the purchase, maintenance, and use of the equipment; and

(D) submit such reports, data, and information as the Secretary may require with respect to the cost, management, and use of the equipment.

(3) For purposes of this section, the term “supportive equipment” includes blood pumps, hepa-

rin pumps, bubble detectors, other alarm systems, and such other items as the Secretary may determine are medically necessary.

(f) Experiments, studies, and pilot projects

(1) The Secretary shall initiate and carry out, at selected locations in the United States, pilot projects under which financial assistance in the purchase of new or used durable medical equipment for renal dialysis is provided to individuals suffering from end stage renal disease at the time home dialysis is begun, with provision for a trial period to assure successful adaptation to home dialysis before the actual purchase of such equipment.

(2) The Secretary shall conduct experiments to evaluate methods for reducing the costs of the end stage renal disease program. Such experiments shall include (without being limited to) reimbursement for nurses and dialysis technicians to assist with home dialysis, and reimbursement to family members assisting with home dialysis.

(3) The Secretary shall conduct experiments to evaluate methods of dietary control for reducing the costs of the end stage renal disease program, including (without being limited to) the use of protein-controlled products to delay the necessity for, or reduce the frequency of, dialysis in the treatment of end stage renal disease.

(4) The Secretary shall conduct a comprehensive study of methods for increasing public participation in kidney donation and other organ donation programs.

(5) The Secretary shall conduct a full and complete study of the reimbursement of physicians for services furnished to patients with end stage renal disease under this subchapter, giving particular attention to the range of payments to physicians for such services, the average amounts of such payments, and the number of hours devoted to furnishing such services to patients at home, in renal disease facilities, in hospitals, and elsewhere.

(6) The Secretary shall conduct a study of the number of patients with end stage renal disease who are not eligible for benefits with respect to such disease under this subchapter (by reason of this section or otherwise), and of the economic impact of such noneligibility of such individuals. Such study shall include consideration of mechanisms whereby governmental and other health plans might be instituted or modified to permit the purchase of actuarially sound coverage for the costs of end stage renal disease.

(7)(A) The Secretary shall establish protocols on standards and conditions for the reuse of dialyzer filters for those facilities and providers which voluntarily elect to reuse such filters.

(B) With respect to dialysis services furnished on or after January 1, 1988 (or July 1, 1988, with respect to protocols that relate to the reuse of bloodlines), no dialysis facility may reuse dialyzer filters for those facilities and providers which voluntarily elect to reuse such filters.

(C) The Secretary shall incorporate protocols established under this paragraph, and the requirement of subparagraph (B), into the requirements for facilities prescribed under subsection...
(b)(1)(A) and failure to follow such a protocol or requirement subjects such a facility to denial of participation in the program established under this section and to denial of payment for dialysis treatment not furnished in compliance with such a protocol or in violation of such requirement.

(8) The Secretary shall submit to the Congress no later than October 1, 1979, a full report on the experiments conducted under paragraphs (1), (2), (3), and (7), and the studies under paragraphs (4), (5), (6), and (7). Such report shall include any recommendations for legislative changes which the Secretary finds necessary or desirable as a result of such experiments and studies.

(g) Conditional approval of dialysis facilities; restriction-of-payments notice to public and facility; notice and hearing; judicial review

(1) In any case where the Secretary—
(A) finds that a renal dialysis facility is not in substantial compliance with requirements for such facilities prescribed under subsection (b)(1)(A),
(B) finds that the facility’s deficiencies do not immediately jeopardize the health and safety of patients, and
(C) has given the facility a reasonable opportunity to correct its deficiencies,
the Secretary may, in lieu of terminating approval of the facility, determine that payment under this subchapter shall be made to the facility only for services furnished to individuals who were patients of the facility before the effective date of the notice.

(2) The Secretary’s decision to restrict payments under this subsection shall be made effective only after such notice to the public and to the facility as may be prescribed in regulations, and shall remain in effect until (A) the Secretary finds that the facility is in substantial compliance with the requirements under subsection (b)(1)(A), or (B) the Secretary terminates the agreement under this subchapter with the facility.

(3) A facility dissatisfied with a determination by the Secretary under paragraph (1) shall be entitled to a hearing thereon by the Secretary (after reasonable notice) to the same extent as is provided in section 405(b) of this title, and to judicial review of the Secretary’s final decision after such hearing as is provided in section 405(g) of this title, except that, in so applying such sections and in applying section 405(i) of this title thereto, any reference therein to the Commissioner of Social Security or the Social Security Administration shall be considered a reference to the Secretary or the Department of Health and Human Services, respectively.

(h) Quality incentives in the end-stage renal disease program

(1) Quality incentives

(A) In general

With respect to renal dialysis services (as defined in subsection (b)(14)(B)) furnished on or after January 1, 2012, in the case of a provider of services or a renal dialysis facility that does not meet the requirement described in subparagraph (B) with respect to the year, payments otherwise made to such provider or facility under the system under subsection (b)(14) for such services shall be reduced by up to 2.0 percent, as determined appropriate by the Secretary.

(B) Requirement

The requirement described in this subparagraph is that the provider or facility meets (or exceeds) the total performance score under paragraph (3) with respect to performance standards established by the Secretary with respect to measures specified in paragraph (2).

(C) No effect in subsequent years

The reduction under subparagraph (A) shall apply only with respect to the year involved, and the Secretary shall not take into account such reduction in computing the single payment amount under the system under paragraph (14) in a subsequent year.

(2) Measures

(A) In general

The measures specified under this paragraph with respect to the year involved shall include—
(i) measures on anemia management that reflect the labeling approved by the Food and Drug Administration for such management and measures on dialysis adequacy;
(ii) to the extent feasible, such measure (or measures) of patient satisfaction as the Secretary shall specify;
(iii) for 2016 and subsequent years, measures described in subparagraph (E)(i); and
(iv) such other measures as the Secretary specifies, including, to the extent feasible, measures on—
(I) iron management;
(II) bone mineral metabolism; and
(III) vascular access, including for maximizing the placement of arterial venous fistula.

(B) Use of endorsed measures

(i) In general

Subject to clause (ii), any measure specified by the Secretary under subparagraph (A)(iv) must have been endorsed by the entity with a contract under section 1395aaa(a) of this title.

(ii) Exception

In the case of a specified area or medical topic determined appropriate by the Secretary for which a feasible and practical measure has not been endorsed by the entity with a contract under section 1395aaa(a) of this title, the Secretary may specify a measure that is not so endorsed as long as due consideration is given to measures that have been endorsed or adopted by a consensus organization identified by the Secretary.

(C) Updating measures

The Secretary shall establish a process for updating the measures specified under subparagraph (A) in consultation with interested parties.
§ 1395rr  TITLE 42—THE PUBLIC HEALTH AND WELFARE

(D) Consideration
In specifying measures under subparagraph (A), the Secretary shall consider the availability of measures that address the unique treatment needs of children and young adults with kidney failure.

(E) Measures specific to the conditions treated with oral-only drugs
(i) In general
The measures described in this subparagraph are measures specified by the Secretary that are specific to the conditions treated with oral-only drugs. To the extent feasible, such measures shall be outcomes-based measures.

(ii) Consultation
In specifying the measures under clause (i), the Secretary shall consult with interested stakeholders.

(iii) Use of endorsed measures
(I) In general
Subject to subclause (i), any measures specified under clause (i) must have been endorsed by the entity with a contract under section 1395aa(a) of this title.

(II) Exception
If the entity with a contract under section 1395aa(a) of this title has not endorsed a measure for a specified area or topic related to measures described in clause (i) that the Secretary determines appropriate, the Secretary may specify a measure that is endorsed or adopted by a consensus organization recognized by the Secretary that has expertise in clinical guidelines for kidney disease.

(3) Performance scores
(A) Total performance score
(i) In general
Subject to clause (i), the Secretary shall develop a methodology for assessing the total performance of each provider of services and renal dialysis facility based on performance standards with respect to the measures selected under paragraph (2) for a performance period established under paragraph (4)(D) (in this subsection referred to as the “total performance score”).

(ii) Application
For providers of services and renal dialysis facilities that do not meet (or exceed) the total performance score established by the Secretary, the Secretary shall ensure that the application of the methodology developed under clause (i) results in an appropriate distribution of reductions in payment under paragraph (1) among providers and facilities achieving different levels of total performance scores, with providers and facilities achieving the lowest total performance scores receiving the largest reduction in payment under paragraph (1)(A).

(iii) Weighting of measures
In calculating the total performance score, the Secretary shall weight the scores with respect to individual measures calculated under subparagraph (B) to reflect priorities for quality improvement, such as weighting scores to ensure that providers of services and renal dialysis facilities have strong incentives to meet or exceed anemia management and dialysis adequacy performance standards, as determined appropriate by the Secretary.

(B) Performance score with respect to individual measures
The Secretary shall also calculate separate performance scores for each measure, including for dialysis adequacy and anemia management.

(4) Performance standards
(A) Establishment
Subject to subparagraph (E), the Secretary shall establish performance standards with respect to measures selected under paragraph (2) for a performance period with respect to a year (as established under subparagraph (D)).

(B) Achievement and improvement
The performance standards established under subparagraph (A) shall include levels of achievement and improvement, as determined appropriate by the Secretary.

(C) Timing
The Secretary shall establish the performance standards under subparagraph (A) prior to the beginning of the performance period for the year involved.

(D) Performance period
The Secretary shall establish the performance period with respect to a year. Such performance period shall occur prior to the beginning of such year.

(E) Special rule
The Secretary shall initially use as the performance standard for the measures specified under paragraph (2)(A)(i) for a provider of services or a renal dialysis facility the lesser of—

(i) the performance of such provider or facility for such measures in the year selected by the Secretary under the second sentence of subsection (b)(14)(A)(ii); or

(ii) a performance standard based on the national performance rates for such measures in a period determined by the Secretary.

(5) Limitation on review
There shall be no administrative or judicial review under section 1395ff of this title, section 1395oo of this title, or otherwise of the following:

(A) The determination of the amount of the payment reduction under paragraph (1).

(B) The establishment of the performance standards and the performance period under paragraph (4).

(C) The specification of measures under paragraph (2).

(D) The methodology developed under paragraph (3) that is used to calculate total
performance scores and performance scores for individual measures.

(6) Public reporting

(A) In general

The Secretary shall establish procedures for making information regarding performance under this subsection available to the public, including—

(i) the total performance score achieved by the provider of services or renal dialysis facility under paragraph (3) and appropriate comparisons of providers of services and renal dialysis facilities to the national average with respect to such scores; and

(ii) the performance score achieved by the provider or facility prior to such data being made public.

(B) Opportunity to review

The procedures established under subparagraph (A) shall ensure that a provider of services and a renal dialysis facility has the opportunity to review the information that is to be made public with respect to the provider or facility prior to such data being made public.

(C) Certificates

(i) In general

The Secretary shall provide certificates to providers of services and renal dialysis facilities who furnish renal dialysis services under this section to display in patient areas. The certificate shall indicate the total performance score achieved by the provider or facility under paragraph (3).

(ii) Display

Each facility or provider receiving a certificate under clause (i) shall prominently display the certificate at the provider or facility.

(D) Web-based list

The Secretary shall establish a list of providers of services and renal dialysis facilities who furnish renal dialysis services under this section to display in an easily understandable format on the website of the Centers for Medicare & Medicaid Services in an easily understandable format.

References in Text


Section 422(a)(2) of the Medicare, Medicaid, and SCHIP Benefits Improvement and Protection Act of 2000, referred to in subsec. (b)(7), is section 1a(a)(6) [title IV, § 422(a)(2)] of Pub. L. 106–554, which is set out as a note under this section.

Section 623(c) of the Medicare Prescription Drug, Improvement, and Modernization Act of 2003, referred to in subsec. (b)(12)(B)(ii), (13)(A)(ii), is section 623(c) of Pub. L. 108–173, which is set out as a note under this section.


Amendments

2018—Subsec. (b)(1). Pub. L. 115–123, § 50403(b), inserted at end: “Beginning 180 days after February 9, 2018, an initial survey of a provider of services or a renal dialysis facility to determine if the conditions and requirements under this paragraph are met shall be initiated not later than 90 days after such date on which both the provider enrollment form (without regard to whether such form is submitted prior to or after such date of enrollment) has been determined by the Secretary to be complete and the provider’s enrollment status indicates approval is pending the results of such survey.”

Pub. L. 115–123, §§ 50302(d), substituted “paragraph (3)(A)(i)” for “paragraph (3)(A)”.

Subsec. (b)(3). Pub. L. 115–123, § 50302(a), inserted subpar. (A) designation before “With respect to”, redesignated former subpars. (A) and (B) as clus. (i) and (ii), respectively, of subpar. (A), substituted “subject to subparagraph (B), on a comprehensive” for “on a comprehensive” in cl. (ii), and added subpar. (B).

2014—Subsec. (b)(14)(F)(i). Pub. L. 113–93, § 217(b)(2)(A), substituted “subclasses (II) and (III)” for “subclause (II)” and inserted at end “In order to accomplish the purposes of subparagraph (I) with respect to 2016, 2017, and 2018, after determining the increase factor described in the preceding sentence for each of 2016, 2017, and 2018, the Secretary shall reduce such increase factor by 1.25 percentage points for each of 2016 and 2017 and by 1 percentage point for 2018.”


References in Text


2010—Subsec. (b)(14)(F)(i). Pub. L. 111–148, § 3401(b)(1), designated existing provisions as subcl. (I), substituted “Subject to paragraph (14), the payment system under this paragraph” for “In lieu of payment” and inserted at end “‘Under such system, the payment rate for dialysis services furnished on or after January 1, 2009, by providers of services shall be the same as the payment rate (computed without regard to this sentence) for such services furnished by renal dialysis facilities, and in applying the geographic index under subparagraph (B) to providers of services, the labor share shall be based on the labor share otherwise applied for renal dialysis facilities.’”

Subsec. (b)(14)(F)(ii)(II). Pub. L. 111–148, § 3401(b)(2), substituted “Subject to clause (i)(II), the ‘‘‘‘The’’ and ‘‘clause (i)’’ minus 1.0 percentage point’’” for “‘The’ and ‘‘clause (i)’’ minus 1.0 percentage point’”.

2008—Subsec. (b)(12)(A). Pub. L. 110–275, § 153(a)(2), redesignated former cl. (i) as subpar. (B), inserted “Subject to paragraph (14), in concluding provisions, inserted ‘‘Subject to paragraph (14)’’ after this paragraph and ‘‘or under the system under paragraph (14)’’ after subparagraph (B)’”.

Subsec. (b)(12)(G). Pub. L. 110–275, § 153(a)(1), inserted “‘and before January 1, 2009,’’ after “‘April 1, 2007,’” in cl. (i) and added clss. (iii) and (iv).

Subsec. (b)(13)(A). Pub. L. 110–275, § 153(a)(3)(A)(i)(I), substituted “Subject to paragraph (14), the payment amounts for ‘‘The payment amounts’’ in introductory provisions” for “In lieu of payment and inserted at end ‘‘Under such system, the payment rate for dialysis services furnished on or after January 1, 2009, by providers of services shall be the same as the payment rate (computed without regard to this sentence) for such services furnished by renal dialysis facilities, and in applying the geographic index under subparagraph (B) to providers of services, the labor share shall be based on the labor share otherwise applied for renal dialysis facilities.’”

Subsec. (b)(13)(B). Pub. L. 110–275, § 153(b)(3)(A)(ii)(I), redesignated cl. (i) as subpar. (B), inserted “‘subject to paragraph (14)’ before period at end and struck out cl. (ii) which read as follows: ‘‘Nothing in this paragraph, section 1395u(a) of this title, section 1395w–3a of this title, or section 1396w–3 of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, shall be construed as requiring or authorizing the bundling of payment for drugs and biologicals into the basic case-mix adjusted payment system under this paragraph.’”


2006—Subsec. (b)(12)(F). Pub. L. 109–171, § 101(e), inserted “‘except as provided in subparagraph (G), nothing’ for ‘‘Nothing’’ in concluding provisions”.

Subsec. (b)(12)(G). Pub. L. 109–182 amended subpar. (G) generally. Prior to amendment, subpar. (G) read as follows: “‘The Secretary shall increase the amount of the composite rate component of the basic case-mix adjusted system under subparagraph (B) for dialysis services furnished on or after January 1, 2006, by 1.6 percent above the amount of such composite rate component for such services furnished on December 31, 2005.’”


2003—Subsec. (b)(7). Pub. L. 108–173, § 623(a)(2), (b)(2), (d)(2), in first sentence substituted “Subject to paragraph (12), the ‘Secretary’”, for “‘The Secretary’”, in fourth sentence substituted “‘Subject to section 422(a)(2) of the Medicare, Medicaid, and SCHIP Benefits Improvement and Protection Act of 2000, the Secretary for “‘The Secretary’”, in concluding provisions, struck out “and” before “‘for such services furnished on or after January 1, 2001,’’” and inserted “‘and before January 1, 2006,’’ after “‘January 1, 2001,’’” and inserted “‘, and for such services furnished on or after January 1, 2005, by 1.6 percent above such composite rate payment amounts for such services furnished on December 31, 2004’” before period at end.


2000—Subsec. (b)(17). Pub. L. 106–554 substituted “‘for such services furnished on or after January 1, 2003, by 2.4 percent’” for “‘for such services furnished on or after January 1, 2001, by 1.2 percent’” in concluding provisions.


1994—Subsec. (g)(3). Pub. L. 103–296 inserted before period at end “‘, except that, in so applying such sections and in applying subsection 405(l) of this title thereto, any reference therein to the Commissioner of Social Security or the Social Security Administration shall be considered a reference to the Secretary or the Department of Health and Human Services, respectively’’.


1989—Subsec. (b)(5)(A). Pub. L. 101–239, § 6182(a)(8), inserted “‘or, for services furnished on or after January 1, 1992, on the basis described in section 1395w–4 of this title’”.”

1987—Subsec. (b)(3)(A). Pub. L. 100–203, § 4096(b), substituted “‘network administrative organization’ designated provisions as subpar. (A) and added subpar. (B).

1986—Subsec. (b)(6)(C). Pub. L. 100–203, § 4086(b), substituted “‘network administrative organization’ designated provisions as subpar. (A) and added subpar. (B).

1985—Subsec. (b)(7). Pub. L. 101–239, § 6219(a), substituted “‘network administrative organization’ designated provisions as subpar. (A) and added subpar. (B).

1984—Subsec. (b)(5)(A). Pub. L. 100–203, § 4096(b), substituted “‘or, for services furnished on or after January 1, 1992, on the basis described in section 1395w–4 of this title’”.”

1983—Subsec. (b)(6). Pub. L. 100–203, § 4063(d)(5)(A), struck out “and subsection (g) of this section” after “‘required by’” in concluding provisions.

Subsec. (c)(6). Pub. L. 100–203, § 4063(d)(5)(B), struck out at end “‘The Secretary shall periodically submit to

§ 1395rr TITLE 42—THE PUBLIC HEALTH AND WELFARE Page 3406
the Congress such legislative recommendations as the Secretary finds warranted on the basis of such consultation and evidence to further the national objective of improving the use of home dialysis and transplantation consistent with good medical practice.”


1986—Subsec. (b)(7). Pub. L. 99–509, § 8335(j)(1), inserted at end—“The Secretary shall reduce the amount of each composite rate payment under this paragraph for each treatment by 50 cents (subject to such adjustments as may be required to reflect modes of dialysis other than hemodialysis) and provide for payment of such amount to the network administrative organization (designated under subsection (c)(1)(A) for the network area in which the treatment is provided) for its necessary and proper administrative costs incurred in carrying out its responsibilities under subsection (c)(2).”

Subsec. (c)(1)(A). Pub. L. 99–509, § 8335(d)(1), amended subpar. (A) generally. Prior to amendment, subpar. (A) read as follows: “For the purpose of assuring effective and efficient administration of the benefits provided under this section, the Secretary shall establish, in accordance with such criteria as he finds appropriate, renal dialysis network areas, such network organizations (including a coordinating council, an executive committee of such council, and a medical review board, for each network area) as he finds necessary to accomplish such purpose, and a national end stage renal disease medical information system. The Secretary may by regulations provide for such coordination of network planning and quality assurance activities and such exchange of data and information among agencies with responsibilities for health planning and quality assurance activities under Federal law as is consistent with the economical and efficient administration of this section and with the responsibilities established for network organizations under this section.”

Subsec. (c)(1)(B). Pub. L. 99–509, § 8335(e), amended subpar. (B) generally, substituting “network council and each medical review board” for “coordinating council and executive committee.”

Subsec. (c)(2)(A). Pub. L. 99–509, § 8335(f)(1), inserted “and of pediatric facilities” after “isolated rural areas” in third sentence, and inserted after third sentence “Each application for such an exception shall be deemed to be approved unless the Secretary disapproves it by not later than 60 working days after the date the application is filed.”

Subsec. (c)(1)(A). Pub. L. 99–509, § 8335(d)(1), amended subpar. (A) generally. Prior to amendment, subpar. (A) read as follows: “For the purpose of assuring effective and efficient administration of the benefits provided under this section, the Secretary shall establish, in accordance with such criteria as he finds appropriate, renal dialysis network areas, such network organizations (including a coordinating council, an executive committee of such council, and a medical review board, for each network area) as he finds necessary to accomplish such purpose, and a national end stage renal disease medical information system. The Secretary may by regulations provide for such coordination of network planning and quality assurance activities and such exchange of data and information among agencies with responsibilities for health planning and quality assurance activities under Federal law as is consistent with the economical and efficient administration of this section and with the responsibilities established for network organizations under this section.”

Subsec. (c)(2)(D). Pub. L. 99–509, § 8335(g), added subpars. (D) to (F). Former subpars. (D) and (E) redesignated (G) and (H), respectively.

Subsec. (c)(2)(G). Pub. L. 99–509, § 8335(h)(3), redesignated former subsec. (D) as (G) and inserted “and reporting to the Secretary on facilities and providers that are not providing appropriate medical care” before the semicolon.

Subsec. (c)(2)(H). Pub. L. 99–509, § 8335(i)(4), redesignated former subpar. (E) as (H) and inserted “and encouraging participation in vocational rehabilitation programs” after “and transplantation.”

Subsec. (c)(3). Pub. L. 99–509, § 8335(j)(1), inserted “or to follow the recommendations of the medical review board” after “network plans and goals”.

Subsec. (c)(6). Pub. L. 99–509, § 8335(h), inserted “and that the maximum practical number of patients who are suitable candidates for vocational rehabilitation services be given access to such dialysis and transplantation consistent with good medical practice.”

Subsec. (c)(7). Pub. L. 99–509, § 8335(j)(1), added par. (7). Subsec. (c)(7). Pub. L. 99–509, § 8335(k)(1), amended par. (7) generally. Prior to amendment, par. (7) read as follows—“The Secretary shall conduct a study of the medical appropriateness and safety of cleaning and reusing dialysis filters by home dialysis patients. In such cases in which the Secretary determines that such home cleaning and reuse of filters is a medically sound procedure, the Secretary shall conduct experiments to evaluate such home cleaning and reuse as a method of reducing the costs of the end stage renal disease program.”

1984—Subsecs. (a), (b)(1), (2)(A), (B), (3), (8). Pub. L. 98–369, § 2354(b)(41), substituted “end stage” for “end-stage” wherever appearing.


Subsec. (c)(3). Pub. L. 98–369, § 2323(a), inserted provision that if the Secretary determines that the facility’s or provider’s failure to cooperate with network plans and goals does not jeopardize patient health or safety, the Secretary may require the facility or provider to cooperate with network plans and providers in encouraging participation in vocational rehabilitation programs (‘‘and with respect to working with patients, facilities, and renal disease facilities in vocational rehabilitation programs’’) before the semicolon.

Subsec. (c)(7)(B). Pub. L. 98–369, § 2354(b)(41), substituted “or justify termination of certification, he may instead, after reasonable notice to the provider or facility and to the public, impose such other sanctions as he determines to be appropriate, which sanctions may include the denial of reimbursement with respect to some or all patients admitted to the facility after the date of notice to the facility or provider, and graduated reduction in reimbursement for all patients.”

1983—Subsec. (b)(2)(A). Pub. L. 93–681 redesignated (G) and (H), respectively.

Subsec. (f)(7). Pub. L. 96–499, § 1984–(v) of this title, redesignated former subpars. (7) to (9) as (8) to (10), respectively.

Effective Date of 1994 Amendment

Effective Date of 1993 Amendment
Amendment by Pub. L. 103–66 applicable to erythropoietin furnished on or after Jan. 1, 1994, see section 13556(c) of Pub. L. 103–66, set out as a note under section 1395x of this title.

Effective Date of 1990 Amendment


Effective Date of 1989 Amendment
Pub. L. 101–239, title VI, §6203(b)(3), Dec. 19, 1989, 103 Stat. 2235, provided that: "The amendments made by this subsection [amending this section] shall apply with respect to dialysis services, supplies, and equipment furnished on or after February 1, 1990."

Effective Date of 1987 Amendment
Amendment by section 4065(b) of Pub. L. 101–203 effective Jan. 1, 1990, see section 4065(c) of Pub. L. 101–203, set out as a note under section 1395x of this title.

Amendment by Pub. L. 100–95 effective at end of fourteen-day period beginning Aug. 18, 1987, and inapplicable to administrative proceedings commenced before end of such period, see section 15(a) of Pub. L. 100–95, set out as a note under section 1320a–7 of this title.

Effective Date of 1986 Amendment
Pub. L. 99–509, title IX, §9335(a)(3), Oct. 21, 1986, 100 Stat. 2029, provided that: "The amendments made by paragraph (2) [amending this section] shall apply to applications filed on or after the date of the enactment of this Act [Oct. 21, 1986]."

Pub. L. 99–509, title IX, §9335(j)(2), Oct. 21, 1986, 100 Stat. 2032, as amended by Pub. L. 100–203, title IV, §4065(j)(21), Dec. 22, 1986, 101 Stat. 1330–313, provided that: "The amendment made by paragraph (1) [amending this section] shall apply to treatment furnished on or after January 1, 1987[,] except that, until network administrative organizations are established under section 1881(c)(1)(A) of the Social Security Act [42 U.S.C. 1395t(c)(1)(A)] (as amended by subsection (d) of this section), the distribution of payments described in the last sentence of section 1881(b)(7) of such Act shall be based on the distribution of payments under section 1881 of such Act to network administrative organizations for fiscal year 1986."


Pub. L. 99–509, title IX, §9335(l), Oct. 21, 1986, 100 Stat. 2033, provided that: "The amendments made by sections (e), (f), and (g) [amending this section] shall apply to network administrative organizations designated for network areas established under the amendment made by subsection (d)(1) [amending this section]."

Effective Date of 1984 Amendment
Amendment by Pub. L. 98–617 effective as if originally included in the Deficit Reduction Act of 1984, Pub. L. 98–369, see section 3(c) of Pub. L. 98–617, set out as a note under section 1395x of this title.

Amendment by section 2323(c) of Pub. L. 98–369 applicable to services furnished on or after Sept. 1, 1984, see section 2323(d) of Pub. L. 98–369, set out as a note under section 1385f of this title.

Pub. L. 98–369, div. B, title III, §3352(b), July 18, 1984, 98 Stat. 1999, provided that: "The amendment made by this section [amending this section] shall apply to determinations made by the Secretary on or after the date of the enactment of this Act [July 18, 1984]."

Amendment by section 2354(b)(1) of Pub. L. 98–369 effective July 18, 1984, but not to be construed as changing or affecting any right, liability, status, or interpretation which existed under the provisions of law involved before that date, see section 2354(e)(1) of Pub. L. 98–369, set out as a note under section 1320a–1 of this title.

Effective Date of 1983 Amendment
Amendment by Pub. L. 98–21 applicable to items and services furnished by or under arrangement with a hospital beginning with its first cost reporting period that begins on or after Oct. 1, 1983, any change in a hospital's cost reporting period made after November 1982 to be recognized for such purposes only if the Secretary finds good cause therefor, see section 804(a)(1) of Pub. L. 98–21, set out as a note under section 1395ww of this title.

Effective Date of 1981 Amendment
Pub. L. 97–35, title XXI, §2145(b), Aug. 13, 1981, 95 Stat. 800, provided that: "The amendments made by subsection (a) [amending this section] apply to services furnished on or after October 1, 1981, and the Secretary of Health and Human Services shall first promulgate regulations to carry out section 1881(b)(7) of the Social Security Act [42 U.S.C. 1395t(b)(7)] not later than October 1, 1981."

Effective Date
Section effective with respect to services, supplies, and equipment furnished after the third calendar month beginning after June 13, 1978, except that provisions for the implementation of an incentive reimbursement system for dialysis services furnished in facilities and providers to become effective with respect to a facility's or provider's first accounting period beginning after the last day of the twelfth month following the month of June 1978, and except that provisions for reimbursement rates for home dialysis to become effective on Apr. 1, 1979, see section 6 of Pub. L. 95–292, set out as an Effective Date of 1978 Amendment note under section 426 of this title.

Construction of 2008 Amendment
Pub. L. 110–275, title I, §1315(b)(4), July 15, 2008, 122 Stat. 2556, provided that: "Nothing in this subsection [amending this section and sections 1395x and 1395y of this title and repealing provisions set out as a note under section 1395x of this title] shall be construed to require the Secretary to make payments under the payment system implemented under paragraph (1)(A)(i) of section 1881(b)(6) of the Social Security Act (42 U.S.C. 1395t(b)(6)), as added by paragraph (1), for any unrecovered amount for any bad debt attributable to deductible and coinsurance on items and services not included in the basic case-mix adjusted composite rate under paragraph (12) of such section as in effect before the date of the enactment of this Act [July 15, 2008]."

Drug Designations
Pub. L. 113–93, title II, §217(c), Apr. 1, 2014, 128 Stat. 1062, provided that: "As part of the promulgation of annual rule for the Medicare end stage renal disease prospective payment system under section 1881(b)(14) of the Social Security Act (42 U.S.C. 1395t(b)(14)) for calendar year 2016, the Secretary of Health and Human Services (in this subsection referred to as the 'Secretary') shall establish a process for—

(1) determining when a product is no longer an oral-only drug; and
"(2) including new injectable and intravenous products
under the bundled payment under such system.")

AUDITS OF COST REPORTS OF ESRD PROVIDERS AS
RECOMMENDED BY MEDPAC

Pub. L. 113–93, title II, §217(e), Apr. 1, 2014, 128 Stat. 1063, provided that:

"(1) IN GENERAL.—The Secretary of Health and Human Services shall conduct audits of Medicare cost reports beginning during 2012 for a representative sample of providers of services and renal dialysis facilities furnishing renal dialysis services.

"(2) FUNDING.—For purposes of carrying out paragraph (1), the Secretary of Health and Human Services shall provide for the transfer from the Federal Supplementary Medical Insurance Trust Fund established under section 1841 of the Social Security Act (42 U.S.C. 1395t) to the Centers for Medicare & Medicaid Services Program Management Account of $18,000,000 for fiscal year 2014. Amounts transferred under this paragraph for a fiscal year shall be available until expended."
“(G) ADDITIONAL RECOMMENDATIONS.—Such other matters as the Secretary determines to be appropriate.”

PROHIBITION ON EXCEPTIONS


“(A) IN GENERAL.—Subject to subparagraphs (B), (C), and (D), the Secretary of Health and Human Services may not provide for an exception under section 1881(b)(7) of the Social Security Act (42 U.S.C. 1395rr(b)(7)) on or after December 31, 2000.

“(B) DEADLINE FOR NEW APPLICATIONS.—Subject to subparagraph (D), in the case of a facility that during 2000 did not file for an exception rate under such section, the facility may submit an application for an exception rate by not later than July 1, 2001.

“(C) PROTECTION OF APPROVED EXCEPTION RATES.—Any exception rate under such section in effect on December 31, 2000 (or, in the case of an application under subparagraph (B), as approved under such application) shall continue in effect so long as such rate is greater than the composite rate as updated by the amendment made by paragraph (1) [amending this section].

“(D) INAPPLICABILITY TO PEDIATRIC FACILITIES.—Subparagraphs (A) and (B) shall not apply, as of October 1, 2002, to pediatric facilities that do not have an exception rate described in subparagraph (C) in effect on such date. For purposes of this subparagraph, the term ‘pediatric facility’ means a renal facility at least 50 percent of whose patients are individuals under 18 years of age.”

DEVELOPMENT OF ESRD MARKET BASKET

Pub. L. 106–554, §116(a)(6) [title IV, §422(b)], Dec. 21, 2000, 114 Stat. 2763, 2763A–516, provided that:

“(1) DEVELOPMENT.—The Secretary of Health and Human Services shall collect data and develop an ESRD market basket whereby the Secretary can estimate, before the beginning of a year, the percentage by which the costs for the year of the mix of labor and nonlabor goods and services included in the ESRD composite rate under section 1881(b)(7) of the Social Security Act (42 U.S.C. 1395rr(b)(7)) will exceed the costs of such mix of goods and services for the preceding year.

In developing such index, the Secretary may take into account measures of changes in—

“(A) technology used in furnishing dialysis services;

“(B) the manner or method of furnishing dialysis services; and

“(C) the amounts by which the payments under such section for all services billed by a facility for a year exceed the payment made for allowable audited costs of such services for such facility for such year.

“(2) REPORT.—The Secretary of Health and Human Services shall submit to Congress a report on the index developed under paragraph (1) no later than July 1, 2002, and shall include in the report recommendations on the appropriateness of an annual or periodic update mechanism for renal dialysis services under the Medicare program under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.) based on such index.”

INCLUSION OF ADDITIONAL SERVICES IN COMPOSITE RATE

Pub. L. 106–554, §116(a)(6) [title IV, §422(c)], Dec. 21, 2000, 114 Stat. 2763, 2763A–517, provided that:

“(1) DEVELOPMENT.—The Secretary of Health and Human Services shall develop a system which includes, to the maximum extent feasible, in the composite rate used for payment under section 1881(b)(7) of the Social Security Act (42 U.S.C. 1395rr(b)(7)), payment for clinical diagnostic laboratory tests and drugs (including drugs paid under section 1881(b)(11)(B) of such Act (42 U.S.C. 1395rr(b)(11)(B))) that are routinely used in furnishing dialysis services to Medicare beneficiaries but which are currently separately billable by renal dialysis facilities.

“(2) REPORT.—The Secretary shall include, as part of the report submitted under subsection (b)(2) [set out above], a report on the system developed under paragraph (1) and recommendations on the appropriateness of incorporating the system into Medicare payment for renal dialysis services.”

GAO STUDY ON ACCESS TO SERVICES

Pub. L. 106–554, §116(a)(6) [title IV, §422(d)], Dec. 21, 2000, 114 Stat. 2763, 2763A–517, provided that:

“(1) STUDY.—The Comptroller General of the United States shall study access of Medicare beneficiaries to renal dialysis services. Such study shall include whether there is a sufficient supply of facilities to furnish needed renal dialysis services, whether Medicare payment levels are appropriate, taking into account audited costs of facilities for all services furnished, to ensure continued access to such services, and improvements in access (and quality of care) that may result in the increased use of long nightly and short daily hemodialysis modalities.

“(2) REPORT.—Not later than January 1, 2003, the Comptroller General shall submit to Congress a report on the study conducted under paragraph (1).”

SPECIAL RULE FOR PAYMENT FOR 2001

Pub. L. 106–554, §116(a)(6) [title IV, §422(e)], Dec. 21, 2000, 114 Stat. 2763, 2763A–517, provided that:

“(1) for services furnished on or after January 1, 2001, and before April 1, 2001, shall be the composite rate payment determined under the provisions of law in effect on the day before the date of the enactment of this Act [Dec. 21, 2000];

“(2) for services furnished on or after April 1, 2001, and before January 1, 2002, shall be the composite rate payment (as determined taking into account the amendment made by subsection (a)(1)) increased by a transitional percentage allowance equal to 0.39 percent (to account for the timing of implementation of the CPI update).”

STUDY ON PAYMENT LEVEL FOR HOME HEMODIALYSIS

Pub. L. 106–113, div. B, §1000(a)(6) [title II, §222(c)], Nov. 29, 1999, 113 Stat. 1356, 1388–102, provided that:

“The Medicare Payment Advisory Commission shall conduct a study on the appropriateness of the differential in payment under the Medicare program for hemodialysis services furnished in a facility and such services furnished in a home. Not later than 18 months after the date of the enactment of this Act [Nov. 29, 1999], the Commission shall submit to Congress a report on such study and shall include recommendations regarding changes in Medicare payment policy in response to the study.”

RENAI DIALYSIS-RELATED SERVICES

Pub. L. 105–33, title IV, §4558, Aug. 5, 1997, 111 Stat. 463, provided that:

“(A) AUDITING OF COST REPORTS.—Beginning with cost reports for 1996, the Secretary shall audit cost reports of each renal dialysis provider at least once every 3 years.

“(B) IMPLEMENTATION OF QUALITY STANDARDS.—The Secretary of Health and Human Services shall develop, by not later than January 1, 1999, and implement, by not later than January 1, 2000, a method to measure and report quality of renal dialysis services provided under the Medicare program under title XVIII of the Social Security Act [this subchapter].”

PROFAC STUDY ON ESRD COMPOSITE RATES

Pub. L. 101–508, title IV, §4201(b), Nov. 5, 1990, 104 Stat. 1388–162, provided that:}
"(1) IN GENERAL.—

"(A) STUDY.—The Prospective Payment Assessment Commission (in this subsection referred to as the 'Commission') shall conduct a study to determine the costs and services and profits associated with various modalities of dialysis treatment provided to end stage renal disease patients provided under title XVIII of the Social Security Act [42 U.S.C. 1395 et seq.].

"(B) RECOMMENDATIONS.—Based on information collected for the study described in subparagraph (A), the Commission shall make recommendations to Congress regarding the method or methods and the levels at which the payments made for the facility component of dialysis services by providers of service and renal dialysis facilities under title XVIII of the Social Security Act should be established for dialysis services furnished during fiscal year 1993 and the methodology to be used to update such payments for subsequent fiscal years.

"(2) REPORT.—Not later than June 1, 1992, the Commission shall submit a report to the Committee on Finance of the Senate, and the Committees on Ways and Means and Energy and Commerce of the House of Representatives on the study conducted under paragraph (1)(A) and shall include in the report the recommendations described in paragraph (1)(B), taking into account the factors described in paragraph (1)(B).

"(3) ANNUAL REPORT.—The Commission, not later than March 1 before the beginning of each fiscal year (beginning with fiscal year 1993) shall report its recommendations to the Committee on Finance of the Senate and the Committees on Ways and Means and Energy and Commerce of the House of Representatives on the appropriate change factor which should be used for updating payments for services rendered in that fiscal year. The Commission in making such report to Congress shall consider conclusions and recommendations available from the Institute of Medicine, the National Academy of Sciences, and the American Society of Transplant Surgeons.

"(4) TERMINATION.—The Prospective Payment Assessment Commission (ProPAC) was terminated and its assets and staff transferred to the Medicare Payment Advisory Commission (MedPAC) by section 4022(c)(2), (3) of Pub. L. 105–33, set out as a note under section 1395rr of this title. Section 4022(c)(2), (3) further provided that MedPAC was to be responsible for preparation and submission of reports required by law to be submitted by ProPAC, and that, for that purpose, any reference in law to ProPAC was to be deemed, after the appointment of MedPAC, to refer to MedPAC.

STAFF-ASSISTED HOME DIALYSIS DEMONSTRATION PROJECT


"(a) ESTABLISHMENT.—

"(1) IN GENERAL.—Not later than 9 months after the date of the enactment of this Act [Nov. 5, 1990], the Secretary of Health and Human Services shall establish and carry out a 3-year demonstration project to determine whether the services of a home dialysis staff assistant providing services to a patient during hemodialysis treatment at the patient's home may be covered under the medicare program in a cost-effective manner that ensures patient safety.

"(2) NUMBER OF PARTICIPANTS.—The number of eligible patients receiving services under the demonstration project established under paragraph (1) may not exceed 800.

"(b) PAYMENTS TO PARTICIPATING PROVIDERS AND FACILITIES.—

"(1) SERVICES FOR WHICH PAYMENT MAY BE MADE.—

"(A) IN GENERAL.—Under the demonstration project established under paragraph (a), the Secretary shall make payments for 3 years under title XVIII of the Social Security Act [42 U.S.C. 1395 et seq.] to providers of services (other than a skilled nursing facility) or renal dialysis facilities for services of a qualified home hemodialysis staff assistant (as described in subsection (d)) provided to an individual described in subsection (c) during hemodialysis treatment at the individual's home in an amount determined under paragraph (2).

"(B) SERVICES DESCRIBED.—For purposes of subpar-agraph (A), the term 'services of a home hemodialysis staff assistant' means:

"(i) technical assistance with the operation of a hemodialysis machine in the patient's home and with such patient's care during in-home hemodialysis; and

"(ii) administration of medications within the patient's home to maintain the patency of the extra corporeal circuit.

"(2) AMOUNT OF PAYMENT.—

"(A) IN GENERAL.—Payment to a provider of services or renal dialysis facility participating in the demonstration project established under subsection (a) for the services described in paragraph (1) shall be prospectively determined by the Secretary, made on a per treatment basis, and shall be in an amount determined under subsection (b).

"(B) DETERMINATION OF PAYMENT AMOUNT.—(i) The amount of payment made under subparagraph (A) shall be the product of—

"(I) the rate determined under clause (ii) with respect to a provider of services or a renal dialysis facility; and

"(II) the factor by which the labor portion of the composite rate determined under section 1881(b)(7) of the Social Security Act [42 U.S.C. 1395rr(b)(7)] is adjusted for differences in area wage levels.

"(II) The rate determined under this clause, with respect to a provider of services or a renal dialysis facility, shall be equal to the difference between—

"(I) two-thirds of the labor portion of the composite rate applicable under section 1881(b)(7) of such Act to the provider or facility, and

"(II) the product of the national median hourly wage for a home hemodialysis staff assistant and the national median time expended in the provision of home hemodialysis staff assistant services (taking into account time expended in travel and predialysis patient care).

"(iii) For purposes of clause (i)(II)—

"(I) the national median hourly wage for a home hemodialysis staff assistant and the national median average time expended for home hemodialysis staff assistant services shall be determined annually on the basis of the most recent data available, and

"(II) the national median hourly wage for a home hemodialysis staff assistant shall be the sum of 85 percent of the national median hourly wage for a licensed practical nurse and 35 percent of the national median hourly wage for a registered nurse.

"(C) PAYMENT AS ADD-ON TO COMPOSITE RATE.—The amount of payment determined under this paragraph shall be in addition to the amount of pay-
ment otherwise made to the provider of services or renal dialysis facility under section 1881(b) of such Act.

(6) INDIVIDUALS ELIGIBLE TO RECEIVE SERVICES UNDER PROJECT.

(1) In general.—An individual may receive services from a provider of services or renal dialysis facility participating in the demonstration project if—

(A) the individual is not a resident of a nursing facility;

(B) the individual is an end stage renal disease patient entitled to benefits under title XVIII of the Social Security Act [42 U.S.C. 1385 et seq.];

(C) the individual's physician certifies that the individual is confined to a bed or wheelchair and cannot transfer themselves (sic) from a bed to a chair;

(D) the individual has a serious medical condition (as specified by the Secretary) which would be exacerbated by travel to and from a dialysis facility;

(E) the individual is eligible for ambulance transportation to receive routine maintenance dialysis treatments, and, based on the individual’s medical condition, there is reasonable expectation that such transportation will be used by the individual for a period of at least 6 consecutive months, such that the cost of ambulance transportation can reasonably be expected to meet or exceed the cost of home hemodialysis staff assistance as provided under subsection (b)(2); and

(F) no family member or other individual is available to provide such assistance to the individual.

(2) COVERAGE OF INDIVIDUALS CURRENTLY RECEIVING SERVICES.—Any individual who, on the date of the enactment of this Act [Nov. 5, 1990], is receiving staff assistance under the experimental authority provided under section 1881(r)(2) of the Social Security Act [42 U.S.C. 1395rr(f)(2)] shall be deemed to be an eligible individual for purposes of this subsection.

(3) CONTINUATION OF COVERAGE UPON TERMINATION OF PROJECT.—Notwithstanding any provision of title XVIII of the Social Security Act, any individual receiving services under the demonstration project established under subsection (a) as of the date of the termination of the project shall continue to be eligible for home hemodialysis staff assistance after such date under such title on the same terms and conditions as applied under the demonstration project.

(4) QUALIFICATIONS FOR HOME HEMODIALYSIS STAFF ASSISTANTS.—For purposes of subsection (b), a home dialysis aide is qualified if the aide-

(1) meets minimum qualifications as specified by the Secretary; and

(2) meets any applicable qualifications as specified under the law of the State in which the home hemodialysis staff assistant is providing services.

(5) REPORTS.—

(1) INTERIM STATUS REPORT.—Not later than December 1, 1992, the Secretary shall submit to Congress a preliminary report on the status of the demonstration project established under subsection (a).

(2) FINAL REPORT.—Not later than December 31, 1995, the Secretary shall submit to Congress a final report evaluating the project, and shall include in such report recommendations regarding appropriate eligibility criteria and cost-control mechanisms for Medicare coverage of the services of a home dialysis aide providing medical assistance to a patient during hemodialysis treatment at the patient's home.

(6) AUTHORIZATION OF APPROPRIATIONS.—The Secretary shall provide for the transfer from the Federal Supplementary Medical Insurance Trust Fund (established under section 1841 of the Social Security Act [42 U.S.C. 1395(i)] of not more than the following amounts to carry out the demonstration project established under subsection (a) (without regard to amounts appropriated in advance in appropriation Acts):

(1) For fiscal year 1992, $4,000,000.

(2) For fiscal year 1993, $4,000,000.

(3) For fiscal year 1994, $2,000,000.

(4) For fiscal year 1995, $1,000,000.

STUDIES OF END-STAGE RENAL DISEASE PROGRAM


(1) The Secretary of Health and Human Services (in this subsection referred to as the ‘Secretary’) shall arrange for a study of the end-stage renal disease program within the medicare program.

(2) Among other items, the study shall address—

(A) access to treatment by both individuals eligible for medicare benefits and those not eligible for such benefits;

(B) the quality of care provided to end-stage renal disease beneficiaries, as measured by clinical indicators, functional status of patients, and patient satisfaction;

(C) the effect of reimbursement on quality of treatment;

(D) major epidemiological and demographic changes in the end-stage renal disease population that may affect access to treatment, the quality of care, or the resource requirements of the program; and

(E) the adequacy of existing data systems to monitor these matters on a continuing basis.

(3) The Secretary shall submit to Congress, not later than 3 years after the date of the enactment of this Act [Dec. 22, 1987], a report on the study.

(4) The Secretary shall request the National Academy of Sciences, acting through the Institute of Medicine, to submit an application to conduct the study described in this section. If the Academy submits an acceptable application, the Secretary shall enter into an appropriate arrangement with the Academy for the conduct of the study. If the Academy does not submit an acceptable application to conduct the study, the Secretary may request one or more appropriate nonprofit private entities to submit an application to conduct the study and may enter into an appropriate arrangement for the conduct of the study by the entity which submits the best acceptable application.

RATES FOR DIALYSIS SERVICES


STUDY AND REPORT ON MEDICARE PAYMENT RATE REDUCTIONS FOR PATIENTS WITH END STAGE RENAL DISEASE


LIMITATION ON MERGER OF END STAGE RENAL DISEASE NETWORKS

Pub. L. 99–272, title IX, §9214, Apr. 7, 1986, 100 Stat. 180, provided that: "The Secretary of Health and Human Services shall maintain renal disease network organizations as authorized under section 1881(c) of the Social Security Act [42 U.S.C. 1395rr(c)], and may not merge the network organizations into other organizations or entities. The Secretary may consolidate such network organizations, but only if such consolidation does not result in fewer than 14 such organizations being permitted to exist."

§1395rr–1. Medicare coverage for individuals exposed to environmental health hazards

(a) Deeming of individuals as eligible for medicare benefits

(1) In general

For purposes of eligibility for benefits under this subchapter, an individual determined under subsection (c) to be an environmental exposure affected individual described in subsection (e)(2) shall be deemed to meet the conditions specified in section 426(a) of this title.

(2) Discretionary deeming

For purposes of eligibility for benefits under this subchapter, the Secretary may deem an individual determined under subsection (c) to be an environmental exposure affected individual described in subsection (e)(3) to meet the conditions specified in section 426(a) of this title.

(b) Pilot program for care of certain individuals residing in emergency declaration areas

(1) Program; purpose

(A) Primary pilot program

The Secretary shall establish a pilot program in accordance with this subsection to provide innovative approaches to furnish comprehensive, coordinated, and cost-effective care under this subchapter to individuals described in paragraph (2)(A).

(B) Optional pilot programs

The Secretary may establish a separate pilot program, in accordance with this subsection, with respect to each geographic area subject to an emergency declaration (other than the declaration of June 17, 2009), in order to furnish such comprehensive, coordinated and cost-effective care to individuals described in subparagraph (2)(B) who reside in such area.

(2) Individual described

For purposes of paragraph (1), an individual described in this paragraph is an individual who enrolls in part B, submits to the Secretary an application to participate in the applicable pilot program under this subsection, and—

(A) is an environmental exposure affected individual described in subsection (e)(2) who

1 So in original. Probably should not be capitalized.
resides in or around the geographic area subject to an emergency declaration made as of June 17, 2009; or
(B) is an environmental exposure affected individual described in subsection (e)(3) who—
(1) is deemed under subsection (a)(2); and
(2) meets such other criteria or conditions for participation in a pilot program under paragraph (1)(B) as the Secretary specifies.
(3) Flexible benefits and services
A pilot program under this subsection may provide for the furnishing of benefits, items, or services not otherwise covered or authorized under this subchapter, if the Secretary determines that furnishing such benefits, items, or services will further the purposes of such pilot program (as described in paragraph (1)).
(4) Innovative reimbursement methodologies
For purposes of the pilot program under this subsection, the Secretary—
(A) shall develop and implement appropriate methodologies to reimburse providers for furnishing benefits, items, or services for which payment is not otherwise covered or authorized under this subchapter, if such benefits, items, or services are furnished pursuant to paragraph (3); and
(B) may develop and implement innovative approaches to reimbursing providers for any benefits, items, or services furnished under this subsection.
(5) Limitation
Consistent with section 1395y(b) of this title, no payment shall be made under the pilot program under this subsection with respect to benefits, items, or services furnished to an environmental exposure affected individual (as defined in subsection (e)) to the extent that such individual is eligible to receive such benefits, items, or services through any other public or private benefits plan or legal agreement.
(6) Waiver authority
The Secretary may waive such provisions of this subchapter and subchapter XI as are necessary to carry out pilot programs under this subsection.
(7) Funding
For purposes of carrying out pilot programs under this subsection, the Secretary shall provide for the transfer, from the Federal Hospital Insurance Trust Fund under section 1395i of this title and the Federal Supplementary Medical Insurance Trust Fund under section 1395t of this title, in such proportion as the Secretary determines necessary, to the Centers for Medicare & Medicaid Services Program Management Account.
(8) Waiver of budget neutrality
The Secretary shall not require that pilot programs under this subsection be budget neutral with respect to expenditures under this subchapter.

(c) Determinations

(1) By the Commissioner of Social Security
For purposes of this section, the Commissioner of Social Security, in consultation with the Secretary, and using the cost allocation method prescribed in section 401(g) of this title, shall determine whether individuals are environmental exposure affected individuals.
(2) By the Secretary
The Secretary shall determine eligibility for pilot programs under subsection (b).
(d) Emergency declaration defined
For purposes of this section, the term ‘emergency declaration’ means a declaration of a public health emergency under section 9604(a) of this title.
(e) Environmental exposure affected individual defined

(1) In general
For purposes of this section, the term ‘environmental exposure affected individual’ means—
(A) an individual described in paragraph (2); and
(B) an individual described in paragraph (3).

(2) Individual described

(A) In general
An individual described in this paragraph is any individual who—
(i) is diagnosed with 1 or more conditions described in subparagraph (B); and
(ii) as demonstrated in such manner as the Secretary determines appropriate, has been present for an aggregate total of 6 months in the geographic area subject to an emergency declaration specified in subsection (b)(2)(A), during a period ending—
(I) not less than 10 years prior to such diagnosis; and
(II) prior to the implementation of all the remedial and removal actions specified in the Record of Decision for Operating Unit 4 and the Record of Decision for Operating Unit 7;
(iii) files an application for benefits under this subchapter (or has an application filed on behalf of the individual), including pursuant to this section; and
(iv) is determined under this section to meet the criteria in this subparagraph.

(B) Conditions described
For purposes of subparagraph (A), the following conditions are described in this subparagraph:
(i) Asbestosis, pleural thickening, or pleural plaques as established by—
(I) interpretation by a ‘‘B Reader’’ qualified physician of a plain chest x-ray or interpretation of a computed tomographic radiograph of the chest by a qualified physician, as determined by the Secretary; or
(II) such other diagnostic standards as the Secretary specifies, except that this clause shall not apply to pleural thickening or pleural plaques un-
less there are symptoms or conditions requiring medical treatment as a result of these diagnoses.

(ii) Mesothelioma, or malignancies of the lung, colon, rectum, larynx, stomach, esophagus, pharynx, or ovary, as established by—

(I) pathologic examination of biopsy tissue;

(II) cytology from bronchoalveolar lavage; or

(III) such other diagnostic standards as the Secretary specifies.

(iii) Any other diagnosis which the Secretary, in consultation with the Commissioner of Social Security, determines is an asbestos-related medical condition, as established by such diagnostic standards as the Secretary specifies.

(3) Other individual described

An individual described in this paragraph is any individual who—

(A) is not an individual described in paragraph (2);

(B) is diagnosed with a medical condition caused by the exposure of the individual to a public health hazard to which an emergency declaration applies, based on such medical conditions, diagnostic standards, and other criteria as the Secretary specifies;

(C) as demonstrated in such manner as the Secretary determines appropriate, has been present for an aggregate total of 6 months in the geographic area subject to the emergency declaration involved, during a period determined appropriate by the Secretary;

(D) files an application for benefits under this subchapter (or has an application filed on behalf of the individual), including pursuant to this section; and

(E) is determined under this section to meet the criteria in this paragraph.


REFERENCES IN TEXT

Parts A and B, referred to in subsecs. (a)(3) and (b)(2), are classified to sections 1395c et seq. and 1395j et seq., respectively, of this title.

§ 1395ss. Certification of medicare supplemental health insurance policies

(a) Submission of policy by insurer

(1) The Secretary shall establish a procedure whereby medicare supplemental policies (as defined in subsection (g)(1)) may be certified by the Secretary as meeting minimum standards and requirements set forth in subsection (c). Such procedure shall provide an opportunity for any insurer to submit any such policy, and such additional data as the Secretary finds necessary, to the Secretary for his examination and for his certification thereof as meeting the standards and requirements set forth in subsection (c). Subject to subsections (k)(3), (m), and (n), such certification shall remain in effect if the insurer files a notarized statement with the Secretary no later than June 30 of each year stating that the policy continues to meet such standards and requirements and if the insurer submits such additional data as the Secretary finds necessary to independently verify the accuracy of such notarized statement. Where the Secretary determines such a policy meets (or continues to meet) such standards and requirements, he shall authorize the insurer to have printed on such policy (but only in accordance with such requirements and conditions as the Secretary may prescribe) an emblem which the Secretary shall cause to be designed for use as an indication that a policy has received the Secretary’s certification. The Secretary shall provide each State commissioner or superintendent of insurance with a list of all the policies which have received his certification.

(2) No medicare supplemental policy may be issued in a State on or after the date specified in subsection (p)(1)(C) unless—

(A) the State’s regulatory program under subsection (b)(1) provides for the application and enforcement of the standards and requirements set forth in such subsection (including the 1991 NAIC Model Regulation or 1991 Federal Regulation (as the case may be)) by the date specified in subsection (p)(1)(C); or

(B) if the State’s program does not provide for the application and enforcement of such standards and requirements, the policy has been certified by the Secretary under paragraph (1) as meeting the standards and requirements set forth in subsection (c) (including such applicable standards) by such date.

Any person who issues a medicare supplemental policy, on and after the effective date specified in subsection (p)(1)(C), in violation of this paragraph is subject to a civil money penalty of not to exceed $25,000 for each such violation. The provisions of section 1320a–7a of this title (other than the first sentence of subsection (a) and other than subsection (b)) shall apply to a civil money penalty under the previous sentence in the same manner as such provisions apply to a penalty or proceeding under section 1320a–7a(a) of this title.

(b) Standards and requirements; periodic review by Secretary

(1) Any medicare supplemental policy issued in any State which the Secretary determines has established under State law a regulatory program that—

(A) provides for the application and enforcement of standards with respect to such policies equal to or more stringent than the NAIC Model Standards (as defined in subsection (g)(2)(A)), except as otherwise provided by subparagraph (H);

(B) includes requirements equal to or more stringent than the requirements described in paragraphs (2) through (5) of subsection (c);

(C) provides that—

(i) information with respect to the actual ratio of benefits provided to premiums collected under such policies will be reported to the State on forms conforming to those developed by the National Association of Insurance Commissioners for such purpose, or

(ii) such ratios will be monitored under the program in an alternative manner approved...
§ 1395ss  TITLE 42—THE PUBLIC HEALTH AND WELFARE  Page 3416

by the Secretary, and that a copy of each such policy, the most recent premium for each such policy, and a listing of the ratio of benefits provided to premiums collected for the most recent 3-year period for each such policy issued or sold in the State is maintained and made available to interested persons;

(D) provides for application and enforcement of the standards and requirements described in subparagraphs (A), (B), and (C) to all medicare supplemental policies (as defined in subsection (g)(1)) issued in such State,

(E) provides the Secretary periodically (but at least annually) with a list containing the name and address of the issuer of each such policy and the name and number of each such policy (including an indication of policies that have been previously approved, newly approved, or withdrawn from approval since the previous list was provided),

(F) reports to the Secretary on the implementation and enforcement of standards and requirements of this paragraph at intervals established by the Secretary,

(G) provides for a process for approving or disapproving proposed premium increases with respect to such policies, and establishes a policy for the holding of public hearings prior to approval of a premium increase, and

(H) in the case of a policy that meets the standards under subparagraph (A) except that benefits under the policy are limited to items and services furnished by certain entities (or reduced benefits are provided when items or services are furnished by other entities), provides for the application of requirements equal to or more stringent than the requirements under subsection (t) shall be deemed (subject to subsections (k)(3), (m), and (n), for so long as the Secretary finds that such State regulatory program continues to meet the standards and requirements of this paragraph) to meet the standards and requirements set forth in subsection (c). Each report required under subparagraph (F) shall include information on loss ratios of policies sold in the State, frequency and types of instances in which policies approved by the State fail to meet the standards and requirements of this paragraph, actions taken by the State to bring such policies into compliance, information regarding State programs implementing consumer protection provisions, and such further information as the Secretary in consultation with the National Association of Insurance Commissioners may specify.

(2) The Secretary periodically shall review State regulatory programs to determine if they continue to meet the standards and requirements specified in paragraph (1). If the Secretary finds that a State regulatory program no longer meets the standards and requirements, before making a final determination, the Secretary shall provide the State an opportunity to adopt such a plan of correction as would permit the State regulatory program to continue to meet such standards and requirements. If the Secretary makes a final determination that the State regulatory program, after such an opportunity, fails to meet such standards and requirements, the program shall no longer be considered to have in operation a program meeting such standards and requirements.

(3) Notwithstanding paragraph (1), a medicare supplemental policy offered in a State shall not be deemed to meet the standards and requirements set forth in subsection (c), with respect to an advertisement (whether through written, radio, or television medium) used (or, at a State’s option, to be used) for the policy in the State, unless the entity issuing the policy provides a copy of each advertisement to the Commissioner of Insurance (or comparable officer identified by the Secretary) of that State for review or approval to the extent it may be required under State law.

(c) Requisite findings

The Secretary shall certify under this section any medicare supplemental policy, or continue certification of such a policy, only if he finds that such policy (or, with respect to paragraph (3) or the requirement described in subsection (a), the issuer of the policy)—

(1) meets or exceeds (either in a single policy or, in the case of nonprofit hospital and medical service associations, in one or more policies issued in conjunction with one another) the NAIC Model Standards (except as otherwise provided by subsection (t));

(2) meets the requirements of subsection (r);

(3)(A) accepts a notice under section 1395u(h)(3)(B) of this title as a claim form for benefits under such policy in lieu of any claim form otherwise required and agrees to make a payment determination on the basis of the information contained in such notice;

(B) where such a notice is received—

(i) provides notice to such physician or supplier and the beneficiary of the payment determination under the policy, and

(ii) provides any payment covered by such policy directly to the participating physician or supplier involved;

(C) provides each enrollee at the time of enrollment a card listing the policy name and number and a single mailing address to which notices under section 1395u(h)(3)(B) of this title respecting the policy are to be sent;

(D) agrees to pay any user fees established under section 1395u(h)(3)(B) of this title with respect to information transmitted to the issuer of the policy; and

(E) provides to the Secretary at least annually, for transmittal to carriers, a single mailing address to which notices under section 1395u(h)(3)(B) of this title respecting the policy are to be sent;

(4) may, during a period of not less than 30 days after the policy is issued, be returned for a full refund of any premiums paid (without regard to the manner in which the purchase of the policy was solicited); and

(5) meets the applicable requirements of subsections (o) through (t).

(d) Criminal penalties; civil penalties for certain violations

(1) Whoever knowingly and willfully makes or causes to be made or induces or seeks to induce
the making of any false statement or representation of a material fact with respect to the compliance of any policy with the standards and requirements set forth in subsection (c) or in regulations promulgated pursuant to such subsection, or with respect to the use of the forms designed by the Secretary under subsection (a), shall be fined under title 18 or imprisoned not more than 5 years, or both, and, in addition to or in lieu of such a civil penalty, is subject to a civil money penalty of not to exceed $5,000 for each such prohibited act. 

(2) Whoever falsely assumes or pretends to be acting, or misrepresents in any way that he is acting, under the authority of or in association with, the program of health insurance established by this subchapter, or any Federal agency, for the purpose of selling or attempting to sell insurance, or in such pretended character demands, or obtains money, paper, documents, or anything of value, shall be fined under title 18 or imprisoned not more than 5 years, or both, and, in addition to or in lieu of such a criminal penalty, is subject to a civil money penalty of not to exceed $5,000 for each such prohibited act. 

(3)(A)(i) It is unlawful for a person to sell or issue to an individual entitled to benefits under part A or enrolled under part B of this subchapter (including an individual electing a Medicare+Choice plan under section 1858w–21 of this title)—

(I) a health insurance policy with knowledge that the policy duplicates health benefits to which the individual is otherwise entitled under this subchapter or subchapter XIX. 

(II) in the case of an individual not electing a Medicare+Choice plan, a medicare supplemental policy with knowledge that the individual is entitled to benefits under another medicare supplemental policy or in the case of an individual electing a Medicare+Choice plan, a medicare supplemental policy with knowledge that the policy duplicates health benefits to which the individual is otherwise entitled under the Medicare+Choice plan or under another medicare supplemental policy, or 

(III) a health insurance policy (other than a medicare supplemental policy) with knowledge that the policy duplicates health benefits to which the individual is otherwise entitled, other than benefits to which the individual is entitled under a requirement of State or Federal law. 

(ii) Whoever violates clause (i) shall be fined under title 18 or imprisoned not more than 5 years, or both, and, in addition to or in lieu of such a criminal penalty, is subject to a civil money penalty of not to exceed $25,000 (or $15,000 in the case of a person other than the issuer of the policy) for each such prohibited act. 

(iii) A seller (who is not the issuer of a health insurance policy) shall not be considered to violate clause (i)(II) with respect to the sale of a medicare supplemental policy if the policy is sold in compliance with subparagraph (B). 

(iv) For purposes of this subparagraph, a health insurance policy (other than a medicare supplemental policy) providing for benefits which are payable to or on behalf of an individual without regard to other health benefit coverage of such individual is not considered to "duplicate" any health benefits under this subchapter, under subchapter XIX, or under a health insurance policy, and subclauses (I) and (III) of clause (i) do not apply to such a policy. 

(v) For purposes of this subparagraph, a health insurance policy (or a rider to an insurance contract which is not a health insurance policy) is not considered to "duplicate" health benefits under this subchapter or under another health insurance policy if it—

(I) provides health care benefits only for long-term care, nursing home care, home health care, or community-based care, or any combination thereof. 

(II) coordinates against or excludes items and services available or paid for under this subchapter or under another health insurance policy, and 

(III) for policies sold or issued on or after the end of the 90-day period beginning on August 21, 1996, discloses such coordination or exclusion in the policy's outline of coverage. 

For purposes of this clause, the terms "coordinates" and "coordination" mean, with respect to a policy in relation to health benefits under this subchapter or under another health insurance policy, that the policy under its terms is secondary to, or excludes from payment, items and services to the extent available or paid for under this subchapter or under another health insurance policy. 

(vi)(I) An individual entitled to benefits under part A or enrolled under part B of this subchapter who is applying for a health insurance policy (other than a policy described in subclause (II)) shall be furnished a disclosure statement described in clause (vii) for the type of policy being applied for. Such statement shall be furnished as a part of (or together with) the application for such policy. 

(II) Whoever issues or sells a health insurance policy (other than a policy described in subclause (II)) to an individual described in subclause (I) and fails to furnish the appropriate disclosure statement as required under such subclause shall be fined under title 18, or imprisoned not more than 5 years, or both, and, in addition to or in lieu of such a criminal penalty, is subject to a civil money penalty of not to exceed $25,000 ($15,000 in the case of a person other than the issuer of the policy) for each such violation. 

(III) A policy described in this subclause (to which subclauses (I) and (II) do not apply) is a medicare supplemental policy, a policy described in clause (v), or a health insurance policy identified under 60 Federal Register 30880 (June 12, 1995) as a policy not required to have a disclosure statement. 

(IV) Any reference in this section to the revised NAIC model regulation (referred to in subsection (m)(1)(A)) is deemed a reference to such regulation as revised by section 171(m)(2) of the Social Security Act Amendments of 1994 (Public Law 103–323) and as modified by substituting, for the disclosure required under section 16D(2), disclosure under subclause (I) of an appropriate disclosure statement under clause (vi). 

(vii) The disclosure statement described in this clause for a type of policy is the statement specified under subparagraph (D) of this para-
§ 1395ss

TITLED 42—THE PUBLIC HEALTH AND WELFARE

Page 3418

graph (as in effect before August 21, 1996) for that type of policy, as revised as follows:

(I) In each statement, amend the second line to read as follows:

"THIS IS NOT MEDICARE SUPPLEMENT INSURANCE."

(II) In each statement, strike the third line and insert the following: "Some health care benefits paid for by Medicare may also trigger the payment of benefits under this policy."

(III) In each statement not described in subclause (V), strike the boldface matter that begins "This insurance" and all that follows up to the next paragraph that begins "Medicare."

(V) In a statement relating to policies providing both nursing home and non-institutional coverage, to policies providing nursing home benefits only, or policies providing home care benefits only, amend the sentence that begins "Federal law" to read as follows: "Federal law requires us to inform you that in certain situations this insurance may pay for some care also covered by Medicare."

(VIII)(I) Subject to subclause (II), nothing in this subparagraph shall restrict or preclude a State's ability to regulate health insurance policies, including any health insurance policy that is described in clause (iv), (v), or (vi)(III).

(II) A State may not declare or specify, in statute, regulation, or otherwise, that a health insurance policy (other than a Medicare supplemental policy) or rider to an insurance contract which is not a health insurance policy, that is described in clause (iv), (v), or (vi)(III) and that is sold, issued, or renewed to an individual entitled to benefits under part A or enrolled under part B "duplicates" health benefits under this subchapter or under a Medicare supplemental policy.

(B)(I) It is unlawful for a person to issue or sell a medicare supplemental policy to an individual entitled to benefits under part A or enrolled under part B, whether directly, through the mail, or otherwise, unless—

(I) the person obtains from the individual, as part of the application for the issuance or purchase and on a form described in clause (ii), a written statement signed by the individual stating, to the best of the individual's knowledge, what health insurance policies (including any Medicare Choice plan) the individual has, from what source, and whether the individual is entitled to any medical assistance under subchapter XIX, whether as a qualified medicare beneficiary or otherwise, and

(II) the written statement is accompanied by a written acknowledgment, signed by the seller of the policy, of the request for and receipt of such statement.

(ii) The statement required by clause (I) shall be made on a form that—

(I) states in substance that a medicare-eligible individual does not need more than one medicare supplemental policy,

(II) states in substance that individuals may be eligible for benefits under the State medicaid program under subchapter XIX and that such individuals who are entitled to benefits under that program usually do not need a medicare supplemental policy and that benefits and premiums under any such policy shall be suspended upon request of the policyholder during the period (of not longer than 24 months) of entitlement to benefits under such subchapter and may be reinstated upon loss of such entitlement, and

(III) states that counseling services may be available in the State to provide advice concerning the purchase of medicare supplemental policies and enrollment under the medicaid program and may provide the telephone number for such services.

(iii)(I) Except as provided in subclauses (II) and (III), if the statement required by clause (i) is not obtained or indicates that the individual has a medicare supplemental policy or indicates that the individual is entitled to any medical assistance under subchapter XIX, the sale of the medicare supplemental policy shall be considered to be a violation of subparagraph (A).

(II) Subclause (I) shall not apply in the case of an individual who has a medicare supplemental policy, if the individual indicates in writing, as part of the application for purchase, that the policy being purchased replaces such other policy and indicates an intent to terminate the policy being replaced when the new policy becomes effective and the issuer or seller certifies in writing that such policy will not, to the best of the issuer's or seller's knowledge, duplicate coverage (taking into account any such replacement).

(III) If the statement required by clause (i) is obtained and indicates that the individual is entitled to any medical assistance under subchapter XIX, the sale of the policy is not in violation of clause (i) (insofar as such clause relates to such medical assistance), if (aa) a State medicaid plan under such subchapter pays the premiums for the policy, (bb) in the case of a qualified medicare beneficiary described in section 1396d(p)(1) of this title, the policy provides for coverage of outpatient prescription drugs, or (cc) the only medical assistance to which the individual is entitled under the State plan is medicare cost sharing described in section 1396d(p)(3)(A)(ii) of this title.

(iv) Whoever issues or sells a medicare supplemental policy in violation of this subparagraph shall be fined under title 18, or imprisoned not more than 5 years, or both, and, in addition to or in lieu of such a criminal penalty, is subject to a civil money penalty of not to exceed $25,000 (or $15,000 in the case of a seller who is not the issuer of a policy) for each such violation.

(C) Subparagraph (A) shall not apply with respect to the sale or issuance of a group policy or plan of one or more employers or labor organizations, or of the trustees of a fund established by one or more employers or labor organizations (or combination thereof), for employees or former employees (or combination thereof), or for members or former members (or combination thereof) of the labor organizations.

(4)(A) Whoever knowingly, directly or through his agent, mails or causes to be mailed any mat-
ter for a prohibited purpose (as determined under subparagraph (B)) shall be fined under title 18 or imprisoned not more than 5 years, or both, and, in addition to or in lieu of such a criminal penalty, is subject to a civil money penalty of not to exceed $5,000 for each such prohibited act.

(B) For purposes of subparagraph (A), a prohibited purpose means the advertising, solicitation, or offer for sale of a medicare supplemental policy, or the delivery of such a policy, in or into any State in which such policy has not been approved by the State commissioner or superintendent of insurance.

(C) Subparagraph (A) shall not apply in the case of a person who mails or causes to be mailed a medicare supplemental policy into a State if such person has ascertained that the party insured under such policy to whom (or on whose behalf) such policy is mailed is located in such State on a temporary basis.

(D) Subparagraph (A) shall not apply in the case of a person who mails or causes to be mailed a duplicate copy of a medicare supplemental policy previously issued to the party to whom (or on whose behalf) such duplicate copy is mailed.

(E) Subparagraph (A) shall not apply in the case of an issuer who mails or causes to be mailed a policy, certificate, or other matter solely to comply with the requirements of subsection (q).

(5) The provisions of section 1320a–7a of this title (other than subsections (a) and (b)) shall apply to civil money penalties under paragraphs (1), (2), (3)(A), and (4)(A) in the same manner as such provisions apply to penalties and proceedings under section 1320a–7a(a) of this title.

(e) Dissemination of information

(1) The Secretary shall provide to all individuals entitled to benefits under this subchapter (and, to the extent feasible, to individuals about to become so entitled) such information as will permit such individuals to evaluate the value of medicare supplemental policies to them and the relationship of any such policies to benefits provided under this subchapter.

(2) The Secretary shall—

(A) inform all individuals entitled to benefits under this subchapter (and, to the extent feasible, individuals about to become so entitled) of—

(i) the actions and practices that are subject to sanctions under subsection (d), and

(ii) the manner in which they may report any such action or practice to an appropriate official of the Department of Health and Human Services (or to an appropriate State official), and

(B) publish the toll-free telephone number for individuals to report suspected violations of the provisions of such subsection.

(3) The Secretary shall provide individuals entitled to benefits under this subchapter (and, to the extent feasible, individuals about to become so entitled) with a listing of the addresses and telephone numbers of State and Federal agencies and offices that provide information and assistance to individuals with respect to the selection of medicare supplemental policies.

(f) Study and evaluation of comparative effectiveness of various State approaches to regulating medicare supplemental policies; report to Congress no later than January 1, 1982; periodic evaluations

(1)(A) The Secretary shall, in consultation with Federal and State regulatory agencies, the National Association of Insurance Commissioners, private insurers, and organizations representing consumers and the aged, conduct a comprehensive study and evaluation of the comparative effectiveness of various State approaches to the regulation of medicare supplemental policies in (i) limiting marketing and agent abuse, (ii) assuring the dissemination of such information to individuals entitled to benefits under this subchapter (and to other customers) as is necessary to permit informed choice, (iii) promoting policies which provide reasonable economic benefits for such individuals, (iv) reducing the purchase of unnecessary duplicative coverage, (v) improving price competition, and (vi) establishing effective approved State regulatory programs described in subsection (b).

(B) Such study shall also address the need for standards or certification of health insurance policies, other than medicare supplemental policies, sold to individuals eligible for benefits under this subchapter.

(C) The Secretary shall, no later than January 1, 1982, submit a report to the Congress on the results of such study and evaluation, accompanied by such recommendations as the Secretary finds warranted by such results with respect to the need for legislative or administrative changes to accomplish the objectives set forth in subparagraphs (A) and (B), including the need for a mandatory Federal regulatory program to assure the marketing of appropriate types of medicare supplemental policies, and such other means as he finds may be appropriate to enhance effective State regulation of such policies.

(2) The Secretary shall submit to the Congress no later than July 1, 1982, and periodically as may be appropriate thereafter (but not less often than once every 2 years), a report evaluating the effectiveness of the certification procedure and the criminal penalties established under this section, and shall include in such report an analysis of—

(A) the impact of such procedure and penalties on the types, market share, value, and cost to individuals entitled to benefits under this subchapter of medicare supplemental policies which have been certified by the Secretary;

(B) the need for any change in the certification procedure to improve its administration or effectiveness; and

(C) whether the certification program and criminal penalties should be continued.

(3) The Secretary shall provide information via a toll-free telephone number on medicare supplemental policies (including the relationship of State programs under subchapter XIX to such policies).

(g) Definitions

(1) For purposes of this section, a medicare supplemental policy is a health insurance policy
or other health benefit plan offered by a private entity to individuals who are entitled to have payment made under this subchapter, which provides reimbursement for expenses incurred for services and items for which payment may be made under this subchapter but which are not reimbursable by reason of the applicability of deductibles, coinsurance amounts, or other limitations imposed pursuant to this subchapter; but does not include a prescription drug plan under part D or a Medicare+Choice plan or any such policy or plan of one or more employers or labor organizations, or of the trustees of a fund established by one or more employers or labor organizations (or combination thereof), for employees or former employees (or combination thereof) or for members or former members (or combination thereof) of the labor organizations and does not include a policy or plan of an eligible organization (as defined in section 1395mm(b) of this title) if the policy or plan provides benefits pursuant to a contract under section 1395mm of this title or an approved demonstration project described in section 603(c) of the Social Security Amendments of 1983, section 2355 of the Deficit Reduction Act of 1984, or section 9412(b) of the Omnibus Budget Reconciliation Act of 1986, or a policy or plan of an organization if the policy or plan provides benefits pursuant to an agreement under section 1395mm(a)(1)(A) of this title. For purposes of this section, the term ‘‘policy’’ includes a certificate issued under such policy.

(2) For purposes of this section:
(A) The term ‘‘NAIC Model Standards’’ means the ‘‘NAIC Model Regulation to Implement the Individual Accident and Sickness Insurance Minimum Standards Act’’, adopted by the National Association of Insurance Commissioners on June 6, 1979, as it applies to medicare supplemental policies.
(B) The term ‘‘State with an approved regulatory program’’ means the ‘‘State’’ in which the holder of the master policy resides and does not include a State which the holder of a policy of one or more employers or labor organizations, or of the trustees of a fund established by one or more employers or labor organizations (or combination thereof), for employees or former employees (or combination thereof) or for members or former members (or combination thereof) of the labor organizations and does not include a policy or plan of an eligible organization (as defined in section 1395mm(b) of this title) if the policy or plan provides benefits pursuant to a contract under section 1395mm of this title or an approved demonstration project described in section 603(c) of the Social Security Amendments of 1983, section 2355 of the Deficit Reduction Act of 1984, or section 9412(b) of the Omnibus Budget Reconciliation Act of 1986, or a policy or plan of an organization if the policy or plan provides benefits pursuant to an agreement under section 1395mm(a)(1)(A) of this title. For purposes of this section, the term ‘‘policy’’ includes a certificate issued under such policy.
(C) The State in which a policy is issued means—
(i) in the case of an individual policy, the State in which the policyholder resides; and
(ii) in the case of a group policy, the State in which the holder of the master policy resides.

(h) Rules and regulations
The Secretary shall prescribe such regulations as may be necessary for the effective, efficient, and equitable administration of the certification procedure established under this section. The Secretary shall first issue final regulations to implement the certification procedure established under subsection (a) not later than March 1, 1981.

(i) Commencement of certification program
(1) No medicare supplemental policy shall be certified and no such policy may be issued bearing the emblem authorized by the Secretary under subsection (a) until July 1, 1982. On and after such date policies certified by the Secretary may bear such emblem, including policies which were issued prior to such date and were subsequently certified, and insurers may notify holders of such certified policies issued prior to such date using such emblem in the notification.
(2)(A) The Secretary shall not implement the certification program established under subsection (a) with respect to policies issued in a State unless the Panel makes a finding that such State cannot be expected to have established, by July 1, 1982, an approved State regulatory program meeting the standards and requirements of subsection (b)(1). If the Panel makes such a finding, the Secretary shall implement such program under subsection (a) with respect to medicare supplemental policies issued in such State, until such time as the Panel determines that such State has a program that meets the standards and requirements of subsection (b)(1).
(B) Any finding by the Panel under subparagraph (A) shall be transmitted in writing, not later than January 1, 1982, to the Committee on Finance of the Senate and to the Committee on Ways and Means of the House of Representatives and shall not become effective until 60 days after the date of its transmittal to the Committees of the Congress under this subparagraph. In counting such days, days on which either House is not in session because of an adjournment sine die or an adjournment of more than three days to a day certain are excluded in the computation.

(j) State regulation of policies issued in other States
Nothing in this section shall be construed so as to affect the right of any State to regulate medicare supplemental policies which, under the provisions of this section, are considered to be issued in another State.

(k) Amended NAIC Model Regulation or Federal model standards applicable; effective date; medicare supplemental policy and State regulatory program meeting applicable standards
(1)(A) If, within the 90-day period beginning on July 1, 1988, the National Association of Insurance Commissioners (in this subsection referred to as the ‘‘Association’’) amends the NAIC Model Regulation adopted on June 6, 1979 (as it relates to medicare supplemental policies), with respect to matters such as minimum benefit standards, loss ratios, disclosure requirements, and replacement requirements and provisions otherwise necessary to reflect the changes in law made by the Medicare Catastrophic Coverage Act of 1988, except as provided in subsection (m), subsection (g)(2)(A) shall be applied in a State, effective on and after the date specified in subparagraph (B), as if the reference to the Model Regulation adopted on June 6, 1979, were a reference to the Model Regulation as amended by the Association in accordance with this paragraph (in this subsection and subsection (l) referred to as the ‘‘amended NAIC Model Regulation’’).
(B) The date specified in this subparagraph for a State is the earlier of the date the State adopts standards equal to or more stringent than the amended NAIC Model Regulation or 1 year after the date the Association first adopts such amended Regulation.
(2)(A) If the Association does not amend the NAIC Model Regulation within the 90-day period specified in paragraph (1)(A), the Secretary shall promulgate, not later than 60 days after the end of such period, Federal model standards (in this subsection and subsection (1)) referred to as “Federal model standards”) for medicare supplemental policies to reflect the changes in law made by the Medicare Catastrophic Coverage Act of 1988, and subsection (g)(2)(A) shall be applied in a State, effective on and after the date specified in subparagraph (B), as if the reference to the Model Regulation adopted on June 6, 1979, were a reference to Federal model standards.

(B) The date specified in this subparagraph for a State is the earlier of the date the State adopts standards equal to or more stringent than the Federal model standards or 1 year after the date the Secretary first promulgates such standards.

(3) Notwithstanding any other provision of this section (except as provided in subsections (l), (m), and (n))—

(A) no medicare supplemental policy may be certified by the Secretary pursuant to subsection (a),

(B) no certification made pursuant to subsection (a) shall remain in effect, and

(C) no State regulatory program shall be found to meet (or to continue to meet) the requirements of subsection (b)(1)(A), unless such policy meets (or such program provides for the application of standards equal to or more stringent than) the standards set forth in the amended NAIC Model Regulation or the Federal model standards (as the case may be) by the date specified in paragraph (1)(B) or (2)(B) (as the case may be).

(l) Transitional compliance with NAIC Model Transition Regulation; “qualifying medicare supplemental policy” and “NAIC Model Transition Regulation” defined

(1) Until the date specified in paragraph (3), in the case of a qualifying medicare supplemental policy described in paragraph (2) issued—

(A) before January 1, 1989, the policy is deemed to remain in compliance with this section if the insurer issuing the policy complies with the NAIC Model Transition Regulation (including giving notices to subscribers and filing for premium adjustments with the State as described in section 5.B. of such Regulation) by January 1, 1989; or

(B) on or after January 1, 1989, the policy is deemed to be in compliance with this section if the insurer issuing the policy complies with the NAIC Model Transition Regulation before the date of the sale of the policy.

(2) In paragraph (1), the term “qualifying medicare supplemental policy” means a medicare supplemental policy—

(A) issued in a State which—

(i) has not adopted standards equal to or more stringent than the amended NAIC Model Regulation (or Federal model standards) by January 1, 1989; and

(B) which has been issued in compliance with this section (as in effect on June 1, 1988).

(3)(A) The date specified in this paragraph is the earlier of—

(i) the first date a State adopts, after January 1, 1989, standards equal to or more stringent than the NAIC Model Transition Regulation or equal to or more stringent than the amended NAIC Model Regulation (or Federal model standards), as the case may be, or

(ii) the later of (I) the date specified in subparagraph (k)(1)(B) or (k)(2)(B) (as the case may be), or (II) the date specified in subparagraph (B).

(B) In the case of a State which the Secretary identifies as—

(i) requiring State legislation (other than legislation appropriating funds) in order for medicare supplemental policies to meet standards described in subparagraph (A)(i), but

(ii) having a legislature which is not scheduled to meet in 1989 in a legislative session in which such legislation may be considered, the date specified in this subparagraph is the first day of the first calendar quarter beginning after the close of the first legislative session of the State legislature that begins on or after January 1, 1989, and in which legislation described in clause (i) may be considered. For purposes of the previous sentence, in the case of a State that has a 2-year legislative session, each year of such session shall be deemed to be a separate regular session of the State legislature.

(4) In the case of a medicare supplemental policy in effect on January 1, 1989, and offered in a State which, as of such date—

(A) has adopted standards equal to or more stringent than the amended NAIC Model Regulation (or Federal model standards), but

(B) does not have in effect standards equal to or more stringent than the NAIC Model Transition Regulation (or otherwise requiring notice substantially the same as the notice required in section 5.B. of such Regulation), the policy shall not be deemed to meet the standards in subsection (c) unless each individual who is entitled to benefits under such subchapter and is a policyholder under such policy on January 1, 1989, is sent such a notice in any appropriate form by not later than January 31, 1989, that explains—

(A) the improved benefits under this subchapter contained in the Medicare Catastrophic Coverage Act of 1988, and

(B) how these improvements affect the benefits contained in the policies and the premium for the policy.

(5) In this subsection, the term ‘NAIC Model Transition Regulation’ refers to the standards contained in the “Model Regulation to Implement Transitional Requirements for the Conversion of Medicare Supplement Insurance Benefits and Premiums to Conform to Medicare Program Revisions” (as adopted by the National Association of Insurance Commissioners in September 1987).

---

1 So in original. Probably should be “subsection (d)”.
(m) Revision of amended NAIC Model Regulation and amended Federal model standards; effective dates; medicare supplemental policy and State regulatory program meeting applicable standards

(1)(A) If, within the 90-day period beginning on December 13, 1989, the National Association of Insurance Commissioners (in this subsection and subsection (n) referred to as the “Association”) revises the amended NAIC Model Regulation (referred to in subsection (k)(1)(A) and adopted on September 20, 1988) to improve such regulation and otherwise to reflect the changes in law made by the Medicare Catastrophic Coverage Repeal Act of 1989, subsection (g)(2)(A) shall be applied in a State, effective on and after the 90-day period beginning on the date the Association first adopts such revised Regulation.

(2)(A) If the Association does not revise the amended NAIC Model Regulation, within the 90-day period specified in paragraph (1)(A), the Secretary shall promulgate, not later than 60 days after the end of such period, revised Federal model standards (in this subsection and subsection (n) referred to as “revised Federal model standards”) for medicare supplemental policies to improve such standards and otherwise to reflect the changes in law made by the Medicare Catastrophic Coverage Repeal Act of 1989, subsection (g)(2)(A) shall be applied in a State, effective on and after the date specified in subparagraph (B), as if the reference to the Model Regulation adopted on June 6, 1979, were a reference to the revised NAIC Model Regulation or the revised NAIC Model Regulation and Federal model standards.

(B) on or after the transition deadline, the policy is deemed to be in compliance with the standards described in subsection (b)(1)(A) only if the insurer issuing the policy complies with the transition provision described in paragraph (2), or (B) on or after the transition deadline, the policy is deemed to be in compliance with the standards described in subsection (b)(1)(A) only if the insurer issuing the policy complies with the revised NAIC Model Regulation or the revised Federal model standards (as the case may be) before the date of the sale of the policy.

In this paragraph, the term “transition deadline” means 1 year after the date the Association adopts the revised NAIC Model Regulation or 1 year after the date the Secretary promulgates revised Federal model standards (as the case may be).

(2) The transition provision described in this paragraph is—

(A) such transition provision as the Association provides, by not later than December 15, 1989, so as to provide for an appropriate transition (i) to restore benefit provisions which are no longer duplicative as a result of the changes in benefits under this subchapter made by the Medicare Catastrophic Coverage Repeal Act of 1989 and (ii) to eliminate the requirement of payment for the first 8 days of coinsurance for extended care services, or (B) if the Association does not provide for a transition provision by the date described in subparagraph (A), such transition provision as the Secretary shall provide, by January 1, 1990, so as to provide for an appropriate transition described in subparagraph (A).

(3) In paragraph (1), the term “qualifying medicare supplemental policy” means a medicare supplemental policy which has been issued in compliance with this section as in effect on the date before December 13, 1989.

(4)(A) The date specified in this paragraph for a policy issued in a State is—

(i) the first date a State adopts, after December 13, 1989, standards equal to or more stringent than the revised NAIC Model Regulation (or revised Federal model standards), as the case may be, or (ii) the date specified in subparagraph (B), whichever is earlier.

(B) In the case of a State which the Secretary identifies, in consultation with the Association, as—

(i) requiring State legislation (other than legislation appropriating funds) in order for medicare supplemental policies to meet standards described in subparagraph (A)(i), but (ii) having a legislature which is not scheduled to meet in 1990 in a legislative session in which such legislation may be considered.?
the date specified in this subparagraph is the first day of the first calendar quarter beginning after the close of the first legislative session of the State legislature that begins on or after January 1, 1990. For purposes of the previous sentence, in the case of a State that has a 2-year legislative session, each year of such session shall be deemed to be a separate regular session of the State legislature.

(5) In the case of a medicare supplemental policy in effect on January 1, 1990, the policy shall not be deemed to meet the standards in subsection (c) unless each individual who is entitled to benefits under this subchapter and is a policyholder or certificate holder under such policy on such date is sent a notice in an appropriate form by not later than January 31, 1990, that explains—

(A) the changes in benefits under this subchapter effected by the Medicare Catastrophic Coverage Repeal Act of 1989; and

(B) how these changes may affect the benefits contained in such policy and the premium for the policy.

(6)(A) Except as provided in subparagraph (B), in the case of an individual who had in effect, as of December 31, 1988, a medicare supplemental policy with an insurer (as a policyholder or, in the case of a group policy, as a certificate holder) and the individual terminated coverage under such policy before December 13, 1989, no medicare supplemental policy of the insurer shall be deemed to meet the standards in subsection (c) unless the insurer—

(i) provides written notice, no earlier than December 15, 1989, and no later than January 30, 1990, to the policyholder or certificate holder (at the most recent available address) of the offer described in clause (ii), and

(ii) offers the individual, during a period of at least 60 days beginning not later than February 1, 1990, reinstatement of coverage (with coverage effective as of January 1, 1990), under the terms which (I) do not provide for any waiting period with respect to treatment of pre-existing conditions, (II) provides for coverage which is substantially equivalent to coverage in effect before the date of such termination, and (III) provides for classification of premiums on which terms are at least as favorable to the policyholder or certificate holder as the premium classification terms that would have applied to the policyholder or certificate holder had the coverage never terminated.

(B) An insurer is not required to make the offer under subparagraph (A)(ii) in the case of an individual who is a policyholder or certificate holder in another medicare supplemental policy as of December 13, 1989, if (as of January 1, 1990) the individual is not subject to a waiting period with respect to treatment of a pre-existing condition under such other policy.

(o) Requirements of group benefits; core group benefits; uniform outline of coverage

The requirements of this subsection are as follows:

(1) Each medicare supplemental policy shall provide for coverage of a group of benefits consistent with subsections (p), (v)\(^2\) (w), and (y).

(2) If the medicare supplemental policy provides for coverage of a group of benefits other than the core group of basic benefits described in subsection (p)(2)(B), the issuer of the policy must make available to the individual a medicare supplemental policy with only such core group of basic benefits.

(3) The issuer of the policy has provided, before the sale of the policy, an outline of coverage that includes uniform language and format (including layout and print size) that facilitates comparison among medicare supplemental policies and comparison with medicare benefits.

(4) The issuer of the medicare supplemental policy complies with subsection (s)(2)(E) and subsection (x).

(5) In addition to the requirement under paragraph (2), the issuer of the policy must make available to the individual at least Medicare supplemental policies with benefit packages classified as “C” or “F”.

(p) Standards for group benefits

(1)(A) If, within 9 months after November 5, 1990, the National Association of Insurance Commissioners (in this subsection referred to as the “Association”) changes the revised NAIC Model Regulation (described in subsection (m)) to incorporate—

(i) limitations on the groups or packages of benefits that may be offered under a medicare supplemental policy consistent with paragraphs (2) and (3) of this subsection,

(ii) uniform language and definitions to be used with respect to such benefits,

(iii) uniform format to be used in the policy with respect to such benefits, and

(iv) other standards to meet the additional requirements imposed by the amendments made by the Omnibus Budget Reconciliation Act of 1990,

subsection (g)(2)(A) shall be applied in each State, effective for policies issued to policyholders on and after the date specified in subparagraph (C), as if the reference to the Model Regulation adopted on June 6, 1979, were a reference to the revised NAIC Model Regulation as changed under this subparagraph (such changed regulation referred to in this section as the “1991 NAIC Model Regulation”).

(B) If the Association does not make the changes in the revised NAIC Model Regulation within the 9-month period specified in subparagraph (A), the Secretary shall promulgate, not later than 9 months after the end of such period, a regulation and subsection (g)(2)(A) shall be applied in each State, effective for policies issued to policyholders on and after the date specified in subparagraph (C), as if the reference to the Model Regulation adopted on June 6, 1979, were a reference to the revised NAIC Model Regulation as changed by the Secretary under this subparagraph (such changed regulation referred to in this section as the “1991 Federal Regulation”).

\(^2\)So in original. Probably should be followed by a comma.
(C)(i) Subject to clause (ii), the date specified in this subparagraph for a State is the date the State adopts the 1991 NAIC Model Regulation or 1991 Federal Regulation or 1 year after the date the Association or the Secretary first adopts such standards, whichever is earlier.

(ii) In the case of a State which the Secretary identifies, in consultation with the Association, as—

(I) requiring State legislation (other than legislation appropriating funds) in order for medicare supplemental policies to meet the 1991 NAIC Model Regulation or 1991 Federal Regulation, but

(II) having a legislature which is not scheduled to meet in 1992 in a legislative session in which such legislation may be considered,

the date specified in this subparagraph is the first day of the first calendar quarter beginning after the close of the first legislative session of the State legislature that begins on or after January 1, 1992. For purposes of the previous sentence, in the case of a State that has a 2-year legislative session, each year of such session shall be deemed to be a separate regular session of the State legislature.

(4) In promulgating standards under this paragraph, the Secretary shall consult with a working group composed of representatives of issuers of medicare supplemental policies, consumer groups, medicare beneficiaries, and other qualified individuals. Such representatives shall be selected in a manner so as to assure balanced representation among the interested groups.

(E) If benefits (including deductibles and coinsurance) under this subchapter are changed and the Secretary determines, in consultation with the Association, that changes in the 1991 NAIC Model Regulation or 1991 Federal Regulation are needed to reflect such changes, the preceding provisions of this paragraph shall apply to the modification of standards previously established in the same manner as they applied to the original establishment of such standards.

(2) The benefits under the 1991 NAIC Model Regulation or 1991 Federal Regulation shall provide—

(A) for such groups or packages of benefits as may be appropriate taking into account the considerations specified in paragraph (3) and the requirements of the succeeding subparagraphs;

(B) for identification of a core group of basic benefits common to all policies; and

(C) that, subject to paragraph (4)(B), the total number of different benefit packages (counting the core group of basic benefits described in subparagraph (B) and each other combination of benefits that may be offered as a separate benefit package) that may be established in all the States and by all issuers shall not exceed 10 plus the 2 plans described in paragraph (1)(A).

(3) The benefits under paragraph (2) shall, to the extent possible—

(A) provide for benefits that offer consumers the ability to purchase the benefits that are available in the market as of November 5, 1990; and

(B) balance the objectives of (i) simplifying the market to facilitate comparisons among policies, (ii) avoiding adverse selection, (iii) providing consumer choice, (iv) providing market stability, and (v) promoting competition.

(4)(A)(i) Except as provided in subparagraph (B) or paragraph (6), no State with a regulatory program approved under subsection (b)(1) may provide for or permit the grouping of benefits (or language or format with respect to such benefits) under a medicare supplemental policy unless such grouping meets the applicable 1991 NAIC Model Regulation or 1991 Federal Regulation.

(ii) Except as provided in subparagraph (B), the Secretary may not provide for or permit the grouping of benefits (or language or format with respect to such benefits) under a medicare supplemental policy seeking approval by the Secretary unless such grouping meets the applicable 1991 NAIC Model Regulation or 1991 Federal Regulation.

(B) With the approval of the State (in the case of a policy issued in a State with an approved regulatory program) or the Secretary (in the case of any other policy), the issuer of a medicare supplemental policy may offer new or innovative benefits in addition to the benefits provided in a policy that otherwise complies with the applicable 1991 NAIC Model Regulation or 1991 Federal Regulation. Any such new or innovative benefits may include benefits that are not otherwise available and are cost-effective and shall be offered in a manner which is consistent with the goal of simplification of medicare supplemental policies.

(5)(A) Except as provided in subparagraph (B), this subsection shall not be construed as preventing a State from restricting the groups of benefits that may be offered in medicare supplemental policies in the State.

(B) A State with a regulatory program approved under subsection (b)(1) may not restrict under subparagraph (A) the offering of a medicare supplemental policy consisting only of the core group of benefits described in paragraph (2)(B).

(6) The Secretary may waive the application of standards described in clauses (i) through (iii) of paragraph (1)(A) in those States that on November 5, 1990, had in place an alternative simplification program.

(7) This subsection shall not be construed as preventing an issuer of a medicare supplemental policy who otherwise meets the requirements of this section from providing, through an arrangement with a vendor, for discounts from that vendor to policyholders or certificateholders for the purchase of items or services not covered under its medicare supplemental policies.

(8) Any person who sells or issues a medicare supplemental policy, on and after the effective date specified in paragraph (1)(C) (but subject to paragraph (10)), in violation of the applicable 1991 NAIC Model Regulation or 1991 Federal Regulation insofar as such regulation relates to the requirements of subsection (o) or (q) or clause (i), (ii), or (iii) of paragraph (1)(A) is subject to a civil money penalty of not to exceed $25,000 (or $15,000 in the case of a seller who is not an issuer of a policy) for each such violation. The provi-
sions of section 1320a–7a of this title (other than the first sentence of subsection (a) and other than subsection (b)) shall apply to a civil money penalty under the same manner as such provisions apply to a penalty or proceeding under section 1320a–7a(a) of this title.

(9)(A) Anyone who sells a medicare supplemental policy to an individual shall make available for sale to the individual a medicare supplemental policy with only the core group of basic benefits (described in paragraph (2)(B)).

(B) Anyone who sells a medicare supplemental policy to an individual shall provide the individual, before the sale of the policy, an outline of coverage which describes the benefits under the policy. Such outline shall be on a standard form approved by the State regulatory program or the Secretary (as the case may be) consistent with the 1991 NAIC Model Regulation or 1991 Federal Regulation under this subsection.

(C) Whoever sells a medicare supplemental policy in violation of this paragraph is subject to a civil money penalty of not to exceed $25,000 (or $15,000 in the case of a seller who is not the issuer of the policy) for each such violation. The provisions of section 1320a–7a of this title (other than the first sentence of subsection (a) and other than subsection (b)) shall apply to a civil money penalty under the previous sentence in the same manner as such provisions apply to a penalty or proceeding under section 1320a–7a(a) of this title.

(D) Subject to paragraph (10), this paragraph shall apply to sales of policies occurring on or after the effective date specified in paragraph (1)(C).

(10) No penalty may be imposed under paragraph (8) or (9) in the case of a seller who is not the issuer of a policy until the Secretary has published a list of the groups of benefit packages that may be sold or issued consistent with paragraph (1)(A).

(11)(A) For purposes of paragraph (2), the benefit packages described in this subparagraph are as follows:

(i) The benefit package classified as "F" under the standards established by such paragraph, except that it has a high deductible feature.

(ii) The benefit package classified as "J" under the standards established by such paragraph, except that it has a high deductible feature.

(B) For purposes of subparagraph (A), a high deductible feature is one which—

(i) requires the beneficiary of the policy to pay annual out-of-pocket expenses (other than premiums) in the amount specified in subparagraph (C) before the policy begins payment of benefits, and

(ii) covers 100 percent of covered out-of-pocket expenses once such deductible has been satisfied in a year.

(C) The amount specified in this subparagraph—

(i) for 1998 and 1999 is $1,500, and

(ii) for a subsequent year, is the amount specified in this subparagraph for the previous year increased by the percentage increase in the Consumer Price Index for all urban consumers (all items; U.S. city average) for the 12-month period ending with August of the preceding year.

If any amount determined under clause (ii) is not a multiple of $10, it shall be rounded to the nearest multiple of $10.

(q) Guaranteed renewal of policies; termination; suspension

The requirements of this subsection are as follows:

(1) Each medicare supplemental policy shall be guaranteed renewable and—

(A) the issuer may not cancel or nonrenew the policy solely on the ground of health status of the individual; and

(B) the issuer shall not cancel or nonrenew the policy for any reason other than nonpayment of premium or material misrepresentation.

(2) If the medicare supplemental policy is terminated by the group policyholder and is not replaced as provided under paragraph (4), the issuer shall offer certificateholders an individual medicare supplemental policy which (at the option of the certificateholder)—

(A) provides for continuation of the benefits contained in the group policy, or

(B) provides for such benefits as otherwise meets the requirements of this section.

(3) If an individual is a certificateholder in a group medicare supplemental policy and the individual terminates membership in the group, the issuer shall—

(A) offer the certificateholder continuation of coverage under the new group policy, or

(B) at the option of the group policyholder, offer the certificateholder continuation of coverage under the group policy.

(4) If a group medicare supplemental policy is replaced by another group medicare supplemental policy purchased by the same policyholder, issuer of the replacement policy shall offer coverage to all persons covered under the old group policy on its date of termination. Coverage under the new group policy shall not result in any exclusion for preexisting conditions that would have been covered under the group policy being replaced.

(5)(A) Each medicare supplemental policy shall provide that benefits and premiums under the policy shall be suspended at the request of the policyholder for the period (not to exceed 24 months) in which the policyholder has applied for and is determined to be entitled to medical assistance under subchapter XIX, but only if the policyholder notifies the issuer of such policy within 90 days after the date the individual becomes entitled to such assistance. If such suspension occurs and if the policyholder or certificate holder loses entitlement to such medical assistance, such policy shall be automatically reinstated (effective as of the date of termination of such entitlement) under terms described in subsection § 1395ss

3 So in original. Probably should be "meet".

4 So in original. Probably should be preceded by "the".
§ 1395ss

TITLE 42—THE PUBLIC HEALTH AND WELFARE

Page 3426

(n)(6)(A)(ii) as of the termination of such entitlement if the policyholder provides notice of loss of such entitlement within 90 days after the date of such loss.

(B) Nothing in this section shall be construed as affecting the authority of a State, under subchapter XIX, to purchase a medicare supplemental policy for an individual otherwise entitled to assistance under such subchapter.

(C) Any person who issues a medicare supplemental policy and fails to comply with the requirements of this paragraph or paragraph (6) is subject to a civil money penalty of not to exceed $25,000 for each such violation. The provisions of section 1320a–7a of this title (other than the first sentence of subsection (a) and other than subsection (b)) shall apply to a civil money penalty under the previous sentence in the same manner as such provisions apply to a penalty or proceeding under section 1320a–7a(a) of this title.

(6) Each medicare supplemental policy shall provide that benefits and premiums under the policy shall be suspended at the request of the policyholder if the policyholder is entitled to benefits under section 426(b) of this title and is covered under a group health plan (as defined in section 1395y(b)(1)(A)(v) of this title). If such suspension occurs and if the policyholder or certificate holder loses coverage under the group health plan, such policy shall be automatically reinstated (effective as of the date specified in section 171(m)(4) of the Social Security Act Amendments of 1994). For purposes of applying subparagraph (A) only, policies issued as a result of solicitations of individuals through the mails or by mass media advertising (including both print and broadcast advertising) shall be deemed to be individual policies. For the purpose of calculating the refund or credit required under paragraph (1)(B) for a policy issued before the date specified in subsection (p)(1)(C), the refund or credit calculation shall be based on the aggregate benefits provided and premiums collected under all such policies issued by an insurer in a State (separated as to individual and group policies) and shall be based only on aggregate benefits provided and premiums collected under such policies after the date specified in section 171(m)(4) of the Social Security Act Amendments of 1994.

(B) A refund or credit required under paragraph (1)(B) shall be made to each policyholder insured under the applicable policy as of the last day of the year involved.

(C) Such a refund or credit shall include interest from the end of the calendar year involved until the date of the refund or credit at a rate as specified by the Secretary for this purpose from time to time which is not less than the average rate of interest for 13-week Treasury notes.

(D) For purposes of this paragraph and paragraph (1)(B), refunds or credits against premiums due shall be made, with respect to a calendar year, not later than the third quarter of the succeeding calendar year.

(3) The provisions of this subsection do not preempt a State from requiring a higher percentage than that specified in paragraph (1)(A).

(4) The Secretary shall submit in October of each year (beginning with 1993) a report to the Committees on Energy and Commerce and Ways and Means of the House of Representatives and the Committee on Finance of the Senate on loss ratios under medicare supplemental policies and the use of sanctions, such as a required rebate or credit or the disallowance of premium increases, for policies that fail to meet the requirements of this subsection (relating to loss ratios). Such report shall include a list of the policies that failed to comply with such loss ratio requirements or other requirements of this section.

(5) The Secretary may perform audits with respect to the compliance of medicare supplemental policies with the loss ratio requirements of this subsection and shall report the results of such audits to the State involved.

(A) A person who fails to provide refunds or credits as required in paragraph (1)(B) is subject to a civil money penalty of not to exceed $25,000.
for each policy issued for which such failure occurred. The provisions of section 1320a-7a of this title (other than the first sentence of subsection (a) and other than subsection (b)) shall apply to a civil money penalty under the previous sentence in the same manner as such provisions apply to a penalty or proceeding under section 1320a-7a(a) of this title.

(B) Each issuer of a policy subject to the requirements of paragraph (1)(B) shall be liable to the policyholder or, in the case of a group policy, to the certificate holder for credits required under such paragraph.

(s) Coverage for pre-existing conditions

(1) If a medicare supplemental policy replaces another medicare supplemental policy, the issuer of the replacing policy shall waive any time periods applicable to preexisting conditions, waiting period, elimination periods and probationary periods in the new medicare supplemental policy for similar benefits to the extent such time was spent under the original policy.

(2)(A) The issuer of a medicare supplemental policy may not deny or condition the issuance or effectiveness of a medicare supplemental policy, or discriminate in the pricing of the policy, because of health status, claims experience, receipt of health care, or medical condition in the case of an individual for whom an application is submitted prior to or during the 6 month period beginning with the first month as of the first day on which the individual is 65 years of age or older and is enrolled for benefits under part B.

(B) Subject to subparagraphs (C) and (D), subparagraph (A) shall not be construed as preventing the exclusion of benefits under a policy, during its first 6 months, based on a pre-existing condition for which the policyholder received treatment or was otherwise diagnosed during the 6 months before the policy became effective.

(C) If a medicare supplemental policy or certificate replaces another such policy or certificate which has been in effect for 6 months or longer, the replacing policy may not provide any time period applicable to pre-existing conditions, waiting periods, elimination periods, and probationary periods in the new policy or certificate for similar benefits.

(D) In the case of a policy issued during the 6-month period described in subparagraph (A) to an individual who is 65 years of age or older as of the date of issuance and who as of the date of the application for enrollment has a continuous period of creditable coverage (as defined in section 2701(c) of the Public Health Service Act) of—

(i) at least 6 months, the policy may not exclude benefits based on a pre-existing condition; or

(ii) less than 6 months, if the policy excludes benefits based on a preexisting condition, the policy shall reduce the period of any preexisting condition exclusion by the aggregate of the periods of creditable coverage (if any, as so defined) applicable to the individual as of the enrollment date.

The Secretary shall specify the manner of the reduction under clause (ii), based upon the rules used by the Secretary in carrying out section 2701(a)(3) of such Act.

(E) An issuer of a medicare supplemental policy shall not deny or condition the issuance or effectiveness of the policy (including the imposition of any exclusion of benefits under the policy based on a pre-existing condition) and shall not discriminate in the pricing of the policy (including the adjustment of premium rates) of an individual on the basis of the genetic information with respect to such individual.

(F) RULE OF CONSTRUCTION.—Nothing in subparagraph (E) or in subparagraphs (A) or (B) of subsection (x)(2) shall be construed to limit the ability of an issuer of a medicare supplemental policy from, to the extent otherwise permitted under this subchapter—

(i) denying or conditioning the issuance or effectiveness of the policy or increasing the premium for an employer based on the manifestation of a disease or disorder of an individual who is covered under the policy; or

(ii) increasing the premium for any policy issued to an individual based on the manifestation of a disease or disorder of an individual who is covered under the policy (in such case, the manifestation of a disease or disorder in one individual cannot also be used as genetic information about other group members and to further increase the premium for the employer).

(3)(A) The issuer of a medicare supplemental policy—

(i) may not deny or condition the issuance or effectiveness of a medicare supplemental policy described in subparagraph (C) that is offered and is available for issuance to new enrollees by such issuer;

(ii) may not discriminate in the pricing of such policy, because of health status, claims experience, receipt of health care, or medical condition; and

(iii) may not impose an exclusion of benefits based on a preexisting condition under such policy,

in the case of an individual described in subparagraph (B) who seeks to enroll under the policy during the period specified in subparagraph (E) and who submits evidence of the date of termination or disenrollment along with the application for such medicare supplemental policy.

(B) An individual described in this subparagraph is an individual described in any of the following clauses:

(i) The individual is enrolled under an employee welfare benefit plan that provides health benefits that supplement the benefits under this subchapter and the plan terminates or ceases to provide all such supplemental health benefits to the individual.

(ii) The individual is enrolled with a Medicare+Choice organization under a Medicare+Choice plan under part C, and there are circumstances permitting discontinuance of the individual’s election of the plan under the first sentence of section 1395w–21(e)(4) of this title or the individual is 65 years of age or older and is enrolled with a PACE provider under section 1395eee of this title, and there are circumstances that would permit the dis-
continuance of the individual's enrollment with such provider under circumstances that are similar to the circumstances that would permit discontinuance of the individual's election under the first sentence of such section if such individual were enrolled in a Medicare+Choice plan.

(iii) The individual is enrolled with an eligible organization under a contract under section 1395mm of this title, a similar organization operating under demonstration project authority, effective for periods before April 1, 1999, with an organization under an agreement under section 1395(a)(1)(A) of this title, or with an organization under a policy described in subsection (t), and such enrollment ceases under the same circumstances that would permit discontinuance of an individual's election of coverage under the first sentence of section 1395w–21(e)(4) of this title and, in the case of a subsequent enrollment under the same circumstances that would permit discontinuance of such coverage;

(iv) The individual is enrolled under a medicare supplemental policy under this section and such enrollment ceases because—

(I) of the bankruptcy or insolvency of the issuer or because of other involuntary termination of coverage or enrollment under such policy and there is no provision under applicable State law for the continuation or conversion of coverage under such policy;

(II) the issuer of the policy substantially violated a material provision of the policy; or

(III) the issuer (or an agent or other entity acting on the issuer's behalf) materially misrepresented the policy's provisions in marketing the policy to the individual.

(v) The individual—

(I) was enrolled under a medicare supplemental policy under this section.

(II) subsequently terminates such enrollment and enrolls, for the first time, with any Medicare+Choice organization under a Medicare+Choice plan under part C, any eligible organization under a contract under section 1395mm of this title, any similar organization operating under demonstration project authority, any PACE provider under section 1395eee of this title, or any policy described in subsection (t), and

(III) the subsequent enrollment under subsection (II) is terminated by the enrollee during any period within the first 12 months of such enrollment (during which the enrollee is permitted to terminate such subsequent enrollment under section 1395w–21(e) of this title).

(vi) The individual, upon first becoming eligible for benefits under part A at age 65, enrolls in a Medicare+Choice plan under part C or in a PACE program under section 1395eee of this title, and disenrolls from such plan or such program by not later than 12 months after the effective date of such enrollment.

(C)(i) Subject to clauses (ii) and (iii), a medicare supplemental policy described in this sub-

paragraph is a medicare supplemental policy which has a benefit package classified as "A", "B", "C", or "F" under the standards established under subsection (p)(2).

(ii)(I) Subject to subclause (II), only for purposes of an individual described in subparagraph (B)(v), a medicare supplemental policy described in this subparagraph is the same medicare supplemental policy referred to in such subparagraph in which the individual was most recently previously enrolled, if available from the same issuer, or, if not so available, a policy described in clause (i).

(II) If the medicare supplemental policy referred to in subparagraph (B)(v) was a medigap Rx policy (as defined in subsection (v)(6)(A)), a medicare supplemental policy described in this subparagraph is such policy in which the individual was most recently enrolled as modified under subsection (v)(2)(C)(i) or, at the election of the individual, a policy referred to in subsection (v)(3)(A)(i).

(iii) Only for purposes of an individual described in subparagraph (B)(vi) and subject to subsection (v)(1), a medicare supplemental policy described in this subparagraph shall include any medicare supplemental policy.

(iv) For purposes of applying this paragraph in the case of a State that provides for offering of benefit packages other than under the classification referred to in clause (i), the references to benefit packages in such clause are deemed references to comparable benefit packages offered in such State.

(D) At the time of an event described in subparagraph (B) because of which an individual ceases enrollment or loses coverage or benefits under a contract or agreement, policy, or plan, the organization that offers the contract or agreement, the insurer offering the policy, or the administrator of the plan, respectively, shall notify the individual of the rights of the individual under this paragraph, and obligations of issuers of medicare supplemental policies, under subparagraph (A).

(E) For purposes of subparagraph (A), the time period specified in this subparagraph is—

(i) in the case of an individual described in subparagraph (B)(i), the period beginning on the date the individual receives a notice of termination or cessation of all supplemental health benefits (or, if no such notice is received, notice that a claim has been denied because of such a termination or cessation) and ending on the date that is 63 days after the applicable notice;

(ii) in the case of an individual described in clause (ii), (iii), (v), or (vi) of subparagraph (B) whose enrollment is terminated involuntarily, the period beginning on the date that the individual receives a notice of termination and ending on the date that is 63 days after the date the applicable coverage is terminated;

(iii) in the case of an individual described in subparagraph (B)(iv)(I), the period beginning on the earlier of (I) the date that the individual receives a notice of termination, a notice of the issuer's bankruptcy or insolvency, or other such similar notice, if any, and (II) the date that the applicable coverage is terminated, and ending on the date that is 63 days after the date the coverage is terminated;
(iv) in the case of an individual described in clause (ii), (iii), (iv)(II), (iv)(III), (v), or (vi) of subparagraph (B) who disenrolls voluntarily, the period beginning on the date that is 60 days before the effective date of the disenrollment and ending on the date that is 60 days after such effective date; and

(v) in the case of an individual described in subparagraph (B) but not described in the preceding provisions of this subparagraph, the period beginning on the effective date of the disenrollment and ending on the date that is 60 days after such effective date.

(F)(i) Subject to clause (ii), for purposes of this paragraph—

(I) in the case of an individual described in subparagraph (B)(v) (or deemed to be so described, pursuant to this subparagraph) whose enrollment with an organization or provider described in subclause (II) of such subparagraph is involuntarily terminated within the first 12 months of such enrollment, and who, without an intervening enrollment, enrolls with another such organization or provider, such subsequent enrollment shall be deemed to be an initial enrollment described in such subparagraph; and

(II) in the case of an individual described in clause (vi) of subparagraph (B) (or deemed to be so described, pursuant to this subparagraph) whose enrollment with a plan or in a program described in such clause is involuntarily terminated within the first 12 months of such enrollment, and who, without an intervening enrollment, enrolls in another such plan or program, such subsequent enrollment shall be deemed to be an initial enrollment described in such clause.

(ii) For purposes of clauses (v) and (vi) of subparagraph (B), no enrollment of an individual with an organization or provider described in clause (v)(II), or with a plan or in a program described in such clause is involuntarily terminated within the first 12 months of such enrollment, and who, without an intervening enrollment, enrolls without another such organization or provider, such subsequent enrollment shall be deemed to be an initial enrollment described in such clause.

(2) If the Secretary determines that an issuer of a policy approved under paragraph (1)—

(A) fails substantially to provide medically necessary items and services furnished through a network of entities which have entered into contracts or agreements with the issuer of the policy;

(B) full benefits are provided for items and services furnished through a network of entities which are medically necessary and immediately required because of an unforeseen illness, injury, or condition and it is not reasonable given the circumstances to obtain the services through the network;

(C) the network offers sufficient access;

(D) the issuer of the policy has arrangements for an ongoing quality assurance program for items and services furnished through the network;

(E)(i) the issuer of the policy provides to each enrollee at the time of enrollment an explanation of (I) the restrictions on payment under the policy for services furnished other than by or through the network, (II) out of area coverage under the policy, (III) the policy’s coverage of emergency services and urgently needed care, and (IV) the availability of a policy through the entity that meets the standards in the 1991 NAIC Model Regulation or 1991 Federal Regulation without reference to this subsection and the premium charged for such policy, and

(ii) each enrollee prior to enrollment acknowledges receipt of the explanation provided under clause (i); and

(F) the issuer of the policy makes available to individuals, in addition to the policy described in this subsection, any policy (otherwise offered by the issuer to individuals in the State) that meets the standards in the 1991 NAIC Model Regulation or 1991 Federal Regulation and other requirements of this section without reference to this subsection.

(3) The Secretary may enter into a contract with an entity whose policy has been certified under paragraph (1) or has been approved by a State under subsection (b)(1)(H) to determine whether items and services (furnished to individuals other than subsection (b)) shall nevertheless be treated as meeting those requirements.
individuals entitled to benefits under this subchapter and under that policy) are not allowable under section 1395y(a)(1) of this title. Payments to the entity shall be in such amounts as the Secretary may determine, taking into account estimated savings under contracts with carriers and fiscal intermediaries and other factors that the Secretary finds appropriate. Paragraph (1), the first sentence of paragraph (2)(A), paragraph (2)(B), paragraph (3)(C), paragraph (3)(D), and paragraph (3)(E) of section 1395u(b) of this title shall apply to the entity.

(u) Additional rules relating to individuals enrolled in MSA plans and in private fee-for-service plans

(1) It is unlawful for a person to sell or issue a policy described in paragraph (2) to an individual with knowledge that the individual has in effect under section 1395w–21 of this title an election of an MSA plan or a Medicare+Choice private fee-for-service plan.

(2)(A) A policy described in this subparagraph is a health insurance policy (other than a policy described in subparagraph (B)) that provides for coverage of expenses that are otherwise required to be counted toward meeting the annual deductible amount provided under the MSA plan.

(B) A policy described in this subparagraph is any of the following:

(i) A policy that provides coverage (whether through insurance or otherwise) for accidents, disability, dental care, vision care, or long-term care.

(ii) A policy of insurance to which substantially all of the coverage relates to—

(I) liabilities incurred under workers’ compensation laws,

(II) tort liabilities,

(III) liabilities relating to ownership or use of property, or

(IV) such other similar liabilities as the Secretary may specify by regulations.

(iii) A policy of insurance that provides coverage for a specified disease or illness.

(iv) A policy of insurance that pays a fixed amount per day (or other period) of hospitalization.

(v) Rules relating to medigap policies that provide prescription drug coverage

(1) Prohibition on sale, issuance, and renewal of new policies that provide prescription drug coverage

(A) In general

Notwithstanding any other provision of law, on or after January 1, 2006, a medigap Rx policy (as defined in paragraph (6)(A)) may not be sold, issued, or renewed under this section—

(I) to an individual who is a part D enrollee (as defined in paragraph (6)(B)); or

(II) except as provided in subparagraph (B), to an individual who is not a part D enrollee.

(B) Continuation permitted for non-part D enrollees

Subparagraph (A)(ii) shall not apply to the renewal of a medigap Rx policy that was issued before January 1, 2006.

(C) Construction

Nothing in this subsection shall be construed as preventing the offering on and after January 1, 2006, of “H”, “I”, and “J” policies described in paragraph (2)(D)(i) if the benefit packages are modified in accordance with paragraph (2)(C).

(2) Elimination of duplicative coverage upon part D enrollment

(A) In general

In the case of an individual who is covered under a medigap Rx policy and enrolls under a part D plan—

(I) before the end of the initial part D enrollment period, the individual may—

(i) enroll in a medicare supplemental policy without prescription drug coverage under paragraph (3); or

(ii) continue the policy in effect subject to the modification described in subparagraph (C)(i); or

(B) Notice required to be provided to current policyholders with medigap Rx policy

No medicare supplemental policy of an issuer shall be deemed to meet the standards in subsection (c) unless the issuer provides written notice (in accordance with standards of the Secretary established in consultation with the National Association of Insurance Commissioners) during the 60-day period immediately preceding the initial part D enrollment period, to each individual who is a policyholder or certificate holder of a medigap Rx policy (at the most recent available address of that individual) of the following:

(I) If the individual enrolls in a plan under part D during the initial enrollment period under section 1395w–101(b)(2)(A) of this title, the individual has the option of—

(i) continuing enrollment in the individual’s current plan, but the plan’s coverage of prescription drugs will be modified under subparagraph (C)(i); or

(ii) if the current plan does not provide creditable prescription drug coverage (as defined in section 1395w–113(b)(4) of this title), notice of such fact and that there are limitations on the periods in a year in which the individual may enroll under a part D plan and any such enrollment is subject to a late enrollment penalty.

(ii) If the individual does not enroll in a plan under part D during such period, the individual may continue enrollment in the individual’s current plan without change, but—

(I) the individual will not be guaranteed the option of enrollment in another medicare supplemental policy pursuant to paragraph (3); and

(II) if the current plan does not provide creditable prescription drug coverage (as defined in section 1395w–113(b)(4) of this title), notice of such fact and that there are limitations on the periods in a year in which the individual may enroll under a part D plan and any such enrollment is subject to a late enrollment penalty.

(iii) Such other information as the Secretary may specify (in consultation with
the National Association of Insurance Commissioners), including the potential impact of such election on premiums for medicare supplemental policies.

(C) Modification

(i) In general

The policy modification described in this subparagraph is the elimination of prescription coverage for expenses of prescription drugs incurred after the effective date of the individual’s coverage under a part D plan and the appropriate adjustment of premiums to reflect such elimination of coverage.

(ii) Continuation of renewability and application of modification

No medicare supplemental policy of an issuer shall be deemed to meet the standards in subsection (c) unless the issuer—

(I) continues renewability of medigap Rx policies that it has issued, subject to clause (II); and

(II) applies the policy modification described in clause (i) in the cases described in clauses (i)(II) and (ii) of subparagraph (A).

(D) References to Rx policies

(i) H, I, and J policies

Any reference to a benefit package classified as “H,” “I,” or “J” (including the benefit package classified as “J” with a high deductible feature, as described in subsection (p)(11)) under the standards established under subsection (p)(2) shall be construed as including a reference to such a package as modified under subparagraph (C) and such packages as modified shall not be counted as a separate benefit package under such subsection.

(ii) Application in waivered States

Except for the modification provided under subparagraph (C), the waivers previously in effect under subsection (p)(2) shall continue in effect.

(3) Availability of substitute policies with guaranteed issue

(A) In general

The issuer of a medicare supplemental policy—

(i) may not deny or condition the issuance or effectiveness of a medicare supplemental policy that has a benefit package classified as “A,” “B,” “C,” or “F” (including the benefit package classified as “F” with a high deductible feature, as described in subsection (p)(11)), under the standards established under subsection (p)(2), or a benefit package described in subparagraph (A) or (B) of subsection (w)(2) and that is offered and is available for issuance to new enrollees by such issuer;

(ii) may not discriminate in the pricing of such policy, because of health status, claims experience, receipt of health care, or medical condition; and

(iii) may not impose an exclusion of benefits based on a pre-existing condition under such policy, in the case of an individual described in subparagraph (B) who seeks to enroll under the policy not later than 63 days after the effective date of the individual’s coverage under a part D plan.

(B) Individual covered

An individual described in this subparagraph with respect to the issuer of a medicare supplemental policy is an individual who—

(i) enrolls in a part D plan during the initial part D enrollment period;

(ii) at the time of such enrollment was enrolled in a medigap Rx policy issued by such issuer; and

(iii) terminates enrollment in such policy and submits evidence of such termination along with the application for the policy under subparagraph (A).

(C) Special rule for waivered States

For purposes of applying this paragraph in the case of a State that provides for offering of benefit packages other than under the classification referred to in subparagraph (A)(i), the references to benefit packages in such subparagraph are deemed references to comparable benefit packages offered in such State.

(4) Enforcement

(A) Penalties for duplication

The penalties described in subsection (d)(3)(A)(ii) shall apply with respect to a violation of paragraph (1)(A).

(B) Guaranteed issue

The provisions of paragraph (4) of subsection (s) shall apply with respect to the requirements of paragraph (3) in the same manner as they apply to the requirements of such subsection.

(5) Construction

Any provision in this section or in a medicare supplemental policy relating to guaranteed renewability of coverage shall be deemed to have been met with respect to a part D enrollee through the continuation of the policy subject to modification under paragraph (2)(C) or the offering of a substitute policy under paragraph (3). The previous sentence shall not be construed to affect the guaranteed renewability of such a modified or substitute policy.

(6) Definitions

For purposes of this subsection:

(A) Medigap Rx policy

The term “medigap Rx policy” means a medicare supplemental policy—

(i) which has a benefit package classified as “H,” “I,” or “J” (including the benefit package classified as “J” with a high deductible feature, as described in subsection (p)(11)) under the standards established under subsection (p)(2), without regard to this subsection; and

(ii) to which such standards do not apply (or to which such standards have been waived under subsection (p)(6)) but which provides benefits for prescription drugs.
§ 1395ss  TITLE 42—THE PUBLIC HEALTH AND WELFARE  Page 3432

Such term does not include a policy with a benefit package as classified under clause (i) which has been modified under paragraph (2)(C)(i).

(B) Part D enrollee
The term “part D enrollee” means an individual who is enrolled in a part D plan.

(C) Part D plan
The term “part D plan” means a prescription drug plan or an MA–PD plan (as defined for purposes of part D).

(D) Initial part D enrollment period
The term “initial part D enrollment period” means the initial enrollment period described in section 1395w–101(b)(2)(A) of this title.

(w) Development of new standards for medicare supplemental policies

(1) In general
The Secretary shall request the National Association of Insurance Commissioners to review and revise the standards for benefit packages under subsection (p)(1), taking into account the changes in benefits resulting from enactment of the Medicare Prescription Drug, Improvement, and Modernization Act of 2003 and to otherwise update standards to reflect other changes in law included in such Act. Such revision shall incorporate the inclusion of the 2 benefit packages described in paragraph (2). Such revisions shall be made consistent with the rules applicable under subsection (p)(1)(E) with the reference to the “1991 NAIC Model Regulation” deemed a reference to the NAIC Model Regulation as published in the Federal Register on December 4, 1998, and as subsequently updated by the National Association of Insurance Commissioners to reflect previous changes in law (and subsection (v)) and the reference to “date of enactment of this subsection” deemed a reference to December 8, 2003. To the extent practicable, such revision shall provide for the implementation of revised standards for benefit packages as of January 1, 2006.

(2) New benefit packages
The benefit packages described in this paragraph are the following (notwithstanding any other provision of this section relating to a core benefit package):

(A) First new benefit package
A benefit package consisting of the following:
   (i) Subject to clause (ii), coverage of 50 percent of the cost-sharing otherwise applicable under parts A and B, except there shall be no coverage of the part B deductible and coverage of 100 percent of any cost-sharing otherwise applicable for preventive benefits.
   (ii) Coverage for all hospital inpatient coinsurance and 365 extra lifetime days of coverage of inpatient hospital services (as in the current core benefit package).
   (iii) A limitation on annual out-of-pocket expenditures under parts A and B to $4,000 in 2006 (or, in a subsequent year, to such limitation for the previous year increased by an appropriate inflation adjustment specified by the Secretary).

(B) Second new benefit package
A benefit package consisting of the benefit package described in subparagraph (A), except as follows:
   (i) Substitute “75 percent” for “50 percent” in clause (i) of such subparagraph.
   (ii) Substitute “$2,000” for “$4,000” in clause (iii) of such subparagraph.

(x) Limitations on genetic testing and information

(1) Genetic testing
(A) Limitation on requesting or requiring genetic testing
An issuer of a medicare supplemental policy shall not request or require an individual or a family member of such individual to undergo a genetic test.

(B) Rule of construction
Subparagraph (A) shall not be construed to limit the authority of a health care professional who is providing health care services to an individual to request that such individual undergo a genetic test.

(C) Rule of construction regarding payment
(i) In general
Nothing in subparagraph (A) shall be construed to preclude an issuer of a medicare supplemental policy from obtaining and using the results of a genetic test in making a determination regarding payment (as such term is defined for the purposes of applying the regulations promulgated by the Secretary under part C of subchapter XI and section 264 of the Health Insurance Portability and Accountability Act of 1996, as may be revised from time to time) consistent with subsection (s)(2)(E).

(ii) Limitation
For purposes of clause (i), an issuer of a medicare supplemental policy may request only the minimum amount of information necessary to accomplish the intended purpose.

(D) Research exception
Notwithstanding subparagraph (A), an issuer of a medicare supplemental policy may request, but not require, that an individual or a family member of such individual undergo a genetic test if each of the following conditions is met:
   (i) The request is made pursuant to research that complies with part 46 of title 45, Code of Federal Regulations, or equivalent Federal regulations, and any applicable State or local law or regulations for the protection of human subjects in research.
   (ii) The issuer clearly indicates to each individual, or in the case of a minor child, to the legal guardian of such child, to whom the request is made that—
     (I) compliance with the request is voluntary; and
(2) Prohibition on collection of genetic information

(A) In general
An issuer of a medicare supplemental policy shall not request, require, or purchase genetic information for underwriting purposes (as defined in paragraph (3)).

(B) Prohibition on collection of genetic information prior to enrollment
An issuer of a medicare supplemental policy shall not request, require, or purchase genetic information with respect to any individual prior to such individual’s enrollment under the policy in connection with such enrollment.

(C) Incidental collection
If an issuer of a medicare supplemental policy obtains genetic information incidental to the requesting, requiring, or purchasing of other information concerning any individual, such request, requirement, or purchase shall not be considered a violation of subparagraph (B) if such request, requirement, or purchase is not in violation of subparagraph (A).

(3) Definitions
In this subsection:

(A) Family member
The term “family member” means with respect to an individual, any other individual who is a first-degree, second-degree, third-degree, or fourth-degree relative of such individual.

(B) Genetic information

(i) In general
The term “genetic information” means, with respect to any individual, information about—
(I) such individual’s genetic tests,
(II) the genetic tests of family members of such individual, and
(III) subject to clause (iv), the manifestation of a disease or disorder in family members of such individual.

(ii) Inclusion of genetic services and participation in genetic research
Such term includes, with respect to any individual, any request for, or receipt of, genetic services, or participation in clinical research which includes genetic services, by such individual or any family member of such individual.

(iii) Exclusions
The term “genetic information” shall not include information about the sex or age of any individual.

(C) Genetic test

(i) In general
The term “genetic test” means an analysis of human DNA, RNA, chromosomes, proteins, or metabolites, that detects genotypes, mutations, or chromosomal changes.

(ii) Exceptions
The term “genetic test” does not mean—
(I) an analysis of proteins or metabolites that does not detect genotypes, mutations, or chromosomal changes; or
(II) an analysis of proteins or metabolites that is directly related to a manifested disease, disorder, or pathological condition that could reasonably be detected by a health care professional with appropriate training and expertise in the field of medicine involved.

(D) Genetic services
The term “genetic services” means—

(i) a genetic test;
(ii) genetic counseling (including obtaining, interpreting, or assessing genetic information); or
(iii) genetic education.

(E) Underwriting purposes
The term “underwriting purposes” means, with respect to a medicare supplemental policy—

(i) rules for, or determination of, eligibility (including enrollment and continued eligibility) for benefits under the policy;
(ii) the computation of premium or contribution amounts under the policy;
(iii) the application of any pre-existing condition exclusion under the policy; and
(iv) other activities related to the creation, renewal, or replacement of a contract of health insurance or health benefits.

(F) Issuer of a medicare supplemental policy
The term “issuer of a medicare supplemental policy” includes a third-party administrator or other person acting for or on behalf of such issuer.

(4) Genetic information of a fetus or embryo
Any reference in this section to genetic information concerning an individual or family member of an individual shall—

(A) with respect to such an individual or family member of an individual who is a pregnant woman, include genetic information of any fetus carried by such pregnant woman; and
(B) with respect to an individual or family member utilizing an assisted reproductive technology, include genetic information of
any embryo legally held by the individual or family member.

(y) Development of new standards for certain medicare supplemental policies
(1) In general
The Secretary shall request the National Association of Insurance Commissioners to review and revise the standards for benefit packages described in paragraph (2) under subsection (p)(1), to otherwise update standards to include requirements for nominal cost sharing to encourage the use of appropriate physicians’ services under part B. Such revisions shall be based on evidence published in peer-reviewed journals or current examples used by integrated delivery systems and made consistent with the rules applicable under subsection (p)(1)(E) with the reference to the NAIC Model Regulation as published in the Federal Register on December 4, 1998, and as subsequently updated by the National Association of Insurance Commissioners to reflect previous changes in law and the reference to “date of enactment of this subsection” deemed a reference to March 23, 2010. To the extent practicable, such revision shall provide for the implementation of revised standards for benefit packages as of January 1, 2015.

(2) Benefit packages described
The benefit packages described in this paragraph are benefit packages classified as “C” and “F”.

(2) Limitation on certain medigap policies for newly eligible Medicare beneficiaries
(1) In general
Notwithstanding any other provision of this section, on or after January 1, 2020, a medicare supplemental policy that provides coverage of the part B deductible, including any such policy (or rider to such a policy) issued under a waiver granted under subsection (p)(6), may not be sold or issued to a newly eligible Medicare beneficiary.

(2) Newly eligible Medicare beneficiary defined
In this subsection, the term “newly eligible Medicare beneficiary” means an individual who is neither of the following:
(A) An individual who has attained age 65 before January 1, 2020.
(B) An individual who was entitled to benefits under part A pursuant to section 426(b) or 426-1 of this title, or deemed to be eligible for benefits under section 426(a) of this title, before January 1, 2020.

(3) Treatment of waivered States
In the case of a State described in subsection (p)(6), nothing in this section shall be construed as preventing the State from modifying its alternative simplification program under such subsection as to eliminate the coverage of the part B deductible for any medical supplemental policy sold or issued under such program to a newly eligible Medicare beneficiary on or after January 1, 2020.

(4) Treatment of references to certain policies
In the case of a newly eligible Medicare beneficiary, except as the Secretary may otherwise provide, any reference in this section to a medicare supplemental policy which has a benefit package classified as “C” or “F” shall be deemed, as of January 1, 2020, to be a reference to a medicare supplemental policy which has a benefit package classified as “D” or “G”, respectively.

(5) Enforcement
The penalties described in clause (ii) of subsection (d)(3)(A) shall apply with respect to a violation of paragraph (1) in the same manner as it applies to a violation of clause (i) of such subsection.

For complete classification of this Act to the Code, see Short Title of 1988 Amendment note set out under section 1305 of this title and Tables.


Section 2701 of the Public Health Service Act, referred to in subsec. (s)(2)(D), is section 2701 of act July 1, 1944, which was classified to section 300gg of this title, was renumbered section 2704, effective for plan years beginning on or after Jan. 1, 2014, with certain exceptions, and amended, by Pub. L. 111–148, title I, §§1201(2), 1563(c)(1), formerly §1562(c)(1), title X, §10107(b)(1), Mar. 23, 2010, 124 Stat. 154, 294, and was transferred to section 300gg–3 of this title. A new section 2701 of act July 1, 1944, related to fair health insurance premiums, was added, effective for plan years beginning on or after Jan. 1, 2014, and amended, by Pub. L. 111–148, title I, §1201(c)(3)(B)(i), August 7, 2010, 124 Stat. 155, 892, and is classified to section 300gg–3 of this title.


AMENDMENTS


2010—Subsec. (e)(1). Pub. L. 111–148, §3120(b), substituted “(w)” and “(y)” for “(w)” and “(w)”.


Subsec. (o)(2)(B). Pub. L. 110–233, §104(a), added subpars. (B) and (F).


2007—Subsec. (r)(5). Pub. L. 110–161 substituted “The Secretary may for “(A) The Comptroller General shall periodically, not less often than once every 3 years,” and struck out “and to the Secretary” after “State involved” and subpar. (B) which read as follows: “The Secretary may independently perform such compliance audits.”


Subsec. (d)(3)(B)(ii)(II). Pub. L. 108–173, §736(e)(2), substituted “to the best of the issuer’s or seller’s knowledge” for “to the best of the issuer or seller’s knowledge”.

Subsec. (g)(1). Pub. L. 108–173, §104(b)(2)(A), inserted “a prescription drug plan under part D or” after “but does not include”.


2000—Subsec. (s)(3)(A). Pub. L. 106–554, §11a(a)(6) [title VI, §618(a)(1)], in concluding provisions, substituted “seeks to enroll under the policy during the period specified in subparagraph (E)” for “subject to subparagraph (E)”.

Subsec. (s)(3)(E). Pub. L. 106–554, §11a(a)(6) [title VI, §618(a)(2)], added subpart (E) which read as follows: “(E)(i) An individual described in subparagraph (B)(ii) may elect to apply subparagraph (A) by substituting, for the date of termination of enrollment, the date on which the individual was notified by the Medicare+Choice organization of the impending termination or discontinuance of the Medicare+Choice plan if it offers in the area in which the individual resides, but only if the individual enrollee from the plan as a result of such notification.

(ii) In the case of an individual making such an election, the issuer shall accept the application of the individual submitted before the date of termination of enrollment, but the coverage under subparagraph (A) shall only become effective upon termination of coverage under the Medicare+Choice plan involved.”


1999—Subsec. (g)(1). Pub. L. 106–113, §1000(a)(6) [title III, §321(k)(13)], struck out “or” after “,” but does not include”.

Subsec. (q)(5)(C). Pub. L. 106–170, §208(a)(1), inserted “or paragraph (6)” after “this paragraph”.


Subsec. (s)(3)(B)(ii). Pub. L. 106–113, §1000(a)(6) [title V, §536(a)(1)], inserted before period at end “or the individual is 65 years of age or older and is enrolled with a PACE provider under section 1385e of this title, and there are circumstances that would permit the discontinuance of the individual’s enrollment with such provider under circumstances that are similar to the circumstances that would permit discontinuance of the individual’s election under the first sentence of such section if such individual were enrolled in a Medicare+Choice plan”.

Subsec. (s)(3)(B)(v)(III). Pub. L. 106–113, §1000(a)(6) [title V, §536(a)(3)], inserted “or in a PACE program under section 1385e of this title” after “part C” and substituted “such plan or such program” for “such plan”.

1996—Subsec. (b)(6). Pub. L. 105-362 struck out par. (6) which read as follows: “The Secretary shall report to the Congress in March 1996 and in July 1997 on actions States have taken in adopting standards equal to or more stringent than the NAIC Model Transition Regulation or the amended NAIC Model Regulation (or Federal model standards).”

Subsec. (d)(3)(B)(ii)(I). Pub. L. 105-33, § 4003(a)(1)(B), substituted “(i) the sale or issuance of a group policy” for “(i) the sale or issuance of a group policy described in clause (v),” after “Medicare supplemental policy”.

Subsec. (d)(3)(B)(ii)(II). Pub. L. 105-33, § 4003(a)(1)(B), substituted “(ii) the sale or issuance of a health insurance policy” for “(ii) the sale or issuance of a Medicare+Choice plan or under another medicare supplemental policy” before comma at end.

Subsec. (d)(3)(A)(v)(II). Pub. L. 105-33, § 4003(a)(1), inserted “(including any Medicare+Choice plan)” after “(including any Medicare+Choice plan)”.

Subsec. (b)(1). Pub. L. 105-332, § 171(c)(1)(A), substituted “the Secretary determines” for “the Secretary determines” in introductory provisions.

Subsec. (d)(3)(A). Pub. L. 105-342, § 171(d)(1)(D), struck out at end “This subsection shall not apply to such a policy”.

Subsec. (d)(3)(B)(iii)(I). Pub. L. 105-332, § 171(d)(1)(D), substituted “(i) the sale or issuance of a group policy” for “(i) the sale or issuance of a group policy described in clause (v),” after “Medicare+Choice plan.”

Subsec. (d)(3)(A)(i)(II). Pub. L. 105-33, § 4003(a)(1)(B), inserted “in the case of an individual not electing a Medicare+Choice plan” after “(II)” and inserted “or in the case of an individual electing a Medicare+Choice plan, a medicare supplemental policy” before comma at end.


Subsec. (a)(2)(B). Pub. L. 105-332, § 171(c)(1)(A), inserted “(i) the sale or issuance of a Medicare+Choice plan” after “(II)” and inserted “or in the case of an individual electing a Medicare+Choice plan, a medicare supplemental policy” before comma at end.


Subsec. (b)(1). Pub. L. 105-332, § 171(e)(2), substituted “paragraph (F)” for “paragraph (F)” in last sentence.

Subsec. (d)(3)(A)(i). Pub. L. 105-332, § 171(c)(1)(A), amended subcl. (I) as follows: “Subclause (I) and amended it generally. Prior to amendment, subclause (I) read as follows: ‘It is unlawful for a person to sell or issue a health insurance policy to an individual entitled to benefits under part B of title XIX of this Act or under a requirement of State or Federal law (other than this subchapter or subchapter XIX of this chapter) to another Medicare+Choice plan, or under another medicare supplemental policy’.”

Subsec. (d)(3)(B)(i)(II). Pub. L. 105-332, § 171(c)(1)(A), substituted “(i) the sale or issuance of a group policy” for “Medicare+Choice plan”.


Subsec. (d)(3)(A)(v)(II). Pub. L. 105-33, § 4003(a)(3), inserted “or a Medicare+Choice plan” after “does not include” in last sentence.

Subsec. (a)(2)(A). Pub. L. 105-332, § 171(c)(1)(A), substituted “(i) the sale or issuance of a Medicare+Choice plan” after “(II)” and inserted “or in the case of an individual electing a Medicare+Choice plan, a medicare supplemental policy” before comma at end.


Subsec. (a)(2)(A). Pub. L. 105-332, § 171(c)(1)(A), substituted “(i) the sale or issuance of a Medicare+Choice plan” after “(II)” and inserted “or in the case of an individual electing a Medicare+Choice plan, a medicare supplemental policy” before comma at end.


Subsec. (a)(2)(A). Pub. L. 105-332, § 171(c)(1)(A), substituted “(i) the sale or issuance of a Medicare+Choice plan” after “(II)” and inserted “or in the case of an individual electing a Medicare+Choice plan, a medicare supplemental policy” before comma at end.

Subsec. (d)(3)(A)(i)(II). Pub. L. 105-33, § 4003(a)(1)(B), inserted “in the case of an individual not electing a Medicare+Choice plan” after “(II)” and inserted “or in the case of an individual electing a Medicare+Choice plan, a medicare supplemental policy” before comma at end.


Subsec. (a)(2)(B). Pub. L. 105-332, § 171(c)(1)(A), substituted “(i) the sale or issuance of a Medicare+Choice plan” after “(II)” and inserted “or in the case of an individual electing a Medicare+Choice plan, a medicare supplemental policy” before comma at end.

Subsec. (a)(2)(A). Pub. L. 105-332, § 171(c)(1)(A), substituted “(i) the sale or issuance of a Medicare+Choice plan” after “(II)” and inserted “or in the case of an individual electing a Medicare+Choice plan, a medicare supplemental policy” before comma at end.
“the selling of a group policy” and added cls. (ii) and (iii).


Subsec. (d)(4)(D). Pub. L. 103–432, § 171(k)(1), struck out before period at end “, if such policy expires not more than 12 months after the date on which the duplicating copy is mailed.”


Subsec. (g)(1). Pub. L. 103–432, § 171(f)(1), substituted “an eligible organization (as defined in section 1395(m)(b) of this title)” if the policy or plan provides benefits pursuant to a contract under section 1395mm of this title or an approved demonstration project described in section 603(c) of the Social Security Amendments of 1983, section 2355 of the Deficit Reduction Act of 1984, or section 9412(b) of the Omnibus Budget Reconciliation Act of 1986, or, during the period beginning on December 31, 1995, a policy or plan of an organization if the policy or plan provides benefits pursuant to an agreement under section 1395mm of this title or an approved demonstration project described in section 603(c) of the Social Security Amendments of 1983, section 2355 of the Deficit Reduction Act of 1984, or section 9412(b) of the Omnibus Budget Reconciliation Act of 1986, or, during the period beginning on December 31, 1995, a policy or plan of an organization if the policy or plan provides benefits pursuant to an agreement under section 1395mm of this title.”

Subsec. (g)(2). Pub. L. 103–432, § 171(c)(3), substituted “Secretary” for “Panel”.


Subsec. (p)(1)(A). Pub. L. 103–432, § 171(a)(2)(A), in introductory provisions, substituted “changes the revised NAIC Model Regulation (described in subsection (m)) to incorporate” for “promulgate”.

Subsec. (p)(1)(B). Pub. L. 103–432, § 171(a)(2)(B), substituted “make the changes in the revised NAIC Model Regulation for “promulgate NAIC standards”, “a regulation for “limitations, language, definitions, format, and standards described in clauses (i) through (iv) of such subparagraph (in this subsection referred to collectively as ‘NAIC standards’),” before “subsection (g)(2)(A)” and substituted “were a reference to the revised NAIC Model Regulation as changed under this subparagraph (such changed regulation referred to in this subsection as the ‘1991 NAIC Model Regulation’)” for “included a reference to the NAIC standards.”


Subsec. (p)(4)(A)(i). Pub. L. 103–432, § 171(a)(2)(F), inserted “or paragraph (6)” after “paragraph (B)”.

Subsec. (p)(6). Pub. L. 103–432, § 171(a)(2)(H), substituted “described in clauses (i) through (iii) of paragraph (1)(A)” for “‘in regard to the limitation of benefits described in paragraph (4)’”.


Subsec. (p)(8). Pub. L. 103–432, § 171(a)(2)(J), substituted “and” after the effective date specified in paragraph (1)(C) (but subject to paragraph (10)), in violation of the applicable 1991 NAIC Model Regulation or 1991 Federal Regulation insofar as such regulation relates to the requirements of subsection (o) or (q) or clause (i), (ii), or (iii) of paragraph (1)(A)” for “after the effective date of the NAIC or Federal standards with respect to the policy, in violation of the previous requirements of this subsection”.


Subsec. (p)(10). Pub. L. 103–432, § 171(a)(2)(L), substituted “consistent with paragraph 1(A)” for “‘consistent with this subsection’”.


Subsec. (q)(4). Pub. L. 103–432, § 171(b)(2), substituted “issuer of the replacement policy” for “the succeeding issuer”.

Subsec. (q)(5)(A), (B). Pub. L. 103–432, § 171(d)(4), made technical amendment to the reference to subchapter XIX of this chapter to correct reference to corresponding provision of original act.

Subsec. (r)(1). Pub. L. 103–432, § 171(e)(1)(A), (E), in introductory provisions substituted “or renewed (or otherwise provide coverage after the date described in subsection (p)(1)(C))” for “or sold” and inserted at end of closing provisions “For the purpose of calculating the refund or credit required under paragraph (1)(B) for a policy issued before the date specified in subsection (p)(1)(C), the refund or credit calculation shall be based on the aggregate benefits provided and premiums collected under all such policies issued by an insurer in a State (separated as to individual and group policies) and shall be based only on aggregate benefits provided and premiums collected under such policies after the date specified in section 171(m)(4) of the Social Security Act Amendments of 1994.”


Subsec. (r)(1)(B). Pub. L. 103–432, § 171(e)(1)(D), inserted “for periods after the effective date of these provisions” after “the policy can be expected.”

Subsec. (r)(1)(E). Pub. L. 103–432, § 171(e)(1)(D), inserted before period at end “, treating policies of the same type as a single policy for each standard package”.

Subsec. (r)(2)(A). Pub. L. 103–432, § 171(e)(1)(F)(1), substituted “by standard package” for “by policy number” in first sentence and “until 12 months following issuing” for “‘with respect to the first 2 years in which it is in effect’” in second sentence, struck out “in order to apply paragraph (1)(B) to the first 2 years in which policies are effective” after “‘may be appropriate’” in third sentence, and inserted at end “in the case of a policy issued before the date specified in subsection (p)(1)(C), paragraph (1)(B) shall not apply until 1 year after the date specified in section 171(m)(4) of the Social Security Act Amendments of 1994.”


Subsec. (r)(6)(A). Pub. L. 103–432, § 171(e)(1)(L), substituted “fails to provide refunds or credits as required” for “fails to provide refunds or credits”.
in paragraph (1)(B)’’ for “issues a policy in violation of the loss ratio requirements of this subsection” and “policy issued for which such failure occurred” for “such violation”.

Subsec. (d)(6)(B). Pub. L. 101–432, §171(e)(1)(M), substituted “to the policyholder or, in the case of a group policy, to the certificate holder” for “to policyholder.”

Subsec. (e)(2)(A). Pub. L. 101–432, §171(g)(1), (2), substituted “in the case of an individual for whom an application is submitted prior to or” for “for which an application is submitted” and “as of the first day on which the individual is 65 years of age or older and is enrolled for benefits under part B” for “in which the individual (who is 65 years of age or older) first is enrolled for benefits under part B”.

Subsec. (e)(2)(B). Pub. L. 101–432, §171(g)(3), substituted “before the policy became effective” for “before it became effective”.}

Pub. L. 101–432, §171(h)(1)(A), (B), (5), substituted “If a medicare supplemental policy meets the 1991 NAIC Model Regulation or 1991 Federal Regulation” for “If a policy meets the NAIC Model Standards”.


Subsec. (g)(1). Pub. L. 101–508, §4353(b)(3), struck out “before the policy became effective”.

Pub. L. 101–508, §4353(b)(4), amended par. (2) generally. Prior to amendment, par. (2) read as follows:

”(A) There is hereby established a panel (hereinafter in this section referred to as the ‘Panel’) to be known as the Supplemental Health Insurance Panel. The Panel shall consist of the Secretary, who shall serve as the Chairman, and four State commissioners or superintendents of insurance, who shall be appointed by the Secretary and serve at his pleasure. Such members shall first be appointed not later than January 31, 1990.

”(B) A majority of the members of the Panel shall constitute a quorum, but a lesser number may conduct hearings.

”(C) The Secretary shall provide such technical, secretarial, clerical, and other assistance as the Panel may require.

”(D) There are authorized to be appropriated such sums as may be necessary to carry out this paragraph.

”(E) Members of the Panel shall be allowed, away from their homes or regular places of business in the performance of services for the Panel, travel expenses (including per diem in lieu of subsistence) in the same manner as persons employed intermittently in the Government service are allowed expenses under section 5703 of title 5.”

Subsec. (c). Pub. L. 101–508, §4357(a)(1), inserted “or agreements” after “contracts”.

Subsec. (a). Pub. L. 101–508, §4356(a)(2), designated existing provisions as par. (1) and added par. (2).


Subsec. (a). Pub. L. 101–508, §4351(a)(1), as renumbered by Pub. L. 101–432, §160(d)(4), formerly §4027(k)(1), as renumbered by Pub. L. 101–432, §160(d)(4), directed the amendment of third sentence of par. (1) by striking out “The report required under subsection (F) shall include information on loss ratios of policies sold in the State, frequency and types of instances in which policies approved by the State fail to meet the standards of this paragraph, actions taken by the State to bring such policies into compliance, and information regarding State programs implementing consumer protection provisions, and such further information as the Secretary in consultation with the National Association of Insurance Commissioners, may specify.”

Pub. L. 101–508, §4353(b)(1), (2), substituted “the Secretary” for “Supplemental Health Insurance Panel (established under paragraph (2))” in introductory provisions for “the Panel” in concluding provisions.

Pub. L. 101–508, §4207(k)(1), formerly §4027(k)(1), as renumbered by Pub. L. 101–432, §160(d)(4), which directed the amendment of third sentence of par. (1) by striking out “The report required under subsection (F) shall include information on loss ratios of policies sold in the State, frequency and types of instances in which policies approved by the State fail to meet the standards of this paragraph, actions taken by the State to bring such policies into compliance, and information regarding State programs implementing consumer protection provisions, and such further information as the Secretary in consultation with the National Association of Insurance Commissioners, may specify.”


Pub. L. 101–508, §4353(b)(3), added a new subpar. (G), was executed by adding the following new subpar. (G) immediately after subpar. (F) to reflect the probable intent of Congress.

Subsec. (b)(1)(G). Pub. L. 101–508, §4355(c), which directed amendment of par. (1) by adding at the end thereof a new par. (G), was executed by adding the following new par. (G) immediately after par. (F) to reflect the probable intent of Congress.


Subsec. (b)(2). Pub. L. 101–508, §4355(b)(4), amended par. (2) generally. Prior to amendment, par. (2) read as follows:

’’(A) There is hereby established a panel (hereinafter in this section referred to as the ‘Panel’) to be known as the Supplemental Health Insurance Panel. The Panel shall consist of the Secretary, who shall serve as the Chairman, and four State commissioners or superintendents of insurance, who shall be appointed by the Secretary and serve at his pleasure. Such members shall first be appointed not later than January 31, 1990.

’’(B) A majority of the members of the Panel shall constitute a quorum, but a lesser number may conduct hearings.

’’(C) The Secretary shall provide such technical, secretarial, clerical, and other assistance as the Panel may require.

’’(D) There are authorized to be appropriated such sums as may be necessary to carry out this paragraph.

’’(E) Members of the Panel shall be allowed, away from their homes or regular places of business in the performance of services for the Panel, travel expenses (including per diem in lieu of subsistence) in the same manner as persons employed intermittently in the Government service are allowed expenses under section 5703 of title 5.’’

Subsec. (c). Pub. L. 101–508, §4357(a)(1), inserted “or agreements” after “contracts”.

Subsec. (a). Pub. L. 101–508, §4351(a)(1), as renumbered by Pub. L. 101–432, §160(d)(4), formerly §4027(k)(1), as renumbered by Pub. L. 101–432, §160(d)(4), directed the amendment of third sentence of par. (1) by striking out “The report required under subsection (F) shall include information on loss ratios of policies sold in the State, frequency and types of instances in which policies approved by the State fail to meet the standards of this paragraph, actions taken by the State to bring such policies into compliance, and information regarding State programs implementing consumer protection provisions, and such further information as the Secretary in consultation with the National Association of Insurance Commissioners, may specify.”

Pub. L. 101–508, §4353(b)(1), (2), substituted “the Secretary” for “Supplemental Health Insurance Panel (established under paragraph (2))” in introductory provisions for “the Panel” in concluding provisions.

Pub. L. 101–508, §4207(k)(1), formerly §4027(k)(1), as renumbered by Pub. L. 101–432, §160(d)(4), which directed the amendment of third sentence of par. (1) by striking out “The report required under subsection (F) shall include information on loss ratios of policies sold in the State, frequency and types of instances in which policies approved by the State fail to meet the standards of this paragraph, actions taken by the State to bring such policies into compliance, and information regarding State programs implementing consumer protection provisions, and such further information as the Secretary in consultation with the National Association of Insurance Commissioners, may specify.”


Pub. L. 101–508, §4353(b)(3), added a new subpar. (G), was executed by adding the following new subpar. (G) immediately after subpar. (F) to reflect the probable intent of Congress.
standardized benefit packages that may be offered consistent with subsection (p) of this section.”

Subsec. (d)(3)(B). Pub. L. 101–508, § 435(a)(2), amended subpar. (B) generally. Prior to amendment, subpar. (B) read as follows: “For purposes of this paragraph, benefits which are payable to or on behalf of an individual without regard to other health benefit coverage of such individual, shall not be considered as duplicative.”

Subsec. (d)(4)(B). Pub. L. 101–508, § 435(a)(2), struck out at end “For purposes of this paragraph, a Medicare supplemental policy shall be deemed to be approved by the commissioner or superintendent of insurance of a State if—

“(i) the policy has been certified by the Secretary pursuant to subsection (c) of this section or was issued in a State with an approved regulatory program (as defined in subsection (g)(2)(B) of this section);

“(ii) the policy has been approved by the commissioners or superintendents of insurance in States in which more than 30 percent of such policies are sold; or

“(iii) the State has in effect a law which the commissioner or superintendent of insurance of the State has determined gives him the authority to review, and to approve, or effectively bar from sale in the State, such policy;

except that such a policy shall not be deemed to be approved by a State commissioner or superintendent of insurance if the State notifies the Secretary that such policy has been submitted for approval to the State and has been specifically disapproved by such State after providing appropriate notice and opportunity for hearing pursuant to the procedures (if any) of the State.”

Subsec. (e). Pub. L. 101–508, § 435(a)(2), inserted before period at end of first sentence “and does not include a policy or plan of a health maintenance organization or other direct service organization which offers benefits under this subchapter, including such services under a contract under section 1395mm of this title or an agreement under section 1395v(f) of this title”.


years beginning on or after the date that is 1 year after the date of enactment of this Act [May 21, 2008]."

**Effective Date of 1999 Amendments**

Pub. L. 106–170, title II, § 205(b), Dec. 17, 1999, 113 Stat. 300, provided that: "The amendments made by subsection (a) [amending this section] apply with respect to requests made after the date of the enactment of this Act [Dec. 17, 1999]."

Amendment by section 1000(a)(6) [title III, § 321(k)(13), (14)] of Pub. L. 106–113 effective as if included in the enactment of the Balanced Budget Act of 1997, Pub. L. 105–33, except as otherwise provided, see section 1000(a)(6) [title III, § 321(m)] of Pub. L. 106–113, set out as a note under section 1395d of this title.

Amendment by section 1000(a)(6) [title V, § 501(d)(2)] of Pub. L. 106–113 applicable to notices of impending terminations or discontinuances made on or after Nov. 29, 1999, see section 1000(a)(6) [title V, § 501(d)(1)] of Pub. L. 106–113, set out as a note under section 1395w–21 of this title.

Pub. L. 106–113, div. B, § 1000(a)(6) [title V, § 536(b)], Nov. 29, 1999, 113 Stat. 1566, 1561A–391, provided that: "The amendments made by this section [amending this section] shall apply to terminations or discontinuances made on or after the date of the enactment of this Act [Nov. 29, 1999]."

**Effective Date of 1997 Amendment**


Pub. L. 105–33, title IV, § 4631(d), Aug. 5, 1997, 111 Stat. 357, provided that:

"(1) GUARANTEED ISSUE.—The amendment made by subsection (a) [amending this section] shall take effect on July 1, 1996.

"(2) LIMIT ON PREEXISTING CONDITION EXCLUSIONS.—The amendment made by subsection (b) [amending this section] shall apply to policies issued on or after July 1, 1996.

"(3) CONFORMING AMENDMENT.—The amendment made by subsection (c) [amending this section] shall be effective as if included in the enactment of the Health Insurance Portability and Accountability Act of 1996 [Pub. L. 104–191]."

Pub. L. 105–33, title IV, § 4032(b), Aug. 5, 1997, 111 Stat. 359, provided that:

"(1) IN GENERAL.—The amendments made by subsection (a) [amending this section] shall take effect the date of the enactment of this Act [Aug. 5, 1997].

"(2) TRANSITION.—The provisions of section 4031(c) [set out as a note below] shall apply with respect to this section in the same manner as they apply to section 4361 [amending this section and enacting provisions set out as notes below]."

**Effective Date of 1996 Amendment**

Pub. L. 104–191, title II, § 271(d), Aug. 21, 1996, 110 Stat. 2036, provided that:

"(1) Except as provided in this subsection, the amendment made by subsection (a) [amending this section] shall be effective as if included in the enactment of section 4354 of the Omnibus Budget Reconciliation Act of 1990 [Pub. L. 101–508].

"(2)(A) Clause (vi) of section 1882(d)(3)(A) of the Social Security Act [42 U.S.C. 1395ss(d)(3)(A)(vi)], as added by subsection (a), shall only apply to individuals applying for—

"(i) a health insurance policy described in section 1882(d)(3)(A)(iv) of such Act (as added by subsection (a), after the date of the enactment of this Act [Aug. 21, 1996]), or

"(ii) another health insurance policy after the end of the 30-day period beginning on the date of the enactment of this Act.

"(B) A seller or issuer of a health insurance policy may substitute, for the disclosure statement described in clause (vii) of such section, the statement specified under section 1882(d)(3)(D) of the Social Security Act (as in effect before the date of the enactment of this Act), without the revision specified in such clause."

**Effective Date of 1999 Amendment**


"(1) the amendments made by subsection (d)(1) [amending this section] shall take effect on the date of the enactment of this Act [Oct. 31, 1994], but no penalty shall be imposed under section 1882(d)(3)(A) of the Social Security Act [42 U.S.C. 1395ss(d)(3)(A)] for an action occurring after the effective date of the amendments made by section 4354 of OBRA–1990 [see section 4354(c) of Pub. L. 101–508, set out as an Effective Date of 1990 Amendment note below] and before the date of the enactment of this Act [Oct. 31, 1994] with respect to the sale or issuance of a policy which is not unlawful under section 1882(d)(3)(A)(i)(II) of the Social Security Act [42 U.S.C. 1395ss(d)(3)(A)(i)(II) (as amended by this section)];

"(2) the amendments made by subsection (d)(2)(A) [amending this section] and by subparagraphs (A), (B), and (E) of subsection (e)(1) [amending this section] shall be effective on the date specified in subsection (m)(4) [set out as a note below]; and

"(3) the amendment made by subsection (g)(2) [amending this section] shall take effect on January 1, 1995, and shall apply to individuals who attain 65 years of age or older on or after the effective date of section 1882(e)(2) of the Social Security Act [42 U.S.C. 1395zz(e)(2), for effective date see section 4357(b) of Pub. L. 101–508, set out as an Effective Date of 1990 Amendment note below] (and, in the case of individuals who attained 65 years of age after such effective date and before January 1, 1995, and who were not covered under such section before January 1, 1995, the 6-month period specified in that section shall begin January 1, 1995)."

**Effective Date of 1990 Amendment**

Pub. L. 101–508, title IV, § 4353(d)(2), Nov. 5, 1990, 104 Stat. 1388–130, provided that: "The amendment made by paragraph (1) [amending this section] shall apply to policies mailed, or caused to be mailed, on and after July 1, 1991."

Pub. L. 101–508, title IV, § 4354(c), Nov. 5, 1990, 104 Stat. 1388–152, provided that: "The amendments made by this section [amending this section] shall apply to policies issued or sold more than 1 year after the date of the enactment of this Act [Nov. 5, 1990]."


Pub. L. 101–508, title IV, § 4357(b), Nov. 5, 1990, 104 Stat. 1388–135, provided that: "The amendments made by subsection (a) [amending this section] shall take effect 1 year after the date of the enactment of this Act [Nov. 5, 1990]."

Amendment by section 4358(a), (b)(1), (2) of Pub. L. 101–508 only applicable in 15 States (as determined by...
Secretary of Health and Human Services) and such other States as elect such amendment to apply to them, and during the 6½-year period beginning with 1982, with such amendment to remain in effect beyond the 6½-year period unless the Secretary makes certain determinations, see section 4358(c) of Pub. L. 101–508, as amended, set out as a note under section 1320c–3 of this title.

**Effective Date of 1989 Amendment**

Pub. L. 101–234, title II, §203(e), Dec. 13, 1989, 103 Stat. 491, provided that: “The amendment made by this section [amending this section, enacting provisions set out as notes under sections 1395b–2 and 1395mm of this title, and amending provisions set out as a note under this section] shall take effect January 1, 1990, except that the amendment made by subsection (d) [amending provisions set out as an Effective Date of 1988 Amendment note under this section] shall be effective as if included in the enactment of MCCA [Pub. L. 101–300].”

**Effective Date of 1988 Amendment**


“(2) The amendments made by subsections (a) and (b) [amending this section] shall become effective on the date specified in subsection (k)(1)(B) or (k)(2)(B) of section 1822 of the Social Security Act [42 U.S.C. 1395ss(k)(1)(B), (k)(2)(B)] (as added by subsection (d) of this section).

“(3) The amendment made by subsection (e) [amending this section] shall apply to medicare supplemental policies as of January 1, 1989, with respect to advertising used on or after such date.

“(4) The Secretary of Health and Human Services shall provide for the reappointment of members to the Supplemental Health Insurance Panel (under section 1882(b)(2) of the Social Security Act [42 U.S.C. 1395ss(b)(2)]) by not later than 90 days after the date of the enactment of this Act [July 1, 1988].”

Except as specifically provided in section 411 of Pub. L. 100–360, amendment by section 411(a)(1)(B), (C) of Pub. L. 100–360, as it relates to a provision in the Omnibus Budget Reconciliation Act of 1987, Pub. L. 100–203, effective as if included in the enactment of that provision in Pub. L. 100–203, see section 411(a) of Pub. L. 100–360, set out as a Reference to OBRA; Effective Date note under section 106 of Title I, General Provisions. Amendment by section 428(b) of Pub. L. 100–360 effective on June 1, 1988, and applicable only with respect to violations occurring on or after such date, see section 428(c) of Pub. L. 100–360, set out as an Effective Date note under section 1320d–10 of this title.

**Effective Date of 1987 Amendment**


“(A) The amendments made by subsection (b) [amending this section] shall apply to medicare supplemental policies as of January 1, 1989 (or, if applicable, the date established under subparagraph (B)).

“(B) In the case of a State which the Secretary of Health and Human Services identifies as—

(i) requiring State legislation (other than legislation appropriating funds) in order for medicare supplemental policies to be changed to meet the requirements of section 1882(c)(3) of the Social Security Act [42 U.S.C. 1395ss(c)(3)], and

(ii) having a legislature which is not scheduled to meet in 1988 in a legislative session in which such legislation may be considered or which has not enacted such legislation before July 1, 1988, the date specified in this subparagraph is the first day of the first calendar quarter beginning after the close of the first legislative session of the State legislature that begins on or after January 1, 1989, and in which legislation described in clause (i) may be considered.

Amendment by Pub. L. 100–360 effective at end of fourteen-day period beginning Aug. 18, 1987, and inapplicable to administrative proceedings commenced before end of such period, see section 15(a) of Pub. L. 100–360, set out as a note under section 1320a–7 of this title.

**Effective Date**

Pub. L. 96–265, title V, §507(b), June 9, 1980, 94 Stat. 481, provided that: “The amendment made by this section [enacting this section] shall become effective on the date of the enactment of this Act [June 9, 1980], except that the provisions of paragraph (4) of section 1982(d) of the Social Security Act [42 U.S.C. 1395ss(d)(4)] (as added by this section) shall become effective on July 1, 1982.”

**Rule of Construction**


“(1) IN GENERAL.—Nothing in this Act [see Tables for classification] shall be construed to require an issuer of a medicare supplemental policy under section 1882 of the Social Security Act [42 U.S.C. 1395ss] to participate as a PDP sponsor under part D of title XVIII of such Act [42 U.S.C. 1395w–101 et seq.], as amended by section 101, as a condition for issuing such policy.

“(2) PROHIBITION ON STATE REQUIREMENT.—A State may not require an issuer of a medicare supplemental policy under section 1882 of the Social Security Act [42 U.S.C. 1395ss] to participate as a PDP sponsor under such part D as a condition for issuing such policy.”

**Implementation of NAIC Recommendations**

Pub. L. 110–275, title I, §104(a), July 15, 2008, 122 Stat. 2501, provided that:

“(1) IN GENERAL.—The Secretary of Health and Human Services (in this section [enacting section 1395s–1 of this title and amending this section] referred to as the ‘Secretary’) shall provide for implementation of the changes in the NAIC model law and regulations approved by the National Association of Insurance Commissioners in its Model #651 (‘Model Regulation to Implement the NAIC Medicare Supplement Insurance Minimum Standards Model Act’) on March 2, 2008, and modified to reflect the changes made under this Act [see Short Title of 2008 Amendment note set out under section 1385 of this title] and the Genetic Information Nondiscrimination Act of 2008 (Public Law 110–233) [see Short Title note set out under section 2000ff of this title].

“(2) IMPLEMENTATION DATES.—

“(A) IN GENERAL.—The modifications to Model #651 required under paragraph (1) shall be completed by the National Association of Insurance Commissioners not later than October 31, 2008. Except as provided in subparagraph (B), each State shall have 1 year from the date the National Association of Insurance Commissioners adopts the revised NAIC model law and regulations (as changed by Model #651, as so modified) to conform the regulatory program established by the State to such revised NAIC model law and regulations.

“(B) EXTENSION OF EFFECTIVE DATE FOR STATE LAW AMENDMENT.—In the case of a State which the Secretary determines requires State legislation in order to conform the regulatory program established by the State to such revised NAIC model law and regulations, the State shall not be required to comply with the requirements of this section solely on the basis of its failure to meet such requirements.
before the first day of the first calendar quarter beginning after the close of the first regular session of the State legislature that begins after the date of the enactment of this Act [July 15, 2006]. For purposes of the previous sentence, in the case of a State that has a 2-year legislative session, each year of the session is considered to be a separate regular session of the State legislature.

"(C) Transition dates.—No carrier may issue a new or revised medicare supplemental policy or certificate under section 1882 of the Social Security Act [42 U.S.C. 1395ss] that meets the requirements of such revised NAIC model law and regulations for coverage effective prior to June 1, 2010. A carrier may continue to offer or issue a medicare supplemental policy under such section that meets the requirements of the NAIC model law and regulations and State law (as in effect prior to the adoption of such revised NAIC model law and regulations) prior to June 1, 2010. Nothing shall preclude carriers from marketing new or revised medicare supplemental policies or certificates that meet the requirements of such revised NAIC model law and regulations on or after the date on which the State conforms the regulatory program established by the State to such revised NAIC model law and regulations."

Study of medicare policies

Pub. L. 106–113, div. B, §1000(a)(6) [title V, §553(a)], Nov. 29, 1999, 113 Stat. 1536, 1501A–393, provided that:

"(1) In general.—The Comptroller General of the United States (in this section referred to as the ‘Comptroller General’) shall study a a issue of the studies described in paragraph (2) regarding medicare supplemental policies described in section 1882(g)(1) of the Social Security Act [42 U.S.C. 1395ss(g)(1)].

"(2) issues to be studied.—The issues described in this paragraph are the following:

"(A) The level of coverage provided by each type of medicare supplemental policy.

"(B) The number and type of medicare supplemental policies offered in each State.

"(C) The availability of each type of medicare supplemental policy to medicare beneficiaries over age 65.

"(D) The number and type of medicare supplemental policies offered in each State.

"(2)(D) report.—Not later than July 31, 2001, the Comptroller General shall submit a report to Congress on the results of the study conducted under this subsection, together with any recommendations for legislation that the Comptroller General determines to be appropriate as a result of such study."

Conforming benefits to changes in terminology

Pub. L. 105–33, title IV, §4031(f), Aug. 5, 1997, 111 Stat. 358, provided that: "For purposes of apply [sic] section 1882 of the Social Security Act [42 U.S.C. 1395ss] and regulations referred to in subsection (e) [set out as a note above], copayment amounts provided under section 1833(t)(5) of such Act [42 U.S.C. 1395l(t)(5)] with respect to hospital outpatient department services shall be treated under medicare supplemental policies in the same manner as coinsurance with respect to such services."
model regulation (including the revised NAIC model regulation and the 1991 NAIC Model Regulation) for the purposes of such section.

3. SECURITIES STANDARDS.—If the NAIC does not make the modifications described in paragraph (2) within the period specified in such paragraph, the Secretary of Health and Human Services shall make the modifications described in such paragraph and such revised regulation incorporating the modifications shall be considered to be the appropriate Regulation for the purposes of such section.

(4) DATE SPECIFIED.

(A) IN GENERAL.—Subject to subparagraph (B), the date specified in this paragraph for a State is the earlier of—

(i) the date the State changes its statutes or regulations to conform its regulatory program to the changes made by this section, or

(ii) 1 year after the date the NAIC or the Secretary first makes the modifications under paragraph (2) or (3), respectively.

(B) ADDITIONAL LEGISLATIVE ACTION REQUIRED.—In the case of a State which the Secretary identifies as—

(i) requiring State legislation (other than legislation appropriating funds) to conform its regulatory program to the changes made in this section, but

(ii) having a legislature which is not scheduled to meet in 1996 in a legislative session in which such legislation may be considered, the date specified in this paragraph is the first day of the first calendar quarter beginning after the close of the first legislative session of the State legislature that begins on or after July 1, 1996. For purposes of the previous sentence, in the case of a State that has a 2-year legislative session, each year of such session shall be deemed to be a separate regular session of the State legislature.

Pub. L. 101–191, title II, §271(c), Aug. 21, 1996, 110 Stat. 2036, provided that:

(1) No Penalties.—Subject to paragraph (3), no criminal or civil money penalty may be imposed under section 1882(d)(3)(A) of the Social Security Act (42 U.S.C. 1395ss(d)(3)(A)) for any act or omission that occurred during the transition period (as defined in paragraph (4)) and that relates to any health insurance policy that is described in clause (iv) or (v) of such section (as amended by subsection (a)).

(2) Limitation on Legal Action.—Subject to paragraph (3), no legal action shall be brought or continued as—

(A) includes a cause of action which arose, or which is based on or evidenced by any act or omission which occurred, during the transition period; and

(B) relates to the application of section 1882(d)(3)(A) of the Social Security Act to any act or omission with respect to the sale, issuance, or renewal of any health insurance policy that is described in clause (iv) or (v) of such section (as amended by subsection (a)).

(3) Disclosure Condition.—In the case of a policy described in clause (iv) of section 1882(d)(3)(A) of the Social Security Act that is sold or issued on or after the effective date of statements under section 171(d)(3)(C) of the Social Security Act Amendments of 1994 [Pub. L. 103–432, set out below] and before the end of the 30-day period beginning on the date of the enactment of this Act [Aug. 21, 1996], paragraphs (1) and (2) shall only apply if disclosure was made in accordance with section 1882(d)(3)(C)(ii) of the Social Security Act (as in effect before the date of the enactment of this Act).

(4) Transition Period.—In this subsection, the term ‘transition period’ means the period beginning on November 5, 1991, and ending on the date of the enactment of this Act.”

APPLICABILITY OF DISCLOSURE REQUIREMENT


STATE REGULATORY PROGRAMS


“(1) IN GENERAL.—If the Secretary of Health and Human Services identifies a State as requiring a change to its statutes or regulations to conform its regulatory program to the changes made by this section [amending this section and sections 1395cc–3, 1395b–2, and 1395b–4 of this title, repealing section 1395ez of this title, and enacting and amending provisions set out as notes under this section], the State regulatory program shall not be considered to be out of compliance with the requirements of section 1882 of the Social Security Act [42 U.S.C. 1395ss] due solely to failure to make such change until the date specified in paragraph (4).

“(2) NAIC STANDARDS.—If, within 6 months after the date of the enactment of this Act [Oct. 31, 1994], the National Association of Insurance Commissioners (in this subsection referred to as the ‘NAIC’) modifies its 1991 NAIC Model Regulations (adopted in July 1991) to conform to the amendments made by this section and to delete from section 15C the exception which begins with ‘unless’, such revised regulation incorporating the modifications shall be considered to be the 1991 Regulation for the purposes of section 1882 of the Social Security Act.

“(3) SECRETARY STANDARDS.—If the NAIC does not make the modifications described in paragraph (2) within the period specified in such paragraph, the Secretary of Health and Human Services shall make the modifications described in such paragraph and such revised regulation incorporating the modifications shall be considered to be the 1991 Regulation for the purposes of section 1882 of the Social Security Act.

“(4) DATE SPECIFIED.

(A) IN GENERAL.—Subject to subparagraph (B), the date specified in this paragraph for a State is the earlier of—

(i) the date the State changes its statutes or regulations to conform its regulatory program to the changes made by this section, or

(ii) 1 year after the date the NAIC or the Secretary first makes the modifications under paragraph (2) or (3), respectively.

(B) ADDITIONAL LEGISLATIVE ACTION REQUIRED.—In the case of a State which the Secretary identifies as—

(i) requiring State legislation (other than legislation appropriating funds) to conform its regulatory program to the changes made in this section, but

(ii) having a legislature which is not scheduled to meet in 1996 in a legislative session in which such legislation may be considered, the date specified in this paragraph is the first day of the first calendar quarter beginning after the close of the first legislative session of the State legislature that begins on or after January 1, 1996. For purposes of the previous sentence, in the case of a State that has a 2-year legislative session, each year of such session shall be deemed to be a separate regular session of the State legislature.

Pub. L. 101–508, title IV, §4358(d), Nov. 5, 1990, 104 Stat. 1388–137, provided that: ‘‘The Secretary of Health and Human Services shall conduct an evaluation of the amendments made by this section [amending this section and section 1395cc–3 of this title] and shall report to Congress on such evaluation by not later than January 1, 1995.’’

EVALUATION OF 1990 AMENDMENTS

Pub. L. 101–508, title IV, §4358(d), Nov. 5, 1990, 104 Stat. 1388–137, provided that: ‘‘The Secretary of Health and Human Services shall conduct an evaluation of the amendments made by this section [amending this section and section 1395cc–3 of this title] and shall report to Congress on such evaluation by not later than January 1, 1995.’’
§ 1395ss–1. Clarification

Any health insurance policy that provides reimbursement for expenses incurred for items and services for which payment may be made under title XVIII of the Social Security Act [42 U.S.C. 1395 et seq.] but which are not reimbursable by reason of the applicability of deductibles, coinsurance, copayments or other limitations imposed by a Medicare Advantage plan (including a Medicare Advantage private fee-for-service plan) under part C of such title [42 U.S.C. 1395w–21 et seq.] shall comply with the requirements of section 1882(a) of the such 1 Act (42 U.S.C. 1395ss(a)).


REFERENCES IN TEXT

The Social Security Act, referred to in text, is act Aug. 14, 1935, ch. 531, 49 Stat. 620. Title XVIII of the Act is classified generally to this subchapter. Part C of title XVIII of the Act is classified to section 1395w–21 et seq. of this title. For complete classification of this Act to the Code, see section 1305 of this title and Tables.

CODEFICATION

Section was enacted as part of the Medicare Improvements for Patients and Providers Act of 2008, and not as part of the Social Security Act which comprises this chapter.

§ 1395tt. Hospital providers of extended care services

(a) Hospital facility agreements; reasonable costs of services

(1) Any hospital which has an agreement under section 1395cc of this title may (subject to subsection (b)) enter into an agreement with the Secretary under which its inpatient hospital facilities may be used for the furnishing of services of the type which, if furnished by a skilled nursing facility, would constitute extended care services.

(2)(A) Notwithstanding any other provision of this subchapter, payment to any hospital (other than a critical access hospital) for services furnished under an agreement entered into under this section shall be based upon the reasonable cost of the services as determined under subparagraph (B).

(B)(i) The reasonable cost of the services consists of the reasonable cost of routine services (determined under clause (ii)) and the reasonable cost of ancillary services (determined under clause (iii)).

(ii) The reasonable cost of routine services furnished during any calendar year by a hospital under an agreement under this section is equal to the product of—

(I) the number of patient-days during the year for which the services were furnished, and

(II) the average reasonable cost per patient-day being the average rate per patient-day paid for routine services during the most recent year for which cost reporting data are available with respect to such services (increased in a compounded manner by the applicable increase for payments for routine service costs of skilled nursing facilities under subsections (a) through (d) of section 1395yy of this title for subsequent cost reporting periods and up to and including such calendar year) under this subchapter to freestanding skilled nursing facilities in the region (as defined in section 1395ww(d)(2)(D) of this title) in which the facility is located.

(iii) The reasonable cost of ancillary services shall be determined in the same manner as the reasonable cost of ancillary services provided for inpatient hospital services.

(3) Notwithstanding any other provision of this subchapter, a critical access hospital shall be paid for covered skilled nursing facility services furnished under an agreement entered into under this subchapter on the basis of equal to 101 percent of the reasonable costs of such services (as determined under section 1395vv(v) of this title).

(b) Eligible facilities

The Secretary may not enter into an agreement under this section with any hospital unless, except as provided under subsection (b), the hospital is located in a rural area and has less than 100 beds.

(c) Terms and conditions of facility agreements

An agreement with a hospital under this section shall, except as otherwise provided under regulations of the Secretary, be of the same duration and subject to termination on the same conditions as are agreements with skilled nursing facilities under section 1395cc of this title and shall, where not inconsistent with any provision of this section, impose the same duties, responsibilities, conditions, and limitations, as those imposed under such agreements entered into under section 1395cc of this title; except that no such agreement with any hospital shall be in effect for any period during which the hospital does not have in effect an agreement under section 1395cc of this title. A hospital with respect to which an agreement under this section has been terminated shall not be eligible to enter into a new agreement until a two-year period has elapsed from the termination date.

(d) Post-hospital extended care services

Any agreement with a hospital under this section shall provide that payment for services will be made only for services for which payment would be made as post-hospital extended care services if those services had been furnished by a skilled nursing facility under an agreement entered into under section 1395cc of this title; and any individual who is furnished services, for which payment may be made under an agreement under section 1395cc of this title, shall, for purposes of this subchapter (other than this section), be deemed to have received post-hospital extended care services in like manner and to the same extent as if the services furnished to him had been post-hospital extended care services furnished by a skilled nursing facility under an agreement under section 1395cc of this title.

(e) Reimbursement for routine hospital services

During a period for which a hospital has in effect an agreement under this section, in order to

1 So in original.
allocate routine costs between hospital and long-term care services for purposes of determining payment for inpatient hospital services, the total reimbursement due for routine services from all classes of long-term care patients (including this subchapter, subchapter XIX, and private pay patients) shall be subtracted from the hospital's total routine costs before calculations are made to determine this subchapter reimbursement for routine hospital services.

(f) Conditions applicable to skilled nursing facilities

A hospital which enters into an agreement with the Secretary under this section shall be required to meet those conditions applicable to skilled nursing facilities relating to discharge planning and the social services function (and staffing requirements to satisfy it) which are promulgated by the Secretary under section 1395l–3 of this title. Services furnished by such a skilled nursing facility shall be subject to the same requirements applicable to such services when furnished by a skilled nursing facility except for those requirements the Secretary determines are inappropriate in the case of these services being furnished by a hospital under this section.

(g) Agreements on demonstration basis

The Secretary may enter into an agreement under this section on a demonstration basis with any hospital which does not meet the requirements of subsection (b)(1), if the hospital otherwise meets the requirements of this section.


AMENDMENTS


1999—Subsec. (a)(1). Pub. L. 106–113, §1000(a)(6) (title IV, §406(f)(1)), struck out “other than a hospital which has in effect a waiver under subparagraph (A) of the last sentence of section 1395a(e) of this title” after “any hospital”:

Subsec. (b). Pub. L. 106–113, §1000(a)(6) (title IV, §408(a)), amended subsec. (b) generally. Prior to amendment, subsec. (b) read as follows: “The Secretary may not enter into an agreement under this section with any hospital unless—

(1) except as provided under subsection (g) of this section, the hospital is located in a rural area and has less than 100 beds, and

“(2) the hospital has been granted a certificate of need for the provision of long-term care services from the State health planning and development agency (designated under section 300m of this title) for the State in which the hospital is located.”

Subsec. (c). Pub. L. 106–113, §1000(a)(6) (title IV, §406(f)(2)), struck out “or” or during which there is in effect for the hospital a waiver under subparagraph (A) of the last sentence of section 1395x(e) of this title” before the period at end of first sentence.

Subsec. (d). Pub. L. 106–113, §1000(a)(6) (title IV, §408(b)), struck out “(1)” before “Any agreement with a hospital” and struck out pars. (2) and (3), which related to limiting payments under extended care service agreements pursuant to this section to hospitals with more than 49 beds where skilled nursing facilities were available or where such payments exceeded a designated maximum.

1997—Subsec. (a)(2)(B)(ii)(II). Pub. L. 106–33 inserted “and (d)” before “of” before “section 1395y”. "1990—Subsec. (a)(2)(B)(ii)(II). Pub. L. 101–508 substituted “the most recent year for which cost reporting data are available with respect to such services (increased in a compounded manner by the applicable increase for payments for routine service costs of skilled nursing facilities under section 1395yy of this title for subsequent cost reporting periods and up to and including such calendar year) under this subchapter to free-standing skilled nursing facilities in the region (as defined in section 1395w(d)(2)(D) of this title) in which the facility is located,” for “the previous calendar year and all that follows through the period, which was executed by making the substitution for the previous calendar year under the State plan (of the State in which the hospital is located) under subchapter XIX of this chapter to skilled nursing facilities located in the State and which meet the requirements specified in section 1396a(a)(28) of this title, or, in the case of a hospital located in a State which does not have such a State plan, the average rate per patient-day paid for routine services during the previous calendar year under this subchapter to skilled nursing facilities in such State.”

1989—Subsec. (d)(1), (f). Pub. L. 101–234 repealed Pub. L. 100–360, §§104(d)(6), and provided that the provisions of law amended or repealed by such section are restored or revived as if such section had not been enacted, see 1988 Amendment notes below.


Subsec. (d)(3). Pub. L. 100–360, §411(b)(4)(D), inserted before period at end “, except that such payment shall continue to be made in the period for those patients who are receiving extended care services at the time the hospital reaches the limit specified in this paragraph”.


Pub. L. 100–360, §104(d)(6), struck out “post-hospital” before “extended care services”.

1987—Subsec. (b)(1). Pub. L. 100–203, §4005(b)(1), substituted “100” for “50”.

Subsec. (d). Pub. L. 100–203, §4005(b)(2), designated existing provisions as par. (1) and added pars. (2) and (3).


EFFECTIVE DATE OF 2003 AMENDMENT

Amendment by Pub. L. 108–173 applicable to payments for services furnished during cost reporting peri-

**Effective Date of 2000 Amendment**
Pub. L. 106–554, §1(a)(6) [title II, §203(c)], Dec. 21, 2000, 114 Stat. 2765, 2765A–482, provided that: "The amendments made by this section [amending this section and section 1395yy(e) of this title] shall apply to cost reporting periods beginning on or after the date of the enactment of this Act [Dec. 21, 2000]."

**Effective Date of 1999 Amendment**
Pub. L. 106–113, div. B, §1000(a)(6) [title IV, §408(c)], Nov. 29, 1999, 113 Stat. 1356, 1351A–375, provided that: "The amendments made by this section [amending this section to take effect on the date that is the first day after the expiration of the transition period under section 1885(e)(2)(E) of the Social Security Act (42 U.S.C. 1395yy(e)(2)(E)) for payments for covered skilled nursing facility services under the Medicare program] shall apply to agreements under section 1883 of the Social Security Act [42 U.S.C. 1395tt(b)(1)] that the Secretary may not enter into an agreement under such section with a hospital located in an urban area shall no longer be applicable to such agreements furnished on or after October 1, 1990."

**Effective Date of 1997 Amendment**
Amendment by Pub. L. 101–33 applicable to items and services furnished on or after July 1, 1996, see section 4432(d) of Pub. L. 101–33, set out as a note under section 1395t–3 of this title.

**Effective Date of 1990 Amendment**
Pub. L. 101–508, title IV, §4008(4), Nov. 5, 1990, 104 Stat. 1388–52, provided that: "(The amendment made by paragraph (1) [amending this section] shall apply to services furnished on or after October 1, 1990.)"

**Effective Date of 1989 Amendment**

**Effective Date of 1988 Amendment**
Amendment by Pub. L. 100–485 effective as if included in the enactment of the Medicare Catastrophic Coverage Act of 1988, Pub. L. 100–360, see section 401(c)(1) of Pub. L. 100–485, set out as a note under section 704 of this title.

**Effective Date of 1987 Amendment**
Amendment by section 104(d)(6) of Pub. L. 100–360 effective Jan. 1, 1989, except as otherwise provided, and applicable to inpatient hospital deductible for 1989 and succeeding years, to care and services furnished on or after Jan. 1, 1989, to premiums for January 1989 and subsequent years, and to blood or blood cell furnishers on or after Jan. 1, 1989, as provided by section 104(a) of Pub. L. 100–360, set out as a note under section 1395d of this title.

Except as specifically provided in section 411 of Pub. L. 100–360, amendment by section 411(b)(4)(D), (J)(1)(C) of Pub. L. 100–360, as it relates to a provision in the Omnibus Budget Reconciliation Act of 1987, Pub. L. 100–203, effective as if included in the enactment of that provision in Pub. L. 100–203, set out as section 411(a) of Pub. L. 100–360, set out as a Reference to OBRA: Effective Date note under section 106 of Title I, General Provisions.

**Effective Date of 1987 Amendment**
Pub. L. 100–203, title IV, §4005(b)(3), Dec. 22, 1987, 101 Stat. 1330–49, as amended by Pub. L. 100–360, title IV, §411(b)(4)(E), as added by Pub. L. 100–485, title IV, §408(d)(18)(C), Oct. 13, 1988, 102 Stat. 2419, directed Secretary of Health and Human Services to report to Congress, not later than Feb. 1, 1989, concerning the proportion of admissions to hospitals for emergency care services under this section which are denied or approved by a peer review organization, and recommendations for methods of encouraging hospitals that have a low occupancy rate, are eligible to enter (but have not entered) into an agreement under this section, and are located in areas with a need for additional providers of extended care services, to enter into such agreements.

**Effective Date**
Pub. L. 96–499, title IX, §904(d), Dec. 5, 1980, 94 Stat. 2617, provided that: "The amendments made by this section [enacting this section and section 1396i of this title] shall become effective on the date on which final regulations, promulgated by the Secretary to implement such amendments, are first issued; and those regulations shall be issued not later than the first day of the sixth month following the month in which this Act is enacted [December 1980]."

**Hold Harmless for Amendment by Pub. L. 101–508**
Pub. L. 101–508, title IV, §4008(j)(2), Nov. 5, 1990, 104 Stat. 1388–51, provided that: "If, as a result of the amendment made by paragraph (1) [amending this section], the reasonable cost of routine services furnished by a hospital during a calendar year (as determined under section 1883 of the Social Security Act (42 U.S.C. 1395tt)) is less than the reasonable cost of such services furnished by the hospital during the calendar year under such section shall equal to the reasonable cost determined under such section for the previous calendar year."

**Swing Beds Certified Prior to May 1, 1987**
Pub. L. 101–508, title IV, §4008(j)(3), Nov. 5, 1990, 104 Stat. 1388–52, provided that: "Notwithstanding the requirement of section 1863(b)(1) of the Social Security Act (42 U.S.C. 1395r(b)(1)) that the Secretary may not enter into an agreement under such section with a hospital that is not located in a rural area, any agreement entered into under such section on or before May 1, 1987, between the Secretary of Health and Human Services and a hospital located in an urban area shall remain in effect."

**Report of Hospital Admissions for Extended Care Services**
Pub. L. 100–203, title IV, §4005(b)(3), Dec. 22, 1987, 101 Stat. 1330–49, as amended by Pub. L. 100–360, title IV, §411(b)(4)(E), as added by Pub. L. 100–485, title IV, §408(d)(18)(C), Oct. 13, 1988, 102 Stat. 2419, directed Secretary of Health and Human Services to report to Congress, not later than Feb. 1, 1989, concerning the proportion of admissions to hospitals for extended care services under this section which are denied or approved by a peer review organization, and recommendations for methods of encouraging hospitals that have a low occupancy rate, are eligible to enter (but have not entered) into an agreement under this section, and are located in areas with a need for additional providers of extended care services, to enter into such agreements.

**Report on Hospital Providers of Extended Care, Skilled Nursing, and Intermediate Care Services**
Pub. L. 96–499, title IX, §904(c), Dec. 5, 1980, 94 Stat. 2617, directed Secretary of Health and Human Services, within three years after Dec. 5, 1980, to submit to Congress a report evaluating programs established by the amendments made by this section (enacting this section and section 1396i of this title), including in such report an analysis of the extent and effect of the agreements under such programs on availability and effective and economical provision of long-term care services, whether such programs should be continued, the results of any demonstration projects conducted under such programs, and whether eligibility to participate in such programs should be extended to other hospitals, regardless of bed size or geographic location, where there is a shortage of long-term care beds.

§ 1395uu. **Payments to promote closing or conversion of underutilized hospital facilities**

(a) **Transitional allowances; procedures applicable**

Any hospital may file an application with the Secretary (in such form and including such data
and information as the Secretary may require) for establishment of a transitional allowance under this subchapter with respect to the closing or conversion of an underutilized hospital facility. The Secretary also may establish procedures consistent with this section, by which a hospital, before undergoing an actual closure or conversion of a hospital facility, can have a determination made as to whether or not it will be eligible for a transitional allowance under this section with respect to such closure or conversion.

(b) Allowable costs as transitional allowances; findings and determinations

If the Secretary finds, after consideration of an application under subsection (a), that—

(1) the hospital’s closure or conversion—

(A) is formally initiated after September 30, 1981,

(B) is expected to benefit the program under this subchapter by (i) eliminating excess bed capacity, (ii) discontinuing an underutilized service for which there are adequate alternative sources, or (iii) substituting for the underutilized service some other service which is needed in the area, and

(C) is consistent with the findings of an appropriate health planning agency and with any applicable State program for reduction in the number of hospital beds in the State, and

(2) in the case of a complete closure of a hospital—

(A) the hospital is a private nonprofit hospital or a local governmental hospital, and

(B) the closure is not for replacement of the hospital,

the Secretary may include as an allowable cost in the hospital’s reasonable cost (for the purpose of making payments to the hospital under this subchapter) an amount (in this section referred to as a “transitional allowance”), as provided in subsection (c).

(c) Factors determinative of transitional allowance

(1) Each transitional allowance established shall be reasonably related to the prior or prospective use of the facility involved under this subchapter and shall recognize—

(A) in the case of a facility conversion or closure (other than a complete closure of a hospital)—

(i) in the case of a private nonprofit or local governmental hospital, that portion of the hospital’s costs attributable to capital assets of the facility which have been taken into account in determining reasonable cost for purposes of determining the amount of payment to the hospital under this subchapter, and

(ii) in the case of any hospital, transitional operating cost increases related to the conversion or closure to the extent that such operating costs exceed amounts ordinarily reimbursable under this subchapter; and

(B) in the case of complete closure of a hospital, the outstanding portion of actual debt obligations previously recognized as reasonable for purposes of reimbursement under this subchapter, less any salvage value of the hospital.

(2) A transitional allowance shall be for a period (not to exceed 20 years) specified by the Secretary, except that, in the case of a complete closure described in paragraph (1)(B), the Secretary may provide for a lump-sum allowance where the Secretary determines that such a one-time allowance is more efficient and economical.

(3) A transitional allowance shall take effect on a date established by the Secretary, but not earlier than the date of completion of the closure or conversion concerned.

(4) A transitional allowance shall not be considered in applying the limits to costs recognized as reasonable pursuant to the third sentence of subparagraph (A) and subparagraph (L)(i) of section 1395x(v)(1) of this title, or in determining whether the reasonable cost exceeds the customary charges for a service for purposes of determining the amount to be paid to a provider pursuant to sections 1395f(b) and 1395l(a)(2) of this title.

(d) Hearing to review determination

A hospital dissatisfied with a determination of the Secretary on its application under this section may obtain an informal or formal hearing, at the discretion of the Secretary, by filing (in such form and within such time period as the Secretary establishes) a request for such a hearing. The Secretary shall make a final determination on such application within 30 days after the last day of such hearing.


AMENDMENTS

1982—Subsec. (d). Pub. L. 97–248 redesignated second subsection (c), relating to hearing to review determination, as subsection (d).

EFFECTIVE DATE OF 1982 AMENDMENT

Amendment by Pub. L. 97–248 effective as if originally included as part of this section as this section was enacted by the Omnibus Budget Reconciliation Act of 1981, Pub. L. 97–35, see section 128(e)(2) of Pub. L. 97–248, set out as a note under section 1395x of this title.

EFFECTIVE DATE

Pub. L. 97–35, title XXI, §2101(c), Aug. 13, 1981, 95 Stat. 787, provided that: “The amendment made by subsection (a) [enacting this section and amending section 1396b of this title] shall apply only to services furnished by a hospital during any accounting year beginning on or after October 1, 1981.”

PAYMENTS TO PROMOTE CLOSURE AND CONVERSION OF UNDERUTILIZED HOSPITAL FACILITIES

Pub. L. 98–399, div. B, title III, §2305, July 18, 1984, 98 Stat. 1999, directed Secretary of Health and Human Services to carry out a study and report to Congress prior to Mar. 31, 1985, on modifications required in this section in order to conform the closure and conversion program authorized in that section to the prospective payment system under section 1395ww of this title, so as to provide assistance to hospitals which may have particular problems in converting facilities (or parts
thereof) from acute care to less intensive care or in closing facilities (or parts thereof), such report to include recommendations as to how, and whether, implementation of this section as modified may result in reductions in total hospital inpatient costs and total expenditures under this subchapter, and prohibited from implementing this section prior to Mar. 31, 1985.

Establishment and Evaluation of Transitional Allowances; Report and Recommendations to Congress

Pub. L. 97–35, title XXI, §2101(b), Aug. 13, 1981, 95 Stat. 786, prohibited Secretary of Health and Human Services from establishing under this section transitional allowances with respect to more than 50 hospitals prior to Jan. 1, 1984, and directed Secretary to evaluate effectiveness of program of transitional allowances established under this section and, not later than Jan. 1, 1983, report to Congress on such evaluation and include in such report such recommendations for such legislative changes as deemed appropriate.

§1395vv. Withholding payments from certain medicaid providers

(a) Adjustments by Secretary

The Secretary may adjust, in accordance with this section, payments under parts A and B to any institution which has in effect an agreement with the Secretary under section 1395ccc of this title, and any person who has accepted payment with the Secretary under section 1395cc of this title, and any person which procedures shall—

(1) has (or previously had) in effect an agreement with a State agency to furnish medical care and services under a State plan approved under subchapter XIX, and

(2) from which (or from whom) such State agency (A) has been unable to recover overpayments made under the State plan, or (B) has been unable to collect the information necessary to enable it to determine the amount (if any) of the overpayments made to such institution or person under the State plan.

(b) Implementing regulations; notice, opportunity to be heard, etc.

The Secretary shall by regulation provide procedures for implementation of this section, which procedures shall—

(1) assure that the authority under this section is exercised only on behalf of a State agency which demonstrates to the Secretary's satisfaction that it has provided adequate notice of a determination or of a need for information, and an opportunity to appeal such determination or to provide such information,

(2) determine the amount of the payment to which the institution or person would otherwise be entitled under this subchapter which shall be treated as a setoff against overpayments under subchapter XIX, and

(3) assure the restoration to the institution or person of amounts withheld under this section which are ultimately determined to be in excess of overpayments under subchapter XIX and to which the institution or person would otherwise be entitled under this subchapter.

(c) Payment to States of amounts recovered

Notwithstanding any other provision of this chapter, from the trust funds established under sections 1395i and 1395t of this title, as appropriate, the Secretary shall pay to the appropriate State agency amounts recovered under this section to offset the State agency's overpayment under subchapter XIX. Such payments shall be accounted for by the State agency as recoveries of overpayments under the State plan.


§1395ww. Payments to hospitals for inpatient hospital services

(a) Determination of costs for inpatient hospital services: limitations; exemptions; "operating costs of inpatient hospital services" defined

I(A)(I) The Secretary, in determining the amount of the payments that may be made under this subchapter with respect to operating costs of inpatient hospital services (as defined in paragraph (4)) shall not recognize as reasonable (in the efficient delivery of health services) costs for the provision of such services by a hospital for a cost reporting period to the extent such costs exceed the applicable percentage (as determined under clause (ii)) of the average of such costs for all hospitals in the same grouping as such hospital for comparable time periods.

(ii) For purposes of clause (i), the applicable percentage for hospital cost reporting periods beginning—

(I) on or after October 1, 1982, and before October 1, 1983, is 120 percent; and

(II) on or after October 1, 1983, and before October 1, 1984, is 115 percent; and

(III) on or after October 1, 1984, is 110 percent.

(B)(I) For purposes of subparagraph (A) the Secretary shall establish case mix indexes for all short-term hospitals, and shall set limits for each hospital based upon the general mix of types of medical cases with respect to which such hospital provides services for which payment may be made under this subchapter.

(ii) The Secretary shall set such limits for a cost reporting period of a hospital—

(I) by updating available data for a previous period to the immediate preceding cost reporting period by the estimated average rate of change of hospital costs industry-wide, and

(II) by projecting for the cost reporting period by the applicable percentage increase (as defined in subsection (b)(3)(B)).

(C) The limitation established under subparagraph (A) for any hospital shall in no event be lower than the allowable operating costs of inpatient hospital services (as defined in paragraph (4)) recognized under this subchapter for such hospital for such hospital's last cost reporting period prior to the hospital's first cost reporting period for which this section is in effect.

(D) Subparagraph (A) shall not apply to cost reporting periods beginning on or after October 1, 1983.

(2) The Secretary shall provide for such exemptions from, and exceptions and adjustments to, the limitation established under paragraph (1)(A) as he deems appropriate, including those
which he deems necessary to take into account—

(A) the special needs of sole community hospitals, of new hospitals, of risk based health maintenance organizations, and of hospitals which provide atypical services or essential community services, and to take into account extraordinary circumstances beyond the hospital’s control, medical and paramedical education costs, significantly fluctuating population in the service area of the hospital, and unusual labor costs,

(B) the special needs of psychiatric hospitals and of public or other hospitals that serve a significantly disproportionate number of patients who have low income or are entitled to benefits under part A of this subchapter, and

(C) a decrease in the inpatient hospital services that a hospital provides and that are customarily provided directly by similar hospitals which results in a significant distortion in the operating costs of inpatient hospital services.

(3) The limitation established under paragraph (1)(A) shall not apply with respect to any hospital which—

(A) is located outside of a standard metropolitan statistical area, and

(B)(i) has less than 50 beds, and

(ii) was in operation and had less than 50 beds on September 3, 1982.

(4) For purposes of this section, the term “operating costs of inpatient hospital services” includes all routine operating costs, ancillary service operating costs, and special care unit operating costs with respect to inpatient hospital services as such costs are determined on an average per admission or per discharge basis (as determined by the Secretary), and includes the costs of all services for which payment may be made under this subchapter that are provided by the hospital (or by an entity wholly owned or operated by the hospital) to the patient during the 3 days (or, in the case of a hospital that is not a subsection (d) hospital, during the 1 day) immediately preceding the date of the patient’s admission if such services are diagnostic services (including clinical diagnostic laboratory tests) or are other services related to the admission of the patient hospital, as defined in subsection (d)(1)(B) and other than a rehabilitation facility described in subsection (j)(1) for a cost reporting period subject to this paragraph—

(A) are less than or equal to the target amount (as defined in paragraph (3)) for that hospital for that period, the amount of the payment with respect to such operating costs payable under part A on a per discharge or per admission basis (as the case may be) shall be equal to the amount of such operating costs, plus—

(i) 15 percent of the amount by which the target amount exceeds the amount of the operating costs, or

(ii) 2 percent of the target amount, whichever is less;

(B) are greater than the target amount but do not exceed 110 percent of the target amount, the amount of the payment with respect to those operating costs payable under part A on a per discharge basis shall equal the target amount, or

(C) are greater than 110 percent of the target amount, the amount of the payment with respect to such operating costs payable under part A on a per discharge or per admission basis (as the case may be) shall be equal to (i) the target amount, plus (ii) in the case of cost reporting periods beginning on or after October 1, 1991, an additional amount equal to 50 percent of the amount by which the operating costs exceed 110 percent of the target amount (except that such additional amount may not exceed 10 percent of the target amount) after any exceptions or adjustments are made to such target amount for the cost reporting period;

plus the amount, if any, provided under paragraph (2), except that in no case may the amount payable under this subchapter (other than on the basis of a DRG prospective payment rate determined under subsection (d)) with respect to operating costs of inpatient hospital services exceed the maximum amount payable with respect to such costs pursuant to subsection (a).

(2)(A) Except as provided in subparagraph (E), in addition to the payment computed under paragraph (1), in the case of an eligible hospital (as described in subparagraph (B)) for a cost reporting period beginning on or after October 1, 1997, the amount of payment on a per discharge basis under paragraph (1) shall be increased by the lesser of—

(B) during the 3 days (or, in the case of a hospital that is not a subsection (d) hospital, during the 1 day) immediately preceding the date of such admission unless the hospital demonstrates (in a form and manner, and at a time, specified by the Secretary) that such services are not related (as determined by the Secretary) to such admission.

(b) Computation of payment; definitions; exemptions; adjustments

(1) Notwithstanding section 1395f(b) of this title but subject to the provisions of section 1395e of this title, if the operating costs of inpatient hospital services (as defined in subsection (a)(4)) of a hospital (other than a subsection (d) hospital, as defined in subsection (d)(1)(B) and other than a rehabilitation facility described in subsection (j)(1)) for a cost reporting period subject to this paragraph—

(A) are less than or equal to the target amount (as defined in paragraph (3)) for that hospital for that period, the amount of the payment with respect to such operating costs payable under part A on a per discharge or per admission basis (as the case may be) shall be equal to the amount of such operating costs, plus—

(i) 15 percent of the amount by which the target amount exceeds the amount of the operating costs, or

(ii) 2 percent of the target amount, whichever is less;

(B) are greater than the target amount but do not exceed 110 percent of the target amount, the amount of the payment with respect to those operating costs payable under part A on a per discharge basis shall equal the target amount, or

(C) are greater than 110 percent of the target amount, the amount of the payment with respect to such operating costs payable under part A on a per discharge or per admission basis (as the case may be) shall be equal to (i) the target amount, plus (ii) in the case of cost reporting periods beginning on or after October 1, 1991, an additional amount equal to 50 percent of the amount by which the operating costs exceed 110 percent of the target amount (except that such additional amount may not exceed 10 percent of the target amount) after any exceptions or adjustments are made to such target amount for the cost reporting period;

plus the amount, if any, provided under paragraph (2), except that in no case may the amount payable under this subchapter (other than on the basis of a DRG prospective payment rate determined under subsection (d)) with respect to operating costs of inpatient hospital services exceed the maximum amount payable with respect to such costs pursuant to subsection (a).

(2)(A) Except as provided in subparagraph (E), in addition to the payment computed under paragraph (1), in the case of an eligible hospital (as described in subparagraph (B)) for a cost reporting period beginning on or after October 1, 1997, the amount of payment on a per discharge basis under paragraph (1) shall be increased by the lesser of—
§ 1395ww

(B) For purposes of this paragraph, an "eligible hospital" means—

(i) that has received payments under this subsection for at least 3 full cost reporting periods before that cost reporting period, and

(ii) whose operating costs for the period are less than the expected costs (as defined in subparagraph (D)) for the period.

(C) For purposes of subparagraph (B)(ii), the term "trended costs" means—

(i) for a hospital cost reporting period ending in a fiscal year—

(A) the hospital's or unit's costs (as defined in subsection (a)(4)) for the fiscal year, or

(B) for purposes of this paragraph, the term "trended costs" means, with respect to a hospital cost reporting period ending in a fiscal year—

(i) that has received payments under this subsection for at least 3 full cost reporting periods before that cost reporting period, and

(ii) whose operating costs for the period are less than the least of its target amount, its trended costs (as defined in subparagraph (C)), or its expected costs (as defined in subparagraph (D)) for the period.

(D) For purposes of subparagraph (B)(ii), the term "trended costs" means for a hospital cost reporting period ending in a fiscal year—

(i) if the hospital--

(A) has received payments under this subsection for at least 3 full cost reporting periods before that cost reporting period, and

(B) whose operating costs are less than the expected costs (as defined in paragraph (3)(B)(iii)) for the fiscal year.

(ii) if the hospital--

(A) has received payments under this subsection for at least 3 full cost reporting periods before that cost reporting period, and

(B) whose trended costs (as defined in subparagraph (C)) for the fiscal year.

(E)(i) In the case of an eligible hospital that is a hospital or unit that is within a class of hospitals located in other urban areas,

(ii) 1 percent of the target amount for that hospital for its third full cost reporting period ending in fiscal year 1996.

(F) In the case of a hospital or unit that is within a class of hospitals located in a rural area,

(i) 50 percent of the amount applicable under subparagraph (A)(ii)—

(ii) the amount applicable under subparagraph (A)(ii) minus 0.53 percentage points for hospitals located in a large urban area, and the market basket percentage increase minus 1.55 percentage points for hospitals located in a rural area.

(G) For purposes of subparagraph (B)(ii), the term "target amount," as it relates to a hospital located in another urban area, means the target amount for that hospital for its third full cost reporting period ending in fiscal year 1996 was its third or subsequent full cost reporting period for which it receives payments under this subsection.

(H) For purposes of subparagraph (B)(ii), the term "expected costs," as it relates to a hospital located in another urban area, means the expected costs (as defined in subsection (d)(2)(D)), and 1.0 percent for hospitals located in other urban areas.

(I) For purposes of subparagraph (B)(ii), the term "expected costs," as it relates to a hospital located in a rural area, means the expected costs (as defined in subsection (d)(2)(D)), and 1.0 percent for hospitals located in other urban areas.

(J) In the case of any other hospital, the term "expected costs" means the hospital--

(i) the hospital's allowable operating costs of inpatient hospital services (as defined in subsection (a)(4)) recognized under this subchapter for such hospital for the preceding 12-month cost reporting period, and

(ii) after the preceding cost reporting period.

(K) In the case of any other hospital, the term "expected costs," as it relates to a hospital located in another urban area, means the expected costs (as defined in subsection (d)(2)(D)), and 1.0 percent for hospitals located in other urban areas.

(L) In the case of any other hospital, the term "expected costs," as it relates to a hospital located in a rural area, means the expected costs (as defined in subsection (d)(2)(D)), and 1.0 percent for hospitals located in other urban areas.

(M) In the case of any other hospital, the term "expected costs," as it relates to a hospital located in another urban area, means the expected costs (as defined in subsection (d)(2)(D)), and 1.0 percent for hospitals located in other urban areas.

(N) In the case of any other hospital, the term "expected costs," as it relates to a hospital located in a rural area, means the expected costs (as defined in subsection (d)(2)(D)), and 1.0 percent for hospitals located in other urban areas.

(O) In the case of any other hospital, the term "expected costs," as it relates to a hospital located in another urban area, means the expected costs (as defined in subsection (d)(2)(D)), and 1.0 percent for hospitals located in other urban areas.

(P) In the case of any other hospital, the term "expected costs," as it relates to a hospital located in a rural area, means the expected costs (as defined in subsection (d)(2)(D)), and 1.0 percent for hospitals located in other urban areas.

(Q) In the case of any other hospital, the term "expected costs," as it relates to a hospital located in another urban area, means the expected costs (as defined in subsection (d)(2)(D)), and 1.0 percent for hospitals located in other urban areas.

(R) In the case of any other hospital, the term "expected costs," as it relates to a hospital located in a rural area, means the expected costs (as defined in subsection (d)(2)(D)), and 1.0 percent for hospitals located in other urban areas.

(S) In the case of any other hospital, the term "expected costs," as it relates to a hospital located in another urban area, means the expected costs (as defined in subsection (d)(2)(D)), and 1.0 percent for hospitals located in other urban areas.

(T) In the case of any other hospital, the term "expected costs," as it relates to a hospital located in a rural area, means the expected costs (as defined in subsection (d)(2)(D)), and 1.0 percent for hospitals located in other urban areas.

(U) In the case of any other hospital, the term "expected costs," as it relates to a hospital located in another urban area, means the expected costs (as defined in subsection (d)(2)(D)), and 1.0 percent for hospitals located in other urban areas.

(V) In the case of any other hospital, the term "expected costs," as it relates to a hospital located in a rural area, means the expected costs (as defined in subsection (d)(2)(D)), and 1.0 percent for hospitals located in other urban areas.

(W) In the case of any other hospital, the term "expected costs," as it relates to a hospital located in another urban area, means the expected costs (as defined in subsection (d)(2)(D)), and 1.0 percent for hospitals located in other urban areas.

(X) In the case of any other hospital, the term "expected costs," as it relates to a hospital located in a rural area, means the expected costs (as defined in subsection (d)(2)(D)), and 1.0 percent for hospitals located in other urban areas.

(Y) In the case of any other hospital, the term "expected costs," as it relates to a hospital located in another urban area, means the expected costs (as defined in subsection (d)(2)(D)), and 1.0 percent for hospitals located in other urban areas.

(Z) In the case of any other hospital, the term "expected costs," as it relates to a hospital located in a rural area, means the expected costs (as defined in subsection (d)(2)(D)), and 1.0 percent for hospitals located in other urban areas.
points for hospitals located in a large urban or other urban area, and such percentage increase for hospitals located in a rural area as will provide for the average standardized amount determined under subsection (d)(3)(A) for hospitals located in a rural area being equal to such average standardized amount for hospitals located in an urban area (other than a large urban area),

(XI) for fiscal year 1996, the market basket percentage increase minus 2.0 percentage points for hospitals in all areas,

(XII) for fiscal year 1997, the market basket percentage increase minus 0.5 percentage point for hospitals in all areas,

(XIII) for fiscal year 1998, 0 percent,

(XIV) for fiscal year 1999, the market basket percentage increase minus 1.9 percentage points for hospitals in all areas,

(XV) for fiscal year 2000, the market basket percentage increase minus 1.8 percentage points for hospitals in all areas,

(XVI) for fiscal year 2001, the market basket percentage increase for hospitals in all areas,

(XVII) for fiscal year 2002, the market basket percentage increase minus 0.55 percentage points for hospitals in all areas,

(XVIII) for fiscal year 2003, the market basket percentage increase minus 0.55 percentage points for hospitals in all areas,

(XIX) for each of fiscal years 2004 through 2006, subject to clause (vii), the market basket percentage increase for hospitals in all areas; and

(XX) for each subsequent fiscal year, subject to clauses (viii), (ix), (xi), and (xii), the market basket percentage increase for hospitals in all areas.

(ii) For purposes of subparagraphs (A) and (E), the “applicable percentage increase” for 12-month cost reporting periods beginning during—

(I) fiscal year 1986, is 0.5 percent,

(II) fiscal year 1987, is 1.15 percent,

(III) fiscal year 1988, is 0.5 percent,

(IV) a subsequent fiscal year ending on or before September 30, 1993, is the market basket percentage increase,

(V) fiscal years 1994 through 1997, is the market basket percentage increase minus the applicable reduction (as defined in clause (v)(II)), or in the case of a hospital for a fiscal year for which the hospital’s update adjustment percentage (as defined in clause (v)(I)) is at least 10 percent, the market basket percentage increase,

(VI) for fiscal year 1998, is 0 percent,

(VII) for fiscal years 1999 through 2002, is the applicable update factor specified under clause (vi) for the fiscal year, and

(VIII) subsequent fiscal years is the market basket percentage increase.

(iii) For purposes of this subparagraph, the term “market basket percentage increase” means, with respect to cost reporting periods and discharges occurring in a fiscal year, the percentage, estimated by the Secretary before

the beginning of the period or fiscal year, by which the cost of the mix of goods and services (including personnel costs but excluding non-operating costs) comprising routine, ancillary, and special care unit inpatient hospital services, based on an index of appropriately weighted indicators of changes in wages and prices which are representative of the mix of goods and services included in such inpatient hospital services, for the period or fiscal year will exceed the cost of such mix of goods and services for the preceding 12-month cost reporting period or fiscal year.

(iv) For purposes of subparagraphs (C) and (D), the “applicable percentage increase” is—

(I) for 12-month cost reporting periods beginning during fiscal years 1986 through 1993, the applicable percentage increase specified in clause (ii),

(II) for fiscal year 1994, the market basket percentage increase minus 2.3 percentage points (adjusted to exclude any portion of a cost reporting period beginning during fiscal year 1993 for which the applicable percentage increase is determined under subparagraph (I)),

(III) for fiscal year 1995, the market basket percentage increase minus 2.2 percentage points, and

(IV) for fiscal year 1996 and each subsequent fiscal year, the applicable percentage increase under clause (i).

(v) For purposes of clause (ii)(V)—

(I) a hospital’s “update adjustment percentage” for a fiscal year is the percentage by which the hospital’s allowable operating costs of inpatient hospital services recognized under this subchapter for the cost reporting period beginning in fiscal year 1990 exceeds the hospital’s target amount (as determined under subparagraph (A)) for such cost reporting period, increased for each fiscal year (beginning with fiscal year 1994) by the sum of any of the hospital’s applicable reductions under subclause (V) for previous fiscal years; and

(II) the “applicable reduction” with respect to a hospital for a fiscal year is the lesser of 1 percentage point or the percentage point difference between 10 percent and the hospital’s update adjustment percentage for the fiscal year.

(vi) For purposes of clause (ii)(VII) for a fiscal year, if a hospital’s allowable operating costs of inpatient hospital services recognized under this subchapter for the most recent cost reporting period for which information is available—

(I) is equal to, or exceeds, 110 percent of the hospital’s target amount (as determined under subparagraph (A)) for such cost reporting period, the applicable update factor specified under this clause is the market basket percentage;

(II) exceeds 100 percent, but is less than 110 percent, of such target amount for the hospital, the applicable update factor specified under this clause is 0 percent or, if greater, the market basket percentage minus 0.25 percentage points for each percentage point by which such allowable operating costs (expressed as a percentage of such target amount) is less than 110 percent of such target amount;

So in original. The semicolon probably should be a comma.
§ 1395ww

(III) is equal to, or less than 100 percent, but exceeds ⅛ of such target amount for the hospital, the applicable update factor specified under this clause is 0 percent. The applicable update factor specified under this clause is 0 percent.

(vii)(I) For purposes of clause (i)(XIX) for fiscal years 2005 and 2006, in a case of a subsection (d) hospital that does not submit data to the Secretary in accordance with subclause (II) with respect to the fiscal year involved, the applicable percentage increase under such clause for such fiscal year shall be reduced by 0.4 percentage points. Such reduction shall apply only with respect to the fiscal year involved, and the Secretary shall not take into account such reduction in computing the applicable percentage increase under clause (i)(XIX) for a subsequent fiscal year.

(II) For fiscal years 2005 and 2006, each subsection (d) hospital shall submit to the Secretary quality data (for a set of 10 indicators established by the Secretary as of November 1, 2003) that relate to the quality of care furnished by the hospital in inpatient settings in a form and manner, and at a time, specified by the Secretary for purposes of this clause, but with respect to fiscal year 2005, the Secretary shall provide for a 30-day grace period for the submission of data by a hospital.

(viii)(I) For purposes of clause (i) for fiscal year 2007 and each subsequent fiscal year, in the case of a subsection (d) hospital that does not submit data to the Secretary in accordance with this clause, data required to be submitted on measures selected under this clause with respect to such a fiscal year, the applicable percentage increase under clause (i) for such fiscal year shall be reduced by 2.0 percentage points (or, beginning with fiscal year 2015, by one-quarter of such applicable percentage increase (determined without regard to clause (ix), (xl), or (xii))). Such reduction shall apply only with respect to the fiscal year involved and the Secretary shall not take into account such reduction in computing the applicable percentage increase under clause (i) for a subsequent fiscal year, and the Secretary shall provide for making information regarding measures subject to this clause available to the public.

The Secretary may require hospitals to submit data on measures that are not used for the determination of value-based incentive payments under subsection (o).

(III) The Secretary shall expand, beyond the measures specified under clause (vii)(II) and consistent with the succeeding subclauses, the set of measures that the Secretary determines to be appropriate for the measurement of the quality of care (including medication errors) furnished by hospitals in inpatient settings.

(iv) Effective for payments beginning with fiscal year 2007, in expanding the number of measures under subclause (III), the Secretary shall begin to adopt the baseline set of performance measures as set forth in the November 2005 report by the Institute of Medicine of the National Academy of Sciences under section 238(b) of the Medicare Prescription Drug, Improvement, and Modernization Act of 2003.

(V) Effective for payments for fiscal years 2008 through 2012, the Secretary shall add other measures that reflect consensus among affected parties and, to the extent feasible and practical, shall include measures set forth by one or more national consensus building entities.

(VI) For purposes of this clause and clause (vii), the Secretary may replace any measures or indicators in appropriate cases, such as where all hospitals are effectively in compliance or the measures or indicators have been subsequently shown not to represent the best clinical practice.

(VII) The Secretary shall establish procedures for making information regarding measures submitted under this clause available to the public. Such procedures shall ensure that a hospital has the opportunity to review the data that are to be made public with respect to the hospital prior to such data being made public. The Secretary shall report quality measures of process, structure, outcome, patients' perspectives on care, efficiency, and costs of care that relate to services furnished in inpatient settings in hospitals on the Internet website of the Centers for Medicare & Medicaid Services.

(VIII) Effective for payments beginning with fiscal year 2013, with respect to quality measures for outcomes of care, the Secretary shall provide for such risk adjustment as the Secretary determines to be appropriate to maintain incentives for hospitals to treat patients with severe illnesses or conditions.

(IX)(aa) Subject to item (bb), effective for payments beginning with fiscal year 2013, each measure specified by the Secretary under this clause shall be endorsed by the entity with a contract under section 1395aaa(a) of this title.

(bb) In the case of a specified area or medical topic determined appropriate by the Secretary for which a feasible and practical measure has not been endorsed by the entity with a contract under section 1395aaa(a) of this title, the Secretary may specify a measure that is not so endorsed as long as due consideration is given to measures that have been endorsed or adopted by a consensus organization identified by the Secretary.

(X) To the extent practicable, the Secretary shall, with input from consensus organizations and other stakeholders, take steps to ensure that the measures specified by the Secretary under this clause are coordinated and aligned with quality measures applicable to—

(aa) physicians under section 1395w–4(k) of this title; and

(bb) other providers of services and suppliers under this subchapter.

(XI) The Secretary shall establish a process to validate measures specified under this clause as appropriate. Such process shall include the auditing of a number of randomly selected hospitals sufficient to ensure validity of the reporting program under this clause as a whole and
shall provide a hospital with an opportunity to appeal the validation of measures reported by such hospital.

(XII)(aa) With respect to a Hospital Consumer Assessment of Healthcare Providers and Systems survey (or a successor survey) conducted on or after January 1, 2020, such survey may not include questions about communication by hospital staff with an individual about such individual’s pain unless such questions take into account, as applicable, whether an individual experiencing pain was informed about risks associated with the use of opioids and about non-opioid alternatives for the treatment of pain.

(bb) The Secretary shall not include on the Hospital Compare internet website any measures based on the questions appearing on the Hospital Consumer Assessment of Healthcare Providers and Systems survey in 2018 or 2019 about communication by hospital staff with an individual about such individual’s pain.

(1x)(I) For purposes of clause (i) for fiscal year 2015 and each subsequent fiscal year, in the case of an eligible hospital (as defined in subsection (n)(6)) that is not a meaningful EHR user (as defined in subsection (n)(3)) for an EHR reporting period for such fiscal year, three-quarters of the applicable percentage increase otherwise applicable under clause (i) (determined without regard to clause (viii), (xi), or (xii)) for such fiscal year shall be reduced by 33 1/3 percent for fiscal year 2015, 66 2/3 percent for fiscal year 2016, and 100 percent for fiscal year 2017 and each subsequent fiscal year. Such reduction shall apply only with respect to the fiscal year involved and the Secretary shall not take into account such reduction in computing the applicable percentage increase under clause (i) for a subsequent fiscal year.

(II) The Secretary may, on a case-by-case basis (and, with respect to the application of subclause (I) for fiscal year 2017, for categories of subsection (d) hospitals, as established by the Secretary and posted on the Internet website of the Centers for Medicare & Medicaid Services prior to December 15, 2015, an application for which must be submitted to the Secretary by no later than April 1, 2016), exempt an eligible hospital from the application of subclause (I) with respect to a fiscal year if the Secretary determines, subject to annual renewal, that requiring such hospital to be a meaningful EHR user during such fiscal year would result in a significant hardship, such as in the case of a hospital in a rural area without sufficient Internet access. The Secretary shall exempt an eligible hospital from the application of the payment adjustment under subclause (I) with respect to a fiscal year, subject to annual renewal, if the Secretary determines that compliance with the requirements for being a meaningful EHR user is not possible because the certified EHR technology used by such hospital is decertified under a program kept or recognized pursuant to section 300j–1(c)(3) of this title. In no case may a hospital be granted an exemption under this subclause for more than 5 years.

(III) For fiscal year 2015 and each subsequent fiscal year, a State in which hospitals are paid for services under section 1395f(b)(3) of this title shall adjust the payments to each subsection (d) hospital in the State that is not a meaningful EHR user (as defined in subsection (n)(3)) in a manner that is designed to result in an aggregate reduction in payments to hospitals in the State that is equivalent to the aggregate reduction that would have occurred if payments had been reduced to each subsection (d) hospital in the State in a manner comparable to the reduction under the previous provisions of this clause. The State shall report to the Secretary the methodology it will use to make the payment adjustment under the previous sentence.

(IV) For purposes of this clause, the term “EHR reporting period” means, with respect to a fiscal year, any period (or periods) as specified by the Secretary.

(x)(I) The Secretary shall develop standard Internet website reports tailored to meet the needs of various stakeholders such as hospitals, patients, researchers, and policymakers. The Secretary shall seek input from such stakeholders in determining the type of information that is useful and the formats that best facilitate the use of the information.

(II) The Secretary shall modify the Hospital Compare Internet website to make the use and navigation of that website readily available to individuals accessing it.

(xi)(I) For 2012 and each subsequent fiscal year, after determining the applicable percentage increase described in clause (i) and after application of clauses (viii) and (ix), such percentage increase shall be reduced by the productivity adjustment described in subclause (II).

(II) The productivity adjustment described in this subclause, with respect to a percentage, factor, or update for a fiscal year, year, cost reporting period, or other annual period, is a productivity adjustment equal to the 10-year moving average of changes in annual economy-wide private nonfarm business multi-factor productivity (as projected by the Secretary for the 10-year period ending with the applicable fiscal year, year, cost reporting period, or other annual period).

(III) The application of subclause (I) may result in the applicable percentage increase described in clause (i) being less than 0.0 for a fiscal year, and may result in payment rates under this section for a fiscal year being less than such payment rates for the preceding fiscal year.

(xii) After determining the applicable percentage increase described in clause (i), and after application of clauses (viii), (ix), and (xi), the Secretary shall reduce such applicable percentage increase—

(I) for each of fiscal years 2010 and 2011, by 0.25 percentage point;

(II) for each of fiscal years 2012 and 2013, by 0.1 percentage point;

(III) for fiscal year 2014, by 0.3 percentage point;

(IV) for each of fiscal years 2015 and 2016, by 0.2 percentage point; and

(V) for each of fiscal years 2017, 2018, and 2019, by 0.75 percentage point.

The application of this clause may result in the applicable percentage increase described in clause (i) being less than 0.0 for a fiscal year, and may result in payment rates under this section for a fiscal year being less than such payment rates for the preceding fiscal year.
(C) In the case of a hospital that is a sole community hospital (as defined in subsection (d)(5)(D)(iii)), subject to subparagraphs (I) and (L), the term "target amount" means—

(i) with respect to the first 12-month cost reporting period in which this subparagraph is applied to the hospital—

(I) the allowable operating costs of inpatient hospital services (as defined in subsection (a)(4)) recognized under this subchapter for the hospital for the 12-month cost reporting period (in this subparagraph referred to as the "base cost reporting period") preceding the first cost reporting period for which this subsection was in effect with respect to such hospital, increased (in a compounded manner) by—

(II) the sum of the applicable percentage increase applied to such hospital under this paragraph for cost reporting periods after the base cost reporting period and up to and including such first 12-month cost reporting period,

(ii) with respect to a later cost reporting period beginning before fiscal year 1994, the target amount for the preceding 12-month cost reporting period, increased by the applicable percentage increase under subparagraph (B)(iv) for discharges occurring in the fiscal year in which that later cost reporting period begins,

(iii) with respect to discharges occurring in fiscal year 1994, the target amount for the cost reporting period beginning in fiscal year 1993 increased by the applicable percentage increase under subparagraph (B)(iv), or

(iv) with respect to discharges occurring in fiscal year 1995 and each subsequent fiscal year, the target amount for the preceding year increased by the applicable percentage increase under subparagraph (B)(iv).

There shall be substituted for the base cost reporting period described in clause (i) a hospital's cost reporting period (if any) beginning during fiscal year 1987 if such substitution results in an increase in the target amount for the hospital.

(D) For cost reporting periods ending on or before September 30, 1994, and for discharges occurring on or after October 1, 1997, and before October 1, 2022, in the case of a hospital that is a Medicare-dependent, small rural hospital (as defined in subsection (d)(5)(G)), subject to subparagraph (K), the term "target amount" means—

(i) with respect to the first 12-month cost reporting period in which this subparagraph is applied to the hospital—

(I) the allowable operating costs of inpatient hospital services (as defined in subsection (a)(4)) recognized under this subchapter for the hospital for the 12-month cost reporting period (in this subparagraph referred to as the "base cost reporting period") preceding the first cost reporting period for which this subsection was in effect with respect to such hospital, increased (in a compounded manner) by—

(II) the applicable percentage increases applied to such hospital under this paragraph for cost reporting periods after the base cost reporting period and up to and including such first 12-month cost reporting period, or

(ii) with respect to a later cost reporting period beginning before fiscal year 1994, the target amount for the preceding 12-month cost reporting period, increased by the applicable percentage increase under subparagraph (B)(iv) for discharges occurring in the fiscal year in which that later cost reporting period begins,

(iii) with respect to discharges occurring in fiscal year 1994, the target amount for the cost reporting period beginning in fiscal year 1993 increased by the applicable percentage increase under subparagraph (B)(iv), or

(iv) with respect to discharges occurring during fiscal year 1998 through fiscal year 2022, the target amount for the preceding year increased by the applicable percentage increase under subparagraph (B)(iv).

There shall be substituted for the base cost reporting period described in clause (i) a hospital's cost reporting period (if any) beginning during fiscal year 1987 if such substitution results in an increase in the target amount for the hospital.

(E) In the case of a hospital described in clause (v) of subsection (d)(1)(B), the term "target amount" means—

(i) with respect to the first 12-month cost reporting period in which this subparagraph is applied to the hospital—

(I) the allowable operating costs of inpatient hospital services (as defined in subsection (a)(4)) recognized under this subchapter for the hospital for the 12-month cost reporting period (in this subparagraph referred to as the "base cost reporting period") preceding the first cost reporting period for which this subsection was in effect with respect to such hospital, increased (in a compounded manner) by—

(II) the sum of the applicable percentage increases applied to such hospital under this paragraph for cost reporting periods after the base cost reporting period and up to and including such first 12-month cost reporting period,

(ii) with respect to a later cost reporting period, the target amount for the preceding 12-month cost reporting period, increased by the applicable percentage increase under subparagraph (B)(ii) for that later cost reporting period.

There shall be substituted for the base cost reporting period described in clause (i) a hospital's cost reporting period (if any) beginning during fiscal year 1987 if such substitution results in an increase in the target amount for the hospital.

(F) In the case of a hospital (or unit described in the matter following clause (v) of subsection (d)(1)(B)) that received payment under this subsection for inpatient hospital services furnished during cost reporting periods beginning before October 1, 1990, that is within a class of hospital described in clause (iii), and that elects (in a form and manner determined by the Secretary) this subparagraph to apply to the hospital, the target amount for the hospital's 12-month cost reporting period beginning during fiscal year 1998 is equal to the average described in clause (ii).
(ii) The average described in this clause for a hospital or unit shall be determined by the Secretary as follows:

(I) The Secretary shall determine the allowable operating costs for inpatient hospital services for the hospital or unit for each of the 5 cost reporting periods for which the Secretary has the most recent settled cost reports as of August 5, 1997.

(II) The Secretary shall increase the amount determined under subparagraph (I) for each subsequent cost reporting period up to the cost reporting period described in clause (I).

(III) The Secretary shall identify among such 5 cost reporting periods the cost reporting periods for which the amount determined under subclause (II) is the highest, and the lowest.

(IV) The Secretary shall compute the averages of the amounts determined under subclause (II) for the 3 cost reporting periods not identified under subclause (III).

(iii) For purposes of this subparagraph, each of the following shall be treated as a separate class of hospital:

(I) Hospitals described in clause (i) of subsection (d)(1)(B) and psychiatric units described in the matter following clause (v) of such subsection.

(II) Hospitals described in clause (ii) of such subsection and rehabilitation units described in the matter following clause (v) of such subsection.

(III) Hospitals described in clause (iii) of such subsection.

(IV) Hospitals described in clause (iv) of such subsection.

(V) Hospitals described in clause (v) of such subsection.

(G)(i) In the case of a qualified long-term care hospital (as defined in clause (ii)) that elects (in a form and manner determined by the Secretary) this subparagraph to apply to the hospital, the target amount for the hospital’s 12-month cost reporting period beginning during fiscal year 1998 is equal to the allowable operating costs of inpatient hospital services (as defined in subsection (a)(4)) recognized under this subchapter for the hospital for the 12-month cost reporting period beginning during fiscal year 1996, increased by the applicable percentage increase for the cost reporting period beginning during fiscal year 1997.

(ii) In clause (i), a “qualified long-term care hospital” means, with respect to a cost reporting period, a hospital described in clause (iv) of subsection (d)(1)(B) during each of the 2 cost reporting periods for which the Secretary has the most recent settled cost reports as of August 5, 1997, for each of which:

(I) the hospital’s allowable operating costs of inpatient hospital services recognized under this subchapter exceeded 115 percent of the hospital’s target amount, and

(II) the hospital would have a disproportionate patient percentage of at least 70 percent (as determined by the Secretary under subsection (d)(5)(P’)(v)(i)) if the hospital were a subsection (d) hospital.

(H)(i) In the case of a hospital or unit that is within a class of hospital described in clause (iv), for a cost reporting period beginning during fiscal years 1998 through 2002, the target amount for such a hospital or unit may not exceed the amount as updated up to or for such cost reporting period under clause (ii).

(ii)(I) In the case of a hospital or unit that is within a class of hospital described in clause (iv), the Secretary shall estimate the 75th percentile of the target amounts for such hospitals within such class for cost reporting periods ending during fiscal year 1996, as adjusted under clause (iii).

(ii)(II) The Secretary shall update the amount determined under subclause (I), for each cost reporting period after the cost reporting period described in such subclause and up to the first cost reporting period beginning on or after October 1, 1997, by a factor equal to the market basket percentage increase.

(iii) For cost reporting periods beginning during each of fiscal years 1999 through 2002, subject to subparagraph (J), the Secretary shall update such amount by a factor equal to the market basket percentage increase.

(iv) In applying clause (ii)(I) in the case of a hospital or unit, the Secretary shall provide for an appropriate adjustment to the labor-related portion of the amount determined under such subparagraph to take into account differences between average wage-related costs in the area of the hospital and the national average of such costs within the same class of hospital.

(iv) For purposes of this subparagraph, each of the following shall be treated as a separate class of hospital:

(I) Hospitals described in clause (i) of subsection (d)(1)(B) and psychiatric units described in the matter following clause (v) of such subsection.

(II) Hospitals described in clause (ii) of such subsection and rehabilitation units described in the matter following clause (v) of such subsection.

(III) Hospitals described in clause (iii) of such subsection.

(IV) Hospitals described in clause (iv) of such subsection.

(V) Hospitals described in clause (v) of such subsection.

(I)(i) Subject to subparagraph (L), for cost reporting periods beginning on or after October 1, 2000, in the case of a sole community hospital there shall be substituted for the amount otherwise determined under subsection (d)(5)(D)(i), if such substitution results in a greater amount of payment under this section for the hospital—

(I) with respect to discharges occurring in fiscal year 2001, 75 percent of the amount otherwise applicable to the hospital under subsection (d)(5)(D)(i) (referred to in this clause as the “subsection (d)(5)(D)(i) amount”) and 25 percent of the rebased target amount; and

(II) with respect to discharges occurring in fiscal year 2002, 50 percent of the subsection (d)(5)(D)(i) amount and 50 percent of the rebased target amount;

(III) with respect to discharges occurring in fiscal year 2003, 25 percent of the subsection (d)(5)(D)(i) amount and 75 percent of the rebased target amount; and

(IV) with respect to discharges occurring after fiscal year 2003, 100 percent of the rebased target amount.
(ii) For purposes of this subparagraph, the “rebased target amount” has the meaning given the term “target amount” in subparagraph (C) except that—

(I) there shall be substituted for the base cost reporting period the 12-month cost reporting period beginning during fiscal year 1996;

(II) any reference in subparagraph (C)(i) to the “first cost reporting period” described in such subparagraph is deemed a reference to the first cost reporting period beginning on or after October 1, 2000; and

(III) applicable increase percentage shall only be applied under subparagraph (C)(iv) for discharges occurring in fiscal years beginning with fiscal year 2002.

(iii) In no case shall a hospital be denied treatment as a sole community hospital or payment (on the basis of a target rate as such as a hospital) because data are unavailable for any cost reporting period due to changes in ownership, changes in fiscal intermediaries, or other extraordinary circumstances, so long as data for at least one applicable base cost reporting period is available.

(J) For cost reporting periods beginning during fiscal year 2001, for a hospital described in subsection (d)(1)(B)(iv)—

(i) the limiting or cap amount otherwise determined under subparagraph (H) shall be increased by 2 percent; and

(ii) the target amount otherwise determined under subparagraph (A) shall be increased by 25 percent (subject to the limiting or cap amount determined under subparagraph (H), as increased by clause (i)).

(K)(i) With respect to discharges occurring on or after October 1, 2006, in the case of a Medicare-dependent, small rural hospital, for purposes of applying subparagraph (D)—

(I) there shall be substituted for the base cost reporting period described in subparagraph (D)(i) the 12-month cost reporting period beginning during fiscal year 2002; and

(II) any reference in such subparagraph to the “first cost reporting period” described in such subparagraph is deemed a reference to the first cost reporting period beginning on or after October 1, 2006.

(ii) This subparagraph shall only apply to a hospital if the substitution described in clause (i)(I) results in an increase in the target amount under subparagraph (D) for the hospital.

(L)(i) For cost reporting periods beginning on or after January 1, 2009, in the case of a sole community hospital there shall be substituted for the amount otherwise determined under subsection (d)(5)(D)(i) of this section, if such substitution results in a greater amount of payment under this section for the hospital, the subparagraph (L) rebased target amount.

(ii) For purposes of this subparagraph, the term “subparagraph (L) rebased target amount” has the meaning given the term “target amount” in subparagraph (C), except that—

(I) there shall be substituted for the base cost reporting period the 12-month cost reporting period beginning during fiscal year 2006;
(C) Paragraph (1) shall not apply to payment of hospitals which is otherwise determined under paragraph (3) of section 1395f(b) of this title.

(5) In the case of any hospital having any cost reporting period of other than a 12-month period, the Secretary shall determine the 12-month period which shall be used for purposes of this section.

(6) In the case of any hospital which becomes subject to the taxes under section 3111 of the Internal Revenue Code of 1986, with respect to any or all of its employees, for part or all of a cost reporting period, and was not subject to such taxes with respect to any or all of its employees for all or part of the 12-month base cost reporting period referred to in subsection (b)(3)(A)(i), the Secretary shall provide for an adjustment by increasing the base period amount described in such subsection for such hospital by an amount equal to the amount of such taxes which would have been paid or accrued by such hospital for such base period if such hospital had been subject to such taxes for all of such base period with respect to all its employees, minus the amount of any such taxes actually paid or accrued for such base period.

Notwithstanding paragraph (1), in the case of a hospital or unit that is within a class of hospital described in subparagraph (B) which first receives payments under this section on or after October 1, 1997—

(1) for each of the first 2 cost reporting periods for which the hospital has a settled cost report, the amount of the payment with respect to operating costs described in paragraph (1) under part A on a per discharge or per admission basis (as the case may be) is equal to the lesser of—

(I) 110 percent of the national median (as estimated by the Secretary) of the target amount for hospitals in the same class as the hospital for cost reporting periods ending during fiscal year 1996, updated by the hospital market basket increase percentage to the fiscal year in which the hospital first received payments under this section, as adjusted under subparagraph (C); and

(ii) for purposes of computing the target amount for the subsequent cost reporting period is equal to the amount determined under clause (i) for such preceding period.

(B) For purposes of this paragraph, each of the following shall be treated as a separate class of hospital:

(i) Hospitals described in clause (i) of subsection (d)(1)(B) and psychiatric units described in the matter following clause (v) of such subsection.

(ii) Hospitals described in clause (ii) of such subsection and rehabilitation units described in the matter following clause (v) of such subsection.

(iii) Hospitals described in clause (iv) of such subsection.

(C) In applying subparagraph (A)(i)(II) in the case of a hospital or unit, the Secretary shall provide for an appropriate adjustment to the labor-related portion of the amount determined under such subparagraph to take into account differences between average wage-related costs in the area of the hospital and the national average of such costs within the same class of hospital.

(c) Payment in accordance with State hospital reimbursement control system; amount of payment; discontinuance of payments

(1) The Secretary may provide, in his discretion, that payment with respect to services provided by a hospital in a State may be made in accordance with a hospital reimbursement control system in a State, rather than in accordance with the other provisions of this subchapter, if the chief executive officer of the State requests such treatment and if—

(A) the Secretary determines that the system, if approved under this subsection, will apply (i) to substantially all non-Federal acute care hospitals (as defined by the Secretary) in the State and (ii) to the review of at least 75 percent of all revenues or expenses in the State for inpatient hospital services and of revenues or expenses for inpatient hospital services provided under the State's plan approved under subchapter XIX;

(B) the Secretary has been provided satisfactory assurances as to the equitable treatment under the system of all entities (including Federal and State programs) that pay hospitals for inpatient hospital services, of hospital employees, and of hospital patients;

(C) the Secretary has been provided satisfactory assurances that under the system, over 36-month periods (the first such period beginning with the first month in which this subsection applies to that system in the State), the amount of payments made under this subchapter under such system will not exceed the amount of payments which would otherwise have been made under this subchapter not using such system;

(D) the Secretary determines that the system requires hospitals to meet the requirement of section 1395cc(a)(1)(G) of this title and the system provides for the exclusion of certain costs in accordance with section 1395y(a)(14) of this title (except for such waivers thereof as the Secretary provides by regulation).

The Secretary cannot deny the application of a State under this subsection on the ground that the State’s hospital reimbursement control system is based on a payment methodology other than on the basis of a diagnosis-related group or on the ground that the amount of payments made under this subchapter under such system must be less than the amount of payments which would otherwise have been made under this subchapter not using such system. If the Secretary determines that the conditions described in subparagraph (C) are based on main-
taining payment amounts at no more than a specified percentage increase above the payment amounts in a base period, the State has the option of applying such test for inpatient hospital services under part A on an aggregate payment basis or on the basis of the amount of payment per inpatient discharge or admission. If the Secretary determines that the conditions described in subparagraph (C) are based on maintaining aggregate payment amounts below a national average percentage increase in total payments under part A for inpatient hospital services, the Secretary cannot deny the application of such test, which sets forth exceptions and adjustments, as well as any method for changes in methodology by which rates or amounts to be paid for hospital services during a specified period are established under the system prior to the defined rate period, and hospitals covered under the system will make such reports (in lieu of cost and other reports, identified by the Secretary, otherwise required under this subchapter) as the Secretary may require in order to properly monitor assurances provided under this subsection.

(5) The Secretary shall approve the request of a State under paragraph (1) with respect to a hospital reimbursement control system if—

(A) the requirements of subparagraphs (A), (B), (C), (D), and (E) of paragraph (1) have been met with respect to the system;

(B) the Secretary determines that the system—

(i) is operated directly by the State or by an entity designated pursuant to State law, (ii) provides for payment of hospitals covered under the system under a methodology which sets forth exceptions and adjustments, as well as any method for changes in methodology by which rates or amounts to be paid for hospital services during a specified period are established under the system prior to the defined rate period, and (iii) hospitals covered under the system otherwise required under this subchapter as the Secretary may require in order to properly monitor assurances provided under this subsection;

(C) the State has provided the Secretary with satisfactory assurances that operation of the system will not result in any change in hospital admission practices which result in—

(i) a significant reduction in the proportion of patients (receiving hospital services covered under the system) who have no third-party coverage and who are unable to pay for hospital services, (ii) a significant reduction in the proportion of individuals admitted to hospitals for inpatient hospital services for which payment is (or is likely to be) less than the anticipated charges for or costs of such services, (iii) the refusal to admit patients who would be expected to require unusually costly or prolonged treatment for reasons other than those related to the appropriateness of the care available at the hospital, or (iv) the refusal to provide emergency services to any person who is in need of emergency services if the hospital provides such services;

(D) any change by the State in the system which has the effect of materially reducing payments to hospitals can only take effect upon 60 days notice to the Secretary and to the hospitals the payment to which is likely to be materially affected by the change; and (E) the State has provided the Secretary with satisfactory assurances that in the development of the system the State has consulted with local governmental officials concerning the impact of the system on public hospitals.

The Secretary shall respond to requests of States under this paragraph within 60 days of the date the request is submitted to the Secretary.

(6) If the Secretary determines that the assurances described in paragraph (1)(C) have not been met with respect to any 36-month period, the Secretary may reduce payments under this subchapter to hospitals under the system in an amount equal to the amount by which the pay-
ment under this subchapter under such system for such period exceeded the amount of payments which would otherwise have been made under this subchapter not using such system.

(7) In the case of a State which made a request under paragraph (5) before December 31, 1984, for the approval of a State hospital reimbursement control system and which request was approved—

(A) in applying paragraphs (1)(C) and (6), a reference to a "36-month period" is deemed a reference to a "48-month period", and

(B) in order to allow the State the opportunity to provide the assurances described in paragraph (1)(C) for a 48-month period, the Secretary may not discontinue payments under the system, under the authority of paragraph (3)(A) because the Secretary has reason to believe that such assurances are not being (or will not be) met, before July 1, 1986.

(d) Inpatient hospital service payments on basis of prospective rates; Medicare Geographical Classification Review Board

(1)(A) Notwithstanding section 1395f(b) of this title but subject to the provisions of section 1395e of this title, the amount of the payment with respect to the operating costs of inpatient hospital services (as defined in subsection (a)(4)) of a subsection (d) hospital (as defined in subparagraph (B)) for inpatient hospital discharges in a cost reporting period or in a fiscal year—

(i) beginning on or after October 1, 1983, and before October 1, 1984, is equal to the sum of—

(1) the target percentage (as defined in subparagraph (C)) of the hospital’s target amount for the cost reporting period (as defined in subsection (b)(3)(A) of this section, but determined without the application of subsection (a)), and

(2) the DRG percentage (as defined in subparagraph (C)) of the regional adjusted DRG prospective payment rate determined under paragraph (2) for such discharges;

(ii) beginning on or after October 1, 1984, and before October 1, 1987, is equal to the sum of—

(1) the target percentage (as defined in subparagraph (C)) of the hospital’s target amount for the cost reporting period (as defined in subsection (b)(3)(A) of this section, but determined without the application of subsection (a)), and

(2) the DRG percentage (as defined in subparagraph (C)) of the applicable combined adjusted DRG prospective payment rate determined under subparagraph (D) for such discharges; or

(iii) beginning on or after April 1, 1988, is equal to—

(1) the national adjusted DRG prospective payment rate determined under paragraph (3) for such discharges, or

(2) for discharges occurring during a fiscal year ending on or before September 30, 1996, the sum of 85 percent of the national adjusted DRG prospective payment rate determined under paragraph (3) for such discharges and 15 percent of the regional adjusted DRG prospective payment rate determined under such paragraph, but only if the average standardized amount (described in clause (i)(I) or clause (i)(II) of paragraph (3)(D)) for hospitals within the region of, and in the same large urban or other area (or, for discharges occurring during a fiscal year ending on or before September 30, 1991, in the same large urban or other area) as, the hospital is greater than the average standardized amount (described in the respective clause) for hospitals within the United States in that type of area for discharges occurring during such fiscal year.

(B) As used in this section, the term "subsection (d) hospital" means a hospital located in one of the fifty States or the District of Columbia other than—

(i) a psychiatric hospital (as defined in section 1395x(f) of this title),

(ii) a rehabilitation hospital (as defined by the Secretary),

(iii) a hospital whose inpatients are predominantly individuals under 18 years of age,

(iv) a hospital which has an average inpatient length of stay (as determined by the Secretary) of greater than 25 days,

(v)(I) a hospital that the Secretary has classified, at any time on or before December 31, 1990, as defined in section 1395f(b) of this title, that is located in a State which, as of December 19, 1989, is not a hospital involved extensively in treatment for or research on cancer,

(II) a hospital that was recognized as a comprehensive cancer center or clinical cancer research center by the National Cancer Institute of the National Institutes of Health as of April 20, 1983, that is located in a State which, as of December 19, 1989, is not a hospital involved extensively in treatment for or research on cancer under this clause (as in effect on the day before August 5, 1997), that as of August 5, 1997, is licensed for less than 50 acute care beds, and that demonstrates for the 4-year period ending on December 31, 1996, that at least 50 percent of its total discharges have a principal finding of neoplastic disease, as defined in subparagraph (E), or

(III) a hospital that was recognized as a clinical cancer research center by the National Cancer Institute of the National Institutes of Health as of February 18, 1998, that has never been reimbursed for inpatient hospital services pursuant to a reimbursement system under a demonstration project under section 1395f(b) of this title, that is a freestanding facility organized primarily for treatment of and research on cancer and is not a unit of another hospital, that as of December 21, 2000, is licensed for 162 acute care beds, and that demonstrates for the 4-year period ending on June 30, 1999, that at least 50 percent of its total discharges have a principal finding of neoplastic disease, as defined in subparagraph (E), or

§ 1395ww
§ 1395ww

A hospital that first received payment under this subsection in 1986 which has an average inpatient length of stay (as determined by the Secretary) of greater than 20 days and that has 80 percent or more of its annual medical inpatient discharges with a principal diagnosis that reflects a finding of neoplastic disease in the 12-month cost reporting period ending in fiscal year 1997;

and, in accordance with regulations of the Secretary, does not include a psychiatric or rehabilitation unit of the hospital which is a distinct part of the hospital (as defined by the Secretary). A hospital that was classified by the Secretary on or before September 30, 1995, as a hospital described in clause (iv) (as in effect as of such date) shall continue to be so classified (or, in the case of a hospital described in clause (iv)(II), as so in effect, shall be classified under clause (vi) on and after the effective date of such clause (vi) and for cost reporting periods beginning on or after January 1, 2015, shall not be subject to subsection (m) as of the date of such classification) notwithstanding that it is located in the same building as, or on the same campus as, another hospital.

(C) For purposes of this subsection, for cost reporting periods beginning—

(i) on or after October 1, 1983, and before October 1, 1984, the “target percentage” is 25 percent and the “DRG percentage” is 50 percent; and

(ii) on or after October 1, 1984, and before October 1, 1985, the “target percentage” is 60 percent and the “DRG percentage” is 40 percent; and

(iii) on or after October 1, 1985, and before October 1, 1986, the “target percentage” is 75 percent and the “DRG percentage” is 25 percent; and

(iv) on or after October 1, 1986, and before October 1, 1987, the “target percentage” is 25 percent and the “DRG percentage” is 75 percent.

(D) For purposes of subparagraph (A)(i)(II), the “applicable combined adjusted DRG prospective payment rate” for discharges occurring—

(i) on or after October 1, 1983, and before October 1, 1984, is a combined rate consisting of 25 percent of the national adjusted DRG prospective payment rate, and 75 percent of the regional adjusted DRG prospective payment rate, determined under paragraph (3) for such discharges; and

(ii) on or after October 1, 1984, and before October 1, 1986, is a combined rate consisting of 50 percent of the national adjusted DRG prospective payment rate, and 50 percent of the regional adjusted DRG prospective payment rate, determined under paragraph (3) for such discharges.

(E) For purposes of subclauses (II) and (III) of subparagraph (B)(v) only, the term “principal finding of neoplastic disease” means the condition established after study to be chiefly responsible for occasioning the admission of a patient to a hospital, except that only discharges with ICD-9-CM principal diagnosis codes of 140 through 239, V36.0, V36.1, V66.1, V66.2, or 990 will be considered to reflect such a principal diagnosis.

(2) The Secretary shall determine a national adjusted DRG prospective payment rate, for each inpatient hospital discharge in fiscal year 1984 involving inpatient hospital services of a subsection (d) hospital in the United States, and shall determine a regional adjusted DRG prospective payment rate for such discharges in each region, for which payment may be made under part A of this subchapter. Each such rate shall be determined for hospitals located in urban or rural areas within the United States or within each such region, respectively, as follows:

(A) DETERMINING ALLOWABLE INDIVIDUAL HOSPITAL COSTS FOR BASE PERIOD.—The Secretary shall determine the allowable operating costs per discharge of inpatient hospital services for the hospital for the most recent cost reporting period for which data are available.

(B) UPDATING FOR FISCAL YEAR 1984—The Secretary shall update each amount determined under subparagraph (A) for fiscal year 1984 by—

(i) updating for fiscal year 1983 by the estimated average rate of change of hospital costs industry-wide between the cost reporting period used under such subparagraph and fiscal year 1983 and the most recent case-mix data available, and

(ii) projecting for fiscal year 1984 by the applicable percentage increase (as defined in subsection (b)(3)(B)) for fiscal year 1984.

(C) STANDARDIZING AMOUNTS.—The Secretary shall standardize the amount updated under subparagraph (B) for each hospital by—

(i) excluding an estimate of indirect medical education costs (taking into account, for discharges occurring after September 30, 1986, the amendments made by section 9104(a) of the Medicare and Medicaid Budget Reconciliation Amendments of 1985), except that the Secretary shall not take into account any reduction in the amount of additional payments under paragraph (5)(B)(ii) resulting from the application of section 4621(a)(1) of the Balanced Budget Act of 1997 or any additional payments under such paragraph resulting from the application of section III of the Medicare, Medicaid, and SCHIP Balanced Budget Refinement Act of 1999, of section 302 of the Medicare, Medicaid, and SCHIP Benefits Improvement and Protection Act of 2000, or the Medicare Prescription Drug, Improvement, and Modernization Act of 2003.

(ii) adjusting for variations among hospitals by area in the average hospital wage level.

(iii) adjusting for variations among hospitals by area in the average hospital wage level.

(iv) for discharges occurring on or after October 1, 1986, excluding an estimate of the additional payments to certain hospitals to be made under paragraph (5)(F), except that the Secretary shall not exclude additional payments under such paragraph made as a result of the enactment of section 6003(c) of the Omnibus Budget Reconciliation Act of 1989, the enactment of section 4002(b) of the Omnibus Budget Reconciliation Act of 1990, the enactment of section 303 of the Medicare, Medicaid, and SCHIP Benefits Improvement and Protection Act of 2000, or the en-
standardized amounts as may be required under subsection (e)(1)(B) for that fiscal year.

STATES AND IN EACH REGION

For purposes of this subsection, the term “region” means one of the nine census divisions, comprising the fifty States and the District of Columbia, established by the Bureau of the Census for statistical and reporting purposes; the term “large urban area” means an area within a Metropolitan Statistical Area (as defined by the Office of Management and Budget) or within such similar area as the Secretary has recognized under subsection (a) by regulation; the term “large urban area” means, with respect to a fiscal year, such an urban area which the Secretary determines (in the publications described in subsection (e)(5) before the fiscal year) has a population of more than 1,000,000 (as determined by the Secretary based on the most recent available population data published by the Bureau of the Census); and the term “rural area” means any area outside such an area or similar area. A hospital located in a Metropolitan Statistical Area shall be deemed to be located in the region in which the largest number of the hospitals in the same Metropolitan Statistical Area are located, or, at the option of the Secretary, the region in which the majority of the inpatient discharges (with respect to which payments are made under this subchapter) from hospitals in the same Metropolitan Statistical Area are made.

E REDUCING FOR VALUE OF OUTLIER PAYMENTS.—The Secretary shall reduce each of the average standardized amounts determined under subparagraph (D) by a proportion equal to the proportion (estimated by the Secretary) of the amount of payments under this subsection based on DRG prospective payment rates which are additional payments described in paragraph (5)(A) (relating to outlier payments).

F MAINTAINING BUDGET NEUTRALITY.—The Secretary shall adjust each of such average standardized amounts as may be required under subsection (e)(1)(B) for that fiscal year.

G COMPUTING DRG-SPECIFIC RATES FOR URBAN AND RURAL HOSPITALS IN THE UNITED STATES AND IN EACH REGION.—For each discharge classified within a diagnosis-related group, the Secretary shall establish a national DRG prospective payment rate and shall establish a regional DRG prospective payment rate for each region, each of which is equal—

(i) for hospital services in an urban area within the United States or that region (respectively), to the product of—

(I) the average standardized amount (computed under subparagraph (D), reduced under subparagraph (E), and adjusted under subparagraph (F)) for hospitals located in an urban area in the United States or that region, and

(II) the weighting factor (determined under paragraph (4)(B)) for that diagnosis-related group; and

(ii) for hospitals located in a rural area in the United States or that region (respectively), to the product of—

(I) the average standardized amount (computed under subparagraph (D), reduced under subparagraph (E), and adjusted under subparagraph (F)) for hospitals located in a rural area in the United States or that region, and

(II) the weighting factor (determined under paragraph (4)(B)) for that diagnosis-related group.

H ADJUSTING FOR VALUE OF OUTLIER PAYMENTS.—The Secretary shall reduce the proportion, (as estimated by the Secretary from time to time) of hospitals' costs which are attributable to wages and wage-related costs, of the national and regional DRG prospective payment rates computed under subparagraph (G) for area differences in hospital wage levels by a factor (established by the Secretary) reflecting the relative hospital wage level in the geographic area of the hospital compared to the national average hospital wage level.

3 The Secretary shall determine a national adjusted DRG prospective payment rate, for each inpatient hospital discharge in a fiscal year after fiscal year 1984 involving inpatient hospital services of a subsection (d) hospital in the United States, and shall determine, for fiscal years before fiscal year 1997, a regional adjusted DRG prospective payment rate for such discharges in each region for which payment may be made under part A of this subchapter. Each such rate shall be determined for hospitals located in large urban, other urban, or rural areas within the United States and within each such region, respectively, as follows:

(A) UPDATING PREVIOUS STANDARDIZED AMOUNTS.—(i) For discharges occurring in a fiscal year beginning before October 1, 1987, the Secretary shall compute an average standardized amount for hospitals located in an urban area and for hospitals located in a rural area within the United States and for hospitals located in an urban area and for hospitals located in a rural area within each region, equal to the respective average standardized amount computed for the previous fiscal year under paragraph (2)(D) or under this subparagraph, increased for the fiscal year involved by the applicable percentage increase under subsection (b)(3)(B). With respect to discharges occurring on or after October 1, 1987, the Secretary shall compute urban and rural averages on the basis of discharge weighting rather than hospital weighting, making appropriate adjustments to ensure that computation on such basis does not result in total payments under this section that are greater or less than the total payments that would have

*See References in Text note below.
be made under this section but for this sentence, and making appropriate changes in the manner of determining the reductions under subparagraph (C)(ii).

(ii) For discharges occurring in a fiscal year beginning on or after October 1, 1987, and ending on or before September 30, 1994, the Secretary shall compute an average standardized amount for hospitals located in a large urban area, for hospitals located in a rural area, and for hospitals located in other urban areas, within the United States and within each region, equal to the respective average standardized amount computed for the previous fiscal year under this subparagraph increased by the applicable percentage increase under subsection (b)(3)(B)(i) with respect to hospitals located in the respective areas for the fiscal year involved.

(iii) For discharges occurring in the fiscal year beginning on October 1, 1994, the average standardized amount for hospitals located in a rural area shall be equal to the average standardized amount for hospitals located in an urban area. For discharges occurring on or after October 1, 1994, the Secretary shall adjust the ratio of the labor portion to non-labor portion of each average standardized amount to equal such ratio for the national average of all standardized amounts.

(iv)(I) Subject to subclause (II), for discharges occurring in a fiscal year beginning on or after October 1, 1995, the Secretary shall compute an average standardized amount for hospitals located in a large urban area and for hospitals located in other areas within the United States and within each region equal to the respective average standardized amount computed for the previous fiscal year under this subparagraph increased by the applicable percentage increase under subsection (b)(3)(B)(i) with respect to hospitals located in the respective areas for the fiscal year involved.

(II) For discharges occurring in a fiscal year (beginning with fiscal year 2004), the Secretary shall compute a standardized amount for hospitals located in any area within the United States and within each region equal to the average standardized amount for each diagnosis-related group, the Secretary shall compute a standardized amount for hospitals located in any area within the United States or that region (respectively), to the product of—

(I) the average standardized amount determined for hospitals located in other areas within the United States or that region (respectively), to the total of the payments (attributable to this paragraph) so as to provide for a reduction in the total of the payments (attributable to this paragraph) made for discharges occurring on or after October 1, 1986, of an amount equal to the estimated reduction in the payment amounts under paragraph (5)(B) that would have resulted from the enactment of the amendments made by section 9104 of the Medicare and Medicaid Budget Reconciliation Amendments of 1985 and by section 4003(a)(1) of the Omnibus Budget Reconciliation Act of 1987 if the factor described in clause (ii)(II) of paragraph (2)(C)(i) so as to provide for a reduction in the total of the payments (attributable to this paragraph) made for discharges occurring on or after such date instead of the factor described in clause (ii) of that paragraph.

(D) COMPUTING DRG-SPECIFIC RATES FOR HOSPITALS.—For each discharge classified within a diagnosis-related group, the Secretary shall establish for the fiscal year a national DRG prospective payment rate and shall establish, for fiscal years before fiscal year 1997, a regional DRG prospective payment rate for each region which is equal—

(i) for fiscal years before fiscal year 2004, for hospitals located in a large urban area in the United States or that region (respectively), to the product of—

(I) the average standardized amount (computed under subparagraph (A), reduced under subparagraph (B), and adjusted or reduced under subparagraph (C)) for the fiscal year for hospitals located in such a large urban area in the United States or that region, and

(II) the weighting factor (determined under paragraph (4)(B)) for that diagnosis-related group;

(ii) for fiscal years before fiscal year 2004, for hospitals located in other areas in the United States or that region (respectively), to the product of—

(I) the average standardized amount (computed under subparagraph (A), reduced under subparagraph (B), and adjusted or reduced under subparagraph (C))
for the fiscal year for hospitals located in other areas in the United States or that region, and

(ii) the weighting factor (determined under paragraph (4)(B)) for that diagnosis-related group; and

(iii) for a fiscal year beginning after fiscal year 2003, for hospitals located in all areas, to the product of—

(I) the applicable standardized amount (computed under subparagraph (A)), reduced under subparagraph (B), and adjusted or reduced under subparagraph (C) for the fiscal year; and

(II) the weighting factor (determined under paragraph (4)(B)) for that diagnosis-related group.

(E) ADJUSTING FOR DIFFERENT AREA WAGE LEVELS.—

(i) In General.—Except as provided in clause (ii) or (iii), the Secretary shall adjust the proportion, (as estimated by the Secretary from time to time) of hospitals’ costs which are attributable to wages and wage-related costs, of the DRG prospective payment rates computed under subparagraph (D) for area differences in hospital wage levels by a factor (established by the Secretary) reflecting the relative hospital wage level in the geographic area of the hospital compared to the national average hospital wage level. Not later than October 1, 1990, and October 1, 1993 (and at least every 12 months thereafter), the Secretary shall update the factor under the preceding sentence on the basis of a survey conducted by the Secretary (and updated as appropriate) of the wages and wage-related costs of subsection (d) hospitals in the United States. Not less often than once every 3 years the Secretary (through such survey or otherwise) shall measure the earnings and paid hours of employment by occupational category and shall exclude data with respect to the wages and wage-related costs incurred in furnishing skilled nursing facility services. Any adjustments or updates made under this subparagraph for a fiscal year (beginning with fiscal year 1991) shall be made in a manner that assures that the aggregate payments under this subsection in the fiscal year are not greater or less than those that would have been made in the year without such adjustment. The Secretary shall apply the previous sentence for any period as if the amendments made by section 403(a)(1) of the Medicare Prescription Drug, Improvement, and Modernization Act of 2003 and the amendments made by section 1623(a)(1) of the Patient Protection and Affordable Care Act had not been enacted.

(ii) Alternative Proportion to Be Adjusted Beginning in Fiscal Year 2005.—For discharges occurring on or after October 1, 2004, the Secretary shall substitute “62 percent” for the proportion described in the first sentence of clause (i), unless the application of this clause would result in lower payments to a hospital than would otherwise be made.

(III) Floor on Area Wage Index for Hospitals in Frontier States.—

(i) In General.—Subject to subclause (IV), for discharges occurring on or after October 1, 2010, the area wage index applicable under this subparagraph to any hospital which is located in a frontier State (as defined in subclause (II)) may not be less than 1.00.

(ii) Frontier State Defined.—In this clause, the term “frontier State” means a State in which at least 50 percent of the counties in the State are frontier counties.

(iii) Frontier County Defined.—In this clause, the term “frontier county” means a county in which the population per square mile is less than 6.

(iv) Limitation.—This clause shall not apply to any hospital located in a State that receives a non-labor related share adjustment under paragraph (5)(H).

(4)(A) The Secretary shall establish a classification of inpatient hospital discharges by diagnosis-related groups and a methodology for classifying specific hospital discharges within these groups.

(B) For each such diagnosis-related group the Secretary shall assign an appropriate weighting factor which reflects the relative hospital resources used with respect to discharges classified within that group compared to discharges classified within other groups.

(C)(i) The Secretary shall adjust the classifications and weighting factors established under subparagraphs (A) and (B), for discharges in fiscal year 1988 and at least annually thereafter, to reflect changes in treatment patterns, technology (including a new medical service or technology under paragraph (5)(K)), and other factors which may change the relative use of hospital resources.

(ii) For discharges in fiscal year 1990, the Secretary shall reduce the weighting factor for each diagnosis-related group by 1.22 percent.

(iii) Any such adjustment under clause (i) for discharges in a fiscal year (beginning with fiscal year 1991) or payments under paragraph (5)(M) (beginning with fiscal year 2021) shall be made in a manner that assures that the aggregate payments under this subsection for discharges in the fiscal year are not greater or less than those that would have been made for discharges in the year without such adjustment or payments under paragraph (5)(M).

(D)(i) For discharges occurring on or after October 1, 2008, the diagnosis-related group to be assigned under this paragraph for a discharge described in clause (ii) shall be a diagnosis-related group that does not result in higher payment based on the presence of a secondary diagnosis code described in clause (iv).

(ii) A discharge described in this clause is a discharge which meets the following requirements:

(I) The discharge includes a condition identified by a diagnosis code selected under clause (iv) as a secondary diagnosis.

(II) But for clause (i), the discharge would have been classified to a diagnosis-related group that results in a higher payment based on the presence of a secondary diagnosis code selected under clause (iv).
§ 1395ww

At the time of admission, no code selected under clause (iv) was present.

(ii) As part of the information required to be reported by a hospital with respect to a discharge of an individual in order for payment to be made under this subsection, for discharges occurring on or after October 1, 2007, the information shall include the secondary diagnosis of the individual at admission.

(iv) By not later than October 1, 2007, the Secretary shall select diagnosis codes associated with at least two conditions, each of which codes meets all of the following requirements (as determined by the Secretary):

(I) Cases described by such code have a high cost or high volume, or both, under this subchapter.

(II) The code results in the assignment of a case to a diagnosis-related group that has a higher payment when the code is present as a secondary diagnosis.

(III) The code describes such conditions that could reasonably have been prevented through the application of evidence-based guidelines.

The Secretary may from time to time revise (through addition or deletion of codes) the diagnosis codes selected under this clause so long as there are diagnosis codes associated with at least two conditions selected for discharges occurring during any fiscal year.

(v) In selecting and revising diagnosis codes under clause (iv), the Secretary shall consult with the Centers for Disease Control and Prevention and other appropriate entities.

(vi) Any change resulting from the application of this subparagraph shall not be taken into account in adjusting the weighting factors under subparagraph (C)(i) or in applying budget neutrality under subparagraph (C)(iii).

(5)(A)(i) For discharges occurring during fiscal years ending on or before September 30, 1997, the Secretary shall provide for an additional payment for a subsection (d) hospital for any discharge in a diagnosis-related group, the length of stay of which exceeds the mean length of stay for discharges within that group by a fixed number of standard deviations, whichever is the fewer number of days.

(ii) For cases which are not included in clause (i), a subsection (d) hospital may request additional payments in any case where charges, adjusted to cost, exceed a fixed multiple of the applicable DRG prospective payment rate, or exceed such other fixed dollar amount, whichever is greater, or, for discharges in fiscal years beginning on or after October 1, 1994, exceed the sum of the applicable DRG prospective payment rate plus any amounts payable under subparagraphs (B) and (F) plus a fixed dollar amount determined by the Secretary.

(iii) The amount of such additional payment under clauses (i) and (ii) shall be determined by the Secretary and shall (except as payments under clause (i) are required to be reduced to take into account the requirements of clause (v)) approximate the marginal cost of care beyond the cutoff point applicable under clause (i) or (ii).

(iv) The total amount of the additional payments made under this subparagraph for discharges in a fiscal year may not be less than 5 percent nor more than 6 percent of the total payments projected or estimated to be made based on DRG prospective payment rates for discharges in that year.

(v) The Secretary shall provide that—

(I) the day outlier percentage for fiscal year 1995 shall be 75 percent of the day outlier percentage for fiscal year 1994;

(II) the day outlier percentage for fiscal year 1996 shall be 50 percent of the day outlier percentage for fiscal year 1994; and

(III) the day outlier percentage for fiscal year 1997 shall be 25 percent of the day outlier percentage for fiscal year 1994.

(vi) For purposes of this subparagraph, the term “day outlier percentage” means, for a fiscal year, the percentage of the total additional payments made by the Secretary under this subparagraph for discharges in that fiscal year which are additional payments under clause (i).

(B) The Secretary shall provide for an additional payment amount for subsection (d) hospitals with indirect costs of medical education, in an amount computed in the same manner as the adjustment for such costs under regulations (in effect as of January 1, 1983) under subsection (a)(2), except as follows:

(i) The amount of such additional payment shall be determined by multiplying (I) the sum of the amount determined under paragraph (1)(A)(ii)(II) or, if applicable, the amount determined under paragraph (1)(A)(iii)) and, for cases qualifying for additional payment under subparagraph (A)(i), the amount paid to the hospital under subparagraph (A), by (II) the indirect teaching adjustment factor described in clause (ii).

(ii) For purposes of clause (i)(II), the indirect teaching adjustment factor is equal to \[ c \times ((1+r) to the nth power) - 1 \] where “r” is the ratio of the hospital’s full-time equivalent interns and residents to beds and “n” equals 405. Subject to clause (ix), for discharges occurring—

(I) on or after October 1, 1988, and before October 1, 1997, “c” is equal to 1.89;

(II) during fiscal year 1998, “c” is equal to 1.72;

(III) during fiscal year 1999, “c” is equal to 1.6;

(IV) during fiscal year 2000, “c” is equal to 1.47;

(V) during fiscal year 2001, “c” is equal to 1.54;

(VI) during fiscal year 2002, “c” is equal to 1.6;

(VII) on or after October 1, 2002, and before April 1, 2004, “c” is equal to 1.35;

(VIII) on or after April 1, 2004, and before October 1, 2004, “c” is equal to 1.47;

(IX) during fiscal year 2005, “c” is equal to 1.42;

(X) during fiscal year 2006, “c” is equal to 1.37;

(XI) during fiscal year 2007, “c” is equal to 1.32; and

(XII) on or after October 1, 2007, “c” is equal to 1.35.

(iii) In determining such adjustment the Secretary shall not distinguish between those
interns and residents who are employees of a hospital and those interns and residents who furnish services to a hospital but are not employees of such hospital.

(iv)(I) Effective for discharges occurring on or after October 1, 1997, and before July 1, 2010, all the time spent by an intern or resident in patient care activities under an approved medical residency training program at an entity in a nonhospital setting shall be counted towards the determination of full-time equivalency if the hospital incurs all, or substantially all, of the costs for the training program in that setting.

(II) Effective for discharges occurring on or after July 1, 2010, all the time spent by an intern or resident in patient care activities in a nonprovider setting shall be counted towards the determination of full-time equivalency if a hospital incurs the costs of the stipends and fringe benefits of the intern or resident during the time the intern or resident spends in that setting. If more than one hospital incurs these costs, either directly or through a third party, such hospitals shall count a proportional share of the time, as determined by written agreement between the hospitals, that a resident spends training in that setting.

(v) In determining the adjustment with respect to a hospital for discharges occurring on or after October 1, 1997, the total number of full-time equivalent interns and residents in the fields of allopathic and osteopathic medicine in either a hospital or nonhospital setting may not exceed the number (or, 130 percent of such number in the case of a hospital located in a rural area) of such full-time equivalent interns and residents in the hospital with respect to the hospital’s most recent cost reporting period ending on or before December 31, 1996. Rules similar to the rules of subsection (h)(4)(F)(ii) shall apply for purposes of this clause.

The provisions of subsections (h)(4)(H)(v), (h)(7), and (h)(8) shall apply with respect to the first sentence of this clause in the same manner as they apply with respect to a hospital for its most recent cost reporting period.

(II) For purposes of clause (ii)—

(I) “r” may not exceed the ratio of the number of interns and residents, subject to the limit under clause (v), with respect to the hospital for its most recent cost reporting period to the hospital’s available beds (as defined by the Secretary) during that cost reporting period, and

(II) for the hospital’s cost reporting periods beginning on or after October 1, 1997, subject to the limits described in clauses (iv) and (v), the total number of full-time equivalent residents for payment purposes shall equal the average of the actual full-time equivalent resident count for the cost reporting period and the preceding two cost reporting periods.

In the case of the first cost reporting period beginning on or after October 1, 1997, subclause (II) shall be applied by using the average for such period and the preceding cost reporting period.

(vii) If any cost reporting period beginning on or after October 1, 1997, is not equal to twelve months, the Secretary shall make appropriate modifications to ensure that the average full-time equivalent residency count pursuant to subclause (II) of clause (vi) is based on the equivalent of full twelve-month cost reporting periods.

(viii) Rules similar to the rules of subsection (h)(4)(H) shall apply for purposes of clauses (v) and (vi).

(ix) For discharges occurring on or after July 1, 2005, insofar as an additional payment amount under this subparagraph is attributable to resident positions redistributed to a hospital under subsection (h)(7)(B), in computing the indirect teaching adjustment factor under clause (ii) the adjustment shall be computed in a manner as if “c” were equal to 0.66 with respect to such resident positions.

(x) The provisions of subparagraph (K) of subsection (h)(4)(H) apply for purposes of clauses (v) and (vi).

(xv) In determining the hospital’s number of full-time equivalent residents for purposes of this subparagraph, all the time spent by an intern or resident in an approved medical residency training program in research activities, such as didactic conferences and seminars, as such time and activities are defined by the Secretary, that occurs in the hospital shall be counted toward the determination of full-time equivalency if the hospital—

(aa) is recognized as a subsection (d) hospital;

(bb) is recognized as a subsection (d) Puer to Rico hospital;

(cc) is reimbursed under a reimbursement system authorized under section 1395f(b)(3) of this title; or

(dd) is a provider-based hospital outpatient department.

(III) In determining the hospital’s number of full-time equivalent residents for purposes of this subparagraph, all the time spent by an intern or resident in an approved medical residency training program in research activities that are not associated with the treatment or diagnosis of a particular patient, as such time and activities are defined by the Secretary, shall not be counted toward the determination of full-time equivalency.

(C) the Secretary shall provide for such exceptions and adjustments to the payment amounts established under this subsection (other than under paragraph (f)) as the Secretary deems appropriate to take into account the special needs of regional and national referral centers (including those hospitals of 275 or more beds located in rural areas). A hospital
which is classified as a rural hospital may appeal to the Secretary to be classified as a rural referral center under this clause on the basis of criteria (established by the Secretary) which shall allow the hospital to demonstrate that it should be so reclassified by reason of certain of its operating characteristics being similar to those of a typical urban hospital located in the same census region and which shall not require a rural osteopathic hospital to have more than 3,000 discharges in a year in order to be classified as a rural referral center. Such characteristics may include wages, scope of services, service area, and the mix of medical specialties. The Secretary shall publish the criteria not later than August 17, 1984, for implementation by October 1, 1984. An appeal allowed under this clause must be submitted to the Secretary (in such form and manner as the Secretary may prescribe) during the quarter before the first quarter of the hospital’s cost reporting period (or, in the case of a cost reporting period beginning during October 1, 1984, the first quarter of that period), and the Secretary must make a final determination with respect to such appeal within 60 days after the date the appeal was submitted. Any payment adjustments necessitated by a reclassification based upon the appeal shall be effective at the beginning of such cost reporting period.

(ii) The Secretary shall provide, under clause (i), for the classification of a rural hospital as a regional referral center if the hospital has a case mix index equal to or greater than the median case mix index for hospitals (other than hospitals with approved teaching programs) located in an urban area in the same region (as defined in paragraph (2)(D)), has at least 5,000 discharges a year or, if less, the median number of discharges in urban hospitals in the region in which the hospital is located (or, in the case of a rural osteopathic hospital, meets the criterion established by the Secretary under clause (i) with respect to the annual number of discharges for such hospitals), and meets any other criteria established by the Secretary under clause (i).

(1) For any cost reporting period beginning on or after April 1, 1990, with respect to a subsection (d) hospital which is a sole community hospital, payment under paragraph (1)(A) shall be—

(I) an amount based on 100 percent of the hospital’s target amount for the cost reporting period, as defined in subsection (b)(3)(C), or

(II) the amount determined under paragraph (1)(A)(III), whichever results in greater payment to the hospital.

(II) In the case of a sole community hospital that experiences, in a cost reporting period compared to the previous cost reporting period, a decrease of more than 5 percent in its total number of inpatient cases due to circumstances beyond its control, the Secretary shall provide for such adjustment to the payment amounts under this subsection (other than under paragraph (b)) as may be necessary to fully compensate the hospital for the fixed costs it incurs in the period in providing inpatient hospital services, including the reasonable cost of maintaining necessary core staff and services.

(iii) For purposes of this subchapter, the term “sole community hospital” means any hospital—

(I) that the Secretary determines is located more than 35 road miles from another hospital,

(II) that, by reason of factors such as the time required for an individual to travel to the nearest alternative source of appropriate inpatient care (in accordance with standards promulgated by the Secretary), location, weather conditions, travel conditions, or absence of other like hospitals (as determined by the Secretary), is the sole source of inpatient hospital services reasonably available to individuals in a geographic area who are entitled to benefits under part A, or

(III) that is located in a rural area and designated by the Secretary as an essential access community hospital under section 1395i–4(l)(1) of this title as in effect on September 30, 1997.

(iv) The Secretary shall promulgate a standard for determining whether a hospital meets the criteria for classification as a sole community hospital under clause (III)(II) because of the time required for an individual to travel to the nearest alternative source of appropriate inpatient care.

(v) If the Secretary determines that, in the case of a hospital located in a rural area and designated by the Secretary as an essential access community hospital under section 1395i–4(l)(1) of this title as in effect on September 30, 1997, the hospital has incurred increases in reasonable costs during a cost reporting period as a result of becoming a member of a rural health network (as defined in section 1395i–4(d) of this title) in the State in which it is located, and in incurring such increases, the hospital will increase its costs for subsequent cost reporting periods, the Secretary shall increase the hospital’s target amount under subsection (b)(3)(C) to account for such incurred increases.

(E)(i) The Secretary shall estimate the amount of reimbursement made for services described in section 1395y(a)(14) of this title with respect to which payment was made under part B in the base reporting periods referred to in paragraph (2)(A) and with respect to which payment is no longer being made.

(ii) The Secretary shall provide for an adjustment to the payment for subsection (d) hospitals in each fiscal year so as appropriately to reflect the net amount described in clause (i).

(F)(i) Subject to subsection (r), for discharges occurring on or after May 1, 1986, the Secretary shall provide, in accordance with this subparagraph, for an additional payment amount for each subsection (d) hospital which—

(I) serves a significantly disproportionate number of low-income patients (as defined in clause (v)), or

(II) is located in an urban area, has 100 or more beds, and can demonstrate that its net inpatient care revenues (excluding any of such revenues attributable to this subchapter or State plans approved under subchapter XIX), during the cost reporting period in which the discharges occur, for indigent care from State and local government sources exceed 30 per-
section of its total of such net inpatient care revenues during the period.

(ii) Subject to clause (ix), the amount of such payment for each discharge shall be determined by multiplying (I) the sum of the amounts determined under paragraph (1)(A)(i)(II) (or, if applicable, the amount determined under paragraph (1)(A)(iii)) and, for cases qualifying for additional payment under subparagraph (A) for that discharge, by (II) the disproportionate share adjustment percentage established under clause (iii) or (iv) for the cost reporting period in which the discharge occurs.

(iii) The disproportionate share adjustment percentage for a cost reporting period for a hospital described in clause (i)(II) is equal to 35 percent.

(iv) The disproportionate share adjustment percentage for a cost reporting period for a hospital that is not described in clause (i)(II) and that—

(I) is located in an urban area and has 100 or more beds or is described in the second sentence of clause (v), is equal to the percent determined in accordance with the applicable formula described in clause (vii);

(ii) is located in an urban area and has less than 100 beds, is equal to 5 percent or, subject to clause (xiv) and for discharges occurring on or after April 1, 2001, is equal to the percent determined in accordance with clause (xiii);

(iii) is located in a rural area and is not described in subclause (IV) or (V) or in the second sentence of clause (v), is equal to 4 percent or, subject to clause (xiv) and for discharges occurring on or after April 1, 2001, is equal to the percent determined in accordance with clause (xii);

(iv) is located in a rural area, is classified as a rural referral center under subparagraph (C), and is classified as a sole community hospital under subparagraph (D), is equal to 10 percent or, if greater, the percent determined in accordance with clause (viii) or, subject to clause (xiv) and for discharges occurring on or after April 1, 2001, is equal to the greater of the percentages determined under clause (x) or (xi);

(v) is located in a rural area, is classified as a rural referral center under subparagraph (C), and is not classified as a sole community hospital under subparagraph (D), is equal to the percent determined in accordance with the applicable formula described in clause (vii) or, subject to clause (xiv) and for discharges occurring on or after April 1, 2001, is equal to the percent determined in accordance with clause (x);

(vi) In this subparagraph, a hospital "serves a significantly disproportionate number of low income patients" for a cost reporting period if the hospital has a disproportionate patient percentage (as defined in clause (vi)) for that period which equals, or exceeds—

(1) 15 percent, if the hospital is located in an urban area and has 100 or more beds,

(II) 30 percent (or 15 percent, for discharges occurring on or after April 1, 2001), if the hospital is located in a rural area and has more than 100 beds, or is located in a rural area and is classified as a sole community hospital under subparagraph (D),

(III) 40 percent (or 15 percent, for discharges occurring on or after April 1, 2001), if the hospital is located in an urban area and has less than 100 beds, or

(IV) 45 percent (or 15 percent, for discharges occurring on or after April 1, 2001), if the hospital is located in a rural area and is not described in subclause (II).

A hospital located in a rural area and with 500 or more beds also "serves a significantly disproportionate number of low income patients" for a cost reporting period if the hospital has a disproportionate patient percentage (as defined in clause (vi)) for that period which equals or exceeds a percentage specified by the Secretary.

(v) In this subparagraph, the term "disproportionate patient percentage" means, with respect to a cost reporting period of a hospital, the sum of—

(1) the fraction (expressed as a percentage), the numerator of which is the number of such hospital's patient days for such period which were made up of patients who (for such days) were entitled to benefits under part A of this subchapter and were entitled to supplementary security income benefits (excluding any State supplementation) under subchapter XVI of this chapter, and the denominator of which is the number of such hospital's patient days for such fiscal year which were made up of patients who (for such days) were entitled to benefits under part A of this subchapter, and

(II) the fraction (expressed as a percentage), the numerator of which is the number of the hospital's patient days for such period which consist of patients who (for such days) were eligible for medical assistance under a State plan approved under subchapter XIX, but who were not entitled to benefits under part A of this subchapter, and the denominator of which is the total number of the hospital's patient days for such period.

In determining under subclause (II) the number of the hospital's patient days for such period which consist of patients who (for such days) were eligible for medical assistance under a State plan approved under subchapter XIX, the Secretary may, to the extent and for the period the Secretary determines appropriate, include patient days of patients not so eligible but who are regarded as such because they receive benefits under a demonstration project approved under subchapter XI.

(vii) The formula used to determine the disproportionate share adjustment percentage for a cost reporting period for a hospital described in clause (iv)(I) is—
(I) in the case of such a hospital with a disproportionate patient percentage (as defined in clause (vi)) greater than 20.2—

(a) for discharges occurring on or after April 1, 1990, and on or before December 31, 1999, (P – 20.2)(.65) + 5.62;

(b) for discharges occurring on or after January 1, 1991, and on or before September 30, 1993, (P – 20.2)(.7) + 5.62;

(c) for discharges occurring on or after October 1, 1993, and on or before September 30, 1994, (P – 20.2)(.825) + 5.88; and

(d) for discharges occurring on or after October 1, 1994, (P – 20.2)(.85) + 5.88; or

(II) in the case of any other such hospital—

(a) for discharges occurring on or after April 1, 1990, and on or before December 31, 1999, (P – 15)(.6) + 2.5;

(b) for discharges occurring on or after January 1, 1991, and on or before September 30, 1993, (P – 15)(.6) + 2.5; and

(c) for discharges occurring on or after October 1, 1993, (P – 15)(.65) + 2.5,

where “P” is the hospital’s disproportionate patient percentage (as defined in clause (vi)).

(viii) Subject to clause (xiv), the formula used to determine the disproportionate share adjustment percentage for a cost reporting period for a hospital described in clause (iv)(IV) or (iv)(V) is the percentage determined in accordance with the following formula: (P – 30)(.6) + 4.0, where “P” is the hospital’s disproportionate patient percentage (as defined in clause (vi)).

(ix) In the case of discharges occurring—

(I) during fiscal year 1998, the additional payment amount otherwise determined under clause (ii) shall be reduced by 1 percent;

(II) during fiscal year 1999, such additional payment amount shall be reduced by 2 percent;

(III) during fiscal years 2000 and 2001, such additional payment amount shall be reduced by 3 percent and 2 percent, respectively;

(IV) during fiscal year 2002, such additional payment amount shall be reduced by 3 percent; and

(V) during fiscal year 2003 and each subsequent fiscal year, such additional payment amount shall be reduced by 0 percent.

(x) Subject to clause (xiv), for purposes of clause (iv)(VI) (relating to sole community hospitals), in the case of a hospital for a cost reporting period with a disproportionate patient percentage (as defined in clause (vi)) that—

(I) is less than 19.3, the disproportionate share adjustment percentage is determined in accordance with the following formula: (P – 15)(.65) + 2.5; or

(II) is equal to or exceeds 19.3, but is less than 30.0, such adjustment percentage is equal to 5.25 percent; or

(III) is equal to or exceeds 30, such adjustment percentage is equal to 10 percent.

where “P” is the hospital’s disproportionate patient percentage (as defined in clause (vi)).

(xi) Subject to clause (xiv), for purposes of clause (iv)(V) (relating to rural referral centers), in the case of a hospital for a cost reporting period with a disproportionate patient percentage (as defined in clause (vi)) that—

(I) is less than 19.3, the disproportionate share adjustment percentage is determined in accordance with the following formula: (P – 15)(.65) + 2.5;

(II) is equal to or exceeds 19.3, but is less than 30.0, such adjustment percentage is equal to 5.25 percent; or

(III) is equal to or exceeds 30, such adjustment percentage is determined in accordance with the following formula: (P – 30)(.6) + 5.25, where “P” is the hospital’s disproportionate patient percentage (as defined in clause (vi)).

(xii) Subject to clause (xiv), for purposes of clause (iv)(EI) (relating to small rural hospitals generally), in the case of a hospital for a cost reporting period with a disproportionate patient percentage (as defined in clause (vi)) that—

(I) is less than 19.3, the disproportionate share adjustment percentage is determined in accordance with the following formula: (P – 15)(.65) + 2.5; or

(II) is equal to or exceeds 19.3, such adjustment percentage is equal to 5.25 percent, where “P” is the hospital’s disproportionate patient percentage (as defined in clause (vi)).

(xiii) Subject to clause (xiv), for purposes of clause (iv)(II) (relating to urban hospitals with less than 100 beds), in the case of a hospital for a cost reporting period with a disproportionate patient percentage (as defined in clause (vi)) that—

(I) is less than 19.3, the disproportionate share adjustment percentage is determined in accordance with the following formula: (P – 15)(.65) + 2.5; or

(II) is equal to or exceeds 19.3, such adjustment percentage is equal to 5.25 percent, where “P” is the hospital’s disproportionate patient percentage (as defined in clause (vi)).

(xiv) Subject to clause (xiv), for purposes of clause (iv)(EI) (relating to sole community hospitals), where “P” is the hospital’s disproportionate patient percentage (as defined in clause (vi)).

(xv) Subject to clause (xiv), for purposes of clause (iv)(II) (relating to urban hospitals with less than 100 beds), there shall be substituted for the disproportionate share adjustment percentage otherwise determined under clause (iv) (other than subclause (I)) or under clause (viii), (x), (xi), (xii), or (xiii), the disproportionate share adjustment percentage determined under clause (vii) (relating to large, urban hospitals).

(II) Under subclause (I), the disproportionate share adjustment percentage shall not exceed 12 percent for a hospital that is not classified as a rural referral center under subparagraph (C) or, in the case of discharges occurring on or after October 1, 2006, as a medicare-dependent, small rural hospital under subparagraph (G)(iv).

(G)(i) For any cost reporting period beginning on or after April 1, 1990, and before October 1, 1994, or discharges occurring on or after October 1, 1997, and before October 1, 2022, in the case of a subsection (d) hospital which is a medicare-dependent, small rural hospital, payment under paragraph (1)(A) shall be equal to the sum of the amount determined under clause (ii) and the amount determined under paragraph (1)(A)(ii).

(ii) The amount determined under this clause is—

(I) for discharges occurring during the 36-month period beginning with the first day of
the cost reporting period that begins on or after April 1, 1990, the amount by which the hospital’s target amount for the cost reporting period (as defined in subsection (b)(3)(D)) exceeds the amount determined under paragraph (1)(A)(iii); and

(II) for discharges occurring during any subsequent cost reporting period (or portion thereof) and before October 1, 1994, or discharges occurring on or after October 1, 1997, and before October 1, 2022, 50 percent (or 75 percent in the case of discharges occurring on or after October 1, 2006) of the amount by which the hospital’s target amount for the cost reporting period or for discharges in the fiscal year (as defined in subsection (b)(3)(D)) exceeds the amount determined under paragraph (1)(A)(iii).

(III) In the case of a Medicare-dependent, small rural hospital that experiences, in a cost reporting period, a decrease of more than 5 percent in the rural hospital’s target amount for the cost reporting period or for discharges in the fiscal year (as defined in subsection (b)(3)(D)) exceeding the amount determined under paragraph (1)(A)(iii), the Secretary shall adjust the payment amounts under this subsection (other than under paragraph (9)) as may be necessary to fully compensate the hospital for the fixed costs it incurs in the period in providing inpatient hospital services, including the reasonable cost of maintaining necessary core staff and services.

(iv) The term “Medicare-dependent, small rural hospital” means, with respect to any cost reporting period to which clause (i) applies, any hospital—

(I) that is located in—

(aa) a State with no rural area (as defined in paragraph (2)(D)) and satisfies any of the criteria in subsection (b)(3)(D) of paragraph (8)(E)(ii),

(bb) a State with no rural area (as defined in paragraph (2)(D)) and satisfies any of the criteria in subsection (b)(3)(D) of paragraph (8)(E)(ii),

(II) that has not more than 100 beds,

(III) that is not classified as a sole community hospital under subparagraph (D), and

(IV) for which not less than 60 percent of its inpatient days or discharges during the cost reporting period beginning in fiscal year 1987, or two of the three most recently audited cost reporting periods for which the Secretary has a settled cost report, were attributable to inpatients entitled to benefits under part A.

Subclause (I)(bb) shall apply for purposes of payment under clause (ii) only for discharges of a hospital occurring on or after the effective date of a determination of Medicare-dependent small rural hospital status made by the Secretary with respect to the hospital after February 9, 2018. For purposes of applying subclause (II) of paragraph (8)(E)(ii) under subclause (I)(bb), such subclause (II) shall be applied by inserting “as of January 1, 2018,” after “such State” each place it appears.

(H) The Secretary may provide for such adjustments to the payment amounts under this subsection as the Secretary deems appropriate to take into account the unique circumstances of hospitals located in Alaska and Hawaii.

(1)(i) The Secretary shall provide by regulation for such other exceptions and adjustments to such payment amounts under this subsection as the Secretary deems appropriate.

(ii) In making adjustments under clause (i) for transfer cases (as defined by the Secretary) in a fiscal year, not taking in account the effect of subparagraph (J), the Secretary may make adjustments to each of the average standardized amounts determined under paragraph (3) to assure that the aggregate payments made under this subsection for such fiscal year are not greater or lesser than those that would have otherwise been made in such fiscal year.

(J)(i) The Secretary shall treat the term “transfer case” (as defined in subparagraph (J)(ii)) as including the case of a qualified discharge (as defined in clause (ii)), which is classified within a diagnosis-related group described in clause (iii), and which occurs on or after October 1, 1998. In the case of a qualified discharge for which a substantial portion of the costs of care are incurred in the early days of the inpatient stay (as defined by the Secretary), in no case may the payment amount otherwise provided under this subsection exceed an amount equal to the sum of—

(I) 50 percent of the amount of payment under this subsection for transfer cases (as established under subparagraph (J)(ii)), and

(II) 50 percent of the amount of payment which would have been made under this subsection with respect to the qualified discharge if no transfer were involved.

(ii) For purposes of clause (i), subject to clause (ii), the term “qualified discharge” means a discharge classified with a diagnosis-related group (described in clause (iii)) of an individual from a subsection (d) hospital, if upon such discharge the individual—

(I) is admitted as an inpatient to a hospital or hospital unit that is not a subsection (d) hospital for the provision of inpatient hospital services;

(II) is admitted to a skilled nursing facility;

(III) is provided home health services from a home health agency, if such services relate to the individual received inpatient hospital services from the subsection (d) hospital, and if such services are provided within an appropriate period (as determined by the Secretary);

(IV) for discharges occurring on or after October 1, 2018, is provided hospice care by a hospice program; or

(V) for discharges occurring on or after October 1, 2000, the individual receives post discharge services described in clause (iv)(I).

(iii) Subject to clause (iv), a diagnosis-related group described in this clause is—

(I) 1 of 10 diagnosis-related groups selected by the Secretary based upon a high volume of discharges classified within such groups and a disproportionate use of post discharge services described in clause (ii) and

(II) a diagnosis-related group specified by the Secretary under clause (iv)(I).

(iv) The Secretary shall include in the proposed rule published under subsection (e)(5)(A) for fiscal year 2001, a description of the effect of clause (ii)(IV). The Secretary may include in the proposed rule
(and in the final rule published under paragraph (6)) for fiscal year 2001 or a subsequent fiscal year, a description of—

(I) post-discharge services not described in subclauses (I), (II), (III), and, in the case of proposed and final rules for fiscal year 2019 and subsequent fiscal years, (IV) of clause (ii), the receipt of which results in a qualified discharge; and

(II) diagnosis-related groups described in clause (iii)(I) in addition to the 10 selected under such clause.

(K)(i) Effective for discharges beginning on or after October 1, 2001, the Secretary shall establish a mechanism to recognize the costs of new medical services and technologies under the payment system established under this subsection. Such mechanism shall be established after notice and opportunity for public comment (in the publications required by subsection (e)(5) for a fiscal year or otherwise). Such mechanism shall be modified to meet the requirements of clause (viii).

(ii) The mechanism established pursuant to clause (i) shall—

(I) apply to a new medical service or technology if, based on the estimated costs incurred with respect to discharges involving such service or technology, the DRG prospective payment rate otherwise applicable to such discharges under this subsection is inadequate (applying a threshold specified by the Secretary that is the lesser of 75 percent of the standardized amount (increased to reflect the difference between cost and charges) or 75 percent of one standard deviation for the diagnosis-related group involved);

(II) provide for the collection of data with respect to the costs of a new medical service or technology described in subclause (I) for a period of not less than two years and not more than three years beginning on the date on which an inpatient hospital code is issued with respect to the service or technology;

(III) provide for additional payment to be made under this subsection with respect to discharges involving a new medical service or technology described in subclause (I) that occur during the period described in subclause (II) in an amount that adequately reflects the estimated average cost of such service or technology; and

(IV) provide that discharges involving such a service or technology that occur after the close of the period described in subclause (II) will be classified within a new or existing diagnosis-related group with a weighting factor derived from cost data collected with respect to discharges occurring during such period.

(iii) For purposes of clause (ii)(II), the term “inpatient hospital code” means any code that is used with respect to inpatient hospital services for which payment may be made under this subsection and includes an alphanumeric code issued under the International Classification of Diseases, 9th Revision, Clinical Modification (“ICD-9-CM”) and its subsequent revisions.

(iv) For purposes of clause (ii)(III), the term “additional payment” means, with respect to a discharge for a new medical service or technology described in clause (ii)(I), an amount that exceeds the prospective payment rate otherwise applicable under this subsection to discharges involving such service or technology that would be made by the Secretary under such clause.

(v) The requirement under clause (ii)(II) for an additional payment may be satisfied by means of a new-technology group (described in subparagraph (L)), an add-on payment, a payment adjustment, or any other similar mechanism for increasing the amount otherwise payable with respect to a discharge under this subsection. The Secretary may not establish a separate fee schedule for such additional payment for such services and technologies, by utilizing a methodology established under subsection (a) or (h) of section 1395m of this title to determine the amount of such additional payment, or by other similar mechanisms or methodologies.

(vi) For purposes of this subparagraph and subparagraph (L), a medical service or technology will be considered a “new medical service or technology” if the service or technology meets criteria established by the Secretary after notice and an opportunity for public comment.

(vii) Under the mechanism under this subparagraph, the Secretary shall provide for the addition of new diagnosis and procedure codes in April 1 of each year, but the addition of such codes shall not require the Secretary to adjust the payment (or diagnosis-related group classification) under this subsection until the fiscal year that begins after such date.

(viii) The mechanism established pursuant to clause (i) shall be adjusted to provide, before publication of a proposed rule, for public input regarding whether a new service or technology represents an advance in medical technology that substantially improves the diagnosis or treatment of individuals entitled to benefits under part A as follows:

(I) The Secretary shall make public and periodically update a list of all the services and technologies for which an application for additional payment under this subparagraph is pending.

(II) The Secretary shall accept comments, recommendations, and data from the public regarding whether the service or technology represents a substantial improvement.

(III) The Secretary shall provide for a meeting at which organizations representing hospitals, physicians, such individuals, manufacturers, and any other interested party may present comments, recommendations, and data to the clinical staff of the Centers for Medicare & Medicaid Services before publication of a notice of proposed rulemaking regarding whether service or technology represents a substantial improvement.

(ix) Before establishing any add-on payment under this subparagraph with respect to a new technology, the Secretary shall seek to identify one or more diagnosis-related groups associated with such technology, based on similar clinical characteristics and the cost of the technology. Within such groups the Secretary shall assign an eligible new technology into a diagnosis-related group where the average costs of care most closely approximate the costs
of care of using the new technology. No add-on payment under this subparagraph shall be made with respect to such new technology and this clause shall not affect the application of paragraph (4)(C)(iii).

(L) In establishing the mechanism under subparagraph (K), the Secretary may establish new-technology groups into which a new medical service or technology will be classified if, based on the estimated average costs incurred with respect to discharges involving such service or technology, the DRG prospective payment rate otherwise applicable to such discharges under this subsection is inadequate.

(ii) Such groups—

(I) shall not be based on the costs associated with a specific new medical service or technology, but

(II) shall, in combination with the applicable standardized amounts and the weighting factors assigned to such groups under paragraph (4)(B), reflect such cost cohorts as the Secretary determines are appropriate for all new medical services and technologies that are likely to be provided as inpatient hospital services in a fiscal year.

(iii) The methodology for classifying specific hospital discharges within a diagnosis-related group under paragraph (4)(A) or a new-technology group shall provide that a specific hospital discharge may not be classified within both a diagnosis-related group and a new-technology group.

(M)(i) For cost reporting periods beginning on or after October 1, 2020, in the case of a subsection (d) hospital that furnishes an allogeneic hematopoietic stem cell transplant to an individual during such a period, payment to such hospital for hematopoietic stem cell acquisition shall be made on a reasonable cost basis. The items included in such hematopoietic stem cell acquisition shall be specified by the Secretary through rulemaking.

(ii) For purposes of this subparagraph, the term “allogeneic hematopoietic stem cell transplant” means, with respect to an individual, the intravenous infusion of hematopoietic cells derived from bone marrow, peripheral blood stem cells, or cord blood, but not including embryonic stem cells, of a donor to an individual that are or may be used to restore hematopoietic function in such individual having an inherited or acquired deficiency or defect.

(6) The Secretary shall provide for publication in the Federal Register, on or before the August 1 before each fiscal year (beginning with fiscal year 1984), of a description of the methodology and data used in computing the adjusted DRG prospective payment rates under this subsection, including any adjustments required under subsection (e)(1)(B).

(7) There shall be no administrative or judicial review under section 1395oo of this title or otherwise of—

(A) the determination of the requirement, or the proportional amount, of any adjustment effective pursuant to subsection (e)(1) of the determination of the applicable percentage increase under paragraph (12)(A)(ii),

(B) the establishment of diagnosis-related groups, of the methodology for the classification of discharges within such groups, and of the appropriate weighting factors thereof under paragraph (4), including the selection and revision of codes under paragraph (4)(D), and

(C) the determination of whether services provided prior to a patient’s inpatient admission are related to the admission (as described in subsection (a)(4)).

(8)(A) In the case of any hospital which is located in an area which is, at any time after April 20, 1983, reclassified from an urban to a rural area, payments to such hospital for the first two cost reporting periods for which such reclassification is effective shall be made as follows:

(i) For the first such cost reporting period, payment shall be equal to the amount payable to such hospital for such reporting period on the basis of the rural classification, plus an amount equal to two-thirds of the amount (if any) by which—

(I) the amount which would have been payable to such hospital for such reporting period on the basis of an urban classification, exceeds

(II) the amount payable to such hospital for such reporting period on the basis of the rural classification.

(ii) For the second such cost reporting period, payment shall be equal to the amount payable to such hospital for such reporting period on the basis of the rural classification, plus an amount equal to one-third of the amount (if any) by which—

(I) the amount which would have been payable to such hospital for such reporting period on the basis of an urban classification, exceeds

(II) the amount payable to such hospital for such reporting period on the basis of the rural classification.

(B)(i) For purposes of this subsection, the Secretary shall treat a hospital located in a rural county adjacent to one or more urban areas as being located in the urban metropolitan statistical area to which the greatest number of workers in the county commute, if the rural county would otherwise be considered part of an urban area, under the standards for designating Metropolitan Statistical Areas (and for designating New England County Metropolitan Areas) described in clause (ii), if the commuting rates used in determining outlying counties (or, for New England, similar recognized areas) were determined on the basis of the aggregate number of resident workers who commute to (and, if applicable under the standards, from) the central county or counties of all contiguous Metropolitan Statistical Areas (or New England County Metropolitan Areas).

(ii) The standards described in this clause for cost reporting periods beginning in a fiscal year—

(I) before fiscal year 2003, are the standards published in the Federal Register on January 3, 1999, or, at the election of the hospital with respect to fiscal years 2001 and 2002, standards so published on March 30, 1990; and

(II) after fiscal year 2002, are the standards published in the Federal Register by the Di-
rector of the Office of Management and Budget based on the most recent available decennial population data.

Subparagraphs (C) and (D) shall not apply with respect to the application of subclause (I), paragraph (3)(E) for different area wage levels.

(E)(i) For purposes of this subsection, not later than 60 days after the receipt of an application (in a form and manner determined by the Secretary) from a subsection (d) hospital described in clause (ii), the Secretary shall treat the hospital as being located in the rural area (as defined in paragraph (2)(D)) of the State in which the hospital is located.

(ii) For purposes of clause (i), a subsection (d) hospital described in this clause is a subsection (d) hospital that is located in an urban area (as defined in paragraph (2)(D)) and satisfies any of the following criteria:

(I) The hospital is located in a rural census tract of a metropolitan statistical area (as determined under the most recent modification of the Goldsmith Modification, originally published in the Federal Register on February 27, 1992 (57 Fed. Reg. 6725)).

(II) The hospital is located in an area designated by any law or regulation of such State as a rural area (or is designated by such State as a rural hospital).

(III) The hospital would qualify as a rural, regional, or national referral center under paragraph (5)(C) or as a sole community hospital under paragraph (5)(D) if the hospital were located in a rural area.

(IV) The hospital meets such other criteria as the Secretary may specify.

(9)(A) Notwithstanding section 1395f(b) of this title but subject to the provisions of section 1395e of this title, the amount of the payment with respect to the operating costs of inpatient hospital services of a subsection (d) Puerto Rico hospital for inpatient hospital discharges is equal to the sum of—

(i) the applicable Puerto Rico percentage (specified in subparagraph (E)) of the Puerto Rico adjusted DRG prospective payment rate (determined under subparagraph (B) or (C)) for such discharges,

(ii) the applicable Federal percentage (specified in subparagraph (E)) of—

(I) for discharges beginning in a fiscal year beginning on or after October 1, 1997, and before October 1, 2003, the discharge-weighted average of—

(aa) the national adjusted DRG prospective payment rate (determined under paragraph (3)(D)) for hospitals located in a large urban area,

(bb) such rate for hospitals located in other urban areas, and

(cc) such rate for hospitals located in a rural area,

for such discharges, adjusted in the manner provided in paragraph (3)(E) for different area wage levels; and

(II) for discharges in a fiscal year beginning on or after October 1, 2003, the national DRG prospective payment rate determined under paragraph (3)(D)(III) for hospitals located in any area for such discharges, adjusted in the manner provided in paragraph (3)(E) for different area wage levels.
As used in this section, the term "subsection (d) Puerto Rico hospital" means a hospital that is located in Puerto Rico and that would be a subsection (d) hospital (as defined in paragraph (1)(B)) if it were located in one of the 50 States. The Secretary shall determine a Puerto Rico adjusted DRG prospective payment rate, for each inpatient hospital discharge in fiscal year 1988 involving inpatient hospital services of a subsection (d) Puerto Rico hospital for which payment may be made under part A of this subchapter. Such rate shall be determined for such hospitals located in urban or rural areas within Puerto Rico, as follows:

(i) The Secretary shall determine the target amount (as defined in subsection (b)(3)(A)) for the hospital for the cost reporting period beginning in fiscal year 1997 and increase such amount by prorating the applicable percentage increase (as defined in subsection (b)(3)(B)) to update the amount to the midpoint in fiscal year 1988.

(ii) The Secretary shall standardize the amount determined under clause (i) for each hospital by—

(I) excluding an estimate of indirect medical education costs,

(II) adjusting for variations among hospitals by area in the average hospital wage level,

(III) adjusting for variations in case mix among hospitals, and

(IV) excluding an estimate of the additional payments to certain subsection (d) Puerto Rico hospitals to be made under subparagraph (D)(iii) (relating to disproportionate share payments).

(iii) The Secretary shall compute a discharge weighted average of the standardized amounts determined under clause (ii) for all hospitals located in an urban area and for all hospitals located in a rural area (as such terms are defined in paragraph (2)(D)).

(iv) The Secretary shall reduce the average standardized amount by the proportion (estimated by the Secretary) of the amount of payments under this paragraph which are additional payments described in subparagraph (D)(i) (relating to outlier payments).

(v) For each discharge classified within a diagnosis-related group for hospitals located in an urban or rural area, respectively, the Secretary shall establish a Puerto Rico DRG prospective payment rate equal to the product of—

(I) the average standardized amount (computed under clause (iii) and reduced under clause (iv)) for hospitals located in an urban or rural area, respectively, and

(II) the weighting factor (determined under paragraph (4)(B)) for that diagnosis-related group.

(vi) The Secretary shall adjust the proportion (as estimated by the Secretary from time to time) of hospitals' costs which are attributable to wages and wage-related costs, of the Puerto Rico DRG prospective payment rate computed under clause (v) for area differences in hospital wage levels by a factor (established by the Secretary) reflecting the relative hospital wage level in the geographic area of the hospital compared to the Puerto Rican average hospital wage level.

(C) The Secretary shall determine a Puerto Rico adjusted DRG prospective payment rate, for each inpatient hospital discharge after fiscal year 1988 involving inpatient hospital services of a subsection (d) Puerto Rico hospital for which payment may be made under part A of this subchapter. Such rate shall be determined for hospitals located in urban or rural areas within Puerto Rico as follows:

(i)(I) For discharges in a fiscal year after fiscal year 1988 and before fiscal year 2004, the Secretary shall compute an average standardized amount for hospitals located in an urban area and for hospitals located in a rural area equal to the respective average standardized amount computed for the previous fiscal year under subparagraph (B)(i) or under this clause, increased for fiscal year 1989 by the applicable percentage increase under subsection (b)(3)(B), and adjusted for subsequent fiscal years in accordance with the final determination of the Secretary under subsection (e)(4), and adjusted to reflect the most recent case-mix data available.

(II) For discharges occurring in a fiscal year (beginning with fiscal year 2004), the Secretary shall compute an average standardized amount for hospitals located in any area of Puerto Rico that is equal to the average standardized amount computed under subparagraph (I) for fiscal year 2003 for hospitals in a large urban area (or, beginning with fiscal year 2005, for all hospitals in the previous fiscal year) increased by the applicable percentage increase under subsection (b)(3)(B) for the fiscal year involved.

(ii) The Secretary shall reduce each of the average standardized amounts (or for fiscal year 2004 and thereafter, the average standardized amount) by a proportion equal to the proportion (estimated by the Secretary) of the amount of payments under this paragraph which are additional payments described in subparagraph (D)(i) (relating to outlier payments).

(iii) For each discharge classified within a diagnosis-related group for hospitals located in an urban or rural area, respectively, the Secretary shall establish a Puerto Rico DRG prospective payment rate equal to the product of—

(I) the average standardized amount (computed under clause (i) and reduced under clause (ii)), and

(II) the weighting factor (determined under paragraph (4)(B)) for that diagnosis-related group.

(iv)(I) The Secretary shall adjust the proportion (as estimated by the Secretary from time to time) of hospitals' costs which are attributable to wages and wage-related costs, of the Puerto Rico DRG prospective payment rate computed under clause (iii) for area differences in hospital wage levels by a factor (established by the Secretary) reflecting the relative hospital wage level in the geographic area of the hospital compared to the Puerto Rican average hospital wage level.
area of the hospital compared to the Puerto Rico average hospital wage level. The second and third sentences of paragraph (3)(E)(i) shall apply to subsection (d) Puerto Rico hospitals under this clause in the same manner as they apply to subsection (d) hospitals under such paragraph and, for purposes of this clause, any reference in such paragraph to a subsection (d) hospital is deemed a reference to a subsection (d) Puerto Rico hospital.

(II) For discharges occurring on or after October 1, 2004, the Secretary shall substitute “62 percent” for the proportion described in the first sentence of clause (i), unless the application of this subsection would result in lower payments to a hospital than would otherwise be made.

(D) The following provisions of paragraph (5) shall apply to subsection (d) Puerto Rico hospitals receiving payment under this paragraph in the same manner and to the extent as they apply to subsection (d) hospitals receiving payment under this subsection:

(1) Subparagraph (A) (relating to outlier payments).

(II) Guidelines for comparing wages, taking into account (to the extent the Secretary determines appropriate) occupational mix, in the area in which the hospital is classified and the area in which the hospital is applying to be classified.

(VI) Guidelines for determining whether the county in which the hospital is located should be treated as being a part of a particular Metropolitan Statistical Area.

(VII) Guidelines for considering information provided by an applicant with respect to the effects of the hospital’s geographic classification on access to inpatient hospital services by medicare beneficiaries.

(IV) Guidelines for considering the appropriateness of the criteria used to define New England County Metropolitan Areas.

(II) Notwithstanding clause (i), if the Secretary uses a method for making adjustments to the DRG prospective payment rate for area differences in hospital wage levels under paragraph (3)(E) that is not based on the use of Metropolitan Statistical Area classifications, the Secretary may revise the guidelines published under clause (i) to the extent such guidelines are used to determine the appropriateness of the ge-


So in original. Probably should be section "557(b)".
graphic area in which the hospital is determined to be located for purposes of making such adjustments.

(iii) Under the guidelines published by the Secretary under clause (i), in the case of a hospital which has ever been classified by the Secretary as a rural referral center under paragraph (5)(C), the Board may not reject the application of the hospital under this paragraph on the basis of any comparison between the average hourly wage of the hospital and the average hourly wage of hospitals in the area in which it is located.

(iv) The Secretary shall publish the guidelines described in clause (i) by July 1, 1990.

(v) Any decision of the Board to reclassify a subsection (d) hospital for purposes of the adjustment factor described in subparagraph (C)(i)(II) for fiscal year 2001 or any fiscal year thereafter shall be effective for a period of 3 fiscal years, except that the Secretary shall establish procedures under which a subsection (d) hospital may elect to terminate such reclassification before the end of such period.

(vi) Such guidelines shall provide that, in making decisions on applications for reclassification for the purposes described in clause (v) for fiscal year 2003 and any succeeding fiscal year, the Board shall base any comparison of the average hourly wage for the hospital with the average hourly wage for hospitals in an area on—

(I) an average of the average hourly wage amount for the hospital from the most recently published hospital wage survey data of the Secretary (as of the date on which the hospital applies for reclassification) and such amount from each of the two immediately preceding surveys; and

(II) an average of the average hourly wage amount for hospitals in such area from the most recently published hospital wage survey data of the Secretary (as of the date on which the hospital applies for reclassification) and such amount from each of the two immediately preceding surveys.

(E)(i) The Board shall have full power and authority to make rules and establish procedures, not inconsistent with the provisions of this subchapter or regulations of the Secretary, which are necessary or appropriate to carry out the provisions of this paragraph. In the course of any hearing the Board may administer oaths and affirmations. The provisions of subsections (d) and (e) of section 405 of this title with respect to subpoenas shall apply to the Board to the same extent as such provisions apply to the Secretary with respect to subchapter II.

(ii) The Board is authorized to engage such technical assistance and to receive such information as may be required to carry out its functions, and the Secretary shall, in addition, make available to the Board such secretarial, clerical, and other assistance as the Board may require to carry out its functions.

(F)(i) Each member of the Board who is not an officer or employee of the Federal Government shall be compensated at a rate equal to the daily equivalent of the annual rate of basic pay prescribed for grade GS–18 of the General Schedule under section 5332 of title 5 for each day (including travel time) during which such member is engaged in the performance of the duties of the Board. Each member of the Board who is an officer or employee of the United States shall serve without compensation in addition to that received for service as an officer or employee of the United States.

(ii) Members of the Board shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5, while away from their homes or regular places of business in the performance of services for the Board.

(II) ADDITIONAL PAYMENTS FOR MANAGED CARE ENROLLEES.—

(A) IN GENERAL.—For portions of cost reporting periods occurring on or after January 1, 1998, the Secretary shall provide for an additional payment amount for each applicable discharge of any subsection (d) hospital that has an approved medical residency training program.

(B) APPLICABLE DISCHARGE.—For purposes of this paragraph, the term "applicable discharge" means the discharge of any individual who is enrolled under a risk-sharing contract with an eligible organization under section 1886 of this title and who is entitled to benefits under part A or any individual who is enrolled with a Medicare+ Choice organization under part C.

(C) DETERMINATION OF AMOUNT.—The amount of the payment under this paragraph with respect to any applicable discharge shall be equal to the applicable percentage (as defined in subsection (h)(3)(D)(ii)) of the estimated average per discharge amount that would otherwise have been paid under paragraph (5)(B) if the individuals had not been enrolled as described in subparagraph (B).

(D) SPECIAL RULE FOR HOSPITALS UNDER REIMBURSEMENT SYSTEM.—The Secretary shall establish rules for the application of this paragraph to a hospital reimbursed under a reimbursement system authorized under section 1395f(b)(3) of this title in the same manner as it would apply to the hospital if it were not reimbursed under such section.

(12) PAYMENT ADJUSTMENT FOR LOW-VOLUME HOSPITALS.—

(A) IN GENERAL.—In addition to any payments calculated under this section for a subsection (d) hospital, for discharges occurring during a fiscal year (beginning with fiscal year 2005), the Secretary shall provide for an additional payment amount to each low-volume hospital (as defined in subparagraph (C)(i)) for discharges occurring during that fiscal year that is equal to the applicable percentage increase (determined under subparagraph (B) or (D) for the hospital involved) in the amount paid to such hospital under this section for such discharges (determined without regard to this paragraph).

(B) APPLICABLE PERCENTAGE INCREASE.—For discharges occurring in fiscal years 2005 through 2010 and for discharges occurring in fiscal year 2023 and subsequent fiscal years, the Secretary shall determine an applicable percentage increase for purposes of subparagraph (A) as follows:
§ 1395ww

(i) The Secretary shall determine the empirical relationship for subsection (d) hospitals between the standardized cost-per-case for such hospitals and the total number of discharges of such hospitals and the amount of the additional incremental costs (if any) that are associated with such number of discharges.

(ii) The applicable percentage increase shall be determined based upon such relationship in a manner that reflects, based upon the number of such discharges for a subsection (d) hospital, such additional incremental costs.

(iii) In no case shall the applicable percentage increase exceed 25 percent.

(C) DEFINITIONS.—

(I) LOW-VOLUME HOSPITAL.—For purposes of this paragraph, the term "low-volume hospital" means, for a fiscal year, a subsection (d) hospital (as defined in paragraph (1)(B)) that the Secretary determines is located more than 25 road miles (or, with respect to fiscal years 2011 through 2022, 15 road miles) from another subsection (d) hospital and has—

(I) with respect to each of fiscal years 2005 through 2010, less than 800 discharges during the fiscal year;

(II) with respect to each of fiscal years 2011 through 2018, less than 1,600 discharges of individuals entitled to, or enrolled for, benefits under part A during the fiscal year or portion of fiscal year;

(III) with respect to each of fiscal years 2019 through 2022, less than 3,800 discharges during the fiscal year; and

(IV) with respect to fiscal year 2023 and each subsequent fiscal year, less than 800 discharges during the fiscal year.

(ii) DISCHARGE.—For purposes of subparagraphs (B) and (D) and clause (i), the term "discharge" means an inpatient acute care discharge of an individual regardless (except as provided in clause (i)(II) and subparagraph (D)(i)) of whether the individual is entitled to benefits under part A during the fiscal year or portion of fiscal year; and

(iii) TREATMENT OF INDIAN HEALTH SERVICE AND NON-INDIAN HEALTH SERVICE FACILITIES.—

For purposes of determining whether—

(I) a subsection (d) hospital of the Indian Health Service (whether operated by such Service or by an Indian tribe or tribal organization (as those terms are defined in section 1603 of title 25)), or

(II) a subsection (d) hospital other than a hospital of the Indian Health Service meets the mileage criterion under clause (i) with respect to fiscal year 2011 or a succeeding fiscal year, the Secretary shall apply the policy described in the regulation at part 412.101(e) of title 42, Code of Federal Regulations (as in effect on March 23, 2018).

(D) TEMPORARY APPLICABLE PERCENTAGE INCREASE.—For discharges occurring in fiscal years 2011 through 2022, the Secretary shall determine an applicable percentage increase for purposes of subparagraph (A) using a continuous linear sliding scale ranging from 25 percent for low-volume hospitals—

(i) with respect to each of fiscal years 2011 through 2018, with 200 or fewer discharges of individuals entitled to, or enrolled for, benefits under part A in the fiscal year or the portion of fiscal year to 0 percent for low-volume hospitals with greater than 1,600 discharges of such individuals in the fiscal year or the portion of fiscal year or portion of fiscal year; and

(ii) with respect to each of fiscal years 2019 through 2022, with 500 or fewer discharges in the fiscal year to 0 percent for low-volume hospitals with greater than 3,800 discharges in the fiscal year.

(13)(A) In order to recognize commuting patterns among geographic areas, the Secretary shall establish a process through application or otherwise for an increase of the wage index applied under paragraph (3)(E) for subsection (d) hospitals located in a qualifying county described in subparagraph (B) in the amount computed under subparagraph (D) based on out-migration of hospital employees who reside in that county to any higher wage index area. The Secretary shall establish criteria for a qualifying county under this subparagraph based on the out-migration referred to in subparagraph (A) and differences in the area wage indices. Under such criteria the Secretary shall, utilizing such data as the Secretary determines to be appropriate, establish—

(i) a threshold percentage, established by the Secretary, of the weighted average of the area wage index or indices for the higher wage index areas involved;

(ii) a threshold (of not less than 10 percent) for minimum out-migration to a higher wage index area or areas; and

(iii) a requirement that the average hourly wage of the hospitals in the qualifying county equals or exceeds the average hourly wage of all the hospitals in the area in which the qualifying county is located.

(C) For purposes of this paragraph, the term "higher wage index area" means, with respect to a county, an area with a wage index that exceeds that of the county.

(D) The increase in the wage index under subparagraph (A) for a qualifying county shall be equal to the percentage of the hospital employees residing in the qualifying county who are employed in any higher wage index area multiplied by the sum of the products, for each higher wage index area of—

(i) the difference between—

(I) the wage index for such higher wage index area, and

(II) the wage index of the qualifying county; and

(ii) the number of hospital employees residing in the qualifying county who are employed in any higher wage index area.

*So in original. Probably should be "section".
(E) The process under this paragraph may be based upon the process used by the Medicare Geographic Classification Review Board under paragraph (10). As the Secretary determines to be appropriate to carry out such process, the Secretary may require hospitals (including subsection (d) hospitals and other hospitals) and critical access hospitals, as required under section 1395ccc(a)(1)(T) of this title, to submit data regarding the location of residence, or the Secretary may use data from other sources.

(F) A wage index increase under this paragraph shall be effective for a period of 3 fiscal years, except that the Secretary shall establish procedures under which a subsection (d) hospital may elect to waive the application of such wage index increase.

(G) A hospital in a county that has a wage index increase under this paragraph for a period that has not waived the application of such an increase under subparagraph (F) is not eligible for reclassification under paragraph (8) or (10) during that period.

(H) Any increase in a wage index under this paragraph for a county shall not be taken into account for purposes of—

(i) computing the wage index for portions of the wage index area (not including the county) in which the county is located; or

(ii) applying any budget neutrality adjustment with respect to such index under paragraph (8)(D).

(I) The thresholds described in subparagraph (B), data on hospital employees used under this paragraph, and any determination of the Secretary under the process described in subparagraph (E) shall be final and shall not be subject to judicial review.

(e) Proportional adjustments in applicable percentage increases

(1)(A) For cost reporting periods of hospitals beginning in fiscal year 1984 or fiscal year 1985, the Secretary shall provide for such proportional adjustment in the applicable percentage increase (otherwise applicable to the periods under subsection (b)(3)(B)) as may be necessary to assure that—

(i) the aggregate payment amounts otherwise provided under subsection (d)(1)(A)(i)(I) for that fiscal year for operating costs of inpatient hospital services of hospitals (excluding payments made under section 1395cc(a)(1)(F) of this title), are not greater or less than—

(ii) the target percentage (as defined in subparagraph (E)) of the payment amounts which would have been payable for such services for those same hospitals for that fiscal year under this section under the law as in effect before April 20, 1983 (excluding payments made under section 1395cc(a)(1)(F) of this title).

(B) For discharges occurring in fiscal year 1984 or fiscal year 1985, the Secretary shall provide under subsections (d)(2)(F) and (d)(3)(C) for such equal proportional adjustment in each of the average standardized amounts otherwise computed for that fiscal year as may be necessary to assure that—

(i) the aggregate payment amounts otherwise provided under subsections (d)(1)(A)(iii), (d)(5), and (d)(9) for that fiscal year for operating costs of inpatient hospital services of subsection (d) hospitals and subsection (d) Puerto Rico hospitals, are not greater or less than—

(ii) the payment amounts that would have been payable for such services for those same hospitals for that fiscal year but for the enactment of the amendments made by section 3934 of the Omnibus Budget Reconciliation Act of 1986.


(4)(A) Taking into consideration the recommendations of the Commission, the Secretary shall recommend for each fiscal year (beginning with fiscal year 1988) an appropriate change factor for inpatient hospital services for discharges in that fiscal year which will take into account amounts necessary for the efficient and effective delivery of medically appropriate and necessary care of high quality. The appropriate change factor may be different for all large urban subsection (d) hospitals, other urban subsection (d) hospitals, urban subsection (d) Puerto Rico hospitals, rural subsection (d) hospitals, and rural subsection (d) Puerto Rico hospitals, and all other hospitals and units not paid under subsection (d), and may vary among such other hospitals and units.

(B) In addition to the recommendation made under subparagraph (A), the Secretary shall, taking into consideration the recommendations of the Commission under paragraph (2)(B), recommend for each fiscal year (beginning with fiscal year 1992) other appropriate changes in each existing reimbursement policy under this subchapter under which payments to an institution are based upon prospectively determined rates.
Section 1395ww of the Public Health and Welfare Act

(5) The Secretary shall cause to have published in the Federal Register, not later than—
   (A) the April 1 before each fiscal year (beginning with fiscal year 1986), the Secretary’s proposed recommendations under paragraph (4) for that fiscal year for public comment, and
   (B) the August 1 before such fiscal year after such consideration of public comment on the proposal as is feasible in the time available, the Secretary’s final recommendations under such paragraph for that year.

The Secretary shall include in the publication referred to in subparagraph (A) an explanation of the Secretary’s grounds for not following the Commission’s recommendations referred to in subparagraph (A) for a fiscal year.

(f) Reporting of costs of hospitals receiving payments on basis of prospective rates

(1)(A) The Secretary shall maintain a system for the reporting of costs of hospitals receiving payments computed under subsection (d).
   (B)(i) Subject to clause (ii), the Secretary shall place into effect a standardized electronic cost reporting format for hospitals under this subchapter.
      (ii) The Secretary may delay or waive the implementation of such format in particular instances where such implementation would result in financial hardship (in particular with respect to hospitals with a small percentage of inpatients entitled to benefits under this subchapter).

(2) If the Secretary determines, based upon information supplied by a quality improvement organization under part B of subchapter XI, that a hospital, in order to circumvent the payment method established under subsection (b) or (d) of this section, has taken an action that results in the admission of individuals entitled to benefits under part A unnecessarily, unnecessary multiple admissions of the same such individuals, or other inappropriate medical or other practices with respect to such individuals, the Secretary may—
   (A) deny payment (in whole or in part) under part A with respect to inpatient hospital services provided with respect to such an unnecessary admission (or subsequent admission of the same individual), or
   (B) require the hospital to take other corrective action necessary to prevent or correct the inappropriate practice.

(3) The provisions of subsections (c) through (g) of section 1320a-7 of this title shall apply to determinations made under paragraph (2) in the same manner as they apply to exclusions effected under section 1320a-7(b)(13) of this title.

(g) Prospective payment for capital-related costs; return on equity capital for hospitals

(1)(A) Notwithstanding section 1395x(v) of this title, instead of any amounts that are otherwise payable under this subchapter with respect to the reasonable costs of subsection (d) hospitals and subsection (d) Puerto Rico hospitals for capital-related costs of inpatient hospital services, the Secretary shall, for hospital cost reporting periods beginning on or after October 1, 1991, provide for payments for such costs in accordance with a prospective payment system established by the Secretary. Aggregate payments made under subsection (d) and this subsection during fiscal years 1992 through 1995 shall be reduced in a manner that results in a reduction (as estimated by the Secretary) in the amount of such payments equal to 10 percent reduction in the amount of payments attributable to capital-related costs that would otherwise have been made during such fiscal year had the amount of such payments been based on reasonable costs (as defined in section 1395x(v) of this title). For discharges occurring after September 30, 1993, the Secretary shall reduce by 7.4 percent the unadjusted standard Federal capital payment rate (as described in 42 CFR 412.308(c), as in effect on August 10, 1993) and shall (for hospital cost reporting periods beginning on or after October 1, 1993) redetermine which payment method described in section 412.352 of title 42 of the Code of Federal Regulations, to (i) the unadjusted standard Federal capital payment rate (as described in section 412.308(c) of that title, as in effect on September 30, 1997), and (ii) the unadjusted hospital-specific rate (as described in section 412.328(e)(1) of that title, as in effect on September 30, 1997), and, for discharges occurring on or after October 1, 1997, and before October 1, 2002, reduce the rates described in clauses (i) and (ii) by 2.1 percent.
   (B) Such system—
      (i) shall provide for (I) a payment on a per discharge basis, and (II) an appropriate weighting of such payment amount as relates to the classification of the discharge;
      (ii) may provide for an adjustment to take into account variations in the relative costs of capital and construction for the different types of facilities or areas in which they are located;
      (iii) may provide for such exceptions (including appropriate exceptions to reflect capital obligations) as the Secretary determines to be appropriate, and
      (iv) may provide for suitable adjustment to reflect hospital occupancy rate.

(C) In this paragraph, the term “capital-related costs” has the meaning given such term by the Secretary under subsection (a)(4) as of September 30, 1987, and does not include a return on equity capital.

(2)(A) The Secretary shall provide that the amount which is allowable, with respect to reasonable costs of inpatient hospital services for which payment may be made under this subchapter, for a return on equity capital for hospitals shall, for cost reporting periods beginning on or after April 20, 1983, be equal to amounts otherwise allowable under regulations in effect.
on March 1, 1983, except that the rate of return to be recognized shall be equal to the applicable percentage (described in subparagraph (B)) of the average of the rates of interest, for each of the months any part of which is included in the reporting period, on obligations issued for purchase by the Federal Hospital Insurance Trust Fund.

(B) In this paragraph, the "applicable percentage" is—

(i) 75 percent, for cost reporting periods beginning during fiscal year 1987.
(ii) 50 percent, for cost reporting periods beginning during fiscal year 1988.
(iii) 25 percent, for cost reporting periods beginning during fiscal year 1989, and
(iv) 0 percent, for cost reporting periods beginning on or after October 1, 1989.

(3)(A) Except as provided in subparagraph (B), in determining the amount of the payments that may be made under this subchapter with respect to all the capital-related costs of inpatient hospital services of a subsection (d) hospital and a subsection (d) Puerto Rico hospital, the Secretary shall reduce the amounts of such payments otherwise established under this subchapter by—

(i) 5 percent for payments attributable to portions of cost reporting periods occurring during fiscal year 1987.
(ii) 7 percent for payments attributable to portions of cost reporting periods or discharges (as the case may be) occurring during fiscal year 1988 on or after October 1, 1987, and before January 1, 1988.
(iii) 12 percent for payments attributable to portions of cost reporting periods or discharges (as the case may be) in fiscal year 1988, occurring on or after January 1, 1988.
(iv) 15 percent for payments attributable to portions of cost reporting periods or discharges (as the case may be) occurring during fiscal year 1989,

and (v) 15 percent for payments attributable to portions of cost reporting periods or discharges (as the case may be) occurring during the period beginning January 1, 1990, and ending September 30, 1991.

(B) Subparagraph (A) shall not apply to payments with respect to the capital-related costs of any hospital that is a sole community hospital (as defined in section 1395x(mm)(1) or a critical access hospital (as defined in section 1395x(mm)(1) of this title).

(4) In determining the amount of the payments that are attributable to portions of cost reporting periods occurring during fiscal years 1998 through 2002 and that may be made under this subchapter with respect to capital-related costs of inpatient hospital services of a hospital which is described in clause (i), (ii), or (iv) of subsection (d)(1)(B) or a unit described in the matter after clause (v) of such subsection, the Secretary shall reduce the amounts of such payments otherwise determined under this subchapter by 15 percent.

(h) Payments for direct graduate medical education costs

(1) Substitution of special payment rules

Notwithstanding section 1395x(v) of this title, instead of any amounts that are otherwise payable under this subchapter with respect to the reasonable costs of hospitals for direct graduate medical education costs, the Secretary shall provide for payments for such costs in accordance with paragraph (3) of this subsection. In providing for such payments, the Secretary shall provide for an allocation of such payments between part A and part B (and the trust funds established under the respective parts) as reasonably reflects the proportion of direct graduate medical education costs of hospitals associated with the provision of services under each respective part.

(2) Determination of hospital-specific approved FTE resident amounts

The Secretary shall determine, for each hospital with an approved medical residency training program, an approved FTE resident amount for each cost reporting period beginning on or after July 1, 1985, as follows:

(A) Determining allowable average cost per FTE resident in a hospital’s base period

The Secretary shall determine, for the hospital's cost reporting period that began during fiscal year 1984, the average amount recognized as reasonable under this subchapter for direct graduate medical education costs of the hospital for each full-time-equivalent resident.

(B) Updating to the first cost reporting period

(i) In general

The Secretary shall update each average amount determined under subparagraph (A) by the percentage increase in the consumer price index during the 12-month cost reporting period described in such subparagraph.

(ii) Exception

The Secretary shall not perform an update under clause (i) in the case of a hospital if the hospital’s reporting period, described in subparagraph (A), began on or after July 1, 1984, and before October 1, 1984.

(C) Amount for first cost reporting period

For the first cost reporting period of the hospital beginning on or after July 1, 1985, the approved FTE resident amount for the hospital is equal to the amount determined under subparagraph (B) increased by 1 percent.

(D) Amount for subsequent cost reporting periods

(i) In general

Except as provided in a subsequent clause, for each subsequent cost reporting period, the approved FTE resident amount for the hospital is equal to the approved FTE resident amount determined under this paragraph for the previous cost reporting period updated, through the midpoint of the period, by projecting the estimated percentage change in the consumer price index during the 12-month period ending at that midpoint, with appropriate
adjustments to reflect previous under- or over-estimations under this subparagraph in the projected percentage change in the consumer price index.

(ii) Freeze in update for fiscal years 1994 and 1995

For cost reporting periods beginning during fiscal year 1994 or fiscal year 1995, the approved FTE resident amount for a hospital shall not be updated under clause (i) for a resident who is not a primary care resident (as defined in paragraph (5)(H)) or a resident enrolled in an approved medical residency training program in obstetrics and gynecology.

(iii) Floor for locality adjusted national average per resident amount

The approved FTE resident amount for a hospital for the cost reporting period beginning during fiscal year 2001 shall not be less than 70 percent, and for the cost reporting period beginning during fiscal year 2002 shall not be less than 85 percent, of the locality adjusted national average per resident amount computed under subparagraph (E) for the hospital and period.

(iv) Adjustment in rate of increase for hospitals with FTE approved amount above 140 percent of locality adjusted national average per resident amount

(I) Freeze for fiscal years 2001 and 2002 and 2004 through 2013

For a cost reporting period beginning during fiscal year 2001 or fiscal year 2002 or during the period beginning with fiscal year 2004 and ending with fiscal year 2013, if the approved FTE resident amount for a hospital for the preceding cost reporting period exceeds 140 percent of the locality adjusted national average per resident amount computed under subparagraph (E) for that hospital and period, subject to subclause (III), the approved FTE resident amount for the period involved shall be the same as the approved FTE resident amount for the hospital for such preceding cost reporting period.

(II) 2 percent decrease in update for fiscal years 2003, 2004, and 2005

For the cost reporting period beginning during fiscal year 2003, if the approved FTE resident amount for a hospital for the preceding cost reporting period exceeds 140 percent of the locality adjusted national average per resident amount computed under subparagraph (E) for that hospital and preceding period, the approved FTE resident amount for the period involved shall be updated in the manner described in subparagraph (D)(i) except that, subject to subclause (III), the consumer price index applied for a 12-month period shall be reduced (but not below zero) by 2 percentage points.

(III) No adjustment below 140 percent

In no case shall subclause (I) or (II) reduce an approved FTE resident amount for a hospital for a cost reporting period below 140 percent of the locality adjusted national average per resident amount computed under subparagraph (E) for such hospital and period.

(E) Determination of locality adjusted national average per resident amount

The Secretary shall determine a locality adjusted national average per resident amount with respect to a cost reporting period of a hospital beginning during a fiscal year as follows:

(i) Determining hospital single per resident amount

The Secretary shall compute for each hospital operating an approved graduate medical education program a single per resident amount equal to the average (weighted by number of full-time equivalent residents, as determined under paragraph (4)) of the primary care per resident amount and the non-primary care per resident amount computed under paragraph (2) for cost reporting periods ending during fiscal year 1997.

(ii) Standardizing per resident amounts

The Secretary shall compute a standardized per resident amount for each such hospital by dividing the single per resident amount computed under clause (i) by an average of the 3 geographic index values (weighted by the national average weight for each of the work, practice expense, and malpractice components) as applied under section 1395w–4(e) of this title for 1999 for the fee schedule area in which the hospital is located.

(iii) Computing of weighted average

The Secretary shall compute the average of the standardized per resident amounts computed under clause (ii) for such hospitals, with the amount for each hospital weighted by the average number of full-time equivalent residents at such hospital (as determined under paragraph (4)).

(iv) Computing national average per resident amount

The Secretary shall compute the national average per resident amount for a hospital’s cost reporting period that begins during fiscal year 2001, equal to the weighted average computed under clause (iii) increased by the estimated percentage increase in the consumer price index for all urban consumers during the period beginning with the month that represents the midpoint of the cost reporting periods described in clause (i) and ending with the midpoint of the hospital’s cost reporting period that begins during fiscal year 2001.

(v) Adjusting for locality

The Secretary shall compute the product of—

(I) the national average per resident amount computed under clause (iv) for the hospital, and

(II) the geographic index value average (described and applied under clause (ii))
(vi) Computing locality adjusted amount
The locality adjusted national per resident amount for a hospital for—
(I) the cost reporting period beginning during fiscal year 2001 is the product computed under clause (v); or
(II) each subsequent cost reporting period is equal to the locality adjusted national per resident amount for the hospital for the previous cost reporting period (as determined under this clause) updated, through the midpoint of the period, by projecting the estimated percentage change in the consumer price index for all urban consumers during the 12-month period ending at that midpoint.

(F) Treatment of certain hospitals
In the case of a hospital that did not have an approved medical residency training program or was not participating in the program under this subchapter for a cost reporting period beginning during fiscal year 1984, the Secretary shall, for the first such period for which it has such a residency training program and is participating under this subchapter, provide for such approved FTE resident amounts for comparable programs.

(3) Hospital payment amount per resident
(A) In general
The payment amount, for a hospital cost reporting period beginning on or after July 1, 1985, is equal to the product of—
(i) the aggregate approved amount (as defined in subparagraph (B)) for that period, and
(ii) the hospital’s medicare patient load (as defined in subparagraph (C)) for that period.

(B) Aggregate approved amount
As used in subparagraph (A), the term “aggregate approved amount” means, for a hospital cost reporting period, the product of—
(i) the hospital’s approved FTE resident amount (determined under paragraph (2)) for that period, and
(ii) the weighted average number of full-time-equivalent residents (as determined under paragraph (4)) in the hospital’s approved medical residency training programs in that period.

The Secretary shall reduce the aggregate approved amount to the extent payment is made under subsection (k) for residents included in the hospital’s count of full-time-equivalent residents.

(C) Medicare patient load
As used in subparagraph (A), the term “medicare patient load” means, with respect to a hospital’s cost reporting period, the fraction of the total number of inpatient-bed-days (as established by the Secretary) during the period which are attributable to patients with respect to whom payment may be made under part A.

(D) Payment for managed care enrollees
(i) In general
For portions of cost reporting periods occurring on or after January 1, 1998, the Secretary shall provide for an additional payment amount under this subsection for services furnished to individuals who are enrolled under a risk-sharing contract with an eligible organization under section 1395mm of this title and who are entitled to part A or with a Medicare+Choice organization under part C. The amount of such a payment shall equal, subject to clause (iii), the applicable percentage of the product of—
(I) the aggregate approved amount (as defined in subparagraph (B)) for that period; and
(II) the fraction of the total number of inpatient-bed days (as established by the Secretary) during the period which are attributable to such enrolled individuals.

(ii) Applicable percentage
For purposes of clause (i), the applicable percentage is—
(I) 20 percent in 1998,
(II) 40 percent in 1999,
(III) 60 percent in 2000,
(IV) 80 percent in 2001, and
(V) 100 percent in 2002 and subsequent years.

(iii) Proportional reduction for nursing and allied health education
The Secretary shall estimate a proportional adjustment in payments to all hospitals determined under clauses (i) and (ii) for portions of cost reporting periods beginning in a year (beginning with 2000) such that the proportional adjustment reduces payments in an amount for such year equal to the total additional payment amounts for nursing and allied health education determined under subsection (l) for portions of cost reporting periods occurring in that year.

(iv) Special rule for hospitals under reimbursement system
The Secretary shall establish rules for the application of this subparagraph to a hospital reimbursed under a reimbursement system authorized under section 1395f(b)(3) of this title in the same manner as it would apply to the hospital if it were not reimbursed under such section.

(4) Determination of full-time-equivalent residents
(A) Rules
The Secretary shall establish rules consistent with this paragraph for the computation of the number of full-time-equivalent residents in an approved medical residency training program.

(B) Adjustment for part-year or part-time residents
Such rules shall take into account individuals who serve as residents for only a por-
§ 1395ww

10 So in original. The semicolon probably should not appear.

So in original. The semicolon probably should not appear.

(C) Weighting factors for certain residents

Subject to subparagraph (D), such rules shall provide, in calculating the number of full-time-equivalent residents in an approved residency program—

(i) before July 1, 1986, for each resident the weighting factor is 1.00,

(ii) on or after July 1, 1986, for a resident who is in the resident’s initial residency period (as defined in paragraph (5)(F)), the weighting factor is 1.00,

(iii) on or after July 1, 1986, and before July 1, 1987, for a resident who is not in the resident’s initial residency period (as defined in paragraph (5)(F)), the weighting factor is .75, and

(iv) on or after July 1, 1987, for a resident who is not in the resident’s initial residency period (as defined in paragraph (5)(F)), the weighting factor is .50.

(D) Foreign medical graduates required to pass FMGEMS examination

(i) In general

Except as provided in clause (ii), such rules shall provide that, in the case of an individual who is a foreign medical graduate (as defined in paragraph (5)(D)), the individual shall not be counted as a resident on or after July 1, 1986, unless—

(I) the individual has passed the FMGEMS examination (as defined in paragraph (5)(E)), or

(II) the individual has previously received certification from, or has previously passed the examination of, the Educational Commission for Foreign Medical Graduates.

(ii) Transition for current FMGS

On or after July 1, 1986, but before July 1, 1987, in the case of a foreign medical graduate who—

(I) has served as a resident before July 1, 1986, and is serving as a resident after that date, but

(II) has not passed the FMGEMS examination or a previous examination of the Educational Commission for Foreign Medical Graduates before July 1, 1986,

the individual shall be counted as a resident at a rate equal to one-half of the rate at which the individual would otherwise be counted.

(E) Counting time spent in outpatient settings

Subject to subparagraphs (J) and (K), such rules shall provide that only time spent in activities relating to patient care shall be counted and that—

(i) effective for cost reporting periods beginning before July 1, 2010, all the time; 10 so spent by a resident under an approved medical residency training program shall be counted towards the determination of full-time equivalency, without regard to the setting in which the activities are performed, if the hospital incurs all, or substantially all, of the costs for the training program in that setting; and

(ii) effective for cost reporting periods beginning on or after July 1, 2010, all the time so spent by a resident shall be counted towards the determination of full-time equivalency, without regard to the setting in which the activities are performed, if a hospital incurs the costs of the stipends and fringe benefits of the resident during the time the resident spends in that setting. If more than one hospital incurs these costs, either directly or through a third party, such hospitals shall count a proportional share of the time, as determined by written agreement between the hospitals, that a resident spends training in that setting.

Any hospital claiming under this subparagraph for time spent in a nonprovider setting shall maintain and make available to the Secretary records regarding the amount of such time and such amount in comparison with amounts of such time in such base year as the Secretary shall specify.

(F) Limitation on number of residents in allopathic and osteopathic medicine

(i) In general

Such rules shall provide that for purposes of a cost reporting period beginning on or after October 1, 1997, subject to paragraphs (7) and (8), the total number of full-time equivalent residents before application of weighting factors (as determined under this paragraph) with respect to a hospital’s approved medical residency training program in the fields of allopathic medicine and osteopathic medicine may not exceed the number (or, 130 percent of such number in the case of a hospital located in a rural area) of such full-time equivalent residents for the hospital’s most recent cost reporting period ending on or before December 31, 1996.

(ii) Counting primary care residents on certain approved leaves of absence in base year FTE count

(I) In general

In determining the number of such full-time equivalent residents for a hospital’s most recent cost reporting period ending on or before December 31, 1996, for purposes of clause (i), the Secretary shall count an individual to the extent that the individual would have been counted as a primary care resident for such period but for the fact that the individual, as determined by the Secretary, was on maternity or disability leave or a similar approved leave of absence.

(II) Limitation to 3 FTE residents for any hospital

The total number of individuals counted under subclause (I) for a hospital may
not exceed 3 full-time equivalent residents.

(G) Counting interns and residents for FY 1998 and subsequent years

(i) In general
For cost reporting periods beginning during fiscal years beginning on or after October 1, 1997, subject to the limit described in subparagraph (F), the total number of full-time equivalent residents for determining a hospital's graduate medical education payment shall equal the average of the actual full-time equivalent resident counts for the cost reporting period and the preceding two cost reporting periods.

(ii) Adjustment for short periods
If any cost reporting period beginning on or after October 1, 1997, is not equal to twelve months, the Secretary shall make appropriate modifications to ensure that the average full-time equivalent resident counts pursuant to clause (i) are based on the equivalent of full twelve-month cost reporting periods.

(iii) Transition rule for 1998
In the case of a hospital's first cost reporting period beginning on or after October 1, 1997, clause (i) shall be applied by using the average for such period and the preceding cost reporting period.

(H) Special rules for application of subparagraphs (F) and (G)

(i) New facilities
The Secretary shall, consistent with the principles of subparagraphs (F) and (G) and subject to paragraphs (7) and (8), prescribe rules for the application of such subparagraphs in the case of medical residency training programs established on or after January 1, 1995. In promulgating such rules for purposes of subparagraph (F), the Secretary shall give special consideration to facilities that meet the needs of underserved rural areas.

(ii) Aggregation
The Secretary may prescribe rules which allow institutions which are members of the same affiliated group (as defined by the Secretary) to elect to apply the limitation of subparagraph (F) on an aggregate basis.

(iii) Data collection
The Secretary may require any entity that operates a medical residency training program and to which subparagraphs (F) and (G) apply to submit to the Secretary such additional information as the Secretary considers necessary to carry out such subparagraphs.

(iv) Nonrural hospitals operating training programs in rural areas
In the case of a hospital that is not located in a rural area but establishes separately accredited approved medical residency training programs (or rural tracks) in an\(^{11}\) rural area or has an accredited training program with an integrated rural track, the Secretary shall adjust the limitation under subparagraph (F) in an appropriate manner insofar as it applies to such programs in such rural areas in order to encourage the training of physicians in rural areas.

(v) Special provider agreement
If an entity enters into a provider agreement pursuant to section 1395cc(a) of this title to provide hospital services on the same physical site previously used by Medicare Provider No. 05-0578—

(I) the limitation on the number of full-time equivalent residents under subparagraph (F) and clauses (v) and (vi)(I) of subsection (d)(5)(B) applicable to such provider shall be equal to the limitation applicable under such provisions to Provider No. 05-0578 for its cost reporting period ending on June 30, 2006; and

(II) the provisions of subparagraph (G) and subsection (d)(5)(B)(vi)(II) shall not be applicable to such provider for the first three cost reporting years in which such provider trains residents under any approved medical residency training program.

(vi) Redistribution of residency slots after a hospital closes

(I) In general
Subject to the succeeding provisions of this clause, the Secretary shall, by regulation, establish a process under which, in the case where a hospital (other than a hospital described in clause (vi)) with an approved medical residency program closes on or after a date that is 2 years before March 23, 2010, the Secretary shall increase the otherwise applicable resident limit under this paragraph for other hospitals in accordance with this clause.

(II) Priority for hospitals in certain areas
Subject to the succeeding provisions of this clause, in determining for which hospitals the increase in the otherwise applicable resident limit is provided under such process, the Secretary shall distribute the increase to hospitals in the following priority order (with preference given within each category to hospitals that are members of the same affiliated group (as defined by the Secretary under clause (ii)) as the closed hospital):

(aa) First, to hospitals located in the same core-based statistical area as, or a core-based statistical area contiguous to, the hospital that closed.

(bb) Second, to hospitals located in the same State as the hospital that closed.

(cc) Third, to hospitals located in the same region of the country as the hospital that closed.

(dd) Fourth, only if the Secretary is not able to distribute the increase to hospitals described in item (cc), to
§ 1395ww  TITLE 42—THE PUBLIC HEALTH AND WELFARE  Page 3484

qualifying hospitals in accordance with the provisions of paragraph (8).

(III) Requirement hospital likely to fill position within certain time period

The Secretary may only increase the otherwise applicable resident limit of a hospital under such process if the Secretary determines the hospital has demonstrated a likelihood of filling the positions made available under this clause within 3 years.

(IV) Limitation

The aggregate number of increases in the otherwise applicable resident limits for hospitals under this clause shall be equal to the number of resident positions in the approved medical residency programs that closed on or after the date described in subclause (I).

(V) Administration

Chapter 35 of title 44 shall not apply to the implementation of this clause.

(J) 12 Treatment of certain nonprovider and didactic activities

Such rules shall provide that all time spent by an intern or resident in an approved medical residency training program in a nonprovider setting that is primarily engaged in furnishing patient care (as defined in paragraph (5)(K)) in non-patient care activities, such as didactic conferences and seminars, but not including research not associated with the treatment or diagnosis of a particular patient, as such time and activities are defined by the Secretary, shall be counted toward the determination of full-time equivalency.

(K) Treatment of certain other activities

In determining the hospital’s number of full-time equivalent residents for purposes of this subsection, all the time that is spent by an intern or resident in an approved medical residency training program on vacation, sick leave, or other approved leave, as such time is defined by the Secretary, and that does not prolong the total time the resident is participating in the approved program beyond the normal duration of the program shall be counted toward the determination of full-time equivalency.

(5) Definitions and special rules

As used in this subsection:

(A) Approved medical residency training program

The term “approved medical residency training program” means a residency or other postgraduate medical training program participation in which may be counted toward certification in a specialty or subspecialty and includes formal postgraduate training programs in geriatric medicine approved by the Secretary.

(B) Consumer price index

The term “consumer price index” refers to the Consumer Price Index for All Urban Consumers (United States city average), as published by the Secretary of Commerce.

(C) Direct graduate medical education costs

The term “direct graduate medical education costs” means direct costs of approved educational activities for approved medical residency training programs.

(D) Foreign medical graduate

The term “foreign medical graduate” means a resident who is not a graduate of—

(i) a school of medicine accredited by the Liaison Committee on Medical Education of the American Medical Association and the Association of American Medical Colleges (or approved by such Committee as meeting the standards necessary for such accreditation),

(ii) a school of osteopathy accredited by the American Osteopathic Association, or approved by such Association as meeting the standards necessary for such accreditation, or

(iii) a school of dentistry or podiatry which is accredited (or meets the standards for accreditation) by an organization recognized by the Secretary for such purpose.

(E) FMGEMS examination

The term “FMGEMS examination” means parts I and II of the Foreign Medical Graduate Examination in the Medical Sciences or any successor examination recognized by the Secretary for this purpose.

(F) Initial residency period

The term “initial residency period” means the period of board eligibility, except that—

(i) except as provided in clause (ii), in no case shall the initial period of residency exceed an aggregate period of formal training of more than five years for any individual, and

(ii) a period, of not more than two years, during which an individual is in a geriatric residency or fellowship program or a preventive medicine residency or fellowship program which meets such criteria as the Secretary may establish, shall be treated as part of the initial residency period, but shall not be counted against any limitation on the initial residency period.

Subject to subparagraph (G)(v), the initial residency period shall be determined, with respect to a resident, as of the time the resident enters the residency training program.

(G) Period of board eligibility

(i) General rule

Subject to clauses (ii), (iii), (iv), and (v), the term “period of board eligibility” means, for a resident, the minimum number of years of formal training necessary to satisfy the requirements for initial board eligibility in the particular specialty for which the resident is training.

(ii) Application of 1985–1986 directory

Except as provided in clause (iii), the period of board eligibility shall be such pe-

12So in original. No subpar. (I) has been enacted.
period specified in the 1985–1986 Directory of Residency Training Programs published by the Accreditation Council on Graduate Medical Education.

(iii) Changes in period of board eligibility

On or after July 1, 1989, if the Accreditation Council on Graduate Medical Education, in its Directory of Residency Training Programs—

(I) increases the minimum number of years of formal training necessary to satisfy the requirements for a specialty, above the period specified in its 1985–1986 Directory, the Secretary may increase the period of board eligibility for that specialty, but not to exceed the period of board eligibility specified in that later Directory, or

(II) decreases the minimum number of years of formal training necessary to satisfy the requirements for a specialty, below the period specified in its 1985–1986 Directory, the Secretary may decrease the period of board eligibility for that specialty, but not below the period of board eligibility specified in that later Directory.

(iv) Special rule for certain primary care combined residency programs

(I) In the case of a resident enrolled in a combined medical residency training program in which all of the individual programs (that are combined) are for training a primary care resident (as defined in subparagraph (H)), the period of board eligibility shall be the minimum number of years of formal training required to satisfy the requirements for initial board eligibility in the longest of the individual programs plus one additional year.

(II) A resident enrolled in a combined medical residency training program that includes an obstetrics and gynecology program shall qualify for the period of board eligibility under subclause (I) if the other programs such resident combines with such obstetrics and gynecology program are for training a primary care resident.

(v) Child neurology training programs

In the case of a resident enrolled in a child neurology residency training program, the period of board eligibility and the initial residency period shall be the period of board eligibility for pediatrics plus 2 years.

(H) Primary care resident

The term “primary care resident” means a resident enrolled in an approved medical residency training program in family medicine, general internal medicine, general pediatrics, preventive medicine, geriatric medicine, or osteopathic general practice.

(I) Resident

The term “resident” includes an intern or other participant in an approved medical residency training program.

(J) Adjustments for certain family practice residency programs

(i) In general

In the case of an approved medical residency training program (meeting the requirements of clause (ii)) of a hospital which received funds from the United States, a State, or a political subdivision of a State or an instrumentality of such a State or political subdivision (other than payments under this subchapter or a State plan under subchapter XIX) for the program during the cost reporting period that began during fiscal year 1984, the Secretary shall—

(I) provide for an average amount under paragraph (2)(A) that takes into account the Secretary’s estimate of the amount that would have been recognized as reasonable under this subchapter if the hospital had not received such funds, and

(II) reduce the payment amount otherwise provided under this subsection in an amount equal to the proportion of such program funds received during the cost reporting period involved that is allocable to this subchapter.

(ii) Additional requirements

A hospital’s approved medical residency program meets the requirements of this clause if—

(I) the program is limited to training for family and community medicine;

(II) the program is the only approved medical residency program of the hospital; and

(III) the average amount determined under paragraph (2)(A) for the hospital (as determined without regard to the increase in such amount described in clause (i)(I)) does not exceed $10,000.

(K) Nonprovider setting that is primarily engaged in furnishing patient care

The term “nonprovider setting that is primarily engaged in furnishing patient care” means a nonprovider setting in which the primary activity is the care and treatment of patients, as defined by the Secretary.

(6) Incentive payment under plans for voluntary reduction in number of residents

(A) In general

In the case of a voluntary residency reduction plan for which an application is approved under subparagraph (B), subject to subparagraph (F), each hospital which is part of the qualifying entity submitting the plan shall be paid an applicable hold harmless percentage (as specified in subparagraph (E)) of the sum of—

(I) the amount (if any) by which—

(I) the amount of payment which would have been made under this subsection if there had been a 5-percent reduction in the number of full-time equivalent residents in the approved medical education training programs of the hospital as of June 30, 1997, exceeds
(II) the amount of payment which is made under this subsection, taking into account the reduction in such number effected under the reduction plan; and

(ii) the amount of the reduction in payment under subsection (d)(5)(B) for the hospital that is attributable to the reduction in number of residents effected under the plan below 85 percent of the number of full-time equivalent residents in such programs of the hospital as of June 30, 1997.

The determination of the amounts under clauses (i) and (ii) for any year shall be made on the basis of the provisions of this subchapter in effect on the application deadline date for the first calendar year to which the reduction plan applies.

(B) Approval of plan applications

The Secretary may not approve the application of an qualifying entity unless—

(i) the application is submitted in a form and manner specified by the Secretary and by not later than November 1, 1999.13

(ii) the application provides for the operation of a plan for the reduction in the number of full-time equivalent residents in the approved medical residency training programs of the entity consistent with the requirements of subparagraph (D);

(iii) the entity elects in the application the period of residency training years (not greater than 5) over which the reduction will occur;

(iv) the entity will not reduce the proportion of its residents in primary care (to the total number of residents) below such proportion as in effect as of the applicable time described in subparagraph (D)(v); and

(v) the Secretary determines that the application and the entity and such plan meet such other requirements as the Secretary specifies in regulations.

(C) Qualifying entity

For purposes of this paragraph, any of the following may be a qualifying entity:

(i) Individual hospitals operating one or more approved medical residency training programs.

(ii) Two or more hospitals that operate such programs and apply for treatment under this paragraph as a single qualifying entity.

(iii) A qualifying consortium (as described in section 4628 of the Balanced Budget Act of 1997).

(D) Residency reduction requirements

(i) Individual hospital applicants

In the case of a qualifying entity described in subparagraph (C)(i), the number of full-time equivalent residents in all the approved medical residency training programs operated by or through the entity shall be reduced as follows:

(I) If the base number of residents exceeds 750 residents, by 150 residents.

(II) Subject to subclause (IV), if the base number of residents does not exceed 600 residents, by a number equal to at least 25 percent of such base number.

(III) Subject to subclause (IV), if the base number of residents does not exceed 600 residents, by a number equal to at least 20 percent of the base number.

(ii) Joint applicants

In the case of a qualifying entity described in subparagraph (C)(ii), the number of full-time equivalent residents in the aggregate for all the approved medical residency training programs operated by or through the entity shall be reduced as follows:

(I) Subject to subclause (II), by a number equal to at least 25 percent of the base number.

(II) In the case of such a qualifying entity which is described in clause (v) and which elects treatment under this subclause, by a number equal to at least 20 percent of the base number.

(iii) Consortia

In the case of a qualifying entity described in subparagraph (C)(iii), the number of full-time equivalent residents in the aggregate for all the approved medical residency training programs operated by or through the entity shall be reduced by a number equal to at least 20 percent of the base number.

(iv) Manner of reduction

The reductions specified under the preceding provisions of this subparagraph for a qualifying entity shall be below the base number of residents for that entity and shall be fully effective not later than the 5th residency training year in which the application under subparagraph (B) is effective.

(v) Entities providing assurance of increase in primary care residents

An entity is described in this clause if—

(I) the base number of residents for the entity is less than 750 or the entity is described in subparagraph (C)(ii); and

(II) the entity represents in its application under subparagraph (B) that it will increase the number of full-time equivalent residents in primary care by at least 20 percent (from such number included in the base number of residents) by not later than the 5th residency training year in which the application under subparagraph (B) is effective.

If a qualifying entity fails to comply with the representation described in subclause (II) by the end of such 5th residency training year, the entity shall be subject to repayment of all amounts paid under this paragraph, in accordance with procedures established to carry out subparagraph (F).

---

13So in original. The comma probably should be a semicolon.
(vi) “Base number of residents” defined
For purposes of this paragraph, the term “base number of residents” means, with respect to a qualifying entity (or its participating hospitals) operating approved medical residency training programs, the number of full-time equivalent residents in such programs (before application of weighting factors) of the entity as of the most recent residency training year ending before June 30, 1997, or, if less, for any subsequent residency training year that ends before the date the entity makes application under this paragraph.

(E) Applicable hold harmless percentage
For purposes of subparagraph (A), the “applicable hold harmless percentage” for the—
(i) first and second residency training years in which the reduction plan is in effect, 100 percent,
(ii) third such year, 75 percent,
(iii) fourth such year, 50 percent, and
(iv) fifth such year, 25 percent.

(F) Penalty for noncompliance
(i) In general
No payment may be made under this paragraph to a hospital for a residency training year if the hospital has failed to reduce the number of full-time equivalent residents (in the manner required under subparagraph (D)) to the number agreed to by the Secretary and the qualifying entity in approving the application under this paragraph with respect to such year.

(ii) Increase in number of residents in subsequent years
If payments are made under this paragraph to a hospital, and if the hospital increases the number of full-time equivalent residents above the number of such residents permitted under the reduction plan as of the completion of the plan, then, as specified by the Secretary, the entity is liable for repayment to the Secretary of the total amounts paid under this paragraph to the entity.

(G) Treatment of rotating residents
In applying this paragraph, the Secretary shall establish rules regarding the counting of residents who are assigned to institutions the medical residency training programs in which are not covered under approved applications under this paragraph.

(7) Redistribution of unused resident positions
(A) Reduction in limit based on unused positions
(i) Programs subject to reduction
(I) In general
Except as provided in subclause (II), if a hospital’s reference resident level (specified in clause (ii)) is less than the otherwise applicable resident limit (as defined in subparagraph (C)(ii)), effective for portions of cost reporting periods occurring on or after July 1, 2005, the otherwise applicable resident limit shall be reduced by 75 percent of the difference between such otherwise applicable resident limit and such reference resident level.

(II) Exception for small rural hospitals
This subparagraph shall not apply to a hospital located in a rural area (as defined in subsection (d)(2)(D)(ii)) with fewer than 250 acute care inpatient beds.

(ii) Reference resident level
(I) In general
Except as otherwise provided in subclauses (II) and (III), the reference resident level specified in this clause for a hospital is the resident level for the most recent cost reporting period of the hospital ending on or before September 30, 2002, for which a cost report has been settled (or, if not, submitted (subject to audit)), as determined by the Secretary.

(II) Use of most recent accounting period to recognize expansion of existing programs
If a hospital submits a timely request to increase its resident level due to an expansion of an existing residency training program that is not reflected on the most recent settled cost report, after audit and subject to the discretion of the Secretary, the reference resident level for such hospital is the resident level for the cost reporting period that includes July 1, 2003, as determined by the Secretary.

(III) Expansions under newly approved programs
Upon the timely request of a hospital, the Secretary shall adjust the reference resident level specified under subclause (I) or (II) to include the number of medical residents that were approved in an application for a medical residency training program that was approved by an appropriate accrediting organization (as determined by the Secretary) before January 1, 2002, but which was not in operation during the cost reporting period used under subclause (I) or (II), as the case may be, as determined by the Secretary.

(iii) Affiliation
The provisions of clause (i) shall be applied to hospitals which are members of the same affiliated group (as defined by the Secretary under paragraph (4)(H)(ii)) as of July 1, 2003.

(B) Redistribution
(i) In general
The Secretary is authorized to increase the otherwise applicable resident limit for each qualifying hospital that submits a timely application under this subparagraph by such number as the Secretary may approve for portions of cost reporting periods occurring on or after July 1, 2005. The aggregate number of increases in the
otherwise applicable resident limits under this subparagraph may not exceed the Secretary’s estimate of the aggregate reduction in such limits attributable to subparagraph (A).

(ii) Considerations in redistribution

In determining for which hospitals the increase in the otherwise applicable resident limit is provided under clause (i), the Secretary shall take into account the demonstrated likelihood of the hospital filling the positions within the first 3 cost reporting periods beginning on or after July 1, 2005, made available under this subparagraph, as determined by the Secretary.

(iii) Priority for rural and small urban areas

In determining for which hospitals and residency training programs an increase in the otherwise applicable resident limit is provided under clause (i), the Secretary shall distribute the increase to programs of hospitals located in the following priority order:

(I) First, to hospitals located in rural areas (as defined in subsection (d)(2)(D)(ii)).

(II) Second, to hospitals located in urban areas that are not large urban areas (as defined for purposes of subsection (d)).

(III) Third, to other hospitals in a State if the residency training program involved is in a specialty for which there are not other residency training programs in the State.

Increases of residency limits within the same priority category under this clause shall be determined by the Secretary.

(iv) Limitation

In no case shall more than 25 full-time equivalent additional residency positions be made available under this subparagraph with respect to any hospital.

(v) Application of locality adjusted national average per resident amount

With respect to additional residency positions in a hospital attributable to the increase provided under this subparagraph, notwithstanding any other provision of this subsection, the approved FTE resident amount is deemed to be equal to the locality adjusted national average per resident amount computed under paragraph (4)(E) for that hospital.

(vi) Construction

Nothing in this subparagraph shall be construed as permitting the redistribution of reductions in residency positions attributable to voluntary reduction programs under paragraph (6), under a demonstration project approved as of October 31, 2003, under the authority of section 402 of Public Law 90-248, or as affecting the ability of a hospital to establish new medical residency training programs under paragraph (4)(H).

(C) Resident level and limit defined

In this paragraph:

(i) Resident level

The term “resident level” means, with respect to a hospital, the total number of full-time equivalent residents, before the application of weighting factors (as determined under paragraph (4)), in the fields of allopathic and osteopathic medicine for the hospital.

(ii) Otherwise applicable resident limit

The term “otherwise applicable resident limit” means, with respect to a hospital, the limit otherwise applicable under subparagraphs (F)(1) and (H) of paragraph (4) on the resident level for the hospital determined without regard to this paragraph.

(D) Adjustment based on settled cost report

In the case of a hospital with a dual accredited osteopathic and allopathic family practice program for which—

(i) the otherwise applicable resident limit was reduced under subparagraph (A)(i)(I); and

(ii) such reduction was based on a reference resident level that was determined using a cost report and where a revised or corrected notice of program reimbursement was issued for such cost report between September 1, 2006 and September 15, 2006, whether as a result of an appeal or otherwise, and the reference resident level under such settled cost report is higher than the level used for the reduction under subparagraph (A)(i)(I);

the Secretary shall apply subparagraph (A)(i)(I) using the higher resident reference level and make any necessary adjustments to such reduction. Any such necessary adjustments shall be effective for portions of cost reporting periods occurring on or after July 1, 2005.

(E) Judicial review

There shall be no administrative or judicial review under section 1395ff of this title, 1395oo of this title, or otherwise, with respect to determinations made under this paragraph, paragraph (8), or paragraph (4)(H)(vi).

(8) Distribution of additional residency positions

(A) Reductions in limit based on unused positions

(i) In general

Except as provided in clause (ii), if a hospital’s reference resident level (as defined in subparagraph (H)(i)) is less than the otherwise applicable resident limit (as defined in subparagraph (H)(iii)), effective for portions of cost reporting periods occurring on or after July 1, 2011, the otherwise applicable resident limit shall be reduced by 65 percent of the difference between such otherwise applicable resident limit and such reference resident level.

(ii) Exceptions

This subparagraph shall not apply to—
(B) Distribution

(i) In general

The Secretary shall increase the otherwise applicable resident limit for each qualifying hospital that submits an application under this subparagraph by such number as the Secretary may approve for the period of cost reporting periods occurring on or after July 1, 2011. The aggregate number of increases in the otherwise applicable resident limit under this subparagraph shall be equal to the aggregate reduction in such limits attributable to subparagraph (A) (as estimated by the Secretary), excluding any additional positions under subclause (II), is not less than the average number of full-time equivalent primary care residents (as so defined in paragraph (5)(H) (as determined by the Secretary) during the 3 most recent cost reporting periods ending prior to March 23, 2010; and (II) not less than 75 percent of the positions attributable to such increase are in a primary care or general surgery residency (as determined by the Secretary).

The Secretary may determine whether a hospital has met the requirements under this clause during such 5-year period in such manner and at such time as the Secretary determines appropriate, including at the end of such 5-year period.

(ii) Requirements

Subject to clause (iii), a hospital that receives an increase in the otherwise applicable resident limit under this subparagraph shall ensure, during the 5-year period beginning on the date of such increase, that—

(I) the number of full-time equivalent primary care residents, as defined in paragraph (5)(H) (as determined by the Secretary), excluding any additional positions under subclause (II), is not less than the average number of full-time equivalent primary care residents (as so determined) during the 3 most recent cost reporting periods ending prior to March 23, 2010; and

(ii) whether the hospital has an accredited rural training track (as described in section 402 of Public Law 90–248, if the hospital demonstrates to the Secretary that it has a specified plan in place for filling the unused positions by not later than 2 years after March 23, 2010; or

(iii) A hospital described in paragraph (d)(2)(D)(ii).

(E) Reservation of positions for certain hospitals

(i) In general

Subject to clause (ii), the Secretary shall reserve the positions available for distribution under this paragraph as follows:

(1) 70 percent of such positions for distribution to hospitals described in clause (i) of subparagraph (D).

(II) 30 percent of such positions for distribution to hospitals described in clause (ii) and (iii) of such subparagraph.

(ii) Exception if positions not redistributed by July 1, 2011

In the case where the Secretary does not distribute positions to hospitals in accordance with clause (i) by July 1, 2011, the Secretary shall distribute such positions to other hospitals in accordance with the considerations described in subparagraph (C) and the priority described in subparagraph (D).
§ 1395ww

TITLE 42—THE PUBLIC HEALTH AND WELFARE

Page 3490

(F) Limitation
A hospital may not receive more than 75 full-time equivalent additional residency positions under this paragraph.

(G) Application of per resident amounts for primary care and nonprimary care
With respect to additional residency positions in a hospital attributable to the increase provided under this paragraph, the approved FTE per resident amounts are deemed to be equal to the hospital per resident amounts for primary care and nonprimary care computed under paragraph (2)(D) for that hospital.

(H) Definitions
In this paragraph:
(i) Reference resident level
The term “reference resident level” means, with respect to a hospital, the highest resident level for any of the 3 most recent cost reporting periods (ending before March 23, 2010) of the hospital for which a cost report has been settled (or, if not, submitted (subject to audit)), as determined by the Secretary.
(ii) Resident level
The term “resident level” has the meaning given such term in paragraph (7)(C)(i).
(iii) Otherwise applicable resident limit
The term “otherwise applicable resident limit” means, with respect to a hospital, the limit otherwise applicable under subparagraphs (F)(i) and (H) of paragraph (4) on the resident level for the hospital determined without regard to this paragraph but taking into account paragraph (7)(A).

(I) Affiliation
The provisions of this paragraph shall be applied to hospitals which are members of the same affiliated group (as defined by the Secretary under paragraph (4)(H)(ii)) and the reference resident level for each such hospital shall be the reference resident level with respect to the cost reporting period that results in the smallest difference between the reference resident level and the otherwise applicable resident limit.

(j) Avoiding duplicative payments to hospitals participating in rural demonstration programs
The Secretary shall reduce any payment amounts otherwise determined under this section to the extent necessary to avoid duplication of any payment made under section 4005(e) of the Omnibus Budget Reconciliation Act of 1987.

(j) Prospective payment for inpatient rehabilitation services
(1) Payment during transition period
(A) In general
Notwithstanding section 1395f(b) of this title, subject to the provisions of section 1395e of this title, the amount of the payment with respect to the operating and capital costs of inpatient hospital services of a rehabilitation hospital or a rehabilitation unit (in this subsection referred to as a “rehabilitation facility”), other than a facility making an election under subparagraph (F) in a cost reporting period beginning on or after October 1, 2000, and before October 1, 2002, is equal to the sum of—
(i) the TEFRA percentage (as defined in subparagraph (C)) of the amount that would have been paid under part A with respect to such costs if this subsection did not apply, and
(ii) the prospective payment percentage (as defined in subparagraph (C)) of the product of (I) the per unit payment rate established under this subsection for the fiscal year in which the payment unit of service occurs, and (II) the number of such payment units occurring in the cost reporting period.

(B) Fully implemented system
Notwithstanding section 1395f(b) of this title, but subject to the provisions of section 1395e of this title, the amount of the payment with respect to the operating and capital costs of inpatient hospital services of a rehabilitation facility for a payment unit in a cost reporting period beginning on or after October 1, 2002, or, in the case of a facility making an election under subparagraph (F), for any cost reporting period described in such subparagraph, is equal to the per unit payment rate established under this subsection for the fiscal year in which the payment unit of service occurs.

(C) TEFRA and prospective payment percentages specified
For purposes of subparagraph (A), for a cost reporting period beginning—
(i) on or after October 1, 2001, the “TEFRA percentage” is 66 2⁄3 percent and the “prospective payment percentage” is 33 1⁄3 percent; and
(ii) on or after October 1, 2001, and before October 1, 2002, the “TEFRA percentage” is 33 1⁄3 percent and the “prospective payment percentage” is 66 2⁄3 percent.

(D) Payment unit
For purposes of this subsection, the term “payment unit” means a discharge.

(E) Construction relating to transfer authority
Nothing in this subsection shall be construed as preventing the Secretary from providing for an adjustment to payments to take into account the early transfer of a patient from a rehabilitation facility to another site of care.

(F) Election to apply full prospective payment system
A rehabilitation facility may elect, not later than 30 days before its first cost reporting period for which the payment methodology under this subsection applies to the facility, to have payment made to the facility under this subsection under the provisions of subparagraph (B) (rather than subparagraph (A)) for each cost reporting period to which such payment methodology applies.
(2) Patient case mix groups

(A) Establishment

The Secretary shall establish—
(i) classes of patient discharges of rehabilitation facilities by functional-related groups (each in this subsection referred to as a "case mix group"), based on impairment, age, comorbidities, and functional capability of the patient and such other factors as the Secretary deems appropriate to improve the explanatory power of functional independence measure-function related groups; and
(ii) a method of classifying specific patients in rehabilitation facilities within these groups.

(B) Weighting factors

For each case mix group the Secretary shall assign an appropriate weighting which reflects the relative facility resources used with respect to patients classified within that group compared to patients classified within other groups.

(C) Adjustments for case mix

(i) In general

The Secretary shall from time to time adjust the classifications and weighting factors established under this paragraph as appropriate to reflect changes in treatment patterns, technology, case mix, number of payment units for which payment is made under this subchapter, and other factors which may affect the relative use of resources. Such adjustments shall be made in a manner so that changes in aggregate payments under the classification system are a result of real changes and are not a result of changes in coding that are unrelated to real changes in case mix.

(ii) Adjustment

Insofar as the Secretary determines that such adjustments for a previous fiscal year (or estimates that such adjustments for a future fiscal year) did (or are likely to) result in a change in aggregate payments under the classification system during the fiscal year that are a result of changes in the coding or classification of patients that do not reflect real changes in case mix, the Secretary shall adjust the per payment unit payment rate for subsequent years so as to eliminate the effect of such coding or classification changes.

(D) Data collection

The Secretary is authorized to require rehabilitation facilities that provide inpatient hospital services to submit such data as the Secretary deems necessary to establish and administer the prospective payment system under this subsection.

(3) Payment rate

(A) In general

The Secretary shall determine a prospective payment rate for each payment unit for which such rehabilitation facility is entitled to receive payment under this subchapter.

Subject to subparagraph (B), such rate for payment units occurring during a fiscal year shall be based on the average payment per payment unit under this subchapter for inpatient operating and capital costs of rehabilitation facilities using the most recent data available (as estimated by the Secretary as of the date of establishment of the system) adjusted—
(i) by updating such per-payment-unit amount to the fiscal year involved by the weighted average of the applicable percentage increases provided under subsection (b)(3)(B)(ii) (for cost reporting periods beginning during the fiscal year) covering the period from the midpoint of the period for such data through the midpoint of fiscal year 2000 and by an increase factor (described in subparagraph (C)) specified by the Secretary for subsequent fiscal years up to the fiscal year involved;
(ii) by reducing such rates by a factor equal to the proportion of payments under this subsection (as estimated by the Secretary) based on prospective payment amounts which are additional payments described in paragraph (4) (relating to outlier and related payments);
(iii) for variations among rehabilitation facilities by area under paragraph (6);
(iv) by the weighting factors established under paragraph (2)(B); and
(v) by such other factors as the Secretary determines are necessary to properly reflect variations in necessary costs of treatment among rehabilitation facilities.

(B) Budget neutral rates

The Secretary shall establish the prospective payment amounts under this subsection for payment units during fiscal years 2001 and 2002 at levels such that, in the Secretary's estimation, the amount of total payments under this subsection for such fiscal years (including any payment adjustments pursuant to paragraphs (4) and (6) but not taking into account any payment adjustment resulting from an election permitted under paragraph (1)(F)) shall be equal to 98 percent for fiscal year 2001 and 100 percent for fiscal year 2002 of the amount of payments that would have been made under this subchapter during the fiscal years for operating and capital costs of rehabilitation facilities had this subsection not been enacted. In establishing such payment amounts, the Secretary shall consider the effects of the prospective payment system established under this subsection on the total number of payment units from rehabilitation facilities and other factors described in subparagraph (A).

(C) Increase factor

(i) In general

For purposes of this subsection for payment units in each fiscal year (beginning with fiscal year 2001), the Secretary shall establish an increase factor subject to clauses (ii) and (iii). Such factor shall be
based on an appropriate percentage increase in a market basket of goods and services comprising services for which payment is made under this subsection, which may be the market basket percentage increase described in subsection (b)(3)(B)(iii). The increase factor to be applied under this subparagraph for each of fiscal years 2008 and 2009 shall be 0 percent.

(ii) Productivity and other adjustment

Subject to clause (iii), after establishing the increase factor described in clause (i) for a fiscal year, the Secretary shall reduce such increase factor—

(I) for fiscal year 2012 and each subsequent fiscal year, by the productivity adjustment described in subsection (b)(3)(B)(ii); and

(II) for each of fiscal years 2010 through 2019, by the other adjustment described in subparagraph (D).

The application of this clause may result in the increase factor under this subparagraph being less than 0.0 for a fiscal year, and may result in payment rates under this subsection for a fiscal year being less than such payment rates for the preceding fiscal year.

(iii) Special rule for fiscal year 2018

The increase factor to be applied under this subparagraph for fiscal year 2018, after the application of clause (ii), shall be 1 percent.

(D) Other adjustment

For purposes of subparagraph (C)(ii)(II), the other adjustment described in this subparagraph is—

(I) for each of fiscal years 2010 and 2011, 0.25 percentage point;

(ii) for each of fiscal years 2012 and 2013, 0.1 percentage point;

(iii) for fiscal year 2014, 0.3 percentage point;

(iv) for each of fiscal years 2015 and 2016, 0.2 percentage point; and

(v) for each of fiscal years 2017, 2018, and 2019, 0.75 percentage point.

(4) Outlier and special payments

(A) Outliers

(i) In general

The Secretary may provide for an additional payment to a rehabilitation facility for patients in a case mix group, based upon the patient being classified as an outlier based on an unusual length of stay, costs, or other factors specified by the Secretary.

(ii) Payment based on marginal cost of care

The amount of such additional payment under clause (i) shall be determined by the Secretary and shall approximate the marginal cost of care beyond the cutoff point applicable under clause (i).

(iii) Total payments

The total amount of the additional payments made under this subparagraph for payment units in a fiscal year may not exceed 5 percent of the total payments projected or estimated to be made based on prospective payment rates for payment units in that year.

(B) Adjustment

The Secretary may provide for such adjustments to the payment amounts under this subsection as the Secretary deems appropriate to take into account the unique circumstances of rehabilitation facilities located in Alaska and Hawaii.

(5) Publication

The Secretary shall provide for publication in the Federal Register, on or before August 1 before each fiscal year (beginning with fiscal year 2001), of the classification and weighting factors for case mix groups under paragraph (3) for such fiscal year and a description of the methodology and data used in computing the prospective payment rates under this subsection for that fiscal year.

(6) Area wage adjustment

The Secretary shall adjust the proportion (as estimated by the Secretary from time to time) of rehabilitation facilities’ costs which are attributable to wages and wage-related costs, of the prospective payment rates computed under paragraph (3) for area differences in wage levels by a factor (established by the Secretary) reflecting the relative hospital wage level in the geographic area of the rehabilitation facility compared to the national average wage level for such facilities. Not later than October 1, 2001 (and at least every 36 months thereafter), the Secretary shall update the factor under the preceding sentence on the basis of information available to the Secretary (and updated as appropriate) of the wages and wage-related costs incurred in furnishing rehabilitation services. Any adjustments or updates made under this paragraph for a fiscal year shall be made in a manner that assures that the aggregated payments under this subsection in the fiscal year are not greater or less than those that would have been made in the year without such adjustment.

(7) Quality reporting

(A) Reduction in update for failure to report

(i) In general

For purposes of fiscal year 2014 and each subsequent fiscal year, in the case of a rehabilitation facility that does not submit data to the Secretary in accordance with subparagraphs (C) and (F) with respect to such a fiscal year, after determining the increase factor described in paragraph (3)(C), the Secretary shall reduce such increase factor for payments for discharges occurring during such fiscal year by 2 percentage points.

(ii) Special rule

The application of this subparagraph may result in the increase factor described in paragraph (3)(C) being less than 0.0 for a fiscal year, and may result in payment
rates under this subsection for a fiscal year being less than such payment rates for the preceding fiscal year.

(B) Noncumulative application

Any reduction under subparagraph (A) shall apply only with respect to the fiscal year involved and the Secretary shall not take into account such reduction in computing the payment amount under this subsection for a subsequent fiscal year.

(C) Submission of quality data

Subject to subparagraph (G), for fiscal year 2014 and each subsequent fiscal year, each rehabilitation facility shall submit to the Secretary data on quality measures specified under subparagraph (D). Such data shall be submitted in a form and manner, and at a time, specified by the Secretary for purposes of this subparagraph.

(D) Quality measures

(i) In general

Subject to clause (ii), any measure specified by the Secretary under this subparagraph must have been endorsed by the entity with a contract under section 1395aaa(a) of this title.

(ii) Exception

In the case of a specified area or medical topic determined appropriate by the Secretary for which a feasible and practical measure has not been endorsed by the entity with a contract under section 1395aaa(a) of this title, the Secretary may specify a measure that is not so endorsed as long as due consideration is given to measures that have been endorsed or adopted by a consensus organization identified by the Secretary.

(iii) Time frame

Not later than October 1, 2012, the Secretary shall publish the measures selected under this subparagraph that will be applicable with respect to fiscal year 2014.

(E) Public availability of data submitted

The Secretary shall establish procedures for making data submitted under subparagraph (C) and subparagraph (F)(i) available to the public. Such procedures shall ensure that a rehabilitation facility has the opportunity to review the data that is to be made public with respect to the facility prior to such data being made public. The Secretary shall report quality measures that relate to services furnished in inpatient settings in rehabilitation facilities on the Internet website of the Centers for Medicare & Medicaid Services.

(F) Submission of additional data

(i) In general

For the fiscal year beginning on the specified application date (as defined in subsection (a)(2)(E) of section 1395lll of this title), as applicable with respect to inpatient rehabilitation facilities and quality measures under subsection (c)(1) of such section and measures under subsection (d)(1) of such section, and each subsequent fiscal year, in addition to such data on the quality measures described in subparagraph (C), each rehabilitation facility shall submit to the Secretary data on the quality measures under such subsection (c)(1) and any necessary data specified by the Secretary under such subsection (d)(1).

(ii) Standardized patient assessment data

For fiscal year 2019 and each subsequent fiscal year, in addition to such data described in clause (i), each rehabilitation facility shall submit to the Secretary standardized patient assessment data required under subsection (b)(1) of section 1395lll of this title.

(iii) Submission

Such data shall be submitted in the form and manner, and at the time, specified by the Secretary for purposes of this subparagraph.

(G) Non-duplication

To the extent data submitted under subparagraph (F) duplicates other data required to be submitted under subparagraph (C), the submission of such data under subparagraph (F) shall be in lieu of the submission of such data under subparagraph (C). The previous sentence shall not apply insofar as the Secretary determines it is necessary to avoid a delay in the implementation of section 1395lll of this title, taking into account the different specified application dates under subsection (a)(2)(E) of such section.

(8) Limitation on review

There shall be no administrative or judicial review under section 1395lll of this title, 1395oo of this title, or otherwise of the establishment of—

(A) case mix groups, of the methodology for the classification of patients within such groups, and of the appropriate weighting factors thereof under paragraph (2),

(B) the prospective payment rates under paragraph (3),

(C) outlier and special payments under paragraph (4), and

(D) area wage adjustments under paragraph (6).

(k) Payment to nonhospital providers

(1) In general

For cost reporting periods beginning on or after October 1, 1997, the Secretary may establish rules for payment to qualified nonhospital providers for their direct costs of medical education, if those costs are incurred in the operation of an approved medical residency training program described in subsection (h). Such rules shall specify the amounts, form, and manner in which such payments will be made and the portion of such payments that will be made from each of the trust funds under this subchapter.

(2) Qualified nonhospital providers

For purposes of this subsection, the term "qualified nonhospital providers" means—
(A) a Federally qualified health center, as defined in section 1395x(aa)(4) of this title;  
(B) a rural health clinic, as defined in section 1395x(aa)(2) of this title;  
(C) Medicare+Choice organizations; and  
(D) such other providers (other than hospitals) as the Secretary determines to be appropriate.

(i) Payment for nursing and allied health education for managed care enrollees

(1) In general

For portions of cost reporting periods occurring in a year (beginning with 2000), the Secretary shall provide for an additional payment amount for any hospital that receives payments for the costs of approved educational activities for nurse and allied health professional training under section 1395x(v)(1) of this title.

(2) Payment amount

The additional payment amount under this subsection for each hospital for portions of cost reporting periods occurring in a year shall be an amount specified by the Secretary relating to such portions of periods under subsection (h)(3).

(A) Determination of managed care enrollee payment ratio for graduate medical education payments

The Secretary shall estimate the ratio of payments for all hospitals for portions of cost reporting periods occurring in the year under subsection (h)(3)(D) to total direct graduate medical education payments estimated for such portions of periods under subsection (h)(3).

(B) Application to fee-for-service nursing and allied health education payments

Such ratio shall be applied to the Secretary’s estimate of total payments for nursing and allied health education determined under section 1395x(v) (as defined in section 1395x(aa)(4)) of this title for portions of cost reporting periods occurring in the year to determine a total amount of additional payments for nursing and allied health education to be distributed to hospitals under this subsection for portions of cost reporting periods occurring in the year; except that in no case shall such total amount exceed $60,000,000 in any year.

(C) Application to hospital

The amount of payment under this subsection to a hospital for portions of cost reporting periods occurring in a year is equal to the total amount of payments determined under subparagraph (B) for the year multiplied by the ratio of—

(i) the product of (I) the Secretary’s estimate of the ratio of the amount of payments made under section 1395x(v) of this title to the hospital for nursing and allied health education activities for the hospital’s cost reporting period ending in the second preceding fiscal year, to the hospital’s total inpatient days for such period, and (II) the total number of inpatient days (as established by the Secretary) for such period which are attributable to services furnished to individuals who are enrolled under a risk sharing contract with an eligible organization under section 1395mm of this title and who are entitled to benefits under part A or who are enrolled with a Medicare+Choice organization under part C; to

(ii) the sum of the products determined under clause (i) for such cost reporting periods.

(m) Prospective payment for long-term care hospitals

(1) Reference to establishment and implementation of system

For provisions related to the establishment and implementation of a prospective payment system for payments under this subchapter for inpatient hospital services furnished by a long-term care hospital described in subsection (d)(1)(B)(v), see section 122 of the Medicare, Medicaid, and SCHIP Balanced Budget Refinement Act of 1999 and section 307(b) of the Medicare, Medicaid, and SCHIP Benefits Improvement and Protection Act of 2000.

(2) Update for rate year 2008

In implementing the system described in paragraph (1) for discharges occurring during the rate year ending in 2008 for a hospital, the base rate for such discharges for the hospital shall be the same as the base rate for discharges for the hospital occurring during the rate year ending in 2007.

(3) Implementation for rate year 2010 and subsequent years

(A) In general

Subject to subparagraph (C), in implementing the system described in paragraph (1) for rate year 2010 and each subsequent rate year, any annual update to a standard Federal rate for discharges for the hospital during the rate year; shall be reduced—

(i) for rate year 2012 and each subsequent rate year, by the productivity adjustment described in subsection (b)(3)(B)(xii)(II); and

(ii) for each of rate years 2010 through 2019, by the other adjustment described in paragraph (4).

(B) Special rule

The application of this paragraph may result in such annual update being less than 0.0 for a rate year, and may result in payment rates under the system described in paragraph (1) for a rate year being less than such payment rates for the preceding rate year.

(C) Additional special rule

For fiscal year 2018, the annual update under subparagraph (A) for the fiscal year, after application of clauses (i) and (ii) of subparagraph (A), shall be 1 percent.

(4) Other adjustment

For purposes of paragraph (3)(A)(ii), the other adjustment described in this paragraph is—

14So in original. Probably should not be capitalized.
(A) for rate year 2010, 0.25 percentage point;
(B) for rate year 2011, 0.50 percentage point;
(C) for each of the rate years beginning in 2012 and 2013, 0.1 percentage point;
(D) for rate year 2014, 0.3 percentage point;
(E) for each of rate years 2015 and 2016, 0.2 percentage point; and
(F) for each of rate years 2017, 2018, and 2019, 0.75 percentage point.

(5) **Quality reporting**

(A) **Reduction in update for failure to report**

(i) **In general**

Under the system described in paragraph (1), for rate year 2014 and each subsequent rate year, in the case of a long-term care hospital that does not submit data to the Secretary in accordance with subparagraphs (C) and (F) with respect to such a rate year, any annual update to a standard Federal rate for discharges for the hospital during the rate year, and after application of paragraph (3), shall be reduced by 2 percentage points.

(ii) **Special rule**

The application of this subparagraph may result in such annual update being less than 0.0 for a rate year, and may result in payment rates under the system described in paragraph (1) for a rate year being less than such payment rates for the preceding rate year.

(B) **Noncumulative application**

Any reduction under subparagraph (A) shall apply only with respect to the rate year involved and the Secretary shall not take into account such reduction in computing the payment amount under the system described in paragraph (1) for a subsequent rate year.

(C) **Submission of quality data**

Subject to subparagraph (G), for rate year 2014 and each subsequent rate year, each long-term care hospital shall submit to the Secretary data on quality measures specified under subparagraph (D). Such data shall be submitted in a form and manner, and at a time, specified by the Secretary for purposes of this subparagraph.

(D) **Quality measures**

(i) **In general**

Subject to clause (ii), any measure specified by the Secretary under this subparagraph must have been endorsed by the entity with a contract under section 1395aaa(a) of this title.

(ii) **Exception**

In the case of a specified area or medical topic determined appropriate by the Secretary for which a feasible and practical measure has not been endorsed by the entity with a contract under section 1395aaa(a) of this title, the Secretary may specify a measure that is not so endorsed as long as due consideration is given to measures that have been endorsed or adopted by a consensus organization identified by the Secretary.

(iii) **Time frame**

Not later than October 1, 2012, the Secretary shall publish the measures selected under this subparagraph that will be applicable with respect to rate year 2014.

(iv) **Additional quality measures**

Not later than October 1, 2015, the Secretary shall establish a functional status quality measure for change in mobility among inpatients requiring ventilator support.

(E) **Public availability of data submitted**

The Secretary shall establish procedures for making data submitted under subparagraph (C) and subparagraph (F)(i) available to the public. Such procedures shall ensure that a long-term care hospital has the opportunity to review the data that is to be made public with respect to the hospital prior to such data being made public. The Secretary shall report quality measures that relate to services furnished in inpatient settings in long-term care hospitals on the Internet website of the Centers for Medicare & Medicaid Services.

(F) **Submission of additional data**

(i) **In general**

For the rate year beginning on the specified application date (as defined in subsection (a)(2)(E) of section 1395ll of this title), as applicable with respect to long-term care hospitals and quality measures under subsection (c)(1) of such section and measures under subsection (d)(1) of such section, and each subsequent rate year, in addition to the data on the quality measures described in subparagraph (C), each long-term care hospital (other than a hospital classified under subsection (d)(1)(B)(vi)) shall submit to the Secretary data on the quality measures under such subsection (c)(1) and any necessary data specified by the Secretary under such subsection (d)(1).

(ii) **Standardized patient assessment data**

For rate year 2019 and each subsequent rate year, in addition to such data described in clause (i), each long-term care hospital (other than a hospital classified under subsection (d)(1)(B)(vi)) shall submit to the Secretary standardized patient assessment data required under subsection (b)(1) of section 1395ll of this title.

(iii) **Submission**

Such data shall be submitted in the form and manner, and at the time, specified by the Secretary for purposes of this subparagraph.

(G) **Non-duplication**

To the extent data submitted under subparagraph (F) duplicates other data required to be submitted under subparagraph (C), the submission of such data under subparagraph
(F) shall be in lieu of the submission of such data under subparagraph (C). The previous sentence shall not apply insofar as the Secretary determines it is necessary to avoid a delay in the implementation of section 1395ww(f) of this title, taking into account the different specified application dates under subsection (a)(2)(E) of such section.

(6) Application of site neutral IPPS payment rate in certain cases

(A) General application of site neutral IPPS payment amount for discharges failing to meet applicable criteria

(i) In general

For a discharge in cost reporting periods beginning on or after October 1, 2015, except as provided in clause (ii) and subparagraphs (C), (E), (F), and (G), payment under this subchapter to a long-term care hospital for inpatient hospital services shall be made at the applicable site neutral payment rate (as defined in subparagraph (B)).

(ii) Exception for certain discharges meeting criteria

Clause (i) shall not apply (and payment shall be made to a long-term care hospital without regard to this paragraph) for a discharge if—

(1) the discharge meets the ICU criterion under clause (iii) or the ventilator criterion under clause (iv); and

(II) the discharge does not have a principal diagnosis relating to a psychiatric diagnosis or to rehabilitation.

(iii) Intensive care unit (ICU) criterion

(I) In general

The criterion specified in this clause (in this paragraph referred to as the “ICU criterion”), for a discharge from a long-term care hospital, is that the stay in the long-term care hospital ending with such discharge was immediately preceded by a discharge from a stay in a subsection (d) hospital that included at least 3 days in an intensive care unit (ICU), as determined by the Secretary.

(II) Determining ICU days

In determining intensive care unit days under subclause (I), the Secretary shall use data from revenue center codes 020x or 021x (or such successor codes as the Secretary may establish).

(iv) Ventilator criterion

The criterion specified in this clause (in this paragraph referred to as the “ventilator criterion”), for a discharge from a long-term care hospital, is that—

(I) the stay in the long-term care hospital ending with such discharge was immediately preceded by a discharge from a stay in a subsection (d) hospital; and

(II) the individual discharged was assigned to a Medicare-Severity-Long-Term-Care-Diagnosis-Related-Group (MS-LTC-DRG) based on the receipt of ventilator services of at least 96 hours.

(B) Applicable site neutral payment rate defined

(i) In general

In this paragraph, the term “applicable site neutral payment rate” means—

(I) for discharges in cost reporting periods beginning during fiscal years 2016 through 2019, the blended payment rate specified in clause (iii); and

(II) for discharges in cost reporting periods beginning during fiscal year 2020 or a subsequent fiscal year, the site neutral payment rate (as defined in clause (ii)).

(ii) Site neutral payment rate defined

Subject to clause (iv), in this paragraph, the term “site neutral payment rate” means the lower of—

(I) the IPPS comparable per diem amount determined under paragraph (d)(4) of section 412.529 of title 42, Code of Federal Regulations, including any applicable outlier payments under section 412.525 of such title; or

(II) 100 percent of the estimated cost for the services involved.

(iii) Blended payment rate

The blended payment rate specified in this clause, for a long-term care hospital for inpatient hospital services for a discharge, is comprised of—

(I) half of the site neutral payment rate (as defined in clause (ii)) for the discharge; and

(II) half of the payment rate that would otherwise be applicable to such discharge without regard to this paragraph, as determined by the Secretary.

(iv) Adjustment

For each of fiscal years 2018 through 2026, the amount that would otherwise apply under clause (ii)(I) for the year (determined without regard to this clause) shall be reduced by 4.6 percent.

(C) Limiting payment for all hospital discharges to site neutral payment rate for hospitals failing to meet applicable LTCH discharge thresholds

(i) Notice of LTCH discharge payment percentage

For cost reporting periods beginning during or after fiscal year 2016, the Secretary shall inform each long-term care hospital of its LTCH discharge payment percentage (as defined in clause (iv)) for such period.

(ii) Limitation

For cost reporting periods beginning during or after fiscal year 2020, if the Secretary determines for a long-term care hospital that its LTCH discharge payment percentage for the period is not at least 50 percent—

(I) the Secretary shall inform the hospital of such fact; and

(II) subject to clause (iii), for all discharges in the hospital in each succeeding cost reporting period, the payment amount under this subsection shall be
the payment amount that would apply under subsection (d) for the discharge if the hospital were a subsection (d) hospital.

(iii) Process for reinstatement

The Secretary shall establish a process whereby a long-term care hospital may seek to and have the provisions of subclause (II) of clause (ii) discontinued with respect to that hospital.

(iv) LTCH discharge payment percentage

In this subparagraph, the term “LTCH discharge payment percentage” means, with respect to a long-term care hospital for a cost reporting period beginning during or after fiscal year 2020, the ratio (expressed as a percentage) of—

(I) the number of Medicare fee-for-service discharges for such hospital and period for which payment is not made at the site neutral payment rate, to
(II) the total number of Medicare fee-for-service discharges for such hospital and period.

(D) Inclusion of subsection (d) Puerto Rico hospitals

In this paragraph, any reference in this paragraph to a subsection (d) hospital shall be deemed to include a reference to a subsection (d) Puerto Rico hospital.

(E) Temporary exception for certain severe wound discharges from certain long-term care hospitals

(i) In general

In the case of a discharge occurring prior to January 1, 2017, subparagraph (A)(i) shall not apply (and payment shall be made to a long-term care hospital without regard to this paragraph) if such discharge—

(I) is from a long-term care hospital that is—
(aa) identified by the last sentence of subsection (d)(1)(B); and
(bb) located in a rural area (as defined in subsection (d)(2)(D)) or treated as being so located pursuant to subsection (d)(8)(E); and
(II) the individual discharged has a severe wound.

(ii) Severe wound defined

In this subparagraph, the term “severe wound” means a stage 3 wound, stage 4 wound, unstageable wound, non-healing surgical wound, infected wound, fistula, osteomyelitis, or wound with morbid obesity, as identified in the claim from the long-term care hospital.

(F) Temporary exception for certain spinal cord specialty hospitals

For discharges in cost reporting periods beginning during fiscal years 2018 and 2019, subparagraph (A)(i) shall not apply (and payment shall be made to a long-term care hospital without regard to this paragraph) if such discharge is from a long-term care hospital that meets each of the following requirements:

(i) Not-for-profit

The long-term care hospital was a not-for-profit long-term care hospital on June 1, 2014, as determined by cost report data.

(ii) Primarily providing treatment for catastrophic spinal cord or acquired brain injuries or other paralyzing neuromuscular conditions

Of the discharges in calendar year 2013 from the long-term care hospital for which payment was made under this section, at least 50 percent were classified under MS–LTCH–DRGs 28, 29, 52, 57, 551, 573, and 963.

(iii) Significant out-of-state admissions

(I) In general

The long-term care hospital discharged inpatients (including both individuals entitled to, or enrolled for, benefits under this subchapter and individuals not so entitled or enrolled) during fiscal year 2014 who had been admitted from at least 20 of the 50 States, determined by the States of residency of such inpatients and based on such data submitted by the hospital to the Secretary as the Secretary may require.

(II) Implementation

Notwithstanding any other provision of law, the Secretary may implement subclause (I) by program instruction or otherwise.

(III) Non-application of Paperwork Reduction Act

Chapter 35 of title 44 shall not apply to data collected under this clause.

(G) Additional temporary exception for certain severe wound discharges from certain long-term care hospitals

(i) In general

For a discharge occurring in a cost reporting period beginning during fiscal year 2018, subparagraph (A)(i) shall not apply (and payment shall be made to a long-term care hospital without regard to this paragraph) if such discharge—

(I) is from a long-term care hospital identified by the last sentence of subsection (d)(1)(B);
(II) is classified under MS–LTCH–DRGs 602, 603, 539, or 540; and
(III) is with respect to an individual treated by a long-term care hospital for a severe wound.

(ii) Severe wound defined

In this subparagraph, the term “severe wound” means a wound which is a stage 3 wound, stage 4 wound, unstageable wound, non-healing surgical wound, or fistula as identified in the claim from the long-term care hospital.

(iii) Wound defined

In this subparagraph, the term “wound” means an injury involving division of tis-
sue or rupture of the integument or mucous membrane with exposure to the external environment.

(7) Treatment of high cost outlier payments

(A) Adjustment to the standard Federal payment rate for estimated high cost outlier payments

Under the system described in paragraph (1), for fiscal years beginning on or after October 1, 2017, the Secretary shall reduce the standard Federal payment rate as if the estimated aggregate amount of high cost outlier payments for standard Federal payment rate discharges for each such fiscal year would be equal to 8 percent of estimated aggregate payments for standard Federal payment rate discharges for each such fiscal year.

(B) Limitation on high cost outlier payment amounts

Notwithstanding subparagraph (A), the Secretary shall set the fixed loss amount for high cost outlier payments such that the estimated aggregate amount of high cost outlier payments made for standard Federal payment rate discharges for fiscal years beginning on or after October 1, 2017, shall be equal to 99.6875 percent of 8 percent of estimated aggregate payments for standard Federal payment rate discharges for each such fiscal year.

(C) Waiver of budget neutrality

Any reduction in payments resulting from the application of subparagraph (B) shall not be taken into account in applying any budget neutrality provision under such system.

(D) No effect on site neutral high cost outlier payment rate

This paragraph shall not apply with respect to the computation of the applicable site neutral payment rate under paragraph (6).

(n) Incentives for adoption and meaningful use of certified EHR technology

(1) In general

Subject to the succeeding provisions of this subsection, with respect to inpatient hospital services furnished by an eligible hospital during a payment year (as defined in paragraph (2)(G)), if the eligible hospital is a meaningful EHR user (as determined under paragraph (3)) for the EHR reporting period with respect to such year, in addition to the amount otherwise paid under this section, there shall also be paid to the eligible hospital, from the Federal Hospital Insurance Trust Fund established under section 1395f of this title, an amount equal to the applicable amount specified in paragraph (2)(A) for the hospital for such payment year.

(2) Payment amount

(A) In general

Subject to the succeeding subparagraphs of this paragraph, the applicable amount specified in this subparagraph for an eligible hospital for a payment year is equal to the product of the following:

(i) Initial amount

The sum of—

(I) the base amount specified in subparagraph (B); plus

(II) the discharge related amount specified in subparagraph (C) for a 12-month period selected by the Secretary with respect to such payment year.

(ii) Medicare share

The Medicare share as specified in subparagraph (D) for the eligible hospital for a period selected by the Secretary with respect to such payment year.

(iii) Transition factor

The transition factor specified in subparagraph (E) for the eligible hospital for the payment year.

(B) Base amount

The base amount specified in this subparagraph is $2,000,000.

(C) Discharge related amount

The discharge related amount specified in this subparagraph for a 12-month period selected by the Secretary shall be determined as the sum of the amount, estimated based upon total discharges for the eligible hospital (regardless of any source of payment) for the period, for each discharge up to the 23,000th discharge, $0.

(ii) For any discharge greater than the 23,000th, $0.

(D) Medicare share

The Medicare share specified under this subparagraph for an eligible hospital for a period selected by the Secretary for a payment year is equal to the fraction—

(i) the numerator of which is the sum (for such period and with respect to the eligible hospital) of—

(I) the estimated number of inpatient-bed-days (as established by the Secretary) which are attributable to individuals who are enrolled with a Medicare Advantage organization under part C; and

(II) the estimated number of inpatient-bed-days (as so established) which are attributable to individuals who are enrolled with a Medicare Advantage organization under part C; and

(ii) the denominator of which is the product of—

(I) the estimated total number of inpatient-bed-days with respect to the eligible hospital during such period; and

(II) the estimated total amount of the eligible hospital’s charges during such period, not including any charges that are attributable to charity care (as such term is used for purposes of hospital cost reporting under this subchapter), divided by the estimated total amount of the hospital’s charges during such period.

Insofar as the Secretary determines that data are not available on charity care nec-
necessary to calculate the portion of the formula specified in clause (ii)(II), the Secretary shall use data on uncompensated care and may adjust such data so as to be an appropriate proxy for charity care including a downward adjustment to eliminate bad debt data from uncompensated care data. In the absence of the data necessary, with respect to a hospital, for the Secretary to compute the amount described in clause (ii)(II), the amount under such clause shall be deemed to be 1. In the absence of data, with respect to a hospital, necessary to compute the amount described in clause (i)(II), the amount under such clause shall be deemed to be 0.

(E) Transition factor specified

(i) In general

Subject to clause (ii), the transition factor specified in this subparagraph for an eligible hospital for a payment year is as follows:

(I) For the first payment year for such hospital, 1.

(II) For the second payment year for such hospital, \( \frac{3}{4} \).

(III) For the third payment year for such hospital, \( \frac{1}{2} \).

(IV) For the fourth payment year for such hospital, \( \frac{1}{4} \).

(V) For any succeeding payment year for such hospital, 0.

(ii) Phase down for eligible hospitals first adopting EHR after 2013

If the first payment year for an eligible hospital is after 2013, then the transition factor specified in this subparagraph for a payment year for such hospital is the same as the amount specified in clause (i) for such payment year for an eligible hospital for which the first payment year is 2013. If the first payment year for an eligible hospital is after 2015 then the transition factor specified in this subparagraph for such hospital and for such year and any subsequent year shall be 0.

(F) Form of payment

The payment under this subsection for a payment year may be in the form of a single consolidated payment or in the form of such periodic installments as the Secretary may specify.

(G) Payment year defined

(i) In general

For purposes of this subsection, the term “payment year” means a fiscal year beginning with fiscal year 2011.

(ii) First, second, etc. payment year

The term “first payment year” means, with respect to inpatient hospital services furnished by an eligible hospital, the first fiscal year for which an incentive payment is made for such services under this subsection. The terms “second payment year”, “third payment year”, and “fourth payment year” mean, with respect to an eligible hospital, each successive year immediately following the first payment year for that hospital.

(3) Meaningful EHR user

(A) In general

For purposes of paragraph (1), an eligible hospital shall be treated as a meaningful EHR user for an EHR reporting period for a payment year (or, for purposes of subsection (b)(3)(B)(ix), for an EHR reporting period under such subsection for a fiscal year) if each of the following requirements are met:

(i) Meaningful use of certified EHR technology

The eligible hospital demonstrates to the satisfaction of the Secretary, in accordance with subparagraph (C)(i), that during such period the hospital is using certified EHR technology in a meaningful manner.

(ii) Information exchange

The eligible hospital demonstrates to the satisfaction of the Secretary, in accordance with subparagraph (C)(i), that during such period such certified EHR technology is connected in a manner that provides, in accordance with law and standards applicable to the exchange of information, for the electronic exchange of health information to improve the quality of health care, such as promoting care coordination, and the hospital demonstrates (through a process specified by the Secretary, such as the use of an attestation) that the hospital has not knowingly and willfully taken action (such as to disable functionality) to limit or restrict the compatibility or interoperability of the certified EHR technology.

(iii) Reporting on measures using EHR

Subject to subparagraph (B)(ii) and using such certified EHR technology, the eligible hospital submits information for such period, in a form and manner specified by the Secretary, on such clinical quality measures and such other measures as selected by the Secretary under subparagraph (B)(i).

The Secretary shall seek to improve the use of electronic health records and health care quality over time.

(B) Reporting on measures

(i) Selection

The Secretary shall select measures for purposes of subparagraph (A)(iii) but only consistent with the following:

(I) The Secretary shall provide preference to clinical quality measures that have been selected for purposes of applying subsection (b)(3)(B)(viii) or that have been endorsed by the entity with a contract with the Secretary under section 1395aa of this title.

(II) Prior to any measure (other than a clinical quality measure that has been selected for purposes of applying subsection (b)(3)(B)(viii)) being selected under this subparagraph, the Secretary
shall publish in the Federal Register such measure and provide for a period of public comment on such measure.

(ii) Limitations

The Secretary may not require the electronic reporting of information on clinical quality measures under subparagraph (A)(iii) unless the Secretary has the capacity to accept the information electronically, which may be on a pilot basis.

(iii) Coordination of reporting of information

In selecting such measures, and in establishing the form and manner for reporting measures under subparagraph (A)(iii), the Secretary shall seek to avoid redundant or duplicative reporting with reporting otherwise required, including reporting under subsection (b)(3)(B)(viii).

(C) Demonstration of meaningful use of certified EHR technology and information exchange

(i) In general

An eligible hospital may satisfy the demonstration requirement of clauses (i) and (ii) of subparagraph (A) through means specified by the Secretary, which may include—

(I) an attestation;

(II) the submission of claims with appropriate coding (such as a code indicating that inpatient care was documented using certified EHR technology);

(III) a survey response;

(IV) reporting under subparagraph (A)(iii); and

(V) other means specified by the Secretary.

(ii) Use of part D data

Notwithstanding sections 1395w–4(o)(2) and 1395w–115(f)(2) of this title, the Secretary may use data regarding drug claims submitted for purposes of section 1395w–115 of this title that are necessary for purposes of subparagraph (A).

(4) Application

(A) Limitations on review

There shall be no administrative or judicial review under section 1395f(i) of this title, section 1395oo of this title, or otherwise, of—

(i) the methodology and standards for determining payment amounts under this subsection and payment adjustments under subsection (b)(3)(B)(ix), including selection of periods under paragraph (2) for determining, and making estimates or using proxies of, discharges under paragraph (2)(C) and inpatient-bed-days, hospital charges, charity charges, and Medicare share under paragraph (2)(D);

(ii) the methodology and standards for determining a meaningful EHR user under paragraph (3), including selection of measures under paragraph (3)(B), specification of the means of demonstrating meaningful EHR use under paragraph (3)(C), and the hardship exception under subsection (b)(3)(B)(ix)(II); and

(iii) the specification of EHR reporting periods under paragraph (6)(B) and the selection of the form of payment under paragraph (2)(F).

(B) Posting on website

The Secretary shall post on the Internet website of the Centers for Medicare & Medicaid Services, in an easily understandable format, a list of the names of the eligible hospitals that are meaningful EHR users under this subsection or subsection (b)(3)(B)(ix) (and a list of the names of critical access hospitals to which paragraph (3) or (4) of section 1395f(i) of this title applies), and other relevant data as determined appropriate by the Secretary. The Secretary shall ensure that an eligible hospital (or critical access hospital) has the opportunity to review the other relevant data that are to be made public with respect to the hospital (or critical access hospital) prior to such data being made public.

(5) Certified EHR technology defined

The term “certified EHR technology” has the meaning given such term in section 1395w–4(o)(4) of this title.

(6) Definitions

For purposes of this subsection:

(A) EHR reporting period

The term “EHR reporting period” means, with respect to a payment year, any period (or periods) as specified by the Secretary.

(B) Eligible hospital

The term “eligible hospital” means a hospital that is a subsection (d) hospital or a subsection (d) Puerto Rico hospital.

(e) Hospital value-based purchasing program

(1) Establishment

(A) In general

Subject to the succeeding provisions of this subsection, the Secretary shall establish a hospital value-based purchasing program (in this subsection referred to as the “Program”) under which value-based incentive payments are made in a fiscal year to hospitals that meet the performance standards under paragraph (3) for the performance period for such fiscal year (as established under paragraph (4)).

(B) Program to begin in fiscal year 2013

The Program shall apply to payments for discharges occurring on or after October 1, 2012.

(C) Applicability of Program to hospitals

(i) In general

For purposes of this subsection, subject to clause (ii), the term “hospital” means a subsection (d) hospital (as defined in subsection (d)(1)(B)).

(ii) Exclusions

The term “hospital” shall not include, with respect to a fiscal year, a hospital—

1So in original. Probably should be “(6)(A).”
(I) that is subject to the payment reduction under subsection (b)(3)(B)(viii)(I) for such fiscal year;

(II) for which, during the performance period for such fiscal year, the Secretary has cited deficiencies that pose immediate jeopardy to the health or safety of patients;

(III) for which there are not a minimum number (as determined by the Secretary) of cases that apply to the hospital for the performance period for such fiscal year;

(IV) for which there are not a minimum number (as determined by the Secretary) of measures that apply to the hospital for the performance period for such fiscal year.

(iii) Independent analysis

For purposes of determining the minimum numbers under subclauses (III) and (IV) of clause (ii), the Secretary shall have conducted an independent analysis of what numbers are appropriate.

(iv) Exemption

In the case of a hospital that is paid under section 1395f(b)(3) of this title, the Secretary may exempt such hospital from the application of this subsection if the State which is paid under such section submits an annual report to the Secretary describing how a similar program in the State for a participating hospital or hospitals achieves or surpasses the measured results in terms of patient health outcomes and cost savings established under this subsection.

(2) Measures

(A) In general

The Secretary shall select measures, other than measures of readmissions, for purposes of the Program. Such measures shall be selected from the measures specified under subsection (b)(3)(B)(viii).

(B) Requirements

(i) For fiscal year 2013

For value-based incentive payments made with respect to discharges occurring during fiscal year 2013, the Secretary shall ensure the following:

(I) Conditions or procedures

Measures are selected under subparagraph (A) that cover at least the following 5 specific conditions or procedures:

(aa) Acute myocardial infarction (AMI).

(bb) Heart failure.

(cc) Pneumonia.

(dd) Surgeries, as measured by the Surgical Care Improvement Project (formerly referred to as “Surgical Infection Prevention” for discharges occurring before July 2006).

(ee) Healthcare-associated infections, as measured by the prevention metrics and targets established in the HHS Action Plan to Prevent Healthcare-Associated Infections (or any successor plan) of the Department of Health and Human Services.

(ii) HCAHPS

Measures selected under subparagraph (A) shall be related to the Hospital Consumer Assessment of Healthcare Providers and Systems survey (HCAHPS).

(iii) Inclusion of efficiency measures

For value-based incentive payments made with respect to discharges occurring during fiscal year 2014 or a subsequent fiscal year, the Secretary shall ensure that measures selected under subparagraph (A) include efficiency measures, including measures of “Medicare spending per beneficiary”. Such measures shall be adjusted for factors such as age, sex, race, severity of illness, and other factors that the Secretary determines appropriate.

(iii) HCAHPS pain questions

The Secretary may not include under subparagraph (A) a measure that is based on the questions appearing on the Hospital Consumer Assessment of Healthcare Providers and Systems survey in 2018 or 2019 about communication by hospital staff with an individual about the individual’s pain.

(C) Limitations

(i) Time requirement for prior reporting and notice

The Secretary may not select a measure under subparagraph (A) for use under the Program with respect to a performance period for a fiscal year (as established under paragraph (4)) unless such measure has been specified under subsection (b)(3)(B)(viii) and included on the Hospital Compare Internet website for at least 1 year prior to the beginning of such performance period.

(ii) Measure not applicable unless hospital furnishes services appropriate to the measure

A measure selected under subparagraph (A) shall not apply to a hospital if such hospital does not furnish services appropriate to such measure.

(D) Replacing measures

Subclause (VI) of subsection (b)(3)(B)(viii) shall apply to measures selected under subparagraph (A) in the same manner as such subclause applies to measures selected under such subsection.

(3) Performance standards

(A) Establishment

The Secretary shall establish performance standards with respect to measures selected under paragraph (2) for a performance period for a fiscal year (as established under paragraph (4)).

(B) Achievement and improvement

The performance standards established under subparagraph (A) shall include levels of achievement and improvement.
§ 1395ww  TITLE 42—THE PUBLIC HEALTH AND WELFARE  Page 3502

(C) Timing
The Secretary shall establish and announce the performance standards under subparagraph (A) not later than 60 days prior to the beginning of the performance period for the fiscal year involved.

(D) Considerations in establishing standards
In establishing performance standards with respect to measures under this paragraph, the Secretary shall take into account appropriate factors, such as—

(i) practical experience with the measures involved, including whether a significant proportion of hospitals failed to meet the performance standard during previous performance periods;
(ii) historical performance standards;
(iii) improvement rates; and
(iv) the opportunity for continued improvement.

(4) Performance period
For purposes of the Program, the Secretary shall establish the performance period for a fiscal year. Such performance period shall begin and end prior to the beginning of such fiscal year.

(5) Hospital performance score

(A) In general
Subject to subparagraph (B), the Secretary shall develop a methodology for assessing the total performance of each hospital based on performance standards with respect to the measures selected under paragraph (2) for a performance period (as established under paragraph (4)). Using such methodology, the Secretary shall provide for an assessment (in this subsection referred to as the “hospital performance score”) for each hospital for each performance period.

(B) Application

(i) Appropriate distribution
The Secretary shall ensure that the application of the methodology developed under subparagraph (A) results in an appropriate distribution of value-based incentive payments under paragraph (6) among hospitals achieving different levels of hospital performance scores, with hospitals achieving the highest hospital performance scores receiving the largest value-based incentive payments.

(ii) Higher of achievement or improvement
The methodology developed under subparagraph (A) shall provide for the calculation of the hospital performance score for any hospital.

(v) Reflection of measures applicable to the hospital
The hospital performance score for a hospital shall reflect the measures that apply to the hospital.

(6) Calculation of value-based incentive payments

(A) In general
In the case of a hospital that the Secretary determines meets (or exceeds) the performance standards under paragraph (3) for the performance period for a fiscal year (as established under paragraph (4)), the Secretary shall increase the base operating DRG payment amount (as defined in paragraph (7)(D)), as determined after application of paragraph (7)(B)(i), for a hospital for each discharge occurring in such fiscal year by the value-based incentive payment amount.

(B) Value-based incentive payment amount
The value-based incentive payment amount for each discharge of a hospital in a fiscal year shall be equal to the product of—

(i) the base operating DRG payment amount (as defined in paragraph (7)(D)) for the discharge for the hospital for such fiscal year; and
(ii) the value-based incentive payment percentage specified under subparagraph (C) for the hospital for such fiscal year.

(C) Value-based incentive payment percentage

(i) In general
The Secretary shall specify a value-based incentive payment percentage for a hospital for a fiscal year.

(ii) Requirements
In specifying the value-based incentive payment percentage for each hospital for a fiscal year under clause (i), the Secretary shall ensure that—

(I) such percentage is based on the hospital performance score of the hospital under paragraph (5); and
(II) the total amount of value-based incentive payments under this paragraph to all hospitals in such fiscal year is equal to the total amount available for value-based incentive payments for such fiscal year under paragraph (7)(A), as estimated by the Secretary.

(7) Funding for value-based incentive payments

(A) Amount
The total amount available for value-based incentive payments under paragraph (6) for all hospitals for a fiscal year shall be equal to the total amount of reduced payments for all hospitals under subparagraph (B) for such fiscal year, as estimated by the Secretary.

(B) Adjustment to payments

(i) In general
The Secretary shall reduce the base operating DRG payment amount (as defined
in subparagraph (D)) for a hospital for each discharge in a fiscal year (beginning with fiscal year 2013) by an amount equal to the applicable percent (as defined in subparagraph (C)) of the base operating DRG payment amount for the discharge for the hospital for such fiscal year. The Secretary shall make such reductions for all hospitals in the fiscal year involved, regardless of whether or not the hospital has been determined by the Secretary to have earned a value-based incentive payment under paragraph (6) for such fiscal year.

(ii) No effect on other payments

Payments described in items (aa) and (bb) of subparagraph (D)(i)(II) for a hospital shall be determined as if this subsection had not been enacted.

(C) Applicable percent defined

For purposes of subparagraph (B), the term "applicable percent" means—

(i) with respect to fiscal year 2013, 1.0 percent;
(ii) with respect to fiscal year 2014, 1.25 percent;
(iii) with respect to fiscal year 2015, 1.5 percent;
(iv) with respect to fiscal year 2016, 1.75 percent; and
(v) with respect to fiscal year 2017 and succeeding fiscal years, 2 percent.

(D) Base operating DRG payment amount defined

(i) In general

Except as provided in clause (ii), in this subsection, the term "base operating DRG payment amount" means, with respect to a hospital for a fiscal year—

(I) the payment amount that would otherwise be made under subsection (d) (determined without regard to subsection (q)) for a discharge if this subsection did not apply; reduced by
(II) any portion of such payment amount that is attributable to—
(aa) payments under paragraphs (5)(A), (5)(B), (5)(F), and (12) of subsection (d); and
(bb) such other payments under subsection (d) determined appropriate by the Secretary.

(ii) Special rules for certain hospitals

(I) Sole community hospitals and medicare-dependent, small rural hospitals

In the case of a medicare-dependent, small rural hospital (with respect to discharges occurring during fiscal year 2012 and 2013) or a sole community hospital, in applying subparagraph (A)(i), the payment amount that would otherwise be made under subsection (d) shall be determined without regard to subparagraphs (I) and (L) of subsection (b)(3) and subparagraphs (D) and (G) of subsection (d)(5).

(II) Hospitals paid under section 1395f

In the case of a hospital that is paid under section 1395f(b)(3) of this title, the term "base operating DRG payment amount" means the payment amount under such section.

(8) Announcement of net result of adjustments

Under the Program, the Secretary shall, not later than 60 days prior to the fiscal year involved, inform each hospital of the adjustments to payments to the hospital for discharges occurring in such fiscal year under paragraphs (6) and (7)(B)(i).

(9) No effect in subsequent fiscal years

The value-based incentive payment under paragraph (6) and the payment reduction under paragraph (7)(B)(i) shall each apply only with respect to the fiscal year involved, and the Secretary shall not take into account such value-based incentive payment or payment reduction in making payments to a hospital under this section in a subsequent fiscal year.

(10) Public reporting

(A) Hospital specific information

(i) In general

The Secretary shall make information available to the public regarding the performance of individual hospitals under the Program, including—

(I) the performance of the hospital with respect to each measure that applies to the hospital;
(II) the performance of the hospital with respect to each condition or procedure; and
(III) the hospital performance score assessing the total performance of the hospital.

(ii) Opportunity to review and submit corrections

The Secretary shall ensure that a hospital has the opportunity to review, and submit corrections for, the information to be made public with respect to the hospital under clause (i) prior to such information being made public.

(iii) Website

Such information shall be posted on the Hospital Compare Internet website in an easily understandable format.

(B) Aggregate information

The Secretary shall periodically post on the Hospital Compare Internet website aggregate information on the Program, including—

(i) the number of hospitals receiving value-based incentive payments under paragraph (6) and the range and total amount of such value-based incentive payments; and
(ii) the number of hospitals receiving less than the maximum value-based incentive payment available to the hospital for the fiscal year involved and the range and amount of such payments.

(11) Implementation

(A) Appeals

The Secretary shall establish a process by which hospitals may appeal the calculation
of a hospital’s performance assessment with respect to the performance standards established under paragraph (3)(A) and the hospital performance score under paragraph (5). The Secretary shall ensure that such process provides for resolution of such appeals in a timely manner.

(B) Limitation on review

Except as provided in subparagraph (A), there shall be no administrative or judicial review under section 1395ff of this title, section 1395oo of this title, or otherwise of the following:

(i) The methodology used to determine the amount of the value-based incentive payment under paragraph (6) and the determination of such amount.

(ii) The determination of the amount of funding available for such value-based incentive payments under paragraph (7)(A) and the payment reduction under paragraph (7)(B)(1).

(iii) The establishment of the performance standards under paragraph (3) and the performance period under paragraph (4).

(iv) The measures specified under subsection (b)(3)(B)(viii) and the measures selected under paragraph (2).

(v) The methodology developed under paragraph (5) that is used to calculate hospital performance scores and the calculation of such scores.


(C) Consultation with small hospitals

The Secretary shall consult with small rural and urban hospitals on the application of the Program to such hospitals.

(12) Promulgation of regulations

The Secretary shall promulgate regulations to carry out the Program, including the selection of measures under paragraph (2), the methodology developed under paragraph (5) that is used to calculate hospital performance scores, and the methodology used to determine the amount of value-based incentive payments under paragraph (6).

(p) Adjustment to hospital payments for hospital acquired conditions

(1) In general

In order to provide an incentive for applicable hospitals to reduce hospital acquired conditions under this subchapter, with respect to discharges from an applicable hospital occurring during fiscal year 2015 or a subsequent fiscal year, the amount of payment under this section or section 1395f(b)(3) of this title, as applicable, for such discharges during the fiscal year shall be equal to 99 percent of the amount of payment that would otherwise apply to such discharges under this section or section 1395f(b)(3) of this title (determined after the application of subsections (e) and (q) and section 1395f(l)(4) of this title but without regard to this subsection).

(2) Applicable hospitals

(A) In general

For purposes of this subsection, the term “applicable hospital” means a subsection (d) hospital that meets the criteria described in subparagraph (B).

(B) Criteria described

(i) In general

The criteria described in this subparagraph, with respect to a subsection (d) hospital, is that the subsection (d) hospital is in the top quartile of all subsection (d) hospitals, relative to the national average, of hospital acquired conditions during the applicable period, as determined by the Secretary.

(ii) Risk adjustment

In carrying out clause (i), the Secretary shall establish and apply an appropriate risk adjustment methodology.

(C) Exemption

In the case of a hospital that is paid under section 1395f(b)(3) of this title, the Secretary may exempt such hospital from the application of this subsection if the State which is paid under such section submits an annual report to the Secretary describing how a similar program in the State for a participating hospital or hospitals achieves or surpasses the measured results in terms of patient health outcomes and cost savings established under this subsection.

(3) Hospital acquired conditions

For purposes of this subsection, the term “hospital acquired condition” means a condition identified for purposes of subsection (d)(4)(D)(iv) and any other condition determined appropriate by the Secretary that an individual acquires during a stay in an applicable hospital, as determined by the Secretary.

(4) Applicable period

In this subsection, the term “applicable period” means, with respect to a fiscal year, a period specified by the Secretary.

(5) Reporting to hospitals

Prior to fiscal year 2015 and each subsequent fiscal year, the Secretary shall provide confidential reports to applicable hospitals with respect to hospital acquired conditions of the applicable hospital during the applicable period.

(6) Reporting hospital specific information

(A) In general

The Secretary shall make information available to the public regarding hospital acquired conditions of each applicable hospital.

(B) Opportunity to review and submit corrections

The Secretary shall ensure that an applicable hospital has the opportunity to review, and submit corrections for, the information to be made public with respect to the hospital under subparagraph (A) prior to such information being made public.

(C) Website

Such information shall be posted on the Hospital Compare Internet website in an easily understandable format.
(7) Limitations on review

There shall be no administrative or judicial review under section 1395f of this title, section 1395oo of this title, or otherwise of the following:

(A) The criteria described in paragraph (2)(A).
(B) The specification of hospital acquired conditions under paragraph (3).
(C) The specification of the applicable period under paragraph (4).
(D) The provision of reports to applicable hospitals under paragraph (5) and the information made available to the public under paragraph (6).

(q) Hospital readmissions reduction program

(1) In general

With respect to payment for discharges from an applicable hospital (as defined in paragraph (5)(C)) occurring during a fiscal year beginning on or after October 1, 2012, in order to account for excess readmissions in the hospital, the Secretary shall make payments (in addition to the payments described in paragraph (2)(A)(ii)) for such a discharge to such hospital under subsection (d) (or section 1395f(b)(3) of this title, as the case may be) in an amount equal to the product of—

(A) the base operating DRG payment amount (as defined in paragraph (2)) for the discharge; and
(B) the adjustment factor (described in paragraph (3)(A)) for the hospital for the fiscal year.

(2) Base operating DRG payment amount defined

(A) In general

Except as provided in subparagraph (B), in this subsection, the term “base operating DRG payment amount” means, with respect to a hospital for a fiscal year—

(i) the payment amount that would otherwise be made under subsection (d) (determined without regard to subsection (o)) for a discharge if this subsection did not apply; reduced by

(ii) any portion of such payment amount that is attributable to payments under paragraphs (5)(A), (5)(B), (5)(F), and (12) of subsection (d).

(B) Special rules for certain hospitals

(i) Sole community hospitals and medicare-dependent, small rural hospitals

In the case of a medicare-dependent, small rural hospital (with respect to discharges occurring during fiscal years 2012 and 2013) or a sole community hospital, in applying subparagraph (A)(i), the payment amount that would otherwise be made under subsection (d) shall be determined without regard to subparagraphs (I) and (L) of subsection (b)(3) and subparagraphs (D) and (G) of subsection (d)(5).

(ii) Hospitals paid under section 1395f of this title

In the case of a hospital that is paid under section 1395f(b)(3) of this title, the Secretary may exempt such hospitals provided that States paid under such section submit an annual report to the Secretary describing how a similar program in the State for a participating hospital or hospitals achieves or surpasses the measured results in terms of patient health outcomes and cost savings established herein with respect to this section.

(3) Adjustment factor

(A) In general

For purposes of paragraph (1), subject to subparagraph (D), the adjustment factor under this paragraph for an applicable hospital for a fiscal year is equal to the greater of—

(i) the ratio described in subparagraph (B) for the hospital for the applicable period (as defined in paragraph (5)(D)) for such fiscal year; or
(ii) the floor adjustment factor specified in subparagraph (C).

(B) Ratio

The ratio described in this subparagraph for a hospital for an applicable period is equal to 1 minus the ratio of—

(i) the aggregate payments for excess readmissions (as defined in paragraph (4)(A)) with respect to an applicable hospital for the applicable period; and
(ii) the aggregate payments for all discharges (as defined in paragraph (4)(A)) with respect to such applicable hospital for such applicable period.

(C) Floor adjustment factor

For purposes of subparagraph (A), the floor adjustment factor specified in this subparagraph for—

(i) fiscal year 2013 is 0.99;
(ii) fiscal year 2014 is 0.98; or
(iii) fiscal year 2015 and subsequent fiscal years is 0.97.

(D) Transitional adjustment for dual eligibles

(i) In general

In determining a hospital’s adjustment factor under this paragraph for purposes of making payments for discharges occurring during and after fiscal year 2019, and before the application of clause (i) of subparagraph (E), the Secretary shall assign hospitals to groups (as defined by the Secretary under clause (ii)) and apply the applicable provisions of this subsection using a methodology in a manner that allows for separate comparison of hospitals within each such group, as determined by the Secretary.

(ii) Defining groups

For purposes of this subparagraph, the Secretary shall define groups of hospitals, based on their overall proportion, of the inpatients who are entitled to, or enrolled for, benefits under part A, and who are full-benefit dual eligible individuals (as defined in section 1396u–5(c)(6) of this title). In defining groups, the Secretary shall consult the Medicare Payment Advisory Committee.
Commission and may consider the analysis done by such Commission in preparing the portion of its report submitted to Congress in June 2013 relating to readmissions.

(iii) Minimizing reporting burden on hospitals
In carrying out this subparagraph, the Secretary shall not impose any additional reporting requirements on hospitals.

(iv) Budget neutral design methodology
The Secretary shall design the methodology to implement this subparagraph so that the estimated total amount of reductions in payments under this subsection equals the estimated total amount of reductions in payments that would otherwise occur under this subsection if this subparagraph did not apply.

(E) Changes in risk adjustment

(i) Consideration of recommendations in IMPACT reports
The Secretary may take into account the studies conducted and the recommendations made by the Secretary under section 2(d)(1) of the IMPACT Act of 2014 (Public Law 113–185; 42 U.S.C. 1395lll note) with respect to the application under this subsection of risk adjustment methodologies. Nothing in this clause shall be construed as precluding consideration of the use of groupings of hospitals.

(ii) Consideration of exclusion of patient cases based on V or other appropriate codes
In promulgating regulations to carry out this subsection with respect to discharges occurring after fiscal year 2018, the Secretary may consider the use of V or other ICD-related codes for removal of a readmission. The Secretary may consider modifying measures under this subsection to incorporate V or other ICD-related codes at the same time as other changes are being made under this subparagraph.

(iii) Removal of certain readmissions
In promulgating regulations to carry out this subsection, with respect to discharges occurring after fiscal year 2018, the Secretary may consider removal as a readmission of an admission that is classified within one or more of the following: transplants, end-stage renal disease, burns, trauma, psychosis, or substance abuse. The Secretary may consider modifying measures under this subsection to remove readmissions at the same time as other changes are being made under this subparagraph.

(4) Aggregate payments, excess readmission ratio defined
For purposes of this subsection:

(A) Aggregate payments for excess readmissions
The term “aggregate payments for excess readmissions” means, for a hospital for an applicable period, the sum, for applicable conditions (as defined in paragraph (5)(A)), of the product, for each applicable condition, of—

(i) the base operating DRG payment amount for such hospital for such applicable period for such condition; and

(ii) the number of admissions for such condition for such hospital for such applicable period; and

(iii) the excess readmissions ratio (as defined in subparagraph (C)) for such hospital for such applicable period minus 1.

(B) Aggregate payments for all discharges
The term “aggregate payments for all discharges” means, for a hospital for an applicable period, the sum of the base operating DRG payment amounts for all discharges for all conditions from such hospital for such applicable period.

(C) Excess readmission ratio

(i) In general
Subject to clause (ii), the term “excess readmissions ratio” means, with respect to an applicable condition for a hospital for an applicable period, the ratio (but not less than 1.0) of—

(I) the risk adjusted readmissions based on actual readmissions, as determined consistent with a readmission measure methodology that has been endorsed under paragraph (5)(A)(ii)(I), for an applicable hospital for such condition with respect to such applicable period; to

(II) the risk adjusted expected readmissions (as determined consistent with such a methodology) for such hospital for such condition with respect to such applicable period.

(ii) Exclusion of certain readmissions
For purposes of clause (i), with respect to a hospital, excess readmissions shall not include readmissions for an applicable condition for which there are fewer than a minimum number (as determined by the Secretary) of discharges for such applicable condition for the applicable period and such hospital.

(5) Definitions
For purposes of this subsection:

(A) Applicable condition
The term “applicable condition” means, subject to subparagraph (B), a condition or procedure selected by the Secretary among conditions and procedures for which—

(i) readmissions (as defined in subparagraph (E)) that represent conditions or procedures that are high volume or high expenditures under this subchapter (or other criteria specified by the Secretary); and

(ii) measures of such readmissions—

(I) have been endorsed by the entity with a contract under section 1395aaa(a) of this title; and

(II) such endorsed measures have exclusions for readmissions that are unrelated to the prior discharge (such as a readmissions ratio defined, for each applicable period, of—
planned readmission or transfer to another applicable hospital).

(B) Expansion of applicable conditions
Beginning with fiscal year 2015, the Secretary shall, to the extent practicable, expand the applicable conditions beyond the 3 conditions for which measures have been endorsed as described in subparagraph (A)(ii)(I) as of March 22, 2010, to the additional 4 conditions that have been identified by the Medicare Payment Advisory Commission in its report to Congress in June 2007 and to other conditions and procedures as determined appropriate by the Secretary. In expanding such applicable conditions, the Secretary shall seek the endorsement described in subparagraph (A)(ii)(I) but may apply such measures without such an endorsement in the case of a specified area or medical topic determined appropriate by the Secretary for which a feasible and practical measure has not been endorsed by the entity with a contract under section 1395aaa(a) of this title as long as due consideration is given to measures that have been endorsed or adopted by a consensus organization identified by the Secretary.

(C) Applicable hospital
The term “applicable hospital” means a subsection (d) hospital or a hospital that is paid under section 1395f(b)(3) of this title as the case may be.

(D) Applicable period
The term “applicable period” means, with respect to a fiscal year, such period as the Secretary shall specify.

(E) Readmission
The term “readmission” means, in the case of an individual who is discharged from an applicable hospital, the admission of the individual to the same or another applicable hospital within a time period specified by the Secretary from the date of such discharge. Insofar as the discharge relates to an applicable condition for which there is an endorsed measure described in subparagraph (A)(ii)(I), such time period (such as 30 days) shall be consistent with the time period specified for such measure.

(6) Reporting hospital specific information
(A) In general
The Secretary shall make information available to the public regarding readmission rates of each subsection (d) hospital under the program.

(B) Opportunity to review and submit corrections
The Secretary shall ensure that a subsection (d) hospital has the opportunity to review, and submit corrections for, the information to be made public with respect to the hospital under subparagraph (A) prior to such information being made public.

(C) Website
Such information shall be posted on the Hospital Compare Internet website in an easily understandable format.

(7) Limitations on review
There shall be no administrative or judicial review under section 1395ff of this title, section 1395oo of this title, or otherwise of the following:

(A) The determination of base operating DRG payment amounts.

(B) The methodology for determining the adjustment factor under paragraph (3), including excess readmissions ratio under paragraph (4)(C), aggregate payments for excess readmissions under paragraph (4)(A), and aggregate payments for all discharges under paragraph (4)(B), and applicable periods and applicable conditions under paragraph (5).

(C) The measures of readmissions as described in paragraph (5)(A)(ii).

(8) Readmission rates for all patients
(A) Calculation of readmission
The Secretary shall calculate readmission rates for all patients (as defined in subparagraph (D)) for a specified hospital (as defined in subparagraph (D)(ii)) for an applicable condition (as defined in paragraph (5)(B)) and other conditions deemed appropriate by the Secretary for an applicable period (as defined in paragraph (5)(D)) in the same manner as used to calculate such readmission rates for hospitals with respect to this subchapter and posted on the CMS Hospital Compare website.

(B) Posting of hospital specific all patient readmission rates
The Secretary shall make information on all patient readmission rates calculated under subparagraph (A) available on the CMS Hospital Compare website in a form and manner determined appropriate by the Secretary. The Secretary may also make other information determined appropriate by the Secretary available on such website.

(C) Hospital submission of all patient data
(i) Except as provided for in clause (ii), each specified hospital (as defined in subparagraph (D)(ii)) shall submit to the Secretary, in a form, manner and time specified by the Secretary, data and information determined necessary by the Secretary for the Secretary to calculate the all patient readmission rates described in subparagraph (A).

(ii) Instead of a specified hospital submitting to the Secretary the data and information determined necessary by the Secretary, on behalf of such a specified hospital, by a state or an entity determined appropriate by the Secretary.

(D) Definitions
For purposes of this paragraph:

(i) The term “all patients” means patients who are treated on an inpatient basis and discharged from a specified hospital (as defined in clause (ii)).

(ii) The term “specified hospital” means a subsection (d) hospital, hospitals described in clauses (d) hospital, hospitals described in clauses (i) through (v) of sub-


section (d)(1)(B) and, as determined feasible and appropriate by the Secretary, other hospitals not otherwise described in this subparagraph.

(e) Adjustments to medicare DSH payments

(1) Empirically justified DSH payments

For fiscal year 2014 and each subsequent fiscal year, instead of the amount of disproportionate share hospital payment that would otherwise be made under subsection (d)(5)(F) to a subsection (d) hospital for the fiscal year, the Secretary shall pay to the subsection (d) hospital 25 percent of such amount (which represents the empirically justified amount for such payment, as determined by the Medicare Payment Advisory Commission in its March 2007 Report to the Congress).

(2) Additional payment

In addition to the payment made to a subsection (d) hospital under paragraph (1), for fiscal year 2014 and each subsequent fiscal year, the Secretary shall pay to such subsection (d) hospitals an additional amount equal to the product of the following factors:

(A) Factor one

A factor equal to the difference between—

(i) the aggregate amount of payments that would be made to subsection (d) hospitals under subsection (d)(5)(F) if this subsection did not apply for such fiscal year (as estimated by the Secretary); and

(ii) the aggregate amount of payments that are made to subsection (d) hospitals under paragraph (1) for such fiscal year (as so estimated).

(B) Factor two

(i) Fiscal years 2014, 2015, 2016, and 2017

For each of fiscal years 2014, 2015, 2016, and 2017, a factor equal to 1 minus the percent change in the percent of individuals under the age of 65 who are uninsured, as determined by comparing the percent of such individuals—

(I) who are uninsured in 2013, the last year before coverage expansion under the Patient Protection and Affordable Care Act (as calculated by the Secretary based on the most recent estimates available from the Director of the Congressional Budget Office before a vote in either House on the Health Care and Education Reconciliation Act of 2010 that, if determined in the affirmative, would clear such Act for enrollment); and

(II) who are uninsured in the most recent period for which data is available (as so calculated), minus 0.1 percentage points for fiscal year 2014 and minus 0.2 percentage points for each of fiscal years 2015, 2016, and 2017.

(ii) 2018 and subsequent years

For fiscal year 2018 and each subsequent fiscal year, a factor equal to 1 minus the percent change in the percent of individuals who are uninsured, as determined by comparing the percent of individuals—

(I) who are uninsured in 2013 (as estimated by the Secretary, based on data from the Census Bureau or other sources the Secretary determines appropriate, and certified by the Chief Actuary of the Centers for Medicare & Medicaid Services); and

(II) who are uninsured in the most recent period for which data is available (as so estimated and certified), minus 0.2 percentage points for each of fiscal years 2018 and 2019.

(C) Factor three

A factor equal to the percent, for each subsection (d) hospital, that represents the quotient of—

(i) the amount of uncompensated care for such hospital for a period selected by the Secretary (as estimated by the Secretary, based on appropriate data (including, in the case where the Secretary determines that alternative data is available which is a better proxy for the costs of subsection (d) hospitals for treating the uninsured, the use of such alternative data)); and

(ii) the aggregate amount of uncompensated care for all subsection (d) hospitals that receive a payment under this subsection for such period (as so estimated, based on such data).

(3) Limitations on review

There shall be no administrative or judicial review under section 1395ff of this title, section 1395o of this title, or otherwise of the following:

(A) Any estimate of the Secretary for purposes of determining the factors described in paragraph (2).

(B) Any period selected by the Secretary for such purposes.

(s) Prospective payment for psychiatric hospitals

(1) Reference to establishment and implementation of system

For provisions related to the establishment and implementation of a prospective payment system for payments under this subchapter for inpatient hospital services furnished by psychiatric hospitals (as described in clause (i) of subsection (d)(1)(B)) and psychiatric units (as described in the matter following clause (v) of such subsection), see section 124 of the Medicare, Medicaid, and SCHIP Balanced Budget Refinement Act of 1999.

(2) Implementation for rate year beginning in 2010 and subsequent rate years

(A) In general

In implementing the system described in paragraph (1) for the rate year beginning in 2010 and any subsequent rate year, any update to a base rate for days during the rate year for a psychiatric hospital or unit, respectively, shall be reduced—

(i) for the rate year beginning in 2012 and each subsequent rate year, by the productivity adjustment described in subsection (b)(3)(B)(xi)(II); and
(iii) Time frame
Not later than October 1, 2012, the Secretary shall publish the measures selected under this subparagraph that will be applicable with respect to rate year 2014.

(E) Public availability of data submitted
The Secretary shall establish procedures for making data submitted under subparagraph (C) available to the public. Such procedures shall ensure that a psychiatric hospital and a psychiatric unit has the opportunity to review the data that is to be made public with respect to the hospital or unit prior to such data being made public. The Secretary shall report quality measures that relate to services furnished in inpatient settings in psychiatric hospitals and psychiatric units on the Internet website of the Centers for Medicare & Medicaid Services.

(f) Relating similar inpatient and outpatient hospital services

(1) Development of HCPCS version of MS–DRG codes
Not later than January 1, 2018, the Secretary shall develop HCPCS versions for MS–DRGs that are similar to the ICD–10–PCS for such MS–DRGs such that, to the extent possible, the MS–DRG assignment shall be similar for a claim coded with the HCPCS version as an identical claim coded with a ICD–10–PCS code.

(2) Coverage of surgical MS–DRGs
In carrying out paragraph (1), the Secretary shall develop HCPCS versions of MS–DRG codes for not fewer than 10 surgical MS–DRGs.

(3) Publication and dissemination of the HCPCS versions of MS–DRGs

(A) In general
The Secretary shall develop a HCPCS MS–DRG definitions manual and software that is similar to the definitions manual and software for ICD–10–PCS codes for such MS–DRGs. The Secretary shall post the HCPCS MS–DRG definitions manual and software on the Internet website of the Centers for Medicare & Medicaid Services. The HCPCS MS–DRG definitions manual and software shall be in the public domain and available for use and redistribution without charge.

(B) Use of previous analysis done by MedPAC
In developing the HCPCS MS–DRG definitions manual and software under subparagraph (A), any measure specified by the Secretary under this subparagraph must have been endorsed by the entity with a contract under section 1395aaa(a) of this title.

(ii) Exception
In the case of a specified area or medical topic determined appropriate by the Secretary for which a feasible and practical measure has not been endorsed by the entity with a contract under section 1395aaa(a) of this title, the Secretary may specify a measure that is not so endorsed as long as due consideration is given to measures that have been endorsed or adopted by a consensus organization identified by the Secretary.
In this subsection:

(A) HPCPS

The term “HPCPS” means, with respect to hospital items and services, the code under the Healthcare Common Procedure Coding System (HPCPS) (or a successor code) for such items and services.

(B) ICD-10-PCS

The term “ICD-10-PCS” means the International Classification of Diseases, 10th Revision, Procedure Coding System, and includes any subsequent revision of such International Classification of Diseases, Procedure Coding System.


The Patient Protection and Affordable Care Act, referred to in subsecs. (d)(3)(E)(i) and (r)(2)(B)(i)(I), is Pub. L. 111–149, Mar. 23, 2010, 124 Stat. 119, which enacted section 10234(a)(1) of the Act amended this section. For complete classification of this Act to the Code, see Short Title note set out under section 18001 of this title and Table.

Section 9304 of the Omnibus Budget Reconciliation Act of 1986, referred to in subsec. (e)(1)(C)(ii), is section 9304 of Pub. L. 99–509, which enacted subsecs. (d)(9) and (e)(1)(C) of this section and amended subsec. (d)(5)(C)(1)(i), (ii) of this section.


Section 307(b) of the Medicare, Medicaid, and SCHIP Benefits Improvement and Protection Act of 2000, referred to in subsec. (m)(1), is section 1000(a)(6) [title I, § 123] of Pub. L. 106–113, which enacted provisions set out as a note under this section.


AMENDMENTS


Subsec. (j)(7)(A)(i). Pub. L. 114–10, §411(b)(2), substituted “subparagraphs (C)(iii) and (D) of paragraph (3)” for “paragraph (3)(D)”.

Subsec. (j)(7)(B). Pub. L. 114–10, §411(e)(1), substituted “Subject to subparagraph (C) in, implementing” for “In implementing” in introductory provisions.


Subsec. (m)(6)(A)(i). Pub. L. 114–113, §231(l), substituted “subparagraphs (C) and (E)” for “subparagraph (E)”.


Subsec. (n)(3)(A)(ii). Pub. L. 114–10, §106(b)(2)(B), inserted fiscal year period at end “...and the hospital demonstrates (through a process specified by the Secretary, such as the use of an attestation) that the hospital has not knowingly and willfully taken action (such as to disable functionality or limit restrict the capability or interoperability of the certified EHR technology)”.

Subsec. (n)(6)(B). Pub. L. 114–113, §602(a), substituted “that is a subsection (d) hospital or a subsection (d) Puerto Rico hospital” for “subsection (d) hospital”.


Subsec. (d)(12)(C)(i). Pub. L. 113–93, §105(2), substituted “and the portion of fiscal year 2014 before April 1, 2014,” for “and” in two places and “or portion of fiscal year” after “during the fiscal year”.

Subsec. (d)(12)(D). Pub. L. 113–93, §1105(3)(B), which directed insertion of “or the portion of fiscal year” after “in the fiscal year,” was executed by making the insertion after “in the fiscal year” both places appearing to reflect the probable intent of Congress.

Subsec. (b)(3)(B)(viii)(II) to (XI). Pub. L. 113–93, §1105(3)(A), added cls. (ix), (x), and (xi) to subcl. (VIII). Pub. L. 113–93, §1105(3)(A), added cls. (ix), (x), and (xi) to subcl. (VIII).

Subsec. (m)(3)(A). Pub. L. 114–10, §112(a), substituted “and subparagraph (F)” for “subparagraph (F)”.


Subsec. (m)(6)(A)(i). Pub. L. 114–113, §231(l), substituted “subparagraphs (C) and (E)” for “subparagraph (C)”.

Subsec. (n)(3)(A)(ii). Pub. L. 114–10, §106(b)(2)(B), inserted fiscal year period at end “...and the hospital demonstrates (through a process specified by the Secretary, such as the use of an attestation) that the hospital has not knowingly and willfully taken action (such as to disable functionality or limit restrict the capability or interoperability of the certified EHR technology)”.

Subsec. (n)(6)(B). Pub. L. 114–113, §602(a), substituted “that is a subsection (d) hospital or a subsection (d) Puerto Rico hospital” for “subsection (d) hospital”.


Subsec. (d)(12)(D). Pub. L. 113–93, §1105(3)(B), which directed insertion of “or the portion of fiscal year” after “in the fiscal year,” was executed by making the insertion after “in the fiscal year” both places appearing to reflect the probable intent of Congress.

Subsec. (b)(3)(B)(viii)(II) to (XI). Pub. L. 113–93, §1105(3)(A), added cls. (ix), (x), and (xi) to subcl. (VIII). Pub. L. 113–93, §1105(3)(A), added cls. (ix), (x), and (xi) to subcl. (VIII).


Subsec. (b)(3)(B)(iii)(XX). Pub. L. 111–148, §390(a)(1), substituted “clauses (viii), (ix), (x), and (xii)” for “clause (viii)”.

Subsec. (b)(3)(B)(viii)(i). Pub. L. 111–148, §390(a)(2), inserted “of such applicable percentage increase (determined without regard to clause (ix), (x), or (xii))” after “one-quarter”.

Subsec. (b)(3)(B)(viii)(II). Pub. L. 111–148, §3001(a)(2)(A), inserted at end “The Secretary may require hospitals to submit data on measures that are not used for the determination of value-based incentive payments under subsection (o).”


Subsec. (b)(3)(B)(ix)(I). Pub. L. 111–148, §390(a)(3), inserted “(determined without regard to clause (viii), (x), or (xii))” after “otherwise applicable under clause (I)”.


Subsec. (b)(3)(B)(xi)(X). Pub. L. 111–148, §390(a)(4), inserted “(determined without regard to clause (viii), (ix), or (xii))” after “otherwise applicable under clause (I)”.


Subsec. (b)(3)(B)(iii)(II). Pub. L. 111–152, §1105(a)(1), placed subcl. (II), which was directed to be added by Pub. L. 111–148, §10319(a)(3), after subcl. (I) and struck out “and” at end. See Amendment note below.


Subsec. (b)(3)(B)(iii)(III). Pub. L. 111–152, §1105(a)(1)(B), added subcl. (III) and struck out former subcl. (III) which read “subject to clause (xiii), for each of fiscal years 2014 through 2019, by 0.2 percentage point.”

Pub. L. 111–148, §10319(a)(2), (4), redesignated subcl. (II) as (III) and substituted “2014” for “2012.”


Subsec. (b)(3)(B)(xii). Pub. L. 111–152, §1105(a)(2), struck out cl. (xii) which read as follows: “Clause (xii) shall be applied with respect to any of fiscal years 2014 through 2019 by substituting ‘0.6 percentage points’ for ‘0.2 percentage point’ if, for such fiscal year—

‘‘(I) the excess (if any) of—

‘‘(a) the total percentage of the non-elderly insured population for the preceding fiscal year (based on the most recent estimates available from the Director of the Congressional Budget Office before a vote in either House on the Patient Protection and Affordable Care Act that, if determined in the affirmative, would close such Act for enrollment); over

‘‘(b) the total percentage of the non-elderly insured population for such preceding fiscal year (as estimated by the Secretary); exceeds

‘‘(II) 5 percentage points.”


Subsec. (d)(3)(E)(i). Pub. L. 111–148, §10324(a)(2), which directed the amendment of the third sentence of subsec. (d)(3)(E) by inserting “and the amendments made by section 10324(a)(1) of the Patient Protection and Affordable Care Act” after “2003”, was executed by making the insertion in the fifth sentence of cl. (i) to reflect the probable intent of Congress.

Pub. L. 111–148, §10324(a)(2), substituted “clause (I) or (III)” for “clause (II)”.


Subsec. (d)(5)(B)(iv). Pub. L. 111–148, §5504(b), substituted paragraphs (7) and (8) for “paragraph (7)”.


Subsec. (h)(7)(e). Pub. L. 111–148, §5506(e), substituted “this paragraph, paragraph (8), or paragraph (4)(H)(vi)” for “paragraph or paragraph (8)”.

Pub. L. 111–148, §5505(a)(3), inserted or paragraph (8)” before period at end.


Subsec. (j)(3)(D)(iv). Pub. L. 111–152, §1105(c)(1)(A), placed subcl. (II), which was directed to be added by Pub. L. 111–148, §10319(c)(3), after subcl. (II) and struck out “and” at end. See Amendment note below.


Subsec. (j)(3)(D)(iii)(III). Pub. L. 111–152, §1105(c)(1)(B), added subcl. (III) and struck out former subcl. (III) which read as follows: “subject to clause (ii), for each of fiscal years 2014 through 2019, by 0.2 percentage point.”

Pub. L. 111–148, §10319(c)(2), (4), redesignated subcl. (II) as (III) and substituted “2014” for “2012.”


applied with respect to any of fiscal years 2014 through 2019 by substituting '0.0 percentage points' for '0.2 percentage point', if for such fiscal year —

'(i) the excess (if any) of—

‘(aa) the total percentage of the non-elderly insured population for the preceding fiscal year (based on the most recent estimates available from the Director of the Congressional Budget Office before a vote in either House on the Patient Protection and Affordable Care Act that, if determined in the affirmative, would clear such Act for enactment); or

‘(bb) the total percentage of the non-elderly insured population for such preceding fiscal year (as estimated by the Secretary); exceeds

‘(II) 5 percentage points.'

Subsec. (j)(7). (8). Pub. L. 111–148, § 300(b), added par. (7) and redesignated former par. (7) as (8).

Subsec. (m)(3). (4). Pub. L. 111–148, § 340(c), added pars. (3) and (4).

Subsec. (m)(4)(A). Pub. L. 111–152, § 1105(b)(3), struck out subpar. (A) designation and heading before "For purposes of this paragraph", reduced cl. (i) as subpar. (A), and realigned margin.

Subsec. (m)(4)(A)(i). Pub. L. 111–148, § 10319(d)(1)(A), added cls. (ii) and (iii). Former cl. (i) redesignated (iv), redesignated cls. (ii) to (v) of former subpar. (A) as subpars. (A) to (E), respectively, and realigned margins.

Pub. L. 111–148, § 10319(d)(1)(B), added cl. (ii) and redesignated former cl. (i) as subpar. (B) and realigned margins.

Pub. L. 111–152, § 1105(d)(1)(B), added cls. (ii) and (iii).

The excess (if any) of—

‘(aa) the total percentage of the non-elderly insured population for the preceding rate year (based on the most recent estimates available from the Director of the Congressional Budget Office before a vote in either House on the Patient Protection and Affordable Care Act that, if determined in the affirmative, would clear such Act for enactment); or

‘(bb) the total percentage of the non-elderly insured population for such preceding rate year (as estimated by the Secretary); exceeds

‘(II) 5 percentage points.'

Subsec. (r)(1). Pub. L. 111–152, § 1104(2)(A), redesignated former subpars. (7) and (8) as (8) and (9), respectively, and realigned margin.


Subsec. (r)(2)(B)(i). Pub. L. 111–152, § 1104(2)(B)(i), inserted "after "years" in heading and "and," after "each of fiscal years" in introductory provisions and substituted "minus 0.1 percentage points for fiscal year 2014 and minus 0.2 percentage points for each of fiscal years 2015, 2016, and 2017" for "minus 1.5 percentage points" in concluding provisions.

Pub. L. 111–148, § 10319(d)(1)(A), redesignated former par. (7) as (8), struck out "divided by 100" after "change" in introductory provisions and inserted concluding provisions.


“(ii) 5 percentage points.”


Subsec. (h)(7)(D), (E). Pub. L. 110–161, §225(b)(1), added subpar. (D) and redesignated former subpar. (D) as (E).

Subsec. (j)(3)(C). Pub. L. 110–173, §115(a)(1), inserted at end “The increase factor to be applied under this subparagraph for each of fiscal years 2008 and 2009 shall be 0 percent.”


Subsec. (d)(3)(D)(ii)(II). Pub. L. 108–173, §401(b)(1)(D)(ii), struck out “and after April 1, 1987, for fiscal year 1988 and not later than April 1, 1997, “for the Secretary’s initial estimate of the percentage change that the Secretary will recommend under paragraph (4) with respect to that fiscal year.”” and struck out “, subject to subclause (II), for discharges”.


Subsec. (d)(3)(E). Pub. L. 108–173, §403(a)(1), inserted “Except as provided in clause (ii), the Secretary” for “The Secretary,” inserted at end “The Secretary shall apply the previous sentence for any period after the amendments made by section 404(a)(1) of the Medicare Prescription Drug, Improvement, and Modernization Act of 2003 had not been enacted.”, and added cl. (ii).


Subsec. (d)(3)(F)(v)(VI). Pub. L. 108–173, §502(a)(2), struck out par. (3) which read as follows: “The Secretary, not later than April 1, 1987, for fiscal year 1988 and not later than March 1 before the beginning of each fiscal year (beginning with fiscal year 1989), shall report to the Congress the Secretary’s initial estimate of the percentage change that the Secretary will recommend under paragraph (4) with respect to that fiscal year.” and struck out “or before April 1, 2004,” after “on or after October 1, 2002,” and substituted semicolon for period at end.

Subsec. (d)(5)(B)(v). Pub. L. 108–173, § 422(b)(1)(B), inserted at end “The provisions of subsection (h)(7) shall apply with respect to the first sentence of this clause in the same manner as it applies with respect to subsection (h)(4)(F)(i).”


Subsec. (d)(5)(K)(i). Pub. L. 108–173, § 503(b)(2)(A), inserted at end “Such mechanism shall be modified to meet the requirements of clause (vii).”

Subsec. (d)(5)(K)(ii)(III). Pub. L. 108–173, § 503(d)(1), struck out “subject to paragraph (7)” after “and subject to paragraph (7)”.


Subsec. (d)(7)(A). Pub. L. 108–173, § 406(b), inserted “or the determination of the applicable percentage increase under paragraph (12(A)(i))” after “to subsection (e)”.


“(I) the national adjusted DRG prospective payment rate (determined under paragraph (3)(D)) for hospitals located in a large urban area, and

“(II) such rate for hospitals located in other urban areas, and

“(III) such rate for hospitals located in a rural area, for such discharges, adjusted in the manner provided in paragraph (3)(E) for different area wage levels. As used in this section, the term ‘large urban area’ means a hospital located in Puerto Rico and that would be a subsection (b) hospital (as defined in paragraph (3)(B)(i) if it were located in one of the fifty States).”


Subsec. (d)(9)(C)(ii)(I). Pub. L. 108–173, § 401(c)(2)(C), struck out “for hospitals located in an urban or rural area, respectively” after “subject to clause (i)”).


Subsec. (h)(4)(H)(i). Pub. L. 108–173, § 422(a)(2), inserted “and subject to paragraph (7)” after “after subparagraphs (F) and (G).”


2000—Subsec. (b)(3)(B)(i)(XVII). Pub. L. 106–554, § 116, added title III, § 301(a)(1), substituted “for hospitals in all areas,” for “‘minus 1.1 percentage points for hospitals (other than sole community hospitals) in all areas, and the market basket percentage increase for sole community hospitals’,”.


Subsec. (b)(3)(I)(i). Pub. L. 106–554, § 116, added title II, § 213(a)(1), in introductory provisions, substituted “there shall be substituted for the amount otherwise determined under subsection (d)(5)(D)(i), if such substitution results in a greater amount of payment under this section for the hospital” for “for the amount…”

Subsec. (b)(3)(I)(ii). Pub. L. 106–554, § 116, added title II, § 213(a)(1), in introductory provisions, substituted “there shall be substituted for the amount otherwise determined under subsection (d)(5)(D)(i), if such substitution results in a greater amount of payment under this section for the hospital” for “for the amount…”


Subsec. (b)(3)(H)(i) to (iii). Pub. L. 106–113, §1100(a)(6) [title I, §121(a), added cl. (i), redesignated former cl. (i) as subcl. (I) of cl. (ii) and inserted ``(as adjusted under clause (II)) after ``(fiscal year 1996) redesignated former cl. (ii) as subcl. (II) of cl. (i) and substituted ``subclause (I) for ``(clause (i) and ``such subclause for ``(such clause), added cl. (iii), and redesignated former cl. (iii) as subcl. (III) of cl. (i).


Subsec. (b)(4)(A)(ii). Pub. L. 106–113, §1100(a)(6) [title III, §323(f)], struck out “or unit” after “(and in the case of a hospital”.


Subsec. (d)(5)(B)(i)(V). Pub. L. 106–113, §1100(a)(6) [title IV, §407(b)(2)], inserted “(or, 130 percent of such number in the case of a hospital located in a rural area)” after “may not exceed the number”.

Pub. L. 106–113, §1100(a)(6) [title IV, §407(a)(2)], inserted at end “Rules similar to the rules of subsection (h)(4)(F)(ii) shall apply for purposes of this clause.”


Subsec. (j)(1)(D). Pub. L. 106–113, §1100(a)(6) [title I, §125(a)(1)], struck out “, day of inpatient hospital services, or other unit of payment defined by the Secretary” after “before period at end”.


Subsec. (j)(2)(A)(i). Pub. L. 106–113, §1100(a)(6) [title I, §125(a)(2)], amended cl. (i) generally. Prior to amendment, cl. (i) read as follows: “(i) not more than 130 percent of the amount determined”.


Subsec. (b)(1)(A). Pub. L. 105–33, §4415(a), added cls. (i) and (ii) and concluding provisions and struck out former cls. (i) and (ii) and former concluding provisions which read as follows:

“(i) 50 percent of the amount by which the target amount exceeds the amount of the operating costs, or

“(ii) 5 percent of the target amount, whichever is less; or”.


Subsec. (b)(1)(C). Pub. L. 105–33, §4415(c)(1), (2), redesignated subpar. (B) as (C) and substituted “greater than 5 percent of the target amount” for “less than 5 percent”.


Subsec. (h)(2)(D)(i). Pub. L. 106–113, §1000(a)(6) [title III, §311(b)(2), inserted heading and substituted “a subsequent clause” for “clause (ii)” and “the approved PFE resident amount determined” for “the amount determined”.


110 percent of the target amount,” for “greater than the target amount” and “110 percent of the target amount” for “exceed the target amount.”


Subsec. (b)(3)(A). Pub. L. 105–33, §§4411(a)(1), 4416(2), in introductory provisions, substituted “subparagraph (C) and succeeding subparagraph (D)” for “subparagraphs (C), (D), and (E),” and inserted “and in paragraph (7)(A)(ii),” before “for purposes of this subsection”.


Subsec. (b)(3)(B)(i)(XIII) to (XVII). Pub. L. 105–33, §4403(a)(1), inserted “as in effect on September 30, 1997” after “‘subject to clause (ix), the amount’ for ‘The amount’.”


Subsec. (b)(4)(A)(i). Pub. L. 105–33, §4419(a)(1), in first sentence, substituted “The Secretary shall provide for an exception and adjustment to (and in the case of a hospital or unit described in subsection (d)(1)(B)(i), may provide an exemption from)” for “The Secretary shall provide for an exception from, or an exception and adjustment to,”.

Subsec. (b)(4)(A)(ii). Pub. L. 105–33, §4419(a)(1), inserted at end “‘in making such reductions, the Secretary shall treat the applicable update factor described in paragraph (3)(B)(vi) for a fiscal year as being equal to the market basket percentage for that year.’”


Subsec. (d)(1). Pub. L. 105–33, §4417(a)(1), inserted at end “A hospital that was classified by the Secretary on or before September 30, 1990, as a hospital described in clause (iv) shall continue to be so classified notwithstanding that it is located in the same building as, or on the same campus as, another hospital.”


Subsec. (d)(2)(C)(ii). Pub. L. 105–33, §4621(a)(2), inserted at end “except that the Secretary shall not take into account any reduction in the amount of additional payments under paragraph (5)(B)(ii) resulting from the amendment made by section 4621(a)(1) of the Balanced Budget Act of 1997.”

Subsec. (d)(5)(A)(i). Pub. L. 105–33, §4465(c), substituted “‘exceed the sum of the applicable DRG prospective payment rate plus any amount payable under subparagraphs (B) and (F)” for “‘exceed the applicable DRG prospective payment rate’.”

Subsec. (d)(5)(B)(i). Pub. L. 105–33, §4621(a)(1), amended cl. (ii) generally. Prior to amendment, cl. (ii) read as follows: “For purposes of clause (i)(II), the indirect teaching adjustment factor for discharges occurring on or after October 1, 1988, is equal to 1.89 × (1 + r) to the nth power – 1, where ‘r’ is the ratio of the hospital’s full-time equivalent interns and residents to beds and ‘i’ equals 465.”

Subsec. (d)(5)(B)(iv). Pub. L. 105–33, §4621(b)(2), amended cl. (iv) generally. Prior to amendment, cl. (iv) read as follows: “In determining such adjustment, the Secretary shall continue to provide, as of the beginning of each fiscal year (beginning with fiscal year 1986), its recommendations to Congress on an appropriate change.
factor which should be used for inpatient hospital services for discharges in that fiscal year, together with its general recommendations under paragraph (2)(B) regarding the effectiveness and quality of health care delivery systems in the United States.

Subsec. (e)(5)(A). Pub. L. 105–33, § 4644(b)(1)(A), substituted “April 1” for “May 1”.

Subsec. (e)(5)(B). Pub. L. 105–33, § 4644(b)(1)(B), substituted “August 1” for “September 1”.

Subsec. (e)(6). Pub. L. 105–33, § 4022(b)(1)(A)(i), struck out par. (6) which related to appointments, membership, responsibilities, compensation, access to records and information, audits, and appropriations concerning the Prospective Payment Assessment Commission.

Subsec. (g)(1)(A). Pub. L. 105–33, § 4662, inserted at end “In addition to the reduction described in the preceding sentence, for discharges occurring on or after October 1, 1997, the Secretary shall apply the budget neutrality adjustment factor used to determine the Federal capital payment rate in effect on September 30, 1995 (as described in section 412.352 of title 42 of the Code of Federal Regulations), to (i) the unadjusted standard Federal capital payment rate as described in section 412.358(c) of that title, as in effect on September 30, 1997, and (ii) the unadjusted hospital-specific rate (as described in section 412.352(e)(1)) of that title, as in effect on September 30, 1997, and, for discharges occurring on or after October 1, 1997, and before September 30, 2002, reduce the rates described in clauses (i) and (ii) by 2.1 percent.”

Subsec. (g)(3)(B). Pub. L. 105–33, § 4201(c)(1), substituted “critical access” for “rural primary care”.


Subsec. (h)(4)(F) and (H). Pub. L. 105–33, § 4623, added subpars. (F) and (H).

Subsec. (h)(5)(G). Pub. L. 105–33, § 4627(a), substituted “Subject to clauses (ii), (iii), and (iv)” for “Subject to clauses (ii) and (iii)” in cl. (i) and added cl. (iv).


Subsec. (l). Pub. L. 103–432, § 110(a), inserted “‘or, in the case of a hospital that is not a subsection (d) hospital, during the 1 day’” after “‘3 days’”.

Subsec. (b)(3)(B)(iv)(II). Pub. L. 103–432, § 105(b), substituted “(adjusted to exclude any portion of a cost reporting period beginning during fiscal year 1993 for which the applicable percentage increase is determined under subparagraph (I))” for “(taking into account any portion of the 12-month cost reporting period beginning during fiscal year 1993 that occurred during fiscal year 1994)”.


Subsec. (d)(5)(A)(iii). Pub. L. 103–432, § 101(c), inserted at end “For discharges occurring on or after October 1, 1994, the Secretary shall adjust the ratio of the labor portion to non-labor portion of each average standardized amount to equal such ratio for the national average of all standardized amounts.”


Subsec. (d)(5)(D)(iii)(II). Pub. L. 103–432, § 102(b)(1)(B)(i), substituted “that is located in a rural area and designated for “that is designated”.


Subsec. (d)(5)(G)(ii)(I). Pub. L. 103–432, § 105(a)(1), substituted “the 36-month period beginning with the first day of the cost reporting period that begins” for “the fiscal 12-month cost reporting periods that begin”.


Subsec. (d)(3)(C)(iv). Pub. L. 101–508, § 4002(h)(1)(A)(iv), redesignated cls. (iv) and (iv) as (v) and (vi), respectively, and struck out former cl. (iv).

Subsec. (d)(3)(D)(ii). Pub. L. 101–508, § 4002(c)(2)(B)(v)(vi), struck out “for hospitals located in such urban area (excluding all the hospitals so treated)” and inserted “the hospitals so reclassified” and to hospitals located in such urban area (excluding all the hospitals so treated) and to hospitals located in such county were a separate area.”

Subsec. (d)(8)(C)(i). Pub. L. 101–508, § 4002(h)(1)(A)(i), amended subcl. (i) generally. Prior to amendment, subcl. (i) which read as follows: “The wage index for that urban area by more than 1 percentage point (as applied under this subsection), the Secretary shall calculate and apply such wage index under this subsection separately to hospitals located in such urban area (excluding all the hospitals so treated) and to the hospitals so treated (as if each affected rural county were a separate urban area).”

Subsec. (d)(8)(D). Pub. L. 101–508, § 4002(c)(2)(B)(vi), struck out “for hospitals located in an urban area after “determined under paragraph (3)” and struck out end and inserted “, except that the Secretary shall not exclude additional payments under such paragraph as a result of the enactment of section 6033(c) of the Omnibus Budget Reconciliation Act of 1990.”


(1) on or after May 1, 1996, and before October 1, 1995, is equal to 1.89(1+r)−0.05, or

(2) on or after October 1, 1995, is equal to 1.43(1+r)−1, where “r” is the ratio of the hospital’s full-time equivalent interns and residents to total discharges.”

Subsec. (d)(5)(F)(v). Pub. L. 101–508, § 4002(b)(1)(A), substituted “greater than 20.2—” and subdivs. (a) to (d) for “greater than 20.2, (P(1+r)(0.6)+5.62, or.”

Subsec. (d)(8)(C)(i). Pub. L. 101–508, § 4002(h)(1)(A)(i), amended subcl. (i) generally. Prior to amendment, subcl. (i) which read as follows: “For purposes of this subchapter, the term “urban area” includes any urbanized area as being located in another urban area—

(I) reduces the wage index for the urban area within which the county or counties is reclassified by more than 1 percentage point (as applied under this subsection), the Secretary shall calculate and apply such wage index under this subsection separately to hospitals located in such urban area (excluding all the hospitals so treated) and to the hospitals so treated (as if each affected rural county were a separate urban area).”

Subsec. (d)(8)(D). Pub. L. 101–508, § 4002(c)(2)(B)(vi), struck out “for hospitals located in an urban area after “determined under paragraph (3)” and struck out end and inserted “The Secretary shall make such adjustment in payments under this section to hospitals located in rural areas as are necessary to assure that the aggregate of payments to rural hospitals that are affected by subparagraphs (B) and (C) or a decision of the Medicare Geographic Classification Review Board or the Secretary under paragraph (10) are not changed as a result of the application of subparagraphs (B) and (C) or a decision of the Medicare Geographic Classification Review Board or the Secretary under paragraph (10).”


struck out “1 member shall be a member of the Prospective Payment Assessment Commission, and at least” after “At least”.
Subsec. (d)(10)(C)(iii)(II). Pub. L. 101–508, §4002(h)(2)(B)(iv), substituted “Appeal of decisions of the Board shall be subject to the provisions of section 557b of title 5” for “A decision of the Board shall be final unless the unsuccessful applicant appeals such decision to the Secretary by not later than 15 days after the Board renders its decision. The Secretary in considering the appeal of an applicant shall receive no new evidence but shall consider the record as a whole as such record appeared before the Board” and substituted “after the date on which” for “after”.
Subsec. (e)(2). Pub. L. 101–508, §4002(g)(1), designated existing provisions as subpar. (A) and added subpars. (B) and (C).
Subsec. (e)(2)(A). Pub. L. 101–508, §4002(g)(2)(B), substituted “The Commission” for “In addition to carrying out its functions under subsection (d)(4)(D) of this section, the Commission”.
Subsec. (e)(3)(A). Pub. L. 101–508, §4002(g)(2)(C), substituted “Congress” for “the Secretary” and inserted before period at end “, together with its general recommendations under paragraphs (B) and (D) regarding the effectiveness and quality of health care delivery systems in the United States”.
Subsec. (e)(4). Pub. L. 101–508, §4002(g)(2)(D), designated existing provisions as subpar. (A) and added subpar. (B).
Subsec. (e)(5). Pub. L. 101–508, §4002(g)(2)(E), substituted “recommendations” for “recommendation” in subpars. (A) and (B) and inserted at end “To the extent that the Secretary’s recommendations under paragraph (4) differ from the Commission’s recommendations for that fiscal year, the Secretary shall include in the publication referred to in subparagraph (A) an explanation of the Commission’s grounds for not following the Commission’s recommendations.”
Subsec. (e)(6)(B). Pub. L. 101–508, §4002(g)(2)(F), redesignated cls. (i) and (ii) as (i) and (ii), respectively, and struck out former cl. (i) which read as follows: “The Office shall report annually to the Congress on the functioning and progress of the Commission and on the status of the assessment of medical procedures and services by the Commission.”
Subsec. (g)(1)(A). Pub. L. 101–508, §4001(b), inserted at end “Aggregate payments made under subsection (d) and in a fiscal year after fiscal year 1992 through 1996 shall be reduced in a manner that results in a reduction (as estimated by the Secretary) in the amount of payments attributable to capital-related costs that would otherwise have been made during such fiscal year had the amount of such payments been based on reasonable costs (as defined in section 1395ww of this title).”
Subsec. (b)(3)(A). Pub. L. 101–239, §6004(b)(1)(A), substituted “(C), (D), and (E)” for “(C) and (D)” in introductory provisions.
Subsec. (b)(10)(B). Pub. L. 101–239, §6003(c)(2)(B), substituted “subparagraphs (C) and (D)” for “subparagraph (C)” in introductory provisions.
Subsec. (b)(3)(B)(i). Pub. L. 101–239, §6003(c)(1)(B)(i), substituted “(A) Except as provided in subparagraph (C), for purposes of this subsection” for “(A) For purposes of this subsection” in introductory provisions.
Subsec. (b)(4)(A). Pub. L. 101–239, §6105(a), substituted “deems appropriate, including the assignment of a new base period which is more representative, as determined by the Secretary, of the reasonable and necessary cost of inpatient services and” for “deems appropriate.”
Subsec. (c)(4). Pub. L. 101–239, §6022, substituted the aggregate rate of increase from October 1, 1984, to the most recent date for which annual data are available” for “the aggregate payment or payments per inpatient admission or discharge during the three cost reporting periods beginning on or after October 1, 1983, after which such test, at the option of the Secretary (as estimated by the Secretary), shall no longer apply, and such State systems shall be treated in the same manner as under other waivers” in second sentence.
Subsec. (d)(3)(E). Pub. L. 101–239, §6003(b)(6), substituted “October 1, 1990, and October 1, 1993 (and at least every 12 months thereafter)” for “October 1, 1990 (and at least every 36 months thereafter)” and inserted at end “Any adjustments or updates made under this subparagraph for a fiscal year (beginning with fiscal year 1991) shall be made in a manner that assures that the aggregate payments under this subsection in the fiscal year are not greater or less than those that would have been made in the year without such adjustment.”
Subsec. (d)(4)(C). Pub. L. 101–239, §6003(b), designated existing provisions as cl. (i) and added clss. (ii) to (iv).
Subsec. (d)(5)(C). Pub. L. 101–239, §6003(e)(1)(A)(i), (ii), (iv), (2)(B), redesignated former cl. (i)(I) as cl. (i), redesignated former cl. (i)(II) as cl. (ii) and substituted “clause (i)” for “subclause (I)” in three places, and redesignated former clss. (i)(iii), (iv) and (v) as subpars. (D), (E), and (F), respectively.
Subsec. (d)(5)(D). Pub. L. 101–239, §6003(e)(1)(A)(iv), amended former subpar. (C)(ii) generally, redesignated redesignating the subcl. (i) to (iv) relating to payments to sole community hospitals for cost reporting periods beginning on or after Apr. 1, 1990, for former single paragraph relating to payments to such hospitals for cost reporting periods beginning on or after Oct. 1, 1984.
Subsec. (d)(5)(F)(iv)(I). Pub. L. 101–239, §6003(c)(1)(A), substituted “the applicable formula described in clause (vii)” for “the following formula: (P−10)(5)+2.5, where ‘P’ is the hospital’s disproportionate patient percentage as defined in clause (vi))”.
Subsec. (d)(5)(F)(iv)(III). Pub. L. 101–239, §6003(c)(2)(A)(i), inserted “in subclause (IV) or (V) or” after “described”.
Subsec. (d)(5)(F)(V)(i). Pub. L. 101–239, §6003(c)(2)(B), added subcl. (II), redesignated former subcls. (II) and (III) as (III) and (IV), respectively, and
substituted “area and is not described in subclause (II) for “area” in subcl. (IV).
Subsec. (d)(5)(I). Pub. L. 101–239, §6004(a)(2), struck out “(including exceptions and adjustments that may be appropriate with respect to hospitals involved extensively in treatment for and research on cancer)” after “deems appropriate”.
Subsec. (d)(6)(C). Pub. L. 101–239, §6003(b)(3), amended subpar. (C) generally. Prior to amendment, subpar. (C) read as follows:
“(i) If the application of subparagraph (B) or a decision of the Medicare Geographic Classification Review Board or the Secretary under paragraph (10), [sic] by treating hospitals located in a rural county or counties as being located in an urban area, reduces the wage index for that urban area (as applied under this subsection), the Secretary shall calculate and apply such wage index under this subsection separately to hospitals located in such urban area (excluding all the hospitals so treated) and to the hospitals so treated (as if each affected rural county were a separate urban area).
If the application of subparagraph (B) or a decision of the Medicare Geographic Classification Review Board or the Secretary under paragraph (10), [sic] by treating hospitals located in a rural county or counties as not being located in the rural area in a State, reduces the wage index for that rural area (as applied under this subsection), the Secretary shall calculate and apply such wage index under this subsection as if the hospitals so treated had not been excluded from calculation of the wage index for that rural area.
“(ii) Clause (i) shall only apply to discharges occurring on or before October 1, 1989, and before October 1, 1991.
Subsec. (d)(8)(C)(i). Pub. L. 101–239, §6003(h)(2), substituted “subparagraph (B) or a decision of the Medicare Geographic Classification Review Board or the Secretary under paragraph (10), [sic] by treating hospitals so treated had not been excluded from calculation of the wage index for that rural area.
Subsec. (d)(8)(C)(ii), redesignated former cl. (iii) as (iv), substituted “Subparagraph (H)” for “Subparagraph (C)(iii)”, and struck out former cl. (iv) which read as follows: “Subparagraph (B) (relating to payments for costs of certified registered nurse anesthetists).”
Pub. L. 100–360, §411(b)(1)(A), substituted “for hospitals located in other urban areas” for “other hospitals”.
Pub. L. 100–360, §411(b)(1)(A), (B), substituted “percentage points” for “percent” in three places and “for hospitals located in other urban areas” for “other hospitals”.
Subsec. (d)(1)(A)(III). Pub. L. 100–360, §411(b)(1)(G), substituted “if the average standardized amount (described in clause (i)(I) or clause (i)(I) of paragraph (3)(D)) for hospitals within the region of, and in the same rural, large urban, or other urban area as, the hospital is greater than the average standardized amount (described in the respective clause for hospitals within the United States in that type of area)” for “if greater”.
See 1986 Amendment note below.
Subsec. (d)(2)(D). Pub. L. 100–360, §411(b)(1)(D), substituted the publications described in subsection (e)(5)” for “the publication described in subsection (e)(5)” in second sentence.
Pub. L. 100–360, §411(b)(1)(H)(i), struck out at end “For purposes of payment under this subsection, a hospital is considered to be located in an urban area or large urban area, respectively, if the hospital is paid under this subsection at the rate for hospitals located in such an area.”
Subsec. (d)(3)(A)(ii). Pub. L. 100–360, §411(b)(1)(F), substituted “in other urban areas” for “in urban areas”.

Subsec. (d)(3)(A)(i). Pub. L. 100–203, § 4003(a)(1), substituted “1.89” for “2” and “large urban, other urban, or rural areas” for “urban and rural areas” in heading.


that meets the criteria for classification as a sole community hospital and otherwise qualifies for the adjustment authorized by the preceding sentence may qualify for an adjustment with a Reddit and subject to paragraph (1)(A)."

Subsec. (d)(5)(F)(i), Pub. L. 100–203, § 4003(c), substituted "such net inpatient care revenues" for "such revenues". Pub. L. 100–203, § 4009(b)(3)(A), substituted "25 percent" for "15 percent". Pub. L. 100–203, § 4002(c)(2), struck out "the lesser of 15 percent, or" as follows: "10 percent for payments attributable to portions of cost reporting periods or discharges (as the case may be) occurring during fiscal year 1989." Pub. L. 100–203, § 4006(b)(2)(B), struck out subpar. (C) which read as follows: "costs of anesthesia services provided by a certified registered nurse anesthetist," after "approved

Subsec. (d)(5)(F)(II), Pub. L. 100–203, § 4003(b)(1), substituted "such large urban area," for "an urban area," and "in subcl. (I), added subcl. (II), and redesignated former subcl. (II) as (III)."

Subsec. (d)(5)(F)(III), Pub. L. 100–203, § 4002(b)(2), struck out "the second and third sentences of paragraph (3)(E) added by Pub. L. 100–360, § 411(b)(6)(B), inserted subpar. (B)."

Subsec. (d)(5)(F)(IV), Pub. L. 100–203, § 4000(a)(3), as amended by Pub. L. 100–360, § 411(b)(4)(C)(i), designated existing provisions as subpar. (A) and designated former subpar. (A) as cl. (i) and redesignated former subpar. (B) as (ii). Subsec. (d)(5)(F)(V), Pub. L. 100–360, § 411(b)(4)(C)(ii), redesignated former subpar. (B) as (i)."

Subsec. (d)(5)(F)(VI), Pub. L. 100–203, § 4009(j)(3)(A), as amended by Pub. L. 100–360, § 411(b)(5)(B), substituted "10 percent for payments attributable to portions of cost reporting periods or discharges (as the case may be) occurring during fiscal year 1989." Pub. L. 100–203, § 4006(b)(2)(C), struck out subpar. (C) which read as follows: "costs of anesthesia services provided by a certified registered nurse anesthetist," after "approved

Subsec. (d)(5)(F)(VII), Pub. L. 100–203, § 4009(j)(4), as amended by Pub. L. 100–360, § 411(b)(5)(B), substituted "25 percent" for "15 percent". Pub. L. 100–203, § 4002(c)(2), struck out "the lesser of 15 percent, or" as follows: "10 percent for payments attributable to portions of cost reporting periods or discharges (as the case may be) occurring during fiscal year 1989." Pub. L. 100–203, § 4006(b)(2)(B), struck out subpar. (C) which read as follows: "costs of anesthesia services provided by a certified registered nurse anesthetist," after "approved

Subsec. (d)(5)(F)(VIII), Pub. L. 100–203, § 4009(j)(5), as amended by Pub. L. 100–360, § 411(b)(5)(B), substituted "25 percent" for "15 percent". Pub. L. 100–203, § 4002(c)(2), struck out "the lesser of 15 percent, or" as follows: "10 percent for payments attributable to portions of cost reporting periods or discharges (as the case may be) occurring during fiscal year 1989." Pub. L. 100–203, § 4006(b)(2)(B), struck out subpar. (C) which read as follows: "costs of anesthesia services provided by a certified registered nurse anesthetist," after "approved


Subsec. (d)(8)(B), Pub. L. 100–203, § 4005(a)(1), as amended by Pub. L. 100–360, § 411(b)(4)(C)(i), designated existing provisions as subpar. (A) and redesignated former subpar. (A) as cl. (i) and redesignated subcls. (I) and (II), respectively, redesignated former subpar. (B) as (ii). Subsec. (d)(8)(C), Pub. L. 100–203, § 4004(a)(2), as amended by Pub. L. 100–360, § 411(b)(3)(A), inserted at end "The second and third sentences of paragraph (3)(E) shall apply to subsection (d) Puerto Rico hospitals under this clause in the same manner as they apply to subsection (d) hospitals under such paragraph and, for purposes of this clause, any reference in such paragraph to a subsection (d) hospital is deemed a reference to a subsection (d) Puerto Rico hospital."

Subsec. (e)(3)(B), Pub. L. 100–203, § 4002(f)(1)(B), struck out "or determine" after "recommend". Subsec. (e)(4), Pub. L. 100–203, § 4002(f)(1)(C), as amended by Pub. L. 100–360, § 411(b)(3)(A), substituted "for each fiscal year (beginning with fiscal year 1988)" for "for fiscal year 1988", struck out "and shall determine for each subsequent fiscal year the percentage change which will apply for purposes of this section as the applicable percentage increase (otherwise described in subsection (b)(3)(B) of this section) for discharges in that fiscal year," and "and for the fiscal year", and amended last sentence generally. Prior to amendment read as follows: "The percentage change shall be the same for all subsections (d) hospitals and subsection (d) Puerto Rico hospitals, but may be different from that for other hospitals (and units not included as such hospitals) and may vary among such other hospitals and units."


Subsec. (f)(1)(A), Pub. L. 100–203, § 4007(b)(1)(A), (B), as added by Pub. L. 100–360, § 411(b)(6)(B), inserted subpar. (A) designation and struck out "for, a period ending not earlier than September 30, 1988," after "shall maintain".

Subsec. (f)(1)(B), Pub. L. 100–203, § 4007(b)(1)(C), as added by Pub. L. 100–360, § 411(b)(6)(B), amended subpar. (B). Subsec. (f)(3), Pub. L. 100–93 amended par. (3) generally. Prior to amendment, par. (3) read as follows: "The provisions of paragraphs (2), (3), and (4) of section 1395y(d) of this title shall apply to determinations under paragraph (2) of this subsection in the same manner as they apply to determinations made under section 1395y(d)(1) of this title."

Subsec. (g)(1), Pub. L. 100–203, § 4006(b)(1), amended par. (1) generally. Prior to amendment, par. (1) read as follows: "If the Congress does not enact legislation, after April 20, 1983, and before October 1, 1987, respecting the payment under this subchapter for capital-related costs for inpatient hospital services, no payment may be made under this subchapter for capital-related costs of capital expenditures (as defined in section 1320a–1(g) of this title and except as provided in section 1320a–1(c) of this title) for inpatient hospital services in a State, which expenditures are obligations after September 30, 1987, unless the State has an agreement with the Secretary under section 1320a–1(b) of this title and under the agreement the State has recommended approval of the capital expenditures."

Subsec. (g)(3)(A)(i) to (iv), Pub. L. 100–203, § 4006(a), as amended by Pub. L. 100–360, § 411(b)(5)(B), substituted "on or after October 1, 1987, and, before January 1, 1988," for "on or after October 1, 1987," added after, and amended last sentence generally. Prior to amendment read as follows: "10 percent for payments attributable to portions of cost reporting periods or discharges (as the case may be) occurring during fiscal year 1989." Pub. L. 100–203, § 4006(b)(2)(B), struck out subpar. (C) which read as follows: "If the Secretary provides, under subsection (a)(4) of this section, for the inclusion of other capital-related costs in operating costs of inpatient hospital services, the Secretary shall provide—"
read as follows: "For purposes of subparagraph (A) and subsection (d) of this section and except as provided in subsection (e) of this section, the 'applicable percentage increase' for any 12-month cost reporting period or fiscal year shall be equal to one-quarter of 1 percentage point plus the percentage, estimated by the Secretary before the beginning of the period or year, by which the costs of the mix of goods and services (including personnel costs but excluding non-operating costs) comprising routine, ancillary, and special care unit inpatient hospital services, based on an index of appropriately weighted indicators of changes in wages and prices which are representative of the mix of goods and services included in such inpatient hospital services, for such cost reporting period or fiscal year will exceed the cost of such mix of goods and services for the preceding 12-month cost reporting period or fiscal year. In determining a percentage change under subsection (e)(4) of this section with respect to discharges occurring in any cost reporting period or fiscal year beginning on or after October 1, 1985, and before October 1, 1986, the Secretary may not establish a percentage increase which exceeds the applicable percentage increase otherwise determined for that period or fiscal year under the preceding sentence."

Subsec. (b)(3)(B)(ii). Pub. L. 99–509, §9302(a)(1), amended subcl. (B) generally. Prior to amendment, subcl. (B) read as follows: "for fiscal years 1987 and 1988, a percentage determined by the Secretary pursuant to subsection (e)(4) of this section, but not to exceed the market basket percentage increase (as defined in clause (ii)), and":


Subsec. (d)(1)(C). Pub. L. 99–272, §1012(b), struck out "", or discharges occurring" after "periods beginning" in introductory provision, and "and" after "percent;" in cl. (ii), added cl. (iii), redesignated former cl. (iii) as (iv), and in cl. (iv) substituted "on or after October 1, 1986, and before October 1, 1987" for "on or after October 1, 1985, and before October 1, 1986".


Pub. L. 99–509, §9307(c)(1)(B)(ii), designated existing provisions as subcl. (I) and added subcl. (II).


Pub. L. 99–272, §1016(a), inserted "and which shall not require a rural osteopathic hospital to have more than 3,000 discharges in a year in order to be classified as a rural referral center" before the period in second sentence.

Pub. L. 99–272, §1015(c), struck out "", and of public or other hospitals that serve a significantly disproportionate number of patients who have low income or are en-
ttled to benefits under part A of this subchapter” after “in rural areas”.


Pub. L. 99–509, § 9311(a), inserted provision authorizing the Secretary to adjust amount of payments to sole community hospitals that realize a significant increase in operating costs in a cost reporting period attributable to addition of new inpatient facilities or services.

Subsec. (d)(5)(E). Pub. L. 99–509, § 9302(g)(2), struck out subpar. (E) which read as follows: “The Secretary shall provide for an additional payment amount for any subsection (d) hospital equal to the reasonable costs incurred by such hospital for services provided by a certified registered nurse anesthetist. Payment under this subparagraph shall be the only payment made to such hospital with respect to such services.”


Pub. L. 99–509, § 9304(b)(2), in subsec. (d)(5)(F)(iv)(III), inserted “(other than under paragraph (B))” after “second sentence of clause (III)” after “100 or more beds”.

Subsec. (d)(5)(F)(v). Pub. L. 99–509, § 9306(b)(2), inserted “and is not described in the second sentence of subsection (b)” after “rural area”.

Subsec. (d)(5)(F)(v). Pub. L. 99–509, § 9306(b)(2), inserted “and is not described in the second sentence of clause (III)” after “100 or more beds”.

Pub. L. 99–509, § 9306(b)(2), inserted “is as described in the second sentence of subsection (b)” after “that fiscal year”.

Subsec. (e)(3). Pub. L. 99–509, § 9302(c)(3), designated existing provisions as subpar. (A) and added subpar. (B).

Pub. L. 99–509, § 9302(c)(2), struck out “(instead of the applicable percentage increase described in subsection (c)(3)(B)(ii) of this section)” after “should be used”.


Subsec. (e)(4). Pub. L. 99–509, § 9302(a)(2)(B), (e)(2), substituted “recommend for fiscal year 1988 an applicable percentage increase for inpatient hospital services for discharges in that fiscal year and shall determine for each subsequent fiscal year” for “recommend for fiscal year 1987 an applicable percentage increase for inpatient hospital services for discharges in that fiscal year and shall determine for each fiscal year”.

Pub. L. 99–509, § 9311(c)(2), struck out “instead of the applicable percentage increase described in subsection (b)(3)(B) of this section” after “should be used”.


Subsec. (e)(4). Pub. L. 99–509, § 9302(a)(2)(B), (e)(2), substituted “recommend for fiscal year 1988 an applicable percentage increase for inpatient hospital services for discharges in that fiscal year and shall determine for each subsequent fiscal year” for “recommend for fiscal year 1987 an applicable percentage increase for inpatient hospital services for discharges in that fiscal year and shall determine for each fiscal year”.

Pub. L. 99–509, § 9311(c)(2), struck out “instead of the applicable percentage increase described in subsection (b)(3)(B) of this section” after “should be used”.


Subsec. (g)(2). Pub. L. 99–272, § 9107(a)(1), designated existing provision as subpar. (A), inserted “the applicable percentage (described in subparagraph (B))”, and added subpar. (B).


Subsec. (h)(2)(C). Pub. L. 99–514, § 1895(b)(9)(A), substituted “paragraph (B)’’ for “paragraph (B)”.

Subsec. (h)(4)(D). Pub. L. 99–514, § 1895(b)(9)(B), (C), redesignated subpar. (E) as (D) and in cl. (ii) inserted “but before July 1, 1987”.


Pub. L. 99–514, § 1895(b)(9)(C), redesignated former subpar. (E) as (D).

Subsec. (h)(5)(B). Pub. L. 99–514, § 1895(b)(9)(D), substituted “The” for “As used in this paragraph, the’’.

Subsec. (a)(4). Pub. L. 98–369, § 2312(b), temporarily inserted “, costs of anesthesia services provided by a certified registered nurse anesthetist after educational activities’. See Effective and Termination Dates of 1984 Amendments note below.


Subsec. (b)(3)(B). Pub. L. 98–369, § 2310(a), substituted “one-quarter of one percentage point” for “one percentage point”, and inserted provision that in determining the percentage change under subsec. (e) of this section with respect to discharges occurring in any cost reporting period or fiscal year beginning on or after Oct. 1, 1985, and before Oct. 1, 1986, the Secretary may not establish a percentage increase which exceeds the applicable percentage increase otherwise determined for that period or fiscal year under the preceding sentence.

Subsec. (c)(4)(A). Pub. L. 98–369, § 2310(a), substituted “(D), and (E)” for “(D)”.


Pub. L. 98–369, § 2311(b), inserted provision for determining the region a hospital located in a Metropolitan Statistical Area would be deemed to be located.


Subsec. (d)(5)(B). Pub. L. 98–369, § 2307(b)(1), inserted provision that in determining such adjustment the Secretary may not distinguish between those interns and residents who are employees of a hospital and those who furnish services to a hospital but are not employees of such hospital.


Pub. L. 98–369, § 2311(a), inserted provisions permitting a hospital classified as a rural hospital to appeal to the Secretary for reclassification as a rural referral center on the basis of criteria established and published by the Secretary and requiring the Secretary to make a final determination with respect to such appeal within 60 days after the date the appeal was submitted.


Subsec. (d)(8). Pub. L. 98–369, § 2311(c), added par. (8).

Subsec. (e)(2). Pub. L. 98–369, § 2313(b)(1), inserted provision that in determining such adjustment the Secretary may not distinguish between those interns and residents who are employees of a hospital and those who furnish services to a hospital but are not employees of such hospital.


Pub. L. 98–369, § 2311(a), inserted provisions permitting a hospital classified as a rural hospital to appeal to the Secretary for reclassification as a rural referral center on the basis of criteria established and published by the Secretary and requiring the Secretary to make a final determination with respect to such appeal within 60 days after the date the appeal was submitted.
Subsec. (e)(6)(C). Pub. L. 98–369, §2313(b)(3), inserted provision that section 19(a)(1) of the Federal Advisory Committee Act not apply to any portion of a Commission meeting if the Commission, by majority vote, determines such portion of such meeting should be closed.

Subsec. (e)(6)(C)(i). Pub. L. 98–369, §2313(b)(1), amended cl. (i) generally, substituting provision authorizing the Commission to employ and fix the compensation of an Executive Director, subject to the approval of the Director of the Office, and such other personnel, not to exceed 25, as necessary, without regard to the provisions of title 5 governing appointment in the competitive service, for provision authorizing the Commission to employ and fix the compensation of such personnel, not to exceed 25, as may be necessary to carry out its duties.


Subsec. (e)(6)(D). Pub. L. 98–369, §2313(b)(4), inserted provision relating to payment of physician comparability allowance in the same manner as provided under section 1948 of title 5 and providing that for such purpose subpar. (J) of such section applies to the Commission in the same manner as it applies to the Tennessee Valley Authority.


Subsec. (a)(4). Pub. L. 98–21, §601(a)(2), inserted provision that term "operating costs of inpatient hospital services" does not include costs of approved educational activities, or, with respect to costs incurred in cost reporting periods beginning prior to Oct. 1, 1986, capital-related costs, as defined by the Secretary.

Pub. L. 97–448, §309(b)(13), substituted "as such costs are determined" for "and such costs are determined".

Subsec. (b)(1). Pub. L. 98–21, §601(b)(1), (2), in provisions preceding subpar. (A), substituted "Notwithstanding section 1395f(b) of this title but subject to the provisions of section 1395e of this title" for "Notwithstanding section 1395f(b) of this title, but subject to the provisions of sections 1395e of this title" and inserted "(other than a subsection (d) hospital, as defined in subsection (d)(1)(B))" after "of a hospital".

Pub. L. 98–21, §601(b)(3), inserted "(other than on the basis of a DRG prospective payment rate determined under subsection (d))" after "payable under this subsection, pursuant to provisions following subparagraph (B)."

Pub. L. 97–448, §309(b)(14), substituted "section 1395f(b) of this title," for "sections 1395f(b) of this title" in provisions preceding subpar. (A).


Subsec. (b)(3)(B). Pub. L. 98–21, §601(b)(5)–(8), inserted "and subsection (d) of this section and except as provided in subsection (e) of this section" after "subparagraph (A)\'', inserted "or fiscal year" after "cost reporting period", inserted "before the beginning of the period or year" after "estimated by the Secretary", and substituted "will exceed" for "exceeds".

Subsec. (b)(6). Pub. L. 98–21, §601(b)(9), added par. (6) and repealed a prior par. (6) which directed the Secretary to provide for an adjustment under this paragraph in the amount of payment otherwise provided a hospital under this subsection in the case of a hospital which, as of Aug. 15, 1982, was subject to FICA taxes and which was not subject to such taxes for part or all of a cost reporting period beginning on or after Oct. 1, 1982, that in making such adjustment for a cost reporting period the Secretary was to estimate the amount of the operating costs of inpatient hospital services that would have resulted if the hospital was subject to FICA taxes during that period, and determine the Secretary was to reduce the amount of such FICA taxes that would have been paid (but not below zero) by the amount of costs which the hospital demonstrated to the satisfaction of the Secretary were incurred in the period for pensions, health, and other services provided to employees (and former employees and family members) comparable to, and in lieu of, the benefits provided under subchapter II of this chapter and this subchapter, that if the hospital's operating costs of inpatient hospital services determined without regard to this paragraph for a cost reporting period, then the Secretary was to reduce the amount otherwise paid the hospital (respecting operating costs of inpatient hospital services) under this subchapter (taking into account any limitation under subsection (a) of this section) for the period by the amount by which (i) the amount that would have been paid the hospital if (I) the amount of the operating costs of inpatient hospital services estimated under subparagraph (B) were treated as the amount of the operating costs of inpatient hospital services and (II) subsection (a) of this section did not apply to the determination, exceeded (ii) the amount that would otherwise have been paid the hospital if subsection (a) of this section (and this paragraph) did not apply, except that, in making such determination for cost reporting periods beginning on or after Oct. 1, 1984, clause (ii) of paragraph (1)(B) was to continue to apply.

Subsec. (b)(6)(C). Pub. L. 97–448, §309(b)(15), substituted "under this subchapter (taking into account any limitation under subsection (a) of this section)" for " under this subchapter " in provisions preceding subpar. (J).

Subsec. (c)(1). Pub. L. 98–21, §601(c)(1), added subparas. (D) and (E) and provisions following subpar. (E).

Subsec. (c)(3)(A). Pub. L. 98–21, §801(c)(2)(A), substituted "meets the requirements of subparagraphs (A), (D), and (E) of paragraph (1) and, if applicable, the requirements of paragraph (5)," for "meets the requirement of paragraph (1)(A)\'."

Subsec. (c)(3)(B). Pub. L. 98–21, §601(c)(2)(B), inserted "(or, if applicable, in paragraph (5))".

Subsec. (c)(4) to (6). Pub. L. 98–21, §601(c)(3), added paras. (4) to (6).

Subsec. (d). Pub. L. 98–21, §601(d)(2), (e), added subsec. (d) and redesignated former subsec. (d), relating to the elimination of lesser-of-cost-or-charges provisions, as subsec. (j) of section 1814 of act Aug. 14, 1935, which is classified to subsec. (j) of section 1395f of this title.

Subsecs. (e) to (g). Pub. L. 98–21, §601(e), added subsecs. (e) to (g).


CHANGE OF NAME

References to Medicare+Choice deemed to refer to Medicare Advantage or MA, subject to an appropriate transition provided by the Secretary of Health and Human Services in the use of those terms, see section 201 of Pub. L. 108–173, set out as a note under section 1395w–21 of this title.

EFFECTIVE DATE OF 2015 AMENDMENT

Pub. L. 114–113, div. O, title VI, §602(d), Dec. 18, 2015, 129 Stat. 3024, provided that: "The amendments made by this section [amending this section and section 1395w–23 of this title] shall apply as if included in the enactment of the American Recovery and Reinvestment Act of 2009 (Public Law 111–5), except that, in order to take into account delays in the implementation of this section in applying subsections (b)(3)(B)(ix), (n)(2)(E)(i)(i), and (n)(2)(G)(i) of section 1866 of the Social Security Act [42 U.S.C. 1395ww], as amended by this section, any reference in such subsections to a particular year shall be treated with respect to a subsection (d) Puerto Rico hospital as a reference to the year that is 5 years after such particular year or (7 years after such particular year in the case of applying subsection (b)(3)(B)(ix)) during that period.

Amendment by section 106(b)(2)(B) of Pub. L. 114–10 applicable to meaningful EHR users as of the date that
is one year after Apr. 16, 2015, see section 106(b)(2)(C) of Pub. L. 114–10, set out as a note under section 1395w–4 of this title.

**Effective Date of 2014 Amendment**

Pub. L. 113–93, title I, §112(d), Apr. 1, 2014, 128 Stat. 1045, provided that: "The amendments made by this section (amending this section and provisions set out as notes under this section) are effective as of the date of the enactment of this Act [Apr. 1, 2014]."

**Effective Date of 2011 Amendment**

Amendment by Pub. L. 112–40 applicable to contracts entered into or renewed on or after Jan. 1, 2012, see section 261(e) of Pub. L. 112–40, set out as a note under section 1395cc of this title.

**Effective Date of 2010 Amendment**


Pub. L. 111–192, title I, §102(b), June 25, 2010, 124 Stat. 1261, provided that: "The amendments made by subsection (a) [amending this section] shall apply to services furnished on or after the date of the enactment of this Act [June 25, 2010]."

Pub. L. 111–148, act III, §3401(p), Mar. 23, 2010, 124 Stat. 488, provided that: "Notwithstanding the preceding provisions of this section [amending this section and sections 1395f, 1395w, 1395x, 1395y, and 1395fff of this title], the amendments made by subsections (a), (c), and (d) [amending this section] shall not apply to discharges occurring before April 1, 2010."

Pub. L. 111–148, title V, §5505(c), Mar. 23, 2010, 124 Stat. 661, provided that: "(1) IN GENERAL.—Except as otherwise provided, the Secretary of Health and Human Services shall implement the amendments made by this section [amending this section] in a manner so as to apply to cost reporting periods beginning on or after January 1, 1983.


"(3) IME.—Section 1886(d)(5)(B)(x)(III) of the Social Security Act [42 U.S.C. 1395ww(d)(5)(B)(x)(III)], as added by subsection (a)(1)(B), shall apply to cost reporting periods beginning on or after October 1, 2009, as so added, shall not give rise to any inference as to how the law in effect prior to such date should be interpreted."

**Effective Date of 2007 Amendment**

Pub. L. 110–173, title I, §114(e)(2), Dec. 29, 2007, 121 Stat. 2565, provided that: "The amendment made by paragraph (1) [amending this section] shall not apply to payment units occurring before April 1, 2008."


**Effective Date of 2006 Amendment**

Amendment by section 109(a)(2) of Pub. L. 109–432 applicable to payment for services furnished on or after Jan. 1, 2009, see section 108(c) of Pub. L. 109–432, set out as a note under section 105a of this title.

Amendment by section 205(b)(1) of Pub. L. 109–432 effective as if included in the enactment of Pub. L. 109–171, see section 205(c) of Pub. L. 109–432, set out as a note under section 1395a of this title.

**Effective Date of 2003 Amendment**


Pub. L. 108–173, title V, §502(c), Dec. 6, 2003, 117 Stat. 2291, provided that: "The amendments made by this section [amending this section] shall apply to discharges occurring on or after April 1, 2004."

Pub. L. 108–173, title V, §505(e), Dec. 6, 2003, 117 Stat. 2302, provided that: "(1) IN GENERAL.—The Secretary [of Health and Human Services] shall implement the amendments made by this section [amending this section] so that they apply to classification for fiscal years beginning with fiscal year 2005.

"(2) RECONSIDERATIONS OF APPLICATIONS FOR FISCAL YEAR 2004 THAT ARE DENIED.—In the case of an application for a classification of a medical service or technology as a new medical service or technology under section 1886(d)(5)(K) of the Social Security Act [42 U.S.C. 1395ww(d)(5)(K)] that was filed for fiscal year 2004 and that is denied—

"(A) the Secretary shall automatically reconsider the application as an application for fiscal year 2005 under the amendments made by this section; and

"(B) the maximum time period otherwise permitted for such classification as a new service or technology shall be extended by 12 months."

Pub. L. 108–173, title V, §505(c), Dec. 6, 2003, 117 Stat. 2304, provided that: "The amendments made by this section [amending this section and section 1886c of this title] shall first apply to the wage index for discharges occurring on or after October 1, 2004. In initially implementing, such amendments, the Secretary [of Health and Human Services] may modify the deadlines otherwise applicable under clauses (ii) and (iii)(I) of section 1886(d)(10)(C) of the Social Security Act (42 U.S.C. 1395ww(d)(10)(C)) for submission of, and actions on, applications relating to changes in hospital geographic reclassification."

**Effective Date of 2000 Amendment**

Pub. L. 106–554, §1(a)(6) [title II, §212(b)], Dec. 21, 2000, 114 Stat. 2763, 2763A–485, provided that: "The amendment made by this section [amending this section] shall apply with respect to cost reporting periods beginning on or after April 1, 2001."


Pub. L. 106–554, §1(a)(6) [title III, §301(e)(2)], Dec. 21, 2000, 114 Stat. 2763, 2763A–492, provided that: "The amendment made by paragraph (1) [amending this section] shall apply to discharges occurring on or after October 1, 2001."

Pub. L. 106–554, §1(a)(6) [title III, §303(d)(2)], Dec. 21, 2000, 114 Stat. 2763, 2763A–494, provided that: "The amendment made by paragraph (1) [amending this section] is effective as if included in the enactment of BBA [Pub. L. 106–554]."


Pub. L. 106–554, §1(a)(6) [title V, §512(b)], Dec. 21, 2000, 114 Stat. 2763, 2763A–534, provided that: "The amendments made by subsection (a) [amending this section] shall apply to portions of cost reporting periods occurring on or after January 1, 2001."

**Effective Date of 1999 Amendment**

“The amendments made by subsection (a) [amending this section] apply to cost reporting periods beginning on or after October 1, 1999.”


Pub. L. 106–113, div. B, §1000(a)(6) (title III, §312(b)), Nov. 29, 1999, 113 Stat. 1586, 1501A–365, provided that: “The amendments made by subsection (a) [amending this section] apply on and after July 1, 2000, to residency programs that began before, on, or after the date of the enactment of this Act [Nov. 29, 1999].”

Amendment by section 1000(a)(6) (title III, §321(b), (e), (f), (h), (k)(15)–(17)) of Pub. L. 106–113 effective as if included in the enactment of the Balanced Budget Act of 1997, Pub. L. 105–33, except as otherwise provided, see section 1000(a)(6) (title III, §321(m)) of Pub. L. 106–113, set out as a note under section 1395d of this title.


Pub. L. 106–113, div. B, §1000(a)(6) (title IV, §407(b)(3)), Nov. 29, 1999, 113 Stat. 1586, 1501A–374, provided that: “The amendments made by subsection (a) [amending this section] apply to cost reporting periods that begin on or after the date of the enactment of this Act [Nov. 29, 1999].”

“(B) IME.—The amendment made by paragraph (2) [amending this section] applies to discharges occurring in cost reporting periods that begin on or after such date of enactment.”


Effective Date of 1994 Amendment


Effective Date of 1995 Amendment

Amendment by section 4022(b) of Pub. L. 105–33 effective Nov. 1, 1997, the date of termination of the Prospective Payment Assessment Commission and the Physician Payment Review Commission, see section 4022(c)(2) of Pub. L. 105–33, set out as an Effective Date: Transition; Transfer of Functions note under section 1395s–6 of this title.

Amendment by section 4021(c)(1), (4) of Pub. L. 105–33 applicable to services furnished on or after Oct. 1, 1997, see section 4201(d) of Pub. L. 105–33, set out as a note under section 1395s of this title.

Pub. L. 105–33, title IV, §4092(b), Aug. 5, 1997, 111 Stat. 376, provided that: “The amendments made by subsection (a) [amending this section and provisions set out as a note below] shall apply with respect to discharges occurring on or after October 1, 1997.”


Effective Date of 1996 Amendment

Pub. L. 105–33, title IV, §415(e), Aug. 5, 1997, 111 Stat. 407, provided that: “The amendments made by sections (a) and (c) [amending this section] shall apply with respect to cost reporting periods beginning on or after October 1, 1997.”

Pub. L. 105–33, title IV, §4417(a)(2), Aug. 5, 1997, 111 Stat. 408, provided that: “The amendment made by paragraph (1) [amending this section] shall apply to discharges occurring on or after October 1, 1996.”

Pub. L. 105–33, title IV, §4417(b)(2), Aug. 5, 1997, 111 Stat. 408, provided that: “The amendment made by paragraph (1) [amending this section] shall apply to cost reporting periods beginning on or after the date of the enactment of this Act [Aug. 5, 1997].”

Pub. L. 105–33, title IV, §4419(a)(2), Aug. 5, 1997, 111 Stat. 409, provided that: “The amendment made by paragraph (1) [amending this section] shall apply to hospitals or units that first qualify as a hospital or unit described in section 1886(dd)(1)(B) (42 U.S.C. 1395ww(d)(1)(B)) for cost reporting periods beginning on or after October 1, 1997.”

Effective Date of 1997 Amendment


Effective Date of 1999 Amendment


Pub. L. 103–66, title XII, §13563(c)(2), Aug. 10, 1995, 107 Stat. 606, provided that: “The amendment made by paragraph (1) [amending this section] shall apply to payments under section 1886(b) of the Social Security Act [42 U.S.C. 1395ww(b)] for cost reporting periods beginning on or after October 1, 1992.”

Effective Date of 1999 Amendment


Pub. L. 101–508, title IV, §4002(b)(5), Nov. 5, 1990, 104 Stat. 1388–33, provided that: “The amendments made by paragraphs (1), (2), and (4) [amending this section] shall apply to discharges occurring on or after January 1, 1991.”
“(A) in the case of a hospital classified by the Secretary of Health and Human Services as a hospital involved extensively in treatment for or research on cancer under section 1886(d)(5)(D) of the Social Security Act [42 U.S.C. 1395ww(d)(5)(D)] (as redesignated by section 6000(a)(1)(A) after the date of the enactment of this Act [Dec. 19, 1989]), such amendments shall apply with respect to cost reporting periods beginning on or after the date of such classification;

“(B) in the case of a hospital that is not described in subparagraph (A), such amendments shall apply with respect to portions of cost reporting periods or discharges occurring during and after fiscal year 1987 for purposes of section 1886(c) of the Social Security Act [42 U.S.C. 1395ww(g)], and

“(C) such amendments shall take effect 30 days after the date of the enactment of this Act for purposes of determining the eligibility of a hospital to receive periodic interim payments under section 1815(e)(2) of the Social Security Act [42 U.S.C. 1395g(e)(2)].”


Pub. L. 101–239, title VI, §6015(c), Dec. 19, 1989, 103 Stat. 2164, provided that: “The amendment made by subsection (a) (amending this section) shall become effective with respect to cost reporting periods beginning on or after April 1, 1990.”

**Effective Date of 1988 Amendment**

Amendment by section 1018(r)(1) of Pub. L. 100–467 effective, except as otherwise provided, as if included in the provision of the Tax Reform Act of 1986, Pub. L. 99–514, to which such amendment relates, see section 1019(a) of Pub. L. 100–467, set out as a note under section 6012 of Title 26, Internal Revenue Code.

Amendment by Pub. L. 100–485 effective as if included in the enactment of the Medicare Catastrophic Coverage Act of 1988, Pub. L. 100–360, set out as a note under section 106 of Title 1, General Provisions.

**Effective Date of 1987 Amendment**


“(1) FEES HOSPITALS, DRG PORTION OF PAYMENT.—In the case of a subsection (d) hospital (as defined in paragraph (6))—

“(A) the amendments made by subsections (a) and (c) (amending this section) shall apply to payments made under section 1848(d)(1)(A)(iii) of the Social Security Act [42 U.S.C. 1395ww(d)(1)(A)(iii)] on the basis of discharges occurring on or after April 1, 1988, and
(B) for discharges occurring on or after October 1, 1988, the applicable percentage increase (as described in section 1886(b)(3)(B) of such Act [42 U.S.C. 1395ww(b)(3)(B)]) shall be deemed to have been the applicable percentage increase as so defined, as amended by subsection (a), and

(c) notwithstanding subparagraph (A), for the hospital's cost reporting period beginning during fiscal year 1988, payment under title XVIII of the Social Security Act [42 U.S.C. 1395 et seq.] shall be made as though the applicable percentage increase described in section 1886(b)(3)(B) of such Act [42 U.S.C. 1395ww(b)(3)(B)] were equal to the product of 2.7 percent and the ratio of 315 to 366; and

(C) for cost reporting periods beginning on or after October 1, 1988, the applicable percentage increase (as so defined) with respect to the previous cost reporting period shall be deemed to have been the applicable percentage increase (as so defined, as amended by subsection (a)).

(3) PPS-EXEMPT HOSPITALS.—In the case of a hospital that is not a subsection (d) hospital—

(A) the amendments made by subsection (e) [amending this section] shall apply to cost reporting periods beginning on or after October 1, 1987;

(B) notwithstanding subparagraph (A), for the hospital's cost reporting period beginning during fiscal year 1988, payment under title XVIII of the Social Security Act [42 U.S.C. 1395 et seq.] shall be made as though the applicable percentage increase described in section 1886(b)(3)(B) of such Act [42 U.S.C. 1395ww(b)(3)(B)] were equal to the product of 2.7 percent and the ratio of 315 to 366; and

(C) for cost reporting periods beginning on or after October 1, 1988, the applicable percentage increase (as so defined) with respect to the cost reporting period beginning during fiscal year 1988 shall be deemed to have been 2.7 percent.

(4) DEFINITION, REGIONAL FLOOR, AND TECHNICAL AND CONFORMING AMENDMENTS.—The amendments made by subsections (b) and (d) and paragraphs (1) and (2) of subsection (f) [amending this section and provisions set out as a note below] shall take effect on the date of the enactment of this Act [Dec. 22, 1987].

(5) TRANSITION FOR LARGE URBAN AREA RATES.—In computing the average standardized amount for hospitals located in a large urban area or other urban area under section 1886(d)(3)(A)(ii) of the Social Security Act [42 U.S.C. 1395ww(d)(3)(A)(ii)] (as amended by subsection (c)) for fiscal year 1988, the reference to ‘the respective average standardized amount computed for the previous fiscal year under this subparagraph’ is deemed a reference to the average standardized amount computed for hospitals located in an urban area for the 51-day period beginning on October 1, 1987.

(6) DEFINITION.—In this subsection, the term ‘subsection (d) hospital’ has the meaning given such term in section 1886(d)(3)(B) of the Social Security Act [42 U.S.C. 1395ww(d)(3)(B)].

Amendment by Pub. L. 100–203 effective, except as otherwise provided, as if included in enactment of Consolidated Omnibus Budget Reconciliation Act of 1985, see section 1895(e) of Pub. L. 99–514, set out as a note under section 162 of Title 26, Internal Revenue Code.

Amendment by Pub. L. 99–509 effective, except as otherwise provided, as if included in enactment of Consolidated Omnibus Budget Reconciliation Act of 1985, see section 1895(e) of Pub. L. 99–514, set out as a note under section 162 of Title 26, Internal Revenue Code.

Amendment by Pub. L. 99–509 effective, except as otherwise provided, as if included in enactment of Consolidated Omnibus Budget Reconciliation Act of 1985, see section 1895(e) of Pub. L. 99–514, set out as a note under section 162 of Title 26, Internal Revenue Code.

Amendment by Pub. L. 100–93 effective at end of fourteen-day period beginning Aug. 18, 1987, and inapplicable to administrative proceedings commenced before end of such period, see section 15(a) of Pub. L. 100–93, set out as a note under section 12287 of this title.
Pub. L. 99–509, title IX, §9302(b)(2), Oct. 21, 1986, 100 Stat. 1986, provided that: "The amendments made by paragraph (1) [amending this section] shall apply to payments made under section 1886(d)(1)(A) of such Act [42 U.S.C. 1395ww(d)(1)(A)] and to cost reporting periods ending on or after October 1, 1986; and

(B) notwithstanding subparagraph (A), for the cost reporting period beginning during fiscal year 1986, the applicable percentage increase (as defined in section 1886(b)(3)(B) of such Act [42 U.S.C. 1395ww(b)(3)(B)]) for the—

(i) first 7 months of the cost reporting period shall be 0 percent, and

(ii) for the remaining 5 months of the cost reporting period shall be ½ percent; and

(C) for cost reporting periods beginning on or after October 1, 1986, the applicable percentage increase (as so defined) with respect to the previous cost reporting period shall be deemed to have been ½ percent.

"(3) PPS-EXEMPT HOSPITALS.—In the case of a hospital that is not a subsection (d) hospital—

(A) the amendment made by subsection (b) [amending this section] shall apply to payments for approved residency training programs as of July 1, 1987.

Amendment by section 9303(b) of Pub. L. 99–509 applicable to services furnished on or after Jan. 1, 1989, with exceptions for hospitals located in rural areas which meet certain requirements related to certified registered nurse anesthetists, see section 9320(i), (k) of Pub. L. 99–509, as amended, established, H.Con.Res. 395 was not adopted.


"(4) DELAY IN FINAL TRANSITION.—The amendment made by subsection (a) [amending this section] shall take effect on the date of the enactment of this Act [Apr. 7, 1986]."

"(2) CHANGE IN HOSPITAL SPECIFIC PERCENTAGE.—The amendments made by subsection (b) [amending this section] shall apply—

(A) to cost reporting periods beginning on or after October 1, 1986, but


"(i) during the first 7 months of the period the 'target percentage' is 50 percent and the 'DRG percentage' is 50 percent, and

(ii) during the remaining 5 months of the period the 'target percentage' is 45 percent and the 'DRG percentage' is 45 percent.

(C) for cost reporting periods beginning during fiscal year 1987 and thereafter, the 'target percentage' is 50 percent and the 'DRG percentage' is 50 percent.

"(4) EXCEPTION.—

(A) Notwithstanding any other provision of this subsection, the amendments made by this section [amending this section] shall not apply to payments with respect to the operating costs of inpatient hospital services (as defined in section 1886(a)(4) of the Social Security Act [42 U.S.C. 1395ww(a)(4)]) of a subsection (d) hospital (as defined in section 1886(d)(1)(B) of such Act [42 U.S.C. 1395ww(d)(1)(B)]) located in the State of Oregon.

"(B) Notwithstanding any other provision of law, for a cost reporting period beginning during fiscal year 1986 of a subsection (d) hospital to which the amendments made by this section [amending this section] do not apply, for purposes of section 1886(d)(1)(A) of such Act [42 U.S.C. 1395ww(d)(1)(A)]—

(i) during the first 7 months of the period the 'target percentage' is 50 percent and the 'DRG percentage' is 50 percent,
§ 1395ww
TITTE 42—THE PUBLIC HEALTH AND WELFARE
Page 3396

“(1) during the remaining 5 months of the period the ‘target percentage’ is 25 percent and the ‘DRG percentage’ is 75 percent.

“(2) Notwithstanding any other provision of law, for purposes of section 1886(d)(1)(D) of such Act (42 U.S.C. 1395ww(d)(1)(D)), the applicable combined adjusted DRG prospective payment rate for a subsection (d) hospital to which the amendment made by this section [amending this section] do not apply is, for discharges occurring on or after October 1, 1985, and before May 1, 1986, a combined rate consisting of 25 percent of the national adjusted DRG prospective payment rate and 75 percent of the regional adjusted DRG prospective payment rate for such discharges.

Pub. L. 99–272, title IX, §9104(c), Apr. 7, 1986, 100 Stat. 158, provided that:

“(1) Except as provided in paragraph (2), the amendments made by this section [amending this section] shall apply to discharges occurring on or after May 1, 1986.

“(2) The amendments made by this section shall not first be applied to discharges occurring as of a date unless, for discharges occurring on that date, the amendments made by section 9105 [amending this section] are also being applied.’’


Pub. L. 99–272, title IX, §9107(c)(1), Apr. 7, 1986, 100 Stat. 161, provided that: ‘‘The amendments made by subsection (a) [amending this section] shall apply to hospital cost reporting periods beginning on or after October 1, 1986.’’

Pub. L. 99–272, title IX, §9109(b), Apr. 7, 1986, 100 Stat. 162, provided that: ‘‘The amendment made by subsection (a) [amending this section] shall take effect on the date of the enactment of this Act [Apr. 7, 1986].’’

Pub. L. 99–272, title IX, §9111(b), Apr. 7, 1986, 100 Stat. 162, provided that: ‘‘The amendment made by this section [amending this section] shall apply to payments for cost reporting periods beginning on or after October 1, 1983, and before October 1, 1988.’’

Pub. L. 99–272, title IX, §9103(b), Apr. 7, 1986, 100 Stat. 175, provided that: ‘‘The amendment made by subsection (a) [amending this section] shall apply to hospital cost reporting periods beginning on or after July 1, 1985.’’

EFFECTIVE AND TERMINATION DATES OF 1984 AMENDMENT

Amendment by Pub. L. 98–617 effective as if originally included in the Deficit Reduction Act of 1984, Pub. L. 98–369, see section 3(c) of Pub. L. 98–617, set out as a note under section 1395f of this title.


Pub. L. 98–369, div. B, title III, §2307(b)(2), July 18, 1984, 98 Stat. 175, provided that: ‘‘The amendments made by this section [amending this section] shall apply to cost reporting periods beginning in, and discharges occurring in, fiscal year 1985 and thereafter.’’

Pub. L. 98–369, div. B, title III, §2311(b), July 18, 1984, 98 Stat. 177, provided that:

‘‘(1) Except as provided in paragraph (2), the amendments made by subsections (b) and (c) [amending this section] shall be effective with respect to cost reporting periods beginning on or after October 1, 1983, and the amendments made by subsection (d) [amending this section] shall be effective with respect to cost reporting periods beginning on or after October 1, 1984.

‘‘(2) The amendment made by subsection (b) [amending this section] shall not apply so as to reduce any payment under section 1886(d) of the Social Security Act (42 U.S.C. 1395ww(d)) to a hospital the region of which is deemed to be changed pursuant to such amendment for discharges occurring in any cost reporting period beginning before October 1, 1984.

Pub. L. 98–369, div. B, title III, §2310(a), July 18, 1984, 98 Stat. 178, as amended by Pub. L. 99–509, title IX, §9320(b), Oct. 21, 1986, 100 Stat. 2013, Pub. L. 100–369, title IV, §411(p), July 1, 1988, as added by Pub. L. 99–455, title VI, §608(d), Oct. 13, 1986, Pub. L. 98–21 provided that: ‘‘The amendments made by subsections (a) and (b) [amending this section] shall apply to cost reporting periods beginning on or after October 1, 1984, and before January 1, 1989. In the case of a cost reporting period that begins before January 1, 1989, but ends after such date, additional payments under the amendment made by subsection (a) shall be proportionately reduced to reflect the portion of the period occurring after such date.’’

Amendment by section 2313(a), (b), (d) of Pub. L. 98–369 effective July 18, 1984, see section 2313(e) of Pub. L. 98–369, set out as an Effective Date of 1984 Amendment note under section 1395y of this title.

Pub. L. 98–369, div. B, title III, §2315(g), July 18, 1984, 98 Stat. 180, provided that: ‘‘The amendment made by this section [amending this section and sections 13951–2 and 1395cc of this title and enacting and amending provisions set out as notes under this section] shall be effective as though they had been included in the enactment of the Social Security Amendments of 1983 (Public Law 98–21).’’

Amendment by section 2315(h)(42)–(44) of Pub. L. 98–369 effective July 18, 1984, but not to be construed as changing or affecting any right, liability, status, or interpretation which existed (under the provisions of law involved) before that date, see section 2354(e)(1) of Pub. L. 98–369, set out as an Effective Date of 1984 Amendment note under section 1320a–1 of this title.

EFFECTIVE DATE OF 1983 AMENDMENT

Pub. L. 98–21, title VI, §601(b)(9), Apr. 20, 1983, 97 Stat. 150, provided that the repeal of subsec. (b)(6) of this section is effective with respect to cost reporting periods beginning on or after October 1, 1982, and that the enactment of a new subsec. (b)(6) of this section is effective with respect to cost reporting periods beginning on or after October 1, 1983.

Pub. L. 98–21, title VI, §604, Apr. 20, 1983, 97 Stat. 156, as amended by Pub. L. 98–369, div. B, title III, §2315(f)(1), July 18, 1984, 98 Stat. 180, provided that: ‘‘(a)(1) Except as provided in section 602(l) [amending section 1395cc of this title] and in paragraph (2), the amendments made by the preceding provisions of this title [amending this section and sections 1320c–2, 1395ff, 1385x, 1385x, 1385y, 1385cc, 1386mm, 1386o, 1385rr, and 1386xx of this title] apply to items and services furnished by or under arrangements with a hospital beginning with its first cost reporting period that begins on or after October 1, 1983. A change in a hospital’s cost reporting period that has been made after November 1982 shall be recognized for purposes of this section only if the Secretary finds good cause for that change.

‘‘(2) Section 1395w(a)(1)(F) of the Social Security Act (42 U.S.C. 1395ww(a)(1)(F)) [as added by section 602(f)(1)(C) of this title], section 1626(a)(4) (42 U.S.C. 1395w(a)(4)) [as added by section 602(e)(3) of this title] and sections 1886a(a)(1)(G) and (H) of such Act [probably should be section 1886(a)(1)(G) and (H), 42 U.S.C. 1395w(a)(1)(G), (H)] [as added by section 602(f)(1)(C) of this title] take effect on October 1, 1983.

‘‘(b) The Secretary shall make an appropriate reduction in the payment amount under section 1886(d) of the Social Security Act (42 U.S.C. 1395ww(d)) [as amended by this title] for any discharge, if the admission has occurred before a hospital’s first cost reporting period that begins after September 1983, and the discharge is to be taken into account amounts payable under title XVIII of that Act (42 U.S.C. 1395 et seq.) in effect before the date
of the enactment of this Act [Apr. 20, 1983]) for items and services furnished before that period.

"(c)(1) The Secretary shall cause to be published in the Federal Register a notice of the interim final DRG prospective payment rates established under subsection (d) of section 1886 of the Social Security Act [42 U.S.C. 1395ww(d)] (as amended by this title) no later than September 1, 1983, and allow for a period of public comment thereon. Payment on the basis of prospective rates shall become effective on October 1, 1983, without the necessity for consideration of comments received, but the Secretary shall, by notice published in the Federal Register, affirm or modify the amounts by December 31, 1983, after considering those comments.

"(2) A modification under paragraph (1) that reduces a prospective payment rate shall apply only to discharges occurring after 30 days after the date the notice of the modification is published in the Federal Register.

"(3) Rules to implement the amendments made by this title [amending this section and sections 1320a-1, 1320c-2, 1395f, 1395r, 1395w, and 1395x, 1395x, 1395c, 1395mm, 1395oo, 1395rr, and 1395xx of this title, enacting provisions set out as notes under sections 1395x and 1395o of this title, and amending provisions set out as a note under section 1395x of this title] shall be established in accordance with the procedure described in this subsection.

Amendment by Pub. L. 97–448 effective as if originally included as a part of this section as this section was added by the Tax Equity and Fiscal Responsibility Act of 1982, Pub. L. 97–248, see section 902(c) of Pub. L. 97–248, see section 4022(c)(2), (3) of Pub. L. 105–447, 105 Stat. 4022(c)(2), (3) further provided that: "Notwithstanding section 1395x of this title, enacting provisions set out as notes under sections 1395x and 1395o of this title, and amending provisions set out as a note under section 1395x of this title shall be established in accordance with the procedure described in this subsection. Amendment by Pub. L. 97–448 effective as if originally included as a part of this section as this section was added by the Tax Equity and Fiscal Responsibility Act of 1982, Pub. L. 97–248, see section 902(c) of Pub. L. 97–448, set out as a note under section 426-1 of this title.

**Effectve Date**

Pub. L. 97–248, title I, §101(b)(1), Sept. 3, 1982, 96 Stat. 335, provided that: "The amendments made by subsection (a) [enacting this section and amending section 1395x of this title] shall apply to cost reporting periods beginning on or after October 1, 1982."

**Regulations**

Pub. L. 101–508, title IV, §4003(c), Nov. 5, 1990, 104 Stat. 1388–39, provided that: "The Secretary of Health and Human Services shall issue such regulations (on an interim or other basis) as may be necessary to implement this section [amending this section and enacting provisions set out as a note above]." Pub. L. 98–369, div. B, title III, §231(f)(2), July 18, 1984, 98 Stat. 1080, provided that: "Notwithstanding section 602(c) of the Social Security Amendments of 1983 [section 602(c) of Pub. L. 98–369], the Secretary of Health and Human Services shall cause to be published in the Federal Register proposed regulations to carry out subsection (c) of section 1886 of the Social Security Act [42 U.S.C. 1395ww(c)] not later than July 1, 1984, and allow for a period of 45 days for public comment thereon. After consideration of the comments received, the Secretary shall cause to be published in the Federal Register final regulations to carry out such subsection not later than October 1, 1984."

Pub. L. 97–248, title I, §101(b)(2)(A), Sept. 3, 1982, 96 Stat. 335, provided that: "The Secretary of Health and Human Services shall issue first issue such final regulations (whether on an interim or other basis) before October 1, 1982, as may be necessary to implement such amendments [amendments by section 101(a) of Pub. L. 97–248, enacting this section and amending section 1395x of this title] on a timely basis. If such regulations are promulgated on an interim final basis, the Secretary shall take such steps as may be necessary to provide opportunity for public comment, and appropriate revision based thereon, so as to provide that such regulations are not on an interim basis later than March 31, 1983."

**Construction of 2010 Amendment**

Pub. L. 111–192, title I, §102(e), June 25, 2010, 124 Stat. 1282, provided that: "Nothing in the amendments made by this section [amending this section] shall be construed as changing the policy described in section 1886a(4) of the Social Security Act [42 U.S.C. 1395ww(a)(4)], as applied by the Secretary of Health and Human Services before the date of the enactment of this Act [June 25, 2010], with respect to diagnostic services."

Pub. L. 111–148, title V, §5506(c), Mar. 23, 2010, 124 Stat. 999, provided that: "The amendments made by this section [amending this section] shall not be applied in a manner that requires reopening of any settled hospital cost reports as to which there is not a jurisdictionally proper appeal pending as of the date of the enactment of this Act [Mar. 23, 2010] on the issue of payment for indirect costs of medical education under section 1886(d)(5)(B) of the Social Security Act (42 U.S.C. 1395ww(d)(5)(B)) or for direct graduate medical education costs under section 1886(h) of such Act (42 U.S.C. 1395ww(h))."

Pub. L. 111–148, title V, §5506(c), Mar. 23, 2010, 124 Stat. 1243, further provided that: "The amendments made by this section [amending this section] shall not be applied in a manner that requires reopening of any settled hospital cost reports as to which there is not a jurisdictionally proper appeal pending as of the date of the enactment of this Act [Mar. 23, 2010] on the issue of payment for indirect costs of medical education under section 1886(d)(5)(B) of the Social Security Act (42 U.S.C. 1395ww(d)(5)(B)) or for direct graduate medical education costs under section 1886(h) of such Act (42 U.S.C. Section [sic] 1395ww(h))."

**Transfer of Functions**

Prospective Payment Assessment Commission (ProPAC) was terminated and its assets and staff transferred to the Medicare Payment Advisory Commission (MedPAC) by section 4022(c)(2), (3) of Pub. L. 105–447, 105 Stat. 4022(c)(2), (3) further provided that MedPAC was to be responsible for preparation and submission of reports required by law to be submitted to ProPAC, for that purpose, any reference in law to ProPAC was to be deemed, after the appointment of MedPAC, to refer to MedPAC.

**Application of Change in Medicare Classification for Certain Hospitals**

Pub. L. 114–255, div. C, title XV, §15008(c), Dec. 13, 2016, 130 Stat. 1321, provided that: "(1) In general.—For cost reporting periods beginning on or after January 1, 2015, in the case of an applicable hospital (as defined in paragraph (3) [sic, probably should be "paragraph (2)"] of this section), the following shall apply:

"(A) Payment for inpatient operating costs shall be made on a reasonable cost basis in the manner provided in section 412.526(c)(3) of title 42, Code of Federal Regulations (as in effect on January 1, 2015) and in any subsequent modifications.

"(B) Payment for capital costs shall be made in the manner provided by section 412.526(c)(4) of title 42, Code of Federal Regulations (as in effect on such date).

"(C) Claims for payment for Medicare beneficiaries who are discharged on or after January 1, 2017, shall be processed as claims which are paid on a reasonable cost basis in the manner described in section 412.526(c) of title 42, Code of Federal Regulations (as in effect on such date)."
(2) APPLICABLE HOSPITAL DEFINED.—In this subsection, the term ‘applicable hospital’ means a hospital that is classified under clause (iv)(II) of section 1886(d)(1)(B) of the Social Security Act (42 U.S.C. 1395ww(d)(1)(B)) on the day before the date of the enactment of this Act [Dec. 13, 2016] and which is classified under clause (vi) of such section, as redesignated and moved by subsection (a), on or after such date of enactment.”

IMPLEMENTATION OF AMENDMENT BY PUB. L. 114–113
Pub. L. 114–113, div. O, title VI, § 602(c), Dec. 18, 2015, 129 Stat. 3034, provided that: “Notwithstanding any provision of law, the Secretary of Health and Human Services may implement the amendments made by this section (amending this section and section 1395ww–23 of this title) by program instruction or otherwise.”

CALCULATION OF LENGTH OF STAY EXCLUDING CASES PAID ON A SITE NEUTRAL BASIS

(A) SITE NEUTRAL PAYMENT.—Any patient for whom payment is made at the site neutral payment rate (as defined in section 1886(m)(6)(B)(ii) [42 U.S.C. 1395ww(m)(6)(B)(ii)] of such Act, as added by paragraph (1)).


REVIEW OF TREATMENT OF CERTAIN LTCHS

“(1) EVALUATION.—As part of the annual rulemaking for fiscal year 2015 or fiscal year 2016 to carry out the payment rates under subsection (d) of section 1886 of the Social Security Act (42 U.S.C. 1395ww), the Secretary shall evaluate both the payment rates and regulations governing hospitals which are classified under clause (I) of subsection (d)(1)(B) of such section.

“(2) ADJUSTMENT AUTHORITY.—Based upon such evaluation, the Secretary may adjust payment rates under subsection (b)(3) of section 1886 of the Social Security Act (42 U.S.C. 1395ww) for a hospital so classified (such as payment based upon the TEFRA-payment model) and may adjust the regulations governing such hospitals, including applying the regulations governing hospitals which are classified under clause (I) of subsection (d)(1)(B) of such section

SPECIAL RULE FOR FISCAL YEAR 2011 AND ADJUSTMENT FOR CERTAIN HOSPITALS IN FISCAL YEAR 2011

“(2) SPECIAL RULE FOR FISCAL YEAR 2011.—

(A) IN GENERAL.—Subject to subparagraph (B), for purposes of implementation of the amendment made by paragraph (1) [amending section 106(a) of div. B of Pub. L. 110–309, set out as a note under this section], including (notwithstanding paragraph (3) of section 177(a) of the Medicare, Medicaid, and SCHIP Extension Act of 2007 (Public Law 110–173) [42 U.S.C. 1395w(a)(4)] as amended by section 124(b) of the Medicare Improvements for Patients and Providers Act of 2008 (Public Law 110–275) for purposes of the implementation of paragraph (2) of such section 117(a), during fiscal year 2010, the Secretary of Health and Human Services shall use the hospital wage index that was promulgated by the Secretary of Health and Human Services in the Federal Register on August 16, 2010 (75 Fed. Reg. 50042), and any subsequent corrections.

(B) EXCEPTION.—Beginning on April 1, 2011, in determining the wage index applicable to hospitals that qualify for wage index reclassification, the Secretary shall include the average hourly wage data of hospitals whose reclassification was extended pursuant to the amendment made by paragraph (1) only if including such data results in a higher applicable reclassified wage index. Any revision to hospital wage indexes made as a result of this subparagraph shall not be effected in a budget neutral manner.

“(3) ADJUSTMENT FOR CERTAIN HOSPITALS IN FISCAL YEAR 2011.—

(A) IN GENERAL.—In the case of a subsection (d) hospital (as defined in subsection (d)(1)(B) of section 1886 of the Social Security Act (42 U.S.C. 1395ww)) with respect to which—

(i) a reclassification of its wage index for purposes of this section was extended pursuant to the amendment made by paragraph (1); and

(ii) the wage index applicable for such hospital for the period beginning on October 1, 2010, and ending on March 31, 2011, is lower than for the period beginning on April 1, 2011, and ending on September 30, 2011, by reason of the application of paragraph (2)(B);

the Secretary shall pay such hospital an additional payment that reflects the difference between the wage index for such periods.

(B) TIMEFRAME FOR PAYMENTS.—The Secretary shall make payments required under subparagraph (A) by not later than December 31, 2011.”


No reopening of previously bundled claims
Pub. L. 111–192, title I, § 102(c), June 25, 2010, 124 Stat. 1201, provided that: “(1) IN GENERAL.—The Secretary of Health and Human Services may not reopen a claim, adjust a claim, or make a payment pursuant to any request for payment under title XVIII of the Social Security Act (42 U.S.C. 1395j et seq.), was not submitted prior to the date of the enactment of this Act [June 25, 2010].”

“(2) SERVICES DESCRIBED.—For purposes of paragraph (1), the services described in this paragraph are other services related to the admission (as described in section 1886(a)(4) of the Social Security Act (42 U.S.C. 1395ww(a)(4)), as amended by subsection (a)) which were previously included on a claim or request for payment submitted under part A of title XVIII of such Act (42 U.S.C. 1395c et seq.) for which a reopening, adjustment, or request for payment under part B of such title (42 U.S.C. 1395 et seq.), was not submitted prior to the date of the enactment of this Act (June 25, 2010).”

IMPLEMENTATION OF AMENDMENT BY PUB. L. 111–192
Pub. L. 111–192, title I, § 102(d), June 25, 2010, 124 Stat. 1281, provided that: “Notwithstanding any other provi...
PAYMENT FOR QUALIFYING HOSPITALS

Pub. L. 111–118, title I, §1109, Mar. 30, 2010, 124 Stat. 1051, provided that:

“(a) IN GENERAL.—From the amount available under subsection (b), the Secretary of Health and Human Services shall provide for a payment to qualifying hospitals (as defined in subsection (d)) for fiscal years 2011 and 2012 of the amount determined under subsection (c).

(b) AMOUNTS AVAILABLE.—There shall be available from the Federal Hospital Insurance Trust Fund $400,000,000 for payments under this section for fiscal years 2011 and 2012.

(c) PAYMENT AMOUNT.—The amount of payment under this section for a qualifying hospital shall be determined, in a manner consistent with the amount available under subsection (b), in proportion to the portion of the amount of the aggregate payments under section 1886(d) of the Social Security Act [42 U.S.C. 1395ww(d)] to the hospital for fiscal year 2009 bears to the sum of all such payments to all qualifying hospitals for such fiscal year.

(d) QUALIFYING HOSPITAL DEFINED.—In this section, the term ‘qualifying hospital’ means a subsection (d) hospital (as defined for purposes of section 1886(d) of the Social Security Act) that is located in a county that ranks, based upon its ranking in age, sex, and race adjusted spending for benefits under parts A and B under title XVIII of such Act [42 U.S.C. 1395c et seq.; 42 U.S.C. 1395d et seq.] per enrollee, within the lowest quartile of such counties in the United States.

VALUE-BASED PURCHASING DEMONSTRATION PROGRAMS


“(1) IN GENERAL.—Not later than 2 years after the date of enactment of this Act [Mar. 23, 2010], the Secretary of Health and Human Services (in this subsection referred to as the ‘Secretary’) shall establish a demonstration program under which the Secretary establishes a value-based purchasing program under the Medicare program under title XVIII of the Social Security Act [42 U.S.C. 1395x(b)]) in order to test innovative methods of measuring and rewarding quality and efficient health care furnished by such hospitals.

“(2) QUALIFYING HOSPITAL DEFINED.—In this section, the term ‘qualifying hospital’ means a subsection (d) hospital (as defined for purposes of section 1886(d) of the Social Security Act) that is located in a county that ranks, based upon its ranking in age, sex, and race adjusted spending for benefits under parts A and B under title XVIII of such Act [42 U.S.C. 1395c et seq.; 42 U.S.C. 1395d et seq.] per enrollee, within the lowest quartile of such counties in the United States.

“(A) ESTABLISHMENT.—The Secretary may waive such requirements of titles XI and XVIII of the Social Security Act [42 U.S.C. 1301 et seq., 1395 et seq.] as may be necessary to carry out the demonstration program under this section.

“(B) WAIVER AUTHORITY.—The Secretary may waive such requirements of titles XI and XVIII of the Social Security Act [42 U.S.C. 1301 et seq., 1395 et seq.] as may be necessary to carry out the demonstration program under this section.

“(C) BUDGET NEUTRALITY REQUIREMENT.—In conducting the demonstration program under this section, the Secretary shall ensure that the aggregate payments made by the Secretary do not exceed the amount which the Secretary would have paid if the demonstration program under this section was not implemented.

“(D) REPORT.—Not later than 18 months after the completion of the demonstration program under this section, the Secretary shall submit to Congress a report on the demonstration program together with—

“(i) recommendations on the establishment of a permanent value-based purchasing program under the Medicare program for critical access hospitals with respect to inpatient critical access hospital services; and

“(ii) recommendations for such other legislation and administrative action as the Secretary determines appropriate.

“(2) VALUE-BASED PURCHASING DEMONSTRATION PROGRAM FOR HOSPITALS EXCLUDED FROM HOSPITAL VALUE-BASED PURCHASING PROGRAM AS A RESULT OF INSUFFICIENT NUMBERS OF MEASURES AND CASES.—

“(A) ESTABLISHMENT.—

“(i) IN GENERAL.—Not later than 2 years after the date of enactment of this Act [Mar. 23, 2010], the Secretary shall establish a demonstration program under which the Secretary establishes a value-based purchasing program under the Medicare program under title XVIII of the Social Security Act [42 U.S.C. 1395x(b)]) in order to test innovative methods of measuring and rewarding quality and efficient health care furnished by such hospitals.

“(ii) APPLICABLE HOSPITAL DEFINED.—For purposes of this paragraph, the term ‘applicable hospital’ means a hospital described in subclause (III) or (IV) of section 1886(e)(1)(C)(ii) of the Social Security Act [42 U.S.C. 1395ww(e)(1)(C)(ii)], as added by subsection (a)(1),

“(iii) DURATION.—The demonstration program under this paragraph shall be conducted for a 3-year period.

“(iv) SITES.—The Secretary shall conduct the demonstration program under this paragraph at an appropriate number (as determined by the Secretary) of applicable hospitals. The Secretary shall ensure that such hospitals are representative of the spectrum of such hospitals that participate in the Medicare program.

“(B) WAIVER AUTHORITY.—The Secretary may waive such requirements of titles XI and XVIII of the Social Security Act [42 U.S.C. 1301 et seq., 1395 et seq.] as may be necessary to carry out the demonstration program under this paragraph.

“(C) BUDGET NEUTRALITY REQUIREMENT.—In conducting the demonstration program under this section, the Secretary shall ensure that the aggregate payments made by the Secretary do not exceed the amount which the Secretary would have paid if the demonstration program under this section was not implemented.

“(D) REPORT.—Not later than 18 months after the completion of the demonstration program under this paragraph, the Secretary shall submit to Congress a report on the demonstration program together with—

“(i) recommendations on the establishment of a permanent value-based purchasing program under the Medicare program for applicable hospitals with respect to inpatient hospital services; and

“(ii) recommendations for such other legislation and administrative action as the Secretary determines appropriate.

REFORMING THE MEDICARE HOSPITAL WAGE INDEX SYSTEM

Pub. L. 111–118, title III, §3137(b), (c), Mar. 23, 2010, 124 Stat. 438, 439, provided that:

“(b) PLAN FOR REFORMING THE MEDICARE HOSPITAL WAGE INDEX SYSTEM.—

“(1) IN GENERAL.—Not later than December 31, 2011, the Secretary of Health and Human Services (in this
section referred to as the ‘Secretary’) shall submit to Congress a report that includes a plan to reform the hospital wage index system under section 1886 of the Social Security Act [42 U.S.C. 1395ww(e)].

(2) DETAILS.—In developing the plan under paragraph (1), the Secretary shall take into account the goals for reforming such system set forth in the Medicare Payment Advisory Commission June 2007 report entitled ‘Report to Congress: Promoting Greater Efficiency in Medicare’, including establishing a new hospital compensation index system that—

(A) uses Bureau of Labor Statistics data, or other data or methodologies, to calculate relative wages for each geographic area involved;

(B) minimizes wage index adjustments between and within metropolitan statistical areas and statewide rural areas;

(C) includes methods to minimize the volatility of wage index adjustments that result from implementation of policy, while maintaining budget neutrality in applying such adjustments;

(D) takes into account the effect that implementation of the system would have on health care providers and on each region of the country;

(E) addresses issues related to occupational mix, such as staffing practices and ratios, and any evidence on the effect on quality of care or patient safety as a result of the implementation of the system; and

(F) provides for a transition.

(3) CONSULTATION.—In developing the plan under paragraph (1), the Secretary shall consult with relevant affected parties.

(c) USE OF PARTICULAR CRITERIA FOR DETERMINING RECLASSIFICATIONS.—Notwithstanding any other provision of law, in making decisions on applications for reclassification of a subsection (d) hospital (as defined in paragraph (1)(B) of section 1886(d) of the Social Security Act [42 U.S.C. 1395ww(d)(1)]) for the purposes described in paragraph (10)(A)(i)(B) of section 1886 for fiscal year 2011 and each subsequent fiscal year (until the first fiscal year beginning on or after the date that is 1 year after the Secretary of Health and Human Services submits the report to Congress under subsection (b)), the Geographic Classification Review Board established under paragraph (10) of such section shall use the average hourly wage comparison criteria used in making such decisions as of September 30, 2008. The preceding sentence shall be effected in a budget neutral manner.

APPLICATION OF BUDGET NEUTRALITY ON A NATIONAL BASIS IN THE CALCULATION OF THE MEDICARE HOSPITAL WAGE INDEX FLOOR


‘‘(1) ESTABLISHMENT.—

(A) IN GENERAL.—The Secretary shall establish a graduate nurse education demonstration under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.) under which an eligible hospital may receive payment for the hospital’s reasonable costs (described in paragraph (2)) for the provision of qualified clinical training to advance practice nurses.

(B) NUMER.—The demonstration shall include up to 5 eligible hospitals.

(C) WRITTEN AGREEMENTS.—Eligible hospitals selected to participate in the demonstration shall enter into written agreements pursuant to subsection (b) in order to reimburse the eligible partners of the hospital the share of the costs attributable to each partner.

‘‘(2) COSTS DESCRIBED.—

(A) IN GENERAL.—Subject to subparagraph (B) and subsection (d), the costs described in this paragraph are the reasonable costs (as described in section 1861(v) of the Social Security Act (42 U.S.C. 1395ww(v))) of each eligible hospital for the clinical training costs (as determined by the Secretary) that are attributable to providing advance practice registered nurses with qualified training.

(B) LIMITATION.—With respect to a year, the amount reimbursed under subparagraph (A) may not exceed the amount of costs described in subparagraph (A) that are attributable to an increase in the number of advanced practice registered nurses enrolled in a program that provides qualified training during the year and for which the hospital is being reimbursed under the demonstration, as compared to the average number of advanced practice registered nurses who graduated in each year during the period beginning on January 1, 2006, and ending on December 31, 2010 (as determined by the Secretary) from the graduate nursing education program operated by the applicable school of nursing that is an eligible partner of the hospital for purposes of the demonstration.

(C) WAIVER AUTHORITY.—The Secretary may waive such requirements of titles XI and XVIII of the Social Security Act (42 U.S.C. 1301 et seq., 1395 et seq.) as may be necessary to carry out the demonstration.

‘‘(4) ADMINISTRATION.—Chapter 35 of title 44, United States Code, shall not apply to the implementation of this section.

(b) WRITTEN AGREEMENTS WITH ELIGIBLE PARTNERS.—No payment shall be made under this section to an eligible hospital unless such hospital has in effect a written agreement with the eligible partners of the hospital. Such written agreement shall describe, at a minimum—

(1) the obligations of the eligible partners with respect to the provision of qualified training; and

(2) the obligation of the eligible hospital to reimburse such eligible partners applicable (in a timely manner) for the costs of such qualified training attributable to partner.

(c) EVALUATION.—Not later than October 17, 2017, the Secretary shall submit to Congress a report on the demonstration. Such report shall include an analysis of the following:

(1) The growth in the number of advanced practice registered nurses with respect to a specific base year as a result of the demonstration.

(2) The growth for each of the specialties described in subparagraphs (A) through (D) of subsection (e)(1).

(3) The costs to the Medicare program under title XVIII of the Social Security Act as a result of the demonstration.
“(d) Employees—

(1) ADVANCED PRACTICE REGISTERED NURSE.—The term ‘advanced practice registered nurse’ includes the following:

(A) A clinical nurse specialist (as defined in subsection (aa)(5) of section 1861 of the Social Security Act (42 U.S.C. 1395x)).

(B) A nurse practitioner (as defined in such subsection).

(C) A certified registered nurse anesthetist (as defined in subsection (bb)(2) of such section).

(D) A certified nurse-midwife (as defined in subsection (gg)(2) of such section).

(2) ELIGIBLE COMMUNITY-BASED CARE SETTING.—The term ‘applicable non-hospital community-based care setting’ means a non-hospital community-based care setting which has entered into a written agreement (as described in subsection (b)) with the eligible hospital participating in the demonstration. Such settings include Federally qualified health centers, rural health clinics, and other non-hospital settings as determined appropriate by the Secretary.

(3) ELIGIBLE SCHOOL OF NURSING.—The term ‘applicable school of nursing’ means an accredited school of nursing (as defined in section 801 of the Public Health Service Act (42 U.S.C. 296)) which has entered into a written agreement (as described in subsection (b) with the eligible hospital participating in the demonstration.

(4) DEMONSTRATION.—The term ‘demonstration’ means the graduate nurse education demonstration established under subsection (a).

(5) ELIGIBLE HOSPITAL.—The term ‘eligible hospital’ means a hospital (as defined in subsection (e) of section 1861 of the Social Security Act (42 U.S.C. 1395x)) or a critical access hospital (as defined in subsection (mm)(1) of such section) that has a written agreement in place with—

(A) 1 or more applicable schools of nursing; and

(B) 2 or more applicable non-hospital community-based care settings.

(6) ELIGIBLE PARTNER.—The term ‘eligible partner’ includes the following:

(A) An applicable non-hospital community-based care setting.

(B) An applicable school of nursing.

(C) QUALIFIED TRAINING.—

(1) In general.—The term ‘qualified training’ means training—

(I) that provides an advanced practice registered nurse with the clinical skills necessary to provide primary care, preventive care, transitional care, chronic care management, and other services appropriate for individuals entitled to, or enrolled for, benefits under part A of title XVIII of the Social Security Act (42 U.S.C. 1395c et seq.); or enrolled under part B of such title (42 U.S.C. 1395 et seq.); and

(II) subject to subparagraph (B), at least half of which is provided in a non-hospital community-based care setting.

(2) WAIVER OF REQUIREMENT HALF OF TRAINING PROVIDED IN NON-HOSPITAL COMMUNITY-BASED CARE SETTING IN CERTAIN AREAS.—The Secretary may waive the requirement under subparagraph (A)(i) with respect to eligible hospitals located in rural or medically underserved areas.

(7) SECRETARY.—The term ‘Secretary’ means the Secretary of Health and Human Services.

PAGE 3541 TITLE 42—THE PUBLIC HEALTH AND WELFARE § 1395ww

(8) PAYMENT FOR LONG-TERM CARE HOSPITAL SERVICES.—


(1) DELAY IN APPLICATION OF 2 PERCENT PATIENT THRESHOLD PAYMENT ADJUSTMENT.—The Secretary [of Health and Human Services] shall not apply, for cost reporting periods beginning on or after July 1, 2007,—

(A) through June 30, 2016, and for discharges occurring on or after October 1, 2016, and before October 1, 2017, section 412.536 of title 42, Code of Federal Regulations, or any similar provision, to freestanding long-term care hospitals or to a long-term care hospital, or satellite facility, that as of December 29, 2007, was co-located with an entity that is a provider-based, off-campus location of a subsection (d) hospital which did not provide services payable under section 1886(d) of the Social Security Act (42 U.S.C. 1395ww(d)) at the off-campus location; and

(B) such section or section 412.534 of title 42, Code of Federal Regulations, or any similar provisions, to a long-term care hospital identified by the amendment made by section 4417(a) of the Balanced Budget Act of 1997 (Public Law 105–33) (amending this section and enacting provisions set out as a note under this section).

(2) PAYMENT TO APPLICABLE HOSPITALS.—

(A) IN GENERAL.—Payment to an applicable long-term care hospital or satellite facility which is located in a rural area or which is co-located with an urban single or MSA dominant hospital under paragraph (d)(1), (e)(1), and (e)(4) of section 112.534 of title 42, Code of Federal Regulations, or any similar provision, shall not be subject to any payment adjustment under such section if no more than 75 percent of the hospital’s Medicare discharges (other than discharges described in paragraph (d)(1) or (e)(3)) of such section are admitted from a co-located hospital.

(B) CO-LOCATED LONG-TERM CARE HOSPITALS AND SATTELITE FACILITIES.—

(1) IN GENERAL.—Payment to an applicable long-term care hospital or satellite facility which is co-located with another hospital shall not be subject to any payment adjustment under section 412.534 of title 42, Code of Federal Regulations, or any similar provision, if no more than 50 percent of the hospital’s Medicare discharges (other than discharges described in paragraph (d)(1) or (e)(3) of such section) are admitted from a co-located hospital.

(2) APPLICABLE LONG-TERM CARE HOSPITAL OR SATELLITE FACILITY.—

(A) In general.—(A) the term 'applicable long-term care hospital or satellite facility' means a hospital or satellite facility which is co-located with another hospital shall not be subject to any payment adjustment under such section if no more than 75 percent of the hospital’s Medicare discharges (other than discharges described in paragraph (d)(1) or (e)(3)) of such section are admitted from a co-located hospital.

(B) Case of a hospital which is located in a rural area or which is co-located with a hospital in the same county as the hospital, the hospital shall be subject to any payment adjustment under such section if no more than 75 percent of the hospital’s Medicare discharges (other than discharges described in paragraph (d)(1) or (e)(3)) of such section are admitted from a co-located hospital.

(C) EFFECTIVE DATE.—Subparagraphs (A) and (B) shall apply to cost reporting periods beginning on or after October 1, 2007 (or July 1, 2007, in the case of a satellite facility described in section 412.22(h)(3)(i) of title 42, Code of Federal Regulations) through June 30, 2016, and for discharges occurring on or after October 1, 2016, and before October 1, 2017;

(3) NO APPLICATION OF VERY SHORT-STAY OUTLIER POLICY.—The Secretary shall not apply, for the 5-year pe-
rior beginning on the date of the enactment of this Act, the amendments finalized on May 11, 2007 (72 Fed. Register 26904, 26992) made to the short-stay outlier payment provision for long-term care hospitals contained in section 412.526(c)(3)(i) of title 42, Code of Federal Regulations, or any similar provision.

(2) EXISTING HOSPITALS OR SATELLITE FACILITIES.—The Secretary shall not, for the 5-year period beginning on the date of the enactment of this Act, make the one-time prospective adjustment to long-term care hospital prospective payment rates provided in section 412.526(a)(3)(ii) of title 42, Code of Federal Regulations, or any similar provision.

(4) MORATORIUM ON THE ESTABLISHMENT OF LONG-TERM CARE HOSPITALS, LONG-TERM CARE SATELLITE FACILITIES AND ON THE INCREASE OF LONG-TERM CARE HOSPITAL BEDS IN EXISTING LONG-TERM CARE HOSPITALS OR SATELLITE FACILITIES.—The moratorium under paragraph (1)(A) shall not apply to a long-term care hospital or a satellite facility, other than an existing long-term care hospital and satellite facility, a hospital or facility that received payment under section 1132 of title 42, Code of Federal Regulations, or any similar provision.

(5) LIMITATION ON APPLICATION OF EXCEPTIONS.—Paragraphs (2) and (3) shall not apply during the period beginning on the date of the enactment of paragraph (7) of this subsection (Apr. 1, 2014) and ending September 30, 2017.

(7) ADDITIONAL EXCEPTION FOR CERTAIN LONG-TERM CARE HOSPITALS.—Any moratorium under paragraph (1) shall not apply to a long-term care hospital for which such certificate of need is required and that

(A) has a binding written agreement as of the date of enactment of this paragraph with an outside, unrelated party for the actual construction, renovation, lease, or demolition for a long-term care hospital, and has expended, before such date of enactment, at least 10 percent of the estimated cost of the project (or, if less, $2,500,000); or

(B) has obtained an approved certificate of need of a State where one is required on or before such date of enactment.


[For effective date of amendment by Pub. L. 111–5, see section 302(c) of Pub. L. 111–5, set out as a note following section 114(c) of Pub. L. 110–173, set out above.]

EXPANDED REVIEW OF MEDICAL NECESSITY.

Pub. L. 110–173, title I, § 114(f), Dec. 29, 2007, 121 Stat. 2565, provided that:

(1) IN GENERAL.—Subject to subparagraph (B), the moratorium under paragraph (1)(A) shall not apply to a long-term care hospital that as of the date of the enactment of this Act—

(A) is located in a State where there is only one other long-term care hospital; and

(B) guarantees that at least 75 percent of overpayments received by long-term care hospitals for medi-
ally unnecessary admissions and continued stays of individuals in long-term care hospitals will be identified and recovered and that related days of care will not be counted toward the length of stay requirement contained in section 1886(d)(1)(B)(iv) of the Social Security Act (42 U.S.C. 1395ww(d)(1)(B)(iv)).

(3) CONTINUATION OF REVIEWS.—Under contracts under this subsection, the Secretary shall establish an error rate with respect to such reviews that could require further review of the medical necessity of admissions and continued stay in the hospital involved and other actions as determined by the Secretary.

(4) TERMINATION OF REQUIRED REVIEWS.—

"(A) IN GENERAL.—Subject to subparagraph (B), the previous provisions of this subsection shall cease to apply for discharges occurring on or after October 1, 2010.

"(B) CONTINUATION.—As of the date specified in subparagraph (A), the Secretary shall determine whether to continue to guarantee, through continued medical review and sampling under this paragraph, recovery of at least 75 percent of overpayments received by long-term care hospitals due to medically unnecessary admissions and continued stays.

"(5) FUNDING.—The costs to fiscal intermediaries or Medicare administrative contractors conducting the medical necessity reviews under paragraph (1) shall be funded from the aggregate overpayments recouped by the Secretary of Health and Human Services from long-term care hospitals due to medically unnecessary admissions and continued stays. The Secretary may use an amount not in excess of 40 percent of the overpayments recouped under this paragraph to compensate the fiscal intermediaries or Medicare administrative contractors for the costs of services performed.

EXTENDING CERTAIN MEDICARE HOSPITAL WAGE INDEX RECLASSIFICATIONS


"(2) SPECIAL EXCEPTION RECLASSIFICATIONS.—The Secretary of Health and Human Services shall extend for discharges occurring through the last date of the extension of reclassifications under section 106(a) of the Medicare Improvement[s] and Extension Act of 2006 (division B of Public Law 109–432) [set out below], the special exception reclassifications made under the authority of section 1886(d)(5)(L)(1) of the Social Security Act (42 U.S.C. 1395ww(d)(5)(L)(1)) and contained in the final rule promulgated by the Secretary in the Federal Register on August 11, 2004 (69 Fed. Reg. 49105, 49107).

"(3) USE OF PARTICULAR WAGE INDEX.—For purposes of implementation of this subsection [par. (1) of this subsection and section 106(a) of Pub. L. 109–432, set out below] in fiscal years 2008 and 2009, the Secretary shall use the hospital wage index that was promulgated by the Secretary in the Federal Register on October 10, 2007 (72 Fed. Reg. 57654), and any subsequent corrections.

CORRECTION OF APPLICATION OF WAGE INDEX DURING TAX RELIEF AND HEALTH CARE ACT EXTENSION

Pub. L. 110–173, title I, §117(c), Dec. 29, 2007, 121 Stat. 2508, provided that: in the case of a subsection (d) hospital (as defined for purposes of section 1886 of the Social Security Act (42 U.S.C. 1395ww)) with respect to which a subsection (d) hospital (as defined for purposes of section 1886 of the Social Security Act (42 U.S.C. 1395ww)) was extended pursuant to the amendment made by subsection (a) of section 117(a) of the Medicare, Medicaid, and SCHIP Extension Act of 2007 (Public Law 110–173) [set out above], for the period beginning on December 1, 2007, and ending on March 31, 2008, the Secretary shall apply the hospital wage index that was applicable as of the date specified in subsection (a) of section 117(a) of the Medicare, Medicaid, and SCHIP Extension Act of 2007 (Public Law 110–173) [set out above], for the period beginning on December 1, 2007, and ending on March 31, 2008.

THE SECRETARY OF HEALTH AND HUMAN SERVICES shall apply the higher wage index that was applicable for such hospital during the period beginning on October 1, 2006, and ending on March 31, 2007, for the period beginning on October 1, 2006, and ending on March 31, 2007, if the Secretary determines that the application of the preceding sentence to a hospital will result in a hospital being owed additional reimbursement, the Secretary may use an amount not in excess of 40 percent of the overpayments recouped under this paragraph to compensate the fiscal intermediaries or Medicare administrative contractors for the costs of services performed.

CORRECTION OF MID-YEAR RECLASSIFICATION EXPIRATION


"(b) SPECIAL RULE.—

"(1) IN GENERAL.—Subject to paragraph (2), for purposes of implementation of the amendment made by subsection (a) [amending section 106(a) of Pub. L. 109–432, set out above], including for purposes of the implementation of paragraph (2) of section 117(a) of the Medicare, Medicaid, and SCHIP Extension Act of 2007 (Public Law 110–173) [set out above], for the period beginning on December 1, 2011, and ending on March 31, 2012, the Secretary of Health and Human Services shall use the hospital wage index that was promulgated by the Secretary of Health and Human Services in the Federal Register on August 18, 2011 (76 Fed. Reg. 51476), and any subsequent corrections.

"(2) EXCEPTION.—In determining the wage index applicable to hospitals that qualify for wage index reclassification, the Secretary shall, for the period described in paragraph (1), include the average hourly wage data of hospitals whose reclassification was extended pursuant to the amendment made by subsection (a) only if including such data results in a higher applicable reclassified wage index. Any revision to hospital wage indexes made as a result of this paragraph shall not be effected in a budget-neutral manner.

"(c) TIMEFRAME FOR PAYMENTS.—

"(1) IN GENERAL.—The Secretary shall make payments required under subsections (a) and (b) by not later than June 30, 2012.


"(b) SPECIAL RULE FOR OCTOBER AND NOVEMBER.—

"(1) IN GENERAL.—Subject to paragraph (2), for purposes of implementation of the amendment made by subsection (a) [amending section 106(a) of Pub. L. 109–432, set out above], including for purposes of the implementation of paragraph (2) of section 117(a) of the Medicare, Medicaid, and SCHIP Extension Act of 2007 (Public Law 110–173) [set out above], for the period beginning on October 1, 2011, and ending on November 30, 2011, the Secretary of Health and Human Services shall use the hospital wage index that was promulgated by the Secretary of Health and Human Services in the Federal Register on August 18, 2011 (76 Fed. Reg. 51476), and any subsequent corrections.

"(2) EXCEPTION.—In determining the wage index applicable to hospitals that qualify for wage index re-
classification, the Secretary shall, for the period begin-
ing on October 1, 2011, and ending on November 30, 2011, include the average hourly wage data of hos-
pitals whose reclassification was extended pursuant to the amendment made by subsection (a) only if includ-
ing such data results in a higher applicable re-
classified wage index. Any revision to hospital wage in-
creases made as a result of this paragraph shall not be-
effect in a budget neutral manner.

[(c) TIMEFRAME FOR PAYMENTS.—The Secretary shall make payments required under subsections (a) and (b) by not later than June 30, 2012.]

**PLAN FOR HOSPITAL VALUE BASED PURCHASING PROGRAM**

Pub. L. 109–171, title V, § 5001(b), Feb. 8, 2006, 120 Stat. 29, provided that:

```
(1) IN GENERAL.—The Secretary of Health and Human Services shall develop a plan to implement a value based purchasing program for payments under the Medicare program for subsection (d) hospitals begin-
ning with fiscal year 2009.

(2) DETAILS.—Such a plan shall include consider-
ation of the following issues:
```

```
(A) The on-going development, selection, and modification process for measures of quality and efficiency in hospital inpatient settings.

(B) The reporting, collection, and validation of quality data.

(C) The structure of value based payment adjust-
ments, including the determination of thresholds or improvements in quality that would substantiate a payment adjustment, the size of such payments, and the sources of funding for the value based payments.

(D) The disclosure of information on hospital perfor-

In developing such a plan, the Secretary shall consult with relevant affected parties and shall consider exper-
```

```
...(continued)
```

**EXTENDED PHASE-IN OF THE INPATIENT REHABILITATION FACILITY CLASSIFICATION CRITERIA**

```

```
...(continued)
```

**EXCEDED REQUIREMENTS FOR PURPOSES OF MAINTAINING OR IMPROVING QUALITY WHILE ACHIEVING COST SAVINGS**

```
(1) ARRANGEMENT FOR REMUNERATION AS SHARE OF SAVINGS.—The demonstration project shall involve an arrangement between a hospital and a physician under which the hospital provides remuneration to the physician that represents solely a share of the savings incurred directly as a result of collaborative efforts between the hospital and the physician.

(2) WRITTEN PLAN AGREEMENT.—The demonstration project shall be conducted pursuant to a written agreement that—
```

```
(A) is submitted to the Secretary prior to imple-
```

```
...(continued)
```

**MONITORING QUALITY AND EFFICIENCY OF CARE**

```
The demonstration project shall provide measures to ensure that the quality and efficiency of care pro-
```

```
...(continued)
```

**REFERRAL LIMITATIONS**

```
The demonstration project shall not be structured in such a manner as to reward any physician participating in the project on the basis of the volume or value of referrals to the hospital by the physician.

**(c) WAIVER OF CERTAIN RESTRICTIONS.—**
```
(1) IN GENERAL.—An incentive payment made by a hospital to a physician under an arrangement with a demonstration project shall not constitute—
```

```
...(continued)
```

**MEDICARE DEMONSTRATION PROJECTS TO PERMIT GAINSHARING ARRANGEMENTS**


```
(a) ESTABLISHMENT.—The Secretary shall establish under this section a qualified gainsharing demonstra-
```

```
...(continued)
```
“(1) Solicitation of Applications.—By not later than 90 days after the date of the enactment of this Act [Feb. 8, 2006], the Secretary shall solicit applications for approval of a demonstration project, in such form and manner, and at such time specified by the Secretary.

“(2) Number of Projects Approved.—The Secretary shall approve not more than 6 demonstration projects, at least 2 of which shall be located in a rural area.

“(3) Duration.—The qualified gainsharing demonstration program under this section shall be conducted for the period beginning on January 1, 2007, and ending on December 31, 2009 (or September 30, 2011, in the case of a demonstration project in operation as of October 1, 2008).

“(e) Reports.—

“(1) Initial Report.—By not later than December 1, 2006, the Secretary shall submit to Congress a report on the demonstration projects that will be conducted under this section.

“(2) Project Update.—By not later than December 1, 2007, the Secretary shall submit to Congress a report on the progress of such projects (including the project improvements towards quality and efficiency described in subsection (b)(2)(B)).

“(3) Quality Improvement and Savings.—By not later than March 31, 2011, the Secretary shall submit to Congress a report on quality improvement and savings achieved as a result of the qualified gainsharing demonstration program established under subsection (a).

“(4) Final Report.—By not later than March 31, 2013, the Secretary shall submit to Congress a final report on the information described in paragraph (3).

“(f) Funding.—

“(1) In General.—Out of any funds in the Treasury not otherwise appropriated, there are appropriated to the Secretary for fiscal year 2006 $6,000,000, and for fiscal year 2010, $1,600,000, to carry out this section.

“(2) Availability.—Funds appropriated under paragraph (1) shall remain available for expenditure through fiscal year 2014 or until expended.

“(g) Definitions.—For purposes of this section:

“(1) Demonstration Project.—The term ‘demonstration project’ means a project implemented under the qualified gainsharing demonstration program established under subsection (a).

“(2) Hospital.—The term ‘hospital’ means a hospital that received payment under section 1886(d) of the Social Security Act (42 U.S.C. 1395ww(d)), and does not include a critical access hospital (as defined in subsection (f)(2)).

“(3) Medicare.—The term ‘Medicare’ means the programs under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.).

“(4) Physician.—The term ‘physician’ means, with respect to a demonstration project, a physician described in paragraph (1) or (3) of section 1861(t) of the Social Security Act (42 U.S.C. 1395(t)) who is licensed as a physician in the area in which the project is located and meets requirements to provide services for which benefits are provided under Medicare. Such term shall be deemed to include a practitioner described in section 1849(o)(1)(C) of such Act (42 U.S.C. 1395u(o)(1)(C)).

“(5) Secretary.—The term ‘Secretary’ means the Secretary of Health and Human Services.

More Frequent Update in Weights Used in Hospital Market Basket


“(a) Establishment of Rural Community Hospital (RCH) Demonstration Program.—

“(1) In General.—The Secretary [of Health and Human Services] shall establish a demonstration program to test the feasibility and advisability of the establishment of rural community hospitals (as defined in subsection ((f)(1))) to furnish covered inpatient hospital services (as defined in subsection ((f)(2))) to Medicare beneficiaries.

“(2) Demonstration Areas.—The program shall be conducted in rural areas selected by the Secretary in States with low population densities, as determined by the Secretary.

“(3) Application.—Each rural community hospital that is located in a demonstration area selected by the Secretary may apply to participate in the demonstration program under this section.

“(4) Selection of Hospitals.—The Secretary shall select from among rural community hospitals submitting applications under paragraph (3), not more than 15 of such hospitals to participate in the demonstration program under this section.

“(5) Duration.—The Secretary shall conduct the demonstration program under this section for a 5-year period (in this section referred to as the ‘initial 5-year period’) and, as provided in subsection (e), for the 10-year extension period.

“(6) Implementation.—The Secretary shall implement the demonstration program not later than January 1, 2005, but may not implement the program before October 1, 2004.

“(b) Payment.—

“(1) In General.—The amount of payment under the demonstration program for covered inpatient hospital services furnished in a rural community hospital, other than such services furnished in a psychiatric or rehabilitation unit of the hospital which is a distinct part, is—

“(A) for discharges occurring in the first cost reporting period beginning on or after the implementation of the demonstration program, the reasonable costs of providing such services; and

“(B) for discharges occurring in a subsequent cost reporting period under the demonstration program, the lesser of—

“(i) the reasonable costs of providing such services in the cost reporting period involved; or

“(ii) the target amount (as defined in paragraph (2)), applicable to the cost reporting period involved.

“(2) Target Amount.—For purposes of paragraph (1)(B), the term ‘target amount’ means, with respect to a rural community hospital for a particular 12-month cost reporting period—

“(A) in the case of the second such cost reporting period for which this subsection is in effect, the reasonable costs of providing such covered inpatient hospital services as determined under paragraph (1)(A), and

“(B) in the case of a later cost reporting period, the target amount for the preceding 12-month cost reporting period.
increased by the applicable percentage increase (under clause (i) of section 1886(b)(3)(B) of the Social Security Act (42 U.S.C. 1395ww(b)(3)(B)) in the market basket percentage (as defined in clause (iii) of such section) for that particular cost reporting period.

(3) FUNDING.—

(a) IN GENERAL.—The Secretary shall provide for the transfer from the Federal Hospital Insurance Trust Fund under section 1817 of the Social Security Act (42 U.S.C. 1395l) of such funds as are necessary for the costs of carrying out the demonstration program under this section.

(b) BUDGET NEUTRALITY.—In conducting the demonstration program under this section, the Secretary shall ensure that the aggregate payments made by the Secretary do not exceed the amount which the Secretary would have paid if the demonstration program under this section was not implemented.

(d) WAIVER AUTHORITY.—The Secretary may waive such requirements of title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.) as may be necessary for the purpose of carrying out the demonstration program under this section.

(e) REPORT.—Not later than August 1, 2018, the Secretary shall submit to Congress a report on the demonstration program under this section, together with recommendations for such legislation and administrative action as the Secretary determines to be appropriate.

(2) EXPANSION OF DEMONSTRATION PROGRAM TO RURAL AREAS IN ANY STATE.—

(a) IN GENERAL.—The Secretary shall, notwithstanding subsection (a)(4), during the 10-year extension period, not more than 30 rural community hospitals may participate in the demonstration program under this section.

(b) HOSPITALS IN DEMONSTRATION PROGRAM ON DATE OF ENACTMENT.—During the initial 5-year period, the Secretary—

(1) shall provide for the continued participation of such rural community hospital in the demonstration program during the 10-year extension period unless the rural community hospital makes an election, in such form and manner as the Secretary may specify, to discontinue such participation; and

(2) in calculating the amount of payment under subsection (b) to the rural community hospital for covered inpatient hospital services furnished by the hospital during each 5-year period in such 10-year extension period, shall substitute, under paragraph (1)(A) of such subsection—

(i) the reasonable costs of providing such services for discharges occurring in the first cost reporting period beginning on or after the first day of each applicable 5-year period in the 10-year extension period, for

(ii) the reasonable costs of providing such services for discharges occurring in the first cost reporting period beginning on or after the implementation of the demonstration program.

(c) OTHER HOSPITALS IN DEMONSTRATION PROGRAM.—During the second 5 years of the 10-year extension period, the Secretary shall apply the provisions of paragraph (4) to rural community hospitals that are not described in paragraph (4) but are participating in the demonstration program under this section as of December 30, 2014, in a similar manner as such provisions apply to rural community hospitals described in paragraph (4).

(d) EXPANSION OF DEMONSTRATION PROGRAM TO RURAL AREAS IN ANY STATE.—

(1) IN GENERAL.—The Secretary shall, notwithstanding subsection (a)(2) or paragraph (2) of this subsection, not later than 120 days after the date of the enactment of this paragraph, issue a solicitation for applications to select up to the maximum number of additional rural community hospitals located in any State to participate in the demonstration program under this section for the second 5 years of the 10-year extension period without exceeding the limitation under paragraph (3) of this subsection.

(2) PRIORITY.—In determining which rural community hospitals that submitted an application pursuant to the solicitation under subparagraph (A) to select for participation in the demonstration program, the Secretary—

(i) shall give priority to rural community hospitals located in one of the 20 States with the lowest population densities (as determined by the Secretary using the 2013 Statistical Abstract of the United States); and

(ii) may consider—

(I) closures of hospitals located in rural areas in the State in which the rural community hospital is located during the 5-year period immediately preceding the date of the enactment of this paragraph; and

(II) the population density of the State in which the rural community hospital is located.

applicability of chapter 35 of title 44

pub. l. 108–173, title iv, §422(b)(2), dec. 8, 2003, 117 stat. 2286, as amended by pub. l. 111–148, title v, §5503(c), mar. 23, 2010, 124 stat. 659, provided that: "chapter 35 of title 44, united states code, shall not apply with respect to applications under paragraphs 2 and 8 of subsection (h) of section 1886 of the social security act [42 u.s.c. 1395ww(h)(7), (8)],"
REPORT ON EXTENSION OF APPLICATIONS UNDER REDISTRIBUTION PROGRAM

Pub. L. 108–173, title IV, § 422(c), Dec. 8, 2003, 117 Stat. 2286, provided that: “Not later than July 1, 2005, the Secretary [of Health and Human Services] shall submit to Congress a report containing recommendations regarding whether to extend the deadline for applications for an increase in resident limits under section 1886(b)(4)(I)(ii)(II) of the Social Security Act [§ 1395ww(d)] that does not contain a subpar. (I) [as added by subsection (a)].”

MEDPAC STUDY ON RURAL HOSPITAL PAYMENT ADJUSTMENTS


“(a) IN GENERAL.—The Medicare Payment Advisory Commission shall conduct a study to determine—

1. The effect on total payments, growth in costs, capital spending, and such other payment effects under those sections.

“1. (b) REPORTS.—

1. (1) INTERIM REPORT.—Not later than 18 months after the date of the enactment of this Act [Dec. 8, 2003], the Commission shall submit to Congress an interim report on the matters studied under subsection (a) with respect only to changes to the critical access hospital provisions under section 1886(d) (as defined in subsection (c)), the Commission shall analyze the effect on total payments, growth in costs, capital spending, and such other payment effects under those sections.

“1. (b) REPORTS.—

1. (2) FINAL REPORT.—Not later than 3 years after the date of the enactment of this Act [Dec. 8, 2003], the Commission shall submit to Congress a final report on all matters studied under subsection (a).”

GAO STUDY AND REPORT ON APPROPRIATENESS OF PAYMENTS UNDER THE PROSPECTIVE PAYMENT SYSTEM FOR INPATIENT HOSPITAL SERVICES


“(1) STUDY.—The Comptroller General of the United States, using the most current data available, shall conduct a study to determine—

1. The appropriate level and distribution of payments in relation to costs under the prospective payment system under section 1886 of the Social Security Act (42 U.S.C. 1395ww) for inpatient hospital services furnished by subsection (d) (hospitals (as defined in subsection (d)(1)(B) of such section); and

“1. (2) REPORT.—Not later than 24 months after the date of the enactment of this Act [Dec. 8, 2003], the Comptroller General of the United States shall submit to Congress a report on the study conducted under paragraph (1) together with such recommendations for legislative and administrative action as the Comptroller General determines appropriate.”

NOT BUDGET NEUTRAL

Pub. L. 108–173, title V, § 503(d), Dec. 8, 2003, 117 Stat. 2292, provided that: “There shall be no reduction or other adjustment in payments under section 1886 of the Social Security Act (42 U.S.C. 1395ww) because an additional payment is provided under subsection (d)(5)(K)(i)(III) of such section.”

ONE-TIME APPEALS PROCESS FOR HOSPITAL WAGE INDEX CLASSIFICATION


“(a) ESTABLISHMENT OF PROCESS.—

“(1) IN GENERAL.—The Secretary [of Health and Human Services] shall establish not later than January 1, 2004, by instruction or otherwise a process under which a hospital may appeal the wage index classification otherwise applicable to the hospital and select another area within the State (or, at the discretion of the Secretary, within a contiguous State) to which to be reclassified.

“(2) PROCESS REQUIREMENTS.—The process established under paragraph (1) shall be consistent with the following:

1. Such an appeal may be filed as soon as possible after the date of the enactment of this Act [Dec. 8, 2003] but shall be filed by not later than February 15, 2004.

“(b) SUPPLEMENTAL APPEAL.—If the Secretary shall not appeal be heard by the Medicare Geographic Reclassification Review Board.

“(c) Appeal of a Decision.—If the Medicare Geographic Reclassification Review Board determines that the hospital is a qualifying hospital (as defined in subsection (c)), the hospital shall be reclassified to the area selected under paragraph (1). Such reclassification shall apply with respect to discharges occurring during the 3-year period beginning with April 1, 2004.

“(d) APPLICABILITY OF CERTAIN PROVISIONS.—Except as the Secretary may provide, the provisions of paragraphs (b) and (1) of section 1886(d) of the Social Security Act (42 U.S.C. 1395ww(d)) shall not apply to an appeal under this section.

“(e) APPELLATE REVIEW.—In the case of an appeal determined in favor of a qualifying hospital under subsection (a), the wage index reclassification shall not affect the wage index computation for any hospital or any other hospital and shall not be affected in a budget neutral manner. The provisions of this section shall not affect payment for discharges occurring after the end of the 3-year period referred to in subsection (b).

“(1) QUALIFYING HOSPITAL DEFINED.—For purposes of this section, the term ‘qualifying hospital’ means a hospital (as defined in section 1886(d)(1)(B) of the Social Security Act, 42 U.S.C. 1395ww(d)(1)(B)) that—

“1. (1) does not qualify for a change in wage index classification under paragraph (8) or (10) of section 1886(d) of the Social Security Act (42 U.S.C. 1395ww(d)) on the basis of requirements relating to distance or commuting; and

“1. (2) meets such other criteria, such as quality, as the Secretary may specify by instruction or otherwise.

“The Secretary may modify the wage comparison guidelines promulgated under section 1886(d)(10)(D) of such Act (42 U.S.C. 1395ww(d)(10)(D)) in carrying out this section.

“(d) WAGE INDEX CLASSIFICATION.—For purposes of this section, the term ‘wage index classification’ means the geographic area in which it is classified for purposes of determining for a fiscal year the factor used to adjust the DRG prospective payment rate under section 1886(d) of the Social Security Act (42 U.S.C. 1395ww(d)) for area differences in hospital wage levels that applies to such hospital under paragraph (3)(E) of such section.

“(e) LIMITATION ON EXPENDITURES.—The aggregate amount of additional expenditures resulting from the application of this section shall not exceed $900,000,000.

“(f) TRANSITIONAL EXTENSION.—Any reclassification of a county or other area made by Act of Congress for purposes of making payments under section 1886(d) of the Social Security Act (42 U.S.C. 1395ww(d)) that expired on September 30, 2003, shall be deemed to be in effect during the period beginning on January 1, 2004, and ending on September 30, 2004.

“(g) DISREGARDING HOSPITAL RECLASSIFICATIONS FOR PURPOSES OF GROUP RECLASSIFICATIONS.—For purposes
of the reclassification of a group of hospitals in a geographic area under section 1886(d) of the Social Security Act (42 U.S.C. 1395ww(d)) for purposes of discharges occurring beginning on October 1, 2001, and ending on the last date of the extension of reclassifications under section 106(a) of the Medicare Improvement[s] and Extension Act of 2006 (division B of Public Law 109–432) (set out above), a hospital reclassified under this section (including any such reclassification which is extended under section 106(a) of the Medicare Improvements and Extension Act of 2006) (div. B of Pub. L. 109–432, set out as a note under this section) shall not be taken into account and shall not prevent the other hospitals in such area from continuing such a group for such purpose."

EXCEPTION TO INITIAL RESIDENCY PERIOD FOR GERIATRIC RESIDENCY OR FELLOWSHIP PROGRAMS


"(a) CLARIFICATION OF CONGRESSIONAL INTENT.—Congress intended section 1886(h)(5)(F)(ii) of the Social Security Act (42 U.S.C. 1395ww(h)(5)(F)(ii)), as added by section 702 of the Consolidated Omnibus Budget Reconciliation Act of 1985 (Public Law 99–272), to provide an exception to the initial residency period for geriatric residency or fellowship programs such that, where a particular approved geriatric training program requires a resident to complete 2 years of training to initially become board eligible in the geriatric specialty, the 2 years spent in the geriatric training program are treated as part of the resident's initial residency period, but are not counted against any limitation on the initial residency period.

"(b) INTERIM FINAL REGULATORY AUTHORITY AND EFFECTIVE DATE.—The Secretary [of Health and Human Services] shall promulgate interim final regulations consistent with the congressional intent expressed in this section after notice and pending opportunity for public comment to be effective for cost reporting periods beginning on or after October 1, 2003."

TREATMENT OF VOLUNTEER SUPERVISION


"(a) MORATORIUM ON CHANGES IN TREATMENT.—During the 1-year period beginning on January 1, 2004, for purposes of applying subsections (d)(1)(B) and (h) of section 1886 of the Social Security Act (42 U.S.C. 1395ww), the Secretary [of Health and Human Services] shall allow all hospitals to count residents in osteopathic and allopathic medical education programs in existence as of January 1, 2002, who are training at non-hospital sites, without regard to the financial arrangement between the hospital and the teaching physician practicing in the on-or-hospital site to which the resident has been assigned.

"(b) STUDY AND REPORT.—

"(1) STUDY.—The Inspector General of the Department of Health and Human Services shall conduct a study of the appropriateness of alternative payment methodologies under such sections for the costs of training residents in non-hospital settings.

"(2) REPORT.—Not later than 1 year after the date of the enactment of this Act [Dec. 8, 2003], the Inspector General shall submit to Congress a report on the study conducted under paragraph (1), together with such recommendations as the Inspector General determines appropriate.

FURNISHING HOSPITALS WITH INFORMATION TO COMPUTE DSH FORMULA

Pub. L. 108–173, title IX, §951, Dec. 8, 2003, 117 Stat. 2427, provided that: "Beginning not later than 1 year after the date of the enactment of this Act [Dec. 8, 2003], the Secretary [of Health and Human Services] shall arrange to furnish to subsection (d) hospitals (as defined in section 1886(d)(1)(B) of the Social Security Act, 42 U.S.C. 1395ww(d)(1)(B)) the data necessary for such hospitals to compute the number of patient days used in computing the disproportionate patient percentage under such section for that hospital for the current cost reporting year and for any subsequent cost reporting year and shall furnish to other hospitals which would qualify for additional payments under part A of title XVIII of the Social Security Act [42 U.S.C. 1395c et seq.] on the basis of such data."

SPECIAL RULES FOR PAYMENT FOR FISCAL YEAR 2001

Pub. L. 106–554, §1(a)(6) (title III, §301(b)), Dec. 21, 2000, 114 Stat. 2763, 2763A–191, provided that: "Notwithstanding the amendment made by subsection (a) [amending this section], for purposes of making payments for fiscal year 2001 for inpatient hospital services furnished by subsection (d) hospitals (as defined in section 1886(d)(1)(B) of the Social Security Act (42 U.S.C. 1395ww(d)(1)(B))), the 'applicable percentage increase' referred to in section 1886(d)(3)(B)(i) of such Act (42 U.S.C. 1395ww(b)(3)(B)(i))—

"(1) for discharges occurring on or after October 1, 2000, and before April 1, 2001, shall be determined in accordance with subclause (XI) of such section as in effect on the day before the date of the enactment of this Act [Dec. 21, 2000]; and

"(2) for discharges occurring on or after April 1, 2001, and before October 1, 2001, shall be equal to—

"(A) the market basket percentage increase plus 1.1 percentage points for hospitals (other than sole community hospitals) in all areas; and

"(B) the market basket percentage increase for sole community hospitals.

Pub. L. 106–554, §1(a)(6) (title III, §302(b)), Dec. 21, 2000, 114 Stat. 2763, 2763A–493, provided that: "Notwithstanding paragraph (5)(B)(ii)(V) of section 1886(d) of the Social Security Act (42 U.S.C. 1395ww(d)(5)(B)(ii)(V)), for purposes of making payments for subsection (d) hospitals (as defined in paragraph (1)(B) of such section) with indirect costs of medical education, the indirect teaching adjustment factor referred to in paragraph (5)(B)(ii) of such section shall be determined, for discharges occurring on or after April 1, 2001, and before October 1, 2001, as if 'c' in paragraph (5)(B)(ii)(V) of such section equalled 1.66 rather than 1.54."

Pub. L. 106–554, §1(a)(6) (title III, §303(b)), Dec. 21, 2000, 114 Stat. 2763, 2763A–493, provided that: "Notwithstanding the amendment made by subsection (a) [amending this section], for purposes of making disproportionate share payments for subsection (d) hospitals (as defined in section 1886(d)(1)(B) of the Social Security Act (42 U.S.C. 1395ww(d)(1)(B))) for fiscal year 2001, the additional payment amount otherwise determined under clause (ii) of section 1886(d)(5)(F) of the Social Security Act (42 U.S.C. 1395ww(d)(5)(F))—

"(1) for discharges occurring on or after October 1, 2000, and before April 1, 2001, shall be adjusted as provided by clause (1x)(III) of such section as in effect on the day before the date of the enactment of this Act [Dec. 21, 2000]; and

"(2) for discharges occurring on or after April 1, 2001, and before October 1, 2001, shall, instead of being reduced by 3 percent as provided by clause (1x)(III) of such section as in effect after the date of the enactment of this Act, be reduced by 1 percent."
CONSIDERATION OF PRICE OF BLOOD AND BLOOD PRODUCTS IN MARKET BASKET INDEX

Pub. L. 106–554, §1a(a)(6) [title III, §301(d)], Dec. 21, 2000, 114 Stat. 2763, 2763A–491, provided that: "(A) any increased costs incurred by subsection (d) hospitals (as defined in paragraph (1)(B) of section 1886(d) of the Social Security Act (42 U.S.C. 1395ww(d))) in providing inpatient hospital services to Medicare beneficiaries under title XVIII of such Act (42 U.S.C. 1395w–4) during the period beginning on October 1, 1983, and ending on September 30, 1999, that were attributable to—

"(i) complying with new blood safety measure requirements; and

"(ii) providing services using new technologies;

"(B) the extent to which the prospective payment system for such services under such section provides adequate and timely recognition of such increased costs;

"(C) the prospects for (and to the extent practicable, the magnitude of) cost increases that hospitals will incur in providing such services that are attributable to complying with new blood safety measure requirements and providing such services using new technologies during the 10 years after the date of the enactment of this Act (Dec. 21, 2000); and

"(D) the feasibility and advisability of establishing mechanisms under such payment system to provide for more timely and accurate recognition of such cost increases in the future.

"2 CONSULTATION.—In conducting the study under this subsection, the Commission shall consult with representatives of the blood community, including—

"(A) hospitals;

"(B) organizations involved in the collection, processing, and delivery of blood; and

"(C) organizations involved in the development of new blood safety technologies.

"3 REPORT.—Not later than 1 year after the date of the enactment of this Act (Dec. 21, 2000), the Commission shall submit to Congress a report on the study conducted under paragraph (1) together with such recommendations for legislation and administrative action as the Commission determines appropriate.

PROCESS TO PERMIT STATEWIDE WAGE INDEX CALCULATION AND APPLICATION

Pub. L. 106–554, §1a(a)(6) [title III, §304(b)], Dec. 21, 2000, 114 Stat. 2763, 2763A–494, provided that:

"1 IN GENERAL.—The Secretary of Health and Human Services shall establish a process (based on the voluntary process utilized by the Secretary of Health and Human Services under section 1948 of the Social Security Act (42 U.S.C. 1395ww–4) for purposes of computing and applying a statewide geographic adjustment factor) under which an appropriate statewide entity may apply to have all the geographic areas in a State treated as a single geographic area for purposes of computing and applying the area wage index under section 1886(d)(3)(E) of such Act (42 U.S.C. 1395ww(d)(3)(E)). Such process shall be established by October 1, 2001, for reclassification beginning in fiscal year 2003.

"2 PROHIBITION ON INDIVIDUAL HOSPITAL RECLASSIFICATION.—Notwithstanding any other provision of law, if the Secretary applies a statewide geographic wage index under paragraph (1) with respect to a State, any application submitted by a hospital in that State under section 1886(d)(10) of the Social Security Act (42 U.S.C. 1395ww(d)(10)) for geographic reclassification shall not be considered.

COLLECTION OF INFORMATION ON OCCUPATIONAL MIX

Pub. L. 106–554, §1a(a)(6) [title III, §304(c)(1)], Dec. 21, 2000, 114 Stat. 2763, 2763A–495, provided that: "The Secretary of Health and Human Services shall provide for the collection of data every 3 years on occupational mix for employees of each subsection (d) hospital (as defined in section 1886(d)(1)(D) of the Social Security Act (42 U.S.C. 1395ww(d)(1)(D))) in the provision of inpatient hospital services, in order to construct an occupational mix adjustment in the hospital area wage index applied under section 1886(d)(3)(E) of such Act (42 U.S.C. 1395ww(d)(3)(E)).

"2 COLLECTION OF DATA.—Not later than April 1, 2001, the Secretary shall first complete—

"(A) the collection of data under paragraph (1) [set out above]; and

"(B) the measurement under the third sentence of section 1886(d)(3)(E) (42 U.S.C. 1395ww(d)(3)(E)), as amended by paragraph (2).

PAYMENT FOR INPATIENT SERVICES OF PSYCHIATRIC HOSPITALS

Pub. L. 106–554, §1a(a)(6) [title III, §306], Dec. 21, 2000, 114 Stat. 2763, 2763A–496, provided that: "With respect to hospitals described in clause (i) of section 1886(d)(1)(B) of the Social Security Act (42 U.S.C. 1395ww(d)(1)(B)) and psychiatric units described in the matter following clause (v) of such section, in making incentive payments to such hospitals under section 1886(b)(1)(A) of such Act (42 U.S.C. 1395ww(b)(1)(A)) for cost reporting periods beginning on or after October 1, 2000, and before October 1, 2001, the Secretary of Health and Human Services, in clause (ii) of such section, shall substitute '3 percent' for '2 percent'.

EXPEDIENT RECOGNITION OF NEW TECHNOLOGIES INTO INPATIENT PPS CODING SYSTEM

Pub. L. 106–554, §1a(a)(6) [title V, §538(a)], Dec. 21, 2000, 114 Stat. 2763, 2763A–548, provided that: "1 REPORT.—Not later than April 1, 2001, the Secretary of Health and Human Services shall submit to Congress a report on methods of expeditiously incorporating new medical services and technologies into the clinical coding system used with respect to payment for inpatient hospital services furnished under the Medicare program under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.), together with a detailed description of the Secretary’s preferred methods to achieve this purpose.

"2 IMPLEMENTATION.—Not later than October 1, 2001, the Secretary shall implement the preferred methods described in the report transmitted pursuant to paragraph (1)."

CONSULTATION PRIOR TO RULEMAKING

Pub. L. 106–554, §1a(a)(6) [title V, §538(b)(2)], Dec. 21, 2000, 114 Stat. 2763, 2763A–549, provided that: "The Secretary of Health and Human Services shall consult with groups representing hospitals, physicians, and manufacturers of new medical technologies before publishing the notice of proposed rulemaking required by section 1886(d)(5)(K)(i) of the Social Security Act (42 U.S.C. 1395ww(d)(5)(K)(i)) (as added by paragraph (1))."

SPECIAL PAYMENTS TO MAINTAIN 6.5 PERCENT MEDICARE PAYMENT FOR FISCAL YEAR 2000

Pub. L. 106–113, div. B, §10900(a)(6) [title I, §111(b)], Nov. 29, 1999, 113 Stat. 1556, 1551A–329, provided that: "1 ADDITIONAL PAYMENT.—In addition to payments made to each subsection (d) hospital (as defined in sec-
to implement the prospective payment system under section 123 of the BBRA by October 1, 2002, the Secretary shall implement a prospective payment system for inpatient hospital services of long-term care hospitals described in section 1886(d)(1)(B)(iv) of the Social Security Act (42 U.S.C. 1395ww(d)(1)(B)(iv)) under the Medicare program. Such system shall include an adequate patient classification system that is based on diagnosis-related groups (DRGs) and that reflects the differences in patient resource use and costs, and shall maintain budget neutrality.

"(2) COLLECTION OF DATA AND EVALUATION.—In developing the system described in paragraph (1), the Secretary may require such long-term care hospitals to submit such information to the Secretary as the Secretary shall require.

"(3) IMPLEMENTATION OF PROSPECTIVE PAYMENT SYSTEM.—Notwithstanding section 1886(b)(3) of the Social Security Act (42 U.S.C. 1395ww(b)(3)), the Secretary shall provide, for cost reporting periods beginning on or after October 1, 2002, for payments for inpatient hospital services furnished by long-term care hospitals under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.) in accordance with the system described in subsection (a)."

PER DIEM PROSPECTIVE PAYMENT SYSTEM FOR PSYCHIATRIC HOSPITALS


"(a) DEVELOPMENT OF SYSTEM.—

"(1) IN GENERAL.—The Secretary of Health and Human Services shall develop a per diem prospective payment system for payment for inpatient hospital services of psychiatric hospitals and units (as defined in paragraph (3)) under the Medicare program. Such system shall include an adequate patient classification system that reflects the differences in patient resource use and costs among such hospitals and shall maintain budget neutrality.

"(2) COLLECTION OF DATA AND EVALUATION.—In developing the system described in paragraph (1), the Secretary may require such psychiatric hospitals and units to submit such information to the Secretary as the Secretary may require to develop the system.

"(3) DEFINITION.—In this section, the term "psychiatric hospitals and units" means a psychiatric hospital described in clause (i) of section 1886(d)(1)(B) of the Social Security Act (42 U.S.C. 1395ww(d)(1)(B)) and psychiatric units described in the matter following clause (v) of such section.

"(b) REPORT.—Not later than October 1, 2001, the Secretary shall submit to the appropriate committees of Congress a report that includes a description of the system developed under subsection (a).

"(c) IMPLEMENTATION OF PROSPECTIVE PAYMENT SYSTEM.—Notwithstanding section 1886(b)(3) of the Social Security Act (42 U.S.C. 1395ww(b)(3)), the Secretary shall provide, for cost reporting periods beginning on or after October 1, 2002, for payments for inpatient hospital services furnished by psychiatric hospitals and units under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.) in accordance with the system described in subsection (a)."
STUDY ON IMPACT OF IMPLEMENTATION OF PROSPECTIVE PAYMENT SYSTEM


“(1) STUDY.—The Secretary of Health and Human Services shall conduct a study of the impact on utilization and beneficiary access to services of the implementation of the medicare prospective payment system for inpatient hospital services or rehabilitation facilities under section 1886(j) of the Social Security Act (42 U.S.C. 1395ww(j)).

“(2) REPORT.—Not later than 3 years after the date such system is first implemented, the Secretary shall submit to Congress a report on such study.”

MEDPAC STUDY ON MEDICARE PAYMENT FOR NON-
PHYSICIAN HEALTH PROFESSIONAL CLINICAL TRAINING IN HOSPITALS


“(1) IN GENERAL.—The Medicare Payment Advisory Commission shall conduct a study of medicare payment policy with respect to professional clinical training of different classes of nonphysician health care professionals (such as nurses, nurse practitioners, allied health professionals, physician assistants, and psychologists) and the basis for any differences in treatment among such classes.

“(2) REPORT.—Not later than 18 months after the date of the enactment of this Act [Nov. 29, 1999], the Commission shall submit a report to Congress on the study conducted under subsection (a).”

NOT COUNTING AGAINST NUMERICAL LIMITATION CERTAIN INTERNS AND RESIDENTS TRANSFERRED FROM A VA RESIDENCY PROGRAM THAT LOSES ACCREDITATION


“(1) IN GENERAL.—Any applicable resident described in paragraph (2) shall not be taken into account in applying any limitation regarding the number of residents or interns for which payment may be made under section 1886 of the Social Security Act (42 U.S.C. 1395ww).

“(2) APPLICABLE RESIDENT DESCRIBED.—An applicable resident described in this paragraph is a resident or intern who—

“(A) participated in graduate medical education at a facility of the Department of Veterans Affairs;

“(B) was subsequently transferred on or after January 1, 1997, and before July 31, 1998, to a hospital that was not a Department of Veterans Affairs facility; and

“(C) was transferred because the approved medical residency program in which the resident or intern participated would lose accreditation by the Accreditation Council on Graduate Medical Education if such program continued to train residents at the Department of Veterans Affairs facility.

“(3) EFFECTIVE DATE.—

“(A) IN GENERAL.—Paragraph (1) applies as if included in the enactment of BBA [the Balanced Budget Act of 1997, Pub. L. 105–33].

“(B) RETROACTIVE PAYMENTS.—If the Secretary of Health and Human Services determines that a hospital operating an approved medical residency program is owed payments as a result of enactment of this subsection, the Secretary shall make such payments not later than 60 days after the date of the enactment of this Act [Nov. 29, 1999].”

GAO STUDY ON GEOGRAPHIC RECLASSIFICATION


“(a) IN GENERAL.—The Comptroller General of the United States shall conduct a study of the current laws and regulations for geographic reclassification of hospitals to determine whether such reclassification is appropriate for purposes of applying wage indices under the medicare program and whether such reclassification results in more accurate payments for all hospitals. Such study shall examine data on the number of hospitals that are reclassified and their reclassified status in determining payments under the medicare program. The study shall evaluate—

“(1) the magnitude of the effect of geographic reclassification on rural hospitals that are not reclassified;

“(2) whether the current thresholds used in geographic reclassification reclassify hospitals to the appropriate labor markets;

“(3) the effect of eliminating geographic reclassification through use of the occupational mix data;

“(4) the group reclassification policy;

“(5) changes in the number of reclassifications and the compositions of the groups;

“(6) the effect of State-specific budget neutralty compared to national budget neutrality; and

“(7) whether there are sufficient controls over the intermediary evaluation of the wage data reported by hospitals.

“(b) REPORT.—Not later than 18 months after the date of the enactment of this Act [Nov. 29, 1999], the Comptroller General of the United States shall submit to Congress a report on the study conducted under subsection (a).”

CONTINUING TREATMENT OF PREVIOUSLY DESIGNATED CENTERS

Pub. L. 105–33, title IV, §4202(b), Aug. 5, 1997, 111 Stat. 375, provided that:

“(1) IN GENERAL.—Any hospital classified as a rural referral center by the Secretary of Health and Human Services on the basis of a rural referral center designation under section 1886(d)(5)(C) of the Social Security Act [42 U.S.C. 1395ww(d)(5)(C)] for fiscal year 1991 shall be classified as such a rural referral center for fiscal year 1992 and each subsequent fiscal year.

“(2) BUDGET NEUTRALITY.—The provisions of section 1886(d)(8)(D) of the Social Security Act [42 U.S.C. 1395ww(d)(8)(D)] shall apply to reclassifications made pursuant to paragraph (1) in the same manner as such provisions apply to a reclassification under section 1886(d)(10) of such Act [42 U.S.C. 1395ww(d)(10)].”

HOSPITAL GEOGRAPHIC RECLASSIFICATION PERMITTED FOR PURPOSES OF DISPROPORTIONATE SHARE PAYMENT ADJUSTMENTS

Pub. L. 105–33, title IV, §4203, Aug. 5, 1997, 111 Stat. 375, provided that:

“(a) IN GENERAL.—For the period described in subsection (c), the Medicare Geographic Classification Review Board shall apply the guidelines established for reclassification under subclause (I) of section 1886(d)(10)(C)(i) of the Social Security Act [42 U.S.C. 1395ww(d)(10)(C)(i)] of a hospital described in 1886(d)(10)(B) of such Act (42 U.S.C. 1395ww(d)(10)(B)) of a hospital described in 1886(d)(10)(B) of such Act (42 U.S.C. 1395ww(d)(10)(B)) to change the hospital’s geographic classification for purposes of determining for a fiscal year eligibility for and amount of additional payment amounts under section 1886(d)(5)(F) of such Act (42 U.S.C. 1395ww(d)(5)(F)).

“(b) APPLICABLE GUIDELINES.—The Medicare Geographic Classification Review Board shall apply the guidelines established for reclassification under subclause (I) of section 1886(d)(10)(C)(i) of such Act to reclassification by reason of subsection (a) until the Secretary of Health and Human Services promulgates separate guidelines for such reclassification.

“(c) PERIOD DESCRIBED.—The period described in this subsection is the period beginning on the date of the enactment of this Act [Aug. 5, 1997] and ending 30 months after such date.”

TEMPORARY RELIEF FOR CERTAIN NON-TEACHING, NON-
DSH HOSPITALS


“(1) IN GENERAL.—In the case of a hospital described in paragraph (2) for its cost reporting period—
“(A) beginning in fiscal year 1998 the amount of payment made to the hospital under section 1886(d) of the Social Security Act [42 U.S.C. 1395ww(d)] for discharges occurring during such fiscal year only shall be increased as though the applicable percentage increase (otherwise applicable to discharges occurring during fiscal year 1998 under section 1886(d)(5)(B)(i)(XIII) of the Social Security Act (42 U.S.C. 1395ww(d)(5)(B)(i)(XIII))) had been increased by 0.5 percentage points; and

(B) beginning in fiscal year 1999 the amount of payment made to the hospital under section 1886(d) of the Social Security Act for discharges occurring during such fiscal year only shall be increased as though the applicable percentage increase (otherwise applicable to discharges occurring during fiscal year 1999 under section 1886(d)(3)(B)(i)(XIV) of the Social Security Act (42 U.S.C. 1395ww(d)(3)(B)(i)(XIV))) had been increased by 0.3 percentage points.

Subparagraph (A) shall not apply in computing the increase under subparagraph (B) and neither subparagraph shall affect payment for discharges for any hospital occurring during a fiscal year after fiscal year 1999. Payment increases under this subsection for discharges occurring during a fiscal year are subject to settlement after the close of the fiscal year.

“HOSPITALS COVERED.—A hospital described in this paragraph for a cost reporting period is a hospital—

“(A) that is described in paragraph (3) for such period;

“(B) that is located in a State in which the amount of the aggregate payments under section 1886(d) of such Act (42 U.S.C. 1395ww(d)) for hospitals located in the State and described in paragraph (3) for their cost reporting periods beginning during fiscal year 1995 is less than the aggregate allowable operating costs of inpatient hospital services (as defined in section 1886(a)(4) of such Act) for all such hospitals in such State with respect to such cost reporting periods; and

“(C) with respect to which the payments under section 1886(d) of such Act (42 U.S.C. 1395ww(d)) for discharges occurring in the cost reporting period involved, as estimated by the Secretary, is less than the allowable operating costs of inpatient hospital services (as defined in section 1886(a)(4) of such Act (42 U.S.C. 1395ww(a)(4))) for such hospital for such period, as estimated by the Secretary.

“(3) NON-TEACHING, NON-DSH HOSPITALS DESCRIBED.—A hospital described in this paragraph for a cost reporting period is a subsection (d) hospital (as defined in section 1886(d)(1)(B) of such Act (42 U.S.C. 1395ww(d)(1)(B))) that—

“(A) is not receiving any additional payment amounts described in section 1886(d)(5)(F) of such Act (42 U.S.C. 1395ww(d)(5)(F)) for discharges occurring during the period;

“(B) is not receiving any additional payment under section 1886(d)(5)(B) of such Act (42 U.S.C. 1395ww(d)(5)(B)) or a payment under section 1886(h) of such Act (42 U.S.C. 1395ww(h)) for discharges occurring during the period; and

“(C) does not qualify for payment under section 1886(d)(5)(G) of such Act (42 U.S.C. 1395ww(d)(5)(G)) for the period.”

FORMULA FOR ADDITIONAL PAYMENT AMOUNTS; REPORT

Pub. L. 105–33, title IV, §4403(b), (c), Aug. 5, 1997, 111 Stat. 399, provided that:

“(b) REPORT ON NEW PAYMENT FORMULA.—

“(1) REPORT.—Not later than 1 year after the date of the enactment of this Act [Aug. 5, 1997], the Secretary of Health and Human Services shall submit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate a report that contains a formula for determining additional payment amounts to hospitals under section 1886(d)(5)(F) of the Social Security Act (42 U.S.C. 1395ww(d)(5)(F)).

“(2) FACTORS IN DETERMINATION OF FORMULA.—In determining such formula the Secretary shall—

“(A) establish a single threshold for costs incurred by hospitals in serving low-income patients, and

“(B) consider the costs described in paragraph (3).

“(3) The costs described in this paragraph are as follows:

“(A) The costs incurred by the hospital during a period (as determined by the Secretary) of furnishing hospital services to individuals who are entitled to benefits under part A of title XVIII of the Social Security Act [42 U.S.C. 1395cc et seq.] and who receive supplemental security income benefits under title XVI of such Act [42 U.S.C. 1381 et seq.] (excluding any supplementation of those benefits by a State under section 1616 of such Act [42 U.S.C. 1396d])

“(B) The costs incurred by the hospital during a period (as so determined) of furnishing hospital services to individuals who receive medical assistance under the State plan under title XIX of such Act [42 U.S.C. 1396 et seq.] and are not entitled to benefits under part A of title XVIII of such Act (42 U.S.C. 1395cc et seq.) (including individuals enrolled in a managed care organization (as defined in section 1903(m)(1)(A) of such Act (42 U.S.C. 1396m(1)(A))) or any other managed care plan under such title and individuals who receive medical assistance under such title pursuant to a waiver approved by the Secretary under section 1115 of such Act (42 U.S.C. 1315)),

“(c) DATA COLLECTION.—In developing the formula described in subsection (b), the Secretary of Health and Human Services may require any subsection (d) hospital (as defined in section 1886(d)(1)(B) of the Social Security Act (42 U.S.C. 1395ww(d)(1)(B))) receiving additional payments by reason of section 1886(d)(5)(F) of such Act (42 U.S.C. 1395ww(d)(5)(F)) to submit to the Secretary any information that the Secretary determines is necessary to develop such formula.”

GEOGRAPHIC RECLASSIFICATION FOR CERTAIN DISPROPORTIONATELY LARGE HOSPITALS

Pub. L. 105–33, title IV, §4409, Aug. 5, 1997, 111 Stat. 402, provided that:

“(a) NEW GUIDELINES FOR RECLASSIFICATION.—Notwithstanding the guidelines published under section 1886(d)(10)(D)(i)(I) of the Social Security Act [42 U.S.C. 1395ww(d)(10)(D)(i)(I)], the Secretary of Health and Human Services shall publish and use alternative guidelines under which a hospital described in subsection (b) qualifies for geographic reclassification for such fiscal year beginning with fiscal year 1998.

“(b) HOSPITALS COVERED.—A hospital described in this subsection is a hospital that demonstrates that—

“(1) the average hourly wage paid by the hospital is not less than 108 percent of the average hourly wage paid by all other hospitals located in the Metropolitan Statistical Area (or the New England County Metropolitan Area) in which the hospital is located;

“(2) not less than 40 percent of the adjusted uninsured wages paid by all hospitals located in such Area is attributable to wages paid by the hospital; and

“(3) the hospital submitted an application requesting reclassification for purposes of wage index under section 1886(d)(10)(C) of such Act (42 U.S.C. 1395ww(d)(10)(C)) in each of fiscal years 1992 through 1997 and that such request was approved for each of such fiscal years.”

FLOOR ON AREA WAGE INDEX

Pub. L. 105–33, title IV, §4410, Aug. 5, 1997, 111 Stat. 402, provided that:

“(a) IN GENERAL.—For purposes of section 1886(d)(3)(E) of the Social Security Act [42 U.S.C. 1395ww(d)(3)(E)] for discharges occurring on or after October 1, 1997, the area wage index applicable under such section to any hospital which is not located in a rural
area (as defined in section 1886(d)(2)(D) of such Act (42 U.S.C. 1395ww(d)(2)(D))) may not be less than the area wage index applicable under such section to hospitals located in rural areas in the State in which the hospital is located.

"(b) IMPLEMENTATION.—The Secretary of Health and Human Services shall adjust the area wage index referred to in subsection (a) for hospitals not described in such subsection in a manner which assures that the aggregate payments made under section 1866(d) of the Social Security Act (42 U.S.C. 1395ww(d)) in a fiscal year for the operating costs of inpatient hospital services are not greater or less than those which would have been made in the year if this section did not apply.

"(c) EXCLUSION OF CERTAIN WAGES.—In the case of a hospital that is owned by a municipality and that was reclassified as an urban hospital under section 1886(d)(10) of the Social Security Act (42 U.S.C. 1395ww(d)(10)) for fiscal year 1996, in calculating the hospital's average hourly wage for purposes of geographic reclassification under such section for fiscal year 1998, the Secretary of Health and Human Services shall exclude the general service wages and hours of personnel associated with a skilled nursing facility that is owned by the hospital of the same municipality and that is physically separated from the hospital to the extent that such wages and hours of such personnel are not shared with the hospital and are separately documented. A hospital that applied for and was denied reclassification as an urban hospital for fiscal year 1998, but that would have received reclassification had the exclusion required by this section been applied to it, shall be reclassified as an urban hospital for fiscal year 1998."

REPORT ON EFFECT OF AMENDMENTS BY PUB. L. 105–33, § 4415, ON PSYCHIATRIC HOSPITALS

Pub. L. 105–33, title IV, § 4415(d), Aug. 5, 1997, 111 Stat. 407, provided that: "Not later than October 1, 1999, the Secretary of Health and Human Services shall submit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate a report that describes the effect of the amendments to section 1886(b)(1) of the Social Security Act (42 U.S.C. 1395ww(b)(1)), made under this section, on psychiatric hospitals (as defined in section 1886(d)(1)(B)(v)(III) of such Act (42 U.S.C. 1395ww(d)(1)(B)(v)(III)) That have approved medical residency training programs under title XVIII of such Act (42 U.S.C. 1395 et seq.)."

TREATMENT OF CERTAIN CANCER HOSPITALS; PAYMENT


"(1) APPLICATION TO COST REPORTING PERIODS.—Any classification by reason of section 1886(d)(1)(B)(v)(III) of the Social Security Act (42 U.S.C. 1395ww(d)(1)(B)(v)(III)) (as added by subsection (a)) shall apply to all cost reporting periods beginning on or after January 1, 1991.

"(2) BASE YEAR.—Notwithstanding the provisions of section 1886(b)(3)(E) or other provisions to the contrary, the base cost reporting period for purposes of determining the target amount for any hospital classified by reason of section 1886(d)(1)(B)(v)(II) of such Act shall be either—

"(A) the hospital's cost reporting period beginning during fiscal year 1990, or

"(B) pursuant to an operation under section 1886(b)(3)(G) of such Act (42 U.S.C. 1395ww(b)(3)(G)), as added in section 4113(b), the period provided for under such section.

"(3) DEADLINE FOR PAYMENTS.—Any payments owed to a hospital by reason of this subsection shall be made expeditiously, but in no event later than 1 year after the date of the enactment of this Act (Aug. 5, 1997)."

REPORT ON EXCEPTIONS

Pub. L. 105–33, title IV, § 4419(b), Aug. 5, 1997, 111 Stat. 407, provided that: "The Secretary of Health and Human Services shall publish annually in the Federal Register a report describing the total amount of payments made to hospitals by reason of section 1886(b)(4) of the Social Security Act (42 U.S.C. 1395ww(b)(4)), as amended by subsection (a), ending during the previous fiscal year."

DEVELOPMENT OF PROPOSAL ON PAYMENTS FOR LONG-TERM CARE HOSPITALS

Pub. L. 105–33, title IV, § 4422, Aug. 5, 1997, 111 Stat. 414, provided that:

"(a) IN GENERAL.—

"(1) LEGISLATIVE PROPOSAL.—The Secretary of Health and Human Services shall develop a legislative proposal for establishing a case-mix adjusted prospective payment system for payment of long-term care hospitals described in section 1886(d)(1)x(B)(iv) of the Social Security Act (42 U.S.C. 1395ww(d)(1)(B)(iv)) under the medicare program. Such system shall include an adequate patient classification system that reflects the differences in patient resource use and costs among such hospitals.

"(2) COLLECTION OF DATA AND EVALUATION.—In developing the legislative proposal described in paragraph (1), the Secretary—

"(A) shall require such long-term care hospitals to submit such information to the Secretary as the Secretary may require to develop the proposal, and

"(B) shall consider several payment methodologies, including the feasibility of expanding the current diagnosis-related groups and prospective payment system established under section 1886(d) of the Social Security Act [42 U.S.C. 1395ww(d)] to apply to payments under the medicare program to long-term care hospitals.

"(b) REPORT.—Not later than October 1, 1999, the Secretary shall submit to the appropriate committees of Congress a report that includes the legislative proposal developed under subsection (a)(1)."

DISSEMINATION OF INFORMATION ON HIGH PER DISCHARGE RELATIVE VALUES FOR IN-HOSPITAL PHYSICIANS' SERVICES

Pub. L. 105–33, title IV, § 4506, Aug. 5, 1997, 111 Stat. 437, provided that:

"(a) DETERMINATION AND NOTICE CONCERNING HOSPITAL-SPECIFIC PER DISCHARGE RELATIVE VALUES.—

"(1) IN GENERAL.—For 1999 and 2001 the Secretary of Health and Human Services shall determine for each hospital—

"(A) the hospital-specific per discharge relative value under subsection (b); and

"(B) whether the hospital-specific relative value is projected to be excessive (as determined based on such value represented as a percentage of the median of hospital-specific per discharge relative values determined under subsection (b))."
``(2) NOTICE TO SUBSET OF MEDICAL STAFFS; EVALUATION OF RESPONSES.—The Secretary shall notify the medical executive committee of a subset of the hospitals identified under paragraph (1)(B) as having an excessive hospital-specific relative value, of the determinations made with respect to the medical staff under paragraph (1). The Secretary shall evaluate the responses of the hospitals so notified with the responses of other hospitals so identified that were not so notified.

``(B) if the physician provides at least one service to an individual entitled to benefits under this title in that hospital.

``(3) PHYSICIANS’ SERVICES.—The term ‘physicians’ services’ means the services described in section 1848(h)(3) of the Social Security Act (42 U.S.C. 1395w–4(h)(3)).

``(4) RURAL AREA; URBAN AREA.—The terms ‘rural area’ and ‘urban area’ have the meaning given those terms under section 1886(d)(2)(D) of such Act (42 U.S.C. 1395ww(d)(2)(D)).

``(5) SECRETARY.—The term ‘Secretary’ means the Secretary of Health and Human Services.

``(6) TEACHING HOSPITAL.—The term ‘teaching hospital’ means a hospital which has a teaching program approved as specified in section 1848(j)(3) of such Act (42 U.S.C. 1395ww(j)(3)).''

INCENTIVE PAYMENTS UNDER PLANS FOR VOLUNTARY REDUCTION IN NUMBER OF RESIDENTS; RELATION TO DEMONSTRATION PROJECTS AND AUTHORITY; REGULATIONS

Pub. L. 105–33, title IV, § 4626(b), (c), Aug. 5, 1997, 111 Stat. 482, provided that:

``(b) RELATION TO DEMONSTRATION PROJECTS AND AUTHORITY.—

``(1) Section 1886(h)(6) of the Social Security Act (42 U.S.C. 1395w–4(h)(6)), added by subsection (a), other than subparagraph (F)(ii) thereof, shall not apply to any residency training program with respect to which a demonstration project described in paragraph (3) has been approved by the Health Care Financing Administration as of May 27, 1997.

``(2) Effective May 27, 1997, the Secretary of Health and Human Services is not authorized to approve any demonstration project described in paragraph (3) for any residency training year beginning before July 1, 2006.

``(3) A demonstration project described in this paragraph is a project that primarily provides for additional payments under title XVIII of the Social Security Act (42 U.S.C. 1336 et seq.) in connection with a reduction in the number of residents in a medical residency training program.

``(c) INTERIM, FINAL REGULATIONS.—In order to carry out the amendment made by subsection (a) in a timely manner, the Secretary of Health and Human Services may first promulgate regulations, that take effect on an interim basis, after notice and pending opportunity for public comment, by not later than 6 months after the date of the enactment of this Act [Aug. 5, 1997].

DEMONSTRATION PROJECT ON USE OF CONSORTIA

Pub. L. 105–33, title IV, § 4628, Aug. 5, 1997, 111 Stat. 484, provided that:

``(a) IN GENERAL.—The Secretary of Health and Human Services (in this section referred to as the ‘Secretary’) shall establish a demonstration project under which, instead of making payments to teaching hospitals pursuant to section 1886(h) of the Social Security Act (42 U.S.C. 1395ww(h)), the Secretary shall make payments under this section to each consortium that meets the requirements of subsection (b) and that applies to be included under the project.

``(b) QUALIFYING CONSORTIA.—For purposes of subsection (a), a consortium meets the requirements of this subsection if the consortium is in compliance with the following:

``(1) The consortium consists of a teaching hospital with one or more approved medical residency training programs and one or more of the following entities:

``(A) A school of allopathic medicine or osteopathic medicine.

``(B) Another teaching hospital, which may be a children’s hospital.

``(C) A Federally qualified health center.

``(D) A medical group practice.

``(E) A managed care entity.

``(2) The consortium consists of a teaching hospital with one or more approved medical residency training programs and one or more of the following entities:

``(A) A school of allopathic medicine or osteopathic medicine.

``(B) Another teaching hospital, which may be a children’s hospital.

``(C) A Federally qualified health center.

``(D) A medical group practice.

``(E) A managed care entity.
“(F) An entity furnishing outpatient services.
“(G) Such other entity as the Secretary determines to be appropriate.
“(2) The members of the consortium have agreed to participate in the programs of graduate medical education that are operated by the entities in the consortium.
“(3) With respect to the receipt by the consortium of payments made pursuant to this section, the members of the consortium have agreed on a method for allocating the payments among the members.
“(4) The consortium meets such additional requirements as the Secretary may establish.
“(c) AMOUNT AND SOURCE OF PAYMENT.—The total of payments to a qualifying consortium for a fiscal year pursuant to subsection (a) shall not exceed the amount that would have been paid under section 1886(h) or (k) of the Social Security Act [42 U.S.C. 1395ww(h), (k)] for the teaching hospital (or hospitals) in the consortium. Such payments shall be made in such proportion from each of the trust funds established under title XVIII of such Act [42 U.S.C. 1395 et seq.] as the Secretary specifies.

RECOMMENDATIONS ON LONG-TERM POLICIES REGARDING TEACHING HOSPITALS AND GRADUATE MEDICAL EDUCATION

Pub. L. 105–33, title IV, §4630, Aug. 5, 1997, 111 Stat. 485, provided that:
“(a) In General.—The Medicare Payment Advisory Commission (established under section 1805 of the Social Security Act [42 U.S.C. 1395–6] and in this section referred to as the ‘Commission’) shall examine and develop recommendations on whether and to what extent Medicare payment policies and other Federal policies regarding teaching hospitals and graduate medical education should be changed. Such recommendations shall include recommendations regarding each of the following:
“(1) Possible methodologies for making payments for graduate medical education and the selection of entities to receive such payments. Matters considered under this paragraph shall include—
“(A) issues regarding children’s hospitals and approved medical residency training programs in pediatrics, and
“(B) whether and to what extent payments are being made (or should be made) for training in the nursing and other allied health professions.
“(2) Federal policies regarding international medical graduates.
“(3) The dependence of schools of medicine on service-generated income.
“(4) Whether and to what extent the needs of the United States regarding the supply of physicians, in the aggregate and in different specialties, will change during the 10-year period beginning on October 1, 1997, and whether and to what extent any such changes will have significant financial effects on teaching hospitals.
“(5) Methods for promoting an appropriate number, mix, and geographical distribution of health professionals.
“(b) Consultation.—In conducting the study under subsection (a), the Commission shall consult with the Commission on Graduate Medical Education and individuals with expertise in the area of graduate medical education, including—
“(1) deans from allopathic and osteopathic schools of medicine;
“(2) chief executive officers (or equivalent administrative heads) from academic health centers, integrated health care systems, approved medical residency training programs, and teaching hospitals that sponsor approved medical residency training programs;
“(3) chairs of departments or divisions from allopathic and osteopathic schools of medicine, schools of dentistry, and approved medical residency training programs in oral surgery;
“(4) individuals with leadership experience from representative fields of non-physician health professionals;
“(5) individuals with substantial experience in the study of issues regarding the composition of the health care workforce of the United States; and
“(6) individuals with expertise in health care payment policies.
“(c) Report.—Not later than 2 years after the date of the enactment of this Act [Aug. 5, 1997], the Commission shall submit to the Congress a report providing its recommendations under this section and the reasons and justifications for such recommendations.”

STUDY OF HOSPITAL OVERHEAD AND SUPERVISORY PHYSICIAN COMPONENTS OF DIRECT MEDICAL EDUCATION COSTS

Pub. L. 105–33, title IV, §4630, Aug. 5, 1997, 111 Stat. 485, provided that:
“(a) In General.—The Secretary of Health and Human Services shall conduct a study with respect to—
“(1) variations among hospitals in the hospital overhead and supervisory physician components of their direct medical education costs taken into account under section 1886(h) of the Social Security Act [42 U.S.C. 1395ww(h)], and
“(2) the reasons for such variations.
“(b) Report.—Not later than 1 year after the date of the enactment of this Act [Aug. 5, 1997], the Secretary shall report the results of the study conducted under subsection (a) to the appropriate committees of Congress, including recommendations for legislation reducing variations described in subsection (a) that the Secretary finds inappropriate.”

DRG PROSPECTIVE PAYMENT RATE METHODOLOGY: TRANSITION RULE FOR FISCAL YEAR 1998

Pub. L. 105–33, title IV, §464(a)(2), Aug. 5, 1997, 111 Stat. 488, provided that: “With respect to the publication in the Federal Register of the DRG prospective payment rate methodology under such section for fiscal year 1998, the term ‘60 days’ in section 801(a)(3)(A) and section 802(a) of title 5, United States Code, is deemed to be a reference to ‘30 days’.”

HOSPITAL PAYMENT UPDATES: TRANSITION RULE FOR FISCAL YEAR 1998

Pub. L. 105–33, title IV, §464(b)(2), Aug. 5, 1997, 111 Stat. 488, provided that: “With respect to the publication in the Federal Register of the appropriate change factor for inpatient hospital services for discharges in fiscal year 1998 under section 1886(e)(5)(B) (42 U.S.C. 1395ww(e)(5)(B)), the term ‘60 days’ in section 801(a)(3)(A) and section 802(a) of title 5, United States Code, is deemed to be a reference to ‘30 days’.”

GEOGRAPHICAL RECLASSIFICATION: SPECIAL RULE FOR APPLICATIONS RECEIVED IN FISCAL YEAR 1997

Pub. L. 105–33, title IV, §464(c)(2), Aug. 5, 1997, 111 Stat. 488, provided that: “In the case of an application for a change in geographic classification under such section (42 U.S.C. 1395ww(d)(10)(C)(I)(i) for fiscal year 1999, the Secretary of Health and Human Services shall shorten the deadlines under such section so as to permit completion of a final decision by the Secretary by June 15, 1998.”

NO STANDARDIZED AMOUNT ADJUSTMENTS FOR FISCAL YEARS 1992 OR 1993

account for the amendment made by paragraph (1) [amending this section]."

**Extension of Regional Referral Center Classification Through Fiscal Year 1994; Reclassification**


"(A) The ‘base cost reporting period’ for a hospital is the hospital’s cost reporting period that began on or after October 1, 1992, and ends on the date of the enactment of this Act [Aug. 10, 1993]."

**Hospitals Declining Urban Area Reclassifications; Retroactive Payments**


"(A) The ‘base cost reporting period’ for a hospital is the hospital’s cost reporting period that began on or after October 1, 1992, and ends on the date of the enactment of this Act [Aug. 10, 1993]."

"(B) The term ‘FICA taxes’ means, with respect to a hospital, the taxes with respect to interns and residents because of the amendments made in paragraph (1) with respect to such interns and residents because of the amendments made by section 11332(b) of OBRA–1990 [Pub. L. 101–508, amending section 3121 of Title 26, Internal Revenue Code]."

"(3) Definitions.—In this subsection:

"(A) The ‘base cost reporting period’ for a hospital is the hospital’s cost reporting period that began during fiscal year 1984.

"(B) The term ‘FICA taxes’ means, with respect to a hospital, the taxes under section 3111 of the Internal Revenue Code of 1986 [26 U.S.C. 3111]."

**Determination of Area Wage Index for Discharges Occurring During Fiscal Year 1991 to October 1, 1993**


ber 1, 1993, the Secretary of Health and Human Services shall apply an area wage index determined using the survey of the 1988 wages and wage-related costs of hospitals in the United States conducted under such section.

"(B) The Secretary shall apply the wage index described in subparagraph (A) without regard to a previous survey of wages and wage-related costs.

STUDY AND REPORT ON RELATIONSHIP BETWEEN NON-WAGE-RELATED INPUT PRICES AND ADJUSTED AVERAGE STANDARDIZED AMOUNTS

Section 4002(e)(2) of Pub. L. 101–508 directed Secretary of Health and Human Services to collect sufficient data on the input prices associated with the non-wage-related portion of the adjusted average standardized amounts established under subsec. (d)(3) of this section to identify extent to which variations in such amounts among hospitals located in different geographic areas are attributable to differences in such prices, and, not later than June 1, 1993, submit a report to Congress analyzing such data, with such report to include recommendations regarding a methodology for adjusting such average standardized amounts to reflect such variations.

DEADLINE FOR SUBMISSION OF APPLICATIONS TO GEOGRAPHIC CLASSIFICATION REVIEW BOARD

Pub. L. 101–508, title IV, § 4002(h)(2)(A), Nov. 5, 1990, 104 Stat. 1388–38, provided that: "For purposes of determining whether a hospital requesting a change in geographic classification for fiscal year 1992 under section 1886(d)(10) of the Social Security Act [42 U.S.C. 1395ww(d)(10)] has met the deadline described in subparagraph (C)(D) of such section, an application submitted under such subparagraph shall be considered to have been submitted by the first day of the preceding fiscal year if it is submitted within 60 days of the date of publication of the guidelines described in subparagraph (D)(1) of such section." Payments for Medical Education Costs


"(a) HOSPITAL GRADUATE MEDICAL EDUCATION RECPUMPTION.—

"(1) IN GENERAL.—The Secretary of Health and Human Services may not, before October 1, 1991, recoup payments from a hospital because of alleged overpayments to such hospital under part A of title XVIII of the Social Security Act (42 U.S.C. 1395c et seq.) due to a determination that the amount of payments made for graduate medical education programs exceeds the amount allowable under section 1886(h) [42 U.S.C. 1395ww(h)].

"(2) CAP ON ANNUAL AMOUNT OF RECPUMPTION.—With respect to overpayments to a hospital described in paragraph (1), the Secretary may not recoup more than 25 percent of the amount of such overpayments from the hospital during a fiscal year.

"(3) EFFECTIVE DATE.—Paraphrase (1) and (2) shall take effect October 1, 1990.

"(b) UNIVERSITY HOSPITAL NURSING EDUCATION.—

"(1) IN GENERAL.—The reasonable costs incurred by a hospital (or by an educational institution related to the hospital by common ownership or control) during a cost reporting period for clinical training (as defined by the Secretary) conducted on the premises of the hospital by common ownership or control) during such reporting period shall be reimbursable pursuant to paragraph (1) only if—

"(2) CONDITIONS FOR RECPUMPTION.—The reasonable costs incurred by a hospital during such reporting period shall be reimbursable pursuant to paragraph (1) only if—

"(3) EFFECTIVE DATE.—Paraphrase (1) and (2) shall take effect October 1, 1990.

"(d) HOSPITAL GRADUATE MEDICAL EDUCATION RECPUMPTION.—

"(1) IN GENERAL.—The Secretary of Health and Human Services may not, before October 1, 1991, recoup payments from a hospital because of alleged overpayments to such hospital under part B of title XVIII of the Social Security Act [42 U.S.C. 1395c et seq.] due to a determination that the amount of payments made for graduate medical education programs exceeds the amount allowable under section 1886(h) [42 U.S.C. 1395ww(h)].

"(2) CAP ON ANNUAL AMOUNT OF RECPUMPTION.—With respect to overpayments to a hospital described in paragraph (1), the Secretary may not recoup more than 25 percent of the amount of such overpayments from the hospital during a fiscal year.

"(3) EFFECTIVE DATE.—Paraphrase (1) and (2) shall take effect October 1, 1990.
Stat. 1388–40, provided that:

(A) the hospital claimed and was reimbursed for such costs during the most recent cost reporting period that ended on or before October 1, 1988;

(B) the proportion of the hospital's total allowable costs that is attributable to the clinical training costs of the approved program, and allowable under (b)(1) during the cost reporting period does not exceed the costs that were attributable to clinical training costs during the cost reporting period described in subparagraph (A);

(C) the hospital receives a benefit for the support it furnishes to such program through the provision of clinical services by nursing or allied health students participating in such program; and

(D) the costs incurred by the hospital for such program do not exceed the costs that would be incurred by the hospital if it operated the program itself.

(3) Prohibition Against Recoupment of Costs by Secretary.—

(A) In General.—The Secretary of Health and Human Services may not recoup payments from (or otherwise reduce or adjust payments under part B of title XVIII of the Social Security Act) to a hospital because of alleged overpayments to such hospital under such title due to a determination that costs which were reported by the hospital on its medicare cost reports for cost reporting periods beginning on or after October 1, 1983, and before October 1, 1990, relating to approved nursing and allied health education programs did not meet the requirements for allowable nursing and allied health education costs as developed by the Secretary pursuant to section 1861(v) of such Act [42 U.S.C. 1395ww(v)].

(B) Refund of Amounts Recouped.—If, prior to the date of the enactment of this Act [Nov. 5, 1990], the Secretary has recouped payments from (or otherwise reduced or adjusted payments under part B of title XVIII of the Social Security Act) to a hospital because of overpayments described in subparagraph (A), the Secretary shall refund the amount recouped, reduced, or adjusted from the hospital.

(4) Special Audit to Determine Costs.—In determining the amount of costs incurred by, and reimbursed to, a hospital for purposes of this subsection, the Secretary shall conduct a special audit (or use such other appropriate mechanism) to ensure the accuracy of such past claims and payments.

(5) Effective Date.—Except as provided in paragraph (3), the provisions of this subsection shall apply to cost reporting periods beginning on or after Octo-ber 1, 1990.

Development of National Prospective Payment Rates for Current Non-PPS Hospitals

Pub. L. 101–508, title IV, § 4005(c)(3), Nov. 5, 1990, 104 Stat. 1388–42, provided that: “The Administrator of the Health Care Financing Administration shall provide guidance to agencies and organizations performing functions pursuant to section 1816 of the Social Security Act [42 U.S.C. 1395h] and to hospitals that are not subsection (d) hospitals (as defined in section 1886(d)(1)(B)) of such Act [42 U.S.C. 1395ww(d)(1)(B)] to assist such agencies, organizations, and hospitals in filing complete applications with the Administrator for exceptions, exemptions, and adjustments under section 1886(b)(4)(A) of such Act.”

Freeze in Payments Under Part A of This Subchapter Through December 31, 1990


(A) in general.—Notwithstanding any other provision of law, for purposes of determining the amount of payment for items or services under part A of title XVIII of the Social Security Act [42 U.S.C. 1395 et seq.] (including payments under section 1866 of such Act [42 U.S.C. 1395ww]) attributable to or allocated under such part during the period described in subsection (b):

(1) the market basket percentage increase (described in section 1886(b)(3)(B)(iii) of the Social Security Act) shall be deemed to be 0 for discharges occurring during such period.

(2) the percentage increase or decrease in the medical care expenditure category of the consumer price index applicable under section 1814(1)(2)(E) of such Act [42 U.S.C. 1395f(1)(2)(E)] shall be deemed to be 0.

(3) the area wage index applicable to a subsection (d) hospital under section 1886(d)(3)(E) of such Act shall be deemed to be the area wage index applicable to such hospital as of September 30, 1990.

(4) the amount in the consumer price index applicable under section 1886(h)(2)(D) of such Act shall be deemed to be 0.
under section 1886(d)(3)(E) of such Act [42 U.S.C. 1395ww(d)(3)(E)] to reflect the relative hospital wage level in the geographic area of the hospital compared to the national average hospital wage index, shall apply the area wage index applicable to such hospital as of September 30, 1990.''

ADJUSTMENTS RESULTING FROM EXTENSIONS OF REGIONAL FLOOR ON STANDARDIZED AMOUNTS


INDEXING OF FUTURE APPlicable PERCENTAGE INCREASES

Pub. L. 101–239, title VI, § 6003(b)(5), Dec. 19, 1989, 103 Stat. 2157, provided that: "Any hospital classified as a sole community hospital under section 1886(d)(5)(C)(ii) of the Social Security Act [42 U.S.C. 1395ww(d)(5)(C)(ii)] on the date of the enactment of this Act [Dec. 19, 1989] that will no longer be classified as a sole community hospital after such date as a result of the amendments made by paragraph (1) [amending this section] shall continue to be classified as a sole community hospital for purposes of section 1886(d)(5)(D) of such Act [42 U.S.C. 1395ww(d)(5)(D)]."

ADDITIONAL PAYMENT RESULTING FROM CORRECTIONS OF ERRONEOUSLY DETERMINED WAGE INDEX

Pub. L. 101–239, title VI, § 6003(h)(6), Dec. 19, 1989, 103 Stat. 2157, provided that: "(A) In general.—If the Secretary of Health and Human Services (hereinafter referred to as the 'Secretary') discovers with respect to the determination, adjustment, or computation of the area wage index described in section 1886(d)(3)(E) of the Social Security Act [42 U.S.C. 1395ww(d)(3)(E)] and subsequently corrects such error, the Secretary shall make an additional payment under title XVIII of such Act [42 U.S.C. 1395 et seq.] to a hospital affected by such error for inpatient hospital discharges occurring during the period when the erroneously determined, adjusted, or computed wage index was in effect.

"(B) Conditions for additional payment.—A hospital is eligible for an additional payment under subparagraph (A) only if—

"(i) the error resulted from the submission of erroneous data, except that a hospital is not eligible for such additional payment if it submitted such erroneous data;

"(ii) the error was made with respect to the survey of the 1984 wages and wage-related costs of hospitals in the United States conducted under section 1886(d)(3)(E) of the Social Security Act; and

"(iii) the correction of the error resulted in an adjustment to the area wage index of not less than 3 percentage points.

"(C) Period of applicability.—A hospital may not receive an additional payment under subparagraph (A) for discharges occurring after October 1, 1990.''

EXTENSION OF AREA WAGE INDEX

Pub. L. 101–403, title I, § 115(a), Oct. 1, 1990, 104 Stat. 870, provided that: "For purposes of determining the amount of payment made to a hospital under part A of title XVIII of the Social Security Act [42 U.S.C. 1395 et seq.] for the operating costs of inpatient hospital services for discharges occurring on or after October 1, 1990, and on or before October 19, 1990, the Secretary of Health and Human Services, in adjusting such amount..."
§ 1395ww
TITLE 42—THE PUBLIC HEALTH AND WELFARE

LEGISLATIVE PROPOSAL ELIMINATING SEPARATE AVERAGE STANDARDIZED AMOUNTS


DETERMINATION AND RECOMMENDATIONS OF PAYMENTS FOR COSTS OF ADMINISTERING BLOOD CLOTTING FACTORS TO INDIVIDUALS WITH HEMOPHILIA


"(b) Determining Payment Amount.—The Secretary of Health and Human Services shall determine the amount of payment made to hospitals under part A of title XVIII of the Social Security Act [42 U.S.C. 1395c et seq.] for the costs of administering blood clotting factors to individuals with hemophilia by multiplying a predetermined price per unit of blood clotting factor (determined in consultation with the Prospective Payment Assessment Commission) by the number of units provided to the individual.

"(c) Recommendations on Payments.—The Prospective Payment Assessment Commission and the Health Care Financing Administration shall develop recommendations with respect to payments to hospitals under part A of title XVIII of the Social Security Act for the costs of administering blood clotting factors to individuals with hemophilia, and shall submit such recommendations to Congress not later than 18 months after the date of enactment of this Act [Dec. 19, 1989]."

PUBLICATION OF INSTRUCTIONS RELATING TO EXCEPTIONS AND ADJUSTMENTS IN TARGET AMOUNTS

Pub. L. 101–239, title VI, §605(b), Dec. 19, 1989, 103 Stat. 2164, provided that: "By not later than 180 days after the date of enactment of this Act [Dec. 19, 1989], the Secretary of Health and Human Services shall publish instructions specifying the application process to be used in providing exceptions and adjustments under section 1886(b)(4)(A) of the Social Security Act [42 U.S.C. 1395ww(b)(4)(A)]."

DELAY IN RECoupMENT OF CERTAIN NURSING AND ALLIED EDUCATION COSTS

Pub. L. 101–239, title VI, §605(b), Dec. 19, 1989, 103 Stat. 2243, provided that:

"(1) The Secretary of Health and Human Services (in this subsection referred to as the 'Secretary') shall not, before October 1, 1990, recoup from, or otherwise reduce or adjust payments under title XVIII of the Social Security Act [42 U.S.C. 1395 et seq.] to hospitals because of alleged overpayments to such hospitals under such title due to a determination that costs which were reported by a hospital on its Medicare cost reports relating to approved nursing and allied health education programs were allowable costs and are included in the definition of 'operating costs of inpatient hospital services' pursuant to section 1886(a)(4) of such Act [42 U.S.C. 1395ww(a)(4)], so that no pass-through of such costs was permitted under that section.

"(2)(A) Before July 1, 1990, the Secretary shall issue regulations respecting payment of costs described in paragraph (1).

"(B) In issuing such regulations—

"(i) the Secretary shall allow a comment period of not less than 60 days,

"(ii) the Secretary shall consult with the Prospective Payment Assessment Commission, and

"(iii) any final rule shall not be effective prior to October 1, 1990, or 30 days after publication of the final rule in the Federal Register, whichever is later.

"(C) Such regulations shall specify—

"(i) the relationship required between an approved nursing or allied health education program and a hospital for the program's costs to be attributed to the hospital;

"(ii) the types of costs related to nursing or allied health education programs that are allowable by Medicare;

"(iii) the distinction between costs of approved educational activities as recognized under section 1886(a)(3) of the Social Security Act [42 U.S.C. 1395ww(a)(3)] and educational costs treated as operating costs of inpatient hospital services; and

"(iv) the treatment of other funding sources for the program.''

INNER-CITY HOSPITAL TRIAGE DEMONSTRATION PROJECT


"(a) Establishment.—The Secretary of Health and Human Services shall establish a demonstration project in a public hospital that is located in a large urban area and that has established a triage system, under which the Secretary shall make payments out of the Federal Hospital Insurance Trust Fund and the Federal Supplementary Medical Insurance Trust Fund (in such proportions as the Secretary determines to be appropriate in a year) for 3 years to a hospital for the reasonable costs of operating the system, including costs—

"(1) to train hospital personnel to operate and participate in the system; and

"(2) to provide services to patients who might otherwise be denied appropriate and prompt care.

"(b) Limitations on Payment.—(1) The Secretary may not make payment under the demonstration project established under subsection (a) for costs that the Secretary determines are not reasonable.

"(2) The amount of payment made under the demonstration project during a single year may not exceed $500,000.''

TRANSITION ADJUSTMENTS TO TARGET AMOUNTS FOR INPATIENT HOSPITAL SERVICES

Pub. L. 101–234, title I, §101(c)(2)(B), Dec. 13, 1989, 103 Stat. 1980, provided that: "The Secretary of Health and Human Services shall make an appropriate adjustment to the target amount established under section 1886(b)(3)(A) of the Social Security Act [42 U.S.C. 1395ww(b)(3)(A)] in the case of inpatient hospital services provided to an inpatient whose stay began before January 1, 1990, in order to take into account the target amount that would have applied but for the amendment made by this title [see Tables for classification]."

ELECTION OF PERSONNEL POLICY FOR PRO PAC EMPLOYEES

Pub. L. 100–647, title VIII, §8405, Nov. 10, 1988, 102 Stat. 3800, provided that: "With respect to employees of the Prospective Payment Assessment Commission hired before December 22, 1987, such employees shall have the option to elect within 60 days of the date of enactment of this Act [Nov. 10, 1988] to be covered under either the personnel policy in effect with respect to such employees before December 22, 1987, or under the employees coverage provided under the last sentence of section 1886(e)(6)(D) of the Social Security Act [42 U.S.C. 1395ww(e)(6)(D)]."

ADJUSTMENTS IN PAYMENTS FOR INPATIENT HOSPITAL SERVICES


"(1) PPS hospitals.—In adjusting DRG prospective payment rates under section 1886(d) of the Social Secu-
rity Act [42 U.S.C. 1395w(d)], outlier cutoffs under section 1886(d)(5)(A) of such Act, and weighting factors under section 1886(d)(4) of such Act for discharges occurring on or after January 1, 1990, the Secretary of Health and Human Services shall, to the extent appropriate, take into consideration the reductions in payments to hospitals by (or on behalf of) Medicare beneficiaries resulting from the elimination of a day limitation on inpatient hospital services (under the amendments made by section 101 [amending section 1395f of this title]).

"(2) PPS-EXEMPT HOSPITALS.—In adjusting target amounts under section 1886(b)(3) of the Social Security Act [42 U.S.C. 1395w(b)(3)] for portions of cost reporting periods occurring on or after January 1, 1989, and before January 1, 1990, the Secretary shall, on a hospital-specific basis, take into consideration the reductions in payments to hospitals by (or on behalf of) Medicare beneficiaries resulting from the elimination of a day limitation on inpatient hospital services (under the amendments made by section 101 [amending section 1395f of this title]), without regard to whether any of such beneficiaries exhausted Medicare inpatient hospital insurance benefits before January 1, 1990.

[Amendment of section 104(c) of Pub. L. 100–360, set out above, by section 101(c)(1), (2)(A) of Pub. L. 101–234 effective as if included in enactment of Pub. L. 100–360, see section 101(d) of Pub. L. 101–234, set out as a note under section 1395c of this title].

PROPAC STUDY
Pub. L. 100–360, title II, § 203(c)(2), July 1, 1988, 102 Stat. 723, directed Prospective Payment Assessment Commission to conduct a study, and make recommendations to Congress and Secretary of Health and Human Services by not later than Mar. 1, 1991, concerning appropriate adjustment to payment amounts provided under subsec. (d) of this section for inpatient hospital services to account for reduced costs to hospitals resulting from amendments made by section 203 of Pub. L. 100–360, amending sections 1320c–3, 1395h, 1395k to 1395n, 1395w–2, 1395x, and 1395aa of this title, prior to repeal by Pub. L. 101–234, title II, § 201(a), Dec. 13, 1989, 101 Stat. 1981.

CLINIC HOSPITAL WAGE INDICES
Pub. L. 100–203, title IV, § 4004(b), Dec. 22, 1987, 101 Stat. 1330–49, provided that: "In calculating the wage index under section 1886(d) of the Social Security Act [42 U.S.C. 1395w(d)] for purposes of making payment adjustments after September 30, 1989, as required under paragraphs (2)(H) and (3)(E) of such section, in the case of any institution which received the waiver specified in section 602(k) of the Social Security Amendments of 1989, 103 Stat. 1330–49, directed Secretary of Health and Human Services to provide for a study of the criteria used for the classification of hospitals as rural referral centers, and report to Congress, by not later than Mar. 1, 1989, on the study and on recommendations for the criteria that should be applied for the classification of hospitals as rural referral centers for cost reporting periods beginning on or after Oct. 1, 1989.

GRANT PROGRAM FOR RURAL HEALTH CARE TRANSITION

"(1) The Administrator of the Health Care Financing Administration, in consultation with the Assistant Secretary for Health (or a designee), shall establish a program of grants to assist eligible small rural hospitals and their communities in the planning and implementation of projects to modify the type and extent of services such hospitals provide in order to adjust for one or more of the following factors:

(A) Changes in clinical practice patterns.

(B) Changes in service populations.

(C) Declining demand for acute-care inpatient hospital capacity.

(D) Declining ability to provide appropriate staffing for inpatient hospitals.

(E) Increasing demand for ambulatory and emergency services.

(F) Increasing demand for appropriate integration of community health services.

(G) The need for adequate access (including appropriate transportation) to emergency care and inpatient care in areas in which a significant number of underutilized hospital beds are being eliminated.

(H) The Administrator shall submit a final report on the program to the Congress not later than 180 days after all projects receiving a grant under the program are completed. Each demonstration project under this subsection shall demonstrate methods of strengthening the financial and managerial capability of the hospital involved to provide necessary services. Such methods may include programs of cooperation with other health care providers, of diversification in services furnished (including the provision of home health services), of physician recruitment, and of improved management systems. Grants under this paragraph may be used to provide instruction and consultation (and such other services as the Administrator determines appropriate) via telecommunications to physicians in such rural areas (within the meaning of definition in subsection (d)(2)(E) of the Social Security Act [42 U.S.C. 1395w(d)(2)(E)]) as are designated either class 1 or class 2 health manpower shortage areas under section 302(a)(1)(A) of the Public Health Service Act [42 U.S.C. 254e(a)(1)(A)].

"(2) For purposes of this subsection, the term 'eligible small rural hospital' means any rural primary care hospital designated by the Secretary under section 1820(i)(2) of the Social Security Act [42 U.S.C. 1395i–4(1)(2)], or any non-Federal, short-term general acute care hospital that—

(A) is located in a rural area (as determined in accordance with subsection (d)),

(B) has less than 100 beds, and

(C) is not for profit.

"(3)(A) Any eligible small rural hospital that desires to modify the type or extent of health care services that it provides in order to adjust for one or more of the factors specified in paragraph (1) may submit an application to the Administrator and a copy of such application to the Governor of the State in which it is located. The application shall specify the nature of the project proposed by the hospital, the data and informa-
tion on which the project is based, and a timetable (of not more than 24 months) for completion of the project. The application shall be submitted on or before a date specified by the Administrator and shall be in such form as the Administrator may require.

“(B) The Governor shall transmit to the Administrator, within a reasonable time after receiving a copy of an application pursuant to subparagraph (A), any comments with respect to the application that the Governor deems appropriate.

“(C) The Governor of a State may designate an appropriate State agency to receive and comment on applications submitted under subparagraph (A).

“(4) A hospital shall be considered to be located in a rural area for purposes of this subsection if it is treated as being located in a rural area for purposes of section 1886(d)(3)(D) of the Social Security Act [42 U.S.C. 1395ww(d)(3)(D)].

“(5) In determining which hospitals making application under paragraph (3) will receive grants under this subsection, the Administrator shall take into account—

“(A) any comments received under paragraph (3)(B) with respect to a proposed project;

“(B) the effect that the project will have on—

“(i) reducing expenditures from the Federal Hospital Insurance Trust Fund,

“(ii) the health care needs of the elderly and disabled that are not currently being met by providers in such market or area, and

“(D) the degree of coordination that may be expected between the proposed project and—

“(i) other local or regional health care providers, and

“(ii) community and government leaders, as evidenced by the availability of support for the project (in cash or in kind) and other relevant factors.

“(6) A grant to a hospital under this subsection may not exceed $50,000 a year and may not exceed a term of 3 years.

“(7)(A) Except as provided in subparagraphs (B) and (C), a hospital receiving a grant under this subsection may use the grant for any of expenses incurred in planning and implementing the project with respect to which the grant is made.

“(B) A hospital receiving a grant under this subsection for a project may use its share of the grant to retire debt incurred with respect to any capital expenditure made prior to the date on which the project is initiated.

“(8) Not more than one-third of any grant made under this subsection may be expended for capital-related costs (as defined by the Secretary for purposes of section 1886(a)(4) of the Social Security Act [42 U.S.C. 1395ww(a)(4)]) of the project, except that this limitation shall not apply with respect to a grant used for the purposes described in subparagraph (D).

“(D) A hospital may use a grant received under this subsection to develop a plan for converting itself to a rural primary care hospital (as described in section 1886 of the Social Security Act [42 U.S.C. 1395l–4]) or to develop a rural health network (as defined in section 1822(g) of such Act) in the State in which it is located if the State is receiving a grant under section 1833(a)(1).

“(B)(A) A hospital receiving a grant under this section [amending this section and section 1395tt of this title and enacting provisions set out as notes under this section and section 1395tt of this title] shall furnish the Administrator with such information as the Administrator may require to evaluate the project with respect to which the grant is made and to ensure that the grant is expended for the purposes for which it was made.

“(B) The Administrator shall report to the Congress at least once every 12 months on the program of grants established under this subsection. The report shall assess the functioning and status of the program, shall evaluate the progress made toward achieving the purposes of the program, and shall include any recommendations the Secretary may deem appropriate with respect to the program. In preparing the report, the Secretary shall solicit and include the comments and recommendations of private and public entities with an interest in rural health care.

“(C) The Administrator shall submit a final report on the program to the Congress not later than 180 days after all projects receiving a grant under the program are completed.

“(D) For purposes of carrying out the program of grants under this subsection, there are authorized to be appropriated from the Federal Hospital Insurance Trust Fund $15,000,000 for fiscal year 1989, $25,000,000 for each of the fiscal years 1990, 1991, and 1992 and $30,000,000 for each of fiscal years 1993 through 1997.”

[For termination, effective May 15, 2000, of provisions of law requiring submission to Congress of any annual, semiannual, or other regular periodic report listed in House Document No. 103–7 (in which item 6 on page 100 identifies a reporting provision which, as subsequently amended, is contained in section 4005(e)(8)(B) of Pub. L. 100–203, set out above), see section 3003 of Pub. L. 104–66, as amended, set out as a note under section 1113 of Title 31, Money and Finance.]
the Secretary shall require hospitals in at least 2 States, one of which maintains a uniform hospital reporting system, to report such information based on standard information established by the Secretary.

"(2) The information described in this paragraph is as follows:

"(A) Hospital discharges (classified by class of primary payer).
"(B) Patient days (classified by class of primary payer).
"(C) Licensed beds, staffed beds, and occupancy.
"(D) Inpatient charges and revenues (classified by class of primary payer).
"(E) Outpatient charges and revenues (classified by class of primary payer).
"(F) Inpatient and outpatient hospital expenses (by cost-center classified for operating and capital).
"(G) Inpatient costs.
"(H) Other income.
"(I) Bad debt and charity care.
"(J) Capital acquisitions.
"(K) Capital assets.

The Secretary shall develop a definition of 'outpatient visit' for purposes of reporting hospital information.

"(3) The Secretary shall develop the system under subsection (c) in a manner so as—

"(A) to facilitate the submittal of the information in the report in an electronic form, and
"(B) to be compatible with the needs of the Medicare prospective payment system.

"(4) The Secretary shall prepare and submit, to the Prospective Payment Assessment Commission, the Comptroller General, the Committee on Ways and Means of the House of Representatives, and the Committee on Finance of the Senate, by not later than 45 days after the end of each calendar quarter, data collected under the system.

"(5) In paragraph (2):

"(A) The term 'bad debt and charity care' has such meaning as the Secretary establishes.
"(B) The term 'class' means, with respect to payers at least, the programs under this title XVIII of the Social Security Act [42 U.S.C. 1395 et seq.], a State plan approved under title XIX of such Act [42 U.S.C. 1396 et seq.], other third-party-payers, and other persons (including self-paying individuals).
"(C) The Secretary shall set aside at least a total of $3,000,000 for fiscal years 1988, 1989, and 1990 from existing research funds or from operations funds to develop the format, according to paragraph (1) and for data collection and analysis, but total funds shall not exceed $15,000,000.

"(7) The Comptroller General shall analyze the adequacy of the existing system for reporting of hospital information and the costs and benefits of data reporting under the demonstration system and will recommend improvements in hospital data collection and in analysis and display of data in support of policy making.

"(d) CONSULTATION.—The Secretary shall consult representatives of the hospital industry in carrying out the provisions of this section.

HOSPITAL OUTLIER PAYMENTS AND POLICY

Pub. L. 100–203, title IV, §4009(h), Dec. 22, 1987, 101 Stat. 1330–58, provided that:

"(1) PROBAC REPORTS ON STUDY OF DRG RATES FOR HOSPITALS IN RURAL AND URBAN AREAS.—The Prospective Payment Assessment Commission shall evaluate the study conducted by the Secretary of Health and Human Services pursuant to section 603(a)(2)(C)(i) of the Social Security Amendments of 1983 (section 903(c)(1) of Pub. L. 98–21, set out below) relating to the feasibility, impact, and desirability of eliminating or phasing out separate urban and rural DRG prospective payment rates and report its conclusions and recommendations to the Congress not later than March 1, 1988.

"(2) PROBAC REPORT ON SEPARATE URBAN PAYMENT RATES.—The Prospective Payment Assessment Commission shall evaluate the desirability of maintaining separate DRG prospective payment rates for hospitals located in large urban areas (as defined in section 1886(d)(2)(D)) of the Social Security Act [42 U.S.C. 1395ww(d)(2)(D)] and in other urban areas, and shall report to Congress on such evaluation not later than January 1, 1989.

"(3) REPORT ON ADJUSTMENT FOR NONLABOR COSTS.—The Prospective Payment Assessment Commission shall perform an analysis to determine the feasibility and appropriateness of adjusting the non-wage-related portion of the adjusted average standardized amounts under section 1886(d)(3) of the Social Security Act [42 U.S.C. 1395ww(d)(3)] based on area differences in hospitals' costs (other than wage-related costs) and input prices. The Commission shall report to the Congress on such analysis by not later than October 1, 1989.

SPECIAL RULE FOR URBAN AREAS IN NEW ENGLAND


"In the case of urban areas in New England, the Secretary of Health and Human Services shall apply the second sentence of section 1886(d)(2)(D) of the Social Security Act [42 U.S.C. 1395ww(d)(2)(D)], as amended by section 4002(b) of this subtitle, as though 970,000 were substituted for 1,000,000.
§ 1395ww

RURAL HEALTH MEDICAL EDUCATION DEMONSTRATION PROJECT


"(a) In General.—The Secretary of Health and Human Services (in this section referred to as the 'Secretary') shall enter into agreements with 10 sponsoring hospitals submitting applications under this subsection to conduct demonstration projects to assist resident physicians in developing field clinical experience in rural areas.

(b) Nature of Project.—Under a demonstration project conducted under subsection (a), a sponsoring hospital entering into an agreement with the Secretary under such subsection shall enter into arrangements with a small rural hospital to provide to such rural hospital, for a period of one to three months of training, physicians (in such number as the agreement under subsection (a) may provide) who have completed one year of residency training.

(c) Selection.—(1) In selecting from among applications submitted under subsection (a), the Secretary shall ensure that four small rural hospitals located in different counties participate in the demonstration project and that:

"(A) two of such hospitals are located in rural counties of more than 17,000 square miles (one of which is east of the Mississippi River and one of which is west of such river); and

"(B) two of such hospitals are located in rural counties with (as determined by the Secretary) a severe shortage of physicians (one of which is east of the Mississippi River and one of which is west of such river).

(2) The provisions of paragraph (1) shall not apply with respect to applications submitted as a result of amendments made by section 6216 of the Omnibus Budget Reconciliation Act of 1989 [Pub. L. 101–239, amending this note].

(d) Clarification of Payment.—For purposes of section 1886 of the Social Security Act [42 U.S.C. 1395ww—]

"(1) with respect to subsection (d)(5)(B) of such section, any resident physician participating in the project under subsection (a) for any part of a year shall be treated as if he or she were working at the appropriate sponsoring hospital with an agreement under subsection (a) on September 1 of such year and shall not be treated as if working at the small rural hospital; and

"(2) with respect to subsection (h) of such section, the payment amount permitted under such subsection for a sponsoring hospital with an agreement under subsection (a) shall be increased (for the duration of the project only) by an amount equal to the amount of any direct graduate medical education costs (as defined in paragraph (5) of such subsection) incurred by such hospital in supervising the education and training activities under a project under subsection (a).

(e) Duration of Project.—Each demonstration project under subsection (a) shall be commenced not later than six months after the date of enactment of this Act [Dec. 22, 1987] (or the date of the enactment of the Omnibus Budget Reconciliation Act of 1989 [Dec. 19, 1989], in the case of a project conducted as a result of the amendments made by section 6216 of such Act [Pub. L. 101–239, amending this note]) and shall be conducted for a period of three years.

("(f) Definition.—In this section, the term 'sponsoring hospital' means a hospital that receives payments under 19, 1989, 101 Stat. 3703 and 1886(h) of the Social Security Act [42 U.S.C. 1395ww(d)(5)(B), (h)].")"

Prohibition on Policy by Secretary of Health and Human Services To Reduce Expenditures in Fiscal Years 1989, 1990, and 1991


"(a) In General.—Notwithstanding any other provision of law, the Secretary of Health and Human Serv-
ices is not authorized to issue after September 18, 1987, and before November 21, 1987—

“(A) any final regulation that changes the policy with respect to payment under title XVIII of the Social Security Act [42 U.S.C. 1395 et seq.] to providers of service for reasonable costs relating to uncovered costs associated with unpaid deductible and coinsurance amounts incurred under such title.

“(B) any final regulation, instruction, or other policy change which is primarily intended to have the effect of slowing down claims processing, or delaying payment of claims, under such title; or

“(C) any final regulation that changes the policy under such title with respect to payment for a return on equity capital for outpatient hospital services.

The final regulation of the Health Care Financing Administration published on September 1, 1987 (52 Federal Register 32392) and relating to changes to the return on equity capital provisions for outpatient hospital services is void and of no effect.

“(2) OTHER COST SAVINGS POLICIES.—Notwithstanding any other provision of law, except as required to implement specific provisions required under statute, the Secretary of Health and Human Services is not authorized to issue in final form, after September 18, 1987, and before November 21, 1987, any regulation, instruction, or policy which is estimated by the Secretary to result in a net reduction in expenditures under title XVIII of the Social Security Act in fiscal year 1988 of more than $50,000,000. Any regulation, instruction, or policy which is issued in violation of this paragraph is void and of no effect.

“(3) EXCEPTION.—Paragraphs (1) and (2) shall not be construed to apply to any regulation, instruction, or policy required to implement the amendment made by section 9311(a) of the Omnibus Budget Reconciliation Act of 1986 [section 9311(a) of Pub. L. 99–509, which amended section 1395g of this title] (relating to periodic patient review).

MAINTAINING CURRENT OUTLIER POLICY IN FISCAL YEAR 1987


‘‘(A) the proportions under paragraph (3)(B) for hospitals located in urban and rural areas shall be established at such levels as produce the same total dollar reduction under such paragraph as if this section had not been enacted; and

‘‘(B) the thresholds and standards used for making additional payments under paragraph (5) of such section shall be the same as those in effect as of October 1, 1986.’’

EXTENSION OF REGIONAL REFERRAL CENTER CLASSIFICATION


BUDGET-NEUTRAL IMPLEMENTATION

Pub. L. 99–509, title IX, § 9302(d)(3), Oct. 21, 1986, 100 Stat. 1983, provided that: ‘‘Paragraph (2) [set out as a note above] and the amendment made by paragraph (1)(A) [amending this section] shall be implemented in a manner that ensures that total payments under section 1886 of the Social Security Act [42 U.S.C. 1395ww] are not increased or decreased by reason of the classifications required by such paragraph or amendment.’’

PROCLAMATION OF NEW RATE

Pub. L. 99–509, title IX, § 9322(f), Oct. 21, 1986, 100 Stat. 1984, provided that: ‘‘The Secretary of Health and Human Services shall provide, within 30 days after the date of the enactment of this Act [Oct. 21, 1986], for the publication of the payments rates that will apply under section 1886 of the Social Security Act [42 U.S.C. 1395ww], for discharges occurring on or after October 1, 1986, taking into account the amendments made by this section [amending this section], without regard to the provisions of chapter 5 of title 5, United States Code.’’

MISCELLANEOUS ACCOUNTING PROVISION


‘‘(1) had a cost reporting period beginning on September 28, 29, or 30 of 1985,

‘‘(2) is located in a State in which inpatient hospital services were paid in fiscal year 1985 pursuant to a Statewide demonstration project under section 402 of the Social Security Amendments of 1967 [set out as section 1395l–1 of title XVIII of the Social Security Act], and

‘‘(3) elects, by notice to the Secretary of Health and Human Services by not later than April 1, 1988, to have this subsection apply, during the first 7 months of such cost reporting period the ‘target percentage’ shall be 75 percent and the ‘DRG percentage’ shall be 25 percent, and during the remaining 5 months of such period the ‘target percentage’ and the ‘DRG percentage’ shall each be 50 percent.’’

‘[Section 4008(e) of Pub. L. 100–203 provided that the amendment of section 9307(d) of Pub. L. 99–509, set out above, by section 4008(e) of Pub. L. 100–203 is effective as if included in the enactment of Pub. L. 99–509.]’’

TREATMENT OF CAPITAL-RELATED REGULATIONS


‘‘(1) PROHIBITION OF ISSUANCE OF FINAL REGULATIONS ON CAPITAL-RELATED COSTS AS PART OF PAYMENT FOR OPERATING COSTS BEFORE NOVEMBER 21, 1987.—Notwithstanding any other provision of law (except as provided in paragraph (3)), the Secretary of Health and Human Services may not issue, in final form, after September 1, 1986, and before November 21, 1987, any regulation that changes the methodology for computing the amount of payment for capital-related costs (as defined in paragraph (4)) for inpatient hospital services under part A of title XVIII of the Social Security Act [42 U.S.C. 1395 et seq.]. Any regulation published in violation of the previous sentence is void and of no effect.

‘‘(2) NOT INCLUDING CAPITAL-RELATED REGULATIONS IN BUDGET BASELINE.—Any reference in law to a regulation issued in final form or proposed by the Health Care Financing Administration pursuant to sections
§ 1395ww

TITLE 42—THE PUBLIC HEALTH AND WELFARE

Page 3566

1886(b)(3)(B), 1886(d)(3)(A), and 1886(e)(4) of the Social Security Act [42 U.S.C. 1395ww(b)(3)(B), (d)(3)(A), (e)(4)] shall not include any regulation issued or proposed with respect to capital-related costs (as defined in paragraph (4)).

“(3) EXCEPTION.—Paragraph (1) shall not apply to any regulation issued for the sole purpose of implementing section 1886(c)(1)(O) and 1886(w)(c) of the Social Security Act [42 U.S.C. 1395ww(c)(1)(O), 1395ww(g)(2)] and section 1886(c)(3)(A) and (B) of the Social Security Act [42 U.S.C. 1395ww(g)(3)(A), (B)] (as amended by section 2906(a) of this Act).

“(4) CAPITAL-RELATED COSTS DEFINED.—In subsection (c), the term ‘capital-related costs’ means those capital-related costs that are specifically excluded, under the second sentence of section 1886(a)(4) of the Social Security Act [42 U.S.C. 1395ww(a)(4)], from the term ‘operating costs of inpatient hospital services’ (as defined in that section) for cost reporting periods beginning prior to October 1, 1987.”

LIMITATION ON AUTHORITY TO ISSUE CERTAIN FINAL REGULATIONS AND INSTRUCTIONS RELATING TO HOSPITALS OR PHYSICIANS

Pub. L. 99–509, title IX, § 9221(d), Oct. 21, 1986, 100 Stat. 2017, provided that: “Notwithstanding any other provisions of law, except as required to implement specific provisions required under statute and except as provided under subsection (c) (set out above) with respect to a regulation described in that subsection, the Secretary of Health and Human Services is not authorized to issue in final form after the date of the enactment of this Act [Oct. 21, 1986] and before September 1, 1987, any regulation, instruction, or other policy which is estimated by the Secretary to result in a net reduction in expenditures under title XVIII of the Social Security Act [42 U.S.C. 1395 et seq.] in fiscal year 1988 of more than $50,000,000, and which relates to hospitals or physicians.”

STUDY OF METHODOLOGY FOR AREA WAGE ADJUSTMENT FOR CENTRAL CITIES; REPORT TO CONGRESS

Pub. L. 99–972, title IX, § 9109(b), Apr. 7, 1986, 100 Stat. 156, provided that:

“(1) The Secretary of Health and Human Services, in consultation with the Prospective Payment Assessment Commission, shall collect information and shall develop one or more methodologies to permit the adjustment of the wage indices used for purposes of sections 1886(b)(2)(C)(i), 1886(d)(2)(H), and 1886(e)(3)(E) of the Social Security Act [42 U.S.C. 1395ww(d)(2)(C)(i), (H), (3)(E)], in order to more accurately reflect hospital labor markets, by taking into account variations in wage and wage-related costs between the central city portion of urban areas and other parts of urban areas.

“(2) The Secretary shall report to Congress on the information collected and the methodologies developed under paragraph (1) not later than May 1, 1987. The report shall include a recommendation as to the feasibility and desirability of implementing such methodologies.

CONTINUATION OF MEDICARE REIMBURSEMENT WAIVERS FOR CERTAIN HOSPITALS PARTICIPATING IN REGIONAL HOSPITAL REIMBURSEMENT DEMONSTRATIONS

Pub. L. 99–972, title IX, § 9108, Apr. 7, 1986, 100 Stat. 161, provided that:

“(a) CONTINUATION OF WAIVERS.—A hospital reimbursement control system which, on January 1, 1985, was carried out under a demonstration under a contract which had been approved by the Secretary of Health and Human Services pursuant to section 222(a) of the Social Security Amendments of 1972 [section 222(a) of Pub. L. 92–603, set out as a note under section 1395–1 of this title], or under section 402 of the Social Security Amendments of 1967 (as amended by section 222(b) of the Social Security Amendments of 1972 [42 U.S.C. 1395] shall be deemed to meet the requirements of section 1886(c)(1)(A) of the Social Security Act [42 U.S.C. 1395ww(c)(1)(A)] if such system applies—

“(1) to substantially all non-Federal acute care hospitals (as defined by the Secretary) in the geographic area served by such system on January 1, 1985, and

“(2) to the review of at least 75 percent

“(A) all revenues or expenses in such geographic area for inpatient hospital services, and

“(B) revenues or expenses in such geographic area for inpatient hospital services provided under the State’s plan approved under title XIX [42 U.S.C. 1396 et seq.].

“(b) APPROVAL.—In the case of a hospital cost control system described in subsection (a), the requirements of section 1886(c) of the Social Security Act [42 U.S.C. 1395ww(c)] which apply to States shall instead apply to such system and, for such purposes, any reference to a State is deemed a reference to such system;

“(c) EFFECTIVE DATE.—This section shall become effective on the date of the enactment of this Act [Apr. 7, 1986].

INFORMATION ON IMPACT OF APS PAYMENTS ON HOSPITALS

Pub. L. 99–972, title IX, § 9114, Apr. 7, 1986, 100 Stat. 163, provided that:

“(a) DISCLOSURE OF INFORMATION.—The Secretary of Health and Human Services shall make available to the Prospective Payment Assessment Commission, the Congressional Budget Office, the Comptroller General, and the Congressional Research Service the most current information on the payments being made under section 1886 of the Social Security Act [42 U.S.C. 1395ww] to individual hospitals. Such information shall be made available in a manner that permits examination of the impact of such section on hospitals.

“(b) CONFIDENTIALITY.—Information disclosed under subsection (a) shall be treated as confidential and shall not be subject to further disclosure in a manner that permits the identification of individual hospitals.”

SPECIAL RULES FOR IMPLEMENTATION OF HOSPITAL REIMBURSEMENT

Pub. L. 99–972, title IX, § 9115, Apr. 7, 1986, 100 Stat. 163, provided that:

“(a) WAIVER OF PAPERWORK REDUCTION.—Chapter 35 of title 44, United States Code, shall not apply to information required for purposes of carrying out this subpart and implementing the amendments made by this subpart (part of title IX of Pub. L. 99–972, see Tables for classification).

“(b) USE OF INTERIM FINAL REGULATIONS.—The Secretary of Health and Human Services shall publish proposed regulations (on an interim or other basis) as may be necessary to implement this subpart and the amendments made by this subpart.

APPOINTMENT OF ADDITIONAL MEMBERS TO PROSPECTIVE PAYMENT ASSESSMENT COMMISSION


“The Director of the Congressional Office of Technology Assessment shall appoint the two additional members to the Prospective Payment Assessment Commission, as required by the amendment made by subsection (a) (amending this section), no later than 60 days after the date of the enactment of this Act [Apr. 7, 1986], for terms of three years, except that the Director may provide initially for such terms as will insure that (on a continuing basis) the terms of no more than eight members will expire in any one year.”

STUDIES BY SECRETARY; GAO STUDY; REPORT ON UNIFORMITY OF APPROVED FTE RESIDENT AMOUNTS; STUDY ON FOREIGN MEDICAL GRADUATES; ESTABLISHING PHYSICIAN IDENTIFIER SYSTEM; PAPERWORK REDUCTION

Pub. L. 99–972, title IX, § 9202(c)(h), Apr. 7, 1986, 100 Stat. 175, as amended by Pub. L. 100–203, title IV,

(a) NEW STUDY TO THE CONGRESSIONAL BUDGET OFFICE.

(b) ADJUSTMENTS TO THE APPROPRIATIONS ESTIMATES.

(c) REPORT ON UNIFORMITY OF APPROVED FTE RESIDENT AMOUNTS.

(d) STUDY ON FOREIGN MEDICAL GRADUATES.

(e) STUDY ON THE POTENTIAL USE OF GERIATRIC HOSPITALS.

(f) STUDY ON THE POTENTIAL USE OF GERIATRIC HOSPITALS.

(g) STUDY ON THE POTENTIAL USE OF GERIATRIC HOSPITALS.

(h) STUDY ON THE POTENTIAL USE OF GERIATRIC HOSPITALS.

(i) STUDY ON THE POTENTIAL USE OF GERIATRIC HOSPITALS.

(j) STUDY ON THE POTENTIAL USE OF GERIATRIC HOSPITALS.

(k) STUDY ON THE POTENTIAL USE OF GERIATRIC HOSPITALS.

(l) STUDY ON THE POTENTIAL USE OF GERIATRIC HOSPITALS.

(m) STUDY ON THE POTENTIAL USE OF GERIATRIC HOSPITALS.

(n) STUDY ON THE POTENTIAL USE OF GERIATRIC HOSPITALS.

(o) STUDY ON THE POTENTIAL USE OF GERIATRIC HOSPITALS.

(p) STUDY ON THE POTENTIAL USE OF GERIATRIC HOSPITALS.

(q) STUDY ON THE POTENTIAL USE OF GERIATRIC HOSPITALS.

(r) STUDY ON THE POTENTIAL USE OF GERIATRIC HOSPITALS.

(s) STUDY ON THE POTENTIAL USE OF GERIATRIC HOSPITALS.

(t) STUDY ON THE POTENTIAL USE OF GERIATRIC HOSPITALS.

(u) STUDY ON THE POTENTIAL USE OF GERIATRIC HOSPITALS.

(v) STUDY ON THE POTENTIAL USE OF GERIATRIC HOSPITALS.

(w) STUDY ON THE POTENTIAL USE OF GERIATRIC HOSPITALS.

(x) STUDY ON THE POTENTIAL USE OF GERIATRIC HOSPITALS.

(y) STUDY ON THE POTENTIAL USE OF GERIATRIC HOSPITALS.

(z) STUDY ON THE POTENTIAL USE OF GERIATRIC HOSPITALS.
that:


Finance and the House Committees on Ways and Means and Energy and Commerce.''

and the study to the Senate Committee on Finance and the House Committees on Ways and Means and Energy and Commerce.''

SIDING for purposes of utilizing competitive market forces in setting payment levels for laboratory services under title XVIII of the Social Security Act [42 U.S.C. 1395 et seq.], if such a study is conducted by the clinical laboratory industry, the Secretary and the Comptroller General shall comment on such study and submit such comments and the study to the Senate Committee on Finance and the House Committees on Ways and Means and Energy and Commerce.''

§ 9103(a)(1), Apr. 7, 1986, 100 Stat. 156, provided that:

"The Secretary of Health and Human Services shall report the results of such study to the Congress not later than 30 days after the date of the enactment of this Act [July 18, 1984], including any changes which the Secretary determines to be necessary to provide for an appropriate index.

"(b) The Secretary shall adjust the payment amounts for hospitals for discharges occurring on or after May 1, 1986, to reflect the changes the Secretary has promulgated in final regulations (on September 3, 1985) relating to the hospital wage index under section 1886(d)(3)(E) of the Social Security Act [42 U.S.C. 1395ww(d)(3)(E)] for discharges occurring after September 30, 1986, the Secretary shall provide for such periodic adjustments in the appropriate wage index used under that section as may be necessary, taking into account changes in the wage levels and relative proportions of full-time and part-time workers.

"(c) The Secretary shall conduct a study and report to the Congress on proposed criteria under which, in the case of a hospital that demonstrates to the Secretary in a current fiscal year that the adjustment being made under paragraph (2)(H) or (3)(E) of section 1886(d) of the Social Security Act [42 U.S.C. 1395ww(d)(2)(H), (3)(E)] for that hospital’s discharges in that fiscal year does not accurately reflect the wage levels in the labor market serving the hospital, the Secretary, to the extent he deems appropriate, would modify such adjustment for that hospital for discharges in the subsequent fiscal year to take into account a difference in payment amounts in that current fiscal year to the hospital that resulted from such inaccuracy.''

PUB. L. 99–272, TITLE IX, § 9103(a)(2), Apr. 7, 1986, 100 Stat. 156, provided that: "The amendment made by paragraph (1) [amending this note] shall be effective as if it had been included in the Deficit Reduction Act of 1984 [Pub. L. 98–369]."

DIFFERENT TREATMENT OF CAPITAL-PROJECTS-RELATED COSTS BEFORE AND AFTER IMPLEMENTATION OF SYSTEM FOR INCLUDING SUCH COSTS UNDER PROSPECTIVELY DETERMINED PAYMENT RATES

PUB. L. 98–21, TITLE VI, § 601(a)(3), APR. 20, 1983, 97 STAT. 149, provided that: "It is the intent of Congress that, in considering the implementation of a system for including capital-related costs under a prospectively determined payment rate for inpatient hospital services related to capital projects for which expenditures are obligated on or after the effective date of the implementation of such a system, may or may not be distinguished and treated differently from costs of projects for which expenditures were obligated before such date."

NEW ENGLAND HOSPITALS: CLASSIFICATION AS URBAN OR RURAL

PUB. L. 98–21, TITLE VI, § 601(g), APR. 20, 1983, 97 STAT. 163, provided that: "In determining whether a hospital is in an urban or rural area for purposes of section 1886(d) of the Social Security Act [42 U.S.C. 1395ww(d)], the Secretary of Health and Human Services shall classify any hospital located in New England as being located in an urban area if such hospital was classified as being located in an urban area under the Standard Metropolitan Statistical Area system of classification in effect in 1979."

REPORTS, EXPERIMENTS, AND DEMONSTRATION PROJECTS RELATED TO INCLUSION IN PROSPECTIVELY DETERMINED AMOUNTS OF INPATIENT HOSPITAL SERVICE CAPITAL-RELATED COSTS

PUB. L. 98–21, TITLE VI, § 603(a), APR. 20, 1983, 97 STAT. 166, as amended by PUB. L. 98–369, DIV. B, TITLE III, § 2317,
§ 1395xx. Payment of provider-based physicians and payment under certain percentage arrangements

(a) Criteria; amount of payments

(1) The Secretary shall by regulation determine criteria for distinguishing those services (including inpatient and outpatient services) rendered in hospitals or skilled nursing facilities—

(A) which constitute professional medical services, which are personally rendered for an individual patient by a physician and which contribute to the diagnosis or treatment of an individual patient, and which may be reimbursed as physicians’ services under Part B, and

(B) which constitute professional services which are rendered for the general benefit to patients in a hospital or skilled nursing facility and which may be reimbursed only on a reasonable cost basis or on the bases described in section 1395ww of this title.

(2)(A) For purposes of cost reimbursement, the Secretary shall recognize as a reasonable cost of a hospital or skilled nursing facility only that portion of the costs attributable to services rendered by a physician in such hospital or facility which are services described in paragraph (1)(B), apportioned on the basis of the amount of time actually spent by such physician rendering such services.

(B) In determining the amount of the payments which may be made with respect to services described in paragraph (1)(B), after apportioning costs as required by subparagraph (A), the Secretary may not recognize as reasonable (in the efficient delivery of health services) such portion of the provider’s costs for such services to the extent that such costs exceed the reasonable compensation equivalent for such services.

(b) Prohibition of recognition of payments under certain percentage agreements

(1) Except as provided in paragraph (2), in the case of a provider of services which is paid under this subchapter on a reasonable cost basis, or other basis related to costs that are reasonable, and which has entered into a contract for the purpose of having services furnished for or on behalf of it, the Secretary may not include any cost incurred by the provider under the contract if the amount payable under the contract by the provider for that cost is determined on the basis of a percentage (or other proportion) of the provider’s charges, revenues, or claim for reimbursement.

(2) Paragraph (1) shall not apply—

(A) to services furnished by a physician and described in subsection (a)(1)(B) and covered by regulations in effect under subsection (a), and

(B) under regulations established by the Secretary, where the amount involved under the percentage contract is reasonable and the contract—

(i) is a customary commercial business practice, or

(ii) provides incentives for the efficient and economical operation of the provider of services.

Effect of 1983 Amendment

Amendment by Pub. L. 98–21 applicable to items and services furnished by or under arrangement with a hospital beginning with its first cost reporting period that begins on or after Oct. 1, 1983, any change in a hospital’s cost reporting period made after November 1982 to be recognized for such purposes only if the Secretary finds good cause therefor, see section 604(a)(1) of Pub. L. 98–21, set out as a note under section 1395ww of this title.

Effective Date of 1982 Amendment

Amendment by Pub. L. 98–21 applicable to items and services furnished by or under arrangement with a hospital beginning with its first cost reporting period that begins on or after Oct. 1, 1983, any change in a hospital’s cost reporting period made after November 1982 to be recognized for such purposes only if the Secretary finds good cause therefor, see section 604(a)(1) of Pub. L. 98–21, set out as a note under section 1395ww of this title.
§ 1395yy. Payment to skilled nursing facilities for routine service costs

(a) Per diem limitations

The Secretary, in determining the amount of the payments which may be made under this subchapter with respect to routine service costs of extended care services shall not recognize as reasonable (in the efficient delivery of health services) per diem costs of such services to the extent that such per diem costs exceed the following per diem limits, except as otherwise provided in this section:

(1) With respect to freestanding skilled nursing facilities located in urban areas, the limit shall be equal to 112 percent of the mean per diem routine service costs for freestanding skilled nursing facilities located in urban areas.

(2) With respect to freestanding skilled nursing facilities located in rural areas, the limit shall be equal to 112 percent of the mean per diem routine service costs for freestanding skilled nursing facilities located in rural areas.

(3) With respect to hospital-based skilled nursing facilities located in urban areas, the limit shall be equal to the sum of the limit for freestanding skilled nursing facilities located in urban areas, plus 50 percent of the amount by which 112 percent of the mean per diem routine service costs for hospital-based skilled nursing facilities located in urban areas exceeds the limit for freestanding skilled nursing facilities located in urban areas.

(4) With respect to hospital-based skilled nursing facilities located in rural areas, the limit shall be equal to the sum of the limit for freestanding skilled nursing facilities located in rural areas, plus 50 percent of the amount by which 112 percent of the mean per diem routine service costs for hospital-based skilled nursing facilities located in rural areas exceeds the limit for freestanding skilled nursing facilities located in rural areas.

Effective date of regulations

Pub. L. 97–248, title I, § 108(b), formerly § 108(c), Sept. 3, 1982, § 103, 96 Stat. 338, as redesignated by Pub. L. 97–448, title III, § 309(a)(3), Jan. 12, 1983, 96 Stat. 2408, provided that: "The Secretary of Health and Human Services shall first promulgate regulations to carry out section 1887(a) of the Social Security Act [42 U.S.C. 1395xx(a)] not later than October 1, 1982. Such regulations shall become effective on October 1, 1982, and shall be effective with respect to cost reporting periods ending after September 30, 1982, but in the case of any cost reporting period beginning before October 1, 1982, any reduction in payments under such contract (A) 30 days after the first date (after such date of enactment) the provider of services may unilaterally terminate the contract, or (B) one year after the date of the enactment of this Act, whichever is earlier."

§ 1395yy. Payment to skilled nursing facilities for routine service costs

(b) Excess overhead allocations for hospital-based facilities

With respect to a hospital-based skilled nursing facility, the Secretary may not recognize as reasonable the portion of the cost differences between hospital-based and freestanding skilled nursing facilities attributable to excess overhead allocations.

(c) Adjustments in limitations: publication of data

The Secretary may make adjustments in the limits set forth in subsection (a) with respect to any skilled nursing facility to the extent the Secretary deems appropriate, based upon case mix or circumstances beyond the control of the facility. The Secretary shall publish the data and criteria to be used for purposes of this subsection on an annual basis.

(d) Access to skilled nursing facilities

(1) Subject to subsection (e), any skilled nursing facility may choose to be paid under this subsection on the basis of a prospective payment for all routine service costs (including the costs of services required to attain or maintain the highest practicable physical, mental, and psychosocial well-being of each resident eligible for benefits under this subchapter) and capital-related costs of extended care services provided in a cost reporting period if such facility had, in the preceding cost reporting period, fewer than 1,500 patient days with respect to which payments were made under this subchapter. Such prospective payment shall be in lieu of payments which would otherwise be made for routine service costs pursuant to section 1395x(v) of this title. This subsection shall not apply to a facility for any cost reporting period immediately following a cost reporting period in which such facility had 1,500 or more patient days with respect to which payments were made under this subchapter, without regard to whether payments were made under this subsection during such preceding cost reporting period.

(2)(A) The amount of the payment under this section shall be determined on a per diem basis.

(B) Subject to the limitations of subparagraph (C), for skilled nursing facilities located—

(i) in an urban area, the amount shall be equal to 105 percent of the mean of the per diem reasonable routine service and capital-related costs of extended care services for
skilled nursing facilities in urban areas within the same region, determined without regard to the limitations of subsection (a) and adjusted for different area wage levels, and

(ii) in a rural area the amount shall be equal to 105 percent of the mean of the per diem reasonable routine service and capital-related costs of extended care services for skilled nursing facilities in rural areas within the same region, determined without regard to the limitations of subsection (a) and adjusted for different area wage levels.

(C) The per diem amounts determined under subparagraph (B) shall not exceed the limit on routine service costs determined under subsection (a) with respect to the facility, adjusted to take into account average capital-related costs with respect to the type and location of the facility.

(3) For purposes of this subsection, urban and rural areas shall be determined in the same manner as for purposes of subsection (a), and the term "region" shall have the same meaning as under section 1395ww(d)(2)(D) of this title.

(4) The Secretary shall establish the prospective payment amounts for cost reporting periods beginning in a fiscal year at least 90 days prior to the beginning of such fiscal year, on the basis of the most recent data available for a 12-month period. A skilled nursing facility must notify the Secretary of its intention to be paid pursuant to this subsection, which shall require the Secretary to determine the prospective payment amounts pursuant to paragraph (2) and reasonable costs of ancillary services.

(5) The Secretary shall provide for a simplified cost report to be filed by facilities being paid pursuant to this subsection, which shall require only the cost information necessary for determining prospective payment amounts pursuant to paragraph (2) and reasonable costs of ancillary services.

(6) In lieu of payment on a cost basis for ancillary services provided by a facility which is being paid pursuant to this subsection, the Secretary may pay for such ancillary services on a reasonable charge basis if the Secretary determines that such payment basis will provide an equitable level of reimbursement and will ease the reporting burden of the facility.

(7) In computing the rates of payment to be made under this subsection, there shall be taken into account the costs described in the last sentence of section 1395xx(v)(1)(E) of this title (relating to compliance with nursing facility requirements and of conducting nurse aide training and competency evaluation programs and competency evaluation programs).

(e) Prospective payment

(1) Payment provision

Notwithstanding any other provision of this subchapter, subject to paragraphs (7), (11), and (12), the amount of the payment for all costs (as defined in paragraph (2)(B)) of covered skilled nursing facility services (as defined in paragraph (2)(A)) for each day of such services furnished—

(A) in a cost reporting period during the transition period (as defined in paragraph (2)(E)), is equal to the sum of—

(i) the non-Federal percentage of the facility-specific per diem rate (computed under paragraph (3)), and

(ii) the Federal percentage of the adjusted Federal per diem rate (determined under paragraph (4)) applicable to the facility; and

(B) after the transition period is equal to the adjusted Federal per diem rate applicable to the facility.

(2) Definitions

For purposes of this subsection:

(A) Covered skilled nursing facility services

(i) In general

The term "covered skilled nursing facility services"—

(I) means post-hospital extended care services as defined in section 1395x(i) of this title for which benefits are provided under part A; and

(II) includes all items and services (other than items and services described in clauses (ii), (iii), and (iv)) for which payment may be made under part B and which are furnished to an individual who is a resident of a skilled nursing facility during the period in which the individual is provided covered post-hospital extended care services.

(ii) Services excluded

Services described in this clause are physicians' services, services described by clauses (I) and (II) of section 1395x(s)(2)(K) of this title, certified nurse-midwife services, qualified psychologist services, services of a certified registered nurse anesthetist, items and services described in subparagraphs (F) and (O) of section 1395x(s)(2) of this title (other than items and services described in this clause), items and services described in subparagraphs (F) and (O) of section 1395m(m)(4)(C)(i)(VII) of this title, and, only with respect to services furnished during 1998, the transportation costs of electrocardiogram equipment for electrocardiogram test services (HCPCS Code R0078). Services described in this clause do not include any physical, occupational, or speech-language therapy services regardless of whether or not the services are furnished by, or under the supervision of, a physician or other health care professional.

(iii) Exclusion of certain additional items and services

Items and services described in this clause are the following:

(I) Ambulance services furnished to an individual in conjunction with renal dialysis services described in section 1395x(s)(2)(F) of this title.

(II) Chemotherapy items (identified as of July 1, 1999, by HCPCS codes J9000–J9020; J9040–J9151; J9170–J9185; J9200–J9201; J9206–J9208; J9211–J9220; J9220–J9225; J9265–J9600 (and as subsequently modified by the Secretary)) and any additional chemotherapy items identified by the Secretary.
(III) Chemotherapy administration services (identified as of July 1, 1999, by HCPCS codes 36260–36262; 36489; 36530–36535; 36640; 36823; and 96405–96542 (and as subsequently modified by the Secretary)) and any additional chemotherapy administration services identified by the Secretary.

(IV) Radioisotope services (identified as of July 1, 1999, by HCPCS codes 79030–79410 (and as subsequently modified by the Secretary)) and any additional radioisotope services identified by the Secretary.

(V) Customized prosthetic devices (commonly known as artificial limbs or components of artificial limbs) under the following HCPCS codes (as of July 1, 1999 (and as subsequently modified by the Secretary)), and any additional customized prosthetic devices identified by the Secretary, if delivered to an inpatient for use during the stay in the skilled nursing facility and intended to be used by the individual after discharge from the facility: L5050–L5340; L5500–L5611; L5613–L5986; L5988; L6050–L6370; L6400–L6880; L6920–L7274; and L7362–7366.

(iv) Exclusion of certain rural health clinic and federally qualified health center services

Services described in this clause are—

(1) rural health clinic services (as defined in paragraph (1) of section 1395x(aa) of this title); and

(2) federally qualified health center services (as defined in paragraph (3) of such section);

that would be described in clause (ii) if such services were furnished by an individual not affiliated with a rural health clinic or a federally qualified health center.

(B) All costs

The term “all costs” means routine service costs, ancillary costs, and capital-related costs of covered skilled nursing facility services, but does not include costs associated with approved educational activities.

(C) Non-Federal percentage; Federal percentage

For—

(i) the first cost reporting period (as defined in subparagraph (D)) of a facility, the “non-Federal percentage” is 75 percent and the “Federal percentage” is 25 percent;

(ii) the next cost reporting period of such facility, the “non-Federal percentage” is 50 percent and the “Federal percentage” is 50 percent; and

(iii) the subsequent cost reporting period of such facility, the “non-Federal percentage” is 25 percent and the “Federal percentage” is 75 percent.

(D) First cost reporting period

The term “first cost reporting period” means, with respect to a skilled nursing facility, the first cost reporting period of the facility beginning on or after July 1, 1998.

(E) Transition period

(i) In general

The term “transition period” means, with respect to a skilled nursing facility, the 3 cost reporting periods of the facility beginning with the first cost reporting period.

(ii) Treatment of new skilled nursing facilities

In the case of a skilled nursing facility that first received payment for services under this subchapter on or after October 1, 1995, payment for such services shall be made under this subsection as if all services were furnished after the transition period.

(3) Determination of facility specific per diem rates

The Secretary shall determine a facility-specific per diem rate for each skilled nursing facility not described in paragraph (2)(E)(ii) for a cost reporting period as follows:

(A) Determining base payments

The Secretary shall determine, on a per diem basis, the total of—

(i) the allowable costs of extended care services for the facility for cost reporting periods beginning in fiscal year 1995, including costs associated with facilities described in subsection (d), with appropriate adjustments (as determined by the Secretary) to non-settled cost reports or, in the case of a facility participating in the Nursing Home Case-Mix and Quality Demonstration (RUGS–III), the RUGS–III rate received by the facility during the cost reporting period beginning in 1997, and

(ii) an estimate of the amounts that would be payable under part B (disregarding any applicable deductibles, coinsurance, and copayments) for covered skilled nursing facility services described in paragraph (2)(A)(i)(II) furnished during the applicable cost reporting period described in clause (i) to an individual who is a resident of the facility, regardless of whether or not the payment was made to the facility or to another entity.

In making appropriate adjustments under clause (i), the Secretary shall take into account exceptions and shall take into account exemptions but, with respect to exemptions, only to the extent that routine costs do not exceed 150 percent of the routine cost limits otherwise applicable but for the exemption.

(B) Update to first cost reporting period

The Secretary shall update the amount determined under subparagraph (A), for each cost reporting period after the applicable cost reporting period described in subparagraph (A)(i) and up to the first cost reporting period by a factor equal to the skilled nursing facility market basket percentage increase minus 1.0 percentage point.
(C) Updating to applicable cost reporting period

The Secretary shall update the amount determined under subparagraph (B) for each cost reporting period beginning with the first cost reporting period and up to and including the cost reporting period involved by a factor equal to the facility-specific update factor.

(D) Facility-specific update factor

For purposes of this paragraph, the “facility-specific update factor” for cost reporting periods beginning during—

(i) during each of fiscal years 1998 and 1999, is equal to the skilled nursing facility market basket percentage increase for such fiscal year minus 1 percentage point, and

(ii) during each subsequent fiscal year is equal to the skilled nursing facility market basket percentage increase for such fiscal year.

(4) Federal per diem rate

(A) Determination of historical per diem for facilities

For each skilled nursing facility that received payments for post-hospital extended care services during a cost reporting period beginning in fiscal year 1995 and that was subject to (and not exempted from) the per diem limits referred to in paragraph (1) or (2) of subsection (a) (and facilities described in subsection (d)), the Secretary shall estimate, on a per diem basis for such cost reporting period, the total of—

(i) the allowable costs of extended care services (excluding exceptions payments) for the facility for cost reporting periods beginning in 1995 with appropriate adjustments (as determined by the Secretary) to non-settled cost reports, and

(ii) an estimate of the amounts that would be payable under part B (disregarding any applicable deductibles, coinsurance, and copayments) for covered skilled nursing facility services described in paragraph (2)(A)(i)(II) furnished during such period to an individual who is a resident of the facility, regardless of whether or not the payment was made to the facility or to another entity.

(B) Update to first fiscal year

The Secretary shall update the amount determined under subparagraph (A), for each cost reporting period after the cost reporting period described in subparagraph (A)(i) and up to the first cost reporting period by a factor equal to the skilled nursing facility market basket percentage increase reduced (on an annualized basis) by 1 percentage point.

(C) Computation of standardized per diem rate

The Secretary shall standardize the amount updated under subparagraph (B) for each facility by—

(i) adjusting for variations among facilities by area in the average facility wage level per diem, and

(ii) adjusting for variations in case mix per diem among facilities.

(D) Computation of weighted average per diem rates

(i) All facilities

The Secretary shall compute a weighted average per diem rate for all facilities by computing an average of the standardized amounts computed under subparagraph (C), weighted for each facility by the number of days of extended care services furnished during the cost reporting period referred to in subparagraph (A).

(ii) Freestanding facilities

The Secretary shall compute a weighted average per diem rate for freestanding facilities by computing an average of the standardized amounts computed under subparagraph (C) only for such facilities, weighted for each facility by the number of days of extended care services furnished during the cost reporting period referred to in subparagraph (A).

(iii) Separate computation

The Secretary may compute and apply such averages separately for facilities located in urban and rural areas (as defined in section 1395ww(d)(2)(D) of this title).

(E) Updating

(i) Initial period

For the initial period beginning on July 1, 1998, and ending on September 30, 1999, the Secretary shall compute for skilled nursing facilities an unadjusted Federal per diem rate equal to the average of the weighted average per diem rates computed under clauses (i) and (ii) of subparagraph (D), increased by skilled nursing facility market basket percentage change for such period minus 1 percentage point.

(ii) Subsequent fiscal years

The Secretary shall compute an unadjusted Federal per diem rate equal to the Federal per diem rate computed under this subparagraph—

(I) for fiscal year 2000, the rate computed for the initial period described in clause (i), increased by the skilled nursing facility market basket percentage change for the initial period minus 1 percentage point;

(II) for fiscal year 2001, the rate computed for the previous fiscal year increased by the skilled nursing facility market basket percentage change for the fiscal year;

(III) for each of fiscal years 2002 and 2003, the rate computed for the previous fiscal year increased by the skilled nursing facility market basket percentage change for the fiscal year involved minus 0.5 percentage points; and

(IV) for each subsequent fiscal year, the rate computed for the previous fiscal year increased by the skilled nursing facility market basket percentage change for the fiscal year involved.
§ 1395yy

TITLE 42—THE PUBLIC HEALTH AND WELFARE

Page 3574

(F) Adjustment for case mix creep

Insofar as the Secretary determines that the adjustments under subparagraph (G)(i) for a previous fiscal year (or estimates that such adjustments for a future fiscal year) did (or are likely to) result in a change in aggregate payments under this subsection during the fiscal year that are a result of changes in the coding or classification of residents that do not reflect real changes in case mix, the Secretary may adjust unadjusted Federal per diem rates for subsequent fiscal years so as to eliminate the effect of such coding or classification changes.

(G) Determination of Federal rate

The Secretary shall compute for each skilled nursing facility for each fiscal year (beginning with the initial period described in subparagraph (E)(i)) an adjusted Federal per diem rate equal to the unadjusted Federal per diem rate determined under subparagraph (E), as adjusted under subparagraph (F), and as further adjusted as follows:

(i) Adjustment for case mix

The Secretary shall provide for an appropriate adjustment to account for case mix. Such adjustment shall be based on a resident classification system, established by the Secretary, that accounts for the relative resource utilization of different patient types. The case mix adjustment shall be based on resident assessment data and other data that the Secretary considers appropriate.

(ii) Adjustment for geographic variations in labor costs

The Secretary shall adjust the portion of such per diem rate attributable to wages and wage-related costs for the area in which the facility is located compared to the national average of such costs using an appropriate wage index as determined by the Secretary. Such adjustment shall be done in a manner that does not result in aggregate payments under this subsection that are greater or less than those that would otherwise be made if such adjustment had not been made.

(iii) Adjustment for exclusion of certain additional items and services

The Secretary shall provide for an appropriate proportional reduction in payments so that beginning with fiscal year 2001, the aggregate amount of such reductions is equal to the aggregate increase in payments attributable to the exclusion effected under clause (iii) of paragraph (2)(A).

(H) Publication of information on per diem rates

The Secretary shall provide for publication in the Federal Register, before May 1, 1996 (with respect to fiscal period described in subparagraph (E)(i)) and before the August 1 preceding each succeeding fiscal year (with respect to that succeeding fiscal year), of—

(i) the unadjusted Federal per diem rates to be applied to days of covered skilled nursing facility services furnished during the fiscal year,

(ii) the case mix classification system to be applied under subparagraph (G)(i) with respect to such services during the fiscal year, and

(iii) the factors to be applied in making the area wage adjustment under subparagraph (G)(ii) with respect to such services.

(5) Skilled nursing facility market basket index and percentage

For purposes of this subsection:

(A) Skilled nursing facility market basket index

The Secretary shall establish a skilled nursing facility market basket index that reflects changes over time in the prices of an appropriate mix of goods and services included in covered skilled nursing facility services.

(B) Skilled nursing facility market basket percentage

(i) In general

Subject to clauses (ii), (iii), and (iv), the term “skilled nursing facility market basket percentage” means, for a fiscal year or other annual period and as calculated by the Secretary, the percentage change in the skilled nursing facility market basket index (established under subparagraph (A)) from the midpoint of the prior fiscal year (or period) to the midpoint of the fiscal year (or period) involved.

(ii) Adjustment

For fiscal year 2013 and each subsequent fiscal year, subject to clauses (iii) and (iv), after determining the percentage described in clause (i), the Secretary shall reduce such percentage by the productivity adjustment described in section 1395ww(b)(3)(B)(xi)(II) of this title. The application of the preceding sentence may result in such percentage being less than 0.0 for a fiscal year, and may result in payment rates under this subsection for a fiscal year being less than such payment rates for the preceding fiscal year.

(iii) Special rule for fiscal year 2018

For fiscal year 2018 (or other similar annual period specified in clause (i)), the skilled nursing facility market basket percentage, after application of clause (ii), is equal to 1 percent.

(iv) Special rule for fiscal year 2019

For fiscal year 2019 (or other similar annual period specified in clause (i)), the skilled nursing facility market basket percentage, after application of clause (ii), is equal to 2.4 percent.

(6) Reporting of assessment and quality data

(A) Reduction in update for failure to report

(i) In general

For fiscal years beginning with fiscal year 2018, in the case of a skilled nursing facility
facility that does not submit data, as applicable, in accordance with subclauses (II) and (III) of subparagraph (B)(i) with respect to such a fiscal year, after determining the percentage described in paragraph (5)(B)(i), and after application of clauses (ii) and (iii) of paragraph (5)(B), the Secretary shall reduce such percentage for payment rates during such fiscal year by 2 percentage points.

(ii) Special rule

The application of this subparagraph may result in the percentage described in paragraph (5)(B)(i), after application of application application dates under this subsection for a fiscal year being less than such payment rates for the preceding fiscal year.

(iii) Noncumulative application

Any reduction under clause (i) shall apply only with respect to the fiscal year involved and the Secretary shall not take into account such reduction in computing the payment amount under this subsection for a subsequent fiscal year.

(B) Assessment and measure data

(i) In general

A skilled nursing facility, or a facility (other than a critical access hospital) described in paragraph (7)(B), shall submit to the Secretary, in a manner and within the timeframes prescribed by the Secretary—

(I) subject to clause (iii), the resident assessment data necessary to develop and implement the rates under this subsection;

(II) for fiscal years beginning on or after the specified application date (as defined in subsection (a)(2)(E) of section 1395lll of this title), as applicable with respect to skilled nursing facilities and quality measures under subsection (c)(1) of such section, data on such quality measures under such subsection (c)(1) and any necessary data specified by the Secretary under such subsection (d)(1); and

(III) for fiscal years beginning on or after October 1, 2018, standardized patient assessment data required under subsection (b)(1) of section 1395lll of this title.

(ii) Use of standard instrument

For purposes of meeting the requirement under clause (i), a skilled nursing facility, or a facility (other than a critical access hospital) described in paragraph (7)(B), may submit the resident assessment data required under section 1395i–3(b)(3) of this title, using the standard instrument designated by the State under section 1395i–3(e)(5) of this title.

(iii) Non-duplication

To the extent data submitted under subclause (II) or (III) of clause (i) duplicates other data required to be submitted under clause (i)(I), the submission of such data under such a subclause shall be in lieu of the submission of such data under clause (i)(I). The previous sentence shall not apply insofar as the Secretary determines it is necessary to avoid a delay in the implementation of section 1395lll of this title, taking into account the different specified application dates under subsection (a)(2)(E) of such section.

(7) Treatment of medicare swing bed hospitals

(A) Transition

Subject to subparagraph (C), the Secretary shall determine an appropriate manner in which to apply this subsection to the facilities described in subparagraph (B) (other than critical access hospitals), taking into account the purposes of this subsection, and shall provide that at the end of the transition period (as defined in paragraph (2)(E)) such facilities shall be paid only under this subsection. Payment shall not be made under this subsection to such facilities for cost reporting periods beginning before such date (not earlier than July 1, 1999) as the Secretary specifies.

(B) Facilities described

The facilities described in this subparagraph are facilities that have in effect an agreement described in section 1395tt of this title.

(C) Exemption from PPS of swing-bed services furnished in critical access hospitals

The prospective payment system established under this subsection shall not apply to services furnished by a critical access hospital pursuant to an agreement under section 1395tt of this title.

(8) Limitation on review

There shall be no administrative or judicial review under section 1395ff of this title, 1395oo of this title, or otherwise of—

(A) the establishment of Federal per diem rates under paragraph (4), including the computation of the standardized per diem rates under paragraph (4)(C), adjustments and corrections for case mix under paragraphs (4)(F) and (4)(G)(i), adjustments for variations in labor-related costs under paragraph (4)(G)(ii), and adjustments under paragraph (4)(G)(iii);

(B) the establishment of facility specific rates before July 1, 1999 (except any determination of costs paid under part A of this subchapter); and

(C) the establishment of transitional amounts under paragraph (7).

(9) Payment for certain services

In the case of an item or service furnished to a resident of a skilled nursing facility or a part of a facility that includes a skilled nursing facility (as determined under regulations) for which payment would (but for this paragraph) be made under part B in an amount determined in accordance with section 1395(a)(2)(B) of this title, the amount of the
payment under such part shall be the amount provided under the fee schedule for such item or service. In the case of an item or service described in clause (iii) of paragraph (2)(A) that would be payable under part A but for the exclusion of such item or service under such clause, payment shall be made for the item or service, in an amount otherwise determined under part B of this subchapter for such item or service, from the Federal Hospital Insurance Trust Fund under section 1395l of this title (rather than from the Federal Supplementary Medical Insurance Trust Fund under section 1395t of this title).

(10) Required coding

No payment may be made under part B for items and services (other than services described in paragraph (2)(A)(ii)) furnished to an individual who is a resident of a skilled nursing facility or of a part of a facility that includes a skilled nursing facility (as determined under regulations), unless the claim for such payment includes a code (or codes) under a uniform coding system specified by the Secretary that identifies the items or services furnished.

(11) Permitting facilities to waive 3-year transition

Notwithstanding paragraph (1)(A), a facility may elect to have the amount of the payment for all costs of covered skilled nursing facility services for each day of such services furnished in cost reporting periods beginning no earlier than 30 days before the date of such election determined pursuant to paragraph (1)(B).

(12) Adjustment for residents with AIDS

(A) In general

Subject to subparagraph (B), in the case of a resident of a skilled nursing facility who is afflicted with acquired immune deficiency syndrome (AIDS), the per diem amount of payment otherwise applicable (determined without regard to any increase under section 101 of the Medicare, Medicaid, and SCHIP Balanced Budget Refinement Act of 1999, or under section 314(a) of Medicare, Medicaid, and SCHIP Benefits Improvement and Protection Act of 2000), shall be increased by 128 percent to reflect increased costs associated with such residents.

(B) Sunset

Subparagraph (A) shall not apply on and after such date as the Secretary determines that there is an appropriate adjustment in the case mix under paragraph (4)(G)(1) to compensate for the increased costs associated with residents described in such subparagraph.

(f) Reporting of direct care expenditures

(1) In general

For cost reports submitted under this subchapter for cost reporting periods beginning on or after the date that is 2 years after March 23, 2010, skilled nursing facilities shall separately report expenditures for wages and benefits for direct care staff (breaking out (at a minimum) registered nurses, licensed professional nurses, certified nurse assistants, and other medical and therapy staff).

(2) Modification of form

The Secretary, in consultation with private sector accountants experienced with Medicare and Medicaid nursing facility home cost reports, shall redesign such reports to meet the requirements of paragraph (1) not later than 1 year after March 23, 2010.

(3) Categorization by functional accounts

Not later than 30 months after March 23, 2010, the Secretary, working in consultation with the Medicare Payment Advisory Commission, the Medicaid and CHIP Payment and Access Commission, the Inspector General of the Department of Health and Human Services, and other expert parties the Secretary determines appropriate, shall take the expenditures listed on cost reports, as modified under paragraph (1), submitted by skilled nursing facilities and categorize such expenditures, regardless of any source of payment for such expenditures, for each skilled nursing facility into the following functional accounts on an annual basis:

(A) Spending on direct care services (including nursing, therapy, and medical services).

(B) Spending on indirect care (including housekeeping and dietary services).

(C) Capital assets (including building and land costs).

(D) Administrative services costs.

(4) Availability of information submitted

The Secretary shall establish procedures to make information on expenditures submitted under this subsection readily available to interested parties upon request, subject to such requirements as the Secretary may specify under the procedures established under this paragraph.

(g) Skilled nursing facility readmission measure

(1) Readmission measure

Not later than October 1, 2015, the Secretary shall specify a measure to reflect an all-condition hospital readmission measure (or any successor to such a measure).

(2) Resource use measure

Not later than October 1, 2016, the Secretary shall specify a measure to reflect an all-condition risk-adjusted potentially preventable hospital readmission rate for skilled nursing facilities.

(3) Measure adjustments

When specifying the measures under paragraphs (1) and (2), the Secretary shall devise a methodology to achieve a high level of reliability and validity, especially for skilled nursing facilities with a low volume of readmissions.

(4) Pre-rulemaking process (measure application partnership process)

The application of the provisions of section 1395aaa–1 of this title shall be optional in the case of a measure specified under paragraph (1) and a measure specified under paragraph (2).
(5) Feedback reports to skilled nursing facilities

Beginning October 1, 2016, and every quarter thereafter, the Secretary shall provide confidential feedback reports to skilled nursing facilities on the performance of such facilities with respect to a measure specified under paragraph (1) or (2).

(6) Public reporting of skilled nursing facilities

(A) In general

Subject to subparagraphs (B) and (C), the Secretary shall establish procedures for making available to the public by posting on the Nursing Home Compare Medicare website (or a successor website) described in section 1395i–3(i) of this title information on the performance of skilled nursing facilities with respect to a measure specified under paragraph (1) and a measure specified under paragraph (2).

(B) Opportunity to review

The procedures under subparagraph (A) shall ensure that a skilled nursing facility has the opportunity to review and submit corrections to the information that is to be made public with respect to the facility prior to such information being made public.

(C) Timing

Such procedures shall provide that the information described in subparagraph (A) is made publicly available beginning not later than October 1, 2017.

(7) Non-application of Paperwork Reduction Act

Chapter 35 of title 44 (commonly referred to as the “Paperwork Reduction Act of 1995”) shall not apply to this subsection.

(h) Skilled nursing facility value-based purchasing program

(1) Establishment

(A) In general

Subject to the succeeding provisions of this subsection, the Secretary shall establish a skilled nursing facility value-based purchasing program (in this subsection referred to as the “SNF VBP Program”) under which value-based incentive payments are made in a fiscal year to skilled nursing facilities.

(B) Program to begin in fiscal year 2019

The SNF VBP Program shall apply to payments for services furnished on or after October 1, 2018.

(2) Application of measures

(A) In general

The Secretary shall apply the measure specified under subsection (g)(1) for purposes of the SNF VBP Program.

(B) Replacement

For purposes of the SNF VBP Program, the Secretary shall apply the measure specified under (g)(2)1 instead of the measure specified under (g)(1)1 as soon as practicable.

(3) Performance standards

(A) Establishment

The Secretary shall establish performance standards with respect to the measure applied under paragraph (2) for a performance period for a fiscal year.

(B) Higher of achievement and improvement

The performance standards established under subparagraph (A) shall include levels of achievement and improvement. In calculating the SNF performance score under paragraph (4), the Secretary shall use the higher of either improvement or achievement.

(C) Timing

The Secretary shall establish and announce the performance standards established under subparagraph (A) not later than 60 days prior to the beginning of the performance period for the fiscal year involved.

(4) SNF performance score

(A) In general

The Secretary shall develop a methodology for assessing the total performance of each skilled nursing facility based on performance standards established under paragraph (3) with respect to the measure applied under paragraph (2). Using such methodology, the Secretary shall provide for an assessment (in this subsection referred to as the “SNF performance score”) for each skilled nursing facility for each such performance period.

(B) Ranking of SNF performance scores

The Secretary shall, for the performance period for each fiscal year, rank the SNF performance scores determined under subparagraph (A) from low to high.

(5) Calculation of value-based incentive payments

(A) In general

With respect to a skilled nursing facility, based on the ranking under paragraph (4)(B) for a performance period for a fiscal year, the Secretary shall increase the adjusted Federal per diem rate determined under subsection (e)(4)(G) otherwise applicable to such skilled nursing facility (and after application of paragraph (6)) for services furnished by such facility during such fiscal year by the value-based incentive payment amount under subparagraph (B).

(B) Value-based incentive payment amount

The value-based incentive payment amount for services furnished by a skilled nursing facility in a fiscal year shall be equal to the product of—

(i) the adjusted Federal per diem rate determined under subsection (e)(4)(G) otherwise applicable to such skilled nursing facility for such services furnished by the skilled nursing facility during such fiscal year; and

(ii) the value-based incentive payment percentage specified under subparagraph (C) for the skilled nursing facility for such fiscal year.

1 So in original. Probably should be preceded by “subsection".
(C) Value-based incentive payment percentage

(i) In general

The Secretary shall specify a value-based incentive payment percentage for a skilled nursing facility for a fiscal year which may include a zero percentage.

(ii) Requirements

In specifying the value-based incentive payment percentage for each skilled nursing facility for a fiscal year under clause (i), the Secretary shall ensure that—

(I) such percentage is based on the SNF performance score of the skilled nursing facility provided under paragraph (4) for the performance period for such fiscal year;

(II) the application of all such percentages in such fiscal year results in an appropriate distribution of value-based incentive payments under subparagraph (B) such that—

(aa) skilled nursing facilities with the highest rankings under paragraph (4)(B) receive the highest value-based incentive payment amounts under subparagraph (B);

(bb) skilled nursing facilities with the lowest rankings under paragraph (4)(B) receive the lowest value-based incentive payment amounts under subparagraph (B); and

(cc) in the case of skilled nursing facilities in the lowest 40 percent of the performance period for such fiscal year that would otherwise apply under subsection (e)(4)(G) without application of this subsection; and

(III) the total amount of value-based incentive payments under this paragraph for all skilled nursing facilities in such fiscal year shall be greater than or equal to 50 percent, but not greater than 70 percent, of the total amount of the reductions to payments for such fiscal year under paragraph (6), as estimated by the Secretary.

(6) Funding for value-based incentive payments

(A) In general

The Secretary shall reduce the adjusted Federal per diem rate determined under subsection (e)(4)(G) otherwise applicable to a skilled nursing facility for services furnished by such facility during a fiscal year (beginning with fiscal year 2019) by the applicable percent (as defined in subparagraph (B)). The Secretary shall make such reductions for all skilled nursing facilities in the fiscal year involved, regardless of whether or not the skilled nursing facility has been determined by the Secretary to have earned a value-based incentive payment under paragraph (5) for such fiscal year.

(B) Applicable percent

For purposes of subparagraph (A), the term “applicable percent” means, with respect to fiscal year 2019 and succeeding fiscal years, 2 percent.

(7) Announcement of net result of adjustments

Under the SNF VBP Program, the Secretary shall, not later than 60 days prior to the fiscal year involved, inform each skilled nursing facility of the adjustments to payments to the skilled nursing facility for services furnished by such facility during the fiscal year under paragraphs (5) and (6).

(8) No effect in subsequent fiscal years

The value-based incentive payment under paragraph (5) and the payment reduction under paragraph (6) shall each apply only with respect to the fiscal year involved, and the Secretary shall not take into account such value-based incentive payment or payment reduction in making payments to a skilled nursing facility under this section in a subsequent fiscal year.

(9) Public reporting

(A) SNF specific information

The Secretary shall make available to the public, by posting on the Nursing Home Compare Medicare website (or a successor website) described in section 1395i–3(i) of this title in an easily understandable format, information regarding the performance of individual skilled nursing facilities under the SNF VBP Program, with respect to a fiscal year, including—

(i) the SNF performance score of the skilled nursing facility for such fiscal year; and

(ii) the ranking of the skilled nursing facility under paragraph (4)(B) for the performance period for such fiscal year.

(B) Aggregate information

The Secretary shall periodically post on the Nursing Home Compare Medicare website (or a successor website) described in section 1395i–3(i) of this title aggregate information on the SNF VBP Program, including—

(i) the range of SNF performance scores provided under paragraph (4)(A); and

(ii) the number of skilled nursing facilities receiving value-based incentive payments under paragraph (5) and the range and total amount of such value-based incentive payments.

(10) Limitation on review

There shall be no administrative or judicial review under section 1395f of this title, section 1395oo of this title, or otherwise of the following:

(A) The methodology used to determine the value-based incentive payment percentage and the amount of the value-based incentive payment under paragraph (5).

(B) The determination of the amount of funding available for such value-based incentive payments under paragraph (5)(C)(ii)(III) and the payment reduction under paragraph (6).
(C) The establishment of the performance standards under paragraph (3) and the performance period.

(D) The methodology developed under paragraph (4) that is used to calculate SNF performance scores and the calculation of such scores.

(E) The ranking determinations under paragraph (4)(B).

(11) Funding for program management

The Secretary shall provide for the one-time transfer from the Federal Hospital Insurance Trust Fund established under section 1395i of this title to the Centers for Medicare & Medicaid Services Program Management Account of:

(A) for purposes of subsection (g)(2), $2,000,000; and

(B) for purposes of implementing this subsection, $10,000,000.

Such funds shall remain available until expended.


2003—Subsec. (e)(2)(A)(ii). Pub. L. 108–173, §410(a)(1), substituted "clauses (ii), (iii), and (iv)" for "clauses (ii) and (iii)" in in section.


1999—Subsec. (e)(1). Pub. L. 106–113, §100(a)(6) [title I, §103(a)], in heading substituted "Subject to subparagraph (C), the" for "The" and inserted "(other than critical access hospitals)" after "facilities described in subparagraph (B)".

Subsec. (e)(7)(B). Pub. L. 106–554, §1(a)(6) [title II, §203(a)], struck out "", for which payment is made for the furnishing of extended care services on a reasonable cost basis under section 1395t(f) of this title (as in effect on and after such date)" before period at end.


1999—Subsec. (e)(1). Pub. L. 106–113, §100(a)(6) [title I, §103(a)], substituted "subject to paragraphs (7), (11), and (12)" for "subject to paragraphs (7) and (11)" in introductory provisions.

Pub. L. 106–113, §100(a)(6) [title I, §102(a)], substituted "paragraphs (7) and (11)" for "paragraph (7)" in introductory provisions.

Subsec. (e)(2)(A)(ii). Pub. L. 106–113, §100(a)(6) [title I, §102(a)], substituted "items and services described in subparagraph (A) for purposes of subsection (g)(2), subparagraph (B) for purposes of subsection (g)(2), subparagraph (C) for purposes of subsection (g)(2), and subparagraph (D) for purposes of subsection (g)(2)

Such funds shall remain available until expended.

scribed in clauses (ii) and (iii)’’ for ‘‘services described in clause (ii)’’.


Subsec. (e)(3)(A)(i). Pub. L. 106–113, §1000(a)(6) [title I, §104(a)(1)(A)], inserted ‘‘or, in the case of a facility participating in the Nursing Home Case-Mix and Quality Demonstration (RUGS-III), the RUGS-III rate received by the facility during the cost reporting period beginning in 1997’’ after ‘‘to non-settled cost reports’’.

Subsec. (e)(3)(A)(ii). Pub. L. 106–113, §1000(a)(6) [title I, §104(a)(1)(B)], substituted ‘‘furnished during the applicable cost reporting period described in clause (i)’’ for ‘‘furnished during such period’’.


Subsec. (e)(8)(A), (E). Pub. L. 106–113, §1000(a)(6) [title I, §103(b)(2)], substituted ‘‘adjustments for variations in labor-related costs under paragraph (4)(G)(ii) and adjustments under paragraph (4)(G)(iii)’’ for ‘‘and adjustments for variations in labor-related costs under paragraph (4)(G)(ii)’’.

Subsec. (e)(9). Pub. L. 106–113, §1000(a)(6) [title I, §103(a)(3)], inserted at end ‘‘In the case of an item or service described in clause (iii) of paragraph (2)(A) that would be payable under part A but for the exclusion of such item or service under such clause, payment shall be made for the item or service, in an amount otherwise determined under part B of this subchapter, and shall, for cost reporting periods beginning on or after October 1, 1992 and every 2 years thereafter, provide for an update to the per diem cost limits described in this subsection’’.


1997—Subsec. (a). Pub. L. 105–33–33, §4331, substituted ‘‘described in this subsection, except that the limits effective for cost reporting periods beginning on or after October 1, 1997, shall be based on the limits effective for cost reporting periods beginning on or after October 1, 1996,’’ for ‘‘described in this subsection, except that the limits effective for cost reporting periods beginning on or after October 1, 1995, shall be based on the limits effective for cost reporting periods beginning on or after October 1, 1992 ’’.

Subsec. (d)(1). Pub. L. 106–113, §1000(a)(6) [title I, §104(a)(2)], added subpar. (B) and struck out heading and text of former subpar. (B). Text read as follows:

‘‘(i) I GENERAL. Subject to clause (ii), the Secretary shall update the amount determined under subparagraph (A) for each cost reporting period after the cost reporting period described in subparagraph (A) and up to the first cost reporting period by a factor equal to the skilled nursing facility market basket percentage increase minus 1 percentage point.

‘‘(ii) CERTAIN DEMONSTRATION PROJECTS. In the case of a facility participating in the Nursing Home Case-Mix and Quality Demonstration (RUGS-III), there shall be substituted for the amount described in clause (i) the RUGS-III rate received by the facility for 1997.’’


Subsec. (e)(8)(A). Pub. L. 106–113, §1000(a)(6) [title I, §103(b)(2)], substituted ‘‘adjustments for variations in labor-related costs under paragraph (4)(G)(ii) and adjustments under paragraph (4)(G)(iii)’’ for ‘‘and adjustments for variations in labor-related costs under paragraph (4)(G)(ii)’’.

Subsec. (e)(9). Pub. L. 106–113, §1000(a)(6) [title I, §103(a)(3)], inserted at end ‘‘In the case of an item or service described in clause (iii) of paragraph (2)(A) that would be payable under part A but for the exclusion of such item or service under such clause, payment shall be made for the item or service, in an amount otherwise determined under part B of this subchapter for such item or service, from the Federal Hospital Insurance Trust Fund under section 1395l of this title (rather than from the Federal Supplementary Medical Insurance Trust Fund under section 1395f of this title).’’


Subsec. (c). Pub. L. 99–272, §9126(b), inserted provision requiring the Secretary to publish data and criteria to be used for purposes of this subsection on an annual basis.


Subsec. (d)(4). Pub. L. 101–514, §1895(b)(7)(B), substituted ‘‘federal’’ for ‘‘fiscal year’’ for ‘‘fiscal year’’ and ‘‘cost reporting period no later than 30 days before the beginning of that period’’ for ‘‘fiscal year within 60 days after the Secretary establishes the final prospective payment amounts for such fiscal year’’.

EFFECTIVE DATE OF 2008 AMENDMENT

Amendment by Pub. L. 110–275 applicable to services furnished on or after Jan. 1, 2009, see section 149(c) of Pub. L. 110–275, set out as a note under section 1395m of this title.

EFFECTIVE DATE OF 2003 AMENDMENT

Pub. L. 108–173, title IV, §410(b), Dec. 8, 2003, 117 Stat. 2271, provided that: ‘‘The amendments made by subsection (a) [amending this section] shall apply to services furnished on or after January 1, 2005.’’

Pub. L. 108–173, title V, §511(b), Dec. 8, 2003, 117 Stat. 2299, provided that: ‘‘The amendments made by paragraph (1) [probably should be ‘subsection (a),’] amending this section] shall apply to services furnished on or after October 1, 2004.’’

EFFECTIVE DATE OF 2000 AMENDMENT

Amendment by section 1(a)(6) [title II, §230(a)] of Pub. L. 106–554 applicable to cost reporting periods beginning on or after Dec. 21, 2001, see section 1(a)(6) [title IV, §230(c)] of Pub. L. 106–554, set out as a note under section 1395f of this title.

EFFECTIVE DATE OF 1999 AMENDMENT

Pub. L. 106–113, div. B, §1000(a)(6) [title I, §102(b)], Nov. 29, 1999, 113 Stat. 1356, 1501A–326, provided that: ‘‘The amendments made by subsection (a) [amending this section] shall apply to elections made on or after December 15, 1999, except that no election shall be effective under such amendments for a cost reporting period beginning before January 1, 2000.’’

Pub. L. 106–113, div. B, §1000(a)(6) [title I, §103(c)], Nov. 29, 1999, 113 Stat. 1356, 1501A–326, provided that: ‘‘The amendments made by subsection (a) [amending this section] shall apply to payments made for items and services furnished on or after April 1, 2000.’’

Pub. L. 106–113, div. B, §1000(a)(6) [title I, §104(b)], Nov. 29, 1999, 113 Stat. 1356, 1501A–327, provided that: ‘‘The amendments made by subsection (a) [amending this section] shall be effective as if included in the enactment of section 442(a) of BBA [the Balanced Budget Act of 1997, Pub. L. 105–33].’’

Pub. L. 106–113, div. B, §1000(a)(6) [title I, §105(b)], Nov. 29, 1999, 113 Stat. 1356, 1501A–328, provided that:
“The amendments made by subsection (a) [amending this section] shall apply for the period beginning on the date on which the first cost reporting period of the facility begins after the date of the enactment of this Act [Nov. 29, 1999] and ending on September 30, 2001, and applies to skilled nursing facilities furnishing covered skilled nursing facility services on the date of the enactment of this Act for which payment is made under title XVIII of the Social Security Act [42 U.S.C. 1395 et seq.].”


**Effective Date of 1997 Amendment**

Amendment by section 4432(a), (b)(3), (5)(H) of Pub. L. 104–33 effective for cost reporting periods beginning on or after July 1, 1998, except that amendment by section 4432(b) applicable to items and services furnished on or after July 1, 1998, see section 4432(d) of Pub. L. 104–33, set out as a note under section 1395f–3 of this title.

Amendment by section 4511(a)(2)(E) of Pub. L. 105–33 applicable with respect to services furnished and supplies provided on and after Jan. 1, 1998, see section 4511(e) of Pub. L. 105–33, set out as a note under section 1395k of this title.

**Effective Date of 1993 Amendment**


**Effective Date of 1990 Amendment**


**Effective Date of 1992 Amendment**

Pub. L. 104–33 effective for cost reporting periods beginning on or after July 1, 1992, except that amendment by section 1000(a)(6) (title III, §321(m)) of Pub. L. 106–113, set out as a note under section 1395s of this title.

**Effective Date of 1987 Amendment**

Amendment by Pub. L. 100–203 applicable to services furnished on or after Oct. 1, 1986, without regard to whether regulations implementing such amendment are promulgated by such date, except as otherwise specifically provided in section 1395l–3 of this title, see section 1395l–2 of Pub. L. 100–203, as amended, set out as an Effective Date note under section 1395l–3 of this title.

**Effective Date of 1986 Amendment**

Pub. L. 99–514, title XVIII, §1895(b)(7)(D), Oct. 22, 1986, 100 Stat. 2933, provided that: “The amendments made by subparagraphs (A) and (B) [amending this section] apply to cost reporting periods beginning on or after October 1, 1986.”


“(2) The amendment made by subsection (b) [amending this section] shall become effective on the date of the enactment of this Act [Apr. 7, 1986].”

**Publication Date**

Pub. L. 98–369, div. B, title III, §3219(c), July 18, 1984, 98 Stat. 1083, provided that: “The amendments made by sections (a) [amending section 1395v of this title] and (b) [amending this section] shall apply to cost reporting periods beginning on or after July 1, 1984.”

**Study on Portable Diagnostic Ultrasound Services for Beneficiaries in Skilled Nursing Facilities**


**Special Rule for Payment for Fiscal Year 2001**

Pub. L. 106–554, §1(a)(6) (title III, §311(b)), Dec. 21, 2000, 114 Stat. 2763, 2763A–497, provided that: “Notwithstanding the amendments made by subsection (a) [amending this section], for purposes of making payments for covered skilled nursing facility services under section 1886(e) of the Social Security Act [42 U.S.C. 1395yy(e)] for fiscal year 2001, the Federal per diem rate referred to in paragraph (4)(E)(ii) of such section—

“(1) for the period beginning on October 1, 2000, and ending on March 31, 2001, shall be the rate determined in accordance with the law as in effect on the day before the date of the enactment of this Act [Dec. 21, 2000]; and

“(2) for the period beginning on April 1, 2001, and ending on September 30, 2001, shall be the rate that would have been determined under such section if ‘plus 1 percentage point’ had been substituted for ‘minus 1 percentage point’ under subclause (II) of such paragraph (as in effect on the day before the date of the enactment of this Act).”

Pub. L. 106–554, §1(a)(6) (title V, §547(b)), Dec. 21, 2000, 114 Stat. 2763, 2763A–497, provided that: “The payment increase provided under section 511(b)(2) [set out as a note above] (relating to covered skilled nursing facility services) shall not apply to services furnished after fiscal year 2001 and shall not be taken into account in calculating the payment amounts applicable for services furnished after such fiscal year.”

**GAO Report on Adequacy of SNF Payment Rates**

Pub. L. 106–554, §1(a)(6) (title III, §311(d)), Dec. 21, 2000, 114 Stat. 2763, 2763A–498, provided that: “Not later than July 1, 2001, the Comptroller General of the United States shall submit to Congress a report on the adequacy of Medicare payment rates to skilled nursing facilities and the extent to which Medicare payment rates contribute to the financial viability of such facilities. Such report shall take into account the role of private payors, Medicaid, and case mix on the financial performance of these facilities, and shall include an analysis (by specific RUG classification) of the number and characteristics of such facilities.”

**HCFA Study of Classification Systems for SNF Residents**

Pub. L. 106–554, §1(a)(6) (title III, §311(e)), Dec. 21, 2000, 114 Stat. 2763, 2763A–498, provided that: “(1) STUdy.—The Secretary of Health and Human Services shall conduct a study of the different systems for categorizing patients in Medicare skilled nursing facilities after the date at accounts for the relative resource utilization of different patient types.

“(2) Report.—Not later than January 1, 2005, the Secretary shall submit to Congress a report on the study conducted under subsection (a). Such report shall include such recommendations regarding changes in law as may be appropriate.”

**GAO Audit of Nursing Staff Ratios**

Pub. L. 106–554, §1(a)(6) (title III, §312(b)), Dec. 21, 2000, 114 Stat. 2763, 2763A–498, provided that:
“(1) Audit.—The Comptroller General of the United States shall conduct an audit of nursing staffing ratios in a representative sample of Medicare skilled nursing facilities. Such sample shall cover selected States and shall include broad representation with respect to size, ownership, location, and Medicare volume. Such audit shall include an examination of payroll records and Medicaid cost reports of individual facilities.

“(2) Report.—Not later than August 1, 2002, the Comptroller General shall submit to Congress a report on the audits conducted under paragraph (1). Such report shall include an assessment of the impact of the increased payments under this subtitle [subtitle B, §§313-315, of title III of title §1(a)(6)] of Pub. L. 106-554, amending this section and sections 1395k, 1395y, and 1395cc of this title and enacting provisions set out as notes under this section and section 1395u of this title] on increased nursing staff ratios and shall make recommendations as to whether increased payments under subsection (a) [114 Stat. 2763A-498] should be continued.”

Establishment of Process for Geographic Reclassification

Pub. L. 106-554, §1(a)(6) [title III, §313(d)], Dec. 21, 2000, 114 Stat. 2763, 2763A-499, provided that: “The Secretary of Health and Human Services may establish a procedure for the geographic reclassification of a skilled nursing facility for purposes of payment for covered skilled nursing facility services under the prospective payment system established under section 1888(e) of the Social Security Act [42 U.S.C. 1395y(e)]. Such procedure may be based upon the method for geographic reclassifications for inpatient hospitals established under section 1888(d)(10) of the Social Security Act [42 U.S.C. 1395ww(d)(10)].

“(b) Requirement for Skilled Nursing Facility Wage Data.—In no case may the Secretary implement the procedure under subsection (a) before such time as the Secretary has collected data necessary to establish an area wage index for skilled nursing facilities based on wage data from such facilities.”

Report to Congress

Pub. L. 106-113, div. B, §100(a)(6) [title I, §108(c)], Nov. 29, 1999, 113 Stat. 1358, 1358A-128, provided that: “Not later than March 1, 2001, the Secretary of Health and Human Services shall assess the resource use of patients of skilled nursing facilities furnishing services under the Medicare program who are immuno-compromised secondary to an infectious disease, with specific diagnoses as specified by the Secretary (under paragraph (12)(C), as added by subsection (a), of section 1888(e) of the Social Security Act [42 U.S.C. 1395y(e)]) to determine whether any permanent adjustments are needed to the RUGs to take into account the resource uses and costs of these patients.”

Medical Review Process

Pub. L. 105-33, title IV, §432(c), Aug. 5, 1997, 111 Stat. 422, provided that: “In order to ensure that Medicare beneficiaries are furnished appropriate services in skilled nursing facilities, the Secretary of Health and Human Services shall establish and implement a thorough medical review process to examine the effects of the amendments made by this section [amending this section and sections 1395k, 1395y, 1395u, 1395cc, and 1395tt of this title] on the quality of covered skilled nursing facility services furnished to Medicare beneficiaries. In developing such a medical review process, the Secretary shall place a particular emphasis on the quality of non-routine covered services and physicians’ services for which payment is made under title XVIII of the Social Security Act [42 U.S.C. 1395 et seq.]”.

Construction of Wage Index for Skilled Nursing Facilities

Pub. L. 103-432, title I, §106(a), Oct. 31, 1994, 108 Stat. 4465, provided that: “Not later than 1 year after the date of the enactment of this Act [Oct. 31, 1994], the Secretary of Health and Human Services shall begin to collect data on employee compensation and paid hours of employment in skilled nursing facilities for the purpose of constructing a skilled nursing facility wage index adjustment to the routine service cost limits required under section 1888(a)(4) of the Social Security Act [42 U.S.C. 1395y(a)(4)].”

No Change in Limits on Per Diem Service Costs for Extended Care Services for Fiscal Years 1994 and 1995

Pub. L. 103-66, title XIII, §13503(a)(1), Aug. 10, 1993, 107 Stat. 578, provided that: “The Secretary of Health and Human Services may not provide for any change in the limits on per diem routine service costs for extended care services under section 1888 of the Social Security Act [42 U.S.C. 1395y(b)] for cost reporting periods beginning during fiscal years 1994 and 1995, except as may be necessary to take into account the amendments made by paragraph (3)(A) [amending this section]. The effect of the preceding sentence shall not be considered by the Secretary in making adjustments pursuant to section 1888(c) of such Act to the payment limits for such services during such fiscal years.”

No Change in Prospective Payments for Services Furnished During Fiscal Years 1994 and 1995

Pub. L. 103-66, title XIII, §13503(b), Aug. 10, 1993, 107 Stat. 578, provided that: “The Secretary of Health and Human Services may not change the amount of any prospective payment paid to a skilled nursing facility under section 1888(d) of the Social Security Act [42 U.S.C. 1395y(d)] for services furnished during cost reporting periods beginning during fiscal years 1994 and 1995, except as may be necessary to take into account the amendment made by subsection (c)(1)(A) [amending section 1395x of this title].”

Prospective Payment System for Skilled Nursing Facility Services

Pub. L. 101-508, title IV, §4008(k), Nov. 5, 1990, 104 Stat. 1388-32, provided that: “(1) Development of Proposal.—The Secretary of Health and Human Services shall develop a proposal to modify the current system under which skilled nursing facilities receive payment for extended care services under part A [42 U.S.C. 1395 et seq.] of the Medicare program or a proposal to replace such system with a system under which such payments would be made on the basis of prospectively determined rates. In developing any proposal under this paragraph to replace the current system with a prospective payment system, the Secretary shall—

“(A) take into consideration the need to provide for appropriate limits on increases in expenditures under the medicare program without jeopardizing access to extended care services for individuals unable to care for themselves;

“(B) provide for adjustments to prospectively determined rates to account for changes in a facility’s case mix, volume of cases, and the development of new technologies and standards of medical practice;

“(C) take into consideration the need to increase the payment otherwise made under such system in
§ 1395zz. Provider education and technical assistance

(a) Coordination of education funding

The Secretary shall coordinate the educational activities provided through medicare contractors (as defined in subsection (g), including under section 1395ddd of this title) in order to maximize the effectiveness of Federal education efforts for providers of services and suppliers.

(b) Enhanced education and training

(1) Additional resources

There are authorized to be appropriated to the Secretary (in appropriate part from the Federal Hospital Insurance Trust Fund and the Federal Supplementary Medical Insurance Trust Fund) such sums as may be necessary for fiscal years beginning with fiscal year 2005.

(2) Use

The funds made available under paragraph (1) shall be used to increase the conduct by medicare contractors of education and training of providers of services and suppliers regarding billing, coding, and other appropriate items and may also be used to improve the accuracy, consistency, and timeliness of contractor responses.

(c) Tailoring education and training activities for small providers or suppliers

(1) In general

Insofar as a medicare contractor conducts education and training activities, it shall tailor such activities to the special needs of small providers of services or suppliers (as defined in paragraph (2)). Such education and training activities for small providers of services and suppliers may include the provision of technical assistance (such as review of billing systems and internal controls to determine program compliance and to suggest more efficient and effective means of achieving such compliance).

(2) Small provider of services or supplier

In this subsection, the term “small provider of services or supplier” means—

(A) a provider of services with fewer than 25 full-time-equivalent employees; or

(B) a supplier with fewer than 10 full-time-equivalent employees.

(d) Internet websites; FAQs

The Secretary, and each medicare contractor insofar as it provides services (including claims processing) for providers of services or suppliers, shall maintain an Internet website which—

(1) provides answers in an easily accessible format to frequently asked questions, and

(2) includes other published materials of the contractor,

that relate to providers of services and suppliers under the programs under this subchapter (and subchapter XI insofar as it relates to such programs).

(e) Encouragement of participation in education program activities

A medicare contractor may not use a record of attendance at (or failure to attend) educational activities or other information gathered during an educational program conducted under this section or otherwise by the Secretary to select or track providers of services or suppliers for the purpose of conducting any type of audit or prepayment review.

(f) Construction

Nothing in this section or section 1395ddd(g) of this title shall be construed as providing for disclosure by a medicare contractor—

(1) of the screens used for identifying claims that will be subject to medical review; or

(2) of other information that would compromise pending law enforcement activities or reveal findings of law enforcement-related audits.

(g) Definitions

For purposes of this section, the term “medicare contractor” includes the following:

(1) A medicare administrative contractor with a contract under section 1395kk–1 of this title, including a fiscal intermediary with a
contract under section 1395h of this title and a
carrier with a contract under section 1395u of
this title.

(2) An eligible entity with a contract under section 1395dd of this title.

Such term does not include, with respect to ac-
tivities of a specific provider of services or sup-
plier an entity that has no authority under this
subchapter or subchapter IX with respect to
such activities and such provider of services or
supplier.

(Aug. 14, 1935, ch. 531, title XVII, § 1889, as added
(d)(1), (e)(1), (f)(1), Dec. 8, 2003, 117 Stat. 2388,
2391.)

PRIOR PROVISIONS
A prior section 1395zz, act Aug. 14, 1935, ch. 531, title
XVII, § 1889, as added Nov. 5, 1990, Pub. L. 101–508, title
IV, § 4361(a), 104 Stat. 1388–141, related to medicare and
medigap information by telephone, prior to repeal by
Stat. 4431, effective as if included in the enactment of

Another prior section 1395zz, act Aug. 14, 1935, ch. 531,
title XVIII, §1899, formerly §1833(f), as added Jan. 2,
1968, Pub. L. 90–248, title I, § 132(b), 81 Stat. 550, and
1200; renumbered §1899 and amended July 18, 1984, Pub.
ered items (other than oxygen and oxygen equipment)
furnished on or after Jan. 1, 1989, and to oxygen and ox-
ygen equipment furnished on or after June 1, 1989.

AMENDMENTS
added subsecs. (b) and (c).
(d).
(e) to (g).

EFFECTIVE DATE OF 2003 AMENDMENT
Stat. 2391, provided that: “The amendment made by
paragraph (1) [amending this section] shall take effect
on October 1, 2004.”

Stat. 2391, provided that: “The amendment made by
paragraph (1) [amending this section] shall take effect
on October 1, 2004.”

Stat. 2392, provided that: “The amendment made by
paragraph (1) [amending this section] shall take effect
on the date of the enactment of this Act [Dec. 8, 2003].”

EFFECTIVE DATE
Stat. 2388, provided that: “The amendment made by
paragraph (1) [enacting this section] shall take effect
on the date of the enactment of this Act [Dec. 8, 2003].”

SMALL PROVIDER TECHNICAL ASSISTANCE
DEMONSTRATION PROGRAM
2392, provided that:

“(1) IN GENERAL.—The Secretary [of Health and
Human Services] shall establish a demonstration pro-
gram (in this section referred to as the ‘demonstra-
tion program’) under which technical assistance de-
scribed in paragraph (2) is made available, upon re-
qust and on a voluntary basis, to small providers of
services or suppliers in order to improve compliance
with the applicable requirements of the programs
under medicare program under title XVIII of the So-
cial Security Act [42 U.S.C. 1395 et seq.] (including
provisions of title XI of such Act [42 U.S.C. 1301 et
seq.] insofar as they relate to such title and are not
administered by the Office of the Inspector General of
the Department of Health and Human Services).

“(2) FORMS OF TECHNICAL ASSISTANCE.—The
technical assistance described in this paragraph is—

“(A) evaluation and recommendations regarding
billing and related systems; and

“(B) information and assistance regarding poli-
cies and procedures under the medicare program,
including coding and reimbursement.

“(3) SMALL PROVIDERS OF SERVICES OR SUPPLIERS.—
In this section, the term ‘small providers of services or
suppliers’ means—

“(A) a provider of services with fewer than 25 full-
time-equivalent employees; or

“(B) a supplier with fewer than 10 full-time-equiv
alent employees.

“(b) QUALIFICATION OF CONTRACTORS.—In conducting
the demonstration program, the Secretary shall enter
into contracts with qualified organizations (such as
peer review [now ‘quality improvement’] organiza-
tions or entities described in section 1889(g)(2) of the
Social Security Act [42 U.S.C. 1395zz(g)(2)], as inserted
by section 921(f)(1)) with appropriate expertise with
billing systems of the full range of providers of services
and suppliers to provide the technical assistance. In
awarding such contracts, the Secretary shall consider
any prior investigations of the entity’s work by the In-
spector General of Department of Health and Human
Services or the Comptroller General of the United
States.

“(c) DESCRIPTION OF TECHNICAL ASSISTANCE.—The
technical assistance provided under the demonstration
program shall include a direct and in-person examina-
tion of billing systems and internal controls of small
providers of services or suppliers to determine program
compliance and to suggest more efficient or effective
means of achieving such compliance.

“(d) GAO EVALUATION.—Not later than 2 years after
the date the demonstration program is first imple-
mented, the Comptroller General, in consultation with
the Inspector General of the Department of Health and
Human Services, shall conduct an evaluation of the
demonstration program. The evaluation shall include a
determination of whether claims error rates are re-
duced for small providers of services or suppliers who
participated in the program and the extent of improper
payments made as a result of the demonstration pro-
gram. The Comptroller General shall submit a report to
the Secretary and the Congress on such evaluation and
shall include in such report recommendations regard-
ing the continuation or extension of the demonstration
program.

“(e) FINANCIAL PARTICIPATION BY PROVIDERS.—The
provision of technical assistance to a small provider of
services or supplier under the demonstration program
is conditioned upon the small provider of services or
supplier paying an amount estimated (and disclosed in
advance of a provider’s or supplier’s participation in
the program) to be equal to 25 percent of the cost of
the technical assistance.

“(f) AUTHORIZATION OF APPROPRIATIONS.—There are
authorized to be appropriated, from amounts not other-
wise appropriated in the Treasury, such sums as may
be necessary to carry out this section.”
§ 1395aaa. Contract with a consensus-based entity regarding performance measurement

(a) Contract

(1) In general

For purposes of activities conducted under this chapter, the Secretary shall identify and have in effect a contract with a consensus-based entity, such as the National Quality Forum, that meets the requirements described in subsection (c). Such contract shall provide that the entity will perform the duties described in subsection (b).

(2) Timing for first contract

As soon as practicable after July 15, 2008, the Secretary shall enter into the first contract under paragraph (1).

(3) Period of contract

A contract under paragraph (1) shall be for a period of 4 years (except as may be renewed after a subsequent bidding process).

(4) Competitive procedures

Competitive procedures (as defined in section 132 of title 41) shall be used to enter into a contract under paragraph (1).

(b) Duties

The duties described in this subsection are the following:

(1) Priority setting process

The entity shall synthesize evidence and convene key stakeholders to make recommendations, with respect to activities conducted under this chapter, on an integrated national strategy and priorities for health care performance measurement in all applicable settings. In making such recommendations, the entity shall—

(A) ensure that priority is given to measures—

(i) that address the health care provided to patients with prevalent, high-cost chronic diseases;

(ii) with the greatest potential for improving the quality, efficiency, and patient-centeredness of health care; and

(iii) that may be implemented rapidly due to existing evidence, standards of care, or other reasons; and

(B) take into account measures that—

(i) may assist consumers and patients in making informed health care decisions;

(ii) address health disparities across groups and areas; and

(iii) address the continuum of care a patient receives, including services furnished by multiple health care providers or practitioners and across multiple settings.

(2) Endorsement of measures

The entity shall provide for the endorsement of standardized health care performance measures. The endorsement process under the preceding sentence shall consider whether a measure—

(A) is evidence-based, reliable, valid, verifiable, relevant to enhanced health outcomes, actionable at the caregiver level, fea-
sible to collect and report, and responsive to variations in patient characteristics, such as health status, language capabilities, race or ethnicity, and income level; and

(B) is consistent across types of health care providers, including hospitals and physicians.

(3) Maintenance of measures

The entity shall establish and implement a process to ensure that measures endorsed under paragraph (2) are updated (or retired if obsolete) as new evidence is developed.


(5) Annual report to Congress and the Secretary; secretarial publication and comment

(A) Annual report

By not later than March 1 of each year (beginning with 2009), the entity shall submit to Congress and the Secretary a report containing the following:

(I) A description of—

(1) the implementation of quality measurement initiatives under this chapter and the coordination of such initiatives with quality initiatives implemented by other payers;

(2) the recommendations made under paragraph (1); and

(3) the matters described in clauses (i) and (ii) of paragraph (7)(A).

(ii) An itemization of financial information for the fiscal year ending September 30 of the preceding year, including—

(1) annual revenues of the entity (including any government funding, private sector contributions, grants, membership revenues, and investment revenue);

(2) annual expenses of the entity (including grants paid, benefits paid, salaries or other compensation, fundraising expenses, and overhead costs); and

(3) a breakdown of the amount awarded per contracted task order and the specific projects funded in each task order assigned to the entity.

See Amendment of Subsection (b)(5)(A) note below.
§ 1395aaa

(III) Any updates or modifications of internal policies and procedures of the entity as they relate to the duties of the entity under this section, including—

(I) specifically identifying any modifications to the disclosure of interests and conflicts of interests for committees, work groups, task forces, and advisory panels of the entity; and

(II) information on external stakeholder participation in the duties of the entity under this section (including complete rosters for all committees, work groups, task forces, and advisory panels funded through government contracts, descriptions of relevant interests and any conflicts of interest for members of all committees, work groups, task forces, and advisory panels, and the total percentage by health care sector of all convened committees, work groups, task forces, and advisory panels."

(B) Secretarial review and publication of annual report

Not later than 6 months after receiving a report under subparagraph (A) for a year, the Secretary shall—

(i) review such report; and

(ii) publish such report in the Federal Register, together with any comments of the Secretary on such report.

(6) Review and endorsement of episode group under the physician feedback program

The entity shall provide for the review and, as appropriate, the endorsement of the episode grouper developed by the Secretary under section 1395w–4(n)(9)(A) of this title. Such review shall be conducted on an expedited basis.

(7) Convening multi-stakeholder groups

(A) In general

The entity shall convene multi-stakeholder groups to provide input on—

(i) the selection of quality and efficiency measures described in subparagraph (B), from among—

(I) such measures that have been endorsed by the entity; and

(II) such measures that have not been considered for endorsement by such entity but are used or proposed to be used by the Secretary for the collection or reporting of quality and efficiency measures; and

(ii) national priorities (as identified under section 280) of this title) for improvement in population health and in the delivery of health care services for consideration under the national strategy established under section 280 of this title.

(B) Quality and efficiency measures

(i) In general

Subject to clause (ii), the quality and efficiency measures described in this subparagraph are quality and efficiency measures—

(I) for use pursuant to sections 1395f(i)(5)(D), 1395f(i)(7), 1395f(t)(17), 1395w–4(k)(2)(C), 1395cc(k)(3), 1395rr(h)(2)(A)(iii), 1395ww(b)(3)(B)(vi), 1395ww(j)(7)(D), 1395ww(m)(5)(D), 1395ww(o)(2), 1395ww(s)(4)(D), and 1395fff(b)(3)(B)(v) of this title;

(ii) for use in reporting performance information to the public; and

(III) for use in health care programs other than for use under this chapter.

(ii) Exclusion

Data sets (such as the outcome and assessment information set for home health services and the minimum data set for skilled nursing facility services) that are used for purposes of classification systems used in establishing payment rates under this subchapter shall not be quality and efficiency measures described in this subparagraph.

(C) Requirement for transparency in process

(i) In general

In convening multi-stakeholder groups under subparagraph (A) with respect to the selection of quality and efficiency measures, the entity shall provide for an open and transparent process for the activities conducted pursuant to such convening.

(ii) Selection of organizations participating in multi-stakeholder groups

The process described in clause (i) shall ensure that the selection of representatives comprising such groups provides for public nominations for, and the opportunity for public comment on, such selection.

(D) Multi-stakeholder group defined

In this paragraph, the term “multi-stakeholder group” means, with respect to a quality and efficiency measure, a voluntary collaborative of organizations representing a broad group of stakeholders interested in or affected by the use of such quality and efficiency measure.

(8) Transmission of multi-stakeholder input

Not later than February 1 of each year (beginning with 2012), the entity shall transmit to the Secretary the input of multi-stakeholder groups provided under paragraph (7).

(c) Requirements described

The requirements described in this subsection are the following:

(1) Private nonprofit

The entity is a private nonprofit entity governed by a board.

(2) Board membership

The members of the board of the entity include—

(A) representatives of health plans and health care providers and practitioners or representatives of groups representing such health plans and health care providers and practitioners;
(B) health care consumers or representatives of groups representing health care consumers; and
(C) representatives of purchasers and employers or representatives of groups representing purchasers or employers.

(3) Entity membership
The membership of the entity includes persons who have experience with—
(A) urban health care issues;
(B) safety net health care issues;
(C) rural and frontier health care issues; and
(D) health care quality and safety issues.

(4) Open and transparent
With respect to matters related to the contract with the Secretary under subsection (a), the entity conducts its business in an open and transparent manner and provides the opportunity for public comment on its activities.

(5) Voluntary consensus standards setting organization
The entity operates as a voluntary consensus standards setting organization as defined for purposes of section 12(d) of the National Technology Transfer and Advancement Act of 1986 (Public Law 104–113) and Office of Management and Budget Revised Circular A–119 (published in the Federal Register on February 10, 1998).

(6) Experience
The entity has at least 4 years of experience in establishing national consensus standards.

(7) Membership fees
If the entity requires a membership fee for participation in the functions of the entity, such fees shall be reasonable and adjusted based on the capacity of the potential member to pay the fee. In no case shall membership fees pose a barrier to the participation of individuals or groups with low or nominal resources to participate in the functions of the entity.

(d) Funding
(1) For purposes of carrying out this section, the Secretary shall provide for the transfer, from the Federal Hospital Insurance Trust Fund under section 1395i of this title and the Federal Supplementary Medical Insurance Trust Fund under section 1395t of this title (in such proportion as the Secretary determines appropriate), of $10,000,000 to the Centers for Medicare & Medicaid Services Program Management Account for each of fiscal years 2009 through 2013, $7,500,000 for each of fiscal years 2018 and 2019, and $4,830,000 for the period beginning on October 1, 2019, and ending on May 22, 2020. Amounts transferred under the preceding sentence shall remain available until expended. Amounts transferred for each of fiscal years 2018 and 2019 and for the period beginning on October 1, 2019, and ending on May 22, 2020 shall be in addition to any unobligated funds transferred for a preceding fiscal year that are available under the preceding sentence.

(e) Annual report by Secretary to Congress
By not later than March 1 of each year (beginning with 2019), the Secretary shall submit to Congress a report containing the following:
(1) A comprehensive plan that identifies the quality measurement needs of programs and initiatives of the Secretary and provides a strategy for using the entity with a contract under subsection (a) and any other entity the Secretary has contracted with or may contract with to perform work associated with section 1395aaa–1 of this title to help meet those needs, specifically with respect to the programs under this subchapter and subchapter XIX. In years after the first plan under this paragraph is submitted, the requirements of this paragraph may be met by providing an update to the plan.
(2) The amount of funding provided under subsection (d) for purposes of carrying out this section and section 1395aaa–1 of this title that has been obligated by the Secretary, the amount of funding provided that has been expended, and the amount of funding provided that remains unobligated.
(3) With respect to the activities described under this section or section 1395aaa–1 of this title, a description of how the funds described in paragraph (2) have been obligated or expended, including how much of that funding has been obligated or expended for work performed by the Secretary, the entity with a contract under subsection (a), and any other entity the Secretary has contracted with to perform work.
(4) A description of the activities for which the funds described in paragraph (2) were used, including task orders and activities assigned to the entity with a contract under subsection (a), activities performed by the Secretary, and task orders and activities assigned to any other entity the Secretary has contracted with to perform work related to carrying out section 1395aaa–1 of this title.
(5) The amount of funding described in paragraph (2) that has been obligated or expended for each of the activities described in paragraph (4).
(6) Estimates for, and descriptions of, obligations and expenditures that the Secretary anticipates will be needed in the succeeding two year period to carry out each of the quality measurement activities required under this section and section 1395aaa–1 of this title, including any obligations that will require funds to be expended in a future year.


REFERENCES IN TEXT

Clause (ii) of section 1395aaa of this title, referred to in subsec. (b)(7)(B)(i)(I), was redesignated former cls. (i) to (vi), respectively, of cl. (i), realigned margins, and added cls. (ii) and (iii).

AMENDMENTS

2019—Subsec. (d)(2). Pub. L. 116–94 substituted “$1,665,000 for the period beginning on October 1, 2019, and ending on May 22, 2020” for “$1,665,000 for the period beginning on October 1, 2019, and ending on December 20, 2019,” in last sentence.

2018—Subsec. (d)(5)(A). Pub. L. 115–123, §50206(c)(1), substituted “‘Quality and efficiency’” for “‘quality’” wherever appearing, was executed by substituting “Quality and efficiency” for “Quality” in subpar. heading to reflect the probable intent of Congress.

Effective Date of 2019 Amendment


Pursuant to section 1395aaa(b)(7) of this title, the entity with a contract under section 1395aaa of this title shall convene multi-stakeholder groups to provide input to the Secretary on the selection of quality and efficiency measures described in section 1395aaa(b)(7)(B) of this title:

(1) Input

Pursuant to section 1395aaa(b)(7) of this title, the entity with a contract under section 1395aaa of this title shall convene multi-stakeholder groups to provide input to the Secretary on the selection of quality and efficiency measures described in section 1395aaa(b)(7)(B) of such paragraph.
§ 1395aaa–1

(2) Public availability of measures considered for selection

Not later than December 1 of each year (beginning with 2011), the Secretary shall make available to the public a list of quality and efficiency measures described in section 1395aaa(b)(7)(B) of this title that the Secretary is considering under this subchapter.

(3) Transmission of multi-stakeholder input

Pursuant to section 1395aaa(b)(8) of this title, not later than February 1 of each year (beginning with 2012), the entity shall transmit to the Secretary the input of multi-stakeholder groups described in paragraph (1).

(4) Consideration of multi-stakeholder input

The Secretary shall take into consideration the input from multi-stakeholder groups described in paragraph (1) in selecting quality and efficiency measures described in section 1395aaa(b)(7)(B) of this title that have been endorsed by the entity with a contract under section 1395aaa of this title and measures that have not been endorsed by such entity.

(5) Rationale for use of quality and efficiency measures

The Secretary shall publish in the Federal Register the rationale for the use of any quality and efficiency measure described in section 1395aaa(b)(7)(B) of this title that has not been endorsed by the entity with a contract under section 1395aaa of this title.

(6) Assessment of impact

Not later than March 1, 2012, and at least once every three years thereafter, the Secretary shall—

(A) conduct an assessment of the quality and efficiency impact of the use of endorsed measures described in section 1395aaa(b)(7)(B) of this title; and

(B) make such assessment available to the public.

(b) Process for dissemination of measures used by the Secretary

(1) In general

The Secretary shall establish a process for disseminating quality and efficiency measures used by the Secretary. Such process shall include the following:

(A) The incorporation of such measures, where applicable, in workforce programs, training curricula, and any other means of dissemination determined appropriate by the Secretary.

(B) The dissemination of such quality and efficiency measures through the national strategy developed under section 280j of this title.

(2) Existing methods

To the extent practicable, the Secretary shall utilize and expand existing dissemination methods in disseminating quality and efficiency measures under the process established under paragraph (1).

(c) Review of quality and efficiency measures used by the Secretary

(1) In general

The Secretary shall—

(A) periodically (but in no case less often than once every 3 years) review quality and efficiency measures described in section 1395aaa(b)(7)(B) of this title; and

(B) with respect to each such measure, determine whether to—

(i) maintain the use of such measure; or

(ii) phase out such measure.

(2) Considerations

In conducting the review under paragraph (1), the Secretary shall take steps to—

(A) seek to avoid duplication of measures used; and

(B) take into consideration current innovative methodologies and strategies for quality and efficiency improvement practices in the delivery of health care services that represent best practices for such quality and efficiency improvement and measures endorsed by the entity with a contract under section 1395aaa of this title since the previous review by the Secretary.

(d) Rule of construction

Nothing in this section shall preclude a State from using the quality and efficiency measures identified under sections 1320b–9a and 1320b–9b of this title.

(e) Development of quality and efficiency measures

The Administrator of the Center for Medicare & Medicaid Services shall through contracts develop quality and efficiency measures (as determined appropriate by the Administrator) for use under this chapter. In developing such measures, the Administrator shall consult with the Director of the Agency for Healthcare Research and Quality.

(f) Hospital acquired conditions

The Secretary shall, to the extent practicable, publicly report on measures for hospital-acquired conditions that are currently utilized by the Centers for Medicare & Medicaid Services for the adjustment of the amount of payment to hospitals based on rates of hospital-acquired infections.

(g) Technical expert panel review of opioid and opioid use disorder quality measures

(1) In general

Not later than 180 days after October 24, 2018, the Secretary shall establish a technical expert panel for purposes of reviewing quality measures relating to opioids and opioid use disorders, including care, prevention, diagnosis, health outcomes, and treatment furnished to individuals with opioid use disorders. The Secretary may use the entity with a contract under section 1395aaa(a) of this title and amend such contract as necessary to provide for the establishment of such technical expert panel.

(2) Review and assessment

Not later than 1 year after the date the technical expert panel described in paragraph (1) is established (and periodically thereafter as the Secretary determines appropriate), the technical expert panel shall—

(A) review quality measures that relate to opioids and opioid use disorders, including
existing measures and those under development;
(B) identify gaps in areas of quality measurement that relate to opioids and opioid use disorders, and identify measure development priorities for such measure gaps; and
(C) make recommendations to the Secretary on quality measures with respect to opioids and opioid use disorders for purposes of improving care, prevention, diagnosis, health outcomes, and treatment, including recommendations for revisions of such measures, need for development of new measures, and recommendations for including such measures in the Merit-Based Incentive Payment System under section 1395w–4(q) of this title, the alternative payment models under section 1395(z)(3)(C) of this title, the shared savings program under section 1395(jj) of this title, the quality reporting requirements for inpatient hospitals under section 1395ww(b)(3)(B)(viii) of this title, and the hospital value-based purchasing program under section 1395ww(o) of this title.

(3) Consideration of measures by Secretary

The Secretary shall consider—
(A) using opioid and opioid use disorder measures (including measures used under the Merit-Based Incentive Payment System under section 1395w–4(q) of this title, measures recommended under paragraph (2)(C), and other such measures identified by the Secretary) in alternative payment models under section 1395(z)(3)(C) of this title and in the shared savings program under section 1395(jj) of this title; and
(B) using opioid measures described in subparagraph (A), as applicable, in the quality reporting requirements for inpatient hospitals under section 1395ww(b)(3)(B)(viii) of this title, and in the hospital value-based purchasing program under section 1395ww(o) of this title.

(4) Prioritization of measure development

The Secretary shall prioritize for measure development the gaps in quality measures identified under paragraph (2)(B).

(5) Prioritization of measure endorsement

The Secretary—
(A) during the period beginning on October 24, 2018, and ending on December 31, 2023, shall prioritize the endorsement of measures relating to opioids and opioid use disorders by the entity with a contract under subsection (a) of section 1395aaa of this title in connection with endorsement of measures described in subsection (b)(2) of such section; and
(B) on and after January 1, 2024, may prioritize the endorsement of such measures by such entity.


AMENDMENTS


§ 1395bbb. Conditions of participation for home health agencies; home health quality

(a) Conditions of participation; protection of individual rights; notification of State entities; use of home health aides; medical equipment; individual’s plan of care; compliance with Federal, State, and local laws and regulations

The conditions of participation that a home health agency is required to meet under this subsection are as follows:

(1) The agency protects and promotes the rights of each individual under its care, including each of the following rights:
(A) The right to be fully informed in advance about the care and treatment to be provided by the agency, to be fully informed in advance of any changes in the care or treatment to be provided by the agency that may affect the individual’s well-being, and (except with respect to an individual adjudged incompetent) to participate in planning care and treatment or changes in care or treatment.
(B) The right to voice grievances with respect to treatment or care that is (or fails to be) furnished without discrimination or reprisal for voicing grievances.
(C) The right to confidentiality of the clinical records described in section 1395x(o)(3) of this title.
(D) The right to have one’s property treated with respect.
(E) The right to be fully informed orally and in writing (in advance of coming under the care of the agency) of—
(i) all items and services furnished by (or under arrangements with) the agency for which payment may be made under this subchapter.
(ii) the coverage available for such items and services under this subchapter, subchapter XIX, and any other Federal program of which the agency is reasonably aware.
(iii) any charges for items and services not covered under this subchapter and any charges the individual may have to pay with respect to items and services furnished by (or under arrangements with) the agency, and
(iv) any changes in the charges or items and services described in clause (i), (ii), or (iii).
(F) The right to be fully informed in writing (in advance of coming under the care of the agency) of the individual’s rights and obligations under this subchapter.
(G) The right to be informed of the availability of the State home health agency hotline established under section 1395aaa(a) of this title.
(2) The agency notifies the State entity responsible for the licensing or certification of the agency of a change in—
(A) the persons with an ownership or control interest (as defined in section 1320a-3(a)(3) of this title) in the agency,
(B) the persons who are officers, directors, agents, or managing employees (as defined in section 1320a-5(b) of this title) of the agency, and
(C) the corporation, association, or other company responsible for the management of the agency.

Such notice shall be given at the time of the change and shall include the identity of each new person or company described in the previous sentence.

(3)(A) The agency must not use as a home health aide (on a full-time, temporary, per diem, or other basis), any individual to provide items or services described in section 1395x(m) of this title on or after January 1, 1990, unless the individual—
(i) has completed a training and competency evaluation program, or a competency evaluation program, that meets the minimum standards established by the Secretary under subparagraph (D), and
(ii) is competent to provide such items and services.

For purposes of clause (i), an individual is not considered to have completed a training and competency evaluation program, or a competency evaluation program if, since the individual’s most recent completion of such a program, there has been a continuous period of 24 consecutive months during none of which the individual provided items and services described in section 1395x(m) of this title for compensation.

(B)(i) The agency must provide, with respect to individuals used as a home health aide by the agency as of July 1, 1989, for a competency evaluation program (as described in subparagraph (A)(i)) and such preparation as may be necessary for the individual to complete such a program by January 1, 1990.

(ii) The agency must provide such regular performance review and regular in-service education as assures that individuals used to provide items and services described in section 1395x(m) of this title are competent to provide those items and services.

(C) The agency must not permit an individual, other than in a training and competency evaluation program that meets the minimum standards established by the Secretary under subparagraph (D), to provide items or services of a type for which the individual has not demonstrated competency.

(D)(i) The Secretary shall establish minimum standards for the programs described in subparagraph (A) by not later than October 1, 1988.

(ii) Such standards shall include the content of the curriculum, minimum hours of training, qualification of instructors, and procedures for determination of competency.

(iii) Such standards may permit approval of programs offered by or in home health agencies, as well as outside agencies (including employee organizations), and of programs in effect on December 22, 1987; except that they may not provide for the approval of a program offered by or in a home health agency which, within the previous 2 years—
(I) has been determined to be out of compliance with subparagraph (A), (B), or (C);
(II) has been subject to an extended (or partial extended) survey under subsection (e)(2)(D);
(III) has been assessed a civil money penalty described in subsection (f)(2)(A)(i) of not less than $5,000; or
(IV) has been subject to the remedies described in subsection (e)(1) or in clauses (ii) or (iii) of subsection (f)(2)(A).

(iv) Such standards shall permit a determination that an individual who has completed (before July 1, 1989) a training and competency evaluation program or a competency evaluation program shall be deemed for purposes of subparagraph (A) to have completed a program that is approved by the Secretary under the standards established under this subparagraph if the Secretary determines that, at the time the program was offered, the program met such standards.

(E) In this paragraph, the term “home health aide” means any individual who provides the items and services described in section 1395x(m) of this title, but does not include an individual—
(i) who is a licensed health professional (as defined in subparagraph (F)), or
(ii) who volunteers to provide such services without monetary compensation.

(F) In this paragraph, the term “licensed health professional” means a physician, physician assistant, nurse practitioner, physical, speech, or occupational therapist, physical or occupational therapy assistant, registered professional nurse, licensed practical nurse, or licensed or certified social worker.

(4) The agency includes an individual’s plan of care required under section 1395x(m) of this title as part of the clinical records described in section 1395x(o)(3) of this title.

(5) The agency operates and provides services in compliance with all applicable Federal, State, and local laws and regulations (including the requirements of section 1320a-3 of this title) and with accepted professional standards and principles which apply to professionals providing items and services in such an agency.

(6) The agency complies with the requirement of section 1395ccc(f) of this title (relating to maintaining written policies and procedures respecting advance directives).

(b) Duty of Secretary

It is the duty and responsibility of the Secretary to assure that the conditions of participation and requirements specified in or pursuant to section 1395x(o) of this title and subsection (a) of this section and the enforcement of such conditions and requirements are adequate to protect the health and safety of individuals under the care of a home health agency and to promote the effective and efficient use of public moneys.

(c) Surveys of home health agencies

(1) Any agreement entered into or renewed by the Secretary pursuant to section 1395aa of this
title relating to home health agencies shall provide that the appropriate State or local agency shall conduct, without any prior notice, a standard survey of each home health agency. Any individual who notifies (or causes to be notified) a home health agency of the time or date on which such a survey is scheduled to be conducted is subject to a civil money penalty of not to exceed $2,000. The provisions of section 1320a-7a of this title (other than subsections (a) and (b)) shall apply to a civil money penalty under this paragraph in the same manner as such provisions apply to a penalty or proceeding under section 1320a-7a of this title. The Secretary shall review each State’s or local agency’s procedures for scheduling and conduct of standard surveys to assure that the State or agency has taken all reasonable steps to avoid giving notice of such a survey through the scheduling procedures and the conduct of the surveys themselves.

2(A) Except as provided in subparagraph (B), each home health agency shall be subject to a standard survey not later than 36 months after the date of the previous standard survey conducted under this paragraph. The Secretary shall establish a frequency for surveys of home health agencies within this 36-month interval commensurate with the need to assure the delivery of quality home health services.

(B) If not otherwise conducted under subparagraph (A), a standard survey (or an abbreviated standard survey) of an agency—

(i) may be conducted within 2 months of any change of ownership, administration, or management of the agency to determine whether the change has resulted in any decline in the quality of care furnished by the agency, and

(ii) shall be conducted within 2 months of when a significant number of complaints have been reported with respect to the agency to the Secretary, the State, the entity responsible for the licensing of the agency, the State or local agency responsible for maintaining a toll-free hotline and investigative unit (under section 1395aa(a) of this title), or any other appropriate Federal, State, or local agency.

(C) A standard survey conducted under this paragraph with respect to a home health agency—

(i) shall include (to the extent practicable), for a case-mix stratified sample of individuals furnished items or services by the agency—

(I) visits to the homes of such individuals, but only with the consent of such individuals, for the purpose of evaluating (in accordance with a standardized reproducible assessment instrument (or instruments) approved by the Secretary under subsection (d)) the extent to which the quality and scope of items and services furnished by the agency attained and maintained the highest practicable functional capacity of each such individual as reflected in such individual’s written plan of care required under section 1395x(m) of this title and clinical records required under section 1395x(o)(3) of this title; and

(II) a survey of the quality of care and services furnished by the agency as measured by indicators of medical, nursing, and rehabilitative care;

(ii) shall be based upon a protocol that is developed, tested, and validated by the Secretary not later than January 1, 1989; and

(iii) shall be conducted by the Secretary not later than July 1, 1989.

(II) who is not serving (or has not served within the previous 2 years) as a member of the staff of, or as a consultant to, the home health agency surveyed respecting compliance with the conditions of participation specified in or pursuant to section 1395x(o) of this title or subsection (a) of this section, and

(III) who has no personal or familial financial interest in the home health agency surveyed.

(D) Each home health agency that is found, under a standard survey, to have provided substandard care and to determine whether the agency has complied with the conditions of participation specified in or pursuant to section 1395x(o) of this title or subsection (a) of this section. Any other agency may, at the Secretary’s or State’s discretion, be subject to such an extended survey (or a partial extended survey). The extended survey shall be conducted immediately after the standard survey (or, if not practical, not later than 2 weeks after the date of completion of the standard survey).

(E) Nothing in this paragraph shall be construed as requiring an extended (or partial extended) survey as a prerequisite to imposing a sanction against an agency under subsection (e) on the basis of the findings of a standard survey.

(d) Assessment process; reports to Congress

(1) Not later than January 1, 1989, the Secretary shall designate an assessment instrument (or instruments) for use by an agency in complying with subsection (c)(2)(C)(i)(I).

(2)(A) Not later than January 1, 1992, the Secretary shall—

(i) evaluate the assessment process,

(ii) report to Congress on the results of such evaluation, and

(iii) based on such evaluation, make such modifications in the assessment process as the Secretary determines are appropriate.

(B) The Secretary shall periodically update the evaluation conducted under subparagraph (A), report the results of such update to Congress, and, based on such update, make such modifications in the assessment process as the Secretary determines are appropriate.

(3) The Secretary shall provide for the comprehensive training of State and Federal surveyors in matters relating to the performance of standard and extended surveys under this section, including the use of any assessment instrument (or instruments) designated under paragraph (1).

(e) Enforcement

(1) If the Secretary determines on the basis of a standard, extended, or partial extended survey or otherwise, that a home health agency that is certified for participation under this subchapter
(f) Intermediate sanctions

(1) The Secretary shall develop and implement, by not later than April 1, 1989—

(A) a range of intermediate sanctions to apply to home health agencies under the conditions described in subsection (e), and

(B) appropriate procedures for appealing determinations relating to the imposition of such sanctions.

(2)(A) The intermediate sanctions developed under paragraph (1) shall include—

(i) civil money penalties in an amount not to exceed $10,000 for each day of noncompliance,

(ii) suspension of all or part of the payments to which a home health agency would otherwise be entitled under this subchapter with respect to items and services furnished by a home health agency on or after the date on which the Secretary determines that intermediate sanctions should be imposed pursuant to subsection (e)(2), and

(iii) the appointment of temporary management to oversee the operation of the home health agency and to protect and assure the health and safety of the individuals under the care of the agency while improvements are made in order to bring the agency into compliance with all the requirements specified in or pursuant to section 1395x(o) of this title or subsection (a).

The provisions of section 1320a–7a of this title (other than subsections (a) and (b)) shall apply to a civil money penalty under clause (i) in the same manner as such provisions apply to a penalty or proceeding under section 1320a–7a(a) of this title. The temporary management under clause (iii) shall not be terminated until the Secretary has determined that the agency has the management capability to ensure continued compliance with all the requirements referred to in that clause.

(B) The sanctions specified in subparagraph (A) are in addition to sanctions otherwise available under State or Federal law and shall not be construed as limiting other remedies, including any remedy available to an individual at common law.

(C) A finding to suspend payment under subparagraph (A)(ii) shall terminate when the Secretary finds that the home health agency is in substantial compliance with all the requirements specified in or pursuant to section 1395x(o) of this title and subsection (a).

(3) The Secretary shall develop and implement, by not later than April 1, 1989, specific procedures with respect to the conditions under which each of the intermediate sanctions developed under paragraph (1) is to be applied, including the amount of any fines and the severity of each of these sanctions. Such procedures shall be designed so as to minimize the time between identification of deficiencies and imposition of these sanctions and shall provide for the imposition of incrementally more severe fines for repeated or uncorrected deficiencies.

(g) Payment on basis of location of service

A home health agency shall submit claims for payment for home health services under this subchapter only on the basis of the geographic location at which the service is furnished, as determined by the Secretary.

AMENDMENTS
1997—Subsec. (g). Pub. L. 105-33 added subsec. (g).
1996—Subsec. (c)(2)(A). Pub. L. 104-134 substituted “36 months” for “15 months” in first sentence and amended last sentence generally. Prior to amendment, last sentence read as follows: “The statewide average interval between standard surveys of any home health agency shall not exceed 12 months.”
1990—Subsec. (a)(3)(D)(iii). Pub. L. 101-508, §4207(i)(1), formerly §4207(i)(1), as renumbered by Pub. L. 103-432, renumbered “which, within the previous 2 years—” and subcls. (I) to (IV) for “which has been determined to be out of compliance with the requirements specified in or pursuant to section 1395x(s) of this title or subsection (a) of this section within the previous 2 years.”
Subsec. (a)(4) to (6). Pub. L. 100-360, §411(d)(1)(A)(iii), redesignated pars. (5) and (6) as (4) and (5), respectively, and struck out former par. (4) which read as follows: “With respect to durable medical equipment furnished to individuals for whom the agency provides items and services, suppliers of such equipment do not use (on a full-time, temporary, part-time, or other basis) any individual who does not meet minimum training standards established by the Secretary by October 1, 1988 for the demonstration and use of any such equipment furnished to individuals with respect to whom payments may be made under this subchapter.”
Subsec. (c)(1). Pub. L. 100-360, §411(d)(2)(A), as amended by Pub. L. 100-465, §608(d)(20)(A), amended third sentence generally. Prior to amendment, third sentence read as follows: “The Secretary shall provide for imposition of civil money penalties under this clause in a manner similar to that for the imposition of civil money penalties under section 1320a-7a of this title.”
Subsec. (f)(2)(A). Pub. L. 100-360, §411(d)(3)(B)(ii), inserted before last sentence “The provisions of section 1320a-7a of this title (other than subsections (a) and (b)) shall apply to a civil money penalty under clause (i) in the same manner as such provisions apply to a penalty under section 1320a-7a of this title.”
Pub. L. 100-360, §411(d)(3)(B)(i), realigned the margins of cls. (i) to (iii) and concluding provisions.
Subsec. (f)(3)(A)(i). Pub. L. 100-360, §411(d)(3)(B)(i), substituted “in an amount not to exceed $10,000 for each day of noncompliance” for “for each day of noncompliance”.
1987—Subsecs. (c), (d). Pub. L. 100-203, §4022(a), added subsecs. (c) and (d).
Subsecs. (e), (f). Pub. L. 100-203, §4023(a), as amended by Pub. L. 100-360, §413(d)(3)(A), added subsecs. (e) and (f).

EFFECTIVE DATE OF 1997 AMENDMENT
Amendment by Pub. L. 105–33 applicable to cost reporting periods beginning on or after Oct. 1, 1997, see section 6060(c) of Pub. L. 105–33, set out as a note under section 1871 of this title.

EFFECTIVE DATE OF 1990 AMENDMENT
Amendment by section 4206(d)(2) of Pub. L. 101–508 applicable with respect to services furnished on or after the first day of the first month beginning more than 1 year after Nov. 5, 1990, see section 4206(e)(1) of Pub. L. 101–508, set out as a note under section 1395l–3 of this title.

EFFECTIVE DATE OF 1990 AMENDMENT
Pub. L. 101–508, title IV, §4207(i)(1), formerly §4207(i)(1), Nov. 5, 1990, 104 Stat. 1388-123, as renumbered by Pub. L. 103–432, title I, §160(d)(4), Oct. 31, 1994, 108 Stat. 4444, provided that: “The amendments made by paragraph (1) [amending this section] shall take effect as if included in the enactment of the Omnibus Budget Reconciliation Act of 1987 [Pub. L. 100–203], except that the Secretary may not permit approval of a training and competency evaluation program offered by or in a home health agency which, pursuant to any Federal or State law within the 2-year period beginning on October 1, 1988—
’(i) had its participation terminated under title XVIII of the Social Security Act [42 U.S.C. 1395 et seq.];
’(ii) was assessed a civil money penalty not less than $5,000 for deficiencies in applicable quality standards for home health agencies;
’(iii) was subject to suspension by the Secretary of all or part of the payments to which it would otherwise be entitled under such title;
’(iv) operated under a temporary management appointment to oversee the operation of the agency and to ensure the health and safety of the agency’s patients; or
’(v) pursuant to State action, was closed or had its patients transferred.”

EFFECTIVE DATE OF 1988 AMENDMENT
Amendment by Pub. L. 100–465 effective as if included in the enactment of the Medicare Catastrophic Coverage Act of 1988, Pub. L. 100–360, see section 608(g)(1) of Pub. L. 100–465, set out as a note under section 704 of this title.
Except as specifically provided in section 411 of Pub. L. 100–360, amendment by Pub. L. 100–360, as it relates to a provision in the Omnibus Budget Reconciliation Act of 1987, Pub. L. 100–203, effective as if included in the enactment of that provision in Pub. L. 100–203, see section 411(a) of Pub. L. 100–360, set out as a Reference Note to OBRA; Effective Date note under section 106 of Title 1, General Provisions.

EFFECTIVE DATE OF 1987 AMENDMENT
Amendment by Pub. L. 100–203, title IV, §4022(b), Dec. 22, 1987, 101 Stat. 1330-71, provided that: “Except as otherwise specifically provided in section 1891(d) of the Social Security Act [42 U.S.C. 1395bb(d)] (as added by subsection (a)), the amendment made by subsection (a) [amending this section] shall become effective on the first day of the 18th calendar month to begin after the date of the enactment of this Act [Dec. 22, 1987].”
§ 1395ccc. Offset of payments to individuals to collect past-due obligations arising from breach of scholarship and loan contract

(a) In general

(1)(A) Subject to subparagraph (B), the Secretary shall enter into an agreement under this section with any individual who, by reason of a breach of a contract entered into by such individual pursuant to the National Health Service Corps Scholarship Program, the Physician Shortage Area Scholarship Program, or the Health Education Assistance Loan Program, owes a past-due obligation to the United States (as defined in subsection (b)).

(B) The Secretary shall not enter into an agreement with an individual under this section to the extent—

(i)(I) the individual has entered into a contract with the Secretary pursuant to section 204(a)(1) of the Public Health Service Amendments of 1987, and

(ii) the liability of the individual under such section 204(a)(1) has otherwise been relieved under such section; or

(iii) the individual is performing such physician's service obligation under a forbearance agreement entered into with the Secretary under subpart II of part D of title III of the Public Health Service Act (42 U.S.C. 254l et seq.).

(2) The agreement under this section shall provide that—

(A) deductions shall be made from the amounts otherwise payable to the individual under this subchapter, in accordance with a formula and schedule agreed to by the Secretary and the individual, until such past-due obligation (and accrued interest) have been repaid;

(B) payment under this subchapter for services provided by such individual shall be made only on an assignment-related basis;

(C) if the individual does not provide services, for which payment would otherwise be made under this subchapter, of a sufficient quantity to maintain the offset collection according to the agreed upon formula and schedule—

(i) the Secretary shall immediately inform the Attorney General, and the Attorney General shall immediately commence an action to recover the full amount of the past-due obligation, and

(ii) subject to paragraph (4), the Secretary shall immediately exclude the individual from the program under this subchapter, until such time as the entire past-due obligation has been repaid.

(3) If the individual refuses to enter into an agreement or breaches any provision of the agreement—

(A) the Secretary shall immediately inform the Attorney General, and the Attorney General shall immediately commence an action to recover the full amount of the past-due obligation, and

(B) subject to paragraph (4), the Secretary shall immediately exclude the individual from the program under this subchapter, until such time as the entire past-due obligation has been repaid.

(4) The Secretary shall not exclude an individual pursuant to paragraph (2)(C)(ii) or paragraph 1

1 So in original. Probably should be "individual's".
(3)(B) if such individual is a sole community practitioner or sole source of essential specialized services in a community if a State requests that the individual not be excluded.

(b) Past-due obligation

For purposes of this section, a past-due obligation is any amount—

(1) owed by an individual to the United States by reason of a breach of a scholarship contract under section 338E of the Public Health Service Act (42 U.S.C. § 254q) or under subpart III of part F of title VII of such Act (as in effect before October 1, 1976) and which has not been paid by the deadline established by the Secretary pursuant to such respective section, and has not been canceled, waived, or suspended by the Secretary pursuant to such section;

(2) owed by an individual to the United States by reason of a loan covered by Federal loan insurance under subpart I of part C of title II of the Public Health Service Act and payment for which has not been cancelled, waived, or suspended by the Secretary under such subpart.

c) Collection under this section shall not be exclusive

This section shall not preclude the United States from applying other provisions of law otherwise applicable to the collection of obligations owed to the United States, including (but not limited to) the use of tax refund offsets pursuant to section 3720A of title 31 and the application of other procedures provided under chapter 37 of title 31.

d) Collection from providers and health maintenance organizations

(1) In the case of an individual who owes a past-due obligation, and who is an employee of, or affiliated by a medical services agreement with, a provider having an agreement under section 1395cc of this title or a health maintenance organization or competitive medical plan having a contract under section 1395f of this title or section 1395mm of this title, the Secretary shall deduct the amounts of such past-due obligation from amounts otherwise payable under this subchapter to such provider, organization, or plan.

(2) Deductions shall be in accordance with a formula agreed to by the Secretary, the individual and the provider, organization, or plan. The deductions shall be made from the amounts otherwise payable to the individual under this subchapter as long as the individual continues to be employed or affiliated by a medical services agreement.

(3) Such deduction shall not be made until 6 months after the Secretary notifies the provider, organization, or plan of the amount to be deducted and the particular physicians to whom the deductions are attributable.

(4) A deduction made under this subsection shall relieve the individual of the obligation (to the extent of the amount collected) to the United States, but the provider, organization, or plan shall have a right of action to collect from such individual the amount deducted pursuant to this subsection (including accumulated interest).

(5) No deduction shall be made under this subsection if, within the 6-month period after notice is given to the provider, organization, or plan, the individual pays the past-due obligation, or ceases to be employed by the provider, organization, or plan.

(e) Transfer from trust funds

Amounts equal to the amounts deducted pursuant to this section shall be transferred from the Trust Fund from which the payment to the individual, provider, or other entity would otherwise have been made, to the general fund in the Treasury, and shall be credited as payment of the past-due obligation of the individual from whom (or with respect to whom) the deduction was made.

(See references in text note below.)

References in Text

Section 204(a)(1) of the Public Health Service Amendments of 1987, referred to in subsec. (a)(1)(B)(iii) and (b), is act July 1, 1944, ch. 373, 58 Stat. 682, as amended. Subpart II of part D of title III of the Act is classified generally to subpart II (42 U.S.C. § 254d et seq.) of part D of subchapter II of chapter 6A of this title.


Amendments


§ 1395ddd. Medicare Integrity Program

(a) Establishment of Program

There is hereby established the Medicare Integrity Program (in this section referred to as the “Program”) under which the Secretary shall promote the integrity of the Medicare program by entering into contracts in accordance with this section with eligible entities, or otherwise, to carry out the activities described in subsection (b).

(b) Activities described

The activities described in this subsection are as follows:

(1) Review of activities of providers of services or other individuals and entities furnishing items and services for which payment may be made under this subchapter (including skilled nursing facilities and home health agencies), including medical and utilization review and fraud review (employing similar standards, processes, and technologies used by private health plans, including equipment and software technologies which surpass the capability of the equipment and technologies used in the review of claims under this subchapter as of August 21, 1996).

(2) Audit of cost reports.

(3) Determinations as to whether payment should not be, or should not have been, made under this subchapter (including skilled nursing facilities and home health agencies), including medical and utilization review and fraud review (employing similar standards, processes, and technologies used by private health plans, including equipment and software technologies which surpass the capability of the equipment and technologies used in the review of claims under this subchapter as of August 21, 1996).

(4) Audit of cost reports.

(5) Developing (and periodically updating) a list of items of durable medical equipment in accordance with section 13955(m)(b) of this title, and recovery of payments that should not have been made.

(6) The Medicare-Medicaid Data Match Program in accordance with subsection (g).

(ec) Eligibility of entities

An entity is eligible to enter into a contract under the Program to carry out any of the activities described in subsection (b) if—

(1) the entity has demonstrated capability to carry out such activities;

(2) in carrying out such activities, the entity agrees to cooperate with the Inspector General of the Department of Health and Human Services, the Attorney General, and other law enforcement agencies, as appropriate, in the investigation and deterrence of fraud and abuse in relation to this subchapter and in other cases arising out of such activities;

(3) the entity complies with such conflict of interest standards as are generally applicable to Federal acquisition and procurement;

(4) the entity agrees to provide the Secretary and the Inspector General of the De-
department of Health and Human Services with such performance statistics (including the number and amount of overpayments recovered, the number of fraud referrals, and the return on investment of such activities by the entity) as the Secretary or the Inspector General may request; and

(5) the entity meets such other requirements as the Secretary may impose.

In the case of the activity described in subsection (b)(5), an entity shall be deemed to be eligible to enter into a contract under the Program to carry out the activity if the entity is a carrier with a contract in effect under section 1395u of this title.

(d) Process for entering into contracts

The Secretary shall enter into contracts under the Program in accordance with such procedures as the Secretary shall by regulation establish, except that such procedures shall include the following:

(1) Procedures for identifying, evaluating, and resolving organizational conflicts of interest that are generally applicable to Federal acquisition and procurement.

(2) Competitive procedures to be used—

(A) when entering into new contracts under this section;

(B) when entering into contracts that may result in the elimination of responsibilities of an individual fiscal intermediary or carrier under section 202(b) of the Health Insurance Portability and Accountability Act of 1996; and

(C) at any other time considered appropriate by the Secretary,

except that the Secretary may continue to contract with entities that are carrying out the activities described in this section pursuant to agreements under section 1395h of this title or contracts under section 1395u of this title in effect on August 21, 1996.

(3) Procedures under which a contract under this section may be renewed without regard to final rules having been promulgated.

(e) Limitation on contractor liability

The Secretary shall by regulation provide for the limitation of a contractor’s liability for actions taken to carry out a contract under the Program, and such regulation shall, to the extent the Secretary finds appropriate, employ the same or comparable standards and other substantive and procedural provisions as are contained in section 1320c–6 of this title.

(f) Recovery of overpayments

(1) Use of repayment plans

(A) In general

If the repayment, within 30 days by a provider of services or supplier, of an overpayment under this subchapter would constitute a hardship (as described in subparagraph (B)), subject to subparagraph (C), upon request of the provider of services or supplier the Secretary shall enter into a plan with the provider of services or supplier for the repayment (through offset or otherwise) of such overpayment over a period of at least 6 months but not longer than 3 years (or not longer than 5 years in the case of extreme hardship, as determined by the Secretary). Interest shall accrue on the balance through the period of repayment. Such plan shall meet terms and conditions determined to be appropriate by the Secretary.

(B) Hardship

(i) In general

For purposes of subparagraph (A), the repayment of an overpayment (or overpayments) within 30 days is deemed to constitute a hardship if—

(I) in the case of a provider of services that files cost reports, the aggregate amount of the overpayments exceeds 10 percent of the amount paid under this subchapter to the provider of services for the cost reporting period covered by the most recently submitted cost report; or

(II) in the case of another provider of services or supplier, the aggregate amount of the overpayments exceeds 10 percent of the amount paid under this subchapter to the provider of services or supplier for the previous calendar year.

(ii) Rule of application

The Secretary shall establish rules for the application of this subparagraph in the case of a provider of services or supplier that was not paid under this subchapter during the previous year or was paid under this subchapter only during a portion of that year.

(iii) Treatment of previous overpayments

If a provider of services or supplier has entered into a repayment plan under subparagraph (A) with respect to a specific overpayment amount, such payment amount under the repayment plan shall not be taken into account under clause (i) with respect to subsequent overpayment amounts.

(C) Exceptions

Subparagraph (A) shall not apply if—

(i) the Secretary has reason to suspect that the provider of services or supplier may file for bankruptcy or otherwise cease to do business or discontinue participation in the program under this subchapter; or

(ii) there is an indication of fraud or abuse committed against the program.

(D) Immediate collection if violation of repayment plan

If a provider of services or supplier fails to make a payment in accordance with a repayment plan under this paragraph, the Secretary may immediately seek to offset or otherwise recover the total balance outstanding (including applicable interest) under the repayment plan.
(E) Relation to no fault provision

Nothing in this paragraph shall be construed as affecting the application of section 1395gg(c) of this title (relating to no adjustment in the cases of certain overpayments).

(2) Limitation on recoupment

(A) In general

In the case of a provider of services or supplier that is determined to have received an overpayment under this subchapter and that seeks a reconsideration by a qualified independent contractor on such determination under section 1395ff(b)(1) of this title, the Secretary may not take any action (or authorize any other person, including any medicare contractor, as defined in subparagraph (C)) to recoup the overpayment until the date the decision on the reconsideration has been rendered. If the provisions of section 1395ff(b)(1) of this title (providing for such a reconsideration by a qualified independent contractor) are not in effect, in applying the previous sentence any reference to such a reconsideration shall be treated as a reference to a redetermination by the fiscal intermediary or carrier involved.

(B) Collection with interest

Insofar as the determination on such appeal is against the provider of services or supplier, interest on the overpayment shall accrue on and after the date of the original notice of overpayment. Insofar as such determination against the provider of services or supplier is later reversed, the Secretary shall provide for repayment of the amount recouped plus interest at the same rate as would apply under the previous sentence for the period in which the amount was recouped.

(C) Medicare contractor defined

For purposes of this subsection, the term "medicare contractor" has the meaning given such term in section 1395zz(g) of this title.

(3) Limitation on use of extrapolation

A medicare contractor may not use extrapolation to determine overpayment amounts to be recovered by recoupment, offset, or otherwise unless the Secretary determines that—

(A) there is a sustained or high level of payment error; or

(B) documented educational intervention has failed to correct the payment error.

There shall be no administrative or judicial review under section 1395ff of this title, section 1395oo of this title, or otherwise, of determinations by the Secretary of sustained or high levels of payment errors under this paragraph.

(4) Provision of supporting documentation

In the case of a provider of services or supplier with respect to which amounts were previously overpaid, a medicare contractor may request the periodic production of records or supporting documentation for a limited sample of submitted claims to ensure that the previous practice is not continuing.

(5) Consent settlement reforms

(A) In general

The Secretary may use a consent settlement (as defined in subparagraph (D)) to settle a projected overpayment.

(B) Opportunity to submit additional information before consent settlement offer

Before offering a provider of services or supplier a consent settlement, the Secretary shall—

(i) communicate to the provider of services or supplier—

(I) that, based on a review of the medical records requested by the Secretary, a preliminary evaluation of those records indicates that there would be an overpayment;

(II) the nature of the problems identified in such evaluation; and

(III) the steps that the provider of services or supplier should take to address the problems; and

(ii) provide for a 45-day period during which the provider of services or supplier may furnish additional information concerning the medical records for the claims that had been reviewed.

(C) Consent settlement offer

The Secretary shall review any additional information furnished by the provider of services or supplier under subparagraph (B)(ii). Taking into consideration such information, the Secretary shall determine if there still appears to be an overpayment. If so, the Secretary—

(i) shall provide notice of such determination to the provider of services or supplier, including an explanation of the reason for such determination; and

(ii) in order to resolve the overpayment, may offer the provider of services or supplier—

(I) the opportunity for a statistically valid random sample; or

(II) a consent settlement.

The opportunity provided under clause (ii)(I) does not waive any appeal rights with respect to the alleged overpayment involved.

(D) Consent settlement defined

For purposes of this paragraph, the term "consent settlement" means an agreement between the Secretary and a provider of services or supplier whereby both parties agree to settle a projected overpayment based on less than a statistically valid sample of claims and the provider of services or supplier agrees not to appeal the claims involved.

(6) Notice of over-utilization of codes

The Secretary shall establish, in consultation with organizations representing the classes of providers of services and suppliers, a process under which the Secretary provides for notice to classes of providers of services and suppliers served by the contractor in cases in which the contractor has identified that particular billing codes may be overutilized by
that class of providers of services or suppliers under the programs under this subchapter (or provisions of subchapter XI insofar as they relate to such programs).

(7) Payment audits

(A) Written notice for post-payment audits

Subject to subparagraph (C), if a medicare contractor decides to conduct a post-payment audit of a provider of services or supplier under this subchapter, the contractor shall provide the provider of services or supplier with written notice (which may be in electronic form) of the intent to conduct such an audit.

(B) Explanation of findings for all audits

Subject to subparagraph (C), if a medicare contractor audits a provider of services or supplier under this subchapter, the contractor shall—

(i) give the provider of services or supplier a full review and explanation of the findings of the audit in a manner that is understandable to the provider of services or supplier and permits the development of an appropriate corrective action plan;

(ii) inform the provider of services or supplier of the appeal rights under this subchapter as well as consent settlement options (which are at the discretion of the Secretary);

(iii) give the provider of services or supplier an opportunity to provide additional information to the contractor; and

(iv) take into account information provided, on a timely basis, by the provider of services or supplier under clause (iii).

(C) Exception

Subparagraphs (A) and (B) shall not apply if the provision of notice or findings would compromise pending law enforcement activities, whether civil or criminal, or reveal findings of law enforcement-related audits.

(8) Standard methodology for probe sampling

The Secretary shall establish a standard methodology for medicare contractors to use in selecting a sample of claims for review in the case of an abnormal billing pattern.

(g) Medicare-Medicaid Data Match Program

(1) Expansion of Program

(A) In general

The Secretary shall enter into contracts with eligible entities or otherwise for the purpose of ensuring that, beginning with 2006, the Medicare-Medicaid Data Match Program (commonly referred to as the “Medi-Medi Program”) is conducted with respect to the program established under this subchapter and State Medicaid programs under subchapter XIX for the purpose of—

(i) identifying program vulnerabilities in the program established under this subchapter and the Medicaid program established under subchapter XIX through the use of computer algorithms to review claims data to look for payment anomalies (including billing or billing patterns identified with respect to provider, service, time, or patient that appear to be suspect or otherwise implausible);

(ii) working with States, the Attorney General, and the Inspector General of the Department of Health and Human Services to coordinate appropriate actions to investigate and recover amounts with respect to suspect claims to protect the Federal and State share of expenditures under the Medicaid program under subchapter XIX, as well as the program established under this subchapter;

(iii) increasing the effectiveness and efficiency of both such programs through cost avoidance, savings, and recoupments of fraudulent, wasteful, or abusive expenditures; and

(iv) furthering the Secretary’s design, development, installation, or enhancement of an automated data system architecture—

(I) to collect, integrate, and assess data for purposes of program integrity, program oversight, and administration, including the Medi-Medi Program; and

(II) that improves the coordination of requests for data from States.

(B) Reporting requirements

The Secretary shall make available in a timely manner any data and statistical information collected by the Medi-Medi Program to the Attorney General, the Director of the Federal Bureau of Investigation, the Inspector General of the Department of Health and Human Services, and the States (including a Medicaid fraud and abuse control unit described in section 1396(q) of this title). Such information shall be disseminated no less frequently than quarterly.

(2) Limited waiver authority

The Secretary shall waive only such requirements of this section and of subchapters XI and XIX as are necessary to carry out paragraph (1).

(3) Incentives for States

The Secretary shall study and, as appropriate, may specify incentives for States to work with the Secretary for the purposes described in paragraph (1)(A)(ii). The application of the previous sentence may include use of the waiver authority described in paragraph (2).

(h) Use of recovery audit contractors

(1) In general

Under the Program, the Secretary shall enter into contracts with recovery audit contractors in accordance with this subsection for the purpose of identifying underpayments and overpayments and recouping overpayments under this subchapter with respect to all services for which payment is made under this subchapter. Under the contracts—

(A) payment shall be made to such a contractor only from amounts recovered;

(B) from such amounts recovered, payment—

(i) shall be made on a contingent basis for collecting overpayments; and
(ii) may be made in such amounts as the Secretary may specify for identifying underpayments; and

(C) the Secretary shall retain a portion of the amounts recovered which shall be available to the program management account of the Centers for Medicare & Medicaid Services for purposes of activities conducted under the recovery audit program under this subsection.

(2) Disposition of remaining recoveries

The amounts recovered under such contracts that are not paid to the contractor under paragraph (1) or retained by the Secretary under paragraph (1)(C) or paragraph (10) shall be applied to reduce expenditures under this subchapter.

(3) Nationwide coverage

The Secretary shall enter into contracts under paragraph (1) in a manner so as to provide for activities in all States under such a contract by not later than January 1, 2010 (not later than December 31, 2010, in the case of contracts relating to payments made under part C or D).

(4) Audit and recovery periods

Each such contract shall provide that audit and recovery activities may be conducted during a fiscal year with respect to payments made under this subchapter—

(A) during such fiscal year; and

(B) retrospectively (for a period of not more than 4 fiscal years prior to such fiscal year).

(5) Waiver

The Secretary shall waive such provisions of this subchapter as may be necessary to provide for payment of recovery audit contractors under this subsection in accordance with paragraph (1).

(6) Qualifications of contractors

(A) In general

The Secretary may not enter into a contract under paragraph (1) with a recovery audit contractor unless the contractor has staff that has the appropriate clinical knowledge of, and experience with, the payment rules and regulations under this subchapter or the contractor has, or will contract with, another entity that has such knowledgeable and experienced staff.

(B) Ineligibility of certain contractors

The Secretary may not enter into a contract under paragraph (1) with a recovery audit contractor to the extent the contractor is a fiscal intermediary under section 1395h of this title, a carrier under section 1395u of this title, or a Medicare administrative contractor under section 1395kk–1 of this title.

(C) Preference for entities with demonstrated proficiency

In awarding contracts to recovery audit contractors under paragraph (1), the Secretary shall give preference to those risk entities that the Secretary determines have demonstrated more than 3 years direct management experience and a proficiency for cost control or recovery audits with private insurers, health care providers, health plans, under the Medicaid program under subchapter XIX, or under this subchapter.

(7) Construction relating to conduct of investigation of fraud

A recovery of an overpayment to an individual or entity by a recovery audit contractor under this subsection shall not be construed to prohibit the Secretary or the Attorney General from investigating and prosecuting, if appropriate, allegations of fraud or abuse arising from such overpayment.

(8) Annual report

The Secretary shall annually submit to Congress a report on the use of recovery audit contractors under this subsection. Each such report shall include information on the performance of such contractors in identifying underpayments and overpayments and recouping overpayments, including an evaluation of the comparative performance of such contractors and savings to the program under this subchapter.

(9) Special rules relating to parts C and D

The Secretary shall enter into contracts under paragraph (1) to require recovery audit contractors to—

(A) ensure that each MA plan under part C has an anti-fraud plan in effect and to review the effectiveness of each such anti-fraud plan;

(B) ensure that each prescription drug plan under part D has an anti-fraud plan in effect and to review the effectiveness of each such anti-fraud plan;

(C) examine claims for reinsurance payments under section 1395w–115(b) of this title to determine whether prescription drug plans submitting such claims incurred costs in excess of the allowable reinsurance costs permitted under paragraph (2) of that section; and

(D) review estimates submitted by prescription drug plans by private plans with respect to the enrollment of high cost beneficiaries (as defined by the Secretary) and to compare such estimates with the numbers of such beneficiaries actually enrolled by such plans.

(10) Use of certain recovered funds

(A) In general

After application of paragraph (1)(C), the Secretary shall retain a portion of the amounts recovered by recovery audit contractors for each year under this section which shall be available to the program management account of the Centers for Medicare & Medicaid Services for purposes of, subject to subparagraph (B), carrying out sections 1395gg–1395gg–3, 1395mm, and 1395kk–1(a)(4)(G) of this title, carrying out section 514(b) of the Medicare Access and CHIP Reauthorization Act of 2015, and im-
implementing strategies (such as claims processing) to help reduce the error rate of payments under this subchapter. The amounts retained under the preceding sentence shall not exceed an amount equal to 15 percent of the amounts recovered under this subsection, and shall remain available until expended.

(B) Limitation
Except for uses that support claims processing (including edits) or system functionality for detecting fraud, amounts retained under subparagraph (A) may not be used for technological-related infrastructure, capital investments, or information systems.

(C) No reduction in payments to recovery audit contractors
Nothing in subparagraph (A) shall reduce amounts available for payments to recovery audit contractors under this subsection.

(i) Evaluations and annual report
(1) Evaluations
The Secretary shall conduct evaluations of eligible entities which the Secretary contracts with under the Program not less frequently than every 3 years.

(2) Annual report
Not later than 180 days after the end of each fiscal year (beginning with fiscal year 2011), the Secretary shall submit a report to Congress which identifies—

(A) the use of funds, including funds transferred from the Federal Hospital Insurance Trust Fund under section 1395f of this title and the Federal Supplementary Insurance Trust Fund under section 1395f of this title, to carry out this section; and

(B) the effectiveness of the use of such funds.

(j) Expanding activities of Medicare drug integrity contractors (MEDICs)
(1) Access to information
Under contracts entered into under this section with Medicare drug integrity contractors (including any successor entity to a Medicare drug integrity contractor), the Secretary shall authorize such contractors to directly accept prescription and necessary medical records from entities such as pharmacies, prescription drug plans, MA–PD plans, and physicians with respect to an individual in order for such contractors to provide information relevant to the determination of whether such individual is an at-risk beneficiary for prescription drug abuse, as defined in section 1395w–104(c)(5)(C) of this title.

(2) Requirement for acknowledgment of referrals
If a PDP sponsor or MA organization refers information to a contractor described in paragraph (1) in order for such contractor to assist in the determination described in such paragraph, the contractor shall—

(A) acknowledge to the sponsor or organization receipt of the referral; and

(B) in the case that any PDP sponsor or MA organization contacts the contractor requesting to know the determination by the contractor of whether or not an individual has been determined to be an individual described in such paragraph, shall inform such sponsor or organization of such determination on a date that is not later than 15 days after the date on which the sponsor or organization contacts the contractor.

(3) Making data available to other entities
(A) In general
For purposes of carrying out this subsection, subject to subparagraph (B), the Secretary shall authorize MEDICs to respond to requests for information from PDP sponsors and MA organizations, prescription drug monitoring programs, and other entities delegated by such sponsors or organizations using available programs and systems in the effort to prevent fraud, waste, and abuse.

(B) HIPAA compliant information only
Information may only be disclosed by a MEDIC under subparagraph (A) if the disclosure of such information is permitted under the Federal regulations (concerning the privacy of individually identifiable health information) promulgated under section 264(c) of the Health Insurance Portability and Accountability Act of 1996 (42 U.S.C. 1320d–2 note).

References in Text
Section 264(b) of the Health Insurance Portability and Accountability Act of 1996, referred to in subsec. (d)(2)(B), is section 264(b) of Pub. L. 104–191, which amended sections 1395f and 1395n of this title.

Section 1395w–104(c)(5)(A) of this title, referred to in subsec. (h)(10)(A), probably means the subsec. (c) of section 1395f of this title which relates to medical review of spinal subluxation services, was added by Pub. L. 110–145, April 16, 2015, 129 Stat. 171, and was redesignated subsec. (aa) by Pub. L. 115–271, title VI, §6083(b)(1), Oct. 24, 2018, 132 Stat. 3994.

References to Other Statutes

AMENDMENTS

So in original. The word “shall” probably should not appear.
Subsec. (g)(1)(A)(i). Pub. L. 114–115, §9(b)(2), inserted "to review claims data" after "algorithms" and substituted "provider, service, time, or patient" for "service, time, or patient".

Subsec. (g)(1)(A)(ii). Pub. L. 114–115, §9(b)(3)(A), inserted "to investigate and recover amounts with respect to suspect claims" after "appropriate actions".


Subsec. (h)(2). Pub. L. 114–10, §561(b)(1), inserted "or paragraph (10)" after "paragraph (1)(C)".


Subsec. (c)(4), (5). Pub. L. 111–148, §6020(j)(1)(A), added par. (4) and redesignated former par. (4) as (5).


Subsec. (b)(2). Pub. L. 111–148, §6411(b)(2), substituted "this subchapter" for "part A and B".


Effective Date of 2016 Amendment

Amendment by Pub. L. 114–198 applicable to prescription drug plans (and MA–PD plans) for plan years beginning on or after Jan. 1, 2019, see section 704(g)(1) of Pub. L. 114–198, set out as a note under section 1395w–101 of this title.

Effective Date of 2003 Amendment

Pub. L. 106–173, title IX, §835(b), Dec. 8, 2003, 117 Stat. 2411, provided that:

“(1) USE OF REPAYMENT PLANS.—Section 1893(f)(1) of the Social Security Act [42 U.S.C. 1395ddd(f)(1)], as added by subsection (a), shall apply to requests for repayment plans made after the date of the enactment of this Act [Dec. 8, 2003].

“(2) LIMITATION ON RECOVERY.—Section 1893(f)(2) of the Social Security Act [42 U.S.C. 1395ddd(f)(2)], as added by subsection (a), shall apply to actions taken after the date of the enactment of this Act.

“(3) USE OF EXTRAPOLATION.—Section 1893(f)(3) of the Social Security Act [42 U.S.C. 1395ddd(f)(3)], as added by subsection (a), shall apply to statistical valid random samples initiated after the date that is 1 year after the date of the enactment of this Act.

“(4) PROVISION OF SUPPORTING DOCUMENTATION.—Section 1893(f)(4) of the Social Security Act [42 U.S.C. 1395ddd(f)(4)], as added by subsection (a), shall take effect on the date of the enactment of this Act.

“(5) CONSENT SETTLEMENT.—Section 1893(f)(5) of the Social Security Act [42 U.S.C. 1395ddd(f)(5)], as added by subsection (a), shall apply to consent settlements entered into after the date of the enactment of this Act.

“(6) NOTICE OF OVERUTILIZATION.—Not later than 1 year after the date of the enactment of this Act, the Secretary [of Health and Human Services] shall first establish the process for notice of overutilization of billing codes under section 1893A(f)(6) [1893(f)(6)] of the Social Security Act [probably means 42 U.S.C. 1395ddd(f)(6)], as added by subsection (a).

“(7) PAYMENT AUDITS.—Section 1893(f)(7) [1893(f)(7)] of the Social Security Act [probably means 42 U.S.C. 1395ddd(f)(7)], as added by subsection (a), shall apply to audits initiated after the date of the enactment of this Act.

“(8) STANDARD FOR ABNORMAL BILLING PATTERNS.—Not later than 1 year after the date of the enactment of this Act, the Secretary shall first establish a standard methodology for selection of sample claims for abnormal billing patterns under section 1893(f)(8) of the Social Security Act [42 U.S.C. 1395ddd(f)(8)], as added by subsection (a).”

Improving the Sharing of Data Between the Federal Government and State Medicaid Programs


“(a) In General.—The Secretary of Health and Human Services (in this section referred to as the ‘Secretary’) shall establish a plan to encourage and facilitate the participation of States in the Medicare-Medicaid Data Match Program (commonly referred to as the ‘Med-Medi Program’) under section 1893(g) of the Social Security Act (42 U.S.C. 1395ddd(g)).

“(b) Program Revisions To Improve Med-Medi Data Match Program Participation by States.—[Amended this section.]

“(c) Providing States With Data on Improper Payments Made for Items or Services Provided to Dual Eligible Individuals.—

“(1) In General.—The Secretary shall develop and implement a plan that allows each State agency responsible for administering a State plan for medical assistance under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.) access to relevant data on improper or fraudulent payments made under the Medicare-Medicaid State plan under title XVII of the Social Security Act (42 U.S.C. 1395 et seq.) for health care items or services provided to dual eligible individuals.

“(2) Dual Eligible Individual Defined.—In this section, the term ‘dual eligible individual’ means an individual who is entitled to, or enrolled for, benefits under part A of title XVII of the Social Security Act (42 U.S.C. 1395 et seq.), or enrolled for benefits under part B of title XVIII of such Act (42 U.S.C. 1395 et seq.), and is eligible for medical assistance under a State plan under title XIX of such Act (42 U.S.C. 1396 et seq.) under a waiver of such plan.”

Extension of Two-Midnight Rule


“(a) Continuation of Certain Medical Review Activities.—The Secretary of Health and Human Services may continue medical review activities described in the notice entitled ‘Selecting Hospital Claims for Patient Status Reviews: Admissions On or After October 1, 2013’, posted on the Internet website of the Centers for Medicare & Medicaid Services, through through [sic] the end of fiscal year 2015 for such additional hospital claims as the Secretary determines appropriate.

“(b) Limitation.—The Secretary of Health and Human Services shall not conduct patient status reviews (as described in such notice) on a post-payment review basis through recovery audit contractors under section 1893(h) of the Social Security Act (42 U.S.C. 1395ddd(h)) for inpatient claims with dates of admission October 1, 2013, through September 30, 2015, unless there is evidence of systematic gaming, fraud, abuse, or delays in the provision of care by a provider of services (as defined in section 1861(u) of such Act (42 U.S.C. 1395(u))).

“(c) Construction.—Except as provided in subsections (a) and (b), nothing in this section shall be construed as limiting the Secretary’s authority to pur-
sue fraud and abuse activities under such section 1893(h) or otherwise.’’

Access to Coordination of Benefits Contractor Database

Pub. L. 109–432, div. B, title III, § 302(b), Dec. 20, 2006, 120 Stat. 2992, provided that: ‘‘The Secretary of Health and Human Services shall provide for access by recovery audit contractors conducting audit and recovery activities under section 1893(h) of the Social Security Act [42 U.S.C. 1395ddd(h)], as added by subsection (a), to the database of the Coordination of Benefits Contractor of the Centers for Medicare & Medicaid Services with respect to the audit and recovery periods described in paragraph (4) of such section 1893(h).’’

§ 1395eee. Payments to, and coverage of benefits under, programs of all-inclusive care for elderly (PACE)

(a) Receipt of benefits through enrollment in PACE program; definitions for PACE program related terms

(1) Benefits through enrollment in a PACE program

In accordance with this section, in the case of an individual who is entitled to benefits under part A or enrolled under part B and who is a PACE program eligible individual (as defined in paragraph (5)) with respect to a PACE program offered by a PACE provider under a PACE program agreement—

(A) the individual may enroll in the program under this section; and

(B) so long as the individual is so enrolled and in accordance with regulations—

(i) the individual shall receive benefits under this subchapter solely through such program; and

(ii) the PACE provider is entitled to payment under and in accordance with this section and such agreement for provision of such benefits.

(2) “PACE program” defined

For purposes of this section, the term “PACE program” means a program of all-inclusive care for the elderly that meets the following requirements:

(A) Operation

The entity operating the program is a PACE provider (as defined in paragraph (3)).

(B) Comprehensive benefits

The program provides comprehensive health care services to PACE program eligible individuals in accordance with the PACE program agreement and regulations under this section.

(C) Transition

In the case of an individual who is enrolled under the program under this section and whose enrollment ceases for any reason (including that the individual no longer qualifies as a PACE program eligible individual, the termination of a PACE program agreement, or otherwise), the program provides assistance to the individual in obtaining necessary transitional care through appropriate referrals and making the individual’s medical records available to new providers.

(3) “PACE provider” defined

(A) In general

For purposes of this section, the term “PACE provider” means an entity that—

(i) subject to subparagraph (B), is (or is a distinct part of) a public entity or a private, nonprofit entity organized for charitable purposes under section 501(c)(3) of the Internal Revenue Code of 1986; and

(ii) has entered into a PACE program agreement with respect to its operation of a PACE program.

(B) Treatment of private, for-profit providers

Clause (i) of subparagraph (A) shall not apply—

(i) to entities subject to a demonstration project waiver under subsection (h); and

(ii) after the date the report under section 4804(b) of the Balanced Budget Act of 1997 is submitted, unless the Secretary determines that any of the findings described in subparagraph (A), (B), (C), or (D) of paragraph (2) of such section are true.

(4) “PACE program agreement” defined

For purposes of this section, the term “PACE program agreement” means, with respect to a PACE provider, an agreement, consistent with this section, section 1396u–4 of this title (if applicable), and regulations promulgated to carry out such sections, between the PACE provider and the Secretary, or an agreement between the PACE provider and a State administering agency for the operation of a PACE program by the provider under such sections.

(5) “PACE program eligible individual” defined

For purposes of this section, the term “PACE program eligible individual” means, with respect to a PACE program, an individual who—

(A) is 55 years of age or older;

(B) subject to subsection (c)(4), is determined under subsection (c) to require the level of care required under the State medicaid plan for coverage of nursing facility services;

(C) resides in the service area of the PACE program; and

(D) meets such other eligibility conditions as may be imposed under the PACE program agreement for the program under subsection (e)(2)(A)(ii).

(6) “PACE protocol” defined

For purposes of this section, the term “PACE protocol” means the Protocol for the Program of All-inclusive Care for the Elderly (PACE), as published by On Lok, Inc., as of April 14, 1995, or any successor protocol that may be agreed upon between the Secretary and On Lok, Inc.

(7) “PACE demonstration waiver program” defined

For purposes of this section, the term “PACE demonstration waiver program” means a demonstration program under either of the following sections (as in effect before the date of their repeal):
(A) Application of Medicare advantage requirement with respect to Medicare services furnished by noncontract physicians and other entities

Section 1395w–22(k)(1) of this title (relating to limitations on balance billing against MA organizations for noncontract physicians and other entities with respect to services covered under this subchapter) shall apply to PACE providers, PACE program eligible individuals enrolled with such PACE providers, and physicians and other entities that do not have a contract or other agreement establishing payment amounts for services furnished to such an individual in the same manner as such section applies to MA organizations, individuals enrolled with such organizations, and physicians and other entities referred to in such section.

(B) Reference to related provision for noncontract providers of services

For the provision relating to limitations on balance billing against PACE providers for services covered under this subchapter furnished by noncontract providers of services, see section 1395cc(a)(1)(O) of this title.

(4) Reference to related provision for services covered under subchapter XIX but not under this subchapter

For provisions relating to limitations on payments to providers participating under the State plan under subchapter XIX that do not have a contract or other agreement with a PACE provider establishing payment amounts for services covered under such plan (but not under this subchapter) when such services are furnished to enrollees of that PACE provider, see section 1396a(a)(66) of this title.
(c) Eligibility determinations

(1) In general

The determination of whether an individual is a PACE program eligible individual—

(A) shall be made under and in accordance with the PACE program agreement; and

(B) who is entitled to medical assistance under subchapter XIX, shall be made (or who is not so entitled, may be made) by the State administering agency.

(2) Condition

An individual is not a PACE program eligible individual (with respect to payment under this section) unless the individual’s health status has been determined by the Secretary or the State administering agency, in accordance with regulations, to be comparable to the health status of individuals who have participated in the PACE demonstration waiver programs. Such determination shall be based upon information on health status and related indicators (such as medical diagnoses and measures of activities of daily living, instrumental activities of daily living, and cognitive impairment) that are part of a uniform minimum data set collected by PACE providers on potential PACE program eligible individuals.

(3) Annual eligibility recertifications

(A) In general

Subject to subparagraph (B), the determination described in subsection (a)(5)(B) for an individual shall be reevaluated at least annually.

(B) Exception

The requirement of annual reevaluation under subparagraph (A) may be waived during a period in accordance with regulations in those cases where the State administering agency determines that there is no reasonable expectation of improvement or significant change in an individual’s condition during the period because of the severity of chronic condition, or degree of impairment of functional capacity of the individual involved.

(4) Continuation of eligibility

An individual who is a PACE program eligible individual may be deemed to continue to be such an individual notwithstanding a determination that the individual no longer meets the requirement of subsection (a)(5)(B) if, in accordance with regulations, in the absence of continued coverage under a PACE program the individual reasonably would be expected to meet such requirement within the succeeding 6-month period.

(5) Enrollment; disenrollment

(A) Voluntary disenrollment at any time

The enrollment and disenrollment of PACE program eligible individuals in a PACE program shall be pursuant to regulations and the PACE program agreement and shall permit enrollees to voluntarily disenroll without cause at any time.

(B) Limitations on disenrollment

(i) In general

Regulations promulgated by the Secretary under this section and section 1396u–4 of this title, and the PACE program agreement, shall provide that the PACE program may not disenroll a PACE program eligible individual except—

(I) for nonpayment of premiums (if applicable) on a timely basis; or

(II) for engaging in disruptive or threatening behavior, as defined in such regulations (developed in close consultation with State administering agencies).

(ii) No disenrollment for noncompliant behavior

Except as allowed under regulations promulgated to carry out clause (I)(II), a PACE program may not disenroll a PACE program eligible individual on the ground that the individual has engaged in noncompliant behavior if such behavior is related to a mental or physical condition of the individual. For purposes of the preceding sentence, the term “noncompliant behavior” includes repeated noncompliance with medical advice and repeated failure to appear for appointments.

(iii) Timely review of proposed nonvoluntary disenrollment

A proposed disenrollment, other than a voluntary disenrollment, shall be subject to timely review and final determination by the Secretary or by the State administering agency (as applicable), prior to the proposed disenrollment becoming effective.

(d) Payments to PACE providers on capitated basis

(1) In general

In the case of a PACE provider with a PACE program agreement under this section, except as provided in this subsection or by regulations, the Secretary shall make prospective monthly payments of a capitation amount for each PACE program eligible individual enrolled under the agreement under this section in the same manner and from the same sources as payments are made to a Medicare+ Choice organization under section 1395w–23(a)(2) of this title (or, for periods beginning before January 1, 1999, to an eligible organization under a risk-sharing contract under section 1395mm of this title). Such payments shall be subject to adjustment in the manner described in section 1395w–23(a)(2) of this title or section 1395mm(a)(1)(E) of this title, as the case may be.

(2) Capitation amount

The capitation amount to be applied under this subsection for a provider for a contract year shall be an amount specified in the PACE program agreement for the year. Such amount shall be based upon payment rates established for purposes of payment under section 1395w–23 of this title (or, for periods before January 1, 1999, for purposes of risk-sharing contracts under section 1395mm of this title) and shall be adjusted to take into account the comparative frailty of PACE enrollees and such other factors as the Secretary determines to be appropriate. Such amount under such an agree-
ment shall be computed in a manner so that the total payment level for all PACE program eligible individuals enrolled under a program is less than the projected payment under this subchapter for a comparable population not enrolled under a PACE program.

(3) Capitation rates determined without regard to the phase-out of the indirect costs of medical education from the annual Medicare Advantage capitation rate

Capitation amounts under this subsection shall be determined without regard to the application of section 1395w–23(k)(4) of this title.

(e) PACE program agreement

(1) Requirement

(A) In general

The Secretary, in close cooperation with the State administering agency, shall establish procedures for entering into, extending, and terminating PACE program agreements for the operation of PACE programs by entities that meet the requirements for a PACE provider under this section, section 1396u–4 of this title, and regulations.

(B) Numerical limitation

(i) In general

The Secretary shall not permit the number of PACE providers with which agreements are in effect under this section or under section 9412(b) of the Omnibus Budget Reconciliation Act of 1986 to exceed—

(I) 40 as of August 5, 1997; or

(II) as of each succeeding anniversary of August 5, 1997, the numerical limitation under this subparagraph for the preceding year plus 20.

Subclause (II) shall apply without regard to the actual number of agreements in effect as of a previous anniversary date.

(ii) Treatment of certain private, for-profit providers

The numerical limitation in clause (i) shall not apply to a PACE provider that—

(I) is operating under a demonstration project waiver under subsection (h); or

(II) was operating under such a waiver and subsequently qualifies for PACE provider status pursuant to subsection (a)(3)(B)(ii).

(2) Service area and eligibility

(A) In general

A PACE program agreement for a PACE program—

(i) shall designate the service area of the program;

(ii) may provide additional requirements for individuals to qualify as PACE program eligible individuals with respect to the program;

(iii) shall be effective for a contract year, but may be extended for additional contract years in the absence of a notice by a party to terminate and is subject to termination by the Secretary and the State administering agency at any time for cause (as provided under the agreement);

(iv) shall require a PACE provider to meet all applicable State and local laws and requirements; and

(v) shall contain such additional terms and conditions as the parties may agree to, so long as such terms and conditions are consistent with this section and regulations.

(B) Service area overlap

In designating a service area under a PACE program agreement under subparagraph (A)(i), the Secretary (in consultation with the State administering agency) may exclude from designation an area that is already covered under another PACE program agreement, in order to avoid unnecessary duplication of services and avoid impairing the financial and service viability of an existing program.

(3) Data collection; development of outcome measures

(A) Data collection

(i) In general

Under a PACE program agreement, the PACE provider shall—

(I) collect data;

(II) maintain, and afford the Secretary and the State administering agency access to, the records relating to the program, including pertinent financial, medical, and personnel records; and

(III) make available to the Secretary and the State administering agency reports that the Secretary finds (in consultation with State administering agencies) necessary to monitor the operation, cost, and effectiveness of the PACE program under this section and section 1396u–4 of this title.

(ii) Requirements during trial period

During the first 3 years of operation of a PACE program (either under this section or under a demonstration program), the PACE provider shall provide such additional data as the Secretary specifies in regulations in order to perform the oversight required under paragraph (4)(A).

(B) Development of outcome measures

Under a PACE program agreement, the PACE provider, the Secretary, and the State administering agency shall jointly cooperate in the development and implementation of health status and quality of life outcome measures with respect to PACE program eligible individuals.

(4) Oversight

(A) Annual, close oversight during trial period

During the trial period (as defined in subsection (a)(9)) with respect to a PACE program operated by a PACE provider, the Secretary (in cooperation with the State administering agency) shall conduct a comprehensive annual review of the operation of the PACE program by the provider in order to assure compliance with the requirements of
this section and regulations. Such a review shall include—

(i) an on-site visit to the program site;
(ii) comprehensive assessment of a provider’s fiscal soundness;
(iii) comprehensive assessment of the provider’s capacity to provide all PACE services to all enrolled participants;
(iv) detailed analysis of the entity’s substantial compliance with all significant requirements of this section and regulations; and
(v) any other elements the Secretary or State administering agency considers necessary or appropriate.

(B) Continuing oversight

After the trial period, the Secretary (in cooperation with the State administering agency) shall continue to conduct such review of the operation of PACE providers and PACE programs as may be appropriate, taking into account the performance level of a provider and compliance of a provider with all significant requirements of this section and regulations.

(C) Disclosure

The results of reviews under this paragraph shall be reported promptly to the PACE provider, along with any recommendations for changes to the provider’s program, and shall be made available to the public upon request.

(5) Termination of PACE provider agreements

(A) In general

Under regulations—

(i) the Secretary or a State administering agency may terminate a PACE program agreement for cause; and
(ii) a PACE provider may terminate an agreement after appropriate notice to the Secretary, the State agency, and enrollees.

(B) Causes for termination

In accordance with regulations establishing procedures for termination of PACE program agreements, the Secretary or a State administering agency may terminate a PACE program agreement with a PACE provider for, among other reasons, the fact that—

(i) the Secretary or State administering agency determines that—

(I) there are significant deficiencies in the quality of care provided to enrolled participants; or
(II) the provider has failed to comply substantially with conditions for a program or provider under this section or section 1396u-4 of this title; and

(ii) the entity has failed to develop and successfully initiate, within 30 days of the date of the receipt of written notice of such a determination, a plan to correct the deficiencies, or has failed to continue implementation of such a plan.

(C) Termination and transition procedures

An entity whose PACE provider agreement is terminated under this paragraph shall implement the transition procedures required under subsection (a)(2)(C).

(6) Secretary’s oversight; enforcement authority

(A) In general

Under regulations, if the Secretary determines (after consultation with the State administering agency) that a PACE provider is failing substantially to comply with the requirements of this section and regulations, the Secretary (and the State administering agency) may take any or all of the following actions:

(i) Condition the continuation of the PACE program agreement upon timely execution of a corrective action plan.
(ii) Withhold some or all further payments under the PACE program agreement under this section or section 1396a-4 of this title with respect to PACE program services furnished by such provider until the deficiencies have been corrected.
(iii) Terminate such agreement.

(B) Application of intermediate sanctions

Under regulations, the Secretary may provide for the application against a PACE provider of remedies described in section 1395w–27(g)(2) (or, for periods before January 1, 1999, section 1395mm(i)(6)(A) of this title) or 1396b(m)(5)(B) of this title in the case of violations by the provider of the type described in section 1395w–27(g)(1) (or section 1395mm(i)(6)(A) of this title for such periods) or 1396b(m)(5)(A) of this title, respectively (in relation to agreements, enrollees, and requirements under this section or section 1396u–4 of this title, respectively).

(7) Procedures for termination or imposition of sanctions

Under regulations, the provisions of section 1395w–27(h) of this title (or for periods before January 1, 1999, section 1395mm(i)(9) of this title) shall apply to termination and sanctions respecting a PACE program agreement and PACE provider under this subsection in the same manner as they apply to a termination and sanctions with respect to a contract and a Medicare+Choice organization under part C (or for such periods an eligible organization under section 1395mm of this title).

(8) Timely consideration of applications for PACE program provider status

In considering an application for PACE provider program status, the application shall be deemed approved unless the Secretary, within 90 days after the date of the submission of the application to the Secretary, either denies such request in writing or informs the applicant in writing with respect to any additional information that is needed in order to make a final determination with respect to the application. After the date the Secretary receives such additional information, the application shall be deemed approved unless the Secretary, within 90 days of such date, denies such request.
(f) Regulations

(1) In general

The Secretary shall issue interim final or final regulations to carry out this section and section 1396u–4 of this title.

(2) Use of PACE protocol

(A) In general

In issuing such regulations, the Secretary shall, to the extent consistent with the provisions of this section, incorporate the requirements applied to PACE demonstration waiver programs under the PACE protocol.

(B) Flexibility

In order to provide for reasonable flexibility in adapting the PACE service delivery model to the needs of particular organizations (such as those in rural areas or those that may determine it appropriate to use nonstaff physicians according to State licensing law requirements) under this section and section 1396u–4 of this title, the Secretary (in close consultation with State administering agencies) may modify or waive provisions of the PACE protocol so long as any such modification or waiver is not inconsistent with and would not impair the essential elements, objectives, and requirements of this section, but may not modify or waive any of the following provisions:

(i) The focus on frail elderly qualifying individuals who require the level of care provided in a nursing facility.

(ii) The delivery of comprehensive, integrated acute and long-term care services.

(iii) The interdisciplinary team approach to care management and service delivery.

(iv) Capitated, integrated financing that allows the provider to pool payments received from public and private programs and individuals.

(v) The assumption by the provider of full financial risk.

(C) Continuation of modifications or waivers of operational requirements under demonstration status

If a PACE program operating under demonstration authority has contractual or other operating arrangements which are not otherwise recognized in regulation and which were in effect on July 1, 2000, the Secretary (in close consultation with, and with the concurrence of, the State administering agency) shall permit any such program to continue such arrangements so long as such arrangements are found by the Secretary and the State to be reasonably consistent with the objectives of the PACE program.

(3) Application of certain additional beneficiary and program protections

(A) In general

In issuing such regulations and subject to subparagraph (B), the Secretary may apply with respect to PACE programs, providers, and agreements such requirements of part C (or, for periods before January 1, 1999, section 1395mm of this title) and sections 1396b(m) and 1396u–2 of this title relating to protection of beneficiaries and program integrity as would apply to Medicare+Choice organizations under part C (or for such periods eligible organizations under risk-sharing contracts under section 1395mm of this title) and to medicaid managed care organizations under prepaid capitation agreements under section 1396b(m) of this title.

(B) Considerations

In issuing such regulations, the Secretary shall—

(i) take into account the differences between populations served and benefits provided under this section and under part C (or, for periods before January 1, 1999, section 1395mm of this title) and section 1396b(m) of this title;

(ii) not include any requirement that conflicts with carrying out PACE programs under this section; and

(iii) not include any requirement restricting the proportion of enrollees who are eligible for benefits under this subchapter or subchapter XIX.

(4) Construction

Nothing in this subsection shall be construed as preventing the Secretary from including in regulations provisions to ensure the health and safety of individuals enrolled in a PACE program under this section that are in addition to those otherwise provided under paragraphs (2) and (3).

(g) Waivers of requirements

With respect to carrying out a PACE program under this section, the following requirements of this subchapter (and regulations relating to such requirements) are waived and shall not apply:

(1) Section 1395d of this title, insofar as it limits coverage of institutional services.

(2) Sections 1395e, 1395f, 1395j, and 1395ww of this title, insofar as such sections relate to rules for payment for benefits.

(3) Sections 1395f(a)(2)(B), 1395f(a)(2)(C), and 1395m(a)(2)(A) of this title, insofar as they limit coverage of extended care services or home health services.

(4) Section 1395x(i) of this title, insofar as it imposes a 3-day prior hospitalization requirement for coverage of extended care services.

(5) Paragraphs (1) and (9) of section 1395y(a) of this title, insofar as they may prevent payment for PACE program services to individuals enrolled under PACE programs.

(h) Demonstration project for for-profit entities

(1) In general

In order to demonstrate the operation of a PACE program by a private, for-profit entity, the Secretary (in close consultation with State administering agencies) shall grant waivers from the requirement under subsection (a)(3) that a PACE provider may not be a for-profit, private entity.

(2) Similar terms and conditions

(A) In general

Except as provided under subparagraph (B), and paragraph (1), the terms and condi-
tions for operation of a PACE program by a provider under this subsection shall be the same as those for PACE providers that are nonprofit, private organizations.

(B) Numerical limitation

The number of programs for which waivers are granted under this subsection shall not exceed 10. Programs with waivers granted under this subsection shall not be counted against the numerical limitation specified in subsection (e)(1)(B).

(i) Miscellaneous provisions

Nothing in this section or section 1396u-4 of this title shall be construed as preventing a PACE provider from entering into contracts with other governmental or nongovernmental payers for the care of PACE program eligible individuals who are not eligible for benefits under part A, or enrolled under part B, or eligible for medical assistance under subchapter XIX of this title.


REFERENCES IN TEXT


Section 4801(b) of the Balanced Budget Act of 1997, referred to in subsec. (a)(3)(B)(ii), is section 4801(b) of Pub. L. 105-33, which is set out as a note below.

Section 603(c) of the Social Security Amendments of 1983, referred to in subsec. (a)(7)(A), is section 603(c) of Pub. L. 98-21, title VI, Apr. 20, 1983, 97 Stat. 168, which was not classified to the Code and was repealed by Pub. L. 105-33, title IV, § 4803(d), Aug. 5, 1997, 111 Stat. 550, subject to transition provisions.


Section 9412(b) of the Omnibus Budget Reconciliation Act of 1986, referred to in subsec. (a)(7)(B) and (e)(1)(B)(i), is section 9412(b) of Pub. L. 99-509, title IX, Oct. 21, 1986, 100 Stat. 2062, which was not classified to the Code and was repealed by Pub. L. 105-33, title IV, § 4803(d), Aug. 5, 1997, 111 Stat. 550, subject to transition provisions.

For the effective date of this section, referred to in subsec. (a)(9)(B), see section 4803 of Pub. L. 105-33, set out below.

AMENDMENTS

2010—Subsecs. (b) to (j). Pub. L. 111-148, § 3201(i)(1), which directed addition of subsec. (h) and the redesignation of former subsecs. (h) and (i) as (i) and (j), respectively, was repealed by Pub. L. 111-152, §1102(a).

Prior to repeal, text of subsec. (h) read as follows:—

"With respect to a PACE program under this section, the following provisions (and regulations relating to such provisions) shall not apply:—

"(1) Section 1395w-23(b)(4) of this title, relating to MA area-specific non-drug monthly benchmark amount being based on competitive bids.

"(2) Section 1395w-23(d)(5) of this title, relating to the establishment of MA local plan service areas.

"(3) Section 1395w-23(n) of this title, relating to the payment of performance bonuses.

"(4) Section 1395w-23(o) of this title, relating to grandfathering supplemental benefits for current enrollees after implementation of competitive bidding.

"(5) Section 1395w-23(p) of this title, relating to transitional extra benefits."

See Effective Date of 2010 Amendment note below.


CHANGE OF NAME

References to Medicare+Choice deemed to refer to Medicare Advantage or MA, subject to an appropriate transition provided by the Secretary of Health and Human Services in the use of those terms, see section 201 of Pub. L. 108-173, set out as a note under section 1395w-21 of this title.

EFFECTIVE DATE OF 2010 AMENDMENT

Repeal of section 3201 of Pub. L. 111-148 and the amendments made by such section, effective as if included in the enactment of Pub. L. 111-148, see section 1102(a) of Pub. L. 111-152, set out as a note under general heading 1396u-4 of this title.

EFFECTIVE DATE OF 2003 AMENDMENT

Amendment by Pub. L. 108-173 applicable to services furnished on or after Jan. 1, 2004, see section 236(c) of Pub. L. 108-173, set out as a note under section 1395cc of this title.

EFFECTIVE DATE OF 2000 AMENDMENT

Pub. L. 106-554, §1(a)(6) [title IX, §902(c)], Dec. 21, 2000, 114 Stat. 2763, 2763A-583, provided that: "The amendments made by this section (amending this section and section 1396u-4 of this title) shall be effective as if included in the enactment of BBA [Pub. L. 105-33]."

RURAL PACE PROVIDER GRANT PROGRAM


"(a) DEFINITIONS.—In this section:

"(1) CMS.—The term "CMS" means the Centers for Medicare & Medicaid Services.

"(2) PACE PROGRAM.—The term "PACE program" has the meaning given that term in sections 1899(a)(2) and 1934(a)(2) of the Social Security Act (42 U.S.C. 1395ww(a)(2); 1396u-4(a)(2)).

"(3) PACE PROVIDER.—The term "PACE provider" has the meaning given that term in section 1899(a)(2) or 1934(a)(2) of the Social Security Act (42 U.S.C. 1395ww(a)(3); 1396u-4(a)(3)).

"(4) RURAL AREA.—The term 'rural area' has the meaning given that term in section 1886(d)(2)(D) of the Social Security Act (42 U.S.C. 1395ww(d)(2)(D)).

"(5) RURAL PACE PILOT SITE.—The term 'rural PACE pilot site' means a PACE provider that has been approved to provide services in a geographic service area that is, in whole or in part, a rural area, and that has received a site development grant under this section.

"(6) SECRETARY.—The term 'Secretary' means the Secretary of Health and Human Services.

"(b) SITE DEVELOPMENT GRANTS AND TECHNICAL ASSISTANCE PROGRAM.—

"(1) SITE DEVELOPMENT GRANTS.—

"(A) IN GENERAL.—The Secretary shall establish a process and criteria to award site development grants to qualified PACE providers that have been approved to serve a rural area.

"(B) AMOUNT PER AWARD.—A site development grant awarded under subparagraph (A) to any indi-
(1) Development of a technical assistance program to educate and train State agencies and provider organizations interested in establishing PACE programs in rural areas; and

(2) Technical assistance necessary to support rural PACE pilot sites.

(c) Cost Outlier Protection for Rural PACE Pilot Sites. —

(1) Establishment of Fund for Reimbursement of Outlier Costs. —Notwithstanding any other provision of law, the Secretary shall establish an outlier fund to reimburse rural PACE pilot sites for recognized outlier costs (as defined in paragraph (3)) incurred for eligible outlier participants (as defined in paragraph (2)) in an amount, subject to paragraph (4), equal to 80 percent of the amount by which the recognized outlier costs exceeds $50,000.

(2) Eligible Outlier Participant. —For purposes of this subsection, the term ‘eligible outlier participant’ means a PACE program eligible individual (as defined in sections 1395eee(a)(5) and 1396a(a)(5) of the Social Security Act (42 U.S.C. 1395eee(a)(5); 1396a(a)(5))) who resides in a rural area and with respect to whom the rural PACE pilot site incurs more than $50,000 in recognized costs in a 12-month period.

(3) Recognized Outlier Costs Defined. —

(A) In General. —For purposes of this subsection, the term ‘recognized outlier costs’ means, with respect to services furnished to an eligible outlier participant by a rural PACE pilot site, the least of the following (as documented by the site to the satisfaction of the Secretary) for the provision of inpatient and related physician and ancillary services for the eligible outlier participant in a given 12-month period:

(i) If the services are provided under a contract between the pilot site and the provider, the payment rate specified under the contract.

(ii) The payment rate established under the original Medicare fee-for-service program for such service.

(iii) The amount actually paid for the services by the pilot site.

(B) Inclusion in Only One Period. —Recognized outlier costs may not be included in more than one 12-month period.

(4) Limitations. —

(A) Costs Incurred Per Eligible Outlier Participant. —The total amount of outlier expense payments made under this subsection to a rural PACE pilot site with respect to an eligible outlier participant for any 12-month period shall not exceed $100,000 for the 12-month period used to calculate the payment.

(B) Costs Incurred Per Provider. —No rural PACE pilot site may receive more than $500,000 in total outlier expense payments in a 12-month period.

(C) Limitation of Outlier Cost Reimbursement Period. —A rural PACE pilot site shall only receive outlier expense payments under this subsection with respect to costs incurred during the first 3 years of the site’s operation.

(5) Requirement to Access Risk Reserves Prior to Payment. —A rural PACE pilot site shall access and exhaust any risk reserves held or arranged for the provider (other than revenue or reserves maintained to satisfy the requirements of section 1868(c) of title 42, Code of Federal Regulations) and any working capital established through a site development grant awarded under subsection (b)(1), prior to receiving any payment from the outlier fund.

(6) Application. —In order to receive an outlier expense payment under this subsection with respect to an eligible outlier participant, a rural PACE pilot site shall submit an application containing—

(A) documentation of the costs incurred with respect to the participant;

(B) a certification that the site has complied with the requirements under paragraph (4); and

(C) such additional information as the Secretary may require.

(7) Appropriation. —

(A) In General. —Out of funds in the Treasury not otherwise appropriated, there are appropriated to the Secretary $10,000,000 to carry out this subsection for the period of fiscal years 2006 through 2010.

(B) Availability. —Funds appropriated under this subsection shall remain available for obligation through fiscal year 2010.

(d) Evaluation of PACE Providers Serving Rural Service Areas. —Not later than 60 months after the date of enactment of this Act (Feb. 8, 2006), the Secretary shall submit a report to Congress containing a detailed examination of the experience of rural PACE pilot sites.

(e) Amendments. —

(1) Amounts in Addition to Payments Under Social Security Act. —Any amounts paid under the authority of this section to a PACE provider shall be in addition to payments made to the provider under section 1894 or 1934 of the Social Security Act (42 U.S.C. 1395eee; 1396a–4).

"(1) shall approve or deny a request for a modification or a waiver of provisions of the PACE protocol not later than 90 days after the date the Secretary receives the request; and

"(2) may exercise authority to modify or waive such provisions in a manner that responds promptly to the needs of PACE programs relating to areas of employment and the use of community-based primary care physicians."

Transition; Regulations


"(a) Timely Issuance of Regulations; Effective Date.—The Secretary of Health and Human Services shall promulgate regulations to carry out this subtitle [subtitle I (§§ 4801–4804) of title IV of Pub. L. 105–33, enacting this section and section 1396u–4 of the Social Security Act] (42 U.S.C. 1395eee, 1396u–4) (as added by sections 4801 and 4802 of this subtitle) for periods beginning not later than 1 year after the date of the enactment of this Act [Aug. 5, 1997].

"(b) Expansion and Transition for Demonstration Project Waivers.—

"(1) Expansion in Current Number and Extension of Demonstration Projects.—Section 9412(b) of the Omnibus Budget Reconciliation Act of 1986 (see subsection (d) below), as amended by section 4118(g) of the Omnibus Budget Reconciliation Act of 1987, is amended—

"(A) in paragraph (1), by inserting before the period at the end the following: '; except that the Secretary shall grant waivers of such requirements to up to the applicable numerical limitation specified in sections 1894(e)(1)(B) and 1934(e)(1)(B) of the Social Security Act' (42 U.S.C. 1395eee(e)(1)(B), 1396n-4(e)(1)(B)); and

"(B) in paragraph (2)—

"(i) in subparagraph (A), by striking ', including permitting the organization to assume progressively (over the initial 3-year period of the waiver) the full financial risk' and

"(ii) in subparagraph (C), by adding at the end the following: 'In granting further extensions, an organization shall not be required to provide for reporting of information which is only required because of the demonstration nature of the project.'

"(2) Elimination of Replication Requirement.—Section 9412(b)(2)(B) of such Act, as so amended, shall not apply to waivers granted under such section after the date of the enactment of this Act [Aug. 5, 1997].

"(3) Timely Consideration of Applications.—In considering an application for waivers under such section before the effective date of the repeal under subsection (d), subject to the numerical limitation under the amendment made by paragraph (1), the application shall be deemed approved unless the Secretary of Health and Human Services, within 90 days after the date of its submission to the Secretary, either denies such request in writing or informs the applicant in writing with respect to any additional information which is needed in order to make a final determination with respect to the application. After the date the Secretary receives such additional information, the application shall be deemed approved unless the Secretary, within 90 days of such date, denies such request.

"(4) Priority and Special Consideration in Application.—During the 3-year period beginning on the date of the enactment of this Act [Aug. 5, 1997]:

"(1) Provider Status.—The Secretary of Health and Human Services shall give priority in processing applications of entities to qualify as PACE programs under section 1894 or 1934 of the Social Security Act (42 U.S.C. 1395eee, 1396a–4)—

"(A) first, to entities that are operating a PACE demonstration waiver program (as defined in sections 1894(a)(7) and 1934(a)(7) of such Act (42 U.S.C. 1395eee(a)(7), 1396a–4(a)(7))); and

"(B) then to entities that have applied to operate such a program as of May 1, 1997.

"(2) New Waivers.—The Secretary shall give priority in the awarding of additional waivers under section 9412(b) of the Omnibus Budget Reconciliation Act of 1986 (see subsection (d) below)—

"(A) to any entities that have applied for such waivers under such section as of May 1, 1997; and

"(B) to any entity that, as of May 1, 1997, has formally contracted with a State to provide services for which payment is made on a capitated basis with an understanding that the entity was seeking to become a PACE provider.

"(3) Special Consideration.—The Secretary shall give special consideration, in the processing of applications described in paragraph (1) and the awarding of waivers described in paragraph (2), to an entity which as of May 1, 1997, through formal activities (such as entering into contracts for feasibility studies) has indicated a specific intent to become a PACE provider.

"(d) Repeal of Current PACE Demonstration Project Waiver Authority.—

"(1) In General.—Subject to paragraph (2), the following provisions of law are repealed:

"(A) Section 603(c) of the Social Security Amendments of 1983 (Public Law 98–21) (97 Stat. 168).


"(C) Section 9412(b) of the Omnibus Budget Reconciliation Act of 1986 (Public Law 99–509) (100 Stat. 2062).

"(2) Delay in Application to Current Waivers.—

"(A) In General.—Subject to subparagraph (B), in the case of waivers granted with respect to a PACE program before July 1, 2000, the repeals made by paragraph (1) shall not apply until the end of a transition period (of up to 36 months) that begins on the initial effective date of such regulations, and that allows sufficient time for an orderly transition from demonstration project authority to general authority provided under the amendments made by this subtitle (subtitle I (§§ 4801–4804) of title IV of Pub. L. 105–33, enacting this section and section 1396u–4 of this title and amending sections 1396b, 1396d, 1396–5, and 1396v of this title).

"(B) State Option to Seek Extension of Current Period.—A State may elect to maintain the PACE programs which (as of the date of the enactment of this Act [Aug. 5, 1997]) were operating in the State under the authority described in paragraph (1) until a date (specified by the State) that is not later than 4 years after the initial effective date of regulations described in subsection (a). If a State makes such an election, the repeals made by paragraph (1) shall not apply to the programs for the date so specified, but only so long as such programs continue to operate under the same terms and conditions as apply to such programs as of the date of the enactment of this Act, and subparagraph (A) shall not apply to such programs.
§ 1395fff. Prospective payment for home health services

(a) In general

Notwithstanding section 1395x(v) of this title, the Secretary shall provide, for portions of cost reporting periods occurring on or after October 1, 2000, for payments for home health services in accordance with a prospective payment system established by the Secretary under this section.

(b) System of prospective payment for home health services

(1) In general

The Secretary shall establish under this subsection a prospective payment system for payment for all costs of home health services. Under the system under this subsection all services covered and paid on a reasonable cost basis under the medicare home health benefit as of August 5, 1997, including medical supplies, shall be paid for on the basis of a prospective payment amount determined under this subsection and applicable to the services involved. In implementing the system, the Secretary may provide for a transition (of not longer than 4 years) during which a portion of such payment is based on agency-specific costs, but only if such transition does not result in aggregate payments under this subchapter that exceed the aggregate payments that would be made if such a transition did not occur.

(2) Unit of payment

(A) In general

In defining a prospective payment amount under the system under this subsection, the Secretary shall consider an appropriate unit of service and the number, type, and duration of visits provided within that unit, potential changes in the mix of services provided within that unit and their cost, and a general system design that provides for continued access to quality services.

(B) 30-day unit of service

For purposes of implementing the prospective payment system with respect to home health units of service furnished during a year beginning with 2020, the Secretary shall apply a 30-day unit of service as the unit of service applied under this paragraph.

(3) Payment basis

(A) Initial basis

(i) In general

Under such system the Secretary shall provide for computation of a standard prospective payment amount (or amounts) as follows:

(I) Such amount (or amounts) shall initially be based on the most current audited cost report data available to the Secretary and shall be computed in a manner so that the total amounts payable under the system for the 12-month period beginning on the date the Secretary implements the system shall be equal to the total amount that would have been made if the system had not been in effect and if section 1395x(v)(1)(L)(ix) of this title had not been enacted.

(II) For the 12-month period beginning after the period described in subclause (I), such amount (or amounts) shall be equal to the amount (or amounts) determined under subclause (I), updated under subparagraph (B).

(III) Subject to clause (iii), for periods beginning after the period described in subclause (II), such amount (or amounts) shall be equal to the amount (or amounts) that would have been determined under subclause (I) that would have been made for fiscal year 2001 if the system had not been in effect and if section 1395x(v)(1)(L)(ix) of this title had not been enacted but if the reduction in limits described in clause (ii) had been in effect, updated under subparagraph (B).

Each such amount shall be standardized in a manner that eliminates the effect of variations in relative case mix and area wage adjustments among different home health agencies in a budget neutral manner consistent with the case mix and wage level adjustments provided under paragraph (4)(A). Under the system, the Sec-
Secretary may recognize regional differences or differences based upon whether or not the services or agency are in an urbanized area.

(ii) Reduction
The reduction described in this clause is a reduction by 15 percent in the cost limits and per beneficiary limits described in section 1395x(v)(1)(L) of this title, as those limits are in effect on September 30, 2000.

(iii) Adjustment for 2014 and subsequent years

(I) In general
Subject to subclause (II), for 2014 and subsequent years, the amount (or amounts) that would otherwise be applicable under clause (i)(III) shall be adjusted by a percentage determined appropriate by the Secretary to reflect such factors as changes in the number of visits in an episode, the mix of services in an episode, the level of intensity of services in an episode, the average cost of providing care per episode, and other factors that the Secretary considers to be relevant. In conducting the analysis under the preceding sentence, the Secretary may consider differences between hospital-based and freestanding agencies, between for-profit and nonprofit agencies, and between the resource costs of urban and rural agencies. Such adjustment shall be made before the update under subparagraph (B) is applied for the year.

(II) Transition
The Secretary shall provide for a 4-year phase-in (in equal increments) of the adjustment under subclause (I), with such adjustment being fully implemented for 2017. During each year of such phase-in, the amount of any adjustment under subclause (I) for the year may not exceed 3.5 percent of the amount (or amounts) applicable under clause (i)(III) as of March 23, 2010.

(iv) Budget neutrality for 2020
With respect to payments for home health units of service furnished that end during the 12-month period beginning January 1, 2020, the Secretary shall calculate a standard prospective payment amount (or amounts) for 30-day units of service (as described in paragraph (2)(B)) for the prospective payment system under this subsection. Such standard prospective payment amount (or amounts) shall be calculated in a manner such that the estimated aggregate amount of expenditures under the system during such period with application of paragraph (2)(B) is equal to the estimated aggregate amount of expenditures that otherwise would have been made under the system during such period if paragraph (2)(B) had not been enacted. The previous sentence shall be applied before (and not affect the application of) paragraph (3)(B). In calculating such amount (or amounts), the Secretary shall make assumptions about behavior changes that could occur as a result of the implementation of paragraph (2)(B) and the case-mix adjustment factors established under paragraph (4)(B) and shall provide a description of such assumptions in the notice and comment rulemaking used to implement this clause.

(B) Annual update

(i) In general
The standard prospective payment amount (or amounts) shall be adjusted for fiscal year 2002 and for fiscal year 2003 and for each subsequent year (beginning with 2004) in a prospective manner specified by the Secretary by the home health applicable increase percentage (as defined in clause (ii)) applicable to the fiscal year or year involved.

(ii) Home health applicable increase percentage
For purposes of this subparagraph, the term “home health applicable increase percentage” means, with respect to—

(I) each of fiscal years 2002 and 2003, the home health market basket percentage increase (as defined in clause (iii)) minus 1.1 percentage points;

(II) for the last calendar quarter of 2003 and the first calendar quarter of 2004, the home health market basket percentage increase;

(III) the last 3 calendar quarters of 2004, and all of 2005, the home health market basket percentage increase minus 0.8 percentage points;

(IV) 2006, 0 percent; and

(V) any subsequent year, subject to clauses (v) and (vi), the home health market basket percentage increase.

(iii) Home health market basket percentage increase
For purposes of this subsection, the term “home health market basket percentage increase” means, with respect to a fiscal year or year, a percentage (estimated by the Secretary before the beginning of the fiscal year or year) determined and applied with respect to the mix of goods and services included in home health services in the same manner as the market basket percentage increase under section 1395ww(b)(3)(B)(iii) of this title is determined and applied to the mix of goods and services comprising inpatient hospital services for the fiscal year or year. Notwithstanding the previous sentence, the home health market basket percentage increase for 2018 shall be 1 percent and for 2020 shall be 1.5 percent.

(iv) Adjustment for case mix changes
Insofar as the Secretary determines that the adjustments under paragraph (4)(A)(1) for a previous fiscal year or year (or esti-
mates that such adjustments for a future fiscal year or year did (or are likely to) result in a change in aggregate payments under this subsection during the fiscal year or year that are a result of changes in the coding or classification of different units of services that do not reflect real changes in case mix, the Secretary may adjust the standard prospective payment amount (or amounts) under paragraph (3) for subsequent fiscal years or years so as to eliminate the effect of such coding or classification changes.

(v) Adjustment if quality data not submitted

(I) Adjustment

For purposes of clause (i)(V), for 2007 and each subsequent year, in the case of a home health agency that does not submit data to the Secretary in accordance with subclauses (II) and (IV) with respect to such a year, the home health market basket percentage increase applicable under such clause for such year shall be reduced by 2 percentage points. Such reduction shall apply only with respect to the year involved, and the Secretary shall not take into account such reduction in computing the prospective payment amount under this section for a subsequent year, and the Medicare Payment Advisory Commission shall carry out the requirements under section 5201(d) of the Deficit Reduction Act of 2005.

(II) Submission of quality data

Subject to subclause (V), for 2007 and each subsequent year, each home health agency shall submit to the Secretary such data that the Secretary determines are appropriate for the measurement of health care quality. Such data shall be submitted in a form and manner, and at a time, specified by the Secretary for purposes of this clause.

(III) Public availability of data submitted

The Secretary shall establish procedures for making data submitted under subclause (II) and subclause (IV)(aa) available to the public. Such procedures shall ensure that a home health agency has the opportunity to review the data that is to be made public with respect to the agency prior to such data being made public.

(IV) Submission of additional data

(aa) In general

For the year beginning on the specified application date (as defined in subsection (a)(2)(E) of section 1395fff of this title), as applicable with respect to home health agencies and quality measures under subsection (c)(1) of such section and measures under subsection (d)(1) of such section, and each subsequent year, in addition to the data described in subclause (II), each home health agency shall submit to the Secretary data on such quality measures and any necessary data specified by the Secretary under such subsection (d)(1).

(bb) Standardized patient assessment data

For 2019 and each subsequent year, in addition to such data described in item (aa), each home health agency shall submit to the Secretary standardized patient assessment data required under subsection (b)(1) of section 1395fff of this title.

(cc) Submission

Data shall be submitted under items (aa) and (bb) in the form and manner, and at the time, specified by the Secretary for purposes of this clause.

(V) Non-duplication

To the extent data submitted under subclause (IV) duplicates other data required to be submitted under subclause (II), the submission of such data under subclause (IV) shall be in lieu of the submission of such data under subclause (II). The previous sentence shall not apply insofar as the Secretary determines it is necessary to avoid a delay in the implementation of section 1395fff of this title, taking into account the different specified application dates under subsection (a)(2)(E) of such section.

(vi) Adjustments

After determining the home health market basket percentage increase under clause (iii), and after application of clause (v), the Secretary shall reduce such percentage—

(I) for 2015 and each subsequent year (except 2018 and 2020), by the productivity adjustment described in section 1395ww(b)(3)(B)(i)(II) of this title; and

(II) for each of 2011, 2012, and 2013, by 1 percentage point.

The application of this clause may result in the home health market basket percentage increase under clause (iii) being less than 0.0 for a year, and may result in payment rates under the system under this subsection for a year being less than such payment rates for the preceding year.

(C) Adjustment for outliers

The Secretary shall reduce the standard prospective payment amount (or amounts) under this paragraph applicable to home health services furnished during a period by such proportion as will result in an aggregate reduction in payments for the period equal to 5 percent of the total payments estimated to be made based on the prospective payment system under this subsection for the period.

(D) Behavior assumptions and adjustments

(i) In general

The Secretary shall annually determine the impact of differences between assumed
behavior changes (as described in paragraph (3)(A)(iv)) and actual behavior changes on estimated aggregate expenditures under this subsection with respect to years beginning with 2020 and ending with 2026.

(ii) Permanent adjustments

The Secretary shall, at a time and in a manner determined appropriate, through notice and comment rulemaking, provide for one or more permanent increases or decreases to the standard prospective payment amount (or amounts) for applicable years, on a prospective basis, to offset for such increases or decreases in estimated aggregate expenditures (as determined under clause (i)).

(iii) Temporary adjustments for retrospective behavior

The Secretary shall, at a time and in a manner determined appropriate, through notice and comment rulemaking, provide for one or more temporary increases or decreases to the payment amount for a unit of home health services (as determined under paragraph (4)) for applicable years, on a prospective basis, to offset for such increases or decreases in estimated aggregate expenditures (as determined under clause (i)). Such a temporary increase or decrease shall apply only with respect to the year for which such temporary increase or decrease is made, and the Secretary shall not take into account such a temporary increase or decrease in computing such amount under this subsection for a subsequent year.

(4) Payment computation

(A) In general

The payment amount for a unit of home health services shall be the applicable standard prospective payment amount adjusted as follows:

(i) Case mix adjustment

The amount shall be adjusted by an appropriate case mix adjustment factor (established under subparagraph (B)).

(ii) Area wage adjustment

The portion of such amount that the Secretary estimates to be attributable to wages and wage-related costs shall be adjusted for geographic differences in such costs by an area wage adjustment factor (established under subparagraph (C)) for the area in which the services are furnished or such other area as the Secretary may specify.

(B) Establishment of case mix adjustment factors

(i) In general

The Secretary shall establish appropriate case mix adjustment factors for home health services in a manner that explains a significant amount of the variation in cost among different units of services.

(ii) Treatment of therapy thresholds

For 2020 and subsequent years, the Secretary shall eliminate the use of therapy thresholds (established by the Secretary) in case mix adjustment factors established under clause (i) for calculating payments under the prospective payment system under this subsection.

(C) Establishment of area wage adjustment factors

The Secretary shall establish area wage adjustment factors that reflect the relative level of wages and wage-related costs applicable to the furnishing of home health services in a geographic area compared to the national average applicable level. Such factors may be the factors used by the Secretary for purposes of section 1395ww(d)(3)(E) of this title.

(5) Outliers

(A) In general

Subject to subparagraph (B), the Secretary may provide for an addition or adjustment to the payment amount otherwise made in the case of outliers because of unusual variations in the type or amount of medically necessary care. The total amount of the additional payments or payment adjustments made under this paragraph with respect to a fiscal year or year may not exceed 2.5 percent of the total payments projected or estimated to be made based on the prospective payment system under this subsection in that year.

(B) Program specific outlier cap

The estimated total amount of additional payments or payment adjustments made under subparagraph (A) with respect to a home health agency for a year (beginning with 2011) may not exceed an amount equal to 10 percent of the estimated total amount of payments made under this section (without regard to this paragraph) with respect to the home health agency for the year.

(6) Proration of prospective payment amounts

If a beneficiary elects to transfer to, or receive services from, another home health agency within the period covered by the prospective payment amount, the payment shall be prorated between the home health agencies involved.

(c) Requirements for payment information

With respect to home health services furnished on or after October 1, 1998, no claim for such a service may be paid under this subchapter unless—

(1) the claim has the unique identifier (provided under section 1395u(r) of this title) for the physician who prescribed the services or made the certification described in section 1395(a)(2) or 1395n(a)(2)(A) of this title;

(2) in the case of a service visit described in paragraph (1), (2), (3), or (4) of section 1395n(m) of this title, the claim contains a code (or codes) specified by the Secretary that identifies the length of time of the service visit, as measured in 15 minute increments; and
(3) in the case of home health services furnished on or after January 1, 2019, the claim contains the code for the county (or equivalent area) in which the home health service was furnished.

(d) Limitation on review

There shall be no administrative or judicial review under section 1395fff of this title, or otherwise of—

(1) the establishment of a transition period under subsection (b)(1);
(2) the definition and application of payment units under subsection (b)(2);
(3) the computation of initial standard prospective payment amounts under subsection (b)(3)(A) (including the reduction described in clause (ii) of such subsection);
(4) the establishment of the adjustment for outliers under subsection (b)(3)(C);
(5) the establishment of case mix and area wage adjustments under subsection (b)(4); and
(6) the establishment of any adjustments for outliers under subsection (b)(3)(B).

(e) Construction related to home health services

(1) Telecommunications

Nothing in this section shall be construed as preventing a home health agency furnishing a home health unit of service for which payment is made under the prospective payment system established by this section for such units of service from furnishing services via a telecommunications system if such services—

(A) do not substitute for in-person home health services ordered as part of a plan of care certified by a physician pursuant to section 1395f(a)(2)(C) or 1395n(a)(2)(A) of this title; and

(B) are not considered a home health visit for purposes of eligibility or payment under this subchapter.

(2) Physician certification

Nothing in this section shall be construed as waiving the requirement for a physician certification under section 1395f(a)(2)(C) or 1395n(a)(2)(A) of this title for the payment for home health services, whether or not furnished via a telecommunications system.


REFERENCES IN TEXT


AMENDMENTS


Subsection (b)(3)(B)(ii). Pub. L. 115–123, § 53110(1), inserted “and for 2020 shall be 1.5 percent” after “1 percent”.


2015—Subsection (b)(3)(B)(iii). Pub. L. 114–10, § 411(c)(1), inserted at end “Notwithstanding the previous sentence, the home health market basket percentage increase for 2018 shall be 1 percent.”


Subsection (b)(3)(B)(v). Pub. L. 113–185, § 2(c)(1)(A), substituted “subclauses (II) and (IV)” for “subclause (II)”.


Subsec. (b)(5). Pub. L. 108–173, §701(a)(5), inserted “or year” after “fiscal year”.


Subsec. (b)(3)(A)(i)(I). Pub. L. 106–554, §1(a)(6) [title II], §302(b), amended heading and text of cl. (i) generally. Prior to amendment, text read as follows: “Under such system the Secretary shall provide for computation of a standard prospective payment amount (or amounts). Such amount (or amounts) shall initially be based on the most current audited cost report data available to the Secretary and shall be computed in a manner such that the total amounts payable under the system for fiscal year 2001 shall be equal to the total amount that would have been made if the system had not been in effect but if the reduction in limits described in clause (i) had been in effect. Such amount shall be standardized in a manner that eliminates the effect of variations in relative case mix and wage levels among different home health agencies in a budget neutral manner consistent with the case mix and wage level adjustments provided under paragraph (4)(A).

Under the system, the Secretary may recognize regional differences or differences based upon whether or not the services or agency are in an urbanized area.

Subsec. (b)(3)(A)(i)(II). Pub. L. 106–113, §1000(a)(6) [title III, §303(b)], which directed that the second sentence of cl. (i) be amended in subcl. (I) by the insertion of “and if section 1395x(v)(1)(L)(ix) of this title had not been enacted” before semicolon, was executed by making the insertion before the period at end of subcl. (I) to reflect the probable intent of Congress.

Subsec. (b)(3)(A)(i)(III). Pub. L. 106–113, §1000(a)(6) [title III, §303(b)(2)], inserted “and if section 1395x(v)(1)(L)(ix) of this title had not been enacted” after “if the system had not been in effect”.


1998—Subsec. (a). Pub. L. 105–277, §510(c)(1)(B)(ii), substituted “for portions of cost reporting periods occurring on or after October 1, 2000” for “for cost reporting periods beginning on or after October 1, 1999”.


Subsec. (b)(3)(B)(i). Pub. L. 105–277, §510(d)(2)(A), substituted “home health applicable increase percentage (as defined in clause (ii))” for “home health market basket percentage increase”.


Amendment by section 1000(a)(6) [title III, §303(b)] of Pub. L. 106–113 applicable to services furnished by home health agencies for cost reporting periods beginning on or after Oct. 1, 1999, see section 1000(a)(6) [title III, §303(c)] of Pub. L. 106–113, set out as a note under section 1385x of this title.


Effective Date
Pub. L. 105–33, title IV, §4609(d), Aug. 5, 1997, 111 Stat. 471, as amended by Pub. L. 105–277, div. J, title V, §501(c)(2), Oct. 21, 1998, 112 Stat. 2611–914, provided that: “(I) IN GENERAL.—The Secretary of Health and Human Services (in this section referred to as the ‘Secretary’) shall conduct a study on home health agency costs involved with providing ongoing access to care to low-income Medicare beneficiaries or beneficiaries in medically underserved areas, and in treating beneficiaries with varying levels of severity of illness. In conducting the study, the Secretary may analyze items such as the following:

(A) Methods to potentially revise the home health prospective payment system under section 1865 of the Social Security Act (42 U.S.C. 1395ff) to account for costs related to patient severity of illness or to improving beneficiary access to care, such as—

(i) payment adjustments for services that may involve additional or fewer resources;

(ii) changes to reflect resources involved with providing home health services to low-income Medicare beneficiaries or Medicare beneficiaries residing in medically underserved areas;

(iii) ways outlier payments might be revised to reflect costs of treating Medicare beneficiaries with high levels of severity of illness; and

(iv) other issues determined appropriate by the Secretary;

(B) Operational issues involved with potential implementation of potential revisions to the home health payment system, including impacts for both home health agencies and administrative and systems issues for the Centers for Medicare & Medicaid Services, and any possible payment vulnerabilities associated with implementing potential revisions.

(C) Whether additional research might be needed.

(D) Other items determined appropriate by the Secretary.
TITLE 42—THE PUBLIC HEALTH AND WELFARE

§ 1395fff

TEMPORARY INCREASE FOR HOME HEALTH SERVICES FURNISHED IN A RURAL AREA


“(a) IN GENERAL.—With respect to episodes and visits ending on or after April 1, 2004, and before April 1, 2005, episodes and visits beginning on or after January 1, 2006, and before January 1, 2007, and episodes and visits ending on or after April 1, 2010, and before January 1, 2019, in the case of home health services furnished in a rural area (as defined in section 1866(d)(2)(D) of the Social Security Act (42 U.S.C. 1395w–21(d)(2)(D)), the Secretary [of Health and Human Services] shall increase the payment amount otherwise made under section 1886 of such Act (42 U.S.C. 1395f) for such services by 5 percent (or, in the case of episodes and visits ending on or after April 1, 2010, and before January 1, 2019, 3 percent).

“(b) Subsequent Temporary Increase.—

“(1) IN GENERAL.—The Secretary shall increase the payment amount otherwise made under section 1886 for home health services furnished in a county (or equivalent area) based on the number of Medicare home health episodes furnished per 100 individuals who are entitled to, or enrolled for, benefits under part A of title XVIII of the Social Security Act (42 U.S.C. 1395c et seq.) or enrolled for benefits under part B of such title (42 U.S.C. 1395 et seq.) during the period of fiscal years 2015 through 2019, by 0.5 percent; and

“(ii) The Secretary shall exclude data from the period of fiscal years 2015 through 2019, by 1 percent; and

“(iv) in the case of episodes and visits ending during 2020, by 0.5 percent.

“(B) NO EFFECT ON SUBSEQUENT PERIODS.—A payment adjustment resulting from the application of subparagraph (A) for a period—

“(i) shall not apply to payments for home health services under title XVIII (42 U.S.C. 1395 et seq.) after such period; and

“(ii) shall not be taken into account in calculating the payment amounts applicable for such services after such period.

“(D) DURATION.—If the Secretary determines it appropriate to conduct the demonstration project under this subsection, the Secretary shall conduct the project for a four year period beginning not later than January 1, 2015.

“(F) EVALUATION AND REPORT.—If the Secretary determines it appropriate to conduct the demonstration project under this subsection, the Secretary—

“(i) provide for an evaluation of the project; and

“(ii) submit to Congress, by a date specified by the Secretary, a report on the project.
§ 1395ff

TITLE 42—THE PUBLIC HEALTH AND WELFARE

Page 3620

“(iii) The Secretary may exclude data from counties (or equivalent areas) in rural areas with a low volume of home health episodes (and if data is so excluded with respect to any county (or equivalent area), such county (or equivalent area) shall not be described in such paragraph).

“(C) Population Density.—In determining population density under paragraph (1)(B), the Secretary shall use data from the 2010 decennial Census.

“(3) LIMITATIONS ON REVIEW.—There shall be no administrative or judicial review under section 1869 [probably means section 1869 of the Social Security Act, 42 U.S.C. 1395ff], section 1878 [probably means section 1878 of the Social Security Act, 42 U.S.C. 1395w-2], or otherwise of determinations under paragraph (1).

“(c) WAIVING BUDGET NEUTRALITY.—The Secretary shall not reduce the standard prospective payment amount (or amounts) under section 1886 of the Social Security Act (42 U.S.C. 1395ff) applicable to home health services furnished during a period to offset the increase in payments resulting from the application of subsection (a) or (b).

“(d) NO EFFECT ON SUBSEQUENT PERIODS.—The payment increase provided under subsection (a) or (b) for a period under such subsection—

“(1) shall not apply to episodes and visits ending after such period; and

“(2) shall not be taken into account in calculating the payment amounts applicable for episodes and visits occurring after such period.

DEMONSTRATION PROJECT FOR MEDICAL ADULT DAY-CARE SERVICES


“(a) Establishment.—Subject to the succeeding provisions of this section, the Secretary [of Health and Human Services] shall establish a demonstration project (in this section referred to as the ‘demonstration project’) under which the Secretary shall, as part of a plan of an episode of care for home health services established for a medicare beneficiary, permit a home health agency, directly or under arrangements with a home health agency, to furnish medical adult day-care services in the State in which the home health agency, separately charge a beneficiary for medical adult day-care services furnished under the plan of care.

“(b) Payment.—

“(1) IN GENERAL.—Subject to paragraph (2), the amount of payment for an episode of care for home health services, a portion of which consists of substitute medical adult day-care services, under the demonstration project shall be made at a rate equal to 95 percent of the amount that would otherwise be applied for such home health services under section 1886 of the Social Security Act (42 U.S.C. 1395ff). In no case may a home health agency, or a medical adult day-care facility under arrangements with a home health agency, separately charge a beneficiary for medical adult day-care services furnished under the plan of care.

“(2) ADJUSTMENT IN CASE OF OVERUTILIZATION OF SUBSTITUTE ADULT DAY-CARE SERVICES TO ENSURE BUDGET NEUTRALITY.—The Secretary shall monitor the expenditures under the demonstration project and under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.) for home health services. If the Secretary estimates that the total expenditures under the demonstration project and under such title XVIII for home health services for a period determined by the Secretary exceed expenditures that would have been made under such title XVIII for home health services for such period if the demonstration project had not been conducted, the Secretary shall adjust the rate of payment to medical adult day-care facilities under paragraph (1) in order to eliminate such excess.

“(c) DEMONSTRATION PROJECT SITES.—The demonstration project established under this section shall be conducted in not more than 5 sites in States selected by the Secretary that license or certify providers of services that furnish medical adult day-care services.

“(d) DURATION.—The Secretary shall conduct the demonstration project for a period of 3 years.

“(e) VOLUNTARY PARTICIPATION.—Participation of medicare beneficiaries in the demonstration project shall be voluntary. The total number of such beneficiaries that may participate in the project at any given time may not exceed 15,000.

“(f) PREFERENCE IN SELECTING AGENCIES.—In selecting home health agencies to participate under the demonstration project, the Secretary shall give preference to those agencies that are currently licensed or certified through common ownership and control to furnish medical adult day-care services.

“(g) WAIVER AUTHORITY.—The Secretary may waive such requirements of title XVIII of the Social Security Act [42 U.S.C. 1395 et seq.] as may be necessary for the purposes of carrying out the demonstration project, other than waiving the requirement that an individual be homebound in order to be eligible for benefits for home health services.

“(h) EVALUATION AND REPORT.—The Secretary shall conduct an evaluation of the clinical and cost-effectiveness of the demonstration project. Not later than 6 months after the completion of the project, the Secretary shall submit to Congress a report on the evaluation, and shall include in the report the following:

“(1) An analysis of the patient outcomes and costs of furnishing care to the medicare beneficiaries participating in the project as compared to such outcomes and costs to beneficiaries receiving only home health services for the same health conditions.

“(2) Such recommendations regarding the extension, expansion, or termination of the project as the Secretary determines appropriate.

“(i) DEFINITIONS.—In this section:

“(1) HOME HEALTH AGENCY.—The term ‘home health agency’ has the meaning given such term in section 1861(e) of the Social Security Act (42 U.S.C. 1395x(e)).

“(2) MEDICAL ADULT DAY-CARE FACILITY.—The term ‘medical adult day-care facility’ means a facility that—

“(A) has been licensed or certified by a State to furnish medical adult day-care services in the State for a continuous 2-year period;

“(B) is engaged in providing skilled nursing services and other therapeutic services directly or under arrangement with a home health agency.

“(C) is licensed and certified by the State in which it operates or meets such standards established by the State to assure quality of care and such other requirements as the Secretary finds necessary in the interest of the health and safety of individuals who are furnished services in the facility; and

“(D) provides medical adult day-care services.

“(3) MEDICAL ADULT DAY-CARE SERVICES.—The term ‘medical adult day-care services’ means—

“(A) home health service items and services described in paragraphs (1) through (3) of section 1861(m) [probably means section 1861(m) of the Social Security Act, 42 U.S.C. 1395x(m)] furnished in a medical adult day-care facility;

“(B) a program of supervised activities furnished in a group setting in the facility that—

“(i) meet such criteria as the Secretary determines appropriate; and

“(ii) is designed to promote physical and mental health of the individuals; and

“(C) such other services as the Secretary may specify.

means part B of title XVIII of the Social Security Act, 42 U.S.C. 1395j et seq., or both."

TEMPORARY SUSPENSION OF OASIS REQUIREMENT FOR COLLECTION OF DATA ON NON-MEDICARE AND NON-MEDICAID PATIENTS


“(a) IN GENERAL.—During the period described in subsection (b), the Secretary [of Health and Human Services] may not require, under section 1862(e) of the Balanced Budget Act of 1997 (Public Law 105–33; 111 Stat. 467) [set out as a note under this section] or otherwise under OASIS, a home health agency to gather or submit information that relates to an individual who is not eligible for benefits under either title XVIII or title XIX of the Social Security Act [42 U.S.C. 1395 et seq., 1396 et seq.] (such information in this section referred to as ‘non-medicare/medicaid OASIS information’).

“(b) PERIOD OF SUSPENSION.—The period described in this subsection—

“(1) begins on the date of the enactment of this Act [Dec. 8, 2003]; and

“(2) ends on the last day of the second month beginning after the date as of which the Secretary has published final regulations regarding the collection and use by the Centers for Medicare & Medicaid Services of non-medicare/medicaid OASIS information following the submission of the report required under subsection (c).

“(c) REPORT.—

“(1) STUDY.—The Secretary shall conduct a study on how non-medicare/medicaid OASIS information is and can be used by large home health agencies. Such study shall examine—

“(A) whether there are unique benefits from the analysis of such information that cannot be derived from other information available to, or collected by, such agencies; and

“(B) the value of collecting such information by small home health agencies compared to the administrative burden related to such collection.

“In conducting the study the Secretary shall obtain recommendations from quality assessment experts in the use of such information and the necessity of small, as well as large, home health agencies collecting such information.

“(2) REPORT.—The Secretary shall submit to Congress a report on the study conducted under paragraph (1) by not later than 18 months after the date of the enactment of this Act [Dec. 8, 2003].

“(d) CONSTRUCTION.—Nothing in this section shall be construed as preventing home health agencies from collecting non-medicare/medicaid OASIS information for their own use.

MEDPAC STUDY ON MEDICARE MARGINS OF HOME HEALTH AGENCIES


“(a) STUDY.—The Medicare Payment Advisory Commission shall conduct a study of payment margins of home health agencies under the home health prospective payment system under section 1886 of the Social Security Act (42 U.S.C. 1395fff). Such study shall examine whether systematic differences in payment margins are related to differences in case mix [as measured by home health resource groups (HHRGs)] among such agencies. The study shall use the partial or full-year cost reports filed by home health agencies.

“(b) REPORT.—Not later than 2 years after the date of the enactment of this Act [Dec. 8, 2003], the Commission shall submit to Congress a report on the study under subsection (a)."

SPECIAL RULE FOR PAYMENT FOR FISCAL YEAR 2001 BASED ON ADJUSTED PROSPECTIVE PAYMENT AMOUNTS

Pub. L. 106–554, §1(a)(6) [title V, §502(b)], Dec. 21, 2000, 114 Stat. 2763, 2763A–530, provided that:

“(1) IN GENERAL.—Notwithstanding the amendments made by subsection (a) [amending section 1395x of this title], for purposes of making payments under section 1895(b) of the Social Security Act [42 U.S.C. 1395x(b)] for home health services furnished during fiscal year 2001, the Secretary of Health and Human Services shall—

“(A) with respect to episodes and visits ending on or after October 1, 2000, and before April 1, 2001, use the final standardized and budget neutral prospective payment amounts for 60-day episodes and standardized average per visit amounts for fiscal year 2001 as published by the Secretary in the Federal Register on July 3, 2000 (65 Fed. Reg. 41128–41214); and

“(B) with respect to episodes and visits ending on or after April 1, 2001, and before October 1, 2001, use such amounts increased by 2.2 percent.

“(2) NO EFFECT ON OTHER PAYMENTS OR DETERMINATIONS.—The Secretary shall not take the provisions of paragraph (1) into account for purposes of payments, determinations, or budget neutrality adjustments under section 1895 of the Social Security Act.”

TEMPORARY TWO-MONTH PERIODIC INTERIM PAYMENT

Pub. L. 106–554, §1(a)(6) [title V, §503], Dec. 21, 2000, 114 Stat. 2763, 2763A–530, provided that:

“(a) IN GENERAL.—Notwithstanding the amendments made by section 4003(b) of BBA [Pub. L. 105–33, amend- ing section 1395g of this title] (42 U.S.C. 1395g et seq.), in the case of a home health agency that was receiving periodic interim payments under section 1815(e)(2) of the Social Security Act (42 U.S.C. 1395gg(e)(2)) as of September 30, 2000, and that is not described in subsection (b), the Secretary of Health and Human Services shall, as soon as practicable, make a single periodic interim payment to such agency in an amount equal to four times the last full fortnightly periodic interim payment made to such agency under the payment system in effect prior to the implementation of the prospective payment system under section 1895(b) of such Act (42 U.S.C. 1395fff(b)). Such amount of such periodic interim payment shall be included in the tentative settlement of the last cost report for the home health agency under the payment system in effect prior to the implementation of such prospective payment system, regardless of the ending date of such cost report.

“(b) EXCEPTIONS.—The Secretary shall not make an additional periodic interim payment under subsection (a) in the case of a home health agency (determined as of the day such payment would otherwise be made) that—

“(1) notifies the Secretary that such agency does not want to receive such payment;

“(2) is not receiving payments pursuant to section 405.371 of title 42, Code of Federal Regulations;

“(3) is excluded from the medicare program under title XI of the Social Security Act [42 U.S.C. 1301 et seq.];

“(4) no longer has a provider agreement under section 1866 of such Act (42 U.S.C. 1395cc);

“(5) is no longer in business; or

“(6) is subject to a court order providing for the withholding of medicare payments under title XVIII of such Act [42 U.S.C. 1395 et seq.]."

TEMPORARY INCREASE FOR HOME HEALTH SERVICES FURNISHED IN A RURAL AREA

Pub. L. 106–554, §1(a)(6) [title V, §508], Dec. 21, 2000, 114 Stat. 2763, 2763A–530, provided that:

“(a) 24-MONTH INCREASE BEGINNING APRIL 1, 2001.—In the case of home health services furnished in a rural area (as defined in section 1866(a)(2)(D) of the Social Security Act [42 U.S.C. 1395ww(d)(2)(D)] on or after April 1, 2001, and before April 1, 2003, the Secretary of Health and Human Services shall increase the payment amount otherwise made under section 1866 of such Act (42 U.S.C. 1395fff) for such services by 10 percent.

“(b) WAIVING BUDGET NEUTRALITY.—The Secretary shall not reduce the standard prospective payment
amount (or amounts) under section 1895 of the Social Security Act (42 U.S.C. 1395fff) applicable to home health services furnished during a period to offset the increase in payments resulting from the application of subsection (a)."

**Clarification of Application of Temporary Payment Increases for 2001**

Pub. L. 106-554, §1(a)(6) [title V, §547(c)], Dec. 21, 2000, 114 Stat. 2783, 2783A-553, provided that:

```
(1) Transitional allowance for full marketbasket (sic) increase.—The payment increase provided under section 302(b)(1)(B) [set out as a note above] shall not apply to episodes and visits ending after fiscal year 2000 and shall not be taken into account in calculating the payment amounts applicable for subsequent episodes and visits.

(2) Temporary increase for rural home health services.—The payment increase provided under section 302(b)(1)(B) [set out as a note above] for the period beginning on April 1, 2001, and ending on September 30, 2002, shall not apply to episodes and visits ending after such period, and shall not be taken into account in calculating the payment amounts applicable for episodes and visits occurring after such period.
```

**Adjustment to Reflect Administrative Costs Not Included in the Interim Payment System: GAO Report on Costs of Compliance With Oasis Data Collection Requirements**

Pub. L. 106-113, div. B, §1000(a)(6) [title III, §301], Nov. 29, 1999, 113 Stat. 1356, 1356A-358, provided that:

```
(1) In general.—In the case of a home health agency that furnishes home health services to a Medicare beneficiary, for each such beneficiary to whom the agency furnished such services during the agency's cost reporting period beginning in fiscal year 2000, the Secretary of Health and Human Services shall pay the agency, in addition to any amount of payment made under section 1861(v)(1)(L) of the Social Security Act (42 U.S.C. 1395x(v)(1)(L)) for the beneficiary and only for such cost reporting period, an aggregate amount of $10 to defray costs incurred by the agency attributable to data collection and reporting requirements under the Outcome and Assessment Information Set (OASIS) required by reason of section 4602(a) of BBA (the Balanced Budget Act of 1997, Pub. L. 105-33) (42 U.S.C. 1395fff note).

(2) Payment schedule.

(A) Midyear payment.—Not later than April 1, 2000, the Secretary shall pay to a home health agency an amount that the Secretary estimates to be 50 percent of the aggregate amount payable to the agency by reason of this subsection.

(B) Upon settled cost report.—The Secretary shall pay the balance of amounts payable to an agency under this subsection on the date that the cost report submitted by the agency for the cost reporting period ending in fiscal year 2000 is settled.

(3) Payment from trust funds.—Payments under this subsection shall be made, in appropriate part as specified by the Secretary, from the Federal Hospital Insurance Trust Fund and from the Federal Supplementary Medical Insurance Trust Fund.

(4) Definitions.—In this subsection:

(A) Home health agency.—The term 'home health agency' has the meaning given that term under section 1861(o) of the Social Security Act (42 U.S.C. 1395x(o)).

(B) Home health services.—The term 'home health services' has the meaning given that term under section 1861(m) of such Act (42 U.S.C. 1395x(m)).

(C) Medicare beneficiary.—The term 'medicare beneficiary' means a beneficiary described in section 1861(v)(1)(L)(vi)(II) of the Social Security Act (42 U.S.C. 1395x(v)(1)(L)(vi)(II)).

```

(b) GAO Report on Costs of Compliance With Oasis Data Collection Requirements.

(1) Report to Congress.

(A) In general.—Not later than 180 days after the date of the enactment of this Act [Nov. 29, 1999], the Comptroller General of the United States shall submit to Congress a report on the matters described in subparagraph (B) with respect to the data collection requirement of patients of such agencies under the Outcome and Assessment Information Set (OASIS) as standard as part of the comprehensive assessment of patients.

(B) Matters studied.—For purposes of subparagraph (A), the matters described in this subparagraph include the following:

(i) An analysis of the cost incurred by Medicare home health agencies in complying with such data collection requirement.

(ii) An analysis of the effect of such data collection requirement on the privacy interests of patients from whom data is collected.

(C) Audit.—The Comptroller General shall conduct an independent audit of the costs described in subparagraph (B)(i). Not later than 180 days after receipt of the report under subparagraph (A), the Comptroller General shall submit to Congress a report describing the Comptroller General's findings with respect to such audit, and shall include comments on the report submitted to Congress by the Secretary of Health and Human Services under subparagraph (A).

(2) Definitions.—In this subsection:

(A) Comprehensive assessment of patients.—The term 'comprehensive assessment of patients' means the rule published by the Health Care Financing Administration that requires, as a condition of participation in the Medicare program, a home health agency to provide a patient-specific comprehensive assessment that accurately reflects the patient's current status and that incorporates the Outcome and Assessment Information Set (OASIS).

(B) Outcome and Assessment Information set.—The term 'Outcome and Assessment Information Set' means the standard provided under the rule relating to data items that must be used in conducting a comprehensive assessment of patients.

Report to Congress on Need for Reductions


```
(1) In general.—Not later than April 1, 2002, the Comptroller General of the United States shall submit to Congress a report analyzing the need for the 15 percent reduction under subsection (b)(3)(A)(i)(I) of such section (42 U.S.C. 1395fff(b)(3)(A)(i)(I)), or for any reduction, in the computation of the base payment amounts under the prospective payment system for home health services established under such section.
```

Study and Report to Congress Regarding Exemption of Rural Agencies and Populations From Inclusion in Home Health Prospective Payment System


```
(a) Study.—The Medicare Payment Advisory Commission (referred to in this section as 'MedPAC') shall conduct a study to determine the feasibility and advisability of exempting home health services provided by a home health agency (or by others under arrangements with such agency) located in a rural area, or to an individual residing in a rural area, from payment under the prospective payment system for such services established by the Secretary of Health and Human Services in accordance with section 1895 of the Social Security Act (42 U.S.C. 1395fff).
```
“(b) REPORT.—Not later than 2 years after the date of the enactment of this Act [Nov. 29, 1999], MedPAC shall submit a report to Congress on the study conducted under subsection (a), together with any recommendations for legislation that MedPAC determines to be appropriate as a result of such study.”

CASH MIX SYSTEM DEVELOPMENT
Pub. L. 105–33, title IV, § 4692(d), Aug. 5, 1997, 111 Stat. 467, provided that: “The Secretary of Health and Human Services shall expand research on a prospective payment system for home health agencies under the medicare program that ties prospective payments to a unit of service, including an intensive effort to develop a reliable case mix adjustor that explains a significant amount of the variances in costs.”

CASH MIX SYSTEM; SUBMISSION OF DATA
Pub. L. 105–33, title IV, § 4692(e), Aug. 5, 1997, 111 Stat. 467, provided that: “Effective for cost reporting periods beginning on or after October 1, 1997, the Secretary of Health and Human Services may require all home health agencies to submit additional information that the Secretary considers necessary for the development of a reliable case mix system.”

PROSPECTIVE PAYMENT SYSTEM CONTINGENCY
Pub. L. 105–33, title IV, § 4693(b), Aug. 5, 1997, 111 Stat. 471, as amended by Pub. L. 106–277, div. J, title V, § 5101(c)(3), Oct. 21, 1998, 112 Stat. 2681–914, provided that if the Secretary of Health and Human Services did not establish and implement the prospective payment system for home health services described in subsec. (b) of this section for portions of cost reporting periods described in section 4693(d) of Pub. L. 105–33 (set out as a note above), for such portions the Secretary was to provide for a reduction by 15 percent in the cost limits and per beneficiary limits described in section 1395x(v)(1)(L) of this title, as those limits would otherwise have been in effect on Sept. 30, 2000, prior to repeal by Pub. L. 106–113, div. B, § 1000(a)(6) [title III, § 302(a)], Nov. 29, 1999, 113 Stat. 1536, 1501A–359.

REPORTS TO CONGRESS REGARDING HOME HEALTH COST CONTAINMENT
Pub. L. 105–33, title IV, § 4616, Aug. 5, 1997, 111 Stat. 475, provided that:

“(a) ESTIMATE.—Not later than 1 year after the enactment of this Act [Aug. 5, 1997], the Secretary of Health and Human Services shall submit to the Committees on Commerce and Ways and Means of the House of Representatives and the Committee on Finance of the Senate a report that includes an estimate of the outlays that will be made under parts A and B of title XVIII of the Public Health Service Act [42 U.S.C. 1395 et seq., 1395j et seq.] for the provision of home health services during each of fiscal years 1998 through 2002.

“(b) ANNUAL REPORT.—Not later than the end of each of years 1999 through 2002, the Secretary shall submit to such Committees a report that compares the actual outlays under such parts for such services during the fiscal year ending in the year, to the outlays estimated under subsection (a) for such fiscal year. If the Secretary finds that such actual outlays were greater than such estimated outlays for the fiscal year, the Secretary shall include in the report recommendations regarding beneficiary copayments for home health services provided under the medicare program or such other methods as will reduce the growth in outlays for home health services under the medicare program.”

§ 1395ggg. Omitted

CODIFICATION

§ 1395hhh. Health care infrastructure improvement program

(a) Establishment

The Secretary shall establish a loan program that provides loans to qualifying hospitals for payment of the capital costs of projects described in subsection (d).

(b) Application

No loan may be provided under this section to a qualifying hospital except pursuant to an application that is submitted and approved in a time, manner, and form specified by the Secretary. A loan under this section shall be on such terms and conditions and meet such requirements as the Secretary determines appropriate.

(c) Selection criteria

(1) In general

The Secretary shall establish criteria for selecting among qualifying hospitals that apply for a loan under this section. Such criteria shall consider the extent to which the project for which loan is sought is nationally or regionally significant, in terms of expanding or improving the health care infrastructure of the United States or the region or in terms of the medical benefit that the project will have.

(2) Qualifying hospital defined

For purposes of this section, the term “qualifying hospital” means a hospital or an entity described in paragraph (3) that—

(A) is engaged in research in the causes, prevention, and treatment of cancer; and

(B) is designated as a cancer center for the National Cancer Institute or is designated by the State legislature as the official cancer institute of the State and such designation by the State legislature occurred prior to December 8, 2003.

(3) Entity described

An entity described in this paragraph is an entity that—

(A) is described in section 501(c)(3) of the Internal Revenue Code of 1986 and exempt from tax under section 501(a) of such Code;

(B) has at least 1 existing memorandum of understanding or affiliation agreement with a hospital located in the State in which the entity is located; and

(C) retains clinical outpatient treatment for cancer on site as well as lab research and education and outreach for cancer in the same facility.

(d) Projects

A project described in this subsection is a project of a qualifying hospital that is designed to improve the health care infrastructure of the hospital, including construction, renovation, or other capital improvements.
(e) State and local permits

The provision of a loan under this section with respect to a project shall not—

(1) relieve any recipient of the loan of any obligation to obtain any required State or local permit or approval with respect to the project;

(2) limit the right of any unit of State or local government to approve or regulate any rate of return on private equity invested in the project; or

(3) otherwise supersede any State or local law (including any regulation) applicable to the construction or operation of the project.

(f) Forgiveness of indebtedness

The Secretary may forgive a loan provided to a qualifying hospital under this section under terms and conditions that are analogous to the loan forgiveness provision for student loans under part D of title IV of the Higher Education Act of 1965 (20 U.S.C. 1087a et seq.), except that the Secretary shall condition such forgiveness on the establishment by the hospital of—

(A) an outreach program for cancer prevention, early diagnosis, and treatment that provides services to a substantial majority of the residents of a State or region, including residents of rural areas;

(B) an outreach program for cancer prevention, early diagnosis, and treatment that provides services to multiple Indian tribes; and

(C)(i) unique research resources (such as population databases); or

(ii) an affiliation with an entity that has unique research resources.

(g) Funding

(1) In general

There are appropriated, out of amounts in the Treasury not otherwise appropriated, to carry out this section, $200,000,000, to remain available during the period beginning on July 1, 2004, and ending on September 30, 2008.

(2) Administrative costs

From funds made available under paragraph (1), the Secretary may use, for the administration of this section, not more than $2,000,000 for each of fiscal years 2004 through 2008.

(3) Availability

Amounts appropriated under this section shall be available for obligation on July 1, 2004.

(h) Report to Congress

Not later than 4 years after December 8, 2003, the Secretary shall submit to Congress a report on the projects for which loans are provided under this section and a recommendation as to whether the Congress should authorize the Secretary to continue loans under this section beyond fiscal year 2008.

(i) Limitation on review

There shall be no administrative or judicial review of any determination made by the Secretary under this section.

References in Text

The Internal Revenue Code of 1986, referred to in subsec. (c)(3)(A), is classified generally to Title 26, Internal Revenue Code.


Amendments


Subsec. (c)(2)(B). Pub. L. 109–13, § 6045(a)(1)(B), inserted “legislature” after “designated by the State” and “and such designation by the State legislature occurred prior to December 8, 2003” before period at end.


Effective Date of 2005 Amendment


§ 1395iii. Medicare Improvement Fund

(a) Establishment

The Secretary shall establish under this subchapter a Medicare Improvement Fund (in this section referred to as the “Fund”) which shall be available to the Secretary to make improvements under the original Medicare fee-for-service program under parts A and B for individuals entitled to, or enrolled for, benefits under part 1 or enrolled under part B including adjustments to payments for items and services furnished by providers of services and suppliers under such original Medicare fee-for-service program.

(b) Funding

(1) In general

There shall be available to the Fund, for expenditures from the Fund for services furnished during and after fiscal year 2021, $0.

(2) Payment from Trust Funds

The amount specified under paragraph (1) shall be available to the Fund, as expenditures are made from the Fund, from the Federal Hospital Insurance Trust Fund and the Federal Supplementary Medical Insurance Trust Fund in such proportion as the Secretary determines appropriate.

(3) Funding limitation

Amounts in the Fund shall be available in advance of appropriations but only if the total amount obligated from the Fund does not exceed the amount available to the Fund under paragraph (1). The Secretary may obligate funds from the Fund only if the Secretary determines (and the Chief Actuary of the Centers for Medicare & Medicaid Services and the appropriate budget officer certify) that there 1

1 So in original.
are available in the Fund sufficient amounts to cover all such obligations incurred consistent with the previous sentence.

(4) No effect on payments in subsequent years

In the case that expenditures from the Fund are applied to, or otherwise affect, a payment rate for an item or service under this subchapter for a year, the payment rate for such item or service shall be computed for a subsequent year as if such application or effect had never occurred.


AMENDMENTS

2018—Subsec. (b)(1). Pub. L. 115–123 substituted “$0” for “$220,000,000.”

2017—Subsec. (b)(1). Pub. L. 115–63 substituted “during and after fiscal year 2021, $220,000,000” for “during and after fiscal year 2021, $270,000,000.”

2016—Subsec. (b)(1). Pub. L. 114–255 substituted “$270,000,000” for “$140,000,000.”

Pub. L. 114–198 substituted “during and after fiscal year 2021, $140,000,000” for “during and after fiscal year 2020, $0”.

2015—Subsec. (b)(1). Pub. L. 114–115 substituted “$5,000,000” for “$5,000,000”.

Pub. L. 114–113 substituted “$5,000,000” for “$350,000,000”.

Pub. L. 114–60 substituted “$305,000,000” for “$0”.

Pub. L. 114–10 substituted “$0” for “$195,000,000”.

2014—Pub. L. 113–185, § 3(e)(1), substituted “Transitional Fund for Sustainable Growth Rate (SGR) Reform” for “Medicare Improvement Fund” in section catchline.

Pub. L. 113–82, § 3(c)(1), substituted “Transitional Fund for Sustainable Growth Rate (SGR) Reform” for “Medicare Improvement Fund” in section catchline.

Subsec. (a). Pub. L. 113–185, § 3(e)(2), amended subsec. (a) generally. Prior to amendment, text read as follows: “The Secretary shall establish under this subchapter a Medicare Improvement Fund in (in this section referred to as the ‘Fund’) which shall be available to the Secretary to make improvements under the original medicare fee-for-service program under parts A and B for individuals entitled to, or enrolled for, benefits under part A or enrolled under part B including, but not limited to, an increase in the conversion factor under section 1395w–4(d) of this title to address, in whole or in part, any projected shortfall in the conversion factor for 2014 relative to the conversion factor for 2008 and adjustments to payments for items and services furnished by providers of services and suppliers under such original medicare fee-for-service program.”

Subsec. (b)(1). Pub. L. 113–185, § 3(e)(3), substituted “during and after fiscal year 2020, $190,000,000.” for “during or after 2017, $0.”

Pub. L. 113–93 substituted “$0” for “$2,300,000,000.”

Subsec. (b)(3). Pub. L. 113–182, § 3(g), substituted “during or after 2017, $3,200,000,000.” for “during—

"(A) fiscal year 2014, $0; and

"(B) fiscal year 2015, $0.”

Subsec. (b)(2). Pub. L. 113–185, § 3(e)(4), substituted “from the Federal Hospital Insurance Trust Fund and the Federal Supplementary Medical Insurance Trust Fund in such proportion as the Secretary determines appropriate.” for “from the Federal Supplementary Medical Insurance Trust Fund.”

Pub. L. 113–82, § 3(d), substituted “from the Federal Supplementary Medical Insurance Trust Fund and the Federal Hospital Insurance Trust Fund in such proportion as the Secretary determines appropriate.” for “from the Federal Hospital Insurance Trust Fund.”

2013—Subsec. (b)(1). Pub. L. 112–240 added subpars. (A) and (B) and struck out former subpars. (A) to (C) which read as follows:

“(A) fiscal year 2014, $0; and

“(B) fiscal year 2015, $275,000,000; and

“(C) fiscal year 2020 and each subsequent fiscal year, the Secretary’s estimate, as of July 1 of the fiscal year, of the aggregate reduction in expenditures under this subchapter during the preceding fiscal year directly resulting from the reduction in payment amounts under sections 1395w–4(a)(7), 1395w–23(i)(4), 1395w–23(m)(4), and 1395ww(b)(3)(B)(ix) of this title.”

2010—Subsec. (b)(1)(A). Pub. L. 111–118, which directed substitution of “$0” for “$22,290,000,000.” was executed by making the substitution for “$20,740,000,000.” to reflect the probable intent of Congress and the intervening amendment by Pub. L. 111–119, § 101(h)(1)(A). See 2009 Amendment note below.


2009—Subsec. (a). Pub. L. 111–5, § 4103(b)(1), inserted “medicare” before “fee-for-service program under” and “including, but not limited to, an increase in the conversion factor under section 1395w–4(d) of this title to address, in whole or in part, any projected shortfall in the conversion factor for 2014 relative to the conversion factor for 2008 and adjustments to payments for items and services furnished by providers of services and suppliers under such original medicare fee-for-service program” before period at end.

Subsec. (b)(1). Pub. L. 111–5, § 4103(b)(2)(A), substituted “during—” for “during fiscal year 2014, $2,290,000,000 and, in addition for services furnished during fiscal years 2014 through 2017, $19,900,000,000.” and added subpars. (A) and (B).

Subsec. (b)(1)(A). Pub. L. 111–118, § 101(b)(1)(A), substituted “$20,740,000,000” for “$22,290,000,000”.

Subsec. (b)(1)(B), (C). Pub. L. 111–118, § 101(b)(1)(B)(3), added subpar. (B) and redesignated former subpar. (B) as (C).


2008—Subsec. (b)(1). Pub. L. 110–379 substituted “$2,290,000,000” for “$2,220,000,000”.

Pub. L. 110–276 inserted “and, in addition for services furnished during fiscal years 2014 through 2017, $19,900,000,000” before period at end.
§ 1395jjj. Shared savings program

(a) Establishment

(1) In general

Not later than January 1, 2012, the Secretary shall establish a shared savings program (in this section referred to as the “program”) that promotes accountability for a patient population and coordinates items and services under parts A and B, and encourages investment in infrastructure and redesigned care processes for high quality and efficient service delivery. Under such program—

(A) groups of providers of services and suppliers meeting criteria specified by the Secretary may work together to manage and coordinate care for Medicare fee-for-service beneficiaries through an accountable care organization (referred to in this section as an “ACO”); and

(B) ACOs that meet quality performance standards established by the Secretary are eligible to receive payments for shared savings under subsection (d)(2).

(b) Eligible ACOs

(1) In general

Subject to the succeeding provisions of this subsection, as determined appropriate by the Secretary, the following groups of providers of services and suppliers which have established a mechanism for shared governance are eligible to participate as ACOs under the program under this section:

(A) ACO professionals in group practice arrangements.

(B) Networks of individual practices of ACO professionals.

(C) Partnerships or joint venture arrangements between hospitals and ACO professionals.

(D) Hospitals employing ACO professionals.

(E) Such other groups of providers of services and suppliers as the Secretary determines appropriate.

(2) Requirements

An ACO shall meet the following requirements:

(A) The ACO shall be willing to become accountable for the quality, cost, and overall care of the Medicare fee-for-service beneficiaries assigned to it.

(B) The ACO shall enter into an agreement with the Secretary to participate in the program for not less than a 3-year period (referred to in this section as the “agreement period”).

(C) The ACO shall have a formal legal structure that would allow the organization to receive and distribute payments for shared savings under subsection (d)(2) to participating providers of services and supplies.

(D) The ACO shall include primary care ACO professionals that are sufficient for the number of Medicare fee-for-service beneficiaries assigned to the ACO under subsection (c). At a minimum, the ACO shall have at least 5,000 such beneficiaries assigned to it under subsection (c) in order to be eligible to participate in the ACO program.

(E) The ACO shall provide the Secretary with such information regarding ACO professionals participating in the ACO as the Secretary determines necessary to support the assignment of Medicare fee-for-service beneficiaries to an ACO, the implementation of quality and other reporting requirements under paragraph (3), and the determination of payments for shared savings under subsection (d)(2).

(F) The ACO shall have in place a leadership and management structure that includes clinical and administrative systems.

(G) The ACO shall define processes to promote evidence-based medicine and patient engagement, report on quality and cost measures, and coordinate care, such as through the use of telehealth, remote patient monitoring, and other such enabling technologies.

(H) The ACO shall demonstrate to the Secretary that it meets patient-centeredness criteria specified by the Secretary, such as the use of patient and caregiver assessments or the use of individualized care plans.

(I) An ACO that seeks to operate an ACO Beneficiary Incentive Program pursuant to subsection (m) shall apply to the Secretary at such time, in such manner, and with such information as the Secretary may require.

(3) Quality and other reporting requirements

(A) In general

The Secretary shall determine appropriate measures to assess the quality of care furnished by the ACO, such as measures of—

(i) clinical processes and outcomes;

(ii) patient and, where practicable, caregiver experience of care; and

(iii) utilization (such as rates of hospital admissions for ambulatory care sensitive conditions).

(B) Reporting requirements

An ACO shall submit data in a form and manner specified by the Secretary on measures the Secretary determines necessary for the ACO to report in order to evaluate the quality of care furnished by the ACO. Such data may include care transitions across health care settings, including hospital discharge planning and post-hospital discharge follow-up by ACO professionals, as the Secretary determines appropriate.

(C) Quality performance standards

The Secretary shall establish quality performance standards to assess the quality of care furnished by ACOs. The Secretary shall seek to improve the quality of care fur-
nished by ACOs over time by specifying higher standards, new measures, or both for purposes of assessing such quality of care.

(D) Other reporting requirements

The Secretary may, as the Secretary determines appropriate, incorporate reporting requirements and incentive payments related to the physician quality reporting initiative (PQRI) under section 1395w–4 of this title, including such requirements and such payments related to electronic prescribing, electronic health records, and other similar initiatives under section 1395w–4 of this title, and may use alternative criteria than would otherwise apply under such section for determining whether to make such payments. The incentive payments described in the preceding sentence shall not be taken into consideration when calculating any payments otherwise made under subsection (d).

(4) No duplication in participation in shared savings programs

A provider of services or supplier that participates in any of the following shall not be eligible to participate in an ACO under this section:

(A) A model tested or expanded under section 1315a of this title that involves shared savings under this subchapter, or any other program or demonstration project that involves such shared savings.

(B) The independence at home medical practice pilot program under section 1395cc–5 of this title.

(c) Assignment of Medicare fee-for-service beneficiaries to ACOs

(1) In general

Subject to paragraph (2), the Secretary shall determine an appropriate method to assign Medicare fee-for-service beneficiaries to an ACO based on their utilization of—

(A) in the case of performance years beginning on or after April 1, 2012, primary care services provided under this subchapter by an ACO professional described in subsection (h)(1)(A); and

(B) in the case of performance years beginning on or after January 1, 2019, services provided under this subchapter by a Federally qualified health center or rural health clinic (as those terms are defined in section 1395x(aa) of this title), as may be determined by the Secretary.

(2) Providing flexibility

(A) Choice of prospective assignment

For each agreement period (effective for agreements entered into or renewed on or after January 1, 2020), in the case where an ACO established under the program is in a Track that provides for the retrospective assignment of Medicare fee-for-service beneficiaries to the ACO, the Secretary shall permit the ACO to choose to have Medicare fee-for-service beneficiaries assigned prospectively, rather than retrospectively, to the ACO for an agreement period.

(B) Assignment based on voluntary identification by Medicare fee-for-service beneficiaries

(i) In general

For performance year 2018 and each subsequent performance year, if a system is available for electronic designation, the Secretary shall permit a Medicare fee-for-service beneficiary to voluntarily identify an ACO professional as the primary care provider of the beneficiary for purposes of assigning such beneficiary to an ACO, as determined by the Secretary.

(ii) Notification process

The Secretary shall establish a process under which a Medicare fee-for-service beneficiary is—

(I) notified of their ability to make an identification described in clause (i); and

(II) informed of the process by which they may make and change such identification.

(iii) Superseding claims-based assignment

A voluntary identification by a Medicare fee-for-service beneficiary under this subparagraph shall supersede any claims-based assignment otherwise determined by the Secretary.

(d) Payments and treatment of savings

(1) Payments

(A) In general

Under the program, subject to paragraph (3), payments shall continue to be made to providers of services and suppliers participating in an ACO under the original Medicare fee-for-service program under parts A and B in the same manner as they would otherwise be made except that a participating ACO is eligible to receive payment for shared savings under paragraph (2) if—

(i) the ACO meets quality performance standards established by the Secretary under subsection (b)(3); and

(ii) the ACO meets the requirement under subparagraph (B)(i).

(B) Savings requirement and benchmark

(i) Determining savings

In each year of the agreement period, an ACO shall be eligible to receive payment for shared savings under paragraph (2) only if the estimated average per capita Medicare expenditures under the ACO for Medicare fee-for-service beneficiaries for parts A and B services, adjusted for beneficiary characteristics, is at least the percent described in the preceding sentence to account for normal variation in expenditures under this subchapter, based upon the number of Medicare fee-for-service beneficiaries assigned to an ACO.

(ii) Establish and update benchmark

The Secretary shall estimate a benchmark for each agreement period for each
ACO using the most recent available 3 years of per-beneficiary expenditures for parts A and B services for Medicare fee-for-service beneficiaries assigned to the ACO. Such benchmark shall be adjusted for beneficiary characteristics and such other factors as the Secretary determines appropriate and updated by the projected absolute amount of growth in national per capita expenditures for parts A and B services under the original Medicare fee-for-service program, as estimated by the Secretary. Such benchmark shall be reset at the start of each agreement period.

(2) Payments for shared savings

Subject to performance with respect to the quality performance standards established by the Secretary under subsection (b)(3), if an ACO meets the requirements under paragraph (1), a percent (as determined appropriate by the Secretary) of the difference between such estimated average per capita Medicare expenditures in a year, adjusted for beneficiary characteristics, under the ACO and such benchmark for the ACO may be paid to the ACO as shared savings and the remainder of such difference shall be retained by the program under this subchapter. The Secretary shall establish limits on the total amount of shared savings that may be paid to an ACO under this paragraph.

(3) Monitoring avoidance of at-risk patients

If the Secretary determines that an ACO has taken steps to avoid patients at risk in order to reduce the likelihood of increasing costs to the ACO the Secretary may impose an appropriate sanction on the ACO, including termination from the program.

(4) Termination

The Secretary may terminate an agreement with an ACO if it does not meet the quality performance standards established by the Secretary under subsection (b)(3).

(e) Administration

Chapter 35 of title 44 shall not apply to the program, including an ACO Beneficiary Incentive Program under subsections (b)(2)(I) and (m).

(f) Waiver authority

The Secretary may waive such requirements of sections 1320a–7a and 1320a–7b of this title and this subchapter as may be necessary to carry out the provisions of this section.

(g) Limitations on review

There shall be no administrative or judicial review under section 1395f(r) of this title, section 1395x(r)(1) of this title, or otherwise of—

(1) the specification of criteria under subsection (a)(1)(B);

(2) the assessment of the quality of care furnished by an ACO and the establishment of performance standards under subsection (b)(3);

(3) the assignment of Medicare fee-for-service beneficiaries to an ACO under subsection (c);

(4) the determination of whether an ACO is eligible for shared savings under subsection (d)(2) and the amount of such shared savings, including the determination of the estimated average per capita Medicare expenditures under the ACO for Medicare fee-for-service beneficiaries assigned to the ACO and the average benchmark for the ACO under subsection (d)(1)(B);

(5) the percent of shared savings specified by the Secretary under subsection (d)(2) and any limit on the total amount of shared savings established by the Secretary under such subsection; and

(6) the termination of an ACO under subsection (d)(4) or of an ACO Beneficiary Incentive Program under subsections (b)(2)(I) and (m).

(h) Definitions

In this section:

(1) ACO professional

The term “ACO professional” means—

(A) a physician (as defined in section 1395x(r)(1) of this title); and

(B) a practitioner described in section 1395u(b)(18)(O)(i) of this title.

(2) Hospital

The term “hospital” means a subsection (d) hospital (as defined in section 1395ww(d)(1)(B) of this title).

(3) Medicare fee-for-service beneficiary

The term “Medicare fee-for-service beneficiary” means an individual who is enrolled in the original Medicare fee-for-service program under parts A and B and is not enrolled in an MA plan under part C, an eligible organization under section 1395mm of this title, or a PACO program under section 1395eee of this title.

(i) Option to use other payment models

(1) In general

If the Secretary determines appropriate, the Secretary may use any of the payment models described in paragraph (2) or (3) for making payments under the program rather than the payment model described in subsection (d).

(2) Partial capitation model

(A) In general

Subject to subparagraph (B), a model described in this paragraph is a partial capitation model in which an ACO is at financial risk for some, but not all, of the items and services covered under parts A and B, such as at risk for some or all physicians’ services or all items and services under part B. The Secretary may limit a partial capitation model to ACOs that are highly integrated systems of care and to ACOs capable of bearing risk, as determined to be appropriate by the Secretary.

(B) No additional program expenditures

Payments to an ACO for items and services under this subchapter for beneficiaries for a year under the partial capitation model shall be established in a manner that does not result in spending more for such ACO for such beneficiaries than would otherwise be expended for such ACO for such beneficiaries for such year if the model were not implemented, as estimated by the Secretary.
(3) Other payment models

(A) In general

Subject to subparagraph (B), a model described in this paragraph is any payment model that the Secretary determines will improve the quality and efficiency of items and services furnished under this subchapter.

(B) No additional program expenditures

Subparagraph (B) of paragraph (2) shall apply to a payment model under subparagraph (A) in a similar manner as such subparagraph (B) applies to the payment model under paragraph (2).

(j) Involvement in private payer and other third party arrangements

The Secretary may give preference to ACOs who are participating in similar arrangements with other payers.

(k) Treatment of physician group practice demonstration

During the period beginning on March 23, 2010, and ending on the date the program is established, the Secretary may enter into an agreement with an ACO under the demonstration under section 1395cc–1 of this title, subject to rebasing and other modifications deemed appropriate by the Secretary.

(l) Providing ACOs the ability to expand the use of telehealth services

(1) In general

In the case of telehealth services for which payment would otherwise be made under this subchapter furnished on or after January 1, 2020, for purposes of this subsection only, the following shall apply with respect to such services furnished by a physician or practitioner participating in an applicable ACO (as defined in paragraph (2)) to a Medicare fee-for-service beneficiary assigned to the applicable ACO:

(A) Inclusion of home as originating site

Subject to paragraph (3), the home of a beneficiary shall be treated as an originating site described in section 1395m(m)(4)(C)(ii) of this title.

(B) No application of geographic limitation

The geographic limitation under section 1395m(m)(4)(C)(i) of this title shall not apply with respect to an originating site described in section 1395m(m)(4)(C)(ii) of this title (including the home of a beneficiary under subparagraph (A)), subject to State licensing requirements.

(2) Definitions

In this subsection:

(A) Applicable ACO

The term “applicable ACO” means an ACO participating in a model tested or expanded under section 1315a of this title or under this section—

(I) described in section 425.600(a) of title 42, Code of Federal Regulations; or

(ii) tested or expanded under section 1315a of this title; and

(B) Home

The term “home” means, with respect to a Medicare fee-for-service beneficiary, the place of residence used as the home of the beneficiary.

(3) Telehealth services received in the home

In the case of telehealth services described in paragraph (1) where the home of a Medicare fee-for-service beneficiary is the originating site, the following shall apply:

(A) No facility fee

There shall be no facility fee paid to the originating site under section 1395m(m)(2)(B) of this title.

(B) Exclusion of certain services

No payment may be made for such services that are inappropriate to furnish in the home setting such as services that are typically furnished in inpatient settings such as a hospital.

(m) Authority to provide incentive payments to beneficiaries with respect to qualifying primary care services

(1) Program

(A) In general

In order to encourage Medicare fee-for-service beneficiaries to obtain medically necessary primary care services, an ACO participating under this section under a payment model described in clause (i) or (ii) of paragraph (2)(B) may apply to establish an ACO Beneficiary Incentive Program to provide incentive payments to such beneficiaries who are furnished qualifying services in accordance with this subsection. The Secretary shall permit such an ACO to establish such a program at the Secretary’s discretion and subject to such requirements, including program integrity requirements, as the Secretary determines necessary.

(B) Implementation

The Secretary shall implement this subsection on a date determined appropriate by the Secretary. Such date shall be no earlier than January 1, 2019, and no later than January 1, 2020.

(2) Conduct of program

(A) Duration

Subject to subparagraph (B), an ACO Beneficiary Incentive Program established under this subsection shall be conducted for such period (of not less than 1 year) as the Secretary may approve.

(B) Scope

An ACO Beneficiary Incentive Program established under this subsection shall provide incentive payments to all of the following Medicare fee-for-service beneficiaries who
are furnished qualifying services by the ACO:

(i) With respect to the Track 2 and Track 3 payment models described in section 425.600(a) of title 42, Code of Federal Regulations (or in any successor regulation), Medicare fee-for-service beneficiaries who are preliminarily prospectively or prospectively assigned (or otherwise assigned, as determined by the Secretary) to the ACO.

(ii) With respect to any future payment models involving two-sided risk, Medicare fee-for-service beneficiaries who are assigned to the ACO, as determined by the Secretary.

(C) Qualifying service

For purposes of this subsection, a qualifying service is a primary care service, as defined in section 425.20 of title 42, Code of Federal Regulations (or any successor regulation), with respect to which coinsurance applies under part B, furnished through an ACO by—

(i) an ACO professional described in subsection (h)(1)(A) who has a primary care specialty designation included in the definition of primary care physician under section 425.20 of title 42, Code of Federal Regulations (or any successor regulation);

(ii) an ACO professional described in subsection (h)(1)(B); or

(iii) a Federally qualified health center or rural health clinic (as such terms are defined in section 1395x(aa) of this title).

(D) Incentive payments

An incentive payment made by an ACO pursuant to an ACO Beneficiary Incentive Program established under this subsection shall be—

(i) in an amount up to $20, with such maximum amount updated annually by the percentage increase in the consumer price index for all urban consumers (United States city average) for the 12-month period ending with June of the previous year;

(ii) in the same amount for each Medicare fee-for-service beneficiary described in clause (i) or (ii) of subparagraph (B) without regard to enrollment of such a beneficiary in a Medicare supplemental policy (described in section 1395ss(g)(1) of this title), in a State Medicaid plan under subchapter XIX, or a waiver of such a plan, or in any other health insurance policy or health benefit plan;

(iii) made for each qualifying service furnished to such a beneficiary described in clause (i) or (ii) of subparagraph (B) during a period specified by the Secretary; and

(iv) made no later than 30 days after a qualifying service is furnished to such a beneficiary described in clause (i) or (ii) of subparagraph (B).

(E) No separate payments from the Secretary

The Secretary shall not make any separate payment to an ACO for the costs, including incentive payments, of carrying out an ACO Beneficiary Incentive Program established under this subsection. Nothing in this subparagraph shall be construed as prohibiting an ACO from using shared savings received under this section to carry out an ACO Beneficiary Incentive Program.

(F) No application to shared savings calculation

Incentive payments made by an ACO under this subsection shall be disregarded for purposes of calculating benchmarks, estimated average per capita Medicare expenditures, and shared savings under this section.

(G) Reporting requirements

An ACO conducting an ACO Beneficiary Incentive Program under this subsection shall, at such times and in such format as the Secretary may require, report to the Secretary such information and retain such documentation as the Secretary may require, including the amount and frequency of incentive payments made and the number of Medicare fee-for-service beneficiaries receiving such payments.

(H) Termination

The Secretary may terminate an ACO Beneficiary Incentive Program established under this subsection at any time for reasons determined appropriate by the Secretary.

(3) Exclusion of incentive payments

Any payment made under an ACO Beneficiary Incentive Program established under this subsection shall not be considered income or resources or otherwise taken into account for purposes of—

(A) determining eligibility for benefits or assistance (or the amount or extent of benefits or assistance) under any Federal program or under any State or local program financed in whole or in part with Federal funds; or

(B) any Federal or State laws relating to taxation.


AMENDMENTS


Subsec. (c). Pub. L. 115–123, § 50331, designated existing provisions as par. (1), inserted heading, substituted “Subject to paragraph (2), the Secretary” for “The Secretary”, redesignated former pars. (1) and (2) as subpars. (A) and (B), respectively, of par. (1), realigned margins, and added par. (2).

Subsec. (e). Pub. L. 115–123, § 50341(a)(3), inserted “, including an ACO Beneficiary Incentive Program under subsections (b)(2)(I) and (m)” after “the program”.

Subsec. (g)(6). Pub. L. 115–123, § 50341(a)(4), inserted “of an ACO Beneficiary Incentive Program under subsections (b)(2)(I) and (m)” after “under subsection (d)(4)”.


2010—Subsecs. (i) to (k). Pub. L. 111–148, §10307, added subsecs. (i) to (k).

STUDY AND REPORT
Pub. L. 115–123, div. E, title XI, §5032(b), Feb. 9, 2018, 132 Stat. 204, provided that:

“(1) STUDY—

“(1) IN GENERAL.—The Secretary of Health and Human Services (in this subsection referred to as the ‘Secretary’) shall conduct a study on the implementation of section 1899(i)(2)(C) of the Social Security Act (42 U.S.C. 1395k(i)(2)), as added by subsection (a). Such study shall include an analysis of the utilization of, and expenditures for, telehealth services under such section.

“(2) COLLECTION OF DATA.—The Secretary may collect such data as the Secretary determines necessary to carry out the study under this paragraph.

“(3) REPORT.—Not later than January 1, 2026, the Secretary shall submit to Congress a report containing the results of the study conducted under paragraph (1), together with recommendations for such legislation and administrative action as the Secretary determines appropriate.”


CHANGE OF NAME

CONSTRUCTION


Section, Pub. L. 111–148, title III, §3403(b), Mar. 23, 2010, 124 Stat. 506, related to GAO study and report on determination and implementation of payment and coverage policies under the Medicare program.

§1395lll. Standardized post-acute care (PAC) assessment data for quality, payment, and discharge planning

(a) Requirement for standardized assessment data

(1) In general

The Secretary shall—

(A) require under the applicable reporting provisions post-acute care providers (as defined in paragraph (2)(A)) to report—

(i) standardized patient assessment data in accordance with subsection (b);

(ii) data on quality measures under subsection (c)(1); and

(iii) data on resource use and other measures under subsection (d)(1);

(B) require data described in subparagraph (A) to be standardized and interoperable so as to allow for the exchange of such data among such post-acute care providers and other providers and the use by such providers of such data that has been so exchanged, including by using common standards and definitions, in order to provide access to longitudinal information for such providers to facilitate coordinated care and improved Medicare beneficiary outcomes; and

(C) in accordance with subsections (b)(1) and (c)(2), modify PAC assessment instruments (as defined in paragraph (2)(B)) applicable to post-acute care providers to—

(i) provide for the submission of standardized patient assessment data under this subchapter with respect to such providers; and

(ii) enable comparison of such assessment data across all such providers to whom such data are applicable.

(2) Definitions

For purposes of this section:

(A) Post-acute care (PAC) provider

The terms “post-acute care provider” and “PAC provider” mean—

(i) a home health agency;

(ii) a skilled nursing facility;

(iii) an inpatient rehabilitation facility; and

(iv) a long-term care hospital (other than a hospital classified under section 1395ww(d)(1)(B)(vi) of this title).

(B) PAC assessment instrument

The term “PAC assessment instrument” means—

(i) in the case of home health agencies, the instrument used for purposes of reporting and assessment with respect to the Outcome and Assessment Information Set (OASIS), as described in sections 484.55 and 484.250 of title 42, the Code of Federal Regulations, or any successor regulation, or any other instrument used with respect to home health agencies for such purposes;

(ii) in the case of skilled nursing facilities, the resident’s assessment under section 1395k–3(b)(3) of this title; and

(iii) in the case of inpatient rehabilitation facilities, any Medicare beneficiary assessment instrument established by the Secretary for purposes of section 1395ww(j) of this title; and

(iv) in the case of long-term care hospitals, the Medicare beneficiary assessment instrument used with respect to such hospitals for the collection of data elements necessary to calculate quality measures as described in the August 18,
§ 1395lll

The term "applicable reporting provision" means—
(i) for home health agencies, section 1395fff(b)(3)(B)(v) of this title;
(ii) for skilled nursing facilities, section 1395yy(e)(6) of this title;
(iii) for inpatient rehabilitation facilities, section 1395ww(j)(7) of this title; and
(iv) for long-term care hospitals, section 1395ww(m)(5) of this title.

The term "PAC payment system" means—
(i) with respect to a home health agency, the prospective payment system under section 1395fff of this title;
(ii) with respect to a skilled nursing facility, the prospective payment system under section 1395yy(e) of this title;
(iii) with respect to an inpatient rehabilitation facility, the prospective payment system under section 1395ww(j) of this title; and
(iv) with respect to a long-term care hospital, the prospective payment system under section 1395ww(m) of this title.

The term "specified application date" means the following:
(i) Quality measures
   (I) with respect to the domain described in subsection (c)(1) and that is with respect to functional status, cognitive function, and changes in function and cognitive function—
      (aa) for PAC providers described in clauses (ii), (iii), and (iv) of paragraph (2)(A), October 1, 2018; and
      (bb) for PAC providers described in clauses (ii), (iii), and (iv) of such paragraph, October 1, 2018;
   (II) with respect to the domain described in subsection (c)(1)(D) (relating to incidence of major falls)—
      (aa) for PAC providers described in clauses (ii), (iii), and (iv) of paragraph (2)(A), October 1, 2016; and
      (bb) for PAC providers described in clause (i) of such paragraph, January 1, 2019; and
   (III) with respect to the domain described in subsection (c)(1)(E) (relating to accurately communicating the existence of and providing for the transfer of health information and care preferences)—
      (aa) for PAC providers described in clauses (ii), (iii), and (iv) of paragraph (2)(A), October 1, 2018; and
      (bb) for PAC providers described in clause (i) of such paragraph, January 1, 2019.
(ii) Resource use and other measures
   In the case of resource use and other measures under subsection (d)(1)—
   (I) for PAC providers described in clauses (ii), (iii), and (iv) of paragraph (2)(A), October 1, 2016; and
   (II) for PAC providers described in clause (i) of such paragraph, January 1, 2017.

The term "Medicare beneficiary" means an individual entitled to benefits under part A or, as appropriate, enrolled for benefits under part B.

(b) Standardized patient assessment data
   (1) Requirement for reporting assessment data
      (A) In general
      Beginning not later than October 1, 2018, for PAC providers described in clauses (ii), (iii), and (iv) of subsection (a)(2)(A) and January 1, 2019, for PAC providers described in clause (i) of such subsection, the Secretary shall require PAC providers to submit to the Secretary, under the applicable reporting provisions and through the use of PAC assessment instruments, the standardized patient assessment data described in subparagraph (B). The Secretary shall require such data be submitted with respect to admission and discharge of an individual (and may be submitted more frequently as the Secretary deems appropriate).
      (B) Standardized patient assessment data described
      For purposes of subparagraph (A), the standardized patient assessment data described in this subparagraph is data required for at least the quality measures described in subsection (c)(1) and that is with respect to the following categories:
      (i) Functional status, such as mobility and self care at admission to a PAC provider and before discharge from a PAC provider.
(ii) Cognitive function, such as ability to express ideas and to understand, and mental status, such as depression and dementia.

(iii) Special services, treatments, and interventions, such as need for ventilator use, dialysis, chemotherapy, central line placement, and total parenteral nutrition.

(iv) Medical conditions and co-morbidities, such as diabetes, congestive heart failure, and pressure ulcers.

(v) Impairments, such as incontinence and an impaired ability to hear, see, or swallow.

(vi) Other categories deemed necessary and appropriate by the Secretary.

(2) Alignment of claims data with standardized patient assessment data

To the extent practicable, not later than October 1, 2018, for PAC providers described in clauses (ii), (iii), and (iv) of subsection (a)(2)(A), and January 1, 2019, for PAC providers described in clause (i) of such subsection, the Secretary shall match claims data with assessment data pursuant to this section for purposes of assessing prior service use and concurrent service use, such as antecedent hospital or PAC provider use, and may use such matched data for such other uses as the Secretary determines appropriate.

(3) Replacement of certain existing data

In the case of patient assessment data being used with respect to a PAC assessment instrument that duplicates or overlaps with standardized patient assessment data within a category described in paragraph (1), the Secretary shall, as soon as practicable, revise or replace such existing data with the standardized data.

(4) Clarification

Standardized patient assessment data submitted pursuant to this subsection shall not be used to require individuals to be provided post-acute care by a specific type of PAC provider in order for such care to be eligible for payment under this subchapter.

(c) Quality measures

(1) Requirement for reporting quality measures

Not later than the specified application date, as applicable to measures and PAC providers, the Secretary shall specify quality measures on which PAC providers are required under the applicable reporting provisions to submit standardized patient assessment data described in subsection (b)(1) and other necessary data specified by the Secretary. Such measures shall be with respect to at least the following domains:

(A) Functional status, cognitive function, and changes in function and cognitive function.

(B) Skin integrity and changes in skin integrity.

(C) Medication reconciliation.

(D) Incidence of major falls.

(E) Accurately communicating the existence of and providing for the transfer of health information and care preferences of an individual to the individual, family caregiver of the individual, and providers of services furnishing items and services to the individual, when the individual transitions—

(i) from a hospital or critical access hospital to another applicable setting, including a PAC provider or the home of the individual; or

(ii) from a PAC provider to another applicable setting, including a different PAC provider, a hospital, a critical access hospital, or the home of the individual.

(2) Reporting through PAC assessment instruments

(A) In general

To the extent possible, the Secretary shall require such reporting by a PAC provider of quality measures under paragraph (1) through the use of a PAC assessment instrument and shall modify such PAC assessment instrument as necessary to enable the use of such instrument with respect to such quality measures.

(B) Limitation

The Secretary may not make significant modifications to a PAC assessment instrument more than once per calendar year or fiscal year, as applicable, unless the Secretary publishes in the Federal Register a justification for such significant modification.

(3) Adjustments

(A) In general

The Secretary shall consider applying adjustments to the quality measures under this subsection taking into consideration the studies under section 2(d) of the IMPACT Act of 2014.

(B) Risk adjustment

Such quality measures shall be risk adjusted, as determined appropriate by the Secretary.

(d) Resource use and other measures

(1) Requirement for resource use and other measures

Not later than the specified application date, as applicable to measures and PAC providers, the Secretary shall specify resource use and other measures on which PAC providers are required under the applicable reporting provisions to submit any necessary data specified by the Secretary, which may include standardized assessment data in addition to claims data. Such measures shall be with respect to at least the following domains:

(A) Resource use measures, including total estimated Medicare spending per beneficiary.

(B) Discharge to community.

(C) Measures to reflect all-condition risk-adjusted potentially preventable hospital readmission rates.

(2) Aligning methodology adjustments for resource use measures

(A) Period of time

With respect to the period of time used for calculating measures under paragraph (1)(A),
the Secretary shall, to the extent the Secretary determines appropriate, align resource use with the methodology used for purposes of section 1395ww(o)(2)(B)(ii) of this title.

(B) Geographic and other adjustments

The Secretary shall standardize measures with respect to the domain described in paragraph (1)(A) for geographic payment rate differences and payment differentials (and other adjustments, as applicable) consistent with the methodology published in the Federal Register on August 18, 2011 (76 Fed. Reg. 51624 through 51626), or any subsequent modifications made to the methodology.

(C) Medicare spending per beneficiary

The Secretary shall adjust, as appropriate, measures with respect to the domain described in paragraph (1)(A) for the factors applied under section 1395ww(o)(2)(B)(ii) of this title.

(3) Adjustments

(A) In general

The Secretary shall consider applying adjustments to the resource use and other measures specified under this subsection with respect to the domain described in paragraph (1)(A), taking into consideration the studies under section 2(d) of the IMPACT Act of 2014.

(B) Risk adjustment

Such resource use and other measures shall be risk adjusted, as determined appropriate by the Secretary.

(e) Measurement implementation phases; selection of quality measures and resource use and other measures

(1) Measurement implementation phases

In the case of quality measures specified under subsection (c)(1) and resource use and other measures specified under subsection (d)(1), the provisions of this section shall be implemented in accordance with the following phases:

(A) Initial implementation phase

The initial implementation phase, with respect to such a measure, shall, in accordance with subsections (c) and (d), as applicable, consist of—

(i) measure specification, including informing the public of the measure’s numerator, denominator, exclusions, and any other aspects the Secretary determines necessary;

(ii) data collection, including, in the case of quality measures, requiring PAC providers to report data elements needed to calculate such a measure; and

(iii) data analysis, including, in the case of resource use and other measures, the use of claims data to calculate such a measure.

(B) Second implementation phase

The second implementation phase, with respect to such a measure, shall consist of the provision of feedback reports to PAC providers, in accordance with subsection (f).

(C) Third implementation phase

The third implementation phase, with respect to such a measure, shall consist of public reporting of PAC providers’ performance on such measure in accordance with subsection (g).

(2) Consensus-based entity

(A) In general

Subject to subparagraph (B), each measure specified by the Secretary under this section shall be endorsed by the entity with a contract under section 1395aaa(a) of this title.

(B) Exception

In the case of a specified area or medical topic determined appropriate by the Secretary for which a feasible and practical measure has not been endorsed by the entity with a contract under section 1395aaa(a) of this title, the Secretary may specify a measure that is not so endorsed as long as due consideration is given to measures that have been endorsed or adopted by a consensus organization identified by the Secretary.

(3) Treatment of application of pre-rulemaking process (measure applications partnership process)

(A) In general

Subject to subparagraph (B), the provisions of section 1395aaa–1 of this title shall apply in the case of a quality measure specified under subsection (c) or a resource use or other measure specified under subsection (d).

(B) Exceptions

(i) Expedited procedures

For purposes of satisfying subparagraph (A), the Secretary may use expedited procedures, such as ad-hoc reviews, as necessary, in the case of a quality measure specified under subsection (c) or a resource use or other measure specified in subsection (d) required with respect to data submissions under the applicable reporting provisions during the 1-year period before the specified application date applicable to such a measure and provider involved.

(ii) Option to waive provisions

The Secretary may waive the application of the provisions of section 1395aaa–1 of this title in the case of a quality measure or resource use or other measure described in clause (i), if the application of such provisions (including through the use of an expedited procedure described in such clause) would result in the inability of the Secretary to satisfy any deadline specified in this section with respect to such measure.

(f) Feedback reports to PAC providers

(1) In general

Beginning one year after the specified application date, as applicable to PAC providers and quality measures and resource use and other measures under this section, the Sec-
Secretary shall provide confidential feedback reports to such PAC providers on the performance of such providers with respect to such measures required under the applicable provisions.

(2) Frequency

To the extent feasible, the Secretary shall provide feedback reports described in paragraph (1) not less frequently than on a quarterly basis. Notwithstanding the previous sentence, with respect to measures described in such paragraph that are reported on an annual basis, the Secretary may provide such feedback reports on an annual basis.

(g) Public reporting of PAC provider performance

(1) In general

Subject to the succeeding paragraphs of this subsection, the Secretary shall provide for public reporting of PAC provider performance on quality measures under subsection (c)(1) and the resource use and other measures under subsection (d)(1), including by establishing procedures for making available to the public information regarding the performance of individual PAC providers with respect to such measures.

(2) Opportunity to review

The procedures under paragraph (1) shall ensure, including through a process consistent with the process applied under section 1395ww(b)(3)(B)(viii)(VII) of this title for similar purposes, that a PAC provider has the opportunity to review and submit corrections to the data and information that is to be made public with respect to the provider prior to such data being made public.

(3) Timing

Such procedures shall provide that the data and information described in paragraph (1), with respect to a measure and PAC provider, is made publicly available beginning not later than two years after the specified application date applicable to such a measure and provider.

(4) Coordination with existing programs

Such procedures shall provide that data and information described in paragraph (1) with respect to quality measures and resource use and other measures under subsections (c)(1) and (d)(1) shall be made publicly available consistent with the following provisions:

(A) In the case of home health agencies, section 1395kkf(b)(3)(B)(v)(III) of this title.
(B) In the case of skilled nursing facilities, sections 1395i–9(i) and 1395r(i) of this title.
(C) In the case of inpatient rehabilitation facilities, section 1395ww(j)(7)(E) of this title.
(D) In the case of long-term care hospitals, section 1395ww(m)(5)(E) of this title.

(h) Removing, suspending, or adding measures

(1) In general

The Secretary may remove, suspend, or add a quality measure or resource use or other measure described in subsection (c)(1) or (d)(1), so long as, subject to paragraph (2), the Secretary publishes in the Federal Register (with a notice and comment period) a justification for such removal, suspension, or addition.

(2) Exception

In the case of such a quality measure or resource use or other measure for which there is a reason to believe that the continued collection of such measure raises potential safety concerns or would cause other unintended consequences, the Secretary may promptly suspend or remove such measure and satisfy paragraph (1) by publishing in the Federal Register a justification for such suspension or removal in the next rulemaking cycle following such suspension or removal.

(i) Use of standardized assessment data, quality measures, and resource use and other measures to inform discharge planning and incorporate patient preference

(1) In general

Not later than January 1, 2016, and periodically thereafter (but not less frequently than once every 5 years), the Secretary shall promulgate regulations to modify conditions of participation and subsequent interpretive guidance applicable to PAC providers, hospitals, and critical access hospitals. Such regulations and interpretive guidance shall require such providers to take into account quality, resource use, and other measures under the applicable reporting provisions (which, as available, shall include measures specified under subsections (c) and (d), and other relevant measures) in the discharge planning process. Specifically, such regulations and interpretive guidance shall address the settings to which a patient may be discharged in order to assist subsection (d) hospitals, critical access hospitals, hospitals described in section 1395ww(d)(1)(B)(v) of this title, PAC providers, patients, and families of such patients with discharge planning from inpatient settings, including such hospitals, and from PAC provider settings. In addition, such regulations and interpretive guidance shall include procedures to address—

(A) treatment preferences of patients; and
(B) goals of care of patients.

(2) Discharge planning

All requirements applied pursuant to paragraph (1) shall be used to help inform and mandate the discharge planning process.

(3) Clarification

Such regulations shall not require an individual to be provided post-acute care by a specific type of PAC provider in order for such care to be eligible for payment under this chapter.

(j) Stakeholder input

Before the initial rulemaking process to implement this section, the Secretary shall allow for stakeholder input, such as through town halls, open door forums, and mail-box submissions.

(k) Funding

For purposes of carrying out this section, the Secretary shall provide for the transfer to the
Centers for Medicare & Medicaid Services Program Management Account, from the Federal Hospital Insurance Trust Fund under section 1395i of this title and the Federal Supplementary Medical Insurance Trust Fund under section 1395k of this title, in such proportion as the Secretary determines appropriate, of $130,000,000. Fifty percent of such amount shall be available on October 6, 2014, and fifty percent of such amount shall be equally proportioned for each of fiscal years 2015 through 2019. Such sums shall remain available until expended.

(i) Limitation

There shall be no administrative or judicial review under sections 1395ff and 1395oo of this title or otherwise of the specification of standardized patient assessment data required, the determination of measures, and the systems to report such standardized data under this section.

(m) Non-application of Paperwork Reduction Act

Chapter 35 of title 44 (commonly referred to as the “Paperwork Reduction Act of 1995”) shall not apply to this section and the sections referred to in subsections (a)(2)(A)(i), (B), (ii), and (iii) of section 1899B of such Act. (Aug. 14, 1935, ch. 531, title XVIII, § 1899B, as added Pub. L. 113–185, § 2(a), Oct. 6, 2014, 128 Stat. 1966, provided that:

"(1) STUDY USING EXISTING MEDICARE DATA.—"(1) STUDY USING EXISTING MEDICARE DATA.—"

(1) STUDY.—The Secretary of Health and Human Services (in this section referred to as the ‘Secretary’) shall conduct a study that examines the effect of individuals’ socioeconomic status on quality measures and resource use and other measures for individuals under the Medicare program under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.) (such as to recognize that less healthy individuals may require more intensive interventions). In conducting such study the Secretary may use existing Federal data and collect such additional data as may be necessary to complete the study.

(2) REPORT.—Not later than 5 years after the date of the enactment of this Act, the Secretary shall submit to Congress a report on the study conducted under clause (1).

(3) EXAMINATION OF DATA IN CONDUCTING STUDIES.—In conducting the studies under subparagraphs (A) and (B), the Secretary shall examine what non-Medicare data sets, such as data from the American Community Survey (ACS), can be useful in conducting the types of studies under such paragraphs and how such data sets that are identified as useful can be coordinated with Medicare administrative data in order to improve the overall data set available to do such studies and for the administration of the Medicare program.

(D) RECOMMENDATIONS TO ACCOUNT FOR INFORMATION IN PAYMENT ADJUSTMENT MECHANISMS.—If the studies conducted under subparagraphs (A) and (B), the Secretary shall examine what non-Medicare data sets, such as data from the American Community Survey (ACS), can be useful in conducting the types of studies under such paragraphs and how such data sets that are identified as useful can be coordinated with Medicare administrative data in order to improve the overall data set available to do such studies and for the administration of the Medicare program.

-ECONMENDATIONS TO ACCOUNT FOR INFORMATION IN PAYMENT ADJUSTMENT MECHANISMS.—If the studies conducted under subparagraphs (A) and (B), the Secretary shall examine what non-Medicare data sets, such as data from the American Community Survey (ACS), can be useful in conducting the types of studies under such paragraphs and how such data sets that are identified as useful can be coordinated with Medicare administrative data in order to improve the overall data set available to do such studies and for the administration of the Medicare program.

-EXAMINATION OF DATA IN CONDUCTING STUDIES.—In conducting the studies under subparagraphs (A) and (B), the Secretary shall examine what non-Medicare data sets, such as data from the American Community Survey (ACS), can be useful in conducting the types of studies under such paragraphs and how such data sets that are identified as useful can be coordinated with Medicare administrative data in order to improve the overall data set available to do such studies and for the administration of the Medicare program.

(A) IN GENERAL.—Taking into account the relevant studies conducted and recommendations made in reports under paragraph (1) and, as appropriate, other information, including information collected before completion of such studies and recommendations, the Secretary, on an ongoing basis, shall, as the Secretary determines appropriate and based on an individual’s health status and other factors—

(i) assess appropriate adjustments to quality measures, resource use measures, and other measures under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.) (including measures specified in subsections (c) and (d) of section 1899B of such Act (42 U.S.C. 1395ll)), as added by subsection (a)); and

(ii) assess and implement appropriate adjustments to payments under such title based on measures described in clause (1).

(B) ACCESSING DATA.—The Secretary shall collect or otherwise obtain access to the data necessary to carry out this paragraph through existing and new data sources.
“(C) Periodic analyses.—The Secretary shall carry out periodic analyses, at least every 3 years, based on the factors referred to in subparagraph (A) so as to monitor changes in possible relationships.

“(D) Funding.—There are hereby appropriated to the Secretary from the Federal Hospital Insurance Trust Fund under section 1817 of the Social Security Act (42 U.S.C. 1395u) and the Federal Supplementary Medical Insurance Trust Fund under section 1841 of such Act (42 U.S.C. 1395t) in proportions determined appropriate by the Secretary) to carry out this paragraph $10,000,000, to remain available until expended.

“(3) Strategic plan for accessing race and ethnicity data.—Not later than 18 months after the date of the enactment of this Act [Oct. 6, 2014], the Secretary shall develop and report to Congress on a strategic plan for collecting or otherwise accessing data on race and ethnicity for purposes of specifying quality measures and resource use and other measures under subsections (c) and (d) of section 1999B of the Social Security Act, as added by subsection (a), and, as the Secretary determines appropriate, other similar provisions of, including payment adjustments under, title XVIII of such Act (42 U.S.C. 1395 et seq.).”

SUBCHAPTER XIX—GRANTS TO STATES FOR MEDICAL ASSISTANCE PROGRAMS

§ 1396. Medicaid and CHIP Grants to States

(a) Establishment

There is hereby established the Medicaid and CHIP Payment and Access Commission (in this section referred to as “MACPAC”).

(b) Duties

(1) Review of access policies for all States and annual reports

MACPAC shall—

(A) review policies of the Medicaid program established under this subchapter (in this section referred to as “Medicaid”) and the State Children’s Health Insurance Program established under subchapter XXI (in this section referred to as “CHIP”) affecting access to covered items and services, including topics described in paragraph (2);

(B) make recommendations to Congress, the Secretary, and States concerning such access policies;

(C) by not later than March 15 of each year (beginning with 2010), submit a report to Congress containing the results of such reviews and MACPAC’s recommendations concerning such policies; and

(D) by not later than June 15 of each year (beginning with 2010), submit a report to Congress containing an examination of issues affecting Medicaid and CHIP, including the implications of changes in health care delivery in the United States and in the market for health care services on such programs.

(2) Specific topics to be reviewed

Specifically, MACPAC shall review and assess the following:

(A) Medicaid and CHIP payment policies

Payment policies under Medicaid and CHIP, including—

(i) the factors affecting expenditures for the efficient provision of items and services in different sectors, including the process for updating payments to medical, dental, and health professionals, hospitals, residential and long-term care providers, providers of home and community based services, Federally-qualified health centers and rural health clinics, managed care entities, and providers of other covered items and services;

(ii) payment methodologies; and

(iii) the relationship of such factors and methodologies to access and quality of care for Medicaid and CHIP beneficiaries (including how such factors and methodologies enable such beneficiaries to obtain the services for which they are eligible, affect provider supply, and affect providers that serve a disproportionate share of low-income and other vulnerable populations).

(B) Eligibility policies

Medicaid and CHIP eligibility policies, including a determination of the degree to which Federal and State policies provide health care coverage to needy populations.

(C) Enrollment and retention processes

Medicaid and CHIP enrollment and retention processes, including a determination of the degree to which Federal and State policies encourage the enrollment of individuals who are eligible for such programs and screen out individuals who are ineligible, while minimizing the share of program expenses devoted to such processes.

(D) Coverage policies

Medicaid and CHIP benefit and coverage policies, including a determination of the degree to which Federal and State policies provide access to the services enrollees require to improve and maintain their health and functional status.

(E) Quality of care

Medicaid and CHIP policies as they relate to the quality of care provided under those programs, including a determination of the degree to which Federal and State policies achieve their stated goals and interact with similar goals established by other purchasers of health care services.

(F) Interaction of Medicaid and CHIP payment policies with health care delivery generally

The effect of Medicaid and CHIP payment policies on access to items and services for children and other Medicaid and CHIP populations other than under this subchapter or subchapter XXI and the implications of changes in health care delivery in the United States and in the general market for health care items and services on Medicaid and CHIP.

(G) Interactions with Medicare and Medicaid

Consistent with paragraph (11), the interaction of policies under Medicaid and the Medicare program under subchapter XVIII, including with respect to how such interactions affect access to services, payments, and dual eligible individuals.
(H) Other access policies

The effect of other Medicaid and CHIP policies on access to covered items and services, including policies relating to transportation and language barriers and preventive, acute, and long-term services and supports.

(3) Recommendations and reports of State-specific data

MACPAC shall—

(A) review national and State-specific Medicaid and CHIP data; and

(B) submit reports and recommendations to Congress, the Secretary, and States based on such reviews.

(4) Creation of early-warning system

MACPAC shall create an early-warning system to identify provider shortage areas, as well as other factors that adversely affect, or have the potential to adversely affect, access to care by, or the health care status of, Medicaid and CHIP beneficiaries. MACPAC shall include in the annual report required under paragraph (1)(D) a description of all such areas or problems identified with respect to the period addressed in the report.

(5) Comments on certain secretarial reports and regulations

(A) Certain secretarial reports

If the Secretary submits to Congress (or a committee of Congress) a report that is required by law and that relates to access policies, including with respect to payment policies, under Medicaid or CHIP, the Secretary shall transmit a copy of the report to MACPAC. MACPAC shall review the report and, not later than 6 months after the date of submittal of the Secretary’s report to Congress, shall submit to the appropriate committees of Congress the Secretary’s report to Congress, shall submit to the appropriate committees of Congress and the Secretary written comments on such report. Such comments may include such recommendations as MACPAC deems appropriate.

(B) Regulations

MACPAC shall review Medicaid and CHIP regulations and may comment through submission of a report to the appropriate committees of Congress and the Secretary, on any such regulations that affect access, quality, or efficiency of health care.

(6) Agenda and additional reviews

(A) In general

MACPAC shall consult periodically with the chairmen and ranking minority members of the appropriate committees of Congress regarding MACPAC’s agenda and progress towards achieving the agenda. MACPAC may conduct additional reviews, and submit additional reports to the appropriate committees of Congress, from time to time on such topics relating to the program under this subchapter or subchapter XXI as may be requested by such chairmen and members and as MACPAC deems appropriate.

(B) Review and reports regarding Medicaid DSH

(i) In general

MACPAC shall review and submit an annual report to Congress on disproportionate share hospital payments under section 1396r–4 of this title. Each report shall include the information specified in clause (ii).

(ii) Required report information

Each report required under this subparagraph shall include the following:

(I) Data relating to changes in the number of uninsured individuals.

(II) Data relating to the amount and sources of hospitals’ uncompensated care costs, including the amount of such costs that are the result of providing unreimbursed or under-reimbursed services, charity care, or bad debt.

(III) Data identifying hospitals with high levels of uncompensated care that also provide access to essential community services for low-income, uninsured, and vulnerable populations, such as graduate medical education, and the continuum of primary through quaternary care, including the provision of trauma care and public health services.

(IV) State-specific analyses regarding the relationship between the most recent State DSH allotment and the projected State DSH allotment for the succeeding year and the data reported under subclauses (I), (II), and (III) for the State.

(iii) Data

Notwithstanding any other provision of law, the Secretary regularly shall provide MACPAC with the most recent State reports and most recent independent certified audits submitted under section 1396r–4(j) of this title, cost reports submitted under subchapter XVIII, and such other data as MACPAC may request for purposes of conducting the reviews and preparing and submitting the annual reports required under this subparagraph.

(iv) Submission deadlines

The first report required under this subparagraph shall be submitted to Congress not later than February 1, 2016. Subsequent reports shall be submitted as part of, or with, each annual report required under paragraph (1)(C) during the period of fiscal years 2017 through 2024.

(7) Availability of reports

MACPAC shall transmit to the Secretary a copy of each report submitted under this subpart and shall make such reports available to the public.

(8) Appropriate committee of Congress

For purposes of this section, the term “appropriate committee of Congress” means the Committee on Energy and Commerce of the House of Representatives and the Committee on Finance of the Senate.
(9) Voting and reporting requirements

With respect to each recommendation contained in a report submitted under paragraph (1), each member of MACPAC shall vote on the recommendation, and MACPAC shall include, by member, the results of that vote in the report containing the recommendation.

(10) Examination of budget consequences

Before making any recommendations, MACPAC shall examine the budget consequences of such recommendations, directly or through consultation with appropriate expert entities, and shall submit with any recommendations, a report on the Federal and State-specific budget consequences of the recommendations.

(11) Consultation and coordination with MEDPAC

(A) In general

MACPAC shall consult with the Medicare Payment Advisory Commission (in this paragraph referred to as “MEDPAC”) established under section 1395b-6 of this title in carrying out its duties under this section, as appropriate and particularly with respect to the issues specified in paragraph (2) as they relate to those Medicaid beneficiaries who are dually eligible for Medicaid and the Medicare program under subchapter XVIII, adult Medicaid beneficiaries (who are not dually eligible for Medicare), and beneficiaries under Medicare. Responsibility for analysis of and recommendations to change Medicare policy regarding Medicare beneficiaries, including Medicare beneficiaries who are dually eligible for Medicare and Medicaid, shall rest with MEDPAC.

(B) Information sharing

MACPAC and MEDPAC shall have access to deliberations and records of the other such entity, respectively, upon the request of the other such entity.

(12) Consultation with States

MACPAC shall regularly consult with States in carrying out its duties under this section, including with respect to developing processes for carrying out such duties, and shall ensure that input from States is taken into account and represented in MACPAC’s recommendations and reports.

(13) Coordinate and consult with the Federal Coordinated Health Care Office

MACPAC shall coordinate and consult with the Federal Coordinated Health Care Office established under section 2081 of the Patient Protection and Affordable Care Act before making any recommendations regarding dual eligible individuals.

(14) Programmatic oversight vested in the Secretary

MACPAC’s authority to make recommendations in accordance with this section shall not affect, or be considered to duplicate, the Secretary’s authority to carry out Federal responsibilities with respect to Medicaid and CHIP.

(c) Membership

(1) Number and appointment

MACPAC shall be composed of 17 members appointed by the Comptroller General of the United States.

(2) Qualifications

(A) In general

The membership of MACPAC shall include individuals who have had direct experience as enrollees or parents or caregivers of enrollees in Medicaid or CHIP and individuals with national recognition for their expertise in Federal safety net health programs, health finance and economics, actuarial science, health plans and integrated delivery systems, reimbursement for health care, health information technology, and other providers of health services, public health, and other related fields, who provide a mix of different professions, broad geographic representation, and a balance between urban and rural representation.

(B) Inclusion

The membership of MACPAC shall include (but not be limited to) physicians, dentists, and other health professionals, employers, third-party payers, and individuals with expertise in the delivery of health services. Such membership shall also include representatives of children, pregnant women, the elderly, individuals with disabilities, caregivers, and dual eligible individuals, current or former representatives of State agencies responsible for administering Medicaid, and current or former representatives of State agencies responsible for administering CHIP.

(C) Majority nonproviders

Individuals who are directly involved in the provision, or management of the delivery, of items and services covered under Medicaid or CHIP shall not constitute a majority of the membership of MACPAC.

(D) Ethical disclosure

The Comptroller General of the United States shall establish a system for public disclosure by members of MACPAC of financial and other potential conflicts of interest relating to such members. Members of MACPAC shall be treated as employees of Congress for purposes of applying title I of the Ethics in Government Act of 1978 (Public Law 95-521) [5 U.S.C. App.].

(3) Terms

(A) In general

The terms of members of MACPAC shall be for 3 years except that the Comptroller General of the United States shall designate staggered terms for the members first appointed.

(B) Vacancies

Any member appointed to fill a vacancy occurring before the expiration of the term

1 See References in Text note below.
for which the member’s predecessor was appointed shall be appointed only for the remainder of that term. A member may serve after the expiration of that member’s term until a successor has taken office. A vacancy in MACPAC shall be filled in the manner in which the original appointment was made.

(4) **Compensation**

While serving on the business of MACPAC (including travel time), a member of MACPAC shall be entitled to compensation at the per diem equivalent of the rate provided for level IV of the Executive Schedule under section 5315 of title 5, and while so serving away from home and the member’s regular place of business, a member may be allowed travel expenses, as authorized by the Chairman of MACPAC. Physicians serving as personnel of MACPAC may be provided a physician comparability allowance by MACPAC in the same manner as Government physicians may be provided such an allowance by an agency under section 5948 of title 5, and for such purpose subsection (i) of such section shall apply to MACPAC in the same manner as it applies to the Tennessee Valley Authority. For purposes of pay (other than pay of members of MACPAC) and employment benefits, rights, and privileges, all personnel of MACPAC shall be treated as if they were employees of the United States Senate.

(5) **Chairman; Vice Chairman**

The Comptroller General of the United States shall designate a member of MACPAC, at the time of appointment of the member as Chairman and a member as Vice Chairman for that term of appointment, except that in the case of vacancy of the Chairmanship or Vice Chairmanship, the Comptroller General of the United States may designate another member for the remainder of that member’s term.

(6) **Meetings**

MACPAC shall meet at the call of the Chairman.

(d) **Director and staff; experts and consultants**

Subject to such review as the Comptroller General of the United States deems necessary to assure the efficient administration of MACPAC, MACPAC may—

(1) employ and fix the compensation of an Executive Director (subject to the approval of the Comptroller General of the United States) and such other personnel as may be necessary to carry out its duties (without regard to the provisions of title 5 governing appointments in the competitive service);

(2) seek such assistance and support as may be required in the performance of its duties from appropriate Federal and State departments and agencies;

(3) enter into contracts or make other arrangements, as may be necessary for the conduct of the work of MACPAC (without regard to section 6101 of title 41);

(4) make advance, progress, and other payments which relate to the work of MACPAC;

(5) provide transportation and subsistence for persons serving without compensation; and

(6) prescribe such rules and regulations as it deems necessary with respect to the internal organization and operation of MACPAC.

(e) **Powers**

(1) **Obtaining official data**

MACPAC may secure directly from any department or agency of the United States and, as a condition for receiving payments under sections 1396b(a) and 1397ee(a) of this title, from any State agency responsible for administering Medicaid or CHIP, information necessary to enable it to carry out this section. Upon request of the Chairman, the head of that department or agency shall furnish that information to MACPAC on an agreed upon schedule.

(2) **Data collection**

In order to carry out its functions, MACPAC shall—

(A) utilize existing information, both published and unpublished, where possible, collected and assessed either by its own staff or under other arrangements made in accordance with this section;

(B) carry out, or award grants or contracts for, original research and experimentation, where existing information is inadequate; and

(C) adopt procedures allowing any interested party to submit information for MACPAC’s use in making reports and recommendations.

(3) **Access of GAO to information**

The Comptroller General of the United States shall have unrestricted access to all deliberations, records, and nonproprietary data of MACPAC, immediately upon request.

(4) **Periodic audit**

MACPAC shall be subject to periodic audit by the Comptroller General of the United States.

(f) **Funding**

(1) **Request for appropriations**

MACPAC shall submit requests for appropriations (other than for fiscal year 2010) in the same manner as the Comptroller General of the United States submits requests for appropriations, but amounts appropriated for MACPAC shall be separate from amounts appropriated for the Comptroller General of the United States.

(2) **Authorization**

There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this section.

(3) **Funding for fiscal year 2010**

(A) **In general**

Out of any funds in the Treasury not otherwise appropriated, there is appropriated to MACPAC to carry out the provisions of this section for fiscal year 2010, $9,000,000.

(B) **Transfer of funds**

Notwithstanding section 1397dd(a)(13) of this title, from the amounts appropriated in

---

2So in original. Probably should be followed by a comma.
such section for fiscal year 2010, $2,000,000 is hereby transferred and made available in such fiscal year to MACPAC to carry out the provisions of this section.

(4) Availability

Amounts made available under paragraphs (2) and (3) to MACPAC to carry out the provisions of this section shall remain available until expended.

(Aug. 14, 1935, ch. 531, title XIX, §1900, as added Pub. L. 111–3, title V, §506(a), Feb. 9, 2009, 123 Stat. 91; amended Pub. L. 111–148, title II, §2801(a)(1)(A)(ii), (v), added subpars. (B) to (E) and (G), redesignated former subpars. (B) and (C) as (F) and (H), respectively, and, in subpar. (H), inserted “and preventive, acute, and long-term services and supports” after “barriers”.


Subsec. (b)(4). Pub. L. 111–148, §2801(a)(1)(C), (E), redesignated par. (3) as (4) and substituted “as well as other factors that adversely affect, or have the potential to adversely affect, access to care by, or the health care status of, Medicaid and CHIP beneficiaries.” Former par. (4) redesignated (5).

Subsec. (b)(5). Pub. L. 111–148, §2801(a)(1)(C), (F), redesignated par. (4) as (5), inserted “and regulations” after “in heading,” designated existing provisions as subpar. (A) and inserted heading, inserted “and the Secretary” after “appropriate committees of Congress” in subpar. (A), and added subpar. (B). Former par. (5) redesignated (6).

Subsec. (b)(6) to (10). Pub. L. 111–148, §2801(a)(1)(C), (G), redesignated pars. (5) to (9) as (6) to (10), respectively, and, and in subpar. (H), shall submit with any recommendations, a report on the Federal and State-specific budget consequences of the recommendations” in par. (10) before period at end.


Subsec. (c)(2)(A), (B). Pub. L. 111–148, §2801(a)(2)(A), added subpars. (A) and (B) and struck out former subpars. (A) and (B) which related to MACPAC membership qualifications.


Subsec. (e)(1). Pub. L. 111–148, §2801(a)(4), inserted “and, as a condition for receiving payments under sections 1396a(a) and 1397ee(a) of this title, from any State agency responsible for administering Medicaid or CHIP,” after “United States”.

Subsec. (f). Pub. L. 111–148, §2801(a)(5), substituted “Funding” for “Authorization of appropriations” in heading, inserted “(other than for fiscal year 2010)” before “in the same manner” in par. (1), and added paras. (3) and (4).

EFFECTIVE DATE

Pub. L. 111–3, §3, Feb. 4, 2009, 123 Stat. 10, provided that:

“(a) GENERAL EFFECTIVE DATE.—Unless otherwise provided in this Act (enacting this section and sections 247d–9, 1320b–9a, 1396e–1, 1396w–2, and 1397kk to 1397mm of this title and section 657p of Title 15, Commerce and Trade, transferring former section 1396 of this title to section 1396–1 of this title, amending sections 300gg, 1396b, 1396e–1, 1396w–2, and 1397gg to 1397ff of this title, and enacting provisions set out as notes under sections 1397aa and 1397ee of this title), subject to subsections (b)
through (d), this Act (and the amendments made by this Act) shall take effect on April 1, 2009, and shall apply to child health assistance and medical assistance provided on or after that date.

“(b) EXCEPTION FOR STATE LEGISLATION.—In the case of a State plan under title XIX [42 U.S.C. 1396 et seq.] or State child health plan under [title] XXI [42 U.S.C. 1397aa et seq.] of the Social Security Act, which the Secretary of Health and Human Services determines requires State legislation in order for the respective plan to meet one or more additional requirements imposed by amendments made by this Act, the respective plan shall not be regarded as failing to comply with the requirements of such title solely on the basis of its failure to meet such an additional requirement before the first day of the first calendar quarter beginning after the close of the first regular session of the State legislature that begins after the date of enactment of this Act [Feb. 4, 2009]. For purposes of the previous sentence, in the case of a State that has a 2-year legislative session, each year of the session shall be considered to be a separate regular session of the State legislature.

“(c) COORDINATION OF CHIP FUNDING FOR FISCAL YEAR 2009.—Notwithstanding any other provision of law, insofar as funds have been appropriated under section 2104(a)(11), 2104(k), or 2104(l) of the Social Security Act [42 U.S.C. 1397d(a)(11), (k), or (l)], as amended by section 201 of Public Law 110–173, to provide allotments to States under CHIP for fiscal year 2009—

“(1) any amounts that are so appropriated that are not allotted and obligated before April 1, 2009 are rescinded; and

“(2) any amount provided for CHIP allotments to a State under this Act (and the amendments made by this Act for such fiscal year) shall not be reduced by the amount of such appropriations so allotted and obligated before such date.

“(d) RELIANCE ON LAW.—With respect to amendments made by this Act other than title VII [enacting this section and sections 1320b–9a, 1396e–1, 1396w–2, and 1397kk to 1397nn of this title, amending sections 300gg, 1308, 1320b–9, 1320b–9a, 1396a, 1396b, 1396r–1, 1396r–4, 1396x–4, 1396x–7, 1397bb to 1397ee, and 1397gg to 1397jj of this title, section 9001 of Title 26, Internal Revenue Code, and sections 1022, 1132, and 1181 of Title 29, Labor, amending provisions set out as a note under section 1397gg of this title, and repealings provisions set out as notes under sections 1397aa and 1397ee of this title] that become effective as of a date—

“(1) such amendments are effective as of such date whether or not regulations implementing such amendments have been issued; and

“(2) Federal financial participation for medical assistance or child health assistance furnished under title XIX or XXI, respectively, of the Social Security Act [42 U.S.C. 1396 et seq., 1397aa et seq.] on or after such date by a State in good faith reliance on such amendments before the date of promulgation of final regulations, if any, to carry out such amendments (or before the date of guidance, if any, regarding the implementation of such amendments) shall not be denied on the basis of the State’s failure to comply with such regulations or guidance.”

PURPOSE

Pub. L. 111–3, §2, 123 Stat. 10, provided that: “It is the purpose of this Act [see Effective Date note above] to provide dependable and stable funding for children’s health insurance under titles XXI and XIX of the Social Security Act [42 U.S.C. 1397aa et seq., 1396 et seq.] in order to enroll all six million uninsured children who are eligible, but not enrolled, for coverage today through such titles.”

MODEL OF INTERSTATE COORDINATED ENROLLMENT AND COVERAGE PROCESS


“(a) IN GENERAL.—In order to assure continuity of coverage of low-income children under the Medicaid program and the State Children’s Health Insurance Program (CHIP), not later than 18 months after the date of the enactment of this Act [Feb. 4, 2009], the Secretary of Health and Human Services, in consultation with State Medicaid and CHIP directors and organizations representing program beneficiaries, shall develop a model process for the coordination of the enrollment, retention, and coverage under such programs of children who, because of migration of families, emergency evacuations, natural or other disasters, public health emergencies, educational needs, or otherwise, frequently change their State of residency or otherwise are temporarily located outside of the State of their residency.

“(b) REPORT TO CONGRESS.—After development of such model process, the Secretary of Health and Human Services shall submit to Congress a report describing additional steps or authority needed to make further improvements to coordinate the enrollment, retention, and coverage under CHIP and Medicaid of children described in subsection (a).”

IMPROVED ACCESSIBILITY OF DENTAL PROVIDER INFORMATION TO ENROLLERS UNDER MEDICAID AND CHIP


“(1) work with States, pediatric dentists, and other dental providers (including providers that are, or are affiliated with, a school of dentistry) to include, not later than 6 months after the date of the enactment of this Act [Feb. 4, 2009], on the Insure Kids Now website (http://www.insurekidsnow.gov) and hotline (1–877–KIDS–NOW) (or on any successor websites or hotlines) a current and accurate list of all such dentists and providers within each State that provide dental services to children enrolled in the State plan (or waiver) under Medicaid or the State child health plan (or waiver) under CHIP, and shall ensure that such list is updated at least quarterly; and

“(2) work with States to include, not later than 6 months after the date of the enactment of this Act, a description of the dental services provided under each State plan (or waiver) under Medicaid and each State child health plan (or waiver) under CHIP on such Insure Kids Now website, and shall ensure that such list is updated at least annually.”

DEADLINE FOR INITIAL APPOINTMENTS


ANNUAL REPORT

Pub. L. 111–3, title V, §506(c), Feb. 4, 2009, 123 Stat. 95, provided that: “Not later than January 1, 2010, and annually thereafter, the Secretary of Health and Human Services, in consultation with the Secretary of the Treasury, the Secretary of Labor, and the States (as defined for purposes of Medicaid), shall submit an annual report to Congress on the financial status of, enrollment in, and spending trends for, Medicaid for the fiscal year ending on September 30 of the preceding year.”

NO FEDERAL FUNDING FOR ILLEGAL ALIENS; DISALLOWANCE FOR UNAUTHORIZED EXPENDITURES

Security Act (42 U.S.C. 1301 et seq., 1396 et seq., 1397aa et seq.) provide for the disallowance of Federal financial participation for erroneous expenditures under Medicaid and under CHIP, respectively.”

DEFINITIONS
Pub. L. 111–3, §4(c), Feb. 4, 2009, 123 Stat. 8, provided that: “In this Act [see Effective Date note above]:

“(1) CHIP.—The term ‘CHIP’ means the State Children’s Health Insurance Program established under title XXI of the Social Security Act (42 U.S.C. 1397aa et seq.).

“(2) Medicaid.—The term ‘Medicaid’ means the program for medical assistance established under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.).

“(3) Secretary.—The term ‘Secretary’ means the Secretary of Health and Human Services.”

§ 1396–1. Appropriations

For the purpose of enabling each State, as far as practicable under the conditions in such State, to furnish (1) medical assistance on behalf of families with dependent children and of aged, blind, or disabled individuals, whose income and resources are insufficient to meet the costs of necessary medical services, and (2) rehabilitation and other services to help such families and individuals attain or retain capability for independence or self-care, there is hereby authorized to be appropriated for each fiscal year a sum sufficient to carry out the purposes of this subchapter. The sums made available under this section shall be used for making payments to States which have submitted, and had approved by the Secretary, State plans for medical assistance.


CODIFICATION

Section was formerly classified to section 1396 of this title.

AMENDMENTS


1973—Pub. L. 93–233 substituted ‘‘disabled individuals’’ for ‘‘permanently and totally disabled individuals’’.

EFFECTIVE DATE OF 1984 AMENDMENT

Amendment by Pub. L. 98–369 effective July 18, 1984, but not to be construed as changing or affecting any right, liability, status, or interpretation which existed (under the provisions of law involved) before that date, see section 2664(b) of Pub. L. 98–369, set out as a note under section 1396a of this title.

EFFECTIVE DATE OF 1973 AMENDMENT

Amendment by Pub. L. 93–233 effective with respect to payments under section 1396b of this title for calendar quarters commencing after Dec. 31, 1973, see section 13(d) of Pub. L. 93–233, set out as a note under section 1396a of this title.

§ 1396a. State plans for medical assistance

(a) Contents

A State plan for medical assistance must—

(1) provide that it shall be in effect in all political subdivisions of the State, and, if administered by them, be mandatory upon them;

(2) provide for financial participation by the State equal to not less than 40 per cent of the non-Federal share of the expenditures under the plan with respect to which payments under section 1396b of this title are authorized by this subchapter; and, effective July 1, 1969, provide for financial participation by the State equal to all of such non-Federal share or provide for distribution of funds from Federal or State sources, for carrying out the State plan, on an equalization or other basis which will assure that the lack of adequate funds from local sources will not result in lowering the amount, duration, scope, or quality of care and services available under the plan;

(3) provide for granting an opportunity for a fair hearing before the State agency to any individual whose claim for medical assistance under the plan is denied or is not acted upon within reasonable promptness;

(4) provide (A) such methods of administration (including methods relating to the establishment and maintenance of personnel standards on a merit basis, except that the Secretary shall exercise no authority with respect to the selection, tenure of office, and compensation of any individual employed in accordance with such methods, and including provision for utilization of professional medical personnel in the administration and where administered locally, supervision of administration of the plan) as are found by the Secretary to be necessary for the proper and efficient operation of the plan, (B) for the training and effective use of paid subprofessional staff, with particular emphasis on the full-time or part-time employment of recipients and other persons of low income, as community service aides, in the administration of the plan and for the use of nonpaid or partially paid volunteers in a social service volunteer program in providing services to applicants and recipients and in assisting any advisory committees established by the State agency, (C) that each State or local officer, employee, or independent contractor who is responsible for the expenditure of substantial amounts of funds under the State plan, each individual who formerly was such an officer, employee, or contractor, and each partner of such an officer, employee, or contractor shall be prohibited from committing any act, in relation to any activity under the plan, the commission of which, in connection with any activity concerning the United States Government, by an officer or employee of the United States Government, an individual who was such an officer or employee, or a partner of such an officer or employee who is prohibited by section 207 or 208 of title 18, and (D) that each State or local officer, employee, or independent contractor who is responsible for selecting, awarding, or otherwise obtaining items and services under the State plan shall be subject to safeguards against conflicts of interest that are at least as stringent as the safeguards that apply under chapter 21 of title 41 to persons described in section 2102(a)(3) of title 41;

(5) either provide for the establishment or designation of a single State agency to administer or to supervise the administration of the
plan; or provide for the establishment or designation of a single State agency to administer or to supervise the administration of the plan, except that the determination of eligibility for medical assistance under the plan shall be made by the State or local agency administering the State plan approved under subchapter I or XVI (insofar as it relates to the aged) if the State is eligible to participate in the State plan program established under subchapter XVI, or by the agency or agencies administering the supplemental security income program established under subchapter XVI or the State plan approved under part A of subchapter IV if the State is not eligible to participate in the State plan program established under subchapter XVI;
(6) State agency will make such reports, in such form and containing such information, as the Secretary may from time to time require, and comply with such provisions as the Secretary may from time to time find necessary to assure the correctness and verification of such reports;
(7) provide—
(A) safeguards which restrict the use or disclosure of information concerning applicants and recipients to purposes directly connected with—
(i) the administration of the plan; and
(ii) the exchange of information necessary to certify or verify the certification of eligibility of children for free or reduced price lunches under the Child Nutrition Act of 1966 [42 U.S.C. 1771 et seq.] and free or reduced price lunches under the Richard B. Russell National School Lunch Act [42 U.S.C. 1751 et seq.], in accordance with section 9(b) of that Act [42 U.S.C. 1758(b)], using data standards and formats established by the State agency; and
(B) that, notwithstanding the Express Lane option under subsection (e)(13), the State may enter into an agreement with the State agency administering the school lunch program established under the Richard B. Russell National School Lunch Act [42 U.S.C. 1751 et seq.], in accordance with section 9(b) of that Act [42 U.S.C. 1758(b)], that the State maintain a consumer-oriented website providing useful information to consumers regarding all skills nursing facilities and all nursing facilities in the State, including for each facility, Form 2567 State inspection reports (or a successor form), complaint investigation reports, the facility’s plan of correction, and such other information that the State or the Secretary considers useful in assisting the public to assess the quality of long term care options and the quality of care provided by individual facilities;
(8) provide that all individuals wishing to make application for medical assistance under the plan shall have opportunity to do so, and that such assistance shall be furnished with reasonable promptness to all eligible individuals;
(9) provide—
(A) that the State health agency, or other appropriate State medical agency (whichever is utilized by the Secretary for the purpose specified in the first sentence of section 1395aa(a) of this title), shall be responsible for establishing and maintaining health standards for private or public institutions in which recipients of medical assistance under the plan may receive care or services, (B) for the establishment or designation of a State authority or authorities which shall be responsible for establishing and maintaining standards, other than those relating to health, for such institutions,
(C) that any laboratory services paid for under such plan must be provided by a laboratory which meets the applicable requirements of section 1395x(e)(9) of this title or paragraphs (16) and (17) of section 1395x(s) of this title, or, in the case of a laboratory which is in a rural health clinic, of section 1395x(aa)(2)(G) of this title, and
(D) that the State maintain a consumer-oriented website providing useful information to consumers regarding all skills nursing facilities and all nursing facilities in the State, including for each facility, Form 2567 State inspection reports (or a successor form), complaint investigation reports, the facility’s plan of correction, and such other information that the State or the Secretary considers useful in assisting the public to assess the quality of long term care options and the quality of care provided by individual facilities;
(10) provide—
(A) for making medical assistance available, including at least the care and services listed in paragraphs (1) through (5), (17), (21), (28), and (29) of section 1396d(a) of this title, to—
(i) all individuals—
(I) who are receiving aid or assistance under any plan of the State approved under subchapter I, X, XIV, or XVI, or part A or part E of subchapter IV (including individuals eligible under this subchapter by reason of section 602(a)(37), 606(h), or 673(h) of this title, or considered by the State to be receiving such aid as authorized under section 682(e)(6) of this title),
(II) with respect to whom supplemental security income benefits are being paid under subchapter XVI (or were being paid as of the date of the enactment of section 211(a) of the Personal Responsibility and Work Opportunity

1 See References in Text note below.
Reconciliation Act of 1996 (P.L. 104–193) and would continue to be paid but for the enactment of that section, (bb) who are qualified severely impaired individuals (as defined in section 1396d(q) of this title), or (cc) who are under 21 years of age and with respect to whom supplemental security income benefits would be paid under subchapter XVI if subparagraphs (A) and (B) of section 1382(c)(7) of this title were applied without regard to the phrase ‘‘the first day of the month following’’, (III) who are qualified pregnant women or children as defined in section 1396d(m) of this title, (IV) who are described in subparagraph (A) or (B) of subsection (l)(1) and whose family income does not exceed the minimum income level the State is required to establish under subsection (l)(2)(A) for such a family; 2 (V) who are qualified family members as defined in section 1396d(m)(1) of this title, (VI) who are described in subparagraph (C) of subsection (l)(1) and whose family income does not exceed the income level the State is required to establish under subsection (l)(2)(B) for such a family, (VII) who are described in subparagraph (D) of subsection (l)(1) and whose family income does not exceed the income level the State is required to establish under subsection (l)(2)(C) for such a family; 2 (VIII) beginning January 1, 2014, who are under 65 years of age, not pregnant, not entitled to, or enrolled for, benefits under part A of subchapter XVIII, or enrolled for benefits under part B of subchapter XVIII, and are not described in a previous subclause of this clause, and whose income (as determined under subsection (e)(14)) does not exceed 133 percent of the poverty line (as defined in section 1397f)(c)(5) of this title) applicable to a family of the size involved, subject to subsection (k); 5 or (IX) who— (aa) are under 26 years of age; (bb) are not described in or enrolled under any of subclauses (I) through (VII) of this clause or are described in any of such subclauses but have income that exceeds the level of income applicable under the State plan for eligibility to enroll for medical assistance under such subclause; (cc) were in foster care under the responsibility of the State on the date of attaining 18 years of age or such higher age as the State has elected under section 675(b)(B)(ii) of this title; and (dd) were enrolled in the State plan under this subchapter or under a waiver of the plan while in such foster care; 3 (ii) at the option of the State, to 4 any group or groups of individuals described in section 1396d(a) of this title (or, in the case of individuals described in section 1396d(a)(i) of this title, to 4 any reasonable categories of such individuals) who are not individuals described in clause (i) of this subparagraph but— (I) who meet the income and resources requirements of the appropriate State plan described in clause (i) if their work-related child care costs were paid from their earnings rather than by a State agency as a service expenditure, (II) who would meet the income and resources requirements of the appropriate State plan described in clause (i), supplemental security income benefits under subchapter XVI, or a State supplementary payment; 2 (V) who are in a medical institution for a period of not less than 30 consecutive days (with eligibility by reason of this subclause beginning on the first day of such period), who meet the resource requirements of the appropriate State plan described in clause (i) or the supplemental security income program, and whose income does not exceed a separate income standard established by the State which is consistent with the limit established under section 1396b(f)(4)(C) of this title, (VI) who would be eligible under the State plan under this subchapter if they were in a medical institution, with respect to whom there has been a determination that but for the provision of home or community-based services described in subsection (c), (d), or (e) of section 1396n of this title they would require the level of care provided in a hospital, nursing facility or intermediate care facility for the mentally retarded the cost of which could be reimbursed under the State plan, and who will receive home or community-based services pursuant to a waiver granted by the Secretary under subsection (c), (d), or (e) of section 1396n of this title, (VII) who would be eligible under the State plan under this subchapter if they were in a medical institution, who are terminally ill, and who will receive hospice care pursuant to a voluntary election described in section 1396d(o) of this title; 2

2 So in original. The semicolon probably should be a comma.
3 So in original. Probably should be followed by "and".
4 So in original. The word “to” probably should not appear.
§ 1396a

(VIII) who is a child described in section 1396d(a)(1) of this title—

(aa) for whom there is in effect an adoption assistance agreement (other than an agreement under part E of subchapter IV) between the State and an adoptive parent or parents,

(bb) who the State agency responsible for adoption assistance has determined cannot be placed with adoptive parents without medical assistance because such child has special needs for medical or rehabilitative care, and

(cc) who was eligible for medical assistance under the State plan prior to the adoption assistance agreement being entered into, or who would have been eligible for medical assistance at such time if the eligibility standards and methodologies of the State’s foster care program under part E of subchapter IV were applied rather than the eligibility standards and methodologies of the State’s aid to families with dependent children program under part A of subchapter IV;

(IX) who are described in subsection (l)(1) and are not described in clause (i)(IV), clause (i)(VI), or clause (i)(VII);

(X) who are described in subsection (m)(1); 2

(XI) who receive only an optional State supplementary payment based on need and paid on a regular basis, equal to the difference between the individual’s countable income and the income standard used to determine eligibility for such supplementary payment (with countable income being the income remaining after deductions as established by the State pursuant to standards that may be more restrictive than the standards for supplementary security income benefits under subchapter XVI), which are available to all individuals in the State (but which may be based on different income standards by political subdivision according to cost of living differences), and which are paid by a State that does not have an adoption assistance agreement (other than an agreement under part A of subchapter IV); 2

(XII) who are described in subsection (z)(1) (relating to certain TB-infected individuals); 2

(XIII) who are in families whose income is less than 250 percent of the income official poverty line (as defined by the Office of Management and Budget, and revised annually in accordance with section 9902(2) of this title) applicable to a family of the size involved, and who but for earnings in excess of the limit established under section 1396d(q)(2)(B) of this title, would be considered to be receiving supplemental security income, who is at least 16, but less than 65, years of age, and whose assets, resources, and earned or unearned income (or both) do not exceed such limitations (if any) as the State may establish; 2

(XIV) who are optional targeted low-income children described in section 1396d(u)(2)(B) of this title; 2

(XV) who, but for earnings in excess of the limit established under section 1396d(q)(2)(B) of this title, would be considered to be receiving supplemental security income, who is at least 16, but less than 65, years of age, and whose assets, resources, and earned or unearned income (or both) do not exceed such limitations (if any) as the State may establish; 2

(XVI) who are employed individuals with a medically improved disability described in section 1396d(v)(1) of this title and whose assets, resources, and earned or unearned income (or both) do not exceed such limitations (if any) as the State may establish, but only if the State provides medical assistance to individuals described in subclause (XV); 2

(XVII) who are independent foster care adolescents (as defined in section 1396d(w)(1) of this title), or who are within any reasonable categories of such adolescents specified by the State; 2

(XVIII) who are described in subsection (aa) (relating to certain breast or cervical cancer patients); 2

(XIX) who are disabled children described in subsection (cc)(1); 2

(XX) beginning January 1, 2014, who are under 65 years of age and are not described in or enrolled under a previous subsection of this clause, and whose income (as determined under subsection (e)(14)) exceeds 133 percent of the poverty line (as defined in section 1397j(c)(5) of this title) applicable to a family of the size involved but does not exceed the highest income eligibility level established under the State plan or under a waiver of the plan, subject to subsection (hh); 2

(XXI) who are described in subsection (ii) (relating to individuals who meet certain income standards); 2

(XXII) who are eligible for home and community-based services under needs-based criteria established under paragraph (1)(A) of section 1396m(i) of this title, or who are eligible for home and community-based services under paragraph (6) of such section, and who will receive home and community-based services pursuant to a State plan amendment under such subsection:

(B) that the medical assistance made available to any individual described in subparagraph (A)—

(1) shall not be less in amount, duration, or scope than the medical assistance made available to any other such individual, and

(2) shall not be less in amount, duration, or scope than the medical assistance made available to individuals not described in subparagraph (A); 2

(C) that if medical assistance is included for any group of individuals described in sec-
tion 1396d(a) of this title who are not described in subparagraph (A) or (E), then—

(i) the plan must include a description of
(I) the criteria for determining eligibility of individuals in the group for such medical assistance, (II) the amount, duration, and scope of medical assistance made available to individuals in the group, and (III) the single standard to be employed in determining income and resource eligibility for all such groups, and the methodology to be employed in determining such eligibility, which shall be no more restrictive than the methodology which would be employed under the supplemental security income program in the case of groups consisting of aged, blind, or disabled individuals in a State in which such program is in effect, and which shall be no more restrictive than the methodology which would be employed under the appropriate State plan (described in subparagraph (A)(i)) to which such group is most closely categorically related in the case of other groups;
(ii) the plan must make available medical assistance—
(I) to individuals under the age of 18 who (but for income and resources) would be eligible for medical assistance as an individual described in subparagraph (A)(i), and
(II) to pregnant women, during the course of their pregnancy, who (but for income and resources) would be eligible for medical assistance as an individual described in subparagraph (A);
(iii) such medical assistance must include (I) with respect to children under 18 and individuals entitled to institutional services, ambulatory services, and (II) with respect to pregnant women, prenatal care and delivery services; and
(iv) if such medical assistance includes services in institutions for mental diseases or in an intermediate care facility for the mentally retarded (or both) for any such group, it also must include for all groups covered at least the care and services listed in paragraphs (1) through (5) and (17) of section 1396d(a) of this title or the care and services described in any 7 of the paragraphs numbered (1) through (24) of such section;
(D) for the inclusion of nursing home services for any individual who, under the State plan, is entitled to nursing facility services;
(E)(i) for making medical assistance available for Medicare cost-sharing (as defined in section 1396d(p)(3) of this title) for qualified Medicare beneficiaries described in section 1396d(p)(1) of this title to section 1396d(p)(4) of this title, for individuals who would be qualified Medicare beneficiaries described in section 1396d(p)(1) of this title but for the fact that their income exceeds the income level established by the State under section 1396d(p)(2) of this title but is less than 110 percent in 1993 and 1994, and 120 percent in 1995 and years thereafter of the official poverty line (referred to in such section) for a family of the size involved; and
(iv) subject to sections 1396u-3 and 1396d(p)(4) of this title, for making medical assistance available for Medicare cost-sharing described in section 1396d(p)(3)(A)(ii) of this title for individuals who would be qualified Medicare beneficiaries described in section 1396d(p)(1) of this title but for the fact that their income exceeds the income level established by the State under section 1396d(p)(2) of this title and is at least 120 percent, but less than 135 percent, of the official poverty line (referred to in such section) for a family of the size involved and who are otherwise eligible for medical assistance under the State plan;
(F) at the option of a State, for making medical assistance available for COBRA premiums (as defined in subsection (u)(2)) for qualified COBRA continuation beneficiaries described in subsection (u)(1); and
(G) that, in applying eligibility criteria of the supplemental security income program under subchapter XVI for purposes of determining eligibility for medical assistance under the State plan of an individual who is not receiving supplemental security income, the State will disregard the provisions of subsections (c) and (e) of section 1382b of this title;
except that (I) the making available of the services described in paragraph (4), (14), or (16) of section 1396d(a) of this title to individuals meeting the age requirements prescribed therein shall not, by reason of this paragraph (10), require the making available of any such services, or the making available of such services of the same amount, duration, and scope, to individuals of any other ages, (II) the making available of supplementary medical insurance benefits under part B of subchapter XVIII to individuals eligible therefor (either pursuant to an agreement entered into under section 1396c of this title or by reason of the payment of premiums under such subchapter by the State agency on behalf of such individuals), or provision for meeting part or all of the cost of deductibles, cost sharing, or similar charges under part B of subchapter XVIII for individuals eligible for benefits under such part, shall not, by reason of this paragraph (10), require the making available of any such benefits, or the making available of services of the same amount, duration, and scope, to any other individuals, (III) the making available of medical assistance equal in amount, duration, and scope to the services described in clause (A) to any classification of individuals approved by the Secretary with respect to whom there is being paid, or who are eligible, or would be...
§ 1396a

eligible if they were not in a medical institution, to have paid with respect to them, a State supplementary payment shall not, by reason of this paragraph (10), require the making available of any such assistance, or the making available of such assistance of the same amount, duration, and scope, to any other individuals not described in clause (A), (IV) the imposition of a deductible, cost sharing, or similar charge for any item or service furnished to an individual not eligible for the exemption under section 1396a(a)(2) or (b)(2) of this title shall not require the imposition of a deductible, cost sharing, or similar charge for the same item or service furnished to an individual who is eligible for such exemption, (V) the making available to pregnant women covered under the plan of services relating to pregnancy (including prenatal, delivery, and postpartum services) or to any other condition which may complicate pregnancy shall not, by reason of this paragraph (10), require the making available of such services, or the making available of such services of the same amount, duration, and scope, to any other individuals, provided such services are made available (in the same amount, duration, and scope) to all pregnant women covered under the State plan, (VI) with respect to the making available of medical assistance for hospice care to terminally ill individuals who have made a voluntary election described in section 1396d(a) of this title to receive hospice care instead of medical assistance for certain other services, such assistance may not be made available in an amount, duration, or scope less than that provided under subchapter XVIII, and the making available of such assistance shall not, by reason of this paragraph (10), require the making available of medical assistance for hospice care to other individuals or the making available of medical assistance for services waived by such terminally ill individuals, (VII) the medical assistance made available to an individual described in subsection (b)(1)(A) who is eligible for medical assistance only because of subparagraph (F) shall be limited to medical assistance described in subsection (ii) shall be limited to family planning services and supplies described in section 1396d(a)(4)(C) of this title, including medical diagnosis and treatment services that are provided pursuant to a family planning service in a family planning setting and (XVIII) if an individual is described in subsection (XIX) the medical assistance shall be made available to the individual through subsection (IX) instead of through subsection (VIII); (11)(A) provide for entering into cooperative arrangements with the State agencies responsible for administering or supervising the administration of health services and vocational rehabilitation services in the State looking toward maximum utilization of such services in the provision of medical assistance under the plan. (B) provide, to the extent prescribed by the Secretary, for entering into agreements.

5So in original. Probably should be followed by a comma.
with any agency, institution, or organization receiving payments under (or through an allotment under) subchapter V, (i) providing for utilizing such agency, institution, or organization in furnishing care and services which are available under such subchapter or allotment and which are included in the State plan approved under this section 5(ii) making such provision as may be appropriate for reimbursing such agency, institution, or organization for the cost of any such care and services furnished any individual for which payment would otherwise be made to the State with respect to the individual under section 1396b of this title, and (iii) providing for coordination of information and education on pediatric vaccinations and delivery of immunization services, and (C) provide for coordination of the operations under this subchapter, including the provision of information and education on pediatric vaccinations and the delivery of immunization services, with the State's operations under the special supplemental nutrition program for women, infants, and children under section 17 of the Child Nutrition Act of 1966 [42 U.S.C. 1786];

(12) provide that, in determining whether an individual is blind, there shall be an examination by a physician skilled in the diseases of the eye or by an optometrist, whichever the individual may select;

(13) provide—

(A) for a public process for determination of rates of payment under the plan for hospital services, nursing facility services, and services of intermediate care facilities for the mentally retarded under which—

(i) proposed rates, the methodologies underlying the establishment of such rates, and justifications for the proposed rates are published;

(ii) providers, beneficiaries and their representatives, and other concerned State residents are given a reasonable opportunity for review and comment on the proposed rates, methodologies, and justifications;

(iii) final rates, the methodologies underlying the establishment of such rates, and justifications for such final rates are published, and

(iv) in the case of hospitals, such rates take into account (in a manner consistent with section 1396r-4 of this title) the situation of hospitals which serve a disproportionate number of low-income patients with special needs;

(B) for payment for hospice care in amounts no lower than the amounts, using the same methodology, used under part A of subchapter XVIII and for payment of amounts under section 1396d(o)(3) of this title; except that in the case of hospice care which is furnished to an individual who is a resident of a nursing facility or intermediate care facility for the mentally retarded, and who would be eligible under the plan for nursing facility services or services in an intermediate care facility for the mentally retarded if he had not elected to receive hospice care, there shall be paid an additional amount, to take into account the room and board furnished by the facility, equal to at least 95 percent of the rate that would have been paid by the State under the plan for facility services in that facility for that individual; and

(C) payment for primary care services (as defined in subsection (jj)) furnished in 2013 and 2014 by a physician with a primary specialty designation of family medicine, general internal medicine, or pediatric medicine at a rate not less than 100 percent of the payment rate that applies to such services and physician under part B of subchapter XVIII (or, if greater, the payment rate that would be applicable under such part if the conversion factor under section 1395w-(d) of this title for the year involved were the conversion factor under such section for 2009);

(14) provide that enrollment fees, premiums, or similar charges, and deductions, cost sharing, or similar charges, may be imposed only as provided in section 1396a of this title;

(15) provide for payment for services described in clause (B) or (C) of section 1396d(a)(2) of this title under the plan in accordance with subsection (bb);

(16) provide for inclusion, to the extent required by regulations prescribed by the Secretary, of provisions (conforming to such regulations) with respect to the furnishing of medical assistance under the plan to individuals who are residents of the State but are absent therefrom;

(17) except as provided in subsections (e)(14), (e)(15), (j)(3), (m)(3), and (m)(4), include reasonable standards (which shall be comparable for all groups and may, in accordance with standards prescribed by the Secretary, differ with respect to income levels, but only in the case of applicants or recipients of assistance under the plan who are not receiving aid or assistance under any plan of the State approved under subchapter I, X, XIV, or XVI, or part A of subchapter IV, and with respect to whom supplemental security income benefits are not being paid under subchapter XVI, based on the variations between shelter costs in urban areas and in rural areas) for determining eligibility for and the extent of medical assistance under the plan which (A) are consistent with the objectives of this subchapter, (B) provide for taking into account only such income and resources as are, as determined in accordance with standards prescribed by the Secretary, available to the applicant or recipient and in the case of any applicant or recipient who would, except for income and resources, be eligible for aid or assistance in the form of money payments under any plan of the State approved under subchapter I, X, XIV, or XVI, or part A of subchapter IV, or to have paid with respect to him supplemental security income benefits under subchapter XVI as would not be disregarded (or set aside for future needs) in determining his eligibility for such aid, assistance, or benefits, (C) provide for reasonable evaluation of any such income or resources, and (D) do not take into account the financial responsibility of any individual for any applicant or recipient of assistance under
§ 1396a

So in original.

(6) transfers of assets, and treatment of certain trusts;

(19) provide such safeguards as may be necessary to assure that eligibility for care and services under the plan will be determined, and such care and services will be provided, in a manner consistent with simplicity of administration and the best interests of the recipients;

(20) if the State plan includes medical assistance in behalf of individuals 65 years of age or older who are patients in institutions for mental diseases—

(A) provide for having in effect such agreements or other arrangements with State authorities concerned with mental diseases, and, where appropriate, with such institutions, as may be necessary for carrying out the State plan, including arrangements for joint planning and for development of alternate methods of care, arrangements providing assurance of immediate readmittance to institutions where needed for individuals under alternate plans of care, and arrangements providing for access to patients and facilities, for furnishing information, and for making reports;

(B) provide for an individual plan for each such patient to assure that the institutional care provided to him is in his best interests, including, to that end, assurances that there will be initial and periodic review of his medical and other needs, that he will be given appropriate medical treatment within the institution, and that there will be a periodic determination of his need for continued treatment in the institution; and

(C) provide for the development of alternate plans of care, making maximum utilization of available resources, for recipients 65 years of age or older who would otherwise need care in such institutions, including appropriate medical treatment and other aid or assistance; for services referred to in section 303(a)(4)(A)(i) and (ii) of this title which are appropriate for such recipients and for such patients; and for methods of administration necessary to assure that the responsibilities of the State agency under the State plan with respect to such recipients and such patients will be effectively carried out;

(21) if the State plan includes medical assistance in behalf of individuals 65 years of age or older who are patients in public institutions for mental diseases, show that the State is making satisfactory progress toward developing and implementing a comprehensive mental health program, including provision for utilization of community mental health centers, nursing facilities, and other alternatives to care in public institutions for mental diseases;

(22) include descriptions of (A) the kinds and numbers of professional medical personnel and supporting staff that will be used in the administration of the plan and of the responsibilities they will have, (B) the standards, for private or public institutions in which recipients of medical assistance under the plan may receive care or services, that will be utilized by the State authority or authorities responsible for establishing and maintaining such standards, (C) the cooperative arrangements with State health agencies and State vocational rehabilitation agencies entered into with a view to maximum utilization of and coordination of the provision of medical assistance with the services administered or supervised by such agencies, and (D) other standards and methods that the State will use to assure that medical or remedial care and services provided to recipients of medical assistance are of high quality;

(23) provide that (A) any individual eligible for medical assistance (including drugs) may obtain such assistance from any institution, agency, community pharmacy, or person, qualified to perform the service or services required (including an organization which provides such services, or arranges for their availability, on a prepayment basis), who undertakes to provide him such services, and (B) an enrollment of an individual eligible for medicaid managed care organization, or a similar entity shall not restrict the choice of the qualified person from whom the individual may receive services under section 1396d(a)(4)(C) of this title, except as provided in subsection (g), in section 1396n of this title, and in section 1396u–2(a) of this title, except that this paragraph shall not apply in the case of Puerto Rico, the Virgin Islands, and Guam, and except that nothing in this paragraph shall be construed as requiring a State to provide medical assistance for such services furnished by a person or entity convicted of a felony under Federal or State law for an offense which the State agency determines is inconsistent with the best interests of beneficiaries under the State plan or by a provider or supplier to which a moratorium under subsection (kk)(4) is applied during the period of such moratorium;
(24) effective July 1, 1969, provide for consultative services by health agencies and other appropriate agencies of the State to hospitals, nursing facilities, home health agencies, clinics, laboratories, and such other institutions as the Secretary may specify in order to assist them (A) to qualify for payments under this chapter, (B) to establish and maintain such fiscal records as may be necessary for the proper and efficient administration of this chapter, and (C) to provide information needed to determine payments due under this chapter on account of care and services furnished to individuals;

(25) provide—

(A) that the State or local agency administering such plan will take all reasonable measures to ascertain the legal liability of third parties (including health insurers, self-insured plans, group health plans (as defined in section 607(1) of the Employee Retirement Income Security Act of 1974 [29 U.S.C. 1167(1)]), service benefit plans, managed care organizations, pharmacy benefit managers, or other parties that are, by statute, contract, or agreement, legally responsible for payment of a claim for a health care item or service) to pay for care and services available under the plan, including—

(i) the collection of sufficient information (as specified by the Secretary in regulations) to enable the State to pursue claims against such third parties, with such information being collected at the time of any determination or redetermination of eligibility for medical assistance, and

(ii) the submission to the Secretary of a plan (subject to approval by the Secretary) for judicially enforcing claims against such third parties, which plan shall be integrated with, and be monitored as a part of the Secretary's review of, the State's mechanized claims processing and information retrieval systems required under section 1396b(r) of this title;

(B) that in any case where such a legal liability is found to exist, the State shall—

(i) make payment for such service in accordance with the usual payment schedule under such plan for such services without regard to the liability of a third party for payment for such services, except that the State may, if the State determines doing so is cost-effective and will not adversely affect access to care, only make such payment if a third party so liable has not made payment within 90 days after the date the provider of such services has initially submitted a claim to such third party for payment for such services; and

(ii) seek reimbursement from such third party in accordance with subparagraph (B);

(F) that in the case of any services covered under such plan which are provided to an individual on whose behalf child support enforcement is being carried out by the State agency under part D of subchapter IV of this chapter, the State shall—

(i) make payment for such service in accordance with the usual payment schedule under such plan for such services without regard to any third-party liability for payment for such services, if such third-party liability is derived (through insurance or otherwise) from the parent whose obligation to pay support is being enforced by such agency, if payment has not been made by such third party within 100 days after the date the provider of such services has initially submitted a claim to such third party for payment for such services, except that the State may make such payment within 30 days after such date if the State determines doing so is cost-effective and necessary to ensure access to care; and

(ii) seek reimbursement from such third party in accordance with subparagraph (B);

(G) that the State prohibits any health insurer (including a group health plan, as defined in section 607(1) of the Employee Retirement Income Security Act of 1974 [29 U.S.C. 1167(1)], a self-insured plan, a service benefit plan, a managed care organization, a pharmacy benefit manager, or other party that is, by statute, contract, or agreement, legally responsible for payment of a claim for a health care item or service), in enroll-
§ 1396a TITLe 42—THE PUBLIC HEALTH AND WELFARE

the date on which the item or service was furnished; and

(II) any action by the State to enforce its rights with respect to such claim is commenced within 6 years of the State’s submission of such claim;

(26) if the State plan includes medical assistance for inpatient mental hospital services, provide, with respect to each patient receiving such services, for a regular program of medical review (including medical evaluation) of his need for such services, and for a written plan of care;

(27) provide for agreements with every person or institution providing services under the State plan under which such person or institution agrees (A) to keep such records as are necessary fully to disclose the extent of the services provided to individuals receiving assistance under the State plan, and (B) to furnish the State agency or the Secretary with such information, regarding any payments claimed by such person or institution for providing services under the State plan, as the State agency or the Secretary may from time to time request;

(28) provide—

(A) that any nursing facility receiving payments under such plan must satisfy all the requirements of subsections (b) through (d) of section 1396c of this title as they apply to such facilities;

(B) for including in “nursing facility services” at least the items and services specified (or deemed to be specified) by the Secretary under section 1396r(f)(7) of this title and making available upon request a description of the items and services so included;

(C) for procedures to make available to the public the data and methodology used in establishing payment rates for nursing facilities under this subchapter; and

(D) for compliance (by the date specified in the respective sections) with the requirements of—

(i) section 1396e(e) of this title;

(ii) section 1396r(g) of this title (relating to responsibility for survey and certification of nursing facilities); and

(iii) sections 1396(h)(2)(B) and 1396r(h)(2)(D) of this title (relating to establishment and application of remedies);

(29) include a State program which meets the requirements set forth in section 1396g of this title, for the licensing of administrators of nursing homes;

(30)(A) provide such methods and procedures relating to the utilization of, and the payment for, care and services available under the plan (including but not limited to utilization review plans as provided for in section 1396(i)(4) of this title) as may be necessary to safeguard against unnecessary utilization of such care and services and to assure that payments are consistent with efficiency, economy, and quality of care and are sufficient to enlist enough providers so that care and services are available under the plan at least to the extent that such care and services are available to the general population in the geographic area; and
(B) provide, under the program described in subparagraph (A), that—
  (i) each admission to a hospital, intermediate care facility for the mentally retarded, or hospital for mental diseases is reviewed or screened in accordance with criteria established by medical and other professional personnel who are not themselves directly responsible for the care of the patient involved, and who do not have a significant financial interest in any such institution and are not, except in the case of a hospital, employed by the institution providing the care involved, and
  (ii) the information developed from such review or screening, along with the data obtained from prior reviews of the necessity for admission and continued stay of patients by such professional personnel, shall be used as the basis for establishing the size and composition of the sample of admissions to be subject to review and evaluation by such personnel, and any such sample may be of any size up to 100 percent of all admissions and must be of sufficient size to serve the purpose of (I) identifying the patterns of care being provided and the changes occurring over time in such patterns so that the need for modification may be ascertained, and (II) subjecting admissions to early or more extensive review where information indicates that such consideration is warranted to a hospital, intermediate care facility for the mentally retarded, or hospital for mental diseases;
  (31) with respect to services in an intermediate care facility for the mentally retarded (where the State plan includes medical assistance for such services) provide, with respect to each patient receiving such services, for a written plan of care, prior to admission to or authorization of benefits in such facility, in accordance with regulations prescribed by the Secretary, for the review by appropriate professional personnel of the appropriate health personnel of the appropriate health personnel of the appropriate
  (32) provide that no payment under the plan for any care or service provided to an individual shall be made to anyone other than such individual or the person or institution providing such care or service, under an assignment or power of attorney or otherwise; except that—
  (A) in the case of any care or service provided by a physician, dentist, or other individual practitioner, such payment may be made (i) to the employer of such physician, dentist, or other practitioner if such physician, dentist, or practitioner is required as a condition of his employment to turn over his fee for such care or service to his employer, or (ii) (where the care or service was provided in a hospital, clinic, or other facility) to the facility in which the care or service was provided if there is a contractual arrangement between such physician, dentist, or practitioner and such facility under which such facility submits the bill for such care or service;
  (B) nothing in this paragraph shall be construed (i) to prevent the making of such a payment in accordance with an assignment from the person or institution providing the care or service involved if such assignment is made to a governmental agency or entity or is established by or pursuant to the order of a court of competent jurisdiction, or (ii) to preclude an agent of such person or institution from receiving any such payment if (but only if) such agent does so pursuant to an agency agreement under which the compensation to be paid to the agent for his services for or in connection with the billing or collection of payments due such person or institution under the plan is unrelated (directly or indirectly) to the amount of such payments or the billings therefor, and is not dependent upon the actual collection of any such payment;
  (C) in the case of services furnished (during a period that does not exceed 14 continuous days in the case of an informal reciprocal arrangement or 90 continuous days (or such longer period as the Secretary may provide) in the case of an arrangement involving per diem or other fee-for-time compensation) by, or incident to the services of, one physician to the patients of another physician who submits the claim for such services, payment shall be made to the physician submitting the claim (as if the services were furnished by, or incident to, the physician’s services), but only if the claim identifies (in a manner specified by the Secretary) the physician who furnished the services; and
  (D) in the case of payment for a childhood vaccine administered before October 1, 1994, to individuals entitled to medical assistance under the plan, the State plan may make payment directly to the manufacturer of the vaccine under a voluntary replacement program agreed to by the State pursuant to which the manufacturer (i) supplies doses of the vaccine to providers administering the vaccine, (ii) periodically replaces the supply of the vaccine, and (iii) charges the State the manufacturer’s price to the Centers for Disease Control and Prevention for the vaccine so administered (which price includes a reasonable amount to cover shipping and the handling of returns);
  (33) provide—
  (A) that the State health agency, or other appropriate State medical agency, shall be responsible for establishing a plan, consistent with regulations prescribed by the Secretary, for the review by appropriate professional health personnel of the appropriateness and quality of care and services furnished to recipients of medical assistance under the plan in order to provide guidance with respect thereto in the administration of the plan to the State agency established or designated pursuant to paragraph (5) and, where applicable, to the State agency described in the second sentence of this subsection; and
  (B) that, except as provided in section 1396r(g) of this title, the State or local agency utilized by the Secretary for the purpose specified in the first sentence of section 1395aa(a) of this title, or, if such agency is
§ 1396a

The Secretary is authorized to validate State determinations and, on that basis, make independent and binding determinations concerning the extent to which individual institutions and agencies meet the requirements for participation;

(34) provide that in the case of any individual who has been determined to be eligible for medical assistance under the plan, such assistance will be made available to him for care and services included under the plan and furnished in or after the third month before the month in which he made application (or application would have been) eligible for such assistance at the time such care and services were furnished;

(35) provide that any disclosing entity (as defined in section 1320a–3(a)(2) of this title) receiving payments under such plan complies with the requirements of section 1320a–3 of this title;

(36) provide that within 90 days following the completion of each survey of any health care facility, laboratory, agency, clinic, or organization, by an independent body described in paragraph (9), such entity shall (in accordance with regulations of the Secretary) make public in readily available form and place the pertinent findings of each such survey relating to the compliance of such health care facility, laboratory, clinic, agency, or organization with (A) the statutory conditions of participation imposed under this subchapter, and (B) the major additional conditions which the Secretary finds necessary in the interest of health and safety of individuals who are furnished care or services by any such facility, laboratory, clinic, agency, or organization;

(37) provide for claims payment procedures which (A) ensure that 90 per centum of claims for payment (for which no further written information or substantiation is required in order to make payment) made for services covered under the plan and furnished by health care practitioners through individual or group practices or through shared health facilities are paid within 30 days of receipt of such claims and that 99 per centum of such claims are paid within 90 days of the date of receipt of such claims, and (B) provide for procedures of prepayment and postpayment claims review, including review of appropriate data with respect to the recipient and provider of a service and the nature of the service for which payment is claimed, to ensure the proper and efficient payment of claims and management of the program;

(38) require that an entity (other than an individual practitioner or a group of practitioners) that furnishes, or arranges for the furnishing of, items or services under the plan, shall supply (within such period as may be specified in regulations by the Secretary) to the single State agency which administers or supervises the administration of the plan) upon request specifically addressed to such entity by the Secretary or such State agency, the information described in section 1320a–7(b)(9) of this title;

(39) provide that the State agency shall exclude any specified individual or entity from participation in the program under the State plan for the period specified by the Secretary, when required by him to do so pursuant to section 1320a–7 of this title or section 1320a–7a of this title, terminate the participation of any individual or entity in such program if (subject to such exceptions as are permitted with respect to exclusion under sections 1320a–7(c)(3)(B) and 1320a–7(d)(3)(B) of this title) participation of such individual or entity is terminated under subchapter XVIII, any other State plan under this subchapter (or waiver of the plan), or any State child health plan under subchapter XXI (or waiver of the plan) and such termination is included by the Secretary in any database or similar system developed pursuant to section 6401(b)(2) of the Patient Protection and Affordable Care Act, and provide that no payment may be made under the plan with respect to any item or service furnished by such individual or entity during such period;

(40) require each health services facility or organization which receives payments under the plan and of a type for which a uniform reporting system has been established under section 1320a–a(a) of this title to make reports to the Secretary of information described in such section in accordance with the uniform reporting system (established under such section) for such type of facility or organization;

(41) provide, in accordance with subsection (kk)(8) (as applicable), that whenever a provider of services or any other person is terminated, suspended, or otherwise sanctioned or prohibited from participating under the State plan, the State agency shall promptly notify the Secretary and, in the case of a physician and notwithstanding paragraph (7), the State medical licensing board of such action;

(42) provide that—

(A) the records of any entity participating in the plan and providing services reimbursable on a cost-related basis will be audited as the Secretary determines to be necessary to insure that proper payments are made under the plan; and

(B) not later than December 31, 2010, the State shall—

(1) establish a program under which the State contracts (consistent with State law and in the same manner as the Secretary enters into contracts with recovery audit contractors under section 1395ddd(h) of this title, subject to such exceptions or requirements as the Secretary may require for purposes of this subchapter or a par-
(2) informing all persons in the State who are under the age of 21 and who have been determined to be eligible for medical assistance, and recouping overpayments under the State plan with respect to all services for which payment is made to any entity under such plan or waiver; and

(ii) provide assurances satisfactory to the Secretary that—

(I) under such contracts, payment shall be made to such a contractor only from amounts recovered;

(II) from such amounts recovered, payment—

(aa) shall be made on a contingent basis for collecting overpayments; and

(bb) may be made in such amounts as the State may specify for identifying overpayments;

(III) the State has an adequate process for entities to appeal any adverse determination made by such contractors; and

(IV) such program is carried out in accordance with such requirements as the Secretary shall specify, including—

(aa) for purposes of section 1396b(a)(7) of this title, that amounts expended by the State to carry out the program shall be considered amounts expended as necessary for the proper and efficient administration of the State plan or a waiver of the plan;

(bb) that section 1396b(d) of this title shall apply to amounts recovered under the program; and

(cc) that the State and any such contractors under contract with the State shall coordinate such recovery audit efforts with other contractors or entities performing audits of entities receiving payments under the State plan or waiver in the State, including efforts with Federal and State law enforcement with respect to the Department of Justice, including the Federal Bureau of Investigations; the Inspector General of the Department of Health and Human Services, and the State Medicaid fraud control unit; and

(D) reporting to the Secretary (in a uniform form and manner established by the Secretary, by age group and by basis of eligibility for medical assistance, and by not later than April 1 after the end of each fiscal year, beginning with fiscal year 1990) the following information relating to early and periodic screening, diagnostic, and treatment services provided under the plan during each fiscal year:

(i) the number of children provided child health screening services,

(ii) the number of children referred for corrective treatment (the need for which is disclosed by such child health screening services),

(iii) the number of children receiving dental services, and other information relating to the provision of dental services to such children described in section 1397hh(e) of this title and

(iv) the State’s results in attaining the participation goals set for the State under section 1396d(r) of this title;

(44) in each case for which payment for inpatient hospital services, services in an intermediate care facility for the mentally retarded, or inpatient mental hospital services is made under the State plan—

(A) a physician (or, in the case of skilled nursing facility services or intermediate care facility services, a physician, or a nurse practitioner or clinical nurse specialist who is not an employee of the facility but is working in collaboration with a physician) certifies at the time of admission, or, if later, the time the individual applies for medical assistance under the State plan (and a physician, a physician assistant under the supervision of a physician, or, in the case of skilled nursing facility services or intermediate care facility services, a physician, or a nurse practitioner or clinical nurse specialist who is not an employee of the facility but is working in collaboration with a physician) certifies at the time of admission, or, if later, the time the individual applies for medical assistance under the State plan (and a physician, a physician assistant under the supervision of a physician, or, in the case of skilled nursing facility services or intermediate care facility services, a physician, or a nurse practitioner or clinical nurse specialist who is not an employee of the facility but is working in collaboration with a physician), recertifies, where such services are furnished over a period of time, in such cases, at least as often as required under section 1396b(g)(6) of this title (or, in the case of services that are services provided in an intermediate care facility for the mentally retarded, every year), and accompanied by such supporting material, appropriate to the case involved, as may be provided in regulations of the Secretary), that such services are or were required to be given on an inpatient basis because the individual needs or needed such services, and

(B) such services were furnished under a plan established and periodically reviewed and evaluated by a physician, or, in the case of skilled nursing facility services or intermediate care facility services, a physician, or a nurse practitioner or clinical nurse specialist who is not an employee of the facility but is working in collaboration with a physician;
(45) provide for mandatory assignment of rights of payment for medical support and other medical care owed to recipients, in accordance with section 1396k of this title;

(46) (A) provide that information is requested and exchanged for purposes of income and eligibility verification in accordance with a State system which meets the requirements of section 1320b–7 of this title; and

(B) provide, with respect to an individual declaring to be a citizen or national of the United States for purposes of establishing eligibility under this subchapter, that the State shall satisfy the requirements of—

(i) section 1396b(x) of this title; or

(ii) subsection (ee);

(47) provide—

(A) at the option of the State, for making ambulatory prenatal care available to pregnant women during a presumptive eligibility period in accordance with section 1396–1 of this title and provide for making medical assistance available to individuals described in subsection (a) of section 1396–1a of this title available to children during a presumptive eligibility period in accordance with such section and provide for making medical assistance available to individuals described in subsection (a) of section 1396–1b of this title during a presumptive eligibility period in accordance with such section and provide for making medical assistance available to individuals described in subsection (a) of section 1396–1c of this title during a presumptive eligibility period in accordance with such section; and

(B) that any hospital that is a participating provider under the State plan may elect to be a qualified entity for purposes of determining, on the basis of preliminary information, whether any individual is eligible for medical assistance under the State plan or under a waiver of the plan for purposes of providing the individual with medical assistance during a presumptive eligibility period, in the same manner, and subject to the same requirements, as apply to the State options with respect to populations described in section 1396–1, 1396–1a, 1396–1b, or 1396–1c of this title (but without regard to whether the State has elected to provide for a presumptive eligibility period under any such sections), subject to such guidance as the Secretary shall establish;

(48) provide a method of making cards evidencing eligibility for medical assistance available to an eligible individual who does not reside in a permanent dwelling or does not have a fixed home or mailing address;

(49) provide that the State will provide information and access to certain information respecting sanctions taken against health care practitioners and providers by State licensing authorities in accordance with section 1396–2 of this title;

(50) provide, in accordance with subsection (q), for a monthly personal needs allowance for certain institutionalized individuals and couples;

(51) meet the requirements of section 1396r–5 of this title (relating to protection of community spouses);

(52) meet the requirements of section 1396r–6 of this title (relating to extension of eligibility for medical assistance);

(53) provide—

(A) for notifying in a timely manner all individuals in the State who are determined to be eligible for medical assistance and who are pregnant women, breastfeeding or postpartum women (as defined in section 17 of the Child Nutrition Act of 1966 [42 U.S.C. 1786]), or children below the age of 5, of the availability of benefits furnished by the special supplemental nutrition program under such section, and

(B) for referring any such individual to the State agency responsible for administering such program;

(54) in the case of a State plan that provides medical assistance for covered outpatient drugs (as defined in section 1396r–8(k) of this title), comply with the applicable requirements of section 1396r–8 of this title;

(55) provide for receipt and initial processing of applications of individuals for medical assistance under subsection (a) of section 1396–1a of this title and provide for medical assistance under subsection (a) of section 1396–1c of this title;

(56) provide, in accordance with subsection (s), for adjusted payments for certain inpatient hospital services;

(57) provide that each hospital, nursing facility, provider of home health care or personal care services, hospice program, or Medicaid managed care organization (as defined in section 1396d(1)(2)(B) of this title) receiving funds under the plan shall comply with the requirements of subsection (w);

(58) provide that the State, acting through a State agency, association, or other private nonprofit entity, develop a written description of the law of the State (whether statutory or as recognized by the courts of the State) concerning advance directives that would be distributed by providers or organizations under the requirements of subsection (w);

(59) maintain a list (updated not less often than monthly, and containing each physician’s unique identifier provided under the system established under subsection (x) of all physicians who are certified to participate under the State plan;

(60) provide that the State agency shall provide assurances satisfactory to the Secretary that the State has in effect the laws relating
to medical child support required under section 1396g–1 of this title;

(61) provide that the State must demonstrate that it operates a Medicaid fraud and abuse control unit described in section 1396b(q) of this title that effectively carries out the functions and requirements described in such section, as determined in accordance with standards established by the Secretary, unless the State demonstrates to the satisfaction of the Secretary that the effective operation of such a unit in the State would not be cost-effective because minimal fraud exists in connection with the provision of covered services to eligible individuals under the State plan, and that beneficiaries under the plan will be protected from abuse and neglect in connection with the provision of medical assistance under the plan without the existence of such a unit;

(62) provide for a program for the distribution of pediatric vaccines to program-registered providers for the immunization of vaccine-eligible children in accordance with section 1396a of this title;

(63) provide for administration and determinations of eligibility with respect to individuals who are (or seek to be) eligible for medical assistance based on the application of section 1396a–1 of this title;

(64) provide, not later than 1 year after August 5, 1997, a mechanism to receive reports from beneficiaries and others and compile data concerning alleged instances of waste, fraud, and abuse relating to the operation of this subchapter;

(65) provide that the State shall issue provider numbers for all suppliers of medical assistance consisting of durable medical equipment, as defined in section 1395x(n) of this title, and the State shall not issue or renew such a supplier number for any such supplier unless—

(A) (i) full and complete information as to the identity of each person with an ownership or control interest (as defined in section 1320a-3(a)(2) of this title) in the supplier or in any subcontractor (as defined by the Secretary in regulations) in which the supplier directly or indirectly has a 5 percent or more ownership interest; and

(ii) to the extent determined to be feasible under regulations of the Secretary, the name of any disclosing entity (as defined in section 1320a-3(a)(2) of this title) with respect to which a person with such an ownership or control interest in the supplier is a person with such an ownership or control interest in the disclosing entity; and

(B) a surety bond in a form specified by the Secretary under section 1395m(a)(16)(B) of this title and in an amount that is not less than $50,000 or such comparable surety bond as the Secretary may permit under the second sentence of such section;

(66) provide for making eligibility determinations under section 1396a-5(a) of this title;

(67) provide, with respect to services covered under the State plan (but not under subchapter XVIII) that are furnished to a PACE program eligible individual enrolled with a PACE provider by a provider participating under the State plan that does not have a contract or other agreement with the PACE provider that establishes payment amounts for such services, that such participating provider may not require the PACE provider to pay the participating provider an amount greater than the amount that would otherwise be payable for the service to the participating provider under the State plan for the State where the PACE provider is located (in accordance with regulations issued by the Secretary);

(68) provide that any entity that receives or makes annual payments under the State plan of at least $5,000,000, as a condition of receiving such payments, shall—

(A) establish written policies for all employees of the entity (including management), and of any contractor or agent of the entity, that provide detailed information about the False Claims Act established under sections 3729 through 3733 of title 31, administrative remedies for false claims and statements established under chapter 38 of title 31, any State laws pertaining to civil or criminal penalties for false claims and statements, and whistleblower protections under such laws, with respect to the role of such laws in preventing and detecting fraud, waste, and abuse in Federal health care programs (as defined in section 1320a-7b(f) of this title);

(B) include as part of such written policies, detailed provisions regarding the entity’s policies and procedures for detecting and preventing fraud, waste, and abuse; and

(C) include in any employee handbook for the entity, a specific discussion of the laws described in subparagraph (A), the rights of employees to be protected as whistleblowers, and the entity’s policies and procedures for detecting and preventing fraud, waste, and abuse;

(69) provide that the State must comply with any requirements determined by the Secretary to be necessary for carrying out the Medicaid Integrity Program established under section 1396a-6 of this title;

(70) at the option of the State and notwithstanding paragraphs (1), (10)(B), and (23), provide for the establishment of a non-emergency medical transportation brokerage program in order to more cost-effectively provide transportation for individuals eligible for medical assistance under the State plan who need access to medical care or services and have no other means of transportation which—

(A) may include a wheelchair van, taxi, stretcher car, bus passes and tickets, secured transportation, and such other transportation as the Secretary determines appropriate; and

(B) may be conducted under contract with a broker who—

(i) is selected through a competitive bidding process based on the State’s evaluation of the broker’s experience, performance, references, resources, qualifications, and costs;

(ii) has oversight procedures to monitor beneficiary access and complaints and en-
§ 1396a

An asset verification program as required under section 1396w of this title; a Federally-qualified health center from entering into contractual relationships with private practice dental providers in the provision of Federally-qualified health center services; or Urban Indian Organizations furnishes health care services, and annually thereafter, the State shall submit a report to the Secretary that contains—

(71) provide that the State will implement an asset verification program as required under section 1396w of this title;

(72) provide that the State will not prevent a Federally-qualified health center from entering into contractual relationships with private practice dental providers in the provision of Federally-qualified health center services;

(73) in the case of any State in which I or more Indian Health Programs or Urban Indian Organizations furnishes health care services, provide for a process under which the State seeks advice on a regular, ongoing basis from designees of such Indian Health Programs and Urban Indian Organizations on matters relating to the application of this subchapter that are likely to have a direct effect on such Indian Health Programs and Urban Indian Organizations and that—

(A) shall include solicitation of advice prior to submission of any plan amendments, waiver requests, and proposals for demonstration projects likely to have a direct effect on Indians, Indian Health Programs, or Urban Indian Organizations; and

(B) may include appointment of an advisory committee and of a designee of such Indian Health Programs and Urban Indian Organizations to the medical care advisory committee advising the State on its State plan under this subchapter;

(74) provide for maintenance of effort under the State plan or under any waiver of the plan in accordance with subsection (gg);

(75) provide that, beginning January 2015, and annually thereafter, the State shall submit a report to the Secretary that contains—

(A) the total number of enrolled and newly enrolled individuals in the State plan or under a waiver of the plan for the fiscal year ending on September 30 of the preceding calendar year, disaggregated by population, including children, parents, nonpregnant childless adults, disabled individuals, elderly individuals, and such other categories or sub-categories of individuals eligible for medical assistance under the State plan or under a waiver of the plan as the Secretary may require;

(B) a description, which may be specified by population, of the outreach and enrollment processes used by the State during such fiscal year; and

(C) any other data reporting determined necessary by the Secretary to monitor enrollment and retention of individuals eligible for medical assistance under the State plan or under a waiver of the plan;

(76) provide that any data collected under the State plan meets the requirements of section 3101 of the Public Health Service Act [42 U.S.C. 300kk];

(77) provide that the State shall comply with provider and supplier screening, oversight, and reporting requirements in accordance with subsection (kk);

(78) provide that, not later than January 1, 2017, in the case of a State that pursuant to its State plan or waiver of the plan for medical assistance pays for medical assistance on a fee-for-service basis, the State shall require each provider furnishing items and services to, or ordering, prescribing, referring, or certifying eligibility for, services for individuals eligible to receive medical assistance under such plan to enroll with the State agency and provide to the State agency the provider’s identifying information, including the name, specialty, date of birth, Social Security number, national provider identifier (if applicable), Federal taxpayer identification number, and the State license or certification number of the provider (if applicable);

(79) provide that any agent, clearinghouse, or other alternate payee (as defined by the Secretary) that submits claims on behalf of a health care provider must register with the State and the Secretary in a form and manner specified by the Secretary;

(80) provide that the State shall not provide any payments for items or services provided under the State plan or under a waiver to any financial institution or entity located outside of the United States;

(81) provide for implementation of the payment models specified by the Secretary under section 1315a(c) of this title for implementation on a nationwide basis unless the State demonstrates to the satisfaction of the Secretary that implementation would not be administratively feasible or appropriate to the health care delivery system of the State;

(82) provide that the State agency responsible for administering the State plan under this subchapter provides assurances to the Secretary that the State agency is in compliance with subparagraphs (A), (B), and (C) of section 1320a-7n(b)(2) of this title;

(83) provide that, not later than January 1, 2017, in the case of a State plan (or waiver of the plan) that provides medical assistance on a fee-for-service basis or through a primary care case-management system described in section 1396n(b)(1) of this title (other than a primary care case management entity (as defined by the Secretary)), the State shall publish (and update on at least an annual basis) on the public website of the State agency administering the State plan, a directory of the physicians described in subsection (mm) and, at State option, other providers described in such subsection that—

(A) includes—

(i) with respect to each such physician or provider—

(I) the name of the physician or provider;

(76) provide that any data collected under the State plan meets the requirements of section 3101 of the Public Health Service Act [42 U.S.C. 300kk];

(77) provide that the State shall comply with provider and supplier screening, oversight, and reporting requirements in accordance with subsection (kk);

(78) provide that, not later than January 1, 2017, in the case of a State that pursuant to its State plan or waiver of the plan for medical assistance pays for medical assistance on a fee-for-service basis, the State shall require each provider furnishing items and services to, or ordering, prescribing, referring, or certifying eligibility for, services for individuals eligible to receive medical assistance under such plan to enroll with the State agency and provide to the State agency the provider’s identifying information, including the name, specialty, date of birth, Social Security number, national provider identifier (if applicable), Federal taxpayer identification number, and the State license or certification number of the provider (if applicable);

(79) provide that any agent, clearinghouse, or other alternate payee (as defined by the Secretary) that submits claims on behalf of a health care provider must register with the State and the Secretary in a form and manner specified by the Secretary;

(80) provide that the State shall not provide any payments for items or services provided under the State plan or under a waiver to any financial institution or entity located outside of the United States;

(81) provide for implementation of the payment models specified by the Secretary under section 1315a(c) of this title for implementation on a nationwide basis unless the State demonstrates to the satisfaction of the Secretary that implementation would not be administratively feasible or appropriate to the health care delivery system of the State;

(82) provide that the State agency responsible for administering the State plan under this subchapter provides assurances to the Secretary that the State agency is in compliance with subparagraphs (A), (B), and (C) of section 1320a-7n(b)(2) of this title;

(83) provide that, not later than January 1, 2017, in the case of a State plan (or waiver of the plan) that provides medical assistance on a fee-for-service basis or through a primary care case-management system described in section 1396n(b)(1) of this title (other than a primary care case management entity (as defined by the Secretary)), the State shall publish (and update on at least an annual basis) on the public website of the State agency administering the State plan, a directory of the physicians described in subsection (mm) and, at State option, other providers described in such subsection that—

(A) includes—

(i) with respect to each such physician or provider—

(I) the name of the physician or provider;

rollment and retention of individuals eligible for medical assistance under the State plan or under a waiver of the plan;
(I) the specialty of the physician or provider;
(III) the address at which the physician or provider provides services; and
(IV) the telephone number of the physician or provider; and
(ii) with respect to any such physician or provider participating in such a primary care case-management system, information regarding—
(I) whether the physician or provider is accepting as new patients individuals who receive medical assistance under this subchapter; and
(II) the physician’s or provider’s cultural and linguistic capabilities, including the languages spoken by the physician or provider or by the skilled medical interpreter providing interpretation services at the physician’s or provider’s office; and
(B) may include, at State option, with respect to each such physician or provider—
(i) the Internet website of such physician or provider; or
(ii) whether the physician or provider is accepting as new patients individuals who receive medical assistance under this subchapter;
(85) provide that—
(A) the State shall not terminate eligibility for medical assistance under the State plan for an individual who is an eligible juvenile (as defined in subsection (nn)(2)) because the juvenile is an inmate of a public institution (as defined in subsection (nn)(3)), but may suspend coverage during the period the juvenile is such an inmate;
(B) in the case of an individual who is an eligible juvenile described in paragraph (2)(A) of subsection (nn), the State shall, prior to the individual’s release from such a public institution, conduct a redetermination of eligibility for such individual with respect to such medical assistance (without requiring a new application from the individual) and, if the State determines pursuant to such redetermination that the individual continues to meet the eligibility requirements for such medical assistance, the State shall restore coverage for such medical assistance to such an individual upon the individual’s release from such public institution; and
(C) in the case of an individual who is an eligible juvenile described in paragraph (2)(B) of subsection (nn), the State shall process any application for medical assistance submitted by, or on behalf of, such individual such that the State makes a determination of eligibility for such individual with respect to such medical assistance upon release of such individual from such public institution;
(85) provide that the State is in compliance with the drug review and utilization requirements under subsection (oo)(1); and
(86) provide, at the option of the State, for making medical assistance available on an inpatient or outpatient basis at a residential pediatric recovery center (as defined in subsection (pp)) to infants with neonatal abstinence syndrome.

Notwithstanding paragraph (5), if on January 1, 1965, and on the date on which a State submits its plan for approval under this subchapter, the State agency which administered or supervised the administration of the plan of such State approved under subchapter X (or subchapter XVI, insofar as it relates to the aged), the State agency which administered or supervised the administration of the State plan approved under subchapter I (or subchapter XVI, insofar as it relates to the aged), the State agency which administered or supervised the administration of such plan approved under subchapter X (or subchapter XVI, insofar as it relates to the blind) may be designated to administer or supervise the administration of the portion of the State plan for medical assistance which relates to blind individuals and a different State agency may be established or designated to administer or supervise the administration of the rest of the State plan for medical assistance; and in such case the part of the plan which each such agency administers, or the administration of which each such agency supervises, shall be regarded as a separate plan for purposes of this subchapter (except for purposes of paragraphs (8)(B) through (10)). The provisions of paragraphs (9)(A), (31), and (33) and of section 1386b(1)(4) of this title shall not apply to a religious nonmedical health care institution (as defined in section 1955x(ss)(1) of this title).

For purposes of paragraph (10) any individual who, for the month of August 1972, was eligible for or receiving aid or assistance under a State plan approved under subchapter I, X, XIV, or XVI, or part A of subchapter IV and who for such month was entitled to monthly insurance benefits under subchapter II shall for purposes of this subchapter only be deemed to be eligible for financial aid or assistance for any month thereafter if such individual would have been eligible for financial aid or assistance for such month had the increase in monthly insurance benefits under subchapter II resulting from enactment of Public Law 92–336 not been applicable to such individual.

The requirement of clause (A) of paragraph (37) with respect to a State plan may be waived by the Secretary if he finds that the State has exercised good faith in trying to meet such requirement. For purposes of this subchapter, any child who meets the requirements of paragraph (1) or (2) of section 673(b) of this title shall be deemed to be a dependent child as defined in section 606 of this title and shall be deemed to be a recipient of aid to families with dependent children under part A of subchapter IV in the State where such child resides. Notwithstanding paragraph (10)(B) or any other provision of this subsection, a State plan shall provide medical assistance with respect to an alien who is not lawfully admitted for permanent residence or otherwise permanently residing in the United States under color of law only in accordance with section 1396b(v) of this title.
§ 1396a  TITLE 42—THE PUBLIC HEALTH AND WELFARE  Page 3660

(b) Approval by Secretary

The Secretary shall approve any plan which fulfills the conditions specified in subsection (a), except that he shall not approve any plan which imposes, as a condition of eligibility for medical assistance under the plan—

(1) an age requirement of more than 65 years; or

(2) any residence requirement which excludes any individual who resides in the State, regardless of whether or not the residence is maintained permanently or at a fixed address; or

(3) any citizenship requirement which excludes any citizen of the United States.

c) Lower payment levels or applying for benefits as condition of applying for, or receiving, medical assistance

Notwithstanding subsection (b), the Secretary shall not approve any State plan for medical assistance if the State requires individuals described in subsection (j) to apply for assistance under the State program funded under part A of subchapter IV as a condition of applying for or receiving medical assistance under this subchapter.

d) Performance of medical or utilization review functions

If a State contracts with an entity that meets the requirements of section 1320c-1 of this title, as determined by the Secretary, or a utilization and quality control peer review organization having a contract with the Secretary under part B of subchapter XI for the performance of medical or utilization review functions required under this subchapter of a State plan with respect to specific services or providers (or services or providers in a geographic area of the State), such requirements shall be deemed to be met for those services or providers (or services or providers in that area) by delegation to such an entity or organization under the contract of the State’s authority to conduct such review activities if the contract provides for the performance of activities not inconsistent with part B of subchapter XI and provides for such assurances of satisfactory performance by such an entity or organization as the Secretary may prescribe.

e) Continuation and extension of eligibility of certain individuals; Express Lane option for children

(1) Beginning April 1, 1990, for provisions relating to the extension of eligibility for medical assistance for certain families who have received aid pursuant to a State plan approved under part A of subchapter IV and have earned income, see section 1396c-6 of this title.

(2) A) In the case of an individual who is enrolled with a medicaid managed care organization (as defined in section 1396b(m)(1)(A) of this title), with a primary care case manager (as defined in section 1396d(t) of this title), or with an eligible organization with a contract under section 1395mm of this title and who would (but for this paragraph) lose eligibility for benefits under this subchapter before the end of the minimum enrollment period (defined in subparagraph (B)), the State plan may provide, notwithstanding any other provision of this subchapter, that the individual shall be deemed to continue to be eligible for such benefits until the end of such minimum period, but, except for benefits furnished under section 1396d(a)(4)(C) of this title, only with respect to such benefits provided to the individual as an enrollee of such organization or entity or by or through the case manager.

(B) For purposes of subparagraph (A), the term “minimum enrollment period” means, with respect to an individual’s entitlement with an organization or entity under a State plan, a period, established by the State, of not more than six months beginning on the date the individual’s enrollment with the organization or entity becomes effective.

(3) At the option of the State, any individual who—

(A) is 18 years of age or younger and qualifies as a disabled individual under section 1382c(a) of this title;

(B) with respect to whom there has been a determination by the State that—

(i) the individual requires a level of care provided in a hospital, nursing facility, or intermediate care facility for the mentally retarded,

(ii) it is appropriate to provide such care for the individual outside such an institution, and

(iii) the estimated amount which would be expended for medical assistance for the individual for such care outside an institution is not greater than the estimated amount which would otherwise be expended for medical assistance for the individual within an appropriate institution; and

(C) if the individual were in a medical institution, would be eligible for medical assistance under the State plan under this subchapter,

shall be deemed, for purposes of this subchapter only, to be an individual with respect to whom a supplemental security income payment, or State supplemental payment, respectively, is being paid under subchapter XVI.

(4) A child born to a woman eligible for and receiving medical assistance under a State plan on the date of the child’s birth shall be deemed to have applied for medical assistance and to have been found eligible for such assistance under such plan on the date of such birth and to remain eligible for such assistance for a period of one year. During the period in which a child is deemed under the preceding sentence to be eligible for medical assistance, the medical assistance eligibility identification number of the mother shall also serve as the identification number of the child, and all claims shall be submitted and paid under such number (unless the State issues a separate identification number for the child before such period expires). Notwithstanding the preceding sentence, in the case of a child who is born in the United States to an alien mother for whom medical assistance for the delivery of the child is made available pursuant to section 1396b(v) of this title, the State

10So in original. Probably should be “a quality improvement organization”. 
immediately shall issue a separate identification number for the child upon notification by the facility at which such delivery occurred of the child’s birth.

(5) A woman who, while pregnant, is eligible for, has applied for, and has received medical assistance under the State plan, shall continue to be eligible under the plan, as though she were pregnant, for all pregnancy-related and postpartum medical assistance under the plan, through the end of the month in which the 60-day period (beginning on the last day of her pregnancy) ends.

(6) In the case of a pregnant woman described in subsection (a)(10) who, because of a change in income of the family of which she is a member, would not otherwise continue to be described in such subsection, the woman shall be deemed to continue to be an individual described in subsection (a)(10)(A)(i)(IV) and subsection (l)(1)(A) without regard to such change of income through the end of the month in which the 60-day period (beginning on the last day of her pregnancy) ends. The preceding sentence shall not apply in the case of a woman who has been provided ambulatory prenatal care pursuant to section 1396e-1 of this title during a presumptive eligibility period and is then, in accordance with such section, determined to be ineligible for medical assistance under the State plan.

(7) In the case of an infant or child described in subparagraph (B), (C), or (D) of subsection (l)(1) or paragraph (2) of section 1396d(n) of this title—

(A) who is receiving inpatient services for which medical assistance is provided on the date the infant or child attains the maximum age with respect to which coverage is provided under the State plan for such individuals, and

(B) who, but for attaining such age, would remain eligible for medical assistance under such subsection,

the infant or child shall continue to be treated as an individual described in such respective provision until the end of the stay for which the inpatient services are furnished.

(8) If an individual is determined to be a qualified Medicare beneficiary (as defined in section 1396a(a)(1) of this title), such determination shall apply to services furnished after the end of the month in which the determination first occurs. For purposes of payment to a State under section 1396b(a) of this title, such determination shall be considered to be valid for an individual for a period of 12 months, except that a State may provide for such determinations more frequently, but not more frequently than once every 6 months for an individual.

(9)(A) At the option of the State, the plan may include as medical assistance respiratory care services for any individual who—

(i) is medically dependent on a ventilator for life support at least six hours per day;

(ii) has been so dependent for at least 30 consecutive days (or the maximum number of days authorized under the State plan, whichever is less) as an inpatient;

(iii) but for the availability of respiratory care services, would require respiratory care as an inpatient in a hospital, nursing facility, or intermediate care facility for the mentally retarded and would be eligible to have payment made for such inpatient care under the State plan;

(iv) has adequate social support services to be cared for at home; and

(v) wishes to be cared for at home.

(B) The requirements of subparagraph (A)(ii) may be satisfied by a continuous stay in one or more hospitals, nursing facilities, or intermediate care facilities for the mentally retarded.

(C) For purposes of this paragraph, respiratory care services means services provided on a part-time basis in the home of the individual by a respiratory therapist or other health care professional trained in respiratory therapy (as determined by the State), payment for which is not otherwise included within other items and services furnished to such individual as medical assistance under the plan.

(10)(A) The fact that an individual, child, or pregnant woman may be denied aid under part A of subchapter IV pursuant to section 602(a)(43) of this title shall not be construed as denying (or permitting the State to deny) medical assistance under this subchapter to such individual, child, or woman who is eligible for assistance under this subchapter on a basis other than the receipt of aid under such part.

(B) If an individual, child, or pregnant woman is receiving aid under part A of subchapter IV and such aid is terminated pursuant to section 602(a)(43) of this title, the State may not discontinue medical assistance under this subchapter for the individual, child, or woman until the State has determined that the individual, child, or woman is not eligible for assistance under this subchapter on a basis other than the receipt of aid under such part.

(11)(A) In the case of an individual who is enrolled with a group health plan under section 1396e of this title and who would (but for this paragraph) lose eligibility for benefits under this subchapter before the end of the minimum enrollment period (defined in subparagraph (B)), the State plan may provide, notwithstanding any other provision of this subchapter, that the individual shall be deemed to continue to be eligible for such benefits until the end of such minimum period, but only with respect to such benefits provided to the individual as an enrollee of such plan.

(B) For purposes of subparagraph (A), the term “minimum enrollment period” means, with respect to an individual’s enrollment with a group health plan, a period established by the State, of not more than 6 months beginning on the date the individual’s enrollment under the plan becomes effective.

(12) At the option of the State, the plan may provide that an individual who is under an age specified by the State (not to exceed 19 years of age) and who is determined to be eligible for benefits under a State plan approved under this subchapter under subsection (a)(10)(A) shall remain eligible for those benefits until the earlier of—

(A) the end of a period (not to exceed 12 months) following the determination; or

(B) the time that the individual exceeds that age.

(13) EXPRESS LANE OPTION.—
§ 1396a

A. IN GENERAL.—

(i) OPTION TO USE A FINDING FROM AN EXPRESS LANE AGENCY.—At the option of the State, the State plan may provide that in determining eligibility for medical assistance under this subchapter for a child (as defined in subparagraph (G)), the State may rely on a finding made within a reasonable period (as determined by the State) from an Express Lane agency (as defined in subparagraph (F)) when it determines whether a child satisfies one or more components of eligibility for medical assistance under this subchapter. The State may rely on a finding from an Express Lane agency notwithstanding sections 1396a(a)(46)(B) and 1320b-7(d) of this title or any differences in budget unit, disregard, deeming or other methodology, if the following requirements are met:

(D) PROHIBITION ON DETERMINING CHILDREN INELIGIBLE FOR COVERAGE.—If a finding from an Express Lane agency would result in a determination that a child does not satisfy an eligibility requirement for medical assistance under this subchapter and for child health assistance under subchapter XXI, the State shall determine eligibility for assistance using its regular procedures.

(II) NOTICE REQUIREMENT.—For any child who is found eligible for medical assistance under the State plan under this subchapter or child health assistance under subchapter XXI and who is subject to premiums based on an Express Lane agency’s finding of such child’s income level, the State shall provide notice that the child may qualify for lower premium payments if evaluated by the State using its regular procedures and of the procedures for requesting such an evaluation.

(III) COMPLIANCE WITH SCREEN AND ENROLL REQUIREMENT.—The State shall satisfy the requirements under subparagraphs (A) and (B) of section 1397bb(b)(3) of this title (relating to screen and enroll) before enrolling a child in child health assistance under subchapter XXI. At its option, the State may fulfill such requirements in accordance with either option provided under subparagraph (C) of this paragraph.

(IV) VERIFICATION OF CITIZENSHIP OR NATIONALITY STATUS.—The State meets the requirements of paragraph 1396a(a)(46)(B) or 1397ee(c)(9) of this title, as applicable for verifications of citizenship or nationality status.

(V) CODING.—The State meets the requirements of subparagraph (E).

(ii) OPTION TO APPLY TO RENEWALS AND REDETERMINATIONS.—The State may apply the provisions of this paragraph when conducting initial determinations of eligibility, redeterminations of eligibility, or both, as described in the State plan.

(B) RULES OF CONSTRUCTION.—Nothing in this paragraph shall be construed—

(i) to limit or prohibit a State from taking any actions otherwise permitted under this subchapter or subchapter XXI in determining eligibility for or enrolling children into medical assistance under this subchapter or child health assistance under subchapter XXI; or

(ii) to modify the limitations in section 1396a(a)(5) of this title concerning the agencies that may make a determination of eligibility for medical assistance under this subchapter.

(C) OPTIONS FOR SATISFYING THE SCREEN AND ENROLL REQUIREMENT.—

(i) IN GENERAL.—With respect to a child whose eligibility for medical assistance under this subchapter or for child health assistance under subchapter XXI has been evaluated by a State agency using an income finding from an Express Lane agency, a State may carry out its duties under subparagraphs (A) and (B) of section 1397bb(b)(3) of this title (relating to screen and enroll) in accordance with either clause (ii) or clause (iii).

(ii) ESTABLISHING A SCREENING THRESHOLD.—

(I) IN GENERAL.—Under this clause, the State establishes a screening threshold set as a percentage of the Federal poverty level that exceeds the highest income threshold applicable under this subchapter to the child by a minimum of 30 percentage points or, at State option, a higher number of percentage points that reflects the value (as determined by the State and described in the State plan) of any differences between income methodologies used by the program administered by the Express Lane agency and the methodologies used by the State in determining eligibility for medical assistance under this subchapter.

(II) CHILDREN WITH INCOME NOT ABOVE THRESHOLD.—If the income of a child does not exceed the screening threshold, the child is deemed to satisfy the income eligibility criteria for medical assistance under this subchapter regardless of whether such child would otherwise satisfy such criteria.

(III) CHILDREN WITH INCOME ABOVE THRESHOLD.—If the income of a child exceeds the screening threshold, the child shall be considered to have an income above the Medicaid applicable income level described in section 1397jj(b)(4) of this title and to satisfy the requirement under section 1397jj(b)(1)(C) of this title (relating to the requirement that CHIP matching funds be used only for children not eligible for Medicaid). If such a child is enrolled in child health assistance under subchapter XXI, the State shall provide the parent, guardian, or custodial relative with the following:

(aa) Notice that the child may be eligible to receive medical assistance under the State plan under this subchapter if evaluated for such assistance under the State’s regular procedures and notice of the process through which a parent, guardian, or custodial relative can request that the State evaluate the child’s
eligibility for medical assistance under this subchapter using such regular procedures.

(bb) A description of differences between the medical assistance provided under this subchapter and child health assistance under subchapter XXI, including differences in cost-sharing requirements and covered benefits.

(iii) TEMPORARY ENROLLMENT IN CHIP PENDING SCREEN AND ENROLL.—

(I) IN GENERAL.—Under this clause, a State enrolls a child in child health assistance under subchapter XXI for a temporary period if the child appears eligible for such assistance based on an income finding by an Express Lane agency.

(II) DETERMINATION OF ELIGIBILITY.—During such temporary enrollment period, the State shall determine the child’s eligibility for child health assistance under subchapter XXI or for medical assistance under this subchapter in accordance with this clause.

(III) PROMPT FOLLOW UP.—In making such a determination, the State shall take prompt action to determine whether the child should be enrolled in medical assistance under this subchapter or child health assistance under subchapter XXI pursuant to subparagraphs (A) and (B) of section 1397b(bb)(3) of this title (relating to screen and enroll).

(IV) REQUIREMENT FOR SIMPLIFIED DETERMINATION.—In making such a determination, the State shall use procedures that, to the maximum feasible extent, reduce the burden imposed on the individual of such determination. Such procedures may not require the child’s parent, guardian, or custodial relative to provide or verify information that already has been provided to the State agency by an Express Lane agency or another source of information unless the State agency has reason to believe the information is erroneous.

(V) AVAILABILITY OF CHIP MATCHING FUNDS DURING TEMPORARY ENROLLMENT PERIOD.—Medical assistance for items and services that are provided to a child enrolled in subchapter XXI during a temporary enrollment period under this clause shall be treated as child health assistance under such subchapter.

(D) OPTION FOR AUTOMATIC ENROLLMENT.—

(i) IN GENERAL.—The State may initiate and determine eligibility for medical assistance under the State Medicaid plan or for child health assistance under the State CHIP plan without a program application from, or on behalf of, the child based on data obtained from sources other than the child (or the child’s family), but a child can only be automatically enrolled in the State Medicaid plan or the State CHIP plan if the child or the family affirmatively consents to being enrolled through affirmation in writing, by telephone, orally, through electronic signature, or through any other means specified by the Secretary or by signature on an Express Lane agency application, if the requirement of clause (ii) is met.

(ii) INFORMATION REQUIREMENT.—The requirement of this clause is that the State informs the parent, guardian, or custodial relative of the child of the services that will be covered, appropriate methods for using such services, premium or other cost sharing charges (if any) that apply, medical support obligations (under section 1396k(a) of this title) created by enrollment (if applicable), and the actions the parent, guardian, or relative must take to maintain enrollment and renew coverage.

(E) CODING; APPLICATION TO ENROLLMENT ERROR RATES.—

(i) IN GENERAL.—For purposes of subparagraph (A)(iv), the requirement of this subparagraph for a State is that the State agrees to—

(I) assign such codes as the Secretary shall require to the children who are enrolled in the State Medicaid plan or the State CHIP plan through reliance on a finding made by an Express Lane agency for the duration of the State’s election under this paragraph;

(II) annually provide the Secretary with a statistically valid sample (that is approved by Secretary) of the children enrolled in such plans through reliance on such a finding by conducting a full Medicaid eligibility review of the children identified for such sample for purposes of determining an eligibility error rate (as described in clause (iv)) with respect to the enrollment of such children (and shall not include such children in any data or samples used for purposes of complying with a Medicaid Eligibility Quality Control (MEQC) review or a payment error rate measurement (PERM) requirement);

(III) submit the error rate determined under subclause (II) to the Secretary;

(IV) if such error rate exceeds 3 percent for either of the first 2 fiscal years in which the State elects to apply this paragraph, demonstrate to the satisfaction of the Secretary the specific corrective actions implemented by the State to improve upon such error rate; and

(V) if such error rate exceeds 3 percent for any fiscal year in which the State elects to apply this paragraph, a reduction in the amount otherwise payable to the State under section 1396b(a) of this title for quarters for that fiscal year, equal to the total amount of erroneous excess payments determined for the fiscal year only with respect to the children included in the sample for the fiscal year that are in excess of a 3 percent error rate with respect to such children.

NI 10 So in original. Probably should be “subparagraph (A)(iv).”
the State CHIP plan through reliance on a finding made by an Express Lane agency, or to the population of children enrolled in such plans on the basis of the State’s regular procedures for determining eligibility, or penalize the State on the basis of such error rate in any manner other than the reduction of payments provided for under clause (i)(V).

(iii) RULE OF CONSTRUCTION.—Nothing in this paragraph shall be construed as relieving a State that elects to apply this paragraph from being subject to a penalty under section 1396b(u) of this title, for payments made under the State Medicaid plan with respect to ineligible individuals and families that are determined to exceed the error rate permitted under that section (as determined without regard to the error rate determined under clause (i)(II)).

(iv) ERROR RATE DEFINED.—In this subparagraph, the term “error rate” means the rate of erroneous excess payments for medical assistance (as defined in section 1396b(u)(I)(D) of this title) for the period involved, except that such payments shall be limited to individuals for which eligibility determinations are made under this paragraph and except that in applying this paragraph under subchapter XXI, there shall be substituted for references to provisions of this subchapter corresponding provisions within subchapter XXI.

(F) EXPRESS LANE AGENCY.—

(i) IN GENERAL.—In this paragraph, the term “Express Lane agency” means a public agency that—

(I) is determined by the State Medicaid agency or the State CHIP agency (as applicable) to be capable of making the determinations of one or more eligibility requirements described in subparagraph (A);

(II) is identified in the State Medicaid plan or the State CHIP plan; and

(III) notifies the child’s family—

(aa) of the information which shall be disclosed in accordance with this paragraph;

(bb) that the information disclosed will be used solely for purposes of determining eligibility for medical assistance under the State Medicaid plan or for child health assistance under the State CHIP plan; and

(cc) that the family may elect to not have the information disclosed for such purposes; and

(IV) enters into, or is subject to, an interagency agreement to limit the disclosure and use of the information disclosed.

(ii) INCLUSION OF SPECIFIC PUBLIC AGENCIES AND INDIAN TRIBES AND TRIBAL ORGANIZATIONS.—Such term includes the following:

(I) A public agency that determines eligibility for assistance under any of the following:

(aa) The temporary assistance for needy families program funded under part A of subchapter IV.

(bb) A State program funded under part D of subchapter IV.

(cc) The State Medicaid plan.

(dd) The State CHIP plan.


(ff) The Head Start Act (42 U.S.C. 9831 et seq.).


(i) The Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9857 et seq.).

(jj) The Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11301 et seq.).

(kk) The United States Housing Act of 1937 (42 U.S.C. 1437 et seq.).


(II) A State-specified governmental agency that has fiscal liability or legal responsibility for the accuracy of the eligibility determination findings relied on by the State.

(III) A public agency that is subject to an interagency agreement limiting the disclosure and use of the information disclosed for purposes of determining eligibility under the State Medicaid plan or the State CHIP plan.

(IV) The Indian Health Service, an Indian Tribe, Tribal Organization, or Urban Indian Organization (as defined in section 1320b-9(c) of this title).

(iii) EXCLUSIONS.—Such term does not include an agency that determines eligibility for a program established under the Social Services Block Grant established under subchapter XX or a private, for-profit organization.

(iv) RULES OF CONSTRUCTION.—Nothing in this paragraph shall be construed as—

(I) exempting a State Medicaid agency from complying with the requirements of section 1396a(a)(4) of this title relating to merit-based personnel standards for employees of the State Medicaid agency and safeguards against conflicts of interest);

(II) authorizing a State Medicaid agency that elects to use Express Lane agencies under this subparagraph to use the Express Lane option to avoid complying with such requirements for purposes of making eligibility determinations under the State Medicaid plan.

(v) ADDITIONAL DEFINITIONS.—In this paragraph:

(I) STATE.—The term “State” means 1 of the 50 States or the District of Columbia.

(II) STATE CHIP AGENCY.—The term “State CHIP agency” means the State agency responsible for administering the State CHIP plan.

(III) STATE CHIP PLAN.—The term “State CHIP plan” means the State child health

12So in original. The closing parenthesis probably should not appear.
plan established under subchapter XXI and includes any waiver of such plan.

(IV) STATE MEDICAID AGENCY.—The term “State Medicaid agency” means the State agency responsible for administering the State Medicaid plan.

(V) STATE MEDICAID PLAN.—The term “State Medicaid plan” means the State plan established under subchapter XIX and includes any waiver of such plan.

(G) CHILD DEFINED.—For purposes of this paragraph, the term “child” means an individual under 19 years of age, or, at the option of a State, such higher age, not to exceed 21 years of age, as the State may elect.

(H) STATE OPTION TO RELY ON STATE INCOME TAX DATA OR RETURN.—At the option of the State, a finding from an Express Lane agency may include gross income or adjusted gross income shown by State income tax records or returns.

(I) APPLICATION.—This paragraph shall not apply with respect to eligibility determinations made after September 30, 2027.

(14) INCOME DETERMINED USING MODIFIED ADJUSTED GROSS INCOME.—

(A) IN GENERAL.—Notwithstanding subsection (r) or any other provision of this subchapter, except as provided in subparagraph (D), for purposes of determining income eligibility for medical assistance under the State plan or under any waiver of such plan and for any other purpose applicable under the plan or waiver for which a determination of income is required, including with respect to the imposition of premiums and cost-sharing, a State shall use the modified adjusted gross income of an individual and, in the case of an individual in a family greater than 1, the household income of such family. A State shall establish income eligibility thresholds for populations to be eligible for medical assistance under the State plan or a waiver of the plan using modified adjusted gross income and household income that are not less than the effective income eligibility levels that applied under the State plan or waiver on March 23, 2010. For purposes of complying with the maintenance of effort requirements under subsection (gg), during the transition to modified adjusted gross income and household income, a State shall, working with the Secretary, establish an equivalent income test that ensures individuals eligible for medical assistance under the State plan or under a waiver of the plan on March 23, 2010, do not lose coverage under the State plan or under a waiver of the plan. The Secretary may waive such provisions of this subchapter and subchapter XXI as are necessary to ensure that States establish income and eligibility determination systems that protect beneficiaries.

(B) NO INCOME OR EXPENSE DISREGARDS.—Subject to subparagraph (I), no type of expense, block, or other income disregard shall be applied by a State to determine income eligibility for medical assistance under the State plan or under any waiver of such plan or for any other purpose applicable under the plan or waiver for which a determination of income is required.

(C) NO ASSETS TEST.—A State shall not apply any assets or resources test for purposes of determining eligibility for medical assistance under the State plan or under a waiver of the plan.

(D) EXCEPTIONS.—

(i) INDIVIDUALS ELIGIBLE BECAUSE OF OTHER AID OR ASSISTANCE, ELDERLY INDIVIDUALS, MEDICALLY NEEDY INDIVIDUALS, AND INDIVIDUALS ELIGIBLE FOR MEDICARE COST-SHARING.—Subparagraphs (A), (B), and (C) shall not apply to the determination of eligibility under the State plan or under a waiver for medical assistance for the following:

(I) Individuals who are eligible for medical assistance under the State plan or under a waiver of the plan on a basis that does not require a determination of income by the State agency administering the State plan or waiver, including as a result of eligibility for, or receipt of, other Federal or State aid or assistance, individuals who are eligible on the basis of receiving (or being treated as if receiving) supplemental security income benefits under subchapter XVI, and individuals who are eligible as a result of being or being deemed to be a child in foster care under the responsibility of the State.

(II) Individuals who have attained age 65.

(III) Individuals who qualify for medical assistance under the State plan or under any waiver of such plan on the basis of being blind or disabled (or being treated as being blind or disabled) without regard to whether the individual is eligible for supplemental security income benefits under subchapter XVI and individuals who are eligible on the basis of being blind or disabled and including an individual who is eligible for medical assistance on the basis of paragraph (3).

IV) Individuals described in subsection (a)(10)(C).

(V) Individuals described in any clause of subsection (a)(10)(E).

(ii) EXPRESS LANE AGENCY FINDINGS.—In the case of a State that elects the Express Lane option under paragraph (13), notwithstanding subparagraphs (A), (B), and (C), the State may rely on a finding made by an Express Lane agency in accordance with that paragraph relating to the income of an individual for purposes of determining the individual’s eligibility for medical assistance under the State plan or under a waiver of the plan.

(iii) MEDICARE PRESCRIPTION DRUG SUBSIDIES DETERMINATIONS.—Subparagraphs (A), (B), and (C) shall not apply to any determinations of eligibility for premium and cost-sharing subsidies under and in accordance with section 1395w–114 of this title made by the State pursuant to section 1396a–5(a)(2) of this title.

(iv) LONG-TERM CARE.—Subparagraphs (A), (B), and (C) shall not apply to any determinations of eligibility of individuals for purposes of medical assistance for nursing facility services, a level of care in any institution equivalent to that of nursing facility services, home or community-based services
§ 1396a

TITLE 42—THE PUBLIC HEALTH AND WELFARE
Page 3666

furnished under a waiver or State plan amendment under section 1396n of this title or a waiver under section 1315 of this title, and services described in section 1396p(c)(1)(C)(ii) of this title.

(v) GRANDPARENT OF CURRENT ENROLLEES UNTIL DATE OF NEXT REGULAR REDETERMINATION.—An individual who, on January 1, 2014, is enrolled in the State plan or under a waiver of the plan and who would be determined ineligible for medical assistance solely because of the application of the modified adjusted gross income or household income standard described in subparagraph (A), shall remain eligible for medical assistance under the State plan or waiver (and subject to the same premiums and cost-sharing as applied to the individual on that date) through March 31, 2014, or the date on which the individual’s next regularly scheduled redetermination of eligibility is to occur, whichever is later.

(E) TRANSITION PLANNING AND OVERSIGHT.—Each State shall submit to the Secretary for the Secretary’s approval the income eligibility thresholds proposed to be established using modified adjusted gross income and household income, the methodologies and procedures to be used to determine income eligibility using modified adjusted gross income and household income, and, if applicable, a State plan amendment establishing an optional eligibility category under subsection (a)(10)(A)(ii)(XX). To the extent practicable, the State shall use the same methodologies and procedures for purposes of making such determinations as the State used on March 23, 2010. The Secretary shall ensure that the income eligibility thresholds proposed to be established using modified adjusted gross income and household income, including under the eligibility category established under subsection (a)(10)(A)(ii)(XX), and the methodologies and procedures proposed to be used to determine income eligibility, will not result in children who would have been eligible for medical assistance under the State plan or under a waiver of the plan on March 23, 2010, no longer being eligible for such assistance.

(F) LIMITATION ON SECRETARIAL AUTHORITY.—The Secretary shall not waive compliance with the requirements of this paragraph except to the extent necessary to permit a State to coordinate eligibility requirements for dual eligible individuals (as defined in section 1396m(h)(2)(B) of this title) under the State plan or under a waiver of the plan and under subchapter XVIII and individuals who require the level of care provided in a hospital, a nursing facility, or an intermediate care facility for the mentally retarded.

(G) DEFINITIONS OF MODIFIED ADJUSTED GROSS INCOME AND HOUSEHOLD INCOME.—In this paragraph, the terms “modified adjusted gross income” and “household income” have the meanings given such terms in section 36B(4)(2) of the Internal Revenue Code of 1986.

(H) CONTINUED APPLICATION OF MEDICAID RULES REGARDING POINT-IN-TIME INCOME AND SOURCES OF INCOME.—The requirement under this paragraph for States to use modified adjusted gross income and household income to determine income eligibility for medical assistance under the State plan or under any waiver of such plan and for any other purpose applicable under the plan or waiver for which a determination of income is required shall not be construed as affecting or limiting the application of—

(i) the requirement under this subchapter and under the State plan or a waiver of the plan to determine an individual’s income as of the point in time at which an application for medical assistance under the State plan or a waiver of the plan is processed; or

(ii) any rules established under this subchapter or under the State plan or a waiver of the plan regarding sources of countable income.

(I) TREATMENT OF PORTION OF MODIFIED ADJUSTED GROSS INCOME.—For purposes of determining the income eligibility of an individual for medical assistance whose eligibility is determined based on the application of modified adjusted gross income under subparagraph (A), the Secretary shall—

(i) determine the dollar equivalent of the difference between the upper income limit on eligibility for such an individual (expressed as a percentage of the poverty line) and such upper income limit increased by 5 percentage points; and

(ii) notwithstanding the requirement in subparagraph (A) with respect to use of modified adjusted gross income, utilize as the applicable income of such individual, in determining such income eligibility, an amount equal to the modified adjusted gross income applicable to such individual reduced by such dollar equivalent amount.

(J) EXCLUSION OF PARENT MENTOR COMPENSATION FROM INCOME DETERMINATION.—Any nominal amount received by an individual as compensation, including a stipend, for participation as a parent mentor (as defined in paragraph (5) of section 1397mm(f) of this title) in an activity or program funded through a grant under such section shall be disregarded for purposes of determining the income eligibility of such individual for medical assistance under the State plan or any waiver of such plan.

(K) TREATMENT OF CERTAIN LOTTERY WINNINGS AND INCOME RECEIVED AS A LUMP SUM.—

(I) IN GENERAL.—In the case of an individual who is the recipient of qualified lottery winnings (pursuant to lotteries occurring on or after January 1, 2018) or qualified lump sum income (received on or after such date) and whose eligibility for medical assistance is determined based on the application of modified adjusted gross income under subparagraph (A), a State shall, in determining such eligibility, include such winnings or income (as applicable) as income received—

(I) in the month in which such winnings or income (as applicable) is received if the amount of such winnings or income is less than $80,000; and

(II) over a period of 2 months if the amount of such winnings or income (as applicable) is greater than or equal to $80,000 but less than $90,000;
(III) over a period of 3 months if the amount of such winnings or income (as applicable) is greater than or equal to $90,000 but less than $100,000; and

(IV) over a period of 3 months plus 1 additional month for each increment of $10,000 of such winnings or income (as applicable) received, not to exceed a period of 120 months (for winnings or income of $1,260,000 or more), if the amount of such winnings or income is greater than or equal to $100,000.

(ii) COUNCIL IN EQUAL INSTALLMENTS.—For purposes of subclauses (II), (III), and (IV) of clause (i), winnings or income to which such subclause applies shall be counted in equal monthly installments over the period of months specified under such subclause.

(iii) HARDSHIP EXEMPTION.—An individual whose income, by application of clause (i), exceeds the applicable eligibility threshold established by the State, shall continue to be eligible for medical assistance to the extent that the State determines, under procedures established by the State (in accordance with standards specified by the Secretary), that the denial of eligibility of the individual would cause an undue medical or financial hardship as determined on the basis of criteria established by the Secretary.

(iv) NOTIFICATIONS AND ASSISTANCE REQUIRED IN CASE OF LOSS OF ELIGIBILITY.—A State shall, with respect to an individual who loses eligibility for medical assistance under the State plan (or a waiver of such plan) by reason of clause (i)—

(I) before the date on which the individual loses such eligibility, inform the individual—

(aa) of the individual’s opportunity to enroll in a qualified health plan offered through an Exchange established under title I of the Patient Protection and Affordable Care Act during the special enrollment period specified in section 9801(f)(3) of title 26 (relating to loss of Medicaid or CHIP coverage); and

(bb) of the date on which the individual would no longer be considered ineligible by reason of clause (i) to receive medical assistance under the State plan or under any waiver of such plan and be eligible to reapply to receive such medical assistance; and

(II) provide technical assistance to the individual seeking to enroll in such a qualified health plan.

(v) QUALIFIED LOTTERY WINNINGS DEFINED.—In this subparagraph, the term “qualified lottery winnings” means winnings from a sweepstakes, lottery, or pool described in paragraph (3) of section 4402 of title 26 or a lottery operated by a multistate or multijurisdictional lottery association, including amounts awarded as a lump sum payment.

(vi) QUALIFIED LUMP SUM INCOME DEFINED.—In this subparagraph, the term “qualified lump sum income” means income that is received as a lump sum from monetary winnings from gambling (as defined by the Secretary and including gambling activities described in section 1955(b)(4) of title 18).

(15) EXCLUSION OF COMPENSATION FOR PARTICIPATION IN A CLINICAL TRIAL FOR TESTING OF TREATMENTS FOR A RARE DISEASE OR CONDITION.—The first $2,000 received by an individual (who has attained 19 years of age) as compensation for participation in a clinical trial meeting the requirements of section 1382a(b)(26) of this title shall be disregarded for purposes of determining the income eligibility of such individual for medical assistance under the State plan or any waiver of such plan.

(f) Effective date of State plan as determinative of duty of State to provide medical assistance to aged, blind, or disabled individuals

Notwithstanding any other provision of this subchapter, except as provided in subsection (e) and section 1396d(b)(3) of this title and section 1396c-5 of this title, except with respect to qualified disabled and working individuals (described in section 1396d(s) of this title), and except with respect to qualified medicare beneficiaries, qualified severely impaired individuals, and individuals described in subsection (m)(1), no State not eligible to participate in the State plan program established under subchapter XVI shall be required to provide medical assistance to any aged, blind, or disabled individual (within the meaning of subchapter XVI) for any month unless such State would be (or would have been) required to provide medical assistance to such individual for such month had its plan for medical assistance approved under this subchapter and in effect on January 1, 1972, been in effect in such month, except that for this purpose any such individual shall be deemed eligible for medical assistance under such State plan if (in addition to meeting such other requirements as are or may be imposed under the State plan) the income of any such individual as determined in accordance with section 1396d(f) of this title (after deducting any supplemental security income payment and State supplementary payment made with respect to such individual, and incurred expenses for medical care as recognized under State law regardless of whether such expenses are reimbursed under another public program of the State or political subdivision thereof) is not in excess of the standard for medical assistance established under the State plan as in effect on January 1, 1972. In States which provide medical assistance to individuals pursuant to paragraph (10)(C) of subsection (a) of this section, an individual who is eligible for medical assistance by reason of the requirements of this section concerning the deduction of incurred medical expenses from income shall be considered an individual eligible for medical assistance under paragraph (10)(A) of that subsection if that individual is, or is eligible to be (1) an individual with respect to whom there is payable a State supplementary payment on the basis of which similarly situated individuals are eligible to receive medical assistance equal in amount, duration, and scope to that provided to individuals eligible under paragraph (10)(A), or (2) an eligible individual or eligible spouse, as defined

§ 1396a
in subchapter XVI, with respect to whom supplemental security income benefits are payable; otherwise that individual shall be considered to be an individual eligible for medical assistance under paragraph (10)(C) of that subsection. In States which do not provide medical assistance to individuals pursuant to paragraph (10)(C) of that subsection, an individual who is eligible for medical assistance by reason of the requirements of this section concerning the deduction of incurred medical expenses from income shall be considered an individual eligible for medical assistance under paragraph (10)(A) of that subsection.

(g) Reduction of aid or assistance to providers of services attempting to collect from beneficiary in violation of third-party provisions

In addition to any other sanction available to a State, a State may provide for a reduction of any payment amount otherwise due with respect to a person who furnishes services under the plan in an amount equal to up to three times the amount of any payment sought to be collected by that person in violation of subsection (a)(25)(C).

(h) Payments for hospitals serving disproportionate number of low-income patients and for home and community care

Nothing in this subchapter (including subsections (a)(13) and (a)(30) of this section) shall be construed as authorizing the Secretary to limit the amount of payment that may be made under a plan under this subchapter for home and community care.

(i) Termination of certification for participation of and suspension of State payments to intermediate care facilities for the mentally retarded

(1) In addition to any other authority under State law, where a State determines that a intermediate care facility for the mentally retarded which is certified for participation under the plan no longer substantially meets the requirements for such a facility under this subchapter and further determines that the facility’s deficiencies—

(A) immediately jeopardize the health and safety of its patients, the State shall provide for the termination of the facility’s certification for participation under the plan and may provide, or

(B) do not immediately jeopardize the health and safety of its patients, the State may, in lieu of providing for terminating the facility’s certification for participation under the plan, establish alternative remedies if the State demonstrates to the Secretary’s satisfaction that the alternative remedies are effective in deterring noncompliance and correcting deficiencies, and may provide

that no payment will be made under the State plan with respect to any individual admitted to such facility after a date specified by the State.

(2) The State shall not make such a decision with respect to a facility until the facility has had a reasonable opportunity, following the initial determination that it no longer substantially meets the requirements for such a facility under this subchapter, to correct its deficiencies, and, following this period, has been given reasonable notice and opportunity for a hearing.

(3) The State’s decision to deny payment may be made effective only after such notice to the public and to the facility as may be provided for by the State, and its effectiveness shall terminate (A) when the State finds that the facility is in substantial compliance (or is making good faith efforts to achieve substantial compliance) with the requirements for such a facility under this subchapter, or (B) in the case described in paragraph (1)(B), with the end of the eleventh month following the month such decision is made effective, whichever occurs first. If a facility to which clause (B) of the previous sentence applies still fails to substantially meet the provisions of the respective section on the date specified in such clause, the State shall terminate such facility’s certification for participation under the plan effective with the first day of the first month following the month specified in such clause.

(j) Waiver or modification of subchapter requirements with respect to medical assistance program in American Samoa

Notwithstanding any other requirement of this subchapter, the Secretary may waive or modify any requirement of this subchapter with respect to the medical assistance program in American Samoa and the Northern Mariana Islands, other than a waiver of the Federal medical assistance percentage, the limitation in section 1308(f) of this title, the requirement that payment may be made for medical assistance only with respect to amounts expended by American Samoa or the Northern Mariana Islands for care and services described in a numbered paragraph of section 1396d(a) of this title, or the requirement under subsection (qq)(1) (relating to data reporting).

(k) Minimum coverage for individuals with income at or below 133 percent of the poverty line

(1) The medical assistance provided to an individual described in subclause (VIII) of subsection (a)(10)(A)(i) shall consist of benchmark coverage described in section 1396u–7(b)(1) of this title or benchmark equivalent coverage described in section 1396u–7(b)(2) of this title. Such medical assistance shall be provided subject to the requirements of section 1396u–7 of this title, without regard to whether a State otherwise has elected the option to provide medical assistance through coverage under that section, unless an individual described in subclause (VIII) of subsection (a)(10)(A)(i) is also an individual for whom, under subparagraph (B) of section 1396u–7(a)(2) of this title, the State may not require enrollment in benchmark coverage described in subsection (b)(1) of section 1396u–7 of this title or benchmark equivalent coverage described in subsection (b)(2) of that section.

(2) Beginning with the first day of any fiscal year quarter that begins on or after April 1, 2010, and before January 1, 2014, a State may elect through a State plan amendment to provide 1396u–7(a)(2) of this title, the State may not require enrollment in benchmark coverage described in subsection (b)(1) of section 1396u–7 of this title or benchmark equivalent coverage described in subsection (b)(2) of that section.
medical assistance to individuals who would be described in subclause (VIII) of subsection (a)(10)(A)(i) if that subclause were effective before January 1, 2014. A State may elect to phase-in the extension of eligibility for medical assistance to such individuals based on income, so long as the State does not extend such eligibility to individuals described in such subclause with higher income before making individuals described in such subclause with lower income eligible for medical assistance.

(3) If an individual described in subclause (VIII) of subsection (a)(10)(A)(i) is the parent of a child who is under 19 years of age (or such higher age as the State may have elected) who is eligible for medical assistance under the State plan or under a waiver of such plan (under that subclause or under a State plan amendment under paragraph (2)), the individual may not be enrolled under the State plan unless the individual’s child is enrolled under the State plan or under a waiver of the plan or is enrolled in other health insurance coverage. For purposes of the preceding sentence, the term “parent” includes an individual treated as a caretaker relative for purposes of carrying out section 1396u–1 of this title.

(1) Description of group

(1) Individuals described in this paragraph are—

(A) women during pregnancy (and during the 60-day period beginning on the last day of the pregnancy),

(B) infants under one year of age,

(C) children who have attained one year of age but have not attained 6 years of age, and

(D) children born after September 30, 1983 (or, at the option of a State, after any earlier date), who have attained 6 years of age but have not attained 19 years of age,

who are not described in any of subclauses (I) through (III) of subsection (a)(10)(A)(i) and whose family income does not exceed the income level established by the State under paragraph (2) for a family size equal to the size of the family, including the woman, infant, or child.

(2)(A)(i) For purposes of paragraph (1) with respect to individuals described in subparagraph (A) or (B) of that paragraph, the State shall establish an income level which is equal to 133 percent of the income official poverty line as defined by the Office of Management and Budget, and revised annually in accordance with section 9902(2) of this title applicable to a family of the size involved.

(ii) The percentage provided under this clause, with respect to eligibility for medical assistance on or after—

(I) July 1, 1989, is 75 percent, or, if greater, the percentage provided under clause (iii), and

(II) April 1, 1990, 133 percent, or, if greater, the percentage provided under clause (iv).

(iii) In the case of a State which, as of July 1, 1989, has elected to provide, and provides, medical assistance to individuals described in this subsection or has enacted legislation authorizing, or appropriating funds, to provide such assistance to such individuals before July 1, 1989, the percentage provided under clause (ii)(I) shall not be less than—

(I) the percentage specified by the State in an amendment to its State plan (whether approved or not) as of July 1, 1988, or

(II) if no such percentage is specified as of July 1, 1988, the percentage established under the State’s authorizing legislation or provided for under the State’s appropriations;

but in no case shall this clause require the percentage provided under clause (ii)(I) to exceed 100 percent.

(iv) In the case of a State which, as of December 19, 1989, has established under clause (i), or has enacted legislation authorizing, or appropriating funds, to provide, a percentage (of the income official poverty line) that is greater than 133 percent, the percentage provided under clause (ii) for medical assistance on or after April 1, 1990, shall not be less than—

(I) the percentage specified by the State in an amendment to its State plan (whether approved or not) as of December 19, 1989, or

(II) if no such percentage is specified as of December 19, 1989, the percentage established under the State’s authorizing legislation or provided for under the State’s appropriations.

(B) For purposes of paragraph (1) with respect to individuals described in subparagraph (C) of such paragraph, the State shall establish an income level which is equal to 133 percent of the income official poverty line described in subparagraph (A) applicable to a family of the size involved.

(C) For purposes of paragraph (1) with respect to individuals described in subparagraph (D) of that paragraph, the State shall establish an income level which is equal to 100 percent (or, beginning January 1, 2014, 133 percent) of the income official poverty line described in subparagraph (A) applicable to a family of the size involved.


(A) application of a resource standard shall be at the option of the State;

(B) any resource standard or methodology that is applied with respect to an individual described in subparagraph (A) of paragraph (1) may not be more restrictive than the resource standard or methodology that is applied under subchapter XVI;

(C) any resource standard or methodology that is applied with respect to an individual described in subparagraph (B), (C), or (D) of paragraph (1) may not be more restrictive than the corresponding methodology that is applied under the State plan under part A of subchapter IV;

(D) the income standard to be applied is the appropriate income standard established under paragraph (2); and

(E) family income shall be determined in accordance with the methodology employed.

14So in original. Another closing parenthesis probably should precede the comma.
under the State plan under part A or E of subchapter IV (except to the extent such methodology is inconsistent with clause (D) of subsection (a)(17)), and costs incurred for medical care or for any other type of remedial care shall not be taken into account.

Any different treatment provided under this paragraph for such individuals shall not, because of subsection (a)(17), require or permit such treatment for other individuals.

(4)(A) In the case of any State which is providing medical assistance to its residents under a waiver granted under section 1315 of this title, the Secretary shall require the State to provide medical assistance for pregnant women and infants under age 1 described in subsection (a)(10)(A)(i)(IV) and for children described in subsection (a)(10)(A)(i)(VI) or subsection (a)(10)(A)(i)(VII) in the same manner as the State would be required to provide such assistance for such individuals if the State had in effect a plan approved under this subchapter.

(B) In the case of a State which is not one of the 50 States or the District of Columbia, the State need not meet the requirement of subsection (a)(10)(A)(i)(IV), (a)(10)(A)(i)(VI), or (a)(10)(A)(i)(VII) and, for purposes of paragraph (2)(A), the State may substitute for the percentage provided under clause (ii) of such paragraph any percentage.

(m) Description of individuals

(1) Individuals described in this paragraph are individuals—

(A) who are 65 years of age or older or are disabled individuals (as determined under section 1382c(a)(3) of this title),

(B) whose income (as determined under section 1382a of this title for purposes of the supplemental security income program, except as provided in paragraph (2)(C)) does not exceed an income level established by the State consistent with paragraph (2)(A), and

(C) whose resources (as determined under section 1382b of this title for purposes of the supplemental security income program) do not exceed (except as provided in paragraph (2)(B)) the maximum amount of resources that an individual may have and obtain benefits under that program.

(2)(A) The income level established under paragraph (1)(B) may not exceed a percentage (not more than 100 percent) of the official poverty line (as defined by the Office of Management and Budget, and revised annually in accordance with section 9902(2) of this title) applicable to a family of the size involved.

(B) In the case of a State that provides medical assistance to individuals not described in subsection (a)(10)(A) and at the State’s option, the State may use under paragraph (1)(C) such resource level (which is higher than the level described in that paragraph) as may be applicable with respect to individuals described in paragraph (1)(A) who are not described in subsection (a)(10)(A).

(C) The provisions of section 1396d(p)(2)(D) of this title shall apply to determinations of income under this subchapter in the same manner as they apply to determinations of income under section 1396d(p) of this title.

(3) Notwithstanding subsection (a)(17), for individuals described in paragraph (1) who are covered under the State plan by virtue of subsection (a)(10)(A)(ii)(X)—

(A) the income standard to be applied is the income standard described in paragraph (1)(B), and

(B) except as provided in section 1382a(b)(4)(B)(ii) of this title, costs incurred for medical care or for any other type of remedial care shall not be taken into account in determining income.

Any different treatment provided under this paragraph for such individuals shall not, because of subsection (a)(17), require or permit such treatment for other individuals.

(4) Notwithstanding subsection (a)(17), for qualified medicare beneficiaries described in subsection 1396d(p)(1) of this title—

(A) the income standard to be applied is the income standard described in section 1396d(p)(1)(B) of this title, and

(B) except as provided in section 1382a(b)(4)(B)(ii) of this title, costs incurred for medical care or for any other type of remedial care shall not be taken into account in determining income.

Any different treatment provided under this paragraph for such individuals shall not, because of subsection (a)(17), require or permit such treatment for other individuals.

(n) Payment amounts

(1) In the case of medical assistance furnished under this subchapter for medicare cost-sharing respecting the furnishing of a service or item to a qualified medicare beneficiary, the State plan may provide payment in an amount with respect to the service or item that results in the sum of such payment amount and any amount of payment made under subchapter XVIII with respect to the service or item exceeding the amount that is otherwise payable under the State plan for the item or service for eligible individuals who are not qualified medicare beneficiaries.

(2) In carrying out paragraph (1), a State is not required to provide any payment for any expenses incurred relating to payment for deductibles, coinsurance, or copayments for medicare cost-sharing to the extent that payment under subchapter XVIII for the service would exceed the payment amount that otherwise would be made under the State plan under this subchapter for such service if provided to an eligible recipient other than a medicare beneficiary.

(3) In the case in which a State’s payment for medicare cost-sharing for a qualified medicare beneficiary with respect to an item or service is reduced or eliminated through the application of paragraph (2) of subsections (b) or (c) of section 1396d(p) of this title—

(A) for purposes of applying any limitation under subchapter XVIII on the amount that the beneficiary may be billed or charged for the service, the amount of payment made under subchapter XVIII plus the amount of payment (if any) under the State plan shall be considered to be payment in full for the service;

(B) the beneficiary shall not have any legal liability to make payment to a provider or to
an organization described in section 1396(m)(1)(A) of this title for the service; and
(C) any lawful sanction that may be imposed upon a provider or such an organization for ex-
cess charges under this subchapter or sub-
chapter XVIII shall apply to the imposition of
any charge imposed upon the individual in such case.
This paragraph shall not be construed as pre-
venting payment of any medicare cost-sharing
by a medicare supplemental policy or an em-
ployer retiree health plan on behalf of an indi-
vidual.
(o) Certain benefits disregarded for purposes of
determining post-eligibility contributions
Notwithstanding any provision of subsection
(a) to the contrary, a State plan under this sub-
chapter shall provide that any supplemental se-
curity income benefits paid by reason of sub-
paragraph (E) or (G) of section 1382(e)(1) of this
paragraph (E) or (G) of section 1382(e)(1) of this
title to an individual who—
(1) is eligible for medical assistance under
the plan, and
(2) is in a hospital, skilled nursing facility,
or intermediate care facility at the time such
benefits are paid,
will be disregarded for purposes of determining
the amount of any post-eligibility contribution
by the individual to the cost of the care and
services provided by the hospital, skilled nurs-
ing facility, or intermediate care facility.
(p) Exclusion power of State; exclusion as pre-
requisite for medical assistance payments;
“exclude” defined
(1) In addition to any other authority, a State
may exclude any individual or entity for pur-
poses of participating under the State plan
under this subchapter for any reason for which
the Secretary could exclude the individual or
entity from participation in a program under sub-
chapter XVIII under section 1320a–7, 1320a–7a,
or 1395cc(b)(2) of this title.
(2) In order for a State to receive payments for
medical assistance under section 1396(b)(a) of this
title, with respect to payments the State makes to
a medicaid managed care organization (as de-
efined in section 1396b(m) of this title) or to an
entity furnishing services under a waiver ap-
proved under section 1396n(b)(1) of this title, the
State must provide that it will exclude from partici-
pation, as such an organization or entity,
any organization or entity that—
(A) could be excluded under section
1320a–7(b)(8) of this title (relating to owners
and managing employees who have been con-
victed of certain crimes or received other
sanctions),
(B) has a direct or indirect contractual rela-
tionship (as defined by the Secretary) with an individual or entity that is
described in section 1320a–7(b)(8)(B) of this
title, or
(C) employs or contracts with any individual
or entity that is excluded from participation
under this subchapter under section 1320a–7 or
1320a–7a of this title for the provision of health
services provided by the hospital, skilled nurs-
ing facility, or intermediate care facility.
(q) Minimum monthly personal needs allowance
deduction; “institutionalized individual or
couple” defined
(1)(A) In order to meet the requirement of sub-
section (a)(50), the State plan must provide that,
in the case of an institutionalized individual or
couple described in subparagraph (B), in deter-
moving the amount of the individual’s or cou-
ple’s income to be applied monthly to payment
for the cost of care in an institution, there shall
be deducted from the monthly income (in addi-
tion to other allowances otherwise provided
under the State plan) a monthly personal needs
allowance—
(i) which is reasonable in amount for clothing
and other personal needs of the individual
(or couple) while in an institution, and
(ii) which is not less (and may be greater)
than the minimum monthly personal needs al-
lowance described in paragraph (2).
(B) In this subsection, the term “institutional-
ized individual or couple” means an individual
or married couple—
(i) who is an inmate (or who are inpa-
patients) in a medical institution or nursing fa-
cility for which payments are made under this
subchapter throughout a month, and
(ii) who is or are determined to be eligible
for medical assistance under the State plan.
(2) The minimum monthly personal needs al-
lowance described in this paragraph is $30 for
an institutionalized individual and $60 for an
institutionalized couple (if both are aged, blind,
disabled, and their incomes are considered avail-
able to each other in determining eligibility).
(r) Disregarding payments for certain medical
expenses by institutionalized individuals
(1)(A) For purposes of sections 1396a(a)(17) and
1396a–5(d)(1)(D) of this title and for purposes of a
waiver under section 1396n of this title, with re-
spect to the post-eligibility treatment of income
of individuals who are institutionalized or re-
ceiving home or community-based services
under such a waiver, the treatment described in
subparagraph (B) shall apply, there shall be dis-
regarding reparation payments made by the Fed-
eral Republic of Germany, and there shall be
taken into account amounts for incurred ex-
enses for medical or remedial care that are not
subject to payment by a third party, including—
(i) medicare and other health insurance pre-
miums, deductibles, or coinsurance, and
(ii) necessary medical or remedial care rec-
ognized under State law but not covered under
the State plan under this subchapter, subject
to reasonable limits the State may establish
on the amount of these expenses.
(B)(i) In the case of a veteran who does not
have a spouse or a child, if the veteran—
(I) receives, after the veteran has been deter-
mied to be eligible for medical assistance

15So in original. Probably should be “this subsection”.
under the State plan under this subchapter, a veteran’s pension in excess of $90 per month, and

(II) resides in a State veterans home with respect to which the Secretary of Veterans Affairs makes periodic payments for nursing home care pursuant to section 1741(a) of title 38.

any such pension payment, including any payment made due to the need for aid and attendance, or for unreimbursed medical expenses, that is in excess of $90 per month shall be counted as income only for the purpose of applying such excess payment to the State veterans home’s cost of providing nursing home care to the veteran.

(ii) The provisions of clause (i) shall apply with respect to a surviving spouse of a veteran who does not have a child in the same manner as they apply to a veteran described in such clause.

(2) The methodology to be employed in determining income and resource eligibility for individuals under subsection (a)(10)(A)(i)(III), (a)(10)(A)(i)(IV), (a)(10)(A)(i)(VI), (a)(10)(A)(i)(VII), (a)(10)(A)(ii), (a)(10)(B)(i)(III), or (f) or under section 1396d(p) of this title may be less restrictive, and shall be no more restrictive, than the methodology—

(1) in the case of groups consisting of aged, blind, or disabled individuals, under the supplemental security income program under subchapter XVI, or

(ii) in the case of other groups, under the State plan most closely categorically related.

(B) For purposes of this subsection and subsection (a)(10), methodology is considered to be “no more restrictive” if, using the methodology, additional individuals may be eligible for medical assistance and no individuals who are otherwise eligible are made ineligible for such assistance.

(s) Adjustment in payment for hospital services furnished to low-income children under age of 6 years

In order to meet the requirements of subsection (a)(55), the State plan must provide that payments to hospitals under the plan for inpatient hospital services furnished to infants who have not attained the age of 1 year, and to children who have not attained the age of 6 years and who receive such services in a disproportionate share hospital described in section 1396r–4(b)(1) of this title, shall—

(1) if made on a prospective basis (whether per diem, per case, or otherwise) provide for an outlier adjustment in payment amounts for medically necessary inpatient hospital services involving exceptionally high costs or exceptionally long lengths of stay.

(2) not be limited by the imposition of day limits with respect to the delivery of such services to such individuals, and

(3) not be limited by the imposition of dollar limits (other than such limits resulting from prospective payments as adjusted pursuant to paragraph (1)) with respect to the delivery of such services to any such individual who has not attained their first birthday (or in the case of such an individual who is an inpatient on his first birthday until such individual is discharged).

(t) Limitation on payments to States for expenditures attributable to taxes

Nothing in this subchapter (including sections 1396b(a) and 1396d(a) of this title) shall be construed as authorizing the Secretary to deny or limit payments to a State for expenditures, for medical assistance for items or services, attributable to taxes of general applicability imposed with respect to the provision of such items or services.

(u) Qualified COBRA continuation beneficiaries

(1) Individuals described in this paragraph are individuals—

(A) who are entitled to elect COBRA continuation coverage (as defined in paragraph (3)),

(B) whose income (as determined under section 1382a of this title for purposes of the supplemental security income program) does not exceed 100 percent of the official poverty line (as defined by the Office of Management and Budget, and revised annually in accordance with section 9902(2) of this title) applicable to a family of the size involved,

(C) whose resources (as determined under section 1382b of this title for purposes of the supplemental security income program) do not exceed twice the maximum amount of resources that an individual may have and obtain through program and

(D) with respect to whose enrollment for COBRA continuation coverage the State has determined that the savings in expenditures under this subchapter resulting from such enrollment is likely to exceed the amount of payments for COBRA premiums made.

(2) For purposes of subsection (a)(10)(F) and this subsection, the term “COBRA premiums” means the applicable premium imposed with respect to COBRA continuation coverage.

(3) In this subsection, the term “COBRA continuation coverage” means coverage under a group health plan provided by an employer with 75 or more employees provided pursuant to title XXII of the Public Health Service Act [42 U.S.C. 300bb–1 et seq.], section 4980B of the Internal Revenue Code of 1986, or title VI of the Employee Retirement Income Security Act of 1974.

(4) Notwithstanding subsection (a)(17), for individuals described in paragraph (1) who are covered under the State plan by virtue of subsection (a)(10)(A)(ii)(XI)—

(A) the income standard to be applied is the income standard described in paragraph (1)(B), and

(B) except as provided in section 1382a(b)(4)(B)(ii) of this title, costs incurred for medical care shall not be taken into account in determining income.

Any different treatment provided under this paragraph for such individuals shall not, because of subsection (a)(10)(B) or (a)(17), require or permit such treatment for other individuals.
(v) State agency disability and blindness determinations for medical assistance eligibility

A State plan may provide for the making of determinations of disability or blindness for the purpose of determining eligibility for medical assistance under the State plan by the single State agency or its designee, and make medical assistance available to individuals whom it finds to be blind or disabled and who are determined otherwise eligible for such assistance during the period of time prior to which a final determination of disability or blindness is made by the Social Security Administration with respect to such an individual. In making such determinations, the State must apply the definitions of disability and blindness found in section 1382c(a) of this title.

(w) Maintenance of written policies and procedures respecting advance directives

(1) For purposes of subsection (a)(57) and sections 1396b(m)(1)(A) and 1396r(c)(2)(E) of this title, the requirement of this subsection is that a provider or organization (as the case may be) maintain written policies and procedures with respect to all adult individuals receiving medical care by or through the provider or organization—

(A) to provide written information to each such individual concerning—

(i) an individual’s rights under State law (whether statutory or as recognized by the courts of the State) to make decisions concerning such medical care, including the right to accept or refuse medical or surgical treatment and the right to formulate advance directives (as defined in paragraph (3)), and

(ii) the provider’s or organization’s written policies respecting the implementation of such rights;

(B) to document in the individual’s medical record whether or not the individual has executed an advance directive;

(C) not to condition the provision of care or otherwise discriminate against an individual based on whether or not the individual has executed an advance directive;

(D) to ensure compliance with requirements of State law (whether statutory or as recognized by the courts of the State) respecting advance directives; and

(E) to provide (individually or with others) for education for staff and the community on issues concerning advance directives.

Subparagraph (C) shall not be construed as requiring the provision of care which conflicts with an advance directive.

(2) The written information described in paragraph (1)(A) shall be provided to an adult individual—

(A) in the case of a hospital, at the time of the individual’s admission as an inpatient,

(B) in the case of a nursing facility, at the time of the individual’s admission as a resident,

(C) in the case of a provider of home health care or personal care services, in advance of the individual coming under the care of the provider,

(D) in the case of a hospice program, at the time of initial receipt of hospice care by the individual from the program, and

(E) in the case of a medicaid managed care organization, at the time of enrollment of the individual with the organization.

(3) Nothing in this section shall be construed to prohibit the application of a State law which allows for an objection on the basis of conscience for any health care provider or any agent of such provider which as a matter of conscience cannot implement an advance directive.

(4) In this subsection, the term “advance directive” means a written instruction, such as a living will or durable power of attorney for health care, recognized under State law (whether statutory or as recognized by the courts of the State) and relating to the provision of such care when the individual is incapacitated.

(5) For construction relating to this subsection, see section 14406 of this title (relating to clarification respecting assisted suicide, euthanasia, and mercy killing).

(x) Physician identifier system; establishment

The Secretary shall establish a system, for implementation by no later than July 1, 1994, which provides for a unique identifier for each physician who furnishes services for which payment may be made under a State plan approved under this subchapter.

(y) Intermediate sanctions for psychiatric hospitals

(1) In addition to any other authority under State law, where a State determines that a psychiatric hospital which is certified for participation under its plan no longer meets the requirements for a psychiatric hospital (referred to in section 1396d(h) of this title) and further finds that the hospital’s deficiencies—

(A) immediately jeopardize the health and safety of its patients, the State shall terminate the hospital’s participation under the State plan; or

(B) do not immediately jeopardize the health and safety of its patients, the State may terminate the hospital’s participation under the State plan, or provide that no payment will be made under the State plan with respect to any individual admitted to such hospital after the effective date of the finding, or both.

(2) Except as provided in paragraph (3), if a psychiatric hospital described in paragraph (1)(B) has not complied with the requirements for a psychiatric hospital under this subchapter—

(A) within 3 months after the date the hospital is found to be out of compliance with such requirements, the State shall provide that no payment will be made under the State plan with respect to any individual admitted to such hospital after the end of such 3-month period, or

(B) within 6 months after the date the hospital is found to be out of compliance with such requirements, no Federal financial participation shall be provided under section 1396d(a) of this title with respect to further services provided in the hospital until the State finds that the hospital is in compliance with the requirements of this subchapter.
§ 1396a  TITLE 42—THE PUBLIC HEALTH AND WELFARE  Page 3674

(3) The Secretary may continue payments, over a period of not longer than 6 months from the date the hospital is found to be out of compliance with such requirements, if—

(A) the State finds that it is more appropriate to take alternative action to assure compliance of the hospital with the requirements than to terminate the certification of the hospital,

(B) the State has submitted a plan and timetable for corrective action to the Secretary for approval and the Secretary approves the plan of corrective action, and

(C) the State agrees to repay to the Federal Government payments received under this paragraph if the corrective action is not taken in accordance with the approved plan and timetable.

(2) Optional coverage of TB-related services

(1) Individuals described in this paragraph are individuals not described in subsection (a)(10)(A)(i)—

(A) who are infected with tuberculosis;

(B) whose income (as determined under the State plan under this subchapter with respect to disabled individuals) does not exceed the maximum amount of income a disabled individual described in subsection (a)(10)(A)(i) may have and obtain medical assistance under the plan; and

(C) whose resources (as determined under the State plan under this subchapter with respect to disabled individuals) do not exceed the maximum amount of resources a disabled individual described in subsection (a)(10)(A)(i) may have and obtain medical assistance under the plan.

(2) For purposes of subsection (a)(10), the term “TB-related services” means each of the following services relating to treatment of infection with tuberculosis:

(A) Prescribed drugs.

(B) Physicians’ services and services described in section 1396d(a)(2) of this title.

(C) Laboratory and X-ray services (including services to confirm the presence of infection).

(D) Clinic services and Federally-qualified health center services.

(E) Case management services (as defined in section 1396n(g)(2) of this title).

(F) Services (other than room and board) designed to encourage completion of regimens of prescribed drugs by outpatients, including services to observe directly the intake of prescribed drugs.

(aa) Certain breast or cervical cancer patients

Individuals described in this subsection are individuals who—

(1) are not described in subsection (a)(10)(A)(i);

(2) have not attained age 65;

(3) have been screened for breast and cervical cancer under the Centers for Disease Control and Prevention breast and cervical cancer early detection program established under title XV of the Public Health Service Act (42 U.S.C. 300k et seq.) in accordance with the requirements of section 1504 of that Act (42 U.S.C. 300m) and need treatment for breast or cervical cancer; and

(4) are not otherwise covered under creditable coverage, as defined in section 2701(c) of the Public Health Service Act (42 U.S.C. 300gg(c)), but applied without regard to paragraph (1)(F) of such section.

(bb) Payment for services provided by Federally-qualified health centers and rural health clinics

(1) In general

Beginning with fiscal year 2001 with respect to services furnished on or after January 1, 2001, and each succeeding fiscal year, the State plan shall provide for payment for services described in section 1396d(a)(2)(C) of this title furnished by a Federally-qualified health center and services described in section 1396d(a)(2)(B) of this title furnished by a rural health clinic in accordance with the provisions of this subsection.

(2) Fiscal year 2001

Subject to paragraph (4), for services furnished on and after January 1, 2001, during fiscal year 2001, the State plan shall provide for payment for such services in an amount (calculated on a per visit basis) that is equal to 100 percent of the average of the costs of the center or clinic of furnishing such services during fiscal years 1999 and 2000 which are reasonable and related to the cost of furnishing such services, or based on such other tests of reasonableness as the Secretary prescribes in regulations under section 1395(d)(3) of this title, or, in the case of services to which such regulations do not apply, the same methodology used under section 1395(d)(3) of this title, adjusted to take into account any increase or decrease in the scope of such services furnished by the center or clinic during fiscal year 2001.

(3) Fiscal year 2002 and succeeding fiscal years

Subject to paragraph (4), for services furnished during fiscal year 2002 or a succeeding fiscal year, the State plan shall provide for payment for such services in an amount (calculated on a per visit basis) that is equal to the amount calculated for such services under this subsection for the preceding fiscal year—

(A) increased by the percentage increase in the MEI (as defined in section 1395u(i)(3) of this title) applicable to primary care services (as defined in section 1395(u)(4) of this title) for that fiscal year; and

(B) adjusted to take into account any increase or decrease in the scope of such services furnished by the center or clinic during that fiscal year.

(4) Establishment of initial year payment amount for new centers or clinics

In any case in which an entity first qualifies as a Federally-qualified health center or rural health clinic after fiscal year 2000, the State plan shall provide for payment for services described in section 1396d(a)(2)(C) of this title furnished by the center or services described in section 1396d(a)(2)(B) of this title furnished by the clinic in the first fiscal year in which the center or clinic so qualifies in an amount (calculated on a per visit basis) that is equal to 100 percent of the costs of furnishing such services to confirm the presence of infection).
services during such fiscal year based on the rates established under this subsection for the fiscal year for other such centers or clinics located in the same or adjacent area with a similar case load or, in the absence of such a center or clinic, in accordance with the regulations and methodology referred to in paragraph (2) or based on such other tests of reasonableness as the Secretary may specify. For each fiscal year following the fiscal year in which the entity first qualifies as a Federally-qualified health center or rural health clinic, the State plan shall provide for the payment amount to be calculated in accordance with paragraph (3).

(5) Administration in the case of managed care

(A) In general

In the case of services furnished by a Federally-qualified health center or rural health clinic pursuant to a contract between the center or clinic and a managed care entity (as defined in section 1396u–2(a)(1)(B) of this title), the State plan shall provide for payment to the center or clinic by the State of a supplemental payment equal to the amount (if any) by which the amount determined under paragraphs (2), (3), and (4) of this subsection exceeds the amount of the payments provided under the contract.

(B) Payment schedule

The supplemental payment required under subparagraph (A) shall be made pursuant to a payment schedule agreed to by the State and the Federally-qualified health center or rural health clinic, but in no case less frequently than every 4 months.

(6) Alternative payment methodologies

Notwithstanding any other provision of this section, the State plan may provide for payment in any fiscal year to a Federally-qualified health center or rural health clinic of an amount which is at least equal to the amount otherwise required to be paid to the center or clinic under this section.

(cc) Disabled children eligible to receive medical assistance at option of State

(1) Individuals described in this paragraph are individuals—

(A) who are children who have not attained 19 years of age and are born—

(i) on or after January 1, 2001 (or, at the option of a State, on or after an earlier date), in the case of the second, third, and fourth quarters of fiscal year 2007;

(ii) on or after October 1, 1995 (or, at the option of a State, on or after an earlier date), in the case of each quarter of fiscal year 2008; and

(iii) after October 1, 1989, in the case of each quarter of fiscal year 2009 and each quarter of any fiscal year thereafter;

(B) who would be considered disabled under section 1396c(a)(3)(C) of this title (as determined under subchapter XVI for children but without regard to any income or asset eligibility requirements that apply under such subchapter with respect to children); and

(C) whose family income does not exceed such income level as the State establishes and does not exceed—

(i) 300 percent of the poverty line (as defined in section 1397(j)(c)(5) of this title) applicable to a family of the size involved; or

(ii) such higher percent of such poverty line as a State may establish, except that—

(I) any medical assistance provided to an individual whose family income exceeds 300 percent of such poverty line may only be provided with State funds; and

(II) no Federal financial participation shall be provided under section 1396b(a) of this title for any medical assistance provided to such an individual.

(2)(A) If an employer of a parent of an individual described in paragraph (1) offers family coverage under a group health plan (as defined in section 2791(a) of the Public Health Service Act (42 U.S.C. 300gg-91(a))), the State plan—

(i) notwithstanding section 1396e of this title, require such parent to apply for, enroll in, and pay premiums for such coverage as a condition of such parent’s child being or remaining eligible for medical assistance under subsection (a)(10)(A)(i)(XIX) if the parent is determined eligible for such coverage and the employer contributes at least 50 percent of the total cost of annual premiums for such coverage; and

(ii) if such coverage is obtained—

(I) subject to paragraph (2) of section 1396d(h) of this title, reduce the premium imposed by the State under that section in an amount that reasonably reflects the premium contribution made by the parent for private coverage on behalf of a child with a disability; and

(II) treat such coverage as a third party liability under subsection (a)(25).

(B) In the case of a parent to which subparagraph (A) applies, a State, notwithstanding section 1396e of this title but subject to paragraph (1)(C)(ii), may provide for payment of any portion of the annual premium for such family coverage that the parent is required to pay. Any payments made by the State under this subparagraph shall be considered, for purposes of section 1396b(a) of this title, to be payments for medical assistance.

(dd) Electronic transmission of information

If the State agency determining eligibility for medical assistance under this subchapter or child health assistance under subchapter XXI verifies an element of eligibility based on information from an Express Lane Agency (as defined in subsection (e)(15)(F)), or from another public agency, then the applicant’s signature under penalty of perjury shall not be required as

18 So in original. Probably should be “applicant’s signature.”

17 So in original. Probably should be “disabled.”
to such element. Any signature requirement for an application for medical assistance may be satisfied through an electronic signature, as defined in section 1710(1) of the Government Paperwork Elimination Act (44 U.S.C. 3504 note). The requirements of subparagraphs (A) and (B) of section 1320b–7(d)(2) of this title may be met through evidence in digital or electronic form. (ee) Alternate State process for verification of citizenship or nationality declaration

(1) For purposes of subsection (a)(46)(B)(ii), the requirements of this subsection with respect to an individual declaring to be a citizen or national of the United States for purposes of establishing eligibility under this subchapter, are, in lieu of requiring the individual to present satisfactory documentary evidence of citizenship or nationality under section 1396b(x) of this title (if the individual is not described in paragraph (2) of that section), as follows:

(A) The State submits the name and social security number of the individual to the Commissioner of Social Security as part of the program established under paragraph (2).

(B) If the State receives notice from the Commissioner of Social Security that the name or social security number, or the declaration of citizenship or nationality, of the individual is inconsistent with information in the records maintained by the Commissioner—

(i) the State makes a reasonable effort to identify and address the causes of such inconsistency, including through typographical or other clerical errors, by contacting the individual to confirm the accuracy of the name or social security number submitted or declaration of citizenship or nationality and by taking such additional actions as the Secretary, through regulation or other guidance, or the State may identify, and continues to provide the individual with medical assistance while making such effort; and

(ii) in the case such inconsistency is not resolved under clause (i), the State—

(I) notifies the individual of such fact;

(II) provides the individual with a period of 90 days from the date on which the notice required under subclause (I) is received by the individual to either present satisfactory documentary evidence of citizenship or nationality (as defined in section 1396b(x) of this title) or resolve the inconsistency with the Commissioner of Social Security (and continues to provide the individual with medical assistance during such 90-day period); and

(III) disenrolls the individual from the State plan under this subchapter within 30 days after the end of such 90-day period if no such documentary evidence is presented or if such inconsistency is not resolved.

(B) Each State electing to satisfy the requirements of this subsection for purposes of section 1396a(a)(46)(B) of this title shall establish a program under which the State submits at least monthly to the Commissioner of Social Security for comparison of the name and social security number, of each individual newly enrolled in the State plan under this subchapter that month who is not described in section 1396b(x)(2) of this title and who declares to be a United States citizen or national, with information in records maintained by the Commissioner.

(B) In establishing the State program under this paragraph, the State may enter into an agreement with the Commissioner of Social Security—

(i) to provide, through an on-line system or otherwise, for the electronic submission of, and response to, the information submitted under subparagraph (A) for an individual enrolled in the State plan under this subchapter who declares to be a citizen or national on at least a monthly basis; or

(ii) to provide for a determination of the consistency of the information submitted with the information maintained in the records of the Commissioner through such other method as agreed to by the State and the Commissioner and approved by the Secretary, provided that such method is no more burdensome for individuals to comply with than any burdens that may apply under a method described in clause (i).

(C) The program established under this paragraph shall provide that, in the case of any individual who is required to submit a social security number to the State under subparagraph (A) and who is unable to provide the State with such number, shall be provided with at least the reasonable opportunity to present satisfactory documentary evidence of citizenship or nationality (as defined in section 1396b(x)(3) of this title) as is provided under clauses (i) and (ii) of section 1320b–7(d)(4)(A) of this title to an individual for the submittal to the State of evidence indicating a satisfactory immigration status.

(3)(A) The State agency implementing the plan approved under this subchapter shall, at such times and in such form as the Secretary may specify, provide information on the percentage each month that the inconsistent submissions bears to the total submissions made for comparison for such month. For purposes of this subparagraph, a name, social security number, or declaration of citizenship or nationality of an individual shall be treated as inconsistent and included in the determination of such percentage only if—

(i) the information submitted by the individual is not consistent with information in records maintained by the Commissioner of Social Security;

(ii) the inconsistency is not resolved by the State;

(iii) the individual was provided with a reasonable period of time to resolve the inconsistency with the Commissioner of Social Security or provide satisfactory documentation of citizenship status and did not successfully resolve such inconsistency; and

(iv) payment has been made for an item or service furnished to the individual under this subchapter.

(B) If, for any fiscal year, the average monthly percentage determined under subparagraph (A) is greater than 3 percent—

19So in original. Probably should be followed by "a".
(i) the State shall develop and adopt a corrective plan to review its procedures for verifying the identities of individuals seeking to enroll in the State plan under this subchapter and to identify and implement changes in such procedures to improve their accuracy; and
(ii) pay to the Secretary an amount equal to the amount which bears the same ratio to the total payments under the State plan for the fiscal year for providing medical assistance to individuals who provided inconsistent information as the number of individuals with inconsistent information in excess of 3 percent of such total submitted bears to the total number of individuals with inconsistent information.

(C) The Secretary may waive, in certain limited cases, all or part of the penalty under subparagraph (B)(ii) if the State is unable to reach an allowable error rate despite a good faith effort by such State.

(D) Subparagraphs (A) and (B) shall not apply to a State for a fiscal year if there is an agreement described in paragraph (2)(B) in effect as of the close of the fiscal year that provides for the submission on a real-time basis of the information described in such paragraph.

(4) Nothing in this subsection shall affect the determination of income in accordance with subsection (e)(14) of this title for calendar quarters occurring during such period, a State shall not have in effect eligibility standards, methodologies, or procedures under the State plan that are more restrictive than the eligibility standards, methodologies, or procedures, respectively, under the plan or waiver that are in effect on March 23, 2010.

(2) Continuation of eligibility standards for children through September 30, 2027

The requirement under paragraph (1) shall continue to apply to a State through September 30, 2027 (but during the period that begins on October 1, 2019, and ends on September 30, 2027 only with respect to children in families whose income does not exceed 300 percent of the poverty line (as defined in section 1397l(c)(5) of this title) applicable to a family of the size involved) with respect to the eligibility standards, methodologies, and procedures under the State plan under this subchapter or under any waiver of such plan that are applicable to determining the eligibility for medical assistance of any child who is under 19 years of age (or such higher age as the State may have elected).

(3) Nonapplication

During the period that begins on January 1, 2011, and ends on December 31, 2013, the requirement under paragraph (1) shall not apply to a State with respect to nonpregnant, non-disabled adults who are eligible for medical assistance under the State plan or under a waiver of the plan at the option of the State and whose income exceeds 133 percent of the poverty line (as defined in section 1397l(c)(5) of this title) applicable to a family of the size involved if, on or after December 31, 2010, the State certifies to the Secretary that, with respect to the State fiscal year during which the certification is made, the State has a budget deficit, or with respect to the succeeding State fiscal year, the State is projected to have a budget deficit. Upon submission of such a certification to the Secretary, the requirement under paragraph (1) shall not apply to the State with respect to any remaining portion of the period described in the preceding sentence.

(4) Determination of compliance

(A) States shall apply modified adjusted gross income

A State’s determination of income in accordance with subsection (e)(14) shall not be considered to be eligibility standards, methodologies, or procedures that are more re-
strictive than the standards, methodologies, or procedures in effect under the State plan or under a waiver of the plan on March 23, 2010, for purposes of determining compliance with the requirements of paragraph (1), (2), or (3).

(B) States may expand eligibility or move waivered populations into coverage under the State plan

With respect to any period applicable under paragraph (1), (2), or (3), a State that applies eligibility standards, methodologies, or procedures under the State plan under this subchapter or under any waiver of the plan that are less restrictive than the eligibility standards, methodologies, or procedures, applied under the State plan or under a waiver of the plan on March 23, 2010, or that makes individuals who, on March 23, 2010, are eligible for medical assistance under a waiver of the State plan, after March 23, 2010, eligible for medical assistance through a State plan amendment with an income eligibility level that is not less than the income eligibility level that applied under the waiver, or as a result of the application of subclause (VIII) of subsection (a)(10)(A)(i), shall not be considered to have in effect eligibility standards, methodologies, or procedures that are more restrictive than the standards, methodologies, or procedures in effect under the State plan or under a waiver of the plan on March 23, 2010, for purposes of determining compliance with the requirements of paragraph (1), (2), or (3).

(hh) State option for coverage for individuals with income that exceeds 133 percent of the poverty line

(1) A State may elect to phase-in the extension of eligibility for medical assistance to individuals described in subclause (XX) of subsection (a)(10)(A)(i) based on the categorical group (including nonpregnant childless adults) or income, so long as the State does not extend such eligibility to individuals described in such subclause with higher income before making individuals described in such subclause with lower income eligible for medical assistance.

(2) If an individual described in subclause (XX) of subsection (a)(10)(A)(i) is the parent of a child who is under 19 years of age (or such higher age as the State may have elected) who is eligible for medical assistance under the State plan or under a waiver of such plan, the individual may not be enrolled under the State plan unless the individual’s child is enrolled under the State plan or under a waiver of the plan or is enrolled in other health insurance coverage. For purposes of the preceding sentence, the term “parent” includes an individual treated as a caretaker relative for purposes of carrying out section 1396u-1 of this title.

(ii) State eligibility option for family planning services

(1) Individuals described in this subsection are individuals—

(A) whose income does not exceed an income eligibility level established by the State that does not exceed the highest income eligibility level established under the State plan under this subchapter (or under its State child health plan under subchapter XXI) for pregnant women; and

(B) who are not pregnant.

(2) At the option of a State, individuals described in this subsection may include individuals who, had individuals applied on or before January 1, 2007, would have been made eligible pursuant to the standards and processes imposed by that State for benefits described in clause (V) of section 1395w–4(c)(5) of this title.

(3) At the option of a State, for purposes of subsection (a)(17)(B), in determining eligibility for services under this subsection, the State may consider only the income of the applicant or recipient.

(jj) Primary care services defined

For purposes of subsection (a)(13)(C), the term “primary care services” means—

(1) evaluation and management services that are procedure codes (for services covered under subchapter XVIII) for services in the category designated Evaluation and Management in the Healthcare Common Procedure Coding System (established by the Secretary under section 1395w–4(c)(5) of this title as of December 31, 2009, and as subsequently modified); and

(2) services related to immunization administration for vaccines and toxoids for which CPT codes 90465, 90466, 90467, 90468, 90471, 90472, 90473, or 90474 (as subsequently modified) apply under such System.

(kk) Provider and supplier screening, oversight, and reporting requirements

For purposes of subsection (a)(77), the requirements of this subsection are the following:

(1) Screening

The State complies with the process for screening providers and suppliers under this subchapter, as established by the Secretary under section 1395cc(j)(2) of this title.

(2) Provisional period of enhanced oversight for new providers and suppliers

The State complies with procedures to provide for a provisional period of enhanced oversight for new providers and suppliers under this subchapter, as established by the Secretary under section 1395cc(j)(3) of this title.

(3) Disclosure requirements

The State requires providers and suppliers under the State plan or under a waiver of the plan to comply with the disclosure requirements established by the Secretary under section 1395cc(j)(5) of this title.

(4) Temporary moratorium on enrollment of new providers or suppliers

(A) Temporary moratorium imposed by the Secretary

(i) In general

Subject to clause (ii), the State complies with any temporary moratorium on the

---

20So in original. The word “section” probably should not appear.
enrollment of new providers or suppliers imposed by the Secretary under section 1395cc(j)(7) of this title.

(ii) Exceptions

(1) Compliance with moratorium

A State shall not be required to comply with a temporary moratorium described in clause (i) if the State determines that the imposition of such temporary moratorium would adversely impact beneficiaries' access to medical assistance.

(II) FFP available

Notwithstanding section 1396b(i)(2)(E) of this title, payment may be made to a State under this subchapter with respect to amounts expended for items and services described in such section if the Secretary, in consultation with the State agency administering the State plan under this subchapter (or a waiver of the plan), determines that denying payment to the State pursuant to such section would adversely impact beneficiaries' access to medical assistance.

(iii) Limitation on charges to beneficiaries

With respect to any amount expended for items or services furnished during calendar quarters beginning on or after October 1, 2017, the State prohibits, during the period of a temporary moratorium described in clause (i), a provider meeting the requirements specified in subparagraph (C)(iii) of section 1395cc(j)(7) of this title from charging an individual or other person eligible to receive medical assistance under the State plan pursuant to such section.

(B) Moratorium on enrollment of providers and suppliers

At the option of the State, the State imposes, for purposes of entering into participation agreements with providers or suppliers under the State plan or under a waiver of the plan, periods of enrollment moratoria, or numerical caps or other limits, for providers or suppliers identified by the Secretary as being at high-risk for fraud, waste, or abuse as necessary to combat fraud, waste, or abuse, but only if the State determines that the imposition of any such period, cap, or other limits would not adversely impact beneficiaries' access to medical assistance.

(5) Compliance programs

The State must comply with the requirements of section 1395cc(j)(7) of this title, a compliance program that contains the core elements established under subparagraph (B) of that section 1395cc(j)(7) of this title for providers or suppliers within a particular industry or category.

(6) Reporting of adverse provider actions

The State complies with the national system for reporting criminal and civil convictions, sanctions, negative licensure actions, and other adverse provider actions to the Secretary, through the Administrator of the Centers for Medicare & Medicaid Services, in accordance with regulations of the Secretary.

(7) Enrollment and NPI of ordering or referring providers

(A) all ordering or referring physicians or other professionals to be enrolled under the State plan or under a waiver of the plan as a participating provider; and

(B) the national provider identifier of any ordering or referring physician or other professional to be specified on any claim for payment that is based on an order or referral of the physician or other professional.

(8) Provider terminations

(A) In general

Beginning on July 1, 2018, in the case of a notification under subsection (a)(41) with respect to a termination for a reason specified in section 1396b(i)(2)(E), Federal taxpayer identification number, national provider identifier (if applicable), Federal taxpayer identification number, and the State license or certification number of such provider or person (if applicable);

(v) the reason for the termination;

(vi) a copy of the notice of termination sent to the provider or person;

(vii) the date on which such termination is effective, as specified in the notice; and

(viii) any other information required by the Secretary.

(B) Effective date defined

For purposes of this paragraph, the term "effective date" means, with respect to a termination described in subparagraph (A), the later of—

(i) the date on which such termination is effective, as specified in the notice of such termination; or

(ii) the date on which all appeal rights applicable to such termination have been exhausted or the timeline for any such appeal has expired.

(9) Other State oversight

Nothing in this subsection shall be interpreted to preclude or limit the ability of a State to engage in provider and supplier screening or enhanced provider and supplier oversight activities beyond those required by the Secretary.
§ 1396a

(II) Termination notification database

In the case of a provider of services or any other person whose participation under this subchapter or subchapter XXI is terminated (as described in subsection (kk)(8)), the Secretary shall, not later than 30 days after the date on which the Secretary is notified of such termination under subsection (a)(41) (as applicable), review such termination and, if the Secretary determines appropriate, include such termination in any database or similar system developed pursuant to section 6401(b)(2) of the Patient Protection and Affordable Care Act (42 U.S.C. 1395cc note; Public Law 111–148).

(mm) Directory physician or provider described

A physician or provider described in this subsection is—

1. in the case of a physician or provider of a provider type for which the State agency, as a condition on receiving payment for items and services furnished by the physician or provider to individuals eligible to receive medical assistance under the State plan, requires the enrollment of the physician or provider with the State agency, a physician or a provider that—

(A) is enrolled with the agency as of the date on which the directory is published or updated (as applicable) under subsection (a)(83); and

(B) received payment under the State plan in the 12-month period preceding such date; and

2. in the case of a physician or provider of a provider type for which the State agency does not require such enrollment, a physician or provider that received payment under the State plan (or a waiver of the plan) in the 12-month period preceding the date on which the directory is published or updated (as applicable) under subsection (a)(83).

(nn) Juvenile; eligible juvenile; public institution

For purposes of subsection (a)(84) and this subsection:

1. Juvenile

   The term “juvenile” means an individual who—

   (A) under 21 years of age; or

   (B) described in subsection (a)(10)(A)(i)(IX).

2. Eligible juvenile

   The term “eligible juvenile” means a juvenile who is an inmate of a public institution and who—

   (A) was determined eligible for medical assistance under the State plan immediately before becoming an inmate of such a public institution; or

   (B) is determined eligible for such medical assistance while an inmate of a public institution.

3. Inmate of a public institution

   The term “inmate of a public institution” has the meaning given such term for purposes of applying the subdivision (A) following paragraph (30) of section 1396d(a) of this title, taking into account the exception in such subdivision for a patient of a medical institution.

(oo) Drug review and utilization requirements

1. In general

   For purposes of subsection (a)(85), the drug review and utilization requirements under this subsection are, subject to paragraph (3) and beginning October 1, 2019, the following:

   (A) Claims review limitations

   1. In general

      The State has in place—

      (I) safety edits (as specified by the State) for subsequent fills for opioids and a claims review automated process (as designed and implemented by the State) that indicates when an individual enrolled under the State plan (or under a waiver of the State plan) is prescribed a subsequent fill of opioids in excess of any limitation that may be identified by the State;

      (II) safety edits (as specified by the State) on the maximum daily morphine equivalent that can be prescribed to an individual enrolled under the State plan (or under a waiver of the State plan) for treatment of chronic pain and a claims review automated process (as designed and implemented by the State) that indicates when an individual enrolled under the plan (or waiver) is prescribed the morphine equivalent for such treatment in excess of any limitation that may be identified by the State; and

      (III) a claims review automated process (as designed and implemented by the State) that monitors when an individual enrolled under the State plan (or under a waiver of the State plan) is concurrently prescribed opioids and—

      (aa) benzodiazepines; or

      (bb) antipsychotics.

   (ii) Managed care entities

      The State requires each managed care entity (as defined in section 1396u–2(a)(1)(B) of this title) with respect to which the State has a contract under section 1396b(m) of this title or under section 1396d(t)(3) of this title to have in place, subject to paragraph (3), with respect to individuals who are eligible for medical assistance under the State plan (or under a waiver of the State plan) and who are enrolled with the entity, the limitations described in subclauses (I) and (II) of clause (i) and a claims review automated process described in subclause (III) of such clause.

   (iii) Rules of construction

      Nothing in this subparagraph may be construed as prohibiting a State or managed care entity from designing and implementing a claims review automated process under this subparagraph that provides for prospective or retrospective reviews of claims. Nothing in this subparagraph shall be understood as prohibiting the exercise of clinical judgment from a provider enrolled as a participating provider in a State plan (or waiver of the State plan) or
contracting with a managed care entity regarding the best items and services for an individual enrolled under such State plan (or waiver).

(B) Program to monitor antipsychotic medications by children

The State has in place a program (as designed and implemented by the State) to monitor and manage the appropriate use of antipsychotic medications by children enrolled under the State plan (or under a waiver of the State plan) and submits annually to the Secretary such information as the Secretary may require on activities carried out under such program for individuals not more than the age of 18 years generally and children in foster care specifically.

(C) Fraud and abuse identification

The State has in place a process (as designed and implemented by the State) that identifies potential fraud or abuse of controlled substances by individuals enrolled under the State plan (or under a waiver of the State plan), health care providers prescribing drugs to individuals so enrolled, and pharmacies dispensing drugs to individuals so enrolled.

(D) Reports

The State shall include in the annual report submitted to the Secretary under section 1396d–8(g)(3)(D) of this title information on the limitations, requirement, program, and processes applied by the State under subparagraphs (A) through (C) in accordance with such manner and time as specified by the Secretary.

(E) Clarification

Nothing shall prevent a State from satisfying the requirement—
(1) described in subparagraph (A) by having safety edits or a claims review automated process described in such subparagraph that was in place before October 1, 2019;
(2) described in subparagraph (B) by having a program described in such subparagraph that was in place before such date; or
(3) described in subparagraph (C) by having a process described in such subparagraph that was in place before such date.

(2) Annual report by Secretary

For each fiscal year beginning with fiscal year 2020, the Secretary shall submit to Congress a report on the most recent information submitted by States under paragraph (1)(D).

(3) Exceptions

(A) Certain individuals exempted

The drug review and utilization requirements under this subsection shall not apply with respect to an individual who—
(1) is receiving—
(I) hospice or palliative care; or
(II) treatment for cancer;
(2) is a resident of a long-term care facility, of a facility described in section 1396d(d) of this title, or of another facility for which frequently abused drugs are dispensed for residents through a contract with a single pharmacy; or
(3) the State elects to treat as exempted from such requirements.

(B) Exception relating to ensuring access

In order to ensure reasonable access to health care, the Secretary shall waive the drug review and utilization requirements under this subsection, with respect to a State, in the case of natural disasters and similar situations, and in the case of the provision of emergency services (as defined for purposes of section 1395w–104(c)(5)(D)(ii)(II) of this title).

(pp) Residential pediatric recovery center defined

(1) In general

For purposes of section 1396a(a)(86) of this title, the term “residential pediatric recovery center” means a center or facility that furnishes items and services for which medical assistance is available under the State plan to infants with the diagnosis of neonatal abstinence syndrome without any other significant medical risk factors.

(2) Counseling and services

A residential pediatric recovery center may offer counseling and other services to mothers (and other appropriate family members and caretakers) of infants receiving treatment at such centers if such services are otherwise covered under the State plan under this subchapter or under a waiver of such plan. Such other services may include the following:
(A) Counseling or referrals for services.
(B) Activities to encourage caregiver-infant bonding.
(C) Training on caring for such infants.

(qq) Application of certain data reporting and program integrity requirements to Northern Mariana Islands, American Samoa, and Guam

(1) In general

Not later than October 1, 2021, the Northern Mariana Islands, American Samoa, and Guam shall—
(A) demonstrate progress in implementing methods, satisfactory to the Secretary, for the collection and reporting of reliable data to the Transformed Medicaid Statistical Information System (T–MSIS) (or a successor system); and
(B) demonstrate progress in establishing a State Medicaid fraud control unit described in section 1396b(q) of this title.

(2) Determination of progress

For purposes of paragraph (1), the Secretary shall deem that a territory described in such paragraph has demonstrated satisfactory progress in implementing methods for the collection and reporting of reliable data or establishing a State Medicaid fraud control unit if the territory has made a good faith effort to implement such methods or establish such a unit, given the circumstances of the territory.
(rr) Program integrity requirements for Puerto Rico

(1) System for tracking Federal Medicaid funding provided to Puerto Rico

(A) In general

Puerto Rico shall establish and maintain a system, which may include the use of a quarterly Form CMS-64, for tracking any amounts paid by the Federal Government to Puerto Rico with respect to the State plan of Puerto Rico (or a waiver of such plan). Under such system, Puerto Rico shall ensure that information is available, with respect to each quarter in a fiscal year (beginning with the first quarter beginning on or after the date that is 1 year after December 20, 2019), on the following:

(i) In the case of a quarter other than the first quarter of such fiscal year—

(ii) The total amount expended by Puerto Rico during any previous quarter of such fiscal year under the State plan of Puerto Rico (or a waiver of such plan), and

(ii) A description of how such amount was so expended.

(B) Report to CMS

For each quarter with respect to which Puerto Rico is required under subparagraph (A) to ensure that information described in such subparagraph is available, Puerto Rico shall submit to the Administrator of the Centers for Medicare & Medicaid Services a report on such information for such quarter, which may include the submission of a quarterly Form CMS-37.

(2) Submission of documentation on contracts upon request

Puerto Rico shall, upon request, submit to the Administrator of the Centers for Medicare & Medicaid Services all documentation re-quested with respect to contracts awarded under the State plan of Puerto Rico (or a waiver of such plan).

(3) Reporting on Medicaid and CHIP Scorecard measures

Beginning 12 months after December 20, 2019, Puerto Rico shall begin to report to the Administrator of the Centers for Medicare & Medicaid Services on selected measures included in the Medicaid and CHIP Scorecard developed by the Centers for Medicare & Medicaid Services.
and inserting "a State plan under this subchapter or under a waiver of such a".

See 2018 Amendment notes below.
Pub. L. 101–508, title IV, § 4801(e)(11), Nov. 5, 1990, 104 Stat. 1386–217, provided that, effective on the date on which the Secretary promulgates standards regarding the qualifications of nursing facility administrators under section 1396a(f)(4) of this title, subsection (a)(29) of this section is repealed.

REFERENCES IN TEXT
The Child Nutrition Act of 1966, referred to in subsecs. (a)(7) and (e)(10), is Pub. L. 89–444, May 9, 1966, 80 Stat. 120, which is classified generally to chapter 13A (§1771 et seq.) of this title. For complete classification of this Act to the Code, see Short Title note set out under section 1751 of this title and Tables.


The Child Care and Development Block Grant Act of 1990, referred to in subsec. (e)(13)(F)(i)(11), is subchapter B (§653 et seq.) of chapter 8 of subtitle A of the Act which is classified principally to chapter II–B (§653 et seq.) of this title. For complete classification of this Act to the Code, see Short Title note set out under section 9801 of this title and Tables.

The Head Start Act, referred to in subsec. (e)(13)(F)(i)(11), is subchapter B (§653 et seq.) of chapter 8 of subtitle A of the Act which is classified principally to subchapter II (§6551 et seq.) of chapter 7 of this title. For complete classification of this Act to the Code, see Short Title note set out under section 9801 of this title and Tables.


Section 602 of this title, referred to in subsecs. (a)(10)(A)(i) and (e)(10), was repealed and a new section 602 enacted by Pub. L. 104–193, title I, §103(a)(1), Aug. 22, 1996, 110 Stat. 2112, and, as so enacted, no longer contains subsections (a)(37) or (a)(43).


The date of the enactment of section 211(a) of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, referred to in subsec. (a)(10)(A)(i)(1) and (11)(aa), is the date of enactment of Pub. L. 104–193, which was approved Aug. 22, 1996. Section 211(a) of the Act amended section 1382c of this title.


Section 405(b)(2) of the Patient Protection and Affordable Care Act, referred to in subsec. (a)(39) and (I), is section 405(b)(2) of Pub. L. 111–148, Mar. 23, 2010, 124 Stat. 119, Title I of the Act enacted chapter 157 of Title II, The Public Health and Welfare, and enacted, amended, and transferred numerous other sections and notes in the Code. For complete classification of this Act to the Code, see Short Title note set out under section 4101 of Title 25 and Tables.

The Internal Revenue Code of 1986, referred to in subsec. (e)(14)(G) and (u)(3), is classified generally to Title 26, Internal Revenue Code.


The Employee Retirement Income Security Act of 1974, referred to in subsec. (u)(3), is Pub. L. 93–496, Sept. 2, 1974, 88 Stat. 829, Title VI of the Act probably means part 6 of subtitle B of title I of the Act which is classified generally to part 6 (§1161 et seq.) of subtitle B of subchapter I of chapter 18 of Title 29, Labor, because the Act has no title VI. For complete classification of this Act to the Code, see Short Title note set out under section 1001 of Title 29 and Tables.

Section 2701 of the Public Health Service Act, referred to in subsec. (aa)(4), is section 2701 of act July 1, 1944, which was classified to section 300bb of Title 42 which was renumbered section 2704, effective for plan years beginning on or after Jan. 1, 2014, with certain excep-

Section 17101(1) of the Government Paperwork Elimination Act, referred to in subsec. (dd), is section 17101(1) of Pub. L. 105–277, which is set out in a note under section 3504 of Title 44, Public Printing and Documents.

The Alaska Native Claims Settlement Act, referred to in subsec. (f)(1), is Pub. L. 92–203, Dec. 18, 1971, 85 Stat. 666, which was reclassified generally to chapter 35 (§1601 et seq.) of Title 43, Public Lands. For complete classification of this Act to the Code, see Short Title note set out under section 1601 of Title 43 and Tables.


**CODIFICATION**


In subsec. (a)(25)(H), substituted “medical assistance under a State plan (or waiver of the plan) under this subchapter and such termination is included by the Secretary in any database or similar system developed pursuant to section 6401(b)(2) of the Patient Protection and Affordable Care Act” for “the State plan under this subchapter or under a waiver of such a State plan under this subchapter (and, at State option, child health assistance under subchapter XXI)” for “medical assistance under the State plan under this subchapter (and, at State option, child health assistance under subchapter XXI)” in heading.


Subsec. (a)(39). Pub. L. 114–255, §5005(c)(2), substituted “subchapter XVIII, any other State plan under this subchapter (or waiver of the plan), or any State child health plan under subchapter XXI (or waiver of the plan) and such termination is included by the Secretary in any database or similar system developed pursuant to section 6401(b)(2) of the Patient Protection and Affordable Care Act” for “subchapter XVIII or any other State plan under this subchapter”.

Subsec. (a)(41). Pub. L. 114–255, §5006(a)(6), substituted “provide, in accordance with subsection (kk)(8) (as applicable), that whenever” for “provide that whenever”.


Subsec. (kk)(3). Pub. L. 114–255, §1704(b)(2)(B)(iii), made technical amendment to reference in original act which appears in text as reference to section 1395c of this title and substituted “(a)” for “(j)”.

herence in original act which appears in text as reference to section 1396cc of this title and substituted "(j)(7)" for "(j)(6)".

Subsec. (kk)(4)(A)(ii). Pub. L. 114–255, § 1700b(1)(C), added cl. (ii) generally. Prior to amendment, text read as follows: "A State shall not be required to comply with a temporary moratorium described in clause (I) of the State determines that the imposition of such temporary moratorium would adversely impact beneficiaries’ access to medical assistance."


Subsec. (kk)(8), (9). Pub. L. 114–255, § 5005(a)(1), added par. (8) and redesignated former par. (8) as (9).


Subsec. (m). Pub. L. 114–255, § 5006(b), added subsec. (m).

2015—Subsec. (a)(10)(E)(iv). Pub. L. 114–10, § 221(a), struck out "(but only for premiums payable with respect to months during the period beginning with January 1998, and ending with March 2015)" after "available".


2015—Subsec. (a)(10)(E)(iv). Pub. L. 114–10, § 221(a), amended par. (1) generally. Prior to amendment, par. (1) read as follows: "(A) Notwithstanding any other provision of this subchapter, effective January 1, 1974, subject to subparagraph (B) each State plan approved under this subchapter must provide that each family which was receiving aid pursuant to a plan of the State approved under part A of subchapter IV of this chapter in at least 3 of the 6 months immediately preceding the month in which such family became ineligible for such aid because of increased hours of, or increased income from, employment, shall, while a member of such family is employed, remain eligible for assistance under the plan approved under this subchapter (as though the family was receiving aid under the plan approved under part A of subchapter IV of this chapter) for 4 calendar months beginning with the month in which such family became ineligible for aid under the plan approved under part A of subchapter IV of this chapter because of income and resources or hours of work limitations contained in such plan."

"(B) Subparagraph (A) shall not apply with respect to families that cease to be eligible for aid under part A of subchapter IV of this chapter during the period beginning with April 1, 1998, and ending on March 31, 2015. During such period, for provisions relating to extension of eligibility for medical assistance for certain families who have received aid pursuant to a State plan approved under part A of subchapter IV of this chapter for 4 calendar months beginning with the month in which such family became ineligible for aid under the plan approved under part A of subchapter IV of this chapter because of income and resources or hours of work limitations contained in such plan, see section 1396c–6 of this title."


Subsec. (a)(25)(E)(I). Pub. L. 113–67, § 202(a)(1), which directed amendment of cl. (i) by inserting before semicolon at end "except that if the State determines doing so is cost-effective and will not adversely affect access to care, only make such payment if a third party so liable has not made payment within 90 days after the date the provider of such services has initially submitted a claim to such third party for payment for such services", was executed by making the insertion before ";" and to reflect the probable intent of Congress.

Subsec. (a)(25)(F)(I). Pub. L. 113–67, § 202(a)(2), as amended by Pub. L. 116–17, § 7(a), substituted "100 days after the date the provider of such services has initially submitted a claim to such third party for payment for such services, except that the State may make such payment within 30 days after such date if the State determines doing so is cost-effective and necessary to ensure access to care." for "30 days after such services are furnished".

Subsec. (a)(25)(H). Pub. L. 113–67, § 202(b)(1)(B), which directed substituting "any payments by such third party" for "payment by any other party for such health care items or services", was repealed by Pub. L. 115–123, § 3020(b)(1).

Subsec. (a)(81) to (83). Pub. L. 112–240, § 642(b)(2), redesignated par. (83) as (81) and struck out former pars. (81) and (82) which required States to comply with regulations relating to payor rules with respect to beneficiaries under both the Medicaid and CLASS programs and to take certain actions relating to workers who provide personal care services to individuals under the CLASS program.


Pub. L. 112–240, § 622, substituted "2015" for "2012".


Subsec. (e)(1)(B). Pub. L. 112–96, § 310(b), substituted "December 31" for "February 29".


2011—Subsec. (a)(7). Pub. L. 111–296, § 109(a)(1), amended par. (7) generally. Prior to amendment, par. (7) read as follows: "provide safeguards which restrict the use or disclosure of information concerning applicants and recipients to purposes directly connected with—"

"(A) the administration of the plan; and"

"(B) at State option, the exchange of information necessary to verify the certification of eligibility of children for free or reduced price lunches under the Richard B. Russell National School Lunch Act, in accordance with section 9(b) of that Act, using data records and formats established by the State agency."


Subsec. (a)(10). Pub. L. 111–309, § 205(f)(1)(A), in concluding provisions, struck out "and" before "(XVI) the medical" and substituted "(XVII) if" for "(XVI) if".

Pub. L. 111–148, § 10201(a)(2), which directed amendment of par. (10) in the matter following subparagraph (G) by substituting "(XV)" for "(XVI)" and inserting "(XV) if an individual is described in subparagraph (IX) of subparagraph (A)(i) and is also described in subparagraph (VIII) of that subparagraph, the medical assistance shall be made available to the individual through subclause (IX) instead of through subclause (VIII) before the semicolon, was executed by making the insertion only to reflect the probable intent of Congress. The substitution could not be executed because "(XV)" did not appear after amendment by Pub. L. 111–148, § 10201(a)(3). See below.

Pub. L. 111–148, § 2308(a)(3), in concluding provisions, substituted "(XV)" for "(XVI)" and inserted before semicolon at end ", (XV) the medical assistance made available to an individual described in subsection (a)(10)(A) shall be limited to such amount and supplies described in section 1396d(a)(4)(C) of this title including medical diagnosis and treatment services
that are provided pursuant to a family planning service in a family planning setting.

Pub. L. 111–148, §2001(a)(5)(A), in concluding provi-
sions substituted “XIV” for “and XIV” and inserted
before semicolon at end “and XV” the medical assis-
tance made available to an individual described in sub-
paragraph (A)(i)(VIII) shall be limited to medical as-
sistance described in subparagraph (B)(i)(vIII).

Subsec. (a)(10)(A). Pub. L. 111–148, §2301(b), sub-
stituted “(21) and (28)” for “(21)” in introductory
provisions.


Subsec. (a)(10)(A)(i)(IX). Pub. L. 111–148, §1020(a), added subcl. (IX) generally. Prior to amendment, subcl. (IX) read as follows: “who were in foster care
under the responsibility of a State for more than 6
months (whether or not consecutive) but are no longer
in such care, who are not described in any of subclauses
(I) through (VII) of this clause, and who are under 25
years of age.”


Subsec. (a)(17). Pub. L. 111–255, §8(e), which directed the repeal of the amendment made by Pub. L. 111–255, §8(c)(2), effective 5 years after Oct. 5, 2010, was itself re-
pealed by Pub. L. 114–63, §2, effective as if included in
Pub. L. 111–255.

Pub. L. 111–255, §3(c)(2), effective 5 years after Oct. 5, 2010, was itself re-
pealed by Pub. L. 114–63, §2, effective as if included in
Pub. L. 111–255.

Subsec. (a)(23). Pub. L. 111–309, §1020(b)(1)(B), which directed amendment by substituting “(kk)” for “(ii)”, was executed to par. (74) to reflect the probable intent of Congress.

Pub. L. 111–148, §6401(b)(3), inserted before semicolon at end “and (XV) the medical assist-
ance described in subsection (k)(1)”.


Subsec. (e)(14)(B). Pub. L. 111–152, §1004(e)(1), substituted “Subject to subparagraph (I), no type” for “No type”.


Subsec. (a)(78). Pub. L. 111–309, §200(a), struck out par. (78). Text read as follows: “provide that the State agency described in paragraph (9) exclude, with respect to a period, any individual or entity from participation in the program under the State plan if such individual or entity owns, controls, or manages an entity that (or if such entity is owned, controlled, or managed by an individual or entity that—

“(A) has unpaid overpayments (as defined by the Secretary) under this subchapter during such period determined by the Secretary or the State agency to be delinquent;

“(B) is suspended or excluded from participation under or whose participation is terminated under this subchapter during such period; or

“(C) is affiliated with an individual or entity that has been suspended or excluded from participation under this subchapter or whose participation is ter-

minated under this subchapter during such period;”.


“agencies” in heading and added subcl. (IV).

Subsec. (e)(14). Pub. L. 111–255, §3(e), which directed the repeal of the amendment made by Pub. L. 111–255, §3(c)(1), effective 5 years after Oct. 5, 2010, was itself re-
pealed by Pub. L. 114–63, §2, effective as if included in
Pub. L. 111–255.

Pub. L. 111–255, §3(c)(1), added par. (14) related to exclusion of compensation for participation in a clinical trial for testing of treatments for a rare disease or condition.

Pub. L. 111–152, §1004(b)(1)(A), substituted “modified adjusted gross income” for “modified gross income” wherever appearing in headings and text.


Subsec. (e)(14)(B). Pub. L. 111–152, §1004(e)(1), substituted “Subject to subparagraph (I), no type” for “No type”.


Pub. L. 111–148, §2001(a)(5)(B), substituted “100 percent” for “133 percent”.


§ 1396a TITLED—THE PUBLIC HEALTH AND WELFARE


Subsec. (a)(25)(I). Pub. L. 111–5, §5003(b), inserted “and “a self-insured plan,” before “a service benefit plan” and subsec. (a)(25)(I)(i). Pub. L. 111–5, §5003(b), inserted “and a health maintenance organization” for “and health maintenance organizations, pharmacy benefit managers, or other parties that are, by statute, contract, or agreement, legally responsible for payment of a claim for a health care item or service” for “and health maintenance organizations”.

Subsec. (a)(25)(G). Pub. L. 110–191, §6035(a)(2), inserted “a self-insured plan,” before “a service benefit plan” and subsec. (a)(25)(G)(i) relating to a managed care organization, a pharmacy benefit manager, or other party that is, by statute, contract, or agreement, legally responsible for payment of a claim for a health care item or service” for “and a health maintenance organization”.


Subsec. (a)(7). Pub. L. 110–91 designated part of existing provisions as subpar. (A) and added subpar. (B).


Pub. L. 108–89 substituted “March 2004” for “December 2002”, redesignated introductory provisions and subcl. (I) as cl. (iv), substituted semicolon for “,” and after “State plan”, and struck out subcl. (II) which read as follows: “for the portion of medicare cost-sharing described in section 1396d(p)(3)(A)(ii) of this title that is attributable to the operation of the amendments made by (and subsection (e)(3) of section 4611 of the Balanced Budget Act of 1997 for individuals who would be described in subclause (I) if ‘135 percent’ and ‘175 percent’ were substituted for ‘120 percent’ and ‘135 percent’ respectively’;”.


Subsec. (f). Pub. L. 107–121, §2(b)(1), redesignated subsec. (aa) relating to the provision of services provided by federally-qualified health centers and rural health clinics as subsec. (bb).

Subsec. (a)(10). Pub. L. 106–354, §2(a)(3), in concluding provisions, substituted “‘(XIII)’ for “and (XIII)” and inserted before semicolon at end “, and (XIV) the medical assistance made available to an individual described in subsection (aa) who is eligible for medical assistance only because of subparagraph (A)(10)(ii)(XVII) shall be limited to medical assistance provided during the period in which such an individual requires treatment for breast or cervical cancer”.


Amendment note below.
year 2000, fiscal year 2001, or fiscal year 2002, 90 percent
costs which are reasonable and related to the cost of
for services furnished during fiscal year 2004) of
for services furnished during fiscal year 2003, or 85 per-
section 1396d(a)(2) of this title under the plan of 100 per-
payment for services described in clause (B) or (C) of
furnishing such services or based on such other tests of
reasonableness, as the Secretary prescribes in regula-
tions under section 1395x
functions under section 1396g-1 of this title.
Subsec. (a)(15). Pub. L. 106–554, §1(a)(6) [title VII,
§702(a)(2)], added par. (15).
Subsec. (a)(16). Pub. L. 106–554, §1(a)(6) [title VII,
§702(b)], added subsec. (a) relating to payment for
supplemental payment equal to the amount (if any) by
which the amount determined under clause (i) exceeds
the amount of the payments provided under such con-
tract;''.
Subsec. (e)(1)(B). Pub. L. 106–554, §1(a)(6) [title VII,
§707(b)], substituted ‘‘2002’’ for ‘‘2001’’
Subsec. (a)(aa). Pub. L. 106–554, §1(a)(6) [title VII,
§702(b)], added subsec. (aa) relating to payment for
services provided by Federally-qualified health centers
and rural health clinics.
Pub. L. 106–354, §2(b)(2)(A), inserted before semicolon at end ‘‘and provide for making medi-
cal assistance available to individuals described in sub-
section (a) of section 1396b–1 of this title during a pre-
sumptive eligibility period in accordance with such sec-
tion’’.
Section (a)(30)(A). Pub. L. 106–113, §1000(a)(6) [title VI,
§688(a)], inserted ‘‘and’’ at end.
Subsec. (a)(30)(B). Pub. L. 106–113, §1000(a)(6) [title VI,
§688(b)(1)(B)], struck out subpar. (B) which read as follows: ‘‘(B) for services furnished during fiscal
year 2002, fiscal year 2001, or fiscal year 2000, 90 percent
for services furnished during fiscal year 2002, 85 percent
for services furnished during fiscal year 2001, 70 percent
for services furnished during fiscal year 2000.’’
Subsec. (a)(30)(C). Pub. L. 106–113, §1000(a)(6) [title VI,
§688(b)(1)(C)], struck out subpar. (C) which read as follows: ‘‘use a utilization and quality control peer review
organization (under part B of subchapter XI of this
chapter), an entity which meets the requirements of
section 1320c–1 of this title, as determined by the Secre-
tary, or a private accreditation body to conduct (on an
annual basis) an independent, external review of the
quality of services furnished under each contract under
section 1396(m) of this title, with the results of such
review made available to the State and, upon request,
to the Secretary, the Inspector General in the Depar-
tment of Health and Human Services, and the Comptrol-
ler General’’.
Subsec. (a)(60). Pub. L. 106–113, §1000(a)(6) [title VI,
§688(y)(2)], made technical amendment to reference in
original act which appears in text as reference to sec-
tion 1396e–1 of this title.
Subsec. (a)(64). Pub. L. 106–113, §1000(a)(6) [title VI,
§688(a)], substituted ‘‘of’’ for ‘‘of’’ after ‘‘numbered
paragraph’’.
Subsec. (h)(1)(C). Pub. L. 106–113, §1000(a)(6) [title VI,
§688(c)(1)], substituted ‘‘children’’ for ‘‘children chil-
dren’’.
Subsec. (i)(3). Pub. L. 106–113, §1000(a)(6) [title VI,
Subsec. (i)(4)(B). Pub. L. 106–113, §1000(a)(6) [title VI,
§688(c)(3)], inserted comma after ‘‘(a)(10)(A)(ii)(IV)’’.
Subsec. (v). Pub. L. 106–113, §1000(a)(6) [title VI,
§688(d)], struck out par. (1) designation before ‘‘A State
plan may provide’’.
sentence of flush concluding provisions, substituted ‘‘to
a religious nonmedical health care institution (as de-
defined in section 1395ww(e)(1)) of this title’’ for ‘‘to
a Christian Science sanatorium operated, or listed and
certified, by The Commission for Accreditation of
Christian Science Nursing Organizations/Facilities, Inc.’’
Subsec. (a)(4)(C), (D). Pub. L. 105–103, §4724(c)(1), sub-
stituted ‘‘(C)’’ for ‘‘(C)”’ and ‘‘(D)’’ for ‘‘(D)”’.
Subsec. (a)(9)(C). Pub. L. 105–33, §4106(c), substituted ‘‘paragraphs (16) and (17)’’ for ‘‘paragraphs (15) and
(16)”’.
Subsec. (a)(10)(A)(ii)(II). Pub. L. 105–33, §4933(a), in-
serted ‘‘(or were being paid as of the date of the enact-
mation of that section’’ after ‘‘subchapter XVI’’.
cl. (XIII).
(iv).
(A) and struck out former subpar. (A) which related to
payment of hospital services, nursing facility services,
and services in intermediate care facilities for
mentally retarded by use of rates which account for various specified costs.

Subsec. (a)(13)(B). Pub. L. 105–33, §4711(a)(1)–(3), redesignated subpars. (D) as (B), inserted “and” at end, and struck out former subpar. (B) which read as follows: “that the State shall provide assurances satisfactory to the Secretary that the payment methodology utilized by the State for payments to hospitals can reasonably be expected not to increase such payments, solely as a result of a change of ownership, in excess of the increase which would result from the application of section 1396(v)(1)(G) of this title.”


Pub. L. 105–33, §4712(b)(1), designated existing provisions as cl. (i) and added cl. (ii).

Pub. L. 105–33, §4712(a), inserted “(or 95 percent for services furnished during fiscal year 2000, 90 percent for services furnished during fiscal year 2001, 85 percent for services furnished during fiscal year 2002, or 70 percent for services furnished during fiscal year 2003)” after “‘100 percent’”.

Pub. L. 105–33, §471(a)(1), (2), (4), redesignated subpar. (C) as (B), struck out “‘and’ at end, and struck out former subpar. (C) which read as follows: “that the State shall provide assurances satisfactory to the Secretary that the valuation of capital assets, for purposes of determining payment rates for nursing facilities and for intermediate care facilities for the mentally retarded, will not be increased (as measured from the date of acquisition by the seller to the date of the change of ownership) solely as a result of a change of ownership, by more than the lesser of—”

“(i) one-half of the percentage increase (as measured over the same period of time, or, if necessary, as extrapolated retrospectively by the Secretary) in the Dodge Construction Systems Costs for Nursing Homes, applied in the aggregate with respect to those facilities which have undergone a change of ownership during the fiscal year, or

“(ii) one-half of the percentage increase (as measured over the same period of time) in the Consumer Price Index for All Urban Consumers (United States city average)”.

Subsec. (a)(13)(D), (E). Pub. L. 105–33, §4711(a)(2), redesignated subpars. (D) and (E) as (B) and (C), respectively.

Subsec. (a)(13)(F). Pub. L. 105–33, §4711(a)(5), struck out subpar. (F) which read as follows: “for payment for home and community care (as defined in section 1396a(a) of this title and provided under such section) through rates which are reasonable and adequate to meet the costs of providing care, efficiently and economically, in conformity with applicable State and Federal laws, regulations, and quality and safety standards.”

Subsec. (a)(23). Pub. L. 105–33, §4724(d), struck out “except as provided in subsection (g) and in section 1396n and except in the case of Puerto Rico, the Virgin Islands, and Guam,” after “‘23’” and inserted before semicolon at end “except as provided in subsection (g) and in section 1396n of this title, except that the paragraph shall not apply in the case of Puerto Rico, the Virgin Islands, and Guam, and except that nothing in this paragraph shall be construed as requiring a State to provide medical assistance for such services furnished by a person or entity convicted of a felony under Federal or State law for an offense which the State agency determines is inconsistent with the best interests of beneficiaries under the State plan.”

Subsec. (a)(25)(D). Pub. L. 105–33, §4701(d)(1), substituted “‘in section 1396n of this title, and in section 1396d–2(a) of this title” for “‘and in section 1396n of this title’”.

Pub. L. 105–33, §4701(b)(2)(A)(i), substituted “medicaid managed care organization” for “health maintenance organization”.

Subsec. (a)(25)(A)(i). Pub. L. 105–33, §4753(b), substituted “‘be integrated with, and be monitored as a part of the Secretary’s review of, the State’s mechanism for processing and information retrieval systems required under section 1396k(b) of this title’” for the dash that followed “which plan shall” and struck out subcls. (I) and (II) which read as follows:

“(I) be integrated with, and be monitored as a part of the Secretary’s review of, the State’s mechanism for processing and information retrieval system under section 1396k(b) of this title, and

“(II) be subject to the provisions of section 1396k(4) of this title relating to reductions in Federal payments for failure to meet conditions of approval, but shall not be subject to any other financial penalty as a result of any other monitoring, quality control, or auditing requirements.”.

Subsec. (a)(25)(G) to (J). Pub. L. 105–33, §4741(a), redesignated subpars. (H) and (I) as (E) and (H), respectively, and struck out former subpar. (G) which read as follows: “that the State plan shall meet the requirements of section 1396d of this title (relating to enrollment of individuals under group health plans in certain cases)”.

Subsec. (a)(26). Pub. L. 105–33, §4751(a), substituted “provide, with respect to each patient” for “provide—”

“(A) with respect to each patient;” and struck out subpars. (B) and (C) which read as follows:

“(B) for periodic inspections to be made in all mental institutions within the State by one or more medical review teams (composed of physicians and other appropriate health and social service personnel) of the care being provided to each person receiving medical assistance, including (i) the adequacy of the services available to meet his current health needs and promote his maximum physical well-being, (ii) the necessity and desirability of his continued placement in the institution, and (iii) the feasibility of meeting his health care needs through alternative institutional or noninstitutional services; and

“(C) for full reports to the State agency by each medical review team of the findings of each inspection under subparagraph (B), together with any recommendations.”.

Subsec. (a)(31). Pub. L. 105–33, §4751(b), substituted “provide, with respect to each patient” for “provide—”

“(A) with respect to each patient;” and struck out subpars. (B) and (C) which read as follows:

“(B) with respect to each intermediate care facility for the mentally retarded within the State, for periodic on-site inspections of the care being provided to each person receiving medical assistance, by one or more independent professional review teams (composed of a physician or registered nurse and other appropriate health and social service personnel), including with respect to each such person (i) the adequacy of the services available to meet his current health needs and promote his maximum physical well-being, (ii) the necessity and desirability of his continued placement in the facility, and (iii) the feasibility of meeting his health care needs through alternative institutional or noninstitutional services; and

“(C) for full reports to the State agency by each independent professional review team of the findings of each inspection under subparagraph (B), together with any recommendations.”.

Subsec. (a)(47). Pub. L. 105–33, §4912(b)(1), inserted before semicolon at end “and provide for making medical assistance for items and services described in subsection (a) of section 1396e–1a of this title available to children during a presumptive eligibility period in accordance with such section.”


Subsec. (a)(64). Pub. L. 105–33, §4724(g)(1)(B), which directed the amendment of par. (64) by substituting
...and" for the period at end, could not be executed because there was no period at end.

Pub. L. 105–33, § 4702(c), added par. (6).


Subsec. (e)(2)(A). Pub. L. 105–33, § 4706(b), which directed the amendment of subsection (e)(2) by inserting "or by or through the case manager" before period at end, was executed by making insertion before period at end of subpar. (A) to reflect the probable intent of Congress.

Pub. L. 105–33, § 4709(1), substituted "who is enrolled with a Medicaid managed care organization (as defined in section 1396d(t)(1) of this title)," for "the State requires individuals described in paragraph (2)(B)(iii), (2)(E), (2)(G), or (6) of section 1396m(2)(A) of this title".

Subsec. (e)(2)(B). Pub. L. 105–33, § 4709(b), substituted "(including the use of information collected by the Medicare and Medicaid Coverage Data Bank under section 1396r–8, including the provision of information and education on pediatric vaccinations and the delivery of immunization services)" for "operative July 1, 1969," after "(B)" and "and" before "(ii)" and substituted "the individual under section 1396b of this title, and (iii) providing for coordination of information and education on pediatric vaccinations and delivery of immunization services" for "to him under section 1396b of this title", and in subpar. (C), inserted "including the provision of information and education on pediatric vaccinations and the delivery of immunization services," after "operations under this subchapter".

Subsec. (j). Pub. L. 105–33, § 4702(b)(2), substituted "a numbered paragraph of" for "paragraphs (1) through (25)".


Subsec. (n). Pub. L. 105–33, § 4711(a)(1), designated existing provisions as par. (1) and added pars. (2) and (3).


Subsec. (r)(1)(1). Pub. L. 105–33, § 4715(a)(1), designated existing provisions as subpar. (A), inserted "the treatment described in subparagraph (B) shall apply," after "such a waiver", substituted "and" for "and", after "Federal Republic of Germany", and added subpar. (B).


1996—Subsec. (a). Pub. L. 104–195, § 913, which directed substitution of "The Commission for Accreditation of Christian Science Nursing Organizations/Facilities, Inc." for "The First Church of Christ, Scientist, Boston, Massachusetts" in third sentence, was executed by making the substitution for "the First Church of Christ, Scientist, Boston, Massachusetts" in first undesignated closing par. to reflect the probable intent of Congress.

Subsec. (a)(2)(A). Pub. L. 104–226 struck out "including the use of information collected by the Medicare and Medicaid Coverage Data Bank under section 13209–14 of this title and any additional measures before (as specified by the Secretary in regulations)".


Subsec. (c). Pub. L. 104–195, § 114(d)(1), substituted "if the State requires individuals described in subsection (l)(1) to apply for assistance under the State program funded under part A of subchapter IV in applying for or receiving medical assistance under this subchapter." for "if—".

"(1) the State has in effect, under its plan established under part A of subchapter IV, a payment level that is less than the payment levels in effect under such plan on May 1, 1968; or"

"(2) the State requires individuals described in subsection (l)(1) of this section to apply for benefits under such part as a condition of applying for, or receiving, medical assistance under this subchapter."

Subsec. (a)(56). Pub. L. 103–66, §13623(a)(3), redesignated par. (55) relating to providing for adjusted payments as (56), transferred such par. to appear after par. (56) relating to providing for receipt and initial processing of applications, and substituted "and" for period at end.


Pub. L. 103–66, §13623(a)(5), amended par. (58) relating to providing that a State develop a written description of advance directive laws by substituting a semicolon for period at end of subpar. (B).


Pub. L. 103–66, §13623(a)(6), redesignated par. (58), relating to maintaining a list, as (59), transferred such par. to appear after par. (58) relating to providing that a State develop a written description of advance directive laws, and substituted "and" for period at end.


Subsec. (j). Pub. L. 103–66, §1601(a)(b)(2), substituted "paragraphs (1) through (25)" for "paragraphs (1) through (22)".

Subsec. (k). Pub. L. 103–66, §13611(d)(a)(C), struck out subsec. (k) which read as follows:

"(k)(1) In the case of a Medicaid qualifying trust (described in paragraph (2)), the amounts from the trust deemed available to a grantor, for purposes of subsection (a)(17) of this section, is the maximum amount of payments that may be permitted under the terms of the trust to be distributed to the grantor, assuming the full exercise of discretion by the trustee or trustees for the distribution of the maximum amount to the grantor. For purposes of the previous sentence, the term 'grantor' means the individual referred to in paragraph (2)."

"(2) For purposes of this subsection, a 'Medicaid qualifying trust' is a trust, or similar legal device, established by or with an individual (or an individual's spouse) under which the individual may be deemed available to a grantor, for purposes of subsection (a)(17) of this section, as the maximum amount of payments from the trust and the distribution of such payments is determined by one or more trustees who are permitted to exercise any discretion with respect to the distribution to the individual.

"(3) This subsection shall apply without regard to—

"(A) whether or not the Medicaid qualifying trust is irrevocable or is established for purposes other than to enable a grantor to qualify for medical assistance under this subchapter; or

"(B) whether or not the discretion described in paragraph (2) is actually exercised.

The State may waive the application of this subsection with respect to an individual where the State determines that such application would work an undue hardship."


1991—Subsec. (h). Pub. L. 102–234, §3(a), struck out "to limit the amount of payment adjustments that may be made under a plan under this subchapter with respect to hospitals that serve a disproportionate number of low-income patients with special needs or" after "Secretary".

Subsec. (t). Pub. L. 102–234, §2(b)(1), substituted "Nothing" for "Except as provided in section 1396d(b) of this title, nothing" and "taxes of general applicability" for "taxes (whether or not of general applicability)".

1990—Subsec. (a)(10). Pub. L. 101–508, §4723(a)(1)(D), which directed amendment of par. (10) by adding subdiv. (XI), relating to medical assistance available to an individual described in subsection (u)(1), in the matter following subparagraph (E), was executed in the matter following subpar. (F) to reflect the probable intent of Congress and the intervening amendment by Pub. L. 101–508, §§4402(d)(1), see below.


Pub. L. 101–508, §4401(a), in closing provisions, struck out "and" at end of subdiv. (IX), inserted "and" following "and" before "(X)" could not be executed because "and" did not appear after amendment by Pub. L. 101–508, §§4402(d)(1). See below.


Page 3693

TITLE 42—THE PUBLIC HEALTH AND WELFARE

section 1395mm of this title’’ after ‘‘section
1396b(m)(2)(A) of this title’’.
‘‘(or would remain if pregnant)’’ after ‘‘remains’’.
‘‘In’’ for ‘‘At the option of a State, in’’, substituted
‘‘the woman shall be deemed to continue to be’’ for
‘‘the State plan may nonetheless treat the woman as
being’’, and inserted at end ‘‘The preceding sentence
shall not apply in the case of a woman who has been
provided ambulatory prenatal care pursuant to section
1396r–1 of this title during a presumptive eligibility period and is then, in accordance with such section, determined to be ineligible for medical assistance under
the State plan.’’
(11).
Subsec. (h). Pub. L. 101–508, § 4711(c)(1)(B), inserted before period at end ‘‘or to limit the amount of payment
that may be made under a plan under this subchapter
for home and community care’’.
amended subsec. (j) identically substituting ‘‘through
(22)’’ for ‘‘through (21)’’.
added subpar. (D) and struck out former subpar. (D)
which read as follows: ‘‘at the option of the State, children born after September 30, 1983, who have attained
6 years of age but have not attained 7 or 8 years of age
(as selected by the State),’’.
added subpar. (C) and struck out former subpar. (C)
which read as follows: ‘‘If a State elects, under subsection (a)(10)(A)(ii)(IX) of this section, to cover individuals not described in subparagraph (A) or (B) of
paragraph (1), for purposes of that paragraph and with
respect to individuals not described in such subparagraphs the State shall establish an income level which
is a percentage (not more than 100 percent) of the income official poverty line described in subparagraph
(A).’’
‘‘or
subsection
(a)(10)(A)(i)(VII)’’
after
‘‘(a)(10)(A)(i)(VI)’’.
substituted ‘‘(a)(10)(A)(i)(VI), or (a)(10)(A)(i)(VII)’’ for
‘‘or (a)(10)(A)(i)(VI)’’.
Subsec. (m)(1)(B). Pub. L. 101–508, § 4501(e)(2)(A), inserted ‘‘, except as provided in paragraph (2)(C)’’ after
‘‘program’’.
subpar. (C).
Subsec. (r)(1). Pub. L. 101–508, § 4715(a), inserted
‘‘there shall be disregarded reparation payments made
by the Federal Republic of Germany and’’ after ‘‘under
such a waiver’’.
Subsec. (s). Pub. L. 101–508, § 4604(a), added subsec. (s).
(t).
(u).
(w).
(y).
1989—Subsec. (a)(9)(C). Pub. L. 101–239, § 6115(c), substituted ‘‘paragraphs (15) and (16)’’ for ‘‘paragraphs (14)
and (15)’’.
Pub. L. 101–234 repealed Pub. L. 100–360, § 204(d)(3), and
provided that the provisions of law amended or repealed by such section are restored or revived as if such

§ 1396a

section had not been enacted, see 1988 Amendment note
below.
‘‘(1) through (5), (17) and (21)’’ for ‘‘(1) through (5) and
(17)’’ in introductory provisions.
added subcl. (VI).
inserted ‘‘or clause (i)(VI)’’ after ‘‘clause (i)(IV)’’.
subpar. (C).
Subsec. (a)(13)(D). Pub. L. 101–239, § 6408(c)(1), substituted ‘‘in amounts no lower than the amounts, using
the same methodology, used’’ for ‘‘in the same
amounts, and using the same methodology, as used’’,
‘‘in the case of’’ for ‘‘a separate rate may be paid for’’,
and ‘‘there shall be paid an additional amount, to take
into account the room and board furnished by the facility, equal to at least 95 percent of the rate that would
have been paid by the State under the plan for facility
services in that facility for that individual’’ for ‘‘to
take into account the room and board furnished by
such facility’’.
Subsec. (a)(13)(E). Pub. L. 101–239, § 6404(c), substituted ‘‘clause (B) or (C) of section 1396d(a)(2) of this
title’’ for ‘‘section 1396d(a)(2)(B) of this title provided
by a rural health clinic’’.
Pub. L. 101–239, § 6402(c)(2), which directed insertion of
‘‘, and for payment for services described in section
1396d(a)(2)(C) of this title under the plan,’’ after ‘‘provided by a rural health clinic under the plan’’, was repealed by Pub. L. 101–508, § 4704(e)(1).
before semicolon at end ‘‘and are sufficient to enlist
enough providers so that care and services are available
under the plan at least to the extent that such care and
services are available to the general population in the
geographic area’’.
par. (53).
Subsec. (e)(7). Pub. L. 101–239, § 6401(a)(8), substituted
‘‘, (C), or (D)’’ for ‘‘or (C)’’ in introductory provisions.
Subsec. (f). Pub. L. 101–239, § 6411(e)(2), inserted ‘‘and
section 1396r–5 of this title’’ after ‘‘section 1382h(b)(3) of
this title’’.
Pub. L. 101–239, § 6411(a)(1), inserted ‘‘and except with
respect to qualified medicare beneficiaries, qualified severely impaired individuals, and individuals described
in subsection (m)(1)’’ before ‘‘, no State’’.
Pub. L. 101–239, § 6408(d)(4)(C), inserted ‘‘, except with
respect to qualified disabled and working individuals
(described in section 1396d(s) of this title),’’ after ‘‘section 1382h(b)(3) of this title’’.
subpars. (C) and (D) and struck out former subpar. (C)
which read as follows: ‘‘at the option of the State, children born after September 30, 1983, who have attained
one year of age but have not attained 2, 3, 4, 5, 6, 7, or
8 years of age (as selected by the State),’’.
amended subcl. (II) generally. Prior to amendment,
subcl. (II) read as follows: ‘‘July 1, 1990, is 100 percent.’’
added cl. (iv).
added subpar. (B), struck out ‘‘, or, if less, the percentage established under subparagraph (A)’’ after ‘‘not
more than 100 percent’’ in former subpar. (B), and redesignated former subpar. (B) as (C).
Subsec. (l)(3)(C). Pub. L. 101–239, § 6401(a)(6)(B), substituted ‘‘(C), or (D)’’ for ‘‘or (C)’’.




1988—Subsec. (a)(9)(C). Pub. L. 100–360, §204(d)(3), substituted "(paragraphs 14) and (15) for "paragraphs (13) and (14)"


Subsec. (a)(10)(A)(i)(VI). Pub. L. 100–360, §411(k)(17)(B), substituted "(c), (d), or (e)" for "(c) or (d)" in two places.

Subsec. (a)(10)(A)(ii)(IX). Pub. L. 100–360, §302(a)(1)(B), amended subdiv. (IX) generally. Prior to amendment, subdiv. (IX) read as follows: "subject to subsection (l)(4) of this section, who are only entitled to medical assistance because the individual is such a beneficiary after "section 1396d(p)(1) of this title" in subdiv. (VIII) of closing provisions.

Subsec. (a)(10)(A)(ii)(X). Pub. L. 100–360, §301(e)(2)(A), struck out "subject to subsection (m)(3) of this section," before "who are described"

Subsec. (a)(10)(C). Pub. L. 100–360, §301(e)(2)B), struck out "subject to subsection (m)(3) of this section," before "who are described"

Subsec. (a)(10)(C)(i)(III). Pub. L. 100–360, §303(e)(1), substituted "no more restrictive than the methodology for "the same methodology" in two places.

Subsec. (a)(10)(E). Pub. L. 100–360, §301(e)(2)(B), struck out "subject to subsection (m)(3) of this section," before "for making medical assistance.

Pub. L. 100–360, §301(a)(1), struck out "at the option of a State, but" after "(E)"


Pub. L. 100–360, §301(a)(1), struck out "at the option of a State, but" after "(E)"


Subsec. (p)(2)(A). Pub. L. 100–360, §4611(h)(3)(E), substituted "section 1396d(e) of this title" for "section 1396d(f) of this title (relating to implementation of nursing facility requirements, including paragraph (6)(B), relating to specification of resident assessment instrument)"

Subsec. (a)(33)(B). Pub. L. 100–360, §411(k)(6)(C), substituted "section 1396d(g) of this title" for "section 1396d(d) of this title"


Subsec. (c). Pub. L. 100–360, §302(c)(1), amended subsec. (c) generally. Prior to amendment, subsec. (c) read as follows: "Notwithstanding subsection (b) of this section, the Secretary shall not approve any State plan for medical assistance if he determines that the approval and operation of the plan will result in a reduction in aid or assistance in the form of money payments (other than so much, if any, of the aid or assistance in such form as was, immediately prior to the effective date of the State plan under this subchapter, attributable to medical needs) provided for eligible individuals under a plan of such State approved under subchapter I, X, XIV, or XVI of this chapter, or part A of subchapter IV of this chapter.


Subsec. (e)(1). Pub. L. 100–485, §303(b)(1), designated existing provisions as subpar. (A), inserted "subject to subparagraph (B)" after "January 1, 1974," and added subpar. (B).


Subsec. (e)(6). Pub. L. 100–360, §302(e)(1), amended subsec. (6) generally. Prior to amendment, sub. (6) read as follows: "At the option of a State, if a State plan provides medical assistance for individuals under subsection (a)(10)(A)(ii)(IX) of this section, the plan may provide that any woman described in such subsection and subsection (i)(1)(A) of this section shall continue to be treated as an individual described in subsection (a)(10)(A)(ii)(IX) of this section without regard to any change in income of the family of which she is a member until the end of the 60-day period beginning on the last day of her pregnancy."

Subsec. (i)(1). Pub. L. 100–360, § 302(e)(3)(A), inserted "the number of medical assistance to individuals described in paragraph (1)(A) or to cover only individuals described in subparagraph (C) of paragraph (1) unless the State plan may not provide for the mentally retarded for skilled nursing facility or intermediate care facilities" in introductory provisions.

Subsec. (i)(2)(A). Pub. L. 100–360, § 302(a)(2)(A), amended by Pub. L. 100–485, § 608(d)(15)(A), designated existing provisions as cl. (i), substituted "(not less than the percentage provided under clause (ii) and not more than 185 percent)" for "(not more than 185 percent)", and added cls. (ii) and (iii).


Subsec. (j)(4). Pub. L. 100–360, § 302(c)(2), (d), added par. (4) and struck out former par. (4) which read as follows: "A State plan may not elect the option of furnishing medical assistance to individuals described in subsection (a)(10)(A)(ii)(IX) of this section unless the State has in effect, under its plan established under part A of subchapter IV of this chapter, payment levels that are not less than the payment levels in effect under its plan on July 1, 1987.


Subsec. (j)(4). Pub. L. 100–203, § 4211(h)(1)(A), substituted "nursing facility or intermediate care facility for the mentally retarded" for "skills nursing facility or intermediate care facility for the mentally retarded and" for ". skilled nursing facility, and intermediate care facility and"


Subsec. (j)(4). Pub. L. 100–203, § 4211(h)(1)(C), struck out "skilled" before "nursing".


Subsec. (j)(13)(D). Pub. L. 100–203, § 4211(h)(2)(D), as amended by Pub. L. 100–360, § 411(k)(10)(G)(i), substituted "nursing facilities or services or services in an intermediate care facility for the mentally retarded for "skilled nursing facility or intermediate care facility services" and "nursing facility services or services in an intermediate care facility for the mentally retarded for "skilled nursing facility services or intermediate care facility services"

Subsec. (j)(17). Pub. L. 100–203, § 411(b)(3), substituted "subsection (b)(3), (m)(4), and (m)(5)" for "subsection (b)(3)".

Subsec. (j)(10). Pub. L. 100–360, § 411(h)(1), as amended by Pub. L. 100–360, § 411(k)(10)(G)(i), substituted "whether in the form of insurance premiums or otherwise or regardless of whether such costs are reimbursed under another public program of the State or political subdivision thereof" for "whether in the form of insurance premiums or otherwise"

Subsec. (a)(23). Pub. L. 100–203, § 4113(c)(1), designated provision relating to the obtaining of medical assistance by an eligible individual as cl. (A) and added cl. (B).

Pub. L. 100–93, § 8(b)(1), inserted "subsection (g) and in" after "as provided in".

Subsec. (r). Pub. L. 100–360, § 411(h)(1), as amended by Pub. L. 100–360, § 411(k)(10)(G)(i), substituted "whether in the form of insurance premiums or otherwise or regardless of whether such costs are reimbursed under another public program of the State or political subdivision thereof" for "whether in the form of insurance premiums or otherwise"
Subsec. (a)(28). Pub. L. 100–203, § 4211(b)(1)(B), amended par. (28) generally. Prior to amendment, par. (28) read as follows: “provide that any skilled nursing facility services or intermediate care facility services covered by payment under such plan must satisfy all of the requirements contained in section 1395x(j) of this title, except that the exclusion contained therein with respect to institutions which are primarily for the care and treatment of mental diseases shall not apply for purposes of this subchapter''.


Subsec. (a)(30)(C). Pub. L. 100–203, § 4118(p)(4), substituted “use” for “provide”.

Pub. L. 100–203, § 4118(b)(1), inserted “an entity which meets the requirements of section 1320c–1 of this title, as determined by the Secretary,” before “or a private accreditation body”.

Subsec. (a)(31). Pub. L. 100–203, § 4212(d)(2), in introductory provision substituted “services in an intermediate care facility for the mentally retarded (where)” for “skilled nursing facility services (and with respect to intermediate care facility services where)” and in subpar. (B) substituted “intermediate care facility for the mentally retarded” for “skilled nursing or intermediate care facility care”.

Subsec. (a)(33)(B). Pub. L. 100–203, § 4212(d)(3), inserted “, except as provided in section 1396c(d) of this title,” after “(B) that”.

Subsec. (a)(38). Pub. L. 100–93, § 8(b)(2), substituted “the information described in section 1320a–7(b)(9) of this title” for “respectively, (A) full and complete information as to the ownership of a subcontractor (as defined by the Secretary in regulations) with whom such entity has had, during the previous twelve months, business transactions in an aggregate amount in excess of $25,000, and (B) full and complete information as to any significant business transactions (as defined by the Secretary in regulations) occurring during the five-year period ending on the date of such request, between such entity and any wholly owned supplier or between such entity and any subcontractor”.

Subsec. (a)(39). Pub. L. 100–93, § 8(b)(3), substituted “exclude” for “bar”, “individual or entity” for “person” in two places, and inserted reference to section 1320a–7a of this title.

Subsec. (a)(42). Pub. L. 100–203, § 4118(m)(1)(B), struck out “(A)” after “provide”, the comma after “under the plan”, and cls. (B) and (C) which read as follows: “(B) that such audits, for such entities also providing services under subchapter XVIII of this chapter, will be coordinated and conducted jointly (to such extent and in such manner as the Secretary shall prescribe) with such entity’s audits conducted for purposes of such subchapter, and (C) for payment of such proportion of costs of such common audit as is determined under methods specified by the Secretary under section 1320b–7a of this title”.

Subsec. (a)(44). Pub. L. 100–203, § 4212(e)(1)(A), substituted “services in an intermediate care facility for the mentally retarded” for “skilled nursing service, intermediate care facility service”.

Subsec. (a)(44)(A). Pub. L. 100–203, § 4212(a)(1), substituted “physician (or, in the case of skilled nursing facility services or intermediate care facility services, a physician, or a nurse practitioner or clinical nurse specialist who is not an employee of the facility but is working in collaboration with a physician)” for “a physician, in the case of skilled nursing facility services or intermediate care facility services, a physician, or a nurse practitioner or clinical nurse specialist who is not an employee of the facility but is working in collaboration with a physician.”

Pub. L. 100–203, § 4212(e)(1)(B), as amended by Pub. L. 100–360, § 4111(b)(6)(D), substituted “that are services provided in an intermediate care facility for the mentally retarded” for “that are intermediate care facility services provided in an institution for the mentally retarded”.

Subsec. (a)(44)(B). Pub. L. 100–203, § 4218(a)(2), substituted “a physician, or, in the case of skilled nursing facility services or intermediate care facility services, a physician, or a nurse practitioner or clinical nurse specialist who is not an employee of the facility but is working in collaboration with a physician;” for “a physician;”.


Subsec. (a)(47). Pub. L. 100–93, § 5(a)(2), (3), substituted semicolon for period at end of par. (47), relating to ambiguatory prenatal care and redesignated par. (47), relating to cards evidencing eligibility, as (48).

Subsec. (a)(48). Pub. L. 100–93, § 5(a)(3), redesignated par. (47), relating to cards evidencing eligibility for medical assistance, as (48), and substituted “address;” for “address.”


Subsec. (d). Pub. L. 100–203, § 4113(b)(2)(I), inserted “an entity which meets the requirements of section 1320c–1 of this title, as determined by the Secretary, for the performance of the quality review functions described in subsection (a)(30)(C) of this section, or” after “contracts with”.

Pub. L. 100–203, § 4113(b)(2)(II), as amended by Pub. L. 100–360, § 4111(k)(7)(C), substituted “an entity or organization” for “organization (or organizations)” in two places.

Subsec. (e)(2)(A). Pub. L. 100–203, § 4118(d)(2), which directed substitution of “paragraph (B)(ii), (E), or (G)” of section 1396b(m)(2) of this title” for “section 1396b(m)(2)(G) of this title”, was repealed by Pub. L. 100–360, § 4111(k)(7)(D).

Pub. L. 100–203, § 4113(a)(2), as amended by Pub. L. 100–360, § 4111(k)(7)(B), substituted “paragraph (2)(B)(iii), (2)(E), (2)(G), or (6) of section 1396b(m) of this title” for “section 1396b(m)(2)(G) of this title”. }

Pub. L. 100–203, § 4113(c)(2), substituted “but, except for benefits furnished under section 1396d(a)(4)(C) of this title, only” for “but only”.

Subsec. (e)(3)(C). Pub. L. 100–203, § 4118(c)(1), substituted “for medical assistance under the State plan under this subchapter” for “to have a supplemental security income (or State supplemental) payment made with respect to him under subchapter XVI of this chapter”. }

Subsec. (e)(4). Pub. L. 100–203, § 4101(a)(2), inserted sentence at end relating to child’s medical assistance eligibility identification number and submission and payment of claims under such number during period in which a child is eligible for assistance.

Subsec. (e)(5). Pub. L. 100–203, § 4118(e)(2), substituted “through the end of the month in which the 60-day period (beginning on the last day of her pregnancy) ends” for “until the end of the 60-day period beginning on the last day of her pregnancy”. }

Subsec. (e)(7). Pub. L. 100–203, § 4101(b)(2)(B), substituted “paragraph (B) or (C)” for “paragraph (B), (C), (D), (E), or (F)”. }


Subsec. (e)(9)(A)(ii). Pub. L. 100–203, § 4211(b)(5)(A), substituted “nursing facility, or intermediate care facility care for the mentally retarded” for “skilled nursing facility services, intermediate care facility services”. }

Subsec. (e)(9)(B). Pub. L. 100–203, § 4211(b)(5)(B), substituted “nursing facilities, or intermediate care facilities for the mentally retarded” for “skilled nursing facilities, or intermediate care facilities”. 
administering such plan will take all reasonable measures to ascertain the legal liability of third parties to pay for care and services (available under the plan) arising out of injury, disease, or disability, (B) that where the State or local agency knows that a third party has such a legal liability such agency will treat such legal liability as a resource of the individual on whose behalf the care and services are made available for purposes of paragraph (17)(B), and (C) that in any case where such a legal liability is found to exist after medical assistance has been made available on behalf of the individual and where the amount of reimbursement the State can reasonably expect to recover exceeds the costs of such recovery, the State or local agency will seek reimbursement for such assistance to the extent of such legal liability;”.


Subsec. (b)(2). Pub. L. 99–509, §9405, inserted before semicolon “...” regardless of whether or not the residence is maintained permanently or at a fixed address”.

Subsec. (d). Pub. L. 99–509, §9431(b)(1), inserted “(including quality review functions described in subsection (a)(30)(C) of this section)” after “medical or utilization review functions”.

Subsec. (e)(2)(A). Pub. L. 99–272, §9617(b)(1), inserted reference to an entity described in section 1396m(m)(2)(G) of this title, and substituted “such organization or entity” for “such organization”.

Subsec. (e)(2)(B). Pub. L. 99–272, §9617(b)(2), substituted “an organization or entity” for “a health maintenance organization” and “the organization or entity” for “the organization”


Subsec. (f). Pub. L. 99–643, §76(b), substituted “subsection (e) and section 1382b(b)(3) of this title” for “subsection (e)”


Pub. L. 99–514, §1895(c)(3)(B), substituted “(20)” for “(19)”.

Pub. L. 99–272, §9505(d)(1), substituted “(19)” for “(18)”.


Subsec. (m)(3). Pub. L. 99–509, §9405(f)(1)(A), which directed insertion of “or coverage under subsection (a)(10)(E)” of this section “after subsection (a)(10)(A)(ii)(X)” of this section was enacted by making the insertion after “subsection (a)(10)(A)(ii)(X)” of this section as the probable intent of Congress.


Subsec. (a)(10)(A)(1). Pub. L. 98–369, §2361(a), amended cl. (i) generally. Prior to the amendment cl. (i) read as follows: “all individuals receiving aid or assistance under any plan of the State approved under subchapter I, X, XIV, or XVI of this chapter, or part A or part E of subchapter IV of this chapter (including pregnant women deemed by the State to be receiving such aid as authorized in section 606(g) of this title and individuals considered by the State to be receiving such aid as authorized under section 614(g) of this title), or with respect to whom supplemental security income benefits are being paid under subchapter XVI of this chapter; and”.

Subsec. (a)(10)(A)(1)(I). Pub. L. 98–378, §20(c), substituted “section 602(a)(37) or 606(h) of this title” for “section 602(a)(37) of this title”.

Subsec. (a)(13)(A). Pub. L. 98–369, §2373(b)(3), made clarifying amendment by striking out “(A)” and all that follows through “hospital” the first place it appears and inserting in lieu thereof “(A) for payment (except where the State agency is subject to an order under section 1396m of this title) of the hospital”, resulting in no change in text.

Subsec. (a)(13)(B). (C). Pub. L. 98–369, §2314(b), added subpar. (B) and redesignated former subpar. (B) as (C).


Subsec. (a)(26). Pub. L. 98–369, §2386(b), in amending par. (26) generally, revised existing provisions to cover review of skilled nursing facilities and to sever provisions relating to review of skilled nursing programs. See par. (31) of this section.


Pub. L. 98–369, §2373(b)(6), provided that cl. (ii) is amended by substituting “facilities” for “homes”.


Subsec. (a)(28). Pub. L. 98–369, §2386(e), struck out “and tuberculosis” after “mental diseases”.

Subsec. (a)(30). Pub. L. 98–369, §2383(a)(1)(A), designated existing provisions as subpar. (A) and added subpar. (B).

Subsec. (a)(31). Pub. L. 98–369, §2386(a), in amending par. (31) generally, revised existing provisions to cover review of skilled nursing facilities and to sever provisions relating to audit for purposes of such.


Subsec. (a)(42). Pub. L. 98–369, §2373(b)(6), substituted “subchapter” for “part” after “audits conducted for purposes of such”.

Subsec. (a)(43). Pub. L. 98–369, §2386(g)(1), redesignated par. (44) as (43), and struck out former par. (43) which provided that if the State plan makes provision for payment to a physician for laboratory services the plan include provision to cover payment to a physician for laboratory services which provided that if the State plan makes provision for payment to a physician for laboratory services the performance of which such physician, or other physician with whom he shares his practice, did not personally perform or supervise, the plan include provision to insure that payment for such services not exceed the payment authorized by section 1396u(h) of this title.


Pub. L. 98–369, §2303(g)(1)(C), redesignated former par. (44) as (45).


Subsec. (a), foll. par. (46). Pub. L. 98–369, §2373(b)(9), substituted “The provisions of paragraph (9)(A), (31), and (33) and of section 1396m(i)(4) of this title shall not apply to” for “For purposes of paragraph (9)(A), (26), (31), and (33), and of section 1396m(i)(4) of this title, the term ‘skilled nursing facility’ and ‘nursing home’ do not include”.


Subsec. (a)(10)(C), (D). Pub. L. 97–248, §137(a)(9), amended "safety standards and to assure actual...tions similar to inpatient hospital..." for "safety standards". See 1981 Amendment note below.

Subsec. (a)(11). Pub. L. 97–35, §2171(a)(1), substituted "including at least the care and services listed...section 1396d(a) of this title;...individuals considered by the State to be receiving such aid..." for "in paragraph (1); and (17) of section 1396d(a) of...individuals considered by the State to be receiving such aid...". See 1981 Amendment note below.

Subsec. (a)(11)(A). Pub. L. 97–35, §2193(c)(9), substituted provisions relating to plans for medical assistance included for any group of individuals described in section 1396d(a) of this title who are not described in subparagraph (A) for provisions relating to medical assistance included for any group of individuals described in section 1396d(a) of this title who are not described in subparagraph (A). See 1981 Amendment note below.


Subsec. (a)(12)(C). Pub. L. 97–35, §2171(a)(3), as amended by Pub. L. 97–248, §137(a)(9), substituted provisions for provisions that such plan must provide that, with respect to individuals receiving assistance, no enrollment fee, premium, or similar charge, and no deduction, cost sharing, or similar charge imposed under this plan with respect to other care and services would be nominal in amount (as determined in accordance with standards approved by the Secretary and included in the plan), and with respect to individuals not receiving assistance, there could be imposed an enrollment fee, premium, or similar charge (as determined in accordance with standards prescribed by the Secretary) related to the individual's income, and any deductible, cost-sharing, or similar charge imposed under the plan would be nominal.

Subsec. (a)(13)(A). Pub. L. 97–248, §2193(c)(9), substituted provisions that a State plan for medical assistance must comply with the provisions of section 1396p(b) of this title with respect to liens, adjustments and recoveries of medical assistance correctly paid, and transfers of assets for provisions that such plan must provide that no lien could be imposed against the property of any individual prior to his death on account of medical assistance paid or to be paid on his behalf under the plan (except pursuant to the judgment of a court on account of benefits incorrectly paid on behalf of such individual), and that there would be no adjustment or recovery (except, in the case of an individual who was 65 years of age or older when he received such assistance from his estate, and then only after the death of his surviving spouse, if any, and only at a time when he had no surviving child who was under age 21 or (with respect to States eligible to participate in the State program established under subchapter XVI of this chapter), was blind or permanently and totally disabled, or was blind or disabled as defined in section 1382c of this title with respect to States which were not eligible to participate in such program) of any medical assistance correctly paid on behalf of such individual under the plan.


Subsec. (b)(2) to (4). Pub. L. 97–248, §137(b)(10), struck out par. (2) which provided that the Secretary would not approve any plan which imposed any age requirement which excluded any individual who had not attained the age of 19 and was a dependent child under part A of subchapter IV of this chapter, and redesignated pars. (3) and (4) as (2) and (3), respectively.

Subsec. (d). Pub. L. 97–248, §146(a), substituted references to utilization and quality control peer review organizations having a contract with the Secretary, for references to conditionally designated Professional Standards Review Organizations, wherever appearing.
ceiving aid or assistance under any plan of the State approved under subchapter I, X, XIV, or XVI, or part A of subchapter IV of this chapter, or with respect to whose supplemental security income benefits are being paid under subchapter XVI of this chapter, for the inclusion of at least the care and services listed in paragraphs (1) through (5) and (17) of section 1396a(a) of this title in the State plan in accordance with section 1396a(b)(3) of this title, the plan must provide for payment of inpatient hospital services provided in such hospitals under the plan in accordance with the reimbursement system described under such section after "subchapter XVIII of this chapter".

Subsec. (a)(13)(E). Pub. L. 96–499, § 905(a), inserted "(except where the State agency is subject to an order under section 1396m of this title)".

Pub. L. 96–499, § 962(a), substituted provisions which required a State plan for medical assistance to provide for payment of skilled nursing facility and intermediate care facility services provided under such plan through the use of rates determined in accordance with methods and standards developed by the State rather than on a reasonable cost related basis, required the filing of uniform cost reports by each facility, and required periodic audits of such reports by the State.

Subsec. (a)(14)(A)(i). Pub. L. 96–499, § 965(b)(4), substituted "paragraphs (1), (5), (7), and (17)" for "clauses (1) through (5) and (17)".

Subsec. (a)(33)(B). Pub. L. 96–499, § 916(b)(1)(B), inserted exception authorizing the Secretary where there was cause to question the adequacy of participation determinations to make independent determinations concerning the extent to which individual institutions and agencies met the requirements for participation.

Subsec. (a)(35). Pub. L. 96–499, § 912(b), substituted "disclosing entity (as defined in section 1320a–3(a)(2) of this title)" for "intermediate care facility".

Subsec. (a)(39). Pub. L. 96–499, § 913(c), substituted provisions requiring that State plans for medical assistance authorize the State agency to bar specified individuals from participation in the program under the State plan when required by the Secretary to do so pursuant to section 1320a–7 of this title for provisions requiring that State plans for medical assistance provide for the suspension of physicians or other individuals from participation in the State plan upon notification by the Secretary that such physician or other individual had been suspended from participation in the plan under subchapter XVIII of this chapter.


Subsec. (g). Pub. L. 96–499, § 913(d), struck out subsec. (g) which related to waiver of suspension of payments to physicians or practitioners suspended from participation in approved State plans for continuation of payments to physicians or practitioners qualified to provide services in accordance with section 1395f(b)(3) of this title.


Subsec. (a)(23). Pub. L. 95–210, § 2(c)(2), inserted "or by reason of the fact that the plan provides for payment for rural health clinic services only if those services are provided by a rural health clinic.

Subsec. (b)(2). Pub. L. 95–210, § 2(c)(2), inserted "or the plan provides for payment for rural health clinic services only if those services are provided by a rural health clinic.


Subsec. (a)(32). Pub. L. 95–142, § 2(a)(3), substituted provisions relating to terms, conditions, etc., for payments under an assignment or power of attorney, for provisions relating to terms, conditions, etc., for pay-
ments to anyone other than the individual receiving any care or service provided by a physician, dentist, or other individual practitioner, or such physician, dentist, or other individual practitioner.

Subsec. (a)(35). Pub. L. 95–142, §3(c)(1)(A), substituted provisions relating to requirements for intermediate care facilities to comply with section 1320b–3 of this title, effective Jan. 1, 1973, applicable to intermediate care facilities with respect to ownership, corporate, status, etc.

Subsec. (a)(37). Pub. L. 95–142, §§2(b)(1)(C), 3(c)(1)(C), 7(b)(1), added subsec. (a)(37) and made and struck out minor changes in phraseology, necessitating no changes in text.

Subsec. (a)(38). Pub. L. 95–142, §§3(c)(1)(D), 7(b)(2), 19(b)(2)(A), added par. (38) and made and struck out minor changes in phraseology necessitating no changes in text.


Subsec. (a), foll. par. (40). Pub. L. 95–142, §2(b)(1)(D), added paragraph relating to waiver of requirement of cl. (A) of par. (37).

Subsec. (g), Pub. L. 95–142, §7(c), added subsec. (g). 1976—Subsec. (g). Pub. L. 94–552 struck out provisions for consent to suit and waiver of immunity by State. 1975—Subsec. (a). Pub. L. 94–48, §1, added undersignated paragraph at end of subsec. (a) relating to eligibility under this subchapter of any individual who was eligible for the month of August 1972, under a State plan approved under subchapters I, X, XIV, or XVI, or part A of subchapter IV of this chapter if such individual would have been eligible for such month had the increase in monthly insurance benefits under subchapter II of this chapter resulting from enactment of Pub. L. 92–366 been applicable to such individual.


Subsec. (g). Pub. L. 94–182 added subsec. (g).


1973—Subsec. (a)(5). Pub. L. 93–233, §13(a)(2)(A), (B), substituted “to administer or to supervise the administration of the plan” for “to administer the plan” and “to supervise the administration of the plan” in that order and inserted after the parenthetical phrase the conditional provision “if the State is eligible to participate in the State plan established under subchapter XVI, or to have paid with respect to him supplemental security income benefits under subchapter XVI of this chapter,” preceding the hyphen and cl. (i), respectively.

Subsec. (a)(17). Pub. L. 92–233, §13(a)(7)(A)–(D), (8), substituted: “any plan of the State approved under subchapter I, X, XIV, or XVI, or part A of subchapter IV, and with respect to whom supplemental security income benefits are not being paid under subchapter XVI” for “the State’s plan approved under subchapter I, X, XIV, or XVI, or part A of subchapter IV”; “except for income and resources” for “if he met the requirements as to need” in subcl. (iii); “any plan of the State approved under subchapter I, X, XIV, or XVI, or part A of subchapter IV, or to have paid with respect to him supplemental security income benefits under subchapter XVI” for “a State plan approved under subchapter I, X, XIV, or XVI, or part A of subchapter IV”; “such aid, assistance, or benefits” for “and amount of such aid or assistance under such plan”; and “(with respect to States eligible to participate in the State plan established under subchapter XVI, is blind or permanently and totally disabled, or is blind or disabled as defined in section 1382c of this title (with respect to States which are not eligible to participate in such program)” for “is blind or permanently and totally disabled”, respectively.

Subsec. (a)(18). Pub. L. 93–233, §13(a)(8), substituted “(with respect to States eligible to participate in the State program established under subchapter XVI of this chapter), is blind or permanently and totally disabled, or is blind or disabled as defined in section 1382c of this title (with respect to States which are not eligible to participate in such program)” for “is blind or permanently and totally disabled”.


Subsec. (a)(21). Pub. L. 93–233, §13(a)(10), inserted “or” after “nursing facility” and “nursing facility” for “nursing home”, respectively.

Subsec. (a)(26)(B). Pub. L. 93–233, §13(a)(11), provided for substitution of “nursing facility” and “nursing fa-
cilities” for “nursing home” and “nursing homes”, changes already executed under 1972 Amendment by Pub. L. 92–603, §278(a)(19).

Subsec. (a)(35)(A). Pub. L. 92–93–233, §18(p), required the intermediate care facility to supply full and complete information respecting the person who is the owner (in whole or in part) of any mortgage, deed of trust, note, or other obligation secured (in whole or in part) by the intermediate care facility or any of the property or assets of the intermediate care facility.

Subsec. (a)(35) to (37). Pub. L. 92–93–233, §18(b)(3)(A), (B), substituted “; and” for “;” at end of par. (35); and corrected numerical sequence of paragraphs, redesignating par. (37) as (36), the original subsec. (a) having been enacted without a par. (36).

Subsec. (e). Pub. L. 92–93–233, §18(q), substituted “each family which was receiving aid pursuant to a plan of the State approved under part A” for “each family which was eligible for assistance pursuant to part A”, “for such aid because of increased hours of, or increased income from, employment” for “for such assistance because of increased income from employment”, and “remain eligible for assistance under the plan approved under this subchapter (as though the family was receiving aid under the plan approved under part A of subchapter IV of this chapter) for 4 calendar months beginning with the month in which such family became ineligible for aid under the plan approved under part A of subchapter IV of this chapter because of income and resources or hours of work limitations” for “remain eligible for such assistance for 4 calendar months following the month in which such family would otherwise be determined to be ineligible for such assistance because of the income and resources limitations”.

Subsec. (f). Pub. L. 92–93–233, §13(a)(10)(A)–(D), substituted: “no State not eligible to participate in the State plan established under subchapter XVI” for “no State” and “any supplemental security income payment and State supplementary payment made with respect to such individual” for “such individual’s payment under subchapter XVI” and “as recognized under State law” for “as defined in section 215 of Title 26” in parenthetical text; and inserted two end sentences for consideration of certain individuals as eligible for medical assistance under cl. (35)(A) or (C) of subsec. (a) of this section or as eligible for such assistance under cl. (10)(A) in States not providing such assistance under cl. (13)(C), respectively.


Subsec. (a)(9). Pub. L. 92–603, §239(a), inserted provisions to utilize State health agency for establishing and maintaining health standards for private or public institutions in which recipients of medical assistance under the plan may receive care or services.


Subsec. (a)(13)(D). Pub. L. 92–603, §§221(c)(5), 232(a), inserted provisions that the reasonable cost of inpatient hospital services shall not exceed the amount determined under section 1396x(v) of this title and inserted reference to the consistency of methods and standards with section 1320a–1 of this title for determining the reasonable cost of inpatient hospital services.


Subsec. (a)(14). Pub. L. 92–603, §208(a), substituted a nominal amount for an amount reasonably related to the recipient’s income and resources in part of the intermediate care facility including cost sharing, or similar charge imposed under the plan and inserted provisions covering individuals who are not receiving aid or assistance under any state plan and who do not meet the income and resources requirements and covering individuals who are included under the state plan for medical assistance pursuant to subsec. (a)(10)(B) of this section approved under this subchapter.

Subsec. (a)(23). Pub. L. 92–603, §240, inserted provisions allowing States to adopt comprehensive health care programs while still complying with Medicaid requirements.

Subsec. (a)(26). Pub. L. 92–603, §§278(a), 278(a)(19), (b)(14), substituted “evaluation” for “evaluation” and “care” for “care”, and substituted “skilled nursing facility” and “skilled nursing facilities” for “skilled nursing home” and “skilled nursing homes”.

Subsec. (a)(28). Pub. L. 92–603, §§246(a), 278(a)(20), substituted “skilled nursing facility” for “skilled nursing home” and substituted a simple reference to the requirements contained in section 1396x(i) of this title with a specific exception in detail the requirements for skilled nursing homes receiving payments.

Subsec. (a)(30). Pub. L. 92–603, §237(a)(2), substituted “under the plan (including but not limited to utilization review plans as provided for in section 1396b(a)(4) of this title)” for “under the plan”.

Subsec. (a)(31)(A). Pub. L. 92–603, §298, struck out “which provides more than a minimum level of health care services” after “intermediate care facility”.


Subsec. (d). Pub. L. 92–603, §231, repealed subsec. (d) which related to modification of state plans for medical assistance under certain circumstances.


1969—Subsec. (c). Pub. L. 91–56, §242(b), substituted “aid or assistance in the form of money payments (other than so much of the aid or assistance as is provided for under the plan of the State approved under this subchapter)” for “aid or assistance (other than so much of the aid or assistance as is provided for under the plan approved under this subchapter)”.

1968—Subsec. (a)(3)(D). Pub. L. 90–248, §231, changed the date on which State plans must meet certain financial participation requirements by substituting “July 1, 1969” for “July 1, 1970”.

Subsec. (a)(4). Pub. L. 90–248, §210(a)(6), designated existing provisions as subpar. (A) and added subpar. (B).

Subsec. (a)(10). Pub. L. 90–248, §§223(a), 241(h)(1), struck out “IV,” after “I,” and inserted “, and part A of subchapter IV of this chapter” after “XVI of this chapter”, and designated existing provisions as item I and added item II.

Subsec. (a)(11). Pub. L. 90–248, §302(b), designated existing provisions as cl. (A) and added cl. (B).

Subsec. (a)(13). Pub. L. 90–248, §224(a), designated existing provisions as subpar. (A), incorporated existing cl. (A) in provisions designated as subpars. (B) and (C)(i), making subpar. (B) and (C) applicable to individuals receiving aid or assistance under an approved State plan and to individuals not covered under subpar. (B), respectively, added cl. (i) of subpar. (C), redesignated former cl. (B) as subpar. (D), and deleted effective date of July 1, 1967, for former cls. (A) and (B).


under State plans approved under subchapters I, X, XIV, XVI, and part A of subchapter IV of this chapter.

Subsec. (a)(14). Pub. L. 90–248, § 235(a)(2), inserted "inpatient hospital services or" after "respect to" and substituted "to an individual" for "him".

Subsec. (a)(15). Pub. L. 90–248, § 235(a)(3), struck out subpar. (b) provision for making the full cost of any deductible imposed with respect to any such individual under the insurance program established by part A of such subchapter, deleted subpar. (b) designation preceding "where, under the plan", and substituted therefor in "established by such subchapter" for "established by part B of such subchapter".

Subsec. (a)(17). Pub. L. 90–248, § 238, inserted in parenthetical expression "and may, in accordance with standards prescribed by the Secretary, differ with respect to income levels, but only in the case of applicants or recipients of assistance under the plan who are not receiving aid or assistance under the State's plan approved under subchapter I, X, XIV, or XVI, or part A of subchapter IV, based on the variations between shelter costs in urban areas and in rural areas" after "all grantee plans".

Pub. L. 90–248, § 241(f)(2), in cl. (B) struck out "IV," after "I," and inserted "or part A of subchapter IV" after "XVI".

Subsec. (a)(23) to (30). Pub. L. 90–248, §§ 227(a), 228(a), 229(a), 234(a), 236(a), 237, added pars. (23), (24), (25), (26) to (28), (29), (30), respectively.


Subsec. (c). Pub. L. 90–248, § 241(f)(4), struck out "IV," after "I," and inserted "or part A of subchapter IV of this chapter" after "XVI of this chapter".

EFFECTIVE DATE OF 2019 AMENDMENT

Pub. L. 116–16, §7(b), Apr. 18, 2019, 133 Stat. 864, provided that: "The amendment made by this section [amending this section] shall take effect on the date of the enactment of this Act [Apr. 18, 2019]."

EFFECTIVE DATE OF 2018 AMENDMENT

Pub. L. 115–271, title I, § 1001(d), Oct. 24, 2018, 132 Stat. 3902, provided that:

"(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by subsection (a) [amending this section] shall apply to eligibility and changes in eligibility and in the basis for the eligibility of any individual who ceases to be an eligible individual under the provisions of any provision of the Act that is in effect on the date of the enactment of this section.

(2) EXCEPTED PROVIDER AND PAYOR.—The amendments made by subsection (a) shall not apply to an individual who is a provider or payor of medical assistance who ceases to be an eligible individual under the provisions of any provision of the Act that is in effect on the date of the enactment of this section if the provider or payor ceases to be an eligible individual under the provisions of any provision of the Act that is in effect on the date of the enactment of this section before the close of the first regular session of the State legislature that begins after the date of the enactment of this Act [Oct. 24, 2018]. For purposes of the previous sentence, in the case of a State that has a 2-year legislative session, each year of the session shall be considered to be a separate regular session of the State legislature.

Pub. L. 115–271, title I, § 1001(b)(4), Oct. 24, 2018, 132 Stat. 3916, provided that: "The amendments made by this section [amending this section] shall apply with respect to medical assistance provided on or after that date, without regard to final regulations to carry out such amendments being promulgated as of such date.

Pub. L. 115–123, div. E, title XII, § 53102(a)(2), Feb. 9, 2018, 132 Stat. 296, provided that: "The amendment made by paragraph (1) [amending this section] shall take effect on the date of enactment of this Act [Feb. 9, 2018]."

Pub. L. 115–123, div. E, title XII, § 53102(b)(1), Feb. 9, 2018, 132 Stat. 296, provided that, effective Sept. 30, 2017, section 205(b) of Pub. L. 113–67 (amending this section and sections 1396k and 1396p of this title) is repealed and the provisions amended by such subsection shall be applied and administered as if such amendments had never been enacted.

Pub. L. 115–123, div. E, title XII, § 53102(b)(3), Feb. 9, 2018, 132 Stat. 296, provided that: "The repeal and amendment made by this subsection [amending this section, sections 1396k and 1396p of this title, and section 202(c) of Pub. L. 113–67, set out as an Effective Date of 2013 Amendment note below] shall take effect as if enacted on September 30, 2017, and shall apply with respect to any open claims, including claims pending, generated, or filed, after such date. The amendments made by subsections (a) and (b) of section 202 of the Bipartisan Budget Act of 2013 (Pub. L. 113–67; 127 Stat. 1777; 42 U.S.C. 1396a note [sic]) [amending this section and sections 1396k and 1396p of this title] that took effect on October 1, 2017, are null and void and section 202(a)(25) of the Social Security Act (42 U.S.C. 1396a(a)(25)) shall be applied and administered as if such amendments had not taken effect on such date."

EFFECTIVE DATE OF 2015 AMENDMENT


EFFECTIVE DATE OF 2013 AMENDMENT


EFFECTIVE DATE OF 2010 AMENDMENT

“(A) IN GENERAL.—Except as provided in subparagraph (B), the amendments made by this subsection [amending this section] shall take effect on the date of enactment of this Act [Dec. 13, 2010].

“(B) EXTENSION OF EFFECTIVE DATE FOR STATE LAWS.—In the case of a State plan under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.) which the Secretary of Health and Human Services determines requires State legislation in order for the plan to meet the additional requirements imposed by the amendments made by this section [amending this section], the State plan shall not be regarded as failing to comply with the requirements of the amendments made by this section solely on the basis of its failure to meet such additional requirements before the first day of the first calendar quarter beginning after the close of the first regular session of the State legislature that begins after the date of the enactment of this Act [Dec. 13, 2010]. For purposes of the previous sentence, in the case of a State that has a 2-year legislative session, each year of the session is considered to be a separate regular session of the State legislature.

Amendment by Pub. L. 111–255 effective on the earlier of the effective date of final regulations promulgated by the Commissioner of Social Security to carry out such amendment or 180 days after Oct. 5, 2010, see section 3(d) of Pub. L. 111–255, set out as an Effective and Termination Dates of 2010 Amendment note under section 1322a of this title.

Pub. L. 111–148, title II, §2002(c), Mar. 23, 2010, 124 Stat. 282, provided that: “The amendments made by subsections (a) and (b) [amending this section] take effect on January 1, 2014.”


Amendment by section 113(b)(1) of Pub. L. 111–3 effective Apr. 1, 2009, and applicable to child health assistance and medical assistance provided on or after such date with certain exceptions, see section 3 of Pub. L. 111–3, set out as an Effective Date note under section 1396 of this title.

Pub. L. 111–3, title II, §203(f), Apr. 2, 2009, 123 Stat. 49, provided that: “The amendments made by this section [amending section 1396w–2 of this title and amending this section and section 1397gg of this title] are effective on the date of the enactment of this Act [Feb. 4, 2009].”

Pub. L. 111–3, title II, §211(d), Feb. 4, 2009, 123 Stat. 54, provided that: “(1) IN GENERAL.—

“(A) IN GENERAL.—Except as provided in subparagraph (B), the amendments made by this section [amending this section and sections 1396b and 1397ee of this title] shall take effect on January 1, 2010.

“(B) TECHNICAL AMENDMENTS.—The amendments made by

“(i) paragraphs (1), (2), and (3) of subsection (b) [amending this section and section 1396b of this title] shall take effect as if included in the enactment of section 6036 of the Deficit Reduction Act of 2005 (Public Law 109–171; 120 Stat. 80), and

“(ii) paragraph (4) of subsection (b) [amending section 1396b of this title] shall take effect as if included in the enactment of section 409 of division B of the Tax Relief and Health Care Act of 2006 (Public Law 109–432; 120 Stat. 2996),
“(2) RESTORATION OF ELIGIBILITY.—In the case of an individual who, during the period that began on July 1, 2006, and ends on October 1, 2009, was determined to be ineligible for medical assistance under a State Medicaid plan, including any waiver of such plan, solely as a result of the application of subsections (i) and (x) of section 1903 of the Social Security Act (42 U.S.C. 1396a, (x) (as in effect during such period), but who would have been determined eligible for such assistance if such subsections, as amended by subsection (b), had applied to the individual, a State may deem the individual to be eligible for such assistance as of the date that the individual was determined to be ineligible for such medical assistance on such basis.

“(3) SPECIAL TRANSITION RULE FOR INDIANS.—During the period that begins on July 1, 2006, and ends on the effective date of final regulations issued under subclause (II) of section 1903(x)(3)(B)(v) of the Social Security Act (42 U.S.C. 1396a(x)(3)(B)(v)) (as added by subsection (b)(1)(B)), an individual who is a member of a federally-recognized Indian tribe described in subclause (II) of that section who presents a document described in subclause (I) of such section that is issued by such Indian tribe, shall be deemed to have presented satisfactory evidence of citizenship or nationality for purposes of satisfying the requirement of subsection (x) of section 1903 of such Act.

For definition of ‘Medicaid’, see section 1(c)(2) of Pub. L. 111–3, set out as a Definitions note under section 1396 of this title.

Pub. L. 111–3, title V, § 501(d)(3), Apr. 20, 2009, 123 Stat. 87, provided that: ‘‘The amendments made by this subsection [amending this section and section 1397g of this title] shall take effect on January 1, 2009.’’

Pub. L. 111–3, title V, § 501(e)(3), Apr. 20, 2009, 123 Stat. 88, provided that: ‘‘The amendments made by this subsection [amending this section and section 1397th of this title] shall be effective for annual reports submitted for years beginning after date of enactment [Feb. 4, 2009].’’

EFFECTIVE DATE OF 2007 AMENDMENT

Pub. L. 110–90, § 3(c), Sept. 29, 2007, 121 Stat. 985, provided that: ‘‘The amendments made by this section [amending this section and section 1396i–3 of this title] shall be effective as of September 30, 2007.’’

EFFECTIVE DATE OF 2006 AMENDMENT

Pub. L. 109–171, title VI, § 6033(c), Dec. 20, 2006, 120 Stat. 2999, provided that: ‘‘The amendments made by section 405(c)(2)(A) are effective as if included in the enactment of the Deficit Reduction Act of 2005 (Public Law 109–171).’’

Pub. L. 109–171, title VI, § 6032(b), Aug. 8, 2006, 120 Stat. 74, as amended by Pub. L. 109–171, title VI, § 6036(b), Aug. 8, 2006, 120 Stat. 74, provided that: ‘‘Except as otherwise provided in this chapter [chapter 3 of title 19 of the United States Code], the amendments made by subsection (a) [amending this section] take effect on January 1, 2007.’’

Pub. L. 109–171, title VI, § 6033(e), Aug. 8, 2006, 120 Stat. 74, provided that: ‘‘Except as otherwise provided in this chapter [chapter 3 of title 19 of the United States Code], the amendments made by subsection (a) [amending this section] take effect on January 1, 2007.’’

EFFECTIVE DATE OF 2004 AMENDMENT


EFFECTIVE DATE OF 2003 AMENDMENT

Pub. L. 108–173, title I, § 109(c)(3), Dec. 8, 2003, 117 Stat. 2160, provided that: ‘‘The amendments made by this section [amending this section and section 1396u–3 of this title] shall be effective as of April 1, 2004.’’

EFFECTIVE DATE OF 2002 AMENDMENT


(2) BIPARTISAN TECHNICAL AMENDMENTS.—The amendments made by subsection (b) [amending this section and section 1396n of this title] shall take effect as included in the enactment of section 702 of the Medicare, Medicaid, and SCHIP Benefits Improvement and Protection Act of 2000 (114 Stat. 2763A–572) (as enacted into law by section 1(a)(6) of Public Law 108–554).’’

EFFECTIVE DATE OF 2000 AMENDMENT

Pub. L. 106–554, § 1(a)(6) (title VII, § 702(e)), Dec. 21, 2000, 114 Stat. 2763, 2763A–574, provided that: ‘‘The amendments made by this section [amending this section and sections 1396b and 1396i of this title and repealing provisions set out as a note under this section] take effect on January 1, 2001, and shall apply to services furnished on or after such date.’’

Pub. L. 106–354, § 2(d), Oct. 24, 2000, 114 Stat. 1384, provided that: ‘‘The amendments made by this section [en-
acting section 1396i–1b of this title and amending this section and sections 1396b and 1396d of this title] apply to medical assistance for items and services furnished on or after October 1, 2000, without regard to whether final regulations to carry out such amendments have been promulgated by such date.”

**Effective Date of 1999 Amendment**

Pub. L. 106–170, title II, § 201(d), Dec. 17, 1999, 113 Stat. 1894, provided that: “The amendments made by this section [amending this section and sections 1396b, 1396d, and 1396e of this title and enacting provisions set out as a note below] apply to medical assistance for items and services furnished on or after October 1, 2000.”

Pub. L. 106–169, title II, § 121(b), Dec. 14, 1999, 113 Stat. 1830, provided that: “The amendments made by subsection (a) [amending this section and section 1396d of this title] apply to medical assistance for items and services furnished on or after October 1, 1999.”

Amendment by section 206(c) of Pub. L. 106–169 effective Jan. 1, 2000, and applicable to disposals made on or after such date, see section 205(d) of Pub. L. 106–169, set out as a note under section 1392a of this title.

Amendment by section 206(b) of Pub. L. 106–169 effective with respect to disposals made on or after Dec. 14, 1999, see section 206(c) of Pub. L. 106–169, set out as a note under section 1392b of this title.


“(1) The amendment made by subsection (a)(1) [amending this section] applies to expenditures made on and after the date of the enactment of this Act [Nov. 29, 1999].”

“(2) The amendments made by subsections (a)(2) and (b) [amending this section and section 1396b of this title] apply as of such date as the Secretary of Health and Human Services certifies to Congress that the Secretary is fully implementing section 1932(c)(2) of the Social Security Act (42 U.S.C. 1396u–2(c)(2)).”

Pub. L. 106–113, div. B, § 1000(a)(6) (title VI, § 608(aa)), Nov. 29, 1999, 113 Stat. 1536, 1501A–398 provided that the amendment made by section 1000(a)(6) [title VI, § 608(aa)(1)] is effective as if included in the enactment of this Act [Nov. 29, 1999].”

**Effective Date of 1997 Amendment**

Amendment by section 4106(c) of Pub. L. 105–33 applicable to bone mass measurements performed on or after July 1, 1998, see section 4106(d) of Pub. L. 105–33, set out as a note under section 1395f of this title.

Amendment by section 454(b)(1) of Pub. L. 105–33 effective Aug. 5, 1997, and applicable to items and services furnished on or after such date, with provision that Secretary of Health and Human Services issue regulations to carry out such amendment by not later than July 1, 1998, see section 454(d) of Pub. L. 105–33, set out as an Effective Date note under section 1395f–1 of this title.

Amendment by section 471(b)(2)(A)(i)–(iv), (d)(1) of Pub. L. 105–33 effective Aug. 5, 1997, and applicable to contracts entered into on or renewed on Oct. 1, 1997, except as otherwise provided, see section 4710(a) of Pub. L. 105–33, set out as a note under section 1396b of this title.

Amendment by section 4702(b)(2) of Pub. L. 105–33 applicable to primary care case management services furnished on or after Oct. 1, 1997, subject to provisions relating to extension of effective date for State law amendments, and to nonapplicability to waivers, see section 4702(b)(5) of Pub. L. 105–33, set out as a note under section 1396b of this title.

Amendment by section 4709 of Pub. L. 105–33 effective Oct. 1, 1997, subject to provisions relating to extension of effective date for State law amendments, and to nonapplicability to waivers, see section 4709(b)(7) of Pub. L. 105–33, set out as a note under section 1396b of this title.

Pub. L. 105–33, title IV, § 4710(b)(5), Aug. 5, 1997, 111 Stat. 508, provided that: “This section [amending this section and sections 1396d and 1396e of this title] shall take effect on the date of the enactment of this Act [Aug. 5, 1997] and the amendments made by subsections (a) and (c) [amending this section and sections 1396d and 1396e of this title] shall apply to payment for items and services furnished on or after October 1, 1997.”

Pub. L. 105–33, title IV, § 4712(b)(5), Aug. 5, 1997, 111 Stat. 509, provided that: “The amendments made by this subsection [amending this section and section 1396b of this title] shall apply to services furnished on or after October 1, 1997.”

Pub. L. 105–33, title IV, § 4712(c), Aug. 5, 1997, 111 Stat. 509, as amended by Pub. L. 105–113, div. B, § 1000(a)(6) (title VI, § 600(b)), Nov. 29, 1999, 113 Stat. 1536, 1501A–398, provided that: “The amendments made by this section and sections 1395w–4, 1395cc, 1396d of this title shall apply to payment for (and with respect to provisions relating to extension of such payment) to items and services furnished on or after the date of the enactment of this Act [Aug. 5, 1997].”

The amendments made by subsection (a) [amending this section and section 1396b of this title] shall apply to payment for items and services furnished before such date if such payment is the subject of a law suit that is based on the provisions of sections 1902(n) and 1905(p) of the Social Security Act (42 U.S.C. 1396a(n), 1396d(p)) and that is pending as of, or is initiated after, the date of the enactment of this Act.”


Pub. L. 105–33, title IV, § 4731(c), Aug. 5, 1997, 111 Stat. 528, provided that: “The amendments made by this section [amending this section] shall apply to medical assistance for items and services furnished on or after October 1, 1997.”

Pub. L. 105–33, title IV, § 4741(c), Aug. 5, 1997, 111 Stat. 523, provided that: “The amendments made by this section [amending this section and section 1396e of this title] shall take effect on the date of the enactment of this Act [Aug. 5, 1997].”


Pub. L. 105–33, title IV, § 4752(b), Aug. 5, 1997, 111 Stat. 525, provided that: “The amendment made by sub-
section (a) [amending this section] takes effect on the date of the enactment of this Act [Aug. 5, 1997].”' Pub. L. 103–33, title IV, §4753(c), Aug. 5, 1997, 111 Stat. 507, provided that: “Except as otherwise specifically provided, the amendments made by this section [amending this section and section 1396b of this title] shall take effect on January 1, 1998.”

Amendment by section 13602(c) of Pub. L. 103–66, effective Jul. 1, 1997, applicable, except as otherwise provided, to payments under this subchapter for calendar quarters beginning on or after October 1, 1997, without regard to whether or not final regulations to carry out such amendments have been promulgated by such date.

Amendment by section 13602(d)(1) of Pub. L. 103–66, applicable, except as otherwise provided, to payments under this subchapter for calendar quarters beginning on or after Oct. 1, 1997, without regard to whether or not final regulations to carry out the amendments made by section 13611 of Pub. L. 103–66 have been promulgated by such date, see section 13611(e) of Pub. L. 103–66, set out as a note under section 1396p of this title.

Amendment by section 13602(d) of Pub. L. 103–66, applicable, except as otherwise provided, to calendar quarters beginning on or after October 1, 1993, without regard to whether or not final regulations to carry out such amendments have been promulgated by such date.

(2) In the case of a State plan for medical assistance under title XIX of the Social Security Act [42 U.S.C. 1396 et seq.] which the Secretary of Health and Human Services determines requires State legislation (other than legislation appropriating funds) in order for the plan to meet the additional requirements imposed by the amendments made by subsections (a) and (b) [amending this section and section 1396b of this title], the State plan shall not be regarded as failing to comply with the requirements of such title solely on the basis of its failure to meet these additional requirements before the first day of the first calendar quarter beginning after the close of the first regular session of the State legislature that begins after the date of the enactment of this Act [Aug. 10, 1993]. For purposes of the preceding sentence, in the case of a State that has a 2-year legislative session, each year of such session shall be deemed to be a separate regular session of the State legislature.

(3) The amendment made by subsection (a)(2) [amending section 1396b of this title] shall apply to items and services furnished on or after October 1, 1993.

Amendment by section 13623(a) of Pub. L. 103–66 applicable, except as otherwise provided, to calendar quarters beginning on or after Apr. 1, 1994, without regard to whether or not final regulations to carry out the amendments made by section 13623 of Pub. L. 103–66 have been promulgated by such date, see section 13623(c) of Pub. L. 103–66, set out as an Effective Date note under section 1396g–1 of this title.


Pub. L. 103–66, title XIII, §13631(f)(3), Aug. 10, 1993, 107 Stat. 644, provided that: “(A) Except as provided in subparagraph (B), the amendments made by this subsection [amending this section and section 1396d of this title] shall apply to calendar quarters beginning on or after October 1, 1993, without regard to whether or not final regulations to carry out such amendments have been promulgated by such date.

(B) In the case of a State plan for medical assistance under title XIX of the Social Security Act [42 U.S.C. 1396 et seq.] which the Secretary of Health and Human Services determines requires State legislation (other than legislation appropriating funds) in order for the plan to meet the additional requirements imposed by
the amendments made by this subsection, the State plan shall not be regarded as failing to comply with the requirements of such title solely on the basis of its failure to meet these additional requirements before the first day of the first calendar quarter beginning after the close of the first regular session of the State legislature that begins after the date of the enactment of this Act [Aug. 10, 1993]. For purposes of the previous sentence, in the case of a State that has a 2-year legislative session, each year of such session shall be deemed to be a separate regular session of the State legislature.''

Pub. L. 103–66, title XIII, §13631(a), Aug. 10, 1993, 107 Stat. 645, provided that: "Except as otherwise provided in this section, the amendments made by this section (enacting section 1396s of this title, transferring former section 1396g of this title to section 1396v of this title, and amending this section and sections 1396b and 1396d of this title) shall apply to payments under State plans approved under title XIX of the Social Security Act [42 U.S.C. 1396 et seq.] for calendar quarters beginning on or after October 1, 1994.''

**Effective Date of 1991 Amendment**

Pub. L. 102–234, §2(c)(1), Dec. 12, 1991, 105 Stat. 1799, provided that: "The amendments made by this section (amending this section and section 1386 of this title) shall take effect January 1, 1991, without regard to whether or not regulations have been promulgated to carry out such amendments by such date.''

Pub. L. 102–234, §43(c)(1), Dec. 12, 1991, 105 Stat. 1803, provided that: "The amendments made by this section (amending this section and sections 1396b and 1396d–4 of this title) shall take effect January 1, 1992.''

**Effective Date of 1990 Amendment**

Pub. L. 101–508, title IV, §402(e), Nov. 5, 1990, 104 Stat. 1388–164, provided that:

"(1) The amendments made by this section (enacting section 1396s of this title and amending this section and sections 1396b and 1396d of this title) apply (except as provided under paragraph (2) to payments under title XIX of the Social Security Act [42 U.S.C. 1396 et seq.] for calendar quarters beginning on or after January 1, 1991, without regard to whether or not final regulations to carry out such amendments have been promulgated by such date.''

Pub. L. 101–508, title IV, §402(c), Nov. 5, 1990, 104 Stat. 1388–166, provided that:

"(2) In the case of a State plan for medical assistance under title XIX of the Social Security Act which the Secretary of Health and Human Services determines require State legislation (other than legislation authorizing or appropriating funds) in order for the plan to meet the additional requirements imposed by the amendments made by this subsection [section], the State plan shall not be regarded as failing to comply with the requirements of such title solely on the basis of its failure to meet these additional requirements before the first day of the first calendar quarter beginning after the close of the first regular session of the State legislature that begins after the date of the enactment of this Act [Nov. 5, 1990]. For purposes of the previous sentence, in the case of a State that has a 2-year legislative session, each year of such session shall be deemed to be a separate regular session of the State legislature.''

Pub. L. 101–508, title IV, §402(b), Nov. 5, 1990, 104 Stat. 1388–167, provided that: "The amendments made by subsection (a) [amending this section and section 1395v of title XIX of the Social Security Act [42 U.S.C. 1396 et seq.] for calendar quarters beginning on or after July 1, 1991, without regard to whether or not final regulations to carry out such amendments have been promulgated by such date.''

Pub. L. 101–508, title IV, §402(b), Nov. 5, 1990, 104 Stat. 1388–168, provided that:

"(1) INFANTS.—The amendment made by subsection (a)(1) [amending this section] shall apply to individuals born on or after January 1, 1991, without regard to whether or not final regulations to carry out such amendment have been promulgated by such date.

"(2) PREGNANT WOMEN.—The amendments made by subsection (a)(2) [amending this section] shall apply with respect to determinations to terminate the eligibility of women, based on change of income, made on or after January 1, 1991, without regard to whether or not final regulations to carry out such amendments have been promulgated by such date.''

Pub. L. 101–508, title IV, §402(d), Nov. 5, 1990, 104 Stat. 1388–169, provided that:

"(1) The amendments made by this subsection [probably should be ‘‘section’’, which amended this section and sections 1396b, 1396d, and 1396d–6 of this title] apply (except as otherwise provided in this subsection) to payments under title XIX of the Social Security Act [42 U.S.C. 1396 et seq.] for calendar quarters beginning on or after July 1, 1991, without regard to whether or not final regulations to carry out such amendments have been promulgated by such date.

"(2) In the case of a State plan for medical assistance under title XIX of the Social Security Act which the Secretary of Health and Human Services determines require State legislation (other than legislation authorizing or appropriating funds) in order for the plan to meet the additional requirements imposed by the amendments made by this subsection [section], the State plan shall not be regarded as failing to comply with the requirements of such title solely on the basis of its failure to meet these additional requirements before the first day of the first calendar quarter beginning after the close of the first regular session of the State legislature that begins after the date of the enactment of this Act [Nov. 5, 1990]. For purposes of the previous sentence, in the case of a State that has a 2-year legislative session, each year of such session shall be deemed to be a separate regular session of the State legislature.''

Amendment by section 4701(b)(1) of Pub. L. 101–508 effective Jan. 1, 1991, see section 4701(c) of Pub. L. 101–508, set out as a note under section 1396b of this title.

Pub. L. 101–508, title IV, §4704(f), Nov. 5, 1990, 104 Stat. 1388–172, provided that: ‘‘The amendments made by this
section [amending this section and sections 1396b, 1396d, and 1396n of this title] shall be effective as if included in the enactment of the Omnibus Budget Reconciliation Act of 1989 [Pub. L. 101–239].

Pub. L. 101–508, title IV, §4708(b), Nov. 5, 1990, 104 Stat. 1388–174, provided that: "The amendments made by this section [amending this section] shall apply to services furnished on or after the date of the enactment of this Act [Nov. 5, 1990]."

Pub. L. 101–508, title IV, §4711(e), Nov. 5, 1990, 104 Stat. 1388–187, provided that: "(1) Except as provided in this subsection, the amendments made by this section [enacting section 1396t of this title and amending this section and sections 1396b and 1396d of this title] shall apply to home and community care furnished on or after July 1, 1991, without regard to whether or not final regulations to carry out such amendments have been promulgated by such date.

"(2)(A) The amendments made by subsection (c)(1) [amending this section] shall apply to home and community care furnished on or after July 1, 1991, or, if later, 30 days after the date of the enactment of this Act [Nov. 5, 1990].


Pub. L. 101–508, title IV, §4752(c)(2), Nov. 5, 1990, 104 Stat. 1388–205, provided that: "The amendments made by this section [amending this section and sections 1396b and 1396d of this title] shall apply with respect to services furnished on or after the first day of the first month beginning more than 30 days after the date of the enactment of this Act [Nov. 5, 1990]."

Pub. L. 101–508, title IV, §4755(c)(1), Nov. 5, 1990, 104 Stat. 1388–210, provided that: "The amendment made by subsection (a) [amending this section and section 1396d of this title] shall take effect on the date of the enactment of this Act [Nov. 5, 1990]."

Pub. L. 101–508, title IV, §4758(c)(2), Nov. 5, 1990, 104 Stat. 1388–207, provided that: "The amendments made by this section [amending this section and section 1396b of this title] shall take effect on the date of the enactment of this Act [Nov. 5, 1990]."

Pub. L. 101–508, title IV, §4762(c)(2), Nov. 5, 1990, 104 Stat. 1388–196, provided that: "The amendments made by this section [amending this section and section 1396d of this title] shall apply to civil money penalties imposed after the date of the enactment of this Act [Nov. 5, 1990]."

Pub. L. 101–508, title IV, §4770(b), Nov. 5, 1990, 104 Stat. 1388–191, provided that: "The amendments made by this section [amending this section and section 1396b of this title] shall apply to the physician identifier system under section 1902(x) of the Social Security Act [42 U.S.C. 1396a(x)]."

Pub. L. 101–508, title IV, §4782(c), Nov. 5, 1990, 104 Stat. 1388–209, provided that: "The amendment made by subsection (a) [amending this section] shall apply to medical assistance furnished on or after the first day of the first month beginning more than 30 days after the date of the enactment of this Act [Nov. 5, 1990]."

Pub. L. 101–508, title IV, §4785(c)(1), Nov. 5, 1990, 104 Stat. 1388–207, provided that: "The amendments made by this section [amending this section] shall apply to medical assistance furnished on or after the first day of the first month beginning more than 1 year after the date of the enactment of this Act [Nov. 5, 1990]."

Pub. L. 101–508, title IV, §4792(c)(2), Nov. 5, 1990, 104 Stat. 1388–203, provided that: "The amendments made by this section [amending this section and section 1396b of this title] shall take effect on the date of the enactment of this Act [Nov. 5, 1990]."

Pub. L. 101–508, title IV, §4795(c)(2), Nov. 5, 1990, 104 Stat. 1388–196, provided that: "The amendments made by paragraph (1) [amending this section] shall apply to medical assistance for calendar quarters beginning more than 60 days after the date of establishment of the physician identifier system under section 1902(x) of the Social Security Act [42 U.S.C. 1396a(x)]."

Pub. L. 101–508, title IV, §4798(b), Nov. 5, 1990, 104 Stat. 1388–209, provided that: "The amendment made by subsection (a) [amending this section] shall apply to sanctions effected more than 60 days after the date of the enactment of this Act [Nov. 5, 1990]."


Pub. L. 101–508, title IV, §4801(c)(19), Nov. 5, 1990, 104 Stat. 1388–219, provided that: "Except as provided in paragraphs (7), (11), and (16), the amendments made by this subsection [amending this section and sections 1396b and 1396r of this title, repealing section 1396g of this title, and amending provisions set out as a note under section 1396f of this title] shall take effect on or after July 1, 1990, if they were included in the enactment of the Omnibus Budget Reconciliation Act of 1987 [Pub. L. 100–203]."
ices furnished by a certified pediatric nurse practitioner or certified family nurse practitioner on or after July 1, 1990.

Pub. L. 101–239, title VI, §606(b), Dec. 19, 1989, 103 Stat. 2366, provided that: "The amendments made by subsection (a) [amending this section] shall take effect on July 1, 1990, without regard to whether regulations to implement such amendments have been promulgated by such date."

Pub. L. 101–239, title VI, §606(c)(2), Dec. 19, 1989, 103 Stat. 2366, provided that: "The amendments made by paragraph (1) [amending this section] shall apply to services furnished on or after April 1, 1990, without regard to whether or not final regulations have been promulgated by such date to implement such amendments."


"(A) The amendments made by this subsection [amending this section and sections 1396d and 1396f of this title] apply (except as provided under subparagraph (B)) to payments under title XIX of the Social Security Act [42 U.S.C. 1396 et seq.] for calendar quarters beginning on or after July 1, 1990, with provision for earlier effective dates in case of States making certain changes in their State plans and formally notifying the Secretary of Health and Human Services of their desire to become subject to the amendments by title II of Pub. L. 100–485 at such earlier effective dates, see section 204(a), (b)(1)(A) of Pub. L. 100–485, set out as a note under section 671 of this title."


Amendment by section 301(e)(2) of Pub. L. 100–360, set out as a note under section 1395m of this title.

"(2) The amendments made by this section shall become effective on the effective date of section 1396d(m)(2) of the Social Security Act [as added by subsection (d)(2) of this section], the amendments made by this section [amending this section and sections 602, 605, and 1396d of this title] shall become effective as if included in the enactment of the Medicare Catastrophic Coverage Act [42 U.S.C. 1396d(m)(2)] as added by subsection (d)(2) of this section, and the provisions formerly set out as a note under section 606 of this title shall become effective as if included in the enactment of the Medicare Catastrophic Coverage Act.

"(3) The amendment made by subsection (d)(3) [amending section 1396d of this title] shall become effective on April 1, 1990, but such amendment shall not apply with respect to families that cease to be eligible for aid under part A of title IV of the Social Security Act [42 U.S.C. 601 et seq.] on or after such date."

"(4) The amendment made by subsection (e) [amending provisions formerly set out as a note under section 606 of this title] shall take effect on October 1, 1988.


"(1) Except as provided in paragraph (2), and in section 1396d(m)(2) of the Social Security Act [42 U.S.C. 1396d(m)(2)] (as added by subsection (d)(2) of this section), the provisions formerly set out as a note under section 606 of this title shall become effective on October 1, 1990, but such amendment shall not become effective with respect to Puerto Rico, American Samoa, Guam, or the Virgin Islands, until the date of the repeal of the limitations contained in section 1108(a) of the Social Security Act [42 U.S.C. 1308(a)] on payments to such jurisdictions for purposes of making maintenance payments under parts A and E of title IV of such Act [42 U.S.C. 601 et seq.]."

"(2) The amendments made by this section shall become effective on April 1, 1990, but such amendment shall not become effective as if included in the provision of the Family Support Act of 1988 [Pub. L. 100–485] to which the amendment relates at the time such provision became law."

Amendment by section 606(d)(14)(l), (15)(A), (16)(C), (27)(F)(H), (28) of Pub. L. 100–485 set out above shall take effect as if included in the provision of the Family Support Act of 1988 [Pub. L. 100–485] to which the amendment relates at the time such provision became law."

Amendment by section 301(e)(3) of Pub. L. 100–485 applicable to screening mammography performed on or after Jan. 1, 1990, see section 204(e) of Pub. L. 100–485, set out as a note under section 1396m of this title.

Amendment by section 301(e)(2) of Pub. L. 100–485 effective July 1, 1989, see section 301(e)(3) of Pub. L. 100–485, set out as a note under section 1396v of this title.

"(1) The amendments made by this section [amending this section and sections 1395v, 1396b, and 1396d of this title] apply (except as provided in subsections (e) and (f) of section 1396r–5 of this title and under paragraph (2) to payments under title XIX of the Social Security Act [42 U.S.C. 1396 et seq.] for calendar quarters beginning on or after January 1, 1989, without regard to whether or not final regulations to carry out such amendments have been promulgated by such date, with respect to medical assistance for—

(A) monthly premiums under title XVIII of such Act [42 U.S.C. 1395 et seq.] for months beginning with January 1989, and

(B) items and services furnished on and after January 1, 1989.

(2) In the case of a State plan for medical assistance under title XIX of the Social Security Act [42 U.S.C. 1396 et seq.] which the Secretary of Health and Human Services determines requires State legislation (other than legislation appropriating funds) in order for the plan to meet the additional requirements imposed by the amendments made by this section, the State plan shall not be regarded as failing to comply with the requirements of this subsection solely on the basis of its failure to meet these additional requirements before the first day of the first calendar quarter beginning after the close of the first session of the State legislature that begins after the date of the enactment of this Act [July 1, 1988]. For purposes of the previous sentence, in the case of a State that has a 2-year legislative session, each year of such session shall be deemed to be a separate regular session of the State legislature.

Pub. L. 100–360, title III, § 302(1), July 1, 1988, 102 Stat. 753, provided that:

"(1) IN GENERAL.—The amendments made by this section [amending this section and sections 1396b and 1396d–4 of this title] apply (except as provided in this subsection) to payments under title XIX of the Social Security Act [42 U.S.C. 1396 et seq.] for calendar quarters beginning on or after July 1, 1989, with respect to eligibility for medical assistance on or after such date, without regard to whether or not final regulations to carry out such amendments have been promulgated by such date.

"(2) PAYMENT ADJUSTMENT.—The amendments made by subsection (b)(2) [amending section 1396d–4 of this title] shall take effect on the date of the enactment of this Act [July 1, 1988].

"(3) DELAY FOR STATE LEGISLATION.—In the case of a State plan for medical assistance under title XIX of the Social Security Act [42 U.S.C. 1396 et seq.] which the Secretary of Health and Human Services determines requires State legislation (other than legislation appropriating funds) in order for the plan to meet the additional requirements imposed by the amendments made by this section (other than subsection (b)(2)), the State plan shall not be regarded as failing to comply with the requirements of such title solely on the basis of its failure to meet these additional requirements before the first day of the first calendar quarter beginning after the close of the first regular session of the State legislature that begins after the date of the enactment of this Act. For purposes of the previous sentence, in the case of a State that has a regular legislative session of 2 years, each year of such session shall be deemed to be a separate regular session of the State legislature.

Amendment by section 303(d) of Pub. L. 100–360 effective on and after Apr. 8, 1988, with additional provision for superseded of certain administrative regulations, see section 306(g)(d) of Pub. L. 100–360, set out as an Effective Date note under section 1396c–5 of this title. Amendment by section 303(e)(1), (5) of Pub. L. 100–360 applicable to medical assistance furnished on or after Oct. 1, 1982, see section 303(g)(d) of Pub. L. 100–360, set out as an Effective Date note under section 1396c–5 of this title. Section 303(a)(51)(A), as enacted by section 303(c)(2)(4) of Pub. L. 100–360, applicable to payments under this subchapter for calendar quarters beginning on or after Sept. 30, 1989, without regard to whether or not final regulations to carry out that paragraph have been promulgated by that date, see section 303(g)(1)(A) of Pub. L. 100–360, set out as an Effective Date note under section 1396c–5 of this title.

Subsec. (a)(51)(B), as enacted by section 303(c)(2)(4) of Pub. L. 100–360, applicable to payments under this subchapter for calendar quarters beginning on or after July 1, 1988 (except in certain situations requiring State legislative action), without regard to whether or not final regulations to carry out that paragraph have been promulgated by that date, with an exception for resources disposed of before July 1, 1988, see section 303(g)(2)(A), (C), (5) of Pub. L. 100–360, set out as an Effective Date note under section 1396c–5 of this title. Except as specifically provided in section 411 of Pub. L. 100–360, amendment by section 411(k)(5), (7)(B)–(D), (10)(G)(ii), (11), (17)(B), (1)(E), (H), (J), (6)(C), (D), (8)(C), and (n)(2), (4) of Pub. L. 100–360, as it relates to a provision in the Omnibus Budget Reconciliation Act of 1987, Pub. L. 100–203, effective as if included in the enactment of that provision in Pub. L. 100–203, see section 411(a) of Pub. L. 100–360, set out as a Reference to OBRA: Effective Date note under section 106 of Title I, General Provisions.

EFFECTIVE DATE OF 1987 AMENDMENT

For effective date of amendment by section 4972(d) of Pub. L. 100–203, see section 4972(e) of Pub. L. 100–203, set out as a note under section 1395x of this title.


Amendment by section 4101(c)(2) of Pub. L. 100–203 applicable to medical assistance furnished on or after Oct. 1, 1988, see section 4101(c)(3) of Pub. L. 100–203, set out as a note under section 1396d of this title.


Amendment by section 4101(c)(2) of Pub. L. 100–203 applicable to medical assistance furnished on or after Oct. 1, 1988, see section 4101(c)(3) of Pub. L. 100–203, set out as a note under section 1396d of this title.


"(A) The amendment made by paragraph (1) [amending this section] shall become effective on the date of enactment of this Act [Dec. 22, 1987].

"(B) The amendments made by paragraphs (2) and (3) [amending this section] shall be effective as if they had been included in the enactment of the Omnibus Budget Reconciliation Act of 1985 (Pub. L. 99–272).

"(C) The amendment made by paragraph (4) [amending this section] shall apply to elections made on or after the enactment of this Act.

"(D) The amendment made by paragraph (5) [amending this section] shall apply as if it were included in the enactment of section 9401 of the Omnibus Budget Reconciliation Act of 1986 [Pub. L. 99–509]."


section 1329a–8 of this title[1] shall apply to audits conducted after the date of the enactment of this Act [Dec. 22, 1987].

Amendments by sections 4211(b)(1), (b)(1)(5), 4212(d)(2), (3), (e)(1) of Pub. L. 100–203 applicable to nursing facility services furnished on or after Oct. 1, 1990, without regard to whether regulations implementing such amendments are promulgated by such date, except as otherwise specifically provided in section 1396r of this title, and except that subsec. (a)(28)(B) of this section as amended by section 4211(b) of Pub. L. 100–203 applicable to calendar quarters beginning more than 6 months after Dec. 22, 1987, with transitional rule, see section 4214(b), (b)(2) of Pub. L. 100–203, as amended, set out as an Effective Date note under section 1396r of this title.

Pub. L. 100–203, title IV, § 4212(d)(4), Dec. 22, 1987, 101 Stat. 1330–213, provided that: "The amendments made by this subsection (amending this section and section 1396r) apply (except as otherwise specifically provided in section 1396r of this title) to payments under title XIX of the Social Security Act [42 U.S.C. 1396 et seq.] which the Secretary of Health and Human Services determines requires State legislation in order for the plan to meet the requirements imposed by the amendments made by section 3(b) [amending this section] and section 7 of this Act [amending this section and section 1382b of this title], the State plan shall not be regarded as failing to comply with the requirements of this section solely on the basis of its failure to meet such additional requirements until 60 days after the close of the first regular session of the State legislature that begins after the date of the enactment of this Act [Nov. 10, 1986]."

Pub. L. 99–570, title XI, § 11005(c)(2), Oct. 27, 1986, 100 Stat. 3207–169, provided that: "The amendments made by subsection (b) [amending this section] shall become effective on January 1, 1987, without regard to whether or not final regulations to carry out such amendments have been promulgated by such date."


Amendment by section 9320(h)(3) of Pub. L. 99–509 applicable to services furnished on or after Jan. 1, 1989, except with exceptions for hospitals located in rural areas which meet certain requirements related to certified registered nurse anesthetists, see section 9320(i), (k) of Pub. L. 99–509, as amended, set out as notes under section 1395k of this title.


"(1) Except as provided in paragraph (2), the amendments made by this section [amending this section and section 1396b of this title] shall apply to medical assistance furnished in calendar quarters beginning on or after April 1, 1987.

"(2) Subparagraph (C) of section 1902(l)(1) of the Social Security Act [42 U.S.C. 1396a(l)(1)(C)], as added by subsection (b) of this section, shall apply to medical assistance furnished in calendar quarters beginning on or after October 1, 1987.

"(3) An amendment made by this section shall become effective as provided in paragraph (1) or (2) without regard to whether or not final regulations to carry out such amendment have been promulgated by the applicable date.

Pub. L. 99–509, title IX, § 9402(c), Oct. 21, 1986, 100 Stat. 2053, provided that: "The amendments made by this section [amending this section] shall apply to payments under title XIX of the Social Security Act [42 U.S.C. 1396 et seq.] for calendar quarters beginning on or after July 1, 1987, without regard to whether or not final regulations to carry out such amendments have been promulgated by such date."

Pub. L. 99–509, title IX, § 9403(b), Oct. 21, 1986, 100 Stat. 2056, provided that: "The amendments made by this section [amending this section and sections 1396b, 1396c, and 1396d of this title] apply to payments under title XIX of the Social Security Act [42 U.S.C. 1396 et seq.] for calendar quarters beginning on or after July 1, 1987, without regard to whether or not final regulations to carry out such amendments have been promulgated by such date."

Pub. L. 99–509, title IX, § 9404(c), Oct. 21, 1986, 100 Stat. 2057, provided that:

"(1) The amendments made by this section [amending this section and section 1396d of this title] apply (except as provided under paragraph (2)) to payments under title XIX of the Social Security Act [42 U.S.C. 1396 et seq.] for calendar quarters beginning on or after July 1, 1987, without regard to whether or not final regulations to implement such amendments are promulgated by such date.

"(2) In the case of a State plan for medical assistance under title XIX of the Social Security Act which the Secretary of Health and Human Services determines requires State legislation (other than legislation appro-
printing funds) in order for the plan to meet the additional requirements imposed by the amendments made by this section, the State plan shall not be regarded as failing to comply with the requirements of such title solely on the basis of its failure to meet these additional requirements before the first day of the first calendar quarter beginning after the close of the first regular session of the State legislature that begins after the date of the enactment of this Act [Oct. 21, 1986]."

Pub. L. 99–509, title IX, § 9407(d), Oct. 21, 1986, 100 Stat. 2060, provided that: "The amendments made by this section [enacting section 1396–1 of this title and amending this section and sections 1396b and 1396s of this title] shall apply to medical assistance furnished to aliens on or after January 1, 1987, without regard to whether or not final regulations to carry out such amendments have been promulgated by such date."

Pub. L. 99–509, title IX, § 9407(d), Oct. 21, 1986, 100 Stat. 2061, provided that: "The amendments made by this section [enacting section 1396–1 of this title and amending this section and sections 1396b and 1396s of this title] shall apply to services furnished on or after the date of the enactment of this Act [Oct. 21, 1986]."

Pub. L. 99–509, title IX, § 9433(c), Oct. 21, 1986, 100 Stat. 2066, provided that: "The amendments made by this section [amending this section and section 1396d of this title] shall apply to services furnished on or after the date of enactment of this Act [Oct. 21, 1986]."

Pub. L. 99–509, title IX, § 9433(c), Oct. 21, 1986, 100 Stat. 2066, provided that: "The amendments made by this section [amending this section and section 1396b of this title] apply to payments under title XIX of the Social Security Act [42 U.S.C. 1396 et seq.] for calendar quarters beginning on or after July 1, 1987, without regard to whether or not final regulations to carry out such amendments have been promulgated by such date."

Pub. L. 99–509, title IX, § 9435(b), Oct. 21, 1986, 100 Stat. 2068, provided that: "The amendment made by subsection (a) [amending section 1902 of the Social Security Act and enacting provisions set out below] for calendar quarters beginning on or after July 1, 1987, without regard to whether or not regulations to carry out such amendments have been promulgated by such date."

Pub. L. 99–509, title IX, § 9435(f), Oct. 21, 1986, 100 Stat. 2071, provided that: "The amendments made by this section [amending this section and section 1396d of this title and provisions set out as notes under this section and sections 1396d and 1396n of this title] shall be effective as if included in the enactment of the Consolidated Omnibus Budget Reconciliation Act of 1985 [Pub. L. 99–272]."


"(2) OPTIONAL SERVICES.—The amendments made by subsection (b) [amending this section] shall become effective on the date of the enactment of this Act [Apr. 7, 1986]."

"(3) CONTINUOUS COVERAGE.—The amendment made by subsection (c) [amending this section] shall apply to medical assistance furnished to a woman on or after the date of the enactment of this Act [Apr. 7, 1986]."

Pub. L. 99–272, title IX, § 9503(g), Apr. 7, 1986, 100 Stat. 207, provided that:

"(1) Except as otherwise provided, the amendments made by this section [amending this section and sections 1396b and 1396c of this title and section 1141 of Title 29, Labor, and enacting provisions set out as notes under this section and section 1141 of Title 29] shall apply to calendar quarters beginning on or after the date of the enactment of this Act [Apr. 7, 1986]."

"(2) In the case of a State plan for medical assistance under title XIX of the Social Security Act [42 U.S.C. 1396 et seq.] which the Secretary of Health and Human Services determines requires State legislation (other than legislation appropriating funds) in order for the plan to meet the additional requirements imposed by the amendments made by this section, the State plan shall not be regarded as failing to comply with the requirements of such title solely on the basis of its failure to meet these additional requirements before the first day of the first calendar quarter beginning after the close of the first regular session of the State legislature that begins after the date of the enactment of this Act."

"(3) No penalty may be applied against any State for a violation of section 1902(a)(25) of the Social Security Act [42 U.S.C. 1396a(a)(25)] occurring prior to the effective date of the amendments made by this section."

Pub. L. 99–272, title IX, § 9505(e), Apr. 7, 1986, 100 Stat. 209, as amended by Pub. L. 99–509, title IX, § 9435(d)(1), Oct. 21, 1986, 100 Stat. 2070, provided that: "The amendment made by this section [amending this section and sections 1396d and 1396c of this title] shall apply to medical assistance provided for hospice care furnished on or after the date of the enactment of this Act [Apr. 7, 1986], without regard to whether or not regulations to carry out the amendments have been promulgated by that date."


"(b) EFFECTIVE DATE.—The amendment made by subsection (a) [amending this section] shall apply to medical assistance furnished on or after the first day of the second month beginning after the date of enactment of this Act [Apr. 7, 1986]."

"(c) EXCEPTION.—The amendment made by subsection (a) [amending this section] shall not apply to any trust or initial trust decedent established prior to April 7, 1986, solely for the benefit of a mentally retarded individual who resides in an intermediate care facility for the mentally retarded."

Pub. L. 99–272, title IX, § 9505(b), Apr. 7, 1986, 100 Stat. 211, provided that:

"(1) Except as provided in paragraphs (2) and (3), the amendments made by this section [amending this section and enacting provisions set out below] shall apply to medical assistance furnished on or after October 1, 1985, but only with respect to changes of ownership occurring on or after such date."

"(2) The amendments made by this section shall not apply with respect to a change of ownership pursuant to an enforceable agreement entered into prior to October 1, 1985."

"(3) In the case of a State plan for medical assistance under title XIX of the Social Security Act [42 U.S.C. 1396 et seq.] which the Secretary of Health and Human Services determines requires State legislation (other than legislation appropriating funds) in order for the plan to meet the requirements imposed by the amendments made by this section, the State plan shall not be regarded as failing to comply with the requirements of such title solely on the basis of its failure to meet the requirements imposed by the amendments made by this section before the first day of the first calendar quarter beginning after the close of the first regular session of the State legislature that begins after the date of the enactment of this Act."


"(1) Except as otherwise provided, the amendments made by this section [amending this section and sections 1396b and 1396c of this title with section 1141 of Title 29, Labor, and enacting provisions set out as notes under this section and section 1141 of Title 29] shall apply to calendar quarters beginning on or after the date of the enactment of this Act [Apr. 7, 1986]."
Oct. 21, 1986. 100 Stat. 2070, provided that: "The amendment made by this section [amending this section] shall apply with respect to payment for services furnished on or after October 1, 1985, without regard as to whether or not regulations to carry out the amendment have been promulgated by that date.''

Pub. L. 98–21, title III, §2367(c), Apr. 7, 1986. 100 Stat. 221, provided that: "This subsection, and the amendments made by this subsection [amending this section and enacting provisions set out below], shall apply to adoption assistance agreements entered into before, on, or after the date of the enactment of this Act [Apr. 7, 1986]."'

Amendment by section 1235(b)(3) of Pub. L. 99–272, set out as a note under section 1369f of this title.


"(1) Except as provided in subparagraph (B), the amendments made by subsection (b) [amending this section] shall apply to medical assistance furnished in or after first calendar quarter beginning more than 90 days after Apr. 7, 1986, see section 12230(c) of Pub. L. 99–272, set out as a note under section 673 of this title."

Effective date of 1984 amendment


Effective date of 1982 amendment


"(2) In the case of a State plan for medical assistance under title XIX of the Social Security Act [42 U.S.C. 1396 et seq.] which the Secretary of Health and Human Services determines requires State legislation in order for the plan to meet the additional requirement imposed by the amendments made by this section, the State plan shall not be regarded as failing to comply with the requirements of such title solely on the basis of its failure to meet this additional requirement before the first day of the first calendar quarter beginning after the close of the first regular session of the State legislature that begins after the date of the enactment of this Act [July 18, 1984]."


"(2) In the case of a State plan for medical assistance under title XIX of the Social Security Act [42 U.S.C. 1396 et seq.] which the Secretary of Health and Human Services determines requires State legislation in order for the plan to meet the additional requirement imposed by the amendments made by this section, the State plan shall not be regarded as failing to comply with the requirements of such title solely on the basis of its failure to meet this additional requirement before the first day of the first calendar quarter beginning after the close of the first regular session of the State legislature that begins after the date of the enactment of this Act [July 18, 1984]."

"(1) Except as provided in paragraph (2), the amendments made by this section [amending this section and section 1396k of this title] shall become effective on the date of the enactment of this Act [July 18, 1984]."

Pub. L. 98–369, div. B, title III, §2368(c), July 18, 1984, 98 Stat. 1110, provided that: "The amendments made by this section [amending this section] shall become effective on the date of the enactment of this Act [July 18, 1984]."

Amendment by section 2651(c) of Pub. L. 98–369 effective Apr. 1, 1985, except as otherwise provided, see section 2651(j)(2) of Pub. L. 98–369, set out as an Effective Date note under section 1320b–7 of this title.

"(2) In the case of a State plan for medical assistance under title XIX of the Social Security Act [42 U.S.C. 1396 et seq.] which the Secretary of Health and Human Services determines requires State legislation in order for the plan to meet the additional requirement imposed by the amendments made by this section, the State plan shall not be regarded as failing to comply with the requirements of such title solely on the basis of its failure to meet this additional requirement before the first day of the first calendar quarter beginning after the close of the first regular session of the State legislature that begins after the date of the enactment of this Act [July 18, 1984]."

"(1) Except as provided in paragraph (2), the amendments made by this section [amending this section and section 1396k of this title] shall become effective on the date of the enactment of this Act [July 18, 1984]."

Amendment by section 2651(c) of Pub. L. 98–369 effective Apr. 1, 1985, except as otherwise provided, see section 2651(j)(2) of Pub. L. 98–369, set out as an Effective Date note under section 1320b–7 of this title.


"(2) In the case of a State plan for medical assistance under title XIX of the Social Security Act [42 U.S.C. 1396 et seq.] which the Secretary of Health and Human Services determines requires State legislation in order for the plan to meet the additional requirement imposed by the amendments made by this section, the State plan shall not be regarded as failing to comply with the requirements of such title solely on the basis of its failure to meet this additional requirement before the first day of the first calendar quarter beginning after the close of the first regular session of the State legislature that begins after the date of the enactment of this Act [July 18, 1984]."

"(1) Except as otherwise provided in this section, any amendment to the Omnibus Budget Reconciliation Act of 1981 [Pub. L. 97–35] made by this section [amending this section and sections 1320b–1 and 1369f of this title and provisions set out as a note under section 633 of this title] shall be effective as if it had been originally included in the provision of the Omnibus Budget Reconciliation Act of 1981 to which such amendment relates."

"(2) Except as otherwise provided in this section, any amendment to the Social Security Act [42 U.S.C. 301 et seq.] made by the preceding provisions of this section [amending this section and sections 701, 705, 1320a–7(a), 1320b–4, 1320b–6, 1396d, and 1396n of this title] shall be effective as if it had been originally included as a part of
that provision of the Social Security Act to which it relates, as such provision of the Social Security Act was amended by the Omnibus Budget Reconciliation Act of 1981 [Pub. L. 97-35]." Amendment by section 146(a) of Pub. L. 97-248 effective with respect to contracts entered into or renewed on or after Sept. 3, 1982, see section 149 of Pub. L. 97-35 set out as an Effective Date note under section 1320c of this title.

**Effective Date of 1981 Amendment**

Pub. L. 97-35, title XXI, §2133(a), Aug. 13, 1981, 95 Stat. 796, provided that: "The amendments made by this section [amending this section and sections 1320c, 1320c-1, 1320c-3, 1320c-4, 1320c-7, 1320c-8, 1320c-9, 1320c-11, 1320c-17, 1320c-23, and 1396b of this title and repealing sections 1320c-13 and 1320c-20 of this title] apply to agreements with Professional Standards Review Organizations entered into after October 1, 1981.


Pub. L. 97-35, title XXI, §2173(h)(2), Aug. 13, 1981, 95 Stat. 809, provided that: "The amendment made by paragraph (1) [amending this section] shall not apply with respect to services furnished before the date the Secretary of Health and Human Services first promulgates and has in effect final regulations (on an interim or other basis) to carry out section 1902(a)(33)(A) of the Social Security Act [42 U.S.C. 1396a(a)(33)(A)] as amended by this subtitle."

Pub. L. 97-35, title XXI, §2174(c), Aug. 13, 1981, 95 Stat. 809, provided that: "The amendments made by this section [amending this section and section 1396b of this title] shall apply to services furnished on or after October 1, 1981.


(B) In the case of a State plan for medical assistance under title XIX of the Social Security Act [42 U.S.C. 1396 et seq.] which the Secretary of Health and Human Services determines requires State legislation in order to incorporate the provisions required to be included by this section into such State plan, the State plan shall not be regarded as failing to comply with the requirements of such title solely on the basis of its failure to include the provisions required to be included in such State plan by paragraph (2) of this section before the first day of the first calendar quarter beginning after the close of the first regular session of the State legislature that begins after the date of enactment of this Act [Aug. 13, 1981], but the requirements previously set forth in paragraphs (1) through (3) of section 1396d of such Act shall apply under title XIX of such Act to such State on and after October 1, 1981, whether or not the provisions required to be included by this section in the State plan under title XIX have been incorporated into such State plan.

For effective date, savings, and transitional provisions relating to amendment by section 2193(c)(9) of Pub. L. 97-35, see section 2194 of Pub. L. 97-35, set out as a note under section 701 of this title.

**Effective Date of 1980 Amendment**

Amendment by section 902(b) of Pub. L. 96-499 effective on date on which final regulations to implement the amendment are first issued, see section 902(c) of Pub. L. 96-499, set out as a note under section 1385x of this title.

Pub. L. 96-499, title IX, §914(b)(2), Dec. 5, 1980, 94 Stat. 2622, as amended by Pub. L. 97-248, title I, §137(c)(1), Sept. 3, 1982, 96 Stat. 361, provided that: "(A) The amendments made by paragraph (1) [amending this section] shall (except as provided under subparagraph (B)) apply to cost reporting periods, beginning on or after April 1, 1981, of an entity providing services under a State plan approved under title XIX of the Social Security Act [42 U.S.C. 1396 et seq.]." (B) In the case of a State plan for medical assistance under title XIX of the Social Security Act which the Secretary determines requires State legislation in order for the plan to meet the additional requirements imposed by the amendments made by paragraph (1), the State plan shall not be regarded as failing to comply with the requirements of such title solely on the basis of its failure to meet these additional requirements before the first day of the first calendar quarter beginning after the close of the first regular session of the State legislature that begins after the date of enactment of this Act."

Pub. L. 96-499, title IX, §918(b)(2), Dec. 5, 1980, 94 Stat. 2626, provided that: "(A) The amendments made by paragraph (1) [amending this section] shall (except as otherwise provided in subparagraph (B)) apply to medical assistance provided under a State plan approved under title XIX of the Social Security Act [42 U.S.C. 1396 et seq.], on and after the first day of the first calendar quarter that begins more than six months after the date of the enactment of this Act [Dec. 5, 1980].

(B) In the case of a State plan for medical assistance under title XIX of the Social Security Act which the Secretary of Health and Human Services determines requires State legislation in order for the plan to meet the additional requirements imposed by the amendments made by paragraph (1), the State plan shall not be regarded as failing to comply with the requirements of such title solely on the basis of its failure to meet these additional requirements before the first day of the first calendar quarter that begins after the first regular session of the State legislature that begins after the date of the enactment of this Act."

Page 3715  TITLE 42—THE PUBLIC HEALTH AND WELFARE § 1396a
Pub. L. 96–499, title IX, § 962(b), Dec. 5, 1980, 94 Stat. 2651, provided that: “The amendment made by subsection (a) [amending this section] shall become effective on October 1, 1980.”

Pub. L. 96–499, title IX, § 965(c), Dec. 5, 1980, 94 Stat. 2652, provided that:

“(1) The amendments made by this section [amending this section and section 1396d of this title] shall (except as provided under paragraph (2)) be effective with respect to payments under title XIX of the Social Security Act [42 U.S.C. 1396 et seq.] for calendar quarters beginning more than one hundred and twenty days after the date of the enactment of this Act [Dec. 5, 1980].”

“(2) In the case of a State plan for medical assistance under title XIX of the Social Security Act which the Secretary of Health and Human Services determines requires State legislation in order for the plan to meet the additional requirements imposed by the amendments made by this section, the plan shall not be regarded as failing to comply with the requirements of such title solely on the basis of its failure to meet these additional requirements before the first day of the first calendar quarter beginning after the close of the regular session of the State legislature that begins after the date of the enactment of this Act.”

**Effective Date of 1976 Amendment**


**Effective Date of 1975 Amendment**

Pub. L. 94–182, title I, § 111(c), Dec. 31, 1975, 89 Stat. 1054, provided that: “The amendments made by this section [amending this section and section 1396b of this title] shall (except as otherwise provided for therein) become effective January 1, 1976.”

**Effective Date of 1974 Amendment**

Pub. L. 93–368, § 9(b), Aug. 7, 1974, 88 Stat. 422, provided that: “The amendment made by subsection (a) [amending this section] shall be effective January 1, 1974.”

**Effective Date of 1973 Amendment**


Pub. L. 93–233, § 18(c)(3)-(4), Dec. 31, 1973, 87 Stat. 974, provided that: “The amendments made by subsections (o) and (u) [amending this section and section 1396b of this title] shall be effective January 1, 1974.”

**Effective Date of 1972 Amendment**

Pub. L. 92–603, title II, § 209(b), Oct. 30, 1972, 86 Stat. 1381, provided that: “The amendment made by subsection (a) [amending this section] shall be effective January 1, 1973 (or earlier if the State plan so provided).”


Pub. L. 92–603, title II, § 232(c), Oct. 30, 1972, 86 Stat. 1411, provided that: “The amendments made by this section [amending this section and section 705 of this title] shall be effective July 1, 1972 (or earlier if the State plan so provides).”

Amendment by section 236(b) of Pub. L. 92–603 effective Jan. 1, 1973, or earlier if the State plan so provides, see section 236(c) of Pub. L. 92–603, set out as a note under section 1396u of this title.

section (a)(2) [amending this section] shall be effective July 1, 1973.

Pub. L. 92–603, title II, §239(d), Oct. 30, 1972, 86 Stat. 1418, provided that: "The amendments made by this section [amending this section and section 705 of this title] shall be effective January 1, 1973 (or earlier if the State plan so provides)."

Amendment by section 248(a) of Pub. L. 92–603 to be effective July 1, 1973, see section 248(c) of Pub. L. 92–603, set out as a note under section 1366x of this title.


Pub. L. 92–603, title II, §238(c), Oct. 30, 1972, 86 Stat. 1451, provided that: "The amendments made by this section [amending this section and section 1396g of this title] shall be effective on the date of the enactment of this Act [Oct. 30, 1972]."

Amendment by section 299D(b) of Pub. L. 92–603 effective beginning Jan. 1, 1973, or within 6 months following Oct. 30, 1972, whichever is later, see section 299D(c) of Pub. L. 92–603, set out as a note under section 1396aa of this title.

**Effective Date of 1971 Amendment**

Pub. L. 92–223, §4(d), Dec. 28, 1971, 85 Stat. 810, as amended by Pub. L. 92–603, title II, §292, Oct. 30, 1972, 86 Stat. 1458, provided that: "The amendments made by this section [amending this section and section 1396d of this title and repealing section 1320a of this title] shall become effective January 1, 1972; except that the repeal made by subsection (c) [repealing section 1320a of this title] shall not become effective in the case of any State, which on January 1, 1972 did not have in effect a State plan approved under title XIX of the Social Security Act [42 U.S.C. 1396 et seq.], until the first day of the first month (occurring after such date) that such State does have in effect a State plan approved under such title [42 U.S.C. 1396 et seq.]."

**Effective Date of 1968 Amendment**

Amendment by section 210(a)(6) of Pub. L. 90–928 effective July 1, 1969, or, if earlier (with respect to a State's plan approved under this subchapter) on the date as of which the modification of the State plan to comply with such amendment is approved, see section 210(b) of Pub. L. 90–928, set out as a note under section 302 of this title.

Pub. L. 90–928, title II, §223(b), Jan. 2, 1968, 81 Stat. 902, provided that: "The amendments made by subsection (a) [amending this section] shall apply with respect to calendar quarters beginning after June 30, 1967."

Pub. L. 90–928, title II, §224(b), Jan. 2, 1968, 81 Stat. 902, provided that: "The amendment made by subsection (a) [amending this section] shall apply with respect to calendar quarters beginning after December 31, 1967."


Pub. L. 90–928, title II, §227(b), Jan. 2, 1968, 81 Stat. 904, provided that: "The amendment made by subsection (a) [amending this section] shall apply with respect to legal liabilities of third parties arising after March 31, 1968."

Pub. L. 90–928, title II, §234(b), Jan. 2, 1968, 81 Stat. 907, provided that: "The amendments made by subsection (a) of this section [amending this section] unless otherwise specified in the body of such amendments] shall take effect on January 1, 1969."


Enactment by section 236(a) of Pub. L. 90–928 effective July 1, 1970, except as otherwise specified in the text thereof, see section 236(c) of Pub. L. 90–928, set out as an Effective Date note under section 1396g of this title.


Pub. L. 90–928, title II, §238, Jan. 2, 1968, 81 Stat. 911, provided that the amendment made by that section is effective July 1, 1969.

**Regulations**

Pub. L. 99–272, title IX, §9503(c), Apr. 7, 1986, 100 Stat. 206, provided that: "The Secretary of Health and Human Services shall promulgate final regulations necessary to carry out sections 1902(a)(25) and 1931(b)(4)(B) of the Social Security Act [42 U.S.C. 1396a(a)(25), 1396b(r)(6)(J)] within 6 months after the date of the enactment of this Act [Apr. 7, 1986]."

**Rule of Construction Related to Income or Resource Disregard Methodology, or Spousal Income and Asset Disregard**


"(1) applying an income or resource disregard under a methodology authorized under section 1902(r)(2) of such Act (42 U.S.C. 1396a(r)(2))—

"(A) to the income or resources of an individual described in section 1902(a)(10)(A)(i)(VI) of such Act (42 U.S.C. 1396a(a)(10)(A)(i)(VI)) (including a disregard of the income or resources of such individual's spouse); or

"(B) on the basis of an individual's need for home and community-based services authorized under subsection (c), (d), (i), or (k) of section 1915 of such Act (42 U.S.C. 1396n) or under section 1115 of such Act (42 U.S.C. 1915); or

"(2) disregarding an individual's spousal income and assets under a plan amendment to provide medical assistance for home and community-based services for individuals by reason of being determined eligible under section 1902(a)(10)(C) of such Act (42 U.S.C. 1396a(a)(10)(C)) or by reason of section 1902(f) of such Act (42 U.S.C. 1396a(f)) or otherwise on the basis of a reduction of income based on costs incurred for medical or other remedial care under which the State disregarded the income and assets of the individual's spouse in determining the initial and ongoing financial eligibility of an individual for such services in place of the spousal impoverishment provisions applied under section 1924 of such Act (42 U.S.C. 1396–5)."

**Rule of Construction Related to Income or Resource Disregard Methodology**

Pub. L. 116–39, §3(b), Aug. 6, 2019, 133 Stat. 1061, provided that: "Nothing in section 2404 of Public Law 111–148 (42 U.S.C. 1396–5 note) or section 1922(a)(17) or 1924 of the Social Security Act (42 U.S.C. 1396a(a)(17), 1966–5) shall be construed as prohibiting a State from applying an income or resource disregard under a methodology authorized under section 1902(r)(2) of such Act (42 U.S.C. 1396a(r)(2))."
odology authorized under section 1902(c)(2) of such Act (42 U.S.C. 1396a(c)(2))—

"(1) to the income or resources of an individual described in section 1902(a)(10)(A)(i)(VI) of such Act (42 U.S.C. 1396a(a)(10)(A)(i)(VI)) (including a disregard of the income or resources of such individual's spouse); or

"(2) on the basis of an individual's need for home and community-based services authorized under subsection (c), (d), (i), or (k) of section 1915 of such Act (42 U.S.C. 1396m) or under section 1115 of such Act (42 U.S.C. 1315)."

**CONSTRUCTION OF 2018 AMENDMENT**

Pub. L. 115–271, title I, §1001(b), Oct. 24, 2018, 132 Stat. 3901, provided that: "Nothing in this section [amending this section and enacting provisions set out as notes under this section] shall be construed as changing the exclusion from medical assistance under the subdivision for income for purposes of a determination of eligibility for medical assistance under the State plan under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.) or under section 1115 of such Act (42 U.S.C. 1315)."

**CONSTRUCTION OF 2018 AMENDMENT**

Pub. L. 115–271, title I, §1001(c), Oct. 24, 2018, 132 Stat. 3902, provided that: "Nothing in this section [amending this section and enacting provisions set out as notes under this section] shall be construed to mandate, encourage, or suggest that a State suspend or terminate coverage for individuals before they have adjudicated or sentenced."
“(A) removing barriers and ensuring streamlined, timely access to Medicaid coverage for former foster youth up to age 26; and

(B) conducting outreach and raising awareness among such youth regarding Medicaid coverage options for such youth; and

(2) which shall include examples of States that have successfully extended Medicaid coverage to former foster youth up to age 26.”

GUIDANCE TO IMPROVE CARE FOR INFANTS WITH NEONATAL ABSTINENCE SYNDROME AND THEIR MOTHERS

Pub. L. 115–271, title I, §1005(a), Oct. 24, 2018, 132 Stat. 3917, provided that: “Not later than 1 year after the date of the enactment of this Act [Oct. 24, 2018], the Secretary of Health and Human Services shall issue guidance to improve care for infants with neonatal abstinence syndrome and their families. Such guidance shall include—

(1) best practices from States with respect to innovative or evidenced-based payment models that focus on prevention, screening, treatment, plans of safe care, and postdischarge services for mothers and fathers with substance use disorders and babies with neonatal abstinence syndrome that improve care and clinical outcomes;

(2) recommendations for States on available financing options under the Medicaid program under title XIX of such Act [probably means title XIX of the Social Security Act, 42 U.S.C. 1396 et seq.] and under the Children’s Health Insurance Program under title XXI of such Act [probably means title XXI of the Social Security Act, 42 U.S.C. 1397cc et seq.] for Children’s Health Insurance Program Health Services Initiative funds for parents with substance use disorders, infants with neonatal abstinence syndrome, and home-visiting services;

(3) guidance and technical assistance to State Medicaid agencies regarding additional flexibilities and incentives related to screening, prevention, and postdischarge services, including parenting supports, and infant-caregiver bonding, including breastfeeding when it is appropriate; and

(4) guidance regarding suggested terminology and ICD codes to identify infants with neonatal abstinence syndrome and neonatal opioid withdrawal syndrome, which could include opioid-exposure, opioid withdrawal not requiring pharmacotherapy, and opioid withdrawal requiring pharmacotherapy.”

MEDICAID SUBSTANCE USE DISORDER TREATMENT VIA TELEHEALTH

Pub. L. 115–271, title I, §1009(a), (b), Oct. 24, 2018, 132 Stat. 3917, provided that: “(a) DEFINITIONS.—In this section:

(1) COMPTROLLER GENERAL.—The term ‘Comptroller General’ means the Comptroller General of the United States.

(2) SCHOOL-BASED HEALTH CENTER.—The term ‘school-based health center’ has the meaning given in section 1001 of the Social Security Act (42 U.S.C. 1397j(j)).

(3) SECRETARY.—The term ‘Secretary’ means the Secretary of Health and Human Services.

(4) UNDERSERVED AREA.—The term ‘underserved area’ means a health professional shortage area (as defined in section 332(a)(1)(A) of the Public Health Service Act (42 U.S.C. 254e(a)(1)(A))) and a medically underserved area (as designated under section 330(b)(4)(A) of the Public Health Service Act (42 U.S.C. 254b(b)(3)(A))).

(b) GUIDANCE TO STATES REGARDING FEDERAL REIMBURSEMENT FOR FUTURISATION SERVICES AND TREATMENT FOR SUBSTANCE USE DISORDERS UNDER MEDICAID USING SERVICES DELIVERED VIA TELEHEALTH, INCLUDING IN SCHOOL-BASED HEALTH CENTERS.—Not later than 1 year after the date of enactment of this Act [Oct. 24, 2018], the Secretary, acting through the Administrator of the Centers for Medicare & Medicaid Services, shall issue guidance to States on the following:

(1) State options for Federal reimbursement of expenditures under Medicaid for furnishing services and treatment for substance use disorders, including assessment, medication-assisted treatment, counseling, medication management, and medication adherence with prescribed medication regimes, using services delivered via telehealth. Such guidance shall also include guidance on furnishing services and treatments that address the needs of high-risk individuals, including at least the following groups:

(A) American Indians and Alaska Natives.

(B) Adults under the age of 40.

(C) Individuals with a history of non-fatal overdose.

(D) Individuals with a co-occurring serious mental illness and substance use disorder.

(2) State options for Federal reimbursement of expenditures under Medicaid for education directed to providers serving Medicaid beneficiaries with substance use disorders using the hub and spoke model, through contracts with managed care entities, through administrative claiming for disease management activities, and under Delivery System Reform Incentive Payment (‘‘DSRIP’’) programs.

(3) State options for Federal reimbursement of expenditures under Medicaid for furnishing services and treatment for substance use disorders for individuals enrolled in Medicaid in a school-based health center using services delivered via telehealth.”

ENHANCING PATIENT ACCESS TO NON-OPIOID TREATMENT OPTIONS

Pub. L. 115–271, title I, §1010, Oct. 24, 2018, 132 Stat. 3918, provided that: “Not later than January 1, 2019, the Secretary of Health and Human Services, acting through the Administrator of the Centers for Medicare & Medicaid Services, shall issue 1 or more final guidance documents, or update existing guidance documents, to States regarding mandatory and optional items and services that may be provided under a State plan under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.), or under a waiver of such a plan, for non-opioid treatment and management of pain, including, but not limited to, evidence-based, non-opioid pharmacological therapies and non-pharmacological therapies.”

TECHNICAL ASSISTANCE AND SUPPORT FOR INNOVATIVE STATE STRATEGIES TO PROVIDE HOUSING-RELATED SUPPORTS UNDER MEDICAID

Pub. L. 115–271, title I, §1018, Oct. 24, 2018, 132 Stat. 3924, provided that: “(a) IN GENERAL.—The Secretary of Health and Human Services shall provide technical assistance and support to States regarding the development and expansion of innovative State strategies (including, through State Medicaid demonstration projects) to provide housing-related supports and services and care coordination services under Medicaid to individuals with substance use disorders.

(b) REPORT.—Not later than 180 days after the date of enactment of this Act [Oct. 24, 2018], the Secretary shall issue a report to Congress detailing a plan of action to carry out the requirements of subsection (a).”

MEDICAID REENTRY


This subtitle may be cited as the ‘Medicaid Reentry Act’.

SEC. 5032. PROMOTING STATE INNOVATIONS TO EASE TRANSITIONS INTEGRATION TO THE COMMUNITY FOR CERTAIN INDIVIDUALS.

(a) STAKEHOLDER GROUP DEVELOPMENT OF BEST PRACTICES; STATE MEDICAID PROGRAM INNOVATION.—

(1) STAKEHOLDER GROUP BEST PRACTICES.—Not later than 6 months after the date of the enactment of Pub. L. 115–271, title I, §1016, Oct. 24, 2018, 132 Stat. 3919, provided that: “(a) defined in section 332(a)(1)(A) of the Public Health Service Act (42 U.S.C. 254e(a)(1)(A)) and a medically underserved area (as designated under section 330(b)(4)(A) of the Public Health Service Act (42 U.S.C. 254b(b)(3)(A)).

(b) GUIDANCE TO STATES REGARDING FEDERAL REIMBURSEMENT FOR FUTURISATION SERVICES AND TREATMENT FOR SUBSTANCE USE DISORDERS UNDER MEDICAID USING SERVICES DELIVERED VIA TELEHEALTH, INCLUDING IN SCHOOL-BASED HEALTH CENTERS.—Not later than 1 year after the date of enactment of this Act [Oct. 24, 2018], the Secretary, acting through the Administrator of the Centers for Medicare & Medicaid Services, shall issue guidance to States on the following:

(1) State options for Federal reimbursement of expenditures under Medicaid for furnishing services and treatment for substance use disorders, including assessment, medication-assisted treatment, counseling, medication management, and medication adherence with prescribed medication regimes, using services delivered via telehealth. Such guidance shall also include guidance on furnishing services and treatments that address the needs of high-risk individuals, including at least the following groups:

(A) American Indians and Alaska Natives.

(B) Adults under the age of 40.

(C) Individuals with a history of non-fatal overdose.

(D) Individuals with a co-occurring serious mental illness and substance use disorder.

(2) State options for Federal reimbursement of expenditures under Medicaid for education directed to providers serving Medicaid beneficiaries with substance use disorders using the hub and spoke model, through contracts with managed care entities, through administrative claiming for disease management activities, and under Delivery System Reform Incentive Payment (‘‘DSRIP’’) programs.

(3) State options for Federal reimbursement of expenditures under Medicaid for furnishing services and treatment for substance use disorders for individuals enrolled in Medicaid in a school-based health center using services delivered via telehealth.”

ENHANCING PATIENT ACCESS TO NON-OPIOID TREATMENT OPTIONS

Pub. L. 115–271, title I, §1010, Oct. 24, 2018, 132 Stat. 3918, provided that: “Not later than January 1, 2019, the Secretary of Health and Human Services, acting through the Administrator of the Centers for Medicare & Medicaid Services, shall issue 1 or more final guidance documents, or update existing guidance documents, to States regarding mandatory and optional items and services that may be provided under a State plan under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.), or under a waiver of such a plan, for non-opioid treatment and management of pain, including, but not limited to, evidence-based, non-opioid pharmacological therapies and non-pharmacological therapies.”

TECHNICAL ASSISTANCE AND SUPPORT FOR INNOVATIVE STATE STRATEGIES TO PROVIDE HOUSING-RELATED SUPPORTS UNDER MEDICAID

Pub. L. 115–271, title I, §1018, Oct. 24, 2018, 132 Stat. 3924, provided that: “(a) IN GENERAL.—The Secretary of Health and Human Services shall provide technical assistance and support to States regarding the development and expansion of innovative State strategies (including, through State Medicaid demonstration projects) to provide housing-related supports and services and care coordination services under Medicaid to individuals with substance use disorders.

(b) REPORT.—Not later than 180 days after the date of enactment of this Act [Oct. 24, 2018], the Secretary shall issue a report to Congress detailing a plan of action to carry out the requirements of subsection (a).”

MEDICAID REENTRY


This subtitle may be cited as the ‘Medicaid Reentry Act’.

SEC. 5032. PROMOTING STATE INNOVATIONS TO EASE TRANSITIONS INTEGRATION TO THE COMMUNITY FOR CERTAIN INDIVIDUALS.

(a) STAKEHOLDER GROUP DEVELOPMENT OF BEST PRACTICES; STATE MEDICAID PROGRAM INNOVATION.—

(1) STAKEHOLDER GROUP BEST PRACTICES.—Not later than 6 months after the date of the enactment of
of this Act [Oct. 24, 2018], the Secretary of Health and Human Services shall convene a stakeholder group of representatives of managed care organizations, Medical beneficiaries, health care providers, the National Association of Medicaid Directors, and other relevant representatives from local, State, and Federal jail and prison systems to develop best practices (and submit to the Secretary and Congress a report on such best practices) for States—

“(A) to ease the health care-related transition of an individual who is an inmate of a public institution from the public institution to the community, including best practices for ensuring continuity of health insurance coverage or coverage under the State Medicaid plan under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.), as applicable, and relevant social services; and

“(B) to carry out, with respect to such an individual, such health care-related transition not later than 90 days after such individual is released from the public institution.

“(2) STATE MEDICAID PROGRAM INNOVATION.—The Secretary of Health and Human Services shall work with States on innovative strategies to help individuals who are inmates of public institutions and otherwise eligible for medical assistance under the Medicaid program under title XIX of the Social Security Act transition, with respect to enrollment for medical assistance under such program, seamlessly to the community.

“(b) GUIDANCE ON INNOVATIVE SERVICE DELIVERY SYSTEMS FOR DEMONSTRATION PROJECT OPPORTUNITIES.—Not later than 1 year after the date of the enactment of this Act, the Secretary of Health and Human Services shall issue a Medicaid Director, based on best practices developed under subsection (a)(1), regarding opportunities to design demonstration projects under section 1115 of the Social Security Act (42 U.S.C. 1315) to improve care transition for certain individuals who are soon-to-be former inmates of a public institution and who are otherwise eligible to receive medical assistance under title XIX of such Act, including systems for, with respect to a period (not to exceed 30 days) immediately prior to the day on which such individuals are expected to be released from such institution—

“(1) providing assistance and education for enrollment under a State plan under the Medicaid program under title XIX of such Act for such individuals during such period; and

“(2) providing health care services for such individuals during such period.

“(c) RULE OF CONSTRUCTION.—Nothing under title XIX of the Social Security Act or any other provision of law precludes a State from reclassifying or suspending an individual who is an inmate of a public institution while such individual is an inmate of a public institution.

“(2) PROVIDING MEDICAID PROGRAM INNOVATION IN THE EVENT OF CRISIS OR EMERGENCY.—The Secretary of Health and Human Services, in consultation with the heads of State agencies administering State Medicaid plans (or waivers of such plans), shall, in consultation with the heads of State agencies administering State Medicaid plans (or waivers of such plans), issue regulations establishing uniform terminology to be used with respect to specifying reasons under subparagraph (A)(v) of paragraph (8) of section 1902(kk) of the Social Security Act (42 U.S.C. 1396a(kk)), as added by paragraph (1), for the termination (as described in such paragraph (8)) of the participation of certain providers in the Medicaid program under title XIX of such Act (42 U.S.C. 1396a et seq.), as applicable.

“(d) REQUEST FOR ADMINISTRATION OF THE DEPARTMENTAL RESIDENTIAL MEDICAID PROGRAM.—Not later than September 1, 2015, the Secretary shall publish criteria for a clinic to be certified by a State as a certified community behavioral health clinic for purposes of participating in a demonstration program conducted under subsection (d).
tings and providers to ensure seamless transitions for patients across the full spectrum of health services including acute, chronic, and behavioral health needs. Care coordination requirements shall include partnerships or formal contracts with the following:

1. Federally-qualified health centers (and as applicable, rural health clinics) to provide Federally-qualified health center services (and as applicable, rural health clinic services) to the extent such services are not provided directly through the certified community behavioral health clinic.

2. Inpatient psychiatric facilities and substance use detoxification, post-detoxification step-down services, and residential programs.

3. Other community or regional services, supports, and providers, including schools, child welfare agencies, juvenile and criminal justice agencies, and facilities, Indian Health Service and youth regional treatment centers, State licensed and nationally accredited child placing agencies for therapeutic foster care service, and other social and human services.

4. Department of Veterans Affairs medical centers, independent outpatient clinics, drop-in centers, and other facilities of the Department as defined in section 1701 [probably should be 1701] of title 38, United States Code.

5. Inpatient acute care hospitals and hospital outpatient clinics.

D. SCOPE OF SERVICES.—Provision in a manner reflecting person-centered care of the following services which, if not available directly through the certified community behavioral health clinic, are provided or referred through formal relationships with other providers:

1. Crisis mental health services, including 24-hour mobile crisis teams, emergency crisis intervention services, and crisis stabilization.

2. Screening, assessment, and diagnosis, including risk assessment and crisis planning.

3. Outpatient mental health and substance use services.

4. Outpatient primary care screening and monitoring of key health indicators and health risk.

5. Targeted case management.

6. Psychiatric rehabilitation services.

7. Peer support and counselor services and family supports.

8. Intensive, community-based mental health services for members of the armed forces and veterans, particularly those members and veterans located in rural areas, provided the care is consistent with minimum clinical mental health guidelines promulgated by the Veterans Health Administration including clinical guidelines contained in the Uniform Mental Health Services Handbook of such Administration.

E. QUALITY AND OTHER REPORTING.—Reporting of encounter data, clinical outcomes data, quality data, and such other data as the Secretary requires.

F. ORGANIZATIONAL AUTHORITY.—Criteria that a clinic be a non-profit or part of a local government behavioral health authority or operated under the authority of the Indian Health Service, an Indian tribe or tribal organization pursuant to a contract, grant, cooperative agreement, or compact with the Indian Health Service pursuant to the Indian Self-Determination Act (25 U.S.C. 450 [450f et seq.] [now 25 U.S.C. 332 et seq.], or an urban Indian organization pursuant to a grant or contract with the Indian Health Service under title V of the Indian Health Care Improvement Act (25 U.S.C. 1601 [1651] et seq.).

G. GUIDANCE ON DEVELOPMENT OF PROSPECTIVE PAYMENT SYSTEM FOR TESTING UNDER DEMONSTRATION PROGRAMS.—

1. IN GENERAL.—Not later than September 1, 2015, the Secretary, through the Administrator of the Centers for Medicare & Medicaid Services, shall issue guidance for the establishment of a prospective payment system that shall only apply to medical assistance for mental health services furnished by a certified community behavioral health clinic participating in a demonstration program conducted under subsection (d).

2. REQUIREMENTS.—The guidance issued by the Secretary under paragraph (1) shall provide that—

A. no payment shall be made for inpatient care, residential treatment, room and board expenses, or any other non-ambulatory services, as determined by the Secretary; and

B. no payment shall be made to satellite facilities of certified community behavioral health clinics if such facilities are established after the date of enactment of this Act [Apr. 1, 2014].

C. PLANNING GRANTS.—

1. IN GENERAL.—Not later than January 1, 2016, the Secretary shall award planning grants to States for the purpose of developing proposals to participate in time-limited demonstration programs described in subsection (d).

2. USE OF FUNDS.—A State awarded a planning grant under this subsection shall—

A. solicit input with respect to the development of such a demonstration program from patients, providers, and other stakeholders;

B. certify clinics as certified community behavioral health clinics for purposes of participating in a demonstration program conducted under subsection (d); and

C. establish a prospective payment system for mental health services furnished by a certified community behavioral health clinic participating in a demonstration program under subsection (d) in accordance with the guidance issued under subsection (b).

D. DEMONSTRATION PROGRAMS.—

1. IN GENERAL.—Not later than September 1, 2017, the Secretary shall select States to participate in demonstration programs that are developed through planning grants awarded under subsection (c), meet the requirements of this subsection, and represent a diverse selection of geographic areas, including rural and underserved areas.

2. APPLICATION REQUIREMENTS.—

A. IN GENERAL.—The Secretary shall solicit applications to participate in demonstration programs under this subsection solely from States awarded planning grants under subsection (c).

B. REQUIRED INFORMATION.—An application for a demonstration program under this subsection shall include the following:

i. The target Medicaid population to be served under the demonstration program.

ii. A list of participating certified community behavioral health clinics.

iii. Verification that the State has certified a participating clinic as a certified community behavioral health clinic in accordance with the requirements of subsection (b).

iv. A description of the scope of the mental health services available under the State Medicaid program that will be paid for under the prospective payment system tested in the demonstration program.

v. Verification that the State has agreed to pay for such services at the rate established under the prospective payment system.

vi. Such other information as the Secretary may require relating to the demonstration program including with respect to determining the soundness of the proposed prospective payment system.

3. NUMBER AND LENGTH OF DEMONSTRATION PROGRAMS.—Not more than 8 States shall be selected to conduct demonstration programs under this subsection for 2 years or through May 22, 2020, whichever is longer.
“(4) REQUIREMENTS FOR SELECTING DEMONSTRATION PROGRAMS.—

“(A) IN GENERAL.—The Secretary shall give prefer-
tence to selecting demonstration programs where participate-
ing certified community behavioral health clinics—

“(I) provide the most complete scope of services de-
scribed in subsection (a)(2)(D) to individuals el-
ige for medical assistance under the State Med-
caid program;

“(II) will improve availability of, access to, and par-
ticipation in, services described in subsection (a)(2)(D) to individuals eligible for medical assist-
ance under the State Medicaid program;

“(III) will improve availability of, access to, and participa-
tion in assisted outpatient mental health treatment in the State; or

“(IV) demonstrate the potential to expand available-
mental health services in a demonstration area and increase the quality of such services without increasing net Federal spending.

“(5) PAYMENT FOR MEDICAL ASSISTANCE FOR MENTAL

HEALTH SERVICES PROVIDED BY CERTIFIED COMMUNITY

BEHAVIORAL HEALTH CLINICS.—

“(A) IN GENERAL.—The Secretary shall pay a State participat-
ing in a demonstration program under this subsection the Federal matching per-
centage specified in subparagraph (B) for amounts expended by the State to provide medical assist-
ance for mental health services described in the demonstration program application in accordance with paragraph (2)(B)(iv) that are provided by cer-
tified community behavioral health clinics to indi-
viduals who are enrolled in the State Medicaid pro-
gram. Payments to States made under this para-
graph shall be considered to have been under, and are subject to the requirements of, section 1903 of the Social Security Act (42 U.S.C. 1396b).

“(B) FEDERAL MATCHING PERCENTAGE.—The Fed-
eral matching percentage specified in this subpara-
graph is with respect to medical assistance de-
scribed in subparagraph (A) that is furnished—

“(i) to a newly eligible individual described in para-
graph (2) (of section 1905(y) of the Social Secu-
irty Act (42 U.S.C. 1395y)), the matching rate applicable under paragraph (1) of that section; and

“(ii) to an individual who is not a newly eligible individual (as so described) but who is eligible for medical assistance under the State Medicaid pro-
gram, the enhanced FMAP applicable to the State.

“(C) LIMITATIONS.—

“(i) IN GENERAL.—Payments shall be made under this paragraph to a State only for mental health services—

“(I) that are described in the demonstration program application in accordance with para-
graph (2)(iv);

“(II) for which payment is available under the State Medicaid program; and

“(III) that are provided to an individual who is eligible for medical assistance under the State Medicaid program.

“(ii) PROHIBITED PAYMENTS.—No payment shall be made under this paragraph—

“(I) for inpatient care, residential treatment, room and board expenses, or any other non-ambulatory services, as determined by the Sec-
retary; or

“(II) with respect to payments made to sat-
eellite facilities of certified community behav-
ioral health clinics if such facilities are estab-
lished after the date of enactment of this Act
(April 1, 2014).

“(6) WAIVER OF STATEWIDENESS REQUIREMENT.—The Secretary shall waive section 1902(a)(1) of the Social Security Act (42 U.S.C. 1396(a)(1)) (relating to state-
hood) as may be necessary to conduct demonstra-
tion programs in accordance with the requirements of this subsection.

“(7) ANNUAL REPORTS.—

“(A) IN GENERAL.—Not later than 1 year after the date on which the first State is selected for a demon-
stration program under this subsection, and an-
nually thereafter, the Secretary shall submit to Congress an annual report on the use of funds pro-
vided under all demonstration programs conducted under this subsection. Each such report shall in-
clude—

“(i) an assessment of access to community-
based mental health services under the Medicaid program in the area or areas of a State targeted by a demonstration program compared to other areas of the State;

“(ii) an assessment of the quality and scope of services provided by certified community behav-
ioral health clinics compared to community-
based mental health services provided in States not participating in a demonstration program under this subsection and in areas of a dem-
stration State that are not participating in the demonstration program; and

“(iii) an assessment of the impact of the demon-
stration programs on the Federal and State costs of a full range of mental health services (in-
cluding inpatient, emergency and ambulatory services).

“(B) RECOMMENDATIONS.—Not later than Decem-
ber 31, 2021, the Secretary shall submit to Congress recommendations concerning whether the demon-
stration programs under this section should be continued, expanded, modified, or terminated.

“(c) DEFINITIONS.—In this section:

“(1) FEDERALLY-QUALIFIED HEALTH CENTER SERVICES; FEDERALLY-QUALIFIED HEALTH CENTER; RURAL HEALTH CLINIC SERVICES; RURAL HEALTH CLINIC.—The terms ‘Federally-qualified health center services’, ‘Feder-
ally-qualified health center’, ‘rural health clinic services’, and ‘rural health clinic’ have the meanings given those terms in section 1905(f) of the Social Se-
curity Act (42 U.S.C. 1396d(f)).

“(2) ENHANCED FMAP.—The term ‘enhanced FMAP’ has the meaning given that term in section 2105(b) of the Social Security Act (42 U.S.C. 1397dd(b)(1397ee(b))) but without regard to the second and third sentences of that section.

“(3) SECRETARY.—The term ‘Secretary’ means the Secretary of Health and Human Services.

“(4) STATE.—The term ‘State’ has the meaning given such term for purposes of title XIX of the So-
cial Security Act (42 U.S.C. 1396 et seq.).

“(5) FUNDING.—

“(1) IN GENERAL.—Out of any funds in the Treasury not otherwise appropriated, there is appropriated to the Secretary—

“(A) for purposes of carrying out subsections (a), (b), and (d)(7), $2,000,000 for fiscal year 2014; and

“(B) for purposes of awarding planning grants under subsection (c), $25,000,000 for fiscal year 2016.

“(2) AVAILABILITY.—Funds appropriated under para-
graph (1) shall remain available until expended.”

REPORTS TO CONGRESS

nually thereafter, the Secretary of Health and Human Services shall submit a report to the appropriate com-
mittees of Congress on the total enrollment and new enrollment in Medicaid for the fiscal year ending on September 30 of the preceding calendar year on a na-
tional and State-by-State basis, and shall include in each such report such recommendations for administra-
tive or legislative changes to improve enrollment in the Medicaid program as the Secretary determines ap-
propriate.”

DEMONSTRATION PROJECT TO EVALUATE INTEGRATED CARE AROUND A HOSPITALIZATION

“(a) Authority to Conduct Project.—

“(1) In general.—The Secretary of Health and Human Services (in this section referred to as the ‘Secretary’) shall establish a demonstration project under title XIX of the Social Security Act [42 U.S.C. 1396 et seq.] to evaluate the use of bundled payments for the provision of integrated care for a Medicaid beneficiary.

“(A) with respect to an episode of care that includes a hospitalization; and

“(B) for concurrent physicians services provided during a hospitalization.

“(2) Duration.—The demonstration project shall begin on January 1, 2012, and shall end on December 31, 2016.

“(b) Requirements.—The demonstration project shall be conducted in accordance with the following:

“(1) The demonstration project shall be conducted in up to 8 States, determined by the Secretary based on consideration of the potential to lower costs under the Medicaid program while improving care for Medicaid beneficiaries. A State selected to participate in the demonstration project may target the demonstration project to particular categories of beneficiaries, beneficiaries with particular diagnoses, or particular geographic regions of the State, but the Secretary shall insure [sic] that, as a whole, the demonstration project is, to the greatest extent possible, representative of the demographic and geographic composition of Medicaid beneficiaries nationally.

“(2) The demonstration project shall focus on conditions where there is evidence of an opportunity for providers of services and suppliers to improve the quality of care furnished to Medicaid beneficiaries while reducing total expenditures under the State Medicaid programs selected to participate, as determined by the Secretary.

“(3) A State selected to participate in the demonstration project shall specify the 1 or more episodes of care as well as the services to be included in the bundled payments, and the rationale for the selection of such episodes of care and services. The Secretary may modify the episodes of care as well as the services to be included in the bundled payments prior to or after approving the project. The Secretary may also vary such factors among the different States participating in the demonstration project.

“(4) The Secretary shall ensure that payments made under the demonstration project are adjusted for severity of illness and other characteristics of Medicaid beneficiaries within a category or having a diagnosis targeted as part of the demonstration project. States shall ensure that Medicaid beneficiaries are not liable for any additional cost sharing than if their care had not been subject to payment under the demonstration project.

“(5) Hospitals participating in the demonstration project shall have or establish robust discharge planning programs to ensure that Medicaid beneficiaries requiring post-acute care are appropriately placed in, or have ready access to, post-acute care settings.

“(6) The Secretary and each State selected to participate in the demonstration project shall ensure that the demonstration project does not result in the Medicaid beneficiaries whose care is subject to payment under the demonstration project being provided with less items and services for which medical assistance is provided under the State Medicaid program than the items and services for which medical assistance would have been provided to such beneficiaries under the State Medicaid program in the absence of the demonstration project.

“(c) Waiver of Provisions.—Notwithstanding section 1115(a) of the Social Security Act (42 U.S.C. 1315(a)), the Secretary may waive such provisions of titles XIX, XVIII, and XI of that Act (42 U.S.C. 1396 et seq., 1301 et seq.) as may be necessary to accomplish the goals of the demonstration, ensure beneficiary access to acute and post-acute care, and maintain quality of care.

“(d) Evaluation and Report.—

“(1) Data.—Each State selected to participate in the demonstration project under this section shall provide to the Secretary in such form and manner as the Secretary shall specify, relevant data necessary to monitor outcomes, costs, and quality, and evaluate the rationale for selection of the episodes of care and services specified by States under subsection (b)(3).

“(2) Report.—Not later than 1 year after the conclusion of the demonstration project, the Secretary shall submit a report to Congress on the results of the demonstration project.”

Pediatric Accountable Care Organization Demonstration Project

“(a) Authority to Conduct Demonstration.—

“(1) In general.—The Secretary of Health and Human Services (referred to in this section as the ‘Secretary’) shall establish the Pediatric Accountable Care Organization Demonstration Project to authorize a participating State to allow pediatric medical providers that meet specified requirements to be recognized as an accountable care organization for purposes of receiving incentive payments (as described under subsection (d)), in the same manner as an accountable care organization is recognized and provided with incentive payments under section 1899 of the Social Security Act [42 U.S.C. 1397jjj] (as added by section 3023).

“(2) Duration.—The demonstration project shall begin on January 1, 2012, and shall end on December 31, 2016.

“(b) Application.—A State that desires to participate in the demonstration project under this section shall submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require.

“(c) Requirements.—

“(1) Performance Guidelines.—The Secretary, in consultation with the States and pediatric providers, shall establish guidelines to ensure that the quality of care delivered to individuals by a provider recognized as an accountable care organization under this section is not less than the quality of care that would have otherwise been provided to such individuals.

“(2) Savings Requirement.—A participating State, in consultation with the Secretary, shall establish an annual minimal level of savings in expenditures for items and services covered under the Medicaid program under title XIX of the Social Security Act [42 U.S.C. 1396 et seq.] and the CHIP program under title XXI of such Act [42 U.S.C. 1397aa et seq.] that must be reached by an accountable care organization in order for such organization to receive an incentive payment under subsection (d).

“(3) Minimum Participation Period.—A provider desiring to be recognized as an accountable care organization under the demonstration project shall enter into an agreement with the State to participate in the project for not less than a 3-year period.

“(d) Incentive Payment.—An accountable care organization that meets the performance guidelines established by the Secretary under subsection (c)(1) and achieves savings greater than the annual minimal savings level established by the State under subsection (c)(2) shall receive an incentive payment for such year equal to a portion (as determined appropriate by the Secretary) of the amount of such excess savings. The Secretary may establish an annual cap on incentive payments for an accountable care organization.

“(e) Authorization of Appropriations.—There are authorized to be appropriated such sums as are necessary to carry out this section.”

Medicaid Emergency Psychiatric Demonstration Project
“(a) AUTHORITY TO CONDUCT DEMONSTRATION PROJECT.—The Secretary of Health and Human Services (in this section referred to as the ‘Secretary’) shall establish a demonstration project under which an eligible State (as described in subsection (c)) shall provide payment under the State Medicaid plan under title XIX of the Social Security Act [42 U.S.C. 1396 et seq.] to an institution for mental disease that is publicly or not publicly owned or operated and that is subject to the requirements of section 1867 of the Social Security Act (42 U.S.C. 1395dd) for the provision of medical assistance available under such plan to individuals who—

“(1) have attained age 21, but have not attained age 65;

“(2) are eligible for medical assistance under such plan; and

“(3) require such medical assistance to stabilize an emergency medical condition.

“(b) STABILIZATION REVIEW.—A State shall specify in its application described in subsection (c)(1) establish a mechanism for how it will ensure that institutions participating in the demonstration will determine whether or not such individuals have been stabilized (as defined in subsection (b)(5)). This mechanism shall commence before the third day of the inpatient stay. States participating in the demonstration project may manage the provision of medical assistance available under such plan to individuals who—

“(1) have attained age 21, but have not attained age 65;

“(2) are eligible for medical assistance under such plan; and

“(3) require such medical assistance to stabilize an emergency medical condition.

“(c) ELIGIBLE STATE DEFINED.—

“(1) IN GENERAL.—Except as otherwise provided in paragraph (4), an eligible State is a State that has made an application and has been selected pursuant to paragraphs (2) and (3).

“(2) APPLICATION.—A State seeking to participate in the demonstration project under this section shall submit to the Secretary, at such time and in such format as the Secretary requires, an application that includes such information, provisions, and assurances, as the Secretary may require.

“(3) SELECTION.—Except as otherwise provided in paragraph (4), a State shall be determined eligible for the demonstration by the Secretary on a competitive basis among States with applications meeting the requirements of paragraph (1). In selecting State applications for the demonstration project, the Secretary shall seek to achieve an appropriate national balance in the geographic distribution of such projects.

“(d) LENGTH OF DEMONSTRATION PROJECT.—

“(1) IN GENERAL.—Except as provided in paragraphs (2) and (3), the demonstration project established under this section shall be conducted for a period of 3 consecutive years.

“(2) TEMPORARY EXTENSION OF PARTICIPATION ELIGIBILITY FOR SELECTED STATES.—

“(A) IN GENERAL.—Subject to subparagraph (B) and paragraph (4), a State selected as an eligible State to participate in the demonstration project on or prior to March 13, 2012, shall, upon the request of the State, be permitted, if the Secretary determines that the continued participation of the State in the demonstration project is projected not to increase net program spending under title XIX of the Social Security Act [42 U.S.C. 1396 et seq.], to make an application for additional extension of the State’s participation in the demonstration project on or prior to March 13, 2012, with notice of the determination and certification made under subparagraph (A) for the State.

“(B) REQUIREMENTS FOR ADDITIONAL EXTENSION.—A State seeking to participate in the demonstration project under this section shall be conducted for a period of 3 consecutive years.

“(C) NOTICE OF PROJECTIONS.—The Secretary shall provide each State participating in the demonstration project as of the date the Secretary submits recommendations to Congress under subsection (f)(3), any additional State that applies to be added to the demonstration project, with notice of the determination and certification made for the State under subparagraphs (A) and (B), respectively, and the standard used to make such determination and certification.

“(d) FUNDING.—

“(1) APPROPRIATION.—

“(A) ADDITIONAL EXTENSION.—Taking into account the recommendations submitted to Congress under subsection (f)(3), the Secretary may allow an eligible State participating in the demonstration project as of the date such recommendations are submitted to continue to participate in the project through December 31, 2019, if, with respect to the State—

“(i) the Secretary determines that the continued participation of the State in the demonstration project is projected not to increase net program spending under title XIX of the Social Security Act [42 U.S.C. 1396 et seq.]; and

“(ii) the Chief Actuary of the Centers for Medicare & Medicaid Services certifies that the continued participation of the State in the demonstration project is projected not to increase net program spending under title XIX of the Social Security Act.

“(B) OPTION FOR EXPANSION TO ADDITIONAL STATES.—Taking into account the recommendations submitted to Congress pursuant to subsection (f)(3), the Secretary may expand the number of eligible States participating in the demonstration project through December 31, 2019, if, with respect to any new eligible State—

“(i) the Secretary determines that the participation of the State in the demonstration project is projected not to increase net program spending under title XIX of the Social Security Act; and

“(ii) the Chief Actuary of the Centers for Medicare & Medicaid Services certifies that the participation of the State in the demonstration project is projected not to increase net program spending under title XIX of the Social Security Act.

“(C) NOTICE OF PROJECTIONS.—The Secretary shall provide each State participating in the demonstration project as of the date the Secretary submits recommendations to Congress under subsection (f)(3), not later than August 31, 2016; and

“(D) AUTHORITY TO ENSURE BUDGET NEUTRALITY.—The Secretary annually shall review each participating State’s demonstration project expenditures to ensure compliance with the requirements of paragraphs (3)(A)(i), (3)(A)(ii), (3)(A)(iii), (3)(B)(i), and (3)(B)(ii) (as applicable). If the Secretary determines, with respect to a State’s participation in the demonstration project that the State’s net program spending under title XIX of the Social Security Act [42 U.S.C. 1396 et seq.], has increased as a result of the State’s participation in the project, the Secretary shall treat the demonstration project excess expenditures of the State as an overpayment under title XIX of the Social Security Act.

“(e) FUNDING.—

“(1) APPROPRIATION.—
“(A) IN GENERAL.—Out of any funds in the Treasury not otherwise appropriated, there is appropriated to carry out this section, $75,000,000 for fiscal year 2011.

“(B) BUDGET AUTHORITY.—Subparagraph (A) constitutes budget authority in advance of appropriations Act (sic) and represents the obligation of the Federal Government to provide for the payment out of the amounts appropriated under that subparagraph.

“(2) AVAILABILITY [sic].—Funds appropriated under paragraph (1) shall remain available for obligation until expended.

“(3) FUNDS ALLOCATED TO STATES.—Funds shall be allocated to eligible States on the basis of criteria, including a State’s application (other than States deemed to be eligible States through the application of subsection (c)(4)), as determined by the Secretary.

“(4) PAYMENTS TO STATES.—The Secretary shall pay to each eligible State (other than a State deemed to be an eligible State through the application of subsection (c)(4)), from its allocation under paragraph (3), an amount each quarter equal to the Federal medical assistance percentage of expenditures in the quarter for medical assistance described in subsection (a). In addition to any payments made to an eligible State under the preceding sentence, the Secretary shall, during any period in effect under paragraph (2) or (3) of subsection (d), or during any period in which a law described in subsection (f)(4)(C) is in effect, pay each eligible State (including any State deemed to be an eligible State through the application of subsection (c)(4)), an amount each quarter equal to the Federal medical assistance percentage of expenditures in the quarter during such period for medical assistance described in subsection (a). Payments made to a State for emergency psychiatric demonstration services under this section during the extension period shall be treated as medical assistance under the State plan for purposes of section 1903(a)(1) of the Social Security Act (42 U.S.C. 1396a(a)(1)). As a condition of receiving payment, a State shall collect and report information, as determined necessary by the Secretary, for the purposes of providing Federal oversight and conducting an evaluation under subsection (f)(1).

“(1) EVALUATION, REPORT, AND RECOMMENDATIONS TO CONGRESS.—

“(1) EVALUATION.—The Secretary shall conduct an evaluation of the demonstration project in order to determine the impact on the functioning of the health and mental health service system and on individuals enrolled in the Medicaid program and shall include the following:

“(A) An assessment of access to inpatient mental health services under the Medicaid program; average lengths of inpatient stays; and emergency room visits.

“(B) An assessment of discharge planning by participating hospitals.

“(C) An assessment of the impact of the demonstration project on the costs of the full range of mental health services (including inpatient, emergency and ambulatory care).

“(D) An analysis of the percentage of consumers with Medicaid coverage who are admitted to inpatient facilities as a result of the demonstration project as compared to those admitted to these same facilities through other means.

“(E) A recommendation regarding whether the demonstration project should be continued after December 31, 2013, and expanded on a national basis.

“(2) REPORT.—Not later than December 31, 2013, the Secretary shall submit to Congress and make available to the public a report on the findings of the evaluation under paragraph (1).

“(3) RECOMMENDATION TO CONGRESS REGARDING PERMANENT EXTENSION AND NATIONWIDE EXPANSION.—Not later than April 1, 2019, the Secretary shall submit to Congress and make available to the public recommendations based on an evaluation of the demonstration project, including the use of appropriate quality measures, regarding—

“(i) whether the demonstration project should be permanently continued after December 31, 2019, in 1 or more States; and

“(ii) whether the demonstration project should be expanded (including on a nationwide basis).

“(B) REQUIREMENTS.—Any recommendation submitted under subparagraph (A) to permanently continue the project in a State, or to expand the project to 1 or more other States (including on a nationwide basis) shall include a certification from the Chief Actuary of the Centers for Medicare & Medicaid Services that the demonstration project to a particular State, or expanding the project to a particular State (or all States) is projected not to increase net program spending under title XIX of the Social Security Act [42 U.S.C. 1396 et seq.].

“(C) CONGRESSIONAL APPROVAL REQUIRED.—The Secretary shall not permanently continue the demonstration project in any State after December 31, 2019, or expand the demonstration project to any additional State after December 31, 2019, unless Congress enacts a law approving either or both such actions and the law includes provisions that—

“(i) ensure that each State’s participation in the project complies with budget neutrality requirements; and

“(ii) require the Secretary to treat any expenditures of a State participating in the demonstration project that are [in] excess of the expenditures projected under the budget neutrality standard for the State as an overpayment under title XIX of the Social Security Act.

“(d) FUNDING.—Of the unobligated balances of amounts available in the Centers for Medicare & Medicaid Services Program Management account, $100,000 shall be available to carry out this subsection and shall remain available until expended.

“(g) WAIVER AUTHORITY.—

“(1) IN GENERAL.—The Secretary shall waive the limitation of subdivision (B) following paragraph (2b) of section 1905(a) of the Social Security Act (42 U.S.C. 1396d(a)) (relating to limitations on payments for care or services for individuals under 65 years of age who are patients in an institution for mental diseases) for purposes of carrying out the demonstration project under this section.

“(2) LIMITED OTHER WAIVER AUTHORITY.—The Secretary may waive other requirements of titles XI and XIX of the Social Security Act (42 U.S.C. 1311 et seq., 1396 et seq.) (including the requirements of sections 1902(a)(1) [42 U.S.C. 1396a(a)(1)] (relating to state-wideness) and 1902(1)(10)(B) [probably means 1902(a)(1)(10)(B), 42 U.S.C. 1396a(a)(1)(10)(B)] (relating to comparability)) only to the extent necessary to carry out the demonstration project under this section.

“(h) DEFINITIONS.—In this section:

“(1) EMERGENCY MEDICAL CONDITION.—The term ‘emergency medical condition’ means, with respect to an individual, an individual who expresses suicidal or homicidal thoughts or gestures, if determined dangerous to self or others.

“(2) FEDERAL MEDICAL ASSISTANCE PERCENTAGE.—The term ‘Federal medical assistance percentage’ has
the meaning given that term with respect to a State under section 1905(b) of the Social Security Act (42 U.S.C. 1396d(b)).

(3) INSTITUTION FOR MENTAL DISEASES.—The term ‘institution for mental diseases’ has the meaning given to that term in section 1905(i) of the Social Security Act (42 U.S.C. 1396d(i)).

(4) MEDICAL ASSISTANCE.—The term ‘medical assistance’ has the meaning given that term in section 1906(a) of the Social Security Act (42 U.S.C. 1396d(a)).

(5) STABILIZED.—The term ‘stabilized’ means, with respect to an individual, that the emergency medical condition no longer exists with respect to the individual and the individual is no longer dangerous to self or others.

(6) STATE.—The term ‘State’ has the meaning given that term for purposes of title XIX of the Social Security Act (42 U.S.C. 1396 et seq.).

Pub. L. 114-97, § 2(e), Dec. 11, 2015, 129 Stat. 2198, provided that: ‘‘(1) ENSURE that the amendments made by this section [amending section 2707 of Pub. L. 111-148, set out above] shall take effect on the date of the enactment of this Act [Dec. 11, 2015].’’

INCENTIVES FOR PREVENTION OF CHRONIC DISEASES IN MEDICAID


(a) INITIATIVES.—

(1) ESTABLISHMENT.—

(A) IN GENERAL.—The Secretary [of Health and Human Services] shall award grants to States to carry out initiatives to provide incentives to Medicaid beneficiaries who—

(i) successfully participate in a program described in paragraph (3); and

(ii) upon completion of such participation, demonstrate changes in health risk and outcomes, including the adoption and maintenance of healthy behaviors by meeting specific targets (as described in subsection (c)(2)).

(B) PURPOSE.—The purpose of the initiatives under this section is to test approaches that may encourage behavior modification and determine scalable solutions.

(2) DURATION.—

(A) INITIATION OF PROGRAM; RESOURCES.—The Secretary shall award grants to States beginning on January 1, 2011, or beginning on the date on which the Secretary develops program criteria, whichever is earlier. The Secretary shall develop program criteria for initiatives under this section using relevant evidence-based research and resources, including the Guide to Community Preventive Services, the Guide to Clinical Preventive Services, and the National Registry of Evidence-Based Programs and Practices.

(B) DURATION OF PROGRAM.—A State awarded a grant to carry out initiatives under this section shall carry out such initiatives within the 5-year period beginning on January 1, 2011, or beginning on the date on which the Secretary develops program criteria, whichever is earlier. Initiatives under this section shall be carried out by a State for a period of not less than 3 years.

(3) PROGRAM DESCRIBED.—

(A) IN GENERAL.—A program described in this paragraph is a comprehensive, evidence-based, widely available, and easily accessible program, proposed by the State and approved by the Secretary, that is designed and uniquely suited to address the needs of Medicaid beneficiaries and has demonstrated success in helping individuals achieve one or more of the following:

(i) Controlling or reducing their weight.

(ii) Lowering their cholesterol.

(iii) Lowering their blood pressure.

(iv) Avoiding the onset of diabetes or, in the case of a diabetic, improving the management of that condition.

(B) CO-MORBIDITIES.—A program under this section may also address co-morbidities (including depression) that are related to any of the conditions described in subparagraph (a) and any of the conditions described in paragraph (2) of subsection (b).

(C) Wavier authority.—The Secretary may waive the requirements of section 1902(a)(1) (relating to statewideness) of the Social Security Act (42 U.S.C. 1396a(a)(1)) for a State that conducts an initiative under this section and shall ensure that a State makes any program described in subparagraph (A) available and accessible to Medicaid beneficiaries.

(D) FLEXIBILITY IN IMPLEMENTATION.—A State may enter into arrangements with providers participating in Medicaid, community-based organizations, faith-based organizations, public-private partnerships, Indian tribes, or similar entities or organizations to carry out programs described in subparagraph (A).

(4) APPLICATION.—Following the development of program criteria by the Secretary, a State may submit an application, in such manner and containing such information as the Secretary may require, that shall include a proposal for programs described in paragraph (3)(A) and a plan to make Medicaid beneficiaries and providers participating in Medicaid who reside in the State aware and informed about such programs.

(b) EDUCATION AND OUTREACH CAMPAIGN.—

(1) STATE AWARENESS.—The Secretary shall conduct an outreach and education campaign to make States aware of the grants under this section.

(2) PROVIDER AND BENEFICIARY EDUCATION.—A State awarded a grant to conduct an initiative under this section shall conduct an outreach and education campaign to make Medicaid beneficiaries and providers participating in Medicaid who reside in the State aware of the programs described in subsection (a)(3) that are to be carried out by the State under the grant.

(3) IMPACT.—A State awarded a grant to conduct an initiative under this section shall develop and implement a system to—

(i) track Medicaid beneficiary participation in the program and validate changes in health risk and outcomes with clinical data, including the adoption and maintenance of health behaviors by such beneficiaries;

(ii) to the extent practicable, establish standards and health status targets for Medicaid beneficiaries participating in the program and measure the degree to which such standards and targets are met;

(iii) evaluate the effectiveness of the program and provide the Secretary with such evaluations;

(iv) report to the Secretary on processes that have been developed and lessons learned from the program; and

(v) report on preventive services as part of reporting on quality measures for Medicaid managed care programs.

(c) EVALUATIONS AND REPORTS.

(1) INDEPENDENT ASSESSMENT.—The Secretary shall enter into a contract with an independent entity or organization to conduct an evaluation and assessment of the initiatives carried out by States under this section, for the purpose of determining—

(A) the effect of such initiatives on the use of health care services by Medicaid beneficiaries participating in the program;

(B) the extent to which special populations (including adults with disabilities, adults with chronic illnesses, and children with special health care needs) are able to participate in the program;

(C) the level of satisfaction of Medicaid beneficiaries with respect to the accessibility and quality of health care services provided through the program; and

(D) the administrative costs incurred by State agencies that are responsible for administration of the program.
“(2) STATE REPORTING.—A State awarded a grant to carry out initiatives under this section shall submit reports to the Secretary, on a semi-annual basis, regarding the programs that are supported by the grant funds. Such report shall include information, as specified by the Secretary, regarding—

“(A) the specific uses of the grant funds; 

“(B) an assessment of the program implementation and lessons learned from the program; 

“(C) an assessment of quality improvements and clinical outcomes under such programs; and 

“(D) estimates of cost savings resulting from such programs.

“(3) INITIAL REPORT.—Not later than January 1, 2014, the Secretary shall submit to Congress an initial report on such initiatives based on information provided by States through reports required under paragraph (2). The initial report shall include an interim evaluation of the effectiveness of the initiatives carried out with grants awarded under this section and a recommendation regarding whether funding for expanding or extending the initiatives should be extended beyond January 1, 2016.

“(4) FINAL REPORT.—Not later than July 1, 2016, the Secretary shall submit to Congress a final report on the program that includes the results of the independent assessment required under paragraph (1), together with recommendations for such legislation and administrative action as the Secretary determines appropriate.

“(e) NO EFFECT ON ELIGIBILITY FOR, OR AMOUNT OF, MEDICAID OR OTHER BENEFITS.—Any incentives provided to a Medicaid beneficiary participating in a program described in subsection (a)(3) shall not be taken into account for purposes of determining the beneficiary’s eligibility for, or amount of benefits under the Medicaid program or any program funded in whole or in part with Federal funds.

“(f) FUNDING.—Out of any funds in the Treasury not otherwise appropriated, there are appropriated for the 5-year period beginning on January 1, 2011, $100,000,000 to the Secretary to carry out this section. Amounts appropriated under this subsection shall remain available until expended.

“(g) DEFINITIONS.—In this section:

“(1) MEDICAID BENEFICIARY.—The term ‘Medicaid beneficiary’ means an individual who is eligible for medical assistance under a State plan or waiver under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.) and is enrolled in such plan or waiver.

“(2) STATE.—The term ‘State’ has the meaning given that term for purposes of title XIX of the Social Security Act (42 U.S.C. 1396 et seq.).

COORDINATION OF EXPANSION OF THE RECOVERY AUDIT CONTRACTOR PROGRAM; REGULATIONS


“(A) In General.—The Secretary of Health and Human Services, acting through the Administrator of the Centers for Medicare & Medicaid Services, shall coordinate the expansion of the Recovery Audit Contractor program to Medicaid with States, particularly with respect to each State that enters into a contract with a recovery audit contractor for purposes of the State’s Medicaid program prior to December 31, 2010.

“(B) Regulations.—The Secretary of Health and Human Services shall promulgate regulations to carry out this subsection [amending this section] and the amendments made by this subsection, including with respect to conditions of Federal financial participation, as specified by the Secretary.”

ANNUAL REPORT

Pub. L. 111–148, title VI, §6411(c), Mar. 23, 2010, 124 Stat. 775, provided that: “The Secretary of Health and Human Services, acting through the Administrator of the Centers for Medicare & Medicaid Services, shall submit an annual report to Congress concerning the effectiveness of the Recovery Audit Contractor program under Medicaid and Medicare and shall include [in such reports] recommendations for expanding or improving the program.”

PURPOSES OF 2009 AMENDMENT

Pub. L. 111–5, div. B, title V, §5000(a), Feb. 17, 2009, 123 Stat. 496, provided that: “The purposes of this title [enacting section 1320–21 to 1320–24 of this title, amending this section and sections 1396b, 1396c–1, 1396f–4, 1396f–6, 1396i–2, 1396a–3, and 1397gg of this title, and enacting provisions set out as notes under this section and sections 1396d and 1396–6 of this title] are as follows:

“(1) To provide fiscal relief to States in a period of economic downturn.

“(2) To protect and maintain State Medicaid programs during a period of economic downturn, including by helping to avert cuts to provider payment rates and benefits or services, and to prevent constrictions of income eligibility requirements for such programs, but not to promote increases in such requirements.”

LIMITATION ON WAIVER AUTHORITY

Pub. L. 111–3, title II, §211(a)(2), Feb. 4, 2009, 123 Stat. 52, provided that: “Notwithstanding any provision of section 1115 of the Social Security Act (42 U.S.C. 1315), or any other provision of the Secretary of Health and Human Services may not waive the requirements of section 1902(a)(46)(B) of such Act (42 U.S.C. 1396a(a)(46)(B)) with respect to a State.”

EXTENSION OF SSI WEB-BASED ASSET DEMONSTRATION PROJECT TO THE MEDICAID PROGRAM


DEMONSTRATION PROJECTS REGARDING HOME AND COMMUNITY-BASED ALTERNATIVES TO PSYCHIATRIC RESIDENTIAL TREATMENT FACILITIES FOR CHILDREN

Pub. L. 109–171, title VI, §6063, Feb. 8, 2006, 120 Stat. 99, provided that:

“(a) In General.—The Secretary is authorized to conduct, during each of fiscal years 2007 through 2011, demonstration projects (each in the section referred to as a ‘demonstration project’) in accordance with this section under which up to 10 States (as defined for purposes of title XIX of the Social Security Act (42 U.S.C. 1396 et seq.)) are awarded grants, on a competitive basis, to test the effectiveness in improving or maintaining a child’s functional level and cost-effectiveness of providing coverage of home and community-based alternatives to psychiatric residential treatment for children enrolled in the Medicaid program under title XIX of such Act.

“(b) Application of Terms and Conditions.—

“(1) In General.—Subject to the provisions of this section, for the purposes of the demonstration projects, and only with respect to children enrolled under such demonstration projects, a psychiatric residential treatment facility (as defined in section 483.352 of title 42 of the Code of Federal Regulations) shall be deemed to be a facility specified in section 1915(c) of the Social Security Act (42 U.S.C. 1396n(19)), and to be included in each reference in such section 1915(c) to hospitals, nursing facilities, and intermediate care facilities for the mentally retarded.

“(2) State Option to assure Continuity of Medicaid Coverage.—Upon the termination of a demonstration project under this section, the State that conducted the project may elect, only with respect to a child who is enrolled in such project on the termination date, to continue to provide medical assistance for coverage of home and community-based al-
ternatives to psychiatric residential treatment for the child in accordance with section 1915(c) of the Social Security Act (42 U.S.C. 1396n(c), as modified through the application of paragraph (1). Expenditures incurred for providing such medical assistance shall be treated as a home and community-based waiver program under section 1915(c) of the Social Security Act (42 U.S.C. 1396n(c)) for purposes of payment under section 1903 of such Act (42 U.S.C. 1396b).

(1) Terms of Demonstration Projects.—

"(1) in general.—Except as otherwise provided in this section, a demonstration project shall be subject to the same terms and conditions as apply to a waiver under section 1915(c) of the Social Security Act (42 U.S.C. 1396n(c)), including the waiver of certain requirements under the first sentence of paragraph (3) of such section but not applying the second sentence of such paragraph.

(2) Budget Neutrality.—In conducting the demonstration projects under this section, the Secretary shall ensure that the aggregate payments made by the Secretary under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.) do not exceed the amount which the Secretary estimates would have been paid under that title if the demonstration projects under this section had not been implemented.

(3) Evaluation.—The application for a demonstration project shall include an assurance to provide for such interim and final evaluations of the demonstration project by independent third parties, and for such interim and final reports to the Secretary, as the Secretary may require.

(4) Payments to States: Limitations to Scope and Funding.—

"(1) in general.—Subject to paragraph (2), a demonstration project approved by the Secretary under this section shall be treated as a home and community-based waiver program under section 1915(c) of the Social Security Act (42 U.S.C. 1396n(c)) for purposes of payment under section 1903 of such Act (42 U.S.C. 1396b).

"(2) Limitation.—In no case may the amount of payments made by the Secretary under this section for State demonstration projects for a fiscal year exceed the amount available under subsection (f)(2)(A) for such fiscal year.

(5) Secretary's Evaluation and Report.—The Secretary shall conduct an interim and final evaluation of State demonstration projects under this section and shall report to the President and Congress the conclusions of such evaluations within 12 months of completing such evaluations.

(6) Funding.—

"(1) in general.—For the purpose of carrying out this section, there are appropriated, from amounts in the Treasury not otherwise appropriated, for fiscal years 2007 through 2011, a total of $218,000,000, of which—

"(A) the amount specified in paragraph (2) shall be available for each of fiscal years 2007 through 2011; and

"(B) a total of $1,000,000 shall be available to the Secretary for the evaluations and report under subsection (e).

"(2) Fiscal Year Limit.—

"(A) in general.—For purposes of paragraph (1), the amount specified in this paragraph for a fiscal year is the amount specified in subparagraph (B) for the fiscal year plus the difference, if any, between the total amount available under this paragraph for prior fiscal years and the total amount previously expended under paragraph (1)(A) for such prior fiscal years.

"(B) Fiscal Year Amounts.—The amount specified in this subparagraph for—

"(i) fiscal year 2007 is $21,000,000;

"(ii) fiscal year 2008 is $37,000,000;

"(iii) fiscal year 2009 is $49,000,000;

"(iv) fiscal year 2010 is $53,000,000; and

"(v) fiscal year 2011 is $57,000,000.

Money Follows the Person Rebalancing Demonstration


"(a) Program Purpose and Authority.—The Secretary is authorized to award, on a competitive basis, grants to States in accordance with this section for demonstration projects (each in this section referred to as an ‘MFP demonstration project’) designed to achieve the following objectives with respect to institutional and home and community-based long-term care services under State Medicaid programs:

"(1) Rebalancing.—Increase the use of home and community-based, rather than institutional, long-term care services.

"(2) Money follows the person.—Eliminate barriers or mechanisms, whether in the State law, the State Medicaid plan, the State budget, or otherwise, that prevent or restrict the flexible use of Medicaid funds to enable Medicaid-eligible individuals to receive support for appropriate and necessary long-term services in the settings of their choice.

"(3) Continuity of Service.—Increase the ability of the State Medicaid program to assure continuity of provision of home and community-based long-term care services to eligible individuals who choose to transition from an institutional to a community setting.

"(4) Quality Assurance and Quality Improvement.—Ensure that procedures are in place (at least comparable to those required under the qualified HCB program) to provide quality assurance for eligible individuals receiving Medicaid home and community-based long-term care services and to provide for continuous quality improvement in such services.

"(b) Definitions.—For purposes of this section:

"(1) Home and Community-Based Long-Term Care Services.—The term ‘home and community-based long-term care services’ means, with respect to a State Medicaid program, home and community-based services (including home health and personal care services) that are provided under the State’s qualified HCB program or that could be provided under such a program but are otherwise provided under the Medicaid program.

"(2) Eligible Individual.—The term ‘eligible individual’ means, with respect to an MFP demonstration project of a State, an individual in the State—

"(i) who, immediately before beginning participation in the MFP demonstration project—

"(A) resides (and has resided for a period not less than 90 consecutive days) in an inpatient facility;

"(B) is receiving Medicaid benefits for inpatient services furnished by such inpatient facility; and

"(ii) during the period in which such individual is receiving Medicaid benefits for inpatient services furnished by such inpatient facility, would have continued to require the level of care provided in an inpatient facility and, in any case in which the State applies a more stringent level of care standard as a result of implementing the State plan option permitted under section 1915(i) of the Social Security Act [42 U.S.C. 1396n(i)], the individual must continue to require at least the level of care which had resulted in admission to the institution; and

"(3) the fiscal year in which such individual resides in a qualified residence begins on the initial date of participation in the demonstration project.

Any days that an individual resides in an institution on the basis of having been admitted solely for purposes of receiving short-term rehabilitation services for a period for which payment for such services is limited under title XVIII [42 U.S.C. 1395 et seq.] shall
not be taken into account for purposes of determining the 90-day period required under subparagraph (A)(i).

(3) INPATIENT FACILITY.—The term ‘inpatient facility’ means a hospital, nursing facility, or intermediate care facility for the mentally retarded. Such term includes an institution for mental diseases, but only, with respect to a State, to the extent medical assistance is available under the State Medicaid plan for services provided by such institution.

(4) MFP.—The term ‘MFP’ means, with respect to a State, the State program under title XIX of the Social Security Act [42 U.S.C. 1396 et seq.] (including any waiver or demonstration under such title or under section 1115 of such Act [42 U.S.C. 1315] relating to such title).

(5) QUALIFIED HCB PROGRAM.—The term ‘qualified HCB program’ means a program providing home and community-based long-term care services under Medicaid, whether or not operating under waiver authority.

(6) QUALIFIED RESIDENCE.—The term ‘qualified residence’ means, with respect to an eligible individual—

(A) a home owned or leased by the individual or the individual’s family member; and

(B) an apartment with an individual lease, with lockable access and egress, and which includes living, sleeping, bathing, and cooking areas over which the individual or the individual’s family has domain and control; and

(C) a residence, in a community-based residential setting, in which no more than 4 unrelated individuals reside.

(7) QUALIFIED EXPENDITURES.—The term ‘qualified expenditures’ means expenditures by the State under its MFP demonstration project for home and community-based long-term care services for an eligible individual participating in the MFP demonstration project, but only with respect to services furnished during the 12-month period beginning on the date the individual is discharged from an inpatient facility referred to in paragraph (2)(A)(i).

(8) SELF-DIRECTED SERVICES.—The term ‘self-directed services’ means, with respect to an eligible individual—

(A) the target groups of eligible individuals to be so assisted during each such year; and

(B) the projected numbers of eligible individuals in each targeted group of eligible individuals to be so assisted during each such year.

(c) STATE APPLICATION.—A State seeking approval of an MFP demonstration project shall submit to the Secretary, at such time and in such format as the Secretary requires, an application meeting the following requirements and containing such additional information, provisions, and assurances, as the Secretary may require:

(1) ASSURANCE OF A PUBLIC DEVELOPMENT PROCESS.—The application contains an assurance that the State has engaged, and will continue to engage, in a public process for the design, development, and evaluation of the MFP demonstration project that allows for input from eligible individuals, the families of such individuals, authorized representatives of such individuals, providers, and other interested parties.

(2) OPERATION IN CONNECTION WITH QUALIFIED HCB PROGRAM TO ASSURE CONTINUITY OF SERVICES.—The State will conduct the MFP demonstration project for eligible individuals in conjunction with the operation of a qualified HCB program that is in operation (or approved) in the State for such individuals in a manner that assures continuity of Medicaid coverage for such individuals so long as such individuals continue to be eligible for medical assistance.

(3) DEMONSTRATION PROJECT PERIOD.—The application shall specify the period of the MFP demonstration project, which shall include at least 3 consecutive fiscal years in the 5-fiscal-year period beginning with fiscal year 2007.

(4) SERVICE AREA.—The application shall specify the service area or areas of the MFP demonstration project, which may be a statewide area or 1 or more geographic areas of the State.

(5) TARGETED GROUPS AND NUMBERS OF INDIVIDUALS SERVED.—The application shall specify—

(A) the target groups of eligible individuals to be assisted to transition from an inpatient facility to a qualified residence during each fiscal year of the MFP demonstration project; and

(B) the projected numbers of eligible individuals in each targeted group of eligible individuals to be so assisted during each such year.

(c) the estimated total annual qualified expenditures for each fiscal year of the MFP demonstration project.

(6) INDIVIDUAL CHOICE, CONTINUITY OF CARE.—The application shall contain assurances that—

(A) each eligible individual or the individual’s authorized representative will be provided the op-
portunity to make an informed choice regarding whether to participate in the MFP demonstration project;

(B) each eligible individual or the individual’s authorized representative will choose the qualified residence in which the individual will reside and the setting in which the individual will receive home and community-based long-term care services;

(C) the State will continue to make available, so long as the State operates its qualified HCB program consistent with applicable requirements, home and community-based long-term care services to each individual who completes participation in the MFP demonstration project for as long as the individual remains eligible for medical assistance for such services under such qualified HCB program (including meeting a requirement relating to requiring a level of care provided in an inpatient facility and continuing to require such services, and, if the State applies a more stringent level of care standard as a result of implementing the State plan option permitted under section 1915(i) of the Social Security Act (42 U.S.C. 1396n(i)), meeting the requirement for at least the level of care which had resulted in the individual’s admission to the institution).

(7) REHABILITATION.—The application shall—

(A) provide such information as the Secretary may require concerning the dollar amounts of State Medicaid expenditures for the fiscal year, immediately preceding the first fiscal year of the State’s MFP demonstration project, for long-term care services and the percentage of such expenditures that were for institutional long-term care services or were for home and community-based long-term care services.

(B)(i) specify the methods to be used by the State to increase, for each fiscal year during the MFP demonstration project, the dollar amount of such total expenditures for home and community-based long-term care services and the percentage of such total expenditures for long-term care services that are for home and community-based long-term care services; and

(ii) describe the extent to which the MFP demonstration project will contribute to accomplishment of objectives described in subsection (a).

(8) MONEY FOLLOWS THE PERSON.—The application shall describe the methods to be used by the State to eliminate any legal, budgetary, or other barriers to settings of their choice, including costs to transitionuals participating in the project in the appropriate

unless the application was for a qualified HCB program operating under a waiver under subsection (c) or (d) of section 1915 of the Social Security Act (42 U.S.C. 1396n(i)), but for the amount awarded under a grant under this section on a competitive basis to States selected from among those with applications meeting the requirements of subsection (c), in accordance with the provisions of this subsection.

(2) SELECTION AND MODIFICATION OF STATE APPLICATIONS.—In selecting State applications for the awarding of such a grant, the Secretary shall take into consideration the manner in which, and extent to which, the State proposes to achieve the objectives specified in subsection (a);

(3) WAIVER PROJECTS.—The application shall contain or be accompanied by requests for any modification or adjustment of waivers of Medicaid require-

ments described in subsection (d)(3), including adjustments to the maximum numbers of individuals included and package of benefits, including one-time transitional services, provided.

(11) QUALITY ASSURANCE AND QUALITY IMPROVEMENT.—The application shall include—

(A) a plan satisfactory to the Secretary for quality assurance and quality improvement for home and community-based long-term care services under the State Medicaid program, including a plan to assure the health and welfare of individuals participating in the MFP demonstration project; and

(B) an assurance that the State will cooperate in carrying out activities under subsection (f) to develop and implement continuous quality assurance and quality improvement systems for home and community-based long-term care services.

(12) OPTIONAL PROGRAM FOR SELF-DIRECTED SERVICES.—If the State elects to provide for any home and community-based long-term care services as self-directed services (as defined in subsection (b)(8)) under the MFP demonstration project, the application shall provide the following:

(A) MEETING REQUIREMENTS.—A description of how the project will meet the applicable requirements of such subsection for the provision of self-directed services.

(B) VOLUNTARY ELECTION.—A description of how eligible individuals will be provided with the opportunity to make an informed election to receive self-directed services under the project and after the end of the project.

(C) STATE SUPPORT IN SERVICE PLAN DEVELOPMENT.—Satisfactory assurances that the State will provide support to eligible individuals who self-direct in developing and implementing their service plans.

(D) OVERSIGHT OF RECEIPT OF SERVICES.—Satisfactory assurances that the State will ensure that the individual’s receipt of such self-directed services, including steps to assure the quality of services provided and that the provision of such services is consistent with the service plan under such subsection.

Nothing in this section shall be construed as requiring a State to make an election under the project to provide for home and community-based long-term care services as self-directed services, or as requiring an individual to elect to receive self-directed services under the project.

(13) REPORTS AND EVALUATION.—The application shall provide that—

(A) the State will furnish to the Secretary such reports concerning the MFP demonstration project, on such timetable, in such uniform format, and containing such information as the Secretary may require, as will allow for reliable comparisons of MFP demonstration projects across States and the results of such projects.

(B) the State will participate in and cooperate with the evaluation of the MFP demonstration project.

(4) SECRETARY’S AWARD OF COMPETITIVE GRANTS.—

(1) IN GENERAL.—The Secretary shall award grants under this section on a competitive basis to States selected from among those with applications meeting the requirements of subsection (c), in accordance with the provisions of this subsection.

(2) SELECTION AND MODIFICATION OF STATE APPLICATIONS.—In selecting State applications for the awarding of such a grant, the Secretary shall seek to achieve an appropriate national balance in the numbers of eligible individuals, within different target groups of eligible individuals, who are assisted to transition to qualified residences under MFP demonstration projects, and in the geographic distribution of States operating MFP demonstration projects;
“(C) shall give preference to State applications proposing—

(i) to provide transition assistance to eligible individuals within multiple target groups; and

(ii) to provide eligible individuals with the opportunity to receive home and community-based long-term care services as self-directed services, as defined in subsection (b)(8); and

(D) shall take such objectives into consideration in setting the annual amounts of State grant awards under this section.

(3) WAIVER AUTHORITY.—The Secretary is authorized to waive the following provisions of title XIX of the Social Security Act (42 U.S.C. 1396 et seq.), to the extent necessary to enable a State initiative to meet the requirements and accomplish the purposes of this section:

(A) STATEWIDENESS.—Section 1902(a)(1) (42 U.S.C. 1396a(a)(1)), in order to permit implementation of a State initiative in a selected area or areas of the State.

(B) COMPARABILITY.—Section 1902(a)(10)(B), in order to permit the State to adopt institutional eligibility rules to individuals transitioning to community-based care.

(C) INCOME AND RESOURCES ELIGIBILITY.—Section 1902(a)(10)(C)(i)(III), in order to provide a State initiative in a succeeding year or years, together with any unspent portion of an award for prior years, and shall resind the grant award for a fiscal year under this section remaining at the end of such fiscal year shall be available to the Secretary for such fiscal year to carry out this subsection.

(D) PROVIDER AGREEMENTS.—Section 1902(a)(27), in order to permit a State to implement self-directed services in a cost-effective manner.

(4) CONDITIONAL APPROVAL OF OUTYEAR GRANT.—In awarding grants under this section, the Secretary shall condition the grant for the second and any subsequent fiscal years of the grant period on the following:

(A) NUMERICAL BENCHMARKS.—The State must demonstrate to the satisfaction of the Secretary that it is meeting numerical benchmarks specified in the grant agreement for—

(i) increasing State Medicaid support for home and community-based long-term care services under subsection (c)(5); and

(ii) numbers of eligible individuals assisted to transition to qualified residences.

(B) QUALITY OF CARE.—The State must demonstrate to the satisfaction of the Secretary that it is meeting the requirements under subsection (c)(11) to assure the health and welfare of MFP demonstration project participants.

(C) PAYMENTS TO STATES; CARRYOVER OF UNUSED GRANT AMOUNTS.—

(1) PAYMENTS.—For each calendar quarter in a fiscal year during the period a State is awarded a grant under subsection (d), the Secretary shall pay to the State from its grant award for such fiscal year an amount equal to the lesser of—

(A) the MFP-enhanced FMAP (as defined in paragraph (5)) of the amount of qualified expenditures made during such quarter; or

(B) the total amount remaining in such grant award for such fiscal year (taking into account the application of paragraph (2)).

(2) CARRYOVER OF UNUSED AMOUNTS.—Any portion of a State grant award for a fiscal year under this section remaining at the end of such fiscal year shall remain available to the State for the next 4 fiscal years, subject to paragraph (5).

(3) REWARDING OF CERTAIN UNUSED AMOUNTS.—In the case of a State that the Secretary determines pursuant to subsection (d)(4) that has failed to meet the conditions for continuation of a MFP demonstration project under this section in a succeeding year or years, the Secretary shall rescind the grant awards for such succeeding year or years, together with any unspent portion of an award for prior years, and shall adjust the amounts to the appropriation for the immediately succeeding fiscal year for grants under this section.

(4) PREVENTING DUPLICATION OF PAYMENT.—The payment under a MFP demonstration project with respect to qualified expenditures shall be in lieu of any payment with respect to such expenditures that could otherwise be paid under Medicaid, including under section 1903(a) of the Social Security Act (42 U.S.C. 1396b(a)). Nothing in the previous sentence shall be construed as preventing the payment under Medicaid for such expenditures in a grant year after amounts available to pay for such expenditures under the MFP demonstration project have been exhausted.

(5) MFP-ENHANCED FMAP.—For purposes of paragraph (1)(A), the ‘MFP-enhanced FMAP’, for a State for a fiscal year, is equal to the Federal medical assistance percentage (as defined in the first sentence of section 1903(b) (42 U.S.C. 1396r-1)) for the State increased by a number of percentage points equal to 50 percent of the number of percentage points by which (A) such Federal medical assistance percentage for the State, is less than (B) 100 percent; but in no case shall the MFP-enhanced FMAP for a State exceed 90 percent.

(5) QUALITY ASSURANCE AND IMPROVEMENT; TECHNICAL ASSISTANCE; OVERSIGHT.—

(1) IN GENERAL.—The Secretary, directly or by grant or contract, shall provide for technical assistance to, and oversight of, States for purposes of upgrading quality assurance and quality improvement systems under Medicaid home and community-based waivers, including—

(A) dissemination of information on promising practices;

(B) guidance on system design elements addressing the unique needs of participating beneficiaries; ongoing consultation on quality, including assistance in developing necessary tools, resources, and monitoring systems; and

(D) guidance on remediying programmatic and systemic problems.

(2) FUNDING.—From the amounts appropriated under subsection (h)(1)(F) for fiscal year 2019, $500,000 shall be available to the Secretary for each fiscal year to carry out this subsection.

(3) RESEARCH AND EVALUATION.—

(A) IN GENERAL.—The Secretary, directly or through grant or contract, shall provide for research on, and a national evaluation of, the program under this section, including assistance to the Secretary in preparing the final report required under paragraph (2). The evaluation shall include an analysis of projected and actual savings related to the transition of individuals to qualified residences in each State conducting an MFP demonstration project.

(2) FINAL REPORT.—The Secretary shall make a final report to the President and Congress, not later than September 30, 2016, reflecting the evaluation described in paragraph (1) and providing findings and conclusions on the conduct and effectiveness of MFP demonstration projects.

(3) FUNDING.—From the amounts appropriated under subsection (h)(1) for each of fiscal years 2008 through 2016, not more than $1,100,000 per year shall be available to the Secretary for purposes of paragraph (2).

(B) APPROPRIATIONS.—

(1) IN GENERAL.—There are appropriated, from any funds in the Treasury not otherwise appropriated, for grants to carry out this section—

(A) $250,000,000 for the portion of fiscal year 2007 beginning on January 1, 2007, and ending on September 30, 2007;

(B) $300,000,000 for fiscal year 2008;

(C) $350,000,000 for fiscal year 2009;

(D) $400,000,000 for fiscal year 2010;

(E) $450,000,000 for each of fiscal years 2011 through 2016;

(F) subject to paragraph (3), $254,500,000 for fiscal year 2019, and

(G) subject to paragraph (3), $176,000,000 for the period beginning on January 1, 2020, and ending on May 22, 2020.
§ 1396a TITLe 42—THE PUBLIC HEALTH AND WELFARE  Page 3721

“(2) AVAILABILITY.—Subject to paragraph (3), amounts made available under paragraph (1) for a fiscal year shall remain available for the awarding of grants to States by not later than September 30, 2021.

“(3) SPECIAL RULE.—Funds appropriated under subparagraphs (F) and (G) of paragraph (1) shall be made available for grants to States only if such States have an approved MMP demonstration project under this section as of December 31, 2018.”

[Pub. L. 116–39, § 4, Aug. 6, 2019, 133 Stat. 1021, which directed amendment of section 607(a)(1)(F) of Pub. L. 109–171 set out above, by substituting “$254,500,000” for “$132,000,000”, was executed by making the substitution for “132,000,000” to reflect the probable intent of Congress and the amendment by section 5 of Pub. L. 116–16, which struck out the dollar sign.]


STUDY REGARDING BARRIERS TO PARTICIPATION OF FARMWORKERS IN HEALTH PROGRAMS


“(a) IN GENERAL.—The Secretary shall conduct a study of the problems experienced by farmworkers (including their families) under Medicaid and SCHIP. Specifically, the Secretary shall examine the following:

“(1) BARRIERS TO ENROLLMENT.—Barriers to their enrollment, including a lack of outreach and out-stationed eligibility workers, complicated applications and eligibility determination procedures, and linguistic and cultural barriers.

“(2) LACK OF PORTABILITY.—The lack of portability of Medicaid and SCHIP coverage for farmworkers who are determined eligible in one State but who move to other States on a seasonal or other periodic basis.

“(3) POSSIBLE SOLUTIONS.—The development of possible solutions to increase enrollment and access to benefits for farmworkers, because, in part, of the problems identified in paragraphs (1) and (2), and the associated costs of each of the possible solutions described in subsection (b).

“(b) POSSIBLE SOLUTIONS.—Possible solutions to be examined shall include each of the following:

“(1) INTERSTATE COMPACTS.—The use of interstate compacts among States that establish portability and reciprocity for eligibility for farmworkers under the Medicaid and SCHIP and potential financial incentives for States to enter into such compacts.

“(2) DEMONSTRATION PROJECTS.—The use of multi-state demonstration waiver projects under section 1115 of the Social Security Act (42 U.S.C. 1315) to develop comprehensive migrant coverage demonstration projects.

“(3) USE OF CURRENT LAW FLEXIBILITY.—Use of current law Medicaid and SCHIP State plan provisions relating to coverage of residents and out-of-State coverage.

“(4) NATIONAL MIGRANT FAMILY COVERAGE.—The development of programs of national migrant family coverage in which States could participate.

“(5) PUBLIC–PRIVATE PARTNERSHIPS.—The provision of incentives for development of public–private partnerships to develop private coverage alternatives for farmworkers.

“(6) OTHER POSSIBLE SOLUTIONS.—Such other solutions as the Secretary deems appropriate.

“(c) CONSULTATIONS.—In conducting the study, the Secretary shall consult with the following:

“(1) Farmworkers affected by the lack of portability of coverage under the Medicaid program or the State children’s health insurance program (under titles XIX and XXI of the Social Security Act (42 U.S.C. 1396 et seq., 1397aa et seq.)).

“(2) Individuals with expertise in providing health care to farmworkers, including designees of national and local organizations representing migrant health centers and other providers.

“(3) Resources with expertise in health care financing.

“(4) Representatives of foundations and other non-profit entities that have conducted or supported research on farmworker health care issues.

“(5) Representatives of Federal agencies which are involved in the provision or financing of health care to farmworkers, including the Centers for Medicare & Medicaid Services and the Health Resources and Services Administration.

“(6) Representatives of State governments.

“(7) Representatives from the farm and agricultural industries.

“(d) DEFINITIONS.—For purposes of this section:

“(1) FARMWORKER.—The term ‘farmworker’ means a migratory agricultural worker or seasonal agricultural worker, as such terms are defined in section 330(g)(3) of the Public Health Service Act (42 U.S.C. 254(g)(3) [254(b)(3)]), and includes a family member of such a worker.

“(2) MEDICAID.—The term ‘Medicaid’ means the program under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.).

“(3) SCHIP.—The term ‘SCHIP’ means the State children’s health insurance program under title XXI of the Social Security Act (42 U.S.C. 1397aa et seq.).

“(e) REPORT.—Not later than 1 year after the date of the enactment of this Act (Oct. 26, 2002), the Secretary shall transmit a report to the President and the Congress on the study conducted under this section. The report shall contain a detailed statement of findings and conclusions of the study, together with its recommendations for such legislation and administrative actions as the Secretary considers appropriate.”

STUDY ON LIMITATION ON STATE PAYMENT FOR MEDI-CARE COST-SHARING AFFECTING ACCESS TO SERVICES FOR QUALIFIED MEDICARE BENEFICIARIES


“(a) IN GENERAL.—The Secretary of Health and Human Services shall conduct a study to determine if access to certain services (including mental health services) for qualified Medicare beneficiaries has been affected by limitations on a State’s payment for Medicare cost-sharing for such beneficiaries under section 1902(n) of the Social Security Act (42 U.S.C. 1396(n)). As part of such study, the Secretary shall analyze the effect of such payment limitations on providers who serve a disproportionate share of such beneficiaries.

“(b) REPORT.—Not later than 1 year after the date of the enactment of this Act [Dec. 21, 2000], the Secretary shall submit to Congress a report on the study under subsection (a). The report shall include recommendations regarding any changes that should be made to the State payment limits under section 1902(n) for qualified Medicare beneficiaries to ensure appropriate access to services.”

GAO STUDY OF FUTURE REHARING

Pub. L. 106–554, § 1(a)(6) (title VII, § 702(d)), Dec. 21, 2000, 114 Stat. 2763, 2763A–574, provided that: “The Comptroller General of the United States shall provide for a study on the need for, and how to, rebate or redefining costs for making payment under the Medicaid program for services provided by Federally-qualified health centers and rural health clinics (as provided under the amendments made by this section (amending this section and sections 1396b and 1396n of this title and repealing provisions set out as a note under this section)). The Comptroller General shall provide for submittal of a report on such study to Congress not later than 4 years after the date of the enactment of this Act [Dec. 21, 2000].”

GAO REPORTS

Pub. L. 106–170, title II, § 201(c), Dec. 17, 1999, 113 Stat. 1893, provided that: “Not later than 3 years after the
date of the enactment of this Act [Dec. 17, 1999], the Comptroller General of the United States shall submit a report to the Congress regarding the amendments made by this section [amendments to sections 1396b, 1396d, and 1396e of this title] that examines—

(1) the extent to which higher health care costs for individuals with disabilities at higher income levels deter employment or progress in employment;

(2) whether such individuals have health insurance coverage or could benefit from the State option established under such amendments to provide a medical aid buy-in; and

(3) how the States are exercising such option, including—

(A) how such States are exercising the flexibility afforded them with regard to income disregards;

(B) what income and premium levels have been set;

(C) the degree to which States are subsidizing premiums above the dollar amount specified in section 1916(g)(2) of the Social Security Act (42 U.S.C. 1396g(g)(2)); and

(D) the extent to which these exist any crowd-out effect.


"Not later than 1 year after the date of the enactment of this Act [Nov. 29, 1999, 113 Stat. 1536, 1501A–395], provided that:

"(a) States may apply to the Secretary for a demonstration project (in this section referred to as the 'Secretary') for approval of a demonstration project (in this section referred to as a 'demonstration project') under which up to a specified number of individuals who are workers with disabilities or could benefit from the State option established under such amendments to provide a medical aid buy-in; and

"(b) the demonstration project and approved by the Secretary under such amendments to allow for sub-State demonstrations.

The Secretary may not approve a demonstration project under this section unless the Secretary provides assurances satisfactory to the Secretary that the following conditions are or will be met:

(A) MAINTENANCE OF STATE EFFORT. — Federal funds paid to a State pursuant to this section must be used to supplement, but not supplant, the level of State funds expended for workers with potentially severe disabilities under programs in effect for such individuals at the time the demonstration project is approved under this section.

(B) INDEPENDENT EVALUATION. — The demonstration project is approved under this section.

(C) PROVISION OF MEDICAL ADVICE. — The Secretary determines is an appropriate equivalent to the medical advice described in paragraph (1).

(D) WORKER WITH A POTENTIALLY SEVERE DISABILITY DEPENDING. — [For purposes of this section—

(1) that provided under section 1905(a) of the Social Security Act (42 U.S.C. 1396d(a)) to individuals described in section 1902(a)(10)(A)(i)(XII) of such Act (42 U.S.C. 1396d(a)(10)(A)(i)(XII)); or

(2) in the case of a State that has not elected to allow for sub-State demonstrations.

(3) how such States are exercising the flexibility afforded them with regard to income disregards; and

(D) terms of conditions of demonstration projects. — The Secretary may not approve a demonstration project under this section unless the Secretary determines that, as defined by the State under the demonstration project, is reasonably expected, but for the receipt of items and services described in section 1905(a) of the Social Security Act (42 U.S.C. 1396d(a)), to become blind or disabled (as defined under section 1614(a) of the Social Security Act (42 U.S.C. 1382c(a))); and

(2) DEFINITION OF EMPLOYED. — An individual is considered to be 'employed' if the individual—

(A) is earning at least the applicable minimum wage requirement under section 6 of the Fair Labor Standards Act (29 U.S.C. 206) and working at least 40 hours per month; or

(B) is engaged in a work effort that meets substantial and reasonable threshold criteria for hours of work, wages, or other measures, as defined under the demonstration project and approved by the Secretary.

(3) APPLICATION OF DEFINITION OF EMPLOYED. — A State may apply to the Secretary to modify the definition of 'employed' as described in paragraph (2) that meet the requirements of paragraph (2) and such additional terms and conditions as the Secretary may require.


"(i) Each State may apply to the Secretary to the Secretary to modify the definition of 'employed' as described in paragraph (2) that meet the requirements of paragraph (2) and such additional terms and conditions as the Secretary may require.


"Not later than 1 year after the date of the enactment of this Act [Nov. 29, 1999, 113 Stat. 1536, 1501A–395], provided that:

"(A) MAINTENANCE OF STATE EFFORT. — Federal funds paid to a State pursuant to this section must be used to supplement, but not supplant, the level of State funds expended for workers with potentially severe disabilities under programs in effect for such individuals at the time the demonstration project is approved under this section.

"(B) INDEPENDENT EVALUATION. — The demonstration project is approved under this section.

"(3) LIMITATIONS ON FEDERAL FUNDING. —

(A) APPROPRIATION. —

(1) In general. — Out of any funds in the Treasury not otherwise appropriated, there is appropriated to carry out this section—

(i) $42,000,000 for each of fiscal years 2001 through 2003; and

(ii) $41,000,000 for each of fiscal years 2005 and 2006.

(ii) BUDGET AUTHORITY. — Clause (i) constitutes budget authority in advance of appropriations Acts and represents the obligation of the Federal Government to provide for the payment of the amounts appropriated under clause (i).

(3) LIMITATION ON PAYMENTS. — No case may—

(i) the aggregate amount of payments made by the Secretary to States under this section exceed $250,000,000; and

(ii) the aggregate amount of payments made by the Secretary to States for administrative expenses relating to annual reports required under subsection (d) exceed $2,000,000 of such $250,000,000; or

(iii) payments be provided by the Secretary for a fiscal year after fiscal year 2009.

(4) FUNDS ALLOCATED TO STATES. — The Secretary shall allocate funds to States based on their applications and the availability of funds. Funds allocated to a State under a grant made under this section for a fiscal year shall remain available until expended.

(D) FUNDS NOT ALLOCATED TO STATES. — Funds not allocated to States in the fiscal year for which they are appropriated shall remain available in succeeding fiscal years for allocation by the Secretary using the allocation formula established under this section.

(5) PAYMENTS TO STATES. — The Secretary shall pay to each State with a demonstration project approved under this section, from its allocation under
paragraph (C), an amount for each quarter equal to the Federal medical assistance percentage (as defined in section 1905(b) of the Social Security Act (42 U.S.C. 1396d(b)) of expenditures in the quarter for medical assistance provided to workers with a potentially severe disability.

(4) ANNUAL REPORT.—A State with a demonstration project approved under this section and section 1396m–2(a)(1)(B) of the Social Security Act (42 U.S.C. 1396m–2(a)(1)(B)), shall adopt a report form approved by the Secretary of Health and Human Services that—

(1) includes the total population of workers with potentially severe disabilities served by the demonstration project;

(2) each population of such workers with a specific physical or mental impairment described in subparagraph (B) served by such project.

(e) RECOMMENDATION.—Not later than October 1, 2004, the Secretary shall submit a recommendation to the Committee on Commerce [now Committee on Energy and Commerce] of the House of Representatives and the Committee on Finance of the Senate regarding whether the demonstration project established under this section should be continued after fiscal year 2006.

(f) STATE DEFINED.—In this section, the term ‘State’ has the meaning given such term for purposes of title XIX of the Social Security Act (42 U.S.C. 1396 et seq.).

MEDICAL ASSISTANCE PAYMENTS FOR ELIGIBLE PACE PROGRAM ENROLLORS


STUDY AND REPORT BY SECRETARY OF HEALTH AND HUMAN SERVICES

Pub. L. 105–33, title IV, §4711(b), Aug. 5, 1997, 111 Stat. 508, provided that: ‘‘(1) STUDY.—The Secretary of Health and Human Services shall study the effect on access to, and the quality of, services provided to beneficiaries of the rate-setting methods used by States pursuant to section 1902(a)(13)(A) of the Social Security Act (42 U.S.C. 1396a(a)(13)(A)), as amended by section 102(a)(13)(A).’’

(2) REPORT.—Not later than 4 years after the date of the enactment of this Act (Aug. 5, 1997), the Secretary of Health and Human Services shall submit a report to the appropriate committees of Congress on the conclusions of the study conducted under paragraph (1), together with any recommendations for legislation as a result of such conclusions.’’

DUAL ELIGIBLES; MONITORING PAYMENTS

Pub. L. 105–33, title IV, §4724(e), Aug. 5, 1997, 111 Stat. 517, provided that: ‘‘The Administrator of the Health Care Financing Administration shall develop mechanisms to improve the monitoring of, and to prevent, inappropriate payments under the Medicaid program under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.) in the case of individuals who are dually eligible for benefits under such program and under the Medicare program under title XVIII of such Act (42 U.S.C. 1395 et seq.).’’

EXTENSION OF EFFECTIVE DATE FOR STATE LAW AMENDMENT

Pub. L. 105–33, title IV, §4759, Aug. 5, 1997, 111 Stat. 528, provided that: ‘‘In the case of a State plan under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.) which the Secretary of Health and Human Services determines requires State legislation in order for the plan to meet the additional requirements imposed by the amendments made by a provision of this subtitle [subtitle H (§§4701–4759) of title IV of Pub. L. 105–33, enacting sections 1396u–2 and 1396u–3 of this title, amending section 1396r, 1396r–4, 1396r–6, 1396r–8, 1396u–2, and 1396v of this title, and repealing section 1396r–7 of this title], the State plan shall not be regarded as failing to comply with the requirements of such title solely on the basis of its failure to meet these additional requirements before the first day of the first calendar quarter beginning after the close of the first regular session of the State legislature that begins after the date of the enactment of this Act [Aug. 5, 1997]. For purposes of the previous sentence, in the case of a State that has a 2-year legislative session, each year of the session is considered to be a separate regular session of the State legislature.’’

REFERENCES TO PROVISIONS OF PART A OF SUB-CHAPTER IV CONSIDERED REFERENCES TO SUCH PROVISIONS AS IN EFFECT JULY 16, 1996

For provisions that certain references to provisions of part A (§§601 et seq.) of subchapter IV of such chapter be considered references to such provisions of part A as in effect July 16, 1996, see section 1396a–1(a) of this title.

DEMONSTRATION PROJECTS TO STUDY EFFECT OF ALLOWING STATES TO EXTEND MEDICAID COVERAGE TO CERTAIN LOW-INCOME FAMILIES NOT OTHERWISE QUALIFIED TO RECEIVE MEDICAID BENEFITS


‘‘(1) IN GENERAL.—(A) The Secretary of Health and Human Services (hereafter in this section referred to as the ‘Secretary’) shall enter into agreements with States pursuant to section 1902(a)(13)(A), (B), (C), and (D) of the Social Security Act [42 U.S.C. 1396a(a)(13)(A), (B), (C), and (D)] (based on the State’s election of certain eligibility options the highest width requirement has not been waived, the average (as described in section 1925(b)(4)(D) of such Act [42 U.S.C. 1396a(b)(4)(D)]), the effective for the project to utilize employer coverage (as described in section 1925(b)(4)(D) of the Social Security Act [42 U.S.C. 1396a(b)(4)(D)], the
project must require an employer contribution and benefits under the State plan under title XIX of such Act will continue to be made available to the extent they are not available under the employer coverage;

“(v) the project provides for coverage of benefits consistent with subsection (b); and

“(w) the project only imposes premiums, coinsurance, and other cost-sharing consistent with subsection (c).

“(B) The Secretary may waive the requirements of clause (i) of this paragraph (probably means subparagraph (A)) with respect to those projects described in subparagraph (B) of paragraph (1).

“(3) PERMISSIBLE RESTRICTIONS.—A project may limit eligibility to individuals whose assets are valued below a level specified by the State. For this purpose, any evaluation of such assets shall be made in a manner consistent with the standards for valuation of assets under the State plan under title XIX of the Social Security Act for individuals entitled to assistance under part A of title IV of such Act [42 U.S.C. 601 et seq.]. Nothing in this section shall be construed as requiring a State to provide for eligibility for individuals for months before the month in which such eligibility is first established.

“(4) EXTENSION OF ELIGIBILITY.—A project may provide for extension of eligibility for medical assistance for individuals covered under the project in a manner similar to that provided under section 1925 of the Social Security Act to certain families receiving aid pursuant to a plan of the State approved under part A of title IV of such Act.

“(5) WAIVER OF REQUIREMENTS.

“(A) In general.—Subject to subparagraph (B), the Secretary may waive such requirements of title XIX of the Social Security Act (except section 1903(m) of the Social Security Act [42 U.S.C. 1396m(c)]) as may be required to provide for additional coverage of individuals under projects under this section.

“(B) NONAVAILABILITY PROVISIONS.—Except with respect to those projects described in subparagraph (B) of paragraph (1), the Secretary may not waive, under subparagraph (A), the statewideness requirement of section 1922(a)(1) of the Social Security Act [42 U.S.C. 1396a(a)(1)] or the Federal medical assistance percentage specified in section 1905(b) of such Act [42 U.S.C. 1396b(b)].

“(B) NONAVAILABILITY PROVISIONS.—Except with respect to those projects described in subparagraph (B) of paragraph (1), the Secretary may not waive, under subparagraph (A), the statewideness requirement of section 1922(a)(1) of the Social Security Act [42 U.S.C. 1396a(a)(1)] or the Federal medical assistance percentage specified in section 1905(b) of such Act [42 U.S.C. 1396b(b)].

“(2) LIMITS ON BENEFITS.—

“(A) REQUIRED.—Except with respect to those projects described in subparagraph (B) of paragraph (1), no medical assistance shall be made available under a project for nursing facility services or community-based long-term care services (as defined by the Secretary) or for pregnancy-related services. No medical assistance shall be made available under a project to individuals confined to a State correctional facility, county jail, local or county detention center, or other State institution.

“(B) PERMISSIBLE.—A State, with the approval of the Secretary, may limit or otherwise deny eligibility for medical assistance under the project and may limit coverage of items and services under the project, other than early and periodic screening, diagnostic, and treatment services for children under 18 years of age.

“(3) USE OF UTILIZATION CONTROLS.—Nothing in this subsection (a) shall be construed as limiting a State’s authority to impose controls over utilization of services, including premission requirements, managed care provisions, use of preferred providers, and use of second opinions before surgical procedures.

“(c) PREMIUMS AND COST-SHARING.—

“(1) NONE FOR THOSE WITH INCOME BELOW THE POVERTY LINE.—Under a project, there shall be no premiums, coinsurance, or other cost-sharing for individuals whose family income level does not exceed 100 percent of the income official poverty line (as defined in subsection (g)(1)) applicable to a family of the size involved.

“(2) LIMIT FOR THOSE WITH INCOME ABOVE THE POVERTY LINE.—Under a project, for individuals whose family income level exceeds 100 percent, but is less than 150 percent, of the income official poverty line applicable to a family of the size involved, the monthly average amount of premiums, coinsurance, and other cost-sharing for covered items and services shall not exceed 3 percent of the family’s average gross monthly earnings.

“(3) INCOME DETERMINATION.—Each project shall provide for determinations of income in a manner consistent with the methodology used for determinations of income under title XIX of the Social Security Act [42 U.S.C. 1396 et seq.] for individuals entitled to benefits under part A of title IV of such Act [42 U.S.C. 601 et seq.].

“(d) EXPENDITURES AND FUNDING.—

“(1) IN GENERAL.—(A) The Secretary in conducting projects shall limit the total amount of the Federal share of benefits paid and expenses incurred under title XIX of the Social Security Act [42 U.S.C. 1396 et seq.] to no more than $40,000,000.

“(B) Of the amounts appropriated under subparagraph (A), the Secretary shall provide that no more than one-third of such amounts shall be used to carry out the projects described in paragraph (1)(B) of subsection (a) for which the statewideness requirement has been waived.

“(2) NO FUNDING OF CURRENT BENEFICIARIES.—No funding shall be available under a project with respect to medical assistance provided to individuals who are otherwise eligible for medical assistance under the plan without regard to the project.

“(3) NO INCREASE IN FEDERAL MEDICAL ASSISTANCE PERCENTAGE.—Payments to a State under a project with respect to expenditures made for medical assistance made available under the project may not exceed the Federal medical assistance percentage (as defined in section 1905(b) of the Social Security Act (42 U.S.C. 1396b(b))) of such expenditures.

“(e) EVALUATION AND REPORT.—

“(1) EVALUATION.—For each project the Secretary shall provide for an evaluation to determine the effect of the project with respect to—

“(A) access to, and costs of, health care,

“(B) private health care insurance coverage, and

“(C) premiums and cost-sharing.

“(2) REPORT.—The Secretary shall prepare and submit to Congress an interim report on the status of the projects not later than January 1, 1993, and a final report containing such summary together with such further recommendations as the Secretary may determine appropriate not later than one year after the termination of the projects.

“(g) DEFINITIONS.—In this section:

“(1) The term ‘income official poverty line’ means such line as defined by the Office of Management and Budget and revised annually in accordance with section 673(2) of the Omnibus Budget Reconciliation Act of 1981 (42 U.S.C. 9902(2)).

“(2) The term ‘project’ refers to a demonstration project under subsection (a).
by that section to section 4745 of Pub. L. 101–508, set out above, is effective as if included in enactment of Pub. L. 101–508.)

DEMONSTRATION PROJECT TO PROVIDE MEDICAID COVERAGE FOR HIV-POSITIVE INDIVIDUALS


"(a) IN GENERAL.—Not later than 3 months after the date of the enactment of this Act [Nov. 5, 1990], the Secretary of Health and Human Services, and the Secretary of Agriculture shall enter into an agreement with a hospital and at least one other nonprofit organization and one other entity having a demonstrated ability to test individuals whose incomes or resources do not exceed the maximum allowable amount for eligibility for any individual in any category of disability under the State plan under section 1902 of the Social Security Act [42 U.S.C. 1396a], and who have tested positive for the presence of HIV virus (without regard to the presence of any symptoms of AIDS or opportunistic diseases related to AIDS).

"(b) SERVICES AVAILABLE UNDER A DEMONSTRATION PROJECT.—(1) The medical assistance made available to individuals described in section 1902(a)(10)(A) of the Social Security Act [42 U.S.C. 1396a(a)(10)(A)] shall be made available to individuals described in subsection (a) who receive services under a demonstration project under such paragraph.

"(2) A demonstration project under subsection (a) shall provide services in addition to the services described in paragraph (1) which shall be limited only on the basis of medical necessity or the appropriateness of such services. To the extent not provided as described in paragraph (1), such additional services shall include—

"(A) general and preventative medical care services (including inpatient, outpatient, residential care, physician visits, clinic visits, and hospice care);

"(B) prescription drugs, including drugs for the purposes of preventative health care services;

"(C) counseling and social services;

"(D) substance abuse treatment services (including services for multiple substances abusers);

"(E) home care services (including assistance in carrying out activities of daily living);

"(F) case management;

"(G) health education services;

"(H) respite care for caregivers; and

"(J) diagnostic and laboratory services.

"(c) AGREEMENTS WITH STATES.—(1) Each State conducting a demonstration project under subsection (a) shall enter into an agreement with a hospital and at least one other nonprofit organization submitting applications to the State. The State shall require that such hospital and other entity have a demonstrated record of case management of patients who have tested positive for the presence of HIV virus and have access to a control group of such type of patients who are not receiving State or Federal payments for medical services (or other payments from private insurance coverage) before developing symptoms of AIDS. Under such agreement, the State shall agree to pay each such entity for the services provided under subsection (b) and not later than 12 months after the commencement of a demonstration project, institute a system of monthly payment to each such entity based on the average per capita cost of the services described in subsection (c) provided to individuals described in paragraphs (1) and (2) of subsection (a).

"(2) A demonstration project described in subsection (a) shall commence not later than 9 months after the date of the enactment of this Act [Nov. 5, 1990] and shall terminate on the date that is 3 years after the date of commencement.

"(3) The Secretary shall provide for an evaluation of the comparative costs of providing services to individuals who have tested positive for the presence of HIV virus at an early stage after detection of such virus and those that are treated at a later stage after such detection.

"(B) The Secretary shall report to Congress on the results of the evaluation conducted under subparagraph (A) no later than 6 months after the date of termination of the demonstration projects described in this section.

"(4) FEDERAL SHARE OF COSTS.—The Federal share of the cost of services described in paragraph (3) furnished under a demonstration project conducted under paragraph (1) shall be determined by the otherwise applicable Federal matching assistance percentage pursuant to section 1905(b) of the Social Security Act [42 U.S.C. 1396d(b)].

"(e) WAIVER OF REQUIREMENTS OF THE SOCIAL SECURITY ACT.—The Secretary may waive such requirements of the Social Security Act [42 U.S.C. 301 et seq.] as the Secretary determines to be necessary to carry out the purposes of this section.

"(f) LIMITATION ON AMOUNT OF EXPENDITURES.—The amount of funds that may be expended as medical assistance to carry out the purposes of this section shall be $5,000,000 for fiscal year 1991, $12,000,000 for fiscal year 1992, and $15,000,000 for fiscal year 1993.

PUBLIC EDUCATION CAMPAIGN

Pub. L. 101–508, title IV, § 4751(d), Nov. 5, 1990, 104 Stat. 1388–205, provided that:

"(1) IN GENERAL.—The Secretary, no later than 6 months after the date of enactment of this section [Nov. 5, 1990], shall develop and implement a national campaign to inform the public of the option to execute advance directives and of a patient’s right to participate and direct health care decisions.

"(2) DEVELOPMENT AND DISTRIBUTION OF INFORMATION.—The Secretary shall develop or approve nationwide informational materials that would be distributed by providers under the requirements of this section (amending this section and sections 1905(b) and 1396w of this title and enacting provisions set out above), to inform the public and the medical and legal profession of each person’s right to make decisions concerning medical care, including the right to accept or refuse medical or surgical treatment, and the existence of advance directives.

"(3) PROVIDING ASSISTANCE TO STATES.—The Secretary shall assist appropriate State agencies, associations, or other private entities in developing the State-specific documents that would be distributed by providers under the requirements of this section. The Secretary shall provide assistance in State agencies, associations, or other private entities in ensuring that providers are provided a copy of the documents that are to be distributed under the requirements of the section.

"(4) DUTIES OF SECRETARY.—The Secretary shall mail information to Social Security recipients, [and] add a page to the medicare handbook with respect to the provisions of this section.”

PHYSICIAN IDENTIFIER SYSTEM; DEADLINE AND CONSIDERATIONS

Pub. L. 101–508, title IV, § 4753(a)(1)(B), Nov. 5, 1990, 104 Stat. 1388–206, provided that: “The system established under the amendment made by subparagraph (A) [amending this section] may be the same as, or different from, the system established under section 9202(g) of the Consolidated Omnibus Budget Reconciliation Act of 1985 [Pub. L. 99–272, formerly set out in a note under section 1395ww of this title].”

FOREIGN MEDICAL GRADUATE CERTIFICATION

Pub. L. 101–508, title IV, § 4752(d), Nov. 5, 1990, 104 Stat. 1388–207, provided that:
“(1) Passage of FMGEMS Examination in Order to Obtain Identifier.—The Secretary of Health and Human Services shall provide, in the identifier system established by section 1902(a)(17) of the Social Security Act (42 U.S.C. 1396a(a)(17)), that no foreign medical graduate (as defined in section 1866(h)(5)(D) of such Act (42 U.S.C. 1395ww(h)(5)(D))) shall be issued an identifier under such system unless the individual—

(A) has passed the FMGEMS examination (as defined in section 1866(h)(5)(E) of such Act);

(B) has previously received certification from, or has previously passed the examination of, the Educational Commission for Foreign Medical Graduates;

or

(C) has held a license from 1 or more States continuously since 1968.

“(2) Effective Date.—Paragraph (1) shall apply with respect to issuance of an identifier applicable to services furnished on or after January 1, 1992.”

EXCLUSIONS IN DETERMINATION OF INCOME AND RESOURCES UNDER THIS SUBCHAPTER

Pub. L. 101–508, title XI, §11115(c), Nov. 5, 1990, 104 Stat. 1388–415, provided that: “Pursuant to section 1902(a)(17) of the Social Security Act (42 U.S.C. 1396a(a)(17)), the Secretary of Health and Human Services shall promulgate regulations to exempt from the determination of income and resources (for the months of receipt and the following month) under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.) any refund of Federal income taxes made to an individual by reason of section 32 of the Internal Revenue Code of 1986 (26 U.S.C. 32) (relating to earned income tax credit), and any payment made to an individual by an employer under [former] section 3007 of such Code (26 U.S.C. 3007) (relating to advance payment of earned income credit).”

DEVELOPMENT OF MODEL APPLICATIONS FOR MEDICAID PROGRAM

Pub. L. 101–239, title VI, §606(b), Dec. 19, 1989, 103 Stat. 2302, provided that: “(1) In General.—The Secretary of Health and Human Services shall, by not later than 1 year after the date of the enactment of this Act [Dec. 19, 1989], develop a model application form for use in applying for benefits under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.) for individuals who are not receiving cash assistance under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.), and who are not institutionalized. In developing such model application form, the Secretary is not authorized to require that such form be adopted by States as part of their State Medicaid plans.

“(2) Dissemination of Model Form.—The Secretary shall provide for publication in the Federal Register of the model application form developed under paragraph (1) and shall send a copy of such form to each State agency responsible for administering a State Medicaid plan.”

CLARIFICATION OF FEDERAL FINANCIAL PARTICIPATION FOR CASE-MANAGEMENT SERVICES

Pub. L. 100–647, title VIII, §8435, Nov. 10, 1988, 102 Stat. 3805, provided that: “The Secretary of Health and Human Services may not fail or refuse to approve an amendment to a State plan under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.) that provides for coverage of case-management services described in section 1915(g)(2) of such Act (42 U.S.C. 1396n(g)(2)), or to deny payment to a State for such services under section 1902(a)(1) of such Act (42 U.S.C. 1396a(a)(1)) on the basis that a State is required to provide such services under State law on the basis that the State had paid or is paying for such services from non-Federal funds before or after April 7, 1986. Nothing in this section shall be construed as requiring the Secretary to make payment to a State under section 1902(a)(10) of such Act for such case-management services which are provided without charge to the users of such services.”

TREATMENT OF STATES OPERATING UNDER DEMONSTRATION PROJECTS

Pub. L. 100–360, title III, §301(g)(1), July 1, 1988, 102 Stat. 750, provided that: “In the case of any State which is providing medical assistance to its residents under a waiver granted under section 1115(a) of the Social Security Act (42 U.S.C. 1315(a)), the Secretary of Health and Human Services shall require the State to meet the requirement of section 1902(a)(10)(E) of the Social Security Act (42 U.S.C. 1396a(a)(10)(E)) in the same manner as the State would be required to meet such requirement if the State had in effect a plan approved under title XIX of such Act (42 U.S.C. 1396 et seq.).”

ADJUSTMENT IN MEDICAID PAYMENT FOR INPATIENT HOSPITAL SERVICES FURNISHED BY DISPROPORTIONATE SHARE HOSPITALS

Pub. L. 100–203, title IV, §4112, Dec. 22, 1987, 101 Stat. 1330–148, which related to adjustment in Medicaid payment for inpatient hospital services furnished by disproportionate share hospitals was amended by Pub. L. 100–360, title IV, §411(k)(6)(A)–(B)(i), July 1, 1988, 102 Stat. 792, 793, and so amended, §4112 enacts the provisions of former section 1902(a)(13) of such Act (as amended by paragraph (1) of this title and amends sections 1396b and 1396c of this title.

AMENDMENT TO STATE PLAN TO PROVIDE ADJUSTMENT FOR SERVICES FURNISHED DURING FISCAL YEAR 1990

Pub. L. 100–203, title IV, §4211(b)(2), Dec. 22, 1987, 101 Stat. 1330–203, as amended by Pub. L. 101–508, title IV, §4801(e)(1)(B), Nov. 5, 1990, 104 Stat. 1388–215, provided that: “A plan of a State under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.) shall not be considered to have met the requirement of section 1902(a)(13)(A) of the Social Security Act (42 U.S.C. 1396a(a)(13)(A)) (as amended by paragraph (1) of this subsection), as of the first day of a Federal fiscal year (beginning on or after October 1, 1990), unless the State has submitted to the Secretary of Health and Human Services, as of April 1 before the fiscal year concerned, review each such plan amendment for compliance with such requirement and by such date shall approve or disapprove each such amendment. If the Secretary disapproves such an amendment, the State shall immediately submit a revised amendment which meets such requirement. The absence of approval of such a plan amendment does not relieve the State or any nursing facility that is covered under such plan, from the obligation or requirement under Federal law to provide such facility with an appropriate adjustment in payment amounts for nursing facility services furnished during the Federal fiscal year. Each such amendment shall include a detailed description of the specific methodology to be used in determining the appropriate adjustment in payment amounts for nursing facility services. The Secretary shall, not later than September 30 before the fiscal year concerned, review each such plan amendment for compliance with such requirement and by such date shall approve or disapprove each such amendment. If the Secretary disapproves such an amendment, the State shall immediately submit a revised amendment which meets such requirement.”

TECHNICAL ASSISTANCE WITH RESPECT TO FACILITIES THAT TAKE INTO ACCOUNT CASE MIX OF RESIDENTS

Pub. L. 100–203, title IV, §4211(j), Dec. 22, 1987, 101 Stat. 1330–207, provided that: “The Secretary of Health and Human Services shall, upon request by a State, furnish technical assistance with respect to the development and implementation of reimbursement methods for nursing facilities that take into account the case mix of residents in the different facilities.”

STATE UTILIZATION REVIEW SYSTEMS

may not publish final or interim final regulations requiring a State plan approved under title XIX of the Social Security Act [42 U.S.C. 1396 et seq.] to include a program requiring second surgical opinions or a program of inpatient hospital preadmission review.

"(2) The Secretary may not, during the period beginning on the date of the enactment of the Omnibus Budget Reconciliation Act of 1990 (Nov. 5, 1990) and ending on the date that is 180 days after the date on which the report required by subsection (d) is submitted to the Congress, publish final or interim final regulations requiring a State plan approved under title XIX of the Social Security Act [42 U.S.C. 1396 et seq.] to include a program for ambulatory surgery, preadmission testing, or same-day surgery.

"(b) Report.—

"(1) The Secretary shall report to Congress, by not later than October 1, 1988, for each State in a representative sample of States—

"(A) the identity of those procedures which are high volume or high cost procedures among patients who are covered under the State medicaid plan,

"(B) the payment rates under those plans for such procedures, and

"(C) the rate at which each such procedure is performed on patients of comparable age who are not medicaid patients.

"(2) The Secretary shall coordinate, to the extent practicable, with the research program established pursuant to section 1875(c) of the Social Security Act [42 U.S.C. 1395l(c)], with particular regard to the relationship of the variations described in paragraph (2) to patient outcomes.

"(3) The Secretary shall also identify underutilized, medically necessary treatments and procedures for which—

"(A) a failure to furnish could have an adverse effect on health status, and

"(B) the rate of utilization by medicaid beneficiaries is significantly less than the rate for comparable, age-adjusted populations.

"(4) The study shall be coordinated, to the extent practicable, with the research program established pursuant to section 1875(c) of the Social Security Act [42 U.S.C. 1395l(c)], with particular regard to the relationship of the variations described in paragraph (2) to patient outcomes.

"(5) The Secretary shall submit an interim report on the results of the study, including an analysis of the geographic variations under paragraph (2), to the Congress not later than January 1, 1990, and shall report the final results of the study to the Congress not later than January 1, 1992.

"(d) Report.—The Secretary shall report to Congress, by not later than January 1, 1992, for each State in a representative sample of States—

"(1) an analysis of the procedures for which programs for ambulatory surgery, preadmission testing, and same-day surgery are appropriate for patients who are covered under the State medicaid plan, and

"(2) the effects of such programs on access of such patients to necessary care, quality of care, and costs of care.

In selecting such a sample of States, the Secretary shall include some States with medicaid plans that include such programs.

STUDY BY COMPTROLLER GENERAL OF EFFECT OF AMENDMENT TO SUBSECTION (a)(13)

Pub. L. 99–272, title IX, §9509(c), Apr. 7, 1986, 100 Stat. 212, directed Comptroller General to conduct a study of effects of the amendments made by this section and report results of such study to Congress two years after Apr. 7, 1986.

TASK FORCE ON TECHNOLOGY-DEPENDENT CHILDREN

Pub. L. 99–272, title IX, §9520, Apr. 7, 1986, 100 Stat. 217, directed Secretary of Health and Human Services, within six months after Apr. 7, 1986, to establish a task force concerning alternatives to institutional care for technology-dependent children, such task force to (1) include representatives of Federal and State agencies with responsibilities relating to child health, health insurers, large employers (including those that self-insure for health care costs), providers of health care to technology-dependent children, and parents of technology-dependent children, (2) identify barriers that prevent the provision of appropriate care in a home or community setting to meet special needs of technology-dependent children, (3) recommend changes in the provision and financing of health care in private and public health care programs (including appropriate joint public-private initiatives) so as to provide home and community-based alternatives to the institutionalization of technology-dependent children, and (4) make a final report to Secretary and to Congress on its activities not later than two years after Apr. 7, 1986.

MEDICAID COVERAGE RELATING TO ADOPTION ASSISTANCE AGREEMENTS ENTERED INTO BEFORE APRIL 7, 1986

Pub. L. 99–272, title IX, §9522(b)(2), Apr. 7, 1986, 100 Stat. 220, provided that: “In the case of an adoption as-
 arbitrarily a standard or methodology which the Secretary interprets as being less restrictive than the standard or methodology required under such section, provided that such plan (or its operation) does not make ineligible any individual who would be eligible but for the provisions of this subsection.

(2) The moratorium period is the period beginning on October 1, 1981, and ending 18 months after the date on which the Secretary submits the report required under paragraph (3).

(3) The Secretary shall report to the Congress within 12 months after the date of the enactment of this Act [July 18, 1984] with respect to the appropriateness, of applying standards and methodologies utilized in cash assistance programs to those recipients of medical assistance who do not receive cash assistance, and any recommendations for changes in such requirements.

(4) No provision of law shall repeal or suspend the moratorium imposed by this subsection unless such provision specifically amends or repeals this subsection.

(5) In this subsection, a State plan is considered to include:

(a) any amendment or other change in the plan which is submitted by a State, or

(b) any policy or guideline delineated in the Medicaid operation or program manuals of the State which are submitted by the State to the Secretary, before or after the date of enactment of this Act [July 18, 1984] and whether or not the amendment or change, or the operating or program manual was approved, disapproved, acted upon, or not acted upon by the Secretary.

(6) During the moratorium period, the Secretary shall implement (and shall not change by any administrative action) the policy in effect at the beginning of such moratorium period with respect to:

(a) the point in time at which an institutionalized individual must sell his home (in order that it not be counted as a resource); and

(b) the time period allowed for sale of a home of any such individual, who is an applicant for or recipient of medical assistance under the State plan as a medically needy individual (described in section 1902(a)(10)(C) of the Social Security Act [42 U.S.C. 1396a(a)(10)(C)] or as an optional categorically needy individual (described in section 1902(a)(10)(A)(1)(ii) of such Act)."

[Amendment of section 2373(c) of Pub. L. 98-369, set out above, by section 9 of Pub. L. 100-93 applicable as though originally included in Pub. L. 98-369, §2373(c), see section 15(e) of Pub. L. 100-95, set out as an Effective Date of 1987 Amendment note under section 1396a-7 of this title.]

EVALUATION AND STUDY OF REASONS FOR TERMINATION BY MEDICAID BENEFICIARIES OF MEMBERSHIP IN HEALTH MAINTENANCE ORGANIZATIONS

Pub. L. 97-95, title XXI, §2178(d), Aug. 13, 1981, 95 Stat. 815, directed Secretary of Health and Human Services to conduct a study evaluating extent of, and reasons for, termination by Medicaid beneficiaries of their memberships in health maintenance organizations, placing special emphasis on quantity and quality of medical care provided in health maintenance organizations and quality of such care when provided on a fee-for-service basis, with Secretary to submit an interim report to Congress, within two years after Aug. 13, 1981, and a final report within five years from such date containing, respectively, the interim and final findings and conclusions made as a result of such study.

CONTINUING MEDICAID ELIGIBILITY FOR CERTAIN RECIPIENTS OF VETERANS’ ADMINISTRATION PENSIONS

Pub. L. 96-272, title III, §310(b)(1), June 17, 1980, 94 Stat. 533, provided that:

(1) For purposes of section 1902(a)(10)(A) of the Social Security Act [42 U.S.C. 1396a(a)(10)(A)], any individual who, prior to the date of enactment of this Act [June 17, 1980] and for the month of December 1978, was eligible for and received aid or assistance under a State plan approved under title I, X, XIV, or XVI, or part A of title IV of such Act [42 U.S.C. 1381 et seq.], or a supplementary payment described in section 13(c) of Public Law 93-233 (set out as a note under this section), and was also in receipt of disability benefits under title II of the Social Security Act, was eligible for and received supplemental security income benefits under title XVI of such Act [42 U.S.C. 1382a et seq.], or a supplementary payment described in section 13(c) of Public Law 93-233 (set out as a note under this section), and was also in receipt of (or was a dependent, for purposes of chapter 15 of title 38, United States Code, as in effect on December 31, 1978, of an individual in receipt of) pension from the Veterans’ Administration for the month of December 1978 shall (subject to subparagraph (B)) be deemed to have been receiving such aid, assistance, supplemental security income, or supplementary payment, for each calendar month thereafter (prior to the month in which the provisions of this subparagraph cease to be effective with respect to him as determined under subparagraph (B)), if such individual would have been eligible therefor in December 1978 and in the month in which the provisions of this subparagraph cease to be effective with respect to him as determined under subparagraph (B) had the increase in income of such individual (or of the family of which...
such individual is a member), attributable to an election (made by such individual or another member of such individual's family) under section 306 of the Veterans' and Survivors' Pension Improvement Act of 1978 [section 306 of Pub. L. 95–588, set out as a note under section 521 of Title 38, Veterans' Benefits], not occurred.

"(B)(i) The provisions of subparagraph (A) shall take effect on January 1, 1979, and shall cease to be effective, in the case of any individual, for and after the first calendar month beginning more than 10 days after an 'informed election' (as defined in subdivision (ii) of this subparagraph) has been made by such individual (or, if such individual is not eligible to make such an election, by a member of such individual's family who is eligible to make such an election which affects such individual's eligibility for aid, assistance, or benefits under a plan or program referred to in subparagraph (A)).

"(ii) The term 'informed election' means an election made under section 306 of the Veterans' and Survivors' Pension Improvement Act of 1978 [section 306 of Pub. L. 95–588, set out as a note under section 521 of Title 38] (or a reaffirmation of such an election which previously was made under such section 306) after the date of compliance by the Administrator of Veterans' Affairs (hereinafter in this section referred to as the 'Administrator') with the provisions of paragraph (2)(A) with respect to the individual concerned. An individual who fails, within the time limits prescribed in paragraph (2)(B), to disaffirm an election previously made by such individual under section 306 shall be deemed, for purposes of this section and such section 306, to have reaffirmed such election."

**Preservation of Medicaid Eligibility for Individuals Who Cease To Be Eligible for SupPLEMENTAL Security Income Benefits on Account of Cost-of-Living Increases in Social Security Benefits**

Pub. L. 94–566, title V, § 503, Oct. 20, 1976, 90 Stat. 2685, provided that: "In addition to other requirements imposed by law as a condition for the approval of any State plan under title XVI of the Social Security Act [42 U.S.C. 1381 et seq.], there is hereby imposed the requirement (and each such State plan shall be provided with respect to such individual such a supplemental payment, if the amount of the supplemental payments payable pursuant to such agreement were established without regard to paragraph (3)(A)(ii) of such section 213(a) set out as note under section 1382 of this title), and (B) would be payable with respect to such individual such a supplemental payment, if the amount of the supplemental payments payable pursuant to such agreement were established without regard to paragraph (3)(A)(ii) of such section 213(a) set out as note under section 1382 of this title), and (2) in like manner, subject to the same terms and conditions, as medical assistance is provided under such plan to individuals with respect to whom benefits are payable for such month under the supplemental security income program established by title XVI of the Social Security Act [42 U.S.C. 1381 et seq.]. Federal matching under title XIX of the Social Security Act [42 U.S.C. 1396 et seq.] shall be available for the medical assistance furnished to individuals who are eligible for such assistance under this subsection."

**Coverage of Essential Persons Under Medicaid**

Pub. L. 93–66, title II, § 230, July 9, 1973, 87 Stat. 159, provided that: "In the case of any State plan (approved under title XIX of the Social Security Act [42 U.S.C. 1396 et seq.]) which for December 1973 provided medical assistance to persons described in section 1902(a)(v) of such Act [42 U.S.C. 1396d(a)(v)], there is hereby imposed the requirement (and each such State plan shall be deemed to require) that medical assistance under such plan be provided to each person (who for December 1973 was eligible for medical assistance under such plan) for each month (after December 1973) that—

"(1) the individual (referred to in the last sentence of section 1902(a) of such Act [42 U.S.C. 1396d(a)]) with whom such person is living continues to meet the criteria (as in effect for December 1973) for aid or assistance under a State plan (referred to in such sentence), and

"(2) such person continues to have the relationship with such individual described in such sentence and meets the other criteria (referred to in such sentence) with respect to a State plan (so referred to) as such plan was in effect for December 1973.

Federal matching under title XIX of the Social Security Act [42 U.S.C. 1396 et seq.] shall be available for the medical assistance furnished to individuals eligible for such assistance under this section."

**Persons in Medical Institutions**


"(1) was an inpatient in an institution qualified for reimbursement under title XIX of the Social Security Act [42 U.S.C. 1396 et seq.], and

"(2)(A) received or would (except for being an inpatient in such institution) have been eligible to
receive aid or assistance under a State plan approved under title I, X, XIV, or XVI of such Act [42 U.S.C. 301 et seq., 1201 et seq., 1351 et seq., 1381 et seq.], and such aid or assistance under a State plan referred to in subparagraph (A), shall be deemed to be receiving such aid or assistance for such month and for each succeeding month in a continuous period of months if, for each month in such period—

"(3) such individual continues to be (for all of such month) an inpatient in such an institution and would (except for his being an inpatient in such institution) continue to meet the conditions of eligibility to receive aid or assistance under such plan (as such plan was in effect for December 1973), and

"(4) such individual is determined (under the utilization review and other professional audit procedures applicable to State plans approved under title XIX of the Social Security Act [42 U.S.C. 1396 et seq.]) to be in need of care in such an institution.

Federal matching under title XIX of the Social Security Act [42 U.S.C. 1396 et seq.] shall be available for the medical assistance furnished to individuals eligible for such assistance under this section.

BLIND AND DISABLED MEDICALLY INDIGENT PERSONS


"For purposes of section 1902(a)(10) of the Social Security Act [42 U.S.C. 1396a(a)(10)], any individual who, for the month of December 1973 was eligible [42 U.S.C. 1396a(a)(10)] for medical assistance by reason of his having been determined to meet the criteria for blindness or disability (established under a State plan approved under title I, X, XIV, or XVI of such Act [42 U.S.C. 301 et seq., 1201 et seq., 1351 et seq., 1381 et seq.]), shall be deemed to be an inpatient in such an institution and would (except for his being an inpatient in such institution) continue to meet the conditions of eligibility to receive aid or assistance under such plan (as such plan was in effect for December 1973), and

"for purposes of section 1902(a)(10)(A) or subparagraph (A) of section 1902(a)(10) of the Social Security Act [42 U.S.C. 1396a(a)(10)] for medical assistance furnished to individuals eligible for such assistance under this section.

IMPACT OF 1972 SOCIAL SECURITY BENEFITS INCREASE UNDER PUB. L. 92–336 UPON ELIGIBILITY FOR ASSISTANCE UNDER THIS SUBC HAPTER


"For purposes of section 1902(a)(10) of the Social Security Act [42 U.S.C. 1396a(a)(10)] any individual who, for the month of August 1972, was entitled to monthly aid or assistance under a State plan approved under title I, X, XIV, or XVI, or part A of title IV of such Act [42 U.S.C. 301 et seq., 1201 et seq., 1351 et seq., 1381 et seq., 601 et seq.], and who for such month was entitled to monthly insurance benefits under title II of such Act [42 U.S.C. 401 et seq.] shall be deemed to be eligible for such aid or assistance for any month thereafter prior to July 1973 if such individual would have been eligible for such aid or assistance for such month had the increase in monthly insurance benefits under title II of such Act [42 U.S.C. 401 et seq.] resulting from enactment of Pub. L. 92–336 [see Tables] not been applicable to such individual.''

NURSING HOMES ELIGIBLE FOR MATCHING FUNDS FOR HOME SERVICES WHEN MEETING STATE LICENSURE REQUIREMENTS AFTER JUNE 30, 1968

Pub. L. 90–248, title II, §232E, Jan. 2, 1968, 81 Stat. 907, provided that: "Notwithstanding any other provision of law, after June 30, 1968, no Federal funds shall be paid to any State as Federal matching under title I, X, XIV, XVI, or XIX of the Social Security Act [42 U.S.C. 1396 et seq., 1351 et seq., 1381 et seq., 1396 et seq.] for payments made to any nursing home for or on account of any nursing home services provided by such nursing home for any period during which such nursing home is determined not to meet fully all requirements of the State for licensure as a nursing home, except that the Secretary may prescribe a reasonable period or periods of time during which a nursing home which has formerly met such requirements will be eligible for payments which include Federal participation if during such period or periods such home promptly takes all necessary steps to again meet such requirements.''

DISTRICT OF COLUMBIA: PLAN FOR MEDICAL ASSISTANCE

Pub. L. 92–227, §1, Dec. 27, 1967, 81 Stat. 744, provided that: 'That (a) the Commissioner of the District of Columbia (now Mayor) (hereafter in this Act [enacting this note and provisions set out as a note under section 1396v of this title] referred to as the 'Commissioner') may submit under title XIX of the Social Security Act [42 U.S.C. 1396 et seq.] to the Secretary of Health, Education, and Welfare [now Health and Human Services] (hereafter in this Act referred to as the 'Secretary') a plan for medical assistance (and any modifications of such plan) to enable the District of Columbia to receive Federal financial assistance under such title for a medical assistance program established by the Commissioner under such plan.

"(b)(1) Notwithstanding any other provision of law, the Commissioner may take such action as may be necessary to submit such plan to the Secretary and to establish and carry out such medical assistance program, except that in prescribing the standards for determining eligibility for and the extent of medical assistance under the District of Columbia's plan for medical assistance, the Commissioner may not (except to the extent required by title XIX of the Social Security Act [42 U.S.C. 1396 et seq.])—

"(A) prescribe maximum income levels for recipients of medical assistance under such plan which exceed (i) the title XIX maximum income levels if such levels are in effect, or (ii) the Commissioner's maximum income levels for the local medical assistance program if there are no title XIX maximum income levels in effect; or

"(B) prescribe criteria which would permit an individual or family to be eligible for such assistance if such individual or family would be ineligible, solely by reason of his or its resources, for medical assistance both under the plan of the State of Maryland approved under title XIX of the Social Security Act [42 U.S.C. 1396 et seq.] and under the plan of the State of Virginia approved under such title.

"(2) For purposes of subparagraph (A) of paragraph (1) of this subsection—

"(A) the term 'title XIX maximum income levels' means any maximum income levels which may be specified by title XIX of the Social Security Act [42 U.S.C. 1396 et seq.] for recipients of medical assistance under State plans approved under that title;

"(B) the term 'the Commissioner's maximum income levels for the local medical assistance program' means the maximum income levels prescribed for recipients of medical assistance under the District of Columbia's medical assistance program in effect in the fiscal year ending June 30, 1967; and

"(C) during any of the first four calendar quarters in which medical assistance is provided under such
plan there shall be deemed to be no title XIX maximum income levels in effect if the title XIX maximum income levels in effect during such quarter are higher than the Commissioner’s maximum income levels for the local medical assistance program.”

§ 1396b. Payment to States

(a) Computation of amount

From the sums appropriated therefor, the Secretary (except as otherwise provided in this section) shall pay to each State which has a plan approved under this subchapter, for each quarter beginning with the quarter commencing January 1, 1966—

(1) an amount equal to the Federal medical assistance percentage (as defined in section 1396d(b) of this title, subject to subsections (g) and (j) of this section and section 1396e–4(f) of this title) of the total amount expended during such quarter as medical assistance under the State plan; plus

(2)(A) an amount equal to 75 percent of so much of the sums expended during such quarter (as found necessary by the Secretary for the proper and efficient administration of the State plan) as are attributable to compensation or training of skilled professional medical personnel, and staff directly supporting such personnel, of the State agency or any other public agency; plus

(B) notwithstanding paragraph (1) or subparagraph (A), with respect to amounts expended for nursing aide training and competency evaluation programs, and competency evaluation programs, described in section 1396r(e)(1) of this title (including the costs for nurse aides to complete such competency evaluation programs), regardless of whether the programs are provided in or outside nursing facilities or of the skill of the personnel involved in such programs, an amount equal to 50 percent (or, for calendar quarters beginning on or after July 1, 1988, and before October 1, 1990, the lesser of 80 percent or the Federal medical assistance percentage plus 25 percentage points) of so much of the sums expended during such quarter (as found necessary by the Secretary for the proper and efficient administration of the State plan) as are attributable to such programs; plus

(C) an amount equal to 75 percent of so much of the sums expended during such quarter (as found necessary by the Secretary for the proper and efficient administration of the State plan) as are attributable to predistribution screening and resident review activities conducted by the State under section 1396r(e)(7) of this title; plus

(D) for each calendar quarter during—

(i) fiscal year 1991, an amount equal to 90 percent,

(ii) fiscal year 1992, an amount equal to 85 percent,

(iii) fiscal year 1993, an amount equal to 80 percent, and

(iv) fiscal year 1994 and thereafter, an amount equal to 75 percent,

of so much of the sums expended during such quarter (as found necessary by the Secretary for the proper and efficient administration of the State plan) as are attributable to State activities under section 1396p(g) of this title; plus

(E) an amount equal to 75 percent of so much of the sums expended during such quarter (as found necessary by the Secretary for the proper and efficient administration of the State plan) as are attributable to translation or interpretation services in connection with the enrollment of, retention of, and use of services under this subchapter by, children of families for whom English is not the primary language; plus

(3) an amount equal to—

(A)(i) 90 per centum of so much of the sums expended during such quarter as are attributable to the design, development, or installation of such mechanized claims processing and information retrieval systems as the Secretary determines are likely to provide more efficient, economical, and effective administration of the plan and to be compatible with the claims processing and information retrieval systems utilized in the administration of subchapter XVIII, including the State’s share of the cost of installing such a system to be used jointly in the administration of such State’s plan and the plan of any other State approved under this subchapter,

(ii) 90 per centum of so much of the sums expended during any such quarter in the fiscal year ending June 30, 1972, or the fiscal year ending June 30, 1973, as are attributable to the design, development, or installation of cost determination systems for State-owned general hospitals (except that the total amount paid to all States under this clause for either such fiscal year shall not exceed $150,000), and

(iii) an amount equal to the Federal medical assistance percentage (as defined in section 1396d(b) of this title) of so much of the sums expended during such quarter (as found necessary by the Secretary for the proper and efficient administration of the State plan) as are attributable to the operation of systems (whether such systems are operated directly by the State or by another person under a contract with the State) of the type described in clause (i) as are necessary for the efficient collection and reporting on child health measures; and

(B) 75 per centum of so much of the sums expended during such quarter as are attributable to the operation of systems (whether such systems are operated directly by the State or by another person under a contract with the State) of the type described in subparagraph (A)(i) (whether or not designed, developed, or installed with assistance under such subparagraph) which are approved by the Secretary and which include provision for prompt written notice to each individual who is furnished services covered by the plan, or to each individual in a sample group of individuals who are furnished such services, of the specific services (other than confidential services) so covered, the name of the person or persons furnishing the services, the date or dates on which the services were furnished, and the amount of the payment or payments made under the plan on account of the services; and

(C)(i) 75 per centum of the sums expended with respect to costs incurred during such
quarter (as found necessary by the Secretary for the proper and efficient administration of the State plan) as are attributable to the performance of medical and utilization review by a utilization and quality control peer review organization¹ or by an entity which meets the requirements of section 1320c–1 of this title, as determined by the Secretary, under a contract entered into under section 1396a(d) of this title; and

(i) 75 percent of the sums expended with respect to costs incurred during such quarter (as found necessary by the Secretary for the proper and efficient administration of the State plan) as are attributable to the performance of independent external reviews conducted under section 1396u–2(c)(2) of this title; and

(D) 75 percent of so much of the sums expended by the State plan during a quarter in 1991, 1992, or 1993, as the Secretary determines is attributable to the statewide adoption of a drug use review program which conforms to the requirements of section 1396r–8(g) of this title;

(E) 50 percent of the sums expended with respect to costs incurred during such quarter as are attributable to providing—

(i) services to identify and educate individuals who are likely to be eligible for medical assistance under this subchapter and who have Sickle Cell Disease or who are carriers of the sickle cell gene, including education regarding how to identify such individuals; or

(ii) education regarding the risks of stroke and other complications, as well as the prevention of stroke and other complications, in individuals who are likely to be eligible for medical assistance under this subchapter and who have Sickle Cell Disease; and

(F)(i) 100 percent of so much of the sums expended during such quarter as are attributable to payments to Medicaid providers described in subsection (b)(1) to encourage the adoption and use of certified EHR technology; and

(ii) 90 percent of so much of the sums expended during such quarter as are attributable to payments for reasonable administrative expenses related to the administration of payments described in clause (i) if the State meets the condition described in subsection (t)(9); plus

(H)(i) 90 percent of the sums expended during the quarter as are attributable to the design, development, or installation of such mechanized verification and information retrieval systems as the Secretary determines are necessary to implement section 1396a(ee) of this title (including a system described in paragraph (2)(B) thereof), and

(ii) 75 percent of the sums expended during the quarter as are attributable to the operation of systems to which clause (i) applies, plus

(4) an amount equal to 100 percent of the sums expended during the quarter which are attributable to the costs of the implementation and operation of the immigration status verification system described in section 1320b–7(d) of this title; plus

(5) an amount equal to 90 percent of the sums expended during such quarter which are attributable to the offering, arranging, and furnishing (directly or on a contract basis) of family planning services and supplies;

(6) subject to subsection (b)(5), an amount equal to—

(A) 90 per centum of the sums expended during such a quarter within the twelve-quarter period beginning with the first quarter in which a payment is made to the State pursuant to this paragraph, and

(B) 75 per centum of the sums expended during each succeeding calendar quarter,

with respect to costs incurred during such quarter (as found necessary by the Secretary for the elimination of fraud in the provision and administration of medical assistance provided under the State plan) which are attributable to the establishment and operation of (including the training of personnel employed by) a State medicaid fraud control unit (described in subsection (q)); plus

(7) subject to section 1396r(g)(3)(B) of this title, an amount equal to 50 per centum of the remainder of the amounts expended during such quarter as found necessary by the Secretary for the proper and efficient administration of the State plan.

(b) Quarterly expenditures beginning after December 31, 1969

(1) Notwithstanding the preceding provisions of this section, the amount determined under subsection (a)(1) for any State for any quarter beginning after December 31, 1969, shall not take into account any amounts expended as medical assistance with respect to individuals aged 65 or over and disabled individuals entitled to hospital insurance benefits under subchapter XVIII which would not have been so expended if the individuals involved had been enrolled in the insurance program established by part B of subchapter XVIII, other than amounts expended under provisions of the plan of such State required by section 1396a(a)(34) of this title.

(2) For limitation on Federal participation for capital expenditures which are out of conformity with a comprehensive plan of a State or areawide planning agency, see section 1320a–1 of this title.

(3) The amount of funds which the Secretary is otherwise obligated to pay a State during a quarter under subsection (a)(6) may not exceed the higher of—

(A) $125,000, or

(B) one-quarter of 1 per centum of the sums expended by the Federal, State, and local governments during the previous quarter in carrying out the State’s plan under this subchapter.

(4) Amounts expended by a State for the use of an enrollment broker in marketing medicaid managed care organizations and other managed care entities to eligible individuals under this
subchapter shall be considered, for purposes of subsection (a)(7), to be necessary for the proper and efficient administration of the State plan but only if the following conditions are met with respect to the broker:

(A) The broker is independent of any such entity and of any health care providers (whether or not any such provider participates in the State plan under this subchapter) that provide coverage of services in the same State in which the broker is conducting enrollment activities.

(B) No person who is an owner, employee, consultant, or has a contract with the broker either has any direct or indirect financial interest with such an entity or health care provider or has been excluded from participation in the program under this subchapter or subchapter XVIII or debarred by any Federal agency, or subject to a civil money penalty under this chapter.

(5) Notwithstanding the preceding provisions of this section, the amount determined under subsection (a)(1) for any State shall be decreased in a quarter by the amount of any health care related taxes (described in subsection (w)(3)(A)) that are imposed on a hospital described in subsection (w)(3)(F) in that quarter.

(c) Treatment of educationally-related services

Nothing in this subchapter shall be construed as prohibiting or restricting, or authorizing the Secretary to prohibit or restrict, payment under subsection (a) for medical assistance for covered services furnished to a child with a disability because such services are included in the child’s individualized education program established pursuant to part B of the Individuals with Disabilities Education Act [20 U.S.C. 1411 et seq.] or furnished to an infant or toddler with a disability because such services are included in the child’s individualized family service plan adopted pursuant to part C of such Act [20 U.S.C. 1431 et seq.].

(d) Estimates of State entitlement; installments; adjustments to reflect overpayments or underpayments; time for recovery or adjustment; uncollectable or discharged debts; obligated appropriations; disputed claims

(1) Prior to the beginning of each quarter, the Secretary shall estimate the amount to which a State will be entitled under subsections (a) and (b) for such quarter, such estimates to be based on (A) a report filed by the State containing its estimate of the total sum to be expended in such quarter in accordance with the provisions of such subsections, and stating the amount appropriated or made available by the State and its political subdivisions for such expenditures in such quarter, and if such amount is less than the State’s proportionate share of the total sum of such estimated expenditures, the source or sources from which the difference is expected to be derived, and (B) such other investigation as the Secretary may find necessary.

(2)(A) The Secretary shall then pay to the State, in such installments as he may determine, the amount so estimated, reduced or increased to the extent of any overpayment or underpayment which the Secretary determines was made under this section to such State for any prior quarter and with respect to which adjustment has not already been made under this subsection.

(B) Expenditures for which payments were made to the State under subsection (a) shall be treated as an overpayment to the extent that the State or local agency administering such plan has been reimbursed for such expenditures by a third party pursuant to the provisions of its plan in compliance with section 1396a(a)(25) of this title.

(C) For purposes of this subsection, when an overpayment is discovered, which was made by a State to a person or other entity, the State shall have a period of 1 year in which to recover or attempt to recover such overpayment before adjustment is made in the Federal payment to such State on account of such overpayment. Except as otherwise provided in subparagraph (D), the adjustment in the Federal payment shall be made at the end of the 1-year period, whether or not recovery was made.

(D)(i) In any case where the State is unable to recover a debt which represents an overpayment (or any portion thereof) made to a person or other entity on account of such debt having been discharged in bankruptcy or otherwise being uncollectable, no adjustment shall be made in the Federal payment to such State on account of such overpayment (or portion thereof).

(ii) In any case where the State is unable to recover a debt which represents an overpayment (or any portion thereof) made to a person or other entity due to fraud within 1 year of discovery because there is not a final determination of the amount of the overpayment under an administrative or judicial process (as applicable), including as a result of a judgment being under appeal, no adjustment shall be made in the Federal payment to such State on account of such overpayment (or portion thereof) before the date that is 30 days after the date on which a final judgment (including, if applicable, a final determination on an appeal) is made.

(3)(A) The pro rata share to which the United States is equitably entitled, as determined by the Secretary, of the net amount recovered during any quarter by the State or any political subdivision thereof with respect to medical assistance furnished under the State plan shall be considered an overpayment to be adjusted under this subsection.

(B)(i) Subparagraph (A) and paragraph (2)(B) shall not apply to any amount recovered or paid to a State as part of the comprehensive settlement of November 1998 between manufacturers of tobacco products, as defined in section 5702(d) of the Internal Revenue Code of 1986, and State Attorneys General, or as part of any individual State settlement or judgment reached in litigation initiated or pursued by a State against one or more such manufacturers.

(ii) Except as provided in subsection (i)(B), a State may use amounts recovered or paid to the State as part of a comprehensive or individual settlement, or a judgment, described in clause (i) for any expenditures determined appropriate by the State.

See References in Text note below.
(4) Upon the making of any estimate by the Secretary under this subsection, any appropriations available for payments under this section shall be deemed obligated.

(5) In any case in which the Secretary estimates that there has been an overpayment under this section to a State on the basis of a claim by such State that has been disallowed by the Secretary under section 1316(d) of this title, and such State disputes such disallowance, the amount of the Federal payment in controversy shall, at the option of the State, be retained by such State or recovered by the Secretary pending a final determination with respect to such payment amount. If such final determination is to the effect that any amount was properly disallowed, and the State chose to retain payment of the amount in controversy, the Secretary shall offset, from any subsequent payments made to such State under this subchapter, an amount equal to the proper amount of the disallowance plus interest on such amount disallowed, and ending on the date of such final determination at a rate (determined by the Secretary) based on the average of the bond equivalent of the weekly 90-day treasury bill auction rates during such period.

(6)(A) Each State (as defined in subsection (w)(7)(D)) shall include, in the first report submitted under paragraph (1) after the end of each fiscal year, information related to—

(i) provider-related donations made to the State or units of local government during such fiscal year, and

(ii) health care related taxes collected by the State or such units during such fiscal year.

(B) Each State shall include, in the first report submitted under paragraph (1) after the end of each fiscal year, information related to the total amount of payment adjustments made, and the amount of payment adjustments made to individual providers (by provider), under section 1396r–4(c) of this title during such fiscal year.  

(c) Transition costs of closures or conversions permitted

A State plan approved under this subchapter must include, as a cost with respect to hospital services under the plan under this subchapter, periodic expenditures made to reflect transitional allowances established with respect to a hospital closure or conversion under section 1395uu of this title.

(f) Limitation on Federal participation in medical assistance

(1)(A) Except as provided in paragraph (4), payment under the preceding provisions of this section shall not be made with respect to any amount expended as medical assistance in a calendar quarter, in any State, for any member of a family the annual income of which exceeds the applicable income limitation determined under this paragraph.

(B) (i) Except as provided in clause (ii) of this subparagraph, the applicable income limitation with respect to any family is the amount determined, in accordance with standards prescribed by the Secretary, to be equivalent to 133⅓ per-cent of the highest amount which would ordinarily be paid to a family of the same size without any income or resources, in the form of money payments, under the plan of the State approved under part A of subchapter IV of this chapter.

(ii) If the Secretary finds that the operation of a uniform maximum limits payments to families of more than one size, he may adjust the amount otherwise determined under clause (i) to take account of families of different sizes.

(C) The total amount of any applicable income limitation determined under subparagraph (B) shall, if it is not a multiple of $100 or such other amount as the Secretary may prescribe, be rounded to the next higher multiple of $100 or such other amount, as the case may be.

(2)(A) In computing a family’s income for purposes of paragraph (1), there shall be excluded any costs (whether in the form of insurance premiums or otherwise and regardless of whether such costs are reimbursed under another public program of the State or political subdivision thereof) incurred by such family for medical care or for any other type of remedial care recognized under State law or, (B) notwithstanding section 1396o of this title at State option, an amount paid by such family, at the family’s option, to the State, provided that the amount, when combined with costs incurred in prior months, is sufficient when excluded from the family’s income to reduce such family’s income below the applicable income limitation described in paragraph (1). The amount of State expenditures for which medical assistance is available under subsection (a)(1) will be reduced by amounts paid to the State pursuant to this subparagraph.

(3) For purposes of paragraph (1)(B), in the case of a family consisting of only one individual, the “highest amount which would ordinarily be paid” to such family under the State’s plan approved under part A of subchapter IV of this chapter shall be the amount determined by the State agency (on the basis of reasonable relationship to the amounts payable under such plan to families consisting of two or more persons) to be the amount of the aid which would ordinarily be payable under such plan to a family (without any income or resources) consisting of one person if such plan provided for aid to such a family.


§1396b

5So in original. The word "or" probably should precede "1396d(parI)."
§ 1396b  TITLE 42—THE PUBLIC HEALTH AND WELFARE  Page 3746

1396a(a)(10)(A)(i)(XXII), 1396d(p)(1) of this title or for any individual—

(A) who is receiving aid or assistance under any plan of the State approved under subsection I, X, XIV or XVI, or part A of subsection IV, or with respect to whom benefits for the mentally retarded pursuant to paragraphs (26) and (31) of section 1396a(a) of this title whereby the professional management of each case is reviewed and evaluated at least annually by independent professional review teams. In determining the number of days on which an individual has received services described in this subsection, there shall not be counted any days with respect to which such individual is entitled to have payments made (in whole or in part) on his behalf under section 1395d of this title.

(B) who is not receiving such aid or assistance, and with respect to whom such benefits are not being paid, but (i) is eligible to receive such aid or assistance, or to have such benefits paid with respect to him, or (ii) would be eligible to receive such aid or assistance, or to have such benefits paid with respect to him if he were not in a medical institution, or

(C) with respect to whom there is being paid, or who is eligible, or would be eligible if he were not in a medical institution, to have paid with respect to him, a State supplementary payment and is eligible for medical assistance equal in amount, duration, and scope to the medical assistance made available to individuals described in section 1396a(a)(10)(A) of this title, or who is a PACE program eligible individual enrolled in a PACE program under section 1396a–4 of this title, but only if the income of such individual (as determined under section 1396a of this title, but without regard to subsection (b) thereof) does not exceed 300 percent of the supplemental security income benefit rate established by section 1382(b)(1) of this title, at the time of the provision of the medical assistance giving rise to such expenditure.

(g) Decrease in Federal medical assistance percentage of amounts paid for services furnished under State plan after June 30, 1973

(1) Subject to paragraph (3), with respect to amounts paid for the following services furnished under the State plan after June 30, 1973 (other than services furnished pursuant to a contract with a health maintenance organization as defined in section 1395mm of this title or which is a qualified health maintenance organization (as defined in section 300e–9(d) of this title)), the Federal medical assistance percentage shall be decreased as follows: After an individual has received inpatient hospital services or services in an intermediate care facility for the mentally retarded for 60 days or inpatient mental hospital services for 90 days (whether or not such days are consecutive), during any fiscal year, the Federal medical assistance percentage with respect to amounts paid for any such care furnished thereafter to such individual shall be decreased by a per centum thereof (determined under paragraph (5)) unless the State agency responsible for the administration of the plan makes a showing satisfactory to the Secretary that, with respect to each calendar quarter for which the State submits a request for payment at the full Federal medical assistance percentage for amounts paid for inpatient hospital services or services in an intermediate care facility for the mentally retarded furnished beyond 60 days (or inpatient mental hospital services furnished beyond 90 days), such State has an effective program of medical review of the care of patients in mental hospitals and intermediate care facilities for the mentally retarded pursuant to paragraphs (26) and (31) of section 1396a(a) of this title whereby the professional management of each case is reviewed and evaluated at least annually by independent professional review teams. In determining the number of days on which an individual has received services described in this subsection, there shall not be counted any days with respect to which such individual is entitled to have payments made (in whole or in part) on his behalf under section 1395d of this title.

(2) The Secretary shall, as part of his validation procedures under this subsection, conduct timely sample onsite surveys of private and public institutions in which recipients of medical assistance may receive care and services under a State plan approved under this subchapter, and his findings with respect to such surveys (as well as the showings of the State agency required under this subsection) shall be made available for public inspection.

(3)(A) No reduction in the Federal medical assistance percentage of a State otherwise required to be imposed under this subsection shall take effect—

(i) if such reduction is due to the State's unsatisfactory or invalid showing made with respect to a calendar quarter beginning before January 1, 1977;

(ii) before January 1, 1978;

(iii) unless a notice of such reduction has been provided to the State at least 30 days before the date such reduction takes effect; or

(iv) due to the State's unsatisfactory or invalid showing made with respect to a calendar quarter beginning after September 30, 1977, unless notice of such reduction has been provided to the State no later than the first day of the fourth calendar quarter following the calendar quarter with respect to which such showing was made.

(B) The Secretary shall waive application of any reduction in the Federal medical assistance percentage of a State otherwise required to be imposed under paragraph (1) because a showing by the State, made under such paragraph with respect to a calendar quarter ending after January 1, 1977, and before January 1, 1978, is determined to be either unsatisfactory under such paragraph or invalid under paragraph (2), if the Secretary determines that the State's showing made under paragraph (1) with respect to any calendar quarter ending on or before December 31, 1978, is satisfactory under such paragraph and is valid under paragraph (2).

(4)(A) The Secretary may not find the showing of a State, with respect to a calendar quarter under paragraph (1), to be satisfactory if the showing is submitted to the Secretary later than the 30th day after the last day of the calendar quarter, unless the State demonstrates to the satisfaction of the Secretary good cause for not meeting such deadline.

(B) The Secretary shall find a showing of a State, with respect to a calendar quarter under paragraph (1), to be satisfactory under such paragraph with respect to the requirement that the State conduct annual onsite inspections in mental hospitals and intermediate care facilities for the mentally retarded under paragraphs
(26) and (31) of section 1396a(a) of this title, if the showing demonstrates that the State has conducted such an onsite inspection during the 12-month period ending on the last date of the calendar quarter:

(i) in each of not less than 98 per centum of the number of such hospitals and facilities requiring such inspection, and

(ii) in every such hospital or facility which has 200 or more beds,

and that, with respect to such hospitals and facilities not inspected within such period, the State has exercised good faith and due diligence in attempting to conduct such inspection, or if the State demonstrates to the satisfaction of the Secretary that it would have made such a showing but for failings of a technical nature only.

(5) In the case of a State’s unsatisfactory or invalid showing made with respect to a type of facility or institutional services in a calendar quarter, the per centum amount of the reduction of the State’s Federal medical assistance percentage for that type of services under paragraph (1) is equal to 33\% per centum multiplied by a fraction, the denominator of which is equal to the total number of patients receiving that type of services in that quarter under the State plan in facilities or institutions for which a showing was required to be made under this subsection, and the numerator of which is equal to the number of such patients receiving such type of services in an intermediate care facility for the mentally retarded shall be conducted at least—

(i) 60 days after the date of the initial certification;

(ii) 180 days after the date of the initial certification,

(iii) 12 months after the date of the initial certification,

(iv) 18 months after the date of the initial certification,

(v) 24 months after the date of the initial certification, and

(vi) every 12 months thereafter.

(C) For purposes of determining compliance with the schedule established by this paragraph, a recertification shall be considered to have been done on a timely basis if it was performed not later than 10 days after the date the recertification was otherwise required and the State establishes good cause why the physician or other person making such recertification did not meet such schedule.


(i) Payment for organ transplants; item or service furnished by excluded individual, entity, or physician; other restrictions

Payment under the preceding provisions of this section shall not be made—

(1) for organ transplant procedures unless the State plan provides for written standards respecting the coverage of such procedures and unless such standards provide that—

(A) similarly situated individuals are treated alike; and

(B) any restriction, on the facilities or practitioners which may provide such procedures, is consistent with the accessibility of high quality care to individuals eligible for the procedures under the State plan; or

(2) with respect to any amount expended for an item or service (other than an emergency item or service, not including items or services furnished in an emergency room of a hospital) furnished—

(A) under the plan by any individual or entity during any period when the individual or entity is excluded from participation under subchapter V, XVIII, or XX or under this subchapter pursuant to section 1320a–7, 1320a–7a, 1320c–5, or 1395u(j)(2) of this title;

(B) at the medical direction or on the prescription of a physician, during the period when such physician is excluded from participation under subchapter V, XVIII, or XX or under this subchapter pursuant to section 1320a–7, 1320a–7a, 1320c–5, or 1395u(j)(2) of this title and when the person furnishing such item or service knew or had reason to know of the exclusion (after a reasonable time period after reasonable notice has been furnished to the person);

(C) by any individual or entity to whom the State has failed to suspend payments under the plan during any period when there is pending an investigation of a credible allegation of fraud against the individual or entity, as determined by the State in accordance with regulations promulgated by the Secretary for purposes of section 1395y(o) of this title and this subparagraph, unless the State determines in accordance with such regulations there is good cause not to suspend such payments;

(D) beginning on July 1, 2018, under the plan by any provider of services or person whose participation in the State plan is terminated (as described in section 1396a(kk)(8) of this title) after the date that is 60 days after the date on which such termination is included in the database or other system under section 1396a(ll) of this title; or

(E) with respect to any amount expended for such an item or service furnished during calendar quarters beginning on or after October 1, 2017, under section 1396a(kk)(4)(A)(I)(II) of this title, within a geographic area that is subject to a moratorium imposed under section 1395cc(j)(7) of this title by a provider or supplier that meets the requirements specified in subparagraph (C)(iii) of such section, during the period of such moratorium; or

(3) with respect to any amount expended for inpatient hospital services furnished under the plan (other than amounts attributable to the special situation of a hospital which serves a disproportionate number of low income patients with special needs) to the extent that
such amount exceeds the hospital’s customary charges with respect to such services or (if such services are furnished under the plan by a public institution free of charge or at nominal charges to the public) exceeds an amount determined on the basis of those items (specified in regulations prescribed by the Secretary) included in the determination of such payment which the Secretary finds will provide fair compensation to such institution for such services; or
(4) with respect to any amount expended for care or services furnished under the plan by a hospital unless such hospital has in effect a utilization review plan which meets the requirements imposed by section 1395x(k) of this title for purposes of subchapter XVIII; and if such hospital has in effect such a utilization review plan for purposes of subchapter XVIII, such plan shall serve as the plan required by this subsection (with the same standards and procedures and the same review committee or group) as a condition of payment under this subchapter; the Secretary is authorized to waive the requirements of this paragraph if the State agency demonstrates to his satisfaction that it has in operation utilization review procedures which are superior in their effectiveness to the procedures required under section 1395x(k) of this title; or
(5) with respect to any amount expended for any drug product for which payment may not be made under part B of subchapter XVIII because of section 1395y(c) of this title; or
(6) with respect to any amount expended for inpatient hospital tests (other than in emergency situations) not specifically ordered by the attending physician or other responsible practitioner; or
(7) with respect to any amount expended for clinical diagnostic laboratory tests performed by a physician, independent laboratory, or hospital, to the extent such amount exceeds the amount that would be recognized under section 1395y(c) of this title for such tests performed for an individual enrolled under part B of subchapter XVIII; or
(8) with respect to any amount expended for medical assistance (A) for nursing facility services to reimburse (or otherwise compensate) a nursing facility for payment of a civil money penalty imposed under section 1396r(h) of this title or (B) for home and community care to reimburse (or otherwise compensate) a provider of such care for payment of a civil money penalty imposed under this subchapter or subchapter XI or for legal expenses in defense of an exclusion or civil money penalty under this subchapter or subchapter XI if there is no reasonable legal ground for the provider’s case; or
(10)(A) with respect to covered outpatient drugs unless there is a rebate agreement in effect under section 1396r–8 of this title with respect to such drugs or unless section 1396r–8(a)(3) of this title applies; or
(B) with respect to any amount expended for an innovator multiple source drug (as defined in section 1396r–8(k) of this title) dispensed on or after July 1, 1991, if, under applicable State law, a less expensive multiple source drug could have been dispensed, but only to the extent that such amount exceeds the upper payment limit for such multiple source drug;
(C) with respect to covered outpatient drugs described in section 1396r–8(a)(7) of this title, unless information respecting utilization data and coding on such drugs that is required to be submitted under such section is submitted in accordance with such section; or
(D) with respect to any amount expended for reimbursement to a pharmacy under this subchapter for the ingredient cost of a covered outpatient drug for which the pharmacy has already received payment under this subchapter (other than with respect to a reasonable restocking fee for such drug); and
(E) with respect to any amount expended for a covered outpatient drug for which a suspension under section 1396r–8(c)(4)(B)(i)(I) of this title is in effect; or
(11) with respect to any amount expended for physicians’ services furnished on or after the first day of the first quarter beginning more than 60 days after the date of establishment of the physician identifier system under section 1396a(x) of this title, unless the claim for the services includes the unique physician identifier provided under such system; or
(12) with respect to any amounts expended for
(A) a vacuum erection system that is not medically necessary; or
(B) the insertion, repair, or removal and replacement of a penile prosthetic implant (unless such insertion, repair, or removal and replacement is medically necessary); or
(13) with respect to any amount expended to reimburse (or otherwise compensate) a nursing facility for payment of legal expenses associated with any action initiated by the facility that is dismissed on the basis that no reasonable legal ground existed for the institution of such action; or
(14) with respect to any amount expended on administrative costs to carry out the program under section 1396s of this title; or
(15) with respect to any amount expended for a single-antigen vaccine and its administration in any case in which the administration of a combined-antigen vaccine was medically appropriate (as determined by the Secretary); or
(16) with respect to any amount expended for which funds may not be used under the Assisted Suicide Funding Restriction Act of 1997 [42 U.S.C. 14401 et seq.]; or
(17) with respect to any amount expended for roads, bridges, stadiums, or any other item or service not covered under a State plan under this subchapter; or
(18) with respect to any amount expended for home health care services provided by an agency or organization unless the agency or organization provides the State agency on a continuing basis a surety bond in a form specified by the Secretary under paragraph (7) of section 1395x(o) of this title and in an amount that is not less than $50,000 or such comparable surety bond as the Secretary may permit under the last sentence of such section; or
(19) with respect to any amount expended on administrative costs to initiate or pursue litigation described in subsection (d)(3)(B);

(20) with respect to amounts expended for medical assistance provided to an individual described in subclause (XV) or (XVI) of section 1396a(a)(10)(A)(i) of this title for a fiscal year unless the State demonstrates to the satisfaction of the Secretary that the level of State funds expended for such fiscal year for programs to enable working individuals with disabilities to work (other than for such medical assistance) is not less than the level expended for such programs during the most recent State fiscal year ending before December 17, 1999;

(21) with respect to amounts expended for covered outpatient drugs described in section 1396r–8(d)(2)(C) of this title (relating to drugs when used for cosmetic purposes or hair growth), except where medically necessary, and section 1396r–8(d)(2)(K) of this title (relating to drugs when used for treatment of sexual or erectile dysfunction);

(22) with respect to amounts expended for medical assistance for an individual who declares under section 1320b–7(d)(1)(A) of this title to be a citizen or national of the United States for purposes of establishing eligibility for benefits under this subchapter, unless the requirement of section 1396a(a)(46)(B) of this title is met;

(23) with respect to amounts expended for medical assistance for covered outpatient drugs (as defined in section 1396r–8(k)(2) of this title) for which the prescription was executed in written (and non-electronic) form unless the prescription was executed on a tamper-resistant pad;

(24) if a State is required to implement an asset verification program under section 1396w of this title and fails to implement such program in accordance with such section, with respect to amounts expended by such State for medical assistance for individuals subject to asset verification under such section, unless—

(A) the State demonstrates to the Secretary’s satisfaction that the State made a good faith effort to comply;

(B) not later than 60 days after the date of a finding that the State is in noncompliance, the State submits to the Secretary (and the Secretary approves) a corrective action plan to remedy such noncompliance; and

(C) not later than 12 months after the date of such submission (and approval), the State fulfills the terms of such corrective action plan;

(25) with respect to any amounts expended for medical assistance for individuals for whom the State does not report enrollee encounter data (as defined by the Secretary) to the Medicaid Statistical Information System (MSIS) in a timely manner (as determined by the Secretary);

(26) with respect to any amounts expended for medical assistance for individuals described in subclause (VIII) of subsection (a)(10)(A)(i) of section 1396a of this title.
§ 1396b

HELPING STATES IMPROVE THE QUALITY OF CARE IN THEIR MEDICAID PROGRAMS

(1) The term "Medicaid managed care organization" means an organization that—

(i) makes services it provides to individuals eligible for benefits under this subchapter accessible to such individuals, within the area served by the organization, to the same extent as such services are made accessible to individuals (eligible for medical assistance under the State plan) not enrolled with the organization, and

(ii) has made adequate provision against the risk of insolvency, which provision is satisfactory to the Secretary, meets the requirements of subparagraph (C)(i) (if applicable), and which assures that individuals eligible for benefits—

(A) consult with agencies and entities that provide personal care services, home health care services, or both under the State plan (or under a waiver of the plan) to ensure that such system—

(i) is minimally burdensome;

(ii) takes into account existing best practices and electronic visit verification systems in use in the State; and

(iii) is conducted in accordance with the requirements of HIPAA privacy and security law (as defined in section 300jj–19 of this title);

(B) take into account a stakeholder process that includes input from beneficiaries, family caregivers, individuals who furnish personal care services or home health care services, and other stakeholders, as determined by the Secretary; and

(C) ensure that individuals who furnish personal care services, home health care services, or both under the State plan (or under a waiver of the plan) are provided the opportunity for training on the use of such system.

(2) Paragraphs (1) and (2) shall not apply in the case of a State that—

(i) has made a good faith effort to comply with the requirements of paragraphs (1) and (2) (including by taking steps to adopt the technology used for an electronic visit verification system); and

(ii) in implementing such a system, has encountered unavoidable system delays.

(3) Paragraphs (1) and (2) shall not apply in the case of a State that, as of December 13, 2016, requires the use of any system for the electronic verification of visits conducted as part of both personal care services and home health care services, so long as the State continues to require the use of such system with respect to personal care services or home health care services, a system under which visits conducted as part of such services are electronically verified with respect to—

(i) the type of service performed;

(ii) the individual receiving the service;

(iii) the date of the service;

(iv) the location of service delivery;

(v) the individual providing the service; and

(vi) the time the service begins and ends.

(B) The term "home health care services" means services described in section 1396d(a)(7) of this title provided under a State plan under this subchapter (or under a waiver of the plan).

(C) The term "personal care services" means personal care services provided under a State plan under this subchapter (or under a waiver of the plan), including services provided under section 1396d(a)(24), 1396n(e), 1396n(j), or 1396n(k) of this title or under a waiver under section 1315 of this title.

(6)(A) In the case in which a State requires personal care service and home health care service providers to utilize an electronic visit verification system operated by the State or a contractor on behalf of the State, the Secretary shall pay to the State, for each quarter, an amount equal to 90 per centum of so much of the sums expended during such quarter as are attributable to the design, development, or installation of such system, and 75 per centum of so much of the sums for the operation and maintenance of such system.

(B) Subparagraph (A) shall not apply in the case in which a State requires personal care service and home health care service providers to utilize an electronic visit verification system that is not operated by the State or a contractor on behalf of the State.

(m) "Medicaid managed care organization" defined; duties and functions of Secretary; payments to States; reporting requirements; remedies

(1)(A) The term "Medicaid managed care organization" means a health maintenance organization, an eligible organization with a contract under section 1395mm of this title or a Medicare+Choice organization with a contract under part C of subchapter XVIII, a provider sponsored organization, or any other public or private organization, which meets the requirements of section 1396a(w) of this title and—

(i) makes services it provides to individuals eligible for benefits under this subchapter accessible to such individuals, within the area served by the organization, to the same extent as such services are made accessible to individuals (eligible for medical assistance under the State plan) not enrolled with the organization; and

(ii) has made adequate provision against the risk of insolvency, which provision is satisfactory to the Secretary, meets the requirements of subparagraph (C)(i) (if applicable), and which assures that individuals eligible for benefits...
under this subchapter are in no case held liable for debts of the organization in case of the organization's insolvency.

An organization that is a qualified health maintenance organization (as defined in section 300e–9(d) of this title) is deemed to meet the requirements of clauses (i) and (ii).

(B) The duties and functions of the Secretary, in so far as they involve making determinations as to whether an organization is a medicaid managed care organization within the meaning of subparagraph (A), shall be integrated with the administration of section 300e–11(a) and (b) of this title.

(C)(i) Subject to clause (ii), a provision meets the requirements of this subparagraph for an organization if the organization meets solvency standards established by the State for private health maintenance organizations or is licensed or certified by the State as a risk-bearing entity.

(ii) Clause (i) shall not apply to an organization if—

(I) the organization is not responsible for the provision (directly or through arrangements with providers of services) of inpatient hospital services and physicians' services;

(II) the organization is a public entity;

(III) the solvency of the organization is guaranteed by the State; or

(IV) the organization is (or is controlled by) one or more Federally-qualified health centers and meets solvency standards established by the State for such an organization.

For purposes of subclause (IV), the term 'control' means the possession, whether direct or indirect, of the power to direct or cause the direction of the management and policies of the organization through membership, board representation, or an ownership interest equal to or greater than 50.1 percent.

(2)(A) Except as provided in subparagraphs (B), (C), and (G), no payment shall be made under this subchapter to a State with respect to expenditures incurred by it for payment (determined under a prepaid capitation basis or under any other risk basis) for services provided by any entity (including a health insuring organization) which is responsible for the provision (directly or through arrangements with providers of services) of inpatient hospital services and any other service described in paragraph (2), (3), (4), (5), or (7) of section 1396d(a) of this title or for the provision of any three or more of the services described in such paragraphs unless—

(i) the Secretary has determined that the entity is a medicaid managed care organization as defined in paragraph (1);


(iii) such services are provided for the benefit of individuals eligible for benefits under this subchapter in accordance with a contract between the State and the entity under which prepaid payments to the entity are made on an actuarially sound basis and under which the Secretary must provide prior approval for contracts providing for expenditures in excess of $1,000,000 for 1998 and, for a subsequent year, the amount established under this clause for the previous year increased by the percentage increase in the consumer price index for all urban consumers over the previous year;

(iv) such contract provides that the Secretary and the State (or any person or organization designated by either) shall have the right to audit and inspect any books and records of the entity (and of any subcontractor) that pertain (I) to the ability of the entity to bear the risk of potential financial losses, or (II) to services performed or determinations of amounts payable under the contract;

(v) such contract provides that in the entity's enrollment, reenrollment, or disenrollment of individuals who are eligible for benefits under this subchapter and eligible to enroll, reenroll, or disenroll with the entity pursuant to the contract, the entity will not discriminate among such individuals on the basis of their health status or requirements for health care services;

(vi) such contract (I) permits individuals who have elected under the plan to enroll with the entity for provision of such benefits to terminate such enrollment in accordance with section 1396n–2(a)(4) of this title, and (II) provides for notification in accordance with such section of each such individual, at the time of the individual's enrollment, of such right to terminate such enrollment;

(vii) such contract provides that, in the case of medically necessary services which were provided (I) to an individual enrolled with the entity under the contract and entitled to benefits with respect to such services under the State's plan and (II) other than through the organization because the services were immediately required due to an unforeseen illness, injury, or condition, either the entity or the State provides for reimbursement with respect to those services;

(viii) such contract provides for disclosure of information in accordance with section 1320a–3 of this title and paragraph (4) of this subsection;

(ix) such contract provides, in the case of an entity that has entered into a contract for the provision of services with a Federally-qualified health center or a rural health clinic, that the entity shall provide payment that is not less than the level and amount of payment which the entity would make for the services if the services were furnished by a provider which is not a Federally-qualified health center or a rural health clinic;

(x) any physician incentive plan that it operates meets the requirements described in section 1395mm(i)(8) of this title;

(xi) such contract provides for maintenance of sufficient patient encounter data to identify the physician who delivers services to patients and for the provision of such data to the State at a frequency and level of detail to be specified by the Secretary;

(xii) such contract, and the entity complies with the applicable requirements of section 1396a–2 of this title; and

(xiii) such contract provides that (I) covered outpatient drugs dispensed to individuals eligible for medical assistance who are enrolled with the entity shall be subject to the same
rebate required by the agreement entered into under section 1396r–8 of this title as the State is subject to and that the State shall collect such rebates from manufacturers, (II) capitation rates paid to the entity shall be based on actual cost experience related to rebates and subject to the Federal regulations requiring actuarially sound rates, and (III) the entity shall report to the State, on such timely and periodic basis as specified by the Secretary in order to include in the information submitted by the entity to a manufacturer and the Secretary under section 1396r–8(b)(2)(A) of this title, information on the total number of units of each dosage form and strength and package size by National Drug Code of each covered outpatient drug dispensed to individuals eligible for medical assistance who are enrolled with the entity and for which the entity is responsible for coverage of such drug under this subsection (other than covered outpatient drugs that under subsection (j)(1) of section 1396r–8 of this title are not subject to the requirements of that section) and such other data as the Secretary determines necessary to carry out this subsection.

(B) Subparagraph (A) except with respect to clause (ix) of subparagraph (A), does not apply with respect to payments under this subchapter to a State with respect to expenditures incurred by it for payment for services provided by an entity which—

(i) received a grant of at least $100,000 in the fiscal year ending June 30, 1976, under section 254b(d)(1)(A) or 254c(d)(1) of this title, and for the period beginning July 1, 1976, and ending on the expiration of the period for which payments are to be made under this subchapter has been the recipient of a grant under such section; and

(ii) provides, on a prepaid capitation risk basis or on any other risk basis, all of the services and benefits described in paragraphs (1), (2), (3), (4)(C), and (5) of section 1396d(a) of this title and, to the extent required by section 1396a(a)(10)(D) of this title, to be provided under a State plan for medical assistance, the services and benefits described in paragraph (7) of section 1396d(a) of this title; or

(ii) is a nonprofit primary health care entity located in a rural area (as defined by the Appalachian Regional Commission)—

(I) which received in the fiscal year ending June 30, 1976, at least $100,000 (by grant, subgrant, or subcontract) under the Appalachian Regional Development Act of 1965, and

(II) for the period beginning July 1, 1976, and ending on the expiration of the period for which payments are to be made under this subchapter either has been the recipient of a grant, subgrant, or subcontract under such Act or has provided services under a contract (initially entered into during a year in which the entity was the recipient of such a grant, subgrant, or subcontract) with a State agency under this subchapter on a prepaid capitation risk basis or on any other risk basis; or

(iii) which has contracted with the single State agency for the provision of services (but not including inpatient hospital services) to persons eligible under this subchapter on a prepaid risk basis prior to 1970.


(G) In the case of an entity which is receiving (and has received during the previous two years) a grant of at least $100,000 under section 254b(d)(1)(A) or 254c(d)(1) of this title or is receiving (and has received during the previous two years) at least $100,000 (by grant, subgrant, or subcontract) under the Appalachian Regional Development Act of 1965, clause (i) of subparagraph (A) shall not apply.

(H) In the case of an individual who—

(i) in a month is eligible for benefits under this subchapter and enrolled with a managed care organization with a contract under this paragraph or with a primary care case manager with a contract described in section 1396d(t)(3) of this title,

(ii) in the next month (or in the next 2 months) is not eligible for such benefits, but

(iii) in the succeeding month is again eligible for such benefits, the State plan, subject to subparagraph (A)(vi), may enroll the individual for that succeeding month with the organization described in clause (i) if the organization continues to have a contract under this paragraph with the State or with the manager described in such clause if the manager continues to have a contract described in section 1396d(t)(3) of this title with the State.

(3) No payment shall be made under this subchapter to a State with respect to expenditures incurred by the State for payment for services provided by a managed care entity (as defined under section 1396u–2(a)(1) of this title) under the State plan under this subchapter and enrolled with a medicaid managed care organization which is not a qualified health maintenance organization (as defined in section 300e–9(d) of this title) unless the Secretary, to the Secretary, the Inspector General of the Department of Health and Human Services, and the Comptroller General a description of transactions between the organization and a party in interest (as defined in section 300e–17(b) of this title), including the following transaction:

(i) Any sale or exchange, or leasing of any property between the organization and such a party.

(ii) Any furnishing for consideration of goods, services (including management serv-
(i) civil money penalties of not more than $25,000 for each determination under subparagraph (A), or, with respect to a determination under clause (iii) or (iv)(I) of such subparagraph, of not more than $100,000 for each such determination, plus, with respect to a determination under subparagraph (A)(ii), double the excess amount charged shall be deducted from the penalty and returned to the individual concerned), and plus, with respect to a determination under subparagraph (A)(iii), $15,000 for each individual not enrolled as a result of a practice described in such subparagraph, or

(ii) denial of payment to the State for medical assistance furnished under the contract under this subsection for individuals enrolled after the date the Secretary notifies the organization of a determination under subparagraph (A) and until the Secretary is satisfied that the basis for such determination has been corrected and is not likely to recur.

The provisions of section 1320a–7a of this title (other than subsections (a) and (b)) shall apply to a civil money penalty under clause (i) in the same manner as such provisions apply to a penalty or proceeding under section 1320a–7a(a) of this title.

(6)(A) For purposes of this subsection and section 1396a(e)(2)(A) of this title, in the case of the State of New Jersey, the term “contract” shall be deemed to include an undertaking by the State agency, in the State plan under this subchapter, to operate a program meeting all requirements of this subsection.

(B) The undertaking described in subparagraph (A) must provide—

(i) for the establishment of a separate entity responsible for the operation of a program meeting the requirements of this subsection, which entity may be a subdivision of the State agency administering the State plan under this subchapter;

(ii) for separate accounting for the funds used to operate such program; and

(iii) for setting the capitation rates and any other payment rates for services provided in accordance with this subsection using a methodology satisfactory to the Secretary designed to ensure that total Federal matching payments under this subchapter for such services will be lower than the matching payments that would be made for the same services, if provided under the State plan on a fee for service basis to an actuarially equivalent population.

(C) The undertaking described in subparagraph (A) shall not be eligible for a waiver under section 1396n(b) of this title.

(7) Payment shall be made under this subchapter to a State for expenditures for capitation payments described in section 438.6(e) of title 42, Code of Federal Regulations (or any successor regulation).

(B)(A) The State agency administering the State plan under this subchapter may have reasonable access, as determined by the State, to 1 or more prescription drug monitoring program databases administered or accessed by the State to the extent the State agency is permitted to access such databases under State law.

(B) Such State agency may facilitate reasonable access, as determined by the State, to 1 or more prescription drug monitoring program databases administered or accessed by the State, to same extent that the State agency is permitted under State law to access such databases, for—

(i) any provider enrolled under the State plan to provide services to Medicaid beneficiaries; and

(ii) any managed care entity (as defined under section 1396u–2(a)(1)(B) of this title) that
(A) With respect to expenditures described in subparagraph (B) that are incurred by a State for any fiscal year after fiscal year 2020 (and before fiscal year 2024), in determining the proportionate share to which the United States is equitably entitled under subsection (d)(3), the Secretary shall substitute the Federal medical assistance percentage that applies for such fiscal year to the State under section 1396d(b) of this title (without regard to any adjustments to such percentage applicable under such section or any other provision of law) for the percentage that applies to such expenditures under section 1396d(y) of this title.

(B) Expenditures described in this subparagraph, with respect to a fiscal year to which subparagraph (A) applies, are expenditures incurred by a State for payment for medical assistance provided to individuals described in subparagraph (C), to apply a minimum medical loss ratio (as calculated under subsection (d) of section 438.8 of title 42, Code of Federal Regulations (as in effect on June 1, 2018)) for payment for services provided by entities described in subparagraph (B) under the State plan under this subchapter (or a waiver of the plan).

(C) Such State agency may share information in such databases, to the same extent that the State agency is permitted under State law to share information in such databases, with—

(i) any provider enrolled under the State plan to provide services to Medicaid beneficiaries; and

(ii) any provider enrolled under the State plan to provide services to Medicaid beneficiaries.

(9)(A) With respect to expenditures described in subparagraph (B) that are incurred by a State for any fiscal year after fiscal year 2020 (and before fiscal year 2024), in determining the proportionate share to which the United States is equitably entitled under subsection (d)(3), the Secretary shall substitute the Federal medical assistance percentage that applies for such fiscal year to the State under section 1396d(b) of this title (without regard to any adjustments to such percentage applicable under such section or any other provision of law) for the percentage that applies to such expenditures under section 1396d(y) of this title.

(B) Expenditures described in this subparagraph, with respect to a fiscal year to which subparagraph (A) applies, are expenditures incurred by a State for payment for medical assistance provided to individuals described in subsection (d) of section 1396d(y) of this title by a managed care entity, or other specified entity (as defined in subparagraph (D)(iii)), that are treated as remittances because the State—

(i) has satisfied the requirement of section 438.8 of title 42, Code of Federal Regulations (or any successor regulation), by electing—

(I) in the case of a State described in subparagraph (C), to apply a minimum medical loss ratio (as defined in subparagraph (D)(iii)) that is at least 85 percent but not greater than the minimum medical loss ratio (as so defined) that such State applied as of May 31, 2018; or

(II) in the case of a State not described in subparagraph (C), to apply a minimum medical loss ratio that is equal to or greater than 85 percent; and

(ii) recovered all or a portion of the expenditures as a result of the entity’s failure to meet such ratio.

(C) For purposes of subparagraph (B), a State described in this subparagraph is a State that as of May 31, 2018, applied a minimum medical loss ratio (as calculated under subsection (d) of section 438.8 of title 42, Code of Federal Regulations (as in effect on June 1, 2018)) for payment for services provided by entities described in such subparagraph under the State plan under this subchapter (or a waiver of the plan) that is equal to or greater than 85 percent.

(D) For purposes of this paragraph:

(i) The term “managed care entity” means a Medicaid managed care organization described in section 1396u–2(a)(1)(B)(i) of this title.

(ii) The term “minimum medical loss ratio” means, with respect to a State, a minimum medical loss ratio (as calculated under subsection (d) of section 438.8 of title 42, Code of Federal Regulations (as in effect on June 1, 2018)) for payment for services provided by entities described in subparagraph (B) under the State plan under this subchapter (or a waiver of the plan).

(iii) The term “other specified entity” means—

(I) a prepaid inpatient health plan, as defined in section 438.2 of title 42, Code of Federal Regulations (or any successor regulation); and

(II) a prepaid ambulatory health plan, as defined in such section (or any successor regulation).


(o) Restrictions on authorized payments to States

Notwithstanding the preceding provisions of this section, no payment shall be made to a State under the preceding provisions of this section for expenditures for medical assistance provided for an individual under its State plan approved under this subchapter to the extent that a private insurer (as defined by the Secretary by regulation and including a group health plan (as defined in section 1167(1) of title 29), a service benefit plan, and a health maintenance organization) would have been obligated to provide such assistance but for a provision of its insurance contract which has the effect of limiting or excluding such obligation because the individual is eligible for or is provided medical assistance under the plan.

(p) Assignment of rights of payment; incentive payments for enforcement and collection

(1) When a political subdivision of a State makes, for the State of which it is a political subdivision, or one State makes, for another State, the enforcement and collection of rights of support or payment assigned under section 1396k of this title, pursuant to a cooperative arrangement under such section (either within or outside of such State), there shall be paid to the political subdivision, or one State makes, for another State from amounts which would otherwise represent the Federal share of payments for medical assistance provided to the eligible individuals on whose behalf such enforcement and collection was made, an amount equal to 15 percent of any amount collected which is attributable to such rights of support or payment.

(2) Where more than one jurisdiction is involved in such enforcement or collection, the amount of the incentive payment determined under paragraph (1) shall be allocated among the jurisdictions in a manner to be prescribed by the Secretary.

(q) “State Medicaid fraud control unit” defined

For the purposes of this section, the term “State Medicaid fraud control unit” means a single identifiable entity of the State government which the Secretary certifies (and annually recertifies) as meeting the following requirements:

(1) The entity (A) is a unit of the office of the State Attorney General or of another de-
partment of State government which possesses statewide authority to prosecute individuals for criminal violations, (B) is in a State the constitution of which does not provide for the criminal prosecution of individuals by a statewide authority and has formal procedures, approved by the Secretary, that (i) assure its referral of suspected criminal violations relating to the program under this subchapter to the appropriate authority or authorities in the State for prosecution and (ii) assure its assistance of, and coordination with, such authority or authorities in such prosecutions, or (C) has a formal working relationship with the office of the State Attorney General and has formal procedures (including procedures for its referral of suspected criminal violations to such office) which are approved by the Secretary and which provide effective coordination of activities between the entity and such office with respect to the detection, investigation, and prosecution of suspected criminal violations relating to the program under this subchapter.

(2) The entity is separate and distinct from the single State agency that administers or supervises the administration of the State plan under this subchapter.

(3) The entity’s function is conducting a statewide program for the investigation and prosecution of violations of all applicable State laws regarding any and all aspects of fraud in connection with (A) any aspect of the provision of medical assistance and the activities of providers of such assistance under the State plan under this subchapter; and (B) upon the approval of the Inspector General of the relevant Federal agency, any aspect of the provision of health care services and activities of providers of such services under any Federal health care program (as defined in section 1320a–7b(f)(1) of this title), if the suspected fraud or violation of law in such case or investigation is primarily related to the State plan under this subchapter.

(4)(A) The entity has—

(i) procedures for reviewing complaints of abuse or neglect of patients in health care facilities which receive payments under the State plan under this subchapter; and

(ii) at the option of the entity, procedures for acting upon such complaints under the criminal laws of the State or for referring such complaints to other State agencies for action.

(B) For purposes of this paragraph, the term “board and care facility” means a residential setting which receives payment (regardless of whether such payment is made under the State plan under this subchapter) from or on behalf of two or more unrelated adults who reside in such facility, and for whom one or both of the following is provided:

(i) Nursing care services provided by, or under the supervision of, a registered nurse, licensed practical nurse, or licensed nursing assistant.

(ii) A substantial amount of personal care services that assist residents with the activities of daily living, including personal hygiene, dressing, bathing, eating, toileting, ambulation, transfer, positioning, self-medication, body care, travel to medical services, essential shopping, meal preparation, laundry, and housework.

(5) The entity provides for the collection, or referral for collection to a single State agency, of overpayments that are made under the State plan or under any Federal health care program (as so defined) to health care facilities and that are discovered by the entity in carrying out its activities. All funds collected in accordance with this paragraph shall be credited exclusively to, and available for expenditure under, the Federal health care program (including the State plan under this subchapter) that was subject to the activity that was the basis for the collection.

(6) The entity employs such auditors, attorneys, investigators, and other necessary personnel and is organized in such a manner as is necessary to promote the effective and efficient conduct of the entity’s activities.

(7) The entity submits to the Secretary an application and annual reports containing such information as the Secretary determines, by regulation, to be necessary to determine whether the entity meets the other requirements of this subsection.

(r) Mechanized claims processing and information retrieval systems; operational, etc., requirements

(1) In order to receive payments under subchapter (a) for use of automated data systems in administration of the State plan under this subchapter, a State must, in addition to meeting the requirements of paragraph (3), have in operation mechanized claims processing and information retrieval systems that meet the requirements of this subsection and that the Secretary has found—

(A) are adequate to provide efficient, economical, and effective administration of such State plan;

(B) are compatible with the claims processing and information retrieval systems used in the administration of subchapter XVIII, and for this purpose—

(i) have a uniform identification coding system for providers, other payees, and beneficiaries under this subchapter or subchapter XVIII;

(ii) provide liaison between States and carriers and intermediaries with agreements under subchapter XVIII to facilitate timely exchange of appropriate data;

(iii) provide for exchange of data between the States and the Secretary with respect to persons sanctioned under this subchapter or subchapter XVIII; and

(iv) effective for claims filed on or after October 1, 2010, incorporate compatible methodologies of the National Correct Coding Initiative administered by the Secretary (or any successor initiative to promote correct coding and to control improper coding leading to inappropriate payment) and such other methodologies of that Initiative (or such other national correct coding meth-
§ 1396b

paragraph, mechanized claims processing and information retrieval systems must meet the following requirements:

(A) The systems must be capable of developing provider, physician, and patient profiles which are sufficient to provide specific information as to the use of covered types of services and items, including prescribed drugs.

(B) The State must provide that information on probable fraud or abuse which is obtained from, or developed by, the systems, is made available to the State’s Medicaid fraud control unit (if any) certified under subsection (q) of this section.

(C) The systems must meet all performance standards and other requirements for initial approval developed by the Secretary.

In order to meet the requirements of this paragraph, a State must have in operation an automated data system that the Secretary determines to be necessary for program integrity, program oversight, and administration, at such frequency as the Secretary shall determine.

(2) In order to meet the requirements of this paragraph, mechanized claims processing and information retrieval systems must meet the following requirements:

(A) Not later than September 1, 2010:

(i) Identify those methodologies of the National Correct Coding Initiative administered by the Secretary (or any successor initiative to promote correct coding and to control improper coding leading to inappropriate payment) which are compatible to claims filed under this subchapter with respect to items or services for which States provide medical assistance under this subchapter and no national correct coding methodologies have been established under such Initiative with respect to subchapter XVIII.

(ii) Identify those methodologies of such Initiative (or such other national correct coding methodologies) that should be incorporated into claims filed under this subchapter with respect to items or services for which States provide medical assistance under this subchapter and no national correct coding methodologies have been established under such Initiative with respect to subchapter XVIII.

(iii) Notify States of—

(I) the methodologies identified under subparagraphs (A) and (B) (and of any other national correct coding methodologies identified under subparagraph (B)); and

(II) how States are to incorporate such methodologies into claims filed under this subchapter.

(B) Not later than March 1, 2011, submit a report to Congress that includes the notice to States under clause (iii) of subparagraph (A) and an analysis supporting the identification of the methodologies made under clauses (i) and (ii) of subparagraph (A).

(s) Limitations on certain physician referrals

Notwithstanding the preceding provisions of this section, no payment shall be made to a State under this section for expenditures for medical assistance under the State plan consisting of a designated health service (as defined in subsection (h)(6) of section 1396n of this title) furnished to an individual on the basis of a referral that would result in the denial of payment for the service under subchapter XVIII if such subchapter provided for coverage of such service to the same extent and under the same terms and conditions as under the State plan, and subsections (f) and (g)(5) of such section shall apply to a provider of such a designated health service for which payment may be made under this subchapter in the same manner as such subsections apply to a provider of such a service for which payment may be made under such subchapter.

(t) Payments to encourage adoption and use of certified EHR technology

(1) For purposes of subsection (a)(3)(F), the payments described in this paragraph to encourage the adoption and use of certified EHR technology are payments made by the State in accordance with this subsection—

(A) to Medicaid providers described in paragraph (2)(A) not in excess of 85 percent of net average allowable costs (as defined in paragraph (3)(E)) for certified EHR technology (and support services including maintenance and training that is for, or is necessary for the adoption and operation of, such technology) with respect to such providers; and

(B) to Medicaid providers described in paragraph (2)(B) not in excess of the maximum amount permitted under paragraph (5) for the provider involved.

(2) In this subsection and subsection (a)(3)(F), the term “Medicaid provider” means—

(A) an eligible professional (as defined in paragraph (3)(B))—

(i) who is not hospital-based and has at least 30 percent of the professional’s patient volume (as estimated in accordance with a methodology established by the Secretary) attributable to individuals who are receiving medical assistance under this subchapter;

(ii) who is not described in clause (i), who is a pediatrician, who is not hospital-based, and who has at least 20 percent of the professional’s patient volume (as estimated in accordance with a methodology established by the Secretary) attributable to individuals
who are receiving medical assistance under this subchapter; and

(iii) who practices predominantly in a Federally qualified health center or rural health clinic and has at least 30 percent of the professional's patient volume (as estimated in accordance with a methodology established by the Secretary) attributable to needy individuals (as defined in paragraph (3)(F)); and

(B)(i) a children’s hospital, or

(ii) an acute-care hospital that is not described in clause (i) and that has at least 10 percent of the hospital’s patient volume (as estimated in accordance with a methodology established by the Secretary) attributable to individuals who are receiving medical assistance under this subchapter.

An eligible professional shall not qualify as a Medicaid provider under this subsection unless any right to payment under sections 1395w–4(a) and 1385w–23(l) of this title with respect to the eligible professional has been waived in a manner specified by the Secretary. For purposes of calculating patient volume under subparagraph (A)(iii), insofar as it is related to uncompensated care, the Secretary may require the adjustment of such uncompensated care data so that it would be an appropriate proxy for charity care, including a downward adjustment to eliminate bad debt data from uncompensated care. In applying subparagraphs (A) and (B)(ii), the methodology established by the Secretary for patient volume shall include individuals enrolled in a Medicaid managed care plan (under subsection (m) or section 1396a–2 of this title).

(3) In this subsection and subsection (a)(3)(F):

(A) The term “certified EHR technology” means a qualified electronic health record (as defined in 300jj(13) of this title) that is certified pursuant to section 300jj–11(c)(5) of this title as meeting standards adopted under section 300jj–14 of this title that are applicable to the type of record involved (as determined by the Secretary, such as an ambulatory electronic health record for office-based physicians or an inpatient hospital electronic health record for hospitals).

(B) The term “eligible professional” means a—

(i) physician;

(ii) dentist;

(iii) certified nurse midwife;

(iv) nurse practitioner; and

(v) physician assistant insofar as the assistant is practicing in a rural health clinic that is led by a physician assistant or is practicing in a Federally qualified health center that is so led.

(C) The term “average allowable costs” means, with respect to certified EHR technology of Medicaid providers described in paragraph (2)(A) for—

(i) the first year of payment with respect to such a provider, the average costs for the purchase and initial implementation or upgrading of such technology (and support services including training that is for, or is necessary for the adoption and initial operation of, such technology) for such providers, as determined by the Secretary based upon studies conducted under paragraph (4)(C); and

(ii) a subsequent year of payment with respect to such a provider, the average costs described in clause (i) relating to the operation, maintenance, and use of such technology for such providers, as determined by the Secretary based upon studies conducted under paragraph (4)(C).

(D) The term “hospital-based” means, with respect to an eligible professional, a professional (such as a pathologist, anesthesiologist, or emergency physician) who furnishes substantially all of the individual’s professional services in a hospital inpatient or emergency room setting and through the use of the facilities and equipment, including qualified electronic health records, of the hospital. The determination of whether an eligible professional is a hospital-based eligible professional shall be made on the basis of the site of service (as defined by the Secretary) and without regard to any employment or billing arrangement between the eligible professional and any other provider.

(E) The term “net average allowable costs” means, with respect to a Medicaid provider described in paragraph (2)(A), average allowable costs reduced by the average payment the Secretary estimates will be made to such Medicaid providers (determined on a percentage or other basis for such classes or types of providers as the Secretary may specify) from other sources (other than under this subsection, or by the Federal government or a State or local government) that is directly attributable to payment for certified EHR technology or support services described in subparagraph (C).

(F) The term “needy individual” means, with respect to a Medicaid provider, an individual—

(i) who is receiving assistance under this subchapter;

(ii) who is receiving assistance under chapter XXI;

(iii) who is furnished uncompensated care by the provider; or

(iv) for whom charges are reduced by the provider on a sliding scale basis based on an individual’s ability to pay.

(4)(A) With respect to a Medicaid provider described in paragraph (2)(A), subject to subparagraph (B), in no case shall—

(i) the net average allowable costs under this subsection for the first year of payment (which may not be later than 2016), which is intended to cover the costs described in paragraph (3)(C)(i), exceed $25,000 (or such lesser amount as the Secretary determines based on studies conducted under subparagraph (C));

(ii) the net average allowable costs under this subsection for a subsequent year of payment, which is intended to cover costs described in paragraph (3)(C)(ii), exceed $10,000; and

(iii) payments be made for costs described in clause (ii) after 2021 or over a period of longer than 5 years.

*So in original. The word “section” probably should appear.
(B) In the case of Medicaid provider described in paragraph (2)(A)(ii), the dollar amounts specified in subparagraph (A) shall be 2% of the dollar amounts otherwise specified.

(C) For the purposes of determining average allowable costs under this subsection, the Secretary shall study the average costs to Medicaid providers described in paragraph (2)(A) of purchase and initial implementation and upgrade of certified EHR technology described in paragraph (3)(C)(i) and the average costs to such providers of operations, maintenance, and use of such technology described in paragraph (3)(C)(ii). In determining such costs for such providers, the Secretary may utilize studies of such amounts submitted by States.

(5)(A) In no case shall the payments described in paragraph (1)(B) with respect to a Medicaid provider described in paragraph (2)(B) exceed—

(i) in the aggregate the product of—

(I) the overall hospital EHR amount for the provider computed under subparagraph (B); and

(II) the Medicaid share for such provider computed under subparagraph (C);

(ii) in any year 50 percent of the product described in clause (i); and

(iii) in any 2-year period 90 percent of such product.

(B) For purposes of this paragraph, the overall hospital EHR amount, with respect to a Medicaid provider, is the sum of the applicable amounts specified in section 1395ww(n)(2)(A) of this title for such provider for the first 4 payment years (as estimated by the Secretary) determined as if the Medicare share specified in clause (ii) of such section were 1. The Secretary shall establish, in consultation with the State, the overall hospital EHR amount for each such Medicaid provider eligible for payments under paragraph (1)(B). For purposes of this subparagraph in computing the amounts under section 1395ww(n)(2)(C) of this title for payment years after the first payment year, the Secretary shall assume that in subsequent payment years discharges increase at the average annual rate of growth of the most recent 3 years for which discharge data are available per year.

(C) The Medicaid share computed under this subparagraph, for a Medicaid provider for a period specified by the Secretary, shall be calculated in the same manner as the Medicare share under section 1395ww(n)(2)(D) of this title for such a hospital and period, except that there shall be substituted for the numerator under clause (i) of such section the amount that is equal to the number of inpatient-bed-days (as established by the Secretary) which are attributable to individuals who are receiving medical assistance under this subchapter and who are not described in section 1395ww(n)(2)(D)(i) of this title. In computing inpatient-bed-days under the previous sentence, the Secretary shall take into account inpatient-bed-days attributable to inpatient-bed-days that are paid for individuals enrolled in a Medicaid managed care plan (under subsection (m) or section 1396u–2 of this title).

(D) In no case may the payments described in paragraph (1)(B) with respect to a Medicaid provider described in paragraph (2)(B) be paid—

(i) for any year beginning after 2016 unless the provider has been provided payment under paragraph (1)(B) for the previous year; and

(ii) over a period of more than 6 years of payment.

(6) Payments described in paragraph (1) are not in accordance with this subsection unless the following requirements are met:

(A)(i) The State provides assurances satisfactory to the Secretary that amounts received under subsection (a)(3)(F) with respect to payments to a Medicaid provider are paid, subject to clause (ii), directly to such provider (or to an employer or facility to which such provider has assigned payments) without any deduction or rebate.

(ii) Amounts described in clause (i) may also be paid to an entity promoting the adoption of certified EHR technology, as designated by the State, if participation in such a payment arrangement is voluntary for the eligible professional involved and if such entity does not retain more than 5 percent of such payments for costs not related to certified EHR technology and support services including maintenance and training, which is for, or necessary for the operation of, such technology.

(B) A Medicaid provider described in paragraph (2)(A) is responsible for payment of the remaining 15 percent of the net average allowable cost and shall be determined to have met such responsibility to the extent that the payment to the Medicaid provider is not in excess of 85 percent of the net average allowable cost.

(C)(i) Subject to clause (ii), with respect to payments to a Medicaid provider—

(I) for the first year of payment to the Medicaid provider under this subsection, the Medicaid provider demonstrates that it is engaged in efforts to adopt, implement, or upgrade certified EHR technology; and

(II) for a year of payment, other than the first year of payment to the Medicaid provider under this subsection, the Medicaid provider demonstrates meaningful use of certified EHR technology through a means that is approved by the State and acceptable to the Secretary, and that may be based upon the methodologies applied under section 1395w–4(o) or 1395w(n) of this title.

(ii) In the case of a Medicaid provider who has completed adopting, implementing, or upgrading such technology prior to the first year of payment to the Medicaid provider under this subsection, clause (i)(I) shall not apply and clause (i)(II) shall apply to each year of payment to the Medicaid provider under this subsection, including the first year of payment.

(D) To the extent specified by the Secretary, the certified EHR technology is compatible with State or Federal administrative management systems.

For purposes of subparagraph (B), a Medicaid provider described in paragraph (2)(A) may accept payments for the costs described in such subparagraph from a State or local government.

[10] So in original. Probably should be preceded by "a".
For purposes of subparagraph (C), in establishing the means described in such subparagraph, which may include clinical quality reporting to the State, the State shall ensure that populations with unique needs, such as children, are appropriately addressed.

(7) With respect to Medicaid providers described in paragraph (2)(A), the Secretary shall ensure coordination of payment with respect to such providers under sections 1395w–4(a) and 1395w–23(l) of this title and under this subsection to assure no duplication of funding. Such coordination shall include, to the extent practicable, a data matching process between State Medicaid agencies and the Centers for Medicare & Medicaid Services using national provider identifiers. For such purposes, the Secretary may require the submission of such data relating to payments to such Medicaid providers as the Secretary may specify.

(8) In carrying out paragraph (6)(C), the State and Secretary shall seek, to the maximum extent practicable, to avoid duplicative requirements from Federal and State governments to demonstrate meaningful use of certified EHR technology under this subchapter and subchapter XVIII. In doing so, the Secretary may deem satisfaction of requirements for such meaningful use for a payment year under subchapter XVIII to be sufficient to qualify as meaningful use under this subsection. The Secretary may also specify the reporting periods under this subsection in order to carry out this paragraph.

(9) In order to be provided Federal financial participation under subsection (a)(3)(F)(ii), a State must demonstrate to the satisfaction of the Secretary, that the State—
   (A) is using the funds provided for the purposes of administering payments under this subsection, including tracking of meaningful use by Medicaid providers;
   (B) is conducting adequate oversight of the program under this subsection, including routine tracking of meaningful use attestations and reporting mechanisms; and
   (C) is pursuing initiatives to encourage the adoption of certified EHR technology to promote health care quality and the exchange of health care information under this subchapter, subject to applicable laws and regulations governing such exchange.

(10) The Secretary shall periodically submit reports to the Committee on Energy and Commerce of the House of Representatives and the Committee on Finance of the Senate on status, progress, and oversight of payments described in paragraph (1), including steps taken to carry out paragraph (7). Such reports shall also describe the extent of adoption of certified EHR technology among Medicaid providers resulting from the provisions of this subsection and any improvements in health outcomes, clinical quality, or efficiency resulting from such adoption.

(u) Limitation of Federal financial participation in erroneous medical assistance expenditures

(1)(A) Notwithstanding subsection (a)(1), if the ratio of a State's erroneous excess payments for medical assistance (as defined in subparagraph (D)) to its total expenditures for medical assistance under the State plan approved under this subchapter exceeds 0.03, for the period consisting of the third and fourth quarters of fiscal year 1983, or for any full fiscal year thereafter, the Secretary shall make no payment for such period or fiscal year with respect to so much of such erroneous excess payments as exceeds such allowable error rate of 0.03.

(B) The Secretary may waive, in certain limited cases, all or part of the reduction required under subparagraph (A) with respect to any State if such State is unable to reach the allowable error rate for a period or fiscal year despite a good faith effort by such State.

(C) In estimating the amount to be paid to a State under subsection (d), the Secretary shall take into consideration the limitation on Federal financial participation imposed by subparagraph (A) and shall reduce the estimate he makes under subsection (d)(1), for purposes of payment to the State under subsection (d)(3), in light of any expected erroneous excess payments for medical assistance (estimated in accordance with such criteria, including sampling procedures, as he may prescribe and subject to subsequent adjustment, if necessary, under subsection (d)(2)).

(D)(i) For purposes of this subsection, the term "erroneous excess payments for medical assistance" means the total of—
   (I) payments under the State plan with respect to ineligible individuals and families, and
   (II) overpayments on behalf of eligible individuals and families by reason of error in determining the amount of expenditures for medical care required of an individual or family as a condition of eligibility.

(ii) In determining the amount of erroneous excess payments for medical assistance to an ineligible individual or family under clause (i)(I), if such ineligibility is the result of an error in determining the amount of the resources of such individual or family, the amount of the erroneous excess payment shall be the smaller of—
   (I) the amount of the payment with respect to such individual or family;
   (II) the difference between the actual amount of such resources and the allowable resource level established under the State plan.

(iii) In determining the amount of erroneous excess payments for medical assistance to an individual or family under clause (i)(II), the amount of the erroneous excess payment shall be the smaller of—
   (I) the amount of the payment on behalf of the individual or family, or
   (II) the difference between the actual amount incurred for medical care by the individual or family and the amount which should have been incurred in order to establish eligibility for medical assistance.

(iv) In determining the amount of erroneous excess payments, there shall not be included any error resulting from a failure of an individual to cooperate or give correct information with respect to third-party liability as required under section 1396k(a)(1)(C) or 602(a)(26)(C) of this title or with respect to payments made in violation of section 1396c of this title.

(v) In determining the amount of erroneous excess payments, there shall not be included any
erroneous payments made for ambulatory pre-natal care provided during a presumptive eligibility period (as defined in section 1396r–1(b)(1) of this title), for items and services described in subsection (a) of section 1396r–1a of this title provided to a child during a presumptive eligibility period under such section, for medical assistance provided to an individual described in subsection (a) of section 1396r–1b of this title during a presumptive eligibility period under such section, or for medical assistance provided to an individual during a presumptive eligibility period resulting from a determination of presumptive eligibility made by a hospital that elects under section 1396a(a)(47)(B) of this title to be a qualified entity for such purpose.

(E) For purposes of subparagraph (D), there shall be excluded, in determining both erroneous excess payments for medical assistance and total expenditures for medical assistance—

(i) payments with respect to any individual whose eligibility therefor was determined exclusively by the Secretary under an agreement pursuant to section 1383c of this title and such other classes of individuals as the Secretary may by regulation prescribe whose eligibility was determined in part under such an agreement; and

(ii) payments made as the result of a technical error.

(2) The State agency administering the plan approved under this subchapter shall, at such times and in such form as the Secretary may specify, provide information on the rates of erroneous excess payments made (or expected, with respect to future periods specified by the Secretary) in connection with its administration of such plan, together with any other data he requests that are reasonably necessary for him to carry out the provisions of this sub-section.

(3)(A) If a State fails to cooperate with the Secretary in providing information necessary to carry out this subsection, the Secretary, directly or through contractual or such other arrangements as he may find appropriate, shall establish the error rates for that State on the basis of the best data reasonably available to him and in accordance with such techniques for sampling and estimating as he finds appropriate.

(B) In any case in which it is necessary for the Secretary to exercise his authority under subsection (A) to determine a State's error rates for a fiscal year, the amount that would otherwise be payable to such State under this subchapter for quarters in such year shall be reduced by the costs incurred by the Secretary in making (directly or otherwise) such determination.

(4) This subsection shall not apply with respect to Puerto Rico, Guam, the Virgin Islands, the Northern Mariana Islands, or American Samoa.

(v) Medical assistance to aliens not lawfully admitted for permanent residence

(1) Notwithstanding the preceding provisions of this section, except as provided in paragraphs (2) and (4), no payment may be made to a State under this section for medical assistance furnished to an alien who is not lawfully admitted for permanent residence or otherwise permanently residing in the United States under color of law.

(2) Payment shall be made under this section for care and services that are furnished to an alien described in paragraph (1) only if—

(A) such care and services are necessary for the treatment of an emergency medical condition of the alien,

(B) such alien otherwise meets the eligibility requirements for medical assistance under the State plan approved under this subchapter (other than the requirement of the receipt of aid or assistance under subchapter IV, supplemental security income benefits under subchapter XVI, or a State supplementary payment), and

(C) such care and services are not related to an organ transplant procedure.

(3) For purposes of this subsection, the term "emergency medical condition" means a medical condition (including emergency labor and delivery) manifesting itself by acute symptoms of sufficient severity (including severe pain) such that the absence of immediate medical attention could reasonably be expected to result in—

(A) placing the patient's health in serious jeopardy,

(B) serious impairment to bodily functions, or

(C) serious dysfunction of any bodily organ or part.

(4)(A) A State may elect (in a plan amendment under this subchapter) to provide medical assistance under this subchapter, notwithstanding sections 1611(a), 1612(b), 1613, and 1631 of title 8, to children and pregnant women who are lawfully residing in the United States (including battered individuals described in section 1641(c) of title 8) and who are otherwise eligible for such assistance, within either or both of the following eligibility categories:

(i) Pregnant women

Women during pregnancy (and during the 60-day period beginning on the last day of the pregnancy).

(ii) Children

Individuals under 21 years of age, including optional targeted low-income children described in section 1396d(u)(2)(B) of this title.

(B) In the case of a State that has elected to provide medical assistance to a category of aliens under subparagraph (A), no debt shall accrue under an affidavit of support against any sponsor of such an alien on the basis of provision of assistance to such category and the cost of such assistance shall not be considered as an unreimbursed cost.

(C) As part of the State’s ongoing eligibility redetermination requirements and procedures

\[\text{So in original. The word "or" probably should not appear.}\]
for an individual provided medical assistance as a result of an election by the State under subparagraph (A), a State shall verify that the individual continues to lawfully reside in the United States using the documentation presented to the State by the individual on initial enrollment. If the State cannot successfully verify that the individual is lawfully residing in the United States in this manner, it shall require that the individual provide the State with further documentation or other evidence to verify that the individual is lawfully residing in the United States.

(w) Prohibition on use of voluntary contributions, and limitation on use of provider-specific taxes to obtain Federal financial participation under medicaid

(1)(A) Notwithstanding the previous provisions of this section, for purposes of determining the amount to be paid to a State (as defined in paragraph (7)(D)) under subsection (a)(1) for quarters in any fiscal year, the total amount expended during such fiscal year as medical assistance under the State plan (as determined without regard to this subsection) shall be reduced by the sum of any revenues received by the State (or by a unit of local government in the State) during the fiscal year—

(i) from provider-related donations (as defined in paragraph (2)(A), other than—

(I) bona fide provider-related donations (as defined in paragraph (2)(B)), and

(II) donations described in paragraph (2)(C);

(ii) from health care related taxes (as defined in paragraph (3)(A)), other than broad-based health care related taxes (as defined in paragraph (3)(B));

(iii) from a broad-based health care related tax, if there is in effect a hold harmless provision (described in paragraph (4)) with respect to the tax; or

(iv) only with respect to State fiscal years (or portions thereof) occurring on or after January 1, 1992, and before October 1, 1995, from broad-based health care related taxes to the extent the amount of such taxes collected exceeds the limit established under paragraph (5).

(B) Notwithstanding the previous provisions of this section, for purposes of determining the amount to be paid to a State under subsection (a)(7) for all quarters in a Federal fiscal year (beginning with fiscal year 1993), the total amount expended during the fiscal year for administrative expenditures under the State plan (as determined without regard to this subsection) shall be reduced by the sum of any revenues received by the State (or by a unit of local government in the State) during such quarters from donations described in paragraph (2)(C), to the extent the amount of such donations exceeds 10 percent of the amounts expended under the State plan under this subchapter during the fiscal year for purposes described in paragraphs (2), (3), (4), (6), and (7) of subsection (a).

(C)(i) Except as otherwise provided in clause (ii), subparagraph (A)(i) shall apply to donations received on or after January 1, 1992.

(ii) Subject to the limits described in clause (iii) and subparagraph (E), subparagraph (A)(i) shall not apply to donations received before the effective date specified in subparagraph (F) if such donations are received under programs in effect or as described in State plan amendments or related documents submitted to the Secretary by September 30, 1991, and applicable to State fiscal year 1992, as demonstrated by State plan amendments, written agreements, State budget documentation, or other documentary evidence in existence on that date.

(iii) In applying clause (ii) in the case of donations received in State fiscal year 1993, the maximum amount of such donations to which such clause may be applied may not exceed the total amount of such donations received in the corresponding period in State fiscal year 1992 (or not later than 5 days after the last day of the corresponding period).

(D)(i) Except as otherwise provided in clause (ii), subparagraphs (A)(ii) and (A)(iii) shall apply to taxes received on or after January 1, 1992.

(ii) Subparagraphs (A)(ii) and (A)(iii) shall not apply to impermissible taxes (as defined in clause (iii)) received before the effective date specified in subparagraph (F) to the extent the taxes (including the tax rate or base) were in effect, or the legislation or regulations imposing such taxes were enacted or adopted, as of November 22, 1991.

(iii) In this subparagraph and subparagraph (E), the term “impermissible tax” means a health care related tax for which a reduction may be made under clause (ii) or (iii) of subparagraph (A).

(E)(i) In no case may the total amount of donations and taxes permitted under the exception provided in subparagraphs (C)(ii) and (D)(ii) for the portion of State fiscal year 1992 occurring during calendar year 1992 exceed the limit under subparagraph (F) minus the total amount of broad-based health care related taxes received in the portion of that fiscal year.

(ii) In no case may the total amount of donations and taxes permitted under the exception provided in subparagraphs (C)(i) and (D)(ii) for State fiscal year 1993 exceed the limit under paragraph (5) minus the total amount of broad-based health care related taxes received in that fiscal year.

(F) In this paragraph in the case of a State—

(i) except as provided in clause (iii), with a State fiscal year beginning on or before July 1, the effective date is October 1, 1992,

(ii) except as provided in clause (iii), with a State fiscal year that begins after July 1, the effective date is January 1, 1993, or

(iii) with a State legislature which is not scheduled to have a regular legislative session in 1992, with a State legislature which is not scheduled to have a regular legislative session in 1993, or with a provider-specific tax enacted on November 4, 1991, the effective date is July 1, 1993.

(2)(A) In this subsection (except as provided in paragraph (6)), the term “provider-related donation” means any donation or other voluntary payment (whether in cash or in kind) made (directly or indirectly) to a State or unit of local government by—
§ 1396b

TITLED THE PUBLIC HEALTH AND WELFARE

Page 3762

(i) a health care provider (as defined in paragraph (7)(B)),

(ii) an entity related to a health care provider (as defined in paragraph (7)(C)), or

(iii) an entity providing goods or services under the State plan for which payment is made to the State under paragraph (2), (3), (4), (6), or (7) of subsection (a).

(B) For purposes of paragraph (1)(A)(i)(I), the term "bona fide provider-related donation" means a provider-related donation that has no direct or indirect relationship (as determined by the Secretary) to payments made under this subchapter to that provider, to providers furnishing the same class of items and services as that provider, or to any related entity, as established by the State to the satisfaction of the Secretary. The Secretary may by regulation specify types of provider-related donations described in the previous sentence that will be considered to be bona fide provider-related donations.

(C) For purposes of paragraph (1)(A)(i)(II), donations described in this subparagraph are funds expended by a hospital, clinic, or similar entity for the direct cost (including costs of training and of preparing and distributing outreach materials) of State or local agency personnel who are stationed at the hospital, clinic, or entity to determine the eligibility of individuals for medical assistance under this subchapter and to provide outreach services to eligible or potentially eligible individuals.

(3)(A) In this subsection (except as provided in paragraph (6)), the term "health care related tax" means a tax (as defined in paragraph (7)(F)) that—

(i) is related to health care items or services, or to the provision of, the authority to provide, or payment for, such items or services, or

(ii) is not limited to such items or services but provides for treatment of individuals or entities that are providing or paying for such items or services that is different from the treatment provided to other individuals or entities.

In applying clause (i), a tax is considered to relate to health care items or services if at least 85 percent of the burden of such tax falls on health care providers.

(B) In this subsection, the term "broad-based health care related tax" means a health care related tax which is imposed with respect to a class of health care items or services (as described in paragraph (7)(A)) or with respect to providers of such items or services and which, except as provided in subparagraphs (D), (E), and (F)—

(i) is imposed at least with respect to all items or services in the class furnished by all non-Federal, nonpublic providers in the State (or, in the case of a tax imposed by a unit of local government, the area over which the unit has jurisdiction) or is imposed with respect to all non-Federal, nonpublic providers in the class; and

(ii) is imposed uniformly (in accordance with subparagraph (C)).

(C)(i) Subject to clause (ii), for purposes of subparagraph (B)(ii), a tax is considered to be imposed uniformly if—

(I) in the case of a tax consisting of a licensing fee or similar tax on a class of health care items or services (or providers of such items or services), the amount of the tax imposed is the same for every provider providing items or services within the class;

(II) in the case of a tax consisting of a licensing fee or similar tax imposed on a class of health care items or services (or providers of such services) on the basis of the number of beds (licensed or otherwise) of the provider, the amount of the tax is the same for each bed of each provider of such items or services in the class;

(III) in the case of a tax based on revenues or receipts with respect to a class of items or services (or providers of items or services) the tax is imposed at a uniform rate for all items and services (or providers of such items or services) in the class on all the gross revenues or receipts, or net operating revenues, relating to the provision of all such items or services (or all such providers) in the State (or, in the case of a tax imposed by a unit of local government within the State, in the area over which the unit has jurisdiction); or

(IV) in the case of any other tax, the State establishes to the satisfaction of the Secretary that the tax is imposed uniformly.

(ii) Subject to subparagraphs (D) and (E), a tax imposed with respect to a class of health care items and services is not considered to be imposed uniformly if the tax provides for any credits, exclusions, or deductions which have as their purpose or effect the return to providers of all or a portion of the tax paid in a manner that is inconsistent with subclauses (I) and (II) of subparagraph (2)(ii) or provides for a hold harmless provision described in paragraph (4).

(D) A tax imposed with respect to a class of health care items and services is considered to be imposed uniformly—

(i) notwithstanding that the tax is not imposed with respect to items or services (or the providers thereof) for which payment is made under a State plan under this subchapter or subchapter XVIII, or

(ii) in the case of a tax described in subparagraph (C)(i)(III), notwithstanding that the tax provides for exclusion (in whole or in part) of revenues or receipts from a State plan under this subchapter or subchapter XVIII.

(E)(i) A State may submit an application to the Secretary requesting that the Secretary treat a tax as a broad-based health care related tax, notwithstanding that the tax does not apply to all health care items or services in class (or all providers of such items or services), or for a credit, deduction, or exclusion, is not applied uniformly, or otherwise does not meet the requirements of subparagraph (B) or (C). Permissible waivers may include exemptions for rural or sole-community providers.

(ii) The Secretary shall approve such an application if the State establishes to the satisfaction of the Secretary that—

(I) the net impact of the tax and associated expenditures under this subchapter as pro-
posed by the State is generally redistributive in nature, and
(II) the amount of the tax is not directly correlated to payments under this subchapter for items or services with respect to which the tax is imposed.

The Secretary shall by regulation specify types of credits, exclusions, and deductions that will be considered to meet the requirements of this subparagraph.

(F) In no case shall a tax not qualify as a broad-based health care related tax under this paragraph because it does not apply to a hospital that is described in section 501(c)(3) of the Internal Revenue Code of 1986 and exempt from taxation under section 501(a) of such Code and that does not accept payment under the State plan under this subchapter or under subchapter XVIII.

(4) For purposes of paragraph (1)(A)(iii), there is in effect a hold harmless provision with respect to a broad-based health care related tax imposed with respect to a class of items or services if the Secretary determines that any of the following applies:

(A) The State or other unit of government imposing the tax provides (directly or indirectly) for a payment (other than under this subchapter) to taxpayers and the amount of such payment is positively correlated to the amount of the tax and the amount of payment under the State plan.

(B) All or any portion of the payment made under this subchapter to the taxpayer varies based only upon the amount of the total tax paid.

(i) The State or other unit of government imposing the tax provides (directly or indirectly) for any payment, offset, or waiver that guarantees to hold taxpayers harmless for any portion of the costs of the tax.

(ii) For purposes of clause (i), a determination of the existence of an indirect guarantee shall be made under paragraph (B)(i)(I) of section 433.68(f) of title 42, Code of Federal Regulations, as in effect on November 1, 2006, except that for portions of fiscal years beginning on or after January 1, 2008, and before October 1, 2011, “5.5 percent” shall be substituted for “6 percent” each place it appears.

The provisions of this paragraph shall not prevent use of the tax to reimburse health care providers in a class for expenditures under this subchapter nor preclude States from relying on such reimbursement to justify or explain the tax in the legislative process.

(5)(A) For purposes of this subsection, the limit under this subparagraph with respect to a State is an amount equal to 25 percent (or, if greater, the State base percentage, as defined in subparagraph (B)(i)) of the non-Federal share of the total amount expended under the State plan during a State fiscal year (or portion thereof), as it would be determined pursuant to paragraph (1)(A) without regard to paragraph (1)(A)(iv).

(B)(i) In subparagraph (A), the term “State base percentage” means, with respect to a State, an amount (expressed as a percentage) equal to—

(I) the total of the amount of health care related taxes (whether or not broad-based) and the amount of provider-related donations (whether or not bona fide) projected to be collected (in accordance with clause (ii)) during State fiscal year 1992, divided by

(II) the non-Federal share of the total amount estimated to be expended under the State plan during such State fiscal year.

(ii) For purposes of clause (i)(I), in the case of a tax that is not in effect throughout State fiscal year 1992 or the rate (or base) of which is increased during such fiscal year, the Secretary shall project the amount to be collected during such fiscal year as if the tax (or increase) were in effect during the entire State fiscal year.

(C)(i) The total amount of health care related taxes under subparagraph (B)(i)(I) shall be determined by the Secretary based on only those taxes (including the tax rate or base) which were in effect, or for which legislation or regulations imposing such taxes were enacted or adopted, as of November 22, 1991.

(ii) The amount of provider-related donations under subparagraph (B)(i)(I) shall be determined by the Secretary based on programs in effect on September 30, 1991, and applicable to State fiscal year 1992, as demonstrated by State plan amendments, written agreements, State budget documentation, or other documentary evidence in existence on that date.

(iii) The amount of expenditures described in subparagraph (B)(i)(II) shall be determined by the Secretary based on the best data available as of December 12, 1991.

(6)(A) Notwithstanding the provisions of this subsection, the Secretary may not restrict States’ use of funds where such funds are derived from State or local taxes (or funds appropriated to State university teaching hospitals) transferred from or certified by units of government within a State as the non-Federal share of expenditures under this subchapter, regardless of whether the unit of government is also a health care provider, except as provided in section 1396a(a)(2) of this title, unless the transferred funds are derived by the unit of government from donations or taxes that would not otherwise be recognized as the non-Federal share under this section.

(B) For purposes of this subsection, funds the use of which the Secretary may not restrict under subparagraph (A) shall not be considered to be a provider-related donation or a health care related tax.

(7) For purposes of this subsection:

(A) Each of the following shall be considered a separate class of health care items and services:

(i) Inpatient hospital services.

(ii) Outpatient hospital services.

(iii) Nursing facility services (other than services of intermediate care facilities for the mentally retarded).

(iv) Services of intermediate care facilities for the mentally retarded.

(v) Physicians’ services.

(vi) Home health care services.

(vii) Outpatient prescription drugs.

(viii) Services of managed care organizations (including health maintenance organi-
(x) Satisfactory documentary evidence of citizenship or nationality by individual declaring to be citizen or national of United States

(1) For purposes of section 1396a(a)(46)(B)(i) of this title, the requirement of this subsection is, with respect to an individual declaring to be a citizen or national of the United States, that, subject to paragraph (2), there is presented satisfactory documentary evidence of citizenship or nationality (as defined in paragraph (3)) of the individual.

(2) The requirement of paragraph (1) shall not apply to an individual declaring to be a citizen or national of the United States who is eligible for medical assistance under this subchapter—

(A) and is entitled to or enrolled for benefits under any part of subchapter XVIII;

(B) and is receiving—

(i) disability insurance benefits under section 423 of this title or monthly insurance benefits under section 402 of this title based on such individual’s disability (as defined in section 423(d) of this title); or

(ii) supplemental security income benefits under subchapter XVI;

(C) and with respect to whom—

(i) child welfare services are made available under part B of subchapter IV on the basis of being a child in foster care; or

(ii) adoption or foster care assistance is made available under part E of subchapter IV;

(D) pursuant to the application of section 1396a(e)(4) of this title (and, in the case of an individual who is eligible for medical assistance on such basis, the individual shall be deemed to have provided satisfactory documentary evidence of citizenship or nationality and shall not be required to provide further documentary evidence on any date that occurs during or after the period in which the individual is eligible for medical assistance on such basis); or

(E) on such basis as the Secretary may specify under which satisfactory documentary evidence of citizenship or nationality has been previously presented.

(3)(A) For purposes of this subsection, the term “satisfactory documentary evidence of citizenship or nationality” means—

(i) any document described in subparagraph (B);

(ii) a document described in subparagraph (C) and a document described in subparagraph (D).

(B) The following are documents described in this subparagraph:

(i) A United States passport.

(ii) Form N–550 or N–570 (Certificate of Naturalization).

(iii) Form N–560 or N–561 (Certificate of United States Citizenship).

(iv) A valid State-issued driver’s license or other identity document described in section 1324a(b)(1)(D) of title 8, but only if the State issuing the license or such document requires proof of United States citizenship before issuance of such license or document or obtains a social security number from the applicant and verifies before certification that such number is valid and assigned to the applicant who is a citizen.

(v)(D) Except as provided in subclause (II), a document issued by a federally recognized Indian tribe evidencing membership or enrollment in, or affiliation with, such tribe (such as a tribal enrollment card or certificate of degree of Indian blood).

(II) With respect to those federally recognized Indian tribes located within States having an international border whose membership includes individuals who are not citizens of the United States, the Secretary shall, after consulting with such tribes, issue regulations authorizing the presentation of such other forms of documentation (including tribal documentation, if appropriate) that the Secretary determines to be satisfactory documentary evidence of citizenship or nationality for purposes of satisfying the requirement of this subsection.

(vi) Such other document as the Secretary may specify, by regulation, that provides proof of United States citizenship or nationality and that provides a reliable means of documentation of personal identity.

(C) The following are documents described in this subparagraph:

(i) A tribal identification card or certificate of enrollment issued by a tribe.

(ii) A letter of identification issued by a tribe.

(iii) Such other document as determined by the Secretary.
(i) A certificate of birth in the United States.
(ii) Form FS–545 or Form DS–1350 (Certification of Birth Abroad).
(iii) Form I–197 (United States Citizen Identification Card).
(v) Such other document (not described in subparagraph (B)(v)) as the Secretary may specify that provides proof of United States citizenship or nationality.

(D) The following are documents described in this subparagraph:

(1) Any identity document described in section 1324a(b)(1)(D) of title 8.
(2) Any other documentation of personal identity of such other type as the Secretary finds, by regulation, provides a reliable means of identification.
(3) A reference in this paragraph to a form includes a reference to any successor form.

(4) In the case of an individual declaring to be a citizen or national of the United States with respect to whom a State requires the presentation of satisfactory documentary evidence of citizenship or nationality under section 1396a(a)(46)(B)(i) of this title, the individual shall be provided at least the reasonable opportunity to present satisfactory documentary evidence of citizenship or nationality under this subsection as is provided under clauses (i) and (ii) of section 1320b–7(d)(4)(A) of this title to an individual for the submittal to the State of evidence indicating a satisfactory immigration status.

(5) Nothing in subparagraph (A) or (B) of section 1396a(a)(46) of this title, the preceding paragraphs of this subsection, or the Deficit Reduction Act of 2005, including section 6036 of such Act, shall be construed as changing the requirement of section 1396a(e)(4) of this title that a child born in the United States to an alien mother for whom medical assistance for the delivery of such child is available as treatment of an emergency medical condition pursuant to subsection (v) shall be deemed eligible for medical assistance during the first year of such child’s life.

(y) Payments for establishment of alternate non-emergency services providers

(1) Payments

In addition to the payments otherwise provided under subsection (a), subject to paragraph (2), the Secretary shall provide for payments to States under such subsection for the establishment of alternate non-emergency services providers (as defined in section 1396c–1(e)(5)(B) of this title), or networks of such providers.

(2) Limitation

The total amount of payments under this subsection shall not exceed $50,000,000 during the 4-year period beginning with 2006. This subsection constitutes budget authority in advance of appropriations Acts and represents the obligation of the Secretary to provide for the payment of amounts provided under this subsection.

(3) Preference

In providing for payments to States under this subsection, the Secretary shall provide preference to States that establish, or provide for, alternate non-emergency services providers or networks of such providers that—

(A) serve rural or underserved areas where beneficiaries under this subchapter may not have regular access to providers of primary care services; or
(B) are in partnership with local community hospitals.

(4) Form and manner of payment

Payment to a State under this subsection shall be made only upon the filing of such application in such form and in such manner as the Secretary shall specify. Payment to a State under this subsection shall be made in the same manner as other payments under subsection (a).

(2) Medicaid transformation payments

(1) In general

In addition to the payments provided under subsection (a), subject to paragraph (4), the Secretary shall provide for payments to States for the adoption of innovative methods to improve the effectiveness and efficiency in providing medical assistance under this subchapter.

(2) Permissible uses of funds

The following are examples of innovative methods for which funds provided under this subsection may be used:

(A) Methods for reducing patient error rates through the implementation and use of electronic health records, electronic clinical decision support tools, or e-prescribing programs.
(B) Methods for improving rates of collection from estates of amounts owed under this subchapter.
(C) Methods for reducing waste, fraud, and abuse under the program under this subchapter, such as reducing improper payment rates as measured by annual payment error rate measurement (PERM) project rates.
(D) Implementation of a medication risk management program as part of a drug use review program under section 1396r–8(g) of this title.
(E) Methods in reducing, in clinically appropriate ways, expenditures under this subchapter for covered outpatient drugs, particularly in the categories of greatest drug utilization, by increasing the utilization of generic drugs through the use of education programs and other incentives to promote greater use of generic drugs.
(F) Methods for improving access to primary and specialty physician care for the uninsured using integrated university-based hospital and clinic systems.

(3) Application; terms and conditions

(A) In general

No payments shall be made to a State under this subsection unless the State ap-
plies to the Secretary for such payments in a form, manner, and time specified by the Secretary.

(B) Terms and conditions

Such payments are made under such terms and conditions consistent with this subsection as the Secretary prescribes.

(C) Annual report

Payment to a State under this subsection is conditioned on the State submitting to the Secretary an annual report on the programs supported by such payment. Such report shall include information on—

(i) the specific uses of such payment;

(ii) an assessment of quality improvements and clinical outcomes under such programs; and

(iii) estimates of cost savings resulting from such programs.

(4) Funding

(A) Limitation on funds

The total amount of payments under this subsection shall be equal to, and shall not exceed—

(i) $75,000,000 for fiscal year 2007; and

(ii) $75,000,000 for fiscal year 2008.

This subsection constitutes budget authority in advance of appropriations Acts and represents the obligation of the Secretary to provide for the payment of amounts provided under this subsection.

(B) Allocation of funds

The Secretary shall specify a method for allocating the funds made available under this subsection among States. Such method shall provide preference for States that design programs that target health providers that treat significant numbers of Medicaid beneficiaries. Such method shall provide that not less than 25 percent of such funds shall be allocated among States the population of which (as determined according to data collected by the United States Census Bureau) as of July 1, 2004, was more than 105 percent of the population of the respective State (as so determined) as of April 1, 2000.

(C) Form and manner of payment

Payment to a State under this subsection shall be made in the same manner as other payments under subsection (a). There is no requirement for State matching funds to receive payments under this subsection.

(5) Medication risk management program

(A) In general

For purposes of this subsection, the term “medication risk management program” means a program for targeted beneficiaries that ensures that covered outpatient drugs are appropriately used to optimize therapeutic outcomes through improved medication use and to reduce the risk of adverse events.

(B) Elements

Such program may include the following elements:

(i) The use of established principles and standards for drug utilization review and best practices to analyze prescription drug claims of targeted beneficiaries and identify outlier physicians.

(ii) On an ongoing basis provide outlier physicians—

(I) a comprehensive pharmacy claims history for each targeted beneficiary under their care;

(II) information regarding the frequency and cost of relapses and hospitalizations of targeted beneficiaries under the physician’s care; and

(III) applicable best practice guidelines and empirical references.

(iii) Monitor outlier physician’s prescribing, such as failure to refill, dosage strengths, and provide incentives and information to encourage the adoption of best clinical practices.

(C) Targeted beneficiaries

For purposes of this paragraph, the term “targeted beneficiaries” means Medicaid eligible beneficiaries who are identified as having high prescription drug costs and medical costs, such as individuals with behavioral disorders or multiple chronic diseases who are taking multiple medications.

(aa) Demonstration project to increase substance use provider capacity

(1) In general

Not later than the date that is 180 days after October 24, 2018, the Secretary shall, in consultation, as appropriate, with the Director of the Agency for Healthcare Research and Quality and the Assistant Secretary for Mental Health and Substance Use, conduct a 54-month demonstration project for the purpose described in paragraph (2) under which the Secretary shall—

(A) for the first 18-month period of such project, award planning grants described in paragraph (3); and

(B) for the remaining 36-month period of such project, provide to each State selected under paragraph (4) payments in accordance with paragraph (5).

(2) Purpose

The purpose described in this paragraph is for each State selected under paragraph (4) to increase the treatment capacity of providers participating under the State plan (or a waiver of such plan) to provide substance use disorder treatment or recovery services under such plan (or waiver) through the following activities:

(A) For the purpose described in paragraph (3)(C)(i), activities that support an ongoing assessment of the behavioral health treatment needs of the State, taking into account the matters described in subclauses (I) through (IV) of such paragraph.

(B) Activities that, taking into account the results of the assessment described in subparagraph (A), support the recruitment, training, and provision of technical assistance for providers participating under the

...
Planning grants

(A) In general

The Secretary shall, with respect to the first 18-month period of the demonstration project conducted under paragraph (1), award planning grants to at least 10 States selected in accordance with subparagraph (B) for purposes of preparing an application described in paragraph (4)(C) and carrying out the activities described in subparagraph (C).

(B) Selection

In selecting States for purposes of this paragraph, the Secretary shall—

(i) select States that have a State plan (or waiver of the State plan) approved under this subchapter;

(ii) select States in a manner that ensures geographic diversity; and

(iii) give preference to States with a prevalence of substance use disorders (in particular opioid use disorders) that is comparable to or higher than the national average prevalence, as measured by aggregate per capita drug overdoses, or any other measure that the Secretary deems appropriate.

(C) Activities described

Activities described in this subparagraph are, with respect to a State, each of the following:

(I) An estimate of the number of individuals enrolled under the State plan (or a waiver of such plan) who have a substance use disorder.

(II) Information on the capacity of providers to provide substance use disorder treatment or recovery services to individuals enrolled under the State plan (or waiver), including information on providers who provide such services and their participation under the State plan (or waiver).

(III) Information on the gap in substance use disorder treatment or recovery services under the State plan (or waiver) based on the information described in subclauses (I) and (II).

(IV) Projections regarding the extent to which the State participating under the demonstration project would increase the number of providers offering substance use disorder treatment or recovery services under the State plan (or waiver) during the period of the demonstration project.

(D) Funding

For purposes of subparagraph (A), there is appropriated, out of any funds in the Treasury not otherwise appropriated, $50,000,000, to remain available until expended.
(4) Post-planning states

(A) In general

The Secretary shall, with respect to the remaining 36-month period of the demonstration project conducted under paragraph (1), select not more than 5 States in accordance with subparagraph (B) for purposes of carrying out the activities described in paragraph (2) and receiving payments in accordance with paragraph (5).

(B) Selection

In selecting States for purposes of this paragraph, the Secretary shall—

(i) select States that received a planning grant under paragraph (3);

(ii) select States that submit to the Secretary an application in accordance with the requirements in subparagraph (C), taking into consideration the quality of each such application;

(iii) select States in a manner that ensures geographic diversity; and

(iv) give preference to States with a prevalence of substance use disorders (in particular opioid use disorders) that is comparable to or higher than the national average prevalence, as measured by aggregate per capita drug overdoses, or any other measure that the Secretary deems appropriate.

(C) Applications

(i) In general

A State seeking to be selected for purposes of this paragraph shall submit to the Secretary, at such time and in such form and manner as the Secretary requires, an application that includes such information, provisions, and assurances, as the Secretary may require, in addition to the following:

(I) A proposed process for carrying out the ongoing assessment described in paragraph (2)(A), taking into account the results of the initial assessment described in paragraph (3)(C)(i).

(II) A review of reimbursement methodologies and other policies related to substance use disorder treatment or recovery services under the State plan (or waiver) that may create barriers to increasing the number of providers delivering such services.

(III) The development of a plan, taking into account activities carried out under paragraph (3)(C)(ii), that will result in long-term and sustainable provider networks under the State plan (or waiver) that will offer a continuum of care for substance use disorder services. Such plan shall include the following:

(aa) Specific activities to increase the number of providers (including providers that specialize in providing substance use disorder treatment or recovery services, hospitals, health care systems, Federally qualified health centers, and, as applicable, certified community behavioral health clinics) that offer substance use disorder treatment, recovery, or support services, including short-term detoxification services, outpatient substance use disorder services, and evidence-based peer recovery services.

(bb) Strategies that will incentivize providers described in subparagraphs (C) and (D) of paragraph (2) to obtain the necessary training, education, and support to deliver substance use disorder treatment or recovery services in the State.

(cc) Milestones and timeliness for implementing activities set forth in the plan.

(dd) Specific measurable targets for increasing the substance use disorder treatment and recovery provider network under the State plan (or a waiver of such plan).

(IV) A proposed process for reporting the information required under paragraph (6)(A), including information to assess the effectiveness of the efforts of the State to expand the capacity of providers to deliver substance use disorder treatment or recovery services during the period of the demonstration project under this subsection.

(V) The expected financial impact of the demonstration project under this subsection on the State.

(VI) A description of all funding sources available to the State to provide substance use disorder treatment or recovery services in the State.

(VII) A preliminary plan for how the State will sustain any increase in the capacity of providers to deliver substance use disorder treatment or recovery services resulting from the demonstration project under this subsection after the termination of such demonstration project.

(VIII) A description of how the State will coordinate the goals of the demonstration project with any waiver granted (or submitted by the State and pending) pursuant to section 1315 of this title for the delivery of substance use services under the State plan, as applicable.

(ii) Consultation

In completing an application under clause (i), a State shall consult with relevant stakeholders, including Medicaid managed care plans, health care providers, and Medicaid beneficiary advocates, and include in such application a description of such consultation.

(5) Payment

(A) In general

For each quarter occurring during the period for which the demonstration project is conducted (after the first 18 months of such period), the Secretary shall pay under this subsection, subject to subparagraph (C), to each State selected under paragraph (4) an amount equal to 80 percent of so much of the
(B) Qualified sums defined

For purposes of subparagraph (A), the term “qualified sums” means, with respect to a State and a quarter, the amount equal to the amount (if any) by which the sums expended by the State during such quarter attributable to substance use disorder treatment or recovery services furnished by providers participating under the State plan (or a waiver of such plan) exceeds 1/4 of such sums expended by the State during fiscal year 2018 attributable to substance use disorder treatment or recovery services.

(C) Non-duplication of payment

In the case that payment is made under subparagraph (A) with respect to expenditures for substance use disorder treatment or recovery services furnished by providers participating under the State plan (or a waiver of such plan), payment may not also be made under subsection (a) with respect to expenditures for the same services so furnished.

(6) Reports

(A) State reports

A State receiving payments under paragraph (5) shall, for the period of the demonstration project under this subsection, submit to the Secretary a quarterly report, with respect to expenditures for substance use disorder treatment or recovery services for which payment is made to the State under this subsection, on the following:

(i) The specific activities with respect to which payment under this subsection was provided.

(ii) The number of providers that delivered substance use disorder treatment or recovery services in the State under the demonstration project compared to the estimated number of providers that would have otherwise delivered such services in the absence of such demonstration project.

(iii) The number of individuals enrolled under the State plan (or a waiver of such plan) who received substance use disorder treatment or recovery services under the demonstration project compared to the estimated number of such individuals who would have otherwise received such services in the absence of such demonstration project.

(iv) Other matters as determined by the Secretary.

(B) CMS reports

(i) Initial report

Not later than October 1, 2020, the Administrator of the Centers for Medicare & Medicaid Services shall, in consultation with the Director of the Agency for Healthcare Research and Quality and the Assistant Secretary for Mental Health and Substance Use, submit to Congress an initial report on—

(I) the States awarded planning grants under paragraph (3);

(II) the criteria used in such selection; and

(III) the activities carried out by such States under such planning grants.

(ii) Interim report

Not later than October 1, 2022, the Administrator of the Centers for Medicare & Medicaid Services shall, in consultation with the Director of the Agency for Healthcare Research and Quality and the Assistant Secretary for Mental Health and Substance Use, submit to Congress an interim report—

(I) on activities carried out under the demonstration project under this subsection;

(II) on the extent to which States selected under paragraph (4) have achieved the stated goals submitted in their applications under subparagraph (C) of such paragraph;

(III) with a description of the strengths and limitations of such demonstration project; and

(IV) with a plan for the sustainability of such project.

(iii) Final report

Not later than October 1, 2024, the Administrator of the Centers for Medicare & Medicaid Services shall, in consultation with the Director of the Agency for Healthcare Research and Quality and the Assistant Secretary for Mental Health and Substance Use, submit to Congress a final report—

(I) providing updates on the matters reported in the interim report under clause (ii);

(II) including a description of any changes made with respect to the demonstration project under this subsection after the submission of such interim report; and

(III) evaluating such demonstration project.

(C) AHRQ report

Not later than 3 years after October 24, 2018, the Director of the Agency for Healthcare Research and Quality, in consultation with the Administrator of the Centers for Medicare & Medicaid Services, shall submit to Congress a summary on the experiences of States awarded planning grants under paragraph (3) and States selected under paragraph (4).

(7) Data sharing and best practices

During the period of the demonstration project under this subsection, the Secretary shall, in collaboration with States selected under paragraph (4), facilitate data sharing and the development of best practices between such States and States that were not so selected.

(8) CMS funding

There is appropriated, out of any funds in the Treasury not otherwise appropriated, $5,000,000 to the Centers for Medicare & Medicaid Services for purposes of implementing this
the probable intent of Congress, because section 1902(w)(3), which is classified to section 1396a(w)(3) of this title, does not contain a subpar. (A), and subsec. (w)(3)(A) of this section relates to health care related taxes.

The Individuals with Disabilities Education Act, referred to in subsec. (c), is title VI of Pub. L. 91–230, Apr. 13, 1970, § 101, 84 Stat. 296. Parts B and C of this Act are classified generally to subchapters II (§ 1411 et seq.) and III (§ 1431 et seq.), respectively, of chapter 33 of Title 20, Education. For complete classification of this Act to the Code, see section 1305 of Title 20 and Tables.

The Internal Revenue Code of 1986, referred to in subsecs. (d)(3)(B)(i) and (w)(3)(P), is classified generally to Title 26, Internal Revenue Code.

Section 300e–9(d) of this title, referred to in subsec. (g)(1) and (m)(1)(A), (4)(A), was redesignated section 300e–9(c) of this title by Pub. L. 100–517, § 7(b), Oct. 24, 1988, 102 Stat. 2380.

The Assisted Suicide Funding Restriction Act of 1997, referred to in subsec. (i)(16), is Pub. L. 105–12, Apr. 30, 1997, 111 Stat. 23, which is classified to chapter 24 of Title 42 and, as so enacted, no longer contains a subpar. (E).


Subsec. (i)(10)(C) of E. Pub. L. 116–16, § 6(a)(2)(A), added subpar. (E) and realigned margins.


Subsec. (i)(22). Pub. L. 114–154, § 6002(a)(4)(A), inserted “section 1396b–8(d)(2)(C) of this title (relating to drugs when used for cosmetic purposes or hair growth), except where medically necessary, and” after ““ drugs desribed in’’.
ing a presumptive eligibility period under such section.

Pub. L. 111–148, § 2202(b), substituted “section, for medical” for “section, or for medical” and inserted before period at end “, or for medical assistance provided to an individual during a presumptive eligibility period resulting from a determination of presumptive eligibility made section 1396a(a)(47)(B) of this title to be a qualified entity for such purpose”.


Subsec. (i)(22). Pub. L. 111–3, § 405(c)(1)(A)(ii)(V), substituted “section 1396a(a)(46)(B) of this title” for “section 1396a(a)(46)(B) of this title”.


Subsec. (v)(1). Pub. L. 111–3, § 214(a)(1), substituted “paragraphs (2) and (4)” for “paragraph (2)”.


Subsec. (q)(4). Pub. L. 106–170, § 467(c), amended par. (4) generally. Prior to amendment, par. (4) read as follows: “The entity has procedures for reviewing complaints of the abuse and neglect of patients of health care facilities which receive payments under the State plan under this subchapter, which appropriate, for acting upon such complaints under the criminal laws of the State or for referring them to other State agencies for action.”

Subsec. (q)(5). Pub. L. 106–170, § 407(b), inserted “or under any Federal health care program (as so defined) before “to health care facilities” and inserted at end ‘‘All funds collected in accordance with this paragraph shall be credited exclusively to, and available for expenditure under, the Federal health care program (including the State plan under this subchapter) that was subject to the activity that was the basis for the collecting.”


Subsec. (b)(5). Pub. L. 105–33, § 4722(b), added par. (5).

Subsec. (c)(4). Pub. L. 105–100 substituted “1396d-4(u) of this title” for “or 1396d(u) of this title” in introductory provisions.

Subsec. (f)(4)(C). Pub. L. 105–33, § 4802(b)(2), inserted “or who is a PACE program eligible individual enrolled in a PACE program under section 1396a-4 of this title,” after “section 1396a(a)(10)(A) of this title.”

Subsec. (l)(2). Pub. L. 105–33, § 4724(a)(1), substituted “; or” for “and” at end of closing provisions “Paragraphs (1), (2), (16), (17), and (18) shall apply with respect to items or services furnished and amounts expended by or through a managed care entity (as defined in section 1396u–2(a)(1)(B) of this title) in the same manner as such paragraphs apply to items or services furnished and amounts expended directly by the State.”

Subsec. (l)(2). Pub. L. 105–33, § 4724(a)(2), inserted “or” for the period at end.


Subsec. (l)(12). Pub. L. 105–33, § 4724(a), struck out par. (12) which related to restrictions on payments, on or after Jan. 1, 1992, for physicians’ services to children under the age of six years or to pregnant women.

Subsec. (m)(1)(C). Pub. L. 105–33, § 4724(a)(2), inserted “or” at end.


Subsec. (m)(1)(A). Pub. L. 105–33, § 4701(b)(1), in introductory provisions, substituted “The term ‘medicaid managed care organization’ means a public or private organization, organized under the laws of any State, which meets the requirement of section 1396a(w) of this title generally. ‘The term ‘health maintenance organization’ means a public or private organization, organized under the laws of any State, which meets the requirement of section 1396a(w) of this title generally.” for “The term ‘health maintenance organization’ means a public or private organization, organized under the laws of any State, which meets the requirement of section 1396a(w) of this title generally. ‘The term ‘health maintenance organization’ means a public or private organization, organized under the laws of any State, which meets the requirement of section 1396a(w)(g)(1) of this title generally.”

Subsec. (m)(1)(A)(ii). Pub. L. 105–33, § 4706(1), inserted “meets the requirements of subparagraph (C)(i) (if applicable),” after “provision is satisfactory to the State.”


Subsec. (m)(2)(A)(ii). Pub. L. 105–33, § 4703(a), struck out cl. (i) which read as follows: “less than 75 percent of the membership of the entity which is enrolled on a prepaid basis consists of individuals who (I) are insured for benefits under part B of subchapter XVIII of this chapter or for benefits under both parts A and B of such subchapter, or (II) are eligible to receive benefits under such subchapter.”

Subsec. (m)(2)(A)(ii). Pub. L. 105–33, § 4708(a), substituted “$1,000,000 for 1998 and, for a subsequent year, the amount established under this clause for the previous year increased by the percentage increase in the consumer price index for all urban consumers over the previous year” for “$100,000.”

Subsec. (m)(2)(A)(v)(i). Pub. L. 105–33, § 4701(d)(2)(A), struck out “except as provided under subparagraph (F),” after “such contract (I),” substituted “in accordance with section 1396u–2a(4) of this title,” for “without cause as of the beginning of the first calendar month following a full calendar month after the request is made for such termination,” and inserted “in accordance with such section” after “provides for notification.”


Subsec. (m)(2)(A)(ix). Pub. L. 105–33, § 4712(c)(2), amended cl. (ix) generally. Prior to amendment, cl. (ix) read as follows: “such contract provides, in the case of an entity that has entered into a contract for the provision of services of such center with a federally qualified health center, that (I) the rates of payment specified in section 1396u–2a(4) of this title;”.

Subsec. (m)(2)(A)(x). Pub. L. 105–33, § 4712(c)(2), amended cl. (x) to read as follows: “(C) Subparagraph (A)(ii) shall not apply with respect to payments under this subchapter to a State with respect to expenditures incurred by it for payment for services by an entity during the three-year period beginning on October 1, 1996, or on or before the date that the Secretary determines to reflect fully the rates of payment specified in section 1396u–2a(4) of this title and, at the election of the entity for services described in 1396a(2)(C) of this title are made at the rates of payment specified in section 1396a(a)(13)(E) of this title.”


Subsec. (m)(2)(C) to (E). Pub. L. 105–33, § 4703(b)(1)(A), struck out subpars. (C) to (E) which read as follows: “(C) Subparagraph (A)(ii) shall not apply with respect to payments under this subchapter to a State with respect to expenditures incurred by it for payment for services by an entity during the three-year period beginning on October 1, 1996, or on or before the date that the entity qualifies as a health maintenance organization (as determined by the Secretary), whichever occurs later, but only if the entity demonstrates to the satisfaction of the Secretary by the submission of plans for each year of such three-year period that it is making continuous efforts and progress toward achieving compliance with subparagraph (A)(ii).”

Subsec. (m)(2)(D). Pub. L. 105–33, § 4712(c)(2), inserted “in the case of a health maintenance organization that is a public entity, the Secretary may modify or waive the requirement described in subparagraph (A)(ii) but only if the Secretary determines that the organization has taken and is taking reasonable efforts to enroll individuals who are not entitled to benefits under the State plan approved under this subchapter or under subchapter XVIII of this chapter.”
“(E) In the case of a health maintenance organization that—

(i) is a nonprofit organization with at least 25,000 members,

(ii) is and has been a qualified health maintenance organization (as defined in section 300e–9(d) of this title) for a period of at least four years,

(iii) provides basic health services through members of the staff of the organization,

(iv) is located in an area designated as medically underserved under section 300a–2(7) of this title, and

(v) is previously required to meet the requirements described in subparagraph (A)(ii) under section 1315 of this title,

the Secretary may modify or waive the requirement described in subparagraph (A)(ii) but only if the Secretary determines that special circumstances warrant such modification or waiver and that the organization has taken and is taking reasonable efforts to enroll individuals who are not entitled to benefits under the State plan approved under this subchapter or under subchapter XVIII of this chapter.

Subsec. (m)(2)(F). Pub. L. 105–33, §4701(d)(2)(B), struck out subpar. (F) which read as follows: “In the case of—

(i) a contract with an entity described in subparagraph (E) or (G), with a qualified health maintenance organization (as defined in section 300e–9(d) of this title) which meets the requirement of subparagraph (A)(ii), or with an eligible organization with a contract under section 1396m of this title which meets the requirement of subparagraph (A)(ii), or

(ii) a program pursuant to an undertaking described in paragraph (6) in which at least 25 percent of the membership enrolled on a prepaid basis are individuals who (I) are not insured for benefits under part B of subchapter XVIII of this chapter or eligible for benefits under this subchapter, and (II) (in the case of such individuals whose prepayments are made in whole or in part by any governmental entity) had the opportunity at the time of enrollment in the program to elect other coverage of health care costs that would have been paid in whole or in part by any governmental entity.

Paragraph (6) of subsection (a)(9) of this section is applied with respect to that State shall each be reduced by 5 percent points for the first two quarters beginning on or after such deadline, and shall be further reduced by an additional 5 percent points after each period consisting of two quarters during which the Secretary determines the State fails to meet the requirements of subparagraph (A); except that—

(i) neither such per centum may be reduced by more than 25 percent points by reason of this paragraph; and

(ii) no reduction shall be made under this paragraph for any quarter following the quarter during which such State meets the requirements of subparagraph (A).

Subsec. (r)(2). Pub. L. 105–33, §4702(b)(1)(B), redesignated par. (5)(A)(i) to (iii) as par. (2)(A) to (C), and struck out former par. (2) which read as follows:

“(2)(A) In order to receive payments under paragraphs (2)(A) and (7) of subsection (a) of this section without being subject to the per centum reductions set forth in subparagraph (C) of this paragraph, a State must have its mechanized claims processing and information retrieval systems, of the type required to be operational under paragraph (1), initially approved by the Secretary in accordance with paragraph (5)(A) on or before the deadline established under subparagraph (B).

“(B) The deadline for approval of such systems for a State is the last day of the fourth quarter that begins after the date on which the Secretary determines that such systems became operational as required under paragraph (1).”

Subsec. (r)(3). Pub. L. 105–33, §§4703(a)(1), (2)(B), (D), inserted introductory provisions, redesignated par. (5)(A)(i) to (iii) as par. (2)(A) to (C), and struck out former par. (2) which read as follows:

“(2)(B) The deadline for approval of such systems for a State is September 30, 1985.

Subsec. (r)(5). Pub. L. 105–33, §4703(a)(2), struck out introductory provisions relating to requirements for Secretary’s reapproval of mechanized claims processing and information retrieval systems.

Subsec. (r)(6). Pub. L. 105–33, §4703(a)(3), struck out pars. (6) to (8) which related to Secretary’s develop-
ment of performance standards for approval of State mechanized processing claims and information retrieval systems, waiver of certain requirements for initial operation, and applicability of per centum reductions in certain situations.

Subsec. (u)(1)(D)(v). Pub. L. 105–33, § 4912(b)(2), inserted before period at end “or for items and services described in subsection (a) of section 1396d–1 of this title”.


Subsec. (w)(7)(A)(viii). Pub. L. 105–33, § 4740(b)(2)(C), amended cl. (viii) generally. Prior to amendment, cl. (viii) read as follows: “Services of health maintenance organizations (and other organizations with contracts under subsection (m) of this section).”

1996—Subsec. (i)(9). Pub. L. 104–193 struck out par. (9) which read as follows: “with respect to any amount of medical assistance for pregnant women and children described in section 1396a(a)(10)(A)(i)(IX) of this title, if the State has in effect, under its plan established under part A of subchapter IV of this chapter, payment levels that are less than the payment levels in effect under such plan on July 1, 1987.”

Subsec. (i)(12)(A)(i). Pub. L. 104–248, § 4(b)(1)(A), inserted “or is certified in family practice or pediatrics by the medical specialty board recognized by the American Osteopathic Association” before comma at end.


Pub. L. 104–248, § 4(b)(1)(C)(ii), inserted “(or certified by the State in accordance with policies of the Secretary)” after “State”.


Subsec. (i)(12)(B)(i). Pub. L. 104–248, § 4(b)(1)(B), inserted “or is certified in family practice or pediatrics by the medical specialty board recognized by the American Osteopathic Association” before comma at end.


Pub. L. 104–248, § 4(b)(1)(C)(ii), inserted “(or certified by the State in accordance with policies of the Secretary)” after “State”.


1995—Subsec. (i)(10). Pub. L. 103–166, § 13631(c)(1), which directed substitution of “; or” for period at end, amended par. (14).


Subsec. (o). Pub. L. 103–66, § 13622(a)(2), substituted “regulation and including a group health plan (as defined in section 11761 of title 29), a service benefit plan, and a health maintenance organization” for “regulation”.


Subsec. (c). Pub. L. 102–119 substituted “child with a disability” for “handicapped child”, “Individuals with Disabilities Education Act” for “Education of the Handicapped Act”, and “an infant or toddler with a disability” for “a handicapped infant or toddler”.


Subsec. (i)(10). Pub. L. 102–234, § 2(b)(2), struck out par. (10) added by Pub. L. 101–508, § 4701(b)(2)(B), which read as follows: “with respect to any amount expended for medical assistance furnished by a hospital, nursing facility, or intermediate care facility for the mentally retarded to reimburse the hospital or facility for the costs attributable to taxes imposed by the State (sic) with respect to hospitals or facilities.”

Subsec. (m)(1)(A). Pub. L. 101–508, §4751(b)(1), inserted "meets the requirement of section 1396a(w) of this title" after "State, which" and "meets the requirement of section 1396a(a) of this title and" after "or which.

Subsec. (m)(2)(A)(i). Pub. L. 101–508, §4752(d)(1), struck out "(or the State as authorized by paragraph (3))" after "the Secretary".


Subsec. (m)(2)(B). Pub. L. 101–508, §4704(b)(2), inserted "except with respect to clause (ix) of subparagraph (A)," after "Subparagraph (A)".

Subsec. (m)(2)(D). Pub. L. 101–508, §4732(a), struck out "(1) special circumstances warrant such modification or waiver, and (ii)" after "the Secretary determines that".

Subsec. (m)(2)(F). Pub. L. 101–508, §4732(b)(2), substituted "(G)," for "(G) or" and inserted at end "or with an eligible organization with a contract under section 1395mm of this title which meets the requirement of subparagraph (A)(ii), or".


Subsec. (m)(3). Pub. L. 101–508, §4732(d)(4), struck out par. (3) which read as follows: "A State may, in the case of an entity which has submitted an application to the Secretary for determination that it is a health maintenance organization within the meaning of paragraph (1) and for which no such determination has been made within 90 days of the submission of the application, make a provisional determination for the purpose of this subchapter that such entity is such a health maintenance organization. Such provisional determination shall remain in force until such time as the Secretary makes a determination regarding the entity's qualification under paragraph (1)."


Subsec. (m)(5)(I)(IV). Pub. L. 101–508, §4902(b), which directed amendment of subpart. (C) by inserting before period at end "or with respect to payments made in violation of section 1396c of this title", was executed to subpart. (D)(IV) to reflect the probable intent of Congress because subpart. (C) does not have a cl. (IV).

1989—Subsec. (a)(2)(B). Pub. L. 100–203, §1396c(203), struck out "section 1395f(a)(2) of this title", after "organization", inserted "including the costs for nurse aides to complete such competency evaluation programs" after "section 1396a(a) of this title" and "(or, for calendar quarters beginning on or after July 1, 1988, and before July 1, 1989, the lesser of 90 percent or the Federal medical assistance percentage plus 25 percentage points)" after "50 percent".


Subsec. (i)(2). Pub. L. 101–239, §6911(d)(2), inserted ", not including items or services furnished in an emergency room of a hospital" after "emergency item or service".

Subsec. (i)(5). Pub. L. 101–234 repealed Pub. L. 100–360, §202(b)(2), and provided that the provisions of law amended or repealed by such section are restored or revived as if such section had not been enacted, see 1988 Amendment note below.


Subsec. (i)(5). Pub. L. 100–360, §202(b)(2), substituted "section 1395y(c)(1)" for "section 1395y(c)(2)".


Subsec. (m)(5). Pub. L. 100–360, §411(k)(12)(A), amended par. (5) generally. Prior to amendment, par. (5) read as follows:

"(A) Any entity with a contract under this subsection that fails substantially to provide medically necessary items and services that are required (under law or such contract) to be provided to individuals covered under such contract, if the failure has adversely affected (or has a substantial likelihood of adversely affecting) these individuals, is subject to a civil money penalty of not more than $10,000 for each such failure.

"(B) The provisions of section 1320a–7a of this title (other than subsection (a)) shall apply to a civil money penalty under subparagraph (A) in the same manner as they apply to a civil money penalty under that section."

1987—Subsec. (a)(1). Pub. L. 100–203, §4211(g)(2), substituted "and (J)" for "(J) and (I)"

Subsec. (a)(2)(A) to (C). Pub. L. 100–203, §4211(d)(1), designated existing provisions as subpar. (A) and added subpars. (B) and (C).


Subsec. (a)(3)(C). Pub. L. 100–203, §4113(b)(3), inserted "or by an entity which meets the requirements of section 1320c–1 of this title, as determined by the Secretary," after "organization.

Subsec. (a)(7). Pub. L. 100–203, §4212(e)(2), inserted "subject to section 1396g(3)(B) of this title," after "(7)"

Subsec. (f)(2). Pub. L. 100–203, §4118(h)(1), as amended by Pub. L. 100–360, §411(k)(10)(G)(ii), substituted "whether in the form of insurance premiums or otherwise and regardless of whether such costs are reimbursed under another public program of the State or political subdivision thereof" for "whether in the form of insurance premiums or otherwise"

Subsec. (f)(4). Pub. L. 100–203, §4118(h)(1), amended, substituted "or services in an intermediate care facility for the mentally retarded" for first reference to "or intermediate care facility services", struck out "skilled nursing facility services for 30 days", after first reference to "60 days", substituted "or services in an intermediate care facility for the mentally retarded" for "skilled nursing facility services, or intermediate care facility services", and substituted "and intermediate care facilities for the mentally retarded" for "skilled nursing facilities, and intermediate care facilities"

Subsec. (g)(4)(B). Pub. L. 100–203, §4212(d)(1)(B), substituted "and intermediate care facilities for the mentally retarded" for "skilled nursing facilities, and intermediate care facilities"
retarded” for “intermediate care facility services”, redesignated subpar. (D) as (C), and struck out former subpar. (B) which read as follows: “Such recertifications in the case of skilled nursing facility services shall be conducted at least—

“(i) 30 days after the date of the initial certification.

“(ii) 60 days after the date of the initial certification.

“(iii) 90 days after the date of the initial certification.

“(iv) every 60 days thereafter.”

Subsec. (g)(7). Pub. L. 100–203, § 4212(d)(1)(D), struck out par. (7) which read as follows: “It is the duty and responsibility of the Secretary to assure that standards which govern the provision of care in skilled nursing facilities and intermediate care facilities under plans approved under this subchapter, and the enforcement of such standards, are adequate to protect the health and safety of residents and to promote the effective and efficient use of public moneys.”

Subsec. (h). Pub. L. 100–203, § 4218(g)(1), struck out subsec. (h) which related to reduction by Secretary of amount otherwise considered as expenditures under State plan where reasonable cost differential between statewide average cost of skilled nursing facility services and statewide average cost of intermediate care facility services does not exist for any calendar quarter beginning after June 30, 1973.

Subsec. (i). Pub. L. 100–203, § 4118(d)(1)(B), inserted sentence at end that nothing in par. (1) be construed as permitting a State to provide services under its plan under this subchapter that are not reasonable in amount, duration, and scope to achieve their purpose.

Subsec. (i)(1). Pub. L. 100–203, § 4118(d)(1)(A), substituted “; or” for period at end. Subsec. (i)(2). Pub. L. 100–93, § 8(g), amended par. (2) generally. Prior to amendment, par. (2) read as follows: “with respect to any amount paid for services furnished under the plan after December 31, 1972, by a provider or other person during any period of time, if payment may not be made under subchapter XVIII of this chapter with respect to services furnished by such provider or person during such period of time solely by reason of a determination by the Secretary under section 1395cc(b)(1) of this title or under clause (D), (E), or (F) of section 1396cc(b)(2) of this title, or by reason of non-compliance with a request made by the Secretary under clause (C)(i) of such section 1395cc(b)(2) or under section 1396aa(a)(3)(B) of this title; or”.

Subsec. (i)(2)(A). Pub. L. 100–203, § 4118(e)(11)(A), as added by Pub. L. 100–360, § 4118(c)(10)(D), as amended by Pub. L. 100–203, § 4118(d)(10)(D), substituted “section 1395cc(b)(2)” for “section 1396cc(b)(2) or under section 1396aa(a)(3)(B) of this title; or”.

Subsec. (i)(2)(B). Pub. L. 100–203, § 4118(e)(11)(B), as added by Pub. L. 100–360, § 4118(c)(10)(D), as amended by Pub. L. 100–203, § 4118(d)(10)(D), substituted “under subparagraph (D)” for “under subparagraph (E) or paragraph (F) of subsection (c) of section 1396cc(b)”, and added paragraphs (B) and (C)” in introductory text.

Subsec. (i)(3). Pub. L. 100–203, § 4112(b), as added by Pub. L. 100–360, § 4112(c)(6)(B)(x), inserted “(other than amounts attributable to the special situation of a hospital which serves a disproportionate number of low income patients with special needs)” before “to the extent”.


Pub. L. 100–203, § 4113(a)(1)(B), as amended by Pub. L. 100–360, § 4111(a)(3)(A), (B)(iii), (k)(7)(A), substituted “(F) In the case of—” and cls. (i) and (ii) for “(F) In the case of a contract with an entity described in subparagraph (G) or with a qualified health maintenance organization (as defined in section 300e–9(d) of this title) which meets the requirement of subparagraph (A)(ii)”.


Subsec. (n). Pub. L. 100–93, § 8(h)(1), struck out subsec. (n) which related to State agency action upon disclosure or failure to disclose required information by institution, organization, etc.

Subsec. (r). Pub. L. 100–203, § 4212(c)(2), substituted “paragraphs (2)(A)” for “paragraphs (2)” in pars. (1)(A), (B), (C) and (D).

1985—Subsec. (a)(1). Pub. L. 99–509, § 9403(g)(2), as amended by Pub. L. 100–360, § 301(t), inserted “including expenditures for medicare cost-sharing and before” “including expenditures”.


Subsec. (d)(2). Pub. L. 99–272, § 9252, substituted “subparagraphs (B), (C), and (G)” for “subparagraphs (B) and (C)” in introductory text.

Pub. L. 99–272, § 9617(c)(1), inserted “(including a health insuring organization)” after “any entity” and “(directly or through arrangements with providers of services)” after “responsible for the provision in introductory text.”

Subsec. (m)(2)(A)(iii). Pub. L. 99–509, § 9434(a)(2), inserted before the semicolon “and under which the Secretary must provide prior approval for contracts providing for expenditures in excess of $100,000”.


Pub. L. 99–272, § 9517(a)(2), struck out designation “(i)” at beginning of subpar. (F), substituted “in the case of a contract with an entity described in subparagraph (G) or with a qualified health maintenance organization (as defined in section 300e–9(d) of this title) which meets the requirement of subparagraph (A)(ii)” for “in the case of a contract with a health maintenance organization described in clause (ii)”.


Subsec. (r)(1)(B). Pub. L. 99–272, § 9518(a), substituted “September 30, 1965” for “the earlier of (i) September 30, 1962, or (ii) the last day of the sixth month following the date specified for operation of such systems in the State’s most recently approved advance planning document submitted before October 7, 1980”.

Subsec. (r)(4)(A). Pub. L. 99–272, § 9503(b)(2), substituted “once every three years” for “once each fiscal year” and inserted at end “Reviews may, at the Secretary’s discretion, constitute reviews of the entire system or of only those standards, systems requirements, and other conditions which have demonstrated weakness in previous reviews.”
Statistics)" and "for the 24-month period ending on September 30, 1984" for "between September 1982 and September 1984".

Subsec. (t)(1)(A). Pub. L. 97–248, § 137(b)(16)(A), substituted "payments under subsection (a)(6) of this section, interest paid under subsection (d)(5) of this section, and payments for claims relating to expenditures made for medical assistance for services received through a facility of the Indian Health Service" for "interest paid under subsection (d)(5) of this section".


Subsec. (d)(5). Pub. L. 97–35, § 2163, substituted "determination at a rate" for "determination (but not to exceed a period of twelve months with respect to disallowances made prior to October 1, 1981, or six months with respect to disallowances made thereafter) at a rate".


Subsec. (g)(1)(A). Pub. L. 97–35, § 2163(a), inserted "and the physician, or a physician assistant or nurse practitioner under the supervision of a physician" and "or, in the case of services that are intermediate care facility services described in section 1396a(d) of this title, every year in parenthetical text.

Subsec. (i)(1). Pub. L. 97–35, § 2174(b), struck out par. (1) which provided that payments shall not be made with respect to any amount paid for items or services furnished under the plan after Dec. 31, 1972, to the extent that such amount exceeds the charge which would be determined to be reasonable for such items or services under fourth and fifth sentences of section 1395a(b)(3) of this title.


Subsec. (m)(1)(A). Pub. L. 97–35, § 2178(a)(1), redefined "Health Maintenance Organization" substantially, and substituted reference to public and private organizations making services to individuals eligible for benefits under this subchapter and which makes adequate provisions to minimize the risk of insolvency for reference to a legal entity which provides health services to individuals enrolled in such organization and providing services and benefits to individuals eligible for benefits under specified provisions of this subchapter.

Subsec. (m)(2)(A). Pub. L. 97–35, § 2178(a)(2), in cl. (ii), substituted "75 percent of the membership of the entity which is enrolled on a prepaid basis" for "one-half of the membership of the entity"; and added cls. (iii) to (vii).


Subsec. (a)(6). Pub. L. 96–499, § 963, substituted "such a quarter within the twelve-quarter period beginning with the first quarter in which a payment is made to a State pursuant to this section for the calendar quarter for the first one-third of the sum of the sums expended during each succeeding calendar quarter" for "each quarter beginning on or after October 1, 1977, and ending before October 1, 1980".


Subsec. (j). Pub. L. 96–499, § 905(c)(1), substituted provisions relating to the adjustment of amounts determined under subsection (a)(1) of this section in accordance with section 1396n of this title for provisions relating to orders for suspension of payment.

Subsec. (n). Pub. L. 96–499, § 905(c)(2), struck out "or is subject to a suspension of payment order issued under subsection (j) after section 1395cc of this title".

Subsec. (r). Pub. L. 96–398 added subsec. (r). 1979—Subsec. (m)(2)(C). Pub. L. 96–79 substituted the date the entity qualifies as a health maintenance organization (as determined by the Secretary) for "the date the entity enters into a contract with the State under this subchapter for the provision of health services on a prepaid basis".

1978—Subsec. (m)(1)(B). Pub. L. 95–559 struck out "shall be administered through the Assistant Secretary for Health and the Administration of the Assistant Secretary for Health, and the administration of such duties and functions" after "paragraph (A)".


Subsec. (a)(6), (7). Pub. L. 95–142, § 17(a), added par. (6) and redesignated former par. (6) as (7).

Subsec. (b)(3). Pub. L. 95–142, § 17(b), added par. (3).

Subsec. (g). Pub. L. 95–142, § 20(a), in par. (1) substituted "Subject to paragraph (3), with respect to" for "With respect to " and "by a per centum thereof (determined under paragraph (5)) for "by 33 1/3 per centum thereof", in par. (2) inserted "timely" before "sample onsite surveys", and added pars. (3) to (6).

Subsec. (i)(2). Pub. L. 95–142, § 3(c)(2), inserted provisions relating to noncompliance under sections 1395cc(b)(2) and 1396a(a)(38) of this title.

Subsec. (m)(2)(A). Pub. L. 95–83, § 105(a)(1), in revising text, incorporated former cl. (i) (I) and (II) provisions in introductory text relating to responsibility for providing inpatient hospital services and other described services, substituting "capitation basis" for "capitation risk basis" and inserting "unless"; redesignated as cl. (i) former cl. (ii), substituting "has determined that the entity is a health maintenance organization for "has not determined to be a health maintenance organization"; and redesignated as cl. (ii) former cl. (iii), substituting "less than one-half of the membership of the entity consists of individuals who (I) are insured for benefits under part B of subchapter XVIII of this chapter or for benefits under both parts A and B of such subchapter, or (II) are eligible for benefits under this subchapter" for "more than one-half of the membership of which consists of individuals who are insured under parts A and B of subchapter XVIII of this chapter or recipients of benefits under this subchapter".


Subsecs. (o), (p). Pub. L. 95–142, § 11(a), added subsecs. (o) and (p).
Subsec. (q). Pub. L. 95–142, §17(c), added subsec. (q).
1976—Subsec. (l). Pub. L. 94–552 repealed subsec. (l) which provided for reduction of amount of payments to States found not to be in compliance with section 1396a(g) of this title.
Subsec. (m). Pub. L. 93–460 added subsec. (m).
1975—Subsec. (g)(1)(C). Pub. L. 94–126, §110(a), inserted provision specifying the method by which the size and composition of the sample of admissions subject to review is to be established.
Subsec. (a)(1). Pub. L. 93–233, §§13(a)(11), 18(x)(1), substituted “individuals who are eligible for medical assistance under the plan and (A) are receiving aid or assistance under any plan of the State approved under subchapter I, X, XIV, or part A of subchapter IV of this chapter, or with respect to whom supplemental security income benefits are being paid under subchapter XVI of this chapter, or (B) with respect to whom there is being paid a State supplementary payment and are eligible for medical assistance equal in amount, duration, and scope to the medical assistance made available to individuals described in section 1396a(a)(10)(A) of this title” for “individuals who are recipients of money payments under a State plan approved under subchapter I, X, XIV, or XVI, or part A of subchapter IV of this chapter” and inserted “and disabled individuals entitled to hospital insurance benefits under subchapter I, X, XIV, or XVI, or part A of subchapter IV of this chapter”.
Subsec. (a)(2). Pub. L. 93–233, §18(x)(2), (u), (x)(6), inserted in par. (2) after “sixty-five years of age or older” text reading “and disabled individuals entitled to hospital insurance benefits under subchapter I, X, XIV, or XVI, or part A of subchapter IV of this chapter”.
Subsec. (a)(3). Pub. L. 93–233, §§13(a)(11), 18(x)(1), substituted “individuals who are entitled to hospital insurance benefits under subchapter XVIII of this chapter,” after “individuals sixty-five years of age or older”.
Subsec. (a)(4). Pub. L. 93–233, §18(t), substituted “‘sums expended with respect to costs incurred’ for ‘sums expended’”.
Subsec. (a)(5). Pub. L. 93–233, §18(t), struck out “(as found necessary by the Secretary for the proper and efficient administration of the plan)” after “for such quarter”.
Subsec. (b). Pub. L. 93–233, §§18(r)(2), (u), (x)(6), inserted in par. (2) after “sixty-five years of age or older” text reading “and disabled individuals entitled to hospital insurance benefits under subchapter XVIII” and end text reading “, other than amounts expended under provisions of the plan of such State required by section 1396(a)(34) of this title,” and redesignated pars. (2) and (3) as (1) and (2), respectively.
Subsec. (d). Pub. L. 93–233, §18(y)(1)(B), struck out reference to subsec. (c) of this section.
Subsec. (f)(4). Pub. L. 93–233, §13(a)(12), in subpar. (A), made payment limitations inapplicable to individual with respect to whom supplemental security income benefits are benefits paid under subchapter XVI of this chapter; in subpar. (B), made payment limitations inapplicable to individual with respect to whom benefits are not being paid, and in cls. (i) and (ii) inserted “to have such benefits paid with respect to him,” and added subpar. (C).
Subsec. (g)(1)(C). Pub. L. 93–233, §18(v), substituted “directly responsible for the care of the patient or financially interested in any such institution or, except in the case of hospitals, employed by the institution” for “‘directly responsible for the care of the patient and who are not employed by or financially interested in any such institution’”.
Former par. (5) redesignated (6).
Subsec. (g). Pub. L. 92–603, §§207(a)(1), 278(b)(1), added subsec. (g) and substituted “‘skilled nursing facility’ for ‘skilled nursing home’ and ‘skilled nursing facilities’ for ‘skilled nursing homes’ wherever appearing.
Subsec. (i). Pub. L. 92–603, §§228(c), 228(c), 237(a)(1), 278(b)(7), added subsec. (i) and substituted “‘skilled nursing facility’ for ‘skilled nursing home’ wherever appearing.
1969—Subsec. (e). Pub. L. 91–56 extended from July 1, 1975, to July 1, 1977, the date by which comprehensive care and services for eligible individuals must be made available for a State to be eligible for payments.
1968—Subsec. (a)(1). Pub. L. 90–248, §222(d), substituted “and, except in the case of individuals sixty-five years of age or older who are not enrolled under part B of subchapter XVIII of this chapter, other insurance premiums” for “‘and other insurance premiums’”.
Subsec. (b). Pub. L. 90–248, §222(c), designated existing provisions as par. (1) and added par. (2).
Subsec. (d)(2). Pub. L. 90–248, §222(c), provided for treatment of expenditures for which payments were made to the State under subsec. (a) as an overpayment to the extent that the State or local agency administering the plan has been reimbursed for such expenditures by a third party pursuant to the provisions of its plan in compliance with section 1396a(a)(25) of this title.

CHANGE OF NAME

References to Medicare+Choice deemed to refer to Medicare Advantage or MA, subject to an appropriate transition provided by the Secretary of Health and Human Services in the use of those terms, see section 201 of Pub. L. 108–173, set out as a note under section 1395w–21 of this title.

EFFECTIVE DATE OF 2019 AMENDMENT

Amendment by section 6(a)(2)(A) of Pub. L. 116–16 effective on Apr. 18, 2019, and applicable to covered out-
patient drugs supplied by manufacturers under agreements under section 1396a–8 of this title on or after that date, see section 6(e) of Pub. L. 116–16, set out as a note under section 1396a–7 of this title.

Pub. L. 116–16, §8(b), Apr. 18, 2019, 133 Stat. 864, provided that: "The amendment made by subsection (a) [amending this section] shall apply with respect to items and services furnished on or after January 1, 2020."

**Effective Date of 2018 Amendment**

Pub. L. 115–271, title I, §1915(c), Oct. 24, 2018, 132 Stat. 3923, provided that: "The amendment made by subsection (a) [amending this section] shall take effect on the date of enactment of this Act (Oct. 24, 2018)."

**Effective Date of 2016 Amendment**


**Effective Date of 2010 Amendment**

Pub. L. 111–309, title II, §205(e), Dec. 15, 2010, 124 Stat. 3290, provided that the amendment made by section 265(e) is effective as if included in the enactment of section 405(c)(1)(A) of the American Recovery and Reinvestment Act of 2009 (Pub. L. 111–5).


Amendment by section 2202(b) of Pub. L. 111–148 effective Jan. 1, 2014, and applicable to services furnished on or after that date, see section 2202(c) of Pub. L. 111–148, set out as an Effective and Termination Dates of 2010 Amendment note under section 1396a of this title.

Amendment by section 262(b)(2)(A) of Pub. L. 111–148 effective Mar. 23, 2010, and applicable to items and services furnished on or after such date, see section 262(b) of Pub. L. 111–148, set out as an Effective and Termination Dates of 2010 Amendment note under section 1396a of this title.

Amendment by section 2403(c)(1)(A) of Pub. L. 111–148 effective on the first day of the first fiscal year quarter that begins after Mar. 23, 2010, see section 2403(c) of Pub. L. 111–148, set out as an Effective and Termination Dates of 2010 Amendment note under section 1396a of this title.

**Effective Date of 2007 Amendment**


**Effective Date of 2006 Amendment**

title] shall apply to non-emergency services furnished on or after January 1, 2007.’’

Pub. L. 106–197, title VI, §605(b), Feb. 8, 2006, 120 Stat. 92, provided that:

‘‘(1) IN GENERAL.—Subject to paragraph (2), the amendment made by subsection (a) [amending this section] shall be effective as of the date of the enactment of this Act [Feb. 8, 2006].

‘‘(2) DELAY IN EFFECTIVE DATE.—

‘‘(A) IN GENERAL.—Subject to subparagraph (B), in the case of a State specified in subparagraph (B), the amendment made by subsection (a) shall be effective as of October 1, 2009.

‘‘(B) SPECIFIED STATES.—For purposes of subparagraph (A), the States specified in this subparagraph are States that have enacted a law providing for a tax on the services of a Medicaid managed care organization under a contract entered into on or after 1903(m) of the Social Security Act (42 U.S.C. 1396(m)) as of December 8, 2005.

Amendment by section 6062 of Pub. L. 106–197 applicable to medical assistance for items and services furnished on or after Jan. 1, 2007, see section 6062(d) of Pub. L. 106–197, set out as a note under section 1396a of this title.

EFFECTIVE DATE OF 2005 AMENDMENT

Pub. L. 109–19, title I, §194(d), Oct. 20, 2005, 119 Stat. 2093, provided that: ‘‘The amendments made by this section [amending this section and sections 1396a–8 and 1396a–5 of this title] shall apply to drugs dispensed on or after January 1, 2006.’’

EFFECTIVE DATE OF 2004 AMENDMENT

Pub. L. 108–357, title VII, §712(d), Oct. 22, 2004, 118 Stat. 1561, provided that: ‘‘The amendments made by subsections (a) and (b) [amending section 1000(a)(4), (b)(2) of Pub. L. 109–171] applicable to medical assistance for items and services provided on or after Jan. 1, 2007, see section 6062(d) of Pub. L. 109–171, set out as a note under section 1396a of this title.

EFFECTIVE DATE OF 2000 AMENDMENTS

Amendment by section 702(c)(1) of Pub. L. 106–554 effective Jan. 1, 2001, and applicable to services furnished on or after such date, see section 1(a)(6) [title VII, §702(c)] of Pub. L. 106–554, set out as a note under section 1396a of this title.

Pub. L. 106–554, §1(a)(6) [title VII, §710(b)], Dec. 21, 2000, 114 Stat. 2763, 2763A–578, provided that:

‘‘(1) the amendment made by subsection (a)(1) [amending this section] shall be effective as if included in the enactment of section 121 of the Foster Care Independence Act of 1999 (Public Law 106–169) [amending sections 1396a and 1396d of this title and enacting provisions set out as sections under section 1396a of this title].

‘‘(2) The amendment made by subsection (a)(2) [amending this section] shall be effective as if included in the enactment of the Breast and Cervical Cancer Prevention and Treatment Act of 2000 (Public Law 106–354).

Amendment by Pub. L. 106–554 applicable to medical assistance for items and services furnished on or after Oct. 1, 2000, without regard to whether final regulations to carry out such amendments have been promulgated by such date, see section 2(d) of Pub. L. 106–554, set out as a note under section 1396a of this title.

EFFECTIVE DATE OF 1999 AMENDMENT

Amendment by section 201(a), (b) of Pub. L. 106–170 applicable to medical assistance for items and services furnished on or after Oct. 1, 2000, see section 201(d) of Pub. L. 106–170, set out as a note under section 1396a of this title.

Pub. L. 106–170, title IV, §407(d), Dec. 17, 1999, 113 Stat. 1914, provided that: ‘‘The amendments made by this section [amending this section] take effect on the date of the enactment of this Act [Dec. 17, 1999].’’

Amendment by section 1000(a)(6) [title VI, §604(a)(2)(B), (b)(2)] of Pub. L. 106–113 applicable as of such date as the Secretary of Health and Human Services certifies to Congress that the Secretary has fully implementing section 1396a–2(c)(2) of this title, see section 1000(a)(6) [title VI, §604(c)(2)] of Pub. L. 106–113, set out as a note under section 1396a of this title.


Amendment by section 1000(a)(6) [title VI, §608(e)(k)] of Pub. L. 106–113 effective Nov. 29, 1999, see section 1000(a)(6) [title VI, §608(bb)] of Pub. L. 106–113, set out as a note under section 1396a of this title.

Pub. L. 106–31, title III, §§301(c), May 21, 1999, 113 Stat. 104, provided that: ‘‘This section [amending this section] and the amendments made by this section shall apply to amounts paid to a State prior to, on, or after the date of the enactment of this Act [May 21, 1999].’’

EFFECTIVE DATE OF 1997 AMENDMENT


Pub. L. 105–33, title IV, §4710, Aug. 5, 1997, 111 Stat. 506, provided that:

‘‘(a) GENERAL EFFECTIVE DATE.—Except as otherwise provided in this chapter [chapter 1 (§§4701–4710) of subtitle H of title IV of Pub. L. 105–33, enacting section 1396a–2 of this title, amending this section and sections 1320a–3, 1320a–7b, 1396a, 1396d, 1396e, 1396f, 1396g, and 1396v of this title, and enacting provisions set out as a note under section 1396a–2 of this title] and section 4759 (enacting provisions set out as a note under section 1396a of this title), the amendments made by this chapter shall take effect on the date of the enactment of this Act [Aug. 5, 1997] and shall apply to contracts entered into or renewed on or after October 1, 1997.

‘‘(b) SPECIFIC EFFECTIVE DATES.—Subsection to subject subsection (c) and section 4759—

‘‘(1) PCP CM OPTION.—The amendments made by section 4702 [amending this section and sections 1396a and 1396d of this title] shall apply to primary care case management services furnished on or after Octo ber 1, 1997.

‘‘(2) 75:25 RULE.—The amendments made by section 4703 [amending this section and section 1396a–6 of this title] apply to contracts under section 1396(m) of the Social Security Act (42 U.S.C. 1396(m)) on and after June 20, 1997.

‘‘(3) QUALITY STANDARDS.—Section 1932(c)(1) of the Social Security Act (42 U.S.C. 1396u–2(c)(1)), as added by section 4705(a), shall take effect on January 1, 1999.

‘‘(4) SOLVENCY STANDARDS.—

‘‘(A) IN GENERAL.—The amendments made by section 4706 [amending this section] shall apply to contracts entered into or renewed on or after October 1, 1998.

‘‘(B) TRANSITION RULE.—In the case of an organization that as of the date of the enactment of this Act [Aug. 5, 1997] has entered into a contract under section 1396(m) of the Social Security Act (42 U.S.C. 1396(m)) with a State for the provision of medical assistance under title XIX of such Act (42 U.S.C. 1396 et seq.) under which the organization assumes full financial risk and is receiving capitation payments, the amendments made by section 4706 shall not apply to such organization until 3 years after the date of the enactment of this Act.

‘‘(5) SANCTIONS FOR NONCOMPLIANCE.—Section 1932(e) of the Social Security Act (42 U.S.C. 1396u(2)(e)), as added by section 4707(a), shall apply to contracts entered into or renewed on or after April 1, 1998.

“(6) LIMITATION ON FFP FOR ENROLLMENT BROKERS.—

The amendment made by section 4707(b) [amending this section] shall apply to amounts expended on or after October 1, 1997.

“(7) 6-MONTH GUARANTEED ELIGIBILITY.—The amendments made by section 4709 [amending section 1396a of this title] shall take effect on October 1, 1997.

“(c) NONAPPLICATION TO WAIVERS.—Nothing in this chapter (or the amendments made by this chapter) shall be construed as affecting the terms and conditions of any waiver, or the authority of the Secretary of Health and Human Services with respect to any such waiver, under section 1115 or 1915 of the Social Security Act [42 U.S.C. 1315, 1396n].”

Amendment by section 4712(b)(3) of Pub. L. 105–33 applicable to services furnished on or after Oct. 1, 1997, see section 4712(b)(3) of Pub. L. 105–33, set out as a note under section 1396a of this title.

Pub. L. 105–33, title IV, §4712(c), Aug. 5, 1997, 111 Stat. 509, as amended by Pub. L. 106–113, div. B, §1000(a)(6) [title VI, §603(a)(2)], Nov. 29, 1999, 113 Stat. 1536, 1536A–394, which provided that the amendment made by section 4712(c) was effective for services furnished on or after Oct. 1, 2001, was repealed by Pub. L. 106–554, §1(a)(6) [title VII, §702(c)(1), (e)], Dec. 21, 2000, 114 Stat. 2763, 2763A–574, effective Jan. 1, 2001, and applicable to services furnished on or after such date.

Pub. L. 105–33, title IV, §4722(d), Aug. 5, 1997, 111 Stat. 515, provided that: “The amendments made by section (a) [amending this section] shall apply to taxes imposed before, on, or after the date of the enactment of this Act [Aug. 5, 1997], and the amendment made by subsection (b) [amending this section] shall apply to taxes imposed on or after such date.”


Pub. L. 105–33, title IV, §4724(b), Aug. 5, 1997, 111 Stat. 523, provided that: “The amendment made by subsection (a) [amending this section] shall apply to services furnished on or after the date of the enactment of this Act [Aug. 5, 1997].”

Amendment by section 4733(a) of Pub. L. 105–33 effective Jan. 1, 1998, except as otherwise specifically provided, see section 4733(c) of Pub. L. 105–33, set out as a note under section 1396a of this title.

Amendment by section 4912(b)(2) of Pub. L. 105–33 effective Aug. 5, 1997, see section 4912(c) of Pub. L. 105–33, set out as a note under section 1396a of this title.

Amendment by Pub. L. 105–12 effective Apr. 30, 1997, and applicable to Federal payments made pursuant to obligations incurred after Apr. 30, 1997, for items and services provided on or after such date, subject to the periods applicable, except as otherwise provided, to payments under such subchapter for calendar quarters beginning on or after Apr. 1, 1997, without regard to whether or not final regulations to carry out the amendments by section 4912(a) of Pub. L. 105–33 have been promulgated by such date, see section 4602(e) of Pub. L. 101–508, set out as a note under section 1396a of this title.


EFFECTIVE DATE OF 1990 AMENDMENTS

Amendment by section 4602(b), (d)(3) of Pub. L. 101–508 applicable, except as otherwise provided, to payments under this subchapter for calendar quarters beginning on or after Jan. 1, 1991, without regard to whether or not final regulations to carry out the amendments by section 4602 of Pub. L. 101–508 have been promulgated by such date, see section 4602(e) of Pub. L. 101–508, set out as a note under section 1396a of this title.

Amendment by section 4601a(3)(A) of Pub. L. 101–508 applicable, except as otherwise provided, to payments under this subchapter for calendar quarters beginning on or after July 1, 1991, without regard to whether or not final regulations to carry out the amendments by section 4601 of Pub. L. 101–508 have been promulgated by such date, see section 4601(b) of Pub. L. 101–508, set out as a note under section 1396a of this title.


Amendment by section 4704(b)(1), (2) of Pub. L. 101–508 effective as if included in the enactment of the Omnibus Budget Reconciliation Act of 1989, Pub. L. 101–239, see section 4704(c) of Pub. L. 101–239, set out as a note under section 1396a of this title.

Amendment by section 4711(c)(2) of Pub. L. 101–508 applicable to civil money penalties imposed after Nov. 5,
1990, see section 4711(e)(2)(B) of Pub. L. 101–508, set out as a note under section 1396a of this title.

Pub. L. 101–508, title IV, § 4731(c), Nov. 5, 1990, 104 Stat. 1388–201, provided that: "The amendments made by subsections (a) and (b)(2) [amending this section] shall apply with respect to contract years beginning on or after January 1, 1992, and the amendments made by subsection (b)(1) [amending section 1320a–7a of this title] shall take effect on the date of the enactment of this Act [Nov. 5, 1990]."

Amendment by section 4731(b)(1) of Pub. L. 101–508 applicable with respect to services furnished on or after first day of first month beginning more than 1 year after Nov. 5, 1990, see section 4731(c) of Pub. L. 101–508, set out as a note under section 1396a of this title.

Pub. L. 101–508, title IV, § 4752(b)(2), Nov. 5, 1990, 104 Stat. 1388–206, provided that: "The amendments made by paragraph (1) [amending this section] shall apply to contract years beginning after the date of the establishment of the system described in section 1962(x) of the Social Security Act [42 U.S.C. 1396a(x)]."

Pub. L. 101–508, title IV, § 4801(a)(9), Nov. 5, 1990, 104 Stat. 1388–212, provided that: "Except as provided in paragraph (6), the amendments made by this subsection [amending this section and section 1396r of this title] shall take effect as if they were included in the enactment of the Omnibus Budget Reconciliation Act of 1987 [Pub. L. 100–102]."

Pub. L. 101–508, title IV, § 4801(e)(16), Nov. 5, 1990, 104 Stat. 1388–218, provided that: "The amendments made by subparagraph (A) [amending this section] shall apply with respect to actions initiated on or after the date of the enactment of this Act [Nov. 5, 1990]."

**Effective Date of 1989 Amendment**

Amendment by section 4601(b) of Pub. L. 101–239 applicable, except as otherwise provided, to payments under this subchapter for calendar quarters beginning on or after Apr. 1, 1990, with respect to eligibility for medical assistance on or after such date, without regard to whether or not final regulations to carry out the amendments by section 4601 of Pub. L. 101–239 have been promulgated by such date, see section 4601(c) of Pub. L. 101–239, set out as a note under section 1396a of this title.


Amendment by Pub. L. 101–234 effective Jan. 1, 1990, see section 301(c) of Pub. L. 101–234, set out as a note under section 1320a–7a of this title.

**Effective Date of 1988 Amendment**


Amendment by section 608(c)(4) of Pub. L. 100–485 effective Oct. 13, 1988, see section 608(c)(2) of Pub. L. 100–485, set out as a note under section 704 of this title.

Amendment by section 202(b)(2) of Pub. L. 100–360 applicable to items dispensed on or after Jan. 1, 1990, see section 202(m)(1) of Pub. L. 100–360, set out as a note under section 1395i–3 of this title.

Pub. L. 100–360, title III, § 301(f), July 1, 1988, 102 Stat. 756, provided that the amendment made by that section is effective as though included in the enactment of the Omnibus Budget Reconciliation Act of 1986, Pub. L. 99–509.

Amendment by section 302(c)(3) of Pub. L. 100–360 applicable, except as otherwise provided, to payments under this subchapter for calendar quarters beginning on or after July 1, 1988, with respect to eligibility for medical assistance on or after that date, without regard to whether or not final regulations to carry out such amendment have been promulgated by such date, see section 302(c) of Pub. L. 100–360, set out as a note under section 1396a of this title.

Except as specifically provided in section 411 of Pub. L. 100–485, amendment by section 4212(d)(1) of Pub. L. 100–203 applicable to payments under this subchapter for calendar quarters beginning on or after Oct. 1, 1987, with out regard to whether regulations implementing such amendments are promulgated by such date, except as otherwise specifically provided in section 1396r of this title, with transitional rule, see section 4212(a)(b)(2) of Pub. L. 100–203, as amended, set out as an Effective Date note under section 1396r of this title.

Amendment by section 4212(d)(1) of Pub. L. 100–203 not applicable until such date as of which the State has specified the resident assessment instrument under section 1396r(e)(5) of this title, and the State has begun conducting surveys under section 1396r(g)(2) of this title, see section 4212(d)(4) of Pub. L. 100–203, as amended, set out as a note under section 1396a of this title.

Amendment by section 4213(b)(2) of Pub. L. 100–203 applicable to payments under this subchapter for calendar quarters beginning on or after Dec. 22, 1987, with out regard to whether regulations implementing such amendment are promulgated by such date, except as otherwise specifically provided in section 1396r of this title, see section 4214(a)(b)(2) of Pub. L. 100–203, as amended, set out as an Effective Date note under section 1396r of this title.

Amendment by Pub. L. 100–93 effective at end of fourteen-day period beginning Aug. 18, 1987, and inapplicable to administrative proceedings commenced before end of such period, see section 15(a) of Pub. L. 100–93, set out as a note under section 1320a–7 of this title.

**Effective Date of 1986 Amendment**


Amendment by section 9401(e)(2) of Pub. L. 99–509 applicable to medical assistance furnished in calendar quarters beginning on Apr. 1, 1987, without regard to whether of not final regulations to carry out such amendment have been promulgated by such date,
see section 9401(f) of Pub. L. 99–509, set out as a note under section 1396a of this title.

Amendment by section 9403(g)(2) of Pub. L. 99–509 applicable to payments under this subchapter for calendar quarters beginning on or after July 1, 1987, without regard to whether or not final regulations are issued to carry out such amendments have been promulgated by such date, see section 9407(d) of Pub. L. 99–509, set out as a note under section 1396a of this title.

Amendment by section 9406(a) of Pub. L. 99–509 applicable, except as otherwise provided, to medical assistance furnished to aliens on or after Jan. 1, 1987, without regard to whether or not final regulations are issued to carry out such amendments have been promulgated by such date, see section 9406(c) of Pub. L. 99–509, set out as a note under section 1396a of this title.

Amendment by section 9407(c) of Pub. L. 99–509 applicable to ambulatory prenatal care furnished in calendar quarters beginning on or after Apr. 1, 1987, without regard to whether or not final regulations are issued to carry out such amendments have been promulgated by such date, see section 9407(d) of Pub. L. 99–509, set out as a note under section 1396a of this title.

Amendment by section 9413(b)(2) of Pub. L. 99–509 applicable to payments under this subchapter for calendar quarters beginning on or after July 1, 1987, without regard to whether or not final regulations are issued to carry out such amendments have been promulgated by such date, see section 9431(c) of Pub. L. 99–509, set out as a note under section 1396a of this title.

Amendment by section 9503(b), (c) of Pub. L. 99–272 applicable to calendar quarters beginning on or after Apr. 7, 1986, except as otherwise provided, see section 9503(g)(1), (2) of Pub. L. 99–272, set out as a note under section 1396a of this title.

Pub. L. 99–272, title IX, § 9507(b), Apr. 7, 1986, 100 Stat. 210, provided that: "(A) The amendments made by paragraph (1) [amending this section] shall take effect 6 months after the date of the enactment of this Act [Oct. 1, 1986].

(B) The amendment made by paragraph (2) [amending this section] shall take effect on the date of the enactment of this Act and shall apply to contracts entered into, renewed, or extended after the end of the 30-day period beginning on the date of the enactment of this Act."

Amendment by section 9503(b), (c) of Pub. L. 99–272 applicable to calendar quarters beginning on or after Apr. 7, 1986, except as otherwise provided, see section 9503(g)(1), (2) of Pub. L. 99–272, set out as a note under section 1396a of this title.

Pub. L. 99–272, title IX, § 9512(b), Apr. 7, 1986, 100 Stat. 213, provided that: "The amendments made by this section [amending this section] shall apply to overpayments identified for quarters beginning on or after October 1, 1986."


(1)(A) Except as provided in subparagraph (B) and in paragraph (3), the amendments made by paragraph (1) [amending this section] shall apply to expenditures incurred for health insurance organizations which first become operational on or after January 1, 1986. For purposes of this paragraph, a health insurance organization is not considered to be operational until the date on which it first enrolls patients.

(B) In the case of a health insurance organization—

(i) which first becomes operational on or after January 1, 1986, but

(ii) for which the Secretary of Health and Human Services has waived, under section 1915(b) of the Social Security Act [42 U.S.C. 1396n(b)], certain requirements of section 1902 of such Act [42 U.S.C. 1396a],

clauses (ii) and (vi) of section 1903(m)(2)(A) of such Act [42 U.S.C. 1396b(m)(2)(A)(ii), (vi)] shall not apply during the period for which such waiver is effective.

(C) In the case of the Knox-Keene Health Maintenance Organizations Act, Inc., clauses (ii) and (vi) of section 1903(m)(2)(A) of the Social Security Act shall not apply during the period for which a waiver by the Secretary of Health and Human Services, under section 1915(b) of such Act, expires of certain requirements of section 1902 of such Act is in effect (pursuant to a request for a waiver under section 1915(b) of such Act submitted before January 1, 1986).

(D) Nothing in section 1903(m)(1)(A) of the Social Security Act shall be construed as requiring a health-insuring organization to be organized under the health maintenance organization laws of a State.

(3)(A) Subject to subparagraph (C), in the case of up to 3 health insuring organizations which are described in subparagraph (B), in the case of any health insuring organization described in such subparagraph that is operated by a public entity established by Ventura County, which first become operational on or after January 1, 1986, and which are designated by the Governor, and approved by the legislature of California, the amendments made by paragraph (1) shall not apply.

(B) A health insuring organization described in this subparagraph is one that—

(i) is operated directly by a public entity established by a county government in the State of California under a State enabling statute;

(ii) enrolls all medicare beneficiaries residing in the county or counties in which it operates;

(iii) meets the requirements for health maintenance organizations under the Knox-Keene Act (Cal. Health and Safety Code, section 1340 et seq.) and the Waxman-Duffy Act (Cal. Welfare and Institutions Code, section 14450 et seq.);

(iv) assures a reasonable choice of providers, which includes providers that have historically served medicare beneficiaries and which does not impose any restriction which substantially impairs access to covered services of adequate quality where medically necessary;

(v) provides for a payment adjustment for a disproportionate share hospital (as defined under State law consistent with section 1922 of the Social Security Act [42 U.S.C. 1396r–4]) in a manner consistent with the requirements of such section; and

(vi) provides for payment, in the case of children's hospital services provided to medicare beneficiaries who are under 21 years of age, who are children with special health care needs under title V of the Social Security Act [42 U.S.C. 701 et seq.], and who are receiving care coordination services under such title, at rates determined by the California Medical Assistance Commission.

(C) Subparagraph (A) shall not apply with respect to any period for which the Secretary of Health and Human Services determines that the number of medicare beneficiaries enrolled with health insuring organizations described in subparagraph (B) exceeds 16 percent of the number of such beneficiaries in the State of California.

(D) In this paragraph, the term 'medicare beneficiary' means an individual who is entitled to medical assistance under the State plan under title XIX of the Social Security Act [42 U.S.C. 1396 et seq.], other than a qualified medicare beneficiary who is only entitled to such assistance because of section 1902(a)(10)(E) of such title (42 U.S.C. 1396a(a)(10)(E))."
Amendment by section 137(a)(1), (2) of Pub. L. 97–35, to section 1396c(b)(2) of Pub. L. 97–35, set out as an Effective Date note under section 1396c(a)(1) of this title.

Effective Date of 1983 Amendment

Amendment by section 137(b)(11)–(16), (27) of Pub. L. 97–248 effective as if originally included as a part of this section as this section was amended by the Omnibus Budget Reconciliation Act of 1981, Pub. L. 97–248, title I, § 137(b), Sept. 3, 1982, 96 Stat. 1107, provided that: ‘‘The amendments made by subsection (a) [amending this section] shall become effective on or after the date of the enactment of this Act [Sept. 3, 1982].’’

Amendment by section 137(d)(1) of Pub. L. 97–248, set out as a note under section 1396a of this title.

Amendment by section 137(d)(2) of Pub. L. 97–248, set out as a note under section 1396a of this title.

Amendment by section 137(e)(1) of Pub. L. 97–248, set out as a note under section 1396a of this title.

Amendment by section 137(g) of Pub. L. 97–248, set out as a note under section 1396a of this title.

Amendment by section 146(b) of Pub. L. 97–248 effective as if originally included as a part of this section as this section was amended by the Omnibus Budget Reconciliation Act of 1981, Pub. L. 97–35, to section 1396c(b)(2) of Pub. L. 97–248, set out as an Effective Date note under section 1396c(a)(1) of this title.

Effective Date of 1981 Amendment

Amendment by section 2161(c)(2) of Pub. L. 97–35 applicable to payments for calendar quarters beginning on or after Oct. 1, 1981.

Amendment by section 2178(a) of Pub. L. 97–35 applicable to payments for calendar quarters beginning on or after Oct. 1, 1981.
termediate care facility services furnished in calendar quarters which begin after December 31, 1972.”

**Effective Date of 1972 Amendment**


**Effective Date of 1968 Amendment**


“(2) In the case of any State whose plan under title XIX of the Social Security Act [42 U.S.C. 1396 et seq.] was approved by the Secretary of the Health, Education, and Welfare under section 1902 of the Social Security Act [42 U.S.C. 1396a] prior to July 26, 1967, amendments made by subsection (a) [amending this section] shall apply with respect to calendar quarters beginning after the date of enactment of this Act [Jan. 2, 1968].

“(A) with respect to the third and fourth calendar quarters of 1968, such subsection shall be applied by substituting in subsection (f) of section 1903 of the Social Security Act [42 U.S.C. 1396b(f)] 150 percent for 133⅓ percent each time such latter figure appears in such subsection (f), and

“(B) with respect to all calendar quarters during 1969, such subsection shall be applied by substituting in subsection (f) of section 1903 of such Act [42 U.S.C. 1396b(f)] 140 percent for 133⅓ percent each time such latter figure appears in such subsection (f).”


Pub. L. 90–248, title II, §236(b), June 29, 1968, 82 Stat. 274, provided that: “The amendments made by sub-
section (a) [amending this section] shall be effective with respect to calendar quarters beginning after December 31, 1967.

REGULATIONS


"(a) IN GENERAL.—Subject to subsection (b), the Secretary of Health and Human Services shall issue such regulations (on an interim final or other basis) as may be necessary to implement this Act [see Short Title of 1991 Amendment note set out under section 1305 of this title] and the amendments made by this Act.

"(b) REGULATIONS CHANGING TREATMENT OF INTERGOVERNMENTAL TRANSFERS.—The Secretary may not issue any interim final regulation that changes the treatment (specified in section 433.45(a) of title 42, Code of Federal Regulations) of public funds as a source of State share of financial participation under title XIX of the Social Security Act [42 U.S.C. 1396 et seq.], except as may be necessary to permit the Secretary to deny Federal financial participation for public funds described in section 1903(w)(6)(A) of such Act [42 U.S.C. 1396b(i)(22), (A)] that are derived from donations or taxes that would not otherwise be recognized as the non-Federal share under section 1903(w) of such Act.

"(c) CONSULTATION WITH STATES.—The Secretary shall consult with the States before issuing any regulations under this Act."

Secretary of Health and Human Services to promulgate final regulations necessary to carry out subsec. (r)(6)(j) of this section within 6 months after Apr. 7, 1982, that are derived from donations or taxes that would not otherwise be recognized as the non-Federal share under section 1903(w) of such Act.

REFERENCES TO PROVIDED OF PART A OF SUBCHAPTER IV CONSIDERED REFERENCES TO SUCH PROVISIONS AS IN EFFECT JULY 16, 1996

For provisions that certain references to provisions of part A (§401 et seq.) of subchapter IV of this chapter be considered references to such provisions of part A as in effect July 16, 1996, see section 1369a–1(a) of this title.

IMPLEMENTATION OF SUBSECTIONS (i)(22) AND (x) REQUIREMENTS

Pub. L. 109–171, title VI, §603(b), Feb. 8, 2006, 120 Stat. 81, as amended by Pub. L. 109–432, div. B, title IV, §405(c)(2)(A)(v)(II), Dec. 20, 2006, 120 Stat. 3000, provided that: "As soon as practicable after the date of enactment of this Act [Feb. 8, 2006], the Secretary of Health and Human Services shall establish an outreach program that is designed to educate individuals who are likely to be affected by the requirements of subsections (i)(22) and (x) of section 1903 of the Social Security Act [42 U.S.C. 1396b(i)(22), (x)] (as added by subsection (a)) about such requirements and how they may be satisfied."

CONSTRUCTION OF 2016 AMENDMENT

Nothing in amendment by section 5005 of Pub. L. 114–255 to be construed as changing or limiting the appeal rights of providers or the process for appeals of States under the Social Security Act, see section 5005(d) of Pub. L. 114–255, set out as a note under section 1396a of this title.


"(1) NO EMPLOYER-EMPLOYEE RELATIONSHIP ESTABLISHED.—Nothing in the amendment made by this section [amending this section] may be construed as establishing an employer-employee relationship between the agency or entity that provides for personal care services or home health care services and the individual who, under a contract with such an agency or entity, furnish such services for purposes of part 552 of title 29, Code of Federal Regulations (or any successor regulations).

"(2) NO PARTICULAR OR UNIFORM ELECTRONIC VISIT VERIFICATION SYSTEM REQUIRED.—Nothing in the amendment made by this section shall be construed to require the use of a particular or uniform electronic visit verification system (as defined in subsection (b)(5) of section 1903 of the Social Security Act [42 U.S.C. 1396b], as inserted by subsection (a)) by all agencies or entities that provide personal care services or home health care under a State plan under title XIX of the Social Security Act (or under a waiver of the plan) (42 U.S.C. 1396 et seq.).

"(3) NO LIMITS ON PROVISION OF CARE.—Nothing in the amendment made by this section may be construed to limit, with respect to personal care services or home health care services provided under a State plan under title XIX of the Social Security Act (or under a waiver of the plan) (42 U.S.C. 1396 et seq.), provider selection, constrain beneficiaries’ selection of a caregiver, or impede the manner in which care is delivered.

"(4) NO PROHIBITION ON STATE QUALITY MEASURES REQUIREMENTS.—Nothing in the amendment made by this section shall be construed as prohibiting a State, in implementing an electronic visit verification system (as defined in subsection (b)(5) of section 1903 of the Social Security Act (42 U.S.C. 1396b), as inserted by subsection (a)), from establishing requirements related to quality measures for such system."

CONSTRUCTION OF 2015 AMENDMENT

Pub. L. 114–113, div. O, title V, §503(a)(2), Dec. 18, 2015, 129 Stat. 3201, provided that: "Nothing in the amendment made by paragraph (1) [amending this section] shall be construed to prohibit a State Medicaid program from providing medical assistance for durable medical equipment for which payment is denied or not available under the Medicare program under title XVIII of such Act [Aug. 14, 1935, ch. 531, 42 U.S.C. 1385 et seq.]."

SECURITY AND PRIVACY

Pub. L. 115–271, title I, §1016(b), Oct. 24, 2018, 122 Stat. 3023, provided that: "All applicable State and Federal security and privacy laws and statutes shall apply to any State agency, individual, or entity accessing 1 or more prescription drug monitoring program databases or obtaining information in such databases in accordance with section 1903(m)(8) of the Social Security Act [42 U.S.C. 1396b(m)(8)] (as added by subsection (a))."

COLLECTION AND DISSEMINATION OF BEST PRACTICES

Pub. L. 114–255, div. B, title XII, §12006(b), Dec. 13, 2016, 130 Stat. 1277, provided that: "Not later than January 1, 2018, the Secretary of Health and Human Services shall, with respect to electronic visit verification systems (as defined in subsection (b)(5) of section 1903 of the Social Security Act (42 U.S.C. 1396b), as inserted by subsection (a)), collect and disseminate best practices to State Medicaid Directors with respect to—

"(1) training individuals who furnish personal care services, home health care services, or both under the State plan under title XIX of such Act (42 U.S.C. 1396 et seq.) (or under a waiver of the plan) on such systems and the operation of such systems and the prevention of fraud with respect to the provision of personal care services or home health care services (as defined in such subsection (b)); and

"(2) the provision of notice and educational materials to family caregivers and beneficiaries with respect to the use of such electronic visit verification systems and other means to prevent such fraud."
CLARIFICATION REGARDING NON-REGULATION OF TRANSFERS

Pub. L. 111–3, title VI, §615, Feb. 4, 2009, 123 Stat. 102, provided that:

(a) IN GENERAL.—Nothing in section 1903(w) of the Social Security Act (42 U.S.C. 1396d(w)) shall be construed by the Secretary of Health and Human Services as prohibiting a State’s use of funds as the non-Federal share of expenditures under title XIX of such Act (42 U.S.C. 1396 et seq.) where such funds are transferred from or certified by a publicly-owned regional medical center located in another State and described in subsection (b), so long as the Secretary determines that such use of funds is proper and in the interest of the program under title XIX.

(b) CENTER DESCRIBED.—A center described in this paragraph is a publicly-owned regional medical center that—

(1) provides level 1 trauma and burn care services;

(2) provides level 3 neonatal care services;

(3) is obligated to serve all patients, regardless of ability to pay;

(4) is located within a Standard Metropolitan Statistical Area (SMSA) that includes at least 3 States;

(5) provides services as a tertiary care provider for patients residing within a 125-mile radius; and

(6) meets the criteria for a disproportionate share hospital under section 1923 of such Act (42 U.S.C. 1396r–4) in at least one State other than the State in which the center is located.


(1) IN GENERAL.—Nothing in section 1903(w) of the Social Security Act (42 U.S.C. 1396d(w)) shall be construed by the Secretary (of Health and Human Services) as prohibiting a State’s use of funds as the non-Federal share of expenditures under title XIX of such Act (42 U.S.C. 1396 et seq.) where such funds are transferred from or certified by a publicly-owned regional medical center located in another State and described in paragraph (1), so long as the Secretary determines that such use of funds is proper and in the interest of the program under title XIX.

(2) CENTER DESCRIBED.—A center described in this paragraph is a publicly-owned regional medical center that—

(A) provides level 1 trauma and burn care services;

(B) provides level 3 neonatal care services;

(C) is obligated to serve all patients, regardless of State of origin;

(D) is located within a Standard Metropolitan Statistical Area (SMSA) that includes at least 3 States, including the States described in paragraph (1);

(E) serves as a tertiary care provider for patients residing within a 125-mile radius; and

(F) meets the criteria for a disproportionate share hospital under section 1923 of such Act (42 U.S.C. 1396r–4) in at least one State other than the one in which the center is located.

(3) EFFECTIVE PERIOD.—This subsection shall apply through December 31, 2005.

TREATMENT OF DONATION OR TAX PROCEEDS PRIOR TO EFFECTIVE DATE OF SUBSECTION (w)

Pub. L. 102–234, 42 U.S.C. 1396u–2, Dec. 12, 1991, 105 Stat. 1999, provided that: “Except as specifically provided in section 1903(w) of the Social Security Act (42 U.S.C. 1396d(w)) and notwithstanding any other provision of such Act (42 U.S.C. 301 et seq.), the Secretary of Health and Human Services shall not, with respect to expenditures prior to the effective date specified in section 1903(w)(1)(F) of such Act, disallow any claim submitted by a State for, or otherwise withhold Federal financial participation with respect to, amounts expended for medical assistance attributable to administrative activities necessary to carry out section 1927 (other than subsection (g) of such Act (42 U.S.C. 1396–8) shall be 75 percent, rather than 50 percent; after fiscal year 1991, the match shall revert back to 50 percent.

REPORT ON ERRORS IN ELIGIBILITY DETERMINATIONS; ERROR RATE TRANSITION RULES

Pub. L. 101–508, title IV, §4607, Nov. 5, 1990, 104 Stat. 1388–170, directed Secretary of Health and Human Services to report to Congress, by not later than July 1, 1991, on error rates by States in determining eligibility of individuals described in subparagraph (A) or (B) of section 1905(a)(1) of the Social Security Act (42 U.S.C. 1396a(a)(7)) and, after the first calendar quarter that begins more than 12 months after the date of submission of the Secretary’s report.

MEDICALLY NEEDED INCOME LEVELS FOR CERTAIN 1-MEMBER FAMILIES


(a) IN GENERAL.—For purposes of section 1905(a)(1)(B) (probably means section 1905(a)(1)(B) of the Social Security Act, 42 U.S.C. 1396a(1)(B)), for payments made before, on, or after the date of the enactment of this Act (Nov. 5, 1990), a State described in subparagraph (B) may use, in determining the ‘highest amount which would ordinarily be paid to a family of the same size’ (under the State’s plan approved under part A of title IV of such Act [probably means 42 U.S.C. 501 et seq.]) in the case of a family consisting only of one individual and without regard to whether or not such plan provides for aid to families consisting only of one individual, an amount reasonably related to the lowest payment which would ordinarily be made under such a plan to a family of two without income or resources.

(b) STATES COVERED.—Subsection (a) shall only apply to a State the State plan of which (under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.)) as of June 1, 1989, provided for the policy described in such paragraph. For purposes of the previous sentence, a State plan includes all the matter included in a State plan under section 1396a of the Deficit Reduction Act of 1984 [Pub. L. 98–369, set out as a note under section 1396a of this title] (as amended by sections 4604 and 4606 of the Medicare and Medicaid Patient and Program Protection Act of 1987 [Pub. L. 100–93]).

DAY HABILITATION AND RELATED SERVICES

Pub. L. 101–239, title VI, §6411(g), Dec. 19, 1989, 103 Stat. 2272, provided that:

(1) PROHIBITION OF DISALLOWANCE PENDING ISSUANCE OF REGULATIONS.—Except as specifically permitted under paragraph (3), the Secretary of Health and Human Services may not—

(A) withhold, suspend, disallow, or deny Federal financial participation under section 1903(a) of the Social Security Act (42 U.S.C. 1396a(a)) for day habilitation and related services under paragraph (9) or (13) of section 1905(a) of such Act (42 U.S.C. 1396a(a)(9),
(13) on behalf of persons with mental retardation or with related conditions pursuant to a provision of its State plan as approved on or before June 30, 1989, or

(B) withdraw Federal approval of any such State plan provision.

“(2) REQUIREMENTS FOR REGULATION.—A final regulation described in this paragraph is a regulation, promulgated after a notice of proposed rule-making and a period of at least 60 days for public comment, that—

“(A) specifies the types of day habilitation and related services that a State may cover under paragraphs (9) or (10) of section 1902 of the Social Security Act on behalf of persons with mental retardation or with related conditions, and

“(B) any requirements respecting such coverage.

“(3) PROSPECTIVE APPLICATION OF REGULATION.—If the Secretary promulgates a final regulation described in paragraph (2) and the Secretary determines that a State plan under title XIX of the Social Security Act [42 U.S.C. 1396 et seq.] does not comply with such regulation, the Secretary shall notify the State of the determination and its basis, and such determination shall not apply to day habilitation and related services furnished before the first day of the first calendar quarter beginning after the date of the notice to the State.”

NURSE AIDE TRAINING AND EVALUATION PROGRAMS;

ALLOCATION OF COSTS BEFORE OCTOBER 1, 1990

Pub. L. 101–239, title VI, §601(b)(5)(B), Dec. 19, 1989, 103 Stat. 2299, provided that: “In making payments under section 1903(a)(2)(B) of the Social Security Act [42 U.S.C. 1396b(a)(2)(B)] for amounts expended for nurse aide training and competency evaluation programs, and competency evaluation programs, described in section 1919(e)(1) of such Act [42 U.S.C. 1396v(e)(1)], in the case of activities conducted before October 1, 1990, the Secretary of Health and Human Services shall not take into account, or allocate amounts on the basis of, the proportion of residents of nursing facilities that is entitled to benefits under title XVIII or XIX of such Act [42 U.S.C. 1395 et seq., 1396 et seq.].”

CLARIFICATION OF FEDERAL MATCHING RATE FOR SURVEY AND CERTIFICATION ACTIVITIES

Pub. L. 101–239, title VI, §601(d)(2), Dec. 19, 1989, 103 Stat. 2300, provided that: “During the period before October 1, 1990, the Federal percentage matching payment rate under section 1903(a) of the Social Security Act [42 U.S.C. 1396a(a)] for so much of the sums expended under a State plan under title XIX of such Act [42 U.S.C. 1396 et seq.] as are attributable to compensation or training of personnel responsible for inspecting public or private skilled nursing or intermediate care facilities to individuals receiving medical assistance to determine compliance with health or safety standards shall be 75 percent.”

QUALITY CONTROL TRANSITION PROVISIONS

Pub. L. 100–203, title IV, §4117, Dec. 22, 1987, 101 Stat. 1330–154, provided that: “The Secretary of Health and Human Services shall not, prior to July 1, 1988, implement any reductions in payments to States pursuant to section 1903(u) of the Social Security Act [42 U.S.C. 1396u(u)] or any provision of law described in subsection (c) of section 131 of the Tax Equity and Fiscal Responsibility Act of 1982 (section 131(c) of Pub. L. 97–248, set out below).”

TEMPORARY TECHNICAL ERROR DEFINITION

Pub. L. 100–203, title IV, §4118(n), Dec. 22, 1987, 101 Stat. 1330–157, provided that: “For purposes of section 1903(u)(1)(E)(i) of the Social Security Act [42 U.S.C. 1396u(u)(1)(E)(i)], effective for the period beginning on the date of enactment of this Act [Dec. 22, 1987] and ending December 31, 1988, a ‘technical error’ is an error in eligibility condition (such as assignment of social security numbers and assignment of rights to third-party benefits as a condition of eligibility) that, if corrected, would not result in a difference in the amount of medical assistance paid.”

ENHANCED FUNDING FOR NURSE AIDE TRAINING

Pub. L. 100–203, title IV, §4211(d)(2), Dec. 22, 1987, 101 Stat. 1330–212, as amended by Pub. L. 100–369, title IV, §411(b)(3)(F), July 1, 1988, 102 Stat. 803, provided that: “For the 8 calendar quarters (beginning with the calendar quarter that begins on July 1, 1988), with respect to payment under section 1903(a)(2)(B) of the Social Security Act [42 U.S.C. 1396b(a)(2)(B)] to a State for additional amounts expended by the State under its plan approved under title XIX of such Act [42 U.S.C. 1396 et seq.] for nurse aide training and competency evaluation programs, and competency evaluation programs, described in section 1919(e)(1) of such Act [42 U.S.C. 1396v(e)(1)], any reference to ‘50 percent’ is deemed a reference to the sum of the Federal medical assistance percentage (determined under section 1903(b) of such Act [42 U.S.C. 1396 et seq.]) plus 25 percentage points, but not to exceed 90 percent.”

EXPENSES INCURRED FOR REVIEW OF CARE PROVIDED TO RESIDENTS OF NURSING FACILITIES

Pub. L. 100–203, title IV, §4212(c)(3), Dec. 22, 1987, 101 Stat. 1330–212, provided that: “For purposes of section 1903(a) of the Social Security Act [42 U.S.C. 1396c(a)], proper expenses incurred by a State for medical review by independent professionals of the care provided to residents of nursing facilities who are entitled to medical assistance under title XIX of such Act [42 U.S.C. 1396 et seq.] shall be reimbursable as expenses necessary for the proper and efficient administration of the State plan under that title.”

QUALITY CONTROL STUDIES AND PENALTY MORATORIUM

Pub. L. 99–272, title XII, §12301, Apr. 7, 1986, 100 Stat. 291, as amended by Pub. L. 99–514, title XVII, §1710, Oct. 22, 1986, 100 Stat. 2783; Pub. L. 100–485, title XIV, §1409(b), Oct. 31, 1988, 102 Stat. 2425, provided that: “(a) STUDIES.—(1) The Secretary of Health and Human Services (hereafter referred to in this section as the ‘Secretary’) shall conduct a study of quality control systems for the Aid to Families with Dependent Children Program under title IV–A of the Social Security Act [42 U.S.C. 601 et seq.] and for the Medicaid Program under title XIX of such Act [42 U.S.C. 1396 et seq.]. The study shall examine how best to operate such systems in order to obtain information which will allow program managers to improve the quality of administration, and provide reasonable data on the basis of which Federal funding may be withheld for States with excessive levels of erroneous payments.

“(2) The Secretary shall also contract with the National Academy of Sciences to conduct a concurrent independent study for the purpose described in paragraph (1). For purposes of such study, the Secretary shall provide to the National Academy of Sciences any relevant data available to the Secretary at the onset of the study and on an ongoing basis.

“(3) The Secretary and the National Academy of Sciences shall report the results of their respective studies to the Congress within one year after the date the Secretary and the National Academy of Sciences enter into the contract required under paragraph (2).

“(b) MORATORIUM ON PENALTIES.—(1) During the 24-month period beginning and ending with the first calendar quarter which begins after the date of the enactment of this Act [Apr. 7, 1986] (hereafter in this section referred to

“"(C) the Secretary and the National Academy of Sciences shall report the results of their respective studies to the Congress within one year after the date the Secretary and the National Academy of Sciences enter into the contract required under paragraph (2)."
as the ‘moratorium period’), the Secretary shall not impose any reductions in payments to States pursuant to section 408(l) of the Social Security Act [42 U.S.C. 608(l)] or prior regulations, or pursuant to any comparable provision of law relating to the programs under title IV–A of such Act [42 U.S.C. 601 et seq.] in Puerto Rico, Guam, the Virgin Islands, American Samoa, or the Northern Mariana Islands.

(2) During the moratorium period, the Secretary and the States shall continue to operate the quality control systems in effect under title IV–A of the Social Security Act, and to calculate the error rates under the provisions referred to in paragraph (1).

(3) Restructured quality control systems.—(1) Not later than 6 months after the date on which the results of both studies required under subsection (a)(3) have been reported, the Secretary shall publish regulations which shall—

(A) restructure the quality control systems under title XIX of the Social Security Act [42 U.S.C. 1396 et seq.] to the extent the Secretary determines to be appropriate, taking into account the studies conducted under subsection (a); and

(B) establish, taking into account the studies conducted under subsection (a), criteria for adjusting the reductions which shall be made for quarters prior to the implementation of the restructured quality control systems so as to eliminate reductions for those quarters which would not be required if the restructured quality control systems had been in effect during those quarters.

(2) Beginning with the first calendar quarter after the moratorium period, the Secretary shall implement the revised quality control systems under title XIX, and shall reduce payments to States—

(A) for quarters after the moratorium period in accordance with the restructured quality control systems; and

(B) for quarters in and before the moratorium period, as provided under the regulations described in paragraph (1)(B).

(4) Effective date.—This section shall become effective on the date of the enactment of this Act [Apr. 7, 1986].

Effectiveness of laws limiting Federal financial participation with respect to erroneous payments made by States under a State plan approved under this subchapter

Pub. L. 97–248, title I, §133(c), Sept. 3, 1982, 96 Stat. 374, provided that: ‘‘No provision of law limiting Federal financial participation with respect to erroneous payments made by States under a State plan approved under title XIX of the Social Security Act [42 U.S.C. 1396 et seq.] (including any provision contained in, or incorporated by reference into, any appropriation Act or resolution making continuing appropriations), other than the limitations contained in section 1903 of such Act [42 U.S.C. 1396b], shall be effective with respect to payments to States under such section 1903 for quarters beginning on or after October 1, 1982, unless such provision of law is enacted after the date of the date of the enactment of this Act [Sept. 3, 1982] and expressly provides that such limitation is in addition to or in lieu of the limitations contained in section 1903 of the Social Security Act.’’

Medicaid payments for Indian health service facilities to be paid entirely by Federal funds; exclusion of payments to States in computation of prior quarters; limitation of Federal Medicaid expenditures


Promulgation of regulations for implementation of amendments by section 17 of Pub. L. 95–142


Deferral of implementation of decreases in matching funds

Pub. L. 95–59, §6, June 30, 1977, 91 Stat. 255, provided that: ‘‘Notwithstanding the provisions of subsection (g) of section 1903 of the Social Security Act [42 U.S.C. 1396b(g)], the amount payable to any State for the calendar quarters during the period commencing April 1, 1977, and ending September 30, 1977, on account of expenditures made under a State plan approved under title XIX of such Act [42 U.S.C. 1396 et seq.], shall not be decreased by reason of the application of the provisions of such subsection with respect to any period for which such State plan was in operation prior to April 1, 1977.’’

Comprehensive care and services for eligible individuals by July 1, 1977; requirement inapplicable for any period prior to July 1, 1971; regulations; advice to States

Pub. L. 91–96, §2(b), Aug. 9, 1969, 83 Stat. 99, which provided that subsection (e) of this section was inapplicable to the period prior to July 1, 1971, and which authorized the Secretary to issue regulations, was repealed by Pub. L. 92–603, title II, §230, Oct. 30, 1972, 86 Stat. 1410.

Exemption of Puerto Rico, the Virgin Islands, and Guam from limitations on Federal payments for medical assistance

Pub. L. 90–248, title II, §238(d), Jan. 2, 1968, 81 Stat. 919, provided that: ‘‘The amendment made by section 220(a) of this Act [amending this section] shall not apply in the case of Puerto Rico, the Virgin Islands, or Guam.’’

Nonduplication of payments to States; limitation on institutional care

Pub. L. 89–97, title I, §121(b), July 30, 1965, 79 Stat. 352, as amended by Pub. L. 92–603, title II, §248D, Oct. 30, 1972, 86 Stat. 1429, provided that: ‘‘No payment may be made to any State under title I, IV, X, XIV, or XVI of the Social Security Act [42 U.S.C. 301 et seq., 651 et seq., 1201 et seq., 1351 et seq., 1381 et seq.] with respect to aid or assistance in the form of medical or any other type of remedial care for any period for which such State receives payments under title XIX of such Act [42 U.S.C. 1396 et seq.], or for any period after December 31, 1969. After the date of enactment of the Social Security Amendments of 1972 [Oct. 30, 1972], Federal matching shall not be available for any portion of any payment by any State under title I, X, XIV, or XVI, or part A of title IV, of the Social Security Act [42 U.S.C. 301 et seq., 1201 et seq., 1351 et seq., 1381 et seq., 601 et seq.] for or on account of any medical or any other type of remedial care provided by an institution to any individual as an inpatient thereof, in the case of any State which has a plan approved under title XIX of such Act [42 U.S.C. 1396 et seq.], if such care is (or could be) provided under a State plan approved under title XIX of such Act by an institution certified under such title XIX.’’
§ 1396b–1. Payment adjustment for health care-acquired conditions

(a) In general

The Secretary of Health and Human Services (in this subsection referred to as the “Secretary”) shall identify current State practices that prohibit payment for health care-acquired conditions and shall incorporate the practices identified, or elements of such practices, which the Secretary determines appropriate for application to the Medicaid program in regulations. Such regulations shall be effective as of July 1, 2011, and shall prohibit payments to States under section 1903 of the Social Security Act [42 U.S.C. 1396b] for any amounts expended for providing medical assistance for health care-acquired conditions specified in the regulations. The regulations shall ensure that the prohibition on payment for health care-acquired conditions shall not result in a loss of access to care or services for Medicaid beneficiaries.

(b) Health care-acquired condition

In this section, the term “health care-acquired condition” means a medical condition for which an individual was diagnosed that could be identified by a secondary diagnostic code described in section 1886(d)(4)(D)(iv) of the Social Security Act (42 U.S.C. 1395ww(d)(4)(D)(iv)).

(c) Medicare provisions

In carrying out this section, the Secretary shall apply to State plans (or waivers) under title XIX of the Social Security Act [42 U.S.C. 1396 et seq.] the regulations promulgated pursuant to section 1886(d)(4)(D) of such Act (42 U.S.C. 1395ww(d)(4)(D)) relating to the prohibition of payments based on the presence of a secondary diagnosis code specified by the Secretary in such regulations, as appropriate for the Medicaid program. The Secretary may exclude certain conditions identified under title XVIII of the Social Security Act [42 U.S.C. 1396 et seq.] for non-payment under title XIX of such Act when the Secretary finds the inclusion of such conditions to be inapplicable to beneficiaries under title XIX.


REFERENCES IN TEXT

The Social Security Act, referred to in subsec. (c), is act Aug. 14, 1935, ch. 531, 49 Stat. 620. Title XIX of the Act is classified generally to this subchapter. Title XVIII of the Act is classified generally to subchapter XVIII (§1395 et seq.) of this chapter. For complete classification of this Act to the Code, see section 1305 of this title and Tables.

CONCLUSION

Section was enacted as part of the Patient Protection and Affordable Care Act, and not as part of the Social Security Act which comprises this chapter.

§ 1396c. Operation of State plans

If the Secretary, after reasonable notice and opportunity for hearing to the State agency administering or supervising the administration of the State plan approved under this subchapter, finds—

1. that the plan has been so changed that it no longer complies with the provisions of section 1396a of this title; or
2. that in the administration of the plan there is a failure to comply substantially with any such provision;

the Secretary shall notify such State agency that further payments will not be made to the State (or, in his discretion, that payments will be limited to categories under or parts of the State plan not affected by such failure), until the Secretary is satisfied that there will no longer be any such failure to comply. Until he is so satisfied he shall make no further payments to such State (or shall limit payments to categories under or parts of the State plan not affected by such failure).


CONSTITUTIONALITY

For constitutionality of section 121(a) of Pub. L. 89–97, see Congressional Research Service, The Constitution of the United States of America: Analysis and Interpretation, Appendix 1, Acts of Congress Held Unconstitutional in Whole or in Part by the Supreme Court of the United States.

§ 1396d. Definitions

For purposes of this subchapter—

(a) Medical assistance

The term “medical assistance” means payment of part or all of the cost of the following care and services or the care and services themselves, or both (if provided in or after the third month before the month in which the recipient makes application for assistance or, in the case of medicare cost-sharing with respect to a qualified medicaid beneficiary described in subsection (p)(1), if provided after the month in which the individual becomes such a beneficiary) for individuals, and, with respect to physicians’ or dentists’ services, at the option of the Secretary, to individuals (other than individuals with respect to whom there is being paid, or who are eligible, or would be eligible if they were not in a medical institution, to have paid with respect to them a State supplementary payment and are eligible for medical assistance equal in amount, duration, and scope to the medical assistance made available to individuals described in section 1396a(a)(10)(A) of this title) not receiving aid or assistance under any plan of the State approved under subchapter I, X, XIV, or XVI or part A of subchapter IV, and with respect to whom supplemental security income benefits are not being paid under subchapter XVI, who are—

1. under the age of 21, or, at the option of the State, under the age of 20, 19, or 18 as the State may choose.
2. that in the administration of the plan there is a failure to comply substantially with any such provision;

the Secretary shall notify such State agency that further payments will not be made to the State (or, in his discretion, that payments will be limited to categories under or parts of the State plan not affected by such failure), until the Secretary is satisfied that there will no longer be any such failure to comply. Until he is so satisfied he shall make no further payments to such State (or shall limit payments to categories under or parts of the State plan not affected by such failure).


CONSTITUTIONALITY

For constitutionality of section 121(a) of Pub. L. 89–97, see Congressional Research Service, The Constitution of the United States of America: Analysis and Interpretation, Appendix 1, Acts of Congress Held Unconstitutional in Whole or in Part by the Supreme Court of the United States.
(iv) blind, with respect to States eligible to participate in the State plan program established under subchapter XVI,

(v) 18 years of age or older and permanently and totally disabled, with respect to States eligible to participate in the State plan program established under subchapter XVI,

(vi) persons essential (as described in the second sentence of this subsection) to individuals receiving aid or assistance under State plans approved under subchapter I, X, XIV, or XVI,

(vii) blind or disabled as defined in section 1382c of this title, with respect to States not eligible to participate in the State plan program established under subchapter XVI,

(viii) pregnant women,

(ix) individuals provided extended benefits under section 1396l-6 of this title,

(x) individuals described in section 1396a(u)(1) of this title,

(xi) individuals described in section 1396a(a)(1) of this title,

(xii) employed individuals with a medically improved disability (as defined in subsection (v)),

(xiii) individuals described in section 1396a(aa) of this title,

(xiv) individuals described in section 1396a(a)(10)(A)(i)(VIII) or 1396a(a)(10)(A)(i)(IX) of this title,

(xv) individuals described in section 1396a(a)(10)(A)(ii)(XX) of this title,

(xvi) individuals described in section 1396a(a)(1) of this title, or

(xvii) individuals who are eligible for home and community-based services under need-based criteria established under paragraph (1)(A) of section 1396n of this title, or who are otherwise included in the plan, and who will receive home and community-based services pursuant to a State plan amendment under such subsection,

but whose income and resources are insufficient to meet all of such cost—

(1) inpatient hospital services (other than services in an institution for mental diseases);

(2) (A) outpatient hospital services, (B) consistent with State law permitting such services, rural health clinic services (as defined in subsection (l)(1)) and any other ambulatory services which are offered by a rural health clinic (as defined in subsection (l)(1)) and which are otherwise included in the plan, and (C) Federally-qualified health center services (as defined in subsection (l)(2)) and any other ambulatory services offered by a Federally-qualified health center and which are otherwise included in the plan;

(3) other laboratory and X-ray services;

(4) (A) nursing facility services (other than services in an institution for mental diseases) for individuals 21 years of age or older; (B) early and periodic screening, diagnostic, and treatment services (as defined in subsection (r)) for individuals who are eligible under the plan and are under the age of 21; (C) family planning services and supplies furnished (directly or under arrangements with others) to individuals of child-bearing age (including minors who can be considered to be sexually active) who are eligible under the State plan and who desire such services and supplies; and (D) counseling and pharmacotherapy for cessation of tobacco use by pregnant women (as defined in subsection (bb));

(5) (A) physicians’ services furnished by a physician (as defined in section 1395x(r)(1) of this title), whether furnished in the office, the patient’s home, a hospital, or a nursing facility, or elsewhere, and (B) medical and surgical services furnished by a dentist (described in section 1395x(r)(2) of this title) to the extent such services may be performed under State law either by a doctor of medicine or by a doctor of dental surgery or dental medicine and would be described in clause (A) if furnished by a physician (as defined in section 1395x(r)(1) of this title);

(6) medical care, or any other type of remedial care recognized under State law, furnished by licensed practitioners within the scope of their practice as defined by State law;

(7) home health care services;

(8) private duty nursing services;

(9) clinic services furnished by or under the direction of a physician, without regard to whether the clinic itself is administered by a physician, including such services furnished outside the clinic by clinic personnel to an eligible individual who does not reside in a permanent dwelling or does not have a fixed home or mailing address;

(10) dental services;

(11) physical therapy and related services;

(12) prescribed drugs, dentures, and prosthetic devices; and eyeglasses prescribed by a physician skilled in diseases of the eye or by an optometrist, whichever the individual may select;

(13) other diagnostic, screening, preventive, and rehabilitative services, including—

(A) any clinical preventive services that are assigned a grade of A or B by the United States Preventive Services Task Force;

(B) with respect to an adult individual, approved vaccines recommended by the Advisory Committee on Immunization Practices (an advisory committee established by the Secretary, acting through the Director of the Centers for Disease Control and Prevention) and their administration; and

(C) any medical or remedial services (provided in a facility, a home, or other setting) recommended by a physician or other licensed practitioner of the healing arts within the scope of their practice under State law, for the maximum reduction of physical or mental disability and restoration of an individual to the best possible functional level;

(14) inpatient hospital services and nursing facility services for individuals 65 years of age or over in an institution for mental diseases;

(15) services in an intermediate care facility for the mentally retarded (other than in an institution for mental diseases) for individuals who are determined, in accordance with section 1396a(a)(31) of this title, to be in need of such care;

(16)(A) effective January 1, 1973, inpatient psychiatric hospital services for individuals
under age 21, as defined in subsection (h), and, (B) for individuals receiving services described in subparagraph (A), early and periodic screening, diagnostic, and treatment services (as defined in subsection (r)), whether or not such screening, diagnostic, and treatment services are furnished by the provider of the services described in such subparagraph;

(17) services furnished by a nurse-midwife (as defined in section 1395x(gg) of this title) which the nurse-midwife is legally authorized to perform under State law (or the State regulatory mechanism provided by State law), whether or not the nurse-midwife is under the supervision of, or associated with, a physician or other health care provider, and without regard to whether such services are performed in the area of management of the care of mothers and babies throughout the maternity cycle;

(18) hospice care (as defined in subsection (o));

(19) case management services (as defined in section 1396n(g)(2) of this title) and TB-related services described in section 1396a(2) of this title;

(20) respiratory care services (as defined in section 1396a(e)(9)(c) of this title);

(21) services furnished by a certified pediatric nurse practitioner or certified family nurse practitioner (as defined by the Secretary) which the certified pediatric nurse practitioner or certified family nurse practitioner is legally authorized to perform under State law (or the State regulatory mechanism provided by State law), whether or not the certified pediatric nurse practitioner or certified family nurse practitioner is under the supervision of, or associated with, a physician or other health care provider;

(22) home and community care (to the extent allowed and as defined in section 1396t of this title) for functionally disabled elderly individuals;

(23) community supported living arrangements services (to the extent allowed and as defined in section 1396u of this title);

(24) personal care services furnished to an individual who is not an inpatient or resident of a hospital, nursing facility, intermediate care facility for the mentally retarded, or institution for mental disease that are (A) authorized for the individual by a physician in accordance with a plan of treatment or (at the option of the State) otherwise authorized for the individual in accordance with a service plan approved by the State, (B) provided by an individual who is qualified to provide such services and who is not a member of the individual’s family, and (C) furnished in a home or other location;

(25) primary care case management services (as defined in subsection (b));

(26) services furnished under a PACE program under section 1396u-4 of this title to PACE program eligible individuals enrolled under the program under such section;

(27) subject to subsection (x), primary and secondary medical strategies and treatment and services for individuals who have Sickle Cell Disease;

(28) freestanding birth center services (as defined in subsection (l)(3)(A)) and other ambulatory services that are offered by a freestanding birth center (as defined in subsection (l)(3)(B)) and that are otherwise included in the plan;

(29) subject to paragraph (2) of subsection (ee), for the period beginning October 1, 2020, and ending September 30, 2025, medication-assisted treatment (as defined in paragraph (1) of such subsection); and

(30) any other medical care, and any other type of remedial care recognized under State law, specified by the Secretary, except as otherwise provided in paragraph (16), such term does not include—

(A) any such payments with respect to care or services for any individual who is an inmate of a public institution (except as a patient in a medical institution); or

(B) any such payments with respect to care or services for any individual who has not attained 65 years of age and who is a patient in an institution for mental diseases (except in the case of services provided under a State plan amendment described in section 1396n(f) of this title).

For purposes of clause (vi) of the preceding sentence, a person shall be considered essential to another individual if such person is the spouse of and is living with such individual, the needs of such person are taken into account in determining the amount of aid or assistance furnished to such individual (under a State plan approved under subchapter I, X, XIV, or XVI), and such person is determined, under such a State plan, to be essential to the well-being of such individual. The payment described in the first sentence may include expenditures for medicare cost-sharing and for premiums under part B of subchapter XVIII for individuals who are eligible for medical assistance under the plan and (A) are receiving aid or assistance under any plan of the State approved under subchapter I, X, XIV, or XVI, or part A of subchapter IV, or with respect to whom supplemental security income benefits are being paid under subchapter XVI, or (B) with respect to whom there is being paid a State supplementary payment and are eligible for medical assistance equal in amount, duration, and scope to the medical assistance made available to individuals described in section 1396a(a)(10)(A) of this title, and, except in the case of individuals 65 years of age or older and disabled individuals entitled to health insurance benefits under subchapter XVIII who are not enrolled under part B of subchapter XVIII, other insurance premiums for medical or any other type of remedial care or the cost thereof. No service (including counseling) shall be excluded from the definition of “medical assistance” solely because it is provided as a treatment service for alcoholism or drug dependency. In the case of a woman who is eligible for medical assistance on the basis of being pregnant (including through the end of the month in which the 60-day period beginning on the last day of her pregnancy ends), who is a patient in an institution for mental diseases for purposes of receiving treatment for a substance use disorder, and who was enrolled for medical assistance under the State plan immediately before becoming a pa-
tient in an institution for mental diseases or who becomes eligible to enroll for such medical assistance while such a patient, the exclusion from the definition of "medical assistance" set forth in the subdivision (B) following paragraph (30) of the first sentence of this subsection shall not be construed as prohibiting Federal financial participation for medical assistance for items or services that are provided to the woman outside of the institution.

(b) Federal medical assistance percentage; State percentage; Indian health care percentage

Subject to subsections (y), (z), (aa), and (ff) and section 1396u-3(d) of this title, the term "Federal medical assistance percentage" for any State shall be 100 per centum less the State percentage; and the State percentage shall be that percentage which bears the same ratio to 45 per centum as the square of the per capita income of such State bears to the square of the per capita income of the continental United States (excluding Alaska and Hawaii); except that (1) the Federal medical assistance percentage shall in no case be less than 50 per centum or more than 83 per centum, (2) the Federal medical assistance percentage for Puerto Rico, the Virgin Islands, Guam, the Northern Mariana Islands, and American Samoa shall be 55 percent, (3) for purposes of this subchapter and subchapter XXI, the Federal medical assistance percentage for the District of Columbia shall be 70 percent, (4) the Federal medical assistance percentage shall be equal to the enhanced FMAP described in section 1397ee(b) of this title with respect to medical assistance provided to individuals who are eligible for such assistance only on the basis of section 1396a(a)(10)(A)(I)(XVIII) of this title, and (5) in the case of a State that provides medical assistance for services and vaccines described in subparagraphs (A) and (B) of subsection (a)(13), and prohibits cost-sharing for such services and vaccines, the Federal medical assistance percentage, as determined under this subsection and subsection (y) (without regard to paragraph (1)(C) of such subsection), shall be increased by 1 percentage point with respect to medical assistance for such services and vaccines and for items and services described in subsection (a)(4)(D). The Federal medical assistance percentage for any State shall be determined and promulgated in accordance with the provisions of section 1301(a)(8)(B) of this title. Notwithstanding the first sentence of this section, the Federal medical assistance percentage shall be 100 per centum with respect to amounts expended as medical assistance for services which are received through an Indian Health Service facility whether operated by the Indian Health Service or by an Indian tribe or tribal organization (as defined in section 1603 of title 25). Notwithstanding the first sentence of this subsection, in the case of a State plan that meets the condition described in subsection (u)(1), with respect to expenditures (other than expenditures under section 1396r-4 of this title) described in subsection (u)(2)(A) or subsection (u)(3) for the State for a fiscal year, and that do not exceed the amount of the State's available allotment under section 1397d of this title, the Federal medical assistance percentage equal to the enhanced FMAP described in section 1397ee(b) of this title.

(c) Nursing facility

For definition of the term “nursing facility”, see section 1396r(a) of this title.

(d) Intermediate care facility for mentally retarded

The term “intermediate care facility for the mentally retarded” means an institution (or distinct part thereof) for the mentally retarded or persons with related conditions if—

(1) the primary purpose of such institution (or distinct part thereof) is to provide health or rehabilitative services for mentally retarded individuals and the institution meets such standards as may be prescribed by the Secretary;

(2) the mentally retarded individual with respect to whom a request for payment is made under a plan approved under this subchapter is receiving active treatment under such a program; and

(3) in the case of a public institution, the State or political subdivision responsible for the operation of such institution has agreed that the non-Federal expenditures in any calendar quarter prior to January 1, 1975, with respect to services furnished to patients in such institution (or distinct part thereof) in the State will not, because of payments made under this subchapter, be reduced below the average amount expended for such services in such institution in the four quarters immediately preceding the quarter in which the State in which such institution is located elected to make such services available under its plan approved under this subchapter.

(e) Physicians' services

In the case of any State the State plan of which (as approved under this subchapter)—

(1) does not provide for the payment of services (other than services covered under section 1396(a)(12) of this title) provided by an optometrist; but

(2) at a prior period did provide for the payment of services referred to in paragraph (1); the term "physicians' services" (as used in subsection (a)(5)) shall include services of the type which an optometrist is legally authorized to perform where the State plan specifically provides that the term "physicians' services", as employed in such plan, includes services of the type which an optometrist is legally authorized to perform, and shall be reimbursed whether furnished by a physician or an optometrist.

(f) Nursing facility services

For purposes of this subchapter, the term "nursing facility services" means services which are or were required to be given an individual who needs or needed on a daily basis nursing care (provided directly by or requiring the supervision of nursing personnel) or other rehabilitative services which as a practical matter can only be provided in a nursing facility on an inpatient basis.

(g) Chiropractors' services

If the State plan includes provision of chiropractors’ services, such services include only—
(1) services provided by a chiropractor (A) who is licensed as such by the State and (B) who meets uniform minimum standards promulgated by the Secretary under section 1395x(r)(5) of this title; and
(2) services which consist of treatment by means of manual manipulation of the spine which the chiropractor is legally authorized to perform by the State.

(h) Inpatient psychiatric hospital services for individuals under age 21

(1) For purposes of paragraph (16) of subsection (a), the term "inpatient psychiatric hospital services for individuals under age 21" includes only—
(A) inpatient services which are provided in an institution (or distinct part thereof) which is a psychiatric hospital as defined in section 1395x(f) of this title or in another inpatient setting that the Secretary has specified in regulations;
(B) inpatient services which, in the case of any individual (i) involve active treatment which meets such standards as may be prescribed in regulations by the Secretary, and (ii) a team, consisting of physicians and other personnel qualified to make determinations with respect to mental health conditions and the treatment thereof, has determined are necessary on an inpatient basis and can reasonably be expected to improve the condition, by reason of which such services are necessary, to the extent that eventually such services will no longer be necessary; and
(C) inpatient services which, in the case of any individual, are provided prior to (i) the date such individual attains age 21, or (ii) in the case of an individual who was receiving such services in the period immediately preceding the date on which he attained age 21, (I) the date such individual no longer requires such services, or (II) if earlier, the date such individual attains age 22;
(2) Such term does not include services provided during any calendar quarter under the State plan of any State if the total amount of the funds expended, during such quarter, by the State (and the political subdivisions thereof) from non-Federal funds for inpatient services included under paragraph (1), and for active psychiatric care and treatment provided on an outpatient basis for eligible mentally ill children, is less than the average quarterly amount of the funds expended, during the 4-quarter period ending December 31, 1971, by the State (and the political subdivisions thereof) from non-Federal funds for such services.

(i) Institution for mental diseases

The term "institution for mental diseases" means a hospital, nursing facility, or other institution of more than 16 beds, that is primarily engaged in providing diagnosis, treatment, or care of persons with mental diseases, including medical attention, nursing care, and related services.

(j) State supplementary payment

The term "State supplementary payment" means any cash payment made by a State on a regular basis to an individual who is receiving supplemental security income benefits under subchapter XVI or who would but for his income be eligible to receive such benefits, as assistance based on need in supplementing such benefits (as determined by the Commissioner of Social Security), but only to the extent that such payments are made with respect to an individual with respect to whom supplemental security income benefits are payable under subchapter XVI, or would but for his income be payable under that subchapter.

(k) Supplemental security income benefits

Increased supplemental security income benefits payable pursuant to section 211 of Public Law 93–66 shall not be considered supplemental security income benefits payable under subchapter XVI.

(l) Rural health clinics

(1) The terms "rural health clinic services" and "rural health clinic" have the meanings given such terms in section 1395x(aa) of this title, except that (A) clause (ii) of section 1395x(aa)(2) of this title shall not apply to such terms, and (B) the physician arrangement required under section 1395x(aa)(2)(B) of this title shall only apply with respect to rural health clinic services and, with respect to other ambulatory care services, the physician arrangement required shall be only such as may be required under the State plan for those services.
(2)(A) The term "Federally-qualified health center services" means services of the type described in subparagraphs (A) through (C) of section 1395x(aa)(1) of this title when furnished to an individual as an 2 patient of a Federally-qualified health center and, for this purpose, any reference to a rural health clinic or a physician described in section 1395x(aa)(2)(B) of this title is deemed a reference to a Federally-qualified health center or a physician at the center, respectively.
(B) The term "Federally-qualified health center" means an entity which—
(i) is receiving a grant under section 254b of this title,
(ii)(I) is receiving funding from such a grant under a contract with the recipient of such a grant, and
(II) meets the requirements to receive a grant under section 254b of this title,
(iii) based on the recommendation of the Health Resources and Services Administration within the Public Health Service, is determined by the Secretary to meet the requirements for receiving such a grant, including requirements of the Secretary that an entity may not be owned, controlled, or operated by another entity, or
(iv) was treated by the Secretary, for purposes of part B of subchapter XVIII, as a comprehensive Federally funded health center as of January 1, 1990;
and includes an outpatient health program or facility operated by a tribe or tribal organization under the Indian Self-Determination Act (Public Law 93–638) [25 U.S.C. 5321 et seq.] or by an urban Indian organization receiving funds

2So in original. Probably should be "an".
under title V of the Indian Health Care Improvement Act [25 U.S.C. 1651 et seq.] for the provision of primary health services. In applying clause (ii),\(^3\) the Secretary may waive any requirement referred to in such clause for up to 2 years for good cause shown.

(3)(A) The term “freestanding birth center services” means services furnished to an individual at a freestanding birth center (as defined in subparagraph (B)) at such center.

(B) The term “freestanding birth center” means a health facility—

(i) that is not a hospital;

(ii) where childbirth is planned to occur away from the pregnant woman’s residence;

(iii) that is licensed or otherwise approved by the State to provide prenatal labor and delivery or postpartum care and other ambulatory services that are included in the plan; and

(iv) that complies with such other requirements relating to the health and safety of individuals furnished services by the facility as the State shall establish.

(C) A State shall provide separate payments to providers administering prenatal labor and delivery or postpartum care in a freestanding birth center (as defined in subparagraph (B)), such as a nurse midwives and other providers of services such as birth attendants recognized under State law, as determined appropriate by the Secretary. For purposes of the preceding sentence, the term “birth attendant” means an individual who is recognized or registered by the State involved to provide health care at childbirth and who provides such care within the scope of practice under which the individual is legally authorized to perform such care under State law (or the State regulatory mechanism provided by State law), regardless of whether the individual is under the supervision of, or associated with, a physician or other health care provider. Nothing in this subparagraph shall be construed as changing State law requirements applicable to a birth attendant.

(m) Qualified family member

(1) Subject to paragraph (2), the term “qualified family member” means an individual (other than a qualified pregnant woman or child, as defined in subsection (n)) who is a member of a family that would be receiving aid under the State plan under part A of subchapter IV pursuant to section 607 of this title if the State had not exercised the option under section 607(b)(2)(B)(i) of this title.

(2) No individual shall be a qualified family member for any period after September 30, 1998.

(n) “Qualified pregnant woman or child” defined

The term “qualified pregnant woman or child” means—

(1) a pregnant woman who—

(A) would be eligible for aid to families with dependent children under part A of subchapter IV (or would be eligible for such aid if coverage under the State plan under part A of subchapter IV included aid to families with dependent children of unemployed par-

\(^3\)So in original. Probably should be clause “(iii).”. See References in Text note below.
§ 1396d

means an individual—

(A) who is entitled to benefits under part A of subchapter XVIII and has elected, under section 1395d(d) of this title, to receive hospice care under such part, and

(C) with respect to whom the hospice program under such subchapter and the nursing facility or intermediate care facility for the mentally retarded and is receiving medical assistance for services in such facility under the plan,

(B) who is entitled to benefits under part A of subchapter XVIII and has elected, under section 1395d(d) of this title, to receive hospice care under such part, and

(C) with respect to whom the hospice program under such subchapter and the nursing facility or intermediate care facility for the mentally retarded and is receiving medical assistance for services in such facility under the plan.

instead of any payment otherwise made under the plan with respect to the facility’s services, the State shall provide for payment to the hospice program of an amount equal to the additional amount determined in section 1396a(a)(10)(A) of this title, which, in the case of a State which has elected pursuant to an enrollment under section 1396a–2a of this title, shall provide for payment of any coinsurance amounts imposed under section 1395e(a)(4) of this title.

(p) Qualified medicare beneficiary; medicare cost-sharing

(1) The term “qualified medicare beneficiary” means an individual—

(A) who is entitled to hospital insurance benefits under part A of subchapter XVIII (including an individual entitled to such benefits pursuant to an enrollment under section 1395i–2 of this title, but not including an individual entitled to such benefits only pursuant to an enrollment under section 1395i–2a of this title),

(B) whose income (as determined under section 1396a(a)(13)(B) of this title and, if the individual is an individual described in section 1396a(a)(10)(A) of this title, shall provide for payment of any coinsurance amounts imposed under section 1395e(a)(4) of this title),

(C) whose resources (as determined under section 1396(a)(10)(A) of this title, shall provide for payment of any coinsurance amounts imposed under section 1395e(a)(4) of this title),

(D) who is entitled to Medicare benefits under part A of subchapter XVIII (including those described in section 1395i–2a of this title, and

(E) whose resources (as determined under section 1396a(a)(10)(A) of this title, shall provide for payment of any coinsurance amounts imposed under section 1395e(a)(4) of this title),

(2)(A) The income level established under paragraph (1)(B) shall be at least the percent provided under subparagraph (B) (but not more than 100 percent) of the official poverty line (as defined by the Office of Management and Budget, and revised annually in accordance with section 9902(2) of this title) applicable to a family of the size involved.

(B) Except as provided in subparagraph (C), the percent provided under this clause, with respect to eligibility for medical assistance on or after—

(i) January 1, 1989, is 85 percent,

(ii) January 1, 1990, is 90 percent, and

(iii) January 1, 1991, is 100 percent.

(C) In the case of a State which has elected treatment under section 1396a(f) of this title and to section 415(i) of this title for benefits payable for months beginning with December of the previous year.

(i) For purposes of clause (i), the term “transition month” means each month in a year through the month following the month in which the annual revision of the official poverty line, referred to in subparagraph (A), is published.

(3) The term “medicare cost-sharing” means subject to section 1396a(m)(2) of this title the following costs incurred with respect to a qualified medicare beneficiary, without regard to the amount that would be paid under such section (subject to section 1395i–2a of this title, and

(A)(i) premiums under section 1395i–2 or 1395i–2a of this title, and

(ii) premiums under section 1395i of this title.

(B) Coinsurance under subchapter XVIII (including coinsurance described in section 1395e of this title).

(C) Deductibles established under subchapter XVIII (including those described in section 1395e of this title and section 1395i(b) of this title).

(D) The difference between the amount that is paid under section 1395i(a) of this title and the amount that would be paid under such section if any reference to “80 percent” therein were deemed a reference to “100 percent”.

Such term also may include, at the option of a State, premiums for enrollment of a qualified medicare beneficiary with an eligible organization under section 1396(mm) of this title.

(4) Notwithstanding any other provision of this subchapter, in the case of a State (other than the 50 States and the District of Columbia)—

*So in original. The comma probably should be a period.*
(A) the requirement stated in section 1396a(a)(10)(E) of this title shall be optional, and
(B) for purposes of paragraph (2), the State may substitute for the percent provided under subparagraph (B) of section 1396a(a)(10)(E) of this title of such paragraph any percent.

In the case of any State which is providing medical assistance to its residents under a subchapter in the States which elect to use such subchapter in the States which elect to use such the Plan approved under this subchapter in the same manner as the State would be required to meet such requirement if the State had in effect a plan approved under this subchapter.

(5)(A) The Secretary shall develop and distribute to States a simplified application form for use by individuals (including both qualified medicare beneficiaries and specified low-income medicare beneficiaries) in applying for medical assistance for medicare cost-sharing under this subchapter. Such form shall be easily readable by applicants and uniform nationally. The Secretary shall provide for the translation of such application form into at least the 10 languages (other than English) that are most often used by individuals applying for hospital insurance benefits under section 426 or 426-1 of this title and shall make the translated forms available to the States and to the Commissioner of Social Security.

(B) In developing such form, the Secretary shall consult with beneficiary groups and the States.

(6) For provisions relating to outreach efforts to increase awareness of the availability of medicare cost-sharing, see section 1320b-14 of this title.

(q) Qualified severely impaired individual

The term "qualified severely impaired individual" means an individual under age 65—

(1) who for the month preceding the first month to which this subsection applies to such individual—

(A) received (i) a payment of supplemental security income benefits under section 1382(b) of this title on the basis of blindness or disability, (ii) a supplementary payment under section 1382e of this title or under section 212 of Public Law 93–66 on such basis, (iii) a payment of monthly benefits under section 1382h(a) of this title, or (iv) a supplementary payment under section 1382e(c)(3), and

(B) was eligible for medical assistance under the State plan approved under this subchapter; and

(2) with respect to whom the Commissioner of Social Security determines that—

(A) the individual continues to be blind or continues to have the disabling physical or mental impairment on the basis of which he was found to be under a disability and, except for his earnings, continues to meet all non-disability-related requirements for eligibility for benefits under subchapter XVI,

(B) the income of such individual would not, except for his earnings, be equal to or in excess of the amount which would cause him to be ineligible for payments under section 1382(b) of this title (if he were otherwise eligible for such payments),

(C) the lack of eligibility for benefits under this subchapter would seriously inhibit his ability to continue or obtain employment, and

(D) the individual’s earnings are not sufficient to allow him to provide for himself a reasonable equivalent of the benefits under subchapter XVI (including any federally administered State supplementary payments), this subchapter, and publicly funded attendant care services (including personal care assistance) that would be available to him in the absence of such earnings.

In the case of an individual who is eligible for medical assistance pursuant to section 1382(b) of this title in June, 1987, the individual shall be a qualified severely impaired individual for so long as such individual meets the requirements of paragraph (2).

(r) Early and periodic screening, diagnostic, and treatment services

The term “early and periodic screening, diagnostic, and treatment services” means the following items and services:

(1) Screening services—

(A) which are provided—

(i) at intervals which meet reasonable standards of medical and dental practice, as determined by the State after consultation with recognized medical and dental organizations involved in child health care and, with respect to immunizations under subparagraph (B)(ii), in accordance with the schedule referred to in section 1396s(c)(2)(B)(i) of this title for pediatric vaccines, and

(ii) at such other intervals, indicated as medically necessary, to determine the existence of certain physical or mental illnesses or conditions; and

(B) which shall at a minimum include—

(i) a comprehensive health and developmental history (including assessment of both physical and mental health development),

(ii) a comprehensive unclothed physical exam,

(iii) appropriate immunizations (according to the schedule referred to in section 1396s(c)(2)(B)(i) of this title for pediatric vaccines) according to age and health history,

(iv) laboratory tests (including lead blood level assessment appropriate for age and risk factors), and

(v) health education (including anticipatory guidance).

(2) Vision services—

(A) which are provided—

(i) at intervals which meet reasonable standards of medical practice, as deter-
§ 1396d

Nothing in this subchapter shall be construed as
this subchapter in early and periodic screening,
goals for each State for participation of individ-
thereafter, develop and set annual participation
and treatment services. The Secretary shall, not
not all) of such items or services from being
sentence or as preventing a provider that is quali-
dividual'' means an individual—
(s) Qualified disabled and working individual

(1) who is entitled to enroll for hospital ins-

(2) whose income (as determined under sec-
tion 1382a of this title for purposes of the sup-
plemental security income program) does not
exceed 200 percent of the official poverty line
(as defined by the Office of Management and
Budget and revised annually in accordance with
section 9902(2) of this title) applicable to
a family of the size involved;

(3) whose resources (as determined under
section 1382b of this title for purposes of the
supplemental security income program) do not
exceed twice the maximum amount of re-
sources that an individual or a couple (in the
case of an individual with a spouse) may have
and obtain benefits for supplemental security
income benefits under subchapter XVI; and

(4) who is not otherwise eligible for medical
assistance under this subchapter;

(t) Primary care case management services; pri-
mary care case manager; primary care case
management contract; and primary care

(1) The term “primary care case management
services” means case-management related ser-
ices (including locating, coordinating, and mon-
itoring of health care services) provided by a
primary care case manager under a primary care
management contract.

(2) The term “primary care case manager”
means any of the following that provides serv-
ices of the type described in paragraph (1) under
a contract referred to in such paragraph:

(A) A physician, a physician group practice,
or an entity employing or having other ar-
rangements with physicians to provide such

(B) At State option—

(i) a nurse practitioner (as described in
paragraph (a)(21));

(ii) a certified nurse-midwife (as defined in
section 1395x(gg) of this title); or

(iii) a physician assistant (as defined in
section 1395x(aa)(5) of this title).

(3) The term “primary care case management
contract” means a contract between a primary
care case manager and a State under which the
manager undertakes to locate, coordinate, and
monitor covered primary care (and such other
covered services as may be specified under the
contract) to all individuals enrolled with the
manager, and which—

(A) provides for reasonable and adequate
hours of operation, including 24-hour avail-
ability of information, referral, and treatment
with respect to medical emergencies;

(B) restricts enrollment to individuals resid-
ing sufficiently near a service delivery site of
the manager to be able to reach that site with-
in a reasonable time using available and af-
fordable modes of transportation;

(C) provides for arrangements with, or refer-
rels to, sufficient numbers of physicians and
other appropriate health care professionals to
ensure that services under the contract can be
furnished to enrollees promptly and without
compromise to quality of care;

(D) prohibits discrimination on the basis of
health status or requirements for health care
services in enrollment, disenrollment, or re-

enrollment of individuals eligible for medical
assistance under this subchapter;

(s) Qualified disabled and working individual

The term “qualified disabled and working in-
dividual” means an individual—

(1) who is entitled to enroll for hospital ins-

urance benefits under part A of subchapter
XVIII under section 1395l-2a of this title;
(E) provides for a right for an enrollee to terminate enrollment in accordance with section 1396a–2(a)(4) of this title; and
(F) complies with the other applicable provisions of section 1396a–2 of this title.

(4) For purposes of this subsection, the term “primary care” includes all health care services customarily provided in accordance with State licensure and certification laws and regulations, and all laboratory services customarily provided by or through, a general practitioner, family medicine physician, internal medicine physician, obstetrician/gynecologist, or pediatrician.

(u) Conditions for State plans

(1) The conditions described in this paragraph for a State plan are as follows:
   (A) The State is complying with the requirements of section 1397ee(d)(1) of this title.
   (B) The plan provides for such reporting of information about expenditures and payments attributable to the operation of this subsection as the Secretary deems necessary in order to carry out the fourth sentence of subsection (b).

(2)(A) For purposes of subsection (b), the expenditures described in this subparagraph are expenditures for medical assistance for optional targeted low-income children described in subparagraph (B).

   (B) For purposes of this paragraph, the term “optional targeted low-income child” means an individual who—
      (i) is at least 16, but less than 65, years of age;
      (ii) is engaged in a work effort that meets substantial and reasonable threshold criteria for hours of work, wages, or other measures, as defined by the State and approved by the Secretary.

   (C) whose assets, resources, and income do not exceed such levels (if any) as the State may establish consistent with paragraph (2).

(3) The levels established by a State under paragraph (1)(C) may not be less than the corresponding levels applied by the State under section 1396a–1(b) of this title.

(2) The levels established by a State under paragraph (1)(C) may not be less than the corresponding levels applied by the State under section 1396a–1(b) of this title.

(3) A State may limit the eligibility of independent foster care adolescents under section 1396a(a)(10)(A)(ii)(XVII) of this title to those individuals with respect to whom foster care maintenance payments or independent living services were furnished under a program funded under part E of subchapter IV before the date the individuals attained 18 years of age.

(x) Strategies, treatment, and services

For purposes of subsection (a)(27), the strategies, treatment, and services described in that subsection include the following:

(1) Chronic blood transfusion (with deferoxamine chelation) to prevent stroke in individuals with Sickle Cell Disease who have been identified as being at high risk for stroke.

(2) Genetic counseling and testing for individuals with Sickle Cell Disease or the sickle cell trait to allow health care professionals to treat such individuals and to prevent symptoms of Sickle Cell Disease.

(3) Other treatment and services to prevent individuals who have Sickle Cell Disease and who have had a stroke from having another stroke.

(y) Increased FMAP for medical assistance for newly eligible mandatory individuals

(1) Amount of increase

Notwithstanding subsection (b), the Federal medical assistance percentage for a State that is one of the 50 States or the District of Co-
§ 1396d

TITLE 42—THE PUBLIC HEALTH AND WELFARE

Page 3802

lumbia, with respect to amounts expended by such State for medical assistance for newly eligible individuals described in subparagraph (VIII) of section 1396a(a)(10)(A)(i) of this title, shall be equal to—

(A) 100 percent for calendar quarters in 2014, 2015, and 2016;

(B) 95 percent for calendar quarters in 2017;

(C) 94 percent for calendar quarters in 2018;

(D) 93 percent for calendar quarters in 2019; and

(E) 90 percent for calendar quarters in 2020 and each year thereafter.

(2) Definitions

In this subsection:

(A) Newly eligible

The term “newly eligible” means, with respect to an individual described in subparagraph (VIII) of section 1396a(a)(10)(A)(i) of this title, an individual who is not under 19 years of age (or such higher age as the State may have elected) and who, as of December 1, 2009, is not eligible under the State plan or under a waiver of the plan for full benefits or for benchmark coverage described in subparagraph (A), (B), or (C) of section 1396u–7(b)(1) of this title or benchmark equivalent coverage described in section 1396u–7(b)(2) of this title that has an aggregate actuarial value that is at least actuarially equivalent to benchmark coverage described in subparagraph (A), (B), or (C) of section 1396u–7(b)(1) of this title or is eligible but not enrolled (or is on a waiting list) for such benefits or coverage through a waiver under the plan that has a capped or limited enrollment that is full.

(B) Full benefits

The term “full benefits” means, with respect to an individual, medical assistance for all services covered under the State plan under this subchapter that is not less in amount, duration, or scope, or is determined by the Secretary to be substantially equivalent, to the medical assistance available for an individual described in section 1396a(a)(10)(A)(i) of this title.

(2) Equitable support for certain States

(1)(A) During the period that begins on January 1, 2014, and ends on December 31, 2015, notwithstanding subsection (b), the Federal medical assistance percentage otherwise determined under subsection (b) with respect to a fiscal year occurring during that period shall be increased by 2.2 percentage points for any State described in subparagraph (B) for amounts expended for medical assistance for individuals who are not newly eligible (as defined in subsection (y)(2)) individuals described in subparagraph (VIII) of section 1396a(a)(10)(A)(i) of this title.

(B) For purposes of subparagraph (A), a State described in this subparagraph is a State that—

(i) is an expansion State described in paragraph (3);

(ii) the Secretary determines will not receive any payments under this subchapter on the basis of an increased Federal medical assistance percentage under subsection (y) for expenditures for medical assistance for newly eligible individuals (as so defined); and

(iii) has not been approved by the Secretary to divert a portion of the DSH allotment for a State to the costs of providing medical assistance or other health benefits coverage under a waiver that is in effect on July 2009.7

(2)(A) For calendar quarters in 2014 and each year thereafter, the Federal medical assistance percentage otherwise determined under subsection (b) for an expansion State described in paragraph (3) with respect to medical assistance for individuals described in section 1396a(a)(10)(A)(i)(VIII) of this title who are nonpregnant childless adults with respect to whom the State may require enrollment in benchmark coverage under section 1396u–7 of this title shall be equal to the percent specified in subparagraph (B)(i) for such year.

(B)(i) The percent specified in this subparagraph for a State for a year is equal to the Federal medical assistance percentage (as defined in the first sentence of subsection (b)) for the State increased by a number of percentage points equal to the transition percentage (specified in clause (ii) for the year) of the number of percentage points by which—

(I) such Federal medical assistance percentage for the State, is less than

(II) the percent specified in subsection (y)(1) for the year.

(ii) The transition percentage specified in this clause for—

(I) 2014 is 50 percent;

(II) 2015 is 60 percent;

(III) 2016 is 70 percent;

(IV) 2017 is 80 percent;

(V) 2018 is 90 percent; and

(VI) 2019 and each subsequent year is 100 percent.

(3) A State is an expansion State if, on March 23, 2010, the State offers health benefits coverage statewide to parents and nonpregnant, childless adults whose income is at least 100 percent of the poverty line, that includes inpatient hospital services, is not dependent on access to employer coverage, employer contribution, or employment and is not limited to premium assistance, hospital-only benefits, a high deductible health plan, or alternative benefits under a demonstration program authorized under section 1396u–8 of this title. A State that offers health benefits coverage to only parents or only nonpregnant childless adults described in the preceding sentence shall not be considered to be an expansion State.

(aa) Special adjustment to FMAP determination for certain States recovering from a major disaster

(1) Notwithstanding subsection (b), beginning January 1, 2011, the Federal medical assistance percentage for a fiscal year for a disaster-recovery FMAP adjustment State shall be equal to the following:

(A) In the case of the first fiscal year (or part of a fiscal year) for which this subsection applies to the State, the State’s regular FMAP

7So in original.
shall be increased by 50 percent of the number of percentage points by which the State’s regular FMAP for such fiscal year is less than the Federal medical assistance percentage determined for the State for the preceding fiscal year after the application of only subsection (a) of section 5001 of Public Law 111–5 (if applicable to the preceding fiscal year) and without regard to this subsection, subsections (y) and (z), and subsections (b) and (c) of section 5001 of Public Law 111–5.

(B) In the case of the second or any succeeding fiscal year for which this subsection applies to the State, the State’s regular FMAP for such fiscal year shall be increased by 25 percent (or 50 percent in the case of fiscal year 2013) of the number of percentage points by which the State’s regular FMAP for such fiscal year is less than the Federal medical assistance percentage received by the State during the preceding fiscal year.

(2) In this subsection, the term “disaster-recovery FMAP adjustment State” means a State that is one of the 50 States or the District of Columbia, for which, at any time during the preceding 7 fiscal years, the President has declared a major disaster under section 401 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act [42 U.S.C. 5170] and determined as a result of such disaster that every county or parish in the State warrant individual and public assistance or public assistance from the Federal Government under such Act [42 U.S.C. 5121 et seq.] and for which—

(A) in the case of the first fiscal year (or part of a fiscal year) for which this subsection applies to the State, the State’s regular FMAP for the fiscal year is less than the Federal medical assistance percentage determined for the State for the preceding fiscal year after the application of only subsection (a) of section 5001 of Public Law 111–5 (if applicable to the preceding fiscal year) and without regard to this subsection, subsections (y) and (z), and subsections (b) and (c) of section 5001 of Public Law 111–5, by at least 3 percentage points; and

(B) in the case of the second or any succeeding fiscal year for which this subsection applies to the State, the State’s regular FMAP for the fiscal year is less than the Federal medical assistance percentage determined for the State for the preceding fiscal year under this subsection by at least 3 percentage points.

(3) In this subsection, the term “regular FMAP” means, for each fiscal year for which this subsection applies to a State, the Federal medical assistance percentage that would otherwise apply to the State for the fiscal year, as determined under subsection (b) and without regard to this subsection, subsections (y) and (z), and section 10229 of the Patient Protection and Affordable Care Act.

(4) The Federal medical assistance percentage determined for a disaster-recovery FMAP adjustment State under paragraph (1) shall apply for purposes of this subsection (other than with respect to disproportionate share hospital payments described in section 1396r–4 of this title and payments under this subchapter that are based on the enhanced FMAP described in § 1397ee(b) of this title) and shall not apply with respect to payments under subchapter IV (other than under part E of subchapter IV) or payments under subchapter XXI.

(bb) Counseling and pharmacotherapy for cessation of tobacco use by pregnant women

(1) For purposes of this subchapter, the term “counseling and pharmacotherapy for cessation of tobacco use by pregnant women” means diagnostic, therapy, and counseling services and pharmacotherapy (including the coverage of prescription and nonprescription tobacco cessation agents approved by the Food and Drug Administration) for cessation of tobacco use by pregnant women who use tobacco products or who are being treated for tobacco use that is furnished—

(A) by or under the supervision of a physician; or

(B) by any other health care professional who—

(i) is legally authorized to furnish such services under State law (or the State regulatory mechanism provided by State law) of the State in which the services are furnished; and

(ii) is authorized to receive payment for other services under this subchapter or is designated by the Secretary for this purpose.

(2) Subject to paragraph (3), such term is limited to—

(A) services recommended with respect to pregnant women in “Treating Tobacco Use and Dependence: 2008 Update: A Clinical Practice Guideline”; published by the Public Health Service in May 2008, or any subsequent modification of such Guideline; and

(B) such other services that the Secretary recognizes to be effective for cessation of tobacco use by pregnant women.

(3) Such term shall not include coverage for drugs or biologicals that are not otherwise covered under this subchapter.

(cc) Requirement for certain States

Notwithstanding subsections (y), (z), and (aa), in the case of a State that requires political subdivisions within the State to contribute toward the non-Federal share of expenditures required under the State plan under section 1396(a)(2) of this title, the State shall not be eligible for an increase in its Federal medical assistance percentage under such subsections if it requires that political subdivisions pay a greater percentage of the non-Federal share of such expenditures, or a greater percentage of the non-Federal share of payments under section 1396–4 of this title, than the respective percentages that would have been required by the State under the State plan under this subchapter, State law, or both, as in effect on December 31, 2009, and without regard to any such increase. Voluntary contributions by a political subdivision to the non-Federal share of expenditures under the State plan under this subchapter or to the non-Federal share of payments under section 1396–4 of this title, shall not be considered to be required contributions for purposes of this subsection. The treatment of voluntary contributions, and the
treatment of contributions required by a State under the State plan under this subchapter, or State law, as provided by this subsection, shall also apply to the increases in the Federal medical assistance percentage under section 5001 of the American Recovery and Reinvestment Act of 2009.

(dd) Increased FMAP for additional expenditures for primary care services

Notwithstanding subsection (b), with respect to the portion of the amounts expended for medical assistance for services described in section 1396a(a)(13)(C) of this title furnished on or after January 1, 2013, and before January 1, 2015, that is attributable to the amount by which the minimum payment rate required under such section (or, by application, section 1396u-2(f) of this title) exceeds the payment rate applicable to such services under the State plan as of July 1, 2009, the Federal medical assistance percentage for a State that is one of the 50 States or the District of Columbia shall be equal to 100 percent. The preceding sentence does not prohibit the payment of Federal financial participation based on the Federal medical assistance percentage for amounts in excess of those specified in such sentence.

(ee) Medication-assisted treatment

(1) Definition

For purposes of subsection (a)(29), the term “medication-assisted treatment”—

(A) means all drugs approved under section 355 of title 21, including methadone, and all biological products licensed under section 360 of this title to treat opioid use disorders; and

(B) includes, with respect to the provision of such drugs and biological products, counseling services and behavioral therapy.

(2) Exception

The provisions of paragraph (29) of subsection (a) shall not apply with respect to a State for the period specified in such paragraph if before the beginning of such period the State certifies to the satisfaction of the Secretary that implementing such provisions statewide for all individuals eligible to enroll in the State plan (or waiver of the State plan) would not be feasible by reason of a shortage of qualified providers of medication-assisted treatment, or facilities providing such treatment, that will contract with the State or a managed care entity with which the State has a contract under section 1396b(m) of this title or under section 1396d(t)(3) of this title.

(ff) Temporary increase in FMAP for territories for certain fiscal years

Notwithstanding subsection (b) or (c)(2)—(1) for the period beginning October 1, 2019, and ending December 20, 2019, the Federal medical assistance percentage for Puerto Rico, the Virgin Islands, Guam, the Northern Marianas Islands, and American Samoa shall be equal to 100 percent;

(2) subject to section 1308(g)(7)(C) of this title, for the period beginning December 21, 2019, and ending September 30, 2021, the Federal medical assistance percentage for Puerto Rico shall be equal to 76 percent; and

(3) subject to section 1308(g)(8)(B) of this title, for the period beginning December 21, 2019, and ending September 30, 2021, the Federal medical assistance percentage for the Virgin Islands, Guam, the Northern Mariana Islands, and American Samoa shall be equal to 83 percent.

**Applicability of Amendment**

**Amendment of section by section 1066(b)(2), (3) of Pub. L. 115–271 applicable with respect to medical assistance provided on or after Oct. 1, 2020, and before Oct. 1, 2025, with exception if State legislation required.** See 2018 Amendment notes below.

**References in Text**


The Indian Self-Determination Act, referred to in subsec. (h)(2)(B), is title I of Pub. L. 93–638, Jan. 4, 1975, 88 Stat. 2206, which was classified principally to part A (§ 450 et seq.) of subchapter II of chapter 14 of Title 25, Indian Law, prior to editorial reclassification as subchapter IV (§ 4521 et seq.) of chapter 15 of Title 25. For complete classification of this Act to the Code, see Short Title note set out under section 5001 of Title 25 and Tables.

The Indian Health Care Improvement Act, referred to in subsec. (h)(2)(B), is Pub. L. 94–437, Sept. 30, 1976, 90 Stat. 1400. Title V of the Act is classified generally to part A (§ 1501 et seq.) of subchapter III of chapter 18 of Title 25. For complete classification of this Act to the Code, see Short Title note set out under section 1396n of this title and Tables.


Section 10202 of the Patient Protection and Affordable Care Act, referred to in subsec. (a)(3), is section 10202 of Pub. L. 111–148, which is set out as a note under this section.

**Amendments**

2019—Subsec. (b). Pub. L. 116–59, § 1302(b), substituted “(aa), and (ff)” for “and (aa)”.

Subsec. (d). Pub. L. 116–94 amended subsec. (ff) generally. Prior to amendment, text read as follows: “Notwithstanding subsection (b) or (z)(2), the Federal medical assistance percentage for Puerto Rico, the Virgin Islands, Guam, the Northern Marianas Islands, and American Samoa shall be equal to 100 percent for the period beginning October 1, 2019, and ending December 20, 2019.”


2018—Subsec. (a), Pub. L. 115–271, § 1302(a)(1), in subd. (B) following par. (30), inserted “(except in the case of services provided under a State plan amendment described in section 1396n(l) of this title)” before period at end.

Pub. L. 115–271, § 1012(a), inserted at end “In the case of a woman who is eligible for medical assistance on the basis of being pregnant (including through the end of the month in which the 69–day period beginning on the last day of her pregnancy ends), who is a patient in an institution for mental diseases for purposes of receiving treatment for a substance use disorder, and who was enrolled for medical assistance under the State plan immediately before becoming a patient in an institution for mental diseases or who becomes eligible to enroll for such medical assistance while such a patient, the exclusion from the definition of ‘medical assistance’ set forth in the subdivision (B) following paragraph (30) of the first sentence of this subsection shall not be construed as prohibiting Federal financial participation for medical assistance for items or services that are provided to the woman outside of the institution.”

Subsec. (a)(29), (30), Pub. L. 115–271, § 1006(b)(2), added par. (29) and redesignated former par. (29) as (30).


2016—Subsec. (a)(16). Pub. L. 114–255 substituted “(A) effective January 1, 1973” for “effective January 1, 1973” and inserted before semicolon at end “, and (B) for individuals receiving services described in subparagraph (A), early and periodic screening, diagnostic, and treatment services (as defined in subsection (y)), whether or not such screening, diagnostic, and treatment services are furnished by the provider of the services described in such subparagraph.”

2012—Subsec. (a)(1)(A). Pub. L. 112–96, § 3204(a)(1)(A), substituted “the State’s regular FMAP shall be increased by 50 percent of the number of percentage points by which the State’s regular FMAP for such fiscal year is less than the Federal medical assistance percentage determined for the State for the preceding fiscal year after the application of only subsection (a) of section 5001 of Public Law 111–5 (if applicable to the preceding fiscal year) and without regard to this subsection, subsections (y) and (z), and subsections (b) and (c) of section 5001 of Public Law 111–5,” for “the Federal medical assistance percentage determined for the fiscal year without regard to this subsection, subsection (y), subsection (z), and section 10202 of the Patient Protec
tion and Affordable Care Act, increased by 50 percent of the number of percentage points by which the Federal medical assistance percentage determined for the State for the fiscal year without regard to this subsection, subsection (y), subsection (z), and section 10202 of the Patient Protection and Affordable Care Act, is less than the Federal medical assistance percentage determined for the State for the preceding fiscal year after the application of only subsection (a) of section 5001 of Public Law 111–5 (if applicable to the preceding fiscal year) and without regard to this subsection, subsection (y), and subsections (b) and (c) of section 5001 of Public Law 111–5.”

Subsec. (aa)(1)(B). Pub. L. 112–96, §3204(a)(1)(B), substituted “State’s regular FMAP for such fiscal year shall be increased by 25 percent of the number of percentage points by which the State’s regular FMAP for such fiscal year is less than the Federal medical assistance percentage received by the State during the preceding fiscal year.”

For “Federal medical assistance percentage determined for the preceding fiscal year under this subsection for the State, increased by 25 percent of the number of percentage points by which the Federal medical assistance percentage determined for the State for the fiscal year without regard to this subsection, subsection (y), subsection (z), and section 10202 of the Patient Protection and Affordable Care Act, is less than the Federal medical assistance percentage determined for the State for the preceding fiscal year under this subsection.”

Subsec. (aa)(2)(A). Pub. L. 112–96, §3204(a)(2)(A), substituted “State’s regular FMAP for the fiscal year” for “Federal medical assistance percentage determined for the State for the fiscal year without regard to this subsection, subsection (y), subsection (z), and section 10202 of the Patient Protection and Affordable Care Act,” and “and (z)” for “and (y)” and “(z)” for “(y)”. 

Subsec. (aa)(2)(B). Pub. L. 112–96, §3204(a)(2)(B), substituted “State’s regular FMAP for the fiscal year” for “Federal medical assistance percentage determined for the State for the fiscal year without regard to this subsection, subsection (y), subsection (z), and section 10202 of the Patient Protection and Affordable Care Act.”


2010—Subsec. (a). Pub. L. 111–148, §2004, inserted “or the care and services themselves, or both” before “(if provided in or after)” in introductory provisions.


Subsec. (a)(13). Pub. L. 111–148, §4106(a), amended par. (13) generally. Prior to amendment, par. (13) read as follows: “other diagnostic, screening, preventive, and rehabilitative services, including any medical or remedial services (provided in a facility, a home, or other setting) recommended for medical assistance under State law, for the maximum reduction of physical or mental disability and restoration of an individual to the best possible functional level”.


Pub. L. 111–148, §4106(b), substituted “(4)” for “(3)” and inserted before period at end of first sentence “, and (5) in the case of a State that provides medical assistance for services and vaccines described in subparagraph (A) and (B) of subsection (a)(13), and prohibits cost-sharing for such services and vaccines, the Federal medical assistance percentage, as determined under this subsection (y) without regard to paragraph (1)(C) of such subsection, shall be increased by 1 percentage point with respect to medical assistance for such services and vaccines and for items and services described in subsection (y)(A)(I) of title I.”

Pub. L. 111–148, §2006(1), substituted “subsections (y) and (aa)” for “subsection (y)” in first sentence.

Pub. L. 111–148, §2005(c)(1), substituted “shall be 55 percent for” for “shall be 50 percent for” in first sentence.

Pub. L. 111–148, §2301(a)(3), inserted “inserted before period at end of first sentence”.


Subsec. (o)(1)(A). Pub. L. 111–148, §2302(a)(1), substituted “subparagraphs (B) and (C)” for “subparagraph (B)”.


Subsec. (y)(1). Pub. L. 111–152, §1201(1)(B), added par. (1) and struck out former par. (1). Prior to amendment, par. (1) related to the amount of increase for the Federal medical assistance percentage.


Pub. L. 111–152, §10201(b)(3)(A), inserted “includes inpatient hospital services,” after “100 percent of the poverty line that”.


Subsec. (y)(2)(B). Pub. L. 111–152, §1201(1)(B), added par. (2) and struck out former par. (2), which read as follows:

“(A) During the period that begins on January 1, 2014, and ends on December 31, 2016, notwithstanding subsection (b), the Federal medical assistance percentage otherwise determined under subsection (b) with respect to all or any portion of a fiscal year occurring during that period shall be increased by 1 percentage point for a State described in subparagraph (B) for amounts expended for medical assistance under the State plan under this subchapter or under a waiver of that plan during that period.

“(B) For purposes of subparagraph (A), a State described in this subparagraph is a State that—

“(i) is described in clauses (i) and (ii) of paragraph (1)(B); and

“(ii) is the State with the highest percentage of its population insured during 2009, based on the Current Population Survey.”

Subsec. (y)(3). Pub. L. 111–152, §1201(2)(A), redesignated par. (5) as (3), struck out heading, and substituted “A State is” for “For purposes of the table in subclause (I), a State is”.

Pub. L. 111–152, §1201(2)(B), struck out par. (3), which read as follows: “Notwithstanding subsection (b) and paragraphs (1) and (2) of this section, the Federal medical assistance percentage otherwise determined under subsection (b) with respect to all or any portion of a fiscal year that begins on or after January 1, 2017, for the State of Nebraska, with respect to amounts expended for newly eligible individuals described in subclause (VIII) of section 1396a(a)(10)(A) of this title, shall be determined as provided for under subsection (y)(1)(A) (notwithstanding the period provided for in such paragraph).”

Subsec. (z)(4). Pub. L. 111–152, §1201(2)(B), struck out par. (4) which read as follows: “The increase in the Federal...
eral medical assistance percentage for a State under paragraphs (1), (2), or (3) shall apply only for purposes of this subchapter and shall not apply with respect to—

"(A) disproportionate share hospital payments described in section 1396c–4 of this title;

"(B) payments under subchapter IV;

"(C) payments under subchapter XXI; and

"(D) payments under this subchapter that are based on the enhanced FMAP described in section 1397ee(b) of this title.


Subsec. (a)(1), (2). Pub. L. 111–148, § 10201(c)(5), substituted “without regard to this subsection, section (y), subsection (z), and section 10202 of the Patient Protection and Affordable Care Act” for “without regard to this subsection and section (y)” wherever appearing.


2008—Subsec. (p)(1)(C). Pub. L. 110–275, § 112, inserted “or, effective beginning with January 1, 2010, whose resources (as so determined) do not exceed the maximum resource level applied for the year under subparagraph (D) of section 10606–114(a)(3) of this title (determined without regard to the life insurance policy exclusion provided under subparagraph (G) of such section) applicable to an individual or to the individual and the individual’s spouse (as the case may be)” before period at end.

Subsec. (p)(5)(A). Pub. L. 110–275, § 118(a), inserted at end “The Secretary shall provide for the translation of such application form into at least the 10 languages (other than English) that are most often used by individuals applying for hospital insurance benefits under section 426 or 426–1 of this title and shall make the translated forms available to the States and to the Commissioner of Social Security.”


Subsec. (m)(2). Pub. L. 101–508, § 4601(a)(2), substituted "age of 19" for "age of 7 (or any age designated by the State that exceeds 7 but does not exceed 19)".

Subsec. (n)(1)(A). Pub. L. 101–508, § 4717, inserted "and for which payment may otherwise be made under subchapter XVIII" after "section 1396d(d)(2)(A) of this title".

Subsec. (o)(3). Pub. L. 101–508, § 4705(a)(1), struck out "a State which elects not to provide medical assistance for hospice care, but provides medical assistance for skilled nursing or intermediate care facilities with respect to" after "In the case of" in introductory provisions.

Pub. L. 101–508, § 4705(a)(3), (4), in concluding provisions, substituted the additional amount described in section 1396a(a)(13)(D) of this title for the amounts allocated under the plan for room and board in the facility, in accordance with the rates established under section 1396a(a)(13)(D) of this title, and struck out at end "For purposes of this paragraph and section 1396a(a)(13)(D) of this title, the term ‘room and board’ includes performance of personal care services, including assistance in activities of daily living, in socializing activities, administration of medication, maintaining the cleanliness of a resident's room, and supervising and assisting in the use of durable medical equipment and prescribed therapies."

Subsec. (o)(3)(A), (C). Pub. L. 101–508, § 4705(a)(2), substituted "nursing facility or intermediate care facility for the mentally retarded" for "skilled nursing or intermediate care facility"

Subsec. (p)(1)(B). Pub. L. 101–508, § 4501(e)(1)(A), which directed amendment of subpar. (B) by inserting "as provided in paragraph (2)" after "supplementary social security income program", was executed by inserting the new language after "supplementary security income program" to reflect the probable intent of Congress.

Subsec. (p)(2)(B). Pub. L. 101–508, § 4501(e)(1), inserted "and" at end of cl. (i), substituted "100 percent." for $.95 percent, and" in cl. (iii), and struck out cl. (iv) which read as follows: "January 1, 1992, is 100 percent."

Subsec. (p)(2)(C). Pub. L. 101–508, § 4501(a)(2), substituted "95 percent, and" in cl. (iii), and "100 percent," in cl. (iv) and struck out cl. (v) which read as follows: "January 1, 1993, is 100 percent."


Subsec. (p)(4). Pub. L. 101–508, § 4501(c)(2), inserted at end "In the case of any State which is providing medical assistance to its residents under a waiver granted under section 1115 of this title, the Secretary shall require the State to meet the requirement of section 1396a(a)(10)(E) of this title in the same manner as the State would be required to meet such requirement if the State had in effect a plan approved under this subchapter."

Subsec. (p)(4)(B). Pub. L. 101–508, § 4501(c)(1), inserted "or 1396a(a)(10)(E)(I)(ii) of this title" after "subsection (B)."


Pub. L. 101–239, § 6402(c)(1), which directed addition of cl. (C) relating to ambulatory services, was repealed by Pub. L. 101–508, § 4704(e)(1).

Subsec. (a)(4)(B). Pub. L. 101–239, § 6403(d)(2), amended cl. (B) generally. Prior to amendment, cl. (B) read as follows: "effective July 1, 1989, such early and periodic screening and diagnosis of individuals who are eligible under the plan and are under the age of 21 to ascertain their physical or mental defects, and such health care, treatment, and other measures to correct or ameliorate defects and chronic conditions discovered thereby, as may be provided in regulations of the Secretary; and"

Subsec. (a)(21), (22). Pub. L. 101–239, § 6405(a), added par. (21) and redesignated former par. (21) as (22).

Subsec. (l). Pub. L. 101–239, § 6404(b), designated existing provisions as par. (1), redesignated former cl. (1) and (2) as (A) and (B), respectively, and added par. (2).

Subsec. (p)(1)(A). Pub. L. 101–239, § 4608(d)(4)(B), inserted "but not including an individual entitled to such benefits only pursuant to an enrollment under section 1395I-2(a) of this title" after "section 1395I-2 of this title".

Subsec. (p)(3)(A). Pub. L. 101–239, § 4608(d)(4)(A)(1), amended subpar. (A) generally. Prior to amendment, subpar. (A) read as follows: "Premiums under subchapter XVIII of this chapter (including under part B and, if applicable, under section 1395I-2 of this title)."

Subsec. (p)(3)(A)(i). Pub. L. 101–239, § 4608(d)(4)(A)(ii), substituted "section 1395I-2 or 1395I-2(a) of this title" for "section 1395I-2 of this title, section 1395I(b) of this title, and section 1395m(c)(1) of this title"

Subsec. (p)(4)(A). Pub. L. 101–234, § 201(b)(2), redesignated par. (5) as (4) and struck out former par. (4) which read as follows: "In a State which provides medical assistance for prescribed drugs under subsection (a)(12) of this section, instead of providing to qualified medicare beneficiaries, under paragraph (3)(C), medicare cost-sharing with respect to the annual deductible for covered outpatient drugs under section 1395m(c)(1) of this title, the State may provide to such beneficiaries, before charges for covered outpatient drugs for a year reach such deductible amount, benefits for prescribed drugs in the same amount, duration, and scope as the benefits made available under the State plan for individuals described in section 1396a(a)(10)(A)(i) of this title."

Subsec. (r). Pub. L. 101–239, § 6403(c), inserted at end "The Secretary shall, not later than July 1, 1990, and every 12 months thereafter, develop and set annual participation goals for each State for participation of individuals who are covered under the State plan under this subchapter in early and periodic screening, diagnostic, and treatment services.


Subsec. (a)(5)(B). Pub. L. 100–360, § 411(k)(4), substituted "described in clause (A) if" for "described in subparagraph (A) if".


Subsec. (o)(1)(B). Pub. L. 100–360, § 411(k)(8)(B), struck out "only" after "For purposes of this subchapter" and substituted "immune deficiency syndrome (AIDS)" for "immunodeficiency syndrome".


Subsec. (p)(1). Pub. L. 100–677, § 4834(a), redesignated subpars. (C) and (D) as (B) and (C), respectively, and struck out former subpar. (B) which read: "who, but for section 1396a(a)(10)(E) of this title, is not eligible for medical assistance under the plan."

Subsec. (p)(3)(B). Pub. L. 100–360, § 301(a)(2), struck out "and the election of the State" after "1396a(a)(10)(E) of this title". 

§ 1396e(d)


Subsec. (n)(2). Pub. L. 100–203, § 4105(a)(1), substituted “In the case of a State that provides medical assistance for services in an intermediate care facility for the mentally retarded (other than such services’’ for “intermediate care facility services (other than such services)’’.


Subsec. (n)(2). Pub. L. 99–272, § 9501(a), inserted “or such earlier date as the State may designate” after “September 30, 1983”.


Subsec. (a)(17). Pub. L. 100–203, § 4073(d)(3), inserted ““as defined in section 1395dd of this title”” for ““as defined in section 1395dd of this title””.


Subsec. (a)(14). Pub. L. 100–203, § 4211(b)(6)(C), substituted “services in an intermediate care facility for the mentally retarded (other than for intermediate care facility services (other than such services)” for “substituted ‘‘intermediate care facility services’’ for ‘‘nursing care’’, ‘‘nursing services’’ and ‘‘intermediate care facility services’’”.

Subsec. (a)(15). Pub. L. 100–203, § 4211(b)(6)(C), substituted “services in an intermediate care facility for the mentally retarded (other than for intermediate care facility services (other than such services)” for “substituted ‘‘intermediate care facility services’’ for ‘‘nursing care’’, ‘‘nursing services’’ and ‘‘intermediate care facility services’’”.


Subsec. (a)(19). Pub. L. 99–509, § 9506(c)(3)(A), added subpar. (C) generally. Prior to amendment, subpar. (B) read as follows: “Deductibles and coinsurance described in section 1395c of this title.”


Subsec. (a)(8). Pub. L. 99–509, § 9506(c)(3)(A), added subpar. (C) generally. Prior to amendment, subpar. (B) read as follows: “The annual deductible described in section 1395(b) of this title.”

Subsec. (a)(9). Pub. L. 100–203, § 4108(c)(1), inserted provision regarding services furnished to an eligible individual who does not reside in a permanent dwelling or have a fixed home or mailing address.

Subsec. (a)(10). Pub. L. 100–203, § 4108(c)(1), inserted provision regarding services furnished to an eligible individual who does not reside in a permanent dwelling or have a fixed home or mailing address.

Subsec. (a)(11). Pub. L. 100–203, § 4108(c)(1), inserted provision regarding services furnished to an eligible individual who does not reside in a permanent dwelling or have a fixed home or mailing address.
Subsec. (a)(9). Pub. L. 98–369, § 2373(b)(16), substituted "the "nurse-midwife" for "he" in two places.

Subsec. (b). Pub. L. 98–369, § 2373(b)(17), struck out "or any reasonable category of such individuals," after "as the State may choose;".

Subsec. (a)(vi). Pub. L. 93–233, § 13(a)(16), inserted "or" at end of text.


Subsec. (a)(16). Pub. L. 93–233, § 18(x)(7), substituted "under age 21, as defined in subsection (h); and" for "under 21, as defined in subsection (e);".

Subsec. (b). Pub. L. 93–233, § 18(y)(2), struck out "; except that the Secretary shall promulgate such percentage as soon as possible after July 30, 1965, which promulgation shall be conclusive for each of the six quarters in the period beginning January 1, 1966, and ending with the close of June 30, 1966" after "section 1391(a)(8) of this title".

Subsec. (c). Pub. L. 93–233, § 18(x)(8), substituted "skilled nursing facility" for "skilled nursing home" wherever appearing.

Subsec. (h)(1)(B). Pub. L. 93–233, § 18(x)(10), substituted "paragraph (1)" for "paragraph (e)(1)".

Subsec. (i). Pub. L. 93–233, § 18(x)(9), redesignated subsec. (h) as added by Pub. L. 92–603, § 296L(b), and relating to skilled nursing facility, as subsec. (i).

Subsecs. (j), (k). Pub. L. 93–233, § 13(a)(18), added subsecs. (j) and (k).

1972—Subsec. (a). Pub. L. 92–603, § 296(k), inserted "as otherwise provided in paragraph (16)," for "that".


Subsec. (a)(5). Pub. L. 92–603, § 278(a)(22), substituted "skilled nursing facility" for "skilled nursing home" and inserted "furnished by a physician (as defined in section 1395x(r)(1) of this title) after "physicians' services".


Subsec. (a)(15) to (17). Pub. L. 92–603, § 296B(a), added par. (16) and redesignated existing pars. (15) and (16) as (17) and (15), respectively.

Subsec. (c). Pub. L. 92–603, § 296L(a), inserted proviso defining "intermediate care facility" with respect to any institution located in a State on an Indian reservation.


Subsec. (g). Pub. L. 92–603, § 275(a), added subsec. (g).

Subsec. (h). Pub. L. 92–603, § 296(b), added subsec. (h) relating to skilled nursing facility.

Pub. L. 92–603, § 299B(b), added subsec. (b) relating to inpatient psychiatric hospital services for individuals under age 21.


Subsecs. (c), (d). Pub. L. 92–223, § 4(a)(2), added subsecs. (c) and (d).

1968—Sub. (a). Pub. L. 90–248, § 230, inserted "and with respect to physicians' or dentists' services, at the option of the State, to individuals not receiving aid or assistance under the State's plan approved under subchapter I, X, XIV, or XVI, or part A of subchapter IV" after "for individuals" in text preceding cl. (1).
on or after such date, with certain exceptions, see section 2301(c) of Pub. L. 111–148, set out as an Effective and Termination Dates of 2010 Amendment note under section 1396a of this title.

Amendment by section 2303(a)(4)(A) of Pub. L. 111–148 effective Mar. 23, 2010, and applicable to items and services furnished on or after such date, see section 2303(d) of Pub. L. 111–148, set out as an Effective and Termination Dates of 2010 Amendment note under section 1396a of this title.

Amendment by section 2402(d)(2)(B) of Pub. L. 111–148 effective on the first day of the first fiscal year quarter that begins after Mar. 23, 2010, see section 2402(g) of Pub. L. 111–148, set out as an Effective and Termination Dates of 2010 Amendment note under section 1396a of this title.


Pub. L. 111–148, title IV, §4107(d), Mar. 23, 2010, 124 Stat. 561, provided that: “The amendments made by this section (amending this section and sections 1396d, 1396d–1, and 1396f–8 of this title) shall take effect on October 1, 2010.”

Effective Date of 2008 Amendment


Effective Date of 2006 Amendment

Amendment by Pub. L. 109–171 applicable to medical assistance and services provided under this subchapter on or after that date, see section 712(d) of Pub. L. 109–357, set out as a note under section 1396b of this title.

Effective Date of 2000 Amendments

Amendment by Pub. L. 106–554, §41(a)(6) [title VII, §709(b)], Dec. 21, 2000, 114 Stat. 2763, 2763A–578, provided that: “The amendments made by subsection (a) [amending this section] shall take effect 1 year after the date of the enactment of this Act [Dec. 21, 2000], regardless of whether regulations have been promulgated to carry out such amendment by such date. The Secretary of Health and Human Services shall develop the uniform application form under such amendment by not later than 9 months after the date of the enactment of this Act.”

Amendment by Pub. L. 106–554, §41(a)(6) [title VIII, §1802(f)], Dec. 21, 2000, 114 Stat. 2763, 2763A–582, provided that: “The amendments made by this section (amending this section and sections 1397dd, 1397ee, and 1397ff) of this title shall be effective as if included in the enactment of section 4901 of the BBA [Pub. L. 106–33] (111 Stat. 552).”

Amendment by section 1(a)(6) [title IX, §911(a)(2)] of Pub. L. 106–554 effective one year after Dec. 21, 2000, see section 1(a)(6) [title IX, §911(c)] of Pub. L. 106–554, set out as an Effective Date note under section 1320b–14 of this title.

Amendment by Pub. L. 106–554 applicable to medical assistance for items and services furnished on or after Oct. 1, 2000, without regard to whether final regulations to carry out such amendments have been promulgated by such date, see section 2(d) of Pub. L. 106–354, set out as a note under section 1396a of this title.

Effective Date of 1999 Amendments

Amendment by Pub. L. 108–170 applicable to medical assistance for items and services furnished on or after Oct. 1, 2000, see section 201(d) of Pub. L. 108–170, set out as a note under section 1396a of this title.
Amendment by section 121(a)(2) of Pub. L. 106–169 applicable to medical assistance for items and services furnished on or after Oct. 1, 1999, see section 121(b) of Pub. L. 106–169, set out as a note under section 1396a of this title.

Pub. L. 106–113, div. B, §1000(a)(6) [title VI, §608(b)], Nov. 29, 1999, 113 Stat. 1501A–396, provided that: "The amendments made by subsection (a) [amending this section] take effect on October 1, 1999, and applies to expenditures made on or after such date.

Amendment by section 1000(a)(6) [title VI, §608(a)], Nov. 29, 1999, 113 Stat. 1501A–396, provided that: "The amendment made by section 1000(a)(6) [title VI, §608(a)] is effective as if included in the enactment of the Balanced Budget Act of 1997, Pub. L. 105–33.

Amendment by section 1000(a)(6) [title VI, §608(b)] of Pub. L. 106–113, set out as a note under section 1396a of this title.

**Effective Date of 1997 Amendment**


Amendment by section 4702(a) of Pub. L. 105–33 applicable to primary care management services furnished on or after Oct. 1, 1997, subject to provisions relating to extension of effective date for State law amendments, and to nonapplication to waivers, see section 4702(b)(1) of Pub. L. 105–33, set out as a note under section 1396b of this title.

Amendment by section 4711(c)(1) of Pub. L. 105–33 effective Aug. 5, 1997, and applicable for payments for items and services furnished on or after Oct. 1, 1997, see section 4711(d) of Pub. L. 105–33, set out as a note under section 1396a of this title.

Pub. L. 105–33, title IV, §4712(d)(2), Aug. 5, 1997, 111 Stat. 2199, provided that: "The amendment made by paragraph (1) [amending this section] shall apply to services furnished on or after the date of the enactment of this Act [Aug. 5, 1997]."

Amendment by section 4714(a)(2) of Pub. L. 105–33 applicable to payment for (and with respect to provider agreements with respect to) items and services furnished on or after Aug. 5, 1997, and to payment by a State for items and services furnished before such date if such payment is subject of lawsuits that is based on subsection (p) of this section and section 1396a(a) of this title and that is pending as of, or is initiated after Aug. 5, 1997, see section 4714(c) of Pub. L. 105–33, set out as a note under section 1396a of this title.

Pub. L. 105–33, title IV, §4725(b)(2), Aug. 5, 1997, 111 Stat. 2229, provided that: "The amendment made by section (a) [amending this section] shall apply to—

(A) items and services furnished on or after October 1, 1997;

(B) payments made on a capitation or other risk-based coverage for occurring on or after such date; and

(C) payments attributable to DSH allotments for such States determined under section 1923(f) of such Act (42 U.S.C. 1396d–4(f)) for fiscal years beginning with fiscal year 1998.

Amendment by section 4911(a) of Pub. L. 105–33 applicable to medical assistance for items and services furnished on or after Oct. 1, 1997, see section 4911(c) of Pub. L. 105–33, set out as a note under section 1396a of this title.

**Effective Date of 1996 Amendment**


**Effective Date of 1994 Amendment**

Amendment by section 4712(a) of Pub. L. 101–508 applicable to community supported living arrangements furnished on or after Jan. 1, 1991, see section 301(c) of Pub. L. 101–508, set out as a note under section 1396a of this title.

Amendment by section 4713(b) of Pub. L. 101–508 applicable to medical assistance furnished on or after Jan. 1, 1991, see section 301(c) of Pub. L. 101–508, set out as a note under section 1396a of this title.

Pub. L. 101–508, title IV, §4713(h), Nov. 5, 1990, 104 Stat. 1388–193, provided that: “The amendment made by subsection (a) (amending this section) shall take effect on the date of the enactment of this Act [Nov. 5, 1990].”


Effective Date of 1989 Amendment
Amendment by section 6403(a), (c), (d)(2) of Pub. L. 101–239 effective Apr. 1, 1990, without regard to whether or not final regulations to carry out the amendments by section 6403 of Pub. L. 101–239 have been promulgated by such date, see section 6404(e) of Pub. L. 101–239, set out as a note under section 1396a of this title.

Amendment by section 6404(a), (b) of Pub. L. 101–239 applicable, except as otherwise provided, to payments under this subchapter for calendar quarters beginning on or after Apr. 1, 1990, without regard to whether or not final regulations to carry out the amendments by section 6404 of Pub. L. 101–239 have been promulgated by such date, see section 6404(d) of Pub. L. 101–239, set out as a note under section 1396a of this title.

Amendment by section 6404(h)(1)(A), (B) of Pub. L. 101–239 applicable, except as otherwise provided, to payments under this subchapter for calendar quarters beginning on or after July 1, 1990, without regard to whether or not final regulations to carry out the amendments by section 6404(h) of Pub. L. 101–239 have been promulgated by such date, see section 6404(d)(5) of Pub. L. 101–239, set out as a note under section 1396a of this title.

Amendment by Pub. L. 101–234 effective Jan. 1, 1990, see section 201(c) of Pub. L. 101–234, set out as a note under section 1396a–7a of this title.

Effective Date of 1988 Amendment
Amendment by Pub. L. 100–647 effective as if included in the enactment of section 201 of the Medicare Catastrophic Coverage Act of 1988, Pub. L. 100–360, see section 8434(c) of Pub. L. 100–647, set out as a note under section 1396a of this title.

Amendment by section 303(b)(2) of Pub. L. 100–485 applicable to payments under this subchapter for calendar quarters beginning on or after Apr. 1, 1990 (or, in the case of the Commonwealth of Kentucky, Oct. 1, 1990) (without regard to whether regulations to implement such amendment are promulgated by such date), with respect to payments that cease to be eligible for aid under part A of subchapter IV of this chapter on or after that date, see section 303(f)(1) of Pub. L. 100–485, set out as a note under section 1396a of this title.

Amendment by section 401(d)(2) of Pub. L. 100–485 effective Oct. 1, 1990, except as provided in subsection (m)(2) of this section and not effective for Puerto Rico, Guam, American Samoa, and the Virgin Islands, until the date of repeal of limitations contained in section 1308(a) of this title on payments under part F of this subchapter, see section 401(g) of Pub. L. 100–485, as amended, set out as a note under section 1396a of this title.


Amendment by section 301(a)(2)–(d) of Pub. L. 100–360 applicable, except as otherwise provided, to payments under this subchapter for calendar quarters beginning on or after Jan. 1, 1989, without regard to whether or not final regulations to carry out such amendment have been promulgated by that date, with respect to medical assistance for months beginning on or after that date, see section 4712(a) of Pub. L. 101–508, as amended, set out as a note under section 704 of this title.

Except as specifically provided in section 411 of Pub. L. 100–360, amendment by section 411(h)(4)(E), (k)(4), (b) of Pub. L. 100–360, as it relates to a provision in the Omnibus Budget Reconciliation Act of 1987, Pub. L. 100–203, effective as if included in the enactment of that provision in Pub. L. 100–203, see section 411(a) of Pub. L. 100–203, set out as a Reference to OBRA; Effective Date note under section 106 of Title I, General Provisions.

Pub. L. 100–360, title IV, §411(k)(14)(B), July 1, 1988, 102 Stat. 799, provided that: “The amendment made by subparagraph (A) (amending this section) shall take effect on the date of the enactment of this Act [July 1, 1988].”

Effective Date of 1987 Amendment
Amendment by section 4073(d) of Pub. L. 100–233 effective with respect to services performed on or after July 1, 1988, see section 4073(e) of Pub. L. 100–233, set out as a note under section 1395f of this title.


“(A) The amendments made by this subsection (amending this section and section 1396a of this title) shall apply to medical assistance furnished on or after October 1, 1988.

“(B) For purposes of section 1905(n)(2) of the Social Security Act (42 U.S.C. 1396d(n)(2)) (as amended by subsection (a) (probably means ‘subsection (c)’) for medical assistance furnished during fiscal year 1989, any reference to ‘age of 7’ is deemed to be a reference to ‘age of 6’.”


“(1) The amendment made by subsection (a) (amending this section) applies (except as provided under paragraph (2)) to payments under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.) for calendar quarters beginning on or after January 1, 1988, without regard to whether or not final regulations to carry out such amendment have been promulgated by such date.

“(2) In the case of a State plan for medical assistance under title XIX of the Social Security Act which the Secretary of Health and Human Services determines requires State legislation (other than legislation appro-
printing funds) in order for the plan to meet the additional requirement imposed by the amendment made by subsection (a), the State plan shall not be regarded as failing to comply with the requirements of such title solely on the basis of its failure to meet this additional requirement before the first day of the first calendar quarter beginning after the close of the first regular session of the State legislature that begins after the date of enactment of this Act [Dec. 22, 1987].”

Pub. L. 100–203, title IV, §4105(b), Dec. 22, 1987, 101 Stat. 1330–147, provided that: “The amendment made by subsection (a) [amending this section] shall apply to services furnished on or after January 1, 1988, without regard to whether regulations to implement such amendment are promulgated by such date.”

Amendments by section 4211(e), (f), (h)(6) of Pub. L. 100–203 applicable to nursing facility services furnished on or after Oct. 1, 1990, without regard to whether regulations implementing such amendments are promulgated by such date, except as otherwise specifically provided in section 1396r of this title, with transitional rule, see section 4214(a), (b)(2) of Pub. L. 100–203, as amended, set out as an Effective Date note under section 1396r of this title.

EFFECTIVE DATE OF 1986 AMENDMENT


Amendment by section 9403(b), (d), (g)(3) of Pub. L. 99–509 applicable to payments under this subchapter for calendar quarters beginning on or after July 1, 1987, without regard to whether or not final regulations to carry out such amendments have been promulgated by such date, see section 9403(b) of Pub. L. 99–509, set out as a note under section 1396a of this title.

Amendment by section 9404(b) of Pub. L. 99–509 applicable, except as otherwise provided, to payments under this subchapter for calendar quarters beginning on or after July 1, 1987, without regard to whether or not final regulations to implement such amendments are promulgated by such date, see section 9404(c) of Pub. L. 99–509, set out as a note under section 1396a of this title.

Amendment by section 9406(c)(1) of Pub. L. 99–509 applicable to services furnished on or after Oct. 21, 1986, see section 9406(d) of Pub. L. 99–509, set out as a note under section 1396a of this title.


“(A) The amendments made by subsection (a) [amending this section] apply except as provided under subparagraph (B) to payments under title XIX of the Social Security Act [42 U.S.C. 1396 et seq.] for calendar quarters beginning on or after the [sic] July 1, 1986, without regard to whether or not final regulations to carry out the amendments have been promulgated by that date.

(B) In the case of a State plan for medical assistance under title XIX of the Social Security Act which the Secretary of Health and Human Services determines requires State legislation (other than legislation appropriating funds) in order for the plan to meet the additional requirement imposed by the amendments made by subsection (a), the State plan shall not be regarded as failing to comply with the requirements of such title solely on the basis of its failure to meet this additional requirement before the first day of the first calendar quarter beginning after the close of the first regular session of the State legislature that begins after the date of enactment of this Act [Apr. 7, 1986].”

Amendment by section 9505(a) of Pub. L. 99–272 applicable to medical assistance provided for hospice care furnished on or after Apr. 7, 1986, see section 9505(e) of Pub. L. 99–272, set out as a note under section 1396a of this title.

Pub. L. 99–272, title IX, §9511(b), Apr. 7, 1986, 100 Stat. 212, as amended by Pub. L. 99–509, title IX, §4935(d)(2), Oct. 21, 1986, 100 Stat. 2070, provided that: “The amendment made by this section [amending this section] shall apply to services furnished on or after April 1, 1986, without regard to whether or not regulations to carry out the amendment have been promulgated by that date.”

EFFECTIVE DATE OF 1984 AMENDMENT

Amendment by section 2335(c) of Pub. L. 98–369 effective July 18, 1984, see section 2335(g) of Pub. L. 98–369, set out as a note under section 1396f of this title.

An amendment by section 2340(b) of Pub. L. 98–369 effective July 18, 1984, see section 2340(c) of Pub. L. 98–369, set out as a note under section 1396x of this title.

Amendment by section 2361(b) of Pub. L. 98–369 applicable to calendar quarters beginning on or after Oct. 1, 1984, without regard to whether or not final regulations to carry out the amendment have been promulgated by such date, except as otherwise provided, see section 2361(d) of Pub. L. 98–369, set out as a note under section 1396a of this title.

Pub. L. 98–369, div. B, title III, §2371(b), July 18, 1984, 98 Stat. 1110, provided that: “The amendment made by subsection (a) [amending this section] shall apply to services furnished on or after the date of the enactment of this Act [July 18, 1984].”

EFFECTIVE DATE OF 1982 AMENDMENT

Amendment by section 136(c) of Pub. L. 97–248 effective Oct. 1, 1982, see section 136(e) of Pub. L. 97–248, set out as a note under section 1390i of this title.

Amendment by section 137(d)(17), (18) of Pub. L. 97–248 effective as if originally included as part of this section as this section was amended by the Omnibus Budget Reconciliation Act of 1981, Pub. L. 97–35, see section 137(d)(2) of Pub. L. 97–248, set out as a note under section 1396a of this title.

EFFECTIVE DATE OF 1981 AMENDMENT

Amendment by section 2172(b) of Pub. L. 97–35 effective Aug. 13, 1981, see section 2172(c) of Pub. L. 97–35, set out as a note under section 1396a of this title.

EFFECTIVE DATE OF 1980 AMENDMENT

For effective date of amendment by Pub. L. 96–499, see section 965(c) of Pub. L. 96–499, set out as a note under section 1396a of this title.

EFFECTIVE DATE OF 1978 AMENDMENT

Pub. L. 95–292, §8(d)(1), June 13, 1978, 92 Stat. 316, provided that: “The amendments made by subsections (a) and (b) [amending this section] shall become effective on July 1, 1978.”

EFFECTIVE DATE OF 1977 AMENDMENT

Amendment by Pub. L. 95–210 applicable to medical assistance provided, under a State plan approved under subchapter XIX of this chapter, on and after the first day of the first calendar quarter that begins more than six months after Dec. 18, 1977, with exception for plans requiring State legislation, see section 2(f) of Pub. L. 95–210, set out as a note under section 1395cc of this title.

EFFECTIVE DATE OF 1973 AMENDMENT

Amendment by section 13(a)(13)–(18) of Pub. L. 93–233 effective with respect to payments under section 1396b of this title for calendar quarters commencing after Dec. 31, 1973, see section 13(d) of Pub. L. 93–233, set out as a note under section 1396a of this title.

EFFECTIVE DATE OF 1972 AMENDMENT

Pub. L. 92–603, title II, §212(b), Oct. 30, 1972, 86 Stat. 1384, provided that: “The provisions of subsection (e) of section 1905 of the Social Security Act [42 U.S.C. 1396a(e)] (as added by subsection (a) of this section) shall be applicable in the case of services performed on or after the date of enactment of this Act [Oct. 30, 1972].”
Amendment by section 247(b) of Pub. L. 92–603 effective with respect to services furnished after Dec. 31, 1972, see section 247(c) of Pub. L. 92–603, set out as a note under section 1396f of this title.

Pub. L. 92–603, title II, §275(b), Oct. 30, 1972, 86 Stat. 1452, provided that: "The amendment made by this section [amending this section] shall be effective with respect to services furnished after June 30, 1972."

Pub. L. 92–603, title II, §297(b), Oct. 30, 1972, 86 Stat. 1469, provided that: "The amendment made by this section [amending this section] shall apply with respect to services furnished after December 31, 1972."

**Effective Date of 1971 Amendment**


**Effective Date of 1968 Amendment**

Pub. L. 90–248, title II, §248(e), Jan. 2, 1968, 81 Stat. 919, provided that the amendment made by that section is effective with respect to quarters after 1967.

**Construction of 2004 Amendment**

Pub. L. 108–357, title VII, §712(a)(2), Oct. 22, 2004, 118 Stat. 1558, provided that: "Nothing in subsections (a)(27) or (x) of section 1905 of the Social Security Act (42 U.S.C. 1396d), as added by paragraph (1), shall be construed as implying that a State Medicaid program described in such subsections as medical assistance under medical strategies and treatment services described in such subsections as medical assistance under such program, including as early and periodic screening, diagnostic, and treatment services furnished after December 31, 2010."

**Construction of 1999 Amendment**

Amendment by Pub. L. 106–170 to be executed as if Pub. L. 106–169 had been enacted after the enactment of Pub. L. 106–170, see section 121(c)(1) of Pub. L. 106–169, set out as a note under section 1396a of this title.

**Incentives for States to Offer Home and Community-Based Services as a Long-Term Care Alternative to Nursing Homes**


"(a) STATE BALANCING INCENTIVE PAYMENTS PROGRAM.—Notwithstanding section 1905(b) of the Social Security Act (42 U.S.C. 1396d(b)), in the case of a balancing incentive payment State, as defined in subsection (b), that meets the conditions described in subsection (c), during the balancing incentive period, the Federal medical assistance percentage determined for the State under section 1905(b) of such Act and, if applicable, increased under subsection (z) or (aa) shall be increased by the applicable percentage points determined under subsection (d) with respect to eligible medical assistance expenditures described in subsection (e)."

"(b) BALANCING INCENTIVE PAYMENT STATE.—A balancing incentive payment State is a State—"

"(1) in which less than 50 percent of the total expenditures for medical assistance under the State Medicaid program for a fiscal year for long-term services and supports (as defined by the Secretary under subsection (f)(1)(B)) (i) are for non-institutionally-based long-term services and (ii) are for home and community-based services; and"

"(2) that submits an application and meets the conditions described in subsection (c); and"

"(3) that is selected by the Secretary to participate in the State balancing incentive payment program established under this section."

"(c) CONDITIONS.—The conditions described in this subsection are the following:

"(1) APPLICATION.—The State submits an application to the Secretary that includes, in addition to such other information as the Secretary shall require:

"(A) a proposal that details the State's plan to expand and diversify medical assistance for non-institutionally-based long-term services and supports described in subsection (f)(1)(B) under the State Medicaid program during the balancing incentive period and achieve the target spending percentage applicable to the State under paragraph (2), including through structural changes to how the State delivers such assistance, such as the establishment of a 'no wrong door—single entry point system', optional presumptive eligibility, case management services, and the use of core standardized assessment instruments, and that in -cludes a description of the new or expanded offerings of such services that the State will provide and the projected costs of such services; and"

"(B) in the case of a State that chooses to expand the provision of home and community-based services under its State Medicaid program through a State plan amendment under section 1915(b) of the Social Security Act (42 U.S.C. 1396n(b)), at the option of the State, an election to increase the income eligibility for such services from 150 percent of the poverty line to such higher percentage as the State may establish for such purpose, not to exceed 300 percent of the supplemental security income benefit rate established by section 1611(b)(1) of the Social Security Act (42 U.S.C. 1396n(b)(1))."

"(2) TARGET SPENDING PERCENTAGES.—"

"(A) In the case of a balancing incentive payment State in which less than 25 percent of the total expenditures for long-term services and supports described in such subsections as medical assistance under the State Medicaid program for fiscal year 2009 are for home and community-based services, the target spending percentage for the State to achieve by not later than October 1, 2015, is that 25 percent of the total expenditures for long-term services and supports under the State Medicaid program are for home and community-based services.

"(B) In the case of any other balancing incentive payment State, the target spending percentage for the State to achieve by not later than October 1, 2015, is that 50 percent of the total expenditures for long-term services and supports under the State Medicaid program are for home and community-based services.

"(3) MAINTENANCE OF ELIGIBILITY REQUIREMENTS.—The State does not apply eligibility standards, methodologies, or procedures for determining eligibility for medical assistance for non-institutionally-based long-term services and supports described in subsection (f)(1)(B) under the State Medicaid program that are more restrictive than the eligibility standards, methodologies, or procedures in effect for such purposes on December 31, 2010.

"(4) USE OF ADDITIONAL FUNDS.—The State agrees to use the additional Federal funds paid to the State as a result of this section only for purposes of providing new or expanded offerings of non-institutionally-based long-term services and supports described in subsection (f)(1)(B) under the State Medicaid program.

"(5) STRUCTURAL CHANGES.—The State agrees to make, not later than the end of the 6-month period that begins on the date the State submits an application under this section, the following changes:

"(A) ‘NO WRONG DOOR—SINGLE ENTRY POINT SYSTEM.—Development of a statewide system to enable consumers to access all long-term services and supports through an agency, organization, coordinated network, or portal, in accordance with such standards as the State shall establish and that shall provide information regarding the availability of such services, how to apply for such services, referral services for services and supports otherwise available in the community, and determinations of financial and functional eligibility for such services and supports, or assistance with assessment processes for financial and functional eligibility.'
“(B) Conflict-free case management services.—Conflict-free case management services to develop a service plan, arrange for services and supports for the beneficiary (and, if appropriate, the beneficiary’s caregiver) in directing the provision of services and supports for the beneficiary, and conduct ongoing monitoring to assure that services and supports are delivered to meet the beneficiary’s needs and achieve intended outcomes.

“(C) Core standardized assessment instruments.—Development of core standardized assessment instruments for determining eligibility for non-institutionally-based long-term services and supports described in subsection (f)(1)(B), which shall be used in a uniform manner throughout the State, to measure of beneficiary’s needs for training, support services, medical care, transportation, and other services, and develop an individual service plan to address such needs.

“(D) Data collection.—The State agrees to collect from providers of services and through such other means as the State determines appropriate the following data:

“(1) Services data.—Services data from providers of non-institutionally-based long-term services and supports described in subsection (f)(1)(B) on a per-beneficiary basis and in accordance with such standardized coding procedures as the State shall establish in consultation with the Secretary.

“(2) Quality data.—Quality data on a selected set of core quality measures agreed upon by the Secretary and the State that are linked to population-specific outcomes measures and accessible to providers.

“(3) Outcomes measures.—Outcomes measures data on a selected set of core population-specific outcomes measures agreed upon by the Secretary and the State that are accessible to providers and include:

“(i) measures of beneficiary and family caregiver experience with providers;

“(ii) measures of beneficiary and family caregiver satisfaction with services; and

“(iii) measures for achieving desired outcomes appropriate to a specific beneficiary, including empowerment and participation in community life, health stability, and prevention of loss in function.

“(4) Applicable percentage points increase in FMAP.—The applicable percentage points increase is:

“(1) in the case of a balancing incentive payment State subject to the target spending percentage described in subsection (c)(2)(A), 5 percentage points; and

“(2) in the case of any other balancing incentive payment State, 2 percentage points.

“(E) Eligible medical assistance expenditures.—

“(1) In general.—Subject to paragraph (2), medical assistance described in this subsection is medical assistance for non-institutionally-based long-term services and supports described in subsection (f)(1)(B) that is provided by a balancing incentive payment State under its State Medicaid program during the balancing incentive payment period.

“(2) Limitation on payments.—In no case may the aggregate amount of payments made by the Secretary to balancing incentive payment States under this section during the balancing incentive period exceed $3,000,000,000.

“(F) Definitions.—In this section:

“(1) Long-term services and supports defined.—The term ‘long-term services and supports’ has the meaning given that term by Secretary and may include any of the following (as defined for purposes of State Medicaid programs):

“(A) Institutionally-based long-term services and supports.—Services provided in an institution, including the following:

“(i) Nursing facility services.

“(ii) Services in an intermediate care facility for the mentally retarded described in subsection (a)(15) of section 1905 of such Act [42 U.S.C. 1396n(a)(15)].

“(B) Non-institutionally-based long-term services and supports.—Services not provided in an institution, including the following:

“(i) Home and community-based services provided under subsection (c), (d), (o) of section 1315 of such Act [42 U.S.C. 1396n(c), (d), (o)], or (i) under a waiver under section 1115 of such Act [42 U.S.C. 1315].

“(ii) Home health care services.

“(iii) Personal care services.

“(iv) Services described in subsection (a)(26) of section 1905 of such Act [42 U.S.C. 1396n(a)(26)] relating to PACE program services.

“(v) Self-directed personal assistance services described in section 1915(j) of such Act [42 U.S.C. 1396o(j)].

“(2) Balancing incentive period.—The term ‘balancing incentive period’ means the period that begins on October 1, 2011, and ends on September 30, 2015.

“(3) Poverty line.—The term ‘poverty line’ has the meaning given that term in section 2110(c)(5) of the Social Security Act [42 U.S.C. 1397(c)(5)].

“(4) State Medicaid program.—The term ‘State Medicaid program’ means the State program for medical assistance provided under a State plan under title XIX of the Social Security Act [42 U.S.C. 1396 et seq.] and under any waiver approved with respect to such State plan.

“Temporary Increase of Medicaid FMAP


“State Authority Under Medicaid

Pub. L. 111–3, title I, §115, Apr. 4, 2009, 123 Stat. 35, provided that: “Notwithstanding any other provision of law, including the fourth sentence of subsection (b) of section 1905 of the Social Security Act [42 U.S.C. 1396(n)] or subsection (u) of such section, at State option, the Secretary shall provide the State with the Federal medical assistance percentage determined for the State for Medicaid with respect to expenditures described in section 1905(n)(2)(A) of such Act or otherwise made to provide medical assistance under Medicaid to a child who could be covered by the State under CHIP.”

[For definitions of ‘CHIP’, ‘Medicaid’, and ‘Secretary’, see section 1(c) of Pub. L. 111–3, set out as a Definitions note under section 1396 of this title.]

“Adjustment in Computation of FMAP to Disregard an Extraordinary Employer Pension Contribution

Pub. L. 111–3, title VI, §614, Apr. 4, 2009, 123 Stat. 101, provided that:

“(a) In general.—Only for purposes of computing the FMAP (as defined in subsection (e) for a State for a fiscal year (beginning with fiscal year 2006) and applying the FMAP under title XIX of the Social Security Act [42 U.S.C. 1396 et seq.], any significantly disproportionate employer pension or insurance fund contribution described in subsection (b) shall be disregarded in computing the per capita income of such State, but shall not be disregarded in computing the per capita income for the continental United States (and Alaska) and Hawaii.

“(b) Significantly Disproportionate Employer Pension and Insurance Fund Contribution.—

“(1) In general.—For purposes of this section, a significantly disproportionate employer pension and insurance fund contribution described in this subsection with respect to a State is any identifiable employer contribution towards pension or other employee insurance funds that is estimated to accrue to residents of such State for a calendar year beginning
with calendar year 2003) if the increase in the amount so estimated exceeds 25 percent of the total increase in personal income in that State for the year involved.

“(2) DATA TO BE USED.—For estimating and adjustment a FMAP already calculated as of the date of the enactment of this Act (Feb. 4, 2009) for a State with a significantly disproportionate employer pension and insurance fund contribution, the Secretary shall use the personal income data set originally used in calculating such FMAP.

“(3) SPECIAL ADJUSTMENT FOR NEGATIVE GROWTH.—If in any calendar year the total personal income growth in a State is negative, an employer pension and insurance fund contribution for the purposes of calculating the State’s FMAP for a calendar year shall not exceed 125 percent of the amount of such contribution for the previous calendar year for the State.

“(c) HOLD HARMLESS.—No State shall have its FMAP for a fiscal year reduced as a result of the application of this section.

“(d) REPORT.—Not later than May 15, 2009, the Secretary shall submit to the Congress a report on the problems presented by the current treatment of pension and insurance fund contributions in the use of Bureau of Economic Affairs calculations for the FMAP and for Medicaid and on possible alternative methodologies to mitigate such problems.

“(e) FMAP DEFINED.—For purposes of this section, the term ‘FMAP’ means the Federal medical assistance percentage, as defined in section 1905(b) of the Social Security Act (42 U.S.C. 1396d(b) (1396d[1])).”

[For definitions of “Medicaid” and “Secretary”, see section 1(c) of Pub. L. 111–3, set out as a Definitions note under section 1906 of this title.]

TEMPORARY STATE FISCAL RELIEF


ALASKA FMAPs

Pub. L. 106–554, §1(a)(6) [title VII, §706], Dec. 21, 2000, 114 Stat. 2763, 2763A–577, provided that: “Notwithstanding the first sentence of section 1906(b) of the Social Security Act (42 U.S.C. 1396d(b)), only with respect to each of fiscal years 2001 through 2005, for purposes of titles XIX and XXI of the Social Security Act (42 U.S.C. 1396 et seq., 1397aa et seq.), the State percentage used to determine the Federal medical assistance percentage for Alaska shall be that percentage which bears the same ratio to 45 percent as the square of the per capita income of Alaska (determined by dividing the State’s 3-year average per capita income by 1.05) bears to the square of the per capita income of the 50 States.

Pub. L. 105–33, title IV, §4725(a), Aug. 5, 1997, 111 Stat. 518, provided that: “Notwithstanding the first sentence of section 1906(b) of the Social Security Act (42 U.S.C. 1396d(b)), the Federal medical assistance percentage determined under such sentence for Alaska shall be 39.8 percent but only with respect to—

“(1) items and services furnished under a State plan under title XIX (42 U.S.C. 1396 et seq.) or under a State child health plan under title XXI of such Act (42 U.S.C. 1397aa et seq.) during fiscal years 1996, 1997, and 2000;

“(2) payments made on a capitation or other risk-basis under such titles for coverage occurring during such period; and

“(3) payments under title XIX of such Act attributable to DSH allotments for such State determined under section 1223(f) of such Act (42 U.S.C. 1396c–4(f)) for such fiscal years.”

EPDSIT BENEFIT STUDY AND REPORT

Pub. L. 105–33, title IV, §4744, Aug. 5, 1997, 111 Stat. 524, provided that:

“(a) STUDY.—

“(1) IN GENERAL.—The Secretary of Health and Human Services, in consultation with Governors, directors of State medicaid programs, the American Academy of Actuaries, and representatives of appropriate provider and beneficiary organizations, shall conduct a study of the provision of early and periodic screening, diagnostic, and treatment services under the medicaid program under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.) in accordance with the requirements of section 1906(r) of such Act (42 U.S.C. 1396d(r)).

“(2) REQUIRED CONTENTS.—The study conducted under paragraph (1) shall include examination of the actuarial value of the provision of such services under the medicaid program and an examination of the portions of such actuarial value that are attributable to paragraph (5) of section 1906(r) of such Act and to the second sentence of such section.

“(b) REPORT.—Not later than 12 months after the date of the enactment of this Act (Aug. 5, 1997), the Secretary of Health and Human Services shall submit a report to Congress on the results of the study conducted under subsection (a).”

REFERENCES TO PROVISIONS OF PART A OF SUB-CHAPTER IV CONSIDERED REFERENCES TO SUCH PROVISIONS AS IN EFFECT JULY 16, 1996

For provisions that certain references to provisions of part A (§§601 et seq.) of subchapter IV of this chapter be considered references to such provisions of part A as in effect July 16, 1996, see section 1396u–1(a) of this title.

LIMITATION ON DISALLOWANCES OR DEFERRAL OF FEDERAL FINANCIAL PARTICIPATION FOR CERTAIN IN-PATIENT PSYCHIATRIC HOSPITAL SERVICES FOR INDIVIDUALS UNDER AGE 21


“(a) IN GENERAL.—(1) If the Secretary of Health and Human Services makes a determination that a psychiatric facility has failed to comply with certification of need requirements for inpatient psychiatric hospital services for individuals under age 21 pursuant to section 1905(r) of the Social Security Act (42 U.S.C. 1396d(h)), and such determination has not been subject to a final judicial decision, any disallowance or deferral of Federal financial participation under such Act (42 U.S.C. 301 et seq.) based on such determination shall only apply to the period of time beginning with the first day of noncompliance and ending with the date by which the psychiatric facility develops documentation (using plan of care or utilization review procedures) of the need for inpatient care with respect to such individuals.

“(2) Any disallowance of Federal financial participation under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.) relating to the failure of a psychiatric facility to comply with certification of need requirements—

“(A) shall not exceed 25 percent of the amount of Federal financial participation for the period described in paragraph (1); and

“(B) shall not apply to any fiscal year before the fiscal year in which the determination of noncompliance described in paragraph (1) is made.

“(b) EFFECTIVE DATE.—Subsection (a) shall apply to disallowance actions and deferrals of Federal financial participation with respect to services provided before the date of enactment of this Act (Nov. 5, 1990).”
§ 1396e. Enrollment of individuals under group health plans

(a) Requirements of each State plan; guidelines

Each State plan—

(1) may implement guidelines established by the Secretary, consistent with subsection (b),

(2) may require, in case of an individual so identified and as a condition of the individual being or remaining eligible for medical assistance under this subchapter and subject to subsection (b)(2), notwithstanding any other provision of this subchapter, that the individual (or in the case of a child, the child’s parent) apply for enrollment in the group health plan; and

(3) in the case of such enrollment (except as provided in subsection (c)(1)(B)), shall provide for payment of all enrollee premiums for such enrollment and all deductibles, coinsurance, and other cost-sharing obligations for items and services otherwise covered under the State plan under this subchapter (exceeding the amount otherwise permitted under section 1396d of this title), and shall treat coverage under the group health plan as a third party liability (under section 1396d(a)(25) of this title).

(b) Timing of enrollment; failure to enroll

(1) In establishing guidelines under subsection (a)(1), the Secretary shall take into account that an individual may only be eligible to enroll in group health plans at limited times and only if other individuals (not entitled to medical assistance under the plan) are also enrolled in the plan simultaneously.

(2) If a parent of a child fails to enroll the child in a group health plan in accordance with subsection (a)(2), such failure shall not affect the child’s eligibility for benefits under this subchapter.

(c) Premiums considered payments for medical assistance; eligibility

(1)(A) In the case of payments of premiums, deductibles, coinsurance, and other cost-sharing obligations under this section shall be considered, for purposes of section 1396b(a) of this title, to be payments for medical assistance.

(B) If all members of a family are not eligible for medical assistance under this subchapter and enrollment of the members so eligible in a group health plan is not possible without also enrolling members not so eligible—

(i) payment of premiums for enrollment of such other members shall be treated as payments for medical assistance for eligible individuals, if it would be cost-effective (taking into account payment of all such premiums), but

(ii) payment of deductibles, coinsurance, and other cost-sharing obligations for such other members shall not be treated as payments for medical assistance for eligible individuals.

(2) The fact that an individual is enrolled in a group health plan under this section shall not change the individual’s eligibility for benefits under the State plan, except insofar as section 1396a(a)(25) of this title provides that payment for such benefits shall first be made by such plan.
§ 1396e–1. Premium assistance

(a) In general

A State may elect to offer a premium assistance subsidy (as defined in subsection (c)) for qualified employer-sponsored coverage (as defined in subsection (b)) to all individuals who are entitled to medical assistance under this title.

(b) Qualified employer-sponsored coverage

(1) In general

Subject to paragraph (2),1 in this paragraph, the term ‘qualified employer-sponsored coverage’ means a group health plan or health insurance coverage offered through an employer—

(A) that qualifies as creditable coverage as a group health plan under section 2701(c)(1) of the Public Health Service Act;2

(B) for which the employer contribution toward any premium for such coverage is at least 40 percent; and

(C) that is offered to all individuals in a manner that would be considered a non-discriminatory eligibility classification for purposes of paragraph (3)(A)(ii) of section 105(h) of the Internal Revenue Code of 1986 (but determined without regard to clause (i) of subparagraph (B) of such paragraph).

(2) Exception

Such term does not include coverage consisting of—

(A) benefits provided under a health flexible spending arrangement (as defined in sec-

---

1See References in Text note below.

2See References in Text note below.
tion 106(c)(2) of the Internal Revenue Code of 1986; or
(B) a high deductible health plan (as defined in section 223(c)(2) of such Code), without regard to whether the plan is purchased in conjunction with a health savings account (as defined under section 223(d) of such Code).

(3) Treatment as third party liability

The State shall treat the coverage provided under qualified employer-sponsored coverage as a third party liability under section 1396a(a)(25) of this title.

(c) Premium assistance subsidy

In this section, the term "premium assistance subsidy" means the amount of the employee contribution for enrollment in the qualified employer-sponsored coverage by the individual or by the individual's family. Premium assistance subsidies under this section shall be considered, for purposes of section 1396b(a) of this title, to be a payment for medical assistance.

(d) Voluntary participation

(1) Employers

Participation by an employer in a premium assistance subsidy offered by a State under this section shall be voluntary. An employer may notify a State that it elects to opt-out of being directly paid a premium assistance subsidy on behalf of an employee.

(2) Beneficiaries

No subsidy shall be provided to an individual under this section unless the individual (or the individual's parent) voluntarily elects to receive such a subsidy. A State may not require such an election as a condition of receipt of medical assistance. A State may not require, as a condition of an individual (or the individual's parent) being or remaining eligible for medical assistance under this subchapter, that the individual (or the individual's parent) apply for enrollment in qualified employer-sponsored coverage under this section.

(3) Opt-out permitted for any month

A State shall establish a process for permitting an individual (or the parent of an individual) receiving a premium assistance subsidy to disenroll the individual from the qualified employer-sponsored coverage.

(e) Requirement to pay premiums and cost-sharing and provide supplemental coverage

In the case of the participation of an individual (or the individual's parent) in a premium assistance subsidy under this section for qualified employer-sponsored coverage, the State shall provide for payment of all enrollee premiums for enrollment in such coverage and all deductibles, coinsurance, and other cost-sharing obligations for items and services otherwise covered under the State plan under this subchapter (exceeding the amount otherwise permitted under section 1396c of this title or, if applicable, section 1396c–1 of this title). The fact that an individual (or a parent) elects to enroll in qualified employer-sponsored coverage under this section shall not change the individual's (or parent's) eligibility for medical assistance under the State plan, except insofar as section 1396a(a)(25) of this title provides that payments for such assistance shall first be made under such coverage.


REFERENCES IN TEXT

Section 2701 of the Public Health Service Act, referred to in subsec. (b)(1)(A), is section 2701 of act July 1, 1944, which was classified to section 300gg of this title, was renumbered section 2704, effective for plan years beginning on or after Jan. 1, 2014, with certain exceptions, and amended, by Pub. L. 111–148, title I, §§1201(2), 1563(c)(1), formerly §1562(c)(1), title X, §10107(b)(1), Mar. 23, 2010, 124 Stat. 154, 264, 911, and was transferred to section 300gg–3 of this title. A new section 2703 of act July 1, 1944, related to fair health insurance premiums, was added, effective for plan years beginning on or after Jan. 1, 2014, and amended, by Pub. L. 111–148, title I, §1201(4), title X, §10103(a), Mar. 23, 2010, 124 Stat. 155, 892, and is classified to section 300gg of this title.

The Internal Revenue Code of 1986, referred to in subsec. (b)(1)(C), (2), is classified generally to Title 26, Internal Revenue Code.

AMENDMENTS


Subsec. (a). Pub. L. 111–148, §10203(b)(2)(A), inserted “and the offering of such a subsidy is cost-effective, as defined for purposes of section 1396a(e)(3)(A) of this title” before period at end.

Pub. L. 111–148, §10203(a)(1)(B), (C), struck out “under age 19” after “all individuals” and inserted “, in the case of an individual under age 19, after “(and)”, in Pub. L. 111–148, §10203(a)(1)(A), which directed substitution of “shall” for “may elect to”, was not executed because of Pub. L. 111–148, §10203(b)(2)(B), set out as a note under this section.

Subsec. (c). Pub. L. 111–148, §2003(a)(2), struck out “under age 19” after “by the individual”.

Subsec. (d)(2). Pub. L. 111–148, §2003(a)(3)(A), struck out “under age 19” after “to an individual” and substituted “A State may not require, as a condition of an individual (or the individual’s parent) being or remaining eligible for medical assistance under this subchapter, that the individual (or the individual’s parent) apply for enrollment in qualified employer-sponsored coverage under this section.” for “State may not require, as a condition of an individual under age 19 (or the individual’s parent) being or remaining eligible for medical assistance under this subchapter, apply for enrollment in qualified employer-sponsored coverage under this section.”

Subsec. (d)(3). Pub. L. 111–148, §2003(a)(3)(B), substituted “an individual (or the parent of an individual)” for “the parent of an individual under age 19”.


EFFECTIVE DATE OF 2010 AMENDMENT


EFFECTIVE DATE

Section effective Apr. 1, 2009, and applicable to child health assistance and medical assistance provided on or
§ 1396f

TITLE 42—THE PUBLIC HEALTH AND WELFARE

Page 3822

after that date, with certain exceptions, see section 3 of Pub. L. 111–3, set out as a note under section 1396 of this title.

Effect of Certain Amendment by Pub. L. 111–148


§ 1396g. Observance of religious beliefs

Nothing in this subchapter shall be construed to require any State which has a plan approved under this subchapter to compel any person to undergo any medical screening, examination, diagnosis, or treatment or to accept any other health care or services provided under such plan for any purpose (other than for the purpose of discovering and preventing the spread of infection or contagious disease or for the purpose of protecting environmental health), if such person objects (or, in case such person is a child, his parent or guardian objects) thereto on religious grounds.


§ 1396g. State programs for licensing of administrators of nursing homes

(a) Nature of State program

For purposes of section 1396a(a)(29) of this title, a “State program for the licensing of administrators of nursing homes” is a program which provides that no nursing home within the State may operate except under the supervision of an administrator licensed in the manner provided in this section.

(b) Licensing by State agency or board representative of concerned professions and institutions

Licensing of nursing home administrators shall be carried out by the agency of the State responsible for licensing under the healing arts licensing act of the State, or, in the absence of such act or such an agency, a board representative of the professions and institutions concerned with care of chronically ill and infirm aged patients and established to carry out the purposes of this section.

(c) Functions and duties of State agency or board

It shall be the function and duty of such agency or board to—

(1) develop, impose, and enforce standards which must be met by individuals in order to receive a license as a nursing home administrator, which standards shall be designed to assure that nursing home administrators will be individuals who are of good character and are otherwise suitable, and who, by training or experience in the field of institutional administration, are qualified to serve as nursing home administrators;

(2) develop and apply appropriate techniques, including examinations and investigations, for determining whether an individual meets such standards;

(3) issue licenses to individuals determined, after the application of such techniques, to meet such standards, and revoke or suspend licenses previously issued by the board in any case where the individual holding any such license is determined substantially to have failed to conform to the requirements of such standards;

(4) establish and carry out procedures designed to insure that individuals licensed as nursing home administrators will, during any period that they serve as such, comply with the requirements of such standards;

(5) receive, investigate, and take appropriate action with respect to, any charge or complaint filed with the board to the effect that any individual licensed as a nursing home administrator has failed to comply with the requirements of such standards; and

(6) conduct a continuing study and investigation of nursing homes and administrators of nursing homes within the State with a view to the improvement of the standards imposed for the licensing of such administrators and of procedures and methods for the enforcement of such standards with respect to administrators of nursing homes who have been licensed as such.

(d) Waiver of standards other than good character or suitability standards

No State shall be considered to have failed to comply with the provisions of section 1396a(a)(29) of this title because the agency or board of such State has granted pursuant to subsection (b) shall have granted any waiver, with respect to any individual who, during all of the three calendar years immediately preceding the calendar year in which the requirements prescribed in section 1396a(a)(29) of this title are first met by the State, has served as a nursing home administrator, of any of the standards developed, imposed, and enforced by such agency or board pursuant to subsection (c).

(e) “Nursing home” and “nursing home administrator” defined

As used in this section, the term—

(1) “nursing home” means any institution or facility defined as such for licensing purposes under State law, or, if State law does not employ the term nursing home, the equivalent term or terms as determined by the Secretary, but does not include a religious nonmedical health care institution (as defined in section 1395x(ss)(1) of this title).

(2) “nursing home administrator” means any individual who is charged with the general administration of a nursing home whether or not such individual has an ownership interest in such home and whether or not his functions and duties are shared with one or more other individuals.


1 So in original. The period probably should be “; and”. 
§ 1396g-1


REPEAL OF SECTION

Pub. L. 101–508, title IV, § 4801(e)(11), Nov. 5, 1990, 104 Stat. 1386–217, provided that, effective on the date on which the Secretary promulgates standards regarding the qualifications of nursing facility administrators under section 1396f(f)(4) of this title, this section is repealed.

CODIFICATION

Another section 1908 of act Aug. 14, 1935, was renumbered section 1908a and is classified to section 1396g–1 of this title.

AMENDMENTS

1997—Subsec. (e)(1). Pub. L. 105–33 which directed substitution of “a religious nonmedical health care institution (as defined in section 1395x(ss)(1) of this title),” for “a Christian Science sanatorium operated, or listed and certified, by the First Church of Christ, Scientist, Boston, Massachusetts; and” in “Section 1908(e)(1)(A) of the Social Security Act, was executed by making the substitution in subsec. (e)(1) of this section to reflect the probable intent of Congress, because section 1396g–1 of this title, which is also section 1908 of the Social Security Act, does not have a subsec. (e).

1996—Subsec. (e)(1). Pub. L. 104–193, which directed substitution of “The Commission for Accreditation of Christian Science Nursing Organizations/Facilities, Inc.” for “The First Church of Christ, Scientist, Boston, Massachusetts” in section 1908(e)(1) of the Social Security Act (42 U.S.C. 1396g–1(e)(1)) could not be executed to this section or section 1396g–1 of this title, both of which are section 1908. Section 1396g–1 does not have a subsec. (e) and subsec. (e)(1) of this section does not contain the quoted language with the word ‘the’ capitalized.

1973—Subsec. (d). Pub. L. 93–233 struck out second sentence reading substantially the same as the first sentence but containing the following additional text reading “other than such standards as relate to good character or suitability if—

“(1) such waiver is for a period which ends after being in effect for two years or on June 30, 1972, whichever is earlier, and

“(2) there is provided in the State (during all of the period for which waiver is in effect), a program of training and instruction designed to enable all individuals with respect to whom any such waiver is granted, to attain the qualifications necessary in order to meet such standards” and also “calendar year” instead of “three calendar years” and reference to “subsection (c)(1) of this section” instead of “subsection (c) of this section”.

Subsec. (e). Pub. L. 93–233 redesignated subsec. (g) as (e), and repealed prior subsec. (e) relating to authorization of appropriations for fiscal years 1968 through 1972 and to limitation of grants.


Subsec. (g). Pub. L. 93–233, redesignated subsec. (g) as (e).

1972—Subsec. (d). Pub. L. 92–603, §§ 269, 274(b), inserted references to the grant of waivers to individuals who, during all of the three calendar years immediately preceding the calendar year in which the requirements prescribed in section 1396a(a)(29) of this title are first met by the State, have served as nursing home administrators and substituted “subsection (c)(1)” for “subsection (b)(1)”.

Subsec. (g)(1). Pub. L. 92–603, § 268(b), inserted “, but does not include a Christian Science sanatorium operated, or listed and certified, by the First Church of Christ, Scientist, Boston, Massachusetts” after “Secretary”.

EFFECTIVE DATE OF 1997 AMENDMENT

Amendment by Pub. L. 105–33 effective Aug. 5, 1997, and applicable to items and services furnished on or after such date, with provision that Secretary of Health and Human Services issue regulations to carry out such amendment by not later than July 1, 1998, see section 4454(d) of Pub. L. 105–33, set out as an Effective Date note under section 1395i–5 of this title.

EFFECTIVE DATE OF 1996 AMENDMENT


EFFECTIVE DATE OF 1972 AMENDMENT

Amendment by section 268(b) of Pub. L. 92–603 effective Oct. 30, 1972, see section 268(c) of Pub. L. 92–603, set out as a note under section 1396a of this title.

EFFECTIVE DATE

Pub. L. 90–248, title II, § 236(c), Jan. 2, 1968, 81 Stat. 910, provided that: “Except as otherwise specified in the text thereof, the amendments made by this section [enacting this section and amending section 1396a of this title] shall take effect on July 1, 1970.”

§ 1396g-1. Required laws relating to medical child support

(a) In general

The laws relating to medical child support, which a State is required to have in effect under section 1396a(a)(60) of this title, are as follows:

(1) A law that prohibits an insurer from denying enrollment of a child under the health coverage of the child’s parent on the ground that—

(A) the child was born out of wedlock,

(B) the child is not claimed as a dependent on the parent’s Federal income tax return, or

(C) the child does not reside with the parent or in the insurer’s service area.

(2) In any case in which a parent is required by a court or administrative order to provide health coverage for a child and the parent is eligible for family health coverage through an insurer, a law that requires such insurer—

(A) to permit such parent to enroll under such family coverage any such child who is otherwise eligible for such coverage (without regard to any enrollment season restrictions);

(B) if such a parent is enrolled but fails to make application to obtain coverage of such child, to enroll such child under such family coverage upon application by the child’s other parent or by the State agency administering the program under this subchapter or part D of subchapter IV; and

(C) not to disenroll (or eliminate coverage of) such a child unless the insurer is provided satisfactory written evidence that—

(i) such court or administrative order is no longer in effect, or

(ii) the child is or will be enrolled in comparable health coverage through an-
other insurer which will take effect not later than the effective date of such dis-enrollment.

(3) In any case in which a parent is required by a court or administrative order to provide health coverage for a child and the parent is eligible for family health coverage through an employer doing business in the State, a law that requires such employer—

(A) to permit such parent to enroll under such family coverage any such child who is otherwise eligible for such coverage (without regard to any enrollment season restrictions); 

(B) if such a parent is enrolled but fails to make application to obtain coverage of such child, to enroll such child under such family coverage upon application by the child’s other parent or by the State agency administering the program under this subchapter or part D of subchapter IV; and

(C) not to disenroll (or eliminate coverage of) any such child unless—

(i) the employer is provided satisfactory written evidence that—

(I) such court or administrative order is no longer in effect, or (II) the child is or will be enrolled in comparable health coverage which will take effect not later than the effective date of such disenrollment, or

(ii) the employer has eliminated family health coverage for all of its employees; and

(D) to withhold from such employee’s compensation the employee’s share (if any) of premiums for health coverage (except that the amount so withheld may not exceed the maximum amount permitted to be withheld under section 1673(b) of title 15), and to pay such share of premiums to the insurer, except that the Secretary may provide by regulation for appropriate circumstances under which an employer may withhold less than such employee’s share of such premiums.

(4) A law that prohibits an insurer from imposing requirements on a State agency, which has been assigned the rights of an individual eligible for medical assistance under this subchapter and covered for health benefits from the insurer, that are different from requirements applicable to an agent or assignee of any other individual so covered.

(5) A law that requires an insurer, in any case in which a child has health coverage through the insurer of a noncustodial parent—

(A) to provide such information to the custodial parent as may be necessary for the child to obtain benefits through such coverage;

(B) to permit the custodial parent (or provider, with the custodial parent’s approval) to submit claims for covered services without the approval of the noncustodial parent; and

(C) to make payment on claims submitted in accordance with subparagraph (B) directly to such custodial parent, the provider, or the State agency.

(6) A law that permits the State agency under this subchapter to garnish the wages, salary, or other employment income of, and requires withholding amounts from State tax refunds to, any person who—

(A) is required by court or administrative order to provide coverage of the costs of health services to a child who is eligible for medical assistance under this subchapter,

(B) has received payment from a third party for the costs of such services to such child, but

(C) has not used such payments to reimburse, as appropriate, either the other parent or guardian of such child or the provider of such services,

to the extent necessary to reimburse the State agency for expenditures for such costs under its plan under this subchapter, but any claims for current or past-due child support shall take priority over any such claims for the costs of such services.

(b) “Insurer” defined

For purposes of this section, the term “insurer” includes a group health plan, as defined in section 1167(1) of title 29, a health maintenance organization, and an entity offering a service benefit plan.


Effective Date


“(1) Except as provided in paragraph (2), the amendments made by this section [enacting this section and amending section 1396a of this title] apply to calendar quarters beginning on or after April 1, 1994, without regard to whether or not final regulations to carry out such amendments have been promulgated by such date.

“(2) In the case of a State plan under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.) which the Secretary of Health and Human Services determines requires State legislation in order for the plan to meet the additional requirements imposed by the amendments made by this section, the State plan shall not be regarded as failing to comply with the requirements of such title solely on the basis of its failure to meet these additional requirements before the first day of the first calendar quarter beginning after the close of the first regular session of the State legislature that begins after the date of enactment of this Act [Aug. 10, 1993]. For purposes of the preceding sentence, in the case of a State that has a 2-year legislative session, each year of such session shall be deemed to be a separate regular session of the State legislature.”.

§ 1396h. State false claims act requirements for increased State share of recoveries

(a) In general

Notwithstanding section 1396d(b) of this title, if a State has in effect a law relating to false or fraudulent claims that meets the requirements of subsection (b), the Federal medical assistance percentage with respect to any amounts recovered under a State action brought under such law, shall be decreased by 10 percentage points.
(b) Requirements

For purposes of subsection (a), the requirements of this subsection are that the Inspector General of the Department of Health and Human Services, in consultation with the Attorney General, determines that the State has in effect a law that meets the following requirements:

(1) The law establishes liability to the State for false or fraudulent claims described in section 3729 of title 31 with respect to any expenditure described in section 1396b(a) of this title.

(2) The law contains provisions that are at least as effective in rewarding and facilitating qui tam actions for false or fraudulent claims as those described in sections 3730 through 3732 of title 31.

(3) The law contains a requirement for filing an action under seal for 60 days with review by the State Attorney General.

(4) The law contains a civil penalty that is not less than the amount of the civil penalty authorized under section 3729 of title 31.

(c) Deemed compliance

A State that, as of January 1, 2007, has a law in effect that meets the requirements of subsection (b) shall be deemed to be in compliance with such requirements for so long as the law continues to meet such requirements.

(d) No preclusion of broader laws

Nothing in this section shall be construed as prohibiting a State that has in effect a law that establishes liability to the State for false or fraudulent claims described in section 3729 of title 31, with respect to programs in addition to the program under this subchapter, or with respect to expenditures in addition to expenditures described in section 1396b(a) of this title, from being considered to be in compliance with the requirements of subsection (a) so long as the law meets such requirements.


PRIOR PROVISIONS

A prior section 1396h, act Aug. 14, 1935, ch. 531, title XIX, §1909, as added and amended Oct. 30, 1972, Pub. L. 92–603, title II, §§242(c), 278(b)(9), 86 Stat. 1419, 1454; Oct. 25, 1977, Pub. L. 95–142, §§4(b), 91 Stat. 1181; Dec. 5, 1980, Pub. L. 96–499, title IX, §917, 94 Stat. 2822; Aug. 14, 1987, Pub. L. 100–93, §§4(a)–(c), 101 Stat. 688, 689, related to criminal penalties for acts involving Medicare and Medicaid qui tam actions for false or fraudulent claims described in section 3729 of title 31 with respect to any expenditure described in section 1396a(a) of this title that a facility fails to meet the requirements contained in section 1396a(a)(31) of this title or section 1396d(d) of this title, or if he finds grounds for termination of his agreement with the facility pursuant to section 1395cc(b) of this title. In that event the Secretary shall notify the State agency and the intermediate care facility for the mentally retarded that approval of eligibility of the facility to participate in the programs established by this subchapter and subchapter XVIII shall be terminated at a time specified by the Secretary. The approval of eligibility of any such facility to participate in such programs may not be reinstated unless the Secretary finds that the reason for termination has been removed and there is reasonable assurance that it will not recur.

(2) Any intermediate care facility for the mentally retarded which is dissatisfied with a determination by the Secretary that it no longer qualifies as an intermediate care facility for the mentally retarded for purposes of this subchapter shall be entitled to a hearing by the Secretary to the same extent as is provided in section 405(b) of this title and to judicial review of the Secretary’s final decision after such hearing as is provided in section 405(g) of this title, except that, in so applying such sections and in applying section 405(j) of this title thereto, any reference therein to the Commissioner of Social Security or the Social Security Administration shall be considered a reference to the Secretary or the Department of Health and Human Services, respectively. Any agreement between such facility and the State agency shall remain in effect until the period for filing a request for a hearing has expired or, if a request has been filed, until a decision has been made by the Secretary; except that the agreement shall not be extended if the Secretary makes a written determination, specifying the reasons therefor, that the continuation of provider status constitutes an immediate and serious threat to the health and safety of patients, and the Secretary certifies that the facility has been notified of its deficiencies and has failed to correct them.


§1396i. Certification and approval of rural health clinics and intermediate care facilities for mentally retarded

(a)(1) Whenever the Secretary certifies a facility in a State to be qualified as a rural health clinic under subchapter XVIII, such facility shall be deemed to meet the standards for certification as a rural health clinic for purposes of providing rural health clinic services under this subchapter.

(2) The Secretary shall notify the State agency administering the medical assistance plan of the approval or disapproval of any facility in that State which has applied for certification by him as a qualified rural health clinic.

(b)(1) The Secretary may cancel approval of any intermediate care facility for the mentally retarded at any time if he finds on the basis of a determination made by him as provided in section 1396a(a)(33)(B) of this title that a facility fails to meet the requirements contained in section 1396a(a)(31) of this title or section 1396d(d) of this title, or if he finds grounds for termination of his agreement with the facility pursuant to section 1395cc(b) of this title. In that event the Secretary shall notify the State agency and the intermediate care facility for the mentally retarded that approval of eligibility of the facility to participate in the programs established by this subchapter and subchapter XVIII shall be terminated at a time specified by the Secretary. The approval of eligibility of any such facility to participate in such programs may not be reinstated unless the Secretary finds that the reason for termination has been removed and there is reasonable assurance that it will not recur.

(2) Any intermediate care facility for the mentally retarded which is dissatisfied with a determination by the Secretary that it no longer qualifies as an intermediate care facility for the mentally retarded for purposes of this subchapter shall be entitled to a hearing by the Secretary to the same extent as is provided in section 405(b) of this title and to judicial review of the Secretary’s final decision after such hearing as is provided in section 405(g) of this title, except that, in so applying such sections and in applying section 405(j) of this title thereto, any reference therein to the Commissioner of Social Security or the Social Security Administration shall be considered a reference to the Secretary or the Department of Health and Human Services, respectively. Any agreement between such facility and the State agency shall remain in effect until the period for filing a request for a hearing has expired or, if a request has been filed, until a decision has been made by the Secretary; except that the agreement shall not be extended if the Secretary makes a written determination, specifying the reasons therefor, that the continuation of provider status constitutes an immediate and serious threat to the health and safety of patients, and the Secretary certifies that the facility has been notified of its deficiencies and has failed to correct them.

§ 1396j

TITLE 42—THE PUBLIC HEALTH AND WELFARE

Page 3262

§ 1396j


Amendments


1994—Subsec. (b)(2). Pub. L. 103–296 inserted before period at end of first sentence “; except that, in so applying such sections and in applying section 405(h) of this title thereto, any reference therein to the Commissioner of Social Security or the Social Security Administration shall be considered a reference to the Secretary or the Department of Health and Human Services, respectively.”


Subsec. (b)(1). Pub. L. 103–239, §6901(d)(5)(A), substituted “any intermediate care facility for the mentally retarded” for “any skilled nursing or intermediate care facility”, “section 1396a(a)(31) of this title or section 1396d(d) of this title” for “‘section 1396a(a)(31) of this title or section 1396c(d) of this title’”, “the intermediate care facility for the mentally retarded for the ‘skilled nursing facility or intermediate care facility’”, and “the intermediate care facility for the mentally retarded for the ‘skilled nursing facility or intermediate care facility’” in two places.


1987—Pub. L. 100–203 struck out “skilled nursing facilities” before “of rural” in section catchline, re-designated subsecs. (b) and (c) as (a) and (b), respectively, and struck out former subsec. (a) which related to certification and approval of skilled nursing facilities.


1977—Pub. L. 95–210 substituted “‘facilities of rural health clinics’” for “‘facilities’” in section catchline, re-designated existing subsecs. (a) and (b) as (a)(1) and (2), respectively, and added subsec. (b).

Effective Date of 1994 Amendment


Effective Date of 1989 Amendment


Effective Date of 1988 Amendments

Amendment by Pub. L. 100–485 effective as if included in the enactment of the Medicare Catastrophic Coverage Act of 1988, Pub. L. 100–360, see section 608(g)(1) of Pub. L. 100–485, set out as a note under section 704 of this title.

Except as specifically provided in section 411 of Pub. L. 100–360, amendment by Pub. L. 100–360, as it relates to a provision in the Omnibus Budget Reconciliation Act of 1987, Pub. L. 100–203, effective as if included in the enactment of that provision in Pub. L. 100–203, see section 411(a) of Pub. L. 100–360, set out as a Reference to OBRA; Effective Date note under section 106 of Title 1, General Provisions.

Effective Date of 1987 Amendment

Amendment by Pub. L. 100–203 applicable to nursing facility services furnished on or after Oct. 1, 1990, with regard to whether regulations implementing such amendment are promulgated by such date, except as otherwise specifically provided in section 1396r of this title, with transitional rule, see section 424(a)(4), (b)(2) of Pub. L. 100–203, as amended, set out as an Effective Date note under section 1396d of this title.

Effective Date of 1977 Amendment

Amendment by Pub. L. 95–210 applicable to medical assistance provided, under a State plan approved under subchapter XIX of this chapter, on and after first day of first calendar quarter that begins more than six months after Dec. 13, 1977, with exception for plans requiring State legislation, see section 2(f) of Pub. L. 95–210, set out as a note under section 1395cc of this title.

Effective Date

Section effective with respect to agreements filed with Secretary under section 1395cc of this title by skilled nursing facilities before, on, or after Oct. 30, 1972, but accepted by him on or after such date, see section 294(e) of Pub. L. 92–603, set out as an Effective Date of 1972 Amendment note under section 1395cc of this title.

§ 1396k. Indian Health Service facilities

(a) Eligibility for reimbursement for medical assistance

A facility of the Indian Health Service (including a hospital, nursing facility, or any other type of facility which provides services of a type otherwise covered under the State plan), whether operated by such Service or by an Indian tribe or tribal organization (as those terms are defined in section 1603 of title 25), shall be eligible for reimbursement for medical assistance provided under a State plan if and for so long as it meets all of the conditions and requirements which are applicable generally to such facilities under this subchapter.

(b) Facilities deemed to meet requirements upon submission of acceptable plan for achieving compliance

Notwithstanding subsection (a), a facility of the Indian Health Service (including a hospital, nursing facility, or any other type of facility which provides services of a type otherwise covered under the State plan) which does not meet all of the conditions and requirements of this subchapter which are applicable generally to such facility, but which submits to the Secretary within six months after September 30, 1976, an acceptable plan for achieving compliance with such conditions and requirements, shall be deemed to meet such conditions and requirements (and to be eligible for reimbursement under this subchapter), without regard to the extent of its actual compliance with such conditions and requirements, during the first twelve months after the month in which such plan is submitted.

(c) Agreement to reimburse State agency for providing care and services

The Secretary is authorized to enter into agreements with the State agency for the purpose of reimbursing such agency for health care and services provided in Indian Health Service facilities to Indians who are eligible for medical assistance under the State plan.

(d) Cross reference

For provisions relating to the authority of certain Indian tribes, tribal organizations, and...
Alaska Native health organizations to elect to directly bill for, and receive payment for, health care services provided by a hospital or clinic of such tribes or organizations and for which payment may be made under this subchapter, see section 1645 of title 25.1


REFERENCES IN TEXT
Section 1645 of title 25, referred to in subsec. (d), was amended generally by Pub. L. 111–148, title X, §10221(a), Mar. 23, 2010, 124 Stat. 935, and, as so amended, no longer contains provisions relating to direct billing of Medicare, Medicaid, and other third party payors.

AMENDMENTS
1987—Subsecs. (a), (b). Pub. L. 100–203, § 4118(f)(1)(A), substituted ‘‘nursing facility, or any other type of facility which provides services of a type otherwise covered under the State plan’’ for ‘‘or nursing facility’’. Pub. L. 100–203, § 4211(h)(8), substituted ‘‘or nursing facility’’ for ‘‘or intermediate care facility, or skilled nursing facility’’ wherever appearing.

EFFECTIVE DATE OF 2000 AMENDMENT
Amendment by Pub. L. 106–147 effective Oct. 1, 2000, see section 3(c) of Pub. L. 106–147, set out as a note under section 1645 of Title 25, Indians.

EFFECTIVE DATE OF 1988 AMENDMENT
Except as specifically provided in section 411 of Pub. L. 100–360, amendment by Pub. L. 100–360, as it relates to a provision in the Omnibus Budget Reconciliation Act of 1987, Pub. L. 100–120, effective as if included in the enactment of that provision in Pub. L. 100–203, see section 411(a) of Pub. L. 100–360, set out as a Reference to OBRA; Effective Date note under section 106 of Title 1, General Provisions.

EFFECTIVE DATE OF 1987 AMENDMENT
Pub. L. 100–203, title IV, § 4118(f)(2), Dec. 22, 1987, 101 Stat. 1330–154, provided that: ‘‘The amendments made by paragraph (1) [amending this section] shall apply to health care services performed on or after the date of the enactment of this Act [Dec. 22, 1987.]’’
Amendment by section 4211(h)(8) of Pub. L. 100–203 applicable to nursing facility services furnished on or after Oct. 1, 1990, without regard to whether regulations implementing such amendment are promulgated by such date, except as otherwise specified provided in section 1396r of this title, with transitional rule, see section 4214(a), (b)(2) of Pub. L. 100–203, as amended, set out as an Effective Date note under section 1396r of this title.

AGREEMENTS TO REIMBURSE STATE AGENCY FOR HEALTH CARE AND SERVICES PROVIDED BY AGENCY TO INDIANS
Pub. L. 94–437, title IV, §402(b), Sept. 30, 1976, 90 Stat. 1409, which authorized Secretary to enter into agree-

1See References in Text note below.

§1396k. Assignment, enforcement, and collection of rights of payments for medical care; establishment of procedures pursuant to State plan; amounts retained by State

(a) For the purpose of assisting in the collection of medical support payments and other payments for medical care owed to recipients of medical assistance under the State plan approved under this subchapter, a State plan for medical assistance shall—
(1) provide that, as a condition of eligibility for medical assistance under the State plan to an individual who has the legal capacity to execute an assignment for himself, the individual is required—
(A) to assign the State any rights, of the individual or of any other person who is eligible for medical assistance under this subchapter and on whose behalf the individual has the legal authority to execute an assignment of such rights, to support (specified as support for the purpose of medical care by a court or administrative order) and to pay such support for the purpose of medical care from any third party;
(B) to cooperate with the State (1) in establishing the paternity of such person (referred to in subparagraph (A)) if the person is a child born out of wedlock, and (ii) in obtaining support and payments (described in subparagraph (A)) for himself and for such person, unless (in either case) the individual is described in section 1396a(j)(1)(A) of this title or the individual is found to have good cause for refusing to cooperate as deter-
minded by the State agency in accordance with standards prescribed by the Secretary, which standards shall take into consideration the best interests of the individuals involved; and

(C) to cooperate with the State in identifying, and providing information to assist the State in pursuing, any third party who may be liable to pay for care and services available under the plan, unless such individual has good cause for refusing to cooperate as determined by the State agency in accordance with standards prescribed by the Secretary, which standards shall take into consideration the best interests of the individuals involved; and

(2) provide for entering into cooperative arrangements (including financial arrangements), with any appropriate agency of any State (including, with respect to the enforcement and collection of rights of payment for medical care by or through a parent, with a State’s agency established or designated under section 654(3) of this title) and with appropriate courts and law enforcement officials, to assist the agency or agencies administering the State plan with respect to (A) the enforcement and collection of rights to support or payment assigned under this section and (B) any other matters of common concern.

(b) Such part of any amount collected by the State under an assignment made under the provisions of this section shall be retained by the State as is necessary to reimburse it for medical assistance payments made on behalf of an individual with respect to whom such assignment was executed (with appropriate reimbursement of the Federal Government to the extent of its participation in the financing of such medical assistance), and the remainder of such amount collected shall be paid to such individual.


AMENDMENTS

2018—Subsec. (a)(1)(A). Pub. L. 115–123, §53102(b)(1), repealed Pub. L. 113–67, §302(b)(2), and provided that the provisions amended by section 202(b) shall be applied and administered as if such amendment had never been enacted. See 2013 Amendment note below.

2013—Subsec. (a)(1)(A). Pub. L. 113–67, §302(b)(2), which directed substitution of “any payment from a third party that has a legal liability to pay for care and services available under the plan” for “payment for medical care from any third party”, was repealed by Pub. L. 115–123, §53102(b)(1).


1984—Subsec. (a). Pub. L. 98–369 substituted “State plan for medical assistance shall” for “State plan for medical assistance may”.

**§ 1396f. Hospital providers of nursing facility services**

(a) Notwithstanding any other provision of this subchapter, payment may be made, in accordance with this section, under a State plan approved under this subchapter for nursing facility services furnished by a hospital which has in effect an agreement under section 1395tt of this title and which, with respect to the provision of such services, meets the requirements of subsections (b) through (d) of section 1396o of this title.

(b)(1) Except as provided in paragraph (3), payment to any such hospital, for any nursing facility services furnished pursuant to subsection (a), shall be at a rate equal to the average rate per patient-day paid for routine services during the previous calendar year under the State plan to nursing facilities, respectively, located in the State in which the hospital is located. The reasonable cost of ancillary services shall be determined in the same manner as the reasonable cost of ancillary services provided for inpatient hospital services.

(2) With respect to any period for which a hospital has an agreement under section 1395tt of this title, in order to allocate routine costs between hospital and long-term care services, the total reimbursement for routine services due from all classes of long-term care patients (including subchapter XVIII, this subchapter, and private pay patients) shall be subtracted from the hospital total routine costs before calculations are made to determine reimbursement for routine hospital services under the State plan.

(3) Payment to all such hospitals, for any nursing facility services furnished pursuant to subsection (a), may be made at a payment rate established by the State in accordance with the requirements of section 1396a(a)(13)(A) of this title.

1 So in original, “. respectively,” probably should not appear.

**AMENDMENTS**

1987—Pub. L. 100–203, §4211(h)(9)(A), substituted "nursing facility services" for "skilled nursing and intermediate care services" in section catchline. Subsec. (a). Pub. L. 100–203, §4211(h)(9)(B), substituted "nursing facility services" for "skilled nursing facility services and intermediate care facility services" and inserted "and which, with respect to the provision of such services, meets the requirements of subsections (b) through (d) of section 1396r of this title" before period at end.

Subsec. (b)(1). Pub. L. 100–203, §4211(h)(9)(C), substituted "nursing facility services" for "skilled nursing or intermediate care facility services" and "nursing facilities" for "skilled nursing and intermediate care facilities".

Subsec. (b)(3). Pub. L. 100–203, §4211(h)(9)(D), substituted "Except as provided in paragraph (3), payment" for "Payment".


**Effective Date of 1987 Amendment**

Amendment by Pub. L. 100–203 applicable to nursing facility services furnished on or after Oct. 1, 1986, without regard to whether regulations implementing such amendment are promulgated by such date, except as otherwise specifically provided in section 1396r of this title, with transitional rule, see section 4214(a), (b) of Pub. L. 100–203, as amended, set out as an Effective Date note under section 1396r of this title.

**Effective Date of 1984 Amendment**

Pub. L. 98–369, div. B, title III, §2369(b), July 18, 1984, 98 Stat. 1110, provided that: "The amendments made by this section [amending this section] shall apply to payments for services furnished after the date of the enactment of this Act [July 18, 1984]."

**Effective Date**

Section effective on date on which final regulations to implement the section are first issued, see section 904(d) of Pub. L. 96–499, set out as an Effective Date note under section 1395tt of this title.

§1396m. Withholding of Federal share of payments for certain medicare providers

(a) Adjustment of Federal matching payments

The Secretary may adjust, in accordance with this section, the Federal matching payment to a State with respect to expenditures for medical assistance for care or services furnished in any quarter by—

(1) an institution (A) which has or previously had in effect an agreement with the Secretary under section 1395cc of this title; and (B) from which the Secretary has been unable to recover overpayments made under subchapter XVIII, or (ii) from which the Secretary has been unable to collect the information necessary to enable him to determine the amount (if any) of the overpayments made to such institution under subchapter XVIII; and

(2) any person (A) who (i) has previously accepted payment on the basis of an assignment under section 1395u(b)(3)(B)(ii) of this title, and (ii) during the annual period immediately preceding such quarter submitted no claims for payment under subchapter XVIII, or submitted claims for payment under subchapter XVIII which aggregated less than the amount of overpayments made to him, and (B)(i) from whom the Secretary has been unable to recover overpayments received in violation of the terms of such assignment, or (ii) from whom the Secretary has been unable to collect the information necessary to enable him to determine the amount (if any) of the overpayments made to such person under subchapter XVIII.

(b) Reductions in payments to and by States

The Secretary may (subject to the remaining provisions of this section) reduce payment to a State under this subchapter for any quarter by an amount equal to the lesser of the Federal matching share of payments to any institution or person specified in subsection (a), or the total overpayments to such institution or person under subchapter XVIII, and may require the State to reduce its payment to such institution or person by such amount.

(c) Notice

The Secretary shall not make any adjustment in the payment to a State, nor require any adjustment in the payment to an institution or person, pursuant to subsection (b) until after he has provided adequate notice (which shall be not less than 60 days) to the State agency and the institution or person.

(d) Regulations

The Secretary shall by regulation provide procedures for implementation of this section, which procedures shall (1) determine the amount of the Federal payment to which the institution or person would otherwise be entitled under this section which shall be treated as a setoff against overpayments under subchapter XVIII, and (2) assure the restoration to the institution or person of amounts withheld under this section which are ultimately determined to be in excess of overpayments under subchapter XVIII and to which the institution or person would otherwise be entitled under this subchapter.

(e) Restoration to trust funds of recovered amounts

The Secretary shall restore to the trust funds established under sections 1395i and 1395t of this title, as appropriate, amounts recovered under this section as setoffs against overpayments under subchapter XVIII.

(f) Liability of States for withheld payments

Notwithstanding any other provision of this subchapter, an institution or person shall not be entitled to recover from any State any amount in payment for medical care and services under this subchapter which is withheld by the State agency pursuant to an order by the Secretary under subsection (b).

§ 1396n. Compliance with State plan and pay-
ment provisions
(a) Activities deemed as compliance
A State shall not be deemed to be out of com-
pliance with the requirements of paragraphs (1), (10), or (23) of section 1396a(a) of this title solely by reason of the fact that the State (or any po-
litical subdivision thereof)—
(1) has entered into—
(A) a contract with an organization which has agreed to provide care and services in addition to those offered under the State plan to individuals eligible for medical as-
sistance who reside in the geographic area served by such organization and who elect to obtain such care and services from such or-
ganization, or by reason of the fact that the plan provides for payment for rural health clinic services only if those services are pro-
vided by a rural health clinic; or
(B) arrangements through a competitive bidding process or otherwise for the pur-
chase of laboratory services referred to in section 1396d(a)(3) of this title or med-
decies if the Secretary has found that—
(i) adequate services or devices will be available under such arrangements, and
(ii) any such laboratory services will be provided only through laboratories—
(I) which meet the applicable require-
ments of section 1395x(e)(9) of this title or
paragraphs (16) and (17) of section 1395x(s) of this title, and such additional require-
ments as the Secretary may re-
quire, and
(II) no more than 75 percent of whose 
charges for such services are for services provided to individuals who are entitled 
to benefits under this subchapter or under part A or part B of subchapter 
XVIII; or
(2) restricts for a reasonable period of time 
the provider or providers from which an indi-
vidual (eligible for medical assistance for 
items or services under the State plan) can re-
ceive such items or services, if—
(A) the State has found, after notice and 
opportunity for a hearing (in accordance 
with procedures established by the State), 
that the individual has utilized such items 
or services at a frequency or amount not med-
ically necessary (as determined in ac-
cordance with utilization guidelines estab-
lished by the State), and
(B) under such restriction, individuals eli-
gible for medical assistance for such services have reasonable access (taking into account 
geographic location and reasonable travel 
time) to such services of adequate quality. 
(b) Waivers to promote cost-effectiveness and ef-
ficiency
The Secretary, to the extent he finds it to be 
cost-effective and efficient and not inconsistent 
with the purposes of this subchapter, may waive 
such requirements of section 1396a of this title 
(other than subsection (s)) (other than sections 
1396a(a)(15), 1396a(bb), and 1396a(a)(10)(A) of this 
title insofar as it requires provision of the care 
and services described in section 1396d(a)(2)(C) of 
this title) as may be necessary for a State—
(1) to implement a primary care case-man-
agement system or a specialty physician serv-
ices arrangement which restricts the provider 
from (or through) whom an individual (eligible 
for medical assistance under this subchapter) 
can obtain medical care services (other than in 
emergency circumstances), if such restric-
tion does not substantially impair access to 
such services of adequate quality where medi-
cally necessary,
(2) to allow a locality to act as a central 
broker in assisting individuals (eligible for 
medical assistance under this subchapter) in 
selecting among competing health care plans, 
if such restriction does not substantially im-
pair access to services of adequate quality 
where medically necessary,
(3) to share (through provision of additional 
services) with recipients of medical assistance 
under the State plan cost savings resulting 
from use by the recipient of more cost-effec-
tive medical care, and
(4) to restrict the provider from (or through) 
whom an individual (eligible for medical assist-
cence under this subchapter) can obtain ser-
dices (other than in emergency circum-
stances) to providers or practitioners who und-
ertake to provide such services and who 
meet, accept, and comply with the reimburse-
ment, quality, and utilization standards under 
the State plan, which standards shall be con-
sistent with the requirements of section 
1396r–4 of this title and are consistent with ac-
cess, quality, and efficient and economic pro-
vision of covered care and services, if such re-
striction does not discriminate among classes 
of providers on grounds unrelated to their 
demonstrated effectiveness and efficiency in 
providing those services and if providers under 
such restriction are paid on a timely basis in 
the same manner as health care practitioners 
must be paid under section 1396a(a)(37)(A) of 
this title.
No waiver under this subsection may restrict 
the choice of the individual in receiving services 
under section 1396d(a)(4)(C) of this title. Sub-
section (h)(2) shall apply to a waiver under this 
subsection.
(c) Waiver respecting medical assistance require-
ment in State plan; scope, etc.; “habilitation 
services” defined; imposition of certain regu-
latory limits prohibited; computation of ex-
penditures for certain disabled patients; 
coordinated services; substitution of partici-
pants
(1) The Secretary may by waiver provide that 
a State plan approved under this subchapter 
may include as “medical assistance” under such 
plan payment for part or all of the cost of home 
or community-based services (other than room and 
board) approved by the Secretary which are 
provided pursuant to a written plan of care to 
individuals with respect to whom there has been 
a determination that but for the provision of 
such services the individuals would require the 
level of care provided in a hospital or a nursing 
facility or intermediate care facility for the 
mentally retarded the cost of which could be re-
imbursed under the State plan. For purposes of 
this subsection, the term “room and board”
shall not include an amount established under a method determined by the State to reflect the portion of costs of rent and food attributable to an unrelated personal caregiver who is residing in the same household with an individual who, but for the assistance of such caregiver, would require admission to a hospital, nursing facility, or intermediate care facility for the mentally retarded.

(2) A waiver shall not be granted under this subsection unless the State provides assurances satisfactory to the Secretary that—

(A) necessary safeguards (including adequate standards for provider participation) have been taken to protect the health and welfare of individuals provided services under the waiver and to assure financial accountability for funds expended with respect to such services;

(B) the State will provide, with respect to individuals who—

(i) are entitled to medical assistance for inpatient hospital services, nursing facility services, or services in an intermediate care facility for the mentally retarded under the State plan,

(ii) may require such services, and

(iii) may be eligible for such home or community-based care under such waiver,

for an evaluation of the need for inpatient hospital services, nursing facility services, or services in an intermediate care facility for the mentally retarded;

(C) such individuals who are determined to be likely to require the level of care provided in a hospital, nursing facility, or intermediate care facility for the mentally retarded are informed of the feasible alternatives, if available under the waiver, at the choice of such individuals, to the provision of inpatient hospital services, nursing facility services, or services in an intermediate care facility for the mentally retarded;

(D) under such waiver the average per capita expenditure estimated by the State in any fiscal year for medical assistance provided with respect to such individuals does not exceed 100 percent of the average per capita expenditure that the State reasonably estimates would have been made in that fiscal year for expenditures under the State plan for such individuals if the waiver had not been granted; and

(E) the State will provide to the Secretary annually, consistent with a data collection plan designed by the Secretary, information on the impact of the waiver granted under this subsection on the type and amount of medical assistance provided under the State plan and on the health and welfare of recipients.

(3) A waiver granted under this subsection may include a waiver of the requirements of section 1396a(a)(1) of this title (relating to state-wideness), section 1396a(a)(10)(B) of this title (relating to comparability), and section 1396a(a)(10)(C)(i)(III) of this title (relating to income and resource rules applicable in the community). A waiver under this subsection (other than a waiver described in subsection (h)(2)) shall be for an initial term of three years and, upon the request of a State, shall be extended for additional five-year periods unless the Secretary determines that for the previous waiver period the assurances provided under paragraph (2) have not been met. A waiver may provide, with respect to post-eligibility treatment of individuals, receiving services under that waiver, that the maximum amount of the individual’s income which may be disregarded for any month for the maintenance needs of the individual may be an amount greater than the maximum allowed for that purpose under regulations in effect on July 1, 1985.

(4) A waiver granted under this subsection may, consistent with paragraph (2)—

(A) limit the individuals provided benefits under such waiver to individuals with respect to whom the State has determined that there is a reasonable expectation that the amount of medical assistance provided with respect to the individual under such waiver will not exceed the amount of such medical assistance provided for such individual if the waiver did not apply, and

(B) provide medical assistance to individuals (to the extent consistent with written plans of care, which are subject to the approval of the State) for case management services, homemaker/home health aide services and personal care services, adult day health services, habilitation services, respite care, and such other services requested by the State as the Secretary may approve and for day treatment or other partial hospitalization services, psychosocial rehabilitation services, and clinic services (whether or not furnished in a facility) for individuals with chronic mental illness.

Except as provided under paragraph (2)(D), the Secretary may not restrict the number of hours or days of respite care in any period which a State may provide under a waiver under this subsection.

(5) For purposes of paragraph (4)(B), the term “habilitation services”—

(A) means services designed to assist individuals in acquiring, retaining, and improving the self-help, socialization, and adaptive skills necessary to reside successfully in home and community-based settings; and

(B) includes (except as provided in subparagraph (C)) prevocational, educational, and supported employment services; but (C) does not include—

(i) special education and related services (as such terms are defined in section 1401 of title 20) which otherwise are available to the individual through a local educational agency; and

(ii) vocational rehabilitation services which otherwise are available to the individual through a program funded under section 730 of title 29.

(6) The Secretary may not require, as a condition of approval of a waiver under this section paragraph (2)(D), that the actual total expenditures for home and community-based services under the waiver (and a claim for Federal financial participation in expenditures for the services) cannot exceed the approved estimates for these services. The Secretary may not deny Federal financial payment with respect to serv-
ices under such a waiver on the ground that, in
order to comply with paragraph (2)(D), a State
has failed to comply with such a requirement.

(7)(A) In making estimates under paragraph
(2)(D) in the case of a waiver that applies only to
individuals with a particular illness or condition
who are inpatients in, or who would require the
level of care provided in, hospitals, nursing fac-
ilities, or intermediate care facilities for the
mentally retarded, the State may determine the
average per capita expenditure that would have
been made in a fiscal year for those individuals
under the State plan separately from the ex-
penditures for other individuals who are inpa-
tients in, or who would require the level of care
provided in, those respective facilities.

(B) In making estimates under paragraph
(2)(D) in the case of a waiver that applies only to
individuals with developmental disabilities who
are inpatients in a nursing facility and whom
the State has determined, on the basis of an
evaluation under paragraph (2)(B), to need the
level of services provided by an intermediate
care facility for the mentally retarded, the
State may determine the average per capita ex-
penditures that would have been made in a fiscal
year for those individuals under the State plan
on the basis of the average per capita expendi-
tures under the State plan for services to indi-
viduals who are inpatients in an intermediate
care facility for the mentally retarded, without
regard to the availability of beds for such inpa-
tients.

(C) In making estimates under paragraph
(2)(D) in the case of a waiver to the extent that
it applies to individuals with mental retardation
or a related condition who are resident in an in-
termediate care facility for the mentally re-
tarded the participation of which under the
State plan is terminated, the State may deter-
mine the average per capita expenditures that
would have been made in a fiscal year for those
individuals without regard to any such termi-
nation.

(8) The State agency administering the plan
under this subchapter may, whenever appro-
priate, enter into cooperative arrangements
with the State agency responsible for admin-
istering the program for children with special
health care needs under subchapter V in order to
assure improved access to coordinated services
to meet the needs of such children.

(9) In the case of any waiver under this sub-
section which contains a limit on the number of
individuals who shall receive home or commu-
nity-based services, the State may substitute
additional individuals to receive such services to
replace any individuals who die or become inelig-
gible for services under the State plan.

(10) The Secretary shall not limit to fewer
than 200 the number of individuals in the State
who may receive home and community-based
services under a waiver under this subsection.

(d) Home and community-based services for el-
derly

(1) Subject to paragraph (2), the Secretary
shall grant a waiver to provide that a State plan
approved under this subchapter shall include as
“medical assistance” under such plan payment
for part or all of the cost of home or commu-
nity-based services (other than room and board)
which are provided pursuant to a written plan of
care to individuals 65 years of age or older with
respect to whom there has been a determination
that but for the provision of such services the
level of care provided in a skilled nursing facility
or intermediate care facility would be likely to require the level
of such services under a waiver.

(2) A waiver shall not be granted under this
subsection unless the State provides assurances satisfactory to the Secretary that—

(A) necessary safeguards (including adequate
standards for provider participation) have
been taken to protect the health and welfare
of individuals provided services under the
waiver and to assure financial accountability
for funds expended with respect to such serv-
ces;

(B) with respect to individuals 65 years of
age or older who—

(i) are entitled to medical assistance for
skilled nursing or intermediate care facility
services under the State plan,

(ii) may require such services, and

(iii) may be eligible for such home or com-
nunity-based services under such waiver,

the State will provide for an evaluation of the
need for such skilled nursing facility or inter-
mediate care facility services; and

(C) such individuals who are determined to
be likely to require the level of care provided
in a skilled nursing facility or intermediate
care facility are informed of the feasible alter-
atives to the provision of skilled nursing fac-
cility or intermediate care facility services,
which such individuals may choose if available
under the waiver.

Each State with a waiver under this subsection
shall provide to the Secretary annually, consist-
ent with a reasonable data collection plan de-
signed by the Secretary, information on the im-
 pact of the waiver granted under this subsection
on the type and amount of medical assistance
provided under the State plan and on the health
and welfare of recipients.

(3) A waiver granted under this subsection
may include a waiver of the requirements of sec-
tion 1396a(a)(10)(C)(i)(III) of this title (relating to in-
come and resource rules applicable in the com-

munity). Subject to a termination by the State
(with notice to the Secretary) at any time, a
waiver under this subsection (other than a waiv-
er described in subsection (h)(2)) shall be for
an initial term of 3 years and, upon the request of
a State, shall be extended for additional 5-year
periods unless the Secretary determines that for
the previous waiver period the assurances provided under paragraph (2) have not been met. A waiver may provide, with respect to post-eligibility treatment of income of all individuals receiving services under the waiver, that the maximum amount of the individual’s income which may be disregarded for any month is equal to the amount that may be allowed for that purpose under a waiver under subsection (c).

(4) A waiver under this subsection may, consistent with paragraph (2), provide medical assistance to individuals for case management services, homemaker/home health aide services and personal care services, adult day health services, respite care, and other medical and social services that can contribute to the health and well-being of individuals and their ability to reside in a community-based care setting.

(5)(A) In the case of a State having a waiver approved under this subsection, notwithstanding any other provision of section 1396b of this title to the contrary, the total amount expended by the State for medical assistance with respect to skilled nursing facility services, intermediate care facility services, and home and community-based services under the State plan for individuals 65 years of age or older during a waiver year under this subsection may not exceed the projected amount determined under subparagraph (B).

(B) For purposes of subparagraph (A), the projected amount under this subparagraph is the sum of the following:

(i) The aggregate amount of the State’s medical assistance under this subchapter for skilled nursing facility services and intermediate care facility services furnished to individuals who have attained the age of 65 for the base year increased by a percentage which is equal to the lesser of 7 percent times the number of years (rounded to the nearest quarter of a year) beginning after the base year and ending at the end of the waiver year involved or the sum of—

(I) the percentage increase (based on an appropriate market-basket index representing the costs of elements of such services) between the beginning of the base year and the beginning of the waiver year involved, plus

(II) the percentage increase between the beginning of the base year and the beginning of the waiver year involved in the number of residents in the State who have attained the age of 65, plus

(III) 2 percent for each year (rounded to the nearest quarter of a year) beginning after the base year and ending at the end of the waiver year.

(ii) The aggregate amount of the State’s medical assistance under this subchapter for home and community-based services for individuals who have attained the age of 65 for the base year increased by a percentage which is equal to the lesser of 7 percent times the number of years (rounded to the nearest quarter of a year) beginning after the base year and ending at the end of the waiver year involved or the sum of—

(I) the percentage increase (based on an appropriate market-basket index representing the costs of elements of such services) between the beginning of the base year and the beginning of the waiver year involved, plus

(II) the percentage increase between the beginning of the base year and the beginning of the waiver year involved in the number of residents in the State who have attained the age of 65, plus

(III) 2 percent for each year (rounded to the nearest quarter of a year) beginning after the base year and ending at the end of the waiver year.

The Secretary shall develop (by not later than October 1, 1989)—

(I) a method, based on an index of appropriately weighted indicators of changes in the wages and prices of the mix of goods and services which comprise both skilled nursing facility services and intermediate care facility services (regardless of the source of payment for such services), for projecting the percentage increase for purposes of clause (i)(I);

(II) a method, based on an index of appropriately weighted indicators of changes in the wages and prices of the mix of goods and services which comprise home and community-based services (regardless of the source of payment for such services), for projecting the percentage increase for purposes of clause (ii)(I); and

(III) a method for projecting, on a State-specific basis, the percentage increase in the number of residents in each State who are over 65 years of age for any period.

(iv) If there is enacted after December 22, 1987, an Act which amends this subchapter whose provisions become effective on or after such date and which results in an increase in the aggregate amount of medical assistance under this subchapter for nursing facility services and home and community-based services for individuals who have attained the age of 65 years, the Secretary, at the request of a State with a waiver under this subsection for a waiver year or years and in close consultation with the State, shall adjust the projected amount computed under this subparagraph for the waiver year or years to take into account such increase.

(C) In this paragraph:

(i) The term “home and community-based services” includes services described in sections 1396d(a)(7) and 1396d(a)(8) of this title, services described in subsection (c)(4)(B), services described in paragraph (4), and personal care services.

(II) Subject to subclause (II), the term “base year” means the most recent year (end-
(A) A determination by the Secretary to deny a request for a waiver (or extension of waiver) under this subsection shall be subject to review to the extent provided under section 1316(b) of this title.

(B) Notwithstanding any other provision of this chapter, if the Secretary denies a request of the State for an extension of a waiver under this subsection, any waiver under this subsection in effect for a period of not less than 90 days after the date on which such request (or, if the State seeks review of such determination in accordance with subparagraph (A), the date on which a final determination is made with respect to such review).

(e) Waiver for children infected with AIDS or drug dependent at birth

(1)(A) Subject to paragraph (2), the Secretary shall grant a waiver to provide that a State plan approved under this subchapter shall include as “medical assistance” under such plan payment for part or all of the cost of nursing care, respite care, physicians’ services, prescribed drugs, medical devices and supplies, transportation services, and such other services requested by the State as the Secretary may approve which are provided pursuant to a written plan of care to a child described in subparagraph (B) with respect to whom there has been a determination that but for the provision of such services the infants would be likely to require the level of care provided in a hospital or nursing facility the cost of which could be reimbursed under the State plan.

(B) Children described in this subparagraph are individuals under 5 years of age who—

(i) at the time of birth were infected with (or tested positively for) the etiologic agent for acquired immune deficiency syndrome (AIDS),

(ii) have such syndrome, or

(iii) at the time of birth were dependent on heroin, cocaine, or phencyclidine,

and with respect to whom adoption or foster care assistance is (or will be) made available under part E of subchapter IV.

(2) A waiver shall not be granted under this subsection unless the State provides assurances satisfactory to the Secretary that—

(A) necessary safeguards (including adequate standards for provider participation) have been taken to protect the health and welfare of individuals provided services under the waiver and to assure financial accountability for funds expended with respect to such services;

(B) under such waiver the average per capita expenditure estimated by the State in any fiscal year for medical assistance provided with respect to such individuals does not exceed 100 percent of the average per capita expenditure that the State reasonably estimates would have been made in that fiscal year for expenditures under the State plan for such individuals if the waiver had not been granted; and

(C) the State will provide to the Secretary annually, consistent with a data collection plan designed by the Secretary, information on the impact of the waiver granted under this subsection on the type and amount of medical assistance provided under the State plan and on the health and welfare of recipients.

(3) A waiver granted under this subsection may include a waiver of the requirements of section 1396a(a)(1) of this title (relating to state-wideness) and section 1396a(a)(10)(B) of this title (relating to comparability). A waiver under this subsection shall be for an initial term of 3 years and, upon the request of a State, shall be extended for additional five-year periods unless the Secretary determines that for the previous waiver period the assurances provided under paragraph (2) have not been met.

(4) The provisions of paragraph (6) of subsection (d) shall apply to this subsection in the same manner as it applies to subsection (d).

(f) Monitor of implementation of waivers; termination of waiver for noncompliance; time limitation for action on requests for plan approval, amendments, or waivers

(1) The Secretary shall monitor the implementation of waivers granted under this section to assure that the requirements for such waiver are being met and shall, after notice and opportunity for a hearing, terminate any such waiver where he finds noncompliance has occurred.

(2) A request to the Secretary from a State for approval of a proposed State plan or plan amendment or a waiver of a requirement of this subchapter shall be deemed granted unless the Secretary, within 90 days after the date of its submission to the Secretary, either denies such request in writing or informs the State agency in writing with respect to any additional information which is needed in order to make a final determination with respect to the request. After the date the Secretary receives such additional information, the request shall be deemed granted unless the Secretary, within 90 days of such date, denies such request.

(g) Optional targeted case management services

(1) A State may provide, as medical assistance, case management services under the plan without regard to the requirements of section 1396a(a)(1) of this title and section 1396a(a)(10)(B) of this title. The provision of case management services under this subsection shall not restrict the choice of the individual to receive medical assistance in violation of section 1396a(a)(23) of this title. A State may limit the provision of case management services under this subsection to individuals with acquired immune deficiency syndrome (AIDS), or with AIDS-related condi-
(ii) Such term includes the following:
   (I) Assessment of an eligible individual to determine service needs, including activities that focus on needs identification, to determine the need for any medical, educational, social, or other services. Such assessment activities include the following:
      (aa) Taking client history.
      (bb) Identifying the needs of the individual, and completing related documentation.
      (cc) Gathering information from other sources such as family members, medical providers, social workers, and educators, if necessary, to form a complete assessment of the eligible individual.
   (II) Development of a specific care plan based on the information collected through an assessment, that specifies the goals and actions to address the medical, social, educational, and other services needed by the eligible individual, including activities such as ensuring the active participation of the eligible individual and working with the individual (or the individual’s authorized health care decision maker) and others to develop such goals and identify a course of action to respond to the assessed needs of the eligible individual.
   (III) Referral and related activities to help an individual obtain needed services, including activities that help link eligible individuals with medical, social, educational, and other services needed by the eligible individual, including activities such as ensuring the active participation of the eligible individual and working with the individual (or the individual’s authorized health care decision maker) and others to develop such goals and identify a course of action to respond to the assessed needs of the eligible individual.
   (IV) Monitoring and followup activities, including activities and contacts that are necessary to ensure the care plan is effectively implemented and adequately addressing the needs of the eligible individual, and which may be with the individual, family members, providers, or other entities and conducted as frequently as necessary to help determine such matters as—
      (aa) whether services are being furnished in accordance with an individual’s care plan; 
      (bb) whether the services in the care plan are adequate; and
      (cc) whether there are changes in the needs or status of the eligible individual, and if so, making necessary adjustments in the care plan and service arrangements with providers.
   (iii) Such term does not include the direct delivery of an underlying medical, educational, social, or other service to which an eligible individual has been referred, including, with respect to the direct delivery of foster care services, services such as (but not limited to) the following:
      (I) Research gathering and completion of documentation required by the foster care program.
      (II) Assessing adoption placements.
      (III) Recruiting or interviewing potential foster care parents.
      (IV) Serving legal papers.
      (V) Home investigations.
      (VI) Providing transportation.
      (VII) Administering foster care subsidies.
      (VIII) Making placement arrangements.
   (B) The term “targeted case management services” are case management services that are furnished without regard to the requirements of section 1396a(a)(1) of this title and section 1396a(a)(10)(B) of this title to specific classes of individuals or to individuals who reside in specified areas.

(3) With respect to contacts with individuals who are not eligible for medical assistance under the State plan or, in the case of targeted case management services, individuals who are eligible for such assistance but are not part of the target population specified in the State plan, such contacts:
   (A) are considered an allowable case management activity, when the purpose of the contact is directly related to the management of the eligible individual’s care; and
   (B) are not considered an allowable case management activity if such contacts relate directly to the identification and management of the noneligible or nontargeted individual’s needs and care.

(4)(A) In accordance with section 1396n, Federal financial participation only is available under this subchapter for case management services or targeted case management services if there are no other third parties liable to pay for such services, including as reimbursement under a medical, social, educational, or other program.
   (B) A State shall allocate the costs of any part of such services which are reimbursable under another federally funded program in accordance with OMB Circular A-87 (or any related or successor guidance or regulations regarding allocation of costs among federally funded programs) under an approved cost allocation program.

(5) Nothing in this subsection shall be construed as affecting the application of rules with respect to third party liability under programs, or activities carried out under title XXVI of the Public Health Service Act [42 U.S.C. 300ff et seq.] or by the Indian Health Service.

(h) Period of waivers; continuations

(1) No waiver under this section (other than a waiver under subsection (c), (d), or (e), or a waiver described in paragraph (2)) may extend
over a period of longer than two years unless the State requests continuation of such waiver, and such request shall be deemed granted unless the Secretary, within 90 days after the date of its submission to the Secretary, either denies such request in writing or informs the State agency in writing with respect to any additional information which is needed in order to make a final determination with respect to the request. After the date the Secretary receives such additional information, the request shall be deemed granted unless the Secretary, within 90 days of such date, denies such request.

(2)(A) Notwithstanding subsections (c)(3) and (d)(3), any waiver under subsection (b), (c), or (d), or a waiver under section 1315 of this title, which is needed in order to make a final determination with respect to any additional information which is needed in order to make a final determination with respect to the request. After the date the Secretary receives such additional information, the request shall be deemed granted unless the Secretary, within 90 days of such date, denies such request.

(B) Establishment of more stringent needs-based eligibility criteria for institutionalized care

The State establishes needs-based criteria for determining whether an individual requires the level of care provided in a hospital, a nursing facility, or an intermediate care facility for the mentally retarded under the State plan or under any waiver of such plan that are more stringent than the needs-based criteria established under subparagraph (A) for determining eligibility for home and community-based services.

(C) Projection of number of individuals to be provided home and community-based services

The State submits to the Secretary, in such form and manner, and upon such frequency as the Secretary shall specify, the projected number of individuals to be provided home and community-based services.

(D) Criteria based on individual assessment

(i) In general

The criteria established by the State for purposes of subparagraphs (A) and (B) requires an assessment of an individual’s support needs and capabilities, and may take into account the inability of the individual to perform 2 or more activities of daily living (as defined in section 7702B(c)(2)(B) of the Internal Revenue Code of 1986) or the need for significant assistance to perform such activities, and such other risk factors as the State determines to be appropriate.

(ii) Adjustment authority

The State plan amendment provides the State with the option to modify the criteria established under subparagraph (A) (without having to obtain prior approval from the Secretary) in the event that the enrollment of individuals eligible for home and community-based services exceeds the projected enrollment submitted for purposes of subparagraph (C), but only if—

(I) the State provides at least 60 days notice to the Secretary and the public of the proposed modification;

(II) the State deems an individual receiving home and community-based services on the basis of the most recent version of the criteria in effect prior to the effective date of the modification to continue to be eligible for such services after the effective date of the modification and until such time as the individual no longer meets the standard for receipt of such services under such pre-modified criteria; and

(III) after the effective date of such modification, the State, at a minimum, applies the criteria for determining whether an individual requires the level of care provided in a hospital, a nursing facility, or an intermediate care facility for the mentally retarded under the State plan or under any waiver of such plan which applied prior to the applica-
tion of the more stringent criteria developed under subparagraph (B).

(E) Independent evaluation and assessment

(i) Eligibility determination

The State uses an independent evaluation for making the determinations described in subparagraphs (A) and (B).

(ii) Assessment

In the case of an individual who is determined to be eligible for home and community-based services, the State uses an independent assessment, based on the needs of the individual to—

(I) determine a necessary level of services and supports to be provided, consistent with an individual's physical and mental capacity;

(II) prevent the provision of unnecessary or inappropriate care; and

(III) establish an individualized care plan for the individual in accordance with subparagraph (G).

(F) Assessment

The independent assessment required under subparagraph (E)(ii) shall include the following:

(i) An objective evaluation of an individual’s inability to perform 2 or more activities of daily living (as defined in section 7702B(c)(2)(B) of the Internal Revenue Code of 1986) or the need for significant assistance to perform such activities.

(ii) A face-to-face evaluation of the individual by an individual trained in the assessment and evaluation of individuals whose physical or mental conditions trigger a potential need for home and community-based services.

(iii) Where appropriate, consultation with the individual’s family, spouse, guardian, or other responsible individual.

(iv) Consultation with appropriate treating and consulting health and support professionals caring for the individual.

(v) An examination of the individual’s relevant history, medical records, and care and support needs, guided by best practices and research on effective strategies that result in improved health and quality of life outcomes.

(vi) If the State offers individuals the option to self-direct the purchase of, or control the receipt of, home and community-based services offered under the State plan amendment, such services for the individual which are planned and purchased under the direction and control of such individual or the individual’s authorized representative, including the amount, duration, scope, provider, and location of such services, under the State plan consistent with the following requirements:

(aa) Assessment

There is an assessment of the needs, capabilities, and preferences of the individual with respect to such services.

(bb) Service plan

Based on such assessment, there is developed jointly with such individual or the individual’s authorized representative a plan for such services for such individual that is approved by the State and that satisfies the requirements of subclause (III).

(ii) Plan requirements

The State ensures that the individualized care plan for an individual—

(I) is developed—

(aa) in consultation with the individual, the individual’s treating physician, health care or support professional, or other appropriate individuals, as defined by the State, and, where appropriate the individual’s family, caregiver, or representative; and

(bb) taking into account the extent of, and need for, any family or other supports for the individual;

(II) identifies the necessary home and community-based services to be furnished to the individual (or, if the individual elects to self-direct the purchase of, or control the receipt of, such services, funded for the individual); and

(III) is reviewed at least annually and as needed when there is a significant change in the individual’s circumstances.

(iii) State option to offer election for self-directed services

(I) Individual choice

At the option of the State, the State may allow an individual or the individual’s representative to elect to receive self-directed home and community-based services in a manner which gives them the most control over such services consistent with the individual’s abilities and the requirements of subclauses (II) and (III).

(II) Self-directed services

The term “self-directed” means, with respect to the home and community-based services offered under the State plan amendment, such services for the individual which are planned and purchased under the direction and control of such individual or the individual’s authorized representative, including the amount, duration, scope, provider, and location of such services, under the State plan consistent with the following requirements:

(aa) Assessment

There is an assessment of the needs, capabilities, and preferences of the individual with respect to such services.

(bb) Service plan

Based on such assessment, there is developed jointly with such individual or the individual’s authorized representative a plan for such services for such individual that is approved by the State and that satisfies the requirements of subclause (III).

(III) Plan requirements

For purposes of subclause (II)(bb), the requirements of this subclause are that the plan—

(aa) specifies those services which the individual or the individual’s authorized representative would be responsible for directing;
(bb) identifies the methods by which the individual or the individual's authorized representative will select, manage, and dismiss providers of such services;
(cc) specifies the role of family members and others whose participation is sought by the individual or the individual's authorized representative with respect to such services;
(dd) is developed through a person-centered process that is directed by the individual or the individual's authorized representative, builds upon the individual's capacity to engage in activities that promote community life and that respects the individual's preferences, choices, and abilities, and involves families, friends, and professionals as desired or required by the individual or the individual's authorized representative;
(ee) includes appropriate risk management techniques that recognize the roles and sharing of responsibilities in obtaining services in a self-directed manner and assure the appropriateness of such plan based upon the resources and capabilities of the individual or the individual's authorized representative; and
(ff) may include an individualized budget which identifies the dollar value of the services and supports under the control and direction of the individual or the individual's authorized representative.

(IV) Budget process

With respect to individualized budgets described in subclause (III)(ff), the State plan amendment—

(aa) describes the method for calculating the dollar values in such budgets based on reliable costs and service utilization;
(bb) defines a process for making adjustments in such dollar values to reflect changes in individual assessments and service plans; and
(cc) provides a procedure to evaluate expenditures under such budgets.

(H) Quality assurance; conflict of interest standards

(i) Quality assurance

The State ensures that the provision of home and community-based services meets Federal and State guidelines for quality assurance.

(ii) Conflict of interest standards

The State establishes standards for the conduct of the independent evaluation and the independent assessment to safeguard against conflicts of interest.

(I) Redeterminations and appeals

The State allows for at least annual redeterminations of eligibility, and appeals in accordance with the frequency of, and manner in which, redeterminations and appeals of eligibility are made under the State plan.

(J) Presumptive eligibility for assessment

The State, at its option, elects to provide for a period of presumptive eligibility (not to exceed a period of 60 days) only for those individuals that the State has reason to believe may be eligible for home and community-based services. Such presumptive eligibility shall be limited to medical assistance for carrying out the independent evaluation and assessment under subparagraph (E) to determine an individual's eligibility for such services and if the individual is so eligible, the specific home and community-based services that the individual will receive.

(2) Definition of individual's representative

In this section, the term “individual's representative" means, with respect to an individual, a parent, a family member, or a guardian of the individual, an advocate for the individual, or any other individual who is authorized to represent the individual.

(3) Nonapplication

A State may elect in the State plan amendment approved under this section to not comply with the requirements of section 1396a(a)(10)(B) of this title (relating to comparability) and section 1396a(a)(10)(C)(III) of this title (relating to income and resource rules applicable in the community), but only for purposes of provided home and community-based services in accordance with such amendment. Any such election shall not be construed to apply to the provision of services to an individual receiving medical assistance in an institutionalization setting as a result of a determination that the individual requires the level of care provided in a hospital or a nursing facility or intermediate care facility for the mentally retarded.

(4) No effect on other waiver authority

Nothing in this subsection shall be construed as affecting the option of a State to offer home and community-based services under a waiver under subsections (c) or (d) of this section or under section 1315 of this title.

(5) Continuation of Federal financial participation for medical assistance provided to individuals as of effective date of State plan amendment

Notwithstanding paragraph (1)(B), Federal financial participation shall continue to be available for an individual who is receiving medical assistance in an institutionalized setting, or home and community-based services provided under a waiver under this section or section 1315 of this title that is in effect as of the effective date of the State plan amendment submitted under this subsection, as a result of a determination that the individual requires the level of care provided in a hospital or a nursing facility or intermediate care facility for the mentally retarded, without regard to whether such individuals satisfy the more stringent eligibility criteria established under that paragraph, until such time as the individual is discharged from the institution or waiver program or no longer requires such level of care.
(6) State option to provide home and community-based services to individuals eligible for services under a waiver

(A) In general

A State that provides home and community-based services in accordance with this subsection to individuals who satisfy the needs-based criteria for the receipt of such services established under paragraph (1)(A) may, in addition to continuing to provide such services to such individuals, elect to provide home and community-based services in accordance with the requirements of this paragraph to individuals who are eligible for home and community-based services under a waiver approved for the State under subsection (c), (d), or (e) or under section 1315 of this title to provide such services, but only for those individuals whose income does not exceed 300 percent of the supplemental security income benefit rate established by section 1396r(v)(1) of this title.

(B) Application of same requirements for individuals satisfying needs-based criteria

Subject to subparagraph (C), a State shall provide home and community-based services to individuals under this paragraph in the same manner and subject to the same requirements as apply under the other paragraphs of this subsection to the provision of home and community-based services to individuals who satisfy the needs-based criteria established under paragraph (1)(A).

(C) Authority to offer different type, amount, duration, or scope of home and community-based services

A State may offer home and community-based services to individuals under this paragraph that differ in type, amount, duration, or scope from the home and community-based services offered for individuals who satisfy the needs-based criteria established under paragraph (1)(A), so long as such services are within the scope of services described in paragraph (4)(B) of subsection (c) for which the Secretary has the authority to approve a waiver and do not include room or board.

(7) State option to offer home and community-based services to specific, targeted populations

(A) In general

A State may elect in a State plan amendment under this subsection to target the provision of home and community-based services under this subsection to specific populations and to differ the type, amount, duration, or scope of such services to such specific populations.

(B) 5-year term

(i) In general

An election by a State under this paragraph shall be for a period of 5 years.

(ii) Phase-in of services and eligibility permitted during initial 5-year period

A State making an election under this paragraph may, during the first 5-year period for which the election is made, phase-in the enrollment of eligible individuals, or the provision of services to such individuals, or both, so long as all eligible individuals in the State for such services are enrolled, and all such services are provided, before the end of the initial 5-year period.

(C) Renewal

An election by a State under this paragraph may be renewed for additional 5-year terms if the Secretary determines, prior to beginning of each such renewal period, that the State has—

(i) adhered to the requirements of this subsection and paragraph in providing services under such an election; and

(ii) met the State’s objectives with respect to quality improvement and beneficiary outcomes.

(j) Optional choice of self-directed personal assistance services

(1) A State may provide, as “medical assistance”, payment for part or all of the cost of self-directed personal assistance services (other than room and board) under the plan which are provided pursuant to a written plan of care to individuals with respect to whom there has been a determination that, but for the provision of such services, the individuals would require and receive personal care services under the plan, or home and community-based services provided pursuant to a waiver under subsection (c). Self-directed personal assistance services may not be provided under this subsection to individuals who reside in a home or property that is owned, operated, or controlled by a provider of services, not related by blood or marriage.

(2) The Secretary shall not grant approval for a State self-directed personal assistance services program under this section unless the State provides assurances satisfactory to the Secretary of the following:

(A) Necessary safeguards have been taken to protect the health and welfare of individuals provided services under the program, and to assure financial accountability for funds expended with respect to such services.

(B) The State will provide, with respect to individuals who—

(i) are entitled to medical assistance for personal care services under the plan, or receive home and community-based services under a waiver granted under subsection (c);

(ii) may require self-directed personal assistance services; and

(iii) may be eligible for self-directed personal assistance services,

an evaluation of the need for personal care under the plan, or personal services under a waiver granted under subsection (c).

(C) Such individuals who are determined to be likely to require personal care under the plan, or home and community-based services under a waiver granted under subsection (c) are informed of the feasible alternatives, if available under the State’s self-directed per-
personal assistance services program, at the choice of such individuals, to the provision of personal care services under the plan, or personal assistance services under a waiver granted under subsection (c).

The State will provide for a support system that ensures participants in the self-directed personal assistance services program are appropriately assessed and counseled prior to enrollment and are able to manage their budgets. Additional counseling and management support may be provided at the request of the participant.

The State will provide to the Secretary an annual report on the number of individuals served and total expenditures on their behalf in the aggregate. The State shall also provide an evaluation of overall impact on the health and welfare of participating individuals compared to non-participants every three years.

(3) A State may provide self-directed personal assistance services under the State plan without regard to the requirements of section 1396a(a)(1) of this title and may limit the population eligible to receive these services and limit the number of persons served without regard to section 1396a(a)(10)(B) of this title.

(A) For purposes of this subsection, the term “self-directed personal assistance services” means personal care and related services, or home and community-based services otherwise available under the plan under this subchapter or subsection (c), that are provided to an eligible participant under a self-directed personal assistance services program under this section, under which individuals, within an approved self-directed services plan and budget, purchase personal assistance and related services, and permit participants to hire, fire, supervise, and manage the individuals providing such services.

(B) At the election of the State—

(i) a participant may choose to use any individual capable of providing the assigned tasks including legally liable relatives as paid providers of the services; and

(ii) the individual may use the individual’s budget to acquire items that increase independence or substitute (such as a microwave oven or an accessibility ramp) for human assistance, to the extent that expenditures would otherwise be made for the human assistance.

(5) For purpose of this section, the term “approved self-directed services plan and budget” means, with respect to a participant, the establishment of a plan and budget for the provision of self-directed personal assistance services, consistent with the following requirements:

(A) Self-direction

The participant (or in the case of a participant who is a minor child, the participant’s parent or guardian, or in the case of an incapacitated adult, another individual recognized by State law to act on behalf of the participant) exercises choice and control over the budget, planning, and purchase of self-directed personal assistance services, including the amount, duration, scope, provider, and location of service provision.

(B) Assessment of needs

There is an assessment of the needs, strengths, and preferences of the participants for such services.

(C) Service plan

A plan for such services (and supports for such services) for the participant has been developed and approved by the State based on such assessment through a person-centered process that—

(i) builds upon the participant’s capacity to engage in activities that promote community life and that respects the participant’s preferences, choices, and abilities; and

(ii) involves families, friends, and professionals in the planning or delivery of services or supports as desired or required by the participant.

(D) Service budget

A budget for such services and supports for the participant has been developed and approved by the State based on such assessment and plan and on a methodology that uses valid, reliable cost data, is open to public inspection, and includes a calculation of the expected cost of such services if those services were not self-directed. The budget may not restrict access to other medically necessary care and services furnished under the plan and approved by the State but not included in the budget.

(E) Application of quality assurance and risk management

There are appropriate quality assurance and risk management techniques used in establishing and implementing such plan and budget that recognize the roles and responsibilities in obtaining services in a self-directed manner and assure the appropriateness of such plan and budget based upon the participant’s resources and capabilities.

(6) A State may employ a financial management entity to make payments to providers, track costs, and make reports under the program. Payment for the activities of the financial management entity shall be at the administrative rate established in section 1396b(a) of this title.

(k) State plan option to provide home and community-based attendant services and supports

(1) In general

Subject to the succeeding provisions of this subsection, beginning October 1, 2011, a State may provide through a State plan amendment for the provision of medical assistance for home and community-based attendant services and supports for individuals who are eligible for medical assistance under the State plan whose income does not exceed 150 percent of the poverty line (as defined in section 1397(j)(3) of this title) or, if greater, the income level applicable for an individual who has been determined to require an institutional level of care to be eligible for nursing facility services under the State plan and with
respect to whom there has been a determination that, but for the provision of such services, the individuals would require the level of care provided in a hospital, a nursing facility, an intermediate care facility for the mentally retarded, or an institution for mental diseases, the cost of which could be reimbursed under the State plan, but only if the individual chooses to receive such home and community-based attendant services and supports, and only if the State meets the following requirements:

(A) Availability

The State shall make available home and community-based attendant services and supports to eligible individuals, as needed, to assist in accomplishing activities of daily living, instrumental activities of daily living, and health-related tasks through hands-on assistance, supervision, or cueing—

(i) under a person-centered plan of services and supports that is based on an assessment of functional need and that is agreed to in writing by the individual or, as appropriate, the individual’s representative;

(ii) in a home or community setting, which does not include a nursing facility, institution for mental diseases, or an intermediate care facility for the mentally retarded;

(iii) under an agency-provider model or other model (as defined in paragraph (6)(C)); and

(iv) the furnishing of which—

(I) is selected, managed, and dismissed by the individual, or, as appropriate, with assistance from the individual’s representative;

(II) is controlled, to the maximum extent possible, by the individual or where appropriate, the individual’s representative, regardless of who may act as the employer of record; and

(III) provided by an individual who is qualified to provide such services, including family members (as defined by the Secretary).

(B) Included services and supports

In addition to assistance in accomplishing activities of daily living, instrumental activities of daily living, and health-related tasks, the home and community-based attendant services and supports made available include—

(i) the acquisition, maintenance, and enhancement of skills necessary for the individual to accomplish activities of daily living, instrumental activities of daily living, and health related tasks;

(ii) back-up systems or mechanisms (such as the use of beepers or other electronic devices) to ensure continuity of services and supports; and

(iii) voluntary training on how to select, manage, and dismiss attendants.

(C) Excluded services and supports

Subject to subparagraph (D), the home and community-based attendant services and supports made available do not include—

(i) room and board costs for the individual;

(ii) special education and related services provided under the Individuals with Disabilities Education Act (20 U.S.C. 1400 et seq.); and vocational rehabilitation services provided under the Rehabilitation Act of 1973 (29 U.S.C. 701 et seq.);

(iii) assistive technology devices and assistive technology services other than those under (1)(B)(ii);

(iv) medical supplies and equipment; or

(v) home modifications.

(D) Permissible services and supports

The home and community-based attendant services and supports may include—

(i) expenditures for transition costs such as rent and utility deposits, first month’s rent and utilities, bedding, basic kitchen supplies, and other necessities required for an individual to make the transition from a nursing facility, institution for mental diseases, or intermediate care facility for the mentally retarded to a community-based home setting where the individual resides; and

(ii) expenditures relating to a need identified in an individual’s person-centered plan of services that increase independence or substitute for human assistance, to the extent that expenditures would otherwise be made for the human assistance.

(2) Increased Federal financial participation

For purposes of payments to a State under section 1396b(a)(1) of this title, with respect to amounts expended by the State to provide medical assistance under the State plan for home and community-based attendant services and supports to eligible individuals in accordance with this subsection during a fiscal year quarter occurring during the period described in paragraph (1), the Federal medical assistance percentage applicable to the State (as determined under section 1396b(b) of this title) shall be increased by 6 percentage points.

(3) State requirements

In order for a State plan amendment to be approved under this subsection, the State shall—

(A) develop and implement such amendment in collaboration with a Development and Implementation Council established by the State that includes a majority of members with disabilities, elderly individuals, and their representatives and consults and collaborates with such individuals;

(B) provide consumer controlled home and community-based attendant services and supports to individuals on a statewide basis, in a manner that provides such services and supports in the most integrated setting appropriate to the individual’s needs, and without regard to the individual’s age, type or nature of disability, severity of disability, or the form of home and community-based attendant services and supports that the individual requires in order to lead an independent life;
(C) with respect to expenditures during the first full fiscal year in which the State plan amendment is implemented, maintain or exceed the level of State expenditures for medical assistance that is provided under section 1396(d) of this title, this section, section 1315 of this title, or otherwise to individuals with disabilities or elderly individuals attributable to the preceding fiscal year;

(D) establish and maintain a comprehensive, continuous quality assurance system with respect to community-based attendant services and supports that—

(i) includes standards for agency-based and other delivery models with respect to training, appeals for denials and reconsideration procedures of an individual plan, and other factors as determined by the Secretary;

(ii) incorporates feedback from consumers and their representatives, disability organizations, providers, families of disabled or elderly individuals, members of the community, and others and maximizes consumer independence and consumer control;

(iii) monitors the health and well-being of each individual who receives home and community-based attendant services and supports, including a process for the mandatory reporting, investigation, and resolution of allegations of neglect, abuse, or exploitation in connection with the provision of such services and supports; and

(iv) provides information about the provisions of the quality assurance required under clauses (i) through (iii) to each individual receiving such services; and

(E) collect and report information, as determined necessary by the Secretary, for the purposes of approving the State plan amendment, providing Federal oversight, and conducting an evaluation under paragraph (A) including data regarding how the State provides home and community-based attendant services and supports and other home and community-based services, the cost of such services and supports, and how the State provides individuals with disabilities who otherwise qualify for institutional care under the State plan or under a waiver the choice to instead receive home and community-based services in lieu of institutional care.

(4) Compliance with certain laws

A State shall ensure that, regardless of whether the State uses an agency-provider model or other models to provide home and community-based attendant services and supports under a State plan amendment under this subsection, such services and supports are provided in accordance with the requirements of the Fair Labor Standards Act of 1938 [29 U.S.C. 201 et seq.] and applicable Federal and State laws regarding—

(A) withholding and payment of Federal and State income and payroll taxes;  

(B) the provision of unemployment and workers compensation insurance;  

(C) maintenance of general liability insurance; and

(D) occupational health and safety.

(5) Evaluation, data collection, and report to Congress

(A) Evaluation

The Secretary shall conduct an evaluation of the provision of home and community-based attendant services and supports under this subsection in order to determine the effectiveness of the provision of such services and supports in allowing the individuals receiving such services and supports to lead an independent life to the maximum extent possible; the impact on the physical and emotional health of the individuals who receive such services; and an 

(C) comparative analysis of the costs of services provided under the State plan amendment under this subsection and those provided under institutional care in a nursing facility, institution for mental diseases, or an intermediate care facility for the mentally retarded.

(B) Data collection

The State shall provide the Secretary with the following information regarding the provision of home and community-based attendant services and supports under this subsection for each fiscal year for which such services and supports are provided:

(i) The number of individuals who are estimated to receive home and community-based attendant services and supports under this subsection during the fiscal year.

(ii) The number of individuals that received such services and supports during the preceding fiscal year.

(iii) The specific number of individuals served by type of disability, age, gender, education level, and employment status.

(iv) Whether the specific individuals have been previously served under any other home and community based services program under the State plan or under a waiver.

(C) Reports

Not later than—

(i) December 31, 2013, the Secretary shall submit to Congress and make available to the public an interim report on the findings of the evaluation under subparagraph (A); and

(ii) December 31, 2015, the Secretary shall submit to Congress and make available to the public a final report on the findings of the evaluation under subparagraph (A).

(6) Definitions

In this subsection:

(A) Activities of daily living

The term “activities of daily living” includes tasks such as eating, toileting, grooming, dressing, bathing, and transferring.

2So in original. Probably should be “a”.
(B) Consumer controlled

The term “consumer controlled” means a method of selecting and providing services and supports that allow the individual, or where appropriate, the individual’s representative, maximum control of the home and community-based attendant services and supports, regardless of who acts as the employer of record.

(C) Delivery models

(i) Agency-provider model

The term “agency-provider model” means, with respect to the provision of home and community-based attendant services and supports for an individual, subject to paragraph (4), a method of providing consumer controlled services and supports under which entities contract for the provision of such services and supports.

(ii) Other models

The term “other models” means, subject to paragraph (4), methods, other than an agency-provider model, for the provision of consumer controlled services and supports. Such models may include the provision of vouchers, direct cash payments, or use of a fiscal agent to assist in obtaining services.

(D) Health-related tasks

The term “health-related tasks” means specific tasks related to the needs of an individual, which can be delegated or assigned by licensed health-care professionals under State law to be performed by an attendant.

(E) Individual’s representative

The term “individual’s representative” means a parent, family member, guardian, advocate, or other authorized representative of an individual.\(^3\)

(F) Instrumental activities of daily living

The term “instrumental activities of daily living” includes (but is not limited to) meal planning and preparation, managing finances, shopping for food, clothing, and other essential items, performing essential household chores, communicating by phone or other media, and traveling around and participating in the community.

(i) State plan amendment option to provide medical assistance for certain individuals who are patients in certain institutions for mental diseases

(1) In general

With respect to calendar quarters beginning during the period beginning October 1, 2019, and ending September 30, 2023, a State may elect, through a State plan amendment, to provide medical assistance for items and services furnished to an eligible individual who is a patient in an eligible institution for mental diseases in accordance with the requirements of this subsection.

(2) Payments

Subject to paragraphs (3) and (4), amounts expended under a State plan amendment under paragraph (1) for services described in such paragraph furnished, with respect to a 12-month period, to an eligible individual who is a patient in an eligible institution for mental diseases shall be treated as medical assistance for which payment is made under section 1396b(a) of this title but only to the extent that such services are furnished for not more than a period of 30 days (whether or not consecutive) during such 12-month period.

(3) Maintenance of effort

(A) In general

As a condition for a State receiving payments under section 1396b(a) of this title for medical assistance provided in accordance with this subsection, the State shall (during the period in which it so furnished such medical assistance through a State plan amendment under this subsection) maintain on an annual basis a level of funding expended by the State (and political subdivisions thereof) other than under this subchapter from non-Federal funds for—

(i) items and services furnished to eligible individuals who are patients in eligible institutions for mental diseases that is not less than the level of such funding for such items and services for the most recently ended fiscal year as of October 24, 2018, or, if higher, for the most recently ended fiscal year as of the date the State submits a State plan amendment to the Secretary to provide such medical assistance in accordance with this subsection; and

(ii) items and services (including services described in subparagraph (B)) furnished to eligible individuals in outpatient and community-based settings that is not less than the level of such funding for such items and services for the most recently ended fiscal year as of October 24, 2018, or, if higher, for the most recently ended fiscal year as of the date the State submits a State plan amendment to the Secretary to provide such medical assistance in accordance with this subsection.

(B) Services described

For purposes of subparagraph (A)(i), services described in this subparagraph are the following:

(i) Outpatient and community-based substance use disorder treatment.

(ii) Evidence-based recovery and support services.

(iii) Clinically-directed therapeutic treatment to facilitate recovery skills, relapse prevention, and emotional coping strategies.

(iv) Outpatient medication-assisted treatment, related therapies, and pharmacology.

(v) Counseling and clinical monitoring.

(vi) Outpatient withdrawal management and related treatment designed to alleviate acute emotional, behavioral, cognitive, or biomedical distress resulting from, or occurring with, an individual’s use of alcohol and other drugs.

(vii) Routine monitoring of medication adherence.

\(^3\)So in original. Probably should be followed by a period.
§ 1396n

(4) Ensuring a continuum of services

(B) Notification

Prior to approval of a State plan amendment under this subsection, as a condition for a State receiving payments under section 1396b(a) of this title for medical assistance provided in accordance with this subsection, the State shall report to the Secretary, in accordance with the process established by the Secretary under clause (ii), the information deemed necessary by the Secretary under such clause.

(ii) Process

Not later than the date that is 8 months after October 24, 2018, the Secretary shall establish a process for States to report to the Secretary, at such time and in such manner as the Secretary deems appropriate, such information as the Secretary deems necessary to verify a State’s compliance with subparagraph (A).

(4) Ensuring a continuum of services

(A) In general

As a condition for a State receiving payments under section 1396b(a) of this title for medical assistance for services that could otherwise be covered under the State plan, consistent with at least 2 of the following inpatient and residential levels of care:

(I) Clinically managed, low-intensity residential services that provide adults and adolescents with 24-hour living support and structure with trained personnel and at least 5 hours of clinical service per week per individual.

(II) Clinically managed, medium-intensity residential services for adolescents, and clinically managed, high-intensity residential services for adults, that provide 24-hour care with trained counselors to stabilize multidimensional imminent danger and preparation for outpatient treatment.

(III) Clinically managed, medium-intensity residential services for adolescents and adults that provide 24-hour nursing care and daily physician care for severe, unstable problems in Dimensions 1, 2 or 3.

(D) Transition of care

In order to ensure an appropriate transition for an eligible individual from receiving care in an eligible institution for mental diseases to receiving care at a lower level of clinical intensity within the continuum of care (including outpatient services), the State shall ensure that—

(i) a placement in such eligible institution for mental diseases would allow for an individual’s successful transition to the community, considering such factors as proximity to an individual’s support network (such as family members, employment, and counseling and other services near an individual’s residence); and

(ii) all eligible institutions for mental diseases that furnish items and services to individuals for which medical assistance is provided under the State plan—

(c) Outpatient services; inpatient and residential services

(i) Outpatient services

The State shall, at a minimum, provide medical assistance for services that could otherwise be covered under the State plan, consistent with each of the following outpatient levels of care:

(I) Early intervention for individuals who, for a known reason, are at risk of developing substance-related problems and for individuals for whom there is not yet sufficient information to document a diagnosable substance use disorder.

(II) Outpatient services for less than 6 hours per week for adults, and for less than 6 hours per week for adolescents, for recovery or motivational enhancement therapies and strategies.

(III) Intensive outpatient services for 9 hours or more per week for adults, and for 6 hours or more per week for adolescents, to treat multidimensional instability.

(IV) Partial hospitalization services for 20 hours or more per week for adults and adolescents to treat multidimensional instability that does not require 24-hour care.

(ii) Inpatient and residential services

The State shall provide medical assistance for services that could otherwise be covered under the State plan, consistent with at least 2 of the following inpatient and residential levels of care:

(I) Clinically managed, low-intensity residential services that provide adults and adolescents with 24-hour living support and structure with trained personnel and at least 5 hours of clinical service per week per individual.

(II) Clinically managed, population-specific, high-intensity residential services that provide adults with 24-hour care with trained counselors to stabilize multidimensional imminent danger along with less intense milieu and group treatment for those with cognitive or other impairments unable to use full active milieu or therapeutic community.

(III) Clinically managed, medium-intensity residential services for adolescents, and clinically managed, high-intensity residential services for adults, that provide 24-hour care with trained counselors to stabilize multidimensional imminent danger and preparation for outpatient treatment.

(IV) Medically monitored, high-intensity inpatient services for adolescents, and medically monitored, intensive inpatient services withdrawal management for adults, that provide 24-hour nursing care, make physicians available for significant problems in Dimensions 1, 2, or 3, and provide counseling services 16 hours per day.

(V) Medically managed, intensive inpatient services for adolescents and adults that provide 24-hour nursing care and daily physician care for severe, unstable problems in Dimensions 1, 2 or 3.
(I) are able to provide care at such lower level of clinical intensity; or
(II) have an established relationship with another facility or provider that is
able to provide care at such lower level of clinical intensity and accepts patients
receiving medical assistance under this subsection under which the eligible in-
stitution for mental diseases may ar-
range for individuals to receive such care from such other facility or provider.

(5) Application to managed care

Payments for, and limitations to, medical assistance furnished in accordance with this
subsection shall be in addition to and shall not
(5) Application to managed care
(or any successor regulation).

438.6(e) of title 42, Code of Federal Regulations

mental diseases in accordance with section
of States to make monthly capitation pay-
ments to managed care organizations for indi-
donate to such eligible individual in or
medical assistance for items or services that
prohibit Federal financial participation for
the requirements of this subsection shall not

(7) Definitions

In this subsection:

(A) Dimensions 1, 2, or 3

The term “Dimensions 1, 2, or 3” has the meaning given that term for purposes of the
publication of the American Society of Ad-
diction Medicine entitled “The ASAM Cri-
teria: Treatment Criteria for Addictive Sub-
stance-Related, and Co-Occurring Conditions,
2013”.

(B) Eligible individual

The term “eligible individual” means an individual who—
(i) with respect to a State, is enrolled for
medical assistance under the State plan or
(a) waiver of such plan;
(ii) offers at least 2 forms of medication-
assisted treatment for opioid use disorder, including, in the case of
medication-assisted treatment for opioid use disorder, at least 1 antagonist and 1
partial agonist.

(D) Institution for mental diseases

The term “institution for mental dis-
eseases” has the meaning given that term in section 1396d(i) of this title.

(Aug. 14, 1935, ch. 531, title XIX, §1915, as added
Stat. 809; amended Pub. L. 97–35, title XXI,
§§2176, 2177(a), Aug. 13, 1981, 95 Stat. 812, 813;
Pub. L. 97–248, title I, §137(b)(19)(A), (20)–(25),
Sept. 3, 1982, 96 Stat. 360; Pub. L. 97–448, title III,
§309(b)(17), Jan. 12, 1983, 96 Stat. 2409; Pub. L.
98–369, div. B, title III, §2373(b)(21), July 18, 1984,
98 Stat. 1112; Pub. L. 99–272, title IX,
§§9502(a)–(e), (g)–(l), 9508(a), Apr. 7, 1986, 100
Stat. 202–204, 210; Pub. L. 99–509, title IX,
§§9320(h)(3), 9411(a)–(d), Oct. 21, 1986, 100 Stat.
694; Pub. L. 100–203, title IV, §§4072(d), 4102(a)(1),
(b)(2), 4118(a)(1), (b), (1)(1), (k), (l)(1), (p)(10),
1330–143, 1330–146, 1330–154 to 1330–157, 1330–160,
1330–206; Pub. L. 100–360, title II, §204(d)(3), title
IV, §§411(k)(3), (10)(A), (H), (I), (J)(1)(C)(II),
July 1, 1988, 102 Stat. 729, 791, 794, 796, 799, 803;
Pub. L. 100–465, title VI, §§608(d)(26)(M), (f)(2),
Oct. 13, 1988, 102 Stat. 2422, 2424; Pub. L. 100–647,
title VIII, §§8432(a), (b), 8437(a), Nov. 10, 1988, 102
Stat. 3804, 3806; Pub. L. 101–234, title II, §201(a),
2219, 2270; Pub. L. 101–508, title IV, §§460(c),
4704(b)(3), 4741, 4742(a), (c)(1), (d)(1), Nov. 5, 1990,
607; Pub. L. 103–66, title XIII, §13003(d), Aug. 10,
1993, 107 Stat. 620; Pub. L. 105–33, title IV,
§§4106(c), 4743(a), Aug. 5, 1997, 111 Stat. 368, 524;
Pub. L. 106–113, div. B, §1000(a)(6) [title VI,
§608(o), (z)], Nov. 29, 1999, 113 Stat. 1536,
(title VII, §702(c)(2)), Dec. 21, 2000, 114 Stat. 2763,
2765A–574; Pub. L. 107–121, §2(b)(3), Jan. 15, 2002,
VI, §§6052(a), 6086(a), 6087(a), Feb. 8, 2006, 120
Stat. 93, 121, 127; Pub. L. 111–148, title II, §§2401,
2402(b), (c), (e), (f), 2601(a), (b)(1), Mar. 23, 2010,
124 Stat. 297, 302–304, 314, 315; Pub. L. 111–152,
3971.)

REFERENCES IN TEXT

The Public Health Service Act, referred to in subsec.
(g)(6), is act July 1, 1944, ch. 373, 58 Stat. 682. Title
XXVI of the Act is classified generally to subchapter
XXIV (§300ff et seq.) of chapter 6A of this title. For
complete classification of this Act to the Code, see
Short Title note set out under section 201 of this title
and Tables.

Section 7702B(c)(2)(B) of the Internal Revenue Code
of 1986, referred to in subsec. (b)(1)(D)(1), (F)(1), is
classified to section 7702B(c)(2)(B) of Title 26, Internal
Revenue Code.

The Individuals with Disabilities Education Act, re-
ferred to in subsec. (k)(1)(C)(ii), is title VI of Pub.
91–230, Apr. 13, 1970, 84 Stat. 175, which is classi-
fied generally to chapter 33 (§1400 et seq.) of Title 20,
Education. For complete classification of this Act to
the Code, see section 1400 of Title 20 and Tables.

which is classified generally to chapter 16 (§701 et seq.) of Title 29, Labor. For complete classification of this Act to the Code, see Short Title note set out under section of Title 29 and Tables.

The Fair Labor Standards Act of 1938, referred to in subsec. (k)(4), is act June 25, 1938, ch. 676, 52 Stat. 1060, which is classified generally to chapter 8 (§201 et seq.) of Title 29, Labor. For complete classification of this Act to the Code, see section 201 of Title 29 and Tables.

AMENDMENTS


2010—Subsec. (b). Pub. L. 111–148, §2601(b)(1)(A), inserted at end of concluding provisions “Subsection (h)(2) shall apply to a waiver under this subsection.”

Subsec. (c)(3). Pub. L. 111–148, §2601(b)(1)(B), inserted “(other than a waiver described in subsection (h)(2))” after “‘A waiver under this subsection’.”

Subsec. (d)(3). Pub. L. 111–148, §2601(b)(1)(C), which directed insertion of “(other than a waiver described in subsection (h)(2))” after “‘A waiver under this subsection’” in second sentence, was executed by making the insertion after “a waiver under this subsection”, to reflect the probable intent of Congress.

Subsec. (b). Pub. L. 111–148, §2601(a), designated existing provisions as pars. (1), inserted “‘or a waiver described in paragraph (2)’” after “(c), (d), or (e)”, and added par. (2).

Subsec. (i)(1). Pub. L. 111–148, §2402(c), struck out “or such other services requested by the State as the Secretary may approve” after “room and board”.

Subsec. (i)(1)(C). Pub. L. 111–148, §2402(e)(1), added subpar. (C) and struck out former subpar. (C) which related to projection of number of individuals to be provided home and community-based services and State authority to limit number of eligible individuals.

Subsec. (i)(1)(D)(ii)(II). Pub. L. 111–148, §2402(c)(2), substituted “to continue to be eligible for such services after the effective date of the modification and until such time as the individual no longer meets the standard for receipt of such services under such pre-modified criteria” for “to be eligible for such services for a period of at least 12 months beginning on the date the individual first received medical assistance for such services”.

Subsec. (i)(3). Pub. L. 111–148, §2402(f), substituted “1396a(a)(10)(B) of this title (relating to comparability)” for “1396a(a)(1) of this title (relating to state-wideness)”. Subsec. (i)(4), (6), (7). Pub. L. 111–148, §2402(b), added pars. (6) and (7).


2006—Subsec. (g)(2) to (5). Pub. L. 109–171, §6052(a), added pars. (2) to (5) and struck out former par. (2), which read as follows: “For purposes of this subsection, the term ‘case management services’ means services which will assist individuals eligible under the plan in gaining access to needed medical, social, educational, and other services.”


Subsec. (j). Pub. L. 109–171, §6087(a), added subsec. (j). 2004—Subsec. (c)(5). Pub. L. 108–446, which directed the substitution of “(as such terms are defined in section 1401 of title 20)” for “as defined in section 1401 of title 20”, was executed by making the substitution for “as defined in paragraphs (15) and (17) of title 20” to reflect the probable intent of Congress and the amendment by Pub. L. 102–119. See 1991 Amendment note below.

2002—Subsec. (b). Pub. L. 107–121 substituted “1396a(aa)” for “1396a(a)”.


1999—Subsec. (b). Pub. L. 106–113, §1000(a)(6) (title VI, §608(o)(3)), substituted “90 days of such date” for “90 days of such date”.

1997—Subsec. (a)(1)(B)(II). Pub. L. 105–33, §4106(c), substituted “paragraphs (16) and (17)” for “paragraphs (15) and (16)”.

Subsec. (c)(5). Pub. L. 105–33, §4743(a), in introductory provisions, struck out “‘or to individuals who receive such services after discharge from a nursing facility or intermediate care facility for the mentally retarded’” after “‘habilitation services’”.

1995—Subsec. (a)(1)(A). Pub. L. 104–66 inserted “or to individuals described in section 1396a(c)(1)(A) of this title” after “or either,”.

1991—Subsec. (c)(5)(C)(i). Pub. L. 102–119 substituted “as defined in paragraphs (16) and (17) of title 20” for “as defined in section 1401 of title 20”. The reference to section 1401 of title 20 includes the substitution of “Individuals with Disabilities Education Act” for “Education of the Handicapped Act” in the original.

1990—Subsec. (b). Pub. L. 101–508, §4702(b)(3), inserted “other than sections 1396a(a)(13)(E) and 1396a(a)(10)(A) of this title insofar as it requires provision of the care and services described in section 1396a(a)(2)(C) of this title” after “‘section 1396a of this title’” in introductory provisions.

Pub. L. 101–508, §4604(c), which directed amendment of subsec. (b) by inserting “other than subsection (a)” after “‘Section 1396a of this title’”, was executed by inserting the new language after “section 1396a of this title” to reflect the probable intent of Congress.

Subsec. (b)(4). Pub. L. 101–508, §4742(a), inserted before period at end “and if providers under such restriction are paid on a timely basis in the same manner as health care practitioners must be paid under section 1396a(a)(17)(A) of this title”.

Subsec. (c)(1). Pub. L. 101–508, §4741(a), inserted at end “For purposes of this subsection, the term ‘room and board’ shall not include an amount established under a method determined by the State to reflect the portion of costs of rent and food attributable to an established personal caregiver who is residing in the same household with an individual who, for the assistance of such caregiver, would require admission to a hospital, nursing facility, or intermediate care facility for the mentally retarded.”

Subsec. (c)(4). Pub. L. 101–508, §4742(d)(1), inserted at end “Except as provided under paragraph (2)(D), the Secretary may not restrict the number of hours or days of respite care in any period which a State may provide under a waiver under this subsection.”

Subsec. (c)(7)(C). Pub. L. 101–508, §4742(c)(1), added subpar. (C). Subsec. (d)(1). Pub. L. 101–508, §4741(a), inserted at end “For purposes of this subsection the term ‘room and board’ shall not include an amount established under a method determined by the State to reflect the portion of costs of rent and food attributable to an unrelated personal caregiver who is residing in the same household with an individual who, but for the assistance of such caregiver, would require admission to a hospital, nursing facility, or intermediate care facility for the mentally retarded.”

Subsec. (d)(3)(B)(iv). Pub. L. 101–508, §4741(b), substituted “this subchapter whose provisions become effective on or after such date” for first reference to “this subchapter”. Subsec. (e).Pub. L. 101–508, §4741(d), substituted “paragraphs (15) and (16)” for “paragraphs (14) and (15)”.

Subsec. (f)(4). Pub. L. 101–508, §4742(b)(1), inserted at end “Except as provided under paragraph (2)(D), the Secretary may not restrict the number of hours or days of respite care in any period which a State may provide under a waiver under this subsection.”
Pub. L. 101–234, which repealed Pub. L. 100–360, §204(d)(3), and provided that the provisions of law amended or repealed by such section are restored or revived as if such section had not been enacted, was not executed in view of intervening amendments made to this section by Pub. L. 101–239, §6115(c), and to section 1395(z)(z) of this title by Pub. L. 101–239, §611(a)(1)(C).

See this Amendment note below.

Subsec. (b)(4). Pub. L. 101–239, §6111(c)(2), inserted "shall be consistent with the requirements of section 1396c–4 of this title and after which standards".

1988—Subsec. (a)(10). Pub. L. 100–360, §204(d)(3), substituted "paragraphs (14) and (15)" for "paragraphs (13) and (14)"


Subsec. (c)(7)(A). Pub. L. 100–647, §8457(a), substituted "who are inpatients in, or who would require the level of care provided in, those respective facilities" for "who are inpatients of those respective facilities".

Subsec. (c)(7)(B). Pub. L. 100–360, §411(k)(10)(H), inserted ", without regard to the availability of beds for such inpatients" before period at end.


Subsec. (c)(2)(B)(1). Pub. L. 100–203, §4211(h)(10)(B), substituted "nursing facility or intermediate care facility" for "for the mentally retarded" for "skilled nursing facility or intermediate care facility service".

Subsec. (c)(2)(B)(2). Pub. L. 100–203, §4211(h)(10)(C), in closing provisions, substituted "need for inpatient hospital services, nursing facility services, or services in an intermediate care facility for the mentally retarded" for "need for inpatient hospital, skilled nursing facility or intermediate care facility services".

Subsec. (c)(2)(C). Pub. L. 100–203, §4211(h)(10)(D), (E), substituted "nursing facility, or intermediate care facility for the mentally retarded" for "or nursing facility or intermediate care facility" and "nursing facility services, or services in an intermediate care facility for the mentally retarded" for "or skilled nursing facility or intermediate care facility services".

Subsec. (c)(3). Pub. L. 100–203, §4118(a)(1), substituted ", section 1396a(a)(10)(B) of this title (relating to comparability), and section 1396a(a)(10)(C)(1)(III) of this title (relating to income and resource rules applicable in the community) for "and section 1396a(a)(10)(B) of this title (relating to comparability)"

Subsec. (c)(5). Pub. L. 100–203, §4211(h)(10)(F), substituted "nursing facility or intermediate care facility for the mentally retarded" for "for "skilled nursing facility or intermediate care facility service".

Subsec. (c)(7). Pub. L. 100–203, §4211(h)(10)(G), as amended by Pub. L. 100–360, §411(h)(3)(G), substituted "nursing facilities, or intermediate care facilities for the mentally retarded" for "or in skilled nursing or intermediate care facilities" in subpar. (A) and "nursing facility" for "skilled nursing facility or intermediate care facility" in subpar. (B).

Pub. L. 100–203, §4118(k), designated existing provisions as subpar. (A) and added subpar. (B).


Subsec. (g)(1). Pub. L. 100–203, §4118(d)(1), inserted at end "The State may limit the case managers available with respect to case management services for eligible
individuals with developmental disabilities or with chronic mental illness in order to ensure that the case managers for such individuals are capable of ensuring that such individuals receive needed services.

Subsec. (c). Pub. L. 100–203, §4118(d), added par. (7).

Prior to amendment by Pub. L. 100–203, §4118(d), as amended by Pub. L. 100–360, §4118(k)(10)(I), substituted “within 90 days after the date of the submission to the Secretary, either denies such request in writing or informs the State agency in writing with respect to any additional information which is needed in order to make a final determination with respect to the request. After the date on which the Secretary receives such additional information, the request shall be deemed granted unless the Secretary, within 90 day of such date, denies such request,” for “denies such request in writing within 90 days after the date of the submission to the Secretary.”

Pub. L. 100–203, §4102(b)(2), substituted “subsection (c) or (d)” for “subsection (c)”.

Subsec. (d). Pub. L. 100–203, §4102(a)(1), redesignated former subsec. (d) as (b).


Subsec. (b). Pub. L. 99–272, §9520(b), inserted provision, following par. (4), that no waiver under this subsection may restrict the choice of the individual in receiving services under section 1396a of this title.


Subsec. (c)(2). Pub. L. 99–272, §9520(b)(1), inserted provision relating to individuals with respect to whom there has been a determination that but for the provision of such services the individual would continue to receive inpatient hospital services, skilled nursing facility services, or intermediate care facility services because they are dependent on ventilator support the cost of which is reimbursed under the State plan.

Subsec. (c)(2)(C). Pub. L. 99–950, §9411(a)(2), as amended by Pub. L. 100–203, §4118(p)(10), substituted “inpatient hospital, skilled nursing facility, or” for “inpatient hospital” after “hospital, skilled nursing facility, or” in cl. (i) and inserted “inpatient hospital,” after “need for such”, in concluding provision following cl. (ii).

Subsec. (c)(2)(C). Pub. L. 99–950, §9411(a)(2), as amended by Pub. L. 100–203, §4118(p)(10), substituted “inpatient hospital, skilled nursing facility, or” for “inpatient hospital” after “hospital, skilled nursing facility, or” in cl. (i) and inserted “inpatient hospital,” after “need for such”, in concluding provision following cl. (ii).

Subsec. (c)(3). Pub. L. 99–509, §9411(c)(1), inserted “100 percent of” after “does not exceed”.

Subsec. (c)(3). Pub. L. 99–509, §9411(c)(1), substituted “and section 1396a(a)(10)(B) of this title (relating to comparability)” for “and section 1396a(a)(10) of this title”.

Subsec. (c)(4). Pub. L. 99–272, §9520(b)(2), inserted this subsection” for “this section”.

Subsec. (f). Pub. L. 99–272, §137(b)(25), inserted “approval” before “a proposed State plan”.

1981—Subsecs. (c) to (e). Pub. L. 97–35, §2176, added subsec. (c), redesignated former subsec. (d) as (c) and inserted “other than a waiver under subsection (c)”, and redesignated former subsec. (d) as (e).


Effect Date of 2010 Amendment

Amendment by section 2402(b), (c), (e), (f) of Pub. L. 111–148 effective on the first day of the first fiscal year quarter that begins after Mar. 23, 2010, see section 2402(g) of Pub. L. 111–148 effective on the first day of the first fiscal year quarter that begins after Mar. 23, 2010, see section 2402(g) of Pub. L. 111–148, set out as an Effective and Termination Dates of 2010 Amendment note under section 1396a of this title.

Effect Date of 2006 Amendment

Amendment by Pub. L. 109–171, title VI, §6052(c), Feb. 8, 2006, 120 Stat. 95, provided that: “The amendment made by subsection (a) [amending this section] shall take effect on January 1, 2006.”

Pub. L. 109–171, title VI, §6087(b), Feb. 8, 2006, 120 Stat. 127, provided that: “The amendments made by subsections (a) and (b) [amending this section] take effect on January 1, 2007, and apply to expenditures for medical assistance for home and community-based services provided in accordance with section 1915(l) of the Social Security Act [42 U.S.C. 1396n(l)] (as added by subsections (a) and (b) [probably means subsection (a)]) on or after that date.”

Pub. L. 109–171, title VI, §6087(b), Feb. 8, 2006, 120 Stat. 130, provided that: “The amendment made by subsection (a) [amending this section] shall apply to services furnished on or after January 1, 2007.”

Effect Date of 2002 Amendment

Amendment by Pub. L. 107–121 effective as if included in the enactment of section 702 of the Medicare, Medicaid, and SCHIP Benefits Improvement and Protection Act of 2002 title II, §221, Mar. 23, 2002, 116 Stat. 37, provided that: “The amendment made by subsection (a) [amending this section] shall take effect on January 1, 2004.”
Act of 2000 as enacted into law by section 1(a)(6) of Pub. L. 106–554, see section 2(c)(2) of Pub. L. 107–121, set out as a note under section 1396a of this title.

**Effective Date of 2000 Amendment**
Amendment by Pub. L. 106–554 effective Jan. 1, 2001, and applicable to services furnished on or after such date, see section 1(a)(6) (title VII, §703(e)) of Pub. L. 106–554, set out as a note under section 1396a of this title.

**Effective Date of 1999 Amendment**

Amendment by section 1000(a)(6) [title VI, §608(c)] of Pub. L. 106–113 effective Nov. 29, 1999, set out as a note under section 1396a of this title.

**Effective Date of 1997 Amendment**
Amendment by section 4106(c) of Pub. L. 105–33 applicable to bone mass measurements performed on or after July 1, 1998, see section 4106(d) of Pub. L. 105–33, set out as a note under section 1396x of this title.

Pub. L. 105–33, title IV, §4743(b), Aug. 5, 1997, 111 Stat. 524, provided that: “The amendment made by subsection (a) [amending this section] apply to services furnished on or after October 1, 1997.”

**Effective Date of 1993 Amendment**
Amendment by Pub. L. 103–66 applicable to medical assistance furnished on or after Jan. 1, 1994, without regard to whether or not final regulations to carry out the amendments by section 13603 of Pub. L. 103–66 have been promulgated by such date, see section 13603(f) of Pub. L. 103–66, set out as a note under section 1396a of this title.

**Effective Date of 1990 Amendment**
Amendment by section 4604(d) of Pub. L. 101–508 effective as to payments under this subchapter for calendar quarters beginning on or after July 1, 1990, without regard to whether or not final regulations to carry out the amendments by section 4604 of Pub. L. 101–508 have been promulgated by such date, see section 4604(d) of Pub. L. 101–508, set out as a note under section 1396a of this title.


Pub. L. 101–508, title IV, §4742(b), Nov. 5, 1990, 104 Stat. 1888–197, provided that: “The amendment made by subsection (a) [amending this section] shall take effect as of the first calendar quarter beginning more than 30 days after the date of the enactment of this Act [Nov. 5, 1990].”

Pub. L. 101–508, title IV, §4742(c)(2), Nov. 5, 1990, 104 Stat. 1888–196, provided that: “The amendment made by paragraph (1) [amending this section] shall apply as if included in the enactment of the Omnibus Budget Reconciliation Act of 1981 [Pub. L. 97–35], but shall only apply to facilities the participation of which under a State plan under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.) is terminated on or after the date of the enactment of this Act [Nov. 5, 1990].”


**Effective Date of 1989 Amendment**
Amendment by section 6115(c) of Pub. L. 101–239 applicable to screening pap smears performed on or after July 1, 1990, see section 6115(d) of Pub. L. 101–239, set out as a note under section 1396x of this title.


Amendment by Pub. L. 101–239 effective Jan. 1, 1990, see section 201(c) of Pub. L. 101–239, set out as a note under section 1320a–7a of this title.

**Effective Date of 1988 Amendment**
Pub. L. 100–647, title VIII, §8437(b), Nov. 10, 1988, 102 Stat. 3804, provided that: “The amendments made by this section [amending this section] shall apply to waiver years beginning during or after fiscal year 1989.”

Pub. L. 100–647, title VIII, §8437(b), Nov. 10, 1988, 102 Stat. 3806, provided that: “The amendment made by subsection (a) [amending this section] shall apply with respect to waiver applications submitted before, on, or after the date of the enactment of this Act [Nov. 10, 1988].”

Amendment by section 608d(b)(1)(A) of Pub. L. 100–485 effective as if included in the enactment of the Medicare Catastrophic Coverage Act of 1988, Pub. L. 100–360, see section 608d(b)(1) of Pub. L. 100–485, set out as a note under section 704 of this title.

Amendment by section 608d(b)(2) of Pub. L. 100–485 effective Oct. 13, 1988, see section 608d(b)(2) of Pub. L. 100–485, set out as a note under section 704 of this title.

Amendment by section 204(d)(3) of Pub. L. 100–360 applicable to screening mammography performed on or after Jan. 1, 1990, see section 204(e) of Pub. L. 100–360, set out as a note under section 1395m of this title.

Except as specifically provided in section 411 of Pub. L. 100–360, amendment by section 411(k)(3), (10)(A), (17)(A), (b)(3)(G) of Pub. L. 100–360, as it relates to a provision in the Omnibus Budget Reconciliation Act of 1987, Pub. L. 100–203, effective as if included in the enactment of that provision in Pub. L. 100–203, see section 411(a) of Pub. L. 100–360, set out as a Reference to OBRA; Effective Date note under section 106 of Title I, General Provisions.

**Effective Date of 1987 Amendment**
For effective date of amendment by section 4072(d) of Pub. L. 100–203, see section 4072(e) of Pub. L. 100–203, set out as a note under section 1396x of this title.


Amendment by section 4211(h)(10) of Pub. L. 100–203 applicable to nursing facility services furnished on or after Oct. 1, 1990, without regard to whether regulations implementing such amendment are promulgated by such date, except as otherwise specifically provided in section 1396r of this title, with transitional rule, see section 4211(h)(10) of Pub. L. 100–203, as amended, set
out as an Effective Date note under section 1396c of this title.

Amendment by Pub. L. 100–93 effective at end of four-

Amendment by section 9320(h)(3) of Pub. L. 99–509 applic-

Amendment by subsection (b) [amending this section] shall be effec-

tive for services furnished on or after the date of the

The amendments made by subsections (c) and (d) [amending this section] shall apply to
applications for waivers (or renewals thereof) approved on or after the date of the enactment of this Act (Oct. 21, 1986)."

The Secretary may change or revise such regulation
the Secretary provides for an interim final regulation,
the Secretary shall promulgate regulations to ensure
the quality of, substance use disorder treatment
Social Security Act [42 U.S.C. 1315] to improve access
care setting would be more appropriate for the individ-
dential care setting where a home or community-based

The amendments made by subsections (c) and (d) [amending this section] shall apply to
applications for waivers (or renewals thereof) filed before, on, or after, the date of the enactment of this Act (Apr. 7, 1986) and for services furnished on or after August 13, 1981.

The amendments made by subsection (e) [amending this section] shall apply to
waivers (or renewals thereof) approved before, on, or after the date of the enactment of this Act (Apr. 7, 1986).

Waiver extensions.—Subsection (f) [enacting a provision set out below] shall apply to waivers expiring on or after September 30, 1985, and before September 30, 1986.

The amendments made by subsection (g) [amending this section] shall become effective on September 30, 1986.

The amendments made by this section [amending this section] shall apply to waivers (or renewals thereof) approved before, on, or after the date of the enactment of this Act (Aug. 13, 1981).

The amendments made by subsection (a) [amending this section] shall be effective on or after October 1, 1985.

The amendments made by subsections (c) and (d) [amending this section] shall apply to applications for waivers (or renewals thereof) filed before, on, or after, the date of the enactment of this Act (Apr. 7, 1986) and for services furnished on or after August 13, 1981.

The Secretary shall promulgate regulations to carry out the amendment made by subsection (a) [amending this section] which may be effective and final immediately on an interim basis as of the date of publication of the interim final regulation. If the Secretary provides for an interim final regulation, the Secretary shall provide for a period of public comments on such regulation after the date of publication. The Secretary may change or revise such regulation after completion of the period of public comment.

The amendments made by this section [amending this section] shall become effective 90 days after the date of the enactment of this Act (Aug. 13, 1981).

Nothing in the amendments made by subsection (a) [amending this section and section 1396d of this title] shall be construed as encouraging a State to place an individual in an inpatient or a residential care setting where a home or community-based care setting would be more appropriate for the individual, or as preventing a State from conducting or pursuing a demonstration project under section 1115 of the Social Security Act [42 U.S.C. 1315] to improve access to, and the quality of, substance use disorder treatment for eligible populations.

Oversight and Assessment of the Administration of Home and Community-based Services

"(1) allocate resources for services in a manner that is responsive to the changing needs and choices of beneficiaries receiving non-institutionalized-based long-term services and supports (including such services and supports that are provided under programs other than the State Medicaid program) and that provides strategies for beneficiaries receiving such services to maximize their independence, including through the use of client-employed providers;

"(2) provide the support and coordination needed for a beneficiary in need of such services (and their family caregivers or representative, if applicable) to design an individualized, self-directed, community-supported life; and

"(3) improve coordination among, and the regulation of, all providers of such services under federally and State-funded programs in order to—

"(A) achieve a more consistent administration of policies and procedures across programs in relation to the provision of such services; and

"(B) provide support to beneficiaries to ensure that the needs and goals of each individual beneficiary are addressed in the design, delivery, and oversight of services; and

"(C) ensure that Federal and State policies and programs are aligned and consistent in a manner that ensures the provision of high-quality services to beneficiaries.

The Secretary shall administer the incentive program, including the allocation of funds, in such a manner as to encourage States to develop an integrated, coordinated system of services that is responsive to the needs and preferences of beneficiaries, and that provides for the coordination of services across settings, including in-home and community-based services, home and community-based services provided under Medicaid, and non-Medicaid programs.
“(B) oversee and monitor all service system functions to assure—

“(i) coordination of, and effectiveness of, eligibility determinations and individual assessments;

“(ii) development and service monitoring of a complaint system, a management system, a system to qualify and monitor providers, and systems for role-setting and individual budget determinations; and

“(iii) an adequate number of qualified direct care workers to provide self-directed personal assistance services.”

QUALITY OF CARE MEASURES
Pub. L. 109–171, title VI, §6086(b), Feb. 8, 2006, 120 Stat. 127, provided that:

“(1) IN GENERAL.—The Secretary, acting through the Director of the Agency for Healthcare Research and Quality, shall consult with consumers, health and social service providers and other professionals knowledgeable about long-term care services and supports to develop program performance indicators, client function indicators, and measures of client satisfaction with respect to home and community-based services offered under State Medicaid programs.

“(2) BEST PRACTICES.—The Secretary shall—

“(A) use the indicators and measures developed under paragraph (1) to assess such home and community-based services, the outcomes associated with the receipt of such services (particularly with respect to the health and welfare of the recipient of the services), and the overall system for providing home and community-based services under the Medicaid program under title XIX of the Social Security Act [42 U.S.C. 1396 et seq.]; and

“(B) make publicly available the best practices identified through such assessment and a comparative analyses of the system features of each State.

“(3) APPROPRIATION.—Out of any funds in the Treasury not otherwise appropriated, there is appropriated to the Secretary of Health and Human Services, $1,000,000 for the period of fiscal years 2006 through 2010 to carry out this subsection.”

PERMITTING ADJUSTMENT IN ESTIMATES TO TAKE INTO ACCOUNT PREADMISSION SCREENING REQUIREMENT
Pub. L. 101–508, title IV, §4742(e), Nov. 5, 1990, 104 Stat. 1398–196, provided that: “In the case of a waiver under section 1396n(c) of the Social Security Act [42 U.S.C. 1396n(c)] for individuals with mental retardation or a related condition in a State, the Secretary of Health and Human Services shall permit the State to adjust the estimate of average per capita expenditures submitted under paragraph (2)(D) of such section, with respect to such expenditures made on or after January 1, 1989, to take into account increases in expenditures for, or utilization of, intermediate care facilities for the mentally retarded resulting from implementation of section 1919(e)(7)(A) of such Act [42 U.S.C. 1396n(e)(7)(A)].”

EXTENSIONS OF WAIVERS UNDER SUBSECTION (c)
Pub. L. 101–2–200, title IV, §4102(c), Dec. 22, 1987, 101 Stat. 1330–146, provided that: “In the case of a State which, as of December 1, 1987, has a waiver approved with respect to elderly individuals under section 1915(c) of the Social Security Act [42 U.S.C. 1396n(c)], which waiver is scheduled to expire before July 1, 1988, if the State notifies the Secretary of Health and Human Services of the State’s intention to file an application for a waiver under section 1915(d) of such Act (as amended by subsection (a) of this section), the Secretary shall extend approval of the State’s waiver, under section 1915(c) of such Act, on the same terms and conditions through September 30, 1988.”

Pub. L. 99–272, title IX, §9502(f), Apr. 7, 1986, 100 Stat. 204, provided that: “The Secretary of Health and Human Services shall extend, upon request of the State, any waiver under section 1915(c) of the Social Security Act [42 U.S.C. 1396n(c)] which expires on or after September 30, 1985, and before September 30, 1986. Such extension shall be for a period of not less than one year nor more than five years, subject to section 1915(e)(1) of such Act.”

§1396d. Use of enrollment fees, premiums, deductions, cost sharing, and similar charges

(a) Imposition of certain charges under plan in case of individuals described in section 1396a(a)(10)(A) or (E)

Subject to subsections (g), (i), and (j), the State plan shall provide that in the case of individuals described in subparagraph (A) or (E)(i) of section 1396a(a)(10) of this title who are eligible under the plan—

(1) no enrollment fee, premium, or similar charge will be imposed under the plan (except for a premium imposed under subsection (c));

(2) no deduction, cost sharing or similar charge will be imposed under the plan with respect to—

(A) services furnished to individuals under 18 years of age (and, at the option of the State, individuals under 21, 20, or 19 years of age, or any reasonable category of individuals 18 years of age or over),

(B) services furnished to pregnant women, if such services relate to the pregnancy or to any other medical condition which may complicate the pregnancy, and counseling and pharmacotherapy for cessation of tobacco use by pregnant women (as defined in section 1396d(bb) of this title) and covered outpatient drugs (as defined in subsection (k)(2) of section 1396d–8 of this title and including nonprescription drugs described in subsection (d)(2) of such section) that are prescribed for purposes of promoting, and then used to promote, tobacco cessation by pregnant women in accordance with the Guideline referred to in section 1396d(bb)(2)(A) of this title (or, at the option of the State, any services furnished to pregnant women),

(C) services furnished to any individual who is an inpatient in a hospital, nursing facility, intermediate care facility for the mentally retarded, or other medical institution, if such individual is required, as a condition of receiving services in such institution under the State plan, to spend for costs of medical care all but a minimal amount of his income required for personal needs,

(D) emergency services (as defined by the Secretary), family planning services and supplies described in section 1396d(a)(4)(C) of this title, or

(E) services furnished to an individual who is receiving hospice care (as defined in section 1396d(o) of this title); and

(3) any deduction, cost sharing, or similar charge imposed under the plan with respect to other such individuals or other care and services will be nominal in amount (as determined by the Secretary in regulations which shall, if the definition of “nominal” under the regulations in effect on July 1, 1982 is changed, take into account the level of cash assistance provided in such State and such other criteria as
the Secretary determines to be appropriate); except that a deduction, cost-sharing, or similar charge of up to twice the nominal amount established for outpatient services may be imposed by a State under a waiver granted by the Secretary for services received at a hospital emergency room if the services are not emergency services (referred to in paragraph (2)(D)) and the State has established to the satisfaction of the Secretary that individuals eligible for services under the plan have actually available and accessible to them alternative sources of nonemergency, outpatient services.

(b) Imposition of certain charges under plan in case of individuals other than those described in section 1396a(a)(10)(A) or (E)

The State plan shall provide that in the case of individuals other than those described in subparagraph (A) or (E) of section 1396a(a)(10) of this title who are eligible under the plan—

1. there may be imposed an enrollment fee, premium, or similar charge, which (as determined in accordance with standards prescribed by the Secretary) is related to the individual’s income,
2. no deduction, cost sharing, or similar charge will be imposed under the plan with respect to—
   A. services furnished to individuals under 18 years of age (and, at the option of the State, individuals under 21, 20, or 19 years of age, or any reasonable category of individuals 18 years of age or over),
   B. services furnished to pregnant women, if such services relate to the pregnancy or to any other medical condition which may complicate the pregnancy, and counseling and pharmacotherapy for cessation of tobacco use by pregnant women (as defined in section 1396d(bb) of this title) and covered outpatient drugs (as defined in subsection (k)(2) of section 1396d–8 of this title and including nonprescription drugs described in subsection (d)(2) of such section) that are prescribed for purposes of promoting, and when used to promote, tobacco cessation by pregnant women in accordance with the Guideline referred to in section 1396d(bb)(2)(A) of this title (or, at the option of the State, any services furnished to pregnant women),
   C. services furnished to any individual who is an inpatient in a hospital, nursing facility, intermediate care facility for the mentally retarded, or other medical institution, if such individual is required, as a condition of receiving services in such institution under the State plan, to spend for costs of medical care all but a minimal amount of his income required for personal needs,
   D. emergency services (as defined by the Secretary), family planning services and supplies described in section 1396d(a)(4)(C) of this title, or
   E. services furnished to an individual who is receiving hospice care (as defined in section 1396d(o) of this title); and

3. any deduction, cost sharing, or similar charge imposed under the plan with respect to other such individuals or other care and services will be nominal in amount (as determined by the Secretary in regulations which shall, if the definition of “nominal” under the regulations in effect on July 1, 1982 is changed, take into account the level of cash assistance provided in such State and such other criteria as the Secretary determines to be appropriate); except that a deduction, cost-sharing, or similar charge of up to twice the nominal amount established for outpatient services may be imposed by a State under a waiver granted by the Secretary for services received at a hospital emergency room if the services are not emergency services (referred to in paragraph (2)(D)) and the State has established to the satisfaction of the Secretary that individuals eligible for services under the plan have actually available and accessible to them alternative sources of nonemergency, outpatient services.

(c) Imposition of monthly premium; persons affected; amount; prepayment; failure to pay; use of funds from other programs

1. The State plan of a State may at the option of the State provide for imposing a monthly premium (in an amount that does not exceed the limit established under paragraph (2)) with respect to an individual described in subparagraph (A) or (B) of section 1396a(l)(1) of this title who is receiving medical assistance on the basis of section 1396a(a)(10)(A) or (E) of this title and whose family income (as determined in accordance with the methodology specified in section 1396a(l)(3) of this title) equals or exceeds 150 percent of the income official poverty line (as defined by the Office of Management and Budget, and revised annually in accordance with section 9902(2) of this title) applicable to a family of the size involved.

2. In no case may the amount of any premium imposed under paragraph (1) exceed 10 percent of the amount by which the family income (less expenses for the care of a dependent child) of an individual exceeds 150 percent of the line described in paragraph (1).

3. A State shall not require prepayment of a premium imposed pursuant to paragraph (1) and shall not terminate eligibility of an individual for medical assistance under this subchapter on the basis of failure to pay any such premium until such failure continues for a period of not less than 60 days. The State may waive payment of any such premium in any case where the State determines that requiring such payment would create an undue hardship.

4. A State may permit State or local funds available under other programs to be used for payment of a premium imposed under paragraph (1). Payment of a premium with such funds shall not be counted as income to the individual with respect to whom such payment is made.

(d) Premiums for qualified disabled and working individuals described in section 1396d(s)

With respect to a qualified disabled and working individual described in section 1396d(s) of this title whose income (as determined under paragraph (3) of that section) exceeds 150 percent of the official poverty line referred to in that paragraph, the State plan of a State may
provide for the charging of a premium (expressed as a percentage of the medicare cost-sharing described in section 1396d(p)(3)(A)(1) of this title provided with respect to the individual) according to a sliding scale under which such percentage increases from 0 percent to 10 percent, in reasonable increments (as determined by the Secretary), as the individual’s income increases from 150 percent of such poverty line to 200 percent of such poverty line.

(e) Prohibition of denial of services on basis of individual’s inability to pay certain charges

The State plan shall require that no provider participating under the State plan may deny care or services to an individual eligible for such care or services under the plan on account of such individual’s inability to pay a deduction, cost sharing, or similar charge. The requirements of this subsection shall not extinguish the liability of the individual to whom the care or services were furnished for payment of the deduction, cost-sharing or similar charge.

(f) Charges imposed under waiver authority of Secretary

No deduction, cost sharing, or similar charge may be imposed under any waiver authority of the Secretary, except as provided in subsections (a)(3) and (b)(3) and section 1396o-1 of this title, unless such waiver is for a demonstration project which the Secretary finds after public notice and opportunity for comment—

(1) will test a unique and previously untested use of copayments,

(2) is limited to a period of not more than two years,

(3) will provide benefits to recipients of medical assistance which can reasonably be expected to be equivalent to the risks to the recipients,

(4) is based on a reasonable hypothesis which the demonstration is designed to test in a methodologically sound manner, including the use of control groups of similar recipients of medical assistance in the area, and

(5) is voluntary, or makes provision for assumption of liability for preventable damage to the health of recipients of medical assistance resulting from involuntary participation.

(g) Individuals provided medical assistance under section 1396a(a)(10)(A)(ii)(XV) or (XVI)

With respect to individuals provided medical assistance only under subclause (XV) or (XVI) of section 1396a(a)(10)(A)(ii) of this title—

(1) a State may (in a uniform manner for individuals described in either such subclause)—

(A) require such individuals to pay premiums or other cost-sharing charges set on a sliding scale based on income that the State may determine; and

(B) require payment of 100 percent of such premiums for such year in the case of such an individual who has income for a year that exceeds 250 percent of the income official poverty line (referred to in subsection (c)(1)) applicable to a family of the size involved, except that in the case of such an individual who has income for a year that does not exceed 450 percent of such poverty line, such requirement may only apply to the extent such premiums do not exceed 7.5 percent of such income; and

(2) such State shall require payment of 100 percent of such premiums for a year by such an individual whose adjusted gross income (as defined in section 62 of the Internal Revenue Code of 1986) for such year exceeds $75,000, except that a State may choose to subsidize such premiums by using State funds which may not be federally matched under this subchapter.

In the case of any calendar year beginning after 2000, the dollar amount specified in paragraph (2) shall be increased in accordance with the provisions of section 415(i)(2)(A)(ii) of this title.

(h) Indexing nominal cost sharing

In applying this section and subsections (c) and (e) of section 1396o-1 of this title, with respect to cost sharing that is “nominal” in amount, the Secretary shall increase such “nominal” amounts for each year (beginning with 2006) by the annual percentage increase in the medical care component of the consumer price index for all urban consumers (U.S. city average) as rounded up in an appropriate manner.

(i) State option to impose income-related premiums for families of disabled children

(1) With respect to disabled children provided medical assistance under section 1396a(a)(10)(A)(ii)(XIX) of this title, subject to paragraph (2), a State may (in a uniform manner for such children) require the families of such children to pay monthly premiums set on a sliding scale based on family income.

(2) A premium requirement imposed under paragraph (1) may only apply to the extent that—

(A) in the case of a disabled child described in that paragraph whose family income—

(i) does not exceed 200 percent of the poverty line, the aggregate amount of such premium and any premium that the parent is required to pay for family coverage under section 1396a(cc)(2)(A)(i) of this title and other cost-sharing charges do not exceed 5 percent of the family’s income; and

(ii) exceeds 200, but does not exceed 300, percent of the poverty line, the aggregate amount of such premium and any premium that the parent is required to pay for family coverage under section 1396a(cc)(2)(A)(i) of this title and other cost-sharing charges do not exceed 7.5 percent of the family’s income; and

(B) the requirement is imposed consistent with section 1396a(cc)(2)(A)(ii)(I) of this title.

(3) A State shall not require prepayment of a premium imposed pursuant to paragraph (1) and shall not terminate eligibility of a child under section 1396a(a)(10)(A)(ii)(XIX) of this title for medical assistance under this subchapter on the basis of failure to pay any such premium until such failure continues for a period of at least 60 days from the date on which the premium became past due. The State may waive payment of any such premium in any case where the State determines that requiring such payment would create an undue hardship.
(j) No premiums or cost sharing for Indians furnished items or services directly by Indian health programs or through referral under contract health services

(1) No cost sharing for items or services furnished to Indians through Indian health programs

(A) In general

No enrollment fee, premium, or similar charge, and no deduction, copayment, cost sharing, or similar charge shall be imposed against an Indian who is furnished an item or service directly by the Indian Health Service, an Indian Tribe, Tribal Organization, or Urban Indian Organization or through referral under contract health services for which payment may be made under this subchapter.

(B) No reduction in amount of payment to Indian health providers

Payment due under this subchapter to the Indian Health Service, an Indian Tribe, Tribal Organization, or Urban Indian Organization, or a health care provider through referral under contract health services for the furnishing of an item or service to an Indian who is eligible for assistance under such subchapter, may not be reduced by the amount of any enrollment fee, premium, or similar charge, or any deduction, copayment, cost sharing, or similar charge that would be due from the Indian but for the operation of subparagraph (A).

(2) Rule of construction

Nothing in this subchapter shall be construed as restricting the application of any other limitations on the imposition of premiums or cost sharing that may apply to an individual receiving medical assistance under this subchapter who is an Indian.


REFERENCES IN TEXT

The Internal Revenue Code of 1986, referred to in subsec. (g)(2), is classified generally to Title 26, Internal Revenue Code.

AMENDMENTS

2010—Subsecs. (a)(2)(B), (b)(2)(B). Pub. L. 111–148 inserted “,” and counseling and pharmacotherapy for cessation of tobacco use by pregnant women (as defined in section 1396d(bb) of this title) and covered outpatient drugs (as defined in subsection (k)(2) of section 1396f–8 of this title and including nonprescription drugs described in subsection (d)(2) of such section) that are prescribed for purposes of promoting, and when used to promote, tobacco cessation by pregnant women in accordance with the Guidelines referred to in section 1396d(bb)(2)(A) of this title after “complicate the pregnancy”.


2006—Subsec. (a). Pub. L. 109–171, §6062(b)(1), substituted “subsections (g) and (i)” for “subsection (g)” in introductory provisions.


1997—Subsec. (a)(2)(D). Pub. L. 105–33, §4708(b)(1), struck out “or services furnished to such an individual by a health maintenance organization (as defined in section 1396m of this title) in which he is enrolled,” after “section 1396d(a)(4)(C) of this title.”. Subsec. (b)(2)(D). Pub. L. 105–33, §4708(b)(2), struck out “or (at the option of the State) services furnished to such an individual by a health maintenance organization (as defined in section 1396m of this title) in which he is enrolled,” after “section 1396d(a)(4)(C) of this title.”.

1989—Subsec. (a). Pub. L. 101–239, §6408(d)(3)(A), substituted “paragraph (A) or (E)(i)” for “paragraph (A) or (E)” in introductory provisions. Subsecs. (d) to (f). Pub. L. 101–239, §6408(d)(3)(B), (C), added subsec. (d) and redesignated former subsecs. (d) and (e) as (e) and (f), respectively.

1988—Subsec. (c)(1). Pub. L. 100–360 struck out “nonfarm” after “150 percent of the”.


Subsecs. (a)(2)(C), (b)(2)(C). Pub. L. 100–203, §4211(h)(11), substituted “nursing facility, intermediate care facility for the mentally retarded” for “skilled nursing facility, intermediate care facility”. Subsecs. (c) to (e). Pub. L. 100–203, §4101(d)(1)(B), added subsec. (c) and redesignated former subsecs. (c) and (d) as (d) and (e), respectively.

1986—Subsec. (a). Pub. L. 99–509 substituted “paragraph (A) or (E) of section 1396d(a)(10)” of this title for “section 1396d(a)(10)(A) of this title”.


Subsec. (b). Pub. L. 99–509 substituted “paragraph (A) or (E) of section 1396d(a)(10)” of this title for “section 1396d(a)(10)(A) of this title”.


Subsec. (d). Pub. L. 97–448, §309(b)(19), struck out in introductory text “except as provided in subsubsections (a)(3) and (b)(3)” for “unless authorized under this section”, and in cl. (5) substituted “is voluntary, or makes provision for “in which participation is voluntary, or in which provision is made”.

EFFECTIVE DATE OF 2010 AMENDMENT


EFFECTIVE DATE OF 2009 AMENDMENT

Amendment by Pub. L. 111–5 effective July 1, 2009, see section 5006(c) of Pub. L. 111–5, set out as a note under section 1396a of this title.
after Oct. 1, 1990, without regard to whether regulations applicable to nursing facility services furnished on or after Jan. 1, 2007, see section 6062(d) of Pub. L. 109–171, set out as a note under section 1396a of this title.

**Effective Date of 1999 Amendment**
Amendment by Pub. L. 106–170 applicable to medical assistance for items and services furnished on or after Oct. 1, 2000, see section 201(d) of Pub. L. 106–170, set out as a note under section 1396a of this title.

**Effective Date of 1997 Amendment**
Amendment by Pub. L. 105–33 applicable to contracts entered into or renewed on or after Oct. 1, 1997, see section 4710 of Pub. L. 105–33, set out as a note under section 1396b of this title.

**Effective Date of 1996 Amendment**

(2) In the case of a State plan for medical assistance under title XIX of the Social Security Act [42 U.S.C. 1396 et seq.] which the Secretary of Health and Human Services determines requires State legislation in order for the plan to meet the additional requirements imposed by the amendments made by this section, the State plan shall not be regarded as failing to comply with the requirements of such title solely on the basis of its failure to meet these additional requirements before the first day of the first calendar quarter beginning after the close of the first regular session of the State legislature that begins after the date of the enactment of this Act [Sept. 3, 1982].’’

§1396o–1. State option for alternative premiums and cost sharing

(a) State flexibility

(1) In general

Notwithstanding sections 1396o and 1396a(a)(10)(B) of this title, but subject to paragraph (2), a State, at its option and through a State plan amendment, may impose premiums and cost sharing for any group of individuals (as specified by the State) and for any type of services (other than drugs for which cost sharing may be imposed under subsection (c) and non-emergency services furnished in a hospital emergency department for which cost sharing may be imposed under subsection (e)), and may vary such premiums and cost sharing among such groups or types, consistent with the limitations applicable to a family of the size involved.

(2) Exemption for individuals with family income not exceeding 100 percent of the poverty line

(A) In general

Paragraph (1) and subsection (d) shall not apply, and sections 1396o and 1396a(a)(10)(B) of this title shall continue to apply, in the case of an individual whose family income does not exceed 100 percent of the poverty line applicable to a family of the size involved.

(B) Limit on aggregate cost sharing

To the extent cost sharing under subsections (c) and (e) or under section 1396o of this title is imposed against individuals described in subparagraph (A), the limitation under subsection (b)(1)(B)(ii) on the total aggregate amount of cost sharing shall apply to such cost sharing for all individuals in a family described in subparagraph (A) in the same manner as such limitations apply to cost sharing and families described in subsection (b)(1)(B)(ii).

(3) Definitions

In this section:
§ 1396e–1

TITLE 42—THE PUBLIC HEALTH AND WELFARE

Page 3856

(A) Premium
The term “premium” includes any enrollment fee or similar charge.

(B) Cost sharing
The term “cost sharing” includes any deduction, copayment, or similar charge.

(b) Limitations on exercise of authority

(1) Individuals with family income between 100 and 150 percent of the poverty line

In the case of an individual whose family income exceeds 100 percent, but does not exceed 150 percent, of the poverty line applicable to a family of the size involved—

(A) no premium may be imposed under the plan; and

(B) with respect to cost sharing—

(i) the cost sharing imposed under subsection (a) with respect to any item or service may not exceed 10 percent of the cost of such item or service; and

(ii) the total aggregate amount of cost sharing imposed under this section (including any cost sharing imposed under subsection (c) or (e)) for all individuals in the family may not exceed 5 percent of the family income of the family involved, as applied on a quarterly or monthly basis (as specified by the State).

(2) Individuals with family income above 150 percent of the poverty line

In the case of an individual whose family income exceeds 150 percent of the poverty line applicable to a family of the size involved—

(A) the total aggregate amount of premiums and cost sharing imposed under this section (including any cost sharing imposed under subsection (c) or (e)) for all individuals in the family may not exceed 5 percent of the family income of the family involved, as applied on a quarterly or monthly basis (as specified by the State); and

(B) with respect to cost sharing, the cost sharing imposed with respect to any item or service under subsection (a) may not exceed 20 percent of the cost of such item or service.

(3) Additional limitations

(A) Premiums
No premiums shall be imposed under this section with respect to the following:

(i) Individuals under 18 years of age that are required to be provided medical assistance under section 1396a(a)(10)(A)(i) of this title, and including individuals with respect to whom child welfare services are made available under part B of subchapter IV on the basis of being a child in foster care and individuals with respect to whom adoption or foster care assistance is made available under part E of such subchapter, without regard to age.

(ii) Pregnant women.

(iii) Any terminally ill individual who is receiving hospice care (as defined in section 1396d(o) of this title).

(iv) Any individual who is an inpatient in a hospital, nursing facility, intermedi-

ate care facility for the mentally retarded, or other medical institution, if such individual is required, as a condition of receiving services in such institution under the State plan, to spend for costs of medical care all but a minimal amount of the individual's income required for personal needs.

(v) Women who are receiving medical assistance by virtue of the application of sections 1396a(a)(10)(A)(ii)(XVIII) and 1396a(aa) of this title.

(vi) Disabled children who are receiving medical assistance by virtue of the application of sections 1396a(a)(10)(A)(i)(XIX) and 1396a(aa) of this title.

(vii) An Indian who is furnished an item or service directly by the Indian Health Service, an Indian Tribe, Tribal Organization or Urban Indian Organization or through referral under contract health services.

(B) Cost sharing
Subject to the succeeding provisions of this section, no cost sharing shall be imposed under subsection (a) with respect to the following:

(i) Services furnished to individuals under 18 years of age that are required to be provided medical assistance under section 1396a(a)(10)(A)(i) of this title, and including services furnished to individuals with respect to whom child welfare services are made available under part B of subchapter IV on the basis of being a child in foster care and or individuals with respect to whom adoption or foster care assistance is made available under part E of such subchapter, without regard to age.

(ii) Preventive services (such as well baby and well child care and immunizations) provided to children under 18 years of age regardless of family income.

(iii) Services furnished to pregnant women, if such services relate to the pregnancy or to any other medical condition which may complicate the pregnancy, and counseling and pharmacotherapy for cessation of tobacco use by pregnant women (as defined in section 1396d(bb) of this title).

(iv) Services furnished to a terminally ill individual who is receiving hospice care (as defined in section 1396d(o) of this title).

(v) Services furnished to any individual who is an inpatient in a hospital, nursing facility, intermediate care facility for the mentally retarded, or other medical institution, if such individual is required, as a condition of receiving services in such institution under the State plan, to spend for costs of medical care all but a minimal amount of the individual's income required for personal needs.

(vi) Emergency services (as defined by the Secretary for purposes of section 1396a(a)(2)(D) of this title).

(vii) Family planning services and supplies described in section 1396d(a)(4)(C) of this title.

1So in original.
(viii) Services furnished to women who are receiving medical assistance by virtue of the application of sections 1396a(a)(10)(A)(ii)(XVIII) and 1396a(aa) of this title.

(ix) Services furnished to disabled children who are receiving medical assistance by virtue of the application of sections 1396a(a)(10)(A)(ii)(XIX) and 1396a(cc) of this title.

(x) Items and services furnished to an Indian directly by the Indian Health Service, an Indian Tribe, Tribal Organization or Urban Indian Organization or through referral under contract health services.

(C) Construction

Nothing in this paragraph shall be construed as preventing a State from exempting additional classes of individuals from premiums under this section or from exempting additional individuals or services from cost sharing under subsection (a).

(4) Determinations of family income

In applying this subsection, family income shall be determined in a manner specified by the State for purposes of this subsection, including the use of such disregards as the State may provide. Family income shall be determined for such period and at such periodicity as the State may provide under this subchapter.

(5) Poverty line defined

For purposes of this section, the term “poverty line” has the meaning given such term in section 9902(2) of this title, including any revision required by such section.

(6) Construction

Nothing in this section shall be construed—

(A) as preventing a State from further limiting the premiums and cost sharing imposed under this section beyond the limitations provided under this section;

(B) as affecting the authority of the Secretary through waiver to modify limitations on premiums and cost sharing under this section;

(C) as affecting any such waiver of requirements in effect under this subchapter before February 8, 2006, with regard to the imposition of premiums and cost sharing.

(c) Special rules for cost sharing for prescription drugs

(1) In general

In order to encourage beneficiaries to use drugs (in this subsection referred to as “preferred drugs”) identified by the State as the most (or more) cost effective prescription drugs within a class of drugs (as defined by the State), with respect to one or more groups of beneficiaries specified by the State, subject to paragraph (2), the State may—

(A) provide cost sharing (instead of the level of cost sharing otherwise permitted under section 1396o of this title, but subject to paragraphs (2) and (3)) with respect to drugs that are not preferred drugs within a class; and

(B) waive or reduce the cost sharing otherwise applicable for preferred drugs within such class and shall not apply any such cost sharing for such preferred drugs for individuals for whom cost sharing may not be imposed under subsection (a) due to the application of subsection (b)(3)(B).

(2) Limitations

(A) By income group

In no case may the cost sharing under paragraph (1)(A) with respect to a non-preferred drug exceed—

(i) in the case of an individual whose family income does not exceed 150 percent of the poverty line applicable to a family of the size involved, the amount of nominal cost sharing (as otherwise determined under section 1396o of this title); or

(ii) in the case of an individual whose family income exceeds 150 percent of the poverty line applicable to a family of the size involved, 20 percent of the cost of the drug.

(B) Limitation to nominal for exempt populations

In the case of an individual who is not subject to cost sharing under subsection (a) due to the application of paragraph (1)(B), any cost sharing under paragraph (1)(A) with respect to a non-preferred drug may not exceed a nominal amount (as otherwise determined under section 1396o of this title).

(C) Continued application of aggregate cap

In addition to the limitations imposed under subparagraphs (A) and (B), any cost sharing under paragraph (1)(A) continues to be subject to the aggregate cap on cost sharing applied under subsection (a)(2)(B) or under paragraph (1) or (2) of subsection (b), as the case may be.

(3) Waiver

In carrying out paragraph (1), a State shall provide for the application of cost sharing levels applicable to a preferred drug in the case of a drug that is not a preferred drug if the prescribing physician determines that the preferred drug for treatment of the same condition either would not be as effective for the individual or would have adverse effects for the individual or both.

(4) Exclusion authority

Nothing in this subsection shall be construed as preventing a State from excluding specified drugs or classes of drugs from the application of paragraph (1).

(d) Enforceability of premiums and other cost sharing

(1) Premiums

Notwithstanding section 1396o(c)(3) of this title and section 1396a(a)(10)(B) of this title, a State may, at its option, condition the provision of medical assistance for an individual upon prepayment of a premium authorized to be imposed under this section, or may terminate eligibility for such medical assistance on the basis of failure to pay such a premium but
shall not terminate eligibility of an individual for medical assistance under this subchapter on the basis of failure to pay any such premium until such failure continues for a period of not less than 60 days. A State may apply the previous sentence for some or all groups of beneficiaries as specified by the State and may waive payment of any such premium in any case where the State determines that requiring such payment would create an undue hardship.

(2) Cost sharing

Notwithstanding section 1396o(e) of this title or any other provision of law, a State may permit a provider participating under the State plan to require, as a condition for the provision of care, items, or services to an individual entitled to medical assistance under this subchapter for such care, items, or services, the payment of any cost sharing authorized to be imposed under this section with respect to such care, items, or services. Nothing in this paragraph shall be construed as preventing a provider from reducing or waiving the application of such cost sharing on a case-by-case basis.

(e) State option for permitting hospitals to impose cost sharing for non-emergency care furnished in an emergency department

(1) In general

Notwithstanding section 1396o of this title or section 1396a(a)(1) of this title or the previous provisions of this section, but subject to the limitations of paragraph (2), a State may, by amendment to its State plan under this subchapter, permit a hospital to impose cost sharing for non-emergency services furnished to an individual (within one or more groups of individuals specified by the State) in the hospital emergency department under this subsection if the following conditions are met:

(A) Access to non-emergency room provider

The individual has actually available and accessible (as such terms are applied by the Secretary under section 1396d of this title) an alternate non-emergency services provider with respect to such services.

(B) Notice

The hospital must inform the beneficiary after receiving an appropriate medical screening examination under section 1396dd of this title and after a determination has been made that the individual does not have an emergency medical condition, but before providing the non-emergency services, of the following:

(i) The hospital may require the payment of the State specified cost sharing before the service can be provided.

(ii) The name and location of an alternate non-emergency services provider (described in subparagraph (A)) that is actually available and accessible (as described in such subparagraph).

(iii) The fact that such alternate provider can provide the services without the imposition of cost sharing described in clause (i).

(iv) The hospital provides a referral to coordinate scheduling of this treatment.

Nothing in this subsection shall be construed as preventing a State from applying (or waiving) cost sharing otherwise permissible under this section to services described in clause (iii).

(2) Limitations

(A) Individuals with family income between 100 and 150 percent of the poverty line

In the case of an individual described in subsection (b)(1) who is not described in subparagraph (B), the cost sharing imposed under this subsection may not exceed twice the amount determined to be nominal under section 1396o of this title, subject to the percent of income limitation otherwise applicable under subsection (b)(1)(B)(i).

(B) Application to exempt populations

In the case of an individual described in subsection (a)(1) or who is not subject to cost sharing under subsection (b)(3)(B) with respect to non-emergency services described in paragraph (1), a State may impose cost sharing under paragraph (1) for care in an amount that does not exceed a nominal amount (as otherwise determined under section 1396o of this title) so long as no cost sharing is imposed to receive such care through an outpatient department or other alternative health care provider in the geographic area of the hospital emergency department involved.

(C) Continued application of aggregate cap; relation to other cost sharing

In addition to the limitations imposed under subparagraphs (A) and (B), any cost sharing under paragraph (1) is subject to the aggregate cap on cost sharing applied under subsection (a)(2)(B) or under paragraph (1) or (2) of subsection (b), as the case may be. Cost sharing imposed for services under this subsection shall be instead of any cost sharing that may be imposed for such services under subsection (a) or section 1396o of this title.

(3) Construction

Nothing in this section shall be construed—

(A) to limit a hospital’s obligations with respect to screening and stabilizing treatment of an emergency medical condition under section 1395dd of this title; or

(B) to modify any obligations under either State or Federal standards relating to the application of a prudent-layperson standard with respect to payment or coverage of emergency services by any managed care organization.

(4) Definitions

For purposes of this subsection:

(A) Non-emergency services

The term “non-emergency services” means any care or services furnished in an emergency department of a hospital that do not constitute an appropriate medical screening examination or stabilizing examination and treatment required to be provided by the hospital under section 1395dd of this title.
(B) Alternate non-emergency services provider

The term “alternative non-emergency services provider” means, with respect to non-emergency services for the diagnosis or treatment of a condition, a health care provider, such as a physician’s office, health care clinic, community health center, hospital outpatient department, or similar health care provider, that can provide clinically appropriate services for the diagnosis or treatment of a condition contemporaneously with the provision of the non-emergency services that would be provided in an emergency department of a hospital for the diagnosis or treatment of a condition, and that is participating in the program under this subchapter.


AMENDMENTS

2010—Subsec. (a)(1). Pub. L. 111–148, §2102(b), substituted “(1), (j)”, for “(i)”.

Subsec. (b)(3)(B)(iii). Pub. L. 111–148, §4107(c)(2), inserted “, and counseling and pharmacotherapy for cessation of tobacco use by pregnant women (as defined in section 1396a(bb) of this title)” after “complicate the pregnancy”.


Subsec. (c)(1). Pub. L. 109–171, §405(a)(2)(B), substituted “most (or more) cost effective” for “least (or less) costly effective” in introductory provisions.

Subsec. (c)(2)(B). Pub. L. 109–171, §§405(a)(2)(D), substituted “not subject to cost sharing under subsection (a) due to the application of (paragraph (1) or)” for “not subject to cost sharing due to the application of subsection (b)(3)(B)”.

Subsec. (c)(2)(C). Pub. L. 109–171, §§405(a)(1)(D), inserted “under subsection (a)(2)(B) or” after “cost sharing applied”.


§ 1396p. Liens, adjustments and recoveries, and transfers of assets

(a) Imposition of lien against property of an individual on account of medical assistance rendered to him under a State plan

(1) No lien may be imposed against the property of any individual prior to his death on account of medical assistance paid or to be paid on his behalf under the State plan, except—

(A) pursuant to the judgment of a court on account of benefits incorrectly paid on behalf of such individual, or

(B) in the case of the real property of an individual—

(i) who is an inpatient in a nursing facility, intermediate care facility for the mentally retarded, or other medical institution, if such individual is required, as a condition of receiving services in such institution under the State plan, to spend for costs of medical care all but a minimal amount of his income required for personal needs, and

(ii) with respect to whom the State determines, after notice and opportunity for a hearing (in accordance with procedures established by the State), that he cannot reasonably be expected to be discharged from the medical institution and to return home, except as provided in paragraph (2).

(2) No lien may be imposed under paragraph (1)(B) on such individual’s home if—

(A) the spouse of such individual, (B) such individual’s child who is under age 21, or (C) a sibling of such individual (who has an equity interest in such home and who was residing in such individual’s home for a period of at least one year immediately before the date of the individual’s admission to the medical institution), is lawfully residing in such home.

(3) Any lien imposed with respect to an individual pursuant to paragraph (1)(B) shall dissolve upon that individual’s discharge from the medical institution and return home.

(b) Adjustment or recovery of medical assistance correctly paid under a State plan

(1) No adjustment or recovery of any medical assistance correctly paid on behalf of an individual under the State plan may be made, except that the State shall seek adjustment or recovery of any medical assistance correctly paid on behalf of an individual under the State plan in the case of the following individuals:

(A) In the case of an individual described in subsection (a)(1)(B), the State shall seek adjustment or recovery from the individual’s estate, but only for medical assistance consisting of—

(i) nursing facility services, home and community-based services, and related hospital and prescription drug services, or

(ii) at the option of the State, any items or services under the State plan (but not including medical assistance for medicare cost-sharing or for benefits described in section 1396a(a)(10)(E) of this title).

(C)(i) In the case of an individual who has received (or is entitled to receive) benefits under a long-term care insurance policy in connection with which assets or resources are disregarded in the manner described in clause (ii), except as provided in such clause, the State shall seek adjustment or recovery from the individual’s estate on account of medical assistance paid on behalf of the individual for nursing facility and other long-term care services.

(II) Clause (i) shall not apply in the case of an individual who received medical assistance under a State plan of a State which had a State plan amendment approved as of May 14, 1993, and which satisfies clause (iv), or which has a State plan amendment that provides for a qualified State long-term care insurance partnership (as defined in clause (iii)) which provided for the disregard of any assets or resources—

(I) to the extent that payments are made under a long-term care insurance policy; or

(II) because an individual has received (or is entitled to receive) benefits under a long-term care insurance policy.

(iii) For purposes of this paragraph, the term “qualified State long-term care insurance partnership” means an approved State plan amendment under this subchapter that provides for the disregard of any assets or resources in an amount equal to the insurance benefit payments that are made to or on behalf of an individual who is a beneficiary under a long-term care insurance policy if the following requirements are met:

(I) The policy covers an insured who was a resident of such State when coverage first became effective under the policy.

(II) The policy is a qualified long-term care insurance policy (as defined in section 7702B(b) of the Internal Revenue Code of 1986) issued not earlier than the effective date of the State plan amendment.

(III) The policy meets the model regulations and the requirements of the model Act specified in paragraph (5).

(IV) If the policy is sold to an individual who—

(aa) has not attained age 61 as of the date of purchase, the policy provides compound annual inflation protection;

(bb) has attained age 61 but has not attained age 76 as of such date, the policy provides some level of inflation protection; and

(cc) has attained age 76 as of such date, the policy may (but is not required to) provide some level of inflation protection.
(V) The State Medicaid agency under section 1396a(a)(5) of this title provides information and technical assistance to the State insurance department on the insurance department’s role of assuring that any individual who sells a long-term care policy under the partnership receives training and demonstrates evidence of an understanding of such policies and how they relate to other public and private coverage of long-term care.

(VI) The issuer of the policy provides regular reports to the Secretary, in accordance with regulations of the Secretary, that include notification regarding when benefits provided under the policy have been paid and the amount of such benefits paid, notification regarding when the policy otherwise terminates, and such other information as the Secretary determines may be appropriate to the administration of such partnerships.

(VII) The State does not impose any requirement affecting the terms or benefits of such a policy unless the State imposes such requirement on other long-term care insurance policies without regard to whether the policy is covered under the partnership or is offered in connection with such a partnership. In the case of a long-term care insurance policy which is exchanged for another such policy, subclause (I) shall be applied based on the coverage of the first such policy that was exchanged. For purposes of this clause and paragraph (5), the term “long-term care insurance policy” includes a certificate issued under a group insurance contract.

(iv) With respect to a State which had a State plan amendment approved as of May 14, 1993, such a State satisfies this clause for purposes of clause (ii) if the Secretary determines that the State plan amendment provides for consumer protection standards which are no less stringent than the consumer protection standards which applied under such State plan amendment as of December 31, 2005.

(v) The regulations of the Secretary required under clause (iv) shall be promulgated after consultation with the National Association of Insurance Commissioners, issuers of long-term care insurance policies, States with experience with long-term care insurance partnerships, other States, and representatives of consumers of long-term care insurance policies, and shall specify the type and format of the data and information to be reported and the frequency with which such reports are to be made. The Secretary, as appropriate, shall provide copies of the reports provided in accordance with that clause to the State involved.

(vi) The Secretary, in consultation with other appropriate Federal agencies, issuers of long-term care insurance, the National Association of Insurance Commissioners, State insurance commissioners, States with experience with long-term care insurance partnerships, other States, and representatives of consumers of long-term care insurance policies, shall develop recommendations for Congress to authorize and fund a uniform minimum data set to be reported electronically by all issuers of long-term care insurance policies under qualified State long-term care insurance partnerships to a secure, centralized electronic query and report-generating mechanism that the State, the Secretary, and other Federal agencies can access.

(2) Any adjustment or recovery under paragraph (1) may be made only after the death of the individual’s surviving spouse, if any, and only at a time—

(A) when he has no surviving child who is under age 21, or (with respect to States eligible to participate in the State program established under subchapter XVI) is blind or permanently and totally disabled, or (with respect to States which are not eligible to participate in such program) is blind or disabled as defined in section 1396c of this title; and

(B) in the case of an individual’s home under subsection (a)(1)(B), when—

(i) no sibling of the individual (who was residing in the individual’s home for a period of at least one year immediately before the date of the individual’s admission to the medical institution), and

(ii) no son or daughter of the individual (who was residing in the individual’s home for a period of at least two years immediately before the date of the individual’s admission to the medical institution, and who establishes to the satisfaction of the State that he or she provided care to such individual which permitted such individual to reside at home rather than in an institution),

is lawfully residing in such home who has lawfully resided in such home on a continuous basis since the date of the individual’s admission to the medical institution.

(3)(A) The State agency shall establish procedures (in accordance with standards specified by the Secretary) under which the agency shall waive the application of this subsection (other than paragraph (1)(C)) if such application would work an undue hardship as determined on the basis of criteria established by the Secretary.

(B) The standards specified by the Secretary under subparagraph (A) shall require that the procedures established by the State agency under subparagraph (A) exempt income, resources, and property that are exempt from the application of this subsection as of April 1, 2003, under manual instructions issued to carry out this subsection (as in effect on such date) because of the Federal responsibility for Indian Tribes and Alaska Native Villages. Nothing in this subparagraph shall be construed as preventing the Secretary from providing additional estate recovery exemptions under this subchapter for Indians.

(4) For purposes of this subsection, the term “estate”, with respect to a deceased individual—

(A) shall include all real and personal property and other assets included within the individual’s estate, as defined for purposes of State probate law; and

(B) may include, at the option of the State (and shall include, in the case of an individual to whom paragraph (1)(C)(i) applies), any other
real and personal property and other assets in which the individual had any legal title or interest at the time of death (to the extent of such interest), including such assets conveyed to a survivor, heir, or assign of the deceased individual through joint tenancy, tenancy in common, survivorship, life estate, living trust, or other arrangement.

(5)(A) For purposes of clause (ii)(III), the model regulations and the requirements of the model Act specified in this paragraph are:

(i) In the case of the model regulation, the following requirements:

(I) Section 6A (relating to guaranteed renewal or noncancellability), other than paragraph (5) thereof, and the requirements of section 6B of the model Act relating to such section 6A.

(II) Section 6B (relating to prohibitions on limitations and exclusions) other than paragraph (7) thereof.

(III) Section 6C (relating to extension of benefits).

(IV) Section 6D (relating to continuation or conversion of coverage).

(V) Section 6E (relating to discontinuance and replacement of policies).

(VI) Section 7 (relating to unintentional lapse).

(VII) Section 8 (relating to disclosure), other than sections 8F, 8G, 8H, and 8I thereof.

(VIII) Section 9 (relating to required disclosure of rating practices to consumer).

(IX) Section 11 (relating to prohibitions against post-claims underwriting).

(X) Section 12 (relating to minimum standards).

(XI) Section 14 (relating to application forms and replacement coverage).

(XII) Section 15 (relating to application standards).

(XIII) Section 22 (relating to filing requirements for marketing).

(XIV) Section 23 (relating to standards for marketing), including inaccurate completion of medical histories, other than paragraphs (1), (6), and (9) of section 23C.

(XV) Section 24 (relating to suitability).

(XVI) Section 25 (relating to prohibition against preexisting conditions and probationary periods in replacement policies or certificates).

(XVII) The provisions of section 26 relating to contingent nonforfeiture benefits, if the policyholder declines the offer of a nonforfeiture provision described in paragraph (4).

(XVIII) Section 29 (relating to standard format outline of coverage).

(XIX) Section 30 (relating to requirement to deliver shopper’s guide).

(ii) In the case of the model Act, the following:

(I) Section 6C (relating to preexisting conditions).

(II) Section 6D (relating to prior hospitalization).

(III) The provisions of section 8 relating to contingent nonforfeiture benefits.

(IV) Section 6F (relating to right to return).

(V) Section 6G (relating to outline of coverage).

(VI) Section 6H (relating to requirements for certificates under group plans).

(VII) Section 6J (relating to policy summary).

(VIII) Section 6K (relating to monthly reports on accelerated death benefits).

(IX) Section 7 (relating to incontestability period).

(B) For purposes of this paragraph and paragraph (1)(C)—

(i) the terms “model regulation” and “model Act” mean the long-term care insurance model regulation, and the long-term care insurance model Act, respectively, promulgated by the National Association of Insurance Commissioners (as adopted as of October 2000);

(ii) any provision of the model regulation or model Act listed under subparagraph (A) shall be treated as including any other provision of such regulation or Act necessary to implement the provision; and

(iii) with respect to a long-term care insurance policy issued in a State, the policy shall be deemed to meet applicable requirements of the model regulation or the model Act if the State plan amendment under paragraph (1)(C)(iii) provides that the State insurance commissioner for the State certifies (in a manner satisfactory to the Secretary) that the policy meets such requirements.

(C) Not later than 12 months after the National Association of Insurance Commissioners issues a revision, update, or other modification of a model regulation or model Act provision specified in subparagraph (A), or of any provision of such regulation or Act that is substantively related to a provision specified in such subparagraph, the Secretary shall review the changes made to the provision, determine whether incorporating such changes into the corresponding provision specified in such subparagraph would improve qualified State long-term care insurance partnerships, and if so, shall incorporate the changes into such provision.

(c) Taking into account certain transfers of assets

(1)(A) In order to meet the requirements of this subsection for purposes of section 1396m(a)(18) of this title, the State plan must provide that if an institutionalized individual or the spouse of such an individual (or, at the option of a State, a noninstitutionalized individual or the spouse of such an individual) disposes of assets for less than fair market value on or after the look-back date specified in subparagraph (B)(i), the individual is ineligible for medical assistance for services described in subparagraph (C)(i) (or, in the case of a noninstitutionalized individual, for the services described in subparagraph (C)(ii)) during the period beginning on the date specified in subparagraph (D) and equal to the number of months specified in subparagraph (E).

(B)(i) The look-back date specified in this subparagraph is a date that is 36 months (or, in the case of payments from a trust or portions of a
trust that are treated as assets disposed of by the individual pursuant to paragraph (3)(A)(iii) or (3)(B)(ii) of subsection (d) or in the case of any other disposal of assets made on or after February 8, 2006, 60 months) before the date specified in clause (ii) of subparagraph (B)(i).

(ii) The date specified in this clause, with respect to—

(I) an institutionalized individual is the first date as of which the individual both is an institutionalized individual and has applied for medical assistance under the State plan, or

(II) a noninstitutionalized individual is the date on which the individual applies for medical assistance under the State plan or, if later, the date on which the individual disposes of assets for less than fair market value.

(C)(i) The services described in this subparagraph with respect to an institutionalized individual are the following:

(I) Nursing facility services.

(II) A level of care in any institution equivalent to that of nursing facility services.

(III) Home or community-based services furnished under a waiver granted under subsection (c) or (d) of section 1396n of this title.

(ii) The services described in this subparagraph with respect to a noninstitutionalized individual are services (not including any services described in clause (i)) that are described in paragraph (7), (22), or (24) of section 1396d(a) of this title.

(E)(i) In the case of a transfer of asset made before February 8, 2006, the date specified in this subparagraph is the first day of the first month during or after which assets have been transferred for less than fair market value and which does not occur in any other periods of ineligibility determined under this subsection.

(ii) In the case of a transfer of asset made on or after February 8, 2006, the date specified in this subparagraph is the first day of a month during or after which assets have been transferred for less than fair market value, or the date on which the individual is eligible for medical assistance under the State plan and would otherwise be receiving institutional level care described in subparagraph (C) based on an approved application for such care but for the application of the penalty period, whichever is later, and which does not occur during any other period of ineligibility under this subsection.

(E)(i) With respect to an institutionalized individual, the number of months of ineligibility under this subparagraph for an individual shall not be greater than a number equal to—

(I) the total, cumulative uncompensated value of all assets transferred by the individual (or individual's spouse) on or after the look-back date specified in subparagraph (B)(ii), divided by

(II) the average monthly cost to a private patient of nursing facility services in the State (or, at the option of the State, in the community in which the individual is institutionalized) at the time of application.

(iii) The number of months of ineligibility otherwise determined under clause (i) or (ii) with respect to the disposal of an asset shall be reduced—

(I) in the case of periods of ineligibility determined under clause (i), by the number of months of ineligibility applicable to the individual under clause (ii) as a result of such disposal, and

(II) in the case of periods of ineligibility determined under clause (ii), by the number of months of ineligibility applicable to the individual under clause (i) as a result of such disposal.

(iv) A State shall not round down, or otherwise disregard any fractional period of ineligibility determined under clause (i) or (ii) with respect to the disposal of assets.

(F) For purposes of this paragraph, the purchase of an annuity shall be treated as the disposal of an asset for less than fair market value unless—

(i) the State is named as the remainder beneficiary in the first position for at least the total amount of medical assistance paid on behalf of the institutionalized individual under this subchapter; or

(ii) the State is named as such a beneficiary in the second position after the community spouse or minor or disabled child and is named in the first position if such spouse or a representative of such child disposes of any such remainder for less than fair market value.

(G) For purposes of this paragraph with respect to a transfer of assets, the term “assets” includes an annuity purchased by or on behalf of an annuitant who has applied for medical assistance with respect to nursing facility services or other long-term care services under this subchapter unless—

(i) the annuity is—

(I) an annuity described in subsection (b) or (q) of section 408 of the Internal Revenue Code of 1986; or

(II) purchased with proceeds from—

(aa) an account or trust described in subsection (a), (c), or (p) of section 408 of such Code;

(bb) a simplified employee pension (within the meaning of section 408(k) of such Code); or

(cc) a Roth IRA described in section 408A of such Code; or

(ii) the annuity—

(I) is irrevocable and nonassignable;

(II) is actuarially sound (as determined in accordance with actuarial publications of
the Office of the Chief Actuary of the Social Security Administration; and

(III) provides for payments in equal amounts during the term of the annuity, with no deferral and no balloon payments made.

(H) Notwithstanding the preceding provisions of this paragraph, in the case of an individual (or individual’s spouse) who makes multiple fractional transfers of assets in more than 1 month for less than fair market value on or after the applicable look-back date specified in subparagraph (B), a State may determine the period of ineligibility applicable to such individual under this paragraph by—

(i) treating the total, cumulative uncompensated value of all assets transferred by the individual (or individual’s spouse) during all months on or after the look-back date specified in subparagraph (B) as 1 transfer for purposes of clause (I) or (II) (as the case may be) of subparagraph (E); and

(ii) beginning such period on the earliest date which would apply under subparagraph (D) to any of such transfers.

(I) For purposes of this paragraph with respect to a transfer of assets, the term “assets” includes funds used to purchase a promissory note, loan, or mortgage—

(i) has a repayment term that is actuarially sound (as determined in accordance with actuarial publications of the Office of the Chief Actuary of the Social Security Administration);

(ii) provides for payments to be made in equal amounts during the term of the loan, with no deferral and no balloon payments made; and

(iii) prohibits the cancellation of the balance upon the death of the lender.

In the case of a promissory note, loan, or mortgage that does not satisfy the requirements of clauses (i) through (iii), the value of such note, loan, or mortgage—

(i) has a repayment term that is actuarially sound (as determined in accordance with actuarial publications of the Office of the Chief Actuary of the Social Security Administration);

(ii) provides for payments to be made in equal amounts during the term of the loan, with no deferral and no balloon payments made; and

(iii) prohibits the cancellation of the balance upon the death of the lender.

(J) For purposes of this paragraph with respect to a transfer of assets, the term “assets” includes funds used to purchase a promissory note, loan, or mortgage—

(i) has a repayment term that is actuarially sound (as determined in accordance with actuarial publications of the Office of the Chief Actuary of the Social Security Administration);

(ii) provides for payments to be made in equal amounts during the term of the loan, with no deferral and no balloon payments made; and

(iii) prohibits the cancellation of the balance upon the death of the lender.

In the case of a promissory note, loan, or mortgage that does not satisfy the requirements of clauses (i) through (iii), the value of such note, loan, or mortgage—

(i) has a repayment term that is actuarially sound (as determined in accordance with actuarial publications of the Office of the Chief Actuary of the Social Security Administration);

(ii) provides for payments to be made in equal amounts during the term of the loan, with no deferral and no balloon payments made; and

(iii) prohibits the cancellation of the balance upon the death of the lender.

The procedures established under subparagraph (D) shall permit the facility in which the institutionalized individual is residing to file an undue hardship waiver application on behalf of the individual with the consent of the individual or the personal representative of the individual. While an application for an undue hardship waiver is pending under subparagraph (D) in the case of an individual who is a resident of a nursing facility, if the application meets such criteria as the Secretary specifies, the State may provide for payments for nursing facility services in order to hold the bed for the individual at the facility, but not in excess of payments for 30 days.

(3) For purposes of this subsection, in the case of an asset held by an individual in common with another person or persons in a joint tenancy, tenancy in common, or similar arrangement, the asset (or the affected portion of such asset) shall be considered to be transferred by such individual when any action is taken, either by such individual or by any other person, that
reduces or eliminates such individual’s ownership or control of such asset.

(4) A State (including a State which has elected treatment under section 1396a(f) of this title) may not provide for any period of ineligibility for an individual due to transfer of resources for less than fair market value except in accordance with this subsection. In the case of a transfer by the spouse of an individual which results in a period of ineligibility for medical assistance under a State plan for such individual, a State shall, using a reasonable methodology (as specified by the Secretary), apportion such period of ineligibility (or any portion of such period) among the individual and the individual’s spouse if the spouse otherwise becomes eligible for medical assistance under the State plan.

(5) In this subsection, the term “resources” has the meaning given such term in section 1382b of this title, without regard to the exclusion described in subsection (a)(1) thereof.

(d) Treatment of trust amounts

(1) For purposes of determining an individual’s eligibility for, or amount of, benefits under a State plan under this subchapter, subject to paragraph (4), the rules specified in paragraph (3) shall apply to a trust established by such individual.

(2)(A) For purposes of this subsection, an individual shall be considered to have established a trust if assets of the individual were used to form all or part of the corpus of the trust and if any of the following individuals established such trust other than by will:

(i) The individual.

(ii) The individual’s spouse.

(iii) A person, including a court or administrative body, with legal authority to act in place of or on behalf of the individual or the individual’s spouse.

(iv) A person, including any court or administrative body, acting at the direction or upon the request of the individual or the individual’s spouse.

(B) In the case of a trust the corpus of which includes assets of an individual (as determined under subparagraph (A)) and assets of any other person or persons, the provisions of this subsection shall apply to the portion of the trust attributable to the assets of the individual.

(C) Subject to paragraph (4), this subsection shall apply without regard to—

(i) the purposes for which a trust is established,

(ii) whether the trustees have or exercise any discretion under the trust,

(iii) any restrictions on when or whether distributions may be made from the trust, or

(iv) any restrictions on the use of distributions from the trust.

(3)(A) In the case of a revocable trust—

(i) the corpus of the trust shall be considered resources available to the individual,

(ii) payments from the trust to or for the benefit of the individual shall be considered income of the individual, and

(iii) any other payments from the trust shall be considered assets disposed of by the individual for purposes of subsection (c).

(B) In the case of an irrevocable trust—

(i) if there are any circumstances under which payment from the trust could be made to or for the benefit of the individual, the portion of the corpus from which, or the income on the corpus from which, payment to the individual could be made shall be considered resources available to the individual, and payments from that portion of the corpus or income—

(I) to or for the benefit of the individual, shall be considered income of the individual, and

(II) for any other purpose, shall be considered a transfer of assets by the individual subject to subsection (c); and

(ii) any portion of the trust from which, or any income on the corpus from which, no payment could under any circumstances be made to the individual shall be considered, as of the date of establishment of the trust (or, if later, the date on which payment to the individual was foreclosed) to be assets disposed by the individual for purposes of purposes of subsection (c), and the value of the trust shall be determined for purposes of such subsection by including the amount of any payments made from such portion of the trust after such date.

(4) This subsection shall not apply to any of the following trusts:

(A) A trust containing the assets of an individual under age 65 who is disabled (as defined in section 1382c(a)(3) of this title) and which is established for the benefit of such individual by the individual, a parent, grandparent, legal guardian of the individual, or a court if the State will receive all amounts remaining in the trust upon the death of such individual up to an amount equal to the total medical assistance paid on behalf of the individual under a State plan under this subchapter.

(B) A trust established in a State for the benefit of an individual if—

(i) the trust is composed only of pension, Social Security, and other income to the individual (and accumulated income in the trust),

(ii) the State will receive all amounts remaining in the trust upon the death of such individual up to an amount equal to the total medical assistance paid on behalf of the individual under a State plan under this subchapter; and

(iii) the State makes medical assistance available to individuals described in section 1396a(a)(10)(A)(V) of this title, but does not make such assistance available to individuals for nursing facility services under section 1396a(a)(10)(C) of this title.

(C) A trust containing the assets of an individual who is disabled (as defined in section 1382c(a)(3) of this title) that meets the following conditions:

(i) The trust is established and managed by a non-profit association.

(ii) A separate account is maintained for each beneficiary of the trust, but, for purposes of investment and management of funds, the trust pools these accounts.

(iii) Accounts in the trust are established solely for the benefit of individuals who are
§ 1396p

(1) In order to meet the requirements of this section for purposes of section 1396a(a)(18) of this title, a State shall require, as a condition for medical assistance furnished to the individual, the application of the individual for such assistance (including any recertification of eligibility for such assistance) shall disclose a description of any interest the individual or community spouse has in an annuity (or similar financial instrument, as may be specified by the Secretary), regardless of whether the annuity is irrevocable or is treated as an asset. Such application or recertification form shall include a statement that under paragraph (2) the State becomes a remainder beneficiary under such an annuity or similar financial instrument by virtue of the provision of such medical assistance.

(a) The State agency shall establish procedures (in accordance with standards specified by the Secretary) under which the agency waives the application of this subsection with respect to an individual if the individual establishes that such application would work an undue hardship on the individual as determined on the basis of criteria established by the Secretary.

(b) In the case of disclosure concerning an annuity under subsection (c)(1)(F), the State shall notify the issuer of the annuity of the amount equal to the total amount of medical assistance paid on behalf of the beneficiary under the State plan under this subchapter.

(5) The State agency shall establish procedures (in accordance with standards specified by the Secretary) under which the agency waives the application of this subsection with respect to an individual if the individual establishes that such application would work an undue hardship on the individual as determined on the basis of criteria established by the Secretary.

(6) The term "trust" includes any legal instrument or device that is similar to a trust but includes an annuity only to such extent and in such manner as the Secretary specifies.

(c) Disclosure and treatment of annuities

(1) In order to meet the requirements of this section for purposes of section 1396a(a)(18) of this title, a State shall require, as a condition for the provision of medical assistance for services described in subsection (c)(1)(C)(i) (relating to long-term care services) for an individual, the application of the individual for such assistance (including any recertification of eligibility for such assistance) shall disclose a description of any interest the individual or community spouse has in an annuity (or similar financial instrument, as may be specified by the Secretary), regardless of whether the annuity is irrevocable or is treated as an asset. Such application or recertification form shall include a statement that under paragraph (2) the State becomes a remainder beneficiary under such an annuity or similar financial instrument by virtue of the provision of such medical assistance.

(2) Paragraph (1) shall not apply with respect to an individual if—

(A) the spouse of such individual, or

(B) such individual's child who is under age 21, or (with respect to States eligible to participate in the State program established under subchapter XVI) is blind or permanently and totally disabled, or (with respect to States which are not eligible to participate in such program) is blind or disabled as defined in section 1382c of this title, is lawfully residing in the individual's home.

(3) Nothing in this subsection shall be construed as preventing such an issuer from notifying persons with any other remaining interest of the State's remainder interest under such subsection.

(B) In the case of such an issuer receiving notice under subparagraph (A), the State may require the issuer to notify the State when there is a change in the amount of income or principal being withdrawn from the amount that was being withdrawn at the time of the most recent disclosure described in paragraph (1). A State shall take such information into account in determining the amount of the State's obligations for medical assistance or in the individual's eligibility for such assistance.

(3) The Secretary may provide guidance to States on categories of transactions that may be treated as a transfer of asset for less than fair market value.

(4) Nothing in this subsection shall be construed as preventing a State from denying eligibility for medical assistance for an individual based on the income or resources derived from an annuity described in paragraph (1).

(f) Disqualification for long-term care assistance for individuals with substantial home equity

(1) A State may elect, without regard to the requirements of section 1396a(a)(1) of this title (relating to statewideness) and section 1396a(a)(10)(B) of this title (relating to comparability), to apply subparagraph (A) by substituting for "$500,000" an amount that exceeds such amount, but does not exceed $750,000.

(C) The dollar amounts specified in this paragraph shall be increased, beginning with 2011, from year to year based on the percentage increase in the consumer price index for all urban consumers (all items; United States city average), rounded to the nearest $1,000.

(2) Paragraph (1) shall not apply with respect to an individual if—

(A) the spouse of such individual, or

(B) such individual's child who is under age 21, or (with respect to States eligible to participate in the State program established under subchapter XVI) is blind or permanently and totally disabled, or (with respect to States which are not eligible to participate in such program) is blind or disabled as defined in section 1382c of this title.

(g) Treatment of entrance fees of individuals residing in continuing care retirement communities

(1) In general

For purposes of determining an individual's eligibility for, or amount of, benefits under a State plan under this subchapter, the rules specified in paragraph (2) shall apply to individuals residing in continuing care retirement communities or life care communities that collect an entrance fee on admission from such individuals.

(2) Treatment of entrance fee

For purposes of this subsection, an individual's entrance fee in a continuing care retirement community or life care community shall be considered a resource available to the individual to the extent that—

(A) the individual has the ability to use the entrance fee, or the contract provides
that the entrance fee may be used, to pay for care should other resources or income of the individual be insufficient to pay for such care;

(B) the individual is eligible for a refund of any remaining entrance fee when the individual dies or terminates the continuing care retirement community or life care community contract and leaves the community; and

(C) the entrance fee does not confer an ownership interest in the continuing care retirement community or life care community.

(h) Definitions

In this section, the following definitions shall apply:

(1) The term “assets”, with respect to an individual, includes all income and resources of the individual and of the individual’s spouse, including any income or resources which the individual or such individual’s spouse is entitled to but does not receive because of action—

(A) by the individual or such individual’s spouse,

(B) by a person, including a court or administrative body, with legal authority to act in place of or on behalf of the individual or such individual’s spouse, or

(C) by any person, including any court or administrative body, acting at the direction or upon the request of the individual or such individual’s spouse.

(2) The term “income” has the meaning given such term in section 1382a of this title.

(3) The term “institutionalized individual” means an individual who is an inpatient in a nursing facility, who is an inpatient in a medical institution and with respect to whom payment is made based on a level of care provided in a nursing facility, or who is described in section 1396a(a)(10)(A)(ii)(VI) of this title.

(4) The term “noninstitutionalized individual” means an individual receiving any of the services specified in subsection (c)(1)(C)(i).

(5) The term “resources” has the meaning given such term in section 1382b of this title, without regard (in the case of an institutionalized individual) to the exclusion described in subsection (a)(1) of such section.

Prepared by the Office of the Federal Register, National Archives and Records Administration, according to the best knowledge and information available as of February 27, 2018.
Subsec. (h). Pub. L. 100–148, §601(b), redesignated subsec. (g) as (h).

1985—Subsec. (b)(1). Pub. L. 99–666, §13612(a), substituted “except that the State shall seek adjustment for or recovery of any medical assistance correctly paid on behalf of an individual under the State plan in the case of the following individuals:” and subpars. (A) to (C) for “except—” and former subpars. (A) and (B) which read as follows:

“(A) in the case of an individual described in subsection (a)(1)(B) of this section, from his estate or upon sale of the property subject to a lien imposed on account of medical assistance paid on behalf of such individual, and

“(B) in the case of any other individual who was 65 years of age or older when he received such assistance, from his estate.”

Subsec. (b)(3). Pub. L. 100–148, §13612(b), added par. (3).


Subsec. (c)(1). Pub. L. 100–148, §13611(a)(1), amended par. (1) generally. Prior to amendment, par. (1) read as follows: “In order to meet the requirements of this subsection (for purposes of section 1906(a)(61)(B) of this title), the State plan must provide for a period of ineligibility for nursing facility services and for a level of care in a medical institution equivalent to that of nursing facility services and for services under section 1396n(c) of this title in the case of an institutionalized individual (as defined in paragraph (3)) who, or whose spouse, at any time during or after the 30-month period immediately before the date the individual becomes an institutionalized individual, disposed of resources for less than fair market value. The period of ineligibility shall begin with the month in which such resources were transferred and the number of months in such period shall be equal to the lesser of—

“(A) 30 months, or

“(B) the total uncompensated value of the resources so transferred, divided by (ii) the average cost, to a private patient at the time of the application, of nursing facility services in the State or, at State option, in the community in which the individual is institutionalized.”


Subsec. (c)(2)(B). Pub. L. 100–148, §13611(a)(2)(B), amended subpar. (B) generally. Prior to amendment, subpar. (B) read as follows: “The resources were transferred to or from (or to another for the sole benefit of) the individual’s spouse, or (ii) to the individual’s child described in subparagraph (A)(1)(D);”.

Subsec. (c)(2)(C). Pub. L. 100–148, §13611(a)(2)(C), in introductory provisions, substituted “with regulations” for “for any regulations”, in cl. (I), substituted “assets” for “resources” and struck out “or” at end, in cl. (II), substituted “assets” for “resources” and “; or” for “or”, and added cl. (III).

Subsec. (c)(2)(D). Pub. L. 100–148, §13611(a)(2)(D), amended subpar. (D) generally. Prior to amendment, subpar. (D) read as follows: “The State determines that denial of eligibility would work an undue hardship.”

Subsec. (c)(3). Pub. L. 100–148, §13611(a)(2)(E), added par. (3) and struck out former par. (3) which read as follows: “In this subsection, the term ‘institutionalized individual’ means an individual who is an inpatient in a nursing facility, who is an inpatient in a medical institution and with respect to whom payment is made based on a level of care provided in a nursing facility, or (3) which was described in section 1906(a)(10)(A)(ii)(VI) of this title.”

Subsec. (c)(4). Pub. L. 100–148, §13611(a)(2)(F), inserted at end “In the case of a transfer by the spouse of an individual which results in the individual’s eligibility for medical assistance under a State plan for such individual, a State shall, using a reasonable methodology (as specified by the Secretary), apportion such period of ineligibility (or any portion of such period) among the individual and the individual’s spouse if the spouse otherwise becomes eligible for medical assistance under the State plan.”


Subsec. (e). Pub. L. 100–148, §13611(c), added subsec. (e).

Subsec. (c)(1). Pub. L. 100–148, §13611(c)(1), struck out “or whose spouse,” after “an institutionalized individual (as defined in paragraph (3)) who,”.

Subsec. (c)(2)(B)(ii). Pub. L. 100–148, §13611(c)(2)(B)(ii), amended cl. (i) generally. Prior to amendment, cl. (i) read as follows: “to (or to another for the sole benefit of) the community’s spouse, if such spouse does not transfer such resources to another person other than the spouse for less than fair market value.”

1985—Subsec. (c). Pub. L. 100–148, §393(b), amended subsec. (c) generally, substituting pars. (1) to (4) relating to taking into account certain transfers of assets, for former pars. (1) to (3) relating to denial of medical assistance, period of eligibility, and exceptions.

Subsec. (c)(1). Pub. L. 100–148, §608(d)(16)(B)(i), substituted “period of ineligibility for nursing facility services and for a level of care in a medical institution equivalent to that of nursing facility services and for services under section 1396n(c) of this title in the case of an institutionalized individual (as defined in paragraph (3)) who, at any time during or after the 30-month period immediately before the date the individual becomes an institutionalized individual (if the individual is entitled to medical assistance under the State plan on such date) or, if the individual is not so entitled, the date the individual applies for such assistance while an institutionalized individual, disposed of resources for less than fair market value. The period of ineligibility shall begin with the month in which such resources were transferred and the number of months in such period shall be equal to the lesser of—

“(A) 30 months, or

“(B) the total uncompensated value of the resources so transferred, divided by (ii) the average cost, to a private patient at the time of the application, of nursing facility services in the State or, at State option, in the community in which the individual is institutionalized.”

Subsec. (c)(2)(A). Pub. L. 100–148, §608(d)(16)(B)(ii), substituted “period of ineligibility for nursing facility services and for a level of care in a medical institution equivalent to that of nursing facility services and for services under section 1396n(c) of this title in the case of an institutionalized individual (as defined in paragraph (3)) who, at any time during or after the 30-month period immediately before the date the individual becomes an institutionalized individual (if the individual is entitled to medical assistance under the State plan on such date) or, if the individual is not so entitled, the date the individual applies for such assistance while an institutionalized individual” for “period of ineligibility in the case of an institutionalized individual” (as defined in paragraph (3)) who, at any time during or after the 30-month period immediately before the date the individual is entitled to medical assistance under the State plan, or the individual’s child who is blind or permanently and totally disabled”.

Subsec. (c)(2)(B). Pub. L. 100–148, §608(d)(16)(B)(iii), substituted “the individual becomes an institutionalized individual for ‘of the individual’s admission to the medical institution or nursing facility’”.

Subsec. (c)(2)(A)(iii). Pub. L. 100–148, §608(d)(16)(B)(iv), substituted “the individual becomes an institutionalized individual” for “of such individual’s admission to the medical institution or nursing facility”.


Subsec. (c)(3). Pub. L. 100–485, §608(d)(16)(B)(vi), substituted “in a nursing facility, who is an inpatient in a medical institution and with respect to whom payment is made based on a level of care provided in a nursing facility, or who is described in section 1906(a)(10)(A)(ii)(VI) of this title” for “in a medical institution or nursing facility”.


Subsec. (c)(2)(B)(iii). Pub. L. 97–448, § 309(b)(22), substituted in subcl. (I) “can” for “cannot” and struck out from subcl. (IV) the introductory word “if”.

EFFECTIVE DATE OF 2018 AMENDMENT
Pub. L. 115–123, div. E, title XII, § 53102(b)(1), Feb. 9, 2018, 132 Stat. 298, provided that the repeal of section 202(b) of Pub. L. 115–67 is effective Sept. 30, 2017, and that the provisions amended by section 202(b) shall be applied and administered as if such amendments had never been enacted. In addition, such repeal by section 53102(b)(1) of Pub. L. 115–123 applicable with respect to any open claims, including claims pending, generated, or filed before Sept. 30, 2017, see section 53102(b)(2) of Pub. L. 115–123, set out as a note under section 1396a of this title.

EFFECTIVE DATE OF 2016 AMENDMENT
Pub. L. 114–256, div. A, title V, § 5007(b), Dec. 13, 2016, 130 Stat. 1197, provided that: “The amendment made by subsection (a) [amending this section] shall apply to trusts that were established, and, beginning after the close of the first regular session of the State legislature that begins after the date of the enactment of this Act [Dec. 13, 2016].”

EFFECTIVE DATE OF 2009 AMENDMENT

EFFECTIVE DATE OF 2008 AMENDMENT
Pub. L. 110–82, div. B, title IV, § 405(b)(2), Dec. 20, 2006, 120 Stat. 2968, provided that: “The amendment made by section 53102(b)(1) of Pub. L. 115–123 shall be effective as of October 1, 1993, without regard to whether or not final regulations to carry out such amendments have been promulgated by such date.

EFFECTIVE DATE OF 2006 AMENDMENT

Pub. L. 109–171, title VI, § 6011(c), Feb. 8, 2006, 120 Stat. 62, provided that: “The amendments made by this section [amending this section] shall apply to transfers made on or after the date of the enactment of this Act [Feb. 8, 2006].”

Pub. L. 109–171, title VI, § 6012(d), Feb. 8, 2006, 120 Stat. 64, provided that: “The amendments made by this section [amending this section] shall apply to transactions (including the purchase of an annuity) occurring on or after the date of the enactment of this Act [Feb. 8, 2006].”

Pub. L. 109–171, title VI, § 6014(b), Feb. 8, 2006, 120 Stat. 65, provided that: “The amendment made by subsection (a) [amending this section] shall apply to individuals who are determined eligible for medical assistance with respect to nursing facility services or other long-term care services based on an application filed on or after January 1, 2006.”

Pub. L. 109–171, title VI, § 6016(e), Feb. 8, 2006, 120 Stat. 67, provided that:

(A) to medical assistance provided for services furnished before the date of enactment;

(B) with respect to assets disposed of on or before the date of enactment of this Act; or

(C) with respect to trusts established on or before the date of enactment of this Act.

(3) Extension of effective date for State law amendment.—In the case of a State plan under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.) which the Secretary of Health and Human Services determines requires State legislation in order for the plan to meet the additional requirements imposed by the amendments made by a provision of this section, the State plan shall not be regarded as failing to comply with the requirements of such title solely on the basis of its failure to meet these additional requirements before the first day of the first calendar quarter beginning after the close of the first regular session of the State legislature that begins after the date of the enactment of this Act. For purposes of the previous sentence, in the case of a State that has a 2-year legislative session, each year of the session is considered to be a separate regular session of the State legislature.”

EFFECTIVE DATE OF 1993 AMENDMENT
Pub. L. 103–66, title XIII, § 13611(e), Aug. 19, 1993, 107 Stat. 627, provided that:

(1) The amendments made by this section [amending this section and sections 1396a and 1396b–5 of this title] shall apply, except as provided in paragraph (2), to payments under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.) for calendar quarters beginning on or after October 1, 1993, without regard to whether or not final regulations to carry out such amendments have been promulgated by such date.

(2) The amendments made by this section shall not apply—

(A) to medical assistance provided for services furnished before October 1, 1993,

(B) with respect to assets disposed of on or before the date of the enactment of this Act (Aug. 19, 1993), or

(C) with respect to trusts established on or before the date of the enactment of this Act.

(3) In the case of a State plan for medical assistance under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.) which the Secretary of Health and Human Services determines requires State legislation (other than legislation appropriating funds) in order for the plan to meet the additional requirements imposed by the amendment made by subsection (b) [amending this section], the State plan shall not be regarded as failing to comply with the requirements imposed by such amendment solely on the basis of its failure to meet these additional requirements before the first day of the first calendar quarter beginning after the close of the first regular session of the State legislature that begins after the date of the enactment of this Act (Aug. 19, 1993). For purposes of the preceding sentence, in the case of a State that has a 2-year legislative session, each year of such session shall be deemed to be a separate regular session of the State legislature.”


(1)(A) Except as provided in subparagraph (B), the amendments made by this section [amending this section] shall apply to payments under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.) for calendar quarters beginning on or after October 1, 1993, without regard to whether or not final regulations to carry out such amendments have been promulgated by such date.

(B) In the case of a State plan for medical assistance under title XIX of the Social Security Act which the Secretary of Health and Human Services determines requires State legislation (other than legislation appropriating funds) in order for the plan to meet the additional requirements imposed by the amendments made by this section, the State plan shall not be regarded as failing to comply with the requirements imposed by such amendments solely on the basis of its failure to meet these additional requirements before the first day of the first calendar quarter beginning after the close of the first regular session of the State legislature that begins after the date of enactment of this Act (Aug. 19, 1993). For purposes of the preceding sentence, in the case of a State that has a 2-year legislative session,
each year of such session shall be deemed to be a separate regular session of the State legislature.

“(2) The amendments made by this section shall not apply to individuals who died before October 1, 1993.”

**Effective Date of 1989 Amendment**


**Effective Date of 1988 Amendments**

Amendment by Pub. L. 100–485 effective as if included in the enactment of the Medicare Catastrophic Coverage Act of 1988, Pub. L. 100–360, see section 6088(g)(1) of Pub. L. 100–485, set out as a note under section 704 of this title.

Amendment by section 303(b) of Pub. L. 100–360 applicable to payments under this subchapter for calendar quarters beginning on or after July 1, 1988, except in certain situations requiring State legislative action, without regard to whether or not final regulations to carry out such amendment have been promulgated by such date, and subsection (c) of this section, as amended by section 303(b) of Pub. L. 100–360, applicable to resources disposed of on or after July 1, 1988, but not applicable with respect to inter-spousal transfers occurring before Oct. 1, 1989, see section 303(g)(2), (5) of Pub. L. 100–360, set out as an Effective Date note under section 1396e–5 of this title.

Except as specifically provided in section 411 of Pub. L. 100–360, amendment by section 411(c)(3)(I) of Pub. L. 100–360, as it relates to a provision in the Omnibus Budget Reconciliation Act of 1987, Pub. L. 100–203, effective as if included in the enactment of that provision in Pub. L. 100–203, see section 411(a) of Pub. L. 100–203, set out as a Reference to OBRA; Effective Date note under section 106 of Title I, General Provisions.

**Effective Date of 1987 Amendment**

Amendment by Pub. L. 100–203 applicable to nursing facility services furnished on or after Oct. 1, 1989, without regard to whether regulations implementing such amendment are promulgated by such date, except as otherwise specifically provided in section 1396c of this title, with transitional rule, see section 4214(a), (b)(2) of Pub. L. 100–203, as amended, set out as an Effective Date note under section 1396c of this title.

**Effective Date of 1983 Amendment**

Amendment by Pub. L. 97–448 effective as if originally included as a part of this section as this section was added by the Tax Equity and Fiscal Responsibility Act of 1982, Pub. L. 97–248, see section 306(c)(2) of Pub. L. 97–448, set out as a note under section 421 of this title.

**Effective Date**

Pub. L. 97–248, title I, §132(d), Sept. 3, 1982, 96 Stat. 373, provided that: “The amendments made by this section [enacting this section and amending section 1396d of this title] shall become effective on the date of the enactment of this Act [Sept. 3, 1982], but the provisions of section 1917(c)(2)(B) of the Social Security Act (42 U.S.C. 1396d(c)(2)(B)) shall not apply with respect to a transfer of assets which took place prior to such date of enactment.”

**Availability of Hardship Waivers**


“(1) under which an undue hardship exists when application of the transfer of assets provision would deprive the individual—

“(A) of medical care such that the individual’s health or life would be endangered; or

“(B) of food, clothing, shelter, or other necessities of life; and

“(2) which provides for—

“(A) notice to recipients that an undue hardship exception exists;”

“(B) a timely process for determining whether an undue hardship waiver will be granted; and

“(C) a process under which an adverse determination can be appealed.”

**Expansion of State Long-Term Care Partnership Program**


“(a) Expansion Authority.—

“(1) In General.—(Amended this section.)

“(2) State Reporting Requirements.—Nothing in clauses (iii)(VI) and (v) of section 1917(b)(1)(C)(vi) of the Social Security Act (42 U.S.C. 1396p(b)(1)(C)(vi)(VI)), (v) (as added by paragraph (1)) shall be construed as prohibiting a State from requiring an issuer of a long-term care insurance policy sold in the State (regardless of whether the policy is issued under a qualified State long-term care insurance partnership under section 1917(b)(1)(C)(iii) of such Act) to report any information or data that is in addition to the information or data required under such clauses.

“(3) Effective Date.—A State plan amendment that provides for a qualified State long-term care insurance partnership under the amendments made by paragraph (1) may provide that such amendment is effective for long-term care insurance policies issued on or after a date, specified in the amendment, that is not earlier than the first day of the first calendar quarter in which the plan amendment was submitted to the Secretary of Health and Human Services.

“(b) Standards for Reciprocal Recognition among Partnership States.—In order to permit portability in long-term care insurance policies purchased under State long-term care insurance partnerships, the Secretary of Health and Human Services shall develop, not later than January 1, 2007, and in consultation with the National Association of Insurance Commissioners, issuers of long-term care insurance policies, States with experience with long-term care insurance partnerships, other States, and representatives of consumers of long-term care insurance policies, standards for uniform and reciprocal recognition of such policies among States with qualified State long-term care insurance partnerships under which—

“(1) benefits paid under such policies will be treated the same by all such States; and

“(2) States with such partnerships shall be subject to such standards unless the State notifies the Secretary in writing of the State’s election to be exempt from such standards.

“(c) Annual Reports to Congress.—

“(1) In General.—The Secretary of Health and Human Services shall annually report to Congress on the long-term care insurance partnerships established in accordance with section 1917(b)(1)(C)(ii) of the Social Security Act (42 U.S.C. 1396p(b)(1)(C)(ii)) (as amended by subsection (a)(1)). Such reports shall include analyses of the extent to which such partnerships expand or limit access of individuals to long-term care and the impact of such partnerships on Federal and State expenditures under the Medicare and Medicaid programs. Nothing in this section shall be construed as requiring the Secretary to conduct an independent review of each long-term care insurance policy offered under or in connection with such a partnership.

“(2) Appropriation.—Out of any funds in the Treasury not otherwise appropriated, there is appropriated to the Secretary of Health and Human Services, $1,000,000 for the period of fiscal years 2006 through 2010 to carry out paragraph (1).
© NATIONAL CLEARINGHOUSE FOR LONG-TERM CARE INFORMATION.—

"(d) NATIONAL CLEARINGHOUSE FOR LONG-TERM CARE INFORMATION.—

"(1) ESTABLISHMENT.—The Secretary of Health and Human Services shall establish a National Clearinghouse for Long-Term Care Information. The Clearinghouse may be established through a contract or interagency agreement.

"(2) DUTIES.—

"(A) IN GENERAL.—The National Clearinghouse for Long-Term Care Information shall—

"(i) educate consumers with respect to the availability and limitations of coverage for long-term care under the Medicaid program and provide contact information for obtaining State-specific information on long-term care coverage, including eligibility and estate recovery requirements under State Medicaid programs;

"(ii) provide objective information to assist consumers with the decisionmaking process for determining whether to purchase long-term care insurance or to pursue other private market alternatives for purchasing long-term care and provide contact information for additional objective resources on planning for long-term care needs; and

"(iii) maintain a list of States with State long-term care insurance partnerships under the Medicaid program that provide reciprocal recognition of long-term care insurance policies issued under such partnerships.

"(B) REQUIREMENT.—In providing information to consumers on long-term care in accordance with this subsection, the National Clearinghouse for Long-Term Care Information shall not advocate in favor of a specific long-term care insurance provider or a specific long-term care insurance policy.

"(3) OTHER.—Out of any funds in the Treasury not otherwise appropriated, there is appropriated to carry out this subsection, $3,000,000 for each of fiscal years 2006 through 2010."

§ 1396q. Application of provisions of subchapter II relating to subpoenas

The provisions of subsections (d) and (e) of section 405 of this title shall apply with respect to this subchapter to the same extent as they are applicable with respect to subchapter II, except that, in so applying such subsections, and in applying section 405(l) of this title thereto, with respect to this subchapter, any reference therein to the Commissioner of Social Security or the Social Security Administration shall be considered a reference to the Secretary or the Department of Health and Human Services, respectively.


AMENDMENTS

1994—Pub. L. 103–296 inserted before period at end "except that, in so applying such subsections, and in applying section 405(l) of this title thereto, with respect to this subchapter, any reference therein to the Commissioner of Social Security or the Social Security Administration shall be considered a reference to the Secretary or the Department of Health and Human Services, respectively".

EFFECTIVE DATE OF 1994 AMENDMENT


EFFECTIVE DATE

Pub. L. 98–369, div. B, title III, §2370(b), July 18, 1984, 98 Stat. 1110, provided that: "The amendment made by this section [enacting this section] shall become effective on the date of the enactment of this Act [July 18, 1984]."

§ 1396r. Requirements for nursing facilities

(a) "Nursing facility" defined

In this subchapter, the term "nursing facility" means an institution (or a distinct part of an institution) which—

(1) is primarily engaged in providing to residents—

(A) skilled nursing care and related services for residents who require medical or nursing care,

(B) rehabilitation services for the rehabilitation of injured, disabled, or sick persons, or

(C) on a regular basis, health-related care and services to individuals who because of their mental or physical condition require care and services (above the level of room and board) which can be made available to them only through institutional facilities, and is not primarily for the care and treatment of mental diseases;

(2) has in effect a transfer agreement (meeting the requirements of section 1395x(l) of this title) with one or more hospitals having agreements in effect under section 1395cc of this title; and

(3) meets the requirements for a nursing facility described in subsections (b), (c), and (d) of this section.

Such term also includes any facility which is located in a State on an Indian reservation and is certified by the Secretary as meeting the requirements of paragraph (1) and subsections (b), (c), and (d).

(b) Requirements relating to provision of services

(1) Quality of life

(A) In general

A nursing facility must care for its residents in such a manner and in such an environment as will promote maintenance or enhancement of the quality of life of each resident.

(B) Quality assessment and assurance

A nursing facility must maintain a quality assessment and assurance committee, consisting of the director of nursing services, a physician designated by the facility, and at least 3 other members of the facility’s staff, which (i) meets at least quarterly to identify issues with respect to which quality assessment and assurance activities are necessary and (ii) develops and implements appropriate plans of action to correct identified quality deficiencies. A State or the Secretary may not require disclosure of the records of such committee except as such disclosure is related to the compliance of such committee with the requirements of this subparagraph.

(2) Scope of services and activities under plan of care

A nursing facility must provide services and activities to attain or maintain the highest...
§ 1396r \[Title 42—The Public Health and Welfare\] Page 3872

practicable physical, mental, and psychosocial well-being of each resident in accordance with a written plan of care which—

(A) describes the medical, nursing, and psychosocial needs of the resident and how such needs will be met;

(B) is initially prepared, with the participation to the extent practicable of the resident or the resident’s family or legal representative, by a team which includes the resident’s attending physician and a registered professional nurse with responsibility for the resident; and

(C) is periodically reviewed and revised by such team after each assessment under paragraph (3).

(3) Residents’ assessment

(A) Requirement

A nursing facility must conduct a comprehensive, accurate, standardized, reproducible assessment of each resident’s functional capacity, which assessment—

(i) describes the resident’s capability to perform daily life functions and significant impairments in functional capacity;

(ii) is based on a uniform minimum data set specified by the Secretary under subsection (e)(5); and

(iii) uses an instrument which is specified by the State under subsection (e)(5); and

(iv) includes the identification of medical problems.

(B) Certification

(i) In general

Each such assessment must be conducted or coordinated (with the appropriate participation of health professionals) by a registered professional nurse who signs and certifies the completion of the assessment. Each individual who completes a portion of such an assessment shall sign and certify as to the accuracy of that portion of the assessment.

(ii) Penalty for falsification

(I) An individual who willfully and knowingly certifies under clause (i) a material and false statement in a resident assessment is subject to a civil money penalty of not more than $1,000 with respect to each assessment.

(II) An individual who willfully and knowingly causes another individual to certify under clause (i) a material and false statement in a resident assessment is subject to a civil money penalty of not more than $5,000 with respect to each assessment.

(III) The provisions of section 1320a–7a of this title (other than subsections (a) and (b)) shall apply to a civil money penalty under this clause in the same manner as such provisions apply to a penalty or proceeding under section 1320a–7a(a) of this title.

(iii) Use of independent assessors

If a State determines, under a survey under subsection (g) or otherwise, that there has been a knowing and willful certification of false assessments under this paragraph, the State may require (for a period specified by the State) that resident assessments under this paragraph be conducted and certified by individuals who are independent of the facility and who are approved by the State.

(C) Frequency

(i) In general

Such an assessment must be conducted—

(I) promptly upon (but no later than 14 days after the date of) admission for each individual admitted on or after October 1, 1990, and by not later than October 1, 1991, for each resident of the facility on that date;

(II) promptly after a significant change in the resident’s physical or mental condition; and

(III) in no case less often than once every 12 months.

(ii) Resident review

The nursing facility must examine each resident no less frequently than once every 3 months and, as appropriate, revise the resident’s assessment to assure the continuing accuracy of the assessment.

(D) Use

The results of such an assessment shall be used in developing, reviewing, and revising the resident’s plan of care under paragraph (2).

(E) Coordination

Such assessments shall be coordinated with any State-required preadmission screening program to the maximum extent practicable in order to avoid duplicative testing and effort. In addition, a nursing facility shall notify the State mental health authority or State mental retardation or developmental disability authority, as applicable, promptly after a significant change in the physical or mental condition of a resident who is mentally ill or mentally retarded.

(F) Requirements relating to preadmission screening for mentally ill and mentally retarded individuals

Except as provided in clauses (i) and (iii) of subsection (e)(7)(A), a nursing facility must not admit, on or after January 1, 1989, any new resident who—

(I) is mentally ill (as defined in subsection (e)(7)(G)(i)) unless the State mental health authority has determined (based on an independent physical and mental evaluation performed by a person or entity other than the State mental health authority) prior to admission that, because of the physical and mental condition of the individual, the individual requires the level of services provided by a nursing facility, and, if the individual requires such level of services, whether the individual requires specialized services for mental illness, or
(ii) is mentally retarded (as defined in subsection (e)(7)(G)(ii)) unless the State mental retardation or developmental disability authority has determined prior to admission that, because of the physical and mental condition of the individual, the individual requires the level of services provided by a nursing facility, and, if the individual requires such level of services, whether the individual requires specialized services for mental retardation.

A State mental health authority and a State mental retardation or developmental disability authority may not delegate (by sub-contract or otherwise) their responsibilities under this subparagraph to a nursing facility (or to an entity that has a direct or indirect affiliation or relationship with such a facility).

(4) Provision of services and activities

(A) In general

To the extent needed to fulfill all plans of care described in paragraph (2), a nursing facility must provide (or arrange for the provision of)—

(i) nursing and related services and specialized rehabilitative services to attain or maintain the highest practicable physical, mental, and psychosocial well-being of each resident;

(ii) medically-related social services to attain or maintain the highest practicable physical, mental, and psychosocial well-being of each resident;

(iii) pharmaceutical services (including procedures that assure the accurate acquiring, receiving, dispensing, and administering of all drugs and biologicals) to meet the needs of each resident;

(iv) dietary services that assure that the meals meet the daily nutritional and special dietary needs of each resident;

(v) an on-going program, directed by a qualified professional, of activities designed to meet the interests and the physical, mental, and psychosocial well-being of each resident;

(vi) routine dental services (to the extent covered under the State plan) and emergency dental services to meet the needs of each resident; and

(vii) treatment and services required by mentally ill and mentally retarded residents not otherwise provided or arranged for (or required to be provided or arranged for) by the State.

The services provided or arranged by the facility must meet professional standards of quality.

(B) Qualified persons providing services

Services described in clauses (i), (ii), (iii), (iv), and (vi) of subparagraph (A) must be provided by qualified persons in accordance with each resident’s written plan of care.

(C) Required nursing care; facility waivers

(i) General requirements

With respect to nursing facility services provided on or after October 1, 1990, a nursing facility—

(I) except as provided in clause (ii), must provide 24-hour licensed nursing services which are sufficient to meet the nursing needs of its residents, and

(II) except as provided in clause (ii), must use the services of a registered professional nurse for at least 8 consecutive hours a day, 7 days a week.

(ii) Waiver by State

To the extent that a facility is unable to meet the requirements of clause (i), a State may waive such requirements with respect to the facility if—

(I) the facility demonstrates to the satisfaction of the State that the facility has been unable, despite diligent efforts (including offering wages at the community prevailing rate for nursing facilities), to recruit appropriate personnel,

(II) the State determines that a waiver of the requirement will not endanger the health or safety of individuals staying in the facility,

(III) the State finds that, for any such periods in which licensed nursing services are not available, a registered professional nurse or a physician is obligated to respond immediately to telephone calls from the facility,

(IV) the State agency granting a waiver of such requirements provides notice of the waiver to the State long-term care ombudsman (established under section 307(a)(12) of the Older Americans Act of 1965) and the protection and advocacy system in the State for the mentally ill and the mentally retarded, and

(V) the nursing facility that is granted such a waiver by a State notifies residents of the facility (or, where appropriate, the guardians or legal representatives of such residents) and members of their immediate families of the waiver.

A waiver under this clause shall be subject to annual review and to the review of the Secretary and subject to clause (iii) shall be accepted by the Secretary for purposes of this subchapter to the same extent as is the State’s certification of the facility. In granting or renewing a waiver, a State may require the facility to use other qualified, licensed personnel.

(iii) Assumption of waiver authority by Secretary

If the Secretary determines that a State has shown a clear pattern and practice of allowing waivers in the absence of diligent efforts by facilities to meet the staffing requirements, the Secretary shall assume and exercise the authority of the State to grant waivers.

(5) Required training of nurse aides

(A) In general

(i) Except as provided in clause (ii), a nursing facility must not use on a full-time basis any individual as a nurse aide in the facility—

1 See References in Text note below.
on or after October 1, 1990, for more than 4 months unless the individual—

(I) has completed a training and competency evaluation program, or a competency evaluation program, approved by the State under subsection (e)(1)(A), and

(II) is competent to provide nursing or nursing-related services.

(ii) A nursing facility must not use on a temporary, per diem, leased, or on any other basis other than as a permanent employee any individual as a nurse aide in the facility on or after January 1, 1991, unless the individual meets the requirements described in clause (I).

(B) Offering competency evaluation programs for current employees

A nursing facility must provide, for individuals used as a nurse aide by the facility as of January 1, 1990, for a competency evaluation program approved by the State under subsection (e)(1) and such preparation as may be necessary for the individual to complete such a program by October 1, 1990.

(C) Competency

The nursing facility must not permit an individual, other than in a training and competency evaluation program approved by the State, to serve as a nurse aide or provide services of a type for which the individual has not demonstrated competency and must not use such an individual as a nurse aide unless the facility has inquired of any State registry established under subsection (e)(1)(A) and such individual shall complete a new training and competency evaluation program, or a new competency evaluation program.

(D) Re-training required

For purposes of subparagraph (A), if, since an individual’s most recent completion of a training and competency evaluation program, there has been a continuous period of 24 consecutive months during none of which the individual performed nursing or nursing-related services for monetary compensation, such individual shall complete a new training and competency evaluation program, or a new competency evaluation program.

(E) Regular in-service education

The nursing facility must provide such regular performance review and regular in-service education as assures that individuals used as nurse aides are competent to perform services as nurse aides, including training for individuals providing nursing and nursing-related services to residents with cognitive impairments.

(F) “Nurse aide” defined

In this paragraph, the term “nurse aide” means any individual providing nursing or nursing-related services to residents in a nursing facility, but does not include an individual—

(I) who is a licensed health professional (as defined in subparagraph (G)) or a registered dietician, or

(ii) who volunteers to provide such services without monetary compensation.

Such term includes an individual who provides such services through an agency or under a contract with the facility.

(G) Licensed health professional defined

In this paragraph, the term “licensed health professional” means a physician, physician assistant, nurse practitioner, physical, speech, or occupational therapist, physical or occupational therapy assistant, registered professional nurse, licensed practical nurse, or licensed or certified social worker.

(6) Physician supervision and clinical records

A nursing facility must—

(A) require that the health care of every resident be provided under the supervision of a physician (or, at the option of a State, under the supervision of a nurse practitioner, clinical nurse specialist, or physician assistant who is not an employee of the facility but who is working in collaboration with a physician);

(B) provide for having a physician available to furnish necessary medical care in case of emergency; and

(C) maintain clinical records on all residents, which records include the plans of care (described in paragraph (2)) and the residents’ assessments (described in paragraph (3)), as well as the results of any pre-admission screening conducted under subsection (e)(7).

(7) Required social services

In the case of a nursing facility with more than 120 beds, the facility must have at least one social worker (with at least a bachelor’s degree in social work or similar professional qualifications) employed full-time to provide or assure the provision of social services.

(8) Information on nurse staffing

(A) In general

A nursing facility shall post daily for each shift the current number of licensed and unlicensed nursing staff directly responsible for resident care in the facility. The information shall be displayed in a uniform manner (as specified by the Secretary) and in a clearly visible place.

(B) Publication of data

A nursing facility shall, upon request, make available to the public the nursing staff data described in subparagraph (A).

(c) Requirements relating to residents’ rights

(1) General rights

(A) Specified rights

A nursing facility must protect and promote the rights of each resident, including each of the following rights:

(i) Free choice

The right to choose a personal attending physician, to be fully informed in advance about care and treatment, to be fully informed in advance of any changes in care or treatment that may affect the resident’s well-being, and (except with respect to a resident adjudged incompetent) to
participate in planning care and treatment or changes in care and treatment.

(ii) **Free from restraints**

The right to be free from physical or mental abuse, corporal punishment, involuntary seclusion, and any physical or chemical restraints imposed for purposes of discipline or convenience and not required to treat the resident’s medical symptoms. Restraints may only be imposed—

(I) to ensure the physical safety of the resident or other residents, and

(II) only upon the written order of a physician that specifies the duration and circumstances under which the restraints are to be used (except in emergency circumstances specified by the Secretary until such an order could reasonably be obtained).

(iii) **Privacy**

The right to privacy with regard to accommodations, medical treatment, written and telephonic communications, visits, and meetings of family and of resident groups.

(iv) **Confidentiality**

The right to confidentiality of personal and clinical records and to access to current clinical records of the resident upon request by the resident or the resident’s legal representative, within 24 hours (excluding hours occurring during a weekend or holiday) after making such a request.

(v) **Accommodation of needs**

The right to reside and receive services with reasonable accommodation of individual needs and preferences, except where the health or safety of the individual or other residents would be endangered, and

(II) to receive notice before the room or roommate of the resident in the facility is changed.

(vi) **Grievances**

The right to voice grievances with respect to treatment or care that is (or fails to be) furnished, without discrimination or reprisal for voicing the grievances and the right to prompt efforts by the facility to resolve grievances the resident may have, including those with respect to the behavior of other residents.

(vii) **Participation in resident and family groups**

The right of the resident to organize and participate in resident groups in the facility and the right of the resident’s family to meet in the facility with the families of other residents in the facility.

(viii) **Participation in other activities**

The right of the resident to participate in social, religious, and community activities that do not interfere with the rights of other residents in the facility.

(ix) **Examination of survey results**

The right to examine, upon reasonable request, the results of the most recent survey of the facility conducted by the Secretary or a State with respect to the facility and any plan of correction in effect with respect to the facility.

(x) **Refusal of certain transfers**

The right to refuse a transfer to another room within the facility, if a purpose of the transfer is to relocate the resident from a portion of the facility that is not a skilled nursing facility (for purposes of subchapter XVIII) to a portion of the facility that is such a skilled nursing facility.

(xi) **Other rights**

Any other right established by the Secretary.

Clause (iii) shall not be construed as requiring the provision of a private room. A resident’s exercise of a right to refuse transfer under clause (x) shall not affect the resident’s eligibility or entitlement to medical assistance under this subchapter or a State’s entitlement to Federal medical assistance under this subchapter with respect to services furnished to such a resident.

(B) **Notice of rights**

A nursing facility must—

(i) inform each resident, orally and in writing at the time of admission to the facility, of the resident’s legal rights during the stay at the facility and of the requirements and procedures for establishing eligibility for medical assistance under this subchapter, including the right to request an assessment under section 1396r–5(c)(1)(B) of this title;

(ii) make available to each resident, upon reasonable request, a written statement of such rights (which statement is updated upon changes in such rights) including the notice (if any) of the State developed under subsection (e)(6);

(iii) inform each resident who is entitled to medical assistance under this subchapter—

(I) at the time of admission to the facility or, if later, at the time the resident becomes eligible for such assistance, of the items and services (including those specified under section 1396a(a)(28)(B) of this title) that are included in nursing facility services under the State plan and for which the resident may not be charged (except as permitted in section 1396a of this title), and of those other items and services that the facility offers and for which the resident may be charged and the amount of the charges for such items and services, and

(II) of changes in the items and services described in subclause (I) and of changes in the charges imposed for items and services described in that subclause; and

(iv) inform each other resident, in writing before or at the time of admission and periodically during the resident’s stay, of items and services available in the facility and of related charges for such services, including
any charges for services not covered under subchapter XVIII or by the facility’s basic per diem charge.

The written description of legal rights under this subparagraph shall include a description of the protection of personal funds under paragraph (6) and a statement that a resident may file a complaint with a State survey and certification agency respecting resident abuse and neglect and misappropriation of resident property in the facility.

(C) Rights of incompetent residents

In the case of a resident adjudged incompetent under the laws of a State, the rights of the resident under this subchapter shall devolve upon, and, to the extent judged necessary by a court of competent jurisdiction, be exercised by, the person appointed under State law to act on the resident’s behalf.

(D) Use of psychopharmacologic drugs

Psychopharmacologic drugs may be administered only on the orders of a physician and only as part of a plan (included in the written plan of care described in paragraph (2)) designed to eliminate or modify the symptoms for which the drugs are prescribed and only if, at least annually an independent, external consultant reviews the appropriateness of the drug plan of each resident receiving such drugs.

(2) Transfer and discharge rights

(A) In general

A nursing facility must permit each resident to remain in the facility and must not transfer or discharge the resident from the facility unless—

(i) the transfer or discharge is necessary to meet the resident’s welfare and the resident’s welfare cannot be met in the facility;

(ii) the transfer or discharge is appropriate because the resident’s health has improved sufficiently to allow the resident no longer needs the services provided by the facility;

(iii) the safety of individuals in the facility is endangered;

(iv) the health of individuals in the facility would otherwise be endangered;

(v) the resident has failed, after reasonable and appropriate notice, to pay (or to have paid under this subchapter) any charges for services not covered under subchapter XVIII or by the facility’s basic per diem charge;

(vi) the facility ceases to operate.

In each of the cases described in clauses (i) through (iv), the basis for the transfer or discharge must be documented in the resident’s clinical record. In the cases described in clauses (i) and (ii), the documentation must be made by the resident’s physician, and in the case described in clause (iv) the documentation must be made by a physician. For purposes of clause (v), in the case of a resident who becomes eligible for assistance under this subchapter after admission to the facility, only charges which may be imposed under this subchapter shall be considered to be allowable.

(B) Pre-transfer and pre-discharge notice

(i) In general

Before effecting a transfer or discharge of a resident, a nursing facility must—

(I) notify the resident (and, if known, an immediate family member of the resident or legal representative) of the transfer or discharge and the reasons therefor;

(II) record the reasons in the resident’s clinical record (including any documentation required under subparagraph (A)); and

(III) include in the notice the items described in clause (iii).

(ii) Timing of notice

The notice under clause (i)(I) must be made at least 30 days in advance of the resident’s transfer or discharge except—

(I) in a case described in clause (iii) or (iv) of subparagraph (A);

(II) in a case described in clause (ii) of subparagraph (A), where the resident’s health improves sufficiently to allow a more immediate transfer or discharge;

(III) in a case described in clause (i) of subparagraph (A), where a more immediate transfer or discharge is necessitated by the resident’s urgent medical needs; or

(IV) in a case where a resident has not resided in the facility for 30 days.

In the case of such exceptions, notice must be given as many days before the date of the transfer or discharge as is practicable.

(iii) Items included in notice

Each notice under clause (i) must include—

(I) for transfers or discharges effected on or after October 1, 1989, notice of the resident’s right to appeal the transfer or discharge under the State process established under subsection (e)(3); (II) the name, mailing address, and telephone number of the State long-term care ombudsman (established under title III or VII of the Older Americans Act of 1965 [42 U.S.C. 3021 et seq., 3058 et seq.] in accordance with section 712 of the Act [42 U.S.C. 3058g]);

(III) in the case of residents with developmental disabilities, the mailing address and telephone number of the agency responsible for the protection and advocacy system for developmentally disabled individuals established under sub-subtitle C of the Developmental Disabilities Assistance and Bill of Rights Act of 2000 [42 U.S.C. 15041 et seq.]; and

(IV) in the case of mentally ill residents (as defined in subsection (e)(7)(G)(i)), the mailing address and telephone number of the agency responsible for the protection and advocacy system for mentally ill individuals established under the Protection and Advocacy for Mentally Ill Individuals Act (42 U.S.C. 10801 et seq.).

2See References in Text note below.
(C) Orientation

A nursing facility must provide sufficient preparation and orientation to residents to ensure safe and orderly transfer or discharge from the facility.

(D) Notice on bed-hold policy and readmission

(i) Notice before transfer

Before a resident of a nursing facility is transferred for hospitalization or therapeutic leave, a nursing facility must provide written information to the resident and an immediate family member or legal representative concerning—

(I) the provisions of the State plan under this subchapter regarding the period (if any) during which the resident will be permitted under the State plan to return and resume residence in the facility, and

(II) the policies of the facility regarding such a period, which policies must be consistent with clause (iii).

(ii) Notice upon transfer

At the time of transfer of a resident to a hospital or for therapeutic leave, a nursing facility must provide written notice to the resident and an immediate family member or legal representative of the duration of any period described in clause (i).

(iii) Permitting resident to return

A nursing facility must establish and follow a written policy under which a resident—

(I) who is eligible for medical assistance for nursing facility services under a State plan,

(II) who is transferred from the facility for hospitalization or therapeutic leave, and

(III) whose hospitalization or therapeutic leave exceeds a period paid for under the State plan for the holding of a bed in the facility for the resident, will be permitted to be readmitted to the facility immediately upon the first availability of a bed in a semiprivate room in the facility if, at the time of readmission, the resident requires the services provided by the facility.

(E) Information respecting advance directives

A nursing facility must comply with the requirement of section 1396a(w) of this title (relating to maintaining written policies and procedures respecting advance directives).

(F) Continuing rights in case of voluntary withdrawal from participation

(i) In general

In the case of a nursing facility that voluntarily withdraws from participation in a State plan under this subchapter but continues to provide services of the type provided by nursing facilities—

(I) the facility’s voluntary withdrawal from participation is not an acceptable basis for the transfer or discharge of residents of the facility who were residing in the facility on the day before the effective date of the withdrawal (including those residents who were not entitled to medical assistance as of such day);

(II) the provisions of this section continue to apply to such residents until the date of their discharge from the facility; and

(III) in the case of each individual who begins residence in the facility after the effective date of such withdrawal, the facility shall provide notice orally and in a prominent manner in writing on a separate page at the time the individual begins residence of the information described in clause (ii) and shall obtain from each such individual at such time an acknowledgment of receipt of such information that is in writing, signed by the individual, and separate from other documents signed by such individual.

Nothing in this subparagraph shall be construed as affecting any requirement of a participation agreement that a nursing facility provide advance notice to the State or the Secretary, or both, of its intention to terminate the agreement.

(ii) Information for new residents

The information described in this clause for a resident is the following:

(I) The facility is not participating in the program under this subchapter with respect to that resident.

(II) The facility may transfer or discharge the resident from the facility at such time as the resident is unable to pay the charges of the facility, even though the resident may have become eligible for medical assistance for nursing facility services under this subchapter.

(iii) Continuation of payments and oversight authority

Notwithstanding any other provision of this subchapter, with respect to the residents described in clause (i)(I), a participation agreement of a facility described in clause (i) is deemed to continue in effect under such plan after the effective date of the facility’s voluntary withdrawal from participation under the State plan for purposes of—

(I) receiving payments under the State plan for nursing facility services provided to such residents;

(II) maintaining compliance with all applicable requirements of this subchapter; and

(III) continuing to apply the survey, certification, and enforcement authority provided under subsections (g) and (h) (including involuntary termination of a participation agreement deemed continued under this clause).

(iv) No application to new residents

This paragraph (other than subclause (III) of clause (i)) shall not apply to an individual who begins residence in a facility
on or after the effective date of the withdrawal from participation under this subparagraph.

(3) Access and visitation rights
A nursing facility must—
(A) permit immediate access to any resident by any representative of the Secretary, by any representative of the State, by an ombudsman or agency described in subclause (II), (III), or (IV) of paragraph (2)(B)(iii), or by the resident’s individual physician;
(B) permit immediate access to a resident, subject to the resident’s right to deny or withdraw consent at any time, by immediate family or other relatives of the resident;
(C) permit immediate access to a resident, subject to reasonable restrictions and the resident’s right to deny or withdraw consent at any time, by others who are visiting with the consent of the resident;
(D) permit reasonable access to a resident by any entity or individual that provides health, social, legal, or other services to the resident, subject to the resident’s right to deny or withdraw consent at any time; and
(E) permit representatives of the State ombudsman (described in paragraph (2)(B)(iii)(II)), with the permission of the resident (or the resident’s legal representative) and consistent with State law, to examine a resident’s clinical records.

(4) Equal access to quality care
(A) In general
A nursing facility must establish and maintain identical policies and practices regarding transfer, discharge, and the provision of services required under the State plan for all individuals regardless of source of payment.

(B) Construction
(i) Nothing prohibiting any charges for non-medicaid patients
Subparagraph (A) shall not be construed as prohibiting a nursing facility from charging any amount for services furnished, consistent with the notice in paragraph (1)(B) describing such charges.

(ii) No additional services required
Subparagraph (A) shall not be construed as requiring a State to offer additional services on behalf of a resident than are otherwise provided under the State plan.

(5) Admissions policy
(A) Admissions
With respect to admissions practices, a nursing facility must—
(1)(I) not require individuals applying to reside or residing in the facility to waive their rights to benefits under this subchapter or subchapter XVIII, (II) subject to subparagraph (B)(v), not require oral or written assurance that such individuals are not eligible for, or will not apply for, benefits under this subchapter or subchapter XVIII, and (III) prominently display in the facility written information, about how to apply for and use such benefits and how to receive refunds for previous payments covered by such benefits;

(ii) not require a third party guarantee of payment to the facility as a condition of admission (or expedited admission) to, or continued stay in, the facility; and

(iii) in the case of an individual who is entitled to medical assistance for nursing facility services, not charge, solicit, accept, or receive, in addition to any amount otherwise required to be paid under the State plan under this subchapter, any gift, money, donation, or other consideration as a precondition of admitting (or expediting the admission of) the individual to the facility or as a requirement for the individual’s continued stay in the facility.

(B) Construction
(i) No preemption of stricter standards
Subparagraph (A) shall not be construed as preventing States or political subdivisions therein from prohibiting, under State or local law, the discrimination against individuals who are entitled to medical assistance under the State plan with respect to admissions practices of nursing facilities.

(ii) Contracts with legal representatives
Subparagraph (A)(ii) shall not be construed as preventing a facility from requiring an individual, who has legal access to a resident’s income or resources available to pay for care in the facility, to sign a contract (without incurring personal financial liability) to provide payment from the resident’s income or resources for such care.

(iii) Charges for additional services requested
Subparagraph (A)(iii) shall not be construed as preventing a facility from charging a resident, eligible for medical assistance under the State plan, for items or services the resident has requested and received and that are not specified in the State plan as included in the term “nursing facility services”.

(iv) Bona fide contributions
Subparagraph (A)(iii) shall not be construed as prohibiting a nursing facility from soliciting, accepting, or receiving a charitable, religious, or philanthropic contribution from an organization or from a person unrelated to the resident (or potential resident), but only to the extent that such contribution is not a condition of admission, expediting admission, or continued stay in the facility.

(v) Treatment of continuing care retirement communities admission contracts
Notwithstanding subclause (II) of subparagraph (A)(i), subject to subsections (c) and (d) of section 1396r-5 of this title, contracts for admission to a State licensed, registered, certified, or equivalent con-
continuing care retirement community or life care community, including services in a nursing facility that is part of such community, may require residents to spend on their care resources declared for the purposes of admission before applying for medical assistance.

(6) Protection of resident funds
(A) In general
The nursing facility—
(i) may not require residents to deposit their personal funds with the facility, and
(ii) upon the written authorization of the resident, must hold, safeguard, and account for such personal funds under a system established and maintained by the facility in accordance with this paragraph.

(B) Management of personal funds
Upon written authorization of a resident under subparagraph (A)(ii), the facility must manage and account for the personal funds of the resident deposited with the facility as follows:

(i) Deposit
The facility must deposit any amount of personal funds in excess of $50 with respect to a resident in an interest bearing account (or accounts) that is separate from any of the facility’s operating accounts and credits all interest earned on such separate account to such account. With respect to any other personal funds, the facility must maintain such funds in a non-interest bearing account or petty cash fund.

(ii) Accounting and records
The facility must assure a full and complete separate accounting of each such resident’s personal funds, maintain a written record of all financial transactions involving the personal funds of a resident deposited with the facility, and afford the resident (or a legal representative of the resident) reasonable access to such record.

(iii) Notice of certain balances
The facility must notify each resident receiving medical assistance under the State plan under this subchapter when the amount in the resident’s account reaches $200 less than the dollar amount determined under section 1382(a)(3)(B) of this title and the fact that if the amount in the account (in addition to the value of the resident’s other nonexempt resources) reaches the amount determined under such section the resident may lose eligibility for such medical assistance or for benefits under subchapter XVI.

(iv) Conveyance upon death
Upon the death of a resident with such an account, the facility must convey promptly the resident’s personal funds (and a final accounting of such funds) to the individual administering the resident’s estate.

(C) Assurance of financial security
The facility must purchase a surety bond, or otherwise provide assurance satisfactory to the Secretary, to assure the security of all personal funds of residents deposited with the facility.

(D) Limitation on charges to personal funds
The facility may not impose a charge against the personal funds of a resident for any item or service for which payment is made under this subchapter or subchapter XVIII.

(7) Limitation on charges in case of medicaid-eligible individuals
(A) In general
A nursing facility may not impose charges, for certain medicaid-eligible individuals for nursing facility services covered by the State under its plan under this subchapter, that exceed the payment amounts established by the State for such services under this subchapter.

(B) “Certain medicaid-eligible individual” defined
In subparagraph (A), the term “certain medicaid-eligible individual” means an individual who is entitled to medical assistance for nursing facility services in the facility under this subchapter but with respect to whom such benefits are not being paid because, in determining the amount of the individual’s income to be applied monthly to payment for the costs of such services, the amount of such income exceeds the payment amounts established by the State for such services under this subchapter.

(8) Posting of survey results
A nursing facility must post in a place readily accessible to residents, and family members and legal representatives of residents, the results of the most recent survey of the facility conducted under subsection (g).

(d) Requirements relating to administration and other matters
(1) Administration
(A) In general
A nursing facility must be administered in a manner that enables it to use its resources effectively and efficiently to attain or maintain the highest practicable physical, mental, and psychosocial well-being of each resident (consistent with requirements established under subsection (f)(5)).

(B) Required notices
If a change occurs in—
(i) the persons with an ownership or control interest (as defined in section 1320a–3(a)(3) of this title) in the facility,
(ii) the persons who are officers, directors, agents, or managing employees (as defined in section 1320a–5(b) of this title) of the facility,
(iii) the corporation, association, or other company responsible for the management of the facility, or
(iv) the individual who is the administrator or director of nursing of the facility,
the nursing facility must provide notice to the State agency responsible for the licens-
§ 1396r

A nursing facility must meet standards established by the Secretary under subsection (f)(4).

(V) Availability of survey, certification, and complaint investigation reports

A nursing facility must—

(i) have reports with respect to any surveys, certifications, and complaint investigations made respecting the facility during the 3 preceding years available for any individual to review upon request; and

(ii) post notice of the availability of such reports in areas of the facility that are prominent and accessible to the public.

The facility shall not make available under clause (i) identifying information about complainants or residents.

(2) Licensing and Life Safety Code

(A) Licensing

A nursing facility must be licensed under applicable State and local law.

(B) Life Safety Code

A nursing facility must meet such provisions of such edition (as specified by the Secretary in regulation) of the Life Safety Code of the National Fire Protection Association as are applicable to nursing homes; except that—

(i) the Secretary may waive, for such periods as he deems appropriate, specific provisions of such Code which if rigidly applied would result in unreasonable hardship upon a facility, but only if such waiver would not adversely affect the health and safety of residents or personnel, and

(ii) the provisions of such Code shall not apply in any State if the Secretary finds that in such State there is in effect a fire and safety code, imposed by State law, which adequately protects residents of and personnel in nursing facilities.

(3) Sanitary and Infection Control and Physical Environment

A nursing facility must—

(A) establish and maintain an infection control program designed to provide a safe, sanitary, and comfortable environment in which residents reside and to help prevent the development and transmission of disease and infection, and

(B) be designed, constructed, equipped, and maintained in a manner to protect the health and safety of residents, personnel, and the general public.

(4) Miscellaneous

(A) Compliance with Federal, State, and Local Laws and Professional Standards

A nursing facility must operate and provide services in compliance with all applicable Federal, State, and local laws and regulations (including the requirements of section 1320a–3 of this title) and with accepted professional standards and principles which apply to professionals providing services in such a facility.

(B) Other

A nursing facility must meet such other requirements relating to the health and safety of residents or relating to the physical facilities thereof as the Secretary may find necessary.

(e) State Requirements Relating to Nursing Facility Requirements

As a condition of approval of its plan under this subchapter, a State must provide for the following:

(1) Specification and Review of Nurse Aide Training and Competency Evaluation Programs and of Nurse Aide Competency Evaluation Programs

The State must—

(A) by not later than January 1, 1989, specify those training and competency evaluation programs, and those competency evaluation programs, that the State approves for purposes of subsection (b)(5) and that meet the requirements established under subsection (f)(2), and

(B) by not later than January 1, 1990, provide for the review and reapproval of such programs, at a frequency and using a methodology consistent with the requirements established under subsection (f)(2)(A)(iii).

The failure of the Secretary to establish requirements under subsection (f)(2) shall not relieve any State of its responsibility under this paragraph.

(2) Nurse Aide Registry

(A) In General

By not later than January 1, 1989, the State shall establish and maintain a registry of all individuals who have satisfactorily completed a nurse aide training and competency evaluation program, or a nurse aide competency evaluation program, approved under paragraph (1) in the State, or any individual described in subsection (f)(2)(B)(i) or in subparagraph (B), (C), or (D) of section 6901(b)(4) of the Omnibus Budget Reconciliation Act of 1989.

(B) Information in Registry

The registry under subparagraph (A) shall provide (in accordance with regulations of the Secretary) for the inclusion of specific documented findings by a State under subsection (g)(1)(C) of resident neglect or abuse or misappropriation of resident property involving an individual listed in the registry, as well as any brief statement of the individual disputing the findings. The State shall make available to the public information in the registry. In the case of inquiries to the registry concerning an individual listed in the registry, any information disclosed concerning such a finding shall also include disclosure of any such statement in the reg-

3So in original. There are no subpars. (D) to (U).
(C) Prohibition against charges

A State may not impose any charges on a nurse aide relating to the registry established and maintained under subparagraph (A).

(3) State appeals process for transfers and discharges

The State, for transfers and discharges from nursing facilities effected on or after October 1, 1989, must provide for a fair mechanism, meeting the guidelines established under subsection (f)(3), for hearing appeals on transfers and discharges of residents of such facilities; but the failure of the Secretary to establish such guidelines under such subsection shall not relieve any State of its responsibility under this paragraph.

(4) Nursing facility administrator standards

By not later than July 1, 1989, the State must have implemented and enforced the nursing facility administrator standards developed under subsection (f)(4) respecting the qualification of administrators of nursing facilities.

(5) Specification of resident assessment instrument

Effective July 1, 1990, the State shall specify the instrument to be used by nursing facilities in the State in complying with the requirement of subsection (b)(3)(A)(iii). Such instrument shall be—

(A) one of the instruments designated under subsection (f)(6)(B); or

(B) an instrument which the Secretary has approved as being consistent with the minimum data set of core elements, common definitions, and utilization guidelines specified by the Secretary under subsection (f)(6)(A).

(6) Notice of medicaid rights

Each State, as a condition of approval of its plan under this subchapter, effective April 1, 1988, must develop (and periodically update) a written notice of the rights and obligations of residents of nursing facilities (and spouses of such residents) under this subchapter.

(7) State requirements for preadmission screening and resident review

(A) Preadmission screening

(i) In general

Effective January 1, 1989, the State must have in effect a preadmission screening program, for making determinations (using any criteria developed under subsection (f)(8) described in subsection (b)(3)(F) for mentally ill and mentally retarded individuals (as defined in subparagraph (G)) who are admitted to nursing facilities on or after January 1, 1989. The failure of the Secretary to develop minimum criteria under subsection (f)(8) shall not relieve any State of its responsibility to have a preadmission screening program under this subparagraph or to perform resident reviews under subparagraph (B).

(ii) Clarification with respect to certain re-admissions

The preadmission screening program under clause (i) need not provide for determinations in the case of the readmission to a nursing facility of an individual who, after being admitted to the nursing facility, was transferred for care in a hospital.

(iii) Exception for certain hospital discharges

The preadmission screening program under clause (i) shall not apply to the admission to a nursing facility of an individual—

(1) who is admitted to the facility directly from a hospital after receiving acute inpatient care at the hospital,

(2) who requires nursing facility services for the condition for which the individual received care in the hospital, and

(3) whose attending physician has certified, before admission to the facility, that the individual is likely to require less than 30 days of nursing facility services.

(B) State requirement for resident review

(i) For mentally ill residents

As of April 1, 1990, in the case of each resident of a nursing facility who is mentally ill, the State mental health authority must review and determine (using any criteria developed under subsection (f)(8) and based on an independent physical and mental evaluation performed by a person or entity other than the State mental health authority)—

(I) whether or not the resident, because of the resident’s physical and mental condition, requires the level of services provided by a nursing facility or requires the level of services of an inpatient psychiatric hospital for individuals under age 21 (as described in section 1396d(h) of this title) or of an institution for mental diseases providing medical assistance to individuals 65 years of age or older; and

(II) whether or not the resident requires specialized services for mental illness.

(ii) For mentally retarded residents

As of April 1, 1990, in the case of each resident of a nursing facility who is mentally retarded, the State mental retardation or developmental disability authority must review and determine (using any criteria developed under subsection (f)(8) —

(I) whether or not the resident, because of the resident’s physical and mental condition, requires the level of services provided by a nursing facility or requires the level of services of an intermediate care facility described under section 1396d(d) of this title; and

(II) whether or not the resident requires specialized services for mental retardation.

(iii) Review required upon change in resident’s condition

A review and determination under clause (i) or (ii) must be conducted promptly
after a nursing facility has notified the State mental health authority or State mental retardation or developmental disability authority, as applicable, under subsection (b)(3)(E) with respect to a mentally ill or mentally retarded resident, that there has been a significant change in the resident’s physical or mental condition.

(iv) Prohibition of delegation
A State mental health authority, a State mental retardation or developmental disability authority, and a State may not delegate (by subcontract or otherwise) their responsibilities under this subparagraph to a nursing facility (or to an entity that has a direct or indirect affiliation or relationship with such a facility).

(C) Response to preadmission screening and resident review
As of April 1, 1990, the State must meet the following requirements:

(i) Long-term residents not requiring nursing facility services, but requiring specialized services
In the case of a resident who is determined, under subparagraph (B), not to require the level of services provided by a nursing facility, but to require specialized services for mental illness or mental retardation, and who has continuously resided in a nursing facility for at least 30 months before the date of the determination, the State must, in consultation with the resident’s family or legal representative and care-givers—

(I) inform the resident of the institutional and noninstitutional alternatives covered under the State plan for the resident,

(II) offer the resident the choice of remaining in the facility or of receiving covered services in an alternative appropriate institutional or noninstitutional setting,

(III) clarify the effect on eligibility for services under the State plan if the resident chooses to leave the facility (including its effect on readmission to the facility), and

(IV) regardless of the resident’s choice, provide for (or arrange for the provision of) such specialized services for the mental illness or mental retardation.

A State shall not be denied payment under this subchapter for nursing facility services for a resident described in this clause because the resident does not require the level of services provided by such a facility, if the resident chooses to remain in such a facility.

(ii) Other residents not requiring nursing facility services, but requiring specialized services
In the case of a resident who is determined, under subparagraph (B), not to require the level of services provided by a nursing facility, but to require specialized services for mental illness or mental retardation, and who has not continuously resided in a nursing facility for at least 30 months before the date of the determination, the State must, in consultation with the resident’s family or legal representative and care-givers—

(I) arrange for the safe and orderly discharge of the resident from the facility, consistent with the requirements of subsection (c)(2),

(II) prepare and orient the resident for such discharge, and

(III) provide for (or arrange for the provision of) such specialized services for the mental illness or mental retardation.

(iii) Residents not requiring nursing facility services and not requiring specialized services
In the case of a resident who is determined, under subparagraph (B), not to require the level of services provided by a nursing facility and not to require specialized services for mental illness or mental retardation, the State must—

(I) arrange for the safe and orderly discharge of the resident from the facility, consistent with the requirements of subsection (c)(2), and

(II) prepare and orient the resident for such discharge.

(iv) Annual report
Each State shall report to the Secretary annually concerning the number and disposition of residents described in each of clauses (ii) and (iii).

(D) Denial of payment

(i) For failure to conduct preadmission screening or review
No payment may be made under section 1396b(a) of this title with respect to nursing facility services furnished to an individual for whom a determination is required under subsection (b)(3)(F) or subparagraph (B) but for whom the determination is not made.

(ii) For certain residents not requiring nursing facility level of services
No payment may be made under section 1396b(a) of this title with respect to nursing facility services furnished to an individual (other than an individual described in subparagraph (C)(i)) who does not require the level of services provided by a nursing facility.

(E) Permitting alternative disposition plans
With respect to residents of a nursing facility who are mentally retarded or mentally ill and who are determined under subparagraph (B) not to require the level of services of such a facility, but who require specialized services for mental illness or mental retardation, a State and the nursing facility shall be considered to be in compliance with the requirements of subparagraphs (A) through (C) of this paragraph if, before April 1, 1989, the State and the Secretary have entered into an agreement relating to
the disposition of such residents of the facility and the State is in compliance with such agreement. Such an agreement may provide for the disposition of the residents after the date specified in subparagraph (C). The State may revise such an agreement, subject to the approval of the Secretary, before October 1, 1991, but only if, under the revised agreement, all residents subject to the agreement who do not require the level of services of such a facility are discharged from the facility by not later than April 1, 1994.

(F) Appeals procedures

Each State, as a condition of approval of its plan under this subchapter, effective January 1, 1989, must have in effect an appeals process for individuals adversely affected by determinations under subparagraph (A) or (B).

(G) Definitions

In this paragraph and in subsection (b)(3)(F):

(i) An individual is considered to be “mentally ill” if the individual has a serious mental illness (as defined by the Secretary in consultation with the National Institute of Mental Health) and does not have a primary diagnosis of dementia (including Alzheimer’s disease or a related disorder) or a diagnosis (other than a primary diagnosis) of dementia and a primary diagnosis that is not a serious mental illness.

(ii) An individual is considered to be “mentally retarded” if the individual is mentally retarded or a person with a related condition (as described in section 1396d(d) of this title).

(iii) The term “specialized services” has the meaning given such term by the Secretary in regulations, but does not include, in the case of a resident of a nursing facility, services within the scope of services which the facility must provide or arrange for its residents under subsection (b)(4).

(f) Responsibilities of Secretary relating to nursing facility requirements

(1) General responsibility

It is the duty and responsibility of the Secretary to assure that requirements which govern the provision of care in nursing facilities under State plans approved under this subchapter, and the enforcement of such requirements, are adequate to protect the health, safety, welfare, and rights of residents and to promote the effective and efficient use of public moneys.

(2) Requirements for nurse aide training and competency evaluation programs and for nurse aide competency evaluation programs

(A) In general

For purposes of subsections (b)(5) and (e)(1)(A), the Secretary shall establish, by not later than September 1, 1988—

(i) requirements for the approval of nurse aide training and competency evaluation programs, including requirements relating to (I) the areas to be covered in such a program (including at least basic nursing skills, personal care skills, recognition of mental health and social service needs, care of cognitively impaired residents, basic restorative services, and residents’ rights) and content of the curriculum (including, in the case of initial training and, if the Secretary determines appropriate, in the case of ongoing training, dementia management training, and patient abuse prevention training), (II) minimum hours of initial and ongoing training and retraining (including not less than 75 hours in the case of initial training), (III) qualifications of instructors, and (IV) procedures for determination of competency;

(ii) requirements for the approval of nurse aide competency evaluation programs, including requirement relating to the areas to be covered in such a program, including at least basic nursing skills, personal care skills, recognition of mental health and social service needs, care of cognitively impaired residents, basic restorative services, and residents’ rights, and procedures for determination of competency;

(iii) requirements respecting the minimum frequency and methodology to be used by a State in reviewing such programs’ compliance with the requirements for such programs; and

(iv) requirements, under both such programs, that—

(I) provide procedures for determining competency that permit a nurse aide, at the nurse aide’s option, to establish competency through procedures or methods other than the passing of a written examination and to have the competency evaluation conducted at the nursing facility at which the aide is (or will be) employed (unless the facility is described in subparagraph (B)(ii)(D)),

(II) prohibit the imposition on a nurse aide who is employed by (or who has received an offer of employment from) a facility on the date on which the aide begins either such program of any charges for textbooks and other required course materials and any charges for the competency evaluation) for either such program, and

(III) in the case of a nurse aide not described in subclause (II) who is employed by (or who has received an offer of employment from) a facility not later than 12 months after completing either such program, the State shall provide for the reimbursement of costs incurred in completing such program on a prorata basis during the period in which the nurse aide is so employed.

(B) Approval of certain programs

Such requirements—

So in original. Probably should be followed by a closing parenthesis.
(i) may permit approval of programs offered by or in facilities, as well as outside facilities (including employee organizations), and of programs in effect on December 22, 1987;

(ii) shall permit a State to find that an individual who has completed (before July 1, 1989) a nurse aide training and competency evaluation program shall be deemed to have completed such a program approved under subsection (b)(3) if the State determines that, at the time the program was offered, the program met the requirements for approval under such paragraph; and

(iii) subject to subparagraphs (C) and (D), shall prohibit approval of such a program—

(I) offered by or in a nursing facility which, within the previous 2 years—

(a) has operated under a waiver under subsection (b)(4)(C)(ii) that was granted on the basis of a demonstration that the facility is unable to provide the nursing care required under subsection (b)(4)(C)(i) for a period in excess of 48 hours during a week;

(b) has been subject to an extended (or partial extended) survey under section 1395i–3(g)(2)(B)(i) of this title or section 1395i–3(h)(2)(B)(i); or

(c) has been assessed a civil money penalty described in section 1395i–3(h)(2)(B)(ii) of this title or subsection (h)(2)(A)(ii) of not less than $5,000, or has been subject to a remedy described in subsection (h)(1)(B)(i), clauses 5 of (i) or (ii) of section 1395i–3(h)(2)(B) of this title, or section 1395i–3(h)(4) of this title, or

(II) offered by or in a nursing facility unless the State makes the determination, upon an individual’s completion of the program, that the individual is competent to provide nursing and nursing-related services in nursing facilities.

A State may not delegate (through subcontract or otherwise) its responsibility under clause (iii)(II) to the nursing facility.

(C) Waiver authorized

Clause (iii)(I) of subparagraph (B) shall not apply to a program offered in (but not by) a nursing facility (or skilled nursing facility for purposes of subchapter XVIII) in a State if the State—

(i) determines that there is no other such program offered within a reasonable distance of the facility,

(ii) assures, through an oversight effort, that an adequate environment exists for operating the program in the facility, and

(iii) provides notice of such determination and assurances to the State long-term care ombudsman.

(D) Waiver of disapproval of nurse-aide training programs

Upon application of a nursing facility, the Secretary may waive the application of subparagraph (B)(iii)(I)(c) if the imposition of the civil monetary penalty was not related to the quality of care provided to residents of the facility. Nothing in this subparagraph shall be construed as eliminating any requirement upon a facility to pay a civil monetary penalty described in the preceding sentence.

(3) Federal guidelines for State appeals process for transfers and discharges

For purposes of subsections (c)(2)(B)(ii) and (e)(3), by not later than October 1, 1988, the Secretary shall establish guidelines for minimum standards which State appeals processes under subsection (e)(3) must meet to provide for a fair mechanism for hearing appeals on transfers and discharges of residents from nursing facilities.

(4) Secretarial standards qualification of administrators

For purposes of subsections (d)(1)(C) and (e)(4), the Secretary shall develop, by not later than March 1, 1988, standards to be applied in assuring the qualifications of administrators of nursing facilities.

(5) Criteria for administration

The Secretary shall establish criteria for assessing a nursing facility’s compliance with the requirement of subsection (d)(1) with respect to—

(A) its governing body and management,

(B) agreements with hospitals regarding transfers of residents to and from the hospitals and to and from other nursing facilities,

(C) disaster preparedness,

(D) direction of medical care by a physician,

(E) laboratory and radiological services,

(F) clinical records, and

(G) resident and advocate participation.

(6) Specification of resident assessment data set and instruments

The Secretary shall—

(A) not later than January 1, 1989, specify a minimum data set of core elements and common definitions for use by nursing facilities in conducting the assessments required under subsection (b)(3), and establish guidelines for utilization of the data set; and

(B) by not later than April 1, 1990, designate one or more instruments which are consistent with the specification made under subparagraph (A) and which a State may specify under subsection (e)(5)(A) for use by nursing facilities in complying with the requirements of subsection (b)(3)(A)(iii).

(7) List of items and services furnished in nursing facilities not chargeable to the personal funds of a resident

(A) Regulations required

Pursuant to the requirement of section 21(b) of the Medicare-Medicaid Anti-Fraud

5So in original. Probably should be “clause”.

6So in original. Probably should be “clause”.

7So in original. Probably should be “clause”.

8So in original.
and Abuse Amendments of 1977, the Secretary shall issue regulations, on or before the first day of the seventh month to begin after December 22, 1987, that define those costs which may be charged to the personal funds of residents in nursing facilities who are individuals receiving medical assistance with respect to nursing facility services under this subchapter and those costs which are to be included in the payment amount under this subchapter for nursing facility services.

(B) Rule if failure to publish regulations
If the Secretary does not issue the regulations under subparagraph (A) on or before the date required in that subparagraph, in the case of a resident of a nursing facility who is eligible to receive benefits for nursing facility services under this subchapter, for purposes of section 1396a(a)(28)(B) of this title, the Secretary shall be deemed to have promulgated regulations under this paragraph which provide that the costs which may not be charged to the personal funds of such resident (and for which payment is considered to be made under this subchapter) include, at a minimum, the costs for routine personal hygiene items and services furnished by the facility.

(8) Federal minimum criteria and monitoring for preadmission screening and resident review

(A) Minimum criteria
The Secretary shall develop, by not later than October 1, 1988, minimum criteria for States to use in making determinations under subsections (b)(3)(F) and (e)(7)(B) and in permitting individuals adversely affected to appeal such determinations, and shall notify the States of such criteria.

(B) Monitoring compliance
The Secretary shall review, in a sufficient number of cases to allow reasonable inferences, each State’s compliance with the requirements of subsection (e)(7)(C)(ii) (relating to discharge and placement for active treatment of certain resident(s)).

(9) Criteria for monitoring State waivers

The Secretary shall develop, by not later than October 1, 1988, criteria and procedures for monitoring State performances in granting waivers pursuant to subsection (b)(4)(C)(ii).

(10) Special focus facility program

(A) In general
The Secretary shall conduct a special focus facility program for enforcement of requirements for nursing facilities that the Secretary has identified as having substantially failed to meet applicable requirements of this chapter.

(B) Periodic surveys
Under such program the Secretary shall conduct surveys of each facility in the program not less often than once every 6 months.

(g) Survey and certification process

(1) State and Federal responsibility

(A) In general
Under each State plan under this subchapter, the State shall be responsible for certifying, in accordance with surveys conducted under paragraph (2), the compliance of nursing facilities (other than facilities of the State) with the requirements of subsections (b), (c), and (d). The Secretary shall be responsible for certifying, in accordance with surveys conducted under paragraph (2), the compliance of State nursing facilities with the requirements of such subsections.

(B) Educational program
Each State shall conduct periodic educational programs for the staff and residents (and their representatives) of nursing facilities in order to present current regulations, procedures, and policies under this section.

(C) Investigation of allegations of resident neglect and abuse and misappropriation of resident property

The State shall provide, through the agency responsible for surveys and certification of nursing facilities under this subsection, for a process for the receipt and timely review and investigation of allegations of neglect and abuse and misappropriation of resident property by a nurse aide of a resident in a nursing facility or by another individual used by the facility in providing services to such a resident. The State shall, after notice to the individual involved and a reasonable opportunity for a hearing for the individual to rebut allegations, make a finding as to the accuracy of the allegations. If the State finds that a nurse aide has neglected or abused a resident or misappropriated resident property in a facility, the State shall notify the nurse aide and the registry of the State. If the State finds that any other individual used by the facility has neglected or abused a resident or misappropriated resident property in a facility, the State shall notify the appropriate licensure authority. A State shall not make a finding that an individual has neglected a resident if the individual demonstrates that such neglect was caused by factors beyond the control of the individual.

(D) Removal of name from nurse aide registry

(i) In general
In the case of a finding of neglect under subparagraph (C), the State shall establish a procedure to permit a nurse aide to petition the State to have his or her name removed from the registry upon a determination by the State that—

(I) the employment and personal history of the nurse aide does not reflect a pattern of abusive behavior or neglect; and

(II) the neglect involved in the original finding was a singular occurrence.

(ii) Timing of determination
In no case shall a determination on a petition submitted under clause (i) be made...
(E) Construction
The failure of the Secretary to issue regulations to carry out this subsection shall not relieve a State of its responsibility under this subsection.

(2) Surveys

(A) Annual standard survey
(i) In general
Each nursing facility shall be subject to a standard survey, to be conducted without any prior notice to the facility. Any individual who notifies (or causes to be notified) a nursing facility of the time or date on which such a survey is scheduled to be conducted is subject to a civil money penalty of not to exceed $2,000. The provisions of section 1320a–7a of this title (other than subsections (a) and (b)) shall apply to a civil money penalty under the previous sentence in the same manner as such provisions apply to a penalty or proceeding under section 1320a–7a(a) of this title. The Secretary shall review each State’s procedures for scheduling and conduct of standard surveys to assure that the State has taken all reasonable steps to avoid giving notice of such a survey through the scheduling procedures and the conduct of the surveys themselves.

(ii) Contents
Each standard survey shall include, for a case-mix stratified sample of residents—
(I) a survey of the quality of care furnished, as measured by indicators of medical, nursing, and rehabilitative care, dietary and nutrition services, activities and social participation, and sanitation, infection control, and the physical environment,
(II) written plans of care provided under subsection (b)(2) and an audit of the residents’ assessments under subsection (b)(3) to determine the accuracy of such assessments and the adequacy of such plans of care, and
(III) a review of compliance with residents’ rights under subsection (c).

(iii) Frequency
(I) In general
Each nursing facility shall be subject to a standard survey not later than 15 months after the date of the previous standard survey conducted under this subparagraph. The statewide average interval between standard surveys of a nursing facility shall not exceed 12 months.

(II) Special surveys
If not otherwise conducted under subclause (I), a standard survey (or an abbreviated standard survey) may be conducted within 2 months of any change of ownership, administration, management of a nursing facility, or director of nursing in order to determine whether the change has resulted in any decline in the quality of care furnished in the facility.

(B) Extended surveys
(i) In general
Each nursing facility which is found, under a standard survey, to have provided substandard quality of care shall be subject to an extended survey. Any other facility may, at the Secretary’s or State’s discretion, be subject to such an extended survey (or a partial extended survey).

(ii) Timing
The extended survey shall be conducted immediately after the standard survey (or, if not practicable, not later than 2 weeks after the date of completion of the standard survey).

(iii) Contents
In such an extended survey, the survey team shall review and identify the policies and procedures which produced such substandard quality of care and shall determine whether the facility has complied with all the requirements described in subsections (b), (c), and (d). Such review shall include an expansion of the size of the sample of residents’ assessments reviewed and a review of the staffing, of in-service training, and, if appropriate, of contracts with consultants.

(iv) Construction
Nothing in this paragraph shall be construed as requiring an extended or partial extended survey as a prerequisite to imposing a sanction against a facility under subsection (h) on the basis of findings in a standard survey.

(C) Survey protocol
Standard and extended surveys shall be conducted—
(I) based upon a protocol which the Secretary has developed, tested, and validated by not later than January 1, 1990, and
(ii) by individuals, of a survey team, who meet such minimum qualifications as the Secretary establishes by not later than such date.

The failure of the Secretary to develop, test, or validate such protocols or to establish such minimum qualifications shall not relieve any State of its responsibility (or the Secretary of the Secretary’s responsibility) to conduct surveys under this subsection.

(D) Consistency of surveys
Each State shall implement programs to measure and reduce inconsistency in the application of survey results among surveyors.

(E) Survey teams
(i) In general
Surveys under this subsection shall be conducted by a multidisciplinary team of professionals (including a registered professional nurse).
(ii) Prohibition of conflicts of interest

A State may not use as a member of a survey team under this subsection an individual who is serving (or has served within the previous 2 years) as a member of the staff of, or as a consultant to, the facility surveyed respecting compliance with the requirements of subsections (b), (c), and (d), or who has a personal or familial financial interest in the facility being surveyed.

(iii) Training

The Secretary shall provide for the comprehensive training of State and Federal surveyors in the conduct of standard and extended surveys under this subsection, including the auditing of resident assessments and plans of care. No individual shall serve as a member of a survey team unless the individual has successfully completed a training and testing program in survey and certification techniques that has been approved by the Secretary.

(3) Validation surveys

(A) In general

The Secretary shall conduct onsite surveys of a representative sample of nursing facilities in each State, within 2 months of the date of surveys conducted under paragraph (2) by the State, in a sufficient number to allow inferences about the adequacies of each State’s surveys conducted under paragraph (2). In conducting such surveys, the Secretary shall use the same survey protocols as the State is required to use under paragraph (2). If the State has determined that an individual nursing facility meets the requirements of subsections (b), (c), and (d), but the Secretary determines that the facility does not meet such requirements, the Secretary’s determination as to the facility’s noncompliance with such requirements is binding and supersedes that of the State survey.

(B) Scope

With respect to each State, the Secretary shall conduct surveys under subparagraph (A) each year with respect to at least 5 percent of the number of nursing facilities surveyed by the State in the year, but in no case less than 5 nursing facilities in the State.

(C) Reduction in administrative costs for substandard performance

If the Secretary finds, on the basis of such surveys, that a State’s survey and certification performance otherwise is not adequate, the Secretary may provide for the training of survey teams in the State and shall provide for a reduction of the payment otherwise made to the State under section 1396b(a)(2)(D) of this title with respect to a quarter equal to 33 percent multiplied by a fraction, the denominator of which is equal to the total number of residents in nursing facilities surveyed by the Secretary that quarter and the numerator of which is equal to the total number of residents in nursing facilities which were found pursuant to such surveys to be not in compliance with any of the requirements of subsections (b), (c), and (d). A State that is dissatisfied with the Secretary’s findings under this subparagraph may obtain reconsideration and review of the findings under section 1316 of this title in the same manner as a State may seek reconsideration and review under that section of the Secretary’s determination under section 1316(a)(1) of this title.

(D) Special surveys of compliance

Where the Secretary has reason to question the compliance of a nursing facility with any of the requirements of subsections (b), (c), and (d), the Secretary may conduct a survey of the facility and, on the basis of that survey, make independent and binding determinations concerning the extent to which the nursing facility meets such requirements.

(4) Investigation of complaints and monitoring nursing facility compliance

Each State shall maintain procedures and adequate staff to—

(A) investigate complaints of violations of requirements by nursing facilities, and

(B) monitor, on-site, on a regular, as needed basis, a nursing facility’s compliance with the requirements of subsections (b), (c), and (d), if—

(i) the facility has been found not to be in compliance with such requirements and is in the process of correcting deficiencies to achieve such compliance;

(ii) the facility was previously found not to be in compliance with such requirements, has corrected deficiencies to achieve such compliance, and verification of continued compliance is indicated; or

(iii) the State has reason to question the compliance of the facility with such requirements.

A State may maintain and utilize a specialized team (including an attorney, an auditor, and appropriate health care professionals) for the purpose of identifying, surveying, gathering and preserving evidence, and carrying out appropriate enforcement actions against substandard nursing facilities.

(5) Disclosure of results of inspections and activities

(A) Public information

Each State, and the Secretary, shall make available to the public—

(i) information respecting all surveys and certifications made respecting nursing facilities, including statements of deficiencies, within 14 calendar days after such information is made available to those facilities, and approved plans of correction, that is dissatisfied with the Secretaries filed under this subchapter or under subchapter XVIII,

(ii) copies of statements of ownership under section 1320a–3 of this title, and
§ 1396r

(1) In general

If a State finds, on the basis of a standard, extended, or partial extended survey under subsection (g)(2) or otherwise, that a nursing facility no longer meets a requirement of subsection (b), (c), or (d), and further finds that the facility's deficiencies—

(A) immediately jeopardize the health or safety of its residents, the State shall take immediate action to remove the jeopardy and correct the deficiencies through the remedy specified in paragraph (2)(A)(ii), or

(B) do not immediately jeopardize the health or safety of its residents, the State may—

(i) terminate the facility's participation under the State plan,

(ii) provide for one or more of the remedies described in paragraph (2), or

(iii) do both.

Nothing in this paragraph shall be construed as restricting the remedies available to a State to remedy a nursing facility's deficiencies. If a State finds that a nursing facility meets the requirements of subsections (b), (c), and (d), but, as of a previous period, did not meet such requirements, the State may provide for a civil money penalty under paragraph (2)(A)(ii) for the days in which it finds that the facility was not in compliance with such requirements.

(2) Specified remedies

(A) Listing

Except as provided in subparagraph (B)(ii), each State shall establish by law (whether statute or regulation) at least the following remedies:

(i) Denial of payment under the State plan with respect to any individual admitted to the nursing facility involved after such notice to the public and to the facility as may be provided for by the State.

(ii) A civil money penalty assessed and collected, with interest, for each day in which the facility is or was out of compliance with a requirement of subsection (b), (c), or (d). Funds collected by a State as a result of imposition of such a penalty (or as a result of the imposition by the State of a civil money penalty for activities described in subsections (b)(3)(B)(ii)(I), (b)(3)(B)(ii)(II), or (g)(2)(A)(i)) shall be applied to the protection of the health or property of residents of nursing facilities that the State or the Secretary finds deficient, including payment for the costs of relocation of residents to other facilities, maintenance of operation of a facility pending correction of deficiencies or closure, and reimbursement of residents for personal funds lost.

(iii) The appointment of temporary management while—

(I) there is an orderly closure of the facility, or

(II) improvements are made in order to bring the facility into compliance with all the requirements of subsections (b), (c), and (d).

The temporary management under this clause shall not be terminated under subclause (II) until the State has determined that the facility has the management capability to ensure continued compliance.
with all the requirements of subsections (b), (c), and (d).

(iv) The authority, in the case of an emergency, to close the facility, to transfer residents in that facility to other facilities, or both.

The State also shall specify criteria, as to when and how each of such remedies is to be applied, the amounts of any fines, and the severity of each of these remedies, to be used in the imposition of such remedies. Such criteria shall be designed so as to minimize the time between the identification of violations and final imposition of the remedies and shall provide for the imposition of incrementally more severe fines for repeated or uncorrected deficiencies. In addition, the State may provide for other specified remedies, such as directed plans of correction.

(B) Deadline and guidance

(i) Except as provided in clause (ii), as a condition for approval of a State plan for calendar quarters beginning on or after October 1, 1989, each State shall establish the remedies described in clauses (i) through (iv) of subparagraph (A) by not later than October 1, 1989. The Secretary shall provide, through regulations by not later than October 1, 1989, guidance to States in establishing such remedies; but the failure of the Secretary to provide such guidance shall not relieve a State of the responsibility for establishing such remedies.

(ii) A State may establish alternative remedies (other than termination of participation) other than those described in clauses (i) through (iv) of subparagraph (A), if the State demonstrates to the Secretary’s satisfaction that the alternative remedies are as effective in deterring noncompliance and correcting deficiencies as those described in subparagraph (A).

(C) Assuring prompt compliance

If a nursing facility has not complied with any of the requirements of subsections (b), (c), and (d), within 3 months after the date the facility is found to be out of compliance with such requirements, the State shall impose the remedy described in subparagraph (A)(i) for all individuals who are admitted to the facility after such date.

(D) Repeated noncompliance

In the case of a nursing facility which, on 3 consecutive standard surveys conducted under subsection (g)(2), has been found to have provided substandard quality of care, the State shall (regardless of what other remedies are provided)—

(i) impose the remedy described in subparagraph (A)(i), and

(ii) monitor the facility under subsection (g)(4)(B).

until the facility has demonstrated, to the satisfaction of the State, that it is in compliance with the requirements of subsections (b), (c), and (d), and that it will remain in compliance with such requirements.

(E) Funding

The reasonable expenditures of a State to provide for temporary management and other expenses associated with implementing the remedies described in clauses (iii) and (iv) of subparagraph (A) shall be considered, for purposes of section 1396b(a)(7) of this title, to be necessary for the proper and efficient administration of the State plan.

(F) Incentives for high quality care

In addition to the remedies specified in this paragraph, a State may establish a program to reward, through public recognition, incentive payments, or both, nursing facilities that provide the highest quality care to residents who are entitled to medical assistance under this subchapter. For purposes of section 1396b(a)(7) of this title, proper expenses incurred by a State in carrying out such a program shall be considered expenses necessary for the proper and efficient administration of the State plan under this subchapter.

(3) Secretarial authority

(A) For State nursing facilities

With respect to a State nursing facility, the Secretary shall have the authority and duties of a State under this subsection, including the authority to impose remedies described in clauses (i), (ii), and (iii) of paragraph (2)(A).

(B) Other nursing facilities

With respect to any other nursing facility in a State, if the Secretary finds that a nursing facility no longer meets a requirement of subsection (b), (c), (d), or (e), and further finds that the facility’s deficiencies (i) immediately jeopardize the health or safety of its residents, the Secretary shall take immediate action to remove the jeopardy and correct the deficiencies through the remedy specified in subparagraph (C)(iii), or terminate the facility’s participation under the State plan and may provide, in addition, for one or more of the other remedies described in subparagraph (C), or

(ii) do not immediately jeopardize the health or safety of its residents, the Secretary may impose any of the remedies described in subparagraph (C).

Nothing in this subparagraph shall be construed as restricting the remedies available to the Secretary to remedy a nursing facility’s deficiencies. If the Secretary finds that a nursing facility meets such requirements but, as of a previous period, did not meet such requirements, the Secretary may provide for a civil money penalty under subparagraph (C)(ii) for the days on which he finds that the facility was not in compliance with such requirements.

(C) Specified remedies

The Secretary may take the following actions with respect to a finding that a facility has not met an applicable requirement:

(i) Denial of payment

The Secretary may deny any further payments to the State for medical assist-
ance furnished by the facility to all individuals in the facility or to individuals admitted to the facility after the effective date of the finding.

(ii) Authority with respect to civil money penalties

(1) In general

Subject to subclause (II), the Secretary may impose a civil money penalty in an amount not to exceed $10,000 for each day of noncompliance. The provisions of section 1320a–7a of this title (other than subsections (a) and (b)) shall apply to a civil money penalty under the previous sentence in the same manner as such provisions apply to a penalty or proceeding under section 1320a–7a(a) of this title.

(II) Reduction of civil money penalties in certain circumstances

Subject to subclause (III), in the case where a facility self-reports and promptly corrects a deficiency for which a penalty was imposed under this clause not later than 10 calendar days after the date of such imposition, the Secretary may reduce the amount of the penalty imposed by not more than 50 percent.

(II) Prohibitions on reduction for certain deficiencies

(aa) Repeat deficiencies

The Secretary may not reduce the amount of a penalty under subclause (II) if the Secretary had reduced a penalty imposed on the facility in the preceding year under such subclause with respect to a repeat deficiency.

(bb) Certain other deficiencies

The Secretary may not reduce the amount of a penalty under subclause (II) if the penalty is imposed on the facility for a deficiency that is found to result in a pattern of harm or widespread harm, immediately jeopardizes the health or safety of a resident or residents of the facility, or results in the death of a resident of the facility.

(IV) Collection of civil money penalties

In the case of a civil money penalty imposed under this clause, the Secretary shall issue regulations that—

(aa) subject to item (cc), not later than 30 days after the imposition of the penalty, provide for the facility to have the opportunity to participate in an independent informal dispute resolution process which generates a written record prior to the collection of such penalty;

(bb) in the case where the penalty is imposed for each day of noncompliance, provide that a penalty may not be imposed for any day during the period beginning on the initial day of the imposition of the penalty and ending on the day on which the informal dispute resolution process under item (aa) is completed;

(cc) may provide for the collection of such civil money penalty and the placement of such amounts collected in an escrow account under the direction of the Secretary on the earlier of the date on which the informal dispute resolution process under item (aa) is completed or the date that is 90 days after the date of the imposition of the penalty;

(dd) may provide that such amounts collected are kept in such account pending the resolution of any subsequent appeals;

(ee) in the case where the facility successfully appeals the penalty, may provide for the return of such amounts collected (plus interest) to the facility; and

(ff) in the case where all such appeals are unsuccessful, may provide that some portion of such amounts collected may be used to support activities that benefit residents, including assistance to support and protect residents of a facility that closes (voluntarily or involuntarily) or is decertified (including offsetting costs of relocating residents to home and community-based settings or another facility), projects that support resident and family councils and other consumer involvement in assuring quality care in facilities, and facility improvement initiatives approved by the Secretary (including joint training of facility staff and surveyors, technical assistance for facilities implementing quality assurance programs, the appointment of temporary management firms, and other activities approved by the Secretary).

(iii) Appointment of temporary management

In consultation with the State, the Secretary may appoint temporary management to oversee the operation of the facility and to assure the health and safety of the facility’s residents, where there is a need for temporary management while—

(I) there is an orderly closure of the facility, or

(II) improvements are made in order to bring the facility into compliance with all the requirements of subsections (b), (c), and (d).

The temporary management under this clause shall not be terminated under subclause (II) until the Secretary has determined that the facility has the management capability to ensure continued compliance with all the requirements of subsections (b), (c), and (d).

The Secretary shall specify criteria, as to when and how each of such remedies is to be applied, the amounts of any fines, and the severity of each of these remedies, to be used in the imposition of such remedies. Such criteria shall be designed so as to minimize the
time between the identification of violations and final imposition of the remedies and shall provide for the imposition of incrementally more severe fines for repeated or uncorrected deficiencies. In addition, the Secretary may provide for other specified remedies, such as directed plans of correction.

(D) Continuation of payments pending remediation

The Secretary may continue payments, over a period of not longer than 6 months after the effective date of the findings, under this subchapter with respect to a nursing facility not in compliance with a requirement of subsection (b), (c), or (d). If—

(i) the State survey agency finds that it is more appropriate to take alternative action to assure compliance of the facility with the requirements than to terminate the certification of the facility, and

(ii) the State has submitted a plan and timetable for corrective action to the Secretary for approval and the Secretary approves the plan of corrective action.

The Secretary shall establish guidelines for approval of corrective actions requested by States under this subparagraph.

(4) Effective period of denial of payment

A finding to deny payment under this subsection shall terminate when the State or Secretary (or both, as the case may be) finds that the facility is in substantial compliance with all the requirements of subsections (b), (c), and (d).

(5) Immediate termination of participation for facility where State or Secretary finds noncompliance and immediate jeopardy

If either the State or the Secretary finds that a nursing facility has not met a requirement of subsection (b), (c), or (d), and finds that the failure immediately jeopardizes the health or safety of its residents, the State or the Secretary, respectively, shall notify the other of such finding, and the State or the Secretary, respectively, shall take immediate action to remove the jeopardy and correct the deficiencies through the remedy specified in paragraph (2)(A)(iii) or (3)(C)(ii), or terminate the facility’s participation under the State plan. If the facility’s participation in the State plan is terminated by either the State or the Secretary, the State shall provide for the safe and orderly transfer of the residents eligible under the State plan consistent with the requirements of subsection (c)(2).

(6) Special rules where State and Secretary do not agree on finding of noncompliance

(A) State finding of noncompliance and no secretarial finding of noncompliance

If the Secretary finds that a nursing facility has met all the requirements of subsections (b), (c), and (d), but a State finds that the facility has not met such requirements and the failure does not immediately jeopardize the health or safety of its residents, the State’s findings shall control and the remedies imposed by the State shall be applied.

(B) Secretarial finding of noncompliance and no State finding of noncompliance

If the Secretary finds that a nursing facility has not met all the requirements of subsections (b), (c), and (d), and that the failure does not immediately jeopardize the health or safety of its residents, but the State has not made such a finding, the Secretary—

(i) may impose any remedies specified in paragraph (3)(C) with respect to the facility, and

(ii) shall (pending any termination by the Secretary) permit continuation of payments in accordance with paragraph (3)(D).

(7) Special rules for timing of termination of participation where remedies overlap

If both the Secretary and the State find that a nursing facility has not met all the requirements of subsections (b), (c), and (d), and neither finds that the failure immediately jeopardizes the health or safety of its residents—

(A)(i) if both find that the facility’s participation under the State plan should be terminated, the State’s timing of any termination shall control so long as the termination date does not occur later than 6 months after the date of the finding to terminate;

(ii) if the Secretary, but not the State, finds that the facility’s participation under the State plan should be terminated, the Secretary shall (pending any termination by the Secretary) permit continuation of payments in accordance with paragraph (3)(D); or

(iii) if the State, but not the Secretary, finds that the facility’s participation under the State plan should be terminated, the State’s timing of any termination shall control; and

(B)(i) if the Secretary or the State, but not both, establishes one or more remedies which are additional or alternative to the remedy of terminating the facility’s participation under the State plan, such additional or alternative remedies shall also be applied, or

(ii) if both the Secretary and the State establish one or more remedies which are additional or alternative to the remedy of terminating the facility’s participation under the State plan, only the additional or alternative remedies of the Secretary shall apply.

(8) Construction

The remedies provided under this subsection are in addition to those otherwise available under State or Federal law and shall not be construed as limiting such other remedies, including any remedy available to an individual at common law. The remedies described in clauses (i), (ii)(IV), and (iv) of paragraph (2)(A) may be imposed during the pendency of

---

1 So in original. Probably should be followed by a comma.

8 So in original. Cl. (i) of par. (2)(A) of this subsection does not contain subclauses. Probably means cl. (ii)(IV) of par. (3)(C) of this subsection.
any hearing. The provisions of this subsection shall apply to a nursing facility (or portion thereof) notwithstanding that the facility (or portion thereof) also is a skilled nursing facility for purposes of subchapter XVIII.

(9) Sharing of information

Notwithstanding any other provision of law, all information concerning nursing facilities required by this section to be filed with the Secretary or a State agency shall be made available by such facilities to Federal or State employees for purposes consistent with the effective administration of programs established under this subchapter and subchapter XVIII. Including investigations by State medicaid fraud control units.

(i) Nursing Home Compare website

(1) Inclusion of additional information

(A) In general

The Secretary shall ensure that the Department of Health and Human Services includes, as part of the information provided for comparison of nursing homes on the official Internet website of the Federal Government for Medicare beneficiaries (commonly referred to as the “Nursing Home Compare” Medicare website) (or a successor website), the following information in a manner that is prominent, updated on a timely basis, easily accessible, readily understandable to consumers of long-term care services, and searchable:

(i) Staffing data for each facility (including resident census data and data on the hours of care provided per resident per day) based on data submitted under section 1320a–7j(g) of this title, in a format that is clearly understandable to consumers of long-term care services and allows such consumers to compare differences in staffing between facilities and State and national averages for the facilities in that format shall include—

(I) concise explanations of how to interpret the data (such as plain English explanation of data reflecting “nursing home staff hours per resident day”);

(II) differences in types of staff (such as training associated with different categories of staff);

(III) the relationship between nurse staffing levels and quality of care; and

(IV) an explanation that appropriate staffing levels vary based on patient case mix.

(ii) Links to State Internet websites with information regarding State survey and certification programs, links to Form 2567 State inspection reports (or a successor form) on such websites, information to guide consumers in how to interpret and understand such reports, and the facility plan of correction or other response to such report. Any such links shall be posted on a timely basis.

(iii) The standardized complaint form developed under section 1320a–7j(f) of this title, including explanatory material on what complaint forms are, how they are used, and how to file a complaint with the State survey and certification program and the State long-term care ombudsman program.

(iv) Summary information on the number, type, severity, and outcome of substantiated complaints.

(v) The number of adjudicated instances of criminal violations by a facility or the employees of a facility—

(I) that were committed inside of the facility; and

(II) with respect to such instances of violations or crimes committed outside of the facility, that were violations or crimes that resulted in the serious bodily injury of an elder.

(B) Deadline for provision of information

(i) In general

Except as provided in clause (ii), the Secretary shall ensure that the information described in subparagraph (A) is included on such website (or a successor website) not later than 1 year after March 23, 2010.

(ii) Exception

The Secretary shall ensure that the information described in subparagraph (A) is included on such website (or a successor website) not later than the date on which the requirements under section 1320a–7j(g) of this title are implemented.

(2) Review and modification of website

(A) In general

The Secretary shall establish a process—

(i) to review the accuracy, clarity of presentation, timeliness, and comprehensiveness of information reported on such website as of the day before March 23, 2010; and

(ii) not later than 1 year after March 23, 2010, to modify or revamp such website in accordance with the review conducted under clause (i).

(B) Consultation

In conducting the review under subparagraph (A)(i), the Secretary shall consult with—

(i) State long-term care ombudsman programs;

(ii) consumer advocacy groups;

(iii) provider stakeholder groups;

(iv) skilled nursing facility employees and their representatives; and

(v) any other representatives of programs or groups the Secretary determines appropriate.

(j) Construction

Where requirements or obligations under this section are identical to those provided under section 1395i–3 of this title, the fulfillment of those requirements or obligations under section 1395i–3 of this title shall be considered to be the fulfillment of the corresponding requirements or obligations under this section.

Prior Provisions

A prior section 1919 of act Aug. 14, 1935, was renumbered section 1922 and is classified to section 1396c–3 of this title.

Amendments


Subsec. (d)(1)(B). Pub. L. 111–148, § 6101(c)(1)(B), redesignated subpar. (C) as (B) and struck out former subpar. (B) which related to required notice to a State licensing agency of change in ownership, control interest, or certain positions of responsibility for a nursing facility.


Subsec. (f)(2)(A)(1). Pub. L. 111–148, § 6121(b)(1), inserted “(including, in the case of initial training and, if the Secretary determines appropriate, in the case of ongoing training, dementia management training, and patient abuse prevention training,” before “(II)”.


Subsec. (h)(3)(C)(ii). Pub. L. 111–148, § 6111(b)(1), designated existing provisions as subcl. (I), inserted heading, substituted “Subject to subclause (II), the Secretary,” and added subcl. (II) to (IV).

Subsec. (h)(8). Pub. L. 111–148, § 6111(b)(2), which directed insertion of “(ii)(IV),” after “(i),” in subsec. “(h)(5)(B)” of this section, was executed to subsec. (h)(8), to reflect the probable intent of Congress. Subsec. (h)(5) does not contain “(i)”.

Subsecs. (i), (j). Pub. L. 111–148, § 6103(b)(1), added subsec. (i) and redesignated former subsec. (i) as (j).


Subsec. (b)(8). Pub. L. 109–171, § 6105(a)(1), inserted “subject to clause (v)” after “(ii),” in subsec. “(h)(5)(B)” of this section, was executed to subsec. (b)(8), to reflect the probable intent of Congress. Subsec. (h)(5) does not contain “(i)”.


Subsec. (h)(3)(C)(ii). Pub. L. 111–148, § 6111(b)(1), designated existing provisions as subcl. (I), inserted heading, substituted “Subject to subclause (II), the Secretary,” and added subcl. (II) to (IV).

Subsec. (h)(8). Pub. L. 111–148, § 6111(b)(2), which directed insertion of “(ii)(IV),” after “(i),” in subsec. “(h)(5)(B)” of this section, was executed to subsec. (h)(8), to reflect the probable intent of Congress. Subsec. (h)(5) does not contain “(i)”.

Subsec. (i), (j). Pub. L. 111–148, § 6103(b)(1), added subsec. (i) and redesignated former subsec. (i) as (j).


Subsec. (b)(8). Pub. L. 109–171, § 6105(a)(1), inserted “subject to clause (v)” after “(ii),” in subsec. “(h)(5)(B)” of this section, was executed to subsec. (b)(8), to reflect the probable intent of Congress. Subsec. (h)(5) does not contain “(i)”.


Subsec. (h)(3)(C)(ii). Pub. L. 111–148, § 6111(b)(1), designated existing provisions as subcl. (I), inserted heading, substituted “Subject to subclause (II), the Secretary,” and added subcl. (II) to (IV).

Subsec. (h)(8). Pub. L. 111–148, § 6111(b)(2), which directed insertion of “(ii)(IV),” after “(i),” in subsec. “(h)(5)(B)” of this section, was executed to subsec. (h)(8), to reflect the probable intent of Congress. Subsec. (h)(5) does not contain “(i)”.

Subsec. (i), (j). Pub. L. 111–148, § 6103(b)(1), added subsec. (i) and redesignated former subsec. (i) as (j).


Subsec. (g)(1)(D), (E). Pub. L. 105–33, §475(b), added subpar. (D) and redesignated former subpar. (D) as (E).

Subsec. (h)(3)(D). Pub. L. 105–33, §475(a), inserted "at end of cl. (i)," and struck out cl. (ii) which read as follows: "the State agrees to repay to the Federal Government payments received under this subparagraph if the corrective action is not taken in accordance with the approved plan and timetable."

1996—Subsec. (b)(3)(E). Pub. L. 104–315, §2(a), inserted at end "In addition, a nursing facility shall notify the State mental health authority or State mental retardation or developmental disability authority, as applicable, promptly after a significant change in the physical or mental condition of a resident who is mentally ill or mentally retarded."


Pub. L. 104–315, §2(a)(2), inserted before period at end "A resident's exercise of a right to refuse transfer under clause (x) shall not affect the resident's eligibility or entitlement to medical assistance under this subchapter or a State's entitlement to Federal medical assistance under this subchapter with respect to services furnished to such a resident.

Subsec. (e)(1)(A)(iv). Pub. L. 101–508, §4801(e)(9), inserted before period at end "and to access to current clinical records of the resident upon request by the resident or the resident's legal representative, within 24 hours (excluding hours occurring during a weekend or holiday) after making such a request:

Subsec. (c)(1)(A)(x), (xi). Pub. L. 101–508, §4801(e)(7)(A), added cl. (x) and redesignated former cl. (x) as (xi).


Subsec. (c)(7), (8). Pub. L. 101–508, §4801(e)(7)(A), added par. (7) and redesignated former par. (7) as (8).

Subsec. (e)(1)(A). Pub. L. 101–508, §4801(e)(18), substituted "under subsection (f)(2)" for "under clause (i) or (ii) of subsection (f)(2)".

Subsec. (e)(2)(A). Pub. L. 101–508, §4801(e)(12)(A), inserted "or any individual described in subsection (f)(2)(B)(i) or in subparagraph (B) of section 6901(b)(4) of the Omnibus Budget Reconciliation Act of 1989" after "in the State".


Subsec. (e)(7)(A). Pub. L. 101–508, §4801(b)(2)(B), designated existing provision as cl. (i), inserted cl. (i) heading, and added cl. (ii) and (iii).


Subsec. (e)(7)(C)(i) to (iii). Pub. L. 101–508, §4801(b)(8), substituted "specialized services" for "active treatment" wherever appearing.


Subsec. (e)(7)(E). Pub. L. 101–508, §4801(b)(8), substituted "specialized services" for "active treatment".

Pub. L. 101–508, §4801(b)(6), inserted at end "The State may revise such an agreement, subject to the approval of the Secretary, before October 1, 1991, but only if, under the revised agreement, all residents subject to the agreement who do not require the level of services of such a facility are discharged from the facility by not later than April 1, 1994."

Pub. L. 101–508, §4801(b)(3)(B), substituted the requirements of subparagraphs (A) through (C) of this paragraph for "the requirement of this paragraph".

Subsec. (e)(7)(G)(i). Pub. L. 101–508, §4801(b)(7), substituted "serious mental illness" as defined by the Secretary in consultation with the National Institute of...
Mental Health”) for “primary or secondary diagnosis of mental disorder (as defined in the Diagnostic and Statistical Manual of Mental Disorders, 3rd edition)” and inserted before period at end “or a diagnosis (other than a primary diagnosis) of dementia and a primary diagnosis that is not a serious mental illness.”


Subsec. (f)(2)(A)(iv)(II). Pub. L. 101–508, § 4801(a)(5)(B), inserted “who is employed by (or who has received an offer of employment from) a facility on the date on which the aide begins either such program” after “nurse aide”.

service needs” for “cognitive, behavioral and social care”.


Subsec. (f)(7)(B). Pub. L. 100–360, § 411(h)(3)(D)(ii), substituted “include” for “do not include”.

Subsec. (g)(11)(C). Pub. L. 100–360, § 411(l)(5)(A)–(C), substituted “timely review” for “review”, inserted “or” and another individual used by the facility in providing services to such a resident, after a “nursing facility,” and substituted “The State shall, after notice to the individual involved and a reasonable opportunity for a hearing for the individual to rebut allegations, make a finding as to the accuracy of the allegations. If the State finds that a nurse aide has neglected or abused a resident or misappropriated resident property in a facility, the State shall notify the nurse aide and the registry of such finding. If the State finds any other individual used by the facility has neglected or abused a resident or misappropriated resident property in a facility, the State shall notify the appropriate licensing authority” for “If the State finds, after notice to the nurse aide involved and a reasonable opportunity for a hearing for the nurse aide to rebut allegations, that a nurse aide whose name is contained in a nurse aide registry has neglected or abused a resident or misappropriated resident property in a facility, the State shall notify the nurse aide and the registry of such finding”.

Subsec. (g)(1)(D). Pub. L. 100–360, § 411(l)(5)(D), substituted “to issue regulations to carry out this subsection” for “to establish standards under subsection (f) of this section”.

Subsec. (g)(2)(A)(i). Pub. L. 100–360, § 411(l)(5)(E), amended third sentence generally. Prior to amendment, third sentence read as follows: “The Secretary shall provide for imposition of civil money penalties under this clause in a manner similar to that for the imposition of civil money penalties under section 1320a–7a of this title.”


Amendment by section 6103(c)(2) of Pub. L. 111–148 effective 1 year after Mar. 23, 2010, see section 6103(c)(3) of Pub. L. 111–148, set out as a note under section 1395i–3 of this title.

Amendment by section 6111(b) of Pub. L. 111–148 effective 1 year after Mar. 23, 2010, see section 6111(c) of Pub. L. 111–148, set out as a note under section 1395i–3 of this title.

Effective Date of 2006 Amendment

Effective Date of 2003 Amendment

Effective Date of 2000 Amendment

Effective Date of 1999 Amendment
Pub. L. 106–4, § 2(b), Mar. 25, 1999, 113 Stat. 8, provided that: “The amendment made by subsection (a) [amending this section] applies to voluntary withdrawals from participation occurring on or after the date of the enactment of this Act [Mar. 25, 1999].”

Effective Date of 1997 Amendment

Effective Date of 1996 Amendment
Amendment by Pub. L. 102–375 inapplicable with respect to fiscal year 1992, see section 905(b)(6) of Pub. L. 102–171, set out as a note under section 3001 of this title.

Effective Date of 1990 Amendment
Amendment by section 4751(b)(2) of Pub. L. 101–508 applicable with respect to services furnished on or after the first day of the first month beginning more than 1 year after Nov. 5, 1990, see section 4751(c) of Pub. L. 101–508, set out as a note under section 1396a of this title.

Effective Date of 1990 Amendment
Amendment by section 4801(a)(6)(B), No. 5, Nov. 9, 1990, 104 Stat. 1388–212, provided that: "The amendments made by subparagraph (A) [amending this section] shall take effect as if included in the enactment of the Omnibus Budget Reconciliation Act of 1987 [Pub. L. 100–203], except that a State may not approve a training and competency evaluation program or a competency evaluation program offered by or in a nursing facility which, pursuant to any Federal or State law within the 2-year period beginning on October 1, 1988—"(i) had its participation terminated under title XVIII of the Social Security Act [42 U.S.C. 1395 et seq.] or under the State plan under title XIX of such Act [42 U.S.C. 1396 et seq.];"

(ii) was subject to a denial of payment under either such title;"

(iii) was assessed a civil money penalty not less than $5,000 for deficiencies in nursing facility standards;"

(iv) operated under a temporary management appointment to oversee the operation of the facility and to ensure the health and safety of the facility's residents; or"

(v) pursuant to State action, was closed or had its residents transferred."


Amendment by Pub. L. 101–508, title IV, § 4801(b)(b), Nov. 5, 1990, 104 Stat. 1388–215, provided that: "(A) IN GENERAL.—Except as provided in subparagraph (B), the amendments made by this subsection [amending this section] shall take effect as if they were included in the enactment of the Omnibus Budget Reconciliation Act of 1987 [Pub. L. 100–203], without regard to whether or not regulations to implement such amendments have been promulgated by such date.

"(B) EXCEPTION.—The amendments made by paragraphs (4), (6), and (8) [amending this section] shall take effect on the date of the enactment of this Act [Nov. 5, 1990], without regard to whether or not final regulations to carry out such amendments have been promulgated by such date."

Amendment by Pub. L. 101–508, title IV, § 4801(e)(7)(B), Nov. 5, 1990, 104 Stat. 1388–217, provided that: "The amendments made by subparagraph (A) [amending this section] shall take effect on the date of the enactment of this Act [Nov. 5, 1990], without regard to whether or not final regulations to implement such amendments have been promulgated by such date."

Amendment by section 4801(e)(2)–(6), (8)–(10), (12)–(15), and (18) of Pub. L. 101–508 effective as if included in the enactment of the Omnibus Budget Reconciliation Act of 1987, Pub. L. 100–203, see section 4801(e)(19) of Pub. L. 101–508, set out as a note under section 1396a of this title.

Effective Date of 1989 Amendment

Amendment by section 303(a)(2) of Pub. L. 100–360, except as otherwise provided, to payments under this subchapter for calendar quarters beginning on or after Sept. 30, 1989, without regard to whether or not final regulations to carry out such amendment has been promulgated by such date, see section 303(a)(1), (5) of Pub. L. 100–360, set out as an Effective Date note under section 1396a–5 of this title.

Except as specifically provided in section 411 of Pub. L. 100–360, amendment by section 411(a) of Pub. L. 100–360, set out as a Reference to OBRA; Effective Date note under section 106 of Title I, General Provisions.

Effective Date
Pub. L. 100–203, title III, § 4214, Dec. 22, 1987, 101 Stat. 1388–215, as amended by Pub. L. 100–485, title IV, § 411(j)(10), July 1, 1988, 102 Stat. 806, provided that: "(a) NEW REQUIREMENTS AND SURVEY AND CERTIFICATION PROCESS.—Except as otherwise specifically provided in section 1919 of the Social Security Act [42 U.S.C. 1396c], the amendments made by sections 4211 [enacting this section, amending sections 1322a–7b, 1396a, 1396b, 1396c, 1396d, 1396f, 1396g, 1396h, 1396i, 1396l, and 1396s of this title, redesignating section 1396a of this title as section 1396d of this title, relating to nursing facility requirements and survey and certification requirements] shall apply to nursing facility services furnished on or after October 1, 1990, without regard to whether regulations to implement such amendments are promulgated by such date; except that section 1902(a)(28)(B) of the Social Security Act [42 U.S.C. 1396a(a)(28)(B) (as amended by section 4211(b) of this Act), relating to requiring State medical assistance plans to specify the services included in nursing facility services, shall apply to calendar quarters beginning more than 6 months after the date of the enactment of this Act (Dec. 22, 1987), with regard to whether regulations to implement such amendments are promulgated by such date."

Pub. L. 101–239, title IV, § 4214, Dec. 22, 1987, 101 Stat. 1388–215, as amended by Pub. L. 100–485, title IV, § 411(j)(10), July 1, 1988, 102 Stat. 806, provided that: "(a) NEW REQUIREMENTS AND SURVEY AND CERTIFICATION PROCESS.—Except as otherwise specifically provided in section 1919 of the Social Security Act [42 U.S.C. 1396c], the amendments made by sections 4211 [enacting this section, amending sections 1322a–7b, 1396a, 1396b, 1396c, 1396d, 1396f, 1396g, 1396h, 1396i, 1396l, and 1396s of this title, redesignating section 1396a of this title as section 1396d of this title, and amending provisions set out as a note under section 1396d of this title] and 4212 [amending sections 1395cc, 1396a, 1396b, 1396d, and 1396f of this title (relating to nursing facility requirements and survey and certification requirements)] shall apply to nursing facility services furnished on or after October 1, 1990, without regard to whether regulations to implement such amendments are promulgated by such date; except that section 1902(a)(28)(B) of the Social Security Act [42 U.S.C. 1396a(a)(28)(B) (as amended by section 4211(b) of this Act), relating to requiring State medical assistance plans to specify the services included in nursing facility services, shall apply to calendar quarters beginning more than 6 months after the date of the enactment of this Act (Dec. 22, 1987), with regard to whether regulations to implement such amendments are promulgated by such date."
§ 1396c

TITLe 42—THE PUBLIC HEALTH AND WELFARE  Page 3898

(b) ENFORCEMENT.—(1) Except as otherwise specifically provided in section 1919 of the Social Security Act [42 U.S.C. 1396c], the amendments made by section 4213 of this Act [amending this section and sections 1396a and 1396b of this title] apply to payments under title XIX of the Social Security Act [42 U.S.C. 1396 et seq.] for calendar quarters beginning on or after the date of the enactment of this Act (Dec. 22, 1987), without regard to whether regulations to implement such amendments are promulgated by such date.

(2) In applying the amendments made by this part [part 2 of subtitle C (§§4221–4228) of title IV of Pub. L. 108–26, see Tables for classification] for services furnished before October 1, 1990—

(A) any reference to a nursing facility is deemed a reference to a skilled nursing facility or intermediate care facility (other than an intermediate care facility for the mentally retarded), and

(B) with respect to such a skilled nursing facility or intermediate care facility, any reference to a requirement of subsection (b), (c), or (d) of section 1919 of the Social Security Act [42 U.S.C. 1396(b), (c), or (d)], is deemed a reference to the provisions of section 1919(i) or section 1905(c), respectively, of the Social Security Act [42 U.S.C. 1396(i), 1396c(d)].

(c) WAIVER OF PAPERWORK REDUCTION.—Chapter 35 of title 44, United States Code, shall not apply to information required for purposes of carrying out this part and implementing the amendments made by this part.

RETROACTIVE REVIEW

For requirement that procedures developed by a State permit individual to petition for review of any finding made by a State under subsec. (g)(1)(C) of this section or section 1385–3(g)(1)(C) of this title after Jan. 1, 1995, see section 4755(c) of Pub. L. 103–33, set out as a note under section 1355–3 of this title.

NURSE AIDE TRAINING AND COMPETENCY EVALUATION; COMPLIANCE ACTIONS

Pub. L. 101–508, title IV, § 4801(a)(1), Nov. 5, 1990, 104 Stat. 1388–211, provided that: “The Secretary of Health and Human Services shall not take (and shall not continue) any action against a State under section 1904 of the Social Security Act [42 U.S.C. 1396c] on the basis of the State’s failure to meet the requirement of section 1919(e)(1)(A) of such Act [42 U.S.C. 1396c(e)(1)(A)] before the effective date of guidelines, issued by the Secretary, establishing requirements under section 1919(f)(2)(A) of such Act, if the State demonstrates to the satisfaction of the Secretary that it has made a good faith effort to meet such requirement before such effective date.”

PREADMISSION SCREENING AND ANNUAL RESIDENT REVIEW; COMPLIANCE ACTIONS

Pub. L. 101–508, title IV, § 4801(b)(1), Nov. 5, 1990, 104 Stat. 1388–213, provided that: “The Secretary of Health and Human Services shall not take (and shall not continue) any action against a State under section 1904 or section 1919(e)(7)(D) of the Social Security Act [42 U.S.C. 1396c, 1396c(e)(7)(D)] on the basis of the State’s failure to meet the requirement of section 1919(e)(7)(A) of such Act before the effective date of guidelines, issued by the Secretary, establishing minimum criteria under section 1919(f)(8)(A) of such Act, if the State demonstrates to the satisfaction of the Secretary that it has made a good faith effort to meet such requirement before such effective date.”

RESTRICTION ON ENFORCEMENT PROCESS

Pub. L. 101–508, title IV, § 4801(c), Nov. 5, 1990, 104 Stat. 1388–215, provided that: “The Secretary of Health and Human Services shall not take (and shall not continue) any action against a State under section 1904 of the Social Security Act [42 U.S.C. 1396c] on the basis of the State’s failure to meet the requirements of section 1919(b)(2) of such Act [42 U.S.C. 1396c(b)(2)] before the effective date of guidelines, issued by the Secretary, regarding the establishment of remedies by the State under such section, if the State demonstrates to the satisfaction of the Secretary that it has made a good faith effort to meet such requirements before such effective date.”

STAFFING REQUIREMENTS


“(A) MAINTAINING REGULATORY STANDARDS FOR CERTAIN SERVICES.—Any regulations promulgated and applied by the Secretary of Health and Human Services after the date of the enactment of the Omnibus Budget Reconciliation Act of 1987 (Dec. 22, 1987) with respect to services described in clauses (ii), (iv), and (v) of section 1919(b)(4)(A) of the Social Security Act [42 U.S.C. 1396c(b)(4)(A)(ii), (iv), (v)] shall include requirements for providers of such services that are at least as strict as the requirements applicable to providers of such services prior to the enactment of the Omnibus Budget Reconciliation Act of 1987.

“(B) STUDY ON STAFFING REQUIREMENTS IN NURSING FACILITIES.—The Secretary shall conduct a study and report to Congress no later than January 1, 1999, on the appropriateness of establishing minimum caregiver to resident ratios and minimum supervisor to caregiver ratios for skilled nursing facilities serving as providers of services under title XVIII of the Social Security Act [42 U.S.C. 1395 et seq.] and nursing facilities receiving payments under a State plan under title XIX of the Social Security Act [42 U.S.C. 1396 et seq.], and shall include in such study recommendations regarding appropriate minimum ratios.”

NURSE AIDE TRAINING AND COMPETENCY EVALUATION; SATISFACTION OF REQUIREMENTS; WAIVER

For satisfaction of training and competency evaluation requirements of subsec. (b)(5)(A) of this section and section 1395i–3(b)(5)(A) of this title and authorization for a State to waive such competency evaluation requirements, see section 6901(b)(4)(B)–(D) of Pub. L. 101–239, set out as a note under section 1395i–3 of this title.

PUBLICATION OF PROPOSED REGULATIONS RESPECTING PREADMISSION SCREENING AND ANNUAL RESIDENT REVIEW


EVALUATION AND REPORT ON IMPLEMENTATION OF RESIDENT ASSESSMENT PROCESS


REPORT ON STAFFING REQUIREMENTS

Pub. L. 100–203, title IV, § 4211(c), Dec. 22, 1987, 101 Stat. 1330–196, directed Secretary of Health and Human Services to report to Congress, by not later than Jan. 1, 1993, on progress made in implementing the nursing facility staffing requirements of 42 U.S.C. 1396(c)(4)(C), including the number and types of waivers approved under subparagraph (C)(ii) of such section and the number of facilities which received waivers.

ANNUAL REPORT ON STATUTORY COMPLIANCE AND ENFORCEMENT ACTIONS

§ 1396r–1. Presumptive eligibility for pregnant women

(a) Ambulatory prenatal care

A State plan approved under section 1396a of this title may provide for making ambulatory prenatal care available to a pregnant woman during a presumptive eligibility period.

(b) Definitions

For purposes of this section—

(1) the term "presumptive eligibility period" means, with respect to a pregnant woman, the period that—

(A) begins with the date on which a qualified provider determines, on the basis of preliminary information, that the family income of the woman does not exceed the applicable income level of eligibility under the State plan, and

(B) ends with (and includes) the earlier of—

(i) the day on which a determination is made with respect to the eligibility of the woman for medical assistance under the State plan, or

(ii) in the case of a woman who does not file an application by the last day of the month following the month during which the provider makes the determination referred to in subparagraph (A), such last day; and

(2) the term "qualified provider" means any provider that—

(A) is eligible for payments under a State plan approved under this subchapter;

(B) provides services of the type described in subparagraph (A) or (B) of section 1396d(a)(2) of this title or in section 1396d(a)(9) of this title;

(C) is determined by the State agency to be capable of making determinations of the type described in paragraph (1)(A), and

(D)(i) receives funds under—

(I) section 254b or 254c of this title,

(II) subchapter V of this chapter, or

(III) title V of the Indian Health Care Improvement Act [25 U.S.C. 1651 et seq.];

(ii) participates in a program established under—

(I) section 1786 of this title, or

(II) section 4(a) of the Agriculture and Consumer Protection Act of 1973;

(iii) participates in a State perinatal program; or

(iv) is the Indian Health Service or is a health program or facility operated by a tribe or tribal organization under the Indian Self-Determination Act (Public Law 93–638) [25 U.S.C. 5321 et seq.].

The term "qualified provider" also includes a qualified entity, as defined in section 1396r–1a(b)(3) of this title.

(c) Duties of State agency, qualified providers, and presumptively eligible pregnant women

(1) The State agency shall provide qualified providers with—

(A) such forms as are necessary for a pregnant woman to make application for medical assistance under the State plan, and

(B) information on how to assist such women in completing and filing such forms.

(2) A qualified provider that determines under subsection (b)(1) that a pregnant woman is presumptively eligible for medical assistance under a State plan shall—

(A) notify the State agency of the determination within 5 working days after the date on which determination is made, and

(B) inform the woman at the time the determination is made that she is required to make application for medical assistance under the State plan by not later than the last day of the month following the month during which the determination is made.

(3) A pregnant woman who is determined by a qualified provider to be presumptively eligible for medical assistance under a State plan shall make application for medical assistance under such plan by not later than the last day of the month following the month during which the determination is made, which application may be the application used for the receipt of medical assistance by individuals described in section 1396a(b)(1)(A) of this title.

(d) Ambulatory prenatal care as medical assistance

Notwithstanding any other provision of this subchapter, ambulatory prenatal care that—

(1) is furnished to a pregnant woman—

(A) during a presumptive eligibility period,

(B) by a provider that is eligible for payments under the State plan; and

(2) is included in the care and services covered by a State plan;

shall be treated as medical assistance provided by such plan for purposes of section 1396b of this title.

(e) Option to provide presumptive eligibility

If the State has elected the option to provide a presumptive eligibility period under this section or section 1396r–1a of this title, the State may elect to provide a presumptive eligibility period (as defined in subsection (b)(1)) for individuals who are eligible for medical assistance under clause (i)(VIII), clause (i)(IX), or clause (ii)(XX) of subsection (a)(10)(A) of section 1396u–I of this title in the same manner as the State provides for such a period under this section or section 1396r–1a of this title, subject to such guidance as the Secretary shall establish.


1 So in original. Probably means subsection (a)(10)(A) of section 1396a of this title.

REFERENCES IN TEXT

The Indian Health Care Improvement Act, referred to in subsec. (b)(2)(D)(ii)(II), is Pub. L. 94–437, Sept. 30, 1976, 90 Stat. 1490. Title V of the Indian Health Care Improvement Act is classified generally to subchapter IV (§ 1651 et seq.) of chapter 18 of Title 25, Indians. For complete classification of this Act to the Code, see Short Title note set out under section 1601 of Title 25 and Tables.


The Indian Self-Determination Act (Public Law 93–638), referred to in subsec. (b)(2)(D)(iv), is title I of Pub. L. 93–638, Jan. 4, 1975, 88 Stat. 2206, which is classified principally to subchapter I (§ 5321 et seq.) of chapter 18 of Title 25, Indians. For complete classification of this Act to the Code, see Short Title note set out under section 5301 of Title 25 and Tables.

PRIOl PROVISIONS

A prior section 1920 of act Aug. 14, 1935, was renumbered section 1396 of this title.

AMENDMENTS


Pub. L. 111–148, § 2001(e)(2)(C), inserted "‘or clause (ii)(XX),’", after "‘clause (i)(VIII),’.


1999—Subsec. (b)(2)(D)(i)(II). Pub. L. 106–113 substituted "‘section 254b or 254c of this title,’ for ‘‘section 254b, 254c, or 256 of this title,’’.

1990—Subsec. (b)(1)(B). Pub. L. 101–508, § 4605(a)(1), inserted "‘or’ at end of cl. (i), redesignated cl. (ii) as (i) and added a new cl. (ii) after cl. (i). Prior to amendment, cl. (i) and (ii) read as follows:

‘‘(i) the day that is 45 days after the date on which the provider makes the determination referred to in subparagraph (A), or

(ii) in the case of a woman who does not file an application for medical assistance within 14 calendar days after the date on which the provider makes the determination referred to in subparagraph (A), the fourteenth calendar day after such determination is made;’’.

Subsec. (c)(2)(B). Pub. L. 101–508, § 4605(a)(2), substituted "‘by not later than the last day of the month following the month during which’' for ‘‘within 14 calendar days after the date on which''.

1988—Subsec. (b)(2)(D)(ii). Pub. L. 100–360, § 411(k)(16)(B)(i), substituted "‘section 254b, 254c, or 256 of this title,’' for ‘‘section 254b of this title or section

254c of this title, or’' in subcl. (I), substituted ‘‘chapter, or’’ for ‘‘chapter,’’ in subcl. (II), and added subcl. (III).


Subsec. (d)(1)(B). Pub. L. 100–360, § 411(k)(16)(A), substituted ‘‘by a provider that is eligible for payments under the State plan’ for ‘‘by a qualified provider’’.

EFFECTIVE DATE OF 2010 AMENDMENT


EFFECTIVE DATE OF 2009 AMENDMENT

Amendment by Pub. L. 111–3 effective Apr. 1, 2009, and applicable to child health assistance and medical assistance provided on or after that date, with certain exceptions, see section 3 of Pub. L. 111–3, set out as an Effective Date note under section 1396 of this title.

EFFECTIVE DATE OF 1990 AMENDMENT

Pub. L. 101–508, title IV, § 4605(c), Nov. 5, 1990, 104 Stat. 1388–169, provided that:

‘‘(1) The amendments made by subsection (a) [amending this section] apply to payments under title XIX of the Social Security Act [42 U.S.C. 1396 et seq.] for calendar quarters beginning on or after July 1, 1991, without regard to whether or not final regulations to carry out such amendments have been promulgated by such date.

‘‘(2) The amendment made by subsection (b) [amending this section] shall be effective as if included in the enactment of section 9407(b) of the Omnibus Budget Reconciliation Act of 1986 [Pub. L. 99–509, enacting this section].’’

EFFECTIVE DATE OF 1988 AMENDMENTS

Amendment by Pub. L. 100–485 effective as if included in the enactment of the Medicare Catastrophic Coverage Act of 1988, Pub. L. 100–360, see section 608(g)(1) of Pub. L. 100–485, set out as a note under section 704 of this title.

Pub. L. 100–360, title IV, § 411(k)(16)(C), July 1, 1988, 102 Stat. 799, provided that: "The amendments made by this paragraph [amending this section] shall be effective as if they were included in section 9407(b) of the Omnibus Budget Reconciliation Act of 1986 [Pub. L. 99–509, enacting this section]."

EFFECTIVE DATE

Section applicable to ambulatory prenatal care furnished in calendar quarters beginning on or after Apr. 1, 1987, without regard to whether or not final regulations to carry out such section have been promulgated, see section 4607(d) of Pub. L. 99–509, set out as an Effective Date of 1988 Amendment note under section 1396a of this title.

§ 1396r–1a. Presumptive eligibility for children

(a) In general

A State plan approved under section 1396a of this title may provide for making medical assistance with respect to health care items and services covered under the State plan available to a child during a presumptive eligibility period.

(b) Definitions; regulations

For purposes of this section:
(1) The term "child" means an individual under 19 years of age.

(2) The term "presumptive eligibility period" means, with respect to a child, the period that—

(A) begins with the date on which a qualified entity determines, on the basis of preliminary information, that the family income of the child does not exceed the applicable income level of eligibility under the State plan, and

(B) ends with (and includes) the earlier of—

(i) the day on which a determination is made with respect to the eligibility of the child for medical assistance under the State plan, or

(ii) in the case of a child on whose behalf an application is not filed by the last day of the month following the month during which the entity makes the determination referred to in subparagraph (A), such last day.

(3)(A) Subject to subparagraph (B), the term "qualified entity" means any entity that—

(i)(D) is eligible for payments under a State plan approved under this subchapter and provides items and services described in subsection (a), (II) is authorized to determine eligibility of a child to participate in a Head Start program under the Head Start Act (42 U.S.C. 9831 et seq.), eligibility of a child to receive child care services for which financial assistance is provided under the Child Care and Development Block Grant Act of 1990 [42 U.S.C. 9857 et seq.], eligibility of an infant or child to receive assistance under the special supplemental nutrition program for women, infants, and children (WIC) under section 1786 of this title,1 eligibility of a child for medical assistance under the State plan under this subchapter, or eligibility of a child for child health assistance under the program funded under subchapter XXI, (III) is an elementary school or secondary school, as such terms are defined in section 1801 of title 20,2 an elementary or secondary school operated or supported by the Bureau of Indian Affairs, a State or tribal child support enforcement agency, an organization that is providing emergency food and shelter under a grant under the Stewart B. McKinney Homeless Assistance Act3 [42 U.S.C. 11301 et seq.], or a State or tribal office or entity involved in enrollment in the program under this subchapter, under part A of subchapter XXI, or that determines eligibility for any assistance or benefits provided under any program of public or assisted housing that receives Federal funds, including the program under section 8 [42 U.S.C. 1437f] or any other section of the United States Housing Act of 1937 (42 U.S.C. 1437 et seq.) or under the Native American Housing Assistance and Self-Determination Act of 1996 (25 U.S.C. 4101 et seq.), or (IV) any other entity the State so deems, as approved by the Secretary; and

(ii) is determined by the State agency to be capable of making determinations of the type described in paragraph (2).

(B) The Secretary may issue regulations further limiting those entities that may become qualified entities in order to prevent fraud and abuse and for other reasons.

(C) Nothing in this section shall be construed as preventing a State from limiting the classes of entities that may become qualified entities, consistent with any limitations imposed under subparagraph (B).

(e) Application for medical assistance; procedure upon determination of presumptive eligibility

(1) The State agency shall provide qualified entities with—

(A) such forms as are necessary for an application to be made on behalf of a child for medical assistance under the State plan, and

(B) information on how to assist parents, guardians, and other persons in completing and filing such forms.

(2) A qualified entity that determines under subsection (b)(2) that a child is presumptively eligible for medical assistance under a State plan shall—

(A) notify the State agency of the determination within 5 working days after the date on which determination is made, and

(B) inform the parent or custodian of the child at the time the determination is made that an application for medical assistance under the State plan is required to be made by not later than the last day of the month following the month during which the determination is made.

(3) In the case of a child who is determined by a qualified entity to be presumptively eligible for medical assistance under a State plan, the parent, guardian, or other person shall make application on behalf of the child for medical assistance under such plan by not later than the last day of the month following the month during which the determination is made.

(d) Treatment of medical assistance

Notwithstanding any other provision of this subchapter, medical assistance for items and services described in subsection (a) that—

(1) are furnished to a child—

(A) during a presumptive eligibility period,

(B) by an entity that is eligible for payments under the State plan; and

(2) are included in the care and services covered by a State plan;

shall be treated as medical assistance provided by such plan for purposes of section 1396b of this title.


---

1 So in original. A comma probably should appear after "title".

2 See References in Text note below.

3 See References in Text note below.
§ 1396r–1b. Presumptive eligibility for certain breast or cervical cancer patients

(a) State option

A State plan approved under section 1396a of this title may provide for making medical assistance available to an individual described in section 1396a(aa) of this title (relating to certain breast or cervical cancer patients) during a presumptive eligibility period.

(b) Definitions

For purposes of this section:

(1) Presumptive eligibility period

The term “presumptive eligibility period” means, with respect to an individual described in subsection (a), the period that—

(A) begins with the date on which a qualified entity determines, on the basis of preliminary information, that the individual is eligible for medical assistance available to an individual described in this title; and

(B) ends with (and includes) the earlier of—

(i) the day on which a determination is made with respect to the eligibility of such individual for services under the State plan; or

(ii) the date on which the individual who does not file an application by the last day of the month following the month during which the entity makes the determination referred to in subparagraph (A), such last day.

(2) Qualified entity

(A) In general

Subject to subparagraph (B), the term “qualified entity” means any entity that—

(i) is eligible for payments under a State plan approved under this subchapter; and

(ii) is determined by the State agency to be capable of making determinations of the type described in paragraph (1)(A).

(B) Regulations

The Secretary may issue regulations further limiting those entities that may become qualified entities in order to prevent fraud and abuse and for other reasons.

(C) Rule of construction

Nothing in this paragraph shall be construed as preventing a State from limiting the classes of entities that may become qualified entities, consistent with any limitations imposed under subparagraph (B).

(e) Administration

(1) In general

The State agency shall provide qualified entities with—
(A) such forms as are necessary for an application to be made by an individual described in subsection (a) for medical assistance under the State plan; and

(B) information on how to assist such individuals in completing and filing such forms.

(2) Notification requirements

A qualified entity that determines under subsection (b)(1)(A) that an individual described in subsection (a) is presumptively eligible for medical assistance under a State plan shall—

(A) notify the State agency of the determination within 5 working days after the date on which determination is made; and

(B) inform such individual at the time the determination is made that an application for medical assistance under the State plan is required to be made by not later than the last day of the month following the month during which the determination is made.

(3) Application for medical assistance

In the case of an individual described in subsection (a) who is determined by a qualified entity to be presumptively eligible for medical assistance under a State plan, the individual shall apply for medical assistance under such plan by not later than the last day of the month following the month during which the determination is made.

(d) Payment

Notwithstanding any other provision of this subchapter, medical assistance that—

(1) is furnished to an individual described in subsection (a)—

(A) during a presumptive eligibility period; and

(B) by an entity that is eligible for payments under the State plan; and

(2) is included in the care and services covered by the State plan,

shall be treated as medical assistance provided by such plan for purposes of clause (4) of the first sentence of section 1396d(b) of this title.


Effective Date

Section applicable to medical assistance for items and services furnished on or after Oct. 1, 2000, without regard to whether final regulations to carry out such amendments have been promulgated by such date, see section 2(d) of Pub. L. 106-354, set out as an Effective Date of 2000 Amendment note under section 1396a of this title.

§ 1396r–1c. Presumptive eligibility for family planning services

(a) State option

State plan approved under section 1396a of this title may provide for making medical assistance available to an individual described in section 1396a(ii) of this title (relating to individuals who meet certain income eligibility standards) during a presumptive eligibility period in the case of an individual described in section 1396a(ii) of this title, such medical assistance shall be limited to family planning services and supplies described in 1396d(a)(4)(C) of this title and, at the State’s option, medical diagnosis and treatment services that are provided in conjunction with a family planning service in a family planning setting.

(b) Definitions

For purposes of this section:

(1) Presumptive eligibility period

The term “presumptive eligibility period” means, with respect to an individual described in subsection (a), the period that—

(A) begins with the date on which a qualified entity determines, on the basis of preliminary information, that the individual is described in section 1396a(ii) of this title; and

(B) ends with (and includes) the earlier of—

(i) the day on which a determination is made with respect to the eligibility of such individual for services under the State plan; or

(ii) in the case of such an individual who does not file an application by the last day of the month following the month during which the entity makes the determination referred to in subparagraph (A), such last day.

(2) Qualified entity

(A) In general

Subject to subparagraph (B), the term “qualified entity” means any entity that—

(i) is eligible for payments under a State plan approved under this subchapter; and

(ii) is determined by the State agency to be capable of making determinations of the type described in paragraph (1)(A).

(B) Rule of construction

Nothing in this paragraph shall be construed as preventing a State from limiting the classes of entities that may become qualified entities in order to prevent fraud and abuse.

(c) Administration

(1) In general

The State agency shall provide qualified entities with—

(A) such forms as are necessary for an application to be made by an individual described in subsection (a) for medical assistance under the State plan; and

(B) information on how to assist such individuals in completing and filing such forms.

(2) Notification requirements

A qualified entity that determines under subsection (b)(1)(A) that an individual described in subsection (a) is presumptively eligible for medical assistance under a State plan shall—

(A) notify the State agency of the determination within 5 working days after the date on which determination is made; and

So in original. Probably should be preceded by “section”.

1 So in original. Probably should be “an”.

2 So in original. Probably should be preceded by “A”.
(B) inform such individual at the time the determination is made that an application for medical assistance is required to be made by not later than the last day of the month following the month during which the determination is made.

(3) Application for medical assistance

In the case of an individual described in subsection (a) who is determined by a qualified entity to be presumptively eligible for medical assistance under a State plan, the individual shall apply for medical assistance by not later than the last day of the month following the month during which the determination is made.

(d) Payment

Notwithstanding any other provision of law, medical assistance that—

(1) is furnished to an individual described in subsection (a)—

(A) during a presumptive eligibility period; and

(B) by a entity that is eligible for payments under the State plan; and

(2) is included in the care and services covered by the State plan,

shall be treated as medical assistance provided by such plan for purposes of clause (4) of the first sentence of section 1396d(b) of this title.


Effective Date

Section effective Mar. 23, 2010, and applicable to items and services furnished on or after such date, see section 2303(d) of Pub. L. 111–148, title II, § 2303(b)(1), Mar. 23, 2010, 124 Stat. 294.)

§ 1396r–2. Information concerning sanctions taken by State licensing authorities against health care practitioners and providers

(a) Information reporting requirement

The requirement referred to in section 1396a(a)(49) of this title is that the State must provide for the following:

(1) Information reporting system

(A) Licensing or certification actions

The State must have in effect a system of reporting the following information with respect to formal proceedings (as defined by the Secretary in regulations) concluded against a health care practitioner or entity by a State licensing or certification agency:

(i) Any adverse action taken by such licensing authority as a result of the proceeding, including any revocation or suspension of a license (and the length of any such suspension), reprimand, censure, or probation.

(ii) Any dismissal or closure of the proceedings by reason of the practitioner or entity surrendering the license or leaving the State or jurisdiction.

(iii) Any other loss of license or the right to apply for, or renew, a license by the practitioner or entity, whether by operation of law, voluntary surrender, non-renewability, or otherwise.

(iv) Any negative action or finding by such authority, organization, or entity regarding the practitioner or entity.

(B) Other final adverse actions

The State must have in effect a system of reporting information with respect to any final adverse action (not including settlements in which no findings of liability have been made) taken against a health care provider, supplier, or practitioner by a State law or fraud enforcement agency.

(2) Access to documents

The State must provide the Secretary (or an entity designated by the Secretary) with access to such documents of a State licensing or certification agency or State law or fraud enforcement agency as may be necessary for the Secretary to determine the facts and circumstances concerning the actions and determinations described in such paragraph for the purpose of carrying out this chapter.

(b) Form of information

The information described in subsection (a)(1) shall be provided to the Secretary (or to an appropriate private or public agency, under suitable arrangements made by the Secretary with respect to receipt, storage, protection of confidentiality, and dissemination of information) in such a form and manner as the Secretary determines to be appropriate in order to provide for activities of the Secretary under this chapter and in order to provide, directly or through suitable arrangements made by the Secretary, information—

(1) to agencies administering Federal health care programs, including private entities administering such programs under contract,

(2) to State licensing or certification agencies and Federal agencies responsible for the licensing and certification of health care providers, suppliers, and licensed health care practitioners;

(3) to State agencies administering or supervising the administration of State health care programs (as defined in section 1320a–7(h) of this title),

(4) to utilization and quality control peer review organizations described in part B of subchapter XI and to appropriate entities with contracts under section 1320c–3(a)(4)(C) of this title with respect to eligible organizations reviewed under the contracts, but only with respect to information provided pursuant to subsection (a)(1)(A),

(5) to State law or fraud enforcement agencies,

(6) to hospitals and other health care entities (as defined in section 431 of the Health Care Quality Improvement Act of 1986 [42

1So in original. The semicolon probably should be a comma.

2So in original. The semicolon probably should be a comma.

3So in original. Probably should be “an”.

4See References in Text note below.
U.S.C. 11151)), with respect to physicians or other licensed health care practitioners that have entered (or may be entering) into an employment or affiliation relationship with, or have applied for clinical privileges or appointments to the medical staff of, such hospitals or other health care entities (and such information shall be deemed to be disclosed pursuant to section 427 [42 U.S.C. 11137] of, and be subject to the provisions of, that Act [42 U.S.C. 11101 et seq.]), but only with respect to information provided pursuant to subsection (a)(1)(A).

(2) State law or fraud enforcement agency

The term “State law or fraud enforcement agency” includes—

(A) a State law enforcement agency; and

(B) a State Medicaid fraud control unit (as defined in section 1396b(q) of this title).

(3) Final adverse action

(A) In general

Subject to subparagraph (B), the term “final adverse action” includes:

(i) civil judgments against a health care provider, supplier, or practitioner in State court related to the delivery of a health care item or service;

(ii) State criminal convictions related to the delivery of a health care item or service;

(iii) exclusion from participation in State health care programs (as defined in section 1320a–7(h) of this title);

(iv) any licensing or certification action described in subsection (a)(1)(A) taken against a supplier by a State licensing or certification agency; and

(v) any other adjudicated actions or decisions that the Secretary shall establish by regulation.

(B) Exception

Such term does not include any action with respect to a malpractice claim.

(h) Appropriate coordination

In implementing this section, the Secretary shall provide for the maximum appropriate coordination with part B of the Health Care Quality Improvement Act of 1986 (42 U.S.C. 11131 et seq.) and section 1320a–7e of this title.

References to Text


The Health Care Quality Improvement Act of 1986 and that Act, referred to in subsecs. (b)(6) and (h), are title IV of Pub. L. 99–660, Nov. 14, 1986, 100 Stat. 3784, which is classified generally to chapter 117 (§11101 et seq.) of this title. Part B of the Act is classified generally to subchapter II (§11131 et seq.) of chapter 117 of this title. For complete classification of this Act to the Code, see Short Title note set out under section 11101 of this title and Tables.

Prior Provisions

A prior section 1921 of Act Aug. 14, 1935, was renumbered section 1939 and is classified to section 1396v of this title.
AMENDMENTS
2010—Subsec. (a)(1). Pub. L. 111–148, §6403(b)(1)(A)(ii), redesignated subpars. (A) to (D) as cls. (i) to (iv), respectively, of subpar. (A).
Subsec. (a)(1), redesignated par. (1) of Pub. L. 111–148, §6403(b)(1)(A)(ii), which directed adding subpar. (A) and striking out “The State” and all that follows through the “semicolon”, was executed by adding subpar. (A) and striking out “The State must have in effect a system of reporting the following information with respect to formal proceedings (as defined by the Secretary in regulations) concluded against a health care practitioner or entity by any authority of the State (or of a political subdivision thereof) responsible for the licensing of health care practitioners (or any peer review organization or private accreditation entity reviewing the services provided by health care practitioners or entities)”, to reflect the probable intent of Congress.
Subsec. (a)(1)(A)(iii). Pub. L. 111–148, §6403(b)(1)(A)(iii), substituted “license or the right to apply for, or renew, a license by” for “the license of” and inserted “unrenewability”, after “voluntary surrender.”
Subsec. (a)(2). Pub. L. 111–148, §6403(b)(1)(B), substituted “a State licensing or certification agency or State law or fraud enforcement agency” for “the authority described in paragraph (1)”.
Subsec. (b)(2). Pub. L. 111–148, §6403(b)(2)(A), added par. (2) and struck out former par. (2) which read as follows: “to licensing authorities described in subsection (a)(1) of this section.”
Subsec. (b)(4). Pub. L. 111–148, §6403(b)(2)(B), inserted “but only with respect to information provided pursuant to subsection (a)(1)(A)” before comma at end.
Subsec. (b)(6). Pub. L. 111–148, §6403(b)(2)(C), added par. (5) and struck out former par. (5) which read as follows: “to State medical fraud control units (as defined in section 1320a–7 of this title).”
Subsec. (b)(7) to (d). Pub. L. 111–148, §6403(b)(2)(D), (E), added par. (7) and redesignated former pars. (7) and (8) as (8) and (9), respectively.
Subsec. (h). Pub. L. 111–148, §6403(d)(3), (4), redesignated subsec. (d) as (h) and substituted “in implementing this section, the Secretary shall provide for the maximum appropriate coordination with part B of the Health Care Quality Improvement Act of 1986 (42 U.S.C. 11311 et seq.) and section 1320a–7e of this title.” for “The Secretary shall provide for the maximum appropriate coordination with part B of the Health Care Quality Improvement Act of 1986.”
1990—Subsec. (a)(1). Pub. L. 101–508, §4752(c)(1)(A), inserted “(or any peer review organization or private accreditation entity reviewing the services provided by health care practitioners)” after “health care practitioners” in introductory provisions.

EFFECTIVE DATE OF 2010 AMENDMENT
Amendment by Pub. L. 111–148 effective on the first day after the final day of the transition period defined in section 6403(d)(5) of Pub. L. 111–148, see section 6403(d)(6) of Pub. L. 111–148, set out as a Transition Process: Regulations: Effective Date of 2010 Amendment note under section 1320a–7e of this title.

EFFECTIVE DATE OF 1990 AMENDMENT
Pub. L. 101–508, title IV, §4752(c)(2), Nov. 5, 1990, 104 Stat. 1388–206, provided that: “The amendments made by paragraph (1) [amending this section] shall apply to State information reporting systems as of January 1, 1992, without regard to whether or not the Secretary of Health and Human Services has promulgated any regulations to carry out such amendments by such date.”

EFFECTIVE DATE
Section applicable, with certain exceptions, to payments under subchapter XIX of this chapter for calendar quarters beginning more than thirty days after Aug. 18, 1987, without regard to whether or not final regulations to carry out this section have been published by that date, see section 15(c)(1), (2) of Pub. L. 100–50, set out as an Effective Date of 1987 Amendment note under section 1320a–7 of this title.

§ 1396r–3. Correction and reduction plans for intermediate care facilities for mentally retarded
(a) Written plans to remedy substantial deficiencies; time for submission
If the Secretary finds that an intermediate care facility for the mentally retarded has substantial deficiencies which do not pose an immediate threat to the health and safety of residents (including failure to provide active treatment), the State may elect, subject to the limitations in this section, to—
(1) submit, within the number of days specified by the Secretary in regulations which apply to submission of compliance plans with respect to deficiencies of such type, a written plan of correction which details the extent of the facility’s current compliance with the standards promulgated by the Secretary, including all deficiencies identified during a validation survey, and which provides for a timetable for completion of necessary steps to correct all staffing deficiencies within 6 months, and a timetable for rectifying all physical plant deficiencies within 6 months; or
(2) submit, within a time period consisting of the number of days specified for submissions under paragraph (1) plus 35 days, a written plan for permanently reducing the number of certified beds, within a maximum of 36 months, in order to permit any noncomplying buildings (or distinct parts thereof) to be vacated and any staffing deficiencies to be corrected (hereinafter in this section referred to as a “reduction plan”).
(b) Conditions for approval of reduction plans
As conditions of approval of any reduction plan submitted pursuant to subsection (a)(2), the State must—
(1) provide for a hearing to be held at the affected facility at least 35 days prior to submission of the reduction plan, with reasonable notice thereof to the staff and residents of the facility, responsible members of the residents’ families, and the general public; and
(2) demonstrate that the State has successfully provided home and community services similar to the services proposed to be provided under the reduction plan for similar individuals eligible for medical assistance; and
(3) provide assurances that the requirements of subsection (c) shall be met with respect to the reduction plan.
(c) Contents of reduction plan
The reduction plan must—
(1) identify the number and service needs of existing facility residents to be provided home
or community services and the timetable for providing such services, in 6 month intervals, within the 36-month period;

(2) describe the methods to be used to select such residents for home and community services and to develop the alternative home and community services to meet their needs effectively;

(3) describe the necessary safeguards that will be applied to protect the health and welfare of the former residents of the facility who are to receive home or community services, including adequate standards for consumer and provider participation and assurances that applicable State licensure and applicable State and Federal certification requirements will be met in providing such home or community services;

(4) provide that residents of the affected facility who are eligible for medical assistance while in the facility shall, at their option, be placed in another setting (or another part of the affected facility) so as to retain their eligibility for medical assistance;

(5) specify the actions which will be taken to protect the health and safety of, and to provide active treatment for, the residents who remain in the affected facility while the reduction plan is in effect;

(6) provide that the ratio of qualified staff to residents at the affected facility (or the part thereof) which is subject to the reduction plan will be the higher of—

(A) the ratio which the Secretary determines is necessary in order to assure the health and safety of the residents of such facility (or part thereof); or

(B) the ratio which was in effect at the time that the finding of substantial deficiencies (referred to in subsection (a)) was made; and

(7) provide for the protection of the interests of employees affected by actions under the reduction plan, including—

(A) arrangements to preserve employee rights and benefits;

(B) training and retraining of such employees where necessary;

(C) redeployment of such employees to community settings under the reduction plan; and

(D) making maximum efforts to guarantee the employment of such employees (but this requirement shall not be construed to guarantee the employment of any employee).

(d) Notice and comment; approval of more than 15 reduction plans in any fiscal year; corrections costing $2,000,000 or more

(1) The Secretary must provide for a period of not less than 30 days after the submission of a reduction plan by a State, during which comments on such reduction plan may be submitted to the Secretary, before the Secretary approves or disapproves such reduction plan.

(2) If the Secretary approves more than 15 reduction plans under this section in any fiscal year, any reduction plans approved in addition to the first 15 such plans approved, must be for a facility (or part thereof) for which the costs of correcting the substantial deficiencies (referred to in subsection (a)) are $2,000,000 or greater (as demonstrated by the State to the satisfaction of the Secretary).

(e) Termination of provider agreements; disallowance of percentage amounts for purposes of Federal financial participation

(1) If the Secretary, at the conclusion of the 6-month plan of correction described in subsection (a)(1), determines that the State has substantially failed to correct the deficiencies described in subsection (a), the Secretary may terminate the facility’s provider agreement in accordance with the provisions of section 1396i(b) of this title.

(2) In the case of a reduction plan described in subsection (a)(2), if the Secretary determines, at the conclusion of the initial 6-month period or any 6-month interval thereafter, that the State has substantially failed to meet the requirements of subsection (c), the Secretary shall—

(A) terminate the facility’s provider agreement in accordance with the provisions of section 1396i(b) of this title; or

(B) if the State has failed to meet such requirements despite good faith efforts, disallow, for purposes of Federal financial participation, an amount equal to 5 percent of the cost of care for all eligible individuals in the facility for each month for which the State fails to meet such requirements.

(f) Applicability of section limited to plans approved by January 1, 1990

The provisions of this section shall apply only to plans of correction and reduction plans approved by the Secretary by January 1, 1990.


Prior Provisions
A prior section 1922 of act Aug. 14, 1935, was renumbered section 1939 and is classified to section 1396v of this title.

Amendments

Subsec. (e)(1), (2)(A). Pub. L. 100–360, §411(l)(6)(E), substituted “1396i(b)” for “1396i(c)”. Subsec. (f). Pub. L. 100–647, §8433(a)(3), substituted “by January 1, 1990” for “within 3 years after the effective date of final regulations implementing this section”.

Effective Date of 1988 Amendment
Pub. L. 100–647, title VIII, §8433(b), Nov. 10, 1988, 102 Stat. 3805, provided that: “The amendments made by subsection (a) [amending this section] shall become effective on the date of the enactment of this Act [Nov. 10, 1988], and shall apply to any proceeding where there has not yet been a final determination by the Secretary (as defined for purposes of judicial review) as of the date of the enactment of this Act.”
Except as specifically provided in section 411 of Pub. L. 100–203, amendment by Pub. L. 100–203, as it relates to a provision in the Omnibus Budget Reconciliation Act of 1985 [Pub. L. 99–272, Apr. 7, 1986], provided that:

(1) The amendment made by this section [enacting this section] shall become effective on the date of enactment of this Act [Apr. 7, 1986].

(2) The Secretary of Health and Human Services shall promulgate final regulations implementing such section.

§ 1396r–4. Adjustment in payment for inpatient hospital services furnished by disproportionate share hospitals

(a) Implementation of requirement

(1) A State plan under this subchapter shall not be considered to meet the requirement of section 1396a(a)(13)(A) of this title (insofar as it requires payments to hospitals to take into account the situation of hospitals which serve a disproportionate number of low-income patients with special needs), as of July 1, 1989, unless the State has submitted to the Secretary, by not later than such date, an amendment to such plan that—

(A) specifically defines the hospitals so described (and includes in such definition any disproportionate share hospital described in subsection (b)(1) which meets the requirements of subsection (d)), and

(B) provides, effective for inpatient hospital services provided not later than July 1, 1988, for an appropriate increase in the rate or amount of payment for such services provided by such hospitals, consistent with subsection (c).

(2)(A) In order to be considered to have met such requirement of section 1396a(a)(13)(A) of this title as of July 1, 1989, the State must submit to the Secretary by not later than April 1, 1989, the State plan amendment described in paragraph (1), consistent with subsections (c) and (f), effective for inpatient hospital services provided on or after July 1, 1989.

(B) In order to be considered to have met such requirement of section 1396a(a)(13)(A) of this title as of July 1, 1990, the State must submit to the Secretary by not later than April 1, 1990, the State plan amendment described in paragraph (1), consistent with subsections (c) and (f), effective for inpatient hospital services provided on or after July 1, 1990.

(C) If a State plan under this subchapter provides for payments for inpatient hospital services on a prospective basis (whether per diem, per case, or otherwise), in order for the plan to be considered to have met such requirement of section 1396a(a)(13)(A) of this title as of July 1, 1989, the State must submit to the Secretary by not later than April 1, 1989, a State plan amendment that provides, in the case of hospitals defined by the State as disproportionate share hospitals under paragraph (1)(A), for an outlier adjustment in payment amounts for medically necessary inpatient hospital services provided on or after July 1, 1989, involving exceptionally high costs or exceptionally long lengths of stay for individuals under one year of age.

(D) A State plan under this subchapter shall not be considered to meet the requirement of section 1396a(a)(13)(A)(iv) of this title (insofar as it requires payments to hospitals to take into account the situation of hospitals that serve a disproportionate number of low-income patients with special needs), as of October 1, 1996, unless the State has submitted to the Secretary by such date a description of the methodology used by the State to identify and to make payments to disproportionate share hospitals, including children’s hospitals, on the basis of the proportion of low-income and medicaid patients (including such patients who receive benefits through a managed care entity) served by such hospitals. The State shall provide an annual report to the Secretary describing the disproportionate share payments to each such disproportionate share hospital.

(3) The Secretary shall, not later than 90 days after the date a State submits an amendment under this subsection, review each such amendment for compliance with such requirement and by such date shall approve or disapprove each such amendment. If the Secretary disapproves such an amendment, the State shall immediately submit a revised amendment which meets such requirement.

(4) The requirement of this subsection may not be waived under section 1396n(b)(4) of this title.

(b) Hospitals deemed disproportionate share

(1) For purposes of subsection (a)(1), a hospital which meets the requirements of subsection (d) is deemed to be a disproportionate share hospital if—

(A) the hospital’s medicaid inpatient utilization rate (as defined in paragraph (2)) is at least one standard deviation above the mean medicaid inpatient utilization rate for hos-
Section 1396r-4

Title 42—The Public Health and Welfare

Subject to subsections (f) and (g), in order to be consistent with this subsection, a payment adjustment for a disproportionate share hospital must either—

1. Be in an amount equal to at least the product of (A) the amount paid under the State plan to the hospital for operating costs for inpatient hospital services (of the kind described in section 1395ww(a)(4) of this title), and (B) the hospital's disproportionate share adjustment percentage (established under section 1395ww(d)(5)(F)(iv) of this title); or
2. Provide for a minimum specified additional payment amount (or increased percentage payment) and (without regard to whether the hospital is described in subparagraph (A) or (B) of subsection (b)(1)) for an increase in such a payment amount (or percentage payment) in proportion to the percentage by which the hospital's medicare utilization rate (as defined in subsection (b)(2)) exceeds one standard deviation above the mean medicare inpatient utilization rate for hospitals receiving medicare payments in the State or the hospital's low-income utilization rate (as defined in paragraph 1(b)(3)); or
3. Provide for a minimum specified additional payment amount (or increased percentage payment) that varies according to type of hospital under a methodology that—
   (A) applies equally to all hospitals of each type; and
   (B) results in an adjustment for each type of hospital that is reasonably related to the costs, volume, or proportion of services provided to patients eligible for medical assistance under a State plan approved under this subchapter or to low-income patients, except that, for purposes of paragraphs (1)(B) and (2)(A) of subsection (a), the payment adjustment for a disproportionate share hospital is consistent with this subsection if the appropriate increase in the rate or amount of payment is equal to at least one-third of the increase otherwise applicable under this subsection (in the case of such paragraph (1)(B)) and at least two-thirds of such increase (in the case of such paragraph (2)(A)). In the case of a hospital described in subsection (d)(2)(A)(i) (relating to children's hospitals), in computing the hospital's disproportionate share adjustment percentage for purposes of paragraph (1)(B) of this subsection, the disproportionate patient percentage (defined in section 1395ww(d)(5)(F)(vi) of this title) shall be computed by substituting for the fraction described in subclause (I) of such section the fraction described in subclause (II) of that section. If a State elects in a State plan amendment under subsection (a) to provide the payment adjustment described in paragraph (2), the State must include in the amendment a detailed description of the specific methodology to be used in determining the specified additional payment amount (or increased percentage payment) to be made to each hospital qualifying for such a payment adjustment and must publish at least annually the

---

1 So in original. Probably should be "subsection".
§ 1396r–4

TITLE 42—THE PUBLIC HEALTH AND WELFARE

Page 3910

name of each hospital qualifying for such a payment adjustment and the amount of such payment adjustment made for each such hospital.

(d) Requirements to qualify as disproportionate share hospital

(1) Except as provided in paragraph (2), no hospital may be defined or deemed as a disproportionate share hospital under a State plan under this subchapter or under subsection (b) of this section unless the hospital has at least 2 obstetricians who have staff privileges at the hospital and who have agreed to provide obstetric services to individuals who are entitled to medical assistance for such services under such State plan.

(2)(A) Paragraph (1) shall not apply to a hospital—

(i) the inpatients of which are predominantly individuals under 18 years of age; or

(ii) which does not offer nonemergency obstetric services to the general population as of December 22, 1987.

(B) In the case of a hospital located in a rural area (as defined for purposes of section 1395ww of this title), in paragraph (1) the term “obstetrician” includes any physician with staff privileges at the hospital to perform nonemergency obstetric procedures.

(3) No hospital may be defined or deemed as a disproportionate share hospital under a State plan under this subchapter or under subsection (b) or (e) of this section unless the hospital has a medicaid inpatient utilization rate (as defined in subsection (b)(2)) of not less than 1 percent.

(e) Special rule

(1) A State plan shall be considered to meet the requirement of section 1396a(a)(13)(A)(iv) of this title (insofar as it requires payments to hospitals to take into account the situation of hospitals which serve a disproportionate number of low income patients with special needs) without regard to the requirement of subsection (a) if (A)(i) the plan provided for payment adjustments based on a pooling arrangement involving a majority of the hospitals participating under the plan for disproportionate share hospitals as of January 1, 1984, or (ii) the plan as of January 1, 1987, provided for payment adjustments based on a statewide pooling arrangement involving all acute care hospitals and the arrangement provides for reimbursement of the total amount of uncompensated care provided by each participating hospital, (B) the aggregate amount of the payment adjustments under the plan for such hospitals is not less than the aggregate amount of such adjustments otherwise required to be made under such subsection, and (C) the plan meets the requirements of subsection (d)(3) and such payment adjustments are made consistent with the last sentence of subsection (c).

(2) In the case of a State that used a health insuring organization before January 1, 1986, to administer a portion of its plan on a statewide basis, beginning on July 1, 1988—

(A) the requirements of subsections (b) and (c) (other than the last sentence of subsection (c)) shall not apply if the aggregate amount of the payment adjustments under the plan for disproportionate share hospitals (as defined under the State plan) is not less than the aggregate amount of payment adjustments otherwise required to be made if such subsections applied.

(B) subsection (d)(2)(B) shall apply to hospitals located in urban areas, as well as in rural areas.

(C) subsection (d)(3) shall apply, and

(D) subsection (g) shall apply.

(f) Limitation on Federal financial participation

(1) In general

Payment under section 1396b(a) of this title shall not be made to a State with respect to any payment adjustment made under this section for hospitals in a State for quarters in a fiscal year in excess of the disproportionate share hospital (in this subsection referred to as “DSH”) allotment for the State for the fiscal year, as specified in paragraphs (2), (3), and (7).

(2) State DSH allotments for fiscal years 1998 through 2002

Subject to paragraph (4), the DSH allotment for a State for each fiscal year during the period beginning with fiscal year 1998 and ending with fiscal year 2002 is determined in accordance with the following table:

<table>
<thead>
<tr>
<th>State or District</th>
<th>DSH Allotment (in millions of dollars)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>FY 98</td>
</tr>
<tr>
<td>Alabama</td>
<td>293</td>
</tr>
<tr>
<td>Alaska</td>
<td>19</td>
</tr>
<tr>
<td>Arizona</td>
<td>81</td>
</tr>
<tr>
<td>Arkansas</td>
<td>2</td>
</tr>
<tr>
<td>California</td>
<td>1,085</td>
</tr>
<tr>
<td>Colorado</td>
<td>93</td>
</tr>
<tr>
<td>Connecticut</td>
<td>230</td>
</tr>
<tr>
<td>Delaware</td>
<td>4</td>
</tr>
<tr>
<td>District of Columbia</td>
<td>28</td>
</tr>
<tr>
<td>Florida</td>
<td>297</td>
</tr>
<tr>
<td>Georgia</td>
<td>253</td>
</tr>
<tr>
<td>Hawaii</td>
<td>0</td>
</tr>
<tr>
<td>Idaho</td>
<td>1</td>
</tr>
<tr>
<td>Illinois</td>
<td>293</td>
</tr>
<tr>
<td>Indiana</td>
<td>197</td>
</tr>
<tr>
<td>Iowa</td>
<td>8</td>
</tr>
<tr>
<td>Kansas</td>
<td>1</td>
</tr>
<tr>
<td>Kentucky</td>
<td>137</td>
</tr>
<tr>
<td>Louisiana</td>
<td>880</td>
</tr>
<tr>
<td>Maine</td>
<td>103</td>
</tr>
<tr>
<td>Maryland</td>
<td>72</td>
</tr>
<tr>
<td>Massachusetts</td>
<td>298</td>
</tr>
<tr>
<td>Michigan</td>
<td>249</td>
</tr>
<tr>
<td>Minnesota</td>
<td>16</td>
</tr>
<tr>
<td>Mississippi</td>
<td>143</td>
</tr>
<tr>
<td>Missouri</td>
<td>379</td>
</tr>
<tr>
<td>Montana</td>
<td>0.2</td>
</tr>
<tr>
<td>Nebraska</td>
<td>5</td>
</tr>
<tr>
<td>Nevada</td>
<td>37</td>
</tr>
<tr>
<td>New Hampshire</td>
<td>140</td>
</tr>
<tr>
<td>New Jersey</td>
<td>690</td>
</tr>
<tr>
<td>New Mexico</td>
<td>5</td>
</tr>
<tr>
<td>New York</td>
<td>1,512</td>
</tr>
<tr>
<td>North Carolina</td>
<td>276</td>
</tr>
<tr>
<td>North Dakota</td>
<td>1</td>
</tr>
<tr>
<td>Ohio</td>
<td>382</td>
</tr>
<tr>
<td>Oklahoma</td>
<td>16</td>
</tr>
<tr>
<td>Oregon</td>
<td>20</td>
</tr>
<tr>
<td>Pennsylvania</td>
<td>529</td>
</tr>
<tr>
<td>Rhode Island</td>
<td>62</td>
</tr>
<tr>
<td>South Carolina</td>
<td>313</td>
</tr>
</tbody>
</table>
(3) State DSH allotments for fiscal year 2003 and thereafter

(A) In general

Except as provided in paragraphs (6), (7), and (8) and subparagraph (E), the DSH allotment for any State for fiscal year 2003 and each succeeding fiscal year is equal to the DSH allotment for the State for the preceding fiscal year under paragraph (2) or this paragraph, increased, subject to subparagraphs (B) and (C) and paragraph (5), by the percentage change in the consumer price index for all urban consumers (all items; U.S. city average), for the previous fiscal year.

(B) Limitation

The DSH allotment for a State shall not be increased under subparagraph (A) for a fiscal year to the extent that such an increase would result in the DSH allotment for the year exceeding the greater of—

(i) the DSH allotment for the previous year, or
(ii) 12 percent of the total amount of expenditures under the State plan for medical assistance during the fiscal year.

(C) Special, temporary increase in allotments on a one-time, non-cumulative basis

The DSH allotment for any State (other than a State with a DSH allotment determined under paragraph (5))—

(i) for fiscal year 2004 is equal to 116 percent of the DSH allotment for the State for fiscal year 2003 under this paragraph, notwithstanding subparagraph (B); and
(ii) for each succeeding fiscal year is equal to the DSH allotment for the State for fiscal year 2004 or, in the case of fiscal years beginning with the fiscal year specified in subparagraph (D) for that State, the DSH allotment for the State for the previous fiscal year increased by the percentage change in the consumer price index for all urban consumers (all items; U.S. city average), for the previous fiscal year.

(D) Fiscal year specified

For purposes of subparagraph (C)(ii), the fiscal year specified in this subparagraph for a State is the first fiscal year for which the Secretary estimates that the DSH allotment for that State will equal (or no longer exceed) the DSH allotment for that State under the law as in effect before December 8, 2003.

(E) Temporary increase in allotments during recession

(i) In general

Subject to clause (ii), the DSH allotment for any State—

(I) for fiscal year 2009 is equal to 102.5 percent of the DSH allotment that would be determined under this paragraph for the State for fiscal year 2009 without application of this subparagraph, notwithstanding subparagraphs (B) and (C);
(II) for fiscal year 2010 is equal to 102.5 percent of the DSH allotment for the State for fiscal year 2009, as determined under subclause (I); and
(III) for each succeeding fiscal year is equal to the DSH allotment for the State under this paragraph determined without applying subclauses (I) and (II).

(ii) Application

Clause (i) shall not apply to a State for a year in the case that the DSH allotment for such State for such year under this paragraph determined without applying clause (i) would grow higher than the DSH allotment specified under clause (i) for the State for such year.

(4) Special rule for fiscal years 2001 and 2002

(A) In general

Notwithstanding paragraph (2), the DSH allotment for any State for—

(i) fiscal year 2001, shall be the DSH allotment determined under paragraph (2) for fiscal year 2000 increased, subject to subparagraph (B) and paragraph (5), by the percentage change in the consumer price index for all urban consumers (all items; U.S. city average) for fiscal year 2000; and
(ii) fiscal year 2002, shall be the DSH allotment determined under clause (i) increased, subject to subparagraph (B) and paragraph (5), by the percentage change in the consumer price index for all urban consumers (all items; U.S. city average) for fiscal year 2001.

(B) Limitation

Subparagraph (B) of paragraph (3) shall apply to subparagraph (A) of this paragraph in the same manner as that subparagraph (B) applies to paragraph (3)(A).

(C) No application to allotments after fiscal year 2002

The DSH allotment for any State for fiscal year 2003 or any succeeding fiscal year shall be determined under subparagraph (A) of this paragraph.

(5) Special rule for low DSH States

(A) For fiscal years 2001 through 2003 for extremely low DSH States

In the case of a State in which the total expenditures under the State plan (including Federal and State shares) for disproportionate share hospital adjustments under this section for fiscal year 1999, as reported to the Administrator of the Health Care Fi-
(6) Allotment adjustments

(A) Tennessee

(i) In general

Only with respect to fiscal year 2007, the DSH allotment for Tennessee for such fiscal year, notwithstanding the table set forth in paragraph (2) or the terms of the TennCare Demonstration Project in effect for the State, shall be the greater of—

(I) the amount that the Secretary determines is equal to the Federal medical assistance percentage component attributable to disproportionate share hospital payment adjustments for the demonstration year ending in 2006 that is reflected in the budget neutrality provision of the TennCare Demonstration Project; and

(II) $280,000,000.

Only with respect to fiscal years 2008, 2009, 2010, and 2011, the DSH allotment for Tennessee for the fiscal year, notwithstanding such table or terms, shall be the amount specified in the previous sentence for fiscal year 2007. Only with respect to fiscal year 2012 for the period ending on December 31, 2011, the DSH allotment for Tennessee for such portion of the fiscal year, notwithstanding such table or terms, shall be 1/4 of the amount specified in the first sentence for fiscal year 2007.

(ii) Limitation on amount of payment adjustments eligible for Federal financial participation

Payment under section 1396b(a) of this title shall not be made to Tennessee with respect to the aggregate amount of any payment adjustments made under this section for hospitals in the State for fiscal year 2007, 2008, 2009, 2010, 2011, or for periods in fiscal year 2012 described in clause (i) that is in excess of 30 percent of the DSH allotment for the State for such fiscal year or period determined pursuant to clause (i).

(iii) State plan amendment

The Secretary shall permit Tennessee to submit an amendment to its State plan under this subchapter that describes the methodology to be used by the State to identify and make payments to disproportionate share hospitals, including children’s hospitals and institutions for mental diseases or other mental health facilities. The Secretary may not approve such plan amendment unless the methodology described in the amendment is consistent with the requirements under this section for making payment adjustments to disproportionate share hospitals. For purposes of demonstrating budget neutrality under the TennCare Demonstration Project, payment adjustments made pursuant to a State plan amendment approved in accordance with this subparagraph shall be considered expenditures under such project.

(iv) Offset of Federal share of payment adjustments for fiscal years 2007 through 2011 and the first calendar quarter of fiscal year 2012 against Essential Access Hospital supplemental pool payments under the TennCare Demonstration Project

(I) The total amount of Essential Access Hospital supplemental pool payments that may be made under the TennCare Demonstration Project for fiscal year 2007, 2008, 2009, 2010, 2011, or for a period in fiscal year 2012 described in clause (i) shall be reduced on a dollar for dollar basis by the amount of any payments made under section 1396b(a) of this title to Tennessee with respect to payment adjustments made under this section for hospitals in the State for such fiscal year or period.

(II) The sum of the total amount of payments made under section 1396b(a) of this title to Tennessee with respect to payment adjustments made under this section for hospitals in the State for fiscal year 2007, 2008, 2009, 2010, 2011, or for a period in fiscal year 2012 described in clause (i) and the total amount of Essential Access Hospital supplemental pool payments made under the TennCare Demonstration Project for such fiscal year or period shall not exceed the State’s DSH allotment for such fiscal year or period established under clause (i).

\(^2\)So in original. Probably should be preceded by “a.”
(v) Allotment for 2d, 3rd, and 4th quarters of fiscal year 2012 and for fiscal year 2013

Notwithstanding the table set forth in paragraph (2):

(I) 2d, 3rd, and 4th quarters of fiscal year 2012

In the case of a State that has a DSH allotment of $0 for the 2d, 3rd, and 4th quarters of fiscal year 2012, the DSH allotment shall be $47,200,000 for such quarters.

(II) Fiscal year 2013

In the case of a State that has a DSH allotment of $0 for fiscal year 2013, the DSH allotment shall be $53,100,000 for such fiscal year.

(vi) Allotment for fiscal years 2015 through 2025

Notwithstanding any other provision of this subsection, any other provision of law, or the terms of the TennCare Demonstration Project in effect for the State, the DSH allotment for Tennessee for fiscal year 2015, and for each fiscal year thereafter through fiscal year 2025, shall be $53,100,000 for each such fiscal year.

(B) Hawaii

(i) In general

Only with respect to each of fiscal years 2007 through 2011, the DSH allotment for Hawaii for such fiscal year, notwithstanding the table set forth in paragraph (2), shall be $10,000,000. Only with respect to fiscal year 2012 for the period ending on December 31, 2011, the DSH allotment for Hawaii for such portion of the fiscal year, notwithstanding the table set forth in paragraph (2), shall be $2,500,000.

(ii) State plan amendment

The Secretary shall permit Hawaii to submit an amendment to its State plan under this subchapter that describes the methodology to be used by the State to identify and make payments to disproportionate share hospitals, including children’s hospitals and institutions for mental diseases or other mental health facilities. The Secretary may not approve such plan amendment unless the methodology described in the amendment is consistent with the requirements under this section for making payment adjustments to disproportionate share hospitals.

(iii) Allotment for 2d, 3rd, and 4th quarter of fiscal year 2012, fiscal year 2013, and succeeding fiscal years

Notwithstanding the table set forth in paragraph (2):

(I) 2d, 3rd, and 4th quarter of fiscal year 2012

The DSH allotment for Hawaii for the 2d, 3rd, and 4th quarters of fiscal year 2012 shall be $7,500,000.

(II) Treatment as a low-DSH State for fiscal year 2013 and succeeding fiscal years

With respect to fiscal year 2013, and each fiscal year thereafter, the DSH allotment for Hawaii shall be increased in the same manner as allotments for low DSH States are increased for such fiscal year under clause (iii) of paragraph (5)(B).

(III) Certain hospital payments

The Secretary may not impose a limitation on the total amount of payments made to hospitals under the QUEST section 1115 Demonstration Project except to the extent that such limitation is necessary to ensure that a hospital does not receive payments in excess of the amounts described in subsection (g), or as necessary to ensure that such payments under the waiver and such payments pursuant to the allotment provided in this clause do not, in the aggregate in any year, exceed the amount that the Secretary determines is equal to the Federal medical assistance percentage component attributable to disproportionate share hospital payment adjustments for such year that is reflected in the budget neutrality provision of the QUEST Demonstration Project.

(7) Medicaid DSH reductions

(A) Reductions

(i) In general

For the period beginning May 23, 2020, and ending September 30, 2020, and for each of fiscal years 2021 through 2025 the Secretary shall effect the following reductions:

(I) Reduction in DSH allotments

The Secretary shall reduce DSH allotments to States in the amount specified under the DSH health reform methodology under subparagraph (B) for the State for the fiscal year.

(II) Reductions in payments

The Secretary shall reduce payments to States under section 1396b(a) of this title for each calendar quarter in the fiscal year, in the manner specified in clause (iii), in an amount equal to 1⁄4 of the DSH allotment reduction under subparagraph (I) for the State for the fiscal year.

(ii) Aggregate reductions

The aggregate reductions in DSH allotments for all States under clause (i)(I) shall be equal to—

(I) $4,000,000,000 for the period beginning May 23, 2020, and ending September 30, 2020; and

(II) $8,000,000,000 for each of fiscal years 2021 through 2025.

(iii) Manner of payment reduction

The amount of the payment reduction under clause (i)(II) for a State for a quar-
ter shall be deemed an overpayment to the State under this subchapter to be dis-
allowed against the State's regular quarter-
ly draw for all spending under section 1396b(d)(2) of this title. Such a disallow-
ance is not subject to a reconsideration under subsections (d) and (e) of section 1316 of 
this title.

(iv) Definition
In this paragraph, the term "State" means the 50 States and the District of Co-
larctica.

(v) Distribution of aggregate reductions
The Secretary shall distribute the aggregate reductions under clause (ii) among 
States in accordance with subparagraph (B).

(B) DSH Health Reform methodology
The Secretary shall carry out subparagraph (A) through use of a DSH Health Re-
form methodology that meets the following requirements:

(A) (i) The methodology imposes the largest 
percentage reductions on the States that—
(I) have the lowest percentages of un-
insured individuals (determined on the 
basis of data from the Bureau of the Cen-
sus, audited hospital cost reports, and 
other information likely to yield accu-
rate data) during the most recent year 
for which such data are available; or 
(II) do not target their DSH payments on—

(aa) hospitals with high volumes of 
Medicaid inpatients (as defined in sub-
section (b)(1)(A)); and 
(bb) hospitals that have high levels 
of uncompensated care (excluding bad 
debt).

(ii) The methodology imposes a smaller 
percentage reduction on low DSH States 
described in paragraph (5)(B).

(iii) The methodology takes into account 
the extent to which the DSH allotment for 
a State was included in the budget neu-
trality calculation for a coverage expan-
sion approved under section 1315 of this 
title as of July 31, 2009.

(8) Calculation of DSH allotments after reduc-
tions period
The DSH allotment for a State for fiscal 
years after fiscal year 2025 shall be calculated 
under paragraph (3) without regard to para-
graph (7).

(9) "State" defined
In this subsection, the term "State" means the 50 States and the District of Columbia.

(g) Limit on amount of payment to hospital

(1) Amount of adjustment subject to uncom-
pensated costs

(A) In general
A payment adjustment during a fiscal year 
shall not be considered to be consistent with 
subsection (c) with respect to a hospital if 
the payment adjustment exceeds the costs 
incurred during the year of furnishing hos-
pital services (as determined by the Sec-
retary and net of payments under this sub-
chapter, other than under this section, and 
by uninsured patients) by the hospital to in-
dividuals who either are eligible for medical 
assistance under the State plan or have no 
health insurance (or other source of third 
party coverage) for services provided during 
the year. For purposes of the preceding sen-
tence, payments made to a hospital for serv-
ces provided to indigent patients made by a 
State or a unit of local government within a 
State shall not be considered to be a source 
of third party payment.

(B) Limit to public hospitals during transition 
period
With respect to payment adjustments dur-
ing a State fiscal year that begins before 
January 1, 1995, subparagraph (A) shall apply 
only to hospitals owned or operated by a State 
(or by an instrumentality or a unit of 
government within a State).

(C) Modifications for private hospitals
With respect to hospitals that are not 
owned or operated by a State (or by an in-
strumentality or a unit of government within 
in a State), the Secretary may make such 
modifications to the manner in which the 
limitation on payment adjustments is ap-
plied to such hospitals as the Secretary con-
siders appropriate.

(2) Additional amount during transition period 
for certain hospitals with high dispropor-
tionate share

(A) In general
In the case of a hospital with high dispropor-
tionate share (as defined in subparagraph 
(B)), a payment adjustment during a 
State fiscal year that begins before January 
1, 1995, shall be considered consistent with 
subsection (c) if the payment adjustment 
does not exceed 200 percent of the costs of 
furnishing hospital services described in 
paragraph (1)(A) during the year, but only if 
the Governor of the State certifies to the 
satisfaction of the Secretary that the hos-

tial's applicable minimum amount is used 
for health services during the year. In deter-
mining the amount that is used for such 
services during a year, there shall be ex-
cluded any amounts received under the Pub-
lic Health Service Act [42 U.S.C. 201 et seq.], 
subchapter V, subchapter XVIII, or from 
third party payors (not including the State 
plan under this subchapter) that are used for 
providing such services during the year.

(B) "Hospital with high disproportionate share" defined
In subparagraph (A), a hospital is a "hos-
pital with high disproportionate share" if—

(i) the hospital is owned or operated by a 
State (or by an instrumentality or a unit 
of government within a State); and 

(ii) the hospital—

(I) meets the requirement described in 
subsection (b)(1)(A), or 

(II) has the largest number of inpatient 
days attributable to individuals entitled
to benefits under the State plan of any hospital in such State for the previous State fiscal year.

(C) “Applicable minimum amount” defined

In subparagraph (A), the “applicable minimum amount” for a hospital for a fiscal year is equal to the difference between the amount of the hospital’s payment adjustment for the fiscal year and the costs to the hospital of furnishing hospital services described in paragraph (1)(A) during the fiscal year.

(h) Limitation on certain State DSH expenditures

(1) In general

Payment under subsection 1396b(a) of this title shall not be made to a State with respect to any payment adjustments made under this section for quarters in a fiscal year (beginning with fiscal year 1998) to institutions for mental diseases or other mental health facilities, to the extent the aggregate of such adjustments in the fiscal year exceeds the lesser of the following:

(A) 1995 IMD DSH payment adjustments

The total State DSH expenditures that are attributable to fiscal year 1995 for payments to institutions for mental diseases and other mental health facilities (based on reporting data specified by the State on HCFA Form 64 as mental health DSH, and as approved by the Secretary).

(B) Applicable percentage of 1995 total DSH payment allotment

The amount of such payment adjustments which are equal to the applicable percentage of the Federal share of payment adjustments made to hospitals in the State under subsection (c) that are attributable to the 1995 DSH allotment for the State for payments to institutions for mental diseases and other mental health facilities (based on reporting data specified by the State on HCFA Form 64 as mental health DSH, and as approved by the Secretary).

(2) Applicable percentage

(A) In general

For purposes of paragraph (1), the applicable percentage with respect to—

(i) each of fiscal years 1998, 1999, and 2000, is the percentage determined under subparagraph (B); or

(ii) a succeeding fiscal year is the lesser of the percentage determined under subparagraph (B) or the following percentage:

(I) For fiscal year 2001, 50 percent.

(II) For fiscal year 2002, 40 percent.

(III) For each succeeding fiscal year, 33 percent.

(B) 1995 percentage

The percentage determined under this subparagraph is the ratio (determined as a percentage) of—

(i) the Federal share of payment adjustments made to hospitals in the State under subsection (c) that are attributable to the 1995 DSH allotment for the State (as reported by the State not later than January 1, 1997, on HCFA Form 64, and as approved by the Secretary) for payments to institutions for mental diseases and other mental health facilities, to the 1995 DSH spending amount.

(C) State 1995 DSH spending amount

For purposes of subparagraph (B)(ii), the “State 1995 DSH spending amount”, with respect to a State, is the Federal medical assistance percentage (for fiscal year 1995) of the payment adjustments made under subsection (c) under the State plan that are attributable to the fiscal year 1995 DSH allotment for the State (as reported by the State not later than January 1, 1997, on HCFA Form 64, and as approved by the Secretary).

(i) Requirement for direct payment

(1) In general

No payment may be made under section 1396b(a)(1) of this title with respect to a payment adjustment under this section for services furnished by a hospital on or after October 1, 1997, with respect to individuals eligible for medical assistance under the State plan who are enrolled with a managed care entity (as defined in section 1396u–2(a)(1)(B) of this title) or under any other managed care arrangement unless a payment, equal to the amount of the payment adjustment—

(A) is made directly to the hospital by the State; and

(B) is not used to determine the amount of a prepaid capitation payment under the State plan to the entity or arrangement with respect to such individuals.

(2) Exception for current arrangements

Paragraph (1) shall not apply to a payment adjustment provided pursuant to a payment arrangement in effect on July 1, 1997.

(j) Annual reports and other requirements regarding payment adjustments

With respect to fiscal year 2004 and each fiscal year thereafter, the Secretary shall require a State, as a condition of receiving a payment under section 1396b(a)(1) of this title with respect to a payment adjustment made under this section, to do the following:

(1) Report

The State shall submit an annual report that includes the following:

(A) An identification of each disproportionate share hospital that received a payment adjustment under this section for the preceding fiscal year and the amount of the payment adjustment made to such hospital for the preceding fiscal year.

(B) Such other information as the Secretary determines necessary to ensure the appropriateness of the payment adjustments made under this section for the preceding fiscal year.

(2) Independent certified audit

The State shall annually submit to the Secretary an independent certified audit that verifies each of the following:
(A) The extent to which hospitals in the State have reduced their uncompensated care costs to reflect the total amount of claimed expenditures made under this section.

(B) Payments under this section to hospitals that comply with the requirements of subsection (g).

(C) Only the uncompensated care costs of providing inpatient hospital and outpatient hospital services to individuals described in paragraph (1)(A) of such subsection are included in the calculation of the hospital-specific limits under such subsection.

(D) The State included all payments under this subchapter, including supplemental payments, in the calculation of such hospital-specific limits.

(E) The State has separately documented and retained a record of all of its costs under this subchapter, claimed expenditures under this subchapter, uninsured costs in determining payment adjustments under this section, and any payments made on behalf of the uninsured from payment adjustments under this section.

Subsec. (f)(8)(C). Pub. L. 111–67, §1204(a)(2), added subpar. (C) and redesignated former subpar. (C) as (D), and in subpar. (D), substituted “fiscal year 2023” for “fiscal year 2022”.

2012—Subsec. (f)(3)(A). Pub. L. 112–96, §203(2), substituted “paragraphs (6), (7), and (8)” for “paragraphs (6) and (7)”.

Subsec. (f)(8), Pub. L. 112–96, §203(1), (3), added par. (8) and redesignated former par. (8) as (9).

2010—Subsec. (f)(1). Pub. L. 111–148, §2551(a)(1), substituted “(3), and (7)” for “(3) and (5)”.

Subsec. (f)(3)(A), Pub. L. 111–148, §2551(a)(2), substituted “paragraphs (6) and (7)” for “paragraph (6)”.


Subsec. (f)(7)(B)(i). Pub. L. 111–148, §10201(e)(1)(B)(1), added subcl. (i) to (IV) and struck out former subcls. (I) and (II) which read as follows: “(I) if the State is a low DSH State described in paragraph (5)(B), the applicable percentage is equal to 25 percent; and “(II) if the State is any other State, the applicable percentage is 50 percent.”

Subsec. (f)(7)(B)(ii). Pub. L. 111–148, §10201(e)(1)(B)(1), added subcl. (I) to (IV) and struck out former subcls. (I) and (II) which read as follows: “(I) if the State is a low DSH State described in paragraph (5)(B), the applicable percentage is equal to the product of the percentage reduction in uncovered individuals for the fiscal year from the preceding fiscal year and 25 percent; and “(II) if the State is any other State, the applicable percentage is equal to the product of the percentage reduction in uncovered individuals for the fiscal year from the preceding fiscal year and 50 percent.”

Subsec. (f)(7)(E). Pub. L. 111–148, §10201(e)(1)(B)(1)(II), which directed amendment of par. (7)(B) by substituting “50 percent” for “35 percent” in subpar. (E), was executed by making the substitution in par. (7)(E) to reflect the probable intent of Congress.

Subsec. (f)(7)(G). Pub. L. 111–148, §10201(e)(1)(B)(1)(IV), which directed amendment of par. (7)(B) by adding subpar. (G) at the end, was executed by adding subpar. (G) at end of par. (7) to reflect the probable intent of Congress.


2009—Subsec. (f)(3)(A). Pub. L. 111–5, §5002(1), substituted “paragraph (6) and subparagraph (E)” for “paragraph (6)”.


Subsec. (f)(6)(A)(i). Pub. L. 111–3, §616(2)(A), in concluding provisions, substituted “fiscal years 2008 and 2009” for “fiscal year 2008” for the period ending on June 30, 2008, struck out “or period” before “the amount specified in the previous sentence”, and inserted “Only with respect to fiscal year 2010 for the period ending on December 31, 2009, the DSH allotment for Tennessee for such portion of the fiscal year, notwithstanding such table set forth in paragraph (2), shall be $7,500,000.”


Subsec. (f)(6)(A)(ii). Pub. L. 110–173, §204(2)(B), inserted “or for a period in fiscal year 2008 described in clause (1)” after “fiscal year 2007” and “or period” after “such fiscal year”.


Subsec. (f)(6)(B)(iii). Pub. L. 110–173, §204(6), inserted at end “Only with respect to fiscal year 2008 for the period ending on June 30, 2008, the DSH allotment for Hawaii for such portion of the fiscal year, notwithstanding the table set forth in paragraph (2), shall be $7,500,000.”


Subsec. (f)(6). Pub. L. 109–432 amended heading and text of par. (6) generally, substituting provisions relating to allotment adjustments for fiscal year 2007 in Tennessee and Hawaii for provisions relating to allotment adjustments with respect to fiscal year 2004 or 2005 in any State if a statewide waiver had been revoked or terminated before the end of the such fiscal year and there had been no DSH allotment for the State.
Pub. L. 100–485, § 606(d)(2)(B), inserted “of subparagraph (A)” after “clause (I)”.

Pub. L. 100–485, § 606(d)(2)(E), substituted “this subsection” for “subsection (c)” in concluding provisions.

Pub. L. 100–360, § 411(k)(6)(A)(v)(I), (II), (V), in concluding provisions, substituted “paragraphs (1)(B) and (2)(A)” of subsection (a) for “paragraphs (2)(A) and (2)(B)”, “such paragraph (1)(B)” for “paragraph (2)(A)”, and “such paragraph (2)(A)” for “paragraph (2)(B)” and inserted “at least” before “one-third” and “two-thirds”.

Pub. L. 100–360, § 411(k)(6)(A)(v)(VI), inserted at end “In the case of a hospital described in subsection (d)(2)(A)(i) (relating to children’s hospitals), in computing the hospital’s disproportionate share adjustment percentage for purposes of paragraphs (1)(B) of this subsection, the disproportionate patient percentage (defined in section 1386ww(d)(5)(F)(vii) of this title) shall be computed by substituting for the fraction described in subclause (I) of such section the fraction described in subclause (II) of that section. If a State elects in a State plan amendment under subsection (a) to provide the payment adjustment described in paragraph (2), the State must include in the amendment a detailed description of the specific methodology to be used in determining the specified additional payment amount (or increased percentage payment) to be made to each hospital qualifying for such a payment adjustment and must publish at least annually the name of each hospital qualifying for such a payment adjustment and the amount of such payment adjustment made for each such hospital.”


Subsec. (c)(2). Pub. L. 100–360, § 411(k)(6)(A)(v)(IV), as amended by Pub. L. 100–485, § 606(d)(2)(A), inserted “(without regard to whether the hospital is described in subparagraph (A) or (B) of subsection (b)(1))” after “(without)”.


Subsec. (e). Pub. L. 100–360, § 411(k)(6)(A)(v)(I), as amended by Pub. L. 100–485, § 606(d)(2)(B), (C), designated existing provisions as par. (1), inserted “based on a pooling arrangement involving a majority of the hospitals participating under the plan” after first reference to “payment adjustments”, added par. (2) and substituted “statewide” for “Statewide” in par. (2).

Effective Date of 2013 Amendment

Effective Date of 2010 Amendment

Effective Date of 2009 Amendment
Amendment by Pub. L. 111–3 effective Apr. 1, 2009, and applicable to child health assistance and medical assistance provided on or after that date, with certain exceptions, see section 3 of Pub. L. 111–3, set out as an Effective Date note under section 1396 of this title.

Effective Date of 2006 Amendment
Pub. L. 109–171, title VI, § 605(b), Feb. 8, 2006, 120 Stat. 96, provided that: “The amendments made by subsection (a) [amending this section] shall take effect as if enacted on October 1, 2005, and shall only apply to disproportionate share hospital adjustment expenditures applicable to fiscal year 2006 and subsequent fiscal years made on or after that date.”

Effective Date of 2000 Amendment
Pub. L. 106–554, § 1(a)(6) [title VII, § 701(a)(3)], Dec. 21, 2000, 114 Stat. 2763, 2763A–570, provided that: “The amendments made by paragraphs (1) and (2) [amending this section] take effect on the date the final regulations required under section 705(a) [114 Stat. 2763A–575] (relating to the application of an aggregate upper payment limit test for State Medicaid spending for inpatient hospital services, outpatient hospital services, nursing facility services, intermediate care facility services for the mentally retarded, and clinic services provided by government facilities that are not State-owned or operated facilities) is published in the Federal Register.” [The final regulation was published Jan. 12, 2001, 66 Fed. Reg. 3147.]


Effective Date of 1999 Amendment
Pub. L. 106–113, div. B, § 1000(a)(6) [title VI, § 601(b)], Nov. 29, 1999, 113 Stat. 1358, 1351A–194, provided that: “The amendments made by subsection (a) [amending this section] take effect on October 1, 1999, and applies [sic] to expenditures made on or after such date.”

Amendment by section 1000(a)(6) [title VI, § 608(b)(9)] of Pub. L. 106–113 effective Nov. 29, 1999, see section 1000(a)(6) [title VI, § 608(bb)] of Pub. L. 106–113, set out as a note under section 1396a of this title.

Effective Date of 1997 Amendment
Amendment by section 4711(c)(2) of Pub. L. 105–33 effective Aug. 5, 1997, and applicable to payment for items and services furnished on or after Oct. 1, 1997, see section 4711(d) of Pub. L. 105–33, set out as a note under section 1396a of this title.


Effective Date of 1993 Amendment

(A) the end of the State fiscal year that ends during 1994, or

(B) in the case of a State with a State legislature which is not scheduled to have a regular legislative session in 1994, the end of the State fiscal year that ends during 1995; without regard to whether or not final regulations to carry out such amendments have been promulgated by either such date.”


“(A) IN GENERAL.—Except as provided in subparagraph (B), the amendments made by this subsection [amending this section] shall apply to payments to States under section 1903(a) of the Social Security Act (42 U.S.C. 1396a(a)) for payments to hospitals made under State plans after—

(i) the end of the State fiscal year that ends during 1994, or
“(ii) in the case of a State with a State legislature which is not scheduled to have a regular legislative session in 1994, the end of the State fiscal year that ends during 1995; without regard to whether or not final regulations to carry out such amendments have been promulgated by either such date.

“(E) apply by this subsection shall apply to payments to States under section 1936(a) for payments to hospitals made under State plans for State fiscal years that begin during or after 1995, without regard to whether or not final regulations to carry out such amendments have been promulgated by such date.’’

**Effective Date of 1991 Amendment**


**Effective Date of 1990 Amendment**

Pub. L. 100–508, title IV, § 4702(b), Nov. 5, 1990, 104 Stat. 1388–171, provided: ‘‘The amendment made by subsection (a) [amending this section] shall take effect on July 1, 1990.’’


**Effective Date of 1988 Amendment**

Amendment by Pub. L. 100–485 effective as if included in the enactment of the Medicare Catastrophic Coverage Act of 1988, Pub. L. 100–360, see section 608(g)(1) of Pub. L. 100–360, set out as a note under section 1396a of this title.

Amendment by section 302(b)(2) of Pub. L. 100–360 effective July 1, 1998, see section 302(d)(2) of Pub. L. 100–360, set out as a note under section 1396a of this title.

Except as specifically provided in section 411 of Pub. L. 100–360, amendment by section 411(k)(6)(A)–(B)(ix) of Pub. L. 100–360, as it relates to a provision in the Omnibus Budget Reconciliation Act of 1987, Pub. L. 100–203, effective as if included in the enactment of that provision in Pub. L. 100–203, see section 411(a) of Pub. L. 100–360, set out as a Reference to OBRA; Effective Date note under section 106 of Title I, General Provisions.

**APPLICATION OF MEDICAID DSH TRANSITION RULE TO PUBLIC HOSPITALS IN ALL STATES**

Pub. L. 106–554, § 1(a)(e) (title VII, § 701(d)), Dec. 21, 2000, 114 Stat. 2763, 2763A–571, provided that:

‘‘(1) IN GENERAL.—During the period described in paragraph (2), with respect to a State, section 4721(e) of the Balanced Budget Act of 1997 [Public Law 105–33; 111 Stat. 514], as so amended, shall be applied without regard to paragraph (1).’’

‘‘(2) PERIOD DESCRIBED.—The period described in this paragraph is the period that begins, with respect to a State, on the first day of the first State fiscal year that begins after September 30, 2002, and ends on the last day of the succeeding State fiscal year.

‘‘(3) APPLICATION TO WAIVERS.—With respect to a State operating under a waiver of the requirements of title XIX of the Social Security Act [42 U.S.C. 1396 et seq.] under section 1115 of such Act [42 U.S.C. 1315], the amount by which any payment adjustment made by the State under title XIX of such Act [42 U.S.C. 1396 et seq.], after the application of section 4721(e) of the Balanced Budget Act of 1997 under paragraph (1) to such State, exceeds the costs of furnishing hospital services provided by hospitals described in such section shall be fully reflected as an increase in the baseline expenditure limit for such waiver.’’

**ASSISTANCE FOR CERTAIN PUBLIC HOSPITALS**

Pub. L. 106–554, § 1(a)(e) (title VII, § 701(d)), Dec. 21, 2000, 114 Stat. 2763, 2763A–571, provided that:

‘‘(1) IN GENERAL.—Beginning with fiscal year 2002, notwithstanding section 1923(f) of the Social Security Act [42 U.S.C. 1396r–4(f)] and subject to paragraph (3), with respect to a State, payment adjustments made under title XIX of the Social Security Act [42 U.S.C. 1396 et seq.] to a hospital described in paragraph (2) shall be made without regard to the DSH allotment limitation for the State determined under section 1923(f) of that Act [42 U.S.C. 1396r–4(f)].

‘‘(2) HOSPITAL DESCRIBED.—A hospital is described in this paragraph if the hospital—

‘‘(A) is owned or operated by a State (as defined for purposes of title XIX of the Social Security Act [42 U.S.C. 1396 et seq.]), or by an instrumentality or a unit of government within a State (as so defined);

‘‘(B) as of October 1, 2000—

‘‘(i) is in existence and operating as a hospital described in paragraph (1) for that fiscal year for all States may not exceed the amount described in subparagraph (B) for the fiscal year.

‘‘(E) apply by this subsection shall apply to payments to States under section 1936(a) for payments to hospitals made under State plans for State fiscal years that begin during or after 1995, without regard to whether or not final regulations to carry out such amendments have been promulgated by such date.’’

**DHSS PAYMENT ACCOUNTABILITY STANDARDS**

Pub. L. 106–554, § 1(a)(e) (title VII, § 701(e)), Dec. 21, 2000, 114 Stat. 2763, 2763A–572, provided that: ‘‘Not later than September 30, 2002, the Secretary of Health and Human Services shall implement accountability standards to ensure that Federal funds provided with respect to disproportionate share hospital adjustments made under section 1923 of the Social Security Act [42 U.S.C.
1396r–4) are used to reimburse States and hospitals eligible for such payment adjustments for providing uncompensated health care to low-income patients and are otherwise made in accordance with the requirements of section 1923 of that Act.”

DSH ALLOWMENTS FOR SPECIFIC YEARS


Similar provisions were contained in the following prior appropriations act:


Similar provisions were contained in the following prior appropriations act:


CALIFORNIA TRANSITION RULE


Similar provisions were contained in the following prior appropriations act:


§ 1396r–5. Treatment of income and resources for certain institutionalized spouses

(a) Special treatment for institutionalized spouses

(1) Supersedes other provisions

In determining the eligibility for medical assistance of an institutionalized spouse (as defined in subsection (b)(1)) , the provisions of this section supersedes any other provision of this subchapter (including sections 1396a(a)(17) and 1396a(f) of this title) which is inconsistent with them.

(2) No comparable treatment required

Any different treatment provided under this section for institutionalized spouses shall not, by reason of paragraph (10) or (17) of section 1396a(a) of this title, require such treatment for other individuals.

(3) Does not affect certain determinations

Except as this section specifically provides, this section does not apply to—

(A) the determination of what constitutes income or resources, or

(B) the methodology and standards for determining and evaluating income and resources.

(4) Application in certain States and territories

(A) Application in States operating under demonstration projects

In the case of any State which is providing medical assistance to its residents under a waiver granted under section 1315 of this title, the Secretary shall require the State to meet the requirements of this section in the same manner as the State would be required to meet such requirement if the State had in effect a plan approved under this subchapter.

(B) No application in commonwealths and territories

This section shall only apply to a State that is one of the 50 States or the District of Columbia.

(5) Application to individuals receiving services under PACE programs

This section applies to individuals receiving institutional or noninstitutional services under a PACE demonstration waiver program (as defined in section 1396u–4(a)(7) of this title) or under a PACE program under section 1396u–4 or 1395eee of this title.

(b) Rules for treatment of income

(1) Separate treatment of income

During any month in which an institutionalized spouse is in the institution, except as provided in paragraph (2), no income of the community spouse shall be deemed available to the institutionalized spouse.

(2) Attribution of income

In determining the income of an institutionalized spouse or community spouse for
purposes of the post-eligibility income determination described in subsection (d), except as otherwise provided in this section and regardless of any State laws relating to community property or the division of marital property, the following rules apply:

(A) Non-trust property
Subject to subparagraphs (C) and (D), in the case of income not from a trust, unless the instrument providing the income otherwise specifically provides—

(i) if payment of income is made solely in the name of the institutionalized spouse or the community spouse, the income shall be considered available only to that respective spouse;

(ii) if payment of income is made in the names of the institutionalized spouse and the community spouse, one-half of the income shall be considered available to each of them; and

(iii) if payment of income is made in the names of the institutionalized spouse or the community spouse, or both, and to another person or persons, the income shall be considered available to each spouse in proportion to the spouse’s interest (or, if payment is made with respect to both spouses and no such interest is specified, one-half of the joint interest shall be considered available to each spouse).

(B) Trust property
In the case of a trust—

(i) except as provided in clause (ii), income shall be attributed in accordance with the provisions of this subchapter (including sections 1396a(a)(17) and 1396p(d) of this title), and

(ii) income shall be considered available to each spouse as provided in the trust, or, in the absence of a specific provision in the trust—

(I) if payment of income is made solely to the institutionalized spouse or the community spouse, the income shall be considered available only to that respective spouse;

(II) if payment of income is made to both the institutionalized spouse and the community spouse, one-half of the income shall be considered available to each of them; and

(III) if payment of income is made to the institutionalized spouse or the community spouse, or both, and to another person or persons, the income shall be considered available to each spouse in proportion to the spouse’s interest (or, if payment is made with respect to both spouses and no such interest is specified, one-half of the joint interest shall be considered available to each spouse).

(C) Property with no instrument
In the case of income not from a trust in which there is no instrument establishing ownership, subject to subparagraph (D), one-half of the income shall be considered to be available to the institutionalized spouse and one-half to the community spouse.

(D) Rebutting ownership
The rules of subparagraphs (A) and (C) are superseded to the extent that an institutionalized spouse can establish, by a preponderance of the evidence, that the ownership interests in income are other than as provided under such subparagraphs.

(c) Rules for treatment of resources

(1) Computation of spousal share at time of institutionalization

(A) Total joint resources
There shall be computed (as of the beginning of the first continuous period of institutionalization (beginning on or after September 30, 1989) of the institutionalized spouse)—

(i) the total value of the resources to the extent either the institutionalized spouse or the community spouse has an ownership interest, and

(ii) a spousal share which is equal to 1/2 of such total value.

(B) Assessment
At the request of an institutionalized spouse or community spouse, at the beginning of the first continuous period of institutionalization (beginning on or after September 30, 1989) of the institutionalized spouse and upon the receipt of relevant documentation of resources, the State shall promptly assess and document the total value described in subparagraph (A)(i) and shall provide a copy of such assessment and documentation to each spouse and shall retain a copy of the assessment for use under this section. If the request is not part of an application for medical assistance under this subchapter, the State may, at its option as a condition of providing the assessment, require payment of a fee not exceeding the reasonable expenses of providing and documenting the assessment. At the time of providing the copy of the assessment, the State shall include a notice indicating that the spouse will have a right to a fair hearing under subsection (e)(2).

(2) Attribution of resources at time of initial eligibility determination
In determining the resources of an institutionalized spouse at the time of application for benefits under this subchapter, regardless of any State laws relating to community property or the division of martial property—

(A) except as provided in subparagraph (B), all the resources held by either the institutionalized spouse, community spouse, or both, shall be considered to be available to the institutionalized spouse, and

(B) resources shall be considered to be available to an institutionalized spouse, but only to the extent that the amount of such resources exceeds the amount computed under subsection (f)(2)(A) (as of the time of application for benefits).

(3) Assignment of support rights
The institutionalized spouse shall not be ineligible by reason of resources determined under paragraph (2) to be available for the cost of care where—
(A) the institutionalized spouse has assigned to the State any rights to support from the community spouse;

(B) the institutionalized spouse lacks the ability to execute an assignment due to physical or mental impairment but the State has the right to bring a support proceeding against a community spouse without such assignment; or

(C) the State determines that denial of eligibility would work an undue hardship.

(4) Separate treatment of resources after eligibility for benefits established

During the continuous period in which an institutionalized spouse is in an institution and after the month in which an institutionalized spouse is determined to be eligible for benefits under this subchapter, no resources of the community spouse shall be deemed available to the institutionalized spouse.

(5) Resources defined

In this section, the term "resources" does not include—

(A) resources excluded under subsection (a) or (d) of section 1382b of this title, and

(B) resources that would be excluded under section 1382b(a)(2)(A) of this title but for the limitation on total value described in such section.

(d) Protecting income for community spouse

(1) Allowances to be offset from income of institutionalized spouse

After an institutionalized spouse is determined or redetermined to be eligible for medical assistance, in determining the amount of the spouse's income that is to be applied monthly to payment for the costs of care in the institution, there shall be deducted from the spouse's monthly income the following amounts in the following order:

(A) A personal needs allowance (described in section 1396a(q)(1) of this title), in an amount not less than the amount specified in section 1396a(q)(2) of this title.

(B) A community spouse monthly income allowance (as defined in paragraph (2)), but only to the extent income of the institutionalized spouse is made available to (or for the benefit of) the community spouse.

(C) A family allowance, for each family member, equal to at least ⅔ of the amount by which the amount described in paragraph (3)(A)(i) exceeds the amount of the monthly income of that family member.

(D) Amounts for incurred expenses for medical or remedial care for the institutionalized spouse (as provided under section 1396a(r) of this title).

In subparagraph (C), the term "family member" only includes minor or dependent children, dependent parents, or dependent siblings of the institutionalized or community spouse who are residing with the community spouse.

(2) Community spouse monthly income allowance defined

In this section (except as provided in paragraph (5)), the "community spouse monthly income allowance" for a community spouse is an amount by which—

(A) except as provided in subsection (e), the minimum monthly maintenance needs allowance (established under and in accordance with paragraph (3)) for the spouse, exceeds

(B) the amount of monthly income otherwise available to the community spouse (determined without regard to such an allowance).

(3) Establishment of minimum monthly maintenance needs allowance

(A) In general

Each State shall establish a minimum monthly maintenance needs allowance for each community spouse which, subject to subparagraph (C), is equal to or exceeds—

(i) the applicable percent (described in subparagraph (B)) of ⅓ of the income official poverty line (defined by the Office of Management and Budget and revised annually in accordance with section 9902(2) of this title) for a family unit of 2 members; plus

(ii) an excess shelter allowance (as defined in paragraph (4)).

A revision of the official poverty line referred to in clause (i) shall apply to medical assistance furnished during and after the second calendar quarter that begins after the date of publication of the revision.

(B) Applicable percent

For purposes of subparagraph (A)(i), the "applicable percent" described in this paragraph, effective as of—

(i) September 30, 1989, is 122 percent,

(ii) July 1, 1991, is 133 percent, and

(iii) July 1, 1992, is 150 percent.

(C) Cap on minimum monthly maintenance needs allowance

The minimum monthly maintenance needs allowance established under subparagraph (A) may not exceed $1,500 (subject to adjustment under subsections (e) and (g)).

(4) Excess shelter allowance defined

In paragraph (3)(A)(ii), the term "excess shelter allowance" means, for a community spouse, the amount by which the sum of—

(A) the spouse’s expenses for rent or mortgage payment (including principal and interest), taxes and insurance and, in the case of a condominium or cooperative, required maintenance charge, for the community spouse’s principal residence, and

(B) the standard utility allowance (used by the State under section 2014(e) of title 7) or, if the State does not use such an allowance, the spouse’s actual utility expenses,

exceeds 30 percent of the amount described in paragraph (3)(A)(i), except that, in the case of a condominium or cooperative, for which a maintenance charge is included under subparagraph (A), any allowance under subparagraph (B) shall be reduced to the extent the maintenance charge includes utility expenses.

(5) Court ordered support

If a court has entered an order against an institutionalized spouse for monthly income for
the support of the community spouse, the community spouse monthly income allowance for the spouse shall be not less than the amount of the monthly income so ordered.

(6) Application of “income first” rule to revision of community spouse resource allowance

For purposes of this subsection and subsections (c) and (e), a State must consider that all income of the institutionalized spouse that could be made available to a community spouse, in accordance with the calculation of the community spouse monthly income allowance under this subsection, has been made available before the State allocates to the community spouse an amount of resources adequate to provide the difference between the minimum monthly maintenance needs allowance and all income available to the community spouse.

(e) Notice and fair hearing

(1) Notice

Upon—

(A) a determination of eligibility for medical assistance of an institutionalized spouse, or

(B) a request by either the institutionalized spouse, or the community spouse, or a representative acting on behalf of either spouse,

each State shall notify both spouses (in the case described in subparagraph (A)) or the spouse making the request (in the case described in subparagraph (B)) of the method for computing the amount of the community spouse resources allowance permitted under subsection (f), and of the spouse’s right to a fair hearing under this subsection respecting ownership or availability of income or resources, and the determination of the community spouse monthly income or resource allowance.

(2) Fair hearing

(A) In general

If either the institutionalized spouse or the community spouse is dissatisfied with a determination of—

(i) the community spouse monthly income allowance;

(ii) the amount of monthly income otherwise available to the community spouse (as applied under subsection (d)(2)(B));

(iii) the computation of the spousal share of resources under subsection (c)(1);

(iv) the attribution of resources under subsection (c)(2); or

(v) the determination of the community spouse resource allowance (as defined in subsection (f)(2));

such spouse is entitled to a fair hearing described in section 1396a(a)(3) of this title with respect to such determination if an application for benefits under this subchapter has been made on behalf of the institutionalized spouse. Any such hearing respecting the determination of the community spouse resource allowance shall be held within 30 days of the date of the request for the hearing.

(B) Revision of minimum monthly maintenance needs allowance

If either such spouse establishes that the community spouse needs income, above the level otherwise provided by the minimum monthly maintenance needs allowance, due to exceptional circumstances resulting in significant financial duress, there shall be substituted, for the minimum monthly maintenance needs allowance in subsection (d)(2)(A), an amount adequate to provide such additional income as is necessary.

(C) Revision of community spouse resource allowance

If either such spouse establishes that the community spouse resource allowance (in relation to the amount of income generated by such an allowance) is inadequate to raise the community spouse’s income to the minimum monthly maintenance needs allowance, there shall be substituted, for the community spouse resource allowance under subsection (f)(2), an amount adequate to provide such a minimum monthly maintenance needs allowance.

(f) Permitting transfer of resources to community spouse

(1) In general

An institutionalized spouse may, without regard to section 1396p(c)(1) of this title, transfer an amount equal to the community spouse resource allowance (as defined in paragraph (2)), but only to the extent the resources of the institutionalized spouse are transferred to (or for the sole benefit of) the community spouse. The transfer under the preceding sentence shall be made as soon as practicable after the date of the initial determination of eligibility, taking into account such time as may be necessary to obtain a court order under paragraph (3).

(2) Community spouse resource allowance defined

In paragraph (1), the “community spouse resource allowance” for a community spouse is an amount (if any) by which—

(A) the greatest of—

(i) $12,000 (subject to adjustment under subsection (g)), or, if greater (but not to exceed the amount specified in clause (ii)(II)) an amount specified under the State plan,

(ii) the lesser of (I) the spousal share computed under subsection (c)(1), or (II) $60,000 (subject to adjustment under subsection (g)),

(iii) the amount established under subsection (e)(2); or

(iv) the amount transferred under a court order under paragraph (3);

exceeds

(B) the amount of the resources otherwise available to the community spouse (determined without regard to such an allowance).
(3) Transfers under court orders

If a court has entered an order against an institutionalized spouse for the support of the community spouse, section 1396p of this title shall not apply to amounts of resources transferred pursuant to such order for the support of the spouse or a family member (as defined in subsection (d)(1)).

(g) Indexing dollar amounts

For services furnished during a calendar year after 1989, the dollar amounts specified in subsections (d)(3)(C), (f)(2)(A)(i), and (f)(2)(A)(ii)(II) shall be increased by the same percentage as the percentage increase in the consumer price index for urban consumers (all items; U.S. city average) between September 1988 and the September before the calendar year involved.

(h) Definitions

In this section:

(1) The term “institutionalized spouse” means an individual who—

(A) is in a medical institution or nursing facility or who (at the option of the State) is described in section 1396a(a)(10)(A)(i)(II)(VI) of this title, and

(B) is married to a spouse who is not in a medical institution or nursing facility, but does not include any such individual who is not likely to meet the requirements of subparagraph (A) for at least 30 consecutive days.

(2) The term “community spouse” means the spouse of an institutionalized spouse.


CODIFICATION


PRIOR PROVISIONS

A prior section 402(a) of act Aug. 14, 1935, was renumbered section 1939 and is classified to section 1396v of this title.

AMENDMENTS


1997—Subsec. (a)(5). Pub. L. 105–38, in heading substituted “under PACE programs” for “from organizations receiving certain waivers” and in text substituted “under a PACE demonstration waiver program (as defined in section 1396a(a)(7) of this title) or under a PACE program under section 1396u–4 of this title” for “from any organization receiving a frail elderly demonstration project waiver under section 9412(b) of the Omnibus Budget Reconciliation Act of 1986 or a waiver under section 605(c) of the Social Security Amendments of 1981.”


1993—Subsec. (a)(5). Pub. L. 103–66, § 1396v(c)(1), substituted “1986 or a waiver under section 605(c) of the Social Security Amendments of 1983” for “1986”.

Subsec. (b)(2)(B)(i). Pub. L. 103–66, § 1396v(c)(2), substituted “1396p(d) of this title” for “1396a(k) of this title”.

1990—Subsec. (a)(5). Pub. L. 101–508, § 4714(a), substituted “for purposes of the post-eligibility income determinations described in subsection (d)” for “after the institutionalized spouse has been determined or redetermined to be eligible for medical assistance.”

Subsec. (c)(1). Pub. L. 101–508, § 4714(c), substituted “the beginning of the first continuous period of institutionalization (beginning on or after September 30, 1989) of the institutionalized spouse” for “the beginning of a continuous period of institutionalization of the institutionalized spouse” in subpars. (A) and (B).

Subsec. (d)(1). Pub. L. 101–508, § 4714(b), substituted “1396p(c)(1)” for “1396p(c)(2)”.


1988—Subsec. (c)(1)(B). Pub. L. 100–485, § 608(d)(16)(A)(i), substituted “will have a right to a fair hearing under subsection (e)(2)” for “has right to a fair hearing under subsection (e)(2)B)” with respect to the determination of the community spouse resource allowance, to provide for an allowance adequate to raise the spouse’s income to the minimum monthly maintenance needs allowance.”

Subsec. (c)(2)(B). Pub. L. 100–485, § 608(d)(16)(A)(ii), substituted “resources shall be considered to be available to an institutionalized spouse, but only to the extent that the amount of such resources exceeds” for “resources shall not be considered to be available to an institutionalized spouse, to the extent that the amount of such resources does not exceed”.


Subsec. (e)(2)(A). Pub. L. 100–485, § 608(d)(16)(A)(v), inserted “if an application for benefits under this subchapter has been made on behalf of the institutionalized spouse” after “with respect to such determination” before period at end of first sentence.

Subsec. (f)(1). Pub. L. 100–485, § 608(d)(16)(A)(vi), substituted “transfer amount” for “transfer to the community spouse (or to another for the sole benefit of the community spouse) an amount” and “as soon as practicable” for “as soon as practicable”.


EFFECTIVE DATE OF 2008 AMENDMENT


EFFECTIVE DATE OF 2006 AMENDMENT

Pub. L. 109–171, title VI, § 6013(b), Feb. 8, 2006, 120 Stat. 64, provided that: “The amendment made by subsection
(a) [amending this section] shall apply to transfers and allocations made on or after the date of the enactment of this Act [Feb. 5, 2006] by individuals who become institutionalized on or after such date."

**Effective Date of 1994 Amendment**

**Effective Date of 1993 Amendment**
Amendment by section 1361(d)(2) of Pub. L. 103–66 applicable, except as otherwise provided, to payments under this subchapter for calendar quarters beginning on or after Oct. 1, 1993, without regard to whether or not final regulations to carry out the amendments by section 1361 of Pub. L. 103–66 have been promulgated by such date, see section 1361(e) of Pub. L. 103–66, set out as a note under section 1360p of this title.

**Effective Date of 1990 Amendment**
Amendment by Pub. L. 101–508, title IV, §471(d), Nov. 5, 1990, 104 Stat. 1398, provided that the amendment by subsection (a)(51)(B) of section 1396a of this title is effective on and after July 1, 1990, without regard to whether or not final regulations to carry out such amendments have been promulgated by such date.

**Effective Date of 1989 Amendment**
Amendment by Pub. L. 101–239 applicable as if included in the enactment of section 303 of Public Law 100–360, see section 608(g)(1) of Pub. L. 100–360, set out as a note under section 1396a of this title.

**Effective Date of 1988 Amendment**
Amendment by Pub. L. 100–485 as if included in the enactment of the Medicare Catastrophic Coverage Act of 1988, Pub. L. 100–360, see section 608(g)(1) of Pub. L. 100–360, set out as a note under section 1396a of this title.

**Effective Date**

"(1)(A) The amendments made by this section [enacting this section and amending sections 1382, 1382b, 1382c, 1382d, 1396a, 1396b, 1396c, 1396d, and 1396e of this title] apply as of such date to such other subsections as the Secretary of Health and Human Services determines relating to the medical assistance furnished under title XIX of the Social Security Act which the Secretary of Health and Human Services determines requires State legislation other than that described in section 1924 of the Social Security Act (42 U.S.C. 1396a(f)) or otherwise on the basis of a State waiver or plan amendment described in this section and amending section 1915 of the Social Security Act (42 U.S.C. 1396a–5) to the extent consistent with the amendment made by subsection (d)."

"(B) Notwithstanding subparagraphs (A) and (B), a State may continue to apply the policies contained in the State plan as of June 30, 1988, with respect to resources disposed of before July 1, 1988, and the laws and policies established by the State as of June 30, 1988, or provided for before July 1, 1988, shall continue to apply through September 30, 1989, (and may, at a State's option continue after such date) to inter-spousal transfers occurring before October 1, 1989.

"(3) The amendments made by subsection (c) [amending sections 1382 and 1382b of this title] shall apply to transfers occurring on or after July 1, 1988, without regard to whether or not final regulations to carry out such amendments have been promulgated by such date.

"(4) The amendment made by subsection (d) [amending section 1396a of this title] is effective on and after April 8, 1988. The final rule of the Health Care Financing Administration published on February 8, 1988 (53 Federal Register 3586) is superseded to the extent inconsistent with the amendment made by subsection (d).

"(5) In the case of a State plan for medical assistance under title XIX of the Social Security Act which the Secretary of Health and Human Services determines requires State legislation other than that described in section 1924 of the Social Security Act (42 U.S.C. 1396a–5) shall be construed as prohibiting a State from disregarding an individual's spousal income and assets under a State waiver or plan amendment described in paragraph (2) for purposes of the previous sentence, in the case of a State that has a 2-year legislative session, each year of such session shall be deemed to be a separate regular session of the State legislature.

"(6) The amendments made by paragraphs (1) and (5) of subsection (e) [amending section 1396a of this title] shall apply to medical assistance furnished on or after October 1, 1982."
§ 1396r–6. Extension of eligibility for medical assistance

(a) Initial 6-month extension

(1) Requirement

(A) In general

Notwithstanding any other provision of this subchapter but subject to subparagraph (B) and paragraph (5), each State plan approved under this subchapter must provide that each family which was receiving aid pursuant to a plan of the State approved under part A of subchapter IV in at least 3 of the 6 months immediately preceding the month in which such family becomes ineligible for such aid, because of hours of, or income from, employment of the caretaker relative (as defined in subsection (e)) or because of section 602(a)(8)(B)(ii)(I) of this title (providing for a time-limited earned income disregard), shall, subject to paragraph (3) and without any reapplication for benefits under the plan, remain eligible for assistance under the plan approved under this subchapter during the immediately succeeding 6-month period in accordance with this subsection.

(B) State option to waive requirement for 3 months before receipt of medical assistance

A State may, at its option, elect also to apply subparagraph (A) in the case of a family that was receiving such aid for fewer than three months or that had applied for and was eligible for such aid for fewer than 3 months during the 6 immediately preceding months described in such subparagraph.

(2) Notice of benefits

Each State, in the notice of termination of aid under part A of subchapter IV sent to a family meeting the requirements of paragraph (1)—

(A) shall notify the family of its right to extended medical assistance under this sub-section and include in the notice a description of the reporting requirement of subsection (b)(2)(B)(i) and of the circumstances (described in paragraph (3)) under which such extension may be terminated; and

(B) shall include a card or other evidence of the family’s entitlement to assistance under this subchapter for the period provided in this subsection.

(3) Termination of extension

(A) No dependent child

Subject to subparagraphs (B) and (C), extension of assistance during the 6-month period described in paragraph (1) to a family shall terminate (during such period) at the close of the first month in which the family ceases to include a child, whether or not the child is (or would if needy be) a dependent child under part A of subchapter IV.

(B) Notice before termination

No termination of assistance shall become effective under subparagraph (A) until the State has provided the family with notice of the grounds for the termination.

(C) Continuation in certain cases until redetermination

With respect to a child who would cease to receive medical assistance because of subparagraph (A) but who may be eligible for assistance under the State plan because the child is described in clause (i) of section 1396d(a) of this title or clause (i)(IV), (i)(VI), (i)(VII), or (ii)(IX) of section 1396a(a)(10)(A) of this title, the State may not discontinue such assistance under such subparagraph until the State has determined that the child is not eligible for assistance under the plan.

(4) Scope of coverage

(A) In general

Subject to subparagraph (B), during the 6-month extension period under this sub-section, the amount, duration, and scope of medical assistance made available with respect to a family shall be the same as if the family were still receiving aid under the plan approved under part A of subchapter IV.
(B) State medicaid “wrap-around” option

A State, at its option, may pay a family’s expenses for premiums, deductibles, coinsurance, and similar costs for health insurance or other health coverage offered by an employer of the caretaker relative or by an employer of the absent parent of a dependent child. In the case of such coverage offered by an employer of the caretaker relative—

(i) the State may require the caretaker relative, as a condition of extension of coverage under this subsection for the caretaker and the caretaker’s family, to make application for such employer coverage, but only if—

(I) the caretaker relative is not required to make financial contributions for such coverage (whether through payroll deduction, payment of deductibles, coinsurance, or similar costs, or otherwise), and

(II) the State provides, directly or otherwise, for payment of any of the premium amount, deductible, coinsurance, or similar expense that the employee is otherwise required to pay; and

(ii) the State shall treat the coverage under such an employer plan as a third party liability (under section 1396a(a)(25) of this title).

Payments for premiums, deductibles, coinsurance, and similar expenses under this subparagraph shall be considered, for purposes of section 1396b(a) of this title, to be payments for medical assistance.

(5) Option of 12-month initial eligibility period

A State may elect to treat any reference in this subsection to a 6-month period (or 12 months) as a reference to a 12-month period (or 6 months). In the case of such an election, subsection (b) shall not apply.

(b) Additional 6-month extension

(1) Requirement

Notwithstanding any other provision of this subchapter but subject to subsection (a)(5), each State plan approved under this subchapter shall provide that the State shall offer to each family, which has received assistance during the entire 6-month period under subsection (a) and which meets the requirement of paragraph (2)(B)(1), in the last month of the period the option of extending coverage under this subsection for the succeeding 6-month period, subject to paragraph (3).

(2) Notice and reporting requirements

(A) Notices

(i) Notice during initial extension period of option and requirements

Each State, during the 3rd and 6th month of any extended assistance furnished to a family under subsection (a), shall notify the family of the family’s option for additional extended assistance under this subsection. Each such notice shall include (I) in the 3rd month notice, a statement of the reporting requirement under subparagraph (B)(i), and, in the 6th month notice, a statement of the reporting requirement under subparagraph (B)(ii), (II) a statement as to whether any premiums are required for such additional extended assistance, and (III) a description of other out-of-pocket expenses, benefits, reporting and payment procedures, and any pre-existing condition limitations, waiting periods, or other coverage limitations imposed under any alternative coverage options offered under paragraph (4)(D). The 6th month notice under this subparagraph shall describe the amount of any premium required of a particular family for each of the first 3 months of additional extended assistance under this subsection.

(ii) Notice during additional extension period of reporting requirements and premiums

Each State, during the 3rd month of any additional extended assistance furnished to a family under this subsection, shall notify the family of the reporting requirement under subparagraph (B)(ii) and a statement of the amount of any premium required for such extended assistance for the succeeding 3 months.

(B) Reporting requirements

(i) During initial extension period

Each State shall require (as a condition for additional extended assistance under this subsection) that a family receiving extended assistance under subsection (a) report to the State, not later than the 21st day of the 4th month in the period of extended assistance under subsection (a), on the family’s gross monthly earnings and on the family’s costs for such child care as is necessary for the employment of the caretaker relative in each of the first 3 months of that period. A State may permit such additional extended assistance under this subsection notwithstanding a failure to report under this clause if the family has established, to the satisfaction of the State, good cause for the failure to report on a timely basis.

(ii) During additional extension period

Each State shall require that a family receiving extended assistance under this subsection report to the State, not later than the 21st day of the 1st month and of the 4th month in the period of additional extended assistance under this subsection, on the family’s gross monthly earnings and on the family’s costs for such child care as is necessary for the employment of the caretaker relative in each of the 3 preceding months.

(iii) Clarification on frequency of reporting

A State may not require that a family receiving extended assistance under this subsection or subsection (a) report more frequently than as required under clause (i) or (ii).

(3) Termination of extension

(A) In general

Subject to subparagraphs (B) and (C), extension of assistance during the 6-month pe-
period described in paragraph (1) to a family shall terminate (during the period) as follows:

(i) No dependent child

The extension shall terminate at the close of the first month in which the family ceases to include a child, whether or not the child is (or would if needy be) a dependent child under part A of subchapter IV.

(ii) Failure to pay any premium

If the family fails to pay any premium for a month under paragraph (5) by the 21st day of the following month, the extension shall terminate at the close of that following month, unless the family has established, to the satisfaction of the State, good cause for the failure to pay such premium on a timely basis.

(iii) Quarterly income reporting and test

The extension under this subsection shall terminate at the close of the 1st or 4th month of the 6-month period if—

(I) the family fails to report to the State, by the 21st day of such month, the information required under paragraph (2)(B)(ii), unless the family has established, to the satisfaction of the State, good cause for the failure to report on a timely basis;

(II) the caretaker relative had no earnings in one or more of the previous 3 months, unless such lack of any earnings was due to an involuntary loss of employment, illness, or other good cause, established to the satisfaction of the State; or

(III) the State determines that the family’s average gross monthly earnings (less such costs for such child care as is necessary for the employment of the caretaker relative) during the immediately preceding 3-month period exceed 185 percent of the official poverty line (as defined by the Office of Management and Budget, and revised annually in accordance with section 9902(2) of this title) applicable to a family of the size involved.

Information described in clause (iii)(I) shall be subject to the restrictions on use and disclosure of information provided under section 622(a)(9) of this title. Instead of terminating a family’s extension under clause (iii)(I), a State, at its option, may provide for suspension of the extension until the month after the month in which the family reports information required under paragraph (2)(B)(ii), but only if the family’s extension has not otherwise been terminated under clause (II) or (III) of clause (iii). The State shall make determinations under clause (iii)(III) for a family each time a report under paragraph (2)(B)(ii) for the family is received.

(B) Notice before termination

No termination of assistance shall become effective under subparagraph (A) until the State has provided the family with notice of the grounds for the termination, which notice shall include (in the case of termination under subparagraph (A)(iii)(II), relating to no continued earnings) a description of how the family may reestablish eligibility for medical assistance under the State plan. No such termination shall be effective earlier than 10 days after the date of mailing of such notice.

(C) Continuation in certain cases until redetermination

(i) Dependent children

With respect to a child who would cease to receive medical assistance because of subparagraph (A)(i) but who may be eligible for assistance under the State plan because the child is described in clause (i) of section 1396d(a) of this title or clause (i)(IV), (i)(VI), (i)(VII), or (ii)(IX) of section 1396a(a)(10)(A) of this title, the State may not discontinue such assistance under such subparagraph until the State has determined that the child is not eligible for assistance under the plan.

(ii) Medically needy

With respect to an individual who would cease to receive medical assistance because of clause (ii) or (iii) of subparagraph (A) but who may be eligible for assistance under the State plan because the individual is within a category of persons for which medical assistance under the State plan is available under section 1396d(a)(10)(C) of this title (relating to medically needy individuals), the State may not discontinue such assistance under such subparagraph until the State has determined that the individual is not eligible for assistance under the plan.

(4) Coverage

(A) In general

During the extension period under this subsection—

(i) the State plan shall offer to each family medical assistance which (subject to subparagraphs (B) and (C)) is the same amount, duration, and scope as would be made available to the family if it were still receiving aid under the plan approved under part A of subchapter IV; and

(ii) the State plan may offer alternative coverage described in subparagraph (D).

(B) Elimination of most non-acute care benefits

At a State’s option and notwithstanding any other provision of this subchapter, a State may choose not to provide medical assistance under this subsection with respect to any (or all) of the items and services described in paragraphs (4)(A), (6), (7), (8), (11), (13), (14), (15), (16), (18), (20), and (21) of section 1396d(a) of this title.

(C) State medicaid “wrap-around” option

At a State’s option, the State may elect to apply the option described in subsection (a)(4)(B) (relating to “wrap-around” cov-
§ 1396r–6

TITLE 42—THE PUBLIC HEALTH AND WELFARE

Page 3990

erage) for families electing medical assistance under this subsection in the same manner as such option applies to families provided extended eligibility for medical assistance under subsection (a).

(D) Alternative assistance

At a State’s option, the State may offer families a choice of health care coverage under one or more of the following, instead of the medical assistance otherwise made available under this subsection:

(i) Enrollment in family option of employer plan

Enrollment of the caretaker relative and dependent children in a family option of the group health plan offered to the caretaker relative.

(ii) Enrollment in family option of State employee plan

Enrollment of the caretaker relative and dependent children in a family option within the options of the group health plan or plans offered by the State to State employees.

(iii) Enrollment in State uninsured plan

Enrollment of the caretaker relative and dependent children in a basic State health plan offered by the State to individuals in the State (or areas of the State) otherwise unable to obtain health insurance coverage.

(iv) Enrollment in medicaid managed care organization

Enrollment of the caretaker relative and dependent children in a medicaid managed care organization (as defined in section 1396b(m)(1)(A) of this title).

If a State elects to offer an option to enroll a family under this subparagraph, the State shall pay any premiums and other costs for such enrollment imposed on the family and may pay deductibles and coinsurance imposed on the family. A State’s payment of premiums for the enrollment of families under this subparagraph (not including any premiums otherwise payable by an employer and less the amount of premiums collected from such families under paragraph (5)) and payment of any deductibles and coinsurance shall be considered, for purposes of section 1396b(a)(1) of this title, to be payments for medical assistance.

(E) Prohibition on cost-sharing for maternity and preventive pediatric care

(i) In general

If a State offers any alternative option under subparagraph (D) for families, under each such option the State must assure that care described in clause (ii) is available without charge to the families through—

(I) payment of any deductibles, coinsurance, and other cost-sharing respecting such care, or

(II) providing coverage under the State plan for such care without any cost-sharing, or any combination of such mechanisms.

(ii) Care described

The care described in this clause consists of—

(I) services related to pregnancy (including prenatal, delivery, and post partum services), and

(II) ambulatory preventive pediatric care (including ambulatory early and periodic screening, diagnosis, and treatment services under section 1396d(a)(4)(B) of this title) for each child who meets the age and date of birth requirements to be a qualified child under section 1396d(n)(2) of this title.

(5) Premium

(A) Permitted

Notwithstanding any other provision of this subchapter (including section 1396d of this title), a State may impose a premium for a family for additional extended coverage under this subsection for a premium payment period (as defined in subparagraph (D)(i)), but only if the family’s average gross monthly earnings (less the average monthly costs for such child care as is necessary for the employment of the caretaker relative) for the premium base period exceed 100 percent of the official poverty line (as defined by the Office of Management and Budget, and revised annually in accordance with section 9902(2) of this title) applicable to a family of the size involved.

(B) Level may vary by option offered

The level of such premium may vary, for the same family, for each option offered by a State under paragraph (4)(D).

(C) Limit on premium

In no case may the amount of any premium under this paragraph for a family for a month in either of the premium payment periods described in subparagraph (D)(i) exceed 3 percent of the family’s average gross monthly earnings (less the average monthly costs for such child care as is necessary for the employment of the caretaker relative) during the premium base period (as defined in subparagraph (D)(ii)).

(D) Definitions

In this paragraph:

(i) A “premium payment period” described in this clause is a 3-month period beginning with the 1st or 4th month of the 6-month additional extension period provided under this subsection.

(ii) The term “premium base period” means, with respect to a particular premium payment period, the period of 3 consecutive months the last of which is 4 months before the beginning of that premium payment period.

(c) Applicability in States and territories

(1) States operating under demonstration projects

In the case of any State which is providing medical assistance to its residents under a
waiver granted under section 1315(a) of this title, the Secretary shall require the State to meet the requirements of this section in the same manner as the State would be required to meet such requirement if the State had in effect a plan approved under this subchapter.

(2) Inapplicability in commonwealths and territories

The provisions of this section shall only apply to the 50 States and the District of Columbia.

(d) General disqualification for fraud

(1) Ineligibility for aid

This section shall not apply to an individual who is a member of a family which has received aid under part A of subchapter IV if the State makes a finding that, at any time during the last 6 months in which the family was receiving such aid before otherwise being provided extended eligibility under this section, the individual was ineligible for such aid because of fraud.

(2) General disqualifications

For additional provisions relating to fraud and program abuse, see sections 1320a–7, 1320a–7a, and 1320a–7b of this title.

(e) "Caretaker relative" defined

In this section, the term "caretaker relative" has the meaning of such term as used in part A of subchapter IV.

(f) Collection and reporting of participation information

(1) Collection of information from States

Each State shall collect and submit to the Secretary (and make publicly available), in a format specified by the Secretary, information on average monthly enrollment and average monthly participation rates for adults and children under this section and of the number and percentage of children who become ineligible for medical assistance under this section whose medical assistance is continued under another eligibility category or who are enrolled under the State’s child health plan under subchapter XXI. Such information shall be submitted at the same time and frequency in which other enrollment information under this subchapter is submitted to the Secretary.

(2) Annual reports to Congress

Using the information submitted under paragraph (1), the Secretary shall submit to Congress annual reports concerning enrollment and participation rates described in such paragraph.


References in Text


Prior Provisions

A prior section 1925 of act Aug. 14, 1935, was renumbered section 1939 and is classified to section 1396v of this title.

Amendments

2015—Subsecs. (f), (g). Pub. L. 114–10 redesignated subsec. (g) as (f) and struck out former subsec. (f). Prior to amendment, text of subsec. (f) read as follows: “This section shall not apply with respect to families that cease to be eligible for aid under part A of subchapter IV of this chapter after March 31, 2015.”


2009—Subsec. (a)(1). Pub. L. 111–5, §5004(c)(2), (3), designated existing provisions as subpar. (A), inserted heading, added subpar. (B), and realigned margins. Pub. L. 111–5, §5004(b)(1), (c)(1), inserted “but subject to subparagraph (B) and paragraph (b)” after “Notwithstanding any other provision of this subchapter”.


Subsec. (b)(1). Pub. L. 111–5, §5004(b)(3), inserted “but subject to subsection (a)(5)” after “Notwithstanding any other provision of this subchapter”.


Subsec. (b)(3)(C)(i). Pub. L. 106–113, §1000(a)(6) [title VI, §608(b)(x)(I)], added “(i)(VI), (i)(VII),” which directed substitution of “[(i)(IV), (i)(VI), (i)(VII),]” for “[(i)(IV), (i)(VI), (i)(VII),]”.

1997—Subsec. (b)(4)(D)(iv). Pub. L. 105–33, §4703(b)(2), struck out “less than 50 percent of the membership (enrolled on a prepaid basis) of which consists of individ-

uals who are eligible to receive benefits under this sub-
chapter (other than because of the option offered under 
this clause). The option of enrollment under this clause 
is in addition to, and not in lieu of, any enrollment op-
tion that the State might offer under subparagraph 
(A)(i) with respect to receiving services through a med-
icaid managed care organization in accordance with 
section 1396b(m) of this title and the applicable require-
ments of section 1396a–2 of this title after “(as defined 
in section 1396b(m)(1)(A) of this title)”.

Pub. L. 105–33, § 4701(b)(2)(A)(ix), substituted “medic-
aid managed care organization” for “HMO” in heading and 
inserted “and the applicable requirements of section 
1396u–2 of this title” before period at end of text.

for “1995”.

inserted “(1)(VII),” after “(1)(VI).”

directed amendment of subsection (f) of this section in 
subsection (b)(2)(B) by adding cl. (iii) at the end, was 
executed by adding cl. (iii) at the end of subsection 
(b)(2)(B) to reflect the probable intent of Congress.

directed amendment of subsection (f) of this section in 
subsection (b)(3)(B) by inserting at the end “No such 
termination shall be effective earlier than 10 days after 
the date of mailing of such notice.”, was executed by 
making the insertion at the end of subsection. (b)(3)(B) to reflect 
the probable intent of Congress.

inserted “(1)(VII),” after “(1)(VI).”

stituted “a child, whether or not the child is” for “a 
child who is”.

Subsec. (a)(3)(C). Pub. L. 101–239, § 6411(i)(1), sub-
stituted “of section 1396a(a)(1) of this title or clause 
(i)(IV), (i)(VI), or (i)(IX) of section 1396a(a)(10)(A) of 
this title” for “or (v) of section 1396a(a)(1) of this title”.

Subsec. (b)(3)(A)(i). Pub. L. 101–239, § 6411(i)(1), sub-
stituted “a child, whether or not the child is” for “a 
child who is”.

Subsec. (b)(3)(C)(i). Pub. L. 101–239, § 6411(i)(1), sub-
stituted “of section 1396a(a) of this title or clause 
(i)(IV), (i)(VI), or (i)(IX) of section 1396a(a)(10)(A) of 
this title” for “or (v) of section 1396a(a) of this title”.

1988—Subsec. (b)(5)(C). Pub. L. 100–647, which directed 
the amendment of subsec. (b)(5)(C) by inserting “less 
the average monthly costs for such child care as is nec-
essary for the employment of the caretaker relative)”, 
after “gross monthly earnings”, was executed to sub-
sec. (b)(5)(C) to reflect the probable intent of Congress.

Effective Date of 2009 Amendment
Amendment by section 5004(a)(1) of Pub. L. 111–5 ef-
fective July 1, 2009, see section 5004(a)(2) of Pub. L. 
111–5, set out as a note under section 1396a of this title.

Stat. 505, provided that: “The amendments made by 
subsections (b) through (d) [amending this section] 
shall take effect on July 1, 2009.”

Effective Date of 2003 Amendment
Amendment by Pub. L. 108–40 effective July 1, 2003, 
see section 8 of Pub. L. 108–40, set out as a note under 
section 603 of this title.

Effective Date of 1997 Amendment
Amendment by section 4701(b)(2)(A)(ix), (D) of Pub. L. 
105–33 effective Aug. 5, 1997, and applicable to contracts 
entered into or renewed on or after Oct. 1, 1997, see 
section 4710(a) of Pub. L. 105–33, set out as a note under 
section 1396b of this title.

Amendment by section 4703(b)(2) of Pub. L. 105–33 app-
plicable to contracts under section 1396b(m) of this title 
on and after June 20, 1997, subject to provisions re-
lating to extension of effective date for State law 
amendments, and to nonapplication to waivers, see sec-
section 4710(b)(2) of Pub. L. 105–33, set out as a note under 
section 1396b of this title.

Effective Date of 1996 Amendment
Amendment by Pub. L. 104–193 effective July 1, 1997, 
with transition rules relating to State options to accer-
such date, rules relating to claims, actions, and 
proceedings commenced before such date, rules relating 
to closing out of accounts for terminated or substan-
tially modified programs and continuation in office of 
Assistant Secretary for Family Support, and provisions 
relating to termination of entitlement under AFDC 
program, see section 116 of Pub. L. 104–193, as amended, 
set out as an Effective Date note under section 601 of 
this title.

Effective Date of 1990 Amendment
Amendment by section 4601(a)(3)(B) of Pub. L. 101–508 
applicable, except as otherwise provided, to payments 
derunder this subchapter for calendar quarters beginning 
on or after July 1, 1991, without regard to whether or 
not final regulations to carry out the amendments by 
section 4601 of Pub. L. 101–508 have been promulgated 
by such date, see section 4601(b) of Pub. L. 101–508, set 
out as a note under section 1396a of this title.

Pub. L. 101–508, title IV, § 4716(b), Nov. 5, 1990, 104 
Stat. 1388–192, provided that: “The amendments made 
by subsection (a) [amending this section] shall be effect-
asive as if included in the enactment of the Family Sup-
port Act of 1988 [Pub. L. 100–483].”

Effective Date of 1989 Amendment
Stat. 2273, provided that: “The amendments made 
by this subsection [amending this section and provisions 
set out as a note under section 602 of this title] shall be 
effective as if included in the enactment of the Family Sup-
port Act of 1988 [Pub. L. 100–483].”

Effective Date of 1988 Amendment
Pub. L. 100–647, title VIII, § 8436(b), Nov. 10, 1988, 102 
Stat. 3986, provided that: “The amendments made by 
subsection (a) [amending this section] shall be effective 
as if included in the enactment of the Family Support 

Effective Date
Section applicable to payments under this subchapter 
for calendar quarters beginning on or after Apr. 1, 1990 
(or, in the case of the Commonwealth of Kentucky, Oct. 
1, 1990) (without regard to whether implementing regu-
lations are promulgated by that date), with respect to 
families that cease to be eligible for aid under part A 
of subchapter IV of this chapter on or after that date, 
see section 320(c)(1) of Pub. L. 100–483, set out as an 
Effective Date of 1988 Amendment note under section 
1396a of this title.

References to Provisions of Part A of Sub-
chapter IV Considered References to Such Pro-
visions as in Effect July 16, 1996
For provisions that certain references to provisions of 
part A (§§601 et seq.) of subchapter IV of this chapter 
be considered references to such provisions as in 
effect July 16, 1996, see section 1396a–1(a) of this title.


Effective Date of Repeal
Pub. L. 105–33, title IV, § 4713(b), Aug. 5, 1997, 111 Stat. 509, provided that: “The repeal made by subsection (a) [peeling this section] shall apply to services furnished on or after October 1, 1997.”

§ 1396r–8. Payment for covered outpatient drugs
(1) Requirement for rebate agreement
In order for payment to be available under section 1396(b)(a) of this title or under part B of subchapter XVIII for covered outpatient drugs of a manufacturer, the manufacturer must have entered into and have in effect a rebate agreement described in subsection (b) with the Secretary, on behalf of States (except that, the Secretary may authorize a State to enter directly into agreements with a manufacturer, and must meet the requirements of paragraph (5) (with respect to drugs purchased by a covered entity on or after the first day of the first month that begins after November 4, 1992) and paragraph (6). Any agreement between a State and a manufacturer prior to April 1, 1991, shall be deemed to have been entered into on January 1, 1991, and payment to such manufacturer shall be retroactively calculated as if the agreement between the manufacturer and the State had been entered into on January 1, 1991. If a manufacturer has not entered into such an agreement before March 1, 1991, such an agreement, subsequently entered into, shall become effective as of the date on which the agreement is entered into or, at State option, on any date thereafter on or before the first day of the calendar quarter that begins more than 60 days after the date the agreement is entered into.

(2) Effective date
Paragraph (1) shall first apply to drugs dispensed under this subchapter on or after January 1, 1991.

(3) Authorizing payment for drugs not covered under rebate agreements
Paragraph (1), and section 1396(b)(1)(10)(A) of this title, shall not apply to the dispensing of a single source drug or innovator multiple source drug if (A)(i) the State has made a determination that the availability of the drug is essential to the health of beneficiaries under the State plan for medical assistance; (ii) such drug has been given a rating of 1–A by the Food and Drug Administration; and (iii)(I) the physician has obtained approval for use of the drug in advance of its dispensing in accordance with a prior authorization program described in subsection (d), or (II) the Secretary has reviewed and approved the State’s determination under subparagraph (A); or (B) the Secretary determines that in the first calendar quarter of 1991, there were extenuating circumstances.

(4) Effect on existing agreements
In the case of a rebate agreement in effect between a State and a manufacturer on November 5, 1990, such agreement, for the initial agreement period specified therein, shall be considered to be a rebate agreement in compliance with this section with respect to that State, if the State agrees to report to the Secretary any rebates paid pursuant to the agreement and such agreement provides for a minimum aggregate rebate of 10 percent of the State’s total expenditures under the State plan for coverage of the manufacturer’s drugs under this subchapter. If, after the initial agreement period, the State establishes to the satisfaction of the Secretary that an agreement in effect on November 5, 1990, provides for rebates that are at least as large as the rebates otherwise required under this section, and the State agrees to report any rebates under the agreement to the Secretary, the agreement shall be considered to be a rebate agreement in compliance with the section for the renewal periods of such agreement.

(5) Limitation on prices of drugs purchased by covered entities
(A) Agreement with Secretary
A manufacturer meets the requirements of this paragraph if the manufacturer has entered into an agreement with the Secretary that meets the requirements of section 256b of this title with respect to covered outpatient drugs purchased by a covered entity on or after the first day of the first month that begins after November 4, 1992.

(B) “Covered entity” defined
In this subsection, the term “covered entity” means an entity described in section 256b(a)(4) of this title.

(C) Establishment of alternative mechanism to ensure against duplicate discounts or rebates
If the Secretary does not establish a mechanism under section 256b(a)(5)(A) of this title within 12 months of November 4, 1992, the following requirements shall apply:

(i) Entities
Each covered entity shall inform the single State agency under section 1396a(a)(5) of this title when it is seeking reimbursement from the State plan for medical assistance described in section 1396a(a)(12) of this title with respect to a unit of any covered outpatient drug which is subject to an agreement under section 256b(a) of this title.

(ii) State agency
Each such single State agency shall provide a means by which a covered entity
shall indicate on any drug reimbursement claims form (or format, where electronic claims management is used) that a unit of the drug that is the subject of the form is subject to an agreement under section 256b of this title, and not submit to any manufacturer a claim for a rebate payment under subsection (b) with respect to such a drug.

(D) Effect of subsequent amendments

In determining whether an agreement under subparagraph (A) meets the requirements of section 256b of this title, the Secretary shall not take into account any amendments to such section that are enacted after November 4, 1992.

(E) Determination of compliance

A manufacturer is deemed to meet the requirements of this paragraph if the manufacturer complies (and has offered to comply) with the provisions of section 256b of this title (as in effect immediately after November 4, 1992) and would have entered into an agreement under such section (as such section was in effect at such time), but for a legislative change in such section after November 4, 1992.

(6) Requirements relating to master agreements for drugs procured by Department of Veterans Affairs and certain other Federal agencies

(A) In general

A manufacturer meets the requirements of this paragraph if the manufacturer complies with the provisions of section 8126 of title 38, including the requirement of entering into a master agreement with the Secretary of Veterans Affairs under such section.

(B) Effect of subsequent amendments

In determining whether a master agreement described in subparagraph (A) meets the requirements of section 8126 of title 38, the Secretary shall not take into account any amendments to such section that are enacted after November 4, 1992.

(C) Determination of compliance

A manufacturer is deemed to meet the requirements of this paragraph if the manufacturer complies (and has offered to comply) with the provisions of section 8126 of title 38, (as in effect immediately after November 4, 1992) and would have entered into an agreement under such section (as such section was in effect at such time), but for a legislative change in such section after November 4, 1992.

(7) Requirement for submission of utilization data for certain physician administered drugs

(A) Single source drugs

In order for payment to be available under section 1396b(a) of this title for a covered outpatient drug that is a single source drug that is physician administered under this subchapter (as determined by the Secretary), and that is administered on or after January 1, 2006, the State shall provide for the collection and submission of such utilization data and coding (such as J-codes and National Drug Code numbers) for each such drug as the Secretary may specify as necessary to identify the manufacturer of the drug in order to secure rebates under this section for drugs administered for which payment is made under this subchapter.

(B) Multiple source drugs

(i) Identification of most frequently physician administered multiple source drugs

Not later than January 1, 2007, the Secretary shall publish a list of the 20 physician administered multiple source drugs that the Secretary determines have the highest dollar volume of physician administered drugs dispensed under this subchapter. The Secretary may modify such list from year to year to reflect changes in such volume.

(ii) Requirement

In order for payment to be available under section 1396b(a) of this title for a covered outpatient drug that is a multiple source drug that is physician administered (as determined by the Secretary), that is on the list published under clause (i), and that is administered on or after January 1, 2008, the State shall provide for the submission of such utilization data and coding (such as J-codes and National Drug Code numbers) for each such drug as the Secretary may specify as necessary to identify the manufacturer of the drug in order to secure rebates under this section.

(C) Use of NDC codes

Not later than January 1, 2007, the information shall be submitted under subparagraphs (A) and (B)(ii) using National Drug Code codes unless the Secretary specifies that an alternative coding system should be used.

(D) Hardship waiver

The Secretary may delay the application of subparagraph (A) or (B)(ii), or both, in the case of a State to prevent hardship to States which require additional time to implement the reporting system required under the respective subparagraph.

(b) Terms of rebate agreement

(1) Periodic rebates

(A) In general

A rebate agreement under this subsection shall require the manufacturer to provide, to each State plan approved under this subchapter, a rebate for a rebate period in an amount specified in subsection (c) for covered outpatient drugs of the manufacturer dispensed after December 31, 1990, for which payment was made under the State plan for such period, including such drugs dispensed to individuals enrolled with a Medicaid managed care organization if the organization is
responsible for coverage of such drugs. Such rebate shall be paid by the manufacturer not later than 30 days after the date of receipt of the information described in paragraph (2) for the period involved.

(B) Offset against medical assistance

Amounts received by a State under this section (or under an agreement authorized by the Secretary under subsection (a)(1) or an agreement described in subsection (a)(4)) in any quarter, including amounts received by a State under subsection (c)(4), shall be considered to be a reduction in the amount expended under the State plan in the quarter for medical assistance for purposes of section 1396b(a)(1) of this title.

(C) Special rule for increased minimum rebate percentage

(i) In general

In addition to the amounts applied as a reduction under subparagraph (B), for rebate periods beginning on or after January 1, 2010, during a fiscal year, the Secretary shall reduce payments to a State under section 1396b(a) of this title in the manner specified in clause (ii), in an amount equal to the product of—

(I) 100 percent minus the Federal medical assistance percentage applicable to the rebate period for the State; and

(II) the amounts received by the State under such subparagraph that are attributable (as estimated by the Secretary based on utilization and other data) to the increase in the minimum rebate percentage effected by the amendments made by subsections (a)(1), (b), and (d) of section 2501 of the Patient Protection and Affordable Care Act, taking into account the additional drugs included under the amendments made by subsection (c) of section 2501 of such Act.

The Secretary shall adjust such payment reduction for a calendar quarter to the extent the Secretary determines, based upon subsequent utilization and other data, that the reduction for such quarter was greater or less than the amount of payment reduction that should have been made.

(ii) Manner of payment reduction

The amount of the payment reduction under clause (i) for a State for a quarter shall be deemed an overpayment to the State under this subchapter to be disallowed against the State’s regular quarterly draw for all Medicaid spending under section 1396b(d)(2) of this title. Such a disallowance is not subject to a reconsideration under section 1316(d) of this title.

(2) State provision of information

(A) State responsibility

Each State agency under this subchapter shall report to each manufacturer not later than 60 days after the end of each rebate period and in a form consistent with a standard reporting format established by the Secretary, information on the total number of units of each dosage form and strength and package size of each covered outpatient drug dispensed after December 31, 1990, for which payment was made under the plan during the period, including such information reported by each Medicaid managed care organization, and shall promptly transmit a copy of such report to the Secretary.

(B) Audits

A manufacturer may audit the information provided (or required to be provided) under subparagraph (A). Adjustments to rebates shall be made to the extent that information indicates that utilization was greater or less than the amount previously specified.

(3) Manufacturer provision of price and drug product information

(A) In general

Each manufacturer with an agreement in effect under this section shall report to the Secretary—

(I) not later than 30 days after the last day of each rebate period under the agreement—

(I) on the average manufacturer price (as defined in subsection (k)(1)) for covered outpatient drugs for the rebate period under the agreement (including for all such drugs that are sold under a new drug application approved under section 505(c) of the Federal Food, Drug, and Cosmetic Act [21 U.S.C. 355(c)]); and

(II) for single source drugs and innovator multiple source drugs (including all such drugs that are sold under a new drug application approved under section 505(c) of the Federal Food, Drug, and Cosmetic Act), on the manufacturer’s best price (as defined in subsection (c)(1)(C)) for such drugs for the rebate period under the agreement;

(ii) not later than 30 days after the date of entering into an agreement under this section on the average manufacturer price (as defined in subsection (k)(1)) as of October 1, 1990 for each of the manufacturer’s covered outpatient drugs (including for such drugs that are sold under a new drug application approved under section 505(c) of the Federal Food, Drug, and Cosmetic Act); and

(iii) for calendar quarters beginning on or after January 1, 2004, in conjunction with reporting required under clause (i) and by National Drug Code (including package size)—

(I) the manufacturer’s average sales price (as defined in section 1395w–3a(c) of this title) and the total number of units specified under section 1395w–3a of this title;

(II) if required to make payment under section 1395w–3a of this title, the manufacturer’s wholesale acquisition cost, as defined in subsection (c)(6) of such section; and

(III) information on those sales that were made at a nominal price or other-
for a drug or biological described in subparagraph (C), (D), (E), or (G) of section 1395w(c)(2)(B) of this title; paragraph (A) on a timely basis, the amount of the penalty shall be increased by $10,000 for each day in which such information has not been provided and such amount shall be paid to the Treasury, and, if such information is not reported within 90 days of the deadline imposed, the agreement shall be suspended for services furnished after the end of such 90-day period and until the date such information is reported (but in no case shall such suspension be for a period of less than 30 days).

(ii) False information

Any manufacturer with an agreement under this section that knowingly provides false information, including information related to drug pricing, drug product information, and data related to drug pricing or drug product information, is subject to a civil money penalty in an amount not to exceed $100,000 for each item of false information. Such civil money penalties are in addition to other penalties as may be prescribed by law. The provisions of section 1320a-7a of this title (other than subsections (a), (b), (f)(3), and (f)(4)) shall apply to a civil money penalty under this subparagraph in the same manner as such provisions apply to a penalty or proceeding under section 1320a-7a(a) of this title.

(iii) Misclassified drug product or misreported information

(I) In general

Any manufacturer with an agreement under this section that knowingly (as defined in section 1003.110 of title 42, Code of Federal Regulations (or any successor regulation)) misclassifies a covered outpatient drug, such as by knowingly submitting incorrect drug product information, is subject to a civil money penalty for each covered outpatient drug that is misclassified in an amount not to exceed 2 times the amount of the difference between—

(aa) the total amount of rebates that the manufacturer paid with respect to the drug to all States for all rebate periods during which the drug was misclassified; and

(bb) the total amount of rebates that the manufacturer would have been required to pay, as determined by the Secretary using drug product information provided by the manufacturer, with respect to the drug to all States for all rebate periods during which the drug was misclassified if the drug had been correctly classified.

(II) Other penalties and recovery of underpaid rebates

The civil money penalties described in clause (I) are in addition to other penalties as may be prescribed by law and any other recovery of the underlying underpayment for rebates due under this section or the terms of the rebate agreement as determined by the Secretary.
(iv) Increasing oversight and enforcement

Each year the Secretary shall retain, in addition to any amount retained by the Secretary to recoup investigation and litiga-
tion costs related to the enforcement of the civil money penalties under this sub-
paragraph and subsection (c)(4)(B)(ii)(III), an amount equal to 25 percent of the total
amount of civil money penalties collected under this subparagraph and subsection
(c)(4)(B)(ii)(III) for the year, and such re-
tained amount shall be available to the Secretary, without further appropriation
and until expended, for activities related
to the oversight and enforcement of this
section and agreements under this section, including—

(I) improving drug data reporting sys-
tems;

(II) evaluating and ensuring manufac-
turer compliance with rebate obliga-
tions; and

(III) oversight and enforcement related
to ensuring that manufacturers accur-
ately and fully report drug information,
including data related to drug classifica-
tion.

(D) Confidentiality of information

Notwithstanding any other provision of
law, information disclosed by manufacturers
or wholesalers under this paragraph or under
an agreement with the Secretary of Veter-
ans Affairs described in subsection
(a)(6)(A)(ii) (other than the wholesale acqui-
cision cost for purposes of carrying out sec-
tion 1395w–3a of this title) is confidential
and shall not be disclosed by the Secretary
on the day before April 18, 2019.

The previous sentence shall also apply to in-
formation disclosed under section

1395w–102(d)(2) or 1395w–104(c)(2)(E)1 of this
title and drug pricing data reported under
the first sentence of section 1395w–141(i)(1)
of this

title.

(4) Length of agreement

(A) In general

A rebate agreement shall be effective for
an initial period of not less than 1 year and
shall be automatically renewed for a period
of not less than one year unless terminated
under subparagraph (B).

(B) Termination

(i) By the Secretary

The Secretary may provide for termi-
nation of a rebate agreement for violation
of the requirements of the agreement or
other good cause shown. Such termination
shall not be effective earlier than 60 days
after the date of notice of such termi-
nation. The Secretary shall provide, upon
request, a manufacturer with a hearing
concerning such a termination, but such
hearing shall not delay the effective date
of the termination.

(ii) By a manufacturer

A manufacturer may terminate a rebate
agreement under this section for any rea-
son. Any such termination shall not be ef-
effective until the calendar quarter begin-
ing at least 60 days after the date the
manufacturer provides notice to the Sec-

retary.

(iii) Effectiveness of termination

Any termination under this subpara-
graph shall not affect rebates due under

the agreement before the effective date of
its termination.

(iv) Notice to States

In the case of a termination under this
subparagraph, the Secretary shall provide
notice of such termination to the States
within not less than 30 days before the ef-
effective date of such termination.

(v) Application to terminations of other
agreements

The provisions of this subparagraph shall
apply to the terminations of agreements
described in section 256b(a)(1) of this title
and master agreements described in sec-

tion 8126(a) of title 38.

(C) Delay before reentry

In the case of any rebate agreement with a
manufacturer under this section which is
terminated, another such agreement with
the manufacturer (or a successor manufac-
turer) may not be entered into until a period
of 1 calendar quarter has elapsed since the
date of the termination, unless the Sec-
retary finds good cause for an earlier rein-
statement of such an agreement.

1 See References in Text note below.
§ 1396r–8  TITLE 42—THE PUBLIC HEALTH AND WELFARE

(c) Determination of amount of rebate

(1) Basic rebate for single source drugs and innovator multiple source drugs

(A) In general

Except as provided in paragraph (2), the amount of the rebate specified in this subsection for a rebate period (as defined in subsection (k)(8)) with respect to each dosage form and strength of a single source drug or an innovator multiple source drug shall be equal to the product of—

(i) the total number of units of each dosage form and strength paid for under the State plan in the rebate period (as reported by the State); and

(ii) subject to subparagraph (B)(i), the greater of—

(I) the difference between the average manufacturer price and the best price (as defined in subparagraph (C)) for the dosage form and strength of the drug, or

(II) the minimum rebate percentage (specified in subparagraph (B)(i)) of such average manufacturer price, for the rebate period.

(B) Range of rebates required

(i) Minimum rebate percentage

For purposes of subparagraph (A)(i)(II), the “minimum rebate percentage” for rebate periods beginning—

(I) after December 31, 1990, and before October 1, 1992, is 12.5 percent;

(II) after September 30, 1992, and before January 1, 1994, is 15.7 percent;

(III) after December 31, 1993, and before January 1, 1995, is 15.4 percent;

(IV) after December 31, 1994, and before January 1, 1996, is 15.2 percent;

(V) after December 31, 1995, and before January 1, 2010, is 15.1 percent; and

(VI) except as provided in clause (iii), after December 31, 2009, is 23.1 percent.

(ii) Temporary limitation on maximum rebate amount

In no case shall the amount applied under subparagraph (A)(ii) for a rebate period beginning—

(I) before January 1, 1992, exceed 25 percent of the average manufacturer price; or


(iii) Minimum rebate percentage for certain drugs

(I) In general

In the case of a single source drug or an innovator multiple source drug described in this subparagraph, the minimum rebate percentage for rebate periods specified in clause (I)(VI) is 17.1 percent.

(II) Drug described

For purposes of subclause (I), a single source drug or an innovator multiple source drug described in this subclause is any of the following drugs:

(aa) A clotting factor for which a separate payment is made under section 1395u(o)(5) of this title and which is included on a list of such factors specified and updated regularly by the Secretary.

(bb) A drug approved by the Food and Drug Administration exclusively for pediatric indications.

(C) “Best price” defined

For purposes of this section—

(i) In general

The term “best price” means, with respect to a single source drug or innovator multiple source drug of a manufacturer (including the lowest price available to any entity for any such drug of a manufacturer that is sold under a new drug application approved under section 505(c) of the Federal Food, Drug, and Cosmetic Act [21 U.S.C. 355(c)]), the lowest price available from the manufacturer during the rebate period to any wholesaler, retailer, provider, health maintenance organization, nonprofit entity, or governmental entity within the United States, excluding—

(I) any prices charged on or after October 1, 1992, to the Indian Health Service, the Department of Veterans Affairs, a State home receiving funds under section 1741 of title 38, the Department of Defense, the Public Health Service, or a covered entity described in subsection (a)(5)(B) (including inpatient prices charged to hospitals described in section 256b(a)(4)(L) of this title);

(II) any prices charged under the Federal Supply Schedule of the General Services Administration;

(III) any prices used under a State pharmaceutical assistance program;

(IV) any depot prices and single award contract prices, as defined by the Secretary, of any agency of the Federal Government;

(V) the prices negotiated from drug manufacturers for covered discount card drugs under an endorsed discount card program under section 1395w–141 of this title; and

(VI) any prices charged which are negotiated by a prescription drug plan under part D of subchapter XVIII, by an MA–PD plan under part C of such subchapter with respect to covered part D drugs or by a qualified retiree prescription drug plan (as defined in section 1395w–132(a)(2) of this title) with respect to such drugs on behalf of individuals entitled to benefits under part A or enrolled under part B of such subchapter, or any discounts provided by manufacturers under the Medicare coverage gap discount program under section 1395w–114a of this title.

(ii) Special rules

The term “best price”—

So in original. Probably should be followed by “is”.

So in original. Probably should be followed by a comma.
(D) Limitation on sales at a nominal price

(i) In general

For purposes of subparagraph (C)(ii)(III) and subsection (b)(3)(A)(ii)(III), only sales by a manufacturer of covered outpatient drugs at nominal prices to the following shall be considered to be sales at a nominal price or merely nominal in amount:

(I) A covered entity described in section 256b(a)(4) of this title.

(ii) An intermediate care facility for the mentally retarded.

(III) A State-owned or operated nursing facility.

(IV) An entity that—

(aa) is described in section 501(c)(3) of the Internal Revenue Code of 1986 and exempt from tax under section 501(a) of such Act or is State-owned or operated; and

(bb) would be a covered entity described in section 256b(a)(4) of this title insofar as the entity provides the same type of services to the same type of populations as a covered entity described in such section provides, but does not receive funding under a provision of law referred to in such section;

(V) A public or nonprofit entity, or an entity based at an institution of higher learning whose primary purpose is to provide health care services to students of that institution, that provides a service or services described under section 300(a) of this title.

(VI) Any other facility or entity that the Secretary determines is a safety net provider to which sales of such drugs at a nominal price would be appropriate based on the factors described in clause (ii).

(ii) Factors

The factors described in this clause with respect to a facility or entity are the following:

(I) The type of facility or entity.

(II) The services provided by the facility or entity.

(III) The patient population served by the facility or entity.

(IV) The number of other facilities or entities eligible to purchase at nominal prices in the same service area.

(iii) Nonapplication

Clause (i) shall not apply with respect to sales by a manufacturer at a nominal price of covered outpatient drugs pursuant to a master agreement under section 8126 of title 38.

(iv) Rule of construction

Nothing in this subparagraph shall be construed to alter any existing statutory or regulatory prohibition on services with respect to an entity described in clause (i)(IV), including the prohibition set forth in section 300a–6 of this title.

(2) Additional rebate for single source and innovator multiple source drugs

(A) In general

The amount of the rebate specified in this subsection for a rebate period, with respect to each dosage form and strength of a single source drug or an innovator multiple source drug, shall be increased by an amount equal to the product of—

(i) the total number of units of such dosage form and strength dispensed after December 31, 1990, for which payment was made under the State plan for the rebate period; and

(ii) the amount (if any) by which—

(I) the average manufacturer price for the dosage form and strength of the drug for the period, exceeds

(II) the average manufacturer price for such dosage form and strength for the calendar quarter beginning July 1, 1990 (without regard to whether or not the drug has been sold or transferred to an entity, including a division or subsidiary of the manufacturer, after the first day of such quarter), increased by the percentage by which the consumer price index for all urban consumers (United States city average) for the month before the month in which the rebate period begins exceeds such index for September 1990.

(B) Treatment of subsequently approved drugs

In the case of a covered outpatient drug approved by the Food and Drug Administra-
§ 1396r–8

TITLe 42—THE PUBLIC HEALTH AND WELFARe

Page 3940

(3) Rebate for other drugs

(A) In general

Except as provided in subparagraph (C), the amount of the rebate paid to a State for a rebate period with respect to each dosage form and strength of covered outpatient drugs (other than single source drugs and innovator multiple source drugs) shall be equal to the product of—

(i) the applicable percentage (as described in subparagraph (B)) of the average manufacturer price for the dosage form and strength for the rebate period, and

(ii) the total number of units of such dosage form and strength dispensed after December 31, 1990, for which payment was made under the State plan for the rebate period.

(B) “Applicable percentage” defined

For purposes of subparagraph (A)(i), the “applicable percentage” for rebate periods beginning—

(i) before January 1, 1994, is 10 percent,

(ii) after December 31, 1993, and before January 1, 2010, is 11 percent; 4 and

(iii) after December 31, 2009, is 13 percent.

(C) Additional rebate

(i) In general

The amount of the rebate specified in this paragraph for a rebate period, with respect to each dosage form and strength of a covered outpatient drug other than a single source drug or an innovator multiple source drug of a manufacturer, shall be increased in the manner that the rebate for a dosage form and strength of a single source drug or an innovator multiple source drug is increased under subparagraphs (A) and (D) of paragraph (2), except as provided in clause (ii).

(ii) Special rules for application of provision

In applying subparagraphs (A) and (D) of paragraph (2) under clause (i)—

(I) the reference in subparagraph (A)(i) of such paragraph to “1990” shall be deemed a reference to “2014”;

(II) subject to clause (iii), the reference in subparagraph (A)(ii) of such paragraph to “the calendar quarter beginning July 1, 1990” shall be deemed a reference to “the calendar quarter beginning July 1, 2014”;

(III) subject to clause (iii), the reference in subparagraph (A)(iii) of such paragraph to “the reference in subparagraph (D) of such paragraph to “paragraph (1)(A)(ii)”, “this paragraph”, and “December 31, 2009” shall be deemed references to “subparagraph (A)”, “this subparagraph”, and “December 31, 2014”, respectively; and

(V) any reference in such paragraph to a “single source drug or an innovator

4 So in original. The semicolon probably should be a comma.
multiple source drug” shall be deemed to be a reference to a drug to which clause (i) applies.

(ii) Special rule for certain noninnovator multiple source drugs

In applying paragraph (2)(A)(ii)(II) under clause (i) with respect to a covered outpatient drug that is first marketed as a drug other than a single source drug or an innovator multiple source drug after April 1, 2013, such paragraph shall be applied—

(I) by substituting “the applicable quarter” for “the calendar quarter beginning July 1, 1990”;
and

(II) by substituting “the last month in such applicable quarter” for “September 1990”.

(iv) Applicable quarter defined

In this subsection, the term “applicable quarter” means, with respect to a drug described in clause (iii), the fifth full calendar quarter after which the drug is marketed as a drug other than a single source drug or an innovator multiple source drug.

(4) Recovery of unpaid rebate amounts due to misclassification of covered outpatient drugs

(A) In general

If the Secretary determines that a manufacturer with an agreement under this section paid a lower per-unit rebate amount to a State for a rebate period as a result of the misclassification by the manufacturer of a covered outpatient drug (without regard to whether the manufacturer knowingly made the misclassification or should have known that the misclassification would be made) than the per-unit rebate amount that the manufacturer would have paid to the State if the drug had been correctly classified, the manufacturer shall pay to the State an amount equal to the product of—

(I) the difference between—

(a) the total units of the drug paid for under the State plan in the period; and

(b) the per-unit rebate amount paid to the State for the period; and

(II) the total units of the drug paid for under the State plan in the period.

(B) Authority to correct misclassifications

(i) In general

If the Secretary determines that a manufacturer with an agreement under this section has misclassified a covered outpatient drug (without regard to whether the manufacturer knowingly made the misclassification or should have known that the misclassification would be made), the Secretary shall notify the manufacturer of the misclassification and require the manufacturer to correct the misclassification in a timely manner.

(ii) Enforcement

If, after receiving notice of a misclassification from the Secretary under clause (i), a manufacturer fails to correct the misclassification by such time as the Secretary shall require, until the manufacturer makes such correction, the Secretary may do any or all of the following:

(I) Correct the misclassification, using drug product information provided by the manufacturer, on behalf of the manufacturer.

(II) Suspend the misclassified drug and the drug’s status as a covered outpatient drug under the manufacturer's national rebate agreement, and exclude the misclassified drug from Federal financial participation in accordance with section 1396b(i)(10)(E) of this title.

(iii) Impose a civil money penalty (which shall be in addition to any other recovery or penalty which may be available under this section or any other provision of law) for each rebate period during which the drug is misclassified not to exceed an amount equal to the product of—

(aa) the total number of units of each dosage form and strength of such misclassified drug paid for under any State plan during such a rebate period; and

(bb) 23.1 percent of the average manufacturer price for the dosage form and strength of such misclassified drug.

(C) Reporting and transparency

(i) In general

The Secretary shall submit a report to Congress on at least an annual basis that includes information on the covered outpatient drugs that have been identified as misclassified, any steps taken to reclassify such drugs, the actions the Secretary has taken to ensure the payment of any rebate amounts which were unpaid as a result of such misclassification, and a disclosure of expenditures from the fund created in subsection (b)(3)(C)(iv), including an accounting of how such funds have been allocated and spent in accordance with such subsection.

(ii) Public access

The Secretary shall make the information contained in the report required under clause (i) available to the public on a timely basis.

(D) Other penalties and actions

Actions taken and penalties imposed under this clause shall be in addition to other remedies available to the Secretary including terminating the manufacturer’s rebate agreement for noncompliance with the terms of such agreement and shall not exempt a manufacturer from, or preclude the Secretary from pursuing, any civil money penalty under this subchapter or subchapter XI, or any other penalty or action as may be prescribed by law.

(d) Limitations on coverage of drugs

(1) Permissible restrictions

(A) A State may subject to prior authorization any covered outpatient drug. Any such
prior authorization program shall comply with the requirements of paragraph (5).

(B) A State may exclude or otherwise restrict coverage of a covered outpatient drug if—

(i) the prescribed use is not for a medically accepted indication (as defined in subsection (k)(6));

(ii) the drug is contained in the list referred to in paragraph (2);

(iii) the drug is subject to such restrictions pursuant to an agreement between a manufacturer and a State authorized by the Secretary under subsection (a)(1) or in effect pursuant to subsection (a)(4); or

(iv) the State has excluded coverage of the drug from its formulary established in accordance with paragraph (4).

(2) List of drugs subject to restriction

The following drugs or classes of drugs, or their medical uses, may be excluded from coverage or otherwise restricted:

(A) Agents when used for anorexia, weight loss, or weight gain.

(B) Agents when used to promote fertility.

(C) Agents when used for cosmetic purposes or hair growth.

(D) Agents when used for the symptomatic relief of cough and colds.

(E) Prescription vitamins and mineral products, except prenatal vitamins and fluoride preparations.

(F) Nonprescription drugs, except, in the case of pregnant women when recommended in accordance with the Guidelines referred to in section 1396d(bb)(2)(A) of this title, agents approved by the Food and Drug Administration under the over-the-counter monograph process for purposes of promoting, and when used to promote, tobacco cessation.

(G) Covered outpatient drugs which the manufacturer seeks to require as a condition of coverage or payment services be purchased exclusively from the manufacturer or its designee.

(H) Agents when used for the treatment of sexual or erectile dysfunction, unless such agents are used to treat a condition, other than sexual or erectile dysfunction, for which the agents have been approved by the Food and Drug Administration.

(3) Update of drug listings

The Secretary shall, by regulation, periodically update the list of drugs or classes of drugs described in paragraph (2) or their medical uses, which the Secretary has determined, based on data collected by surveillance and utilization review programs of State medical assistance programs, to be subject to clinical abuse or inappropriate use.

(4) Requirements for formularies

A State may establish a formulary if the formulary meets the following requirements:

(A) The formulary is developed by a committee consisting of physicians, pharmacists, and other appropriate individuals appointed by the Governor of the State (or, at the option of the State, the State's drug use review board established under subsection (g)(3)).

(B) Except as provided in subparagraph (C), the formulary includes the covered outpatient drugs of any manufacturer which has entered into and complies with an agreement under subsection (a) (other than any drug excluded from coverage or otherwise restricted under paragraph (2)).

(C) A covered outpatient drug may be excluded with respect to the treatment of a specific disease or condition for an identified population (if any) only if, based on the drug's labeling or, in the case of a drug the prescribed use of which is not approved under the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 301 et seq.) but is a medically accepted indication, based on information from the appropriate compendia described in subsection (k)(6), the excluded drug does not have a significant, clinically meaningful therapeutic advantage in terms of safety, effectiveness, or clinical outcome of such treatment for such population over other drugs included in the formulary and there is a written explanation (available to the public) of the basis for the exclusion.

(D) The State plan permits coverage of a drug excluded from the formulary (other than any drug excluded from coverage or otherwise restricted under paragraph (2)) pursuant to a prior authorization program that is consistent with paragraph (5).

(E) The formulary meets such other requirements as the Secretary may impose in order to achieve program savings consistent with protecting the health of program beneficiaries.

A prior authorization program established by a State under paragraph (5) is not a formulary subject to the requirements of this paragraph.

(5) Requirements of prior authorization programs

A State plan under this subchapter may require, as a condition of coverage or payment for a covered outpatient drug for which Federal financial participation is available in accordance with this section, with respect to drugs dispensed on or after July 1, 1991, the approval of the drug before its dispensing for any medically accepted indication (as defined in subsection (k)(6)) only if the system providing for such approval—

(A) provides response by telephone or other telecommunication device within 24 hours of a request for prior authorization; and

(B) except with respect to the drugs on the list referred to in paragraph (2), provides for the dispensing of at least 72-hour supply of a covered outpatient prescription drug in an emergency situation (as defined by the Secretary).

(6) Other permissible restrictions

A State may impose limitations, with respect to all such drugs in a therapeutic class, on the minimum or maximum quantities per prescription or on the number of refills, if such limitations are necessary to discourage waste, and may address instances of fraud or abuse by individuals in any manner authorized under this chapter.
(7) Non-excludable drugs

The following drugs or classes of drugs, or their medical uses, shall not be excluded from coverage:

(A) Agents when used to promote smoking cessation, including agents approved by the Food and Drug Administration under the over-the-counter monograph process for purposes of promoting, and when used to promote, tobacco cessation.

(B) Barbiturates.

(C) Benzodiazepines.

(e) Treatment of pharmacy reimbursement limits

(1) In general

During the period beginning on January 1, 1991, and ending on December 31, 1994—

(A) a State may not reduce the payment limits established by regulation under this subchapter or any limitation described in paragraph (3) with respect to the ingredient cost of a covered outpatient drug or the dispensing fee for such a drug below the limits in effect as of January 1, 1991, and

(B) except as provided in paragraph (2), the Secretary may not modify by regulation the formula established under sections 447.331 through 447.334 of title 42, Code of Federal Regulations, in effect on November 5, 1990, to reduce the limits described in subparagraph (A).

(2) Special rule

If a State is not in compliance with the regulations described in paragraph (1)(B), paragraph (1)(A) shall not apply to such State until such State is in compliance with such regulations.

(3) Effect on State maximum allowable cost limitations

This section shall not supersede or affect provisions in effect prior to January 1, 1991, or after December 31, 1994, relating to any maximum allowable cost limitation established by a State for payment by the State for covered outpatient drugs, and rebates shall be made under this section without regard to whether or not payment by the State for such drugs is subject to such a limitation or the amount of such a limitation.

(4) Establishment of upper payment limits

Subject to paragraph (5), the Secretary shall establish a Federal upper reimbursement limit for each multiple source drug for which the FDA has rated three or more products therapeutically and pharmaceutically equivalent, regardless of whether all such additional formulations are rated as such and shall use only such formulations when determining any such upper limit.

(5) Use of amp in upper payment limits

The Secretary shall calculate the Federal upper reimbursement limit established under paragraph (4) as no less than 175 percent of the weighted average (determined on the basis of utilization) of the most recently reported monthly average manufacturer prices for pharmaceutically and therapeutically equivalent multiple source drug products that are available for purchase by retail community pharmacies on a nationwide basis. The Secretary shall implement a smoothing process for average manufacturer prices. Such process shall be similar to the smoothing process used in determining the average sales price of a drug or biological under section 1395w-3a of this title.

(f) Survey of retail prices; State payment and utilization rates; and performance rankings

(1) Survey of retail prices

(A) Use of vendor

The Secretary may contract services for—

(i) with respect to a retail community pharmacy, the determination on a monthly basis of retail survey prices for covered outpatient drugs that represent a nationwide average of consumer purchase prices for such drugs, net of all discounts and rebates (to the extent any information with respect to such discounts and rebates is available); and

(ii) the notification of the Secretary when a drug product that is therapeutically and pharmaceutically equivalent and bioequivalent becomes generally available.

(B) Secretary response to notification of availability of multiple source products

If contractor notifies the Secretary under subparagraph (A)(ii) that a drug product described in such subparagraph has become generally available, the Secretary shall make a determination, within 7 days after receiving such notification, as to whether the product is now described in subsection (e)(4).\(^1\)

(C) Use of competitive bidding

In contracting for such services, the Secretary shall competitively bid for an outside vendor that has a demonstrated history in—

(i) surveying and determining, on a representative nationwide basis, retail prices for ingredient costs of prescription drugs;

(ii) working with retail community pharmacies, commercial payers, and States in obtaining and disseminating such price information; and

(iii) collecting and reporting such price information on at least a monthly basis.

In contracting for such services, the Secretary may waive such provisions of the Federal Acquisition Regulation as are necessary for the efficient implementation of this subsection, other than provisions relating to confidentiality of information and such other provisions as the Secretary determines appropriate.

(D) Additional provisions

A contract with a vendor under this paragraph shall include such terms and conditions as the Secretary shall specify, including the following:

(i) The vendor must monitor the marketplace and report to the Secretary each time there is a new covered outpatient drug generally available.

\(^1\)See 1991 Amendment note below.
(ii) The vendor must update the Secretary no less often than monthly on the retail survey prices for covered outpatient drugs.

(iii) The contract shall be effective for a term of 2 years.

(E) Availability of information to States

Information on retail survey prices obtained under this paragraph, including applicable information on single source drugs, shall be provided to States on at least a monthly basis. The Secretary shall devise and implement a means for providing access to each State agency designated under section 1396a(a)(5) of this title with responsibility for the administration or supervision of the administration of the State plan under this subchapter of the retail survey price determined under this paragraph.

(2) Annual State report

Each State shall annually report to the Secretary information on—

(A) the payment rates under the State plan under this subchapter for covered outpatient drugs;

(B) the dispensing fees paid under such plan for such drugs; and

(C) utilization rates for noninnovator multiple source drugs under such plan.

(3) Annual State performance rankings

(A) Comparative analysis

The Secretary annually shall compare, for the 50 most widely prescribed drugs identified by the Secretary, the national retail sales price data (collected under paragraph (1)) for such drugs with data on prices under this subchapter for such drug for each State.

(B) Availability of information

The Secretary shall submit to Congress and the States full information regarding the annual rankings made under subparagraph (A).

(4) Appropriation

Out of any funds in the Treasury not otherwise appropriated, there is appropriated to the Secretary of Health and Human Services $5,000,000 for each of fiscal years 2006 through 2010 to carry out this subsection.

(g) Drug use review

(1) In general

(A) In order to meet the requirement of section 1396c(i)(10)(B) of this title, a State shall provide, by not later than January 1, 1993, for a drug use review program described in paragraph (2) for covered outpatient drugs in order to assure that prescriptions (i) are appropriate, (ii) are medically necessary, and (iii) are not likely to result in adverse medical results. The program shall be designed to educate physicians and pharmacists to identify and reduce the frequency of patterns of fraud, abuse, gross overuse, or inappropriate or medically unnecessary care, among physicians, pharmacists, and patients, or associated with specific drugs or groups of drugs, as well as potential and actual severe adverse reactions to drugs including education on therapeutic appropriateness, overutilization and underutilization, appropriate use of generic products, therapeutic duplication, drug-disease contraindications, drug-drug interactions, incorrect drug dosage or duration of drug treatment, drug-allergy interactions, and clinical abuse/misuse.

(B) The program shall assess data on drug use against predetermined standards, consistent with the following:

(i) compendia which shall consist of the following:

(I) American Hospital Formulary Service Drug Information;

(II) United States Pharmacopeia-Drug Information (or its successor publications); and

(III) the DRUGDEX Information System;

and

(ii) the peer-reviewed medical literature.

(C) The Secretary, under the procedures established in section 1396b of this title, shall pay to each State an amount equal to 75 per centum of so much of the sums expended by the State plan during calendar years 1991 through 1993 as the Secretary determines is attributable to the statewide adoption of a drug use review program which conforms to the requirements of this subsection.

(D) States shall not be required to perform additional drug use reviews with respect to drugs dispensed to residents of nursing facilities which are in compliance with the drug regimen review procedures prescribed by the Secretary for such facilities in regulations implementing section 1396r of this title, currently at section 483.60 of title 42, Code of Federal Regulations.

(2) Description of program

Each drug use review program shall meet the following requirements for covered outpatient drugs:

(A) Prospective drug review

(i) The State plan shall provide for a review of drug therapy before each prescription is filled or delivered to an individual receiving benefits under this subchapter, typically at the point-of-sale or point of distribution. The review shall include screening for potential drug therapy problems due to therapeutic duplication, drug-disease contraindications, drug-drug interactions (including serious interactions with nonprescription or over-the-counter drugs), incorrect drug dosage or duration of drug treatment, drug-allergy interactions, and clinical abuse/misuse. Each State shall use the compendia and literature referred to in paragraph (1)(B) as its source of standards for such review.

(ii) As part of the State’s prospective drug use review program under this subparagraph applicable State law shall establish standards for counseling of individuals receiving benefits under this subchapter by pharmacists which includes at least the following:
(I) The pharmacist must offer to discuss with each individual receiving benefits under this subchapter or caregiver of such individual (in person, whenever practicable, or through access to a telephone service which is toll-free for long-distance calls) who presents a prescription, matters which in the exercise of the pharmacist’s professional judgment (consistent with State law respecting the provision of such information), the pharmacist deems significant including the following:

(aa) The name and description of the medication.

(bb) The route, dosage form, dosage, route of administration, and duration of drug therapy.

(cc) Special directions and precautions for preparation, administration and use by the patient.

(dd) Common severe side or adverse effects or interactions and therapeutic contraindications that may be encountered, including their avoidance, and the action required if they occur.

(ee) Techniques for self-monitoring drug therapy.

(ff) Proper storage.

(gg) Prescription refill information.

(hh) Action to be taken in the event of a missed dose.

(II) A reasonable effort must be made by the pharmacist to obtain, record, and maintain at least the following information regarding individuals receiving benefits under this subchapter:

(aa) Name, address, telephone number, date of birth (or age) and gender.

(bb) Individual history where significant, including disease state or states, known allergies and drug reactions, and a comprehensive list of medications and relevant devices.

(cc) Pharmacist comments relevant to the individual’s drug therapy.

Nothing in this clause shall be construed as requiring a pharmacist to provide consultation when an individual receiving benefits under this subchapter or caregiver of such individual refuses such consultation, or to require verification of the offer to provide consultation or a refusal of such offer.

(B) Retrospective drug use review

The program shall provide, through its mechanized drug claims processing and information retrieval systems (approved by the Secretary under section 1396b(r) of this title) or otherwise, for the ongoing periodic examination of claims data and other records in order to identify patterns of fraud, abuse, gross overuse, or inappropriate or medically unnecessary care, among physicians, pharmacists and individuals receiving benefits under this subchapter, or associated with specific drugs or groups of drugs.

(C) Application of standards

The program shall, on an ongoing basis, assess data on drug use against explicit predetermined standards (using the compendia and literature referred to in subsection 6 (1)(B) as the source of standards for such assessment) including but not limited to monitoring for therapeutic appropriateness, overutilization and underutilization, appropriate use of generic products, therapeutic duplication, drug-disease contraindications, drug-drug interactions, incorrect drug dosage or duration of drug treatment, and clinical abuse/misuse and, as necessary, introduce remedial strategies, in order to improve the quality of care and to conserve program funds or personal expenditures.

(D) Educational program

The program shall, through its State drug use review board established under paragraph (3), either directly or through contracts with accredited health care educational institutions, State medical societies or State pharmacists associations/societies or other organizations as specified by the State, and using data provided by the State drug use review board on common drug therapy problems, provide for active and ongoing educational outreach programs (including the activities described in paragraph (3)(C)(iii) of this subsection) to educate practitioners on common drug therapy problems with the aim of improving prescribing or dispensing practices.

(3) State drug use review board

(A) Establishment

Each State shall provide for the establishment of a drug use review board (hereinafter referred to as the “DUR Board”) either directly or through a contract with a private organization.

(B) Membership

The membership of the DUR Board shall include health care professionals who have recognized knowledge and expertise in one or more of the following:

(i) The clinically appropriate prescribing of covered outpatient drugs.

(ii) The clinically appropriate dispensing and monitoring of covered outpatient drugs.

(iii) Drug use review, evaluation, and intervention.

(iv) Medical quality assurance.

The membership of the DUR Board shall be made up at least 1/3 but no more than 51 percent licensed and actively practicing physicians and at least 1/3 licensed and actively practicing pharmacists.

(C) Activities

The activities of the DUR Board shall include but not be limited to the following:

(i) Retrospective DUR as defined in section 6 (2)(B).

(ii) Application of standards as defined in section 6 (2)(C).

(iii) Ongoing interventions for physicians and pharmacists, targeted toward therapy problems or individuals identified

§ 1396r–8

6 So in original. Probably should be “paragraph”.

7 So in original.
§ 1396r–8

in the course of retrospective drug use reviews performed under this subsection. Intervention programs shall include, in appropriate instances, at least:

(I) information dissemination sufficient to ensure the ready availability to physicians and pharmacists in the State of information concerning its duties, powers, and basis for its standards;

(II) written, oral, or electronic reminders containing patient-specific or drug-specific (or both) information and suggested changes in prescribing or dispensing practices, communicated in a manner designed to ensure the privacy of patient-related information;

(III) use of face-to-face discussions between health care professionals who are experts in rational drug therapy and selected prescribers and pharmacists who have been targeted for educational intervention, including discussion of optimal prescribing, dispensing, or pharmacy care practices, and follow-up face-to-face discussions; and

(IV) intensified review or monitoring of selected prescribers or dispensers.

The Board shall re-evaluate interventions after an appropriate period of time to determine if the intervention improved the quality of drug therapy, to evaluate the success of the interventions and make modifications as necessary.

(D) Annual report

Each State shall require the DUR Board to prepare a report on an annual basis. The State shall submit a report on an annual basis to the Secretary which shall include a description of the activities of the Board, including the nature and scope of the prospective and retrospective drug use review programs, a summary of the interventions used, an assessment of the impact of these educational interventions on quality of care, and an estimate of the cost savings generated as a result of such program. The Secretary shall utilize such report in evaluating the effectiveness of each State’s drug use review program.

(h) Electronic claims management

(1) In general

In accordance with chapter 35 of title 44 (relating to coordination of Federal Information policy), the Secretary shall encourage each State agency to establish, as its principal means of processing claims for covered outpatient drugs under this subchapter, a point-of-sale electronic claims management system, for the purpose of performing on-line, real time eligibility verifications, claims data capture, adjudication of claims, and assisting pharmacists (and other authorized persons) in applying for and receiving payment.

(2) Encouragement

In order to carry out paragraph (1)—

(A) for calendar quarters during fiscal years 1991 and 1992, expenditures under the State plan attributable to development of a system described in paragraph (1) shall receive Federal financial participation under section 1396b(a)(3)(A)(1) of this title (at a matching rate of 90 percent) if the State acquires, through applicable competitive procurement process in the State, the most cost-effective telecommunications network and automatic data processing services and equipment; and

(B) the Secretary may permit, in the procurement described in subparagraph (A) in the application of part 433 of title 42, Code of Federal Regulations, and parts 135, 205, and 307 of title 45, Code of Federal Regulations, the substitution of the State’s request for proposal in competitive procurement for advance planning and implementation documents otherwise required.

(i) Omitted

(j) Exemption of organized health care settings

(1) Covered outpatient drugs are not subject to the requirements of this section if such drugs are—

(A) dispensed by health maintenance organizations, including Medicaid managed care organizations that contract under section 1396b(m) of this title; and

(B) subject to discounts under section 256b of this title.

(2) The State plan shall provide that a hospital (providing medical assistance under such plan) that dispenses covered outpatient drugs using drug formulary systems, and bills the plan no more than the hospital’s purchasing costs for covered outpatient drugs (as determined under the State plan) shall not be subject to the requirements of this section.

(3) Nothing in this subsection shall be construed as providing that amounts for covered outpatient drugs paid by the institutions described in this subsection should not be taken into account for purposes of determining the best price as described in subsection (c).

(k) Definitions

In this section—

(1) Average manufacturer price

(A) In general

Subject to subparagraph (B), the term “average manufacturer price” means, with respect to a covered outpatient drug of a manufacturer for a rebate period, the average price paid to the manufacturer for the drug in the United States by—

(i) wholesalers for drugs distributed to retail community pharmacies; and

(ii) retail community pharmacies that purchase drugs directly from the manufacturer.

(B) Exclusion of customary prompt pay discounts and other payments

(i) In general

The average manufacturer price for a covered outpatient drug shall exclude—

(I) customary prompt pay discounts extended to wholesalers;

(II) bona fide service fees paid by manufacturers to wholesalers or retail com-
munity pharmacies, including (but not limited to) distribution service fees, inventory management fees, product stocking allowances, and fees associated with administrative services agreements and patient care programs (such as medication compliance programs and patient education programs);

(III) reimbursement by manufacturers for recalled, damaged, expired, or otherwise unsalable returned goods, including (but not limited to) reimbursement for the cost of the goods and any reimbursement of costs associated with return goods handling and processing, reverse logistics, and drug destruction;

(IV) payments received from, and rebates or discounts provided to, pharmacy benefit managers, managed care organizations, health maintenance organizations, insurers, hospitals, clinics, mail order pharmacies, long term care providers, manufacturers, or any other entity that does not conduct business as a wholesaler or a retail community pharmacy, unless the drug is an inhalation, infusion, instilled, implanted, or injectable drug that is not generally dispensed through a retail community pharmacy; and

(V) discounts provided by manufacturers under section 1395w–114a of this title.

(ii) Inclusion of other discounts and payments

Notwithstanding clause (i), any other discounts, rebates, payments, or other financial transactions that are received by, paid by, or passed through to, retail community pharmacies shall be included in the average manufacturer price for a covered outpatient drug.

(C) Exclusion of section 505(c) drugs

In the case of a manufacturer that approves, allows, or otherwise permits any drug of the manufacturer to be sold under the manufacturer’s new drug application approved under section 505(c) of the Federal Food, Drug, and Cosmetic Act [21 U.S.C. 355(c)], such term shall be exclusive of any average price paid for such drug by wholesalers for drugs distributed to retail community pharmacies.

(2) Covered outpatient drug

Subject to the exceptions in paragraph (3), the term “covered outpatient drug” means—

(A) of those drugs which are treated as prescribed drugs for purposes of section 1396d(a)(12) of this title, a drug which may be dispensed only upon prescription (except as provided in paragraph (4)), and—

(i) which is approved for safety and effectiveness as a prescription drug under section 505 [21 U.S.C. 355] or 5071 of the Federal Food, Drug, and Cosmetic Act or which is approved under section 505(f) of such Act [21 U.S.C. 355(j)];

(ii) which was commercially used or sold in the United States before October 10, 1962, or which is identical, similar, or related (within the meaning of section 310.6(b)(1) of title 21 of the Code of Federal Regulations) to such a drug, and (II) which has not been the subject of a final determination by the Secretary that it is a “new drug” (within the meaning of section 201(p) of the Federal Food, Drug, and Cosmetic Act [21 U.S.C. 321(p)] or an action brought by the Secretary under section 301, 302(a), or 304(a) of such Act [21 U.S.C. 331, 332(a), 334(a)] to enforce section 502(f) or 505(a) of such Act [21 U.S.C. 352(f), 355(a)]; or

(iii)(I) which is described in section 107(c)(3) of the Drug Amendments of 1962 and for which the Secretary has determined there is a compelling justification for its medical need, or is identical, similar, or related (within the meaning of section 310.6(b)(1) of title 21 of the Code of Federal Regulations) to such a drug, and (II) for which the Secretary has not issued a notice of an opportunity for a hearing under section 505(e) of the Federal Food, Drug, and Cosmetic Act [21 U.S.C. 355(e)] on a proposed order of the Secretary to withdraw approval of an application for such drug under such section because the Secretary has determined that the drug is less than effective for some or all conditions of use prescribed, recommended, or suggested in its labeling; and

(B) a biological product, other than a vaccine which—

(i) may only be dispensed upon prescription,

(ii) is licensed under section 262 of this title, and

(iii) is produced at an establishment licensed under such section to produce such product; and

(C) insulin certified under section 5061 of the Federal Food, Drug, and Cosmetic Act.

(3) Limiting definition

The term “covered outpatient drug” does not include any drug, biological product, or insulin provided as part of, or as incident to and in the same setting as, any of the following (and for which payment may be made under this subchapter as part of payment for the following and not as direct reimbursement for the drug):

(A) Inpatient hospital services.

(B) Hospice services.

(C) Dental services, except that drugs for which the State plan authorizes direct reimbursement to the dispensing dentist are covered outpatient drugs.

(D) Physicians’ services.

(E) Outpatient hospital services.

(F) Nursing facility services and services provided by an intermediate care facility for the mentally retarded.

(G) Other laboratory and x-ray services.

(H) Renal dialysis.

Such term also does not include any such drug or product for which a National Drug Code number is not required by the Food and Drug Administration or a drug or biological8 used

---

8 So in original. Probably should be “biological product.”
for a medical indication which is not a medically accepted indication. Any drug, biological product, or insulin excluded from the definition of such term as a result of this paragraph shall be treated as a covered outpatient drug for purposes of determining the best price (as defined in subsection (c)(1)(C)) for such drug, biological product, or insulin.

(4) Nonprescription drugs

If a State plan for medical assistance under this subchapter includes coverage of prescribed drugs as described in section 1396d(a)(12) of this title and permits coverage of drugs which may be sold without a prescription (commonly referred to as “over-the-counter” drugs), if they are prescribed by a physician (or other person authorized to prescribe under State law), such a drug shall be regarded as a covered outpatient drug.

(5) Manufacturer

The term “manufacturer” means any entity which is engaged in—

(A) the production, preparation, propagation, compounding, conversion, or processing of prescription drug products, either directly or indirectly by extraction from substances of natural origin, or independently by means of chemical synthesis, or by a combination of extraction and chemical synthesis, or

(B) in the packaging, repackaging, labeling, relabeling, or distribution of prescription drug products.

Such term does not include a wholesale distributor of drugs or a retail pharmacy licensed under State law.

(6) Medically accepted indication

The term “medically accepted indication” means any use for a covered outpatient drug which is approved under the Federal Food, Drug, and Cosmetic Act [21 U.S.C. 301 et seq.] or the use of which is supported by one or more citations included or approved for inclusion in any of the compendia described in subsection (g)(1)(B)(iv).

(7) Multiple source drug; innovator multiple source drug; noninnovator multiple source drug; single source drug

(A) Defined

(i) Multiple source drug

The term “multiple source drug” means, with respect to a rebate period, a covered outpatient drug, including a drug product approved for marketing as a non-prescription drug that is regarded as a covered outpatient drug under paragraph (4), for which there are at least 1 other drug product which—

(I) is rated as therapeutically equivalent (under the Food and Drug Administration’s most recent publication of “Approved Drug Products with Therapeutic Equivalence Evaluations”),

(II) except as provided in subparagraph (B), is pharmaceutically equivalent and bioequivalent, as defined in subparagraph (C) and as determined by the Food and Drug Administration, and

(III) is sold or marketed in the United States during the period.

(ii) Innovator multiple source drug

The term “innovator multiple source drug” means a multiple source drug that is marketed under a new drug application approved by the Food and Drug Administration, unless the Secretary determines that a narrow exception applies (as described in section 447.502 of title 42, Code of Federal Regulations (or any successor regulation)).

(iii) Noninnovator multiple source drug

The term “noninnovator multiple source drug” means a multiple source drug that is not an innovator multiple source drug.

(iv) Single source drug

The term “single source drug” means a covered outpatient drug, including a drug product approved for marketing as a non-prescription drug that is regarded as a covered outpatient drug under paragraph (4), which is produced or distributed under a new drug application approved by the Food and Drug Administration, including a drug product marketed by any cross-licensed producers or distributors operating under the new drug application unless the Secretary determines that a narrow exception applies (as described in section 447.502 of title 42, Code of Federal Regulations (or any successor regulation)). Such term also includes a covered outpatient drug that is a biological product licensed, produced, or distributed under a biologics license application approved by the Food and Drug Administration.

(B) Exception

Subparagraph (A)(i)(II) shall not apply if the Food and Drug Administration changes by regulation the requirement that, for purposes of the publication described in subparagraph (A)(i)(I), in order for drug products to be rated as therapeutically equivalent, they must be pharmaceutically equivalent and bioequivalent, as defined in subparagraph (C).

(C) Definitions

For purposes of this paragraph—

(i) drug products are pharmaceutically equivalent if the products contain identical amounts of the same active drug ingredient in the same dosage form and meet compendial or other applicable standards of strength, quality, purity, and identity; and

(ii) drugs are bioequivalent if they do not present a known or potential bioequivalence problem, or, if they do present such a problem, they are shown to meet an appropriate standard of bioequivalence.

(8) Rebate period

The term “rebate period” means, with respect to an agreement under subsection (a), a calendar quarter or other period specified by the Secretary with respect to the payment of rebates under such agreement.

(9) State agency

The term “State agency” means the agency designated under section 1396a(a)(5) of this
title to administer or supervise the administration of the State plan for medical assistance.

(10) Retail community pharmacy

The term "retail community pharmacy" means an independent pharmacy, a chain pharmacy, a supermarket pharmacy, or a mass merchandiser pharmacy that is licensed as a pharmacy by the State and that dispenses medications to the general public at retail prices. Such term does not include a pharmacy that dispenses prescription medications to patients primarily through the mail, nursing home pharmacies, long-term care facility pharmacies, hospital pharmacies, clinics, charitable or not-for-profit pharmacies, government pharmacies, or pharmacy benefit managers.

(11) Wholesaler

The term "wholesaler" means a drug wholesaler that is engaged in wholesale distribution of prescription drugs to retail community pharmacies, including (but not limited to) repackers, distributors, own-label distributors, private-label distributors, jobbers, brokers, warehouses (including distributor's warehouses, chain drug warehouses, and wholesale drug warehouses) independent wholesale drug traders, and retail community pharmacies that conduct wholesale distributions.


(1) in paragraph (1)(A)–
(A) by striking "of section 1396b(i)(10)(B)" and inserting "of section 1396a(g)(4)";
(B) by striking ", by not later than January 1, 1993,;
(C) by inserting after "gross overuse," the following: "excessive utilization,"; and
(D) by striking "or inappropriate or medically unnecessary care" and inserting "inappropriate or medically unnecessary care, or prescribing or billing practices that indicate abuse or excessive utilization";

(2) in paragraph (2)(B)–
(A) by inserting after "gross overuse," the following: "excessive utilization,"; and
(B) by striking "or inappropriate or medically unnecessary care" and inserting "inappropriate or medically unnecessary care, or prescribing or billing practices that indicate abuse or excessive utilization".

See 2018 Amendment notes below.

REFERENCES IN TEXT

The amendments made by subsections (a)(1), (b), (c), and (d) of section 2501 of the Patient Protection and Affordable Care Act, referred to in subsec. (b)(1)(C)(ii), mean the amendments made by section 2291(a)(11), (b), (c), and (d) of Pub. L. 111–148, which amended this section and section 1396b of this title.


The Internal Revenue Code of 1986, referred to in subsection (c)(1)(D)(ii)(IV)(aa), is classified generally to Title 26, Internal Revenue Code.

Section 256a(a)(4) of this title, referred to in subsection (c)(1)(D)(ii)(IV)(bb), was in the original "section 340B(a)(4) of the Public Health Service Act", and was translated as meaning section 340B(a)(4) of the Public Health Service Act, which defines "covered entity", to reflect the probable intent of Congress.

The Federal Food, Drug, and Cosmetic Act, referred to in subsection (c)(1)(D)(ii)(IV)(ii), is classified generally to chapter 9 (§301 et seq.) of Title 21, Food and Drugs. For complete classification of this Act to the Code, see section 301 of Title 21 and Tables.

Paragraph (4) and subsection (e)(4), referred to in subsections (e)(5) and (f)(1)(D), probably means text that was editorially designated as par. (4) of subsec. (e). See 1993 Amendment note below.


Section 107(c)(3) of the Drug Amendments of 1962, referred to in subsection (c)(2)(C), was intended to be section 2291(a)(11), which is section 107(c)(3) of Pub. L. 87–781 which is set out in an Effective Date of 1962 Amendment note under section 321 of Title 21, Food and Drugs.

Section 506 of the Federal Food, Drug, and Cosmetic Act, referred to in subsection (c)(2)(D), was entitled: Title 21, Food and Drugs. For complete classification of this Act to the Code, see section 301 of Title 21 and Tables.

Codification

Subsec. (1) of this section, which required the Secretary to transmit to the Committee on Finance of the Senate, the Committee on Energy and Commerce of the House of Representatives, and the Committees on Aging of the Senate and the House of Representatives...
an annual report on the operation of this section in the preceding fiscal year, terminated, effective May 15, 2000, pursuant to section 3003 of Pub. L. 101–148, as a note under section 1395w–1(b) of this title. Money and Finance. See, also, item 9 on page 93 of House Document No. 103–7.

PRIOR PROVISIONS

A prior section 1297 of act Aug. 14, 1935, was renumbered section 1939 and is classified to section 1396v of this title.

AMENDMENTS

2019—Subsec. (b)(1)(B). Pub. L. 116–16, § 6(b)(2), inserted “, including amounts received by a State under subsection (c)(4),” after “in any quarter”.


Subsec. (b)(3)(C)(ii). Pub. L. 116–16, § 6(a)(1)(C)(i), inserted “, including drug information related to drug pricing, drug product information, and data related to drug pricing or drug product information,” after “provides information for” and substituted “subject to” for “subject to whether” in heading and “the manufacturer’s new drug application” for “a new drug application” and “exclusive” for “inclusive” in text.


Subsec. (h)(7)(A)(i). Pub. L. 116–16, § 6(c)(2)(B), substituted “, including a drug product approved for marketing as a non-prescription drug that is regarded as a covered outpatient drug under paragraph (4),” after “covered outpatient drug”, “unless the Secretary determines that a narrow exception applies (as described in section 1475(2) of title 42, Code of Federal Regulations (or any successor regulation))” before period at end.

Subsec. (h)(7)(A)(iv). Pub. L. 116–16, § 6(c)(2)(A), (D), substituted “a new drug application” for “an original new drug application” and inserted “, including a drug product approved for marketing as a non-prescription drug that is regarded as a covered outpatient drug under paragraph (4),” after “covered outpatient drug”, “unless the Secretary determines that a narrow exception applies (as described in section 447.502 of title 42, Code of Federal Regulations (or any successor regulation))” before period at end.

Subsec. (k)(11). Pub. L. 116–59, § 1605(b), struck out “manufacturers,” before “repackagers,” and “manufacturer’s” and substituted “packager’s”.

2018—Subsec. (c)(2)(C). Pub. L. 115–127 added cl. (i) to (iii) and struck out introductory provisions and former cl. (i) to (iii) which read as follows: “In the case of a drug that is a line extension of a single source drug or an innovator multiple source drug that is an oral solid dosage form, the rebate obligation with respect to such drug under this section shall be the amount computed under this section for such new drug or, if greater, the product of—

(i) the average manufacturer price of the line extension of a single source drug or an innovator multiple source drug that is an oral solid dosage form;

(ii) the highest additional rebate (calculated as a percentage of average manufacturer price) under this section for any strength of the single source drug or innovator multiple source drug and

(iii) the total number of units of each dosage form and strength of the line extension product as determined by the Secretary, regardless of whether such abuse-deterrent formulation is an extended release formulation”.

2015—Subsec. (c)(3)(A). Pub. L. 114–74, § 602(a)(1), substituted “Except as provided in subparagraph (C), the amount for ‘The amount’”.


2010—Subsec. (a)(5)(B). Pub. L. 111–309 substituted a period for “and a children’s hospital described in section 1395ww(d)(1)(B)(iii) of this title which meets the requirements of clauses (i) and (ii) of section 256b(4)(L) of this title and which would meet the requirements of clause (ii) of such section if such clause were applied by taking into account the percentage of care provided by the hospital to patients eligible for medical assistance under a State plan under this subsection.”

Subsec. (b)(1)(A). Pub. L. 111–148, § 2501(c)(2)(A)(i), inserted “, including such drugs dispensed to individuals enrolled with a medicaid managed care organization if the organization is responsible for coverage of such drugs” after “for such period”.

Subsec. (b)(1)(C). Pub. L. 111–148, § 2501(c)(2)(A)(i), inserted “, including such information reported by each medicaid managed care organization,” after “for which payment was made under the plan during the period,”.

Subsec. (b)(3)(A)(I). Pub. L. 111–148, § 2503(b)(1)(B), which directed insertion, in the second sentence, of “(relating to the weighted average of the most recently reported monthly average manufacturer prices) after ‘(Di)’” was executed by making the insertion in concluding provisions to reflect the probable intent of Congress.

Subsec. (b)(3)(A)(IV). Pub. L. 111–148, § 2503(b)(1)(A), which directed, in the first sentence, addition of cl. (iv) after cl. (iii), was executed by adding cl. (iv) after cl. (iii) to reflect the probable intent of Congress.

Subsec. (b)(3)(D)(V). Pub. L. 111–148, § 2503(b)(2), substituted “the weighted average of the most recently reported monthly average manufacturer prices and the average retail survey price determined for each multiple source drug in accordance with subsection (f)” for “average manufacturer prices”.


Subsec. (j)(1). Pub. L. 111–148, § 2503(c)(2), added par. (1) and struck out former par. (1) which read as follows: “Covered outpatient drugs dispensed by health maintenance organizations, including Medicaid managed care organizations that contract under section 1396b(m) of this title, are not subject to the requirements of this section.”


Subsec. (k)(1)(B). Pub. L. 111–148, § 2503(a)(2)(B), added subpar. (B) and struck out former subpar. (B). Prior to amendment, text read as follows: “The average manufacturer price for a covered outpatient drug shall be determined without regard to customary prompt pay discounts extended to wholesalers.”

Subsec. (k)(1)(B)(i)(IV). Pub. L. 111–226 inserted at end “, unless the drug is an inhalation, infusion, instilled, implanted, or injectable drug that is not generally dispensed through a retail community pharmacy.”

Subsec. (k)(1)(C). Pub. L. 111–148, § 2503(a)(2)(C), substituted “retail community pharmacies” for “the retail pharmacy class of trade”.


Subsec. (k)(7)(C). Pub. L. 111–148, § 2503(a)(3)(B), inserted “and” after semicolon at end of cl. (i), substituted period for “;” and “at” end of cl. (ii), and struck out cl. (iii) which read as follows: “a drug product is considered to be sold or marketed in a State if it appears in a published national listing of average wholesale prices selected by the Secretary, provided that the listed product is generally available to the public through retail pharmacies in that State.”


Subsec. (k)(1)(D)(i)(IV) to (VI). Pub. L. 111–8, §221(a)(1), added subcls. (IV) and (V) and redesignated former subcl. (IV) as (VI).


Subsec. (a)(5)(B). Pub. L. 109–171, §6004(a), inserted before period at end “and a children’s hospital described in section 1396b(m)(3)(B)” after “the” in a drug product is considered to be sold or marketed in a State if it appears in a published national listing of average wholesale prices selected by the Secretary, provided that the listed product is generally available to the public through retail pharmacies in that State.”


Subsec. (b)(3)(A). Pub. L. 109–171, §6001(b)(1)(B), inserted “Beginning July 1, 2006, the Secretary shall provide on a monthly basis to States under subparagraph (D)(iv) the most recently reported average manufacturer prices for single source drugs and for multiple source drugs and shall, on at least a quarterly basis, update the information posted on the website under subparagraph (D)(iv)” at end of concluding provisions.

Subsec. (b)(3)(A)(i). Pub. L. 109–171, §6003(a)(1), added cl. (i) and struck out former cl. (i) which read as follows: “not later than 30 days after the last day of each month of a rebate period under the agreement (beginning on or after January 1, 1991),” on the average manufacturer price (as defined in subsection (k)(1)(C) of this section), customary prompt pay discounts extended to wholesalers, and, for single source drugs and innovator multiple source drugs, the manufacturer’s best price (as defined in subsection (c)(2)(B) of this section) for covered outpatient drugs for the rebate period under the agreement.”

Pub. L. 109–171, §6001(b)(1)(A), (c)(2), inserted “month of a” after “last day of each” and “, customary prompt
pay discounts extended to wholesalers;” after “(k)(1) of this section’’.

Subsec. (b)(3)(A)(ii). Pub. L. 109–171, § 6003(a)(2), inserted “(for such drugs that are sold under a new drug application approved under section 505(c) of the Federal Food, Drug, and Cosmetic Act)” after “‘drugs’”.

Subsec. (b)(3)(A)(iii). Pub. L. 109–171, § 6001(d)(1), inserted “‘‘and, for calendar quarters beginning on or after January 1, 2007 and only with respect to the information described in subclause (III), for covered outpatient drugs’’ before period at end.


Subsec. (c)(1)(C)(i). Pub. L. 109–171, § 6003(b)(1)(A), inserted “‘including the lowest price available to any entity for any such drug of a manufacturer that is sold under a new drug application approved under section 505(c) of the Federal Food, Drug, and Cosmetic Act’” after “‘innovator multiple source drug of a manufacturer’” in introductory provisions.


Subsec. (e)(4). Pub. L. 109–171, § 6001(a)(1), which directed insertion of “(or its successor publications)” after “‘United States Pharmacopeia-Drug Information’”, was executed by making insertion after “‘United States Pharmacopeia-Drug Information’” to reflect the probable intent of Congress.

Subsec. (g)(2)(A)(xi). Pub. L. 109–171, § 6001(b)(2), inserted “‘‘or to require verification of the offer to provide consultation or a refusal of such offer’’” after “period at end of concluding provisions.”

Public Law 108–173. Pub. L. 109–171, § 6001(c)(1), designated existing provisions as subpar. (A), inserted heading, substituted “‘Subject to subparagraph (B), the term’” for “‘The term’”, struck out subpar. (IV) which directed reference to “American Medical Association Drug Evaluations; and”.

Subsec. (g)(2)(B)(i)(II). Pub. L. 109–171, § 6001(b)(2), amended heading and “‘manufacturer’s average sales price’” after “‘dispensed under the plan during the quarter (or such other period as the Secretary may specify)’”, was executed by making the insertion after “‘dispensed under the plan during the quarter or such other period as the Secretary may specify’” to reflect the probable intent of Congress.


1999—Subsec. (a)(1). Pub. L. 106–113, § 1000(a)(6) [title VI, § 608(a)(6)], substituted “‘shall become effective as of the date on which the agreement is entered into or, at State option, on any date thereafter on or before’” for “‘shall not be effective until’”.


Subsec. (i)(1). Pub. L. 106–113, § 1000(a)(6) [title VI, § 608(a)(2)], substituted “‘the operation of this section’” for “‘the operation of this section’”.


Subsec. (j)(1). Pub. L. 105–33, § 4701(b)(2)(A)(x), substituted “‘health maintenance organizations, including those organizations’” for “‘** Health Maintenance Organizations, including those organizations’”.


1993—Subsec. (b)(3)(A)(ii). Pub. L. 104–260, § 1402(a)(2)(D)(i)(II), which directed amendment of subpar. (A) by substituting “‘dispensed after December 31, 1990, for which payment was made under the State plan for such period for’” for “‘dispensed under the plan during the quarter (or other period as the Secretary may specify)’”, was executed by making the substitution for “‘dispensed under the plan during the quarter or such other period as the Secretary may specify’” to reflect the probable intent of Congress.

Subsec. (b)(3)(A)(ii). Pub. L. 104–260, § 1402(a)(2)(A)(i)(II), which directed amendment of subpar. (A) by substituting “‘dispensed after December 31, 1990, for which payment was made under the State plan for such period for’” for “‘dispensed under the plan during the quarter (or other period as the Secretary may specify)’”, was executed by making the substitution for “‘dispensed under the plan during the quarter (or such other period as the Secretary may specify)’” to reflect the probable intent of Congress.
drugs that are paid for by a State after December 31, 2009.’’

Pub. L. 111–148, title II, §252(b), Mar. 23, 2010, 124 Stat. 312, provided that: ‘‘The amendments made by this section [amending this section] shall apply to services furnished on or after January 1, 2014.’’

Pub. L. 111–148, title II, §252(d), Mar. 23, 2010, 124 Stat. 312, provided that: ‘‘The amendments made by this section [amending this section] shall take effect on the first day of the first calendar year quarter that begins at least 180 days after the date of enactment of this Act [Mar. 23, 2010], without regard to whether or not final regulations to carry out such amendments have been promulgated by such date.’’

Amendment by section 3301(d)(2) of Pub. L. 111–148 applicable to drugs dispensed on or after July 1, 2010, see section 3301(d)(3) of Pub. L. 111–148, set out as a note under section 1320a–7b of this title.

Amendment by section 4107(b) of Pub. L. 111–148 effective Oct. 1, 2010, see section 4107(d) of Pub. L. 111–148, set out as a note under section 1396d of this title.

Effective Date of 2009 Amendment


Effective Date of 2006 Amendment


Pub. L. 110–197, title VI, §6001(f)(3), Feb. 8, 2006, 120 Stat. 58, provided that: ‘‘The amendments made by this subsection [amending this section and section 1395x of this title] shall take effect on the date of the enactment of this Act [Feb. 8, 2006].’’

Pub. L. 110–197, title VI, §6001(g), Feb. 8, 2006, 120 Stat. 58, provided that: ‘‘Except as otherwise provided, the amendments made by this section [amending this section and section 1395x of this title] shall take effect on January 1, 2007, without regard to whether or not final regulations to carry out such amendments have been promulgated by such date.’’

Pub. L. 110–197, title VI, §6003(c), Feb. 8, 2006, 120 Stat. 61, provided that: ‘‘The amendments made by this section [amending this section] take effect on January 1, 2007.’’

Pub. L. 110–197, title VI, §6004(b), Feb. 8, 2006, 120 Stat. 61, provided that: ‘‘The amendments made by subsection (a) [amending this section] shall apply to drugs purchased on or after the date of the enactment of this Act [Feb. 8, 2006].’’

Effective Date of 2005 Amendment

Amendment by Pub. L. 109–361 applicable to drugs dispensed on or after Jan. 1, 2006, see section 104(j)(4) of Pub. L. 109–91, set out as a note under section 1396b of this title.

Effective Date of 2003 Amendment


Effective Date of 1999 Amendment

Pub. L. 106–113, div. B, §1000(a)(6) [title VI, §608(b)], Nov. 29, 1999, 113 Stat. 1536, 1561A–396, provided that: ‘‘The amendment made by subsection (a) [amending this section] applies to agreements entered into on or after the date of enactment of this Act [Nov. 29, 1999].’’

Amendment by section 1000(a)(6) [title VI, §608(b)] of Pub. L. 106–113 effective Nov. 29, 1999, see section 1000(a)(6) [title VI, §608(b)] of Pub. L. 106–113 set out as a note under section 1396a of this title.

Effective Date of 1997 Amendment

Amendment by Pub. L. 105–33 effective Aug. 5, 1997, and applicable to contracts entered into or renewed on or after Oct. 1, 1997, see section 4107 of Pub. L. 105–33, set out as a note under section 1396b of this title.

Effective Date of 1993 Amendment


‘‘(1) Except as provided in paragraph (2), the amendments made by this section [amending this section and sections 1396a and 1396b of this title] shall take effect as if included in the enactment of OBRA–1990 [Pub. L. 101–508].’’

‘‘(2) The amendment made by subsection (a)(1) [amending this section] (insofar as such subsection amends section 1927(d) of the Social Security Act [42 U.S.C. 1396r–8(d)]) and the amendment made by subsection (c) [amending section 1396a of this title] shall apply to calendar quarters beginning on or after October 1, 1993, without regard to whether or not regulations to carry out such amendments have been promulgated by such date.’’

Pub. L. 103–18, §2(b), Apr. 12, 1993, 107 Stat. 54, provided that: ‘‘The amendment made by subsection (a) [amending this section] shall take effect as if included in the enactment of OBRA–1992 [Pub. L. 102–585].’’

Effective Date of 1992 Amendment

Pub. L. 102–585, title VI, §601(e), Nov. 4, 1992, 106 Stat. 4966, provided that: ‘‘The amendments made by this section [amending this section] shall apply with respect to payments to State plans under title XIX of the Social Security Act [42 U.S.C. 1396 et seq.] for calendar quarters (or periods) beginning on or after January 1, 1993 (without regard to whether or not regulations to carry out such amendments have been promulgated by such date).’’

Regulations

Pub. L. 109–171, title VI, §6001(c)(3), Feb. 8, 2006, 120 Stat. 55, provided that:

‘‘(A) Inspector General Recommendations.—Not later than June 1, 2006, the Inspector General of the Department of Health and Human Services and Congress such recommendations for changes in such requirements or manner as the Inspector General determines to be appropriate.

‘‘(i) review the requirements for, and manner in which, average manufacturer prices are determined under section 1927 of the Social Security Act [42 U.S.C. 1396r–8], as amended by this section; and

‘‘(ii) shall submit to the Secretary of Health and Human Services and Congress such recommendations for changes in such requirements or manner as the Inspector General determines to be appropriate.

‘‘(B) Deadline for promulgation.—Not later than July 1, 2007, the Secretary of Health and Human Services shall promulgate a regulation that clarifies the requirements for, and manner in which, average manufacturer prices are determined under section 1927 of the Social Security Act, taking into consideration the recommendations submitted to the Secretary in accordance with subparagraph (A)(i).’’

Pharmacy Reimbursement Under Medicaid


‘‘(a) Delay in application of new payment limit for multiple source drugs under Medicaid.—Notwithstanding paragraphs (4) and (5) of subsection (e) of section 1927 of the Social Security Act (42 U.S.C. 1396r–8) or part 447 of title 42, Code of Federal Regulations, as published on July 17, 2007 (72 Federal Register 39142)—

‘‘(1) the specific upper limit under section 447.332 of title 42, Code of Federal Regulations (as in effect on December 31, 2006) applicable to payments made by a
State for multiple source drugs under a State Medicaid plan shall continue to apply through September 30, 2009, for purposes of the availability of Federal financial participation for such payments; and

"(2) the Secretary of Health and Human Services shall not, prior to October 1, 2009, finalize, implement, enforce, or otherwise take any action (through promulgation of regulation, issuance of regulatory guidance, use of Federal payment audit procedures, or other administrative action, policy, or practice, including a Medical Assistance Manual transmittal or letter to State Medicaid directors) to impose the specific upper limit established under section 447.514(b) of title 42, Code of Federal Regulations as published on July 17, 2007 (72 Federal Register 39142).

Temporary Suspension of Updated Publicly Available AMP Data.—Notwithstanding clause (v) of section 1927(b)(3)(D) of the Social Security Act (42 U.S.C. 1396s(b)(3)(D)), the Secretary of Health and Human Services shall not, prior to October 1, 2009, make publicly available any AMP disclosed to the Secretary.

(c) Definitions.—In this subsection:

"(1) The term 'multiple source drug' has the meaning given that term in section 1927(k)(7)(A)(i) of the Social Security Act (42 U.S.C. 1396s(b)(7)(A)(i)).

"(2) The term 'AMP' has the meaning given 'average manufacturer price' in section 1927(k)(1) of the Social Security Act (42 U.S.C. 1396s(b)(1)) and 'AMP' in section 447.504(a) of title 42, Code of Federal Regulations as published on July 17, 2007 (72 Federal Register 39142)."

Application of 2003 Amendment to Physician Specialties

Amendment by section 303 of Pub. L. 108–173, insofar as applicable to payments for drugs or biologicals and drug administration services furnished by physicians, is applicable only to physicians in the specialties of hematology, hematology/oncology, and medical oncology under subchapter XVIII of this chapter, see section 303(b) of Pub. L. 108–173, set out as a note under section 1395u(b) of this title.

Notwithstanding section 303(j) of Pub. L. 108–173 (see note above), amendment by section 303 of Pub. L. 108–173 also applicable to payments for drugs or biologicals and drug administration services furnished by physicians in specialties other than the specialties of hematology, hematology/oncology, and medical oncology, see section 304 of Pub. L. 108–173, set out as a note under section 1395u(b) of this title.

Reports on Best Price Changes and Payment of Rebates

Pub. L. 102–585, title VI, § 601(d), Nov. 4, 1992, 106 Stat. 4965, provided that not later than 90 days after the expiration of each calendar quarter beginning on or after Oct. 1, 1992, and ending on Dec. 31, 1994, the Secretary of Health and Human Services was to submit to Congress a report containing information as to percentage of single source drugs whose best price either increased, decreased, or stayed the same in comparison to best price during previous calendar quarter, median and mean percentage increase or decrease of such price, and, with respect to drugs for which manufacturers were required to pay rebates under subsection (a) of this section, Secretary's best estimate, on State-by-State and national aggregate basis, of total amount of rebates paid under subsection (a) of this section, and (ii) for each qualified pediatric vaccine (as defined in subsection (b)) on or after October 1, 1994, is entitled to receive the immunization without charge for the cost of such vaccine; and

(B) (i) each program-registered provider who administers such a pediatric vaccine to a vaccine-eligible child on or after such date is entitled to receive such vaccine under the program without charge either for the vaccine or its delivery to the provider, and (ii) no vaccine is distributed under the program to a provider unless the provider is a program-registered provider.

Study of Drug Purchasing and Billing Practices in Health Care Industry; Report

Pub. L. 101–508, title IV, § 4401(d), Nov. 5, 1990, 104 Stat. 1388–160, as amended by Pub. L. 104–316, title I, § 1221(i), Oct. 19, 1996, 110 Stat. 3837, provided for various studies and reports as follows: (1) directed Comptroller General to conduct study of drug purchasing and billing activities of various health care systems, and to submit report to Secretary of Health and Human Services and to Congress by not later than May 1, 1991; (2) directed Comptroller General to submit to Secretary and Congress report on changes in prices charged by manufacturers for prescription drugs to Department of Veterans Affairs, other Federal programs, hospital pharmacies, and other purchasing groups and managed care plans; (3) directed Secretary, acting in consultation with Comptroller General, to study prior approval procedures utilized by State medical assistance programs conducted under this subchapter, and to submit report to Congress by not later than Dec. 31, 1991; (4) directed Secretary to conduct study on adequacy of current reimbursement rates to pharmacists under each State medical assistance program conducted under this subchapter, and to submit report to Congress by not later than Dec. 31, 1991; and (5) directed Secretary to undertake study of relationship between State medical assistance plans and Federal and State acquisition and reimbursement policies for vaccines and accessibility of vaccinations and immunization to children, and to report to Congress not later than one year after Nov. 5, 1990.

§ 1396s. Program for distribution of pediatric vaccines

(a) Establishment of program

(1) In general

In order to meet the requirement of section 1396a(a)(62) of this title, each State shall establish a pediatric vaccine distribution program (which may be administered by the State department of health), consistent with the requirements of this section, under which—

(A) each vaccine-eligible child (as defined in subsection (b)), in receiving an immunization with a qualified pediatric vaccine (as defined in subsection (b)(6)) from a program-registered provider (as defined in subsection (c)) on or after October 1, 1994, is entitled to receive the immunization without charge for the cost of such vaccine; and

(B) (i) each program-registered provider who administers such a pediatric vaccine to a vaccine-eligible child on or after such date is entitled to receive such vaccine under the program without charge either for the vaccine or its delivery to the provider, and (ii) no vaccine is distributed under the program to a provider unless the provider is a program-registered provider.
§ 1396s  TITLE 42—THE PUBLIC HEALTH AND WELFARE  Page 3966

(2) Delivery of sufficient quantities of pediatric vaccines to immunize federally vaccine-eligible children
(A) In general
The Secretary shall provide under subsection (d) for the purchase and delivery on behalf of each State meeting the requirement of section 1396a(a)(62) of this title (or, with respect to vaccines administered by an Indian tribe or tribal organization to Indian children, directly to the tribe or organization), without charge to the State, of such quantities of qualified pediatric vaccines as may be necessary for the administration of such vaccines to all federally vaccine-eligible children in the State on or after October 1, 1994. This paragraph constitutes budget authority in advance of appropriations Acts, and represents the obligation of the Federal Government to provide for the purchase and delivery to States of the vaccines (or pay -

(B) Special rules where vaccine is unavailable
To the extent that a sufficient quantity of a vaccine is not available for purchase or delivery under subsection (d), the Secretary shall provide for the purchase and delivery of the available vaccine in accordance with priorities established by the Secretary, with weightings each such price in relation to the prices under the contracts, after determining the amount to pay a State under clause (i) with respect to a pediatric vaccine, that the child is entitled to benefits under a health insurance policy or plan, including a group health plan, a prepaid health plan, or an employee benefit plan under the Employee Retirement Income Security Act of 1974 [29 U.S.C. 1001 et seq.]; and

(ii) The term "insured" means, with respect to a child—
(I) for purposes of subparagraph (A)(ii), that the child is enrolled under, and entitled to benefits under, a health insurance policy or plan, including a group health plan, a prepaid health plan, or an employee welfare benefit plan under the Employee Retirement Income Security Act of 1974 [29 U.S.C. 1001 et seq.]; and
(II) for purposes of subparagraph (A)(iii)(II) with respect to a pediatric vaccine, the value of the quantity of vaccine under contracts under subsection (d), if more than 1 such contract is in effect, the Secretary shall determine such value on the basis of the average of the prices under the contracts, after weighting each such price in relation to the quantity of vaccine under the contract involved.

(b) Vaccine-eligible children
For purposes of this section:
(1) In general
The term “vaccine-eligible child” means a child who is a federally vaccine-eligible child (as defined in paragraph (2)) or a State vaccine-eligible child (as defined in paragraph (3)).

(2) Federally vaccine-eligible child
(A) In general
The term “federally vaccine-eligible child” means any of the following children:
(i) A medically-eligible child.
(ii) A child who is not insured.
(iii) A child who is administered a qualified pediatric vaccine by a federally-qualified health center (as defined in section 1396d(l)(2)(B) of this title) or a rural health clinic (as defined in section 1396d(l)(1) of this title), and (II) is not insured with respect to the vaccine.
(iv) A child who is an Indian (as defined in subsection (h)(3)).

(B) Definitions
In subparagraph (A):
(I) The term “medically-eligible” means, with respect to a child, a child who is entitled to medical assistance under a state plan approved under this subchapter.
(II) for purposes of subparagraph (A)(ii), that the child is enrolled under, and entitled to benefits under, a health insurance policy or plan, including a group health plan, a prepaid health plan, or an employee welfare benefit plan under the Employee Retirement Income Security Act of 1974 [29 U.S.C. 1001 et seq.]; and
(III) for purposes of subparagraph (A)(i)(II) with respect to a pediatric vaccine, that the child is enrolled under, and entitled to benefits under such a health insurance policy or plan, but such benefits are not available with respect to the cost of the pediatric vaccine.

(3) State vaccine-eligible child
The term “State vaccine-eligible child” means, with respect to a State and a qualified pediatric vaccine, a child who is within a class of children for which the State is purchasing the vaccine pursuant to subsection (d)(4)(B).

(c) Program-registered providers
(1) Defined
In this section, except as otherwise provided, the term “program-registered provider” means, with respect to a State, any health care provider that—
(A) is licensed or otherwise authorized for administration of pediatric vaccines under the law of the State in which the administration occurs (subject to section 254(e) of this title), without regard to whether or not the provider participates in the plan under this subchapter;
(II) submits to the State an executed provider agreement described in paragraph (2); and
(III) has not been found, by the Secretary or the State, to have violated such agreement or other applicable requirements established

1So in original. Probably should be capitalized.
(2) Provider agreement

A provider agreement for a provider under this paragraph is an agreement (in such form and manner as the Secretary may require) that the provider agrees as follows:

(A)(i) Before administering a qualified pediatric vaccine to a child, the provider will ask a parent of the child such questions as are necessary to determine whether the child is a vaccine-eligible child, but the provider need not independently verify the answers to such questions.

(ii) The provider will, for a period of time specified by the Secretary, maintain records of responses made to the questions.

(iii) The provider will, upon request, make such records available to the State and to the Secretary, subject to section 1396a(a)(7) of this title.

(B)(i) Subject to clause (ii), the provider will comply with the schedule, regarding the appropriate periodicity, dosage, and contraindications applicable to pediatric vaccines, that is established and periodically reviewed and, as appropriate, revised by the advisory committee referred to in subsection (e), except in such cases as, in the provider's medical judgment subject to accepted medical practice, such compliance is medically inappropriate.

(ii) The provider will provide pediatric vaccines in compliance with applicable State law, including any such law relating to any religious or other exemption.

(C)(i) In administering a qualified pediatric vaccine to a vaccine-eligible child, the provider will not impose a charge for the cost of the vaccine. A program-registered provider is not required under this section to administer such a vaccine to each child for whom an immunization with the vaccine is sought from the provider.

(ii) The provider may impose a fee for the administration of a qualified pediatric vaccine so long as the fee in the case of a federally vaccine-eligible child does not exceed the costs of such administration (as determined by the Secretary based on actual regional costs for such administration).

(iii) The provider will not deny administration of a qualified pediatric vaccine to a vaccine-eligible child due to the inability of the child's parent to pay an administration fee.

(3) Encouraging involvement of providers

Each program under this section shall provide, in accordance with criteria established by the Secretary:

(A) for encouraging the following to become program-registered providers: private health care providers, the Indian Health Service, health care providers that receive funds under title V of the Indian Health Care Improvement Act [25 U.S.C. 161 et seq.], and health programs or facilities operated by Indian tribes or tribal organizations; and

(B) for identifying, with respect to any population of vaccine-eligible children a substantial portion of whose parents have a limited ability to speak the English language, those program-registered providers who are able to communicate with the population involved in the language and cultural context that is most appropriate.

(4) State requirements

Except as the Secretary may permit in order to prevent fraud and abuse and for related purposes, a State may not impose additional qualifications or conditions, in addition to the requirements of paragraph (1), in order that a provider qualify as a program-registered provider under this section. This subsection does not limit the exercise of State authority under section 1396a(b) of this title.

(d) Negotiation of contracts with manufacturers

(1) In general

For the purpose of meeting obligations under this section, the Secretary shall negotiate and enter into contracts with manufacturers of pediatric vaccines consistent with the requirements of this subsection and, to the maximum extent practicable, consolidate such contracting with any other contracting activities conducted by the Secretary to purchase vaccines. The Secretary may enter into such contracts under which the Federal Government is obligated to make outlays, the budget authority for which is not provided for in advance in appropriations Acts, for the purchase and delivery of pediatric vaccines under subsection (a)(2)(A).

(2) Authority to decline contracts

The Secretary may decline to enter into such contracts and may modify or extend such contracts.

(3) Contract price

(A) In general

The Secretary, in negotiating the prices at which pediatric vaccines will be purchased and delivered from a manufacturer under this subsection, shall take into account quantities of vaccines to be purchased by States under the option under paragraph (4)(B).

(B) Negotiation of discounted price for current vaccines

With respect to contracts entered into under this subsection for a pediatric vaccine for which the Centers for Disease Control and Prevention has a contract in effect under section 247b(j)(1) of this title as of May 1, 1993, no price for the purchase of such vaccine for vaccine-eligible children shall be agreed to by the Secretary under this subsection if the price per dose of such vaccine (including delivery costs and any applicable excise tax established under section 4131 of the Internal Revenue Code of 1986) exceeds the price per dose for the vaccine in effect under such a contract as of such date increased by the percentage increase in the consumer price index for all urban consumers (all items; United States city average) from May 1993 to the month before the month in which such contract is entered into.
(C) Negotiation of discounted price for new vaccines

With respect to contracts entered into for a pediatric vaccine not described in subparagraph (B), the price for the purchase of such vaccine shall be a discounted price negotiated by the Secretary that may be established without regard to such subparagraph.

(4) Quantities and terms of delivery

Under such contracts—
(A) the Secretary shall provide, consistent with paragraph (6), for the purchase and delivery on behalf of States (and tribes and tribal organizations) of quantities of pediatric vaccines for federally vaccine-eligible children; and
(B) each State, at the option of the State, shall be permitted to obtain additional quantities of pediatric vaccines (subject to amounts specified to the Secretary by the State in advance of negotiations) through purchasing the vaccines from the manufacturers at the applicable price negotiated by the Secretary consistent with paragraph (3), if (i) the State agrees that the vaccines will be used to provide immunizations only for children who are not federally vaccine-eligible children and (ii) the State provides to the Secretary such information (at a time and manner specified by the Secretary, including in advance of negotiations under paragraph (1)) as the Secretary determines to be necessary, to provide for quantities of pediatric vaccines for the State to purchase pursuant to this subsection and to determine annually the percentage of the vaccine market that is purchased pursuant to this section and this subparagraph.

The Secretary shall enter into the initial negotiations under the preceding sentence not later than 180 days after August 10, 1993.

(5) Charges for shipping and handling

The Secretary may enter into a contract referred to in paragraph (1) only if the manufacturer involved agrees to submit to the Secretary such reports as the Secretary determines to be appropriate to assure compliance with the contract and if, with respect to a State program under this section that does not provide for the direct delivery of qualified pediatric vaccines, the manufacturer involved agrees that the manufacturer will provide for the delivery of the vaccines on behalf of the State in accordance with such program and will not impose any charges for the costs of such delivery (except to the extent such costs are provided for in the price established under paragraph (3)).

(6) Assuring adequate supply of vaccines

The Secretary, in negotiations under paragraph (1), shall negotiate for quantities of pediatric vaccines such that an adequate supply of such vaccines will be maintained to meet unanticipated needs for the vaccines. For purposes of the preceding sentence, the Secretary shall negotiate for a 6-month supply of vaccines in advance to the quantity that the Secretary otherwise would provide for in such negotiations. In carrying out this paragraph, the Secretary shall consider the potential for outbreaks of the diseases with respect to which the vaccines have been developed.

(7) Multiple suppliers

In the case of the pediatric vaccine involved, the Secretary shall, as appropriate, enter into a contract referred to in paragraph (1) with each manufacturer of the vaccine that meets the terms and conditions of the Secretary for an award of such a contract (including terms and conditions regarding safety and quality). With respect to multiple contracts entered into pursuant to this paragraph, the Secretary may have in effect different prices under each of such contracts and, with respect to a purchase by States pursuant to paragraph (4)(B), the Secretary shall determine which of such contracts will be applicable to the purchase.

(e) Use of pediatric vaccines list

The Secretary shall use, for the purpose of the purchase, delivery, and administration of pediatric vaccines under this section, the list established (and periodically reviewed and as appropriate revised) by the Advisory Committee on Immunization Practices (an advisory committee established by the Secretary, acting through the Director of the Centers for Disease Control and Prevention).

(f) Requirement of State maintenance of immunization laws

In the case of a State that had in effect as of May 1, 1993, a law that requires some or all health insurance policies or plans to provide some coverage with respect to a pediatric vaccine, a State program under this section does not comply with the requirements of this section unless the State certifies to the Secretary that the State has not modified or repealed such law in a manner that reduces the amount of coverage so required.

(g) Termination

This section, and the requirement of section 1396a(a)(62) of this title, shall cease to be in effect beginning on such date as may be prescribed in Federal law providing for immunization services for all children as part of a broad-based reform of the national health care system.

(h) Definitions

For purposes of this section:
(1) The term “child” means an individual 18 years of age or younger.
(2) The term “immunization” means an immunization against a vaccine-preventable disease.
(3) The terms “Indian”, “Indian tribe” and “tribal organization” have the meanings given such terms in section 4 of the Indian Health Care Improvement Act [25 U.S.C. 1603].
(4) The term “manufacturer” means any corporation, organization, or institution, whether public or private (including Federal, State, and local departments, agencies, and instrumentalities), which manufactures, imports, processes, or distributes under its label any pediatric vaccine. The term “manufacture” means to manufacture, import, process, or distribute a vaccine.
(5) The term "parent" includes, with respect to a child, an individual who qualifies as a legal guardian under State law.

(6) The term "pediatric vaccine" means a vaccine included on the list under subsection (e).

(7) The term "program-registered provider" has the meaning given such term in subsection (c).

(8) The term "qualified pediatric vaccine" means a pediatric vaccine with respect to which a contract is in effect under subsection (d).

(9) The terms "vaccine-eligible child", "federally vaccine-eligible child", and "State vaccine-eligible child" have the meaning given such terms in subsection (b).


REFERENCES IN TEXT


PRIOR PROVISIONS


EFFECTIVE DATE

Section applicable to payments under State plans approved under this subchapter for calendar quarters beginning on or after Oct. 1, 1994, see section 13631(i) of Pub. L. 103–66, set out as an Effective Date of 1993 amendments under section 1396a of this title.

§ 1396t. Home and community care for functionally disabled elderly individuals

(a) "Home and community care" defined

In this subchapter, the term "home and community care" means one or more of the following services furnished to an individual who has been determined, after an assessment under subsection (c), to be a functionally disabled elderly individual, furnished in accordance with an individual community care plan (established and periodically reviewed and revised by a qualified community care case manager under subsection (d)):

(1) Homemaker/home health aide services.
(2) Chore services.
(3) Personal care services.
(4) Nursing care services provided by, or under the supervision of, a registered nurse.
(5) Respite care.
(6) Training for family members in managing the individual.
(7) Adult day care.

(b) "Functionally disabled elderly individual" defined

(1) In general

In this subchapter, the term "functionally disabled elderly individual" means an individual who—

(A) is 65 years of age or older,

(B) is determined to be a functionally disabled individual under subsection (c), and

(C) subject to section 1396a(i) of this title (as applied consistent with section 1396a(r)(2) of this title), is receiving supplemental security income benefits under subchapter XVI or (or under a State plan approved under subchapter XVI or, at the option of the State, is described in section 1396a(a)(10)(C) of this title.

(2) Treatment of certain individuals previously covered under a waiver

(A) In the case of a State which—

(i) at the time of its election to provide coverage for home and community care under this section has a waiver approved under section 1396n of this title with respect to individuals 65 years of age or older, and

(ii) subsequently discontinues such waiver, individuals who were eligible for benefits under the waiver as of the date of its discontinuance and who, but for income or resources, be eligible for medical assistance for home and community care under the plan shall, notwithstanding any other provision of this subchapter, be deemed a functionally disabled elderly individual for so long as the individual would have remained eligible for medical assistance under such waiver.

(B) In the case of a State which used a health insuring organization before January 1, 1986, and which, as of December 31, 1990, had in effect a waiver under section 1315 of this title that provides under the State plan under this subchapter for personal care services for functionally disabled individuals, the term "functionally disabled elderly individual" may include, at the option of the State, an individual who—

(i) is 65 years of age or older or is disabled (as determined under the supplemental security income program under subchapter XVI);

(ii) is determined to meet the test of functional disability applied under the waiver as of such date; and

(iii) meets the resource requirement and income standard that apply in the State to
§ 1396t

(3) Use of projected income

In applying section 1396b(f)(1) of this title in determining the eligibility of an individual (described in section 1396a(a)(10)(C) of this title) for medical assistance for home and community care, a State may, at its option, provide for the determination of the individual’s anticipated medical expenses (to be deducted from income) over a period of up to 6 months.

(c) Determinations of functional disability

(1) In general

In this section, an individual is “functionally disabled” if the individual—
(A) is unable to perform without substantial assistance from another individual at least 2 of the following 3 activities of daily living: toileting, transferring, and eating; or
(B) has a primary or secondary diagnosis of Alzheimer’s disease and is (i) unable to perform without substantial human assistance (including verbal reminding or physical cueing) or supervision at least 2 of the following 5 activities of daily living: bathing, dressing, toileting, transferring, and eating; or (ii) cognitively impaired so as to require substantial supervision from another individual because he or she engages in inappropriate behaviors that pose serious health or safety hazards to himself or herself or others.

(2) Assessments of functional disability

(A) Requests for assessments

If a State has elected to provide home and community care under this section, upon the request of an individual who is 65 years of age or older and who meets the requirements of subsection (b)(1)(C) (or another person on such individual’s behalf), the State shall provide for a comprehensive functional assessment under this subparagraph which—
(i) is used to determine whether or not the individual is functionally disabled,
(ii) is based on a uniform minimum data set specified by the Secretary under subparagraph (C)(i), and
(iii) uses an instrument which has been specified by the State under subparagraph (B).

No fee may be charged for such an assessment.

(B) Specification of assessment instrument

The State shall specify the instrument to be used in the State in complying with the requirement of subparagraph (A)(iii) which instrument shall be—
(i) one of the instruments designated under subparagraph (C)(ii); or
(ii) an instrument which the Secretary has approved as being consistent with the minimum data set of core elements, common definitions, and utilization guidelines specified by the Secretary in subparagraph (C)(i).

(C) Specification of assessment data set and instruments

The Secretary shall—

(ii) by not later than July 1, 1991, designate one or more instruments which are consistent with the specification made under subparagraph (A) and which a State may specify under subparagraph (B) for use in complying with the requirements of subparagraph (A).

(D) Periodic review

Each individual who qualifies as a functionally disabled elderly individual shall have the individual’s assessment periodically reviewed and revised not less often than once every 12 months.

(E) Conduct of assessment by interdisciplinary teams

An assessment under subparagraph (A) and a review under subparagraph (D) must be conducted by an interdisciplinary team designated by the State. The Secretary shall permit a State to provide for assessments and reviews through teams under contracts—
(i) with public organizations; or
(ii) with nonpublic organizations which do not provide home and community care or nursing facility services and do not have a direct or indirect ownership or control interest in, or direct or indirect affiliation or relationship with, an entity that provides, community care or nursing facility services.

(F) Contents of assessment

The interdisciplinary team must—
(i) identify in each such assessment or review each individual’s functional disabilities and need for home and community care, including information about the individual’s health status, home and community environment, and informal support system; and
(ii) based on such assessment or review, determine whether the individual is (or continues to be) functionally disabled.

The results of such an assessment or review shall be used in establishing, reviewing, and revising the individual’s ICCP under subsection (d)(1).

(G) Appeal procedures

Each State which elects to provide home and community care under this section must have in effect an appeals process for individuals adversely affected by determinations under subparagraph (F).

(d) Individual community care plan (ICCP)

(1) “Individual community care plan” defined

In this section, the terms “individual community care plan” and “ICCP” mean, with respect to a functionally disabled elderly individual, a written plan which—
(A) is established, and is periodically reviewed and revised, by a qualified case manager after a face-to-face interview with the individual or primary caregiver and based upon the most recent comprehensive functional assessment of such individual conducted under subsection (c)(2);

(B) specifies, within any amount, duration, and scope limitations imposed on home and community care provided under the State plan, the home and community care to be provided to such individual under the plan, and indicates the individual’s preferences for the types and providers of services; and

(C) may specify other services required by such individual.

An ICCP may also designate the specific providers (qualified to provide home and community care under the State plan) which will provide the home and community care described in subparagraph (B). Nothing in this section shall be construed as authorizing an ICCP or the State to restrict the specific persons or individuals (who are competent to provide home and community care under the State plan) who will provide the home and community care described in subparagraph (B).

(2) “Qualified community care case manager” defined

In this section, the term “qualified community care case manager” means a nonprofit or public agency or organization which—

(A) has experience or has been trained in establishing, and in periodically reviewing and revising, individual community care plans and in the provision of case management services to the elderly;

(B) is responsible for (i) assuring that home and community care covered under the State plan and specified in the ICCP is being provided, (ii) visiting each individual’s home or community setting where care is being provided not less often than once every 90 days, and (iii) informing the elderly individual or primary caregiver on how to contact the case manager if service providers fail to properly provide services or other similar problems occur;

(C) in the case of a nonprofit agency, does not provide home and community care or nursing facility services and does not have a direct or indirect ownership or control interest in, or direct or indirect affiliation or relationship with, an entity that provides, home and community care or nursing facility services;

(D) has procedures for assuring the quality of case management services that includes a peer review process;

(E) completes the ICCP in a timely manner and reviews and discusses new and revised ICCPs with elderly individuals or primary caregivers; and

(F) meets such other standards, established by the Secretary, as to assure that—

(i) such a manager is competent to perform case management functions;

(ii) individuals whose home and community care they manage are not at risk of financial exploitation due to such a manager; and

(iii) meets such other standards as the State may establish.

The Secretary may waive the requirement of subparagraph (C) in the case of a nonprofit agency located in a rural area.

(3) Appeals process

Each State which elects to provide home and community care under this section must have in effect an appeals process for individuals who disagree with the ICCP established.

(e) Ceiling on payment amounts and maintenance of effort

(1) Ceiling on payment amounts

Payments may not be made under section 1396b(a) of this title to a State for home and community care provided under this section in a quarter to the extent that the medical assistance for such care in the quarter exceeds 50 percent of the product of—

(A) the average number of individuals in the quarter receiving such care under this section;

(B) the average per diem rate of payment which the Secretary has determined (before the beginning of the quarter) will be payable under subchapter XVIII (without regard to coinsurance) for extended care services to be provided in the State during such quarter; and

(C) the number of days in such quarter.

(2) Maintenance of effort

(A) Annual reports

As a condition for the receipt of payment under section 1396b(a) of this title with respect to medical assistance provided by a State for home and community care (other than a waiver under section 1396n(c) of this title and other than home health care services described in section 1396d(a)(7) of this title and personal care services specified under regulations under section 1396d(a)(23) of this title), the State shall report to the Secretary, with respect to each Federal fiscal year (beginning with fiscal year 1990) and in a format developed or approved by the Secretary, the amount of funds obligated by the State with respect to the provision of home and community care to the functionally disabled elderly in that fiscal year.

(B) Reduction in payment if failure to maintain effort

If the amount reported under subparagraph (A) by a State with respect to a fiscal year is less than the amount reported under subparagraph (A) with respect to fiscal year 1989, the Secretary shall provide for a reduction in payments to the State under section 1396b(a) of this title in an amount equal to the difference between the amounts so reported.

(f) Minimum requirements for home and community care

(1) Requirements

Home and Community care provided under this section must meet such requirements for

1So in original. Probably should not be capitalized.
individuals’ rights and quality as are published or developed by the Secretary under subsection (k). Such requirements shall include—

(A) the requirement that individuals providing care are competent to provide such care; and

(B) the rights specified in paragraph (2).

(2) Specified rights

The rights specified in this paragraph are as follows:

(A) The right to be fully informed in advance, orally and in writing, of the care to be provided, and (except with respect to an individual determined incompetent) to participate in planning care or changes in care.

(B) The right to voice grievances with respect to services that are (or fail to be) furnished without discrimination or reprisal for voicing grievances, and to be told how to complain to State and local authorities.

(C) The right to confidentiality of personal and clinical records.

(D) The right to privacy and to have one’s property treated with respect.

(E) The right to refuse all or part of any care and to be informed of the likely consequences of such refusal.

(F) The right to education or training for oneself and for members of one’s family or household on the management of care.

(G) The right to be free from physical or mental abuse, corporal punishment, and any physical or chemical restraints imposed for purposes of discipline or convenience and not included in an individual’s ICCP.

(H) The right to be fully informed orally and in writing of the individual’s rights.

(I) Guidelines for such minimum compensation for individuals providing such care as will assure the availability and continuity of competent individuals to provide such care for functionally disabled individuals who have functional disabilities of varying levels of severity.

(J) Any other rights established by the Secretary.

(g) Minimum requirements for small community care settings

(1) “Small community care setting” defined

In this section, the term “small community care setting” means—

(A) a nonresidential setting in which more than 8 individuals are served; or

(B) a residential setting in which more than 8 unrelated adults reside and in which personal services are provided in conjunction with residing in the setting in which home and community care under this section is provided.

(2) Minimum requirements

A small community care setting in which community care is provided under this section must—

(A) meet such requirements as are published or developed by the Secretary under subsection (k);

(B) meet the requirements of paragraphs (1)(A), (1)(C), (1)(D), (3), and (6) of section 1396r(c) of this title, to the extent applicable to such a setting;

(C) inform each individual receiving community care under this section in the setting, orally and in writing at the time the individual first receives community care in the setting, of the individual’s legal rights with respect to such a setting and the care provided in the setting;

(D) meet any applicable State or local requirements regarding certification or licensure;

(E) meet any applicable State and local requirements regarding certification or licensure; and

(F) be designed, constructed, equipped, and maintained in a manner to protect the health and safety of residents.

(h) Minimum requirements for large community care settings

(1) “Large community care setting” defined

In this section, the term “large community care setting” means—

(A) a nonresidential setting that serves more than 2 and less than 8 individuals; or

(B) a residential setting in which more than 8 unrelated adults reside and in which personal services are provided in conjunction with residing in the setting.

(2) Minimum requirements

A large community care setting in which community care is provided under this section must—

(A) meet such requirements as are published or developed by the Secretary under subsection (k);

(B) meet the requirements of paragraphs (1)(A), (1)(C), (1)(D), (3), and (6) of section 1396r(d) of this title, to the extent applicable to such a setting;

(C) inform each individual receiving community care under this section in the setting, orally and in writing at the time the individual first receives home and community care in the setting, of the individual’s legal rights with respect to such a setting and the care provided in the setting; and

(D) meet the requirements of paragraphs (2) and (3) of section 1396r(d) of this title (relating to administration and other matters) in the same manner as such requirements apply to nursing facilities under such section; except that, in applying the requirement of section 1396r(d)(2) of this title (relating to life safety code), the Secretary shall provide for the application of such life safety requirements (if any) that are appropriate to the setting.

(3) Disclosure of ownership and control interests and exclusion of repeated violators

A community care setting—

(A) must disclose persons with an ownership or control interest (including such persons as defined in section 1320a-3(a)(3) of this title) in the setting; and

(B) may not have, as a person with an ownership or control interest in the setting, any
individual or person who has been excluded from participation in the program under this subchapter or who has had such an ownership or control interest in one or more community care settings which have been found repeatedly to be understated to or to have failed to meet the requirements of paragraph (2).

(i) Survey and certification process

(1) Certifications

(A) Responsibilities of the State

Under each State plan under this subchapter, the State shall be responsible for certifying the compliance of providers of home and community care and community care settings with the applicable requirements of subsections (f), (g) and (h). The failure of the Secretary to issue regulations to carry out this subsection shall not relieve a State of its responsibility under this subsection.

(B) Responsibilities of the Secretary

The Secretary shall be responsible for certifying the compliance of State providers of home and community care, and of State community care settings in which such care is provided, with the requirements of subsections (f), (g) and (h).

(C) Frequency of certifications

Certification of providers and settings under this subsection shall occur no less frequently than once every 12 months.

(2) Reviews of providers

(A) In general

The certification under this subsection with respect to a provider of home or community care must be based on a periodic review of the provider’s performance in providing the care required under ICCP’s in accordance with the requirements of subsection (f).

(B) Special reviews of compliance

Where the Secretary has reason to question the compliance of a provider of home or community care with any of the requirements of subsection (f), the Secretary may conduct a review of the provider and, on the basis of that review, make independent and binding determinations concerning the extent to which the provider meets such requirements.

(3) Surveys of community care settings

(A) In general

The certification under this subsection with respect to community care settings must be based on a survey. Such survey for such a setting must be conducted without prior notice to the setting. Any individual who notifies (or causes to be notified) a community care setting of the time or date on which such a survey is scheduled to be conducted is subject to a civil money penalty of not to exceed $2,000. The provisions of section 1320a-7a of this title (other than subsections (a) and (b)) shall apply to a civil money penalty under the previous sentence in the same manner as such provisions apply to a penalty or proceeding under section 1320a-7a(a) of this title. The Secretary shall review each State’s procedures for scheduling and conducting such surveys to assure that the State has taken all reasonable steps to avoid giving notice of such a survey through the scheduling procedures and the conduct of the surveys themselves.

(B) Survey protocol

Surveys under this paragraph shall be conducted based upon a protocol which the Secretary has provided for under subsection (k).

(C) Prohibition of conflict of interest in survey team membership

A State and the Secretary may not use as a member of a survey team under this paragraph an individual who is serving (or has served within the previous 2 years) as a member of the staff of, or as a consultant to, the community care setting being surveyed (or the person responsible for such setting) respecting compliance with the requirements of subsection (g) or (h) or who has a personal or familial financial interest in the setting being surveyed.

(D) Validation surveys of community care settings

The Secretary shall conduct onsite surveys of a representative sample of community care settings in each State, within 2 months of the date of surveys conducted under subparagraph (A) by the State, in a sufficient number to allow inferences about the adequacies of each State’s surveys conducted under subparagraph (A). In conducting such surveys, the Secretary shall use the same survey protocols as the State is required to use under subparagraph (B). If the State has determined that an individual setting meets the requirements of subsection (g), but the Secretary determines that the setting does not meet such requirements, the Secretary’s determination as to the setting’s noncompliance with such requirements is binding and supersedes that of the State survey.

(E) Special surveys of compliance

Where the Secretary has reason to question the compliance of a community care setting with any of the requirements of subsection (g) or (h), the Secretary may conduct a survey of the setting and, on the basis of that survey, make independent and binding determinations concerning the extent to which the setting meets such requirements.

(4) Investigation of complaints and monitoring of providers and settings

Each State and the Secretary shall maintain procedures and adequate staff to investigate complaints of violations of applicable requirements imposed on providers of community care or on community care settings under subsections (f), (g) and (h).

(5) Investigation of allegations of individual neglect and abuse and misappropriation of individual property

The State shall provide, through the agency responsible for surveys and certification of
providers of home or community care and community care settings under this sub-
section, for a process for the receipt, review, and investigation of allegations of individual
neglect and abuse (including injuries of unknown source) by individuals providing such
care or in such setting and of misappropriation of individual property by such indi-
viduals. The State shall, after notice to the individual involved and a reasonable opportu-

nity for hearing for the individual to rebut allegations, make a finding as to the accuracy of the
allegations. If the State finds that an individual has neglected or abused an individual re-
ceiving community care or misappropriated such individual’s property, the State shall no-
tify the individual against whom the finding is made. A State shall not make a finding that a
person has neglected an individual receiving community care if the person demonstrates
that such neglect was caused by factors beyond the control of the person. The State shall
provide for public disclosure of findings under this paragraph upon request and for inclusion,
in any such disclosure of such findings, of any brief statement (or of a clear and accurate
summary thereof) of the individual disputing such findings.

(6) Disclosure of results of inspections and ac-
tivities

(A) Public information

Each State, and the Secretary, shall make
available to the public—
(i) information respecting all surveys,
reviews, and certifications made under
this subsection respecting providers of
home or community care and community
care settings, including statements of defi-
ciencies,
(ii) copies of cost reports (if any) of such
providers and settings filed under this sub-
chapter,
(iii) copies of statements of ownership
under section 1320a–3 of this title, and
(iv) information disclosed under section
1320a–5 of this title.

(B) Notices of substandard care

If a State finds that—
(i) a provider of home or community care
has provided care of substandard quality
with respect to an individual, the State
shall make a reasonable effort to notify
promptly (I) an immediate family member
of each such individual and (II) individuals
receiving home or community care from
that provider under this subchapter, or
(ii) a community care setting is sub-
standard, the State shall make a reason-
able effort to notify promptly (I) individu-
als receiving community care in that set-
ting, and (II) immediate family members
of such individuals.

(C) Access to fraud control units

Each State shall provide its State medic-
aid fraud and abuse control unit (established
under section 1396b(q) of this title) with ac-
cess to all information of the State agency
responsible for surveys, reviews, and certifi-
cations under this subsection.

(j) Enforcement process for providers of commu-
nity care

(1) State authority

(A) In general

If a State finds, on the basis of a review
under subsection (1)(2) or otherwise, that a
provider of home or community care no
longer meets the requirements of this sec-
tion, the State may terminate the provider’s
participation under the State plan and may
provide in addition for a civil money pen-
alty. Nothing in this subparagraph shall be
construed as restricting the remedies avail-
able to a State to remedy a provider’s defi-
ciences. If the State finds that a provider
meets such requirements but, as of a pre-
vious period, did not meet such require-
ments, the State may provide for a civil
money penalty under paragraph (2)(A) for
the period during which it finds that the pro-
vider was not in compliance with such re-
quirements.

(B) Civil money penalty

(i) In general

Each State shall establish by law
(whether statute or regulation) at least
the following remedy: A civil money pen-
alty assessed and collected, with interest,
for each day in which the provider is or
was out of compliance with a requirement
of this section. Funds collected by a State
as a result of imposition of such a penalty
(or as a result of the imposition by the
State of a civil money penalty under sub-
section (1)(3)(A)) may be applied to reim-
bursement of individuals for personal
funds lost due to a failure of home or com-
munity care providers to meet the require-
ments of this section. The State also shall
specify criteria, as to when and how this
remedy is to be applied and the amounts of
any penalties. Such criteria shall be de-
signed so as to minimize the time between
the identification of violations and final
imposition of the penalties and shall pro-
vide for the imposition of incrementally
more severe penalties for repeated or un-
corrected deficiencies.

(ii) Deadline and guidance

Each State which elects to provide home
and community care under this section
must establish the civil money penalty
remedy described in clause (i) applicable
to all providers of community care covered
under this section. The Secretary shall
provide, through regulations or otherwise
by not later than July 1, 1990, guidance to
States in establishing such remedy; but
the failure of the Secretary to provide
such guidance shall not relieve a State of
the responsibility for establishing such
remedy.

(2) Secretarial authority

(A) For State providers

With respect to a State provider of home
or community care, the Secretary shall have
the authority and duties of a State under
this subsection, except that the civil money penalty remedy described in subparagraph (C) shall be substituted for the civil money penalty remedy described in paragraph (1)(B)(i).

(B) Other providers

With respect to any other provider of home or community care in a State, if the Secretary finds that a provider no longer meets a requirement of this section, the Secretary may terminate the provider's participation under the State plan and may provide, in addition, for a civil money penalty under subparagraph (C). If the Secretary finds that a provider meets such requirements but, as of a previous period, did not meet such requirements, the Secretary may provide for a civil money penalty under subparagraph (C) for the period during which the Secretary finds that the provider was not in compliance with such requirements.

(C) Civil money penalty

If the Secretary finds on the basis of a review under subsection (1)(2) or otherwise that a home or community care provider no longer meets the requirements of this section, the Secretary shall impose a civil money penalty in an amount not to exceed $10,000 for each day of noncompliance. The provisions of section 1320a–7a of this title (other than subsections (a) and (b)) shall apply to a civil money penalty under the previous sentence in the same manner as such provisions apply to a penalty or proceeding under section 1320a–7a(a) of this title. The Secretary shall specify criteria, as to when and how this remedy is to be applied and the amounts of any penalties. Such criteria shall be designed so as to minimize the time between the identification of violations and final imposition of the penalties and shall provide for the imposition of incrementally more severe penalties for repeated or uncorrected deficiencies.

(k) Secretarial responsibilities

(1) Publication of interim requirements

(A) In general

The Secretary shall publish, by December 1, 1991, a proposed regulation that sets forth interim requirements, consistent with subparagraph (B), for the provision of home and community care and for community care settings, including—

(i) the requirements of subsection (c)(2) (relating to comprehensive functional assessments, including the use of assessment instruments), of subsection (d)(2)(E) (relating to qualifications for qualified case managers), of subsection (f) (relating to minimum requirements for home and community care), of subsection (g) (relating to minimum requirements for small community care settings), and of subsection (h) (relating to minimum requirements for large community care settings), and

(ii) survey protocols (for use under subsection (1)(3)(A)) which relate to such requirements.

(B) Minimum protections

Interim requirements under subparagraph (A) and final requirements under paragraph (2) shall assure, through methods other than reliance on State licensure processes, that individuals receiving home and community care are protected from neglect, physical and sexual abuse, financial exploitation, inappropriate involuntary restraint, and the provision of health care services by unqualified personnel in community care settings.

(2) Development of final requirements

The Secretary shall develop, by not later than October 1, 1992—

(A) final requirements, consistent with paragraph (1)(B), respecting the provision of appropriate, quality home and community care and respecting community care settings under this section, and including at least the requirements referred to in paragraph (1)(A)(i), and

(B) survey protocols and methods for evaluating and assuring the quality of community care settings.

The Secretary may, from time to time, revise such requirements, protocols, and methods.

(3) No delegation to States

The Secretary's authority under this subsection shall not be delegated to States.

(4) No prevention of more stringent requirements by States

Nothing in this section shall be construed as preventing States from imposing requirements that are more stringent than the requirements published or developed by the Secretary under this subsection.

(l) Waiver of Statewideness

States may waive the requirement of section 1966a(a)(1) of this title (related to Statewideness) for a program of home and community care under this section.

(m) Limitation on amount of expenditures as medical assistance

(1) Limitation on amount

The amount of funds that may be expended as medical assistance to carry out the purposes of this section shall be for fiscal year 1991, $40,000,000, for fiscal year 1992, $70,000,000, for fiscal year 1993, $130,000,000, for fiscal year 1994, $160,000,000, and for fiscal year 1995, $180,000,000.

(2) Assurance of entitlement to service

A State which receives Federal medical assistance for expenditures for home and community care under this section must provide home and community care specified under the Individual Community Care Plan under subsection (d) to individuals described in subsection (b) for the duration of the election period, without regard to the amount of funds available to the State under paragraph (l). For purposes of this paragraph, an election period is the period of 4 or more calendar quarters elected by the State, and approved by the Secretary, for the provision of home and community care under this section.

(3) Limitation on eligibility

The State may limit eligibility for home and community care under this section during an
election period under paragraph (2) to reasonable classifications (based on age, degree of functional disability, and need for services).

(4) Allocation of medical assistance

The Secretary shall establish a limitation on the amount of Federal medical assistance available to any State during the State’s election period under paragraph (2). The limitation under this paragraph shall take into account the limitation under paragraph (1) and the number of elderly individuals age 65 or over residing in such State in relation to the number of such elderly individuals in the United States during 1990. For purposes of the previous sentence, elderly individuals shall, to the maximum extent practicable, be low-income elderly individuals.


CODIFICATION


AMENDMENTS


EFFECTIVE DATE

Section applicable to home and community care furnished on or after July 1, 1991, without regard to whether or not such recipients of services under this section are residing and without regard to whether or not such individual is at risk of institutionalization (as defined by the Secretary).

§1396u. Community supported living arrangements services

(a) Community supported living arrangements services

In this subchapter, the term “community supported living arrangements services” means one or more of the following services meeting the requirements of subsection (h) provided in a State eligible to provide services under this section (as defined in subsection (d)) to assist a developmentally disabled individual (as defined in subsection (b)) in activities of daily living necessary to permit such individual to live in the individual’s own home, apartment, family home, or rental unit furnished in a community supported living arrangement setting:

(1) Personal assistance.
(2) Training and habilitation services (necessary to assist the individual in achieving increased integration, independence and productivity).
(3) 24-hour emergency assistance (as defined by the Secretary).
(4) Assistive technology.
(5) Adaptive equipment.
(6) Other services (as approved by the Secretary, except those services described in subsection (g)).
(7) Support services necessary to aid an individual to participate in community activities.

(b) “Developmentally disabled individual” defined

In this subchapter the term, “developmentally disabled individual” means an individual who as defined by the Secretary is described within the term “mental retardation and related conditions” as defined in regulations as in effect on July 1, 1990, and who is residing with the individual’s family or legal guardian in such individual’s own home in which no more than 3 other recipients of services under this section are residing and without regard to whether or not such individual is at risk of institutionalization (as defined by the Secretary).

(c) Criteria for selection of participating States

The Secretary shall develop criteria to review the applications of States submitted under this section to provide community supported living arrangement services. The Secretary shall provide in such criteria that during the first 5 years of the provision of services under this section that no less than 2 and no more than 8 States shall be allowed to receive Federal financial participation for providing the services described in this section.

(d) Quality assurance

A State selected by the Secretary to provide services under this section shall in order to continue to receive Federal financial participation for providing services under this section be required to establish and maintain a quality assurance program, that provides that—

(1) the State will certify and survey providers of services under this section (such surveys to be unannounced and average at least 1 a year);
(2) the State will adopt standards for survey and certification that include—
(A) minimum qualifications and training requirements for provider staff;
(B) financial operating standards; and
(C) a consumer grievance process;
(3) the State will provide a system that allows for monitoring boards consisting of providers, family members, consumers, and neighbors;
(4) the State will establish reporting procedures to make available information to the public;
(5) the State will provide ongoing monitoring of the health and well-being of each recipient;
(6) the State will provide the services defined in subsection (a) in accordance with an individual support plan (as defined by the Secretary in regulations); and
(7) the State plan amendment under this section shall be reviewed by the State Council on Developmental Disabilities established under

1So in original. The comma probably should precede “the term”.

The Secretary shall not approve a quality assurance plan under this subsection and allow a State to continue to receive Federal financial participation under this subsection unless the State provides for public hearings on the plan prior to adoption and implementation of its plan under this subsection.

(e) Maintenance of effort

States selected by the Secretary to receive Federal financial participation to provide services under this section shall maintain current levels of spending for such services in order to be eligible to continue to receive Federal financial participation for the provision of such services under this section.

(f) Excluded services

No Federal financial participation shall be allowed for the provision of the following services under this section:

(1) Room and board.
(2) Cost of prevocational, vocational and supported employment.

(g) Waiver of requirements

The Secretary may waive such provisions of this subchapter as necessary to carry out the provisions of this section including the following requirements of this subchapter—

(1) comparability of amount, duration, and scope of services; and

(2) statewide.

(h) Minimum protections

(1) Publication of interim and final requirements

(A) In general

The Secretary shall publish, by July 1, 1991, a regulation (that shall be effective on an interim basis pending the promulgation of final regulations), and by October 1, 1992, a final regulation, that sets forth interim and final requirements, respectively, consistent with subparagraph (B), to protect the health, safety, and welfare of individuals receiving community supported living arrangements services.

(B) Minimum protections

Interim and final requirements under subparagraph (A) shall assure, through methods other than reliance on State licensure processes or the State quality assurance programs under subsection (d), that—

(i) individuals receiving community supported living arrangements services are protected from neglect, physical and sexual abuse, and financial exploitation;

(ii) a provider of community supported living arrangements services may not use individuals who have been convicted of child or client abuse, neglect, or mistreatment or of a felony involving physical harm to an individual and shall take all reasonable steps to determine whether applicants for employment by the provider have histories indicating involvement in child or client abuse, neglect, or mistreatment or a criminal record involving physical harm to an individual;

(iii) individuals or entities delivering such services are not unjustly enriched as a result of abusive financial arrangements (such as owner lease-backs); and

(iv) individuals or entities delivering such services to clients, or relatives of such individuals, are prohibited from being named beneficiaries of life insurance policies purchased by (or on behalf of) such clients.

(2) Specified remedies

If the Secretary finds that a provider has not met an applicable requirement under subsection (h), the Secretary shall impose a civil money penalty in an amount not to exceed $10,000 for each day of noncompliance. The provisions of section 1320a–7a of this title (other than subsections (a) and (b)) shall apply to a civil money penalty under the previous sentence in the same manner as such provisions apply to a penalty or proceeding under section 1320a–7a(a) of this title.

(i) Treatment of funds

Any funds expended under this section for medical assistance shall be in addition to funds expended for any existing services covered under the State plan, including any waiver services for which an individual receiving services under this program is already eligible.

(j) Limitation on amounts of expenditures as medical assistance

The amount of funds that may be expended as medical assistance to carry out the purposes of this section shall be for fiscal year 1991, $5,000,000, for fiscal year 1992, $10,000,000, for fiscal year 1993, $20,000,000, for fiscal year 1994, $30,000,000, for fiscal year 1995, $35,000,000, and for fiscal years thereafter such sums as provided by Congress.


REFERENCES IN TEXT


CODIFICATION


AMENDMENTS

§ 1396u–1. Assuring coverage for certain low-income families

(a) References to subchapter IV–A are references to pre-welfare-reform provisions

Subject to the succeeding provisions of this section, with respect to a State any reference in this subchapter (or any other provision of law in relation to the operation of this subchapter) to a provision of part A of subchapter IV, or a State plan under such part (or a provision of such a plan), including income and resource standards and income and resource methodologies under such part or plan, shall be considered a reference to such a provision or plan as in effect as of July 16, 1996, with respect to the State.

(b) Application of pre-welfare-reform eligibility criteria

(1) In general

For purposes of this subchapter, subject to paragraphs (2) and (3), in determining eligibility for medical assistance—

(A) an individual shall be treated as receiving aid or assistance under a State plan approved under part A of subchapter IV only if the individual meets—

(i) the income and resource standards for determining eligibility under such plan, and

(ii) the eligibility requirements of such plan under subsections (a) through (c) of section 606 of this title and section 607(a) of this title,

as in effect as of July 16, 1996; and

(B) the income and resource methodologies under such plan as of such date shall be used in the determination of whether any individual meets income and resource standards under such plan.

(2) State option

For purposes of applying this section, a State—

(A) may lower its income standards applicable with respect to part A of subchapter IV, but not below the income standards applicable under its State plan under such part on May 1, 1988;

(B) may increase income or resource standards under the State plan referred to in paragraph (1) over a period (beginning after July 16, 1996) by a percentage that does not exceed the percentage increase in the Consumer Price Index for all urban consumers (all items; United States city average) over such period; and

(C) may use income and resource methodologies that are less restrictive than the methodologies used under the State plan under such part as of July 16, 1996.

(3) Option to terminate medical assistance for failure to meet work requirement

(A) Individuals receiving cash assistance under TANF

In the case of an individual who—

(i) is receiving cash assistance under a State program funded under part A of subchapter IV;

(ii) is eligible for medical assistance under this subchapter on a basis not related to section 1396a(i) of this title, and

(iii) has the cash assistance under such program terminated pursuant to section 607(e)(1)(B) of this title (as in effect on or after the welfare reform effective date) because of refusing to work,

the State may terminate such individual's eligibility for medical assistance under this subchapter until such time as there no longer is a basis for the termination of such cash assistance because of such refusal.

(B) Exception for children

Subparagraph (A) shall not be construed as permitting a State to terminate medical assistance for a minor child who is not the head of a household receiving assistance under a State program funded under part A of subchapter IV.

(c) Treatment for purposes of transitional coverage provisions

(1) Transition in the case of child support collections

The provisions of section 606(h) of this title (as in effect on July 16, 1996) shall apply, in relation to this subchapter, with respect to individuals (and families composed of individuals) who are described in subsection (b)(1)(A), in the same manner as they applied before such date with respect to individuals who became ineligible for aid to families with dependent children as a result (wholly or partly) of the collection of child or spousal support under part D of subchapter IV.

(2) Transition in the case of earnings from employment

For continued medical assistance in the case of individuals (and families composed of individuals) described in subsection (b)(1)(A) who would otherwise become ineligible because of hours or income from employment, see sections 1396c–6 and 1396a(e)(1) of this title.

(d) Waivers

In the case of a waiver of a provision of part A of subchapter IV in effect with respect to a State as of July 16, 1996, or which is submitted to the Secretary before August 22, 1996, and approved by the Secretary on or before July 1,
1997, if the waiver affects eligibility of individuals for medical assistance under this subchapter, such waiver may (but need not) continue to be applied, at the option of the State, in relation to this subchapter after the date the waiver would otherwise expire.

(e) State option to use 1 application form

Nothing in this section, or part A of subchapter IV, shall be construed as preventing a State from providing for the same application form for assistance under a State program funded under part A of subchapter IV (or on after the welfare reform effective date) and for medical assistance under this subchapter.

(f) Additional rules of construction

(1) With respect to the reference in section 1396a(a)(5) of this title to a State plan approved under part A of subchapter IV, a State may treat such reference as a reference either to a State program funded under such part (as in effect on and after the welfare reform effective date) or to the State plan under this subchapter.

(2) Any reference in section 1396a(a)(55) of this title to a State plan approved under part A of subchapter IV shall be deemed a reference to a State program funded under such part.

(3) In applying section 1396b(f) of this title, the applicable income limitation otherwise determined shall be subject to increase in the same manner as income or resource standards of a State may be increased under subsection (b)(2)(B).

(g) Relation to other provisions

The provisions of this section shall apply notwithstanding any other provision of this chapter.

(h) Transitional increased Federal matching rate for increased administrative costs

(1) In general

Subject to the succeeding provisions of this subsection, the Secretary shall provide that with respect to administrative expenditures described in paragraph (2) the per centum specified in section 1396b(a)(7) of this title shall be increased to such percentage as the Secretary specifies.

(2) Administrative expenditures described

The administrative expenditures described in section 1396b(a)(7) of this title that demonstrate to the satisfaction of the Secretary are attributable to administrative costs of eligibility determinations that (but for the enactment of this section) would not be incurred.

(3) Limitation

The total amount of additional Federal funds that are expended as a result of the application of this subsection for the period beginning with fiscal year 1997 shall not exceed $500,000,000. In applying this paragraph, the Secretary shall ensure the equitable distribution of additional funds among the States.

(i) Welfare reform effective date

In this section, the term "welfare reform effective date" means the effective date, with respect to a State, of title I of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (as specified in section 116 of such Act).


REFERENCES IN TEXT

For effective date, with respect to a State, of title I of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (as specified in section 116 of such Act), referred to in subsec. (i), see section 116 of Pub. L. 104–193, set out as an Effective Date note under section 601 of this title.

PRIOR PROVISIONS

A prior section 1931 of act Aug. 14, 1995, was renumbered section 1939 and is classified to section 1396v of this title.

AMENDMENTS


Subsec. (h)(4). Pub. L. 106–113, § 1000(a)(6) (title VI, § 602(a)(2)), struck out heading and text of par. (4). Prior to amendment, text read as follows: "This subsection shall only apply with respect to a State for expenditures incurred during the first 12 calendar quarters in which the State program funded under part A of subchapter IV of this chapter (as in effect on and after the welfare reform effective date) is in effect."

EFFECTIVE DATE OF 1999 AMENDMENT


EFFECTIVE DATE

Section effective July 1, 1997, with transition rules relating to State options to accelerate such date, rules relating to claims, actions, and proceedings commenced before such date, rules relating to closing out of accounts for terminated or substantially modified programs and continuance in office of Assistant Secretary for Family Support, and provisions relating to termination of entitlement under AFDC program, see section 116 of Pub. L. 104–193, as amended, set out as a note under section 601 of this title.

§ 1396u–2. Provisions relating to managed care

(a) State option to use managed care

(1) Use of medicaid managed care organizations and primary care case managers

(A) In general

Subject to the succeeding provisions of this section, and notwithstanding paragraph (1), (10)(B), or (23)(A) of section 1396a(a) of this title, a State—

(i) may require an individual who is eligible for medical assistance under the State plan under this subchapter to enroll with a managed care entity as a condition of receiving such assistance (and, with respect to assistance furnished by or under arrangements with such entity, to receive such assistance through the entity), if—
§ 1396u–2  TITLE 42—THE PUBLIC HEALTH AND WELFARE

(1) the entity and the contract with the State meet the applicable requirements of this section and section 1396b(m) of this title or section 1396d(t) of this title, and —
(ii) the requirements described in the succeeding paragraphs of this subsection are met; and —
(ii) may restrict the number of provider agreements with managed care entities under the State plan if such restriction does not substantially impair access to services.

(B) “Managed care entity” defined

In this section, the term “managed care entity” means—
(i) a Medicaid managed care organization, as defined in section 1396b(m)(1)(A) of this title, that provides or arranges for services for enrollees under a contract pursuant to section 1396b(m) of this title; and
(ii) a primary care case manager, as defined in section 1396d(t)(2) of this title.

(2) Special rules

(A) Exemption of certain children with special needs

A State may not require under paragraph (1) the enrollment in a managed care entity of an individual under 19 years of age who—
(i) is eligible for supplemental security income under subchapter XVI;
(ii) is described in section 701(a)(1)(D) of this title;
(iii) is described in section 1396a(e)(3) of this title;
(iv) is receiving foster care or adoption assistance under part E of subchapter IV; or
(v) is in foster care or otherwise in an out-of-home placement.

(B) Exemption of medicare beneficiaries

A State may not require under paragraph (1) the enrollment in a managed care entity of an individual who is a qualified medicare beneficiary (as defined in section 1396d(p)(1) of this title) or an individual otherwise eligible for benefits under subchapter XVIII.

(C) Indian enrollment

A State may not require under paragraph (1) the enrollment in a managed care entity of an individual who is an Indian (as defined in section 4(c)1 of the Indian Health Care Improvement Act of 1976 [25 U.S.C. 1603(c)]) unless the entity is one of the following (and only if such entity is participating under the plan):—
(i) The Indian Health Service.
(ii) An Indian health program operated by an Indian tribe or tribal organization pursuant to a contract, grant, cooperative agreement, or compact with the Indian Health Service pursuant to the Indian Self-Determination Act [25 U.S.C. 5321 et seq.].
(iii) An urban Indian health program operated by an urban Indian organization pursuant to a grant or contract with the Indian Health Service pursuant to title V of the Indian Health Care Improvement Act [25 U.S.C. 1651 et seq.].

(3) Choice of coverage

(A) In general

A State must permit an individual to choose a managed care entity from not less than two such entities that meet the applicable requirements of this section, and of section 1396b(m) of this title or section 1396d(t) of this title.

(B) State option

At the option of the State, a State shall be considered to meet the requirements of subparagraph (A) in the case of an individual residing in a rural area, if the State requires the individual to enroll with a managed care entity if such entity—
(i) permits the individual to receive such assistance through not less than two physicians or case managers (to the extent that at least two physicians or case managers are available to provide such assistance in the area), and
(ii) permits the individual to obtain such assistance from any other provider in appropriate circumstances (as established by the State under regulations of the Secretary).

(C) Treatment of certain county-operated health insuring organizations

A State shall be considered to meet the requirement of subparagraph (A) if—
(i) the managed care entity in which the individual is enrolled is a health-insuring organization which—
(I) first became operational prior to January 1, 1986, or
(ii) is described in section 9517(c)(3) of the Omnibus Budget Reconciliation Act of 1985 (as added by section 4734(2) of the Omnibus Budget Reconciliation Act of 1990), and
(ii) the individual is given a choice between at least two providers within such entity.

(4) Process for enrollment and termination and change of enrollment

As conditions under paragraph (1)(A)—

(A) In general

The State, enrollment broker (if any), and managed care entity shall permit an individual eligible for medical assistance under the State plan under this subchapter who is enrolled with the entity under this subchapter to terminate (or change) such enrollment—
(i) for cause at any time (consistent with section 1396b(m)(2)(A)(vi) of this title), and
(ii) without cause—
(I) during the 90-day period beginning on the date the individual receives notice of such enrollment, and
(II) at least every 12 months thereafter.

(B) Notice of termination rights

The State shall provide for notice to each such individual of the opportunity to termi-
nate (or change) enrollment under such conditions. Such notice shall be provided at least 60 days before each annual enrollment opportunity described in subparagraph (A)(ii)(II).

(C) Enrollment priorities

In carrying out paragraph (1)(A), the State shall establish a method for establishing enrollment priorities in the case of a managed care entity that does not have sufficient capacity to enroll all such individuals seeking enrollment under which individuals already enrolled with the entity are given priority in continuing enrollment with the entity.

(D) Default enrollment process

In carrying out paragraph (1)(A), the State shall establish a default enrollment process—

(i) under which any such individual who does not enroll with a managed care entity during the enrollment period specified by the State shall be enrolled by the State with such an entity which has not been found to be out of substantial compliance with the applicable requirements of this section and of section 1396b(m) of this title or section 1396d(t) of this title; and

(ii) that takes into consideration—

(I) maintaining existing provider-individual relationships or relationships with providers that have traditionally served beneficiaries under this subchapter; and

(II) if maintaining such provider relationships is not possible, the equitable distribution of such individuals among qualified managed care entities available to enroll such individuals, consistent with the enrollment capacities of the entities.

(5) Provision of information

(A) Information in easily understood form

Each State, enrollment broker, or managed care entity shall provide all enrollment notices and informational and instructional materials relating to such an entity under this subchapter in a manner and form which may be easily understood by enrollees and potential enrollees of the entity.

(B) Information to enrollees and potential enrollees

Each managed care entity that is a medicaid managed care organization shall, upon request, make available to enrollees and potential enrollees in the organization’s service area information concerning the following:

(i) Providers

The identity, locations, qualifications, and availability of health care providers that participate with the organization.

(ii) Enrollee rights and responsibilities

The rights and responsibilities of enrollees.

(iii) Grievance and appeal procedures

The procedures available to an enrollee and a health care provider to challenge or appeal the failure of the organization to cover a service.

(iv) Information on covered items and services

All items and services that are available to enrollees under the contract between the State and the organization that are covered either directly or through a method of referral and prior authorization. Each managed care entity that is a primary care case manager shall, upon request, make available to enrollees and potential enrollees in the organization’s service area the information described in clause (iii).

(C) Comparative information

A State that requires individuals to enroll with managed care entities under paragraph (1)(A) shall annually (and upon request) provide, directly or through the managed care entity, to such individuals a list identifying the managed care entities that are (or will be) available and information (presented in a comparative, chart-like form) relating to the following for each such entity offered:

(i) Benefits and cost-sharing

The benefits covered and cost-sharing imposed by the entity.

(ii) Service area

The service area of the entity.

(iii) Quality and performance

To the extent available, quality and performance indicators for the benefits under the entity.

(D) Information on benefits not covered under managed care arrangement

A State, directly or through managed care entities, shall, on or before an individual enrolls with such an entity under this subchapter, inform the enrollee in a written and prominent manner of any benefits to which the enrollee may be entitled to under this subchapter but which are not made available to the enrollee through the entity. Such information shall include information on where and how such enrollees may access benefits not made available to the enrollee through the entity.

(b) Beneficiary protections

(1) Specification of benefits

Each contract with a managed care entity under section 1396b(m) of this title or under section 1396d(t)(3) of this title shall specify the benefits the provision (or arrangement) for which the entity is responsible.

(2) Assuring coverage to emergency services

(A) In general

Each contract with a medicaid managed care organization under section 1396b(m) of this title and each contract with a primary care case manager under section 1396d(t)(3) of this title shall require the organization or manager—

(i) to provide coverage for emergency services (as defined in subparagraph (B))
without regard to prior authorization or the emergency care provider's contractual relationship with the organization or manager, and

(ii) to comply with guidelines established under section 1395w–22(d)(2) of this title (respecting coordination of post-stabilization care) in the same manner as such guidelines apply to Medicare+Choice plans offered under part C of subchapter XVIII.

The requirement under clause (ii) shall first apply 30 days after the date of promulgation of the guidelines referred to in such clause.

(B) “Emergency services” defined

In subparagraph (A)(i), the term “emergency services” means, with respect to an individual enrolled with an organization, covered inpatient and outpatient services that—

(i) are furnished by a provider that is qualified to furnish such services under this subchapter, and

(ii) are needed to evaluate or stabilize an emergency medical condition (as defined in subparagraph (C)).

(C) “Emergency medical condition” defined

In subparagraph (B)(ii), the term “emergency medical condition” means a medical condition manifesting itself by acute symptoms of sufficient severity (including severe pain) such that a prudent layperson, who possesses an average knowledge of health and medicine, could reasonably expect the absence of immediate medical attention to result in—

(i) placing the health of the individual (or, with respect to a pregnant woman, the health of the woman or her unborn child) in serious jeopardy,

(ii) serious impairment to bodily functions, or

(iii) serious dysfunction of any bodily organ or part.

(D) Emergency services furnished by non-contract providers

Any provider of emergency services that does not have in effect a contract with a Medicaid managed care entity that establishes payment amounts for services furnished to a beneficiary enrolled in the entity’s Medicaid managed care plan must accept as payment in full no more than the amounts (less any payments for indirect costs of medical education and direct costs of graduate medical education) that it could collect if the beneficiary received medical assistance under this subchapter other than through enrollment in such an entity. In a State where rates paid to hospitals under the State plan are negotiated by contract and not publicly released, the payment amount applicable under this subparagraph shall be the average contract rate that would apply under the State plan for general acute care hospitals or the average contract rate that would apply under such plan for tertiary hospitals.

(3) Protection of enrollee-provider communications

(A) In general

Subject to subparagraphs (B) and (C), under a contract under section 1396b(m) of this title a Medicaid managed care organization (in relation to an individual enrolled under the contract) shall not prohibit or otherwise restrict a covered health care professional (as defined in subparagraph (D)) from advising such an individual who is a patient of the professional about the health status of the individual or medical care or treatment for the individual’s condition or disease, regardless of whether benefits for such care or treatment are provided under the contract, if the professional is acting within the lawful scope of practice.

(B) Construction

Subparagraph (A) shall not be construed as requiring a Medicaid managed care organization to provide, reimburse for, or provide coverage of, a counseling or referral service if the organization—

(i) objects to the provision of such service on moral or religious grounds; and

(ii) in the manner and through the written instrumentalities such organization deems appropriate, makes available information on its policies regarding such service to prospective enrollees before or during enrollment and to enrollees within 90 days after the date that the organization adopts a change in policy regarding such a counseling or referral service.

Nothing in this subparagraph shall be construed to affect disclosure requirements under State law or under the Employee Retirement Income Security Act of 1974 [29 U.S.C. 1001 et seq.].

(C) “Health care professional” defined

For purposes of this paragraph, the term “health care professional” means a physician (as defined in section 1395x(r) of this title) or other health care professional if coverage for the professional’s services is provided under the contract referred to in subparagraph (A) for the services of the professional. Such term includes a podiatrist, optometrist, chiropractor, psychologist, dentist, physician assistant, physical or occupational therapist and therapy assistant, speech-language pathologist, audiologist, registered or licensed practical nurse (including nurse practitioner, clinical nurse specialist, certified registered nurse anesthetist, and certified nurse-midwife), licensed certified social worker, registered respiratory therapist, and certified respiratory therapy technician.

(4) Grievance procedures

Each Medicaid managed care organization shall establish an internal grievance procedure under which an enrollee who is eligible for medical assistance under the State plan under this subchapter, or a provider on behalf of such an enrollee, may challenge the denial of coverage of or payment for such assistance.
(5) Demonstration of adequate capacity and services
Each medicaid managed care organization shall provide the State and the Secretary with adequate assurances (in a time and manner determined by the Secretary) that the organization, with respect to a service area, has the capacity to serve the expected enrollment in such service area, including assurances that the organization—
(A) offers an appropriate range of services and access to preventive and primary care services for the population expected to be enrolled in such service area, and
(B) maintains a sufficient number, mix, and geographic distribution of providers of services.

(6) Protecting enrollees against liability for payment
Each medicaid managed care organization shall provide that an individual eligible for medical assistance under the State plan under this subchapter who is enrolled with the organization may not be held liable—
(A) for the debts of the organization, in the event of the organization’s insolvency,
(B) for services provided to the individual—
(i) in the event of the organization failing to receive payment from the State for such services; or
(ii) in the event of a health care provider with a contractual, referral, or other arrangement with the organization failing to receive payment from the State or the organization for such services, or
(C) for payments to a provider that furnishes covered services under a contractual, referral, or other arrangement with the organization in excess of the amount that would be owed by the individual if the organization had directly provided the services.

(7) Antidiscrimination
A medicaid managed care organization shall not discriminate with respect to participation, reimbursement, or indemnification as to any provider who is acting within the scope of the provider’s license or certification under applicable State law, solely on the basis of such license or certification. This paragraph shall not be construed to prohibit an organization from including providers only to the extent necessary to meet the needs of the organization’s enrollees or from establishing any measure designed to maintain quality and control costs consistent with the responsibilities of the organization.

(8) Compliance with certain maternity and mental health requirements
Each medicaid managed care organization shall comply with the requirements of subpart 2 of part A of title XXVII of the Public Health Service Act 1 insofar as such requirements apply and are effective with respect to a health insurance issuer that offers group health insurance coverage.

(c) Quality assurance standards
(1) Quality assessment and improvement strategy
(A) In general
If a State provides for contracts with medicaid managed care organizations under section 1396b(m) of this title, the State shall develop and implement a quality assessment and improvement strategy consistent with this paragraph. Such strategy shall include the following:
(i) Access standards
Standards for access to care so that covered services are available within reasonable timeframes and in a manner that ensures continuity of care and adequate primary care and specialized services capacity.
(ii) Other measures
Examination of other aspects of care and service directly related to the improvement of quality of care (including grievance procedures and marketing and information standards).
(iii) Monitoring procedures
Procedures for monitoring and evaluating the quality and appropriateness of care and services to enrollees that reflect the full spectrum of populations enrolled under the contract and that includes requirements for provision of quality assurance data to the State using the data and information set that the Secretary has specified for use under part C of subchapter XVIII or such alternative data as the Secretary approves, in consultation with the State.
(iv) Periodic review
Regular, periodic examinations of the scope and content of the strategy.
(B) Standards
The strategy developed under subparagraph (A) shall be consistent with standards that the Secretary first establishes within 1 year after August 5, 1997. Such standards shall not preempt any State standards that are more stringent than such standards. Guidelines relating to quality assurance that are applied under section 1396n(b)(1) of this title shall apply under this subsection until the effective date of standards for quality assurance established under this subparagraph.
(C) Monitoring
The Secretary shall monitor the development and implementation of strategies under subparagraph (A).
(D) Consultation
The Secretary shall conduct activities under subparagraphs (B) and (C) in consultation with the States.
(2) External independent review of managed care activities
(A) Review of contracts
(i) In general
Each contract under section 1396b(m) of this title with a medicaid managed care
organization shall provide for an annual (as appropriate) external independent review conducted by a qualified independent entity of the quality outcomes and timeliness of, and access to, the items and services for which the organization is responsible under the contract. The requirement for such a review shall not apply until after the date that the Secretary establishes the identification method described in clause (ii).

(ii) Qualifications of reviewer

The Secretary, in consultation with the States, shall establish a method for the identification of entities that are qualified to conduct reviews under clause (i).

(iii) Use of protocols

The Secretary, in coordination with the National Governors’ Association, shall contract with an independent quality review organization (such as the National Committee for Quality Assurance) to develop the protocols to be used in external independent reviews conducted under this paragraph on and after January 1, 1999.

(iv) Availability of results

The results of each external independent review conducted under this subparagraph shall be available to participating health care providers, enrollees, and potential enrollees of the organization, except that the results may not be made available in a manner that discloses the identity of any individual patient.

(B) Nonduplication of accreditation

A State may provide that, in the case of a medicaid managed care organization that is accredited by a private independent entity (such as those described in section 1395w–22(e)(4) of this title) or that has an external review conducted under section 1395w–22(e)(3) of this title, the external review activities conducted under subparagraph (A) with respect to the organization shall not be duplicative of review activities conducted as part of the accreditation process or the external review conducted under such section.

(C) Deemed compliance for medicare managed care organizations

At the option of a State, the requirements of subparagraph (A) shall not apply with respect to a medicaid managed care organization if the organization is an eligible medicare choice organization with a contract in effect under section 1395mm of this title or a medicare+ choice organization with a contract in effect under part C of subchapter XVIII and the organization has had a contract in effect under section 1396b(m) of this title at least during the previous 2-year period.

(d) Protections against fraud and abuse

(1) Prohibiting affiliations with individuals debarred by Federal agencies

(A) In general

A managed care entity may not knowingly—

(i) have a person described in subparagraph (C) as a director, officer, partner, or person with beneficial ownership of more than 5 percent of the entity’s equity, or

(ii) have an employment, consulting, or other agreement with a person described in such subparagraph for the provision of items and services that are significant and material to the entity’s obligations under its contract with the State.

(B) Effect of noncompliance

If a State finds that a managed care entity is not in compliance with clause (i) or (ii) of subparagraph (A), the State—

(i) shall notify the Secretary of such noncompliance;

(ii) may continue an existing agreement with the entity unless the Secretary (in consultation with the Inspector General of the Department of Health and Human Services) directs otherwise; and

(iii) may not renew or otherwise extend the duration of an existing agreement with the entity unless the Secretary (in consultation with the Inspector General of the Department of Health and Human Services) provides to the State and to Congress a written statement describing compelling reasons that exist for renewing or extending the agreement.

(C) Persons described

A person is described in this subparagraph if such person—

(i) is debarred, suspended, or otherwise excluded from participating in procurement activities under the Federal Acquisition Regulation or from participating in nonprocurement activities under regulations issued pursuant to Executive Order No. 12549 or under guidelines implementing such order; or

(ii) is an affiliate (as defined in such Regulation) of a person described in clause (i).

(2) Restrictions on marketing

(A) Distribution of materials

(i) In general

A managed care entity, with respect to activities under this subchapter, may not distribute directly or through any agent or independent contractor marketing materials within any State—

(I) without the prior approval of the State, and

(II) that contain false or materially misleading information.

The requirement of subclause (I) shall not apply with respect to a State until such date as the Secretary specifies in consultation with such State.

(ii) Consultation in review of market materials

In the process of reviewing and approving such materials, the State shall provide for consultation with a medical care advisory committee.

(B) Service market

A managed care entity shall distribute marketing materials to the entire service...
area of such entity covered under the contract under section 1396b(m) of this title or section 1396d(t)(3) of this title.

(C) Prohibition of tie-ins

A managed care entity, or any agency of such entity, may not seek to influence an individual’s enrollment with the entity in conjunction with the sale of any other insurance.

(D) Prohibiting marketing fraud

Each managed care entity shall comply with such procedures and conditions as the Secretary prescribes in order to ensure that, before an individual is enrolled with the entity, the individual is provided accurate oral and written information sufficient to make an informed decision whether or not to enroll.

(E) Prohibition of “cold-call” marketing

Each managed care entity shall not, directly or indirectly, conduct door-to-door, telephonic, or other “cold-call” marketing of enrollment under this subchapter.

(3) State conflict-of-interest safeguards in medicaid risk contracting

A medicaid managed care organization may not enter into a contract with any State under section 1396b(m) of this title unless the State has in effect conflict-of-interest safeguards with respect to officers and employees of the State with responsibilities relating to contracts with such organizations or to the default enrollment process described in subsection (a)(4)(C)(ii) that are at least as effective as the Federal safeguards provided under chapter 21 of title 41, against conflicts of interest that apply with respect to Federal procurement officials with comparable responsibilities with respect to such contracts.

(4) Use of unique physician identifier for participating physicians

Each medicaid managed care organization shall require each physician providing services to enrollees eligible for medical assistance under the State plan under this subchapter to have a unique identifier in accordance with the system established under section 1320d–2(b) of this title.

(5) Contract requirement for managed care entities

With respect to any contract with a managed care entity under section 1396b(m) or 1396d(t)(3) of this title (as applicable), no later than July 1, 2018, such contract shall include a provision that provides for the use of a physician identifier, Federal taxpayer identification number, Social Security number, national provider identifier, and written information sufficient to make an informed decision whether or not to enroll.

(e) Sanctions for noncompliance

(1) Use of intermediate sanctions by the State to enforce requirements

(A) In general

A State may not enter into or renew a contract under section 1396b(m) of this title unless the State has established intermediate sanctions, which may include any of the types described in paragraph (2), other than the termination of a contract with a medicaid managed care organization, which the State may impose against a medicaid managed care organization with such a contract, if the organization—

(i) fails substantially to provide medically necessary items and services that are required (under law or under such organization’s contract with the State) to be provided to an enrollee covered under the contract;

(ii) imposes premiums or charges on enrollees in excess of the premiums or charges permitted under this subchapter; or

(iii) acts to discriminate among enrollees on the basis of their health status or requirements for health care services, including expulsion or refusal to reenroll an individual, except as permitted by this subchapter, or engaging in any practice that would reasonably be expected to have the effect of denying or discouraging enrollment with the organization by eligible individuals whose medical condition or history indicates a need for substantial future medical services;

(iv) misrepresents or falsifies information that is furnished—

(I) to the Secretary or the State under this subchapter; or

(II) to an enrollee, potential enrollee, or a health care provider under such subchapter; or

(v) fails to comply with the applicable requirements of section 1396b(m)(2)(A)(x) of this title.
The State may also impose such intermediate sanction against a managed care entity if the State determines that the entity distributed directly or through any agent or independent contractor marketing materials in violation of subsection (d)(2)(A)(ii).

(3) Treatment of chronic substandard entities

In the case of a medicaid managed care organization which has repeatedly failed to meet the requirements of section 1396b(m) or 1396d(t)(3) of this title, the State shall have the authority to terminate such contract with the entity to enroll such entity’s enrollees with other managed care entities (or to permit such enrollees to receive medical assistance under the State plan under this subchapter other than through a managed care entity).

(A) In general

In the case of a managed care entity which has failed to meet the requirements of this part or a contract under section 1396b(m) or 1396d(t)(3) of this title, the State shall have the authority to terminate such contract with the entity and to enroll such entity’s enrollees with other managed care entities (or to permit such enrollees to receive medical assistance under the State plan under this subchapter other than through a managed care entity).

(B) Availability of hearing prior to termination of contract

A State may not terminate a contract with a managed care entity under subparagraph (A) unless the entity is provided with a hearing prior to the termination.

(C) Notice and right to disenroll in cases of termination hearing

A State may—

(i) notify individuals enrolled with a managed care entity which is the subject of a hearing to terminate the entity’s contract with the State of the hearing, and

(ii) in the case of such an entity, permit such enrollees to disenroll immediately with the entity without cause.

(5) Other protections for managed care entities against sanctions imposed by State

Before imposing any sanction against a managed care entity other than termination of the entity’s contract, the State shall provide the entity with notice and such other due process protections as the State may provide, except that a State may not provide a managed care entity with a pre-termination hearing before imposing the sanction described in paragraph (2)(B).

(f) Timeliness of payment; adequacy of payment for primary care services

A contract under section 1396b(m) of this title with a medicaid managed care organization shall provide that the organization shall make payment to health care providers for items and services which are subject to the contract and that are furnished to individuals eligible for medical assistance under the State plan under this subchapter who are enrolled with the organization on a timely basis consistent with the claims payment procedures described in section
1396a(a)(37)(A) of this title, unless the health care provider and the organization agree to an alternate payment schedule and, in the case of primary care services described in section 1396a(a)(13)(C) of this title, consistent with the minimum payment rates specified in such section (regardless of the manner in which such payments are made, including in the form of capitation or partial capitation).

(g) Identification of patients for purposes of making DSH payments

Each contract with a managed care entity under section 1396b(m) of this title or under section 1396d(t)(3) of this title shall require the entity, either:

(1) to report to the State information necessary to determine the hospital services provided under the contract (and the identity of hospitals providing such services) for purposes of applying sections 1395ww(d)(5)(F) and 1396c-4 of this title; or

(2) to include a sponsorship code in the identification card issued to individuals covered under this subchapter in order that a hospital may identify a patient as being entitled to benefits under this subchapter.

(h) Special rules with respect to Indian enrollees, Indian health care providers, and Indian managed care entities

(1) Enrollee option to select an Indian health care provider as primary care provider

In the case of a non-Indian Medicaid managed care entity that—

(A) has an Indian enrolled with the entity; and

(B) has an Indian health care provider that is participating as a primary care provider within the network of the entity, insofar as the Indian is otherwise eligible to receive services from such Indian health care provider and the Indian health care provider has the capacity to provide primary care services to such Indian, the contract with the entity under section 1396b(m) of this title or under section 1396d(t)(3) of this title shall require, as a condition of receiving payment under such contract, that the Indian shall be allowed to choose such Indian health care provider as the Indian’s primary care provider under the entity.

(2) Assurance of payment to Indian health care providers for provision of covered services

Each contract with a managed care entity under section 1396b(m) of this title or under section 1396d(t)(3) of this title shall require any such entity, as a condition of receiving payment under such contract, to satisfy the following requirements:

(A) Demonstration of access to Indian health care providers and application of alternative payment arrangements

Subject to subparagraph (C), to—

(i) demonstrate that the number of Indian health care providers that are participating providers with respect to such entity are sufficient to ensure timely access to covered Medicaid managed care services for those Indian enrollees who are eligible to receive services from such providers;

(ii) agree to pay Indian health care providers, whether such providers are participating or nonparticipating providers with respect to the entity, for covered Medicaid managed care services provided to those Indian enrollees who are eligible to receive services from such providers at a rate equal to the rate negotiated between such entity and the provider involved or, if such a rate has not been negotiated, at a rate that is not less than the level and amount of payment which the entity would make for the services if the services were furnished by a participating provider which is not an Indian health care provider.

The Secretary shall establish procedures for applying the requirements of clause (i) in States where there are no or few Indian health providers.

(B) Prompt payment

To agree to make prompt payment (consistent with rule for prompt payment of providers under section 1396u-2(f) of this title) to Indian health care providers that are participating providers with respect to such entity or, in the case of an entity to which subparagraph (A)(ii) or (C) applies, that the entity is required to pay in accordance with that subparagraph.

(C) Application of special payment requirements for federally-qualified health centers and for services provided by certain Indian health care providers

(i) Federally-qualified health centers

(I) Managed care entity payment requirement

To agree to pay any Indian health care provider that is a federally-qualified health center under this subchapter but not a participating provider with respect to the entity, for the provision of covered Medicaid managed care services by such provider to an Indian enrollee of the entity at a rate equal to the amount of payment that the entity would pay a federally-qualified health center that is a participating provider with respect to the entity but is not an Indian health care provider for such services.

(II) Continued application of State requirement to make supplemental payment

Nothing in subclause (I) or subparagraph (A) or (B) shall be construed as waiving the application of section 1396a(bb)(5) of this title regarding the State plan requirement to make any supplemental payment due under such section to a federally-qualified health center for services furnished by such center to an enrollee of a managed care entity (regardless of whether the federally-qualified health center is or is not a participating provider with the entity).
§ 1396u–2

TITLe 42—THE PUBLIC HEALTH AND WELFARE

Page 3978

(ii) Payment rate for services provided by certain Indian health care providers

If the amount paid by a managed care entity to an Indian health care provider that is not a federally-qualified health center for services provided by the provider to an Indian enrollee with the managed care entity is less than the rate that applies to the provision of such services by the provider under the State plan, the plan shall provide for payment to the Indian health care provider, whether the provider is a participating or nonparticipating provider with respect to the entity, of the difference between such applicable rate and the amount paid by the managed care entity to the provider for such services.

(D) Construction

Nothing in this paragraph shall be construed to waive the application of section 1396a(a)(30)(A) of this title (relating to applicability of standards to assure that payments are consistent with efficiency, economy, and quality of care).

(3) Special rule for enrollment for Indian managed care entities

Regarding the application of a Medicaid managed care program to Indian Medicaid managed care entities, an Indian Medicaid managed care entity may restrict enrollment under such program to Indians in the same manner as Indian Health Programs may restrict the delivery of services to Indians.

(4) Definitions

For purposes of this subsection:

(A) Indian health care provider

The term "Indian health care provider" means an Indian Health Program or an Urban Indian Organization.

(B) Indian Medicaid managed care entity

The term "Indian Medicaid managed care entity" means a managed care entity that is controlled (within the meaning of the last sentence of section 1396b(m)(1)(C) of this title) by the Indian Health Service, a Tribe, Tribal Organization, or Urban Indian Organization, or a consortium, which may be composed of 1 or more Tribes, Tribal Organizations, or Urban Indian Organizations, and which also may include the Service.

(C) Non-Indian Medicaid managed care entity

The term "non-Indian Medicaid managed care entity" means a managed care entity that is not an Indian Medicaid managed care entity.

(D) Covered Medicaid managed care services

The term "covered Medicaid managed care services" means, with respect to an individual enrolled with a managed care entity, items and services for which benefits are available with respect to the individual under the contract between the entity and the State involved.

(E) Medicaid managed care program

The term "Medicaid managed care program" means a program under sections 1396(b)(m), 1396d(t), and 1396u–2 of this title and includes a managed care program operating under a waiver under section 1396n(b) or 1315 of this title or otherwise.

(i) Drug utilization review activities and requirements

Beginning not later than October 1, 2019, each contract under a State plan with a managed care entity (other than a primary care case manager) under section 1396b(m) of this title shall provide that the entity is in compliance with the applicable provisions of section 438.3(s)(2) of title 42, Code of Federal Regulations, section 483.3(s)(4) of such title, and section 483.3(s)(5) of such title, as such provisions were in effect on March 31, 2018.


REFERENCES IN TEXT

Section 4(c) of the Indian Health Care Improvement Act of 1976, referred to in subsec. (a)(2)(C), probably means section 4(c) of the Indian Health Care Improvement Act, which was redesignated section 4(3) of the Act by Pub. L. 111–146, title X, §1022(a), Mar. 23, 2010, 124 Stat. 935, and is classified to section 1901(3) of Title 25, Indians.


The Indian Health Care Improvement Act, referred to in subsec. (a)(2)(C)(ii), is Pub. L. 94–437, Sept. 30, 1976, 90 Stat. 1400. Title V of the Act is classified generally to subchapter IV (§1531 et seq.) of chapter 18 of Title 25, and includes a managed care program operated under chapter 18 of Title 25.

The Public Health Service Act, referred to in subsec. (b)(10), is act July 1, 1944, ch. 373, 58 Stat. 682, Subpart 2 of part A of title XXVII of the Act may refer to Subpart II of part A of subchapter XXV of chapter 6A of this title. Pub. L. 111–146, title I, §§1001(5), 1562(c)(2),

1So in original. Probably should be section "438.3(s)(4)" and second parenthetical probably should not appear.

2So in original. Probably should be section "438.3(s)(5)".
(11), formerly §1562(c)(2), (11), title X, §10107(b)(1), Mar. 23, 2010, 124 Stat. 130, 265, 268, 911, amended part A by inserting “SUBPART II—IMPROVING COVERAGE” (preceding section 300gg-11 of this title), by striking out “SUBPART 2—OTHER REQUIREMENTS” (preceding section 300gg-4 of this title), and by redesignating subpart 4 as subpart 2 “EXCLUSION OF PLANS; ENFORCEMENT; PREEMPTION” (preceding section 300gg-21 of this title). For complete classification of this Act to the Code, see Short Title note set out under section 201 of this title and Tables.

Executive Order No. 12549, referred to in subsec. (d)(1)(C)(i), is set out as a note under section 610I of Title 31, Money and Finance.

Codification


Prior Provisions

A prior section 1832 of act Aug. 14, 1935, was renumbered section 1999 and is classified to section 1396v of this title.

Amendments


2010—Subsec. (f). Pub. L. 111–152 inserted “; adequacy of payment for primary care services” after “payment” in heading and “and, in the case of primary care services described in section 1396a(a)(13)(C) of this title, consistent with the minimum payment rates specified in such section regardless of the manner in which such payments are made, including in the form of capitation or partial capitation)” before period at end of text.


Subsec. (d)(2)(B). Pub. L. 106–113, §1000(a)(6) [title VI, §608(w)(2)(B)], substituted “1396d(1)(c) of this title” for “1396d(1)(b) of this title”.


Subsec. (c). Pub. L. 105–33, §4708(a), added subsec. (c).

Subsecs. (d), (e). Pub. L. 105–33, §4707(a), added subsecs. (d) and (e).


Change of Name

References to Medicare+Choice deemed to refer to Medicare Advantage or MA, subject to an appropriate transition provided by the Secretary of Health and Human Services in the use of those terms, see section 201 of Pub. L. 109–171, set out as a note under section 1396v–21 of this title.

Effective Date of 2000 Amendment


Effective Date

Section effective Aug. 5, 1997, and applicable to contracts entered into or renewed on or after Oct. 1, 1997, except that, subject to provisions relating to extension of effective date for State law amendments, and to non-application to waivers, subsec. (c)(1) effective Jan. 1, 1999, and subsec. (e) applicable to contracts entered into or renewed on or after Apr. 1, 1998, see section 4710(a), (b)(3), (5) of Pub. L. 105–33, set out as an Effective Date of 1997 Amendment note under section 1396b of this title.

Construction of 2016 Amendment

Nothing in amendment by Pub. L. 114–255 to be construed as changing or limiting the appeal rights of providers or the process for appeals of States under the Social Security Act, see section 5005(d) of Pub. L. 114–255, set out as a note under section 1396a of this title.

Studies and Reports

Pub. L. 105–33, title IV, §4705(c), Aug. 5, 1997, 111 Stat. 500, provided that:

“(1) GAO STUDY AND REPORT ON QUALITY ASSURANCE AND ACCREDITATION STANDARDS.—

“(A) STUDY.—The Comptroller General of the United States shall conduct a study and analysis of the quality assurance programs and accreditation standards applicable to managed care entities operating in the private sector, or to such entities that operate under contracts under the medicare program under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.). Such study shall determine—

“(i) if such programs and standards include consideration of the accessibility and quality of the health care items and services delivered under such contracts to low-income individuals; and

“(ii) the appropriateness of applying such programs and standards to medicaid managed care organizations under section 1902(c) of such Act (42 U.S.C. 1396u–2(c)).

“(B) REPORT.—The Comptroller General shall submit a report to the Committee on Commerce [now Committee on Energy and Commerce] of the House of Representatives and the Committee on Finance of the Senate on the study conducted under subparagraph (A).

“(2) STUDY AND REPORT ON SERVICES PROVIDED TO INDIVIDUALS WITH SPECIAL HEALTH CARE NEEDS.—

“(A) STUDY.—The Secretary of Health and Human Services, in consultation with States, managed care organizations, the National Academy of State Health Policy, representatives of beneficiaries with special health care needs, experts in specialized health care, and others, shall conduct a study concerning safeguards (if any) that may be needed to ensure that the health care needs of individuals with special health care needs and chronic conditions who are enrolled with medicaid managed care organizations are adequately met.

“(B) REPORT.—Not later than 2 years after the date of the enactment of this Act (Aug. 5, 1997), the Secretary shall submit to Committees described in paragraph (1)(B) a report on such study.”

§1396u–3. State coverage of medicare cost-sharing for additional low-income medicare beneficiaries

(a) In general

A State plan under this subchapter shall provide, under section 1396a(a)(10)(E)(iv) of this title and subject to the succeeding provisions of
this section and through a plan amendment, for medical assistance for payment of the cost of medicare cost-sharing described in such section on behalf of all individuals described in such section (in this section referred to as “qualifying individuals”) who are selected to receive such assistance under subsection (b).

(b) Selection of qualifying individuals

A State shall select qualifying individuals, and provide such individuals with assistance, under this section consistent with the following:

(1) All qualifying individuals may apply

The State shall permit all qualifying individuals to apply for assistance during a calendar year.

(2) Selection on first-come, first-served basis

(A) In general

For each calendar year (beginning with 1998), from (and to the extent of) the amount of the allocation under subsection (c) for the State for the fiscal year ending in such calendar year, the State shall select qualifying individuals who apply for the assistance in the order in which they apply.

(B) Carryover

For calendar years after 1998, the State shall give preference to individuals who were provided such assistance (or other assistance described in section 1396a(a)(10)(E)(iv) of this title) in the last month of the previous year and who continue to be (or become) qualifying individuals.

(3) Limit on number of individuals based on allocation

The State shall limit the number of qualifying individuals selected with respect to assistance in a calendar year so that the aggregate amount of such assistance provided to such individuals in such year is estimated to be equal to (but not exceed) the State’s allocation under subsection (c) for the fiscal year ending in such calendar year.

(4) Receipt of assistance during duration of year

If a qualifying individual is selected to receive assistance under this section for a month in a year, the individual is entitled to receive such assistance for the remainder of the year if the individual continues to be a qualifying individual. The fact that an individual is selected to receive assistance under this section at any time during a year does not entitle the individual to continued assistance for any succeeding year.

(c) Allocation

(1) Total allocation

The total amount available for allocation under this section for—

(A) fiscal year 1998 is $200,000,000;
(B) fiscal year 1999 is $250,000,000;
(C) fiscal year 2000 is $300,000,000;
(D) fiscal year 2001 is $350,000,000; and
(E) each of fiscal years 2002 and 2003 is $400,000,000.

(2) Allocation to States

The Secretary shall provide for the allocation of the total amount described in paragraph (1) for a fiscal year, among the States that executed a plan amendment in accordance with subsection (a), based upon the Secretary’s estimate of the ratio of—

(A) an amount equal to the total number of individuals described in section 1396a(a)(10)(E)(iv) of this title in the State; to
(B) the sum of the amounts computed under subparagraph (A) for all eligible States.

(d) Applicable FMAP

With respect to assistance described in section 1396a(a)(10)(E)(iv) of this title furnished in a State for calendar quarters in a calendar year—

(1) to the extent that such assistance does not exceed the State’s allocation under subsection (c) for the fiscal year ending in the calendar year, the Federal medical assistance percentage shall be equal to 100 percent; and
(2) to the extent that such assistance exceeds such allocation, the Federal medical assistance percentage is 0 percent.

(e) Limitation on entitlement

Except as specifically provided under this section, nothing in this subchapter shall be construed as establishing any entitlement of individuals described in section 1396a(a)(10)(E)(iv) of this title to assistance described in such section.

(f) Coverage of costs through part B of medicare program

For each fiscal year, the Secretary shall provide for the transfer from the Federal Supplementary Medical Insurance Trust Fund under section 1395t of this title to the appropriate account in the Treasury that provides for payments under section 1396b(a) of this title with respect to medical assistance provided under this section, of an amount equivalent to the total of the amount of payments made under such section that is attributable to this section and such transfer shall be treated as an expenditure from such Trust Fund for purposes of section 1395r of this title.

(g) Special rules

(1) In general

With respect to each period described in paragraph (2), a State shall select qualifying individuals, subject to paragraph (3), and provide such individuals with assistance, in accordance with the provisions of this section as in effect with respect to calendar year 2003, except that for such purpose—

(A) references in the preceding subsections of this section to a year, whether fiscal or calendar, shall be deemed to be references to such period; and
(B) the total allocation amount under subsection (c) for such period shall be the amount described in paragraph (2) for that period.

(2) Periods and total allocation amounts described

For purposes of this subsection—

(A) for the period that begins on January 1, 2008, and ends on September 30, 2008, the total allocation amount is $315,000,000;
(B) for the period that begins on October 1, 2008, and ends on December 31, 2008, the total allocation amount is $130,000,000;
(C) for the period that begins on January 1, 2009, and ends on September 30, 2009, the total allocation amount is $350,000,000;
(D) for the period that begins on October 1, 2009, and ends on December 31, 2009, the total allocation amount is $150,000,000;
(E) for the period that begins on January 1, 2010, and ends on September 30, 2010, the total allocation amount is $462,500,000;
(F) for the period that begins on October 1, 2010, and ends on December 31, 2010, the total allocation amount is $165,000,000;
(G) for the period that begins on January 1, 2011, and ends on September 30, 2011, the total allocation amount is $720,000,000;
(H) for the period that begins on October 1, 2011, and ends on December 31, 2011, the total allocation amount is $280,000,000;
(I) for the period that begins on January 1, 2012, and ends on September 30, 2012, the total allocation amount is $450,000,000;
(J) for the period that begins on October 1, 2012, and ends on December 31, 2012, the total allocation amount is $280,000,000;
(K) for the period that begins on January 1, 2013, and ends on September 30, 2013, the total allocation amount is $485,000,000;
(L) for the period that begins on October 1, 2013, and ends on December 31, 2013, the total allocation amount is $300,000,000;
(M) for the period that begins on January 1, 2014, and ends on September 30, 2014, the total allocation amount is $485,000,000;
(N) for the period that begins on October 1, 2014, and ends on December 31, 2014, the total allocation amount is $300,000,000;
(O) for the period that begins on January 1, 2015, and ends on March 31, 2015, the total allocation amount is $250,000,000;
(P) for the period that begins on April 1, 2015, and ends on December 31, 2015, the total allocation amount is $535,000,000; and
(Q) for 2016 and, subject to paragraph (4), for each subsequent year, the total allocation amount is $890,000,000.

(3) Rules for periods that begin after January 1

For any specific period described in subparagraph (B), (D), (F), (H), (J), (L), (N), or (P) of paragraph (2), the following applies:

(A) The specific period shall be treated as a continuation of the immediately preceding period in that calendar year for purposes of applying subsection (b)(2) and qualifying individuals who received assistance in the last month of such immediately preceding period shall be deemed to be selected for the specific period (without the need to complete an application for assistance for such period).

(B) The limit to be applied under subparagraph (b)(3) for the specific period shall be the same as the limit applied under such subsection for the immediately preceding period.

(C) The ratio to be applied under subsection (c)(2) for the specific period shall be the same as the ratio applied under such subsection for the immediately preceding period.

(4) Adjustment to allocations

The Secretary may increase the allocation amount under paragraph (2)(Q) for a year (beginning with 2017) up to an amount that does not exceed the product of the following:

(A) Maximum allocation amount for previous year

In the case of 2017, the allocation amount for 2016, or in the case of a subsequent year, the maximum allocation amount allowed under this paragraph for the previous year.

(B) Increase in part B premium

The monthly premium rate determined under section 1395rr of this title for the year divided by the monthly premium rate determined under such section for the previous year.

(C) Increase in part B enrollment

The average number of individuals (as estimated by the Chief Actuary of the Centers for Medicare & Medicaid Services in September of the previous year) to be enrolled under part B of subchapter XVIII for months in the year divided by the average number of such individuals (as so estimated) under this subparagraph with respect to enrollments in months in the previous year.


Prior Provisions

A prior section 1933 of act Aug. 14, 1935, was renumbered section 1939 and is classified to section 1396v of this title.

Amendments

2015—Subsec. (g)(2). Pub. L. 114–10, §211(b)(1), redesignated subpars. (I) to (W) as (A) to (O), respectively, added subpars. (P) and (Q), and struck out former subpars. (A) to (H) which related to total allocation amounts for various periods beginning on January 1, 2004, and ending on December 31, 2007.

Subsec. (g)(3). Pub. L. 114–10, §211(b)(2), substituted “or (P)” for “(P), (R), (T), or (V)” in introductory provisions.
§ 1396u–4. Program of all-inclusive care for elderly (PACE)

(a) State option

(1) In general

A State may elect to provide medical assistance under this section with respect to PACE program services to PACE program eligible individuals who are eligible for medical assistance under the State plan and who are enrolled in a PACE program under a PACE program agreement. Such individuals need not be eligible for benefits under part A, or enrolled under part B, of subchapter XVIII to be eligible to enroll under this section.

In the case of an individual enrolled with a PACE program pursuant to such an election—

(A) the individual shall receive benefits under the plan solely through such program, and

(B) the PACE provider shall receive payment in accordance with the PACE program agreement for provision of such benefits.

A State may establish a numerical limit on the number of individuals who may be enrolled in a PACE program under a PACE program agreement.

(2) “PACE program” defined

For purposes of this section, the term “PACE program” means a program of all-inclusive care for the elderly that meets the following requirements:

(A) Operation

The entity operating the program is a PACE provider (as defined in paragraph (3)).

(B) Comprehensive benefits

The program provides comprehensive health care services to PACE program eligi-
ble individuals in accordance with the PACE program agreement and regulations under this section.

(C) Transition
In the case of an individual who is enrolled under the program under this section and whose enrollment ceases for any reason (including that the individual no longer qualifies as a PACE program eligible individual, the termination of a PACE program agreement, or otherwise), the program provides assistance to the individual in obtaining necessary transitional care through appropriate referrals and making the individual’s medical records available to new providers.

(3) “PACE provider” defined

(A) In general
For purposes of this section, the term “PACE provider” means an entity that—

(i) subject to subparagraph (B), is (or is a distinct part of) a public entity or a private, nonprofit entity organized for charitable purposes under section 501(c)(3) of the Internal Revenue Code of 1986, and

(ii) has entered into a PACE program agreement with respect to its operation of a PACE program.

(B) Treatment of private, for-profit providers
Clause (i) of subparagraph (A) shall not apply—

(i) to entities subject to a demonstration project waiver under subsection (h); and

(ii) after the date the report under section 4804(b) of the Balanced Budget Act of 1997 is submitted, unless the Secretary determines that any of the findings described in subparagraph (A), (B), (C), or (D) of paragraph (2) of such section are true.

(4) “PACE program agreement” defined
For purposes of this section, the term “PACE program agreement” means, with respect to a PACE provider, an agreement, consistent with this section, section 1395eee of this title and all regulations promulgated to carry out such sections, among the PACE provider, the Secretary, and a State administering agency for the operation of a PACE program by the provider under such sections.

(5) “PACE program eligible individual” defined
For purposes of this section, the term “PACE program eligible individual” means, with respect to a PACE program, an individual who—

(A) is 55 years of age or older;

(B) subject to subsection (c)(4), is determined under subsection (c) to require the level of care required under the State medicaid plan for coverage of nursing facility services;

(C) resides in the service area of the PACE program; and

(D) meets such other eligibility conditions as may be imposed under the PACE program agreement for the program under subsection (e)(2)(A)(ii).

(6) “PACE protocol” defined
For purposes of this section, the term “PACE protocol” means the Protocol for the Program of All-inclusive Care for the Elderly (PACE), as published by On Lok, Inc., as of April 14, 1995, or any successor protocol that may be agreed upon between the Secretary and On Lok, Inc.

(7) “PACE demonstration waiver program” defined
For purposes of this section, the term “PACE demonstration waiver program” means a demonstration program under either of the following sections (as in effect before the date of their repeal):

(A) Section 603(c) of the Social Security Amendments of 1983 (Public Law 98–21), as extended by section 9220 of the Consolidated Omnibus Budget Reconciliation Act of 1985 (Public Law 99–272).

(B) Section 9412(b) of the Omnibus Budget Reconciliation Act of 1986 (Public Law 99–509).

(8) “State administering agency” defined
For purposes of this section, the term “State administering agency” means, with respect to the operation of a PACE program in a State, the agency of that State (which may be the single agency responsible for administration of the State plan under this subchapter in the State) responsible for administering PACE program agreements under this section and section 1395eee of this title in the State.

(9) “Trial period” defined

(A) In general
For purposes of this section, the term “trial period” means, with respect to a PACE program operated by a PACE provider under a PACE program agreement, the first 3 contract years under such agreement with respect to such program.

(B) Treatment of entities previously operating PACE demonstration waiver programs
Each contract year (including a year occurring before the effective date of this section) during which an entity has operated a PACE demonstration waiver program shall be counted under subparagraph (A) as a contract year during which the entity operated a PACE program as a PACE provider under a PACE program agreement.

(10) “Regulations” defined
For purposes of this section, the term “regulations” refers to interim final or final regulations promulgated under subsection (f) to carry out this section and section 1395eee of this title.

(b) Scope of benefits; beneficiary safeguards

(1) In general
Under a PACE program agreement, a PACE provider shall—

(A) provide to PACE program eligible individuals, regardless of source of payment and directly or under contracts with other entities, at a minimum—

(i) all items and services covered under subchapter XVIII (for individuals enrolled under section 1395eee of this title) and all
items and services covered under this subchapter, but without any limitation or condition as to amount, duration, or scope and without application of deductibles, copayments, coinsurance, or other cost-sharing that would otherwise apply under such subchapter or this subchapter, respectively; and
(ii) all additional items and services specified in regulations, based upon those required under the PACE protocol;
(B) provide such enrollees access to necessary covered items and services 24 hours per day, every day of the year;
(C) provide services to such enrollees through a comprehensive, multidisciplinary health and social services delivery system which integrates acute and long-term care services pursuant to regulations; and
(D) specify the covered items and services that will not be provided directly by the entity, and to arrange for delivery of those items and services through contracts meeting the requirements of regulations.
(2) Quality assurance; patient safeguards
The PACE program agreement shall require the PACE provider to have in effect at a minimum—
(A) a written plan of quality assurance and improvement, and procedures implementing such plan, in accordance with regulations, and
(B) written safeguards of the rights of enrolled participants (including a patient bill of rights and procedures for grievances and appeals) in accordance with regulations and with other requirements of this subchapter and Federal and State law designed for the protection of patients.
(3) Treatment of medicare services furnished by noncontract physicians and other entities
(A) Application of medicare advantage requirement with respect to medicare services furnished by noncontract physicians and other entities
Section 1395w–22(k)(1) of this title (relating to limitations on balance billing against MA organizations for noncontract physicians and other entities with respect to services covered under subchapter XVIII) shall apply to PACE providers, PACE program eligible individuals enrolled with such PACE providers, and physicians and other entities that do not have a contract or other agreement establishing payment amounts for services furnished to such an individual in the same manner as such section applies to MA organizations, individuals enrolled with such organizations, and physicians and other entities referred to in such section.
(B) Reference to related provision for noncontract providers of services
For the provision relating to limitations on balance billing against PACE providers for services covered under subchapter XVIII furnished by noncontract providers of services, see section 1395cc(a)(1)(O) of this title.
(4) Reference to related provision for services covered under this subchapter but not under subchapter XVIII
For provisions relating to limitations on payments to providers participating under the State plan under this subchapter that do not have a contract or other agreement with a PACE provider establishing payment amounts for services covered under such plan (but not under subchapter XVIII) when such services are furnished to enrollees of that PACE provider, see section 1396a(a)(67) of this title.
(c) Eligibility determinations
(1) In general
The determination of—
(A) whether an individual is a PACE program eligible individual shall be made under and in accordance with the PACE program agreement, and
(B) who is entitled to medical assistance under this subchapter shall be made (or who is not so entitled, may be made) by the State administering agency.
(2) Condition
An individual is not a PACE program eligible individual (with respect to payment under this section) unless the individual’s health status has been determined by the Secretary or the State administering agency, in accordance with regulations, to be comparable to the health status of individuals who have participated in the PACE demonstration waiver programs. Such determination shall be based upon information on health status and related indicators (such as medical diagnoses and measures of activities of daily living, instrumental activities of daily living, and cognitive impairment) that are part of a uniform minimum data set collected by PACE providers on potential eligible individuals.
(3) Annual eligibility recertifications
(A) In general
Subject to subparagraph (B), the determination described in subsection (a)(5)(B) for an individual shall be reevaluated at least annually.
(B) Exception
The requirement of annual reevaluation under subparagraph (A) may be waived during a period in accordance with regulations in those cases in which the State administering agency determines that there is no reasonable expectation of improvement or significant change in an individual’s condition during the period because of the severity of chronic condition, or degree of impairment of functional capacity of the individual involved.
(4) Continuation of eligibility
An individual who is a PACE program eligible individual may be deemed to continue to be such an individual notwithstanding a determination that the individual no longer meets the requirement of subsection (a)(5)(B) if, in accordance with regulations, in the absence of continued coverage under a PACE program the individual reasonably would be expected to
meet such requirement within the succeeding 6-month period.

(5) Enrollment; disenrollment

(A) Voluntary disenrollment at any time

The enrollment and disenrollment of PACE program eligible individuals in a PACE program shall be pursuant to regulations and the PACE program agreement and shall permit enrollees to voluntarily disenroll without cause at any time.

(B) Limitations on disenrollment

(i) In general

Regulations promulgated by the Secretary under this section and section 1395eee of this title, and the PACE program agreement, shall provide that the PACE program may not disenroll a PACE program eligible individual except—

(I) for nonpayment of premiums (if applicable) on a timely basis; or

(II) for engaging in disruptive or threatening behavior, as defined in such regulations (developed in close consultation with State administering agencies).

(ii) No disenrollment for noncompliant behavior

Except as allowed under regulations promulgated to carry out clause (i)(II), a PACE program may not disenroll a PACE program eligible individual on the ground that the individual has engaged in noncompliant behavior if such behavior is related to a mental or physical condition of the individual. For purposes of the preceding sentence, the term “noncompliant behavior” includes repeated noncompliance with medical advice and repeated failure to appear for appointments.

(iii) Timely review of proposed nonvoluntary disenrollment

A proposed disenrollment, other than a voluntary disenrollment, shall be subject to timely review and final determination by the Secretary or by the State administering agency (as applicable), prior to the proposed disenrollment becoming effective.

(d) Payments to PACE providers on a capitated basis

(1) In general

In the case of a PACE provider with a PACE program agreement under this section, except as provided in this subsection or by regulations, the State shall make prospective monthly payments of a capitation amount for each PACE program eligible individual enrolled under the agreement under this section.

(2) Capitation amount

The capitation amount to be applied under this subsection for a provider for a contract year shall be an amount specified in the PACE program agreement for the year. Such amount shall be an amount, specified under the PACE agreement, which is less than the amount that would otherwise have been made under the State plan if the individuals were not so enrolled and shall be adjusted to take into account the comparative frailty of PACE enrollees and such other factors as the Secretary determines to be appropriate. The payment under this section shall be in addition to any payment made under section 1395eee of this title for individuals who are enrolled in a PACE program under such section.

(e) PACE program agreement

(1) Requirement

(A) In general

The Secretary, in close cooperation with the State administering agency, shall establish procedures for entering into, extending, and terminating PACE program agreements for the operation of PACE programs by entities that meet the requirements for a PACE provider under this section, section 1395eee of this title, and regulations.

(B) Numerical limitation

(i) In general

The Secretary shall not permit the number of PACE providers with which agreements are in effect under this section or section 9412(b) of the Omnibus Budget Reconciliation Act of 1986 to exceed—

(I) 40 as of August 5, 1997, or

(II) as of each succeeding anniversary of August 5, 1997, the numerical limitation under this subparagraph for the preceding year plus 20.

Subclause (II) shall apply without regard to the actual number of agreements in effect as of a previous anniversary date.

(ii) Treatment of certain private, for-profit providers

The numerical limitation in clause (i) shall not apply to a PACE provider that—

(I) is operating under a demonstration project waiver under subsection (h), or

(II) was operating under such a waiver and subsequently qualifies for PACE provider status pursuant to subsection (a)(3)(B)(ii).

(2) Service area and eligibility

(A) In general

A PACE program agreement for a PACE program—

(i) shall designate the service area of the program;

(ii) may provide additional requirements for individuals to qualify as PACE program eligible individuals with respect to the program;

(iii) shall be effective for a contract year, but may be extended for additional contract years in the absence of a notice by a party to terminate, and is subject to termination by the Secretary and the State administering agency at any time for cause (as provided under the agreement);

(iv) shall require a PACE provider to meet all applicable State and local laws and requirements; and

(v) shall contain such additional terms and conditions as the parties may agree to,
so long as such terms and conditions are consistent with this section and regulations.

(B) Service area overlap

In designating a service area under a PACE program agreement under subparagraph (A)(i), the Secretary (in consultation with the State administering agency) may exclude from designation an area that is already covered under another PACE program agreement, in order to avoid unnecessary duplication of services and avoid impairing the financial and service viability of an existing program.

(3) Data collection; development of outcome measures

(A) Data collection

(i) In general

Under a PACE program agreement, the PACE provider shall—

(I) collect data;

(II) maintain, and afford the Secretary and the State administering agency access to, the records relating to the program, including pertinent financial, medical, and personnel records; and

(III) submit to the Secretary and the State administering agency such reports as the Secretary finds (in consultation with State administering agencies) necessary to monitor the operation, cost, and effectiveness of the PACE program.

(ii) Requirements during trial period

During the first 3 years of operation of a PACE program (either under this section or under a PACE demonstration waiver program), the PACE provider shall provide such additional data as the Secretary specifies in regulations in order to perform the oversight required under paragraph (4)(A).

(B) Development of outcome measures

Under a PACE program agreement, the PACE provider, the Secretary, and the State administering agency shall jointly cooperate in the development and implementation of health status and quality of life outcome measures with respect to PACE program eligible individuals.

(4) Oversight

(A) Annual, close oversight during trial period

During the trial period (as defined in subsection (a)(9)) with respect to a PACE program operated by a PACE provider, the Secretary (in cooperation with the State administering agency) shall conduct a comprehensive annual review of the operation of the PACE program by the provider in order to assure compliance with the requirements of this section and regulations. Such a review shall include—

(I) an onsite visit to the program site;

(II) comprehensive assessment of a provider’s fiscal soundness;

(III) comprehensive assessment of the provider’s capacity to provide all PACE services to all enrolled participants;

(iv) detailed analysis of the entity’s substantial compliance with all significant requirements of this section and regulations; and

(v) any other elements the Secretary or the State administering agency considers necessary or appropriate.

(B) Continuing oversight

After the trial period, the Secretary (in cooperation with the State administering agency) shall continue to conduct such review of the operation of PACE providers and PACE programs as may be appropriate, taking into account the performance level of a provider and compliance of a provider with all significant requirements of this section and regulations.

(C) Disclosure

The results of reviews under this paragraph shall be reported promptly to the PACE provider, along with any recommendations for changes to the provider’s program, and shall be made available to the public upon request.

(5) Termination of PACE provider agreements

(A) In general

Under regulations—

(i) the Secretary or a State administering agency may terminate a PACE program agreement for cause, and

(ii) a PACE provider may terminate such an agreement after appropriate notice to the Secretary, the State administering agency, and enrollees.

(B) Causes for termination

In accordance with regulations establishing procedures for termination of PACE program agreements, the Secretary or a State administering agency may terminate a PACE program agreement with a PACE provider for, among other reasons, the fact that—

(i) the Secretary or State administering agency determines that—

(I) there are significant deficiencies in the quality of care provided to enrolled participants; or

(II) the provider has failed to comply substantially with conditions for a program or provider under this section or section 1395eee of this title; and

(ii) the entity has failed to develop and successfully initiate, within 30 days of the date of the receipt of written notice of such a determination, a plan to correct the deficiencies, or has failed to continue implementation of such a plan.

(C) Termination and transition procedures

An entity whose PACE provider agreement is terminated under this paragraph shall implement the transition procedures required under subsection (a)(2)(C).

(6) Secretary’s oversight; enforcement authority

(A) In general

Under regulations, if the Secretary determines (after consultation with the State ad-
ministering agency) that a PACE provider is failing substantially to comply with the requirements of this section and regulations, the Secretary (and the State administering agency) may take any or all of the following actions:

(i) Condition the continuation of the PACE program agreement upon timely execution of a corrective action plan.
(ii) Withhold some or all further payments under the PACE program agreement under this section or section 1395see of this title with respect to PACE program services furnished by such provider until the deficiencies have been corrected.
(iii) Terminate such agreement.

(B) Application of intermediate sanctions

Under regulations, the Secretary may provide for the application against a PACE provider of remedies described in section 1395w–27(g)(2) (or, for periods before January 1, 1999, section 1395mm(i)(6)(B) of this title) or 1396b(m)(5)(A) of this title in the case of violations by the provider of the type described in section 1395w–27(g)(1) (or 1395mm(i)(6)(A) of this title for such periods) or 1396b(m)(5)(A) of this title, respectively (in relation to agreements, enrollees, and requirements under section 1395see of this title or this section, respectively).

(7) Procedures for termination or imposition of sanctions

Under regulations, the provisions of section 1395w–27(h) of this title (or for periods before January 1, 1999, section 1395mm(i)(9) of this title) shall apply to termination and sanctions respecting a PACE program agreement and PACE provider under this subsection in the same manner as they apply to a termination and sanctions with respect to a contract and a Medicare+Choice organization under part C of subchapter XVIII (or, for such periods an eligible organization under section 1395mm of this title). Under regulations, the Secretary may apply for the application against a PACE program agreement and PACE provider under this subsection in the same manner as they apply to a termination and sanctions with respect to a contract and a Medicare+Choice organization under part C of subchapter XVIII (or for such periods an eligible organization under section 1395mm of this title).

(8) Timely consideration of applications for PACE program provider status

In considering an application for PACE program provider status, the application shall be deemed approved unless the Secretary, within 90 days after the date of the submission of the application to the Secretary, either denies such request in writing or informs the applicant in writing with respect to any additional information that is needed in order to make a final determination with respect to the application. After the date the Secretary receives such additional information, the application shall be deemed approved unless the Secretary, within 90 days of such date, denies such request.

(f) Regulations

(1) In general

The Secretary shall issue interim final or final regulations to carry out this section and section 1395see of this title.

(2) Use of PACE protocol

(A) In general

In issuing such regulations, the Secretary shall, to the extent consistent with the provisions of this section, incorporate the requirements applied to PACE demonstration waiver programs under the PACE protocol.

(B) Flexibility

In order to provide for reasonable flexibility in adapting the PACE service delivery model to the needs of particular organizations (such as those in rural areas or those that may determine it appropriate to use nonstaff physicians according to State licensing law requirements) under this section and section 1395see of this title, the Secretary (in close consultation with State administering agencies) may modify or waive provisions of the PACE protocol so long as any such modification or waiver is not inconsistent with and would not impair the essential elements, objectives, and requirements of this section, but may not modify or waive any of the following provisions:

(i) The focus on frail elderly qualifying individuals who require the level of care provided in a nursing facility.
(ii) The delivery of comprehensive, integrated acute and long-term care services.
(iii) The interdisciplinary team approach to care management and service delivery.
(iv) Capitated, integrated financing that allows the provider to pool payments received from public and private programs and individuals.
(v) The assumption by the provider of full financial risk.

(C) Continuation of modifications or waivers of operational requirements under demonstration status

If a PACE program operating under demonstration authority has contractual or other operating arrangements which are not otherwise recognized in regulation and which were in effect on July 1, 2000, the Secretary (in close consultation with, and with the concurrence of, the State administering agency) shall permit any such program to continue such arrangements so long as such arrangements are found by the Secretary and the State to be reasonably consistent with the objectives of the PACE program.

(3) Application of certain additional beneficiary and program protections

(A) In general

In issuing such regulations and subject to subparagraph (B), the Secretary may apply with respect to PACE programs, providers, and agreements such requirements of part C of subchapter XVIII (or, for periods before January 1, 1999, section 1395mm of this title) and sections 1396b(m) and 1396u–2 of this title relating to protection of beneficiaries and program integrity as would apply to Medicare+Choice organizations under such part C (or for such periods eligible organizations under risk-sharing contracts under section 1395mm of this title) and to Medicaid managed care organizations under prepaid capitation agreements under section 1396b(m) of this title.

1 So in original. Probably should be followed by a comma.
§ 1396u–4

(4) **Construction**

Nothing in this subsection shall be construed as preventing the Secretary from including in regulations provisions to ensure the health and safety of individuals enrolled in a PACE program under this section that are in addition to those otherwise provided under paragraphs (2) and (3).

(g) **Waivers of requirements**

With respect to carrying out a PACE program under this section, the following requirements of this subchapter (and regulations relating to such requirements) shall not apply:

1. Section 1396a(a)(1) of this title, relating to any requirement that PACE programs or PACE program services be provided in all areas of a State.

2. Section 1396a(a)(10) of this title, insofar as such section relates to comparability of services among different population groups.

3. Sections 1396a(a)(23) and 1396m(b)(4) of this title, relating to freedom of choice of providers under a PACE program.

4. Section 1396b(m)(2)(A) of this title, insofar as it restricts a PACE provider from receiving prepaid capitation payments.

5. Such other provisions of this subchapter that, as added or amended by the Balanced Budget Act of 1997, the Secretary determines are inapplicable to carrying out a PACE program under this section.

(h) **Demonstration project for for-profit entities**

1. **In general**

In order to demonstrate the operation of a PACE program by a private, for-profit entity, the Secretary (in close consultation with State administering agencies) shall grant waivers from the requirement under subsection (a)(3) that a PACE provider may not be a for-profit entity.

2. **Similar terms and conditions**

(A) **In general**

Except as provided under subparagraph (B), and paragraph (1), the terms and conditions for operation of a PACE program by a provider under this subsection shall be the same as those for PACE providers that are nonprofit, private organizations.

(B) **Numerical limitation**

The number of programs for which waivers are granted under this subsection shall not exceed 10. Programs with waivers granted under this subsection shall not be counted against the numerical limitation specified in subsection (e)(1)(B).

(i) **Post-eligibility treatment of income**

A State may provide for post-eligibility treatment of income for individuals enrolled in PACE programs under this section in the same manner as a State treats post-eligibility income for individuals receiving services under a waiver under section 1396n(c) of this title.

(j) **Miscellaneous provisions**

Nothing in this section or section 1395eee of this title shall be construed as preventing a PACE provider from entering into contracts with other governmental or nongovernmental payers for the care of PACE program eligible individuals who are not eligible for benefits under part A, or enrolled under part B, of subchapter XVIII or eligible for medical assistance under this subchapter.


REFERENCES IN TEXT


Section 603(c) of the Social Security Amendments of 1983, referred to in subsec. (a)(7)(A), is section 603(c) of Pub. L. 98–21, title VI, Apr. 20, 1983, 97 Stat. 159, which was not classified to the Code and was repealed by Pub. L. 105–33, title IV, §4803(d), Aug. 5, 1997, 111 Stat. 550, subject to transition provisions.


Section 9412(b) of the Omnibus Budget Reconciliation Act of 1986, referred to in subsec. (a)(7)(B) and (e)(1)(B)(1), is section 9412(b) of Pub. L. 99–509, title IX, Oct. 21, 1986, 100 Stat. 2062, which was not classified to the Code and was repealed by Pub. L. 105–33, title IV, §4803(d), Aug. 5, 1997, 111 Stat. 550, subject to transition provisions.

For the effective date of this section, referred to in subsec. (a)(9)(B), see section 4803 of Pub. L. 105–33, set out as a Transition; Regulations note under section 1395eee of this title.

PRIOR PROVISIONS

A prior section 1934 of act Aug. 14, 1935, was renumbered section 1939 and is classified to section 1396v of this title.

AMENDMENTS


CHANGE OF NAME

References to Medicare+Choice deemed to refer to Medicare Advantage or MA, subject to an appropriate
transition provided by the Secretary of Health and Human Services in the use of those terms, see section 201 of Pub. L. 108–173, set out as a note under section 1395w–21 of this title.

**EFFECTIVE DATE OF 2003 AMENDMENT**
Amendment by Pub. L. 108–173 applicable to services furnished on or after Jan. 1, 2004, see section 236(c) of Pub. L. 108–173, set out as a note under section 1396cc of this title.

**EFFECTIVE DATE OF 2000 AMENDMENT**

**§ 1396u–5. Special provisions relating to medicare prescription drug benefit**

(a) Requirements relating to medicare prescription drug low-income subsidies, medicare transitional prescription drug assistance, and medicare cost-sharing

As a condition of its State plan under this subchapter under section 1396a(a)(66) of this title and receipt of any Federal financial assistance under section 1396b(a) of this title subject to this subchapter under section 1396a(a)(66) of this title and in accordance with section 1396w–114 of this title, the State shall provide the Secretary with information to carry out section 1395w–141(f)(3)(B)(i) of this title.

(2) Eligibility determinations for low-income subsidies

The State shall—

(A) make determinations of eligibility for premium and cost-sharing subsidies under and in accordance with section 1395w–114 of this title; and

(B) inform the Secretary of such determinations in cases in which such eligibility has been established; and

(C) otherwise provide the Secretary with such information as may be required to carry out part D, other than subpart 4, of subchapter XVIII (including section 1395w–114 of this title).

(3) Screening for eligibility, and enrollment of, beneficiaries for medicare cost-sharing

As part of making an eligibility determination required under paragraph (2) for an individual, the State shall make a determination of the individual’s eligibility for medical assistance for any medicare cost-sharing described in section 1396d(p)(3) of this title and, if the individual is eligible for such medicare cost-sharing, offer enrollment to the individual under the State plan (or under a waiver of such plan).

(4) Consideration of data transmitted by the Social Security Administration for purposes of Medicare Savings Program

The State shall accept data transmitted under section 1320c–14(c)(3) of this title and act on such data in the same manner and in accordance with the same deadlines as if the data constituted an initiation of an application for benefits under the Medicare Savings Program (as defined for purposes of such section) that had been submitted directly by the applicant. The date of the individual’s application for the low income subsidy program from which the data have been derived shall constitute the date of filing of such application for benefits under the Medicare Savings Program.

(b) Regular Federal subsidy of administrative costs

The amounts expended by a State in carrying out subsection (a) are expenditures reimbursable under the appropriate paragraph of section 1396b(a) of this title.

(c) Federal assumption of medicaid prescription drug costs for dually eligible individuals

(1) Phased-down State contribution

(A) In general

Each of the 50 States and the District of Columbia for each month beginning with January 2006 shall provide for payment under this subsection to the Secretary of the product of—

(i) the amount computed under paragraph (2)(A) for the State and month;

(ii) the total number of full-benefit dual eligible individuals (as defined in paragraph (6)(ii)) for such State and month; and

(iii) the factor for the month specified in paragraph (5).

(B) Form and manner of payment

Payment under subparagraph (A) shall be made in a manner specified by the Secretary that is similar to the manner in which State payments are made under an agreement entered into under section 1395v of this title, except that all such payments shall be deposited into the Medicare Prescription Drug Account in the Federal Supplementary Medical Insurance Trust Fund.

(C) Compliance

If a State fails to pay to the Secretary an amount required under subparagraph (A), interest shall accrue on such amount at the rate provided under section 1396b(d)(5) of this title. The amount so owed and applicable interest shall be immediately offset against amounts otherwise payable to the State under section 1396b(a) of this title subject to subsection (e), in accordance with the Federal Claims Collection Act of 1996 and applicable regulations.

(D) Data match

The Secretary shall perform such periodic data matches as may be necessary to identify and compute the number of full-benefit dual eligible individuals for purposes of computing the amount under subparagraph (A).

(2) Amount

(A) In general

The amount computed under this paragraph for a State described in paragraph (1) and for a month in a year is equal to—

(i) $12 of the product of—

1 See References in Text note below.
(I) the base year State medicaid per capita expenditures for covered part D drugs for full-benefit dual eligible individuals (as computed under paragraph (3)); and
(II) a proportion equal to 100 percent minus the Federal medical assistance percentage (as defined in section 1396d(b) of this title) applicable to the State for the fiscal year in which the month occurs; and
(ii) increased for each year (beginning with 2004 up to and including the year involved) by the applicable growth factor specified in paragraph (4) for that year.

(B) Notice
The Secretary shall notify each State described in paragraph (1) not later than October 15 before the beginning of each year (beginning with 2006) of the amount computed under subparagraph (A) for the State for that year.

(3) Base year state medicaid per capita expenditures for covered part D drugs for full-benefit dual eligible individuals

(A) In general
For purposes of paragraph (2)(A), the “base year State medicaid per capita expenditures for covered part D drugs for full-benefit dual eligible individuals” for a State is equal to the weighted average (as weighted under subparagraph (C)) of—

(i) the gross per capita medicaid expenditures for prescription drugs for 2003, determined under subparagraph (B); and

(ii) the estimated actuarial value of prescription drug benefits provided under a capitated managed care plan for full-benefit dual eligible individuals for 2003, as determined using such data as the Secretary determines appropriate.

(B) Gross per capita medicaid expenditures for prescription drugs

(i) In general
The gross per capita medicaid expenditures for prescription drugs for 2003 under this subparagraph is equal to the expenditures, including dispensing fees, for the State under this subchapter during 2003 for covered outpatient drugs, determined per full-benefit-dual-eligible-individual for such individuals not receiving medical assistance for such drugs through a medicaid managed care plan.

(ii) Determination
In determining the amount under clause (i), the Secretary shall—

(I) use data from the Medicaid Statistical Information System (MSIS) and other available data;

(II) exclude expenditures attributable to covered outpatient prescription drugs that are not covered part D drugs (as defined in section 1395w–102(e) of this title), including drugs described in subparagraph (K) of section 1396r–8(d)(2) of this title; and

(III) reduce such expenditures by the product of such portion and the adjustment factor (described in clause (iii)).

(iii) Adjustment factor
The adjustment factor described in this clause for a State is equal to the ratio for the State for 2003 of—

(I) aggregate payments under agreements under section 1396r–8 of this title; to

(II) the gross expenditures under this subchapter for covered outpatient drugs referred to in clause (i).

Such factor shall be determined based on information reported by the State in the medicaid financial management reports (form CMS–64) for the 4 quarters of calendar year 2003 and such other data as the Secretary may require.

(C) Weighted average
The weighted average under subparagraph (A) shall be determined taking into account—

(i) with respect to subparagraph (A)(i), the average number of full-benefit dual eligible individuals in 2003 who are not described in clause (ii); and

(ii) with respect to subparagraph (A)(ii), the average number of full-benefit dual eligible individuals in such year who received in 2003 medical assistance for covered outpatient drugs through a medicaid managed care plan.

(4) Applicable growth factor
The applicable growth factor under this paragraph for—

(A) each of 2004, 2005, and 2006, is the average annual percent change (to that year from the previous year) of the per capita amount of prescription drug expenditures (as determined based on the most recent National Health Expenditure projections for the years involved); and

(B) a succeeding year, is the annual percentage increase specified in section 1395w–102(b)(6) of this title for the year.

(5) Factor
The factor under this paragraph for a month—

(A) in 2006 is 90 percent;

(B) in 2007 is 88% percent;

(C) in 2008 is 86% percent;

(D) in 2009 is 85 percent;

(E) in 2010 is 83% percent;

(F) in 2011 is 81% percent;

(G) in 2012 is 80 percent;

(H) in 2013 is 78% percent;

(I) in 2014 is 76% percent; or

(J) after December 2014, is 75 percent.

(6) Full-benefit dual eligible individual defined

(A) In general
For purposes of this section, the term “full-benefit dual eligible individual” means for a State for a month an individual who—

(i) has coverage for the month for covered part D drugs under a prescription drug plan under part D of subchapter
(d) Coordination of prescription drug benefits

(1) Medicare as primary payor

In the case of a part D eligible individual (as defined in section 1395w–101(a)(3)(A) of this title) who is described in subsection (c)(6)(A)(ii), notwithstanding any other provision of this subchapter, medical assistance is not available under this subchapter for such drugs (or for any cost-sharing respecting such drugs), and the rules under this subchapter relating to the provision of medical assistance for such drugs shall not apply. The provision of benefits with respect to such drugs shall not be considered as the provision of care or services under the plan under this subchapter. No payment may be made under section 1396b(a) of this title for prescribed drugs for which medical assistance is not available pursuant to this paragraph.

(2) Coverage of certain excludable drugs

In the case of medical assistance under this subchapter with respect to a covered outpatient drug (other than a covered part D drug) furnished to an individual who is enrolled in a prescription drug plan under part D of subchapter XVIII or an MA–PD plan under part C of such subchapter, the State may elect to provide such medical assistance in the manner otherwise provided in the case of individuals who are not full-benefit dual eligible individuals or through an arrangement with such plans.

(e) Treatment of territories

(1) In general

In the case of a State, other than the 50 States and the District of Columbia—

(A) the previous provisions of this section shall not apply to residents of such State; and

(B) subject to paragraph (4), if the State establishes and submits to the Secretary a plan described in paragraph (2) (for providing medical assistance with respect to the provision of prescription drugs to part D eligible individuals), the amount otherwise determined under section 1308(f) of this title (as increased under section 1308(g) of this title) for the State shall be increased by the amount for the fiscal period specified in paragraph (3).

(2) Plan

The Secretary shall determine that a plan is described in this paragraph if the plan—

(A) provides medical assistance with respect to the provision of covered part D drugs (as defined in section 1395w–102(e) of this title) to low-income part D eligible individuals;

(B) provides assurances that additional amounts received by the State that are attributable to the operation of this subchapter shall be used only for such assistance and related administrative expenses and that no more than 10 percent of the amount specified in paragraph (3)(A) for the State for any fiscal period shall be used for such administrative expenses; and

(C) meets such other criteria as the Secretary may establish.

(3) Increased amount

(A) In general

The amount specified in this paragraph for a State for a year is equal to the product of—

(i) the aggregate amount specified in subparagraph (B); and

(ii) the ratio (as estimated by the Secretary) of—

(I) the number of individuals who are entitled to benefits under part A or enrolled under part B and who reside in the State (as determined by the Secretary based on the most recent available data before the beginning of the year); to

(II) the sum of such numbers for all States that submit a plan described in paragraph (2).

(B) Aggregate amount

The aggregate amount specified in this subparagraph for—

(i) the last 3 quarters of fiscal year 2006, is equal to $28,125,000;

(ii) fiscal year 2007, is equal to $37,500,000; or

(iii) a subsequent year, is equal to the aggregate amount specified in this subparagraph for the previous year increased by annual percentage increase specified in section 1395w–102(b)(6) of this title for the year involved.

(4) Treatment of funding for certain fiscal years

Notwithstanding paragraph (1)(B), in the case that Puerto Rico, the Virgin Islands, Guam, the Northern Mariana Islands, or American Samoa establishes and submits to the Secretary a plan described in paragraph (2) with respect to any of fiscal years 2020 through 2021, the amount specified for such a year in paragraph (3) for Puerto Rico, the Virgin Islands, Guam, the Northern Mariana Islands, or American Samoa, as the case may be, shall be taken into account in applying, as applicable,
subparagraph (A)(ii), (B)(ii), (C)(ii), (D)(ii), or (E)(ii) of section 1308(g)(2) of this title for such year.

(5) Report

The Secretary shall submit to Congress a report on the application of this subsection and may include in the report such recommendations as the Secretary deems appropriate.


REFERENCES IN TEXT

No act with the title Federal Claims Collection Act of 1996, referred to in subsec. (c)(1)(C), has been enacted. However, Pub. L. 89–508, July 19, 1966, 80 Stat. 308, was known as the Federal Claims Collection Act of 1966. Sections 2, 3, and 5 of Pub. L. 89–508, which enacted sections 951, 952, and 954, respectively, of former Title 31, known as the Federal Claims Collection Act of 1966. Sections 2, 3, and 5 of Pub. L. 89–508, which enacted Title 31, Money and Finance. For disposition of sections of former Title 31 into revised Title 31, see Table preceding section 101 of Title 31. For complete classification of Pub. L. 89–508 to the Code, see Tables.

Parts A and B, referred to in subsec. (e)(3)(A)(i)(I), probably means parts A and B of subchapter XVIII of this chapter. This subchapter does not contain parts.

PRIOR PROVISIONS

A prior section 1935 of act Aug. 14, 1935, was renumbered section 1939 and is classified to section 1396v of this title.

AMENDMENTS

2019—Subsec. (e)(1)(B). Pub. L. 116–94, §202(b)(1), substituted “subject to paragraph (4), if the State” for “if the State”.


2005—Subsec. (c)(3)(B)(ii). Pub. L. 109–91 inserted “subject to subsection (e)” after “section 1396d–8(d)(2) of this title” after “section 1395w–102(e) of this title”.


Subsec. (c)(1)(C). Pub. L. 108–173, §103(d)(1)(B), which directed the amendment of subsec. (c)(1) by inserting “subject to subsection (e)” after “section 1396b(a)(1) of this title”, was executed by making the insertion after “section 1396b(a) of this title” in subpar. (C) to reflect the probable intent of Congress.


1396v of this title.

$1396u–6. Medicaid Integrity Program

(a) In general

There is hereby established the Medicaid Integrity Program (in this section referred to as the “Program”) under which the Secretary shall promote the integrity of the program under this subchapter by entering into contracts in accordance with this section with eligible entities, or otherwise, to carry out the activities described in subsection (b).

(b) Activities described

Activities described in this subsection are as follows:

(1) Review of the actions of individuals or entities furnishing items or services (whether on a fee-for-service, risk, or other basis) for which payment may be made under a State plan approved under this subchapter (or under any waiver of such plan approved under section 1315 of this title) to determine whether fraud, waste, or abuse has occurred, is likely to occur, or whether such actions have any potential for resulting in an expenditure of funds under this subchapter in a manner which is not intended under the provisions of this subchapter.

(2) Audit of claims for payment for items or services furnished, or administrative services rendered, under a State plan under this subchapter, including—

(A) cost reports; and

(B) consulting contracts; and

(C) risk contracts under section 1396b(m) of this title.

(3) Identification of overpayments to individuals or entities receiving Federal funds under this subchapter.

(4) Education or training, including at such national, State, or regional conferences as the Secretary may establish, of State or local officials, employees, or independent contractors responsible for the administration or the supervision of the administration of the State plan under this subchapter, providers of services, managed care entities, beneficiaries, and other individuals with respect to payment integrity and quality of care.

(c) Eligible entity and contracting requirements

(1) In general

An entity is eligible to enter into a contract under the Program to carry out any of the activities described in subsection (b) if the entity satisfies the requirements of paragraphs (2) and (3).

(2) Eligibility requirements

The requirements of this paragraph are the following:

(A) The entity has demonstrated capability to carry out the activities described in subsection (b).

(B) In carrying out such activities, the entity agrees to cooperate with the Inspector General of the Department of Health and Human Services, the Attorney General, and other law enforcement agencies, as appro-
priate, in the investigation and deterrence of fraud and abuse in relation to this subchapter and in other cases arising out of such activities.

(C) The entity complies with such conflict of interest standards as are generally applicable to Federal acquisition and procurement.

(D) The entity agrees to provide the Secretary and the Inspector General of the Department of Health and Human Services with such performance statistics (including the number and amount of overpayments recovered, the number of fraud referrals, and the return on investment of such activities by the entity) as the Secretary or the Inspector General may request.

(E) The entity meets such other requirements as the Secretary may impose.

(3) Contracting requirements

The entity has contracted with the Secretary in accordance with such procedures as the Secretary shall by regulation establish, except that such procedures shall include the following:

(A) Procedures for identifying, evaluating, and resolving organizational conflicts of interest that are generally applicable to Federal acquisition and procurement.

(B) Competitive procedures to be used—

(i) when entering into new contracts under this section;

(ii) when entering into contracts that may result in the elimination of responsibilities under section 202(b) of the Health Insurance Portability and Accountability Act of 1996; and

(iii) at any other time considered appropriate by the Secretary.

(C) Procedures under which a contract under this section may be renewed without regard to any provision of law requiring competition if the contractor has met or exceeded the performance requirements established in the current contract.

The Secretary may enter into such contracts without regard to final rules having been promulgated.

(4) Limitation on contractor liability

The Secretary shall by regulation provide for the limitation of a contractor’s liability for actions taken to carry out a contract under the Program, and such regulation shall, to the extent the Secretary finds appropriate, employ the same or comparable standards and other substantive and procedural provisions as are contained in section 1320c-6 of this title.

(d) Comprehensive plan for program integrity

(1) 5-year plan

With respect to the 5-fiscal year period beginning with fiscal year 2006, and each such 5-fiscal year period that begins thereafter, the Secretary shall establish a comprehensive plan for ensuring the integrity of the program established under this subchapter by combating fraud, waste, and abuse.

(2) Consultation

Each 5-fiscal year plan established under paragraph (1) shall be developed by the Secretary in consultation with the Attorney General, the Director of the Federal Bureau of Investigation, the Comptroller General of the United States, the Inspector General of the Department of Health and Human Services, and State officials with responsibility for controlling provider fraud and abuse under State plans under this subchapter.

(e) Appropriation

(1) In general

Out of any money in the Treasury of the United States not otherwise appropriated, there are appropriated to carry out the Medicaid Integrity Program under this section (including the costs of equipment, salaries and benefits, and travel and training), without further appropriation—

(A) for fiscal year 2006, $5,000,000;

(B) for each of fiscal years 2007 and 2008, $50,000,000;

(C) for each of fiscal years 2009 and 2010, $75,000,000; and

(D) for each fiscal year after fiscal year 2010, the amount appropriated under this paragraph for the previous fiscal year, increased by the percentage increase in the consumer price index for all urban consumers (all items; United States city average) over the previous year.

(2) Availability; authority for use of funds

(A) Availability

Amounts appropriated pursuant to paragraph (1) shall remain available until expended.

(B) Authority for use of funds for transportation and travel expenses for attendees at education, training, or consultative activities

(i) In general

The Secretary may use amounts appropriated pursuant to paragraph (1) to pay for transportation and the travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5 while away from their homes or regular places of business, of individuals described in subsection (b)(4) who attend education, training, or consultative activities conducted under the authority of that subsection.

(ii) Public disclosure

The Secretary shall make available on a website of the Centers for Medicare & Medicaid Services that is accessible to the public—

(I) the total amount of funds expended for each conference conducted under the authority of subsection (b)(4); and

(II) the amount of funds expended for each such conference that were for transportation and for travel expenses.

(3) Increase in CMS staffing devoted to protecting Medicaid program integrity

From the amounts appropriated under paragraph (1), the Secretary shall increase by 100, or such number as determined necessary by
the Secretary to carry out the Program, the number of full-time equivalent employees whose duties consist solely of protecting the integrity of the Medicaid program established under this section by providing effective support and assistance to States to combat provider fraud and abuse.

(4) Evaluations

The Secretary shall conduct evaluations of eligible entities which the Secretary contracts with under the Program not less frequently than every 3 years.

(5) Annual report

Not later than 180 days after the end of each fiscal year (beginning with fiscal year 2006), the Secretary shall submit a report to Congress which identifies—

(A) the use of funds appropriated pursuant to paragraph (1); and

(B) the effectiveness of the use of such funds.


REFERENCES IN TEXT


PRIORITY PROVISIONS

A prior section 1936 of act Aug. 14, 1935, was renumbered section 1939 and is classified to section 1396v of this title.

AMENDMENTS

2015—Subsec. (a). Pub. L. 114–115, §6(1), inserted “, or otherwise,” after “entities”.

Subsec. (e)(1). Pub. L. 114–115, §6(2)(A), inserted “(including the costs of equipment, salaries and benefits, and travel and training)” after “Program under this section” in introductory provisions.

Subsec. (e)(3). Pub. L. 114–115, §6(2)(B), substituted “by 100, or such number as determined necessary by the Secretary to carry out the Program,” for “by 100”.

2010—Subsec. (c)(2)(D), (E). Pub. L. 111–148, §6402(j)(2)(A), added subpar. (D) and redesignated former subpar. (D) as (E).


2006—Subsec. (b)(4). Pub. L. 110–379, §5(a)(1)(A), substituted “Education or training, including at such national, State, or regional conferences as the Secretary may establish, of State or local officers, employees, or independent contractors responsible for the administration or the supervision of the administration of the State plan under this subchapter,” for “Education of”.

Subsec. (e)(2). Pub. L. 110–379, §5(a)(1)(B), added par. (2) and struck out former par. (2). Prior to amendment, text read as follows: “Amounts appropriated pursuant to paragraph (1) shall remain available until expended.”

Effective Date of 2008 Amendment


Pub. L. 110–379, §5(b)(2), Oct. 8, 2008, 122 Stat. 4079, provided that: “The amendment made by paragraph (1) [amending this section] shall apply to conferences conducted under the authority of section 1936(b)(4) of the Social Security Act (42 U.S.C. 1396u–6(b)(4)) after the date of enactment of this Act (Oct. 8, 2008).”

§1396u–7. State flexibility in benefit packages

(a) State option of providing benchmark benefits

(1) Authority

(A) In general

Notwithstanding section 1396a(a)(1) of this title (relating to statewideness), section 1396a(a)(10)(B) of this title (relating to comparability) and any other provision of this subchapter which would be directly contrary to the authority under this section and subject to subsection (B), (E), a State, at its option as a State plan amendment, may provide for medical assistance under this subchapter to individuals specified by the State through coverage that—

(i) provides benchmark coverage described in subsection (b)(1) or benchmark equivalent coverage described in subsection (b)(2); and

(ii) for any individual described in section 1396d(a)(4)(B) of this title who is eligible under the State plan in accordance with paragraphs (10) and (17) of section 1396a(a) of this title, consists of the items and services described in section 1396d(a)(4)(B) of this title (relating to early and periodic screening, diagnostic, and treatment services defined in section 1396d(r) of this title) and provided in accordance with the requirements of section 1396a(a)(13) of this title.

(B) Limitation

The State may only exercise the option under subparagraph (A) for an individual eligible under subclause (VIII) of section 1396a(a)(10)(A)(j) of this title or under an eligibility category that had been established under the State plan on or before February 8, 2006.

(C) Option of additional benefits

In the case of coverage described in subparagraph (A), a State, at its option, may provide such additional benefits as the State may specify.

(D) Treatment as medical assistance

Payment of premiums for such coverage under this subsection shall be treated as payment of other insurance premiums described in the third sentence of section 1396d(a) of this title.

*1So in original. Probably should be “paragraph”.*
Rule of construction

Nothing in this paragraph shall be construed as—

(i) requiring a State to offer all or any of the items and services required by subparagraph (A)(ii) through an issuer of benchmark coverage described in subsection (b)(1) or benchmark equivalent coverage described in subsection (b)(2);

(ii) preventing a State from offering all or any of the items and services required by subparagraph (A)(ii) through an issuer of benchmark coverage described in subsection (b)(1) or benchmark equivalent coverage described in subsection (b)(2); or

(iii) affecting a child’s entitlement to care and services described in subsections (a)(4)(B) and (r) of section 1396d of this title and provided in accordance with section 1396a(a)(43) of this title whether provided through benchmark coverage, benchmark equivalent coverage, or otherwise.

Application

(A) In general

Except as provided in subparagraph (B), a State may require that a full-benefit eligible individual (as defined in subparagraph (C)) within a group obtain benefits under this subchapter through enrollment in coverage described in paragraph (1)(A). A State may apply the previous sentence to individuals within 1 or more groups of such individuals.

(B) Limitation on application

A State may not require under subparagraph (A) an individual to obtain benefits through enrollment described in paragraph (1)(A) if the individual is within one of the following categories of individuals:

(i) Mandatory pregnant women

The individual is a pregnant woman who is required to be covered under the State plan under section 1396a(a)(10)(A)(i) of this title.

(ii) Blind or disabled individuals

The individual qualifies for medical assistance under the State plan on the basis of being blind or disabled and including an individual who is eligible for medical assistance on the basis of section 1396a(e)(3) of this title.

(iii) Dual eligibles

The individual is entitled to benefits under any part of subchapter XVIII.

(iv) Terminally ill hospice patients

The individual is terminally ill and is receiving benefits for hospice care under this subchapter.

(v) Eligible on basis of institutionalization

The individual is an inpatient in a hospital, nursing facility, intermediate care facility for the mentally retarded, or other medical institution, and is required, as a condition of receiving services in such institution under the State plan, to spend for costs of medical care all but a minimal amount of the individual’s income required for personal needs.

(vi) Medically frail and special medical needs individuals

The individual is medically frail or otherwise an individual with special medical needs (as identified in accordance with regulations of the Secretary).

(vii) Beneficiaries qualifying for long-term care services

The individual qualifies based on medical condition for medical assistance for long-term care services described in section 1396p(o)(1)(C) of this title.

(viii) Children in foster care receiving child welfare services and children receiving foster care or adoption assistance

The individual is an individual with respect to whom child welfare services are made available under part B of subchapter IV on the basis of being a child in foster care or with respect to whom adoption or foster care assistance is made available under part E of such subchapter, without regard to age, or the individual qualifies for medical assistance on the basis of section 1396a(a)(10)(A)(i)(IX) of this title.

(ix) TANF and section 1396u–1 parents

The individual qualifies for medical assistance on the basis of eligibility to receive assistance under a State plan funded under part A of subchapter IV (as in effect on or after the welfare reform effective date defined in section 1396u–1(i) of this title).

(x) Women in the breast or cervical cancer program

The individual is a woman who is receiving medical assistance by virtue of the application of sections 1396a(a)(10)(A)(ii)(XVIII) and 1396a(aa) of this title.

(xi) Limited services beneficiaries

The individual—

(I) qualifies for medical assistance on the basis of section 1396a(a)(10)(A)(ii)(XII) of this title; or

(II) is not a qualified alien (as defined in section 1641 of title 8) and receives care and services necessary for the treatment of an emergency medical condition in accordance with section 1396d(v) of this title.

(C) Full-benefit eligible individuals

(i) In general

For purposes of this paragraph, subject to clause (ii), the term “full-benefit eligible individual” means for a State for a month an individual who is determined eligible by the State for medical assistance for all services defined in section 1396d(a)
of this title which are covered under the State plan under this subchapter for such month under section 1396a(a)(10)(A) of this title or under any other category of eligibility for medical assistance for all such services under this subchapter, as determined by the Secretary.

(ii) Exclusion of medically needy and spend-down populations

Such term shall not include an individual determined to be eligible by the State for medical assistance under section 1396a(a)(10)(C) of this title or by reason of section 1396a(f) of this title or otherwise eligible based on a reduction of income based on costs incurred for medical or other remedial care.

(b) Benchmark benefit packages

(1) In general

For purposes of subsection (a)(1), subject to paragraphs (5) and (6), each of the following coverages shall be considered to be benchmark coverage:

(A) FEHBP-equivalent health insurance coverage

The standard Blue Cross/Blue Shield preferred provider option service benefit plan, described in and offered under section 8903(1) of title 5.

(B) State employee coverage

A health benefits coverage plan that is offered and generally available to State employees in the State involved.

(C) Coverage offered through HMO

The health insurance coverage plan that—

(i) is offered by a health maintenance organization (as defined in section 300gg–91(b)(3) of this title), and

(ii) has the largest insured commercial, non-medicaid enrollment of covered lives of such coverage plans offered by such a health maintenance organization in the State involved.

(D) Secretary-approved coverage

Any other health benefits coverage that the Secretary determines, upon application by a State, provides appropriate coverage for the population proposed to be provided such coverage.

(2) Benchmark-equivalent coverage

For purposes of subsection (a)(1), subject to paragraphs (5) and (6)\(^2\) coverage that meets the following requirement shall be considered to be benchmark-equivalent coverage:

(A) Inclusion of basic services

The coverage includes benefits for items and services within each of the following categories of basic services:

(i) Inpatient and outpatient hospital services.

(ii) Physicians’ surgical and medical services.

(iii) Laboratory and x-ray services.

(iv) Coverage of prescription drugs.

(v) Mental health services.

(vi) Well-baby and well-child care, including age-appropriate immunizations.

(vii) Other appropriate preventive services, as designated by the Secretary.

(B) Aggregate actuarial value equivalent to benchmark package

The coverage has an aggregate actuarial value that is at least actuarially equivalent to one of the benchmark benefit packages described in paragraph (1).

(C) Substantial actuarial value for additional services included in benchmark package

With respect to each of the following categories of additional services for which coverage is provided under the benchmark benefit package used under subparagraph (B), the coverage has an actuarial value that is equal to or at least 75 percent of the actuarial value of the coverage of that category of services in such package:

(i) Vision services.

(ii) Hearing services.

(3) Determination of actuarial value

The actuarial value of coverage of benchmark benefit packages shall be set forth in an actuarial opinion in an actuarial report that has been prepared—

(A) by an individual who is a member of the American Academy of Actuaries;

(B) using generally accepted actuarial principles and methodologies;

(C) using a standardized set of utilization factors and price factors;

(D) using a standardized population that is representative of the population involved;

(E) applying the same principles and factors in comparing the value of different coverage (or categories of services);

(F) without taking into account any differences in coverage based on the method of delivery or means of cost control or utilization used; and

(G) taking into account the ability of a State to reduce benefits by taking into account the increase in actuarial value of benefits coverage offered under this subchapter that results from the limitations on cost sharing under such coverage.

The actuary preparing the opinion shall select and specify in the memorandum the standardized set and population to be used under subparagraphs (C) and (D).

(4) Coverage of rural health clinic and FQHC services

Notwithstanding the previous provisions of this section, a State may not provide for medical assistance through enrollment of an individual with benchmark coverage or benchmark equivalent coverage under this section unless—

(A) the individual has access, through such coverage or otherwise, to services described in subparagraphs (B) and (C) of section 1396d(a)(2) of this title; and

(B) payment for such services is made in accordance with the requirements of section 1396a(bb) of this title.

\(^2\)So in original. Probably should be followed by a comma.
(Aug. 14, 1935, ch. 531, title XIX, § 1937, as added

§ 1396u–7

(5) Minimum standards
Effective January 1, 2014, any benchmark benefit package under paragraph (1) or benchmark equivalent coverage under paragraph (2) must provide at least essential health benefits as described in section 18022(b) of this title.

(6) Mental health services parity

(A) In general
In the case of any benchmark benefit package under paragraph (1) or benchmark equivalent coverage under paragraph (2) that is offered by an entity that is not a Medicaid managed care organization and that provides both medical and surgical benefits and mental health or substance use disorder benefits, the entity shall ensure that the financial requirements and treatment limitations applicable to such mental health or substance use disorder benefits comply with the requirements of section 300gg–4(a) of this title in the same manner as such requirements apply to a group health plan.

(B) Deemed compliance
Coverage provided with respect to an individual described in section 1396d(a)(4)(B) of this title and covered under the State plan under section 1396a(a)(10)(A) of this title of the services described in section 1396d(a)(4)(B) of this title (relating to early and periodic screening, diagnostic, and treatment services defined in section 1396d(r) of this title) and provided in accordance with section 1396a(a)(43) of this title, shall be deemed to satisfy the requirements of subparagraph (A).

(7) Coverage of family planning services and supplies

Notwithstanding the previous provisions of this section, a State may not provide for medical assistance through enrollment of an individual with benchmark coverage or benchmark-equivalent coverage under this section unless such coverage includes for any individual described in section 1396d(a)(4)(C) of this title, medical assistance for family planning services and supplies in accordance with such section.

(c) Publication of provisions affected
With respect to a State plan amendment to provide benchmark benefits in accordance with subsections (a) and (b) that is approved by the Secretary, the Secretary shall publish on the Internet website of the Centers for Medicaid & Medicare Services, a list of the provisions of this subchapter that the Secretary has determined do not apply in order to enable the State to carry out the plan amendment and the reason for each such determination on the date such approval is made, and shall publish such list in the Federal Register and not later than 30 days after such date of approval.


Prior Provisions
A prior section 1937 of act Aug. 14, 1935, was renumbered section 1939 and is classified to section 1396v of this title.

Amendments


Subsec. (b)(1). Pub. L. 111–148, § 2001(c)(1), inserted “subject to paragraphs (5) and (6),” before “each of the following” in introductory provisions.


Subsec. (b)(2)(A). Pub. L. 111–148, § 2001(c)(2)(C), redesignated cls. (iii) and (iv) as (i) and (ii), respectively, and struck out former cls. (i) and (ii) which read as follows: “(i) Coverage of prescription drugs. “(ii) Mental health services.”


2009—Subsec. (a)(1)(A). Pub. L. 111–3, § 611(a)(1)(A), in introductory provisions, substituted “Notwithstanding section 1396a(a) of this title (relating to state-wideness),” for “Notwithstanding any other provision of this subchapter and coverage that provides”.


Subsec. (a)(1)(A)(i). Pub. L. 111–3, § 611(a)(1)(C), added cl. (ii) and struck out former cl. (ii) which read as follows: “For any child under 19 years of age who is covered under the State plan under section 1396a(a)(10)(A) of this title, wrap-around benefits to the benchmark coverage or benchmark-equivalent coverage consisting of early and periodic screening, diagnostic, and treatment services defined in section 1396d(r) of this title”.


Subsec. (a)(2)(B)(viii). Pub. L. 111–3, § 611(b), substituted “child welfare services are made available under part B of subchapter IV on the basis of being a child in foster care or” for “aid or assistance is made available under part B of subchapter IV to children in foster care and individuals”,

Subsec. (c). Pub. L. 111–3, § 611(c), added subsec. (c).

Effective Date of 2010 Amendment

Amendment by section 2303(c) of Pub. L. 111–148 effective Mar. 23, 2010, and applicable to items and services furnished on or after such date, see section 2303(d) of Pub. L. 111–148, set out as an Effective and Termination Dates of 2010 Amendment note under section 1396a of this title.

Effective Date of 2009 Amendment
Pub. L. 111–3, title VI, §611(d), Feb. 4, 2009, 123 Stat. 101, provided that: “The amendments made by sub-

So in original.
sections (a), (b), and (c) of this section [amending this section] shall take effect as if included in the amendment made by section 604H(a) of the Deficit Reduction Act of 2005 [Pub. L. 109–171].”

**EFFECTIVE DATE**

Pub. L. 109–171, title VI, § 6044(b), Feb. 8, 2006, 120 Stat. 92, provided that: “The amendment made by subsection (a) [enacting this section] takes effect on March 31, 2006.”

§ 1396u–8. Health opportunity accounts

(a) Authority

Notwithstanding any other provision of this subchapter, the Secretary shall establish a demonstration program under which States may provide under their State plans under this subchapter (including such a plan operating under a statewide waiver under section 1315 of this title) in accordance with this section the provision of alternative benefits consistent with subsection (c) for eligible population groups in one or more geographic areas of the State specified by the State. An amendment under the previous sentence is referred to in this section as a “State demonstration program”.

(2) Initial demonstration

(A) In general

The demonstration program under this section shall begin on January 1, 2007. During the first 5 years of such program, the Secretary shall not approve more than 10 States to conduct demonstration programs under this section, with each State demonstration program covering 1 or more geographic areas specified by the State. After such 5-year period—

(i) unless the Secretary finds, taking into account cost-effectiveness, quality of care, and other criteria that the Secretary specifies, that a State demonstration program previously implemented has been unsuccessful, such a demonstration program may be extended or made permanent in the State; and

(ii) unless the Secretary finds, taking into account cost-effectiveness, quality of care, and other criteria that the Secretary specifies, that all State demonstration programs previously implemented were unsuccessful, other States may implement State demonstration programs.

(B) GAO report

(i) In general

Not later than 3 months after the end of the 5-year period described in subparagraph (A), the Comptroller General of the United States shall submit a report to Congress evaluating the demonstration programs conducted under this section during such period.

(ii) Appropriation

Out of any funds in the Treasury not otherwise appropriated, there is appropriated to the Comptroller General of the United States, $550,000 for the period of fiscal years 2007 through 2010 to carry out clause (i).

(3) Approval

The Secretary shall not approve a State demonstration program under paragraph (1) unless the program includes the following:

(A) Creating patient awareness of the high cost of medical care.

(B) Providing incentives to patients to seek preventive care services.

(C) Reducing inappropriate use of health care services.

(D) Enabling patients to take responsibility for health outcomes.

(E) Providing enrollment counselors and ongoing education activities.

(F) Providing transactions involving health opportunity accounts to be conducted electronically and without cash.

(G) Providing access to negotiated provider payment rates consistent with this section.

Nothing in this section shall be construed as preventing a State demonstration program from providing incentives for patients obtaining appropriate preventive care (as defined for purposes of section 223(c)(2)(C) of the Internal Revenue Code of 1986), such as additional account contributions for an individual demonstrating healthy prevention practices.

(4) No requirement for statewideness

Nothing in this section or any other provision of law shall be construed to require that a State must provide for the implementation of a State demonstration program on a Statewide basis.

(b) Eligible population groups

(1) In general

A State demonstration program under this section shall specify the eligible population groups consistent with paragraphs (2) and (3).

(2) Eligibility limitations during initial demonstration period

During the initial 5 years of the demonstration program under this section, a State demonstration program shall not apply to any of the following individuals:

(A) Individuals who are 65 years of age or older.

(B) Individuals who are disabled, regardless of whether or not their eligibility for medical assistance under this subchapter is based on such disability.

(C) Individuals who are eligible for medical assistance under this subchapter only because they are (or were within the previous 60 days) pregnant.

(D) Individuals who have been eligible for medical assistance for a continuous period of less than 3 months.

(3) Additional limitations

A State demonstration program shall not apply to any individual within a category of individuals described in section 1396u–7(a)(2)(B) of this title.

\^ So in original. Probably should not be capitalized.
(4) Limitations
(A) State option
This subsection shall not be construed as preventing a State from further limiting eligibility.

(B) On enrollees in Medicaid managed care organizations
Insofar as the State provides for eligibility of individuals who are enrolled in Medicaid managed care organizations, such individuals may participate in the State demonstration program only if the State provides assurances satisfactory to the Secretary that the following conditions are met with respect to any such organization:
(i) In no case may the number of such individuals enrolled in the organization who participate in the program exceed 5 percent of the total number of individuals enrolled in such organization.
(ii) The proportion of enrollees in the organization who so participate is not significantly disproportionate to the proportion of such enrollees in other such organizations who participate.
(iii) The State has provided for an appropriate adjustment in the per capita payments to the organization to account for such participation, taking into account differences in the likely use of health services between enrollees who so participate and enrollees who do not so participate.

(5) Voluntary participation
An eligible individual shall be enrolled in a State demonstration program only if the individual voluntarily enrolls. Except in such hardship cases as the Secretary shall specify, such an enrollment shall be effective for a period of 12 months, but may be extended for additional periods of 12 months each with the consent of the individual.

(6) 1-year moratorium for reenrollment
An eligible individual who, for any reason, is disenrolled from a State demonstration program conducted under this section shall not be permitted to reenroll in such program before the end of the 1-year period that begins on the effective date of such disenrollment.

c) Alternative benefits
(1) In general
The alternative benefits provided under this section shall consist, consistent with this subsection, of at least—
(A) coverage for medical expenses in a year for items and services for which benefits are otherwise provided under this subchapter after an annual deductible described in paragraph (2) has been met; and
(B) contribution into a health opportunity account.
Nothing in subparagraph (A) shall be construed as preventing a State from providing for coverage of preventive care (referred to in subsection (a)(3)) within the alternative benefits without regard to the annual deductible.

(2) Annual deductible
The amount of the annual deductible described in paragraph (1)(A) shall be at least 100 percent, but no more than 110 percent, of the annualized amount of contributions to the health opportunity account under subsection (d)(2)(A)(1), determined without regard to any limitation described in subsection (d)(2)(C)(1)(II).

(3) Access to negotiated provider payment rates
(A) Fee-for-service enrollees
In the case of an individual who is participating in a State demonstration program and who is not enrolled with a Medicaid managed care organization, the State shall provide that the individual may obtain demonstration program Medicaid services from—
(i) any participating provider under this subchapter at the same payment rates that would be applicable to such services if the deductible described in paragraph (1)(A) was not applicable; or
(ii) any other provider at payment rates that do not exceed 125 percent of the payment rate that would be applicable to such services furnished by a participating provider under this subchapter if the deductible described in paragraph (1)(A) was not applicable.

(B) Treatment under Medicaid managed care plans
In the case of an individual who is participating in a State demonstration program and is enrolled with a Medicaid managed care organization, the State shall enter into an arrangement with the organization under which the individual may obtain demonstration program Medicaid services from any provider described in clause (ii) of subparagraph (A) at payment rates that do not exceed the payment rates that may be imposed under that clause.

(C) Computation
The payment rates described in subparagraphs (A) and (B) shall be computed without regard to any cost sharing that would be otherwise applicable under sections 1396o and 1396o-1 of this title.

(D) Definitions
For purposes of this paragraph:
(i) The term "demonstration program Medicaid services" means, with respect to an individual participating in a State demonstration program, services for which the individual would be provided medical assistance under this subchapter but for the application of the deductible described in paragraph (1)(A).

(ii) The term "participating provider" means—
(I) with respect to an individual described in subparagraph (A), a health care provider that has entered into a participation agreement with the State for the provision of services to individuals entitled to benefits under the State plan; or
(II) with respect to an individual described in subparagraph (B) who is enrolled in a Medicaid managed care or-
nization, a health care provider that has entered into an arrangement for the provision of services to enrollees of the organization under this subchapter.

(4) No effect on subsequent benefits
Except as provided under paragraphs (1) and (2), alternative benefits for an eligible individual shall consist of the benefits otherwise provided to the individual, including cost sharing relating to such benefits.

(5) Overriding cost sharing and comparability requirements for alternative benefits
The provisions of this subchapter relating to cost sharing for benefits (including sections 1396a and 1396a–1 of this title) shall not apply with respect to benefits to which the annual deductible under paragraph (1)(A) applies. The provisions of section 1396a(a)(10)(B) of this title (relating to comparability) shall not apply with respect to the provision of alternative benefits (as described in this subsection).

(6) Treatment as medical assistance
Subject to subparagraphs (D) and (E) of subsection (d)(2), payments for alternative benefits under this section (including contributions into a health opportunity account) shall be treated as medical assistance for purposes of section 1396b(a) of this title.

(7) Use of tiered deductible and cost sharing
(A) In general
A State—
(i) may vary the amount of the annual deductible applied under paragraph (1)(A) based on the income of the family involved so long as it does not favor families with higher income over those with lower income; and
(ii) may vary the amount of the maximum out-of-pocket cost sharing (as defined in subparagraph (B)) based on the income of the family involved so long as it does not favor families with higher income over those with lower income.

(B) Maximum out-of-pocket cost sharing
For purposes of subparagraph (A)(ii), the term "maximum out-of-pocket cost sharing" means, for an individual or family, the amount by which the annual deductible level applied under paragraph (1)(A) to the individual or family exceeds the balance in the health opportunity account in the year.

(C) Limitation on annual State contribution provided and permitting imposition of maximum account balance
(i) In general
A State—
(I) may impose limitations on the maximum contributions that may be deposited under subparagraph (A)(i) into a health opportunity account on behalf of an individual or family to the extent the account reaches a level specified by the State; and
(II) may limit contributions into such an account once the balance in the account exceeds, on an annual basis, $2,500 for each individual (or family member) who is an adult and $1,000 for each individual (or family member) who is a child.

(ii) Indexing of dollar limitations
For each year after 2006, the dollar amounts specified in clause (i)(III) shall be annually increased by the Secretary by a percentage that reflects the annual percentage increase in the medical care component of the consumer price index for all urban consumers.

(iii) Budget neutral adjustment
A State may provide for dollar limitations in excess of those specified in clause (i)(III) (as increased under clause (ii)) for specified individuals if the State provides assurances satisfactory to the Secretary that contributions otherwise made to other individuals will be reduced in a manner so as to provide for aggregate contributions that do not exceed the aggregate contributions that would otherwise be permitted under this subparagraph.

(D) Limitations on Federal matching
(i) State contribution
A State may contribute under subparagraph (A)(i) amounts to a health opportunity account in excess of the limitations provided under subparagraph (C)(i)(III),
but no Federal financial participation shall be provided under section 1396b(a) of this title with respect to contributions in excess of such limitations.

(ii) No FFP for private contributions

No Federal financial participation shall be provided under section 1396b(a) of this title with respect to any contributions described in subparagraph (A)(ii) to a health opportunity account.

(E) Application of different matching rates

The Secretary shall provide a method under which, for expenditures made from a health opportunity account for medical care for which the Federal matching rate under section 1396b(a) of this title exceeds the Federal medical assistance percentage, a State may obtain payment under such section at such higher matching rate for such expenditures.

(3) Use

(A) General uses

(i) In general

Subject to the succeeding provisions of this paragraph, amounts in a health opportunity account may be used for payment of such health care expenditures as the State specifies.

(ii) General limitation

Subject to subparagraph (B)(ii), in no case shall such account be used for payment for health care expenditures that are not payment of medical care (as defined by section 213(d) of the Internal Revenue Code of 1986).

(iii) State restrictions

In applying clause (i), a State may restrict payment for—

(I) providers of items and services to providers that are licensed or otherwise authorized under State law to provide the item or service and may deny payment for such a provider on the basis that the provider has been found, whether with respect to this subchapter or any other health benefit program, to have failed to meet quality standards or to have committed 1 or more acts of fraud or abuse; and

(II) items and services insofar as the State finds they are not medically appropriate or necessary.

(iv) Electronic withdrawals

The State demonstration program shall provide for a method whereby withdrawals may be made from the account for such purposes using an electronic system and shall not permit withdrawals from the account in cash.

(B) Maintenance of health opportunity account after becoming ineligible for public benefit

(i) In general

Notwithstanding any other provision of law, if an account holder of a health opportunity account becomes ineligible for benefits under this subchapter because of an increase in income or assets—

(I) no additional contribution shall be made into the account under paragraph (2)(A)(i);

(II) subject to clause (iii), the balance in the account shall be reduced by 25 percent; and

(III) subject to the succeeding provisions of this subparagraph, the account shall remain available to the account holder for 3 years after the date on which the individual becomes ineligible for such benefits for withdrawals under the same terms and conditions as if the account holder remained eligible for such benefits, and such withdrawals shall be treated as medical assistance in accordance with subsection (c)(6).

(ii) Special rules

Withdrawals under this subparagraph from an account—

(I) shall be available for the purchase of health insurance coverage; and

(II) may, subject to clause (iv), be made available (at the option of the State) for such additional expenditures (such as job training and tuition expenses) specified by the State (and approved by the Secretary) as the State may specify.

(iii) Exception from 25 percent savings to Government for private contributions

Clause (i)(II) shall not apply to the portion of the account that is attributable to contributions described in paragraph (2)(A)(ii). For purposes of accounting for such contributions, withdrawals from a health opportunity account shall first be attributed to contributions described in paragraph (2)(A)(i).

(iv) Condition for non-health withdrawals

No withdrawal may be made from an account under clause (ii)(II) unless the account holder has participated in the program under this section for at least 1 year.

(v) No requirement for continuation of coverage

An account holder of a health opportunity account, after becoming ineligible for medical assistance under this subchapter, is not required to purchase high-deductible or other insurance as a condition of maintaining or using the account.

(4) Administration

A State may coordinate administration of health opportunity accounts through the use of a third party administrator and reasonable expenditures for the use of such administrator shall be reimbursable to the State in the same manner as other administrative expenditures under section 1396b(a)(7) of this title.

(5) Treatment

Amounts in, or contributed to, a health opportunity account shall not be counted as income or assets for purposes of determining eligibility for benefits under this subchapter.
§ 1396v. References to laws directly affecting medicaid program

(a) Authority or requirements to cover additional individuals

For provisions of law which make additional individuals eligible for medical assistance under this subchapter, see the following:

(1) AFDC

(A) Section 602(a)(32) of this title (relating to individuals who are deemed recipients of aid but for whom a payment is not made).

(B) Section 602(a)(37) of this title (relating to individuals who lose AFDC eligibility due to increased earnings).

(C) Section 606(b) of this title (relating to individuals who lose AFDC eligibility due to increased collection of child or spousal support).

(D) Section 622(e)(6) of this title (relating to certain individuals participating in work supplementation programs).

(2) SSI

(A) Section 1382(e) of this title (relating to treatment of couples sharing an accommodation in a facility).

(B) Section 1382h of this title (relating to benefits for individuals who perform substantial gainful activity despite severe medical impairment).

(C) Section 1383c(b) of this title (relating to preservation of benefit status for disabled widows and widowers who lost SSI benefits because of 1983 changes in actuarial reduction formula).

(D) Section 1383c(c) of this title (relating to individuals who lose eligibility for SSI benefits due to entitlement to child's insurance benefits under section 402(d) of this title).

(E) Section 1383c(d) of this title (relating to individuals who lose eligibility for SSI benefits due to entitlement to early widow's or widower's insurance benefits under section 402(e) or (f) of this title).

(3) Foster care and adoption assistance

Sections 672(h) and 673(b) of this title (relating to medical assistance for children in foster care and for adopted children).

(4) Refugee assistance

Section 1522(e)(5) of title 8 (relating to medical assistance for certain refugees).

(5) Miscellaneous

(A) Section 230 of Public Law 93–66 (relating to deeming eligible for medicaid assistance certain individuals who would be eligible for supplemental security income benefits but for cost-of-living increases in social security benefits).

(B) Section 231 of Public Law 93–66 (relating to deeming eligible for medicaid assistance certain individuals who would be eligible for supplemental security income benefits but for cost-of-living increases in social security benefits).

(C) Section 232 of Public Law 93–66 (relating to deeming eligible for medicaid assistance certain blind and disabled medicinally indigent persons).

(D) Section 13(c) of Public Law 93–233 (relating to deeming eligible for medicaid assistance certain individuals receiving mandatory State supplementary payments).

(E) Section 503 of Public Law 94–566 (relating to deeming eligible for medicaid assistance certain individuals who would be eligible for supplemental security income benefits but for cost-of-living increases in social security benefits).

(F) Section 310(b)(1) of Public Law 96–272 (relating to continuing medicaid eligibility for certain recipients of Department of Veterans Affairs pensions).

(b) Additional State plan requirements

For other provisions of law that establish additional requirements for State plans to be approved under this subchapter, see the following:

(1) Section 1362g of this title (relating to requirement for operation of certain State supplementation programs).

(2) Section 212(a) of Public Law 93–66 (relating to requiring mandatory minimum State supplementation of SSI benefits program).


REFERENCES IN TEXT

The Internal Revenue Code of 1986, referred to in subsec. (a)(3) and (d)(3)(A)(ii), is classified generally to Title 26, Internal Revenue Code.

PRIOR PROVISIONS

A prior section 1396 of act Aug. 14, 1935, was renumbered section 1939 and is classified to section 1396v of this title.

PROHIBITING INITIATION OF NEW HEALTH OPPORTUNITY ACCOUNT DEMONSTRATION PROGRAMS

Pub. L. 111–3, title VI, § 613, Feb. 4, 2009, 123 Stat. 101, provided that: ‘‘After the date of the enactment of this Act [Feb. 4, 2009], the Secretary of Health and Human Services may not approve any new demonstration programs under section 1938 of the Social Security Act (42 U.S.C. 1396u–8).’’

\(^1\) See References in Text note below.

REFERENCES IN TEXT

Section 602 of this title, referred to in subsec. (a)(1)(A), (b), was repealed and a new section 602 enacted by Pub. L. 104–193, title I, § 103(a)(1), Aug. 22, 1996, 110 Stat. 2112, and, as so enacted, subsec. (a) of section 602 no longer contains a par. (32) or (37).


Sections 230, 231, and 232 of Public Law 93–66, July 9, 1973, 87 Stat. 159, as amended, which are set out as notes under section 1396a of this title.

Section 13(c) of Public Law 93–233, referred to in subsec. (a)(5)(D), is section 13(c) of Pub. L. 93–233, Dec. 31, 1973, 87 Stat. 965, which is set out as a note under section 1396a of this title.

Section 503 of Public Law 94–646, which directed amendment of section 1930(a)(2) of the Social Security Act by designating existing provisions as subpar. (A) and adding subpar. (B) relating to section 1383c of this title as it relates to individuals who lose eligibility for SSI benefits due to entitlement to child’s insurance benefits, was executed to this section, section 1921 of the Social Security Act, to reflect the probable intent of Congress and the redesignation of section 1920 of the Social Security Act as section 1921 by Pub. L. 99–509.

Pub. L. 99–514, §1895(c)(5)(B), designated existing provisions as subpar. (A) and added subpar. (B) relating to section 1383c(b) of this title as it relates to preservation of benefit status for certain disabled widows and widowers. Subsec. (a)(3), Pub. L. 99–514, §1895(c)(5)(C), substituted “Sections 672(b) and 673(b) of this title” for “Section 672(b) of this title”.

EFFECTIVE DATE OF 1988 AMENDMENTS

Amendment by section 202(c)(5) of Pub. L. 100–485 effective Oct. 1, 1990, with provision for earlier effective dates in case of States making certain changes in their State plans and formally notifying the Secretary of Health and Human Services of their desire to become subject to the amendments by title II of Pub. L. 100–485, at such earlier effective dates, see section 204 of Pub. L. 100–485, set out as a note under section 671 of this title. Amendment by section 608(d)(28) of Pub. L. 100–485 effective as if included in the enactment of the Medicare Catastrophic Coverage Act of 1988, Pub. L. 100–360, see section 608(g)(1) of Pub. L. 100–485, set out as a note under section 704 of this title.

Except as specifically provided in section 411 of Pub. L. 100–360, amendment by section 411(k)(6)(B)(i), (10)(L), (n)(3) of Pub. L. 100–360, as it relates to a provision in the Omnibus Budget Reconciliation Act of 1987, Pub. L. 100–203, effective as if included in the enactment of that provision in Pub. L. 100–203, see section 411(a) of Pub. L. 100–360, set out as a Reference to OBRA; Effective Date note under section 106 of Title I, General Provisions.

EFFECTIVE DATE OF 1986 AMENDMENTS

Amendment by Pub. L. 99–643 effective July 1, 1987, except as otherwise provided, see section 10(b) of Pub. L. 99–643.
L. 99–643, set out as a note under section 1396a of this title.

REFERENCES TO PROVISIONS OF PART A OF SUB-CHAPTER IV CONSIDERED REFERENCES TO SUCH PROVISIONS AS IN EFFECT JULY 16, 1996

For provisions that certain references to provisions of part A (§§601 et seq.) of subchapter IV of this chapter be considered references to such provisions of part A as in effect July 16, 1996, see section 1396a–1(a) of this title.

§ 1396w. Asset verification through access to information held by financial institutions

(a) Implementation

(1) In general

Subject to the provisions of this section, each State shall implement an asset verification program described in subsection (b), for purposes of determining or redetermining the eligibility of an individual for medical assistance under the State plan under this subchapter.

(2) Plan submittal

In order to meet the requirement of paragraph (1), each State shall—

(A) submit not later than a deadline specified by the Secretary consistent with paragraph (3), a State plan amendment under this subchapter that describes how the State intends to implement the asset verification program; and

(B) provide for implementation of such program for eligibility determinations and redeterminations made on or after 6 months after the deadline established for submittal of such plan amendment.

(3) Phase-in

(A) In general

(i) Implementation in current asset verification demo States

The Secretary shall require those States specified in subparagraph (C) to which an asset verification program has been applied before June 30, 2008 to implement an asset verification program under this subchapter by the end of fiscal year 2009.

(ii) Implementation in other States

The Secretary shall require other States to submit and implement an asset verification program under this subchapter in such manner as is designed to result in the application of such programs, in the aggregate for all such other States, to enrollment of approximately, but not less than, the following percentage of enrollees, in the aggregate for all such other States, by the end of the fiscal year involved:

(I) 12.5 percent by the end of fiscal year 2009.

(II) 25 percent by the end of fiscal year 2010.

(III) 50 percent by the end of fiscal year 2011.

(IV) 75 percent by the end of fiscal year 2012.

(V) 100 percent by the end of fiscal year 2013.

(B) Consideration

In selecting States under subparagraph (A)(ii), the Secretary shall consult with the States involved and take into account the feasibility of implementing asset verification programs in each such State.

(C) States specified

The States specified in this subparagraph are California, New York, and New Jersey.

(D) Construction

Nothing in subparagraph (A)(ii) shall be construed as preventing a State from requesting, and the Secretary from approving, the implementation of an asset verification program in advance of the deadline otherwise established under such subparagraph.

(4) Exemption of territories

This section shall only apply to the 50 States and the District of Columbia.

(b) Asset verification program

(1) In general

For purposes of this section, an asset verification program means a program described in paragraph (2) under which a State—

(A) requires each applicant for, or recipient of, medical assistance under the State plan under this subchapter on the basis of the record is needed in connection with a determination with respect to such eligibility for (or the amount or extent of) such medical assistance; and

(B) uses the authorization provided under subparagraph (A) to verify the financial resources of such applicant or recipient (and such other person, as applicable), in order to determine or redetermine the eligibility of such applicant or recipient for medical assistance under the State plan.

(2) Program described

A program described in this paragraph is a program for verifying individual assets in a manner consistent with the approach used by the Commissioner of Social Security under section 1383(e)(1)(B)(ii) of this title.

1 See References in Text note below.
(c) Duration of authorization
Notwithstanding section 1104(a)(1) of the Right to Financial Privacy Act\(^\text{1}\) [12 U.S.C. 3404(a)(1)], an authorization provided to a State under subsection (b)(1) shall remain effective until the earliest of—
(1) the rendering of a final adverse decision on the applicant’s application for medical assistance under the State’s plan under this subchapter;
(2) the cessation of the recipient’s eligibility for such medical assistance; or
(3) the express revocation by the applicant or recipient (or such other person described in subsection (b)(1), as applicable) of the authorization, in a written notification to the State.

(d) Treatment of Right to Financial Privacy Act requirements
(1) An authorization obtained by the State under subsection (b)(1) shall be considered to meet the requirements of the Right to Financial Privacy Act\(^\text{1}\) for purposes of section 1103(a) of such Act [12 U.S.C. 3403(a)], and need not be furnished to the financial institution, notwithstanding section 1104(a) of such Act [12 U.S.C. 3404(a)].
(2) The certification requirements of section 1103(b) of the Right to Financial Privacy Act\(^\text{1}\) [12 U.S.C. 3403(b)] shall not apply to requests by the State pursuant to an authorization provided under subsection (b)(1).
(3) A request by the State pursuant to an authorization provided under subsection (b)(1) is deemed to meet the requirements of section 1104(a)(3) of the Right to Financial Privacy Act\(^\text{1}\) [12 U.S.C. 3404(a)(3)] and of section 1102 of such Act [12 U.S.C. 3402], relating to a reasonable description of financial records.

(e) Required disclosure
The State shall inform any person who provides authorization pursuant to subsection (b)(1)(A) of the duration and scope of the authorization.

(f) Refusal or revocation of authorization
If an applicant for, or recipient of, medical assistance under the State plan under this subchapter (or such other person described in subsection (b)(1), as applicable) refuses to provide, or revokes, any authorization made by the applicant or recipient (or such other person, as applicable) under subsection (b)(1)(A) for the State to obtain from any financial institution any financial record, the State may, on that basis, determine that the applicant or recipient is ineligible for medical assistance.

(g) Use of contractor
For purposes of implementing an asset verification program under this section, a State may select and enter into a contract with a public or private entity meeting such criteria and qualifications as the State determines appropriate, consistent with requirements in regulations relating to general contracting provisions and with section 1396b(i)(2) of this title. In carrying out activities under such contract, such an entity shall be subject to the same requirements and limitations on use and disclosure of information as would apply if the State were to carry out such activities directly.

(h) Technical assistance
The Secretary shall provide States with technical assistance to aid in implementation of an asset verification program under this section.

(i) Reports
A State implementing an asset verification program under this section shall furnish to the Secretary such reports concerning the program, at such times, in such format, and containing such information as the Secretary determines appropriate.

(j) Treatment of program expenses
Notwithstanding any other provision of law, reasonable expenses of States in carrying out the program under this section shall be treated, for purposes of section 1396(a) of this title, in the same manner as State expenditures specified in paragraph (7) of such section.

(k) Reduction in FMAP after 2020 for non-compliant States
(1) In general
With respect to a calendar quarter beginning on or after January 1, 2021, the Federal medical assistance percentage otherwise determined under section 1396d(b) of this title for a non-compliant State shall be reduced—
(A) for calendar quarters in 2021 and 2022, by 0.12 percentage points;
(B) for calendar quarters in 2023, by 0.25 percentage points;
(C) for calendar quarters in 2024, by 0.35 percentage points; and
(D) for calendar quarters in 2025 and each year thereafter, by 0.5 percentage points.

(2) Non-compliant State defined
For purposes of this subsection, the term “non-compliant State” means a State—
(A) that is one of the 50 States or the District of Columbia;
(B) with respect to which the Secretary has not approved a State plan amendment submitted under subsection (a)(2); and
(C) that is not operating, on an ongoing basis, an asset verification program in accordance with this section.


References In Text

Amendments

§ 1396w–1. Medicaid Improvement Fund

(a) Establishment
The Secretary shall establish under this subchapter a Medicaid Improvement Fund (in this section referred to as the “Fund”) which shall
be available to the Secretary to improve the management of the Medicaid program by the Centers for Medicare & Medicaid Services, including oversight of contracts and contractors and evaluation of demonstration projects, and, in accordance with subsection (b)(3), for the purposes of subparagraph (B) of such subsection. Payments made for activities under this subsection shall be in addition to payments that would otherwise be made for such activities.

(b) Funding

(1) In general

There shall be available to the Fund, for expenditures from the Fund for fiscal year 2021 and thereafter, $0.

(2) Funding limitation

Amounts in the Fund pursuant to paragraph (1) shall be available in advance of appropriations but only if the total amount obligated from the Fund does not exceed the amount available to the Fund under paragraph (1). Amounts in the Fund pursuant to paragraph (3) shall be available in advance of appropriations but only if the total amount obligated from the Fund does not exceed the amount available to the Fund under such paragraph (3). The Secretary may obligate funds from the Fund only if the Secretary determines (and the Chief Actuary of the Centers for Medicare & Medicaid Services and the appropriate budget officer certify) that there are available in the Fund sufficient amounts to cover all such obligations incurred consistent with the previous sentences.

(3) Additional funding for State activities relating to mechanized claims systems

(A) In general

In addition to the amount made available under paragraph (1), there shall be available to the Fund, for expenditures from the Fund in accordance with subparagraph (B), for fiscal year 2025 and thereafter, $1,960,000,000, to remain available until expended.

(B) Purposes

The Secretary shall use amounts made available to the Fund under subparagraph (A) to pay to each State which has a plan approved under this subchapter, and, in accordance with subsection (b)(3), for the purposes of subparagraph (B) of such subsection:

(i) 100 percent minus the percent specified in clause (i) of section 1396b(a)(3)(A) of this title of so much of the sums expended by the State during such quarter as are attributable to the activities described in such clause;

(ii) 100 percent minus the Federal medical assistance percentage applied under clause (ii) of such section of so much of the sums expended during such quarter (as found necessary by the Secretary under such clause) by the State as are attributable to the activities described in such clause; and

(iii) 100 percent minus the percent specified in section 1396b(a)(3)(B) of this title of so much of the sums expended by the State during such quarter as are attributable to the activities described in such section.


AMENDMENTS

2019—Subsec. (b)(1). Pub. L. 116–59, §1604(1), substituted “$30” for “$1,000,000”.

Pub. L. 116–29 substituted “$1,000,000” for “$6,000,000”.

Pub. L. 116–3 substituted “$6,000,000” for “$31,000,000”.


Subsec. (b)(3)(A). Pub. L. 116–59 substituted “$1,960,000,000” for “$2,387,000,000”.

Pub. L. 116–59, §1604(2)(B), substituted “$2,387,000,000” for “$30”.

2018—Subsec. (a). Pub. L. 115–120, §3006(1), inserted before period at end of first sentence “and, in accordance with subsection (b)(3), for the purposes of subparagraph (B) of such subsection”;

Subsec. (b)(1). Pub. L. 115–271 substituted “$31,000,000” for “$30”.

Pub. L. 115–121, §53105(1), substituted “$0” for “$5,000,000”.

Subsec. (b)(2). Pub. L. 115–120, §3006(2)(A), inserted “pursuant to paragraph (1)” after “in the Fund” in first sentence and “Amounts in the Fund pursuant to paragraph (3)” shall be available in advance of appropriations but only if the total amount obligated from the Fund does not exceed the amount available to the Fund under such paragraph (3)” after first sentence and substituted “the previous sentences” for “the previous sentence” in last sentence.


Subsec. (b)(3)(A). Pub. L. 115–123, §53105(2), substituted “$0” for “$980,000,000”.

2016—Subsec. (b)(1). Pub. L. 114–198 amended par. (1) generally. Prior to amendment, text read as follows: “There shall be available to the Fund, for expenditures from the Fund—

“(A) for fiscal year 2014, $0; and

“(B) for each of fiscal years 2015 through 2018, $0.”

2010—Subsec. (b)(1)(A). Pub. L. 111–148, §2007(b)(1), which directed substitution of “$0” for “$100,000,000”, was executed by making the substitution for “$100,000,000”, to reflect the probable intent of Congress and intervening amendment by Pub. L. 111–127. See below.

Pub. L. 111–127 substituted “$10,000,000” for “$100,000,000”.

Subsec. (b)(1)(B). Pub. L. 111–148, §2007(b)(2), substituted “$0” for “$150,000,000”.


§1396w–2. Authorization to receive relevant information

(a) In general

Notwithstanding any other provision of law, a Federal or State agency or private entity in possession of the sources of data directly relevant to eligibility determinations under this subchapter (including eligibility files maintained...
by Express Lane agencies described in section 1396a(e)(13)(F) of this title, information described in paragraph (2) or (3) of section 1320b–7(a) of this title, vital records information about births in any State, and information described in sections 653(i) and 1396a(a)(25)(I) of this title, is authorized to convey such data or information to the State agency administering the State plan under this subchapter, to the extent such conveyance meets the requirements of subsection (b).

(b) Requirements for conveyance

Data or information may be conveyed pursuant to subsection (a) only if the following requirements are met:

(1) The individual whose circumstances are described in the data or information (or such individual’s parent, guardian, caretaker relative, or authorized representative) has either provided advance consent to disclosure or has not objected to disclosure after receiving advance notice of disclosure and a reasonable opportunity to object.

(2) Such data or information are used solely for the purposes of—

(A) identifying individuals who are eligible or potentially eligible for medical assistance under this subchapter and enrolling or attempting to enroll such individuals in the State plan; and

(B) verifying the eligibility of individuals for medical assistance under the State plan.

(3) An interagency or other agreement, consistent with standards developed by the Secretary,—

(A) prevents the unauthorized use, disclosure, or modification of such data and otherwise meets applicable Federal requirements safeguarding privacy and data security; and

(B) requires the State agency administering the State plan to use the data and information obtained under this section to seek to enroll individuals in the plan.

(c) Penalties for improper disclosure

(1) Civil money penalty

A private entity described in the 1 subsection (a) that publishes, discloses, or makes known in any manner, or to any extent not authorized by Federal law, any information obtained under this section is subject to a civil money penalty in an amount equal to $10,000 for each such unauthorized publication or disclosure. The provisions of section 1320a–7a of this title (other than subsections (a) and (b) and the second sentence of subsection (f) shall apply to a civil money penalty under this paragraph in the same manner as such provisions apply to a penalty or proceeding under section 1320a–7a(a) of this title.

(2) Criminal penalty

A private entity described in the 1 subsection (a) that willfully publishes, discloses, or makes known in any manner, or to any extent not authorized by Federal law, any information obtained under this section shall be fined not more than $10,000 or imprisoned not more than 1 year, or both, for each such unauthorized publication or disclosure.

(d) Rule of construction

The limitations and requirements that apply to disclosure pursuant to this section shall not be construed to prohibit the conveyance or disclosure of data or information otherwise permitted under Federal law (without regard to this section).


AUTHORIZATION FOR STATES ELECTING EXPRESS LANE OPTION TO RECEIVE CERTAIN DATA DIRECTLY RELEVANT TO DETERMINING ELIGIBILITY AND CORRECT AMOUNT OF ASSISTANCE

Pub. L. 111–13, title II, §203(e), Feb. 4, 2009, 123 Stat. 49, provided that: ‘‘The Secretary shall enter into such agreements as are necessary to permit a State that elects the Express Lane option under section 1902(e)(13) of the Social Security Act [42 U.S.C. 1396a(e)(13)] to receive data directly relevant to eligibility determinations and determining the correct amount of benefits under a State child health plan under CHIP or a State plan under Medicaid from the following:’’

‘‘(1) The National Directory of New Hires established under section 453(i) of the Social Security Act [42 U.S.C. 653(i)].’’

‘‘(2) Data regarding enrollment in insurance that may help to facilitate outreach and enrollment under the State Medicaid plan, the State CHIP plan, and such other programs as the Secretary may specify.’’

‘‘[For definitions of ‘‘CHIP’’, ‘‘Medicaid’’, and ‘‘Secretary’’, see section 1(c) of Pub. L. 111–3, set out as a Definitions note under section 1396 of this title.]’’

§1396w–3. Enrollment simplification and coordination with State health insurance exchanges

(a) Condition for participation in Medicaid

As a condition of the State plan under this subchapter and receipt of any Federal financial assistance under section 1396b(a) of this title for calendar quarters beginning after January 1, 2014, a State shall ensure that the requirements of subsection (b) is 1 met.

(b) Enrollment simplification and coordination with State health insurance exchanges and CHIP

(1) In general

A State shall establish procedures for—

(A) enabling individuals, through an Internet website that meets the requirements of paragraph (4), to apply for medical assistance under the State plan or under a waiver of the plan, to be enrolled in the State plan or waiver, to renew their enrollment in the plan or waiver, and to consent to enrollment or reenrollment in the State plan through electronic signature;

(B) enrolling, without any further determination by the State and through such website, individuals who are identified by an Exchange established by the State under section 18031 of this title as being eligible for—

(i) medical assistance under the State plan or under a waiver of the plan; or

1 So in original. Probably should be “are”.
(ii) child health assistance under the State child health plan under subchapter XXI;

(C) ensuring that individuals who apply for but are determined to be ineligible for medical assistance under the State plan or a waiver or ineligible for child health assistance under the State child health plan under subchapter XXI are screened for eligibility for enrollment in qualified health plans offered through such an Exchange and, if applicable, premium assistance for the purchase of a qualified health plan under section 36B of the Internal Revenue Code of 1986 and, if applicable, advance payment of such assistance under section 18082 of this title, and, if eligible, enrolled in such a plan without having to submit an additional or separate application, and that such individuals receive information regarding reduced cost-sharing for eligible individuals under section 18071 of this title, and any other assistance or subsidies available for coverage obtained through the Exchange;

(D) ensuring that the State agency responsible for administering the State plan under this subchapter (in this section referred to as the "State Medicaid agency"), the State agency responsible for administering the State child health plan under subchapter XXI (in this section referred to as the "State CHIP agency") and an Exchange established by the State under section 18031 of this title utilize a secure electronic interface sufficient to allow for a determination of an individual’s eligibility for such medical assistance, child health assistance, or premium assistance, and enrollment in the State plan under this subchapter, subchapter XXI, or a qualified health plan, as appropriate;

(E) coordinating, for individuals who are enrolled in the State plan or under a waiver of the plan and who are also enrolled in a qualified health plan offered through such an Exchange, and for individuals who are enrolled in the State child health plan under subchapter XXI and who are also enrolled in a qualified health plan, the provision of medical assistance or child health assistance to such individuals with the coverage provided under the qualified health plan in which they are enrolled, including services described in section 1396d(a)(4)(B) of this title (relating to early and periodic screening, diagnostic, and treatment services defined in section 1396d(r) of this title) and provided in accordance with the requirements of section 1396a(a)(43) of this title; and

(F) conducting outreach to and enrolling vulnerable and underserved populations eligible for medical assistance under this subchapter or for child health assistance under subchapter XXI, including children, unaccompanied homeless youth, children and youth with special health care needs, pregnant women, racial and ethnic minorities, rural populations, victims of abuse or trauma, individuals with mental health or substance-related disorders, and individuals with HIV/AIDS.

(2) Agreements with State health insurance exchanges

The State Medicaid agency and the State CHIP agency may enter into an agreement with an Exchange established by the State under section 18031 of this title under which the State Medicaid agency or State CHIP agency may determine whether a State resident is eligible for premium assistance for the purchase of a qualified health plan under section 36B of the Internal Revenue Code of 1986 and, if applicable, advance payment of such assistance under section 18082 of this title, so long as the agreement meets such conditions and requirements as the Secretary of the Treasury may prescribe to reduce administrative costs and the likelihood of eligibility errors and disruptions in coverage.

(3) Streamlined enrollment system

The State Medicaid agency and State CHIP agency shall participate in and comply with the requirements for the system established under section 18083 of this title (relating to streamlined procedures for enrollment through an Exchange, Medicaid, and CHIP).

(4) Enrollment website requirements

The procedures established by State under paragraph (1) shall include establishing and having in operation, not later than January 1, 2014, an Internet website that is linked to any website of an Exchange established by the State under section 18031 of this title and to the State CHIP agency (if different from the State Medicaid agency) and allows an individual who is eligible for medical assistance under the State plan or under a waiver of the plan and who is eligible to receive premium credit assistance for the purchase of a qualified health plan under section 36B of the Internal Revenue Code of 1986 to compare the benefits, premiums, and cost-sharing applicable to the individual under the State plan or waiver with the benefits, premiums, and cost-sharing available to the individual under a qualified health plan offered through such an Exchange, including, in the case of a child, the coverage that would be provided for the child through the State plan or waiver with the coverage that would be provided to the child through enrollment in family coverage under that plan and as supplemental coverage by the State under the State plan or waiver.

(5) Continued need for assessment for home and community-based services

Nothing in paragraph (1) shall limit or modify the requirement that the State assess an individual for purposes of providing home and community-based services under the State plan or under any waiver of such plan for individuals described in subsection (a)(10)(A)(ii)(VI). *(Aug. 14, 1935, ch. 531, title XIX, §1943, as added Pub. L. 111–148, title II, §2201, Mar. 23, 2010, 124 Stat. 289.)

*Probably means subsection (a)(10)(A)(ii)(VI) of section 1396a of this title.
§ 1396w–3a. Requirements relating to qualified prescription drug monitoring programs and prescribing certain controlled substances

(a) In general

Subject to subsection (d), beginning October 1, 2021, a State—

(1) shall require each covered provider to check, in accordance with such timing, manner, and form as specified by the State, the prescription drug history of a covered individual being treated by the covered provider through a qualified prescription drug monitoring program described in subsection (b) before prescribing to such individual a controlled substance; and

(2) in the case that such a provider is not able to conduct such a check despite a good faith effort by such provider—

(A) shall require the provider to document such good faith effort, including the reasons why the provider was not able to conduct the check; and

(B) may require the provider to submit, upon request, such documentation to the State.

(b) Qualified prescription drug monitoring program described

A qualified prescription drug monitoring program described in this subsection is, with respect to a State, a prescription drug monitoring program administered by the State that, at a minimum, satisfies each of the following criteria:

(1) The program facilitates access by a covered provider to, at a minimum, the following information with respect to a covered individual, in as close to real-time as possible:

(A) Information regarding the prescription drug history of a covered individual with respect to controlled substances.

(B) The number and type of controlled substances prescribed to and filled for the covered individual during at least the most recent 12-month period.

(C) The name, location, and contact information (or other identifying number selected by the State, such as a national provider identifier issued by the National Plan and Provider Enumeration System of the Centers for Medicare & Medicaid Services) of each covered provider who prescribed a controlled substance to the covered individual during at least the most recent 12-month period.

(2) The program facilitates the integration of information described in paragraph (1) into the workflow of a covered provider, which may include the electronic system the covered provider uses to prescribe controlled substances.

A qualified prescription drug monitoring program described in this subsection, with respect to a State, may have in place, in accordance with applicable State and Federal law, a data-sharing agreement with the State Medicaid program that allows the medical director and pharmacy director of such program (and any designee of such a director who reports directly to such director) to access the information described in paragraph (1) in an electronic format. The State Medicaid program under this subchapter may facilitate reasonable and limited access, as determined by the State and ensuring documented beneficiary protections regarding the use of such data, to such qualified prescription drug monitoring program for the medical director or pharmacy director of any managed care entity (as defined under section 1396u–2(a)(1)(B) of this title) that has a contract with the State under section 1396b(m) of this title or under section 1396t(x) of this title, or the medical director or pharmacy director of any entity that has a contract to manage the pharmaceutical benefit with respect to individuals enrolled in the State plan (or under a waiver of the State plan). All applicable State and Federal security and privacy laws shall apply to the directors or designees of such directors of any State Medicaid program or entity accessing a qualified prescription drug monitoring program under this section.

(c) Application of privacy rules clarification

The Secretary shall clarify privacy requirements, including requirements under the regulations promulgated pursuant to section 264(c) of the Health Insurance Portability and Accountability Act of 1996 (42 U.S.C. 1320d–2 note), related to the sharing of data under subsection (b) in the same manner as the Secretary is required under subparagraph (J) of section 1395w–104(c)(5) of this title to clarify privacy requirements related to the sharing of data described in such subparagraph.

(d) Ensuring access

In order to ensure reasonable access to health care, the Secretary shall waive the application of the requirement under subsection (a), with respect to a State, in the case of natural disasters and similar situations, and in the case of the provision of emergency services (as defined for purposes of section 1395w–104(c)(6)(D)(ii)(II) of this title).

(e) Reports

(1) State reports

Each State shall include in the annual report submitted to the Secretary under section 1396r–8(g)(3)(D) of this title, beginning with such reports submitted for 2023, information including, at a minimum, the following information for the most recent 12-month period:

(A) The percentage of covered providers (as determined pursuant to a process established by the State) who checked the prescription drug history of a covered individual through a qualified prescription drug monitoring program described in subsection (b) before prescribing to such individual a controlled substance.

(B) Aggregate trends with respect to prescribing controlled substances such as—

(i) the number and quantity of morphine milligram equivalents prescribed for controlled substances;

(ii) the number and quantity of daily morphine milligram equivalents pre-
scribed for controlled substances per covered individual; and

(iii) the types of controlled substances prescribed, including the dates of such prescriptions, the supplies authorized (including the duration of such supplies), and the period of validity of such prescriptions, in different populations (such as individuals who are elderly, individuals with disabilities, and individuals who are enrolled under both this subchapter and subchapter XVIII).

(C) Whether or not the State requires (and a detailed explanation as to why the State does or does not require) pharmacists to check the prescription drug history of a covered individual through a qualified prescription drug monitoring program described in subsection (b) before dispensing a controlled substance to such individual.

(D) An accounting of any data or privacy breach of a qualified prescription drug monitoring program described in subsection (b), the number of covered individuals impacted by each such breach, and a description of the steps the State has taken to address each such breach, including, to the extent required by State or Federal law or otherwise determined appropriate by the State, alerting any such impacted individual and law enforcement of the breach.

(2) Report by CMS

Not later than October 1, 2023, the Administrator of the Centers for Medicare & Medicaid Services shall publish on the publicly available website of the Centers for Medicare & Medicaid Services a report including the following information:

(A) Guidance for States on how States can increase the percentage of covered providers who use qualified prescription drug monitoring programs described in subsection (b).

(B) Best practices for how States and covered providers should use such qualified prescription drug monitoring programs to reduce the occurrence of abuse of controlled substances.

(f) Increase to FMAP and Federal matching rates for certain expenditures relating to qualified prescription drug monitoring programs

(1) In general

With respect to a State that meets the condition described in paragraph (2) and any quarter occurring during fiscal year 2019 or fiscal year 2020, the Federal medical assistance percentage or Federal matching rate that would otherwise apply to such State under section 1396b(a) of this title for such quarter, with respect to expenditures by the State for activities under the State plan (or waiver of the State plan) and licensed, registered, or otherwise permitted by the State to prescribe a controlled substance, is that the State (in this paragraph referred to as the “administering State”) has in place agreements with all States that are contiguous to such administering State that, when combined, enable covered providers in all such contiguous States to access through the prescription drug monitoring program, the information that is described in subsection (b)(1) of covered individuals of such administering State and that covered providers in such administering State are able to access through such program.

(g) Rule of construction

Nothing in this section prevents a State from requiring pharmacists to check the prescription drug history of covered individuals through a qualified prescription drug monitoring program before dispensing controlled substances to such individuals.

(h) Definitions

In this section:

(1) Controlled substance

The term “controlled substance” means a drug that is included in schedule II of section 812(c) of title 21 and, at the option of the State involved, a drug included in schedule III or IV of such section.

(2) Covered individual

The term “covered individual” means, with respect to a State, an individual who is enrolled in the State plan (or under a waiver of such plan). Such term does not include an individual who—

(A) is receiving—

(i) hospice or palliative care; or

(ii) treatment for cancer;

(B) is a resident of a long-term care facility, of a facility described in section 1396d(d) of this title, or of another facility for which frequently abused drugs are dispensed for residents through a contract with a single pharmacy; or

(C) the State elects to treat as exempted from such term.

(3) Covered provider

(A) In general

The term “covered provider” means, subject to subparagraph (B), with respect to a State, a health care provider who is participating under the State plan (or waiver of the State plan) and licensed, registered, or otherwise permitted by the State to prescribe a controlled substance (or the designee of such provider).

(B) Exceptions

(i) In general

Beginning October 1, 2021, for purposes of this section, such term does not include a health care provider included in any type of health care provider determined by the Secretary to be exempt from application of this section under clause (ii).

(ii) Exceptions process

Not later than October 1, 2020, the Secretary, after consultation with the National Association of Medicaid Directors,
national health care provider associations, Medicaid beneficiary advocates, and advocates for individuals with rare diseases, shall determine, based on such consultations, the types of health care providers (if any) that should be exempted from the definition of the term “covered provider” for purposes of this section.


REFERENCES IN TEXT

Section 364(c) of the Health Insurance Portability and Accountability Act of 1996, referred to in subsec. (c), is section 264(c) of Pub. L. 104–191, title II, Aug. 21, 1996, 110 Stat. 2033, which is set out as a note under section 1320d–2 of this title.

GUIDANCE

Pub. L. 115–271, title V, §5042(b), Oct. 24, 2018, 132 Stat. 3970, provided that: “Not later than October 1, 2019, the Administrator of the Centers for Medicare & Medicaid Services, in consultation with the Director of the Centers for Disease Control and Prevention, shall issue guidance on best practices on the uses of prescription drug monitoring programs required of prescribers and on protecting the privacy of Medicaid beneficiary information maintained in and accessed through prescription drug monitoring programs.”

DEVELOPMENT OF MODEL STATE PRACTICES

Pub. L. 115–271, title V, §5042(c), Oct. 24, 2018, 132 Stat. 3970, provided that:

“(1) IN GENERAL.—Not later than October 1, 2020, the Secretary of Health and Human Services shall develop and publish model practices to assist State Medicaid program operations in identifying and implementing strategies to utilize data-sharing agreements described in the matter following paragraph (2) of section 1944(b) of the Social Security Act [42 U.S.C. 1396w–3a(b)], as added by subsection (a), for the following purposes:

“(A) Monitoring and preventing fraud, waste, and abuse.

“(B) Improving health care for individuals enrolled in a State plan under title XIX of such Act [42 U.S.C. 1396 et seq.] (or under a waiver of such plan) who—

“(i) transition in and out of coverage under such title;

“(ii) may have sources of health care coverage in addition to coverage under such title; or

“(iii) pay for prescription drugs with cash.

“(C) Any other purposes specified by the Secretary.

“(2) ELEMENTS OF MODEL PRACTICES.—The model practices described in paragraph (1)—

“(A) shall include strategies for assisting States in allowing the medical director or pharmacy director (or designee of such a director) of managed care organizations or pharmaceutical benefit managers to access information with respect to all covered individuals served by such managed care organizations or pharmaceutical benefit managers to access as a single data set, in an electronic format; and

“(B) shall include any appropriate beneficiary protections and privacy guidelines.

“(3) CONSULTATION.—In developing model practices under this subsection, the Secretary shall consult with the National Association of Medicaid Directors, managed care entities (as defined in section 1922(a)(1)(B) of the Social Security Act [42 U.S.C. 1396u–2(a)(1)(B)]), with contracts with States pursuant to section 1903(m) of such Act [42 U.S.C. 1396c(m)]; pharmaceutical benefit managers, physicians and other health care providers, beneficiary advocates, and individuals with expertise in health care technology related to prescription drug monitoring programs and electronic health records.”

§1396w–4. State option to provide coordinated care through a health home for individuals with chronic conditions

(a) In general

Notwithstanding section 1396a(a)(1) of this title (relating to statewideness), section 1396a(a)(10)(B) of this title (relating to comparability), and any other provision of this subchapter for which the Secretary determines it is necessary to waive in order to implement this section, beginning January 1, 2011, a State, at its option as a State plan amendment, may provide for medical assistance under this subchapter to eligible individuals with chronic conditions who select a designated provider and to a designated provider, a team of health care professionals operating with such a provider, or a health team (as described under subsection (h)(7)) as the individual’s health home for purposes of providing the individual with health home services.

(b) Health home qualification standards

The Secretary shall establish standards for qualification as a designated provider for the purpose of being eligible to be a health home for purposes of this section.

(c) Payments

(1) In general

A State shall provide a designated provider, a team of health care professionals operating with such a provider, or a health team with payments for the provision of health home services to each eligible individual with chronic conditions that selects such provider, team of health care professionals, or health team as the individual’s health home for purposes of this section.

(2) Methodology

(A) In general

The State shall specify in the State plan amendment the methodology the State will use for determining payment for the provision of health home services. Such methodology for determining payment—

(i) may be tiered to reflect, with respect to each eligible individual with chronic conditions provided such services by a designated provider, a team of health care professionals operating with such a provider, or a health team, as well as the severity or number of each such individual’s chronic conditions or the specific capabilities of the provider, team of health care professionals, or health team; and

(ii) shall be established consistent with section 1396a(a)(30)(A) of this title.

(B) Alternate models of payment

The methodology for determining payment for provision of health home services under
this section shall not be limited to a per-member per-month basis and may provide (as proposed by the State and subject to approval by the Secretary) for alternate models of payment.

(3) Planning grants

(A) In general

Beginning January 1, 2011, the Secretary may award planning grants to States for purposes of developing a State plan amendment under this section. A planning grant awarded to a State under this paragraph shall remain available until expended.

(B) State contribution

A State awarded a planning grant shall contribute an amount equal to the State percentage determined under section 1396d(b) of this title (without regard to section 5001 of Public Law 111–5) for each fiscal year for which the grant is awarded.

(C) Limitation

The total amount of payments made to States under this paragraph shall not exceed $25,000,000.

(4) Special rule relating to substance use disorder health homes

(A) In general

In the case of a State with an SUD-focused State plan amendment approved by the Secretary on or after October 1, 2018, the Secretary may, at the request of the State, extend the application of the Federal medical assistance percentage described in paragraph (1) to payments for the provision of health home services to SUD-eligible individuals under such State plan amendment, in addition to the first 8 fiscal year quarters the State plan amendment is in effect, for the subsequent 2 fiscal year quarters that the State plan amendment is in effect. Nothing in this section shall be construed as prohibiting a State with a State plan amendment that is approved under this section and that is not an SUD-focused State plan amendment from additionally having approved on or after such date an SUD-focused State plan amendment under this section, including for purposes of application of this paragraph.

(B) Report requirements

In the case of a State with an SUD-focused State plan amendment for which the application of the Federal medical assistance percentage has been extended under subparagraph (A), such State shall, at the end of the period of such State plan amendment, submit to the Secretary a report on the following, with respect to SUD-eligible individuals provided health home services under such State plan amendment:

(i) The quality of health care provided to such individuals, with a focus on outcomes relevant to the recovery of each such individual.
(ii) The access of such individuals to health care.
(iii) The total expenditures of such individuals for health care.

For purposes of this subparagraph, the Secretary shall specify all applicable measures for determining quality, access, and expenditures.

(C) Best practices

Not later than October 1, 2020, the Secretary shall make publicly available on the internet website of the Centers for Medicare & Medicaid Services best practices for designing and implementing an SUD-focused State plan amendment, based on the experiences of States that have State plan amendments approved under this section that include SUD-eligible individuals.

(D) Definitions

For purposes of this paragraph:

(i) SUD-eligible individuals

The term “SUD-eligible individual” means, with respect to a State, an individual who satisfies all of the following:

(I) The individual is an eligible individual with chronic conditions.
(II) The individual is an individual with a substance use disorder.
(III) The individual has not previously received health home services under any other State plan amendment approved for the State under this section by the Secretary.

(ii) SUD-focused State plan amendment

The term “SUD-focused State plan amendment” means a State plan amendment under this section that is designed to provide health home services primarily to SUD-eligible individuals.

(d) Hospital referrals

A State shall include in the State plan amendment a requirement for hospitals that are participating providers under the State plan or a waiver of such plan to establish procedures for referring any eligible individuals with chronic conditions who seek or need treatment in a hospital emergency department to designated providers.

(e) Coordination

A State shall consult and coordinate, as appropriate, with the Substance Abuse and Mental Health Services Administration in addressing issues regarding the prevention and treatment of mental illness and substance abuse among eligible individuals with chronic conditions.

(f) Monitoring

A State shall include in the State plan amendment—

(1) a methodology for tracking avoidable hospital readmissions and calculating savings that result from improved chronic care coordination and management under this section; and
(2) a proposal for use of health information technology in providing health home services under this section and improving service delivery and coordination across the care continuum (including the use of wireless patient technology to improve coordination and management of care and patient adherence to recommendations made by their provider).
(g) Report on quality measures

As a condition for receiving payment for health home services provided to an eligible individual with chronic conditions, a designated provider shall report to the State, in accordance with such requirements as the Secretary shall specify, on all applicable measures for determining the quality of such services. When appropriate and feasible, a designated provider shall use health information technology in providing the State with such information.

(h) Definitions

In this section:

(1) Eligible individual with chronic conditions

(A) In general

Subject to subparagraph (B), the term "eligible individual with chronic conditions" means an individual who—

(i) is eligible for medical assistance under the State plan or under a waiver of such plan; and

(ii) has at least—

(I) 2 chronic conditions;

(II) 1 chronic condition and is at risk of having a second chronic condition; or

(III) 1 serious and persistent mental health condition.

(B) Rule of construction

Nothing in this paragraph shall prevent the Secretary from establishing higher levels as to the number or severity of chronic or mental health conditions for purposes of determining eligibility for receipt of health home services under this section.

(2) Chronic condition

The term "chronic condition" has the meaning given that term by the Secretary and shall include, but is not limited to, the following:

(A) A mental health condition.

(B) Substance use disorder.

(C) Diabetes.

(D) Asthma.

(E) Heart disease.

(F) Being overweight, as evidenced by having a Body Mass Index (BMI) over 25.

(7) Health team

The term "health team" has the meaning given such term for purposes of section 1396w–4 of this title.


RECEIVED IN TEXT


AMENDMENTS


SURVEY AND INTERIM REPORT

States that have elected the option under section 1945 of the Social Security Act [42 U.S.C. 1396w–4] (as added by subsection (a)) shall report to the Secretary, as necessary, on processes that have been developed and lessons learned regarding provision of coordinated care through a health home for Medicaid beneficiaries with chronic conditions under such option.

(c) Payments
(1) In general
A State shall provide a designated provider, a team of health care professionals operating with such a provider, or a health team with payments for the provision of health home services to each child with medically complex conditions that selects such provider, team of health care professionals, or health team as the child’s health home. Payments made to a designated provider, a team of health care professionals operating with such a provider, or a health team as the child’s health home for medical assistance for purposes of section 1396b(a) of this title, except that, during the first 2 fiscal year quarters that the State plan amendment is in effect, the Federal medical assistance percentage applicable to such payments shall be increased by 15 percentage points, but in no case may exceed 90 percent.

(2) Methodology
(A) In general
The State shall specify in the State plan amendment the methodology the State will use for determining payment for the provision of health home services. Such methodology for determining payment—
(i) may be tiered to reflect, with respect to each child with medically complex conditions provided such services by a designated provider, a team of health care professionals operating with such a provider, or a health team, the severity or number of each such child’s chronic conditions, life-threatening illnesses, disabilities, or rare diseases, or the specific capabilities of the provider, team of health care professionals, or health team; and
(ii) shall be established consistent with section 1396a(a)(30)(A) of this title.

(B) Alternate models of payment
The methodology for determining payment for provision of health home services under this section shall not be limited to a per-member per-month basis and may provide (as proposed by the State and subject to approval by the Secretary) for alternate models of payment.

(3) Planning grants
(A) In general
Beginning October 1, 2022, the Secretary may award planning grants to States for purposes of developing a State plan amendment under this section. A planning grant

(B) palliative services if the State provides such services under the State plan (or a waiver of such plan).

(5) Coordinate care for children with medically complex conditions with out-of-State providers furnishing care to such children to the maximum extent practicable for the families of such children and where medically necessary, in accordance with guidance issued under subsection (e)(1) and section 431.52 of title 42, Code of Federal Regulations.

(6) Collect and report information under subsection (g)(1).
awarded to a State under this paragraph shall remain available until expended.

(B) State contribution

A State awarded a planning grant shall contribute an amount equal to the State percentage determined under section 1396d(b) of this title (without regard to section 5001 of Public Law 111–5) for each fiscal year for which the grant is awarded.

(C) Limitation

The total amount of payments made to States under this paragraph shall not exceed $5,000,000.

(d) Coordinating care

(1) Hospital notification

A State with a State plan amendment approved under this section shall require each hospital that is a participating provider under the State plan (or a waiver of such plan) to establish procedures for, in the case of a child with medically complex conditions who is enrolled in a health home pursuant to this section and seeks treatment in the emergency department of such hospital, notifying the health home of such child of such treatment.

(2) Education with respect to availability of health home services

In order for a State plan amendment to be approved under this section, a State shall include in the State plan amendment a description of the State’s process for educating providers participating in the State plan (or a waiver of such plan) on the availability of health home services for children with medically complex conditions, including the process by which such providers can refer such children to a designated provider, team of health care professionals operating such a provider, or health team for the purpose of establishing a health home through which such children may receive such services.

(3) Family education

In order for a State plan amendment to be approved under this section, a State shall include in the State plan amendment a description of the State’s process for educating families with children eligible to receive health home services pursuant to this section of the availability of such services. Such process shall include the participation of family-to-family entities or other public or private organizations or entities who provide outreach and information on the availability of health care items and services to families of individuals eligible to receive medical assistance under the State plan (or a waiver of such plan).

(4) Mental health coordination

A State with a State plan amendment approved under this section shall consult and coordinate, as appropriate, with the Secretary in addressing issues regarding the prevention and treatment of mental illness and substance use among children with medically complex conditions receiving health home services under this section.

(g) Data collection

(1) Provider reporting requirements

In order to receive payments from a State under subsection (c), a designated provider, a team of health care professionals operating with such a provider, or a health team shall report to the State, at such time and in such form and manner as may be required by the State, the following information:

(A) With respect to each such provider, team of health care professionals, or health team, the name, National Provider Identification number, address, and specific health care services offered to be provided to children with medically complex conditions who

(e) Guidance on coordinating care from out-of-State providers

(1) In general

Not later than October 1, 2020, the Secretary shall issue (and update as the Secretary determines necessary) guidance to State Medicaid directors on—

(A) best practices for using out-of-State providers to provide care to children with medically complex conditions;

(B) coordinating care for such children provided by such out-of-State providers (including when provided in emergency and non-emergency situations);

(C) reducing barriers for such children receiving care from such providers in a timely fashion; and

(D) processes for screening and enrolling such providers in the respective State plan (or a waiver of such plan), including efforts to streamline such processes or reduce the burden of such processes on such providers.

(2) Stakeholder input

In carrying out paragraph (1), the Secretary shall issue a request for information to seek input from children with medically complex conditions and their families, States, providers (including children’s hospitals, hospitals, pediatricians, and other providers), managed care plans, children’s health groups, family and beneficiary advocates, and other stakeholders with respect to coordinating the care for such children provided by out-of-State providers.

(f) Monitoring

A State shall include in the State plan amendment—

(1) a methodology for tracking reductions in inpatient days and reductions in the total cost of care resulting from improved care coordination and management under this section;

(2) a proposal for use of health information technology in providing health home services under this section and improving service delivery and coordination across the care continuum (including the use of wireless patient technology to improve coordination and management of care and patient adherence to recommendations made by their provider); and

(3) a methodology for tracking prompt and timely access to medically necessary care for children with medically complex conditions from out-of-State providers.

1 So in original. Probably should be preceded by “with”.
have selected such provider, team of health care professionals, or health team as the health home of such children.

(B) Information on all applicable measures for determining the quality of health home services provided by such provider, team of health care professionals, or health team, including, to the extent applicable, child health quality measures and measures for centers of excellence for children with complex needs developed under this subsection, subchapter XXI, and section 1320b–9a of this title.

(C) Such other information as the Secretary shall specify in guidance.

When appropriate and feasible, such provider, team of health care professionals, or health team, as the case may be, shall use health information technology in providing the State with such information.

(2) State reporting requirements

(A) Comprehensive report

A State with a State plan amendment approved under this section shall report to the Secretary (and, upon request, to the Medicaid and CHIP Payment and Access Commission), at such time and in such form and manner determined by the Secretary to be reasonable and minimally burdensome, the following information:

(i) Information reported under paragraph (1).

(ii) The number of children with medically complex conditions who have selected a health home pursuant to this section.

(iii) The nature, number, and prevalence of chronic conditions, life-threatening illnesses, disabilities, or rare diseases that such children have.

(iv) The type of delivery systems and payment models used to provide services to such children under this section.

(v) The number and characteristics of designated providers, teams of health care professionals operating with such providers, and health teams selected as health homes pursuant to this section, including the number and characteristics of out-of-State providers, teams of health care professionals operating with such providers, and health teams who have provided health care items and services to such children.

(vi) The extent to which such children receive health care items and services under the State plan.

(vii) Quality measures developed specifically with respect to health care items and services provided to children with medically complex conditions.

(B) Report on best practices

Not later than 90 days after a State has a State plan amendment approved under this section, such State shall submit to the Secretary, and make publicly available on the appropriate State website, a report on how the State is implementing guidance issued under subsection (e)(1), including through any best practices adopted by the State.

(h) Rule of construction

Nothing in this section may be construed—

(1) to require a child with medically complex conditions to enroll in a health home under this section;

(2) to limit the choice of a child with medically complex conditions in selecting a designated provider, team of health care professionals operating with such a provider, or health team that meets the health home qualification standards established under subsection (b) as the child's health home; or

(3) to reduce or otherwise modify—

(A) the entitlement of children with medically complex conditions to early and periodic screening, diagnostic, and treatment services (as defined in section 1396d(r) of this title); or

(B) the informing, providing, arranging, and reporting requirements of a State under section 1396a(a)(49) of this title.

(i) Definitions

In this section:

(1) Child with medically complex conditions

(A) In general

Subject to subparagraph (B), the term "child with medically complex conditions" means an individual under 21 years of age who—

(i) is eligible for medical assistance under the State plan (or under a waiver of such plan); and

(ii) has at least—

(I) one or more chronic conditions that cumulatively affect three or more organ systems and severely reduces cognitive or physical functioning (such as the ability to eat, drink, or breathe independently) and that also requires the use of medication, durable medical equipment, therapy, surgery, or other treatments; or

(II) one life-limiting illness or rare pediatric disease (as defined in section 360ff(a)(3) of title 21).

(B) Rule of construction

Nothing in this paragraph shall prevent the Secretary from establishing higher levels as to the number or severity of chronic, life threatening illnesses, disabilities, rare diseases or mental health conditions for purposes of determining eligibility for receipt of health home services under this section.

(2) Chronic condition

The term "chronic condition" means a serious, long-term physical, mental, or developmental disability or disease, including the following:

(A) Cerebral palsy.

(B) Cystic fibrosis.

(C) HIV/AIDS.

(D) Blood diseases, such as anemia or sickle cell disease.

(E) Muscular dystrophy.

(F) Spina bifida.

(G) Epilepsy.

(H) Severe autism spectrum disorder.

(I) Serious emotional disturbance or serious mental health illness.
(3) Health home

The term “health home” means a designated provider (including a provider that operates in coordination with a team of health care professionals) or a health team selected by a child with medically complex conditions (or the family of such child) to provide health home services.

(4) Health home services

(A) In general

The term “health home services” means comprehensive and timely high-quality services described in subparagraph (B) that are provided by a designated provider, a team of health care professionals operating with such a provider, or a health team.

(B) Services described

The services described in this subparagraph shall include—

(1) comprehensive care management;
(2) care coordination, health promotion, and providing access to the full range of pediatric specialty and subspecialty medical services, including services from out-of-State providers, as medically necessary;
(3) comprehensive transitional care, including appropriate follow-up, from patient to other settings;
(4) patient and family support (including authorized representatives);
(5) referrals to community and social support services, if relevant; and
(6) use of health information technology to link services, as feasible and appropriate.

(5) Designated provider

The term “designated provider” means a physician (including a pediatrician or a pediatric specialty or subspecialty provider), children’s hospital, clinical practice or clinical group practice, prepaid inpatient health plan or prepaid ambulatory health plan (as defined by the Secretary), rural clinic, community health center, community mental health center, home health agency, or any other entity or provider that is determined by the State and approved by the Secretary to be a qualified health home for children with medically complex conditions on the basis of documentation evidencing that the entity has the systems, expertise, and infrastructure in place to provide health home services. Such term may include providers who are employed by, or affiliated with, a children’s hospital.

(6) Team of health care professionals

The term “team of health care professionals” means a team of health care professionals (as described in the State plan amendment under this section) that may—

(A) include—

(i) physicians and other professionals, such as pediatricians or pediatric specialty or subspecialty providers, nurse care coordinators, dietitians, nutritionists, social workers, behavioral health professionals, physical therapists, occupational therapists, speech pathologists, nurses, individuals with experience in medical supportive technologies, or any professionals determined to be appropriate by the State and approved by the Secretary;
(ii) an entity or individual who is designated to coordinate such a team; and
(iii) community health workers, translators, and other individuals with culturally-appropriate expertise; and

(B) be freestanding, virtual, or based at a children’s hospital, hospital, community health center, community mental health center, rural clinic, clinical practice or clinical group practice, academic health center, or any entity determined to be appropriate by the State and approved by the Secretary.

(7) Health team

The term “health team” has the meaning given such term for purposes of section 256a–1 of this title.

(8) Health group

The term “health group” has the meaning given such term for purposes of section 256a–1 of this title.

(9) Health home

The term “health home” means a designated provider, a health team selected by a child with medically complex conditions (or the family of such child) to provide health home services.

(10) Health team

The term “health team” has the meaning given such term for purposes of section 256a–1 of this title.

(11) Health group

The term “health group” has the meaning given such term for purposes of section 256a–1 of this title.


REFERENCES IN TEXT


§ 1396w–5. Addressing health care disparities

(a) Evaluating data collection approaches

The Secretary shall evaluate approaches for the collection of data under this subchapter and subchapter XXI, to be performed in conjunction with existing quality reporting requirements and programs under this subchapter and subchapter XXI, that allow for the ongoing, accurate, and timely collection and evaluation of data on disparities in health care services and performance on the basis of race, ethnicity, sex, primary language, and disability status. In conducting such evaluation, the Secretary shall consider the following objectives:

(1) Protecting patient privacy.
(2) Minimizing the administrative burdens of data collection and reporting on States, providers, and health plans participating under this subchapter and subchapter XXI.
(3) Improving program data under this subchapter and subchapter XXI on race, ethnicity, sex, primary language, and disability status.

(b) Reports to Congress

(1) Report on evaluation

Not later than 18 months after March 23, 2010, the Secretary shall submit to Congress a report on the evaluation conducted under subsection (a). Such report shall, taking into consideration the results of such evaluation—

(A) identify approaches (including defining methodologies) for identifying and collecting and evaluating data on health care disparities on the basis of race, ethnicity, sex, primary language, and disability status for the programs under this subchapter and subchapter XXI; and

(B) include recommendations on the most effective strategies and approaches to reporting HEDIS quality measures as required
under section 1395w–22(e)(3) of this title and other nationally recognized quality performance measures, as appropriate, on such bases.

(2) Reports on data analyses
Not later than 4 years after March 23, 2010, and 4 years thereafter, the Secretary shall submit to Congress a report that includes recommendations for improving the identification of health care disparities for beneficiaries under this subchapter and under subchapter XXI based on analyses of the data collected under subsection (c).

(c) Implementing effective approaches
Not later than 24 months after March 23, 2010, the Secretary shall implement the approaches identified in the report submitted under subsection (b)(1) for the ongoing, accurate, and timely collection and evaluation of data on health care disparities on the basis of race, ethnicity, sex, primary language, and disability status.


SUBCHAPTER XX—BLOCK GRANTS AND PROGRAMS FOR SOCIAL SERVICES AND ELDER JUSTICE

CODIFICATION


Division A—Block Grants to States for Social Services

§1397. Purposes of division; authorization of appropriations

For the purposes of consolidating Federal assistance to States for social services into a single grant, increasing State flexibility in using social service grants, and encouraging each State, as far as practicable under the conditions in that State, to furnish services directed at the goals of—

(1) achieving or maintaining economic self-support to prevent, reduce, or eliminate dependency;

(2) achieving or maintaining self-sufficiency, including reduction or prevention of dependency;

(3) preventing or remedying neglect, abuse, or exploitation of children and adults unable to protect their own interests, or preserving, rehabilitating or reuniting families;

(4) preventing or reducing inappropriate institutional care by providing for community-based care, home-based care, or other forms of less intensive care; and

(5) securing referral or admission for institutional care when other forms of care are not appropriate, or providing services to individuals in institutions,

there are authorized to be appropriated for each fiscal year such sums as may be necessary to carry out the purposes of this division.


PRIOR PROVISIONS


AMENDMENTS

2010—Pub. L. 111–146, §6703(d)(1)(B), which directed substitution of “this division” for “this subchapter” wherever appearing in subtitle 1 of title XX of act Aug. 14, 1935, was executed to the concluding provisions of this section, which is in subtitle A of title XX of act Aug. 14, 1935, to reflect the probable intent of Congress.


EFFECTIVE DATE

Pub. L. 97–35, title XXIII, §2354, Aug. 13, 1981, 95 Stat. 874, provided that: “Except as otherwise explicitly provided, the provisions of this subtitle [subtitle C (§§2351–2355) of title XXIII of Pub. L. 97–35, see Short Title of 1981 Amendment note set out under section 1305 of this title] and the repeals and amendments made by this subtitle, shall become effective on October 1, 1981.”

STUDY OF STATE SOCIAL SERVICE PROGRAMS; REPORT TO CONGRESS

Pub. L. 97–35, title XXIII, §2355, Aug. 13, 1981, 95 Stat. 874, required Secretary of Health and Human Services to conduct a study to identify criteria and mechanisms which may be useful for States in assessing effectiveness and efficiency of State social service programs carried out with funds made available under this subchapter, such study to include consideration of Federal incentive payments as an option in rewarding States having high performance social service programs, and to report results of such study to Congress within one year after Aug. 13, 1981.

§1397a. Payments to States

(a) Amount; covered services

(1) Each State shall be entitled to payment under this division for each fiscal year in an amount equal to its allotment for such fiscal year, to be used by such State for services directed at the goals set forth in section 1397 of this title, subject to the requirements of this division.

(2) For purposes of paragraph (1)—

(A) services which are directed at the goals set forth in section 1397 of this title include, but are not limited to, child care services, protective services for children and adults, services for children and adults in foster care, services related to the management and maintenance of the home, day care services for adults, transportation services, family planning services, training and related services, employment services, information, referral, and counseling services, the preparation and delivery of meals, health support services and appropriate combinations of services designed to meet the special needs of children, the aged, the mentally retarded, the blind, the emotionally disturbed, the physically handicapped, and alcoholics and drug addicts; and
(b) Funding requirements
The Secretary shall make payments in accordance with section 6503 of title 31 to each State from its allotment for use under this division.

c) Expenditure of funds
Payments to a State from its allotment for any fiscal year must be expended by the State in such fiscal year or in the succeeding fiscal year.

(d) Transfers of funds
A State may transfer up to 10 percent of its allotment under section 1397b of this title for any fiscal year for its use in carrying out the purposes of this division but shall not affect the computation of the State’s allotment under this division; and shall not affect the computation of amounts allotted to a State under any provisions of Federal law referred to in the preceding sentence and transferred by a State for use in carrying out the purposes of this division shall be treated as if they were paid to the State for use in carrying out the purposes of this division.

(e) Use of portion of funds
A State may use a portion of the amounts described in subsection (a) for the purpose of purchasing technical assistance from public or private entities if the State determines that such assistance is required in developing, implementing, or administering programs funded under this division.

(f) Authority to use vouchers
A State may use funds provided under this division to provide vouchers, for services directed toward the goals set forth in section 1397 of this title, to families, including—

1. families who have become ineligible for assistance under a State program funded under part A of subchapter IV by reason of a durational limit on the provision of such assistance; and
2. families denied cash assistance under the State program funded under part A of subchapter IV for a child who is born to a member of the family who is—

(A) a recipient of assistance under the program; or
(B) a person who received such assistance at any time during the 10-month period ending with the birth of the child.


References in Text

Prior Provisions

Amendments

Effective Date of 1984 Amendment
Amendment by Pub. L. 98–369 effective July 18, 1984, but not to be construed as changing or affecting any right, liability, status, or interpretation which existed (under the provisions of law involved) before that date, see section 2664(b) of Pub. L. 98–369, set out as a note under section 401 of this title.

Temporary Suspension of Child Day Care Services Requirements

Reimbursement of Expenditures for Social Services Provided by States Prior to October 1, 1975; Authorization of Appropriations
Pub. L. 95–291, June 12, 1978, 92 Stat. 304, authorized appropriations for payments to States in settlement of unpaid claims of States against the United States for...
reimbursement of expenditures made by States prior to Oct. 1, 1975, for services and administrative costs under a State plan pursuant to specific subchapters of this chapter, provided schedules for payment of a claim asserted prior to the ninety-first day after June 12, 1978, depending on when the claim was asserted, barred other claims and certain claims of the United States for recovery, provided for review of determinations, barred judicial review, and provided for allotment of appropriations for claims.


**REQUIREMENTS OF CHILD DAY CARE SERVICES**


**Prior Provisions**


**Amendments**

1998—Subsec. (c)(7). Pub. L. 105–178 added par. (7) and struck out former par. (7) which read as follows: "$2,380,000,000 for each of the fiscal years 1997 through 2002; and".

Subsec. (c)(8). Pub. L. 105–277 added par. (8) and struck out former par. (8) which read as follows: "$2,380,000,000 for the fiscal year 1998;".

Pub. L. 105–178 added par. (8) and struck out former par. (8) which read as follows: "$2,800,000,000 for the fiscal year 2003 and each succeeding fiscal year.".

Subsec. (c)(9) to (11). Pub. L. 105–178 added pars. (9) to (11).

1996—Subsec. (c)(5) to (8). Pub. L. 104–193 added pars. (5) to (8) and struck out former par. (5) which read as follows: "$2,800,000,000 for each fiscal year after fiscal year 1988.".

1996—Subsec. (c)(3). Pub. L. 101–239, § 8016(1), substituted "1987, and 1989;" for "and 1987, and for each succeeding fiscal year other than the fiscal year 1988; and".


most recent data available from the Department of Commerce) and promulgated prior to the first day of the third month of the preceding fiscal year.

(c) Appropriations

The amount specified for purposes of subsections (a) and (b) shall be—

1. $2,400,000,000 for the fiscal year 1982;

2. $2,450,000,000 for the fiscal year 1983;


4. $2,750,000,000 for the fiscal year 1988;

5. $2,800,000,000 for each of the fiscal years 1990 through 1995;

6. $2,381,000,000 for the fiscal year 1996;

7. $2,380,000,000 for the fiscal year 1997;

8. $2,299,000,000 for the fiscal year 1998;

9. $2,380,000,000 for the fiscal year 1999;

10. $2,380,000,000 for the fiscal year 2000; and

11. $1,700,000,000 for the fiscal year 2001 and each fiscal year thereafter.

each succeeding fiscal year to American Samoa shall be an amount which bears the same ratio to the amount allotted to the Northern Mariana Islands for that fiscal year as the population of American Samoa bears to the population of the Northern Mariana Islands determined on the basis of the most recent data available at the time such allotment is determined.


1986—Subsec. (b). Pub. L. 99–514, § 1883(e)(1)(B), substituted “(subject to subsection (d) of this section)” after “American Samoa,” after “the Virgin Islands,” in two places.

Subsec. (c)(3). Pub. L. 100–203, § 9134(a)(B), substituted “years 1984, 1985, 1986, and 1987, and for each succeeding fiscal year other than the fiscal year 1988; and” for “years 1984, 1985, 1986, and 1987, and for each succeeding fiscal year to American Samoa shall be an amount which bears the same ratio to the amount appropriated under this section for the fiscal year 1988 as the population of American Samoa bears to the population of the Northern Mariana Islands determined on the basis of the most recent data available at the time such allotment is determined.’’

Subsec. (c)(2). Pub. L. 100–203, § 9134(a)(A), struck out subsec. (d) which read as follows: “The determination and promulgation required by subsection (b) of this section with respect to the fiscal year 1982 shall be made as soon as possible after August 13, 1981.”

Subsec. (c)(3). Pub. L. 98–135 substituted “$2,700,000,000 for the fiscal year 1984 and each succeeding fiscal year;” for “$2,500,000,000 for the fiscal year 1984;”.

Subsec. (c)(4). Pub. L. 98–135 struck out subsec. (d) which read as follows: “(subject to subsection (d) of this section)” after “promulgated”.

Subsec. (d). Pub. L. 99–514, § 1883(e)(1)(A), added par. (4) and (5) which provided, respectively, for an amount of $2,600,000,000 for fiscal year 1985 and $2,700,000,000 for fiscal year 1986 and succeeding fiscal years.

1982—Subsec. (b). Pub. L. 97–248 inserted “(other than Puerto Rico, Guam, the Virgin Islands, and the Northern Mariana Islands)” in provisions following cl. (2).
§ 1397c TITEL 42—THE PUBLIC HEALTH AND WELFARE  Page 4022

cluding any facility or program having primary cus-
tody of children for 20 hours or more per week), juve-
nile detention, correction or treatment facilities, with
the objective of protecting the children involved and
promoting such children’s safety and welfare while re-
ceiving service through such facilities or programs.

“(B) In the case of any State not meeting the require-
ments of subparagraph (A) by September 30, 1983, such
State’s allotment for fiscal year 1986 or 1987 shall be re-
duced in the aggregate by an amount equal to one-half
of the amount by which such State’s allotment under
such title was increased for fiscal year 1985 as a result of
subsection (a).

“(c) The determination and promulgation required by
section 2003(b) of the Social Security Act [42 U.S.C.
1397b(b)] with respect to the fiscal year 1985 (to take
into account the preceding provisions of this section)
shall be made as soon as possible after the date of the
enactment of this Act [Oct. 12, 1984].”

§ 1397c. State reporting requirements

Prior to expenditure by a State of payments
made to it under section 1397a of this title for
any fiscal year, the State shall report on the in-
tended use of the payments the State is to re-
ceive under this division, including information
on the types of activities to be supported and
the categories or characteristics of individuals
and to be served. The report shall be transmitted
to the Secretary and made public within the State
in such manner as to facilitate comment by any
person (including any Federal or other public
agency) during development of the report and
after its completion. The report shall be revised
throughout the year as may be necessary to re-
fect substantial changes in the activities as-
isted under this division, and any revision shall
be subject to the requirements of the previous
sentence.

(Aug. 14, 1935, ch. 531, title XX, § 2004, as added
95 Stat. 868; amended Pub. L. 111–148, title VI,

Prior Provisions

A prior section 1397c, act Aug. 14, 1935, ch. 531, title
XX, § 2004, as added Jan. 4, 1975, Pub. L. 93–647, § 2, 88
Stat. 1940, redesignated section 1397a of this title by Pub.
II, § 206(a), (b), 94 Stat. 525, related to services program
planning, prior to the general revision of this sub-
chapter by section 2352(a) of Pub. L. 97–35.

Amendments

2010—Pub. L. 111–148, which directed substitution of
“this division” for “this subchapter” wherever appear-
ing in subtitle I of title XX of act Aug. 14, 1935, was exe-
cuted by making the substitution in two places in this
section, which is in subtitle A of title XX act Aug. 14,
1935, to reflect the probable intent of Congress.

§ 1397d. Limitation on use of grants; waiver

(a) Except as provided in subsection (b), grants
made under this division may not be used by the
State, or by any other person with which the
State makes arrangements to carry out the pur-
poses of this division—

(1) for the purchase or improvement of land,
or the purchase, construction, or permanent
improvement (other than minor remodeling) of
any building or other facility;

(2) for the provision of cash payments for

costs of subsistence or for the provision of
room and board (other than costs of subsist-
ence during rehabilitation, room and board
provided for a short term as an integral but
subordinate part of a social service, or tem-
porary emergency shelter provided as a pro-
ductive service);

(3) for payment of the wages of any individu-
al as a social service (other than payment of
the wages of welfare recipients employed in
the provision of child day care services);

(4) for the provision of medical care (other
than family planning services, rehabilitation
services, or initial detoxification of an alco-
holic or drug dependent individual) unless it is
an integral but subordinate part of a social
service for which grants may be used under
this division;

(5) for social services (except services to an
alcoholic or drug dependent individual or re-
habilitation services) provided in and by em-
ployees of any hospital, skilled nursing facil-
ty, intermediate care facility, or prison, to
any individual living in such institution;

(6) for the provision of any educational serv-
ices which the State makes generally available
to its residents without cost and without re-
gard to their income;

(7) for any child day care services unless
such services meet applicable standards of
State and local law;

(8) for the provision of cash payments as a
service (except as otherwise provided in this
section);

(9) for payment for any item or service
(other than an emergency item or service) fur-
nished—

(A) by an individual or entity during the
period when such individual or entity is ex-
cluded under this division or subchapter V,
XVIII, or XIX pursuant to section 1320a–7,
1320a–7a, 1320c–5, or 1385u(j)(2) of this title, or

(B) at the medical direction or on the pre-
scription of a physician during the period
when the physician is excluded under this di-
vision or subchapter V, XVIII, or XIX pursuant
to section 1320a–7, 1320a–7a, 1320c–5, or
1385u(j)(2) of this title and when the person
furnishing such item or service knew or had
reason to know of the exclusion (after a rea-
sonable time period after reasonable notice
has been furnished to the person); or

(10) in a manner inconsistent with the As-
isted Suicide Funding Restriction Act of 1997
[42 U.S.C. 14401 et seq.].

(b) The Secretary may waive the limitation
contained in subsection (a)(1) and (4) upon the
State’s request for such a waiver if he finds that
the request describes extraordinary circum-
stances to justify the waiver and that permi-
ting the waiver will contribute to the State’s
ability to carry out the purposes of this division.

(Aug. 14, 1935, ch. 531, title XX, § 2005, as added
10, 1987, 101 Stat. 695; Pub. L. 100–203, title IV,
§ 4118(e)(13), Dec. 22, 1987, as added Pub. L.
100–360, title IV, § 411(k)(10)(D), July 1, 1988, 102

PRIORITY PROVISIONS


AMENDMENTS


Subsec. (a)(9)(A), (B). Pub. L. 100–203, §4118(e)(13), as added by Pub. L. 100–360, §411(k)(10)(D), as amended by Pub. L. 100–485, §608(d)(26)(K)(ii), substituted “under this subchapter or subchapter V, XVIII, or XIX pursuant to section 1320a–7, 1320a–7a, 1320c–5, or 1395u(j)(2) of this title” for “pursuant to section 1320a–7 of this title or section 1320a–7a of this title from participation in the program under this subchapter”.

EFFECTIVE DATE OF 1997 AMENDMENT

Amendment by Pub. L. 105–12 effective Apr. 30, 1997, and applicable to Federal payments made pursuant to obligations incurred after Apr. 30, 1997, for items and services provided on or after such date, subject to also being applicable with respect to contracts entered into, renewed, or extended after Apr. 30, 1997, as well as contracts entered into before Apr. 30, 1997, to the extent permitted under such contracts, see section 11 of Pub. L. 105–12 set out as an Effective Date note under section 14401 of this title.

EFFECTIVE DATE OF 1988 AMENDMENTS

Amendment by Pub. L. 100–485 effective as if included in the enactment of the Medicare Catastrophic Coverage Act of 1988, Pub. L. 100–360, see section 686(g)(1) of Pub. L. 100–485, set out as a note under section 704 of this title.

Except as specifically provided in section 411 of Pub. L. 100–360, amendment by Pub. L. 100–360, as it relates to a provision in the Omnibus Budget Reconciliation Act of 1987, Pub. L. 100–203, effective as if included in the enactment of that provision in Pub. L. 100–203, see section 411(a) of Pub. L. 100–360, set out as a Reference to OBRA; Effective Date note under section 106 of Title I, General Provisions.

EFFECTIVE DATE OF 1987 AMENDMENT

Amendment by Pub. L. 100–93 effective at end of fourteen-day period beginning Aug. 18, 1987, and inapplicable to administrative proceedings commenced before end of such period, see section 15(a) of Pub. L. 100–93, set out as a note under section 1320a–7 of this title.

§1397e. Administrative and fiscal accountability

(a) Reporting requirements; form, contents, etc.

Each State shall prepare reports on its activities carried out with funds made available (or transferred for use) under this division. Reports shall be prepared annually, covering the most recently completed fiscal year, and shall be in such form and contain such information (including but not limited to the information specified in subsection (c)) as the State finds necessary to provide an accurate description of such activities, to secure a complete record of the purposes for which funds were spent, and to determine the extent to which funds were spent in a manner consistent with the reports required by section 1397c of this title. The State shall make copies of the reports required by this section available for public inspection within the State and shall transmit a copy to the Secretary. Copies shall also be provided, upon request, to any interested public agency, and each such agency may provide its views on these reports to the Congress.

(b) Audits; implementation, etc.

Each State shall, not less often than every two years, audit its expenditures from amounts received (or transferred for use) under this division. Such State audits shall be conducted by an entity independent of any agency administering activities funded under this division, in accordance with generally accepted auditing principles. Within 30 days following the completion of each audit, the State shall submit a copy of that audit to the legislature of the State and to the Secretary. Each State shall repay to the United States amounts ultimately found not to have been expended in accordance with this division, or the Secretary may offset such amounts against any other amount the State owes the United States.

(c) State reports on expenditure and use of social services funds

Each report prepared and transmitted by a State under subsection (a) shall set forth (with respect to the fiscal year covered by the report)—

(1) the number of individuals who received services paid for in whole or in part with funds made available under this division, showing separately the number of children and the number of adults who received such services, and broken down in each case to reflect the types of services and circumstances involved;

(2) the amount spent in providing each such type of service, showing separately for each type of service the amount spent per child recipient and the amount spent per adult recipient;

(3) the criteria applied in determining eligibility for services (such as income eligibility guidelines, sliding fee scales, the effect of public assistance benefits, and any requirements for enrollment in school or training programs); and

(4) the methods by which services were provided, showing separately the services provided by public agencies and those provided by private agencies, and broken down in each case to reflect the types of services and circumstances involved.

The Secretary shall establish uniform definitions of services for use by the States in preparing the information required by this subsection, and make such other provision as may be nec-
essay or appropriate to assure that compliance with the requirements of this subsection will not be unduly burdensome on the States.

(d) Additional accounting requirements

For other provisions requiring States to account for Federal grants, see section 6503 of title 31.


PRIOR PROVISIONS


AMENDMENTS

2010—Pub. L. 111–148, which directed substitution of “this division” for “this subchapter” wherever appearing in subtitle I of title XX of act Aug. 14, 1935, was executed by making the substitution wherever appearing in this section, which is in subtitle A of title XX act Aug. 14, 1935, to reflect the probable intent of Congress.

1988—Subsec. (a). Pub. L. 100–485, §607(1), substituted “Reports shall be prepared annually, covering the most recently completed fiscal year, and shall be in such form and contain such information (including but not limited to the information specified in subsection (c))” for “Reports shall be in such form, contain such information, and be of such frequency (but not less often than every two years)” in second sentence.

Subsecs. (c), (d). Pub. L. 100–485, §607(3), added subsec. (c) and redesignated former subsec. (c) as (d).


EFFECTIVE DATE OF 1984 AMENDMENT

Amendment by Pub. L. 98–369 effective July 18, 1984, but not to be construed as changing or affecting any right, liability, status, or interpretation which existed (under the provisions of law involved) before that date, see section 2064(b) of Pub. L. 98–369, set out as a note under section 401 of this title.

§ 1397f. Additional grants

(a) Entitlement

(1) In general

In addition to any payment under section 1397a of this title, each State shall be entitled to—

(A) 2 grants under this section for each qualified empowerment zone in the State; and

(B) 1 grant under this section for each qualified enterprise community in the State.

(2) Amount of grants

(A) Empowerment grants

The amount of each grant to a State under this section for a qualified empowerment zone shall be—

(i) if the zone is designated in an urban area, $50,000,000, multiplied by that proportion of the population of the zone that resides in the State; or

(ii) if the zone is designated in a rural area, $20,000,000, multiplied by such proportion.

(B) Enterprise grants

The amount of the grant to a State under this section for a qualified enterprise community shall be ¼% of $280,000,000, multiplied by that proportion of the population of the community that resides in the State.

(C) Population determinations

The Secretary shall make population determinations for purposes of this paragraph based on the most recent decennial census data available.

(3) Timing of grants

(A) Qualified empowerment zones

With respect to each qualified empowerment zone, the Secretary shall make—

(i) 1 grant under this section to each State in which the zone lies, on the date of the designation of the zone under part I of subchapter U of chapter 1 of the Internal Revenue Code of 1986; and

(ii) 1 grant under this section to each such State, on the 1st day of the 1st fiscal year that begins after the date of the designation.

(B) Qualified enterprise communities

With respect to each qualified enterprise community, the Secretary shall make 1 grant under this section to each State in which the community lies, on the date of the designation of the community under part I of subchapter U of chapter 1 of the Internal Revenue Code of 1986.

(4) Funding

$1,000,000,000 shall be made available to the Secretary for grants under this section.

(b) Program options

Notwithstanding section 1397d(a) of this title:

(1) In order to prevent and remedy the neglect and abuse of children, a State may use amounts paid under this section to make grants to, or enter into contracts with, entities to provide residential or nonresidential drug and alcohol prevention and treatment programs that offer comprehensive services for pregnant women and mothers, and their children.

(2) In order to assist disadvantaged adults and youths in achieving and maintaining self-sufficiency, a State may use amounts paid under this section to make grants to, or enter into contracts with—

(A) organizations operated for profit or not for profit, for the purpose of training and employing disadvantaged adults and youths in construction, rehabilitation, or improvement of affordable housing, public infrastructure, and community facilities; and

(B) nonprofit organizations and community or junior colleges, for the purpose of enabling such entities to provide short-term
training courses in entrepreneurism and self-employment, and other training that will promote individual self-sufficiency and the interests of the community.

(3) A State may use amounts paid under this section to make grants to, or enter into contracts with, nonprofit community-based organizations to enable such organizations to provide activities designed to promote and protect the interests of children and families, outside of school hours, including keeping schools open during evenings and weekends for mentoring and study.

(4) In order to assist disadvantaged adults and youths in achieving and maintaining economic self-support, a State may use amounts paid under this section to—

(A) fund services designed to promote community and economic development in qualified empowerment zones and qualified enterprise communities, such as skills training, job counseling, transportation services, housing counseling, financial management, and business counseling;

(B) assist in emergency and transitional shelter for disadvantaged families and individuals;

(C) support programs that promote home ownership, education, or other routes to economic independence for low-income families and individuals.

(e) Use of grants

(1) In general

Subject to subsection (d) of this section, each State that receives a grant under this section with respect to an area shall use the grant—

(A) for services directed only at the goals set forth in paragraphs (1), (2), and (3) of section 1397 of this title;

(B) in accordance with the strategic plan for the area; and

(C) for activities that benefit residents of the area for which the grant is made.

(2) Technical assistance

A State may use a portion of any grant made under this section in the manner described in section 1397a(e) of this title.

(d) Remittance of certain amounts

(1) Portion of grant upon termination of designation

Each State to which an amount is paid under this subsection during a fiscal year with respect to an area the designation of which under part I of subchapter U of chapter 1 of the Internal Revenue Code of 1986 ends before the end of the fiscal year shall remit to the Secretary an amount equal to the total of the amounts so paid with respect to the area, multiplied by that proportion of the fiscal year remaining after the designation ends.

(2) Amounts paid to the States and not obligated within 2 years

Each State shall remit to the Secretary any amount paid to the State under this section that is not obligated by the end of the 2-year period that begins with the date of the payment.

(e) Reallocation of remaining funds

(1) Remitted amounts

The amount specified in section 1397b(c) of this title for any fiscal year is hereby increased by the total of the amounts remitted during the fiscal year pursuant to subsection (d) of this section.

(2) Amounts not paid to the States

The amount specified in section 1397b(c) of this title for fiscal year 1998 is hereby increased by the amount made available for grants under this section that has not been paid to any State by the end of fiscal year 1997.

(f) Definitions

As used in this section:

(1) Qualified empowerment zone

The term “qualified empowerment zone” means, with respect to a State, an area—

(A) which has been designated (other than by the Secretary of the Interior) as an empowerment zone under part I of subchapter U of chapter 1 of the Internal Revenue Code of 1986;

(B) with respect to which the designation is in effect; and

(C) the strategic plan for which is a qualified plan; and

(D) part or all of which is in the State.

(2) Qualified enterprise community

The term “qualified enterprise community” means, with respect to a State, an area—

(A) which has been designated (other than by the Secretary of the Interior) as an enterprise community under part I of subchapter U of chapter 1 of the Internal Revenue Code of 1986;

(B) with respect to which the designation is in effect; and

(C) the strategic plan for which is a qualified plan; and

(D) part or all of which is in the State.

(3) Strategic plan

The term “strategic plan” means, with respect to an area, the plan contained in the application for designation of the area under part I of subchapter U of chapter 1 of the Internal Revenue Code of 1986.

(4) Qualified plan

The term “qualified plan” means, with respect to an area, a plan that—

(A) includes a detailed description of the activities proposed for the area that are to be funded with amounts provided under this section;

(B) contains a commitment that the amounts provided under this section to any State for the area will not be used to supplant Federal or non-Federal funds for services and activities which promote the purposes of this section;

(C) was developed in cooperation with the local government or governments with jurisdiction over the area; and

(D) to the extent that any State will not use the amounts provided under this section
for the area in the manner described in subsection (b), explains the reasons why not.

(5) Rural area

The term “rural area” has the meaning given such term in section 1393(a)(2) of the Internal Revenue Code of 1986.

(6) Urban area

The term “urban area” has the meaning given such term in section 1393(a)(3) of the Internal Revenue Code of 1986.

(8) Employment services

The term “employment services” means services provided to individuals with the opportunity to obtain education, training, and career advancement to obtain employment that provides increased wages and affordable benefits, including health care coverage, that are responsive to the workforce’s needs.

§ 1397g. Demonstration projects to address health professions workforce needs

(a) Demonstration projects to provide low-income individuals with opportunities for education, training, and career advancement to address health professions workforce needs

(1) Authority to award grants

The Secretary, in consultation with the Secretary of Labor, shall award grants to eligible entities to conduct demonstration projects that are designed to provide eligible individuals with the opportunity to obtain education and training for occupations in the health care field that pay well and are expected to either experience labor shortages or be in high demand.

(2) Requirements

(A) Aid and supportive services

(i) In general

A demonstration project conducted by an eligible entity awarded a grant under this section shall, if appropriate, provide eligible individuals participating in the project with financial aid, child care, case management, and other supportive services.

(ii) Treatment

Any aid, services, or incentives provided to an eligible beneficiary participating in a demonstration project under this section shall not be considered income, and shall not be taken into account for purposes of determining the individual’s eligibility for, or amount of, benefits under any means-tested program.

(B) Consultation and coordination

An eligible entity applying for a grant to carry out a demonstration project under this section shall demonstrate in the application that the entity has consulted with the State agency responsible for administering the State TANF program, the local workforce investment board in the area in which the project is to be conducted (unless the applicant is such board), the State workforce development board established under section 3111 of title 29, and the State Apprenticeship Agency recognized under the Act of August 16, 1937 (commonly known as the “National Apprenticeship Act”) [29 U.S.C. 50 et seq.] (or if no agency has been recognized in the State, the Office of Apprenticeship of the Department of Labor) and that the project will be carried out in coordination with such entities.

(C) Assurance of opportunities for Indian populations

The Secretary shall award at least 3 grants under this subsection to an eligible entity that is an Indian tribe, tribal organization, or Tribal College or University.

(3) Reports and evaluation

(A) Eligible entities

An eligible entity awarded a grant to conduct a demonstration project under this subsection shall submit interim reports to the Secretary on the activities carried out under the project and a final report on such activities upon the conclusion of the entities’ participation in the project. Such reports shall include assessments of the effectiveness of such activities with respect to improving outcomes for the eligible individuals participating in the project and with respect to addressing health professions workforce needs in the areas in which the project is conducted.

(B) Evaluation

The Secretary shall, by grant, contract, or interagency agreement, evaluate the demonstration projects conducted under this subsection. Such evaluation shall include identification of successful activities for creating opportunities for developing and sustaining, particularly with respect to low-income individuals and other entry-level workers, a health professions workforce that has accessible entry points, that meets high standards for education, training, certification, and professional development, and that provides increased wages and affordable benefits, including health care coverage, that are responsive to the workforce’s needs.

(C) Report to Congress

The Secretary shall submit interim reports and, based on the evaluation conducted under subparagraph (B), a final report to
Congress on the demonstration projects conducted under this subsection.

(4) Definitions
In this subsection:

(A) Eligible entity
The term "eligible entity" means a State, an Indian tribe or tribal organization, an institution of higher education, a local workforce development board established under section 3122 of title 29, a sponsor of an apprenticeship program registered under the National Apprenticeship Act [29 U.S.C. 50 et seq.] or a community-based organization.

(B) Eligible individual
(i) In general
The term "eligible individual" means an individual receiving assistance under the State TANF program.

(ii) Other low-income individuals
Such term may include other low-income individuals described by the eligible entity in its application for a grant under this section.

(C) Indian tribe; tribal organization
The terms "Indian tribe" and "tribal organization" have the meaning given such terms in section 5304 of title 25.

(D) Institution of higher education
The term "institution of higher education" has the meaning given that term in section 1001 of title 20.

(E) State
The term "State" means each of the 50 States, the District of Columbia, the Commonwealth of Puerto Rico, the United States Virgin Islands, Guam, and American Samoa.

(F) State TANF program
The term "State TANF program" means the temporary assistance for needy families program funded under part A of subchapter IV.

(G) Tribal College or University
The term "Tribal College or University" has the meaning given that term in section 1059c(b) of title 20.

(b) Demonstration project to develop training and certification programs for personal or home care aides

(1) Authority to award grants
Not later than 18 months after March 23, 2010, the Secretary shall award grants to eligible entities that are States to conduct demonstration projects for purposes of developing core training competencies and certification programs for personal or home care aides. The Secretary shall—

(A) evaluate the efficacy of the core training competencies described in paragraph (3)(A) for newly hired personal or home care aides and the methods used by States to implement such core training competencies in accordance with the issues specified in paragraph (3)(B); and

(B) ensure that the number of hours of training provided by States under the demonstration project with respect to such core training competencies are not less than the number of hours of training required under any applicable State or Federal law or regulation.

(2) Duration
A demonstration project shall be conducted under this subsection for not less than 3 years.

(3) Core training competencies for personal or home care aides

(A) In general
The core training competencies for personal or home care aides described in this subparagraph include competencies with respect to the following areas:

(i) The role of the personal or home care aide (including differences between a personal or home care aide employed by an agency and a personal or home care aide employed directly by the health care consumer or an independent provider).

(ii) Consumer rights, ethics, and confidentiality (including the role of proxy decision-makers in the case where a health care consumer has impaired decision-making capacity).

(iii) Communication, cultural and linguistic competence and sensitivity, problem solving, behavior management, and relationship skills.

(iv) Personal care skills.

(v) Health care support.

(vi) Nutritional support.

(vii) Infection control.

(viii) Safety and emergency training.

(ix) Training specific to an individual consumer's needs (including older individuals, younger individuals with disabilities, individuals with developmental disabilities, individuals with dementia, and individuals with mental and behavioral health needs).

(x) Self-Care.

(B) Implementation
The implementation issues specified in this subparagraph include the following:

(i) The length of the training.

(ii) The appropriate trainer to student ratio.

(iii) The amount of instruction time spent in the classroom as compared to on-site in the home or a facility.

(iv) Trainer qualifications.

(v) Content for a "hands-on" and written certification exam.

(vi) Continuing education requirements.

(4) Application and selection criteria

(A) In general
(i) Number of States
The Secretary shall enter into agreements with not more than 6 States to conduct demonstration projects under this subsection.

---

1 So in original. Probably should be "an".
(ii) Requirements for States

An agreement entered into under clause (i) shall require that a participating State—

(I) implement the core training competencies described in paragraph (3)(A); and

(II) develop written materials and protocols for such core training competencies, including the development of a certification test for personal or home care aides who have completed such training competencies.

(iii) Consultation and collaboration with community and vocational colleges

The Secretary shall encourage participating States to consult with community and vocational colleges regarding the development of curricula to implement the project with respect to activities, as applicable, which may include consideration of such colleges as partners in such implementation.

(B) Application and eligibility

A State seeking to participate in the project shall—

(i) submit an application to the Secretary containing such information and at such time as the Secretary may specify;

(ii) meet the selection criteria established under subparagraph (C); and

(iii) meet such additional criteria as the Secretary may specify.

(C) Selection criteria

In selecting States to participate in the program, the Secretary shall establish criteria to ensure (if applicable with respect to the activities involved)—

(i) geographic and demographic diversity;

(ii) that participating States offer medical assistance for personal care services under the State Medicaid plan;

(iii) that the existing training standards for personal or home care aides in each participating State—

(I) are different from such standards in the other participating States; and

(II) are different from the core training competencies described in paragraph (3)(A);

(iv) that participating States do not reduce the number of hours of training required under applicable State law or regulation after being selected to participate in the project; and

(v) that participating States recruit a minimum number of eligible health and long-term care providers to participate in the project.

(D) Technical assistance

The Secretary shall provide technical assistance to States in developing written materials and protocols for such core training competencies.

(5) Evaluation and report

(A) Evaluation

The Secretary shall develop an experimental or control group testing protocol in consultation with an independent evaluation contractor selected by the Secretary. Such contractor shall evaluate—

(i) the impact of core training competencies described in paragraph (3)(A), including curricula developed to implement such core training competencies, for personal or home care aides within each participating State on job satisfaction, mastery of job skills, beneficiary and family caregiver satisfaction with services, and additional measures determined by the Secretary in consultation with the expert panel;

(ii) the impact of providing such core training competencies on the existing training infrastructure and resources of States; and

(iii) whether a minimum number of hours of initial training should be required for personal or home care aides and, if so, what minimum number of hours should be required.

(B) Reports

(i) Report on initial implementation

Not later than 2 years after March 23, 2010, the Secretary shall submit to Congress a report on the initial implementation of activities conducted under the demonstration project, including any available results of the evaluation conducted under subparagraph (A) with respect to such activities, together with such recommendations for legislation or administrative action as the Secretary determines appropriate.

(ii) Final report

Not later than 1 year after the completion of the demonstration project, the Secretary shall submit to Congress a report containing the results of the evaluation conducted under subparagraph (A), together with such recommendations for legislation or administrative action as the Secretary determines appropriate.

(6) Definitions

In this subsection:

(A) Eligible health and long-term care provider

The term “eligible health and long-term care provider” means a personal or home care agency (including personal or home care public authorities), a nursing home, a home health agency (as defined in section 1395x(o) of this title), or any other health care provider the Secretary determines appropriate which—

(i) is licensed or authorized to provide services in a participating State; and

(ii) receives payment for services under subchapter XIX.

(B) Personal care services

The term “personal care services” has the meaning given such term for purposes of subchapter XIX.

(C) Personal or home care aide

The term “personal or home care aide” means an individual who helps individuals
who are elderly, disabled, ill, or mentally disabled (including an individual with Alzheimer’s disease or other dementia) to live in their own home or a residential care facility (such as a nursing home, assisted living facility, or any other facility the Secretary determines appropriate) by providing routine personal care services and other appropriate services to the individual.

(D) State
The term “State” has the meaning given that term for purposes of subchapter XIX.

(c) Funding
(1) In general
Subject to paragraph (2), out of any funds in the Treasury not otherwise appropriated, there are appropriated to the Secretary to carry out subsections (a) and (b), $85,000,000 for each of fiscal years 2010 through 2019.

(2) Training and certification programs for personal and home care aides
With respect to the demonstration projects under subsection (b), the Secretary shall use $5,000,000 of the amount appropriated under paragraph (1) for each of fiscal years 2010 through 2012 to carry out such projects. No funds appropriated under paragraph (1) shall be used to carry out demonstration projects under subsection (b) after fiscal year 2012.

(d) Nonapplication
(1) In general
Except as provided in paragraph (2), the preceding sections of this division shall not apply to grants awarded under this section.

(2) Limitations on use of grants
Section 1397h(a) of this title (other than paragraph (6)) shall apply to a grant awarded under this section to the same extent and in the same manner as such section applies to payments to States under this division.


References in Text

Part A of subchapter IV, referred to in subsec. (a)(4)(F), is classified to §601 et seq. of this title.

Amendments
2014—Subsec. (c)(1). Pub. L. 113–128, §512(dd)(4)(A), substituted “the State workforce development board established under section 3111 of title 29” for “the State workforce investment board established under section 2821 of title 29.”


2010—Subsec. (d). Pub. L. 111–148, §6703(d)(1)(B), which directed substitution of “this division” for “this subchapter” wherever appearing in subtitle 1 of title XX of act Aug. 14, 1935, was executed by making the substitution in two places in subsec. (d) of this section, which is in subtitle A of title XX of act Aug. 14, 1935, to reflect the probable intent of Congress.

Effective Date of 2014 Amendment
Amendment by Pub. L. 113–128 effective on the first day of the first full program year after July 22, 2014 (July 1, 2015), see section 506 of Pub. L. 113–128, set out as an Effective Date note under section 3101 of Title 29, Labor.

§1397h. Program for early detection of certain medical conditions related to environmental health hazards

(a) Program establishment
The Secretary shall establish a program in accordance with this section to make competitive grants to eligible entities specified in subsection (b) for the purpose of—

(1) screening at-risk individuals (as defined in subsection (c)(1)) for environmental health conditions (as defined in subsection (c)(3)); and

(2) developing and disseminating public information and education concerning—

(A) the availability of screening under the program under this section;

(B) the detection, prevention, and treatment of environmental health conditions; and

(C) the availability of Medicare benefits for certain individuals diagnosed with environmental health conditions under section 1395rr–1 of this title.

(b) Eligible entities
(1) In general
For purposes of this section, an eligible entity is an entity described in paragraph (2) which submits an application to the Secretary in such form and manner, and containing such information and assurances, as the Secretary determines appropriate.

(2) Types of eligible entities
The entities described in this paragraph are the following:

(A) A hospital or community health center.

(B) A Federally qualified health center.

(C) A facility of the Indian Health Service.

(D) A National Cancer Institute-designated cancer center.

(E) An agency of any State or local government.

(F) A nonprofit organization.

(G) Any other entity the Secretary determines appropriate.
§ 1397j. Definitions

In this section:

(1) **At-risk individual**

The term “at-risk individual” means an individual who—

(A)(i) as demonstrated in such manner as the Secretary determines appropriate, has been present for an aggregate total of 6 months in the geographic area subject to an emergency declaration specified under paragraph (2), during a period ending—

(I) not less than 10 years prior to the date of such individual’s application under subparagraph (B); and

(II) prior to the implementation of all the remedial and removal actions specified in the Record of Decision for Operating Unit 4 and the Record of Decision for Operating Unit 7; or

(ii) meets such other criteria as the Secretary determines considering the type of environmental health condition at issue; and

(B) has submitted an application (or has an application submitted on the individual’s behalf), to an eligible entity receiving a grant under this section, for screening under the program under this section.

(2) **Emergency declaration**

The term “emergency declaration” means a declaration of a public health emergency under section 9604(a) of this title.

(3) **Environmental health condition**

The term “environmental health condition” means—

(A) asbestosis, pleural thickening, or pleural plaques, as established by—

(i) interpretation by a “B Reader” qualified physician of a plain chest x-ray; or interpretation of a computed tomographic radiograph of the chest by a qualified physician, as determined by the Secretary; or

(ii) such other diagnostic standards as the Secretary specifies;

(B) mesothelioma, or malignancies of the lung, colon, rectum, larynx, stomach, esophagus, pharynx, or ovary, as established by—

(i) pathologic examination of biopsy tissue;

(ii) cytology from bronchioalveolar lavage; or

(iii) such other diagnostic standards as the Secretary specifies; and

(C) any other medical condition which the Secretary determines is caused by exposure to a hazardous substance or pollutant or contaminant at a Superfund site to which an emergency declaration applies, based on such criteria and as established by such diagnostic standards as the Secretary specifies.

(4) **Hazardous substance; pollutant; contaminant**

The terms “hazardous substance”, “pollutant”, and “contaminant” have the meanings given those terms in section 9601 of this title.

(5) **Superfund site**

The term “Superfund site” means a site included on the National Priorities List developed by the President in accordance with section 9605(a)(8)(B) of this title.

(d) **Health coverage unaffected**

Nothing in this section shall be construed to affect any coverage obligation of a governmental or private health plan or program relating to an at-risk individual.

(e) **Funding**

(1) **In general**

Out of any funds in the Treasury not otherwise appropriated, there are appropriated to the Secretary, to carry out the program under this section—

(A) $23,000,000 for the period of fiscal years 2010 through 2014; and

(B) $20,000,000 for each 5-fiscal year period thereafter.

(2) **Availability**

Funds appropriated under paragraph (1) shall remain available until expended.

(f) **Nonapplication**

(1) **In general**

Except as provided in paragraph (2), the preceding sections of this subchapter shall not apply to grants awarded under this section.

(2) **Limitations on use of grants**

Section 1397d(a) of this title shall apply to a grant awarded under this section to the same extent and in the same manner as such section applies to payments to States under this subchapter, except that paragraph (4) of such section shall not be construed to prohibit grantees from waiving the requirements of such section to the extent and in the same manner as such section applies to payments to States under this subchapter, except that paragraph (4) of such section shall not be construed to prohibit grantees from conducting screening for environmental health conditions as authorized under this section.


CONCLUSION

Pub. L. 111–148, title X, § 10323(b), Mar. 23, 2010, 124 Stat. 957, which directed amendment of title XX of act Aug. 14, 1935, by adding this section at the end of subtitle A of title XX of that Act, which is this division, to reflect the probable intent of Congress.
(C) case planning, monitoring, evaluation, and other case work and services; and
(D) providing, arranging for, or facilitating the provision of medical, social service, economic, legal, housing, law enforcement, or other protective, emergency, or support services.

(3) Caregiver
The term “caregiver” means an individual who has the responsibility for the care of an elder, either voluntarily, by contract, by receipt of payment for care, or as a result of the operation of law, and means a family member or other individual who provides (on behalf of such individual or of a public or private agency, organization, or institution) compensated or uncompensated care to an elder who needs supportive services in any setting.

(4) Direct care
The term “direct care” means care by an employee or contractor who provides assistance or long-term care services to a recipient.

(5) Elder
The term “elder” means an individual age 60 or older.

(6) Elder justice
The term “elder justice” means—
(A) from a societal perspective, efforts to—
(i) prevent, detect, treat, intervene in, and prosecute elder abuse, neglect, and exploitation; and
(ii) protect elders with diminished capacity while maximizing their autonomy; and
(B) from an individual perspective, the recognition of an elder’s rights, including the right to be free of abuse, neglect, and exploitation.

(7) Eligible entity
The term “eligible entity” means a State or local government agency, Indian tribe or tribal organization, or any other public or private entity that is engaged in and has expertise in issues relating to elder justice or in a field necessary to promote elder justice efforts.

(8) Exploitation
The term “exploitation” means the fraudulent or otherwise illegal, unauthorized, or improper act or process of an individual, including a caregiver or fiduciary, that uses the resources of an elder for monetary or personal benefit, profit, or gain, or that results in depriving an elder of rightful access to, or use of, benefits, resources, belongings, or assets.

(9) Fiduciary
The term “fiduciary”—
(A) means a person or entity with the legal responsibility—
(i) to make decisions on behalf of and for the benefit of another person; and
(ii) to act in good faith and with fairness; and
(B) includes a trustee, a guardian, a conservator, an executor, an agent under a financial power of attorney or health care power of attorney, or a representative payee.

(10) Grant
The term “grant” includes a contract, cooperative agreement, or other mechanism for providing financial assistance.

(11) Guardianship
The term “guardianship” means—
(A) the process by which a State court determines that an adult individual lacks capacity to make decisions about self-care or property, and appoints another individual or entity known as a guardian, as a conservator, or by a similar term, as a surrogate decisionmaker;
(B) the manner in which the court-appointed surrogate decisionmaker carries out duties to the individual and the court; or
(C) the manner in which the court exercises oversight of the surrogate decisionmaker.

(12) Indian tribe
(A) In general
The term “Indian tribe” has the meaning given such term in section 5304 of title 25.
(B) Inclusion of Pueblo and Rancheria
The term “Indian tribe” includes any Pueblo or Rancheria.

(13) Law enforcement
The term “law enforcement” means the full range of potential responders to elder abuse, neglect, and exploitation including—
(A) police, sheriffs, detectives, public safety officers, and corrections personnel;
(B) prosecutors;
(C) medical examiners;
(D) investigators; and
(E) coroners.

(14) Long-term care
(A) In general
The term “long-term care” means supportive and health services specified by the Secretary for individuals who need assistance because the individuals have a loss of capacity for self-care due to illness, disability, or vulnerability.
(B) Loss of capacity for self-care
For purposes of subparagraph (A), the term “loss of capacity for self-care” means an inability to engage in 1 or more activities of daily living, including eating, dressing, bathing, management of one’s financial affairs, and other activities the Secretary determines appropriate.

(15) Long-term care facility
The term “long-term care facility” means a residential care provider that arranges for, or directly provides, long-term care.

(16) Neglect
The term “neglect” means—
(A) the failure of a caregiver or fiduciary to provide the goods or services that are necessary to maintain the health or safety of an elder; or
(B) self-neglect.
(17) Nursing facility
   (A) In general
   The term ‘nursing facility’ has the meaning given such term under section 1396(a) of this title.

   (B) Inclusion of skilled nursing facility
   The term ‘nursing facility’ includes a skilled nursing facility (as defined in section 1395i-3(a) of this title).

(18) Self-neglect
   The term ‘self-neglect’ means an adult’s inability, due to physical or mental impairment or diminished capacity, to perform essential self-care tasks including—
   (A) obtaining essential food, clothing, shelter, and medical care;
   (B) obtaining goods and services necessary to maintain physical health, mental health, or general safety; or
   (C) managing one’s own financial affairs.

(19) Serious bodily injury
   (A) In general
   The term ‘serious bodily injury’ means an injury—
   (i) involving extreme physical pain;
   (ii) involving substantial risk of death;
   (iii) involving protracted loss or impairment of the function of a bodily member, organ, or mental faculty; or
   (iv) requiring medical intervention such as surgery, hospitalization, or physical rehabilitation.

   (B) Criminal sexual abuse
   Serious bodily injury shall be considered to have occurred if the conduct causing the injury is conduct described in section 2241 (relating to aggravated sexual abuse) or 2242 (relating to sexual abuse) of title 18 or any similar offense under State law.

   (20) Social
   The term ‘social’, when used with respect to a service, includes adult protective services.

(21) State legal assistance developer
   The term ‘State legal assistance developer’ means an individual described in section 3058j of this title.

(22) State Long-Term Care Ombudsman
   The term ‘State Long-Term Care Ombudsman’ means the State Long-Term Care Ombudsman described in section 3058g(a)(2) of this title.


§ 1397j–1. Elder Justice Coordinating Council

(a) Establishment
   There is established within the Office of the Secretary an Elder Justice Coordinating Council (in this section referred to as the ‘Council’).

(b) Membership
   (1) In general
   The Council shall be composed of the following members:
   (A) The Secretary (or the Secretary’s designee).
   (B) The Attorney General (or the Attorney General’s designee).
   (C) The head of each Federal department or agency or other governmental entity identified by the Chair referred to in subsection (d) as having responsibilities, or administering programs, relating to elder abuse, neglect, and exploitation.

   (2) Requirement
   Each member of the Council shall be an officer or employee of the Federal Government.

(c) Vacancies
   Any vacancy in the Council shall not affect its powers, but shall be filled in the same manner as the original appointment was made.

(d) Chair
   The member described in subsection (b)(1)(A) shall be Chair of the Council.

(e) Meetings
   The Council shall meet at least 2 times per year, as determined by the Chair.

(f) Duties
   (1) In general
   The Council shall make recommendations to the Secretary for the coordination of activi-
ties of the Department of Health and Human Services, the Department of Justice, and other relevant Federal, State, local, and private agencies and entities, relating to elder abuse, neglect, and exploitation and other crimes against elders.

(2) Report
Not later than the date that is 2 years after March 23, 2010, and every 2 years thereafter, the Council shall submit to the Committee on Finance of the Senate and the Committee on Ways and Means and the Committee on Energy and Commerce of the House of Representatives a report that—
(A) describes the activities and accomplishments of, and challenges faced by—
(i) the Council; and
(ii) the entities represented on the Council; and
(B) makes such recommendations for legislative, model laws, or other action as the Council determines to be appropriate.

(g) Powers of the Council

(1) Information from Federal agencies

Subject to the requirements of section 1397j–1(a) of this title, the Council may secure directly from any Federal department or agency such information as the Council considers necessary to carry out this section. Upon request of the Chair of the Council, the head of such department or agency shall furnish such information to the Council.

(2) Postal services

The Council may use the United States mails in the same manner and under the same conditions as other departments and agencies of the Federal Government.

(h) Travel expenses

The members of the Council shall not receive compensation for the performance of services for the Council. The members shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57 of title 31, the Secretary may accept the voluntary and uncompensated services of the members of the Council.

(i) Detail of Government employees

Any Federal Government employee may be detailed to the Council without reimbursement, and such detail shall be without interruption or loss of civil service status or privilege.

(j) Status as permanent Council

Section 14 of the Federal Advisory Committee Act (5 U.S.C. App.) shall not apply to the Council.

(k) Authorization of appropriations

There are authorized to be appropriated such sums as are necessary to carry out this section.

§ 1397k–2  TITLE 42—THE PUBLIC HEALTH AND WELFARE  Page 4034

the quality of, including preventing abuse, neglect, and exploitation in, long-term care.

(2) Collaborative efforts to develop consensus around the management of certain quality-related factors

(A) In general

The Advisory Board shall establish multidisciplinary panels to address, and develop consensus on, subjects relating to improving the quality of long-term care. At least 1 such panel shall address, and develop consensus on, methods for managing resident-to-resident abuse in long-term care.

(B) Activities conducted

The multidisciplinary panels established under subparagraph (A) shall examine relevant research and data, identify best practices with respect to the subject of the panel, determine the best way to carry out those best practices in a practical and feasible manner, and determine an effective manner of distributing information on such subject.

(3) Report

Not later than the date that is 18 months after March 23, 2010, and annually thereafter, the Advisory Board shall prepare and submit to the Elder Justice Coordinating Council, the Committee on Energy and Commerce of the House of Representatives a report containing—

(A) information on the status of Federal, State, and local public and private elder justice activities;

(B) recommendations (including recommended priorities) regarding—

(i) elder justice programs, research, training, services, practice, enforcement, and coordination;

(ii) coordination between entities pursuing elder justice efforts and those involved in related areas that may inform or overlap with elder justice efforts, such as activities to combat violence against women and child abuse and neglect; and

(iii) activities relating to adult fiduciary arrangements;

(C) recommendations for specific modifications needed in Federal and State laws (including regulations) or for programs, research, and training to enhance prevention, detection, and treatment (including diagnosis) of, intervention in (including investigation of), and prosecution of elder abuse, neglect, and exploitation;

(D) recommendations on methods for the most effective coordinated national data collection with respect to elder justice, and elder abuse, neglect, and exploitation; and

(E) recommendations generated in connection with such activities.

(4) Postal services

The members of the Advisory Board shall not receive compensation for the performance of services for the Advisory Board. The members shall be allowed travel expenses for up to 4 meetings per year, including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5, while away from their homes or regular places of business in the performance of services for the Advisory Board. Notwithstanding section 1342 of title 31, the Secretary may accept the voluntary and uncompensated services of the members of the Advisory Board.

(i) Detail of Government employees

Any Federal Government employee may be detailed to the Advisory Board without reimbursement, and such detail shall be without interruption or loss of civil service status or privilege.

(j) Status as permanent advisory committee

Section 14 of the Federal Advisory Committee Act (5 U.S.C. App.) shall not apply to the advisory board.

(k) Authorization of appropriations

There are authorized to be appropriated such sums as are necessary to carry out this section.


REFERENCES IN TEXT


Section 14 of the Federal Advisory Committee Act, referred to in subsec. (j), is section 14 of Pub. L. 92–463, which is set out in the Appendix to Title 5, Government Organization and Employees.

§ 1397k–2. Research protections

(a) Guidelines

The Secretary shall promulgate guidelines to assist researchers working in the area of elder

1 So in original. Probably should be “Advisory Board”.

1342 of title 31, the Secretary may accept the voluntary and uncompensated services of the members of the Advisory Board.
(b) Definition of legally authorized representative for application of regulations

For purposes of the application of subpart A of part 46 of title 42, Code of Federal Regulations, to research conducted under this subpart, the term “legally authorized representative” means, unless otherwise provided by law, the individual or judicial or other body authorized under the applicable law to consent to medical treatment on behalf of another person.


§ 1397k–3. Authorization of appropriations

There are authorized to be appropriated to carry out this subpart—
(1) for fiscal year 2011, $6,500,000; and
(2) for each of fiscal years 2012 through 2014, $7,000,000.


SUBPART B—ELDER ABUSE, NEGLECT, AND EXPLOITATION FORENSIC CENTERS

§ 1397l. Establishment and support of elder abuse, neglect, and exploitation forensic centers

(a) In general

The Secretary, in consultation with the Attorney General, shall make grants to eligible entities to establish and operate stationary and mobile forensic centers, to develop forensic expertise regarding, and provide services relating to, elder abuse, neglect, and exploitation.

(b) Stationary forensic centers

The Secretary shall make 4 of the grants described in subsection (a) to institutions of higher education with demonstrated expertise in forensics or commitment to preventing or treating elder abuse, neglect, or exploitation, to establish and operate stationary forensic centers.

(c) Mobile centers

The Secretary shall make 6 of the grants described in subsection (a) to appropriate entities to establish and operate mobile forensic centers.

(d) Authorized activities

(1) Development of forensic markers and methodologies

An eligible entity that receives a grant under this section shall use funds made available through the grant to assist in determining whether abuse, neglect, or exploitation occurred and whether a crime was committed and to conduct research to describe and disseminate information on—
(A) forensic markers that indicate a case in which elder abuse, neglect, or exploitation may have occurred; and
(B) methodologies for determining, in such a case, when and how health care, emergency service, social and protective services, and legal service providers should intervene and when the providers should report the case to law enforcement authorities.

(2) Development of forensic expertise

An eligible entity that receives a grant under this section shall use funds made available through the grant to develop forensic expertise regarding elder abuse, neglect, and exploitation in order to provide medical and forensic evaluation, therapeutic intervention, victim support and advocacy, case review, and case tracking.

(3) Collection of evidence

The Secretary, in coordination with the Attorney General, shall use data made available by grant recipients under this section to develop the capacity of geriatric health care professionals and law enforcement to collect forensic evidence, including collecting forensic evidence relating to a potential determination of elder abuse, neglect, or exploitation.

(e) Application

To be eligible to receive a grant under this section, an entity shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require.

(f) Authorization of appropriations

There are authorized to be appropriated to carry out this section—
(1) for fiscal year 2011, $4,000,000; and
(2) for each of fiscal years 2012 through 2014, $8,000,000.


PART II—PROGRAMS TO PROMOTE ELDER JUSTICE

§ 1397m. Enhancement of long-term care

(a) Grants and incentives for long-term care staffing

(1) In general

The Secretary shall carry out activities, including activities described in paragraphs (2) and (3), to provide incentives for individuals to train for, seek, and maintain employment providing direct care in long-term care.

(2) Specific programs to enhance training, recruitment, and retention of staff

(A) Coordination with Secretary of Labor to recruit and train long-term care staff

The Secretary shall coordinate activities under this subsection with the Secretary of Labor in order to provide incentives for individuals to train for and seek employment providing direct care in long-term care.

(B) Career ladders and wage or benefit increases to increase staffing in long-term care

(i) In general

The Secretary shall make grants to eligible entities to carry out programs through which the entities—
(I) offer, to employees who provide direct care to residents of an eligible entity or individuals receiving community-based long-term care from an eligible entity, continuing training and varying levels of certification, based on observed clinical care practices and the amount of time the employees spend providing direct care; and

(II) provide, or make arrangements to provide, bonuses or other increased compensation or benefits to employees who achieve certification under such a program.

(ii) Application

To be eligible to receive a grant under this subparagraph, an eligible entity shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require (which may include evidence of consultation with the State in which the eligible entity is located with respect to carrying out activities funded under the grant).

(iii) Authority to limit number of applicants

Nothing in this subparagraph shall be construed as prohibiting the Secretary from limiting the number of applicants for a grant under this subparagraph.

(3) Specific programs to improve management practices

(A) In general

The Secretary shall make grants to eligible entities to enable the entities to provide training and technical assistance.

(B) Authorized activities

An eligible entity that receives a grant under subparagraph (A) shall use funds made available through the grant to provide training and technical assistance regarding management practices using methods that are demonstrated to promote retention of individuals who provide direct care, such as—

(i) the establishment of standard human resource policies that reward high performance, including policies that provide for improved wages and benefits on the basis of job reviews;

(ii) the establishment of motivational and thoughtful work organization practices;

(iii) the creation of a workplace culture that respects and values caregivers and their needs;

(iv) the promotion of a workplace culture that respects the rights of residents of an eligible entity or individuals receiving community-based long-term care from an eligible entity and results in improved care for the residents or the individuals; and

(v) the establishment of other programs that promote the provision of high quality care, such as a continuing education program that provides additional hours of training, including on-the-job training, for employees who are certified nurse aides.

(C) Application

To be eligible to receive a grant under this paragraph, an eligible entity shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require (which may include evidence of consultation with the State in which the eligible entity is located with respect to carrying out activities funded under the grant).

(D) Authority to limit number of applicants

Nothing in this paragraph shall be construed as prohibiting the Secretary from limiting the number of applicants for a grant under this paragraph.

(4) Accountability measures

The Secretary shall develop accountability measures to ensure that the activities conducted using funds made available under this subsection benefit individuals who provide direct care and increase the stability of the long-term care workforce.

(5) Definitions

In this subsection:

(A) Community-based long-term care

The term “community-based long-term care” has the meaning given such term by the Secretary.

(B) Eligible entity

The term “eligible entity” means the following:

(i) A long-term care facility.

(ii) A community-based long-term care entity (as defined by the Secretary).

(b) Certified EHR technology grant program

(1) Grants authorized

The Secretary is authorized to make grants to long-term care facilities for the purpose of assisting such entities in offsetting the costs related to purchasing, leasing, developing, and implementing certified EHR technology (as defined in section 1395w–4(o)(4) of this title) designed to improve patient safety and reduce adverse events and health care complications resulting from medication errors.

(2) Use of grant funds

Funds provided under grants under this subsection may be used for any of the following:

(A) Purchasing, leasing, and installing computer software and hardware, including handheld computer technologies.

(B) Making improvements to existing computer software and hardware.

(C) Making upgrades and other improvements to existing computer software and hardware to enable e-prescribing.

(D) Providing education and training to eligible long-term care facility staff on the use of such technology to implement the electronic transmission of prescription and patient information.

(3) Application

(A) In general

To be eligible to receive a grant under this subsection, a long-term care facility shall
submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require (which may include evidence of consultation with the State in which the long-term care facility is located with respect to carrying out activities funded under the grant).

(B) Authority to limit number of applicants

Nothing in this subsection shall be construed as prohibiting the Secretary from limiting the number of applicants for a grant under this subsection.

(4) Participation in State health exchanges

A long-term care facility that receives a grant under this subsection shall, where available, participate in activities conducted by a State or a qualified State-designated entity (as defined in section 300jj–33(f) of this title) under a grant under section 300jj–33 of this title to coordinate care and for other purposes determined appropriate by the Secretary.

(5) Accountability measures

The Secretary shall develop accountability measures to ensure that the activities conducted using funds made available under this subsection help improve patient safety and reduce adverse events and health care complications resulting from medication errors.

(c) Adoption of standards for transactions involving clinical data by long-term care facilities

(1) Standards and compatibility

The Secretary shall adopt electronic standards for the exchange of clinical data by long-term care facilities, including, where available, standards for messaging and nomenclature. Standards adopted by the Secretary under the preceding sentence shall be compatible with standards established under part C of subchapter XI, standards established under subsections (b)(2)(B)(i) and (e)(4) of section 1395w–104 of this title, standards adopted under section 300jj–33 of this title to coordinate care and for other purposes determined appropriate by the Secretary.

(2) Electronic submission of data to the Secretary

(A) In general

Not later than 10 years after March 23, 2010, the Secretary shall have procedures in place to accept the optional electronic submission of clinical data by long-term care facilities pursuant to the standards adopted under paragraph (1).

(B) Rule of construction

Nothing in this subsection shall be construed to require a long-term care facility to submit clinical data electronically to the Secretary.

(3) Regulations

The Secretary shall promulgate regulations to carry out this subsection. Such regulations shall require a State, as a condition of the receipt of funds under this part, to conduct such data collection and reporting as the Secretary determines are necessary to satisfy the requirements of this subsection.

(d) Authorization of appropriations

There are authorized to be appropriated to carry out this section—

(1) for fiscal year 2011, $20,000,000;

(2) for fiscal year 2012, $17,500,000; and

(3) for each of fiscal years 2013 and 2014, $15,000,000.


§ 1397m–1. Adult protective services functions and grant programs

(a) Secretarial responsibilities

(1) In general

The Secretary shall ensure that the Department of Health and Human Services—

(A) provides funding authorized by this part to State and local adult protective services offices that investigate reports of the abuse, neglect, and exploitation of elders;

(B) collects and disseminates data annually relating to the abuse, exploitation, and neglect of elders in coordination with the Department of Justice;

(C) develops and disseminates information on best practices regarding, and provides training on, carrying out adult protective services;

(D) conducts research related to the provision of adult protective services; and

(E) provides technical assistance to States and other entities that provide or fund the provision of adult protective services, including through grants made under subsections (b) and (c).

(2) Authorization of appropriations

There are authorized to be appropriated to carry out this subsection, $3,000,000 for fiscal year 2011 and $4,000,000 for each of fiscal years 2012 through 2014.

(b) Grants to enhance the provision of adult protective services

(1) Establishment

There is established an adult protective services grant program under which the Secretary shall annually award grants to States in the amounts calculated under paragraph (2) for the purposes of enhancing adult protective services provided by States and local units of government.

(2) Amount of payment

(A) In general

Subject to the availability of appropriations and subparagraphs (B) and (C), the amount paid to a State for a fiscal year under the program under this subsection shall equal the amount appropriated for that year to carry out this subsection multiplied by the percentage of the total number of elders who reside in the United States who reside in that State.
§ 1397m–1

(3) Authorized activities

(A) Adult protective services

Funds made available pursuant to this subsection may only be used by States and local units of government to provide adult protective services and may not be used for any other purpose.

(B) Use by agency

Each State receiving funds pursuant to this subsection shall provide such funds to the agency or unit of State government having legal responsibility for providing adult protective services within the State.

(C) Supplement not supplant

Each State or local unit of government shall use funds made available pursuant to this subsection to supplement and not supplant other Federal, State, and local public funds expended to provide adult protective services in the State.

(4) State reports

Each State receiving funds under this subsection shall submit to the Secretary, at such time and in such manner as the Secretary may require, a report on the number of elders served by the grants awarded under this subsection.

(5) Authorization of appropriations

There are authorized to be appropriated to carry out this subsection, $100,000,000 for each of fiscal years 2011 through 2014.

(c) State demonstration programs

(1) Establishment

The Secretary shall award grants to States (and, in the case of demonstration programs described in paragraph (2)(E), to the highest courts of States) for the purposes of conducting demonstration programs in accordance with paragraph (2).

(2) Demonstration programs

Funds made available pursuant to this subsection may be used by States and local units of government (and the highest courts of States, in the case of demonstration programs described in subparagraph (E)) to conduct demonstration programs that test—

(A) training modules developed for the purpose of detecting or preventing elder abuse;

(B) methods to detect or prevent financial exploitation of elders;

(C) methods to detect elder abuse;

(D) whether training on elder abuse forensics enhances the detection of elder abuse by employees of the State or local unit of government;

(E) subject to paragraph (3), programs to assess the fairness, effectiveness, timeliness, safety, integrity, and accessibility of adult guardianship and conservatorship proceedings, including the appointment and the monitoring of the performance of court-appointed guardians and conservators, and to implement changes deemed necessary as a result of the assessments such as mandating background checks for all potential guardians and conservators, and implementing systems to enable the annual accountings and other required conservatorship and guardianship filings to be completed, filed, and reviewed electronically in order to simplify the filing process for conservators and guardians and better enable courts to identify discrepancies and detect fraud and the exploitation of protected persons; or

(F) other matters relating to the detection or prevention of elder abuse.

(3) Requirements for court-appointed guardianship oversight demonstration programs

(A) Award of grants

In awarding grants to the highest courts of States for demonstration programs described in paragraph (2)(E), the Secretary shall consider the recommendations of the Attorney General and the State Justice Institute, as established by section 10702 of this title.

(B) Collaboration

The highest court of a State awarded a grant to conduct a demonstration program described in paragraph (2)(E) shall collaborate with the State Unit on Aging for the State and the Adult Protective Services agency for the State in conducting the demonstration program.

(4) Application

To be eligible to receive a grant under this subsection, a State (and, in the case of demonstration programs described in paragraph (2)(E), the highest court of a State) shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require.

(5) State reports

Each State (or, in the case of demonstration programs described in paragraph (2)(E), the highest court of a State) that receives funds under this subsection shall submit to the Secretary a report at such time, in such manner, and containing such information as the Secretary may require on the results of the dem-
onstration programs described in paragraph (2)(E), the highest court of a State) using funds made available under this subsection.

(6) Authorization of appropriations

There are authorized to be appropriated to carry out this subsection, $25,000,000 for each of fiscal years 2011 through 2014.


AMENDMENTS

2017—Subsec. (c)(1). Pub. L. 115–70, § 501(1), inserted “(and, in the case of demonstration programs described in paragraph (2)(E), the highest court of States)” after “States”.

Subsec. (c)(2). Pub. L. 115–70, § 501(2)(A), inserted “(and the highest courts of States, in the case of demonstration programs described in subparagraph (E))” after “local units of government” in introductory provisions.

Subsec. (c)(2)(E), (F). Pub. L. 115–70, § 501(2)(B)–(D), inserted subpar. (E) and redesignated former subpar. (E) as (F).


Subsec. (c)(4). Pub. L. 115–70, § 501(3), (5), redesignated par. (3) as (4) and inserted “(and, in the case of demonstration programs described in paragraph (2)(E), the highest court of a State)” after “a State”. Former par. (4) redesignated (5).

Subsec. (c)(5). Pub. L. 115–70, § 501(3), (6), redesignated par. (4) as (5) and inserted “(or, in the case of demonstration programs described in paragraph (2)(E), the highest court of a State)” after “State” in two places. Former par. (5) redesignated (6).


§ 1397m–2. Long-term care ombudsman program grants and training

(a) Grants to support the long-term care ombudsman program

(1) In general

The Secretary shall make grants to eligible entities with relevant expertise and experience in abuse and neglect in long-term care facilities or long-term care ombudsman programs and responsibilities, for the purpose of—

(A) improving the capacity of State long-term care ombudsman programs to respond to and resolve complaints about abuse and neglect;

(B) conducting pilot programs with State long-term care ombudsman offices or local ombudsman entities; and

(C) providing support for such State long-term care ombudsman programs and such pilot programs (such as through the establishment of a national long-term care ombudsman resource center).

(2) Authorization of appropriations

There are authorized to be appropriated to carry out this subsection—

(A) for fiscal year 2011, $5,000,000;

(B) for fiscal year 2012, $7,500,000; and

(C) for each of fiscal years 2013 and 2014, $10,000,000.

(b) Ombudsman training programs

(1) In general

The Secretary shall establish programs to provide and improve ombudsman training with respect to elder abuse, neglect, and exploitation for national organizations and State long-term care ombudsman programs.

(2) Authorization of appropriations

There are authorized to be appropriated to carry out this subsection, for each of fiscal years 2011 through 2014, $10,000,000.


§ 1397m–3. Provision of information regarding, and evaluations of, elder justice programs

(a) Provision of information

To be eligible to receive a grant under this part, an applicant shall agree—

(1) except as provided in paragraph (2), to provide the eligible entity conducting an evaluation under subsection (b) of the activities funded through the grant with such information as the eligible entity may require in order to conduct such evaluation; or

(2) in the case of an applicant for a grant under section 1397m(b) of this title, to provide the Secretary with such information as the Secretary may require to conduct an evaluation or audit under subsection (c).

(b) Use of eligible entities to conduct evaluations

(1) Evaluations required

Except as provided in paragraph (2), the Secretary shall—

(A) reserve a portion (not less than 2 percent) of the funds appropriated with respect to each program carried out under this part; and

(B) use the funds reserved under subparagraph (A) to provide assistance to eligible entities to conduct evaluations of the activities funded under each program carried out under this part.

(2) Certified EHR technology grant program not included

The provisions of this subsection shall not apply to the certified EHR technology grant program under section 1397m(b) of this title.

(3) Authorized activities

A recipient of assistance described in paragraph (1)(B) shall use the funds made available through the assistance to conduct a validated evaluation of the effectiveness of the activities funded under a program carried out under this part.

(4) Applications

To be eligible to receive assistance under paragraph (1)(B), an entity shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require, including a proposal for the evaluation.

(5) Reports

Not later than a date specified by the Secretary, an eligible entity receiving assistance...
under paragraph (1)(B) shall submit to the Secretary, the Committee on Ways and Means and the Committee on Energy and Commerce of the House of Representatives, and the Committee on Finance of the Senate a report containing the results of the evaluation conducted using such assistance together with such recommendations as the entity determines to be appropriate.

(c) Evaluations and audits of certified EHR technology grant program by the Secretary

(1) Evaluations

The Secretary shall conduct an evaluation of the activities funded under the certified EHR technology grant program under section 1397m(b) of this title. Such evaluation shall include an evaluation of whether the funding provided under the grant is expended only for the purposes for which it is made.

(2) Audits

The Secretary shall conduct appropriate audits of grants made under section 1397m(b) of this title.

§ 1397m–4. Report

Not later than October 1, 2014, the Secretary shall submit to the Elder Justice Coordinating Council established under section 1397k of this title, the Committee on Ways and Means and the Committee on Energy and Commerce of the House of Representatives, and the Committee on Finance of the Senate a report—

(1) compiling, summarizing, and analyzing the information contained in the State reports submitted under subsections (b)(4) and (c)(4) of section 1397m–1 of this title; and

(2) containing such recommendations for legislative or administrative action as the Secretary determines to be appropriate.

§ 1397m–5. Rule of construction

Nothing in this division shall be construed as—

(1) limiting any cause of action or other relief related to obligations under this division that is available under the law of any State, political subdivision thereof; or

(2) creating a private cause of action for a violation of this division.

§ 1397n. Purposes

The purposes of this division are the following:

(1) To improve the lives of families and individuals in need in the United States by funding social programs that achieve real results.

(2) To redirect funds away from programs that, based on objective data, are ineffective, and into programs that achieve demonstrable, measurable results.

(3) To ensure Federal funds are used effectively on social services to produce positive outcomes for both service recipients and taxpayers.

(4) To establish the use of social impact partnerships to address some of our Nation’s most pressing problems.

(5) To facilitate the creation of public-private partnerships that bundle philanthropic or other private resources with existing public spending to scale up effective social interventions already being implemented by private organizations, nonprofits, charitable organizations, and State and local governments across the country.

(6) To bring pay-for-performance to the social sector, allowing the United States to improve the impact and effectiveness of vital social services programs while redirecting inefficient or duplicative spending.

(7) To incorporate outcomes measurement and randomized controlled trials or other rigorous methodologies for assessing program impact.

§ 1397n–1. Social impact partnership application

(a) Notice

Not later than 1 year after February 9, 2018, the Secretary of the Treasury, in consultation with the Federal Interagency Council on Social Impact Partnerships, shall publish in the Federal Register a request for proposals from States or local governments for social impact partnership projects in accordance with this section.

(b) Required outcomes for social impact partnership project

To qualify as a social impact partnership project under this division, a project must produce one or more measurable, clearly defined outcomes that result in social benefit and Federal, State, or local savings through any of the following:

(1) Increasing work and earnings by individuals in the United States who are unemployed for more than 6 consecutive months.

(2) Increasing employment and earnings of individuals who have attained 16 years of age but not 25 years of age.

(3) Increasing employment among individuals receiving Federal disability benefits.

(4) Reducing the dependence of low-income families on Federal means-tested benefits.

(5) Improving rates of high school graduation.

1 See References in Text note below.
(6) Reducing teen and unplanned pregnancies.

(7) Improving birth outcomes and early childhood health and development among low-income families and individuals.

(8) Reducing rates of asthma, diabetes, or other preventable diseases among low-income families and individuals to reduce the utilization of emergency and other high-cost care.

(9) Increasing the proportion of children living in two-parent families.

(10) Reducing incidences and adverse consequences of child abuse and neglect.

(11) Reducing the number of youth in foster care by increasing adoptions, permanent guardianship arrangements, reunifications, or placements with a fit and willing relative, or by reducing the number of children in foster care by ensuring they can be cared safely in their own homes.

(12) Reducing the number of children and youth in foster care residing in group homes, child care institutions, agency-operated foster homes, or other non-family foster homes, unless it is determined that it is in the interest of the child’s long-term health, safety, or psychological well-being to not be placed in a family foster home.

(13) Reducing the number of children returning to foster care.

(14) Reducing recidivism among juvenile offenders, individuals released from prison, or other high-risk populations.

(15) Reducing the rate of homelessness among our most vulnerable populations.

(16) Improving the health and well-being of those with mental, emotional, and behavioral health needs.

(17) Improving the educational outcomes of special-needs or low-income children.

(18) Improving the employment and well-being of returning United States military members.

(19) Increasing the financial stability of low-income families.

(20) Increasing the independence and employability of individuals who are physically or mentally disabled.

(21) Other measurable outcomes defined by the State or local government that result in positive social outcomes and Federal savings.

(c) Application required

The notice described in subsection (a) shall require a State or local government to submit an application for the social impact partnership project that addresses the following:

(1) The outcome goals of the project.

(2) A description of each intervention in the project and anticipated outcomes of the intervention.

(3) Rigorous evidence demonstrating that the intervention can be expected to produce the desired outcomes.

(4) The target population that will be served by the project.

(5) The expected social benefits to participants who receive the intervention and others who may be impacted.

(6) Projected Federal, State, and local government costs and other costs to conduct the project.

(7) Projected Federal, State, and local government savings and other savings, including an estimate of the savings to the Federal Government, on a program-by-program basis and in the aggregate, if the project is implemented and the outcomes are achieved as a result of the intervention.

(8) If savings resulting from the successful completion of the project are estimated to accrue to the State or local government, the likelihood of the State or local government to realize those savings.

(9) A plan for delivering the intervention through a social impact partnership model.

(10) A description of the expertise of each service provider that will administer the intervention, including a summary of the experience of the service provider in delivering the proposed intervention or a similar intervention, or demonstrating that the service provider has the expertise necessary to deliver the proposed intervention.

(11) An explanation of the experience of the service provider in delivering the proposed intervention or a similar intervention, or a summary demonstrating the service provider has the expertise necessary to deliver the proposed intervention.

(12) The detailed roles and responsibilities of each entity involved in the project, including any State or local government entity, intermediary, service provider, independent evaluator, investor, or other stakeholder.

(13) A summary of the experience of the service provider in delivering the proposed intervention or a similar intervention, or a summary demonstrating the service provider has the expertise necessary to deliver the proposed intervention.

(14) A summary of the unmet need in the area where the intervention will be delivered or among the target population who will receive the intervention.

(15) The proposed payment terms, the methodology used to calculate outcome payments, the payment schedule, and performance thresholds.

(16) The project budget.

(17) The project timeline.

(18) The criteria used to determine the eligibility of an individual for the project, including how selected populations will be identified, how they will be referred to the project, and how they will be enrolled in the project.

(19) The evaluation design.

(20) The metrics that will be used in the evaluation to determine whether the outcomes have been achieved as a result of the intervention and how the metrics will be measured.

(21) An explanation of how the metrics used in the evaluation to determine whether the outcomes achieved as a result of the intervention are independent, objective indicators of impact and are not subject to manipulation by the service provider, intermediary, or investor.

(22) A summary explaining the independence of the evaluator from the other entities involved in the project and the evaluator’s experience in conducting rigorous evaluations of program effectiveness including, where available, well-implemented randomized controlled
trials on the intervention or similar interventions.

(23) The capacity of the service provider to deliver the intervention to the number of participants the State or local government proposes to serve in the project.

(24) A description of whether and how the State or local government and service providers plan to sustain the intervention, if it is timely and appropriate to do so, to ensure that successful interventions continue to operate after the period of the social impact partnership.

(d) Project intermediary information required

The application described in subsection (c) shall also contain the following information about any intermediary for the social impact partnership project (whether an intermediary is a service provider or other entity):

(1) Experience and capacity for providing or facilitating the provision of the type of intervention proposed.

(2) The mission and goals.

(3) Information on whether the intermediary is already working with service providers that provide this intervention or an explanation of the capacity of the intermediary to begin working with service providers to provide the intervention.

(4) Experience working in a collaborative environment across government and nongovernmental entities.

(5) Previous experience collaborating with public or private entities to implement evidence-based programs.

(6) Ability to raise or provide funding to cover operating costs (if applicable to the project).

(7) Capacity and infrastructure to track outcomes and measure results, including—

(A) capacity to track and analyze program performance and assess program impact; and

(B) experience with performance-based awards or performance-based contracting and achieving project milestones and targets.

(8) Role in delivering the intervention.

(9) How the intermediary would monitor program success, including a description of the interim benchmarks and outcome measures.

(e) Feasibility studies funded through other sources

The notice described in subsection (a) shall permit a State or local government to submit an application for social impact partnership funding that contains information from a feasibility study developed for purposes other than applying for funding under this division.


§ 1397n–2. Awarding social impact partnership agreements

(a) Timeline in awarding agreement

Not later than 6 months after receiving an application in accordance with section 1397n–1 of this title, the Secretary, in consultation with the Federal Interagency Council on Social Impact Partnerships, shall determine whether to enter into an agreement for a social impact partnership project with a State or local government.

(b) Considerations in awarding agreement

In determining whether to enter into an agreement for a social impact partnership project (the application for which was submitted under section 1397n–1 of this title) the Secretary, in consultation with the Federal Interagency Council on Social Impact Partnerships and the head of any Federal agency administering a similar intervention or serving a population similar to that served by the project, shall consider each of the following:

(1) The recommendations made by the Commission on Social Impact Partnerships.

(2) The value to the Federal Government of the outcomes expected to be achieved if the outcomes specified in the agreement are achieved as a result of the intervention.

(3) The likelihood, based on evidence provided in the application and other evidence, that the State or local government in collaboration with the intermediary and the service providers will achieve the outcomes.

(4) The savings to the Federal Government if the outcomes specified in the agreement are achieved as a result of the intervention.

(5) The savings to the State and local governments if the outcomes specified in the agreement are achieved as a result of the intervention.

(6) The expected quality of the evaluation that would be conducted with respect to the agreement.

(7) The capacity and commitment of the State or local government to sustain the intervention, if appropriate and timely and if the intervention is successful, beyond the period of the social impact partnership.

(c) Agreement authority

(1) Agreement requirements

In accordance with this section, the Secretary, in consultation with the Federal Interagency Council on Social Impact Partnerships and the head of any Federal agency administering a similar intervention or serving a population similar to that served by the project, may enter into an agreement for a social impact partnership project with a State or local government if the Secretary, in consultation with the Federal Interagency Council on Social Impact Partnerships, determines that each of the following requirements are met:

(A) The State or local government agrees to achieve one or more outcomes as a result of the intervention, as specified in the agreement and validated by independent evaluation, in order to receive payment.

(B) The Federal payment to the State or local government for each specified outcome achieved as a result of the intervention is less than or equal to the value of the outcome to the Federal Government over a period not to exceed 10 years, as determined by the Secretary, in consultation with the State or local government.
(d) Notice of Agreement Award

Not later than 30 days after entering into an agreement under this section the Secretary shall publish a notice in the Federal Register that includes, with regard to the agreement, the following:

(1) The outcome goals of the social impact partnership project.
(2) A description of each intervention in the project.
(3) The target population that will be served by the project.
(4) The expected social benefits to participants who receive the intervention and others who may be impacted.
(5) The detailed roles, responsibilities, and purposes of each Federal, State, or local government entity, intermediary, service provider, independent evaluator, investor, or other stakeholder.
(6) The payment terms, the methodology used to calculate outcome payments, the payment schedule, and performance thresholds.
(7) The project budget.
(8) The project timeline.
(9) The project eligibility criteria.
(10) The evaluation design.
(11) The metrics that will be used in the evaluation to determine whether the outcomes have been achieved as a result of each intervention and how these metrics will be measured.
(12) The estimate of the savings to the Federal, State, and local government, on a program-by-program basis and in the aggregate, if the agreement is entered into and implemented and the outcomes are achieved as a result of each intervention.

(e) Authority to transfer administration of agreement

The Secretary may transfer to the head of another Federal agency the authority to administer (including making payments under) an agreement entered into under subsection (c), and any funds necessary to do so.

(f) Requirement on funding used to benefit children

Not less than 50 percent of all Federal payments made to carry out agreements under this section shall be used for initiatives that directly benefit children.

§ 1397n–3. Feasibility study funding

(a) Requests for funding for feasibility studies

The Secretary shall reserve a portion of the amount made available to carry out this division to assist States or local governments in developing feasibility studies to apply for social impact partnership funding under section 1397n–1 of this title. To be eligible to receive funding to assist with completing a feasibility study, a State or local government shall submit an application for feasibility study funding addressing the following:

(1) A description of the outcome goals of the social impact partnership project.
(2) A description of the intervention, including anticipated program design, target population, an estimate regarding the number of individuals to be served, and setting for the intervention.
(3) Evidence to support the likelihood that the intervention will produce the desired outcomes.
(4) A description of the potential metrics to be used.
(5) The expected social benefits to participants who receive the intervention and others who may be impacted.
(6) Estimated costs to conduct the project.
(7) Estimates of Federal, State, and local government savings and other savings if the project is implemented and the outcomes are achieved as a result of each intervention.
(8) An estimated timeline for implementation and completion of the project, which shall not exceed 10 years.
(9) With respect to a project for which the State or local government selects an intermediary to operate the project, any partnerships needed to successfully execute the project and the ability of the intermediary to foster the partnerships.
(10) The expected resources needed to complete the feasibility study for the State or local government to apply for social impact partnership funding under section 1397n–1 of this title.

(b) Federal selection of applications for feasibility study

Not later than 6 months after receiving an application for feasibility study funding under subsection (a), the Secretary, in consultation with
the Federal Interagency Council on Social Impact Partnerships and the head of any Federal agency administering a similar intervention or serving a population similar to that served by the project, shall select State or local government feasibility study proposals for funding based on the following:

1. The recommendations made by the Commission on Social Impact Partnerships.
2. The likelihood that the proposal will achieve the desired outcomes.
3. The value of the outcomes expected to be achieved as a result of each intervention.
4. The potential savings to the Federal Government if the social impact partnership project is successful.
5. The potential savings to the State and local governments if the project is successful.

(c) Public disclosure
Not later than 30 days after selecting a State or local government for feasibility study funding under this section, the Secretary shall cause to be published on the website of the Federal Interagency Council on Social Impact Partnerships information explaining why a State or local government was granted feasibility study funding.

(d) Funding restriction

(1) Feasibility study restriction
The Secretary may not provide feasibility study funding under this section for more than 50 percent of the estimated total cost of the feasibility study reported in the State or local government application submitted under subsection (a).

(2) Aggregate restriction
Of the total amount made available to carry out this division, the Secretary may not use more than $10,000,000 to provide feasibility study funding to States or local governments under this section.

(3) No guarantee of funding
The Secretary shall have the option to award no funding under this section.

(e) Submission of feasibility study required
Not later than 9 months after the receipt of feasibility study funding under this section, a State or local government receiving the funding shall complete the feasibility study and submit the study to the Federal Interagency Council on Social Impact Partnerships.

(f) Delegation of authority
The Secretary may transfer to the head of another Federal agency the authorities provided in this section and any funds necessary to exercise the authorities.


§ 1397n–4. Evaluations
(a) Authority to enter into agreements
For each State or local government awarded a social impact partnership project approved by the Secretary under this division, the head of the relevant agency, as recommended by the Federal Interagency Council on Social Impact Partnerships and determined by the Secretary, shall enter into an agreement with the State or local government to pay for all or part of the independent evaluation to determine whether the State or local government project has achieved a specific outcome as a result of the intervention in order for the State or local government to receive outcome payments under this division.

(b) Evaluator qualifications
The head of the relevant agency may not enter into an agreement with a State or local government unless the head determines that the evaluator is independent of the other parties to the agreement and has demonstrated substantial experience in conducting rigorous evaluations of program effectiveness including, where available and appropriate, well-implemented randomized controlled trials on the intervention or similar interventions.

(c) Methodologies to be used
The evaluation used to determine whether a State or local government will receive outcome payments under this division shall use experimental designs using random assignment or other reliable, evidence-based research methodologies, as certified by the Federal Interagency Council on Social Impact Partnerships, that allow for the strongest possible causal inferences when random assignment is not feasible.

(d) Progress report

(1) Submission of report
The independent evaluator shall—
(A) not later than 2 years after a project has been approved by the Secretary and biennially thereafter until the project is concluded, submit to the head of the relevant agency and the Federal Interagency Council on Social Impact Partnerships a written report summarizing the progress that has been made in achieving each outcome specified in the agreement; and
(B) before the scheduled time of the first outcome payment and before the scheduled time of each subsequent payment, submit to the head of the relevant agency and the Federal Interagency Council on Social Impact Partnerships a written report that includes the results of the evaluation conducted to determine whether an outcome payment should be made along with information on the unique factors that contributed to achieving or failing to achieve the outcome, the challenges faced in attempting to achieve the outcome, and information on the improved future delivery of this or similar interventions.

(2) Submission to the Secretary and Congress
Not later than 30 days after receipt of the written report pursuant to paragraph (1)(B), the Federal Interagency Council on Social Impact Partnerships shall submit the report to the Secretary and each committee of jurisdiction in the House of Representatives and the Senate.
(e) Final report

(1) Submission of report

Within 6 months after the social impact partnership project is completed, the independent evaluator shall—

(A) evaluate the effects of the activities undertaken pursuant to the agreement with regard to each outcome specified in the agreement; and

(B) submit to the head of the relevant agency and the Federal Interagency Council on Social Impact Partnerships a written report that includes the results of the evaluation and the conclusion of the evaluator as to whether the State or local government has fulfilled each obligation of the agreement, along with information on the unique factors that contributed to the success or failure of the project, the challenges faced in attempting to achieve the outcome, and information on the improved future delivery of this or similar interventions.

(2) Submission to the Secretary and Congress

Not later than 30 days after receipt of the written report pursuant to paragraph (1)(B), the Federal Interagency Council on Social Impact Partnerships shall submit the report to the Secretary and each committee of jurisdiction in the House of Representatives and the Senate.

(f) Limitation on cost of evaluations

Of the amount made available under this division for social impact partnership projects, the Secretary may not obligate more than 15 percent to evaluate the implementation and outcomes of the projects.

(g) Delegation of authority

The Secretary may transfer to the head of another Federal agency the authorities provided in this section and any funds necessary to exercise the authorities.


§ 1397n–5. Federal Interagency Council on Social Impact Partnerships

(a) Establishment

There is established the Federal Interagency Council on Social Impact Partnerships (in this section referred to as the “Council”) to—

(1) coordinate with the Secretary on the efforts of social impact partnership projects funded under this division;

(2) advise and assist the Secretary in the development and implementation of the projects;

(3) advise the Secretary on specific programmatic and policy matter related to the projects;

(4) provide subject-matter expertise to the Secretary with regard to the projects;

(5) certify to the Secretary that each State or local government that has entered into an agreement with the Secretary for a social impact partnership project under this division and each evaluator selected by the head of the relevant agency under section 1397n–4 of this title has access to Federal administrative data to assist the State or local government and the evaluator in evaluating the performance and outcomes of the project;

(6) address issues that will influence the future of social impact partnership projects in the United States;

(7) provide guidance to the executive branch on the future of social impact partnership projects in the United States;

(8) prior to approval by the Secretary, certify that each State and local government application for a social impact partnership contains rigorous, independent data and reliable, evidence-based research methodologies to support the conclusion that the project will yield savings to the State or local government or the Federal Government if the project outcomes are achieved;

(9) certify to the Secretary, in the case of each approved social impact partnership that is expected to yield savings to the Federal Government, that the project will yield a projected savings to the Federal Government if the project outcomes are achieved, and coordinate with the relevant Federal agency to produce an after-action accounting once the project is complete to determine the actual Federal savings realized, and the extent to which actual savings aligned with projected savings; and

(10) provide periodic reports to the Secretary and make available reports periodically to Congress and the public on the implementation of this division.

(b) Composition of Council

The Council shall have 11 members, as follows:

(1) Chair

The Chair of the Council shall be the Director of the Office of Management and Budget.

(2) Other members

The head of each of the following entities shall designate one officer or employee of the entity to be a Council member:

(A) The Department of Labor.

(B) The Department of Health and Human Services.

(C) The Social Security Administration.

(D) The Department of Agriculture.

(E) The Department of Justice.

(F) The Department of Housing and Urban Development.

(G) The Department of Education.

(H) The Department of Veterans Affairs.

(I) The Department of the Treasury.

(J) The Corporation for National and Community Service.


§ 1397n–6. Commission on Social Impact Partnerships

(a) Establishment

There is established the Commission on Social Impact Partnerships (in this section referred to as the “Commission”).
(b) Duties

The duties of the Commission shall be to—

1. assist the Secretary and the Federal Interagency Council on Social Impact Partnerships in reviewing applications for funding under this division;
2. make recommendations to the Secretary and the Federal Interagency Council on Social Impact Partnerships regarding the funding of social impact partnership agreements and feasibility studies; and
3. provide other assistance and information as requested by the Secretary or the Federal Interagency Council on Social Impact Partnerships.

(c) Composition

The Commission shall be composed of nine members, of whom—

1. one shall be appointed by the President, who will serve as the Chair of the Commission;
2. one shall be appointed by the Majority Leader of the Senate;
3. one shall be appointed by the Minority Leader of the Senate;
4. one shall be appointed by the Speaker of the House of Representatives;
5. one shall be appointed by the Majority Leader of the House of Representatives;
6. one shall be appointed by the Chairman of the Committee on Finance of the Senate;
7. one shall be appointed by the ranking member of the Committee on Finance of the Senate;
8. one member shall be appointed by the Chairman of the Committee on Ways and Means of the House of Representatives; and
9. one shall be appointed by the ranking member of the Committee on Ways and Means of the House of Representatives.

(d) Qualifications of Commission members

The members of the Commission shall—

1. be experienced in finance, economics, pay for performance, or program evaluation;
2. have relevant professional or personal experience in a field related to one or more of the outcomes listed in this division or
3. be qualified to review applications for social impact partnership projects to determine whether the proposed metrics and evaluation methodologies are appropriately rigorous and reliant upon independent data and evidence-based research.

(e) Timing of appointments

The appointments of the members of the Commission shall be made not later than 120 days after February 9, 2018, or, in the event of a vacancy, not later than 90 days after the date the vacancy arises. If a member of Congress fails to appoint a member by that date, the President may select a member of the President’s choice on behalf of the member of Congress. Notwithstanding the preceding sentence, if not all appointments have been made to the Commission as of that date, the Commission may operate with no fewer than five members until all appointments have been made.

(f) Term of appointments

1. In general

   The members appointed under subsection (c) shall serve as follows:

   A. Three members shall serve for 2 years.
   B. Three members shall serve for 3 years.
   C. Three members (one of which shall be Chair of the Commission appointed by the President) shall serve for 4 years.

2. Assignment of terms

   The Commission shall designate the term length that each member appointed under subsection (c) shall serve by unanimous agreement. In the event that unanimous agreement cannot be reached, term lengths shall be assigned to the members by a random process.

(g) Vacancies

Subject to subsection (e), in the event of a vacancy in the Commission, whether due to the resignation of a member, the expiration of a member’s term, or any other reason, the vacancy shall be filled in the manner in which the original appointment was made and shall not affect the powers of the Commission.

(h) Appointment power

Members of the Commission appointed under subsection (c) shall not be subject to confirmation by the Senate.


§ 1397n–7. Limitation on use of funds

Of the amounts made available to carry out this division, the Secretary may not use more than $2,000,000 in any fiscal year to support the review, approval, and oversight of social impact partnership projects, including activities conducted by—

1. the Federal Interagency Council on Social Impact Partnerships; and
2. any other agency consulted by the Secretary before approving a social impact partnership project or a feasibility study under section 1397n–3 of this title.


§ 1397n–8. No Federal funding for credit enhancements

No amount made available to carry out this division may be used to provide any insurance, guarantee, or other credit enhancement to a State or local government under which a Federal payment would be made to a State or local government as the result of a State or local government failing to achieve an outcome specified in an agreement.


§ 1397n–9. Availability of funds

Amounts made available to carry out this division shall remain available until 10 years after February 9, 2018.

§ 1397n–10. Website

The Federal Interagency Council on Social Impact Partnerships shall establish and maintain a public website that shall display the following:

(1) A copy of, or method of accessing, each notice published regarding a social impact partnership project pursuant to this division.

(2) A copy of each feasibility study funded under this division.

(3) For each State or local government that has entered into an agreement with the Secretary for a social impact partnership project, the website shall contain the following information:

(a) The name of the project.

(b) A description of the project's goals and objectives.

(c) The target population that will be served by the project.

(d) The expected social benefits to participants who receive the intervention and others who may be impacted.

(e) The detailed roles, responsibilities, and purposes of each Federal, State, or local government entity, intermediary, service provider, independent evaluator, investor, or other stakeholder.

(f) The payment terms, methodology used to calculate outcome payments, the payment schedule, and performance thresholds.

(g) The project budget.

(h) The project timeline.

(i) The project eligibility criteria.

(j) The evaluation design.

(k) The metrics used to determine whether the proposed outcomes have been achieved and how these metrics are measured.

(4) A copy of the progress reports and the final reports relating to each social impact partnership project.

(5) An estimate of the savings to the Federal, State, and local government, on a program-by-program basis and in the aggregate, resulting from the successful completion of the social impact partnership project.


§ 1397n–11. Regulations

The Secretary, in consultation with the Federal Interagency Council on Social Impact Partnerships, may issue regulations as necessary to carry out this division.


§ 1397n–12. Definitions

In this division:

(1) Agency

The term “agency” has the meaning given that term in section 551 of title 5.

(2) Intervention

The term “intervention” means a specific service delivered to achieve an impact through a social impact partnership project.

(3) Secretary

The term “Secretary” means the Secretary of the Treasury.

(4) Social impact partnership project

The term “social impact partnership project” means a project that finances social services using a social impact partnership model.

(5) Social impact partnership model

The term “social impact partnership model” means a method of financing social services in which—

(A) Federal funds are awarded to a State or local government only if a State or local government achieves certain outcomes agreed on by the State or local government and the Secretary; and

(B) the State or local government coordinates with service providers, investors (if applicable to the project), and (if necessary) an intermediary to identify—

(i) an intervention expected to produce the outcome;

(ii) a service provider to deliver the intervention to the target population; and

(iii) investors to fund the delivery of the intervention.

(6) State

The term “State” means each State of the United States, the District of Columbia, each commonwealth, territory or possession of the United States, and each federally recognized Indian tribe.


§ 1397n–13. Funding

Out of any money in the Treasury of the United States not otherwise appropriated, there is hereby appropriated $100,000,000 for fiscal year 2018 to carry out this division.


SUBCHAPTER XXI—STATE CHILDREN’S HEALTH INSURANCE PROGRAM

§ 1397aa. Purpose; State child health plans

(a) Purpose

The purpose of this subchapter is to provide funds to States to enable them to initiate and expand the provision of child health assistance to uninsured, low-income children in an effective and efficient manner that is coordinated with other sources of health benefits coverage for children. Such assistance shall be provided primarily for obtaining health benefits coverage through—

(1) obtaining coverage that meets the requirements of section 1397cc of this title, or

(2) providing benefits under the State’s medicaid plan under subchapter XIX, or a combination of both.

(b) State child health plan required

A State is not eligible for payment under section 1397ee of this title unless the State has sub-
mitted to the Secretary under section 1397ff of this title a plan that—

(1) sets forth how the State intends to use the funds provided under this subchapter to provide child health assistance to needy children consistent with the provisions of this subchapter, and

(2) has been approved under section 1397ff of this title.

(c) State entitlement

This subchapter constitutes budget authority in advance of appropriations Acts and represents the obligation of the Federal Government to provide for the payment to States of amounts provided under section 1397dd of this title.

(d) Effective date

No State is eligible for payments under section 1397ee of this title for child health assistance for coverage provided for periods beginning before October 1, 1997.


REFERENCES TO SCHIP AND STATE CHILDREN’S HEALTH INSURANCE PROGRAM

Pub. L. 106–113, div. B, § 1000(a)(6) [title VII, § 704], Nov. 29, 1999, 113 Stat. 1352, 1351A–402, which provided that, in official communications concerning this subchapter, the terms “SCHIP” and “State children’s health insurance program” were to be used instead of “CHIP” and “children’s health insurance program”, respectively, was repealed by Pub. L. 111–3, title VI, § 612, Nov. 29, 1999, 113 Stat. 1536, 1501A–402.

§ 1397bb. General contents of State child health plan; eligibility; outreach

(a) General background and description

A State child health plan shall include a description, consistent with the requirements of this subchapter, of—

(1) the extent to which, and manner in which, children in the State, including targeted low-income children and other classes of children classified by income and other relevant factors, currently have creditable health coverage (as defined in section 1397ff(c)(2) of this title);

(2) current State efforts to provide or obtain creditable health coverage for uncovered children, including the steps the State is taking to identify and enroll all uncovered children who are eligible to participate in public health insurance programs and health insurance programs that involve public-private partnerships;

(3) how the plan is designed to be coordinated with such efforts to increase coverage of children under creditable health coverage;

(4) the child health assistance provided under the plan for targeted low-income children, including the proposed methods of delivery, and utilization control systems;

(5) eligibility standards consistent with subsection (b);

(6) outreach activities consistent with subsection (c); and

(7) methods (including monitoring) used—

(A) to assure the quality and appropriateness of care, particularly with respect to well-baby care, well-child care, and immunizations provided under the plan;

(B) to assure access to covered services, including emergency services and services described in paragraphs (5) and (6) of section 1397cc(c) of this title; and

(C) to ensure that the State agency involved is in compliance with subparagraphs (A), (B), and (C) of section 1320a–7n(b)(2) of this title.

(b) General description of eligibility standards and methodology

(1) Eligibility standards

(A) In general

The plan shall include a description of the standards used to determine the eligibility of targeted low-income children for child health assistance under the plan. Such standards may include (to the extent consistent with this subchapter) those relating to the geographic areas to be served by the plan, age, income and resources (including any standards relating to spenddowns and disposition of resources), residency, disability status (so long as any standard relating to such status does not restrict eligibility), access to or coverage under other health coverage, and duration of eligibility. Such standards may not discriminate on the basis of diagnosis.

(B) Limitations on eligibility standards

Such eligibility standards—

(i) shall, within any defined group of covered targeted low-income children, not cover such children with higher family income without covering children with a lower family income;

(ii) may not deny eligibility based on a child having a preexisting medical condition;

(iii) may not apply a waiting period (including a waiting period to carry out paragraph (3)(C)) in the case of a targeted low-income pregnant woman provided pregnancy-related assistance under section 1397lf of this title;

(iv) at State option, may not apply a waiting period in the case of a child provided dental-only supplemental coverage under section 1397lf(b)(5) of this title; and

(v) shall, beginning January 1, 2014, use modified adjusted gross income and household income (as defined in section 36B(d)(2) of the Internal Revenue Code of 1986) to determine eligibility for child health assistance under the State child health plan or under any waiver of such plan and for any other purpose applicable under the plan or waiver for which a determination of income is required, including with respect to the imposition of premiums and cost-sharing, consistent with section 1396a(e)(14) of this title.

(2) Methodology

The plan shall include a description of methods of establishing and continuing eligibility and enrollment.
(3) Eligibility screening; coordination with other health coverage programs

The plan shall include a description of procedures to be used to ensure—

(A) through both intake and followup screening, that only targeted low-income children are furnished child health assistance under the State child health plan;

(B) that children found through the screening to be eligible for medical assistance under the State medicaid plan under subchapter XIX are enrolled for such assistance under such plan;

(C) that the insurance provided under the State child health plan does not substitute for coverage under group health plans;

(D) the provision of child health assistance to targeted low-income children in the State who are Indians (as defined in section 1609(c)(1) of title 25); and

(E) coordination with other public and private programs providing creditable coverage for low-income children.

(4) Reduction of administrative barriers to enrollment

(A) In general

Subject to subparagraph (B), the plan shall include a description of the procedures used to reduce administrative barriers to the enrollment of children and pregnant women who are eligible for medical assistance under subchapter XIX or for child health assistance or health benefits coverage under this subchapter. Such procedures shall be established and revised as often as the State determines appropriate to take into account the most recent information available to the State identifying such barriers.

(B) Deemed compliance if joint application and renewal process that permits application other than in person

A State shall be deemed to comply with subparagraph (A) if the State’s application and renewal forms and supplemental forms (if any) and information verification process is the same for purposes of establishing and renewing eligibility for children and pregnant women for medical assistance under subchapter XIX and child health assistance under this subchapter, and such process does not require an application to be made in person or a face-to-face interview.

(5) Nonentitlement

Nothing in this subchapter shall be construed as providing an individual with an entitlement to child health assistance under a State child health plan.

(c) Outreach and coordination

A State child health plan shall include a description of the procedures to be used by the State to accomplish the following:

(1) Outreach

Outreach (through community health workers and others) to families of children likely to be eligible for child health assistance under the plan or under other public or private health coverage programs to inform these families of the availability of, and to assist them in enrolling their children in, such a program.

(2) Coordination with other health insurance programs

Coordination of the administration of the State program under this subchapter with other public and private health insurance programs.

(3) Premium assistance subsidies

In the case of a State that provides for premium assistance subsidies under the State child health plan in accordance with paragraph (2)(B), (3), or (10) of section 1397ee(c) of this title, or a waiver approved under section 1315 of this title, outreach, education, and enrollment assistance for families of children likely to be eligible for such subsidies, to inform such families of the availability of, and to assist them in enrolling their children in, such subsidies, and for employers likely to provide coverage that is eligible for such subsidies, including the specific, significant resources the State intends to apply to educate employers about the availability of premium assistance subsidies under the State child health plan.

References in Text


Amendments

2018—Subsec. (a)(7)(B). Pub. L. 115–271 substituted “paragraphs (5) and (6) of section 1397cc(c)" for “section 1397cc(c)(5)".


2009—Subsec. (a)(7)(B). Pub. L. 111–3, § 501(a)(2), inserted “and services described in section 1397cc(c)(5) of this title” after “emergency services”.


Subsec. (b)(4), (5). Pub. L. 111–3, § 512, added par. (4) and redesignated former par. (4) as (5).


Subsec. (c)(3). Pub. L. 111–3, § 302(a), added par. (3).

Effective Date of 2018 Amendment

Pub. L. 115–271, title V, § 5022(e), Oct. 24, 2018, 132 Stat. 3965, provided that:
§ 1397cc. Coverage requirements for children’s health insurance

(a) Required scope of health insurance coverage

The child health assistance provided to a targeted low-income child under the plan in the form described in paragraph (1) of section 1397aa(a) of this title shall consist, consistent with paragraphs (5), (6), (7), and (8) of subsection (c), of any of the following:

(1) Benchmark coverage

Health benefits coverage that is at least equivalent to the benefits coverage in a benchmark benefit package described in subsection (b).

(2) Benchmark-equivalent coverage

Health benefits coverage that meets the following requirements:

(A) Inclusion of basic services

The coverage includes benefits for items and services within each of the categories of basic services described in subsection (c)(1).

(B) Aggregate actuarial value equivalent to benchmark package

The coverage has an aggregate actuarial value that is at least actuarially equivalent to one of the benchmark benefit packages.

(C) Substantial actuarial value for additional services included in benchmark package

With respect to each of the categories of additional services described in subsection (c)(2) for which coverage is provided under the benchmark benefit package used under subparagraph (B), the coverage has an actuarial value that is equal to at least 75 percent of the actuarial value of the coverage of that category of services in such package.

(3) Existing comprehensive State-based coverage

Health benefits coverage under an existing comprehensive State-based program, described in subsection (d)(1).

(4) Secretary-approved coverage

Any other health benefits coverage that the Secretary determines, upon application by a State, provides appropriate coverage for the population of targeted low-income children proposed to be provided such coverage.

(b) Benchmark benefit packages

The benchmark benefit packages are as follows:

(1) FEHBP-equivalent children’s health insurance coverage

The standard Blue Cross/Blue Shield preferred provider option service benefit plan, described in and offered under section 1802(a)(1) of title 5.

(2) State employee coverage

A health benefits coverage plan that is offered and generally available to State employees in the State involved.

(3) Coverage offered through HMO

The health insurance coverage plan that—

(A) is offered by a health maintenance organization (as defined in section 2791(b)(3) of the Public Health Service Act [42 U.S.C. 300gg–91(b)(3)]), and

(B) has the largest insured commercial, non-medicaid enrollment of covered lives of such coverage plans offered by such a health maintenance organization in the State involved.

(c) Categories of services; determination of actuarial value of coverage

(1) Categories of basic services

For purposes of this section, the categories of basic services described in this paragraph are as follows:

(A) Inpatient and outpatient hospital services.

(B) Physicians’ surgical and medical services.

(C) Laboratory and x-ray services.

(D) Well-baby and well-child care, including age-appropriate immunizations.

(E) Mental health and substance use disorder services (as defined in paragraph (5)).

(2) Categories of additional services

For purposes of this section, the categories of additional services described in this paragraph are as follows:

(A) Coverage of prescription drugs.

(B) Vision services.

(C) Hearing services.

(3) Treatment of other categories

Nothing in this subsection shall be construed as preventing a State child health plan from providing coverage of benefits that are
§ 1397cc

not within a category of services described in paragraph (1) or (2).

(4) Determination of actuarial value

The actuarial value of coverage of benchmark benefit packages, coverage offered under the State child health plan, and coverage of any categories of additional services under benchmark benefit packages and under coverage offered by such a plan, shall be set forth in an actuarial opinion in an actuarial report that has been prepared—

(A) by an individual who is a member of the Academy of Actuaries;

(B) using generally accepted actuarial principles and methodologies;

(C) using a standardized set of utilization and price factors;

(D) using a standardized population that is representative of privately insured children of the age of children who are expected to be covered under the State child health plan;

(E) applying the same principles and factors in comparing the value of different coverage (or categories of services);

(F) without taking into account any differences in coverage based on the method of delivery or means of cost control or utilization used; and

(G) taking into account the ability of a State to reduce benefits by taking into account the increase in actuarial value of benefits coverage offered under the State child health plan that results from the limitations on cost sharing under such coverage.

The actuary preparing the opinion shall select and specify in the memorandum the standardized set and population to be used under subparagraphs (C) and (D).

(5) Mental health and substance use disorder services

Regardless of the type of coverage elected by a State under subsection (a), child health assistance provided under such coverage for targeted low-income children and, in the case that the State elects to provide pregnancy-related assistance under such coverage pursuant to section 1397ll of this title, such pregnancy-related assistance for targeted low-income pregnant women (as defined in section 1397ll(d) of this title) shall—

(A) include coverage of mental health services (including behavioral health treatment) necessary to prevent, diagnose, and treat a broad range of mental health symptoms and disorders, including substance use disorders; and

(B) be delivered in a culturally and linguistically appropriate manner.

(6) Dental benefits

(A) In general

The child health assistance provided to a targeted low-income child shall include coverage of dental services necessary to prevent disease and promote oral health, restore oral structures to health and function, and treat emergency conditions.

(B) Permitting use of dental benchmark plans by certain States

A State may elect to meet the requirement of subparagraph (A) through dental coverage that is equivalent to a benchmark dental benefit package described in subparagraph (C).

(C) Benchmark dental benefit packages

The benchmark dental benefit packages are as follows:

(i) FEHBP children's dental coverage

A dental benefits plan under chapter 89A of title 5 that has been selected most frequently by employees seeking dependent coverage, among such plans that provide such dependent coverage, in either of the previous 2 plan years.

(ii) State employee dependent dental coverage

A dental benefits plan that is offered and generally available to State employees in the State involved and that has been selected most frequently by employees seeking dependent coverage, among such plans that provide such dependent coverage, in either of the previous 2 plan years.

(iii) Coverage offered through commercial dental plan

A dental benefits plan that has the largest insured commercial, non-medicaid enrollment of dependent covered lives of such plans that is offered in the State involved.

(7) Mental health services parity

(A) In general

A State child health plan shall ensure that the financial requirements and treatment limitations applicable to mental health and substance use disorder services (as described in paragraph (5)) provided under such plan comply with the requirements of section 300gg–26(a) of this title in the same manner as such requirements or limitations apply to a group health plan under such section.

(B) Deemed compliance

To the extent that a State child health plan includes coverage with respect to an individual described in section 1396d(a)(4)(B) of this title and covered under the State plan under section 1396d(a)(10)(A) of this title the services described in section 1396d(a)(4)(B) of this title (relating to early and periodic screening, diagnostic, and treatment services defined in section 1396d(r) of this title) and provided in accordance with section 1396a(a)(43) of this title, such plan shall be deemed to satisfy the requirements of subparagraph (A).

(8) Construction on prohibited coverage

Nothing in this section shall be construed as requiring any health benefits coverage offered under the plan to provide coverage for items or services for which payment is prohibited under this subchapter, notwithstanding that any benchmark benefit package includes coverage for such an item or service.

(9) Availability of coverage for items and services furnished through school-based health centers

Nothing in this subchapter shall be construed as limiting a State's ability to provide
child health assistance for covered items and services that are furnished through school-based health centers (as defined in section 1397j(c)(9) of this title).

(d) Description of existing comprehensive State-based coverage

(1) In general

A program described in this paragraph is a child health coverage program that—

(A) includes coverage of a range of benefits;
(B) is administered or overseen by the State and receives funds from the State;
(C) is offered in New York, Florida, or Pennsylvania; and
(D) was offered as of August 5, 1997.

(2) Modifications

A State may modify a program described in paragraph (1) from time to time so long as it continues to meet the requirement of subparagraph (A) and does not reduce the actuarial value of the coverage under the program below the lower of—

(A) the actuarial value of the coverage under the program as of August 5, 1997, or
(B) the actuarial value described in subsection (a)(2)(B),
evaluated as of the time of the modification.

(e) Cost-sharing

(1) Description; general conditions

(A) Description

A State child health plan shall include a description, consistent with this subsection, of the amount (if any) of premiums, deductibles, coinsurance, and other cost sharing imposed. Any such charges shall be imposed pursuant to a public schedule.

(B) Protection for lower income children

The State child health plan may only vary premiums, deductibles, coinsurance, and other cost sharing based on the family income of targeted low-income children in a manner that does not favor children from families with higher income over children from families with lower income.

(2) No cost sharing on benefits for preventive services or pregnancy-related assistance

The State child health plan may not impose deductibles, coinsurance, or other cost sharing with respect to benefits for services within the category of services described in subsection (c)(1)(D) or for pregnancy-related assistance.

(3) Limitations on premiums and cost-sharing

(A) Children in families with income below 150 percent of poverty line

In the case of a targeted low-income child whose family income is at or below 150 percent of the poverty line, the State child health plan may not impose—

(i) an enrollment fee, premium, or similar charge that exceeds the maximum monthly charge permitted consistent with standards established to carry out section 1396o(b)(1) of this title (with respect to individuals described in such section); and
(ii) a deductible, cost sharing, or similar charge that exceeds an amount that is nominal (as determined consistent with regulations referred to in section 1396o(a)(3) of this title, with such appropriate adjustment for inflation or other reasons as the Secretary determines to be reasonable).

(B) Other children

For children not described in subparagraph (A), subject to paragraphs (1)(B) and (2), any premiums, deductibles, cost sharing or similar charges imposed under the State child health plan may be imposed on a sliding scale related to income, subject to the total annual aggregate cost-sharing with respect to all targeted low-income children in a family under this subchapter may not exceed 5 percent of such family's income for the year involved.

(C) Premium grace period

The State child health plan—

(I) shall afford individuals enrolled under the plan a grace period of at least 30 days from the beginning of a new coverage period to make premium payments before the individual's coverage under the plan may be terminated; and
(II) shall provide to such an individual, not later than 7 days after the first day of such grace period, notice—

(i) that failure to make a premium payment within the grace period will result in termination of coverage under the State child health plan; and
(ii) of the individual's right to challenge the proposed termination pursuant to the applicable Federal regulations.

For purposes of clause (i), the term "new coverage period" means the month immediately following the last month for which the premium has been paid.

(4) Relation to medicaid requirements

Nothing in this subsection shall be construed as affecting the rules relating to the use of enrollment fees, premiums, deductions, cost sharing, and similar charges in the case of targeted low-income children who are provided child health assistance in the form of coverage under a medicaid program under section 1397aa(a)(2) of this title.

(f) Application of certain requirements

(1) Restriction on application of preexisting condition exclusions

(A) In general

Subject to subparagraph (B), the State child health plan shall not permit the imposition of any preexisting condition exclusion for covered benefits under the plan.

(B) Group health plans and group health insurance coverage

If the State child health plan provides for benefits through payment for, or a contract with, a group health plan or group health insurance coverage, the plan may permit the imposition of a preexisting condition exclusion but only insofar as it is permitted under

(2) Compliance with other requirements

Coverage offered under this section shall comply with the requirements of part 2 of subtitle B of the Public Health Service Act, insofar as such requirements apply with respect to a health insurance issuer that offers group health insurance coverage.

(3) Compliance with managed care requirements

The State child health plan shall provide for the application of subsections (a)(4), (a)(5), (b), (c), (d), and (e) of section 1396u-2 of this title (relating to requirements for managed care) to coverage, State agencies, enrollment brokers, managed care entities, and managed care organizations under this subchapter in the same manner as such subsections apply to coverage and such entities and organizations under subchapter XIX.


REFERENCES IN TEXT


The Public Health Service Act, referred to in subsec. (f), is act July 1, 1944, ch. 373, 58 Stat. 682. Title XXVII of the Act is classified generally to subchapter XXV of chapter 6A of this title. Subpart A of title XXVII of the Act may refer to subpart 1 of part A of title XXVII of the Public Health Service Act. Subtitle B of title XXVII of the Act is classified generally to part 7 (§1181 et seq.) of chapter 6A of this title. Subpart 2 of part A of title XXVII of the Act is classified generally to subchapter XXVII of chapter 6A of this title. For complete classification of this Act to the Code, see Short Title note set out under section 201 of this title and Tables.

AMENDMENTS

2018—Subsec. (a). Pub. L. 115–271, §5022(b)(2)(A), substituted paragraphs (5), (6), (7), and (8) for paragraphs (5), (6), and (7) in introductory provisions.


Subsec. (c)(5) to (7). Pub. L. 115–271, §5022(b)(1), added par. (5) and redesignated former par. (5) as (6) and (7), respectively. Former par. (7) redesignated (8).

Subsec. (c)(7)(A). Pub. L. 115–271, §5022(d), added subpar. (A) generally. Prior to amendment, text read as follows: “In the case of a State child health plan that provides both medical and surgical benefits and mental health or substance use disorder benefits, such plan shall ensure that the financial requirements and treatment limitations applicable to such mental health or substance use disorder benefits comply with the requirements of section 270(a) of the Public Health Service Act in the same manner as such requirements apply to a group health plan.”

Subsec. (c)(8), (9). Pub. L. 115–271, §5022(b)(1), redesignated pars. (7) and (8) as (8) and (9), respectively.


Pub. L. 111–3, §501(a)(1)(A)(i), substituted paragraphs (5) and (7) of subsection (c) for “subsection (c)(5)” in introductory provisions.


Subsec. (c)(2)(B) to (D). Pub. L. 111–3, §502(b)(2), redesignated subsups. (C) and (D) as (B) and (C), respectively, and struck out former subpar. (B), which read as follows: “Mental health services.”


Subsec. (c)(8). Pub. L. 111–3, §505(a), added par. (8).

Subsec. (e)(2). Pub. L. 111–3, §111(b)(1), inserted “or pregnancy-related assistance” after “preventive services” in heading and “or for pregnancy-related assistance” before period at end.


EFFECTIVE DATE OF 2018 AMENDMENT

Amendment by Pub. L. 115–271 effective with respect to child health assistance provided on or after the date that is 1 year after Oct. 24, 2018, with exception if State legislation required, see section 5022(e) of Pub. L. 115–271, set out as a note under section 1397bb of this title.

EFFECTIVE DATE OF 2009 AMENDMENT

Amendment by sections 111(b)(1), 502, and 505(a) of Pub. L. 111–3 effective Apr. 1, 2009, and applicable to child health assistance and medical assistance provided on or after that date, with certain exceptions, see section 3 of Pub. L. 111–3, set out as an Effective Date note under section 1396f of this title.

Pub. L. 111–3, title IV, §403(b), Feb. 4, 2009, 123 Stat. 84, provided that: “The amendment made by subsection (a) [amending this section] shall apply to contract years for health plans beginning on or after July 1, 2009.”

Amendment by section 501(a)(1) of Pub. L. 111–3 applicable to coverage of items and services furnished on or after Oct. 1, 2009, see section 501(a)(3) of Pub. L. 111–3, set out as a note under section 1397bb of this title.

Pub. L. 111–3, title V, §504(b), Feb. 4, 2009, 123 Stat. 90, provided that: “The amendment made by subsection (a) [amending this section] shall apply to new coverage periods beginning on or after the date of the enactment of this Act [Feb. 4, 2009].”

§1397dd. Allotments

(a) Appropriation; total allotment

For the purpose of providing allotments to States under this section, subject to subsection (d), there is appropriated, out of any money in the Treasury not otherwise appropriated—

(1) for fiscal year 1998, $4,295,000,000;
(2) for fiscal year 1999, $4,275,000,000;
(3) for fiscal year 2000, $4,275,000,000;
(4) for fiscal year 2001, $4,275,000,000;
(5) for fiscal year 2002, $3,150,000,000;
(6) for fiscal year 2003, $3,150,000,000;
(7) for fiscal year 2004, $3,150,000,000;
(8) for fiscal year 2005, $4,050,000,000;
§ 1397dd

(9) for fiscal year 2006, $4,050,000,000;
(10) for fiscal year 2007, $5,000,000,000;
(11) for fiscal year 2008, $5,000,000,000.

1 In original. The period probably should be a semicolon.

(12) for fiscal year 2009, $10,562,000,000;
(13) for fiscal year 2010, $12,520,000,000;
(14) for fiscal year 2011, $13,459,000,000;
(15) for fiscal year 2012, $14,982,000,000;
(16) for fiscal year 2013, $17,406,000,000;
(17) for fiscal year 2014, $19,147,000,000;
(18) for fiscal year 2015, for purposes of making 2 semi-annual allotments—
(A) $2,850,000,000 for the period beginning on October 1, 2014, and ending on March 31, 2015, and
(B) $2,850,000,000 for the period beginning on April 1, 2015, and ending on September 30, 2015;
(19) for fiscal year 2016, $19,300,000,000;
(20) for fiscal year 2017, for purposes of making 2 semi-annual allotments—
(A) $2,850,000,000 for the period beginning on October 1, 2016, and ending on March 31, 2017; and
(B) $2,850,000,000 for the period beginning on April 1, 2017, and ending on September 30, 2017;
(21) for fiscal year 2018, $21,500,000,000;
(22) for fiscal year 2019, $22,600,000,000;
(23) for fiscal year 2020, $23,700,000,000;
(24) for fiscal year 2021, $24,800,000,000;
(25) for fiscal year 2022, $25,900,000,000;
(26) for fiscal year 2023, for purposes of making 2 semi-annual allotments—
(A) $7,650,000,000 for the period beginning on October 1, 2022, and ending on March 31, 2023; and
(B) $7,650,000,000 for the period beginning on April 1, 2023, and ending on September 30, 2023;
(27) for each of fiscal years 2024 through 2026, such sums as are necessary to fund allotments to States under subsections (c) and (m); and
(28) for fiscal year 2027, for purposes of making 2 semi-annual allotments—
(A) $7,650,000,000 for the period beginning on October 1, 2026, and ending on March 31, 2027; and
(B) $7,650,000,000 for the period beginning on April 1, 2027, and ending on September 30, 2027.

(b) Allotments to 50 States and District of Columbia

(1) In general

Subject to paragraph (4) and subsections (d) and (m), of the amount available for allotment under subsection (a) for a fiscal year, reduced by the amount of allotments made under subsection (c) (determined without regard to paragraph (4) thereof) for the fiscal year, the Secretary shall allot to each State (other than a State described in such subsection) with a State child health plan approved under this subchapter the same proportion as the ratio of—
(A) the product of (i) the number of children described in paragraph (2) for the State for the fiscal year and (ii) the State cost fac-
tor for that State (established under paragraph (3)); to
(B) the sum of the products computed under subparagraph (A).

(2) Number of children

(A) In general

The number of children described in this paragraph for a State for—
(i) each of fiscal years 1998 and 1999 is equal to the number of low-income children in the State with no health insurance coverage for the fiscal year;
(ii) fiscal year 2000 is equal to—
(I) 75 percent of the number of low-income children in the State for the fiscal year with no health insurance coverage, plus
(II) 25 percent of the number of low-income children in the State for the fiscal year; and
(iii) each succeeding fiscal year is equal to—
(I) 50 percent of the number of low-income children in the State for the fiscal year with no health insurance coverage, plus
(II) 50 percent of the number of low-income children in the State for the fiscal year.

(B) Determination of number of children

For purposes of subparagraph (A), a determination of the number of low-income children (and of such children who have no health insurance coverage) for a State for a fiscal year shall be made on the basis of the arithmetic average of the number of such children, as reported and defined in the 3 most recent March supplements to the Current Population Survey of the Bureau of the Census before the beginning of the calendar year in which such fiscal year begins.

(3) Adjustment for geographic variations in health costs

(A) In general

For purposes of paragraph (1)(A)(ii), the “State cost factor” for a State for a fiscal year equal to the sum of—
(i) 0.15, and
(ii) 0.85 multiplied by the ratio of—
(I) the annual average wages per employee for the State for such year (as determined under subparagraph (B)), to
(II) the annual average wages per employee for the 50 States and the District of Columbia.

(B) Annual average wages per employee

For purposes of subparagraph (A), the “annual average wages per employee” for a State, or for all the States, for a fiscal year is equal to the average of the annual wages per employee for the State or for the 50 States and the District of Columbia for employees in the health services industry (SIC code 8000), as reported by the Bureau of Labor Statistics of the Department of Labor for each of the most recent 3 years before the beginning of the calendar year in which such fiscal year begins.
(4) Floors and ceilings in State allotments

(A) In general

The proportion of the allotment under this subsection for a subsection (b) State (as defined in subparagraph (D)) for fiscal year 2000 and each fiscal year thereafter shall be subject to the following floors and ceilings:

(i) Floor of $2,000,000

A floor equal to $2,000,000 divided by the total of the amount available under this subsection for all such allotments for the fiscal year.

(ii) Annual floor of 10 percent below preceding fiscal year’s proportion

A floor of 90 percent of the proportion for the State for the preceding fiscal year.

(iii) Cumulative floor of 30 percent below the FY 1999 proportion

A floor of 70 percent of the proportion for the State for fiscal year 1999.

(iv) Cumulative ceiling of 45 percent above FY 1999 proportion

A ceiling of 145 percent of the proportion for the State for fiscal year 1999.

(B) Reconciliation

(i) Elimination of any deficit by establishing a percentage increase ceiling for States with highest annual percentage increases

To the extent that the application of subparagraph (A) would result in the sum of the proportions of the allotments for all subsection (b) States exceeding 1.0, the Secretary shall establish a maximum percentage increase in such proportions for all subsection (b) States for the fiscal year in a manner so that such sum equals 1.0.

(ii) Allocation of surplus through pro rata increase

To the extent that the application of subparagraph (A) would result in the sum of the proportions of the allotments for all subsection (b) States being less than 1.0, the proportions of such allotments (as computed before the application of floors under clauses (i), (ii), and (iii) of subparagraph (A)) for all subsection (b) States shall be increased in a pro rata manner (but not to exceed the ceiling established under subparagraph (A)(iv)) so that (after the application of such floors and ceiling) such sum equals 1.0.

(C) Construction

This paragraph shall not be construed as applying to (or taking into account) amounts of allotments redistributed under subsection (f).

(D) Definitions

In this paragraph:

(i) Proportion of allotment

The term “proportion” means, with respect to the allotment of a subsection (b) State for a fiscal year, the amount of the allotment of such State under this subsection for the fiscal year divided by the total of the amount available under this subsection for all such allotments for the fiscal year.

(ii) Subsection (b) State

The term “subsection (b) State” means one of the 50 States or the District of Columbia.

(c) Allotments to territories

(1) In general

Of the amount available for allotment under subsection (a) for a fiscal year, subject to subsections (d) and (m)(5), the Secretary shall allot 0.25 percent among each of the commonwealths and territories described in paragraph (3) in the same proportion as the percentage specified in paragraph (2) for such commonwealth or territory bears to the sum of such percentages for all such commonwealths or territories so described.

(2) Percentage

The percentage specified in this paragraph for—

(A) Puerto Rico is 91.6 percent,
(B) Guam is 3.5 percent,
(C) the Virgin Islands is 2.6 percent,
(D) American Samoa is 1.2 percent, and
(E) the Northern Mariana Islands is 1.1 percent.

(3) Commonwealths and territories

A commonwealth or territory described in this paragraph is any of the following if it has a State child health plan approved under this subchapter:

(A) Puerto Rico.
(B) Guam.
(C) The Virgin Islands.
(D) American Samoa.
(E) The Northern Mariana Islands.

(4) Additional allotment

(A) In general

In addition to the allotment under paragraph (1), the Secretary shall allot each commonwealth and territory described in paragraph (3) the applicable percentage specified in paragraph (2) of the amount appropriated under subparagraph (B).

(B) Appropriations

For purposes of providing allotments pursuant to subparagraph (A), there is appropriated, out of any money in the Treasury not otherwise appropriated $32,000,000 for fiscal year 1999, $34,200,000 for each of fiscal years 2000 and 2001, $25,200,000 for each of fiscal years 2002 through 2004, $32,400,000 for each of fiscal years 2005 and 2006, and $40,000,000 for each of fiscal years 2007 through 2009.

(d) Additional allotments to eliminate funding shortfalls

(1) Appropriation; allotment authority

For the purpose of providing additional allotments to shortfall States described in paragraph (2), there is appropriated, out of any money in the Treasury not otherwise appropriated, $283,000,000 for fiscal year 2006.
(2) Shortfall States described

For purposes of paragraph (1), a shortfall State described in this paragraph is a State with a State child health plan approved under this subchapter for which the Secretary estimates, on the basis of the most recent data available to the Secretary as of December 16, 2005, that the projected expenditures under such plan for such State for fiscal year 2006 will exceed the sum of—

(A) the amount of the State’s allotments for each of fiscal years 2004 and 2005 that will not be expended by the end of fiscal year 2005;

(B) the amount, if any, that is to be redistributed to the State during fiscal year 2006 in accordance with subsection (f); and

(C) the amount of the State’s allotment for fiscal year 2006.

(3) Allotments

In addition to the allotments provided under subsections (b) and (c), subject to paragraph (4), of the amount available for the additional allotments under paragraph (1) for fiscal year 2006, the Secretary shall allot—

(A) to each shortfall State described in paragraph (2) such amount as the Secretary determines will eliminate the estimated shortfall described in such paragraph for the State; and

(B) to each commonwealth or territory described in subsection (c)(3), the same proportion as the proportion of the commonwealth’s or territory’s allotment under subsection (c) (determined without regard to subsection (f)) to 1.05 percent of the amount appropriated under paragraph (1).

(4) Use of additional allotment

Additional allotments provided under this subsection are only available for amounts expended under a State plan approved under this subchapter for child health assistance for targeted low-income children.

(5) 1-year availability; no redistribution of unexpended additional allotments

Notwithstanding subsections (e) and (f), amounts allotted to a State pursuant to this subsection for fiscal year 2006 shall only remain available for expenditure by the State through September 30, 2006. Any amounts of such allotments that remain unexpended as of such date shall not be subject to redistribution under subsection (f) and shall revert to the Treasury on October 1, 2006.

(e) Availability of amounts allotted

(1) In general

Except as provided in paragraph (2), amounts allotted to a State pursuant to this section—

(A) for each of fiscal years 1998 through 2008, shall remain available for expenditure by the State through the end of the second succeeding fiscal year; and

(B) for fiscal year 2009 and each fiscal year thereafter, shall remain available for expenditure by the State through the end of the succeeding fiscal year.

(2) Availability of amounts redistributed

Amounts redistributed to a State under subsection (f) shall be available for expenditure by the State through the end of the fiscal year in which they are redistributed.

(f) Procedure for redistribution of unused allotments

(1) In general

The Secretary shall determine an appropriate procedure for redistribution of allotments from States that were provided allotments under this section for a fiscal year but that do not expend all of the amount of such allotments during the period in which such allotments are available for expenditure under subsection (e), to States that the Secretary determines with respect to the fiscal year for which unused allotments are available for redistribution under this subsection, are shortfall States described in paragraph (2) for such fiscal year, but not to exceed the amount of the shortfall described in paragraph (2)(A) for each such State (as may be adjusted under paragraph (2)(C)).

(2) Shortfall States described

(A) In general

For purposes of paragraph (1), with respect to a fiscal year, a shortfall State described in this subchapter is a State with a State child health plan approved under this subchapter for which the Secretary estimates on the basis of the most recent data available to the Secretary, that the projected expenditures under such plan for the fiscal year will exceed the sum of—

(i) the amount of the State’s allotments for any preceding fiscal years that remains available for expenditure and that will not be expended by the end of the immediately preceding fiscal year;

(ii) the amount (if any) of the child enrollment contingency fund payment under subsection (n); and

(iii) the amount of the State’s allotment for the fiscal year.

(B) Determination of redistributed amounts if insufficient amounts available

(i) Proration rule

Subject to clause (ii), if the amounts available for redistribution under paragraph (1) for a fiscal year are less than the total amounts of the estimated shortfalls determined for the year under subparagraph (A), the amount to be redistributed under such paragraph for each shortfall State shall be reduced proportionally.

(ii) Special rule for first half of fiscal year 2018

(I) In general

For each month beginning during the period beginning on October 1, 2017, and ending March 31, 2018, subject to the succeeding subclauses of this clause, the Secretary shall redistribute any

8So in original. Probably should be “Child Enrollment Contingency Fund”.

[8So in original. Probably should be “Child Enrollment Contingency Fund.”]
amounts available for redistribution under paragraph (1) for fiscal year 2018, to each State that is an emergency shortfall State (as defined in subclause (II)) for the month such amount as the Secretary determines will eliminate the estimated shortfall described in subclause (II) for such State for the month (as may be adjusted under subparagraph (C)) before the Secretary may redistribute such amounts to any shortfall State that is not an emergency shortfall State. In the case of any amounts redistributed under this subclause to a State that is not an emergency shortfall State, such amounts shall be determined in accordance with clause (I).

(II) Emergency shortfall State defined

For purposes of this clause, the term "emergency shortfall State" means, with respect to a month beginning during the period beginning October 1, 2017, and ending March 31, 2018, a shortfall State for which the Secretary estimates, in accordance with subparagraph (A) (unless otherwise specified in this subclause) and on a monthly basis using the most recent data available to the Secretary as of such month, that the projected expenditures under the State child health plan and under section 1397ee(g) of this title (calculated as if the reference under section 1397ee(g)(4)(A) of this title, as in effect on the day before January 22, 2018, to "2017" were a reference to "2018" and insofar as the allotments are available to the Secretary under this subsection or subsection (e) or (m) for such month exceed the sum of the amounts described in clauses (I) through (iii) of subparagraph (A) for such month, including after application of any amount redistributed under paragraph (1) for a previous month for fiscal year 2018 in accordance with this clause, to such State. A shortfall State may be an emergency shortfall State under the previous sentence without regard to whether any amounts were redistributed to such State under paragraph (1) for a previous month in fiscal year 2018.

(III) Funds redistributed in the order in which States realize funding shortfalls

The Secretary shall redistribute the amounts available for redistribution under paragraph (1) to emergency shortfall States described in subclause (II) in the order in which such States realize monthly funding shortfalls under this subchapter for fiscal year 2018. The Secretary shall only make redistributions under this clause to the extent that such amounts are available for such redistributions.

(IV) Proration rule

If the amounts available for redistribution under paragraph (1) for a month during the period described in subclause (I) are less than the total amounts of the estimated shortfalls determined for the month for emergency shortfall States described in subclause (II), the amount computed under subclause (I) for each emergency shortfall State shall be reduced proportionally.

(V) Unobligated redistributed funds

The Secretary shall withhold any funds redistributed under paragraph (1) for fiscal year 2018 before January 1, 2018, but which have not been obligated for amounts expended by a State as of that date, and shall redistribute such funds in accordance with the preceding subclauses of this clause.

(VI) Application of qualifying State option

During the period described in subclause (I), section 1397ee(g)(4) of this title, as in effect on the day before January 22, 2018, shall apply to a qualifying State (as defined in section 1397ee(g)(2) of this title) as if under section 1397ee(g)(4) of this title, as so in effect—

(aa) the reference to "2017" were a reference to "2018"; and

(bb) the reference to "under subsections (e) and (m) of such section" were a reference to "under subsections (e), (f), and (m) of such section".

(C) Retrospective adjustment

The Secretary may adjust the estimates and determinations made under paragraph (1) and this paragraph with respect to a fiscal year as necessary on the basis of the amounts reported by States not later than November 30 of the succeeding fiscal year, as approved by the Secretary.

(D) Rule of construction

Nothing in this paragraph may be construed as preventing a commonwealth or territory described in subsection (c)(3) from being treated as a shortfall State or an emergency shortfall State.

(g) Rule for redistribution and extended availability of fiscal years 1998, 1999, 2000, and 2001 allotments

(1) Amount redistributed

(A) In general

In the case of a State that expends all of its allotment under subsection (b) or (c) for fiscal year 1998 by the end of fiscal year 2000, or for fiscal year 1999 by the end of fiscal year 2001, or for fiscal year 2000 by the end of fiscal year 2002, or for fiscal year 2001 by the end of fiscal year 2003, the Secretary shall redistribute to the State under subsection (f) (from the fiscal year 1998, 1999, 2000, or 2001 allotments of other States, respectively, as determined by the application of paragraphs (2) and (3) with respect to the respective fiscal year) the following amount:

(i) State

In the case of one of the 50 States or the District of Columbia, with respect to—
(I) the fiscal year 1998 allotment, the amount by which the State’s expenditures under this subchapter in fiscal years 1998, 1999, and 2000 exceed the State’s allotment for fiscal year 1998 under subsection (b); and

(II) the fiscal year 1999 allotment, the amount by which the State’s expenditures under this subchapter in fiscal years 1999, 2000, and 2001 exceed the State’s allotment for fiscal year 1999 under subsection (b); and

(III) the fiscal year 2000 allotment, the amount specified in subparagraph (C)(i) (less the total of the amounts under clause (ii) for such fiscal year), multiplied by the ratio of the amount specified in subparagraph (C)(ii) for the State to the amount specified in subparagraph (C)(iii); or

(IV) the fiscal year 2001 allotment, the amount specified in subparagraph (D)(i) (less the total of the amounts under clause (ii) for such fiscal year), multiplied by the ratio of the amount specified in subparagraph (D)(ii) for the State to the amount specified in subparagraph (D)(iii).

(ii) Territory

In the case of a commonwealth or territory described in subsection (c)(3), an amount that bears the same ratio to 1.05 percent of the total amount described in paragraph (2)(B)(i)(I) for fiscal year 2000, less the total of all such allotments for such commonwealth’s or territory’s fiscal year under this section; and

(A) In general

Notwithstanding subsection (e):

(i) Fiscal year 1998 allotment

Of the amounts allotted to a State pursuant to this section for fiscal year 1998 that were not expended by the State by the end of fiscal year 2000, the amount specified in subparagraph (A) for fiscal year 1998 for such State shall remain available for expenditure by the State through the end of fiscal year 2004.

(ii) Fiscal year 1999 allotment

Of the amounts allotted to a State pursuant to this subsection for fiscal year 1999 that were not expended by the State by the end of fiscal year 2001, the amount specified in subparagraph (B) for fiscal year 1999 for such State shall remain available for expenditure by the State through the end of fiscal year 2004.

(iii) Fiscal year 2000 allotment

Of the amounts allotted to a State pursuant to this section for fiscal year 2000 that were not expended by the State by the end of fiscal year 2002, 50 percent of that amount shall remain available for expenditure by the State through the end of fiscal year 2004.

(iv) Fiscal year 2001 allotment

Of the amounts allotted to a State pursuant to this section for fiscal year 2001 that were not expended by the State by the end of fiscal year 2003, 50 percent of that amount shall remain available for expenditure by the State through the end of fiscal year 2005.

(D) Amounts used in computing redistributions for fiscal year 2001

For purposes of subparagraph (A)(i)(IV)—

(i) the amount specified in this clause is the amount specified in subparagraph (2)(B)(i)(I) for fiscal year 2001, less the total amount remaining available pursuant to paragraph (2)(A)(iv); and

(ii) the amount specified in this clause for a State is the amount by which the State’s expenditures under this subchapter in fiscal years 2000, 2001, and 2002 exceed the State’s allotment for fiscal year 2000 under subsection (b); and

(iii) the amount specified in this clause is the sum, for all States entitled to a re-distribution under subparagraph (A) from the allotments for fiscal year 2000, of the amounts specified in clause (ii).
(B) Amount remaining available for expenditure

The amount specified in this subparagraph for a State for a fiscal year is equal to—

(i) the amount by which (I) the total amount available for redistribution under subsection (f) from the allotments for that fiscal year, exceeds (II) the total amounts redistributed under paragraph (1) for that fiscal year; multiplied by

(ii) the ratio of the amount of such State’s unexpended allotment for that fiscal year to the total amount described in clause (i)(I) for that fiscal year.

(C) Use of up to 10 percent of retained 1998 allotments for outreach activities

Notwithstanding section 1397ee(c)(2)(A) of this title, with respect to any State described in subparagraph (A)(i), the State may use up to 10 percent of the amount specified in subparagraph (B) for fiscal year 1998 for expenditures for outreach activities approved by the Secretary.

(3) Determination of amounts

For purposes of calculating the amounts described in paragraphs (1) and (2) relating to the allotment for fiscal year 1999, fiscal year 2000, or fiscal year 2001, the Secretary shall use the amounts reported by the States not later than December 15, 2000, November 30, 2001, November 30, 2002, or November 30, 2003, respectively, on HCFA Form 64 or HCFA Form 21 or CMS Form 64 or CMS Form 21, as the case may be, as approved by the Secretary.

(b) Special rules to address fiscal year 2007 shortfalls

(1) Redistribution of unused fiscal year 2004 allotments

(A) In general

Notwithstanding subsection (f) and subject to subparagraphs (C) and (D), with respect to months beginning during fiscal year 2007, the Secretary shall provide for a redistribution under such subsection from the allotments for fiscal year 2004 under subsection (b) that are not expended by the end of fiscal year 2006, to a shortfall State described in subparagraph (B), such amount as the Secretary determines will eliminate the estimated shortfall described in such subparagraph for such State for the month.

(B) Shortfall State described

For purposes of this paragraph, a shortfall State described in this subparagraph is a State with a State child health plan approved under this subchapter for which the Secretary estimates, on a monthly basis using the most recent data available to the Secretary as of such month, that the projected expenditures under such plan for such State for fiscal year 2007 will exceed the sum of—

(i) the amount of the State’s allotments for each of fiscal years 2005 and 2006 that was not expended by the end of fiscal year 2006; and

(ii) the amount of the State’s allotment for fiscal year 2007.

(C) Funds redistributed in the order in which States realize funding shortfalls

The Secretary shall redistribute the amounts available for redistribution under subparagraph (A) to shortfall States described in subparagraph (B) in the order in which such States realize monthly funding shortfalls under this subchapter for fiscal year 2007. The Secretary shall only make redistributions under this paragraph to the extent that there are unexpended fiscal year 2004 allotments under subsection (b) available for such redistributions.

(D) Proration rule

If the amounts available for redistribution under subparagraph (A) for a month are less than the total amounts of the estimated shortfalls determined for the month under that subparagraph, the amount computed under such subparagraph for each shortfall State shall be reduced proportionally.

(2) Funding part of shortfall for fiscal year 2007 through redistribution of certain unused fiscal year 2005 allotments

(A) In general

Subject to subparagraphs (C) and (D) and paragraph (5)(B), with respect to months beginning during fiscal year 2007 after March 31, 2007, the Secretary shall provide for a redistribution under subsection (f) from amounts made available for redistribution under paragraph (3) to each shortfall State described in subparagraph (B), such amount as the Secretary determines will eliminate the estimated shortfall described in such subparagraph for such State for the month.

(B) Shortfall State described

For purposes of this paragraph, a shortfall State described in this subparagraph is a State with a State child health plan approved under this subchapter for which the Secretary estimates, on a monthly basis using the most recent data available to the Secretary as of March 31, 2007, that the projected expenditures under such plan for such State for fiscal year 2007 will exceed the sum of—

(i) the amount of the State’s allotments for each of fiscal years 2005 and 2006 that was not expended by the end of fiscal year 2006;

(ii) the amount, if any, that is to be redistributed to the State in accordance with paragraph (1); and

(iii) the amount of the State’s allotment for fiscal year 2007.

(C) Funds redistributed in the order in which States realize funding shortfalls

The Secretary shall redistribute the amounts available for redistribution under subparagraph (A) to shortfall States described in subparagraph (B) in the order in which such States realize monthly funding
shortfalls under this subchapter for fiscal year 2007. The Secretary shall only make redistribution under this paragraph to the extent that such amounts are available for such redistributions.

(D) Proration rule

If the amounts available for redistribution under paragraph (3) for a month are less than the total amounts of the estimated shortfalls determined for the month under subparagraph (A), the amount computed under such subparagraph for each shortfall State shall be reduced proportionally.

(3) Treatment of certain States with fiscal year 2005 allotments unexpended at the end of the first half of fiscal year 2007

(A) Identification of States

The Secretary, on the basis of the most recent data available to the Secretary as of March 31, 2007—

(i) shall identify those States that received an allotment for fiscal year 2005 under subsection (b) which have not expended all of such allotment by March 31, 2007; and

(ii) for each such State shall estimate—

(I) the portion of such allotment that was not so expended by such date; and

(II) whether the State is described in subparagraph (B).

(B) States with funds in excess of 200 percent of need

A State described in this subparagraph is a State for which the Secretary determines, on the basis of the most recent data available to the Secretary as of March 31, 2007, that the total of all available allotments under this subchapter to the State as of such date, is at least equal to 200 percent of the total projected expenditures under this subchapter for the State for fiscal year 2007.

(C) Redistribution and limitation on availability of portion of unused allotments for certain States

(i) In general

In the case of a State identified under subparagraph (A)(i) that is also described in subparagraph (B), notwithstanding subsection (e), the applicable amount described in clause (ii) shall not be available for expenditure by the State on or after April 1, 2007, and shall be redistributed in accordance with paragraph (2).

(ii) Applicable amount

For purposes of clause (i), the applicable amount described in this clause is the lesser of—

(I) 50 percent of the amount described in subparagraph (A)(ii)(I); or

(II) $20,000,000.

(4) Additional amounts to eliminate remainder of fiscal year 2007 funding shortfalls

(A) In general

From the amounts provided in advance in appropriations Acts, the Secretary shall allot to each remaining shortfall State described in subparagraph (B) such amount as the Secretary determines will eliminate the estimated shortfall described in such subparagraph for the State for fiscal year 2007.

(B) Remaining shortfall State described

For purposes of subparagraph (A), a remaining shortfall State is a State with a State child health plan approved under this subchapter for which the Secretary estimates, on the basis of the most recent data available to the Secretary as of May 25, 2007, that the projected Federal expenditures under such plan for the State for fiscal year 2007 will exceed the sum of—

(i) the amount of the State’s allotments for each of fiscal years 2005 and 2006 that will not be expended by the end of fiscal year 2006;

(ii) the amount of the State’s allotment for fiscal year 2007; and

(iii) the amounts, if any, that are to be redistributed to the State during fiscal year 2007 in accordance with paragraphs (1) and (2).

(5) Retrospective adjustment

(A) In general

The Secretary may adjust the estimates and determinations made under paragraphs (1), (2), (3), and (4) as necessary on the basis of the amounts reported by States not later than November 30, 2007, on CMS Form 64 or CMS Form 21, as the case may be and as approved by the Secretary, but in no case may the applicable amount described in paragraph (3)(C)(ii) exceed the amount determined by the Secretary on the basis of the most recent data available to the Secretary as of March 31, 2007.

(B) Funding of any retrospective adjustments only from unexpended 2005 allotments

Notwithstanding subsections (e) and (f), to the extent the Secretary determines it necessary to adjust the estimates and determinations made for purposes of paragraphs (1), (2), and (3), the Secretary may use only the allotments for fiscal year 2005 under subsection (b) that remain unexpended through the end of fiscal year 2007 for providing any additional amounts to States described in paragraph (2)(B) (without regard to whether such unexpended allotments are from States described in paragraph (3)(B)).

(C) Rules of construction

Nothing in this subsection shall be construed as—

(i) authorizing the Secretary to use the allotments for fiscal year 2006 or 2007 under subsection (b) of States described in paragraph (3)(B) to provide additional amounts to States described in paragraph (2)(B) for purposes of eliminating the funding shortfall for such States for fiscal year 2007; or

(ii) limiting the authority of the Secretary to redistribute the allotments for fiscal year 2005 under subsection (b) that remain unexpended through the end of fis-
(6) 1-year availability; no further redistribution
Notwithstanding subsections (e) and (f), amounts redistributed or allotted to a State pursuant to this subsection for fiscal year 2007 shall only remain available for expenditure by the State through September 30, 2007, and any amounts of such redistributions or allotments that remain unexpended as of such date, shall not be subject to redistribution under section (f). Nothing in the preceding sentence shall be construed as limiting the ability of the Secretary to adjust the determinations made under paragraphs (1), (2), (3), and (4) in accordance with paragraph (5).

(7) Definition of State
For purposes of this subsection, the term “State” means a State that receives an allotment for fiscal year 2007 under subsection (b).

(i) Redistribution of unused fiscal year 2005 allotments to States with estimated funding shortfalls for fiscal year 2008

(1) In general
Notwithstanding subsection (f) and subject to paragraphs (3) and (4), with respect to months beginning during fiscal year 2008, the Secretary shall provide for a redistribution under such subsection from the allotments for fiscal year 2005 under subsection (b) that are not expended by the end of fiscal year 2007, to a fiscal year 2008 shortfall State described in paragraph (2), such amount as the Secretary determines will eliminate the estimated shortfall described in such paragraph for such State for the month.

(2) Fiscal year 2008 shortfall State described
A fiscal year 2008 shortfall State described in this paragraph is a State with a State child health plan approved under this subchapter for which the Secretary estimates, on a monthly basis using the most recent data available to the Secretary as of such month, that the projected expenditures under such plan for such State for fiscal year 2008 will exceed the sum of—

(A) the amount of the State’s allotments for each of fiscal years 2006 and 2007 that was not expended by the end of fiscal year 2007; and

(B) the amount of the State’s allotment for fiscal year 2008.

(3) Funds redistributed in the order in which States realize funding shortfalls
The Secretary shall redistribute the amounts available for redistribution under paragraph (1) to fiscal year 2008 shortfall States described in paragraph (2) in the order in which such States realize monthly funding shortfalls under this subchapter for fiscal year 2008. The Secretary shall only make redistributions under this subsection to the extent that there are unexpended fiscal year 2005 allotments under subsection (b) available for such redistributions.

(4) Proration rule
If the amounts available for redistribution under paragraph (1) are less than the total amounts of the estimated shortfalls determined for the month under that paragraph, the amount computed under such paragraph for each fiscal year 2008 shortfall State for the month shall be reduced proportionally.

(5) Retrospective adjustment
The Secretary may adjust the estimates and determinations made to carry out this subsection as necessary on the basis of the amounts reported by States not later than November 30, 2007, on CMS Form 64 or CMS Form 21, as the case may be, and as approved by the Secretary.

(6) 1-year availability; no further redistribution
Notwithstanding subsections (e) and (f), amounts redistributed to a State pursuant to this subsection for fiscal year 2007 shall only remain available for expenditure by the State through September 30, 2007, and any amounts of such redistributions or allotments that remain unexpended as of such date, shall not be subject to redistribution under subsection (f).

(j) Additional allotments to eliminate funding shortfalls for fiscal year 2008

(1) Appropriation; allotment authority
For the purpose of providing additional allotments described in subparagraphs (A) and (B) of paragraph (3), there is appropriated, out of any money in the Treasury not otherwise appropriated, such sums as may be necessary, not to exceed $1,600,000,000 for fiscal year 2008.

(2) Shortfall States described
For purposes of paragraph (3), a shortfall State described in this paragraph is a State with a State child health plan approved under this subchapter for which the Secretary estimates, on a monthly basis using the most recent data available to the Secretary as of such month, that the Federal share amount of the projected expenditures under such plan for such State for fiscal year 2008 will exceed the sum of—

(A) the amount of the State’s allotments for each of fiscal years 2006 and 2007 that will not be expended by the end of fiscal year 2007;

(B) the amount, if any, that is to be redistributed to the State during fiscal year 2008 in accordance with subsection (i); and

(C) the amount of the State’s allotment for fiscal year 2008.

(3) Allotments
In addition to the allotments provided under subsections (b) and (c), subject to paragraph (4), of the amount available for the additional allotments under paragraph (1) for fiscal year 2008, the Secretary shall allot—

(A) to each shortfall State described in paragraph (2) not described in subparagraph (B), such amount as the Secretary determines will eliminate the estimated shortfall described in such paragraph for the State; and
§ 1397dd  TITLE 42—THE PUBLIC HEALTH AND WELFARE  Page 4062

(B) to each commonwealth or territory described in subsection (c)(3), an amount equal to the percentage specified in subsection (c)(2) for the commonwealth or territory multiplied by 1.05 percent of the sum of the amounts determined for each shortfall State under subparagraph (A).

(4) Proration rule

If the amounts available for additional allotments under paragraph (1) are less than the total of the amounts determined under subparagraphs (A) and (B) of paragraph (3), the amounts computed under such subparagraphs shall be reduced proportionally.

(5) Retrospective adjustment

The Secretary may adjust the estimates and determinations made to carry out this subsection as necessary on the basis of the amounts reported by States not later than November 30, 2008, on CMS Form 64 or CMS Form 21, as the case may be, and as approved by the Secretary.

(6) One-year availability; no redistribution of unexpended additional allotments

Notwithstanding subsections (e) and (f), amounts allotted to a State pursuant to this subsection for fiscal year 2008, subject to paragraph (5), shall only remain available for expenditure by the State through September 30, 2008. Any amounts of such allotments that remain unexpended as of such date shall not be subject to redistribution under subsection (f).

(k) Redistribution of unused fiscal year 2006 allotments to States with estimated funding shortfalls during fiscal year 2009

(1) In general

Notwithstanding subsection (f) and subject to paragraphs (3) and (4), with respect to months beginning during fiscal year 2009, the Secretary shall provide for a redistribution under such subsection from the allotments for fiscal year 2006 under subsection (b) that are not expended by the end of fiscal year 2008, to a fiscal year 2009 shortfall State described in paragraph (2), such amount as the Secretary determines will eliminate the estimated shortfall described in such paragraph for such State for the month.

(2) Fiscal year 2009 shortfall State described

A fiscal year 2009 shortfall State described in this paragraph is a State with a State child health plan approved under this subchapter for which the Secretary estimates, on a monthly basis using the most recent data available to the Secretary as of such month, that the Federal share amount of the projected expenditures under such plan for such State for the first 2 quarters of fiscal year 2009 will exceed the sum of—

(A) the amount of the State’s allotments for each of fiscal years 2007 and 2008 that was not expended by the end of fiscal year 2008; and

(B) the amount of the State’s allotment for fiscal year 2009.

(3) Funds redistributed in the order in which States realize funding shortfalls

The Secretary shall redistribute the amounts available for redistribution under paragraph (1) to fiscal year 2009 shortfall States described in paragraph (2) in the order in which such States realize monthly funding shortfalls under this subchapter for fiscal year 2009. The Secretary shall only make redistributions under this subsection to the extent that there are unexpended fiscal year 2006 allotments under subsection (b) available for such redistributions.

(4) Proration rule

If the amounts available for redistribution under paragraph (1) are less than the total amounts of the estimated shortfalls determined for the month under that paragraph, the amount computed under such paragraph for each fiscal year 2009 shortfall State for the month shall be reduced proportionally.

(5) Retrospective adjustment

The Secretary may adjust the estimates and determinations made to carry out this subsection as necessary on the basis of the amounts reported by States not later than May 31, 2009, on CMS Form 64 or CMS Form 21, as the case may be, and as approved by the Secretary.

(6) Availability; no further redistribution

Notwithstanding subsections (e) and (f), amounts redistributed to a State pursuant to this subsection for fiscal year 2009 shall only remain available for expenditure by the State through September 30, 2009, and any amounts of such redistributions that remain unexpended as of such date, shall not be subject to redistribution under subsection (f).

(l) Additional allotments to eliminate funding shortfalls for the first 2 quarters of fiscal year 2009

(1) Appropriation; allotment authority

For the purpose of providing additional allotments described in subparagraphs (A) and (B) of paragraph (3), there is appropriated, out of any money in the Treasury not otherwise appropriated, such sums as may be necessary, not to exceed $275,000,000 for the first 2 quarters of fiscal year 2009.

(2) Shortfall States described

For purposes of paragraphs (3), a shortfall State described in this paragraph is a State with a State child health plan approved under this subchapter for which the Secretary estimates, on the basis of the most recent data available to the Secretary, that the Federal share amount of the projected expenditures under such plan for such State for the first 2 quarters of fiscal year 2009 will exceed the sum of—

(A) the amount of the State’s allotments for each of fiscal years 2007 and 2008 that will not be expended by the end of fiscal year 2008;

(B) the amount, if any, that is to be redistributed to the State during fiscal year 2009 in accordance with subsection (k); and

(C) the amount of the State’s allotment for fiscal year 2009.

(3) Allotments

In addition to the allotments provided under subsections (b) and (c), subject to paragraph
(4), of the amount available for the additional allotments under paragraph (1) for the first 2 quarters of fiscal year 2009, the Secretary shall allot—

(A) to each shortfall State described in paragraph (2) not described in subparagraph (B) such amount as the Secretary determines will eliminate the estimated shortfall described in such paragraph for the State; and

(B) to each commonwealth or territory described in subsection (c)(3), an amount equal to the percentage specified in subsection (c)(2) for the commonwealth or territory multiplied by 1.05 percent of the sum of the amounts determined for each shortfall State under subparagraph (A).

(4) Proration rule

If the amounts available for additional allotments under paragraph (1) are less than the total of the amounts determined under subparagraphs (A) and (B) of paragraph (3), the amounts computed under such subparagraphs shall be reduced proportionally.

(5) Retrospective adjustment

The Secretary may adjust the estimates and determinations made to carry out this subsection as necessary on the basis of the amounts reported by States not later than May 31, 2009, on CMS Form 64 or CMS Form 21, as the case may be, and as approved by the Secretary.

(6) Availability; no redistribution of unexpended additional allotments

Notwithstanding subsections (e) and (f), amounts allotted to a State pursuant to this subsection for fiscal year 2009, subject to paragraph (5), shall only remain available for expenditure by the State through March 31, 2009. Any amounts of such allotments that remain unexpended as of such date shall not be subject to redistribution under subsection (f).

(m) Allotments for fiscal years 2009 and thereafter

(1) For fiscal year 2009

(A) For the 50 States and the District of Columbia

Subject to the succeeding provisions of this paragraph and paragraph (5), the Secretary shall allot for fiscal year 2009 from the amount made available under subsection (a)(12) to each of the 50 States and the District of Columbia 110 percent of the highest of the following amounts for such State or District:

(i) The total Federal payments to the State under this subchapter for fiscal year 2008, multiplied by the allotment increase factor determined under paragraph (6) for fiscal year 2009.

(ii) The amount allotted to the State for fiscal year 2008 under subsection (b), multiplied by the allotment increase factor determined under paragraph (6) for fiscal year 2009.

(iii) The projected total Federal payments to the State under this subchapter for fiscal year 2009, as determined on the basis of the February 2009 projections certified by the State to the Secretary by not later than March 31, 2009.

(B) For the commonwealths and territories

Subject to the succeeding provisions of this paragraph and paragraph (5), the Secretary shall allot for fiscal year 2009 from the amount made available under subsection (a)(12) to each of the commonwealths and territories described in subsection (c)(3) an amount equal to the highest amount of Federal payments to the commonwealth or territory under this subchapter for any fiscal year occurring during the period of fiscal years 1999 through 2008, multiplied by the allotment increase factor determined under paragraph (6) for fiscal year 2009, except that subparagraph (B) thereof shall be applied by substituting “the United States” for “the State”.

(C) Adjustment for qualifying States

In the case of a qualifying State described in paragraph (2) of section 1397ee(g) of this title, the Secretary shall permit the State to submit a revised projection described in subparagraph (A)(iii) in order to take into account changes in such projections attributable to the application of paragraph (4) of such section.

(2) For fiscal years beginning with fiscal year 2010

(A) In general

Subject to paragraphs (4) and (6), from the amount made available under paragraphs (13) through (15) of subsection (a) for each of fiscal years 2010 through 2012, respectively, the Secretary shall compute a State allotment for each State (including the District of Columbia and each commonwealth and territory) for each such fiscal year as follows:

(i) Growth factor update for fiscal year 2010

For fiscal year 2010, the allotment of the State is equal to the sum of—

(I) the amount of the State allotment under paragraph (1) for fiscal year 2009; and

(II) the amount of any payments made to the State under subsection (k), (l), or (n) for fiscal year 2009, multiplied by the allotment increase factor under paragraph (6) for fiscal year 2010.

(ii) Rebasining in fiscal year 2011

For fiscal year 2011, the allotment of the State is equal to the Federal payments to the State that are attributable to (and countable towards) the total amount of allotments available under this section to the State in fiscal year 2010 (including payments made to the State under subsection (n) for fiscal year 2010 as well as amounts redistributed to the State in fiscal year 2010), multiplied by the allotment increase factor under paragraph (6) for fiscal year 2011.

See References in Text note below.
§ 1397dd

(B) Fiscal year 2013 and each succeeding fiscal year

Subject to paragraphs (5) and (7), from the amount made available under paragraphs (16) through (27) of subsection (a) for fiscal year 2013 and each succeeding fiscal year, respectively, the Secretary shall compute a State allotment for each State (including the District of Columbia and each commonwealth and territory) for each such fiscal year as follows:

(i) Rebasining in fiscal year 2013 and each succeeding odd-numbered fiscal year

For fiscal year 2013 and each succeeding odd-numbered fiscal year (other than fiscal years 2015, 2017, 2023, and 2027), the allotment of the State is equal to the Federal payments to the State that are attributable to (and countable toward) the total amount of allotments available under this section to the State in the preceding fiscal year (including payments made to the State under subsection (n) for such preceding fiscal year, as well as amounts redistributed to the State in such preceding fiscal year), but determined as if the last two sentences of section 1397ee(b) of this title were in effect in such preceding fiscal year and then multiplying the result by the allotment increase factor under paragraph (6) for fiscal year 2012.

(ii) Growth factor update for fiscal year 2012

For fiscal year 2012, the allotment of the State is equal to the sum of—

(I) the amount of the State allotment under clause (ii) for fiscal year 2011; and

(II) the amount of any payments made to the State under subsection (n) for fiscal year 2011,

multiplied by the allotment increase factor under paragraph (6) for fiscal year 2012.

(B) Fiscal year 2013 and each succeeding fiscal year

Subject to paragraphs (5) and (7), from the amount made available under paragraphs (16) through (27) of subsection (a) for fiscal year 2013 and each succeeding fiscal year, respectively, the Secretary shall compute a State allotment for each State (including the District of Columbia and each commonwealth and territory) for each such fiscal year as follows:

(iii) Growth factor update for fiscal year 2012

For fiscal year 2012, the allotment of the State is equal to the sum of—

(I) the amount of the State allotment under clause (ii) for fiscal year 2011; and

(II) the amount of any payments made to the State under subsection (n) for fiscal year 2011,

multiplied by the allotment increase factor under paragraph (6) for fiscal year 2012.

(iv) Reduction in 2018

For fiscal year 2018, with respect to the allotment of the State for fiscal year 2017, any amounts of such allotment that remain available for expenditure by the State in fiscal year 2018 shall be reduced by one-third.

(3) For fiscal year 2015

(A) First half

Subject to paragraphs (5) and (7), from the amount made available under subparagraph (A) of paragraph (18) of subsection (a) for the semi-annual period described in such paragraph, increased by the amount of the appropriation for such period under section 108 of the Children’s Health Insurance Program Reauthorization Act of 2009, the Secretary shall compute a State allotment for each State (including the District of Columbia and each commonwealth and territory) for such semi-annual period in an amount equal to the first half ratio (described in subparagraph (D)) of the amount described in subparagraph (C).

(B) Second half

Subject to paragraphs (5) and (7), from the amount made available under subparagraph (B) of paragraph (18) of subsection (a) for the semi-annual period described in such paragraph, the Secretary shall compute a State allotment for each State (including the District of Columbia and each commonwealth and territory) for such semi-annual period in an amount equal to the amount made available under such subparagraph, multiplied by the ratio of—

(i) the amount of the allotment to such State under subparagraph (A); to

(ii) the total of the amount of all of the allotments made available under such subparagraph.

(C) Full year amount based on rebased amount

The amount described in this subparagraph for a State is equal to the Federal payments to the State that are attributable to (and countable towards) the total amount of allotments available under this section to the State in fiscal year 2014 (including payments made to the State under subsection (n) for fiscal year 2014 as well as amounts redistributed to the State in fiscal year 2014), multiplied by the allotment increase factor under paragraph (6) for fiscal year 2015.

(D) First half ratio

The first half ratio described in this subparagraph is the ratio of—

(i) the sum of—

(I) the amount made available under subsection (a)(18)(A); and
(II) the amount of the appropriation for such period under section 108 of the Children’s Health Insurance Program Reauthorization Act of 2009; to

(ii) the sum of the—
(I) amount described in clause (i); and
(II) the amount described in clause (i).

(4) For fiscal year 2017

(A) First half

Subject to paragraphs (5) and (7), from the amount made available under subparagraph (A) of paragraph (20) of subsection (a) for the semi-annual period described in such paragraph, increased by the amount of the appropriation for such period under section 301(b)(3) of the Medicare Access and CHIP Reauthorization Act of 2015, the Secretary shall compute a State allotment for each State (including the District of Columbia and each commonwealth and territory) for such semi-annual period in an amount equal to the first half ratio (described in subparagraph (D)) of the amount described in subparagraph (C).

(B) Second half

Subject to paragraphs (5) and (7), from the amount made available under subparagraph (B) of paragraph (20) of subsection (a) for the semi-annual period described in such paragraph, the Secretary shall compute a State allotment for each State (including the District of Columbia and each commonwealth and territory) for such semi-annual period in an amount equal to the amount made available under such subparagraph, multiplied by the ratio of—

(i) the amount of the allotment to such State under paragraph (A); to

(ii) the total of the amount of all of the allotments made available under such subparagraph.

(C) Full year amount based on rebased amount

The amount described in this subparagraph for a State is equal to the Federal payments to the State that are attributable to (and countable towards) the total amount of allotments available under this section to the State in fiscal year 2016 (including payments made to the State under subsection (n) for fiscal year 2016 as well as amounts redistributed to the State in fiscal year 2016), multiplied by the allotment increase factor under paragraph (6) for fiscal year 2017.

(D) First half ratio

The first half ratio described in this subparagraph is the ratio of—

(i) the sum of—
(I) the amount made available under subparagraph (a)(20)(A); and
(II) the amount of the appropriation for such period under section 301(b)(3) of the Medicare Access and CHIP Reauthorization Act of 2015; to

(ii) the amount of the—
(I) amount described in clause (i); and
(II) the amount described in clause (i).

(5) Proration rule

If, after the application of this subsection without regard to this paragraph, the sum of the allotments determined under paragraph (1), (2), (3), (4), (10), or (11) for a fiscal year (or, in the case of fiscal year 2015, 2017, 2023, or 2027, for a semi-annual period in such fiscal year) exceeds the amount available under subsection (a) for such fiscal year or period, the Secretary shall reduce each allotment for any State under such paragraph for such fiscal year or period on a proportional basis.

(6) Allotment increase factor

The allotment increase factor under this paragraph for a fiscal year is equal to the product of the following:

(A) Per capita health care growth factor

1 plus the percentage increase in the projected per capita amount of National Health Expenditures from the calendar year in which the previous fiscal year ends to the calendar year in which the fiscal year involved ends, as most recently published by the Secretary before the beginning of the fiscal year.

(B) Child population growth factor

1 plus the percentage increase (if any) in the population of children in the State from July 1 in the previous fiscal year to July 1 in the fiscal year involved, as determined by the Secretary based on the most recent published estimates of the Bureau of the Census before the beginning of the fiscal year involved, plus 1 percentage point.

(7) Increase in allotment to account for approved program expansions

In the case of one of the 50 States or the District of Columbia that—

(A) has submitted to the Secretary, and has approved by the Secretary, a State plan amendment or waiver request relating to an expansion of eligibility for children or benefits under this subchapter that becomes effective for a fiscal year (beginning with fiscal year 2010 and ending with fiscal year 2027); and

(B) has submitted to the Secretary, before the August 31 preceding the beginning of the fiscal year (or, in the case of fiscal year 2018, by not later than the date that is 60 days after January 22, 2018), a request for an expansion allotment adjustment under this paragraph for such fiscal year that specifies—

(i) the additional expenditures that are attributable to the eligibility or benefit expansion provided under the amendment or waiver described in subparagraph (A), as certified by the State and submitted to the Secretary by not later than August 31 preceding the beginning of the fiscal year; and

(ii) the extent to which such additional expenditures are projected to exceed the allotment of the State or District for the year,

So in original. Probably should be “2027”.

§1397dd
subject to paragraph (5), the amount of the allotment of the State or District under this subsection for such fiscal year shall be increased by the excess amount described in subparagraph (B)(i). A State or District may only obtain an increase under this paragraph for an allotment for fiscal year 2010, fiscal year 2012, fiscal year 2014, fiscal year 2016, fiscal year 2018, fiscal year 2020, fiscal year 2022, fiscal year 2024, or fiscal year 2026.

(8) Adjustment of fiscal year 2010 allotments to account for changes in projected spending for certain previously approved expansion programs

For purposes of recalculating the fiscal year 2010 allotment, in the case of one of the 50 States or the District of Columbia that has an approved State plan amendment effective January 1, 2006, to provide child health assistance through the provision of benefits under the State plan under subchapter XIX for children from birth through age 5 whose family income does not exceed 200 percent of the poverty line, the Secretary shall increase the allotment by an amount that would be equal to the Federal share of expenditures that would have been claimed at the enhanced FMAP rate rather than the Federal medical assistance percentage matching rate for such population.

(9) Availability of amounts for semi-annual periods in certain fiscal years

Each semi-annual allotment made under paragraph (3), (4), (10), or (11) for a period in fiscal year 2015, 2017, 2023, or 2027, shall remain available for expenditure under this subchapter for periods after the end of such fiscal year in the same manner as if the allotment had been made available for the entire fiscal year.

(10) For fiscal year 2023

(A) First half

Subject to paragraphs (5) and (7), from the amount made available under subparagraph (A) of paragraph (26) of subsection (a) for the semi-annual period described in such subparagraph, increased by the amount of the appropriation for such period under section 3002(b)(2) of the HEALTHY KIDS Act, the Secretary shall compute a State allotment for each State (including the District of Columbia and each commonwealth and territory) for such semi-annual period in an amount equal to the first half ratio (described in subparagraph (D)) of the amount described in subparagraph (C).

(B) Second half—

Subject to paragraphs (5) and (7), from the amount made available under subparagraph (B) of paragraph (26) of subsection (a) for the semi-annual period described in such subparagraph, the Secretary shall compute a State allotment for each State (including the District of Columbia and each commonwealth and territory) for such semi-annual period in an amount equal to the amount made available under such subparagraph, multiplied by the ratio of—

(i) the amount of the allotment to such State under subparagraph (A); to

(ii) the total of the amount of all of the allotments made available under such subparagraph.

(C) Full year amount based on rebased amount—

The amount described in this subparagraph for a State is equal to the Federal payments to the State that are attributable to (and countable towards) the total amount of allotments available under this section to the State in fiscal year 2022 (including payments made to the State under subsection (n) for fiscal year 2022 as well as amounts redistributed to the State in fiscal year 2022), multiplied by the allotment increase factor under paragraph (6) for fiscal year 2023.

(D) First half ratio.—

The first half ratio described in this subparagraph is the ratio of—

(i) the sum of—

(I) the amount made available under subsection (a)(26)(A); and

(II) the amount of the appropriation for such period under section 3002(b)(2) of the HEALTHY KIDS Act; to

(ii) the sum of—

(I) the amount described in clause (i); and

(II) the amount made available under subsection (a)(26)(B).

(11) For fiscal year 2027

(A) First half

Subject to paragraphs (5) and (7), from the amount made available under subparagraph (A) of paragraph (26) of section 50101(b)(2) of the Advancing Chronic Care, Extenders, and Social Services Act, the Secretary shall compute a State allotment for each State (including the District of Columbia and each commonwealth and territory) for such semi-annual period in an amount equal to the first half ratio (described in subparagraph (D)) of the amount described in subparagraph (C).

(B) Second half—

Subject to paragraphs (5) and (7), from the amount made available under subparagraph (B) of paragraph (26) of subsection (a) for the semi-annual period described in such subparagraph, the Secretary shall compute a State allotment for each State (including the District of Columbia and each commonwealth and territory) for such semi-annual period in an amount equal to the amount made available under such subparagraph, multiplied by the ratio of—

(i) the amount of the allotment to such State under subparagraph (A); to

(ii) the total of the amount of all of the allotments made available under such subparagraph.

(C) Full year amount based on rebased amount—

The amount described in this subparagraph for a State is equal to the Federal
payments to the State that are attributable to (and countable towards) the total amount of allotments available under this section to the State in fiscal year 2026 (including payments made to the State under subsection (n) for fiscal year 2025 as well as amounts redistributed to the State in fiscal year 2026), multiplied by the allotment increase factor under paragraph (6) for fiscal year 2027.

(D) First half ratio
The first half ratio described in this subparagraph is the ratio of—

(i) the sum of—
   (I) the amount made available under subsection (a)(28)(A); and
   (II) the amount of the appropriation for such period under section 50101(b)(2) of the Advancing Chronic Care, Extenders, and Social Services Act; to

(ii) the sum of—
   (I) the amount described in clause (i); and
   (II) the amount made available under subsection (a)(28)(B).

(n) Child Enrollment Contingency Fund

(1) Establishment
There is hereby established in the Treasury of the United States a fund which shall be known as the “Child Enrollment Contingency Fund” (in this subsection referred to as the “Fund”). Amounts in the Fund shall be available without further appropriations for payments under this subsection.

(2) Deposits into Fund

(A) Initial and subsequent appropriations
Subject to subparagraphs (B) and (D), out of any money in the Treasury of the United States not otherwise appropriated, there are appropriated to the Fund—

(i) for fiscal year 2009, an amount equal to 20 percent of the amount made available under paragraph (12) of subsection (a) for the fiscal year; and

(ii) for each of fiscal years 2010 through 2014, 2016, 2018 through 2022, and 2024 through 2026 (and for each of the semi-annual allotment periods for fiscal years 2015, 2017, 2023, and 2027), such sums as are necessary for making payments to eligible States for such fiscal year or period, but not in excess of the aggregate cap described in subparagraph (B).

(B) Aggregate cap
The total amount available for payment from the Fund for each of fiscal years 2010 through 2014, 2016, 2018 through 2022, and 2024 through 2026 (and for each of the semi-annual allotment periods for fiscal years 2015, 2017, 2023, and 2027), taking into account deposits made under subparagraph (C), shall not exceed 20 percent of the amount made available under subsection (a) for the fiscal year or period.

(C) Investment of Fund

The Secretary of the Treasury shall invest, in interest bearing securities of the United States, such currently available portions of

the Fund as are not immediately required for payments from the Fund. The income derived from these investments constitutes a part of the Fund.

(D) Availability of excess funds for performance bonuses
Any amounts in excess of the aggregate cap described in subparagraph (B) for a fiscal year or period shall be made available for purposes of carrying out section 1397ee(a)(3) of this title for any succeeding fiscal year and the Secretary of the Treasury shall reduce the amount in the Fund by the amount so made available.

(3) Child Enrollment Contingency Fund payments

(A) In general
If a State’s expenditures under this subchapter in any of fiscal years 2009 through 2014, fiscal year 2016, fiscal years 2018 through 2022, or fiscal years 2024 through 2026 (or a semi-annual allotment period for fiscal year 2015, 2017, 2023, or 2027), exceed the total amount of allotments available under this section to the State in the fiscal year or period (determined without regard to any redistribution it receives under paragraph (f) that is available for expenditure during such fiscal year or period, but including any carryover from a previous fiscal year) and if the average monthly unduplicated number of children enrolled under the State plan under this subchapter (including children receiving health care coverage through funds under this subchapter pursuant to a waiver under section 1315 of this title) during such fiscal year or period exceeds its target average number of such enrollees (as determined under subparagraph (B) for that fiscal year or period, subject to subparagraph (D), the Secretary shall pay to the State from the Fund an amount equal to the product of—

(i) the amount by which such average monthly caseload exceeds such target number of enrollees; and

(ii) the projected per capita expenditures under the State child health plan (as determined under subparagraph (C) for the fiscal year), multiplied by the enhanced FMAP (as defined in section 1397dd of this title) during fiscal year 2008 increased by the population growth for children in that State for the year ending on June 30, 2007 (as estimated by the Bureau of the Census) plus 1 percentage point; or

(ii) for a subsequent fiscal year (or semi-annual period occurring in a fiscal year) is
equal to the target average number of child enrollees for the State for the previous fiscal year increased by the child population growth factor described in subsection (m)(6)(B) for the State for the prior fiscal year.

(C) Projected per capita expenditures

For purposes of subparagraph (A)(ii), the projected per capita expenditures under a State child health plan—

(i) for fiscal year 2009 is equal to the average per capita expenditures (including both State and Federal financial participation) under such plan for the targeted low-income children, divided by the average per capita expenditures (including estimated Federal financial participation) for the year in which such subsequent fiscal year ends.

(D) Proration rule

If the amounts available for payment from the Fund for a fiscal year or period are less than the total amount of payments determined under subparagraph (A) for the fiscal year or period, the amount to be paid under such subparagraph to each eligible State shall be reduced proportionally.

(E) Timely payment; reconciliation

Payment under this paragraph for a fiscal year or period shall be made before the end of the fiscal year or period based upon the most recent data for expenditures and enrollment and the provisions of subsection (e) of section 1397ee of this title shall apply to the Secretary the State’s projected Federal expenditures for the previous fiscal year.

(F) Continued reporting

For purposes of this paragraph and subsection (f), the State shall submit to the Secretary the State’s projected Federal expenditures, even if the amount of such expenditures exceeds the total amount of allotments available to the State in such fiscal year or period.

(G) Application to commonwealths and territories

No payment shall be made under this paragraph to a commonwealth or territory described in subsection (c)(3) until such time as the Secretary determines that there are in effect methods, satisfactory to the Secretary, for the collection and reporting of reliable data regarding the enrollment of children described in subparagraphs (A) and (B) in order to accurately determine the commonwealth’s or territory’s eligibility for, and amount of payment, under this paragraph.


REFERENCES IN TEXT

Paragraphs (4) and (6), referred to in introductory provisions of subsection (m)(2)(A), were redesignated (5) and (7), respectively, by Pub. L. 114–10, title III, §301(b)(1)(F), Apr. 16, 2015, 129 Stat. 156.


Section 301(b)(3) of the Medicare Access and CHIP Reauthorization Act of 2015, referred to in subsec. (m)(4)(A), (D)(i)(II), is section 301(b)(3) of Pub. L. 114–10, title III, Apr. 16, 2015, 129 Stat. 157, which relates to a one-time appropriation for fiscal year 2017 and is not classified to the Code.

Section 3002(b)(2) of the HEALTHY KIDS Act, referred to in subsec. (m)(10)(A), (D)(ii)(II), is section 3002(b)(2) of Pub. L. 115–120, div. C, Jan. 22, 2018, 132 Stat. 33, which relates to a one-time appropriation for fiscal year 2023 and is not classified to the Code.

Section 5010(b)(2) of the Advancing Chronic Care, Extend- ers, and Social Services Act, referred to in subsec. (m)(11)(A), (D)(ii)(II), probably means section 5010(b)(2) of the Advancing Chronic Care, Extenders, and Social Services (ACCESS) Act, Pub. L. 115–123, div. E, title I, §5, Feb. 9, 2018, 132 Stat. 173, which relates to a one-time appropriation for fiscal year 2027 and is not classified to the Code.

AMENDMENTS

2018—Subsec. (a)(21) to (26). Pub. L. 115–120, §3002(a)(1), added pars. (21) to (26) and struck out former par. (21) which related to semi-annual allotment for fiscal year 2016 ending on March 31, 2018.

Subsec. (a)(27), (28). Pub. L. 115–123, §5010(a), added pars. (27) and (28).

Subsec. (a)(19), (20). Pub. L. 114–10, § 301(a), added, added pars. (19) and (20).

Subsec. (c)(1). Pub. L. 114–10, § 301(b)(2)(A), substituted “(m)(5)” for “(m)(4)”.

Subsec. (m). Pub. L. 114–10, § 301(b)(1)(A), substituted “the allotment increase factor under paragraph (5)” for “the allotment increase factor under paragraph (5)” wherever appearing. Amendment by Pub. L. 114–10, § 301(b)(2)(B)(ii), which made identical substitution but did not specify where it should occur, had already been executed by making the substitution wherever appearing to reflect the probable intent of Congress. See 2015 Amendment note below.

Subsec. (a)(19), (20). Pub. L. 114–10, § 301(b)(1)(C), substituted “and paragraph (10)” after “clauses (iii) and (iv)” in introductory provisions.


Subsec. (m)(2). Pub. L. 115–96, § 3201(b)(2)(B), substituted “the allotment increase factor under paragraph (5)” for “the allotment increase factor under paragraph (5)” wherever appearing.


Subsec. (m)(3). Pub. L. 114–10, § 10203(d)(2)(B)(ii), substituted “paragraphs (5) and (7)” for “paragraphs (4) and (6)” in subpars. (A) and (B) and “and the allotment increase factor under paragraph (6)” for “the allotment increase factor under paragraph (5)” in subpar. (C).


Subsec. (m)(5). Pub. L. 114–10, § 10203(b)(2)(B)(i), substituted “paragraph (1), (2), (3), or (4)” for “paragraph (1), (2), or (3)”.


Subsec. (m)(9). Pub. L. 114–10, § 10203(b)(2)(B)(vi), substituted “paragraph (3) or (4)” for “paragraph (3)”.

Pub. L. 114–10, § 10203(b)(1)(F), redesignated par. (8) as (9).


Subsec. (k). Pub. L. 111–3, § 106(a)(1), designated existing provisions as par. (1), inserted heading, substituted States that the Secretary determines with respect to the fiscal year for which unused allotments are available for redistribution under this subsection, are shortfall States described in paragraph (2) for such fiscal year, but not to exceed the amount of the shortfall described in paragraph (2)(A) for each such State (as may be adjusted under paragraph (2)(C)) for “States that have fully expended the amount of their allotments under this section,” and added par. (2).

Subsec. (c)(1). Pub. L. 111–3, § 106(a)(1), redesignated existing provisions as par. (1), inserted heading, substituted States that the Secretary determines with respect to the fiscal year for which unused allotments are available for redistribution under this subsection, are shortfall States described in paragraph (2) for such fiscal year, but not to exceed the amount of the shortfall described in paragraph (2)(A) for each such State (as may be adjusted under paragraph (2)(C)) for “States that have fully expended the amount of their allotments under this section,” and added par. (2).


Subsec. (c)(4)(B). Pub. L. 110–28, § 7001(a)(2), added par. (4) and struck out former par. (4). Former text read as follows: “(A) EXPENDITURES LIMITED TO COVERAGE FOR POPULATIONS ELIGIBLE ON OCTOBER 1, 2006.—A State shall use amounts redistributed under this subsection only for expenditures for providing child health assistance or
other health benefits coverage for populations eligible
er for such assistance or benefits under the State child
health plan (including under a waiver of such plan) on
October 1, 2006.
(B) Regular FMAP for expenditures for coverage
of nonchild populations.—To the extent a State uses
amounts redistributed under this subsection for ex-
penditures for providing child health assistance or
other health benefits coverage to an individual who is
not a child or a pregnant woman, the Federal medical
assistance percentage (as defined in the first sentence
of section 1396(b)(2)(A) of this title) applicable to the State
for the fiscal year shall apply to such expenditures for
purposes of making payments to the State under
subsection (a) of section 1397f of this title from such
amounts.
Subsec. (b)(5)(A). Pub. L. 110–28, § 7001(b)(3), substi-
tuted “(3), and (4)” for “(and 3)”.
allotted” after “redistributed” and “or allotments” after
“redistributions” in first sentence and substi-
tuted “(3), and (4)” for “(and 3)” in second sentence.
Subsec. (j)(d)(1). Pub. L. 110–171, § 201(c)(1), added sub-
secs. (j) to (l).
“subject to subsection (c),” after “under this section,”
in introductory provisions.
“subject to subsection (d),” after “for a fiscal year,”.
substituted “, 1999, 2000, and 2001” for “and 1999”
in heading.
“or for fiscal year 2001 by the end of fiscal year
2003,” after “fiscal year 2002,” and substituted “1999,
2000, or 2001” for “1999, or 2000”.
year 2000 by the end of fiscal year 2002,” after “fiscal
year 2001,” and substituted “1998, 1999, or 2000” for
“1998 or 1999”.
“subject to subsection (d),” after “for a fiscal year,”.
“subject to subsection (d),” after “for a fiscal year,”.
in heading.
64 or HCFA Form 21” for “CMS Form 64 or HCFA Form 21”.
2000, or fiscal year 2001” for “fiscal year 2000” and
“November 30, 2002, or November 30, 2003,” for “or
November 30, 2002”.
year 1999, or fiscal year 2000” for “(or fiscal year 1999)
and November 30, 2001, or November 30, 2002” for “or
November 30, 2001”.
§ 802(d)(3)(B)), struck out “subject to subsection (d) of
this section” after “for a fiscal year,”.
Subsec. (c)(1). Pub. L. 106–554, § 1(a)(6) (title VIII,
§ 802(d)(3)(B)), struck out “subject to subsection (d) of
this section” after “for a fiscal year,”.
Subsec. (d). Pub. L. 106–554, § 1(a)(6) (title VIII,
§ 802(b)), struck out heading and text of subsec. (d).
Text read as follows: “The amount of the allotment
otherwise provided to a State under subsection (b) or
(c) of this section for a fiscal year shall be reduced by
the sum of—
(1) the amount (if any) of the payments made to
that State under section 1396b(a) of this title for ex-
penditures claimed by the State during such fiscal
year that is attributable to the provision of medical
assistance to a child during a presumptive eligibility
period under section 1396a–1a of this title, and
(2) the amount (if any) of the payments made to
that State under section 1396b(a) of this title for ex-
penditures claimed by the State during such fiscal
year that is attributable to the provision of medical
assistance to a child for which payment is made
under section 1396b(a)(1) of this title on the basis of
an enhanced FMAP under the fourth sentence of
section 1396b(b) of this title.”.
Subsec. (g). Pub. L. 106–554, § 1(a)(6) (title VIII,
§ 801(a)), added subsec. (g).
(title VII, § 701(a)(1)(A)), substituted “and 1999” for
“through 2000.”
§ 701(a)(3)), substituted “the calendar year in which
such fiscal year begins” for the fiscal year”.
§ 701(a)), substituted “all the States,” for “all the
States”.
Pub. L. 106–113, § 1000(a)(6) (title VII, § 701(a)(4)), substi-
tuted “the calendar year in which such fiscal year
begins” for “the fiscal year involved”.
Subsec. (b)(4). Pub. L. 106–113, § 1000(a)(6) (title VII,
§ 701(a)(2)), amended heading and text of par. (4) gen-
erally. Prior to amendment, text read as follows: “In no
case shall the amount of the allotment under this sub-
section for one of the 50 States or the District of Co-
lumbia for a year be less than $2,000,000. To the extent
that the application of the previous sentence results in
an increase in the allotment to a State above the amount
otherwise provided, the allotments for the other States
and the District of Columbia under this subsection
shall be reduced in a pro rata manner (but not below $2,000,000) so that the total of such allot-
ments in a fiscal year does not exceed the amount
otherwise provided for allotment under paragraph (1)
for that fiscal year.”.
§ 702), inserted before period at end “, $34,200,000 for
each of fiscal years 2000 and 2001, $25,200,000 for each
of fiscal years 2002 through 2004, $32,400,000 for each of
fiscal years 2005 and 2006, and $40,000,000 for fiscal year
2007.”.
§ 706(b)), inserted “determined without regard to para-
graph (4) thereof” after “subsection (c)”.
Subsec. (c)(4). Pub. L. 105–277, § 101(f) (title VII,
§ 706(a)), added par. (4).
1997—Subsec. (a)(1). Pub. L. 105–100, § 1620(a)(A), substi-
tuted “$4,295,000,000” for “$4,275,000,000”.
Subsec. (b)(4). Pub. L. 105–100, § 1620(b)(B), substituted
“In” for “Subject to paragraph (5), In”.

Page 4071
TITLe 42—The public health and welfare
§ 1397dd
Subsec. (c)(2)(C). Pub. L. 105–100, §162(b)(3), inserted "the" before "Virgin Islands".


Subsec. (d)(1). Pub. L. 105–100, §162(b)(A), substituted "for expenditures claimed by the State" for "for calendar quarters".

Subsec. (d)(2). Pub. L. 105–100, §162(b)(B), added par. (2) and struck out former par. (2) which read as follows: "the amount of payments under such section during such period that is attributable to the provision of medical assistance to a child for which payment is made under section 1396(a)(1) of this title on the basis of an enhanced FMAP under section 1396d(b) of this title."

**Effective Date of 2010 Amendment**

**Effective Date of 2009 Amendment**
Amendment by sections 101–105, 103, and 106(b) of Pub. L. 111–3 effective Apr. 1, 2009, and applicable to child health assistance and medical assistance provided on or after that date, with certain exceptions, see section 3 of Pub. L. 111–3, set out as an Effective Date note under section 1396 of this title.


**Termination Date of 2007 Amendment**
Pub. L. 110–92, §136(e), Sept. 29, 2007, 121 Stat. 995, which provided that the amendments made by subsecs. (c) and (d) of section 136, amending this section and section 1396c of this title, were effective through Dec. 31, 2007, or, if earlier, the date of the enactment of an Act that provides funding for fiscal year 2008 and for one or more subsequent fiscal years for the Children’s Health Insurance Program under this chapter, was repealed by Pub. L. 110–173, title II, §201(b)(3), Dec. 29, 2007, 121 Stat. 2510.

**Effective Date of 2006 Amendment**
Pub. L. 110–171, title VI, §6101(c), Feb. 8, 2006, 120 Stat. 131, provided that: "The amendments made by this section [amending this section] apply to items and services furnished on or after October 1, 2005, without regard to whether or not regulations implementing such amendments have been issued."

**Effective Date of 2003 Amendment**
Pub. L. 108–74, §1(a)(4), Aug. 15, 2003, 117 Stat. 895, provided that: "This subsection [amending this section], and the amendments made by this subsection, shall be effective as if this subsection had been enacted on September 30, 2002, and amounts under title XXI of the Social Security Act (42 U.S.C. 1397aa et seq.) from allotments for fiscal years 1998 through 2000 are available for expenditure on and after October 1, 2002, under the amendments made by this subsection as if this subsection had been enacted on September 30, 2002."

**Effective Date of 2000 Amendment**
Pub. L. 106–554, §1(a)(6) (title VIII, §801(b)), Dec. 21, 2000, 114 Stat. 2763, 2763A–380, provided that: "The amendments made by this section [amending this section], and the amendments made by this subsection, shall take effect as if included in the enactment of section 4901 of BBA (Pub. L. 105–33) [111 Stat. 522]."

Amendment by section 893(b)(1)(A) of Pub. L. 106–554 effective as if included in the enactment of section 4901 of Pub. L. 105–33, see section 1(a)(6) (title VIII, §802(c)) of Pub. L. 106–554, set out as a note under section 1396d of this title.

**Effective Date of 1999 Amendment**

**Effective Date of 1997 Amendment**

**Construction of 2017 Amendment**
Pub. L. 115–96, div. C, title II, §3201(c)(2), Dec. 22, 2017, 131 Stat. 2652, provided that: "Nothing in the amendments made by paragraph (1) [amending this section] shall be construed as authorizing the Secretary of Health and Human Services to de-obligate any funds re-distributed under clause (ii) of section 2104(f)(2)(B) of the Social Security Act (42 U.S.C. 1396d(f)(2)(B)) that have been obligated for amounts expended by an emergency shortfall State described in such clause as of January 1, 2018."

**Application of Regular Expenditure Rules**
Pub. L. 115–96, div. C, title II, §3201(b)(3), Dec. 22, 2017, 131 Stat. 2651, provided that: "Amounts allotted to a State under section 2104(m)(19)(A) of the Social Security Act (42 U.S.C. 1397dd(m)(10)(A)) as added by paragraph (1) shall be subject to the same requirements of title XXI of such Act (42 U.S.C. 1397aa et seq.) and applicable regulations of the Secretary of Health and Human Services as apply to other allotments made to States for a fiscal year under section 2104 of such Act (42 U.S.C. 1397dd)."

**Authority To Transfer Subchapter XXI Appropriations to Subchapter XIX Appropriation Account As Reimbursement for Medicaid Expenditures for Medicaid Expansion SCHIP Services**
Pub. L. 106–554, §1(a)(6) (title VIII, §802(c)), Dec. 21, 2000, 114 Stat. 2763, 2763A–581, provided that: "Notwithstanding any other provision of law, all amounts appropriated under title XXI of the Social Security Act (42 U.S.C. 1397aa et seq.) and allotted to a State pursuant to subsection (b) or (c) of section 2104 of the Social Security Act (42 U.S.C. 1397dd) for fiscal years 1998 through 2000 (including any amounts that, for this provision, would be considered to have expired) and not expended in providing child health assistance or related services for which payment may be made pursuant to subparagraph (C) or (D) of section 2105(a)(1) of such Act (42 U.S.C. 1397eee(a)(1)) (as amended by subsection (a)), shall be available to reimburse the Grants to States for Medicaid account in an amount equal to the total payments made to such State under section 1903(a) of such Act (42 U.S.C. 1397c(a)(1)) (as added by section (a)), to such extent as the Secretary of Health and Human Services determines (A) and (B) of section 2105(a)(1) of such Act (42 U.S.C. 1397eee(a)(1)) (as so amended)."

**Determination of Number of Children and State Cost Factors for Fiscal Years 1998 and 1999**

(1) the number of children under clause (1) of such section shall be the number of low-income children specified for the State in Column B of the table on..."
(3) Performance bonus payment to offset additional Medicaid and CHIP child enrollment costs resulting from enrollment and retention efforts

(A) In general

In addition to the payments made under paragraph (1), for each fiscal year (beginning with fiscal year 2009 and ending with fiscal year 2013), the Secretary shall pay from amounts made available under subparagraph (E), to each State that meets the condition under paragraph (4) for the fiscal year, an amount equal to the amount described in subparagraph (B) for the State and fiscal year. The payment under this paragraph shall be made, to a State for a fiscal year, as a single payment not later than the last day of the first calendar quarter of the following fiscal year.

(B) Amount for above baseline Medicaid child enrollment costs

Subject to subparagraph (E), the amount described in this subparagraph for a State for a fiscal year is equal to the sum of the following amounts:

(i) First tier above baseline Medicaid enrollees

An amount equal to the number of first tier above baseline child enrollees (as determined under subparagraph (C)(i)) under subchapter XIX for the State and fiscal year, multiplied by 15 percent of the projected per capita State Medicaid expenditures (as determined under subparagraph (D)) for the State and fiscal year under subchapter XIX.

(ii) Second tier above baseline Medicaid enrollees

An amount equal to the number of second tier above baseline child enrollees (as determined under subparagraph (C)(ii)) under subchapter XIX for the State and fiscal year, multiplied by 62.5 percent of the projected per capita State Medicaid expenditures (as determined under subparagraph (D)) for the State and fiscal year under subchapter XIX.

(C) Number of first and second tier above baseline child enrollees; baseline number of child enrollees

For purposes of this paragraph:

(i) First tier above baseline child enrollees

The number of first tier above baseline child enrollees for a State for a fiscal year under subchapter XIX is equal to the number (if any, as determined by the Secretary) by which—

(I) the monthly average unduplicated number of qualifying children (as defined in subparagraph (F)) enrolled during the fiscal year under the State plan under subchapter XIX; exceeds

(II) the baseline number of enrollees described in clause (iii) for the State and fiscal year under subchapter XIX; but not to exceed 10 percent of the baseline number of enrollees described in subclause (II).

(ii) Second tier above baseline child enrollees

The number of second tier above baseline child enrollees for a State for a fiscal year under subchapter XIX is equal to the number (if any, as determined by the Secretary) by which—

(I) the monthly average unduplicated number of qualifying children (as defined in subparagraph (F)) enrolled during the fiscal year under the State plan under subchapter XIX; exceeds

(II) the baseline number of enrollees described in clause (iii) for the State and fiscal year under subchapter XIX; but not to exceed 10 percent of the baseline number of enrollees described in subclause (II).

(2) Order of payments

Payments under paragraph (1) from a State’s allotment shall be made in the following order:

(A) First, for expenditures for items described in paragraph (1)(A).

(B) Second, for expenditures for items described in paragraph (1)(B).

(C) Third, for expenditures for items described in paragraph (1)(C).

(D) Fourth, for expenditures for items described in paragraph (1)(D).
(ii) Second tier above baseline child enrollees

The number of second tier above baseline child enrollees for a State for a fiscal year under subchapter XIX is equal to the number (if any, as determined by the Secretary) by which—

(I) the monthly average unduplicated number of qualifying children (as defined in subparagraph (F)) enrolled during the fiscal year under subchapter XIX as described in clause (i)(I); exceeds

(II) the sum of the baseline number of child enrollees described in clause (iii) for the State and fiscal year under subchapter XIX, as described in clause (i)(II), and the maximum number of first tier above baseline child enrollees for the State and fiscal year under subchapter XIX, as determined under clause (i).

(iii) Baseline number of child enrollees

Subject to subparagraph (H), the baseline number of child enrollees for a State under subchapter XIX—

(I) for fiscal year 2009 is equal to the monthly average unduplicated number of qualifying children enrolled in the State plan under subchapter XIX during fiscal year 2007 increased by the population growth for children in that State from 2007 to 2008 (as estimated by the Bureau of the Census) plus 4 percentage points, and further increased by the population growth for children in that State from 2008 to 2009 (as estimated by the Bureau of the Census) plus 4 percentage points;

(II) for each of fiscal years 2010, 2011, and 2012, is equal to the baseline number of child enrollees for the State for the previous fiscal year under subchapter XIX, increased by the population growth for children in that State from the calendar year in which the respective fiscal year begins to the succeeding calendar year (as estimated by the Bureau of the Census) plus 3.5 percentage points;

(III) for each of fiscal years 2013, 2014, and 2015, is equal to the baseline number of child enrollees for the State for the previous fiscal year under subchapter XIX, increased by the population growth for children in that State from the calendar year in which the respective fiscal year begins to the succeeding calendar year (as estimated by the Bureau of the Census) plus 3 percentage points; and

(IV) for a subsequent fiscal year is equal to the baseline number of child enrollees for the State for the previous fiscal year under subchapter XIX, increased by the population growth for children in that State from the calendar year in which the fiscal year involved begins to the succeeding calendar year (as estimated by the Bureau of the Census) plus 2 percentage points.

(D) Projected per capita State Medicaid expenditures

For purposes of subparagraph (B), the projected per capita State Medicaid expenditures for a State and fiscal year under subchapter XIX is equal to the average per capita expenditures (including both State and Federal financial participation) for children under the State plan under such subchapter, including under waivers but not including such children eligible for assistance by virtue of the receipt of benefits under subchapter XVI, for the most recent fiscal year for which actual data are available (as determined by the Secretary), increased (for each subsequent fiscal year up to and including the fiscal year involved) by the annual percentage increase in per capita amount of National Health Expenditures (as estimated by the Secretary) for the calendar year in which the respective subsequent fiscal year ends and multiplied by a State matching percentage equal to 100 percent minus the Federal medical assistance percentage (as defined in section 1396d(b) of this title) for the fiscal year involved.

(E) Amounts available for payments

(i) Initial appropriation

Out of any money in the Treasury not otherwise appropriated, there are appropriated $3,225,000,000 for fiscal year 2009 for making payments under this paragraph, to be available until expended.

(ii) Transfers

Notwithstanding any other provision of this subchapter, the following amounts shall also be available, without fiscal year limitation, for making payments under this paragraph:

(I) Unobligated national allotment

(aa) Fiscal years 2009 through 2012

As of December 31 of fiscal year 2009, and as of December 31 of each succeeding fiscal year through fiscal year 2012, the portion, if any, of the amount appropriated under subsection (a) for such fiscal year that is unobligated for allotment to a State under subsection (m) is equal to the portion, if any, of the sum of the amounts appropriated under subsection (a)(16)(A) and under section 108 of the Children’s Health Insurance Reauthorization Act of 2009 for the period beginning on October 1, 2012, and ending on March 31, 2013, that is unobligated for allotment to a State under subsection (m).

(bb) First half of fiscal year 2013

As of December 31 of fiscal year 2013, the portion, if any, of the sum of the amounts appropriated under subsection (a)(16)(A) and under section 108 of the Children’s Health Insurance Reauthorization Act of 2009 for the period beginning on October 1, 2012, and ending on March 31, 2013, that is unobligated for allotment to a State under subsection (m), is equal to the portion, if any, of the sum of the amounts appropriated under subsection (a)(16)(A) and under section 108 of the Children’s Health Insurance Reauthorization Act of 2009 for the period beginning on October 1, 2012, and ending on March 31, 2013, that is unobligated for allotment to a State under subsection (m) for such fiscal year or set aside under subsection (b)(2) of section 1397kk of this title for such fiscal year.

(cc) Second half of fiscal year 2013

As of June 30 of fiscal year 2013, the portion, if any, of the amount appro-
priated under subsection (a)(16)(B)² for the period beginning on April 1, 2013, and ending on September 30, 2013, that is unobligated for allotment to a State under subsection (m)¹ for such fiscal year or set aside under subsection (b)(2) of section 1397kk of this title for such fiscal year.

(ii) Unexpended allotments not used for redistribution

As of November 15 of each of fiscal years 2010 through 2013, the total amount of allotments made to States under section 1397dd of this title for the second preceding fiscal year (third preceding fiscal year in the case of the fiscal year 2006, 2007, and 2008 allotments) that is not expended or redistributed under section 1397dd(f) of this title during the period in which such allotments are available for obligation.

(iii) Excess child enrollment contingency funds

As of October 1 of each of fiscal years 2010 through 2013, any amount in excess of the aggregate cap applicable to the Child Enrollment Contingency Fund for the fiscal year under section 1397dd(n) of this title.

(iii) Proportional reduction

If the sum of the amounts otherwise payable under this paragraph for a fiscal year exceeds the amount available for the fiscal year under this subparagraph, the amount to be paid under this paragraph to each State shall be reduced proportionally.

(F) Qualifying children defined

(i) In general

For purposes of this subsection, subject to clauses (ii) and (iii), the term "qualifying children" means children who meet the eligibility criteria (including income, categorical eligibility, age, and immigration status criteria) in effect as of July 1, 2008, for enrollment under subchapter XIX, taking into account criteria applied as of such date under subchapter XIX pursuant to a waiver under section 1315 of this title.

(ii) Limitation

A child described in clause (i) who is provided medical assistance during a presumptive eligibility period under section 1396c–1a of this title shall be considered to be a "qualifying child" only if the child is determined to be eligible for medical assistance under subchapter XIX.

(iii) Exclusion

Such term does not include any children for whom the State has made an election to provide medical assistance under paragraph (4) of section 1396b(v) of this title or any children enrolled on or after October 1, 2013.

(G) Application to commonwealths and territories

The provisions of subparagraph (G) of section 1397dd(n)(3) of this title shall apply with respect to payment under this paragraph in the same manner as such provisions apply to payment under such section.

(H) Application to States that implement a Medicaid expansion for children after fiscal year 2008

In the case of a State that provides coverage under section 115 of the Children's Health Insurance Program Reauthorization Act of 2009 for any fiscal year after fiscal year 2008—

(i) any child enrolled in the State plan under subchapter XIX through the application of such an election shall be disregarded from the determination for the State of the monthly average unduplicated number of qualifying children enrolled in such plan during the first 3 fiscal years in which such an election is in effect; and

(ii) in determining the baseline number of child enrollees for the State for any fiscal year subsequent to such first 3 fiscal years, the baseline number of child enrollees for the State under subchapter XIX for the third of such fiscal years shall be the monthly average unduplicated number of qualifying children enrolled in the State plan under subchapter XIX for such third fiscal year.

(4) Enrollment and retention provisions for children

For purposes of paragraph (3)(A), a State meets the condition of this paragraph for a fiscal year if it is implementing at least 5 of the following enrollment and retention provisions (treating each subparagraph as a separate enrollment and retention provision) throughout the entire fiscal year:

(A) Continuous eligibility

The State has elected the option of continuous eligibility for a full 12 months for all children described in section 1396a(e)(12) of this title under subchapter XIX under 19 years of age, as well as applying such policy under its State child health plan under this subchapter.

(B) Liberalization of asset requirements

The State meets the requirement specified in either of the following clauses:

(i) Elimination of asset test

The State does not apply any asset or resource test for eligibility for children under subchapter XIX or this subchapter.

(ii) Administrative verification of assets

The State—

(I) permits a parent or caretaker relative who is applying on behalf of a child for medical assistance under subchapter XIX or child health assistance under this subchapter to declare and certify by signature under penalty of perjury information relating to family assets for purposes of determining and redetermining financial eligibility; and

(II) takes steps to verify assets through means other than by requiring documentation from parents and appli-
§ 1397ee  TITLE 42—THE PUBLIC HEALTH AND WELFARE  Page 4076

cants except in individual cases of discrepancies or where otherwise justified.

(C) Elimination of in-person interview requirement

The State does not require an application of a child for medical assistance under subchapter XIX (or for child health assistance under this subchapter), including an application for renewal of such assistance, to be made in person nor does the State require a face-to-face interview, unless there are discrepancies or individual circumstances justifying an in-person application or face-to-face interview.

(D) Use of joint application for Medicaid and CHIP

The application form and supplemental forms (if any) and information verification process is the same for purposes of establishing and renewing eligibility for children for medical assistance under subchapter XIX and child health assistance under this subchapter.

(E) Automatic renewal (use of administrative renewal)

(i) In general

The State provides, in the case of renewal of a child’s eligibility for medical assistance under subchapter XIX or child health assistance under this subchapter, a pre-printed form completed by the State based on the information available to the State and notice to the parent or caretaker relative of the child that eligibility of the child will be renewed and continued based on such information unless the State is provided other information. Nothing in this clause shall be construed as preventing a State from verifying, through electronic and other means, the information so provided.

(ii) Satisfaction through demonstrated use of ex parte process

A State shall be treated as satisfying the requirement of clause (i) if renewal of eligibility of children under subchapter XIX or this subchapter is determined without any requirement for an in-person interview, unless sufficient information is not in the State’s possession and cannot be acquired from other sources (including other State agencies) without the participation of the applicant or the applicant’s parent or caretaker relative.

(F) Presumptive eligibility for children

The State is implementing section 1396r–1a of this title under subchapter XIX as well as, pursuant to section 1397gg(e)(1) of this title, under this subchapter.

(G) Express Lane

The State is implementing the option described in section 1396a(e)(13) of this title under subchapter XIX as well as, pursuant to section 1397gg(e)(1) of this title, under this subchapter.

(H) Premium assistance subsidies

The State is implementing the option of providing premium assistance subsidies under subsection (c)(10) or section 1396e–1 of this title.

(b) Enhanced FMAP

For purposes of subsection (a), the “enhanced FMAP”, for a State for a fiscal year, is equal to the Federal medical assistance percentage (as defined in the first sentence of section 1396d(b) of this title) for the State increased by a number of percentage points equal to 30 percent of the number of percentage points by which (1) such Federal medical assistance percentage for the State, is less than (2) 100 percent; but in no case shall the enhanced FMAP for a State exceed 85 percent. Notwithstanding the preceding sentence, during the period that begins on October 1, 2015, and ends on September 30, 2019, the enhanced FMAP determined for a State for a fiscal year (or for any portion of a fiscal year occurring during such period) shall be increased by 23 percentage points, and during the period that begins on October 1, 2019, and ends on September 30, 2020, the enhanced FMAP determined for a State for a fiscal year (or for any portion of a fiscal year occurring during such period) shall be increased by 11.5 percentage points but in no case shall exceed 100 percent. The increase in the enhanced FMAP under the preceding sentence shall not apply with respect to determining the payment to a State under subsection (a)(4) for expenditures described in subparagraph (D)(iv), paragraphs (8), (9), (11) of subsection (c), or clause (4) of the first sentence of section 1396d(b) of this title.

(c) Limitation on certain payments for certain expenditures

(1) General limitations

Funds provided to a State under this subchapter shall only be used to carry out the purposes of this subchapter (as described in section 1397aa of this title) and may not include coverage of a nonpregnant childless adult, and any health insurance coverage provided with such funds may include coverage of abortion only if necessary to save the life of the mother or if the pregnancy is the result of an act of rape or incest. For purposes of the preceding sentence, a caretaker relative (as such term is defined for purposes of carrying out section 1396u–1 of this title) shall not be considered a childless adult.

(2) Limitation on expenditures not used for medicaid or health insurance assistance

(A) In general

Except as provided in this paragraph, the amount of payment that may be made under subsection (a) for a fiscal year for expenditures for items described in paragraph (1)(D) of such subsection shall not exceed 10 percent of the total amount of expenditures for which payment is made under subparagraphs (A), (C), and (D) of paragraph (1) of such subsection.

(B) Waiver authorized for cost-effective alternative

The limitation under subparagraph (A) on expenditures for items described in subsection (a)(1)(D) shall not apply to the extent that a State establishes to the satisfaction of the Secretary that—
(i) coverage provided to targeted low-income children through such expenditures meets the requirements of section 1397cc of this title;

(ii) the cost of such coverage is not greater, on an average per child basis, than the cost of coverage that would otherwise be provided under section 1397cc of this title; and

(iii) such coverage is provided through the use of a community-based health delivery system, such as through contracts with health centers receiving funds under section 254b of this title or with hospitals such as those that receive disproportionate share payments, adjusted under section 1395ww(d)(5)(F) or 1396d-4 of this title.

(C) Nonapplication to certain expenditures

The limitation under subparagraph (A) shall not apply with respect to the following expenditures:

(i) Expenditures to increase outreach to, and the enrollment of, Indian children under this subchapter and subchapter XIX

Expenditures for outreach activities to families of Indian children likely to be eligible for child health assistance under the plan or medical assistance under the State plan under subchapter XIX (or under a waiver of such plan), to inform such families of the availability of, and to assist them in enrolling their children in, such plans, including such activities conducted under contracts, grants, or agreements entered into under section 1320b-9(a) of this title.

(ii) Expenditures to comply with citizenship or nationality verification requirements

Expenditures necessary for the State to comply with paragraph (9)(A).

(iii) Expenditures for outreach to increase the enrollment of children under this subchapter and subchapter XIX through premium assistance subsidies

Expenditures for outreach activities to families of children likely to be eligible for premium assistance subsidies in accordance with paragraph (2)(B), (3), or (10), or a waiver approved under section 1315 of this title, to inform such families of the availability of, and to assist them in enrolling their children in, such subsidies, and to employers likely to provide qualified employer-sponsored coverage (as defined in subparagraph (B) of such paragraph 3), but not to exceed an amount equal to 1.25 percent of the maximum amount permitted to be expended under subparagraph (A) for items described in subsection (a)(1)(D).

(iv) Payment error rate measurement (PERM) expenditures

Expenditures related to the administration of the payment error rate measurement (PERM) requirements applicable to the State child health plan in accordance with the Improper Payments Information Act of 2002 and parts 431 and 457 of title 42, Code of Federal Regulations (or any related or successor guidance or regulations).

(3) Waiver for purchase of family coverage

Payment may be made to a State under subsection (a)(1) for the purchase of family coverage under a group health plan or health insurance coverage that includes coverage of targeted low-income children only if the State establishes to the satisfaction of the Secretary that—

(A) purchase of such coverage is cost-effective relative to—

(i) the amount of expenditures under the State child health plan, including administrative expenditures, that the State would have made to provide comparable coverage of the targeted low-income child involved or the family involved (as applicable); or

(ii) the aggregate amount of expenditures that the State would have made under the State child health plan, including administrative expenditures, for providing coverage under such plan for all such children or families; and

(B) such coverage shall not be provided if it would otherwise substitute for health insurance coverage that would be provided to such children but for the purchase of family coverage.

(4) Use of non-Federal funds for State matching requirement

Amounts provided by the Federal Government, or services assisted or subsidized to any significant extent by the Federal Government, may not be included in determining the amount of non-Federal contributions required under subsection (a).

(5) Offset of receipts attributable to premiums and other cost-sharing

For purposes of subsection (a), the amount of the expenditures under the plan shall be reduced by the amount of any premiums and other cost-sharing received by the State.

(6) Prevention of duplicative payments

(A) Other health plans

No payment shall be made to a State under this section for expenditures for child health assistance provided for a targeted low-income child under its plan to the extent that a private insurer (as defined by the Secretary by regulation and including a group health plan (as defined in section 1167(1) of title 29), a service benefit plan, and a health maintenance organization) would have been obligated to provide such assistance but for a provision of its insurance contract which has the effect of limiting or excluding such obligation because the individual is eligible for or is provided child health assistance under the plan.

(B) Other Federal governmental programs

Except as provided in subparagraph (A) or (B) of subsection (a)(1) or any other provision of law, no payment shall be made to a

---

3So in original. Probably means subpar. (B) of par. (10).
State under this section for expenditures for child health assistance provided for a targeted low-income child under its plan to the extent that payment has been made or can reasonably be expected to be made promptly (as determined in accordance with regulations) under any other federally operated or financed health care insurance program, other than an insurance program operated or financed by the Indian Health Service, as identified by the Secretary. For purposes of this paragraph, rules similar to the rules for overpayments under section 1396b(d)(2) of this title shall apply.

(7) Limitation on payment for abortions

(A) In general

Payment shall not be made to a State under this section for any amount expended under the State plan to pay for any abortion or to assist in the purchase, in whole or in part, of health benefit coverage that includes coverage of abortion.

(B) Exception

Subparagraph (A) shall not apply to an abortion only if necessary to save the life of the mother or if the pregnancy is the result of an act of rape or incest.

(C) Rule of construction

Nothing in this section shall be construed as affecting the expenditure by a State, locality, or private person or entity of State, local, or private funds (other than funds expended under the State plan) for any abortion or for health benefit coverage that includes coverage of abortion.

(8) Limitation on matching rate for expenditures for child health assistance provided to children whose effective family income exceeds 300 percent of the poverty line

(A) FMAP applied to expenditures

Except as provided in subparagraph (B), for fiscal years beginning with fiscal year 2009, the Federal medical assistance percentage (as determined under section 1396d(b) of this title without regard to clause (4) of such section) shall be substituted for the enhanced FMAP under subsection (a)(1) with respect to any expenditures for providing child health assistance or health benefits coverage for a targeted low-income child whose effective family income would exceed 300 percent of the poverty line but for the application of a general exclusion of a block of income that is not determined by type of expense or type of income.

(B) Exception

Subparagraph (A) shall not apply to any State that, on February 4, 2009, has an approved State plan amendment or waiver to provide, or has enacted a State law to submit a State plan amendment to provide, expenditures described in such subparagraph under the State child health plan.

(9) Citizenship documentation requirements

(A) In general

No payment may be made under this section with respect to an individual who has, or is, declared to be a citizen or national of the United States for purposes of establishing eligibility under this subchapter unless the State meets the requirements of section 1396a(a)(46)(B) of this title with respect to the individual.

(B) Enhanced payments

Notwithstanding subsection (b), the enhanced FMAP with respect to payments under subsection (a) for expenditures described in clause (i) or (ii) of section 1396b(a)(3)(G) of this title necessary to comply with subparagraph (A) shall in no event be less than 90 percent and 75 percent, respectively.

(10) State option to offer premium assistance

(A) In general

A State may elect to offer a premium assistance subsidy (as defined in subparagraph (C)) for qualified employer-sponsored coverage (as defined in subparagraph (B)) to all targeted low-income children who are eligible for child health assistance under the plan and have access to such coverage in accordance with the requirements of this paragraph if the offering of such a subsidy is cost-effective, as defined for purposes of paragraph (3)(A). No subsidy shall be provided to a targeted low-income child under this paragraph unless the child (or the child’s parent) voluntarily elects to receive such a subsidy. A State may not require such an election as a condition of receipt of child health assistance.

(B) Qualified employer-sponsored coverage

(i) In general

Subject to clause (ii), in this paragraph, the term “qualified employer-sponsored coverage” means a group health plan or health insurance coverage offered through an employer—

(I) that qualifies as creditable coverage as a group health plan under section 2701(c)(1) of the Public Health Service Act; \(^4\)

(II) for which the employer contribution toward any premium for such coverage is at least 40 percent; and

(III) that is offered to all individuals in a manner that would be considered a nondiscriminatory eligibility classification for purposes of paragraph (3)(A)(i) of section 105(h) of the Internal Revenue Code of 1986 (but determined without regard to clause (i) of subparagraph (B) of such paragraph).

(ii) Exception

Such term does not include coverage consisting of—

(I) benefits provided under a health flexible spending arrangement (as defined in section 106(c)(2) of the Internal Revenue Code of 1986); or

(II) a high deductible health plan (as defined in section 223(c)(2) of such Code), without regard to whether the plan is

\(^4\)See References in Text note below.
purchased in conjunction with a health savings account (as defined under section 223(d) of such Code).

(C) Premium assistance subsidy

(i) In general

In this paragraph, the term "premium assistance subsidy" means, with respect to a targeted low-income child, the amount equal to the difference between the employee contribution required for enrollment only of the employee under qualified employer-sponsored coverage and the employee contribution required for enrollment of the employee and the child in such coverage, less any applicable premium cost-sharing applied under the State child health plan (subject to the limitations imposed under section 1397cc(e) of this title, including the requirement to count the total amount of the employee contribution required for enrollment of the employee and the child in such coverage toward the annual aggregate cost-sharing limit applied under paragraph (3)(B) of such section).

(ii) State payment option

A State may provide a premium assistance subsidy either as reimbursement to an employee for out-of-pocket expenditures or, subject to clause (iii), directly to the employee's employer.

(iii) Employer opt-out

An employer may notify a State that it elects to opt-out of being directly paid a premium assistance subsidy on behalf of an employee. In the event of such a notification, an employer shall withhold the total amount of the employee contribution required for enrollment of the employee and the child in the qualified employer-sponsored coverage and the State shall pay the premium assistance subsidy directly to the employee.

(iv) Treatment as child health assistance

Expenditures for the provision of premium assistance subsidies shall be considered child health assistance described in paragraph (1)(C) of subsection (a) for purposes of making payments under that subsection.

(D) Application of secondary payor rules

The State shall be a secondary payor for any items or services provided under the qualified employer-sponsored coverage for which the State provides child health assistance under the State child health plan.

(E) Requirement to provide supplemental coverage for benefits and cost-sharing protection provided under the State child health plan

(i) In general

Notwithstanding section 1397j(b)(1)(C) of this title, the State shall provide for each targeted low-income child enrolled in qualified employer-sponsored coverage, supplemental coverage consisting of—

(I) items or services that are not covered, or are only partially covered, under the qualified employer-sponsored coverage; and

(II) cost-sharing protection consistent with section 1397cc(e) of this title.

(ii) Record keeping requirements

For purposes of carrying out clause (i), a State may elect to directly pay out-of-pocket expenditures for cost-sharing imposed under the qualified employer-sponsored coverage and collect or not collect all or any portion of such expenditures from the parent of the child.

(F) Application of waiting period imposed under the State

Any waiting period imposed under the State child health plan prior to the provision of child health assistance to a targeted low-income child under the State plan shall apply to the same extent to the provision of a premium assistance subsidy for the child under this paragraph.

(G) Opt-out permitted for any month

A State shall establish a process for permitting the parent of a targeted low-income child receiving a premium assistance subsidy to disenroll the child from the qualified employer-sponsored coverage and enroll the child in, and receive child health assistance under, the State child health plan, effective on the first day of any month for which the child is eligible for such assistance and in a manner that ensures continuity of coverage for the child.

(H) Application to parents

If a State provides child health assistance or health benefits coverage to parents of a targeted low-income child in accordance with section 1397kk(b) of this title, the State may elect to offer a premium assistance subsidy to a parent of a targeted low-income child who is eligible for such a subsidy under this paragraph in the same manner as the State offers such a subsidy for the enrollment of the child in qualified employer-sponsored coverage, except that—

(i) the amount of the premium assistance subsidy shall be increased to take into account the cost of the enrollment of the parent in the qualified employer-sponsored coverage or, at the option of the State if the State determines it cost-effective, the cost of the enrollment of the child’s family in such coverage; and

(ii) any reference in this paragraph to a child is deemed to include a reference to the parent or, if applicable under clause (i), the family of the child.

(I) Additional State option for providing premium assistance

(i) In general

A State may establish an employer-family premium assistance purchasing pool for employers with less than 250 employees who have at least 1 employee who is a pregnant woman eligible for assistance
under the State child health plan (including through the application of an option described in section 1397ff(f) of this title) or a member of a family with at least 1 targeted low-income child and to provide a premium assistance subsidy under this paragraph for enrollment in coverage made available through such pool.

(ii) Access to choice of coverage

A State that elects the option under clause (i) shall identify and offer access to not less than 2 private health plans that are health benefits coverage that is equivalent to the benefits coverage in a benchmark benefit package described in section 1397cc(b) of this title or benchmark-equivalent coverage that meets the requirements of section 1397cc(a)(2) of this title for employees described in clause (i).

(iii) Clarification of payment for administrative expenditures

Nothing in this subparagraph shall be construed as permitting payment under this section for administrative expenditures attributable to the establishment or operation of such pool, except to the extent that such payment would otherwise be permitted under this subchapter.

(J) No effect on premium assistance waiver programs

Nothing in this paragraph shall be construed as limiting the authority of a State to offer premium assistance under section 1396e or 1396e–1 of this title, or a waiver described in paragraph (2)(B) or (3), a waiver approved under section 1315 of this title for employees described in clause (i).

(K) Notice of availability

If a State elects to provide premium assistance subsidies in accordance with this paragraph, the State shall—

(i) include on any application or enrollment form for child health assistance a notice of the availability of premium assistance subsidies for the enrollment of targeted low-income children in qualified employer-sponsored coverage;

(ii) provide, as part of the application and enrollment process under the State child health plan, information describing the availability of such subsidies and how to elect to obtain such a subsidy; and

(iii) establish such other procedures as the State determines necessary to ensure that parents are fully informed of the choices for receiving child health assistance under the State child health plan or through the receipt of premium assistance subsidies.

(L) Application to qualified employer-sponsored benchmark coverage

If a group health plan or health insurance coverage offered through an employer is certified by an actuary as health benefits coverage that is equivalent to the benefits coverage in a benchmark benefit package described in section 1397cc(b) of this title or benchmark-equivalent coverage that meets the requirements of section 1397cc(a)(2) of this title, the State may provide premium assistance subsidies for enrollment of targeted low-income children in such group health plan or health insurance coverage in the same manner as such subsidies are provided under this paragraph for enrollment in qualified employer-sponsored coverage, but without regard to the requirement to provide supplemental coverage for benefits and cost-sharing protection provided under the State child health plan under subparagraph (E).

(M) Coordination with medicaid

In the case of a targeted low-income child who receives child health assistance through a State plan under subchapter XIX and who voluntarily elects to receive a premium assistance subsidy under this section, the provisions of section 1396e–1 of this title shall apply and shall supersede any other provisions of this paragraph that are inconsistent with such section.

(11) Enhanced payments

Notwithstanding subsection (b), the enhanced FMAP with respect to payments under subsection (a) for expenditures related to the administration of the payment error rate measurement (PERM) requirements applicable to the State child health plan in accordance with the Improper Payments Information Act of 2002 and parts 431 and 457 of title 42, Code of Federal Regulations (or any related or successor guidance or regulations) shall in no event be less than 90 percent.

(d) Maintenance of effort

(1) In medicaid eligibility standards

No payment may be made under subsection (a) with respect to child health assistance provided under a State child health plan if the State adopts income and resource standards and methodologies for purposes of determining a child's eligibility for medical assistance under the State plan under subchapter XIX that are more restrictive than those applied as of June 1, 1997, except as required under section 1396a(e)(14) of this title.

(2) In amounts of payment expended for certain State-funded health insurance programs for children

(A) In general

The amount of the allotment for a State in a fiscal year (beginning with fiscal year 1999) shall be reduced by the amount by which—

(i) the total of the State children's health insurance expenditures in the preceding fiscal year, is less than

(ii) the total of such expenditures in fiscal year 1996.

(B) State children's health insurance expenditures

The term "State children's health insurance expenditures" means the following:

(i) The State share of expenditures under this subchapter.

(ii) The State share of expenditures under subchapter XIX that are attrib-
(iii) State expenditures under health benefits coverage under an existing comprehensive State-based program, described in section 1397cc(d) of this title.

(3) Continuation of eligibility standards for children through September 30, 2027

(A) In general

During the period that begins on March 23, 2010, and ends on September 30, 2027, as a condition of receiving payments under section 1396b(a) of this title, a State shall not have in effect eligibility standards, methodologies, or procedures under its State child health plan (including any waiver under such plan) for children (including children provided medical assistance for which payment is made under section 1397ee(a)(1)(A) of this title) that are more restrictive than the eligibility standards, methodologies, or procedures, respectively, under such plan (or waiver) as in effect on March 23, 2010. During the period that begins on October 1, 2019, and ends on September 30, 2027, the preceding sentence shall only apply with respect to children in families whose income does not exceed 300 percent of the poverty line (as defined in section 1397jj(c)(5) of this title).

(B) Certification of comparability of pediatric coverage offered by qualified health plans

With respect to each State, the Secretary, not later than April 1, 2015, shall review the benefits offered for children eligible to be targeted low-income children under the State child health plan in a qualified health plan that has been certified by the Secretary under subparagraph (C); or

(ii) after September 30, 2015, enrolling children eligible to be targeted low-income children under the State child health plan in a qualified health plan that has been certified by the Secretary under subparagraph (C); or

(iii) imposing a limitation described in section 1397ll(b)(7) of this title for a fiscal year in order to limit expenditures under the State child health plan to those for which Federal financial participation is available under this section for the fiscal year.

(B) Assurance of exchange coverage for targeted low-income children unable to be provided child health assistance as a result of funding shortfalls

In the event that allotments provided under section 1397dd of this title are insufficient to provide coverage to all children who are eligible to be targeted low-income children under the State child health plan under this subchapter, a State shall establish procedures to ensure that such children are screened for eligibility for medical assistance under the State plan under subchapter XIX or a waiver of that plan and, if found eligible, enrolled in such plan or a waiver. In the case of such children who, as a result of such screening, are determined to not be eligible for medical assistance under the State plan or a waiver under subchapter XIX, the State shall establish procedures to ensure that the children are enrolled in a qualified health plan that has been certified by the Secretary under subparagraph (C) and is offered through an Exchange established by the State under section 18031 of this title.

For purposes of eligibility for premium assistance for the purchase of a qualified health plan under section 36B of the Internal Revenue Code of 1986 and reduced cost-sharing under section 18071 of this title, children described in the preceding sentence shall be deemed to be ineligible for coverage under the State child health plan.

(C) Certification of comparability of pediatric coverage offered by qualified health plans

With respect to each State, the Secretary, not later than April 1, 2015, shall review the benefits offered for children eligible to be targeted low-income children under the State child health plan.

(e) Advance payment; retrospective adjustment

The Secretary may make payments under this section for each quarter on the basis of advance estimates of expenditures submitted by the State and such other investigation as the Secretary may find necessary, and may reduce or increase the payments as necessary to adjust for any overpayment or underpayment for prior quarters.

(f) Flexibility in submittal of claims

Nothing in this section or subsections (e) and (f) of section 1397dd of this title shall be construed as preventing a State from claiming as expenditures in the quarter expenditures that were incurred in a previous quarter.

(g) Authority for qualifying States to use certain funds for medicaid expenditures

(1) State option

(A) In general

Notwithstanding any other provision of law, subject to paragraph (4), a qualifying State (as defined in paragraph (2)) may elect to use not more than 20 percent of any allotment under section 1397dd of this title for fiscal year 1998, 1999, 2000, 2001, 2004, 2005, 2006, 2007, or 2008 (insofar as it is available under subsections (e) and (g) of such section) for payments under subchapter XIX in accordance with subparagraph (B), instead of for expenditures under this subchapter.

(B) Payments to States

(i) In general

In the case of a qualifying State that has elected the option described in subpara-
graph (A), subject to the availability of funds under such subparagraph with respect to the State, the Secretary shall pay the State an amount equal to the additional amount that would have been paid to the State under subchapter XIX with respect to expenditures described in clause (ii) if the enhanced FMAP (as determined under subsection (b)) had been substituted for the Federal medical assistance percentage (as defined in section 1396d(b) of this title).

(ii) Expenditures described

For purposes of this subparagraph, the expenditures described in this clause are expenditures, made after August 15, 2003, and during the period in which funds are available to the qualifying State for use under subparagraph (A), for medical assistance under subchapter XIX to individuals who have not attained age 19 and whose family income exceeds 150 percent of the poverty line.

(iii) No impact on determination of budget neutrality for waivers

In the case of a qualifying State that uses amounts paid under this subsection for expenditures described in clause (ii) that are incurred under a waiver approved for the State, any budget neutrality determinations with respect to such waiver shall be determined without regard to such amounts paid.

(2) Qualifying State

In this subsection, the term “qualifying State” means a State that, on and after April 15, 1997, has an income eligibility standard that is at least 184 percent of the poverty line.

(a) Eligibility for medical assistance under section 1396a(a)(10)(A) of this title or, in the case of a State that has a statewide waiver in effect under section 1315 of this title with respect to subchapter XIX that was first implemented on January 1, 1994, has an income eligibility standard under such waiver for children that was at least 185 percent of the poverty line.

(b) Eligibility for medical assistance under subchapter XIX or under a waiver of such plan and who have not attained age 19 (or, if a State has so elected under the State plan under subchapter XIX, age 20 or 21), and whose family income equals or exceeds 133 percent of the poverty line but does not exceed the Medicaid applicable income level.

(3) Construction

Nothing in paragraphs (1) and (2) shall be construed as modifying the requirements applicable to States implementing State child health plans under this subchapter.

(4) Option for allotments for fiscal years 2009 through 2027

(A) Payment of enhanced portion of matching rate for certain expenditures

In the case of expenditures described in subparagraph (B), a qualifying State (as defined in paragraph (2)) may elect to be paid from the State’s allotment made under section 1397dd of this title for any of fiscal years 2009 through 2027 (insofar as the allotment is available to the State under subsections (e) and (m) of such section) an amount equal to the additional amount that would have been paid to the State under subchapter XIX with respect to such expenditures if the enhanced FMAP (as determined under subsection (b)) had been substituted for the Federal medical assistance percentage (as defined in section 1396d(b) of this title).

(B) Expenditures described

For purposes of subparagraph (A), the expenditures described in this subparagraph are expenditures made after February 4, 2009, and during the period in which funds are available to the qualifying State for use under subparagraph (A), for the provision of medical assistance to individuals residing in the State who are eligible for medical assistance under the State plan under subchapter XIX or under a waiver of such plan and who have not attained age 19 (or, if a State has so elected under the State plan under subchapter XIX, age 20 or 21), and whose family income equals or exceeds 133 percent of the poverty line but does not exceed the Medicaid applicable income level.

References in Text

Sections 108 and 115 of the Children’s Health Insurance Program Reauthorization Act of 2009, referred to in section 1397ee, shall be construed as modifying the requirements applicable to States implementing State child health plans under this subchapter.


Section 2701 of the Public Health Service Act, referred to in subsec. (c)(10)(B)(iv), is section 2701 of act July 1, 1944, which was classified to section 300gs of this title, was renumbered section 2704, effective for plan years beginning on or after Jan. 1, 2014, with certain exceptions, and amended, by Pub. L. 111–148, title I, §§1201(2), 1563(c)(1), formerly §1562(c)(1), title X, §10107(b)(1), Pub. L. 113–101, 120 Stat. 106, 111, and was transferred to section 300gs–3 of this title. A new section 2701 of act July 1, 1944, related to fair health insurance premiums, was added, effective for plan years beginning on or after Jan. 1, 2014, and amended, by Pub. L. 111–148, title I, §1201(a), title X, §10107(a), Pub. L. 113–101, 120 Stat. 106, 105, and is classified to section 300gs of this title.

The Internal Revenue Code of 1986, referred to in subsecs. (c)(10)(B)(i)(III), (ii) and (d)(3)(B), is classified generally to Title 26, Internal Revenue Code.

AMENDMENTS

2018—Subsec. (b). Pub. L. 115–120, §10065, inserted “and during the period that begins on October 1, 2019, and ends on September 30, 2020, the enhanced FMAP determined for a State for a fiscal year (or for any portion of a fiscal year occurring during such period) shall be increased by 11.5 percentage points” after “25 percentage points.”.


Pub. L. 115–120, §10020(f)(1)(B), in introductory provisions, substituted “2023, as” for “2019, as” and “During the period that begins on October 1, 2019, and ends on September 30, 2023, the preceding sentence shall only apply with respect to children in families whose income does not exceed 300 percent of the poverty line (as defined in section 1397(f)(5) of this title) applicable to a family size involved.” for “‘The preceding sentence shall be construed as preventing a State during any such periods’ for “‘The preceding sentence shall not be construed as preventing a State during such periods’”.


Pub. L. 115–120, §10020(d)(1)(B), substituted “‘2023’ for ‘‘2017’”.


Pub. L. 111–148, §2101(a), inserted at end “Notwithstanding the preceding sentence, during the period that begins on October 1, 2013, and ends on September 30, 2019, the enhanced FMAP determined for a State for a fiscal year (or for any portion of a fiscal year occurring during such period) shall be increased by 23 percentage points, but in no case shall exceed 100 percent. The increase in the enhanced FMAP determined for the preceding sentence shall not apply with respect to determining the payment to a State under subsection (a)(1) for expenditures described in subparagraph (D)(iv), paragraphs (8), (9), (11) of subsection (c), or clause (4) of the first sentence of section 1396d(b) of this title.”.


Subsec. (c)(3)(A)(I). Pub. L. 111–148, §10203(b)(4), substituted “screened for eligibility for premium assistance for the purposes of eligibility for premium assistance for the purposes of eligibility for premiums” for “screened for eligibility for medical assistance under the State plan or a waiver for medical assistance under the State plan or a waiver for medical assistance under the State plan”.

Subsec. (c)(10)(B). Pub. L. 111–148, §10203(b)(3)(A), inserted “if the offering of such a subsidy is cost-effectiveness, as defined for purposes of paragraphs (3)(A)” before period at end of first sentence.

Subsec. (c)(10)(M). Pub. L. 111–148, §10203(b)(3)(B), redesignated subpar. (N) as (M) and struck out former subpar. (M). Prior to amendment, text read as follows: “Premium assistance subsidies for qualified employer-sponsored coverage offered under this paragraph shall be deemed to meet the requirement of subparagraph (A) of paragraph (3).”

Subsec. (d)(1). Pub. L. 111–148, §2101(b)(2), inserted “‘and’ before required under section 1396a(b)(14) of this title” before period at end.


Subsec. (d)(3)(B). Pub. L. 111–148, §10203(c)(2)(B), substituted “screened for eligibility for medical assistance under the State plan under subchapter XIX or a waiver of that plan and, if found eligible, enrolled in such plan or a waiver. In the case of such children who, as a result of such screening, are determined to be eligible for medical assistance under the State plan or a waiver under subchapter XIX, the State shall establish procedures to ensure that the children are enrolled in a qualified health plan that has been certified by the Secretary under subchapter C (and is offered” for “‘provided coverage’”.

Pub. L. 111–148, §10201(g), inserted at end “For purposes of eligibility for premium assistance for the purposes of eligibility for premium assistance for a plan under section 1396b of this title,” before period at end.


2009—Subsec. (a)(1). Pub. L. 111–3, §113(a)(1), 201(b)(1)(A), substituted “‘or, in the case of expenditures described in subparagraph (D)(iv), the higher of 75 percent or the sum of the enhanced FMAP plus 5 percentage points’” for “‘(or, in the case of expenditures described in subparagraph (B), the Federal medical assistance percentage (as defined in the first sentence of section 1396b of this title)’” in introductory provisions.

Subsec. (a)(1)(B). Pub. L. 111–3, §113(a)(2), added subpar. (B) “‘reserved’ and struck out former subpar. (B) which read as follows: “for the provision of medical as-
sistance on behalf of a child during a presumptive eligi-

bility period under section 1396r–1a of this title:”;


Subsec. (a)(2). Pub. L. 111–3, § 104, added paras. (3) and (4).


Subsec. (c)(3)(A). Pub. L. 111–3, § 301(a)(2), substituted “relative to” for “relative to the amounts that the State would have paid to obtain comparable coverage only of the targeted low-income children involved,” and added cls. (i) and (ii).


Subsec. (c)(9). Pub. L. 111–3, § 211(c)(1), added par. (9).


2006—Subsec. (c)(1). Pub. L. 109–171, § 6102(b), inserted “and may not include coverage of a nonpregnant childless adult,” after “section 1396a(aa) of this title” and “‘(i) the total of such expenditures for such quarter in the fiscal year to the extent the total of such expenditures exceeds 10 percent of the sum of—”

“‘(i) the total Federal payments made under subsection (a) of this section for such quarter in the fiscal year, and

“‘(ii) the total Federal payments made under subsection (a) of this section for such quarter in the fiscal year, and

“‘(ii) the total Federal payments made under subsection (a) of this section for such quarter in the fiscal year,’”.

Subsec. (f). Pub. L. 105–100, § 162(5), reenacted heading without change and amended text generally. Prior to amendment, text read as follows: “Except as provided in this paragraph, payment shall not be made under subsection (a) of this section for expenditures for items described in subsection (a) of this section (other than paragraph (1) for a quarter in a fiscal year to the extent the total of such expenditures exceeds 10 percent of the sum of—”

“‘(i) the total Federal payments made under subsection (a) of this section for such quarter in the fiscal year, and

“‘(ii) the total Federal payments made under subsection (a) of this section for such quarter in the fiscal year,’”.


Subsec. (g)(12). Pub. L. 108–127 substituted “184” for “183” the first place appearing, inserted “August 1, 1994, or” before “July 1, 1995”, and inserted before period at end “, or, in the case of a State that had a statewide waiver in effect under section 1315 of this title with respect to subchapter XIX that was first implemented on October 1, 1993, had an income eligibility standard under such waiver for children that was at least 185 percent of the poverty line and on and after July 1, 1998, has an income eligibility standard for children under section 1396a(a)(10)(A) of this title or a statewide waiver in effect under section 1315 of this title with respect to subchapter XIX that is at least 185 percent of the poverty line”.

Subsec. (a). Pub. L. 106–554, § 1(a)(6) [title VIII, § 802(d)(4)(A)], substituted “the amount of payment that may be made under subsection (a) for a fiscal year for expenditures for items described in paragraph (1)(D) of such subsection shall not exceed 10 percent of the total amount of expenditures for which payment is made under subparagraphs (A), (C), and (D) of paragraph (1) of such subsection,” for “payment shall not be made under subsection (a) for expenditures for items described in subsection (a) (other than paragraph (1)) for a fiscal year to the extent the total of such expenditures (for which payment is made under such subsection) exceeds 10 percent of the sum of—”

“‘(i) the total of such expenditures for such fiscal year, and

“‘(ii) the total expenditures for medical assistance by the State under subchapter XIX of this chapter for which Federal payments made under section 1396b(a)(1) of this title are based on an enhanced FMAP described in subsection (b) for such fiscal year.”


Subsec. (c). Pub. L. 106–554, § 1(a)(6) [title VIII, § 802(d)(4)(C)], substituted “Except as provided in sub-
paragraph (A) or (B) of subsection (a)(1) or any other provision of law,” for “Except as otherwise provided by law,”.

Subsec. (d). Pub. L. 106–554, § 1(a)(6) [title VIII, § 802(d)(4)(E)], substituted “enhanced FMAP under the fourth sentence of section 1396a(b) of this title” for “enhanced FMAP under section 1396d(a) of this title”. 1997—Subsec. (d)(2)(B)(i). Pub. L. 106–113 inserted “in” after “described “.

1997—Subsec. (c)(2)(A). Pub. L. 105–100, § 142(5), reenacted heading without change and amended text generally. Prior to amendment, text read as follows: “Except as provided in this paragraph, payment shall not be made under subsection (a) of this section for expenditures for items described in subsection (a) of this section (other than paragraph (1) for a quarter in a fiscal year to the extent the total of such expenditures exceeds 10 percent of the sum of—”

“‘(i) the total Federal payments made under subsection (a) of this section for such quarter in the fiscal year, and

“‘(ii) the total Federal payments made under subsection (a) of this title based on an enhanced FMAP described in section 1396d(a)(1) of this title for such quarter.”

1397ee(c)(3)] prior to the date of enactment of this Act [Feb. 4, 2009]."

**Termination Date of 2007 Amendment**


**Effective Date of 2006 Amendment**

Amendment by section 6102(b) of Pub. L. 109–171 effective as if enacted on Oct. 1, 2005, and applicable to any waiver, experimental, pilot, or demonstration project that is approved on or after that date, see section 4901 of Pub. L. 105–33, see section 114(b), which provided that the amendment of this section are that the new final rule implementing the PERM requirements shall—

- (1) clearly defined criteria for errors for both States and providers;
- (2) a clearly defined process for appealing error determinations by—
  - (i) review contractors; or
  - (ii) the agency and personnel described in section 631.974(a)(2) of title 42, Code of Federal Regulations, as in effect on September 1, 2007, responsible for the development, direction, implementation, and evaluation of eligibility reviews and associated activities; and
- (c) clearly defined responsibilities and deadlines for States in implementing any corrective action plans.

**Effective Date of 2003 Amendment**

Pub. L. 108–127, §1, Nov. 17, 2003, 117 Stat. 1354, provided that the amendment made by that section are that the new final rule implementing the PERM requirements were first in effect under an interim final rule for fiscal year 2007 or under a final rule for fiscal year 2008 or may elect to not have any payment error rate determined in whole or in part for the State on the basis of data for that fiscal year or may elect to not have any payment error rate determined on the basis of such data and, instead, shall be treated as if fiscal year 2010 or fiscal year 2011 were the first fiscal year for which the PERM requirements apply to the State.

**Effective Date of 1997 Amendment**

Pub. L. 105–100, title I, §162, Nov. 19, 1997, 111 Stat. 2188, provided in part that the amendment made by that provision is effective as if included in the enactment of Pub. L. 105–33, see section 1a(6) (title VIII, §802(f)) of Pub. L. 106–554, set out as a note under section 1396gg of this title.

**Construction of 2009 Amendment**

Pub. L. 111–3, title I, §114(b), Feb. 4, 2009, 123 Stat. 35, provided that: “Nothing in the amendments made by this section [amending this section] shall be construed as—

- (1) changing any income eligibility level for children under title XXI of the Social Security Act (42 U.S.C. 1397aa et seq.); or
- (2) changing the flexibility provided States under such title to establish the income eligibility level for targeted low-income children under a State child health plan and the methodologies used by the State to determine income or assets under such plan.”

**Payment Error Rate Measurement Requirements**

Pub. L. 111–3, title VI, §601(b)–(g), Feb. 4, 2009, 123 Stat. 3290, provided that:

- “(b) Final Rule Required To Be in Effect for All States.—Notwithstanding parts 431 and 457 of title 42, Code of Federal Regulations (as in effect on the date of enactment of this Act [Feb. 4, 2009]), the Secretary shall not calculate or publish any national or State-specific error rate based on the application of the payment error rate measurement (in this section referred to as ‘PERM’) requirements to CHIP until after the date that is 6 months after the date on which a new final rule (in this section referred to as the ‘new final rule’) promulgated after the date of the enactment of this Act [Feb. 4, 2009] and implementing such requirements in accordance with the requirements of subsection (c) is in effect for all States. Any calculation of a national error rate or a State specific error rate after such new final rule in effect for all States may only be inclusive of errors, as defined in such new final rule or in guidance issued within a reasonable time frame after the effective date for such new final rule that includes detailed guidance for the specific methodology for error determinations. The Secretary is not required under this subsection to calculate or publish a national or a State-specific error rate for fiscal year 2009 or fiscal year 2010."

- “(c) Requirements for New Final Rule.—For purposes of subsection (b), the requirements of this subsection are that the new final rule implementing the PERM requirements shall—
  - (1) include—
    - (A) clearly defined criteria for errors for both States and providers;
    - (B) a clearly defined process for appealing error determinations by—
      - (i) review contractors; or
      - (ii) the agency and personnel described in section 631.974(a)(2) of title 42, Code of Federal Regulations, as in effect on September 1, 2007, responsible for the development, direction, implementation, and evaluation of eligibility reviews and associated activities; and
  - (C) clearly defined responsibilities and deadlines for States in implementing any corrective action plans.
  - (2) provide that the payment error rate determined for a State shall not take into account payment errors resulting from the State’s verification of an applicant’s self-declaration or self-certification of eligibility for, and the correct amount of medical assistance or child health assistance, if the State process for verifying an applicant’s self-declaration or self-certification satisfies the requirements for such process applicable under regulations promulgated by the Secretary or otherwise approved by the Secretary.

- “(d) Option for Application of Data for States in First Application Cycle Under the Interim Final Rule.—After the new final rule implementing the PERM requirements in accordance with the requirements of subsection (c) is in effect for all States, a State for which the PERM requirements were first in effect under an interim final rule for fiscal year 2007 or under a final rule for fiscal year 2008 may elect to accept any payment error rate determined under the PERM requirements for purposes of applying the PERM requirements to the State after the new final rule implementing such requirements is in effect for all States for data obtained from the application of the MEQC requirements to the State with respect to a fiscal year.

- “(e) Harmonization of MEQC and PERM.—
  - (1) Reduction of Redundancies.—The Secretary shall review the Medicaid Eligibility Quality Control (in this subsection referred to as the ‘MEQC’) requirements with the PERM requirements and coordinate the consistent implementation of both sets of requirements, while reducing redundancies.
  - (2) State Option To Apply PERM Data.—A State may elect, for purposes of determining the erroneous excess payments for medical assistance ratio applicable to the State for a fiscal year under section 1903(u) of the Social Security Act (42 U.S.C. 1396(u)) to substitute data resulting from the application of the PERM requirements to the State after the new final rule implementing such requirements is in effect for all States for data obtained from the application of the MEQC requirements to the State with respect to a fiscal year.
  - (3) State Option To Apply MEQC Data.—For purposes of satisfying the requirements of subpart Q of part 431 of title 42, Code of Federal Regulations, relating to Medicaid eligibility reviews, a State may elect to substitute data obtained through MEQC reviews conducted in accordance with section 1903(u) of the Social Security Act (42 U.S.C. 1396(u)) for data required for purposes of PERM requirements, but only if the State MEQC reviews are based on a broad, representative sample of Medicaid applicants or enrollees in the State.
  - (4) Identification of Improved State-Specific Sample Sizes.—The Secretary shall establish State-specific
§ 1397ff

Process for submission, approval, and amendment of State child health plans

(a) Initial plan

(1) In general

As a condition of receiving payment under section 1397ee of this title, a State shall submit to the Secretary a State child health plan that meets the applicable requirements of this subchapter.

(2) Approval

Except as the Secretary may provide under subsection (e), a State plan submitted under paragraph (1)—

(A) shall be approved for purposes of this subchapter, and

(B) shall be effective beginning with a calendar quarter that is specified in the plan, but in no case earlier than October 1, 1997.

(b) Plan amendments

(1) In general

A State may amend, in whole or in part, its State child health plan at any time through transmittal of a plan amendment.

(2) Approval

Except as the Secretary may provide under subsection (e), an amendment to a State plan submitted under paragraph (1)—

(A) shall be approved for purposes of this subchapter, and

(B) shall be effective as provided in paragraph (3).

(3) Effective dates for amendments

(A) In general

Subject to the succeeding provisions of this paragraph, an amendment to a State plan shall take effect on one or more effective dates specified in the amendment.

(B) Amendments relating to eligibility or benefits

(i) Notice requirement

Any plan amendment that eliminates or restricts eligibility or benefits under the plan may not take effect unless the State certifies that it has provided prior public notice of the change, in a form and manner provided under applicable State law.

(ii) Timely transmittal

Any plan amendment that eliminates or restricts eligibility or benefits under the plan shall not be effective for longer than a 60-day period unless the amendment has been transmitted to the Secretary before the end of such period.

(C) Other amendments

Any plan amendment that is not described in subparagraph (B) and that becomes effective in a State fiscal year may not remain in effect after the end of such fiscal year (or, if later, the end of the 90-day period on which it becomes effective) unless the amendment has been transmitted to the Secretary.

(c) Disapproval of plans and plan amendments

(1) Prompt review of plan submittals

The Secretary shall promptly review State plans and plan amendments submitted under this section to determine if they substantially comply with the requirements of this subchapter.

(2) 90-day approval deadlines

A State plan or plan amendment is considered approved unless the Secretary notifies the State in writing, within 90 days after receipt of the plan or amendment, that the plan or amendment is disapproved (and the reasons for disapproval) or that specified additional information is needed.

(3) Correction

In the case of a disapproval of a plan or plan amendment, the Secretary shall provide a State with a reasonable opportunity for correction before taking financial sanctions against the State on the basis of such disapproval.

(d) Program operation

(1) In general

The State shall conduct the program in accordance with the plan (and any amendments) approved under subsection (c) and with the requirements of this subchapter.

(2) Violations

The Secretary shall establish a process for enforcing requirements under this subchapter. Such process shall provide for the withholding of funds in the case of substantial noncompliance with such requirements. In the case of an enforcement action against a State under this paragraph, the Secretary shall provide a State with a reasonable opportunity for correction before taking financial sanctions against the State on the basis of such an action.

(e) Continued approval

An approved State child health plan shall continue in effect unless and until the State amends the plan under subsection (b) or the Secretary finds, under subsection (d), substantial noncompliance of the plan with the requirements of this subchapter.

§ 1397gg. Strategic objectives and performance goals: plan administration

(a) Strategic objectives and performance goals

(1) Description

A State child health plan shall include a description of—
(A) the strategic objectives,
(B) the performance goals, and
(C) the performance measures,

the State has established for providing child health assistance to targeted low-income children under the plan and otherwise for maximizing health benefits coverage for other low-income children and children generally in the State.

(2) Strategic objectives

Such plan shall identify specific strategic objectives relating to increasing the extent of creditable health coverage among targeted low-income children and other low-income children.

(3) Performance goals

Such plan shall specify one or more performance goals for each such strategic objective so identified.

(4) Performance measures

Such plan shall describe how performance under the plan will be—
(A) measured through objective, independently verifiable means, and
(B) compared against performance goals, in order to determine the State’s performance under this subchapter.

(b) Records, reports, audits, and evaluation

(1) Data collection, records, and reports

A State child health plan shall include an assurance that the State will collect the data, maintain the records, and furnish the reports to the Secretary, at the times and in the standardized format the Secretary may require in order to enable the Secretary to monitor State program administration and compliance and to evaluate and compare the effectiveness of State plans under this subchapter.

(2) State assessment and study

A State child health plan shall include a description of the State’s plan for the annual assessments and reports under section 1397hh(a) of this title and the evaluation required by section 1397hh(b) of this title.

(3) Audits

A State child health plan shall include an assurance that the State will afford the Secretary access to any records or information relating to the plan for the purposes of review or audit.

(c) Program development process

A State child health plan shall include a description of the process used to involve the public in the design and implementation of the plan and the method for ensuring ongoing public involvement.

(d) Program budget

A State child health plan shall include a description of the budget for the plan. The description shall be updated periodically as necessary and shall include details on the planned use of funds and the sources of the non-Federal share of plan expenditures, including any requirements for cost-sharing by beneficiaries.

(e) Application of certain general provisions

The following sections of this chapter shall apply to States under this subchapter in the same manner as they apply to a State under subchapter XIX:

(1) Subchapter XIX provisions

(A) Section 1396a(a)(4)(C) of this title (relating to conflict of interest standards).
(B) Section 1396a(a)(25) of this title (relating to third party liability).
(C) Section 1396a(a)(39) of this title (relating to termination of participation of certain providers).
(D) Section 1396a(a)(78) of this title (relating to enrollment of providers participating in State plans providing medical assistance on a fee-for-service basis).
(E) Section 1396a(a)(72) of this title (relating to limiting FQHC contracting for provision of dental services).
(F) Section 1396a(a)(73) of this title (relating to requiring certain States to seek advice from designees of Indian Health Programs and Urban Indian Organizations).
(G) Subsections (a)(77) and (kk) of section 1396a of this title (relating to provider and supplier screening, oversight, and reporting requirements).
(H) Section 1396a(e)(13) of this title (relating to the State option to rely on findings from an Express Lane agency to help evaluate a child’s eligibility for medical assistance).
(I) Section 1396a(e)(14) of this title (relating to income determined using modified adjusted gross income and household income).
(J) Section 1396a(bb) of this title (relating to payment for services provided by Federally-qualified health centers and rural health clinics).
(K) Section 1396a(ff) of this title (relating to disregard of certain property for purposes of making eligibility determinations).
(L) Paragraphs (2), (16), and (17) of section 1396b of this title (relating to limitations on payment).
(M) Section 1396b(m)(3) of this title (relating to limitation on payment with respect to managed care).
(N) Paragraph (4) of section 1396b(y) of this title (relating to optional coverage of categories of lawfully residing immigrant children or pregnant women), but only if the State has elected to apply such paragraph with respect to such category of children or pregnant women under subchapter XIX.
(O) Section 1396b(w) of this title (relating to limitations on provider taxes and donations).
(P) Section 1396c–la of this title (relating to presumptive eligibility for children).
(Q) Subsections (a)(2)(C) (relating to Indian enrollment), (d)(5) (relating to contract requirement for managed care entities), (d)(6) (relating to enrollment of providers participating with a managed care entity), and (h) (relating to special rules with respect to In-
§ 1397gg

TITIE 42—THE PUBLIC HEALTH AND WELFARE  Page 4088

dian enrollees, Indian health care providers, and Indian managed care entities) of section 1396a–2 of this title.

(R) Section 1396w–2 of this title (relating to authorization to receive data directly relevant to coordination with State Exchanges and the State Medicaid agency).

(2) Subchapter XI provisions

(A) Section 1315 of this title (relating to waiver authority).

(B) Section 1316 of this title (relating to administrative and judicial review), but only insofar as consistent with this subchapter.

(C) Section 1320a–3 of this title (relating to disclosure of ownership and related information).

(D) Section 1320a–5 of this title (relating to determination of ownership and related information).

(E) Section 1320a–7a of this title (relating to civil monetary penalties).

(F) Section 1320a–7b(d) of this title (relating to criminal penalties for certain additional charges).

(G) Section 1320b–2 of this title (relating to periods within which claims must be filed).

(f) Limitation of waiver authority

Notwithstanding subsection (e)(2)(A) and section 1315(a) of this title:

(1) The Secretary may not approve a waiver, experimental, pilot, or demonstration project that would allow funds made available under this subchapter to be used to provide child health assistance or other health benefits coverage to a nonpregnant childless adult or a parent (as defined in section 1397kk(c)(2)(A) of this title), who is not pregnant, of targeted low-income child.

(2) The Secretary may not approve, extend, renew, or amend a waiver, experimental, pilot, or demonstration project with respect to a State after February 4, 2009, that would waive or modify the requirements of section 1397kk of this title.

(g) Use of blended risk pools

(1) In general

Nothing in this subchapter (or any other provision of Federal law) shall be construed as preventing a State from considering children enrolled in a qualified CHIP look-alike program and children enrolled in a State child health plan under this subchapter (or a waiver of such plan) as members of a single risk pool.

(2) Qualified CHIP look-alike program

In this subsection, the term ‘‘qualified CHIP look-alike program’’ means a State program—

(A) under which children who are under the age of 19 and are not eligible to receive medical assistance under subchapter XIX or child health assistance under this subchapter may purchase coverage through the State that provides benefits that are at least identical to the benefits provided under the State child health plan under this subchapter (or a waiver of such plan); and

(B) that is funded exclusively through non-Federal funds, including funds received by the State in the form of premiums for the purchase of such coverage.


CODIFICATION

Amendment by section 501(d)(2) of Pub. L. 111–3 executed after amendment by section 214(b) of Pub. L. 111–13 to reflect the probable intent of Congress, notwithstanding section 501(d)(3) of Pub. L. 111–3, set out as an Effective Date of 2009 Amendment note under section 1396a of this title.

AMENDMENTS

2018—Subsec. (e)(1)(B) to (S). Pub. L. 115–123 added subpar. (B) and redesignated former subpars. (B) to (E) as (C) to (S), respectively.

2016—Subsec. (e)(1)(B) to (H). Pub. L. 114–255 added subpars. (B), (C), and (L), redesignated former subpars. (B) to (I) as (F) to (K) and (J) to (O) as (M) to (R), respectively, and in subpars. (P), (Q), as so redesignated, substituted ‘‘(a)(2)(C) (relating to Indian enrollment), (d)(5) (relating to contract requirement for managed care entities), (d)(6) (relating to enrollment of providers participating with a managed care entity), and (h) (relating to special rules with respect to Indian enrollees, Indian health care providers, and Indian managed care entities)’’ for ‘‘(a)(2)(C) and (h)’’.


Subsec. (e)(1)(F). Pub. L. 111–148, § 6401(c)(1), redesignated subpar. (F) to (L) as (K) to (M), respectively, which directed the substitution of ‘‘modified gross income’’ for ‘‘modified gross income’’ in subpar. (E), as added by section 2101(d)(2) of Pub. L. 111–148, was executed to subpar. (F) to reflect the probable intent of Congress and the redesignation of subpar. (E) as (F) by Pub. L. 111–148, § 6401(c)(1). See below.

Pub. L. 111–148, § 6401(c)(1), redesignated subpar. (E) as (F). Former subpar. (F) redesignated (G).

Pub. L. 111–148, § 201(d)(2)(A), redesignated subpar. (E) as (F). Former subpar. (F) redesignated (G).

Subsec. (e)(1)(G) to (M). Pub. L. 111–148, § 6401(c)(1), redesignated subpars. (F) to (L) as (G) to (M), respectively, which directed the substitution of ‘‘modified gross income’’ for ‘‘modified gross income’’ in subpar. (E), as added by section 2101(d)(2) of Pub. L. 111–148, was executed to subpar. (F) to reflect the probable intent of Congress and the redesignation of subpar. (E) as (F) by Pub. L. 111–148, § 6401(c)(1). See below.

Pub. L. 111–148, § 6401(c)(1), redesignated subpar. (E) as (F). Former subpar. (F) redesignated (G).

Pub. L. 111–148, § 201(d)(2)(A), redesignated subpar. (E) as (F). Former subpar. (F) redesignated (G).


Pub. L. 111–148, § 6401(c)(1), redesignated subpar. (M) relating to section 1396w–2 of this title as (N).

Pub. L. 111–148, § 201(e), added subpar. (N) relating to section 1396w–3(b) of this title.


Pub. L. 111–3, § 503(a)(2), redesignated subpar. (B) as (C). Former subpar. (C) redesignated (D).

Subsec. (e)(1)(D). Pub. L. 111–5, § 5006(e)(2)(B)(i), redesignated subpar. (B) as (D). Former subpar. (D) redesignated (B).

Pub. L. 111–5, § 5006(b)(2)(A), redesignated subpar. (C) as (D). Former subpar. (D) redesignated (C).


Pub. L. 111–5, § 5006(b)(2)(A), redesignated subpar. (D) as (E). Former subpar. (E) redesignated (F).

Pub. L. 111–3, § 506(b)(1), redesignated subpar. (D) as (E). Former subpar. (E) redesignated (F).

Pub. L. 111–3, § 501(d)(2), redesignated subpar. (E) as (F). Former subpar. (F) redesignated (G).

Pub. L. 111–3, § 503(a)(1), redesignated subpar. (E) as (F). Former subpar. (F) redesignated (G).

Pub. L. 111–3, § 501(d)(2), redesignated subpar. (F) as (G). Former subpar. (G) redesignated (H).

Pub. L. 111–3, § 501(d)(2), redesignated subpar. (F) as (G). Former subpar. (G) redesignated (H).

Pub. L. 111–3, § 503(a)(1), redesignated subpar. (G) as (H). Former subpar. (H) redesignated (I).

Pub. L. 111–3, § 503(a)(1), redesignated subpar. (G) as (H). Former subpar. (H) redesignated (I).


Subsec. (f). Pub. L. 111–3, § 112(a)(2)(A)(i), substituted "section 1315(a) of this title" for "section 1315(a) of this title, the Secretary" and inserted par. (I) designation and "The Secretary" before "may not approve a waiver.".

Subsec. (f)(1). Pub. L. 111–3, § 112(a)(2)(A)(ii), inserted "or a parent (as defined in section 1397kk(c)(2)(A) of this title), who is not pregnant, of a targeted low-income child" after "nonpregnant childless adult" and struck out last sentence which read as follows: "For purposes of the preceding sentence, a caretaker relative (as such term is defined for purposes of carrying out section 1396a–1 of this title) shall not be considered a childless adult."


Effective Date of 2009 Amendment

Amendment by Pub. L. 111–5 effective July 1, 2009, see section 5006(f) of Pub. L. 111–5, set out as a note under section 1396a of this title.

Except as otherwise provided, amendment by Pub. L. 111–3 effective Apr. 1, 2009, and applicable to child health assistance and medical assistance provided on or after that date, see section 3 of Pub. L. 111–3, set out as a note under section 1396d of this title.


Pub. L. 111–3, title Y, § 503(a)(2), Feb. 4, 2009, 123 Stat. 89, provided that: "The amendment made by paragraph (1) [amending this section] shall apply to services provided on or after October 1, 2009."

Effective Date of 2006 Amendment

Pub. L. 109–171, title VI, § 6102(d), Feb. 8, 2006, 120 Stat. 132, provided that: "This section [amending this section and section 1397ee of this title and enacting provisions set out as a note below] and the amendments made by this section shall take effect as if enacted on October 1, 2005, and shall apply to any waiver, experimental, pilot, or demonstration project that is approved on or after that date."

Construction of 2016 Amendment

Nothing in amendment by Pub. L. 114–255 to be construed as changing or limiting the appeal rights of providers or the process for appeals of States under the Social Security Act, see section 5005(d) of Pub. L. 114–255, set out as a note under section 1396a of this title.

Construction of 2006 Amendment


(1) authorize the waiver of any provision of title XIX or XXI of the Social Security Act (42 U.S.C. 1396 et seq., 1397aa et seq.) that is not otherwise authorized to be waived under such titles or under title XI
of such Act (42 U.S.C. 1391 et seq.) as of the date of enactment of this Act [Feb. 8, 2006];
"(2) imply congressional approval of any waiver, experimental, pilot, or demonstration project affecting funds made available under the State children's health insurance program under title XXI of the Social Security Act (42 U.S.C. 1397aa et seq.) or any amendment to such a waiver or project that has been approved as of such date of enactment; or
"(3) apply to any waiver, experimental, pilot, or demonstration project that would allow funds made available under title XXI of the Social Security Act (42 U.S.C. 1397aa et seq.) to be used to provide child health assistance or other health benefits coverage to a nonpregnant childless adult that is approved before the date of enactment of this Act or to any extension, renewal, or amendment of such a waiver or project that is approved on or after such date of enactment."

§ 1397hh. Annual reports; evaluations
(a) Annual report
Subject to subsection (e), the State shall—
(1) assess the operation of the State plan under this subchapter in each fiscal year, including the progress made in reducing the number of uncovered low-income children; and
(2) report to the Secretary, by January 1 following the end of the fiscal year, on the result of the assessment.

(b) State evaluations
(1) In general
By March 31, 2000, each State that has a State child health plan shall submit to the Secretary an evaluation that includes each of the following:
(A) An assessment of the effectiveness of the State plan in increasing the number of children with creditable health coverage.
(B) A description and analysis of the effectiveness of elements of the State plan, including—
(i) the characteristics of the children and families assisted under the State plan including age of the children, family income, and the assisted child's access to or coverage by other health insurance prior to the State plan and after eligibility for the State plan ends,
(ii) the quality of health coverage provided including the types of benefits provided, (iii) the amount and level (including payment of part or all of any premium) of assistance provided by the State,
(iv) the service area of the State plan,
(v) the time limits for coverage of a child under the State plan,
(vi) the State's choice of health benefits coverage and other methods used for providing child health assistance, and
(vii) the sources of non-Federal funding used in the State plan.
(C) An assessment of the effectiveness of other public and private programs in the State in increasing the availability of affordable quality individual and family health insurance for children.
(D) A review and assessment of State activities to coordinate the plan under this subchapter with other public and private programs providing health care and health care financing, including medicaid and maternal and child health services.
(E) An analysis of changes and trends in the State that affect the provision of accessible, affordable, quality health insurance and health care to children.
(F) A description of any plans the State has for improving the availability of health insurance and health care for children.
(G) Recommendations for improving the program under this subchapter.
(H) Any other matters the State and the Secretary consider appropriate.

(2) Report of the Secretary
The Secretary shall submit to Congress and make available to the public by December 31, 2001, a report based on the evaluations submitted by States under paragraph (1), containing any conclusions and recommendations the Secretary considers appropriate.

(c) Federal evaluation
(1) In general
The Secretary, directly or through contracts or interagency agreements, shall conduct an independent evaluation of 10 States with approved child health plans.
(2) Selection of States
In selecting States for the evaluation conducted under this subsection, the Secretary shall choose 10 States that utilize diverse approaches to providing child health assistance, represent various geographic areas (including a mix of rural and urban areas), and contain a significant portion of uncovered children.

(3) Matters included
In addition to the elements described in subsection (b)(1), the evaluation conducted under this subsection shall include each of the following:
(A) Surveys of the target population (enrollees, disenrollees, and individuals eligible for but not enrolled in the program under this subchapter).
(B) Evaluation of effective and ineffective outreach and enrollment practices with respect to children (for both the program under this subchapter and the medicaid program under subchapter XIX), and identification of enrollment barriers and key elements of effective outreach and enrollment practices, including practices (such as through community health workers and others) that have successfully enrolled hard-to-reach populations such as children who are eligible for medical assistance under subchapter XIX but have not been enrolled previously in the medicaid program under that subchapter.
(C) Evaluation of the extent to which State medicaid eligibility practices and procedures under the medicaid program under subchapter XIX are a barrier to the enrollment of children under that program, and the extent to which coordination (or lack of coordination) between that program and the program under this subchapter affects the enrollment of children under both programs.
(D) An assessment of the effect of cost-sharing on utilization, enrollment, and coverage retention.
(E) Evaluation of disenrollment or other retention issues, such as switching to private coverage, failure to pay premiums, or barriers in the recertification process.

(4) Submission to Congress

Not later than December 31, 2001, the Secretary shall submit to Congress the results of the evaluation conducted under this subsection.

(5) Subsequent evaluation using updated information

(A) In general

The Secretary, directly or through contracts or interagency agreements, shall conduct an independent subsequent evaluation of 10 States with approved child health plans.

(B) Selection of States and matters included

Paragraphs (2) and (3) shall apply to such subsequent evaluation in the same manner as such provisions apply to the evaluation conducted under paragraph (1).

(C) Submission to Congress

Not later than December 31, 2011, the Secretary shall submit to Congress the results of the evaluation conducted under this paragraph.

(D) Funding

Out of any money in the Treasury of the United States not otherwise appropriated, there are appropriated $10,000,000 for fiscal year 2010 for the purpose of conducting the evaluation authorized under this paragraph. Amounts appropriated under this subparagraph shall remain available for expenditure through fiscal year 2012.

(d) Access to records for IG and GAO audits and evaluations

For the purpose of evaluating and auditing the program established under this subchapter, or subchapter XIX, the Secretary, the Office of Inspector General, and the Comptroller General shall have access to any books, accounts, records, correspondence, and other documents that are related to the expenditure of Federal funds under this subchapter and that are in the possession, custody, or control of States receiving Federal funds under this subchapter or political subdivisions thereof, or any grantee or contractor of such States or political subdivisions.

(e) Information required for inclusion in State annual report

The State shall include the following information in the annual report required under subsection (a):

(1) Eligibility criteria, enrollment, and retention data (including data with respect to continuity of coverage or duration of benefits).

(2) Data regarding the extent to which the State uses process measures with respect to determining the eligibility of children under the State child health plan, including measures such as 12-month continuous eligibility, self-declaration of income for applications or renewals, or presumptive eligibility.

(3) Data regarding denials of eligibility and redeterminations of eligibility.

(4) Data regarding access to primary and specialty services, access to networks of care, and care coordination provided under the State child health plan, using quality care and consumer satisfaction measures included in the Consumer Assessment of Healthcare Providers and Systems (CAHPS) survey.

(5) If the State provides child health assistance in the form of premium assistance for the purchase of coverage under a group health plan, data regarding the provision of such assistance, including the extent to which employer-sponsored health insurance is available for children eligible for child health assistance under the State child health plan, the range of the monthly amount of such assistance provided on behalf of a child or family, the number of children or families provided such assistance on a monthly or a monthly basis, the income of the children or families provided such assistance, the benefits and cost-sharing protection provided under the State child health plan to supplement the coverage purchased with such premium assistance, the effective strategies the State engages in to reduce any administrative barriers to the provision of such assistance, and, the effects, if any, of the provision of such assistance on preventing the coverage provided under the State child health plan from substituting for coverage provided under employer-sponsored health insurance offered in the State.

(6) To the extent applicable, a description of any State activities that are designed to reduce the number of uncovered children in the State, including through a State health insurance assistance connector program or support for innovative private health coverage initiatives.

(7) Data collected and reported in accordance with section 300kk(c) of this title, with respect to individuals enrolled in the State child health plan (and, in the case of enrollees under 19 years of age, their parents or legal guardians), including data regarding the primary language of such individuals, parents, and legal guardians.

(e) Information on dental care for children

(1) In general

Each annual report under subsection (a) shall include the following information with respect to care and services described in section 1396d(r)(3) of this title provided to targeted low-income children enrolled in the State child health plan under this subchapter at any time during the year involved:

(A) The number of enrolled children by age grouping used for reporting purposes under section 1396a(a)(43) of this title.

(B) For children within each such age grouping, information of the type contained in questions 12(a)–(c) of CMS Form 416 (that consists of the number of enrolled targeted low income children who receive any preventive, or restorative dental care under the State plan).

1 So in original. Two subsecs. (e) have been enacted.

2 So in original. The comma probably should not appear.
(C) For the age grouping that includes children 8 years of age, the number of such children who have received a protective sealant on at least one permanent molar tooth.  
(2) Inclusion of information on enrollees in managed care plans  
The information under paragraph (1) shall include information on children who are enrolled in managed care plans and other private health plans and contracts with such plans under this subchapter shall provide for the reporting of such information by such plans to the State.  


AMENDMENTS  
2010—Subsec. (e)(7). Pub. L. 111–148, which directed amendment of subsec. (e) by adding par. (7) at end, was executed to the subsec. (e) added by Pub. L. 111–3, § 402(a)(2), relating to information required for inclusion in State annual report, to reflect the probable intent of Congress.  
2009—Subsec. (a). Pub. L. 111–3, § 402(a)(1), substituted ‘‘Subject to subsection (e), the State’’ for ‘‘The State’’ in introductory provisions.  
Subsec. (c)(3)(B). Pub. L. 111–3, § 402(a)(1), substituted ‘‘(such as through community health workers and others)’’ after ‘‘including practices’’.  
Subsec. (c)(5). Pub. L. 111–3, § 603, added par. (5) and struck out former par. (5). Prior to amendment, text read as follows: ‘‘Out of any money in the Treasury of the United States not otherwise appropriated, there are appropriated $10,000,000 for fiscal year 2000 for the purpose of conducting the evaluation authorized under this subsection. Amounts appropriated under this paragraph shall remain available for expenditure through fiscal year 2002.’’.  
Subsec. (d). Pub. L. 111–8 struck out ‘‘and GAO report’’ after ‘‘Inspector General audit’’ in heading and struck out par. (3) which related to duty of Comptroller General to monitor Inspector General audits and report to Congress on audit results.  
1999—Subsecs. (c), (d). Pub. L. 106–113 added subsecs. (c) and (d).  

EFFECTIVE DATE OF 2009 AMENDMENT  
Except as otherwise provided, amendment by Pub. L. 111–3 effective Apr. 1, 2009, and applicable to child health assistance and medical assistance provided on or after that date, see section 3 of Pub. L. 111–3, set out as an Effective Date note under section 1396 of this title. Amendment by section 501(e)(2) of Pub. L. 111–3 effective for annual reports submitted for years beginning after Feb. 4, 2009, see section 501(e)(3) of Pub. L. 111–3, set out as a note under section 1396a of this title.  

STANDARDIZED REPORTING FORMAT  
Pub. L. 111–3, title IV, § 4902(b), Feb. 4, 2009, 123 Stat. 83, provided that:  

“(1) IN GENERAL.—Not later than 1 year after the date of enactment of this Act (Feb. 4, 2009), the Secretary [of Health and Human Services] shall specify a standardized format for States to use for reporting this information required under section 2108(e) of the Social Security Act (42 U.S.C. 1397hh(e)), as added by subsection (a)(2).  
“(2) TRANSITION PERIOD FOR STATES.—Each State that is required to submit a report under subsection (a) of section 2108 of the Social Security Act (42 U.S.C. 1397hh(a)) that includes the information required under subsection (e) of such section may use up to 3 reporting periods to transition to the reporting of such information in accordance with the standardized format specified by the Secretary under paragraph (1).”  

§ 1397ii. Miscellaneous provisions  

(a) Relation to other laws  
(1) HIPAA  
Health benefits coverage provided under section 1397aa(a)(1) of this title (and coverage provided under a waiver under section 1397ee(c)(2)(B) of this title) shall be treated as creditable coverage for purposes of part 7 of subtitle B of title I of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1181 et seq.), title XXVII of the Public Health Service Act (42 U.S.C. 300gg et seq.), and subtitle K of the Internal Revenue Code of 1986.  
(2) ERISA  
Nothing in this subchapter shall be construed as affecting or modifying section 514 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1144) with respect to a group health plan (as defined in section 2791(a)(1) of the Public Health Service Act (42 U.S.C. 300gg–91(a)(1))).  

(b) Adjustment to Current Population Survey to include State-by-State data relating to children without health insurance coverage  
(1) In general  
The Secretary of Commerce shall make appropriate adjustments to the annual Current Population Survey conducted by the Bureau of the Census in order to produce statistically reliable annual State data on the number of low-income children who do not have health insurance coverage, so that real changes in the uninsurance rates of children can reasonably be detected. The Current Population Survey should produce data under this subsection that categorizes such children by family income, age, and race or ethnicity. The adjustments made to produce such data shall include, where appropriate, expanding the sample size used in the State sampling units, expanding the number of sampling units in a State, and an appropriate verification element.  

(2) Additional requirements  
In addition to making the adjustments required to produce the data described in paragraph (1), with respect to data collection occurring for fiscal years beginning with fiscal year 2009, in appropriate consultation with the Secretary of Health and Human Services, the Secretary of Commerce shall do the following:  
(A) Make appropriate adjustments to the Current Population Survey to develop more accurate State-specific estimates of the
number of children enrolled in health coverage under subchapter XIX or this subchapter.

(B) Make appropriate adjustments to the Current Population Survey to improve the survey estimates used to determine a high-performing State under section 1397kk(b)(3)(B) of this title and any other data necessary for carrying out this subchapter.

(C) Include health insurance survey information in the American Community Survey related to children.

(D) Assess whether American Community Survey estimates, once such survey data are first available, produce more reliable estimates than the Current Population Survey with respect to the purposes described in subparagraph (B).

(E) On the basis of the assessment required under subparagraph (D), recommend to the Secretary of Health and Human Services whether American Community Survey estimates should be used in lieu of, or in some combination with, Current Population Survey estimates for the purposes described in subparagraph (B).

(F) Continue making the adjustments described in the last sentence of paragraph (1) with respect to expansion of the sample size used in State sampling units, the number of sampling units in a State, and using an appropriate verification element.

(3) Authority for the Secretary of Health and Human Services to transition to the use of all, or some combination of, ACS estimates upon recommendation of the Secretary of Commerce

If, on the basis of the assessment required under paragraph (2)(D), the Secretary of Commerce recommends to the Secretary of Health and Human Services that American Community Survey estimates should be used in lieu of, or in some combination with, Current Population Survey estimates for the purposes described in paragraph (2)(B), the Secretary of Health and Human Services, in consultation with the States, may provide for a period during which the Secretary may transition from carrying out such purposes through the use of American Community Survey estimates (in lieu of, or in combination with the Current Population Survey estimates, as recommended), provided that any such transition is implemented in a manner that is designed to avoid adverse impacts upon States with approved State child health plans under this subchapter.

(4) Appropriation

Out of any money in the Treasury of the United States not otherwise appropriated, there are appropriated $20,000,000 for fiscal year 2009, and each fiscal year thereafter for the purpose of carrying out this subsection (except that only with respect to fiscal year 2008, there are appropriated $20,000,000 for the purpose of carrying out this subsection, to remain available until expended).


REFERENCES IN TEXT


The Public Health Service Act, referred to in subsec. (a)(1), is act July 1, 1944, ch. 373, 58 Stat. 682 "Title XXVII of the Act is classified generally to subchapter XXXV (§300gg et seq.) of chapter 6A of this title. For complete classification of this Act to the Code, see Short Title note set out under section 201 of this title and Tables.

The Internal Revenue Code of 1986, referred to in subsec. (a)(1), is classified generally to Title 26, Internal Revenue Code. Subtitle K of such Code appears at section 9801 et seq. of Title 26.

AMENDMENTS


2007—Subsec. (b)(2). Pub. L. 110–173 inserted before period at end "(except that only with respect to fiscal year 2008, there are appropriated $20,000,000 for the purpose of carrying out this subsection, to remain available until expended)"


Subsec. (b). Pub. L. 106–113, §1000(a)(6) [title VII, §703(a)], added subsec. (b).

EFFECTIVE DATE OF 2010 AMENDMENT


EFFECTIVE DATE OF 2009 AMENDMENT

Amendment by Pub. L. 111–3 effective Apr. 1, 2009, and applicable to child health assistance and medical assistance provided on or after that date, with certain exceptions, see section 3 of Pub. L. 111–3, set out as an Effective Date note under section 1396 of this title.

§1397jj. Definitions

(a) Child health assistance

For purposes of this subchapter, the term "child health assistance" means payment for part or all of the cost of health benefits coverage for targeted low-income children that includes any of the following (and includes, in the
case described in section 1397ee(a)(1)(D)(i) of this title, payment for part or all of the cost of providing any of the following), as specified under the State plan:
(1) Inpatient hospital services.
(2) Outpatient hospital services.
(3) Physician services.
(4) Surgical services.
(5) Clinic services (including health center services) and other ambulatory health care services.
(6) Prescription drugs and biologicals and the administration of such drugs and biologicals, only if such drugs and biologicals are not furnished for the purpose of causing, or assisting in causing, the death, suicide, euthanasia, or mercy killing of a person.
(7) Over-the-counter medications.
(8) Laboratory and radiological services.
(9) Prenatal care and prepregnancy family planning services and supplies.
(10) Inpatient mental health services, other than services described in paragraph (18) but including services furnished in a State-operated mental hospital and including residential or other 24-hour therapeutically planned structured services.
(11) Outpatient mental health services, other than services described in paragraph (18) but including services furnished in a State-operated mental hospital and including community-based services.
(12) Durable medical equipment and other medically-related or remedial devices (such as prosthetic devices, implants, eyeglasses, hearing aids, dental devices, and adaptive devices).
(13) Disposable medical supplies.
(14) Home and community-based health care services and related supportive services (such as home health nursing services, home health aide services, personal care, assistance with activities of daily living, chore services, day care services, respite care services, training for family members, and member modifications to the home).
(15) Nursing care services (such as nurse practitioner services, nurse midwife services, advanced practice nurse services, private duty nursing care, pediatric nurse services, and respiratory care services) in a home, school, or other setting.
(16) Abortion only if necessary to save the life of the mother or if the pregnancy is the result of an act of rape or incest.
(17) Dental services.
(18) Inpatient substance use treatment services and residential substance use treatment services.
(19) Outpatient substance use treatment services.
(20) Case management services.
(21) Care coordination services.
(22) Physical therapy, occupational therapy, and services for individuals with speech, hearing, and language disorders.
(23) Hospice care (concurrent, in the case of an individual who is a child, with care related to the treatment of the child’s condition with respect to which a diagnosis of terminal illness has been made.\(^1\)
(24) Any other medical, diagnostic, screening, preventive, restorative, remedial, therapeutic, or rehabilitative services (whether in a facility, home, school, or other setting) if recognized by State law and only if the service is—
   (A) prescribed by or furnished by a physician or other licensed or registered practitioner within the scope of practice as defined by State law.
   (B) performed under the general supervision or at the direction of a physician, or
   (C) furnished by a health care facility that is operated by a State or local government or is licensed under State law and operating within the scope of the license.
(25) Premiums for private health care insurance coverage.
(26) Medical transportation.
(27) Enabling services (such as transportation, translation, and outreach services) only if designed to increase the accessibility of primary and preventive health care services for eligible low-income individuals.
(28) Any other health care services or items specified by the Secretary and not excluded under this section.

(b) "Targeted low-income child" defined

For purposes of this subchapter—

(1) In general

Subject to paragraph (2), the term "targeted low-income child" means a child—
   (A) who has been determined eligible by the State for child health assistance under the State plan;
   (B)(i) who is a low-income child, or
   (ii) is a child—
      (I) whose family income (as determined under the State child health plan) exceeds the medicaid applicable income level under paragraph (4), but does not exceed 50 percentage points above the medicaid applicable income level;
      (II) whose family income (as so determined) does not exceed the medicaid applicable income level (as defined in paragraph (4)) but determined as if "June 1, 1997" were substituted for "March 31, 1997"); or
      (III) who resides in a State that does not have a medicaid applicable income level (as defined in paragraph (4)); and
   (C) who is not found to be eligible for medical assistance under subchapter XIX or, subject to paragraph (5), covered under a group health plan or under health insurance coverage (as such terms are defined in section 300gg–91 of this title).

(2) Children excluded

Such term does not include—
   (A) a child who is an inmate of a public institution or a patient in an institution for mental diseases; or
   (B) except as provided in paragraph (6), a child who is a member of a family that is eligible for health benefits coverage under a State health benefits plan on the basis of a family member’s employment with a public agency in the State.

\(^1\)So in original. A closing parenthesis probably should precede the period.
(3) Special rule
A child shall not be considered to be described in paragraph (1)(C) notwithstanding that the child is covered under a health insurance coverage program that has been in operation since before July 1, 1997, and that is offered by a State which receives no Federal funds for the program’s operation.

(4) Medicaid applicable income level
The term “medicaid applicable income level” means, with respect to a child, the effective income level (expressed as a percent of the poverty line) that has been specified under the State plan under subchapter XIX (including under a waiver authorized by the Secretary or under section 1396a(r)(2) of this title), as of March 31, 1997, for the child to be eligible for medical assistance under section 1396a(l)(2) or 1396d(n)(2) of this title (as selected by a State) for the age of such child.

(5) Option for States with a separate CHIP program to provide dental-only supplemental coverage

(A) In general
Subject to subparagraphs (B) and (C), in the case of any child who is enrolled in a group health plan or health insurance coverage offered through an employer who would, but for the application of paragraph (1)(C), satisfy the requirements for being a targeted low-income child under a State child health plan that is implemented under this subchapter, a State may waive the application of such paragraph to the child in order to provide—

(i) dental coverage consistent with the requirements of subsection (c)(6) of section 1397cc of this title; or

(ii) cost-sharing protection for dental coverage consistent with such requirements and the requirements of subsection (e)(3)(B) of such section.

(B) Limitation
A State may limit the application of a waiver of paragraph (1)(C) to children whose family income does not exceed a level specified by the State, so long as the level so specified does not exceed the maximum income level otherwise established for other children under the State child health plan.

(C) Conditions
A State may not offer dental-only supplemental coverage under this paragraph unless the State satisfies the following conditions:

(i) Income eligibility
The State child health plan under this subchapter—

(I) has the highest income eligibility standard permitted under this subchapter (or a waiver) as of January 1, 2009; and

(II) does not limit the acceptance of applications for children or impose any numerical limitation, waiting list, or similar limitation on the eligibility of such children for child health assistance under such State plan; and

(ii) No more favorable treatment
The State child health plan may not provide more favorable dental coverage or cost-sharing protection for dental coverage to children provided dental-only supplemental coverage under this paragraph than the dental coverage and cost-sharing protection for dental coverage provided to targeted low-income children who are eligible for the full range of child health assistance provided under the State child health plan.

(6) Exceptions to exclusion of children of employees of a public agency in the State

(A) In general
A child shall not be considered to be described in paragraph (2)(B) if—

(i) the public agency that employs a member of the child’s family to which such paragraph applies satisfies subparagraph (B); or

(ii) subparagraph (C) applies to such child.

(B) Maintenance of effort with respect to agency contribution for family coverage
For purposes of subparagraph (A)(i), a public agency satisfies this subparagraph if the amount of annual agency expenditures made on behalf of employees enrolled in health coverage paid for by the agency that includes dependent coverage for the most recent State fiscal year is not less than the amount of such expenditures made by the agency for the 1997 State fiscal year, increased by the percentage increase in the medical care expenditure category of the Consumer Price Index for All-Urban Consumers (all items: U.S. City Average) for such preceding fiscal year.

(C) Hardship exception
For purposes of subparagraph (A)(ii), this subparagraph applies to a child if the State determines that the annual aggregate amount of premiums and cost-sharing imposed for coverage of the family of the child would exceed 5 percent of such family’s income for the year involved.

(c) Additional definitions
For purposes of this subchapter:

(1) Child
The term “child” means an individual under 19 years of age.

(2) Creditable health coverage
The term “creditable health coverage” has the meaning given the term “creditable coverage” under section 2701(c) of the Public Health Service Act (42 U.S.C. 300gg(c)) and includes coverage that meets the requirements of section 1397cc of this title provided to a targeted low-income child under this subchapter or under a waiver approved under section

3See References in Text note below.
§ 1397ee(c)(2)(B) of this title (relating to a direct service waiver).

(3) **Group health plan; health insurance coverage; etc.**

The terms "group health plan", "group health insurance coverage", and "health insurance coverage" have the meanings given such terms in section 300gg–91 of this title.

(4) **Low-income child**

The term "low-income child" means a child whose family income is at or below 200 percent of the poverty line for a family of the size involved.

(5) **Poverty line defined**

The term "poverty line" has the meaning given such term in section 9902(2) of this title, including any revision required by such section.

(6) **Preexisting condition exclusion**

The term "preexisting condition exclusion" has the meaning given such term in section 2701(b)(1)(A) of the Public Health Service Act (42 U.S.C. 300gg(b)(1)(A)).

(7) **State child health plan; plan**

Unless the context otherwise requires, the terms "State child health plan" and "plan" mean a State child health plan approved under section 1397ff of this title.

(8) **Uncovered child**

The term "uncovered child" means a child that does not have creditable health coverage.

(9) **School-based health center**

(A) **In general**

The term "school-based health center" means a health clinic that—

(i) is located in or near a school facility of a school district or board or of an Indian tribe or tribal organization;

(ii) is organized through school, community, and health provider relationships;

(iii) is administered by a sponsoring facility;

(iv) provides through health professionals primary health services to children in accordance with State and local law, including laws relating to licensure and certification; and

(v) satisfies such other requirements as a State may establish for the operation of such a clinic.

(B) **Sponsoring facility**

For purposes of subparagraph (A)(iii), the term "sponsoring facility" includes any of the following:

(i) A hospital.

(ii) A public health department.

(iii) A community health center.

(iv) A nonprofit health care agency.

(v) A local educational agency (as defined under section 7801 of title 20).

(vi) A program administered by the Indian Health Service or the Bureau of Indian Affairs or operated by an Indian tribe or a tribal organization.


**REFERENCES IN TEXT**

Section 2701 of the Public Health Service Act, referred to in subsec. (c)(2), (6), is section 2701 of act July 1, 1944, which was classified to section 300gg of this title, was renumbered section 2704, effective for plan years beginning on or after Jan. 1, 2014, with certain exceptions, and amended, by Pub. L. 111–148, title I, §§ 1201(2), 1563(c)(1), formerly §1562(c)(1), title X, §10107(b)(1), Mar. 23, 2010, 124 Stat. 154, 264, 911, and was transferred to section 300gg–3 of this title. A new section 2701 of act July 1, 1944, related to fair health insurance premiums, was added, effective for plan years beginning on or after Jan. 1, 2014, and amended, by Pub. L. 111–148, title I, § 1201(a), title X, § 10103(a), Mar. 23, 2010, 124 Stat. 155, 692, and is classified to section 300gg of this title.

**AMENDMENTS**


Subsec. (b)(5)(A)(i). Pub. L. 115–271, § 5022(b)(2)(C), substituted "subsection (c)(6)" for "subsection (c)(5)".


2010—Subsec. (a)(23). Pub. L. 111–148, § 2902(b), which directed insertion of "(concurrent, in the case of an individual who is a child, with care related to the treatment of the child's condition with respect to which a diagnosis of terminal illness has been made) after "'hospice care", was executed by making the insertion after "Hospice care", to reflect the probable intent of Congress.

Subsec. (b)(2)(B). Pub. L. 111–148, § 10203(d)(2)(D)(i), inserted "except as provided in paragraph (6)," before "a child".


Subsec. (b)(6)(B). Pub. L. 111–309, § 205(b)(1), struck out "“per person” before “agency contribution” in heading and substituted “employee” for “each employee”.


Subsec. (c)(9)(B)(v). Pub. L. 111–148, § 2108(a)(7), substituted "local educational agency (as defined under section 7801 of title 20) for ‘‘school or school system’'.

2009—Subsec. (b)(1)(C). Pub. L. 111–3, § 501(b)(1)(A), inserted "subject to paragraph (5)," after ‘‘subchapter XIX or’’.


Subsec. (c)(9). Pub. L. 111–3, § 505(b), added par. (9).


1997—Subsec. (b)(1)(B)(ii). Pub. L. 105–100, § 162(3)(A), amended cl. (ii) generally. Prior to amendment, cl. (ii) read as follows: “is a child whose family income (as determined under the State child health plan) exceeds the medicaid applicable income level (as defined in paragraph (4)), but does not exceed 50 percentage points above the medicaid applicable income level; and”.

""
CHIP Eligibility for Children Ineligible for Medicaid as a Result of Elimination of Disregards

Pub. L. 111–148, title II, §2101(f), Mar. 23, 2010, 124 Stat. 2188, provided that: “Notwithstanding any other provision of law, a State shall treat any child who is determined to be ineligible for medical assistance under the State Medicaid plan or under a waiver of the plan as a result of the elimination of the application of an income disregard based on expense or type of income, as required under section 1902(a)(14) of the Social Security Act (42 U.S.C. 1396a(a)(14)) (as added by this Act), as a targeted low-income child under section 2110(b) (42 U.S.C. 1397j(b)) (unless the child is excluded under paragraph (2) of that section) and shall provide child health assistance to the child under the State child health plan (whether implemented under title XIX or XXI, or both, of the Social Security Act (42 U.S.C. 1396 et seq., 1396a et seq.)).”


Effective Date of 2018 Amendment
Amendment by Pub. L. 115–271 effective as if included in the enactment of section 1397bb of this title.

Effective Date of 2015 Amendment
Amendment by Pub. L. 114–95 effective Dec. 10, 2015, except with respect to certain noncompetitive programs and competitive programs, see section 5 of Pub. L. 114–95, set out as a note under section 1397bb of this title.

Effective Date of 2010 Amendment

Effective Date of 2009 Amendment
Amendment by Pub. L. 111–3 effective Apr. 1, 2009, and applicable to child health assistance and medical assistance provided on or after that date, with certain exceptions, see section 3 of Pub. L. 111–3, set out as an Effective Date note under section 1396 of this title.

Effective Date of 2000 Amendment
Amendment by Pub. L. 106–554 effective as if included in the enactment of section 4901 of Pub. L. 105–33–33, see section 1(a)(6) [title VIII, § 802(f)] of Pub. L. 106–554, set out as a note under section 1396 of this title.

Effective Date of 1997 Amendment
Pub. L. 105–100, title I, §162, Nov. 19, 1997, 111 Stat. 2188, provided in part that the amendment made by that section is effective as if included in the enactment of subtitle J (§§ 4901–4923) of title IV of the Balanced Budget Act of 1997, set out as a note under section 1397bb of this title.

CHIP Eligibility for Children Ineligible for Medicaid as a Result of Elimination of Disregards

Pub. L. 111–148, title II, §2101(f), Mar. 23, 2010, 124 Stat. 2188, provided that: “Notwithstanding any other provision of law, a State shall treat any child who is determined to be ineligible for medical assistance under the State Medicaid plan or under a waiver of the plan as a result of the elimination of the application of an income disregard based on expense or type of income, as required under section 1902(a)(14) of the Social Security Act (42 U.S.C. 1396a(a)(14)) (as added by this Act), as a targeted low-income child under section 2110(b) (42 U.S.C. 1397j(b)) (unless the child is excluded under paragraph (2) of that section) and shall provide child health assistance to the child under the State child health plan (whether implemented under title XIX or XXI, or both, of the Social Security Act (42 U.S.C. 1396 et seq., 1396a et seq.)).”

§1397kk. Phase-out of coverage for nonpregnant childless adults; conditions for coverage of parents

(a) Termination of coverage for nonpregnant childless adults

(1) No new CHIP waivers; automatic extensions at State option through 2009

Notwithstanding section 1315 of this title or any other provision of this subchapter, except as provided in this subsection—

(A) the Secretary shall not on or after February 4, 2009, approve or renew a waiver, experimental, pilot, or demonstration project that would allow funds made available under this subchapter to be used to provide child health assistance or other health benefits coverage to a nonpregnant childless adult; and

(B) notwithstanding the terms and conditions of an applicable existing waiver, the provisions of paragraph (2) shall apply for purposes of any period beginning on or after January 1, 2010, in determining the period to which the waiver applies, the individuals eligible to be covered by the waiver, and the amount of the Federal payment under this subchapter.

(2) Termination of CHIP coverage under applicable existing waivers at the end of 2009

(A) In general

No funds shall be available under this subchapter for child health assistance or other health benefits coverage that is provided to a nonpregnant childless adult under an applicable existing waiver after December 31, 2009.

(B) Extension upon State request

If an applicable existing waiver described in subparagraph (A) would otherwise expire before January 1, 2010, notwithstanding the requirements of subsections (e) and (f) of section 1315 of this title, a State may submit, not later than September 30, 2009, a request to the Secretary for an extension of the waiver. The Secretary shall approve a request for an extension of an applicable existing waiver submitted pursuant to this subparagraph, but only through December 31, 2009.

(C) Application of enhanced FMAP

The enhanced FMAP determined under section 1397ee(b) of this title shall apply to expenditures under an applicable existing waiver for the provision of child health assistance or other health benefits coverage to a nonpregnant childless adult during the period beginning on February 4, 2009, and ending on December 31, 2009.

(3) State option to apply for Medicaid waiver to continue coverage for nonpregnant childless adults

(A) In general

Each State for which coverage under an applicable existing waiver is terminated under paragraph (2)(A) may submit, not later than September 30, 2009, an application
to the Secretary for a waiver under section 1315 of this title of the State plan under subchapter XIX to provide medical assistance to a nonpregnant childless adult whose coverage is so terminated (in this subsection referred to as a “Medicaid nonpregnant childless adults waiver”).

(B) Deadline for approval

The Secretary shall make a decision to approve or deny an application for a Medicaid nonpregnant childless adults waiver submitted under subparagraph (A) within 90 days of the date of the submission of the application. If no decision has been made by the Secretary as of December 31, 2009, on the application of a State for a Medicaid nonpregnant childless adults waiver that was submitted to the Secretary by September 30, 2009, the application shall be deemed approved.

(C) Standard for budget neutrality

The budget neutrality requirement applicable with respect to expenditures for medical assistance under a Medicaid nonpregnant childless adults waiver shall—

(i) in the case of fiscal year 2010, allow expenditures for medical assistance under subchapter XIX for all such adults to not exceed the total amount of payments made to the State under paragraph (2)(B) for fiscal year 2009, increased by the percentage increase (if any) in the projected nominal per capita amount of National Health Expenditures for 2010 over 2009, as most recently published by the Secretary; and

(ii) in the case of any succeeding fiscal year, allow such expenditures to not exceed the amount in effect under this subparagraph for the preceding fiscal year, increased by the percentage increase (if any) in the projected nominal per capita amount of National Health Expenditures for the calendar year that begins during the year involved over the preceding calendar year, as most recently published by the Secretary.

(b) Rules and conditions for coverage of parents of targeted low-income children

(1) Two-year period; automatic extension at State option through fiscal year 2011

(A) No new CHIP waivers

Notwithstanding section 1315 of this title or any other provision of this subchapter, except as provided in this subsection—

(i) the Secretary shall not on or after February 4, 2009, approve or renew a waiver, experimental, pilot, or demonstration project that would allow funds made available under this subchapter to be used to provide child health assistance or other health benefits coverage to a parent of a targeted low-income child; and

(ii) notwithstanding the terms and conditions of an applicable existing waiver, the provisions of paragraphs (2) and (3) shall apply for purposes of any fiscal year beginning on or after October 1, 2011, in determining the period to which the waiver applies, the individuals eligible to be covered by the waiver, and the amount of the Federal payment under this subchapter.

(B) Extension upon State request

If an applicable existing waiver described in subparagraph (A) would otherwise expire before October 1, 2011, and the State requests an extension of such waiver, the Secretary shall grant such an extension, but only, subject to paragraph (2)(A), through September 30, 2011.

(C) Application of enhanced FMAP

The enhanced FMAP determined under section 1397ee(b) of this title shall apply to expenditures under an applicable existing waiver for the provision of child health assistance or other health benefits coverage to a parent of a targeted low-income child during the third and fourth quarters of fiscal year 2009 and during fiscal years 2010 and 2011.

(2) Rules for fiscal years 2012 through 2013

(A) Payments for coverage limited to block grant funded from State allotment

Any State that provides child health assistance or health benefits coverage under an applicable existing waiver for a parent of a targeted low-income child may elect to continue to provide such assistance or coverage through fiscal year 2012 or 2013, subject to the same terms and conditions that applied under the applicable existing waiver, unless otherwise modified in subparagraph (B).

(B) Terms and conditions

(i) Block grant set aside from State allotment

If the State makes an election under subparagraph (A), the Secretary shall set aside for the State for each such fiscal year an amount equal to the Federal share of 110 percent of the State’s projected expenditures under the applicable existing waiver for providing child health assistance or health benefits coverage to all parents of targeted low-income children enrolled under such waiver for the fiscal year (as certified by the State and submitted to the Secretary by not later than August 31 of the preceding fiscal year). In the case of fiscal year 2013, the set aside for any State shall be computed separately for each period described in subparagraphs (A) and (B) of section 1397dd(a)(16) of this title and any reduction in the allotment for either such period under section 1397dd(m)(5) of this title shall be allocated on a pro rata basis to such set aside.

(ii) Payments from block grant

The Secretary shall pay the State from the amount set aside under clause (i) for the fiscal year, an amount for each quarter of such fiscal year equal to the applicable percentage determined under clause (iii) or (iv) for expenditures in the quarter for providing child health assistance or other health benefits coverage to a parent of a targeted low-income child.

(iii) Expenditures for fiscal years 2012 through 2013

Any State that provides child health assistance or health benefits coverage under an applicable existing waiver for a parent of a targeted low-income child may elect to continue to provide such assistance or coverage through fiscal year 2012 or 2013, subject to the same terms and conditions that applied under the applicable existing waiver, unless otherwise modified in subparagraph (B).
(iii) Enhanced FMAP only in fiscal year 2012 for States with significant child outreach or that achieve child coverage benchmarks; FMAP for any other States

For purposes of clause (ii), the applicable percentage for any quarter of fiscal year 2012 is equal to—

(I) the enhanced FMAP determined under section 1397ee(b) of this title in the case of a State that meets the outreach or coverage benchmarks described in any of paragraphs (A), (B), or (C) of paragraph (3) for fiscal year 2011; or

(II) the Federal medical assistance percentage (as determined under section 1396d(b) of this title) in the case of any other State.

(iv) Amount of Federal matching payment in 2013

For purposes of clause (ii), the applicable percentage for any quarter of fiscal year 2013 is equal to—

(I) the REMAP percentage if—

(aa) the applicable percentage for the State under clause (iii) was the enhanced FMAP for fiscal year 2012; and

(bb) the State met either of the coverage benchmarks described in subparagraph (B) or (C) of paragraph (3) for fiscal year 2012; or

(II) the Federal medical assistance percentage (as so determined) in the case of any State to which subclause (I) does not apply.

For purposes of subclause (I), the REMAP percentage is the percentage which is the sum of such Federal medical assistance percentage and a number of percentage points equal to one-half of the difference between such Federal medical assistance percentage and such enhanced FMAP.

(v) No Federal payments other than from block grant set aside

No payments shall be made to a State for expenditures described in clause (ii) after the total amount set aside under clause (i) for a fiscal year has been paid to the State.

(vi) No increase in income eligibility level for parents

No payments shall be made to a State from the amount set aside under clause (i) for a fiscal year for expenditures providing child health assistance or health benefits coverage to a parent of a targeted low-income child whose family income exceeds the income eligibility level applied under the applicable existing waiver to parents of targeted low-income children on February 4, 2009.

(3) Outreach or coverage benchmarks

For purposes of paragraph (2), the outreach or coverage benchmarks described in this paragraph are as follows:

(A) Significant child outreach campaign

The State—

(i) was awarded a grant under section 1397mm of this title for fiscal year 2011;

(ii) implemented 1 or more of the enrollment and retention provisions described in section 1397ee(a)(4) of this title for such fiscal year; or

(iii) has submitted a specific plan for outreach for such fiscal year.

(B) High-performing State

The State, on the basis of the most timely and accurate published estimates of the Bureau of the Census, ranks in the lowest ¼ of States in terms of the State’s percentage of low-income children without health insurance.

(C) State increasing enrollment of low-income children

The State qualified for a performance bonus payment under section 1397ee(a)(3)(B) of this title for the most recent fiscal year applicable under such section.

(4) Rules of construction

Nothing in this subsection shall be construed as prohibiting a State from submitting an application to the Secretary for a waiver under section 1315 of this title of the State plan under subchapter XIX to provide medical assistance to a parent of a targeted low-income child that was provided child health assistance or health benefits coverage under an applicable existing waiver.

(c) Applicable existing waiver

For purposes of this section—

(1) In general

The term “applicable existing waiver” means a waiver, experimental, pilot, or demonstration project under section 1315 of this title, grandfathered under section 6102(c)(3) of the Deficit Reduction Act of 2005, or otherwise conducted under authority that—

(A) would allow funds made available under this subchapter to be used to provide child health assistance or other health benefits coverage to—

(i) a parent of a targeted low-income child;

(ii) a nonpregnant childless adult; or

(iii) individuals described in both clauses (i) and (ii); and

(B) was in effect during fiscal year 2009.

(2) Definitions

(A) Parent

The term “parent” includes a caretaker relative (as such term is used in carrying out section 1396a–1 of this title) and a legal guardian.

(B) Nonpregnant childless adult

The term “nonpregnant childless adult” has the meaning given such term by section 1397gg(f) of this title.


References in Text

Section 6102(c)(3) of the Deficit Reduction Act of 2005, referred to in subsec. (c)(1), is section 6102(c)(3) of Pub.
§ 1397ll. Optional coverage of targeted low-income pregnant women through a State plan amendment

(a) In general

Subject to the succeeding provisions of this section, a State may elect through an amendment to its State child health plan under section 1397bb of this title to provide pregnancy-related assistance under such plan for targeted low-income pregnant women.

(b) Conditions

A State may only elect the option under subsection (a) if the following conditions are satisfied:

(1) Minimum income eligibility levels for pregnant women and children

The State has established an income eligibility level—

(A) for pregnant women under subsection (a)(10)(A)(i)(III), (a)(10)(A)(i)(IV), or (b)(1)(A) of section 1396a of this title that is at least 185 percent (or such higher percent as the State has in effect with regard to pregnant women under this subchapter of the poverty line applicable to the family of the size involved, but in no case lower than the percent in effect under any such subsection as of July 1, 2008; and

(B) for children under 19 years of age under this subchapter (or subchapter XIX) that is at least 200 percent of the poverty line applicable to a family of the size involved.

(2) No CHIP income eligibility level for pregnant women lower than the State’s Medicaid level

The State does not apply an effective income level for pregnant women under the State plan amendment that is lower than the effective income level (expressed as a percent of the poverty line and considering applicable income disregards) specified under subsection (a)(10)(A)(i)(III), (a)(10)(A)(i)(IV), or (b)(1)(A) of section 1396a of this title that is at least 185 percent (or, if higher, the percent applied under paragraph (1)(A), (1)(C), (2), and (3) of section 1397jj(b) of this title) for receipt of such assistance.

(3) No coverage for higher income pregnant women without covering lower income pregnant women

The State does not provide coverage for pregnant women with higher family income without covering pregnant women with a lower family income.

(4) Application of requirements for coverage of targeted low-income children

The State provides pregnancy-related assistance for targeted low-income pregnant women in the same manner, and subject to the same requirements, as the State provides child health assistance for targeted low-income children under the State child health plan, and in addition to providing child health assistance for such women.

(5) No preexisting condition exclusion or waiting period

The State does not apply any exclusion of benefits for pregnancy-related assistance based on any preexisting condition or any waiting period (including any waiting period imposed to carry out section 1397bb(b)(3)(C) of this title) for receipt of such assistance.

(6) Application of cost-sharing protection

The State provides pregnancy-related assistance to a targeted low-income woman consistent with the cost-sharing protections under section 1397cc(e) of this title and applies the limitation on total annual aggregate cost sharing imposed under paragraph (3)(B) of such section to the family of such a woman.

(7) No waiting list for children

The State does not impose, with respect to the enrollment under the State child health plan of targeted low-income children during the quarter, any enrollment cap or other numerical limitation on enrollment, any waiting list, any procedures designed to delay the consideration of applications for enrollment, or similar limitation with respect to enrollment.

(c) Option to provide presumptive eligibility

A State that elects the option under subsection (a) and satisfies the conditions described in subsection (b) may elect to apply section 1396r–1 of this title (relating to presumptive eligibility for pregnant women) to the State child health plan in the same manner, and subject to the same requirements, as the State applies to the State plan under subchapter XIX.

(d) Definitions

For purposes of this section:

(1) Pregnancy-related assistance

The term “pregnancy-related assistance” has the meaning given the term “child health assistance” in section 1397jj(a) of this title with respect to an individual during the period described in paragraph (2)(A).

(2) Targeted low-income pregnant woman

The term “targeted low-income pregnant woman” means an individual—

(A) during pregnancy and through the end of the month in which the 60-day period (beginning on the last day of her pregnancy) ends;

(B) whose family income exceeds 185 percent (or, if higher, the percent applied under paragraph (2)(A), (1)(C), (2), and (3) of section 1397jj(b) of this title in the same manner as a child applying for child health assistance would have to satisfy such requirements.

(2) Targeted low-income pregnant woman

The term “targeted low-income pregnant woman” means an individual—

(A) during pregnancy and through the end of the month in which the 60-day period (beginning on the last day of her pregnancy) ends;

(B) whose family income exceeds 185 percent (or, if higher, the percent applied under paragraph (2)(A), (1)(C), (2), and (3) of section 1397jj(b) of this title in the same manner as a child applying for child health assistance would have to satisfy such requirements.

(2) Targeted low-income pregnant woman

The term “targeted low-income pregnant woman” means an individual—

(A) during pregnancy and through the end of the month in which the 60-day period (beginning on the last day of her pregnancy) ends;

(B) whose family income exceeds 185 percent (or, if higher, the percent applied under paragraph (2)(A), (1)(C), (2), and (3) of section 1397jj(b) of this title in the same manner as a child applying for child health assistance would have to satisfy such requirements.
(e) Automatic enrollment for children born to women receiving pregnancy-related assistance

If a child is born to a targeted low-income pregnant woman who was receiving pregnancy-related assistance under this section on the date of the child’s birth, the child shall be deemed to have applied for child health assistance under the State child health plan and to have been found eligible for such assistance under such plan or to have applied for medical assistance under subchapter XIX and to have been found eligible for such assistance under such subchapter, as appropriate, on the date of such birth and to remain eligible for such assistance until the child attains 1 year of age. During the period in which a child is deemed under the preceding sentence to be eligible for child health or medical assistance, the child health or medical assistance eligibility identification number of the mother shall also serve as the identification number of the child, and all claims shall be submitted and paid under such number (unless the State issues a separate identification number for the child before such period expires).

(f) States providing assistance through other options

(1) Continuation of other options for providing assistance

The option to provide assistance in accordance with the preceding subsections of this section shall not limit any other option for a State to provide—

(A) child health assistance through the application of sections 457.10, 457.350(b)(2), 457.622(c)(6), and 457.628(a)(3) of title 42, Code of Federal Regulations (as in effect after the final rule adopted by the Secretary and set forth at 67 Fed. Reg. 61956–61974 (October 2, 2002)), or

(B) pregnancy-related services through the application of any waiver authority (as in effect on June 1, 2008).

(2) Clarification of authority to provide postpartum services

Any State that provides child health assistance under any authority described in paragraph (1) may continue to provide such assistance, as well as postpartum services, through the end of the month in which the 60-day period (beginning on the last day of the pregnancy) ends, in the same manner as such assistance and postpartum services would be provided if provided under the State plan under subchapter XIX, but only if the mother would otherwise satisfy the eligibility requirements that apply under the State child health plan (other than with respect to age) during such period.

(3) No inference

Nothing in this subsection shall be construed—

(A) to infer congressional intent regarding the legality or illegality of the content of the sections specified in paragraph (1)(A); or

(B) to modify the authority to provide pregnancy-related services under a waiver specified in paragraph (1)(B).


Effective date

Section effective Apr. 1, 2009, and applicable to child health assistance and medical assistance provided on or after that date, with certain exceptions, see section 3 of Pub. L. 111-3, set out as a note under section 1396 of this title.

§ 1397mm. Grants to improve outreach and enrollment

(a) Outreach and enrollment grants; national campaign

(1) In general

From the amounts appropriated under subsection (g), subject to paragraphs (2) and (3), the Secretary shall award grants to eligible entities during the period of fiscal years 2009 through 2027 to conduct outreach and enrollment efforts that are designed to increase the enrollment and participation of eligible children under this subchapter and subchapter XIX.

(2) Ten percent set aside for national enrollment campaign

An amount equal to 10 percent of such amounts shall be used by the Secretary for expenditures during such period to carry out a national enrollment campaign in accordance with subsection (h).

(3) Ten percent set aside for evaluating and providing technical assistance to grantees

For the period of fiscal years 2024 through 2027, an amount equal to 10 percent of such amounts shall be used by the Secretary for the purpose of evaluating and providing technical assistance to eligible entities awarded grants under this section.

(b) Priority for award of grants

(1) In general

In awarding grants under subsection (a), the Secretary shall give priority to eligible entities that—

(A) propose to target geographic areas with high rates of—

(i) eligible but unenrolled children, including such children who reside in rural areas; or

(ii) racial and ethnic minorities and health disparity populations, including those proposals that address cultural and linguistic barriers to enrollment; and

(B) submit the most demonstrable evidence required under paragraphs (1) and (2) of subsection (c).

(2) Ten percent set aside for outreach to Indian children

An amount equal to 10 percent of the funds appropriated under subsection (g) shall be used by the Secretary to award grants to Indian Health Service providers and urban Indian organizations receiving funds under title V of the Indian Health Care Improvement Act (25 U.S.C. 1651 et seq.) for outreach to, and enrollment of, children who are Indians.
(c) Application

An eligible entity that desires to receive a grant under subsection (a) shall submit an application to the Secretary in such form and manner, and containing such information, as the Secretary may decide. Such application shall include:

(1) evidence demonstrating that the entity includes members who have access to, and credibility with, ethnic or low-income populations in the communities in which activities funded under the grant are to be conducted;

(2) evidence demonstrating that the entity has the ability to address barriers to enrollment, such as lack of awareness of eligibility, stigma concerns and punitive fears associated with receipt of benefits, and other cultural barriers to applying for and receiving child health assistance or medical assistance;

(3) specific quality or outcomes performance measures to evaluate the effectiveness of activities funded by a grant awarded under this section; and

(4) an assurance that the eligible entity shall—

(A) conduct an assessment of the effectiveness of such activities against the performance measures;

(B) cooperate with the collection and reporting of enrollment data and other information in order for the Secretary to conduct such assessments; and

(C) in the case of an eligible entity that is not the State, provide the State with enrollment data and other information as necessary for the State to make necessary projections of eligible children and pregnant women.

(d) Dissemination of enrollment data and information determined from effectiveness assessments; annual report

The Secretary shall—

(1) make publicly available the enrollment data and information collected and reported in accordance with subsection (c)(4)(B); and

(2) submit an annual report to Congress on the outreach and enrollment activities conducted with funds appropriated under this section.

(e) Maintenance of effort for States awarded grants; no match required for any eligible entity awarded a grant

(1) State maintenance of effort

In the case of a State that is awarded a grant under this section, the State share of funds expended for outreach and enrollment activities under the State child health plan shall not be less than the State share of such funds expended in the fiscal year preceding the first fiscal year for which the grant is awarded.

(2) No matching requirement

No eligible entity awarded a grant under subsection (a) shall be required to provide any matching funds as a condition for receiving the grant.

(f) Definitions

In this section:

(1) Eligible entity

The term “eligible entity” means any of the following:

(A) A State with an approved child health plan under this subchapter.

(B) A local government.

(C) An Indian tribe or tribal consortium, an urban Indian organization receiving funds under title V of the Indian Health Care Improvement Act (25 U.S.C. 1651 et seq.), or an Indian Health Service provider.

(D) A Federal health safety net organization.

(E) A national, State, local, or community-based public or nonprofit private organization, including organizations that use community health workers, community-based doula programs, or parent mentors.

(F) A faith-based organization or consortium, to the extent that a grant awarded to such an entity is consistent with the requirements of section 300x–65 of this title relating to a grant award to nongovernmental entities.

(G) An elementary or secondary school.

(2) Federal health safety net organization

The term “Federal health safety net organization” means—

(A) a Federally-qualified health center (as defined in section 1396d(l)(2)(B) of this title);

(B) a hospital defined as a disproportionate share hospital for purposes of section 1396r–4 of this title;

(C) a covered entity described in section 256b(a)(4) of this title; and

(D) any other entity or consortium that serves children under a federally funded program, including the special supplemental nutrition program for women, infants, and children (WIC) established under section 1786 of this title, the Head Start and Early Head Start programs under the Head Start Act (42 U.S.C. 9801 et seq.), the school lunch program established under the Richard B. Russell National School Lunch Act [42 U.S.C. 1751 et seq.], and an elementary or secondary school.

(3) Indians; Indian tribe; tribal organization; urban Indian organization

The terms “Indian”, “Indian tribe”, “tribal organization”, and “urban Indian organization” have the meanings given such terms in section 4 of the Indian Health Care Improvement Act (25 U.S.C. 1603).

(4) Community health worker

The term “community health worker” means an individual who promotes health or nutrition within the community in which the individual resides—

(A) by serving as a liaison between communities and health care agencies;

(B) by providing guidance and social assistance to community residents;

(C) by enhancing community residents’ ability to effectively communicate with health care providers;

1 See References in Text note below.
(D) by providing culturally and linguistically appropriate health or nutrition education;
(E) by advocating for individual and community health or nutrition needs; and
(F) by providing referral and followup services.

(5) Parent mentor

The term "parent mentor" means an individual who—
(A) is a parent or guardian of at least one child who is an eligible child under this subchapter or subchapter XIX; and
(B) is trained to assist families with children who have no health insurance coverage with respect to improving the social determinants of the health of such children, including by providing—
(i) education about health insurance coverage, including, with respect to obtaining such coverage, eligibility criteria and application and renewal processes;
(ii) assistance with completing and submitting applications for health insurance coverage;
(iii) a liaison between families and representatives of State plans under subchapter XIX or State child health plans under this subchapter;
(iv) guidance on identifying medical and dental homes and community pharmacies for children; and
(v) assistance and referrals to successfully address social determinants of children's health, including poverty, food insufficiency, and housing.

(g) Appropriation

There is appropriated, out of any money in the Treasury not otherwise appropriated, $140,000,000 for the period of fiscal years 2009 through 2015, $10,000,000 for the period of fiscal years 2016 and 2017, $120,000,000 for the period of fiscal years 2018 through 2023, and $48,000,000 for the period of fiscal years 2024 through 2027, for the purpose of awarding grants under this section. Amounts appropriated and paid under the authority of this section shall be in addition to amounts appropriated under section 1397dd of this title and appropriated under the authority of this Act. Amounts ap\n
§ 1397mm


The Indian Health Care Improvement Act, referred to in subsection (a)(1), is Pub. L. 94–437, Sept. 30, 1976, 90 Stat. 1400. Title V of the Act is classified generally to subchapter IV (§1651 et seq.) of chapter 18 of Title 25, Indians. For complete classification of this Act to the Code, see Short Title note set out under section 1651 of Title 25 and Tables.

Amendments

2018—Subsec. (a)(1). Pub. L. 115–123, § 5010(a)(1), substituted "paragraphs (2) and (3)" for "paragraph (2)" and "2023" for "2022".


2So in original.
the period of fiscal years 2018 through 2023" after "‘2017’.


Pub. L. 114–10, § 303(2), inserted "and liability of certifying and disbursing officers.


Subsec. (g). Pub. L. 111–148, § 10203(d)(2)(E)(i), substituted "$100,000,000 for the period of fiscal years 2016 and 2017" for "$100,000,000 for the period of fiscal years 2015 through 2017".

Effective Date

Section effective Apr. 1, 2009, and applicable to child health assistance and medical assistance provided on or after that date, with certain exceptions, see section 3 of Pub. L. 111–3, set out as a note under section 1396 of this title.

CHAPTER 7A—TEMPORARY UNEMPLOYMENT COMPENSATION PROGRAM

§§ 1400 to 1400v. Omitted


Section 1400k, Pub. L. 85–441, title II, § 206, June 4, 1958, 72 Stat. 176, authorized appropriation of funds necessary to carry out sections 1400 to 1400k of this title.


Section 1400m, Pub. L. 87–6, § 3, Mar. 24, 1961, 75 Stat. 8, provided for payment of temporary extended unemployment compensation benefits under sections 1400l to 1400v of this title for any period of unemployment between March 24, 1961, and June 30, 1962.

Section 1400n, Pub. L. 87–6, § 4, Mar. 24, 1961, 75 Stat. 9, provided for reimbursement by the Federal government of any State unemployment compensation paid under sections 1400l to 1400v of this title in excess of formula amount.

Section 1400o, Pub. L. 87–6, § 5, Mar. 24, 1961, 75 Stat. 9, placed limitations on total payments and reimbursements under sections 1400l to 1400v of this title.


Section 1400q, Pub. L. 87–6, § 7, Mar. 24, 1961, 75 Stat. 10, covered agreements with States for payment and reimbursement of temporary unemployment compensation under sections 1400l to 1400v of this title, amendment, suspension, or termination of such an agreement, denial of benefits, review of determinations by State agencies, and reduction of benefits in certain cases.

Section 1400r, Pub. L. 87–6, § 8, Mar. 24, 1961, 75 Stat. 12, provided for payment of benefits under sections 1400l to 1400v of this title to veterans and Federal employees.

Section 1400s, Pub. L. 87–6, § 9, Mar. 24, 1961, 75 Stat. 12, set out penalties for making false statements or representations in connection with benefits under sections 1400l to 1400v of this title and provided for recovery of overpayments.

Section 1400t, Pub. L. 87–6, § 10, Mar. 24, 1961, 75 Stat. 13, required each State to furnish Secretary with information required to administer program under sections 1400l to 1400v of this title.

Section 1400u, Pub. L. 87–6, § 11, Mar. 24, 1961, 75 Stat. 13, made provision for payments to States under sections 1400l to 1400v of this title, certification by Secretary to Secretary of the Treasury for payment of sums to each State, surety bonds, liability of certifying and disbursing officers, and costs of administration.

Section 1400v, Pub. L. 87–6, § 12, Mar. 24, 1961, 75 Stat. 14, authorized promulgation by Secretary of rules and regulations necessary to carry out sections 1400l to 1400v of this title.

CHAPTER 8—LOW-INCOME HOUSING

Sec. 1401 to 1404. Omitted.

1404a. Secretary of Housing and Urban Development; right to sue; expenses. Omitted.

1405. 1406.

1406a. Expenses of management and operation of transferred projects as nonadministrative; payment.

1406b. Expenses of uncompensated advisers serving United States Housing Authority away from home.

1406c to 1433. Omitted or Repealed.

1434. Records; contents; examination and audit.

1435. Access to books, documents, etc., for purpose of audit.

1436. Repealed.

1436a. Repealed.

1436b. Financial assistance in impacted areas.
1436c. Insurance for public housing agencies and Indian housing authorities.
1436d. Consultation with affected areas in settlement of litigation.

SUBCHAPTER I—GENERAL PROGRAM OF ASSISTED HOUSING
1437. Declaration of policy and public housing agency organization.
1437a. Rental payments.
1437a–1. Repealed.
1437b. Loans and commitments to make loans for low-income housing projects.
1437c. Contributions for low-income housing projects.
1437c–1. Public housing agency plans.
1437d. Contract provisions and requirements; loans and annual contributions.
1437e. Designated housing for elderly and disabled families.
1437f. Low-income housing assistance.
1437f–1. Repealed.
1437g. Public housing Capital and Operating Funds.
1437h. Implementation of provisions by Secretary.
1437i. Obligations of public housing agencies; contestability; full faith and credit of United States pledged as security; tax exemption.
1437j. Labor standards and community service requirements.
1437k. Consortia, joint ventures, affiliates, and subsidiaries of public housing agencies.
1437l. Repealed.
1437m. Payment of non-Federal share.
1437n. Eligibility for assisted housing.
1437o. Repealed.
1437p. Demolition and disposition of public housing.
1437q. Financing limitations.
1437r. Public housing resident management.
1437s. Public housing homeownership and management opportunities.
1437t. Authority to convert public housing to vouchers.
1437u. Family Self-Sufficiency program.
1437v. Demolition, site revitalization, replacement housing, and tenant-based assistance grants for projects.
1437w. Transfer of management of certain housing to independent manager at request of residents.
1437x. Environmental reviews.
1437y. Provision of information to law enforcement and other agencies.
1437z. Exchange of information with law enforcement agencies.
1437z–1. Civil money penalties against section 1437 owners.
1437z–2. Public housing mortgages and security interests.
1437z–4. Resident homeownership programs.
1437z–5. Required conversion of distressed public housing to tenant-based assistance.
1437z–6. Services for public and Indian housing residents.
1437z–8. Collection of information on tenants in tax credit projects.
1437z–10. Small public housing agencies.

SUBCHAPTER II—ASSISTED HOUSING FOR INDIANS AND ALASKA NATIVES
1437aa to 1437ee. Repealed.

SUBCHAPTER II—HOPE FOR PUBLIC HOUSING HOMEOWNERSHIP
1437aaa. Program authority.
1437aaa–1. Planning grants.
1437aaa–2. Implementation grants.
1437aaa–3. Homeownership program requirements.
1437aaa–4. Other program requirements.
1437aaa–6. Relationship to other homeownership opportunities.
1437aaa–7. Limitation on selection criteria.

SUBCHAPTER II—HOME RULE FLEXIBLE GRANT DEMONSTRATION
1437bbb. Purpose.
1437bbb–1. Flexible grant program.
1437bbb–2. Program allocation and covered housing assistance.
1437bbb–3. Applicability of requirements under programs for covered housing assistance.
1437bbb–4. Program requirements.
1437bbb–6. Training.

SUBCHAPTER III—MISCELLANEOUS PROVISIONS
1438. Repealed.
1439. Local housing assistance plan.
1440. State housing finance and development agencies.

 §§ 1401 to 1404. Omitted

CODIFICATION
Sections 1401 to 1404 were omitted in the general revision of the United States Housing Act of 1937 by Pub. L. 93–383, title II, §201(a), Aug. 22, 1974, 88 Stat. 653.


Effective Date of 1969 Amendment; applicability
Pub. L. 91–152, title II, §213(b), Dec. 24, 1969, 83 Stat. 389, provided that the rents fixed by public housing
agencies not exceed one-fourth of a low-rent housing tenant's income be effective not later than ninety days after Dec. 24, 1969, and that the requirements not apply in any case in which the Secretary of Housing and Urban Development determined that limiting the rent of any tenant or class of tenants would have resulted in a deduction in the amount of welfare assistance which would otherwise have been provided to the tenant or class of tenants by a public agency.

§ 1404a. Secretary of Housing and Urban Development; right to sue; expenses

The Secretary of Housing and Urban Development may sue and be sued only with respect to its functions under the United States Housing Act of 1937, as amended [42 U.S.C. 1437 et seq.], and title II of Public Law 671, Seventy-sixth Congress, approved June 28, 1940, as amended [42 U.S.C. 1501 et seq.]. Funds made available for carrying out the functions, powers, and duties of the Secretary of Housing and Urban Development (including appropriations therefor, which are authorized) shall be available, in such amounts as may from year to year be authorized by the Congress, for the administrative expenses of the Secretary of Housing and Urban Development. Notwithstanding any other provisions of law except provisions of law enacted after August 10, 1948 expressly in limitation hereof, the Secretary of Housing and Urban Development, or any State or local public agency administering a low-rent housing project assisted pursuant to the United States Housing Act of 1937 or title II of Public Law 671, Seventy-sixth Congress, approved June 28, 1940, shall continue to have the right to maintain an action or proceeding to recover possession of any housing accommodations operated by it where such action is authorized by the statute or regulations under which such housing accommodations are administered, and, in determining net income for the purposes of tenant eligibility with respect to low-rent housing projects assisted pursuant to said Acts, the Secretary of Housing and Urban Development is authorized, where it finds such action equitable and in the public interest, to exclude amounts or portions thereof paid by the United States Government for disability or death occurring in connection with military service.


REFERENCES IN TEXT

The United States Housing Act of 1937, referred to in text, is act Sept. 1, 1937, ch. 896, as amended generally by Pub. L. 93–383, title II, § 201(a), Aug. 22, 1974, 88 Stat. 653, and amended, which is classified generally to this chapter (§1437 et seq.). For complete classification of this Act to the Code, see Short Title note set out under section 1404a of this title and Tables.

Public Law 671, Seventy-sixth Congress, approved June 28, 1940, referred to in text, is act June 28, 1940, ch. 782, title XI, § 1106(a), 63 Stat. 972, which is classified generally to chapter 9 of this title. For complete classification of this Act to the Code, see Tables.

SECTION CONSISTS OF SECTION 502(b) OF ACT AUG. 10, 1948.

Section 502 of act Aug. 10, 1948, is classified generally to section 1701c of Title 12, Banks and Banking.

AMENDMENTS

1968—Pub. L. 100–242 substituted "Secretary of Housing and Urban Development" for "United States Housing Authority" in three places and for "Authority" in two places.

1967—Pub. L. 90–19 substituted "United States Housing Authority" for "Public Housing Administration" wherever appearing in first and fourth sentences, "Authority" for "Administration" wherever appearing in third sentence, and struck out former second sentence authorizing the Public Housing Commissioner to appoint necessary officers and employees subject to the civil service and classification laws, to delegate his functions and powers, and to make rules and regulations, respectively.


REPEALS

Act Oct. 28, 1949, ch. 782, cited as a credit to this section, was repealed (subject to a savings clause) by Pub. L. 89–554, Sept. 6, 1966, § 8, 80 Stat. 632, 655.

§§ 1405, 1406. Omitted


Section 1406, acts Sept. 1, 1937, ch. 896, §§ 6, 50 Stat. 890; July 15, 1949, ch. 336, title III, § 307(c), 63 Stat. 429; Oct. 31, 1951, ch. 654, § 1(n), 65 Stat. 705; May 25, 1967, Pub. L. 90–19, § 2(a), 81 Stat. 19, which enumerated financial provisions applicable to the Authority, was omitted in the general revision of the United States Housing Act of 1937 by Pub. L. 93–383, title II, § 201(a), Aug. 22, 1974, 88 Stat. 653. Subsec. (h) of this section, which provided that section 5 of former title 41 not apply to contracts for services or to purchases of supplies except when the aggregate amount involved was less than $300, was repealed by act Oct. 31, 1951, ch. 654, § 1(n), 65 Stat. 705.

§ 1406a. Expenses of management and operation of transferred projects as nonadministrative; payment

On and after May 10, 1939 all necessary expenses in connection with the management and operation of projects transferred to the Authority by Executive Order Numbered 7732 of October 27, 1937, as modified by Executive Order Numbered 7839 of March 12, 1938, may be considered as nonadministrative expenses, notwithstanding the provisions of section 712a of title 15, and be paid from the rents received from each transferred project.

(May 10, 1939, ch. 119, § 1, 53 Stat. 690.)

CODIFICATION

Section not enacted as part of the United States Housing Act of 1937 which comprises this chapter.

PRIOR PROVISIONS

Provisions similar to those in this section were contained in act June 25, 1938, ch. 681, title I, 52 Stat. 1129.

TRANSFER OF FUNCTIONS

For transfer of functions of United States Housing Authority to Secretary of Housing and Urban Development, see note set out under section 1404a of this title.
Executive Order No. 7732, Oct. 27, 1937, 2 FR 2324, 44 CFR 201.11, effective Nov. 1, 1937, transferred to the United States Housing Authority all right, interest, and title held by the Federal Emergency Administration of Public Works in any housing or slum-clearance projects constructed or in the process of construction on Sept. 1, 1937.

§1406b. Expenses of uncompensated advisers serving United States Housing Authority away from home

On and after May 10, 1939, the funds made available for administrative expenses of the United States Housing Authority shall be available for the payment, when specifically authorized by the Administrator, of actual transportation expenses and not to exceed $10 per diem in lieu of subsistence and other expenses to persons serving, while away from their homes, without other compensation from the United States, in an advisory capacity to the Authority.

(May 10, 1939, ch. 119, §1, 53 Stat. 690.)

CODIFICATION

Section was not enacted as part of the United States Housing Act of 1937 which comprises this chapter.

PRIOR PROVISIONS

Provisions similar to those in this section were contained in act June 25, 1938, ch. 681, title I, 52 Stat. 1128.

TRANSFER OF FUNCTIONS

For transfer of functions of United States Housing Authority and Administrator to Secretary of Housing and Urban Development, see note set out under section 1404a of this title.

§§1406c to 1411a. Omitted

CODIFICATION

Section 1406c, act June 27, 1942, ch. 450, §1, 56 Stat. 410, which related to expenses for construction advisers on non-Federal projects, was from the Independent Offices Appropriation Act, 1943, and was not repeated in subsequent appropriation acts. Prior similar provisions were contained in acts Apr. 5, 1941, ch. 40, §1, 55 Stat. 111; Apr. 18, 1940, ch. 107, §1, 54 Stat. 130.


Section 1411a, act July 31, 1953, ch. 302, title I, §101, 67 Stat. 306, which related to prohibition of projects in localities where rejected by public vote or governing body, was from the Independent Offices Appropriation Act, 1954, and was not repeated in subsequent appropriation acts.

RETEREO EFFECTIVE OF REPEAL OF RIGHTS OF UNITED STATES RELATING TO SELF-LIQUIDATION OF PROJECTS

Pub. L. 87-70, title II, §206(c), June 30, 1961, 75 Stat. 165, as amended by Pub. L. 93-383, title II, §205, Aug. 22, 1974, 86 Stat. 668, provided in part that: “The Secretary of Housing and Urban Development is authorized to agree with a public housing agency to the amendment of any annual contributions contract containing the provision prescribed in section 10(j) of the United States Housing Act of 1937 [subsec. (j) of section 1410 of this title] (as in effect prior to the enactment of the Housing and Community Development Act of 1974) so as to delete such provision and waive any rights of the United States that are accrued or may accrue under such provision.”


§1411c. Omitted

CODIFICATION

Section, act July 31, 1953, ch. 302, title I, §101, 67 Stat. 307, which barred subversives from occupancy of housing units and which provided for enforcement of such prohibition and affect of such prohibition on loans and contributions by the Public Housing Administration, was from the Independent Offices Appropriation Act, 1954, and was not repeated in subsequent appropriation acts.


Section, act Aug. 2, 1954, ch. 649, title VIII, §815, 68 Stat. 647, required submission of specifications by applicants prior to award of any contract for construction of a project and submission of data with respect to acquisition of land prior to authorization to purchase such land.
§§ 1412 to 1416. Omitted


Section 1413, acts Sept. 1, 1937, ch. 896, §13, 50 Stat. 894; July 15, 1949, ch. 358, title III, §307(e), 63 Stat. 430; May 25, 1967, Pub. L. 90–19, §2(g), 81 Stat. 20, provided that the amendments made by subsection (a) of this section were not to be applicable to any project for which an application for a preliminary loan had been approved by the local governing body prior to Sept. 2, 1964.

APPLICATION FOR PRELIMINARY LOANS APPROVED PRIOR TO SEPTEMBER 2, 1964

Pub. L. 88–560, title IV, §405(b), Sept. 2, 1964, 78 Stat. 795, provided that the amendments made by subsection (a) to subsec. (b)(7) of section 1415 of this title were not to be applicable to any project for which an application for a preliminary loan had been approved by the local governing body prior to Sept. 2, 1964.

TRANSFERRED FUNDS: AVAILABILITY FOR EXPENDITURE

Act Apr. 20, 1950, ch. 94, title II, §206(c), 64 Stat. 73, provided that all unexpended receipts, notwithstanding any limitations contained in the second proviso of any Act May 26, 1947, ch. 82, title I, §109, derived from the sale of labor supply centers, labor homes, labor camps, and facilities, and all other unexpended balances of funds available for the maintenance, operation, and liquidation of the properties transferred and for the administrative expenses of transfer were transferred to the Public Housing Administration, to be available until expended, in accordance with the provisions of this chapter.


Section, act Sept. 1, 1937, ch. 896, §17, 50 Stat. 897, related to capital stock of the Authority.

RETIREMENT OF CAPITAL STOCK

Pub. L. 90–448, title XVII, §1719(b), Aug. 1, 1968, 82 Stat. 610, provided in part that the capital stock referred to in this section be retired and the sum of $1,000,000 represented by such stock returned to the Treasury of the United States.

§§ 1417a to 1422. Omitted

CODIFICATION

Sections 1417a to 1422 were omitted in the general revision of the United States Housing Act of 1937 by Pub. L. 93–383, title II, §201(a), Aug. 22, 1974, 88 Stat. 653.


Section 1418, act Sept. 1, 1937, ch. 896, §18, 50 Stat. 897, authorized all assets and receipts of the Authority to remain available until expended. See section 1437h of this title.

Section 1419, act Sept. 1, 1937, ch. 896, §19, 50 Stat. 897, authorized the allocation of funds available for similar purposes to the Authority.


APPLICATION FOR PRELIMINARY LOANS APPROVED PRIOR TO SEPTEMBER 2, 1964

Pub. L. 88–560, title IV, §405(b), Sept. 2, 1964, 78 Stat. 795, provided that the amendments made by subsection (a) to subsec. (b)(7) of section 1415 of this title were not to be applicable to any project for which an application for a preliminary loan had been approved by the local governing body prior to Sept. 2, 1964.
1977, 91 Stat. 1129, provided that: “Nothing in this title [see Tables for classification] or any other provision of law authorizes the Secretary of Housing and Urban Development to apply any pooling or procedure established by him with respect to the rights of an owner under a lease entered into under section 23 of the United States Housing Act of 1937 [section 1421(b) of this title], including the right to renewal of such lease to the maximum term permitted by law, if such lease was entered into prior to the effective date of such policy or procedure.”


Sections 1423 to 1426 of this title are covered by section 1012 of Title 18, Crimes and Criminal Procedure.

Effective Date of Repeal

Repeal effective Sept. 1, 1948, see section 30 of act June 25, 1948, set out as an Effective Date note preceding section 1 of Title 18, Crimes and Criminal Procedure.

§§ 1427 to 1431. Omitted

Codification

Sections 1427 to 1431 were omitted in the general revision of the United States Housing Act of 1937 by Pub. L. 93–383, title IV, § 401(a), Aug. 22, 1974, 88 Stat. 653.


Section 1431, Pub. L. 91–556, title IV, Dec. 17, 1970, 84 Stat. 1463, which provided that the necessary expenses of providing representatives at sites of non-Federal projects in connection with construction of these projects by public housing agencies with aid under this chapter, be compensated by these agencies by payments of fixed fees, was from the Independent Offices and Department of Housing and Urban Development Appropriations Act, 1971, and was not repealed in subsequent appropriation acts. Similar provisions were contained in the following prior appropriation acts: Nov. 26, 1969, Pub. L. 91–126, title III, 83 Stat. 242. Oct. 4, 1968, Pub. L. 90–550, title III, 82 Stat. 956.


Section, act Aug. 10, 1948, ch. 832, title V, § 503, 62 Stat. 1285, related to State low-rent or veterans’ housing projects.

§ 1433. Omitted

Codification

Section, act July 15, 1949, ch. 338, title VI, § 606, 63 Stat. 440, provided for conversion of State and local low-rent or veterans’ housing projects to Federal projects if the contract for State financial assistance for such project was entered into on or after Jan. 1, 1948, and prior to Jan. 1, 1956.

§ 1434. Records; contents; examination and audit

Every contract between the Department of Housing and Urban Development and any person or local body (including any corporation or public or private agency or body) for a loan, advance, grant, or contribution under the United States Housing Act of 1937, as amended [42 U.S.C. 1437 et seq.], the Housing Act of 1949, as amended [42 U.S.C. 1441 et seq.], or any other Act shall provide that such person or local body shall keep such records as the Department of Housing and Urban Development shall from time to time prescribe, including records which permit a speedy and effective audit and will fully disclose the amount and the disposition by such person or local body of the proceeds of the loan, advance, grant, or contribution, or any supplement thereto, the capital cost of any construction project for which any such loan, advance, grant, or contribution is made, and the amount of any private or other non-Federal funds used or grants-in-aid made for or in connection with any such project. No mortgage covering new or rehabilitated multifamily housing (as defined in section 1715r of title 12) shall be insured unless the mortgagor certifies that he will keep such records as are prescribed by the Secretary of Housing and Urban Development at the time of the certification and that they will be kept in such form as to permit a speedy and effective audit. The Department of Housing and Urban Development and the Comptroller General of the United States shall have access to and the right to examine and audit such records.

REFERENCES IN TEXT
The United States Housing Act of 1937, as amended, referred to in text, is act Sept. 1, 1937, ch. 896, as revised generally by Pub. L. 93–383, title II, §201(a), Aug. 22, 1974, 88 Stat. 653, which is classified generally to this chapter (§1437 et seq.). For complete classification of this Act to the Code, see Short Title note set out under section 1437 of this title and Tables.

The Housing Act of 1954, as amended, referred to in text, is act July 15, 1949, ch. 338, 63 Stat. 413, as amended, which is classified principally to chapter 8A (§1441 et seq.) of this title. For complete classification of this Act to the Code, see Short Title note set out under section 1441 of this title and Tables.

The first day after the first full calendar month following the date of approval of the Housing Act of 1961, referred to in text, probably means Aug. 1, 1961, which is the first day after the first full calendar month following approval of Pub. L. 87–70, which was approved on June 30, 1961.

CODIFICATION
Section was not enacted as part of the United States Housing Act of 1937 which comprises this chapter.

Section was formerly classified to sections 1446 of this title and 1715a of Title 12, Banks and Banking.

AMENDMENTS
1967—Pub. L. 90–19 substituted “Secretary of Housing and Urban Development” for “Federal Housing Commissioner” in second sentence and “Department of Housing and Urban Development” for “Housing and Home Finance Agency (or any official or constituent thereof)” in first sentence and for “Housing and Home Finance Agency (or such official or constituent thereof)” in first sentence, respectively.

1961—Pub. L. 87–70 required record keeping provisions in contracts under the Housing Act of 1949 and in contracts under any other act, prohibited insurance of mortgages covering new or rehabilitated multifamily housing unless the mortgagor certifies that he will keep records, and empowered the Comptroller General to examine and audit records, and substituted “Housing Act of 1961” for “Housing Act of 1964”.

EFFECTIVE DATE
The fourth sentence of section 814 of act Aug. 2, 1954, ch. 649, 68 Stat. 647 (prior to the amendment by section 908 of Pub. L. 87–70), provided that this section is effective on first day after first calendar month following the date of approval of the act (Aug. 2, 1954).

§ 1435. Access to books, documents, etc., for purpose of audit

Every contract for loans or annual contributions under the United States Housing Act of 1937, as amended [42 U.S.C. 1437 et seq.], shall provide that the Secretary of Housing and Urban Development and the Comptroller General of the United States, or any of their duly authorized representatives, shall, for the purpose of audit and examination, have access to any books, documents, papers, and records of the public housing agency entering into such contract that are pertinent to its operations with respect to financial assistance under the United States Housing Act of 1937, as amended.


REFERENCES IN TEXT
The United States Housing Act of 1937, as amended, referred to in text, is act Sept. 1, 1937, ch. 896, as revised generally by Pub. L. 93–383, title II, §201(a), Aug. 22, 1974, 88 Stat. 653, which is classified generally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 1437 of this title and Tables.

CODIFICATION
Section was not enacted as part of the United States Housing Act of 1937 which comprises this chapter.

AMENDMENTS
1967—Pub. L. 90–19 substituted “Secretary of Housing and Urban Development” for “Federal Housing Commissioner”.


EFFECTIVE DATE OF REPEAL: SAVINGS PROVISION
Pub. L. 91–609, title V, §503, Dec. 31, 1970, 84 Stat. 1785, provided in part for repeal of sections 1701d–3, 1701e note, and 1701f of Title 12, Banks and Banking, this section, note below, section 1435a, section 1456 note, and sections 3372, 3373 of this title, effective July 1, 1971, except that the repeal shall not affect contracts, commitments, reservations, or other obligations entered pursuant to such provisions prior to July 1, 1971.

REPORT OF SELF-HELP STUDIES AND DEMONSTRATIONS

§ 1436a. Restriction on use of assisted housing by non-resident aliens

(a) Conditions for assistance

Notwithstanding any other provision of law, the applicable Secretary may not make financial assistance available for the benefit of any alien unless that alien is a resident of the United States and is—

(1) an alien lawfully admitted for permanent residence as an immigrant as defined by section 1101(a)(15) and (20) of title 8, excluding, among others, alien visitors, tourists, diplomats, and students who enter the United States temporarily with no intention of abandoning their residence in a foreign country;

(2) an alien who entered the United States prior to June 30, 1948, or such subsequent date as is enacted by law, has continuously maintained his or her residence in the United States since then, and is not ineligible for citizenship, but who is deemed to be lawfully ad-
(b) "Financial assistance" defined

(1) For purposes of this section the term "financial assistance" means financial assistance available for the benefit of—

(A) any alien who—

(i) has a residence in a foreign country that such alien has no intention of abandoning;

(ii) is a bona fide student qualified to pursue a full course of study and

(iii) is admitted to the United States temporarily and solely for purposes of pursuing such a course of study at an established institution of learning or other recognized place of study in the United States, particularly designated by such alien and approved by the Attorney General after consultation with the Department of Education of the United States, which institution or place of study shall have agreed to report to the Attorney General the termination of attendance of each nonimmigrant student and such reports promptly the approval shall be withdrawn; and

(B) the alien spouse and minor children of any alien described in subparagraph (A), if accompanying such alien or following to join such alien.

(2) Notwithstanding any other provision of law, the applicable Secretary may not make financial assistance available for the benefit of—

(A) any alien who—

(i) has a residence in a foreign country

(ii) is a bona fide student qualified to pursue a full course of study and

(iii) is admitted to the United States temporarily and solely for purposes of pursuing such a course of study at an established institution of learning or other recognized place of study in the United States, particularly designated by such alien and approved by the Attorney General after consultation with the Department of Education of the United States, which institution or place of study shall have agreed to report to the Attorney General the termination of attendance of each nonimmigrant student and such reports promptly the approval shall be withdrawn; and

(B) the alien spouse and minor children of any alien described in subparagraph (A), if accompanying such alien or following to join such alien.
(d) Conditions for provision of financial assistance for individuals

The following conditions apply with respect to financial assistance being or to be provided for the benefit of an individual:

1. There must be a declaration in writing by the individual (or, in the case of an individual who is a child, by another on the individual's behalf), under penalty of perjury, stating whether or not the individual is a citizen or national of the United States, and, if that individual is not a citizen or national of the United States, that the individual is in a satisfactory immigration status. If the declaration states that the individual is in a satisfactory immigration status, the individual shall be verified by the Immigration and Naturalization Service. If the declaration states that the individual is not a citizen or national of the United States and that the individual is younger than 62 years of age, the declaration shall be verified by the Immigration and Naturalization Service. If the declaration states that the individual is a citizen or national of the United States, the applicable Secretary, or the agency administering assistance covered by this section, may request verification of the declaration by requiring presentation of documentation that the applicable Secretary considers appropriate, including a United States passport, resident alien card, alien registration card, social security card, or other documentation.

2. In this subsection, the term “satisfactory immigration status” means an immigration status which does not make the individual ineligible for financial assistance.

3. If such an individual is not a citizen or national of the United States, is not 62 years of age or older, and is receiving financial assistance on September 30, 1996, or applying for financial assistance on or after September 30, 1996, there must be presented either—

   (A) alien registration documentation or other proof of immigration registration from the Immigration and Naturalization Service that contains the individual’s alien admission number or alien file number (or numbers if the individual has more than one number), or
   (B) such other documents as the applicable Secretary determines constitutes reasonable evidence indicating a satisfactory immigration status.

   In the case of an individual applying for financial assistance on or after September 30, 1996, the applicable Secretary may not provide any such assistance for the benefit of that individual before documentation is presented and verified under paragraph (3) or (4).

4. If the documentation described in paragraph (2)(A) is presented, the applicable Secretary shall utilize the individual’s alien file or alien admission number to verify with the Immigration and Naturalization Service the individual’s immigration status through an automated or other system (designated by the Service for use with States) that—

   (A) utilizes the individual’s name, file number, admission number, or other means permitting efficient verification, and
   (B) protects the individual’s privacy to the maximum degree possible.

5. In the case of such an individual who is not a citizen or national of the United States, is not 62 years of age or older, and is receiving financial assistance on September 30, 1996, or applying for financial assistance on or after September 30, 1996, if, at the time of application or recertification for financial assistance, the statement described in paragraph (1) is submitted but the documentation required under paragraph (2) is not presented or if the documentation required under paragraph (2)(A) is presented but such documentation is not verified under paragraph (3)—

   (A) the applicable Secretary—

      (i) shall provide a reasonable opportunity, not to exceed 30 days, to submit to the applicable Secretary evidence indicating a satisfactory immigration status, or to appeal to the Immigration and Naturalization Service the verification determination of the Immigration and Naturalization Service under paragraph (3),

      (ii) in the case of any individual receiving assistance on September 30, 1996, may not delay, deny, reduce, or terminate the eligibility of that individual for financial assistance on the basis of the immigration status of that individual until the expiration of that 30-day period; and

      (iii) in the case of any individual applying for financial assistance on or after September 30, 1996, may not deny the application for such assistance on the basis of the immigration status of that individual until the expiration of that 30-day period; and

   (B) if any documents or additional information are submitted as evidence under subparagraph (A), or if appeal is made to the Immigration and Naturalization Service with respect to the verification determination of the Service under paragraph (3)—

      (i) the applicable Secretary shall transmit to the Immigration and Naturalization Service photostatic or other similar copies of such documents or additional information for official verification,

      (ii) pending such verification or appeal, the applicable Secretary may not—

         (I) in the case of any individual receiving assistance on September 30, 1996, delay, deny, reduce, or terminate the eligibility of that individual for financial assistance on the basis of the immigration status of that individual; and

         (II) in the case of any individual applying for financial assistance on or after September 30, 1996, deny the application for such assistance on the basis of the immigration status of that individual; and

      (iii) the applicable Secretary shall not be liable for the consequences of any action, delay, or failure of the Service to conduct such verification.

   (5) If the applicable Secretary determines, after complying with the requirements of paragraph (4), that such an individual is not in a satisfactory immigration status, the applicable Secretary shall—

      (A) deny the application of that individual for financial assistance or terminate the eli-
eligibility of that individual for financial assistance, as applicable;
(B) provide that the individual may request a fair hearing during the 30-day period beginning upon receipt of the notice under subparagraph (C); and
(C) provide to the individual written notice of the determination under this paragraph, the right to a fair hearing process, and the time limitation for requesting a hearing under subparagraph (C).

(6) The applicable Secretary shall terminate the eligibility for financial assistance of an individual and the members of the household of the individual, for a period of not less than 24 months, upon determining that such individual has knowingly permitted another individual who is not eligible for such assistance to reside in the public or assisted housing unit of the individual. This provision shall not apply to a family if the ineligibility of the ineligible individual at issue was considered in calculating any proration of assistance provided for the family.

For purposes of this subsection, the term “applicable Secretary” means the applicable Secretary, a public housing agency, or another entity that determines the eligibility of an individual for financial assistance.

(e) Regulatory actions against entities for erroneous determinations regarding eligibility based upon citizenship or immigration status

The applicable Secretary shall not take any compliance, disallowance, penalty, or other regulatory action against an entity with respect to any error in the entity’s determination to make an individual eligible for financial assistance based on citizenship or immigration status—
(1) if the entity has provided such eligibility based on a verification of satisfactory immigration status by the Immigration and Naturalization Service,
(2) because the entity, under subsection (d)(4)(A)(ii) (or under any alternative system for verifying immigration status with the Immigration and Naturalization Service authorized in the Immigration Reform and Control Act of 1986 (Public Law 99–603)), was required to provide a reasonable opportunity to submit documentation, or
(3) because the entity, under subsection (d)(4)(B)(ii) (or under any alternative system for verifying immigration status with the Immigration and Naturalization Service authorized in the Immigration Reform and Control Act of 1986 (Public Law 99–603)), was required to wait for the response of the Immigration and Naturalization Service to the entity’s request for official verification of the immigration status of the individual, or the response from the Immigration and Naturalization Service to the appeal of that individual.

(f) Verification system; liability of State or local government agencies or officials; prior consent agreements, court decrees or court orders unaffected

(1) Notwithstanding any other provision of law, no agency or official of a State or local government shall have any liability for the design or implementation of the Federal verification system described in subsection (d) if the implementation by the State or local agency or official is in accordance with Federal rules and regulations.

(2) The verification system of the Department of Housing and Urban Development shall not supersede or affect any consent agreement entered into or court decree or court order entered prior to February 5, 1988.

(g) Reimbursement for costs of implementation

The applicable Secretary is authorized to pay to each public housing agency or other entity an amount equal to 100 percent of the costs incurred by the public housing agency or other entity in implementing and operating an immigration status verification system under subsection (d) (or under any alternative system for verifying immigration status with the Immigration and Naturalization Service authorized in the Immigration Reform and Control Act of 1986 (Public Law 99–603)).

(h) “Applicable Secretary” defined

For purposes of this section, the term “applicable Secretary” means—
(1) the Secretary of Housing and Urban Development, with respect to financial assistance administered by such Secretary and financial assistance under subtitle A of title III of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12651 et seq.); and
(2) the Secretary of Agriculture, with respect to financial assistance administered by such Secretary.

(i) Verification of eligibility

(1) In general

No individual or family applying for financial assistance may receive such financial assistance prior to the affirmative establishment and verification of eligibility of at least the individual or one family member under subsection (d) by the applicable Secretary or other appropriate entity.

(2) Rules applicable to public housing agencies

A public housing agency (as that term is defined in section 3 of the United States Housing Act of 1937 [42 U.S.C. 1437a])—
(A) may, notwithstanding paragraph (1) of this subsection, elect not to affirmatively establish and verify eligibility before providing financial assistance;
(B) in carrying out subsection (d)—
(i) may initiate procedures to affirmatively establish or verify the eligibility of an individual or family under this section at any time at which the public housing agency determines that such eligibility is in question, regardless of whether or not that individual or family is at or near the top of the waiting list of the public housing agency;
(ii) may affirmatively establish or verify the eligibility of an individual or family under this section in accordance with the procedures set forth in section 1324a(b)(1) of title 8; and

\[2\] So in original. Probably should be followed by ""; and"".
(iii) shall have access to any relevant information contained in the SAVE system (or any successor thereto) that relates to any individual or family applying for financial assistance.

(3) Eligibility of families

For purposes of this subsection, with respect to a family, the term "eligibility" means the eligibility of each family member.

(Subc. (d)(2). Pub. L. 105–276, § 592(a)(3)(B), aligned concluding provisions with par. (2) and inserted "applied" before "Secretary" in concluding provisions.


Subc. (d)(5). Pub. L. 105–276, § 592(a)(3)(D), substituted the "applicable Secretary shall" for "the Secretary shall" in introductory provisions.


Subc. (h). Pub. L. 105–276, § 592(a)(5), redesignated subc. (h), relating to verification of eligibility, as (i).

Subc. (h)(1). Pub. L. 105–276, § 592(a)(4)(A), substituted "No" for "Except in the case of an election under paragraph (2)(A) no" and "subsection (d)" for "this section" and inserted "applied" before "Secretary".


Subc. (i). Pub. L. 105–276, § 592(a)(6), redesignated subc. (h), relating to verification of eligibility, as (i).


Subc. (a)(5). Pub. L. 104–193, § 438(g)(7)(D)(ii), substituted "section 1231(b)(3)" for "section 1253(b)".

Subc. (b). Pub. L. 104–208, § 572, designated existing provisions as par. (1) and added par. (2).

Pub. L. 104–193, § 441(a)(2), inserted "the direct loan program under section 1472 of this title or section 1472(c)(5)(D), 1474, 1406(a)(2)(A), or 1494f of this title, substituted "applicable Secretary" for "Secretary of Housing and Urban Development" in introductory provisions.

Subc. (c). Pub. L. 104–193, § 441(a)(1), substituted "applicable Secretary for Secretary of Housing and Urban Development" in two places.


Subc. (c)(1)(A). Pub. L. 104–208, § 573(2), inserted at end "Financial assistance continued under this subsection for a family may be provided only on a prorated basis, under which the amount of financial assistance is based on the percentage of the total number of members of the family that are eligible for that assistance under the program of financial assistance and under this section."

Subc. (c)(1)(B). Pub. L. 104–208, § 573(3), designated first sentence of existing provisions as cl. (i), designated second and third sentences of existing provisions as cl. (ii) and substituted "Except as provided in clause (iii), any deferral" for "Any deferral and "18-months" for "3 years", and added cl. (iii).

Subc. (d). Pub. L. 104–208, § 574(1), inserted "or to be" after "being" in introductory provisions.

Pub. L. 104–193, § 441(a)(3), substituted "applicable Secretary" for "Secretary" wherever appearing in pars. (2) to (6).

Pub. L. 104–193, § 441(a)(4), substituted the term "applicable Secretary" for the term "Secretary" and "applicable Secretary" for "Secretary of Housing and Urban Development" in closing provisions.

Subc. (d)(1)(A). Pub. L. 104–208, § 574(2), inserted at end "If the declaration states that the individual is not a citizen or national of the United States and that the individual is younger than 62 years of age, the declaration shall be verified by the Immigration and Naturalization Service. If the declaration states that the individual is a citizen or national of the United States, the Secretary of Housing and Urban Development, or

"Secretary of Housing and Urban Development, or" and "applicable Secretary considers" for "Secretary considers".


Subc. (d)(5). Pub. L. 105–276, § 592(a)(3)(D), substituted the "applicable Secretary shall" for "the Secretary shall" in introductory provisions.


Subc. (h). Pub. L. 105–276, § 592(a)(5), redesignated subc. (h), relating to verification of eligibility, as (i).

Subc. (h)(1). Pub. L. 105–276, § 592(a)(4)(A), substituted "No" for "Except in the case of an election under paragraph (2)(A) no" and "subsection (d)" for "this section" and inserted "applied" before "Secretary".
the agency administering assistance covered by this section, may request verification of the declaration by requiring presentation of documentation that the Secretary considers appropriate, including a United States passport, resident alien card, alien registration card, social security card, or other documentation." 


Subsec. (d)(4)(A)(ii). Pub. L. 104–208, § 574(4)(B)(1)(II), (ii), inserted cls. (i) and (iii) and struck out former cl. (ii) which read as follows: "may not delay, deny, reduce, or terminate the individual’s eligibility for financial assistance on the basis of the individual’s immigration status until such a reasonable opportunity has been provided; and"

Subsec. (d)(4)(B)(i). Pub. L. 104–208, § 574(4)(C), added cl. (ii) and struck out former cl. (ii) which read as follows: "pending such verification or appeal, the applicable Secretary may not delay, deny, reduce, or terminate the individual’s eligibility for financial assistance on the basis of the individual’s immigration status, and".

Subsec. (d)(5). Pub. L. 104–208, § 575(5), inserted "the Secretary shall" after "status" in introductory provisions, added subpars. (A) to (C), and struck out former subpars. (A) and (B) which read as follows: "(A) the applicable Secretary shall deny or terminate the individual’s eligibility for financial assistance, and (B) the applicable fair hearing process shall be made available with respect to the individual,".

Subsec. (d)(6). Pub. L. 104–208, § 576(6), added par. (6) and struck out former par. (6) which read as follows: "For purposes of paragraph (5)(B), the applicable fair hearing process made available with respect to any individual shall include not less than the following procedural protections:

(A) The applicable Secretary shall provide the individual with written notice of the determination described in paragraph (5) and on the opportunity of the individual’s immigration status, and

(B) Upon timely request by the individual, the applicable Secretary shall provide a hearing before an impartial hearing officer designated by the applicable Secretary, at which hearing the individual may produce evidence of a satisfactory immigration status.

(C) The applicable Secretary shall notify the individual in writing of the decision of the hearing officer on the appeal of the determination in a timely manner.

(D) Financial assistance may not be denied or terminated until the completion of the hearing process.

Subsec. (e). Pub. L. 104–193, § 441(a)(5), added subsec. (b) defining "applicable Secretary".


Subsec. (c). Pub. L. 100–242, § 164(b), added subsec. (c).

Subsec. (d). Pub. L. 100–242, § 164(c)(8), amended last sentence generally. Prior to amendment, last sentence read as follows: "In this subsection and subsection (e) of this section, the term ‘Secretary’ refers to the Secretary and to a public housing authority or other entity which makes financial assistance available.

Subsec. (d)(2). Pub. L. 100–242, § 164(c)(1), inserted ", is not 62 years of age or older, and is receiving financial assistance on February 5, 1988" after "States".

Subsec. (d)(4). Pub. L. 100–242, § 164(c)(2), in introductory provisions inserted ", is not 62 years of age or older, and is receiving financial assistance on February 5, 1988" after "States", and "or recertification" after "eligibility".

Subsec. (d)(4)(A)(i). Pub. L. 100–242, § 164(c)(3), inserted after comma "to appeal" to the Immigration and Naturalization Service the verification determination of the Immigration and Naturalization Service under paragraph (3)".

Subsec. (d)(4)(B). Pub. L. 100–242, § 164(c)(4), amended introductory provisions generally. Prior to amendment, introductory provisions read as follows: "(if there are submitted documents which the Secretary determines constitutes reasonable evidence indicating such status—"

Subsec. (d)(5)(B)(i). Pub. L. 100–242, § 164(c)(5), inserted "or additional information" after "documents" in cl. (i), and "or appeal" after "verification" in cl. (ii).


Subsec. (e). Pub. L. 100–242, § 164(d)(1), in introductory provisions, inserted "of Housing and Urban Development" after "Secretary".


1986—Subsecs. (d), (e). Pub. L. 99–603 added subsecs. (d) and (e).

1981—Pub. L. 97–35 substituted provisions relating to restrictions on use of assisted housing by resident aliens meeting further conditions for provisions relating to prohibition on financial assistance to nonimmigrant student-alien.

Subsec. (b). Pub. L. 97–35 struck out "(1)" after "(b)", and par. (2) which defined "nonimmigrant student-alien".

Effective Date of 1996 Amendment

Pub. L. 105–276, title V, § 592(b), Oct. 21, 1998, 112 Stat. 2654, provided that: "The amendments made by this section [amending this section] are made on, and shall apply beginning upon, the date of the enactment of this Act (Oct. 21, 1998)."

Effective Date of 1996 Amendment

Amendment by section 308(g)(7)(D)(ii) of Pub. L. 104–208 effective, with certain transitional provisions, on the first day of the first month beginning more than 180 days after Sept. 30, 1996, see section 309 of Pub. L. 104–208, set out as a note under section 1101 of Title 8, Aliens and Nationality.

§ 1436b  TITLE 42—THE PUBLIC HEALTH AND WELFARE  Page 4116

 EFFECTIVE DATE OF 1988 AMENDMENT
Pub. L. 100–242, title I, §164(h), Feb. 5, 1988, 101 Stat. 1863, provided that:

“(1) The provisions of, and amendments made by, subsections (a), (b), (e), (f), and (g) [amending this section, repealing section 1437 of this title, and enacting provisions set out below] shall take effect on the date of the enactment of this Act [Feb. 5, 1988].

“(2) The amendments made by subsections (c) and (d) [amending this section, and enacting provisions set out as a note below] may be cited as the ‘Use of Assisted Housing by Aliens Act of 1996.’"

 EFFECTIVE DATE OF 1986 AMENDMENT

 EFFECTIVE DATE OF 1981 AMENDMENT

SHORT TITLE OF 1996 AMENDMENT

REGULATIONS

“(a) Issuance.—Not later than the 60 days after the date of enactment of this Act [Sept. 30, 1996], the Secretary of Housing and Urban Development shall issue any regulations necessary to implement the amendments made by this part [probably means this subtitle, subtitle E (§§571–577) of title V of div. C of Pub. L. 104–208, see Short Title of 1996 Amendment note above]. Such regulations shall be issued in the form of an interim final rule, which shall take effect upon issuance and shall not be subject to the provisions of section 533 of title 5, United States Code, regarding notice or opportunity for comment.

“(b) Failure to Issue.—If the Secretary fails to issue the regulations required under subsection (a) before the date specified in that subsection, the regulations relating to restrictions on assistance to noncitizens, contained in the final rule issued by the Secretary of Housing and Urban Development in RIN: 2501–AA63 (Docket No. R–95–1409; FR–2383–F–050), published in the Federal Register on March 29, 1995 (Vol. 60, No. 53, pp. 14824–14861), shall not apply after that date.”

ABOLITION OF IMMIGRATION AND NATURALIZATION SERVICE AND TRANSFER OF FUNCTIONS
For abolition of Immigration and Naturalization Service, transfer of functions, and treatment of related references, see note set out under section 1551 of Title 8, Aliens and Nationality.

TRANSITIONAL CERTIFICATION AND DOCUMENTATION PROVISIONS
Pub. L. 100–242, title I, §164(g), Feb. 5, 1988, 101 Stat. 1863, provided that: “In carrying out section 214 of the Housing and Community Development Act of 1980 [this section] during fiscal year 1988, the Secretary of Housing and Urban Development shall require, as a condition of providing financial assistance for the benefit of any individual, that such individual—

“(1) declare in writing, under penalty of perjury, whether or not such individual is a citizen or national of the United States; and

“(2) if not a citizen or national—

“(A) declare in writing, under penalty of perjury, the immigration status of such individual, if such individual is not less than 62 years of age ‘and is receiving financial assistance on the date of the enactment of the Housing and Community Development Act of 1987’ [Feb. 5, 1988]; or

“(B) provide such documentation regarding the immigration status of such individual as the Secretary may require by regulation.”

DELAYED IMPLEMENTATION OF 1981 AMENDMENT
Pub. L. 98–181, title I, §474(e), Nov. 30, 1983, 97 Stat. 1239, provided in part that: “The Secretary may not implement the amendment to section 214 of the Housing and Community Development Act of 1980 [this section], made by section 329(a) of the Housing and Community Development Amendments of 1981 [Pub. L. 97–35], before the expiration of the one-year period following the date of the enactment of this Act [Nov. 30, 1983].”

ALIENS GRANTED CONDITIONAL ENTRY ELIGIBLE FOR ASSISTED HOUSING
Pub. L. 97–35, title III, §329(b), Aug. 13, 1981, 95 Stat. 408, provided that: “An alien who is lawfully present in the United States as a result of being granted conditional entry pursuant to section 203(a)(7) of the Immigration and Nationality Act (8 U.S.C. 1153(a)(7)) before April 1, 1980, because of persecution or fear of persecution on account of race, religion, or political opinion or because of being uprooted by catastrophic natural calamity shall be deemed, for purposes of section 214 of the Housing and Community Development Act of 1980 [this section], to be an alien described in section 214(a)(3) of such Act [subsec. (a)(3) of this section].”

§ 1436b. Financial assistance in impacted areas

The Secretary of Housing and Urban Development shall not exclude from consideration for financial assistance under federally assisted housing programs proposals for housing projects solely because the site proposed is located within an impacted area. For the purposes of this section, the term “federally assisted housing programs” means any program authorized by the United States Housing Act of 1937 [42 U.S.C. 1437 et seq.], sections 1715z and 1715z–1 of title 12, section 101 of the Housing and Urban Development Act of 1965 [12 U.S.C. 1701s], or section 1701q of title 12.


REFERENCES IN TEXT
The United States Housing Act of 1937, referred to in text, is act Sept. 1, 1937, ch. 896, as revised generally by Pub. L. 98–363, title II, §201(a), Aug. 22, 1984, 98 Stat. 655, and amended, which is classified generally to this chapter (§1437 et seq.). For complete classification of this Act to the Code, see Short Title note set out under section 1437 of this title and Tables.


CODIFICATION
Section was enacted as part of the Housing and Community Development Act of 1980, and not as part of the United States Housing Act of 1937 which comprises this chapter.

§ 1436c. Insurance for public housing agencies and Indian housing authorities

On and after October 28, 1991, notwithstanding any other provision of State or Federal law, reg-
ulation or other requirement, any public housing agency or Indian housing authority that purchases any line of insurance from a nonprofit insurance entity, owned and controlled by public housing agencies or Indian housing authorities, and approved by the Secretary, may purchase such insurance without regard to competitive procurement.

On and after October 28, 1991, the Secretary shall establish standards as set forth herein, by regulation, adopted after notice and comment rulemaking pursuant to subchapter II of chapter 5 of title 5, which will become effective not later than one year from October 28, 1991.

On and after October 28, 1991, in establishing standards for approval of such nonprofit insurance entities, the Secretary shall be assured that such entities have sufficient surplus capital to meet reasonably expected losses, reliable accounting systems, sound actuarial projections, and employees experienced in the insurance industry. The Secretary shall not place restrictions on the investment of funds of any such entity that is regulated by the insurance department of any State that describes the types of investments insurance companies licensed in such State may make. With regard to such entities that are not so regulated, the Secretary shall establish investment guidelines that are comparable to State law regulating the investments of insurance companies.

On and after October 28, 1991, the Secretary shall not approve additional nonprofit insurance entities until such standards have become final, nor shall the Secretary revoke the approval of any nonprofit insurance entity previously approved by the Department unless for cause and after a due process hearing.

On and after October 28, 1991, until the Department of Housing and Urban Development has adopted regulations specifying the nature and quality of insurance covering the potential personal injury liability exposure of public housing authorities and Indian housing authorities (and their contractors, including architectural and engineering services) as a result of testing and abatement of lead-based paint in federally subsidized public and Indian housing units, said authorities shall be permitted to purchase insurance, and an allowable expense, as an allowable expense against amounts available for capital improvements (modernization): Provided, That such insurance is competitively selected and that coverage provided under such policies, as certified by the authority, provides reasonable coverage for the risk of liability exposure, taking into consideration the potential liability concerns inherent in the testing and abatement of lead-based paint, and the managerial and quality assurance responsibilities associated with the conduct of such activities.


Codification
In the second undesignated par., “subchapter II of chapter 5 of title 5” was substituted for “the Administrative Procedures Act” on authority of Pub. L. 89–554, §7(b), Sept. 6, 1966, 80 Stat. 631, the first section of which enacted Title 5, Government Organization and Employees.

Section was enacted as part of the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1992, and not as part of the United States Housing Act of 1937 which comprises this chapter.

§ 1436d. Consultation with affected areas in settlement of litigation

In negotiating any settlement of, or consent decree for, significant litigation regarding public housing or section 8 [42 U.S.C. 1437f] tenant-based assistance that involves the Secretary and any public housing agency or any unit of general local government, the Secretary shall seek the views of any units of general local government and public housing agencies having jurisdictions that are adjacent to the jurisdiction of the public housing agency involved, if the resolution of such litigation would involve the acquisition or development of public housing dwelling units or the use of vouchers under section 1437f of this title in jurisdictions that are adjacent to the jurisdiction of the public housing agency involved in the litigation.


References in Text
Secretary, referred to in text, means the Secretary of Housing and Urban Development.

Codification
Section was enacted as part of the Quality Housing and Work Responsibility Act of 1998, and not as part of the United States Housing Act of 1937 which comprises this chapter.

Effective Date
Pub. L. 105–276, title V, §599H(m), Oct. 21, 1998, 112 Stat. 2670, provided that: “This section [enacting this section and amending section 1490 of this title] shall take effect on, and the amendments made by this section are made on, and shall apply beginning upon, the date of the enactment of this Act [Oct. 21, 1998].”

Subchapter I—General Program of Assisted Housing

Codification

§ 1437. Declaration of policy and public housing agency organization

(a) Declaration of policy

It is the policy of the United States—

(1) to promote the general welfare of the Nation by employing the funds and credit of the Nation, as provided in this chapter—

(A) to assist States and political subdivisions of States to remedy the unsafe housing conditions and the acute shortage of decent and safe dwellings for low-income families; and

(B) to assist States and political subdivisions of States to address the shortage of...
§ 1437  TITLE 42—THE PUBLIC HEALTH AND WELFARE  Page 4118

housing affordable to low-income families; and
(C) consistent with the objectives of this subchapter, to vest in public housing agencies that perform well, the maximum amount of responsibility and flexibility in program administration, with appropriate accountability to public housing residents, localities, and the general public;
(2) that the Federal Government cannot through its direct action alone provide for the housing of every American citizen, or even a majority of its citizens, but it is the responsibility of the Government to promote and protect the independent and collective actions of private citizens to develop housing and strengthen their own neighborhoods;
(3) that the Federal Government should act where there is a serious need that private citizens or groups cannot or are not addressing responsibly; and
(4) that our Nation should promote the goal of providing decent and affordable housing for all citizens through the efforts and encouragement of Federal, State, and local governments, and by the independent and collective actions of private citizens, organizations, and the private sector.

(b) Public housing agency organization
(1) Required membership
Except as provided in paragraphs (2) and (3), the membership of the board of directors or similar governing body of each public housing agency shall contain not less than 1 member—
(A) who is directly assisted by the public housing agency; and
(B) who may, if provided for in the public housing agency plan, be elected by the residents directly assisted by the public housing agency.
(2) Exception
Paragraph (1) shall not apply to any public housing agency—
(A) that is located in a State that requires the members of the board of directors or similar governing body of a public housing agency to be salaried and to serve on a full-time basis; or
(B) with less than 300 public housing units, if—
(i) the agency has provided reasonable notice to the resident advisory board of the opportunity of not less than 1 resident described in paragraph (1) to serve on the board of directors or similar governing body of the public housing agency pursuant to such paragraph; and
(ii) within a reasonable time after receipt by the resident advisory board established by the agency pursuant to section 1437e–1(e) of this title of notice under clause (i), the public housing agency has not been notified of the intention of any resident to participate on the board of directors.
(3) Exception for certain jurisdictions
(A) Exception
A covered agency (as such term is defined in subparagraph (C) of this paragraph) shall not be required to include on the board of directors or a similar governing board of such agency a member described in paragraph (1).

(B) Advisory board requirement
Each covered agency that administers Federal housing assistance under section 1437f of this title that chooses not to include a member described in paragraph (1) on the board of directors or a similar governing board of the agency shall establish an advisory board of not less than 6 residents of public housing or recipients of assistance under section 1437f of this title to provide advice and comment to the agency or other administering entity on issues related to public housing and section 1437f of this title. Such advisory board shall meet not less than quarterly.

(C) Covered agency or entity
For purposes of this paragraph, the term “covered agency” means a public housing agency or such other entity that administers Federal housing assistance for—
(1) the Housing Authority of the county of Los Angeles, California; or
(ii) any of the States of Alaska, Iowa, and Mississippi.

(4) Nondiscrimination
No person shall be prohibited from serving on the board of directors or similar governing body of a public housing agency because of the residence of that person in a public housing project or status as assisted under section 1437f of this title.

So in original. Probably should be “(i)”.§ 1437c–1(e) of this title of notice under introductory provisions.

PRIORITY PROVISIONS
A prior section 2 of act Sept. 1, 1937, ch. 896, 50 Stat. 888, related to definitions and was classified to section 1402 of this title, prior to the general revision of this chapter by Pub. L. 93–383.

Prior similar provisions were contained in section 1 of act Sept. 1, 1937, ch. 896, 50 Stat. 886, which was classified to section 1401 of this title prior to the general revision of this chapter by Pub. L. 93–383.

AMENDMENTS
2016—Subsec. (b)(1). Pub. L. 114–201, § 114(1), substituted “paragraphs (2) and (3)” for “paragraph (2)” in introductory provisions.
Subsec. (b)(3), (4). Pub. L. 114–201, § 114(2), (3), added par. (3) and redesignated former par. (3) as (4).
1998—Pub. L. 105–276 amended section catchline and text generally. Prior to amendment, text read as follows: “It is the policy of the United States to promote the general welfare of the Nation by employing its funds and credit, as provided in this chapter, to assist the several States and their political subdivisions to remedy the unsafe and unsanitary housing conditions and the acute shortage of decent, safe, and sanitary dwellings for families of lower income and, consistent
with the objectives of this chapter, to vest in local public housing agencies the maximum amount of responsibility in the administration of their housing programs. No person should be barred from serving on the board of directors or similar governing body of a local public housing agency because of his tenancy in a low-income housing project."

1990—Pub. L. 101–655 substituted "low-income housing" for "lower income housing".


**Effective Date of 1998 Amendment**


"(a) IN GENERAL.—The amendments under this title [see Tables for classification] are made on the date of the enactment of this Act [Oct. 21, 1998], but this title shall take effect, and the amendments made by this title shall apply beginning upon, October 1, 1999, except—"

"(1) as otherwise specifically provided in this title; or

"(2) as otherwise specifically provided in any amendment made by this title."

The Secretary may, by notice, implement any provision of this title or any amendment made by this title before such date, except to the extent that such provision or amendment specifically provides otherwise.

"(b) SAVINGS PROVISION.—Notwithstanding any amendment under this title that is made (in accordance with subsection (a)) on the date of the enactment of the United States Housing Act of 1937 [42 U.S.C. 1437f] tenant-based programs issued or promulgated under the United States Housing Act of 1937, as amended by subsection (a) of such section as so amended [sections 1437f of this title] shall continue to apply during the period beginning on the date of the enactment of the United States Housing Act of 1937 and ending upon October 1, 1999, unless otherwise specifically provided by this title."

"(c) TECHNICAL RECOMMENDATIONS.—Not later than 9 months after the date of the enactment of this Act [Oct. 21, 1998], the Secretary shall submit to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Banking and Financial Services [now Committee on Financial Services] of the House of Representatives, recommended technical and conforming legislative changes necessary to carry out this title and the amendments made by this title."

"(d) LIST OF OBSOLETE DOCUMENTS.—Not later than October 1, 1999, the Secretary of Housing and Urban Development shall cause to be published in the Federal Register a list of all rules, regulations, and orders (including all handbooks, notices, and related requirements) pertaining to public housing or section 8 [42 U.S.C. 1437f] tenant-based programs issued or promulgated under the United States Housing Act of 1937 [42 U.S.C. 1437 et seq.] before the date of the enactment of this Act [Oct. 21, 1998] that are or will be obsolete because of the enactment of this Act or are otherwise obsolete.

"(e) PROTECTION OF CERTAIN REGULATIONS.—No provision of this title may be construed to repeal the regulations of the Secretary regarding tenant participation and tenant opportunities in public housing (24 C.F.R. 964)."

"(f) EFFECTIVE DATE.—This section shall take effect on the date of the enactment of this Act [Oct. 21, 1998]."

**Effective Date of 1981 Amendment**


**Effective Date**

Pub. L. 93–383, title II, §201(b), Aug. 22, 1974, 88 Stat. 667, provided that: "The provisions of subsection (a) of this section [enacting sections 1437 to 1437f of this title] shall be effective on such date or dates as the Secretary of Housing and Urban Development shall prescribe, but not later than eighteen months after the date of the enactment of this Act [Aug. 22, 1974], except that (1) all of the provisions of section 3(1) of the United States Housing Act of 1937, as amended by subsection (a) of this section [section 1437a(1) of this title], shall become effective on the same date, (2) all of the provisions of sections 5 and 9(c) of such Act as so amended [sections 1437c and 1437g(c) of this title] shall become effective on the same date, and (3) section 8 of such Act [section 1437f of this title] as so amended shall be effective not later than January 1, 1975." Section 3(1) of the United States Housing Act of 1937, as amended, effective Sept. 26, 1975, see Effective Date note set out under section 1437a of this title.

**Short Title of 2016 Amendment**

Pub. L. 114–201, §1(a), July 29, 2016, 130 Stat. 782, provided that: "This Act [enacting sections 1437f–9, 3536a, and 13386f of this title, amending this section, sections 1436a, 1437a, 1437f, 1437g, 1437n, 1472, 3533, 1137a, 11387, 11388, 12902, and 12903 of this title, and section 1709 of Title 12, Banks and Banking, enacting provisions set out as notes under sections 1437a, 1437f, 1437g–9, 3533, 3544, and 11313 of this title, and amending provisions set out as a note under section 12805 of this title] may be cited as the 'Housing Opportunity Through Modernization Act of 2016'."

**Short Title of 2008 Amendment**


**Short Title of 2003 Amendment**

Pub. L. 108–186, title IV, §401, Dec. 16, 2003, 117 Stat. 2993, provided that: "This title [amending section 1437v of this title and enacting provisions set out as a note under section 1437v of this title] may be cited as the 'HOPE VI Program Reauthorization and Small Community Mainstreet Rejuvenation and Housing Act of 2003'."

**Short Title of 2002 Amendment**

Pub. L. 107–116, title VI, §601(a), Jan. 10, 2002, 115 Stat. 2220, provided that: "This title [amending sections 1437f, 1437l, and 3536 of this title and section 1710n of Title 12, Bank and Banking, enacting provisions set out as notes under sections 1437f and 11301 of this title and section 1710q of Title 12, and amending provisions set out as notes under sections 1437f and 11301 of this title and section 1710q(1) of Title 12] may be cited as the 'Mark-to-Market Extension Act of 2001'."

**Short Title of 1998 Amendment**


**Short Title of 1988 Amendment**

Pub. L. 100–358, §1, June 29, 1988, 102 Stat. 676, provided that: "This Act [enacting sections 1437a to 1437v of this title, amending sections 1437a, 1437f, and 1437v of this title, and enacting provisions set out as a note under section 1437a of this title] may be cited as the 'Indian Housing Act of 1988'."

**Short Title**

APPlicability of 1996 amendments: Indian housing
Pub. L. 104–204, title II, § 201(d), Sept. 26, 1996, 110 Stat. 2893, provided that: "In accordance with section 201(b)(2) of the United States Housing Act of 1937 (former 42 U.S.C. 1437a(b)(2)), the amendments made by subsections (a), (b), and (c) [amending provisions set out as notes under sections 1437a, 1437c, and 1437f of this title] shall apply to public housing developed or operated pursuant to a contract between the Secretary of Housing and Urban Development and an Indian housing authority."

Pub. L. 104–193, title I, § 101(e) [title II, § 201(a)(3)], Apr. 26, 1996, 110 Stat. 1251–257, 1251–278, renumbered title I, Pub. L. 104–140, § 1(a), May 2, 1996, 110 Stat. 1237, provided that: "In accordance with section 201(b)(2) of the United States Housing Act of 1937 [former 42 U.S.C. 1437a(b)(2)], the amendment made by this subsection [amending section 1437f of this title] shall apply to public housing developed or operated pursuant to a contract between the Secretary of Housing and Urban Development and an Indian housing authority."

Pub. L. 104–193, title I, § 101(e) [title II, § 201(b)(3)], Apr. 26, 1996, 110 Stat. 1251–257, 1251–278, renumbered title I, Pub. L. 104–140, § 1(a), May 2, 1996, 110 Stat. 1237, provided that: "In accordance with section 201(b)(2) of the United States Housing Act of 1937 [former 42 U.S.C. 1437a(b)(2)], the amendments made by this subsection [sections 1437p of this title and provisions set out as a note under section 1437c of this title] and by sections 1002(a), (b), and (c) of Public Law 104–19 [amending sections 1437c, 1437p, and 1437aa–3 of this title] shall apply to public housing developed or operated pursuant to a contract between the Secretary of Housing and Urban Development and an Indian housing authority."

Pub. L. 104–99, title IV, § 402(e), Jan. 26, 1996, 110 Stat. 43, which provided that amendments made by section 402(a) to (d) and (f) of Pub. L. 104–99 were also to apply to public housing developed or operated pursuant to a contract between the Secretary of Housing and Urban Development and an Indian housing authority, was repealed by Pub. L. 105–175, title V, § 596(e)(16), Oct. 21, 1998, 112 Stat. 2659.

APPlicability of 1990 amendments: Indian housing
Pub. L. 102–550, title I, § 103(b), Oct. 28, 1992, 106 Stat. 3684, provided that: "(1) In general.—In accordance with section 201(b)(2) of the United States Housing Act of 1937 [(former 42 U.S.C. 1437a(b)(2)), the provisions of sections 572, 573, and 574 of the Cranston-Gonzalez National Affordable Housing Act] [Pub. L. 101–625, amending this section and sections 1437a, 1437b to 1437d, 1437f, 1437g, 1437h, 1437i, 1437j, 1437k, 1437l, 1437m, and 1437n, and requiring a public housing program under title V of the Cranston-Gonzalez National Affordable Housing Act], no funds in this Act or any other Act may hereafter be used by the Secretary of Housing and Urban Development to determine allocations or provide assistance for operating subsidies or modernization for certain State and city funded and locally developed public housing units unless such unit was so assisted before Oct. 1, 1998, was repealed by Pub. L. 105–54, div. K, title II, § 226, Oct. 21, 1998, 112 Stat. 2433, which directed the Secretary of Housing and Urban Development to submit an annual report to the House and Senate Committees on Appropriations regarding the number of Federally assisted units under lease and the per unit cost of such units, was repealed by Pub. L. 111–31, div. K, title II, § 238, May 3, 2011, 123 Stat. 504.

FUNDING OF CERTAIN PUBLIC HOUSING
Pub. L. 105–276, title II, § 226, Oct. 21, 1998, 112 Stat. 2490, which provided that no funds in this Act or any other Act may hereafter be used by the Secretary of Housing and Urban Development to determine allocations or provide assistance for operating subsidies or modernization for certain State and city funded and locally developed public housing units unless such unit was so assisted before Oct. 1, 1998, was repealed by Pub. L. 105–54, div. K, title II, § 226, Oct. 21, 1998, 112 Stat. 2433, which directed the Secretary of Housing and Urban Development to submit an annual report to the House and Senate Committees on Appropriations regarding the number of Federally assisted units under lease and the per unit cost of such units, was repealed by Pub. L. 111–31, div. K, title II, § 238, May 3, 2011, 123 Stat. 504.

CONGRESSIONAL STATEMENT OF FINDINGS AND PURPOSES
Pub. L. 106–276, title V, § 502, Oct. 21, 1998, 112 Stat. 2550, provided that: "(1) There exists throughout the Nation a need for decent, safe, and affordable housing; [(a) Findings.—Congress finds that—]
[(a) Findings.—Congress finds that—]
[(a) Findings.—Congress finds that—]
[(1) there exists throughout the Nation a need for decent, safe, and affordable housing;]
[(2) the inventory of public housing units owned, assisted, or operated by public housing agencies, an asset in which the Federal Government has invested over $90,000,000,000, has traditionally provided rental housing that is affordable to low-income persons;]
[(3) despite serving this critical function, the public housing system is plagued by a series of problems, including the concentration of very poor people in]
[(a) Findings.—Congress finds that—]
[(1) there exists throughout the Nation a need for decent, safe, and affordable housing;]
[(2) the inventory of public housing units owned, assisted, or operated by public housing agencies, an asset in which the Federal Government has invested over $90,000,000,000, has traditionally provided rental housing that is affordable to low-income persons;]
[(3) despite serving this critical function, the public housing system is plagued by a series of problems, including the concentration of very poor people in]
very poor neighborhoods and disincentives for economic self-sufficiency;

“(4) the Federal method of overseeing every aspect of public housing by detailed and complex statutes and regulations has aggravated the problem and has placed excessive administrative burdens on public housing agencies; and

“(5) the interests of low-income persons, and the public interest, will best be served by a reformed public housing program that—

“(A) consolidates many public housing programs into programs for the operation and capital needs of public housing;

“(B) streamlines program requirements;

“(C) vests in public housing agencies that perform well the maximum feasible authority, discretion, and control with appropriate accountability to public housing residents, localities, and the general public; and

“(D) rewards employment and economic self-sufficiency of public housing residents.

“(b) PURPOSE.—The purpose of this title [see Tables for classification] is to promote homes that are affordable to low-income families in safe and healthy environments, and thereby contribute to the supply of affordable housing, by—

“(1) deregulating and decontrolling public housing agencies, thereby enabling them to perform as property and asset managers;

“(2) providing for more flexible use of Federal assistance to public housing agencies, allowing the authorities to leverage and combine assistance amounts with amounts obtained from other sources;

“(3) facilitating mixed income communities and decreasing concentrations of poverty in public housing;

“(4) increasing accountability and rewarding effective management of public housing agencies;

“(5) creating incentives and economic opportunities for residents of dwelling units assisted by public housing agencies to work, become self-sufficient, and transition out of public housing and federally assisted dwelling units;

“(6) consolidating the voucher and certificate programs for rental assistance under section 8 of the United States Housing Act of 1937 [42 U.S.C. 1437f] into a single market-driven program that will assist in making tenant-based rental assistance under such section more successful at helping low-income families obtain affordable housing and will increase housing choice for low-income families; and

“(7) remedying the problems of troubled public housing agencies and replacing or revitalizing severely distressed public housing projects.”

Mental Health Action Plan

Pub. L. 105–276, title V, § 517, Oct. 21, 1998, 112 Stat. 2559, provided that: “The Secretary of Housing and Urban Development, in consultation with the Secretary of Health and Human Services, the Secretary of Labor, and appropriate State and local officials and representatives, shall—

“(1) develop an action plan and list of recommendations for the improvement of means of providing severe mental illness treatment to families and individuals receiving housing assistance under the United States Housing Act of 1937 [42 U.S.C. 1437 et seq.], including public housing residents, residents of multifamily housing assisted with project-based assistance under section 8 of such Act [42 U.S.C. 1437f], and recipients of tenant-based assistance under such section; and

“(2) develop and disseminate a list of current practices among public housing agencies and owners of assisted housing that serve to benefit persons in need of mental health care.”

Annual Report

Pub. L. 105–276, title V, § 581, Oct. 21, 1998, 112 Stat. 2643, provided that: “(a) In General.—Not later than 1 year after the date of the enactment of this Act [Oct. 21, 1998], and annually thereafter, the Secretary shall submit a report to the Congress on—

“(1) the impact of the amendments made by this Act [Pub. L. 105–276, see Tables for classification] on—

“(A) the demographics of public housing residents and families receiving tenant-based assistance under the United States Housing Act of 1937 [42 U.S.C. 1437 et seq.]; and

“(B) the economic viability of public housing agencies; and

“(2) the effectiveness of the rent policies established by this Act and the amendments made by this Act on the employment status and earned income of public housing residents.

“(b) EFFECTIVE DATE.—This section shall take effect on the date of the enactment of this Act [Oct. 21, 1998].”

Use of American Products


“(b) NOTICE REQUIREMENT.—In providing financial assistance to, or entering into any contract with, any entity using funds made available in this Act, the head of each Federal agency, to the greatest extent practicable, shall provide to such entity a notice describing the statement made in subsection (a) by the Congress.

“(c) EFFECTIVE DATE.—This section shall take effect on the date of the enactment of this Act [Oct. 21, 1998].”

Gao Study on Housing Assistance Program Costs

Pub. L. 105–276, title V, § 585, Oct. 21, 1998, 112 Stat. 2645, provided that: “(a) STUDY.—The Comptroller General of the United States shall conduct a study that provides an objective and independent accounting and analysis of the full cost to the Federal Government, public housing agencies, State and local governments, and other entities, per assisted household, of the Federal assisted housing programs, taking into account the qualitative differences among Federal assisted housing programs in accordance with applicable standards of the Department of Housing and Urban Development.

“(b) CONTENTS.—The study under this section shall—

“(1) analyze the full cost to the Federal Government, public housing agencies, State and local governments, and other parties, per assisted household, of the Federal assisted housing programs, in accordance with generally accepted accounting principles, and shall conduct the analysis on a nationwide and regional basis and in a manner such that accurate per unit cost comparisons may be made between Federal assisted housing programs, including grants, direct subsidies, tax concessions, Federal mortgage insurance liability, periodic renovation and rehabilitation, and modernization costs, demolition costs, and other ancillary costs such as security; and

“(2) measure and evaluate qualitative differences among Federal assisted housing programs in accordance with applicable standards of the Department of Housing and Urban Development.

“(c) PROHIBITION OF RECOMMENDATIONS.—In conducting the study under this section and reporting under subsection (e), the Comptroller General may not make any recommendations regarding Federal housing policy.

“(d) FEDERAL ASSISTED HOUSING PROGRAMS.—For purposes of this section, the term ‘Federal assisted housing programs’ means—

“(1) the public housing program under the United States Housing Act of 1937 [42 U.S.C. 1437 et seq.], ex-
cept that the study under this section shall differentiate between and compare the development and construction of new public housing and the assistance of existing public housing structures;

(2) the certificate program for rental assistance under section 8(b)(1) of the United States Housing Act of 1937 (42 U.S.C. 1437f(b)(1));

(3) the voucher program for rental assistance under section 8 of the United States Housing Act of 1937 (42 U.S.C. 1437f);

(4) the programs for project-based assistance under section 8 of the United States Housing Act of 1937 (42 U.S.C. 1437f);

(5) the rental assistance payments program under section 221(a)(2)(A) of the Housing Act of 1949 (42 U.S.C. 1490a(a)(2)(A));

(6) the program for housing for the elderly under section 202 of the Housing Act of 1937 (12 U.S.C. 1701q);

(7) the program for housing for persons with disabilities under section 811 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 8031);

(8) the program for financing housing by a loan or mortgage insured under section 221(d)(3) of the National Housing Act (12 U.S.C. 1715(d)(3)) that bears interest at a rate determined under the provisions of section 221(d)(5) of such Act (12 U.S.C. 1715(d)(5));

(9) the program under section 236 of the National Housing Act (12 U.S.C. 1716c-1);

(10) the program for construction or substantial rehabilitation under section 8(b)(2) of the United States Housing Act of 1937 (42 U.S.C. 1437f(b)(2)), as in effect before October 1, 1963, and

(11) any other program for housing assistance administered by the Secretary of Housing and Urban Development or the Secretary of Agriculture, under which occupancy in the housing assisted or housing assistance provided is based on income, as the Comptroller General may determine.

(2) REPORT.—Not later than 12 months after the date of the enactment of this Act [Oct. 21, 1998], the Comptroller General shall submit to the Congress a final report which shall contain the results of the study under this section, including the analysis and estimates required under subsection (b).

(3) LIMITATION ON REVIEW.—This section shall take effect on the date of the enactment of this Act [Oct. 21, 1998].

§ 1437a. Rental payments

(a) Families included; rent options; minimum amount; occupancy by police officers and over-income families

(1) Dwelling units assisted under this chapter shall be rented only to families who are low-income families at the time of their initial occupancy of such units. Reviews of family income shall be made at least annually; except that, in the case of any family with a fixed income, as defined by the Secretary, after the initial review of the family's income, the public housing agency or owner shall not be required to conduct a review of the family's income for any year for which such family certifies, in accordance with such requirements as the Secretary shall establish, which shall include policies to adjust for inflation-based income changes, that 90 percent or more of the income of the family consists of fixed income, and that the sources of such income have not changed since the previous year, except that the public housing agency or owner shall conduct a review of each such family's income not less than once every 3 years. Except as provided in paragraph (2) and subject to the requirement under paragraph (3), a family shall pay as rent for a dwelling unit assisted under this chapter (other than a family assisted under section 1437f(o) or (y) of this title or paying rent under section 1437f(c)(3)(B) of this title) the highest of the following amounts, rounded to the nearest dollar:

(A) 30 per centum of the family's monthly adjusted income;

(B) 10 per centum of the family's monthly income;

and

(C) if the family is receiving payments for welfare assistance from a public agency and a part of such payments, adjusted in accordance with the family's actual housing costs, is specifically designated by such agency to meet the family's housing costs, the portion of such payments which is so designated.

(2) RENTAL PAYMENTS FOR PUBLIC HOUSING FAMILIES.—

(A) AUTHORITY FOR FAMILY TO SELECT.—

(i) IN GENERAL.—A family residing in a public housing dwelling unit may pay as monthly rent for the unit the amount determined under clause (i) or (ii) of subparagraph (B), subject to the requirement under paragraph (3) (relating to minimum rents). Each public housing agency shall provide for each family residing in a public housing dwelling unit owned, assisted, or operated by the agency to elect annually whether the rent paid by such family shall be determined under clause (i) or (ii) of subparagraph (B). A public housing agency may not at any time fail to provide both such rent options for any public housing dwelling unit owned, assisted, or operated by the agency.

(ii) AUTHORITY TO RETAIN FLAT AND CEILING RENTS.—Notwithstanding clause (i) or any other provision of law, any public housing agency that is administering flat rents or ceiling rents pursuant to any authority referred to in section 110 of the Quality Housing and Work Responsibility Act of 1998 before the effective date of such Act may continue to charge rent in accordance with such rent provisions after such effective date, except that the agency shall provide for families residing in public housing dwelling units owned or operated by the agency to elect annually whether to pay rent under such provisions or in accordance with one of the rent options referred to in subparagraph (A).

(B) ALLOWABLE RENT STRUCTURES.—

(i) FLAT RENTS.—Each public housing agency shall establish, for each dwelling

1 See References in Text note below.
unit in public housing owned or operated by the agency, a flat rental amount for the dwelling unit, which—

(I) shall not be lower than 80 percent of—

(aa) the applicable fair market rental established under section 1437f(c) of this title; or

(bb) at the discretion of the Secretary, such other applicable fair market rental established by the Secretary that the Secretary determines more accurately reflects local market conditions and is based on an applicable market area that is geographically smaller than the applicable market area used for purposes of the applicable fair market rental under section 1437f(c) of this title;

except that a public housing agency may apply to the Secretary for exception allowing for a flat rental amount for a property that is lower than the amount otherwise determined pursuant to item (aa) or (bb) and the Secretary may grant such exception if the Secretary determines that the fair market rental for the applicable market area pursuant to item (aa) or (bb) does not reflect the market value of the property and the proposed lower flat rental amount is based on a market analysis of the applicable market and complies with subparagraph (II) and

(II) shall be designed in accordance with subparagraph (D) so that the rent structures do not create a disincentive for continued residency in public housing by families who are attempting to become economically self-sufficient through employment or who have attained a level of self-sufficiency through their own efforts.

If a new flat rental amount for a dwelling unit will increase a family’s existing rental payment by more than 35 percent, the new flat rental amount shall be phased in as necessary to ensure that the family’s existing rental payment does not increase by more than 35 percent annually. The preceding sentence shall not be construed to require establishment of rental amounts equal to 80 percent of the fair market rental in years when the fair market rental falls from the prior year.

(ii) INCOME-BASED RENTS.—

(I) IN GENERAL.—The monthly rental amount determined under this clause for a family shall be an amount, determined by the public housing agency, that does not exceed the greatest of the amounts (rounded to the nearest dollar) determined under subparagraphs (A), (B), and (C) of paragraph (1). This clause may not be construed to require a public housing agency to charge a monthly rent in the maximum amount permitted under this clause.

(II) DISCRETION.—Subject to the limitation on monthly rental amount under subclause (I), a public housing agency may, in its discretion, implement a rent structure under this clause requiring that a portion of the rent be deposited to an escrow or savings account, imposing ceiling rents, or adopting income exclusions (such as those set forth in subsection (b)(5)(B)), or may establish another reasonable rent structure or amount.

(C) SWITCHING RENT DETERMINATION METHODS BECAUSE OF HARDSHIP CIRCUMSTANCES.—Notwithstanding subparagraph (A), in the case of a family that has elected to pay rent in the amount determined under subparagraph (B)(i), a public housing agency shall immediately provide for the family to pay rent in the amount determined under subparagraph (B)(ii) during the period for which such election was made upon a determination that the family is unable to pay the amount determined under subparagraph (B)(i) because of financial hardship, including—

(I) situations in which the income of the family has decreased because of changed circumstances, loss of employment, death in the family, and reduction in or loss of income or other assistance;

(ii) an increase, because of changed circumstances, in the family’s expenses for medical costs, child care, transportation, education, or similar items; and

(iii) such other situations as may be determined by the agency.

(D) ENCOURAGEMENT OF SELF-SUFFICIENCY.—

The rental policy developed by each public housing agency shall encourage and reward employment and economic self-sufficiency.

(E) INCOME REVIEWS.—Notwithstanding the second sentence of paragraph (1), in the case of families that are paying rent in the amount determined under subparagraph (B)(i), the agency shall review the income of such family not less than once every 3 years.

(3) MINIMUM RENTAL AMOUNT.—

(A) REQUIREMENT.—Notwithstanding paragraph (1) of this subsection, the method for rent determination elected pursuant to paragraph (2)(A) of this subsection by a family residing in public housing, section 1437f(o)(2) of this title, or section 206(d) of the Housing and Urban-Rural Recovery Act of 1983 (Including paragraph (b) of such section), the following entities shall require the following families to pay a minimum monthly rental amount (which amount shall include any amount allowed for utilities) of not more than $50 per month, as follows:

(i) Each public housing agency shall require the payment of such minimum monthly rental amount, which amount shall be determined by the agency, by—

(I) each family residing in a dwelling unit in public housing by the agency;

(II) each family who is assisted under the certificate or moderate rehabilitation program under section 1437f of this title; and

(III) each family who is assisted under the voucher program under section 1437f of this title, and the agency shall reduce the monthly assistance payment on behalf of such family as may be necessary to ensure payment of such minimum monthly rental amount.

8So in original. Probably should be “or”.
§ 1437a

(1) The Secretary shall require each family who is assisted under any other program for rental assistance under section 1437f of this title to pay such minimum monthly rental amount, which amount shall be determined by the Secretary.

(B) EXCEPTION FOR HARDSHIP CIRCUMSTANCES.—

(i) IN GENERAL.—Notwithstanding subparagraph (A), a public housing agency (or the Secretary, in the case of a family described in subparagraph (A)(ii)) shall immediately grant an exemption from application of the minimum monthly rental under such subparagraph to any family unable to pay such amount because of financial hardship, which shall include situations in which (I) the family has lost eligibility for or is awaiting an eligibility determination for a Federal, State, or local assistance program, including a family that includes a member who is an alien lawfully admitted for permanent residence under the Immigration and Nationality Act [8 U.S.C. 1101 et seq.] who would be entitled to public benefits but for title IV of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 [8 U.S.C. 1601 et seq.]; (II) the family would be evicted as a result of the imposition of the minimum rent requirement under subparagraph (A); (III) the income of the family has decreased because of changed circumstance, including loss of employment; (IV) a death in the family has occurred; and (V) other situations as may be determined by the agency (or the Secretary, in the case of a family described in subparagraph (A)(ii)).

(ii) WAITING PERIOD.—If a resident requests a hardship exemption under this subparagraph and the public housing agency (or the Secretary, in the case of a family described in subparagraph (A)(ii)) reasonably determines the hardship to be of a temporary nature, an exemption shall not be granted during the 90-day period beginning upon the making of a request for the exemption. A resident may not be evicted during such 90-day period for nonpayment of rent. In such a case, if the resident thereafter demonstrates that the financial hardship is of a long-term basis, the agency (or the Secretary) shall retroactively exempt the resident from the applicability of the minimum rent requirement for such 90-day period.

(4) OCCUPANCY BY POLICE OFFICERS.—

(A) IN GENERAL.—Subject to subparagraph (B) and notwithstanding any other provision of law, a public housing agency may, in accordance with the public housing agency plan for the agency, allow a police officer who is not otherwise eligible for residence in public housing to reside in a public housing dwelling unit. The number and location of units occupied by police officers under this paragraph and the terms and conditions of their tenancies thereto, assisted under this chapter other than under section 1437f of this title. The term “public housing” includes dwelling units in a mixed finance project that are assisted by a public housing agency with capital or operating assistance. When used in reference to public housing, the term “low-income family” means a family with income below the 80th percentile of the area median income.

(B) INCREASED SECURITY.—A public housing agency may take the actions authorized in subparagraph (A) only for the purpose of increasing security for the residents of a public housing project.

(C) DEFINITION.—In this paragraph, the term “police officer” means any person determined by a public housing agency to be, during the period of residence of that person in public housing, employed on a full-time basis as a duly licensed professional police officer by a Federal, State, or local government or by any agency thereof (including a public housing agency having an accredited police force).

(5) OCCUPANCY BY OVER-INCOME FAMILIES IN CERTAIN PUBLIC HOUSING.—

(A) AUTHORITY.—Notwithstanding any other provision of law, a public housing agency that owns or operates less than 250 units may, on a month-to-month basis, lease a dwelling unit in a public housing project to an over-income family in accordance with this paragraph, but only if there are no eligible families applying for housing assistance from the public housing agency for that month and the agency provides not less than 30-day public notice of the availability of such assistance.

(B) TERMS AND CONDITIONS.—The number and location of dwelling units of a public housing agency occupied under this paragraph by over-income families, and the terms and conditions of those tenancies, shall be determined by the public housing agency, except that—

(i) notwithstanding paragraph (2), rent for a unit shall be in an amount that is not less than than the costs to operate the unit;

(ii) if an eligible family applies for residence after an over-income family moves in to the last available unit, the over-income family shall vacate the unit in accordance with notice and outreach with regard to availability of such assistance.

(C) DEFINITION.—For purposes of this paragraph, the term “over-income family” means an individual or family that is not a low-income family at the time of initial occupancy.

(b) Definition of terms under this chapter

When used in this chapter:

(1) The term “low-income housing” means decent, safe, and sanitary dwellings assisted under this chapter. The term “public housing” means low-income housing, and all necessary assistance thereto, assisted under this chapter other than under section 1437f of this title. The term “public housing” includes dwelling units in a mixed finance project that are assisted by a public housing agency with capital or operating assistance. When used in reference to public housing, the term “low-income family” means a family with income below the 80th percentile of the area median income.
(2)(A) The term "low-income families" means those families whose incomes do not exceed 80 per centum of the median income for the area, as determined by the Secretary with adjustments for smaller and larger families, except that the Secretary may establish income ceilings higher or lower than 80 per centum of the median for the area on the basis of the Secretary’s findings that such variations are necessary because of prevailing levels of construction costs or unusually high or low family incomes.

(B) The term "very low-income families" means low-income families whose incomes do not exceed 50 per centum of the median family income for the area, as determined by the Secretary with adjustments for smaller and larger families, except that the Secretary may establish income ceilings higher or lower than 50 per centum of the median for the area on the basis of the Secretary’s findings that such variations are necessary because of unusually high or low family incomes.

(C) The term extremely low-income families means very low-income families whose incomes do not exceed the higher of—

(i) the poverty guidelines updated periodically by the Department of Health and Human Services under the authority of section 9902(2) of this title applicable to a family of the size involved (except that this clause shall not apply in the case of public housing agencies or projects located in Puerto Rico or any other territory or possession of the United States); or

(ii) 30 percent of the median family income for the area, as determined by the Secretary, with adjustments for smaller and larger families (except that the Secretary may establish income ceilings higher or lower than 30 percent of the median for the area on the basis of the Secretary’s findings that such variations are necessary because of unusually high or low family incomes).

(D) Such ceilings shall be established in consultation with the Secretary of Agriculture for any rural area, as defined in section 1490 of this title, taking into account the subsidy characteristics and types of programs to which such ceilings apply. In determining median incomes (of persons, families, or households) for an area or establishing any ceilings or limits based on income under this chapter, the Secretary shall determine or establish area median incomes and income ceilings and limits for Westchester and Rockland Counties, in the State of New York, as if each such county were an area not contained within the metropolitan statistical area in which it is located. In determining such area median incomes or establishing such income ceilings or limits for the portion of such metropolitan statistical area that does not include Westchester or Rockland Counties, the Secretary shall determine or establish area median incomes and income ceilings and limits as if such portion included Westchester and Rockland Counties. In determining areas that are designated as difficult development areas for purposes of the low-income housing tax credit, the Secretary shall include Westchester and Rockland Counties, New York, in the New York City metropolitan area.

(3) PERSONS AND FAMILIES.—

(A) SINGLE PERSONS.—The term "families" includes families consisting of a single person in the case of (i) an elderly person, (ii) a disabled person, (iii) a displaced person, (iv) the remaining member of a tenant family, and (v) any other single persons. In no event may any single person under clause (v) of the first sentence be provided a housing unit assisted under this chapter of 2 or more bedrooms.

(B) FAMILIES.—The term "families" includes families with children and, in the cases of elderly families, near-elderly families, and disabled families, means families whose heads (or their spouses), or whose sole members, are elderly, near-elderly, or persons with disabilities, respectively. The term includes, in the cases of elderly families, near-elderly families, and disabled families, 2 or more elderly persons, near-elderly persons, or persons with disabilities living together, and 1 or more such persons living with 1 or more persons determined under the public housing agency plan to be essential to their care or well-being.

(C) ABSENCE OF CHILDREN.—The temporary absence of a child from the home due to placement in foster care shall not be considered in determining family composition and family size.

(D) ELDERLY PERSON.—The term "elderly person" means a person who is at least 62 years of age.

(E) PERSON WITH DISABILITIES.—The term "person with disabilities" means a person who—

(i) has a disability as defined in section 423 of this title,

(ii) is determined, pursuant to regulations issued by the Secretary, to have a physical, mental, or emotional impairment which (I) is expected to be of long-continued and indefinite duration, (II) substantially impedes his or her ability to live independently, and (III) is of such a nature that such ability could be improved by more suitable housing conditions, or

(iii) has a developmental disability as defined in section 15002 of this title.

Such term shall not exclude persons who have the disease of acquired immunodeficiency syndrome or any conditions arising from the etiologic agent for acquired immunodeficiency syndrome. Notwithstanding any other provision of law, no individual shall be considered a person with disabilities, for purposes of eligibility for low-income housing under this subchapter, solely on the basis of any drug or alcohol dependence. The Secretary shall consult with other appropriate Federal agencies to implement the preceding sentence.

(F) DISPLACED PERSON.—The term "displaced person" means a person displaced by governmental action, or a person whose dwelling has been extensively damaged or destroyed as a result of a disaster declared or otherwise formally recognized pursuant to Federal disaster relief laws.
(G) NEAR-ELDERLY PERSON.—The term “near-elderly person” means a person who is at least 50 years of age but below the age of 62.

(4) The term “income” means income from all sources of each member of the household, as determined in accordance with criteria prescribed by the Secretary, in consultation with the Secretary of Agriculture, except that any amounts not actually received by the family and any amounts which would be eligible for exclusion under section 1382b(a)(7) of this title or any deferred Department of Veterans Affairs disability benefits that are received in a lump sum amount or in prospective monthly amounts may not be considered as income under this paragraph.

(5) ADJUSTED INCOME.—The term “adjusted income” means, with respect to a family, the amount (as determined by the public housing agency) of the income of the members of the family residing in a dwelling unit or the persons on a lease, after any income exclusions as follows:

(A) MANDATORY EXCLUSIONS.—In determining adjusted income, a public housing agency shall exclude from the annual income of a family the following amounts:

(i) ELDERSLY AND DISABLED FAMILIES.—$400 for each elderly or disabled family.

(ii) MEDICAL EXPENSES.—The amount by which 3 percent of the annual family income is exceeded by the sum of—

(I) unreimbursed medical expenses of any elderly family or disabled family;

(II) unreimbursed medical expenses of any family that is not covered under subsection (h) of this section, except that this subsection shall apply only to the extent approved in appropriation Acts; and

(iii) child care expenses.

(iv) MINORS, STUDENTS, AND PERSONS WITH DISABILITIES.—$480 for each member of the family residing in the household (other than the head of the household or his or her spouse) who is less than 18 years of age or is attending school or vocational training on a full-time basis, or who is 18 years of age or older and is a person with disabilities.

(v) CHILD SUPPORT PAYMENTS.—Any payment made by a member of the family for the support and maintenance of any child who does not reside in the household, except that the amount excluded under this clause shall not exceed the lesser of (I) the amount that such family member has a legal obligation to pay, or (II) $550 for each individual for whom such payment is made; except that this clause shall apply only to the extent approved in appropriations Acts.

(vi) SUPPORT EXPENSES.—Any payment made by a member of the family for the support and maintenance of any spouse or former spouse who does not reside in the household, except that the amount excluded under this clause shall not exceed the lesser of (I) the amount that such family member has a legal obligation to pay, or (II) $550 for each individual for whom such payment is made; except that this clause shall apply only to the extent approved in appropriations Acts.

(B) PERMISSIVE EXCLUSIONS FOR PUBLIC HOUSING.—In determining adjusted income, a public housing agency may, in the discretion of the agency, establish exclusions from the annual income of a family residing in a public housing dwelling unit. Such exclusions may include the following amounts:

(i) EXCESSIVE TRAVEL EXPENSES.—Excessive travel expenses in an amount not to exceed $25 per family per week, for employment- or education-related travel.

(ii) EARNED INCOME.—An amount of any earned income of the family, established at the discretion of the public housing agency, which may be based on—

(I) all earned income of the family,

(II) the amount earned by particular members of the family;

(iii) the amount earned by families having certain characteristics; or

(iv) the amount earned by families or members during certain periods or from certain sources.

(iii) OTHERS.—Such other amounts for other purposes, as the public housing agency may establish.

(6) PUBLIC HOUSING AGENCY.—

(A) IN GENERAL.—Except as provided in subparagraph (B), the term “public housing agency” means any State, county, municipality, or other governmental entity or public body (or agency or instrumentality thereof) which is authorized to engage in or assist in the development or operation of public housing, or a consortium of such entities or bodies as approved by the Secretary.

(B) SECTION 1437f PROGRAM.—For purposes of the program for tenant-based assistance under section 1437f of this title, such term includes—

(i) a consortia of public housing agencies that the Secretary determines has the capacity and capability to administer a program for assistance under such section in an efficient manner;

(ii) any other public or private nonprofit entity that, upon the effective date under section 503(a) of the Quality Housing and Work Responsibility Act of 1998, was administering any program for tenant-based assistance under section 1437f of this title (as in effect before the effective date of such Act), pursuant to a contract with the Secretary or a public housing agency; and

(iii) with respect to any area in which no public housing agency has been organized or

4So in original. The comma probably should be a semicolon.
where the Secretary determines that a public housing agency is unwilling or unable to implement a program for tenant-based assistance\(^5\) section 1437f of this title, or is not performing effectively—

(1) the Secretary, or another public or private nonprofit entity that by contract agrees to receive assistance amounts under section 1437f of this title and enter into housing assistance payments contracts with owners and perform the other functions of public housing agency under section 1437f of this title; or

(II) notwithstanding any provision of State or local law, a public housing agency for another area that contracts with the Secretary to administer a program for housing assistance under section 1437f of this title, without regard to any otherwise applicable limitations on its area of operation.

(7) The term “State” includes the several States, the District of Columbia, the Commonwealth of Puerto Rico, the territories and possessions of the United States, and the Trust Territory of the Pacific Islands.

(8) The term “Secretary” means the Secretary of Housing and Urban Development.

(9) DRUG-RELATED CRIMINAL ACTIVITY.—The term “drug-related criminal activity” means the illegal manufacture, sale, distribution, use, possession with intent to manufacture, sell, distribute, or use, of a controlled substance (as such term is defined in section 802 of title 21).

(10) MIXED-FINANCE PROJECT.—The term “mixed-finance project” means a public housing project that meets the requirements of section 1437g(d) of this title.

(11) PUBLIC HOUSING AGENCY PLAN.—The term “public housing agency plan” means the fund established under section 1437f of this title.

(12) CAPITAL FUND.—The term “Capital Fund” means the fund established under section 1437g(e) of this title.

(13) OPERATING FUND.—The term “Operating Fund” means the fund established under section 1437g(e) of this title.

(c) Definition of terms used in reference to public housing

When used in reference to public housing:

(1) The term “development” means any or all undertakings necessary for planning, land acquisition, demolition, construction, or equipment, in connection with a low-income housing project. The term “development cost” comprises the costs incurred by a public housing agency in such undertakings and their necessary financing (including the payment of carrying charges), and in otherwise carrying out the development of such project, but does not include the costs associated with the demolition of or remediation of environmental hazards associated with public housing units that will not be replaced on the project site, or other extraordinary site costs as determined by the Secretary. Construction activity in connection with a low-income housing project may be confined to the reconstruction, remodeling, or repair of existing buildings.

(2) The term “operation” means any or all undertakings appropriate for management, operation, services, maintenance, security (including the cost of security personnel), or financing in connection with a low-income housing project. The term also means the financing of tenant programs and services for families residing in low-income housing projects, particularly where there is maximum feasible participation of the tenants in the development and operation of such tenant programs and services. As used in this paragraph, the term “tenant programs and services” includes the development and maintenance of tenant organizations which participate in the management of low-income housing projects; the training of tenants to manage and operate such projects and the utilization of their services in project management and operation; counseling on household management, housekeeping, budgeting, money management, child care, and similar matters; advice as to resources for job training and placement, education, welfare, health, and other community services; services which are directly related to meeting tenant needs and providing a wholesome living environment; and referral to appropriate agencies in the community when necessary for the provision of such services. To the maximum extent available and appropriate, existing public and private agencies in the community shall be used for the provision of such services.

(3) The term “acquisition cost” means the amount prudently required to be expended by a public housing agency in acquiring property for a low-income housing project.

(4) The term “congregate housing” means low-cost housing with which there is connected a central dining facility where wholesome and economical meals can be served to occupants. Expenditures incurred by a public housing agency in the operation of a central dining facility in connection with congregate housing (other than the cost of providing food and service) shall be considered a cost of operation of the project.

(5) The terms “group home” and “independent living facility” have the meanings given such terms in section 8013(k) of this title.

(d) Disallowance of earned income from rent determinations

(1) In general

Notwithstanding any other provision of law, the rent payable under subsection (a) by a family described in paragraph (3) of this subsection may not be increased as a result of the increased income due to such employment during the 12-month period beginning on the date on which the employment is commenced.

(2) Phase-in of rent increases

Upon the expiration of the 12-month period referred to in paragraph (1), the rent payable by a family described in paragraph (3) may be increased due to the continued employment of the family member described in paragraph (3)(B), except that during the 12-month period beginning upon such expiration the amount of the increase may not be greater than 50 percent of the amount of the total rent increase

\(^5\) So in original. Probably should be “assistance under”.
§ 1437a TITLE 42—THE PUBLIC HEALTH AND WELFARE Page 4128

that would be applicable but for this paragraph.

(3) Eligible families
A family described in this paragraph is a family—
(A) that—
(i) occupies a dwelling unit in a public housing project; or
(ii) receives assistance under section 1437f of this title; and
(B)(i) whose income increases as a result of employment of a member of the family who was previously unemployed for 1 or more years;
(ii) whose earned income increases during the participation of a family member in any family self-sufficiency or other job training program; or
(iii) who is or was, within 6 months, assisted under any State program for temporary assistance for needy families funded under part A of title IV of the Social Security Act [42 U.S.C. 601 et seq.] and whose earned income increases.

(4) Applicability
This subsection and subsection (e) shall apply beginning upon October 1, 1999, except that this subsection and subsection (e) shall apply with respect to any family described in paragraph 3(A)(ii) only to the extent provided in advance in appropriations Acts.

(e) Individual savings accounts
(1) In general
In lieu of a disallowance of earned income under subsection (d), upon the request of a family that qualifies under subsection (d), a public housing agency may establish an individual savings account in accordance with this subsection for that family.

(2) Deposits to account
The public housing agency shall deposit in any savings account established under this subsection an amount equal to the total amount that otherwise would be applied to the family’s rent payment under subsection (a) as a result of employment.

(3) Withdrawal from account
Amounts deposited in a savings account established under this subsection may only be withdrawn by the family for the purpose of—
(A) purchasing a home;
(B) paying education costs of family members;
(C) moving out of public or assisted housing; or
(D) paying any other expense authorized by the public housing agency for the purpose of promoting the economic self-sufficiency of residents of public and assisted housing.

(f) Availability of income matching information
(1) Disclosure to PHA
A public housing agency, or the owner responsible for determining the participant’s eligibility or level of benefits, shall require any family described in paragraph (2) who receives information regarding income, earnings, wages, or unemployment compensation from the Department of Housing and Urban Development pursuant to income verification procedures of the Department to disclose such information, upon receipt of the information, to the public housing agency that owns or operates the public housing dwelling unit in which such family resides or that provides the housing assistance under this chapter on behalf of such family, as applicable, or to the owner responsible for determining the participant’s eligibility or level of benefits.

(2) Families covered
A family described in this paragraph is a family that resides in a dwelling unit—
(A) that is a public housing dwelling unit; or
(B) for which tenant-based assistance is provided under section 1437f of this title,
(C) for which project-based assistance is provided under section 1437g of this title, section 1437bb of this title, or section 811.


AMENDMENT OF SECTION
Pub. L. 114–201, title I, § 102(a), (c), July 29, 2016, 130 Stat. 786, 788, provided that, effective upon the issuance of notice or regulations implementing section 102 of Pub. L. 114–201, except that such section 102 may only take effect upon the commencement of a calendar year, this section is amended as follows:

8So in original. Probably should be paragraph “(3)(A)(ii)”.

9So in original. The comma probably should be a semicolon.
(1) in subsection (a)—
(A) in the second sentence of paragraph (1), by striking “at least annually” and inserting “pursuant to paragraph (6)”; and
(B) by adding at the end the following new paragraphs:

“(6) Reviews of family income.—

“(A) Frequency.—Reviews of family income for purposes of this section shall be made—

“(i) in the case of all families, upon the initial provision of housing assistance for the family;

“(ii) annually thereafter, except as provided in paragraph (1) with respect to fixed-income families;

“(iii) upon the request of the family, at any time the income or deductions (under subsection (b)(5)) of the family change by an amount that is estimated to result in a decrease of 10 percent (or such lower amount as the Secretary may, by notice, establish, or permit the public housing agency or owner to establish) or more in annual adjusted income; and

“(iv) at any time the income or deductions (under subsection (b)(5)) of the family change by an amount that is estimated to result in an increase of 10 percent or more in annual adjusted income, or such other amount as the Secretary may by notice establish, except that any increase in the earned income of a family shall not be considered for purposes of this clause (except that earned income may be considered if the increase corresponds to previous decreases under clause (iii)), except that a public housing agency or owner may elect not to conduct such review in the last three months of a certification period.

“(B) In general.—Reviews of family income for purposes of this section shall be subject to the provisions of section 3544 of this title.

“(7) Calculation of income.—

“(A) Use of current year income.—In determining family income for initial occupancy or provision of housing assistance pursuant to clause (i) of paragraph (6)(A) or pursuant to reviews pursuant to clause (ii) or (iv) of such paragraph, a public housing agency or owner shall use the income of the family as estimated by the agency or owner for the upcoming year.

“(B) Use of prior year income.—In determining family income for annual reviews pursuant to paragraph (6)(A)(ii), a public housing agency or owner shall, except as otherwise provided in this paragraph and paragraph (1), use the income of the family as determined by the agency or owner for the preceding year, taking into consideration any redetermination of income during such prior year pursuant to clause (iii) or (iv) of paragraph (6)(A).

“(C) Other income.—In determining the income for any family based on the prior year’s income, with respect to prior year calculations of income not subject to subparagraph (B), a public housing agency or owner may make other adjustments as it considers appropriate to reflect current income.

“(D) Safe harbor.—A public housing agency or owner may, to the extent such information is available to the public housing agency or owner, determine the family’s income prior to the application of any deductions based on timely income determinations made for purposes of other means-tested Federal public assistance programs (including the program for block grants to States for temporary assistance for needy families under part A of title IV of the Social Security Act, a program for Medicaid assistance under a State plan approved under title XIX of the Social Security Act, and the supplemental nutrition assistance program (as such term is defined in section 2012 of title 7)). The Secretary shall, in consultation with other appropriate Federal agencies, develop electronic procedures to enable public housing agencies and owners to have access to such benefit determinations made by other means-tested Federal programs that the Secretary determines to have comparable reliability. Exchanges of such information shall be subject to the same limitations and tenant protections provided under section 3544 of this title with respect to information obtained under the requirements of section 303(i) of the Social Security Act (42 U.S.C. 503(i)).

“(E) Electronic income verification.—The Secretary shall develop a mechanism for disclosing information to a public housing agency for the purpose of verifying the employment and income of individuals and families in accordance with section 453(i)(7)(E) of the Social Security Act (42 U.S.C. 633(i)(7)(E)), and shall ensure public housing agencies have access to information contained in the ‘Do Not Pay’ system established by section 5 of the Improper Payments Elimination and Recovery Improvement Act of 2012 (Public Law 112–248; 126 Stat. 2392).

“(F) PHA and owner compliance.—A public housing agency or owner may not be considered to fail to comply with this paragraph or paragraph (6) due solely to any de minimis errors made by the agency or owner in calculating family incomes.”;

(2) in subsection (b), by striking paragraphs (4) and (5) and inserting the following new paragraphs:

“(4) Income.—The term ‘income’ means, with respect to a family, income received from all sources by each member of the household who is 18 years of age or older or is the head of household or spouse of the head of the household, plus unearned income (under subsection (b)(5)) of the family change by an amount that is estimated to result in an increase of 10 percent or more in annual adjusted income; and

“(5) Excluded amounts.—Such term does not include—

“(i) any imputed return on assets, except to the extent that net family assets exceed $50,000, except that such amount (as it may have been previously adjusted) shall be adjusted for inflation annually by the Secretary in accordance with an inflationary index selected by the Secretary;

“(ii) any amounts that would be eligible for exclusion under section 1613(a)(7) of the Social Security Act (42 U.S.C. 1382b(a)(7));

“(iii) deferred disability benefits from the Department of Veterans Affairs that are received in a lump sum amount or in prospective monthly amounts;

“(iv) any expenses related to aid and attendance under section 1521 of title 38 to veterans.
§ 1437a

who are in need of regular aid and attendance; and

"(v) exclusions from income as established by the Secretary by regulation or notice, or any amount required by Federal law to be excluded from consideration as income.

"(C) Earned income of students.—Such term does not include—

"(i) earned income, up to an amount as the Secretary may by regulation establish, of any dependent earned during any period that such dependent is attending school or vocational training on a full-time basis; or

"(ii) any grant-in-aid or scholarship amounts related to such attendance used—

"(I) for the cost of tuition or books; or

"(II) in such amounts as the Secretary may allow, for the cost of room and board.

"(D) Educational savings accounts.—Income shall be determined without regard to any amounts in or from, or any benefits from, any Coverdell education savings account under section 530 of title 26 or any qualified tuition program under section 529 of such title.

"(E) Recordkeeping.—The Secretary may not require a public housing agency or owner to maintain records of any amounts excluded from income pursuant to this subparagraph.

"(5) Adjusted income.—The term 'adjusted income' means, with respect to a family, the amount of the income of the members of the family residing in a dwelling unit or the persons on a lease, after any deductions from income as follows:

"(A) Elderly and disabled families.—$525 in the case of any family that is an elderly family or a disabled family.

"(B) Minors, students, and persons with disabilities.—$480 for each member of the family residing in the household (other than the head of the household or his or her spouse) who is less than 18 years of age or is attending school or vocational training on a full-time basis, or who is 18 years of age or older and is a person with disabilities.

"(C) Child care.—Any reasonable child care expenses necessary to enable a member of the family to be employed or to further his or her education.

"(D) Health and medical expenses.—The amount, if any, by which 10 percent of annual family income is exceeded by the sum of—

"(i) in the case of any elderly or disabled family, any unreimbursed health and medical care expenses; and

"(ii) any unreimbursed reasonable attendant care and auxiliary apparatus expenses for each handicapped member of the family, if determined necessary by the public housing agency or owner to enable any member of such family to be employed.

The Secretary shall, by regulation, provide hardship exemptions to the requirements of this subparagraph and subparagraph (C) for impacted families who demonstrate an inability to pay calculated rents because of financial hardship. Such regulations shall include a requirement to notify tenants regarding any changes to the determination of adjusted income pursuant to such subparagraphs based on the determination of the family's claim of financial hardship exemptions required by the preceding sentence. Such regulations shall be promulgated in consultation with tenant organizations, industry participants, and the Secretary of Health and Human Services, with an adequate comment period provided for interested parties.

"(E) Permissive deductions.—Such additional deductions as a public housing agency may, at its discretion, establish, except that the Secretary shall establish procedures to ensure that such deductions do not materially increase Federal expenditures.

The Secretary shall annually calculate the amounts of the deductions under subparagraphs (A) and (B), as such amounts may have been previously calculated, by applying an inflationary factor as the Secretary shall, by regulation, establish, except that the actual deduction determined for each year shall be established by rounding such amount to the next lowest multiple of $25.

(3) by striking subsections (d) and (e); and

(4) by redesignating subsection (f) as subsection (d).

See 2016 Amendment notes below.

REFERENCES IN TEXT


Section 519(d) of the Quality Housing and Work Responsibility Act of 1998, referred to in subsec. (a)(2)(A)(ii), is section 519(d) of Pub. L. 105–276 which is set out as a note below.

The effective day of such Act and the effective date of such Act, referred to in subsecs. (a)(2)(A)(ii) and (b)(6)(B)(ii), probably means the general effective date for the Quality Housing and Work Responsibility Act of 1998, Pub. L. 105–276, title V, included in section 503 of the Act which is set out as an Effective Date of 1998 Amendment note under section 1437 of this title.


The Immigration and Nationality Act, referred to in subsec. (a)(3)(B)(i)(D), is act June 27, 1952, ch. 477, 66 Stat. 2105. Title IV of the Act is classified generally to part A (§601 et seq.) of subchapter IV of chapter 12 (§1101 et seq.) of Title 8, Aliens and Nationality. For complete classification of this Act to the Code, see Short Title note set out under section 1101 of Title 8 and Tables.


Section 503(a) of the Quality Housing and Work Responsibility Act of 1998, referred to in subsec. (b)(6)(B)(ii), is section 503(a) of Pub. L. 105–276 which is set out as an Effective Date of 1998 Amendment note under section 1437 of this title.


Section 811, referred to in subsec. (C)(2)(C), means section 811 of the United States Housing Act of 1937, but that Act does not contain a section 811.
Prior provisions were contained in section 2 of act Sept. 1, 1937, ch. 896, 50 Stat. 886, which was classified to section 1402 of this title prior to the general revision of this chapter by Pub. L. 93–383.

Prior similar provisions were contained in section 2 of act Sept. 1, 1937, ch. 896, 50 Stat. 886, which was classified to section 1402 of this title prior to the general revision of this chapter by Pub. L. 93–383.

Amendments


Subsec. (b)(4), (5). Pub. L. 114–201, § 102(c), added pars. (4) and (5) and struck out former pars. (4) and (5) which defined the terms “income” and “adjusted income”, respectively.

Subsecs. (d) to (f). Pub. L. 114–201, § 102(a)(2), (3), redesignated subsec. (f) as subsec. (d) and struck out former subsecs. (d) and (e) which related to disallowance of earned income from rent determinations and individual savings accounts, respectively.

2015—Subsec. (a)(1). Pub. L. 114–94 inserted before period at end second sentence “; except that, in the case of any family with a fixed income, as defined by the Secretary, after the initial review of the family’s income, the public housing agency or owner shall not be required to conduct a review of the family’s income for any year for which such family certifies, in accordance with such requirements as the Secretary shall establish, which shall include policies to adjust for inflation-based income changes, that 90 percent or more of the income of the family consists of fixed income, and that the sources of such income have not changed since the previous year, except that the public housing agency or owner shall conduct a review of each such family’s income not less than once every 3 years”.

Subsec. (a)(2). Pub. L. 114–94 inserted before period at end “In determining priority for admission to the project, the Secretary shall establish a public housing agency plan which shall—”.

Subsec. (a)(3). Pub. L. 114–94 inserted before period at end “In determining areas that are designated as difficult development areas for purposes of the low-income housing tax credit, the Secretary shall include Westchester and Rockland Counties, New York, in the New York City metropolitan area.”

2014—Subsec. (a)(2)(B)(i). Pub. L. 113–235, § 238(3), substituted “include Westchester or Rockland Counties” for “include Westchester County”.


Subsec. (c). Pub. L. 113–235, § 238(2), struck out at end “In determining areas that are designated as difficult development areas for purposes of the low-income housing tax credit, the Secretary shall include Westchester and Rockland Counties, New York, in the New York City metropolitan area.”

2013—Subsec. (a)(3)(A). Pub. L. 113–235, § 238(3), inserted at end “In determining priority for admission to the project, the Secretary shall establish a public housing agency plan which shall—”.

Subsec. (b)(3)(B). Pub. L. 113–235, § 238(2)(B), substituted “public housing agency plan” for “regulations of the Secretary”.

2012—Subsec. (a)(2)(B). Pub. L. 112–240, § 242(a)(2), in introductory provisions, substituted “public housing agencies” for “public housing agency” and “which shall be designed by the public housing agency” for “which shall be designed by the public housing agency with capital or operating assistance.”

Subsec. (b)(6). Pub. L. 112–240, § 242(b)(9) to (13), added subpars. (9) to (13).

2011—Subsec. (c). Pub. L. 112–10, § 103(1)(A), which directed the amendment of subsec. (c) by striking out the
Under the provisions of the Public Housing Act, rental payments are determined by the agencies administering the program. These agencies may adjust the rents to reflect changes in the cost of living or other factors affecting the ability of residents to pay. The rental amounts are based on the reasonable market value of the housing, with adjustments for exceptional costs such as site costs or other extraordinary site costs.

For families residing in public housing projects, the rental amount is calculated to ensure that it does not exceed the family's income, as determined by the family support act. This calculation takes into account the family's income, resources, and other factors to establish a ceiling rent that reflects the reasonable market value of the housing.

The rental amount also includes adjustments for employment-related travel expenses, not to exceed $25 per family per week, for travel to a job or educational program. Additionally, the rental amount may include adjustments for the probable intent of Congress to provide for the operation of low-income housing.

The rental amount is also adjusted to prevent the disability or death of a family member, not to exceed $25 per family per week, with a maximum of $100 per family per month. The rental amount is also adjusted to prevent the loss of employment or education-related travel, except that the clause shall apply only to families assisted by Indian housing authorities.

Subsec. (c)(4), (5). Pub. L. 102-550, §622(c), which directed the amendment of subsec. (c) by inserting pars. (4) and (5) after “project,’’ was executed by making the insertion after “project.” at the end of par. (3), to reflect the probable intent of Congress.


Subsec. (b)(2). Pub. L. 101-625, §573(d), inserted sentences at end relating to determination or establishment of median of incomes and income ceilings and limits for Westchester County and for metropolitan statistical areas outside Westchester County.

Pub. L. 101-625, §572(1), substituted “low-income families” for “lower income families” wherever appearing.

Subsec. (b)(3). Pub. L. 101-625, §574, inserted sentence at end relating to effect of temporary absence of child from the home due to placement in foster care on considerations of family composition and size.

Pub. L. 101-625, §573(a), substituted “(D)” and any other single persons. In no event may any single person under clause (D) be provided a housing unit assisted under this chapter of 2 bedrooms or more.” for “(D)” other single persons in circumstances described in regulations of the Secretary.” in first sentence, struck out after first sentence “In no event shall more than 15 per centum of the units under the jurisdiction of any public housing agency be occupied by single persons under clause (D),” and struck out third from last sentence which was executed (to reflect the probable intent of Congress) by striking out third sentence from end which read as follows: “The Secretary may increase the limitation described in the second sentence of this paragraph to not more than 30 per centum if, following consultation with the public housing agency involved, the Secretary determines that the dwelling units involved are neither being occupied, nor are likely to be occupied within the next 12 months, by families or persons described in clauses (A), (B), and (C), due to the condition or location of such dwelling units, and that such dwelling units may be occupied if made available to single persons described in clause (D).”

Subsec. (b)(4). Pub. L. 101-625, §573(b), inserted before period at end “except that any amounts not actually received by the family may not be considered as income under this paragraph”.

Subsec. (b)(5)(A). Pub. L. 101-625, §573(c)(1), substituted “$650” for “$480”.

Subsec. (b)(5)(C). Pub. L. 101-625, §573(c)(2), struck out “elderly” before “family” in cl. (i) and struck out “and” at end.

Subsec. (b)(5)(E), (F). Pub. L. 101-625, §573(c)(3), added subpars. (E) and (F).

Subsecs. (b)(6), (10), (11A)(A), (c). Pub. L. 101-625, §572(2), substituted “low-income housing” for “lower income housing” wherever appearing.


Subsec. (a)(2)(B). Pub. L. 101-235, §302(2), substituted “3-year limitation” for “5-year limitation” and inserted at end “The terms of all ceiling rents established prior to December 15, 1989, shall be extended for the 5-year period beginning on December 15, 1989.”

1986—Subsec. (a). Pub. L. 100-242, §102(h), designated existing provisions as par. (1), substituted “Except as provided in paragraph (2), a” for “A”, redesignated former pars. (1) to (3) as subpars. (A) to (C), respectively, and added par. (2)

Subsec. (b)(3). Pub. L. 100-242, §170(c), in cl. (A), substituted “sixty-two years of age,” for “sixty-two years of age or,” and “has a developmental disability as defined in section 6001(7) of this title” for “or in section 102 of the Developmental Disabilities Services and Facilities Construction Amendments of 1970”.

Pub. L. 100-242, §111, inserted provisions relating to determination of priority admission to public housing projects designed for elderly families.

Subsec. (b)(5). Pub. L. 100-338, §4(b), inserted at end “The term includes any Indian housing authority.”

Subsec. (b)(7). Pub. L. 100-338, §4(c), struck out “, bands, groups, and Nations, including Alaska Indians, Aleuts, and Eskimos, of the United States” after “Indian tribes.”

Subsec. (b)(9) to (12). Pub. L. 100-338, §§4(d)-(g), added pars. (9) to (12).

1984—Subsec. (b)(2). Pub. L. 98-479, §102(b)(1), inserted provision at end that such ceilings shall be established in consultation with the Secretary of Agriculture for any rural area, as defined in section 1490 of this title, taking into account the subsidy characteristics and types of programs to which such ceilings apply.

Subsec. (b)(4). Pub. L. 98-479, §102(b)(2), inserted “, in consultation with the Secretary of Agriculture” at end.  

Subsec. (b)(5)(C). Pub. L. 98-479, §102(b)(3), designated existing provision as cl. (i) and inserted “the amount by which the aggregate of the following expenses of the family” in provisions preceding cl. (i).

1983—Subsec. (b)(1). Pub. L. 98-181, §206(a), in provisions preceding par. (1), inserted provision requiring annual review of family income, and inserted “other than a family assisted under section 1437f(o) of this title”.

Subsec. (b)(2). Pub. L. 98-181, §206(b), qualified the term “very low-income families” in authorizing the Secretary to establish, where necessary, variations in income ceilings higher or lower than 50 per centum of the median for the area.

Subsec. (b)(3). Pub. L. 98-181, §202, inserted provision at end of par. (3) authorizing increase from 15 to 30 per centum in the single person occupancy limitation for nonoccupancy of the involved dwelling units.

Subsec. (b)(5). Pub. L. 98-181, §206(c), amended par. (5) generally, substituting provisions designating cls. (A) to (D) for prior exclusion from “adjusted income” of such amounts or types of income as the Secretary might prescribe, taking into account the number of minor children and other appropriate factors.

1981—Pub. L. 97-35 added subsecs. (a) and (c) and designated provisions constituting former section as subsec. (b), and in subsec. (b) as so designated, substituted provisions defining “lower income housing”, “lower income families”, “families”, “income”, “adjusted income”, “public housing agency”, “State”, “Secretary” for provisions defining “low-income housing”, “low-income families”, “development”, “operation”, “acquisition cost”, “public housing agency”, “State”, “Secretary”, and “low-income housing”.

1979—Par. (1). Pub. L. 96-153 substituted provisions that the rental for a dwelling shall not exceed certain portion of the resident family’s income to be established by the Secretary, and that in the case of a very low income family 25 per centum and in other cases 30 per centum of family income for provisions that such rental shall not exceed one-fourth of the family’s income as defined by the Secretary.

1978—Par. (2)(D). Pub. L. 95-557 substituted “15 per cent” for “10 per cent”.

1976—Par. (2). Pub. L. 94-375 struck out “and” before cl. (C), added cl. (D), and two provisos relating to the percentage of units to be occupied by single persons and the priority to be given to single persons who are elderly, handicapped, or displaced, following cl. (D).

Effective Date of 2016 Amendment

Pub. L. 114-201, title I, §102(h), July 29, 2016, 130 Stat. 791, provided that: ‘‘The Secretary of Housing and Urban Development shall issue regulations to implement this section (amending this section and section 1437f of this title and enacting provisions set out
as a note below) and this section shall take effect after such issuance, except that this section may only take effect upon the commencement of a calendar year.

**Effective Date of 1998 Amendment**

Amendment by title V of Pub. L. 105-276 effective and applicable beginning upon Oct. 1, 1998, except as otherwise provided, with provision that Secretary may implement amendment before such date, to extent to which such amendment provides otherwise, and with savings provision, see section 503 of Pub. L. 105-276, set out as a note under section 1437f of this title.

Pub. L. 105-276, title V, § 507(d), Oct. 21, 1998, 112 Stat. 2526, provided that: “The amendments under this section [amending this section] are made on, and shall apply beginning upon, the date of the enactment of this Act [Oct. 21, 1998].”

Pub. L. 105-276, title V, §508(c)(2), Oct. 21, 1998, 112 Stat. 2529, provided that: “The amendments made by this paragraph [probably means this subsection, amending this section] are made on, and shall apply beginning upon, the date of the enactment of this Act [Oct. 21, 1998].”

**Effective and Termination Dates of 1996 Amendments**


Amendment by Pub. L. 104-330 effective Oct. 1, 1997, except as otherwise expressly provided, see section 107 of Pub. L. 104-330, set out as an Effective Date note under section 4101 of Title 25, Indians.


**Effective Date of 1992 Amendment**

Pub. L. 102-550, title I, §108(a)(3), Oct. 28, 1992, 106 Stat. 3684, provided that: “To the extent that the amendments made by paragraphs (1) and (2) [amending this section] result in additional costs under this title [see Tables for classification], such amendments shall be effective only to the extent that amounts to cover such additional costs are provided in advance in appropriation Acts.”

Amendment by subtitles B through F of title VI (§§621–685) of Pub. L. 102-550 applicable upon expiration of 6-month period beginning Oct. 28, 1992, except as otherwise provided, see section 13642 of this title.

**Effective Date of 1990 Amendment**

Pub. L. 101-625, title V, §573(f), Nov. 28, 1990, 104 Stat. 4237, provided that: “The Secretary shall issue regulations implementing subsections (a) and (d) [sic] the amendments made by this section [amending this section] not later than the expiration of the 90-day period beginning on the date of the enactment of this Act [Nov. 28, 1990]. The regulations may not take effect until after September 30, 1991.”

**Effective Date of 1988 Amendment**

Pub. L. 100-358, §6, June 29, 1988, 102 Stat. 681, provided that: “The Secretary of Housing and Urban Development may carry out programs to provide lower income housing on Indian reservations and other Indian areas only in accordance with the amendment made by this Act [enacting sections 1437aa to 1437ee of this title, amending this section and section 1437c of this title, and enacting provisions set out as a note under section 1437 of this title], commencing on whichever of the following occurs earlier:

1. ‘‘The effective date of regulations issued under section 206 of the United States Housing Act of 1937 [former section 1437ee of this title].’’

2. ‘‘90 Days.—The expiration of the 90-day period beginning on the date of the enactment of this Act [June 29, 1988].’’

**Effective Date of 1981 Amendment**

Amendment by Pub. L. 97–35, set out as an Effective Date note under section 13701 of Title 12, Banks and Banking.

**Effective Date of 1979 Amendment**

Pub. L. 96–153, title II, § 202(c), Dec. 21, 1979, 93 Stat. 1396, which provided that amendment by section 202(a) of Pub. L. 96–153 (amending this section and section 1437f of this title) shall become effective on Jan. 1, 1980, except that the amount of the tenant contribution required of families whose occupancy of housing units assisted under this chapter commenced prior to that date shall be determined in accordance with the provisions of this chapter in effect on Dec. 31, 1979, so long as such occupancy was continuous thereafter, was repealed by Pub. L. 97–35, title III, §322(h)(1), Aug. 13, 1981, 95 Stat. 401.

**Effective Date of 1978 Amendment**


**Effective Date**

Section effective on such date or dates as the Secretary of Housing and Urban Development shall prescribe, but not later than eighteen months after Aug. 22, 1974, except that all of the provisions of par. (1) shall become effective on the same date, see section 201(b) of Pub. L. 93–383, set out as a note under section 1437 of this title.

The Department of Housing and Urban Development adopted an interim rule, 24 CFR 860.409, Sept. 26, 1975, 40 F.R. 44328, which provided: “The effective date of section 3(1) of the United States Housing Act of 1937, as amended (par. (1) of this section), shall be the date that these regulations [sections 860.401 to 860.409 of ‘Title 24, CFR’] are published in the Federal Register (September 26, 1975).”

**Regulations**

Pub. L. 115–31, div. K, title II, § 240, May 5, 2017, 131 Stat. 789, provided that: ‘‘The Secretary shall establish by notice such requirements as may be necessary to implement section 78001 of title LXXVIII of the Fixing America’s Surface Transportation Act (Public Law 114–94) [amending this section and section 1437f of this title], and the notice shall take effect upon issuance: Provided, That the Secretary shall commence rulemaking based on the initial notice no later than the expiration of the 6-month period following issuance of the notice and the rulemaking shall allow for the opportunity for public comment.’’

by notice such requirements as may be necessary to implement sections 210, 212, 220, 238, and 242 [amending this section and sections 1437f and 1437n of this title and enacting provisions set out as a note under section 1437f of this title] under this title and the notice shall take effect upon issuance: Provided, That the Secretary shall commence rulemaking based on the initial notice no later than the expiration of the 6-month period following issuance of the notice and the rulemaking shall allow for the opportunity for public comment.’’


“(A) In general.—The Secretary shall, by regulation, after notice and an opportunity for public comment, establish such requirements as may be necessary to carry out section 3(a)(2)(A) of the United States Housing Act of 1937 (42 U.S.C. 1437a(2)(A)), as amended by paragraph (1).

“(B) Transition rule.—Prior to the issuance of final regulations under paragraph (1), a public housing agency may implement ceiling rents, which shall be not less than the monthly costs to operate the housing of the agency and—

“(i) determined in accordance with section 3(a)(2)(A) of the United States Housing Act of 1937, as that section existed on the day before enactment of this Act [Jan. 26, 1996];

“(ii) equal to the 95th percentile of the rent paid for a unit of comparable size by tenants in the same public housing project or a group of comparable projects totaling 50 units or more; or

“(iii) equal to the fair market rent for the area in which the unit is located.”


Pub. L. 102–550, title I, § 191, Oct. 28, 1992, 106 Stat. 3750, provided that: “The Secretary of Housing and Urban Development shall issue any final regulations necessary to implement the provisions of this title [see Tables for classification] and the amendments made by this title not later than the expiration of the 180-day period beginning on the date of enactment of this Act [Oct. 29, 1992], except as expressly provided otherwise in this title and the amendments made by this title. Such regulations shall be issued after notice and opportunity for public comment pursuant to the provisions of section 553 of title 5, United States Code (notwithstanding subsections (a)(2), (b)(1), and (d)(3) of such section).”

SAVINGS PROVISION

Pub. L. 105–276, title V, § 519(d), Oct. 21, 1998, 112 Stat. 2561, provided that: “Notwithstanding section 3(a)(1) of the United States Housing Act of 1937 (42 U.S.C. 1437a(a)(1)), during the period ending upon the later of the implementation of the formulas established pursuant to subsections (d)(2) and (e)(2) of section 9 of such Act (42 U.S.C. 1437g(d)(2), (e)(2)) (as amended by this section) and October 1, 1999, a public housing agency may take any of the following actions with respect to public housing:

“(1) New provisions.—An agency may—

“(A) adopt and apply ceiling rents that reflect the reasonable market value of the housing, but that are not less than—

“(i) for housing other than housing predominantly for elderly or disabled families (or both), 75 percent of the monthly cost to operate the housing of the agency;

“(ii) for housing predominantly for elderly or disabled families (or both), 100 percent of the monthly cost to operate the housing of the agency; and

“(B) allow families to pay ceiling rents referred to in subparagraph (A), unless, with respect to any family, the ceiling rent established under this paragraph would exceed the amount payable as rent by that family under paragraph (1).

“(2) Ceiling rents from Balanced Budget Act. I.—An agency may utilize the authority under section 3(a)(2) of the United States Housing Act of 1937 (42 U.S.C. 1437a(a)(2)), as in effect immediately before the enactment of this Act [Oct. 21, 1998], notwithstanding any amendment to such section made by this Act.

“(3) Transitional ceiling rents for Balanced Budget Act. I.—An agency may utilize the authority with respect to ceiling rents under section 402(b)(2) of The Balanced Budget Downpayment Act, I [Pub. L. 104–99] (42 U.S.C. 1437a note), notwithstanding any other provision of law (including the expiration of the applicability of such section or the repeal of such section).”

CERTAIN PAYMENTS MADE TO VICTIMS OF NAZI PERSECUTION DISREGARDED IN DETERMINING ELIGIBILITY FOR AND AMOUNT OF NEED-BASED BENEFITS AND SERVICES

Pub. L. 103–286, § 1, Aug. 1, 1994, 108 Stat. 1450, provided that:

“(a) In general.—Payments made to individuals because of their status as victims of Nazi persecution shall be disregarded in determining eligibility for and the amount of benefits or services to be provided under any Federal or federally assisted program which provides benefits or services based, in whole or in part, on need.
“(b) Applicability.—Subsection (a) shall apply to determinations made on or after the date of the enactment of this Act [Aug. 1, 1994] with respect to payments referred to in subsection (a) made before, on, or after such date.

“(c) Prohibition Against Recovery of Value of Excessive Benefits or Services Provided Due to Failure to Take Account of Certain Payments Made to Victims of Nazi Persecution.—No officer, agency, or instrumentality of any government may attempt to recover the value of excessive benefits or services provided before the date of the enactment of this Act [Aug. 1, 1994] under any program referred to in subsection (a) by reason of any failure to take account of payments referred to in any time during the period beginning on February 1, 1993 and ending on April 30, 1993, resided in a dwelling unit in housing assisted under any program for housing assistance of the Department of Housing and Urban Development or the Secretary of Housing and Urban Development or the Secretary of Agriculture (as appropriate) shall engage in writing that such specific individual is eligible for a payment under this subsection, the expiration of the 6-month period beginning on the date of receipt of such notice; and

“(B) in the case of any other individual, the expiration of the 12-month period beginning on the date of the enactment of this Act [Aug. 1, 1994].”

Inapplicability of Certain 1992 Amendments to Indian Public Housing


Budget Compliance

Pub. L. 101–625, title V, §573(e), Nov. 28, 1990, 104 Stat. 4237, provided that: “The amendments made by subsections (b) and (c) (amending this section) shall apply only to the extent approved in appropriations Acts.”

Median Area Income

Pub. L. 100–242, title V, §567, Feb. 5, 1988, 101 Stat. 948, provided that: “For purposes of calculating the median income for any area that is not within a metropolitan statistical area (as established by the Office of Management and Budget) for programs under title I of the Housing and Community Development Act of 1974 (42 U.S.C. 3501 et seq.), the United States Housing Act of 1937 (42 U.S.C. 1437 et seq.), the National Housing Act (12 U.S.C. 1701 et seq.), or title V of the Housing Act of 1949 (42 U.S.C. 171 et seq.), the Secretary of Housing and Urban Development or the Secretary of Agriculture (as appropriate) shall use whichever of the following is higher:

“(1) the median income of the county in which the area is located; or

“(2) the median income of the entire nonmetropolitan area of the State.”

Determination of Rent Payable by Tenants Occupying Assisted Housing; Delayed Application or Staged Implementation of Amended Provisions

Pub. L. 98–181, title I (title II, §206(d)), Nov. 30, 1983, 97 Stat. 1180, provided that:

“(1) The following provisions of this paragraph apply to determinations of the rent to be paid by or the contribution required of a tenant occupying housing assisted under the authorities amended by this section (amending this section) or subsections (a) through (h) of section 322 of the Housing and Community Development Amendments of 1981 [amending sections 1437d, 1437f, 1437g, 1437h, and 1437i of this title and section 1701a of Title 12] (hereinafter referred to as ‘assisted housing’) on or before the effective date of regulations implementing this section:

“(A) Notwithstanding any other provision of this section or subsections (a) through (h) of section 322 of the Housing and Community Development Amendments of 1981, the Secretary of Housing and Urban Development (hereinafter referred to as the ‘Secretary’) may provide for delayed applicability, or for staged implementation, of the procedures for determining rents or contributions, as appropriate, required by such provisions if the Secretary determines that immediate applicability of such procedures would be impracticable, would violate the terms of existing leases, or would result in extraordinary hardship for any class of tenants.

“(B) The Secretary shall provide that the rent or contribution, as appropriate, required to be paid by a tenant shall not increase as a result of the amend-
ments made by this section and subsections (a) through (h) of section 322 of the Housing and Community Development Amendments of 1961, as a result of any other provision of Federal law or regulation, by more than 10 per cent during any twelve-month period, unless the increase above 10 per cent is attributable to increases in income which are unrelated to such amendment, law, or regulation.

“(C) In the case of tenants receiving rental assistance under section 322(a)(1) of the Housing Act of 1965 [section 1490a(a)(1) of this title] on the effective date of this section [Nov. 30, 1983] whose assistance is converted to assistance under section 8 of the United States Housing Act of 1937 [subsec. (a) of this section] on or after such date, the Secretary shall provide that the rent or contribution payable by any such tenant who is occupying assisted housing on the effective date of such section 3(1), and may not be changed or superseded except by another provision of law which amends this subsection.

“(D) The provisions of subsections (a)(1) through (h) of section 322 of the United States Housing Act of 1937 [subsec. (a) of this section] shall not be less than a rate determined by the Secretary.”


Effective Date of Repeal
Repeal effective and applicable beginning upon Oct. 1, 1999, except as otherwise provided, with provision that Secretary may implement the repeal before such date, and with savings provision, see section 503 of Pub. L. 105–276, set out as an Effective Date of 1998 Amendment note under section 1437 of this title.

§ 1437b. Loans and commitments to make loans for low-income housing projects

(a) Authority of Secretary; interest rates; repayment date; use as security for obligations of public housing agency

The Secretary may make loans or commitments to make loans to public housing agencies to help finance or refinance the development, acquisition, or operation of low-income housing projects by such agencies. Any contract for such loans and any amendment to a contract for such loans shall provide that such loans shall bear interest at a rate specified by the Secretary which shall not be less than a rate determined by the Secretary of the Treasury taking into consideration the current average market yield on outstanding marketable obligations of the United States with remaining periods to maturity comparable to the average maturities of such loans, plus one-eighth of 1 per cent. Such loans shall be secured in such manner and not exceed forty years, or not exceeding forty years from the date of the bonds evidencing the loan, as the Secretary may determine. The Secretary may result in extraordinary hardship for any class of tenants.”


Establishment of Increased Monthly Rental Charge for Family Occupying Low-Income Housing Unit; Adjustment Factors

Pub. L. 93–383, title II, §202, Aug. 22, 1974, 88 Stat. 667, provided that: “To the extent that section 3(1) of the United States Housing Act of 1937, as amended by section 203(a) of this Act [par. (1) of this section], would require the establishment of an increased monthly rental charge for any family which occupies a low-income housing unit as of the effective date of such section 3(1) (other than by reason of the provisions relating to welfare assistance payments) [see Effective Date note set out above], the required adjustment shall be made, in accordance with regulations of the Secretary, which follows: (A) the first adjustment shall not exceed $5 and shall become effective as of the month following the month of the first review of the family’s income pursuant to section 6(c)(2) of such Act [section 1437d(c)(2) of this title] which occurs at least six months after the effective date of each section 3(1), and (B) subsequent adjustments, each of which shall not exceed $5, shall be made at six-month intervals over whatever period is necessary to effect the full required increase in the family’s rental charge.”
require loans or commitments to make loans under this section to be pledged as security for obligations issued by a public housing agency in connection with a low-income housing project.

(b) Issuance of obligations by Secretary; limitation on amounts; forms and denominations; terms and conditions; purchase, establishment of maturities and rates of interest, and sale by Secretary of the Treasury

The Secretary may issue and have outstanding at any one time notes and other obligations for purchase by the Secretary of the Treasury in an amount which will not, unless authorized by the President, exceed $1,500,000,000. For the purpose of determining obligations incurred to make loans pursuant to this chapter against any limitation otherwise applicable with respect to such loans, the Secretary shall estimate the maximum amount to be loaned at any one time pursuant to loan agreements then outstanding with public housing agencies. Such notes or other obligations shall be in such forms and denominations and shall be subject to such terms and conditions as may be prescribed by the Secretary with the approval of the Secretary of the Treasury. The notes or other obligations issued under this subsection shall have such maturities and bear such rate or rates of interest as shall be determined by the Secretary of the Treasury. The Secretary of the Treasury is authorized and directed to purchase any notes or other obligations of the Secretary issued hereunder and for such purpose is authorized to use as a public debt transaction the proceeds from the sale of any securities issued under chapter 31 of title 31, and the purposes for which securities may be issued under such chapter are extended to include any purchases of such obligations. The Secretary of the Treasury may at any time sell any of the notes or other obligations acquired by him under this section. All redemptions, purchases, and sales by the Secretary of the Treasury of such notes or other obligations shall be treated as public debt transactions of the United States.

(c) Public and Indian housing financing reforms

(1) At such times as the Secretary may determine, and in accordance with such accounting and other procedures as the Secretary may prescribe, each loan made by the Secretary under subsection (a) that has any principal amount outstanding or any interest amount outstanding or accrued shall be forgiven; and the terms and conditions of any contract, or any amendment to a contract, for such loan with respect to any promise to repay such principal and interest shall be canceled. Such cancellation shall not affect any other terms and conditions of such contract, which shall remain in effect as if the cancellation had not occurred. This paragraph shall not apply to any loan the repayment of which was not to be made using annual contributions, or to any loan all or part of the proceeds of which are due a public housing agency from contractors or others.

(2) (A) On April 7, 1986, each note or other obligation issued by the Secretary to the Secretary of the Treasury pursuant to subsection (b), together with any promise to repay the principal and unpaid interest that has accrued on each note or obligation, shall be forgiven; and any other term or condition specified by each such obligation shall be canceled.

(B) On September 30, 1986, and on any subsequent September 30, each such note or other obligation issued by the Secretary to the Secretary of the Treasury pursuant to subsection (b) during the fiscal year ending on such date, together with any promise to repay the principal and unpaid interest that has accrued on each note or obligation, shall be forgiven; and any other term or condition specified by each such obligation shall be canceled.

(3) Any amount of budget authority (and contract authority) that becomes available during any fiscal year as a result of the forgiveness of any loan, note, or obligation under this subsection shall be rescinded.

(Prior Provisions)

A prior section 4 of act Sept. 1, 1937, ch. 896, 50 Stat. 889, as amended, provided for assistance of officers, etc., of other agencies and transfer of property to the Authority and was classified to section 1404 of this title, prior to the general revision of this chapter by Pub. L. 93–383.

Amendments


1984—Subsec. (b). Pub. L. 98–479 substituted “chapter 31 of title 31” for “the Second Liberty Bond Act, as amended” and “such chapter” for “such Act”.


Effective Date of 1981 Amendment


Carryover of amounts of budget authority; availability as appropriation of funds for grants

Pub. L. 99–500, § 101(c)(H.R. 5313, title I), Oct. 18, 1986, 100 Stat. 1783–242, and Pub. L. 99–591, § 101(c)(H.R. 5313, title I), Oct. 30, 1986, 100 Stat. 3341–242; Pub. L. 100–202, § 106, Dec. 22, 1987, 101 Stat. 1329–433, provided in part: “That the budget authority obligated under contracts for annual contributions shall be increased above amounts heretofore provided in appropriations Acts by $7,805,668,000: Provided further, That any part of the amount of the increase in budget authority provided for in the immediately foregoing proviso that is available under this Act for public housing development and acquisition costs or which is to be used for amendments for such costs, shall be available as an appropriation of funds, to remain available until expended, for grants, which are hereby authorized in lieu of loans under section 4(a) of the United States Housing Act of 1937 (42 U.S.C. 1437f), and which the Secretary may make on substantially the same terms (except for repayment unless repayment is a properly imposed sanction) as those
heretofore set forth in annual contributions contracts for loans and annual contributions: Provided further, That during 1987 and thereafter, any amounts of budget authority which are carried over from a prior year, or which are otherwise available for obligation, and which are available for public housing development and acquisition costs, together with any amounts of budget authority which are to be used for amendments for such costs, in accordance with any Act, shall also be made available as an appropriation of funds for grants, under the same terms as those applying under the immediately preceding proviso.

§ 1437c. Contributions for low-income housing projects

(a) Contract authorization; amounts; use as security for obligations of public housing agency; use of existing structures

(1) The Secretary may make annual contributions to public housing agencies to assist in achieving and maintaining the lower income character of their projects. The Secretary shall embody the provisions for such annual contributions in a contract guaranteeing their payment. The contribution payable annually under this section shall in no case exceed a sum equal to the annual amount of principal and interest payable on obligations issued by the public housing agency to finance the development or acquisition cost of the lower income project involved. Annual contributions payable under this section shall be pledged, if the Secretary so requires, as security for obligations issued by a public housing agency to assist the development or acquisition of the project to which annual contributions relate and shall be paid over a period not to exceed 40 years.

(2) The Secretary may make contributions (in the form of grants) to public housing agencies to cover the development cost of public housing projects. The contract under which such contributions shall be made shall specify the amount of capital contributions required for each project to which the contract pertains, and that the terms and conditions of such contract shall remain in effect for a 40-year period.

(3) The amount of contributions that would be established for a newly constructed project by a public housing agency designed to accommodate a number of families of a given size and kind may be established under this section for a project by such public housing agency that would provide housing for the comparable number, sizes, and kinds of families through the acquisition and rehabilitation, or use under lease, of structures that are suitable for low-income housing use and obtained in the local market.

(b) Maximum amount of contributions; regulations of contribution

The Secretary may prescribe regulations fixing the maximum contributions available under different circumstances, giving consideration to cost, location, size, rent-paying ability of prospective tenants, or other factors bearing upon the amounts and periods of assistance needed to achieve and maintain low rentals. Such regulations may provide for rates of contribution based upon development, acquisition, or operation costs, number of dwelling units, number of persons housed, interest charges, or other appropriate factors.

(c) Limitation on aggregate contractual contributions; contracts for preliminary loans; payments of annual contributions; limitations on specific authorities

(1) The Secretary may enter into contracts for annual contributions aggregating not more than $7,975,049,000 per annum, which amount shall be increased by $1,494,400,000 on October 1, 1980, and by $906,985,000 on October 1, 1981. The additional authority to enter into such contracts provided on or after October 1, 1980, shall be effective only in such amounts as may be approved in appropriation Acts. In addition, the aggregate amount which may be obligated over the duration of the contracts may not exceed $31,200,000,000 with respect to the additional authority provided on October 1, 1980, and $18,087,370,000 with respect to the additional authority provided on October 1, 1981.

(2) The Secretary shall enter into only such new contracts for preliminary loans as are consistent with the number of dwelling units for which contracts for annual contributions may be entered into.

(3) The full faith and credit of the United States is solemnly pledged to the payment of all annual contributions contracted for pursuant to this section, and there are hereby authorized to be appropriated in each fiscal year, out of any money in the Treasury not otherwise appropriated, the amounts necessary to provide for such payments.

(4) All payments of annual contributions pursuant to this section shall be made out of any funds available for purposes of this chapter when such payments are due, except that funds obtained through the issuance of obligations pursuant to section 1437b(b) of this title (including repayments or other realizations of the principal of loans made out of such funds) shall not be available for the payment of such annual contributions.

(5) During such period as the Secretary may prescribe for starting construction, the Secretary may approve the conversion of public housing development authority for use under section 1437g of this title or for use for the acquisition and rehabilitation of property to be used in public housing, if the public housing agency, after consultation with the unit of local government, certifies that such assistance would be more effectively used for such purpose, and if the total number of units assisted will not be less than 90 per centum of the units covered by the original reservation.

(6) The aggregate amount of budget authority which may be obligated for contracts for annual contributions and for grants under section 1437o of this title is increased by $9,912,928,000 on October 1, 1983, and by such sums as may be approved in appropriation Acts on October 1, 1984. The aggregate amount of budget authority that may be obligated for contracts for annual contributions for assistance under section 1437f of this title, for contracts referred to in paragraphs (7)(A)(iv) and (7)(B)(iv), for grants for public housing, for comprehensive improvement assistance, and for amendments to existing contracts, is increased (to the extent approved in appropriation Acts) by $7,167,000,000 on October 1, 1987, and by $7,300,945,000 on October 1, 1988. The aggregate
amount of budget authority that may be obligated for assistance referred to in paragraph (7) is increased (to the extent approved in appropriation Acts) by $16,194,000,000 on October 1, 1990, and by $14,709,400,000 on October 1, 1991. The aggregate amount of budget authority that may be obligated for assistance referred to in paragraph (7) is increased (to the extent approved in appropriation Acts) by $14,710,990,520 on October 1, 1992, and by $15,328,852,122 on October 1993.

(7)(A) Using the additional budget authority provided under paragraph (6) and the balances of budget authority that become available during fiscal year 1993, the Secretary shall, to the extent approved in appropriation Acts, reserve authority to enter into obligations aggregating—

(i) for public housing grants under subsection (a)(2), not more than $290,900,800, of which amount not more than $257,320,000 shall be available for Indian housing;

(ii) for assistance under section 1437f of this title, not more than $1,977,662,720, of which $20,000,000 shall be available for 15-year contracts for project-based assistance to be used for a multicultural tenant empowerment and homeownership project located in the District of Columbia, except that assistance provided for such project shall not be considered for purposes of the percentage limitations under section 1437f(i)(2) of this title; except that not more than 49 percent of any amounts appropriated under this heading may be used for vouchers under section 1437(o) of this title;

(iii) for comprehensive improvement assistance grants under section 1437f(k) of this title, not more than $3,100,000,000;

(iv) for assistance under section 1437f of this title for property disposition, not more than $93,032,000;

(v) for assistance under section 1437f of this title for loan management, not more than $202,000,000;

(vi) for extensions of contracts expiring under section 1437f of this title, not more than $6,746,135,000, which shall be for 5-year contracts for assistance under section 1437f of this title and for loan management assistance under such section;

(vii) for amendments to contracts under section 1437f of this title, not more than $1,350,000,000;

(viii) for public housing lease adjustments and amendments, not more than $83,055,000;

(ix) for conversions from leased housing contracts under section 1421b of this title (as in effect immediately before August 22, 1974) to assistance under section 1437f of this title, not more than $12,767,000; and

(x) for grants under section 1437v of this title for revitalization of severely distressed public housing, not more than $300,000,000.

(B) Using the additional budget authority provided under paragraph (6) and the balances of budget authority that become available during fiscal year 1994, the Secretary shall, to the extent approved in appropriation Acts, reserve authority to enter into obligations aggregating—

(i) for public housing grants under subsection (a)(2), not more than $865,798,634, of which amount not more than $268,127,440 shall be available for Indian housing;

(ii) for assistance under section 1437f of this title, not more than $2,060,724,554, of which $20,000,000 shall be available for 15-year contracts for project-based assistance to be used for a multicultural tenant empowerment and homeownership project located in the District of Columbia, except that assistance provided for such project shall not be considered for purposes of the percentage limitations under section 1437f(i)(2) of this title; except that not more than 49 percent of any amounts appropriated under this heading may be used for vouchers under section 1437(o) of this title;

(iii) for comprehensive improvement assistance grants under section 1437f(k) of this title, not more than $3,230,200,000;

(iv) for assistance under section 1437f of this title for property disposition, not more than $96,939,344;

(v) for assistance under section 1437f of this title for loan management, not more than $210,484,000;

(vi) for extensions of contracts expiring under section 1437f of this title, not more than $7,029,472,670, which shall be for 5-year contracts for assistance under section 1437f of this title and for loan management assistance under such section;

(vii) for amendments to contracts under section 1437f of this title, not more than $1,406,700,000;

(viii) for public housing lease adjustments and amendments, not more than $86,543,310;

(ix) for conversions from leased housing contracts under section 1421b of this title (as in effect immediately before August 22, 1974) to assistance under section 1437f of this title, not more than $13,303,214; and

(x) for grants under section 1437v of this title for revitalization of severely distressed public housing, not more than $312,600,000.

(C)(i) Any amount available for the conversion of a project to assistance under section 1437f(b)(1) of this title, if not required for such purpose, shall be used for assistance under section 1437f(b)(1) of this title.

(ii) Any amount available for assistance under section 1437f of this title for property disposition, if not required for such purpose, shall be used for assistance under section 1437f(b)(1) of this title.

(8) Any amount available for Indian housing under subsection (a) that is recaptured shall be used only for such housing.

(d) Scope of contracts for loans or annual contributions

Any contract for loans or annual contributions, or both, entered into by the Secretary with a public housing agency, may cover one or more than one low-income housing project owned by such public housing agency; in the event the contract covers two or more projects, such projects may, for any of the purposes of this chapter and of such contract (including, but not limited to, the determination of the amount of the loan, annual contributions, or payments in lieu of taxes, specified in such contract), be treated collectively as one project.
(e) Local determination of need as prerequisite for contracts for preliminary loans, and contracts for loans or annual contributions; notice

In recognition that there should be local determination of the need for low-income housing to meet needs not being adequately met by private enterprise—

(1) the Secretary shall not make any contract with a public housing agency for preliminary loans (all of which shall be repaid out of any moneys which become available to such agency for the development of the projects involved) for surveys and planning in respect to any low-income housing projects (i) unless the governing body of the locality involved has by resolution approved the application of the public housing agency for such preliminary loan; and (ii) unless the public housing agency has demonstrated to the satisfaction of the Secretary that there is need for such low-income housing which is not being met by private enterprise; and

(2) the Secretary shall not make any contract for loans (other than preliminary loans) or for contributions pursuant to this chapter unless the governing body of the locality involved has entered into an agreement with the public housing agency providing for the local cooperation required by the Secretary pursuant to this chapter; the Secretary shall require that each such agreement shall provide that, notwithstanding any order, judgment, or decree of any court (including any settlement order), before making any amounts that are provided pursuant to any contract for contributions under this subchapter available for use for the development of any housing or other property not previously used as public housing, the public housing agency shall (A) notify the chief executive officer (or other appropriate official) of the unit of general local government in which the public housing for which such amounts are to be so used is located (or to be located) of such use, and (B) pursuant to the request of such unit of general local government, provide such information as may reasonably be requested by such unit of general local government regarding the public housing to be so assisted (except to the extent otherwise prohibited by law).

(f) Modification by Secretary of terms of contracts, etc.; limitations; amendment or superseding of contracts for annual contributions or loans

Subject to the specific limitations or standards in this chapter governing the terms of sales, rentals, leases, loans, contracts for annual contributions, or other agreements, the Secretary may, whenever he deems it necessary or desirable in the fulfillment of the purposes of this chapter, consent to the modification, with respect to rate of interest, time of payment of any installment of principal or interest, security, amount of annual contribution, or any other term of any contract or agreement of any kind to which the Secretary is a party. When the Secretary finds that it would promote economy or be in the financial interest of the Federal Government or is necessary to assure or maintain the lower income character of the project or projects involved, any contract herefofore or hereafter made for annual contributions, loans, or both, may be amended or superseded by a contract entered into by mutual agreement between the public housing agency and the Secretary. Contracts may not be amended or superseded in a manner which would impair the rights of the holders of any outstanding obligations of the public housing agency involved for which annual contributions have been pledged. Any rule of law contrary to this provision shall be deemed inapplicable.

(g) Pledge of annual contributions as guarantee of payment of obligations issued by public housing agency; exception

In addition to the authority of the Secretary under subsection (a) to pledge annual contributions as security for obligations issued by a public housing agency, the Secretary is authorized to pledge annual contributions as a guarantee of payment by a public housing agency of all principal and interest on obligations issued by it to assist the development or acquisition of the project to which the annual contributions relate, except that no obligation shall be guaranteed under this subsection if the income thereon is exempt from Federal taxation.

(h) Audits

(1) By Secretary and Comptroller General

Each contract for contributions for any assistance under this chapter to a public housing agency shall provide that the Secretary, the Inspector General of the Department of Housing and Urban Development, and the Comptroller General of the United States, or any of their duly authorized representatives, shall, for the purpose of audit and examination, have access to any books, documents, papers, and records of the public housing agency that are pertinent to this chapter and to its operations with respect to financial assistance under the this chapter.

(2) Withholding of amounts for audits under Single Audit Act

The Secretary may, in the sole discretion of the Secretary, arrange for and pay the costs of an audit required under chapter 75 of title 31. In such circumstances, the Secretary may withhold, from assistance otherwise payable to the agency under this chapter, amounts sufficient to pay for the reasonable costs of conducting an acceptable audit, including, when appropriate, the reasonable costs of accounting services necessary to place the agency’s books and records in auditable condition. As agreed to by the Secretary and the Inspector General, the Inspector General may arrange for an audit under this paragraph.

(i) Prohibition on use of funds

None of the funds made available to the Department of Housing and Urban Development to carry out this chapter, which are obligated to State or local governments, public housing agencies, housing finance agencies, or other public or quasi-public housing agencies, shall be

---

1 So in original.
used to indemnify contractors or subcontractors of the government or agency against costs associated with judgments of infringement of intellectual property rights.


REFERENCES IN TEXT
Section 14370 of this title, referred to in subsec. (c)(6), was repealed by Pub. L. 101–625, title II, § 289(b), Nov. 28, 1990, 104 Stat. 4128.


Section 1421b of this title, referred to in subsec. (c)(7)(A)(ix), (B)(ix), was omitted in the general revision of this chapter by Pub. L. 98–383, title II, § 201(a), Aug. 22, 1974, 88 Stat. 653.


Prior Provisions
A prior section 5 of act Sept. 1, 1937, ch. 896, 50 Stat. 890, as amended, enumerated miscellaneous powers and functions of the Authority and was classified to section 1405 of this title, prior to the general revision of this chapter by Pub. L. 98–383.

Amendments
1996—Subsec. (c)(5). Pub. L. 105–276, § 522(b)(1), substituted for “for use under section 1437g of this title” for “for use under section 1437g of this title”.

Subsec. (c)(6). Pub. L. 105–276, § 518(b), inserted before period at end “the Secretary shall require that each such agreement shall provide that, notwithstanding any order, judgment, or decree of any court (including any settlement order), before making any amounts that are provided pursuant to any contract for contributions under this subchapter for use for the development of any housing or other property not previously used as public housing, the public housing agency shall (A) notify the chief executive officer (or other appropriate official of the unit of general local government in which the public housing for which such amounts are to be so used is located (or to be located) of such use, and (B) pursuant to the request of such unit of general local government, provide such information as may reasonably be requested by such unit of general local government regarding the public housing to be so assisted (except to the extent otherwise prohibited by law)”.


Pub. L. 105–276, § 518(a)(1)(A), struck out subsec. (b) which read as follows: “Notwithstanding any other provision of law, a public housing agency may sell a low-income housing project to its lower income tenants, on such terms and conditions as the agency may determine, without affecting the Secretary’s commitment to pay annual contributions with respect to that project, but such contributions shall not exceed the maximum contributions authorized under subsection (a) of this section.”

Subsec. (l). Pub. L. 105–276, § 518(a)(1), redesignated subsec. (l) as (i) and struck out former subsec. (l) which read as follows: “In entering into contracts for assistance with respect to newly constructed or substantially rehabilitated projects under this section (other than for projects assisted pursuant to section 1457f of this title), the Secretary shall require the installation of a passive or active solar energy system in such project where the Secretary determines that such installation would be cost effective over the estimated life of the system.”

Subsecs. (j), (k). Pub. L. 105–276, § 518(a)(1)(A), struck out subsecs. (j) and (k), which read as follows: “(j) placed conditions upon reservation of funds for development of public housing after Sept. 30, 1987, and placed limitations on amounts used for redesign, reconstruction, redevelopment, or operational improvement of existing projects, but directed that not less than 5 percent of certain amounts appropriated in fiscal years 1993 and 1994 be reserved for public housing projects designated for elderly or disabled families; and in subsec. (k), prohibited recapture of amounts of public housing development funds reserved to a public housing agency for failure to begin construction or rehabilitation, or to complete acquisition, during 30-month period following date of reservation.


Subsec. (l). Pub. L. 104–330, § 501(b)(2)(B), struck out subsec. (l) which read as follows: “The Secretary may not use as a criterion for distributing assistance under this section the progress made by an Indian public housing agency in collecting rents owed by tenants unless—

(1) such criterion is used as 1 of several criteria that are weighted proportionally and is established by regulations issued after public notice and opportunity to comment in accordance with section 553 of this title; or

(2) the Secretary determines that the Indian public housing agency has demonstrated a pattern of substantial noncompliance with requirements governing the collection of rents.”

1995—Subsec. (h). Pub. L. 104–19 struck out at end “Any such sale shall be subject to the restrictions contained in section 1457aaa–3(g)(3) of this title.”

1992—Subsec. (c)(6). Pub. L. 102–550, § 101(a), inserted at end “The aggregate amount of budget authority that may be obligated for assistance referred to in paragraph (7) is increased (to the extent approved in appropriation Acts) by $4,710,990,520 on October 1, 1992, and by $5,328,852,122 on October 1993.”

Subsec. (c)(7)(A), (B). Pub. L. 102–550, § 101(b), added subpars. (A) and (B) and inserted after former subsec. (A) and (B) which directed Secretary to reserve authority to enter into certain obligations aggregating specified amounts using par. (6) budget authority and balances of such authority available during the fiscal year.
striking “‘or’ at end to reflect the probable intent of Congress. 
Subsec. (j)(1)(E). Pub. L. 102–550, § 624(c)(3), which direct amendment of subsec. (j)(1)(E) by adding at the end a new subpar. (E), was executed by adding subsec. (E) after subpar. (D) to reflect the probable intent of Congress. Former subpar. (E) redesignated (F).


Pub. L. 102–550, § 111(a), amended par. (2) generally. Prior to amendment, par. (2) read as follows: “Notwithstanding any other provision of law, not more than 20 percent of the funds appropriated for development of public housing also may be committed by the Secretary for the substantial redesign, reconstruction, or redevelopment of existing public housing projects or units, which work shall be carried out pursuant to the rules and regulations applicable to the development of public housing.”


1990—Subsec. (a)(3). Pub. L. 101–625, § 572(b), substituted “low-income housing” for “‘lower income housing’”.

Subsec. (c)(6). Pub. L. 101–625, § 571(a), inserted at end “the aggregate amount of budget authority that may be obligated for assistance referred to in paragraph (7) is increased (to the extent approved in appropriation Acts) by $16,194,000,000 on October 1, 1990, and by $14,709,000,000 on October 1, 1991.”

Subsec. (c)(7)(A), (B). Pub. L. 101–625, § 571(b), amended subpars. (A) and (B) generally, substituting present provisions for provisions directing Secretary to reserve authority to enter into certain obligations aggregating specified amounts using par. (6) budget authority and balances of such authority available in fiscal years 1988 and 1989.

Subsecs. (d), (e). Pub. L. 101–625, § 572(b), substituted “low-income housing” for “lower income housing” wherever appearing.

Subsec. (b). Pub. L. 101–625, § 572(c), substituted “low-income housing” for “lower income housing”.

Pub. L. 101–625, § 417(a), inserted at end “‘Any such sale shall be subject to the restrictions contained in section 1437c–9(a) of this title.”


Subsec. (a). Pub. L. 100–242, § 112(a), amended subsec. (a) generally, revising and restating as pars. (1) to (3) provisions formerly contained in a single unnumbered par.

Subsec. (c)(6). Pub. L. 100–242, § 110(a), inserted sentence at end providing for increases on Oct. 1, 1987, and Oct. 1, 1988, of aggregate amount of budget authority that may be obligated for specified purposes.

Subsec. (c)(7). Pub. L. 100–242, § 110(a), amended par. (7) generally, substituting provisions relating to Secretary’s authority to enter into obligations under this section for fiscal years 1984 and 1985 and substituting provisions whereby amounts available for conversion of project to assistance under section 1437f(b)(1) of this title and amounts available for assistance under section 1437f for property disposition, if not required for such purpose, shall be used for assistance under section 1437f(b)(1) of this title, for provisions wherein specific authorities under this paragraph would be subject to adjustments under par. (5) of this subsection.

Subsec. (c)(8). Pub. L. 100–358, § 3, added par. (8).

Subsec. (e)(2). Pub. L. 100–242, § 112(b)(1)(B), struck out “annual” before “contruction”.


1983—Subsec. (c)(1). Pub. L. 98–181, § 201(b)(1), struck out concluding provision requiring the Secretary, in utilizing the additional authority to enter into contracts on and after Oct. 1, 1980, to administer the authorized programs to provide assistance, to the maximum extent practicable, consistent with section 1439(d) of this title.

Subsec. (c)(2). Pub. L. 98–181, § 201(b)(2), redesignated par. (4) as (2), and struck out former par. (2) which from funds made available on Oct. 1, 1980, had required at least $300,000,000 be available for section 1437f projects, and from remaining difference limit use of funds to 37.5 and 62.5 per centum for existing section 1437f projects and for newly constructed and substantially rehabilitated units.

Subsec. (c)(3). Pub. L. 98–181, § 201(b)(2), redesignated par. (5) as (3), and struck out former par. (3) which from funds made available on Oct. 1, 1981, had required at least $75,000,000 be available for section 1437f projects, from remaining difference allocated sums as provided in section 1439(d) for different community and area uses, and from remaining difference required the accommodation of preferences of units of local government based on stated factors.


Subsec. (c)(5) to (7). Pub. L. 98–181, § 201(b)(3), added pars. (5) to (7). Former pars. (5) and (6) redesignated (3) and (4), respectively.


Subsec. (c). Pub. L. 97–35, §§ 321(a)–(c), in part (1) inserted provisions relating to increases on Oct. 1, 1981, and amount respecting additional authority as of Oct. 1, 1981, added par. (3), and redesignated former pars. (3) to (5) as (4) to (6), respectively.

Subsecs. (d) to (l). Pub. L. 97–35, § 322(c), substituted references to lower income for references to low-income wherever appearing.

1980—Subsec. (c). Pub. L. 96–399, § 201(a), redesignated existing provisions as par. (1), among other changes, substituted provisions relating to the discretionary power of the Secretary to enter into contracts for annual contributions for provisions authorizing the Secretary to enter into such contracts, deleted references to contributions for assistance to Indian tribes, and added pars. (2) to (5).


1979—Subsec. (c). Pub. L. 96–133 authorized increase in aggregate contractual contributions by $1,146,661,000 on Oct. 1, 1979, and inserted requirements that out of such additional authority not more than $195,053,000 be authorized to be approved in appropriation Acts for units assisted under this chapter other than under section 1437f of this title and that not less than $50,000,000 of the later amount be authorized to be approved for modernization of the units.

1978—Subsec. (c). Pub. L. 95–619 authorized the Secretary to enter into annual contribution contracts aggregating not more than $10,000,000 per annum for financing the purchase and installation of energy conserving equipment in existing low-income housing projects which the Secretary determined had the greatest need for such improvements.

Pub. L. 95–557 inserted “and by $1,195,049,000 on Oct. 1, 1978” after “October 1, 1977”, “and on and after October 1, 1978” after “October 1, 1976” and “Of the additional authority to enter into contracts for annual contributions provided on October 1, 1978, and approved in appropriation Acts, the Secretary shall make available not less than $50,000,000 for modernization of low-income housing projects” after “pursuant to section 5904(a)(4) of this title”, and struck out provisions after “only such amounts as may be approved in appropriation Acts” mandating that of the additional authority to enter into contracts provided on October 1, 1976, at least $50,000,000 be made available for modernization of low-income housing projects and at least $10,000,000 to assist in financing low-income housing projects for ownership by public housing agencies other than under section 1437f, of which not less than $100,000,000 shall be available only for the purpose of financing the construction or rehabilitation of low-income housing

Page 4143 TITLe 42—THE PUBLIC HEALTH AND WELFARE § 1437c
projects, and provision after “plans prepared pursuant to section 530(a)(4) of this title” mandating that of the additional authority to enter into contracts for annual contributions provided on Oct. 1, 1977, not less than $42,500,000 shall be made available for low-income housing projects, not less than $197,139,200 for low-income housing projects permanently financed by loans from State housing finance or State development agencies, and not less than $120,000,000 for low-income housing projects permanently financed by loans pursuant to section 1701q of title 12.

1977—Subsec. (c). Pub. L. 95–128 authorized increase in aggregate contractual contributions by $1,159,995,000 on Oct. 1, 1977, and required the Secretary to make available therefrom minimum amounts of $42,500,000 for modernization of low-income housing projects, $197,139,200 for such projects financed by loans from State housing finance or State development agencies, and $120,000,000 for such projects financed by loans pursuant to section 1701q of title 12.

Pub. L. 95–24 substituted “and by $1,228,050,000 on October 1, 1976” for “and by $850,000,000 on October 1, 1976”.

1976—Subsec. (c). Pub. L. 94–375 substituted “$1,521,000,000 per annum, which limit shall be increased by $965,000,000 on July 1, 1971, by $662,300,000 on July 1, 1972, and by $850,000,000 on October 1, 1973, except that the additional authority to enter into contracts for annual contributions provided on or after July 1, 1975, shall be effective only in such amounts as may be approved in appropriation Acts” for “$1,199,250,000 per annum, which limit shall be increased by $225,000,000 on July 1, 1971, by $400,000,000 on July 1, 1972, by $400,000,000 on July 1, 1973, and by $662,300,000 on July 1, 1974”, provision requiring the Secretary make available a total of at least $200,000,000 for modernization and financing of low-income housing projects under the additional authority to enter into contracts for annual contributions provided on Oct. 1, 1976, except the amendment made by subsection (c), which required the Secretary to enter into contracts for annual contributions of at least $150,000,000 to assist in financing the development or acquisition cost of low-income housing projects, inserted “and by not less than $17,000,000 per annum on October 1, 1976,” after “not less than $15,000,000 per annum, on July 1, 1975”, and struck out “to the amount of contracts the Secretary was required to enter into by the Secretary under the second sentence of this subsection” after “In addition”.

Effective Date of 1998 Amendment

Amendment by title V of Pub. L. 105–276 effective and applicable beginning on Oct. 1, 1998, except as otherwise provided, with provision that Secretary may implement amendment before such date, except to extent that such amendment provides otherwise, and with savings provision, see section 503 of Pub. L. 105–276, set out as a note under section 1437a of this title.

Effective Date of 1996 Amendment


Effective Date of 1995 Amendment


Effective Date of 1992 Amendment

Amendment by subtitles B through F of title VI (§§ 621–685) of Pub. L. 102–550 applicable upon expiration of 6-month period beginning Oct. 28, 1992, except as otherwise provided, see section 13642 of this title.

Effective Date of 1990 Amendment

Pub. L. 101–625, title IV, § 417(b), Nov. 28, 1990, 104 Stat. 4161, provided that: “The amendment made by subsection (a) [amending this section] shall not apply to applications submitted under section 5(c) of the United States Housing Act of 1937 [subsec. (h) of this section] prior to October 1, 1990.”

Effective Date of 1988 Amendment

For date on which Secretary of Housing and Urban Development may carry out programs to provide lower income housing on Indian reservations and other Indian areas only in accordance with amendment by Pub. L. 100–338, see section 6 of Pub. L. 100–338, set out as a note under section 1437a of this title.

Effective Date of 1981 Amendment


Effective Date of 1978 Amendment

Pub. L. 94–557, title II, §§ 206(h), Oct. 31, 1978, 92 Stat. 2093, provided that: “The amendments made by this section [amending this section and sections 1437a, 1437f, and 1437g of this title], except the amendment made by subsection (d) [amending section 1437f of this title], shall become effective on October 1, 1978.”

Effective Date of 1976 Amendment

Pub. L. 94–375, §2(b)(1), (2), Aug. 3, 1976, 90 Stat. 1067, provided that the amendment of subsection (c), which required the Secretary to make available a total of $200,000,000 for modernization and financing of low-income housing and which struck out reference to the amount of contracts the Secretary was required to enter into under the second sentence of this subsection, is effective Oct. 1, 1976.

Effective Date

Section effective on such date or dates as the Secretary of Housing and Urban Development shall prescribe, but not later than eighteen months after Aug. 22, 1974, except that all of the provisions of this section shall become effective on the same date, see section 201(b) of Pub. L. 93–383, set out as a note under section 1437 of this title.

Regulations

Pub. L. 102–550, title I, §§ 111(c), Oct. 28, 1992, 106 Stat. 3689, provided that: “The Secretary shall issue regulations necessary to carry out the amendments made by this section [amending this section and sections 1437f and 1437p of this title] as provided under section 191 of this Act [42 U.S.C. 1437a note].”

Inapplicability of Certain 1992 Amendments to Indian Public Housing

Amendment by section 624 of Pub. L. 102–550 not applicable with respect to lower income housing developed or operated pursuant to contract between Secretary of Housing and Urban Development and Indian housing authority, see section 626 of Pub. L. 102–550, set out as an Effective Date note under section 1437a of this title.

Increase in Budget Authority for Certificate and Voucher Programs for Disaster Relief

§ 1437c–1. Public housing agency plans

(a) 5-year plan

(1) In general

Subject to paragraph (3), not less than once every 5 fiscal years, each public housing agency shall submit to the Secretary a plan that includes, with respect to the 5 fiscal years immediately following the date on which the plan is submitted—

(A) a statement of the mission of the public housing agency for serving the needs of low-income and very low-income families in the jurisdiction of the public housing agency during such fiscal years; and

(B) a statement of the goals and objectives of the public housing agency that will enable the public housing agency to serve the needs identified pursuant to subparagraph (A) during those fiscal years.

(2) Statement of goals

The 5-year plan shall include a statement by any public housing agency of the goals, objectives, policies, or programs that will enable the housing authority to serve the needs of child and adult victims of domestic violence, dating violence, sexual assault, or stalking.

(3) Initial plan

The initial 5-year plan submitted by a public housing agency under this subsection shall be submitted for the 5-year period beginning on October 1, 1999, or the first fiscal year thereafter for which the public housing agency initially receives assistance under this chapter.

(b) Annual plan

(1) In general

Effective beginning upon October 1, 1999, each public housing agency shall submit to the Secretary an annual public housing agency plan under this subsection for each fiscal year for which the public housing agency receives assistance under section 1437f(o) or 1437r of this title.

(2) Updates

For each fiscal year after the initial submission of an annual plan under this subsection by a public housing agency, the public housing agency may comply with requirements for submission of a plan under this subsection by submitting an update of the plan for the fiscal year.

(3) Exemption of certain PHAs from filing requirement

(A) In general

Notwithstanding paragraph (1) or any other provision of this chapter—

(i) the requirement under paragraph (1) shall not apply to any qualified public housing agency; and

(ii) except as provided in subsection (e)(4)(B), any reference in this section or any other provision of law to a “public housing agency” shall not be considered to apply to any qualified public housing agency, to the extent such reference applies to the requirement to submit an annual public housing agency plan under this subsection.

(B) Civil rights certification

Notwithstanding that qualified public housing agencies are exempt under subparagraph (A) from the requirement under this section to prepare and submit an annual public housing agency plan, each qualified public housing agency shall, on an annual basis, make the certification described in paragraph (16) of subsection (d), except that for purposes of such qualified public housing agencies, such paragraph shall be applied by substituting “the public housing program of the agency” for “the public housing agency plan”.

(C) Definition

For purposes of this section, the term “qualified public housing agency” means a public housing agency that meets the following requirements:

(i) The sum of (I) the number of public housing dwelling units administered by the agency, and (II) the number of vouchers under section 1437f(e)(2) of this title administered by the agency, is 550 or fewer.

(ii) The agency is not designated under section 1437d(j)(2) of this title as a troubled public housing agency, and does not have a failing score under the section 8 [42 U.S.C. 1437f] Management Assessment Program during the prior 12 months.

(c) Procedures

(1) In general

The Secretary shall establish requirements and procedures for submission and review of plans, including requirements for timing and form of submission, and for the contents of such plans.
§ 1437c–1  TITLE 42—THE PUBLIC HEALTH AND WELFARE  Page 4146

(2) Contents
The procedures established under paragraph
(1) shall provide that a public housing agency shall—
(A) in developing the plan consult with the resident advisory board established under
subsection (e); and
(B) ensure that the plan under this section is consistent with the applicable comprehensive
housing affordability strategy (or any consolidated plan incorporating such strategy)
for the jurisdiction in which the public
housing agency is located, in accordance
with title I of the Cranston-Gonzalez Na-
tional Affordable Housing Act [42 U.S.C.
12701 et seq.], and contains a certification by
the appropriate State or local official that
the plan meets the requirements of this
paragraph and a description of the manner
in which the applicable contents of the pub-
lic housing agency plan are consistent with
the comprehensive housing affordability
strategy.

(d) Contents
An annual public housing agency plan under
subsection (b) for a public housing agency shall
contain the following information relating to
the upcoming fiscal year for which the assist-
ance under this chapter is to be made available:

(1) Needs
A statement of the housing needs of low-in-
come and very low-income families residing
in the jurisdiction served by the public housing
agency, and of other low-income and very low-
income families on the waiting list of the
agency (including housing needs of elderly
families and disabled families), and the means
by which the public housing agency intends, to
the maximum extent practicable, to address
those needs.

(2) Financial resources
A statement of financial resources available
to the agency and the planned uses of those re-
sources.

(3) Eligibility, selection, and admissions poli-
cies
A statement of the policies governing eligi-
bility, selection, admissions (including any
preferences), assignment, and occupancy of
families with respect to public housing dwell-
ing units and housing assistance under section
1437f(o) of this title, including—
(A) the procedures for maintaining waiting
lists for admissions to public housing
projects of the agency, which may include a
system of site-based waiting lists under sec-
tion 1437d(r) of this title; and
(B) the admissions policy under section
1437n(a)(3)(B) of this title for deconcen-
tration of lower-income families.

(4) Rent determination
A statement of the policies of the public
housing agency governing rents charged for
public housing dwelling units and rental con-
tributions of families assisted under section
1437f(o) of this title.

(5) Operation and management
A statement of the rules, standards, and
policies of the public housing agency govern-
ing maintenance and management of housing
owned, assisted, or operated by the public
housing agency (which shall include measures
necessary for the prevention or eradication of
pest infestation, including by cockroaches),
and management of the public housing agency
and programs of the public housing agency.

(6) Grievance procedure
A statement of the grievance procedures of
the public housing agency.

(7) Capital improvements
With respect to public housing projects
owned, assisted, or operated by the public
housing agency, a plan describing the capital
improvements necessary to ensure long-term
physical and social viability of the projects.

(8) Demolition and disposition
With respect to public housing projects
owned by the public housing agency—
(A) a description of any housing for which
the PHA will apply for demolition or dispo-
sition under section 1437p of this title; and
(B) a timetable for the demolition or dis-
position.

(9) Designation of housing for elderly and dis-
abled families
With respect to public housing projects
owned, assisted, or operated by the public
housing agency, a description of any projects
(or portions thereof) that the public housing
agency has designated or will apply for des-
ignation for occupancy by elderly and disabled
families in accordance with section 1437e of
this title.

(10) Conversion of public housing
With respect to public housing owned by a
public housing agency—
(A) a description of any building or build-
ings that the public housing agency is re-
quired to convert to tenant-based assistance
under section 1437z–5 of this title or that the
public housing agency plans to voluntarily
convert under section 1437t of this title;
(B) an analysis of the projects or buildings
required to be converted under section
1437z–5 of this title; and
(C) a statement of the amount of assist-
ance received under this chapter to be used
for rental assistance or other housing assist-
ance in connection with such conversion.

(11) Homeownership
A description of any homeownership pro-
grams of the agency under section 1437z–5 of
this title or for which the public housing agen-
cy has applied or will apply for approval under
section 1437z–4 of this title.

(12) Community service and self-sufficiency
A description of—
(A) any programs relating to services and
amenities provided or offered to assisted
families;
(B) any policies or programs of the public
housing agency for the enhancement of the
economic and social self-sufficiency of assis-
ted families;
(C) how the public housing agency will
comply with the requirements of subsections
(c) and (d) of section 1437] of this title (relating to community service and treatment of income changes resulting from welfare program requirements).

(13) Domestic violence, dating violence, sexual assault, or stalking programs

A description of—
(A) any activities, services, or programs provided or offered by an agency, either directly or in partnership with other service providers, to child or adult victims of domestic violence, dating violence, sexual assault, or stalking;
(B) any activities, services, or programs provided or offered by a public housing agency to prevent domestic violence, dating violence, sexual assault, or stalking, to obtain or maintain housing; and
(C) any activities, services, or programs provided or offered by a public housing agency to prevent domestic violence, dating violence, sexual assault, and stalking, or to enhance victim safety in assisted families.

(14) Safety and crime prevention

A plan established by the public housing agency, which shall be subject to the following requirements:

(A) Safety measures

The plan shall provide, on a project-by-project or jurisdiction-wide basis, for measures to ensure the safety of public housing residents.

(B) Establishment

The plan shall be established in consultation with the police officer or officers in command for the appropriate precinct or police department.

(C) Content

The plan shall describe the need for measures to ensure the safety of public housing residents and for crime prevention measures, describe any such activities conducted or to be conducted by the agency, and provide for coordination between the agency and the appropriate police precincts for carrying out such measures and activities.

(D) Secretarial action

If the Secretary determines, at any time, that the security needs of a project are not being adequately addressed by the plan, or that the local police precinct is not complying with the plan, the Secretary may mediate between the public housing agency and the local precinct to resolve any issues of conflict.

(15) Pets

The requirements of the agency, pursuant to section 1437c-3 of this title, relating to pet ownership in public housing.

(16) Civil rights certification


(17) Annual audit

The results of the most recent fiscal year audit of the public housing agency under section 1457c(h)(2) of this title.

(18) Asset management

A statement of how the agency will carry out its asset management functions with respect to the public housing inventory of the agency, including how the agency will plan for the long-term operating, capital investment, rehabilitation, modernization, disposition, and other needs for such inventory.

(19) Other

Any other information required by law to be included in a public housing agency plan.

(e) Resident advisory board

(1) In general

Except as provided in paragraph (3), each public housing agency shall establish 1 or more resident advisory boards in accordance with this subsection, the membership of which shall adequately reflect and represent the residents assisted by the public housing agency.

(2) Functions

Each resident advisory board established under this subsection by a public housing agency shall assist and make recommendations regarding the development of the public housing agency plan for the agency. The agency shall consider the recommendations of the resident advisory boards in preparing the final public housing agency plan, and shall include, in the public housing agency plan submitted to the Secretary under this section, a copy of the recommendations and a description of the manner in which the recommendations were addressed.

(3) Waiver

The Secretary may waive the requirements of this subsection with respect to the establishment of resident advisory boards for a public housing agency if the agency demonstrates to the satisfaction of the Secretary that there exist resident councils or other resident organizations of the public housing agency that—
(A) adequately represent the interests of the residents of the public housing agency; and
(B) have the ability to perform the functions described in paragraph (2).

(4) Qualified public housing agencies

(A) In general

Except as provided in subparagraph (B), nothing in this section may be construed to exempt a qualified public housing agency from the requirement under paragraph (1) to establish 1 or more resident advisory boards. Notwithstanding that qualified public housing agencies are exempt under subsection (b)(3)(A) from the requirement under this section to prepare and submit an annual
§ 1437c–1  TITLE 42—THE PUBLIC HEALTH AND WELFARE

public housing plan, each qualified public housing agency shall consult with, and consider the recommendations of the resident advisory boards for the agency, at the annual public hearing required under subsection (f)(5), regarding any changes to the goals, objectives, and policies of that agency.

(B) Applicability of waiver authority

Paragraph (3) shall apply to qualified public housing agencies, except that for purposes of such qualified public housing agencies, subparagraph (B) of such paragraph shall be applied by substituting “the functions described in the second sentence of paragraph (4)(A)” for “the functions described in paragraph (2)”.

(f) Public hearings

(1) In general

In developing a public housing agency plan under this section, the board of directors or similar governing body of a public housing agency shall conduct a public hearing to discuss the public housing agency plan and to invite public comment regarding that plan. The hearing shall be conducted at a location that is convenient to residents.

(2) Availability of information and notice

Not later than 45 days before the date of a hearing conducted under paragraph (1), the public housing agency shall—

(A) make the proposed public housing agency plan and all information relevant to the hearing and proposed plan available for inspection by the public at the principal office of the public housing agency during normal business hours; and

(B) publish a notice informing the public that—

(i) that the information is available as required under subparagraph (A); and

(ii) that a public hearing under paragraph (1) will be conducted.

(3) Adoption of plan

A public housing agency may adopt a public housing agency plan and submit the plan to the Secretary in accordance with this section only after—

(A) conducting a public hearing under paragraph (1);

(B) considering all public comments received; and

(C) making any appropriate changes in the public housing agency plan, in consultation with the resident advisory board.

(4) Advisory board consultation enforcement

Pursuant to a written request made by the resident advisory board for a public housing agency that documents a failure on the part of the agency to provide adequate notice and opportunity for comment under this subsection and a finding by the Secretary of good cause within the time period provided for in subsection (i)(4), the Secretary may require the public housing agency to adequately remedy such failure before final approval of the public housing agency plan under this section.

(5) Qualified public housing agencies

(A) Requirement

Notwithstanding that qualified public housing agencies are exempt under subsection (b)(3)(A) from the requirement under this section to conduct a public hearing regarding the annual public housing plan of the agency, each qualified public housing agency shall annually conduct a public hearing—

(i) to discuss any changes to the goals, objectives, and policies of the agency; and

(ii) to invite public comment regarding such changes.

(B) Availability of information and notice

Not later than 45 days before the date of any hearing described in subparagraph (A), a qualified public housing agency shall—

(i) make all information relevant to the hearing and any determinations of the agency regarding changes to the goals, objectives, and policies of the agency to be considered at the hearing available for inspection by the public at the principal office of the public housing agency during normal business hours; and

(ii) publish a notice informing the public that—

(I) the information is available as required under clause (i); and

(II) a public hearing under subparagraph (A) will be conducted.

(g) Amendments and modifications to plans

(1) In general

Except as provided in paragraph (2), nothing in this section shall preclude a public housing agency, after submitting a plan to the Secretary in accordance with this section, from amending or modifying any policy, rule, regulation, or plan of the public housing agency, except that a significant amendment or modification may not—

(A) be adopted, other than at a duly called meeting of board of directors (or similar governing body) of the public housing agency that is open to the public; and

(B) be implemented, until notification of the amendment or modification is provided to the Secretary and approved in accordance with subsection (i).

(2) Consistency and notice

Each significant amendment or modification to a public housing agency plan submitted to the Secretary under this section shall—

(A) meet the requirements under subsection (c)(2) (relating to consultation with resident advisory board and consistency with comprehensive housing affordability strategies); and

(B) be subject to the notice and public hearing requirements of subsection (f).

(h) Submission of plans

(1) Initial submission

Each public housing agency shall submit the initial plan required by this section, and any

1So in original. The word “that” probably should not appear.
amendment or modification to the initial plan, to the Secretary at such time and in such form as the Secretary shall require.

(2) Annual submission

Not later than 75 days before the start of the fiscal year of the public housing agency, after submission of the initial plan required by this section in accordance with subparagraph (A), each public housing agency shall annually submit to the Secretary a plan update, including any amendments or modifications to the public housing agency plan.

(i) Review and determination of compliance

(1) Review

Subject to paragraph (2), after submission of the public housing agency plan or any amendment or modification to the plan to the Secretary, to the extent that the Secretary considers such action to be necessary to make determinations under this paragraph, the Secretary shall review the public housing agency plan (including any amendments or modifications thereto) and determine whether the contents of the plan—

(A) set forth the information required by this section and this chapter to be contained in a public housing agency plan;

(B) are consistent with information and data available to the Secretary, including the approved comprehensive housing affordability strategy under title 1 of the Cranston-Gonzalez National Affordable Housing Act [42 U.S.C. 12701 et seq.] for the jurisdiction in which the public housing agency is located; and

(C) are not prohibited by or inconsistent with any provision of this subchapter or other applicable law.

(2) Elements exempted from review

The Secretary may, by regulation, provide that one or more elements of a public housing agency plan shall be reviewed only if the element is challenged, except that the Secretary shall review the information submitted in each plan pursuant to paragraphs (3)(B), (8), and (15) of subsection (4).

(3) Disapproval

The Secretary may disapprove a public housing agency plan (or any amendment or modification thereto) only if Secretary determines that the contents of the plan (or amendment or modification) do not comply with the requirements under subparagraph (A) through (C) of paragraph (1).

(4) Determination of compliance

(A) In general

Except as provided in subsection (j)(2), not later than 75 days after the date on which a public housing agency plan is submitted in accordance with this section, the Secretary shall make the determination under paragraph (1) and provide written notice to the public housing agency if the plan has been disapproved. If the Secretary disapproves the plan, the notice shall state with specificity the reasons for the disapproval.

(B) Failure to provide notice of disapproval

In the case of a plan disapproved, if the Secretary does not provide notice of disapproval under subparagraph (A) before the expiration of the period described in subparagraph (A), the Secretary shall be considered, for purposes of this chapter, to have made a determination that the plan complies with the requirements under this section and the agency shall be considered to have been notified of compliance upon the expiration of such period. The preceding sentence shall not preclude judicial review regarding such compliance pursuant to chapter 7 of title 5 or an action regarding such compliance under section 1983 of this title.

(5) Public availability

A public housing agency shall make the approved plan of the agency available to the general public.

(j) Troubled and at-risk PHAs

(1) In general

The Secretary may require, for each public housing agency that is at risk of being designated as troubled under section 1437d(j)(2) of this title or is designated as troubled under section 1437d(j)(2) of this title, that the public housing agency plan for such agency include such additional information as the Secretary determines to be appropriate, in accordance with such standards as the Secretary may establish or in accordance with such determinations as the Secretary may make on an agency-by-agency basis.

(2) Troubled agencies

The Secretary shall provide explicit written approval or disapproval, in a timely manner, for a public housing agency plan submitted by any public housing agency designated by the Secretary as a troubled public housing agency under section 1437d(j)(2) of this title.

(k) Streamlined plan

In carrying out this section, the Secretary may establish a streamlined public housing agency plan for—

(A) public housing agencies that are determined by the Secretary to be high performing public housing agencies;

(B) public housing agencies with less than 250 public housing units that have not been designated as troubled under section 1437d(j)(2) of this title; and

(C) public housing agencies that only administer tenant-based assistance and that do not own or operate public housing.

(l) Compliance with plan

(1) In general

In providing assistance under this subchapter, a public housing agency shall comply with the rules, standards, and policies established in the public housing agency plan of the public housing agency approved under this section.

(2) Investigation and enforcement

In carrying out this subchapter, the Secretary shall—

(A) provide an appropriate response to any complaint concerning noncompliance by a public housing agency with the applicable public housing agency plan; and
(B) if the Secretary determines, based on a finding of the Secretary or other information available to the Secretary, that a public housing agency is not complying with the applicable public housing agency plan, take such actions as the Secretary determines to be appropriate to ensure such compliance.


REFERENCES IN TEXT

The Cranston-Gonzalez National Affordable Housing Act, referred to in subsec. (c)(2)(B) and (i)(1)(B), is Pub. L. 101–625, Nov. 28, 1990, 104 Stat. 4079. Title I of the Act is classified generally to subchapter I (§12701 et seq.) of chapter 130 of this title. For complete classification of this Act to the Code, see Short Title note set out under section 12101 of this title and Tables.


The Fair Housing Act, referred to in subsec. (d)(16), is title VIII of Pub. L. 90–384, Apr. 11, 1968, 82 Stat. 81, which is classified generally to subchapter II (§ 3601 et seq.) of chapter 45 of this title. For complete classification of this Act to the Code, see Short Title note set out under section 12101 of this title and Tables.


The Secretary shall publish in the final rule a summary of the recommendations made and public comments received and the Department of Housing and Urban Development’s response to such recommendations and comments.

AUDIT AND REVIEW; REPORT


“(1) AUDIT AND REVIEW.—Not later than 1 year after the effective date of final regulations issued under subsection (b)(2) [set out as a note above], in order to determine the degree of compliance, by public housing agencies, with public housing agency plans approved under section 5A of the United States Housing Act of 1937 (§2 U.S.C. 1437c–1) (as added by subsection (a) of this section), the Comptroller General of the United States shall conduct—

“(A) a review of a representative sample of the public housing agency plans approved under such section 5A before such date; and

“(B) an audit and review of the public housing agencies submitting such plans.

“(2) REPORT.—Not later than 2 years after the date on which public housing agency plans are initially required to be submitted under section 5A of the United States Housing Act of 1937 (§2 U.S.C. 1437c–1) (as added by subsection (a) of this section) the Comptroller General of the United States shall submit to the Congress a report, which shall include—

“(A) a description of the results of each audit and review under paragraph (1); and

“(B) any recommendations for increasing compliance by public housing agencies with their public housing agency plans approved under section 5A of the United States Housing Act of 1937 (as added by subsection (a) of this section).”

§ 1437d. Contract provisions and requirements; loans and annual contributions

(a) Conditions; elevators

The Secretary may include in any contract for loans, contributions, sale, lease, mortgage, or any other agreement or instrument made pursuant to this chapter, such covenants, conditions, or provisions as he may deem necessary in order to insure the lower income character of the project involved, in a manner consistent with the public housing agency plan. Any such contract shall require that, except in the case of housing predominantly for elderly or disabled

interim rule shall provide for a public comment period of not less than 60 days.

“(2) FINAL REGULATIONS.—Not later than 1 year after the date of the enactment of this Act [Oct. 21, 1998], the Secretary shall issue final regulations implementing section 5A of the United States Housing Act of 1937 (§2 U.S.C. 1437c–1) (as added by subsection (a) of this section).

“(3) FACTORS FOR CONSIDERATION.—Before the publication of the final regulations under paragraph (2), in addition to public comments invited in connection with the publication of the interim rule, the Secretary shall—

“(A) seek recommendations on the implementation of section 5A of the United States Housing Act of 1937 (§2 U.S.C. 1437c–1) (as added by this (sic) subsection (a) of this section) from organizations representing—

“(i) State or local public housing agencies;

“(ii) residents, including resident management corporations; and

“(iii) other appropriate parties; and

“(B) convene not less than 2 public forums at which the persons or organizations making recommendations under subparagraph (A) may express views concerning the proposed disposition of the recommendations.

The Secretary shall publish in the final rule a summary of the comments made and public comments received and the Department of Housing and Urban Development’s response to such recommendations and comments.
families, high-rise elevator projects shall not be provided for families with children unless the Secretary makes a determination that there is no practical alternative.

(b) **Limitation on development costs**

(1) Each contract for loans (other than preliminary loans) or contributions for the development, acquisition, or operation of public housing shall provide that the total development cost of the project on which the computation of any annual contributions under this chapter may be based may not exceed the amount determined under paragraph (2) (for the appropriate structure type) unless the Secretary provides otherwise, and in any case may not exceed 110 per centum of such amount unless the Secretary for good cause determines otherwise.

(2) For purposes of paragraph (1), the Secretary shall determine the total development cost by multiplying the construction cost guideline for the project (which shall be determined by averaging the current construction costs, as listed by not less than 2 nationally recognized residential construction cost indices, for publicly bid construction of a good and sound quality) by—

(A) in the case of elevator type structures, 1.6; and
(B) in the case of nonelevator type structures, 1.75.

(3) In calculating the total development cost of a project under paragraph (2), the Secretary shall consider only capital assistance provided by the Secretary to a public housing agency that are 1 authorized for use in connection with the development of public housing, and shall exclude all other amounts, including amounts provided under—

(A) the HOME investment partnerships program authorized under title II of the Cranston-Gonzalez National Affordable Housing Act [42 U.S.C. 12721 et seq.]; or
(B) the community development block grants program under title I of the Housing and Community Development Act of 1974 [42 U.S.C. 5301 et seq.].

(4) The Secretary may restrict the amount of capital funds that a public housing agency may use to pay for housing construction costs. For purposes of this paragraph, housing construction costs include the actual hard costs for the construction of units, builders' overhead and profit, utilities from the street, and finish landscaping.

(c) **Revision of maximum income limits; certification of compliance with requirements; notification of eligibility; informal hearing; compliance with procedures for sound management**

Every contract for contributions shall provide that—

(1) the Secretary may require the public housing agency to review and revise its maximum income limits if the Secretary determines that changed conditions in the locality make such revision necessary in achieving the purposes of this chapter;

(2) the public housing agency shall determine, and so certify to the Secretary, that each family in the project was admitted in accordance with duly adopted regulations and approved income limits; and the public housing agency shall review the incomes of families living in the project no less frequently than annually;

(3) the public housing agency shall promptly notify (i) any applicant determined to be ineligible for admission to the project of the basis for such determination and provide the applicant upon request, within a reasonable time after the determination is made, with an opportunity for an informal hearing on such determination, and (ii) any applicant determined to be eligible for admission to the project of the approximate date of occupancy insofar as such date can be reasonably determined; and

(4) the public housing agency shall comply with such procedures and requirements as the Secretary may prescribe to assure that sound management practices will be followed in the operation of the project, including requirements pertaining to—

(A) making dwelling units in public housing available for occupancy, which shall provide that the public housing agency may establish a system for making dwelling units available that provides preference for such occupancy to families having certain characteristics; each system of preferences established pursuant to this subparagraph shall be based upon local housing needs and priorities, as determined by the public housing agency using generally accepted data sources, including any information obtained pursuant to an opportunity for public comment as provided under section 1437c-1(d) of this title and under the requirements applicable to the comprehensive housing affordability strategy for the relevant jurisdiction;

(B) the establishment of satisfactory procedures designed to assure the prompt payment and collection of rents and the prompt processing of evictions in the case of non-payment of rent;

(C) the establishment of effective tenant-management relationships designed to assure that satisfactory standards of tenant security and project maintenance are formulated and that the public housing agency (together with tenant councils where they exist) enforces those standards fully and effectively;

(D) the development by local housing authorities of viable homeownership opportunity programs for low-income families capable of assuming the responsibilities of homeownership;

(E) for each agency that receives assistance under this subchapter, the establishment and maintenance of a system of accounting for rental collections and costs (including administrative, utility, maintenance, repair and other operating costs) for each project or operating cost center (as determined by the Secretary), which collections and costs shall be made available to the general public and submitted to the appropriate local public official (as determined by the Secretary); except that the Secretary

---

1 So in original. Probably should be “is”. 

---
may permit agencies owning or operating less than 500 units to comply with the requirements of this subparagraph by accounting on an agency-wide basis; and

(F) requiring the public housing agency to ensure and maintain compliance with such Title C of title VI of the Housing and Community Development Act of 1992 [42 U.S.C. 13601 et seq.] and any regulations issued under such subtitle.

(d) Exemption from personal and real property taxes; payments in lieu of taxes; cash contribution or tax remission

Every contract for contributions with respect to a low-income housing project shall provide that no contributions by the Secretary shall be made available for such project unless such project (exclusive of any portion thereof which is not assisted by contributions under this chapter) is exempt from all real and personal property taxes levied or imposed by the State, city, county, or other political subdivision; and such contract shall require the public housing agency to make payments in lieu of taxes equal to 10 per centum of the sum of the shelter rents charged in such project, or such lesser amount as (i) is prescribed by State law, or (ii) is agreed to by the local governing body in its agreement for local cooperation with the public housing agency required under section 1437c(e)(2) of this title, or (iii) is due to failure of a local public body or bodies other than the public housing agency to perform any obligation under such agreement. If any such project is not exempt from all real and personal property taxes levied or imposed by the State, city, county, or other political subdivision, such contract shall provide, in lieu of the requirement for tax exemption and payments in lieu of taxes, that no contributions by the Secretary shall be made available for such project unless and until the State, city, county, or other political subdivision in which such project is situated shall contribute, in the form of cash or tax remission, the amount by which the taxes paid with respect to the project exceed 10 per centum of the shelter rents charged in such project.


(f) Housing quality requirements

(1) In general

Each contract for contributions for a public housing agency shall require that the agency maintain its public housing in a condition that complies with standards which meet or exceed the housing quality standards established under paragraph (2).

(2) Federal standards

The Secretary shall establish housing quality standards under this paragraph that ensure that public housing dwelling units are safe and habitable. Such standards shall include requirements relating to habitability, including maintenance, health and sanitation factors, condition, and construction of dwellings, and shall, to the greatest extent practicable, be consistent with the standards established under section 1437f(o)(8)(B)(i) of this title. The Secretary may determine whether the laws, regulations, standards, or codes of any State or local jurisdiction meet or exceed these standards, for purposes of this subsection.

(3) Annual inspections

Each public housing agency that owns or operates public housing shall make an annual inspection of each public housing project to determine whether units in the project are maintained in accordance with the requirements under paragraph (1). The agency shall retain the results of such inspections and, upon the request of the Secretary, the Inspector General for the Department of Housing and Urban Development, or any auditor conducting an audit under section 1437c(h) of this title, shall make such results available.

(g) Substantial default; conveyance of title and delivery of possession; reconveyance and redelivery; payments for outstanding obligations

Every contract for contributions (including contracts which amend or supersede contracts previously made) may provide that—

(1) upon the occurrence of a substantial default in respect to the covenants or conditions to which the public housing agency is subject (as such substantial default shall be defined in such contract), the public housing agency shall be obligated at the option of the Secretary either to convey title in any case where, in the determination of the Secretary (which determination shall be final and conclusive), such conveyance of title is necessary to achieve the purposes of this chapter, or to deliver to the Secretary possession of the project, as then constituted, to which such contract relates; and

(2) the Secretary shall be obligated to reconvey or redeliver possession of the project as constituted at the time of reconveyance or redelivery, to such public housing agency or to its successor (if such public housing agency or a successor exists) upon such terms as shall be prescribed in such contract, and as soon as practicable (i) after the Secretary is satisfied that all defaults with respect to the project have been cured, and that the project will, in order to fulfill the purposes of this chapter, thereafter be operated in accordance with the terms of such contract; or (ii) after the termination of the obligation to make annual contributions available unless there are any obligations or covenants of the public housing agency to the Secretary which are then in default. Any prior conveyances and reconveyances or deliveries and redeliveries of possession shall not exhaust the right to require a conveyance or delivery of possession of the project to the Secretary pursuant to subparagraph (1) upon the subsequent occurrence of a substantial default.

Whenever such a contract for annual contributions includes provisions which the Secretary in such contract determines are in accordance with this subsection, and the portion of the annual contribution payable for debt service requirements pursuant to such contract has been pledged by the public housing agency as security
for the payment of the principal and interest on any of its obligations, the Secretary (notwithstanding any other provisions of this chapter) shall continue to make such annual contributions available for the project so long as any of such obligations remain outstanding, and may covenant in such contract that in any event such annual contributions shall in each year be at least equal to an amount which, together with such income or other funds as are actually available from the project for the purpose at the time such annual contribution is made, will suffice for the payment of all installments, falling due within the next succeeding twelve months, of principal and interest on the obligations for which the annual contributions provided for in the contract shall have been pledged as security. In no case shall such annual contributions be in excess of the maximum sum specified in the contract involved, nor for longer than the remainder of the maximum period fixed by the contract.

(b) **New construction contracts**

On or after October 1, 1983, the Secretary may enter into a contract involving new construction only if the public housing agency demonstrates to the satisfaction of the Secretary that the cost of new construction in the neighborhood where the public housing agency determines the housing is needed is less than the cost of acquisition or acquisition and rehabilitation in such neighborhood, including any reserve fund under subsection (i), would be.

(i) **Reserve fund; major repairs**

The Secretary may, upon application by a public housing agency in connection with the acquisition of housing for use as public housing, establish and set aside a reserve fund in an amount not to exceed 30 per centum of the acquisition cost which shall be available for use for major repairs to such housing.

(j) **Performance indicators for public housing agencies**

(1) The Secretary shall develop and publish in the Federal Register indicators to assess the management performance of public housing agencies and resident management corporations. The indicators shall be established by rule under section 553 of title 5. Such indicators shall enable the Secretary to evaluate the performance of public housing agencies and resident management corporations in all major areas of management operations. The Secretary shall, in particular, use the following indicators for public housing agencies, to the extent practicable:

   (A) The number and percentage of vacancies within an agency's inventory, including the progress that an agency has made within the previous 3 years to reduce such vacancies.

   (B) The amount and percentage of funds provided to the public housing agency from the Capital Fund under section 1437g(d) of this title which remain unobligated by the public housing agency after 3 years.

   (C) The percentage of rents uncollected.

   (D) The utility consumption (with appropriate adjustments to reflect different regions and unit sizes).

   (E) The average period of time that an agency requires to repair and turn-around vacant units.

   (F) The proportion of maintenance work orders outstanding, including any progress that an agency has made during the preceding 3 years to reduce the period of time required to complete maintenance work orders.

   (G) The percentage of units that an agency fails to inspect to ascertain maintenance or modernization needs within such period of time as the Secretary deems appropriate (with appropriate adjustments, if any, for large and small agencies).

   (H) The extent to which the public housing agency—

      (i) coordinates, promotes, or provides effective programs and activities to promote the economic self-sufficiency of public housing residents; and

      (ii) provides public housing residents with opportunities for involvement in the administration of the public housing.

   (I) The extent to which the public housing agency—

      (i) implements effective screening and eviction policies and other anticrime strategies; and

      (ii) coordinates with local government officials and residents in the project and implementation of such strategies.

   (J) The extent to which the public housing agency is providing acceptable basic housing conditions.

   (K) Any other factors as the Secretary deems appropriate which shall not exceed the seven factors in the statute, plus an additional five.

   (L) The Secretary shall:

      (1) administer the system of evaluating public housing agencies flexibly to ensure that such agencies are not penalized as result of circumstances beyond their control;

      (2) reflect in the weights assigned to the various indicators the differences in the difficulty of managing individual projects that result from their physical condition and their neighborhood environment; and

      (3) determine a public housing agency's status as "troubled with respect to the program under section 1437 of this title" based upon factors solely related to its ability to carry out that program.

(2) **(A)** (1) The Secretary shall, under the rule-making procedures under section 553 of title 5, establish procedures for designating troubled public housing agencies, which procedures shall include identification of serious and substantial failure to perform as measured by the performance indicators specified under paragraph (1) and such other factors as the Secretary may deem to be appropriate. Such procedures shall provide that an agency that fails on a widespread basis to provide acceptable basic housing conditions for its residents shall be designated as a troubled public housing agency. The Secretary may use a simplified set of indicators for public housing agencies with less than 250 public housing units. The Secretary shall also des-
ignite, by rule under section 553 of title 5, agencies that are troubled with respect to the program for assistance from the Capital Fund under section 1437g(d) of this title.

(ii) The Secretary may also, in consultation with national organizations representing public housing agencies and public officials (as the Secretary determines appropriate), identify and commend public housing agencies that meet the performance standards established under paragraph (1) in an exemplary manner.

(iii) The Secretary shall establish procedures for public housing agencies to appeal designation as a troubled agency (including designation as a troubled agency for purposes of the program for assistance from the Capital Fund under section 1437g(d) of this title); to petition for removal of such designation, and to appeal any refusal to remove such designation.

(B)(i) Upon designating a public housing agency with more than 250 units as troubled pursuant to subparagraph (A) and determining that an assessment under this subparagraph will not duplicate any comparable and recent review, the Secretary shall provide for an on-site, independent assessment of the management of the agency.

(ii) To the extent the Secretary deems appropriate (taking into account an agency's performance under the indicators specified under paragraph (1)), the assessment team shall also consider issues relating to the agency's resident population and physical inventory, including the extent to which (I) the agency's comprehensive plan prepared pursuant to section 1437d of this title adequately and appropriately addresses the rehabilitation needs of the agency's inventory, (II) residents of the agency are involved in and informed of significant management decisions, and (III) any projects in the agency's inventory are severely distressed and eligible for assistance pursuant to section 1437v of this title.

(iii) An independent assessment under this subparagraph shall be carried out by a team of knowledgeable individuals selected by the Secretary referred to in this section as the assessment team with expertise in public housing and real estate management. In conducting an assessment, the assessment team shall consult with the residents and with public and private entities in the jurisdiction in which the public housing is located. The assessment team shall provide to the Secretary and the public housing agency a written report, which shall contain, at a minimum, recommendations for such management improvements as are necessary to eliminate or substantially remedy existing deficiencies.

(C) The Secretary shall seek to enter into an agreement with each troubled public housing agency, after reviewing the report submitted pursuant to subparagraph (B) (if applicable) and consulting with the agency's assessment team. Such agreement shall set forth—

(i) targets for improving performance as measured by the performance indicators specified under paragraph (1) and other requirements within a specified period of time;

(ii) strategies for meeting such targets, including a description of the technical assistance that the Secretary will make available to the agency; and

(iii) incentives or sanctions for effective implementation of such strategies, which may include any constraints on the use of funds that the Secretary determines are appropriate.

To the extent the Secretary deems appropriate (taking into account an agency's performance under the indicators specified under paragraph (1)), such agreement shall also set forth a plan for enhancing resident involvement in the management of the public housing agency. The Secretary and the public housing agency shall, to the maximum extent practicable, seek the assistance of local public and private entities in carrying out the agreement.

(D) The Secretary shall apply the provisions of this paragraph to resident management corporations as well as public housing agencies.

(3)(A) Notwithstanding any other provision of law or of any contract for contributions, upon the occurrence of events or conditions that constitute a substantial default by a public housing agency with respect to the covenants or conditions to which the public housing agency is subject or an agreement entered into under paragraph (2), the Secretary may—

(i) solicit competitive proposals from other public housing agencies and private housing management agents which (I) in the discretion of the Secretary, may be selected by existing public housing residents through administrative procedures established by the Secretary, and (II) if appropriate, shall provide for such agents to manage all, or part, of the housing administered by the public housing agency or all or part of the other programs of the agency;

(ii) petition for the appointment of a receiver (which may be another public housing agency or a private management corporation) of the public housing agency to any district court of the United States or to any court of the State in which the real property of the public housing agency is situated, that is authorized to appoint a receiver for the purposes and having the powers prescribed in this subsection;

(iii) solicit competitive proposals from other public housing agencies and private entities with experience in construction management in the eventuality that such agencies or firms may be needed to oversee implementation of assistance made available from the Capital Fund under section 1437g(d) of this title for the housing; and

(iv) take possession of all or part of the public housing agency, including all or part of any project or program of the agency, including any project or program under any other provision of this subchapter; and

(v) require the agency to make other arrangements acceptable to the Secretary and in the best interests of the public housing residents and families assisted under section 1437f of this title for managing all, or part, of the public housing administered by the agency or of the programs of the agency.

Residents of a public housing agency designated as troubled pursuant to paragraph (2)(A) may pe-

---

5 so in original. The word “and” probably should not appear.
tion the Secretary in writing to take 1 or more of the actions referred to in this subparagraph. The Secretary shall respond to such petitions in a timely manner with a written description of the actions, if any, the Secretary plans to take and, where applicable, the reasons why such actions differ from the course proposed by the residents.

(B)(i) If a public housing agency is identified as troubled under this subsection, the Secretary shall notify the agency of the troubled status of the agency.

(ii) Upon the expiration of the 1-year period beginning on the later of the date on which the agency receives initial notice from the Secretary of the troubled status of the agency under clause (i) and October 21, 1998, the agency shall improve its performance, as measured by the performance indicators established pursuant to paragraph (1), by at least 50 percent of the difference between the most recent performance measurement and the measurement necessary to remove that agency's designation as troubled.

(II) Upon the expiration of the 2-year period beginning on the later of the date on which the agency receives initial notice from the Secretary of the troubled status of the agency under clause (i) and October 21, 1998, the agency shall improve its performance, as measured by the performance indicators established pursuant to paragraph (1), such that the agency is no longer designated as troubled.

(III) In the event that a public housing agency designated as troubled under this subsection fails to comply with the requirements set forth in subclause (I) or (II), the Secretary shall—

(aa) in the case of a troubled public housing agency with 1,250 or more units, petition for the appointment of a receiver pursuant to subparagraph (A)(ii); or

(bb) in the case of a troubled public housing agency with fewer than 1,250 units, either petition for the appointment of a receiver pursuant to subparagraph (A)(ii), or take possession of the public housing agency (including all or part of any project or program of the agency) pursuant to subparagraph (A)(iv) and appoint, on a competitive or noncompetitive basis, an individual or entity as an administrative receiver to assume the responsibilities of the Secretary for the administration of all or part of the public housing agency (including all or part of any project or program of the agency), as permitted by applicable State and local law, of 1 or more new public housing agencies.

This subparagraph shall not be construed to limit the courses of action available to the Secretary under subparagraph (A).

(IV) During the period between the date on which a petition is filed under subclause (III)(aa) and the date on which a receiver assumes responsibility for the management of the public housing agency under such subclause, the Secretary may take possession of the public housing agency (including all or part of any project or program of the agency) pursuant to subparagraph (A)(iv) and may appoint, on a competitive or noncompetitive basis, an individual or entity as an administrative receiver to assume the responsibilities of the Secretary for the administration of all or part of the public housing agency (including all or part of any project or program of the agency).

(C) If a receiver is appointed pursuant to subparagraph (A)(ii), in addition to the powers accorded by the court appointing the receiver, the receiver—

(i) may abrogate any contract to which the United States or an agency of the United States is not a party that, in the receiver's written determination (which shall include the basis for such determination), substantially impedes correction of the substantial default, but only after the receiver determines that reasonable efforts to renegotiate such contract have failed;

(ii) may demolish and dispose of all or part of the assets of the public housing agency (including all or part of any project of the agency) in accordance with section 1437p of this title, including disposition by transfer of properties to resident-supported nonprofit entities;

(iii) if determined to be appropriate by the Secretary, may seek the establishment, as permitted by applicable State and local law, of 1 or more new public housing agencies;

(iv) if determined to be appropriate by the Secretary, may seek consolidation of all or part of the agency (including all or part of any project or program of the agency), as permitted by applicable State and local laws, into other well-managed public housing agencies with the consent of such well-managed agencies; and

(v) shall not be required to comply with any State or local law relating to civil service requirements, employee rights (except civil rights), procurement, or financial or administrative controls that, in the receiver's written determination (which shall include the basis for such determination), substantially impedes correction of the substantial default.

(D)(i) If, pursuant to subparagraph (A)(iv), the Secretary takes possession of all or part of the public housing agency, including all or part of any project or program of the agency, the Secretary—

(I) may abrogate any contract to which the United States or an agency of the United States is not a party that, in the written determination of the Secretary (which shall include the basis for such determination), substantially impedes correction of the substantial default, but only after the Secretary determines that reasonable efforts to renegotiate such contract have failed;

(II) may demolish and dispose of all or part of the assets of the public housing agency (including all or part of any project of the agency) in accordance with section 1437p of this title, including disposition by transfer of properties to resident-supported nonprofit entities; (III) may seek the establishment, as permitted by applicable State and local laws, of 1 or more new public housing agencies;

(IV) may seek consolidation of all or part of the agency (including all or part of any project or program of the agency), as permitted by applicable State and local laws, into other well-managed public housing agencies with the consent of such well-managed agencies;

(V) shall not be required to comply with any State or local law relating to civil service re-
requirements, employee rights (except civil rights), procurement, or financial or administrative controls that, in the Secretary’s written determination (which shall include the basis for such determination), substantially impede correction of the substantial default; and

(VI) shall, without any action by a district court of the United States, have such additional authority as a district court of the United States would have the authority to confer upon a receiver to achieve the purposes of the receivership.

(ii) If, pursuant to subparagraph (B)(ii)(III)(bb), the Secretary appoints an administrative receiver to assume the responsibilities of the Secretary for the administration of all or part of the public housing agency (including all or part of any project or program of the agency), the Secretary may delegate to the administrative receiver any or all of the powers given the Secretary by this subparagraph, as the Secretary determines to be appropriate and subject to clause (iii).

(iii) An administrative receiver may not take an action described in subclause (III) or (IV) of clause (i) unless the Secretary first approves an application by the administrative receiver to authorize such action.

(E) The Secretary may make available to receivers and other entities selected or appointed pursuant to this paragraph such assistance as the Secretary determines in the discretion of the Secretary is necessary and available to remedy the substantial deterioration of living conditions in individual public housing projects or other related emergencies that endanger the health, safety, and welfare of public housing residents or families assisted under section 1437f of this title. A decision made by the Secretary under this paragraph shall not be subject to review in any court of the United States, or in any court of any State, territory, or possession of the United States.

(F) In any proceeding under subparagraph (A)(ii), upon a determination that a substantial default has occurred and without regard to the availability of alternative remedies, the court shall appoint a receiver to conduct the affairs of all or part of the public housing agency in a manner consistent with this chapter and in accordance with such further terms and conditions as the court may provide. The receiver appointed may be another public housing agency, a private management corporation, or any other person or appropriate entity. The court shall have power to grant appropriate temporary or preliminary relief pending final disposition of the petition by the Secretary.

(G) The appointment of a receiver pursuant to this paragraph may be terminated, upon the petition of any party, when the court determines that all defaults have been cured or the public housing agency is capable again of discharging its duties.

(H) If the Secretary (or an administrative receiver appointed by the Secretary) takes possession of a public housing agency (including all or part of any project or program of the agency), or if a receiver is appointed by a court, the Secretary or receiver shall be deemed to be acting

not in the official capacity of that person or entity, but rather in the capacity of the public housing agency, and any liability incurred, regardless of whether the incident giving rise to that liability occurred while the Secretary or receiver was in possession of all or part of the public housing agency (including all or part of any project or program of the agency), shall be the liability of the public housing agency.

(4) Sanctions for Improper Use of Amounts.—

(A) In General.—In addition to any other actions authorized under this chapter, if the Secretary finds that a public housing agency receiving assistance amounts under section 1437g of this title for public housing has failed to comply substantially with any provision of this chapter relating to the public housing program, the Secretary may—

(i) terminate assistance payments under this section 1437g of this title to the agency;

(ii) withhold from the agency amounts from the total allocations for the agency pursuant to section 1437g of this title;

(iii) reduce the amount of future assistance payments under section 1437g of this title to the agency by an amount equal to the amount of such payments that were not expended in accordance with this chapter;

(iv) limit the availability of assistance amounts provided to the agency under section 1437g of this title to programs, projects, or activities not affected by such failure to comply;

(v) withhold from the agency amounts allocated for the agency under section 1437f of this title; or

(vi) order other corrective action with respect to the agency.

(B) Termination of Compliance Action.—If the Secretary takes action under subparagraph (A) with respect to a public housing agency, the Secretary shall—

(i) in the case of action under subparagraph (A)(i), resume payments of assistance amounts under section 1437g of this title to the agency in the full amount of the total allocations under section 1437g of this title for the agency at the time that the Secretary first determines that the agency will comply with the provisions of this chapter relating to the public housing program;

(ii) in the case of action under clause (ii) or (v) of subparagraph (A), make withheld amounts available as the Secretary considers appropriate to ensure that the agency complies with the provisions of this chapter relating to such program;

(iii) in the case of action under subparagraph (A)(iv), release such restrictions at the time that the Secretary first determines that the agency will comply with the provisions of this chapter relating to such program; or

(iv) in the case of action under subparagraph (vi), cease such action at the time that the Secretary first determines that the agency will comply with the provisions of this chapter relating to such program.

§ 1437d

TITLE 42—THE PUBLIC HEALTH AND WELFARE

Page 4156

6So in original. The word “this” probably should not appear.
(5) The Secretary shall submit to the Congress annually, as a part of the report of the Secretary under section 3536 of this title, a report that:

(A) identifies the public housing agencies that have been designated as troubled under paragraph (2);

(B) describes the grounds on which such public housing agencies were designated as troubled and continue to be so designated;

(C) describes the agreements that have been entered into with such agencies under such paragraph;

(D) describes the status of progress under such agreements;

(E) describes any action that has been taken in accordance with paragraph (3), including an accounting of the authorized funds that have been expended to support such actions; and

(F) describes the status of any public housing agency designated as troubled with respect to the program for assistance from the Capital Fund under section 1437g(d) of this title and specifies the amount of assistance the agency received under such program.

(6) (A) To the extent that the Secretary determines such action to be necessary in order to ensure the accuracy of any certification made under this section, the Secretary shall require an independent auditor to review documentation or other information maintained by a public housing agency pursuant to this section to substantiate each certification submitted by the agency or corporation relating to the performance of that agency or corporation.

(B) The Secretary may withhold, from assistance otherwise payable to the agency or corporation under section 1437g of this title, amounts sufficient to pay for the reasonable costs of any review under this paragraph.

(7) The Secretary shall apply the provisions of this subsection to resident management corporations in the same manner as applied to public housing agencies.

(k) Administrative grievance procedure regulations: grounds of adverse action, hearing, examination of documents, representation, evidence, decision; judicial hearing; eviction and termination procedures

The Secretary shall by regulation require each public housing agency receiving assistance under this chapter to establish and implement an administrative grievance procedure under which tenants will—

(1) be advised of the specific grounds of any proposed adverse public housing agency action;

(2) have an opportunity for a hearing before an impartial party upon timely request within any period applicable under subsection (l);

(3) have an opportunity to examine any documents, records, or regulations related to the proposed action;

(4) be entitled to be represented by another person of their choice at any hearing;

(5) be entitled to ask questions of witnesses and have others make statements on their behalf; and

(6) be entitled to receive a written decision by the public housing agency on the proposed action.

For any grievance concerning an eviction or termination of tenancy that involves any activity that threatens the health, safety, or right to peaceful enjoyment of the premises of other tenants or employees of the public housing agency or any violent or drug-related criminal activity on or off such premises, or any activity resulting in a felony conviction, the agency may (A) establish an expedited grievance procedure as the Secretary shall provide by rule under section 533 of title 5, or (B) exclude from its grievance procedure any such grievance, in any jurisdiction which requires that prior to eviction, a tenant be given a hearing in court which the Secretary determines provides the basic elements of due process (which the Secretary shall establish by rule under section 533 of title 5).

Such elements of due process shall not include an opportunity to examine relevant documents within the possession of the public housing agency. The agency shall provide to the tenant a reasonable opportunity, prior to hearing or trial, to examine any relevant documents, records, or regulations directly related to the eviction or termination.

(l) Leases; terms and conditions; maintenance; termination

Each public housing agency shall utilize leases which—

(1) have a term of 12 months and shall be automatically renewed for all purposes except for noncompliance with the requirements under section 1437j(c) of this title (relating to community service requirements); except that nothing in this subsection shall prevent a resident from seeking timely redress in court for failure to renew based on such noncompliance;

(2) do not contain unreasonable terms and conditions;

(3) obligate the public housing agency to maintain the project in a decent, safe, and sanitary condition;

(4) require the public housing agency to give adequate written notice of termination of the lease which shall not be less than—

(A) a reasonable period of time, but not to exceed 30 days—

(i) if the health or safety of other tenants, public housing agency employees, or persons residing in the immediate vicinity of the premises is threatened; or

(ii) in the event of any drug-related or violent criminal activity or any felony conviction;

(B) 14 days in the case of nonpayment of rent; and

(C) 30 days in any other case, except that if a State or local law provides for a shorter period of time, such shorter period shall apply;

(5) require that the public housing agency may not terminate the tenancy except for serious or repeated violation of the terms or conditions of the lease or for other good cause;

(6) provide that any criminal activity that threatens the health, safety, or right to peaceful enjoyment of the premises by other ten-
ants or any drug-related criminal activity on
or off such premises, engaged in by a public
housing tenant, any member of the tenant’s
household, or any guest or other person under
the tenant’s control, shall be cause for termi-
nation of tenancy:
(7) specify that with respect to any notice of
eviction or termination, notwithstanding any
State law, a public housing tenant shall be in-
formed of the opportunity, prior to any hear-
ing or trial, to examine any relevant docu-
ments, records, or regulations directly related
to the eviction or termination:
(7) provide that any occupancy in violation
of section 13661(b) of this title (relating to in-
eligibility of illegal drug users and alcohol
abusers) or the furnishing of any false or mis-
leading information pursuant to section 13662
of this title (relating to termination of ten-
cy and assistance for illegal drug users and
alcohol abusers) shall be cause for termination of tenancy; 4
(9) provide that it shall be cause for imme-
diate termination of the tenancy of a public
housing tenant if such tenant—
(A) is fleeing to avoid prosecution, or cus-
tody or confinement after conviction, under
the laws of the place from which the individ-
ual flees, for a crime, or attempt to commit
a crime, which is a felony under the laws of
the place from which the individual flees, or
which, in the case of the State of New Jer-
sy, is a high misdemeanor under the laws of
such State; or
(B) is violating a condition of probation or
parole imposed under Federal or State law.
For purposes of paragraph (5), 4 the term “drug-
related criminal activity” means the illegal
manufacture, sale, distribution, use, or posses-
sion with intent to manufacture, sell, distribute,
or use, of a controlled substance (as defined in
section 802 of title 21).
(m) Reporting requirements; limitation
The Secretary shall not impose any unneces-
sarily duplicative or burdensome reporting re-
quirements on tenants or public housing agen-
cies assisted under this chapter.
(n) Notice to post office regarding eviction for
criminal activity
When a public housing agency evicts an indi-
vidual or family from a dwelling unit for engag-
ing in criminal activity, including drug-related
criminal activity, the public housing agency
shall notify the local post office serving that
dwelling unit that such individual or family is
no longer residing in the dwelling unit.
(o) Public housing assistance for foster care chil-
dren
In providing housing in low-income housing
projects, each public housing agency may coor-
dinate with any local public agencies involved in
providing for the welfare of children to make
available dwelling units to—
(1) families identified by the agencies as hav-
ing a lack of adequate housing that is a pri-
mary factor—
(A) in the imminent placement of a child
in foster care; or
(B) in preventing the discharge of a child
from foster care and reunification with his
or her family; and
(2) youth, upon discharge from foster care, in
cases in which return to the family or ex-
tended family or adoption is not available.
(p) Repealed. Pub. L. 105–276, title V, § 519(b),
(q) Availability of records
(1) In general
(A) Provision of information
Notwithstanding any other provision of
law, except as provided in subparagraph (C),
the National Crime Information Center, po-
lice departments, and other law enforcement
agencies shall, upon request, provide infor-
mation to public housing agencies regarding
the criminal conviction records of adult ap-
plicants for, or tenants of, covered housing
assistance for purposes of applicant screen-
ning, lease enforcement, and eviction.
(B) Requests by owners of project-based sec-
section 8 [42 U.S.C. 1437f] housing
A public housing agency may make a re-
quest under subparagraph (A) for informa-
tion regarding applicants for, or tenants of,
housing that is provided project-based as-
sistance under section 1437f of this title only
if the housing is located within the jurisdic-
tion of the agency and the owner of such
housing has requested that the agency ob-
tain such information on behalf of the
owner. Upon such a request by the owner,
the agency shall make a request under sub-
paragraph (A) for the information. The agen-
cy may not make such information available
to the owner but shall perform determina-
tions for the owner regarding screening,
lease enforcement, and eviction based on cri-
teria supplied by the owner.
(C) Exception
A law enforcement agency described in
subparagraph (A) shall provide information
under this paragraph relating to any crimi-
nal conviction of a juvenile only to the ex-
tent that the release of such information is
authorized under the law of the applicable
State, tribe, or locality.
(2) Opportunity to dispute
Before an adverse action is taken with re-
gard to assistance under this subchapter on
the basis of a criminal record, the public hous-
ing agency shall provide the tenant or appli-
cant with a copy of the criminal record and an
opportunity to dispute the accuracy and rele-
vance of that record.
(3) Fees
A public housing agency may be charged a
reasonable fee for information provided under
paragraph (1). In the case of a public housing
agency obtaining information pursuant to
paragraph (1)(B) for another owner of housing,
the agency may pass such fee on to the owner
initiating the request and may charge addi-
tional reasonable fees for making the request on behalf of the owner and taking other actions for owners under this subsection.

(4) Records management

Each public housing agency shall establish and implement a system of records management that ensures that any criminal record received by the public housing agency is—

(A) maintained confidentially;

(B) not misused or improperly disseminated; and

(C) destroyed, once the purpose for which the record was requested has been accomplished.

(5) Confidentiality

A public housing agency receiving information under this subsection may use such information only for the purposes provided in this subsection and such information may not be disclosed to any person who is not an officer, employee, or authorized representative of the agency and who has a job-related need to have access to the information in connection with admission of applicants, eviction of tenants, or termination of assistance. For judicial eviction proceedings, disclosures may be made to the extent necessary. The Secretary shall, by regulation, establish procedures necessary to ensure that information provided under this subsection to a public housing agency is used, and confidentiality of such information is maintained, as required under this subsection. The Secretary shall establish standards for confidentiality of information obtained under this subsection by public housing agencies on behalf of owners.

(6) Penalty

Any person who knowingly and willfully requests or obtains any information concerning an applicant for, or tenant of, covered housing assistance pursuant to the authority under this subsection under false pretenses, or any person who knowingly and willfully discloses any such information in any manner to any individual not entitled under any law to receive it, shall be guilty of a misdemeanor and fined not more than $5,000. The term “person” as used in this paragraph include an officer, employee, or authorized representative of any public housing agency.

(7) Civil action

Any applicant for, or tenant of, covered housing assistance affected by (A) a negligent or knowing disclosure of information referred to in this subsection about such person by an officer, employee, or authorized representative of any public housing agency, which disclosure is not authorized by this subsection, or (B) any other negligent or knowing action that is inconsistent with this subsection, may bring a civil action for damages and such other relief as may be appropriate against any public housing agency responsible for such unauthorized action. The district court of the United States in the district in which the affected applicant or tenant resides, in which such unauthorized action occurred, or in which the officer, employee, or representative alleged to be responsible for any such unauthorized action resides, shall have jurisdiction in such matters. Appropriate relief that may be ordered by such district courts shall include reasonable attorney’s fees and other litigation costs.

(8) Definitions

For purposes of this subsection, the following definitions shall apply:

(A) Adult

The term “adult” means a person who is 18 years of age or older, or who has been convicted of a crime as an adult under any Federal, State, or tribal law.

(B) Covered housing assistance

The term “covered housing assistance” means—

(i) a dwelling unit in public housing;

(ii) a dwelling unit in housing that is provided project-based assistance under section 1437f of this title, including new construction and substantial rehabilitation projects; and

(iii) tenant-based assistance under section 1437f of this title.

(C) Owner

The term “owner”: means, with respect to covered housing assistance described in subparagraph (B)(ii), the entity or private person (including a cooperative or public housing agency) that has the legal right to lease or sublease dwelling units in the housing assisted.

(r) Site-based waiting lists

(1) Authority

A public housing agency may establish procedures for maintaining waiting lists for admissions to public housing projects of the agency, which may include (notwithstanding any other law, regulation, handbook, or notice to the contrary) a system of site-based waiting lists under which applicants may apply directly at or otherwise designate the project or projects in which they seek to reside. All such procedures shall comply with all provisions of title VI of the Civil Rights Act of 1964 [42 U.S.C. 2000d et seq.], the Fair Housing Act [42 U.S.C. 3601 et seq.], and other applicable civil rights laws.

(2) Notice

Any system described in paragraph (1) shall provide for the full disclosure by the public housing agency to each applicant of any option available to the applicant in the selection of the project in which to reside.

(s) Authority to require access to criminal records

A public housing agency may require, as a condition of providing admission to the public housing program or assisted housing program under the jurisdiction of the public housing agency, that each adult member of the household provide a signed, written authorization for the public housing agency to obtain records described in subsection (q)(1) regarding such mem-

11 So in original. Probably should be “includes”.
ber of the household from the National Crime Information Center, police departments, and other law enforcement agencies.

1. Obtaining information from drug abuse treatment facilities

1. Authority

Notwithstanding any other provision of law other than the Public Health Service Act (42 U.S.C. 201 et seq.), a public housing agency may require each person who applies for admission to public housing to sign one or more forms of written consent authorizing the agency to receive information from a drug abuse treatment facility that is solely related to whether the applicant is currently engaging in the illegal use of a controlled substance.

2. Confidentiality of applicant's records

2. Limitation on information requested

In a form of written consent, a public housing agency may request only whether the drug abuse treatment facility has reasonable cause to believe that the applicant is currently engaging in the illegal use of a controlled substance.

2. Records management

Each public housing agency that receives information under this subsection from a drug abuse treatment facility shall establish and implement a system of records management that ensures that any information received by the public housing agency under this subsection—

(i) is maintained confidentially in accordance with section 543 of the Public Health Service Act [42 U.S.C. 290dd–2];
(ii) is not misused or improperly disseminated; and
(iii) is destroyed, as applicable—

(I) not later than 5 business days after the date on which the public housing agency gives final approval for an application for admission; or

(II) if the public housing agency denies the application for admission, in a timely manner after the date on which the statute of limitations for the commencement of a civil action from the applicant based upon that denial of admission has expired.

2. Expiration of written consent

In addition to the requirements of subparagraph (B), an applicant’s signed written consent shall expire automatically after the public housing agency has made a final decision to either approve or deny the applicant’s application for admittance to public housing.

3. Prohibition of discriminatory treatment of applicants

3. Forms signed

A public housing agency may only require an applicant for admission to public housing to sign one or more forms of written consent under this subsection if the public housing agency requires all such applicants to sign the same form or forms of written consent.

3. Circumstances of inquiry

A public housing agency may only make an inquiry to a drug abuse treatment facility under this subsection if—

(i) the public housing agency makes the same inquiry with respect to all applicants; or

(ii) the public housing agency only makes the same inquiry with respect to each and every applicant with respect to whom—

(I) the public housing agency receives information from the criminal record of the applicant that indicates evidence of a prior arrest or conviction; or

(II) the public housing agency receives information from the records of prior tenancy of the applicant that demonstrates that the applicant—

(aa) engaged in the destruction of property;

(bb) engaged in violent activity against another person; or

(cc) interfered with the right of peaceful enjoyment of the premises of another tenant.

4. Fee permitted

A drug abuse treatment facility may charge a public housing agency a reasonable fee for information provided under this subsection.

5. Disclosure permitted by treatment facilities

A drug abuse treatment facility shall not be liable for damages based on any information required to be disclosed pursuant to this subsection if such disclosure is consistent with section 543 of the Public Health Service Act (42 U.S.C. 290dd–2).

6. Option to not request information

A public housing agency shall not be liable for damages based on its decision not to require each person who applies for admission to public housing to sign one or more forms of written consent authorizing the public housing agency to receive information from a drug abuse treatment facility under this subsection.

7. Definitions

For purposes of this subsection, the following definitions shall apply:

A. Drug abuse treatment facility

The term “drug abuse treatment facility” means an entity that—

(I) is—

(aa) engaged in the destruction of property;

(b) engaged in violent activity against another person; or

(cc) interfered with the right of peaceful enjoyment of the premises of another tenant.

B. Controlled substance

The term “controlled substance” has the meaning given the term in section 802 of title 21.
(C) Currently engaging in the illegal use of a controlled substance

The term “currently engaging in the illegal use of a controlled substance” means the illegal use of a controlled substance that occurred recently enough to justify a reasonable belief that an applicant’s illegal use of a controlled substance is current or that continuing illegal use of a controlled substance by the applicant is a real and ongoing problem.

(8) Effective date

This subsection shall take effect on October 21, 1998, and without the necessity of guidance from, or any regulation issued by, the Secretary.

individual who is a tenant or lawful occupant and who engages in criminal acts of physical violence against family members or others, without evicting, removing, terminating assistance to, or otherwise penalizing the victim of such violence who is also a tenant or lawful occupant and such eviction, removal, termination of occupancy rights, or termination of assistance shall be in accordance with the procedures prescribed by Federal, State, and local law for the termination of leases or assistance under the relevant program of HUD-assisted housing; (C) nothing in subparagraph (A) may be construed to limit the authority of a public housing agency, when notified, to honor court orders addressing rights of access to or control of the property, including civil protection orders issued to protect the victim and issued to address the distribution or possession of property among the household members in cases where a family breaks up; (D) nothing in subparagraph (A) limits any otherwise available authority of a public housing agency to evict a tenant for any violation of a lease not premised on the act or acts of violence in question against the tenant or a member of the tenant’s household, provided that the public housing agency does not subject an individual who is or has been a victim of domestic violence, dating violence, or stalking to a more demanding standard than other tenants in determining whether to evict or terminate; (E) nothing in subparagraph (A) may be construed to limit the authority of a public housing agency to terminate the tenancy of any tenant if the public housing agency can demonstrate an actual and imminent threat to other tenants or those employed at or providing service to the property if that tenant’s tenancy is not terminated; and (F) nothing in this section shall be construed to supersede any provision of any Federal, State, or local law that provides greater protection than this section for victims of domestic violence, dating violence, or stalking.

Subsec. (u). Pub. L. 113–4, §601(b)(1)(C), struck out subpar. (1) which related to certification that an individual is a victim of domestic violence, dating violence, or stalking and confidentiality of information provided to any public housing agency.

2006—Subsec. (c)(3) to (5). Pub. L. 109–162, §607(1), (2), added par. (3) and redesignated former pars. (3) and (4) as (4) and (5), respectively.

Subsec. (j)(6). Pub. L. 109–162, §607(3), inserted “and that an incident or incidents of actual or threatened domestic violence, dating violence, or stalking will not be construed as a serious or repeated violation of the lease by the victim or threatened victim of that violence and will not be good cause for terminating the tenancy or occupancy rights of the victim of such violence before semicolon at end.

Subsec. (j)(6). Pub. L. 109–162, §607(4), inserted before semicolon at end “; except that: (A) criminal activity directly relating to domestic violence, dating violence, or stalking, engaged in by a member of a tenant’s household or any guest or other person under the tenant’s control, shall not be cause for termination of the tenancy or occupancy rights, if the tenant or immediate member of the tenant’s family is a victim of that domestic violence, dating violence, or stalking; (B) notwithstanding subparagraph (A), a public housing agency under this section may bifurcate a lease under this section, in order to evict, remove, or terminate assistance to, or otherwise penalizing the victim of such violence who is also a tenant or lawful occupant; (C) nothing in subparagraph (A) may be construed to limit the authority of a public housing agency, when notified, to honor court orders addressing rights of access to or control of the property, including civil protection orders issued to protect the victim and issued to address the distribution or possession of property among the household members in cases where a family breaks up; (D) nothing in subparagraph (A) limits any otherwise available authority of a public housing agency to evict a tenant for any violation of a lease not premised on the act or acts of violence in question against the tenant or a member of the tenant’s household, provided that the public housing agency does not subject an individual who is or has been a victim of domestic violence, dating violence, or stalking to a more demanding standard than other tenants in determining whether to evict or terminate; (E) nothing in subparagraph (A) may be construed to limit the authority of a public housing agency to terminate the tenancy of any tenant if the public housing agency can demonstrate an actual and imminent threat to other tenants or those employed at or providing service to the property if that tenant’s tenancy is not terminated; and (F) nothing in this section shall be construed to supersede any provision of any Federal, State, or local law that provides greater protection than this section for victims of domestic violence, dating violence, or stalking.

Subsec. (j)(6)(B). Pub. L. 109–271, §54(f)(1), added subpar. (B) and struck out former subpar. (B) which read as follows: “notwithstanding subparagraph (A), a public housing agency under this section may bifurcate a lease under this section, in order to evict, remove, or terminate assistance to any individual who is a tenant or lawful occupant and who engages in criminal acts of physical violence against family members or others, without evicting, removing, terminating assistance to, or otherwise penalizing the victim of such violence who is also a tenant or lawful occupant.”


Subsec. (u)(1)(A). Pub. L. 109–271, §54(f)(2)(A), substituted “the individual has received a request in writing for ‘the public housing agency requests such certification’” for “the public housing agency has requested such certification” for “the public housing agency has requested such certification in writing”.


1998—Subsec. (a). Pub. L. 105–276, §511(d), in first sentence, inserted “, in a manner consistent with the public housing agency plan” before the period at end and struck out after first sentence “Such contract may contain a condition requiring the maintenance of an open space or playground in connection with the housing project involved if deemed necessary by the Secretary for the safety or health of children.”


Subsec. (c)(4)(E). Pub. L. 105–276, §529(1), substituted “for each agency that receives assistance under this subchapter for ‘except in the case of agencies not receiving operating assistance under section 1437f of this title’.”

Subsec. (e). Pub. L. 105–276, §529(2), struck out subsec. (e) which read as follows: “Every contract for annual contributions shall provide that whenever in any year the receipts of a public housing agency in connection with a low-income housing project exceed its expenditures (including debt service, operation, maintenance, establishment of reserves, and other costs and charges), an amount equal to such excess shall be applied, or set aside for application, to purposes, which in the determination of the Secretary, will effect a reduction in the amount of subsequent annual contributions.”


Subsec. (j)(1)(B). Pub. L. 105–276, §564(1)(C), which directed the transfer and insertion of subpar. (B) after subpar. (D), required no change in text.
Subsec. (j)(1)(B) to (K). Pub. L. 105–276, § 564(1)(D), (E), added subpars. (H), (I), relating to extent to which agency implements and coordinates strategies, and (J), and redesignated former subpars. (H) as (K).

Subsec. (j)(2)(A)(i). Pub. L. 105–276, § 564(2)(A), inserted after first sentence “Such procedures shall provide that an agency that fails on a widespread basis to provide acceptable basic housing conditions for its residents shall be designated as a troubled public housing agency. The Secretary may use a simplified set of indicators for public housing agencies and private housing management agents (which may be selected by existing tenants through administrative procedures established by the Secretary) in the eventuality that these agents may be needed for managing all, or part, of the housing administered by a public housing agency.”

Subsec. (j)(3)(A)(ii). Pub. L. 105–276, § 565(1)(A), added cl. (i) and struck out former cl. (i) which read as follows: “solicit competitive proposals from other public housing agencies and private housing management agents (which may be selected by existing tenants through administrative procedures established by the Secretary) in the eventuality that these agents may be needed for managing all, or part, of the housing administered by a public housing agency.”


Subsec. (j)(3)(A)(iv). Pub. L. 105–276, § 565(1)(C), added cls. (iv) and (v) and struck out former cl. (iv) which read as follows: “require the agency to make other arrangements acceptable to the Secretary and in the best interests of the public housing residents for managing all, or part of, such housing.”

Subsec. (j)(3)(B) to (H). Pub. L. 105–276, § 565(2)(A), added subpars. (B) to (H) and struck out former subpars. (B) to (D) which read as follows: “(B) The Secretary may make available to receivers and other entities selected or appointed pursuant to this paragraph such assistance as is necessary to remedy the substantial deterioration of living conditions in individual public housing developments or other related emergencies that endanger the health, safety, and welfare of the residents. “(C) In any proceeding under subparagraph (A)(ii), upon a determination that a substantial default has occurred, and without regard to the availability of alternative remedies, the court shall appoint a receiver to conduct the affairs of the public housing agency in a manner consistent with this chapter and in accordance with such further terms and conditions as the court may provide. The court shall have power to grant appropriate temporary or preliminary relief pending final disposition of the petition by the Secretary. “(D) The appointment of a receiver pursuant to this subsection may be terminated, upon the petition of any person affected, by the court in any of the following instances: “(1) if the court determines that the conditions precedent to the appointment of a receiver have not been satisfied and that a receivership is no longer necessary to remedy the substantial deterioration of living conditions in the public housing agency; or “(2) if the court determines that the conditions precedent to the appointment of a receiver have been satisfied and that a continuation of the appointment of a receiver is not necessary to remedy the substantial deterioration of living conditions in the public housing agency.”

Subsec. (j)(4)(A). Pub. L. 105–276, § 576(b)(1)(A), added subpar. (A) and struck out former subpar. (A) which read as follows: “(if applicable)” after “subparagraph (B)” in first sentence.


Subsec. (k). Pub. L. 105–276, § 575(a)(i), substituted “corrections” for “public corrections” in first sentence of concluding provisions, inserted “violent or drug-related” and “or criminal activity resulting in a felony conviction,” after “on or off such premises,”.

Subsec. (l)(1) to (3). Pub. L. 105–276, § 512(b)(1), (3), added par. (1) and redesignated former pars. (1) to (3) as (2) to (4), respectively.


Subsec. (m)(4)(A). Pub. L. 105–276, § 576(b)(1)(A), added subpar. (A) and struck out former subpar. (A) which read as follows: “a local market area is inadequate, which shall reflect the probable intent of Congress.”


Subsec. (q)(1)(A). Pub. L. 105–276, § 576(b)(2), which directed the redesignation of par. (7) as (9), was executed by redesignating the par. (7), relating to termination of tenancy if tenant is fleeing prosecution or in violation of parole, as (9), to reflect the probable intent of Congress.

Subsec. (q)(1)(B). Pub. L. 105–276, § 512(b)(1), redesignated par. (6) as (7), relating to specification that tenant be informed of opportunity to examine documents.

Subsec. (q)(1)(C). Pub. L. 105–276, § 575(b)(1)(B), inserted “, except that if a State or local law provides for a shorter period of time, such shorter period shall apply” before semicolon at end.

Subsec. (q)(2)(A). Pub. L. 105–276, § 575(b)(2), substituted “the court shall have power to grant alternative relief pending final disposition of the petition by the Secretary” for “the court may grant alternative relief pending final disposition of the petition by the Secretary.”


that is not inconsistent with the comprehensive preferences for admission to public housing, if any, temporarily amended subpar. (A) generally, substituting “operation of public housing”.

Public housing for Indians and Alaska Natives in accordance with subsec. (u) as (t).

Subsec. (t). Pub. L. 105–276, § 576(d)(1), redesignated subpar. (s) as (t) and struck out heading and text of former par. (t).

Text read as follows: “For purposes of this subsection, the term ‘adult’ means a person who is 18 years of age or older, or who has been convicted of a crime as an adult under any Federal, State, or tribal law.”

Subsec. (r). Pub. L. 105–276, § 576(d)(1), redesignated subpar. (s) as (r) and struck out heading and text of former subpar. (r). Text reads as follows: “Any tenant evicted from housing assisted under this subchapter by reason of drug-related criminal activity (as that term is defined in section 1437d(f) of this title) shall not be eligible for housing assistance under this subchapter during the 3-year period beginning on the date of such eviction, unless the evicted tenant successfully completes a rehabilitation program approved by the public housing agency (which shall include a waiver of this subsection if the circumstances leading to eviction no longer exist).”


“(i) for not less than 50 percent of the units that are made available for occupancy in a given fiscal year, give preference to families that occupy substandard housing (including families that are homeless or living in a shelter for homeless families), are paying more than 50 percent of family income for rent, or are involuntarily displaced (including displacement because of disposition of a multifamily housing project under section 1701z–11 of title 12) at the time they are seeking assistance under this chapter;

“(ii) for any remaining units to be made available for occupancy, give preference in accordance with a system of preferences established by the public housing agency in writing and after public hearing to respond to local housing needs and priorities, which may include (I) assistance for families who either reside in transitional housing assisted under title IV of the Stewart B. McKinney Homeless Assistance Act, or participate in a program designed to provide public assistance recipients with greater access to employment and educational opportunities; (II) assisting families in accordance with subsection (u)(2); (III) assisting families identified by local public agencies involved in providing for the welfare of children as having a lack of adequate housing that is a primary factor in the imminent placement of a child in foster care, or in preventing the discharge of a child from foster care and reunification with his or her family; (IV) assisting youth, upon discharge from foster care, in cases in which return to the family or extended family or adoption is not available; (V) assisting families that include one or more adult members who are employed; and (VI) achieving other objectives of national housing policy as affirmed by Congress; subclause (V) shall be effective only during fiscal year 1995;

“(iii) prohibit any individual or family evicted from housing assisted under the chapter by reason of drug-related criminal activity from having a preference under any provision of this subparagraph for 3 years unless the evicted tenant successfully completes a rehabilitation program approved by the agency, except that the agency may waive the application of this clause under standards established by the Secretary (which shall include waiver for any member of a family of an individual prohibited from tenancy under this clause who the agency determines clearly did not participate in and had no knowledge of such criminal activity or when circumstances leading to eviction no longer exist); and

“(iv) are designed to ensure that, to the maximum extent feasible, the projects of an agency will include families with a broad range of incomes and will avoid concentrations of low-income and deprived families with serious social problems.”

See Effective and Termination Dates of 1996 Amendments note below.

Subsec. (k). Pub. L. 104–120, § 9(a)(1), in concluding provisions, substituted “involves any activity” for “involves any criminal activity” and “on or off such premises” for “on or near such premises”.

Subsec. (l)(5). Pub. L. 104–120, § 9(a)(2), substituted “on or off such premises” for “on or near such premises”.


Subsec. (o). Pub. L. 104–99, § 402(d)(6)(A)(i), (f), in introductory provisions, temporarily substituted “written system of preferences for selection pursuant to” for “program as specified in the criteria of national housing policy as affirmed by Congress”.


Subsec. (r). Pub. L. 104–120, § 9(c), added subsec. (r).

1994—Subsec. (c)(4)(A)(i). Pub. L. 103–233, § 301(c)(1), inserted “(including displacement because of disposition of a multifamily housing project under section 1701z–11 of title 12)” after “displaced”.

Subsec. (c)(4)(A)(ii). Pub. L. 103–327 added subcl. (V), redesignated former subcl. (V) as (VI), and inserted “subclause (V) shall be effective only during fiscal year 1995;” after semicolon at end.

Subsec. (c)(4)(B). Pub. L. 103–233, § 303, substituted “500 units” for “250 units”.


Subsec. (c)(4)(A). Pub. L. 102–550, § 622(b), substituted “designated for occupancy pursuant to section 1437e(a) of this title” for “specifically designated for elderly families” in introductory provisions.

Subsec. (c)(4)(A)(i). Pub. L. 102–550, § 112, substituted “50 percent” for “70 percent” after “not less than”.


Subsec. (j)(1). Pub. L. 102–550, § 113(e)(1)(C), which directed the substitution of “indicators for public housing agencies, to the extent practicable,” for “indicators” in fourth sentence, was repealed by making the substitution for “indicators”: to reflect the probable intent of Congress.
Pub. L. 102–550, §113(e)(1)(A), (B), in introductory provisions, inserted "and resident management corporations" before period in first sentence and after "agency" in third sentence.


Former subpar. (B) redesignated (C).

Subsec. (j)(2)(C). Pub. L. 102–550, §113(a)(1), (3), redesignated subpar. (B) as (C), after reviewing the report submitted pursuant to subparagraph (B) and consulting with the agency's assessment team. Such agreement shall set forth "for "agency setting forth" in introductory provisions, and inserted "To the extent the Secretary deems appropriate (taking into account an agency's performance under the indicators specified under paragraph (1)), such agreement shall set forth a plan for effecting resident involvement in the management of the public housing agency," before "The Secretary and the public in concluding provisions.".


Subsec. (j)(3)(A)(i). Pub. L. 102–550, §113(b)(1), inserted "which may be selected by existing tenants through administrative procedures established by the Secretary, after "management agents".


Subsec. (j)(3)(B) to (D). Pub. L. 102–550, §113(c), added subpar. (B) and redesignated former subpars. (B) and (C) as (C) and (D), respectively.

Subsec. (j)(4)(E). Pub. L. 102–550, §113(d), which directed the insertion of ", including an accounting of the authorized funds that have been expended to support such actions" before semicolon in par. (5)(E) of subsec. (j), was executed by making the insertion in par. (4)(E) to reflect the probable intent of Congress, because subsec. (j) does not contain a par. (5).

1991—Subsec. (j)(1)(H), (I). Pub. L. 102–139, which directed amendment of "section 643 of the Housing Act of 1937, 42 U.S.C. 1437d(j)(1) section 502(a) of the National Affordable Housing Act," by adding "which shall not exceed the seven factors in the statute, plus an additional five" at the end of subpar. (H) and by adding subpar. (I), requiring Secretary to administer evaluation system, reflect in weights assigned indicators, and determine status, was executed to subsec. (j)(1) of this section, which is section 6 of the United States Housing Act of 1937, to reflect the probable intent of Congress.


1990—Subsec. (c)(4)(A), (B). Pub. L. 101–625, §501, amended subsec. (c)(4). Prior to amendment, subpar. (A) read as follows: "except for projects or portions of projects specifically designated for elderly families with respect to which the Secretary has determined that application of this clause would result in excessive delays in meeting the housing needs of such families, the establishment of tenant selection criteria which gives preference to families which occupy substandard housing, are paying more than 50 percent of family income for rent, or are involuntarily displaced at the time they are seeking assistance under this chapter and which is designed to assure that, within a reasonable period of time, the project will include families with a broad range of incomes and will avoid concentrations of lower income and deprived families with serious social problems, but (i) this shall not permit maintenance of vacancies to await higher income tenants where lower income tenants are available and shall not permit public housing agencies to select families for residence in an order different from the order on the waiting list for the purpose of selecting relatively higher income families for residence; and (ii) the public housing agency may provide for circumstances in which families who do not qualify for any public housing established in this chapter, prior to the provision of assistance before families who do qualify for such preference, except that not more than 10 percent of the families who initially receive assistance in any 1-year period (or such shorter period selected by the public housing agency before the beginning of its first full year subject to this clause) may be families who do not qualify for such preference ";.

Subsec. (c)(4)(D). Pub. L. 101–625, §572(1), substituted "low-income families" for "lower income families".


Subsecs. (d), (e). Pub. L. 101–625, §572(2), substituted "low-income housing" for "lower income housing" wherever appearing.

Subsec. (j). Pub. L. 101–625, §502(a), amended subsec. (j) generally. Prior to amendment, subsec. (j) read as follows: "On or after October 1, 1983, in entering into commitments for the development of public housing, the Secretary shall give a priority to projects for the construction, acquisition, or rehabilitation of housing suitable for occupancy by families requiring three or more bedrooms."

Subsec. (k). Pub. L. 101–625, §502(a), added concluding provisions and struck out former concluding provisions which read as follows: "An agency may exclude from its procedure any grievance concerning an eviction or termination of tenancy in any jurisdiction which requires that, prior to eviction, a tenant be given a hearing in court which the Secretary determines provides the basic elements of due process."

Subsec. (j)(5). Pub. L. 101–625, §504, amended par. (5) generally. Prior to amendment, par. (5) read as follows: "provide that a public housing tenant, any member of the tenant's household, or a guest or other person under the tenant's control shall not engage in criminal activity, including drug-related criminal activity, on or near public housing premises, while the tenant is a tenant in public housing, and such criminal activity shall be cause for termination of tenancy."


Subsecs. (n), (o). Pub. L. 101–625, §§505, 506, added subsecs. (n) and (o).


Pub. L. 100–242, §112(b)(2), struck out "annual" before "contributions".

Subsec. (c). Pub. L. 100–242, §112(b)(2), struck out "annual" before "contributions" in introductory provisions.

Pub. L. 100–242, §1001(b), inserted before semicolon at end "and shall not permit public housing agencies to select families for residence in an order different from the order on the waiting list for the purpose of selecting relatively higher income families for residence."

Pub. L. 100–242, §170(d)(2), inserted "are paying more than 50 percent of family income for rent," after "substandard housing", and struck out "or are paying more than 50 percent of family income for rent" after "under this chapter".

Subsec. (d). Pub. L. 100–242, §112(b)(2), struck out "annual" before "contributions" in four places and before "shelter" in two places.

Subsec. (g). Pub. L. 100–242, §112(b)(2), struck out "annual" before "contributions" in introductory provisions.

Subsec. (h). Pub. L. 100–242, §116, inserted "in the neighborhood where the public housing agency determines the housing is needed" after "in" and "in such neighborhood" after "third sentence".

Subsec. (k)(4), (5). Pub. L. 100–242, §170(d)(3), substituted "their" for "his".

Subsec. (l). Pub. L. 100–690 added par. (5) and concluding provisions defining terms "drug-related criminal activity" for purposes of par. (5).

1985—Subsec. (b). Pub. L. 99–160 struck out subsec. (b) which related to cost of construction and equipment of a project, and prototype project.

Subsec. (j). Pub. L. 98–479, §102(b)(4), inserted "‘acquisition, or acquisition and rehabilitation’ and substituted ‘families requiring three or more bedrooms’ for ‘‘large families’’.

Subsec. (m). Pub. L. 98–479, §102(b)(5), substituted ‘‘housing’’ for ‘‘hearing’’.

Subsec. (o)(4)(A), Pub. L. 98–181, §203(a), inserted ‘‘or are paying more than 50 per centum of family income for rent’’.

Subsec. (f). Pub. L. 98–181, §214(b), repealed subsec. (f) which provided for modification or closeout of housing projects.

Subsecs. (h) to (j). Pub. L. 98–181, §201(c), added subsecs. (h) to (j).

Subsecs. (k) and (l). Pub. L. 98–181, §204, added subsecs. (k) and (l).


Subsec. (c). Pub. L. 97–35, §322(c), (d), substituted provision in par. (2) requiring review at least annually for provision requiring review at least within two year intervals, or shorter where deemed desirable, in par. (4)(A) ‘‘lower income and’’ and ‘‘for low-income and’’ and in par. (4)(D) reference to lower income for reference to low-income.

Subsecs. (d), (e), Pub. L. 97–35, §322(c), substituted references to lower income for references to low-income wherever appearing.

1980—Subsec. (b). Pub. L. 96–399, §201(c), inserted exception relating to availability of prototype costs for projects to be located on Indian reservations or in Alaskan Native villages and added cl. (d).

Subsec. (c)(4)(A). Pub. L. 96–399, §201(e), inserted exception relating to application of this clause to projects specifically designated for elderly families.

Subsec. (f). Pub. L. 96–399, §202(c), inserted ‘‘pursuant to section 1347 of this title’’ wherever appearing.

1979—Subsec. (c)(4)(A). Pub. L. 96–153 substituted ‘‘tenant selection criteria which gives preference to families which occupy substandard housing or are involuntarily displaced at the time they are seeking assistance under this chapter and which is designed for ‘‘tenant selection criteria designed’’.


Amendment by section 514(a)(1), (2)(A) of Pub. L. 102–550 applicable upon expiration of 6-month period beginning Oct. 28, 1992, except as otherwise provided, see section 13642 of this title.

Amendment by subtitle B through F of title VI of Pub. L. 102–550 applicable upon expiration of 6-month period beginning Oct. 28, 1992, except as otherwise provided, see section 13642 of this title.


Effective Date of 1992 Amendment

Amendment by section 502(f) of Pub. L. 105–276, title V, §565(d), Oct. 21, 1998, 112 Stat. 2632, provided that: ‘‘The Secretary may administer the amendments made by subsection (a) [amending this section] as necessary to ensure the efficient and effective initial implementation of this section [amending this section and section 1437 of this title and enacting provisions set out as notes under this section].’’

Pub. L. 101–625, title V, §565(b)(2), Nov. 28, 1990, 104 Stat. 4184, as amended by Pub. L. 102–550, title I, §130, Oct. 28, 1992, 106 Stat. 3712, provided that: ‘‘The Secretary of Housing and Urban Development shall, under the rulemaking procedures under section 553 of title 5, United States Code, establish guidelines and timetables appropriate to implement the amendment made by paragraph (1)(C) [amending this section], taking into account the requirements of public housing agencies of different sizes and characteristics, to achieve compliance with requirements established by such amendment not later than January 1, 1993 for public housing agencies with 500 or more units and not later than January 1, 1994 for public housing agencies with less than 500 units.’’

Revisions

For provisions requiring Secretary of Housing and Urban Development to issue regulations necessary to implement amendment to this section by section 101(c) of Pub. L. 105–233, see section 101(f) of Pub. L. 105–233, set out as a note under section 1701s–11 of Title 12, Banks and Banking.

Pub. L. 102–550, title I, §104, Oct. 28, 1992, 106 Stat. 3684, provided that: ‘‘Not later than the expiration of the 180-day period beginning on the date of the enactment of this Act (Oct. 28, 1992), the Secretary of Housing and Urban Development shall issue regulations im-
implementing the amendments made by sections 501 and 545 of the Cranston-Gonzalez National Affordable Housing Act [Pub. L. 101–625, amending this section and section 1437 of this title]. The regulations shall be issued after notice and opportunity for public comment pursuant to the provisions of section 553 of title 5, United States Code (notwithstanding subsections (a)(2), (b)(1), and (d)(3) of such section) and shall take effect upon issuance.

Pub. L. 101–625, title V, § 563(c), Nov. 28, 1990, 104 Stat. 4165, provided that: ‘‘The Secretary of Housing and Urban Development shall issue, and publish in the Federal Register for comment, proposed rules implementing the amendments made by this section [amending this section] not later than the expiration of the 60-day period beginning on the date of the enactment of this Act [Nov. 28, 1990] and shall issue final rules implementing the amendments not later than the expiration of the 180-day period beginning on the date of the enactment of this Act.’’

CONSTRUCTION

Pub. L. 113–4, title VI, § 601(b)(3), Mar. 7, 2013, 127 Stat. 108, provided that: ‘‘Nothing in this Act [see Tables for classification], or the amendments made by this Act, shall be construed—

‘‘(A) to limit the rights or remedies available to any person under section 6 or 8 of the United States Housing Act of 1937 [42 U.S.C. 1437d and 1437f], as in effect on the day before the date of enactment of this Act [Mar. 7, 2013];

‘‘(B) to limit any right, remedy, or procedure otherwise available under any provision of part 5, 91, 880, 882, 883, 884, 886, 891, 903, 960, 966, 982, or 983 of title 24, Code of Federal Regulations, that—

‘‘(i) was issued under the Violence Against Women and Domestic Violence Reauthorization Act of 2005 [Public Law 109–162; 119 Stat. 2968] [see Tables for classification] or an amendment made by that Act; and

‘‘(ii) provides greater protection for victims of domestic violence, dating violence, sexual assault, and stalking than this Act; or

‘‘(C) to disqualify an owner, manager, or other individual from participating in or receiving the benefits of the low income housing tax credit program under section 42 of the Internal Revenue Code of 1986 [26 U.S.C. 42] because of noncompliance with the provisions of this Act.’’

SHARED WAITING LISTS

Pub. L. 115–174, title II, § 209(e), May 24, 2018, 132 Stat. 1316, provided that: ‘‘Not later than 1 year after the date of enactment of this Act [May 24, 2018], the Secretary of Housing and Urban Development shall make available to interested public housing agencies and owners of multifamily properties receiving assistance from the Department of Housing and Urban Development 1 or more software programs that will facilitate the voluntary use of a shared waiting list by multiple public housing agencies or owners receiving assistance, and shall publish on the website of the Department of Housing and Urban Development procedural guidance for implementing shared waiting lists that includes information on how to obtain the software.’’

STUDY OF ALTERNATIVE METHODS FOR EVALUATING PUBLIC HOUSING AGENCIES


(a) In General.—The Secretary of Housing and Urban Development shall provide under subsection (e) for a study to be conducted to determine the effectiveness of various alternative methods of evaluating the performance of public housing agencies and other providers of federally assisted housing.

(b) Purposes.—The purposes of the study under this section shall be—

(1) to identify and examine various methods of evaluating and improving the performance of public housing agencies in administering public housing and tenant-based rental assistance programs and of other providers of federally assisted housing, which are alternatives to oversight by the Department of Housing and Urban Development; and

(2) to identify specific monitoring and oversight activities currently conducted by the Department of Housing and Urban Development and to evaluate whether such activities should be eliminated, expanded, modified, or transferred to other entities (including governmental and private entities) to increase accuracy and effectiveness and improve monitoring.

(c) Evaluation of Various Performance Evaluation Systems.—To carry out section (b), the study under this section shall identify, and analyze the advantages and disadvantages of various methods of regulating and evaluating the performance of public housing agencies and other providers of federally assisted housing, including the following methods:

(1) CURRENT SYSTEM.—The system pursuant to the United States Housing Act of 1937 [42 U.S.C. 1437 et seq.], including the methods and requirements under such system for reporting, auditing, reviewing, sanctioning, and monitoring of such agencies and housing providers and the public housing management assessment program pursuant to section 6(j) of the United States Housing Act of 1937 [42 U.S.C. 1437d(j)].

(2) Accreditation Models.—Various models that are based upon accreditation of such agencies and housing providers, subject to the following requirements:

(A) The study shall identify and analyze various models used in other industries and professions for accreditation and determine the extent of their applicability to the programs for public housing and federally assisted housing.

(B) If any accreditation models are determined to be applicable to the public and federally assisted housing programs, the study shall identify appropriate goals, objectives, and procedures for an accreditation program for such agencies and housing providers.

(C) The study shall evaluate the feasibility and merit of establishing an independent accreditation and evaluation entity to assist, supplement, or replace the role of the Department of Housing and Urban Development in assessing and monitoring the performance of such agencies and housing providers.

(D) The study shall identify the necessary and appropriate roles and responsibilities of various entities that would be involved in an accreditation program, including the Department of Housing and Urban Development, the Inspector General of the Department, an accreditation entity, independent auditors and examiners, local entities, and public housing agencies.

(E) The study shall estimate the costs involved in developing and maintaining such an independent accreditation program.

(3) Performance Based Models.—Various performance-based models, including systems that establish performance goals or targets, assess the compliance with such goals or targets, and provide for incentives or sanctions based on performance relative to such goals or targets.

(4) Local Review and Monitoring Models.—Various models providing for local, resident, and community review and monitoring of such agencies and housing providers, including systems for review and monitoring by local and State governmental bodies and agencies.

(5) Private Models.—Various models using private contractors for review and monitoring of such agencies and housing providers.

(6) Other Models.—Various models of any other systems that may be more effective and efficient in regulating and evaluating such agencies and housing providers.
“(d) Consultation.—The entity that, pursuant to subsection (e), carries out the study under this section shall, in carrying out the study, consult with individuals and organizations experienced in managing public housing, private real estate managers, representatives from State and local governments, residents of public housing, families and individuals receiving tenant-based assistance, the Secretary of Housing and Urban Development, the Inspector General of the Department of Housing and Urban Development, and the Comptroller General of the United States.

“(e) Contract to conduct study.—

“(1) IN GENERAL.—Subject to paragraph (2), the Secretary shall enter into a contract, within 90 days of the enactment of this Act [Oct. 21, 1996], with a public or nonprofit private entity to conduct the study under this section, using amounts made available pursuant to subsection (g).

“(2) NATIONAL ACADEMY OF PUBLIC ADMINISTRATION.—The Secretary shall request the National Academy of Public Administration to enter into the contract under paragraph (1) to conduct the study under this section, if such Academy declines to conduct the study, the Secretary shall carry out such paragraph through other public or nonprofit private entities, selected through a competitive process.

“(f) Report.—

“(1) INTERIM REPORT.—The Secretary shall ensure that, not later than the expiration of the 6-month period beginning on the date of the execution of the contract under subsection (e)(1), the entity conducting the study under this section submits to the Congress an interim report describing the actions taken to carry out the study, the actions to be taken to complete the study, and any findings and recommendations available at the time.

“(2) FINAL REPORT.—The Secretary shall ensure that—

“(A) not later than the expiration of the 12-month period beginning on the date of the execution of the contract under subsection (e)(1), the study required under this section is completed and a report describing the findings and recommendations as a result of the study is submitted to the Congress; and

“(B) before submitting the report under this paragraph to the Congress, the report is submitted to the Secretary, national organizations for public housing agencies, and other appropriate national organizations at such time to provide the Secretary and such agencies an opportunity to review the report and provide written comments on the report, which shall be included together with the report upon submission to the Congress under subparagraph (A).

“(g) EFFECTIVE DATE.—This section shall take effect on the date of the enactment of this Act [Oct. 21, 1998]."

REFERENCES IN OTHER LAWS TO PREFERENCES FOR ASSISTANCE

Pub. L. 104–99, title IV, §§402(d)(6), 402(c)(2)(A), Jan. 26, 1996, 110 Stat. 43, which provided that certain references to preferences for assistance under sections 1437d(c)(4)(A), (c)(3)(B) and 1437f(d)(1)(A)(i), (c)(3)(B) of this title, as such sections existed before the date of the enactment of this Act [Oct. 21, 1996], were to be considered to refer to the written system of preferences for selection established pursuant to sections 1437d(c)(4)(A) and 1437f(d)(1)(A)(i), (c)(3)(B) of this title, respectively, as amended by section 402 of Pub. L. 104–99, was repealed by Pub. L. 105–34, Jan. 20, 1998, 112 Stat. 2548.

INAPPLICABILITY OF CERTAIN 1992 AMENDMENTS TO INDIAN PUBLIC HOUSING

Amendment by sections 622(b) and 623(a)(2) of Pub. L. 102–550 not applicable with respect to lower income housing developed or operated pursuant to contract between Secretary of Housing and Urban Development and Indian housing authority, see section 626 of Pub. L. 102–550, set out as a note under section 1437a of this title.

REPORT ON TRAINING AND CERTIFICATION STANDARDS

Pub. L. 101–629, title V, §562(b), Nov. 28, 1990, 104 Stat. 4183, directed Secretary to submit to Congress, not later than 12 months after Nov. 28, 1990, a report regarding the feasibility and effectiveness of establishing uniform standards for training and certification of executive directors and other officers and members of local, regional, and State public housing agencies.

APPLICABILITY

Pub. L. 101–629, title V, §563(d), Nov. 28, 1990, 104 Stat. 4185, provided that: “Any exclusion of grievances by a public housing agency pursuant to a determination or waiver by the Secretary (under section 6(k) of the United States Housing Act of 1937 (42 U.S.C. 1437d(k)), as such section existed before the date of the enactment of this Act [Nov. 28, 1990]) that a jurisdiction requires a hearing in court providing the basic elements of due process shall be effective after the date of the enactment of this Act only to the extent that the exclusion complies with the amendments made by this section, except that any such waiver provided before the date of the enactment of this Act shall remain in effect until the earlier of the effective date of the final rules implementing the amendments made by this section or 180 days after the date of the enactment.”

REPORT ON IMPACT OF PUBLIC HOUSING LEASE AND GRIEVANCE REGULATION ON ABILITY OF PUBLIC HOUSING AGENCIES TO TAKE ACTION AGAINST TENANTS ENGAGING IN DRUG CRIMES

Pub. L. 100–690, title V, §5103, Nov. 18, 1988, 102 Stat. 4300, provided that: “The Secretary of Housing and Urban Development shall submit to the Congress a report on the impact of the implementation of the public housing tenancy and administrative grievance procedure regulations issued under section 6(k) of the United States Housing Act of 1937 (42 U.S.C. 1437d(k)) on the ability of public housing agencies to evict or take other appropriate action against tenants engaging in criminal activity, especially with respect to the manufacture, sale, distribution, use, or possession of controlled substances (as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802)). The report shall be submitted not later than 12 months after the date of the enactment of this Act [Nov. 18, 1988].”

INDIAN HOUSING

Pub. L. 100–628, title X, §1014(a)(2), Nov. 7, 1988, 102 Stat. 3369, provided that: “In accordance with section 201(b)(2) of the United States Housing Act of 1937 (42 U.S.C. 1437d(2) of this title), the amendments made by paragraph (1) [amending this section] shall also apply to public housing developed or operated pursuant to a contract between the Secretary of Housing and Urban Development and an Indian housing authority.”

STUDY OF PAYMENTS IN LIEU OF TAXES; REPORT TO CONGRESS

Pub. L. 95–128, title II, §201(g), Oct. 12, 1977, 91 Stat. 1129, provided that the Secretary of Housing and Urban Development conduct a study of payment in lieu of taxes made under subsec. (d) of this section and report to the Congress on the status and adequacy of such payments not later than 12 months after Oct. 12, 1977.

§1437e. Designated housing for elderly and disabled families

(a) Authority to provide designated housing

(1) In general

Subject only to provisions of this section and notwithstanding any other provision of law, a public housing agency for which a plan under subsection (d) is in effect may provide public housing projects (or portions of
(2) Priority for occupancy

In determining priority for admission to public housing projects (or portions of projects) that are designated for occupancy as provided in paragraph (1), the public housing agency may make units in such projects (or portions) available only to the types of families for whom the project is designated.

(3) Eligibility of near-elderly families

If a public housing agency determines that there are insufficient numbers of elderly families to fill all the units in a project (or portion of a project) designated under paragraph (1) for occupancy by only elderly families, the agency may provide that near-elderly families may occupy dwelling units in the project (or portion).

(b) Standards regarding evictions

Except as provided in section 1437n(e)(1)(B) of this title, any tenant who is lawfully residing in a dwelling unit in a public housing project may not be evicted or otherwise required to vacate such unit because of the designation of the project (or portion of a project) pursuant to this section or because of any action taken by the Secretary or any public housing agency pursuant to this section.

(c) Relocation assistance

A public housing agency that designates any existing project or building, or portion thereof, for occupancy as provided under subsection (a)(1) shall provide, to each person and family who agrees to be relocated in connection with such designation:

(1) notice of the designation and an explanation of available relocation benefits, as soon as is practicable for the agency and the person or family;

(2) access to comparable housing (including appropriate services and design features), which may include tenant-based rental assistance under section 1437f of this title, at a rental rate paid by the tenant that is comparable to that applicable to the unit from which the person or family has vacated; and

(3) payment of actual, reasonable moving expenses.

(d) Required plan

A plan under this subsection for designating a project (or portion of a project) for occupancy under subsection (a)(1) is a plan, prepared by the public housing agency for the project and submitted to the Secretary, that—

(1) establishes that the designation of the project is necessary—

(A) to achieve the housing goals for the jurisdiction under the comprehensive housing affordability strategy under section 12705 of this title; and

(B) to meet the housing needs of the low-income population of the jurisdiction; and

(2) includes a description of—

(A) the project (or portion of a project) to be designated;

(B) the types of tenants for which the project is to be designated;

(C) any supportive services to be provided to tenants of the designated project (or portion);

(D) how the design and related facilities (as such term is defined in section 1701q(d)(8) of title 12) of the project accommodate the special environmental needs of the intended occupants; and

(E) any plans to secure additional resources or housing assistance to provide assistance to families that may have been housed if occupancy in the project were not restricted pursuant to this section.

For purposes of this subsection, the term “supportive services” means services designed to meet the special needs of residents.

(e) Review of plans

(1) Review and notification

The Secretary shall conduct a limited review of each plan under subsection (d) that is submitted to the Secretary to ensure that the plan is complete and complies with the requirements of subsection (d). The Secretary shall notify each public housing agency submitting a plan whether the plan complies with such requirements not later than 60 days after receiving the plan. If the Secretary does not notify the public housing agency, as required under this paragraph or paragraph (2), the plan shall be considered, for purposes of this section, to comply with the requirements under subsection (d) and the Secretary shall be considered to have notified the agency of such compliance upon the expiration of such 60-day period.

(2) Notice of reasons for determination of noncompliance

If the Secretary determines that a plan, as submitted, does not comply with the requirements under subsection (d), the Secretary shall notify the public housing agency that challenges, in a substantial manner, any information provided in the plan.

(3) Standards for determination of noncompliance

The Secretary may determine that a plan does not comply with the requirements under subsection (d) only if—

(A) the plan is incomplete in significant matters required under such subsection; or

(B) there is evidence available to the Secretary that challenges, in a substantial manner, any information provided in the plan.

(4) Treatment of existing plans

Notwithstanding any other provision of this section, a public housing agency shall be considered to have submitted a plan under this subsection if the agency has submitted to the Secretary an application and allocation plan under this section (as in effect before March 28, 1996) that have not been approved or disapproved before March 28, 1996.

1 See References in Text note below.
§ 1437e

TITLED—the public health and welfare

Page 4170

Prior Provisions

A prior section 7 of act Sept. 1, 1937, ch. 896, 50 Stat. 891, as amended, required publication of information and submission of annual report by the Authority and was classified to section 1407 of this title, prior to the general revision of this chapter by Pub. L. 93–383.

Amendments

1998—Subsec. (h). Pub. L. 105–276 struck out heading and text of subsec. (h). Text read as follows: “The provisions of this section shall not apply with respect to

low-income housing developed or operated pursuant to a contract between the Secretary and an Indian housing authority.”

1996—Pub. L. 104–130, § 501(b)(4), which directed amendment of “subsection 7” of the United States Housing Act of 1937, probably meaning this section, by striking subsec. (l), could not be executed because this section does not contain a subsec. (l).

Pub. L. 104–128 amended section generally, restating former subsecs. (a) to (g) relating to designated housing as subsecs. (a) to (h) relating to designated housing for elderly and disabled families.

Subsec. (a)(2). Pub. L. 104–99, which directed the temporary amendment of par. (2) by substituting “in accordance with the written system of preferences for selection established pursuant to” for “according to the preferences for occupancy under”, could not be executed because of the amendment by Pub. L. 104–120 which amended section generally retroactive to Oct. 1, 1995. See Effective and Termination Dates of 1996 Amendments note below.

1992—Pub. L. 102–550 amended section generally, substituting present provisions for provisions relating to and defining “congregate housing” and providing for design, development, and acquisition of congregate housing for displaced or elderly families, limitation on amounts for contracts for congregate housing, and costs for central dining facilities.


1978—Pub. L. 95–557 substituted “(1) low-rent housing which,” as of January 1, 1979, was built or under construction, with which there is connected a central dining facility where wholesome and economical meals can be served to such occupants; or (2) low-rent housing constructed after, but not under construction prior to, January 1, 1979, connected with which there is a central dining facility to provide wholesome and economical meals for elderly and displaced families under terms and conditions prescribed by the public housing agency to permit a generally self-supporting operation”.

Effective and Termination Dates of 1996 Amendments


Amendment by Pub. L. 104–128 to be construed to have become effective Oct. 1, 1995, notwithstanding the effective date of any regulations issued by Secretary of Housing and Urban Development to implement amendments by sections 9 and 10 of Pub. L. 104–120 or any failure by Secretary to issue any such regulations, see section 13 of Pub. L. 104–120, set out as a note under section 1457d of this title.

§ 1437f. Low-income housing assistance  
(a) Authorization for assistance payments  

For the purpose of aiding low-income families in obtaining a decent place to live and of promoting economically mixed housing, assistance payments may be made with respect to existing housing in accordance with the provisions of this section.  

(b) Other existing housing programs  

(1) IN GENERAL.—The Secretary is authorized to enter into annual contributions contracts with public housing agencies pursuant to which such agencies may enter into contracts to make assistance payments to owners of existing dwelling units in accordance with this section. In areas where no public housing agency has been organized or where the Secretary determines that a public housing agency is unable to implement the provisions of this section, the Secretary is authorized to enter into such contracts and to perform the other functions assigned to a public housing agency by this section.  

(2) The Secretary is authorized to enter into annual contributions contracts with public housing agencies for the purpose of replacing public housing transferred in accordance with subchapter II–A of this chapter. Each contract entered into under this subsection shall be for a term of not more than 60 months.  

(c) Contents and purposes of contracts for assistance payments; amount and scope of monthly assistance payments  

(1)(A) An assistance contract entered into pursuant to this section shall establish the maximum monthly rent (including utilities and all maintenance and management charges) which the owner is entitled to receive for each dwelling unit with respect to which such assistance payments are to be made. The maximum monthly rent shall not exceed by more than 10 per centum of the total amount of authority to enter into annual contributions contracts for such units which is allocated to an area and obligated with respect to any fiscal year beginning on or after October 1, 1980. Each fair market rental in effect under this subsection shall be adjusted to be effective on October 1 of each year to reflect changes, based on the most recent available data trended so the rentals will be current for the year to which they apply, of rents for existing or newly constructed rental dwelling units, as the case may be, of various sizes and types in the market area suitable for occupancy by persons assisted under this section. Notwithstanding any other provision of this section, after October 12, 1977, the Secretary shall prohibit high-rise elevator projects for families with children unless there is no practical alternative. If units assisted under this section are exempt from local rent control while they are so assisted or otherwise, the maximum monthly rent for such units shall be reasonable in comparison with other units in the market area that are exempt from local rent control.  

(B) Fair market rentals for an area shall be published not less than annually by the Secretary on the site of the Department on the World Wide Web and in any other manner specified by the Secretary. Notice that such fair market rentals are being published shall be published in the Federal Register, and such fair market rentals shall become effective no earlier than 30 days after the date of such publication. The Secretary shall establish a procedure for public housing agencies and other interested parties to comment on such fair market rentals and to request, within a time specified by the Secretary, reevaluation of the fair market rentals in a jurisdiction before such rentals become effective. The Secretary shall cause to be published in the Federal Register notices of proposed material changes in the methodology for estimating fair market rentals and notices specifying the final decisions regarding such proposed substantial methodological changes and responses to public comments.  

(2)(A) The assistance contract shall provide for adjustment annually or more frequently in the maximum monthly rents for units covered by the contract to reflect changes in the fair market rentals established in the housing area for similar types and sizes of dwelling units or, if the Secretary determines, on the basis of a reasonable formula. However, where the maximum monthly rent, for a unit in a new construction, substantial rehabilitation, or moderate rehabilitation project, to be adjusted using an annual adjustment factor exceeds the fair market rental for an existing dwelling unit in the market area, the Secretary shall adjust the rent only to the extent that the owner demonstrates that the adjusted rent would not exceed the rent for an unassisted unit of similar quality, type, and age in the same market area, as determined by the...
Secretary. The immediately foregoing sentence shall be effective only during fiscal year 1995, fiscal year 1996 prior to April 26, 1996, and fiscal years 1997 and 1998, and during fiscal year 1999 and thereafter. Except for assistance under the certificate program, for any unit occupied by the same family at the time of the last annual rental adjustment, where the assistance contract provides for the adjustment of the maximum monthly rent by applying an annual adjustment factor and where the rent for a unit is otherwise eligible for an adjustment based on the full amount of the factor, 0.01 shall be subtracted from the amount of the factor, except that the factor shall not be reduced to less than 1.0. In the case of assistance under the certificate program, 0.01 shall be subtracted from the amount of the annual adjustment factor (except that the factor shall not be reduced to less than 1.0), and the adjusted rent shall not exceed the rent for a comparable unassisted unit of similar quality, type, and age in the market area. The immediately foregoing two sentences shall be effective only during fiscal years 1997 and 1998, and during fiscal year 1999 and thereafter. In establishing annual adjustment factors for units in new construction and substantial rehabilitation projects, the Secretary shall take into account the fact that debt service is a fixed expense. The immediately foregoing sentence shall be effective only during fiscal year 1998.

(B) The contract shall further provide for the Secretary to make additional adjustments in the maximum monthly rent for any unit occupied under contract to the extent he determines such adjustments are necessary to reflect increases in the actual and necessary expenses of owning and maintaining the units which have resulted from substantial general increases in real property taxes, utility rates, or similar costs which are not adequately compensated for by the adjustment in the maximum monthly rent authorized by subparagraph (A). The Secretary shall make additional adjustments in the maximum monthly rent for units under contract (subject to the availability of appropriations for contract amendments) to the extent he determines such adjustments are necessary to reflect increases in the actual and necessary expenses of owning and maintaining the units that have resulted from the expiration of a real property tax exemption. Where the Secretary determines that a project assisted under this section is located in a community where drug-related criminal activity is generally prevalent and the project’s operating, maintenance, and capital repair expenses have been substantially increased primarily as a result of the prevalence of such drug-related activity, the Secretary may (at the discretion of the Secretary and subject to the availability of appropriations for contract amendments for this purpose), on a project by project basis, provide adjustments to the maximum monthly rents, to a level no greater than 120 percent of the project rents, to cover the costs of maintenance, security, capital repairs, and reserves required for the owner to carry out a strategy acceptable to the Secretary for addressing the problem of drug-related criminal activity. Any rent comparability standard required under this paragraph may be waived by the Secretary to so implement the preceding sentence. The Secretary may (at the discretion of the Secretary and subject to the availability of appropriations for contract amendments), on a project by project basis, provide adjustments to the maximum monthly rents to cover the costs of evaluating and reducing lead-based paint hazards, as defined in section 851b of this title.

(C) Adjustments in the maximum rents under subparagraphs (A) and (B) shall not result in material differences between the rents charged for assisted units and unassisted units of similar quality, type, and age in the same market area, as determined by the Secretary. In implementing the limitation established under the preceding sentence, the Secretary shall establish regulations for conducting comparability studies for projects where the Secretary has reason to believe that the application of the formula adjustments under subparagraph (A) would result in such material differences. The Secretary shall conduct such studies upon the request of the owner of any project, or as the Secretary determines to be appropriate by establishing, to the extent practicable, a modified annual adjustment factor for such market area, as the Secretary shall designate, that is geographically smaller than the applicable housing area used for the establishment of the annual adjustment factor under subparagraph (A). The Secretary shall establish such modified annual adjustment factor on the basis of the results of a study conducted by the Secretary for projects receiving, and any change in such rents over the previous year, for assisted units and unassisted units of similar quality, type, and age in the smaller market area. Where the Secretary determines that such modified annual adjustment factor cannot be established or that such factor when applied to a particular project would result in material differences between the rents charged for assisted units and unassisted units of similar quality, type, and age in the smaller market area, the Secretary may apply an alternative methodology for conducting comparability studies in order to establish rents that are not materially different from rents charged for comparable unassisted units. If the Secretary or appropriate State agency does not complete and submit to the project owner a comparability study not later than 60 days before the anniversary date of the assistance contract under this section, the automatic annual adjustment factor shall be applied. The Secretary may not reduce the contract rents in effect on or after April 15, 1987, for newly constructed, substantially rehabilitated, or moderately rehabilitated projects assisted under this section (including projects assisted under this section as in effect prior to November 30, 1983), unless the project has been refinanced in a manner that reduces the periodic payments of the owner. Any maximum monthly rent that has been reduced by the Secretary after April 14, 1987, and prior to November 7, 1988, shall be restored to the maximum monthly rent in effect on April 15, 1987. For any project which has had its maximum monthly rents reduced after April 14, 1987, the Secretary shall make assistance payments (from amounts reserved for the origi-
nal contract) to the owner of such project in an amount equal to the difference between the maximum monthly rents in effect on April 15, 1987, and the reduced maximum monthly rents, multiplied by the number of months that the reduced maximum monthly rents were in effect.

(3) The amount of the monthly assistance payment with respect to any dwelling unit shall be the difference between the maximum monthly rent which the contract provides that the owner is to receive for the unit and the rent the family is required to pay under section 1437(a) of this title. Reviews of family income shall be made no less frequently than annually.

(4) The assistance contract shall provide that assistance payments may be made only with respect to a dwelling unit under lease for occupancy by a family determined to be a lower income family at the time it initially occupied such dwelling unit, except that such payments may be made with respect to unoccupied units for a period not exceeding sixty days (A) in the event that a family vacates a dwelling unit before the expiration date of the lease for occupancy or (B) where a good faith effort is being made to fill an unoccupied unit, and, subject to the provisions of the following sentence, such payments may be made, in the case of a newly constructed or substantially rehabilitated project, after such sixty-day period in an amount equal to the debt service attributable to such an unoccupied dwelling unit for a period not to exceed one year, if a good faith effort is being made to fill the unit and the unit provides decent, safe, and sanitary housing. No such payment may be made after such sixty-day period if the Secretary determines that the dwelling unit is in a project which provides the owner with revenues exceeding the costs incurred by such owner with respect to such project.

(5) The Secretary shall take such steps as may be necessary, including the making of contracts for assistance payments in amounts in excess of the amounts required at the time of the initial renting of dwelling units, the reservation of annual contributions authority for the purpose of amending housing assistance contracts, or the allocation of a portion of new authorizations for the purpose of amending housing assistance contracts, to assure that assistance payments are increased on a timely basis to cover increases in maximum monthly rents or decreases in family incomes.

(6) Redesignated (5).


(B)(A) Not less than one year before termination of any contract under which assistance payments are received under this section, other than a contract for tenant-based assistance under this section, an owner shall provide written notice to the Secretary and the tenants involved of the proposed termination. The notice shall also include a statement that, if the Congress makes funds available, the owner and the Secretary may agree to a renewal of the contract, thus avoiding termination, and that in the event of termination the Department of Housing and Urban Development will provide tenant-based rental assistance to all eligible residents, enabling them to choose the place they wish to rent, which is likely to include the dwelling unit in which they currently reside. Any contract covered by this paragraph that is renewed may be renewed for a period of up to 1 year or any number or years, with payments subject to the availability of appropriations for any year.

(B) In the event the owner does not provide the notice required, the owner may not evict the tenants or increase the tenants’ rent payment until such time as the owner has provided the notice and 1 year has elapsed. The Secretary may allow the owner to renew the terminating contract for a period of time sufficient to give tenants 1 year of advance notice under such terms and conditions as the Secretary may require.

(C) Any notice under this paragraph shall also comply with any additional requirements established by the Secretary.

(D) For purposes of this paragraph, the term “termination” means the expiration of the assistance contract or an owner’s refusal to renew the assistance contract, and such term shall include termination of the contract for business reasons.

(d) Required provisions and duration of contracts for assistance payments; waiver of limitation

(1) Contracts to make assistance payments entered into by a public housing agency with an owner of existing housing units shall provide (with respect to any unit) that—

(A) the selection of tenants shall be the function of the owner, subject to the annual contributions contract between the Secretary and the agency, except that with respect to the certificate and moderate rehabilitation programs only, for the purpose of selecting families to be assisted, the public housing agency may establish local preferences, consistent with the public housing agency plan submitted under section 1437c–1 of this title by the public housing agency;

(B)(i) the lease between the tenant and the owner shall be for at least one year or the term of such contract, whichever is shorter, and shall contain other terms and conditions specified by the Secretary;

(ii) during the term of the lease, the owner shall not terminate the tenancy except for serious or repeated violation of the terms and conditions of the lease, for violation of applicable Federal, State, or local law, or for other good cause;

(iii) during the term of the lease, any criminal activity that threatens the health, safety, or right to peaceful enjoyment of the premises by other tenants, any criminal activity that threatens the health, safety, or right to peaceful enjoyment of their residences by persons residing in the immediate vicinity of the premises, or any drug-related criminal activity on or near such premises, engaged in by a tenant of any unit, any member of the tenant’s household, or any guest or other person under the tenant’s control, shall be cause for termination of tenancy;

(iv) any termination of tenancy shall be preceded by the owner’s provision of written no-
§ 1437f

1992 [42 U.S.C. 13631] to coordinate the provision of any services within the project for residents of the project who are elderly or disabled families that are not elderly families.

(D) An owner of a covered section 8 [42 U.S.C. 1347f] housing project (as such term is defined in section 659 of the Housing and Community Development Act of 1992 [42 U.S.C. 13619]) may give preference for occupancy of dwelling units in the project, and reserve units for occupancy, in accordance with subtitle D of title VI of the Housing and Community Development Act of 1992 [42 U.S.C. 13611 et seq.].

(3) Notwithstanding any other provision of law, with the approval of the Secretary the public housing agency administering a contract under this section with respect to existing housing units may exercise all management and maintenance responsibilities with respect to those units pursuant to a contract between such agency and the owner of such units.

(4) A public housing agency that serves more than one unit of general local government may, at the discretion of the agency, in allocating assistance under this section, give priority to disabled families that are not elderly families.

(5) Calculation of Limit.—Any contract entered into under section 514 of the Multifamily Assisted Housing Reform and Affordability Act of 1997 shall be excluded in computing the limit on project-based assistance under this subsection.

(6) Treatment of Common Areas.—The Secretary may not provide any assistance amounts pursuant to an existing contract for project-based assistance under this section for a housing project and may not enter into a new or renewal contract for such assistance for a project unless the owner of the project provides consent to such local law enforcement agencies as the Secretary determines appropriate, for law enforcement officers of such agencies to enter common areas of the project at any time and without advance notice upon a determination of probable cause by such officers that criminal activity is taking place in such areas.

(e) Restrictions on Contracts for Assistance Payments

(1) Nothing in this chapter shall be deemed to prohibit an owner from pledging, or offering as security for any loan or obligation, a contract for assistance payments entered into pursuant to this section: Provided, That such security is in connection with a project constructed or rehabilitated pursuant to authority granted in this section, and the terms of the financing or any refinancing have been approved by the Secretary.


(f) Definitions

As used in this section—

(1) the term "owner" means any private person or entity, including a cooperative, an agency of the Federal Government, or a public housing agency, having the legal right to lease or sublease dwelling units;
(2) the terms "rent" or "rental" mean, with respect to members of a cooperative, the charges under the occupancy agreements between such members and the cooperative;

(3) the term "debt service" means the required payments for principal and interest made with respect to a mortgage secured by housing assisted under this chapter;

(4) the term "participating jurisdiction" means a State or unit of general local government designated by the Secretary to be a participating jurisdiction under title II of the Cranston-Gonzalez National Affordable Housing Act [42 U.S.C. 12721 et seq.];

(5) the term "drug-related criminal activity" means the illegal manufacture, sale, distribution, use, or possession with intent to manufacture, sell, distribute, or use, of a controlled substance (as defined in section 802 of title 21);

(6) the term "project-based assistance" means rental assistance under subsection (b) that is attached to the structure pursuant to subsection (d)(2) or (o)(13); and

(7) the term "tenant-based assistance" means rental assistance under subsection (o) that is not project-based assistance and that provides for the eligible family to select suitable housing and to move to other suitable housing.

(g) Regulations applicable for implementation of assistance payments

Notwithstanding any other provision of this chapter, assistance payments under this section may be provided, in accordance with regulations prescribed by the Secretary, with respect to some or all of the units in any project approved pursuant to section 1701q of title 12.

(h) Nonapplicability of inconsistent provisions to contracts for assistance payments

Sections 1437c(e) and 1437d of this title (except as provided in section 1437d(c)(3) of this title), and any other provisions of this chapter which are inconsistent with the provisions of this section shall not apply to contracts for assistance entered into under this section.

(i) Receipt of assistance by public housing agency under other law not to be considered

The Secretary may not consider the receipt by a public housing agency of assistance under section 611(b)(1) of the Cranston-Gonzalez National Affordable Housing Act [42 U.S.C. 8013(b)(1)], or the amount received, in approving assistance for the agency under this section or determining the amount of such assistance to be provided.


(k) Verification of income

The Secretary shall establish procedures which are appropriate and necessary to assure that income data provided to public housing agencies and owners by families applying for or receiving assistance under this section is complete and accurate. In establishing such procedures, the Secretary shall randomly, regularly, and periodically select a sample of families to authorize the Secretary to obtain information on these families for the purpose of income verification, or to allow those families to provide such information themselves. Such information may include, but is not limited to, data concerning unemployment compensation and Federal income taxation and data relating to benefits made available under the Social Security Act [42 U.S.C. 301 et seq.], the Food and Nutrition Act of 2008 [7 U.S.C. 2011 et seq.], or title 38. Any such information received pursuant to this subsection shall remain confidential and shall be used only for the purpose of verifying incomes in order to determine eligibility of families for benefits (and the amount of such benefits, if any) under this section.


(o) Voucher program

(1) Authority

(A) In general

The Secretary may provide assistance to public housing agencies for tenant-based assistance using a payment standard established in accordance with subparagraph (B).

The payment standard shall be used to determine the monthly assistance that may be paid for any family, as provided in paragraph (2).

(B) Establishment of payment standard

Except as provided under subparagraph (D), the payment standard for each size of dwelling unit in a market area shall not exceed 110 percent of the fair market rental established under subsection (c) for the same size of dwelling unit in the same market area and shall be not less than 90 percent of that fair market rental, except that no public housing agency shall be required as a result of a reduction in the fair market rental to reduce the payment standard applied to a family continuing to reside in a unit for which the family was receiving assistance under this section at the time the fair market rental was reduced. The Secretary shall allow public housing agencies to request exception payment standards within fair market rental areas subject to criteria and procedures established by the Secretary.

(C) Set-aside

The Secretary may set aside not more than 5 percent of the budget authority made available for assistance under this subsection as an adjustment pool. The Secretary shall use amounts in the adjustment pool to make adjusted payments to public housing agencies under subparagraph (A), to ensure continued affordability, if the Secretary determines that additional assistance for such purpose is necessary, based on documentation submitted by a public housing agency.

(D) Approval

The Secretary may require a public housing agency to submit the payment standard of the public housing agency to the Sec-
§ 1437f

TITLE 42—THE PUBLIC HEALTH AND WELFARE

Page 4176

the Secretary for approval, if the payment standard is less than 90 percent of the fair market rental or exceeds 110 percent of the fair market rental, except that a public housing agency may establish a payment standard of not more than 120 percent of the fair market rent where necessary as a reasonable accommodation for a person with a disability, without approval of the Secretary. A public housing agency may use a payment standard that is greater than 120 percent of the fair market rent as a reasonable accommodation for a person with a disability, but only with the approval of the Secretary. In connection with the use of any increased payment standard established or approved pursuant to either of the preceding two sentences as a reasonable accommodation for a person with a disability, the Secretary may not establish additional requirements regarding the amount of adjusted income paid by such person for rent.

(E) Review

The Secretary—

(i) shall monitor rent burdens and review any payment standard that results in a significant percentage of the families occupying units of any size paying more than 30 percent of adjusted income for rent; and

(ii) may require a public housing agency to modify the payment standard of the public housing agency based on the results of that review.

(2) Amount of monthly assistance payment

Subject to the requirement under section 1437a(a)(3) of this title (relating to minimum rental amount), the monthly assistance payment for a family receiving assistance under this subsection shall be determined as follows:

(A) Tenant-based assistance; rent not exceeding payment standard

For a family receiving tenant-based assistance, if the rent for the family (including the amount allowed for tenant-paid utilities) does not exceed the applicable payment standard established under paragraph (1), the monthly assistance payment for the family shall be equal to the amount by which the applicable payment standard exceeds the greatest of amounts under clauses (i), (ii), and (iii) of subparagraph (A).

(C) Families receiving project-based assistance

For a family receiving project-based assistance, the rent that the family is required to pay shall be determined in accordance with section 1437a(a)(1) of this title, and the amount of the housing assistance payment shall be determined in accordance with subsection (c)(3) of this section.

(D) Utility allowance

(i) General

In determining the monthly assistance payment for a family under subparagraphs (A) and (B), the amount allowed for tenant-paid utilities shall not exceed the appropriate utility allowance for the family unit size as determined by the public housing agency regardless of the size of the dwelling unit leased by the family.

(ii) Exception for families in including persons with disabilities

Notwithstanding subparagraph (A), upon request by a family that includes a person with disabilities, the public housing agency shall approve a utility allowance that is higher than the applicable amount on the utility allowance schedule if a higher utility allowance is needed as a reasonable accommodation to make the program accessible to and usable by the family member with a disability.

(3) 40 percent limit

At the time a family initially receives tenant-based assistance under this section with respect to any dwelling unit, the total amount that a family may be required to pay for rent may not exceed 40 percent of the monthly adjusted income of the family.

(4) Eligible families

To be eligible to receive assistance under this subsection, a family shall, at the time a family initially receives assistance under this subsection, be a low-income family that is—

(A) a very low-income family;

(B) a family previously assisted under this subchapter;

(C) a low-income family that meets eligibility criteria specified by the public housing agency;

(D) a family that qualifies to receive a voucher in connection with a homeownership program approved under title IV of the Cranston-Gonzalez National Affordable Housing Act; or

(E) a family that qualifies to receive a voucher under section 223 or 226 of the Low-Income Housing Preservation and Resident Homeownership Act of 1990 [12 U.S.C. 4113, 4116].
(5) Reviews of family income

(A) In general

Reviews of family incomes for purposes of this section shall be subject to paragraphs (1), (6), and (7) of section 1437a(a) of this title and to section 3544 of this title.

(B) Procedures

Each public housing agency administering assistance under this subsection shall establish procedures that are appropriate and necessary to ensure that income data provided to the agency and owners by families applying for or receiving assistance from the agency is complete and accurate.

(6) Selection of families and disapproval of owners

(A) Preferences

(i) Authority to establish

Each public housing agency may establish a system for making tenant-based assistance under this subsection available on behalf of eligible families that provides preference for such assistance to eligible families having certain characteristics, which may include a preference for families residing in public housing who are victims of a crime of violence (as such term is defined in section 16 of title 18) that has been reported to an appropriate law enforcement agency.

(ii) Content

Each system of preferences established pursuant to this subparagraph shall be based upon local housing needs and priorities, as determined by the public housing agency using generally accepted data sources, including any information obtained pursuant to an opportunity for public comment as provided under section 1437c-1(f) of this title and under the requirements applicable to the comprehensive housing affordability strategy for the relevant jurisdiction.

(B) Selection of tenants

Each housing assistance payment contract entered into by the public housing agency and the owner of a dwelling unit—

(A) shall provide that the lease between the tenant and the owner shall be for a term of not less than 1 year, except that the public housing agency may approve a shorter term for an initial lease between the tenant and the dwelling unit owner if the public housing agency determines that such shorter term would improve housing opportunities for the tenant and if such shorter term is considered to be a prevailing local market practice;

(B) shall provide that the dwelling unit owner shall offer leases to tenants assisted under this subsection that—

(i) are in a standard form used in the locality by the dwelling unit owner; and

(ii) contain terms and conditions that—

(I) are consistent with State and local law; and

(II) apply generally to tenants in the property who are not assisted under this section;

(C) shall provide that during the term of the lease, the owner shall not terminate the tenancy except for serious or repeated violation of the terms and conditions of the lease, for violation of applicable Federal, State, or local law, or for other good cause, except that the owner may terminate the tenancy effective on the date of transfer of the unit to the owner if the owner—

(i) will occupy the unit as a primary residence; and

(ii) has provided the tenant a notice to vacate at least 90 days before the effective date of such notice; 3

(D) shall provide that during the term of the lease, any criminal activity that threatens the health, safety, or right to peaceful enjoyment of the premises by other tenants, any criminal activity that threatens the

3So in original.
§ 1437f

cause for termination of tenancy; son under the tenant’s control, shall be
ant’s household, or any guest or other per-
 tenant of any unit, any member of the ten-
on or near such premises, engaged in by a
ment of their residences by persons residing
in the immediate vicinity of the premises, or

(A) Initial inspection

(i) Requirement

Each public housing agency providing assistance under this subsection must conduct inspections of its dwellings, in accordance with the requirements set forth in this subsection. The determinations required under subparagraphs (A) and (B) shall be made before the expiration of the 15-day period beginning upon a request by the resident or landlord to the public housing agency. The inspections shall be conducted by the agency or an independent inspector, and shall include any unit or portion of a unit that is subject to the provisions of this subsection.

(ii) Correction of non-life-threatening conditions

In the case of any dwelling unit that is determined, pursuant to an inspection under clause (i), not to meet the housing quality standards under subparagraph (B), assistance payments may be made for the unit notwithstanding subparagraph (C) if failure to meet such standards is a result only of non-life-threatening conditions, as such conditions are established by the Secretary. A public housing agency making assistance payments pursuant to this clause for a dwelling unit shall, 30 days after the beginning of the period for which such payments are made, withhold any assistance payments for the unit if any deficiency resulting in noncompliance with the housing quality standards has not been corrected by such time. The public housing agency shall recommence assistance payments when such deficiency has been corrected, and may use any payments withheld to make assistance payments relating to the period during which payments were withheld.

(iii) Use of alternative inspection method for interim period

In the case of any property that within the previous 24 months has met the requirements of an inspection that qualifies as an alternative inspection method pursuant to subparagraph (E), a public housing agency may authorize the inspection under clause (i) to be completed, and may make assistance payments retroactive to the beginning of the lease term after the unit has been determined pursuant to an inspection under clause (i) to meet the housing quality standards under subparagraph (B). This clause may not be construed to exempt any dwelling unit from compliance with the requirements of subparagraph (D).

(B) Housing quality standards

The housing quality standards under this subparagraph are standards for safe and habitable housing established—

(i) by the Secretary for purposes of this subsection; or
(ii) by local housing codes or by codes adopted by public housing agencies that—

(I) meet or exceed housing quality standards, except that the Secretary may waive the requirement under this subparagraph to significantly increase access to affordable housing and to expand housing opportunities for families assisted under this subsection, except where such waiver could adversely affect the health or safety of families assisted under this subsection; and

(ii) do not severely restrict housing choice.

(C) Inspection

The determination required under subparagraph (A) shall be made by the public housing agency (or other entity, as provided in paragraph (11)) pursuant to an inspection of the dwelling unit conducted before any assistance payment is made for the unit. Inspections of dwelling units under this subparagraph shall be made before the expiration of the 15-day period beginning upon a request by the resident or landlord to the public housing agency. The inspections shall be conducted by the agency or an independent inspector, and shall include any unit or portion of a unit that is subject to the provisions of this subsection. The performance of the agency in meeting the 15-day inspection deadline shall be taken into consideration in assessing the performance of the agency.

(D) Biennial inspections

(i) Requirement

Each public housing agency providing assistance under this subsection (or other

4So in original. Probably should be followed by a period.
entity, as provided in paragraph (11)) shall, for each assisted dwelling unit, make inspections not less often than biennially during the term of the housing assistance payments contract for the unit to determine whether the unit is maintained in accordance with the requirements under subparagraph (A).

(ii) Use of alternative inspection method

The requirements under clause (i) may be complied with by use of inspections that qualify as an alternative inspection inspection method pursuant to subparagraph (E).

(iii) Records

The public housing agency (or other entity) shall retain the records of the inspection for a reasonable time, as determined by the Secretary, and shall make the records available upon request to the Secretary, the Inspector General for the Department of Housing and Urban Development, and any auditor conducting an audit under section 1437c(h) of this title.

(iv) Mixed-finance properties

The Secretary may adjust the frequency of inspections for mixed-finance properties assisted with vouchers under paragraph (13) to facilitate the use of the alternative inspections in subparagraph (E).

(E) Alternative inspection method

An inspection of a property shall qualify as an alternative inspection method for purposes of this subparagraph if—

(i) the inspection was conducted pursuant to requirements under a Federal, State, or local housing program (including the Home investment partnership program under title II of the Cranston-Gonzalez National Affordable Housing Act [42 U.S.C. 17271 et seq.] and the low-income housing tax credit program under section 42 of title 26); and

(ii) pursuant to such inspection, the property was determined to meet the standards or requirements regarding housing quality or safety applicable to properties assisted under such program, and, if a non-Federal standard or requirement was used, the public housing agency has certified to the Secretary that such standard or requirement provides the same (or greater) protection to occupants of dwelling units meeting such standard or requirement as would the housing quality standards under subparagraph (B).

(F) Interim inspections

Upon notification to the public housing agency, by a family (on whose behalf tenant-based rental assistance is provided under this subsection) or by a government official, that the dwelling unit for which such assistance is provided does not comply with the housing quality standards under subparagraph (B), the public housing agency shall inspect the dwelling unit—

(i) in the case of any condition that is life-threatening, within 24 hours after the agency’s receipt of such notification, un-

less waived by the Secretary in extraordinary circumstances; and

(ii) in the case of any condition that is not life-threatening, within a reasonable time frame, as determined by the Secretary.

(G) Inspection guidelines

The Secretary shall establish procedural guidelines and performance standards to facilitate inspections of dwelling units and conform such inspections with practices utilized in the private housing market. Such guidelines and standards shall take into consideration variations in local laws and practices of public housing agencies and shall provide flexibility to authorities appropriate to facilitate efficient provision of assistance under this subsection.

(9) Vacated units

If an assisted family vacates a dwelling unit for which rental assistance is provided under a housing assistance payment contract before the expiration of the term of the lease for the unit, rental assistance pursuant to such contract may not be provided for the unit after the month during which the unit was vacated.

(10) Rent

(A) Reasonableness

The rent for dwelling units for which a housing assistance payment contract is established under this subsection shall be reasonable in comparison with rents charged for comparable dwelling units in the private, unassisted local market.

(B) Negotiations

A public housing agency (or other entity, as provided in paragraph (11)) shall, at the request of a family receiving tenant-based assistance under this subsection, assist that family in negotiating a reasonable rent with a dwelling unit owner. A public housing agency (or such other entity) shall review the rent for a unit under consideration by the family (and all rent increases for units under lease by the family) to determine whether the rent (or rent increase) requested by the owner is reasonable. If a public housing agency (or other such entity) determines that the rent (or rent increase) for a dwelling unit is not reasonable, the public housing agency (or other such entity) shall not make housing assistance payments to the owner under this subsection with respect to that unit.

(C) Units exempt from local rent control

If a dwelling unit for which a housing assistance payment contract is established under this subsection is exempt from local rent control provisions during the term of that contract, the rent for that unit shall be reasonable in comparison with other units in the market area that are exempt from local rent control provisions.

(D) Timely payments

Each public housing agency shall make timely payment of any amounts due to a dwelling unit owner under this subsection.
The housing assistance payment contract between the owner and the public housing agency may provide for penalties for the late payment of amounts due under the contract, which shall be imposed on the public housing agency in accordance with generally accepted practices in the local housing market.

(E) Penalties

Unless otherwise authorized by the Secretary, each public housing agency shall pay any penalties from administrative fees collected by the public housing agency, except that no penalty shall be imposed if the late payment is due to factors that the Secretary determines are beyond the control of the public housing agency.

(F) Tax credit projects

In the case of a dwelling unit receiving tax credits pursuant to section 42 of title 26 or for which assistance is provided under subtitle A of title II of the Cranston Gonzalez National Affordable Housing Act of 1990 [42 U.S.C. 12741 et seq.], for which a housing assistance contract not subject to paragraph (13) of this subsection is established, rent reasonableness shall be determined as otherwise provided by this paragraph, except that—

(i) comparison with rent for units in the private, unassisted local market shall not be required if the rent is equal to or less than the rent for other comparable units receiving such tax credits or assistance in the project that are not occupied by families assisted with tenant-based assistance under this subsection; and

(ii) the rent shall not be considered reasonable for purposes of this paragraph if it exceeds the greater of—

(I) the rents charged for other comparable units receiving such tax credits or assistance in the project that are not occupied by families assisted with tenant-based assistance under this subsection; and

(II) the payment standard established by the public housing agency for a unit of the size involved.

(11) Leasing of units owned by PHA

(A) Inspections and rent determinations

If an eligible family assisted under this subsection leases a dwelling unit (other than a public housing dwelling unit) that is owned by a public housing agency administering assistance under this subsection, the Secretary shall require the unit of general local government or another entity approved by the Secretary, to make inspections required under paragraph (8) and rent determinations required under paragraph (10). The agency shall be responsible for any expenses of such inspections and determinations.

(B) Units owned by PHA

For purposes of this subsection, the term “owned by a public housing agency” means, with respect to a dwelling unit, that the dwelling unit is in a project that is owned by such agency, by an entity wholly controlled by such agency, or by a limited liability company or limited partnership in which such agency (or an entity wholly controlled by such agency) holds a controlling interest in the managing member or general partner. A dwelling unit shall not be deemed to be owned by a public housing agency for purposes of this subsection because the agency holds a fee interest as ground lessor in the property on which the unit is situated, holds a security interest under a mortgage or deed of trust on the unit, or holds a non-controlling interest in an entity which owns the unit or in the managing member or general partner of an entity which owns the unit.

(12) Assistance for rental of manufactured housing

(A) In general

A public housing agency may make assistance payments in accordance with this subsection on behalf of a family that utilizes a manufactured home as a principal place of residence. Such payments may be made only for the rental of the real property on which the manufactured home owned by any such family is located.

(B) Rent calculation

(i) Charges included

For assistance pursuant to this paragraph, the rent for the space on which a manufactured home is located and with respect to which assistance payments are to be made shall include maintenance and management charges and tenant-paid utilities.

(ii) Payment standard

The public housing agency shall establish a payment standard for the purpose of determining the monthly assistance that may be paid for any family under this paragraph. The payment standard may not exceed an amount approved or established by the Secretary.

(iii) Monthly assistance payment

The monthly assistance payment for a family assisted under this paragraph shall be determined in accordance with paragraph (2).

(13) PHA project-based assistance

(A) In general

A public housing agency may use amounts provided under an annual contributions contract under this subsection to enter into a housing assistance payment contract with respect to an existing, newly constructed, or rehabilitated structure, that is attached to the structure, subject to the limitations and requirements of this paragraph.

(B) Percentage limitation

Not more than 20 percent of the funding available for tenant-based assistance under this section that is administered by the agency may be attached to structures pursuant to this paragraph.
(C) Consistency with PHA plan and other goals
A public housing agency may approve a housing assistance payment contract pursuant to this paragraph only if the contract is consistent with—
(i) the public housing agency plan for the agency approved under section 1437c-1 of this title; and
(ii) the goal of deconcentrating poverty and expanding housing and economic opportunities.

(D) Income mixing requirement
(i) In general
Not more than 25 percent of the dwelling units in any project may be assisted under a housing assistance payment contract for project-based assistance pursuant to this paragraph. For purposes of this subparagraph, the term ‘project’ means a single building, multiple contiguous buildings, or multiple buildings on contiguous parcels of land.

(ii) Exceptions
The limitation under clause (i) shall not apply in the case of assistance under a contract for housing consisting of single family properties or for dwelling units that are specifically made available for households comprised of elderly families, disabled families, and families receiving supportive services.

(E) Resident choice requirement
A housing assistance payment contract pursuant to this paragraph shall provide as follows:
(i) Mobility
Each low-income family occupying a dwelling unit assisted under the contract may move from the housing at any time after the family has occupied the dwelling unit for 12 months.

(ii) Continued assistance
Upon such a move, the public housing agency may agree to enter into such a contract at the time it enters into the initial agreement for a housing assistance payment contract or at any time thereafter that is before the expiration of the housing assistance payment contract.

(F) Contract term
A housing assistance payment contract pursuant to this paragraph shall establish rents for each unit assisted in an amount that does not exceed 110 percent of the applicable fair market rental (or any exception payment standard approved by the Secretary pursuant to paragraph (1)(D)), except that if a contract covers a dwelling unit that has been allocated low-income housing tax credits pursuant to section 42 of title 26 and is not located in a qualified census tract (as such term is defined in subsection (d) of such section 42), the rent for such unit may be established at any level that does not exceed the rent charged for comparable units in the building that also receive the low-income housing tax credit but do not have additional rental assistance, except that in the case of a contract unit that has been allo-
cated low-income housing tax credits and for which the rent limitation pursuant to such section 42 is less than the amount that would otherwise be permitted under this subparagraph, the rent for such unit may, in the sole discretion of a public housing agency, be established at the higher section 8 [42 U.S.C. 1437f] rent, subject only to paragraph (10)(A). The rents established by housing assistance payment contracts pursuant to this paragraph may vary from the payment standards established by the public housing agency pursuant to paragraph (1)(B), but shall be subject to paragraph (10)(A).

(I) Rent adjustments

A housing assistance payments contract pursuant to this paragraph shall provide for rent adjustments, except that—

(i) the adjusted rent for any unit assisted shall be reasonable in comparison with rents charged for comparable dwelling units in the private, unassisted, local market and may not exceed the maximum rent permitted under subparagraph (H), except that the contract may provide that the maximum rent permitted for a dwelling unit shall not be less than the initial rent for the dwelling unit under the initial housing assistance payments contract covering the unit; and

(ii) the provisions of subsection (c)(2)(C) shall not apply.

(J) Tenant selection

A public housing agency shall select families to receive project-based assistance pursuant to this paragraph from its waiting list for assistance under this subsection. Eligibility for such project-based assistance shall be subject to the provisions of section 1437n(b) of this title that apply to tenant-based assistance. The agency may establish preferences or criteria for selection for a unit assisted under this paragraph that are consistent with the public housing agency plan for the agency approved under section 1437c–1 of this title. Any family that rejects an offer of project-based assistance under this paragraph or that is rejected for admission to a structure by the owner or manager of a structure assisted under this paragraph shall retain its place on the waiting list as if the offer had not been made. The owner or manager of a structure assisted under this paragraph shall not admit any family to a dwelling unit assisted under a contract pursuant to this paragraph other than a family referred by the public housing agency from its waiting list. Subject to its waiting list policies and selection preferences, a public housing agency may place on its waiting list a family referred by the owner or manager of a structure and may maintain a separate waiting list for assistance under this paragraph, but only if all families on the agency’s waiting list for assistance under this subsection are permitted to place their names on the separate list.

(K) Vacated units

Notwithstanding paragraph (9), a housing assistance payment contract pursuant to this paragraph may provide as follows:

(i) Payment for vacant units

That the public housing agency may, in its discretion, continue to provide assistance under the contract, for a reasonable period not exceeding 60 days, for a dwelling unit that becomes vacant, but only: (I) if the vacancy was not the fault of the owner of the dwelling unit; and (II) the agency and the owner take every reasonable action to minimize the likelihood and extent of any such vacancy. Rental assistance may not be provided for a vacant unit after the expiration of such period.

(ii) Reduction of contract

That, if despite reasonable efforts of the agency and the owner to fill a vacant unit, no eligible family has agreed to rent the unit within 120 days after the owner has notified the agency of the vacancy, the agency may reduce its housing assistance payments contract with the owner by the amount equivalent to the remaining months of subsidy attributable to the vacant unit. Amounts deobligated pursuant to such a contract provision shall be available to the agency to provide assistance under this subsection.

Eligible applicants for assistance under this subsection may enforce provisions authorized by this subparagraph.

(L) Use in cooperative housing and elevator buildings

A public housing agency may enter into a housing assistance payments contract under this paragraph with respect to—

(i) dwelling units in cooperative housing; and

(ii) notwithstanding subsection (c), dwelling units in a high-rise elevator project, including such a project that is occupied by families with children, without review and approval of the contract by the Secretary.

(M) Reviews

(i) Subsidy layering

A subsidy layering review in accordance with section 3545(d) of this title shall not be required for assistance under this paragraph in the case of a housing assistance payments contract for an existing structure, or if a subsidy layering review has been conducted by the applicable State or local agency.

(ii) Environmental review

A public housing agency shall not be required to undertake any environmental review before entering into a housing assistance payments contract under this paragraph for an existing structure, except to the extent such a review is otherwise required by law or regulation.

(14) Inapplicability to tenant-based assistance

Subsection (c) shall not apply to tenant-based assistance under this subsection.
(15) Homeownership option

(A) In general

A public housing agency providing assistance under this subsection may, at the option of the agency, provide assistance for homeownership under subsection (y).

(B) Alternative administration

A public housing agency may contract with a nonprofit organization to administer a homeownership program under subsection (y).

(16) Rental vouchers for relocation of witnesses and victims of crime

(A) Witnesses

Of amounts made available for assistance under this subsection in each fiscal year, the Secretary, in consultation with the Inspector General, shall make available such sums as may be necessary for the relocation of witnesses in connection with efforts to combat crime in public and assisted housing pursuant to requests from law enforcement or prosecution agencies.

(B) Victims of crime

(i) In general

Of amounts made available for assistance under this section in each fiscal year, the Secretary shall make available such sums as may be necessary for the relocation of families residing in public housing who are victims of a crime of violence (as that term is defined in section 16 of title 18) that has been reported to an appropriate law enforcement agency.

(ii) Notice

A public housing agency that receives amounts under this subparagraph shall establish procedures for providing notice of the availability of that assistance to families that may be eligible for that assistance.

(17) Deed restrictions

Assistance under this subsection may not be used in any manner that abrogates any local deed restriction that applies to any housing consisting of 1 to 4 dwelling units. This paragraph may not be construed to affect the provisions or applicability of the Fair Housing Act [42 U.S.C. 3601 et seq.].

(18) Rental assistance for assisted living facilities

(A) In general

A public housing agency may make assistance payments on behalf of a family that uses an assisted living facility as a principal place of residence and that uses such supportive services made available in the facility as the agency may require. Such payments may be made only for covering costs of rental of the dwelling unit in the assisted living facility and not for covering any portion of the cost of residing in such facility that is attributable to service relating to assisted living.

(B) Rent calculation

(i) Charges included

For assistance pursuant to this paragraph, the rent of the dwelling unit that is an assisted living facility with respect to which assistance payments are made shall include maintenance and management charges related to the dwelling unit and tenant-paid utilities. Such rent shall not include any charges attributable to services relating to assisted living.

(ii) Payment standard

In determining the monthly assistance that may be paid under this paragraph on behalf of any family residing in an assisted living facility, the public housing agency shall utilize the payment standard established under paragraph (1), for the market area in which the assisted living facility is located, for the applicable size dwelling unit.

(iii) Monthly assistance payment

The monthly assistance payment for a family assisted under this paragraph shall be determined in accordance with paragraph (2) (using the rent and payment standard for the dwelling unit as determined in accordance with this subsection), except that a family may be required at the time the family initially receives such assistance to pay rent in an amount exceeding 40 percent of the monthly adjusted income of the family by such an amount or percentage that is reasonable given the services and amenities provided and as the Secretary deems appropriate. 6

(C) Definition

For the purposes of this paragraph, the term “assisted living facility” has the meaning given that term in section 232(b) of the National Housing Act (12 U.S.C. 1715w(b)), except that such a facility may be contained within a portion of a larger multifamily housing project.

(19) Rental vouchers for Veterans Affairs supported housing program

(A) Set aside

Subject to subparagraph (C), the Secretary shall set aside, from amounts made available for rental assistance under this subsection, the amounts specified in subparagraph (B) for use only for providing such assistance through a supported housing program administered in conjunction with the Department of Veterans Affairs. Such program shall provide rental assistance on behalf of homeless veterans who have chronic mental illnesses or chronic substance use disorders, shall require agreement of the veteran to continued treatment for such mental illness or substance use disorder as a condition of receipt of such rental assistance, and shall ensure such treatment and appropriate case management for each veteran receiving such rental assistance.

6So in original.
(B) Amount
The amount specified in this subparagraph is—
(i) for fiscal year 2007, the amount necessary to provide 500 vouchers for rental assistance under this subsection;
(ii) for fiscal year 2008, the amount necessary to provide 1,000 vouchers for rental assistance under this subsection;
(iii) for fiscal year 2009, the amount necessary to provide 1,500 vouchers for rental assistance under this subsection;
(iv) for fiscal year 2010, the amount necessary to provide 2,000 vouchers for rental assistance under this subsection; and
(v) for fiscal year 2011, the amount necessary to provide 2,500 vouchers for rental assistance under this subsection.

(C) Funding through incremental assistance
In any fiscal year, to the extent that this paragraph requires the Secretary to set aside rental assistance amounts for use under this paragraph in an amount that exceeds the amount set aside in the preceding fiscal year, such requirement shall be effective only to such extent or in such amounts as are or have been provided in appropriation Acts for such fiscal year for incremental rental assistance under this subsection.

(20) Collection of utility data
(A) Publication
The Secretary shall, to the extent that data can be collected cost effectively, regularly publish such data regarding utility consumption and costs in local areas as the Secretary determines will be useful for the establishment of allowances for tenant-paid utilities for families assisted under this subsection.

(B) Use of data
The Secretary shall provide such data in a manner that—
(i) avoids unnecessary administrative burdens for public housing agencies and owners; and
(ii) protects families in various unit sizes and building types, and using various utilities, from high rent and utility cost burdens relative to income.

(p) Shared housing for elderly and handicapped
In order to assist elderly families (as defined in section 1437a(b)(3) of this title who elect to live in a shared housing arrangement in which they benefit as a result of sharing the facilities of a dwelling with others in a manner that effectively and efficiently meets their housing needs and thereby reduces their cost of housing, the Secretary shall permit assistance provided under the existing housing and moderate rehabilitation programs to be used by such families in such arrangements. In carrying out this subsection, the Secretary shall issue minimum habitability standards for the purpose of assuring decent, safe, and sanitary housing for such families while taking into account the special circumstances of shared housing.

(q) Administrative fees
(1) Fee for ongoing costs of administration
(A) In general
The Secretary shall establish fees for the costs of administering the tenant-based assistance, certificate, voucher, and moderate rehabilitation programs under this section.

(B) Fiscal year 1999
(i) Calculation
For fiscal year 1999, the fee for each month for which a dwelling unit is covered by an assistance contract shall be—
(I) in the case of a public housing agency that, on an annual basis, is administering a program for not more than 600 dwelling units, 7.65 percent of the base amount; and
(II) in the case of an agency that, on an annual basis, is administering a program for more than 600 dwelling units (aa) for the first 600 units, 7.65 percent of the base amount, and (bb) for any additional dwelling units under the program, 7.0 percent of the base amount.

(ii) Base amount
For purposes of this subparagraph, the base amount shall be the higher of—
(I) the fair market rental established under subsection (c) of this section (as in effect immediately before the effective date under section 503(a) of the Quality Housing and Work Responsibility Act of 1998) for fiscal year 1993 for a 2-bedroom existing rental dwelling unit in the market area of the agency, and
(II) the amount that is the lesser of (aa) such fair market rental for fiscal year 1994, or (bb) 103.5 percent of the amount determined under clause (i), adjusted based on changes in wage data or other objectively measurable data that reflect the costs of administering the program, as determined by the Secretary. The Secretary may require that the base amount be not less than a minimum amount and not more than a maximum amount.

(C) Subsequent fiscal years
For subsequent fiscal years, the Secretary shall establish fees for the costs of administering the tenant-based assistance, certificate, voucher, and moderate rehabilitation programs under this section.

(D) Increase
The Secretary may increase the fee if necessary to reflect the higher costs of administering small programs and programs operating over large geographic areas.

(E) Decrease
The Secretary may decrease the fee for units owned by a public housing agency to reflect reasonable costs of administration.
(2) Fee for preliminary expenses

The Secretary shall also establish reasonable fees (as determined by the Secretary) for—

(A) the costs of preliminary expenses, in the amount of $500, for a public housing agency, except that such fee shall apply to an agency only in the first year that the agency administers a tenant-based assistance program under this section, and only if, immediately before the effective date under section 503(a) of the Quality Housing and Work Responsibility Act of 1998, the agency was not administering a tenant-based assistance program under this chapter (as in effect immediately before such effective date), in connection with its initial increment of assistance received;

(B) the costs incurred in assisting families who experience difficulty (as determined by the Secretary) in obtaining appropriate housing under the programs; and

(C) extraordinary costs approved by the Secretary.

(3) Transfer of fees in cases of concurrent geographical jurisdiction

In each fiscal year, if any public housing agency provides tenant-based assistance under this section on behalf of a family who uses such assistance for a dwelling unit that is located within the jurisdiction of such agency but is also within the jurisdiction of another public housing agency, the Secretary shall take such steps as may be necessary to ensure that the public housing agency that provides the services for a family receives all or part of the administrative fee under this section (as appropriate).

(4) Applicability

This subsection shall apply to fiscal year 1999 and fiscal years thereafter.

(r) Portability

(1) In general.—(A) Any family receiving tenant-based assistance under subsection (o) may receive such assistance to rent an eligible dwelling unit if the dwelling unit to which the family moves is within any area in which a program is being administered under this section.

(B) Notwithstanding subparagraph (A) and subject to any exceptions established under clause (ii) of this subparagraph, a public housing agency may require that any family not living within the jurisdiction of the public housing agency at the time the family applies for assistance from the agency shall, during the 12-month period beginning on the date of initial receipt of housing assistance made available on behalf of the family from such agency, lease and occupy an eligible dwelling unit located within the jurisdiction served by the agency.

(ii) The Secretary may establish such exceptions to the authority of public housing agencies established under clause (i).

(2) The public housing agency having authority with respect to the dwelling unit to which a family moves under this subsection shall have the responsibility of carrying out the provisions of this subsection with respect to the family.

(3) In providing assistance under subsection (o) for any fiscal year, the Secretary shall give consideration to any reduction in the number of resident families incurred by a public housing agency in the preceding fiscal year as a result of the provisions of this subsection. The Secretary shall establish procedures for the compensation of public housing agencies that issue vouchers to families that move into or out of the jurisdiction of the public housing agency under portability procedures. The Secretary may reserve amounts available for assistance under subsection (o) to compensate those public housing agencies.

(4) The provisions of this subsection may not be construed to restrict any authority of the Secretary under any other provision of law to provide for the portability of assistance under this section.

(5) Lease violations.—A family may not receive a voucher from a public housing agency and move to another jurisdiction under the tenant-based assistance program if the family has moved out of the assisted dwelling unit of the family in violation of a lease, except that a family may receive a voucher from a public housing agency and move to another jurisdiction under the tenant-based assistance program if the family has complied with all other obligations of the section 8 [42 U.S.C. 1437f] program and has moved out of the assisted dwelling unit in order to protect the health or safety of an individual who is or has been the victim of domestic violence, dating violence, or stalking and who reasonably believed he or she was imminently threatened by harm from further violence if he or she remained in the assisted dwelling unit.

(s) Prohibition of denial of certificates and vouchers to residents of public housing

In selecting families for the provision of assistance under this section (including subsection (o)), a public housing agency may not exclude or penalize a family solely because the family resides in a public housing project.

(t) Enhanced vouchers

(1) In general

Enhanced voucher assistance under this subsection for a family shall be voucher assistance under subsection (o), except that under such enhanced voucher assistance—

(A) subject only to subparagraph (D), the assisted family shall pay as rent no less than the amount the family was paying on the date of the eligibility event for the project in which the family was residing on such date;

(B) the assisted family may elect to remain in the same project in which the family was residing on the date of the eligibility event for the project, and if, during any period the family makes such an election and continues to so reside, the rent for the dwelling unit of the family in such project exceeds the applicable payment standard established pursuant to subsection (o) for the unit, the amount of rental assistance provided on behalf of the family shall be determined using a payment standard that is equal to the rent for the dwelling unit (as such rent may be increased from time-to-time), subject to paragraph (10)(A) of sub-
section (o) and any other reasonable limit prescribed by the Secretary, except that a limit shall not be considered reasonable for purposes of this subparagraph if it adversely affects such assisted families; (C) subparagraph (B) of this paragraph shall not apply and the payment standard for the dwelling unit occupied by the family shall be determined in accordance with subsection (o) if—

(i) the assisted family moves, at any time, from such project; or

(ii) the voucher is made available for use by any family other than the original family on behalf of whom the voucher was provided; and

(D) if the income of the assisted family declines to a significant extent, the percentage of income paid by the family for rent shall not exceed the greater of 30 percent or the percentage of income paid at the time of the eligibility event for the project.

(2) Eligibility event

For purposes of this subsection, the term "eligibility event" means, with respect to a multifamily housing project, the prepayment of the mortgage on such housing project, the voluntary termination of the insurance contract for the mortgage for such housing project (including any such mortgage prepayment during fiscal year 1996 or a fiscal year thereafter or any insurance contract voluntary termination during fiscal year 1996 or a fiscal year thereafter), the termination or expiration of the contract for rental assistance under this section for such housing project (including any such termination or expiration during fiscal years after fiscal year 1994 prior to the effective date of the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 2001), or the transaction under which the project is preserved as affordable housing, that, under paragraphs (3) and (4) of section 515(c) of the Multifamily Assisted Housing Reform and Affordability Act of 1997 (42 U.S.C. 1437f note), as in effect before October 20, 1999.

(3) Treatment of enhanced vouchers provided under other authority

(A) In general

Notwithstanding any other provision of law, any enhanced voucher assistance provided under any authority specified in subparagraph (B) shall (regardless of the date that the amounts for providing such assistance were made available) be treated, and subject to the same requirements, as enhanced voucher assistance under this subsection.

(B) Identification of other authority

The authority specified in this subparagraph is the authority under—

(i) the 10th, 11th, and 12th provisos under section (c) of the Multifamily Assistance Housing Investment Act of 1997 (42 U.S.C. 1437f note), as in effect before October 20, 1999;

(ii) paragraphs (3) and (4) of section 515(c) of the Multifamily Assisted Housing Reform and Affordability Act of 1997 (42 U.S.C. 1437f note), as in effect before October 20, 1999.

(4) Authorization of appropriations

There are authorized to be appropriated for each of fiscal years 2000, 2001, 2002, 2003, and 2004 such sums as may be necessary for enhanced voucher assistance under this subsection.

(u) Assistance for residents of rental rehabilitation projects

In the case of low-income families living in rental projects rehabilitated under section 1437o of this title or section 1490m of this title before rehabilitation—

(1) vouchers under this section shall be made for families who are required to move out of their units because of the physical rehabilitation activities or because of overcrowding;

(2) at the discretion of each public housing agency or other agency administering the allocation of assistance or vouchers under this section may be made for families who would have to pay more than 30 percent of their adjusted income for rent after rehabilitation whether they choose to remain in, or to move from, the project; and

(3) the Secretary shall allocate assistance for vouchers under this section to ensure that sufficient resources are available to address the physical or economic displacement, or potential economic displacement, of existing tenants pursuant to paragraphs (1) and (2).

(v) Extension of expiring contracts

The Secretary may extend expiring contracts entered into under this section for project-based loan management assistance to the extent necessary to prevent displacement of low-income families receiving such assistance as of September 30, 1996.


(x) Family unification

(1) Increase in budget authority

The budget authority available under section 1437c(c) of this title for assistance under

1 See References in Text note below.
(2) Use of funds

The amounts made available under this subsection shall be used only in connection with tenant-based assistance under this section on behalf of (A) any family (i) who is otherwise eligible for such assistance, and (ii) who the public child welfare agency for the jurisdiction has certified is a family for whom the lack of adequate housing is a primary factor in the imminent placement of the family’s child or children in out-of-home care or the delayed discharge of a child or children to the family from out-of-home care and (B) for a period not to exceed 36 months, otherwise eligible youths who have attained at least 18 years of age and not more than 24 years of age and who have left foster care, or will leave foster care within 90 days, in accordance with a transition plan described in section 475(5)(H) of the Social Security Act [42 U.S.C. 675(5)(H)], and is homeless or is at risk of becoming homeless at age 16 or older.

(3) Allocation

The amounts made available under this subsection shall be allocated by the Secretary through a national competition among applicants based on demonstrated need for the assistance under this subsection. To be considered for assistance, an applicant shall submit to the Secretary a written proposal containing a report from the public child welfare agency serving the jurisdiction of the applicant that describes how a lack of adequate housing in the jurisdiction is resulting in the initial or prolonged separation of children from their families, and how the applicant will coordinate with the public child welfare agency to identify eligible families and provide families with assistance under this subsection.

(4) Coordination between public housing agencies and public child welfare agencies

The Secretary shall, not later than the expiration of the 180-day period beginning on July 29, 2016, and after consultation with other appropriate Federal agencies, issue guidance to improve coordination between public housing agencies and public child welfare agencies in carrying out the program under this subsection, which shall provide guidance on—

(A) identifying eligible recipients for assistance under this subsection;

(B) coordinating with other local youth and family providers in the community and participating in the Continuum of Care program established under subtitle C of title IV of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11381 et seq.);

(C) implementing housing strategies to assist eligible families and youth;

(D) aligning system goals to improve outcomes for families and youth and reducing lapses in housing for families and youth; and

(E) identifying resources that are available to eligible families and youth to provide supportive services available through parts B and E of title IV of the Social Security Act (42 U.S.C. 621 et seq.; 670 et seq.) or that the head of household of a family or youth may be entitled to receive under section 477 of the Social Security Act (42 U.S.C. 677).

(5) Definitions

For purposes of this subsection:

(A) Applicant

The term “applicant” means a public housing agency or any other agency responsible for administering assistance under this section.

(B) Public child welfare agency

The term “public child welfare agency” means the public agency responsible under applicable State law for determining that a child is at imminent risk of placement in out-of-home care or that a child in out-of-home care under the supervision of the public agency may be returned to his or her family.

(y) Homeownership option

(1) Use of assistance for homeownership

A public housing agency providing tenant-based assistance on behalf of an eligible family under this section may provide assistance for an eligible family that purchases a dwelling unit (including a unit under a lease-purchase agreement) that will be owned by 1 or more members of the family, and will be occupied by the family, if the family—

(A) is a first-time homeowner, or owns or is acquiring shares in a cooperative;

(B) demonstrates that the family has income from employment or other sources (other than public assistance, except that the Secretary may provide for the consideration of public assistance in the case of an elderly family or a disabled family), as determined in accordance with requirements established by the Secretary, that is not less than twice the payment standard established by the public housing agency (or such other amount as may be established by the Secretary);

(C) except as provided by the Secretary, demonstrates at the time the family initially receives tenant-based assistance under this subsection that one or more adult members of the family have achieved employment for the period as the Secretary shall require;

(D) participates in a homeownership and housing counseling program provided by the agency; and

(E) meets any other initial or continuing requirements established by the public housing agency in accordance with requirements established by the Secretary.

(2) Determination of amount of assistance

(A) Monthly expenses not exceeding payment standard

If the monthly homeownership expenses, as determined in accordance with requirements established by the Secretary, do not exceed the payment standard, the monthly assistance payment shall be the amount by which the homeownership expenses exceed the highest of the following amounts, rounded to the nearest dollar:
§ 1437f

(4) Other authority of the Secretary

Inapplicability of certain provisions subject to the requirements of the following provisions:

(3) Inspections and contract conditions

(A) In general

Each contract for the purchase of a unit to be assisted under this section shall—

(i) provide for pre-purchase inspection of the unit by an independent professional; and

(ii) require that any cost of necessary repairs be paid by the seller.

(B) Annual inspections not required

The requirement under subsection (o)(8)(A)(ii) for annual inspections shall not apply to units assisted under this section.

(4) Other authority of the Secretary

The Secretary may—

(A) limit the term of assistance for a family assisted under this subsection; and

(B) modify the requirements of this subsection as the Secretary determines to be necessary to make appropriate adaptations for lease-purchase agreements.

(5) Inapplicability of certain provisions

Assistance under this subsection shall not be subject to the requirements of the following provisions:

(A) Subsection (c)(3)(B) of this section.

(B) Subsection (d)(1)(B)(i) of this section.

(C) Any other provisions of this section governing maximum amounts payable to owners and amounts payable by assisted families.

(D) Any other provisions of this section concerning contracts between public housing agencies and owners.

(E) Any other provisions of this chapter that are inconsistent with the provisions of this subsection.

(6) Reversion to rental status

(A) FHA-insured mortgages

If a family receiving assistance under this subsection for occupancy of a dwelling defaults under a mortgage for the dwelling insured by the Secretary under the National Housing Act [12 U.S.C. 1701 et seq.], the family may not continue to receive rental assistance under this section unless the family

(i) transfers to the Secretary marketable title to the dwelling, (ii) moves from the dwelling within the period established or approved by the Secretary, and (iii) agrees that any amounts the family is required to pay to reimburse the escrow account under section 1437u(d)(3) of this title may be deducted by the public housing agency from the assistance payment otherwise payable on behalf of the family.

(B) Other mortgages

If a family receiving assistance under this subsection for occupancy of a dwelling defaults under a mortgage not insured under the National Housing Act [12 U.S.C. 1701 et seq.], the family may not continue to receive rental assistance under this section unless it complies with requirements established by the Secretary.

(C) All mortgages

A family receiving assistance under this subsection that defaults under a mortgage may not receive assistance under this subsection for occupancy of another dwelling owned by one or more members of the family.

(7) Downpayment assistance

(A) Authority

A public housing agency may, in lieu of providing monthly assistance payments under this subsection on behalf of a family eligible for such assistance and at the discretion of the public housing agency, provide assistance for the family in the form of a single grant to be used only as a contribution toward the downpayment required in connection with the purchase of a dwelling for fiscal year 2000 and each fiscal year thereafter to the extent provided in advance in appropriations Acts.

(B) Amount

The amount of a downpayment grant on behalf of an assisted family may not exceed the amount that is equal to the sum of the assistance payments that would be made for the family during the first year of assistance on behalf of the family, based upon the income of the family at the time the grant is to be made.

(8) “First-time homeowner” defined

For purposes of this subsection, the term “first-time homeowner” means—

(A) a family, no member of which has had a present ownership interest in a principal residence during the 3 years preceding the date on which the family initially receives assistance for homeownership under this subsection; and

(B) any other family, as the Secretary may prescribe.

(2) Termination of section 1437f contracts and reuse of recaptured budget authority

(A) General authority

The Secretary may reuse any budget authority, in whole or part, that is recaptured on account of expiration or termination of a hous-
ing assistance payments contract only for one or more of the following:

(A) Tenant-based assistance

Pursuant to a contract with a public housing agency, to provide tenant-based assistance under this section to families occupying units formerly assisted under the terminated contract.

(B) Project-based assistance

Pursuant to a contract with an owner, to attach assistance to one or more structures under this section, for relocation of families occupying units formerly assisted under the terminated contract.

(2) Families occupying units formerly assisted under terminated contract

Pursuant to paragraph (1), the Secretary shall first make available tenant- or project-based assistance to families occupying units formerly assisted under the terminated contract. The Secretary shall provide project-based assistance in instances only where the use of tenant-based assistance is determined to be infeasible by the Secretary.

(aa) Omitted

(bb) Transfer, reuse, and rescission of budget authority

(1) Transfer of budget authority

If an assistance contract under this section, other than a contract for tenant-based assistance, is terminated or is not renewed, or if the contract expires, the Secretary shall, in order to provide continued assistance to eligible families, including eligible families receiving the benefit of the project-based assistance at the time of the termination, transfer any budget authority remaining in the contract to another contract. The transfer shall be under such terms as the Secretary may prescribe.

(2) Reuse and rescission of certain recaptured budget authority

Notwithstanding paragraph (1), if a project-based assistance contract for an eligible multifamily housing project subject to actions authorized under this subchapter is terminated or amended as part of restructuring under section 517 of the Multifamily Assisted Housing Reform and Affordability Act of 1997, the Secretary shall recapture the budget authority not required for the terminated or amended contract and use such amounts as are necessary to provide housing assistance for the same number of families covered by such contract for the remaining term of such contract, under a contract providing for project-based or tenant-based assistance. The amount of budget authority saved as a result of the shift to project-based or tenant-based assistance shall be rescinded.

(cc) Law enforcement and security personnel

(1) In general

Notwithstanding any other provision of this chapter, in the case of assistance attached to a structure, for the purpose of increasing security for the residents of a project, an owner may admit, and assistance under this section may be provided to, police officers and other security personnel who are not otherwise eligible for assistance under the chapter.

(2) Rent requirements

With respect to any assistance provided by an owner under this subsection, the Secretary may:

(A) permit the owner to establish such rent requirements and other terms and conditions of occupancy that the Secretary considers to be appropriate; and

(B) require the owner to submit an application for those rent requirements, which application shall include such information as the Secretary, in the discretion of the Secretary, determines to be necessary.

(3) Applicability

This subsection shall apply to fiscal year 1999 and fiscal years thereafter.

(dd) Tenant-based contract renewals

Subject to amounts provided in appropriation Acts, starting in fiscal year 1999, the Secretary shall renew all expiring tenant-based annual contribution contracts under this section by applying an inflation factor based on local or regional factors to an allocation baseline. The allocation baseline shall be calculated by including, at a minimum, amounts sufficient to ensure continued assistance for the actual number of families assisted as of October 1, 1997, with appropriate upward adjustments for incremental assistance and additional families authorized subsequent to that date.


AMENDMENT OF SECTION
Pub. L. 114–201, title I, § 101(a)(2), (3), (b), July 29, 2016, 130 Stat. 784, 786, provided that, effective upon the issuance of notice or regulations implementing subsection (a) of section 101 of Pub. L. 114–201, subsection (o)(3) of this section is amended as follows: (1) by redesignating subparagraph (G) as subparagraph (H); and (2) by inserting after subparagraph (F) the following new subparagraph:

"(G) Enforcement of housing quality standards" "(i) Determination of noncompliance

"A dwelling unit that is covered by a housing assistance payments contract under this subsection shall be considered, for purposes of subparagraphs (D) and (F), to be in noncompliance with the housing quality standards under subparagraph (B) if—

"(I) the public housing agency or an inspector authorized by the State or unit of local government determines upon inspection of the unit that the unit fails to comply with such standards;

"(II) the agency or inspector notifies the owner of the unit in writing of such failure to comply; and

"(III) the failure to comply is not corrected—

"(aa) in the case of any such failure that is a result of life-threatening conditions, within 24 hours after such notice has been provided; and

"(bb) the case of any such failure that is a result of non-life-threatening conditions, within 30 days after such notice has been provided or such other reasonable longer period as the public housing agency may establish.

"(ii) Withholding of assistance amounts during correction

"The public housing agency may withhold assistance amounts under this subsection with respect to a dwelling unit for which a notice pursuant to clause (i)(II), of failure to comply with housing quality standards under subparagraph (B) as determined pursuant to an inspection conducted under subparagraph (D) or (F), has been provided. If the unit is brought into compliance with such housing quality standards during the periods referred to in clause (i)(III), the public housing agency shall recommence assistance payments and may use any amounts withheld during the correction period to make assistance payments relating to the period during which payments were withheld.

"(iii) Abatement of assistance amounts

"The public housing agency shall abate all of the assistance amounts under this subsection with respect to a dwelling unit that is determined, pursuant to clause (i) of this subparagraph, to be in noncompliance with housing quality standards under subparagraph (B). Upon completion of repairs by the public housing agency or the owner sufficient so that the dwelling unit complies with such housing quality standards, the agency shall recommence payments under the housing assistance payments contract to the owner of the dwelling unit.

"(iv) Notification

"If a public housing agency providing assistance under this subsection abates rental assistance payments pursuant to clause (iii) with respect to a dwelling unit, the agency shall, upon commencement of such abatement—

"(I) notify the tenant and the owner of the dwelling unit that—

"(aa) such abatement has commenced; and

"(bb) if the dwelling unit is not brought into compliance with housing quality standards within 60 days after the effective date of the determination of noncompliance under clause (i) or such reasonable longer period as the agency may establish, the tenant will have to move; and
“(v) Protection of tenants

An owner of a dwelling unit may not terminate the tenancy of any tenant because of the withholding or abatement of assistance pursuant to this subparagraph. During the period that assistance is abated pursuant to this subparagraph, the tenant may terminate the tenancy by notifying the owner.

“(vi) Termination of lease or assistance payments contract

If assistance amounts under this section for a dwelling unit are abated pursuant to clause (iii) and the owner does not correct the noncompliance within 60 days after the effective date of the determination of noncompliance under clause (i), or such other reasonable longer period as the public housing agency may establish, the agency shall terminate the housing assistance payments contract for the dwelling unit.

“(vii) Relocation

“(I) Lease of new unit

The agency shall provide the family residing in such a dwelling unit a period of 90 days or such longer period as the public housing agency determines is reasonably necessary to lease a new unit, beginning upon termination of the contract, to lease a new residence with tenant-based rental assistance under this section.

“(II) Availability of public housing units

If the family is unable to lease such a new residence during such period, the public housing agency shall, at the option of the family, provide such family a preference for occupancy in a dwelling unit of public housing that is owned or operated by the agency that first becomes available for occupancy after the expiration of such period.

“(III) Assistance in finding unit

The public housing agency may provide assistance to the family in finding a new residence, including use of up to two months of any assistance amounts withheld or abated pursuant to clause (ii) or (iii), respectively, for costs directly associated with relocation of the family to a new residence, which shall include security deposits as necessary and may include reimbursements for reasonable moving expenses incurred by the household, as established by the Secretary. The agency may require that a family receiving assistance for a security deposit shall remit, to the extent of such assistance, the amount of any security deposit refunds made by the owner of the dwelling unit for which the lease was terminated.

“(viii) Tenant-caused damages

If a public housing agency determines that any damage to a dwelling unit that results in a failure of the dwelling unit to comply with housing quality standards under subparagraph (B), other than any damage resulting from ordinary use, was caused by the tenant, any member of the tenant’s household, or any guest or other person under the tenant’s control, the agency may waive the applicability of this subparagraph, except that this clause shall not exonerate a tenant from any liability otherwise existing under applicable law for damages to the premises caused by such tenant.

“(ix) Applicability

“This subparagraph shall apply to any dwelling unit for which a housing assistance payments contract is entered into or renewed after the date of the effectiveness of the regulations implementing this subparagraph.”

Pub. L. 114–201, title I, §102(e), (f), (h), July 29, 2016, 130 Stat. 791, provided that, effective upon the issuance of notice or regulations implementing section 102 of Pub. L. 114–201, except that such section 102 may only take effect upon the commencement of a calendar year, this section is amended as follows:

(1) in subsection (c)(3), by striking the last sentence; and

(2) in subsection (t)(1)(D), by striking “income” each place such term appears and inserting “annual adjusted income”.

Pub. L. 114–201, title I, §106, July 29, 2016, 130 Stat. 796, provided that, effective upon the issuance of notice or regulations implementing subsection (a) of section 106 of Pub. L. 114–201, subsection (o)(13) of this section is amended as follows:

(1) by striking “structure” each place such term appears and inserting “project”;

(2) by striking subparagraph (B) and inserting the following new subparagraph:

“(B) Percentage limitation

“(i) In general

Subject to clause (ii), a public housing agency may use for project-based assistance under this paragraph not more than 20 percent of the authorized units for the agency.

“(ii) Exception

A public housing agency may use up to an additional 10 percent of the authorized units for the agency for project-based assistance under this paragraph, to provide units to house individuals and families that meet the definition of homeless under section 103 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11302), that house families with veterans, that provide supportive housing to persons with disabilities or elderly persons, or that are located in areas where vouchers under this subsection are difficult to use, as specified in subparagraph (D)(ii)(II). Any units of project-based assistance that are attached to units previously subject to federally required rent restrictions or receiving another type of long-term housing subsidy provided by the Secretary shall not count toward the percentage limitation under clause (i) of this subparagraph. The Secretary may, by regulation, establish additional categories for the exception under this clause.”;

(3) by striking subparagraph (D) and inserting the following new subparagraph:
“(D) Income-mixing requirement

“(i) In general

“Except as provided in clause (ii), not more than the greater of 25 dwelling units or 25 percent of the dwelling units in any project may be assisted under a housing assistance payment contract for project-based assistance pursuant to this paragraph. For purposes of this subparagraph, the term ‘project’ means a single building, multiple contiguous buildings, or multiple buildings on contiguous parcels of land.

“(ii) Exceptions

“(I) Certain families

“The limitation under clause (i) shall not apply to dwelling units assisted under a contract that are exclusively made available to elderly families or to households eligible for supportive services that are made available to the assisted residents of the project, according to standards for such services the Secretary may establish.

“(II) Certain areas

“With respect to areas in which tenant-based vouchers for assistance under this subsection are difficult to use, as determined by the Secretary, and with respect to census tracts with a poverty rate of 20 percent or less, clause (i) shall be applied by substituting ‘40 percent’ for ‘25 percent’, and the Secretary may, by regulation, establish additional conditions.

“(III) Certain contracts

“The limitation under clause (i) shall not apply with respect to contracts or renewal of contracts under which a greater percentage of the dwelling units in a project were assisted under a housing assistance payment contract for project-based assistance pursuant to this paragraph on July 29, 2016.

“(IV) Certain properties

“Any units of project-based assistance under this paragraph that are attached to units previously subject to federally required rent restrictions or receiving other project-based assistance provided by the Secretary shall not count toward the percentage limitation imposed by this subparagraph (D).

“(III) Additional monitoring and oversight requirements

“The Secretary may establish additional requirements for monitoring and oversight of projects in which more than 40 percent of the dwelling units are assisted under a housing assistance payment contract for project-based assistance pursuant to this paragraph.”;

(4) by striking subparagraph (F) and inserting the following new subparagraph:

“(F) Contract term

“(i) Term

“A housing assistance payment contract pursuant to this paragraph between a public housing agency and the owner of a project may have a term of up to 20 years, subject to—

“(I) the availability of sufficient appropriated funds for the purpose of renewing expiring contracts for assistance payments, as provided in appropriation Acts and in the agency’s annual contributions contract with the Secretary, provided that in the event of insufficient appropriated funds, payments due under contracts under this paragraph shall take priority if other cost-saving measures that do not require the termination of an existing contract are available to the agency; and

“(II) compliance with the inspection requirements under paragraph (b), except that the agency shall not be required to make biennial inspections of each assisted unit in the development.

“(ii) Addition of eligible units

“Subject to the limitations of subparagraphs (B) and (D), the agency and the owner may add eligible units within the same project to a housing assistance payments contract at any time during the term thereof without being subject to any additional competitive selection procedures.

“(iii) Housing under construction or recently constructed

“A housing assistance payments contract with an owner for any unit that does not qualify as existing housing and is under construction or recently has been constructed whether or not the agency has executed an agreement to enter into a contract with the owner, provided that the owner demonstrates compliance with applicable requirements prior to execution of the housing assistance payments contract. This clause shall not subject a housing assistance payments contract for existing housing under this paragraph to such requirements or otherwise limit the extent to which a unit may be assisted as existing housing.

“(iv) Additional conditions

“The contract may specify additional conditions, including with respect to continuation, termination, or expiration of the contract without extension, each assisted family may elect to use its assistance under this subsection to remain in the same project if its unit complies with the inspection requirements under paragraph (b), the rent for the unit is reasonable as required by paragraph (10)(A), and the family pays its required share of the rent and the amount, if any, by which the unit rent (including the amount allowed for tenant-based utilities) exceeds the applicable payment standard.”;

(5) in subparagraph (G), by striking “15 years” and inserting “20 years”;

(6) by striking subparagraph (I) and inserting the following new subparagraph:

“(I) Rent adjustments

“A housing assistance payments contract pursuant to this paragraph entered into after July 29, 2016, shall provide for annual rent adjustments upon the request of the owner, except that—
“(i) by agreement of the parties, a contract may allow a public housing agency to adjust the rent for covered units using an operating cost adjustment factor established by the Secretary pursuant to section 524(c) of the Multifamily Assisted Housing Reform and Affordability Act of 1997 (which shall not result in a negative adjustment), in which case the contract may require an additional adjustment, if requested, up to the reasonable rent periodically during the term of the contract, and shall require such an adjustment, if requested, upon extension pursuant to subparagraph (G);

“(ii) the adjusted rent shall not exceed the maximum rent permitted under subparagraph (H);

“(iii) the contract may provide that the maximum rent permitted for a dwelling unit shall not be less than the initial rent for the dwelling unit under the initial housing assistance payments contract covering the units; and

“(iv) the provisions of subsection (c)(2)(C) shall not apply.”;

(7) in subparagraph (J)—

(A) in the first sentence, by striking “shall” and inserting “may” and by inserting before the period the following: “or may permit owners to select applicants from site-based waiting lists as specified in this subparagraph”;

(B) by striking the third sentence and inserting the following: “The agency or owner may establish preferences or criteria for selection for a unit assisted under this paragraph that are consistent with the public housing agency plan for the agency approved under section 1437c–1 of this title and that give preference to families who qualify for voluntary services, including disability-specific services, offered in conjunction with assisted units.”; and

(C) by striking the fifth and sixth sentences and inserting the following: “A public housing agency may establish and utilize procedures for owner-maintained site-based waiting lists, under which applicants may apply at, or otherwise designate to the public housing agency, the project or projects in which they seek to reside, except that all eligible applicants on the waiting list of an agency for assistance under this subsection shall be permitted to place their names on such separate list, subject to policies and procedures established by the Secretary. All such procedures shall comply with title VI of the Civil Rights Act of 1964, the Fair Housing Act, section 794 of title 29, and other applicable civil rights laws. The owner or manager of a project assisted under this paragraph shall not admit any family to a dwelling unit assisted under a contract pursuant to this paragraph other than a family referred by the public housing agency from its waiting list, or a family on a site-based waiting list that complies with the requirements of this subparagraph. A public housing agency shall disclose to each applicant all other options in the selection of a project in which to reside that are provided by the public housing agency and are available to the applicant.”;

(8) in subparagraph (M)(ii), by inserting before the period at the end the following: “relating to funding other than housing assistance payments”;

(9) by adding at the end the following new subparagraphs:

“(N) Structure owned by agency

“A public housing agency engaged in an initiative to improve, develop, or replace a public housing property or site may attach assistance to an existing, newly constructed, or rehabilitated structure in which the agency has an ownership interest or which the agency has control of without following a competitive process, provided that the agency has notified the public of its intent through its public housing agency plan and subject to the limitations and requirements of this paragraph.”

“(O) Special purpose vouchers

“A public housing agency that administers vouchers authorized under subsection (o)(19) or (z) of this section may provide such assistance in accordance with the limitations and requirements of this paragraph, without additional requirements for approval by the Secretary.”

Pub. L. 114–201, title I, §112, July 29, 2016, 130 Stat. 803, provided that, effective upon the issuance of notice implementing subsection (a) of section 112 of Pub. L. 114–201, subsection (o)(12) of this section is amended as follows:

(1) in subparagraph (A), by striking the period at the end of the first sentence and all that follows through “of” in the second sentence and inserting “and rents”; and

(2) in subparagraph (B)—

(A) in clause (i), by striking “the rent” and all that follows and inserting the following: “rent shall mean the sum of the monthly payments made by a family assisted under this paragraph to amortize the cost of purchasing the manufactured home, including any required insurance and property taxes, the monthly amount allowed for tenant-paid utilities, and the monthly rent charged for the real property on which the manufactured home is located, including monthly management and maintenance charges.”;

(B) by striking clause (ii); and

(C) in clause (iii)—

(i) by inserting after the period at the end the following: “If the amount of the monthly assistance payment for a family exceeds the monthly rent charged for the real property on which the manufactured home is located, including monthly management and maintenance charges, a public housing agency may pay the remainder to the family, lender or utility company, or may choose to make a single payment to the family for the entire monthly assistance amount.”; and

(ii) by redesigning such clause as clause (ii).

See 2016 Amendment notes below.

REFERENCES IN TEXT

Sections 514 and 517 of the Multifamily Assisted Housing Reform and Affordability Act of 1997, referred to in subsecs. (d)(5) and (bb)(2), are sections 514 and 517 of Pub. L. 105–66, and are set out as a note under this section.

The Cranston-Gonzalez National Affordable Housing Act, referred to in subsecs. (f)(4) and (o)(4)(D), 110 Stat. 625, was approved Oct. 27, 2000.

The Effective date of the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 2001, referred to in subsec. (t)(2), means the effective date of H.R. 5482, the Cranston-Gonzalez National Affordable Housing Act, in subsec. (t)(2), means the effective date of H.R. 5482, the Cranston-Gonzalez National Affordable Housing Act, was approved Oct. 27, 2000.


The McKinney-Vento Homeless Assistance Act, referred to in subsec. (y)(3)(B), does not contain a cl. (ii) and does not relate to annual inspections. For provisions of subsection (o)(8) which relate to annual inspections, see subpar. (D).


Amendments


2016—Subsec. (c)(1). Pub. L. 114–201, §107(a), designated existing provisions as subpar. (A), struck out “Proposed fair market rentals for an area shall be published in the Federal Register with reasonable time for public comment, and shall become effective upon the date of publication in final form in the Federal Register” after “October 1, 1980,” and added subpar. (B).

Subsec. (c)(3). Pub. L. 114–201, §102(f), struck out at end “Reviews of family income shall be made no less frequently than annually.”

Subsec. (o)(1)(B). Pub. L. 114–201, §107(b), inserted before period at end “except that no public housing agency shall be required as a result of a reduction in the fair market rental to reduce the payment standard applied to a family continuing to reside in a unit for which the family was receiving assistance under this section at the time the fair market rental was reduced. The Secretary shall allow public housing agencies to request exception payment standards within fair market rental areas subject to criteria and procedures established by the Secretary.”

Subsec. (o)(1)(D). Pub. L. 114–201, §102(d)(1), inserted before period at end “except that a public housing agency may establish a payment standard of not more than 120 percent of the fair market rent where necessary as a reasonable accommodation for a person with a disability, without approval of the Secretary. A public housing agency may use a payment standard that is greater than 120 percent of the fair market rent as a reasonable accommodation for a person with a disability, but only with the approval of the Secretary.”

In connection with the use of any increased payment standard established or approved pursuant to either of the preceding two sentences as a reasonable accommodation for a person with a disability, the Secretary...
may not establish additional requirements regarding the amount of adjusted income paid by such person for rent.


Subsec. (o)(5)(A). Pub. L. 114–201, §102(d)(2)(B), substituted “paragraphs (1), (6), and (7)” of section 1437a(a) of this title and to “for the family and to” for “for the family” in subpar. (D) and struck out former subpar. (D). Prior to amendment, text read as follows: “The agency may establish and utilize waiting lists, under which applicants may apply at, or otherwise designate to the public housing agency, the project or projects in which they seek to reside, except that all eligible applicants on the waiting lists as specified in this subparagraph may have a term of up to 15 years, subject to the availability of sufficient appropriated funds for the purpose of renewing expiring contracts for assistance payments, as provided in appropriations Acts and in the agency’s annual contributions contract with the Secretary, and to annual compliance with the inspection requirements under paragraph (8), except that the agency shall not be required to make annual inspections of each assisted unit in the development. The contract may specify additional conditions for its continuation. If the units covered by the contract are owned by the agency, the term of the contract shall be agreed upon by the agency and the unit of general local government or other entity approved by the Secretary in the manner provided under paragraph (1).” Prior to amendment, text read as follows: “A public housing agency may establish and utilize waiting lists, under which applicants may apply.”

Subsec. (o)(5)(B). Pub. L. 114–201, §102(d)(2)(C), struck out at end “‘Each public housing agency shall, not less than frequently than annually, conduct a review of the family income of each family receiving assistance under this subsection.’”

Subsec. (o)(5)(C). Pub. L. 114–201, §102(d)(2)(D), redesignated former subpar. (C) as (B). Prior to amendment, text read as follows: “The agency may establish and utilize waiting lists, under which applicants may apply.”


Subsec. (o)(5)(E). Pub. L. 114–201, §102(d)(2)(F), redesignated former subpar. (E) as (D). Prior to amendment, text read as follows: “The agency may establish and utilize waiting lists, under which applicants may apply.”


Subsec. (o)(5)(G). Pub. L. 114–201, §102(d)(2)(H), redesignated former subpar. (G) as (F). Prior to amendment, text read as follows: “The agency may establish and utilize waiting lists, under which applicants may apply.”

Subsec. (o)(5)(H). Pub. L. 114–201, §102(d)(2)(I), redesignated former subpar. (I) as (H). Prior to amendment, text read as follows: “The agency may establish and utilize waiting lists, under which applicants may apply.”

Subsec. (o)(5)(I). Pub. L. 114–201, §102(d)(2)(J), redesignated former subpar. (J) as (I). Prior to amendment, text read as follows: “The agency may establish and utilize waiting lists, under which applicants may apply.”

Subsec. (o)(5)(J). Pub. L. 114–201, §102(d)(2)(K), redesignated former subpar. (K) as (J). Prior to amendment, text read as follows: “The agency may establish and utilize waiting lists, under which applicants may apply.”

Subsec. (o)(5)(K). Pub. L. 114–201, §102(d)(2)(L), redesignated former subpar. (L) as (K). Prior to amendment, text read as follows: “Subparagraphs (8) through (13) shall apply.”

Subsec. (o)(5)(L). Pub. L. 114–201, §102(d)(2)(M), redesignated former subpar. (M) as (L). Prior to amendment, text read as follows: “Subparagraphs (8) through (13) shall apply.”

Subsec. (o)(5)(M). Pub. L. 114–201, §102(d)(2)(N), redesignated former subpar. (N) as (M). Prior to amendment, text read as follows: “Subparagraphs (8) through (13) shall apply.”

section 794 of title 29, and other applicable civil rights laws. The owner or manager of a project assisted under this paragraph shall not admit any family to a dwelling unit assisted under a contract pursuant to this paragraph other than a family referred by the public housing agency from its waiting list, or a family on a site-based waiting list that complies with the requirements of this paragraph. A public housing agency shall disclose to each applicant all other options in the selection of a project in which to reside that are provided by the public housing agency and are available to the applicant. For the owner or manager of a structure assisted under this paragraph shall not admit any family to a dwelling unit assisted under a contract pursuant to this paragraph other than a family referred by the public housing agency from its waiting list subject to its waiting list policies and selection preferences, a public housing agency may place on its waiting list a family referred by the owner or manager of a structure and may maintain a separate waiting list for assistance under this paragraph, but only if all families on the agency's waiting list for assistance under this paragraph are permitted to place their names on the separate list.

Subsec. (c)(13)(M). Pub. L. 114–201, §106(a)(1), substituted “project” for “structure” in cls. (i) and (ii).

Subsec. (c)(13)(M)(i). Pub. L. 114–201, §106(a)(8), inserted period at end “relating to funding other than housing assistance payments.”

Subsec. (c)(13)(N), (O). Pub. L. 114–201, §106(a)(9), added subpars. (N) and (O).


Subsec. (c)(1)(D). Pub. L. 114–201, §102(e), substituted “annual adjusted income” for “income” wherever appearing.

Subsec. (c)(2)(B). Pub. L. 114–201, §110(1), substituted “36 months” for “18 months” and “24 years of age” for “21 years of age” and inserted “, or will leave foster care within 90 days, in accordance with a transition plan described in section 475(b)(H) of the Social Security Act, and is homeless or is at risk of becoming homeless” after “have left foster care”.

Subsec. (c)(4), (5). Pub. L. 114–201, §110(2), (3), added par. (4) and redesignated former par. (4) as (5).

2015—Subsec. (c)(5)(A). Pub. L. 114–94 substituted “as required by section 1437a(a)(1) of this title” for “not less than annually”.


Subsec. (c)(8)(B) to (D). Pub. L. 113–76, §220(a), added subpars. (D) to (F), redesignated former subpar. (E) as (G), and struck out former subpar. (D) which required every public housing agency providing assistance under this subsection to make an annual inspection of each assisted dwelling unit.

2013—Subsec. (c)(9). Pub. L. 113–4, §601(b)(2)(A), struck out par. (9) which related to prohibitions against the denial of program assistance or admission to victims of domestic violence, dating violence, or stalking and the termination of assistance, tenancy, or occupancy rights of such victims.

Subsec. (d)(1)(A). Pub. L. 113–4, §601(b)(2)(B)(i), struck out “and that an applicant or participant is or has been a victim of domestic violence, dating violence, or stalking is not an appropriate basis for denial of program assistance or for denial of admission if the applicant otherwise qualifies for assistance or admission” before semicolon at end.

Subsec. (d)(1)(B)(ii). Pub. L. 113–4, §601(b)(2)(B)(i)(I), struck out “, and that an incident or incidents of actual or threatened domestic violence, dating violence, or stalking will not be construed as a serious or repeated violation of the lease by the victim or threatened victim of that violence and will not be good cause for terminating the tenancy or occupancy rights of the victim of such violence” before semicolon at end.

Subsec. (d)(1)(B)(iii). Pub. L. 113–4, §601(b)(2)(B)(i)(II), struck out before semicolon at end “; except that (i) criminal activity directly relating to domestic violence, dating violence, or stalking, engaged in by a member of a tenant’s household or any guest or other person under the tenant’s control shall not be cause for
termination of the tenancy or occupancy rights, if the tenant or immediate member of the tenant’s family is a victim of that domestic violence, dating violence, or stalking; (ii) will occupy the unit as a primary residence; and (iii) has provided the tenant a notice to vacate at least 90 days before the effective date of such notice.

Subsec. (o)(7)(F). Pub. L. 111–22, §703(I), as amended by Pub. L. 115–174, §904(a), (b), inserted at end “In the case of any foreclosure on any federally-related mortgage loan (as that term is defined in section 2962 of title 12) or on any residential real property in which a recipient of assistance under this subsection resides, the immediate successor in interest in such property pursuant to the foreclosure shall assume such interest subject to the lease between the prior owner and the tenant and to the housing assistance payments contract between the prior owner and the public housing agency for the occupied unit, except that this subparagraph and the provisions related to foreclosure in subparagraph (C) shall not affect any State or local law that provides longer time periods or other additional protections for tenants.”


Subsec. (d)(7)(C). Pub. L. 111–22, §703(I), as amended by Pub. L. 115–174, §904(a), (b), inserted at end “In the case of any foreclosure on any federally-related mortgage loan (as that term is defined in section 2962 of title 12) or on any residential real property in which a recipient of assistance under this subsection resides, the immediate successor in interest in such property pursuant to the foreclosure shall assume such interest subject to the lease between the prior owner and the tenant and to the housing assistance payments contract between the prior owner and the public housing agency for the occupied unit, except that this subparagraph and the provisions related to foreclosure in subparagraph (C) shall not affect any State or local law that provides longer time periods or other additional protections for tenants.”


Subsec. (c)(9)(C)(i). (ii). Pub. L. 109–271, §5(e)(1), added cl. (i) and struck out former cl. (ii) which read as follows: "Notwithstanding clause (i), an owner or manager may bifurcate a lease under this section, in order to evict, remove, or terminate assistance to any individual who is a tenant or lawful occupant and who engages in criminal acts of physical violence against family members or others, without evicting, removing, terminating assistance to, or otherwise penalizing the victim of such violence who is also a tenant or lawful occupant. Such eviction, removal, or termination of occupancy rights, or termination of assistance shall be effected in accordance with the procedures prescribed by Federal, State, and local law for the termination of leases or assistance under the relevant program of HUD-assisted housing. (iii) nothing in clause (i) may be construed to limit the authority of a public housing agency, owner, or manager, when notified, to honor court orders addressing rights of access or control of the property, including civil protection orders issued to protect the victim and issued to address the distribution or possession of property among the household members in cases where a family breaks up; (iv) nothing in clause (i) limits any otherwise available authority of an owner or manager to evict or the public housing agency to terminate assistance to a tenant for any violation of a lease not premised on the act or omission of violence in question against the tenant or a member of the tenant’s household, provided that the owner, manager, or public housing agency does not subject an individual who is or has been a victim of domestic violence, dating violence, or stalking to a more demanding standard than other tenants in determining whether to evict or terminate; (v) nothing in clause (i) may be construed to limit the authority of an owner or manager to evict, or the public housing agency to terminate assistance to any tenant if the owner, manager, or public housing agency can demonstrate an actual and imminent threat to other tenants or those employed at or providing service to the property if that tenant is not evicted or terminated from assistance; and (vi) nothing in this subsection shall be construed to supersede any provision of any Federal, State, or local law that provides greater protection than this section for victims of domestic violence, dating violence, or stalking.”


Subsec. (ee). Pub. L. 113–4, §601(b)(2)(E), struck out subsec. (ee) which related to certification that an individual is a victim of domestic violence, dating violence, or stalking and confidentiality of information provided to any owner, manager, or public housing agency.
agency may establish local preferences, consistent with the public housing agency plan submitted under section 1437c–1 of this title by the public housing agency and that an applicant or participant is or has been a victim of domestic violence, dating violence, or stalking is not an appropriate basis for denial of program assistance or for denial of admission if the applicant otherwise qualifies for assistance or admission.'

Pub. L. 109–162, § 606(2)(A), which directed insertion of "and that an applicant or participant is or has been a victim of domestic violence, dating violence, or stalking is not an appropriate basis for denial of program assistance or for denial of admission if the applicant otherwise qualifies for assistance or admission after "public housing agency"", was executed by making the insertion after "public housing agency" the last place appearing to reflect the probable intent of Congress.

Subsec. (d)(1)(B)(i). Pub. L. 109–162, § 606(2)(B), inserted "and that an incident or incidents of actual or threatened domestic violence, dating violence, or stalking will not be construed as a serious or repeated violation of the lease by the victim or threatened victim of that violence and will not be good cause for terminating the tenancy or occupancy rights of the victim of such violence" before semicolon at end.

Pub. L. 109–162, § 606(2)(C), inserted before semicolon at end "except that: (I) criminal activity directly relating to domestic violence, dating violence, or stalking, engaged in by a member of a tenant's household or any guest or other person under the tenant's control, shall not be cause for termination of the tenancy or occupancy rights or program assistance, if the tenant or immediate member of the tenant's family is a victim of that domestic violence, dating violence, or stalking; (II) notwithstanding subclause (I), a public housing agency may terminate assistance to any individual who is a tenant or lawful occupant and who engages in criminal acts of physical violence against family members or others, or an owner or manager under this section may bifurcate a lease, in order to evict, remove, or terminate assistance to any individual who is a tenant or lawful occupant and who engages in criminal acts of physical violence against family members or others, without evicting, removing, terminating assistance to, or otherwise penalizing the victim of such violence who is also a tenant or lawful occupant;".


Subsec. (g)(6)(B). Pub. L. 109–271, § 5(e)(4)(A)(i), which directed the substitution of "admission, and that nothing" for "admission, and that nothing" in second sentence, was executed by striking the substitution in third sentence, to reflect the probable intent of Congress.

Pub. L. 109–271, § 5(e)(4)(A)(ii), which directed the substitution of "for assistance or" for "for admission for" in second sentence, was executed by substituting "for assistance or" for "for admission for" in third sentence, to reflect the probable intent of Congress.

Pub. L. 109–271, § 5(e)(4)(A)(iii), which directed the amendment of second sentence of subpar. (B) by striking "by" after "denial of program assistance", was executed by striking that language in third sentence, to reflect the probable intent of Congress.

Pub. L. 109–162, § 606(4)(A), inserted "That an applicant or participant is or has been a victim of domestic violence, dating violence, or stalking is not an appropriate basis for denial of program assistance by or for denial of admission if the applicant otherwise qualifies for assistance for admission, and that nothing in this section shall be construed to supersede any provision of any Federal, State, or local law that provides greater protection than this section for victims of domestic violence, dating violence, or stalking."

Pub. L. 109–162, § 606(4)(B), inserted "and that an incident or incidents of actual or threatened domestic violence, dating violence, or stalking shall not be construed as a serious or repeated violation of the lease by the victim or threatened victim of that violence and will not be good cause for terminating the tenancy or occupancy rights of the victim of such violence" before semicolon at end.

Pub. L. 109–162, § 606(4)(C), inserted at end: except that (i) criminal activity directly relating to domestic violence, dating violence, or stalking, engaged in by a member of a tenant's household or any guest or other person under the tenant's control shall not be cause for termination of the tenancy or occupancy rights of the tenant's family, (ii) notwithstanding clause (i), a public housing agency may terminate assistance to any individual who is or has been a victim of domestic violence, dating violence, or stalking.


Pub. L. 109–162, § 606(4)(D), inserted at end: except that (i) criminal activity directly relating to domestic violence, dating violence, or stalking, engaged in by a member of a tenant's household or any guest or other person under the tenant's control shall not be cause for termination of the tenancy or occupancy rights of the tenant's family is a victim of that domestic violence, dating violence, or stalking; (ii) notwithstanding clause (i), a public housing agency may terminate assistance to any individual who is a tenant or lawful occupant and who engages in criminal acts of physical violence against family members or others, or an owner or manager may bifurcate a lease under this section, in order to evict, remove, or terminate assistance to any individual who is a tenant or lawful occupant and who engages in criminal acts of physical violence against family members or others, without evicting, removing, terminating assistance to, or otherwise penalizing the victim of such violence who is also a tenant or lawful occupant; (iii) nothing in clause (i) may be construed to limit the authority of a public housing agency, owner, or manager, when notified, to honor court orders addressing rights of access to control of the property, in-
including civil protection orders issued to protect the victim and issued to address the distribution or possession of property among the household members in cases where a family breaks up and "nothing in clause (i) limits its any otherwise available authority of an owner or manager to evict or the public housing agency to terminate assistance to a tenant for any violation of a lease premised on the act or acts of violence, dating violence, or stalking."...
that in the event of termination the Department of Housing and Urban Development will provide tenant-based rental assistance to all eligible residents, enabling them to choose the place they wish to rent, which is likely to include the dwelling unit in which they currently reside. Any contract covered by this paragraph that is renewed may be renewed for a period of up to 1 year or any number of years, with payments subject to the availability of appropriations for any year.” for “specifying the reasons for the termination with sufficient detail to enable the Secretary to evaluate whether the termination is lawful and whether there are additional actions that can be taken by the Secretary to avoid the termination. The owner’s notice shall include a statement that the owner and the Secretary may agree to a renewal of the contract, thus avoiding the termination.”

Subsec. (c)(8)(B), Pub. L. 106–74, §535(2), (4), redesignated subpar. (C) as (B) and struck out former subpar. (B), which read as follows: “In the case of owner who has requested that the Secretary renew the contract, the owner’s notice under subparagraph (A) to the tenants shall include the following:—

“(i) the owner currently has a contract with the Department of Housing and Urban Development that pays the Government’s share of the tenant’s rent and the term on which the contract will expire;—

“(ii) the owner intends to renew the contract for another year;—

“(iii) renewal of the contract may depend upon the Congress making funds available for such renewal;—

“(iv) the event of nonrenewal, the Department of Housing and Urban Development will provide tenant-based rental assistance to all eligible residents, enabling them to choose the place they wish to rent; and—

“(v) the notice itself does not indicate an intent to terminate the contract by either the owner or the Department of Housing and Urban Development, provided there is Congressional approval of funding availability.”

Subsec. (c)(8)(C), Pub. L. 106–74, §535(4), redesignated subpar. (D) as (C), Former subpar. (C) redesignated (B). Pub. L. 106–74, §535(3), struck out “Notwithstanding the preceding provisions of this paragraph, if the owner agrees to a 5-year contract renewal offered by the Secretary, payments under which shall be subject to the availability of appropriations for any year, the owner shall provide a written notice to the Secretary and the tenants not less than 180 days before the termination of such contract,” after “(C)” and “in the immediately preceding sentence” before “the owner not evict the tenants”, struck out “180-day” before “notice” in two places, and substituted “1 year has elapsed” for “such period has elapsed” and “1 year of advance notice” for “180 days of advance notice”.

Subsec. (c)(8)(D), (E), Pub. L. 106–74, §535(4), redesignated subpars. (D) and (E) as (C) and (D), respectively.


Subsec. (v), Pub. L. 106–74, §531(d)(1), designated sentence enacted by Pub. L. 104–99, §403(c), as subsec. (v).

Subsec. (w), Pub. L. 106–74, §531(d)(2), struck out heading and text of subsec. (w). Text read as follows: “Not later than 30 days after the beginning of each fiscal year, the Secretary shall publish in the Federal Register a plan for reducing the extent feasible, year-to-year fluctuations in the levels of budget authority that will be required over the succeeding 5-year period to renew expiring rental assistance contracts entered into under this section on or before September 30, 1995.”

1996—Subsec. (a): Pub. L. 104–276, §535(a)(1), struck out at end “A public housing agency may contract to make assistance payments to itself (or any agency or instrumentality thereof) as the owner of dwelling units in such agency is subject to the same program requirements as are applied to other owners. In such cases, the Secretary may establish initial rents within applicable limits.”

Subsec. (b), Pub. L. 105–276, §550(a)(2), substituted “Other” for “Rental certificates and other” in subsec. heading, inserted par. (1) designation and heading, and struck out after first sentence “The Secretary shall enter into a separate annual contributions contract with each public housing agency to obligate the authority approved each year, beginning with the authority approved in appropriations Acts for fiscal year 1998 (other than amendment authority to increase assistance payments being made using authority approved prior to the appropriations Acts for fiscal year 1988), and such annual contributions contract (other than for annual contributions under subsection (e) of this section) shall bind the Secretary to make such authority, and any amendments increasing such authority, available to the public housing agency for a specified period.”

Subsec. (c)(3), Pub. L. 105–276, §550(a)(3)(A), struck out “(A)” after par. designation, and struck out subpar. (B), which authorized payment of higher percentage of income as rent than that specified under section 1437(a)(3)(A) of this title if family receiving tenant-based rental assistance notified public housing agency of its interest in a unit renting for an excess rent and agency determined that the rent was reasonable, and set forth provisions which limited agency approval of such excess rentals to 10 percent of annual allocation, required report to Secretary where such rentals exceeded 5 percent of allocation, and required Secretary to report to Congress annually on agencies which had submitted such reports and include recommendations deemed appropriate to correct problems identified in reports.

Subsec. (c)(4), Pub. L. 105–276, §550(a)(3)(B), struck out “or by a family that qualifies to receive assistance under subsection (b) of this section pursuant to section 223 or 226 of the Low-Income Housing Preservation and Resident Homeownership Act of 1990” after “such dwelling unit” in first sentence.

Subsec. (c)(5), (6), Pub. L. 105–276, §550(a)(3)(C), (D), redesignated par. (6) as (5) and struck out former par. (5) which read as follows: “Assistance payments may be made with respect to up to 100 per cent of the dwelling units in any structure upon the application of the owner or prospective owner. Within the category of projects containing more than fifty units and designed for use primarily by nonelderly and nonhandicapped persons which are not subject to mortgages purchased under section 385 of the National Housing Act, the Secretary may give preference to applications for assistance involving not more than 20 per cent of the dwelling units in a project. In according any such preference, the Secretary shall compare applications received during distinct time periods not exceeding sixty days in duration.”

Subsec. (c)(7), Pub. L. 105–276, §550(a)(3)(C), struck out par. (7) which read as follows: “To the extent authorized in contracts entered into by the Secretary with a public housing agency, such agency may purchase any structure containing one or more dwelling units assisted under this section for the purpose of reselling the structure to the tenant or tenants occupying units aggregating in value at least 80 per cent of the structure’s total value. Any such resale may be made on terms and conditions prescribed under section 226 of this title and subject to the limitation contained in such section.”
Secretary to evaluate whether the termination is lawful and whether there are additional actions that can be taken by the Secretary to avoid the termination.

Pub. L. 105–276, §459(b)(1), substituted “Not less than one year before terminating any contract under which assistance payments are received under this section, other than a contract for tenant-based assistance under this section, an owner shall provide written notice to the Secretary of the tenancy in the project by lower and moderate income tenants to afford any increases in rent that may be required to induce the owner to maintain occupancy in the project by lower and moderate income tenants. Any assistance provided to lower income tenants under the preceding sentence shall not be considered for purposes of the limitation under paragraph (1)(A) regarding the percentage of families that may receive assistance under this section who do not qualify for preferences under such paragraph.”

Pub. L. 105–276, §§500(a)(4)(C), redesignated subpar. (F) to (H) as (B) to (D), respectively, and struck out former subpar. (B) to (E).


Pub. L. 105–276, §550(a)(5), struck out “(except as provided in section 1437d(j)(3) of this title)” after “(d)(2)”.

Pub. L. 105–276, §555(c), which directed insertion of “(except as provided in section 1437f(d)(3) of this title)” after “section 1437d of this title” and the addition of paragraphs (g) and (h) to section 1437d of this title, to reflect the probable intent of Congress.

Pub. L. 105–276, §550(a)(6), struck out subsec. (j), which authorized contracts for making rental assistance payments on behalf of low-income families utilizing manufactured homes as principal places of residence, directed that contract establish maximum monthly rent permitted with respect to home and real property on which it was located and provided formula for calculating amount of monthly assistance, provided for adjustments, set forth maximum and minimum terms, in the case of substantially rehabilitated or newly constructed park, provided limit on principal amount of mortgage attributable to rental spaces within park, and authorized Secretary to prescribe other terms and conditions necessary for purpose of carrying out subsection.

Pub. L. 105–276, §550(a)(7), struck out subsec. (c), which read as follows: “In making assistance available under subsections (b)(1) and (e)(2) of this section, the Secretary may provide assistance with respect to not more than 15 percent of the assistance provided by the public housing agency if the requirements of clause (ii) are met. Notwithstanding any other provision of this section, a public housing agency and an applicable State agency may, on a priority basis, attach structures to structures for the purpose of incorporating projects into rental assistance contracts under section 1811 of this title, in order to rehabilitate structures to standards established by law and regulations, and to ensure that families of lower income may occupy such structures.”
to residential properties in which some or all of the dwelling units do not contain bathroom or kitchen facilities, if:

(1) the property is located in an area in which there is a significant demand for such units, as determined by the Secretary;

(2) the unit of general local government in which the property is located and the local public housing agency approve of such units being utilized for such purpose; and

(3) in the case of assistance under subsection (b)(1) of this section, the unit of general local government in which the property is located and the local public housing agency certify to the Secretary that the property complies with local health and safety standards.

The Secretary may waive, in appropriate cases, the limitation and preference described in the second and third sentences of section 1435(b)(3) of this title with respect to the assistance made available under this subsection.”

Subsec. (o). Pub. L. 105–276, § 545(a), amended subsec. (o) generally. Prior to amendment, subsec. (o) contained provisions relating to assistance using a payment standard based upon fair market rental, categories of families eligible for assistance and preferences, contracts with public housing agencies for annual contributions, annual adjustments of assistance payment amounts, assistance with respect to certain cooperative and mutual housing, contracts to provide rent supplements, set asides of budget authority for an adjustment pool, reasonable rent requirements and disapproval of leases with unreasonable rents, and assistance on behalf of families utilizing manufactured homes as principal places of residence.

Subsec. (o)(2). Pub. L. 105–276, § 209(a), inserted at end “Notwithstanding the preceding sentence, for families being admitted to the voucher program who remain in the same unit or complex where the rent (including the amount allowed for utilities) does not exceed the payment standard, the monthly assistance payment for any family shall be the amount by which such rent exceeds the greater of 30 percent of the family’s monthly adjusted income or 10 percent of the family’s monthly income.” Notwithstanding sections 209(b) and 563 of Pub. L. 105–276, set out as Effective Date of 1998 Amendment notes below and under section 1437 of this title, this amendment was executed before the amendment by section 54(a) of Pub. L. 105–276 to reflect the probable intent of Congress and the provisions of section 54(c) of Pub. L. 105–276, set out as an Effective Date of 1998 Amendment note below, and section 559 of Pub. L. 105–276, set out as a Regulations note below.

Subsec. (q). Pub. L. 105–276, § 547, amended subsec. (q) generally, substituting present provisions for provisions which authorized establishment of fee for costs incurred in administering certificate and housing voucher programs under subsecs. (b) and (o) of this section, costs of preliminary expenses in connection with new allocations of assistance, costs incurred in assisting families who experienced difficulty in obtaining appropriate housing under the programs, and extraordinary costs; provisions which set forth use of fees for employing one or more service coordinators to coordinate provision of supportive services for elderly or disabled families on whose behalf assistance was provided; and provision which limited establishment or increase of fees to amounts provided in appropriation Acts.

Subsec. (r). Pub. L. 105–276, § 553(3), inserted heading, added par. (1), and struck out former par. (1) which read as follows: “Any family assisted under subsection (b) or (o) of this section may receive such assistance to rent an eligible dwelling unit if the dwelling unit to which the family moves is within the same State, or the same metropolitan area, if there is a significant demand for such units, as determined by the Secretary; the unit of general local government in which the property is located and the local public housing agency approve of such units being utilized for such purpose; and:

(1) the property is located in an area in which there is a significant demand for such units, as determined by the Secretary;

(2) the unit of general local government in which the property is located and the local public housing agency approve of such units being utilized for such purpose; and

(3) in the case of assistance under subsection (b)(1) of this section, the unit of general local government in which the property is located and the local public housing agency certify to the Secretary that the property complies with local health and safety standards.

The Secretary may waive, in appropriate cases, the limitation and preference described in the second and third sentences of section 1435(b)(3) of this title with respect to the assistance made available under this subsection.”

Subsec. (r)(2). Pub. L. 105–276, § 553(4), struck out at end “If no public housing agency has authority with respect to the dwelling unit to which a family moves under this subsection, the public housing agency approving the assistance shall have such responsibility.”

Subsec. (r)(3). Pub. L. 105–276, § 553(2), struck out “(b)” or “(r)” before “(o)” and inserted at end “The Secretary shall establish procedures for the compensation of public housing agencies that issue vouchers to families that move into or out of the jurisdiction of the public housing agency under portability procedures. The Secretary may reserve amounts available for assistance under subsection (o) to compensate those public housing agencies.”


Subsec. (u). Pub. L. 105–276, § 556(a)(8), in pars. (1) and (3), struck out “certificates or” before “vouchers” and, in par. (2), struck out “; certificates before “vouchers”.


Subsec. (y)(1). Pub. L. 105–276, § 555(a)(1)(A), in introductory provisions, substituted “A public housing agency providing tenant-based assistance on behalf of an eligible family under this section may provide assistance for a family receiving tenant-based assistance under this section may receive assistance for occupancy of a dwelling owned by one or more members of the family if the family”.

Subsec. (y)(1)(A). Pub. L. 105–276, § 555(a)(1)(B), inserted “; or owns or is acquiring shares in a cooperative” before semicolon at end.

Subsec. (y)(1)(B). Pub. L. 105–276, § 555(a)(1)(C), struck out cl. (i), redesignated cl. (ii) as entire subpar., and inserted “, except that the Secretary may provide for the consideration of public assistance in the case of an elderly family or a disabled family” after “public assistance”. Prior to amendment, cl. (i) read as follows: “participates in the family self-sufficiency program under section 1457f of this title of the public housing agency providing the assistance; or”.

Subsec. (y)(2). Pub. L. 105–276, § 555(a)(2), added par. (2) and struck out heading and text of former par. (2). Text read as follows:

“(A) IN GENERAL.—Notwithstanding any other provisions of this section governing determination of the amount of assistance payments under this section on behalf of a family, the monthly assistance payment for any family assisted under this subsection shall be the amount by which the fair market rental for the area established under subsection (c)(1) of this section exceeds 30 percent of the family’s monthly adjusted income; except that the monthly assistance payment shall not exceed the amount by which the monthly homeownership expenses, as determined in accordance with requirements established by the Secretary, exceeds 10 percent of the family’s monthly income.

“(B) EXCLUSION OF RENT FROM INCOME.—For purposes of determining the monthly assistance payment for a family, the Secretary shall not include in family income an amount imputed from the equity of the family in a dwelling occupied by the family with assistance under this subsection.”

Subsec. (y)(3)(3). Pub. L. 105–276, § 555(a)(3), added pars. (3) and (4) and struck out former pars. (3) and (4) which read as follows: “(3) RECAPTURABILITY OF CERTAIN AMOUNTS.—Upon sale of the dwelling by the family, the Secretary shall recap-
ture from any net proceeds the amount of additional assistance (as determined in accordance with requirements established by the Secretary) paid to or on behalf of the eligible family as a result of paragraph (2)(B).

“(4) DOWNPAYMENT REQUIREMENT.—Each public housing agency providing assistance under this subsection shall require that each family assisted shall contribute from its own resources not less than 80 percent of any downpayment in connection with a loan made for the purchase of a dwelling. Such resources may include amounts from any escrow account for the family established under section 1472(a) of this title. Not more than 20 percent of the downpayment may be provided from other sources, such as from nonprofit entities and programs of States and units of general local government.”

Subsec. (y)(5). Pub. L. 105–276, § 556(a)(3), (4), redesignated par. (6) as (5) and struck out heading and text of former par. (5). Text read as follows: “A family may not receive assistance under this subsection during any period when assistance is being provided for the family under other Federal homeownership assistance programs, as defined by the Secretary, including assistance under the HOME Investment Partnerships Act, the Homeownership and Opportunity Through HOPE Act, title II of the Housing and Community Development Act of 1992, and section 1472 of this title.”

Subsec. (y)(6) to (8). Pub. L. 105–276, § 556(a)(4), redesignated pars. (7) and (8) as (6) and (7), respectively. Former subsec. (y)(6) redesignated (3).


1997—Subsec. (cc)(2)(A). Pub. L. 105–65, §§ 201(c), 205, substituted “fiscal years 1997 and 1998” for “fiscal year 1997” in third and sixth sentences and inserted at end “In establishing annual adjustment factors for units in new construction and substantial rehabilitation projects, the Secretary shall take into account the fact that debt service is a fixed expense. The immediately foregoing sentence shall be effective only during fiscal year 1997.”

Pub. L. 105–33, §§ 203, 204, 205, 206, inserted “, and during fiscal year 1999 and thereafter” before period at end of third and sixth sentences.

Subsec. (cc)(3)(A). Pub. L. 105–18, which directed substitution of “Not less than 180 days prior to terminating any contract” for “Not less than one year prior to terminating any contract”, was executed by making the substitution for “Not less than one year prior to terminating any contract” to reflect the probable intent of Congress.


1996—Subsec. (cc)(6) redesignated (3).

Subsec. (y)(2)(A). Pub. L. 104–204 inserted “fiscal year 1996 prior to April 26, 1996, and fiscal year 1997” after “fiscal year 1995” in two places, substituted “Except for assistance under the certificate program, for” for “For”, inserted after fourth sentence “In the case of assistance under the certificate program, 0.01 shall be subtracted from the amount of the annual adjustment factor (except that the factor shall not be reduced to less than 1.0), and the adjusted rent shall not exceed the rent for a comparable unassisted unit of similar quality, type, and age in the market area.”, and substituted “The immediately foregoing two sentences” for “The immediately foregoing sentence”.

Subsec. (y)(2)(B). Pub. L. 104–134, § 101(e) (title II, § 203(b)(1), (d)), temporarily inserted “(other than a contract for assistance under the certificate or voucher program)” after “section”. See Effective and Termination Dates of 1996 Amendments note below.

Subsec. (cc)(9). Pub. L. 104–134, § 101(e) (title II, § 203(b)(2), (d)), temporarily substituted “, other than a contract under the certificate or voucher program” for “(but not less than 90 days in the case of housing certificates or vouchers under subsection (b) or (c) of this section)”. See Effective and Termination Dates of 1996 Amendments note below.

Subsec. (dd)(1)(A). Pub. L. 104–99, § 402(d)(2), (f), temporarily amended subpar. (A) generally, substituting “the function of the certificate and moderate rehabilitation programs only, for the purpose of selecting families to be assisted, the public housing agency may establish, after public notice and an opportunity for public comment, a written system of preferences for selection that is not inconsistent with the comprehensive housing affordability strategy under title I of the Cranston-Gonzalez National Affordable Housing Act,” for “the selection of tenants for such units shall be the function of the owner, subject to the provisions of the annual contributions contract between the Secretary and the agency, except that the tenant selection criteria usage by the owner shall—”.

“(i) for not less than (1) 70 percent of the families who initially receive assistance in any 1-year period in the case of assistance attached to a structure and (II) 90 percent of such families in the case of assistance not attached to a structure, give preference to families that occupy substandard housing (including families that are homeless or living in a shelter for homeless families), are paying more than 30 percent of family income for rent, or are involuntarily displaced (including displacement because of disposition of a multifamily housing project under section 1962z-11 of title 12) at the time they are seeking assistance under this section; except that any family otherwise eligible for assistance under this section may not be denied preference for assistance not attached to a structure (or delayed or otherwise adversely affected in the provision of such assistance) solely because the family resides in public housing;

“(ii) for any remaining assistance in any 1-year period, give preference to families who qualify under a system of local preferences established by the public housing agency in writing and after public hearing to respond to local housing needs and priorities, which may include (I) assisting very low-income families who either reside in transitional housing assisted under title IV of the Stewart B. McKinney Homeless Assistance Act, or participate in a program designed to provide public assistance recipients with greater access to employment and educational opportunities; (II) assisting families in accordance with subsection (u)(2) of this section; (III) assisting families in any 1-year period that are initially receive assistance in any 1-year period for the certificate and moderate rehabilitation program approved by the agency, except that the agency may waive the application of this section’’.

Subsec. (dd)(2). Pub. L. 104–134, § 101(e) (title II, § 203(b)(1), (d)), temporarily substituted “(other than a contract for assistance under the certificate or voucher program)’’ for “(but not less than 90 days in the case of housing certificates or vouchers under subsection (b) or (c) of this section)”. See Effective and Termination Dates of 1996 Amendments note below.

Subsec. (dd)(3). Pub. L. 104–134, § 101(e) (title II, § 203(b)(1), (d)), temporarily substituted “, other than a contract under the certificate or voucher program” for “(but not less than 90 days in the case of housing certificates or vouchers under subsection (b) or (c) of this section)”. See Effective and Termination Dates of 1996 Amendments note below.
of an individual prohibited from tenancy under this clause who the agency determines clearly did not participate in and had no knowledge of such criminal activity or when circumstances leading to eviction no longer exist);’’.

See Effective and Termination Dates of 1996 Amendments note below.


Subsec. (d)(2)(A). Pub. L. 104–99, § 402(d)(6)(A)(ii), (f), temporarily struck out at end ‘‘Any assistance provided to lower income tenants under the preceding sentence shall not be considered for purposes of the limita-
tion under paragraph (1)(A) regarding the percentage of families that may receive assistance under this section who do not qualify for preferences under such para-
graph.’’ See Effective and Termination Dates of 1996 Amendments note below.


ment, subpar. (B) read as follows: ‘‘In selecting families to be assisted, preference shall be given to families which, at the time they are seeking assistance, occupy
substandard housing (including families that are home-
less or living in a shelter for homeless families), are in-
voluntarily displaced (including displacement because of
disposition of a multifamily housing project under
section 1701z–11 of title 12), or are paying more than 50
per centum of family income for rent. A public housing
agency may provide for circumstances in which fami-
lies who do not qualify for any preference established
in the preceding sentence are provided assistance under
this subsection before families who do qualify for such
preference, except that not more than 10 percent (or
such higher percentage determined by the Secretary to
be necessary to ensure that public housing agencies can
assist families in accordance with subsection (u)(3) of
this section or determined by the Secretary to be ap-
propriate for other good cause) of the families who ini-
tially receive assistance in any 1-year period (or such shorter period selected by the public housing agency before the beginning of its first full year subject to this section)
may be families who do not qualify for such preference. The public housing agency shall in imple-
menting the preceding sentence establish a system of preferences in writing and after public hearing to re-
spond to local housing needs which may include (i) assisting very low-income families who either reside in transitional housing assisted under title
IV of the Stewart B. McKinney Homeless Assistance
Act, or participate in a program designed to provide
public assistance recipients with greater access to em-
ployment and educational opportunities, (ii) assisting families in accordance with subsection (u)(2) of
this section; (iii) assisting families identified by local pub-
lic agencies involved in providing for the welfare of
children as having a lack of adequate housing that is a
primary factor in the imminent placement of a child in
foster care, or in preventing the discharge of a child
from foster care and reunification and his or her fam-
ily; (iv) assisting youth, upon discharge from foster
care, in cases in which return to the family or extended
family of the discharge is not available; (v) assisting veterans who are eligible and have applied for assistance, will use the assistance for a dwelling unit designed for the handicapped, and, upon discharge or eligibility for discharge from a hospital or other institution, have a perma-
nental disability which, because of the configuration
of their homes, prevents them from access to or use of
their homes; and (vi) achieving other objectives of na-
tional housing policy as affirmed by Congress. Any indi-
vidual or family evicted from housing assisted under
the preceding sentence for the chapter by reason of drug-related criminal activity (as defined in subsection (f)(5) of this section) shall not be eligible for a preference under any provision of this subparagraph for 3 years unless the evicted tenant suc-
cessfully completes a rehabilitation program approved
by the Secretary (which shall include waiver for any
member of a family of an individual prohibited from
tenancy under this clause who the agency determines
clearly did not participate in and had no knowledge of
such criminal activity or when circumstances leading
to eviction no longer exist).’’ See Effective and Termi-
nation Dates of 1996 Amendments note below.

Subsec. (t). Pub. L. 104–193, § 910(e) (title II, § 203(a)),
(d), temporarily repealed subsec. (t) which read as fol-
 lows:

‘‘(1) No owner who has entered into a contract for housing assistance payments under this section on behalf
of any tenant in a multifamily housing project shall refuse—

‘‘(A) to lease any available dwelling unit in any

multifamily housing project of such owner that rents
for an amount not greater than the fair market rent
for a comparable unit, as determined by the Sec-

retary under this section, to a holder of a certificate
of eligibility under this section a proximate cause of
which is the status of such prospective tenant as a
holder of such certificate, and to enter into a housing
assistance payments contract respecting such unit; or

‘‘(B) to lease any available dwelling unit in any

multifamily housing project of such owner to a hold-
er of a voucher under subsection (o) of this section
and to enter into a voucher contract respecting such
unit, a proximate cause of which is the status of such
prospective tenant as holder of such voucher.

‘‘(2) For purposes of this subsection, the term ‘multi-
family housing project’ means a residential building
containing more than 4 dwelling units.’’ See Effective
and Termination Dates of 1996 Amendments note below.

(v) generally. Prior to amendment, subsec. (v) read as
follows:

‘‘(1) The Secretary shall extend any expiring contract
entered into under this section for loan management
assistance or execute a new contract for project-based
loan management assistance, if the owner agrees to
continue providing housing for low-income families
during the term of the contract.

‘‘(2)(A) The eligibility of a multifamily residential
project for loan management assistance under this sec-
tion shall be determined in and regard to whether the
project is subsidized or unsubsidized.

‘‘(B) In allocating loan management assistance under
this section, the Secretary may give a priority to
any project on the basis that the project has serious fi-
nancial problems that are likely to result in a claim on
the insurance fund in the near future or the project is
eligible to receive incentives under subtitle B of the
Low-Income Housing Preservation and Resident Home-
ownership Act of 1990.’’

added subsec. (bb).


1994—Subsec. (c)(2)(A). Pub. L. 103–327 inserted at end:
‘‘However, where the maximum monthly rent, for a
unit in a new construction, substantial rehabilitation,
or moderate rehabilitation project, to be adjusted using
an annual adjustment factor exceeds the fair market
rental for an existing dwelling unit in the market area,
the Secretary shall adjust the rent only to the extent
that the owner demonstrates that the adjusted rent
would not exceed the rent for an unassisted unit of
similar quality, type, and age in the same market area,
as determined by the Secretary. The immediately fore-
going sentence shall be effective only during fiscal year
1995. For any unit occupied by the same family at the
time of the last annual rental adjustment, where the
assistance contract provides for the adjustment of the maximum monthly rent by applying an annual adjust-
ment factor and where the rent for a unit is otherwise eligible for an adjustment based on the full amount of
the factor, except that the factor shall not be reduced to less than 1.0. The immediately foregoing sentence
shall be effective only during fiscal year 1995. "or any
subsidized "tenant of any unit" for "public housing ten-
(F).
subpars. (G) and (H).
and (7).
"or" before "(iv)" and inserted before period at end "or" and "(v)."
third sentence, added cl. (v) and redesignated former cl.
(v) as (vi).
and redesignated former par. (3) as (4).
Subsec. (r)(1). Pub. L. 102–550, §147, inserted before pe-
tiod at end "; except that any family not living within
the jurisdiction of a public housing agency at the time
that such family applies for assistance from such agen-
cy shall, during the 12-month period beginning upon
the receipt of any tenant-based rental assistance made
available on behalf of the family, use such assistance to
rent an eligible dwelling unit located within the juris-
diction served by such public housing agency.
generally. Prior to amendment, par. (1) read as follows:
"The budget authority available under section 1437f(c)
of this title for assistance under subsection (b) of this
section is authorized to be increased by $35,000,000 on or
after October 1, 1990, by $35,000,000 on or after October
1, 1991."
1991—Subsec. (c)(1). Pub. L. 102–139 inserted provi-
sions relating to separate fair market rentals for Mon-
rue County, Pennsylvania.
1990—Subsec. (a). Pub. L. 101–625, §572(1), which di-
rected the substitution of "low-income families" for
"lower income families", was executed by making the
substitution for "lower-income families" to reflect the
probable intent of Congress.
Pub. L. 101–625, §548(b), inserted at end "A public
housing agency may contract to make assistance pay-
ments to itself (or any agency or instrumentality
thereof) as the owner of dwelling units if such agency
is subject to the same program requirements as are ap-
plied to other owners. In such cases, the Secretary may
establish initial rents within applicable limits."
Subsec. (b). Pub. L. 101–625, §541(a), inserted heading
and struck out par. (1) designation preceding text.
(2).
Subsec. (c)(1). Pub. L. 101–625, §545(b), inserted "(A)"
after second reference to "fair market rental" and sub-
stituted "a housing strategy as defined in section 12705
of this title, or (B) by such higher amount as may be
requested by a tenant and approved by the public hous-
ing agency in accordance with paragraph (3)(B)." for "a
local housing assistance plan as defined in section
1436a(k)(5) of this title.
"Where the Secretary determines that a project as-
sisted under this section is located in a community
where drug-related criminal activity is generally pre-
valent and the project's operating, maintenance, and
capital repair expenses have been substantially in-
creased primarily as a result of the prevalence of such
drug-related activity, the Secretary may (at the discre-
tion of the Secretary and subject to the availability of
appropriations for contract amendments for this pur-
pose), on a project by project basis, provide adjustments to the maximum monthly rents, to a level no greater than 120 percent of the project rents, to cover the costs of maintenance, security, capital repairs, and reserves required for the owner to carry out a strategy acceptable to the Secretary for addressing the problem of drug-related criminal activity. Any rent comparability standard required under this paragraph may be waived by the Secretary to so implement the preceding sentence.”

Subsec. (c)(3). Pub. L. 101–625, § 545(a), designated existing provisions as subpar. (A) and added subpar. (B).

Subsec. (c)(9). Pub. L. 101–625, § 544, inserted after first sentence “The owner’s notice shall include a statement that the rent and the to be paid by the tenant under the contract, and inserted at end “Within 30 days of the Secretary’s finding, the owner shall provide written notice to each tenant of the Secretary’s decision.”

Subsec. (c)(10). Pub. L. 101–625, § 572(2), substituted “low-income housing” for “lower income housing”.

Subsec. (d)(1). Pub. L. 101–625, § 546(a), added cls. (ii) and (iv).

Subsec. (d)(2)(A). Pub. L. 101–625, § 552(b), inserted after first sentence “The Secretary shall permit public housing agencies to enter into contracts for assistance payments, or to extend the term of any such contract, if the Secretary determines that the assistance provided under such contracts is necessary to avoid disruption in assistance to eligible families if the annual contracts expire.”

Pub. L. 101–625, § 516(a)(1), inserted at end “Notwithstanding any other provision of this section, a public housing agency and an applicable State agency may, on a priority basis, attach to structures not more than an additional 15 percent of the assistance provided by the public housing agency or the applicable State agency only with respect to projects assisted under a State program that permits the owner of the projects to prepay a State assisted or subsidized mortgage on the structure, except that attachment of assistance under this section shall be for the purpose of (i) providing incentives to owners to preserve such projects for occupancy by lower and moderate income families, (ii) to prevent the loss of any housing to which the Secretary is authorized to make assistance payments under this section directly or through public housing agencies pursuant to contracts with owners or prospective owners who agree to upgrade housing so as to make and keep the housing decent, safe, and sanitary.”

Subsec. (d)(2)(C). Pub. L. 101–625, § 561(a)(2), inserted at end “To the extent assistance is used as provided in the penultimate sentence of subparagraph (A), the contract for assistance may, at the option of the public housing agency, have an initial term not exceeding 15 years.”

Pub. L. 101–625, § 547(c), amended subpar. (C) generally. Prior to amendment, subpar. (C) read as follows: Any contract for assistance payments that is attached to a structure under this paragraph shall (i) provide the Secretary with the right to terminate the contract, the contract shall be accompanied by a statement noting that the public housing agency subject to available funds) be renewable for 2 additional 5-year terms, except that the aggregate term of the initial contract and renewals shall not exceed 15 years.”

Subsec. (d)(2)(D). (E). Pub. L. 101–625, § 547(a), (b), added subpars. (D) and (E).

Subsec. (e)(2). Pub. L. 101–625, § 528(b), struck out par. (2) which read as follows: “For the purpose of upgrading and thereby preserving the Nation’s housing stock, the Secretary is authorized to make assistance payments under this section directly or through public housing agencies pursuant to contracts with owners or prospective owners who agree to upgrade. The Secretary shall permit public housing agencies to enter into contracts for assistance payments, or to extend the term of any such contract, if the Secretary determines that the assistance provided under such contracts is necessary to avoid disruption in assistance to eligible families if the annual contracts expire.”

Pub. L. 101–625, § 548(a), substituted “low-income housing” for “lower income housing”.
upon the request of any owner of any project, or as the Secretary determines to be appropriate by establishing, to the extent practicable, a modified annual adjustment factor for such market area, the Secretary shall designate, that is geographically smaller than the applicable housing area used for the establishment of the annual adjustment factor under subparagraph (A). The Secretary shall establish the modified annual adjustment factor on the basis of the results of a study conducted by the Secretary of the rents charged, and any change in such rents over the previous year, for assisted units and unassisted units of similar quality, type, and age in the smaller market area. Where the Secretary determines that such modified annual adjustment factor cannot be established or that such factor when applied to a particular project would result in material differences between the rents charged for assisted units and unassisted units of similar quality, type, and age in the same market area, the Secretary may apply an alternative methodology for conducting comparability studies in order to establish rents that are not materially different from rents charged for comparable unassisted units.

Pursuant to section 1439(d) of this title, and awarded pursuant to a competition under such section. The Secretary shall include in any calculation or determination regarding the amount of the assistance to be made available to the extent to which any proceeds are available from any tax credits provided under section 42 of title 26 (or from any syndication of such credits) with respect to the housing. For each fiscal year, the Secretary may not provide assistance pursuant to this paragraph to any project for rehabilitation of more than 100 units. Assistance pursuant to this paragraph shall be allocated according to the formula established pursuant to section 1438(d) of this title, and awarded to maximize the availability of low-income housing, in proportion to the number of units assisted.

Projects where the Secretary has reason to believe that the application of the formula adjustments under subsection (j)(1) would result in such material differences between the rents charged for assisted units and unassisted units of similar quality, type, and age in the smaller market area, the Secretary shall designate, that is geographically smaller than the applicable housing area used for the establishment of the annual adjustment factor under subparagraph (A). The Secretary shall establish the modified annual adjustment factor on the basis of the results of a study conducted by the Secretary of the rents charged, and any change in such rents over the previous year, for assisted units and unassisted units of similar quality, type, and age in the smaller market area. Where the Secretary determines that such modified annual adjustment factor cannot be established or that such factor when applied to a particular project would result in material differences between the rents charged for assisted units and unassisted units of similar quality, type, and age in the same market area, the Secretary may apply an alternative methodology for conducting comparability studies in order to establish rents that are not materially different from rents charged for comparable unassisted units.
effect on April 15, 1987. For any project which has had its maximum monthly rents reduced after April 14, 1987, the Secretary shall make assistance payments (from amounts reserved for the original contract) to the owner of such project in an amount equal to the difference between the maximum monthly rents in effect on April 15, 1987, and the reduced maximum monthly rents. The amounts multiplied by the number of months that the reduced maximum monthly rents were in effect.

Pub. L. 100–242, §142(c)(2), substituted “assisted units and assisted units of similar quality and age in the same market area” for “assisted and comparable unassisted units” and inserted at end “If the Secretary or appropriate State agency does not complete and submit to the Secretary to permit public housing authority to apply existing provisions as subpar. (A), substituted “(i)” and added cl. (ii) before semicolon at end authorizing public housing agencies to provide for circumstances in which families who do not qualify for such preference.

Subsec. (e)(2). Pub. L. 98–479, §102(b)(7), inserted at end “The Secretary shall increase the amount of assistance provided under this paragraph above the amount of assistance otherwise permitted by this paragraph and subsection (c)(1) of this section, if the Secretary determines such increase necessary to assist in the sale of multifamily housing projects owned by the Department of Housing and Urban Development.”


Subsec. (e)(7)(D). Pub. L. 98–479, §102(b)(10), inserted “unit of” before “general”.


Subsec. (b)(2). Pub. L. 98–181, §209(a)(2), repealed par. (2) which related to authorization of assistance payments by the Secretary and contractually obligated public housing agencies for construction or substantial rehabilitation of housing, modest in design, with units for occupancy by low-income families and requirement that contracts providing housing assistance and entered into after Aug. 13, 1981, specify the number of units available for occupancy by eligible families.

Subsec. (d)(1)(A). Pub. L. 98–181, §209(b)(1), inserted “are paying more than 50 per centum of family income for rent.”


Subsec. (e)(1). Pub. L. 98–181, §209(a)(3), redesignated par. (4) as (1) and struck out former par. (1) which pre-
scribed terms of 20 to 30 years for newly constructed or substantially rehabilitated dwelling units.

Subsec. (e)(5). Pub. L. 98–181, § 209(a)(3), redesignated subsec. (e)(5) as (7), substituted provisions relating to the authority of the Secretary, notwithstanding subsec. (c)(1) of this section, to establish monthly rent exceeding fair market rental where cost levels so require or where necessary to the implementation of a local housing assistance plan.


1979—Subsec. (c)(3). Pub. L. 96–153, § 202(b), substituted new provisions for computation of the amount of monthly assistance payments with respect to dwelling units and laid down criteria to be followed by the Secretary in regard to payments to families with different income levels.

Subsec. (d)(1)(A). Pub. L. 96–153, § 206(b)(1), substituted “Secretary and the agency, except that the tenant selection criteria used by the owner shall give preference to families which occupy substandard housing or are involuntarily displaced at the time they are seeking assistance under this section.” for “Secretary and the agency.”

Subsec. (e)(1). Pub. L. 96–153, § 211(b), substituted “term of less than two hundred and forty months” for “term of less than one month.”

Subsec. (e)(2). Pub. L. 96–153, § 206(b)(2), substituted “performance of such responsibilities”, except that the tenant selection criteria shall give preference to families which occupy substandard housing or are involuntarily displaced at the time they are seeking housing assistance under this section” for “performance of such responsibilities”.


1977—Subsec. (c). Pub. L. 95–128, § 201(c)(d), inserted in par. (1) prohibition against high-rise elevator projects for families with children after Oct. 12, 1977, and struck out from par. (4) provision which prohibited payment after the sixty-day period if the unoccupied unit was in a project insured under the National Housing Act, except pursuant to section 1715z–9 of title 12, and struck out from par. (7) requirement for families with very low income and redesignated former par. (8) as (7).

Subsec. (c)(3). Pub. L. 97–35, § 322(e)(1), revised formula for computation of amount of monthly assistance and struck out authority to make reviews at least every two years in cases of elderly families.


Subsec. (c)(7). Pub. L. 93–73, § 322(e)(2), struck out par. (7) relating to availability for occupancy the number of units for which assistance is committed.

Subsec. (e)(1). Pub. L. 94–375, § 2(d), inserted provision extending payments to newly constructed or substantially rehabilitated unoccupied units in an amount equal to the debt service of such unit for a period not to exceed one year, provided that a good faith effort is being made to fill the unit, the unit provides decent and safe housing, the unit is not insured under the National Housing Act, except pursuant to section 1715z–9 of title 12, and the revenues from the project do not exceed the cost.

Subsec. (e)(1). Pub. L. 94–375, § 2(e), inserted “or the Farmers’ Home Administration” after “State or local agency”. 

1980—Subsec. (c)(1). Pub. L. 96–399, § 203(a), inserted provision that in the case of newly constructed and substantially rehabilitated units, the exception in the preceding sentence shall not apply to more than 20 per centum of the total amount of authority to enter into annual contributions contracts for such units which is allocated to an area and obligated with respect to any fiscal year beginning on or after Oct. 1, 1980.

Subsec. (e)(5). Pub. L. 96–399, § 203(b), inserted provision relating to the authority of the Secretary, notwithstanding subsec. (c)(1) of this section, to establish monthly rent exceeding fair market rental where cost levels so require or where necessary to the implementation of a local housing assistance plan.

Secretary to implement such amendments."

Amendment by section 102(d)–(f) of Pub. L. 114–201, effective and applicable beginning upon Oct. 1, 1999, see section 1(a)(1) of Pub. L. 106–569, enacted before the enactment of this Act.

Effective Date of 2010 Amendment

Amendment by Pub. L. 111–234 effective and applicable beginning upon Oct. 1, 1999, except as otherwise provided, with provision that Secretary may implement amendment before such date, except to the extent that such amendment provides otherwise, and with savings provision, see section 503 of Pub. L. 106–276, set out as a note under 1715n of Title 12, Banks and Banking.


Effective Date of 2002 Amendment

Amendment by section 289(b)(1) of Pub. L. 101–625, repealing subsec. (e)(2) of this section, effective Oct. 1, 1991; however, provisions of subsec. (e)(2) to remain in effect with respect to single room occupancy dwellings as authorized by subchapter IV (§11361 et seq.) of chapter 119 of this title, see section 12383(a)(4), (b) of this title.

**Effective Date of 1983 Amendment; Savings Provision**

Pub. L. 98–181, title I (title II, §209(b)), Nov. 30, 1983, 97 Stat. 1183, provided that: "The amendments made by subsection (a) [amending this section] shall take effect on October 1, 1983, except that the provisions repealed shall remain in effect—

"(1) with respect to any funds obligated for a viable project under section 8 of the United States Housing Act of 1937 [this section] prior to January 1, 1984; and

"(2) with respect to any project financed under section 202 of the Housing Act of 1937 [12 U.S.C. 170q]."

**Effective Date of 1981 Amendment**

Amendments by sections 322(e) and 329H(a) of Pub. L. 97–35 effective Oct. 1, 1981, and amendments by sections 324, 325, and 326(a) of Pub. L. 97–35 applicable with respect to contracts entered into on or after Oct. 1, 1981, see section 371 of Pub. L. 97–35, set out as an Effective Date note under section 3701 of Title 12, Banks and Banking.


**Effective Date of 1979 Amendment**

Amendment by section 203(b) of Pub. L. 96–153 effective Jan. 1, 1980, except with respect to amount of tenant contribution required of families whose occupancy commenced prior to such date, see section 203(c) of Pub. L. 96–153, set out as a note under section 1457a of this title.

**Effective Date of 1978 Amendment**

Pub. L. 95–557, title II, §206(d)(2), Oct. 31, 1978, 92 Stat. 2092, provided that: "The amendment made by this subsection [amending this section] shall become effective with respect to contracts entered into on or after 270 days following the date of enactment of this Act [Oct. 31, 1978]."

Amendment by section 206(e), (f) of Pub. L. 95–557 effective Oct. 1, 1976, see section 206(b) of Pub. L. 95–557, set out as a note under section 1457c of this title.

**Effective Date**

Section effective not later than Jan. 1, 1975, see section 201(b) of Pub. L. 95–557, set out as a note under section 1437 of this title.

**Applicability of 1994 Amendments**

Pub. L. 103–327, title II, Sept. 28, 1994, 108 Stat. 2315, third par., provided that: "The immediately foregoing amendment [amending subsec. (c)(2)(A) of this section by authorizing modification of rent adjustment where adjusted rent exceeds fair market rental] shall apply to all contracts for new construction, substantial rehabilitation, and moderate rehabilitation projects under which rents are adjusted under section 8(c)(2)(A) of such Act [subsec. (c)(2)(A) of this section] by applying an annual adjustment factor."

Pub. L. 103–327, title II, Sept. 28, 1994, 108 Stat. 2315, fifth par., provided that: "The immediately foregoing amendment [amending subsec. (c)(2)(A) of this section by inserting two sentences at end authorizing reduction of annual adjustment factor in certain circumstances] shall hereafter apply to all contracts that are subject to section 8(c)(2)(A) of such Act [subsec. (c)(2)(A) of this section] and that provide for rent adjustments using an annual adjustment factor."
REGULATIONS AND TRANSITION PROVISIONS

“(a) INTERIM REGULATIONS.—The Secretary of Housing and Urban Development shall issue such interim regulations as may be necessary to implement the amendments made by this subtitle [subtitle C (§§485–589) of title V of Pub. L. 105–276, see Tables for classification] and other provisions in this title [see Tables for classification] which relate to section 8(o) of the United States Housing Act of 1937 [42 U.S.C. 1437f(o)].

“(b) FINAL REGULATIONS.—The Secretary shall issue final regulations necessary to implement the amendments made by this subtitle and other provisions in this title which relate to section 8(o) of the United States Housing Act of 1937 [42 U.S.C. 1437f(o)] not later than 1 year after the date of the enactment of this Act [Oct. 21, 1998].

(c) PAYMENTS FOR CONSIDERATION.—Before the publication of the final regulations under subsection (b), in addition to public comments invited in connection with the publication of the interim rule, the Secretary shall:

“(1) seek recommendations on the implementation of sections 8(o)(6)(B), 8(o)(7)(B), and 8(o)(10)(D) of the United States Housing Act of 1937 [42 U.S.C. 1437f(o)(6), 7(B), 10(D)] and renewals of expiring tenant-based assistance from organizations representing—

“(A) State or local public housing agencies;

“(B) owners and managers of tenant-based housing assisted under section 8 of the United States Housing Act of 1937;

“(C) families receiving tenant-based assistance under section 8 of the United States Housing Act of 1937; and

“(D) legal service organizations; and

“(2) convene not less than 2 public forums at which the persons or organizations making recommendations under paragraph (1) may express views concerning the proposed disposition of the recommendations.

“(D) TRANSITION ASSISTANCE.

“(1) IN GENERAL.—The Secretary may provide for the conversion of assistance under the certificate and voucher programs under subsections (b) and (e) of section 8 of the United States Housing Act of 1937 [42 U.S.C. 1437f(b), (e)], as in effect before the applicability of the amendments made by this subtitle, to the voucher program established by the amendments made by this subtitle.

“(2) CONTINUED APPLICABILITY.—The Secretary may apply the provisions of the United States Housing Act of 1937 [42 U.S.C. 1437f et seq.], or any other provision of law amended by this subtitle, as those provisions were in effect immediately before the date of the enactment of this Act [Oct. 21, 1998] (except that such provisions shall be subject to any amendments to such provisions that may be contained in title II of this Act [see Tables for classification]), to assistance obligated by the Secretary before October 1, 1999, for the certificate or voucher program under section 8 of the United States Housing Act of 1937 [42 U.S.C. 1437f], if the Secretary determines that such action is necessary for simplification of program administration, avoidance of hardship, or other good cause.

“(c) EFFECTIVE DATE.—This section shall take effect on the date of the enactment of this Act [Oct. 21, 1998].

REGULATIONS

For provisions requiring Secretary of Housing and Urban Development to issue regulations necessary to implement amendment to this section by Pub. L. 106–377, see section 232(b) of Pub. L. 106–377, set out as a note under section 1701–11 of Title 12, Banks and Banking.

For provision requiring that not later than expiration of the 180-day period beginning Oct. 29, 1992, the Secretary of Housing and Urban Development shall issue regulations implementing amendments to this section by section 545 of Pub. L. 101–625, see section 194 of Pub. L. 102–550, set out as a note under section 1437f of this title.

Pub. L. 102–550, title I, § 149, Oct. 28, 1992, 106 Stat. 3715, provided that: ‘‘The Secretary of Housing and Urban Development shall issue any final regulations necessary to carry out the amendments made by section 547 of the Cranston-Gonzales National Affordable Housing Act [Pub. L. 101–625, amending this section] not later than the expiration of the 180-day period beginning on the date of the enactment of this Act [Oct. 28, 1992]. The regulations shall be issued after notice and opportunity for public comment pursuant to the provisions of section 553 of title 5, United States Code (notwithstanding subsections (a)(2), (b)(B), and (d)(3) of such section) and shall take effect upon the expiration of the 30-day period beginning upon issuance.’’

Pub. L. 106–377, § 1(a)(1) [title II, § 232(b)], Oct. 27, 2000, 114 Stat. 1441, 1441A–34, as amended by Pub. L. 110–28, title VI, § 6904, May 25, 2007, 121 Stat. 185, provided that: ‘‘In the case of any dwelling unit that, upon the date of the enactment of this Act [Oct. 27, 2000], is assisted under a housing assistance payment contract under section 8(o)(13) of the United States Housing Act of 1937 (42 U.S.C. 1437f(o)(13)) as in effect before such enactment, or under section 8(d)(2) of the United States Housing Act of 1937 (42 U.S.C. 1437f(d)(2)) as in effect before the enactment of the Quality Housing and Work Responsibility Act of 1998 (title V of Public Law 105–276) [42 U.S.C. 1437f note] not later than the expiration of the 180-day period beginning on the date of the enactment of this Act [Oct. 28, 1992], the regulations shall be issued after notice and opportunity for public comment pursuant to the provisions of section 553 of title 5, United States Code (notwithstanding subsections (a)(2), (b)(B), and (d)(3) of such section) and shall take effect upon the expiration of the 30-day period beginning upon issuance.’’

SAVINGS PROVISION
Pub. L. 106–377, § 1(a)(1) [title II, § 232(b)], Oct. 27, 2000, 114 Stat. 1441, 1441A–34, as amended by Pub. L. 110–28, title VI, § 6904, May 25, 2007, 121 Stat. 185, provided that: ‘‘In the case of any dwelling unit that, upon the date of the enactment of this Act [Oct. 27, 2000], is assisted under a housing assistance payment contract under section 8(o)(13) of the United States Housing Act of 1937 (42 U.S.C. 1437f(o)(13)) as in effect before such enactment, or under section 8(d)(2) of the United States Housing Act of 1937 (42 U.S.C. 1437f(d)(2)) as in effect before the enactment of the Quality Housing and Work Responsibility Act of 1998 (title V of Public Law 105–276) [42 U.S.C. 1437f note] not later than the expiration of the 180-day period beginning on the date of the enactment of this Act [Oct. 28, 1992], the regulations shall be issued after notice and opportunity for public comment pursuant to the provisions of section 553 of title 5, United States Code (notwithstanding subsections (a)(2), (b)(B), and (d)(3) of such section) and shall take effect upon the expiration of the 30-day period beginning upon issuance.’’

RESTORATION OF TERMINATED PROVISIONS
Pub. L. 115–174, title III, § 304(b), May 24, 2018, 132 Stat. 1339, provided that: ‘‘Sections 701 through 703 of the Protecting Tenants at Foreclosure Act of 2009 (title II of div. A of Pub. L. 111–22, amending this section and enacting provisions set out as notes under sections 5201 and 5202 of Title 12, Banks and Banking), the provisions of law amended by such sections, and any regulations promulgated pursuant to such sections, were in effect on December 30, 2014, are restored and revived.’’

MOBILITY DEMONSTRATION PROGRAM
Pub. L. 115–174, title III, § 304(a), May 24, 2018, 132 Stat. 1339, provided that: ‘‘Sections 701 through 703 of the Protecting Tenants at Foreclosure Act of 2009 (title VII of div. A of Pub. L. 111–22, amending this section and enacting provisions set out as notes under sections 5201 and 5202 of Title 12, Banks and Banking), the provisions of law amended by such sections, and any regulations promulgated pursuant to such sections, were in effect on December 30, 2014, are restored and revived.’’
Plan (in this section referred to as a ‘Plan’), which may carry out a mobility demonstration program to enable public housing agencies to administer housing choice voucher assistance under section 8(o) of the United States Housing Act of 1937 (42 U.S.C. 1437f(o)) in a manner designed to encourage families receiving such voucher assistance to move to lower-poverty areas and expand access to opportunity areas.

(1) REQUIREMENTS.—The Secretary shall establish requirements for public housing agencies to participate in the demonstration program under this section, which shall provide that the following public housing agencies may participate:

(A) Public housing agencies that together—

(i) serve areas with high concentrations of holders of rental assistance vouchers under section 8(o) of the United States Housing Act of 1937 (42 U.S.C. 1437f(o)) in poor, low-opportunity neighborhoods;

(ii) have an adequate number of moderately priced rental units in higher-opportunity areas;

(B) Planned consortia or partial consortia of public housing agencies that—

(i) include at least one agency with a high-performing Family Self-Sufficiency (FSS) program; and

(ii) will enable participating families to continue in such program if they relocate to the jurisdiction served by any other agency of the consortium;

(C) Planned consortia or partial consortia of public housing agencies that—

(i) serve jurisdictions within a single region;

(ii) include one or more small agencies; and

(iii) will consolidate mobility focused operations;

(D) Such other public housing agencies as the Secretary considers appropriate.

(2) SELECTION CRITERIA.—The Secretary shall establish competitive selection criteria for public housing agencies eligible under paragraph (1) to participate in the demonstration program under this section.

(3) RANDOM SELECTION OF FAMILIES.—The Secretary may require participating agencies to use a randomized selection process to select among the families eligible to receive mobility assistance under the demonstration program.

(4) REGIONAL HOUSING MOBILITY PLAN.—The Secretary shall require each public housing agency applying to participate in the demonstration program under this section to submit a Regional Housing Mobility Plan (in this section referred to as a ‘Plan’), which shall—

(A) form a consortium that has a single housing choice voucher funding contract; or

(B) enter into a partial consortium to operate all or portions of the Regional Housing Mobility Plan (in this section referred to as a ‘Plan’), which shall—

(i) identify the public housing agencies that will participate under the Plan and the number of vouchers each participating agency will make available out of their existing programs in connection with the demonstration;

(ii) identify any community-based organizations, nonprofit organizations, businesses, and other entities that will participate under the Plan and describe the commitments for such participation made by each such entity;

(iii) identify any waivers or alternative requirements under subparagraph (e) requested for the execution of the Plan;

(iv) identify any specific actions that the public housing agencies and other entities will undertake to accomplish the goals of the demonstration, which shall include a comprehensive approach to enable a successful transition to opportunity areas and may include counseling and continued support for families;

(v) specify the criteria that the public housing agencies would use to identify opportunity areas under the plan;

(vi) provide for establishment of priority and preferences for participating families, including a preference for families with young children, as such term is defined by the Secretary, based on regional housing needs and priorities; and

(vii) comply with any other requirements established by the Secretary.

(5) WAIVERS; ALTERNATIVE REQUIREMENTS.—Not later than five years after implementation of the demonstration program under this section, the Secretary shall submit to the Congress a report evaluating the effectiveness of the strategies pursued under the demonstration program, subject to the availability of funding to conduct the evaluation. Through official websites and other methods, the Secretary shall disseminate interim findings as they become available, and shall, if promising strategies are identified, notify the Congress of the amount of funds that would be required to expand the testing of these strategies in additional types of public housing agencies and housing markets.

(6) TERMINATION.—The demonstration program under this section shall terminate on October 1, 2028.
under section 524 of the Multifamily Assisted Housing Reform and Affordability Act of 1997 (Public Law 105-65, set out below), or assistance under section 8(o)(13) of the Act (42 U.S.C. 1437f(o)(13)), the Secretary may transfer amounts provided through contracts under section 8(e)(2) of the Act or under the headings ‘Public Housing Capital Fund’ and ‘Public Housing Operating Fund’ to the headings ‘Tenant-Based Rental Assistance’ or ‘Project-Based Rental Assistance’ (herein the ‘First Component’): Provided, That the initial long-term contract under which converted assistance is made available may allow for rental adjustments only by an operating cost factor established by the Secretary, and shall be subject to the availability of appropriations for each year of such term: Provided further, That project applications may be received under this demonstration until September 30, 2024: Provided further, That any increase in cost for ‘Tenant-Based Rental Assistance’ or ‘Project-Based Rental Assistance’ associated with such conversion in excess of amounts made available under the heading shall be equal to amounts transferred from ‘Public Housing Capital Fund’ and ‘Public Housing Operating Fund’ or other account from which it was transferred: Provided further, That not more than 455,000 units currently receiving assistance under section 9 or section 8(e)(2) of the Act shall be converted under the authority provided under this heading: Provided further, That tenants of such properties with assistance converted from assistance under section 9 shall, at a minimum, maintain the same rights under such conversion as those provided under sections 6 (42 U.S.C. 1437d) and 9 of the Act: Provided further, That the Secretary shall select properties from applications for conversion as part of this demonstration through a competitive process: Provided further, That in establishing criteria for such competition, the Secretary shall seek to demonstrate the feasibility of this conversion model to recapitalize and operate public housing properties (1) in different markets and geographic areas, (2) within a portfolio managed by public housing agencies of varying sizes, and (3) by leveraging other sources of funding to recapitalize properties: Provided further, That the Secretary shall provide an opportunity for public comment on draft eligibility and selection criteria and procedures that will apply to the selection of properties that will participate in the demonstration: Provided further, That the Secretary shall provide an opportunity for comment from residents of properties to be proposed for participation in the demonstration to the owners or public housing agencies responsible for such properties: Provided further, That the Secretary may waive or specify alternative requirements for (except for requirements related to fair housing, nondiscrimination, labor standards, and the environment) any provision of section 8(o)(13) or any provision that governs the use of assistance from which a property is converted under the demonstration or funds made available under the headings of ‘Public Housing Capital Fund’, ‘Public Housing Operating Fund’, and ‘Project-Based Rental Assistance’, under this Act or any prior Act or any Act enacted during the period of conversion of assistance under the demonstration for properties with assistance converted under the demonstration, and, tenant consultation procedures, for conversion of assistance available for such vouchers or assistance contracts to assistance under a long-term project-based subsidy contract under section 8 of the Act, which shall
have a term of no less than 20 years, with rent adjustments only by an operating cost factor established by the Secretary, which shall be eligible for renewal under section 8(o)(13) of the Act, to which the limitation of section 8(o)(13) of the Act shall apply to the extent sufficient amounts are made available in appropriation Acts and notwithstanding any other law, treat the contemplated resulting contract as if such contract were eligible for initial renewal under section 524(a) of the Multifamily Assisted Housing Reform and Affordability Act of 1997 (42 U.S.C. 1437f note). As to such contracts, the resulting contract as if such contract were eligible for initial renewal under section 524(a) of the Multifamily Assisted Housing Reform and Affordability Act of 1997 (42 U.S.C. 1437f note). (b) INITIAL RENEWAL. —

"(1) At the request of an owner under subsection (a) made no later than 90 days prior to a conversion, the Secretary may, to the extent sufficient amounts are made available in appropriation Acts and notwithstanding any other law, treat the contemplated resulting contract as if such contract were eligible for initial renewal under section 524(a) of the Multifamily Assisted Housing Reform and Affordability Act of 1997 (42 U.S.C. 1437f note) to a term not to exceed 20 years;

"(2) be subsequently renewable at the request of an owner, under any renewal option for which the project is eligible under MAHRA (42 U.S.C. 1437f note);

"(3) contain provisions limiting distributions, as the Secretary determines appropriate, not to exceed 10 percent of the initial investment of the owner;

"(4) be subject to the availability of sufficient amounts in appropriation Acts; and

"(5) be subject to such other terms and conditions as the Secretary considers appropriate.

(c) RESULTING CONTRACT. — The resulting contract shall—

"(1) be to continue the progress of the Multifamily Assisted Housing and Urban Development Act of 1987 (12 U.S.C. 279d–1 et seq.) located in high-cost areas shall have initial rents set at comparable market rents for the market area: Provided further, That conversions of assistance under the Second Component may not be the basis for re-screening or termination of assistance or eviction of any tenant family in a property participating in the demonstration and such a family shall not be considered a new admission for any purpose, including compliance with income targeting: Provided further, That amounts made available under the heading 'Rental Housing Assistance' during the period of conversion under the Second Component, except for conversion of section 202 project rental assistance contracts, shall be available for project-based subsidy contracts entered into pursuant to this section: Provided further, That amounts, including contract authority, recaptured from contracts following a conversion under the Second Component, except for conversion of section 202 project rental assistance contracts, are hereby rescinded and an amount of additional new budget authority, equivalent to the amount recinded is hereby appropriated, to remain available until expended for such conversions: Provided further, That the Secretary may transfer amounts made available under the heading 'Rental Housing Assistance', amounts made available for tenant protection vouchers under the heading 'Tenant-Based Rental Assistance' heading to facilitate conversion under the Second Component, except for conversion of section 202 project rental assistance contracts, and any increase in cost for 'Project-Based Rental Assistance' associated with such conversion shall be equal to amounts so transferred: Provided further, That the Secretary may transfer amounts made available under the heading 'Housing for the Elderly' to the heading 'Project-Based Rental Assistance' or 'Tenant-Based Rental Assistance' to facilitate any section 202 project rental assistance contract conversions under the Second Component, and any increase in cost for 'Project-Based Rental Assistance' or 'Tenant-Based Rental Assistance' associated with such conversion shall be equal to amounts so transferred: Provided further, That with respect to the previous four provisions, the Comptroller General of the United States shall conduct a study of the long-term impact of the fiscal year 2012 and 2013 conversion of tenant protection vouchers to assistance under section 8(o)(13) of the Act on the ratio of tenant-based vouchers to project-based vouchers.

CONVERSION OF HUD CONTRACTS

"(a) IN GENERAL.—Notwithstanding any other provision of law, the Secretary may, at the request of an owner of a multifamily housing project that exceeds 5,000 units to which a contract for project-based rental assistance under section 8 of the Act is subject, to assistance under section 8(o)(13) of the Act, to which the limitation of section 8(o)(13) of the Act shall not apply and for which the Secretary may waive or alter the provisions of subparagraphs (C) and (D) of section 8(o)(13) of the Act (herein the 'Second Component'): Provided further, That contracts provided to properties converting assistance from section 101 of the Housing and Urban Development Act of 1965 (12 U.S.C. 1715a–1(t)(2)) located in high-cost areas shall have initial rents set at comparable market rents for the market area: Provided further, That the Secretary may require.

"(c) RESULTING CONTRACT. — The resulting contract shall—

"(1) be to continue the progress of the Multifamily Assisted Housing and Urban Development Act of 1987 (12 U.S.C. 279d–1 et seq.) located in high-cost areas shall have initial rents set at comparable market rents for the market area: Provided further, That conversions of assistance under the Second Component may not be the basis for re-screening or termination of assistance or eviction of any tenant family in a property participating in the demonstration and such a family shall not be considered a new admission for any purpose, including compliance with income targeting: Provided further, That amounts made available under the heading 'Rental Housing Assistance' during the period of conversion under the Second Component, except for conversion of section 202 project rental assistance contracts, shall be available for project-based subsidy contracts entered into pursuant to this section: Provided further, That amounts, including contract authority, recaptured from contracts following a conversion under the Second Component, except for conversion of section 202 project rental assistance contracts, are hereby rescinded and an amount of additional new budget authority, equivalent to the amount recinded is hereby appropriated, to remain available until expended for such conversions: Provided further, That the Secretary may transfer amounts made available under the heading 'Rental Housing Assistance', amounts made available for tenant protection vouchers under the heading 'Tenant-Based Rental Assistance' and specifically associated with such conversions, and amounts made available under the previous proviso as needed to the account under the ‘Project-Based Rental Assistance’ heading to facilitate conversion under the Second Component, except for conversion of section 202 project rental assistance contracts, and any increase in cost for ‘Project-Based Rental Assistance’ associated with such conversion shall be equal to amounts so transferred: Provided further, That the Secretary may transfer amounts made available under the heading ‘Housing for the Elderly’ to the heading ‘Project-Based Rental Assistance’ or ‘Tenant-Based Rental Assistance’ to facilitate any section 202 project rental assistance contract conversions under the Second Component, and any increase in cost for ‘Project-Based Rental Assistance’ or ‘Tenant-Based Rental Assistance’ associated with such conversion shall be equal to amounts so transferred: Provided further, That with respect to the previous four provisions, the Comptroller General of the United States shall conduct a study of the long-term impact of the fiscal year 2012 and 2013 conversion of tenant protection vouchers to assistance under section 8(o)(13) of the Act on the ratio of tenant-based vouchers to project-based vouchers."

PURPOSES OF MARK-TO-MARKET EXTENSION ACT OF 2001

"(1) to continue the progress of the Multifamily Assisted Housing Reform and Affordability Act of 1997 [title V of Pub. L. 106–55, see Short Title of 1997 Amendment note set out under section 1901 of Title 12, Banks and Banking] (referred to in this section as 'that Act');

"(2) to ensure that properties that undergo mortgage restructurings pursuant to that Act are rehabilitated to a standard that allows the properties to meet their long-term affordability requirements;
(3) to ensure that, for properties that undergo mortgage restructurings pursuant to that Act, re-serves are set at adequate levels to allow the properties to meet their long-term affordability requirements;

(4) to ensure that properties that undergo mortgage restructurings pursuant to that Act are operated efficiently, and that operating expenses are sufficient to ensure the long-term financial and physical integrity of the properties;

(5) to ensure that properties that undergo rent restructurings have adequate resources to maintain the properties in good condition;

(6) to ensure that the Office of Multifamily Housing Assistance Restructuring of the Department of Housing and Urban Development continues to focus on the portfolio of properties eligible for restructurings under that Act;

(7) to ensure that the Department of Housing and Urban Development carefully tracks the condition of those properties on an ongoing basis;

(8) to ensure that tenant groups, nonprofit organizations, and public entities continue to have the resources for building the capacity of tenant organizations in furtherance of the purposes of subtitile A of that Act [subtitle A of title V of Pub. L. 105–65, set out in a note below]; and

(9) to encourage the Office of Multifamily Housing Assistance Restructuring to continue to provide participating administrative entities, including public participating administrative entities, with the flexibility to respond to specific problems that individual cases may present, while ensuring consistent outcomes around the country.''

PILOT PROGRAM FOR HOMEOWNERSHIP ASSISTANCE FOR DISABLED FAMILIES

Pub. L. 106–569, title III, § 302, Dec. 27, 2000, 114 Stat. 2963, authorized a public housing agency providing tenant-based assistance to provide homeownership assistance to a disabled family that purchases a dwelling unit (including a dwelling unit under a lease-purchase agreement) that will be owned by one or more members of the disabled family and will be occupied by the disabled family and required the Secretary of Housing and Urban Development to report annually to Congress on activities conducted under this subpart.

DETERMINATION OF ADMINISTRATIVE FEES

Pub. L. 108–7, div. K, title II, (5) Feb. 20, 2003, 117 Stat. 48, which provided that the terms and conditions of an agreement for loan guarantees under section 415 of the United States Housing Act of 1937 [42 U.S.C. 1437z–2], as amended by Pub. L. 101–253, shall be determined by the Secretary in accordance with regulations prescribed by the Secretary, provided that:

(1) in general.—With the consent of the affected public housing agencies, the Secretary may carry out (or contract with 1 or more entities to carry out) demonstration programs under section 415 of the United States Housing Act of 1937 [42 U.S.C. 1437z–2(f)] to expand homeownership opportunities for low-income families;

(2) report.—The Secretary shall report annually to Congress on activities conducted under this subpart.

MULTIFAMILY HOUSING ASSISTANCE


(1) there exists throughout the Nation a need for decent, safe, and affordable housing;

(2) as of the date of enactment of this Act [Oct. 27, 1997], it is estimated that—

(A) the insured multifamily housing portfolio of the Federal Housing Administration consists of 14,000 rental properties, with an aggregate unpaid principal mortgage balance of $38,000,000,000; and

(B) approximately 10,000 of these properties contain housing units that are assisted with project-based rental assistance under section 8 of the United States Housing Act of 1937 [42 U.S.C. 1437f];

(C) FHA-insured multifamily rental properties are a major Federal investment, providing affordable rental housing to an estimated 2,000,000 low- and very low-income families;

(3) approximately 1,600,000 of these families live in dwelling units that are assisted with project-based rental assistance under section 8 of the United States Housing Act of 1937;

(4) many of the contracts for project-based assistance will expire during the several years following the date of enactment of this Act;

(5) it is estimated that—

(A) if no changes in the terms and conditions of the contracts for project-based assistance are made before fiscal year 2000, the cost of renewing all expiring rental assistance contracts under section 8 of the United States Housing Act of 1937 for both project-based and tenant-based rental assistance will increase from approximately $13,000,000,000 in fiscal year 1997 to over $14,300,000,000 by fiscal year 2000 and some $22,400,000,000 in fiscal year 2006;

(B) of those renewal amounts, the cost of renewing project-based rental assistance will increase from over $1,200,000,000 in fiscal year 1997 to almost $7,400,000,000 by fiscal year 2000; and

(C) without changes in the manner in which project-based rental assistance is provided, renewal fees of expiring contracts for project-based rental assistance will require an increasingly larger portion of the discretionary budget authority of the Department of Housing and Urban Development for each subsequent fiscal year for the foreseeable future;

(6) absent new budget authority for the renewal of expiring rental contracts for project-based assistance, many of the FHA-insured multifamily housing projects that are assisted with project-based assistance are likely to default on their FHA-insured mortgage payments, resulting in substantial claims to the FHA General Insurance Fund and Special Risk Insurance Fund; and

(7) more than 15 percent of federally assisted multifamily housing projects are physically or financially distressed, including a number which suffer from mismanagement;
due to Federal budget constraints, the down-sizing of the Department of Housing and Urban Development, and diminished administrative capacity, the Department lacks the ability to ensure the continued economic and physical well-being of the stock of federally insured and assisted multifamily housing projects.

The economic, physical, and management problems facing the stock of federally insured and assisted multifamily housing projects will be best served by reforms that—

(A) reduce the cost of Federal rental assistance, including project-based assistance, to these projects by reducing the debt service and operating costs of these projects while retaining the low-income affordability and availability of this housing;

(B) address physical and economic distress of this housing and the failure of some project managers and owners of projects to comply with management and ownership rules and requirements; and

(C) transfer and share many of the loan and contract administration functions and responsibilities of the Secretary to and with capable State, local, and other entities; and

(12) the authority and duties of the Secretary, not including the control by the Secretary of applicable accounts in the Treasury of the United States, may be delegated to State, local or other entities at the discretion of the Secretary, to the extent the Secretary determines, and for the purpose of carrying out this title [see Short Title of 1997 Amendment note set out under section 1701 of Title 12, Banks and Banking], so that the Secretary has the discretion to be relieved of processing and approving any document or action required by these reforms.

(b) Purposes.—Consistent with the purposes and requirements of the Government Performance and Results Act of 1993 [Pub. L. 103–62, see Short Title of 1993 Amendment note set out under section 1701 of Title 12, Money and Finance], the purposes of this subtitle are—

(1) to preserve low-income rental housing affordability and availability while reducing the long-term costs of project-based assistance;

(2) to reform the design and operation of Federal rental housing assistance programs, administered by the Secretary, to promote greater multifamily housing project operating and cost efficiencies;

(3) to encourage owners of eligible multifamily housing projects to restructure their FHA-insured mortgages and project-based assistance contracts in a manner that is consistent with this subtitle before the day in which the contract expires;

(4) to reduce the cost of insurance claims under the National Housing Act [12 U.S.C. 1701 et seq.] related to mortgages insured by the Secretary and used to finance eligible multifamily housing projects;

(5) to streamline and improve federally insured and assisted multifamily housing project oversight and administration;

(6) to resolve the problems affecting financially and physically troubled federally insured and assisted multifamily housing projects through cooperation with residents, owners, State and local governments, and other interested entities and individuals;

(7) to protect the interest of project owners and managers, because they are partners of the Federal Government in meeting the affordable housing needs of the Nation through the section 8 rental housing assistance program;

(8) to protect the interest of tenants residing in the multifamily housing projects at the time of the restructuring for the housing; and

(9) to grant additional enforcement tools to use against those who violate agreements and program requirements, in order to ensure that the public interest is safeguarded and that Federal multifamily housing programs serve their intended purposes.

SEC. 512. DEFINITIONS.

In this subtitle:

(1) COMPAREABLE PROPERTIES.—The term ‘comparable properties’ means properties in the same market areas, where practicable, that—

(A) are similar to the eligible multifamily housing project as to neighborhood (including risk of crime), type of location, access, street appeal, age, property size, apartment mix, physical configuration, property and unit amenities, utilities, and other relevant characteristics; and

(B) are not receiving project-based assistance.

(2) ELIGIBLE MULTIFAMILY HOUSING PROJECT.—The term ‘eligible multifamily housing project’ means a project consisting of more than 4 dwelling units—

(A) with rents that, on an average per unit or per room basis, exceed the rent of comparable properties in the same market area, determined in accordance with guidelines established by the Secretary;

(B) that is covered in whole or in part by a contract for project-based assistance under—

(i) the new construction or substantial rehabilitation program under section 8(b)(2) of the United States Housing Act of 1937 [42 U.S.C. 1437f(b)(2)] (as in effect before October 1, 1983); and

(ii) the property disposition program under section 8(b) of the United States Housing Act of 1937;

(iii) the moderate rehabilitation program under section 8(e)(2) of the United States Housing Act of 1937;

(iv) the loan management assistance program under section 8 of the United States Housing Act of 1937;

(v) section 23 of the United States Housing Act of 1937 [42 U.S.C. 1437u] (as in effect before January 1, 1975);

(vi) the rent supplement program under section 101 of the Housing and Urban Development Act of 1965 [12 U.S.C. 1701a]; or

(vii) section 8 of the United States Housing Act of 1937, following conversion from assistance under section 101 of the Housing and Urban Development Act of 1965; and

(C) financed by a mortgage insured or held by the Secretary under the National Housing Act [12 U.S.C. 1702 et seq.].

Such term does not include any project with an expiring contract described in paragraph (1) or (2) of section 526(e), but does include a project described in section 526(e)(3). Notwithstanding any other provision of this title, the Secretary may treat a project as an eligible multifamily housing project for purposes of this title if (I) the project is assisted pursuant to a contract for project-based assistance under section 8 of the United States Housing Act of 1937 renewed under section 524 of this Act, (II) the owner consents to such treatment, and (III) the project met the requirements of the first sentence of this paragraph for eligibility as an eligible multifamily housing project before the initial renewal of the contract under section 524.

(3) EXPIRING CONTRACT.—The term ‘expiring contract’ means a project-based assistance contract attached to an eligible multifamily housing project which, under the terms of the contract, will expire.

(4) EXPIRATION DATE.—The term ‘expiration date’ means the date on which an expiring contract expires.

(5) FAIR MARKET RENT.—The term ‘fair market rent’ means the fair market rental established under section 8(c) of the United States Housing Act of 1937.

(6) LOW-INCOME FAMILIES.—The term ‘low-income families’ has the same meaning as provided under section 3(b)(2) of the United States Housing Act of 1937 [42 U.S.C. 1437a(b)(2)].

(7) MORTGAGE RESTRUCTURING AND RENTAL ASSISTANCE SUFFICIENCY PLAN.—The term ‘mortgage restructuring and rental assistance sufficiency plan’ means the plan as provided under section 514.

(8) NONPROFIT ORGANIZATION.—The term ‘nonprofit organization’ means any private nonprofit organization that—
“(A) is organized under State or local laws;
“(B) has no part of its net earnings inuring to the benefit of any member, founder, contributor, or individual; and
“(C) has a long-term record of service in providing or financing quality affordable housing for low-income families through relationships with public entities.

“(9) PORTFOLIO RESTRUCTURING AGREEMENT.—The term ‘portfolio restructuring agreement’ means the agreement entered into between the Secretary and a participating administrative entity, as provided under section 513.

“(10) PARTICIPATING ADMINISTRATIVE ENTITY.—The term ‘participating administrative entity’ means a public agency (including a State housing finance agency or a local housing agency), a nonprofit organization, or any other entity (including a law firm or an accounting firm) or a combination of such entities, that meets the requirements under section 513(b).

“(11) PROJECT-BASED ASSISTANCE.—The term ‘project-based assistance’ means rental assistance described in paragraph (2)(B) of this section that is attached to a multifamily housing project.

“(12) RENEWAL.—The term ‘renewal’ means the replacement of an expiring Federal rental contract with a new contract under section 8 of the United States Housing Act of 1937, consistent with the requirements of this subtitle.

“(13) SECRETARY.—The term ‘Secretary’ means the Secretary of Housing and Urban Development.

“(14) STATE.—The term ‘State’ has the same meaning as in section 104 of the Cranston-Gonzalez National Affordable Housing Act [42 U.S.C. 12704].

“(15) TENANT-BASED ASSISTANCE.—The term ‘tenant-based assistance’ has the same meaning as in section 8(f) of the United States Housing Act of 1937.

“(16) UNIT OF GENERAL LOCAL GOVERNMENT.—The term ‘unit of general local government’ has the same meaning as in section 104 of the Cranston-Gonzalez National Affordable Housing Act.

“(17) VERY LOW-INCOME FAMILY.—The term ‘very low-income family’ has the same meaning as in section 5(b) of the United States Housing Act of 1937.

“(18) QUALIFIED MORTGAGE.—The term ‘qualified mortgagee’ means an entity approved by the Secretary that is capable of servicing, as well as originating, FHA-insured mortgages, and that—

“(A) is not suspended or debarred by the Secretary;

“(B) is not suspended or on probation imposed by the Mortgagee Review Board; and

“(C) is not in default under any Government National Mortgage Association obligation.

“(19) OFFICE.—The term ‘Office’ means the Office of Multifamily Housing Assistance Restructuring established under section 571.

“SEC. 531. AUTHORITY OF PARTICIPATING ADMINISTRATIVE ENTITIES.

“(a) PARTICIPATING ADMINISTRATIVE ENTITIES.—

“(1) IN GENERAL.—Subject to subsection (b)(3), the Secretary shall enter into portfolio restructuring agreements with participating administrative entities for the implementation of mortgage restructuring and rental assistance sufficiency plans to restructure multifamily housing mortgages insured or held by the Secretary under the National Housing Act [12 U.S.C. 1701 et seq.], in order to—

“(A) reduce the costs of expiring contracts for assistance under section 8 of the United States Housing Act of 1937 [42 U.S.C. 1437f];

“(B) address financially and physically troubled projects; and

“(C) correct management and ownership deficiencies.

“(2) PORTFOLIO RESTRUCTURING AGREEMENTS.—Each portfolio restructuring agreement entered into under this subsection shall—

“(A) be a cooperative agreement to establish the obligations and requirements between the Secretary and the participating administrative entity;

“(B) identify the eligible multifamily housing projects or groups of projects for which the participating administrative entity is responsible for assisting in developing and implementing approved mortgage restructuring and rental assistance sufficiency plans under section 514;

“(C) require the participating administrative entity to review and certify to the accuracy and completeness of the evaluation of rehabilitation needs required under section 514(e)(3) for each eligible multifamily housing project included in the portfolio restructuring agreement, in accordance with regulations promulgated by the Secretary;

“(D) identify the responsibilities of both the participating administrative entity and the Secretary in implementing a mortgage restructuring and rental assistance sufficiency plan, including any actions proposed to be taken under section 516 or 517;

“(E) require each mortgage restructuring and rental assistance sufficiency plan to be prepared in accordance with the requirements of section 514 for each eligible multifamily housing project;

“(F) include other requirements established by the Secretary, including a right of the Secretary to terminate the contract immediately for failure of the participating administrative entity to comply with any applicable requirement;

“(G) if the participating administrative entity is a State housing finance agency or a local housing agency, indemnify the participating administrative entity against lawsuits and penalties for actions taken pursuant to the agreement, excluding actions involving willful misconduct or negligence;

“(H) include compensation for all reasonable expenses incurred by the participating administrative entity necessary to perform its duties under this subtitle; and

“(I) include, where appropriate, incentive agreements with the participating administrative entity to reward superior performance in meeting the purposes of this title.

“(b) SELECTION OF PARTICIPATING ADMINISTRATIVE ENTITY.—

“(1) SELECTION CRITERIA.—The Secretary shall select a participating administrative entity based on whether, in the determination of the Secretary, the participating administrative entity—

“(A) has demonstrated experience in working directly with residents of low-income housing projects and with tenants and other community-based organizations;

“(B) has demonstrated experience with and capacity for multifamily restructuring and multifamily financing (which may include risk-sharing arrangements and restructuring eligible multifamily housing properties under the fiscal year 1997 Federal Housing Administration multifamily housing demonstration program);

“(C) has a history of stable, financially sound, and responsible administrative performance (which may include the management of affordable low-income rental housing);

“(D) has demonstrated financial strength in terms of asset quality, capital adequacy, and liquidity;

“(E) has demonstrated that it will carry out the specific transactions and other responsibilities under this subtitle in a timely, efficient, and cost-effective manner; and

“(F) meets other criteria, as determined by the Secretary.

“(2) SELECTION.—If more than 1 interested entity meets the qualifications and selection criteria for a participating administrative entity, the Secretary may select the entity that demonstrates, as determined by the Secretary, that it will—

“(A) provide the most timely, efficient, and cost-effective—

“(B) be a cooperative agreement to establish the obligations and requirements between the Secretary and the participating administrative entity;

“(C) identify the eligible multifamily housing projects or groups of projects for which the participating administrative entity is responsible for assisting in developing and implementing approved mortgage restructuring and rental assistance sufficiency plans under section 514;

“(D) require the participating administrative entity to review and certify to the accuracy and completeness of the evaluation of rehabilitation needs required under section 514(e)(3) for each eligible multifamily housing project included in the portfolio restructuring agreement, in accordance with regulations promulgated by the Secretary;

“(E) identify the responsibilities of both the participating administrative entity and the Secretary in implementing a mortgage restructuring and rental assistance sufficiency plan, including any actions proposed to be taken under section 516 or 517;

“(F) require each mortgage restructuring and rental assistance sufficiency plan to be prepared in accordance with the requirements of section 514 for each eligible multifamily housing project;

“(G) include other requirements established by the Secretary, including a right of the Secretary to terminate the contract immediately for failure of the participating administrative entity to comply with any applicable requirement;

“(H) if the participating administrative entity is a State housing finance agency or a local housing agency, indemnify the participating administrative entity against lawsuits and penalties for actions taken pursuant to the agreement, excluding actions involving willful misconduct or negligence;

“(I) include compensation for all reasonable expenses incurred by the participating administrative entity necessary to perform its duties under this subtitle; and

“(J) include, where appropriate, incentive agreements with the participating administrative entity to reward superior performance in meeting the purposes of this title.
“(1) restructuring of the mortgages covered by the portfolio restructuring agreement; and
“(2) administration of the section 8 project-based assistance contracts, if applicable; and
“(B) protect the public interest (including the long-term provision of decent low-income affordable rental housing and protection of residents, communities, and the American taxpayer).

(3) PARTNERSHIPS.—For the purposes of any participating administrative entity applying under this subsection, participating administrative entities are encouraged to develop partnerships with each other and with nonprofit organizations, if such partnerships will further the participating administrative entity’s ability to meet the purposes of this title.

(4) ALTERNATIVE ADMINISTRATORS.—With respect to any eligible multifamily housing project for which a participating administrative entity is unavailable, or should not be selected to carry out the requirements of this subtitle with respect to that multifamily housing project for reasons relating to the selection criteria under paragraph (1), the Secretary shall—
“(A) carry out the requirements of this subtitle with respect to that eligible multifamily housing project; or
“(B) contract with other qualified entities that meet the requirements of paragraph (1) to provide the authority to carry out all or a portion of the requirements of this subtitle with respect to that eligible multifamily housing project.

(5) PRIORITY FOR PUBLIC AGENCIES AS PARTICIPATING ADMINISTRATIVE ENTITIES.—The Secretary shall provide a reasonable period during which the Secretary will consider proposals only from State housing finance agencies or local housing agencies, and the Secretary shall select such an agency without considering other applicants if the Secretary determines that the agency is qualified. The period shall be of sufficient duration for the Secretary to determine whether any State housing finance agencies or local housing agencies are interested and qualified. Not later than the end of the period, the Secretary shall notify the State housing finance agency or the local housing agency regarding the status of the proposal and, if the proposal is rejected, the reasons for the rejection and an opportunity for the applicant to respond.

(6) STATE AND LOCAL PORTFOLIO REQUIREMENTS.—
“(A) IN GENERAL.—If housing finance agency of a State is selected as the participating administrative entity, that agency shall be responsible for such eligible multifamily housing projects in that State as may be agreed upon by the participating administrative entity and the Secretary. If a local housing agency is selected as the participating administrative entity, that agency shall be responsible for such eligible multifamily housing projects in the jurisdiction of the agency as may be agreed upon by the participating administrative entity and the Secretary.

“(B) NONDELегATION.—Except with the prior approval of the Secretary, a participating administrative entity may not delegate or transfer responsibilities and functions under this subtitle to 1 or more entities.

(7) PRIVATE ENTITY REQUIREMENTS.—
“(A) IN GENERAL.—If a for-profit entity is selected as the participating administrative entity, that entity shall be required to enter into a partnership with a public purpose entity (including the Department).

“(B) PROHIBITION.—No private entity shall share, participate in, or otherwise benefit from any equity created, received, or restructured as a result of the portfolio restructuring agreement.

SEC. 514. MORTGAGE RESTRUCTURING AND RENTAL ASSISTANCE SUFFICIENCY PLAN.

“(a) IN GENERAL.—

“(1) DEVELOPMENT OF PROCEDURES AND REQUIREMENTS.—The Secretary shall develop procedures and requirements for the submission of a mortgage restructuring and rental assistance sufficiency plan for each eligible multifamily housing project with an expiring contract.

“(2) TERMS AND CONDITIONS.—Each mortgage restructuring and rental assistance sufficiency plan submitted under this subsection shall be developed by the participating administrative entity, in cooperation with an owner of an eligible multifamily housing project and any servicer for the mortgage that is a qualified mortgagee, under such terms and conditions as the Secretary shall require.

“(3) CONSOLIDATION.—Mortgage restructuring and rental assistance sufficiency plans submitted under this subsection may be consolidated as part of an overall strategy for more than 1 property.

“(b) NOTICE REQUIREMENTS.—The Secretary shall establish notice procedures and hearing requirements for tenants and owners concerning the dates for the expiration of project-based assistance contracts for any eligible multifamily housing project.

“(c) EXTENSION OF CONTRACT TERM.—Subject to agreement by a project owner, the Secretary may extend the term of any expiring contract or provide a section 8 contract with rent levels set in accordance with subsection (g) for a period sufficient to facilitate the implementation of a mortgage restructuring and rental assistance sufficiency plan, as determined by the Secretary.

“(d) TENANT RENT PROTECTION.—If the owner of a project with an expiring Federal rental assistance contract does not agree to extend the contract, not less than 12 months prior to terminating the contract, the project owner shall provide written notice to the tenant and the Secretary and the Secretary shall make tenant-based assistance available to tenants residing in units assisted under the expiring contract at the time of expiration. In addition, if after giving the notice required in the first sentence, an owner determines to terminate a contract, an owner shall provide an additional written notice with respect to the termination, in a form prescribed by the Secretary, not less than 120 days prior to the termination. In the event the owner does not provide the 120-day notice required in the preceding sentence, the owner may not evict the tenants or increase the tenants’ rent payment until such time as the owner has provided the 120-day notice and such period has elapsed. The Secretary may allow the owner to renew the terminating contract for a period of time sufficient to give tenants 120 days of advance notice in accordance with section 524 of this Act.

“(e) MORTGAGE RESTRUCTURING AND RENTAL ASSISTANCE SUFFICIENCY PLAN.—Each mortgage restructuring and rental assistance sufficiency plan shall—

“(1) except as otherwise provided, restructure the project-based assistance rents for the eligible multifamily housing project in a manner consistent with the lines established by the Secretary;

“(2) allow for rent adjustments by applying an operating cost adjustment factor established under guidelines established by the Secretary;

“(3) require the owner or purchaser of an eligible multifamily housing project to evaluate the rehabilitation needs of the project, in accordance with regulations of the Secretary, and notify the participating administrative entity of the rehabilitation needs;

“(4) requires the owner or purchaser of the project to provide or contract for competent management of the project;

“(5) require the owner or purchaser of the project to take such actions as may be necessary to rehabilitate, maintain adequate reserves, and to maintain the project in decent and safe condition, based on housing quality standards established by—

“(A) the Secretary; or

“(B) local housing codes or codes adopted by public housing agencies that—
(1) meet or exceed housing quality standards established by the Secretary; and

(ii) do not severely restrict housing choice;

(6) require the owner or purchaser of the project to maintain affordability and use restrictions in accordance with regulations promulgated by the Secretary, for a term of not less than 30 years which restrictions shall—

(A) contained in a legally enforceable document recorded in the appropriate records; and

(B) consistent with the long-term physical and financial viability and character of the project as affordable housing;

(7) include a certification by the participating administrative entity that the restructuring meets subsidiary layering requirements established by the Secretary by regulation for purposes of this subtitle;

(8) require the owner or purchaser of the project to meet such other requirements as the Secretary determines to be appropriate; and

(9) prohibit the owner from refusing to lease a reasonable number of units to holders of certificates and vouchers under section 8 of the United States Housing Act of 1937 [42 U.S.C. 1437f] because of the status of the prospective tenants as certificate and voucher holders.

(1) TENANT AND OTHER PARTICIPATION AND CAPACITY BUILDING.—

(A) IN GENERAL.—The Secretary shall establish procedures to provide an opportunity for tenants of the project, residents of the neighborhood, the local government, and other affected parties to participate effectively and on a timely basis in the restructuring process established by this subtitle.

(B) COVERAGE.—These procedures shall take into account the need to provide tenants of the project, residents of the neighborhood, the local government, and other affected parties timely notice of proposed restructuring actions and appropriate access to relevant information about restructuring activities. To the extent practicable and consistent with the need to accomplish project restructuring in an efficient manner, the procedures shall give all such parties an opportunity to provide comments to the participating administrative entity in writing, in meetings, or in another appropriate manner (which comments shall be taken into consideration by the participating administrative entity).

(2) REQUIRED CONSULTATION.—The procedures developed pursuant to paragraph (1) shall require consultation with tenants of the project, residents of the neighborhood, the local government, and other affected parties, in connection with at least the following:

(A) the mortgage restructuring and rental assistance sufficiency plan;

(B) any proposed transfer of the project; and

(C) the rental assistance assessment plan pursuant to section 515(c).

(3) FUNDING.—

(A) IN GENERAL.—The Secretary shall make available not more than $100,000 annually in funding, which amount shall be in addition to any amounts made available under this subparagraph and carried over from previous years, from which the Secretary may make obligations to tenant groups, nonprofit organizations, and public entities for building the capacity of tenant organizations, for technical assistance in furthering any of the purposes of this subtitle (including transfer of developments to new owners), for technical assistance for preservation of low-income housing for which project-based rental assistance is provided at below market rent levels and may not be renewed (including transfer of developments to tenant groups, nonprofit organizations, and public entities), for tenant services, and for tenant organizations, and public entities described in section 517(a)(5), from those amounts made available under appropriations Acts for implementing this subtitle or previously made available for technical assistance in connection with the preservation of affordable rental housing for low-income persons.

(B) MANNER OF PROVIDING.—Notwithstanding any other provision of law restricting the use of preservation technical assistance funds, the Secretary may provide any funds made available under subparagraph (A) through existing technical assistance programs pursuant to any other Federal law, including the Low-Income Housing Preservation and Resident Homeownership Act of 1990 [12 U.S.C. 4101 et seq.] and the Multifamily Housing Property Disposition Reform Act of 1994 [Pub. L. 103–233, see Short Title of 1994 Amendment note set out under section 1701 of Title 12, Banks and Banking], or through any other means that the Secretary considers consistent with the purposes of this subtitle, without regard to any set-aside requirement otherwise applicable to those funds.

(C) PROHIBITION.—None of the funds made available under subparagraph (A) may be used directly or indirectly to pay for any personal service, advertisement, telegram, telephone, letter, printed or written matter, or other device, intended or designed to influence in any manner a Member of Congress, to favor or oppose, by vote or otherwise, any legislation or appropriation by Congress, whether before or after the introduction of any bill or resolution proposing such legislation or appropriation.

(g) REST LEVELS.—

(1) IN GENERAL.—Except as provided in paragraph (2), each mortgage restructuring and rental assistance sufficiency plan pursuant to the terms, conditions, and requirements of this subtitle shall establish for units assisted with project-based assistance in eligible multifamily housing projects adjusted rent levels that—

(A) are equivalent to rents derived from comparable properties, if—

(i) the participating administrative entity makes the rent determination within a reasonable period of time; and

(ii) the market rent determination is based on not less than 2 comparable properties; or

(B) if those rents cannot be determined, are equal to 90 percent of the fair market rents for the relevant market area.

(2) EXCEPTIONS.—

(A) IN GENERAL.—A contract under this section may include rent levels that exceed the rent level described in paragraph (1) at rent levels that do not exceed 120 percent of the fair market rent for the market area (except that the Secretary may waive this limit for not more than five percent of all units subject to portfolio restructuring agreements, based on a finding of special need), if the participating administrative entity—

(i) determines that the housing needs of the tenants and the community cannot be adequately addressed through implementation of the rent limitation required to be established through a mortgage restructuring and rental assistance sufficiency plan pursuant to paragraph (1); and

(ii) follows the procedures under paragraph (3).

(B) EXCEPTION RENTS.—In any fiscal year, a participating administrative entity may approve exception rents on not more than 20 percent of all units covered by the portfolio restructuring agreement with expiring contracts in that fiscal year, except that the Secretary may waive this ceiling upon a finding of special need.

(3) RENT LEVELS FOR EXCEPTION PROJECTS.—For purposes of this section, a project eligible for an exception rent shall receive a rent calculated on the actual and projected costs of operating the project, at a level that provides in-kind services, a sufficient amount to support a budget-based rent that consists of—

(A) the debt service of the project;
Section 515. Renewals of section 8 contracts.

Section 8 renewals and long-term affordability plan if—

(i) contributions to adequate reserves;

(ii) the costs of maintenance and necessary rehabilitation; and

(iii) other eligible costs permitted under section 8 of the United States Housing Act of 1937;

(C) an adequate allowance for potential operating losses due to vacancies and failure to collect rents, as determined by the participating administrative entity;

(D) an allowance for a reasonable rate of return to the owner or purchaser of the project, as determined by the participating administrative entity, which may be established to provide incentives for owners or purchasers to meet benchmarks of quality for management and housing quality; and

(E) other expenses determined by the participating administrative entity to be necessary for the operation of the project.

(b) Exemptions from restructuring.—The following categories of projects shall not be covered by a mortgage restructuring and rental assistance sufficiency plan if—

(A) the primary financing or mortgage insurance for the multifamily housing project that is covered by the restructuring contract was provided by a unit of State government or a unit of general local government (or an agency or instrumentality of a unit of a State government or unit of general local government and the financing involves mortgage insurance under the National Housing Act [42 U.S.C. 1701 et seq.], such that the implementation of a mortgage restructuring and rental assistance sufficiency plan under this subtitle is in conflict with applicable law or agreements governing such financing;

(B) the project is a project financed under section 202 of the Housing Act of 1959 [12 U.S.C. 1701q] or section 515 of the Housing Act of 1949 [42 U.S.C. 1485], or refinanced pursuant to section 811 of the American Homeownership and Economic Opportunity Act of 2000 [12 U.S.C. 1701q note]; or

(C) the project has an expiring contract under section 8 of the United States Housing Act of 1937 entered into pursuant to [former] section 411 of the McKinney-Vento Homeless Assistance Act [42 U.S.C. 11601].

Section 515. Section 8 renewals and long-term affordability commitment by owner of project.

(a) Section 8 renewals of restructured projects.

(1) Project-based assistance.—Subject to the availability of amounts provided in advance in appropriations Acts, and to the control of the Secretary of applicable accounts in the Treasury of the United States, with respect to an expiring section 8 contract on an eligible multifamily housing project to be renewed with project-based assistance (based on a determination under subsection (c)), the Secretary shall enter into contracts with participating administrative entities pursuant to which the participating administrative entity shall offer to renew or extend the contract, or the Secretary shall offer to renew such contract, and the owner of the project shall accept the offer, if the initial renewal is in accordance with the terms and conditions specified in the mortgage restructuring and rental assistance sufficiency plan and the rental assistance assessment plan.

(2) Tenant-based assistance.—Subject to the availability of amounts provided in advance in appropriations Acts and to the control of the Secretary of applicable accounts in the Treasury of the United States, with respect to an expiring section 8 contract on an eligible multifamily housing project to be renewed with tenant-based assistance (based on a determination under subsection (c), the Secretary shall enter into contracts with participating administrative entities pursuant to which the participating administrative entity shall provide for the renewal of section 8 assistance on an eligible multifamily housing project with tenant-based assistance, or the Secretary shall provide for such renewal, in accordance with the terms and conditions specified in the mortgage restructuring and rental assistance sufficiency plan and the rental assistance assessment plan.

(b) Required commitment.—After the initial renewal of a section 8 contract pursuant to this section, the owner shall accept each offer made pursuant to subsection (a) to renew the contract, or the Secretary shall offer to renew the contract, for the terms and conditions permitted by the mortgage restructuring and rental assistance sufficiency plan.

(c) Determination of whether to renew with project-based or tenant-based assistance.—

(1) Mandatory renewal of project-based assistance.—Section 8 assistance shall be renewed with project-based assistance, if—

(A) the project is located in an area in which the participating administrative entity determines, based on housing market indicators, such as low vacancy rates or high absorption rates, that there is not adequate available and affordable housing or that the tenants of the project will not be able to locate suitable units or use the tenant-based assistance successfully;

(B) a predominant number of the units in the project are occupied by elderly families, disabled families, or elderly and disabled families; or

(C) the project is held by a nonprofit cooperative ownership housing corporation or nonprofit cooperative housing trust.

(2) Rental assistance assessment plan.—

(A) In general.—With respect to any project that is not described in paragraph (1), the participating administrative entity shall, after consultation with the owner of the project, develop a rental assistance assessment plan to determine whether to renew assistance for the project with tenant-based assistance or project-based assistance.

(B) Rental assistance assessment plan requirements.—Each rental assistance assessment plan developed under this paragraph shall include an assessment of the impact of converting to tenant-based assistance and the impact of extending project-based assistance on—

(i) the ability of the tenants to find adequate, available, decent, comparable, and affordable housing in the local market;

(ii) the types of tenants residing in the project (such as elderly families, disabled families, large families, and cooperative homeowners);

(iii) the local housing needs identified in the comprehensive housing affordability strategy, and local market vacancy trends;

(iv) the cost of providing assistance, comparing the applicable payment standard to the project’s adjusted rent levels determined under section 514(g);

(v) the long-term financial stability of the project;

(vi) the ability of residents to make reasonable choices about their individual living situations;

(vii) the quality of the neighborhood in which the tenants would reside; and

(viii) the project’s ability to compete in the marketplace.

(C) Reports to Director.—Each participating administrative entity shall report regularly to the Director as defined in subtitle D, as the Director shall require, identifying—

(i) each eligible multifamily housing project for which the entity has developed a rental assistance assessment plan under this paragraph that determined that the tenants of the project generally supported renewal of assistance with tenant-based assistance, but under which assistance for
the project was renewed with project-based assistance; and

(2) each project for which the entity has developed such a plan under which the assistance is renewed using tenant-based assistance.

(3) Eligibility for Tenant-Based Assistance.—Subject to paragraph (4), with respect to any project that is not described in paragraph (1), if a participating administrative entity approves the use of tenant-based assistance based on a rental assistance assessment plan developed under paragraph (2), tenant-based assistance shall be provided to each assisted family (other than a family already receiving tenant-based assistance) residing in the project at the time the assistance described in section 512(3)(B) terminates.

(4) Assistance Through Enhanced Vouchers.—In the case of any family described in paragraph (3) that resides in a project described in section 512(3)(B), the tenant-based assistance provided shall be enhanced voucher assistance under section 8(t) of the United States Housing Act of 1937 (42 U.S.C. 1437f(t)).

(5) Inapplicability of Certain Provision.—If a participating administrative entity approves renewal with project-based assistance under this subsection, section 8(d)(2) of the United States Housing Act of 1937 shall not apply.

SEC. 516. PROHIBITION ON RESTRUCTURING.

(a) Prohibition on Restructuring.—The Secretary may elect not to consider any mortgage restructuring and rental assistance sufficiency plan or request for contract renewal if the Secretary or the participating administrative entity determines that—

(1) the owner or purchaser of the project has engaged in material adverse financial or managerial actions or omissions with regard to such project; or

(2) the owner or purchaser of the project has engaged in material adverse financial or managerial actions or omissions with regard to other projects of such owner or purchaser that are federally assisted or financed with a loan from, or mortgage insured or guaranteed by, an agency of the Federal Government;

(3) the owner or purchaser of the property materially violating any Federal, State, or local law or regulation with regard to the project or any other federally assisted project; or

(4) the poor condition of the project cannot be remedied in a cost effective manner, as determined by the participating administrative entity.

The term 'owner' as used in this subsection, in addition to it having the same meaning as in section 8(f) of the United States Housing Act of 1937, also means an affiliate of the owner. The term 'purchaser' as used in this section in accordance with paragraph (1) of this subsection means any person or entity, including a cooperative, an agency of the Federal Government, or a public housing agency, that, upon purchase of the project, would have the legal right to lease or sublease dwelling units in the project, and also means an affiliate of the purchaser. The terms 'affiliate of the owner' and 'affiliate of the purchaser' means any person or entity (including, but not limited to, a general partner or managing member, or an officer of either) that controls an owner or purchaser, is controlled by an owner or purchaser, or is under common control with the owner or purchaser. The term 'control' means the direct or indirect power (under contract, equity ownership, the right to vote or determine a vote, or otherwise) to direct the financial, legal, beneficial or other interests of the owner or purchaser.

(b) Opportunity to Dispute Findings.—

(1) In General.—During the 30-day period beginning on the date on which the owner or purchaser of an eligible multifamily housing project receives notice of a rejection under subsection (a) or of a mortgage restructuring and rental assistance sufficiency plan under section 514, the Secretary or participating administrative entity shall provide that owner or purchaser with an opportunity to dispute the basis for the rejection and an opportunity to cure.

(2) Affirmation, Modification, or Reversal.—

(A) In General.—After providing an opportunity to dispute under paragraph (1), the Secretary or the participating administrative entity may affirm, modify, or reverse any rejection under subsection (a) or rejection of a mortgage restructuring and rental assistance sufficiency plan under section 514.

(B) Reasons for Decision.—The Secretary or the participating administrative entity, as applicable, shall identify the reasons for any final decision under this paragraph.

(C) Review Process.—The Secretary shall establish an administrative review process to appeal any final decision under this paragraph.

(d) Displaced Tenants.—

(1) Notice to Certain Residents.—The Office shall notify any tenant that is residing in a project or receiving assistance under section 8 of the United States Housing Act of 1937 (42 U.S.C. 1437f) at the time of rejection under this section, that tenant shall be provided with tenant-based assistance and reasonable moving expenses, as determined by the Secretary.

(2) Assistance and Moving Expenses.—Subject to the availability of amounts provided in advance in appropriations Acts, for any low-income tenant that is residing in a project or receiving assistance under section 8 of the United States Housing Act of 1937 at the time of rejection under this section, that tenant shall be provided with tenant-based assistance and reasonable moving expenses, as determined by the Secretary.

(e) Transfer of Property.—For properties disqualified from the consideration of a mortgage restructuring and rental assistance sufficiency plan under this section in accordance with paragraph (1) or (2) of subsection (a) because of actions by an owner or purchaser, the Secretary shall establish procedures to facilitate the voluntary sale or transfer of a property as part of a mortgage restructuring and rental assistance sufficiency plan, with a preference for tenant organizations and tenant-endorsed community-based nonprofit and public agency purchasers meeting such reasonable qualifications as may be established by the Secretary.
[OMITTED TEXT]

"SEC. 517. RESTRUCTURING TOOLS.
"(a) MORTGAGE RESTRUCTURING.—
"(1) In this subtitle, an approved mortgage restructure and rental assistance sufficiency plan shall include restructuring mortgages in accordance with this subsection to provide—
"(A) a restructured or new first mortgage that is assumable at rents at levels that are established in section 514(g); and
"(B) a second mortgage that is in an amount equal to not more than the greater of—
"(i) the full or partial payment of claim made under this subtitle; or
"(ii) the difference between the restructured or new first mortgage and the indebtedness under the existing insured mortgage immediately before it is restructured or refinanced, provided that the amount of the second mortgage shall be in an amount that the Secretary or participating administrative entity determines can reasonably be expected to be repaid.

(2) The second mortgage shall bear interest at a rate not to exceed the applicable Federal rate as defined in section 1274(d) of the Internal Revenue Code of 1986 [26 U.S.C. 1274(d)]. The term of the second mortgage shall be equal to the term of the restructured or new first mortgage.

(3) Payments on the second mortgage shall be deferred when the first mortgage remains outstanding, except to the extent there is excess project income remaining after payment of all reasonable and necessary operating expenses (including deposits in a reserve for replacement), debt service on the first mortgage, and any other expenditures approved by the Secretary. At least 75 percent of any excess project income shall be applied to payments on the second mortgage, and the Secretary or the participating administrative entity may permit up to 25 percent to be paid to the project owner if the Secretary or participating administrative entity determines that the project owner meets benchmarks for management and housing quality.

(4) The full amount of the second mortgage shall be immediately due and payable if—
"(A) the first mortgage is terminated or paid in full, except as otherwise provided by the holder of the second mortgage;
"(B) the project is purchased and the second mortgage is assumed by any subsequent purchaser in violation of guidelines established by the Secretary or any participating administrative entity;
"(C) the Secretary provides notice to the project owner that such owner has failed to materially comply with any requirement of this section or the United States Housing Act of 1937 [42 U.S.C. 1437 et seq.] as those requirements apply to the project, with a reasonable opportunity for such owner to cure such failure.

(5) The Secretary may modify the terms of the second mortgage, assign the second mortgage to the acquiring organization or agency, or forgive all or part of the second mortgage if the Secretary holds the second mortgage and if the project is acquired by a tenant organization or tenant-endorsed community-based nonprofit or public agency, pursuant to guidelines established by the Secretary.

(6) The second mortgage under this section may be a first mortgage if no restructured or new first mortgage will meet the requirement of paragraph (1)(A).

(b) Restructuring Tools.—In addition to the requirements of subsection (a) and to the extent these actions are consistent with this section and with the control of the Secretary of applicable accounts in the Treasury of the United States, an approved mortgage restructuring and rental assistance sufficiency plan under this subtitle may include one or more of the following actions:

(1) FULL OR PARTIAL PAYMENT OF CLAIM.—Making a full payment of claim or partial payment of claim under section 514(b) of the National Housing Act (12 U.S.C. 1701-19(b)), as amended by section 523(b) of this Act. Any payment under this paragraph shall not require the approval of a mortgagee.

(2) REFINANCING OF DEBT.—Refinancing of all or part of the debt on a project. If the refinancing involves a mortgage that will continue to be insured under the National Housing Act (12 U.S.C. 1701 et seq.), the refinancing shall be documented through amendment of the existing insurance contract and not through a new insurance contract.

(3) MORTGAGE INSURANCE.—Providing FHA multifamily mortgage insurance, reinsurance or other credit enhancement alternatives, including multifamily risk-sharing mortgage programs, as provided under section 542 of the Housing and Community Development Act of 1992 [Pub. L. 102-550, 12 U.S.C. 1707 note]. The Secretary shall use risk-shared financing under section 542(c) of the Housing and Community Development Act of 1992 for any mortgage restructuring, rehabilitation financing, or debt refinancing included as part of a mortgage restructuring and rental assistance sufficiency plan if the terms and conditions are considered to be the best available financing in terms of financial savings to the FHA insurance funds and will result in reduced risk of loss to the Federal Government. Any limitations on the number of units available for mortgage insurance under section 542 shall not apply to eligible multifamily housing projects. Any credit subsidy costs of providing mortgage insurance shall be paid from the Family Housing Account and the Special Risk Insurance Fund and shall not be subject to any limitation on appropriations.

(4) CREDIT ENHANCEMENT.—Providing any additional State or local mortgage credit enhancements and risk-sharing arrangements that may be established with State or local housing finance agencies, the Federal Housing Finance Agency, the Federal National Mortgage Association, and the Federal Home Loan Mortgage Corporation, to a modified or refinanced first mortgage.

(5) COMPENSATION OF THIRD PARTIES.—Consistent with the portfolio restructuring agreement, entering into agreements, incurring costs, or making payments, including incentive agreements designed to reward superior performance in meeting the purposes of this Act, as may be reasonably necessary, to compensate the participation of participating administrative entities and other parties in undertaking actions authorized by this subtitle. Upon request to the participating administrative entity that is qualified under the United States Housing Act of 1937 to serve as contract administrators shall be the contract administrator to whom section 8 of the United States Housing Act of 1937 [12 U.S.C. 1437f] for purposes of any contracts entered into as part of an approved mortgage restructuring and rental assistance sufficiency plan. Subject to the availability of amounts provided in advance in appropriate Acts for administrative fees under section 8 of the United States Housing Act of 1937, such amounts may be used to compensate participating administrative entities for compliance monitoring costs incurred under section 519.

(6) USE OF PROJECT ACCOUNTS.—Applying any residual receipts, replacement reserves, and any other project accounts not required for project operations, to maintain the long-term affordability and physical condition of the property or of other eligible multifamily housing projects. The participating administrative entity may expend the acquisition of residual receipts, replacement reserves, or other such accounts, by entering into agreements with owners of housing covered by an approved mortgage restructuring and rental assistance sufficiency plan under section 517, an agreement with the Secretary to receive a share of the receipts, not to exceed 10 percent, in accordance with guidelines established by the Secretary.

(c) REHABILITATION NEEDS AND ADDITION OF SIGNIFICANT FEATURES.—
"(1) REHABILITATION NEEDS.—
“(A) In general.—Rehabilitation may be paid from the residual receipts, replacement reserves, or any other project accounts not required for project operations, or, as provided in appropriations Acts and subject to the control of the Secretary of applicable accounts in the Treasury of the United States, from budget authority provided for increases in the budget authority for assistance contracts under section 8 of the United States Housing Act of 1937, the rehabilitation grant program established under section 236 of the National Housing Act [42 U.S.C. 1715z–1], and for the credit enhancement or financing arrangements issued by the Secretary under section 522(a), and the rehabilitation grant program established under section 236 of the National Housing Act [42 U.S.C. 1715z–1], as amended by section 531 of subtitle B of this Act, or through the debt restructuring transaction. Rehabilitation under this paragraph shall only be for the purpose of restoring the project to a non-luxury standard adequate for the rental market intended at the original approval of the project-based assistance.

(B) Contribution.—Each owner or purchaser of a project to be rehabilitated under an approved mortgage restructuring and rental assistance sufficiency plan shall contribute, from non-project resources, not less than 25 percent of the amount of rehabilitation assistance received, except that the participating administrative entity may provide an exception from the requirement of this subparagraph for housing cooperatives.

(2) Addition of significant features.—

(A) Authority.—An approved mortgage restructuring and rental assistance sufficiency plan may require the improvement of the project by the addition of significant features that are not necessary for rehabilitation to the standard provided under paragraph (1), such as air conditioning, an elevator, and additional community space. The Secretary shall establish guidelines regarding the inclusion of requirements relating to such additional significant features under such plans.

(B) Funding.—Significant features added pursuant to an approved mortgage restructuring and rental assistance sufficiency plan may be paid from the funding sources specified in the first sentence of paragraph (1)(A).

(C) Limitation on owner contribution.—An owner of a project may not be required to contribute from non-project resources, toward the cost of any additional significant features required pursuant to this paragraph, more than 25 percent of the amount of any assistance received for the inclusion of such features.

(D) Appropriability.—This paragraph shall apply to all eligible multifamily housing projects, except projects for which the Secretary and the project owner executed a mortgage restructuring and rental assistance sufficiency plan on or before the date of the enactment of the Mark-to-Market Extension Act of 2001 [Jan. 10, 2002].

(3) Prohibition on equity sharing by the secretary.—The Secretary is prohibited from participating in any equity agreement or profit-sharing agreement in conjunction with any eligible multifamily housing project.

(4) Conflict of interest guidelines.—The Secretary may establish guidelines to prevent conflicts of interest by a participating administrative entity that provides, directly or through risk-sharing arrangements, any form of credit enhancement or financing pursuant to subsections (b)(3) or (b)(4) or to prevent conflicts of interest by any other person or entity under this subtitle.

SEC. 518. MANAGEMENT STANDARDS.

Each participating administrative entity shall establish management standards, including requirements governing conflicts of interest between owners, managers, contractors with an identity of interest, pursuant to guidelines established by the Secretary and consistent with industry standards.

SEC. 519. MONITORING OF COMPLIANCE.

(a) Compliance agreements.—(1) Pursuant to regulations issued by the Secretary under section 522(a), each participating administrative entity, through binding contractual agreements with owners and otherwise, shall ensure long-term compliance with the provisions of this subtitle. Each agreement shall, at a minimum, provide for—

(A) enforcement of the provisions of this subtitle; and

(B) remedies for the breach of those provisions.

(2) If the participating administrative entity is not qualified under the United States Housing Act of 1937 (42 U.S.C. 1437 et seq.) to be a section 8 contract administrator or fails to perform its duties under the portfolio restructuring agreement, the Secretary shall have the right to enforce the agreement.

(b) Periodic monitoring.—

(1) in general.—Not less than annually, each participating administrative entity that is qualified to be the section 8 contract administrator shall review the status of all multifamily housing projects for which a mortgage restructuring and rental assistance sufficiency plan has been implemented.

(2) Inspections.—Each review under this subsection shall include an inspection of compliance with housing codes and other requirements as provided in this subtitle and the portfolio restructuring agreements.

(3) Administration.—If the participating administrative entity is not qualified under the United States Housing Act of 1937 to be a section 8 contract administrator, either the Secretary or a qualified State or local housing agency shall be responsible for the review required by this subsection.

(c) Audit by the Secretary.—The Comptroller General of the United States, the Secretary, and the Inspector General of the Department of Housing and Urban Development may conduct an audit at any time of any multifamily housing project for which a mortgage restructuring and rental assistance sufficiency plan has been implemented.

SEC. 520. REPORTS TO CONGRESS.

(a) Annual review.—In order to ensure compliance with this subtitle, the Secretary shall conduct an annual review and report to the Congress on actions taken under this subtitle and the status of eligible multifamily housing projects.

(b) Semiannual Review.—Not less than semiannually during the 2-year period beginning on the date of the enactment of this Act [Oct. 27, 1997] and not less than annually thereafter, the Secretary shall submit reports to the Committee on Financial Services of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate. For each such period, the total number of projects identified by participating administrative entities under each of clauses (i) and (ii) of section 515(c)(2)(C).

SEC. 521. GAO AUDIT AND REVIEW.

(a) Initial Audit.—Not later than 18 months after the effective date of final regulations promulgated under this subtitle, the Comptroller General of the United States shall conduct an audit to evaluate eligible multifamily housing projects and the implementation of mortgage restructuring and rental assistance sufficiency plans.

(b) Report.—

(1) in general.—Not later than 18 months after the audit conducted under subsection (a), the Comptroller General of the United States shall submit to Congress a report on the status of eligible multifamily housing projects and the implementation of mortgage restructuring and rental assistance sufficiency plans.

(2) Contents.—The report submitted under paragraph (1) shall include—

(A) a description of the initial audit conducted under subsection (a); and

(B) recommendations for any legislative action to increase the financial savings to the Federal Government of the restructuring of eligible multifamily housing projects balanced with the con-
continued availability of the maximum number of affordable low-income housing units.

"SEC. 522. REGULATIONS.

"(a) RULEMAKING AND IMPLEMENTATION.—

(1) IN GENERAL.—The Director shall issue such interim regulations as may be necessary to implement this subtitle and the amendments made by this subtitle with respect to eligible multifamily housing projects covered by contracts described in section 512(b)(3) that expire in fiscal year 1999 or thereafter. If, before the expiration of such period, the Director has not been appointed, the Secretary shall issue such interim regulations.

(2) FINAL REGULATIONS.—The Director shall issue final regulations necessary to implement this subtitle and the amendments made by this subtitle with respect to eligible multifamily housing projects covered by contracts described in section 512(b)(3) that expire in fiscal year 1999 or thereafter before the later of: (A) the expiration of the 12-month period beginning upon the date of the enactment of this Act (Oct. 27, 1997); and (B) the 3-month period beginning upon the appointment of the Director under subtitle D.

(3) FACTORS FOR CONSIDERATION.—Before the publication of the final regulations under paragraph (2), in addition to public comments invited in connection with publication of the interim rule, the Secretary shall—

(A) seek recommendations on the implementation of sections 513(b) and 515(c)(1) from organizations representing—

(i) State housing finance agencies and local housing agencies;

(ii) other potential participating administering entities;

(iii) tenants;

(iv) owners and managers of eligible multifamily housing projects;

(v) States and units of general local government; and

(vi) qualified mortgagees; and

(B) convene not less than 3 public forums at which the organizations making recommendations under subparagraph (A) may express views concerning the proposed disposition of the recommendations.

(4) TRANSITION PROVISION FOR CONTRACTS EXPIRING IN FISCAL YEAR 1998.—Notwithstanding any other provision of law, the Secretary shall apply all the terms of section 211 and section 212 of the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1997 [Pub. L. 104-204, set out below] (except for section 212(b)(1)(A) and the limitation in section 212(k)) contracts for project-based assistance that expire during fiscal year 1998 (in the same manner that such provisions apply to expiring contracts defined in section 212(a)(3) of such Act), except that section 512(a) of the Act shall apply to mortgages on projects subject to such contracts.

"SEC. 523. TECHNICAL AND CONFORMING AMENDMENTS.

(a) CALCULATION OF LIMIT ON PROJECT-BASED ASSISTANCE.—[Amended this section.]

(b) PARTIAL PAYMENT OF CLAIMS ON MULTIFAMILY HOUSING PROJECTS.—[Amended section 1735f-19 of Title 12, Banks and Banking.]

(c) REUSE AND RESSCISSION OF CERTAIN RECAPTURED BUDGET AUTHORITY.—[Amended this section.]

(d) SECTION 8 CONTRACT RENEWALS.—[Amended section 516 of Title 42, The Public Health and Welfare.]

(e) RENEWAL UPON REQUEST OF OWNER.—[Amended section 211 of Pub. L. 104-204, set out below.]

(f) EXTENSION OF DEMONSTRATION CONTRACT PERIOD.—[Amended section 213 of Pub. L. 104-204, set out below.]

"SEC. 524. RENEWAL OF EXPIRING PROJECT-BASED SECTION 8 CONTRACTS.

(a) IN GENERAL.—

(1) RENEWAL.—Subject to paragraph (2), upon termination or expiration of a contract for project-based assistance under section 8 for a multifamily housing project (and notwithstanding section 8(v) of the United States Housing Act of 1937 [42 U.S.C. 1437f] for loan management assistance), the Secretary shall, at the request of the owner of the project and to the extent sufficient amounts are made available in appropriation Acts, use amounts available for the renewal of assistance under section 8 of such Act to provide such assistance for the project. The assistance shall be provided under a contract having such terms and conditions as the Secretary considers appropriate, subject to the requirements of this section. This section shall not require contract renewal for a project that is eligible under this subtitle for a mortgage restructuring and rental assistance sufficiency plan, if there is no approved plan for the project and the Secretary determines that such an approved plan is necessary.

(2) PROHIBITION ON RENEWAL.—Notwithstanding part 24 of title 24 of the Code of Federal Regulations, the Secretary may elect not to renew assistance for a project otherwise required to be renewed under paragraph (1) or provide comparable benefits under paragraph (1) or (2) of subsection (e) for a project described in either such paragraph, if the Secretary determines that a violation of paragraphs (1) through (4) of section 516(a) has occurred with respect to the project. For purposes of such a determination, the provisions of section 516 shall apply to a project under this section in the same manner and to the same extent that the provisions of such section apply to eligible multifamily housing projects, except that the Secretary shall make the determination under section 516(a).
§ 1437f

TITLE 42—THE PUBLIC HEALTH AND WELFARE

Page 4226

such adjustment is necessary to ensure that this subparagraph covers projects with a high risk of nonrenewal of expiring contracts for project-based assistance.

"(B) Reduction to Market Rents.—In the case of a project that has rent levels under the expiring or terminating contract that exceed comparable market rents for the market area, at rent levels equal to such comparable market rents.

"(C) Rents Not Exceeding Market Rents.—In the case of a project that is not subject to subparagraph (A) or (B), at rent levels that—

"(i) are not less than the existing rents under the terminated or expiring contract, as adjusted by an operating cost adjustment factor established by the Secretary (which shall not result in a negative adjustment), if such adjusted rents do not exceed comparable market rents for the market area; and

"(ii) do not exceed comparable market rents for the market area.

In determining the rent level for a contract under this subparagraph, the Secretary shall approve rents sufficient to cover budget-based cost increases and shall give greater consideration to providing rent at a level equal to comparable market rents for the market area. In the case of a project that meets the requirements under clauses (i) through (iv) of subparagraph (B), the Secretary shall include in such budget-based cost increases costs relating to the project as a whole (including costs incurred with respect to units not covered by the contract for assistance), but only (i) if inclusion of such costs is requested by the owner or purchaser of the project, (ii) if inclusion of such costs will permit capital repairs to the project or acquisition of the project by a nonprofit organization, and (iii) to the extent that inclusion of such costs (or a portion thereof) complies with the requirement under clause (i).

"(D) Waiver of 150 Percent Limitation.—Notwithstanding subparagraph (A), at rent levels up to comparable market rents for the market area, in the case of a project that meets the requirements under clauses (i) through (v) of subparagraph (A) and

"(i) has residents who are a particularly vulnerable population, as demonstrated by a high percentage of units being rented to elderly families, disabled families, or large families;

"(ii) is located in an area in which tenant-based assistance would be difficult to use, as demonstrated by a low vacancy rate for affordable housing, a high turnover rate for vouchers, or a lack of comparable rental housing; or

"(iii) is a high priority for the local community, as demonstrated by a contribution of State or local funds to the property.

In determining the rent level for a contract under this subparagraph, the Secretary shall approve rents sufficient to cover budget-based cost increases and shall give greater consideration to providing rent at a level up to comparable market rents for the market area based on the number of the criteria under clauses (i) through (iv) that the project meets.

"(E) Comparable Market Rents and Comparison with Fair Market Rents.—The Secretary shall prescribe the method for determining comparable market rent by comparison with rents charged for comparable properties (as such term is defined in section 512), which may include appropriate adjustments for utility allowances and adjustments to reflect the value of any subsidy (other than section 8 assistance) provided by the Department of Housing and Urban Development.

"(F) Exception Rents.—

"(1) Renewal.—In the case of a multifamily housing project described in paragraph (2), pursuant to the request of the owner of the project, the contract for assistance for the project pursuant to subsection (a) shall provide assistance at the lesser of the following rent levels:

"(A) Adjusted Existing Rents.—The existing rents under the expiring contract, as adjusted by an operating cost adjustment factor established by the Secretary (which shall not result in a negative adjustment).

"(B) Budget-Based Rents.—Subject to a determination by the Secretary that a rent level under this subparagraph is appropriate for a project, a rent level that provides income sufficient to support a budget-based rent (including a budget-based rent adjustment if justified by reasonable and expected operating expenses).

"(2) Projects Covered.—A multifamily housing project described in this paragraph is a multifamily housing project that—

"(A) is not an eligible multifamily housing project under section 512(2); or

"(B) is exempt from mortgage restructuring under this subtitle pursuant to section 518(b).

"(3) Moderate Rehabilitation Projects.—In the case of a project with a contract under the moderate rehabilitation program, other than a moderate rehabilitation or an affordability contract under former section 441 of the McKinney-Vento Homeless Assistance Act [42 U.S.C. 11401], pursuant to the request of the owner of the project, the contract for assistance for the project pursuant to subsection (c) shall provide assistance at the lesser of the following rent levels:

"(A) Adjusted Existing Rents.—The existing rents under the expiring contract, as adjusted by an operating cost adjustment factor established by the Secretary (which shall not result in a negative adjustment).

"(B) Fair Market Rents.—Fair market rents (less any amounts allowed for tenant-purchased utilities).

"(C) Market Rents.—Comparable market rents for the market area.

"(D) Rent Adjustments After Renewal of Contract.—

"(1) Required.—After the initial renewal of a contract for assistance under section 8 of the United States Housing Act of 1937 [42 U.S.C. 1437f] pursuant to subsection (a), (b)(1), or (e)(2), the Secretary shall annually adjust the rents using an operating cost adjustment factor established by the Secretary (which shall not result in a negative adjustment) or, upon the request of the owner and subject to approval of the Secretary, on a budget basis. In the case of projects with contracts renewed pursuant to subsection (a) or pursuant to subsection (e)(2) at rent levels equal to comparable market rents for the market area, at the expiration of each 5-year period, the Secretary shall compare existing rents with comparable market rents for the market area and may make any adjustments in the rent necessary to maintain the contract rents at a level not greater than comparable market rents or to increase rents to comparable market rents.

"(2) Discretionary.—In addition to review and adjustment required under paragraph (1), in the case of projects with contracts renewed pursuant to subsection (a) or pursuant to subsection (e)(2) at rent levels equal to comparable market rents for the market area, the Secretary may, at the discretion of the Secretary but only once within each 5-year period referred to in paragraph (1), conduct a comparison of rents for a project and adjust the rents accordingly to maintain the contract rents at a level not greater than comparable market rents or to increase rents to comparable market rents.

"(d) Enhanced Vouchers Upon Contract Expiration.—

"(1) In General.—In the case of a contract for project-based assistance under section 8 for a covered project that is not renewed under subsection (a) or (b)
of this section (or any other authority), to the extent that amounts for assistance under this subsection are provided in advance in appropriation Acts, upon the date of the expiration of such contract the Secretary shall make enhanced voucher assistance under section 8(t) of the United States Housing Act of 1937 (42 U.S.C. 1437f(t)) available on behalf of each low-income family who, upon the date of such expiration, is residing in an assisted dwelling unit in the covered project.

(2) DEFINITIONS.—For purposes of this subsection, the following definitions shall apply:

"(A) ASSISTED DWELLING UNIT.—The term 'assisted dwelling unit' means a dwelling unit that—

"(i) is in a covered project; and

"(ii) is covered by rental assistance provided under the contract for project-based assistance for the covered project.

"(B) COVERED PROJECT.—The term 'covered project' means any housing that—

"(i) consists of more than four dwelling units; and

"(ii) is covered in whole or in part by a contract for project-based assistance under—

"(I) the new construction or substantial rehabilitation program under section 8(b) of the United States Housing Act of 1937 (as in effect before October 1, 1983);

"(II) the property disposition program under section 8(e) of the United States Housing Act of 1937 (as in effect before October 1, 1991);

"(III) the moderate rehabilitation program under section 8(e)(2) of the United States Housing Act of 1937 (as in effect before October 1, 1991);

"(IV) the loan management assistance program under section 8 of the United States Housing Act of 1937;

"(V) section 23 of the United States Housing Act of 1937 (42 U.S.C. 1437u) (as in effect before January 1, 1975);

"(VI) the rent supplement program under section 101 of the Housing and Urban Development Act of 1965 (12 U.S.C. 1701a); or

"(VII) section 8 of the United States Housing Act of 1937, following conversion from assistance under section 101 of the Housing and Urban Development Act of 1965, which contract will (under its own terms) expire during the period consisting of fiscal years 2000 through 2004; and

"(iii) is not housing for which residents are eligible for enhanced voucher assistance as provided, pursuant to the 'Preserving Existing Housing Investment' account in the Department of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1997 (Public Law 104–204; 110 Stat. 2884) or any other subsequently enacted provision of law, in lieu of any benefits under section 225 of the Low-Income Housing Preservation and Resident Homeownership Act of 1990 (12 U.S.C. 4113).

"(4) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated for each of fiscal years 2000, 2001, 2002, 2003, and 2004 such sums as may be necessary for enhanced voucher assistance under this subsection.

"(e) CONTRACTUAL COMMITMENTS UNDER PRESERVATION LAWS.—Except as provided in subsection (a)(2) and notwithstanding any other provision of this subtitle, the following shall apply:

"(1) PRESERVATION PROJECTS.—Upon expiration of a contract for assistance under section 8 (42 U.S.C. 1437f) for a project that is subject to an approved plan of action under the Emergency Low Income Housing Preservation Act of 1987 (12 U.S.C. 1715 note) or the Low-Income Housing Preservation and Resident Homeownership Act of 1990 (12 U.S.C. 4101 et seq.), the existing amounts are specifically made available in appropriation Acts, the Secretary shall provide to the owner benefits comparable to those provided under such plan of action, including distributions, rent increase procedures, and duration of low-income affordability restrictions. This paragraph shall apply to projects with contracts expiring before, on, or after the date of the enactment of this section [Oct. 27, 1997].

"(2) DEMONSTRATION PROJECTS.—

"(A) IN GENERAL.—Upon expiration of a contract for assistance under section 8 for a project entered into pursuant to any authority specified in subparagraph (B) for which the Secretary determines that debt restructuring is inappropriate, the Secretary shall, at the request of the owner of the project and to the extent sufficient amounts are made available in appropriation Acts, provide benefits to the owner comparable to those provided under such contract, including annual distributions, rent increase procedures, and duration of low-income affordability restrictions. This paragraph shall apply to projects with contracts expiring before, on, or after the date of the enactment of this section [Oct. 27, 1997].

"(B) DEMONSTRATION PROGRAMS.—The authority specified in this subparagraph is the authority under—

"(i) section 210 of the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1996 (Public Law 104–134; 110 Stat. 1321–285; 42 U.S.C. 1437f note);

"(ii) section 212 of the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1997 (Public Law 104–204; 110 Stat. 2897; 42 U.S.C. 1437f note); and

"(iii) either of such sections, pursuant to any provision of this title [see Short Title of 1997 Amendment note set out under section 1701 of title 12].

"(3) MORTGAGE RESTRUCTURING AND RENTAL ASSISTANCE SUFFICIENCY PLANS.—Notwithstanding paragraph (1), the owner of the project may request, and the Secretary may consider, mortgage restructuring and rental assistance sufficiency plans to facilitate sales or transfers of properties under this subtitle, subject to an approved plan of action under the Emergency Low Income Housing Preservation Act of 1987 (12 U.S.C. 1715 note) [see Codification note preceding section 4101 of Title 12, Banks and Banking] or the Low-Income Housing Preservation and Resident Homeownership Act of 1990 (12 U.S.C. 4101 et seq.), which plans shall result in a sale or transfer of those properties.

"(f) PREEMPTION OF CONFLICTING STATE LAWS LIMITING DISTRIBUTIONS.—

"(1) IN GENERAL.—Except as provided in paragraph (2), no State or political subdivision of a State may establish, continue in effect, or enforce any law or regulation that limits or restricts, to an amount that is less than the amount provided for under the regulations of the Secretary establishing allowable project distributions to provide a return on investment, the amount of surplus funds accruing after the date of the enactment of this section [Oct. 27, 1997] that may be distributed from any multifamily housing project assisted under a contract for rental assistance renewed under any provision of this section (except subsection (b)) to the owner of the project.

"(2) EXCEPTION AND WAIVER.—Paragraph (1) shall not apply to any law or regulation to the extent such law or regulation applies to—

"(A) a State-financed multifamily housing project; or

"(B) a multifamily housing project for which the owner has elected to waive the applicability of paragraph (1).

"(3) TREATMENT OF LOW-INCOME USE RESTRICTIONS.—This subsection may not be construed to provide for, allow, or result in the release or termination, for any project, of any low- or moderate-income use restric-
tions that can not be eliminated by unilateral action of the owner of the project.

"(g) APPLICABILITY.—Except to the extent otherwise specifically provided in this section, this section shall apply with respect to any multifamily housing project having a contract for project-based assistance under section 8 [42 U.S.C. 1437f] that terminates or expires during fiscal year 2000 or thereafter.

"SEC. 525. CONSISTENCY OF RENT LEVELS UNDER ENHANCED VOUCHER ASSISTANCE AND RENT RESTRUCTURING.

"(a) IN GENERAL.—The Secretary shall examine the standards and procedures for determining and establishing the rent standards described under subsection (b). Pursuant to such examination, the Secretary shall establish procedures and guidelines that are designed to ensure that the amounts determined by the various rent standards for the same dwelling units are reasonably consistent and reflect rents for comparable unassisted units in the same area as such dwelling units.

"(b) RENT STANDARDS.—The rent standards described in this subsection are as follows:

"(1) ENHANCED VOUCHERS.—The payment standard for enhanced voucher assistance under section 8(t) of the United States Housing Act of 1937 [42 U.S.C. 1437f(t)].

"(2) MARK-TO-MARKET.—The rents derived from comparable properties, for purposes of section 514(g) of this Act.

"(3) CONTRACT RENEWAL.—The comparable market rents for the market area, for purposes of section 524(a)(4) of this Act.

"SUBTITLE D—OFFICE OF MULTIFAMILY HOUSING ASSISTANCE RESTRUCTURING


"SEC. 579. TERMINATION.

"(a) REPEALS.—

"(1) MARK-TO-MARKET PROGRAM.—Subtitle A (except for section 524) is repealed effective October 1, 2022.

"(2) OMHAR.—Subtitle D (except for this section) is repealed effective October 1, 2004.

"(b) EXCEPTION.—Notwithstanding the repeal under subsection (a), the provisions of subtitle A (as in effect immediately before such repeal) shall apply with respect to projects and programs for which binding commitments have been entered into under this Act before October 1, 2002.

"(c) TERMINATION OF DIRECTOR AND OFFICE.—The Office of Multifamily Housing Assistance Restructuring and the position of Director of such Office shall terminate at the end of September 30, 2004.

"(d) TRANSFER OF AUTHORITY.—Effective upon the repeal of subsection (a), the authority and responsibilities to administer the program under subtitle A are transferred to the Secretary.

“(b) Beginning in fiscal year 1997 and thereafter, the Secretary shall also establish reasonable fees (as determined by the Secretary) for—

(1) the costs of preliminary expenses, in the amount of $500, for a public housing agency, but only in the first year it administers a tenant-based assistance program under the United States Housing Act of 1937; and (2) such actions, if immediately before the effective date of this Act (Sept. 26, 1996), it was not administering a tenant-based assistance program under the United States Housing Act of 1937 (as in effect immediately before the effective date of this Act), in connection with its initial increment of assistance received;

“(2) the costs incurred in assisting families who experience difficulty (as determined by the Secretary) in obtaining appropriate housing under the program; and

“(3) extraordinary costs approved by the Secretary.

Similar provisions were contained in the following prior appropriations Acts:


CONTRACT RENEWALS


“(a) DEFINITIONS.—For purposes of this section—

“(1) the term ‘expiring contract’ means a contract for project-based assistance under section 8 of the United States Housing Act of 1937 (42 U.S.C. 1437f) that expires during fiscal year 1997;

“(2) the term ‘family’ has the same meaning as in section 5(b) of the United States Housing Act of 1937 (42 U.S.C. 1437f);

“(3) the term ‘multifamily housing project’ means a property consisting of more than 4 dwelling units that is covered in whole or in part by a contract for project-based assistance under section 8 of the United States Housing Act of 1937;

“(4) the term ‘owner’ has the same meaning as in section 8(f) of the United States Housing Act of 1937;

“(5) the term ‘project-based assistance’ means rental assistance under section 8 of the United States Housing Act of 1937 that is attached to a multifamily housing project;

“(6) the term ‘public agency’ means a State housing finance agency, a local housing agency, or other agency with a public purpose and status;

“(7) the term ‘Secretary’ means the Secretary of Housing and Urban Development; and

“(8) the term ‘tenant-based assistance’ has the same meaning as in section 8(f) of the United States Housing Act of 1937.

“(b) SECTION 8 CONTRACT RENEWAL AUTHORITY.—

“(1) IN GENERAL.—Notwithstanding section 405(a) of the Balanced Budget and Emergency Deficit Reduction Act of 1997 (Pub. L. 104–99, set out below), upon the request of the owner of a multifamily housing project that is covered by an expiring contract, the Secretary shall use amounts made available for the renewal of assistance under section 8 of the United States Housing Act of 1937 (42 U.S.C. 1437f) to renew the expiring contract as project-based assistance for a period of not more than one year, at rent levels that are equal to those under the expiring contract as of the date on which the contract expires: Provided, That those rent levels do not exceed 120 percent of the fair market rent for the market area in which the project is located. For an FHA-insured multifamily housing project with an expiring contract at rent levels that exceed 120 percent of the fair market rent, the Secretary shall, at the request of the owner, renew the expiring contract—

“(A) for a period of not more than one year; and

“(B) at rent levels that are equal to those under the expiring contract as of the date on which the contract expires.

“(2) E XEMPTION FOR STATE AND LOCAL HOUSING AGENCY PROJECTS.—Notwithstanding paragraph (1), upon the expiration of a contract with rent levels that exceed the percentage described in that paragraph, if the Secretary determines that the primary financing or mortgage insurance for the multifamily housing project that is covered by that expiring contract was provided by a public agency, the Secretary shall, at the request of the owner and the public agency, renew the expiring contract—

“(A) for a period of not more than one year; and

“(B) at rent levels that are equal to those under the expiring contract as of the date on which the contract expires.

“(3) EXEMPLARY COSTS.—Notwithstanding paragraph (1), for any family residing in a multifamily housing project that expires during fiscal year 1997 that with rents that exceed 100 percent of fair market rent for the market area, but that are less than rents for comparable projects, upon the expiration of a section 8 contract, the Secretary shall, at the request of the owner, renew the expiring contract—

“(A) for a period of not more than one year; and

“(B) at rent levels that are equal to those under the expiring contract as of the date on which the contract expires.

“(4) OTHER CONTRACTS.—

“(A) PARTICIPATION IN DEMONSTRATION.—For a contract covering an FHA-insured multifamily housing project that expires during fiscal year 1997 with rent levels that exceed the percentage described in paragraph (1) and after notice to the tenants, the Secretary shall, at the request of the owner of the project and after notice to the tenants, include that multifamily housing project in the demonstration program under section 212 of this Act [set out below]. The Secretary shall ensure that a multifamily housing project with an expiring contract in fiscal year 1997 shall be allowed to be included in the demonstration.

“(B) EFFECT OF MATERIAL ADVERSE ACTIONS AND OMISSIONS.—Notwithstanding paragraph (1) or any other provision of law, the Secretary shall not renew an expiring contract if the Secretary determines that the owner of the multifamily housing project has engaged in material adverse financial or managerial actions or omissions with regard to the project (or with regard to other similar projects if the Secretary determines that such actions or omissions constitute a pattern of mismanagement that would warrant suspension or debarment by the Secretary). The term ‘owner’, as used in this subparagraph, in addition to it having the same meaning as in section 8(f) of the United States Housing Act of 1937 (42 U.S.C. 1437f(f)), also means an affiliate of the owner. The term ‘affiliate’ of the owner means any person or entity (including, but not limited to, a general partner or managing member, or an officer of either) that controls an owner, is controlled by an owner, or is under common control with the owner. The term ‘control’ means the direct or indirect power (under contract, equity ownership, the right to vote or determine a vote, or otherwise) to direct the financial, legal, beneficial, or other interests of the owner.

“(C) TRANSFER OF PROPERTY.—For properties disqualified from the demonstration program because of actions by an owner or a transferee in that property, and with subparagraph (B), the Secretary shall establish procedures to facilitate the voluntary sale or transfer of the property, with a preference for tenant organizations and tenant-endorsed community-based nonprofit and public agency purchasers meeting such reasonable qualifications as may be established by the Secretary. The Secretary may include the transfer of section 8 project-based assistance, for a period of not more than one year, at rent levels that do not exceed 120 percent of the fair market rent.
that is covered by an expiring contract that is not renewed, shall be offered tenant-based assistance before the date on which the contract expires or is not renewed.

Pub. L. 104–120, §2(a), Mar. 28, 1996, 110 Stat. 834, provided that: “Notwithstanding section 405(b) of the Balanced Budget Paydown Act, 1 (Public Law 104–99; 110 Stat. 1407) set out below, the Secretary of Housing and Urban Development may renew, for a period of 1 year, the contract for assistance under such section for such project that expires or terminates during fiscal year 1996 at current rent levels.”


“(a) Notwithstanding section 24 of the Code of Federal Regulations, for fiscal year 1996 and henceforth, the Secretary of Housing and Urban Development may use amounts available for the renewal of assistance under section 8 of the United States Housing Act of 1937 [42 U.S.C. 1437f], upon termination or expiration of a contract for assistance under section 8 of such Act (other than a contract for tenant-based assistance and notwithstanding section 8(v) of such Act for loan management assistance), to provide assistance under section 8 of such Act, subject to the Section 8 Existing Fair Market Rents, for the eligible families assisted under the contracts at expiration or termination, which assistance shall be in accordance with terms and conditions prescribed by the Secretary.

“(b) Notwithstanding subsection (a) and except for projects assisted under section 8(e)(2) of the United States Housing Act of 1937 (as it existed immediately prior to October 1, 1991), at the request of the owner, the Secretary shall renew for a period of one year contracts for assistance under section 8 that expire or terminate during fiscal year 1996 at the current rent levels.”

**FHA MULTIFAMILY DEMONSTRATION AUTHORITY**


“(1) IN GENERAL.—

“(1) REPEAL.—


“(B) EXCEPTION.—Notwithstanding the repeal under subparagraph (A), amounts made available under section 210(c) [of the Departments of Veterans Affairs and Housing and Urban Development and Independent Agencies Appropriations Act, 1996] shall remain available for the demonstration program under this section through the end of fiscal year 1997.

“(2) SAVING PROVISIONS.—Nothing in this section shall be construed to affect any commitment entered into before the date of enactment of this Act (Sept. 26, 1996) under the demonstration program under section 210 of the Departments of Veterans Affairs and Housing and Urban Development and Independent Agencies Appropriations Act, 1996.

“(3) DEFINITIONS.—For purposes of this section—

“(A) the term ‘demonstration program’ means the program established under subsection (b);

“(B) the term ‘expiring contract’ means a contract for project-based assistance under section 8 of the United States Housing Act of 1937 [42 U.S.C. 1437f] that expires during fiscal year 1997;

“(C) the term ‘family’ has the same meaning as in section 3(b) of the United States Housing Act of 1937 [42 U.S.C. 1437(b)];

“(D) the term ‘multifamily housing project’ means a property consisting of more than 4 dwelling units that is covered in whole or in part by a contract for project-based assistance;

“(E) the term ‘owner’ has the same meaning as in section 8(f) of the United States Housing Act of 1937;

“(F) the term ‘project-based assistance’ means rental assistance under section 8 of the United States Housing Act of 1937 that is attached to a multifamily housing project;

“(G) the term ‘Secretary’ means the Secretary of Housing and Urban Development; and

“(H) the term ‘tenant-based assistance’ has the same meaning as in section 8(f) of the United States Housing Act of 1937.

“(b) DEMONSTRATION AUTHORITY.—

“(1) IN GENERAL.—

“(1) IN GENERAL.—Subject to the funding limitation in subsection (l), the Secretary shall administer a demonstration program with respect to multifamily projects—

“(A) whose owners agree to participate;

“(B) with rents on units assisted under section 8 of the United States Housing Act of 1937 [42 U.S.C. 1437f] that are, in the aggregate, in excess of 120 percent of the fair market rent of the market area in which the project is located; and

“(C) the mortgages of which are insured under the National Housing Act [12 U.S.C. 1701 et seq.].

“(2) PURPOSE.—The demonstration program shall be designed to obtain as much information as is feasible on the economic viability and rehabilitation needs of the multifamily housing projects in the demonstration, to test various approaches for restructuring mortgages to reduce the financial risk to the FHA Insurance Fund while reducing the cost of section 8 subsidies, and to test the feasibility and desirability of—

“(A) ensuring, to the maximum extent practicable, that the debt service and operating expenses, including adequate reserves, attributable to such multifamily projects can be supported at the comparable market rent with or without mortgage insurance under the National Housing Act and with or without additional section 8 rental subsidies;

“(B) utilizing section 8 rental assistance, while taking into account the capital needs of the projects and the need for adequate rental assistance to support the low- and very low-income families residing in such projects; and

“(C) preserving low-income rental housing affordability and availability while reducing the long-term cost of section 8 rental assistance.

“(1) GOALS.—

“(1) IN GENERAL.—The Secretary shall carry out the demonstration program in a manner that will protect the financial interests of the Federal Government through debt restructuring and subsidy reduction and, in the least costly fashion, address the goals of—

“(A) maintaining existing affordable housing stock in a decent, safe, and sanitary condition;

“(B) minimizing the involuntary displacement of tenants;

“(C) taking into account housing market conditions;

“(D) encouraging responsible ownership and management of property;

“(E) minimizing any adverse income tax impact on property owners; and

“(F) minimizing any adverse impacts on residential neighborhoods and local communities.

“(2) BALANCE OF COMPETING GOALS.—In determining the manner in which a mortgage is to be restructured or a subsidy reduced under this subsection, the Secretary may balance competing goals relating to individual projects in a manner that will further the purposes of this section.

“(c) PARTICIPATION ARRANGEMENTS.—

“(1) IN GENERAL.—In carrying out the demonstration program, the Secretary may enter into partici-
pation arrangements with designees, under which the Secretary may provide for the assumption by designees (by delegation, by contract, or otherwise) of some or all of the functions and responsibilities and benefits of the Secretary.

“(2) DESIGNEES.—In entering into any arrangement under this subsection, the Secretary shall select state housing finance agencies or non-profits (separately or in conjunction with each other) to act as designees to the extent such agencies are determined to be qualified by the Secretary. In locations where there is no qualified State housing finance agency, housing agency or nonprofit to act as a designee, the Secretary may act as a designee. Each participation arrangement entered into under this subsection shall include a designee as the primary partner. Any organization selected by the Secretary under this section shall have a long-term record of service in providing low-income housing and meet standards of fiscal responsibility, as determined by the Secretary.

“(3) DESIGNEE PARTNERSHIPS.—For purposes of any participation arrangement under this subsection, designees are encouraged to develop partnerships with each other, to contract or subcontract with other entities, including—

“(A) public housing agencies;
“(B) financial institutions;
“(C) mortgage servicers;
“(D) nonprofit and for-profit housing organizations;
“(E) the Federal National Mortgage Association;
“(F) the Federal Home Loan Mortgage Corporation;
“(G) Federal Home Loan Banks; and
“(H) other State or local mortgage insurance companies or bank lending consortia.

“(e) LONG-TERM AFFORDABILITY.—

“(1) IN GENERAL.—After the renewal of a section 8 contract pursuant to a restructuring under this section, the owner shall accept each offer to renew the section 8 contract, for a period of 20 years from the date of the renewal under the demonstration, if the offer to renew is on terms and conditions, as agreed to by the Secretary or designee and the owner under a restructuring.

“(2) AFFORDABILITY REQUIREMENTS.—Except as otherwise provided by the Secretary, in exchange for any mortgage restructuring under this section, a project shall remain affordable for a period of not less than 20 years. Affordability requirements shall be determined in accordance with guidelines established by the Secretary or designee. The Secretary or designee may waive these requirements for good cause.

“(f) PROCEDURES.—

“(1) NOTICE OF PARTICIPATION IN DEMONSTRATION.—Not later than 45 days before the date of expiration of the contract or, if applicable, of the section 8 contract to purchase reinsurance, or enter into participations or otherwise transfer economic interest in contracts of insurance or in the premiums paid, or due to be paid, on all insurance, on such terms and conditions as the Secretary may determine. Any contract entered into under this paragraph shall require that any associated units be maintained as low-income units for the life of the mortgage, unless waived by the Secretary for good cause.

“(g)(1) PROJECT-BASED SECTION 8.—The Secretary shall renew all expiring contracts under the demonstration as section 8 project-based contracts, for a period of time not to exceed one year, unless otherwise provided under subsection (h) or in paragraph (2).

“(2) DEMONSTRATION CONTRACT.—An owner of a project under the demonstration may enter into a demonstration contract with the Secretary or designee. Any owner may enter into a demonstration contract with the Secretary or designee for a period of time not to exceed 120 days, if—

“(A) the contract was originally executed before February 1, 1997, and the Secretary determines, in the sole discretion of the Secretary, that the renewal period for the contract needs to exceed 1 year, due to delay in implementation of the joint venture agreement required by the Secretary, including restrictions on distributions of income which the Secretary or designee determines would interfere with the ability of the project to operate without above-market rents.

“(B) RISK-BASED RENT MODIFICATIONS.—With respect to not more than 5,000 units within the demonstration during fiscal year 1997, the Secretary may enter into contracts to purchase reinsurance, or enter into participations or otherwise transfer economic interest in contracts of insurance or in the premiums paid, or due to be paid, on all insurance, on such terms and conditions as the Secretary may determine. Any contract entered into under this paragraph shall require that any associated units be maintained as low-income units for the life of the mortgage, unless waived by the Secretary for good cause.

“(C) RENT RESTRUCTURING/PARTICIPATION BY THIRD PARTIES.—The Secretary or designee may enter into such agreements, provide such concessions, incur such costs, make such grants (including grants to cover all or a por-
tion of the rehabilitation costs for a project) and other payments, and provide other valuable consideration as may reasonably be necessary for owners, lenders, servicers, third parties, and other entities to participate in the demonstration program. The Secretary may establish performance incentives for designees.

"(D) Section 8 Administrative Fees.—Notwithstanding any other provision of law, the Secretary may make fees available from the section 8 contract renewal appropriation to a designee for contract administration under section 8 of the United States Housing Act of 1937 [42 U.S.C. 1437f] for purposes of any contract restructured or renewed under the demonstration program.

"(E) Full or Partial Payment of Claim.—Notwithstanding any other provision of law, the Secretary may make a full payment of claim or partial payment of claim prior to default.

"(F) Offer and Acceptance.—Notwithstanding any other provision of law, an owner of a project in the demonstration must accept any reasonable offer made by the Secretary or a designee under this subsection. An owner may appeal the reasonableness of any offer to the Secretary and the Secretary shall respond within 30 days of the date of appeal with a final offer. If the final offer is not acceptable, the owner may opt out of the program.

"(G) Mortgage Restructuring.—

"(1) In General.—The Secretary or designee may provide mortgage insurance for the restructured first mortgage to cover debt service and operating expenses (including a reasonable rate of return) at the market rent, and a second mortgage equal to the difference between the restructured first mortgage and the mortgage balance of the eligible multifamily housing project at the time of restructuring.

"(2) Credit Subsidy.—Any credit subsidy costs of providing mortgage insurance shall be paid from amounts made available under subsection (l).

"(H) Debt Forgiveness.—The Secretary or designee may restructure mortgages to provide a restructured first mortgage to cover debt service and operating expenses, and a reasonable rate of return to the owner, as determined solely by the Secretary, provided that the contract does not exceed the rent levels under the existing contract. The Secretary may establish a preference under the demonstration program for budget-based rents for unique housing projects, such as projects designated for occupancy by elderly families and projects in rural areas.

"(I) Budget-Based Assistance.—For not more than 10 percent of units in multifamily housing projects that have had their mortgages restructured in any fiscal year under the demonstration, the Secretary or designee may provide, with the agreement of an owner and in consultation with the tenants of the housing, special risk-sharing mortgage programs, as provided under section 542 of the Housing and Community Development Act of 1992 [12 U.S.C. 170q note]. Any limitations on the number of units available for mortgage insurance under section 542 shall not apply to insurance issued for purposes of the demonstration program.

"(J) Transfer of Property.—The Secretary shall establish procedures to facilitate the voluntary sale of transfer of multifamily housing projects under the demonstration to tenant organizations and tenant-endorsed community-based nonprofit and public agency purchasers meeting such reasonable qualifications as may be established by the Secretary.

"(K) Limitation on Demonstration Authority.—The Secretary shall carry out the demonstration program with respect to mortgages not to exceed 50,000 units.

"(L) Funding.—In addition to the $30,000,000 made available under section 210 of the Department of Veterans Affairs and Housing and Urban Development and Independent Agencies Appropriations Act, 1996 [110 Stat. 1321] [section 101(e) [title II, § 210] of Pub. L. 104-134, formerly set out as a note below], for the costs (including any credit subsidy costs associated with providing direct loans or mortgage insurance) of modifying and restructuring loans held or guaranteed by the Federal Housing Administration, as authorized under this section, $10,000,000 is hereby appropriated, to remain available until September 30, 1998.

"(M) Report to Congress.—

"(1) In General.—

"(A) Quarterly Reports.—Not less than every 3 months, the Secretary shall submit to the Congress a report describing and assessing the status of the projects in the demonstration program.

"(B) Final Report.—Not later than 6 months after the end of the demonstration program, the Secretary shall submit to the Congress a final report on the demonstration program.

"(2) Contents.—Each report submitted under paragraph (1)(A) shall include a description of—

"(A) each restructuring proposal submitted by an owner of a multifamily housing project, including a description of the physical, financial, tenancy, and market characteristics of the project;

"(B) the Secretary’s evaluation and reasons for each multifamily housing project selected or rejected for participation in the demonstration program;

"(C) the costs to the FHA General Insurance and Special Risk Insurance funds;

"(D) the subsidy costs provided before and after restructuring;

"(E) the actions undertaken in the demonstration program, including the third-party arrangements made; and

"(F) the demonstration program’s impact on the owners of the projects, including any tax consequences.
“(3) CONTENTS OF FINAL REPORT.—The report submitted under paragraph (1)(B) shall include—
(A) the required contents under paragraph (2); and
(B) any findings and recommendations for legislative action.


PUBLIC HOUSING MOVING TO WORK DEMONSTRATION

Pub. L. 114–113, div. L, title II, §239, Dec. 18, 2015, 129 Stat. 2897, provided that: ‘‘The Secretary of Housing and Urban Development shall increase, pursuant to this section, the number of Moving to Work agencies authorized under section 204, title II, of the Departments of Veterans Affairs and Housing and Urban Development and Independent Agencies Appropriations Act, 1996 (Public Law 104–134; 110 Stat. 1321) [set out below] by adding to the program 100 public housing agencies that are designated as high performing agencies under the Public Housing Assessment System (PHAS) or the Section Eight Management Assessment Program (SEMAP).’’

No public housing agency shall be granted designation through this section that administers in excess of 27,000 aggregate housing vouchers and public housing units. Of the agencies selected under this section, no less than 50 shall administer 1,000 or fewer aggregate housing vouchers and public housing units, no less than 47 shall administer 1,001–6,000 aggregate housing voucher and public housing units, and no more than 3 shall administer 6,001–27,000 aggregate housing voucher and public housing units. Of the 100 agencies selected under this section, five shall be agencies with portfolio awards under the Rental Assistance Demonstration that meet the other requirements of this section, including current designations as high performing agencies or such designations held immediately prior to such portfolio awards. Selection of agencies under this shall be based on ensuring the geographic diversity of Moving to Work agencies. In addition to the preceding selection criteria, agencies shall be designated by the Secretary over a 7-year period. The Secretary shall establish a research advisory committee which shall advise the Secretary with respect to specific policy proposals and methods of research and evaluation for the demonstration. The advisory committee shall include program and research experts from the Department of Housing and Urban Development who have experience with a Moving to Work designation, and independent subject matter experts in housing policy research. Each cohort of agencies receiving a designation under this heading, the Secretary shall direct that specific policy changes be implemented by the agencies, and with the approval of the Secretary, such agencies may implement additional policy changes. All agencies designated under this section shall be evaluated through rigorous research as determined by the Secretary, and shall provide information requested by the Secretary to support such oversight and evaluation, including the targeted policy changes. Research and evaluation shall be coordinated under the direction of the Secretary, and in consultation with the advisory committee, and findings shall be shared broadly. The Secretary shall consult the advisory committee with respect to policy changes that have proven successful and can be applied more broadly to all public housing agencies, and propose any necessary statutory changes. The Secretary may, at the request of a Moving to Work agency and one or more adjacent public housing agencies in the same area, designate that Moving to Work agency as a regional agency. A regional Moving to Work agency may administer the assistance for Moving to Work policy changes to accommodate regionalization. A Moving to Work agency may be selected as a regional agency if the Secretary determines that unified administration of assistance under sections 8 and 9 (42 U.S.C. 1437f, 1437g) by that agency across multiple jurisdictions will lead to efficiencies and to greater housing choice for low-income persons in the region. For purposes of this expansion, in addition to the provisions of the Act contained in section 204, section 8(c)(3)(C) of the Act (42 U.S.C. 1437f(3)(C)) shall continue to apply unless the Secretary determines that waiver of this section is necessary to implement comprehensive rent reform and occupancy policies subject to evaluation by the Secretary, and the waiver contains, at a minimum, exceptions for requests to port due to employment, education, health and safety. No public housing agency granted this designation through this section shall receive more funding under sections 8 or 9 of the United States Housing Act of 1937 (42 U.S.C. 1437f, 1437g) than it otherwise would have received absent this designation. The Secretary shall extend the current Moving to Work agreements of previously designated participating agencies until the end of fiscal year 2028 under the same terms and conditions of such current agreement except for any changes to such terms or conditions otherwise mutually agreed upon by the Secretary and any such agency and such extension agreements shall prohibit any statutory offset of any reserve balances except for 4 months of operating expenses. Any such reserve balances that exceed such amount shall remain available to any such agency for all permissible purposes under such agreement unless specified otherwise. In addition to other reporting requirements, all Moving to Work agencies shall report financial data to the Department of Housing and Urban Development as specified by the Secretary, so that the effect of Moving to Work policy changes can be measured.’’
U.S.C. 1437a(b)(2)), and services to facilitate the transition to work on such terms and conditions as the agency may propose and the Secretary may approve.

"APPLICATION.—An agency to participate in the demonstration—

"(1) shall request authority to combine assistance under sections 8, 9, and 14 of the United States Housing Act of 1937 [42 U.S.C. 1437f, 1437g, 1437l] to the amount of assistance received under section 8, section 9, and section 14 of the United States Housing Act of 1937; 

"(2) shall be submitted only after the public housing agency provides for citizen participation through a public hearing and, if appropriate, other means; 

"(3) shall include a plan developed by the agency that takes into account comments from the public hearing and any other public comments on the proposed program, and comments from current and prospective residents who would be affected, and that includes criteria for—

"(A) families to be assisted, which shall require that at least 75 percent of the families assisted by participating demonstration public housing authorities shall be very low-income families, as defined in section 3(b)(2) of the United States Housing Act of 1937 [42 U.S.C. 1437a(b)(2)]; 

"(B) establishing a reasonable rent policy, which shall be designed to encourage employment and self-sufficiency by participating families, consistent with the purpose of this demonstration, such as by excluding some or all of a family’s earned income for purposes of determining rent; 

"(C) continuing to assist substantially the same total number of eligible low-income families as would have been served had the amounts not been combined; 

"(D) maintaining a comparable mix of families (by family size) as would have been provided had the amounts not been used under the demonstration; and 

"(E) assuring that housing assisted under the demonstration program meets housing quality standards established or approved by the Secretary; and 

"(4) may request assistance for training and technical assistance to assist with design of the demonstration and to participate in a detailed evaluation.

"(d) SELECTION.—In selecting among applications, the Secretary shall take into account the potential of each agency to plan and carry out a program under the demonstration, the relative performance by an agency under the public housing management assessment program under section 6(j) of the United States Housing Act of 1937 [42 U.S.C. 1437d(j)], and other appropriate factors as determined by the Secretary.

"(e) APPLICABILITY OF 1997 ACT PROVISIONS.—

"(1) Section 18 of the United States Housing Act of 1937 [42 U.S.C. 1437p] shall continue to apply to public housing notwithstanding any use of the housing under this demonstration.

"(2) Section 12 of such Act [42 U.S.C. 1437j] shall apply to housing assisted under the demonstration, other than housing assisted solely due to occupancy by families receiving tenant-based assistance.

"(f) EFFECT ON SECTION 8, OPERATING SUBSIDIES, AND COMPREHENSIVE GRANT PROGRAM ALLOCATIONS.—The amount of assistance received under section 8, section 9, or pursuant to section 14 [42 U.S.C. 1437f, 1437g, 1437l] by a public housing agency participating in the demonstration under this part [section] shall not be diminished by its participation.

"(g) RECORDS, REPORTS, AND AUDITS.—

"(1) KEEPING OF RECORDS.—Each agency shall keep such records as the Secretary may prescribe as reasonably necessary to disclose the amounts and the disposition of amounts under this demonstration, to ensure compliance with the requirements of this section, and to measure performance.

"(2) REPORTS.—Each agency shall submit to the Secretary a report, or series of reports, in a form and at a time specified by the Secretary. Each report shall—

"(A) document the use of funds made available under this section; 

"(B) provide such data as the Secretary may request to assist the Secretary in assessing the demonstration; and 

"(C) describe and analyze the effect of assisted activities in addressing the objectives of this part [section].

"(h) ACCESS TO DOCUMENTS BY THE SECRETARY.—The Secretary shall have access for the purpose of audit and examination to any books, documents, papers, and records that are pertinent to assistance in connection with, and the requirements of, this section.

"(i) ACCESS TO DOCUMENTS BY THE COMPTROLLER GENERAL.—The Comptroller General of the United States, or any of the duly authorized representatives of the Comptroller General, shall have access for the purpose of audit and examination to any books, documents, papers, and records that are pertinent to assistance in connection with, and the requirements of, this section.

"(j) EVALUATION AND REPORT.—

"(1) CONSULTATION WITH PHA AND FAMILY REPRESENTATIVES.—In making assessments throughout the demonstration, the Secretary shall consult with representatives of public housing agencies and residents.

"(2) REPORT TO CONGRESS.—Not later than 180 days after the end of the third year of the demonstration, the Secretary shall submit to the Congress a report evaluating the programs carried out under the demonstration. The report shall also include findings and recommendations for any appropriate legislative action.

"(k) FUNDING FOR TECHNICAL ASSISTANCE AND EVALUATION.—From amounts appropriated for assistance under section 14 of the United States Housing Act of 1937 [42 U.S.C. 1437l] for fiscal years 1996, 1997, and 1998, the Secretary may use up to a total of $5,000,000—

"(1) to provide, directly or by contract, training and technical assistance—

"(A) to public housing agencies that express an interest in applying for training and technical assistance pursuant to subsection (c)(4), to assist them in designing programs to be proposed for the demonstration; and 

"(B) to up to 10 agencies selected to receive training and technical assistance pursuant to subsection (c)(4), to assist them in implementing the approved program; and 

"(2) to conduct detailed evaluations of the activities of the public housing agencies under paragraph (1)(B), directly or by contract.

"(l) CAPITAL AND OPERATING FUND ASSISTANCE.—With respect to any public housing agency participating in the demonstration under this section that receives assistance from the Capital or Operating Fund under section 9 of the United States Housing Act of 1937 [42 U.S.C. 1437g] (as amended by the Quality Housing and Work Responsibility Act of 1998), for purposes of this section—

"(1) any reference to assistance under section 9 of the United States Housing Act of 1937 shall be considered to refer also to assistance provided from the Operating Fund under section 9(e) of such Act (as so amended); and 

"(2) any reference to assistance under section 14 of the United States Housing Act of 1937 [former 42 U.S.C. 1437l] shall be considered to refer also to assistance provided from the Capital Fund under section 9(d) of such Act (as so amended).

"(m) PROHIBITION AGAINST PREFERENCES WITH RESPECT TO CERTAIN PROJECTS.

the Secretary may reserve funding sufficient in the
of project-based rental assistance under section 8 of the
United States Housing Act of 1937 [42 U.S.C. 1437f].

...continued by the Secretary, which shall not exceed contract
holdings by the Department.

Title 42—The Public Health and Welfare

§ 1437f

8(b)(2) of the United States Housing Act of 1937 (42
U.S.C. 1437b(b)(2)) (as such section existed on the day
before October 1, 1983); or

projects financed under section 202 of the Housing
Act of 1959 [12 U.S.C. 170lq] (as such section
existed on the day before the date of enactment of the
Cranston-Gonzalez National Affordable Housing
Act [Nov. 29, 1990])."

Stat. 2946, provided that: "Notwithstanding any other
provision of law (including subsection (i) of this section
[set out as an Effective and Termination Dates of 1996
Amendments note under section 1437a of this title]),
section 402(d)(4)(B) of The Balanced Budget Downpay-
1437a) note] shall apply to fiscal year 1999 and there-
after."]

[Section 402(d)(4)(B) of Pub. L. 104-99, set out above,
effective Jan. 26, 1998, only for fiscal years 1996, 1997,
and 1998, and to cease to be effective Oct. 21, 1998, see
section 402(f) of Pub. L. 104-99, as amended, and section
514(c) of Pub. L. 105-276, set out as Effective and Termi-
nation Dates of 1996 Amendments notes under section
1437a of this title.]

COMMUNITY INVESTMENT DEMONSTRATION PROGRAM

Pub. L. 103-120, § 6, Oct. 27, 1993, 107 Stat. 1148, as
amended by Pub. L. 104-315, title I, §122(f), Oct. 19, 1996,
110 Stat. 3837, provided that:

"(a) DEMONSTRATION PROGRAM.—The Secretary shall
carry out a demonstration program to attract pension
funds investment in affordable housing through the use
of project-based rental assistance under section 8 of the
United States Housing Act of 1937 [42 U.S.C. 1437f].

(b) FUNDING REQUIREMENTS.—In carrying out this
section, the Secretary shall ensure that not less than 50
percent of the funds appropriated for the demonstra-
tion program each year are used in conjunction with
the disposition of either—

"(1) multifamily properties owned by the Depart-
ment; or

"(2) multifamily properties securing mortgages held by the Depart-
ment.

"(c) CONTRACT TERMS.—

"(1) IN GENERAL.—Project-based assistance
under this section shall be provided pursuant to a contract
entered into by the Secretary and the owner of the el-
igible housing that—

"(A) provides assistance for a term of not less than 90 months and
not greater than 180 months; and

"(B) provides for contract rents, to be determined
by the Secretary, which shall not exceed contract
rents permitted under section 8 of the United
States Housing Act of 1937 [42 U.S.C. 1437f],
taking into consideration any costs for the construction,
rehabilitation, or acquisition of the housing.

"(2) AMENDMENT TO SECTION 203.—[Amended
section 170d-11 of Title 12, Banks and Banking.]

"(d) LIMITATION.—(1) The Secretary may not provide
(or make a commitment to provide) more than 50 per-
cent of the funding for housing financed by any single
pension fund, except that this limitation shall not apply
if the Secretary, after the end of the 6-month pe-
period beginning on the date notice is issued under sub-
section (e)—

"(A) determines that—

"(i) there are no expressions of interest that are
likely to result in approvable applications in the
reasonably foreseeable future; or

"(ii) any such expressions of interest are not like-
ly to use all funding under this section; and

"(B) so informs the Committee on Banking, Fi-
nance and Urban Affairs [now Committee on Finan-
cial Services] of the House of Representatives and the
Committee on Banking, Housing, and Urban Affairs
of the Senate.

"(2) If the Secretary determines that there are ex-
pressions of interest referred to in paragraph (1)(A)(ii),
the Secretary may reserve funding sufficient in the
Secretary's determination to fund such applications
and may use any remaining funding for other pension
funds in accordance with this section.

"(e) IMPLEMENTATION.—The Secretary shall by notice
establish such requirements as may be necessary to
carry out the provisions of this section. The notice
shall take effect upon issuance.

"(f) APPLICABILITY OF ERISA.—Notwithstanding
section 514(d) of the Employee Retirement Income Secu-
rity Act of 1974 [29 U.S.C. 1144(d)], nothing in this sec-
tion shall be construed to authorize any action or fail-
ure to act that would constitute a violation of such Act
[29 U.S.C. 1001 et seq.].

"(g) REPORT.—Not later than 3 months after the last
day of each fiscal year, the Secretary shall submit to the
Committee on Banking, Finance and Urban Affairs
[now Committee on Financial Services] of the House of
Representatives and the Committee on Banking, Hous-
ing, and Urban Affairs of the Senate a report summar-
izing the activities carried out under this section dur-

"(h) ESTABLISHMENT OF STANDARDS.—Mortgages se-
cured by housing assisted under this demonstration
shall meet such standards regarding financing and
securitization as the Secretary may establish.

"(i) AUTHORIZATION OF APPROPRIATIONS.—There are
authorized to be appropriated $100,000,000 for fiscal year
1994 to carry out this section.

"(j) Redesignated (i.)

"(k) TERMINATION DATE.—The Secretary shall not
enter into any new commitment to provide assistance
under this section after September 30, 1998.

ADMINISTRATIVE FEES FOR CERTIFICATE AND HOUSING
VOUCHER PROGRAMS DURING FISCAL YEAR 1994

Pub. L. 103-120, §11(a), Oct. 27, 1993, 107 Stat. 1151, pro-
duced that: "Notwithstanding the second sentence of
section 8(q)(1) of the United States Housing Act of 1937
(42 U.S.C. 1437f(q)(1)), other applicable law, or any im-
plementing regulations and related requirements, the
fee for the ongoing costs of administering the certifi-
cate and housing voucher programs under subsections
(b) and (c) of section 8 of such Act during fiscal year
1994 shall be—

"(1) not less than a fee calculated in accordance
with the fair market rents for Federal fiscal year
1993; or

"(2) not more than—

"(A) a fee calculated in accordance with section
8(q) of such Act, except that such fee shall not be
in excess of 3.5 percent above the fee calculated
in accordance with paragraph (1) or

"(B) to the extent approved in an appropriation
Act, a fee calculated in accordance with such sec-
tion 8(q)."

EFFECTIVENESS OF ASSISTANCE FOR PHA-OWNED UNITS

3715, provided that: "The amendments made by section
548 of the Cranston-Gonzalez National Affordable Hous-
ing Act [Pub. L. 101-625, amending this section] shall be
effective notwithstanding the absence of any regula-
tions issued by the Secretary of Housing and Urban De-
velopment."

MOVING TO OPPORTUNITY FOR FAIR HOUSING

Stat. 1148, which directed Secretary of Housing and
Urban Development to carry out demonstration pro-
gram in eligible cities to provide tenant-based assist-
ance to very low-income families with children to move
out of areas of high concentrations of persons living in
poverty to areas with low concentrations of such per-
sons, required biennial report to Congress evaluating
effectiveness and final report not later than Sept. 30,
2004, provided for increased funding under section
1437(c) of this title to carry out demonstration,
and
authorized implementation by notice of requirements

DIRECTIVE TO FURTHER FAIR HOUSING OBJECTIVES UNDER CERTIFICATE AND VOUCHER PROGRAMS


INAPPLICABILITY OF CERTAIN 1992 AMENDMENTS TO INDIAN PUBLIC HOUSING

Amendment by section 623(b) of Pub. L. 102–550 not applicable with respect to lower income housing developed or operated pursuant to contract between Secretary of Housing and Urban Development and Indian housing authority, see section 626 of Pub. L. 102–550, set out as a note under section 1373a of this title.

TERMINATION OF EXISTING HOUSING PROGRAMS

Except with respect to projects and programs for which binding commitments have been entered into prior to Oct. 1, 1991, no new grants or loans to be made after Oct. 1, 1991, under subsec. (e)(2) of this section except for funds allocated under such section for single room occupancy dwellings as authorized by subchapter IV (§11361 et seq.) of chapter 119 of this title, see section 12393(a)(4) of this title.

PUBLIC HOUSING MIXED INCOME NEW COMMUNITIES STRATEGY DEMONSTRATION


STUDY OF PUBLIC HOUSING FUNDING SYSTEM

Pub. L. 101–625, title V, §524, Nov. 28, 1990, 104 Stat. 4215, directed Secretary of Housing and Urban Development to conduct a study assessing one or more revised methods of providing Federal housing assistance through local public housing agencies, examining methods of prospective payment, including the conversion of PHA operating assistance, modernization, and other Federal housing assistance to a schedule of steady and predictable capitated Federal payments on behalf of low income public housing tenants, making specific assessments and to submit a report to Congress not later than 12 months after Nov. 28, 1990.

GAO STUDY OF ALTERNATIVES IN PUBLIC HOUSING DEVELOPMENT

Pub. L. 101–625, title V, §526, Nov. 28, 1990, 104 Stat. 4216, directed Comptroller General to conduct a study assessing alternative methods of developing public housing dwelling units, other than under the existing public housing development program under this chapter, and submit a report to Congress regarding the findings and conclusions of the study not later than 12 months after Nov. 28, 1990.

PREFERENCE FOR NEW CONSTRUCTION UNDER THIS SECTION

Pub. L. 101–625, title V, §545(c), Nov. 28, 1990, 104 Stat. 4220, as amended by Pub. L. 104–99, title IV, §402(d)(4)(A), Jan. 26, 1996, 110 Stat. 42, which provided that, with respect to housing constructed or substantially rehabilitated pursuant to assistance provided under subsec. (b)(2) of this section, as such provisions existed before Oct. 1, 1983, and projects financed under section 1701q of Title 12, Banks and Banking, notwithstanding tenant selection criteria under contract between Secretary and owner pursuant to first sentence of such section, for at least 70 percent of units becoming available, tenant selection criteria for such housing was to give preference to families occupying substandard housing (including homeless families and those living in shelters), paying more than 50 percent of family income for rent, or involuntarily displaced, and system of local preferences established under section 1001 of such Act. As amended by Pub. L. 101–625, title V, §545(c)(1), Oct. 21, 1998, 112 Stat. 2948.

DOCUMENTATION OF EXCESSIVE RENT BURDENS

Pub. L. 101–625, title V, §550(b), Nov. 28, 1990, 104 Stat. 4222, provided that:

"(1) DATA.—The Secretary of Housing and Urban Development shall collect and maintain, in an automated system, data describing the characteristics of families assisted under the certificate and voucher programs established under section 8 of the United States Housing Act of 1937 (42 U.S.C. 1437f), which data shall include the share of family income paid toward rent.

"(2) REPORT.—Not less than annually, the Secretary shall submit a report to the Congress setting forth, for each of the certificate program and the voucher program, the percentage of families participating in the program who are paying for rent more than the amount determined under section 3(a)(1) of such Act [42 U.S.C. 1437f(a)(1)]. The report shall set forth data in appropriate categories, such as various areas of the country, types and sizes of public housing agencies, types of families, and types or markets. The data shall identify the jurisdictions in which more than 10 percent of the families assisted under section 8 of such Act pay for rent more than the amount determined under section 3(a)(1) of such Act and the report shall include an examination of whether the fair market rent for such areas is appropriate. The report shall also include any recommendations of the Secretary for legislative and administrative actions appropriate as a result of analysis of the data.

"(3) AVAILABILITY OF DATA.—The Secretary shall make available to each public housing agency admin-
isting assistance under the certificate or voucher program any data maintained under this subsection that relates to the public housing agency.

(For termination, effective May 15, 2000, of reporting provisions in section 550(b)(2) of Pub. L. 101-625, see above, see section 3003 of Pub. L. 104–66, as amended, set out as a note under section 1113 of Title 31, Money and Finance, and item 16 on page 183 of House Document No. 103–7.)

**INCOME ELIGIBILITY FOR TENANCY IN NEW CONSTRUCTION UNITS**

Pub. L. 101–625, title V, § 555, Nov. 28, 1990, 104 Stat. 4233, provided that: "Any dwelling units in any housing constructed or substantially rehabilitated pursuant to 4233, provided that: "Any dwelling units in any housing assistance programs available in subsec. (b), assistance programs to native Hawaiians in subsec. (a), assistance provided under section 8(b)(2) of the United States Housing Act of 1937 [42 U.S.C. 1437f(b)(2)], as such section existed before October 1, 1983, and with a contract for assistance under such section, shall be reserved for occupancy by low-income families and very low-income families."

**GAO STUDY REGARDING FAIR MARKET RENT CALCULATION**

Pub. L. 101–625, title V, § 558, Nov. 28, 1990, 104 Stat. 4233, directed Comptroller General to conduct a study to examine fair market rents under subsec. (c)(4) of this section which are wholly contained within such market areas and submit a report to Congress not later than 18 months after Nov. 28, 1990, regarding findings and conclusions.

**STUDY OF UTILIZATION RATES**

Pub. L. 101–625, title V, § 559, Nov. 28, 1990, 104 Stat. 4234, directed Secretary of Housing and Urban Development to conduct a study of reasons for success or failure, within appropriate cities and localities, in utilizing assistance made available for such areas under this section and submit a report to Congress concerning this study not later than the expiration of the 1-year period beginning on Nov. 28, 1990.

**FEASIBILITY STUDY REGARDING INDIAN TRIBE ELIGIBILITY FOR VOUCHER PROGRAM**

Pub. L. 101–625, title V, § 561, Nov. 28, 1990, 104 Stat. 4235, directed Secretary of Housing and Urban Development to conduct a study to determine feasibility and effectiveness of entering into contracts with Indian housing authorities to provide voucher assistance under subsec. (c) of this section and submit a report to Congress regarding findings and conclusions not later than the expiration of the 1-year period beginning on Nov. 28, 1990.

**STUDY OF PRIVATE NONPROFIT INITIATIVES**

Pub. L. 101–625, title V, § 582, Nov. 28, 1990, 104 Stat. 4248, directed Secretary of Housing and Urban Development to conduct a study to examine how private nonprofit initiatives to provide low-income housing development in local communities across the country have succeeded, with particular emphasis on how Federal housing policy and tax structures can best promote local private nonprofit organizations involvement in low-income housing development, and submit a report to Congress regarding findings not later than 1-year after Nov. 28, 1990.

**PREFERENCES FOR NATIVE HAWAIIANS ON HAWAIIAN HOMELANDS UNDER HUD PROGRAM**

Pub. L. 101–625, title IX, § 5958, Nov. 28, 1990, 104 Stat. 4422, which directed Secretary of Housing and Urban Development to provide preferences for housing assistance programs to native Hawaiians in subsec. (a), described assistance programs available in subsec. (b), authorized Secretary to provide mortgage insurance in certain situations in subsec. (c), and defined pertinent terms in subsec. (d), was repealed by Pub. L. 102–238, §5(b), Dec. 17, 1991, 105 Stat. 1910.

**AUTHORIZATION FOR PROVISION OF ASSISTANCE TO PROGRAMS ADMINISTERED BY STATE OF HAWAII UNDER ACT OF JULY 9, 1921**

Pub. L. 101–625, title IX, § 5962, as added by Pub. L. 102–238, §5(a), Dec. 17, 1991, 105 Stat. 1909, provided that: "(a) Assistance Authorized. The Secretary of Housing and Urban Development is authorized to provide assistance, under any housing assistance program administered by the Secretary, to the State of Hawaii, for use by the State in meeting the responsibilities with which it has been charged under the provisions of the Act of July 9, 1921 (42 Stat. 108) [formerly 48 U.S.C. 691–718]."

**"(b) MORTGAGE INSURANCE.-**

"(1) IN GENERAL.—Notwithstanding any other provision or limitation of this Act [see Short Title note set out under section 12701 of this title], or the National Housing Act [42 U.S.C. 1461 et seq.], including those relating to marketability of title, the Secretary of Housing and Urban Development may provide mortgage insurance covering any property or lands set aside under the provisions of the Act of July 9, 1921 (42 Stat. 108), upon which there is or will be located a multifamily residence, for which the Department of the Hawaiian Home Lands of the State of Hawaii—

"(A) is the mortgagor or co-mortgagor;

"(B) guarantees in writing to reimburse the Secretary for any mortgage insurance claim paid in connection with such property; or

"(C) offers other security that is acceptable to the Secretary, subject to appropriate conditions prescribed by the Secretary.

"(2) SALE ON DEFAULT.—In the event of a default on a mortgage insured pursuant to paragraph (1), the Department of Hawaiian Home Lands of the State of Hawaii may sell the insured property or housing unit to an eligible beneficiary as defined in the Act of July 9, 1921 (42 Stat. 108)."

**ANNUAL ADJUSTMENT FACTORS FOR RENTS UNDER LOWER-INCOME HOUSING ASSISTANCE PROGRAM**


"(a) EFFECT OF PRIOR COMPARABILITY STUDIES.—

"(1) IN GENERAL.—In any case in which, in implementing section 8(c)(2) of the United States Housing Act of 1937 [42 U.S.C. 1437f(c)(2)], the use of comparability studies by the Secretary of Housing and Urban Development or the appropriate State agency as an independent limitation on the amount of rental adjustments resulting from the application of an annual adjustment factor under such section has resulted in the reduction of the maximum monthly rent for units covered by the contract or the failure to increase such contract rent to the full amount otherwise permitted under the annual adjustment factor, or

"(B) an assistance contract requires a project owner to make a request before becoming eligible for a rent adjustment under the annual adjustment factor and the project owner certifies that such a request was not made because of anticipated negative adjustment to the project rents, for fiscal year 1980, and annually thereafter until regulations implementing this section take effect, rental adjustments shall be calculated as an amount equal to the annual adjustment factor multiplied by a figure equal to the contract rent minus the amount of contract rent attributable to debt service. Upon the request of the project owner, the Secretary shall pay to the project owner the amount, if any, by which the total rental adjustment calculated under the preceding sentence exceeds the total adjustments the Secretary or appropriate State agency actually approved, except that solely for purposes of calculating
retroactive payments under this subsection, in no event shall any project owner be paid an amount less than 30 percent of a figure equal to the aggregate of the annual adjustment factor multiplied by the full contract rent for each year on or after fiscal year 1980, minus the sum of the rental payments the Secretary or appropriate State agency actually approved for those years. The method provided by this subsection shall be the exclusive method by which retroactive payments, whether or not requested, may be made for projects subject to this subsection for the period from fiscal year 1980 until the regulations issued under subsection (e) take effect. For purposes of this paragraph, 'debt service' shall include interest, principal, and mortgage insurance premium if any.

(2) **Applicability.**

"(A) **In General.**—Subsection (a) shall apply with respect to any use of comparability studies referred to in such subsection occurring before the effective date of the regulations issued under subsection (e). This section shall have the effect of transferring an outlay of Emergency Deficit Control Reaffirmation Act of 1987 to carry out this section and the amendments made by such section 148 to section 8(d)(2) of the United States Housing Act of 1937 (42 U.S.C. 1437f(d)(2)), and shall promptly approve such application if it meets the requirements of such section 8(d)(2).

(3) **Project-Based Lower Income Housing Assistance in New Construction; Regulations Implementing Program.**

Section 1005(b)(2) of Pub. L. 100–628 provided that: "To implement the amendments made by this subsection [amending this section], the Secretary of Housing and Urban Development shall issue regulations that take effect not later than 30 days after the date of the enactment of this Act [Nov. 7, 1988]."

**USE OF FUNDS RECAPTURED FROM REFINANCING STATE AND LOCAL FINANCE PROJECTS.**


"(a) **Definition of Qualified Project.**—For purposes of this section, the term 'qualified project' means any State financed project or local government or local housing agency financed project, that—

"(1) was—

"(A) provided a financial adjustment factor under section 8 of the United States Housing Act of 1937 (42 U.S.C. 1437f); or

"(B) constructed or substantially rehabilitated pursuant to assistance provided under a contract under section 8(b)(2) of the United States Housing Act of 1937 (as in effect on September 30, 1983) entered into during any of calendar years 1979 through 1984; and

"(2) is being refinanced.

"(b) **Availability of Funds.**—The Secretary shall make available to the State housing finance agency in the State in which a qualified project is located, or the local government or local housing agency initiating the refinancing of the qualified project, as applicable, an amount equal to 50 percent of the amounts recap- tured from the project (as determined by the Secretary on a project-by-project basis). Notwithstanding any other provision of law, such amounts shall be used only for providing decent, safe, and sanitary housing affordable for very low-income families and persons.

"(c) **Applicability and Budget Compliance.**—

"(1) **Retroactivity.**—This section shall apply to refinancings of projects for which settlement occurred or occurs before, on, or after the date of the enactment of the Housing and Community Development Act of 1992 (Oct. 29, 1992), subject to the provisions of paragraph (2).

"(2) **Budget Compliance.**—This section shall apply only to the extent or in such amounts as are provided in appropriation Acts.

"(d) **Payments to Local or State Government.**—The Secretary shall make payments to local or State government in an amount equal to the lesser of—

"(1) the local government's or State's share of payments in an amount equal to the amounts recap- tured from the project (as determined by the Secretary on a project-by-project basis) and made necessary for projects subject to this section for the fiscal year beginning on the effective date of the regulations issued under subsection (e); or

"(2) the total amounts recap- tured from the project (as determined by the Secretary on a project-by-project basis) before the date of enactment of this Act [Nov. 7, 1988]."

**PROHIBITION OF REDUCTION OF CONTRACT RENTS; BUDGET COMPLIANCE.**

Pub. L. 100–628, title X, §1004(b), Nov. 7, 1988, 102 Stat. 3284, provided that: "During fiscal year 1989, the amendment made by subsection (a)(2) [amending this section] shall be effective only to such extent or in such amounts as are provided in appropriation Acts. For purposes of section 202 of the Balanced Budget and Emergency Deficit Control Reaffirmation Act of 1987 (Public Law 100–119) [2 U.S.C. 909], to the extent that this section has the effect of transferring an outlay of the United States from one fiscal year to an adjacent fiscal year, the transfer is a necessary (but secondary) result of a significant policy change."

STUDY BY SECRETARY CONCERNING FEASIBILITY OF MINIMUM RENT PAYMENT REQUIREMENTS

Pub. L. 96–153, title II, §212, Dec. 21, 1979, 93 Stat. 1110, directed the Secretary of Housing and Urban Development to conduct a study of the feasibility and financial desirability of requiring minimum rent payments from tenants in low-income housing assisted under this chapter, and to submit a report to the Congress containing the findings and conclusions of such study not later than ten days after the Budget for fiscal year 1981 is transmitted pursuant to section 11 of former Title 31, Money and Finance, and directed the Secretary of Housing and Urban Development to conduct a study to provide detailed comparisons between the rents paid by tenants occupying low-income housing assisted under this chapter and the rents paid by tenants at the same income level who are not in assisted housing and to transmit a report on such study to the Congress not later than Mar. 1, 1980.

STUDY OF ALTERNATIVE MEANS OF ENCOURAGING THE DEVELOPMENT OF HOUSING

Pub. L. 95–557, title II, §208, Oct. 31, 1978, 92 Stat. 2095, directed that Secretary of Housing and Urban Development conduct a study for purpose of examining alternative means of encouraging development of housing to be assisted under this section for occupancy by large families which reside in areas with a low-vacancy rate in rental housing and report to Congress no later than one year after Oct. 31, 1978, for purpose of providing legislative recommendations with respect to this study.

TAXATION OF INTEREST PAID ON OBLIGATIONS SECURED BY INSURED MORTGAGE AND ISSUED BY PUBLIC AGENCY

Pub. L. 93–383, title III, §319(b), Aug. 22, 1974, 88 Stat. 686, as amended by Pub. L. 99–514, §2, Oct. 22, 1986, 100 Stat. 2095, provided that: “With respect to any obligation secured by a mortgage which is insured under section 221(d)(3) of the National Housing Act [section 1715(d)(3) of Title 12, Banks and Banking] and issued by a public agency as mortgagor in connection with the financing of a project assisted under section 8 of the United States Housing Act of 1937 (this section), the interest paid on such obligation shall be included in gross income for purposes of chapter 1 of the Internal Revenue Code of 1986 [formerly I.R.C. 1954] [chapter 1 of Title 26, Internal Revenue Code].”

RENTAL OR INCOME CONTRIBUTIONS; USE OF SPECIAL SCHEDULES OF REQUIRED PAYMENTS FOR PARTICIPANTS IN MUTUAL HELP PROJECTS CONTRIBUTING LABOR, ETC.

Pub. L. 93–383, title II, §203, Aug. 22, 1974, 88 Stat. 668, provided that: “The rental or income contribution provisions of the United States Housing Act of 1937 (sections 1437 to 1437t of this title), as amended by section 201 of this Act, shall not preclude the use of special schedules of required payments as approved by the Secretary for participants in mutual help housing projects who contribute labor, land, or materials to the development of such projects.”


§ 1437g. Public housing Capital and Operating Funds

(a) Merger into Capital Fund

Except as otherwise provided in the Quality Housing and Work Responsibility Act of 1998, any assistance made available for public housing under section 1437 of this title before October 1, 1999, shall be merged into the Capital Fund established under subsection (d).

(b) Merger into Operating Fund

Except as otherwise provided in the Quality Housing and Work Responsibility Act of 1998, any assistance made available for public housing under this section before October 1, 1999, shall be merged into the Operating Fund established under subsection (e).

(c) Allocation amount

(1) In general

For fiscal year 2000 and each fiscal year thereafter, the Secretary shall allocate amounts in the Capital Fund and Operating Funds 1 for assistance for public housing agencies eligible for such assistance. The Secretary shall determine the amount of the allocation for each eligible agency, which shall be, for any fiscal year beginning after the effective date of the formulas described in subsections (d)(2) and (e)(2)—

(A) for assistance from the Capital Fund, the amount determined for the agency under the formula under subsection (d)(2); and

(B) for assistance from the Operating Fund, the amount determined for the agency under the formula under subsection (e)(2).

(2) Formula

There are authorized to be appropriated for assistance for public housing agencies under this section the following amounts:

(A) Capital Fund

For allocations of assistance from the Capital Fund, $3,000,000,000 for fiscal year 1999, and such sums as may be necessary for fiscal years 2000, 2001, 2002, and 2003.

(B) Operating Fund

For allocations of assistance from the Operating Fund, $2,900,000,000 for fiscal year 1999, and such sums as may be necessary for each of fiscal years 2000, 2001, 2002, and 2003.

(d) Capital Fund

(1) In general

The Secretary shall establish a Capital Fund for the purpose of making assistance available to public housing agencies to carry out capital and management activities, including—

(A) the development, financing, and modernization of public housing projects, including the redesign, reconstruction, and reconfiguration of public housing sites and buildings (including accessibility improvements) and the development of mixed-finance projects;

(B) vacancy reduction;

(C) addressing deferred maintenance needs and the replacement of obsolete utility systems and dwelling equipment;

(D) planned code compliance;

(E) management improvements, including the establishment and initial operation of computer centers in and around public housing through a Neighborhood Networks initiative, for the purpose of enhancing the self-sufficiency, employability, and economic self-reliance of public housing residents by providing them with onsite computer access and training resources;

(F) demolition and replacement;

(G) resident relocation;

(H) capital expenditures to facilitate programs to improve the empowerment and economic self-sufficiency of public housing residents and to improve resident participation;

(I) capital expenditures to improve the security and safety of residents;

(J) homeownership activities, including programs under section 1437z–4 of this title;

(K) improvement of energy and water-use efficiency by installing fixtures and fittings that conform to the American Society of Mechanical Engineers/American National Standards Institute standards A112.19.2–1998 and A112.18.1–2000, or any revision thereto, applicable at the time of installation, and by increasing energy efficiency and water conservation by such other means as the Secretary determines are appropriate; and

(L) integrated utility management and capital planning to maximize energy conservation and efficiency measures.

(2) Formula

The Secretary shall develop a formula for determining the amount of assistance provided to public housing agencies from the Capital Fund for a fiscal year, which shall include a mechanism to reward performance. The formula may take into account such factors as—

(A) the number of public housing dwelling units owned, assisted, or operated by the public housing agency, the characteristics and locations of the projects, and the characteristics of the families served and to be served (including the incomes of the families);

(B) the need of the public housing agency to carry out rehabilitation and modernization activities, replacement housing, and reconstruction, construction, and demolition activities related to public housing dwelling units owned, assisted, or operated by the public housing agency, including backlog and projected future needs of the agency;

(C) the cost of constructing and rehabilitating property in the area;

(D) the need of the public housing agency to carry out activities that provide a safe and secure environment in public housing units owned, assisted, or operated by the public housing agency;

(E) any record by the public housing agency of exemplary performance in the oper-
ation of public housing, as indicated by the system of performance indicators established pursuant to section 1437d(j) of this title; and
(E) any other factors that the Secretary determines to be appropriate.

(3) Conditions on use for development and modernization

(A) Development

Except as otherwise provided in this chapter, any public housing developed using amounts provided under this subsection, or under section 1437l of this title as in effect before the effective date under section 503(a) of the Quality Housing and Work Responsibility Act of 1998, shall be operated under the terms and conditions applicable to public housing during the 40-year period that begins on the date on which the project (or stage of the project) becomes available for occupancy.

(B) Modernization

Except as otherwise provided in this chapter, any public housing or portion thereof that is modernized using amounts provided under this subsection or under section 1437l of this title (as in effect before the effective date under section 503(a) of the Quality Housing and Work Responsibility Act of 1998) shall be maintained and operated under the terms and conditions applicable to public housing during the 20-year period that begins on the latest date on which modernization is completed.

(C) Applicability of latest expiration date

Public housing subject to this paragraph or to any other provision of law mandating the operation of the housing as public housing or under the terms and conditions applicable to public housing for a specified length of time, shall be maintained and operated as required until the latest such expiration date.

(e) Operating Fund

(1) In general

The Secretary shall establish an Operating Fund for the purpose of making assistance available to public housing agencies for the operation and management of public housing, including—

(A) procedures and systems to maintain and ensure the efficient management and operation of public housing units (including amounts sufficient to pay for the reasonable costs of review by an independent auditor of the documentation or other information maintained pursuant to section 1437d(j)(6) of this title by a public housing agency or resident management corporation to substantiate the performance of that agency or corporation);

(B) activities to ensure a program of routine preventative maintenance;

(C) anticrime and antidrug activities, including the costs of providing adequate security for public housing residents, including above-baseline police service agreements;

(D) activities related to the provision of services, including service coordinators for elderly persons or persons with disabilities;

(E) activities to provide for management and participation in the management and policymaking of public housing by public housing residents;

(F) the costs of insurance;

(G) the energy costs associated with public housing units, with an emphasis on energy conservation;

(H) the costs of administering a public housing work program under section 1437f of this title, including the costs of any related insurance needs;

(I) the costs of repaying, together with rent contributions, debt incurred to finance the rehabilitation and development of public housing units, which shall be subject to such reasonable requirements as the Secretary may establish;

(J) the costs associated with the operation and management of mixed finance projects, to the extent appropriate; and

(K) the costs of operating computer centers in public housing through a Neighborhood Networks initiative described in subsection (d)(1)(E), and of activities related to that initiative.

(2) Formula

(A) In general

The Secretary shall establish a formula for determining the amount of assistance provided to public housing agencies from the Operating Fund for a fiscal year. The formula may take into account—

(i) standards for the costs of operating and reasonable projections of income, taking into account the characteristics and locations of the public housing projects and characteristics of the families served and to be served (including the incomes of the families), or the costs of providing comparable services as determined in accordance with criteria or a formula representing the operations of a prototype well-managed public housing project;

(ii) the number of public housing dwelling units owned, assisted, or operated by the public housing agency;

(iii) the number of public housing dwelling units owned, assisted, or operated by the public housing agency that are chronically vacant and the amount of assistance appropriate for those units;

(iv) to the extent quantifiable, the extent to which the public housing agency provides programs and activities designed to promote the economic self-sufficiency and management skills of public housing residents;

(v) the need of the public housing agency to carry out anti-crime and anti-drug activities, including providing adequate security for public housing residents;

(vi) the amount of public housing rental income foregone by the public housing agency as a result of escrow savings accounts under section 1437u(d)(2) of this title for families participating in a family self-sufficiency program of the agency under such section 1437u of this title; and

(vii) any other factors that the Secretary determines to be appropriate.
(B) Incentive to increase certain rental income

The formula shall provide an incentive to encourage public housing agencies to facilitate increases in earned income by families in occupancy. Any such incentive shall provide that the agency shall benefit from increases in such rental income and that such amounts accruing to the agency pursuant to such benefit may be used only for low-income housing or to benefit the residents of the public housing agency.

(C) Treatment of savings

(i) In general

The treatment of utility and waste management costs under the formula shall provide that a public housing agency shall receive the full financial benefit from any reduction in the cost of utilities or waste management resulting from any contract with a third party to undertake energy conservation improvements in one or more of its public housing projects.

(ii) Third party contracts

Contracts described in clause (i) may include contracts for equipment conversions to less costly utility sources, projects with resident-paid utilities, and adjustments to frozen base year consumption, including systems repaired to meet applicable building and safety codes and adjustments for occupancy rates increased by rehabilitation.

(iii) Term of contract

The total term of a contract described in clause (i) shall not exceed 20 years to allow longer payback periods for retrofits, including windows, heating system replacements, wall insulation, site-based technologies, advanced energy savings technologies, including renewable energy generation, and other such retrofits.

(iv) Existing contracts

The term of a contract described in clause (i) that, as of December 26, 2007, is in repayment and has a term of not more than 12 years, may be extended to a term of not more than 20 years to permit additional energy conservation improvements without requiring the reprocurement of energy performance contractors.

(D) Freeze of consumption levels

(i) In general

A small public housing agency, as defined in section 1437z-10(a) of this title, may elect to be paid for its utility and waste management costs under the formula for a period, at the discretion of the small public housing agency; and

(ii) Initial adjustment in consumption base level

The Secretary shall make an initial one-time adjustment in the consumption base level to account for differences in the heating degree day average over the most recent 20-year period compared to the average in the consumption base level.

(iii) Adjustments in consumption base level

The Secretary shall make adjustments in the consumption base level to account for an increase or reduction in units, a change in fuel source, a change in resident controlled electricity consumption, or for other reasons.

(iv) Savings

All cost savings resulting from an election made by a small public housing agency under this subparagraph—

(I) shall accrue to the small public housing agency; and

(II) may be used for any public housing purpose at the discretion of the small public housing agency.

(v) Third parties

A small public housing agency making an election under this subparagraph—

(I) may use, but shall not be required to use, the services of a third party in its energy conservation program; and

(II) shall have the sole discretion to determine the source, and terms and conditions, of any financing used for its energy conservation program.

(3) Condition on use

No portion of any public housing project operated using amounts provided under this subsection, or under this section as in effect before the effective date under section 503(a) of the Quality Housing and Work Responsibility Act of 1998, may be disposed of before the expiration of the 10-year period beginning upon the conclusion of the fiscal year for which such amounts were provided, except as otherwise provided in this chapter.

(f) Negotiated rulemaking procedure

The formulas under subsections (d)(2) and (e)(2) shall be developed according to procedures for issuance of regulations under the negotiated rulemaking procedure under subchapter III of chapter 5 of title 5.

(g) Limitations on use of funds

(1) Flexibility in use of funds

(A) Flexibility for Capital Fund amounts

Of any amounts appropriated for fiscal year 2000 or any fiscal year thereafter that are allocated for fiscal year 2000 or any fiscal year thereafter from the Capital Fund for any public housing agency, the agency may use not more than 20 percent for activities that are eligible under subsection (e) for assistance with amounts from the Operating Fund, but only if the public housing agency plan for the agency provides for such use.

(B) Flexibility for Operating Fund amounts

Of any amounts appropriated for fiscal year 2016 or any fiscal year thereafter that
are allocated for fiscal year 2016 or any fiscal year thereafter from the Operating Fund for any public housing agency, the agency may use not more than 20 percent for activities that are eligible under subsection (d) for assistance with amounts from the Capital Fund, but only if the public housing plan under section 1437c–1 of this title for the agency provides for such use.

(2) Full flexibility for small PHAs
Of any amounts allocated for any fiscal year for any public housing agency that owns or operates less than 250 public housing dwelling units, is not designated pursuant to section 1437d(j)(2) of this title as a troubled public housing agency, and (in the determination of the Secretary) is operating and maintaining its public housing in a safe, clean, and healthy condition, the agency may use any such amounts for any eligible activities under subsections (d)(1) and (e)(1), regardless of the fund from which the amounts were allocated and provided. This subsection shall take effect on October 21, 1998.

(3) Limitation on new construction

(A) In general
Except as provided in subparagraphs (B) and (C), a public housing agency may not use any of the amounts allocated for the agency from the Capital Fund or Operating Fund for the purpose of constructing any public housing unit, if such construction would result in a net increase from the number of public housing units owned, assisted, or operated by the public housing agency on October 1, 1999, including any public housing units demolished as part of any revitalization effort.

(B) Exception regarding use of assistance
A public housing agency may use amounts allocated for the agency from the Capital Fund or Operating Fund for the construction and operation of housing units that are available and affordable to low-income families in excess of the limitations on new construction set forth in subparagraph (A), but the formulas established under subsections (d)(2) and (e)(2) shall not provide additional funding for the specific purpose of allowing construction and operation of housing in excess of those limitations (except to the extent provided in subparagraph (C)).

(C) Exception regarding formulas
Subject to reasonable limitations set by the Secretary, the formulas established under subsections (d)(2) and (e)(2) may provide additional funding for the operation and modernization costs (but not the initial development costs) of housing in excess of amounts otherwise permitted under this paragraph, and such amounts may be so used, if—

(i) such units are part of a mixed-finance project or otherwise leverage significant additional private or public investment; and
(ii) the estimated cost of the useful life of the project is less than the estimated cost of providing tenant-based assistance under section 1437f(o) of this title for the same period of time.

(h) Technical assistance
To the extent amounts are provided in advance in appropriations Acts, the Secretary may make grants or enter into contracts or cooperative agreements in accordance with this subsection for purposes of providing, either directly or indirectly—

(1) technical assistance to public housing agencies, resident councils, resident organizations, and resident management corporations, including assistance relating to monitoring and inspections;
(2) training for public housing agency employees and residents;
(3) data collection and analysis;
(4) training, technical assistance, and education to public housing agencies that are—

(A) at risk of being designated as troubled under section 1437d(j) of this title, to assist such agencies from being so designated; and
(B) designated as troubled under section 1437d(j) of this title, to assist such agencies in achieving the removal of that designation;

(5) contract expertise;
(6) training and technical assistance to assist in the oversight and management of public housing or tenant-based assistance;
(7) clearinghouse services in furtherance of the goals and activities of this subsection; and
(8) assistance in connection with the establishment and operation of computer centers in public housing through a Neighborhood Networks initiative described in subsection (d)(1)(E).

As used in this subsection, the terms “training” and “technical assistance” shall include training or technical assistance and the cost of necessary travel for participants in such training or technical assistance, by or to officials and employees of the Department and of public housing agencies, and to residents and to other eligible grantees.

(i) Eligibility of units acquired from proceeds of sales under demolition or disposition plan
If a public housing agency uses proceeds from the sale of units under a homeownership program in accordance with section 1437z–4 of this title to acquire additional units to be sold to low-income families, the additional units shall be counted as public housing for purposes of determining the amount of the allocation to the agency under this section until sale by the agency, but in no case longer than 5 years.

(j) Penalty for slow expenditure of capital funds

(1) Obligation of amounts
Except as provided in paragraph (4) and subject to paragraph (2), a public housing agency shall obligate any assistance received under this section not later than 24 months after, as applicable—

(A) the date on which the funds become available to the agency for obligation in the case of modernization; or
(B) the date on which the agency accumulates adequate funds to undertake mod-
ernization, substantial rehabilitation, or new construction of units.

(2) Extension of time period for obligation

The Secretary—

(A) may, extend the time period under paragraph (1) for a public housing agency, for such period as the Secretary determines to be necessary, if the Secretary determines that the failure of the agency to obligate assistance in a timely manner is attributable to—

(i) litigation;

(ii) obtaining approvals of the Federal Government or a State or local government;

(iii) complying with environmental assessment and abatement requirements;

(iv) relocating residents;

(v) an event beyond the control of the public housing agency; or

(vi) any other reason established by the Secretary by notice published in the Federal Register;

(B) shall disregard the requirements of paragraph (1) with respect to any unobligated amounts made available to a public housing agency, to the extent that the total of such amounts does not exceed 10 percent of the original amount made available to the public housing agency; and

(C) may, with the prior approval of the Secretary, extend the time period under paragraph (1), for an additional period not to exceed 12 months, based on—

(i) the size of the public housing agency;

(ii) the complexity of capital program of the public housing agency;

(iii) any limitation on the ability of the public housing agency to obligate the amounts allocated for the agency from the Capital Fund in a timely manner as a result of State or local law; or

(iv) such other factors as the Secretary determines to be relevant.

(3) Effect of failure to comply

(A) Prohibition of new assistance

A public housing agency shall not be awarded assistance under this section for any month during any fiscal year in which the public housing agency has funds unobligated in violation of paragraph (1) or (2).

(B) Withholding of assistance

During any fiscal year described in subparagraph (A), the Secretary shall withhold all assistance that would otherwise be provided to the public housing agency. If the public housing agency cures its failure to comply during the year, it shall be provided with the share attributable to the months remaining in the year.

(C) Redistribution

The total amount of any funds not provided public housing agencies by operation of this paragraph shall be allocated for agencies determined under section 1437d(j) of this title to be high-performing.

(4) Exception to obligation requirements

(A) In general

Subject to subparagraph (B), if the Secretary has consented, before the effective date under section 503(a) of the Quality Housing and Work Responsibility Act of 1998, to an obligation period for any agency longer than provided under paragraph (1), a public housing agency that obligates its funds before the expiration of that period shall not be considered to be in violation of paragraph (1).

(B) Prior fiscal years

Notwithstanding subparagraph (A), any funds appropriated to a public housing agency for fiscal year 1997 or prior fiscal years shall be fully obligated by the public housing agency not later than September 30, 1999.

(5) Expenditure of amounts

(A) In general

A public housing agency shall spend any assistance received under this section not later than 4 years (plus the period of any extension approved by the Secretary under paragraph (2)) after the date on which funds become available to the agency for obligation.

(B) Enforcement

The Secretary shall enforce the requirement of subparagraph (A) through default remedies up to and including withdrawal of the funding.

(6) Right of recapture

Any obligation entered into by a public housing agency shall be subject to the right of the Secretary to recapture the obligated amounts for violation by the public housing agency of the requirements of this subsection.

(7) Treatment of replacement reserve

The requirements of this subsection shall not apply to funds held in replacement reserves established pursuant to subsection (n).

(k) Treatment of nonrental income

A public housing agency that receives income from nonrental sources (as determined by the Secretary) may retain and use such amounts without any decrease in the amounts received under this section from the Capital or Operating Fund. Any such nonrental amounts retained shall be used only for low-income housing or to benefit the residents assisted by the public housing agency.

(l) Provision of only capital or operating assistance

(1) Authority

In appropriate circumstances, as determined by the Secretary, a public housing agency may commit capital assistance only, or operating assistance only, for public housing units, which assistance shall be subject to all of the requirements applicable to public housing except as otherwise provided in this subsection.

(2) Exemptions

In the case of any public housing unit assisted pursuant to the authority under para-
(m) Treatment of public housing


(2) Reduction of asthma incidence

Notwithstanding any other provision of this section, the New York City Housing Authority may, in its sole discretion, from amounts provided from the Operating and Capital Funds, or from amounts provided for public housing, or from amounts made available from such Funds, use not more than $500,000 per year for the purpose of initiating, expanding or continuing a program for the reduction of the incidence of asthma among residents. The Secretary shall consult with the Administrator of the Environmental Protection Agency and the Secretary of Health and Human Services to identify and consider sources of funding for the reduction of the incidence of asthma among recipients of assistance under this subchapter.

(3) Services for elderly residents

Notwithstanding any other provision of this section, the New York City Housing Authority may, in its sole discretion, from amounts provided from the Operating and Capital Funds, or from amounts provided for public housing, or from amounts made available from such Funds, use not more than $600,000 per year for the purpose of developing a comprehensive plan to address the need for services to elderly residents. Such plan may be developed by a partnership created by such Housing Authority and may include the creation of a model project for assisting residents at one or more developments. The model project may provide for contracting with private parties for the delivery of services.

(4) Effective date

This subsection shall apply to fiscal year 1999 and each fiscal year thereafter.

(n) Establishment of replacement reserves

(1) In general

Public housing agencies shall be permitted to establish a replacement reserve to fund any of the capital activities listed in subsection (d)(1).

(2) Source and amount of funds for replacement reserve

At any time, a public housing agency may deposit funds from such agency’s Capital Fund into a replacement reserve, subject to the following:

(A) At the discretion of the Secretary, public housing agencies may transfer and hold in a replacement reserve funds originating from additional sources.

(B) No minimum transfer of funds to a replacement reserve shall be required.

(C) At any time, a public housing agency may not hold in a replacement reserve more than the amount the public housing authority has determined necessary to satisfy the anticipated capital needs of properties in its portfolio assisted under this section, as outlined in its Capital Fund 5-Year Action Plan, or a comparable plan, as determined by the Secretary.

(D) The Secretary may establish, by regulation, a maximum replacement reserve level or levels that are below amounts determined under subparagraph (C), which may be based upon the size of the portfolio assisted under this section or other factors.

(3) Transfer of operating funds

In first establishing a replacement reserve, the Secretary may allow public housing agencies to transfer more than 20 percent of its operating funds into its replacement reserve.

(4) Expenditure

Funds in a replacement reserve may be used for purposes authorized by subsection (d)(1) and contained in its Capital Fund 5-Year Action Plan.

(5) Management and report

The Secretary shall establish appropriate accounting and reporting requirements to ensure that public housing agencies are spending funds on eligible projects and that funds in the replacement reserve are connected to capital needs.

(o) Public housing heating guidelines

The Secretary shall publish model guidelines for minimum heating requirements for public housing dwelling units operated by public housing agencies receiving assistance under this section.


---

2So in original.

REFERENCES IN TEXT

The Quality Housing and Work Responsibility Act of 1998, referred to in subsecs. (a) and (b), is title V of Pub. L. 105–276, Oct. 21, 1998, 112 Stat. 2518. Section 503(a) of the Act is set out as a note below. For complete classification of this Act to the Code, see Short Title of this Act to the Code, see Short Title of 1998 Amendment note set out under section 1437 of this title, prior to the general revision of 891, as amended, authorized loans for low-rent housing and slum clearance projects and was classified to section 1409 of this title, contained in section 1437b of this title.

ADDITIONS


2008—Subsecs. (k) to (n). Pub. L. 110–289 redesignated subsecs. (l) to (n) as (k) to (m), respectively, and struck out former subsec. (k), which related to emergency reserve and use of amounts.


Subsec. (e)(2)(C). Pub. L. 109–58, § 151(2), designated existing provisions as cl. (i), inserted heading, and added clss. (ii) and (iii).

2003—Subsec. (n)(1). Pub. L. 108–7 struck out par. (1) which related to treatment of certain covered locally developed public housing units as eligible public housing units.

2000—Subsec. (d)(1)(E). Pub. L. 106–377, § 1(a)(1) [title II, § 214(a)], inserted before semicolon “—declared as new subsection (a) (1)”.


1998—Subsec. (d)(2). Pub. L. 105–276, § 519(a), amended section generally, substituting present provisions for provisions which had: in subsec. (a), authorized annual contributions for operation of low-income housing, and provided for determination of the amounts and use of those contributions, contract authorization, standards for payments, necessity of contribution contracts, performance funding system, and audits; in subsec. (b), set forth limitation on amount of aggregate rentals paid by families residing in dwelling units receiving annual contributions; in subsec. (c), authorized appropriations for fiscal years 1993 and 1994; in subsec. (d), required distribution of remaining appropriated funds to projects incurring excessive costs; and in subsec. (e), set forth time of payment of assistance to public housing agency.

Subsec. (a)(3)(A). Pub. L. 105–276, § 210, inserted after third sentence “Notwithstanding the preceding sentence, the Secretary may revise the performance funding system in a manner that takes into account equity among public housing agencies and that includes appropriate incentives for sound management.” and, in last sentence, inserted “, or any substantial change under the preceding sentence,” after “vacant public housing units.”

1996—Subsec. (a)(1)(A). Pub. L. 104–330, in second sentence, inserted “and” after comma at end of cl. (i), struck out “, and” after “reserve funds” in cl. (ii), and struck out cl. (iii) which read as follows: “with respect to housing projects developed under the Indian and Alaskan Native housing program assisted under this chapter, to provide funds (in addition to any other operating costs contributed by the Secretary under this section) as determined by the Secretary to be required to cover the administrative costs to an Indian housing authority during the development period of a project approved pursuant to section 1482 of this title and until such time as the project is occupied.”

Subsec. (a)(3)(B)(1). Pub. L. 104–134 struck out “for a period not to exceed 6 years” after “with the public housing agency”.


1992—Subsec. (a)(1)(B). Pub. L. 102–550, § 673, designated existing provisions as subcls. (i) and (ii) as subcls. (I) and (II), respectively, substituted “this clause” for “this subparagraph”, inserted reference to section 8011 of this title and a period after “section 8013 of this title”, and added cl. (II).

Subsec. (a)(3)(A). Pub. L. 102–550, § 114(b), inserted at end “Notwithstanding sections 583(a) and 585(a) of title 5 (as added by section 3(a) of the Negotiated Rulemaking Act of 1990), any proposed regulation provided for amendment, alteration, adjustment, or other change to the performance funding system relating to vacant public housing units shall be issued pursuant to a negotiated rulemaking procedure under subchapter IV of chapter 5 of such title (as added by section 3(a) of the Negotiated Rulemaking Act of 1990), and the Secretary shall establish a negotiated rulemaking committee for development of any such proposed regulations.”

Subsec. (a)(3)(B)(4). Pub. L. 102–550, § 114(c), inserted before semicolon at end “, and in subsequent years, if the energy savings are cost-effective, the Secretary may continue the sharing arrangement with the public housing agency for a period not to exceed 6 years”.

Subsec. (c). Pub. L. 102–550, § 114(a), amended subsec. (c) generally. Prior to amendment, subsec. (c) read as follows: “There are authorized to be appropriated for purposes of providing annual contributions under this section $2,000,000,000 for fiscal year 1991 and $2,086,000,000 in fiscal year 1992.”


Pub. L. 101–625, § 507(b)(1), designated existing provisions as subpar. (A), redesignated former cls. (A) to (C) as cls. (i) to (iii), respectively, and added subpar. (B).


$1437g

TITLe 42—THE PUBLIC HEALTH AND WELFARE

Page 4246

Subsec. (c). Pub. L. 101–625, §560(a), amended subsec. (c) generally. Prior to amendment, subsec. (c) read as follows: "There are authorized to be appropriated for purposes of providing annual contributions under this section $1,500,000,000 for fiscal year 1986 and $1,500,000,000 for fiscal year 1987.”

Subsec. (d). Pub. L. 101–625, §572(2), substituted “low-income housing” for “lower income housing”.

Subsec. (a)(1). Pub. L. 100–242, §118(a)(1), struck out last sentence directing Secretary to establish standards for costs of operation and reasonable projections of income, for purposes of making payments under this section.

Pub. L. 100–242, §118(d), inserted at end “If the Secretary determines that a public housing agency has failed to take the actions required to submit an acceptable audit on a timely basis in accordance with chapter 75 of title 31, the Secretary may arrange for, and pay the costs of, the audit. In such circumstances, the Secretary may withhold, from assistance otherwise available to the agency under this section, amounts sufficient to pay for the reasonable costs of conducting an acceptable audit, including, when appropriate, the reasonable costs of accounting services necessary to place the agency’s books and records in auditable condition.”

Subsec. (a)(2). Pub. L. 100–242, §112(b)(4), substituted “any such annual contributions contract authorized by section 1437c” for “being assisted by an annual contributions contract authorized by section 1437c(c)” and “any such” for “any such annual”.


Subsec. (c). Pub. L. 100–242, §118(b), amended subsec. (c) generally, substituting provisions authorizing appropriations under this section for fiscal years 1988 and 1989 for provisions authorizing appropriations for the period beginning on or after July 1, 1976, through the period beginning on or after Oct. 1, 1983.

Subsec. (e). Pub. L. 100–242, §118(c), added subsec. (e).

Subsec. (c). Pub. L. 99–272 struck out “and by” after “1983,” and inserted “,” and not to exceed $1,279,000,000 on or after Oct. 1, 1984.”

1983—Subsec. (c). Pub. L. 98–181 substituted “October 1, 1980,” and “October 1, 1980,” and authorized appropriate of not to exceed $1,500,000,000 on or after Oct. 1, 1983, and of such sums as may be necessary on or after Oct. 1, 1984.


Subsec. (c). Pub. L. 96–399, §201(b), authorized appropriation of not to exceed $325,000,000 on or after Oct. 1, 1980.

1979—Subsec. (a). Pub. L. 96–153, §211(a), designated existing provisions as par. (1) and cl. (1) and (2) thereof as (A) and (B), inserted provisions that such contract shall provide that no disposition of low-income housing project, with respect to which the contract is entered into, shall occur during and for ten years after the period when contributions were made pursuant to such contract unless approved by the Secretary, and added par. (2).


1978—Subsec. (c). Pub. L. 95–557 inserted “and not to exceed $729,000,000 on or after October 1, 1978.”


Pub. L. 95–24 substituted “and not to exceed $595,600,000 on or after October 1, 1976” for “and not to exceed $576,000,000 on or after October 1, 1976”.

1976—Subsec. (c). Pub. L. 94–375 substituted provision authorizing appropriations for annual contributions not to exceed $335,000,000 on or after July 1, 1975, not to exceed $80,000,000 on or after July 1, 1976, and not to exceed $576,000,000 on or after October 1, 1976 for provision which authorized annual contributions for contracts entered into on or after July 1, 1974 of not more than $50,000,000 per annum, which amount was to be increased by $60,000,000 on July 1, 1975.

EFFECTIVE DATE OF 2018 AMENDMENT
Pub. L. 115–174, title II, §209(d), May 24, 2018, 122 Stat. 1316, provided that: “The amendments made by subsections (a) and (b) [enacting this section and amending this section] shall take effect on the day that is 60 days after the date of enactment of this Act [May 24, 2018].”

EFFECTIVE DATE OF 2003 AMENDMENT

EFFECTIVE DATE OF 1998 AMENDMENT
Amendment by title V of Pub. L. 105–276 effective and applicable beginning upon Oct. 1, 1999, except as otherwise provided, with provision that Secretary may implement amendment before such date, except to extent that such amendment provides otherwise, and with savings provision, see section 503 of Pub. L. 105–276, set out as a note under section 1437 of this title.


“(e) TRANSITIONAL PROVISION OF ASSISTANCE.—
“(1) IN GENERAL.—Subject to paragraph (2), before the implementation of formulas pursuant to sections 9(d)(2) and 9(e)(2) of the United States Housing Act of 1937 [42 U.S.C. 1437g(d)(2), (e)(2)] (as amended by section (a) of this section), the Secretary shall provide that each public housing agency shall receive funding under sections 9 and 14 of the United States Housing Act of 1937 (42 U.S.C. 1437g, 1437l), as those sections existed immediately before the enactment of this Act [Oct. 21, 1998] (except that such sections shall be subject to any amendments to such sections that may be contained in title II of this Act [see Tables for classification]).

“(2) QUALIFICATIONS.—Before the implementation of formulas pursuant to sections 9(d)(2) and 9(e)(2) of the United States Housing Act of 1937 (42 U.S.C. 1437g(d)(2), (e)(2)) (as amended by subsection (a) of this section)—

“(A) if a public housing agency establishes a rental amount that is based on a ceiling rent established pursuant to subsection (d)(1) of this section [42 U.S.C. 1437a note], the Secretary shall take into account any reduction of the per unit dwelling rental income of the public housing agency resulting from the use of that rental amount in calculating the contributions for the public housing agency for the operation of the public housing under section 9 of the United States Housing Act of 1937 [42 U.S.C. 1437g];

“(B) if a public housing agency establishes a rental amount that is based on an adjustment to income under section 9(b)(5)(G) of the United States Housing Act of 1937 [42 U.S.C. 1437a(b)(5)(G)] (as in effect immediately before the enactment of this Act [Oct. 21, 1998]), the Secretary shall not take into account any reduction of or any increase in the per unit dwelling rental income of the public housing agency resulting from the use of that rental amount in calculating the contributions for the public housing agency for the operation of the public housing under section 9 of the United States Housing Act of 1937 [42 U.S.C. 1437g]; and

“(C) if a public housing agency establishes a rental amount other than as provided under subpara-
graph (A) or (B) that is less than the greatest of the amounts determined under subparagraphs (A), (B), and (C) of section 3(a)(1) of the United States Housing Act of 1937 [42 U.S.C. 1437a(a)(1)], the Secretary shall not take into account any reduction of the per unit dwelling rental income of the public housing agency resulting from the use of such rental amount in calculating the contributions for the public housing agency for the operation of the public housing under section 9 of the United States Housing Act of 1937 [42 U.S.C. 1437g].

{(f) EFFECTIVE DATE OF OPERATING FORMULA.—Notwithstanding the effective date under section 503(a) [42 U.S.C. 1437 note], the Secretary may extend the effective date of the formula under section 9(e)(2) of the United States Housing Act of 1937 [42 U.S.C. 1437(g)(2)] (as amended by subsection (a) of this section) for up to 6 months if such additional time is necessary to implement such formula.

{(g) EFFECTIVE DATE.—Subsections (d) [42 U.S.C. 1437a note], (e), and (f) shall take effect upon the date of the enactment of this Act [Oct. 21, 1998]."

EFFECTIVE DATE OF 1996 AMENDMENT

Amendment by Pub. L. 104-330 effective Oct. 1, 1997, except as otherwise expressly provided, see section 107 of Pub. L. 104-330, set out as an Effective Date note under section 4101 of Title 25, Indians.

EFFECTIVE DATE OF 1992 AMENDMENT

Amendment by subtitles B through F of title VI (§§621-665) of Pub. L. 102-550 applicable upon expiration of 6-month period beginning Oct. 29, 1992, except as otherwise provided, see section 1362 of this title.

EFFECTIVE DATE OF 1990 AMENDMENT

Amendment by section 805(p) of Pub. L. 101-625 deemed enacted Nov. 5, 1990, see title II of Pub. L. 101-507, set out as a note under section 1701q of Title 12, Banks and Banking.

EFFECTIVE DATE OF 1981 AMENDMENT


EFFECTIVE DATE OF 1978 AMENDMENT


EFFECTIVE DATE

Section effective on such date or dates as the Secretary of Housing and Urban Development shall prescribe, but not later than eighteen months after Aug. 22, 1974, except that all of the provisions of subsec. (c) shall become effective on the same date, see section 201(b) of Pub. L. 93-383, set out as a note under section 1437 of this title.

REGULATIONS


CAPITAL FUNDS FOR CENTRAL OFFICE COSTS

Pub. L. 116-94, div. H, title II, §214, Dec. 20, 2019, 133 Stat. 3004, provided that: ‘‘With respect to the use of amounts provided in this Act [div. H of Pub. L. 116-94, 133 Stat. 3004, see Tables for classification] and in future Acts for the operation, capital improvement and management of public housing as authorized by sections 9(d) and 9(e) of the United States Housing Act of 1937 (42 U.S.C. 1437g(d) and (e)), the Secretary shall not impose any requirement or guideline relating to asset management that restricts or limits in any way the use of capital funds for central office costs pursuant to section 9(g)(1) or 9(g)(2) of the United States Housing Act of 1937 (42 U.S.C. 1437g(g)(1), (2)): Provided, That a public housing agency may not use capital funds authorized under section 9(d) for activities that are eligible under section 9(e) for assistance with amounts from the operating fund in excess of the amounts permitted under section 9(g)(1) or 9(g)(2).’’

Similar provisions were contained in the following appropriation acts:


PAYMENTS FOR COSTS OF OPERATION AND MANAGEMENT OF PUBLIC HOUSING PROHIBITED

Pub. L. 108-447, div. I, title II, Dec. 8, 2004, 118 Stat. 3298, provided in part: ‘‘That for fiscal year 2006 and all fiscal years thereafter, the Secretary shall provide assistance under this heading [PUBLIC HOUSING OPERATING FUND] to public housing agencies on a calendar year basis: Provided further, That, in fiscal year 2005 and all fiscal years hereafter, no amounts under this heading in any appropriations Act may be used for payments to public housing agencies for the costs of operation and management of public housing for any year prior to the current year of such Act’’.

Similar provisions were contained in the following appropriation acts:


FUNDING OF COVERED LOCALLY DEVELOPED PUBLIC HOUSING UNITS PROHIBITED

Pub. L. 108-7, div. K, title II, §207, Feb. 20, 2003, 117 Stat. 562, provided that: ‘‘Notwithstanding any other provision of law, no funds in this Act or in any other Act in any fiscal year, including all future and prior fiscal years, may be used hereafter by the Secretary of Housing and Urban Development to provide any assistance or other funds for housing units defined in section 9(m) [now 9(n)] of the United States Housing Act of 1937 (42 U.S.C. 1437g(m)) (as in effect immediately before the enactment of this Act [Feb. 20, 2003]) as ‘covered locally developed public housing units’. The States of New
York and Massachusetts shall reimburse any funds already made available under any appropriations Act for these units to the Secretary of Housing and Urban Development for reallocation to public housing agencies.

Provided. That, if either State fails to make such reimbursement within 12 months, the Secretary shall recoup such funds through reductions from the amounts allocated to each State under section 106 of the Housing and Community Development Act of 1974 (42 U.S.C. 5306)."

**APPLICABILITY OF PENALTIES FOR SLOW EXPENDITURE OF CAPITAL FUNDS**

Pub. L. 107–73, title II, Nov. 28, 2001, 115 Stat. 660, provided that: "That, hereafter, notwithstanding any other provision of law or any failure of the Secretary of Housing and Urban Development to issue regulations to carry out section 9(j) of the United States Housing Act of 1937 (42 U.S.C. 1437g(j)), such section is deemed to have taken effect on October 1, 1998, and, except as otherwise provided in this heading ("PUBLIC HOUSING CAPITAL FUND (INCLUDING TRANSFER OF FUNDS)"), shall apply to all assistance made available under this same heading on or after such date:"

**COOLING DEGREE DAY ADJUSTMENT UNDER PERFORMANCE FUNDING SYSTEM**

Pub. L. 101–625, title V, § 508, Nov. 28, 1990, 104 Stat. 4187, provided that: "In determining the Performance Funding System utility subsidy for public housing agencies pursuant to section 9(j) of the United States Housing Act of 1937 (42 U.S.C. 1437g(j)), such section is deemed to have taken effect on October 1, 1998, and, except as otherwise provided in this heading ("PUBLIC HOUSING CAPITAL FUND (INCLUDING TRANSFER OF FUNDS)"), shall apply to all assistance made available under this same heading on or after such date:"

**ENERGY EFFICIENCY DEMONSTRATION**

Pub. L. 101–625, title V, § 523, Nov. 28, 1990, 104 Stat. 4215, which directed Secretary of Housing and Urban Development to carry out demonstration program to encourage use of private energy service companies and demonstrate opportunities for energy cost reduction through energy service contracts, and to report findings and recommendations to Congress as soon as practicable after expiration of 1-year period beginning on Nov. 28, 1990, was repealed by Pub. L. 105–276, Oct. 21, 1998, 112 Stat. 3044.

**§ 1437i. Obligations of public housing agencies; contestability; full faith and credit of United States pledged as security; tax exemption**

(a) Obligations issued by a public housing agency in connection with low-income housing projects which (1) are secured (A) by a pledge of a loan under any agreement between such public housing agency and the Secretary, or (B) by a pledge of annual contributions under an annual contributions contract between such public housing agency and the Secretary, or (C) by a pledge of both annual contributions under an annual contributions contract and a loan under an agreement between such public housing agency and the Secretary, shall be exempt from all taxation now or hereafter imposed by the United States whether paid by such agencies or by the Secretary. The income derived by such agencies from such projects shall be exempt from all taxation now or hereafter imposed by the United States.


**PRIOR PROVISIONS**

A prior section 10 of act Sept. 1, 1937, ch. 896, 50 Stat. 891, as amended, authorized annual contributions in assistance of low rentals for housing projects and was classified to section 1410 of this title, prior to the general revision of this chapter by Pub. L. 93–383. Similar provisions are contained in section 1437c of this title.

**AMENDMENTS**


1996—Subsec. (a)(2). Pub. L. 104–316 substituted “maintain an integral set of accounts which may be audited by the General Accounting Office as provided by chapter 91 of title 31,” for “maintain an integral set of accounts which shall be audited annually by the General Accounting Office in accordance with the principles and procedures applicable to commercial transactions as provided by chapter 91 of title 31, and no other audit shall be required.”


**§ 1437i. Obligations of public housing agencies; contestability; full faith and credit of United States pledged as security; tax exemption**

(a) Obligations issued by a public housing agency in connection with low-income housing projects which (1) are secured (A) by a pledge of a loan under any agreement between such public housing agency and the Secretary, or (B) by a pledge of annual contributions under an annual contributions contract between such public housing agency and the Secretary, or (C) by a pledge of both annual contributions under an annual contributions contract and a loan under an agreement between such public housing agency and the Secretary, shall be exempt from all taxation now or hereafter imposed by the United States whether paid by such agencies or by the Secretary. The income derived by such agencies from such projects shall be exempt from all taxation now or hereafter imposed by the United States.


**PRIOR PROVISIONS**

A prior section 10 of act Sept. 1, 1937, ch. 896, 50 Stat. 891, as amended, authorized annual contributions in assistance of low rentals for housing projects and was classified to section 1410 of this title, prior to the general revision of this chapter by Pub. L. 93–383. Similar provisions are contained in section 1437c of this title.

**AMENDMENTS**


1996—Subsec. (a)(2). Pub. L. 104–316 substituted “maintain an integral set of accounts which may be audited by the General Accounting Office as provided by chapter 91 of title 31,” for “maintain an integral set of accounts which shall be audited annually by the General Accounting Office in accordance with the principles and procedures applicable to commercial transactions as provided by chapter 91 of title 31, and no other audit shall be required.”

§ 1437j. Labor standards and community service requirement

(a) Payment of wages prevailing in locality

Any contract for loans, contributions, sale, or lease pursuant to this chapter shall contain a provision requiring that, not less than the wages prevailing in the locality, as determined or adopted (subsequent to a determination under applicable State or local law) by the Secretary, shall be paid to all architects, technical engineers, draftsmen, and technicians employed in the development, and all maintenance laborers and mechanics employed in the operation, of the low-income housing project involved; and shall also contain a provision that not less than the wages prevailing in the locality, as determined or adopted by the Secretary of Labor pursuant to sections 3141–3144, 3146, and 3147 of title 40, shall be paid to all laborers and mechanics employed in the development of the project involved (including a project with nine or more units as determined by the Secretary of Labor pursuant to section 1437d) of the construction work.

(b) Exception for volunteers

Subsection (a) and the provisions relating to wages (pursuant to subsection (a)) in any contract for loans, annual contributions, sale, or lease pursuant to this chapter, shall not apply to any individual that—

(1) performs services for which the individual volunteered;

(2)(A) does not receive compensation for such services; or

(B) is paid expenses, reasonable benefits, or a nominal fee for such services; and

(3) is not otherwise employed at any time in the construction work.

(c) Community service requirement

(1) In general

Except as provided in paragraph (2) and notwithstanding any other provision of law, each adult resident of a public housing project shall—

(A) contribute 8 hours per month of community service (not including political activities) within the community in which that adult resides; or

(B) participate in an economic self-sufficiency program (as that term is defined in subsection (g)) for 8 hours per month.

(2) Exemptions

The Secretary shall provide an exemption from the applicability of paragraph (1) for any individual who—

(A) is 62 years of age or older;

(B) is a blind or disabled individual, as defined under section 216(i)(1) or 1614 of the Social Security Act (42 U.S.C. 416(i)(1); 1382c), and who is unable to comply with this section, or is a primary caretaker of such individual;

(C) is engaged in a work activity (as such term is defined in section 407(d) of the Social Security Act (42 U.S.C. 607(d)), as in effect on and after July 1, 1997);¹

(D) meets the requirements for being exempted from having to engage in a work activity under the State program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.) or under any other welfare program of the State in which the public housing agency is located, including a State-administered welfare-to-work program; or

(E) is in a family receiving assistance under a State program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.) or under any other welfare program of the State in which the public housing agency is located, including a State-administered welfare-to-work program, and has not been found by the State or other administering entity to be in noncompliance with such program.

(3) Annual determinations

(A) Requirement

For each public housing resident subject to the requirement under paragraph (1), the public housing agency shall, 30 days before the expiration of each lease term of the resident under section 1437d(l)(1) of this title, review and determine the compliance of the resident with the requirement under paragraph (1) of this subsection.

(B) Due process

Such determinations shall be made in accordance with the principles of due process and on a nondiscriminatory basis.

(C) Noncompliance

If an agency determines that a resident subject to the requirement under paragraph (1) has not complied with the requirement, the agency—

(1) shall notify the resident—

(I) of such noncompliance; and

(II) that the determination of noncompliance is subject to the administra-

¹So in original. Probably should be only one closing parenthesis.
(d) Treatment of income changes resulting from welfare program requirements

(1) Covered family

For purposes of this subsection, the term "covered family" means a family that (A) receives benefits for welfare or public assistance from a State or other public agency under a program for which the Federal, State, or local law relating to the program requires, as a condition of eligibility for assistance under the program, participation of a member of the family in an economic self-sufficiency program, and (B) resides in a public housing dwelling unit or is provided tenant-based assistance under section 1437f of this title.

(2) Decreases in income for failure to comply

(A) In general

Notwithstanding the provisions of section 1437a(a) of this title (relating to family rental contributions) or paragraph (4) or (5) of section 1437a(b) of this title (relating to definition of income and adjusted income), if the welfare or public assistance benefits of a covered family are reduced under a Federal, State, or local law regarding such an assistance program because of any failure of any member of the family to comply with the conditions under the assistance program requiring participation in an economic self-sufficiency program or imposing a work activities requirement, the amount required to be paid by the family as a monthly contribution toward rent may not be decreased, during the period of the reduction, as a result of any decrease in the income of the family (to the extent that the decrease in income is a result of the benefits reduction).

(B) No reduction based on time limit for assistance

For purposes of this paragraph, a reduction in benefits as a result of the expiration of a lifetime time limit for a family receiving welfare or public assistance benefits shall not be considered to be a failure to comply with the conditions under the assistance program requiring participation in an economic self-sufficiency program or imposing a work activities requirement. This paragraph shall apply beginning on October 21, 1998.

(3) Effect of fraud

Notwithstanding the provisions of section 1437a(a) of this title (relating to family rental contributions) or paragraph (4) or (5) of section 1437a(b) of this title (relating to definition of income and adjusted income), if the welfare or public assistance benefits of a covered family are reduced because of an act of fraud by a member of the family under the law or program, the amount required to be paid by the covered family as a monthly contribution toward rent may not be decreased, during the period of the reduction, as a result of any decrease in the income of the family (to the extent that the decrease in income is a result of the benefits reduction). This paragraph shall apply beginning on October 21, 1998.
§ 1437j  TITLE 42—THE PUBLIC HEALTH AND WELFARE

(4) Notice

Paragraphs (2) and (3) shall not apply to any covered family before the public housing agency providing assistance under this chapter on behalf of the family obtains written notification from the relevant welfare or public assistance agency specifying that the family’s benefits have been reduced because of noncompliance with economic self-sufficiency program or work activities requirements or fraud, and the level of such reduction.

(5) Occupancy rights

This subsection may not be construed to authorize any public housing agency to establish any time limit on tenancy in a public housing dwelling unit or on receipt of tenant-based assistance under section 1437f of this title.

(6) Review

Any covered family residing in public housing that is affected by the operation of this subsection shall have the right to review the determination under this subsection through the administrative grievance procedure established pursuant to section 1437d(k) of this title for the public housing agency.

(7) Cooperation agreements for economic self-sufficiency activities

(A) Requirement

A public housing agency providing public housing dwelling units or tenant-based assistance under section 1437f of this title for covered families shall make its best efforts to enter into such cooperation agreements, with State, local, and other agencies providing assistance to covered families under welfare or public assistance programs, as may be necessary, to provide for such agencies to transfer information to facilitate administration of subsection (c) and paragraphs (2), (3), and (4) of this subsection and other information regarding rents, income, and assistance that may assist a public housing agency or welfare or public assistance agency in carrying out its functions.

(B) Contents

A public housing agency shall seek to include in a cooperation agreement under this paragraph requirements and provisions designed to target assistance under welfare and public assistance programs to families residing in public housing projects and families receiving tenant-based assistance under section 1437f of this title, which may include providing for economic self-sufficiency services within such housing, providing for services designed to meet the unique employment-related needs of residents of such housing and recipients of such assistance, providing for placement of workfare positions on site in such housing, and such other elements as may be appropriate.

(C) Confidentiality

This paragraph may not be construed to authorize any release of information prohibited by, or in contravention of, any other provision of Federal, State, or local law.

(e) Lease provisions

A public housing agency shall incorporate into leases under section 1437d(l) of this title and into agreements for the provision of tenant-based assistance under section 1437f of this title, provisions incorporating the conditions under subsection (d).

(f) Treatment of income

Notwithstanding any other provision of this section, in determining the income of a family who resides in public housing or receives tenant-based assistance under section 1437f of this title, a public housing agency shall consider any decrease in the income of a family that results from the reduction of any welfare or public assistance benefits received by the family under any Federal, State, or local law regarding a program for such assistance if the family (or a member thereof, as applicable) has complied with the conditions for receiving such assistance and is unable to obtain employment notwithstanding such compliance.

(g) Definition

For purposes of this section, the term “economic self-sufficiency program” means any program designed to encourage, assist, train, or facilitate the economic independence of participants and their families or to provide work for participants, including programs for job training, employment counseling, work placement, basic skills training, apprenticeship, workfare, financial, or other activities as the Secretary may provide.


REFERENCES IN TEXT


Subsection (k), referred to in subsec. (c)(3)(C)(I)(II), probably means section 1437d(k) of this title, which relates to administrative grievance procedures. This section does not contain a subsec. (k).

CODIFICATION


PRIOR PROVISIONS

A prior section 12 of act Sept. 1, 1937, ch. 896, 50 Stat. 894, as amended, authorized the disposal of low-rent housing projects transferred to or acquired by the Authority and was classified to section 1312 of this title, prior to the general revision of this chapter by Pub. L. 93–383.
AMENDMENTS
Subsecs. (c) to (g). Pub. L. 105–276, §512(a)(2), added subsec. (c) to (g).
1990—Pub. L. 101–625, §955(b), designated existing provisions as subsec. (a) and added subsec. (b).
Pub. L. 101–625, §572(2), substituted “low-income housing” for “lower income housing”.
1988—Pub. L. 100–242 struck out “annual” before “contributions”.

EFFECTIVE DATE OF 1998 AMENDMENT
Amendment by title V of Pub. L. 105–276 effective and applicable beginning upon Oct. 1, 1998, except as otherwise provided, with provision that Secretary may implement amendment before such date, except to extent that such amendment provides otherwise, and with savings provision, see section 503 of Pub. L. 105–276, set out as a note under section 1437 of this title.

EFFECTIVE DATE OF 1990 AMENDMENT
Section 955(d) of Pub. L. 101–625 provided that: “The amendments made by this section [amending this section, section 5310 of this title, and section 1701q of Title 12, Banks and Banking] shall apply to any volunteer services provided before, on, or after the date of the enactment of this Act [Nov. 28, 1990], except that such amendments may not be construed to require the reemployment of this Act for services provided before such date.”

EFFECTIVE DATE OF 1981 AMENDMENT
Amendment by Pub. L. 97–35 effective Oct. 1, 1981, except as otherwise provided, with provision that Secretary may implement amendment before such date, except to extent that such amendment provides otherwise, and with savings provision, see section 503 of Pub. L. 105–276, set out as a note under section 1437 of this title.

§ 1437k. Consortia, joint ventures, affiliates, and subsidiaries of public housing agencies
(a) Consortia
(1) In general
Any 2 or more public housing agencies may participate in a consortium for the purpose of administering any or all of the housing programs of those public housing agencies in accordance with this section.
(2) Effect
With respect to any consortium described in paragraph (1)—
(A) any assistance made available under this subchapter to each of the public housing agencies participating in the consortium shall be paid to the consortium; and
(B) all planning and reporting requirements imposed upon each public housing agency participating in the consortium with respect to the programs operated by the consortium shall be consolidated.
(3) Restrictions
(A) Agreement
Each consortium described in paragraph (1) shall be formed and operated in accordance with a consortium agreement, and shall be subject to the requirements of a joint public housing agency plan, which shall be submitted by the consortium in accordance with section 1437c–1 of this title.
(B) Minimum requirements
The Secretary shall specify minimum requirements relating to the formation and operation of consortia and the minimum contents of consortium agreements under this paragraph.

(b) Joint ventures
(1) In general
Notwithstanding any other provision of law, a public housing agency, in accordance with the public housing agency plan, may—
(A) form and operate wholly owned or controlled subsidiaries (which may be nonprofit corporations) and other affiliates, any of which may be directed, managed, or controlled by the same persons who constitute the board of directors or similar governing body of the public housing agency, or who serve as employees or staff of the public housing agency; or
(B) enter into joint ventures, partnerships, or other business arrangements with, or contract with, any person, organization, entity, or governmental unit—
(i) with respect to the administration of the programs of the public housing agency, including any program that is subject to this subchapter; or
(ii) for the purpose of providing or arranging for the provision of supportive or social services.
(2) Use and treatment of income
Any income generated under paragraph (1)—
(A) shall be used for low-income housing or to benefit the residents assisted by the public housing agency; and
(B) shall not result in any decrease in any amount provided to the public housing agency under this subchapter, except as otherwise provided under the formulas established under section 1437g(d)(2) and 1437g(e)(2) of this title.
(3) Audits
The Comptroller General of the United States, the Secretary, or the Inspector General of the Department of Housing and Urban Development may conduct an audit of any activity undertaken under paragraph (1) at any time.

Page 4253
TITLE 42—THE PUBLIC HEALTH AND WELFARE
§ 1437k

Effective Date of 1998 Amendment

Amendment by title V of Pub. L. 105–276 effective and applicable beginning upon Oct. 1, 1999, except as otherwise provided, with provision that Secretary may implement amendment before such date, except to extent that such amendment provides otherwise, and with savings provision, see section 503 of Pub. L. 105–276, set out as a note under section 1437 of this title.

Reporting by Agencies Operating in Consortia

Pub. L. 115–174, title II, §209(c), May 24, 2018, 132 Stat. 1316, provided that: “Not later than 180 days after the date of enactment of this Act [May 24, 2018], the Secretary of Housing and Urban Development shall develop and deploy all electronic information systems necessary to accommodate full consolidated reporting by public housing agencies, as defined in section 3(b)(6) of such Act [42 U.S.C. 1437k(a)], to build and test a variety of energy-efficient housing designs in 100 separate housing units in 4 different States, and deploy all electronic information systems selected on the basis of criteria which include a life-cycle cost analysis of such systems.”

1998—Pub. L. 105–276 struck out subsec. (a) which related to consideration by the Secretary, in utilizing contract authority, of projects which will be modernized to a substantial extent with weatherization materials as defined in section 6802(b) of this title, and redesignated former subsec. (b) as entire section.

Effective Date of Repeal

Repeal effective and applicable beginning upon Oct. 1, 1999, except as otherwise provided, with provision that Secretary may implement the repeal before such date, and with savings provision, see section 503 of Pub. L. 105–276, set out as an Effective Date of 1998 Amendment note under section 1437 of this title.

Savings Provision


“(2) EXPANSION OF USE OF MODERNIZATION FUNDING.—Before the implementation of formulas pursuant to sections 9(d)(2) and 9(e)(2) of the United States Housing Act of 1937 [42 U.S.C. 1437g(d)(2), (e)(2)] (as amended by section 519(a) of this Act), the appropriate authority provided under or pursuant to section 14(q) of such Act [42 U.S.C. 1437q(q) (including the authority under section 201(a) of the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1996 [see Tables for classification] (Public Law 104–134; 110 Stat. 1321–277)], as such provisions (including such section 201(a)) may be amended thereafter, including any amendment made by title II of this Act [see Tables for classification], notwithstanding any other provision of law (including the repeal made under this section and expiration of the applicability of such section 201 [see Tables for classification], or any repeal of such section 201).

“(3) EFFECTIVE DATE.—This subsection shall take effect on the date of the enactment of this Act [Oct. 21, 1998].”

Conversion of Certain Public Housing to Vouchers

Pub. L. 104–134, title I, §101(e) [title II, §202], Apr. 26, 1996, 110 Stat. 1321–257, 1321–279; renumbered title I, Pub. L. 104–140, §1(a), May 2, 1996, 110 Stat. 1327, which required identification for removal from the inventory of a public housing agency of developments on same or contiguous sites which had more than 300 units and vacancy rate of at least 10 percent, were identified as disabled, and for which estimated cost of continued operation exceeded cost of providing tenant-based assistance under section 1437f of this title, provided for implementation and enforcement of provisions requiring identification, required each agency to develop and carry out plan for removal over 5-year period, and required provision of tenant-based assistance to families residing in any removed development, was repealed by Pub. L. 105–276, title V, §507(b), Oct. 21, 1998, 112 Stat. 2962. Amounts made available to carry out section 103(e) [title II, §202] of Pub. L. 104–134 authorized to be used, to extent provided in advance in appropriations.
Acts, to carry out section 1437z–5 of this title, and section 101(e) [title II, §202] of Pub. L. 104–134 as in effect immediately before Oct. 21, 1998, to continue to apply to public housing developments identified for conversion, or assessment of whether conversion is required, prior to such date, see section 537(c) of Pub. L. 105–276, set out as a Transition note under section 1437z–3 of this title.

§ 1437m. Payment of non-Federal share

Any of the following may be used as the non-Federal share required in connection with activities undertaken under Federal grant-in-aid programs which provide social, educational, employment, and other services to the tenants in a project assisted under this chapter, other than under section 1437f of this title;

(1) annual contributions under this chapter for operation of the project; or

(2) rental or use-value of buildings or facilities paid for, in whole or in part, from development, modernization, or operation cost financed under this chapter.


AMENDMENTS

1988—Cl. (2). Pub. L. 100–242 struck out “with loans or debt service annual contributions” after “cost financed”.

§ 1437n. Eligibility for assisted housing

(a) Income eligibility for public housing

(1) Income mix within projects

A public housing agency may establish and utilize income-mix criteria for the selection of residents for dwelling units in public housing projects, subject to the requirements of this section.

(2) PHA income mix

(A)

TARGETING.—Except as provided in paragraph (4), of the public housing dwelling units of a public housing agency made available for occupancy in any fiscal year by eligible families, not less than 40 percent shall be occupied by extremely low-income families.

(3) Prohibition of concentration of low-income families

(A) Prohibition

A public housing agency may not, in complying with the requirements under paragraph (2), concentrate very low-income families (or other families with relatively low incomes) in public housing dwelling units in certain public housing projects or certain buildings within projects. The Secretary shall review the income and occupancy characteristics of the public housing projects and the buildings of such projects of such agencies to ensure compliance with the provisions of this paragraph and paragraph (2).

(B) Deconcentration

(i) In general

A public housing agency shall submit with its annual public housing agency plan under section 1437c–1 of this title an admissions policy designed to provide for deconcentration of poverty and income-mixing by bringing higher income tenants into lower income projects and lower income tenants into higher income projects. This clause may not be construed to impose or require any specific income or racial quotas for any project or projects.

(ii) Incentives

In implementing the policy under clause (i), a public housing agency may offer incentives for eligible families having higher incomes to occupy dwelling unit in projects predominantly occupied by eligible families having lower incomes, and provide for occupancy of eligible families having lower incomes in projects predominantly occupied by eligible families having higher incomes.

(iii) Family choice

Incentives referred to in clause (ii) may be made available by a public housing agency only in a manner that allows for the eligible family to have the sole discretion in determining whether to accept the incentive and an agency may not take any adverse action toward any eligible family for choosing not to accept an incentive and occupancy of a project described in clause (i)(II).2

Provided, That the skipping of a family on a waiting list to reach another family to implement the policy under clause (i) shall not be considered an adverse action. An agency implementing an admissions policy under this subparagraph shall implement the policy in a manner that does not prevent or interfere with the use of site-based waiting lists authorized under section 1437d(s)3 of this title.

(4) Fungibility with tenant-based assistance

(A) Authority

Except as provided under subparagraph (D), the number of public housing dwelling units that a public housing agency shall otherwise make available in accordance with paragraph (2)(A) to comply with the percentage requirement under such paragraph for a fiscal year shall be reduced by the credit number for the agency under subparagraph (B).

(B) Credit for exceeding tenant-based assistance targeting requirement

Subject to subparagraph (C), the credit number under this subparagraph for a public housing agency for a fiscal year shall be the number by which—

(i) the aggregate number of qualified families who, in such fiscal year, are initially provided tenant-based assistance under section 1437f of this title by the agency; exceeds

(ii) the number of qualified families that is required for the agency to comply with the percentage requirement under subsection (b)(1) for such fiscal year.

1 So in original. No subpar. (B) has been enacted.

2 So in original. Cl. (i) does not contain subclauses.

3 See References in Text note below.
(C) Limitations on credit number
The credit number under subparagraph (B) for a public housing agency for a fiscal year may not in any case exceed the lesser of—
(i) the number of dwelling units that is equivalent to 10 percent of the aggregate number of families initially provided tenant-based assistance under section 1437f of this title by the agency in such fiscal year; or
(ii) the number of public housing dwelling units of the agency that—
(I) are in projects that are located in census tracts having a poverty rate of 30 percent or more; and
(II) are made available for occupancy during such fiscal year and are actually filled only by families whose incomes at the time of commencement of such occupancy exceed 30 percent of the area median income, as determined by the Secretary with adjustments for smaller and larger families.

(D) Fungibility floor
Notwithstanding any authority under subparagraph (A), of the public housing dwelling units of a public housing agency made available for occupancy in any fiscal year by eligible families, not less than 30 percent shall be occupied by families whose incomes at the time of commencement of such occupancy do not exceed 30 percent of the area median income, as determined by the Secretary with adjustments for smaller and larger families.

(E) Reports on over-income families and waiting lists
The Secretary shall require that each public housing agency shall—
(i) submit a report annually, in a format required by the Secretary, that specifies—
(I) the number of families residing, as of the end of the year for which the report is submitted, in public housing administered by the agency who had incomes exceeding the applicable income limitation under subparagraph (C); and
(II) the number of families, as of the end of such year, on the waiting lists for admission to public housing projects of the agency; and
(ii) make the information reported pursuant to clause (i) publicly available.

(b) Income eligibility for tenant-based section 1437f assistance
(1) In general
Of the families initially provided tenant-based assistance under section 1437f of this title by a public housing agency in any fiscal year, not less than 75 percent shall be extremely low-income families.

(2) Jurisdictions served by multiple PHAs
In the case of any 2 or more public housing agencies that administer tenant-based assistance under section 1437f of this title with respect solely to identical geographical areas, such agencies shall be treated as a single public housing agency for purposes of paragraph (1).

(c) Income eligibility for project-based section 1437f assistance
(1) Pre-1981 act projects
Not more than 25 percent of the dwelling units that were available for occupancy under
(2) Post-1981 act projects
Not more than 15 percent of the dwelling units which become available for occupancy under section 8 [42 U.S.C. 1437f] housing assistance contracts under this chapter on or after October 1, 1981, shall be available for leasing by low-income families other than very low-income families.

(3) Targeting
For each project assisted under a contract for project-based assistance, of the dwelling units that become available for occupancy in any fiscal year that are assisted under the contract, not less than 40 percent shall be available for leasing only by extremely low-income families.

(4) Prohibition of skipping
In developing admission procedures implementing paragraphs (1), (2), and (3), the Secretary shall prohibit project owners from selecting families for residence in an order different from the order on the waiting list for the purpose of selecting relatively higher income families for residence. Nothing in this paragraph or this subsection may be construed to prevent an owner of housing assisted under a contract for project-based assistance from establishing a preference for occupancy in such housing for families containing a member who is employed.

(5) Exception
The limitations established in paragraphs (1), (2), and (3) shall not apply to dwelling units made available under project-based contracts under section 1437f of this title for the purpose of preventing displacement, or ameliorating the effects of displacement.

(6) Definition
For purposes of this subsection, the term “project-based assistance” means assistance under any of the following programs:

(A) The new construction or substantial rehabilitation program under section 1437f(b)(2) of this title (as in effect before October 1, 1983).

(B) The property disposition program under section 1437f(h)(2) of this title (as in effect before the effective date under section 1437f of this title, subject to paragraph (3) and notwithstanding subsection (a)(2) or (b)(1), if approved by the Secretary, a public housing agency may for good cause establish and implement, in accordance with the public housing agency plan, an admission standard other than the standard under such subsection.

(c) Eligibility for assistance based on assets

(1) Limitation on assets
Subject to paragraph (3) and notwithstanding any other provision of this chapter, a dwelling unit assisted under this chapter may not be rented and assistance under this chapter may not be provided, either initially or at each recertification of family income, to any family—

(A) whose net family assets exceed $100,000, as such amount is adjusted annually by applying an inflationary factor as the Secretary considers appropriate; or

(B) who has a present ownership interest in, a legal right to reside in, and the effective legal authority to sell, real property that is suitable for occupancy by the family as a residence, except that the prohibition under this subparagraph shall not apply to—

(i) any property for which the family is receiving assistance under subsection (y) or (o)(12) of section 1437f of this title;

(ii) any person that is a victim of domestic violence; or

(iii) any family that is offering such property for sale.

(2) Net family assets

(A) In general
For purposes of this subsection, the term “net family assets” means, for all members of the household, the net cash value of all assets after deducting reasonable costs that would be incurred in disposing of real property, savings, stocks, bonds, and other forms of capital investment. Such term does not include interests in Indian trust land, equity in property for which the family is receiving assistance under subsection (y) of section 1437f of this title, equity accounts in homeownership programs of the Department of Housing and Urban Development, or Family Self Sufficiency accounts.

(B) Exclusions
Such term does not include—

(i) the value of personal property, except for items of personal property of significant value, as the Secretary may establish or the public housing agency may determine;

(ii) the value of any retirement account;

(iii) real property for which the family does not have the effective legal authority necessary to sell such property;
§ 1437n

(4) Compliance for public housing dwelling units

A public housing agency or owner may choose not to enforce the limitation based on eligibility criteria for establishing exceptions to such limitation based on family type and may be based on different factors, such as age, disability, income, the ability of the family to find suitable alternative housing, and whether supportive services are being provided.

(5) Authority to delay evictions

In the case of a family residing in a dwelling unit assisted under this chapter who does not comply with the limitation under paragraph (1), the public housing agency or project owner may delay eviction or termination of the family based on such noncompliance for a period of not more than 6 months.

(7) Verifying income

(A) Beginning in fiscal year 2018, the Secretary shall require public housing agencies to require each applicant for, or recipient of, benefits under this chapter to provide authorization by the applicant or recipient (or any other person whose income or resources are material to the determination of eligibility of the applicant or recipient for such benefits) for the public housing agency to obtain (subject to the cost reimbursement requirements of section 1115(a) of the Right to Financial Privacy Act [12 U.S.C. 3415]) from any financial institution (within the meaning of section 1101(1) of such Act [12 U.S.C. 3401(1)]) any financial record (within the meaning of section 1101(2) of such Act [12 U.S.C. 3401(2)]) held by the institution with respect to the applicant or recipient (or any such other person) whenever the public housing agency determines the record is needed in connection with a determination with respect to such eligibility or the amount of such benefits.

(B) Notwithstanding section 1104(a)(1) of the Right to Financial Privacy Act [12 U.S.C. 3404(a)(1)], an authorization provided by an applicant or recipient (or any other person whose income or resources are material to the determination of the eligibility of the applicant or recipient) pursuant to subparagraph (A) of this paragraph shall remain effective until the earliest of—

(i) the rendering of a final adverse decision on the applicant’s application for eligibility for benefits under this chapter;

(ii) the cessation of the recipient’s eligibility for benefits under this chapter; or

(iii) the express revocation by the applicant or recipient (or such other person referred to in subparagraph (A)) of the authorization, in a written notification to the Secretary.

(C)(i) An authorization obtained by the public housing agency pursuant to this paragraph shall be considered to meet the requirements of the Right to Financial Privacy Act [12 U.S.C. 3401 et seq.] for purposes of section 1103(a) of such Act [12 U.S.C. 3403(a)], and need not be furnished to the financial institution, notwithstanding section 1104(a) of such Act [12 U.S.C. 3404(a)].

(ii) The certification requirements of section 1103(b) of the Right to Financial Privacy Act [12 U.S.C. 3403(b)] shall not apply to requests...
by the public housing agency pursuant to an authorization provided under this clause.

(iii) A request by the public housing agency pursuant to an authorization provided under this subchapter is deemed to meet the requirements of section 1104(a)(3) of the Right to Financial Privacy Act (12 U.S.C. 3404(a)(3)) and the flush language of section 1102 of such Act (12 U.S.C. 3402).

(iv) The public housing agency shall inform any person who provides authorization pursuant to this paragraph of the duration and scope of the authorization.

(D) If an applicant for, or recipient of, benefits under this chapter (or any such other person referred to in subparagraph (A)) refuses to provide, or revokes, any authorization made by the applicant or recipient for the public housing agency to obtain from any financial institution any financial record, the public housing agency may, on that basis, determine that the applicant or recipient is ineligible for benefits under this subchapter.

(f) Ineligibility of individuals convicted of manufacturing or producing methamphetamine on the premises

Notwithstanding any other provision of law, a public housing agency shall establish standards for occupancy in public housing dwelling units and assistance under section 1437f of this title that:

(1) permanently prohibit occupancy in any public housing dwelling unit by, and assistance under section 1437f of this title for, any person who has been convicted of manufacturing or otherwise producing methamphetamine on the premises in violation of any Federal or State law; and

(2) immediately and permanently terminate the tenancy in any public housing unit of, and the assistance under section 1437f of this title for, any person who is convicted of manufacturing or otherwise producing methamphetamine on the premises in violation of any Federal or State law.


REFERENCES IN TEXT

Section 1437f(d)(1) of this title, referred to in subsection (a)(3)(B)(iii), probably should be a reference to section 1437f(d) of this title. Pub. L. 105-276, title V, §§525, 575(d), 576(d)(1)(B), Oct. 21, 1998, 112 Stat. 2568, 2637, 2640, amended section 1437f by adding a subsection (t) relating to authority to require access to criminal records and then redesignated those subsections (s) and (t) as (r) and (s), respectively.

Section 503(a) of the Quality Housing and Work Responsibility Act of 1998, referred to in subsection (c)(6)(B), is section 503(a) of Pub. L. 105-276, which is set out as an Effective Date of 1998 Amendment note under section 1437f of this title.

The Low-Income Housing Preservation and Resident Homeownership Act of 1990, referred to in subsection (c)(6)(F), is title II of Pub. L. 100-242, Feb. 5, 1988, 101 Stat. 1877, which, as amended by Pub. L. 101-625, is known as the Low-Income Housing Preservation and Resident Homeownership Act of 1990. Subtitles A and B of title II, which were formerly set out as a note under section 1715f of Title 12, Banks and Banking, and which amended section 1715z-6 of Title 12, were amended generally by Pub. L. 101-625 and are classified to subchapter I (§4101 et seq.) of chapter 42 of Title 12. Subtitles C and D of title II, amended section 1715z-15 of Title 12 and sections 1437f, 1472, 1485, and 1487 of this title. Another subtitle C of title II of Pub. L. 100-242, as added by Pub. L. 102-550, is classified generally to subchapter II (§411 et seq.) of chapter 42 of Title 12. For complete classification of this Act to the Code, see Short Title note set out under section 4101 of Title 12 and Tables.

The Emergency Low Income Housing Preservation Act of 1987, referred to in subsection (c)(6)(F), is title II of Pub. L. 100-242, Feb. 5, 1988, 101 Stat. 1877, which, as amended by Pub. L. 101-625, is known as the Low-Income Housing Preservation and Resident Homeownership Act of 1990. Subtitles A and B of title II, which were formerly set out as a note under section 1715f of Title 12, Banks and Banking, and which amended section 1715z-6 of Title 12, were amended generally by Pub. L. 101-625 and are classified to subchapter I (§4101 et seq.) of chapter 42 of Title 12. For complete classification of this Act to the Code, see Short Title note set out under section 4101 of Title 12 and Tables.

The Right to Financial Privacy Act, referred to in subsection (c)(6)(F), is title II of Pub. L. 95-630, Nov. 10, 1978, 92 Stat. 3697, which is classified generally to chapter 35 (§§3401 et seq.) of Title 12, Banks and Banking. For complete classification of this Act to the Code, see Short Title note set out under section 3401 of Title 12 and Tables.

CODIFICATION

October 1, 1981, referred to in subsection (c)(1), (2), was in the original “the effective date of the Housing and Community Development Amendments of 1981” and “such effective date”, meaning the effective date of subtitle A of title III of Pub. L. 97-35, Aug. 13, 1981, 95 Stat. 384, which was generally effective Oct. 1, 1981. See Effective Date note below.

AMENDMENTS


2014—Subsec. (a)(2)(A). Pub. L. 113-76, §238(b)(1), substituted “extremely low-income families” for “families whose incomes do not exceed 30 percent of the area median income, as determined by the Secretary with adjustments for smaller and larger families; except that the Secretary may establish income ceilings higher or lower than 30 percent of the area median income on the basis of the Secretary’s findings that such variations are necessary because of unusually high or low family incomes”.

Subsec. (b)(1). Pub. L. 113-76, §238(b)(2), substituted “extremely low-income families” for “families whose incomes do not exceed 30 percent of the area median income, as determined by the Secretary with adjustments for smaller and larger families; except that the Secretary may establish income ceilings higher or lower than 30 percent of the area median income on the basis of the Secretary’s findings that such variations are necessary because of unusually high or low family incomes”.
are necessary because of unusually high or low family incomes'.

Subsec. (a)(3). Pub. L. 113–76, §238(b)(3), substituted "extremely low-income families" for "families whose incomes at the time of commencement of occupancy do not exceed 30 percent of the area median income, as determined by the Secretary with adjustments for smaller or larger families, except that the Secretary may establish income ceilings higher or lower than 30 percent of the area median income on the basis of the Secretary's findings that such variations are necessary because of unusually high or low family incomes'.

1999—Subsecs. (a)(2)(A), (c)(3). Pub. L. 106–74, §205(1), inserted before the period at end "; except that the Secretary may establish income ceilings higher or lower than 30 percent of the area median income on the basis of the Secretary's findings that such variations are necessary because of unusually high or low family incomes'.

1998—Subsecs. (a) to (d). Pub. L. 105–276, §513(a), as amended by Pub. L. 105–277, §123, added subsecs. (a) to (d) and struck out former subsecs. (a) to (d). Prior to amendment, subsec. (a) related to percentage availability under contracts prior to Oct. 1, 1981, subsec. (b) related to percentage availability under contracts on or after Oct. 1, 1981, subsec. (c) related to admission procedures implementing subsec. (b), and subsec. (d) related to applicability of admission procedures limitations.

Subsec. (e). Pub. L. 105–276, §179(d)(2), struck out heading and text of subsec. (e), which directed public housing agency to establish standards to prohibit occupancy by and terminate tenancy of any person illegally using controlled substance or whose use of controlled substance or abuse of alcohol might interfere with peaceful enjoyment of premises by other residents, and authorized agency to consider rehabilitation of person in making determination to deny occupancy.


Subsec. (c). Pub. L. 104–99 temporarily substituted "the written system of preferences for selection established by the public housing agency pursuant to section 1437d(c)(4)(A)" for "the system of preferences established by the agency pursuant to section 1437d(c)(4)(A)(i)". See Effective and Termination Dates of 1996 Amendments note below.

Subsec. (d). Pub. L. 104–330, §501(b)(7)(A), redesignated par. (1) as entire subsec. and struck out par. (2) which read as follows: "The limitations established in subsections (a) and (b) of this section shall not apply to dwelling units assisted by Indian public housing agencies, to scattered site public housing dwelling units sold or intended to be sold to public housing tenants under section 1437(h) of this title.".


Subsec. (e)(3). Pub. L. 104–330, §501(b)(7)(B), struck out heading and text of subsec. (e)(3). Text read as follows: "This subsection does not apply to any dwelling unit assisted by an Indian housing authority.".

1992—Subsec. (c). Pub. L. 102–550, §106(a), substituted "very low-income families and shall" for "very low-income families, and shall" and inserted "; except that such prohibition shall not apply with respect to families selected for occupancy in public housing under the system of preferences established by the agency pursuant to section 1437d(c)(4)(A)(ii) of this title" after "higher income families for residence".

Subsec. (d)(2). Pub. L. 102–550, §105(b), inserted before period at end "; to scattered site public housing dwelling units sold or intended to be sold to public housing tenants under section 1437(h) of this title.".


Pub. L. 101–625, §511, designated existing provisions as par. (1), substituted "15 percent" for "5 per centum", and added par. (2).
EFFECTIVE DATE OF REPEAL

Repeal effective Oct. 1, 1991, and except with respect to projects and programs for which binding commitments have been entered into prior to Oct. 1, 1991, no new grants or loans to be made after Oct. 1, 1991, under this section, see section 12839(a)(1), (b)(1) of this title.

§ 1437p. Demolition and disposition of public housing

(a) Applications for demolition and disposition

Except as provided in subsection (b), upon receiving an application by a public housing agency for authorization, with or without financial assistance under this subchapter, to demolish or dispose of a public housing project or a portion of a public housing project (including any transfer to a resident-supported nonprofit entity), the Secretary shall approve the application if the public housing agency certifies—

(1) in the case of—

(A) an application proposing demolition of a public housing project or a portion of a public housing project, that—

(i) the project or portion of the public housing project is obsolete as to physical condition, location, or other factors, making it unsuitable for housing purposes; and

(ii) no reasonable program of modifications is cost-effective to return the public housing project or portion of the project to useful life; and

(B) an application proposing the demolition of only a portion of a public housing project, that the demolition will help to ensure the viability of the remaining portion of the project;

(2) in the case of an application proposing disposition by sale or other transfer of a public housing project or other real property subject to this subchapter—

(A) the retention of the property is not in the best interests of the residents or the public housing agency because—

(i) conditions in the area surrounding the public housing project adversely affect the health or safety of the residents or the feasible operation of the project by the public housing agency; or

(ii) disposition allows the acquisition, development, or rehabilitation of other properties that will be more efficiently or effectively operated as low-income housing;

(B) the public housing agency has otherwise determined the disposition to be appropriate for reasons that are—

(i) in the best interests of the residents and the public housing agency;

(ii) consistent with the goals of the public housing agency and the public housing agency plan; and

(iii) otherwise consistent with this subchapter; or

(C) for property other than dwelling units, the property is excess to the needs of a public housing project or the disposition is incidental to, or does not interfere with, continued operation of a public housing project;

(3) that the public housing agency has specifically authorized the demolition or disposition in the public housing agency plan, and has certified that the actions contemplated in the public housing agency plan comply with this section;

(4) that the public housing agency—

(A) will notify each family residing in a project subject to demolition or disposition 90 days prior to the displacement date, except in cases of imminent threat to health or safety, consistent with any guidelines issued by the Secretary governing such notifications, that—

(i) the public housing project will be demolished or disposed of;

(ii) the demolition of the building in which the family resides will not commence until each resident of the building is relocated; and

(iii) each family displaced by such action will be offered comparable housing—

(I) that meets housing quality standards;

(II) that is located in an area that is generally not less desirable than the location of the displaced person’s housing; and

(III) which may include—

(aa) tenant-based assistance, except that the requirement under this clause regarding offering of comparable housing shall be fulfilled by use of tenant-based assistance only upon the relocation of such family into such housing;

(bb) project-based assistance; or

(cc) occupancy in a unit operated or assisted by the public housing agency at a rental rate paid by the family that is comparable to the rental rate applicable to the unit from which the family is vacated;

(B) will provide for the payment of the actual and reasonable relocation expenses of each resident to be displaced;

(C) will ensure that each displaced resident is offered comparable housing in accordance with the notice under subparagraph (A); and

(D) will provide any necessary counseling for residents who are displaced; and

(E) will not commence demolition or complete disposition until all residents residing in the building are relocated;

(5) that the net proceeds of any disposition will be used—

(A) unless waived by the Secretary, for the retirement of outstanding obligations issued to finance the original public housing project or modernization of the project; and

1 So in original. The word “and” probably should not appear.
§ 1437p

(B) to the extent that any proceeds remain after the application of proceeds in accordance with subparagraph (A), for—

(i) the provision of low-income housing or to benefit the residents of the public housing agency; or

(ii) leveraging amounts for securing commercial enterprises, on-site in public housing projects of the public housing agency, appropriate to serve the needs of the residents; and

(6) that the public housing agency has complied with subsection (c).

(b) Disapproval of applications

The Secretary shall disapprove an application submitted under subsection (a) if the Secretary determines that—

(i) any certification made by the public housing agency under that subsection is clearly inconsistent with information and data available to the Secretary or information or data requested by the Secretary; or

(ii) the application was not developed in consultation with—

(A) residents who will be affected by the proposed demolition or disposition;

(B) each resident advisory board and resident council, if any, of the project (or portion thereof) that will be affected by the proposed demolition or disposition; and

(C) appropriate government officials.

(c) Resident opportunity to purchase in case of proposed disposition

(1) In general

In the case of a proposed disposition of a public housing project or portion of a project, the public housing agency shall, in appropriate circumstances, as determined by the Secretary, initially offer the property to any eligible resident organization, eligible resident management corporation, or nonprofit organization acting on behalf of the residents, if that entity has expressed an interest, in writing, to the public housing agency in a timely manner, in purchasing the property for continued use as low-income housing.

(2) Timing

(A) Expression of interest

A resident organization, resident management corporation, or other resident-supported nonprofit entity referred to in paragraph (1) may express interest in purchasing property that is the subject of a disposition, as described in paragraph (1), during the 30-day period beginning on the date of notification of a proposed sale of the property.

(B) Opportunity to arrange purchase

If an entity expresses written interest in purchasing a property, as provided in subparagraph (A), no disposition of the property shall occur during the 60-day period beginning on the date of receipt of that written notice (other than to the entity providing the notice), during which time that entity shall be given the opportunity to obtain a firm commitment for financing the purchase of the property.

(d) Replacement units

Notwithstanding any other provision of law, replacement public housing units for public housing units demolished in accordance with this section may be built on the original public housing location or in the same neighborhood as the original public housing location if the number of the replacement public housing units is significantly fewer than the number of units demolished.

(e) Consolidation of occupancy within or among buildings

Nothing in this section may be construed to prevent a public housing agency from consolidating occupancy within or among buildings of a public housing project, or among projects, or with other housing for the purpose of improving living conditions of, or providing more efficient services to, residents.

(f) De minimis exception to demolition requirements

Notwithstanding any other provision of this section, in any 5-year period a public housing agency may demolish not more than the lesser of 5 dwelling units or 5 percent of the total dwelling units owned by the public housing agency, but only if the space occupied by the demolished unit is used for meeting the service or other needs of public housing residents or the demolished unit was beyond repair.

(g) Uniform Relocation and Real Property Acquisition Act

The Uniform Relocation and Real Property Acquisition Policies Act of 1970 (42 U.S.C. 4601 et seq.) shall not apply to activities under this section.

(h) Relocation and replacement

Of the amounts appropriated for tenant-based assistance under section 1437f of this title in any fiscal year, the Secretary may use such sums as are necessary for relocation and replacement housing for dwelling units that are demolished and disposed of from the public housing inventory (in addition to other amounts that may be available for such purposes).

References in Text

is classified principally to chapter 61 (§ 4601 et seq.) of this title. For complete classification of this Act to the Code, see Short Title note set out under section 4601 of this title and Tables.

AMENDMENTS

1998—Pub. L. 105–276 amended section generally. Prior to amendment, subsec. (a) required the Secretary to make certain determinations before approving the demolition or disposition of all or part of a public housing project; subsec. (b) required public housing agency consultation with tenants and provision of relocation assistance; subsec. (c) authorized financial assistance using section 1437c contributions; subsec. (d) provided that agency would not be prevented from consolidating occupancy within or among buildings of projects; subsec. (e) provided set-asides for replacement housing in fiscal years 1993 and 1994; subsec. (f) authorized construction on original site if number of new units would be less than number of demolished units; and subsec. (g) declared that this section did not apply to disposition in accordance with approved homeownership program under subchapter II-A of this chapter.

1996—Subsec. (f). Pub. L. 104–134 inserted at end “No one may rely on the preceding sentence as the basis for reconsidering a final order of a court issued, or a settlement approved, by a court.”


1993—Subsec. (b)(3)(A)(ii). Pub. L. 102–550, § 116(b)(1)(A), inserted before semicolon at end “to the extent available; or if such assistance is not available, in the case of an application proposing demolition or disposition of 200 or more units, the use of available project-based assistance under section 1437f of this title having a term of not less than 5 years”.

1988—Pub. L. 100–242, § 121(a), added subsec. (b)(1)(C), inserted before semicolon “to the extent available; or if such assistance is not available, in the case of an application proposing demolition or disposition of 200 or more units, the use of available project-based assistance under other Federal programs having a term of not less than 5 years”.

1992—Subsec. (b)(3)(A)(v). Pub. L. 102–550, § 116(b)(1)(C), inserted before semicolon “to the extent available; or if such assistance is not available, in the case of an application proposing demolition or disposition of 200 or more units, the use of available project-based assistance under other Federal programs having a term of not less than 5 years”.

(a) (A) outlining the commitments the Secretary entered into during the preceding year to fund plans approved under subsection (b)(3) of this section; and

(b) specifying, by fiscal year, the budget authority required to carry out the commitments specified in subparagraph (A).

Subsec. (d). Pub. L. 104–19, § 1002(a)(6), inserted before period at end “Provided, That nothing in this section shall prevent a public housing agency from consolidating occupancy within or among buildings of a public housing project, or among projects, or with other housing for the purpose of improving the living conditions of or providing more efficient services to its tenants”.

Subsec. (e). Pub. L. 104–19, § 1002(a)(7), which directed the striking of “under section (b)(3)(A) of this section” each place it occurred, was executed by striking out “under subsection (b)(3)(A) of this section” before “for units demolished or disposed of” in two places, to reflect the probable intent of Congress.

Subsecs. (f), (g). Pub. L. 104–19, § 1002(a)(8), (9), added subsec. (f) and redesignated former subsec. (f) as (g).


1988—Subsec. (a)(2). Pub. L. 100–242, § 121(a), substituted “disposition, and the tenant councils, resident management corporation, and tenant cooperative, if any, have been given appropriate opportunities to purchase the project or portion of the project covered by the application,” for “disposition”.

Subsec. (c)(2). Pub. L. 101–625, § 513(b), inserted at end “As part of each annual budget request for the Department of Housing and Urban Development, the Secretary shall submit to the Congress a report—”.

Subsec. (c)(3). Pub. L. 101–625, § 513(c), struck out par. (3) which read as follows: “The Secretary shall, in allocating assistance for the acquisition or development of public housing or for moderate rehabilitation under section 1437f(e)(2) of this title, give consideration to housing that replaces demolished public housing units in accordance with a plan under subsection (b)(3) of this section.”

1986—Subsec. (a)(1). Pub. L. 100–242, § 121(a), substituted “and” for “or” after “(3);”.

Subsec. (b). Pub. L. 100–242, § 170(f), inserted “or” after “under this section”. 
§ 1437q. Financing limitations

On and after October 1, 1983, the Secretary—

(1) may only enter into contracts for annual contributions regarding obligations financing public housing projects authorized by section 1437(e)(c) of this title if such obligations are exempt from taxation under section 1437(b) of this title, or if such obligations are issued under section 1437(b) of this title and such obligations are exempt from taxation; and

(2) may not enter into contracts for periodic payments to the Federal Financing Bank to offset the costs to the Bank of purchasing obligations (as described in the first sentence of section 2294(b) of title 12) issued by local public housing agencies for purposes of financing public housing projects authorized by section 1437(e)(c) of this title.


§ 1437r. Public housing resident management

(a) Purpose

The purpose of this section is to encourage increased resident management of public housing projects, as a means of improving existing living conditions in public housing projects, by providing increased flexibility for public housing projects that are managed by residents by—

(1) permitting the retention, and use for certain purposes, of any revenues exceeding operating and project costs; and

(2) providing funding, from amounts otherwise available, for technical assistance to promote formation and development of resident management entities.

For purposes of this section, the term “public housing project” includes one or more contiguous buildings or an area of contiguous row houses the elected resident councils of which approve the establishment of a resident management corporation and otherwise meet the requirements of this section.

(b) Program requirements

(1) Resident council

As a condition of entering into a resident management program, the elected resident council of a public housing project shall approve the establishment of a resident management corporation. When such approval is made by the elected resident council of a building or row house area, the resident management program shall not interfere with the rights of other families residing in the project or harm the efficient operation of the project. The resident management corporation and the resident council may be the same organization, if the organization complies with the requirements applicable to both the corporation and council. The corporation shall be a nonprofit corporation organized under the laws of the State in which the project is located, and the tenants of the project shall be the sole voting members of the corporation. If there is no elected resident council, a majority of the households of the public housing project shall approve the establishment of a resident council to determine the feasibility of establishing a resident management corporation to manage the project.

(2) Public housing management specialist

The resident council of a public housing project, in cooperation with the public housing agency, shall select a qualified public housing management specialist to assist in determining the feasibility of, and to help establish, a resident management corporation and to provide training and other duties agreed to in the daily operations of the project.

(3) Bonding and insurance

Before assuming any management responsibility for a public housing project, the resident management corporation shall provide fidelity bonding and insurance, or equivalent protection, in accordance with regulations and requirements of the Secretary and the public housing agency.
housing agency. Such bonding and insurance, or its equivalent, shall be adequate to protect the Secretary and the public housing agency against loss, theft, embezzlement, or fraudulent acts on the part of the resident management corporation or its employees.

(4) Management responsibilities

A resident management corporation that qualifies under this section, and that supplies insurance and bonding or equivalent protection sufficient to the Secretary and the public housing agency, shall enter into a contract with the public housing agency establishing the respective management rights and responsibilities of the corporation and the public housing agency. Such contract shall be consistent with the requirements of this chapter applicable to public housing projects and may include specific terms governing management personnel and compensation, access to public housing project records, submission of and adherence to budgets, rent collection procedures, tenant income verification, tenant eligibility determinations, tenant eviction, the acquisition of supplies and materials, rent determinations, community service requirements, and such other matters as may be appropriate. The contract shall be treated as a contracting out of services and shall be subject to any provision of a collective bargaining agreement regarding contracting out to which the public housing agency is subject.

(5) Annual audit

The books and records of a resident management corporation operating a public housing project shall be audited annually by a certified public accountant. A written report of each audit shall be forwarded to the public housing agency and the Secretary.

(c) Assistance amounts

A contract under this section for management of a public housing project by a resident management corporation shall provide for—

1. the public housing agency to provide a portion of the assistance to agency from the Capital and Operating Funds to the resident management corporation in accordance with subsection (e) for purposes of operating the public housing project covered by the contract and performing such other eligible activities with respect to the project as may be provided under the contract;
2. the amount of income expected to be derived from the project itself (from sources such as rents and charges);
3. the amount of income to be provided to the project from the other sources of income of the public housing agency (such as interest income, administrative fees, and rents); and
4. any income generated by a resident management corporation of a public housing project that exceeds the income estimated under the contract shall be used for eligible activities under subsections (d)(1) and (e)(1) of section 1437g of this title.

(d) Waiver of Federal requirements

(1) Waiver of regulatory requirements

Upon the request of any resident management corporation and public housing agency, and after notice and an opportunity to comment is afforded to the affected tenants, the Secretary may waive (for both the resident management corporation and the public housing agency) any requirement established by the Secretary (and not specified in any statute) that the Secretary determines to unnecessarily increase the costs or restrict the income of a public housing project.

(2) Waiver to permit employment

Upon the request of any resident management corporation, the Secretary may, subject to applicable collective bargaining agreements, permit residents of such project to volunteer a portion of their labor.

(3) Exceptions

The Secretary may not waive under this subsection any requirement with respect to income eligibility for purposes of section 1437n of this title, rental payments under section 1437a(a) of this title, tenant or applicant protections, employee organizing rights, or rights of employees under collective bargaining agreements.

(e) Direct provision of operating and capital assistance

(1) In general

The Secretary shall directly provide assistance from the Operating and Capital Funds to a resident management corporation managing a public housing development pursuant to a contract under this section, but only if—

(A) the resident management corporation petitions the Secretary for the release of the funds;
(B) the contract provides for the resident management corporation to assume the primary management responsibilities of the public housing agency; and
(C) the Secretary determines that the corporation has the capability to effectively discharge such responsibilities.

(2) Use of assistance

Any assistance from the Operating and Capital Funds provided to a resident management corporation pursuant to this subsection shall be used for purposes of operating the public housing developments of the agency and performing such other eligible activities with respect to public housing as may be provided under the contract.

(3) Responsibility of public housing agency

If the Secretary provides direct funding to a resident management corporation pursuant to this subsection, the public housing agency shall not be responsible for the actions of the resident management corporation.

(4) Calculation of Operating Fund allocation

Notwithstanding any provision of section 1437g of this title or any regulation under such section, and subject to the exception provided in paragraph (3), the portion of the amount re-

1 So in original.
§ 1437r  TITLE 42—THE PUBLIC HEALTH AND WELFARE  Page 2466

cieved by a public housing agency under section 1437g of this title is due to an allocation from the Operating Fund and that is allocated to a public housing project managed by a resident management corporation shall not be less than the public housing agency per unit monthly amount provided in the previous year as determined on an individual project basis.

(5) Calculation of total income

(A) Subject to subparagraph (B), the amount of funds provided by a public housing agency to a public housing project managed by a resident management corporation may not be reduced during the 3-year period beginning on February 5, 1988, or on any later date on which a resident management corporation is first established for the project.

(B) If the total income of a public housing agency (including any amounts from the Capital or Operating Funds provided to the public housing agency under section 1437g of this title) is reduced or increased, the income provided by the public housing agency to a public housing project managed by a resident management corporation shall be reduced or increased in proportion to the reduction or increase in the total income of the public housing agency, except that any reduction in amounts from the Operating Fund that occurs as a result of fraud, waste, or mismanagement by the public housing agency shall not affect the funds provided to the resident management corporation.

(6) Retention of excess revenues

(A) Any income generated by a resident management corporation of a public housing project that exceeds the income estimated for purposes of this subsection shall be excluded in subsequent years in calculating (i) the allocations from the Operating Fund for the public housing agency under section 1437g of this title; and (ii) the funds provided by the public housing agency to the resident management corporation.

(B) Any revenues retained by a resident management corporation under subparagraph (A) shall be used for purposes of improving the maintenance and operation of the public housing project, for establishing business enterprises that employ residents of public housing, or for acquiring additional dwelling units for low-income families.


(h) Applicability

Any management contract between a public housing agency and a resident management corporation that is entered into after November 7, 1988, shall be subject to this section and the regulations issued to carry out this section.


PRIOR PROVISIONS


AMENDMENTS


Subsec. (c). Pub. L. 105–276, §532(a)(2), added subsec. (c) and struck out heading and text of former subsec. (c). Text read as follows: “Public housing projects managed by resident management corporations may be provided with comprehensive improvement assistance under section 1437 of this title for purposes of renovating such projects in accordance with such section.

If such renovation activities (including the planning and architectural design of the rehabilitation) are administered by a resident management corporation, the public housing agency involved may not retain, for any administrative or other reason, any portion of the assistance provided pursuant to this subsection unless otherwise provided by contract.”

Subsec. (d)(3), (4). Pub. L. 105–276, §532(a)(3), redesignated par. (4) as (3) and struck out heading and text of former par. (3).

Subsec. (e)(1) to (3). Pub. L. 105–276, §532(a)(4)(B), added subsec. heading and pars. (1) to (3) and struck out former subsec. heading and former pars. (1) to (3), which in par. (1), specified amount of operating subsidy to be allocated to a public housing project managed by a resident management corporation; in par. (2), set forth requirements for any contract for management of a project entered into by a public housing agency and a resident management corporation; and in par. (3), prohibited reduction of funds provided by an agency to a project during 3-year period beginning on date on which resident management corporation is first established for the project, and provided for proportional reduction or increase if total income of agency is reduced or increased.


Subsec. (e)(6)(A). Pub. L. 105–276, §532(a)(4)(C), substituted “the allocations from the Operating Fund” for “the operating subsidies provided to”.

Subsec. (f). Pub. L. 105–276, §532(a)(5), struck out heading and text of subsec. (f) which required Secretary to provide financial assistance to resident management corporations or resident councils that obtain technical assistance for the development of resident management entities, limited assistance to $100,000 with respect to any public housing project, authorized appropriations for fiscal years 1993 and 1994, and limited assistance to corporations or councils where assistance was provided under subchapter II–A of this chapter.

Subsec. (g). Pub. L. 105–276, §532(a)(5), struck out heading and text of subsec. (g). Text read as follows: “Not later than 3 years after February 5, 1988, the Secretary shall—

“(1) conduct an evaluation and assessment of resident management, and particularly of the effect of resident management on living conditions in public housing; and—
“(2) submit to the Congress a report setting forth the findings of the Secretary as a result of the evaluation and assessment and including any recommendations the Secretary determines to be appropriate.”

1992—Subsec. (f)(3). Pub. L. 102–550 amended par. (3) generally. Prior to amendment, par. (3) read as follows: ‘‘(3) From—(A) amounts made available for financial assistance under section 1437 of this title, the Secretary may use to carry out this subsection not more than $5,000,000 for each of fiscal years 1991 and 1992.’’


Subsec. (c)(3). Pub. L. 101–625, § 514, amended par. (3) generally. Prior to amendment, par. (3) read as follows: “Of the amounts available for financial assistance under section 1437 of this title, the Secretary may use to carry out this subsection not more than $2,500,000 for fiscal year 1989 and not more than $2,500,000 for fiscal year 1990.”


§ 1437s. Public housing homeownership and management opportunities

(a) Homeownership opportunities in general

Low-income families residing in a public housing project shall be provided with the opportunity to purchase the dwelling units in the project through a qualifying resident management corporation as follows:

(1) Formation of resident management corporation

As a condition for public housing homeownership—

(A) the adult residents of a public housing project shall have formed a resident management corporation in accordance with regulations and requirements of the Secretary prescribed under this section and section 1437r of this title;

(B) the resident management corporation shall have entered into a contract with the public housing agency establishing the respective management rights and responsibilities of the resident management corporation and the public housing agency; and

(C) the resident management corporation shall have demonstrated its ability to manage public housing effectively and efficiently for a period of not less than 3 years.

(2) Homeownership assistance

(A) The Secretary may provide assistance from the Capital Fund to a public housing project in which homeownership activities under this section are conducted.

(B) The Secretary may provide financial assistance to public housing agencies, resident management corporations, or resident councils that obtain, by contract or otherwise, training, technical assistance, and educational assistance as the Secretary determines to be necessary to promote homeownership opportunities under this section.

(C) This paragraph shall not have effect after February 4, 1991. The Secretary may not provide financial assistance under subparagraph (B), after such date, unless the Secretary determines that such assistance is necessary for the development of a homeownership program that was initiated, as determined by the Secretary, before November 28, 1990.

(3) Conditions of purchase by a resident management corporation

(A) A resident management corporation may purchase from a public housing agency one or more multifamily buildings in a public housing project following a determination by the Secretary that—

(i) the resident management corporation has met the conditions of paragraph (1);

(ii) the resident management corporation has applied for and is prepared to undertake the ownership, management, and maintenance of the building or buildings with continued assistance from the Secretary;

(iii) the public housing agency has held one or more public hearings to obtain the views of citizens regarding the proposed purchase and, in consultation with the Secretary, has certified that the purchase will not interfere with the rights of other families residing in public housing, will not harm the efficient operation of other public housing, and is in the interest of the community;

(iv) the public housing agency has certified that it has and will implement a plan to replace public housing units sold under this section within 30 months of the sale, which plan shall provide for replacement of 100 percent of the units sold under this section by—

(I) production, acquisition, or rehabilitation of vacant public housing units by the public housing agency; and

(II) acquisition by the resident management corporation of nonpublicly owned, decent, and affordable housing units, which the resident management corporation shall operate as rental housing subject to tenant income and rent limitations comparable to the limitations applicable to public housing; and

(v) the building or buildings meet the housing quality standards applicable under section 1437d(f) of this title, and the physical condition, management, and operation of the building or buildings are sufficient to permit affordable homeownership by the families residing in the project.

(B) The price of a building purchased under the preceding sentence shall be approved by the Secretary, in consultation with the public housing agency and resident management corporation, taking into account the fair market value of the property, the ability of resident families to afford and maintain the property, and such other factors as the Secretary determines to be consistent with increasing the supply of dwelling units affordable to very low income families.
§ 1437s  TITLE 42—THE PUBLIC HEALTH AND WELFARE  Page 4268

(C) This paragraph shall not have effect after February 4, 1991. The authority for a resident management corporation to purchase 1 or more multifamily buildings in a public housing project from a public housing agency shall terminate after such date, unless the Secretary determines that such purchase is necessary for the development of a homeownership program that was initiated, as determined by the Secretary, before November 28, 1990.

(4) Conditions of resale

(A)(i) A resident management corporation may sell a dwelling unit or ownership rights in a dwelling unit only to a lower income family residing in, or eligible to reside in, public housing and only if the Secretary determines that the purchase will not interfere with the rights of other families residing in the housing project or harm the efficient operation of the project, and the family will be able to purchase and maintain the property.

(ii) The sale of dwelling units or ownership rights in dwelling units under clause (i) shall be made to families in the following order of priority:

(I) a lower income family residing in the public housing project in which the dwelling unit is located;

(II) a lower income family residing in any public housing project within the jurisdiction of the public housing agency having jurisdiction with respect to the project in which the dwelling unit is located;

(iii) Each resident management corporation shall provide each family described in clause (ii) with a notice of the eligibility of the family to purchase a dwelling unit under this paragraph.

(iv) A lower income family on the waiting list of such public housing agency for public housing or assistance under section 1437f of this title, with priority given in the order in which the family appears on the waiting list.

(B) A purchase under subparagraph (A) may be made under any of the following arrangements:

(i) Limited dividend cooperative ownership.

(ii) Condominium ownership.

(iii) Fee simple ownership.

(iv) Shared appreciation with a public housing agency providing financing under paragraph (6).

(v) Any other arrangement determined by the Secretary to be appropriate.

(C) Property purchased under this section shall be resold only to the resident management corporation, a lower income family residing in or eligible to reside in public housing or housing assisted under section 1437f of this title, or to the public housing agency.

(D) In no case may the owner receive consideration for his or her interest in the property that exceeds the total of—

(i) the contribution to equity paid by the owner;

(ii) the value, as determined by such means as the Secretary shall determine through regulation, of any improvements installed at the expense of the owner during the owner's tenure as owner; and

(iii) the appreciated value determined by an inflation allowance at a rate which may be based on a cost of living index, an income index, or market index as determined by the Secretary through regulation and agreed to by the purchaser and the resident management corporation or the public housing agency, whichever is appropriate, at the time of initial sale, and applied against the contribution to equity; the resident management corporation or the public housing agency may, at the time of initial sale, enter into an agreement with the owner to set a maximum amount which this appreciation may not exceed.

(E) Upon sale, the resident management corporation or the public housing agency, whichever is appropriate, shall ensure that subsequent owners are bound by the same limitations on resale and further restrictions on equity appreciation.

(5) Use of proceeds

Notwithstanding any other provision of this chapter or other law to the contrary, proceeds from the sale of a building or buildings under paragraph (3) and amounts recaptured under paragraph (4) shall be paid to the public housing agency and shall be retained and used by the public housing agency only to increase the number of public housing units available for occupancy. The resident management corporation shall keep and make available to the public housing agency necessary to calculate accurately payments due the local housing agency under this section. The Secretary shall not reduce or delay payments under other provisions of law as a result of amounts made available to the local housing agency under this section.

(6) Financing

When financing for the purchase of the property is not otherwise available for purposes of assisting any purchase by a family or resident management corporation under this section, the public housing agency involved may make a loan on the security of the property involved to the family or resident management corporation at a rate of interest that shall not be lower than 70 percent of the market interest rate for conventional mortgages on the date on which the loan is made.

(7) Capital and operating assistance

Notwithstanding the purchase of a building in a public housing project under this section, the Secretary shall continue to provide assistance under section 1437g of this title with respect to the project. Such assistance may not exceed the allocation for the project under section 1437g of this title.

(8) Operating Fund allocation

Amounts from the Operating Fund shall not be available with respect to a building after
the date of its sale by the public housing agency.

(b) Protection of nonpurchasing families

(1) Eviction prohibition

No family residing in a dwelling unit in a public housing project may be evicted by reason of the sale of the project to a resident management corporation under this section.

(2) Tenants rights

Families renting a dwelling unit purchased by a resident management corporation shall have all rights provided to tenants of public housing under this chapter.

(3) Rental assistance

If any family resides in a dwelling unit in a building purchased by a resident management corporation, and the family decides not to purchase the dwelling unit, the Secretary shall offer the family (at the option of the family) tenant-based assistance under section 1437f(b) of this title for as long as the family continues to reside in the building. The Secretary may adjust the payment standard for such assistance to take into account conditions under which the building was purchased.

(4) Rental and relocation assistance

If any family resides in a dwelling unit in a public housing project in which other dwelling units are purchased under this section, and the family decides not to purchase the dwelling unit, the Secretary shall offer (to be selected by the family, at its option)—

(A) to assist the family in relocating to a comparable appropriate sized dwelling unit in another public housing project, and to reimburse the family for their cost of relocation; and

(B) to provide to the family the financial assistance necessary to permit the family to stay in the dwelling unit or to move to another comparable dwelling unit and to pay no more for rent than required under subparagraph (A), (B), or (C) of section 1497a(a)(1) of this title.

c) Financial assistance for public housing agencies

The Secretary shall provide to public housing agencies such financial assistance as is necessary to permit such agencies to carry out the provisions of this section.

d) Additional homeownership and management opportunities

This section shall not apply to the turnkey III, the mutual help, or any other homeownership program established under section 1437d(c)(4)(D) of this title, as in effect before the effective date under section 503(a) of the Quality Housing and Work Responsibility Act of 1998, and in existence before February 5, 1988.

e) Regulations

The Secretary shall issue such regulations as may be necessary to carry out the provisions of this section. Such regulations may establish any additional terms and conditions for homeownership or resident management under this section that are determined by the Secretary to be appropriate.


g) Limitation

Any authority of the Secretary under this section to provide financial assistance, or to enter into contracts to provide financial assistance, shall be effective only to such extent or in such amounts as are or have been provided in advance in an appropriation Act.


REFERENCES IN TEXT

Section 503(a) of the Quality Housing and Work Responsibility Act of 1998, referred to in subsec. (d), is section 503(a) of Pub. L. 105–267, which is set out as an Effective Date of 1998 Amendment note under section 1437 of this title.

AMENDMENTS


Subsec. (a)(3)(A)(V). Pub. L. 105–267, § 532(b)(1)(B), substituted “housing quality standards applicable under section 1437d(f) of this title” for “minimum safety and livability standards applicable under section 1437f of this title”.

Subsec. (a)(7). Pub. L. 105–267, § 532(b)(1)(C), in heading, substituted “Capital and operating assistance” for “Annual contributions”, in first sentence, substituted “provide assistance under section 1437g of this title” for “pay annual contributions”, and at end, substituted “Such contributions may not exceed the maximum contributions authorized in section 1437c(a) of this title” for “Such contributions may not exceed the maximum contributions authorized in section 1437f of this title”.

Subsec. (a)(8). Pub. L. 105–267, § 532(b)(1)(D), in heading substituted “fund allocation” for “subsidies” and in text substituted “Amounts from the Operating Fund” for “Operating subsidies”.

Subsec. (b)(3). Pub. L. 105–267, § 532(b)(2), in first sentence, substituted “tenant-based assistance” for “a certificate under section 1437(b)(1) of this title or a housing voucher” and, in second sentence, substituted “payment standard for such assistance” for “fair market rent for such certificate”.


Pub. L. 105–267, § 518(a)(2)(A), struck out “section 1437(c) of this title or” after “program established under”.


“(1) the number, type, and cost of units sold;

“(2) the income, race, gender, children, and other characteristics of families purchasing or moving and not purchasing;

“(3) the amount and type of financial assistance provided;

“(4) the need for subsidy to ensure continued affordability and meet future maintenance and repair costs;
“(5) any need for the development of additional public housing dwelling units as a result of the sale of public housing dwelling units under this section;

“(6) recommendations of the Secretary for additional budget authority to carry out such development;

“(7) recommendations of the Secretary to ensure decent homes and decent neighborhoods for low-income families; and

“(8) the recommendations of the Secretary for statutory and regulatory improvements to the program.”


1990—Subsec. (a), Pub. L. 101–625, § 572(1), which directed substitution of “low-income families” for “lower income families” in introductory provisions to reflect the probable intent of Congress.

Subsec. (a)(2)(B), Pub. L. 101–625, § 416(1), amended subpar. (B) generally. Prior to amendment, subpar. (B) read as follows: “The Secretary, and the public housing agency owning and operating a public housing project, shall provide such training, technical assistance, and educational assistance as the Secretary determines to be necessary to prepare the families residing in the project, and any resident management corporation established under paragraph (1), for homeownership.”

Subsec. (a)(2)(C), Pub. L. 101–625, § 416(2), substituted “the effective date of the regulations implementing subchapter II–A of this chapter” for “after such date” for “after such effective date” and made technical amendment to reference to November 28, 1990, to reflect correction of corresponding provisions of original act.

Subsec. (a)(3)(C). Pub. L. 101–625, § 416(3), substituted “the effective date of the regulations implementing subchapter II–A of this chapter” for “after such date” for “after such effective date” and made technical amendment to reference to November 28, 1990, to reflect correction of corresponding provisions of original act.

Subsec. (a)(2)(B). Pub. L. 101–625, § 416(1), amended subpar. (B) generally. Prior to amendment, subpar. (B) read as follows: “The Secretary, and the public housing agency owning and operating a public housing project, shall provide such training, technical assistance, and educational assistance as the Secretary determines to be necessary to prepare the families residing in the project, and any resident management corporation established under paragraph (1), for homeownership.”

1990—Subsec. (a), Pub. L. 101–625, § 572(1), which directed substitution of “low-income families” for “lower income families” was executed by substituting “Low-income families” for “Lower income families” in introductory provisions to reflect the probable intent of Congress.

Effective Date of 1990 Amendment

Amendment by title V of Pub. L. 105–276 effective and applicable beginning upon Oct. 1, 1999, except as otherwise provided, with provision that Secretary may implement amendment before such date, except to extent that such amendment provides otherwise, and with savings provision, see section 503 of Pub. L. 105–276, set out as a note under section 1437 of this title.

§ 1437f. Authority to convert public housing to vouchers

(a) Authority

A public housing agency may convert any public housing project (or portion thereof) owned by the public housing agency to tenant-based assistance, but only in accordance with the requirements of this section.

(b) Conversion assessment

(1) In general

To convert public housing under this section, a public housing agency shall conduct an assessment of the public housing that includes—

(A) a cost analysis that demonstrates whether or not the cost (both on a net present value basis and in terms of new budget authority requirements) of providing tenant-based assistance under section 1437f of this title for the same families in substantially similar dwellings over the same period of time is less expensive than continuing public housing assistance in the public housing project for the remaining useful life of the project;

(B) an analysis of the market value of the public housing project both before and after rehabilitation, and before and after conversion;

(C) an analysis of the rental market conditions with respect to the likely success of the use of tenant-based assistance under section 1437f of this title in that market for the specific residents of the public housing project, including an assessment of the availability of decent and safe dwellings renting at or below the payment standard established for tenant-based assistance under section 1437f of this title by the agency;

(D) the impact of the conversion to tenant-based assistance under this section on the neighborhood in which the public housing project is located; and

(E) a plan that identifies actions, if any, that the public housing agency would take with regard to converting any public housing project or projects (or portions thereof) of the public housing agency to tenant-based assistance.

(2) Timing

Not later than 2 years after the effective date under section 503(a) of the Quality Housing and Work Responsibility Act of 1998, each public housing agency shall conduct an assessment under paragraph (1) or (3) of the status of each public housing project owned by such agency and shall submit to the Secretary such assessment. A public housing agency may otherwise undertake an assessment under this subsection at any time and for any public housing project (or portion thereof) of the public housing agency for purposes of compliance with the one-year limitation under subsection (c).

(3) Streamlined assessment

At the discretion of the Secretary or at the request of a public housing agency, the Secretary may waive any or all of the requirements of paragraph (1) or (3) or otherwise require a streamlined assessment with respect to any public housing project or class of public housing projects.

(c) Criteria for implementation of conversion plan

A public housing agency may convert a public housing project (or portion thereof) owned by the agency to tenant-based assistance only pursuant to a conversion assessment under sub-
section (b) that one year 1 and that demonstrates that the conversion—
(1) will not be more expensive than continuing to operate the public housing project (or portion thereof) as public housing;
(2) will principally benefit the residents of the public housing project (or portion thereof) to be converted, the public housing agency, and the community; and
(3) will not adversely affect the availability of affordable housing in such community.

(d) Conversion plan requirement
A public housing project may be converted under this section to tenant-based assistance only as provided in a conversion plan under this subsection, which has not been disapproved by the Secretary pursuant to subsection (e). Each conversion plan shall—
(1) be developed by the public housing agency, in consultation with the appropriate public officials, with significant participation by the residents of the project (or portion thereof) to be converted;
(2) be consistent with and part of the public housing agency plan;
(3) describe the conversion and future use or disposition of the project (or portion thereof) and include an impact analysis on the affected community;
(4) provide that the public housing agency shall—
(A) notify each family residing in a public housing project (or portion) to be converted under the plan 90 days prior to the displacement date except in cases of imminent threat to health or safety, consistent with any guidelines issued by the Secretary governing such notifications, that—
(i) the public housing project (or portion) will be removed from the inventory of the public housing agency; and
(ii) each family displaced by such action will be offered comparable housing—
(I) that meets housing quality standards;
(II) that is located in an area that is generally not less desirable than the location of the displaced person’s housing; and
(III) which may include—
(aa) tenant-based assistance, except that the requirement under this clause regarding offering of comparable housing shall be fulfilled by use of tenant-based assistance only upon the relocation of such family into such housing;
(bb) project-based assistance; or
(cc) occupancy in a unit operated or assisted by the public housing agency at a rental rate paid by the family that is comparable to the rental rate applicable to the unit from which the family is vacated;
(B) provide any necessary counseling for families displaced by such action;
(C) ensure that, if the project (or portion) converted is used as housing after such conversion, each resident may choose to remain in their dwelling unit in the project and use the tenant-based assistance toward rent for that unit; and
(D) provide any actual and reasonable relocation expenses for families displaced by the conversion; and
(5) provide that any proceeds to the agency from the conversion will be used subject to the limitations that are applicable under section 1437p(a)(5) of this title to proceeds resulting from the disposition or demolition of public housing.

(e) Review and approval of conversion plans
The Secretary shall disapprove a conversion plan only if—
(1) the plan is plainly inconsistent with the conversion assessment for the agency developed under subsection (b);
(2) there is reliable information and data available to the Secretary that contradicts that conversion assessment; or
(3) the plan otherwise fails to meet the requirements of this section.

(f) Tenant-based assistance
To the extent approved by the Secretary, the funds used by the public housing agency to provide tenant-based assistance under section 1437f of this title shall be added to the annual contribution contract administered by the public housing agency.

References in Text
Section 503(a) of the Quality Housing and Work Responsibility Act of 1996, referred to in subsec. (b)(2), is section 503(a) of Pub. L. 105–276, which is set out as an Effective Date of 1998 Amendment note under section 1437 of this title.

Amendments
1998—Pub. L. 105–276 amended section generally. Prior to amendment, section related to award of grants to public housing agencies to adapt public housing to help families gain better access to educational and job opportunities, use of funds for supportive services, development of facilities to accommodate them, and employment of service coordinators, applications, selection for grants, reports to Secretary and Congress, and appropriations for fiscal years 1993 and 1994.

Effective Date of 1998 Amendment
Amendment by title V of Pub. L. 105–276 effective and applicable beginning upon Oct. 1, 1999, except as otherwise provided, with provision that Secretary may implement amendment before such date, except to extent that such amendment provides otherwise, and with savings provision, see section 503 of Pub. L. 105–276, set out as a note under section 1437 of this title.

Savings Provisions
Pub. L. 105–276, title V, §533(b), Oct. 21, 1998, 112 Stat. 2578, provided that: “The amendment made by subsection (a) [amending this section] shall not affect any contract or other agreement entered into under section

---

1 So in original.
§ 1437u. Family Self-Sufficiency program

(a) Purpose

The purpose of the Family Self-Sufficiency program established under this section is to promote the development of local strategies to coordinate use of public housing and assistance under the certificate and voucher programs under section 1437f of this title with public and private resources, to enable eligible families to achieve economic independence and self-sufficiency.

(b) Establishment of program

(1) Required programs

Except as provided in paragraph (2), the Secretary shall carry out a program under which each public housing agency that administers assistance under subsection (b) or (o) of section 1437f of this title or makes available new public housing dwelling units—

(A) may, during fiscal years 1991 and 1992, carry out a local Family Self-Sufficiency program under this section;

(B) effective on October 1, 1992, the Secretary shall require each such agency to carry out a local Family Self-Sufficiency program under this section, subject to the limitations in paragraph (4); and

(C) effective on October 21, 1998, to the extent an agency is not required to carry out a program pursuant to subparagraph (B) of this paragraph and paragraph (4), may carry out a local Family Self-Sufficiency program under this section.

Each local program shall, subject to availability of supportive services, include an action plan under subsection (g) and shall provide comprehensive supportive services for families electing to participate in the program. In carrying out the self-sufficiency program under this section, the Secretary shall consult with the heads of other appropriate Federal agencies and provide for cooperative actions and funding agreements with such agencies. Each public housing agency administering an approved local program may employ a service coordinator to administer the local program.

(2) Exception

The Secretary shall not require a public housing agency to carry out a local program under subsection (a) if the public housing agency provides certification (as such term is defined under title I of the Cranston-Gonzalez National Affordable Housing Act [42 U.S.C. 12701 et seq.]) to the Secretary that the establishment and operation of the program is not feasible because of local circumstances, which may include—

(A) lack of supportive services accessible to eligible families, which shall include insufficient availability of resources for programs under title I of the Workforce Innovation and Opportunity Act [29 U.S.C. 3111 et seq.] or the Job Opportunities and Basic Skills Training Program under part F of title IV of the Social Security Act;

(B) lack of funding for reasonable administrative costs;

(C) lack of cooperation by other units of State or local government; or

(D) any other circumstances that the Secretary may consider appropriate.

In allocating assistance available for reservation under this chapter, the Secretary may not refuse to provide assistance or decrease the amount of assistance that would otherwise be provided to any public housing agency because the agency has provided a certification under this paragraph or because, pursuant to a certification, the agency has failed to carry out a self-sufficiency program.

(3) Scope

Subject to paragraph (4), each public housing agency required to carry out a local program under this section shall make the following housing assistance available under the program in each fiscal year:

(A) Certificate and voucher assistance under section 1437f(b) and (o) of this title, in an amount equivalent to the increase for such year in the number of families so assisted by the agency (as compared to the preceding year).

(B) Public housing dwelling units, in the number equal to the increase for such year in units made available by the agency (as compared to the preceding year).

Each such public housing agency shall continue to operate a local program for the number of families determined under this paragraph subject only to the availability under appropriations Acts of sufficient amounts for assistance.

(4) Termination of requirement to expand program

(A) In general

Notwithstanding any other provision of law, a public housing agency that receives incremental assistance under subsection (b) or (o) of section 1437f of this title or that makes available new public housing dwelling units shall not be required, after October 21, 1998, to provide assistance under a local

1See References in Text note below.
Family Self-Sufficiency program under this section to any families not required to be assisted under subparagraph (B) of this paragraph.

(B) Continuation of existing obligations
   (i) In general
   Each public housing agency that, before October 21, 1998, was required under this section to carry out a local Family Self-Sufficiency program shall continue to operate such local program for the number of families determined under paragraph (3), subject only to the availability under appropriations Acts of sufficient amounts for housing assistance.

   (ii) Reduction
   The number of families for which an agency is required under clause (i) to operate such local program shall be decreased by one for each family that, after October 21, 1998, fulfills its obligations under the contract of participation.

(5) Nonparticipation
   Assistance under the certificate or voucher programs under section 1437f of this title for a family that elects not to participate in a local program shall not be delayed by reason of such election.

(c) Contract of participation
   (1) In general
   Each public housing agency carrying out a local program under this section shall enter into a contract with each leaseholder receiving assistance under the certificate and voucher programs of the public housing agency under section 1437f of this title or residing in public housing administered by the agency, that elects to participate in the self-sufficiency program under this section. The contract shall set forth the provisions of the local program, shall establish specific interim and final goals by which compliance with and performance of the contract may be measured, and shall specify the resources and supportive services to be made available to the participating family pursuant to paragraph (2) and the responsibilities of the participating family. The contract shall provide that the public housing agency may terminate or withhold assistance under section 1437f of this title and services under paragraph (2) of this subsection if the public housing agency determines, through an administrative grievance procedure in accordance with the requirements of section 1437d(k) of this title, that the family has failed to comply with the requirements of the contract without good cause (which may include a loss or reduction in access to supportive services, or a change in circumstances that makes the family or individual unsuitable for participation).

   (2) Supportive services
   A local program under this section shall provide appropriate supportive services under this paragraph to each participating family entering into a contract of participation under paragraph (1). The supportive services shall be provided during the period the family is receiving assistance under section 1437f of this title or residing in public housing, and may include—
   (A) child care;
   (B) transportation necessary to receive services;
   (C) remedial education;
   (D) education for completion of high school;
   (E) job training and preparation;
   (F) substance abuse treatment and counseling;
   (G) training in homemaking and parenting skills;
   (H) training in money management;
   (I) training in household management; and
   (J) any other services and resources appropriate to assist eligible families to achieve economic independence and self-sufficiency.

(3) Term and extension
   Each family participating in a local program shall be required to fulfill its obligations under the contract of participation not later than 5 years after entering into the contract. The public housing agency shall extend the term of the contract for any family that requests an extension, upon a finding of the agency of good cause.

(4) Employment and counseling
   The contract of participation shall require the head of the participating family to seek suitable employment during the term of the contract. The public housing agency may, during such period, provide counseling for the family with respect to affordable rental and homeownership opportunities in the private housing market and money management counseling.

(d) Incentives for participation
   (1) Maximum rents
   During the term of the contract of participation, the amount of rent paid by any participating family whose monthly adjusted income does not exceed 50 percent of the area median income for occupancy in the public housing unit or dwelling unit assisted under section 1437f of this title may not be increased on the basis of any increase in the earned income of the family, unless the increase results in an income exceeding 50 percent of the area median income. The Secretary shall provide for increased rents for participating families whose incomes are between 50 and 80 percent of the area median income, so that any family whose income increases to 80 percent or more of the area median income pays 30 percent of the family’s monthly adjusted income for rent. Upon completion of the contract of participation, if the participating family continues to qualify for and reside in a dwelling unit in public housing or housing assisted under section 1437f of this title, the rent charged the participating family shall be increased (if applicable) to 30 percent of the monthly adjusted income of the family.

   (2) Escrow savings accounts
   For each participating family whose monthly adjusted income is less than 50 percent of
the area median income, the difference between 30 percent of the adjusted income of the participating family and the amount of rent paid by a participating family shall be placed in an interest-bearing escrow account established by the public housing agency on behalf of the participating family. For families with incomes between 50 and 80 percent of the area median income, the Secretary shall provide for escrow of the difference between 30 percent of the family income and the amount paid by the family for rent as determined by the Secretary under paragraph (1). The Secretary shall not escrow any amounts for any family whose adjusted income exceeds 80 percent of the area median income. Amounts in the escrow account may be withdrawn by the participating family after the family ceases to receive income assistance under Federal or State welfare programs, upon successful performance of the obligations of the family under the contract of participation entered into by the family under subsection (c), as determined according to the specific goals and terms included in the contract, and under other circumstances in which the Secretary determines an exception for good cause is warranted. A public housing agency establishing such escrow accounts may make certain amounts in the accounts available to the participating families before full performance of the contract obligations based on compliance with, and completion of, specific interim goals included in the contract; except that any such amounts shall be used by the participating families for purposes consistent with the contracts of participation, as determined by the public housing agency.

(3) Plan
Each public housing agency carrying out a local program under this section shall establish a plan to offer incentives to families to encourage families to participate in the program. The plan shall require the establishment of escrow savings accounts under paragraph (2) and may include any other incentives designed by the public housing agency.

(e) Effect of increases in family income
Any increase in the earned income of a family during the participation of the family in a local program established under this section may not be considered as income or a resource for purposes of eligibility of the family for other benefits, or amount of benefits payable to the family, under any program administered by the Secretary, unless the income of the family equals or exceeds 80 percent of the median income of the area (as determined by the Secretary with adjustments for smaller and larger families).

(f) Program coordinating committee
(1) Functions
Each public housing agency carrying out a local program under this section shall, in consultation with the chief executive officer of the unit of general local government, develop an action plan under subsection (g), carry out activities under the local program, and secure commitments of public and private resources through a program coordinating committee established by the public housing agency under this subsection.

(2) Membership
The program coordinating committee may consist of representatives of the public housing agency, the unit of general local government, the local agencies (if any) responsible for carrying out programs under title I of the Workforce Innovation and Opportunity Act [29 U.S.C. 3111 et seq.] or the Job Opportunities and Basic Skills Training Program under part F² of title IV of the Social Security Act, and other organizations, such as other State and local welfare and employment agencies, public and private education or training institutions, nonprofit service providers, and private businesses. The public housing agency may, in consultation with the chief executive officer of the unit of general local government, utilize an existing entity as the program coordinating committee if it meets the requirements of this subsection.

(g) Action plan
(1) Required submission
The Secretary shall require each public housing agency participating in the self-sufficiency program under this section to submit to the Secretary, for approval by the Secretary, an action plan under this subsection in such form and in accordance with such procedures as the Secretary shall require.

(2) Development of plan
In developing the plan, the public housing agency shall consult with the chief executive officer of the applicable unit of general local government, the program coordinating committee established under subsection (f), representatives of residents of the public housing, any local agencies responsible for programs under title I of the Workforce Innovation and Opportunity Act, nonprofit service providers, and private businesses, and other organizations, such as other State and local welfare and employment agencies, public and private education or training institutions, child care providers, nonprofit service providers, and private businesses, and any other public and private service providers affected by the operation of the local program.

(3) Contents of plan
The Secretary shall require that the action plan contain at a minimum—
(A) a description of the size, characteristics, and needs of the population of the families expected to participate in the local self-sufficiency program;
(B) a description of the number of eligible participating families who can reasonably be expected to receive supportive services under the program, based on available and anticipated Federal, State, local, and private resources;
(C) a description of the services and activities under subsection (c)(2) to be provided to families receiving assistance under this section through the section 8 [42 U.S.C. 1437f] and public housing programs, which shall be
provided by both public and private resources;

(D) a description of the incentives pursuant to subsection (d) offered by the public housing agency to families to encourage participation in the program;

(E) a description of how the local program will deliver services and activities according to the needs of the families participating in the program;

(F) a description of both the public and private resources that are expected to be made available to provide the activities and services under the local program;

(G) a timetable for implementation of the local program;

(H) assurances satisfactory to the Secretary that development of the services and activities under the local program has been coordinated with the Job Opportunities and Basic Skills Training Program under part F of title IV of the Social Security Act and programs under title I of the Workforce Innovation and Opportunity Act [29 U.S.C. 3111 et seq.] and any other relevant employment, child care, transportation, training, and education programs in the applicable area, and that implementation will continue to be coordinated, in order to avoid duplication of services and activities; and

(I) assurances satisfactory to the Secretary that nonparticipating families will retain their rights to public housing or section 8 [42 U.S.C. 1437f] assistance notwithstanding the provisions of this section.

(h) Allowable public housing agency administrative fees and costs

(1) Fees under section 1437f

The Secretary shall establish a fee under section 1437f(q) of this title for the costs incurred in administering the provision of certificate and voucher assistance under section 1437f of this title through the self-sufficiency program under this section. The fee shall be the fee in effect under such section on June 1, 1990, except that for purposes of the fee under this paragraph the applicable dollar amount for preliminary expenses under section 1437f(q)(2)(A)(ii) of this title shall, subject to approval in appropriations Acts, be $300. Upon the submission by the Comptroller General of the United States of the report required under section 554(b) of the Cranston-Gonzalez National Affordable Housing Act, the Secretary shall revise the fee under this paragraph, taking into consideration the report of the Comptroller General.

(2) Performance funding system

Notwithstanding any provision of section 1437g of this title, the Secretary shall provide for inclusion under the performance funding system under section 1437g of this title of reasonable and eligible administrative costs (including the costs of employing a full-time service coordinator) incurred by public housing agencies carrying out local programs under this section. The Secretary shall include an estimate of the administrative costs likely to be incurred by participating public housing agencies in the annual budget request for the Department of Housing and Urban Development for public housing operating assistance under section 1437g of this title and shall include a request for such amounts in the budget request. Of any amounts appropriated under section 1437g(c) of this title for fiscal year 1993, $25,000,000 is authorized to be used for costs under this paragraph, and of any amounts appropriated under such section for fiscal year 1994, $25,900,000 is authorized to be used for costs under this paragraph.

(i) Public housing agency incentive award allocation

(1) In general

The Secretary shall carry out a competition for budget authority for certificate and voucher assistance under section 1437f of this title and public housing development assistance under section 1437c(a)(2) of this title reserved under paragraph (4) and shall allocate such budget authority to public housing agencies pursuant to the competition.

(2) Criteria

The competition shall be based on successful and outstanding implementation by public housing agencies of a local self-sufficiency program under this section. The Secretary shall establish performance criteria for public housing agencies carrying out such local programs and the Secretary shall cause such criteria to be published in the Federal Register.

(3) Use

Each public housing agency that receives an allocation of budget authority under this subsection shall use such authority to provide assistance under the local self-sufficiency program established by the public housing agency under this section.

(4) Reservation of budget authority

Notwithstanding section 1439(d) of this title, the Secretary shall reserve for allocation under this subsection not less than 10 percent of the portion of budget authority appropriated in each of fiscal years 1991 and 1992 for section 1437f of this title that is available for purposes of providing assistance under the existing housing certificate and housing voucher programs for families not currently receiving assistance, and not less than 10 percent of the public housing development assistance available in such fiscal years for the purpose under section 1437c(a)(2) of this title (excluding amounts for major reconstruction of obsolete projects).

(j) On-site facilities

Each public housing agency carrying out a local program may, subject to the approval of the Secretary, make available and utilize common areas or unoccupied public housing units in public housing projects administered by the agency for the provision of supportive services under the local program. The use of the facilities of a public housing agency under this subsection shall not affect the amount of assistance.

§ 1437u

So in original. Probably should be “performance”. 
provided to the agency under section 1437g of this title.

(k) Flexibility

In establishing and carrying out the self-sufficiency program under this section, the Secretary shall allow public housing agencies, units of general local government, and other organizations discretion and flexibility, to the extent practicable, in developing and carrying out local programs.

(i) Reports

(1) To Secretary

Each public housing agency that carries out a local self-sufficiency program approved by the Secretary under this section shall submit to the Secretary, not less than annually a report regarding the program. The report shall include—

(A) a description of the activities carried out under the program;

(B) a description of the effectiveness of the program in assisting families to achieve economic independence and self-sufficiency;

(C) a description of the effectiveness of the program in coordinating resources of communities to assist families to achieve economic independence and self-sufficiency; and

(D) any recommendations of the public housing agency or the appropriate local program coordinating committee for legislative or administrative action that would improve the self-sufficiency program carried out by the Secretary and ensure the effectiveness of the program.

(2) HUD annual report

The Secretary shall submit to the Congress annually, as a part of the report of the Secretary under section 3336 of this title, a report summarizing the information submitted by public housing agencies under paragraph (1). The report under this paragraph shall also include any recommendations of the Secretary for improving the effectiveness of the self-sufficiency program under this section.

(m) GAO report

The Comptroller General of the United States may submit to the Congress reports under this subsection evaluating and describing the Family Self-Sufficiency program carried out by the Secretary under this section.

(n) Definitions

As used in this section:

(1) The term “contract of participation” means a contract under subsection (c) entered into by a public housing agency carrying out a local program under this section and a participating family.

(2) The term “earned income” means income from wages, tips, salaries, and other employee compensation, and any earnings from self-employment. The term does not include any pension or annuity, transfer payments, or any cash or in-kind benefits.

(3) The term “eligible family” means a family whose head of household is not elderly, disabled, pregnant, a primary caregiver for children under the age of 3, or for whom the family self-sufficiency program would otherwise be unsuitable. Notwithstanding the preceding sentence, a public housing agency may enroll such families if they choose to participate in the program.

(4) The term “local program” means a program for providing supportive services to participating families carried out by a public housing agency within the jurisdiction of the public housing agency.

(5) The term “participating family” means a family that resides in public housing or housing assisted under section 1437f of this title and elects to participate in a local self-sufficiency program under this section.

(6) The term “vacant unit” means a dwelling unit that has been vacant for not less than 9 consecutive months.

(o) Effective date and regulations

(1) Regulations

Not later than the expiration of the 180-day period beginning on November 26, 1990, the Secretary shall by notice establish any requirements necessary to carry out this section. Such requirements shall be subject to section 553 of title 5. The Secretary shall issue final regulations based on the notice not later than the expiration of the 8-month period beginning on the date of the notice. Such regulations shall become effective upon the expiration of the 1-year period beginning on the date of the publication of the final regulations.


AMENDMENT OF SECTION

Pub. L. 115–174, title III, § 306, May 24, 2018, 132 Stat. 1339, made numerous amendments to this section, effective upon issuance of implementing regulations prescribed under section 306(b) of Pub. L. 115–174 (set out as an Effective Date of 2018 Amendment; Regulations note below), to be issued by the Secretary of Housing and Urban Development not later than 360 days after May 24, 2018. After such effective date, this section will read as follows:

§ 1437u. Family Self-Sufficiency program

(a) Purpose

The purpose of the Family Self-Sufficiency program established under this section is to promote the development of local strategies to coordinate use of assistance under sections 1437f and 1437g of this title with public and private resources, to enable eligible families to achieve economic independence and self-sufficiency.
(b) Continuation of prior required programs

(1) In general

Each public housing agency that was required to administer a local Family Self-Sufficiency program on May 24, 2018, shall operate such local program for, at a minimum, the number of families the agency was required to serve on May 24, 2018, subject only to the availability under appropriations Acts of sufficient amounts for housing assistance and the requirements of paragraph (2).

(2) Reduction

The number of families for which a public housing agency is required to operate such local program under paragraph (1) shall be decreased by 1 for each family from any supported rental housing program administered by such agency that, after October 21, 1998, fulfills its obligations under the contract of participation.

(3) Exception

The Secretary shall not require a public housing agency to carry out a mandatory program for a period of time upon the request of the public housing agency and upon a determination by the Secretary that implementation is not feasible because of local circumstances, which may include—

(A) lack of supportive services accessible to eligible families, which shall include insufficient availability of resources for programs under title I of the Workforce Investment Act of 1998 (29 U.S.C. 2801 et seq.);
(B) lack of funding for reasonable administrative costs;
(C) lack of cooperation by other units of State or local government; or
(D) any other circumstances that the Secretary may consider appropriate.

(c) Eligibility

(1) Eligible families

A family is eligible to participate in a local Family Self-Sufficiency program under this section if—

(A) at least 1 household member seeks to become and remain employed in suitable employment or to increase earnings; and
(B) the household member receives direct assistance under section 1437f of this title or resides in a unit assisted under section 1437f or 1437g of this title.

(2) Eligible entities

The following entities are eligible to administer a local Family Self-Sufficiency program under this section:

(A) A public housing agency administering housing assistance to or on behalf of an eligible family under section 1437f or 1437g of this title.
(B) The owner or sponsor of a multifamily property receiving project-based rental assistance under section 1437f of this title, in accordance with the requirements under subsection (l).

(d) Contract of participation

(1) In general

Each eligible entity carrying out a local program under this section shall enter into a contract with a household member of an eligible family, that elects to participate in the self-sufficiency program under this section. The contract shall set forth the provisions of the local program, shall establish specific interim and final goals by which compliance with and performance of the contract may be measured, and shall specify the resources and supportive services to be made available to the participating family pursuant to paragraph (2) and the responsibilities of the participating family. Housing assistance may not be terminated as a consequence of either successful completion of the contract of participation or failure to complete such contract. A contract of participation shall remain in effect until the participating family exits the Family Self-Sufficiency program upon successful graduation or expiration of the contract of participation, or for other good cause.

(2) Supportive services

An eligible entity shall coordinate appropriate supportive services under this paragraph for each participating family entering into a contract of participation under paragraph (1). The supportive services shall be coordinated for the period the family is receiving assistance pursuant to section 1437f or 1437g of this title and for the duration of the contract of participation, and may include, but are not limited to—

(A) child care;
(B) transportation necessary to receive services;
(C) remedial education;
(D) education for completion of high school or attainment of a high school equivalency certificate;
(E) education in pursuit of a post-secondary degree or certification;
(F) job training and preparation;
(G) substance abuse treatment and counseling;
(H) training in financial literacy, such as training in financial management, financial coaching, and asset building, and money management;
(I) training in household management;
(J) homeownership education and assistance; and
(K) any other services and resources appropriate to assist eligible families to achieve economic independence and self-sufficiency.

(3) Term and extension

Each family participating in a local program shall be required to fulfill its obligations under the contract of participation not later than 5 years after the first recertification of income after entering into the contract. The eligible entity shall extend the term of the contract for any family that requests an extension, upon a finding of good cause.

(4) Employment

The contract of participation shall require 1 household member of the participating family to seek and maintain suitable employment.

(5) Nonparticipation

Assistance under section 1437f or 1437g of this title for a family that elects not to participate in a Family Self-Sufficiency program shall not be delayed by reason of such election.

(e) Incentives for participation

(1) Maximum rents

During the term of the contract of participation, the amount of rent paid by any participat-
The program coordinating committee may consist of representatives of the eligible entity, the unit of general local government, the local agencies (if any) responsible for carrying out programs under title I of the Workforce Innovation and Opportunity Act [29 U.S.C. 3111 et seq.], and other organizations, such as other State and local welfare and employment agencies, public and private primary, secondary, and post-secondary education or training institutions, nonprofit service providers, and private businesses. The eligible entity may, in consultation with the chief executive officer of the unit of general local government and tenants served by the program, utilize an existing entity as the program coordinating committee if it meets the requirements of this subsection.

(h) Action plan

(1) Required submission

The Secretary shall require each eligible entity carrying out a self-sufficiency program under this section to submit, for approval by the Secretary, an action plan under this subsection in such form and in accordance with such procedures as the Secretary shall require.

(2) Development of plan

In developing the plan, the eligible entity shall consult with the chief executive officer of the applicable unit of general local government, the program coordinating committee established under subsection (g), representatives of the current and prospective participants of the program, any local agencies responsible for programs under title I of the Workforce Innovation and Opportunity Act [29 U.S.C. 3111 et seq.], other appropriate organizations (such as other State and local welfare and employment or training institutions, child care providers, nonprofit service providers, and private businesses), and any other public and private service providers affected by the operation of the local program.

(3) Contents of plan

The Secretary shall require that the action plan contain at a minimum—

(A) a description of the size, characteristics, and needs of the population of the families expected to participate in the local self-sufficiency program;

(B) a description of the number of eligible participating families who can reasonably be expected to receive supportive services under the program, based on available and anticipated Federal, State, local, and private resources;

(C) a description of the services and activities under subsection (d)(2) to be coordinated on behalf of participating families receiving direct assistance under this section through sections 1437(f) and 1437(g) of this title, which shall be provided by both public and private resources;

(D) a description of the incentives pursuant to subsection (e) offered by the eligible entity to families to encourage participation in the program;
(E) a description of how the local program will coordinate services and activities according to the needs of the families participating in the program;

(F) a description of both the public and private resources that are expected to be made available to provide the activities and services under the local program;

(G) a timetable for implementation of the local program;

(H) assurances satisfactory to the Secretary that development of the services and activities under the local program has been coordinated with programs under title I of the Workforce Innovation and Opportunity Act [29 U.S.C. 3111 et seq.] and any other relevant employment, child care, transportation, training, and education programs in the applicable area, and that implementation will continue to be coordinated, in order to avoid duplication of services and activities; and

(I) assurances satisfactory to the Secretary that nonparticipating families will retain their rights to assistance under section 1437f or 1437g of this title notwithstanding the provisions of this section.

(i) Family Self-Sufficiency awards

(A) In general

Subject to appropriations, the Secretary shall establish a formula by which annual funds shall be awarded or as otherwise determined by the Secretary for the costs incurred by an eligible entity in administering the Family Self-Sufficiency program under this section.

(B) Guidance

The award established under paragraph (1) shall provide funding for family self-sufficiency coordinators as follows:

(i) in general

An eligible entity serving 25 or more participants in the Family Self-Sufficiency program under this section is eligible to receive an award equal to the costs, as determined by the Secretary, of 1 full-time family self-sufficiency coordinator position. The Secretary may, by regulation or notice, determine the policy concerning the award for an eligible entity serving fewer than 25 such participants, including providing prorated awards or allowing such entities to combine their programs under this section for purposes of employing a coordinator.

(ii) Additional award

An eligible entity that meets performance standards set by the Secretary is eligible to receive an additional award sufficient to cover the costs of filling an additional family self-sufficiency coordinator position if such entity has 75 or more participating families, and an additional coordinator for each additional 30 participating families, or such other ratio as may be established by the Secretary based on the award allocation evaluation under subparagraph (E).

(C) State and regional agencies

For purposes of calculating the award under this paragraph, each administratively distinct part of a State or regional eligible entity may be treated as a separate agency.

(D) Determination of number of coordinators

In determining whether an eligible entity meets a specific threshold for funding pursuant to this paragraph, the Secretary shall consider the number of participants enrolled by the eligible entity in its Family Self-Sufficiency program as well as other criteria determined by the Secretary.

(E) Award allocation evaluation

The Secretary shall submit to Congress a report evaluating the award allocation under this subsection, and make recommendations based on this evaluation and other related findings to modify such allocation, within 4 years after May 24, 2018, and not less frequently than every 4 years thereafter. The report requirement under this subparagraph shall terminate after the Secretary has submitted 2 such reports to Congress.

(3) Renewals and allocation

(A) In general

Funds allocated by the Secretary under this subsection shall be allocated in the following order of priority:

(i) First priority

Renewal of the full cost of all coordinators in the previous year at each eligible entity with an existing Family Self-Sufficiency program that meets applicable performance standards set by the Secretary.

(ii) Second priority

New or incremental coordinator funding authorized under this section.

(B) Guidance

If the first priority, as described in subparagraph (A)(i), cannot be fully satisfied, the Secretary may prorate the funding for each eligible entity, as long as—

(i) each eligible entity that has received funding for at least 1 part-time coordinator in the prior fiscal year is provided sufficient funding for at least 1 part-time coordinator as part of any such proration; and

(ii) each eligible entity that has received funding for at least 1 full-time coordinator in the prior fiscal year is provided sufficient funding for at least 1 full-time coordinator as part of any such proration.

(4) Recapture or offset

Any awards allocated under this subsection by the Secretary in a fiscal year that have not been spent by the end of the subsequent fiscal year or such other time period as determined by the Secretary may be recaptured by the Secretary and shall be available for providing additional awards pursuant to paragraph (2)(B), or may be offset as determined by the Secretary. Funds appropriated pursuant to this section shall remain available for 3 years in order to facilitate the re-use of any recaptured funds for this purpose.

(5) Performance reporting

Programs under this section shall be required to report the number of families enrolled and graduated, the number of established escrow accounts and positive escrow balances, and any other information that the Secretary may require.
§ 1437u

In this section:

(1) Eligible entity

The term “eligible entity” means an entity that meets the requirements under subsection (c)(2) to

according to paragraphs (2) and (3) of subsection (e), residing in units assisted under section 1437f of this title.

(B) Calculation and tracking by owner

The owner of a privately owned property who voluntarily makes a Family Self-Sufficiency program available pursuant to paragraph (1) shall calculate and track the escrow for participating residents and make escrow for participating residents available in accordance with paragraphs (2) and (3) of subsection (e).

(5) Exception

This subsection shall not apply to properties assisted under section 1437f(o)(13) of this title.

(6) Suspension of enrollment

In any year, the Secretary may suspend the enrollment of new families in Family Self-Sufficiency programs under this subsection based on a determination that insufficient funding is available for this purpose.

(m) Reports

(1) To Secretary

Each eligible entity that carries out a local self-sufficiency program approved by the Secretary under this section shall submit to the Secretary, not less than annually a report regarding the program. The contents of the report shall include—

(A) a description of the activities carried out under the program;

(B) a description of the effectiveness of the program in assisting families to achieve economic independence and self-sufficiency;

(C) a description of the effectiveness of the program in coordinating resources of communities to assist families to achieve economic independence and self-sufficiency; and

(D) any recommendations of the eligible entity or the appropriate program coordinating committee for legislative or administrative action that would improve the self-sufficiency program carried out by the Secretary and ensure the effectiveness of the program.

(2) HUD annual report

The Secretary shall submit to the Congress annually, as a part of the report of the Secretary under section 3536 of this title, a report summarizing the information submitted by public housing agencies under paragraph (1) and describing any additional research needs of the Secretary to evaluate the effectiveness of the program. The report under this paragraph shall also include any recommendations of the Secretary for improving the effectiveness of the self-sufficiency program under this section.

(n) GAO report

The Comptroller General of the United States shall submit to the Congress reports under this subsection evaluating and describing the Family Self-Sufficiency program carried out by the Secretary under this section.

(6) Incentives for innovation and high performance

The Secretary may reserve up to 5 percent of the amounts made available under this subsection to provide support to or reward Family Self-Sufficiency programs based on the rate of successful completion, increased earned income, or other factors as may be established by the Secretary.

(k) Flexibility

In establishing and carrying out the self-sufficiency program under this section, the Secretary shall allow eligible entities, units of general local government, and other organizations discretion and flexibility, to the extent practicable, in developing and carrying out local programs.

(l) Programs for tenants in privately owned properties with project-based assistance

(1) Voluntary availability of FSS program

The owner of a privately owned property may voluntarily make a Family Self-Sufficiency program available to the tenants of such property in accordance with procedures established by the Secretary. Such procedures shall permit the owner to enter into a cooperative agreement with a local public housing agency that administers a Family Self-Sufficiency program or, at the owner’s option, operate a Family Self-Sufficiency program on its own or in partnership with another owner. An owner, who voluntarily makes a Family Self-Sufficiency program available pursuant to this subsection, may access funding from any residual receipt accounts for the property to hire a family self-sufficiency coordinator or coordinators for their program.

(2) Cooperative agreement

Any cooperative agreement entered into pursuant to paragraph (1) shall require the public housing agency to open its Family Self-Sufficiency program waiting list to any eligible family residing in the owner’s property who resides in a unit assisted under project-based rental assistance.

(3) Treatment of families assisted under this subsection

A public housing agency that enters into a cooperative agreement pursuant to paragraph (1) may count any family participating in its Family Self-Sufficiency program as a result of such agreement as part of the calculation of the award under subsection (1).

(4) Escrow

(A) Cooperative agreement

A cooperative agreement entered into pursuant to paragraph (1) shall provide for the calculation and tracking of the escrow for participating residents and for the owner to make available, upon request of the public housing agency, escrow for participating residents, in accordance with paragraphs (2) and (3) of subsection (e), residing in units assisted under section 1437f of this title.
administer a Family Self-Sufficiency program under this section.

(2) Eligible family

The term "eligible family" means a family that meets the requirements under subsection (c)(1) to participate in the Family Self-Sufficiency program under this section.

(3) Participating family

The term "participating family" means an eligible family that is participating in the Family Self-Sufficiency program under this section.

See 2018 Amendment notes below.

REFERENCES IN TEXT

The Cranston-Gonzalez National Affordable Housing Act, referred to in subsec. (b)(2), is Pub. L. 101–625, Nov. 28, 1990, 104 Stat. 4079. Title I of the Act is classified generally to subchapter I (§12701 et seq.) of chapter 190 of this title. Section 554(b) of the Act is set out below. For complete classification of this Act to the Code, see Short Title note set out under section 12701 of this title and Tables.


AMENDMENTS

2018—Subsec. (a). Pub. L. 115–174, §306(a)(1), struck out "public housing and" after "coordinate use of" and substituted "sections 1437f and 1437g of this title" for "the certificate and voucher programs under section 1437f of this title".


Subsec. (e)(1), Pub. L. 115–174, §306(a)(7)(A), substituted "be calculated under the rental provisions of section 1437a of this title or section 1437f of this title, as applicable." for "whose monthly adjusted income does not exceed 50 percent of the area median income for occupancy in the public housing unit or dwelling unit assisted under section 1437f of this title may not be increased on the basis of any increase in the earned income of the family, unless the increase results in an income exceeding 50 percent of the area median income. The Secretary shall provide for increased rents for participating families whose incomes are between 50 and 80 percent of the area median income, so that any family whose income increases to 80 percent or more of the area median income pays 30 percent of the family’s monthly adjusted income for rent. Upon completion of the contract of participation, if the participating family continues to qualify for and reside in the dwelling unit in public housing or assisted housing under section 1437f of this title, the rent charged the participating family shall be increased (if applicable) to 50 percent of the monthly adjusted income of the family.

Subsec. (e)(2). Pub. L. 115–174, §306(a)(7)(B), substituted "For each participating family, an amount
equal to any increase in the amount of rent paid by the family in accordance with the provisions of section 1437f or 1437f(e) of this title, as applicable, that is attributable to increases in earned income by the participating family, shall be placed in an interest-bearing escrow account established by the eligible entity on behalf of the participating family. Notwithstanding any other provision of law, an eligible entity may use funds it controls under section 1437f or 1437g of this title for purposes of making the escrow deposit for participating families assisted under, or residing in units assisted under, section 1437f or 1437g of this title, respectively, provided such funds are offset by the increase in the amount of rent paid by the participating family."

"For each participating family whose monthly adjusted income is less than 50 percent of the area median income, the difference between 50 percent of the adjusted income of the participating family and the amount of rent paid by a participating family shall be placed in an interest-bearing escrow account established by the public housing agency on behalf of the participating family," "All Family Self-Sufficiency Programs administered under this section shall include an escrow account." for "For families with incomes between 50 and 80 percent of the area median income, the Secretary shall provide for escrow of the difference between 80 percent of the family's income and the amount paid by the family for rent as determined by the Secretary under paragraph (1)," "under subsection (d)" for "under subsection (c)", "An eligible entity" for "A public housing agency", and "as determined by such eligible entity" for "as determined by the public housing agency".

Subsec. (e)(3). Pub. L. 115–174, § 306(a)(7)(C), amended par. (3) generally. Prior to amendment, text read as follows: "Each public housing agency carrying out a local program under this section shall establish a plan to offer incentives to families to encourage families to participate in the program. The plan shall require the establishment of escrow savings accounts under paragraph (2) and may include any other incentives determined by the public housing agency." Subsec. (f). Pub. L. 115–174, § 306(a)(4), (8), redesignated subsec. (e) as (f) and struck out before period at end "; unless the income of the family equals or exceeds 80 percent of the median income of the area (as determined by the Secretary with adjustments for smaller and larger families)”. Former subsec. (f) redesignated (g).

Subsec. (g). Pub. L. 115–174, § 306(a)(4), redesignated sub. (f) as (g). Former subsec. (g) redesignated (h).

Subsec. (h)(1). Pub. L. 115–174, § 306(a)(8)(A), substituted "Each eligible entity" for "Each public housing agency", for "subsection (h)" for "subsection (g)", and "such eligible entity" for "the public housing agency".

Subsec. (h)(2). Pub. L. 115–174, § 306(a)(8)(B), substituted "eligible entity" for "public housing agency" in two places, struck out "or the Job Opportunities and Basic Skills Training Program under part F of title IV of the Social Security Act" after "under title I of the Workforce Innovation and Opportunity Act", and inserted "primary, secondary, and post-secondary" after "public and private" and "and tenants served by the program" after "the unit of general local government".


Subsec. (i). Pub. L. 115–174, § 306(a)(10)(A), substituted "eligible entity" for "public housing agency" and "carrying out a" for "participating in the" and struck out "to the Secretary" after "to submit".

Subsec. (j). Pub. L. 115–174, § 306(a)(10)(B), substituted "eligible entity" for "public housing agency", for "subsection (g)" for "subsection (f)", and "the current and prospective participants of the program" for "residents of the public housing agency" and struck out "or the Job Opportunities and Basic Skills Training Program under part F of title IV of the Social Security Act" after "under title I of the Workforce Innovation and Opportunity Act".

Subsec. (k). Pub. L. 115–174, § 306(a)(10)(C)(i), substituted "subsection (d)" for "subsection (c)".

Subsec. (l). Former subsec. (l) redesignated (m).


Subsec. (n). Pub. L. 115–174, § 306(a)(14), (16), (19), redesignated subsec. (m) as (n), substituted "shall submit" for "may submit", and struck out former subsec. (n) which related to definitions.

Subsec. (o). Pub. L. 115–174, § 306(a)(15), (20), added subsec. (o) and struck out former subsec. (o) which related to effective date and regulations.

2014—Subsec. (b)(2)(A). Pub. L. 113–128, § 512(l)(1), substituted "lack of supportive services accessible to eligible families, which shall include insufficient availability of resources for programs under title I of the Workforce Innovation and Opportunity Act" for "lack of supportive services accessible to eligible families, which shall include insufficient availability of resources for programs under title I of the Workforce Investment Act of 1998".

Subsec. (i)(2). Pub. L. 113–128, § 512(l)(2), substituted "the local agencies (if any) responsible for carrying out programs under title I of the Workforce Innovation and Opportunity Act or the Job Opportunities and Basic Skills Training Program under part F of title IV of the Social Security Act," for "the local agencies (if any) responsible for carrying out programs under title I of the Workforce Investment Act of 1998 or the Job Opportunities and Basic Skills Training Program under part F of title IV of the Social Security Act,".

Subsec. (g)(2). Pub. L. 113–128, § 512(l)(3)(A), substituted "any local agencies responsible for programs under title I of the Workforce Innovation and Oppor-
tunity Act or the Job Opportunities and Basic Skills Training Program under part D of title IV of the Social Security Act for ‘any local agencies responsible for programs under title I of the Workforce Investment Act of 1998 or the Job Opportunities and Basic Skills Training Program under part D of title IV of the Social Security Act’.

§ 405(f)(23)(C) (1), (2). Pub. L. 105–275, § 509(a)(1)(A)(ii), substituted ‘‘subject to the limitations in paragraph (4); and’’ for ‘‘period at end’’.


Pub. L. 105–277, § 101(f) [title VIII, § 405(d)(31)(A)(i)], substituted ‘‘the Job Training Partnership Act or title I of the Workforce Investment Act of 1998 or the’’ for ‘‘for programs under title I of the Workforce Investment Act of 1998 and any other relevant employment, child care, transportation, and education programs in the applicable area’’.


Subsec. (c)(1). Pub. L. 102–550, § 106(d), in second sentence, inserted ‘‘, shall establish specific interim and final goals by which compliance with and performance of the contract may be measured, after’’ after ‘‘program’’ and substituted last sentence for former last sentence which read as follows: ‘‘The contract shall provide that the public housing agency may terminate or withhold assistance under section 1437f of this title and services under paragraph (2) of this section if the family fails to comply with the requirements under the contract.’’

Subsec. (c)(2). Pub. L. 102–550, § 106(e), struck out ‘‘to each participating family’’ after ‘‘paragraph (1)’’ in introductory provisions.


Subsec. (d)(2). Pub. L. 102–550, § 106(f), substituted ‘‘after the family ceases to receive income assistance under Federal or State welfare programs, upon successful performance of the obligations of the family under the contract of participation entered into by the family under subsection (c), as determined according to the specific goals and terms included in the contract, and under other circumstances in which the Secretary determines an exception for good cause is warranted. A public housing agency establishing such escrow accounts may make certain amounts in the accounts available to the participating families before full performance of the contract obligations based on compliance with, and completion of, specific interim goals included in the contract; except that any such amounts shall be used by the participating families for purposes consistent with the contracts of participation, as determined by the public housing agency.’’ for ‘‘only after the family is no longer a recipient of any Federal, State, or other public assistance for housing.’’


Pub. L. 102–550, § 106(g)(2), added par. (3) relating to a plan to offer incentives.

Subsec. (g)(3)(D) to (I) to (1), Pub. L. 102–550, § 106(h), added subpars. (D) and (I) and redesignated former subpars. (D) to (G) as (E) to (H), respectively.

Subsec. (h)(2). Pub. L. 102–550, § 106(a), amended last sentence generally. Prior to amendment, last sentence read as follows: ‘‘Of any amounts appropriated under section 1437g(c) of this title for each of fiscal years 1991 and 1992, $25,000,000 is authorized to be used for costs under this paragraph.’’

Subsec. (h)(3) to (6). Pub. L. 102–550, § 106(i), amended par. (3), redesignated former pars. (3) and (4) as (4) and (5), respectively, and added par. (6).

Subsec. (o)(2). Pub. L. 102–550, § 106(j), amended par. (2) generally. Prior to amendment, par. (2) read as follows: ‘‘Applicability to Indian public housing. — In accordance with section 1437aa(b)(2) of this title, the provisions of this section shall also apply to public hous-

‘‘(2) Timing.—The Comptroller General shall submit the following reports under this subsection:

(A) An interim report, not later than the expiration of the 2-year period beginning on November 28, 1990.

(B) A final report, not later than the expiration of the 5-year period beginning on November 28, 1990.’’
ing developed or operated pursuant to a contract between the Secretary and an Indian housing authority.

Effective Date of 2018 Amendment; Regulations

Pub. L. 115–174, title III, §306(b), May 24, 2018, 132 Stat. 1347, provided that: “Not later than 360 days after the date of enactment of this Act [May 24, 2018], the Secretary of Housing and Urban Development shall issue regulations to implement this section [amending this section] and any amendments made by this section, and this section and any amendments made by this section shall take effect upon such issuance.”

Effective Date of 2014 Amendment

Amendment by Pub. L. 113–128 effective on the first day of the first full program year after July 22, 2014 (July 1, 2015), see section 506 of Pub. L. 113–128, set out as an Effective Date note under section 3101 of Title 29, Labor.

Effective Date of 1998 Amendments


Effective Date of 1996 Amendment

Amendment by Pub. L. 104–330 effective Oct. 1, 1997, except as otherwise expressly provided, see section 197 of Pub. L. 104–330, set out as an Effective Date note under section 4101 of Title 25, Indians.

GAO Study on Linking Federal Housing Assistance to Economic Self-Sufficiency Programs

Pub. L. 101–625, title V, §554(b), Nov. 28, 1990, 104 Stat. 4231, directed Comptroller General to submit to Congress, not later than 18 months after Nov. 28, 1990, a report (1) evaluating the policy and administrative implications of requiring State and local governments to require participation in an economic self-sufficiency program as a condition of the receipt of rental assistance under U.S.C. 1437f and public housing assistance, (2) determining the additional costs to public housing agencies under such programs and recommending a change in the amount of the administrative fee under 42 U.S.C. 1437f(q) to cover the additional costs of carrying out the Family Self-Sufficiency Program under this section, and (3) examining how housing and social service policies affect beneficiaries, particularly persons receiving public assistance, when such beneficiaries gain employment and experience a rise in income.

§1437v. Demolition, site revitalization, replacement housing, and tenant-based assistance grants for projects

(a) Purposes

The purpose of this section is to provide assistance to public housing agencies for the purposes of—

(1) improving the living environment for public housing residents of severely distressed public housing projects through the demolition, rehabilitation, reconfiguration, or replacement of obsolete public housing projects (or portions thereof); and

(2) revitalizing sites (including remaining public housing dwelling units) on which such public housing projects are located and contributing to the improvement of the surrounding neighborhood;

(3) providing housing that will avoid or decrease the concentration of very low-income families; and

(4) building sustainable communities.

It is also the purpose of this section to provide assistance to smaller communities for the purpose of facilitating the development of affordable housing for low-income families that is undertaken in connection with a main street revitalization or redevelopment project in such communities.

(b) Grant authority

The Secretary may make grants as provided in this section to applicants whose applications for such grants are approved by the Secretary under this section.

(c) Contribution requirement

(1) In general

The Secretary may not make any grant under this section to any applicant unless the applicant certifies to the Secretary that the applicant will—

(A) supplement the aggregate amount of assistance provided under this section with an amount of funds from sources other than this section equal to not less than 5 percent of the amount provided under this section; and

(B) in addition to supplemental amounts provided in accordance with subparagraph (A), if the applicant uses more than 5 percent of the amount of assistance provided under this section for services under subsection (d)(1)(L), provide supplemental funds from sources other than this section in an amount equal to the amount so used in excess of 5 percent.

(2) Supplemental funds

In calculating the amount of supplemental funds provided by a grantee for purposes of paragraph (1), the grantee may include amounts from other Federal sources, any State or local government sources, any private contributions, the value of any donated material or building, the value of any lease on a building, the value of the time and services contributed by volunteers, and the value of any other in-kind services or administrative costs provided.

(3) Exemption

If assistance provided under this subchapter will be used only for providing tenant-based assistance under section 1437f of this title or demolition of public housing (without replacement), the Secretary may exempt the applicant from the requirements under paragraph (1)(A).

(d) Eligible activities

(1) In general

Grants under this section may be used for activities to carry out revitalization programs for severely distressed public housing, including—

(A) architectural and engineering work;

(B) redesign, rehabilitation, or reconfiguration of a severely distressed public hous-
ing project, including the site on which the project is located;
(C) the demolition, sale, or lease of the site, in whole or in part;
(D) covering the administrative costs of the applicant, which may not exceed such portion of the assistance provided under this section as the Secretary may prescribe;
(E) payment of reasonable legal fees;
(F) providing reasonable moving expenses for residents displaced as a result of the revitalization of the project;
(G) economic development activities that promote the economic self-sufficiency of residents under the revitalization program, including a Neighborhood Networks initiative for the establishment and operation of computer centers in public housing for the purpose of enhancing the self-sufficiency, employability, and economic self-reliance of public housing residents by providing them with onsite computer access and training resources;
(H) necessary management improvements;
(I) leveraging other resources, including additional housing resources, retail supportive services, jobs, and other economic development uses on or near the project that will benefit future residents of the site;
(J) replacement housing (including appropriate homeownership downpayment assistance for displaced residents or other appropriate replacement homeownership activities) and rental assistance under section 1437f of this title;
(K) transitional security activities; and
(L) necessary supportive services, except that not more than 15 percent of the amount of any grant may be used for activities under this paragraph.

(2) Endowment trust for supportive services

In using grant amounts under this section made available in fiscal year 2000 or thereafter for supportive services under paragraph (1)(L), a public housing agency may deposit such amounts in an endowment trust to provide supportive services over such period of time as the agency determines. Such amounts shall be provided to the agency by the Secretary in a lump sum when requested by the agency, shall be invested in a wise and prudent manner, and shall be used (together with any interest thereon earned) only for eligible uses pursuant to paragraph (1)(L). A public housing agency may use amounts in an endowment trust under this paragraph in conjunction with other amounts donated or otherwise made available to the trust for similar purposes.

(e) Application and selection

(1) Application

An application for a grant under this section shall demonstrate the appropriateness of the proposal in the context of the local housing market relative to other alternatives, and shall include such other information and be submitted at such time and in accordance with such procedures, as the Secretary shall prescribe.

The Secretary may determine not to apply certain of the selection criteria established pursuant to paragraph (2) when awarding grants for demolition only, tenant-based assistance only, or other specific categories of

1So in original. Probably should be “and”.

(2) Selection criteria

The Secretary shall establish criteria for the award of grants under this section and shall include among the factors—
(A) the relationship of the grant to the public housing agency plan for the applicant and how the grant will result in a revitalized site that will enhance the neighborhood in which the project is located and enhance economic opportunities for residents;
(B) the capability and record of the applicant public housing agency, or any alternative management entity for the agency, for managing redevelopment or modernization projects, meeting construction timetables, and obligating amounts in a timely manner;
(C) the extent to which the applicant could undertake such activities without a grant under this section;
(D) the extent of involvement of residents, State and local governments, private service providers, financing entities, and developers, in the development and ongoing implementation of a revitalization program for the project, except that the Secretary may not award a grant under this section unless the applicant has involved affected public housing residents at the beginning and during the planning process for the revitalization program, prior to submission of an application;
(E) the need for affordable housing in the community;
(F) the supply of other housing available and affordable to families receiving tenant-based assistance under section 1437f of this title;
(G) the amount of funds and other resources to be leveraged by the grant;
(H) the extent of the need for, and the potential impact of, the revitalization program;
(I) the extent to which the plan minimizes permanent displacement of current residents of the public housing site who wish to remain in or return to the revitalized community and provides for community and supportive services to residents prior to any relocation;
(J) the extent to which the plan sustains or creates more project-based housing units available to persons eligible for public housing in markets where the plan shows there is demand for the maintenance or creation of such units;
(K) the extent to which the plan gives to existing residents priority for occupancy in dwelling units which are public housing dwelling units, or for residents who can afford to live in other units, priority for those units in the revitalized community; and
(L) such other factors as the Secretary considers appropriate.

(3) Applicability of selection criteria

The Secretary may determine not to apply certain of the selection criteria established pursuant to paragraph (2) when awarding grants for demolition only, tenant-based assistance only, or other specific categories of
revitalization activities. This section may not be construed to require any application for a grant under this section to include demolition of public housing or to preclude use of grant amounts for rehabilitation or rebuilding of any housing on an existing site.

(f) Cost limits

Subject to the provisions of this section, the Secretary—
(1) shall establish cost limits on eligible activities under this section sufficient to provide for effective revitalization programs; and
(2) may establish other cost limits on eligible activities under this section.

(g) Disposition and replacement

Any severely distressed public housing disposed of pursuant to a revitalization plan and any public housing developed in lieu of such severely distressed housing, shall be subject to the provisions of section 1437p of this title. Severely distressed public housing demolished pursuant to a revitalization plan shall not be subject to the provisions of section 1437p of this title.

(h) Administration by other entities

The Secretary may require a grantee under this section to make arrangements satisfactory to the Secretary for use of an entity other than the public housing agency to carry out activities assisted under the revitalization plan, if the Secretary determines that such action will help to effectuate the purposes of this section.

(i) Withdrawal of funding

If a grantee under this section does not proceed within a reasonable timeframe, in the determination of the Secretary, the Secretary shall withdraw any grant amounts under this section that have not been obligated by the public housing agency to carry out activities assisted under the revitalization plan, if the Secretary determines that such action will help to effectuate the purposes of this section.

(j) Definitions

For purposes of this section, the following definitions shall apply:

(1) Applicant

The term "applicant" means—
(A) any public housing agency that is not designated as troubled pursuant to section 1437d(j)(2) of this title;
(B) any public housing agency for which a private housing management agent has been selected, or a receiver has been appointed, pursuant to section 1437d(j)(3) of this title; and
(C) any public housing agency that is designated as troubled pursuant to section 1437d(j)(2) of this title and that—
(i) is so designated principally for reasons that will not affect the capacity of the agency to carry out a revitalization program;
(ii) is making substantial progress toward eliminating the deficiencies of the agency; or
(iii) is otherwise determined by the Secretary to be capable of carrying out a revitalization program.

(2) Severely distressed public housing

The term "severely distressed public housing" means a public housing project (or building in a project)—
(A) that—
(i) requires major redesign, reconstruction or redevelopment, or partial or total demolition, to correct serious deficiencies in the original design (including inappropriately high population density), deferred maintenance, physical deterioration or obsolescence of major systems and other deficiencies in the physical plant of the project;
(ii) is a significant contributing factor to the physical decline of and disinvestment by public and private entities in the surrounding neighborhood;
(iii) is occupied predominantly by families who are very low-income families with children, are unemployed, and dependent on various forms of public assistance;

(B) that was a project described in subparagraph (A) that has not yet provided replacement housing or demolished, but for which the Secretary is otherwise determined by the Secretary to be capable of carrying out a revitalization program.

(ii) that is located in a census tract where—
(1) the poverty rate (as determined by the Census Bureau in the most recent applicable census); or
(2) the number of residents below the poverty line (as determined by the Census Bureau in the most recent applicable census) is, in the Secretary’s determination, significantly greater than the poverty rate or the number of persons below the poverty line in the tract

(ii) the tract
(iii) the city

(3) Supportive services

The term "supportive services" includes all activities that will promote upward mobility, self-sufficiency, and improved quality of life for the residents of the public housing project involved, including literacy training, job training, day care, transportation, and economic development activities.

2So in original.
(k) Grantee reporting

The Secretary shall require grantees of assistance under this section to report the sources and uses of all amounts expended for revitalization plans.

(l) Annual report

The Secretary shall submit to the Congress an annual report setting forth—

(1) the number, type, and cost of public housing units revitalized pursuant to this section;

(2) the status of projects identified as severely distressed public housing;

(3) the amount and type of financial assistance provided under and in conjunction with this section, including a specification of the amount and type of assistance provided under subsection (n);

(4) the types of projects funded, and number of affordable housing dwelling units developed with, grants under subsection (n); and

(5) the recommendations of the Secretary for statutory and regulatory improvements to the program established by this section.

(m) Funding

(1) Authorization of appropriations

There are authorized to be appropriated for grants under this section $574,000,000 for fiscal year 2017.

(2) Technical assistance and program oversight

Of the amount appropriated pursuant to paragraph (1) for any fiscal year, the Secretary may use up to 2 percent for technical assistance or contract expertise, including assistance in connection with the establishment and operation of computer centers in public housing through the Neighborhoods Networks initiative described in subsection (d)(1)(G). Such assistance or contract expertise may be provided directly or indirectly by grants, contracts, or cooperative agreements, and shall include training, and the cost of necessary travel for participants in such training, by or to officials of the Department of Housing and Urban Development, of public housing agencies, and of residents.

(3) Set-aside for main street housing grants

Of the amount appropriated pursuant to paragraph (1) for any fiscal year, the Secretary shall provide up to 5 percent for use only for grants under subsection (n).

(n) Grants for assisting affordable housing developed through main street projects in smaller communities

(1) Authority and use of grant amounts

The Secretary may make grants under this subsection to smaller communities. Such grant amounts shall be used by smaller communities only to provide assistance to carry out eligible affordable housing activities under paragraph (4) in connection with an eligible project under paragraph (2).

(2) Eligible project

For purposes of this subsection, the term “eligible project” means a project that—

(A) the Secretary determines, under the criteria established pursuant to paragraph (3), is a main street project;

(B) is carried out within the jurisdiction of a smaller community receiving the grant; and

(C) involves the development of affordable housing that is located in the commercial area that is the subject of the project.

(3) Main street projects

The Secretary shall establish requirements for a project to be considered a main street project for purposes of this section, which shall require that the project—

(A) has as its purpose the revitalization or redevelopment of a historic or traditional commercial area;

(B) involves investment, or other participation, by the government for, and private entities in, the community in which the project is carried out; and

(C) complies with such historic preservation guidelines or principles as the Secretary shall identify to preserve significant historic or traditional architectural and design features in the structures or area involved in the project.

(4) Eligible affordable housing activities

For purposes of this subsection, the activities described in subsection (d)(1) shall be considered eligible affordable housing activities, except that—

(A) such activities shall be conducted with respect to affordable housing rather than with respect to severely distressed public housing projects; and

(B) eligible affordable housing activities under this subsection shall not include the activities described in subparagraphs (B) through (E), (J), or (K) of subsection (d)(1).

(5) Maximum grant amount

A grant under this subsection for a fiscal year for a single smaller community may not exceed $1,000,000.

(6) Contribution requirement

A smaller community applying for a grant under this subsection shall be considered an applicant for purposes of subsection (c) (relating to contributions by applicants), except that—

(A) such supplemental amounts shall be used only for carrying out eligible affordable housing activities; and

(B) paragraphs (1)(B) and (3) shall not apply to grants under this subsection.

(7) Applications and selection

(A) Application

Pursuant to subsection (e)(1), the Secretary shall provide for smaller communities to apply for grants under this subsection, except that the Secretary may establish such separate or additional criteria for applications for such grants as may be appropriate to carry out this subsection.

(B) Selection criteria

The Secretary shall establish selection criteria for the award of grants under this sub-
section, which shall be based on the selection criteria established pursuant to subsection (e)(2), with such changes as may be appropriate to carry out the purposes of this subsection.

(8) Cost limits

The cost limits established pursuant to subsection (f) shall apply to eligible affordable housing activities assisted with grant amounts under this subsection.

(9) Inapplicability of other provisions

The provisions of subsections (g) (relating to disposition and replacement of severely distressed public housing), and (h) (relating to administration of grants by other entities), shall not apply to grants under this subsection.

(10) Reporting

The Secretary shall require each smaller community receiving a grant under this subsection to submit a report regarding the use of all amounts provided under the grant.

(11) Definitions

For purposes of this subsection, the following definitions shall apply:

(A) Affordable housing

The term "affordable housing" means rental or homeownership dwelling units that—

(i) are made available for initial occupancy to low-income families, with a subset of units made available to very- and extremely-low income families; and

(ii) are subject to the same rules regarding occupant contribution toward rent or purchase and terms of rental or purchase as dwelling units in public housing projects assisted with a grant under this section.

(B) Smaller community

The term "smaller community" means a unit of general local government (as such term is defined in section 5302 of this title) that—

(i) has a population of 50,000 or fewer; and

(ii) is not served by a public housing agency; or

(II) is served by a single public housing agency administering 100 or fewer public housing dwelling units.

(o) Sunset

No assistance may be provided under this section after September 30, 2017.


REFERENCES IN TEXT


Section 503(a) of the Quality Housing and Work Responsibility Act of 1998, referred to in subsec. (j)(2)(A)(iv), is section 503(a) of Pub. L. 105-276, which is set out as an Effective Date of 1998 Amendment note under section 1437 of this title.

AMENDMENTS


Pub. L. 111-8, §223(2), which directed substitution of “September 30, 2009” for “September 30, 2008”, was executed by making the substitution for “2008”, to reflect the probable intent of Congress and the intervening amendment by Pub. L. 110-161, §224(2). See 2007 Amendment note below.


Subsec. (e)(2). Pub. L. 108-186, §402(a)(1), substituted “The Secretary shall establish criteria for the award of grants under this section and shall include among the factors—” for “The Secretary shall establish selection
criterias for the award of grants under this section and shall include such factors as—’’ in introductory provisions.


Subsec. (e)(2)(D). Pub. L. 108–186, §402(a)(3), inserted ‘‘and ongoing implementation after ‘‘development’’ and that the Secretary may not award a grant under this section unless the applicant has involved affected public housing residents at the beginning and during the planning process for the revitalization program, prior to submission of an application’’ before semicolon at end.

Subsec. (e)(2)(I) to (L). Pub. L. 108–186, §402(a)(4)–(6), added subpars. (I) to (K) and redesignated former subpar. (I) as (L).


Subsec. (k)(4), (5). Pub. L. 108–186, §403(c)(2), (3), added par. (4) and redesignated former par. (4) as (5).


Pub. L. 108–7, §213(a), substituted ‘‘$574,000,000 for fiscal year 2003’’ for ‘‘$300,000,000 for fiscal year 1999 and such sums as may be necessary for each of fiscal years 2000, 2001, and 2002’’.


Pub. L. 108–186, §403(e), substituted ‘‘September 30, 2004’’ for ‘‘, 2003’’.


2000—Subsec. (d)(1)(G). Pub. L. 106–377, §111(a)(1) (title II, §214(b)(1)), inserted before semicolon ‘‘including a Neighborhood Networks initiative for the establishment and operation of computer centers in public housing for the purpose of enhancing the self-sufficiency, employability, an economic self-reliance of public housing residents by providing them with onsite computer access and training resources’’.

Subsec. (m)(2). Pub. L. 106–377, §11(a)(1) (title II, §214(b)(2)), inserted before end of first sentence, ‘‘including assistance in connection with the establishment and operation of computer centers in public housing through the Neighborhoods Networks initiative described in subsection (d)(1)(G);’’.

1998—Pub. L. 105–276 amended section generally. Prior to amendment, section authorized planning grants for development of revitalization programs for severely distressed public housing and implementation grants to carry out revitalization programs for such housing, authorized exceptions to general program rules, established Office of Severely Distressed Public Housing Revitalization, and required annual report to Congress.

1996—Subsec. (e). Pub. L. 104–99 temporarily substituted ‘‘Exception’’ for ‘‘Exceptions’’ in subsec. heading and struck out ‘‘(1) LONG-TERM VIABILITY.’’ before ‘‘The Secretary may waive’’ and par. (2) which read as follows:

‘‘(2) SELECTION OF TENANTS.—For projects revitalized under this section, a public housing agency may select tenants pursuant to a local system of preferences, in lieu of selecting tenants pursuant to the preferences specified under section 1437d(c)(4)(A)(i) of this title. Such local system shall be established in writing and shall respond to local housing needs and priorities as determined by the public housing agency. The public housing agency shall hold 1 or more public hearings to obtain the views of low-income tenants and other interested parties on the housing needs and priorities of the agency’s jurisdiction.’’ See Effective and Termination Dates of 1996 Amendments note below.

Subsec. (h)(3). Pub. L. 104–330 struck out ‘‘, except that it does not include any Indian housing authority’’ after ‘‘section 1437a(b) of this title’’.

Effective Date of 1998 Amendment

Pub. L. 105–276, title V, §535(b), Oct. 21, 1998, 112 Stat. 2586, provided that: ‘‘The amendment made by this section [amending this section] is made on, and shall apply beginning upon, the date of the enactment of this Act [Oct. 21, 1998].’’

Effective and Termination Dates of 1996 Amendments


Termination of Reporting Requirements

For termination, effective May 15, 2000, of provisions of law requiring submittal to Congress of any annual, semianual, or other regular periodic report listed in House Document No. 110–7 (in which item 11 on page 101 identifies a reporting provision which, as subsequently amended, is contained in subsec. (l) of this section), see section 3003 of Pub. L. 104–66, as amended, set out as a note under section 1131 of Title 31, Money and Finance.

Study of Elderly and Disabled Public Housing Needs


§1437w. Transfer of management of certain housing to independent manager at request of residents

(a) Authority

The Secretary may transfer the responsibility and authority for management of specified housing (as such term is defined in subsection (h)) from a public housing agency to an eligible management entity, in accordance with the requirements of this section, if—

(1) a request for transfer of management of such housing is made and approved in accordance with subsection (b); and

(2) the Secretary or the public housing agency, as appropriate pursuant to subsection (b), determines that—

(A) due to the mismanagement of the agency, such housing has deferred maintenance, physical deterioration, or obsolescence of major systems and other deficiencies in the physical plant of the project;

(B) such housing is located in an area such that the housing is subject to recurrent vandalism and criminal activity (including drug-related criminal activity); and

(C) the residents can demonstrate that the elements of distress for such housing specified in subparagraphs (A) and (B) can be remedied by an entity or entities, identified by the residents, that has or have a demonstrated capacity to manage, with reasonable expenses for modernization.

THE PUBLIC HEALTH AND WELFARE

The Secretary may transfer the responsibility and authority for management of specified housing (as such term is defined in subsection (h)) from a public housing agency to an eligible management entity, in accordance with the requirements of this section, if—

(1) a request for transfer of management of such housing is made and approved in accordance with subsection (b); and

(2) the Secretary or the public housing agency, as appropriate pursuant to subsection (b), determines that—

(A) due to the mismanagement of the agency, such housing has deferred maintenance, physical deterioration, or obsolescence of major systems and other deficiencies in the physical plant of the project;

(B) such housing is located in an area such that the housing is subject to recurrent vandalism and criminal activity (including drug-related criminal activity); and

(C) the residents can demonstrate that the elements of distress for such housing specified in subparagraphs (A) and (B) can be remedied by an entity or entities, identified by the residents, that has or have a demonstrated capacity to manage, with reasonable expenses for modernization.
§ 1437w

(b) Request for transfer

The responsibility and authority for managing specified housing may be transferred only pursuant to a request made by a majority vote of the residents for the specified housing that—

(1) in the case of specified housing that is owned by a public housing agency that is designated as a troubled agency under section 1437d(j)(2) of this title—

(A) is made to the public housing agency or the Secretary; and

(B) is approved by the agency or the Secretary; or

(2) in the case of specified housing that is owned by a public housing agency that is not designated as a troubled agency under section 1437d(j)(2) of this title—

(A) is made to and approved by the public housing agency; or

(B) if a request is made to the agency pursuant to subparagraph (A) and is not approved, is subsequently made to and approved by the Secretary.

c) Capital and operating assistance

Pursuant to a contract under subsection (d), the Secretary shall require the public housing agency for specified housing to provide to the manager for the housing, from any assistance from the Capital and Operating Funds under section 1437g of this title for the agency, fair and reasonable amounts for the housing for eligible capital and operating activities under subsection (d)(1) and (e)(1) of section 1437g of this title. The amount made available under this subsection to a manager shall be determined by the Secretary based on the share for the specified housing of the aggregate amount of assistance from such Funds for the public housing agency transferring the housing, taking into consideration the operating and capital improvement needs of the specified housing, the operating and capital improvement needs of the remaining public housing units managed by the public housing agency, and the public housing agency plan of such agency.

d) Contract between Secretary and manager

(1) Requirements

Pursuant to the approval of a request under this section for transfer of the management of specified housing, the Secretary shall enter into a contract with the eligible management entity.

(2) Terms

A contract under this subsection shall contain provisions establishing the rights and responsibilities of the manager with respect to the specified housing and the Secretary and shall be consistent with the requirements of this chapter applicable to public housing projects.

e) Compliance with public housing agency plan

A manager of specified housing under this section shall comply with the approved public housing agency plan applicable to the housing and shall submit such information to the public housing agency from which management was transferred as may be necessary for such agency to prepare and update its public housing agency plan.

(f) Demolition and disposition by manager

A manager under this section may demolish or dispose of specified housing only if, and in the manner, provided for in the public housing agency plan for the agency transferring management of the housing.

g) Limitation on PHA liability

A public housing agency that is not a manager for specified housing shall not be liable for any act or failure to act by a manager or resident council for the specified housing.

(h) Definitions

For purposes of this section, the following definitions shall apply:

(1) Eligible management entity

The term “eligible management entity” means, with respect to any public housing project, any of the following entities:

(A) Nonprofit organization

A public or private nonprofit organization, which may—

(i) include a resident management corporation; and

(ii) not include the public housing agency that owns or operates the project.

(B) For-profit entity

A for-profit entity that has demonstrated experience in providing low-income housing.

(C) State or local government

A State or local government, including an agency or instrumentality thereof.

(D) Public housing agency

A public housing agency (other than the public housing agency that owns or operates the project).

The term does not include a resident council.

(2) Manager

The term “manager” means any eligible management entity that has entered into a contract under this section with the Secretary for the management of specified housing.

(3) Nonprofit

The term “nonprofit” means, with respect to an organization, association, corporation, or other entity, that no part of the net earnings of the entity inures to the benefit of any member, founder, contributor, or individual.

(4) Private nonprofit organization

The term “private nonprofit organization” means any private organization (including a State or locally chartered organization) that—

(A) is incorporated under State or local law;

(B) is nonprofit in character;

(C) complies with standards of financial accountability acceptable to the Secretary; and

(D) has among its purposes significant activities related to the provision of decent housing that is affordable to low-income families.
(5) Public nonprofit organization
The term “public nonprofit organization” means any public entity that is nonprofit in character.

(6) Specified housing
The term “specified housing” means a public housing project or projects, or a portion of a project or projects, for which the transfer of management is requested under this section. The term includes one or more contiguous buildings and an area of contiguous row houses, but in the case of a single building, the building shall be sufficiently separable from the remainder of the project of which it is part to make transfer of the management of the building feasible for purposes of this section.


PRIOR PROVISIONS

EFFECTIVE DATE
Section effective and applicable beginning upon Oct. 1, 1999, except as otherwise provided, with provision that Secretary may implement repeal before such date, and with savings provision.

§ 1437x. Environmental reviews
(a) In general
(1) Release of funds
In order to assure that the policies of the National Environmental Policy Act of 1969 [42 U.S.C. §4321 et seq.] and other provisions of law which further the purposes of such Act (as specified in regulations issued by the Secretary) are most effectively implemented in connection with the expenditure of funds under this subchapter, and to assure to the public undiminished protection of the environment, the Secretary may, under such regulations, in lieu of the environmental protection procedures otherwise applicable, provide for the release of funds for projects or activities under this subchapter, as specified by the Secretary upon the request of a public housing agency under this section, if the State or unit of general local government, as designated by the Secretary in accordance with regulations, assumes all of the responsibilities for environmental review, decisionmaking, and action pursuant to such Act, and such other provisions of law as the regulations of the Secretary may specify, which would otherwise apply to the Secretary with respect to the release of funds.

(2) Implementation
The Secretary, after consultation with the Council on Environmental Quality, shall issue such regulations as may be necessary to carry out this section. Such regulations shall specify the programs to be covered.

(b) Procedure
The Secretary shall approve the release of funds subject to the procedures authorized by this section only if, not less than 15 days prior to such approval and prior to any commitment of funds to such projects or activities, the public housing agency has submitted to the Secretary a request for such release accompanied by a certification of the State or unit of general local government which meets the requirements of subsection (c). The Secretary’s approval of any such certification shall be deemed to satisfy the Secretary’s responsibilities under the National Environmental Policy Act of 1969 [42 U.S.C. §4321 et seq.] and such other provisions of law as the regulations of the Secretary specify insofar as those responsibilities relate to the release of funds which are covered by such certification.

(c) Certification
A certification under the procedures authorized by this section shall—
(1) be in a form acceptable to the Secretary;
(2) be executed by the chief executive officer or other officer of the State or unit of general local government who qualifies under regulations of the Secretary;
(3) specify that the State or unit of general local government under this section has fully carried out its responsibilities as described under subsection (a); and
(4) specify that the certifying officer—
(A) consents to assume the status of a responsible Federal official under the National Environmental Policy Act of 1969 [42 U.S.C. §4321 et seq.] and each provision of law as specified in regulations issued by the Secretary insofar as the provisions of such Act or other such provision of law apply pursuant to subsection (a); and
(B) is authorized and consents on behalf of the State or unit of general local government and himself or herself to accept the jurisdiction of the Federal courts for the purpose of enforcement of his or her responsibilities as such an official.

(d) Approval by States
In cases in which a unit of general local government carries out the responsibilities described in subsection (c), the Secretary may permit the State to perform those actions of the Secretary described in subsection (b) and the performance of such actions by the State, where permitted by the Secretary, shall be deemed to satisfy the Secretary’s responsibilities referred to in the second sentence of subsection (b).


REFERENCES IN TEXT
The National Environmental Policy Act of 1969, referred to in subsections (a)(1), (b), and (c)(4)(A), is Pub. L. 89-90, Jan. 1, 1970, 83 Stat. 382, as amended, which is classified generally to chapter 55 (§4321 et seq.) of this title. For complete classification of this Act to the
§ 1437y. Provision of information to law enforcement and other agencies

Notwithstanding any other provision of law, the Secretary shall, at least 4 times annually and upon request of the Immigration and Naturalization Service (hereafter in this section referred to as the “Service”), furnish the Service with the name and address of, and other identifying information on, any individual who the Secretary knows is not lawfully present in the United States, and shall ensure that each contract for assistance entered into under section 1437d or 1437f of this title with a public housing agency provides that the public housing agency shall furnish such information at such times with respect to any individual who the public housing agency knows is not lawfully present in the United States.


Codification

Another section 27 of act Sept. 1, 1937, was renumbered section 28, and is classified to section 1437a of this title.

Amendments


Effective Date of 1997 Amendment


§ 1437z. Exchange of information with law enforcement agencies

Notwithstanding any other provision of law, each public housing agency that enters into a contract for assistance under section 1437d or 1437f of this title with the Secretary shall furnish any Federal, State, or local law enforcement officer, upon the request of the officer, with the current address, Social Security number, and photograph (if applicable) of any recipient of assistance under this chapter, if the officer—

(1) furnishes the public housing agency with the name of the recipient; and

(2) notifies the agency that—

(A) such recipient—

(i) is fleeing to avoid prosecution, or custody or confinement after conviction, under the laws of the place from which the individual flees, for a crime, or attempt to commit a crime, which is a felony under the laws of the place from which the individual flees, or which, in the case of the State of New Jersey, is a high misdemeanor under the laws of such State; or

(ii) is violating a condition of probation or parole imposed under Federal or State law; or

(iii) has information that is necessary for the officer to conduct the officer’s official duties;

(B) the location or apprehension of the recipient is within such officer’s official duties; and

(C) the request is made in the proper exercise of the officer’s official duties.


§ 1437z–1. Civil money penalties against section 1437f owners

(a) In general

(1) Effect on other remedies

The penalties set forth in this section shall be in addition to any other available civil remedy or any available criminal penalty, and may be imposed regardless of whether the Secretary imposes other administrative sanctions.

(2) Failure of Secretary

The Secretary may not impose penalties under this section for a violation, if a material cause of the violation is the failure of the Secretary, an agent of the Secretary, or a public housing agency to comply with an existing agreement.

(b) Violations of housing assistance payment contracts for which penalty may be imposed

(1) Liable parties

The Secretary may impose a civil money penalty under this section on—

(A) any owner of a property receiving project-based assistance under section 8 [42 U.S.C. 1437f];

(B) any general partner of a partnership owner of that property; and

(C) any agent employed to manage the property that has an identity of interest with the owner or the general partner of a partnership owner of the property.

(2) Violations

A penalty may be imposed under this section for a knowing and material breach of a housing assistance payments contract, including the following—

(A) failure to provide decent, safe, and sanitary housing pursuant to section 8 [42 U.S.C. 1437f]; or
(B) knowing or willful submission of false, fictitious, or fraudulent statements or requests for housing assistance payments to the Secretary or to any department or agency of the United States.

(3) Amount of penalty
The amount of a penalty imposed for a violation under this subsection, as determined by the Secretary, may not exceed $25,000 per violation.

(c) Agency procedures
(1) Establishment
The Secretary shall issue regulations establishing standards and procedures governing the imposition of civil money penalties under subsection (b). These standards and procedures—
(A) shall provide for the Secretary or other department official to make the determination to impose the penalty;
(B) shall provide for the imposition of a penalty only after the liable party has received notice and the opportunity for a hearing on the record; and
(C) may provide for review by the Secretary of any determination or order, or interlocutory ruling, arising from a hearing and judicial review, as provided under subsection (d).

(2) Final orders
(A) In general
If a hearing is not requested before the expiration of the 15-day period beginning on the date on which the notice of opportunity for hearing is received, the imposition of a penalty under subsection (b) shall constitute a final and unappealable determination.

(B) Effect of review
If the Secretary reviews the determination or order, the Secretary may affirm, modify, or reverse that determination or order.

(C) Failure to review
If the Secretary does not review that determination or order before the expiration of the 90-day period beginning on the date on which the determination or order is issued, the determination or order shall be final.

(3) Factors in determining amount of penalty
In determining the amount of a penalty under subsection (b), the Secretary shall take into consideration—
(A) the gravity of the offense;
(B) any history of prior offenses by the violator (including offenses occurring before the enactment of this section);
(C) the ability of the violator to pay the penalty;
(D) any injury to tenants;
(E) any injury to the public;
(F) any benefits received by the violator as a result of the violation;
(G) deterrence of future violations; and
(H) such other factors as the Secretary may establish by regulation.

(4) Payment of penalty
No payment of a civil money penalty levied under this section shall be payable out of project income.

(d) Judicial review of agency determination
Judicial review of determinations made under this section shall be carried out in accordance with section 1735f-15(e) of title 12.

(e) Remedies for noncompliance
(1) Judicial intervention
(A) In general
If a person or entity fails to comply with the determination or order of the Secretary imposing a civil money penalty under subsection (b), after the determination or order is no longer subject to review as provided by subsections (c) and (d), the Secretary may request the Attorney General of the United States to bring an action in an appropriate United States district court to obtain a monetary judgment against that person or entity and such other relief as may be available.

(B) Fees and expenses
Any monetary judgment awarded in an action brought under this paragraph may, in the discretion of the court, include the attorney’s fees and other expenses incurred by the United States in connection with the action.

(2) Nonreviewability of determination or order
In an action under this subsection, the validity and appropriateness of the determination or order of the Secretary imposing the penalty shall not be subject to review.

(f) Settlement by Secretary
The Secretary may compromise, modify, or remit any civil money penalty which may be, or has been, imposed under this section.

(g) Deposit of penalties
(1) In general
Notwithstanding any other provision of law, if the mortgage covering the property receiving assistance under section 8 [42 U.S.C. 1437f] is insured or was formerly insured by the Secretary, the Secretary shall apply all civil money penalties collected under this section to the appropriate insurance fund or funds established under this chapter, as determined by the Secretary.

(2) Exception
Notwithstanding any other provision of law, if the mortgage covering the property receiving assistance under section 8 [42 U.S.C. 1437f] is neither insured nor formerly insured by the Secretary, the Secretary shall make all civil money penalties collected under this section available for use by the appropriate office within the Department for administrative costs related to enforcement of the requirements of the various programs administered by the Secretary.

(h) Definitions
In this section—
(1) the term “agent employed to manage the property that has an identity of interest” means an entity—
(A) that has management responsibility for a project;
§ 1437z–2. Public housing mortgages and security interests

(a) General authorization

The Secretary may, upon such terms and conditions as the Secretary may prescribe, authorize a public housing agency to mortgage or otherwise grant a security interest in any public housing project or other property of the public housing agency.

(b) Terms and conditions

In making any authorization under subsection (a), the Secretary may consider—

(1) the ability of the public housing agency to use the proceeds of the mortgage or security interest for low-income housing uses;

(2) the ability of the public housing agency to make payments on the mortgage or security interest; and

(3) such other criteria as the Secretary may specify.

(c) No Federal liability

No action taken under this section shall result in any liability to the Federal Government.

§ 1437z–3. Pet ownership in public housing

(a) Ownership conditions

A resident of a dwelling unit in public housing (as such term is defined in subsection (c)) may own 1 or more common household pets or have 1 or more common household pets present in the dwelling unit of such resident, subject to the reasonable requirements of the public housing agency, if the resident maintains each pet responsibly and in accordance with applicable State and local public health, animal control, and animal anti-cruelty laws and regulations and with the policies established in the public housing agency plan for the agency.

(b) Reasonable requirements

The reasonable requirements referred to in subsection (a) may include—

(1) requiring payment of a nominal fee, a pet deposit, or both, by residents owning or having pets present, to cover the reasonable operating costs to the project relating to the presence of pets and to establish an escrow account for additional costs not otherwise covered, respectively;

(2) limitations on the number of animals in a unit, based on unit size;

(3) prohibitions on—

(A) types of animals that are classified as dangerous; and

(B) individual animals, based on certain factors, including the size and weight of the animal; and

(4) restrictions or prohibitions based on size and type of building or project, or other relevant conditions.

(c) Pet ownership in public housing designated for occupancy by elderly or handicapped families

For purposes of this section, the term “public housing” has the meaning given the term in section 1437a(b) of this title, except that such term does not include any public housing that is federally assisted rental housing for the elderly or handicapped, as such term is defined in section 1701r–1(d) of title 12.

(d) Regulations

This section shall take effect upon the date of the effectiveness of regulations issued by the Secretary to carry out this section. Such regulations shall be issued after notice and opportunity for public comment in accordance with the procedure under section 553 of title 5 applicable to substantive rules (notwithstanding subsections (a)(2), (b)(B), and (d)(3) of such section).

Effective Date

Section effective and applicable beginning upon Oct. 1, 1999, except as otherwise provided, with provision
that Secretary may implement section before such date except to extent otherwise provided, see section 503 of Pub. L. 105–276, set out as an Effective Date of 1998 Amendment note under section 1437 of this title.

§ 1437z–4. Resident homeownership programs

(a) In general

A public housing agency may carry out a homeownership program in accordance with this section and the public housing agency plan of the agency to make public housing dwelling units, public housing projects, and other housing projects available for purchase by low-income families for use only as principal residences for such families. An agency may transfer a unit pursuant to a homeownership program only if the program is authorized under this section and approved by the Secretary.

(b) Participating units

A program under this section may cover any existing public housing dwelling units or projects, and may include other dwelling units and housing owned, assisted, or operated, or otherwise acquired for use under such program, by the public housing agency.

(c) Eligible purchasers

(1) Low-income requirement

Only low-income families assisted by a public housing agency, other low-income families, and entities formed to facilitate such sales by purchasing units for resale to low-income families shall be eligible to purchase housing under a homeownership program under this section.

(2) Other requirements

A public housing agency may establish other requirements or limitations for families to purchase housing under a homeownership program under this section, including requirements or limitations regarding employment or participation in employment counseling or training activities, criminal activity, participation in homeownership counseling programs, evidence of regular income, and other requirements. In the case of purchase by an entity for resale to low-income families, the entity shall sell the units to low-income families within 5 years from the date of its acquisition of the units. The entity shall use any net proceeds from the resale and from managing the units, as determined in accordance with guidelines of the Secretary, for housing purposes, such as funding resident organizations and reserves for capital replacements.

(d) Right of first refusal

In making any sale under this section, the public housing agency shall initially offer the public housing unit at issue to the resident or residents occupying that unit, if any, or to an organization serving as a conduit for sales to any such resident.

(e) Protection of nonpurchasing residents

If a public housing resident does not exercise the right of first refusal under subsection (d) with respect to the public housing unit in which the resident resides, the public housing agency—

(1) shall notify the resident residing in the unit 90 days prior to the displacement date except in cases of imminent threat to health or safety, consistent with any guidelines issued by the Secretary governing such notifications, that—

(A) the public housing unit will be sold;

(B) the transfer of possession of the unit will occur until the resident is relocated; and

(C) each resident displaced by such action will be offered comparable housing—

(i) that meets housing quality standards;

(ii) that is located in an area that is generally not less desirable than the location of the displaced resident’s housing; and

(iii) which may include—

(I) tenant-based assistance, except that the requirement under this subclause regarding offering of comparable housing shall be fulfilled by use of tenant-based assistance only upon the relocation of such resident into such housing;

(II) project-based assistance; or

(III) occupancy in a unit owned, operated, or assisted by the public housing agency at a rental rate paid by the resident that is comparable to the rental rate applicable to the unit from which the resident is vacated;

(2) shall provide for the payment of the actual and reasonable relocation expenses of the resident to be displaced;

(3) shall ensure that the displaced resident is offered comparable housing in accordance with the notice under paragraph (1);

(4) shall provide any necessary counseling for the displaced resident; and

(5) shall not transfer possession of the unit until the resident is relocated.

(f) Financing and assistance

A homeownership program under this section may provide financing for acquisition of housing by families purchasing under the program, or for acquisition of housing by the public housing agency for sale under the program, in any manner considered appropriate by the agency (including sale to a resident management corporation).

(g) Downpayment requirement

(1) In general

Each family purchasing housing under a homeownership program under this section shall be required to provide from its own resources a downpayment in connection with any loan for acquisition of the housing, in an amount determined by the public housing agency. Except as provided in paragraph (2), the agency shall permit the family to use grant amounts, gifts from relatives, contributions from private sources, and similar amounts as downpayment amounts in such purchase.

(2) Direct family contribution

In purchasing housing pursuant to this section, each family shall contribute an amount of the downpayment, from resources of the family other than grants, gifts, contributions, or other similar amounts referred to in paragraph (1), that is not less than 1 percent of the purchase price.
§ 1437z–5

HOMEOWNERSHIP PROGRAMS

(h) Ownership interests

A homeownership program under this section may provide for sale to the purchasing family of any ownership interest that the public housing agency considers appropriate under the program, including ownership in fee simple, a condominium interest, an interest in a limited dividend cooperative, a shared appreciation interest with a public housing agency providing financing.

(i) Resale

(1) Authority and limitation

A homeownership program under this section shall permit the resale of a dwelling unit purchased under the program by an eligible family, but shall provide such limitations on resale as the agency considers appropriate (whether the family purchases directly from the agency or from another entity) for the agency to recapture—

(A) some or all of the economic gain derived from any such resale occurring during the 5-year period beginning upon purchase of the dwelling unit by the eligible family; and

(B) after the expiration of such 5-year period, only such amounts as are equivalent to the assistance provided under this section by the agency to the purchaser.

(2) Considerations

The limitations referred to in paragraph (1)(A) may provide for consideration of the aggregate amount of assistance provided under the program to the family, the contribution to equity provided by the purchasing eligible family, the period of time elapsed between purchase under the homeownership program and resale, the reason for resale, any improvements to the property made by the eligible family, any appreciation in the value of the property, and any other factors that the agency considers appropriate.

(j) Net proceeds

The net proceeds of any sales under a homeownership program under this section remaining after payment of all costs of the sale shall be used for purposes relating to low-income housing and in accordance with the public housing agency plan of the agency carrying out the program.

(k) Homeownership assistance

From amounts distributed to a public housing agency under the Capital Fund under section 1437g(d) of this title, or from other income earned by the public housing agency, the public housing agency may provide assistance to public housing residents to facilitate the ability of those residents to purchase a principal residence, including a residence other than a residence located in a public housing project.

(l) Inapplicability of disposition requirements

The provisions of section 1437p of this title shall not apply to disposition of public housing dwelling units under a homeownership program under this section.

Effective Date

Section effective and applicable beginning upon Oct. 1, 1999, except as otherwise provided, with provision that Secretary may implement section before such date except to extent otherwise provided, see section 503 of Pub. L. 105-276, set out as an Effective Date of 1998 Amendment note under section 1437 of this title.

§ 1437z–5. Required conversion of distressed public housing to tenant-based assistance

(a) Identification of units

Each public housing agency shall identify all public housing projects of the public housing agency that meet all of the following requirements:

(1) The project is on the same or contiguous sites.

(2) The project is determined by the public housing agency to be distressed, which determination shall be made in accordance with guidelines established by the Secretary, which guidelines shall take into account the criteria established in the Final Report of the National Commission on Severely Distressed Public Housing (August 1992).

(3) The project—

(A) is identified as distressed housing under paragraph (2) for which the public housing agency cannot assure the long-term viability as public housing through reasonable modernization expenses, density reduction, achievement of a broader range of family income, or other measures; or

(B) has an estimated cost, during the remaining useful life of the project, of continued operation and modernization as public housing that exceeds the estimated cost, during the remaining useful life of the project, of providing tenant-based assistance under section 1437f of this title for all families in occupancy, based on appropriate indicators of cost (such as the percentage of total development costs required for modernization).

(b) Consultation

Each public housing agency shall consult with the appropriate public housing residents and the appropriate unit of general local government in identifying any public housing projects under subsection (a).

(c) Plan for removal of units from inventories of PHAs

(1) Development

Each public housing agency shall develop and carry out a 5-year plan in conjunction with the Secretary for the removal of public housing units identified under subsection (a) from the inventory of the public housing agency and the annual contributions contract.

(2) Approval

Each plan required under paragraph (1) shall—

(A) be included as part of the public housing agency plan;

(B) be certified by the relevant local official to be in accordance with the comprehensive housing affordability strategy under title I of the Housing and Community Development Act of 1992; and
(C) include a description of any disposition and demolition plan for the public housing units.

(3) Extensions

The Secretary may extend the 5-year deadline described in paragraph (1) by not more than an additional 5 years if the Secretary makes a determination that the deadline is impracticable.

(4) Review by Secretary

(A) Failure to identify projects

If the Secretary determines, based on a plan submitted under this subsection, that a public housing agency has failed to identify 1 or more public housing projects that the Secretary determines should have been identified under subsection (a), the Secretary may designate the public housing projects to be removed from the inventory of the public housing agency pursuant to this section.

(B) Erroneous identification of projects

If the Secretary determines, based on a plan submitted under this subsection, that a public housing agency has identified 1 or more public housing projects that should not have been identified pursuant to subsection (a), the Secretary shall—

(i) require the public housing agency to revise the plan of the public housing agency under this subsection; and

(ii) prohibit the removal of any such public housing project from the inventory of the public housing agency under this section.

(d) Conversion to tenant-based assistance

(1) In general

To the extent approved in advance in appropriations Acts, the Secretary shall make budget authority available to a public housing agency to provide assistance under this chapter to families residing in any public housing project that, pursuant to this section, is removed from the inventory of the agency.

(2) Conversion requirements

Each agency carrying out a plan under subsection (c) for removal of public housing dwelling units from the inventory of the agency shall—

(A) notify each family residing in a public housing project to be converted under the plan 90 days prior to the displacement date, except in cases of imminent threat to health or safety, consistent with any guidelines issued by the Secretary governing such notifications, that

(i) the public housing project will be removed from the inventory of the public housing agency; and

(ii) each family displaced by such action will be offered comparable housing—

(aa) that meets housing quality standards; and

(bb) project-based assistance; or

(cc) occupancy in a unit operated or assisted by the public housing agency at a rental rate paid by the family that is comparable to the rental rate applicable to the unit from which the family is vacated.

(B) provide any necessary counseling for families displaced by such action;

(C) ensure that, if the project (or portion) converted is used as housing after such conversion, each resident may choose to remain in their dwelling unit in the project and use the tenant-based assistance toward rent for that unit;

(D) ensure that each displaced resident is offered comparable housing in accordance with the notice under subparagraph (A); and

(E) provide any actual and reasonable relocation expenses for families displaced by such action.

(e) Cessation of unnecessary spending

Notwithstanding any other provision of law, if, in the determination of the Secretary, a project or projects of a public housing agency meet or are likely to meet the criteria set forth in subsection (a), the Secretary may direct the agency to cease additional spending in connection with such project or projects until the Secretary determines or approves an appropriate course of action with respect to such project or projects under this section, except to the extent that failure to expend such amounts would endanger the health or safety of residents in the project or projects.

(f) Use of budget authority

Notwithstanding any other provision of law, if a project or projects are identified pursuant to subsection (a), the Secretary may authorize or direct the transfer, to the tenant-based assistance program of such agency or to appropriate site revitalization or other capital improvements approved by the Secretary, of—

(1) in the case of an agency receiving assistance under the comprehensive improvement assistance program, any amounts obligated by the Secretary for the modernization of such project or projects pursuant to section 1437f of this title (as in effect immediately before the effective date under section 503(a) of the Quality Housing and Work Responsibility Act of 1998); and

(2) in the case of an agency receiving public housing modernization assistance by formula pursuant to such section 1437f of this title, any amounts provided to the agency which are attributable pursuant to the formula for allocating such assistance to such project or projects; and

(3) in the case of an agency receiving assistance for the major reconstruction of obsolete projects, any amounts obligated by the Secretary for the major reconstruction of such project or projects pursuant to section 1437c(j)(2) of this title, as in effect immediately before the effective date under section.
§ 1437z-6  TITLE 42—THE PUBLIC HEALTH AND WELFARE

503(a) of the Quality Housing and Work Responsibility Act of 1998; and
(4) in the case of an agency receiving assistance pursuant to the formulas under section 1437f of this title, any amounts provided to the agency which are attributable pursuant to the formulas for allocating such assistance to such project or projects.

(g) Removal by Secretary

The Secretary shall take appropriate actions to ensure removal of any public housing project identified under subsection (a) from the inventory of a public housing agency, if the public housing agency fails to adequately develop a plan under subsection (c) with respect to that public housing project to adequately implement such plan in accordance with the terms of the plan.

(h) Administration

(1) In general

The Secretary may require a public housing agency to provide to the Secretary or to public housing residents such information as the Secretary considers to be necessary for the administration of this section.

(2) Applicability of section 1437p

Section 1437p of this title shall not apply to the demolition of public housing projects removed from the inventory of the public housing agency under this section.


REFERENCES IN TEXT


Section 503(a) of the Quality Housing and Work Responsibility Act of 1998, referred to in subsec. (f)(1), (3), is section 503(a) of Pub. L. 105–276, which is set out as an Effective Date of 1998 Amendment note under section 1437f of this title.

EFFECTIVE DATE

Section effective and applicable beginning upon Oct. 1, 1999, except as otherwise provided, with provision that Secretary may implement section before such date except to extent otherwise provided, see section 503 of Pub. L. 105–276, set out as an Effective Date of 1998 Amendment note under section 1437f of this title.

TRANSITION


“(1) USE OF AMOUNTS.—Any amounts made available to a public housing agency to carry out section 202 of the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1996 (enacted as section 101(e) of the Omnibus Consolidated Rescissions and Appropriations Act of 1996 (Public Law 104–104; 110 Stat. 1521–279)) [former 42 U.S.C. 1437f note] may be used, to the extent or in such amounts as are or have been provided in advance in appropriation Acts, to carry out section 33 of the United States Housing Act of 1937 [42 U.S.C. 1437z–5] (as added by subsection (a) of this section).

“(2) SAVINGS PROVISION.—Notwithstanding the amendments made by this section [enacting this section and repealing provisions set out as a note under section 1437f of this title], section 202 of the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1996 (42 U.S.C. 14371 [1437f] note) and any regulations implementing such section, as in effect immediately before the enactment of this Act [Oct. 21, 1998], shall continue to apply to public housing developments identified by the Secretary or a public housing agency for conversion pursuant to that section or for assessment of whether such conversion is required prior to enactment of this Act.”

§ 1437z-6. Services for public and Indian housing residents

(a) In general

To the extent that amounts are provided in advance in appropriations Acts, the Secretary may make grants to public housing agencies on behalf of public housing residents, recipients under the Native American Housing Assistance and Self-Determination Act of 1996 [25 U.S.C. 4101 et seq.] (notwithstanding section 502 of such Act [25 U.S.C. 4101]) on behalf of residents of housing assisted under such Act, directly to resident management corporations, resident councils, or resident organizations (including nonprofit entities supported by residents), for the purposes of providing a program of supportive services and resident empowerment activities to provide supportive services to public housing residents and residents of housing assisted under such Act or assist such residents in becoming economically self-sufficient.

(b) Eligible activities

Grantees under this section may use such amounts only for activities on or near the property of the public housing agency or public housing project or the property of a recipient under such Act or housing assisted under such Act that are designed to promote the self-sufficiency of public housing residents or residents of housing assisted under such Act or provide supportive services for such residents, including activities relating to:

(1) physical improvements to a public housing project or residents of housing assisted under such Act in order to provide space for supportive services for residents;

(2) the provision of service coordinators or a congregate housing services program for elderly individuals, elderly disabled individuals, nonelderly disabled individuals, or temporarily disabled individuals;

(3) the provision of services related to work readiness, including education, job training and counseling, job search skills, business development training and planning, tutoring, mentoring, adult literacy, computer access, personal and family counseling, health screening, work readiness health services, transportation, and child care;

(4) economic and job development, including employer linkages and job placement, and the start-up of resident microenterprises, community credit unions, and revolving loan funds, including the licensing, bonding, and insurance needed to operate such enterprises;

(5) resident management activities and resident participation activities; and

(6) other activities designed to improve the economic self-sufficiency of residents.
(c) Funding distribution

(1) In general

Except for amounts provided under subsection (d), the Secretary may distribute amounts made available under this section on the basis of a competition or a formula, as appropriate.

(2) Factors for distribution

Factors for distribution under paragraph (1) shall include—

(A) the demonstrated capacity of the applicant to carry out a program of supportive services or resident empowerment activities;

(B) the ability of the applicant to leverage additional resources for the provision of services; and

(C) the extent to which the grant will result in a high quality program of supportive services or resident empowerment activities.

(d) Matching requirement

The Secretary may not make any grant under this section to any applicant unless the applicant supplements amounts made available under this section with funds from sources other than this section in an amount equal to not less than 25 percent of the grant amount. Such supplemental amounts may include—

(1) funds from other Federal sources;

(2) funds from any State, local, or tribal government sources; and

(3) funds from private contributions; and

(4) the value of any in-kind services or administrative costs provided to the applicant.

(e) Funding for resident organizations

To the extent that there are a sufficient number of qualified applications for assistance under this section, not less than 25 percent of any amounts appropriated to carry out this section shall be provided directly to resident councils, resident organizations, and resident management corporations. In any case in which a resident council, resident organization, or resident management corporation lacks adequate expertise, the Secretary may require the council, organization, or corporation to utilize other qualified organizations as contract administrators with respect to financial assistance provided under this section.


REFERENCES IN TEXT

The Native American Housing Assistance and Self-Determination Act of 1996, referred to in subsecs. (a) and (b), is Pub. L. 104–330, Oct. 25, 1996, 110 Stat. 4016, as amended, which is classified principally to chapter 43 (§ 4101 et seq.) of Title 25, Indians. For complete classification of this Act to the Code, see Short Title note set out under section 4101 of Title 25 and Tables.

AMENDMENTS


Subsec. (a). Pub. L. 106–377, § 1(a)(1) [title II, § 221(a)(2)], inserted “recipients under the Native American Housing Assistance and Self-Determination Act of 1996 (notwithstanding section 502 of such Act) on behalf of residents of housing assisted under such Act,” after “on behalf of public housing residents,” and inserted “and residents of housing assisted under such Act” after “supportive services to public housing residents.”

Subsec. (b). Pub. L. 106–377, § 1(a)(1) [title II, § 221(a)(3)(A), (B)], in introductory provisions, inserted “or the property of a recipient under such Act” after “public housing project” and “or residents of housing assisted under such Act” after “public housing residents”.

Subsec. (b)(1). Pub. L. 106–377, § 1(a)(1) [title II, § 221(a)(3)(C)], inserted “or residents of housing assisted under such Act” after “public housing project”.

Subsec. (d)(2). Pub. L. 106–377, § 1(a)(1) [title II, § 221(a)(4)], substituted “State, local, or tribal government” for “State or local government”.

EFFECTIVE DATE

Section effective and applicable beginning upon Oct. 1, 1999, except as otherwise provided, with provision that Secretary may implement section before such date except to extent otherwise provided, see section 503 of Pub. L. 105–276, set out as an Effective Date of 1996 Amendment note under section 1437 of this title.

ASSESSMENT AND REPORT BY SECRETARY


‘‘(1) conduct an evaluation and assessment of grants carried out by resident organizations, and particularly of the effect of the grants on living conditions in public housing and housing assisted under the Native American Housing Assistance and Self-Determination Act of 1996 (25 U.S.C. 4101 et seq.); and

‘‘(2) submit to the Congress a report setting forth the findings of the Secretary as a result of the evaluation and assessment and including any recommendations the Secretary determines to be appropriate.

‘‘This subsection shall take effect on the date of the enactment of this Act (Oct. 21, 1998).’’

§ 1437z–7. Mixed-financed public housing

(a) Authority

A public housing agency may own, operate, assist, or otherwise participate in 1 or more mixed-financed projects in accordance with this section.

(b) Assistance

(1) Forms

A public housing agency may provide to a mixed-financed project assistance from the Operating Fund under section 1437g of this title, assistance from the Capital Fund under such section, or both forms of assistance. A public housing agency may, in accordance with regulations established by the Secretary, provide capital assistance to a mixed-financed project in the form of a grant, loan, guarantee, or other form of investment in the project, which may involve drawdown of funds on a schedule commensurate with construction draws for deposit into an interest-bearing escrow account to serve as collateral or credit enhancement for bonds issued by a public agency, or for other forms of public or private borrowings, for the construction or rehabilitation of the development.
§ 1437z–7  TITLE 42—THE PUBLIC HEALTH AND WELFARE  Page 4300

(2) Use

To the extent deemed appropriate by the Secretary, assistance used in connection with the costs associated with the operation and management of mixed-finance projects may be used for funding of an operating reserve to ensure affordability for low-income and very low-income families in lieu of the availability of operating funds for public housing units in a mixed-finance project.

(c) Compliance with public housing requirements

The units assisted with capital or operating assistance in a mixed-finance project shall be developed, operated, and maintained in accordance with the requirements of this chapter relating to public housing during the period required by under this chapter, unless otherwise specified in this section. For purposes of this chapter, any reference to public housing owned or operated by a public housing agency shall include dwelling units in a mixed finance project that are assisted by the agency with capital or operating assistance.

(d) Mixed-finance projects

(1) In general

For purposes of this section, the term “mixed-finance project” means a project that meets the requirements of paragraph (2) and is financially assisted by private resources, which may include low-income housing tax credits, in addition to amounts provided under this chapter.

(2) Types of projects

The term includes a project that is developed—

(A) by a public housing agency or by an entity affiliated with a public housing agency;

(B) by a partnership, a limited liability company, or other entity in which the public housing agency (or an entity affiliated with a public housing agency) is a general partner, managing member, or otherwise participates in the activities of that entity;

(C) by any entity that grants to the public housing agency the right of first refusal and first option to purchase, after the close of the compliance period, of the qualified low-income building in which the public housing units exist in accordance with section 42(i)(7) of title 26; or

(D) in accordance with such other terms and conditions as the Secretary may prescribe by regulation.

(e) Structure of projects

Each mixed-finance project shall be developed—

(1) in a manner that ensures that public housing units are made available in the project, by regulatory and operating agreement, master contract, individual lease, condominium or cooperative agreement, or equity interest;

(2) in a manner that ensures that the number of public housing units bears approximately the same proportion to the total number of units in the mixed-finance project as the value of the total financial commitment provided by the public housing agency bears to the value of the total financial commitment in the project, or shall not be less than the number of units that could have been developed under the conventional public housing program with the assistance, or as may otherwise be approved by the Secretary; and

(3) in accordance with such other requirements as the Secretary may prescribe by regulation.

(f) Taxation

(1) In general

A public housing agency may elect to exempt all public housing units in a mixed-finance project—

(A) from the provisions of section 1437d(d) of this title, and instead subject such units to local real estate taxes; and

(B) from the finding of need and cooperative agreement provisions under section 1437e(e)(1)(ii) and 1437e(e)(2) of this title, but only if the development of the units is not inconsistent with the jurisdiction’s comprehensive housing affordability strategy.

(2) Low-income housing tax credit

With respect to any unit in a mixed-finance project that is assisted pursuant to the low-income housing tax credit under section 42 of title 26, the rents charged to the residents may be set at levels not to exceed the amounts allowable under that section, provided that such levels for public housing residents do not exceed the amounts allowable under section 1437a of this title.

(g) Use of savings

Notwithstanding any other provision of this chapter, to the extent deemed appropriate by the Secretary, to facilitate the establishment of socioeconomically mixed communities, a public housing agency that uses assistance from the Capital Fund for a mixed-finance project, to the extent that income from such a project reduces the amount of assistance used for operating or other costs relating to public housing, may use such resulting savings to rent privately developed dwelling units in the neighborhood of the mixed-finance project. Such units shall be made available for occupancy only by low-income families eligible for residency in public housing.

(h) Effect of certain contract terms

If an entity that owns or operates a mixed-finance project, that includes a significant number of units other than public housing units enters into a contract with a public housing agency, the terms of which obligate the entity to operate and maintain a specified number of units in the project as public housing units in accordance with the requirements of this chapter for the period required by law, such contractual terms may provide that, if, as a result of a reduction in appropriations under section 1437g of this title or any other change in applicable law, the public housing agency is unable to fulfill its contractual obligations with respect to those public housing units, that entity may deviate, under procedures and requirements developed...
through regulations by the Secretary, from otherwise applicable restrictions under this chapter regarding rents, income eligibility, and other areas of public housing management with respect to a portion or all of those public housing units, to the extent necessary to preserve the viability of those units while maintaining the low-income character of the units to the maximum extent practicable.


**Effective Date**
Section effective and applicable beginning upon Oct. 1, 1999, except as otherwise provided, with provision that Secretary may implement section before such date except to extent otherwise provided, see section 503 of Pub. L. 105–276, set out as an Effective Date of 1998 Amendment note under section 1437 of this title.

**Regulations**
Pub. L. 105–276, title V, §539(b), Oct. 21, 1998, 112 Stat. 2596, provided that: “The Secretary shall issue such regulations as may be necessary to promote the development of mixed-finance projects, as that term is defined in section 3(b) of the United States Housing Act of 1937 [42 U.S.C. 1437a(b)] (as amended by this Act).”

§ 1437z–8. Collection of information on tenants in tax credit projects

(a) In general
Each State agency administering tax credits under section 42 of title 26 shall furnish to the Secretary of Housing and Urban Development, not less than annually, information concerning the race, ethnicity, family composition, age, income, use of rental assistance under section 1437f of this title or other similar assistance, disability status, and monthly rental payments of households residing in each property receiving such credits through such agency. Such State agencies shall, to the extent feasible, collect such information through existing reporting processes and in a manner that minimizes burdens on property owners. In the case of any household that continues to reside in the same dwelling unit, information provided by the household in a previous year may be used if the information is of a category that is not subject to change or if information for the current year is not readily available to the owner of the property.

(b) Standards
The Secretary shall establish standards and definitions for the information collected under subsection (a), provide States with technical assistance in establishing systems to compile and submit such information, and, in coordination with other Federal agencies administering housing programs, establish procedures to minimize duplicative reporting requirements for properties assisted under multiple housing programs.

(c) Public availability
The Secretary shall, not less than annually, compile and make publicly available the information submitted to the Secretary pursuant to subsection (a).

(d) Authorization of appropriations
There is authorized to be appropriated for the cost of activities required under subsections (b) and (c) $2,500,000 for fiscal year 2009 and $900,000 for each of fiscal years 2010 through 2013.


§ 1437z–9. Data exchange standards for improved interoperability

(a) Designation
The Secretary shall, in consultation with an interagency work group established by the Office of Management and Budget, and considering State government perspectives, designate data exchange standards to govern, under this chapter—

(1) necessary categories of information that State agencies operating related programs are required under applicable law to electronically exchange with another State agency; and

(2) Federal reporting and data exchange required under applicable law.

(b) Requirements
The data exchange standards required by subsection (a) shall, to the maximum extent practicable—

(1) incorporate a widely accepted, nonproprietary, searchable, computer-readable format, such as the eXtensible Markup Language;

(2) contain interoperable standards developed and maintained by intergovernmental partnerships, such as the National Information Exchange Model;

(3) incorporate interoperable standards developed and maintained by Federal entities with authority over contracting and financial assistance;

(4) be consistent with and implement applicable accounting principles;

(5) be implemented in a manner that is cost-effective and improves program efficiency and effectiveness; and

(6) be capable of being continually upgraded as necessary.

(c) Rules of construction
Nothing in this section requires a change to existing data exchange standards for Federal reporting found to be effective and efficient.


**Regulations**
Pub. L. 114–201, title V, §503(b), July 29, 2016, 130 Stat. 812, provided that:

“(1) IN GENERAL.—Not later than 2 years after the date of the enactment of this Act [July 29, 2016], the Secretary of Housing and Urban Development shall issue a proposed rule to carry out the amendments made by subsection (a) [enacting this section].

“(2) REQUIREMENTS.—The rule shall—

“(A) identify federally required data exchanges;

“(B) include specification and timing of exchanges to be standardized;

“(C) address the factors used in determining whether and when to standardize data exchanges;

“(D) specify State implementation options; and

“(E) describe future milestones.”

§ 1437z–10. Small public housing agencies

(a) Definitions
In this section:
§ 1437z–10
TITLE 42—THE PUBLIC HEALTH AND WELFARE

(1) Housing voucher program

The term “housing voucher program” means a program for tenant-based assistance under section 1437f of this title.

(2) Small public housing agency

The term “small public housing agency” means a public housing agency—

(A) for which the sum of the number of public housing dwelling units administered by the agency and the number of vouchers issued by the agency is 550 or fewer; and

(B) that predominantly operates in a rural area, as described in section 1026.35(b)(2)(iv)(A) of title 12, Code of Federal Regulations.

(3) Troubled small public housing agency

The term “troubled small public housing agency” means a small public housing agency designated by the Secretary as a troubled small public housing agency under subsection (c)(3).

(b) Applicability

Except as otherwise provided in this section, a small public housing agency shall be subject to the same requirements as a public housing agency.

(c) Program inspections and evaluations

(1) Public housing projects

(A) Frequency of inspections by Secretary

The Secretary shall carry out an inspection of the physical condition of a small public housing agency’s public housing projects not more frequently than once every 3 years, unless the agency has been designated by the Secretary as a troubled small public housing agency based on deficiencies in the physical condition of its public housing projects. Nothing contained in this subparagraph relieves the Secretary from conducting lead safety inspections or assessments in accordance with procedures established by the Secretary under section 4822 of this title.

(B) Standards

The Secretary shall apply to small public housing agencies the same standards for the acceptable condition of public housing projects that apply to projects assisted under section 1437f of this title.

(2) Housing voucher program

Except as required by section 1437f(o)(8)(F) of this title, a small public housing agency administering assistance under section 1437f(o) of this title shall make periodic physical inspections of each assisted dwelling unit not less frequently than once every 3 years to determine whether the unit is maintained in accordance with the requirements under section 1437f(o)(8)(A) of this title. Nothing contained in this paragraph relieves a small public housing agency from conducting lead safety inspections or assessments in accordance with procedures established by the Secretary under section 4822 of this title.

(3) Troubled small public housing agencies

(A) Public housing program

Notwithstanding any other provision of law, the Secretary may designate a small public housing agency as a troubled small public housing agency with respect to the public housing program of the small public housing agency if the Secretary determines that the agency has failed to maintain the public housing units of the small public housing agency in a satisfactory physical condition, based upon an inspection conducted by the Secretary.

(B) Housing voucher program

Notwithstanding any other provision of law, the Secretary may designate a small public housing agency as a troubled small public housing agency with respect to the housing voucher program of the small public housing agency if the Secretary determines that the agency has failed to comply with the inspection requirements under paragraph (2).

(C) Appeals

(i) Establishment

The Secretary shall establish an appeals process under which a small public housing agency may dispute a designation as a troubled small public housing agency.

(ii) Official

The appeals process established under clause (i) shall provide for a decision by an official who has not been involved, and is not subordinate to a person who has been involved, in the original determination to designate a small public housing agency as a troubled small public housing agency.

(D) Corrective action agreement

(i) Agreement required

Not later than 60 days after the date on which a small public housing agency is designated as a troubled public housing agency under subparagraph (A) or (B), the Secretary and the small public housing agency shall enter into a corrective action agreement under which the small public housing agency shall undertake actions to correct the deficiencies upon which the designation is based.

(ii) Terms of agreement

A corrective action agreement entered into under clause (i) shall—

(I) have a term of 1 year, and shall be renewable at the option of the Secretary;

(II) provide, where feasible, for technical assistance to assist the public housing agency in curing its deficiencies;

(III) provide for—

(aa) reconsideration of the designation of the small public housing agency as a troubled small public housing agency not less frequently than annually; and

(bb) termination of the agreement when the Secretary determines that the small public housing agency is no longer a troubled small public housing agency; and

(IV) provide that in the event of substantial noncompliance by the small public housing agency under the agreement, the Secretary may—
Section 1437aaa. Program authority

(a) In general

The Secretary is authorized to make—

(1) planning grants to help applicants to develop homeownership programs in accordance with this subchapter; and

(2) implementation grants to carry out homeownership programs in accordance with this subchapter.

(b) Authority to reserve housing assistance

In connection with a grant under this subchapter, the Secretary may reserve authority to provide assistance under section 1437f of this title to the extent necessary to provide replacement housing and rental assistance for a non-purchasing tenant who resides in the project on the date the Secretary approves the application for an implementation grant, for use by the tenant in another project.

(Sept. 1, 1937, ch. 896, title II, §205, as added June 29, 1988, Pub. L. 100–358, §2, 102 Stat. 678, related to issuance of regulations to carry out this subchapter.

Effective Date of Repeal

Repeal effective Oct. 1, 1997, except as otherwise expressly provided, see section 107 of Pub. L. 104–330, set out as an Effective Date note under section 4101 of Title 25, Indians.

§ 1437ff. Transferred

CODIFICATION

Section, Pub. L. 101–625, title IX, §859, Nov. 28, 1990, 104 Stat. 4423, which related to waiver of matching funds requirements in Indian housing programs, was transferred to section 4104 of Title 25, Indians.

SUBCHAPTER II—ASSISTED HOUSING FOR INDIANS AND ALASKA NATIVES


Section 1437aaa, act Sept. 1, 1937, ch. 896, title II, §201, as added June 29, 1988, Pub. L. 100–358, §2, 102 Stat. 676; amended Nov. 28, 1990, Pub. L. 100–358, §2, 102 Stat. 678; related to issuance of regulations to carry out this subchapter; and

(2) implementation grants to carry out homeownership programs in accordance with this subchapter.

(b) Authority to reserve housing assistance

In connection with a grant under this subchapter, the Secretary may reserve authority to provide assistance under section 1437f of this title to the extent necessary to provide replacement housing and rental assistance for a non-purchasing tenant who resides in the project on the date the Secretary approves the application for an implementation grant, for use by the tenant in another project.


AMENDMENTS

1992—Subsec. (c). Pub. L. 102–550 struck out subsec. (c) which read as follows: "There are authorized to be appropriated for grants under this subchapter $68,000,000 for fiscal year 1991 and $380,000,000 for fiscal year 1992. Any amount appropriated pursuant to this subsection shall remain available until expended."

Short Title

Pub. L. 101–625, title IV, §401,Nov. 28, 1990, 104 Stat. 4148, provided that: "This title [enacting this sub-
§ 1437aaa-1  TITLE 42—THE PUBLIC HEALTH AND WELFARE  Page 4304

chapter and subchapter IV (§12871 et seq.) of chapter 130 of this title, amending sections 1437c, 1437f, 1437p, 1437r, and 1437s of this title and section 1709 of Title 12, Banks and Banking, and enacting provisions set out as notes under this section and sections 1437c and 1437aa of this title may be cited as the ‘Homeownership and Opportunity Through HOPE Act’.”

ESTABLISHMENT AND IMPLEMENTATION OF REQUIREMENTS BY SECRETARY

Pub. L. 101–625, title IV, §418, Nov. 28, 1990, 104 Stat. 4161, provided that: “‘Not later than the expiration of the 180-day period beginning on the date that funds authorized under title III of the United States Housing Act of 1937 [this subchapter] first become available for obligation, the Secretary shall by notice establish such requirements as may be necessary to carry out the provisions of this subtitle [subtitle A (§§411–419) of title IV of Pub. L. 101–625, enacting this subchapter, amending sections 1437c, 1437f, 1437p, 1437r, and 1437s of this title, and enacting provisions set out as notes under sections 1437c and 1437aa of this title]. Such requirements shall be subject to section 553 of title 5, United States Code. The Secretary shall issue regulations based on the initial notice before the expiration of the 8-month period beginning on the date of the notice.’”

§ 1437aaa-1. Planning grants

(a) Grants

The Secretary is authorized to make planning grants to applicants for the purpose of developing homeownership programs under this subchapter. The amount of a planning grant under this section may not exceed $200,000, except that the Secretary may for good cause approve a grant in a higher amount.

(b) Eligible activities

Planning grants may be used for activities to develop homeownership programs (which may include programs for cooperative ownership), including—

(1) development of resident management corporations and resident councils;
(2) training and technical assistance for applicants related to development of a specific homeownership program;
(3) studies of the feasibility of a homeownership program;
(4) inspection for lead-based paint hazards, as required by section 4822(a) of this title;
(5) preliminary architectural and engineering work;
(6) tenant and homebuyer counseling and training;
(7) planning for economic development, job training, and self-sufficiency activities that promote economic self-sufficiency of homebuyers and homeowners under the homeownership program;
(8) development of security plans; and
(9) preparation of an application for an implementation grant under this subchapter.

(c) Application

(1) Form and procedures

An application for a planning grant shall be submitted by an applicant in such form and in accordance with such procedures as the Secretary shall establish.

(2) Minimum requirements

The Secretary shall require that an application contain at a minimum—

(A) a request for a planning grant, specifying the activities proposed to be carried out, the schedule for completing the activities, the personnel necessary to complete the activities, and the amount of the grant requested;

(B) a description of the applicant and a statement of its qualifications;

(C) identification and description of the public housing project or projects involved, and a description of the composition of the tenants, including family size and income;

(D) a certification by the public official responsible for submitting the comprehensive housing affordability strategy under section 12705 of this title that the proposed activities are consistent with the approved housing strategy of the State or unit of general local government within which the project is located (or, during the first 12 months after November 28, 1990, that the application is consistent with such other existing State or local housing plan or strategy that the Secretary determine to be appropriate); and


(d) Selection criteria

The Secretary shall, by regulation, establish selection criteria for a national competition for assistance under this section, which shall include—

(1) the qualifications or potential capabilities of the applicant;
(2) the extent of tenant interest in the development of a homeownership program for the project;
(3) the potential of the applicant for developing a successful and affordable homeownership program and the suitability of the project for homeownership;
(4) national geographic diversity among projects for which applicants are selected to receive assistance; and

(5) such other factors that the Secretary shall require that (in the determination of the Secretary) are appropriate for purposes of carrying out the program established by this subchapter in an effective and efficient manner.


REFERENCES IN TEXT

The Fair Housing Act, referred to in subsec. (c)(2)(E), is title VIII of Pub. L. 90–284, Apr. 11, 1968, 82 Stat. 81, as amended, which is classified principally to subchapter I (§3601 et seq.) of chapter 45 of this title. For complete classification of this Act to the Code, see Short Title note set out under section 3601 of this title and Tables.

subchapter V (§2000d et seq.) of chapter 21 of this title. For complete classification of this Act to the Code, see Short Title note set out under section 2000a of this title and Tables.


AMENDMENTS

1992—Subsec. (b)(4) to (9). Pub. L. 102–550 added par. (4) and redesignated former pars. (4) to (8) as (5) to (9), respectively.

$1437aaa–2. Implementation grants

(a) Grants

The Secretary is authorized to make implementation grants to applicants for the purpose of carrying out homeownership programs approved under this subchapter.

(b) Eligible activities

Implementation grants may be used for activities to carry out homeownership programs (including programs for cooperative ownership) that meet the requirements under this subchapter, including the following activities:

(1) Architectural and engineering work.

(2) Implementation of the homeownership program, including acquisition of the public housing project from a public housing agency for the purpose of transferring ownership to eligible families in accordance with a homeownership program that meets the requirements under this subchapter.

(3) Rehabilitation of any public housing project covered by the homeownership program, in accordance with standards established by the Secretary.

(4) Abatement of lead-based paint hazards, as required by section 4822(a) of this title.

(5) Administrative costs of the applicant, which may not exceed 15 percent of the amount of assistance provided under this section.

(6) Development of resident management corporations and resident management councils, but only if the applicant has not received assistance under section 1437aaa–1 of this title for such activities.

(7) Counseling and training of homebuyers and homeowners under the homeownership program.

(8) Relocation of tenants who elect to move.

(9) Any necessary temporary relocation of tenants during rehabilitation.

(10) Funding of operating expenses and replacement reserves of the project covered by the homeownership program, except that the amount of assistance for operating expenses shall not exceed the amount the project would have received if it had continued to receive such assistance from the Operating Fund, with adjustments comparable to those that would have been made under section 1437g of this title, and except that implementation grants may not be used under this paragraph to fund operating expenses for scattered site public housing acquired under a homeownership program.

(11) Implementation of a replacement housing plan.

(12) Legal fees.

(13) Defraying costs for the ongoing training needs of the recipient that are related to developing and carrying out the homeownership program.

(14) Economic development activities that promote economic self-sufficiency of homebuyers, residents, and homeowners under the homeownership program.

(c) Matching funding

(1) In general

Each recipient shall assure that contributions equal to not less than 25 percent of the grant amount made available under this section, excluding any amounts provided for post-sale operating expenses and replacement housing, shall be provided from non-Federal sources to carry out the homeownership program.

(2) Form

Such contributions may be in the form of—

(A) cash contributions from non-Federal resources, which may not include Federal tax expenditures or funds from a grant made under section 5306(b) of this title or section 5306(d) of this title;

(B) payment of administrative expenses, as defined by the Secretary, from non-Federal resources, including funds from a grant made under section 5306(b) of this title or section 5306(d) of this title;

(C) the value of taxes, fees, or other charges that are normally and customarily imposed but are waived, foregone, or deferred in a manner that facilitates the implementation of a homeownership program assisted under this subchapter;

(D) the value of land or other real property as appraised according to procedures acceptable to the Secretary;

(E) the value of investment in on-site and off-site infrastructure required for a homeownership program assisted under this subchapter; or

(F) such other in-kind contributions as the Secretary may approve.

Contributions for administrative expenses shall be recognized only up to an amount equal to 7 percent of the total amount of grants made available under this section.

(3) Reduction of requirement

The Secretary shall reduce the matching requirement for homeownership programs carried out under this section in accordance with the formula established under section 220(d) of the Cranston-Gonzalez National Affordable Housing Act [42 U.S.C. 12750(d)].

(d) Application

(1) Form and procedure

An application for an implementation grant shall be submitted by an applicant in such form and in accordance with such procedures as the Secretary shall establish.

(2) Minimum requirements

The Secretary shall require that an application contain at a minimum—
(A) a request for an implementation grant, specifying the amount of the grant requested and its proposed uses;

(B) if applicable, an application for assistance under section 1437f of this title, which shall specify the proposed uses of such assistance and the period during which the assistance will be needed;

(C) a description of the qualifications and experience of the applicant in providing housing for low-income families;

(D) a description of the proposed homeownership program, consistent with section 1437aaa–3 of this title and the other requirements of this subchapter, which shall specify the activities proposed to be carried out and their estimated costs, identifying reasonable schedules for carrying it out, and demonstrating that the program will comply with the affordability requirements under section 1437aaa–3(b) of this title;

(E) identification and description of the public housing project or projects involved, and a description of the composition of the tenants, including family size and income;

(F) a description of and commitment for the resources that are expected to be made available to provide the matching funding required under subsection (c) and of other resources that are expected to be made available in support of the homeownership program;

(G) identification and description of the financing proposed for any (1) rehabilitation and (ii) acquisition (I) of the property, where applicable, by a resident council or other entity for transfer to eligible families, and (II) by eligible families of ownership interests in, or shares representing, units in the project;

(H) if the applicant is not a public housing agency, the proposed sales price, if any, the basis for such price determination, and terms to the applicant;

(I) the estimated sales prices, if any, and terms to eligible families;

(J) any proposed restrictions on the resale of units under a homeownership program;

(K) identification and description of the entity that will operate and manage the property;

(L) a certification by the public official responsible for submitting the comprehensive housing affordability strategy under section 105 of the Cranston-Gonzalez National Affordable Housing Act [42 U.S.C. 12705] that the proposed activities are consistent with the approved housing strategy of the State or unit of general local government within which the project is located (or, during the first 12 months after November 28, 1990, that the application is consistent with such other existing State or local housing plan or strategy that the Secretary shall determine to be appropriate); and

(M) a certification that the applicant will comply with the requirements of the Fair Housing Act [42 U.S.C. 3601 et seq.], the title VI of the Civil Rights Act of 1964 [42 U.S.C. 2000d et seq.], section 794 of title 29, and the Age Discrimination Act of 1975 [42 U.S.C. 6101 et seq.], and will affirmatively further fair housing.

(e) Selection criteria

The Secretary shall establish selection criteria for a national competition for assistance under this section, which shall include—

(1) the ability of the applicant to develop and carry out the proposed homeownership program, taking into account the quality of any related ongoing program of the applicant, and the extent of tenant interest in the development of a homeownership program and community support;

(2) the feasibility of the homeownership program;

(3) the extent to which current tenants and other eligible families will be able to afford the purchase;

(4) the quality and viability of the proposed homeownership program, including the viability of the economic self-sufficiency plan;

(5) the extent to which funds for activities that do not qualify as eligible activities will be provided in support of the homeownership program;

(6) whether the approved comprehensive housing affordability strategy for the jurisdiction within which the public housing project is located includes the proposed homeownership program as one of the general priorities identified pursuant to section 106(b)(7) of the Cranston-Gonzalez National Affordable Housing Act [42 U.S.C. 12705(b)(7)];

(7) national geographic diversity among housing for which applicants are selected to receive assistance; and

(8) the extent to which a sufficient supply of affordable rental housing exists in the locality, so that the implementation of the homeownership program will not reduce the number of such rental units available to residents currently residing in such units or eligible for residency in such units.

(f) Location within participating jurisdictions

The Secretary may approve applications for grants under this subchapter only for public housing projects located within the boundaries of jurisdictions—

(1) which are participating jurisdictions under title III of the Cranston-Gonzalez National Affordable Housing Act; or

(2) on behalf of which the agency responsible for affordable housing has submitted a housing strategy or plan.

(g) Approval

The Secretary shall notify each applicant, not later than 6 months after the date of the submission of the application, whether the application is approved or not approved. The Secretary may approve the application for an implementation grant with a statement that the application for the section 8 [42 U.S.C. 1437f] assistance for replacement housing and for residents of the project not purchasing units is conditionally approved, subject to the availability of appropriations in subsequent fiscal years.


REFERENCES IN TEXT
This subchapter, referred to in subssecs. (b) (introduction and exceptions) and (c)(2)(C), (E), was in the original “this subtitle”, and was translated as reading “this title”, meaning title III of act Sept. 1, 1937, ch. 896, as added by Pub. L. 101–625, to reflect the probable intent of Congress, because title III of act Sept. 1, 1937, does not contain subtitles.
The Fair Housing Act, referred to in subsec. (d)(2)(M), is title VIII of Pub. L. 90–284, Apr. 11, 1968, 82 Stat. 1, as amended, which is classified principally to subchapter I of chapter 45 (§3601 et seq.) of this title. For complete classification of this Act to the Code, see Short Title note set out under section 3001 of this title and Table.
The Age Discrimination Act of 1975, referred to in subsec. (d)(2)(M), is title III of Pub. L. 94–135, Nov. 28, 1975, 89 Stat. 728, as amended, which is classified generally to chapter 76 (§1735f et seq.) of this title. For complete classification of this Act to the Code, see Short Title note set out under section 1735f of this title and Table.
The Cranston-Gonzalez National Affordable Housing Act, referred to in subsec. (f)(1), is Pub. L. 101–625, Nov. 28, 1990, 104 Stat. 4079. Title III of the Act enacted subchapter III (§12651 et seq.) of chapter 130 of this title and sections 1755f–17 and 1755f–18 of Title 12, Banks and Banking, amended sections 1763, 1768, 1769, 1715f, 1715f–20, 1721, and 1735f–9 of Title 12, and enacted provisions set out as notes under sections 1708, 1709, 1713, and 1735f–18 of Title 12. For complete classification of this Act to the Code, see Short Title note set out under section 12701 of this title and Table.

AMENDMENTS
1998—Subsec. (b)(10). Pub. L. 105–276 substituted “such assistance from the Operating Fund” for “such assistance under section 1437g of this title”.
1992—Subsec. (b)(2). Pub. L. 102–550, §181(g)(1)(A), struck out “(not including scattered site single family housing of a public housing agency)” after “public housing project”.
Subsec. (b)(4) to (8). Pub. L. 102–550, §1012(b)(2), added par. (4) and redesignated former pars. (4) to (7) as (5) to (8), respectively. Former par. (8) redesignated (9).
Pub. L. 102–550, §181(g)(1)(B), which directed insertion of “—”, except that implementation grants may not be used under this paragraph to fund operating expenses for scattered site public housing acquired under a homeownership program,” before period at end of section “303(b) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 1437aaa-2(b)(9))”, was executed by making the insertion before period at end of subsec. (b)(9) of this section, which is section 303 of the United States Housing Act of 1937, to reflect the probable intent of Congress.
Subsec. (e)(8). Pub. L. 102–550, §181(c), struck out “of the type assisted under this subchapter” after “rental housing” and “appreciably before” “reduce”.

$1437aaa–3. Homeownership program requirements

(a) In general
A homeownership program under this subchapter shall provide for acquisition by eligible families of ownership interests in, or shares representing, at least one-half of the units in a public housing project under any arrangement determined by the Secretary to be appropriate, such as cooperative ownership (including limited equity cooperative ownership) and fee simple ownership (including condominium ownership), for occupancy by the eligible families.

(b) Affordability
A homeownership program under this subchapter shall provide for the establishment of sales prices (including principal, insurance, taxes, and interest and closing costs) for initial acquisition of the property from the public housing agency if the applicant is not a public housing agency, and for sales to eligible families, such that an eligible family shall not be required to expend more than 30 percent of the adjusted income of the family per month to complete a sale under the homeownership program.

(c) Plan
A homeownership program under this subchapter shall provide, and include a plan, for—
(1) identifying and selecting eligible families to participate in the homeownership program;
(2) providing relocation assistance to families who elect to move;
(3) ensuring continued affordability by tenants, homebuyers, and homeowners in the project;
(4) providing ongoing training and counseling for homebuyers and homeowners; and
(5) replacing units in eligible projects covered by a homeownership program.

(d) Acquisition and rehabilitation limitations
Acquisition or rehabilitation of public housing projects under a homeownership program under this subchapter may not consist of acquisition or rehabilitation of less than the whole public housing project in a project consisting of more than 1 building. The provisions of this subsection may be waived upon a finding by the Secretary that the sale of less than all the buildings in a project is feasible and will not result in a hardship to any tenants of the project who are not included in the homeownership program.

(e) Financing
(1) In general
The application shall identify and describe the proposed financing for (A) any rehabilitation, and (B) acquisition (i) of the project, where applicable, by an entity other than the public housing agency for transfer to eligible
§ 1437aaa–3

TITLE 42—THE PUBLIC HEALTH AND WELFARE

Page 4308

families, and (ii) by eligible families of ownership interests in, or shares representing, units in the project. Financing may include use of the implementation grant, sale for cash, or other sources of financing (subject to applicable requirements), including conventional mortgage loans and mortgage loans insured under title II of the National Housing Act [12 U.S.C. 1707 et seq.].

(2) Prohibition against pledges

Property transferred under this subchapter shall not be pledged as collateral for debt or otherwise encumbered except when the Secretary determines that—
(A) such encumbrance will not threaten the long-term availability of the property for occupancy by low-income families;
(B) neither the Federal Government nor the public housing agency will be exposed to undue risks related to action that may have to be taken pursuant to paragraph (3);
(C) any debt obligation can be serviced from project income, including operating assistance; and
(D) the proceeds of such encumbrance will be used only to meet housing standards in accordance with subsection (f) or to make such additional capital improvements as the Secretary determines to be consistent with the purposes of this subchapter.

(3) Opportunity to cure

Any lender that provides financing in connection with a homeownership program under this subchapter shall give the public housing agency resident management corporation, individual owner, or other appropriate entity a reasonable opportunity to cure a financial default before foreclosing on the property, or taking other action as a result of the default.

(f) Housing quality standards

The application shall include a plan ensuring that the unit—
(1) will be free from any defects that pose a danger to health or safety before transfer of an ownership interest in, or shares representing, a unit to an eligible family; and
(2) will, not later than 2 years after the transfer to an eligible family, meet minimum housing standards established by the Secretary for the purposes of this subchapter.


(h) Protection of non-purchasing families

(1) In general

No tenant residing in a dwelling unit in a public housing project on the date the Secretary approves an application for an implementation grant may be evicted by reason of a homeownership program approved under this subchapter.

(2) Replacement assistance

If the tenant decides not to purchase a unit, or is not qualified to do so, the recipient shall, during the term of any operating assistance under the implementation grant, permit each otherwise qualified tenant to continue to reside in the project at rents that do not exceed levels consistent with section 1437a(a) of this title or, if an otherwise qualified tenant chooses to move (at any time during the term of such operating assistance contract), the public housing agency shall, to the extent approved in appropriations Acts, offer such tenant (A) a unit in another public housing project, or (B) section 8 [42 U.S.C. 1437f] assistance for use in other housing.

(3) Relocation assistance

The recipient shall also inform each such tenant that if the tenant chooses to move, the recipient will pay relocation assistance in accordance with the approved homeownership program.

(4) Other rights

Tenants renting a unit in a project transferred under this subchapter shall have all rights provided to tenants of public housing under this chapter.

References in Text

The National Housing Act, referred to in subsec. (e)(1), is act June 27, 1934, ch. 847, 48 Stat. 1246, as amended. Title II of the Act is classified principally to subchapter II ([§1707 et seq.) of chapter 13 of Title 12, Banks and Banking. For complete classification of this Act to the Code, see section 1701 of Title 12 and Tables. This subchapter, referred to in subsec. (e)(3), was in the original “this subtitle”, and was translated as reading “this title”, meaning title III of act Sept. 1, 1937, ch. 896, as added by Pub. L. 101–625, to reflect the probable intent of Congress, because title III of act Sept. 1, 1937, does not contain subtitles.

Amendments


1995—Subsec. (g). Pub. L. 104–19 struck out subsec. (g) which prohibited transfer of projects without plan for replacement housing.

1992—Subsec. (d). Pub. L. 102–550 struck out “(not including scattered site single family housing of a public housing agency)” after “housing project”.

Effective Date of 1998 Amendment

Amendment by section 531(b)(1) of Pub. L. 105–276 effective with respect to any plan for the demolition, disposition, or conversion to homeownership of public housing that is approved by Secretary after Sept. 30, 1995, see section 531(b)(2) of Pub. L. 105–276, set out as a note below.

Effective Date of 1995 Amendment

Amendment by Pub. L. 104–19 effective for applications for demolition, disposition, or conversion to homeownership of public housing approved by the Secretary, and other consolidation and relocation activities of public housing agencies undertaken on, before, or after Sept. 30, 1995, and on or before Sept. 30, 1998, see section 1002(d) of Pub. L. 104–19, as amended, set out as a note under section 1437c of this title.

Homeownership Replacement Plan

§ 1437aaa-4. Other program requirements

(a) Sale by public housing agency to applicant or other entity required

Where the Secretary approves an application providing for the transfer of the eligible project from the public housing agency to another applicant, the public housing agency shall transfer the project to such other applicant, in accordance with the approved homeownership program.

(b) Preferences

In selecting eligible families for homeownership, the recipient shall give a first preference to otherwise qualified current tenants and a second preference to otherwise qualified eligible families who have completed participation in an economic self-sufficiency program specified by the Secretary.

(c) Cost limitations

The Secretary may establish cost limitations on eligible activities under this subchapter, subject to the provisions of this subchapter.

(d) Annual contributions

Notwithstanding the purchase of a public housing project under this section, the public housing agency or other entity designated in the homeownership program shall provide for limiting the family's tenure as owner; and

(e) Amounts from Operating Fund allocation

Amounts from an allocation from the Operating Fund under section 1437g of this title shall not be available with respect to a public housing project after the date of its sale by the public housing agency.

(f) Use of proceeds from sales to eligible families

The entity that transfers ownership interests in, or shares representing, units to eligible families, or another entity specified in the approved application, shall use the proceeds, if any, from the initial sale for costs of the homeownership program, including operating expenses, improvements to the project, business opportunities for low-income families, supportive services related to the homeownership program, additional homeownership opportunities, and other activities approved by the Secretary.

(g) Restrictions on resale by homeowners

(1) In general

(A) Transfer permitted

A homeowner under a homeownership program may transfer the homeowner's ownership interest in, or shares representing, the unit, except that a homeownership program may establish restrictions on the resale of units under the program.

(B) Right to purchase

Where a resident management corporation, resident council, or cooperative has jurisdiction over the unit, the corporation, council, or cooperative shall have the right to purchase the ownership interest in, or shares representing, the unit for the same amount.

(C) Promissory note required

The homeowner shall execute a promissory note equal to the difference between the market value and the purchase price, payable to the public housing agency or other entity designated in the homeownership plan, together with a mortgage securing the obligation of the note.

(2) 6 years or less

In the case of a transfer within 6 years of the acquisition under the program, the homeownership program shall provide for appropriate restrictions to assure that an eligible family may not receive any undue profit. The plan shall provide for limiting the family's consideration for its interest in the property to the total of—

(A) the contribution to equity paid by the family;

(B) the value, as determined by such means as the Secretary shall determine through regulation, of any improvements installed at the expense of the family during the family's tenure as owner; and

(C) the appreciated value determined by an inflation allowance at a rate which may be based on a cost-of-living index, an income index, or market index as determined by the Secretary through regulation and agreed to by the purchaser and the entity that transfers ownership interests in, or shares representing, units to eligible families (or another entity specified in the approved application), at the time of initial sale, and applied against the contribution to equity.

Such an entity may, at the time of initial sale, enter into an agreement with the family to set a maximum amount which this appreciation may not exceed.

(3) 6-20 years

In the case of a transfer during the period beginning 6 years after the acquisition and ending 20 years after the acquisition, the homeownership program shall provide for the recapture by the Secretary or the program of an amount equal to the amount of the declining balance on the note described in paragraph (1)(C).
§ 1437aaa–5  TITLE 42—THE PUBLIC HEALTH AND WELFARE

(4) Use of recaptured funds

Fifty percent of any portion of the net sales proceeds that may not be retained by the homeowner under the plan approved pursuant to this subsection shall be paid to the entity that transferred ownership interests in, or shares representing, units to eligible families, or another entity specified in the approved application, for use for improvements to the project, business opportunities for low-income families, supportive services related to the homeownership program, additional homeownership opportunities, and other activities approved by the Secretary. The remaining 50 percent shall be returned to the Secretary for use under this subchapter, subject to limitations contained in appropriations Acts. Such entity shall keep and make available to the Secretary all records necessary to calculate accurately payments due the Secretary under this subsection.

(b) Third party rights

The requirements under this subchapter regarding quality standards, resale, or transfer of the ownership interest of a homeowner shall be judicially enforceable against the grant recipient with respect to actions involving rehabilitation, and against purchasers of property under this subsection or their successors in interest with respect to other actions by affected low-income families, resident management corporations, resident councils, public housing agencies, and any agency, corporation, or authority of the United States Government. The parties specified in the preceding sentence shall be entitled to reasonable attorney fees upon prevailing in any such judicial action.

(i) Dollar limitation on economic development activities

Not more than an aggregate of $250,000 from amounts made available under sections 1437aaa–1 and 1437aaa–2 of this title may be used for economic development activities under sections 1437aaa–1(b)(6) and 1437aaa–2(b)(9) of this title for any project.

(j) Timely homeownership

Recipients shall transfer ownership of the property to tenants within a specified period of time that the Secretary determines to be reasonable. During the interim period when the property continues to be operated and managed as rental housing, the recipient shall utilize written tenant selection policies and criteria that are consistent with the public housing program and that are approved by the Secretary as consistent with the purpose of improving housing opportunities for low-income families. The recipient shall promptly notify in writing any rejected applicant of the grounds for any rejection.

(k) Capability of resident management corporations and resident councils

To be eligible to receive a grant under section 1437aaa–2 of this title, a resident management corporation or resident council shall demonstrate to the Secretary its ability to manage public housing by having done so effectively and efficiently for a period of not less than 3 years or by arranging for management by a qualified management entity.

(l) Records and audit of recipients of assistance

(1) In general

Each recipient shall keep such records as may be reasonably necessary to fully disclose the amount and the disposition by such recipient of the proceeds of assistance received under this subchapter (and any proceeds from financing obtained in accordance with subsection (b) or sales under subsections (f) and (g)(4)), the total cost of the homeownership program in connection with which such assistance is given or used, and the amount and nature of that portion of the program supplied by other sources, and such other sources as will facilitate an effective audit.

(2) Access by the Secretary

The Secretary shall have access for the purpose of audit and examination to any books, documents, papers, and records of the recipient that are pertinent to assistance received under this subchapter.

(3) Access by the Comptroller General

The Comptroller General of the United States, or any of the duly authorized representatives of the Comptroller General, shall also have access for the purpose of audit and examination to any books, documents, papers, and records of the recipient that are pertinent to assistance received under this subchapter.


REFERENCES IN TEXT

This subchapter, referred to in subsec. (g)(4), was in the original “this subtitle”, and was translated as reading “this title”, meaning title III of act Sept. 1, 1937, ch. 896, as added by Pub. L. 101–625, to reflect the probable intent of Congress, because title III of act Sept. 1, 1937, does not contain subtitles.


AMENDMENTS


EFFECTIVE DATE OF 1998 AMENDMENT

Amendment by title V of Pub. L. 105–276 effective and applicable beginning upon Oct. 1, 1999, except as otherwise provided, with provision that Secretary may implement amendment before such date, except to extent that such amendment provides otherwise, and with savings provision, see section 503 of Pub. L. 105–276, set out as a note under section 1437 of this title.

§ 1437aaa–5. Definitions

For purposes of this subchapter:

(1) The term “applicant” means the following entities that may represent the tenants of the project:
§ 1437aaa–6. Relationship to other homeowner -

(A) A public housing agency.
(B) A resident management corporation, established in accordance with requirements of the Secretary under section 1437r of this title.
(C) A resident council.
(D) A cooperative association.
(E) A public or private nonprofit organization.
(F) A public body, including an agency or instrumentality thereof.

(2) The term “eligible family” means—
(A) a family or individual who is a tenant in the public housing project on the date the Secretary approves an implementation grant;
(B) a low-income family; or
(C) a family or individual who is assisted under a housing program administered by the Secretary or the Secretary of Agriculture (not including any non-low-income families assisted under any mortgage insurance program administered by either Secretary).

(3) The term “homeownership program” means a program for homeownership meeting the requirements under this subchapter.

(4) The term “recipient” means an applicant approved to receive a grant under this subchapter or such other entity specified in the approved application that will assume the obligations of the recipient under this subchapter.

(5) The term “resident council” means any incorporated nonprofit organization or association that—
(A) is representative of the tenants of the housing;
(B) adopts written procedures providing for the election of officers on a regular basis; and
(C) has a democratically elected governing board, elected by the tenants of the housing.


AMENDMENTS

EFFECTIVE DATE OF 1996 AMENDMENT

§ 1437aaa–7. Limitation on selection criteria

In establishing criteria for selecting applicants to receive assistance under this subchapter, the Secretary may not establish any selection criterion or criteria that grant or deny such assistance to an applicant (or have the effect of granting or denying assistance) based on the implementation, continuation, or discontinuation of any public policy, regulation, or law of any jurisdiction in which the applicant or project is located.


§ 1437aaa–8. Annual report

The Secretary shall annually submit to the Congress a report setting forth—

(1) the number, type, and cost of public housing units sold pursuant to this subchapter;
(2) the income, race, gender, children, and other characteristics of families participating (or not participating) in homeownership programs funded under this subchapter;
(3) the amount and type of financial assistance provided under and in conjunction with this subchapter;
(4) the amount of financial assistance provided under this subchapter that was needed to ensure continued affordability and meet future maintenance and repair costs; and
(5) the recommendations of the Secretary for statutory and regulatory improvements to the program.

SUBCHAPTER II–B—HOME RULE FLEXIBLE GRANT DEMONSTRATION

§ 1437bbb. Purpose

The purpose of this subchapter is to demonstrate the effectiveness of authorizing local governments and municipalities, in coordination with the public housing agencies for such jurisdictions—

(1) to receive and combine program allocations of covered housing assistance; and
(2) to design creative approaches for providing and administering Federal housing assistance based on the particular needs of the jurisdictions that—

(A) provide incentives to low-income families with children whose head of the household is employed, seeking employment, or preparing for employment by participating in a job training or educational program, or any program that otherwise assists individuals in obtaining employment and attaining economic self-sufficiency;

(B) reduce costs of Federal housing assistance and achieve greater cost-effectiveness in Federal housing assistance expenditures;

(C) increase the stock of affordable housing and housing choices for low-income families;

(D) increase homeownership among low-income families;

(E) reduce geographic concentration of assisted families;

(F) reduce homelessness through providing permanent housing solutions;

(G) improve program management; and

(H) achieve such other purposes with respect to low-income families, as determined by the participating local governments and municipalities in coordination with the public housing agencies;


EFFECTIVE DATE


§ 1437bbb–1. Flexible grant program

(a) Authority and use

The Secretary shall carry out a demonstration program in accordance with the purposes under section 1437bbb of this title and the provisions of this subchapter. A jurisdiction approved by the Secretary for participation in the program may receive and combine and enter into performance-based contracts for the use of amounts of covered housing assistance, in the manner determined appropriate by the participating jurisdiction, during the period of the jurisdiction’s participation—

(1) to provide housing assistance and services for low-income families in a manner that facilitates the transition of such families to work;

(2) to reduce homelessness through providing permanent housing solutions;

(3) to increase homeownership among low-income families; or

(4) for other housing purposes for low-income families determined by the participating jurisdiction.

(b) Period of participation

A jurisdiction may participate in the demonstration program under this subchapter for a period consisting of not less than 1 nor more than 5 fiscal years.

(c) Participating jurisdictions

(1) In general

Subject to paragraph (2), during the 4-year period consisting of fiscal years 1999 through 2002, the Secretary may approve for participation in the program under this subchapter not more than an aggregate of 100 jurisdictions over the entire term of the demonstration program. A jurisdiction that was approved for participation in the demonstration program under this subchapter in a fiscal year and that is continuing such participation in any subsequent fiscal year shall count as a single jurisdiction for purposes of the numerical limitation under this paragraph.

(2) Exclusion of high performing agencies

Notwithstanding any other provision of this subchapter other than paragraph (4) of this subsection, the Secretary may approve for participation in the demonstration program under this subchapter only jurisdictions served by public housing agencies that—

(A) are not designated as high-performing agencies, pursuant to their most recent scores under the public housing management assessment program under section 1437d(j)(2) of this title (or any successor assessment program for public housing agencies), as of the time of approval; and

(B) have a most recent score under the public housing management assessment program under section 1437d(j)(2) of this title (or any successor assessment program for public housing agencies), as of the time of approval, that is among the lowest 40 percent of the scores of all agencies.

(3) Limitation on troubled and non-troubled PHAs

Of the jurisdictions approved by the Secretary for participation in the demonstration program under this subchapter—

(A) not more than 55 may be jurisdictions served by a public housing agency that, at the time of approval, is designated as a troubled agency under the public housing management assessment program under section 1437d(j)(2) of this title (or any successor assessment program for public housing agencies); and

(B) not more than 45 may be jurisdictions served by a public housing agency that, at the time of approval, is not designated as a troubled agency under the public housing management assessment program under sec-
§ 1437bbb–2. Program allocation and covered housing assistance

(a) Program allocation

In each fiscal year, the amount made available to each participating jurisdiction under the demonstration program under this subchapter shall be equal to the sum of the amounts of covered housing assistance that would otherwise be made available under the provisions of this chapter to the public housing agency for the jurisdiction.

(b) Covered housing assistance

For purposes of this subchapter, the term "covered housing assistance" means—

(1) operating assistance under section 1437g of this title (as in effect before the effective date under section 503(a) of the Quality Housing and Work Responsibility Act of 1998);

(2) modernization assistance under section 1437f of this title (as in effect before the effective date under section 503(a) of the Quality Housing and Work Responsibility Act of 1998);

(3) assistance for the certificate and voucher programs under section 1437f of this title (as in effect before the effective date under section 503(a) of the Quality Housing and Work Responsibility Act of 1998);

(4) assistance from the Operating Fund under section 1437g(e) of this title;

(5) assistance from the Capital Fund under section 1437g(d) of this title; and

(6) tenant-based assistance under section 1437f of this title (as amended by the Quality Housing and Work Responsibility Act of 1998).

§ 1437bbb–3. Applicability of requirements under programs for covered housing assistance

(a) In general

In each fiscal year of the demonstration program under this subchapter, amounts made available to a participating jurisdiction under the demonstration program shall be subject to the same terms and conditions as such amounts would be subject to if made available under the provisions of this chapter pursuant to which covered housing assistance is otherwise made available under this chapter to the public housing agency for the jurisdiction, except that—

(1) the Secretary may waive any such term or condition identified by the jurisdiction to the extent that the Secretary determines such action to be appropriate to carry out the purposes of the demonstration program under this subchapter; and

(2) the participating jurisdiction may combine the amounts made available and use the amounts for any activity eligible under the programs under sections 1437f and 1437g of this title.

(b) Number of families assisted

In carrying out the demonstration program under this subchapter, each participating jurisdiction shall assist substantially the same total number of eligible low-income families as would have otherwise been served by the public housing agency for the jurisdiction had the jurisdiction not participated in the demonstration program under this subchapter.

(c) Protection of recipients

This subchapter may not be construed to authorize the termination of assistance to any recipient receiving assistance under this chapter before October 21, 1998, as a result of the implementation of the demonstration program under this subchapter.

(d) Effect on ability to compete for other programs

This subchapter may not be construed to affect the ability of any applying or participating jurisdiction (or a public housing agency for any such jurisdiction) to compete or otherwise apply for or receive assistance under any other housing assistance program administered by the Secretary.

§ 1437bbb–4. Program requirements

(a) Applicability of certain provisions

Notwithstanding section 1437bbb–3(a)(3) of this title, the Secretary may not waive, with respect to any participating jurisdiction, any of the following provisions:

(1) The first sentence of paragraph (1) of section 1437a(a) of this title (relating to eligibility of low-income families).

(2) Section 1437n of this title (relating to income eligibility and targeting of assistance).

(3) Paragraph (2) of section 1437a(a) of this title (relating to rental payments for public housing families).
(4) Paragraphs (2) and (3) of section 1437f(o) of this title (to the extent such paragraphs limit the amount of rent paid by families assisted with tenant-based assistance).

(5) Section 1437p of this title (relating to demonstration or disposition of public housing).

(b) Compliance with assistance plan

A participating jurisdiction shall provide assistance using amounts received pursuant to this subchapter in the manner set forth in the plan of the jurisdiction approved by the Secretary under section 1437bbb-5(a)(2) of this title.


§1437bbb-5. Application

(a) In general

The Secretary shall provide for jurisdictions to submit applications for approval to participate in the demonstration program under this subchapter. An application—

(1) shall be submitted only after the jurisdiction provides for citizen participation through a public hearing and, if appropriate, other means;

(2) shall include a plan for the provision of housing assistance with amounts received pursuant to this subchapter that—

(A) is developed by the jurisdiction;

(B) takes into consideration comments from the public hearing, any other public comments on the proposed program, and comments from current and prospective residents who would be affected; and

(C) identifies each term or condition for which the jurisdiction is requesting waiver under section 1437bbb-3(a)(1) of this title;

(3) shall describe how the plan for use of amounts will assist in meeting the purposes of, and be used in accordance with, sections 1437bbb and 1437bbb-1(a) of this title, respectively;

(4) shall propose standards for measuring performance in using assistance provided pursuant to this subchapter based on the performance standards under subsection (b)(4);

(5) shall propose the length of the period for participation of the jurisdiction in the demonstration program under this subchapter;

(6) shall—

(A) in the case of the application of any jurisdiction within whose boundaries are areas subject to any other unit of general local government, include the signed consent of the appropriate executive official of such unit to the application; and

(B) in the case of the application of a consortia of units of general local government (as provided under section 1437bbb-8(1)(B) of this title), include the signed consent of the appropriate executive official of each unit included in the consortia;

(7) shall include information sufficient, in the determination of the Secretary—

(A) to demonstrate that the jurisdiction has or will have management and administrative capacity sufficient to carry out the plan under paragraph (2), including a demonstration that the applicant has a history of effectively administering amounts provided under other programs of the Department of Housing and Urban Development, such as the community development block grant program, the HOME investment partnerships program, and the programs for assistance for the homeless under the McKinney-Vento Homeless Assistance Act [42 U.S.C. 11301 et seq.];

(B) to demonstrate that carrying out the plan will not result in excessive duplication of administrative efforts and costs, particularly with respect to activities performed by public housing agencies operating within the boundaries of the jurisdiction;

(C) to describe the function and activities to be carried out by such public housing agencies affected by the plan; and

(D) to demonstrate that the amounts received by the jurisdiction will be maintained separate from other funds available to the jurisdiction and will be used only to carry out the plan;

(8) shall include information describing how the jurisdiction will make decisions regarding asset management of housing for low-income families under programs for covered housing assistance or assisted with grant amounts under this subchapter;

(9) shall—

(A) clearly identify any State or local laws that will affect implementation of the plan under paragraph (2) and any contractual rights and property interests that may be affected by the plan;

(B) describe how the plan will be carried out with respect to such laws, rights, and interests; and

(C) contain a legal memorandum sufficient to describe how the plan will comply with such laws and how the plan will be carried out without violating or impairing such rights and interests; and

(10) shall identify procedures for how the jurisdiction shall return to providing covered assistance for the jurisdiction under the provisions of subchapter I, in the case of determination under subsection (b)(4)(B).

A plan required under paragraph (2) to be included in the application may be contained in a memorandum of agreement or other document executed by a jurisdiction and public housing agency, if such document is submitted together with the application.

(b) Review, approval, and performance standards

(1) Review

The Secretary shall review each application for participation in the demonstration program under this subchapter and shall determine and notify the jurisdiction submitting the application, not later than 90 days after its submission, of whether the application is approvable under this subchapter. If the Secretary determines that the application of a jurisdiction is approvable under this subchapter,

1 So in original.
the Secretary shall provide affected public housing agencies an opportunity to review and to provide written comments on the application for a period of not less than 30 days after notification under the preceding sentence. If the Secretary determines that an application is not approvable under this subchapter, the Secretary shall notify the jurisdiction submitting the application of the reasons for such determination. Upon making a determination of whether an application is approvable or non-approvable under this subchapter, the Secretary shall make such determination publicly available in writing together with a written statement of the reasons for such determination.

(2) Approval

The Secretary may approve jurisdictions for participation in the demonstration program under this subchapter, but only from among applications that the Secretary has determined under paragraph 2 are approvable under this subchapter and only in accordance with section 1437bbb–1(c) of this title. The Secretary shall base the selection of jurisdictions to approve on the potential success, as evidenced by the application, in—

(A) achieving the goals set forth in the performance standards under paragraph (4)(A); and

(B) increasing housing choices for low-income families.

(3) Agreement

The Secretary shall offer to enter into an agreement with each jurisdiction approved for participation in the program under this subchapter for a period in accordance with section 1437bbb–1(b) of this title and incorporating a requirement that the jurisdiction achieve a particular level of performance in each of the areas for which performance standards are established under paragraph (4)(A) of this subsection. If the Secretary and the jurisdiction enter into an agreement, the Secretary shall provide any covered housing assistance for the jurisdiction in the manner authorized under this subchapter. The Secretary may not provide covered housing assistance for a jurisdiction in the manner authorized under this subchapter unless the Secretary and jurisdiction enter into an agreement under this paragraph.

(4) Performance standards

(A) Establishment

The Secretary and each participating jurisdiction may collectively establish standards for evaluating the performance of the participating jurisdiction in meeting the purposes under section 1437bbb of this title, which may include standards for—

(i) moving dependent low-income families to economic self-sufficiency;

(ii) reducing the per-family cost of providing housing assistance;

(iii) expanding the stock of affordable housing and housing choices for low-income families;

(iv) improving program management;

(v) increasing the number of homeownership opportunities for low-income families;

(vi) reducing homelessness through providing permanent housing resources;

(vii) reducing geographic concentration of assisted families; and

(viii) any other performance goals that the Secretary and the participating jurisdiction may establish.

(B) Failure to comply

If, at any time during the participation of a jurisdiction in the program under this subchapter, the Secretary determines that the jurisdiction is not sufficiently meeting, or making progress toward meeting, the levels of performance incorporated into the agreement of the jurisdiction pursuant to subparagraph (A), the Secretary shall terminate the participation of the jurisdiction in the program under this subchapter and require the implementation of the procedures included in the application of the jurisdiction pursuant to subsection (a)(10).

(5) Troubled agencies

The Secretary may establish requirements for the approval of applications under this section submitted by public housing agencies designated under section 1437d(j)(2) of this title as troubled, which may include additional or different criteria determined by the Secretary to be more appropriate for such agencies.

(c) Status of PHAs

This subchapter may not be construed to require any change in the legal status of any public housing agency or in any legal relationship between a jurisdiction and a public housing agency as a condition of participation in the program under this subchapter.

(d) PHA plans

In carrying out this subchapter, the Secretary may provide for a streamlined public housing agency plan and planning process under section 1437c–1 of this title for participating jurisdictions.


REFERENCES IN TEXT


AMENDMENTS


§ 1437bbb–6. Training

The Secretary, in consultation with representatives of public and assisted housing interests, may provide training and technical assistance relating to providing assistance under this sub-
§ 1437bbb–7. Accountability

(a) Maintenance of records

Each participating jurisdiction shall maintain such records as the Secretary may require to—

(1) document the amounts received by the jurisdiction under this chapter and the disposition of such amounts under the demonstration program under this subchapter;

(2) ensure compliance by the jurisdiction with this subchapter; and

(3) evaluate the performance of the jurisdiction under the demonstration program under this subchapter.

(b) Reports

Each participating jurisdiction shall annually submit to the Secretary a report in a form and at a time specified by the Secretary, which shall include—

(1) documentation of the use of amounts made available to the jurisdiction under this subchapter;

(2) any information as the Secretary may request to assist the Secretary in evaluating the demonstration program under this subchapter; and

(3) a description and analysis of the effect of assisted activities in addressing the objectives of the demonstration program under this subchapter.

(c) Access to documents by Secretary and Comptroller General

The Secretary and the Comptroller General of the United States, or any duly authorized representative of the Secretary or the Comptroller General, shall have access for the purpose of audit and examination to any books, documents, papers, and records maintained by a participating jurisdiction that relate to the demonstration program under this subchapter.

(d) Performance review and evaluation

(1) Performance review

Based on the performance standards established under section 1437bbb–5(b)(4) of this title, the Secretary shall monitor the performance of participating jurisdictions in providing assistance under this subchapter.

(2) Status report

Not later than 60 days after the conclusion of the second year of the demonstration program under this subchapter, the Secretary shall submit to Congress an interim report on the status of the demonstration program and the progress each participating jurisdiction in achieving the purposes of the demonstration program under section 1437bbb of this title.

§ 1437bbb–8. Definitions

For purposes of this subchapter, the following definitions shall apply:

(1) Jurisdiction

The term “jurisdiction” means—

(A) a unit of general local government (as such term is defined in section 12704 of this title) that has boundaries, for purposes of carrying out this subchapter, that—

(i) wholly contain the area within which a public housing agency is authorized to operate; and

(ii) do not contain any areas contained within the boundaries of any other participating jurisdiction; and

(B) a consortia of such units of general local government, organized for purposes of this subchapter.

(2) Participating jurisdiction

The term “participating jurisdiction” means, with respect to a period for which such an agreement is made, a jurisdiction that has entered into an agreement under section 1437bbb–5(b)(3) of this title to receive assistance pursuant to this subchapter for such fiscal year.

§ 1437bbb–9. Termination and evaluation

(a) Termination

The demonstration program under this subchapter shall terminate not less than 2 and not more than 5 years after the date on which the demonstration program is commenced.

(b) Evaluation

Not later than 6 months after the termination of the demonstration program under this subchapter, the Secretary shall submit to the Congress a final report, which shall include—

(1) an evaluation1 of the effectiveness of the activities carried out under the demonstration program; and

(2) any findings and recommendations of the Secretary for any appropriate legislative action.


Effective Date of Repeal

Repeal effective and applicable beginning upon Oct. 1, 1999, except as otherwise provided, with provision that

1 So in original. Probably should be followed by “of”.

SUBCHAPTER III—MISCELLANEOUS PROVISIONS

Secretary may implement repeal before such date, and with savings provision, see section 503 of Pub. L. 105–276, set out as an Effective Date of 1998 Amendment note under section 1437 of this title.

§ 1439. Local housing assistance plan

(a) Applicability of approved plan to housing assistance application; procedure upon receipt of application by Secretary of Housing and Urban Development; definitions

(1) The Secretary of Housing and Urban Development, upon receiving an application for housing assistance under the United States Housing Act of 1937 [42 U.S.C. 1437 et seq.], section 101 of the Housing and Urban Development Act of 1965 [12 U.S.C. 1701s], or, if the unit of general local government in which the proposed assistance is to be provided has an approved housing assistance plan, shall—

(A) not later than ten days after receipt of the application, notify the chief executive officer of such unit of general local government that such application is under consideration; and

(B) afford such unit of general local government the opportunity, during the thirty-day period beginning on the date of such notification, to object to the approval of the application on the grounds that the application is inconsistent with its housing assistance plan.

Upon receiving an application for such housing assistance, the Secretary shall assure that funds made available under this section shall be utilized to the maximum extent practicable to meet the needs and goals identified in the unit of local government’s housing assistance plan.

(2) If the unit of general local government objects to the application on the grounds that it is inconsistent with its housing assistance plan, the Secretary may not approve the application unless he determines that the application is consistent with such housing assistance plan. If the Secretary determines that such application is consistent with the housing assistance plan, he shall notify the chief executive officer of the unit of general local government of his determination and the reasons therefor in writing. If the Secretary concurs with the objection of the unit of local government, he shall notify the applicant stating the reasons therefor in writing.

(3) If the Secretary does not receive an objection by the close of the period referred to in paragraph (1)(B), he may approve the application unless he finds it inconsistent with the housing assistance plan. If the Secretary determines that an application is inconsistent with a housing assistance plan, he shall notify the applicant stating the reasons therefor in writing.

(4) The Secretary shall make the determinations referred to in paragraphs (2) and (3) within thirty days after he receives an objection pursuant to paragraph (1)(B) or within thirty days after the close of the period referred to in paragraph (1)(B), whichever is earlier.

(5) As used in this section, the term “housing assistance plan” means a housing assistance plan submitted and approved under section 5904 of this title or, in the case of a unit of general local government not participating under title I of this Act [42 U.S.C. 5301 et seq.], a housing plan approved by the Secretary as meeting the requirements of this section. In developing a housing assistance plan under this paragraph a unit of general local government shall consult with local public agencies involved in providing for the welfare of children to determine the housing needs of (A) families identified by the agencies as having a lack of adequate housing that is a primary factor in the imminent placement of a child in foster care or in preventing the discharge of a child from foster care and reunification with his or her family; and (B) children who, upon discharge of the child from foster care, cannot return to their family or extended family and for which adoption is not available. The unit of general local government shall include in the housing assistance plan needs and goals with respect to such families and children.

(b) Housing assistance applications subject to procedures

The provisions of subsection (a) shall not apply to—

(1) applications for assistance involving 12 or fewer units in a single project or development;

(2) applications for assistance with respect to housing in new community developments approved under title IV of the Housing and Urban Development Act of 1968 [42 U.S.C. 3901 et seq.] or title VII of the Housing and Urban Development Act of 1970 [42 U.S.C. 4501 et seq.] which the Secretary determines are necessary to meet the housing requirements under such title; or

(3) applications for assistance with respect to housing financed by loans or loan guarantees from a State or agency thereof, except that the provisions of subsection (a) shall apply where the unit of general local government in which the assistance is to be provided objects in its housing assistance plan to the exemption provided by this paragraph.


(d) Allocation and reservation of housing assistance funds; purposes; prohibited reallocation of unutilized funds; enumerated uses for retained funds; competition for reservation and obligation of funds

(1)(A)(1) Except as provided by subparagraph (B), the Secretary shall allocate assistance referred to in subsection (a)(1) the first time it is available for reservation on the basis of a formula that is contained in a regulation prescribed by the Secretary, and that is based on the relative needs of different States, areas, and communities, as reflected in data as to population, poverty, housing overcrowding, housing vacancies, amount of substandard housing, and other objectively measurable conditions specified in the regulation. The Secretary may allocate assistance under the preceding sentence in such a manner that each State shall receive not less than one-half of one percent of the amount of funds available for each program referred to in subsection (a)(1) in each fiscal year. In allocating assistance under this paragraph for each
program of housing assistance under subsection (a)(1), the Secretary shall apply the formula, to the extent practicable, in a manner so that the assistance under the program is allocated according to the particular relative needs under the preceding sentence that are characteristic of and related to the particular type of assistance provided under the program. Assistance under section 202 of the Housing Act of 1959 [12 U.S.C. 1701q] shall be allocated in a manner that ensures that awards of the assistance under such section are made for projects of sufficient size to accommodate facilities for supportive services appropriate to the needs of frail elderly residents. The preceding sentence shall not apply to projects acquired from the Resolution Trust Corporation under section 1441a(c) of title 12.

Amounts for tenant-based assistance under section 8(o) of the United States Housing Act of 1937 [42 U.S.C. 1437g] shall be allocated in a manner that enables participating jurisdictions to carry out, to the maximum extent practicable, comprehensive housing affordability strategies approved in accordance with section 105 of the Cranston-Gonzalez National Affordable Housing Act [42 U.S.C. 12705]. Such jurisdictions shall submit recommendations for allocating assistance under such section 8(o) to the Secretary in accordance with procedures that the Secretary determines to be appropriate to permit allocations of such assistance to be made on the basis of timely and complete information. This clause may not be construed to prevent, alter, or otherwise affect the application of the formula established pursuant to clause (i) for purposes of allocating such assistance. For purposes of this clause, the term ‘participating jurisdiction’ means a State or unit of general local government designated by the Secretary to be a participating jurisdiction under title II of the Cranston-Gonzalez National Affordable Housing Act [42 U.S.C. 12721 et seq.].

The formula allocation requirements of subparagraph (a) shall not apply to—

(i) assistance that is approved in appropriation Acts for use under sections 4 9 [42 U.S.C. 1437g], or the rental rehabilitation grant program under section 17, 3 of the United States Housing Act of 1937, except that the Secretary shall comply with section 102 of the Department of Housing and Urban Development Reform Act of 1989 [42 U.S.C. 3545] with respect to such assistance; or

(ii) other assistance referred to in subsection (a) that is approved in appropriation Acts for uses that the Secretary determines are incapable of geographic allocation, including amendments of existing contracts, renewal of assistance contracts, assistance to families that would otherwise lose assistance due to the decision of the project owner to prepay the project mortgage or not to renew the assistance contract, assistance to prevent displacement of families or to provide replacement housing in connection with the demolition or disposition of public housing, and assistance in support of the property disposition and loan management functions of the Secretary.

(C) Any allocation of assistance under subparagraph (A) shall, as determined by the Secretary, be made to the smallest practicable area, consistent with the delivery of assistance through a meaningful competitive process designed to serve areas with greater needs.

(D) Any amounts allocated to a State or areas or communities within a State that are not likely to be used within a fiscal year shall not be reallocated for use in another State, unless the Secretary determines that other areas or communities (that are eligible for assistance under the program) within the same State cannot use the amounts within that same fiscal year.

(2) The Secretary may reserve such housing assistance funds as he deems appropriate for use by a State or agency thereof.

(3)(A) Notwithstanding any other provision of law, with respect to fiscal years beginning after September 30, 1990, the Secretary may retain not more than 5 percent of the financial assistance that becomes available under programs described in subsection (a)(1) during any fiscal year. Such assistance that is retained shall be available for subsequent allocation to specific areas and communities, and may only be used for—

(i) unforeseen housing needs resulting from natural and other disasters;

(ii) housing needs resulting from emergencies, as certified by the Secretary, other than such disasters;

(iii) housing needs resulting from the settlement of litigation; and

(iv) housing in support of desegregation efforts.

(B) Any amounts retained in any fiscal year under subparagraph (A) that are unexpended at the end of such fiscal year shall remain available for the following fiscal year under the program under subsection (a)(1) from which the amount was retained. Such amounts shall be allocated on the basis of the formula under subsection (d)(1).

(4)(A) The Secretary shall not reserve or obligate assistance subject to allocation under paragraph (1)(A) to specific recipients, unless the assistance is first allocated on the basis of the formula contained in that paragraph and then is reserved and obligated pursuant to a competition.

(B) Any competition referred to in subparagraph (A) shall be conducted pursuant to specific criteria for the selection of recipients of assistance. The criteria shall be contained in—

(i) a regulation promulgated by the Secretary after notice and public comment; or

(ii) to the extent authorized by law, a notice published in the Federal Register.

(C) Subject to the times at which appropriations for assistance subject to paragraph (1)(A) may become available for reservation in any fiscal year, the Secretary shall take such steps as the Secretary deems appropriate to ensure that, to the maximum extent practicable, the process referred to in subparagraph (A) is carried out with similar frequency and at similar times for each fiscal year.

---

3 See References in Text note below.

4 So in original. Probably should be “section”.
(D) This paragraph shall not apply to assistance referred to in paragraph (4).3

(e) Assistance payments for properties in Jefferson County, Texas

From budget authority made available in appropriation Acts for fiscal year 1988, the Secretary shall enter into an annual contributions contract for a term of 180 months to obligate sufficient funds to provide for assistance payments pursuant to section 8(b)(1) of the United States Housing Act of 1937 [42 U.S.C. 1437f(b)(1)] on behalf of 500 lower income families from budget authority made available for fiscal year 1988, so long as such families occupy properties in Jefferson County, Texas. If a lower income family receiving assistance payments pursuant to this subsection ceases to qualify for assistance payments pursuant to the provisions of section 8 of such Act [42 U.S.C. 1437f] or of this subsection during the 180-month term of the annual contributions contract, assistance payments shall be made on behalf of another lower income family who occupies a unit identified in the previous sentence.


REFERENCES IN TEXT

The United States Housing Act of 1937, referred to in subsection (a), is act Sept. 1, 1937, ch. 766, 91 Stat. 686, as revised generally by Pub. L. 93–383, title II, §201(a), Aug. 22, 1974, 88 Stat. 653, and amended, which is classified generally to this chapter (§1437 et seq.). The Housing and Community Development Act of 1974, referred to in subsection (d)(1)(B)(i), which was classified to section 1490m of this title during the fiscal year 1977 determined in consultation with the Secretary of Agriculture for use in connection with section 1490m of this title during the

AMENDMENTS

1998—Subsec. (c). Pub. L. 105–276, §551(1), struck out subsec. (c) which read as follows: “For areas in which an approved local housing assistance plan is not applicable the Secretary shall not approve an application for housing assistance unless he determines that there is a need for such assistance, taking into consideration any applicable State housing plans, and that there is or will be available in the area public facilities and services adequate to serve the housing proposed to be assisted. The Secretary shall afford the unit of general local government in which the assistance is to be provided an opportunity, during a 30-day period after the date of the receipt of an application by him, to provide comments or information relevant to the determination required to be made by the Secretary under this subsection.”


CODIFICATION

Section was enacted as part of the Housing and Community Development Act of 1974, and not as part of the United States Housing Act of 1937 which comprises this chapter.

1988—Subsec. (c). Pub. L. 105–276, §551(1), struck out subsec. (c) which read as follows: “For areas in which an approved local housing assistance plan is not applicable the Secretary shall not approve an application for housing assistance unless he determines that there is a need for such assistance, taking into consideration any applicable State housing plans, and that there is or will be available in the area public facilities and services adequate to serve the housing proposed to be assisted. The Secretary shall afford the unit of general local government in which the assistance is to be provided an opportunity, during a 30-day period after the date of the receipt of an application by him, to provide comments or information relevant to the determination required to be made by the Secretary under this subsection.”

Subsec. (d)(1)(A)(i). Pub. L. 105–276, §551(2)(A)(i), inserted at end “Amounts for tenant-based assistance under section 8(c) of the United States Housing Act of 1937 may not be provided to any public housing agency that has been disqualified from providing such assistance.”


Subsec. (d)(2) to (5). Pub. L. 105–276, §551(2)(B), (C), redesignated pars. (3) to (5) as (2) to (4), respectively, and struck out former par. (2) which read as follows: “Not later than sixty days after approval in an appropriation Act, the Secretary shall allocate from the amounts available for use in nonmetropolitan areas an amount of authority for assistance under section 8(d) of the United States Housing Act of 1937 determined in consultation with the Secretary of Agriculture for use in connection with section 1490m of this title during the
fiscal year for which such authority is approved. The amount of assistance allocated to nonmetropolitan areas pursuant to this section in any fiscal year shall not be less than 20 nor more than 25 percent of the total amount of the assistance that is subject to allocation under paragraph (1)(A)."


1992—Subsec. (e). Pub. L. 102–389 and Pub. L. 102–550 amended subsec. (e) identically, substituting "Jefferson County, Texas" for "the Park Central New Community Project or in adjacent areas that are recognized by the unit of general local government in which such Project is located as being included within the Park Central New Town In Town Project".


Subsec. (a)(5). Pub. L. 101–625, §576, inserted at end "In developing a housing assistance plan under this paragraph a unit of general local government shall consult with local public agencies involved in providing for the welfare of children to determine the housing needs of (A) families identified by the agencies as having a lack of adequate housing that is a primary factor in the imminent placement of a child in foster care or in preventing the discharge of a child from foster care and reunification with his or her family; and (B) children who, upon discharge of the child from foster care, cannot return to their family or extended family and for whom adoption is not available. The unit of general local government shall include in the housing assistance plan needs and goals with respect to such families and children."


Pub. L. 101–494 inserted after first sentence "The Secretary may allocate assistance under the preceding sentence in such a manner that each State shall receive not less than one-half of one percent of the amount of funds available for each program referred to in subsection (a)(1) in each fiscal year."

Subsec. (d)(1)(A). Pub. L. 101–625, §804(e), directed amendment of subpar. (A) by inserting after the period at end "The preceding sentence shall not apply to projects acquired from the Resolution Trust Corporation under section 1414a(c) of title 12.", was executed by making the insertion after the period at end of cl. (i), to reflect the probable intent of Congress and the intervening amendment by Pub. L. 101–625, §556. See above.


Subsec. (d)(1). Pub. L. 101–235, §101(a), added par. (1) generally, Prior to amendment, par. (1) read as follows: "The Secretary shall allocate assistance referred to in subsection (a) of this section (other than assistance approved in appropriation Acts for use under section 1490m of this title) to the States or to areas or communities within a State which are not likely to be utilized within a fiscal year, or the Secretary determines that assistance shall not be utilized within a fiscal year.

Subsec. (d)(2). Pub. L. 101–235, §101(b), substituted "amount of assistance allocated to nonmetropolitan area funds for use in connection with section 1490m of this title" for "modernization of low-income housing projects".

Subsec. (d)(4). Pub. L. 101–235, §101(a), amended par. (4) generally. Prior to amendment, par. (4) read as follows: "Notwithstanding any other provision of law, with respect to fiscal years beginning after September 30, 1981, the Secretary of Housing and Urban Development may not retain more than 15 percent of the financial assistance which becomes available under programs described in subsection (a)(1) of this section during any fiscal year. Any such financial assistance which is retained shall be available for subsequent allocation to specific areas and communities, and may only be used for—"

(A) unforeseeable housing needs, especially those brought on by natural disasters or special relocation requirements;

(B) support for the needs of the handicapped or for minority enterprise;

(C) providing for assisted housing as a result of the settlement of litigation;

(D) small research and demonstration projects;

(E) lower-income housing needs described in housing assistance plans, including activities carried out under areawide housing opportunity plans; and

(F) innovative housing programs or alternative methods for meeting lower-income housing needs approved by the Secretary, including assistance for infrastructure in connection with the Indian Housing Program."
for subsec. (a) housing assistance programs shall be allocated or reserved in accordance with goals described in local, State, or other housing assistance plans approved by the Secretary pursuant to section 5301 of this title and shall be utilized to meet needs reflected in data referred to in the preceding sentence.

Effective Date of 1998 Amendment
Amendment by title V of Pub. L. 105–276 effective and applicable beginning upon Oct. 1, 1999, except as otherwise provided, with provision that Secretary may implement amendment before such date, except to extent that such amendment provides otherwise, and with savings provision, see section 503 of Pub. L. 105–276, set out as a note under section 1437 of this title.

Effective Date of 1996 Amendment

Effective Date of 1990 Amendment
Amendment by section 801(b) of Pub. L. 101–625 effective Oct. 1, 1991, with respect to projects approved on or after such date, and subject to issuance of regulations, see section 801(c) of Pub. L. 101–625, set out as a note under section 1701q of Title 12, Banks and Banking. Amendment by section 801(b) of Pub. L. 101–625 deemed enacted Nov. 5, 1990, see title II of Pub. L. 101–507, set out as a note under section 1701q of Title 12.

Effective Date of 1989 Amendment
Pub. L. 101–235, title I, § 104(b), Dec. 15, 1989, 103 Stat. 1989, provided that: ‘‘Any assistance made available under section 213(d)(4) of the Housing and Community Development Act of 1974 (42 U.S.C. 1439(d)(4)) before October 1, 1990, or pursuant to a commitment for such assistance entered into before such date, shall be governed by the provisions of section 213(d)(4) as such section existed before the date of the enactment of this Act (Dec. 15, 1989).’’

Effective Date of 1981 Amendment

§ 1440. State housing finance and development agencies

(a) Statement of purpose; participation by private and nonprofit developers in activities assisted

It is the purpose of this section to encourage the formation and effective operation of State housing finance and development agencies which have authority to finance, to assist in carrying out, or to carry out activities designed to (1) provide housing and related facilities through land acquisition, construction, or rehabilitation, for persons and families of low, moderate, and middle income, (2) promote the sound growth and development of neighborhoods through the revitalization of slum and blighted areas, (3) increase and improve employment opportunities for the unemployed and underemployed through the development and redevelopment of industrial, manufacturing, and commercial facilities, or (4) implement the development aspects of State land use and preservation policies, including the advance acquisition of land where it is consistent with such policies. The Secretary of Housing and Urban Development shall encourage maximum participation by private and nonprofit developers in activities assisted under this section.

(b) Determination of eligibility for assistance; definitions

(1) A State housing finance or State development agency is eligible for assistance under this section only if the Secretary determines that it is fully empowered and has adequate authority to at least carry out or assist in carrying out the purposes specified in clause (1) of subsection (a).

(2) For the purpose of this section—
(A) the term ‘‘State housing finance or State development agency’’ means any public body or agency, publicly sponsored corporation, or instrumentality of one or more States which is designated by the Governor (or Governors in the case of an interstate development agency) for purposes of this section;
(B) the term ‘‘State’’ means any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, or any territory or possession of the United States; and
(C) the term ‘‘Secretary’’ means the Secretary of Housing and Urban Development.

(c) Guarantee of obligations issued by agencies; grants to agencies for interest payments on obligations; maximum amount of grants; pre-requisites for guarantee; full faith and credit pledged for payment of guarantee; effect and validity of guarantee; fees and charges for guarantee; authorization of appropriations for grants; maximum amount of obligations guaranteed

(1) The Secretary is authorized to guarantee, and enter into commitments to guarantee, the bonds, debentures, notes, and other obligations issued by State housing finance or State development agencies to finance development activities as determined by him to be in furtherance of the purpose of clause (1) or (2) of subsection (a), except that obligations issued to finance activities solely in furtherance of the purpose of clause (1) of subsection (a) may be guaranteed only if the activities are in connection with the revitalization of slum or blighted areas under title I of this Act [42 U.S.C. 5301 et seq.] or under any other program determined to be acceptable by the Secretary for this purpose.

(2) The Secretary is authorized to make, and to contract to make, grants to or on behalf of a State housing finance or State development agency to cover not to exceed 33% per centum of the interest payable on bonds, debentures, notes, and other obligations issued by such agency to finance development activities in furtherance of the purposes of this section.

(3) No obligation shall be guaranteed or otherwise assisted under this section unless the interest income thereon is subject to Federal taxation as provided in subsection (h)(2), except that use of guarantees provided for in this subsection shall not be made a condition to nor preclude receipt of any other Federal assistance.

(4) The full faith and credit of the United States is pledged to the payment of all guarantees made under this section with respect to principal, interest, and any redemption premiums. Any such guarantee made by the Secretary shall be conclusive evidence of the eligi-
bility of the obligation involved for such guar-
antee, and the validity of any guarantee so
made shall be incontestable in the hands of a
holder of the guaranteed obligation.
(5) The Secretary is authorized to establish
and collect such fees and charges for and in con-
nection with guarantees made under this section
as he considers reasonable.
(6) There are authorized to be appropriated
such sums as may be necessary to make pay-
ments as provided for in contracts entered into
by the Secretary under paragraph (2) of this sub-
section, and payments pursuant to such con-
tracts shall not exceed $50,000,000 per annum
prior to July 1, 1975, which maximum dollar
amount shall be increased by $60,000,000 on July
1, 1975. The aggregate principal amount of the
obligations which may be guaranteed under this
section and outstanding at any one time shall
not exceed $500,000,000.
(d) Requirements for guaranteed obligations
The Secretary shall take such steps as he con-
siders reasonable to assure that bonds, deben-
tures, notes, and other obligations which are
guaranteed under subsection (c) will—
(1) be issued only to investors approved by,
or meeting requirements prescribed by the
Secretary, or, if an offering to the public is
contemplated, be underwritten upon terms
and conditions approved by the Secretary;
(2) bear interest at a rate satisfactory to the
Secretary;
(3) contain or be subject to repayment, ma-
turity, and other provisions satisfactory to
the Secretary; and
(4) contain or be subject to provisions with
respect to the protection of the security inter-
est of the United States, including any provi-
sions deemed appropriate by the Secretary re-
ating to subrogation, liens, and releases of
liens, payment of taxes, cost certification pro-
cedures, escrow or trusteeship requirements,
or other matters.
(e) Revolving fund for payment of liabilities in-
curred pursuant to guarantees and payment
of obligations issued to Secretary of the
Treasury; composition; availability, issuance
of obligations to Secretary of the Treasury
for implementation of guarantees; amount,
maturity, rate of interest, and purchase by
Secretary of the Treasury of obligations; pay-
ment of expenses and charges
(1) The Secretary is authorized to establish a
revolving fund to provide for the timely pay-
ment of any liabilities incurred as a result of
guarantees under subsection (c) and for the pay-
ment of obligations issued to the Secretary of
the Treasury under paragraph (2) of this sub-
section. Such revolving fund shall be comprised
of (A) receipts from fees and charges; (B) recov-
eries under security, subrogation, and other
rights; (C) repayments, interest income, and any
other receipts obtained in connection with guar-
antees made under subsection (c); (D) proceeds
of the obligations issued to the Secretary of the
Treasury pursuant to paragraph (2) of this sub-
section; and (E) such sums, which are hereby au-
thorized to be appropriated, as may be required
for such purposes. Money in the revolving fund
not currently needed for the purpose of this sec-
tion shall be kept on hand or on deposit, or in-
vested in obligations of the United States or
guaranteed thereby, or in obligations, participa-
tions, or other instruments which are lawful in-
vestments for fiduciary, trust, or public funds.
(2) The Secretary may issue obligations to the
Secretary of the Treasury in an amount suffi-
cient to enable the Secretary to carry out his
functions with respect to the guarantees author-
ized by subsection (c). The obligations issued
under this paragraph shall have such maturities
and bear such rate or rates of interest as shall
be determined by the Secretary of the Treasury.
The Secretary of the Treasury is authorized and
directed to purchase any obligations so issued,
and for that purpose he is authorized to use a
public debt transaction the proceeds from the
sale of any securities issued under chapter 31 of
title 31, and the purposes for which securities
may be issued under such chapter are extended
to include purchases of the obligations here-
under.
(3) Notwithstanding any other provision of law
relating to the acquisition, handling, improve-
ment, or disposal of real and other property by
the United States, the Secretary shall have
power, for the protection of the interests of the
fund authorized under this subsection, to pay
out of such fund all expenses or charges in con-
nection with the acquisition, handling, improve-
ment, or disposal of any property, real or per-
sonal, acquired by him as a result of recoveries
under security, subrogation, or other rights.
(f) Technical assistance to agencies for planning
and execution of development activities
The Secretary is authorized to provide, either
directly or by contract or other arrangements,
technical assistance to State housing finance or
State development agencies to assist them in
connection with planning and carrying out de-
velopment activities in furtherance of the pur-
pose of this section.
(g) Labor standards
All laborers and mechanics employed by con-
tractors or subcontractors in housing or de-
velopment activities assisted under this section
shall be paid wages at rates not less than those
prevailing on similar work in the locality as de-
termined by the Secretary of Labor in accord-
ance with sections 3141–3144, 3146, and 3147 of
title 40. Provided, That this section shall apply
to the construction of residential property only
if such property is designed for residential use
for eight or more families. No assistance shall be
extended under this section with respect to any
development activities without first obtain-
ing adequate assurance that these labor stand-
ards will be maintained upon the work involved
in such activities. The Secretary of Labor shall
have, with respect to the labor standards speci-
fied in this subsection, the authority and func-
tions set forth in Reorganization Plan Num-
bered 14 of 1950 (64 Stat. 1267), and section 3145 of
title 40.
(h) Protection of guarantees issued by United
States; inclusion by purchaser in gross in-
come of interest paid on obligations issued
by agencies
(1) In the performance of, and with respect to,
the functions, powers, and duties vested in him
by this section, the Secretary, in addition to any authority otherwise vested to him, shall—
(A) have the power, notwithstanding any other provision of law, in connection with any guarantee under this section, whether before or after default, to provide by contract for the extinguishment upon default of any redemption, equitable, legal, or other right, title, or interest of a State housing finance or State development agency in any mortgage, deed, trust, or other instrument held by or on behalf of the Secretary for the protection of the security interests of the United States; and
(B) have the power to foreclose on any property or commence any action to protect or enforce any right conferred upon him by law, contract, or other agreement, and bid for and purchase at any foreclosure or other sale any property in connection with which he has provided a guarantee pursuant to this section. In the event of any such acquisition, the Secretary may, notwithstanding any other provision of law relating to the acquisition, handling, or disposal of real property by the United States, complete, administer, remodel and convert, dispose of, lease, and otherwise deal with, such property. Notwithstanding any other provision of law, the Secretary shall also have power to pursue to final collection by way of compromise or otherwise all claims acquired by him in connection with any security, subrogation, or other rights obtained by him in administering this section.

(2) With respect to any obligation issued by a State housing finance or State development agency for which the issuer has elected to receive the benefits of the assistance provided under this section, the interest paid on such obligation and received by the purchaser thereof (or his successor in interest) shall be included in gross income for the purposes of chapter 1 of title 26.


REVISIONS IN TEXT


CODIFICATION


Section was enacted as part of the Housing and Community Development Act of 1974, and not as part of the United States Housing Act of 1937 which comprises this chapter.

AMENDMENTS

1984—Subsec. (e)(2). Pub. L. 98–479 substituted “chapter 31 of title 31” for “the Second Liberty Bond Act” and “such chapter” for “that Act”.

CHAPTER 8A—SLUM CLEARANCE, URBAN RENEWAL, AND FARM HOUSING

SUBCHAPTER I—GENERAL PROVISIONS

Sec.
1441. Congressional declaration of national housing policy.
1441a. National housing goals.
1441b. Plan for elimination of all substandard housing and realization of national housing goal; report by President to Congress.
1441c. Omitted.
1442. Repealed.
1443. Provisions as controlling over other laws.
1444. Separability.
1445. 1446. Repealed or Transferred.

SUBCHAPTER II—SLUM CLEARANCE AND URBAN RENEWAL

PART A—URBAN RENEWAL PROJECTS, DEMOLITION PROGRAMS, AND CODE ENFORCEMENT PROGRAMS

1450 to 1452b. Omitted or Repealed.
1452c. Nullification of right of redemption of single family mortgagors under rehabilitation loan program.
1453. Omitted.
1453a. Administrative priority for applications relating to activities in areas affected by base closings.
1454 to 1468a. Omitted or Repealed.

PART B—NEIGHBORHOOD DEVELOPMENT PROGRAMS

1469 to 1469c. Omitted.

SUBCHAPTER III—FARM HOUSING

1471. Financial assistance by Secretary of Agriculture.
1472. Loans for housing and buildings on adequate farms.
1473. Loans for housing and buildings on potentially adequate farms; conditions and terms.
1474. Loans and grants for repairs or improvements of rural dwellings.
1474a. Security for direct or insured rural housing loans to farmer applicants.
1475. Loan payment moratorium and foreclosure procedures.
1477. Preferences for veterans and families of deceased servicemen.
1478. Local committees to assist Secretary.
1479. General powers of Secretary.
1480. Administrative powers of Secretary.
1481. Issuance of notes and obligations for loan funds; amount; limitation; security; form and denomination; interest; purchase and sale by Treasury; public debt transaction.
1482. Repealed.
1483. Program levels and authorizations.
1484. Insurance of loans for housing and related facilities for domestic farm labor.
1485. Housing and related facilities for elderly persons and families or other persons and families of low income.
1486. Financial assistance to provide low-rent housing for domestic farm labor.
1487. Rural Housing Insurance Fund.
1488. Repealed.
1489. Transfer of excess funds out of Rural Housing Insurance Fund.
1490. “Rural” and “rural area” defined.
1490a. Loans to provide occupant owned, rental, and cooperative housing for low and moderate income, elderly or handicapped persons or families.
Subchapter I—General Provisions

§ 1441. Congressional declaration of national housing policy

The Congress declares that the general welfare and security of the Nation and the health and living standards of its people require housing production and related community development sufficient to remedy the serious housing shortage, the elimination of substandard and other inadequate housing through the clearance of slums and blighted areas, and the realization as soon as feasible of the goal of a decent home and a suitable living environment for every American family, thus contributing to the development and redevelopment of communities, and to the advancement of the growth, wealth, and security of the Nation. The Congress further declares that such production is necessary to enable the housing industry to make its full contribution toward an economy of maximum employment, production, and purchasing power. The policy to be followed in attaining the national housing objective established shall be: (1) private enterprise shall be encouraged to serve as large a part of the total need as it can; (2) governmental assistance shall be utilized where feasible to enable private enterprise to serve more of the total need; (3) appropriate local public bodies shall be encouraged and assisted to undertake positive programs of encouraging and assisting the development of well-planned, integrated residential neighborhoods, the development and redevelopment of communities, and the production, at lower costs, of housing of sound standards of design, construction, livability, and size for adequate family life; (4) governmental assistance to eliminate substandard and other inadequate housing through the clearance of slums and blighted areas, to facilitate community development and redevelopment, and to provide adequate housing for urban and rural nonfarm families with incomes so low that they are not being decently housed in new or existing housing shall be extended to those localities which estimate their own needs and demonstrate that these needs are not being met through reliance solely upon private enterprise, and without such aid; and (5) governmental assistance for decent, safe, and sanitary farm dwellings and related facilities shall be extended where the farm owner demonstrates that he lacks sufficient resources to provide such housing on his own account and is unable to secure necessary credit for such housing from other sources on terms and conditions which he could reasonably be expected to fulfill. The Department of Housing and Urban Development, and any other departments or agencies of the Federal Government having powers, functions, or duties with respect to housing, shall exercise their powers, functions, and duties under this or any other law, consistently with the national housing policy declared by this Act and in such manner as will facilitate sustained progress in attaining the national housing objective hereby established, and in such manner as will encourage and assist (1) the production of housing of sound standards of design, construction, livability, and size for adequate family life; (2) the reduction of the costs of housing without sacrifice of such sound standards; (3) the use of new designs, materials, techniques, and methods in residential construction, the use of standardized dimensions and methods of assembly of home-building materials and equipment, and the increase of efficiency in residential construction and maintenance; (4) the development of well-planned, integrated, residential neighborhoods and the development and redevelopment of communities; and (5) the stabilization of the housing industry at a high annual volume of residential construction.

(July 15, 1949, ch. 338, § 2, 63 Stat. 413; Pub. L. 90–19, § 6(a), May 25, 1967, 81 Stat. 21.)

References in Text

This Act, referred to in text, is act July 15, 1949, ch. 338, 63 Stat. 413, as amended, known as the Housing Act of 1949, which is classified principally to this chapter (§ 1441 et seq.). For complete classification of this Act to the Code, see Short Title note set out below and Tables.

Amendments


Short Title of 2004 Amendment


Short Title of 1963 Amendment

Pub. L. 88–181, title I [title V, § 501], Nov. 30, 1963, 77 Stat. 1240, provided that: “This title [enacting sections 1490k to 1490q of this title, amending sections 1471, 1472, 1474, 1476, 1479 to 1481, 1483 to 1487, 1490, 1490a, 1490c, 1490e, 1490f, and 1490g of this title, repealing sections..."
Act July 15, 1949, ch. 338, §1, 63 Stat. 413, provided:

(1) indicate the number of new or rehabilitated housing units which it is anticipated will have to be provided, with or without Government assistance, during each fiscal year of the ten-year period, in order to achieve the objectives of the plan, showing the number of such units which it is anticipated will have to be provided under each of the various Federal programs designed to assist in the provision of housing;

(2) indicate the reduction in the number of occupied substandard housing units which it is anticipated will have to occur during each fiscal year of the ten-year period in order to achieve the objectives of the plan;

(3) provide an estimate of the cost of carrying out the plan for each of the various Fed-
eral programs and for each fiscal year during the ten-year period to the extent that such costs will be reflected in the Federal budget;

(4) make recommendations with respect to the legislative and administrative actions necessary or desirable to achieve the objectives of the plan; and

(5) provide such other pertinent data, estimates, and recommendations as the President deems advisable.

Such report shall, in addition, contain a projection of the residential mortgage market needs and prospects during the coming year, including an estimate of the requirements with respect to the availability, need, and flow of mortgage funds (particularly in declining urban and rural areas) during such year, together with such recommendations as may be deemed appropriate for encouraging the availability of such funds.


CODIFICATION

Section was not enacted as part of the Housing Act of 1949 which comprises this chapter.

§1441c. Omitted

CODIFICATION


Section, act July 15, 1949, ch. 338, title VI, §607, 63 Stat. 441, related to housing census. See section 141 of Title 13, Census.

§1443. Provisions as controlling over other laws

Insofar as the provisions of any other law are inconsistent with the provisions of this Act, the provisions of this Act shall be controlling.

(July 15, 1949, ch. 338, title VI, §610, 63 Stat. 443.)

REFERENCES IN TEXT

This Act, referred to in text, is act July 15, 1949, ch. 338, title VI, §610, 63 Stat. 413, as amended, known as the Housing Act of 1949, which is classified principally to this chapter (§1441 et seq.). For complete classification of this Act to the Code, see Short Title note set out under section 1441 of this title and Tables.

§1444. Separability

Except as may be otherwise expressly provided in this Act, all powers and authorities conferred by this Act shall be cumulative and additional to and not in derogation of any powers and authorities otherwise existing. Notwithstanding any other evidences of the intention of Congress, it is declared to be the controlling intent of Congress that if any provisions of this Act, or the application thereof to any persons or circumstances, shall be adjudged by any court of competent jurisdiction to be invalid, such judgment shall not affect, impair, or invalidate the remainder of this Act or its applications to other persons and circumstances, but shall be confined in its operation to the provision of this Act, or the application thereof to the persons and circumstances directly involved in the controversy in which such judgment shall have been rendered.

(July 15, 1949, ch. 338, title VI, §611, 63 Stat. 443.)

REFERENCES IN TEXT

This Act, referred to in text, is act July 15, 1949, ch. 338, 63 Stat. 413, as amended, known as the Housing Act of 1949, which is classified principally to this chapter (§1441 et seq.). For complete classification of this Act to the Code, see Short Title note set out under section 1441 of this title and Tables.


Section, act July 15, 1949, ch. 338, title VI, §612, 63 Stat. 444, related to striking or subversive employees of the Housing and Home Finance Agency and the Department of Agriculture, withholding of their wages, and penalties. See sections 3333 and 7311 of Title 5, Government Organization and Employees, and section 1918 of Title 18, Crimes and Criminal Procedure.

§1446. Transferred

CODIFICATION

Section, act Aug. 2, 1954, ch. 649, title VIII, §814, 68 Stat. 647, as amended, which related to keeping of records, provided for their contents, and authorized examination and audit thereof, was transferred to section 1434 of this title.

SUBCHAPTER II—SLUM CLEARANCE AND URBAN RENEWAL

PART A—URBAN RENEWAL PROJECTS, DEMOLITION PROGRAMS, AND CODE ENFORCEMENT PROGRAMS

§1450, 1451. Omitted

CODIFICATION


AMENDMENT OF CONTRACTS FOR INCORPORATION OF CERTAIN COST PROVISIONS

Pub. L. 88–560, title III, §301(d), Sept. 2, 1964, 78 Stat. 785, provided that any contract for a capital grant under this subchapter executed prior to Sept. 2, 1964, could be amended to incorporate the provisions of section 1460(c) of this title for costs incurred on or after such date.

COMPLETION OF PROJECTS ENTERED INTO PRIOR TO AUGUST 2, 1964

Act Aug. 2, 1964, ch. 649, title III, §312, 68 Stat. 629, as amended by Pub. L. 90–19, §10(a), May 25, 1967, 81 Stat. 22, provided that notwithstanding the amendments by title III of the 1964 Act to this subchapter, the Secretary of Housing and Urban Development was required to continue to extend financial assistance for the completion of any project covered by any Federal aid contract executed, or prior approval granted, by him under this subchapter before Aug. 2, 1964, in accordance with the provisions of this subchapter in force immediately prior to Aug. 2, 1964.

EXECUTIVE ORDER No. 12075


Section, acts July 31, 1953, ch. 302, title I, §101, 67 Stat. 305; June 24, 1954, ch. 359, title I, §101, 68 Stat. 283, provided that the authority under this subchapter should be used to the utmost in connection with slum rehabilitation needs.

§ 1452. Omitted

CODIFICATION


EFFECTIVE DATE OF REPEAL

Repeal effective Oct. 1, 1991, and except with respect to projects and programs for which binding commitments have been entered into prior to Oct. 1, 1991, no new grants or loans to be made after Oct. 1, 1991, under this section, see section 1238(a)(2), (b)(1) of this title.
§ 1452c. Nullification of right of redemption of single family mortgagors under rehabilitation loan program

(a) In general

Whenever with respect to a single family mortgage securing a loan under section 1452b1 of this title, the Secretary of Housing and Urban Development or its foreclosure agent forecloses in any Federal or State court or pursuant to a power of sale in a mortgage, the purchaser at the foreclosure sale shall be entitled to receive a conveyance of title to, and possession of, the property, subject to any interests senior to the interests of the Secretary. With respect to properties that are vacant and abandoned, notwithstanding any State law to the contrary, there shall be no right of redemption (including all instances any right to possession based upon any right of redemption) in the mortgagor or any other person subsequent to the foreclosure sale in connection with such single family mortgage. The appropriate State official or the trustee, as the case may be, shall execute and deliver a deed or other appropriate instrument conveying title to the purchaser at the foreclosure sale, consistent with applicable procedures in the jurisdiction and without regard to any such right of redemption.

(b) Foreclosure by others

Whenever with respect to a single family mortgage on a property that also has a single family mortgage securing a loan under section 1452b1 of this title, a mortgagee forecloses in any Federal or State court or pursuant to a power of sale in a mortgage, the Secretary of Housing and Urban Development, if the Secretary is purchaser at the foreclosure sale, shall be entitled to receive a conveyance of title to, and possession of, the property, subject to the interests senior to the interests of the mortgagor. Notwithstanding any State law to the contrary, there shall be no right of redemption (including all instances any right to possession based upon any right of redemption) if the mortgagor or any other person subsequent to the foreclosure sale to the Secretary in connection with a property that secured a single family mortgage for a loan under section 1452b1 of this title, the appropriate State official or the trustee, as the case may be, shall execute and deliver a deed or other appropriate instrument conveying title to the Secretary, who is the purchaser at the foreclosure sale, consistent with applicable procedures in the jurisdiction and without regard to any such right of redemption.

(c) Verification of title

The following actions shall be taken in order to verify title in the purchaser at the foreclosure sale:

(1) In the case of a judicial foreclosure in any Federal or State court, there shall be included in the petition and in the judgment of foreclosure a statement that the foreclosure is in accordance with this subsection and that there is no right of redemption in the mortgagor or any other person.

(2) In the case of a foreclosure pursuant to a power of sale provision in the mortgage, the statement required in paragraph (1) shall be included in the advertisement of the sale and either in the recitals of the deed or other appropriate instrument conveying title to the purchaser at the foreclosure sale or in an affidavit or addendum to the deed.

(d) Definitions

For purposes of this section:

(1) The term "mortgage" means a deed of trust, mortgage, deed to secure debt, security agreement, or any other form of instrument under which any interest in property, real, personal, or mixed, or any interest in property, including leaseholds, life estates, reversionary interests, and any other estates under applicable State law, is conveyed in trust, mortgaged, encumbered, pledged, or otherwise rendered subject to a lien, for the purpose of securing the payment of money or the performance of an obligation.

(2) The term "single family mortgage" means a mortgage that covers property that includes a 1- to 4-family residence.


References in Text

Section 1452b of this title, referred to in subsecs. (a) and (b), was repealed by Pub. L. 101–625, title II, §289(b)(1), Nov. 28, 1990, 104 Stat. 4123.

CODIFICATION

Section was enacted as part of the Department of Housing and Urban Development Reform Act of 1989, and not as part of the Housing Act of 1949 which comprises this chapter.

§ 1453. Omitted

CODIFICATION


§ 1453a. Administrative priority for applications relating to activities in areas affected by base closings

The Secretary of Housing and Urban Development, in processing applications for assistance under section 103 of the Housing Act of 1949 [42 U.S.C. 1431], section 111 of the Demonstration Cities and Metropolitan Development Act of 1966 [42 U.S.C. 3311], section 708(a)(1) and (2) of the Housing and Urban Development Act of 1965 [42 U.S.C. 3108(a)(1), (2)] (for grants authorized
under sections 702 and 703 of such Act) [42 U.S.C. 3102, 3103], section 312 of the Housing Act of 1964 [42 U.S.C. 1452b], section 701(b) of the Housing Act of 1954, and section 708 of the Housing Act of 1961 [42 U.S.C. 1500d], shall give a priority to any State or unit of local government or agency thereof which is severely and adversely affected by a reduction in the level of expenditure or employment at any Department of Defense installation located in or near such State or unit of local government.


REFERENCES IN TEXT


$§ 1454 to 1460. Omitted

CODIFICATION

Sections were omitted pursuant to section 5316 of this title which terminated authority to make grants or loans under this subchapter after Jan. 1, 1975.

$§ 1454 to 1460. Omitted

CODIFICATION

Sections were omitted pursuant to section 5316 of this title which terminated authority to make grants or loans under this subchapter after Jan. 1, 1975.

$§ 1454 to 1460. Omitted

CODIFICATION

Sections were omitted pursuant to section 5316 of this title which terminated authority to make grants or loans under this subchapter after Jan. 1, 1975.

$§ 1454 to 1460. Omitted

CODIFICATION

Sections were omitted pursuant to section 5316 of this title which terminated authority to make grants or loans under this subchapter after Jan. 1, 1975.

$§ 1454 to 1460. Omitted

CODIFICATION

Sections were omitted pursuant to section 5316 of this title which terminated authority to make grants or loans under this subchapter after Jan. 1, 1975.

$§ 1454 to 1460. Omitted

CODIFICATION

Sections were omitted pursuant to section 5316 of this title which terminated authority to make grants or loans under this subchapter after Jan. 1, 1975.

$§ 1454 to 1460. Omitted

CODIFICATION

Sections were omitted pursuant to section 5316 of this title which terminated authority to make grants or loans under this subchapter after Jan. 1, 1975.

$§ 1454 to 1460. Omitted

CODIFICATION

Sections were omitted pursuant to section 5316 of this title which terminated authority to make grants or loans under this subchapter after Jan. 1, 1975.

$§ 1454 to 1460. Omitted

CODIFICATION

Sections were omitted pursuant to section 5316 of this title which terminated authority to make grants or loans under this subchapter after Jan. 1, 1975.

$§ 1454 to 1460. Omitted

CODIFICATION

Sections were omitted pursuant to section 5316 of this title which terminated authority to make grants or loans under this subchapter after Jan. 1, 1975.

$§ 1454 to 1460. Omitted

CODIFICATION

Sections were omitted pursuant to section 5316 of this title which terminated authority to make grants or loans under this subchapter after Jan. 1, 1975.

$§ 1454 to 1460. Omitted

CODIFICATION

Sections were omitted pursuant to section 5316 of this title which terminated authority to make grants or loans under this subchapter after Jan. 1, 1975.

$§ 1454 to 1460. Omitted

CODIFICATION

Sections were omitted pursuant to section 5316 of this title which terminated authority to make grants or loans under this subchapter after Jan. 1, 1975.

$§ 1454 to 1460. Omitted

CODIFICATION

Sections were omitted pursuant to section 5316 of this title which terminated authority to make grants or loans under this subchapter after Jan. 1, 1975.
under this subchapter, executed prior to Aug. 10, 1965, could be amended to incorporate amendment to section 1460(e) of this title by section 310(a) of Pub. L. 87-117 as to costs incurred on or after Aug. 10, 1965.

Pub. L. 89-117, title III, § 314(b), Aug. 10, 1965, 79 Stat. 480, provided that any contract under this subchapter executed prior to Aug. 10, 1965, would, at request of municiplity or other public body under that subsection, in order to qualify as a local grant-in-aid, had to be in connection with a project on which a concept for capital grant had been made under this subchapter, not to apply to assistance provided from July 1, 1957, through December 31, 1967.

Pub. L. 86-372, title IV, § 414(b), Sept. 23, 1969, 73 Stat. 675, provided that the requirement of section 1460(d) of this title that the assistance provided by a State, municipality, or other public body under that subsection, in order to qualify as a local grant-in-aid, had to be in connection with a project on which a contract for capital grant had been made under this subchapter, did not apply to assistance provided from July 1, 1957, through December 31, 1967.

Relocation Payments for Expenses or Losses Incurred Prior to September 23, 1959

Pub. L. 86-372, title IV, § 409(a)(2), Sept. 23, 1959, 79 Stat. 674, prohibited relocation payments under section 1456(f) of this title for expenses or losses incurred prior to Sept. 23, 1959, except to the extent that such payments were authorized by such section as it existed prior to such date.

Waiver of Requirements of Section 1460(d) for Certain Assistance Provided During the Period From July 1, 1957, Through December 31, 1967

Pub. L. 86-372, title IV, § 414(b), Sept. 23, 1969, 73 Stat. 675, provided that the requirement of section 1460(d) of this title that the assistance provided by a State, municipality, or other public body under that subsection, in order to qualify as a local grant-in-aid, had to be in connection with a project on which a contract for capital grant had been made under this subchapter, did not apply to assistance provided from July 1, 1957, through December 31, 1967.


Effective Date of Repeal

Repeal not applicable to any State so long as sections 4620 and 4655 of this title are not applicable in such State; but such sections completely applicable to all States after July 1, 1972, but until such date applicable to a State to extend the State is able under its laws to comply with such sections, see section 221 of Pub. L. 91-464, set out as an Effective Date note under section 4601 of this title.

Savings Provision

Any rights or liabilities existing under provisions repealed by section 220(a) of Pub. L. 91-464 as not affected by such repeal, see section 220(b) of Pub. L. 91-464, set out as a note under section 4621 of this title.

$1466. Omitted

Codification


Amendment of Contracts Executed Prior to Enactment of Section

Pub. L. 89-117, title I, § 106(b), Aug. 10, 1965, 79 Stat. 458, provided that any contract with a local public agency executed under this subchapter before Aug. 10, 1965, could be amended to provide for grants authorized by this section.

$1467 to 1468a. Omitted

Codification

Sections were omitted pursuant to section 5316 of this title which terminated authority to make grants or loans under this subchapter after Jan. 1, 1975.


PART B—NEIGHBORHOOD DEVELOPMENT PROGRAMS

§§ 1469 to 1469c. Omitted

CODIFICATION

Sections were omitted pursuant to section 5336 of this title which terminated authority to make grants or loans under this subchapter after Jan. 1, 1975.


NEIGHBORHOOD DEVELOPMENT PROGRAMS BY DISTRICT OF COLUMBIA REDEVELOPMENT LAND AGENCY

Pub. L. 90-448, title V, § 501(c), Aug. 1, 1968, 82 Stat. 520, provided that notwithstanding any requirement or condition to the contrary in section 6 or 20(i) of the District of Columbia Redevelopment Act of 1945 (act Aug. 2, 1946, ch. 736, 60 Stat. 790, as amended), or any other law, the District of Columbia Redevelopment Land Agency was authorized to plan and undertake neighborhood development programs under this part, which programs would be regarded as complying with sections 6 and 20(i) of that Act and any other provision of law, if those programs were in compliance with this part.

SUBCHAPTER III—FARM HOUSING

§ 1471. Financial assistance by Secretary of Agriculture

(a) Authorization and purposes of assistance

The Secretary of Agriculture (hereinafter referred to as the “Secretary”) is authorized, subject to the terms and conditions of this subchapter, to extend financial assistance, through the Farmers Home Administration, (1) to owners of farms in the United States and in the Territories of Alaska and Hawaii and in the Commonwealth of Puerto Rico, the Virgin Islands, the territories and possessions of the United States, and the Trust Territory of the Pacific Islands, to enable them to construct, improve, alter, repair, or replace dwellings and other farm buildings on their farms, and to purchase buildings and land constituting a minimum adequate site, in order to provide them, their tenants, lessees, sharecroppers, and laborers with decent, safe, and sanitary living conditions and adequate farm buildings as specified in this subchapter, (2) to owners of other real estate in rural areas for the construction, improvement, alteration, or repair of dwellings, related facilities, and farm buildings and to rural residents, including persons who reside in reservations or villages of Indian tribes, for such purposes and for the purchase of buildings and land constituting a minimum adequate site, in order to enable them to provide dwellings and related facilities for their own use and buildings adequate for their farming operations, and (3) to elderly or handicapped persons or families who are or will be the owners of land in rural areas for the construction, improvement, alteration, or repair of dwellings and related facilities, the purchase of dwellings and related facilities and the purchase of land constituting a minimum adequate site, in order to provide them with adequate dwellings and related facilities for their own use, and (4) to an owner described in clause (1), (2), or (3) for refinancing indebtedness which—

(A) was incurred for an eligible purpose described in such clause, and

(B)(i) if not refinanced, is likely to result (because of circumstances beyond the control of the applicant) at an early date in the loss of the applicant’s necessary dwelling or essential farm service buildings, or

(ii) if combined (in the case of a dwelling that the Secretary finds to be decent, safe, and sanitary) with a loan for improvement, rehabilitation, or repairs and not refinanced, is likely to result in the applicant’s continuing to be deprived of a decent, safe, and sanitary dwelling.

(5) DEFINITIONS.—For purposes of this subchapter, the term “farm” shall mean a parcel or parcels of land operated as a single unit which is used for the production of one or more agricultural commodities and which customarily produces or is capable of producing such commodities for sale and for home use of a gross annual value of not less than the equivalent of a gross annual value of $400 in 1944, as determined by the Secretary. The Secretary shall promptly determine whether any parcel or parcels of land constitute a farm for the purposes of this subchapter whenever requested to do so by any interested Federal, State, or local public agency, and his determination shall be conclusive.

(2) For the purposes of this subchapter, the term “owner” and “mortgage” shall be deemed to include, respectively, the lessee of, and other security interest in, any leasehold interest which the Secretary determines has an un-
(3) For the purposes of this subchapter, the term "elderly or handicapped persons or families" means families which consist of two or more persons, the head of which (or his or her spouse) is at least sixty-two years of age or is handicapped. Such term also means a single person who is at least sixty-two years of age or is handicapped. A person shall be considered handicapped if such person is determined, pursuant to regulations issued by the Secretary, to have an impairment which (A) is expected to be of long-continued and indefinite duration, (B) substantially impedes his ability to live independently, and (C) is of such a nature that such ability could be improved by more suitable housing conditions, or if such person has a developmental disability as defined in section 15002 of this title. The Secretary shall prescribe such regulations as may be necessary to prevent abuses in determining, under the definitions contained in this paragraph, eligibility of families and persons for admission to and occupancy of housing constructed with assistance under this subchapter. Notwithstanding the preceding provisions of this paragraph, such term also includes two or more elderly (sixty-two years of age or over) or handicapped persons living together, one or more such persons living with another person who is determined (under regulations prescribed by the Secretary) to be essential to the care or well-being of such persons, and the surviving member or members of any family described in the first sentence of this paragraph who were living, in a unit assisted under this subchapter, with the deceased member of the family at the time of his or her death.

(4) For the purpose of this subchapter, the terms "low income families or persons" and "very low-income families or persons" means those families and persons whose incomes do not exceed the respective levels established for lower income families and very low-income families under the United States Housing Act of 1937 [42 U.S.C. 1437 et seq.]. Notwithstanding the preceding sentence, the maximum income levels established for purposes of this subchapter for such families and persons in the Virgin Islands shall not be less than the highest such levels established for purposes of this subchapter for such families and persons in American Samoa, Guam, the Northern Mariana Islands, and the Trust Territory of the Pacific Islands. The temporary absence of a child from the home due to placement in foster care should not be considered in considering family composition and family size.

(5)(A) For the purpose of this subchapter, the terms "income" and "adjusted income" have the meanings given by sections 3(b)(4) and 3(b)(5), respectively, of the United States Housing Act of 1937 [42 U.S.C. 1437a(b)(4), (5)].

(B) For purposes of this subchapter, the term "income" does not include dividends received from the Alaska Permanent Fund by a person who was under the age of 18 years when that person qualified for the dividend.

(6) For the purposes of this subchapter, the term "Indian tribe" means any Indian tribe, band, group, and nation, including Alaska Indians, Aleuts, and Eskimos, and any Alaskan Native Village of the United States, which is considered an eligible recipient under the Indian Self-Determination and Education Assistance Act (Public Law 93–638) [25 U.S.C. 5301 et seq.] or was considered an eligible recipient under chapter 67 of title 91 prior to the repeal of such chapter.

(7) For the purposes of this subchapter, the term "rural resident" shall include a family or a person who is a renter of a dwelling unit in a rural area.

(8) For the purposes of this subchapter, the term "adequate dwelling" means a decent, safe, and sanitary dwelling unit.

(c) Conditions of eligibility

In order to be eligible for the assistance authorized by subsection (a), the applicant must show (1) that he is the owner of a farm which is without a decent, safe, and sanitary dwelling for himself and his family and necessary resident farm labor, or for the family of the operating tenant, lessee, or sharecropper, or without other farm buildings adequate for the type of farming in which he engages or desires to engage, or that he is the owner of other real estate in a rural area or a rural resident without an adequate dwelling or related facilities for his own use or buildings adequate for his farming operations, or that the applicant is an elderly or handicapped person or family in a rural area without an adequate dwelling or related facility for its own use, or that he is the owner of a farm or other real estate in a rural area who needs refinancing of indebtedness described in clause (4) of subsection (a); (2) that he is without sufficient resources to provide the necessary housing and buildings on his own account; and (3) that he is unable to secure the credit necessary for such housing and buildings from other sources upon terms and conditions which he could reasonably be expected to fulfill. If an applicant is a State or local public agency or Indian tribe—

(A) the provisions of clause (3) shall not apply to its application; and

(B) the applicant shall be eligible to participate in any program under this subchapter if the persons or families to be served by the applicant with the assistance being sought would be eligible to participate in such program.

(d) Additional definitions

As used in this subchapter (except in sections 1473 and 1474(b) of this title) the terms "farm", "farm dwelling", and "farm housing" shall include dwellings or other essential buildings of eligible applicants.

(e) Prepayment of taxes, insurance, and other expenses; advances to account of borrower: interest, time for repayment

The Secretary shall establish procedures under which borrowers under this subchapter are required to make periodic payments for the purpose of taxes, insurance, and other necessary expenses as the Secretary may deem appro-
priate. Notwithstanding any other provision of law, such payments shall not be considered pub-
lic funds. The Secretary shall direct the dis-
bursement of the funds at the appropriate time
or times for the purposes for which the funds were approved. The Secretary shall pay the
same rate of interest on escrowed funds as is re-
quired to be paid on escrowed funds held by
other lenders in any State where State law re-
quires payment of interest on escrowed funds,
subject to appropriations to the extent that ad-
ditional budget authority is necessary to carry
out this sentence. If the prepayments made by
the borrower are not sufficient to pay the
amount due, advances may be made by the Sec-
retary to the costs in full, which advances
shall be charged to the account of the borrower,
bear interest, and be payable in a timely fashion
as determined by the Secretary. The Secretary
shall notify a borrower in writing when loan
payments are delinquent.

(f) Increase in loan limits

With respect to any limitation on the amount
of any loan which may be made, insured, or
guaranteed under this subchapter for the pur-
chase of a dwelling unit, the Secretary may in-
crease such amount by up to 20 percent if such
increase is necessary to account for the in-
creased cost of the dwelling unit due to the in-
stallation of a solar energy system (as defined in
paragraph (3) of the last paragraph of section
1703(a) of title 12) therein.

(g) Avoidance of involuntary displacement of
families and businesses

The programs authorized by this subchapter
shall be carried out, consistent with program
goals and objectives, so that the involuntary
displacement of families and businesses is avoid-
ed.

(h) Eligibility of resident aliens

The Secretary may not restrict the availabil-
ity of assistance under this subchapter for any
alien for whom assistance may not be restricted
under section 1436a of this title.

(i) Loan packaging by nonprofit organizations as
a "development cost"

For the purposes of this subchapter, the term
"development cost" shall include the packaging
of loan and grant applications and actions relat-
ed thereto by public and private nonprofit organi-
izations tax exempt under title 26.

(j) Program transfers

Notwithstanding any other provision of law,
the Secretary shall not transfer any program
authorized by this subchapter to the Rural De-
velopment Administration.

(July 15, 1949, ch. 338, title V, §501, 63 Stat. 432;
Pub. L. 87–70, title VIII, §§801(a), 803, June 30,
1961, 75 Stat. 186; Pub. L. 87–723, §4(a)(1), Sept. 28,
1962, 76 Stat. 670; Pub. L. 89–117, title X, §1001,
1139–1141; Pub. L. 95–619, title II, §248(c), Nov. 9,
1978, 92 Stat. 3235; Pub. L. 96–153, title V,
§§502(b), 506, Dec. 21, 1979, 93 Stat. 1134, 1136; Pub.
L. 96–399, title V, §§506, 507(a), (h), 512, Oct. 8,
98–479, title II, §110(a), title II, §203(d)(3), Oct. 17,
1984, 98 Stat. 2226, 2229; Pub. L. 99–272, title XIV,
§14001(b)(3), Apr. 7, 1986, 100 Stat. 328; Pub. L.
100–242, title III, §§302(a), (b)(1), 303, 315, 316(a),
Feb. 5, 1988, 101 Stat. 1893, 1894, 1897; Pub. L.
101–625, title VII, §§702, 703, Nov. 28, 1990, 104
Stat. 2382, 2383; Pub. L. 102–550, title VII, §714,
title X, §1012(m), Oct. 28, 1992, 106 Stat. 3842,
3907; Pub. L. 104–193, title IV, §441(b), Aug. 22,
1996, 110 Stat. 2276; Pub. L. 106–402, title IV,
§401(b)(8), Oct. 30, 2000, 114 Stat. 1738; Pub. L.
2004, 118 Stat. 40.)

References in text

The United States Housing Act of 1937, referred to in
subsec. (a)(4), is act Sept. 1, 1937, ch. 896, as revised gen-
erally by Pub. L. 93–383, title II, §203(a), Aug. 22, 1974,
88 Stat. 653, and amended, which is classified generally
to chapter 8 (§1437 et seq.) of this title. For complete
classification of this Act to the Code, see Short Title
note set out under section 1437 of this title.

The Indian Self-Determination and Education Assist-
ance Act, referred to in subsec. (b)(6), is Pub. L. 93–638,
Jan. 4, 1975, 88 Stat. 2203, which is classified principally
to chapter 46 (§5301 et seq.) of Title 25, Indians. For
complete classification of this Act to the Code, see
Short Title note set out under section 5001 of Title 25
and Tables.

Chapter 67 of title 31, referred to in subsec. (b)(6), was

Amendments

fiscal years 2002 and 2003," after "this subchapter,"

2001—Subsec. (b)(5). Pub. L. 107–76 designated existing
provisions as subpar. (A) and added subpar. (B).

2000—Subsec. (b)(3). Pub. L. 106–426 substituted "de-
velopmental disability as defined in section 15002 of
this title" for "developmental disability as defined in
section 6001(7) of this title".

designation, struck out "by the Secretary of Housing
and Urban Development" before "under section 1436a
of this title", and struck out par. (2) which read as
follows: "In carrying out any restriction established
by the Secretary on the availability of assistance under
this subchapter for any alien, the Secretary shall
follow procedures comparable to the procedures estab-
lished in section 1436a of this title.

(5).


end "The temporary absence of a child from the home
due to placement in foster care should not be consid-
ered in considering family composition and family
size.".

Subsec. (e). Pub. L. 101–625, §703, inserted after third
sentence "The Secretary shall pay the same rate of in-
terest on escrowed funds as is required to be paid on
escrowed funds held by other lenders in any State
where State law requires payment of interest on escrowed
funds, subject to appropriations to the extent that ad-
ditional budget authority is necessary to carry out this
sentence."

1988—Subsec. (b)(3). Pub. L. 100–242, §316(a), sub-
stituted "has a developmental disability as defined in
section 6001(7) of this title" for "is a developmentally
disabled individual as defined in section 6001(7) of
this title".
Subsec. (b)(4). Pub. L. 100–242, §309(b)(1), inserted provisions at end relating to maximum income levels established for families and persons in the Virgin Islands to be not less than the highest such levels established for families and persons in American Samoa, Guam, the Northern Mariana Islands, and the Trust Territory of the Pacific Islands.

Subsec. (e). Pub. L. 100–242, §303, amended subsec. (e) generally. Prior to amendment, subsec. (e) read as follows: “The Secretary may establish procedures whereby borrowers under this subchapter may make periodic payments for the purpose of paying, in full, such other necessary expenses as the Secretary may deem appropriate. Such payments shall be disbursed by the Secretary at the appropriate time or times for the purpose for which such payments are made, and advances may be made by the Secretary to pay such costs in full, which advances shall be charged to the account of the borrower and bear interest and be payable in a timely fashion not to exceed two years, as determined by the Secretary. The Secretary shall notify a borrower in writing when his loan payments are delinquent."


1968—Subsec. (b)(6). Pub. L. 90–292 substituted “or” for “who was considered an eligible recipient under chapter 67 of title 31 prior to the repeal of such chapter” for “or under chapter 67 of title 31”.

Subsec. (b)(4). Pub. L. 96–479, §105(a), stricken out “by the Secretary of Housing and Urban Development” before “under the United States Housing Act of 1937.”


1967—Subsec. (b)(4). Pub. L. 90–136, §502(a), amended par. (4) generally, substituting definition of low and very low-income families or persons as those whose incomes do not exceed levels established by the Secretary under the United States Housing Act of 1937 for definition of persons of low income as those whose incomes do not exceed 80 per cent of the area median income, except when it is impracticable to use such median income or variations are necessary because of other factors.

Subsec. (b)(5). Pub. L. 90–136, §502(b), amended par. (5) generally, substituting definition of income and adjusted income as having the meanings given by sections 3(b)(4) and 3(b)(5) of the United States Housing Act of 1937 for definition of income as income from all sources of each household member, as determined in accordance with criteria prescribed by the Secretary.

1960—Subsec. (a)(2). Pub. L. 96–399, §507(a), inserted reference to persons residing in reservations or villages of Indian tribes.

Subsec. (b)(6) to (8). Pub. L. 96–399, §506, added pars. (6) to (8).

Subsec. (c). Pub. L. 96–399, §507(h), inserted “or Indian tribe” after “local public agency” in second sentence.

Subsec. (g). Pub. L. 96–399, §512, added subsec. (g).

1979—Subsec. (a)(4). Pub. L. 96–133, §506, redesignated former subpar. (B) as (B)(i) and (ii), and in subpar. (B)(i) as so redesignated, inserted reference to circumstances beyond the applicant’s control, and in subpar. (B)(ii) as so redesignated, substituted reference to deprivation of decent, safe, and sanitary dwelling for reference to continued hardship, and struck out subpar. (C) which authorized refinancing indebtedness provided the indebtedness was incurred at least 5 years prior to the application for assistance.

Subsec. (b)(4), (5). Pub. L. 96–153, §502(b), added pars. (4) and (5).


1975—Subsec. (a)(3). Pub. L. 94–135, §507(a)(1), substituted “elderly or handicapped persons or families” for “elderly persons”.

Subsec. (c)(1). Pub. L. 95–128, §507(a)(2), substituted “the applicant is an elderly or handicapped person or family in a rural area without an adequate dwelling or related facility for its own use” for “he is an elderly person in a rural area without an adequate dwelling or related facilities for his own use”.

Subsec. (e). Pub. L. 95–128, §503, substituted as a second sentence “Such payments shall be disbursed by the Secretary at the appropriate time or times for the purpose for which such payments are made, and after October 1, 1977, if the prepayments made by the borrower are not sufficient to pay the amount due, advances may be made by the Secretary to pay these costs in full, which advances shall be charged to the account of the borrower and bear interest and be payable in a timely fashion not to exceed two years, as determined by the Secretary” for “Such payments shall be held in escrow by the Secretary and paid out by him at the appropriate time or times for the purposes for which such payments are made”.


Subsec. (a)(4)(C). Pub. L. 93–383, §502(c), inserted provisions relating to incursion of indebtedness by the applicant at least five years prior to his applying under this clause for provisions relating to indebtedness not held or insured by the United States or any agency.

Subsec. (a)(4)(D). Pub. L. 93–383, §502(d), struck out subpar. (D) which related to indebtedness incurred prior to enactment of clause.

Subsec. (b)(2). Pub. L. 93–383, §503, substituted “this subchapter” for “sections 1472 and 1474 of this title”.

Subsec. (c). Pub. L. 93–383, §520, inserted provisions relating to applications of a State or local public agency.


1970—Subsec. (b)(2). Pub. L. 91–609 substituted “sections 1472 and 1473 of this title, the terms ‘owner’ and ‘mortgage’ shall be deemed to include, respectively, the lessee of for “this subchapter, the terms ‘owner’, ‘farm’, and ‘mortgage’ shall be deemed to include, respectively, the lessee of, the land included in”. The words “the land included in” were improperly omitted.


Subsec. (c)(1). Pub. L. 89–754, §807(b), inserted as a condition of eligibility that the applicant be the owner of a farm or other real estate in a rural area who needs refinancing of indebtedness described in subsec. (a)(4) of this section.

1965—Subsec. (a). Pub. L. 89–117, §1001(a), authorized the extension of formal assistance to owners of farms to purchase previously occupied buildings and land constituting a minimum adequate site, to owners of other real estate in rural areas for the construction, improvement, alteration, or repair of dwellings, related facilities, and farm buildings, and to rural residents for such purposes and for the purchase of previously occupied buildings and the purchase of land constituting a minimum adequate site.

Subsec. (c). Pub. L. 89–117, §1001(b), inserted “or a rural resident” in cl. (1) after “or that he is the owner of other real estate in a rural area”.


Subsec. (c)(1). Pub. L. 87–723, §4(a)(1)(C), inserted provisions requiring the applicant for assistance to show in the alternative that he is an elderly person in a rural area without an adequate dwelling or related facilities for his own use.
§ 1472. Loans for housing and buildings on adequate farms

(a) Terms of loan

(1) If the Secretary determines that an applicant is eligible for assistance as provided in section 1471 of this title and that the applicant has the ability to repay in full the sum to be loaned, with interest, giving due consideration to the income and earning capacity of the applicant and his family from the farm and other sources, and the maintenance of a reasonable standard of living for the owner and the occupants of said farm, a loan may be made by the Secretary to said applicant for a period of not to exceed thirty-three years from the making of the loan with interest. The Secretary may accept the personal liability of any person with adequate repayment ability who will cosign the applicant's note to compensate for any deficiency in the applicant's repayment ability. At the borrower's option, the borrower may prepay to the Secretary as escrow agent, on terms and conditions prescribed by him, such taxes, insurance, and other expenses as the Secretary may require in accordance with section 1471(e) of this title.

(2) The Secretary may extend the period of any loan made under this section if the Secretary determines that such extension is necessary to permit the making of such loan to any person whose income does not exceed 60 percent of the median income for the area and who would otherwise be denied such loan because the payments required under a shorter period would exceed the financial capacity of such person.

The aggregate period for which any loan may be extended under this paragraph may not exceed 5 years.

(3)(A) Notwithstanding any other provision of this subchapter, a loan may be made under this section for the purchase of a dwelling located on land owned by a community land trust, if the borrower and the loan otherwise meet the requirements applicable to loans under this section.

(B) For purposes of this paragraph, the term "community land trust" means a community housing development organization as such term is defined in section 12704 of this title (except that the requirements under section 12704(6)(C) of this title and section 12704(6)(D) of this title shall not apply for purposes of this paragraph)—

(i) that is not sponsored by a for-profit organization;

(ii) that is established to carry out the activities under clause (iii);

(iii) that—

(I) acquires parcels of land, held in perpetuity, primarily for conveyance under long-term ground leases;

(II) transfers ownership of any structural improvements located on such leased parcels to the lessees; and

(III) retains a preemptive option to purchase any such structural improvement at a price determined by formula that is designed to ensure that the improvement remains affordable to low- and moderate-income families in perpetuity; and

(iv) that has its corporate membership open to any adult resident of a particular geo-
(b) Provisions of loan instrument

The instruments under which the loan is made and the security given shall—

1. provide for security upon the applicant’s equity in the farm or such other security or collateral, if any, as may be found necessary by the Secretary reasonably to assure repayment of the indebtedness;

2. provide for the repayment of principal and interest in accordance with schedules and repayment plans prescribed by the Secretary, except that any prepayment of a loan made or insured under section 1484 or 1485 of this title shall be subject to the provisions of subsection (c); and

3. except for guaranteed loans, contain the agreement of the borrower that he will, at the request of the Secretary, proceed with diligence to refinance the balance of the indebtedness through cooperative or other responsible private credit sources whenever the Secretary determines, in the light of the borrower’s circumstances, including his earning capacity and the income from the farm, that he is able to do so upon reasonable terms and conditions;

4. be in such form and contain such covenants as the Secretary shall prescribe to secure the payment of the loan with interest, protect the security, and assure that the farm will be maintained in repair and that waste and exhaustion of the farm will be prevented.

(c) Prepayment and refinancing provisions

1. (A) The Secretary may not accept an offer to prepay, or request refinancing in accordance with subsection (b)(3) of, any loan made or insured under section 1484 or 1485 of this title pursuant to a contract entered into after December 21, 1979, unless the Secretary takes appropriate action which will obligate the borrower (and successors in interest thereof) to utilize the assisted housing and related facilities for the purposes specified in section 1484 or 1485 of this title, as the case may be, for a period of—

   i. fifteen years from the date on which the loan was made in the case of a loan made or insured under section 1484 or 1485 of this title pursuant to a contract entered into after December 21, 1979, but before December 15, 1989, unless the Secretary takes appropriate action which will obligate the borrower (and successors in interest thereof) to utilize the assisted housing and related facilities for the purposes specified in section 1484 or 1485 of this title, as the case may be, for a period of—

   ii. twenty years from the date on which the loan was made in the case of any other such loan;

   or until the Secretary determines (prior to the end of such period) that there is no longer a need for such housing and related facilities to be so utilized or that Federal or other financial assistance provided to the residents of such housing will no longer be provided.

   (B) The Secretary may not accept an offer to prepay, or request refinancing in accordance with subsection (b)(3) of, any initial loan made or insured under section 1485 of this title pursuant to a contract entered into on or after December 15, 1989.

2. (A) A notice of offer to prepay—

   i. A notice of offer to prepay any loan made or insured under section 1484 or 1485 of this title which was made before December 21, 1979, but before December 15, 1989, and utilized for housing and related facilities financed with such loan are discharged due to a change in the use of the housing, or to an increase in rental or other charges, as a result of such prepayment or refinancing, the Secretary shall provide such tenants a priority for relocation in alternative housing assisted pursuant to this subchapter.

   (B) The Secretary may not accept an offer to prepay a loan under this subchapter.

   (C) The Secretary’s obligation to provide such tenants a priority for relocation shall be subject to section 1490a(a)(1)(B), (a)(2), or (5) of this title.

3. (A) A notice of offer to prepay any loan made or insured under section 1484 or 1485 of this title, the Secretary shall provide written notice of the offer or request to the tenants of the housing and related facilities involved, to interested nonprofit organizations, and to any appropriate State and local agencies.

4. (A) Agreement by borrower to extend low income use.—Before accepting any offer to prepay, or requesting refinancing in accordance with subsection (b)(3) of, any loan made or insured under section 1484 or 1485 of this title pursuant to a contract entered into prior to December 15, 1989, the Secretary shall make reasonable efforts to enter into an agreement with the borrower under which the borrower will make a binding commitment to extend the low income use of the assisted housing and related facilities involved for not less than the 20-year period beginning on the date on which the agreement is executed.

   (B) Assistance available to borrower to extend low income use.—To the extent of amounts provided in appropriation Acts, the agreement under subparagraph (A) may provide for 1 or more of the following forms of assistance that the Secretary, after taking into account local market conditions, determines to be necessary to extend the low income use of the housing and related facilities involved:

   i. Increase in the rate of return on investment.

   ii. Reduction of the interest rate on the loan through the provision of interest credits provided under section 1490a(a)(1)(B) of this title, or additional assistance or an increase in assistance provided under section 1490a(a)(6) of this title.

   iii. Additional rental assistance, or an increase in assistance provided under existing contracts, under section 1490a(a)(2) or 1490a(a)(5) of this title or under section 1437f of this title.

   iv. An equity loan to the borrower under paragraphs (1) and (2) of section 1485(c) of this title or under paragraphs (1) and (2) of section 1484(1) of this title, except that an equity loan referred to in this clause may not be made available after August 6, 1996, unless the Secretary determines that the other incentives available under this subparagraph are not adequate to provide a fair return on the investment of the borrower, to prevent prepayment of the loan insured under section 1484 or 1485 of this title, or to prevent the displacement of the

1 See References in Text note below.
tenants of the housing for which the loan was made.  
(v) Incremental rental assistance in connection with loans under clauses (ii) and (iv) to the extent necessary to avoid increases in the rental payments of current tenants not receiving rental assistance under section 1490a(a)(2) of this title or under section 1437f of this title, or current tenants of projects not assisted under section 1490a(a)(5) of this title.  
(vi) In the case of a project that has received rental assistance under section 1437f of this title, permitting the owner to receive rent in excess of the amount determined necessary by the Secretary to defray the cost of long-term repair or maintenance of such a project.  
(C) APPROVAL OF ASSISTANCE.—The Secretary may approve assistance under subparagraph (B) for assisted housing only if the restrictive period has expired for any loan for the housing made or insured under section 1484 or 1485 of this title pursuant to a contract entered into after December 21, 1979, but before December 15, 1989, and the Secretary determines that the combination of assistance provided—  
(i) is necessary to provide a fair return on the investment of the borrower; and  
(ii) is the least costly alternative for the Federal Government that is consistent with carrying out the purposes of this subsection.  
(5)(A) OFFER TO SELL TO NONPROFIT ORGANIZATIONS AND PUBLIC AGENCIES.—  
(i) IN GENERAL.—If the Secretary determines after a reasonable period that an agreement will not be entered into with a borrower under paragraph (4), the Secretary shall require the borrower (except as provided in subparagraph (G)) to offer to sell the assisted housing and related facilities involved to any qualified nonprofit organization or public agency at a fair market value determined by 2 independent appraisers, one of whom shall be selected by the Secretary and one of whom shall be selected by the borrower. If the 2 appraisers fail to agree on the fair market value, the Secretary and the borrower shall jointly select a third appraiser, whose appraisal shall be binding on the Secretary and the borrower.  
(ii) PERIOD FOR WHICH REQUIREMENT APPLICABLE.—If, upon the expiration of 180 days after an offer is made to sell housing and related facilities under clause (i), no qualified nonprofit organization or public agency has made a bona fide offer to purchase, the Secretary may accept the offer to prepay, or may request refinancing in accordance with subsection (b)(2) of the loan. This clause shall apply only when funds are available for purposes of carrying out a transfer under this paragraph.  
(B) QUALIFIED NONPROFIT ORGANIZATIONS AND PUBLIC AGENCIES.  
(i) LOCAL NONPROFIT ORGANIZATION OR PUBLIC AGENCY.—A local nonprofit organization or public agency may purchase housing and related facilities under this paragraph only if—  
(I) the organization or agency is determined by the Secretary to be capable of managing the housing and related facilities (either directly or through a contract) for the remaining useful life of the housing and related facilities; and  
(II) the organization or agency has entered into an agreement that obligates it (and successors in interest thereof) to maintain the housing and related facilities as affordable for very low-income families or persons and low income families or persons for the remaining useful life of the housing and related facilities.  
(ii) NATIONAL OR REGIONAL NONPROFIT ORGANIZATION.—If the Secretary determines that there is no local nonprofit organization or public agency qualified to purchase the housing and related facilities involved, the Secretary shall require the borrower to offer to sell the assisted housing and related facilities to an existing qualified national or regional nonprofit organization.  
(iii) SELECTION OF QUALIFIED PURCHASER.—The Secretary shall promulgate regulations that establish criteria for selecting a qualified nonprofit organization or public agency to purchase housing and related facilities when more than 1 such organization or agency has made a bona fide offer. Such regulations shall give a priority to those organizations or agencies with the greatest experience in developing or managing low income housing or community development projects and with the longest record of service to the community.  
(C) FINANCING OF SALE.—To facilitate the sale described in subparagraph (A), the Secretary shall—  
(i) to the extent provided in appropriation Acts, make an advance to the nonprofit organization or public agency whose offer to purchase is accepted under this paragraph to cover any direct costs (other than the purchase price) incurred by the organization or agency in purchasing and assuming responsibility for the housing and related facilities involved;  
(ii) approve the assumption, by the nonprofit organization or public agency involved, of the loan made or insured under section 1484 or 1485 of this title;  
(iii) to the extent provided in appropriation Acts, transfer any rental assistance payments that are received under section 1490a(a)(2)(A) of this title or under section 1437f of this title, or any assistance payments received under section 1490a(a)(5) of this title, with respect to the housing and related facilities involved; and  
(iv) to the extent provided in appropriation Acts, provide a loan under section 1485(c)(3) of this title to the nonprofit organization or public agency whose offer to purchase is accepted under this paragraph to enable the organization or agency to purchase the housing and related facilities involved.  
(D) RENT LIMITATION AND ASSISTANCE.—The Secretary shall, to the extent provided in appropriation Acts, provide to each nonprofit organization or public agency purchasing housing and related facilities under this paragraph financial assistance (in the form of monthly payments or forgiveness of debt) in an amount necessary to ensure that the monthly rent payment made by each low income family or person residing in the housing does not exceed the maximum rent per-
mitted under section 1490a(a)(2)(A) of this title or, in the case of housing assisted under section 1490a(a)(5) of this title, does not exceed the rents established for the project under such section.

(E) **RESTRICTION ON SUBSEQUENT TRANSFERS.**—Except as provided in subparagraph (B)(ii), the Secretary may not approve the transfer of any housing and related facilities purchased under this paragraph during the remaining useful life of the housing and related facilities, unless the Secretary determines that—

(i) the transfer will further the provision of housing and related facilities for low income families or persons; or

(ii) there is no longer a need for such housing and related facilities by low income families or persons.

(F) **GENERAL RESTRICTION ON PREPAYMENTS AND REFINANCINGS.**—Following the transfer of the maximum number of dwelling units set forth in subparagraph (H)(i) in any fiscal year or the maximum number of dwelling units for which budget authority is available in any fiscal year, the Secretary may not accept in such fiscal year any offer to prepay, or request refinancing in accordance with subsection (b)(3) of any loan made or insured under section 1484 or 1485 of this title pursuant to a contract entered into prior to December 15, 1989, except in accordance with subparagraph (G). The limitation established in this subparagraph shall not apply to an offer to prepay, or request to refinance, if, following the date on which such offer or request is made (or following February 5, 1988, whichever occurs later) a 15-month period expires during which no budget authority is available to carry out this paragraph. For purposes of this subparagraph, the Secretary shall allocate budget authority under this paragraph in the order in which offers to prepay, or request to refinance, are made.

(G) **EXCEPTION.**—This paragraph shall not apply to any offer to prepay, or any request to refinance in accordance with subsection (b)(3), any loan made or insured under section 1484 or 1485 of this title pursuant to a contract entered into prior to December 15, 1989, if—

(I) the borrower enters into an agreement with the Secretary that obligates the borrower (and successors in interest thereof)—

(i) to utilize the assisted housing and related facilities for the purposes specified in section 1484 or 1485 of this title, as the case may be, for a period determined by the Secretary (but not less than the period described in paragraph (1)(B) calculated from the date on which the loan is made or insured); and

(ii) upon termination of the period described in paragraph (1)(B), to offer to sell the assisted housing and related facilities to a qualified nonprofit organization or public agency in accordance with this paragraph; or

(ii) the Secretary determines that housing opportunities of minorities will not be materially affected as a result of the prepayment or refinancing, and that—

(i) the borrower (and any successor in interest thereof) are obligated to ensure that tenants of the housing and related facilities financed with the loan will not be displaced due to a change in the use of the housing, or to an increase in rental or other charges, as a result of the prepayment or refinancing; or

(II) there is an adequate supply of safe, decent, and affordable rental housing within the market area of the housing and related facilities and sufficient actions have been taken to ensure that the rental housing will be made available to each tenant upon displacement.

(H) **FUNDING.**—

(i) **BUDGET LIMITATION.**—Not more than 5,000 dwelling units may be transferred under this paragraph in any fiscal year, and the budget authority that may be provided under this paragraph for any fiscal year may not exceed the amounts required to carry out this paragraph with respect to such number.

(ii) **REIMBURSEMENT OF RURAL HOUSING INSURANCE FUND.**—There are authorized to be appropriated to the Rural Housing Insurance Fund such sums as may be necessary to reimburse the Fund for financial assistance provided under this paragraph, paragraph (4), and section 1487(j)(7) of this title.

(I) **DEFINITIONS.**—For purposes of this paragraph:

(i) **LOCAL NONPROFIT ORGANIZATION.**—The term "local nonprofit organization" means a nonprofit organization that—

(I) has a broad based board reflecting various interests in the community or trade area; and

(II) is a not-for-profit charitable organization whose principal purposes include developing or managing low income housing or community development projects.

(ii) **NONPROFIT ORGANIZATION.**—The term "nonprofit organization" means any private organization—

(I) no part of the net earnings of which inures to the benefit of any member, founder, contributor, or individual;

(II) that is approved by the Secretary as to financial responsibility; and

(III) that does not have among its officers or directorate persons or parties with a material interest (or persons or parties related to any person or party with such an interest) in loans financed under section 1485 of this title that have been prepaid.

(J) **REGULATIONS.**—Notwithstanding section 1490n of this title, the Secretary shall issue final regulations to carry out this paragraph not later than 60 days after February 5, 1988. The Secretary shall provide for the regulations to take effect not later than 45 days after the date on which the regulations are issued.

(d) **Dwelling units available to very low-income families or persons**

On and after November 30, 1983—

(1) not less than 40 percent of the funds approved in appropriation Acts for use under this section shall be set aside and made available only for very low-income families or persons; and

(2) not less than 30 percent of the funds allocated to each State under this section shall be available only for very low-income families or persons.
(e) Manufactured homes; qualifications for loans made or insured; energy conservation requirements

(1) A loan which may be made or insured under this section with respect to housing shall be made or insured with respect to a manufactured home or with respect to a manufactured home and lot, whether such home or such home and lot is real property, personal property, or mixed real and personal property, if—

(A) the manufactured home meets the standards prescribed pursuant to title VI of the Housing and Community Development Act of 1974 [42 U.S.C. 5401 et seq.];

(B) the manufactured home, or the manufactured home and lot, shall meet the installation, structural, and site requirements which would apply under title II of the National Housing Act [12 U.S.C. 1707 et seq.]; and

(C) the manufactured home meets the energy conserving requirements established under paragraph (2), or until the energy conserving requirements are established under paragraph (2), the manufactured home meets the energy conserving requirements applicable to housing other than manufactured housing financed under this subchapter.

(2) Energy conserving requirements established by the Secretary for the purpose of paragraph (1)(C) shall—

(A) reduce the operating costs for a borrower by maximizing the energy savings and be cost-effective over the life of the manufactured home or the term of the loan, whichever is shorter, taking into account variations in climate, types of energy used, the cost to modify the home to meet such requirements, and the estimated value of the energy saved over the term of the mortgage; and

(B) be established so that the increase in the annual loan payment resulting from the added energy conserving requirements in excess of those required by the standards prescribed under title VI of the Housing and Community Development Act of 1974 [42 U.S.C. 5401 et seq.] shall not exceed the projected savings in annual energy costs.

(3) A loan that may be made or insured under this section with respect to a manufactured home on a permanent foundation, or a manufactured home on a permanent foundation and a lot, shall be repayable over the same period as would be applicable under section 203(b) of the National Housing Act [12 U.S.C. 1709(b)].

(f) Remote rural areas

(1) Loan supplements

The Secretary may supplement any loan under this section to finance housing located in a remote rural area or on tribal allotted or Indian trust land with a grant in an amount not greater than the amount by which the reasonable land acquisition and construction costs of the security property exceeds the appraised value of such property.

(2) Prohibition

The Secretary may not refuse to make, insure, or guarantee a loan that otherwise meets the requirements under this section solely on the basis that the housing involved is located in an area that is excessively rural in character or excessively remote or on tribal allotted or Indian trust land.

(g) Deferred mortgage demonstration

(1) Authority

With respect to families or persons otherwise eligible for assistance under subsection (d) but having incomes below the amount determined to qualify for a loan under this section, the Secretary may defer mortgage payments beyond the amount affordable at 1 percent interest, taking into consideration income, taxes and insurance. Deferred mortgage payments shall be converted to payment status when the ability of the borrower to repay improves. Deferred amounts shall not exceed 25 percent of the amount of the payment due at 1 percent interest and shall be subject to recapture.

(2) Interest

Interest on principal deferred shall be set at 1 percent and any interest payments deferred under this subsection shall not be treated as principal in calculating indebtedness.

(3) Funding

Subject to approval in appropriations Acts, not more than 10 percent of the amount approved for each of fiscal years 1993 and 1994 for loans under this section may be used to carry out this subsection.

(h) Doug Bereuter section 502 single family housing loan guarantee program

(1) Short title

This subsection may be cited as the “Doug Bereuter Section 502 Single Family Housing Loan Guarantee Act”.

(2) Authority

The Secretary shall, to the extent provided in appropriation Acts, provide guaranteed loans in accordance with this section, section 1487(d) of this title, and the last sentence of section 1490a(a)(1)(A) of this title, except as modified by the provisions of this subsection. Loans shall be guaranteed under this subsection in an amount equal to 90 percent of the loan.

(3) Eligible borrowers

Loans guaranteed pursuant to this subsection shall be made only to borrowers who are low or moderate income families or persons, whose incomes do not exceed 115 percent of the median income of the area, as determined by the Secretary.

(4) Eligible housing

Loans may be guaranteed pursuant to this subsection only if the loan is used to acquire or construct a single-family residence that is—

(A) to be used as the principal residence of the borrower;

(B) eligible for assistance under this section, section 203(b) of the National Housing Act [12 U.S.C. 1709(b)], or chapter 37 of title 38; and

(C) located in a rural area.
(5) **Priority and counseling for first-time homebuyers**

(A) In providing guaranteed loans under this subsection, the Secretary shall give priority to first-time homebuyers (as defined in paragraph (17)).

(B) The Secretary may require that, as a condition of receiving a guaranteed loan pursuant to this subsection, a borrower who is a first-time homebuyer successfully complete a program of homeownership counseling under section 1701x(a)(1)(iii) of title 12 and obtain certification from the provider of the program that the borrower is adequately prepared for the obligations of homeownership.

(6) **Eligible lenders**

Guaranteed loans pursuant to this subsection may be made only by lenders approved by and meeting qualifications established by the Secretary.

(7) **Loan terms**

Loans guaranteed pursuant to this subsection shall—

(A) be made for a term not to exceed 30 years;

(B) involve a rate of interest that is fixed over the term of the loan and does not exceed the rate for loans guaranteed under chapter 37 of title 38 or comparable loans in the area that are not guaranteed; and

(C) involve a principal obligation (including initial service charges, appraisal, inspection, and other fees as the Secretary may approve)—

(i) for a first-time homebuyer, in any amount not in excess of 100 percent of the appraised value of the property as of the date the loan is accepted or the acquisition cost of the property, whichever is less, plus the guarantee fee as authorized by subsection (h)(7); and

(ii) for any borrower other than a first-time homebuyer, in an amount not in excess of the percentage of the property or the acquisition cost of the property that the Secretary shall determine, such percentage or cost in any event not to exceed 100 percent of the appraised value of the property as of the date the loan is accepted or the acquisition cost of the property, whichever is less, plus the guarantee fee as authorized by subsection (h)(7).

(8) **Fees**

Notwithstanding paragraph (14)(D), with respect to a guaranteed loan issued or modified under this subsection, the Secretary may collect from the lender—

(A) at the time of issuance of the guarantee or modification, a fee not to exceed 3.5 percent of the principal obligation of the loan; and

(B) an annual fee not to exceed 0.5 percent of the outstanding principal balance of the loan for the life of the loan.

(9) **Refinancing**

Any guaranteed loan under this subsection may be refinanced and extended in accordance with terms and conditions that the Secretary shall prescribe, but in no event for an additional amount or term which exceeds the limitations under this subsection.

(10) **Nonassumption**

Notwithstanding the transfer of property for which a guaranteed loan under this subsection was made, the borrower of a guaranteed loan under this subsection may not be relieved of liability with respect to the loan.

(11) **Geographical targeting**

In providing guaranteed loans under this subsection, the Secretary shall establish standards to target and give priority to areas that have a demonstrated need for additional sources of mortgage financing for low and moderate income families.

(12) **Allocation**

The Secretary shall provide that, in each fiscal year, guaranteed loans under this subsection shall be allocated among the States on the basis of the need of eligible borrowers in each State for such loans in comparison with the need of eligible borrowers for such loans among all States.

(13) **Loss mitigation**

Upon default or imminent default of any mortgage guaranteed under this subsection, mortgagees shall engage in loss mitigation actions for the purpose of providing an alternative to foreclosure (including actions such as special forbearance, loan modification, pre-foreclosure sale, deed in lieu of foreclosure, as required, support for borrower housing counseling, subordinate lien resolution, and borrower relocation), as provided for by the Secretary.

(14) **Payment of partial claims and mortgage modifications**

The Secretary may authorize the modification of mortgages, and establish a program for payment of a partial claim to a mortgagee that agrees to apply the claim amount to payment of a mortgage on a 1- to 4-family residence, for mortgages that are in default or face imminent default, as defined by the Secretary. Any payment under such program directed to the mortgagee shall be made at the sole discretion of the Secretary and on terms and conditions acceptable to the Secretary, except that—

(A) the amount of the partial claim payment shall be in an amount determined by the Secretary, and shall not exceed an amount equivalent to 30 percent of the unpaid principal balance of the mortgage and any costs that are approved by the Secretary;

(B) the amount of the partial claim payment shall be applied first to any outstanding indebtedness on the mortgage, including any arrearage, but may also include principal reduction;

(C) the mortgagor shall agree to repay the amount of the partial claim to the Secretary upon terms and conditions acceptable to the Secretary;

(D) expenses related to a partial claim or modification are not to be charged to the borrower;
(E) the Secretary may authorize compensation to the mortgagor for lost income on monthly mortgage payments due to interest rate reduction;

(F) the Secretary may reimburse the mortgagee from the appropriate guaranty fund in connection with any activities that the mortgagee is required to undertake concerning repayment by the mortgagor of the amount owed to the Secretary;

(G) the Secretary may authorize payments to the mortgagee on behalf of the borrower, under such terms and conditions as are defined by the Secretary, based on successful performance under the terms of the mortgage modification, which shall be used to reduce the principal obligation under the modified mortgage; and

(H) the Secretary may authorize the modification of mortgages with terms extended up to 40 years from the date of modification.

(15) Assignment

(A) Program authority

The Secretary may establish a program for assignment to the Secretary, upon request of the mortgagee, of a mortgage on a 1- to 4-family residence guaranteed under this chapter.¹

(B) Program requirements

(i) In general

The Secretary may encourage loan modifications for eligible delinquent mortgages or mortgages facing imminent default, as defined by the Secretary, through the payment of the guaranty and assignment of the mortgage to the Secretary and the subsequent modification of the terms of the mortgage according to a loan modification approved under this section.

(ii) Acceptance of assignment

The Secretary may accept assignment of a mortgage under a program under this subsection only if—

(I) the mortgage is in default or facing imminent default;

(II) the mortgagee has modified the mortgage or qualified the mortgage for modification sufficient to cure the default and provide for mortgage payments the mortgagor is reasonably able to pay, at interest rates not exceeding current market interest rates; and

(III) the Secretary arranges for servicing of the assigned mortgage by a mortgagee (which may include the assigning mortgagee) through procedures that the Secretary has determined to be in the best interests of the appropriate guaranty fund.

(C) Payment of guaranty

Under the program under this paragraph, the Secretary may pay the guaranty for a mortgage, in the amount determined in accordance with paragraph (2), without reduction for any amounts modified, but only upon the assignment, transfer, and delivery to the Secretary of all rights, interest, claims, evidence, and records with respect to the mortgage, as defined by the Secretary.

(D) Disposition

After modification of a mortgage pursuant to this paragraph, and assignment of the mortgage, the Secretary may provide guarantees under this subsection for the mortgage. The Secretary may subsequently—

(i) re-assign the mortgage to the mortgagee under terms and conditions as are agreed to by the mortgagee and the Secretary;

(ii) act as a Government National Mortgage Association issuer, or contract with an entity for such purpose, in order to pool the mortgage into a Government National Mortgage Association security; or

(iii) re-sell the mortgage in accordance with any program that has been established for purchase by the Federal Government of mortgages insured under this subchapter, and the Secretary may coordinate standards for interest rate reductions available for loan modification with interest rates established for such purchase.

(E) Loan servicing

In carrying out the program under this subsection, the Secretary may require the existing servicer of a mortgage assigned to the Secretary under the program to continue servicing the mortgage as an agent of the Secretary during the period that the Secretary acquires and holds the mortgage for the purpose of modifying the terms of the mortgage. If the mortgage is resold pursuant to subparagraph (D)(iii), the Secretary may provide for the existing servicer to continue to service the mortgage or may engage another entity to service the mortgage.

(16) Definitions

For purposes of this subsection:

(A) The term ‘‘displaced homemaker’’ means an individual who—

(i) is an adult;

(ii) has not worked full-time full-year in the labor force for a number of years but has, during such years, worked primarily without remuneration to care for the home and family; and

(iii) is unemployed or underemployed and is experiencing difficulty in obtaining or upgrading employment.

(B) The term ‘‘first-time homebuyer’’ means any individual who (and whose spouse) has had no present ownership in a principal residence for a number of years but has, during such years, worked primarily without remuneration to care for the home and family; and

(C) Payment of guaranty

Under the program under this paragraph, the Secretary may pay the guaranty for a mortgage, in the amount determined in accordance with paragraph (2), without reduction for any amounts modified, but only upon the assignment, transfer, and delivery to the Secretary of all rights, interest, claims, evidence, and records with respect to the mortgage, as defined by the Secretary.

(D) Disposition

After modification of a mortgage pursuant to this paragraph, and assignment of the mortgage, the Secretary may provide guarantees under this subsection for the mortgage. The Secretary may subsequently—

(i) re-assign the mortgage to the mortgagee under terms and conditions as are agreed to by the mortgagee and the Secretary;

(ii) act as a Government National Mortgage Association issuer, or contract with an entity for such purpose, in order to pool the mortgage into a Government National Mortgage Association security; or

(iii) re-sell the mortgage in accordance with any program that has been established for purchase by the Federal Government of mortgages insured under this subchapter, and the Secretary may coordinate standards for interest rate reductions available for loan modification with interest rates established for such purchase.

(E) Loan servicing

In carrying out the program under this subsection, the Secretary may require the existing servicer of a mortgage assigned to the Secretary under the program to continue servicing the mortgage as an agent of the Secretary during the period that the Secretary acquires and holds the mortgage for the purpose of modifying the terms of the mortgage. If the mortgage is resold pursuant to subparagraph (D)(iii), the Secretary may provide for the existing servicer to continue to service the mortgage or may engage another entity to service the mortgage.

(16) Definitions

For purposes of this subsection:

(A) The term ‘‘displaced homemaker’’ means an individual who—

(i) is an adult;

(ii) has not worked full-time full-year in the labor force for a number of years but has, during such years, worked primarily without remuneration to care for the home and family; and

(iii) is unemployed or underemployed and is experiencing difficulty in obtaining or upgrading employment.

(B) The term ‘‘first-time homebuyer’’ means any individual who (and whose spouse) has had no present ownership in a principal residence for a number of years but has, during such years, worked primarily without remuneration to care for the home and family; and

(C) Payment of guaranty

Under the program under this paragraph, the Secretary may pay the guaranty for a mortgage, in the amount determined in accordance with paragraph (2), without reduction for any amounts modified, but only upon the assignment, transfer, and delivery to the Secretary of all rights, interest, claims, evidence, and records with respect to the mortgage, as defined by the Secretary.

(D) Disposition

After modification of a mortgage pursuant to this paragraph, and assignment of the mortgage, the Secretary may provide guarantees under this subsection for the mortgage. The Secretary may subsequently—

(i) re-assign the mortgage to the mortgagee under terms and conditions as are agreed to by the mortgagee and the Secretary;

(ii) act as a Government National Mortgage Association issuer, or contract with an entity for such purpose, in order to pool the mortgage into a Government National Mortgage Association security; or

(iii) re-sell the mortgage in accordance with any program that has been established for purchase by the Federal Government of mortgages insured under this subchapter, and the Secretary may coordinate standards for interest rate reductions available for loan modification with interest rates established for such purchase.

(E) Loan servicing

In carrying out the program under this subsection, the Secretary may require the existing servicer of a mortgage assigned to the Secretary under the program to continue servicing the mortgage as an agent of the Secretary during the period that the Secretary acquires and holds the mortgage for the purpose of modifying the terms of the mortgage. If the mortgage is resold pursuant to subparagraph (D)(iii), the Secretary may provide for the existing servicer to continue to service the mortgage or may engage another entity to service the mortgage.

(16) Definitions

For purposes of this subsection:

(A) The term ‘‘displaced homemaker’’ means an individual who—

(i) is an adult;

(ii) has not worked full-time full-year in the labor force for a number of years but has, during such years, worked primarily without remuneration to care for the home and family; and

(iii) is unemployed or underemployed and is experiencing difficulty in obtaining or upgrading employment.

(B) The term ‘‘first-time homebuyer’’ means any individual who (and whose spouse) has had no present ownership in a principal residence for a number of years but has, during such years, worked primarily without remuneration to care for the home and family; and

(C) Payment of guaranty

Under the program under this paragraph, the Secretary may pay the guaranty for a mortgage, in the amount determined in accordance with paragraph (2), without reduction for any amounts modified, but only upon the assignment, transfer, and delivery to the Secretary of all rights, interest, claims, evidence, and records with respect to the mortgage, as defined by the Secretary.
her spouse or resided in a home owned by
the spouse.
(C) The term “single parent” means an
individual who—
(i) is unmarried or legally separated
from a spouse; and
(ii) has 1 or more minor children for
whom the individual has custody or joint
custody; or
(II) is pregnant.
(D) The term “State” means the States of
the United States, the Commonwealth of
Puerto Rico, the District of Columbia, the
Commonwealth of the Northern Mariana
Islands, Guam, the Virgin Islands, American
Samoa, the Trust Territories of the Pacific,
and any other possession of the United
States.
(17) Guarantees for refinancing loans
(A) In general
Upon the request of the borrower, the Sec-
retary shall, to the extent provided in appro-
priations Acts and subject to subparagraph
(F), guarantee a loan that is made to refi-
nance an existing loan that is made under
this section or guaranteed under this sub-
section and that the Secretary determines
complies with the requirements of this para-
graph.
(B) Interest rate
To be eligible for a guarantee under this
paragraph, the refinancing loan shall have a
rate of interest that is fixed over the term of
the loan and does not exceed the interest
rate of the loan being refinanced.
(C) Security
To be eligible for a guarantee under this
paragraph, the refinancing loan shall be
secured by the same single-family residence
as was the loan being refinanced, which shall
be owned by the borrower and occupied by
the borrower as the principal residence of
the borrower.
(D) Amount
To be eligible for a guarantee under this
paragraph, the principal obligation under
the refinancing loan shall not exceed an
amount equal to the sum of the balance of
the loan being refinanced and such closing
costs as may be authorized by the Secretary,
which shall include a discount not exceeding
200 basis points and an origination fee not
exceeding such amount as the Secretary
shall prescribe.
(E) Other requirements
The provisions of the last sentence of para-
graph (2) and paragraphs (3), (6), (7)(A), (8),
(10), (13), and (14) shall apply to loans guaran-
teed under this paragraph, and no other
provisions of paragraphs (2) through (15)
shall apply to such loans.
(F) Authority to establish limitation
The Secretary may establish limitations
on the number of loans guaranteed under
this paragraph, which shall be based on mar-
ket conditions and other factors as the Sec-
retary considers appropriate.
(18) Delegation of approval
The Secretary may delegate, in part or in
full, the Secretary’s authority to approve and
execute binding Rural Housing Service loan
guarantees pursuant to this subsection to cer-
tain preferred lenders, in accordance with
standards established by the Secretary.
(i) Guaranteed underwriting user fee
(1) Authority; maximum amount
To the extent provided in advance in appro-
priations Acts, the Secretary may assess and
collect a fee for a lender to access the auto-
mated underwriting systems of the Depart-
ment in connection with such lender’s partici-
pation in the single family loan program
under this section and only in an amount nec-
necessary to cover the costs of information
technology enhancements, improvements, main-
tenance, and development for automated under-
writing systems used in connection with the
single family loan program under this section,
except that such fee shall not exceed $50 per
loan.
(2) Crediting: availability
Any amounts collected from such fees shall
be credited to the Rural Development Expense
Account as offsetting collections and shall re-
main available until expended, in the amounts
provided in appropriation Acts, solely for ex-
penditures described in paragraph (1).

REFERENCES IN TEXT
Section 1484(j) of this title, referred to in subsec.
(c)(4)(B)(iv), was repealed by Pub. L. 106–569, title VII,

The National Housing Act, referred to in subsec. (e)(1)(B), is act June 27, 1934, ch. 487, 48 Stat. 1246. Title II of the National Housing Act is classified principally to subchapter II (§ 1707 et seq.) of chapter 12 of Title 12, Banks and Banking. For complete classification of this Act to the Code, see section 1701 of Title 12 and Tables.

Section 502, referred to in subsec. (h), means section 502 of act July 15, 1949, ch. 338, 63 Stat. 433, which is classified to this section.

This chapter, referred to in subsec. (b)(15)(A), appearing in the original is unidentifiable because title V of act July 15, 1949, does not contain chapters.

AMENDMENTS

2018—Subsec. (c)(11). Pub. L. 115–141 added par. (1) and struck out former par. (1). Prior to amendment, text read as follows: "The Secretary may assess and collect a fee for a lender to access the automated underwriting systems of the Department of Housing and Urban Development in connection with such lender’s participation in the single family loan program under this section and only in an amount necessary to cover the costs of information technology enhancements, improvements, maintenance, and development for automated underwriting systems used in connection with the single family loan program under this section, except that such fee shall not exceed $50 per loan." See above.


2010—Subsec. (h)(8). Pub. L. 111–212 amended par. (8) generally. Prior to amendment, text read as follows: "With respect to a guaranteed loan under this subsection, the Secretary may collect from the lender at the time of issuance of the guarantee a fee equal to not more than 1 percent of the principal obligation of the loan.

2009—Subsec. (h)(5)(A). Pub. L. 111–22, §101(b)(1), substituted "(as defined in paragraph (17))" for "(as defined in paragraph (13))".

Subsec. (h)(15) to (16). Pub. L. 111–22, §101(a), added pars. (13) to (15) and redesignated former par. (13) as (16). Former par. (14) redesignated (17).


Subsec. (h)(17)(E). Pub. L. 111–22, §101(b)(2), which directed amendment of "paragraph (18)(E) [as so redesignated by subsection (a)(2)]" by substituting "paragraphs (3), (6), (7)(A), (8), (10), (13), and (14)" for "paragraphs (3), (6), (7)(A), (8), (9), (10), and (14)" and "paragraphs (2 through 15)" for "paragraphs (2 through 13)" was executed by making the substitutions in par. (17)(E) to reflect the probable intent of Congress and the amendment by insertion in cls. (i) and (ii) of subsec. (h)(7), to reflect the probable intent of Congress and the amendment by insertion of "guaranteed loans" in head-


Subsec. (f). Pub. L. 102–550, §704, inserted "or on tribal allotted or Indian trust land" in pars. (1) and (2).


Subsec. (h)(2). Pub. L. 102–550, §703, inserted "115 percent of" after "exceed".


1978—Subsec. (b)(2). Pub. L. 95–128, §1028(b), added former subpars. (A) and (B) as cls. (i) and (ii), respectively, inserted "‘‘(i) no part of the net earnings of which inures to the benefit of any member, founder, contributor, or other person. This term does not include any person with respect to whose personal liability the Secretary may accept the personal liability of any person with adequate repayment ability who will cosign the applicant’s note to compensate for any deficiency in the applicant’s repayment ability. At the borrower’s option, the borrower may prepay to the Secretary as escrow agent, on terms and conditions prescribed by him, such taxes, insurance, and other expenses as the Secretary may require in accordance with section 1471(e) of this title. The Secretary may accept the personal liability of any person with adequate repayment ability who will cosign the applicant’s note to compensate for any deficiency in the applicant’s repayment ability."

1976—Subsec. (a)(4)(B)(vi). Pub. L. 94–226, §105(b)(2), Oct. 17, 1974, 88 Stat. 1935, provided that: "Notwithstanding any other provision of law, the provisions of section 302(d) of the Housing Act of 1949 (subsec. (d) of this section), as amended by paragraph (1), shall apply with respect to fiscal year 1985 and thereafter, and the provisions of such section, as so amended, may not be changed or superseded except by another provision of law which amends such section."

Regulations:

Pub. L. 101–625, title VII, §704(b), Nov. 28, 1990, 104 Stat. 4283, provided that: "Not later than the expiration of the 120-day period beginning on the date of enactment of this Act [Nov. 28, 1990], the Secretary of Ag-
riculture shall issue any regulations necessary to carry out the amendment made by subsection (a) [amending this section].

Pub. L. 101–625, title VII, §705(b), Nov. 28, 1990, 104 Stat. 4283, provided that: “Not later than the expiration of the 120-day period beginning on the date of enactment of this Act [Nov. 28, 1990], the Secretary of Agriculture shall issue any regulations necessary to carry out the amendment made by subsection (a) [amending this section].”

Pub. L. 101–625, title VII, §706(d), Nov. 28, 1990, 104 Stat. 4298, provided that: “(1) PROPOSED REGULATIONS AND COMMENT PERIOD.—Not later than 120 days after the date of the enactment of this Act [Nov. 28, 1990], the Secretary of Agriculture shall publish in the Federal Register proposed regulations to implement the amendments made by this section [amending this section and section 170ix of Title 12, Banks and Banking]. The Secretary shall receive comments regarding the regulations during the 30-day period beginning on the date of the publication of the proposed regulations.

(2) IMPLEMENTATION.—Not later than 180 days after the date of the enactment of this Act, the Secretary of Agriculture shall issue final regulations to implement the amendments made by this section. The Secretary shall provide for the regulations to take effect not later than 30 days after the date on which the regulations are issued.

(3) APPLICABILITY.—The amendments made by this section shall not apply to guaranteed loans under title V of the Housing Act of 1949 (42 U.S.C. 1471 et seq.) made before the date on which the final regulations issued by the Secretary under paragraph (2) take effect.

(4) CONSULTATION.—In developing and promulgating the regulations under paragraphs (1) and (2), the Secretary of Agriculture shall consult with the chairperson of the Federal Agricultural Mortgage Corporation and shall solicit the views of borrowers, lenders, realtors, and homebuyers that is not connected to a road system, the maximum amount of substandard housing in need of repair, but lack the necessary funding and support to modernize such housing through preservation.

The purpose of this section [amending this section and section 170ix of Title 12, Banks and Banking, and enacting provisions set out above] is to provide for the regulations to take effect not later than 30 days after the date on which the regulations are issued.


(2) Congressman Doug Bereuter of Nebraska was the legislative author of the single family housing loan guarantee program;

(3) 316,625 single family loans have been guaranteed under the program since its implementation in 1991;

(4) the program facilitates home ownership for low- to moderate-income borrowers in rural areas and nonmetropolitan communities who are unable to obtain conventional home mortgage financing; and

(5) in 2003, the average income of a borrower with a loan guaranteed under the section 502 guarantee program was $34,124.”

MAXIMUM LEVEL FOR RURAL SINGLE FAMILY HOUSING ASSISTANCE

Pub. L. 108–447, div. A, title VII, §765, Dec. 8, 2004, 118 Stat. 2847, provided that: “Notwithstanding any other provision of law, for any fiscal year and hereafter, in the case of a high cost isolated rural area in Alaska that is not connected to a road system, the maximum level for the single family housing assistance shall be 150 percent of the average income level in the metropolitan areas of the State and 115 percent of all other eligible areas of the State.”

Similar provisions were contained in the following appropriation acts:


FEES FOR GUARANTEED LOANS

Pub. L. 106–387, §1(a) [title VII, §789], Oct. 28, 2000, 114 Stat. 1549, 1549A–34, which provided that, notwithstanding subsec. (h) of this section, the fee collected by the Secretary of Agriculture for a guaranteed loan under such subsec. (h) at the time of the issuance of such guarantee could be in an amount equal to not more than 2 percent of the principal obligation of the loan, was repealed by Pub. L. 111–212, title I, §102(b), July 29, 2010, 124 Stat. 2303.

INCOME LIMIT FOR BORROWERS

Pub. L. 106–387, §1(a) [title VII, §781], Oct. 28, 2000, 114 Stat. 1549, 1549A–41, provided that: “Hereafter, the Secretary of Agriculture shall consider any borrower whose income does not exceed 115 percent of the median family income of the United States as meeting the eligibility requirements for a borrower contained in section 502(b)(2) of the Housing Act of 1949 (42 U.S.C. 1472(b)(2)).”

RURAL HOUSING LOAN GUARANTEES; FINDINGS AND PURPOSE

Pub. L. 101–625, title VII, §706(a), Nov. 28, 1990, 104 Stat. 4284, provided that: “(1) FINDINGS.—The Congress finds that—

(1) the Federal Government should encourage support for homeownership through nonsubsidized mortgage loans guaranteed by the Secretary of Agriculture for the purchase of modest homes located in rural areas and small communities of the country that are not adequately served by private conventional, federally insured, or guaranteed mortgage credit providers; and

(2) many rural areas contain disproportionate amounts of substandard housing in need of repair, but lack the necessary funding and support to modernize such housing through preservation.

(2) PURPOSE.—The purpose of this section [amending this section and section 170ix of Title 12, Banks and Banking, and enacting provisions set out above] is to

CONGRESSIONAL FINDINGS FOR 2004 AMENDMENT


The purpose of this section [amending this section and section 170ix of Title 12, Banks and Banking, and enacting provisions set out above] is to
expand homeownership opportunities to low- and moderate-income residents of rural areas of the country through the establishment of guaranteed rural housing loans to be made available in rural locations where there is an insufficient availability of mortgage financing from other sources.”

**RURAL HOUSING GUARANTEED LOAN DEMONSTRATION**

Pub. L. 100–242, title III, §304, Feb. 5, 1988, 101 Stat. 1894, as amended by Pub. L. 100–628, title X, §1041(a), (b), Nov. 7, 1988, 102 Stat. 3272, provided for establishment by Secretary of Agriculture of a rural housing guaranteed loan demonstration to provide guaranteed loans in accordance with section 1487(d) of this title and last sentence of section 1490(a)(1)(A) of this title, authorized amount available for such loans, established loan criteria, directed Secretary to submit to Congress, as soon as practicable after Sept. 30, 1989, an interim report setting forth findings and recommendations as a result of the demonstration and a final report on such findings and recommendations as soon as practicable after Sept. 30, 1991, prohibited Secretary from providing any guaranteed loans after Sept. 30, 1991, except pursuant to a commitment entered into on or before such date, and excluded applicability of subsec. (d) of this section and second sentence of section 1487(e) of this title to loan demonstration.

**PROHIBITION ON ACCEPTANCE OF PREPAYMENT OF CERTAIN LOANS**


Pub. L. 99–500, §101(a) [title VI, §634], Oct. 18, 1986, 100 Stat. 2018–34, and Pub. L. 99–591, §101(a) [title VI, §634], Oct. 30, 1986, 100 Stat. 3341–34, provided that: “Notwithstanding any other provision of law, including section 502(c)(2) of the Housing Act of 1949 [42 U.S.C. 170c et seq.] [subsec. (c)(2) of this section], none of the funds appropriated under this or any other Act shall be used prior to June 30, 1987 to accept prepayment of any loan made under section 515 of the Housing Act of 1949 [section 1465 of this title], unless such loan was made at least twenty years prior to the date of prepayment or, for loans made before December 21, 1979, the Secretary makes a determination that a supply of adequate, comparable housing is available in the community, or that prepayment of such loans will not result in a substantial increase in rents to tenants in residence upon date of prepayment or displacement of such tenants.”

**STUDY AND REPORT OF COMPARISON OF CONSTRUCTION COSTS AND ENERGY SAVINGS BETWEEN MANUFACTURED HOMES BUILT UNDER NATIONAL MANUFACTURED HOUSING SAFETY STANDARDS AND OTHER HOMES**

Pub. L. 98–181, title I [title V, §503(b)l, Nov. 30, 1983, 97 Stat. 1241, provided that: “Within 18 months from the issuance by the Secretary of Agriculture of regulations under section 502(e)(2) of the Housing Act of 1949 [subsec. (e)(2) of this section], the Secretary of Energy, in consultation with the Secretary of Housing and Urban Development and the Secretary of Agriculture, shall conduct a study and transmit to the Congress a report that compares the increased construction costs, actual annual energy use, and the projected value of energy saved over the expected life of the home or the mortgage term, whichever is shorter, of manufactured homes which are financed under titles I and II of the National Housing Act [12 U.S.C. 1702 et seq., 1707 et seq.], or under title V of the Housing Act of 1949 [this subchapter] and which are built according to national manufactured housing safety standards with other homes insured under either such Act.”

**STUDY AND REPORT TO CONGRESS OF ADVERSE EFFECTS ON HOUSING OF PREPAYMENT OF LOANS**

Pub. L. 96–399, title V, §514(b), Oct. 8, 1980, 94 Stat. 1672, required Secretary of Agriculture to submit to Congress a study of, and report to Congress not later than 6 months after Oct. 8, 1980, on any adverse effects the amendments made by subsection (a) [amending this section] may have on housing, particularly for the elderly and persons of low income.

**§1473. Loans for housing and buildings on potentially adequate farms; conditions and terms**

If the Secretary determines (a) that, because of the inadequacy of the income of an eligible applicant from the farm to be improved and from other sources, said applicant may not reasonably be expected to make annual repayments of principal and interest in an amount sufficient to repay the loan in full within the period of time prescribed by the Secretary as authorized in this subchapter; (b) that the income of the applicant may be sufficiently increased within a period of not to exceed five years by improvement or enlargement of the farm or an adjustment of the farm practices or methods; and (c) that the applicant has adopted and may reasonably be expected to put into effect a plan of farm improvement, enlargement, or adjusted practices or production which, in the opinion of the Secretary, will increase the applicant’s income from said farm within a period of not to exceed five years to the extent that the applicant may be expected thereafter to make annual repayments of principal and interest sufficient to repay the balance of the indebtedness less payments in cash and credits for the contributions to be made by the Secretary as hereinafter provided, the Secretary may make a loan in an amount necessary to provide adequate farm dwellings and buildings on said farm under the terms and conditions prescribed in section 1472 of this title. In addition, the Secretary may agree with the borrower to make annual contributions during the said five-year period in the form of credits on the borrower’s indebtedness in an amount not to exceed the annual installment of interest and 50 per centum of the principal payments accruing during any installment year up to and including the fifth installment year, subject to the conditions that the borrower’s income is, in fact, insufficient to enable the borrower to make payments in accordance with the plan or schedule prescribed by the Secretary and that the borrower pursues his plan of farm reorganization and improvements or enlargement with due diligence.

Except as provided in title 11, this agreement with respect to credits or principal and interest upon the borrower’s indebtedness shall not be assignable nor accrue to the benefit of any third party without the written consent of the Secretary and the Secretary shall have the right, at his option, to cancel the agreement upon the sale of the farm or the execution or creation of any lien thereon subsequent to the lien given to the Secretary, or to refuse to release the lien given to the Secretary except upon payment in cash of the entire original principal plus accrued
interest thereon less actual cash payments of principal and interest when the Secretary determines that the release of the lien would permit the benefits of this section to accrue to a person not eligible to receive such benefits.


AMENDMENTS

1978—Pub. L. 95–598 inserted introductory phrase “Except as provided in title 11”.

EFFECTIVE DATE OF 1978 AMENDMENT

Amendment by Pub. L. 95–598 effective Oct. 1, 1979, see section 402(a) of Pub. L. 95–598, set out as an Effective Date note preceding section 101 of Title 11, Bankruptcy.

§ 1474. Loans and grants for repairs or improvements of rural dwellings

(a) Prerequisites; purposes; amounts; terms

The Secretary may make a loan, grant, or combined loan and grant to an eligible very low-income applicant in order to improve or modernize a rural dwelling, to make the dwelling safer or more sanitary, or to remove hazards. The Secretary may make a loan or grant under this subsection to the applicant to cover the cost of any or all repairs, improvements, or additions such as repairing roofs, providing sanitary waste facilities, providing a convenient and sanitary water supply, repairing or providing structural supports, or making similar repairs, additions, improvements, including all preliminary and installation costs in obtaining central water and sewer service. The maximum amount of a grant, a loan, or a loan and grant shall not exceed such limitations as the Secretary determines to be appropriate. Any portion of the sums advanced to the borrower treated as a loan shall be secured and be repayable within twenty years in accordance with the principles and conditions set forth in this subchapter, except that a loan for less than $7,500 need be evidenced only by a promissory note. Sums made available by grant set forth in this subchapter, except that a loan or grant under this subsection to an owner of a rental dwelling unit may be made subject to the conditions set forth in this subchapter for the protection of the Government with respect to contributions made on loans made by the Secretary.

(b) Additional purposes

In order to encourage adequate family-size farms the Secretary may make loans under this section and section 1473 of this title to any applicant whose farm needs enlargement or development in order to provide income sufficient to support decent, safe, and sanitary housing and other farm buildings, and may use the funds made available under clause (b) of section 1483 of this title for such purposes.

(c) Weatherization program; development, etc.

(1) In addition to other duties specified in this section, the Secretary shall develop and conduct a weatherization program for the purpose of making grants to finance the purchase or installation, or both, of weatherization materials in dwelling units occupied by low-income families. Such grants shall be made to low-income families who own dwelling units or, subject to the provisions of paragraph (2), to owners of such units for the benefit of the low-income tenants residing therein. In making grants under this subsection, the Secretary shall give priority to the weatherization of dwelling units occupied by low-income elderly or handicapped persons. The Secretary shall, in carrying out this section, consult with the Director of the Community Services Administration and the Secretary of Energy for the purpose of coordinating the weatherization program under this subsection, section 2809(a)(13) of this title, and part A of the Energy Conservation in Existing Buildings Act of 1976 [42 U.S.C. 6861 et seq.].

(2) In the case of any grant made under this subsection to an owner of a rental dwelling unit the Secretary shall provide that (A) the benefits of weatherization assistance in connection with such unit will accrue primarily to the low-income family residing therein, (B) the rents on such dwelling unit will not be raised because of any increase in value thereof due solely to weatherization assistance provided under this subsection, and (C) no undue or excessive enhancement will occur to the value of such unit.

(3) In carrying out this subsection, the Secretary shall (A) implement the weatherization standards described in paragraphs (2)(A) and (3) of section 413(b) of the Energy Conservation in Existing Buildings Act of 1976 [42 U.S.C. 6863(b)], and (B) provide that, with respect to any dwelling unit, not more than $800 of any grant made under this section be expended on weatherization materials and related matters described in section 415(c) of the Energy Conservation in Existing Buildings Act of 1976 [42 U.S.C. 6865(c)], except that the Secretary shall increase such amount to not more than $1,500 to cover labor costs in areas where the Secretary, in consultation with the Secretary of Labor, determines there is an insufficient number of volunteers and training participants and public service employment workers, assisted pursuant to title I of the Workforce Innovation and Opportunity Act [29 U.S.C. 3111 et seq.] or the Community Service Senior Opportunities Act [42 U.S.C. 3056 et seq.], available to work on weatherization projects under the supervision of qualified supervisors.

(4) For purposes of this subsection, the terms “elderly,” “handicapped person,” “low income,” and “weatherization materials” shall have the same meanings given such terms in paragraphs (3), (5), (7), and (9), respectively, of section 412 of the Energy Conservation in Existing Buildings Act of 1976 [42 U.S.C. 6862].
REFERENCES IN TEXT


The Community Service Senior Opportunities Act, referred to in subsec. (c), is Pub. L. 89–753, Aug. 17, 1966, 80 Stat. 1301, as amended. For classification of this Act to the Code, see Short Title note set out under section 2563 of this title and Tables.

AMENDMENTS
2014—Subsec. (c)(3). Pub. L. 113–128 substituted “an insufficient number of volunteers and training participants and public service employment workers, assisted pursuant to title I of the Workforce Innovation and Opportunity Act or the Community Service Senior Opportunities Act,” for “an insufficient number of volunteers and training participants and public service employment workers, assisted pursuant to title I of the Workforce Investment Act of 1998 or the Older American Community Service Employment Act.”


1988—Subsec. (a). Pub. L. 98–181 substituted “The Secretary may make a loan, grant, or combined loan and grant to an eligible very low-income applicant in order to improve or modernize a rural dwelling, to make the dwelling safer or more sanitary, or to remove hazards. The Secretary may make a loan or grant under this subsection to the applicant to cover the cost of improvements or additions, including all preliminary and installation costs in obtaining central water and sewer service. The maximum amount of a grant, a loan, or a loan and grant shall not exceed such limitations as the Secretary determines to be appropriate,” for “in the event the Secretary determines that an eligible applicant cannot qualify for a loan under the provisions of sections 1472 and 1473 of this title and that repairs or improvements should be made to a rural dwelling occupied by him in order to make such dwelling safe and sanitary and remove hazards to the health of the occupant, his family, or the community, and that repairs should be made to farm buildings in order to remove hazards and make such buildings safe, the Secretary may make a grant or a combined loan and grant to the applicant to cover the cost of improvements or additions, such as repairing roofs, providing toilet facilities, providing a convenient and sanitary water supply, supplying screens, repairing or providing structural supports, or making similar repairs, additions, or improvements, including all preliminary and installation costs in obtaining central water and sewer service. No assistance shall be extended to any individual or family under this subsection in the form of a grant in excess of $5,000, and no assistance shall be extended to any individual or family under this subsection in the form of a loan or a combined loan and grant in excess of $7,500.”

1979—Subsec. (a). Pub. L. 96–133 substituted provisions limiting the assistance in the form of grants to any individual or family to $5,000 and in the form of loans or combined loans and grants to $7,500 for provisions limiting loans, grants, or combined loans and grants to $5,000 in the case of assistance to individuals.


1974—Subsec. (a). Pub. L. 93–383 substituted provisions relating to repairs or improvements of a rural dwelling, scope of such repairs or improvements, and limitations of $2,500, or $3,500 in cases involving water or plumbing facilities, as maximum amount of grant or loan.

1970—Subsec. (a). Pub. L. 91–609 increased limitation on amount of assistance from “$1,500” to “$2,500” and provided for an alternative larger amount not exceeding $3,500 as Secretary determines to be necessary in case of repairs or improvements involving water supply, septic tank, or bathroom or kitchen plumbing facilities.

1966—Subsec. (a). Pub. L. 89–754 increased limitation on assistance from $1,000 to $1,500.

1962—Subsec. (a). Pub. L. 87–723 substituted “in the form of a loan, grant, or combined loan and grant in excess of $1,000” for “(1) in the form of a loan, or combined loan and grant, in excess of $1,000, or (2) in the form of a grant (whether or not combined with a loan) in excess of $500.”

EFFECTIVE DATE OF 2014 AMENDMENT
Amendment by Pub. L. 113–128 effective on the first day of the first full program year after July 22, 2014 (July 1, 2015), see section 506 of Pub. L. 113–128, set out as an Effective Date note under section 3101 of Title 29, Labor.

EFFECTIVE DATE OF 1998 AMENDMENT

COMMUNITY SERVICES ADMINISTRATION

§1474a. Security for direct or insured rural housing loans to farmer applicants
On and after August 8, 1968, farmer applicants for direct or insured rural housing loans shall be required to provide only such collateral security as is required of owners of nonfarm tracts.

§ 1475 Loan payment moratorium and foreclosure procedures

(a) Moratorium

During any time that any such loan is outstanding, the Secretary is authorized under regulations to be prescribed by him to grant a moratorium upon the payment of interest and principal on such loan for so long a period as he determines, when showing by the borrower that due to circumstances beyond his control, he is unable to continue making payments of such principal and interest when due without unduly impairing his standard of living. In cases of extreme hardship under the foregoing circumstances, the Secretary is further authorized to cancel interest due and payable on such loans during the moratorium. Should any foreclosure of such a mortgage securing such a loan upon which a moratorium has been granted occur, no deficiency judgment shall be taken against the mortgagor if he shall have faithfully tried to meet his obligation.

(b) Foreclosure procedures

In foreclosing on any mortgage held by the Secretary under this subchapter, the Secretary shall follow the foreclosure procedures of the State in which the property involved is located to the extent such procedures are more favorable to the borrower than the foreclosure procedures that would otherwise be followed by the Secretary. This subsection shall be subject to the availability of amounts approved in appropriations Acts, to the extent additional budget authority is necessary to carry out this subsection.


AMENDMENTS

1990—Pub. L. 101–625 amended section catchline generally, designated existing provisions as subsec. (a) and inserted heading, and added subsec. (b).

§ 1476 Buildings and repairs

(a) Construction in accordance with plans and specifications; supervision and inspection; technical services and research

In connection with financial assistance authorized in this subchapter, the Secretary shall require that all new buildings and repairs financed under this subchapter shall be substantially constructed and in accordance with such building plans and specifications as may be required by the Secretary. Buildings and repairs constructed with funds advanced pursuant to this subchapter shall be supervised and inspected as required by the Secretary. In addition to the financial assistance authorized in this subchapter, the Secretary is authorized to furnish, through such agencies as he may determine, to any person, including a person eligible for financial assistance under this subchapter, without charge or at such charges as the Secretary may determine, technical services such as building plans, specifications, construction supervision and inspection, and advice and information regarding farm dwellings and other buildings.

(b) Research and technical studies for reduction of costs and adaptation and development of fixtures and appurtenances

The Secretary is further authorized and directed to conduct research, technical studies, and demonstrations relating to the mission and programs of the Farmers Home Administration and the national housing goals defined in section 1441 of this title. In connection with such activities, the Secretary shall seek to promote the demonstration of an adequate farm and other rural housing, with particular attention to the housing needs of the elderly, handicapped, migrant and seasonal farmworkers, Indians and other identifiable groups with special needs. The Secretary shall conduct such activities for the purposes of stimulating construction and improving the architectural design and utility of dwellings and buildings. In carrying out this subsection, the Secretary may permit demonstrations involving innovative housing units and systems which do not meet existing published standards, rules, regulations, or policies if the Secretary finds that in so doing, the health and safety of the population of the area in which the demonstration is carried out will not be adversely affected, except that the aggregate expenditures for such demonstrations may not exceed $10,000,000 in any fiscal year.

(c) Research, study, and analysis of farm housing

The Secretary is further authorized to carry out a program of research, study, and analysis of farm housing in the United States to develop data and information on—

1. the adequacy of existing farm housing;
2. the nature and extent of current and prospective needs for farm housing, including needs for financing and for improved design, utility, and comfort, and the best methods of satisfying such needs;
3. problems faced by farmers and other persons eligible under section 1471 of this title in purchasing, constructing, improving, altering, repairing, and replacing farm housing;
4. the interrelation of farm housing problems and the problems of housing in urban and suburban areas; and
5. any other matters bearing upon the provision of adequate farm housing.

(d) Research capacity within Farmers Home Administration; establishment; authority

In order to carry out this section, the Secretary shall establish a research capacity within the Farmers Home Administration which shall have authority to undertake, or to contract with any public or private body to undertake, research authorized by this section.

(e) Preparation and submission of estimates of housing needs

The Secretary of Agriculture shall prepare and submit to the President and to the Congress estimates of national rural housing needs and re-
ports with respect to the progress being made toward meeting such needs and correlate and recommend proposals for such executive action or legislation necessary or desirable for the furtherance of the national housing objective and policy established by this Act with respect to rural housing, together with such other reports or information as may be required of the Secretary by the President or the Congress.

(f) Study of housing available for migrant and settled farmworkers

(1) The Secretary shall conduct a study of housing which is available for migrant and settled farmworkers. In conducting such study, the Secretary shall—

(A) determine the location, number, quality, and condition of housing units which are available to such farmworkers and the cost assessed such farmworkers for occupying such units;

(B) recommend legislative, administrative, and other action (including the need for new authority for such action) which may be taken for the purpose of improving both the availability and the condition of such housing units; and

(C) determine the possible roles which individual farmworkers, farmworker associations, individual farmers, farmer associations, and public and private nonprofit agencies can perform in improving the housing conditions of farmworkers.

(2) The Secretary shall transmit the results of the study described in paragraph (1) to each House of the Congress within one year after October 31, 1978.

(3) The Secretary shall—

(a) make progress reports on the study described in paragraph (1) to each House of the Congress within one year after October 31, 1978; and

(b) transmit to the Congress at the close of each fiscal year on the results of such demonstrations.

The Secretary shall report to the Congress at the close of each fiscal year on the results of such demonstrations.

AMENDMENTS


1978—Subsec. (b). Pub. L. 95–557, § 502(a), revised the provisions of this subsection to bring particular attention to the housing needs of the elderly, handicapped, migrant and seasonal farmworkers, Indians and other identifiable groups.


1977—Subsec. (d). Pub. L. 95–123 substituted provision respecting establishment and authority of a research capacity within the Farmers Home Administration for provision to carry out subsections (b) and (c) of this section.

Subsec. (e). Pub. L. 95–128, § 506(a), substituted provisions authorizing grants to such other private or public agencies as selected by the Secretary upon finding that such research and study could not be performed by personnel and facilities of the Department of Agriculture or land-grant colleges, for provisions authorizing grants to such other agencies as selected by the Secretary.

Subsec. (f). Pub. L. 95–383, § 506(b), substituted “rural housing” for “farm housing” wherever appearing.

1965—Subsec. (a). Pub. L. 89–117 substituted “this subchapter” for sections 1471 to 1474 and sections 1484 to 1486 of this title wherever appearing.


1961—Subsec. (b). Pub. L. 87–70, §§ 804(b)(1), 805(a)(1), inserted a reference to section 1484 of this title in two places, and struck out provisions which authorized the conduct of research and technical studies including the development, demonstration, and promotion of construction of adequate farm dwellings and other buildings for the purposes of stimulating construction, improving architectural design and utility, utilizing new and native materials, economies in materials and construction methods, and new methods of production, distribution, assembly, and construction, which provisions are now contained in subsec. (b) of this section.

Subsec. (c). Pub. L. 87–70, §§ 805(a)(2), (3), added subsec. (c) to (d) and redesignated former subsec. (b) as (e). Provisions of subsec. (b) were formerly contained in subsec. (a).

STUDY OF EMERGENCY POTABLE WATER AND SEWAGE PROGRAM

Pub. L. 95–557, title V, § 508, Oct. 31, 1978, 92 Stat. 2114, required Secretary of Agriculture to determine the approximate number of rural housing units without access to sanitary toilet facilities or potable water, prepare a projection of the cost providing such facilities and supplies, and report to Congress not later than six months after Oct. 31, 1978.

REPORT OF ESTIMATES OF NATIONAL FARM HOUSING NEEDS

Pub. L. 89–348, § 1(5), Nov. 8, 1965, 79 Stat. 1310, repealed provisions of subsec. (e) of this section which related to reports of the estimates of national farm housing needs and of progress toward meeting such needs.

§ 1477. Preferences for veterans and families of deceased servicemen

As between eligible applicants seeking assistance under sections 1471 to 1474, inclusive, of
this title, the Secretary shall give preference to veterans and the families of deceased service- men. As used herein, a “veteran” shall mean a person who served in the military forces of the United States during any war between the United States and any other nation or during the period beginning June 27, 1950, and ending on such date as shall be determined by Presidential proclamation or concurrent resolution of Congress, or during the period beginning after January 31, 1955, and ending on August 4, 1964, or during the Vietnam era (as defined in section 101(29) of title 38), and who was discharged or released therefrom on conditions other than dishonorable. “Deceased servicemen” shall mean persons who served in the military forces of the United States during any war between the United States and any other nation or during the period beginning June 27, 1950, and ending on such date as shall be determined by Presidential proclamation or concurrent resolution of Congress, or during the period beginning after January 31, 1955, and ending on August 4, 1964, or during the Vietnam era (as defined in section 101(29) of title 38), and who died in service before the termination of such war or such period or era. (July 15, 1949, ch. 338, title V, §507, 63 Stat. 435; June 30, 1953, ch. 174, §3, 67 Stat. 132; Pub. L. 87–70, title VIII, §804(b)(2), June 30, 1961, 75 Stat. 188; Pub. L. 93–383, title V, §507, Aug. 22, 1974, 88 Stat. 694.)

AMENDMENTS
1974—Pub. L. 93–383 inserted references to the period beginning after Jan. 31, 1955 and ending on Aug. 4, 1964, or during the Vietnam era wherever appearing therein. 1963—Pub. L. 87–70 substituted “under sections 1471 to 1474, inclusive, of this title” for “under this subchapter.” 1953—Act June 30, 1963, enlarged the definition of “veteran” and “deceased servicemen” to include members of the armed forces who have served during the Korean conflict.

PERIOD OF SERVICE IN MILITARY FORCES
Proc. No. 3080, Jan. 5, 1955, 30 F.R. 173, fixed Jan. 31, 1955, as the date ending the period during which persons must have served in the military forces in order that such persons come within the meaning of the terms “veteran” and “deceased servicemen”, contained in this section, by reason of service during the period beginning June 27, 1950.

CONTINUATION OF PROVISIONS
Joint Res. July 3, 1952, ch. 570, §1(a)(20), 66 Stat. 332, as amended by Joint Res. Mar. 31, 1953, ch. 13, §1, 67 Stat. 18, provided that qualification period should continue in force until six months after the termination of the national emergency proclaimed by the President on Dec. 16, 1950 by 1950 Proc. No. 2914, 15 F.R. 9809, set out as a note preceding section 1 of Title 50, War and National Defense, or such earlier date or dates as may be provided for by Congress, but in no event beyond July 1, 1953. Section 7 of Joint Res. July 3, 1952, provided that it should become effective June 16, 1952.

REPEAL OF PRIOR ACTS CONTINUING SECTION

§1478. Local committees to assist Secretary
(a) Composition, appointment, and compensation; chairman; promulgation of procedural rules; forms and equipment
For the purposes of this subsection and subsection (b) of this section, the Secretary may use the services of any existing committee of farmers operating (pursuant to laws or regulations carried out by the Department of Agriculture) in any county or parish in which activities are carried on under this subchapter. In any county or parish in which activities are carried on under this subchapter and in which no existing satisfactory committee is available, the Secretary is authorized to appoint a committee composed of three persons residing in the county or parish. Each member of such existing or newly appointed committee shall be allowed compensation at the rate determined by the Secretary while engaged in the performance of duties under this subchapter and, in addition, shall be allowed such amounts as the Secretary may prescribe for necessary traveling and subsistence expenses. One member of the committee shall be designated by the Secretary as chairman. The Secretary shall prescribe rules governing the procedures of the committees, furnish forms and equipment necessary for the performance of their duties, and authorize and provide for the compensation of such clerical assistance as he deems may be required by any committee.

(b) Duties
The committees utilized or appointed pursuant to this section may examine applications of persons desiring to obtain the benefits of section 1471(a)(1) and (2) of this title as they relate to the successful operation of a farm, and may submit recommendations to the Secretary with respect to each applicant as to whether the applicant is eligible to receive such benefits, whether by reason of his character, ability, and experience he is likely successfully to carry out undertakings required of him under a loan under such section, and whether the farm with respect to which the application is made is of such character that there is a reasonable likelihood that the making of the loan requested will carry out the purposes of this subchapter. The committees may also certify to the Secretary with respect to the amount of any loan.


AMENDMENTS
1974—Subsec. (b). Pub. L. 93–383 substituted provisions relating to examination of applications under section 1471(a)(1) and (2) of this title, and certification to the Secretary with respect to amount of any loan, for provisions relating to examination of applications under provisions of this subchapter, certification to the Secretary with respect to the amount of the loan or grant, and requiring performance of such other duties as the Secretary requests.
1970—Subsec. (b). Pub. L. 91–609 substituted “may” for “shall” in first and second sentences where reading “shall examine”, “shall submit”, and “shall also certify”.

1478. Local committees to assist Secretary
(a) Composition, appointment, and compensation; chairman; promulgation of procedural rules; forms and equipment
(b) Duties

Title: §1478. Local committees to assist Secretary
Subtitle: (a) Composition, appointment, and compensation; chairman; promulgation of procedural rules; forms and equipment
Description: For the purposes of this subsection and subsection (b) of this section, the Secretary may use the services of any existing committee of farmers operating (pursuant to laws or regulations carried out by the Department of Agriculture) in any county or parish in which activities are carried on under this subchapter. In any county or parish in which activities are carried on under this subchapter and in which no existing satisfactory committee is available, the Secretary is authorized to appoint a committee composed of three persons residing in the county or parish. Each member of such existing or newly appointed committee shall be allowed compensation at the rate determined by the Secretary while engaged in the performance of duties under this subchapter and, in addition, shall be allowed such amounts as the Secretary may prescribe for necessary traveling and subsistence expenses. One member of the committee shall be designated by the Secretary as chairman. The Secretary shall prescribe rules governing the procedures of the committees, furnish forms and equipment necessary for the performance of their duties, and authorize and provide for the compensation of such clerical assistance as he deems may be required by any committee.

(b) Duties
The committees utilized or appointed pursuant to this section may examine applications of persons desiring to obtain the benefits of section 1471(a)(1) and (2) of this title as they relate to the successful operation of a farm, and may submit recommendations to the Secretary with respect to each applicant as to whether the applicant is eligible to receive such benefits, whether by reason of his character, ability, and experience he is likely successfully to carry out undertakings required of him under a loan under such section, and whether the farm with respect to which the application is made is of such character that there is a reasonable likelihood that the making of the loan requested will carry out the purposes of this subchapter. The committees may also certify to the Secretary with respect to the amount of any loan.
§ 1479. General powers of Secretary

(a) Standards of adequate farm housing and other buildings; criteria

The Secretary, for the purposes of this subchapter, shall have the power to determine and prescribe the standards of adequate farm housing and other buildings, by farms or localities, taking into consideration, among other factors, the type of housing which will provide decent, safe, and sanitary dwelling for the needs of the family using the housing, the type and character of the farming operations to be conducted, and the size and earning capacity of the land. The Secretary shall approve a residential building as meeting such standards if the building is constructed in accordance with (1) the minimum standards prescribed by the Secretary, (2) the minimum property standards prescribed by the Secretary of Housing and Urban Development for mortgages insured under title II of the National Housing Act [12 U.S.C. 1707 et seq.], (3) the standards contained in any of the voluntary national model building codes, or (4) in the case of manufactured housing, the standards referred to in section 1472(e) of this title. To the maximum extent feasible, the Secretary shall promote the use of energy saving techniques through standards established by such Secretary for newly constructed residential housing assisted under this subchapter. Such standards shall, insofar as practicable, be consistent with the standards established pursuant to section 526 of the National Housing Act [12 U.S.C. 1735–4] and shall incorporate the energy performance requirements developed pursuant to such section.

(b) Terms or conditions of leases or occupancy agreements subject to change with approval of Secretary

The Secretary may require any recipient of a loan or grant to agree that the availability of improvements constructed or repaired with the proceeds of the loan or grant under this subchapter shall not be a justification for directly or indirectly changing the terms or conditions of the lease or occupancy agreement with the occupants of such farms to the latter’s disadvantage without the approval of the Secretary.

(c) Rural Housing Insurance Fund for payment of expenditures respecting construction defects; judicial review prohibition

The Secretary is authorized, after October 1, 1977, with respect to any unit or dwelling newly constructed during the period beginning eighteen months prior to October 12, 1977, and purchased with financial assistance authorized by this subchapter which he finds to have structural defects to make expenditures for (1) correcting such defects, (2) paying the claims of the owner of the property arising from such defects, or (3) acquiring title to the property, if such assistance is requested by the owner of the property within thirty-six months after financial assistance under this subchapter is rendered to the owner of the property or, in the case of property with respect to which assistance was made available within eighteen months prior to October 12, 1977, within thirty-six months after October 12, 1977. Expenditures pursuant to this subsection, and the terms and conditions under which the same are approved or disapproved, shall not be subject to judicial review.

(d) Defaults involving security interest in tribal lands

In the event of default involving a security interest in tribal allotted or trust land, the Secretary shall only pursue liquidation after offering to transfer the account to an eligible tribal member, the tribe, or the Indian housing authority serving the tribe or tribes. If the Secretary subsequently proceeds to liquidate the account, the Secretary shall not sell, transfer, or otherwise dispose of or alienate the property except to one of the entities described in the preceding sentence.

(e) Terms and conditions; regulations

The Secretary shall, by regulation, prescribe the terms and conditions under which expenditures and payments may be made under the provisions of this section.

(f) Housing in underserved areas

(1) Designation of underserved area

The Secretary shall designate as targeted underserved areas 100 counties and communities in each fiscal year that have severe, unmet housing needs as determined by the Secretary. A county or community shall be eligible for designation if, during the 5-year period preceding the year in which the designation is made, it has received an average annual amount of assistance under this subchapter that is substantially lower than the average annual amount of such assistance received during that 5-year period by other counties and communities in the State that are eligible for such assistance calculated on a per capita basis, and has—

(A) 20 percent or more of its population at or below poverty level; and

(B) 10 percent or more of its population residing in substandard housing.

As used in this paragraph, the term “poverty level” has the meaning given the term in section 5302(a)(9) of this title.

(2) Preferences

In selecting projects to receive assistance with amounts set aside under paragraph (4), the Secretary shall give preference to any project located in a county or community that has, at the time of designation and as determined by the Secretary—

(A) 28 percent or more of its population at or below poverty level; and

(B) 13 percent or more of its population residing in substandard housing.

In designating underserved areas under paragraph (1), in each fiscal year the Secretary...
shall designate not less than 5 counties or communities that contain tribal allotted or Indian trust land.

(3) Outreach program and review
(A) Outreach

The Secretary shall publicize the availability to targeted underserved areas of grants and loans under this subchapter and promote, to the maximum extent feasible, efforts to apply for those grants and loans for housing in targeted underserved areas.

(B) Review

Upon the receipt of data from the 1990 decennial census, the Secretary shall conduct a review of any designations made under paragraph (1) and preferences given under paragraph (2) and the eligibility of communities and counties for such designation and preference, examining the effects of such data on such eligibility. The Secretary shall submit to the Congress, not later than 9 months after the availability of the data, a report regarding the review, which shall include any recommendations of the Secretary for modifications in the standards for designation and preference.

(4) Set-aside for targeted underserved areas and colonias
(A) In general

The Secretary shall set aside and reserve for assistance in targeted underserved areas an amount equal to 5.0 percent in each fiscal year of the aggregate amount of lending authority under sections 1472, 1474, 1484, 1485, and 1490d of this title. During each fiscal year, the Secretary shall set aside from amounts available for assistance under paragraphs (2) and (5) of section 1490a(a) of this title, an amount that is appropriate to provide assistance with respect to the lending authority under sections 1484 and 1485 of this title that is set aside for such fiscal year. The Secretary shall establish a procedure to reallocate any assistance set aside in any fiscal year for targeted underserved areas that has not been expended during a reasonable period in such year for use in (i) colonias that have applied for and are eligible for assistance under subparagraph (B) or paragraph (7) and did not receive assistance, and (ii) counties and communities eligible for designation as targeted underserved areas but which were not so designated. The procedure shall also provide that any assistance reallocated under the preceding sentence that has not been expended by a reasonable date established by the Secretary (which shall be after the expiration of the period referred to in the preceding sentence) shall be made available and allocated under the laws and regulations relating to such assistance, notwithstanding this subsection.

(B) Priority for colonias

(i) Notwithstanding the designation of counties and communities as targeted underserved areas under paragraph (1) and the provisions of section 1490 of this title, colonias shall be eligible for assistance with

amounts reserved under subparagraph (A), as provided in this subparagraph.

(ii) In providing assistance from amounts reserved under this paragraph in each fiscal year, the Secretary shall give priority to any application for assistance to be used in, or in close proximity to, and serving the residents of, a colonia located in a State described under clause (iii). After the Secretary has provided assistance under the priority for colonias located in a State in an amount equal to 5 percent of the total amount of assistance allocated under this subchapter to such State in the fiscal year, the priority shall not apply to any applications for colonias in such State.

(iii) This paragraph shall apply to any State for any fiscal year following 2 fiscal years in which the State obligated the total amount of assistance allocated to it under this subchapter during each of such 2 fiscal years.

(5) List of underserved areas

The Secretary shall publish annually the current list of targeted underserved areas in the Federal Register.

(6) Project preparation assistance
(A) In general

The Secretary may make grants to eligible applicants under subparagraph (D) to promote the development of affordable housing in targeted underserved areas and colonias.

(B) Use

A grant under this paragraph shall not exceed an amount that the Secretary determines to equal the customary and reasonable costs incurred in preparing an application for a loan under section 1472, 1474, 1484, 1485, or 1490d of this title, or a grant under section 1490m of this title (including pre-application planning, site analysis, market analysis, and other necessary technical assistance). The Secretary shall adjust the loan or grant amount under such sections to take account of project preparation costs that have been paid from grant proceeds under this paragraph and that normally would be reimbursed with proceeds of the loan or grant.

(C) Approval

The Secretary shall approve a properly submitted application or issue a written statement indicating the reasons for disapproval not later than 60 days after the receipt of the application.

(D) Eligibility

For purposes of this paragraph, an eligible applicant may be a nonprofit organization or corporation, a community housing development organization, State, unit of general local government, or agency of a State or unit of general local government.

(E) Availability of funding

Any amounts appropriated to carry out this paragraph shall remain available until expended.
(7) Priority for colonias

(A) In general

In providing assistance under this subchapter in any fiscal year described under subparagraph (B), each State in which colonias are located shall give priority to any application for assistance to be used in a colonia. The priority under this subparagraph shall not apply in such State after 5 percent of the assistance available in such fiscal year has been allocated for colonias qualifying for the priority.

(B) Covered years

This paragraph shall apply to any fiscal year following 2 fiscal years in which the State did not obligate the total amount of assistance allocated it under this subchapter during each of such 2 fiscal years.

(8) “Colonia” defined

For purposes of this subsection, the term “colonia” means any identifiable community that—

(A) is in the State of Arizona, California, New Mexico, or Texas;

(B) is in the area of the United States within 150 miles of the border between the United States and Mexico, except that the term does not include any standard metropolitan statistical area that has a population exceeding 1,000,000;

(C) is determined to be a colonia on the basis of objective criteria, including lack of potable water supply, lack of adequate sewage systems, and lack of decent, safe, and sanitary housing; and

(D) was in existence as a colonia before November 28, 1990.


Subsec. (f)(4)(B)(i). Pub. L. 102–550, §705(c), inserted “, or in close proximity to, and serving the residents of,” before “a colonia”.

Subsec. (f)(8)(C) to (E). Pub. L. 102–550, §705(b), redesignated subpar. (D) as (C), struck out former subpar. (C) which read as follows: “is designated by the State or county in which it is located as a colonia;”, added subpar. (D), and struck out subpar. (E) which read as follows: “was in existence and generally recognized as a colonia before November 28, 1990.”

1990—Subsecs. (d), (e). Pub. L. 101–625, §708, added subsec. (d) and redesignated former subsec. (d) as (e).


1988—Subsec. (a). Pub. L. 100–202 inserted provisions relating to standards, designated cls. (1) to (4), the compliance with which will result in approval by the Secretary, and inserted provision relating to the promotion of the use of energy saving techniques.

1979—Subsec. (c). Pub. L. 96–153 substituted “within thirty-six months after October 12, 1977” for “within eighteen months after October 12, 1977”.

1977—Subsecs. (c), (d). Pub. L. 95–128 added subsec. (c) and (d).

Effective Date of 1996 Amendment

Amendment by Pub. L. 104–120 to be construed to have become effective Oct. 1, 1995, see section 13(a) of Pub. L. 104–120, set out as an Effective and Termination Dates of 1996 Amendments note under section 1437d of this title.

References in Text

The National Housing Act, referred to in subsec. (a), is act June 27, 1934, ch. 847, 48 Stat. 1246, as amended. Title II of the National Housing Act is classified principally to subchapter II (§1707 et seq.) of chapter 13 of Title 12, Banks and Banking. For complete classification of this Act to the Code, see section 1701 of Title 12 and Tables.

Amendments


Pub. L. 104–120 substituted “fiscal year 1996” for “fiscal years 1963 and 1944” and “During such fiscal year” for “During each such fiscal year”.


Subsec. (f)(4)(B)(i). Pub. L. 102–550, §705(c), inserted “, or in close proximity to, and serving the residents of,” before “a colonia”.

1990—Subsecs. (d), (e). Pub. L. 101–625, §708, added subsec. (d) and redesignated former subsec. (d) as (e).


1988—Subsec. (a). Pub. L. 100–202 added provisions relating to standards, designated cls. (1) to (4), the compliance with which will result in approval by the Secretary, and inserted provision relating to the promotion of the use of energy saving techniques.

1979—Subsec. (c). Pub. L. 96–153 substituted “within thirty-six months after October 12, 1977” for “within eighteen months after October 12, 1977”.

1977—Subsecs. (c), (d). Pub. L. 95–128 added subsec. (c) and (d).

Regulations

Pub. L. 101–625, title VII, §709(c), Nov. 28, 1990, 104 Stat. 4288, provided that: “The purpose of this section [amending this section and enacting provisions set out above] is to improve the quality of affordable housing in communities that have extremely high concentrations of poverty and substandard housing and that have been underserved by rural housing programs, including extremely distressed areas in the Lower Mississippi Delta and other regions of the Nation, by directing Farmers Home Administration assistance toward designated underserved areas.”

Housing in Underserved Areas

Pub. L. 101–625, title VII, §709(a), Nov. 28, 1990, 104 Stat. 4288, provided that: “Not later than the expiration of the 120-day period beginning on the date of enactment of the Cranston-Gonzalez National Affordable Housing Act [Nov. 28, 1990], the Secretary of Agriculture shall issue any regulations necessary to carry out the amendment made by this section [amending this section].”

Exemptions of Existing Dwellings From Living Area Limitations; Authority of District Offices of Farmers’ Home Administration

Pub. L. 100–202, §1301(k) [title VI, §632], Dec. 22, 1987, 101 Stat. 1239–322, 1239–356, provided that: “During fiscal year 1988 and each succeeding fiscal year, the Secretary of Agriculture shall permit each district office of the Farmers Home Administration to exempt any existing dwelling from any limitation established by the Secretary on the number of square feet of living area that may be contained in a dwelling to be eligible for a loan.
§ 1480. Administrative powers of Secretary

In carrying out the provisions of this subchapter, the Secretary shall have the power to—

(a) Service and supply contracts

make contracts for services and supplies without regard to the provisions of section 6101 of title 41, when the aggregate amount involved is less than $300;

(b) Subordination, subrogation, and other agreements

enter into subordination, subrogation, or other agreements satisfactory to the Secretary;

(c) Compromise of claims and obligations

compromise, adjust, reduce, or charge-off claims, and adjust, modify, subordinate, or release the terms of security instruments, leases, contracts, and agreements entered into or administered by the Secretary under this subchapter, as circumstances may require, including the release of borrowers or others obligated on a debt from personal liability with or without payment of any consideration at the time of the compromise, adjustment, reduction, or charge-off of any claim;

(d) Collection of claims and obligations

collect all claims and obligations arising out of or under any mortgage, lease, contract, or agreement entered into pursuant to this subchapter and, if in his judgment necessary and advisable, to pursue the same to final collection in any court having jurisdiction: Provided, That the prosecution and defense of all litigation under this subchapter shall be conducted under the supervision of the Attorney General and the legal representation shall be by the United States attorneys for the districts, respectively, in which such litigation may arise and by such other attorney or attorneys as may, under law, be designated by the Attorney General; except that—

(1) prosecution and defense of any litigation under section 1472 of this title shall be conducted, at the discretion of the Secretary, by—

(A) the United States attorneys for the districts in which the litigation arises and any other attorney that the Attorney General may designate under law, under the supervision of the Attorney General;

(B) the General Counsel of the Department of Agriculture; or

(C) any other attorney with whom the Secretary enters into a contract after a determination by the Secretary that—

(i) the attorney will provide competent and cost-effective representation for the Farmers Home Administration; and

(ii) representation by the attorney will either (I) accelerate the process by which a family or person eligible for assistance under section 1472 of this title will be able to purchase and occupy the housing involved; or (II) preserve the quality of the housing involved; and

(2) the Secretary shall annually submit to the Congress a report describing activities carried out under paragraph (1)(C), including the cost of entering into contracts with such attorneys and the savings resulting from expedited foreclosure proceedings;

(e) Purchase of pledged or mortgaged property

bid for and purchase at any foreclosure or other sale; operation, sale or disposition of said property

(f) Processing of applications received prior to determination of nonrural status; assistance

continue processing as expeditiously as possible applications on hand received prior to the time an area has been determined by the Secretary not to be “rural” or a “rural area”, as those terms are defined in section 1490 of this title, and make loans or grants to such...
applicants who are found to be eligible on the same basis as though the area were still rural;

(g) Rules and regulations for written notice of denial or reduction of assistance

issue rules and regulations which assure that applicants denied assistance under this subchapter or persons or organizations whose assistance under this subchapter is being substantially reduced or terminated are given written notice of the reasons for denial, reduction or termination and are provided at least an opportunity to appeal an adverse decision and to present additional information relevant to that decision to a person, other than the person making the original determination, who has authority to reverse the decision, except that rules issued under this subsection may not exclude from their coverage decisions made by the Secretary that are not based on objective standards contained in published regulations;

(h) Assistance in connection with transfers and assumptions of property for nonrural areas

notwithstanding that an area ceases, or has ceased, to be “rural”, in a “rural area”, or an eligible area, make assistance under this subchapter available for subsequent loans to permit necessary dwelling repairs and rehabilitation and in connection with transfers and assumptions of property securing any loan made, insured, or held by the Secretary or in connection with any property held by the Secretary under this subchapter on the same basis as though the area were still rural;

(i) Utilization of indebtedness

utilize with respect to the indebtedness arising from loans and payments made under this subchapter all the powers and authorities given to him under sections 1150 to 1150b of title 12;

(j) Fee inspectors and appraisers

utilize the services of fee inspectors and fee appraisers to expedite the processing of applications for loans and grants under this subchapter, which services shall be utilized in any case in which a county or district office is unable to expeditiously process such loan and grant applications, and to include the cost of such services in the amount of such loans and grants;

(k) Rules and regulations

make such rules and regulations as he deems necessary to carry out the purposes of this subchapter.


“(1) borrowers who have transferred their farms to other approved applicants for loans who have agreed to assume the outstanding indebtedness to the Secretary under this subchapter; and

“(2) borrowers who have transferred their farms to other approved applicants for loans who have agreed to assume that portion of the outstanding indebtedness to the Secretary under this subchapter which is equal to the earning capacity value of the farm at the time of the transfer, and borrowers whose farms have been acquired by the Secretary, in cases where the Secretary determines that the original borrowers have cooperated in good faith with the Secretary, have farmed in a workmanlike manner, used due diligence to maintain the security against loss, and otherwise fulfilled the covenants incident to their loans, to the best of their abilities;”.

Subsc. (d). Pub. L. 100–446 inserted before semicolon at end “;” except that— and added pars. (1) and (2).

1984—Subsec. (e). Pub. L. 98–479 substituted “; such” and “; where” for “; Such” and “; Where”, respectively.

1983—Subsec. (e). Pub. L. 98–181, §507(a), inserted provisions relating to the authority of the Secretary to transfer section 1472 inventory property to private non-profit organizations or public bodies.

Subsecs. (j), (k). Pub. L. 98–181, §507(b), added subsec. (j) and redesignated former subsec. (j) as (k).


1979—Subsec. (e). Pub. L. 96–133 substituted “United States therein, to repair and rehabilitate such property, and to sell” for “United States therein and to sell”, and inserted provision that the Secretary may not sell or otherwise dispose of such property unless the conditions in cls. (1) to (3) are satisfied.

1978—Subsecs. (g) to (j). Pub. L. 95–557 added subsec. (g) and redesignated former subsec. (g), (h), and (i) as (h), (i), and (j), respectively.

1976—Subsecs. (f) to (i). Pub. L. 94–375 added subsecs. (f) and (g) and redesignated former subsecs. (f) and (g) as (h) and (i), respectively.

Termination of Reporting Requirements

For termination, effective May 15, 2000, of reporting provisions in subsec. (d)(2) of this section, see section 3003 of Pub. L. 104–66, as amended, set out as a note
under section 1113 of Title 31, Money and Finance, and the last item on page 47 of House Document No. 103–7.

STUDY OF PROBLEMS CAUSED BY REMOTE CLAIMS
Pub. L. 95–567, title V, §509, Oct. 31, 1978, 92 Stat. 2114, directed Secretary of Agriculture to make a detailed study of problems associated with obtaining title insurance in rural areas with respect to real property encumbered by remote claims and make a final report to Congress with respect to such study not later than one year after Oct. 31, 1978.

§ 1481. Issuance of notes and obligations for loan funds; amount; limitation; security; form and denomination; interest; purchase and sale by Treasury; public debt transaction

The Secretary may issue notes and other obligations for purchase by the Secretary of the Treasury for the purpose of making direct loans under this subchapter. The notes and obligations issued by the Secretary shall be secured by the obligations of borrowers and the Secretary’s commitments to make contributions under this subchapter and shall be repaid from the payment of principal and interest on the obligations of the borrowers and from funds appropriated hereunder. The notes and other obligations issued by the Secretary shall be in such forms and denominations, shall have such maturities, and shall be subject to such terms and conditions as may be prescribed by the Secretary with the approval of the Secretary of the Treasury. Each such note or other obligation shall bear interest at the average rate, as determined by the Secretary of the Treasury, payable by the Treasury upon its marketable public obligations outstanding at the beginning of the fiscal year in which such note or other obligation is issued, which are neither due nor callable for redemption for 15 years from their date of issuance.

The Secretary of the Treasury is authorized and directed for 15 years from their date of issue. The amount of notes and obligations, $50,000,000 be available exclusively for assistance to elderly persons under clause (3) of section 1471(a) of this title, and changed the method for setting the interest on notes and obligations from that of having the Secretary set a rate taking into consideration the current average rate on outstanding marketable obligations of the United States as of the last day of the month preceding the issuance of the notes or obligations to that of the Secretary setting a rate equal to the average rate payable by the Treasury upon its marketable public obligations outstanding at the beginning of the fiscal year in which such note or other obligation is issued, which are neither due nor callable for redemption for 15 years from their date of issuance.

AMENDMENTS
1984—Pub. L. 98–479 substituted “chapter 31 of title 31” for “the Second Liberty Bond Act, as amended” and “such chapter” for “such Act”.

1963—Pub. L. 88–181 struck out second sentence providing that total principal amount of such notes and obligations issued pursuant to this section during the period beginning July 1, 1956, and ending October 1, 1969, shall not exceed $500,000,000.

1962—Pub. L. 87–723 changed the purpose for which the Secretary may issue notes and other obligations for purchase by the Secretary of the Treasury from that of making loans under this subchapter (other than loans under section 1474(b) or 1485 of this title) to that of making direct loans under the entire subchapter, substituted “October 1969” for “September 30, 1965”, eliminated reservation that, of the allowable $500,000,000 principal amount of notes and obligations, $50,000,000 be available exclusively for assistance to elderly persons under clause (3) of section 1471(a) of this title, and changed the method for setting the interest on notes and obligations from that of having the Secretary set a rate taking into consideration the current average rate on outstanding marketable obligations of the United States as of the last day of the month preceding the issuance of the notes or obligations to that of the Secretary setting a rate equal to the average rate payable by the Treasury upon its marketable public obligations outstanding at the beginning of the fiscal year in which such note or other obligation is issued, which are neither due nor callable for redemption for 15 years from their date of issuance.

1964—Pub. L. 88–560 substituted “September 30, 1965” for “June 30, 1965”, and “$650,000,000” for “$700,000,000”.

1962—Pub. L. 87–723 substituted “1474(b) or 1485” for “1474(b)” and “$700,000,000, of which $50,000,000 shall be available exclusively for assistance to elderly persons as provided in clause (3) of section 1471(a) of this title” for “$500,000,000”.

1961—Pub. L. 87–70 substituted “June 30, 1965” for “June 30, 1961”, and “$550,000,000” for “$450,000,000”.


1955—Act Aug. 11, 1955, authorized an additional $100,000,000 on and after July 1, 1955.

1954—Act Aug. 2, 1954, substituted “$100,000,000” for the authorization of “$50,000,000” on and after July 1, 1954) which had been inserted by Act June 29, 1954. Act June 29, 1954, authorized an additional $8,500,000 on and after July 1, 1954.

1952—Act July 14, 1952, authorized an additional $100,000,000 for fiscal year 1954.

EFFECTIVE DATE OF 1956 AMENDMENT
Act Aug. 7, 1956, ch. 1028, title VI, §606(d), 79 Stat. 1115, provided that: ‘‘This section [amending this section and sections 1482 and 1483 of this title] shall take effect as of July 1, 1956.’’


§ 1483. Program levels and authorizations

(a) In general

(1) The Secretary may, to the extent approved in appropriation Acts, insure and guarantee loans under this subchapter during fiscal years 1993 and 1994, in aggregate amounts not to exceed $2,446,855,600 and $2,549,623,535, respectively, as follows:

(A) For insured or guaranteed loans under section 1472 of this title on behalf of low-income borrowers receiving assistance under section 1490(a)(1) of this title, $1,676,484,000 for fiscal year 1993 and $1,746,896,328 for fiscal year 1994.

(B) For guaranteed loans under section 1472(b) of this title on behalf of low- and moderate-income borrowers, such sums as may be appropriated for fiscal years 1993 and 1994.

(C) For loans under section 1474 of this title, $12,400,000 for fiscal year 1993 and $12,920,800 for fiscal year 1994.

(D) For insured loans under section 1483 of this title, $850,000 for fiscal year 1993 and $885,700 for fiscal year 1994.

(E) For insured loans under section 1484 of this title, $739,500,000 for fiscal year 1993 and $770,559,000 for fiscal year 1994.

(F) For insured loans under section 1490a(a)(2)(A) of this title, $800,000 for fiscal year 1993 and $833,600 for fiscal year 1994.

(G) For site loans under section 1490d of this title, $850,000 for fiscal year 1993 and $885,700 for fiscal year 1994.

(2) Notwithstanding any other provision of law, insured and guaranteed loan authority authorized in this subchapter for any fiscal year beginning after September 30, 1984, shall not be transferred or used for any purpose not specified in this subchapter.

(b) Authorization of appropriations

There are authorized to be appropriated for fiscal years 1993 and 1994, and to remain available until expended, the following amounts:

(1) For grants under section 1472(c)(1) of this title, $1,100,000 for fiscal year 1993 and $1,146,200 for fiscal year 1994.

(2) For grants under section 1474 of this title, $21,100,000 for fiscal year 1993 and $21,986,200 for fiscal year 1994.

(3) For purposes of section 1479(c) of this title, $600,000 for fiscal year 1993 and $625,200 for fiscal year 1994.

(4) For project preparation grants under section 1479(f)(6) of this title, $5,300,000 in fiscal year 1993 and $5,522,600 in fiscal year 1994.

(5) In fiscal years 1993 and 1994, such sums as may be necessary to meet payments on notes or other obligations issued by the Secretary under section 1481 of this title equal to—

(A) the aggregate of the contributions made by the Secretary in the form of credits on principal due on loans made pursuant to section 1473 of this title; and

(B) the interest due on a similar sum represented by notes or other obligations issued by the Secretary.

(6) For grants for service coordinators under section 1485(y) of this title, $1,000,000 in fiscal year 1993 and $1,042,000 in fiscal year 1994.

(7) For financial assistance under section 1486 of this title—

(A) for low-rent housing and related facilities for domestic farm labor under sub-sections (a) through (j) of such section, $21,700,000 for fiscal year 1993 and $22,611,400 for fiscal year 1994; and

(B) for housing for rural homeless and migrant farmworkers under subsection (k) of such section, $10,500,000 for fiscal year 1993 and $10,941,000 for fiscal year 1994.

(8) For grants under section 1490c(f) of this title, $13,900,000 for fiscal year 1993 and $14,483,800 for fiscal year 1994.

(9) For grants under section 1490m of this title, $30,800,000 for fiscal year 1993 and $32,093,600 for fiscal year 1994.

(c) Rental assistance

(1) The Secretary, to the extent approved in appropriation Acts for fiscal years 1993 and 1994, may enter into rental assistance payment contracts under section 1490a(a)(2)(A) of this title aggregating $414,100,000 for fiscal year 1993 and $431,492,200 for fiscal year 1994.

(2) Any authority approved in appropriation Acts for fiscal year 1988 or any succeeding fiscal year for rental assistance payment contracts under section 1490a(a)(2)(A) of this title or contracts for operating assistance under section 1490a(a)(5) of this title shall be used by the Secretary—

(A) to renew rental assistance payment contracts or operating assistance contracts that expire during such fiscal year;

(B) to provide amounts required to continue assistance payments for the remaining period of an existing contract, in any case in which the original amount of assistance is used prior to the end of the term of the contract; and

(C) to make additional rental assistance payment contracts or operating assistance contracts for existing or newly constructed dwelling units.

(d) Supplemental rental assistance contracts

The Secretary, to the extent approved in appropriation Acts for fiscal years 1993 and 1994, may enter into 5-year supplemental rental assistance contracts under section 1472(c)(5)(D) of this title aggregating $12,178,000 for fiscal year 1993 and $12,689,476 for fiscal year 1994.

(e) Authorization of appropriations

There are authorized to be appropriated for rural housing vouchers under section 1490r of this title, $130,000,000 for fiscal year 1993 and $140,000,000 for fiscal year 1994.

(1) The Secretary, to the extent approved in appropriation Acts for fiscal years 1993 and 1994, may enter into rental assistance payment contracts under section 1490a(a)(2)(A) of this title aggregating $414,100,000 for fiscal year 1993 and $431,492,200 for fiscal year 1994.

(2) Any authority approved in appropriation Acts for fiscal year 1988 or any succeeding fiscal year for rental assistance payment contracts under section 1490a(a)(2)(A) of this title or contracts for operating assistance under section 1490a(a)(5) of this title shall be used by the Secretary—

(A) to renew rental assistance payment contracts or operating assistance contracts that expire during such fiscal year;

(B) to provide amounts required to continue assistance payments for the remaining period of an existing contract, in any case in which the original amount of assistance is used prior to the end of the term of the contract; and

(C) to make additional rental assistance payment contracts or operating assistance contracts for existing or newly constructed dwelling units.

See References in Text note below.

Subsec. (e) generally, substituting present provisions for prior provisions authorizing a demonstration rural housing voucher program during fiscal years 1988 and 1989. See section 1490c of this title.


Subsec. (d). Pub. L. 101–625, § 701(d), amended subsec. (d) generally, substituting provisions authorizing supplemental rental assistance contracts aggregating $5,200,000 for fiscal year 1991 and $5,500,000 for fiscal year 1992 for provisions authorizing contracts aggregating $26,000,000 for fiscal year 1988 and $27,500,000 for fiscal year 1989.

1988—Subsec. (a)(1). Pub. L. 100–242, § 301(a), amended par. (1) generally, substituting provisions relating to the aggregate amounts for which Secretary may insure and guarantee loans for fiscal years 1988 and 1989, for provisions authorizing aggregate amounts the Secretary may insure and guarantee for fiscal year 1986.


Subsec. (c). Pub. L. 100–242, § 301(c), amended subsec. (c) generally, substituting provisions authorizing appropriations to enter into rental assistance payment contracts for fiscal years 1988 and 1989, for provisions authorizing appropriations for such contracts for fiscal years 1984 and 1985.

Subsec. (d). Pub. L. 100–242, § 301(d), added subsec. (d) generally, substituting provisions relating to aggregate amounts for which Secretary may insure and guarantee loans under this subchapter during fiscal years 1984 and 1985 in an aggregate amount not to exceed such sums as may be approved in an appropriation Act.

1984—Subsec. (a). Pub. L. 98–479, § 105(d)(1), designated existing provisions as par. (1) and added par. (2).

Subsec. (b)(7). Pub. L. 98–479, § 105(d)(2), substituted "$1490m of this title" for "$1490C of this title".

1983—Subsec. (a). Pub. L. 98–181 added subsec. (a) generally, substituting "The Secretary may insure and guarantee loans under this subchapter during fiscal years 1984 and 1985 in an aggregate amount not to exceed such sums as may be approved in an appropriation Act" for "The Secretary may, as approved in appropriation Acts, insure and guarantee loans under the authorities provided in this subchapter in an aggregate principal amount not to exceed $3,700,000,000 with respect to the fiscal year ending September 30, 1982, except that—

(1) not less than $3,170,000,000 of any amount so approved in appropriation Acts for such year shall be made available for loans insured or guaranteed on behalf of borrowers receiving assistance pursuant to subparagraph (B) or (C) of section 1490a(a)(1) of this title;

(2) not more than $25,600,000 of such amount so approved for such fiscal year may be made available for loans insured under section 1484 of this title;

(3) not more than $5,000,000 of such amount so approved shall be available for making advances under section 1471(e) of this title for such fiscal year; and

(4) none of such amount shall be available for loans guaranteed pursuant to this title on behalf of

...
borrowers who do not receive assistance pursuant to subparagraph (B) or (C) of section 1490a(a)(1) of this title.

Subsec. (b). Pub. L. 98–181 amended subsec. (b) generally, substituting "There are authorized to be appropriated for fiscal years 1984 and 1985—"

(1) such sums as may be necessary for grants pursuant to section 1476 of this title;

(2) such sums as may be necessary for the purposes of section 1476(c) of this title:

(3) such sums as may be necessary to meet payments made pursuant to section 1473 of this title, and (B) the interest due on a similar sum represented by notes or other obligations issued by the Secretary;

(4) such sums as may be necessary for financial assistance pursuant to section 1486 of this title;

(5) such sums as may be necessary for the purposes of section 1481 of this title;

(6) such sums as may be necessary for purposes of section 1490a(a) of this title;

(7) not to exceed $100,000,000 for each such year for guaranteeing loans made pursuant to section 1475 of this title, of which 3 percent shall be available for technical assistance; and

(8) such sums as may be required by the Secretary to administer the provisions of sections 1715a and 1715z–1 of title 12 and section 147f of this title" after "There are authorized to be appropriated—"

(1) such sums as may be necessary to meet payments on notes or other obligations issued by the Secretary under section 1481 of this title equal to (A) the aggregate of the contributions made by the Secretary in the form of credits on principal due on loans made pursuant to section 1473 of this title, and (B) the interest due on a similar sum represented by notes or other obligations issued by the Secretary;

(2) $3,070,000,000, in par. (2) substituted "$25,600,000", in par. (3) substituted "1981", in par. (4) substituted "$2,000,000", in par. (5) substituted "$1,500,000", in par. (6) substituted "$750,000", in par. (7) substituted "1980", and struck out "and not to exceed $1,000,000 for the purposes of section 1490e(b) of this title" after "borrowers".


1979—Pub. L. 96–513 amended section generally, inserted authorization of appropriations for fiscal year ending Sept. 30, 1980 for guaranteeing loans under this subchapter and laid down maximum limits for certain programs, authorized appropriation of $48,000,000 for fiscal year ending Sept. 30, 1980 for purposes of section 1481 of this title, of $36,000,000 for fiscal year ending Sept. 30, 1980 for purposes of section 1486 of this title, of $1,500,000 for fiscal year ending Sept. 30, 1980 for purposes of section 1490e(a) of this title, of $1,000,000 for purposes of section 1490e(b) of this title, inserted reference to section 1437f of this title, and struck out authorization of appropriations for research and study programs.


1978—Pub. L. 95–619 in cl. (b) inserted requirement that not less than $25,000,000 of any amount authorized to be appropriated for the fiscal year ending Sept. 30, 1979, was to be appropriated for the purpose of making grants pursuant to section 1474(c) of this title.

Pub. L. 95–557, inserted in cl. (b) “and not to exceed $48,000,000 for the fiscal year ending September 30, 1979”, and in cl. (c) “and not to exceed $38,000,000 for the fiscal year ending September 30, 1979”, and substituted in cl. (d) “not to exceed $25,000,000 for research and study programs pursuant to subsections (b), (c), and (d) of section 1476 of this title for the fiscal year ending September 30, 1979” for “not to exceed $250,000 per year for research and study programs pursuant to subsections (b), (c), and (d) of section 1476 of this title during the period beginning July 1, 1961, and ending June 30, 1974, and not to exceed $1,000,000 per year for such programs during the period beginning October 1, 1974, and ending October 31, 1978”.

Pub. L. 95–406 substituted in cl. (b) to (d) “October 31, 1978” for “September 30, 1978”, and in cl. (c) “$105,000,000” for “$80,000,000”.


1974—Pub. L. 93–383 substituted (c) and (d) increased amount from $50,000,000 to $80,000,000 and substituted “June 30, 1977” for “October 1, 1974”, and in cl. (d) substituted “June 30, 1974” for “October 1, 1973” and substituted provisions authorizing not to exceed $1,000,000 per year during the period beginning October 1, 1974, and ending June 30, 1977.


1968—Pub. L. 90–448 authorized appropriations of such sums as may be required to administer the provisions of sections 1715a and 1715z–1 of title 12.

1965—Pub. L. 89–17 substituted “October 1, 1969” for “September 30, 1965” wherever appearing and “$50,000,000” for “$10,000,000” in cl. (c) as the maximum allowable appropriation for financial assistance pursuant to section 1486 of this title.

1964—Pub. L. 88–560 substituted “September 30, 1965” for “June 30, 1965” wherever appearing, redesignated cl. (c) as (d) and (e), and added cl. (c).
1961—Pub. L. 87–70 extended the period for grants and loans pursuant to section 1474 (a), (b) of this title from June 30, 1961, to June 30, 1965, and authorized appropriations not more than $250,000 per year for research and study programs pursuant to subsections (b), (c), and (d) of section 1476 of this title for the period beginning July 1, 1961, and ending June 30, 1965.

1956—Act Aug. 7, 1956, authorized $50,000,000 for grants and loans from July 1, 1956, to June 30, 1961.

1955—Act Aug. 11, 1955, authorized an additional $10,000,000 on July 1, 1955.

1954—Act Aug. 2, 1954, substituted $10,000,000 for the authorization of $850,000 (available July 1, 1954), which had been authorized by act June 29, 1954.

Act June 29, 1954, authorized an appropriation of $850,000 to be available on July 1, 1954.

1952—Act July 14, 1952, authorized an appropriation of $10,000,000 to be available on July 1, 1953.

EFFECTIVE DATE OF 1981 AMENDMENT

EFFECTIVE DATE OF 1956 AMENDMENT
Amendment by act Aug. 7, 1956, effective July 1, 1956, see section 606(d) of act Aug. 7, 1956, set out as a note under section 1481 of this title.

§ 1484. Insurance of loans for housing and related facilities for domestic farm labor

(a) Authorization; terms and conditions

The Secretary is authorized to insure and make commitments to insure loans made by lenders other than the United States to the owner of any farm or any association of farmers for the purpose of providing housing and related facilities for domestic farm labor, or to any Indian tribe for such purpose, or to any State (or political subdivision thereof), or any broad-based public or private nonprofit organization, or any limited partnership in which the general partner is a nonprofit entity, or any nonprofit organization of farmworkers incorporated within the State for the purpose of providing housing and related facilities for domestic farm labor anywhere within the State where a need exists.

All such loans shall be made in accordance with terms and conditions substantially identical with those specified in section 1472 of this title, except that—

(1) no such loan shall be insured in an amount in excess of the value of the farm involved less any prior liens in the case of a loan to an individual owner of a farm, or the total estimated value of the structures and facilities with respect to which the loan is made in the case of any other loan;

(2) no such loan shall be insured if it bears interest at a rate in excess of 1 per centum per annum;

(3) out of interest payments by the borrower, the Secretary shall retain a charge in an amount not less than one-half of 1 per centum per annum of the unpaid principal balance of the loan; and

(4) the insurance contracts and agreements with respect to any loan may contain provisions for servicing the loan by the Secretary or by the lender, and for the purchase by the Secretary of the loan if it is not in default, on such terms and conditions as the Secretary may prescribe; and

(5) the Secretary may take mortgages creating a lien running to the United States for the benefit of the insurance fund referred to in subsection (b) notwithstanding the fact that the note may be held by the lender or his assignee.

(b) Utilization of farm tenant mortgage insurance fund; additions to and deposits in fund; deposits in Treasury

The Secretary shall utilize the insurance fund created by section 1005a of title 7 and the provisions of section 1005c(a), (b), and (c) of title 7 to discharge obligations under insurance contracts made pursuant to this section, and

(1) the Secretary may utilize the insurance fund to pay taxes, insurance, prior liens, and other expenses to protect the security for loans which have been insured hereunder and to acquire such security property at foreclosure sale or otherwise;

(2) the notes and security therefor acquired by the Secretary under insurance contracts made pursuant to this section shall become a part of the insurance fund. Loans insured under this section may be held in the fund and collected in accordance with their terms or may be sold and reinsured. All proceeds from such collections, including the liquidation of security and the proceeds of sales, shall become a part of the insurance fund; and

(3) of the charges retained by the Secretary out of interest payments by the borrower, amounts not less than one-half of 1 per centum per annum of the unpaid principal balance of the loan shall be deposited in and become a part of the insurance fund; and

(c) Insurance contract; obligation of United States; incontestability

Any contract of insurance executed by the Secretary under this section shall be an obligation of the United States and incontestable except for fraud or misrepresentation of which the holder of the contract has actual knowledge.


(e) Administrative expenses

Amounts made available pursuant to section 1483 of this title shall be available for administrative expenses incurred under this section.

(f) Definitions

As used in this section—

(1) the term “housing” means (A) new structures (including household furnishings) suitable for dwelling use by domestic farm labor, and (B) existing structures (including household furnishings) which can be made suitable for dwelling use by domestic farm labor by rehabilitation, alteration, conversion, or improvement;

1 See References in Text note below.
§ 1484

(h) Determination of need for assistance

(1) in determining the need for the assistance, take into consideration the housing needs only of domestic farm labor, including migrant farmworkers, in the area; and

(2) in determining whether to provide such assistance, make such determination without regard to the extent or nature of other housing needs in the area.

(i) Domestic farm labor housing available for other families

Housing and related facilities constructed with loans under this section may be used for tenants eligible for occupancy under section 1485 of this title if the Secretary determines that—

(1) there is no longer a need in the area for farm labor housing; or

(2) the need for such housing in the area has diminished to the extent that the purpose of the loan, providing housing for domestic farm labor, can no longer be met.


References in Text

Sections 1005a and 1005c(a), (b), and (c) of title 7, referred to in subsec. (b), were repealed by section 341(a) of pub. l. 97–192, title x, aug. 5, 1982, 96 stat. 316(b), feb. 5, 1988, 101 stat. 1855, 1857; pub. l. 100–628, title x, §1043(a), nov. 7, 1988, 102 stat. 3273; pub. l. 104–180, title vii, §734(e)(1), aug. 6, 1996, 110 stat. 1603; pub. l. 105–276, title vii, §703(a), oct. 29, 1998, 112 stat. 3273; pub. l. 106–569, title vii, §708(b), dec. 27, 2000, 114 stat. 2903; pub. l. 110–224, title vi, §6205, may 22, 2008, 122 stat. 1209; pub. l. 110–224, title vii, §6206, june 18, 2008, 122 stat. 1664, 1971; pub. l. 115–141, div. a, title vii, mar. 23, 2018, 132 stat. 365.)

Codification

Pub. l. 110–234 and pub. l. 110–246 made identical amendments to this section. the amendments by pub. l. 110–234 were repealed by section 3(a) of pub. l. 110–246.

Another section 801(b) of pub. l. 91–609 amended section 1481(c)(1) of this title.

Amendments

2018—subsec. (f)(3)(a). pub. l. 115–141 substituted “united states,” for “united states” and inserted “, or a person legally admitted to the united states and authorized to work in agriculture” before semicolon at end.

2008—subsec. (f)(3)(a). pub. l. 110–246, §6205, substituted “, the handling of agricultural or aquacultural commodities in the unprocessed stage, or the processing of agricultural or aquacultural commodities” for “or the handling of such commodities in the unprocessed stage” in introductory provisions.

Subsec. (j). Pub. L. 106–569, §708(b), struck out heading and text of subsec. (j). Text read as follows: ‘‘Whoever, as an owner, agent, or manager, or who is otherwise in custody, control, or possession of property that is security for a loan made or insured under this section willfully uses, or authorizes the use of, any part of the rents, assets, proceeds, income, or other funds derived from such property, for any purpose other than to meet actual or necessary expenses of the property, or for any other purpose not authorized by this subchapter or the regulations adopted pursuant to this subchapter, shall be fined not more than $250,000 or imprisoned not more than 5 years, or both.’’

1998—Subsec. (a). Pub. L. 105–276 inserted ‘‘; or any nonprofit limited partnership in which the general partner is a nonprofit entity,’’ after ‘‘private nonprofit organization’’ in first sentence.


1988—Subsec. (f)(1), (2). Pub. L. 100–14, §91, substituted ‘‘1’’ for ‘‘5’’ per centum.

Subsec. (f)(1), (2). Pub. L. 100–14, §81(c), substituted ‘‘structures (including household furnishings)’’ for ‘‘structure’’ in cls. (A) and (B).


1981—Subsec. (f)(3). Pub. L. 97–94 substituted ‘‘$38,000,000’’ for ‘‘$25,000,000’’.


1979—Subsec. (d). Pub. L. 96–153 repealed subsec. (d) which provided for a maximum of $38,000,000 for the aggregate amount of principal obligations of loans insured under this section.

1978—Subsec. (d). Pub. L. 95–557, §501(d), substituted ‘‘subject to an appropriation Act’’ for ‘‘subject to $25,000,000’’.

Subsec. (g). Pub. L. 95–557, §504, added subsec. (g).

1977—Subsec. (f)(3). Pub. L. 95–128 substituted definition of ‘‘domestic farm labor’’ to include laborers on farms situated in the United States, Puerto Rico, or the Virgin Islands and either (A) are citizens of the United States, or (B) are native of the United States, Puerto Rico, or the Virgin Islands after being legally admitted for permanent residence therein.


1972—Subsec. (f) (3). Pub. L. 92–606, §201(a), authorized insurance of loans to broad-based nonprofit organizations and nonprofit organizations of farmworkers incorporated within the State and provided for housing and related facilities for domestic farm labor any place within the State where need exists.

Subsec. (a)(2). Pub. L. 91–609, §801(b), substituted ‘‘$38,000,000’’ for ‘‘$25,000,000’’.

Subsec. (f)(1), (2). Pub. L. 91–609, §801(c), substituted ‘‘structures (including household furnishings)’’ for ‘‘structure’’ in cls. (A) and (B).

1968—Subsec. (f)(2). Pub. L. 90–448 included land necessary for an adequate site within the definition of ‘‘related facilities’’.


Effective Date of 2008 Amendment


§1485. Housing and related facilities for elderly persons and families or other persons and families of low income

(a) Direct loans; authorization; terms and conditions; revolving fund; appropriation

The Secretary is authorized to make loans to private nonprofit corporations and consumer cooperatives and Indian tribes to provide rental or cooperative housing and related facilities for elderly or handicapped persons or families of low or moderate income or other persons and families of low income in rural areas, in accordance with terms and conditions substantially identical with those specified in section 1472 of this title; except that—

(1) no such loan shall exceed the development cost or the value of the security, whichever is less;

(2) such a loan may be made for a period of up to 30 years from the making of the loan; and

(3) such a loan, when made to a consumer cooperative for cooperative housing purposes, may, notwithstanding any other provision of law, be made upon the condition that any person who is admitted as an eligible member and tenant of the cooperative may not subsequently be deprived of his membership or tenancy by reason of his no longer meeting the income eligibility requirements established by the Secretary.

There is authorized to be appropriated not to exceed $50,000,000, which shall constitute a revolving fund to be used by the Secretary in carrying out this subsection.

(b) Insurance of loans; authorization; terms and conditions; utilization of Agricultural Credit Insurance Fund

The Secretary is authorized to insure and make commitments to insure loans made to any individual, corporation, association, trust, Indian tribe, or partnership to provide rental or cooperative housing and related facilities for elderly or handicapped persons or families or other persons and families of moderate income in rural areas, in accordance with terms and conditions substantially identical with those specified in section 1472 of this title; except that—

(1) no such loan shall exceed the development cost or the value of the security, whichever is less;

(2) such a loan may be made for a period of up to 30 years from the making of the loan, but the Secretary may provide for periodic payments based on an amortization schedule of 50 years with a final payment of the balance due at the end of the term of the loan; and

(3) for insuring such loans, the Secretary shall utilize the Agricultural Credit Insurance Fund subject to all the provisions of section 1929 of title 7 and the second and third sentences of section 1928 of title 7, including the authority in section 1929f(1) of title 7 to utilize the insurance fund to make, sell, and insure loans which could be insured under this subsection; but the aggregate of the principal

1See References in Text note below.
§ 1485
Title 26.

(c) Equity recapture loans and loans to nonprofit organizations and public agencies

With respect to a loan made or insured under subsection (a) or (b), the Secretary is authorized to—

(1) make or insure an equity loan in the form of a supplemental loan for the purpose of equity takeout to the owner of housing financed with a loan made or insured under this section pursuant to a contract entered into before December 15, 1989, for the purpose of extending the affordability of the housing for low income families or persons and very low-income families or persons for not less than 20 years, except that such loan may not exceed 90 percent of the value of the equity in the project as determined by the Secretary;

(2) transfer and reamortize an existing loan in connection with assistance provided under paragraph (1); and

(3) make or insure a loan to enable a nonprofit organization or public agency to make a purchase described in section 1472(c)(5) of this title.

(d) Construction requirements; detached units for cooperative housing

No loan shall be made or insured under subsection (a) or (b) unless the Secretary finds that the construction involved will be undertaken in an economical manner and will not be of elaborate or extravagant design or materials. However, specifically designed equipment required by elderly or handicapped persons or families shall not be considered elaborate or extravagant. A loan may be made or insured under subsection (a) or (b) with respect to detached units, including those on scattered sites, for cooperative housing.

(e) Definitions

As used in this section—

(1) the term “housing” means new or existing housing suitable for dwelling use by occupants eligible under this section, and such term also means manufactured home rental parks where either the lots or both the lots and the homes are available for use by occupants eligible under this section; and such term also means congregate housing facilities for elderly or handicapped persons or families who require some supervision and central services but are otherwise able to care for themselves; such housing for the handicapped may be utilized in conjunction with educational and training facilities;

(2) the term “related facilities” includes cafeterias or dining halls, community rooms or buildings, appropriate recreation facilities, and other essential service facilities;

(3) the term “congregate housing” means housing in which (A) some of the units may not have kitchen facilities, and (B) there is a central dining facility to provide wholesome and economic meals for elderly or handicapped persons or families.

(4) the term “development cost” means the costs of constructing, purchasing, improving, altering, or repairing new or existing housing and related facilities and purchasing and improving the necessary land, including necessary and appropriate fees and charges, initial operating expenses up to 2 per centum of the aforementioned costs, approved by the Secretary, impact fees, local charges for installation, provision, or use of infrastructure, and local assessments for public improvements and services imposed by State and local governments. Such fees and charges may include payments of qualified consulting organizations or foundations which operate on a nonprofit basis and which render services or assistance to nonprofit corporations or consumer cooperatives who provide housing and related facilities for low or moderate income families. Notwithstanding the first sentence of this paragraph, the term “development cost” shall not include any initial operating expenses in the case of any nonprofit corporation or consumer cooperative that is financing housing under this section and has been allocated a low-income housing tax credit by a housing credit agency pursuant to section 42 of title 26.

(f) Administrative expenses

Amounts made available pursuant to section 1483 of this title shall be available for administrative expenses incurred under this section.
(g) Loans for financing transfers of memberships in cooperatives

Notwithstanding the provisions of subsections (a) and (b) of this section, the Secretary may make and insure loans to consumer cooperatives to enable such cooperatives to finance the transfers of memberships in the cooperatives upon such terms and conditions as low- and moderate-income persons can reasonably afford, except that such loans shall not be made upon terms more favorable than are authorized under section 1490a(a) of this title, and that the total loan to a cooperative under this section shall not exceed the value of the property.

(h) Project transfers

(1) Condition

After August 6, 1996, the ownership or control of a project for which a loan is made or insured under this section may be transferred only if the Secretary determines that such transfer would further the provision of housing and related facilities for low-income families or persons and would be in the best interests of residents and the Federal Government.

(2) Actions to expedite project approvals

(A) In general

The Secretary shall take actions to facilitate timely approval of requests to transfer ownership or control, for the purpose of rehabilitation or preservation, of multifamily housing projects for which assistance is provided by the Secretary of Agriculture in conjunction with any low-income housing tax credits under section 42 of title 26 or tax-exempt housing bonds.

(B) Consultation

The Secretary of Agriculture shall consult with the Commissioner of the Internal Revenue Service and take such actions as are appropriate in conjunction with such consultation to simplify the coordination of rules, regulations, forms (including applications forms for project transfers), and approval requirements for multifamily housing projects for which assistance is provided by the Secretary of Agriculture in conjunction with any low-income housing tax credits under section 42 of title 26 or tax-exempt housing bonds.

(C) Existing requirements

Any actions taken pursuant to this paragraph shall be taken in a manner that provides for full compliance with any existing requirements under law or regulation that are designed to protect families receiving Federal housing assistance, including income targeting, rent, and fair housing provisions, and shall also comply with requirements regarding environmental review and protection and wages paid to laborers.

(D) Recommendations

In implementing the changes required under this paragraph, the Secretary shall solicit recommendations regarding such changes from project owners and sponsors.

(i) Limitations on cost increases after approval for project involving newly constructed or substantially rehabilitated units; applicable factors

After approving a project involving newly constructed or substantially rehabilitated units under this section, the Secretary shall limit cost increases to those approved by the Secretary. The Secretary may approve those increases only for unforeseen factors beyond the owner's control, design changes required by the Secretary or the local government, or changes in financing approved by the Secretary.

(j) Contract preferences for providing units in newly constructed projects

For the purpose of achieving the lowest cost in providing units in newly constructed projects assisted under this section, the Secretary shall give a preference in entering into contracts under this section for projects which are to be located on specific tracts of land provided by States, units of local government, or others if the Secretary determines that the tract of land is suitable for such housing, and that affording such preference will be cost effective.

(k) Management fees

The Secretary shall assure that management fees are not excessive when a project developed under this section is managed by the developer or an affiliate of the developer.

(l) Determination of market feasibility of project

For purposes of determining the market feasibility of any project to be assisted under this section—

(1) in the case of any applicant who applies for rental assistance payments under section 1490a of this title in connection with such project, the Secretary shall consider the availability of such rental assistance payments with respect to the project and shall require such applicant to demonstrate that a market exists for persons and families eligible for such rental assistance payments; and

(2) in the case of any applicant whose project is expected to utilize any assistance under a program of a State, or political subdivision thereof, that is similar to such assistance payments under section 1490a of this title, the Secretary shall only require such applicant to demonstrate that—

(A) a market exists for persons and families eligible for such program of assistance;

(B) such program of assistance will provide rental assistance for a period of not less than five years, and, at the option of the applicant, either that there is a reasonable assurance that the contract for assistance will be extended or renewed, or for the term of the loan remaining after the period of such assistance, that an adequate rental market exists for the project without such assistance; and

(C) during the term of such rental assistance contracts, such State or political sub-
division shall make available the amounts required for such rental assistance not less than annually.

(m) Standards for housing and related facilities rehabilitated or repaired; establishment, criteria, etc.

The Secretary shall establish standards for housing and related facilities rehabilitated or repaired with amounts received under a loan made or insured under this section. Standards established by the Secretary under this subsection shall provide that except for substantial rehabilitation the particular items or systems repaired or rehabilitated must meet appropriate levels of quality or performance comparable to those levels prescribed by the Secretary of Housing and Urban Development for rehabilitation, but shall not require that such items or systems or the remainder of the property meet the standards which are applicable to new construction. The Secretary shall ensure that standards prescribed under this subsection provide decent, safe, and sanitary housing and related facilities.

(n) Assistance to projects located on more than one site

The Secretary may not deny assistance under this section or section 1490a of this title on the basis that the project involved is to be located on more than one site.

(o) Rental assistance payments as affecting assistance to projects or occupancy by eligible persons

The Secretary may not (1) deny assistance under this section on the basis that rental assistance payments under section 1490a of this title may be required unless the authority to provide such assistance is not available; or (2) promulgate any regulation that would have the effect of denying occupancy to eligible persons on the basis that such persons require rental assistance payments under section 1490a of this title.

(p) Occupancy by low income persons and families other than very low-income persons and families

(1) To the extent assistance is available under section 1490a(a)(2) of this title, not more than 25 per centum of the dwelling units which were available for occupancy under this section prior to November 30, 1983, and which will be leased on or after November 30, 1983, shall be available for leasing by low income persons and families other than very low-income persons and families.

(2) To the extent assistance is available under section 1490a(a)(2) of this title, not more than 5 per centum of the dwelling units which become available for occupancy under this section on or after November 30, 1983, shall be available for leasing by low income persons and families other than very low-income persons and families.

(3) Units in projects financed under this section which become available for occupancy after November 30, 1983, shall not be available for occupancy by persons and families other than very low-income persons and families if the authority to provide assistance for such persons is available.

(4) In projects financed under this section, units that have been allocated a low-income housing tax credit by a housing credit agency pursuant to section 42 of title 26 shall not be available for occupancy by persons or families other than persons or families with incomes not in excess of the qualifying income applicable to such units pursuant to subparagraph (A) or (B) of section 42(g)(1) of title 26.

(5) The Secretary shall coordinate the processing of any application for a loan under this section for a project and the processing of any application for assistance under section 1490a(a)(2) of this title with respect to housing units in the same project in an economical and efficient manner. At the time the Secretary enters into a commitment to make or insure a loan under this section the Secretary shall obligate amounts for assistance payments under section 1490a(a)(2) of this title for the project, to the extent that such amounts are available and the Secretary determines such assistance is necessary for the market feasibility of the project.

(q) Determination of income of person or family occupying financed housing

In determining the income of a person or family occupying housing financed under this section, the Secretary shall consider the value of that person’s or family’s assets in the same manner as the Secretary of Housing and Urban Development considers such value for the purpose of the United States Housing Act of 1937 [42 U.S.C. 1437 et seq.].

(r) Operating reserve and equity contribution requirements; regulations to implement adjustment by negotiated rulemaking procedure

(1) the Secretary—

(A) may require that the initial operating reserve under this section may be in the form of an irrevocable letter of credit; and

(B) except as provided in paragraph (2), may require not more than a 3 percent contribution to equity, except that the Secretary shall require a 5 percent contribution in the case of a project that is allocated a low-income housing tax credit pursuant to section 42 of title 26.

(2) The Secretary may adjust the amount of equity contribution to ensure that assistance provided is not more than is necessary to provide affordable housing after taking account of assistance from all Federal, State, and local sources.

(3) Not later than 60 days after August 6, 1996, the Secretary shall issue regulations to implement subsection (r)(2) in accordance with the negotiated rulemaking procedures set forth in subchapter III of chapter 5 of title 5: Provided, That if the negotiated rulemaking is not completed within the designated time, the Secretary shall proceed to promulgate regulations under the rulemaking authority contained in section 507 of title 5.

(s) Limitation of fees on loans

No fee other than a late fee may be imposed by or for the Secretary or any other Federal agency on or with respect to a loan made or insured under this section.

9So in original. Probably should be capitalized.
(t) Equity takeout loans

(1) Authority

The Secretary is authorized to guarantee an equity loan (in the form of a supplemental loan) to an owner of housing financed with a loan made or insured under subsection (b), only if the Secretary determines, after taking into account local market conditions, that there is a reasonable likelihood that the housing will continue as decent, safe, and sanitary for the remaining life of the original loan on the project made or insured under subsection (b) and that such an equity loan is—

(A) necessary to provide a fair return on the owner’s investment in the housing;

(B) the least costly alternative for the Federal Government that is consistent with carrying out the purposes of this subsection; and

(C) would not impose an undue hardship on tenants or an unreasonable cost to the Federal Government.

The amount of loans guaranteed under this subsection shall be subject to limits provided in appropriations Acts.

(2) Timing

The Secretary is authorized to guarantee an equity loan under this subsection after the expiration of the 20-year period beginning on the date that an existing loan under subsection (b) of this section was made or insured. Not more than one equity loan under this subsection may be provided for any project.

(3) Amount of the takeout

The amount of an equity loan under this subsection shall not exceed the difference between the outstanding principal on debt secured by the project and 90 percent of the appraised value of the project. The appraised value of the project shall be determined by 2 independent appraisers, 1 of whom shall be selected by the Secretary and 1 of whom shall be selected by the owner. If the 2 appraisers fail to agree on the value of the project, the Secretary and the owner shall jointly select a third appraiser whose appraisal shall be binding on the Secretary and the owner. The amount of the equity loan shall not exceed 30 percent of the amount of the original appraised value of the project made or insured under subsection (b).

(4) Submission of plan

An owner requesting an equity loan under this subsection shall submit a plan acceptable to the Secretary to ensure that the cost of amortizing an equity loan under paragraph (1) does not result in the displacement of very-low-income tenants or substantially alter the income mix of the tenants in the project.

(5) Regulations

The Secretary shall issue final regulations within 180 days from December 15, 1989.

(6) Effective date

The requirements of this subsection shall apply to any loan obligated under this section on or after December 15, 1989. This subsection shall not require retroactive reserve account payments with respect to any loan that was obligated on or after December 15, 1989, and on or before June 16, 1990, but reserve account payments shall be required for such loans beginning on November 28, 1990.

(u) Reuse of loan authority

Loan authority that is obligated under this section but that is not expended due to any action that removes the original borrower, may be reallocated to a different borrower during the same fiscal year in which the loan authority was obligated. Any loan authority under this section appropriated or made available within limits established in appropriations Acts shall remain available until expended.

(v) Assumption of loans

The Secretary may provide for the assumption or transfer of a loan or loan obligation under this section to any person or entity qualified to receive a loan or loan obligation under this section in any case of default or foreclosure with respect to the original borrower. The Secretary shall provide in each assumption or transfer under this subsection for the assumption of the obligations, rights, and interests under the terms of the loan or loan obligation or such other terms as the Secretary determines appropriate.

(w) Set-aside of rural rental housing funds

(1) Authority

Except as provided in paragraph (2), the Secretary shall set aside from amounts made available for each State for loans under this section, not less than 9 percent of the amounts available in each fiscal year. Amounts set aside shall be available only for nonprofit entities in the State, which may not be wholly or partially owned or controlled by a for-profit entity. A partnership, that has as its general partner a nonprofit entity or the nonprofit entity’s for-profit subsidiary, is eligible to receive funds set aside under this subsection to sponsor a project which is receiving low-income housing tax credits authorized under section 42 of title 26. For the purposes of this subsection, a nonprofit entity is an organization that—

(A) will own an interest in a project to be financed under this section and will materially participate in the development and the operation of the project;

(B) is a private organization that has nonprofit, tax exempt status under section 501(c)(3) or section 501(c)(4) of title 26;

(C) has among its purposes the planning, development, or management of low-income housing or community development projects; and

(D) is not affiliated with or controlled by a for-profit organization.

(2) Minimum State set-aside

If the amount set aside under paragraph (1) for any State is less than $750,000 in any fiscal year, the Secretary shall pool such amount together with set-aside amounts from other States whose set-aside is less than $750,000, and shall make such amounts available for such eligible entities under paragraph (1) in
any such State. The Secretary shall establish a procedure to provide that any amounts pooled under this paragraph from the allocation for any State in any fiscal year that are not obligated during a reasonable period in such year shall be made available for any such eligible entities under paragraph (1) in such State. The Secretary may provide amounts available for reallocation under this subsection in excess of $750,000 in a given State, if such amounts are necessary to finance a project under this section.

(3) Unused amounts
   (A) Equitable distribution
   Any amounts set aside under this subsection from the allocation for any State that are not obligated by 9 months after the allocation, shall first be pooled and made available to any other eligible nonprofit entity in any State as defined in this subsection. The Secretary shall make reasonable efforts to ensure that pooled funds are distributed under this subparagraph in an equitable manner.
   (B) Return to the States
   After funds have been pooled and obligated for 30 days, the Secretary shall return any remaining funds to the States on a proportional basis for use by any other eligible entity as defined in this section.

(x) Uniform project costs; coordination of housing resources and tax benefits
The Secretary shall—
   (1) establish standard guidelines for State offices that describe allowable development costs which are required for development of all projects under this section, without regard to whether the project was allocated a low-income housing tax credit;
   (2) require each State to establish a process for coordinating the selection of projects under this section with the housing needs and priorities as established in a State comprehensive housing affordability strategy under section 12705 of this title and a low-income housing tax credit allocation plan under section 42 of title 26; and
   (3) develop, in consultation with housing credit agencies (as that term is defined under section 42 of title 26), uniform procedures for identifying and sharing information on project costs, builder profit, identity of interests related to projects, and effectiveness of any supportive services provided for such residents; as expressed by the residents;
   (C) mobilizing public and private resources to obtain funding for such services for such residents;
   (D) monitoring and evaluating the impact and effectiveness of any supportive services provided for such residents;
   (E) consulting and coordinating with any appropriate public and private agencies regarding the provision of supportive services; and
   (F) performing such other duties that the Secretary deems appropriate to enable frail elderly persons residing in federally assisted housing to live with dignity and independence.

(2) Qualifications
   Individuals employed as service coordinators pursuant to this subsection shall meet the minimum qualifications and standards established under section 8011(d)(4) of this title for service coordinators under a congregate housing services program.

(3) Application and selection
   The Secretary shall provide for the form and manner of applications for grants under this subsection and for the selection of applicants to receive the grants.

(4) “Frail elderly” defined
For purposes of this subsection, the term “frail elderly” has the meaning given the term in section 8011(k) of this title.

(2) Accounting and recordkeeping requirements
   (1) Accounting standards
The Secretary shall require that borrowers in programs authorized by this section maintain accounting records in accordance with generally accepted accounting principles for all projects that receive funds from loans made or guaranteed by the Secretary under this section.

   (2) Record retention requirements
The Secretary shall require that borrowers in programs authorized by this section retain for a period of not less than 6 years and make available to the Secretary in a manner determined by the Secretary, all records required to be maintained under this subsection and other records identified by the Secretary in applicable regulations.

   (a) Double damages for unauthorized use of housing projects assets and income
   (1) Action to recover assets or income
      (A) In general
      The Secretary may request the Attorney General to bring an action in a United
States district court to recover any assets or income used by any person in violation of the provisions of a loan made or guaranteed by the Secretary under this section or in violation of any applicable statute or regulation.

(B) Improper documentation

For purposes of this subsection, a use of assets or income in violation of the applicable loan, loan guarantee, statute, or regulation shall include any use for which the documentation in the books and accounts does not establish that the use was made for a reasonable operating expense or necessary repair of the project or for which the documentation has not been maintained in accordance with the requirements of the Secretary and in reasonable condition for proper audit.

(C) Definition

For the purposes of this subsection, the term ‘person’ means—

(i) any individual or entity that borrows funds in accordance with programs authorized by this section;

(ii) any individual or entity holding 25 percent or more interest of any entity that borrows funds in accordance with programs authorized by this section; and

(iii) any officer, director, or partner of an entity that borrows funds in accordance with programs authorized by this section.

(2) Amount recoverable

(A) In general

In any judgment favorable to the United States entered under this subsection, the Attorney General may recover double the value of the assets and income of the project that the court determines to have been used in violation of the provisions of a loan made or guaranteed by the Secretary under this section or any applicable statute or regulation, plus all costs related to the action, including reasonable attorney and auditing fees.

(B) Application of recovered funds

Notwithstanding any other provision of law, the Secretary may use amounts recovered under this subsection for activities authorized under this section and such funds shall remain available for such use until expended.

(3) Time limitation

Notwithstanding any other provision of law, an action under this subsection may be commenced at any time during the 6-year period beginning on the date that the Secretary discovered or should have discovered the violation of the provisions of this section or any related statutes or regulations.

(4) Continued availability of other remedies

The remedy provided in this subsection is in addition to and not in substitution of any other remedies available to the Secretary or the United States.

(Reference to former provisions of the Act are current through P.L. 104–127, Aug. 21, 1995, 109 Stat. 420.)

The United States Housing Act of 1937, referred to in subsec. (a), is act Sept. 1, 1937, ch. 896, as revised generally by Pub. L. 93–383, title II, §201(a), Aug. 22, 1974, 88 Stat. 653, and amended, which is classified generally to chapter 8 (§1437 et seq.) of this title. For complete classification of this Act to the Code, see Short Title note set out under section 1437 of this title and Tables.

CODIFICATION

Section 203(a) of Pub. L. 100–242, as amended, which was formerly set out in a note under section 1715 of Title 12, Banks and Banking, and which provided that on Nov. 28, 1990, the amendment made by section 263 of Pub. L. 100–242 is repealed and section is to read as it would without such amendment, was omitted in the general amendment of subtitle A of title II of Pub. L. 100–242 by Pub. L. 101–625.

AMENDMENTS

2008—Subsec. (h). Pub. L. 110–289, which directed amendment of subsec. (h) by inserting “(1) Condition” after “(h)” and adding par. (2), was executed by making the insertion after “(h)” Project transfers” and adding par. (2), to reflect the probable intent of Congress.

2000—Subsec. (a). Pub. L. 106–569 added subsec. (a), and struck out former heading and text of former subsec. (b). Text read as follows: “Whoever, as an owner, agent, or manager, or who is otherwise in custody, control, or possession of property that is security for a loan made or insured under this section willfully uses, or authorizes the use, of any part of the rents, assets, proceeds, income, or other fund derived from such property, for any purpose other than to meet actual or necessary expenses of the property, or for any other purpose not authorized by this subchapter or the regulations adopted pursuant to this subchapter, shall be fined not more than $250,000 or imprisoned not more than 5 years, or both.


1997—Subsec. (a)(2). Pub. L. 105–276, §599C(b)(1), redesignated pars. (5) to (7) as (4) to (6), respectively, and struck out former par. (4) which read as follows: “no loan shall be insured under this subsection after September 30, 1998.”


1997—Subsec. (a)(2). Pub. L. 105–86, §735(b)(3)(A), substituted “up to 30 years” for “up to fifty years.”

Subsec. (b)(2). Pub. L. 105–86, §735(b)(3)(B)(i), added par. (2) and struck out former par. (2) which read as follows: “provide for complete amortization by periodic payments within such term as the Secretary may prescribe.”


1996—Subsec. (b)(4). Pub. L. 104–180, §734(c)(2), redesignated par. (6) as (4) and struck out text of former par. (4). Text read as follows: “For each initial loan made or insured under subsection (b) of this section pursuant to a contract entered into after the date this subsection takes effect, the owner shall make monthly payments from project income to the Secretary for deposit in a reserve account for the project. Such monthly payments shall, in the first year after the loan is made or insured, equal $2 for each unit in the project, and shall increase by $2 annually until the expiration of the 20-year period beginning on the date that the loan was made or insured, under such initial payments, any accrued payments, and annual increases shall not be required for a unit occupied by a low-income family or individual who is paying more than 30 percent of the family’s or individual’s adjusted income in rent. The rent on a unit for which payment is made under this paragraph shall be increased by the amount of such payment.”

1993—Subsec. (c)(4). Pub. L. 104–180, §734(c)(2), redesignated par. (7) as (5) and struck out former par. (5) which read as follows:

PRE-RESERVE ACCOUNT

“(A) Payments under paragraph (4) shall be deposited in an interest bearing account that the Secretary shall establish for the project.

(B) The Secretary may use available amounts in the reserve account only for payments of principal and interest on an equity loan under this subsection. Such payments shall be in amounts necessary to ensure that rent payments made by low-income families residing in the housing do not exceed the maximum rent under section 1490a(a)(2)(A) of this title.

(C) Any payments to the account, and interest on such payments, not expended in the project from which such payments were made, shall be used in other projects to make payments of principal and interest on equity loan, under this subsection. Such payments shall be in amounts necessary to ensure that rent payments made by low-income families residing in the housing do not exceed the maximum rent under section 1490a(a)(2)(A) of this title.

(D) The Secretary shall make payments from accounts under this paragraph only to the extent provided in appropriations Acts.


Subsec. (c)(2). Pub. L. 102–550, §707(b)(1), added par. (1) which read as follows:


1990—Subsec. (c)(6). Pub. L. 102–550, §707(b)(2), added subsec. (c)(6) which read as follows:

1989—Subsec. (c)(1) to (5). Pub. L. 102–550, §707(b)(1), added subsec. (c)(1) to (5) which read as follows:


Subsec. (b)(6) to (8). Pub. L. 105–276, §599C(b)(1), redesignated par. (6) to (8) as (4) to (6), respectively.


Subsec. (e)(4). Pub. L. 102–550, §707(a), struck out “and” before “initial operating expenses up to”, inserted “, impact fees, local charges for installation, provision, or use of infrastructure, and local assessments for public improvements and services imposed by State and local governments” after “approved by the Secretary”, and inserted at end “Notwithstanding the first sentence of this paragraph, the term ‘development cost’ shall not include any initial operating expenses in the case of any nonprofit corporation or consumer cooperative that is financing housing under this section and has been allocated a low-income housing tax credit by a housing credit agency pursuant to section 42 of title 26.”

Subsec. (h)(1). Pub. L. 102–550, §707(b)(1), added par. (1) and struck out former par. (1) which read as follows:
“in the case of any applicant whose project is expected to require rental assistance payments under section 1990a of this title, the Secretary shall only require such applicant to demonstrate that a market exists for persons and families eligible for such rental assistance payments; and”.

Subsec. (p)(4). Pub. L. 102–550, §707(b)(2)(1), substituted “period at end for ‘‘except when the Secretary determines that the continued vacancy of units that have been unoccupied for at least 6 months threatens the financial viability of the project. The preceding sentence shall not be interpreted as authorizing the Secretary to—”.

“(A) limit the ability of a housing credit agency to require an owner of housing, in order to receive a low-income housing tax credit, to enter into a restrictive covenant, in such form and for such period as the housing credit agency deems appropriate, to maintain the occupancy characteristics of the project as prescribed in section 42(h)(6) of title 26; or

“(B) deny or delay closing of financing under this section by reason of the existence, or occupancy terms, of any such restrictive covenant.”


Subsec. (r)(2). Pub. L. 102–550, §707(c), inserted before period end “; except that such” in second sentence.

Subsec. (s). Pub. L. 102–550, §708(a)(1)–(3), substituted “not less than 9 percent of the amounts available in fiscal years 1993 and 1994” for “not less than 7 percent of the amounts available in fiscal year 1991 and not less than 9 percent of the amounts available in fiscal year 1992” in first sentence, struck out “or under whole or partial control with a for-profit entity” after “by a for-profit entity” in second sentence, and inserted at end “A partnership, that as its general partner a nonprofit entity or the nonprofit entity’s for-profit subsidiary, is eligible to receive funds set aside under this subsection to sponsor a project which is receiving low-income housing tax credits authorized under section 42 of title 26. For the purposes of this subsection, a nonprofit entity is an organization that—” and subpars. (A) to (D).

Subsec. (w)(2). Pub. L. 102–550, §708(a)(4), inserted at end “The Secretary may provide amounts available for reallocation under this subsection in excess of $750,000 in a given State, if such amounts are necessary to finance a project under this section.”

Subsec. (w)(3). Pub. L. 102–550, §708(a)(5), added par. (3) and struck out heading and text of former par. (3).

Text read as follows: “Any amounts set aside or pooled according to paragraph (2), other than amounts set aside or pooled under section 42 of title 26”.


1983—Subsec. (a)(2) to (4). Pub. L. 98–181, §512(c)(1), (2), struck out par. (2) which related to rates of interest on loans, and redesignated pars. (3) and (4) as (2) and (3), respectively.

Subsec. (b)(2) to (4). Pub. L. 98–181, §512(c)(3), (4), struck out par. (2) which related to rates of interest on loans and redesignated pars. (3) to (5) as (2) to (4), respectively.


Pub. L. 98–181, §512(b), added par. (7).

Subsec. (c). Pub. L. 98–181, §512(d), inserted provisions relating to detached units, on scattered sites, for cooperative housing.

Subsec. (d)(1). Pub. L. 98–181, §512(e), inserted provisions relating to applicability to manufactured home rental parks.

Subsecs. (g) to (p). Pub. L. 98–181, §512(a), added subsecs. (g) to (p).


Subsec. (b). Pub. L. 95–128, §§501(b), 507(a)(3), substituted “elderly or handicapped persons or families” for “elderly persons and elderly families” in provision preceding par. (1) and “September 30, 1977” for “September 30, 1977” in par. (5).


Subsec. (c). Pub. L. 95–128, §506(a), provided that specifically designed equipment required by elderly or handicapped persons or families shall not be considered elaborate or extravagant.

Subsec. (d)(1). Pub. L. 95–128, §508(b), defined “housing” to also mean congregate housing facilities for elderly or handicapped persons or families who require some supervision and central services but are otherwise able to care for themselves and authorized such housing for the handicapped to be utilized in conjunction with educational and training facilities.

Subsec. (d)(3). Pub. L. 95–128, §508(c), substituted definition of “congregate housing” for prior definition of “elderly persons” as persons 62 years of age or over and “elderly families” as families the head of which (or his spouse) is 62 years of age or over.

1974—Subsec. (b)(1). Pub. L. 93–383, §510(a), struck out “$750,000 or” after “exceed” and substituted “less” for “least”.


Subsec. (d)(4). Pub. L. 93–383, §510(b), inserted provisions including initial operating expenses up to 2 per centum of enumerated costs and requiring payments to be made to consultants rendering services to nonprofit corporations or consumer cooperatives providing housing and related facilities to low or moderate income families.


1970—Subsec. (b)(1). Pub. L. 91–609 substituted “$750,000” for “$300,000”.


1966—Subsec. (a). Pub. L. 89–754, §§804(a), 805(a), inserted “or other persons and families of low income after “income” and substituted “rental or cooperative housing” for “rental housing”, respectively.

Subsec. (b). Pub. L. 89–754, §805(a), (b), substituted “rental or cooperative housing” for “rental housing” and inserted “or other persons and families of moderate income” after “families”, respectively.

Subsec. (d)(1). Pub. L. 89–754, §804(a), substituted in the definition of “housing” the words “occupants eligible under this section,” for “elderly persons or elderly families”.

Subsec. (d)(4). Pub. L. 89–754, §805(c), defined fees and charges as used for purposes of “development cost” to include payments to qualified consulting organizations or foundations which operate on a nonprofit basis and which render services or assistance to nonprofit corporations or consumer cooperatives who provide housing and related facilities.


Subsec. (b). Pub. L. 88–660 substituted “$300,000” for “$100,000” in cl. (5), and “1965” for “1964” in cl. (5).


EFFECTIVE DATE OF 1996 AMENDMENT

Amendment by Pub. L. 104–120 to be construed to have become effective Oct. 1, 1995, see section 13(a) of Pub. L. 104–120, set out as an Effective and Termination Dates of 1996 Amendments note under section 1437d of this title.

EFFECTIVE DATE OF 1992 AMENDMENT

Section 708(b) of Pub. L. 102–550 provided that: “The amendment made by subsection (a)(5) [amending this section] shall take effect on October 1, 1993, and shall apply to fiscal year 1994 and each fiscal year thereafter.”

EFFECTIVE DATE OF 1981 AMENDMENT


REGULATIONS

Section 707(c)(2) of Pub. L. 102–550 provided that: “The Secretary of Agriculture shall issue any regulations necessary to carry out the amendment made by paragraph (1) [amending this section] not later than the expiration of the 45-day period beginning on the date of the enactment of this Act [Oct. 28, 1992]. Not later than the expiration of the 30-day period beginning on the date of the enactment of this Act, the Secretary shall submit a copy of any regulations to be issued under this subsection to the Congress. The requirements of section 534(d) of the Housing Act of 1949 (42 U.S.C. 1409(d)) and subsections (b) and (c) of section 533 of title 5, United States Code, shall apply to any such regulations.”
§ 1486. Financial assistance to provide low-rent housing for domestic farm labor

(a) Application; considerations

Upon the application of any State or political subdivision thereof, or any Indian tribe, or any broad-based public or private nonprofit organization incorporated within the State, or any nonprofit organization of farmworkers incorporated within the State, the Secretary is authorized to provide financial assistance for the provision of low-rent housing and related facilities (which may be located any place within the State) for domestic farm labor, if he finds that—

(1) the housing and related facilities for which financial assistance is requested will fulfill a pressing need in the area in which such housing and facilities will be located, and there is reasonable doubt that the same can be provided without financial assistance under this section;

(2) the applicant will contribute, from its own resources or from funds borrowed under section 1484 of this title or elsewhere, at least 10 per centum of the total development cost;

(3) the types of housing and related facilities to be provided are most practicable, giving due consideration to the purposes to be served thereby and the needs of the occupants thereof, and such housing and facilities shall be durable and suitable for year-around occupancy or use, unless the Secretary finds that there is no need for such year-around occupancy or use in that area; and

(4) the construction will be undertaken in an economical manner, and the housing and related facilities will not be of elaborate or extravagant design or material.

(b) Maximum amount of assistance

The amount of any financial assistance provided under this section for low-rent housing and related facilities shall not exceed 90 per centum of the total development cost, as determined by the Secretary, less such amount as the Secretary determines can be practicably obtained from other sources (including a loan under section 1484 of this title), and

(c) Prerequisite agreements; rentals; safety and sanitation standards; priority of domestic farm labor

No financial assistance for low-rent housing and related facilities shall be made available under this section unless, to any extent and for any periods required by the Secretary, the applicant agrees—

(1) that the rentals charged domestic farm labor shall not exceed such amounts as may be approved by the Secretary, giving due consideration to the income and earning capacity of the tenants, and the necessary costs of operating and maintaining such housing;

(2) that such housing shall be maintained at all times in a safe and sanitary condition in accordance with such standards as may be prescribed by State or local law, or, in the absence of such standards, in accordance with such minimum requirements as the Secretary shall prescribe; and

(3) an absolute priority will be given at all times in granting occupancy of such housing and facilities to domestic farm labor.

(d) Payments; contracts to specify uses of housing

The Secretary may make payments pursuant to any contract for financial assistance under this section at such times and in such manner, as may be specified in the contract. In each contract, the Secretary shall include such covenants, conditions, or provisions as he deems necessary to insure that the housing and related facilities, for which financial assistance is made available, be used only in conformity with the provisions of this section.

(e) Regulations for prevention of waste

The Secretary shall prescribe regulations to insure that Federal funds expended under this section are not wasted or dissipated. The Secretary shall not give priority for funding under this section to any one of the groups listed in subsection (a) over any of the others so listed.

(f) Wages; labor standards; waiver; authority and functions of Secretary

All laborers and mechanics employed by contractors or subcontractors on projects assisted by the Secretary which are undertaken by approved applicants under this section shall be paid wages at rates not less than those prevailing on similar construction in the locality, as determined by the Secretary of Labor in accordance with sections 3141–3144, 3146, and 3147 of title 40. The Secretary shall not extend any financial assistance under this section for any project without first obtaining adequate assurance that these labor standards will be maintained on the construction work; except that compliance with such standards may be waived by the Secretary in cases or classes of cases where laborers or mechanics, not otherwise employed at any time on the project, voluntarily donate their services without compensation for the purpose of lowering the costs of construction and the Secretary determines that any amounts thereby saved are fully credited to the person, corporation, association, organization, or other entity, undertaking the project. The Secretary of Labor shall have, with respect to the labor standards specified in this section, the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176; 64 Stat. 1267), and section 3145 of title 40.

(g) Definitions

As used in this section—

(1) the term “low-rent housing” means rental housing within the financial reach of families of low income consisting of (A) new structures (including household furnishings) suitable for dwelling use by domestic farm labor, and (B) existing structures (including household furnishings) which can be made suitable for dwelling use by domestic farm labor by rehabilitation, alteration, conversion, or improvement;

(2) the terms “related facilities” and “domestic farm labor” shall have the meaning assigned to them in section 1484(f) of this title;

(3) the term “development cost” shall have the meaning assigned to it in section 1485(d)(4) of this title; and

1 See References in Text note below.
§ 1486

(4) the term "domestic farm labor" has the meaning given such term in section 1484(f)(3) of this title.

(h) Migrant farmworker housing

Notwithstanding the provisions of subsection (a)(3), the Secretary may, upon a finding of persistent need for migrant farmworker housing in any area, provide assistance to eligible applicants for 90 per centum of the development costs of such housing in such area to be used solely by migrant farmworkers while they are away from their residence. Such housing shall be constructed in such a manner as to be safe and weatherproof for the time it is to be occupied, be equipped with potable water and modern sanitation facilities (including a kitchen sink, toilet, and bathing facilities), and meet such other requirements as the Secretary may prescribe.

(i) Farm labor housing

The Secretary shall utilize not more than 10 per centum of the amounts available for any fiscal year for purposes of this section for financial assistance to eligible private and public nonprofit agencies to encourage the development of domestic and migrant farm labor housing projects under this subchapter.

(j) Domestic farm labor housing available for other families

Housing and related facilities constructed with grants under this section may be used for tenants eligible for occupancy under section 1485 of this title if the Secretary determines that—

(1) there is no longer a need in the area for farm labor housing; or

(2) the need for such housing in the area has diminished to the extent that the purpose of the grant, providing housing for domestic farm labor, can no longer be met.

(k) Housing for rural homeless and migrant farmworkers

(1) In general

The Secretary may provide financial assistance for providing affordable rental housing and related facilities for migrant farmworkers and homeless individuals (and the families of such individuals) to applicants as provided in this subsection.

(2) Types of assistance

(A) In general

The Secretary may provide the following assistance for housing under this subsection:

(i) An advance, in an amount not to exceed $400,000, of the cost of acquisition, substantial rehabilitation, or acquisition and rehabilitation of an existing structure or construction of a new structure for use in the provision of housing under this subsection. The repayment of any outstanding debt owed on a loan made to purchase an existing structure for use in the provision of housing under this subsection shall be considered to be a cost of acquisition eligible for an advance under this subparagraph if the structure was not used for the purposes under this subsection prior to the receipt of assistance.

(ii) A grant, in an amount not to exceed $400,000, for moderate rehabilitation of an existing structure for use in the provision of housing under this subsection.

(iii) Annual payments for operating costs of such housing (without regard to whether the housing is an existing structure), not to exceed 75 percent of the annual operating costs of such housing.

(B) Available assistance

A recipient may receive assistance under both clauses (i) and (ii) of subparagraph (A). The Secretary may increase the limit contained in such clauses to $800,000 in areas which the Secretary finds have high acquisition and rehabilitation costs.

(C) Repayment of advance

Any advance provided under subparagraph (A)(i) shall be repaid on such terms as may be prescribed by the Secretary when the project ceases to be used as housing in accordance with the provisions of this subsection. Recipients shall be required to repay 100 percent of the advance if the housing is used for purposes under this subsection for fewer than 10 years following initial occupancy. If the housing is used for such purposes for more than 10 years, the percentage of the amount that shall be required to be repaid shall be reduced by 10 percentage points for each year in excess of 10 that the property is so used.

(D) Prevention of undue benefits

Upon any sale or other disposition of housing acquired or rehabilitated with assistance under this subsection prior to the close of 20 years after the housing is placed in service, other than a sale or other disposition resulting in the use of the project for the direct benefit of low income persons or where all of the proceeds are used to provide housing for migrant farmworkers and homeless individuals (and the families of such individuals), the recipient shall comply with such terms and conditions as the Secretary may prescribe to prevent the recipient from unduly benefiting from the sale or other disposition of the project.

(3) Program requirements

(A) Applications

(i) Applications for assistance under this subsection shall be submitted by an applicant in such form and in accordance with such procedures as the Secretary shall establish.

(ii) The Secretary shall require that applications contain at a minimum (I) a description of the proposed housing, (II) a description of the size and characteristics of the population that would occupy the housing, (III) a description of any public and private resources that are expected to be made available in connection with the housing, (IV) a description of the housing needs for migrant farmworkers and homeless individuals (and the families of such individuals) in the area to be served by the housing, and (V) assurances satisfactory to the Secretary that the housing assisted will be operated for not less than 10 years for the purpose specified in the application.
(iii) The Secretary shall require that an application furnish reasonable assurances that the housing will be available for occupancy by homeless individuals (and the families of such individuals) only on an emergency and temporary basis during the off-season and shall be otherwise available for occupancy by migrant farmworkers (and their families).

(iv) The Secretary shall require that an application furnish reasonable assurances that the applicant will own or have control of a site for the proposed housing not later than 6 months after notification of an award for grant assistance. An applicant may obtain ownership or control of a suitable site different from the site specified in the application. If an applicant fails to obtain ownership or control of the site within 1 year after notification of an award for grant assistance, the grant shall be recaptured and reallocated.

(B) Selection criteria

The Secretary shall establish selection criteria for a national competition for assistance under this subsection, which shall include—

(i) the ability of the applicant to develop and operate the housing;

(ii) the feasibility of the proposal in providing the housing;

(iii) the need for such housing in the area to be served;

(iv) the cost effectiveness of the proposed housing;

(v) the extent to which the project would meet the needs of migrant farmworkers and homeless individuals (and the families of such individuals) in the State;

(vi) the extent to which the applicant has control of the site of the proposed housing; and

(vii) such other factors as the Secretary determines to be appropriate for purposes of this subsection.

(C) Required agreements

The Secretary may not approve assistance for any housing under this subsection unless the applicant agrees—

(i) to operate the proposed project as housing for migrant farmworkers and homeless individuals (and the families of such individuals) in compliance with the provisions of this subsection and the application approved by the Secretary;

(ii) to monitor and report to the Secretary on the progress of the housing; and

(iii) to comply with such other terms and conditions as the Secretary may establish for purposes of this subsection.

(D) Occupant rent

Each migrant farmworker and homeless individual residing in a facility assisted under this subsection shall pay as rent an amount determined in accordance with the provisions of section 1437(a) of this title.

(4) Guidelines

(A) Regulations

Not later than 120 days after November 28, 1990, the Secretary shall by notice establish such requirements as may be necessary to carry out the provisions of this subsection.

(B) Limitation on use of funds

No assistance received under this subsection (or any State or local government funds used to supplement such assistance) may be used to replace other public funds previously used, or designated for use, to assist homeless individuals (and the families of such individuals) or migrant farmworkers.

(5) Limitation on administrative expenses

No recipient may use more than 5 percent of an advance or grant received under this subsection for administrative purposes.

(6) Omitted

(7) Definitions

For purposes of this subsection:

(A) The term “applicant” means a State, political subdivision thereof, Indian tribe, any private nonprofit organization incorporated within the State that has applied for a grant under this subsection.

(B) The term “homeless individual” has the same meaning given the term under section 11302 of this title.

(C) The term “migrant farmworker”—

(i) means any person (and the family of such person) who (I) receives a substantial portion of his or her income from primary production of agricultural or aquacultural commodities, the handling of such commodities in the unprocessed stage, or the processing of such commodities, without respect to the source of employment, and (II) establishes residence in a location on a seasonal or temporary basis, in an attempt to receive an income as described in subclause (I); and

(ii) includes any person (and the family of such person) who is retired or disabled, but who met the requirements of clause (i) at the time of retirement or becoming disabled.

(D) The term “operating costs” means expenses incurred by a recipient providing housing under this subsection with respect to the administration, maintenance, repair, and security of such housing and utilities, fuel, furnishings, and equipment for such housing.

References in Text

Reorganization Plan Numbered 14 of 1950, referred to in subsec. (f), is set out in the Appendix to Title 5, Government Organization and Employees.

Codenification


1979—Subsec. (e). Pub. L. 95–557 inserted “The Secretary shall not give priority for funding under this section to any one of the groups listed in subsection (a) over any of the others so listed”.


1979—Subsec. (e). Pub. L. 95–557 inserted “The Secretary shall not give priority for funding under this section to any one of the groups listed in subsection (a) over any of the others so listed”.


c) Use of funds from Rural Housing Insurance Fund for loans; sale of insured and guaranteed loans to public

The Secretary may use the Rural Housing Insurance Fund for the purpose of making loans to be sold and insured under this section. Any loan made and sold by the Secretary under this section after April 7, 1986 (and any loan made by other lenders under this subchapter that is insured or guaranteed in accordance with this section, is purchased by the Secretary, and is sold by the Secretary under this section after such date) shall be sold to the public and may not be sold to the Federal Financing Bank, unless such sale to the Federal Financing Bank is required by the Secretary under this subchapter between the Secretary and the Federal Financing Bank occurring on or before such date.

(d) Authority to insure payment of interest and principal; liens; assignability of notes evidencing loans; interest subsidy on insured and guaranteed loans offered for sale to public; protection of borrowers under loans sold to public

(1) The Secretary may, in conformity with subsections (a), (b), and (m), insure the payment of principal and interest on loans made by lenders other than the United States, and on loans made from or otherwise acquired by the Rural Housing Insurance Fund which are sold by the Secretary. Any contract of insurance executed by the Secretary hereunder shall be an obligation supported by the full faith and credit of the United States, and shall be incontestable except for fraud or material misrepresentation of which the holder has actual knowledge. In connection with loans insured under this section, the Secretary may take liens running to the United States notwithstanding the fact that the notes evidencing such loans may be held by lenders.
other than the United States. Notes evidencing such loans shall be freely assignable, but the Secretary shall not be bound by any such assignment until notice thereof is given to and acknowledged by him.

(2) Each loan made by the Secretary or other lenders under this subchapter that is insured or guaranteed in accordance with this subsection shall, when offered for sale to the public, be accompanied by an agreement by the Secretary to pay to the holder of such loan (through an agreement to purchase such loan or through such other means as the Secretary determines to be appropriate) the difference between the rate of interest paid by the borrower of such loan and the market rate of interest (as determined by the Secretary) on obligations having comparable periods to maturity on the date of such sale.

(3) Each loan made by the Secretary or other lenders under this subchapter that is insured or guaranteed in accordance with this subsection shall, when offered for sale to the public, be accompanied by agreements for the benefit of the borrower under the loan that provide that—

(A) the purchaser or any assignee of the loan shall not diminish any substantive or procedural right of the borrower arising under this subchapter;

(B) upon any substantial default of the borrower, but prior to foreclosure, the loan shall be assigned to the Secretary for the purpose of avoiding foreclosure; and

(C) following any assignment under subparagraph (B) and before commencing any action to foreclose or otherwise dispossess the borrower, the Secretary shall afford the borrower all substantive and procedural rights arising under this subchapter, including consideration for interest subsidy, moratorium, remortgaging, refinancing, and appeal of any adverse decision to an impartial officer.

(4) From the proceeds of loan sales under paragraph (2), the Secretary shall set aside as a reserve against future losses not less than 5 percent of the outstanding face amount of the loans held by the public at any time.

(e) Rural Housing Insurance Fund; creation; authorization of appropriations; separate operation of guaranteed and insured loan programs; transfer of funds

There is hereby created the Rural Housing Insurance Fund (hereinafter referred to as the "Fund") which shall be used by the Secretary as a revolving fund for carrying out the provisions of this section. There are authorized to be appropriated to the Secretary such sums as may be necessary for the purposes of the Fund. The guaranteed loan program under this subchapter shall be operated separately from the insured loan program operated under this subchapter and no funds designated for one program may be transferred to another program.

(f) Investment of excess Fund moneys

Money in the Fund not needed for current operations shall be invested in direct obligations of the United States or obligations guaranteed by the United States.

(g) Fund assets and liabilities; sale of loans; agreements for servicing and purchasing loans

All funds, claims, notes, mortgages, contracts, and property acquired by the Secretary under this section, and all collections and proceeds therefrom, shall constitute assets of the Fund, and all liabilities and obligations of such assets shall be liabilities and obligations of the Fund. Loans may be held in the Fund and collected in accordance with their terms or may be sold by the Secretary with or without agreements for insurance thereof. The Secretary is authorized to make agreements with respect to servicing loans held or insured by him under this section and purchasing such insured loans on such terms and conditions as he may prescribe.

(h) Issuance of notes; form and denominations; interest rate; purchase by Secretary of the Treasury; debt transactions

The Secretary is authorized to issue notes to the Secretary of the Treasury to obtain funds necessary for discharging obligations under this section and for authorized expenditures out of the Fund, but, except as may be authorized in appropriation Acts, not for the original or any additional capital of the Fund. Such notes shall be in such form and denominations and have such maturities and be subject to such terms and conditions as may be prescribed by the Secretary with the approval of the Secretary of the Treasury. Each note shall bear interest at the average rate, as determined by the Secretary of the Treasury, payable by the Treasury upon its marketable public obligations outstanding at the beginning of the fiscal year in which such note is issued, which are neither due nor callable for redemption for fifteen years from their date of issue. The Secretary of the Treasury is authorized and directed to purchase any notes of the Secretary issued hereunder, and for that purpose the Secretary of the Treasury is authorized to use as a public debt transaction the proceeds from the sale of any securities issued under chapter 31 of title 31, and the purposes for which such securities may be issued under such chapter are extended to include purchases of notes issued by the Secretary. All redemption, purchases, and sales by the Secretary of the Treasury of such notes shall be treated as public debt transactions of the United States. The notes issued by the Secretary to the Secretary of the Treasury shall constitute obligations of the Fund.

(i) Retention of annual charge; administrative expenses; merger of funds

The Secretary may retain out of interest payments by the borrower an annual charge in an amount specified in the insurance or mortgage agreement applicable to the loan. Of the charges retained by the Secretary, if any, not to exceed 1 per centum per annum of the unpaid balance of the loan shall be deposited in the Fund. Any retained charges not deposited in the Fund shall be available for administrative expenses in carrying out the provisions of this subchapter, to be transferred annually, and become merged with any appropriation for administrative expenses of the Farmers Home Administration,
(j) Additional uses of Fund moneys

The Secretary may also utilize the Fund—

(1) to pay amounts to which the holder of the note is entitled in accordance with an insurance or sale agreement under this section accruing between the date of any payment by the borrower to the Secretary and the date of transmittal of any such payments to the holder of the note; and in the discretion of the Secretary, payments other than final payments need not be remitted to the holder until due or until the next agreed annual or semiannual remittance date;

(2) to pay the holder of any note insured under this section any defaulted installment or, upon assignment of the note to the Secretary at the Secretary’s request, or pursuant to a purchase agreement, the entire balance outstanding on the note;

(3) to pay taxes, insurance, prior liens, expenses necessary to make fiscal adjustments in connection with the application and transmittal of collections or necessary to obtain credit reports on applicants or borrowers, and other services customary in the industry, independent audits of project expenses, construction inspections, commercial appraisals, servicing of loans, and other related program services and expenses, and other expenses and advances to protect the security for loans which are insured under this section or held in the Fund, and to acquire such security property at foreclosure sale or otherwise;

(4) to make assistance payments authorized by section 1490a(a) of this title;

(5) after October 1, 1977, and as approved in appropriations Acts, to make advances authorized by section 1471(e) of this title;

(6) to make payments and take other actions in accordance with agreements entered into under paragraphs (2) and (3) of subsection (d); and

(7) to provide advances and assistance required to carry out paragraphs (4) and (5) of section 1472(c) of this title.

(k) Sale of loans as sale of assets

Any sale by the Secretary of Loans individually or in blocks, pursuant to subsections (c) and (g), shall be treated as a sale of assets for the purposes of chapter 11 of title 31, notwithstanding the fact that the Secretary, under an agreement with the purchaser, holds the debt instruments evidencing the loans and holds or reinvests payments thereon as trustee and custodian for the purchaser.

(l) Commitments to make or insure loans to lenders, builders, or sellers; terms and conditions

The Secretary may also, upon the application of lenders, builders, or sellers and upon compliance with requirements specified by him, make commitments upon such terms and conditions as he shall prescribe to make or insure loans under this section to eligible applicants.

(m) Transfer of assets, liabilities, and authorizations of Rural Housing Direct Loan Account to Fund; abolition of Account; applicability of provisions

The assets and liabilities of, and authorizations applicable to, the Rural Housing Direct Loan Account are hereby transferred to the Fund, and such Account is hereby abolished. Such assets and their proceeds, including loans made out of the Fund pursuant to this section, shall be subject to all of the provisions of this section.

(n) Purchase of eligible residential properties

The Secretary may guarantee and service loans made for the purchase of eligible residential properties under section 1441a(c) of title 12 in accordance with subsection (d) of this section and the last sentence of section 1490a(a)(1)(A) of this title.

(o) Rules to encourage rehabilitation or purchase of existing buildings; regulations to facilitate marketability of insured or guaranteed loans in secondary mortgage market

(1) The Secretary shall promulgate rules which encourage the rehabilitation or purchase of existing buildings for the purpose of providing housing which is economical in cost and operation.

(2) Not later than the expiration of the 90-day period following publication in the Federal Register of a final rule under paragraph (1), the Secretary shall issue regulations to facilitate the marketability in the secondary mortgage market of loans insured or guaranteed under this section. Such regulations shall ensure that such loans are competitive with other loans and mortgages insured or guaranteed by the Federal Government.
was repealed by Pub. L. 111–203, title III, § 364(b), July 30, 1999.

Section 141a(c) of title 12, referred to in subsec. (n), was repealed by Pub. L. 111–203, title III, § 364(b), July 30, 1999.

REFERRENCES IN TEXT
Section 141a(c) of title 12, referred to in subsec. (n), was repealed by Pub. L. 111–203, title III, § 364(b), July 30, 1999.

AMENDMENTS


1986—Subsec. (c). Pub. L. 99–272, § 3006(a), inserted provision requiring any loan made and sold after Apr. 7, 1986, to be sold to the public and not to Federal Financing Bank unless required to service transactions between Secretary and Bank occurring on or before such date.

Subsec. (d). Pub. L. 99–272, § 3006(b), (c), substituted provisions relating to amounts available to such persons.

Subsec. (o). Pub. L. 99–272, § 3006(f), designated existing provisions as par. (1), and added pars. (2) to (4).

1985—Subsec. (j)(3). Pub. L. 99–365 substituted “chapter 31 of title 31” for “the Second Liberty Bond Act, as amended” and “such chapter” for “such Act.”


Subsec. (k). Pub. L. 98–479, § 105(f), inserted “and” after “the semicolon at the end.”


1983—Subsec. (a). Pub. L. 98–181, § 514(a)(1), substituted provisions relating to amount of loan to low income person or family, for provisions designated as pars. (1) and (2) relating to restrictions on loans with respect to amounts, interest, etc., where the borrowers are persons of low or moderate income, and similar restrictions where the borrowers are other persons.


Subsec. (b). Pub. L. 98–181, § 514(b)(3), substituted “for the aggregate amount of loans held by the Secretary at any one time.”

Subsec. (b). Pub. L. 98–181, § 514(b)(4), struck out former subsec. (o) which related to loans to persons of low income and to the minimum amounts available to such persons.

Subsec. (a). Pub. L. 98–181, § 514(c), added subsec. (o), and struck out former subsec. (o) which related to loans to persons of low income and to the minimum amounts available to such persons.


Subsec. (b). Pub. L. 98–181, § 514(c), added subsec. (o), and struck out former subsec. (o) which related to loans to persons of low income and to the minimum amounts available to such persons.


Subsec. (b). Pub. L. 98–181, § 514(d), substituted “for the aggregate amount of loans held by the Secretary at any one time.”

Subsec. (b). Pub. L. 98–181, § 514(d)(2), substituted “for the aggregate amount of loans held by the Secretary at any one time.”


Subsec. (a)(1). Pub. L. 98–181, § 514(d)(5), substituted “for the aggregate amount of loans held by the Secretary at any one time.”

Subsec. (a)(1). Pub. L. 98–181, § 514(d)(6), substituted “for the aggregate amount of loans held by the Secretary at any one time.”

Subsec. (a)(1). Pub. L. 98–181, § 514(d)(7), substituted “for the aggregate amount of loans held by the Secretary at any one time.”

Subsec. (b). Pub. L. 98–181, § 514(d)(8), substituted “for the aggregate amount of loans held by the Secretary at any one time.”

Subsec. (b). Pub. L. 98–181, § 514(d)(9), substituted “for the aggregate amount of loans held by the Secretary at any one time.”

Subsec. (b). Pub. L. 98–181, § 514(d)(10), substituted “for the aggregate amount of loans held by the Secretary at any one time.”

Subsec. (b). Pub. L. 98–181, § 514(d)(11), substituted “for the aggregate amount of loans held by the Secretary at any one time.”

Subsec. (b). Pub. L. 98–181, § 514(d)(12), substituted “for the aggregate amount of loans held by the Secretary at any one time.”

Subsec. (a)(1). Pub. L. 98–181, § 514(d)(13), substituted “for the aggregate amount of loans held by the Secretary at any one time.”

Subsec. (b). Pub. L. 98–181, § 514(d)(14), substituted “for the aggregate amount of loans held by the Secretary at any one time.”
days thereafter, on Secretary’s activities regarding such sales, authorized audits and evaluations of Sec-
tary’s activities by Comptroller General and reports on such audits and evaluations to Congressional com-
mittees, and excluded applicability of subsec. (d)(2) and (3) of this section to sale of loans.

Effective Date of 1981 Amendment

Amendment by Pub. L. 97–35 effective Oct. 1, 1981, see
section 371 of Pub. L. 97–35, set out as an Effective Date
note under section 3710 of Title 12, Banks and Banking.

§ 1488. Repealed. Pub. L. 91–152, title IV,
§ 413(e)(3), Dec. 24, 1969, 83 Stat. 399

Stat. 500, created the Rural Housing Direct Loan Ac-
count, set forth the composition of such Account, and
authorized the issuance of notes to the Secretary of the Treasury.

§ 1489. Transfer of excess funds out of Rural
Housing Insurance Fund

Any sums in the Rural Housing Insurance Fund which the Secretary determines are in ex-
cess of amounts needed to meet the obligations and carry out the purposes of such Fund shall be
returned to miscellaneous receipts of the Treasury.

(July 15, 1949, ch. 338, title V, § 519, as added Pub.
24, 1969, 83 Stat. 399.)

Amendments

1969—Pub. L. 91–152 struck out applicability of provi-
sions to Rural Housing Direct Loan Account.

§ 1490. “Rural” and “rural area” defined

As used in this subchapter, the terms “rural” and “rural area” mean any open country, or any place,
town, village, or city which is not (except in the cases of Pajaro, in the State of California, and
Guadalupe, in the State of Arizona) part of or associated with an urban area and which (1) has a
population not in excess of 2,500 inhab-
Jants, or (2) has a population in excess of 2,500 but not in excess of 10,000, if it is rural in char-
acter, or (3) has a population in excess of 10,000 but not in excess of 20,000, and (A) is not con-
tained within a standard metropolitan statistical area, and (B) has a serious lack of mort-
gage credit for lower and moderate-income families. Notwithstanding any other provision
of this section, the city of Plainview, Texas, shall be considered a rural area for purposes of
this subchapter, and the city of Altus, Oklahoma, shall be considered a rural area for pur-
poses of this subchapter until the receipt of data from the decennial census in the year 2000.

(Amendment)
the current average market yield on outstanding marketable obligations of the United States with remaining periods to maturities comparable to the average maturities of such loans, adjusted to the nearest one-eighth of 1 per centum. Any loan guaranteed under this subchapter shall bear interest at such rate as may be agreed upon by the borrower and the lender.

(B) From the interest rate so determined, the Secretary may provide the borrower with assistance in the form of credits so as to reduce the effective interest rate to a rate not less than 1 per centum per annum for such periods of time as the Secretary may determine for applicants described in subparagraph (A) if without such assistance such applicants could not afford the dwelling or make payments on the indebtedness of the rental or cooperative housing. In the case of assistance provided under this subparagraph with respect to a loan under section 1472 of this title, the Secretary may not reduce, cancel, or refuse to renew the assistance due to an increase in the adjusted income of the borrower if the reduction, cancellation, or nonrenewal will cause the borrower to be unable to reasonably afford the resulting payments required under the loan.

(C) For persons of low income under section 1472 or 1487(a) of this title who the Secretary determines are unable to afford a dwelling with the assistance provided under subparagraph (B) and when the Secretary determines that assisted rental housing programs (as authorized under this subchapter, the National Housing Act [12 U.S.C. 1701 et seq.], and the United States Housing Act of 1937 (42 U.S.C. 1437 et seq.)) would be unsuitable in the area in which such persons reside, the Secretary may provide additional assistance, pursuant to amounts approved in appropriations Acts and for such periods of time as the Secretary may determine, which may be in an amount not to exceed the difference between (I) the amount determined by the Secretary to be necessary to pay the principal indebtedness, interest, taxes, insurance, utilities, and maintenance, and (ii) 25 per centum of the income of such applicant. The amount of such additional assistance which may be approved in appropriation Acts may not exceed an aggregate amount of $100,000,000. Such additional assistance may not be so approved with respect to any fiscal year beginning on or after October 1, 1981.

(D)(1) With respect to borrowers under section 1472 or 1487(a) of this title who have received assistance under subparagraph (B) or (C), the Secretary shall provide for the recapture of all or a portion of such assistance rendered upon the disposition or nonoccupancy of the property by the borrower. In providing for such recapture, the Secretary shall make provisions to provide incentives for the borrower to maintain the property in a marketable condition. Notwithstanding any other provision of law, any such assistance whenever rendered shall constitute a debt secured by the security instruments given by the borrower to the Secretary to the extent that the Secretary may provide for recapture of such assistance.

(ii) In determining the amount recaptured under this subparagraph with respect to any loan made pursuant to section 1472(a)(3) of this

---

See References in Text note below.
title for the purchase of a dwelling located on land owned by a community land trust, the Secretary shall determine any appreciation of the dwelling based on any agreement between the borrower and the community land trust that limits the sale price or appreciation of the dwelling.

(E) Except for Federal or State laws relating to taxation, the assistance rendered to any borrower under subparagraphs (B) and (C) shall not be considered to be income or resources for any purpose under any Federal or State laws including, but not limited to, laws relating to welfare and public assistance programs.

(F) Loans subject to the interest rates and assistance provided under this paragraph (1) may be made only when the Secretary determines the needs of the applicant for necessary housing cannot be met with financial assistance from other sources including assistance under the National Housing Act [12 U.S.C. 1701 et seq.] and the United States Housing Act of 1937 [42 U.S.C. 1437 et seq.].

Interest on loans under section 1472 or 1487(a) of this title to victims of a natural disaster shall not exceed the rate which would be applicable to such loans under section 1472 of this title without regard to this section.

(2)(A) The Secretary shall make, and insure loans under this section and sections 1484, 1485, and 1487 of this title to provide rental or cooperative housing and related facilities for persons and families of low income in multifamily housing projects, and shall make, and contract to make, assistance payments to the owners of such rental, congregate, or cooperative housing in order to make available to low-income occupants of such housing rentals at rates commensurate to income and not exceeding the highest of (i) 30 per centum of monthly adjusted income, (ii) 10 per centum of monthly income, or (iii) if the person or family is receiving payments for welfare assistance from a public agency, the portion of such payments which is specifically designated by such agency to meet the person's or family's housing costs. Any rent or contribution of any recipient shall not increase as a result of this section or any other provision of Federal law or regulation by more than 10 per centum during any twelve-month period, unless the increase above 10 per centum is attributable to increases in income which are unrelated to this subsection or other law or regulation.

(B) The owner of any project assisted under this paragraph or paragraph (5) shall be required to provide at least annually a budget of operating expenses and record of tenants' income. The budget (and the income, in the case of a project assisted under this paragraph) shall be used to determine the amount of the assistance for each project.

(C) The project owner shall accumulate, safeguard, and periodically pay to the Secretary any rental charges collected in excess of basic rental charges as established by the Secretary in conformity with subparagraph (A). These funds may be credited to the appropriation and used by the Secretary for making such assistance payments through the end of the next fiscal year. Notwithstanding the preceding sentence, excess funds received from tenants in projects financed under section 1485 of this title during a fiscal year shall be available during the next succeeding fiscal year, together with funds provided under subparagraph (D), to the extent approved in appropriations Acts, to make assistance payments to reduce rent overburden on behalf of persons or families of any such project whose rents exceed the levels referred to in subparagraph (A). In providing assistance to reduce rent overburden, the Secretary shall provide assistance with respect to very low-income and low-income families to reduce housing rentals to the levels specified in subparagraph (A).

(D) The Secretary, to the extent approved in appropriation Acts, may enter into rental assistance contracts aggregating not more than $398,000,000 in carrying out subparagraph (A) with respect to the fiscal year ending on September 30, 1982.

(E) In order to assist elderly or handicapped persons or families who elect to live in a shared housing arrangement in which they benefit as a result of sharing the facilities of a dwelling with others in a manner that effectively and efficiently meets their housing needs and thereby reduces their cost of housing, the Secretary shall permit rental assistance to be used by such persons or families if the shared housing arrangement is in a single-family dwelling. For the purpose of this subparagraph, the Secretary shall prescribe minimum habitability standards to assure decent, safe, and sanitary housing for such families while taking into account the special circumstances of shared housing.

(3)(A) In the case of loans under sections 1484 and 1485 of this title approved prior to the effective date of this paragraph with respect to which rental assistance is provided, the rent for tenants receiving such assistance shall not exceed the highest of (i) 30 per centum of monthly adjusted income, (ii) 10 per centum of monthly income, or (iii) if the person or family is receiving payments for welfare assistance from a public agency, the portion of such payments which is specifically designated by such agency to meet the person's or family's housing costs.

(B) In the case of a loan approved prior to the effective date of this paragraph with respect to which interest credits are provided, the tenant's rent shall not exceed the highest of (i) 30 per centum of monthly adjusted income, (ii) 10 per centum of monthly income, or (iii) if the person or family is receiving payments for welfare assistance from a public agency, the portion of such payments which is specifically designated by such agency to meet the person's or family's housing costs, or, where no rental assistance authority is available, the rent level established on a basis of a 1 per centum interest rate on debt service.

(C) No rent for a unit financed under section 1484 or 1485 of this title shall be increased as a result of this subsection or other provision of Federal law or Federal regulation by more than 10 per centum in any twelve-month period, unless the increase above 10 per centum is attributable to increases in income which are unrelated to this subsection or other law, or regulation.

(4) In the case of a loan with respect to the purchase of a manufactured home with respect
to which rental assistance is provided, the monthly payment for principal and interest on the manufactured home and for lot rental and utilities shall not exceed the highest of (A) 30 per centum of monthly adjusted income, (B) 10 per centum of monthly adjusted income, or (C) if the person or family is receiving payments for welfare assistance from a public agency, the portion of such payments which is specifically designated by such agency to meet the person’s or family’s housing costs.

(5) OPERATING ASSISTANCE FOR MIGRANT FARMWORKER PROJECTS.—

(A) AUTHORITY.—In the case of housing (and related facilities) for migrant farmworkers provided or assisted with a loan under section 1484 of this title or a grant under section 1486 of this title, the Secretary may, at the request of the owner of the project, use amounts provided for rental assistance payments under paragraph (2) to provide assistance for the costs of operating the project. Any tenant or unit assisted under this paragraph may not receive rental assistance under paragraph (2).

(B) AMOUNT.—In any fiscal year, the assistance provided under this paragraph for any project shall not exceed an amount equal to 30 per centum of the operating costs for the project for the year, as determined by the Secretary.

The amount of assistance to be provided for a project under this paragraph shall be an amount that makes units in the project available to migrant farmworkers in the area of the project at rates not exceeding 30 per centum of the monthly adjusted incomes of such farmworkers, based on the prevailing incomes of such farmworkers in the area.

(C) SUBMISSION OF INFORMATION.—The owner of a project assisted under this paragraph shall be required to provide to the Secretary, at least annually, a budget of operating expenses and estimated rental income, which the Secretary may use to determine the amount of assistance for the project.

(D) DEFINITIONS.—For purposes of this paragraph, the following definitions shall apply:

(i) The term “migrant farmworker” has the same meaning given such term in section 1486(k)(7) of this title.

(ii) The term “operating cost” means expenses incurred in operating a project, including expenses for—

(I) administration, maintenance, repair, and security of the project;

(II) utilities, fuel, furnishings, and equipment for the project; and

(III) maintaining adequate reserve funds for the project.

(b) Location in rural areas; inclusion of qualified nonrural residents who will become rural residents

Housing and related facilities provided with loans described in subsection (a) shall be located in rural areas; and applicants eligible for such loans under section 1472, 1487(a)(1), or 1490f(a) of this title, or for occupancy of housing provided with such loans under section 1485 or 1490f(c) of this title, shall include otherwise qualified nonrural residents who will become rural residents.

(c) Reimbursement of Rural Housing Insurance Fund

There shall be reimbursed to the Rural Housing Insurance Fund by annual appropriations (1) the amounts by which nonprincipal payments made from the fund during each fiscal year to the holders of insured loans described in subsection (a)(1) exceed interest due from the borrowers during each year, and (2) the amount of assistance payments described in subsections (a)(2) and (a)(5).

There are authorized to be appropriated to the Rural Housing Insurance Fund such sums as may be necessary to reimburse such fund for the amount of assistance payments described in subsection (a)(1)(C). The Secretary may from time to time issue notes to the Secretary of the Treasury under section 1487(h) and of this title and section 1490f of this title to obtain amounts equal to such unreimbursed payments, pending the annual reimbursement by appropriation.

(d) Rental assistance contract authority; preconditions, limitations, etc.

(1) In utilizing the rental assistance payments authority pursuant to subsection (a)(2)—

(A) the Secretary shall make such assistance available in existing projects for units occupied by low income families or persons to extend expiring contracts or to provide additional assistance when necessary to provide the full amount authorized pursuant to existing contracts;

(B) any such authority remaining after carrying out subparagraph (A) shall be used in projects receiving commitments under section 1484, 1485, or 1486 of this title after fiscal year 1983 for contracts to assist very low-income families or persons to occupy the units in such projects, except that not more than 5 percent of the units assisted may be occupied by low income families or persons who are not very low-income families or persons; and

(C) any such authority remaining after carrying out subparagraphs (A) and (B) may be used to provide further assistance to existing projects under section 1484, 1485, or 1486 of this title.

(2) The Secretary shall transfer rental assistance contract authority under this section from projects where such authority is unused after initial rentup and not needed because of a lack of eligible tenants in the area to projects where such authority is needed.

(e) Increases in rent or contribution of any recipient

Any rent or contribution of any recipient or any tenant in a project assisted under subsection (a)(5) shall not increase as a result of this section, any amendment thereto, or any other provision of Federal law or regulation by more than 10 per centum during any twelve-month period, unless the increase above 10 per centum is attributable to increases in income which are unrelated to this subsection or other law or regulation.

(7) See References in Text note below.

REFERENCES IN TEXT

Section 1497(a) of this title, referred to in subsecs. (a)(1)(A) and (b), was amended by Pub. L. 98–181, title I (title V, §§514(a)(1)), Nov. 30, 1983, 97 Stat. 1247, and, as so amended, does not contain subpar. (a)(1).

The National Housing Act, referred to in subsec. (a)(1)(C) and (F), is act June 27, 1934, ch. 847, 48 Stat. 1017, as amended.

The United States Housing Act of 1937, referred to in subsec. (a)(1)(C) and (F), is act Aug. 22, 1934, ch. 756, 48 Stat. 998, as amended generally by Pub. L. 93–383, title II, §201(a), Aug. 22, 1974, 88 Stat. 653, and amended, which is classified principally to chapter 13 (§1701 et seq.) of Title 12, Banks and Banking. For complete classification of this Act to the Code, see section 1701 of Title 12 and Tables.

The United States Housing Act of 1937, referred to in subsec. (a)(1)(C) and (F), is act Aug. 22, 1974, 88 Stat. 847, 48 Stat. 1246, as amended, which is classified principally to chapter 13 (§1701 et seq.) of Title 12, Banks and Banking. For complete classification of this Act to the Code, see section 1701 of Title 12 and Tables.

Section 1487(a) of this title, referred to in subsec. (a)(3)(A) and (B), is six months after Nov. 30, 1983, or upon the earlier implementation of implementing regulations by the Secretary. See section 517(f) of Pub. L. 98–181, 97 Stat. 1241–1242, set out as an Effective Date of 1983 Amendment note below.

AMENDMENTS


1998—Subsec. (a)(2)(B). Pub. L. 105–276, §599C(e)(2)(D), inserted “or paragraph (5)” after “this paragraph” and substituted “. The budget (and the income, in the case of assistance provided under this subparagraph with respect to a loan under section 1701 of this title, the Secretary may not reduce, cancel, or refuse to renew the assistance due to an increase in the adjusted income of the borrower if the reduction, cancellation, or nonrenewal will cause the borrower to be unable to reasonably afford the resulting payments required under the loan.”


1994—Subsec. (d)(1). Pub. L. 98–479 in amending par. (1) generally, inserted provisions preceding subpar. (A), in subpar. (A) substituted provisions authorizing the Secretary to make assistance available in existing projects for former provisions which required Secretary to first assure that expiring contracts are extended for those units occupied by persons or families of low income and that additional assistance is used when necessary to provide the full amount authorized pursuant to existing contracts, in subpar. (B) substituted “any such authority remaining after carrying out subparagraph (A)” for “—remaining funds” and inserted provisions relating to persons who are not very low-income families or persons, and in subpar. (C) substituted provisions that remaining authority may be used to provide assistance under sections 1481 to 1486 of this title for former provisions which authorized the Secretary to use remaining funds for existing projects for very low-income families except that 5 per centum of the units assisted may be occupied by families and persons of low income.

1983—Subsec. (a)(2)(A). Pub. L. 98–181, §517(c), substituted provisions setting forth factors applicable to determination of maximum amount, for provisions setting forth maximum amount as 25 per centum of income, and inserted provisions relating to limitations on increases of any rent or contribution of recipient.

Subsec. (a)(5)(A). Pub. L. 98–181, §517(a), struck out provisions requiring savings payments to be made on a unit basis and maximum amount of such payments, and provisions respecting priority for approval of projects under this paragraph.


Subsec. (a)(4). Pub. L. 98–181, §517(b), added pars. (3) and (4).


Subsec. (a)(2)(D). Pub. L. 97–35, §351(d), substituted “$398,000,000” for “$493,000,000”, and substituted provisions relating to fiscal year ending Sept. 30, 1982, for provisions relating to fiscal year ending Sept. 30, 1981.

1969—Subsec. (a)(1)(B). Pub. L. 96–399, §505, substituted “the Secretary shall provide” for “the Secretary may provide”.

Subsec. (a)(1)(C). Pub. L. 96–399, §501(f), substituted provisions limiting the amount of additional assistance which may be approved to $200,000,000, for provisions limiting such amounts to $65,000,000 for contracts entered into with respect to fiscal year 1979 and $500,000,000 for contracts entered into through Oct. 15,
1980, and substituted “with respect to any fiscal year beginning on or after October 1, 1981” for “after October 15, 1980”.


1979—Subsec. (a)(1)(A). Pub. L. 96–153, § 502(a), inserted exception that loans to provide housing and related facilities for persons or families of moderate income shall bear interest at the rate established by the Secretary under certain provisions of title 12.

Subsec. (a)(2)(D). Pub. L. 98–399, § 501(e), inserted provisions that the amount of such additional assistance which may be approved in appropriation acts may not exceed an aggregate amount of $805,000,000 for contracts entered into with respect to fiscal year 1979 and an aggregate amount of $500,000,000 for contracts entered into with respect to fiscal year 1980 and that such aggregate amount would bear interest at the rate as may be agreed upon by the borrower and the lender and provided loans for housing of handicapped persons or families.

Subsec. (a)(2)(A). Pub. L. 96–153, § 501(c)(1), inserted exception that loans to provide housing and related facilities for persons or families of moderate income shall bear interest at the rate established by the Secretary under certain provisions of title 12 and inserted provisions that the amount of such additional assistance which may be approved in appropriation acts may not exceed an aggregate amount of $805,000,000 for contracts entered into with respect to fiscal year 1979 and an aggregate amount of $500,000,000 for contracts entered into with respect to fiscal year 1980 and that such aggregate amount would bear interest at the rate as may be agreed upon by the borrower and the lender and provided loans for housing of handicapped persons or families.

2000—Subsec. (a)(1)(A). Pub. L. 106–388, amended, after consultation with the Secretary of Housing and Urban Development, the Secretary of the Treasury, the Secretary of Labor, the Secretary of Health and Human Services, the Secretary of Housing and Urban Development, and the Director of the Office of Economic Opportunity, and after the Secretary determines that the housing and related facilities cannot reasonably be provided in any other way, to provide financial and technical assistance for the establishment, in rural areas, of housing and related facilities for trainees and their families who are residents of a rural area and have a rural background, while such trainees are enrolled and participating in training courses designed to improve their employment capability. The selection of training sites and location of housing shall be made with due regard to the economic viability of the area, and only after consideration of a labor area survey and full coordination among all Government agencies having primary responsibility for administering related programs.

(b) Quality of housing and related facilities; design and location

Housing and related facilities assisted under this section shall be safe and sanitary, constructed in the most economical manner, and of modest design, giving due consideration to the purposes to be served and the needs of the occupants, and may, in the discretion of the Secretary, include mobile family quarters. Design and location shall be such as to facilitate, as feasible, the use of such housing and related facilities for other purposes when no longer needed for the primary purpose.

Effective Date of 1983 Amendment
Pub. L. 98–181, title I [title V, § 517(c)], Nov. 30, 1983, 97 Stat. 1249, provided that: “The amendments made by this section (amending this section and section 1490) of this title shall take effect six months after the date of enactment of this Act [Nov. 30, 1983], or upon the earlier promulgation of regulations implementing this section by the Secretary.”

Effective Date of 1981 Amendment
(c) Contribution of land by applicant

The applicant shall contribute the necessary land, or funds to acquire such land, from its own resources, including land acquired by donation or from funds repayable under subsection (e) or borrowed from other sources.

(d) Conditions precedent to grant of financial assistance

No financial assistance shall be made available under this section unless, to the extent and for the periods required by the Secretary, the applicant agrees that—

(1) such housing will be maintained at all times in a safe and sanitary condition in accordance with standards prescribed by State or local law, or, in the absence of such standards, with requirements prescribed by the Secretary;

(2) priority shall be given at all times, in granting occupancy of such housing and facilities, to the trainees and their families described in subsection (a); and

(3) rentals charged them shall not exceed amounts approved by the Secretary after considering the portion of the actual total family income which the family can afford to pay for rent while meeting its other immediate needs during occupancy.

(e) Advances; repayment; limitation on amount

The Secretary may make advances pursuant to any contract for financial assistance under this section at such times and in such manner as may be specified in the contract. Such advances for the purchase of land shall be repayable with interest and within a period not to exceed thirty-three years and may be made upon such security, if any, as the Secretary requires. Advances for other purposes may be made repayable with or without interest or nonrepayable, as determined by the Secretary on the basis of the anticipated income, and cost of operation of the housing and related facilities and the ability of each applicant to finance such facilities. Any advances shall be limited to cover the capital costs of constructing such facilities, plus interest on borrowings to cover such costs.

(f) Sale of housing and related facilities to ineligible transferee or diversion to use other than primary purpose; repayment of advances; return of property to original condition

Should housing and related facilities assisted pursuant to a contract under this section be sold to an ineligible transferee or diverted to a use other than its primary purpose within a period specified in the contract, all advances made under such contract shall be repaid to the Secretary, up to the amount of the sales price or the fair value of the property as determined by the Secretary, whichever is higher, with interest from the date of the sale or diversion. If no suitable alternate use of the property is available, as determined by the Secretary, after the purpose of this section can no longer be served, the property shall be returned to its original condition by the recipient of the assistance.

(g) Interest on advances

Interest charged on advances made under this section shall be at a rate, prescribed by the Secretary, which shall be not less than a rate determined by the Secretary of the Treasury taking into consideration the current average market yield on outstanding marketable obligations of the United States with remaining periods to maturity comparable to the average maturities of such loans, adjusted to the nearest one-eighth of 1 per centum, less not to exceed the difference between the adjusted rate determined by the Secretary of the Treasury and 1 per centum per annum, as determined by the Secretary.

(h) Regulations

The Secretary shall prescribe regulations to ensure that Federal funds expended under this section are not wasted or dissipated.

(i) “Related facilities” and “trainee” defined

As used in this section (1) the term “related facilities” shall include any necessary community rooms or buildings, infirmaries, utilities, access roads, water and sewer services, and the minimum fixed or movable equipment determined by the Secretary to be necessary to make the housing reasonably habitable by trainees and their families; and (2) the term “trainee” means any person receiving training under any federally assisted training program.

(j) Authorization of appropriations

There are authorized to be appropriated such sums as may be necessary to carry out this section.

(3) rental charged them shall not exceed amounts approved by the Secretary after considering the portion of the actual total family income which the family can afford to pay for rent while meeting its other immediate needs during occupancy.

Amendments


Office of Economic Opportunity

Pub. L. 93–644, §9(a), Jan. 4, 1975, 88 Stat. 2319 (42 U.S.C. 2941), amended the Economic Opportunity Act of 1964 (42 U.S.C. 2701 et seq.) to create the Community Services Administration, an independent agency in the executive branch, as the successor authority to the Office of Economic Opportunity, and provided that references to the Office of Economic Opportunity or to its Director were deemed to refer to the Community Services Administration or to its Director. The Community Services Administration was terminated when the Economic Opportunity Act of 1964, except for titles VIII and X, was repealed, effective Oct. 1, 1981, by section 633(a) of Pub. L. 97–35, title VI, Aug. 13, 1981, 95 Stat. 519 (42 U.S.C. 9912(a)). An Office of Community Services, headed by a Director, was established in the Department of Health and Human Services by section 676 of Pub. L. 97–35 (42 U.S.C. 9965).

§ 1490c. Mutual and self-help housing

(a) Purpose

The purposes of this section are (1) to make financial assistance available on reasonable terms and conditions in rural areas and small towns to needy low-income individuals and their families who, with the benefit of technical assistance and
overall guidance and supervision, participate in approved programs of mutual or self-help housing by acquiring and developing necessary land, acquiring building materials, providing their own labor, and working cooperatively with others for the provision of sanitary dwellings for themselves, their families, and others in the area or town involved, and (2) to facilitate the efforts of both public and private nonprofit organizations providing assistance to such individuals to contribute their technical and supervisory skills toward more effective and comprehensive programs of mutual or self-help housing in rural areas and small towns wherever necessary.

(b) Contract authority; establishment of Self-Help Housing Land Development Fund; authorization to make loans; conditions of loan

In order to carry out the purposes of this section, the Secretary of Agriculture (in this section referred to as the "Secretary") is authorized—

(1)(A) to make grants to, or contract with, public or private nonprofit corporations, agencies, institutions, organizations, Indian tribes, and other associations approved by him, to pay part or all of the costs of developing, conducting, administering, or coordinating effective and comprehensive programs of technical and supervisory assistance which will aid needy low-income individuals and their families in carrying out mutual or self-help housing efforts, including the repair of units financed under section 1472 of this title that are being held in inventory; and

(B) to establish the Self-Help Housing Land Development Fund, referred to herein as the Self-Help Fund, to be used by the Secretary as

(a) for the acquisition and development of land and for the purchase of building materials, providing their own labor, and working cooperatively with others participating in such programs, to carry out to completion the construction of decent, safe, and sanitary dwellings for such individuals and their families, subject to the following limitations:

(A) there is reasonable assurance of repayment of the loan;

(B) the amount of the loan, together with other funds which may be available, is adequate to achieve the purpose for which the loan is made;

(C) the credit assistance is not otherwise available on like terms or conditions from private sources or through other Federal, State, or local programs;

(D) the loan bears interest at a rate not to exceed 3 per centum per annum on the unpaid balance of principal, plus such additional charge, if any, toward covering other costs of the loan program as the Secretary may determine to be consistent with its purposes; and

(E) the loan is repayable within not more than thirty-three years.

(c) Considerations for financial assistance

In determining whether to extend financial assistance under paragraph (1) or (2) of subsection (b), the Secretary shall take into consideration, among other factors, the suitability of the area within which construction will be carried out to the type of dwelling which can be provided under mutual or self-help housing programs, the extent to which the assistance will facilitate the provision of more decent, safe, and sanitary housing conditions than presently exist in the area, the extent to which the assistance will be utilized efficiently and expeditiously, the extent to which the assistance will effect an increase in the standard of living of low-income individuals participating in the mutual or self-help housing program, and whether the assistance will fulfill a need in the area which is not otherwise being met through other programs, including those carried out by other Federal, State, or local agencies.

(d) "Construction" defined

As used in this section, the term "construction" includes the erection of new dwellings, and the rehabilitation, alteration, conversion, or improvement of existing structures.

(e) Establishment of appropriate criteria and procedures for determining eligibility of applicants

The Secretary is authorized to establish appropriate criteria and procedures in order to determine the eligibility of applicants for the financial assistance provided under this section,
including criteria and procedures with respect to the periodic review of any construction carried out with such financial assistance.


(g) Deposit in Self-Help Fund: availability of amounts; assets

Amounts appropriated under this subsection, together with principal collections from loans made under appropriations in any previous fiscal years, shall be deposited in the Self-Help Housing Land Development Fund, which shall be available, to the extent approved in appropriation Acts, as a revolving fund for making loans under subsection (b)(1)(B); except that not more than $5,000,000 may be made available during fiscal year 1985. Instruments and property acquired under subsection (b) shall be assets of the Self-Help Housing Land Development Fund.

(h) Rules and regulations

The Secretary shall issue rules and regulations for the orderly processing and review of applications under this section and rules and regulations protecting the rights of grantees under this section in the event he determines to end grant assistance prior to the termination date of any grant agreement.

(Amendments)

1992—Subsec. (b)(1)(A). Pub. L. 102–550, §710(1), inserted “, including the repair of units financed under section 1472 of this title that are being held in inventory” after “efforts”.

Subsec. (f). Pub. L. 102–550, §710(2), struck out subsec. (f) which read as follows: “No grant or loan may be made or contract entered into under the authority of this section after September 30, 1982, except pursuant to a commitment or other obligation entered into pursuant to this section before that date.”


Subsec. (g). Pub. L. 98–181, §511(e), substituted “1985” for “1982” and struck out first sentence which authorized not to exceed $3,000,000 to carry out subsec. (b)(1)(B) for fiscal year 1982.


1980—Subsec. (b). Pub. L. 96–399, §507(e), inserted reference to Indian tribes in subpars. (1)(A) and (B), and in par. (b).


Subsec. (g). Pub. L. 95–309, § 501(d)(2), substituted provisions authorizing appropriations not to exceed $2,500,000 for fiscal 1981, such amount together with principal collections from loans under appropriations in prior years to be deposited in the Self-Help Housing Land Development Fund, to be available as a revolving fund for loans under subsec. (b)(1)(B) of this section for provisions authorizing appropriations not to exceed $1,000,000, $2,000,000, $3,000,000 and $1,000,000 for fiscal years ending June 30, 1969, June 30, 1970, Sept. 30, 1979, and Sept. 30, 1980, respectively, provisions allowing appropriation of authorized funds in succeeding years, to be deposited in the Self-Help Fund to be available without fiscal year limitation, and provision for deposit in such Fund of sums received from repayment of such loans.


Pub. L. 96–105 substituted “December 1, 1979” and “November 30, 1979” for “November 1, 1979” and “October 31, 1979”, respectively.

Pub. L. 96–71 substituted “November 1, 1979” and “October 1, 1979” for “October 1, 1979” and “September 30, 1979”, respectively.

Subsec. (g). Pub. L. 96–153, § 501(e), inserted authorization of appropriation of $1,000,000 for fiscal year ending September 30, 1980.


Subsec. (g). Pub. L. 95–557, § 501(h), inserted “and not to exceed $3,000,000 for the fiscal year ending September 30, 1979”, after “June 30, 1970”.


Effective Date of 1981 Amendment


§ 1490d. Loans to nonprofit organizations to provide building sites for eligible families, nonprofit organizations, public agencies, and cooperatives; interest rates; factors determinative in making loan

(a)(1) IN GENERAL.—The Secretary may make loans, on such terms and conditions and in such amounts as he deems necessary, to public or private nonprofit organizations and to Indian tribes for the acquisition and development of land as building sites to be subdivided and sold to families, nonprofit organizations, public agencies, and cooperatives eligible for assistance under any section of this subchapter or under any other law which provides financial assistance for housing low- and moderate-income families. Such a loan shall bear interest at a rate prescribed by the Secretary taking into consideration a rate determined annually by the Secretary of the Treasury as the average current market yield on outstanding marketable obligations of the United States with remaining periods to maturity comparable to the average maturities of such loans, adjusted to the nearest one-eighth of 1 per centum, and shall be repaid within a period not to exceed two years from the making of the loan or within such additional period as may be authorized by the Secretary in any case as being necessary to carry out the purposes of this section.

(2) REVOLVING FUNDS.—The Secretary may make grants to nonprofit housing agencies to establish revolving loan funds for the acquisition and preparation of building sites for low-income housing. Any proceeds and repayments from such loans shall be returned to the revolving loan fund to be used for purposes related to this section. Loan funds and interest payments shall be used solely for the acquisition of land; the preparation of land for building sites; the payment of reimbursable legal and technical costs; and technical assistance and administrative costs, not to exceed 10 percent of the fund.

(b) In determining whether to extend financial assistance under this section, the Secretary shall take into consideration, among other factors, (1) the suitability of the area to the types of dwellings which can feasibly be provided, and (2) the extent to which the assistance will (i) facilitate providing needed decent, safe, and sanitary housing, (ii) be utilized efficiently and expeditiously, and (iii) fulfill a need in the area which is not otherwise being met through other programs, including those being carried out by other Federal, State, or local agencies.

(2) REPEALS.—Sections 1801, 1802, 1803, 1851, and 1852 of title 12 shall be considered repealed.


AMENDMENTS


1974—Subsec. (a). Pub. L. 93–383 provided for applicability to public agencies and substituted “any section of this subchapter or under any other law which provides financial assistance for housing low- and moderate-income families” for “section 1715s or 1715s–1 of title 12 or section 1490a of this title”.

§ 1490e. Programs of technical and supervisory assistance for low-income individuals and families in rural areas

(a) Grants or contracts with public or private nonprofit corporations, etc., for assistance; preferential treatment of applications sponsored by governmental entity or public body

The Secretary may make grants to or enter into contracts with public or private nonprofit...
corporations, agencies, institutions, organizations, Indian tribes, and other associations approved by him, to pay part or all of the cost of developing, conducting, administering, or coordinating effective and comprehensive programs of technical and supervisory assistance which will aid needy low-income individuals and families in benefiting from Federal, State, and local housing programs in rural areas. In processing applications for such grants or contracts made by private nonprofit corporations, agencies, institutions, organizations, and other associations, the Secretary shall give preference to those which are sponsored (including assistance to the applicant in processing the application, implementing the technical assistance program, and carrying out the obligations of the grant or contract) by a State, county, municipality, or other governmental entity or public body.

(b) Loans to public or private nonprofit corporations, etc., for necessary planning and financing expenses; interest rates; factors determining amount; terms and conditions of repayment

The Secretary is authorized to make loans to public or private nonprofit corporations, agencies, institutions, organizations, Indian tribes, and other associations approved by him for the necessary expenses, prior to construction, of planning, and obtaining financing for, the rehabilitation or construction of housing for low-income individuals or families under any Federal, State, or local housing program which is or could be used in rural areas. Such loans shall be made without interest and shall be for the reasonable costs expected to be incurred in planning, engineering and architectural fees, and construction loan fees and discounts. The Secretary shall require repayment of loans made under this subsection, under such terms and conditions as he may require, upon completion of the housing or sooner.


(d) Deposit of appropriated funds into low-income sponsor fund; availability; administration of fund as revolving fund; deposit of repayments

All funds appropriated for the purpose of subsection (b) shall be deposited in a fund which shall be known as the low-income sponsor fund, and which shall be available without fiscal year limitation and be administered by the Secretary as a revolving fund for carrying out the purposes of that subsection. Sums received in repayment of loans made under subsection (b) shall be deposited in such fund.

(AMENDMENTS)

1983—Subsec. (b). Pub. L. 98–181, § 518(b), struck out provisions setting forth conditions under which any part or all of the loan is subject to cancellation.


1978—Subsec. (c). Pub. L. 95–557 inserted “There are also authorized to be appropriated for the fiscal year ending September 30, 1979, not to exceed $5,000,000 for the purposes of subsection (a) of this section and not to exceed $5,000,000 for the purposes of subsection (b) of this section.”

HOUSING ASSISTANCE COUNCIL


“SEC. 6301. SHORT TITLE. “This subtitle may be cited as the ‘Housing Assistance Council Authorization Act of 2008’.

“SEC. 6302. ASSISTANCE TO HOUSING ASSISTANCE COUNCIL.

“(a) Use.—The Secretary of Housing and Urban Development may provide financial assistance to the Housing Assistance Council for use by the Council to develop the ability and capacity of community-based housing development organizations to undertake community development and affordable housing projects and programs in rural areas. Assistance provided by the Secretary under this section may be used by the Housing Assistance Council for—

“(1) technical assistance, training, support, research, and advice to develop the business and administrative capabilities of rural community-based housing development organizations;

“(2) loans, grants, or other financial assistance to rural community-based housing development organizations to carry out community development and affordable housing activities for low- and moderate-income families; and

“(3) such other activities as are determined by the Secretary of Housing and Urban Development and the Housing Assistance Council.

“(b) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated for financial assistance under this section for the Housing Assistance Council $10,000,000 for each of fiscal years 2009 through 2011.

“SEC. 6303. AUDITS AND REPORTS.

“(a) AUDIT.—

“(1) IN GENERAL.—The financial transactions and activities of the Housing Assistance Council shall be audited annually by an independent certified public accountant or an independent licensed public accountant certified or licensed by a regulatory authority of a State or other political subdivision of the United States.

“(2) REQUIREMENTS OF AUDITS.—The Comptroller General of the United States may rely on any audit completed under paragraph (1), if the audit complies with—

“(A) the annual programmatic and financial examination requirements established in OMB Circular A-133; and

“(B) generally accepted government auditing standards.

“(b) GAO REPORT.—The Comptroller General of the United States shall conduct a study and submit a report to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives on the use of any funds appropriated to the Housing Assistance Council over the past 7 years.
§ 1490f. Loans and insurance of loans for condominium housing in rural areas

(a) Individual loans and insurance of loans to low or moderate income persons or families for purchase of units; terms and conditions

The Secretary is authorized, upon such terms and conditions (substantially identical insofar as may be feasible with those specified in section 1472 of this title) as he may prescribe, to make loans to persons and families of low or moderate income, and to insure and make commitments to insure loans made to persons and families of low or moderate income, to assist them in purchasing dwelling units in condominiums located in rural areas.

(b) Scope of individual loans and insurance of loans; condominium requirements

Any loan made or insured under subsection (a) shall cover a one-family dwelling unit in a condominium, and shall be subject to such provisions as the Secretary determines to be necessary for the maintenance of the common areas and facilities of the condominium project and to such additional requirements as the Secretary deems appropriate for the protection of the consumer.

(c) Blanket loans and insurance of loans; terms and conditions; certification by borrower of future ownership of multifamily project; maximum amount of principal obligation

In addition to individual loans made or insured under subsection (a) the Secretary is authorized, upon such terms and conditions (substantially identical insofar as may be feasible with those specified in section 1485 of this title) as he may prescribe, to make or insure blanket loans to a borrower who shall certify to the Secretary, as a condition of obtaining such loan or insurance, that upon completion of the multifamily project the ownership of the project will be committed to a plan of family unit ownership under which (1) each family unit will be eligible for a loan or insurance under subsection (a), and (2) the individual dwelling units in the project will be sold only on a condominium basis and only to purchasers eligible for a loan or insurance under subsection (a). The principal obligation of any blanket loan made or insured under this subsection shall in no case exceed the sum of the individual amounts of the loans which could be made or insured with respect to the individual dwelling units in the project under subsection (a).

(d) “Condominium” defined

As used in this section, the term “condominium” means a multi-unit housing project which is subject to a plan of family unit ownership acceptable to the Secretary under which each dwelling unit is individually owned and each such owner holds an undivided interest in the common areas and facilities which serve the project.

(1) the value of any notes or mortgages or other lien instruments held by or transferred to the Secretary;

(2) any notes or lien instruments administered under this subchapter which are made, assigned, or held by a person otherwise liable for such tax; or

(3) the value of any property conveyed or transferred to the Secretary, whether as a tax on the instrument, the privilege of conveying or transferring, or the recordation thereof; nor shall the failure to pay or collect any such tax be a ground for refusal to record or file such instruments, or for failure to imprint notice, or prevent the enforcement of its provisions in any State or Federal court.

(1) the value of any notes or mortgages or other lien instruments held by or transferred to the Secretary;

(2) any notes or lien instruments administered under this subchapter which are made, assigned, or held by a person otherwise liable for such tax; or

(3) the value of any property conveyed or transferred to the Secretary, whether as a tax on the instrument, the privilege of conveying or transferring, or the recordation thereof; nor shall the failure to pay or collect any such tax be a ground for refusal to record or file such instruments, or for failure to imprint notice, or prevent the enforcement of its provisions in any State or Federal court.
effectiveness of January 1, 1977.”

Refund of Tax Payments Prior to October 12, 1977.

FEDERAL OFFICERS OR EMPLOYEES NOT LIABLE FOR SUCH PAYMENTS

The Secretary may not approve any increase in rental payments, with respect to units in which the tenants are paying rentals in excess of 30 per centum of their incomes, in any project which is assisted under section 1484, 1485, or 1487 of this title and under section 1490a(a)(1)(B) of this title unless the project owner is receiving, or has applied for (within the most recent period of 180 days prior to the effective date of such increase), assistance payments with respect to such project under section 1490a(a)(2)(A) or 1490a(a)(5) of this title or section 1437f of this title.

$1490f. FHA insurance

The Secretary is authorized to act as an agent of the Secretary of Housing and Urban Development to recommend insurance of any mortgage meeting the requirements of section 1709 of title 12.


§1490f. Processing of applications

(a) Priority

Except as otherwise provided in subsection (c), the Secretary shall, in making assistance available under this subchapter, give a priority to applications submitted by—

(1) persons and families that have the greatest housing assistance needs because of their low income and their residing in inadequate dwellings;

(2) applicants applying for assistance for projects that will serve such persons and families; and

(3) applicants residing in areas which are the most rural in character.

(b) Preliminary reservation of assistance at time of initial approval of project

In making available the assistance authorized by section 1483 of this title and section 1490a(a) of this title with respect to projects involving insured and guaranteed loans and interest credits and rental assistance payments, the Secretary shall process and approve requests for such assistance in a manner that provides for a preliminary reservation of assistance at the time of initial approval of the project.

(c) Prioritization of section 1485 housing assistance

(1) In general

The Secretary shall make assistance under section 1485 of this title available pursuant to an objective procedure established by the Secretary, under which the Secretary shall identify counties and communities having the greatest need for such assistance and designate such counties and communities to receive such assistance.

(2) Objective measures

The Secretary shall use the following objective measures to determine the need for rental housing assistance under paragraph (1):

(A) The incidence of poverty.

(B) The lack of affordable housing and the existence of substandard housing.

(C) The lack of mortgage credit.

(D) The rural characteristics of the location.

(E) Other factors as determined by the Secretary, demonstrating the need for affordable housing.

(3) Information

In administering this subsection, the Secretary shall use information from the most recent decennial census of the United States, relevant comprehensive affordable housing strategies under section 12705 of this title, and other reliable sources obtained by the Secretary which demonstrate the need for affordable housing in rural areas.

(4) Designation

A designation under this subsection shall not be effective for a period of more than 3
years, but may be renewed by the Secretary in accordance with the procedure set forth in this subsection. The Secretary shall take such other reasonable actions as the Secretary considers to be appropriate to notify the public of such designations.

(2) Unless there is only one eligible grantee in a State, a single grantee may not receive more than 50 per centum of a State's allocation.

(b) Mandatory program requirements

Preservation programs assisted under this section shall:

(1) be used to provide loans or grants to owners of single family housing in order to cover the cost of repairs and improvements;

(2) be used to provide loans or grants, not to exceed $15,000 per unit, to owners of single family housing to replace existing housing if repair or rehabilitation of the housing is determined by the Secretary not to be practicable and the owner of the housing is unable to afford a loan under section 1472 of this title for replacement housing;

(3) be used to provide interest reduction payments;

(4) be used to provide loans or grants to owners of rental housing, except that rental rehabilitation or replacement assistance provided under this subsection for any structure shall not exceed 75 per centum of the total costs associated with the rehabilitation or replacement of that structure;

(5) be used to provide other comparable assistance that the Secretary deems appropriate to carry out the purpose of this section, designed to reduce the costs of such repair, rehabilitation, and replacement in order to make such housing affordable by persons of low income and, to the extent feasible, by persons and families whose incomes do not exceed 50 per centum of the area median income;

(6) benefit low- and very low-income persons and families in rural areas, without causing the displacement of current residents; and

(7) raise health and safety conditions to meet those specified in section 1479(a) of this title.

(c) Allocation formula; transfer of funds; maximum amounts

(1) The Secretary shall allocate grant funds under this section for use in each State on the basis of a formula contained in a regulation prescribed by the Secretary using the average of the ratios between—

(A) the population of the rural areas in that State and the population of the rural areas of all States;

(B) the extent of poverty in the rural areas in that State and the extent of poverty in the rural areas of all States; and

(C) the extent of substandard housing in the rural areas of that State and the extent of substandard housing in the rural areas of all States.

Any funds which are allocated to a State but uncommitted to grantees will be transferred to the State office of the Farmers Home Administration in a timely manner and be used for authorized rehabilitation activities under section 1474 of this title. Funds obligated, but subsequently unspent and deobligated, may remain available, to the extent provided in appropriations Acts, for use as housing preservation grants in ensuing fiscal years.

(2) Unless there is only one eligible grantee in a State, a single grantee may not receive more than 50 per centum of a State's allocation.

(d) Statement of activity by grantee; submission; contents; availability; consultations; evaluation by Secretary; criteria applicable; maximum amounts

(1) Eligible grantees may submit a statement of activity to the Secretary at the time specified by the program administrator, containing a description of its proposed preservation program. The statement shall consist of the activities each entity proposes to undertake for the fiscal year, and the projected progress in carrying out those activities. The statement of activities shall be made available to the public for comment.

(2) In preparing such statement, the grantee shall consult with and consider the views of appropriate local officials.

(3) The Secretary shall evaluate the merits of each statement on the basis of such criteria as the Secretary shall prescribe, including the extent—

(A) to which the repair, rehabilitation, and replacement activities will assist persons of low income who lack adequate shelter, with priority given to applications assisting the maximum number of persons and families whose incomes do not exceed 50 per centum of the area median income;
§ 1490m

(B) to which the repair, rehabilitation, and replacement activities include the participation of other public or private organizations in providing assistance, in addition to the assistance provided under this section, in order to lower the costs of such activities or provide for the leveraging of available funds to supplement the rural housing preservation grant program;

(C) to which such activities will be undertaken in rural areas having populations below 10,000 or in remote parts of other rural areas;

(D) to which the repair, rehabilitation, and replacement activities may be expected to result in achieving the greatest degree of repair or improvement for the least cost per unit or dwelling;

(E) to which the program would minimize displacement;

(F) to which the program would alleviate overcrowding in rural residences inhabited by low- and very low-income persons and families;

(G) to which the program would minimize the use of grant funds for administrative purposes; and

(H) to which the owner agrees to meet the requirement of subsection (e)(1)(B)(iv) for a period longer than 5 years;

and shall assess the demonstrated capacity of the grantee to carry out the program as well as the financial feasibility of the program.

(4) The amount of assistance provided under this section with respect to any housing shall be the least amount that the Secretary determines is necessary to provide, through the repair and rehabilitation, or replacement, of such housing, decent housing of modest design that is affordable for persons of low income.

(5) A grantee may use housing preservation grant funds under this section for replacement housing only after providing documentation to the Secretary that—

(A) the existing housing is in such poor condition that rehabilitation is not economically feasible;

(B) the owner of the housing lacks the income or repayment ability necessary to qualify for a loan under section 1472 of this title; and

(C) the grantee will extend assistance to the owner of the housing under terms that the owner can afford.

(e) Limitations on assistance; failure to implement required agreement

(1) Assistance under this section may be provided with respect to rental or cooperative housing only if—

(A) the owner has entered into such agreements with the Secretary as may be necessary to assure compliance with the requirements of this section, to assure the financial feasibility of such housing, and to carry out the other provisions of this section;

(B) the owner agrees—

(i) to pass on to the tenants any reduction in the debt service payments resulting from the assistance provided under this section;

(ii) not to convert the units to condominium ownership (or in the case of a cooperative, to condominium ownership or any form of cooperative ownership not eligible for assistance under this section);

(iii) not to refuse to rent a dwelling unit in the structure to a family solely because the family is receiving or is eligible to receive assistance under any Federal, State, or local housing assistance program; and

(iv) that the units repaired and rehabilitated with such assistance will be occupied, or available for occupancy, by persons of low income;

during the 5-year period beginning on the date on which the units in the housing are available for occupancy;

(C) the unit of general local government or nonprofit organization that receives the assistance certifies to the satisfaction of the Secretary that the assistance will be made available in conformity with Public Law 88–332 [42 U.S.C. 2000a et seq.] and Public Law 90–284;

(D) the owner agrees to enter into and abide by written leases with the tenants, which leases shall provide that tenants may be evicted only for good cause; and

(E) the unit of general local government or nonprofit organization will agree to supervise repairs and rehabilitation and will agree to have a disinterested party inspect such repairs and rehabilitation.

(2) Assistance under this section provided with respect to any housing other than rental or cooperative housing may be provided only if the owner complies with the requirements set forth in subparagraph (A) of paragraph (1) and any other requirements established by the Secretary to carry out the purpose of this section.

(3)(A) The Secretary shall provide that if the owner or his or her successors in interest fail to carry out the agreements described in subparagraphs (A) and (B) of paragraph (1) during the applicable period, the owner or his or her successors in interest shall make a payment to the Secretary of an amount that equals the total amount of assistance provided under this section with respect to such housing, plus interest thereon (without compounding), for each year and any fraction thereof that the assistance was outstanding, at a rate determined by the Secretary taking into account the average yield on outstanding marketable long-term obligations of the United States during the month preceding the date on which the assistance was made available.

(B) Notwithstanding any other provision of law, any assistance provided under this section shall constitute a debt, which is payable in the case of any failure to carry out the agreements described in subparagraphs (A), (B), and (C) of paragraph (1), and shall be secured by the security instruments provided by the owner to the Secretary.

(f) Advance payments of assistance

The Secretary shall provide for such advance payments of assistance under this section as the Secretary determines is necessary to effectively carry out the provisions of this section.
(g) Annual review and audit by Secretary of activities; adjustment, etc., of resources; reallocation of amounts

The Secretary shall, at least on an annual basis, make such review and audits as may be necessary or appropriate to determine whether the grantee has carried out its activities in a timely manner and in accordance with the requirements of this section, the degree to which the activities assisted benefited low income families or persons and very low-income families or persons who lacked adequate housing, and whether the grantee has a continuing capacity to carry out the activities in a timely manner. The Secretary may adjust, reduce, or withdraw resources made available to grantees receiving assistance under this section, or take other action as appropriate in accordance with the findings of such reviews and audits. Any amounts which become available as a result of actions under this subsection shall be reallocated as housing preservation grants to such grantee or grantees as the Secretary may determine.

(h) Rules and regulations; delegation of authority

(1) The Secretary is authorized to prescribe such rules and regulations and make such delegations of authority as he deems necessary to carry out this section within 90 days after November 30, 1983.

(2) The Secretary shall, not later than the expiration of the 30-day period following February 5, 1988, issue regulations to carry out the program of grants under subsection (a)(2).

(i) National historic preservation objectives affected by rehabilitation activities; establishment of procedures for determining consonant purposes and measures

The Secretary shall establish procedures which support national historic preservation objectives and which assure that, if any rehabilitation proposed to be assisted under this section would affect property that is included or is eligible for inclusion on the National Register of Historic Places, such activity shall not be undertaken unless (1) it will reasonably meet the standards for rehabilitation issued by the Secretary of the Interior and the appropriate State historic preservation officer, determines that the proposed rehabilitation activity cannot reasonably meet such standards or would adversely affect historic property as defined therein.


References in Text


Amendments

1998—Subsec. (a). Pub. L. 105–276 substituted “tenant-based assistance as provided under section 1437f of this title” for “assistance payments as provided by section 1437(f) of this title” in concluding provisions.

Subsec. (j). Pub. L. 105–362 struck out subsec. (j) which read as follows: “Not later than 180 days after the close of each fiscal year in which assistance under this section is furnished, the Secretary shall submit to the Congress a report which shall contain—

“(1) a description of the progress made in accomplishing the objectives of this section; and

“(2) a summary of the use of such funds during the preceding year.

The Secretary shall require grantees under this section to submit to him such reports, and other information as may be necessary in order for the Secretary to make the report required by this subsection.”


Subsec. (a)(1), (2). Pub. L. 102–550, § 711(1)(A), inserted “or replace” after “rehabilitate”.


Pub. L. 102–550, § 711(2)(C), substituted “repair, rehabilitation, and replacement” for “repair and rehabilitation”.

Subsec. (b)(5) to (7). Pub. L. 102–550, § 711(2)(D), redesignated paras. (4) to (6) as (5) to (7), respectively.

Subsec. (c)(1). Pub. L. 102–550, § 711(3), substituted “grant funds under this section” for “rehabilitation grant funds” in introductory provisions.


1990—Subsec. (c)(1). Pub. L. 101–625, § 717(a), inserted at end “Funds obligated, but subsequently unspent and deobligated, may remain available, to the extent provided in appropriations Acts, for use as housing preservation grants in ensuing fiscal years.”

Subsec. (g). Pub. L. 101–625, § 717(b), substituted last sentence for “Any amounts which become available as a result of actions under this subsection shall be reallocated in the year in which they become available to such grantee or grantees as the Secretary may determine.”


$1490m
§ 1490n. Review of rules and regulations

(a) Publication for public comment in Federal Register

Notwithstanding any other provision of law, no rule or regulation pursuant to this subsection may become effective unless it has first been published for public comment in the Federal Register for at least 60 days, and published in final form for at least 30 days.

(b) Transmittal to Congressional committee members prior to publication in Federal Register

The Secretary shall transmit to the chairman and ranking Member of the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Banking, Finance and Urban Affairs of the House, all rules and regulations at least 15 days before they are sent to the Federal Register for purposes of subsection (a).

(c) Rules and regulations issued on emergency basis

The provisions of this section shall not apply to a rule or regulation which the Secretary certifies is issued on an emergency basis.

(d) Regulatory authority

The Secretary shall include with each rule or regulation required to be transmitted to the Committees under this section a detailed summary of all changes required by the Office of Management and Budget that prohibit, modify, or disapprove such rule or regulation.


Amendments


Change of Name

Committee on Banking, Finance and Urban Affairs of House of Representatives treated as referring to Committee on Banking and Financial Services of House of Representatives by section 1(a) of Pub. L. 104–14, set out as a note preceding section 21 of Title 2, The Congress. Committee on Banking and Financial Services of House of Representatives abolished and replaced by Committee on Financial Services of House of Representatives, and jurisdiction over matters relating to securities and exchanges and insurance generally transferred from Committee on Energy and Commerce of House of Representatives by House Resolution No. 5, One Hundred Seventh Congress, Jan. 3, 2001.

§ 1490o. Reciprocity in approval of housing subdivisions among Federal agencies

(a) Administrative approval of housing subdivisions

The Secretary of Agriculture, the Secretary of Housing and Urban Development, and the Secretary of Veterans Affairs shall each accept an administrative approval of any housing subdivision made by any of the others so that not later than January 1, 1984, there is total reciprocity for housing subdivision approvals among the agencies which they head.

(b) Certificates of reasonable value for one or more properties as constituting administrative approval of subdivision

For purposes of complying with subsection (a), the Secretary of Housing and Urban Development shall consider the issuance by the Secretary of Veterans Affairs of a certificate of reasonable value for one or more properties in a subdivision to be an administrative approval for the entire subdivision. This subsection shall not apply after September 30, 1994.

(c) Report to Congress

Before the expiration of the period referred to in subsection (b), the Secretary of Housing and Urban Development shall report to the Congress on housing subdivision approval policies and practices, if any, of the Departments of Housing and Urban Development and Agriculture and the Department of Veterans Affairs. The report shall focus on the administration of environmental laws in connection with any such policies and practices, and shall recommend any statutory, regulatory, and administrative changes needed to achieve total reciprocity for such housing subdivision approvals. The Secretary of Housing and Urban Development shall consult with the foregoing agencies, and such other agencies as the Secretary selects, in preparing the report.

(d) Approval by local, county, or State agencies

For loans made under this subchapter, the Secretary may accept subdivisions that have been approved by local, county, or State agencies.

AMENDMENTS


1992—Subsec. (b), Pub. L. 102–550, §716(b), inserted last sentence and struck former last sentence which read as follows: “This subsection shall not apply after the expiration of the 18-month period beginning on December 15, 1989.”


1991—Subsecs. (a), (b). Pub. L. 102–54, §13(q)(5)(A), substituted “Secretary of Veterans Affairs” for “Administrator of Veterans’ Affairs”.


1988—Pub. L. 100–628 substituted “‘18-month period’” for “‘6-month period’”.


1986—Pub. L. 100–384 substituted “‘6-month period’” for “‘30-day period’”.

1985—Subsec. (c). Pub. L. 99–570 substituted “Department of Veterans Affairs” for “Veterans’ Administration”.

1984—Pub. L. 98–77 substituted “Department of Veterans Affairs” for “Department of Veterans’ Affairs”.

1980—Subsec. (c). Pub. L. 96–296 substituted “Department of Veterans Affairs” for “Veterans’ Administration”.

1978—Pub. L. 95–620 substituted “Veterans’ Administration” for “Veterans’ Administration”.


1958—Pub. L. 85–856 substituted “Veterans’ Administration” for “Veterans’ Administration”.

1949—Pub. L. 80–570 designated existing provisions as subsec. (a) and added subsecs. (b) and (c).

RETROACTIVITY OF APPROVAL OF HOUSING SUBDIVISIONS AMONG FEDERAL AGENCIES

Pub. L. 103–120, §8(b), Oct. 27, 1993, 107 Stat. 1151, provided that: “An administrative approval of a housing subdivision made after June 15, 1993, and before the date of the enactment of the Act [Oct. 27, 1993] is approved and shall be considered to have been lawfully made, but only if otherwise made in accordance with the provisions of section 535(b) of the Housing Act of 1949 (42 U.S.C. 1490o(b)), except where other award or allocation of such assistance by such State, unit of general local government or other recipient of assistance, and

(b) Disclosures by applicants

The Secretary shall provide the disclosure of information with respect to any application for assistance under this subchapter submitted by any applicant who has received or, in the determination of the Secretary, can reasonably be expected to receive assistance under this subchapter in excess of $200,000 in the aggregate during any fiscal year. Such information shall include the following:

(1) Other government assistance

Information regarding any related assistance from the Federal Government, a State, or a unit of general local government, or any agency or instrumentality thereof, that is expected to be made available with respect to the project or activities for which the applicant is seeking assistance under this subchapter. Such related assistance shall include but not be limited to any loan, grant, guarantee, insurance, payment, rebate, subsidy, credit, tax benefit, or any other form of direct or indirect assistance.
§ 1490p  TITLE 42—THE PUBLIC HEALTH AND WELFARE  Page 4398

(2) Interested parties

The name and pecuniary interest of any person who has a pecuniary interest in the project or activities for which the applicant is seeking assistance. Persons with a pecuniary interest in the project or activity shall include but not be limited to any developers, contractors, and consultants involved in the application for assistance under this subchapter or the planning, development, or implementation of the project or activity. For purposes of this paragraph, residency of an individual in housing for which assistance is being sought shall not, by itself, be considered a pecuniary interest.

(3) Expected sources and uses

A report satisfactory to the Secretary of the expected sources and uses of funds that are to be made available for the project or activity.

(c) Updating of disclosure

During the period when an application is pending or assistance is being provided, the applicant shall update the disclosure required under the previous subsection within 30 days of any substantial change.


(e) Remedies and penalties

(1) Administrative remedies

If the Secretary receives or obtains information providing a reasonable basis to believe that a violation of subsection (b), (c), or (d) this section has occurred, the Secretary shall—

(A) in the case of a selection that has not been made, determine whether to terminate the selection process or take other appropriate actions; and

(B) in the case of a selection that has been made, determine whether to—

(i) void or rescind the selection, subject to review and determination on the record after opportunity for a hearing; (ii) impose sanctions upon the violator, including debarment, subject to review and determination on the record after opportunity for a hearing; (iii) recapture any funds that have been disbursed; (iv) permit the violating applicant selected to continue to participate in the program; or (v) take any other actions that the Secretary considers appropriate.

The Secretary shall publish in the Federal Register a descriptive statement of each determination made and action taken under this paragraph.

(2) Civil penalties

Whoever violates any section of this section shall be subject to the imposition of a civil penalty in a civil action brought by the United States in an appropriate district court of the United States. A civil penalty under this paragraph may not exceed—

(A) $100,000 in the case of an individual; or

(B) $1,000,000 in the case of an applicant other than an individual.

(3) Deposit of penalties in insurance funds

Notwithstanding any other provision of law, all civil money penalties collected under this section shall be deposited in the Rural Housing Insurance Fund.

(4) Nonexclusiveness of remedies

This subsection may not be construed to limit the applicability of any requirements, sanctions, penalties, or remedies established under any other law. The Secretary shall not be relieved of any obligation to carry out the requirements of this section because such other requirements, sanctions, penalties, or remedies apply.

(f) Limitation of assistance

The Secretary shall certify that assistance provided by the Secretary to any housing project shall not be more than is necessary to provide affordable housing after taking account of assistance from all Federal, State, and local sources. The Secretary shall adjust the amount of assistance provided to an applicant to compensate for any changes reported under subsection (c).

(g) Regulations

Not less than 180 days following December 15, 1989, the Secretary shall promulgate regulations to implement this section.

(h) "Assistance" defined

For purposes of this section, the term "assistance" means any housing grant, loan, guarantee, insurance, rebate, subsidy, tax credit benefit, or other form of direct or indirect assistance, for the original construction or development of the project.

(i) Report by Secretary

The Secretary shall submit to the Congress, not later than 180 days following December 15, 1989, a report describing actions taken to carry out this section, including actions to inform and educate officers and employees of the Department of Agriculture regarding the provisions of this section.


CODIFICATION

December 15, 1989, referred to in subsec. (g), was in the original "the date of enactment of this Act", which was translated as meaning the date of enactment of Pub. L. 101–235, which enacted this section, to reflect the probable intent of Congress.

AMENDMENTS


1990—Subsec. (h). Pub. L. 101–625 inserted before period at end "", for the original construction or development of the project". 1

---

1 So in original. Probably should be "of this".
2 So in original. Probably should be "subsection".
§ 1490p–2. Loan guarantees for multifamily rental housing in rural areas

(a) Authority
The Secretary may make commitments to guarantee eligible loans for the development costs of eligible housing and related facilities, and may guarantee such eligible loans, in accordance with this section.

(b) Extent of guarantee
A guarantee made under this section shall guarantee repayment of an amount not exceeding the total of the amount of the unpaid principal and interest of the loan for which the guarantee is made. The liability of the United States under any guarantee under this section shall be an amount equal to any decrease or increase in the amount of the unpaid portion of the obligation.

(c) Eligible borrowers
A loan guaranteed under this section may be made to a nonprofit organization, an agency or body of any State government or political subdivision thereof, an Indian tribe, or a private entity.

(d) Eligible housing
A loan may be guaranteed under this section only if the loan is used for the development costs of housing and related facilities (as such terms are defined in section 1485(e) of this title) that—

(1) consists of 5 or more adequate dwellings; 
(2) is available for occupancy only by low- or moderate-income families or persons, whose incomes at the time of initial occupancy do not exceed 115 percent of the median income of the area, as determined by the Secretary; 
(3) will remain available as provided in paragraph (2), according to such binding commitments as the Secretary may require, for the period of the original term of the loan guaranteed, unless the housing is acquired by foreclosure (or instrument in lieu of foreclosure) or the Secretary waives the applicability of such requirement for the loan only after determining, based on objective information, that—
(A) there is no longer a need for low- and moderate-income housing in the market area in which the housing is located; 
(B) housing opportunities for low-income households and minorities will not be reduced as a result of the waiver; and
(C) additional Federal assistance will not be necessary as a result of the waiver; and
(4) is located in a rural area.

(e) Eligible lenders

(1) Requirement
A loan may be guaranteed under this section only if the loan is made by a lender that the Secretary determines—

(A) meets the qualifications, and has been approved by the Secretary of Housing and Urban Development, to make loans for multifamily housing that are to be insured under the National Housing Act [12 U.S.C. 1701 et seq.];
(B) meets the qualifications, and has been approved by the Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation, to make loans for multifamily housing that are to be sold to such corporations; or
(C) meets any qualifications that the Secretary may, by regulation, establish for participation of lenders in the loan guarantee program under this section.

(2) Eligibility list and annual audit
The Secretary shall establish a list of eligible lenders and shall annually conduct an audit of each lender included in the list for purposes of determining whether such lender continues to be an eligible lender.

(f) Loan terms
Each loan guaranteed pursuant to this section shall—

(1) be made for a period of not less than 25 years and not greater than 40 years from the date the...
loan was made and may provide for amortization of the loan over a period of not to exceed 40 years with a final payment of the balance due at the end of the loan term;

(2) involve a rate of interest agreed upon by the borrower and the lender that does not exceed the maximum allowable rate established by the Secretary for purposes of this section and is fixed over the term of the loan;

(3) involve a principal obligation (including initial service charges, appraisal, inspection, and other fees as the Secretary may approve) not to exceed—

(A) in the case of a borrower that is a nonprofit organization or an agency or body of any State or local government, 97 percent of the development costs of the housing and related facilities or the value of the housing and facilities, whichever is less;

(B) in the case of a borrower that is a nonprofit entity not referred to in subparagraph (A), 90 percent of the development costs of the housing and related facilities or the value of the housing and facilities, whichever is less;

(C) in the case of any borrower, for such part of the property as may be attributable to dwelling use, the applicable maximum per unit dollar amount limitations under section 207(c) of the National Housing Act [12 U.S.C. 1713(c)];

(4) be secured by a first mortgage on the housing and related facilities for which the loan is made, or otherwise, as the Secretary may determine necessary to ensure repayment of the obligation; and

(5) for at least 20 percent of the loans made under this section, the Secretary shall provide the borrower with assistance in the form of credits pursuant to section 1490a(a)(1)(B) of this title to the extent necessary to reduce the rate of interest under paragraph (2) to the applicable Federal rate, as such term is used in section 42(1)(2)(D) of title 26.

(g) Guarantee fee

At the time of issuance of a loan guaranteed under this section, the Secretary may collect from the lender a fee equal to not more than 1 percent of the principal obligation of the loan.

(h) Authority for lenders to issue certificates of guarantee

The Secretary may authorize certain eligible lenders to determine whether a loan meets the requirements for guarantee under this section and, subject to the availability of authority to enter into guarantees under this section, execute a firm commitment for a guarantee binding upon the Secretary and issue a certificate of guarantee evidencing a guarantee, without review and approval by the Secretary of the specific loan. The Secretary may establish standards for approving eligible lenders for a delegation of authority under this subsection.

(i) Payment under guarantee

(1) Notice of default

In the event of default by the borrower on a loan guaranteed under this section, the holder of the guarantee certificate for the loan shall provide written notice of the default to the Secretary.

(2) Foreclosure

After receiving notice under paragraph (1) and providing written notice of action under this paragraph to the Secretary, the holder of the guarantee certificate for the loan may initiate foreclosure proceedings for the loan in a court of competent jurisdiction, in accordance with regulations issued by the Secretary, to obtain possession of the security property. After the court issues a final order authorizing foreclosure on the property, the holder of the certificate shall be entitled to payment by the Secretary under the guarantee (in the amount provided under subsection (b)) upon (A) submission to the Secretary of a claim for payment under the guarantee, and (B) assignment to the Secretary of all the claims of the holder of the guarantee against the borrower or others arising out of the loan transaction or foreclosure proceedings, except claims released with the consent of the Secretary.

(3) Assignment by Secretary

After receiving notice under paragraph (1), the Secretary may accept assignment of the loan if the Secretary determines that the assignment is in the best interests of the United States. Assignment of a loan under this paragraph shall include conveyance to the Secretary of title to the security property, assignment to the Secretary of all rights and interests arising under the loan, and assignment to the Secretary of all claims against the borrower or others arising out of the loan transaction. Upon assignment of a loan under this paragraph, the holder of a guarantee certificate for the loan shall be entitled to payment by the Secretary under the guarantee (in the amount provided under subsection (b)).

(4) Requirements

Before any payment under a guarantee is made under paragraph (2) or (3), the holder of the guarantee certificate shall exhaust all reasonable possibilities of collection on the loan guaranteed. Upon payment, in whole or in part, to the holder, the note or judgment evidencing the debt shall be assigned to the United States and the holder shall have no further claim against the borrower or the United States. The Secretary shall then take such action to collect as the Secretary determines appropriate.

(j) Violation of guarantee requirements by lenders issuing guarantees

(1) Indemnification

If the Secretary determines that a loan guaranteed by an eligible lender pursuant to delegation of authority under subsection (h) was not originated in accordance with the requirements under this section and the Secretary pays a claim under the guarantee for the loan, the Secretary may require the eligible lender authorized under subsection (h) to issue the guarantee certificate for the loan—

(A) to indemnify the Secretary for the loss, if the payment under the guarantee was

See References in Text note below.
made within a reasonable period specified by the Secretary; or

(B) to indemnify the Secretary for the loss regardless of when payment under the guarantee was made, if the Secretary determines that fraud or misrepresentation was involved in connection with the origination of the loan.

(2) Termination of authority to issue guarantees

The Secretary may cancel a delegation of authority under subsection (h) to an eligible lender if the Secretary determines that the lender has violated the requirements and procedures for guaranteed loans under this section or for other good cause. Any such cancellation shall be made by giving notice to the eligible lender and shall take effect upon receipt of the notice by the mortgagee or at a later date, as the Secretary may provide. A decision by the Secretary to cancel a delegation shall be final and conclusive and shall not be subject to judicial review.

(k) Refinancing

Any loan guaranteed under this section may be refinanced and extended in accordance with terms and conditions that the Secretary shall prescribe, but in no event for an additional amount or term that exceeds the limitations under subsection (f).

(l) Geographical targeting

(1) Study

The Secretary shall provide for an independent entity to conduct a study to determine the extent to which borrowers in the United States will utilize loan guarantees under this section, the rural areas in the United States in which borrowers can best utilize and most need loans guaranteed under this section, and the rural areas in the United States in which housing of the type eligible for a loan guarantee under this section is most needed by low- and moderate-income families. The Secretary shall require the independent entity conducting the study to submit a report to the Secretary and to the Congress describing the results of the study not later than the expiration of the 90-day period beginning on March 28, 1996.

(2) Targeting

In providing loan guarantees under this section, the Secretary shall establish standards to target and give priority to rural areas in which borrowers can best utilize and most need loans guaranteed under this section, as determined by the Secretary based on the results of the study under paragraph (1) and any other information the Secretary considers appropriate.

(m) Inapplicability of credit-elsewhere test

Section 1471(c) of this title shall not apply to guarantees, or loans guaranteed, under this section.

(n) Tenant protections

The Secretary shall establish standards for the treatment of tenants of housing developed using amounts from a loan guaranteed under this section, which shall incorporate, to the extent applicable, existing standards applicable to tenants of housing developed with loans made under section 1485 of this title. Such standards shall include standards for fair housing and equal opportunity, lease and grievance procedures, and tenant appeals of adverse actions.

(o) Housing standards

The standards established under section 1485(m) of this title for housing and related facilities assisted under section 1485 of this title shall apply to housing and related facilities the development costs of which are financed in whole or in part with a loan guaranteed under this section.

(p) Limitation on commitments to guarantee loans

(1) Requirement of appropriations for cost subsidy

The authority of the Secretary to enter into commitments to guarantee loans under this section, and to guarantee loans, shall be effective for each fiscal year only to the extent that appropriations of budget authority to cover the costs (as such term is defined in section 1485(m) of this title) of the guarantees are made in advance for such fiscal year.

(2) Annual limitation on amount of loan guarantee

In each fiscal year, the Secretary may enter into commitments to guarantee loans under this section only to the extent that the costs of the guarantees entered into in such fiscal year do not exceed such amount as may be provided in appropriation Acts for such fiscal year.

(q) Report

(1) In general

The Secretary shall submit a report to the Congress, not later than the expiration of the 2-year period beginning on March 28, 1996, describing the program under this section for guaranteeing loans.

(2) Contents

The report shall—

(A) describe the types of borrowers providing housing with loans guaranteed under this section, the areas served by the housing provided and the geographical distribution of the housing, the levels of income of the residents of the housing, the number of dwelling units provided, the extent to which borrowers under such loans have obtained other financial assistance for development costs of housing provided with the loans, and the extent to which borrowers under such loans have used low-income housing tax credits provided under section 42 of title 26 in connection with the housing provided with the loans;

(B) analyze the financial viability of the housing provided with loans guaranteed under this section and the need for project-based rental assistance for such housing;

(C) include any recommendations of the Secretary for expanding or improving the program under this section for guaranteeing loans; and
Definitions shall apply:

(r) Definitions

For purposes of this section, the following definitions shall apply:

1. The term "development cost" has the meaning given the term in section 1485(e) of this title.

2. The term "eligible lender" means a lender determined by the Secretary to meet the requirements of subparagraph (A), (B), (C), or (D) of subsection (e)(1).

3. The terms "housing" and "related facilities" have the meanings given such terms in section 1485(e) of this title.

4. Indian tribe.—The term "Indian tribe" means—

(A) any Indian tribe, band, nation, or other organized group or community of Indians, including any Alaska Native village or regional or village corporation, as defined by or established pursuant to the Alaska Native Claims Settlement Act (43 U.S.C. 1601 et seq.), that is recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians pursuant to the Indian Self-Determination and Education Assistance Act of 1975 (25 U.S.C. 450 et seq.); or

(B) any entity established by the governing body of an Indian tribe described in subparagraph (A) for the purpose of financing economic development.

Authorization of appropriations

There are authorized to be appropriated for each fiscal year for costs (as such term is defined in section 661a of title 2) of loan guarantees made under this section such sums as may be necessary for such fiscal year to provide guarantees under this section for eligible loans having an aggregate principal amount of $500,000,000.

Tax-exempt financing

The Secretary may not deny a guarantee under this section on the basis that the interest on the loan or on an obligation supporting the loan for which a guarantee is sought is exempt from inclusion in gross income for purposes of chapter 1 of title 26.

Fee authority

Any amounts collected by the Secretary pursuant to the fees charged to lenders for loan guarantees issued under this section shall be used to offset costs (as defined by section 661a of title 2) of loan guarantees made under this section.

Defaults of loans secured by reservation lands

In the event of a default involving a loan to an Indian tribe or tribal corporation made under this section which is secured by an interest in land within such tribe's reservation (as determined by the Secretary of the Interior), including a community in Alaska incorporated by the Secretary of the Interior pursuant to the Indian Reorganization Act (25 U.S.C. 461 et seq.), the lender shall only pursue liquidation after offering to transfer the account to an eligible tribal member, the tribe, or the Indian housing authority serving the tribe. If the lender subsequently proceeds to liquidate the account, the lender shall not sell, transfer, or otherwise dispose of or alienate the property except to one of the entities described in the preceding sentence.

(July 15, 1949, ch. 338, title V, § 538, as amended, which is classified principally to chapter 13 (§ 1701 et seq.) of Title 12, Banks and Banking. For complete classification of this Act to the Code, see section 1701 of Title 12 and Tables.)

References in text

The National Housing Act, referred to in subsec. (e)(1)(A), is act June 27, 1934, ch. 847, 48 Stat. 1246, as amended, which is classified principally to chapter 13 (§ 1701 et seq.) of Title 12, Banks and Banking. For complete classification of this Act to the Code, see section 1701 of Title 12 and Tables.


The Alaska Native Claims Settlement Act, referred to in subsec. (v), is Pub. L. 92–203, Dec. 18, 1971, 85 Stat. 688, as amended, which is classified generally to chapter 33 (§ 1601 et seq.) of Title 43, Public Lands. For complete classification of this Act to the Code, see Short Title note set out under section 1601 of Title 43 and Tables.

The Indian Self-Determination and Education Assistance Act of 1975 (25 U.S.C. 450 et seq.), referred to in subsec. (r)(4)(A), probably means the Indian Self-Determination and Education Assistance Act, Pub. L. 93–638, Jan. 4, 1975, 89 Stat. 2293, which was classified principally to subchapter II (§ 450 et seq.) of chapter 14 of Title 25, Indians, prior to editorial reclassification as chapter 46 (§ 5301 et seq.) of Title 25. For complete classification of this Act to the Code, see Short Title note set out under section 5301 of Title 25 and Tables.

The Indian Reorganization Act (25 U.S.C. 461 et seq.), referred to in subsec. (v), is act June 18, 1934, ch. 576, 48 Stat. 984, which was classified generally to subchapter V (§ 461 et seq.) of chapter 14 of Title 25, Indians, prior to editorial reclassification as chapter 45 (§ 5101 et seq.) of Title 25. For complete classification of this Act to the Code, see Short Title note set out under section 5101 of Title 25 and Tables.

Codification

Section is based on section 5(a) of H.R. 1691, One Hundred Fourth Congress, as passed by the House of Representatives on Oct. 30, 1995, which was enacted into law by Pub. L. 104–120.

Amendments


Subsec. (f)(1). Pub. L. 106–569, § 707(2), added par. (1) and struck out former par. (1) which read as follows: “For the purpose of periodic payment to be made for a term not to exceed 40 years;”.

Subsec. (f)(2). Pub. L. 106–569, § 707(3), substituted “(A) submission to the Secretary of a claim for payment under the guarantee, and (B) assignment” for “(A) conveyance to the Secretary of title to the security property, (B) submission to the Secretary of a claim for payment under the guarantee, and (C) assignment”.

Subsec. (i). Pub. L. 106–569, § 707(d), (f), redesignated subsec. (m) as (l) and struck out heading and text of former subsec. (f). Text read as follows: “The borrower...”
under a loan that is guaranteed under this section and under which any portion of the principal obligation or interest remains outstanding may not be relieved of liability with respect to the loan, notwithstanding the transfer of property for which the loan was made."

Subsecs. (m) to (r). Pub. L. 106–569, § 707(7), redesignated subsec. (n) to (s) as (m) to (r), respectively. Former subsec. (m) redesignated (t).

Subsec. (s). Pub. L. 106–569, § 707(7), redesignated subsec. (t) as (s). Former subsec. (s) redesignated (r).


Subsec. (t). Pub. L. 106–569, § 707(7), redesignated subsec. (u) as (t). Former subsec. (t) redesignated (s).

Pub. L. 106–569, § 707(5), inserted before period at end "...to provide guarantees under this section for eligible loans having an aggregate principal amount of $500,000,000".


Subsec. (u). Pub. L. 105–276, § 599C(c)(2), added subsec. (u) and struck out heading and text of former subsec. (u). Text read as follows: "A loan may not be guaranteed under this section after September 30, 1998."

1997—Subsec. (q)(2). Pub. L. 105–86, § 735(c)(1), added par. (2) and struck out heading and text of former par. (2). Text read as follows: "In fiscal year 1996, the Secretary may enter into commitments to guarantee loans under this section only to the extent that the costs of the guarantees entered into in such fiscal year do not exceed $1,000,000."

Subsec. (t). Pub. L. 105–86, § 735(c)(2), added subsec. (t) and struck out text of former subsec. (t). Text read as follows: "There is authorized to be appropriated for fiscal year 1996 $1,000,000 for costs (as such term is defined in section 661a of title 2) of loan guarantees made under this section."


Section to be construed to have become effective Oct. 1, 1993, see section 13(a) of Pub. L. 104–120, set out as an Effective and Termination Dates of 1996 Amendments note under section 1437d of this title.

§ 1490q. Disaster assistance

(a) Authority

(1) In general

Notwithstanding any other provision of this subchapter, in the event of a natural disaster, so declared by the President under the Robert T. Stafford Disaster Relief and Emergency Assistance Act [42 U.S.C. 5121 et seq.], the Secretary shall allocate, for assistance under this section to the States affected for use in the counties designated as disaster areas and the counties contiguous to such counties, amounts made available to the Secretary by an appropriations Act for such purpose. Allocations under this section may be made for each of the fiscal years ending during the 3-year period beginning on the declaration of the disaster by the President.

(2) Amount

Subject to the availability of amounts pursuant to appropriations Acts, assistance under paragraph (1) shall be made in an amount equal to the product of—

(A) the sum of the official State estimate of the number of dwelling units in the counties described in paragraph (1) within the eligible service area of the Farmers Home Administration (or otherwise if the Secretary provides for a waiver under subsection (d)) that are destroyed or seriously damaged; and

(B) 20 percent of the average cost of all dwelling units assisted by the Secretary in the State during the previous 3 years.

(b) Use

The assistance made available under this section may be used for the housing purposes authorized under this subchapter, and the Secretary shall issue such regulations as may be necessary to carry out this section to assure the prompt and expeditious use of such funds for the restoration of decent, safe, and sanitary housing within the areas described in subsection (a)(1). In implementing this section, the Secretary shall evaluate the natural hazards to which any permanent replacement housing is exposed and shall take appropriate action to mitigate such hazards.

(c) Eligibility

Notwithstanding any other provision of this subchapter, assistance allocated under this section shall be available to units of general local government and their agencies and to local nonprofit organizations, agencies, and corporations for the construction or rehabilitation of housing for agricultural employees and their families.

(d) Waiver of rural area requirements

The Secretary may waive the application of the provisions of section 1490 of this title with respect to assistance under this section, as the Secretary considers appropriate.

(e) Rural Housing Insurance Fund

The Secretary is authorized to advance from the Rural Housing Insurance Fund such sums as may be necessary to meet the requirements of subsection (a)(1), subject to limits previously approved in appropriations Acts.

(7) Section 1490r. Rural housing voucher program

(a) In general

To such extent or in such amounts as are approved in appropriation Acts, the Secretary shall carry out a rural housing voucher program to assist very low-income families and persons to reside in rental housing in rural areas. For
such purposes, the Secretary may provide assistance using a payment standard based on the fair market rental rate established by the Secretary for the area. The monthly assistance payment for any family shall be the amount by which the payment standard for the area exceeds 30 per centum of the family’s monthly adjusted income, except that such monthly assistance payment shall not exceed the amount which the rent for the dwelling unit (including the amount allowed for utilities in the case of a unit with separate utility metering) exceeds 10 per centum of the family’s monthly gross income.

(b) Coordination and limitation
In carrying out the rural housing voucher program under this section, the Secretary shall—

(1) coordinate activities under this section with activities assisted under sections 1485 and 1490m of this title; and

(2) enter into contracts for assistance for not more than 5000 units in any fiscal year.


§ 1490s. Enforcement provisions

(a) Equity skimming

(1) Criminal penalty
Whosoever, as an owner, agent, employee, or manager, or is otherwise in custody, control, or possession of property that is security for a loan made or guaranteed under this subchapter, willfully uses, or authorizes the use, of any part of the rents, assets, proceeds, income, or other funds derived from such property, for any purpose other than to meet actual, reasonable, and necessary expenses of the property, or for any other purpose not authorized by this subchapter or the regulations adopted pursuant to this subchapter, shall be fined under title 18 or imprisoned not more than 5 years, or both.

(2) Civil sanctions
An entity or individual who, as an owner, operator, employee, or manager, or who acts as an agent for a property that is security for a loan made or guaranteed under this subchapter, where any part of the rents, assets, proceeds, income, or other funds derived from such property are used for any purpose other than to meet actual, reasonable, and necessary expenses of the property, or for any other purpose not authorized by this subchapter or the regulations adopted pursuant to this subchapter, shall be subject to a fine of not more than $25,000 per violation. The sanctions provided in this paragraph may be imposed in addition to any other civil sanctions or civil monetary penalties authorized by law.

(b) Civil monetary penalties

(1) In general
The Secretary may, after notice and opportunity for a hearing, impose a civil monetary penalty in accordance with this subsection against any individual or entity, including its owners, officers, directors, general partners, limited partners, or employees, who knowingly and materially violate, or participate in the violation of, the provisions of this subchapter, the regulations issued by the Secretary pursuant to this subchapter, or agreements made in accordance with this subchapter, by—

(A) submitting information to the Secretary that is false;

(B) providing the Secretary with false certifications;

(C) failing to submit information requested by the Secretary in a timely manner;

(D) failing to maintain the property subject to loans made or guaranteed under this subchapter in good repair and condition, as determined by the Secretary;

(E) failing to provide management for a project which received a loan made or guaranteed under this subchapter that is acceptable to the Secretary; or

(F) failing to comply with the provisions of applicable civil rights statutes and regulations.

(2) Conditions for renewal or extension
The Secretary may require that expiring loan or assistance agreements entered into under this subchapter shall not be renewed or extended unless the owner executes an agreement to comply with additional conditions prescribed by the Secretary, or executes a new loan or assistance agreement in the form prescribed by the Secretary.

(3) Amount

(A) In general
The amount of a civil monetary penalty imposed under this subsection shall not exceed the greater of—

(i) twice the damages the Department of Agriculture, the guaranteed lender, or the project that is secured for a loan under this section suffered or would have suffered as a result of the violation; or

(ii) $50,000 per violation.

(B) Determination
In determining the amount of a civil monetary penalty under this subsection, the Secretary shall take into consideration—

(i) the gravity of the offense;

(ii) any history of prior offenses by the violator (including offenses occurring prior to the enactment of this section);

(iii) the ability of the violator to pay the penalty;

(iv) any injury to tenants;

(v) any injury to the public;

(vi) any benefits received by the violator as a result of the violation;

(vii) deterrence of future violations; and

(viii) such other factors as the Secretary may establish by regulation.

(4) Payment of penalties
No payment of a penalty assessed under this section may be made from funds provided under this subchapter or from funds of a project which serve as security for a loan made or guaranteed under this subchapter.
(5) Remedies for noncompliance

(A) Judicial intervention

If a person or entity fails to comply with a final determination by the Secretary imposing a civil monetary penalty under this subsection, the Secretary may request the Attorney General of the United States to bring an action in an appropriate United States district court to obtain a monetary judgment against such individual or entity and such other relief as may be available. The monetary judgment may, in the court’s discretion, include the attorney’s fees and other expenses incurred by the United States in connection with the action.

(B) Reviewability of determination

In an action under this paragraph, the validity and appropriateness of a determination by the Secretary imposing the penalty shall not be subject to review.


Section 1492, acts Aug. 11, 1955, ch. 783, title II, § 1491 to 1497. Omitted

CHAPTER 8C—OPEN-SPACE LAND

§§ 1500 to 1500b. Omitted

CODIFICATION

Sections were omitted pursuant to section 5136 of this title which terminated the authority to make grants or loans under this chapter after Jan. 1, 1975.


Section 1492, acts Aug. 11, 1955, ch. 783, title II, § 1491 to 1497. Omitted

CHAPTER 8D—PUBLIC WORKS OR FACILITIES

§§ 1491 to 1497. Omitted

CODIFICATION

Sections were omitted pursuant to section 5136 of this title which terminated the authority to make grants or loans under this chapter after Jan. 1, 1975.


§§1500c-1 to 1500e. Omitted

CODIFICATION

Sections 1500c-1 to 1500d-1 were omitted pursuant to section 5316 of this title which terminated the authority to make grants or loans under this chapter after Jan. 1, 1975.


CRITERIA FOR GRANTS FOR HISTORIC PRESERVATION

Pub. L. 89-754, title VI, §605(h), Nov. 3, 1966, 80 Stat. 1280, provided that beginning three years after Nov. 3, 1966, no grant shall be made (except pursuant to a contract or commitment entered into less than three years after such date) under provisions of sections 1543 or 1500d-1 of this title or section 461(h) of former Title 40, Public Buildings, Property, and Works, to the extent that it was to be used for historic or architectural preservation, except with respect to districts, sites, buildings, structures, and objects which the Secretary of Housing and Urban Development found met criteria comparable to those used in establishing the National Register maintained by the Secretary of the Interior pursuant to other provisions of law.
Sec. 1586. Sale of specific housing projects.

1587. Disposition of other permanent war housing.

1588. Sale of vacant land to local housing authorities; sale of personal property.

1589. Conveyance of land and nonwelling structures thereon to States for National Guard purposes.

1589a. Extension by President of dates for disposal and other actions relating to housing under this subchapter.

1589b. Establishment of income limitations for occupancy of housing; effect on prior tenants.

1589c. Transfer of certain housing to Indians.

1589d. Undisposed housing.

1589e. Definitions.

SUBCHAPTER VIII—CRITICAL DEFENSE HOUSING AREAS

1591. Determination of critical areas by President; requisite conditions.

1591a. Construction by private enterprise.

1591b. Community facilities or services by local agencies.

1591c. Expiration date; exception.

1591d. Powers as cumulative and additional.

SUBCHAPTER IX—DEFENSE HOUSING AND COMMUNITY FACILITIES AND SERVICES

1592. Authority of Secretary.

1592a. Construction of housing.

1592b. Maximum construction costs; determinations by Secretary in certain condemnation proceedings.

1592c. Loans or grants for community facilities or services; conditions; maximum amounts; annual adjustments.

1592d. Secretary’s powers with respect to housing, facilities, and services.

1592e. Interagency transfers of property; application of rules and regulations.

1592f. Preservation of local civil and criminal jurisdiction, and civil rights; jurisdiction of State courts.

1592g. Payment of annual sums to local authorities in lieu of taxes.

1592h. Conditions and requirements as to contracts; utilization of existing facilities; disposition of facilities constructed by United States.

1592i. Laborers and mechanics.

1592j. Disposition of moneys derived from rentals.

1592k. Determination of fair rentals and classes of occupants by Secretary.

1592l. Authorization of appropriations.

1592m. Transfer of functions and funds in certain cases.

1592n. Definitions.

1592o. Powers of Surgeon General of Public Health Service.

SUBCHAPTER X—DEVELOPMENT SITES FOR ISOLATED DEFENSE INSTALLATIONS

1593 to 1593d. Repealed.

1593e. Housing of persons displaced by acquisition of property for defense installations or industries.

SUBCHAPTER XI—HOUSING FOR MILITARY PERSONNEL

1594. Contracts for construction.

1594a. Acquisition of military housing financed under Armed Services Housing Mortgage Insurance Fund and rental housing at military bases.

1594a–1, 1594a–2. Repealed.

1594b. Maintenance and operation of housing; use of quarters; payment of principal, interest, and other obligations.

1594c. Services of architects and engineers; use of appropriations; acquisition of sites.

Sec. 1594d. Appropriations; use of quarters allowances.

1594e. Definitions.

1594f. Net floor area limitations.

1594g to 1594k. Repealed.

SUBCHAPTER I—PROJECTS GENERALLY

§ 1501. Cooperation between departments; definitions; limitation of projects

In connection with the national defense program, the Departments of the Navy, Army, and Air Force and the Secretary of Housing and Urban Development are authorized to cooperate in making necessary housing available for persons engaged in national defense activities, as provided in this subchapter. “Persons engaged in national defense activities” (as that term is used in this subchapter) shall include (i) enlisted men with families, who are in the naval and military service and officers of the Army, Air Force, and Marine Corps not above the grade of captain, and officers of the Navy and Coast Guard, not above the grade of lieutenant and employees of the Departments of the Navy, Army, and Air Force who are assigned to duty at naval or military reservations, posts, or bases, and (ii) workers with families, who are engaged or to be engaged in industries connected with and essential to the national defense program. No project shall be developed or assisted for the purposes of this subchapter except with the approval of the President and upon a determination by him that there is an acute shortage of housing in the locality involved which impedes the national defense program.


AMENDMENTS

1942—Act Oct. 26, 1942, substituted “and officers of the Army and Marine Corps not above the grade of captain, and officers of the Navy and Coast Guard, not above the grade of lieutenant” for “‘(excluding officers)’

CHANGE OF NAME

Department of the Air Force inserted to conform to act July 26, 1947, ch. 343, title II, §207(a), (f), 61 Stat. 502, 503, and Secretary of Defense Transfer Orders No. 14, eff. July 1, 1948, and No. 40 (App. B (128)), July 22, 1949. Department of War designated Department of the Army and title of Secretary of War changed to Secretary of the Army by act July 26, 1947, ch. 343, title II, §226(a), 61 Stat. 501. Sections 205(a) and 207(a), (f) of act July 26, 1947, were repealed by act Aug. 10, 1956, ch. 1041, §53, 70A Stat. 841. Act Aug. 10, 1956, ch. 1041, §1, 70A Stat. 1, enacted “Title 10, Armed Forces”, which in sections 3010 to 3012 and 8010 to 8013 continued Departments of Army and Air Force under administrative supervision of Secretary of the Army and Secretary of the Air Force, respectively.

SHORT TITLE OF 1951 AMENDMENT

Act Sept. 1, 1951, ch. 378, §1, 65 Stat. 293, provided: “That this Act [enacting sections 1597, 1589a, 1589b, and 1591 to 1595e of this title, sections 1701g–1 to 1701g–3, 1701–1, 1715, 1715h, 1715a, 1748c–1, 1750, 1750a, and 1750b to 1750g of Title 12, Banks and Banking, and former section 2136 of the former Appendix to Title 50, War and
National Defense, amended sections 1584 and 1585 of this title, sections 371, 1439, 1701g, 1701i, 1702, 1706, 1710, 1713, 1715c, 1715d, 1715f, 1716, 1743, 1747a, 1747f, and 1747l of Title 12, and former section 2155 of the former Appendix to Title 50, and enacted provisions set out as notes under section 1591 of this title and section 1748b of Title 12 may be cited as the "Defense Housing and Community Facilities and Services Act".

SHORT TITLE

Act Oct. 14, 1940, ch. 862, 54 Stat. 1125, which is classified to subchapters II to VII of this chapter, is popularly known as the "Ianham Public War Housing Act".

TRANSFER OF FUNCTIONS

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

Functions of Public Housing Administration and Housing and Home Finance Agency (of which Public Housing Administration was a constituent agency) and of heads thereof transferred to Secretary of Housing and Urban Development by Pub. L. 99-177, § 6(a), Sept. 9, 1986. 79 Stat. 669, which is classified to section 3534(a) of this title. Section 9(c) of such act, set out as a note under section 3531 of this title, provided that references to the Administrator and Home Finance Agency or to any agency officer therein are to be deemed to mean Secretary of Housing and Urban Development and that Housing and Home Finance Agency and Public Housing Administration have lapsed.

United States Housing Authority consolidated into Housing and Home Finance Agency by Reorg. Plan No. 3 of 1947, § 1, eff. July 27, 1947, 12 F.R. 4981, 61 Stat. 954, set out in the Appendix to Title 5, Government Organization and Employees, and name of Authority changed to Public Housing Administration by section 4(a) of such Plan. Section 9 of Reorg. Plan No. 3 of 1947 abolished office of Administrator of United States Housing Authority, whose functions were transferred by section 4 of such Plan to Public Housing Commissioner.

§ 1502. Initiation and development of projects; jurisdiction; acquisition of property; fees of architects, engineers, etc.

(a) Projects may be initiated under this subchapter by the Department of the Navy or Army or the Air Force to provide dwellings on or near naval or military reservations, posts or bases for rental to the officers, enlisted men and employees of the Departments of the Navy, Army, and Air Force described in section 1501 of this title. Such projects shall be developed by the Department of the Navy or Army or the Air Force or by the Secretary of Housing and Urban Development, whichever the President determines is better suited to the fulfillment of the purposes of this subchapter with respect to any particular project. If the development of such project is to be undertaken by the Department of the Navy or Army or Air Force, the Secretary of Housing and Urban Development is authorized to aid the development of the project by furnishing technical assistance and by transferring to such Department the funds necessary for the development of the project. Any project developed for the purpose of this section shall be leased to the Department of the Navy or Army or Air Force by the Secretary of Housing and Urban Development (who shall have title to such project until repayment of the cost thereof to the Secretary of Housing and Urban Development as prescribed in such lease) upon such terms as shall be prescribed in the lease, which may be the same terms as are authorized by the United States Housing Act of 1937 [42 U.S.C. 1437 et seq.], with respect to leases to public housing agencies. All the provisions of said Act which apply to the development of projects by the Secretary of Housing and Urban Development shall (insofar as applicable and not in consistent here with) apply to the development of projects by the Department of the Navy or Army or Air Force. Notwithstanding other provisions of this or any other law, the Department leasing a project shall have the same jurisdiction over such project as it has over the reservation, post or base in connection with which the project is developed.

(b) The Department of the Navy or Army or Air Force, in connection with any project developed or assisted by it, and the Secretary of Housing and Urban Development, in connection with any project developed or assisted by him, for the purposes of this subchapter, may acquire real or personal property or any interest therein by purchase, eminent domain, gift, lease or otherwise. The provisions of sections 3111 and 3112 of title 40 shall not apply to the acquisition of real property by the Department of the Navy or Army or Air Force or by the Secretary of Housing and Urban Development for the purposes of this subchapter or to the project developed thereon, and the provisions of section 1302 of title 40, shall not apply to any lease of any project developed for the purposes of this subchapter or of any dwelling therein. Condemnation proceedings instituted by the Secretary of Housing and Urban Development shall be in the Secretary's own name and the practice and procedure governing such proceedings by the United States shall be followed, and the Secretary of Housing and Urban Development shall likewise be entitled to proceed in accordance with the provisions of sections 3114 to 3116 and 3118 of title 40 and an Act of Congress approved March 1, 1929 (45 Stat. 1415). If the Secretary of Housing and Urban Development acquires land in connection with a project to be assisted for the purposes of this subchapter, the Secretary may convey such land to the public housing agency involved for consideration equal to the cost of the land to the Secretary of Housing and Urban Development. The Departments of the Navy, Army, and Air Force and the Secretary of Housing and Urban Development may negotiate, contract and fix such fees as they determine are reasonable for the services of architects, engineers, surveyors, appraisers, title examiners and real estate negotiators in connection with specific projects developed by them under this subchapter. The Secretaries of Navy, Army, and Air Force are authorized to make available to the Secretary of Housing and Urban Development any land that is needed for a project to be developed by the Secretary of Housing and Urban Development and leased to the Department of the Navy or Army or Air Force and to execute such...

1 See References in Text note below.
leases, agreements and other instruments with
the Secretary of Housing and Urban Develop-
ment as may be necessary to carry out the pur-
poses of this subchapter.

(June 28, 1940, ch. 440, title II, §202, 54 Stat. 682;
Oct. 26, 1942, ch. 626, §1(b), 56 Stat. 988; July 26,
1947, ch. 343, title II, §§205(a), 207(a), (f), 61 Stat.
501–505; 1947 Reorg. Plan No. 3, §4(a), eff. July 27,
1947, 12 F.R. 4981, 61 Stat. 955; Pub. L. 89–174,
§5(a), Sept. 9, 1965, 79 Stat. 669.)

REFERENCES IN TEXT

The United States Housing Act of 1937 and said Act,
referred to in subsec. (a), are act Sept. 1, 1937, ch. 896,
as revised generally by Pub. L. 93–383, title II, §201(a),
Aug. 22, 1974, 88 Stat. 653, which is classified generally
to chapter 8 (§1437 et seq.) of this title. For complete
classification of this Act to the Code, see Short Title
note set out under section 1437 of this title and Tables.
The Act of Congress approved March 1, 1929, referred
to in subsec. (b), is act Mar. 1, 1929, ch. 416, 45 Stat. 1415,
which was classified to chapter 7 (§341 et seq.) of former
Title 40, Public Buildings, Property, and Works, and
was repealed by Pub. L. 88–241, §21(b), Dec. 23, 1963, 77
Stat. 627.

CODIFICATION

In subsec. (b), “sections 3111 and 3112 of title 40” sub-
stituted for “section 355 of the Revised Statutes”, “sec-
tion 1302 of title 40” substituted for “section 321 of the
303b)”, and “sections 3114 to 3116 and 3118 of title 40” sub-
stituted for “the Act of Congress approved February
26, 1931 (46 Stat. 1421)” on authority of Pub. L. 107–237,
§5(c), Aug. 21, 2002, 116 Stat. 1303, the first section of
which enacted Title 40, Public Buildings, Property, and
Works.

CHANGE OF NAME

Department of the Air Force inserted to conform to
act July 26, 1947, ch. 343, title II, §207(a), (f), 61 Stat. 502,
503, and Secretary of Defense Transfer Order No. 49
(App. A(75)), July 22, 1949. Department of War des-
ignated Department of the Army and title of Secretary of
War changed to Secretary of the Army by act July
26, 1947, ch. 343, title II, §205(a), 61 Stat. 501. Sections
205(a) and 207(a), (f) of act July 26, 1947, were repealed
10, 1956, ch. 1041, §1, 70A Stat. 1, enacted “Title 10,
Armed Forces”, which in sections 3010 to 3013 and 8010
to 8013 continued Departments of the Army and Air
Force under administrative supervision of Secretary of
the Army and Secretary of the Air Force, respectively.

AMENDMENTS

1942—Subsec. (a). Act Oct. 26, 1942, inserted “offi-
cers,” after “rental to the” in first sentence.

TRANSFER OF FUNCTIONS

For transfer of functions to Secretary of Housing and
Urban Development, see note set out under section 1501
of this title.

§1504. Rental rates; exemption from limitations
of United States Housing Act of 1937

Any contract made for financial assistance under
the United States Housing Act of 1937, as amended
(42 U.S.C. 1437 et seq.), may be revised
so as to provide that the project involved will be
assisted for any of the purposes of this sub-
chapter. The Department of the Navy or Army
or the Air Force or the Secretary of Housing
and Urban Development, in the administration of
any project developed for the purposes of this sub-
chapter, shall fix rentals for persons engaged
in national defense activities and their families
which will be within their financial reach, and
the Secretary of Housing and Urban Develop-
ment, in any contract for financial assistance or
any lease of such a project, shall require the fix-
ing of such rentals. Projects developed by the
Department of the Navy or Army or Air Force,
or developed or assisted by the Secretary of
Housing and Urban Development, for the pur-
poses of this subchapter shall not be subject to
the elimination requirements of sections 10(a)
and 11(a) of said Act (42 U.S.C. 1410(a), 1411(a)),
or to any provisions of section 9 of said Act (42
U.S.C. 1409) which would require any part of the
development cost thereof to be met in any man-
ner other than from funds loaned or furnished by
the Secretary of Housing and Urban Develop-
ment. Funds expended for the purposes of this
subchapter shall be excluded in determining, for

1 So in original. Reference should probably be to entire “United States Housing Act of 1937” because such Act is not divided into
titles. See section 1437 et seq. of this title.
the purposes of section 21(d)1 of said Act [42 U.S.C. 1421(d)], the amounts expended within each State. Except as otherwise provided in this subchapter or as may be inconsistent with this subchapter, all the provisions of title I2 of the United States Housing Act of 1937 [42 U.S.C. 1437 et seq.] shall apply to this subchapter. During the period when the President determines that in any locality there is an acute need for housing to assure the availability of dwellings for persons engaged in national defense activities, dwellings in a project developed or assisted in said locality which are devoted to the purposes of providing housing for persons engaged in national defense activities shall not be subject to sections 2(1) and 2(2) of the United States Housing Act of 1937, as amended [42 U.S.C. 1402(1), (2)], and during such period such projects shall be deemed projects of a low-rent character for the purposes of any of the applicable provisions in title I2 of the United States Housing Act of 1937.


REFERENCES IN TEXT

The United States Housing Act of 1937, referred to in text, is act Sept. 1, 1937, ch. 896, as revised generally by Pub. L. 93–383, title II, §201(a), Aug. 22, 1974, 88 Stat. 653, which is classified generally to chapter 1437 et seq. of this title. For complete classification of this Act to the Code, see Short Title note set out under section 1437 of this title.

Sections 2, 9, 10(a), and 11(a) of the United States Housing Act of 1937, referred to in text, is a reference to sections of the Act prior to the general revision of the Act by Pub. L. 93–383. The Act as so revised is classified to section 1437 et seq. of this title. Provisions of former sections 2, 9, and 10(a) are covered by sections 1437a, 1437b, and 1437c(a) of this title.

Section 21(d) of said Act, referred to in text, was repealed by Pub. L. 89–70–70, title II, §204(c), June 30, 1961, 75 Stat. 164.

CHANGE OF NAME


Department of War designated Department of the Army and title of Secretary of War changed to Secretary of the Army by act July 26, 1947, ch. 343, title II, §202(a), 61 Stat. 501. Sections 205(a) and 207(a), (f) of act July 26, 1947, were repealed by act Aug. 10, 1956, ch. 1041, §53, 70A Stat. 641. Act Aug. 10, 1956, ch. 1041, §1, 70A Stat. 1, enacted "Title 10, Armed Forces", which in sections 3010 to 3033 and 8019 to 8031 continued Departments of Army and Air Force under administrative supervision of Secretary of the Army and Secretary of the Air Force, respectively.

TRANSFER OF FUNCTIONS

For transfer of functions to Secretary of Housing and Urban Development, see note set out under section 1501 of this title.

1 See References in Text note below.
2 So in original. Reference should probably be to entire "United States Housing Act of 1937" because such Act is not divided into titles. See section 1437 et seq. of this title.
Title 42—The Public Health and Welfare

Chapter 7—Department of Health, Education, and Welfare

Section 1522—Definitions, actions to recover developed property

As used in subchapters II to VII of this chapter, (a) the term “persons engaged in national-defense activities” shall include (1) enlisted men in the naval or military services of the United States; (2) employees of the United States in the Departments of the Navy, Army, and Air Force assigned to duty at naval or military reservations, posts, or bases; (3) workers engaged or to be engaged in industries connected with national-defense activities; provided, That any proceedings for the recovery of possession of any property or project developed or constructed under this subchapter shall be brought by the Secretary of Housing and Urban Development in the courts of the States having jurisdiction of such causes and the laws of the States shall be applicable thereto; (b) the term “Federal agency” means any executive department or office (including the President), independent establishment, commission, board, bureau, division, or office in the executive branch of the United States Government, or other agency of the United States, including corporations in which the United States owns all or a majority of the stock, directly or indirectly.

Department of the Air Force inserted on authority of Pub. L. 88–476, § 1(a)(12), 75 Stat. 454, § 1(a)(113), 75 Stat. 613, § 1(a)(121), 76 Stat. 332, as amended by act Mar. 31, 1953, ch. 3, § 1, 67 Stat. 18, Sections 1531, 1533, and 1534 were omitted from the Code upon the termination of section 1532. Section 1535 was omitted from the Code as executed. Section 1536 was omitted from the Code as not having been repeated in subsequent appropriation acts.

Subchapter VI of this chapter, referred to in text, was comprised of sections 1571 to 1576 of this title. Sections 1571 and 1573 have been omitted from the Code pursuant to the time limitation set out in act July 3, 1952, ch. 570, § 205(a), 66 Stat. 332, as amended by act Mar. 31, 1953, ch. 13, § 1, 67 Stat. 18. Sections 1572 and 1575 were omitted upon the termination of sections 1571 and 1573. Section 1574 was repealed by act Oct. 31, 1961, ch. 654, § 11(c)(13), 75 Stat. 706. Section 1576 was omitted from the Code as not having been repeated in subsequent appropriation acts.

The department of War designated Department of the Army and Department of the Air Force under administrative supervision of the Secretary of the Army and Secretary of the Air Force, respectively.

Amendments

1950—Act Apr. 20, 1950, substituted “Housing and Home Finance Administrator” for “National Housing Administrator”.

1942—Act Jan. 21, 1942, inserted cl. (a)(4) and proviso.

Transfer of Functions

For transfer of authorities, functions, personnel, and assets of the Coast Guard, including the authorities and functions of the Secretary of Transportation relating thereto, to the Department of Homeland Security and for treatment of related references, see sections 468(b), 531(d), 552(d), and 557 of Title 6, Domestic Secu-

Functions of Housing and Home Finance Agency transferred to Secretary of Housing and Urban Development by Pub. L. 89–174, §5(a), Sept. 9, 1965, 79 Stat. 669, which is classified to section 333(a) of this title. Section 8(b) of such act, set out as a note under section 3331 of this title, provided that references to Housing and Home Finance Agency or to any agency or officer therein are to be deemed to mean Secretary of Housing and Urban Development and that Housing and Home Finance Agency has lapsed.

Functions of Federal Works Administrator relating to defense housing consolidated with other agencies into National Housing Agency during World War II by Ex. Ord. No. 9070.

§ 1523. Omitted

CODIFICATION


PRIOR ADDITIONAL APPROPRIATIONS


§ 1524. Declaration of policy; disposal of housing

It is declared to be the policy of this subchapter to further the national defense by providing housing in those areas where it cannot otherwise be provided by private enterprise, when needed, and that such housing may be sold and disposed of as expeditiously as possible: Provided, That in disposing of said housing, the Secretary shall at his option sell any such house or structure for sale on an individual basis, he shall, when the purchaser is a veteran buying for his own occupancy, sell any such house or structure (1) at a purchase price not in excess of the apportioned cost of such house or structure, and of the land and appurtenances allocated thereto, together with the apportioned share of the cost of all utilities and other facilities provided for and common to the project of which such house or structure is a part, or (2) at a purchase price not in excess of such considered full market value of such house or structure and the land, appurtenances, utilities and facilities allocated thereto, whichever purchase price is the less: Provided further, That, for the purposes of this section, housing constructed or acquired under the provisions of Public Law 781. Seventy-sixth Congress, approved September 9, 1940, or Public Law 9, 73, or 353, Seventy-seventh Congress, approved, respectively, March 1, 1941, May 24, 1941, and December 17, 1941, shall be deemed to be housing constructed or acquired under subchapters II to VII of this chapter.


REFERENCES IN TEXT

Subchapters III and VI of this chapter, referred to in text, were comprised of sections 1531 to 1536 of this title, and sections 1571 to 1576 of this title, respectively, and have been omitted from the Code. For further details, see note set out under section 1522 of this title.

Public Law 781, Seventy-sixth Congress, approved September 9, 1940, referred to in text, is the Second Supplemental National Defense Appropriation Act, 1941, act Sept. 9, 1940, ch. 717, 54 Stat. 672. Section 201 thereof appropriated $100,000,000 to the President for allocation to the former “War” Department, and to the Navy Department, for the construction of housing necessary to the national defense program. This provision is not classified to the Code.

Public Laws 9, 73, or 353, Seventy-seventh Congress, referred to in text, refer to the following acts, respectively: Public Law 9, Urgent Deficiency Appropriation Act, 1941, act Mar. 1, 1941, ch. 9, 55 Stat. 14; Public Law 73, Additional Urgent Deficiency Appropriation Act, 1941, act Mar. 24, 1941, ch. 132, 55 Stat. 197; and Public Law 353, Third Supplemental National Defense Appropriation Act, 1942, act Dec. 17, 1941, ch. 591, 55 Stat. 810. These three acts appropriated a total of $320,000,000 to the President for the purpose of providing housing necessary because of national defense activities and conditions arising out of World War II. These provisions are not classified to the Code, although all three acts are cited in a “Prior Additional Appropriations” note under section 1523 of this title.

AMENDMENTS

1950—Act Apr. 20, 1950, substituted “Housing and Home Finance Administrator” for “National Housing Administrator” wherever appearing.

1948—Act June 19, 1948, inserted proviso to permit sale of certain permanent war housing to veterans at a purchase price not in excess of cost of construction.

Act June 28, 1948, inserted last proviso.

CHANGE OF NAME

Department of the Air Force inserted to conform to Act July 26, 1947, ch. 343, title II, § 207(a), (f), 61 Stat. 501–503 and Secretary of Defense Transfer Orders No. 14,
Title 42—The Public Health and Welfare

§§ 1531 to 1536. Omitted

Codification

Section 1531, act Oct. 14, 1940, ch. 862, title II, §201, as added June 28, 1941, ch. 260, §§4, 5, 56 Stat. 361, which declared the policy of this subchapter to be to provide means by which public works were to be acquired, operated, and maintained in the areas described in section 1529 of this title, and defined public works, was omitted in view of the omission of section 1532 of this title.


Section 1533, act Oct. 14, 1940, ch. 862, title II, §203, as added June 28, 1941, ch. 260, §§3, 5, 56 Stat. 362; amended Ex. Ord. No. 9070, §1, eff. Feb. 24, 1942, 7 F.R. 1259; June 30, 1949, ch. 288, title I, §103, 63 Stat. 306; Apr. 20, 1950, ch. 94, title II, §204, 64 Stat. 73; 1949 Reorg. Plan No. 17, §1, eff. May 24, 1950, 15 F.R. 3177, 64 Stat. 1269, which related to the terms to be observed in the application of this subchapter and restricted governmental supervision over schools and hospitals, was omitted in view of the omission of section 1532 of this title.


Section 1535, act Oct. 14, 1940, ch. 862, title II, §205, as added June 28, 1941, ch. 260, §§3, 5, 56 Stat. 363; amended Jan. 21, 1942, ch. 14, §§5, 56 Stat. 12; July 15, 1942, ch. 240, 57 Stat. 565; July 3, 1945, ch. 264, §1, 59 Stat. 383, which authorized appropriations for the fiscal year ending June 30, 1947, contributions for the operation and maintenance of school facilities in order to enable school authorities that were still overburdened with war-incurred school enrollments to meet their needs during transition from war to peacetime conditions. Section 1536, act July 31, 1953, ch. 302, title I, §101, 67 Stat. 365, which authorized the Administrator to transfer projects or facilities to other departments or agencies which request a transfer, was enacted as a part of the First Independent Offices Appropriation Act, 1954, and not as a part of title II of the Lanham Public War Housing Act which comprised this subchapter, and was not repeated in subsequent appropriation acts.

Limitation on Use of Funds

Act July 14, 1943, as amended by act July 3, 1945, provided in part that no funds be used for loans, grants, or contributions for the operation day care or extended school services for children of mothers employed in war areas if and when the War-Area-Child-Care Act of 1943 (5. 1330, Seventy-eighth Congress, first session), becomes law, no grant, loan, or contribution for the maintenance or operation of such public projects or facilities to other departments or agencies into National Housing Agency during World War II by Ex. Ord. No. 9070.

Subchapter III—Defense Public Works

Additional Appropriations

Acts Apr. 25, 1945, ch. 95, title I, 59 Stat. 80; July 3, 1945, ch. 294, §§2, 3, 59 Stat. 383, provided in part for an additional $20,000,000 to enable the Federal Works Administrator to carry out the functions vested in him by sections 1531 to 1534 and 1541 of this title, which amount was to remain available during the continuance of the unlimited national emergency declared by the President on May 27, 1941 but which was not to be available for new projects after June 30, 1946 and of which amount $800,000 was to be available for administrative expenses, and the limitation of $80,000,000 in the Fiscal Supplemental Appropriation Act, 1945, act Mar. 31, 1945, ch. 47, 55 Stat. 46, on the total amount to be allocated for contributions to public and private agencies for the maintenance and operation of public works after July 1, 1943 be increased to $85,000,000, and that in making allocations from the funds herein appropriated for construction projects, priority be given to emergency projects involving an estimated cost to the Federal Government of less than $250,000.

Subchapter IV—General Provisions Affecting Subchapters II to VII

§ 1541. Omitted

See note preceding section 1 of Title 50, War and National Defense, or on such earlier date or dates as approved by Congress, but in no event beyond July 1, 1953.
§ 1542. Transfer of funds from other Federal agencies to Secretary of Housing and Urban Development

Where any Federal agency has funds for the provision of housing in connection with national-defense activities it may, in its discretion, make transfers of those funds, in whole or in part, to the Secretary of Housing and Urban Development, and the funds so transferred shall be available for, but only for, any or all of the objects and purposes of and in accordance with all the authority and limitations contained in subchapters II to VII of this chapter, and for administrative expenses in connection therewith.


REFERENCES IN TEXT
Subchapters III and VI of this chapter, referred to in text, were comprised of sections 1531 to 1536 and 1571 to 1576, respectively, of this title and have been omitted from the Code. For further details, see note set out under section 1522 of this title.

AMENDMENTS
1950—Act Apr. 20, 1950, substituted “Housing and Home Finance Administrator” for “National Housing Administrator”.

TRANSFER OF FUNCTIONS
For transfer of functions to Secretary of Housing and Urban Development, see note set out under section 1522 of this title.

Functions of Federal Works Administrator relating to defense housing consolidated with other agencies into National Housing Agency during World War II by Ex. Ord. No. 9070.

§ 1543. Omitted

CODIFICATION

§ 1544. Power of Secretary of Housing and Urban Development to manage, convey, etc., housing properties

Notwithstanding any other provisions of law, whether relating to the acquisition, handling, or disposal of real or other property by the United States or to other matters, the Secretary of Housing and Urban Development, with respect to any property acquired or constructed under the provisions of subchapters II to VII of this chapter, is authorized by means of Government personnel, selected qualified private agencies, or public agencies (a) to deal with, maintain, operate, administer, and insure; (b) to pursue to final collection by way of compromise or otherwise, all claims arising therefrom; (c) to rent, lease, exchange, sell for cash or credit, and convey the whole or any part of such property and to convey without cost portions thereof to local municipalities for street or other public use: Provided, That any such transaction shall be upon such terms, including the period of any lease, as may be deemed by the Secretary of Housing and Urban Development to be in the public interest: Provided further, That the Secretary of Housing and Urban Development shall fix fair rentals, on projects developed pursuant to subchapters II to VII of this chapter, which shall be based on the value thereof as determined by him, with power during the emergency, in exceptional cases, to adjust the rent to the income of the persons to be housed, and that rentals to be charged for Army, Air Force, and Navy personnel shall be fixed by the Departments of the Army, Air Force, and Navy: Provided further, That any lease authorized hereunder shall not be subject to the provisions of section 1302 of title 40. As used in this section the term “local municipalities” shall include the District of Columbia.


REFERENCES IN TEXT
Subchapters III and VI of this chapter, referred to in text, were comprised of sections 1531 to 1536 and 1571 to 1576, respectively, of this title and have been omitted from the Code. For further details, see note set out under section 1522 of this title.

CODIFICATION

AMENDMENTS
1950—Act Apr. 20, 1950, substituted “Housing and Home Finance Administrator” for “National Housing Administrator” wherever appearing.


CHANGE OF NAME

TRANSFER OF FUNCTIONS
For transfer of functions to Secretary of Housing and Urban Development, see note set out under section 1522 of this title.
Functions of Federal Works Administrator relating to defense housing consolidated with other agencies into National Housing Agency during World War II by Ex. Ord. No. 9070.

§ 1545. Omitted

CODIFICATION


§ 1546. Payment of annual sums to local authorities in lieu of taxes

The Secretary of Housing and Urban Development shall pay from rentals annual sums in lieu of taxes to any State and/or political subdivision thereof, with respect to any real property acquired and held by him under subchapters II to VII of this chapter, including improvements thereon. The amount so paid for any year upon such property shall approximate the taxes which would be paid to the State and/or subdivision, as the case may be, upon such property if it were not exempt from taxation, with such allowance as may be considered by him to be appropriate for expenditure by the Government for streets, utilities, or other public services to serve such property. As used in this section the term "State" shall include the District of Columbia.


REFERENCES IN TEXT

Subchapters III and VI of this chapter, referred to in text, were comprised of sections 1531 to 1536 and 1571 to 1576, respectively, of this title and have been omitted from the Code. For further details, see note set out under section 1522 of this title.

CODIFICATION

Words "including any Territory or possession of the United States" were inserted upon authority of act June 28, 1941, ch. 260, §4(b), 55 Stat. 363, which provided that when used in this section the term "State" includes any Territory or possession of the United States.

AMENDMENTS

1942—Act Apr. 10, 1942, inserted last sentence.

TRANSFER OF FUNCTIONS

For transfer of functions to Secretary of Housing and Urban Development, see note set out under section 1522 of this title.

Functions of Federal Works Administrator relating to defense housing consolidated with other agencies into National Housing Agency during World War II by Ex. Ord. No. 9070.

§ 1547. Preservation of local civil and criminal jurisdiction and civil rights

Notwithstanding any other provision of law, the acquisition by the Secretary of Housing and Urban Development of any real property pursuant to subchapters II to VII of this chapter shall not deprive any State or political subdivision thereof, including any Territory or possession of the United States, of its civil and criminal jurisdiction in and over such property, or impair the civil rights under the State or local law of the inhabitants on such property. As used in this section the term "State" shall include the District of Columbia.


REFERENCES IN TEXT

Subchapters III and VI of this chapter, referred to in text, were comprised of sections 1531 to 1536 and 1571 to 1576, respectively, of this title and have been omitted from the Code. For further details, see note set out under section 1522 of this title.

CODIFICATION

Words "including any Territory or possession of the United States" were inserted upon authority of act June 28, 1941, ch. 260, §4(b), 55 Stat. 363, which provided that when used in this section the term "State" includes any Territory or possession of the United States.

AMENDMENTS

1950—Act Apr. 20, 1950, substituted "Housing and Home Finance Administrator" for "National Housing Administrator".

1942—Act Apr. 10, 1942, inserted last sentence.

TRANSFER OF FUNCTIONS

For transfer of functions to Secretary of Housing and Urban Development, see note set out under section 1522 of this title.

Functions of Federal Works Administrator relating to defense housing consolidated with other agencies into National Housing Agency during World War II by Ex. Ord. No. 9070.

§ 1548. Rules and regulations; standards of safety, convenience, and health

The Secretary of Housing and Urban Development is authorized to make such rules and regulations as may be necessary to carry out the provisions of subchapters II to VII of this chapter, and shall establish reasonable standards of safety, convenience, and health.


REFERENCES IN TEXT

Subchapters III and VI of this chapter, referred to in text, were comprised of sections 1531 to 1536 and 1571 to 1576, respectively, of this title and have been omitted from the Code. For further details, see note set out under section 1522 of this title.
§ 1549. Laborers and mechanics; wages; preference in employment

Notwithstanding any other provision of law, the wages of every laborer and mechanic employed on any construction, repair or demolition work authorized by subchapters II to VII of this chapter shall be computed on a basic day rate of eight hours per day and work in excess of eight hours per day shall be permitted upon compensation for all hours worked in excess of eight hours per day at not less than one and one-half times the basic rate of pay. Not less than the prevailing wages shall be paid in the construction of defense housing authorized herein. Preference in such employment shall be given to qualified local residents.


REFERENCES IN TEXT

Subchapters III and VI of this chapter, referred to in text, were comprised of sections 1531 to 1536 and 1571 to 1576, respectively, of this title and have been omitted from the Code. For further details, see note set out under section 1522 of this title.

AMENDMENTS

1942—Act Jan. 21, 1942, inserted last sentence.

§ 1550. Separability

If any provision of subchapters II to VII of this chapter, or the application thereof to any persons or circumstances, is held invalid, the remainder of said subchapters, or application of such provision to other persons or circumstances shall not be affected thereby.


REFERENCES IN TEXT

Subchapters III and VI of this chapter, referred to in text, were comprised of sections 1531 to 1536 and 1571 to 1576, respectively, of this title and have been omitted from the Code. For further details, see note set out under section 1522 of this title.


§ 1552. Powers of certain agencies designated to provide temporary shelter

Any agency designated by the President to provide temporary shelter under the provisions of Public Law Numbered 9, Seventy-seventh Congress, Public Law Numbered 73, Seventy-seventh Congress, or the Third Supplemental National Defense Appropriations Act, 1942, shall have the same powers with respect to the management, maintenance, operation, and administration of such temporary shelter as are granted to the Secretary of Housing and Urban Development under section 1544 and section 1546 of this title with respect to projects constructed hereunder, and the provisions of section 1547 of this title shall apply to such temporary shelter projects and the occupants thereof.


REFERENCES IN TEXT

The provisions of Public Laws 9 and 73, referred to in text, are not classified to the Code. The Third Supplemental National Defense Appropriations Act, 1942, referred to in text, is Public Law 353, the relevant provisions of which are not classified to the Code. For further details, see note set out under section 1524 of this title.

AMENDMENTS

1940—Act Apr. 20, 1940, substituted “Housing and Home Finance Administrator” for “National Housing Administrator”.

TRANSFER OF FUNCTIONS

For transfer of functions to Secretary of Housing and Urban Development, see note set out under section 1522 of this title.

§ 1553. Removal by Secretary of certain housing of temporary character; exceptions for local communities; report to Congress

Except as otherwise provided in subchapters II to VII of this chapter, the Secretary of Housing and Urban Development shall, as promptly as may be practicable and in the public interest, remove (by demolition or otherwise) all housing under his jurisdiction which is of a temporary character, as determined by him, and constructed under the provisions of this subchapter, Public Law 781, Seventy-sixth Congress, and Public Laws 9, 73, 353, Seventy-seventh Congress. Such removal shall, in any event, be accomplished not later than July 1, 1954 or by such later date as may be required because of extensions of time in accordance with section 1584 of this title, with the exception only of such housing as the Secretary of Housing and Urban Development, after consultation with local communities, finds is still urgently needed because of a particularly acute housing shortage in the area: Provided, That all such exceptions and reexaminations shall be reported annually by the Secretary of Housing and Urban Development and that all such exceptions and reexaminations shall be reported...
to the Congress. Notwithstanding any other provisions of law except provisions of law hereafter enacted expressly in limitation hereof, no Federal statute, or regulation thereunder, shall prohibit or restrict any action or proceeding to recover possession of any housing accommodations for the purpose of carrying out the provisions of this section or section 1584 of this title.


REFERENCES IN TEXT

Subchapters III and VI of this chapter, referred to in text, were comprised of sections 1531 to 1536 and 1571 to 1576, respectively, of this title and have been omitted from the Code. For further details, see note set out under section 1522 of this title.

The provisions of Public Law 781, and Public Laws 93, 94, 95, 96, referred to in text, are not classified to the Code. For further details, see note set out under section 1524 of this title.

AMENDMENTS

1950—Act Apr. 20, 1950, substituted “December 31, 1952 or by such later date as may be required because of extensions of time in accordance with section 1584 of this title, with the exception only of such housing as the Administrator, after consultation with local communities, finds is still urgently needed because of a particularly acute housing shortage in the area” for “January 1, 1950, with the exception only of such housing as the Administrator, after consultation with local communities finds is still needed in the interest of orderly demobilization of the war effort,” and inserted last sentence.


1949—Act June 28, 1949, substituted “January 1, 1950” for “two years after the President declares that the emergency declared by him on September 8, 1939, has ceased to exist”.

TRANSFER OF FUNCTIONS

For transfer of functions to Secretary of Housing and Urban Development, see note set out under section 1522 of this title.

TERMINATION OF WAR AND EMERGENCIES

Joint Res. July 25, 1947, ch. 327, § 3, 61 Stat. 451, provided that in interpretation of this section, the date July 25, 1947, shall be deemed to be date of termination of any state of war theretofore declared by Congress and of national emergencies proclaimed by President on Sept. 8, 1939, and May 27, 1941.

Ex. Ord. No. 10385. EXTENSION OF TIME


SUBCHAPTER V—DEFENSE HOUSING AND PUBLIC WORKS FOR DISTRICT OF COLUMBIA

§§ 1561 to 1563. Omitted

CODIFICATION

Section 1561, act Oct. 14, 1940, ch. 862, title IV, § 491, as added Apr. 10, 1942, ch. 239, § 4, 56 Stat. 212; amended Apr. 20, 1950, ch. 94, title II, § 204, 64 Stat. 73, which authorized appropriations for housing of United States employees, was omitted pursuant to act July 3, 1952, ch. 570, § 1(a)(12), 66 Stat. 332, as amended by act Mar. 31, 1953, ch. 13, § 1, 67 Stat. 18, which provided that this section and section 1562 of this title continue in force until six months after the termination of the national emergency proclaimed by the President on Dec. 16, 1950 by Proc. No. 2914, 15 F.R. 9029, 64 Stat. 454, set out as a note preceding section 1 of Title 50, War and National Defense, or on such earlier date or dates as provided by Congress, but in no event beyond July 1, 1953.


Section 1563, act Oct. 14, 1940, ch. 862, title IV, § 493, as added Apr. 10, 1942, ch. 239, § 4, 56 Stat. 213; amended June 30, 1949, ch. 288, title I, § 103, 63 Stat. 380, which related to advancements to District of Columbia Commissioner for public works and equipment therefor, was omitted in view of the omission of sections 1561 and 1562 of this title.

§ 1564. Definitions

As used in subchapters II to VII of this chapter the term “Federal Works Administrator” or “Administrator”, or “Federal Works Agency” shall, with respect to housing, be deemed to refer to the Housing and Home Finance Administrator or the Housing and Home Finance Agency, as the case may be. Such terms shall, with respect to public works and equipment therefor, be deemed to refer to the Federal Works Administrator or the Federal Works Agency, as the case may be.

(Oct. 14, 1940, ch. 862, title IV, § 404, as added Apr. 10, 1942, ch. 239, § 4, 56 Stat. 213; amended Apr. 20, 1950, ch. 94, title II, § 204, 64 Stat. 73.)

REFERENCES IN TEXT

Subchapters III and VI of this chapter, referred to in text, were comprised of sections 1531 to 1536 and 1571 to 1576, respectively, of this title and have been omitted from the Code. For further details, see note set out under section 1522 of this title.

AMENDMENTS

1950—Act Apr. 20, 1950, substituted “Housing and Home Finance Administrator” and “Housing and Home Finance Agency” for “National Housing Administrator” and “National Housing Agency”, respectively.

TRANSFER OF FUNCTIONS

Functions of Housing and Home Finance Agency transferred to Secretary of Housing and Urban Development by Pub. L. 89–174, § 5(a), Sept. 9, 1965, 79 Stat. 669, which is classified to section 335(a) of this title. Section 9(c) of such act, set out as a note under section 3531 of this title, provided that references to Housing and Home Finance Agency or to any agency or officer therein are to be deemed to mean Secretary of Housing and Urban Development and that Housing and Home Finance Agency has lapsed. Functions under sections 1531 to 1534 of this title transferred from Federal Works Administrator to Administrator of General Services by act June 30, 1949, ch. 298, title I, § 103(a), 63 Stat. 380, which was classified to section 753(a) of former Title 40, Public Buildings, Property, and Works, and subsequently transferred to Housing and Home Finance Administrator by Reorg. Plan No. 17 of 1950, § 1, eff. May 24, 1950, 15 F.R. 3177, 64 Stat. 1269, set out in the Appendix to Title 5, Government Organization and Employees.

Functions of Federal Works Administrator relating to defense housing consolidated with other agencies into National Housing Agency during World War II by Ex. Ord. No. 9070.
SUBCHAPTER VI—HOUSING FOR DISTRESSED FAMILIES OF SERVICEMEN AND VETERANS

§§ 1571 to 1573. Omitted

CODIFICATION

Section 1571, acts Oct. 14, 1940, ch. 862, title V, §501, as added June 23, 1945, ch. 192, 59 Stat. 260; amended Apr. 20, 1950, ch. 94, title II, §204, 64 Stat. 73, related to the construction of temporary housing facilities, and was omitted pursuant to act July 3, 1952, ch. 570, §1(a)(21), 66 Stat. 332, as amended by act Mar. 31, 1953, ch. 13, §1, 67 Stat. 18, which provided that this section and sections 1572, 1573, 1575, and 1576 of this title continue in force until six months after the termination of the National emergency proclaimed by the President on Dec. 16, 1950 by Proc. No. 2914, 15 F.R. 9029, 64 Stat. A 454, set out as a note preceding section 1 of Title 50, War and National Defense, or on such earlier date or dates as provided by Congress, but in no event beyond July 1, 1953.

Section 1572, acts Oct. 14, 1940, ch. 862, title V, §502, as added June 23, 1945, ch. 192, 59 Stat. 260; amended Dec. 31, 1945, ch. 657, 59 Stat. 674; Mar. 28, 1946, ch. 118, §§1, 2, 60 Stat. 85; Aug. 8, 1946, ch. 917, §1, 60 Stat. 958; May 31, 1947, ch. 91, §1, 61 Stat. 128; Apr. 20, 1950, ch. 94, title II, §204, 64 Stat. 73, related to the availability of funds for purposes of this subchapter, and was omitted in view of the termination of sections 1571 and 1573 of this title.


AVAILABILITY OF FUNDS

Act May 31, 1947, ch. 91, §2, 61 Stat. 128, provided that there were to be additional funds available under sections 1571, 1572, and 1573 of this title for necessary expenses incurred in completing the provision of temporary housing pursuant to a contract in writing executed prior to May 31, 1947, for reimbursement of certain eligible organizations for particular expenditures, and for payments to meet certain actual expenses prior to Apr. 1, 1947.


Section, act Oct. 14, 1940, ch. 862, title V, §504, as added Aug. 8, 1946, ch. 912, §2, 60 Stat. 958, related to the use or reuse of structures or facilities of Federal agencies as educational facilities for persons receiving training courses or education under title II of the Servicemen’s Readjustment Act of 1944, as amended (act June 22, 1944, ch. 228, title II, 58 Stat. 294).

§§ 1575, 1576. Omitted

CODIFICATION


Section 1576, acts Aug. 24, 1949, ch. 506, title II, §301, 63 Stat. 659; Sept. 6, 1950, ch. 896, ch. VIII, title II, §301, 64 Stat. 723, which was not repeated in the Independent Offices Appropriation Act, 1952, act Aug. 31, 1951, ch. 376, 65 Stat. 260, provided that application for relinquishment had to be filed prior to Apr. 1, 1947. This section was enacted as a part of act Aug. 24, 1949, popularly known as the Independent Offices Appropriation Act, 1951, and not as a part of title V of the Lanham Public War Housing Act, act Oct. 14, 1940, ch. 862, as added June 23, 1945, ch. 192, 59 Stat. 260, which comprises this subchapter.

SUBCHAPTER VII—DISPOSAL OF WAR AND VETERANS’ HOUSING

§ 1581. Housing disposition

(a) Mandatory transfers

Upon the filing of a request therefor as herein prescribed, the Secretary of Housing and Urban Development shall (subject to the provisions of this section) relinquish and transfer, without monetary consideration, to any State or political subdivision thereof, local housing authority, local public agency, nonprofit organization, or educational institution, all contractual rights (including the right to revenues and other proceeds) and all property right, title, and interest of the United States in and with respect to (1) any temporary housing located on land owned or controlled by such transferee and in which the United States has no leasehold or other property interest, and (2) housing materials which have been made available to the transferee by the Secretary of Housing and Urban Development pursuant to section 1572 of this title.

(b) Transfer to provide housing for parents of deceased World War II servicemen

Upon the filing of a request therefor as herein prescribed, the Secretary of Housing and Urban Development may (subject to the provisions of this section) relinquish and transfer, without monetary consideration, other than that specifically required by this subsection, to any State, county, municipality, or local housing authority, or to any educational institution where the housing involved is being operated for its student veterans or where the land underlying the housing is in the ownership of two or more educational institutions, or to any other local public agency or nonprofit organization where the housing involved has been made available by the United States to such agency or organization pursuant to section 1572 of this title or where the Secretary of Housing and Urban Development determines that the housing is urgently needed by parents of persons who served in the Armed forces at any time on or after September 16, 1940, and prior to July 26, 1947, or on or after June 27, 1950, and prior to such date thereafter as shall be determined by the President and died of service-connected illness or injury (in which case the preferences in subsection (d)(1) shall not apply), all right, title, and interest of the United States in and with respect to any temporary housing (excluding commercial facilities which the Secretary of Housing and Urban Development determines are suitable for separate disposal and community facilities which the Secretary of Housing and Urban Development determines should be disposed of separately) located on land in which the United States has a property interest through ownership or lease, or otherwise, under the following conditions:

(1) If the land is owned by the United States and under the jurisdiction of the Secretary of Housing and Urban Development, the transferee shall have purchased such land from the
Secretary of Housing and Urban Development at a price substantially equal to the cost to the United States of the land (including survey, title examination, and other similar expenses incident to acquisition but excluding the cost or value of all improvements thereto by the United States other than extraordinary fill), or, if the Secretary of Housing and Urban Development determines the amount of such cost to be nominal or not readily ascertainable, at a price which the Secretary of Housing and Urban Development determines to be fair and reasonable. Payment for such land shall be made in full at the time of sale or in not more than ten equal annual installments (the first of which shall be paid within one year from the date of conveyance) all of which shall be secured as determined by the Secretary of Housing and Urban Development with interest from the date of conveyance at the going Federal rate of interest at the time of conveyance.

(2) If the land is owned by the United States and not under the jurisdiction of the Secretary of Housing and Urban Development, the transferee shall have purchased such land from the Federal agency having jurisdiction thereof. The Federal agency having jurisdiction of any such land is authorized to sell and convey the same to any such transferee on the terms authorized herein except that the determinations required to be made by the Secretary of Housing and Urban Development shall be made by the agency having jurisdiction of such land.

(3) If the United States does not own the land but has an interest therein through lease or otherwise, the transferee shall (i) where it is not the landowner, obtain the right to possession of such land for a term satisfactory to the Secretary of Housing and Urban Development, (ii) obtain from the landowner a release (or, if the transferee is the landowner, furnish a release) of the United States from all liability in connection therewith, including any liability for removal of structures or restoration of the land, except for any rental or use payment due at the time of transfer, and (iii) reimburse the United States for the proportionate amount of any payments made by the United States for the right to use the land and for taxes or payments in lieu of taxes for any period extending beyond the time of the transfer, and (iv) if the interest of the United States is not under the jurisdiction of the Secretary of Housing and Urban Development, the transferee shall obtain a transfer or release of the interest of the United States from the Federal agency having jurisdiction, which transfers and releases by such Federal agencies are authorized on such terms as the head of the respective agency determines to be in the public interest.

(c) Requests for relinquishment and transfer

The filing of a request under subsections (a), (b), (g), or (h) of this section must be made on or before June 30, 1953, unless the Secretary of Housing and Urban Development shall, in any specific case, authorize the filing of a request subsequent to such date but on or before June 30, 1951, and, in any such case, the Secretary of Housing and Urban Development may extend, for a specified period not beyond December 31, 1951, the time hereinafter prescribed for complying with all conditions to the relinquishment or transfer. Such request shall be in the form of a resolution adopted by the governing body of the applicant, except that, in the case of a State, such request may be in the form of a written request from the governor, and, in the case of a local housing authority (other than the Alaska Housing Authority), or a local public agency organized specifically and solely for the purpose of slum clearance and community redevelopment, shall be accompanied by a resolution of the governing body of the municipality or county approving the request for transfer. Such request shall be accompanied by either (1) a final opinion of the chief law officer or legal counsel of the applicant to the effect that it has legal authority to make the request, to accept the transfer of and operate any property involved, and to perform its obligations under this subchapter, or (2) a preliminary opinion of such officer or counsel concerning the legal authority of the applicant with respect to the proposed relinquishment or transfer including a statement of the reasons for not furnishing the final opinion with the request and the time required to furnish such opinion. If a request has been submitted as herein provided, the applicant shall comply with all conditions to the relinquishment or transfer (including the furnishing of the final legal opinion) on or before June 30, 1953: Provided, That, in any case where the applicant is unable to comply with all conditions to the relinquishment or transfer because of the need for the enactment of State legislation or charter amendment, such date shall be June 30, 1952, and may be extended by the Secretary of Housing and Urban Development, upon request in a particular case, to December 31, 1952. The Secretary of Housing and Urban Development shall act as promptly as practicable on any request which complies with the provisions of this section and is supported as herein required, and shall as promptly as practicable arrange for the making of any survey or the performance of other work necessary to the transfer: Provided, That, notwithstanding the provisions of the preceding sentence, the Secretary of Housing and Urban Development may at any time, except with respect to housing for which a request has been or may be submitted under subsection (a) of this section, remove, dispose of, or retain any temporary housing, or part thereof, in accordance with any provision of subchapters II to VII of this chapter.

(d) Representations by transferee as to use of property; preferences

No relinquishment or transfer with respect to temporary housing shall be made under this section unless the transferee represents in its request therefor that it proposes, to the extent permitted by law:

(1) As among eligible applicants for occupancy in dwellings of given sizes and at specified rents, to extend the following preferences in the selection of tenants:

First, to families which are to be displaced by any low-rent housing project or by any
§ 1581

(1) To acquire property (by sale, transfer, grant, exchange, mortgage, lease, release, termination of the leasehold, or any other relinquishment of interest) either (i) for temporary family accommodations provided by the United States or any agency thereof since September 8, 1939, exceeded the total population of such municipality as shown by the 1940 census, all right, title, and interest of the United States in and with respect to any temporary housing located in such municipality under the

(2) Not to dispose of any right, title, or interest in the property (by sale, transfer, grant, exchange, mortgage, lease, release, termination of the leasehold, or any other relinquishment of interest) either (i) for housing use on the present site or on any other site except to a State or political subdivision thereof, local housing authority, a local public agency, or an educational or eleemosynary institution, or (ii) for any other use unless the governing body of the municipality or county shall have adopted a resolution determining that, on the basis of local need and acceptability, the structures involved are satisfactory for such use and not be removed: Provided, That this paragraph shall not apply to any disposal through demolition for salvage, lease to tenants for residential occupancy, or lease of nondwelling facilities for the continuance of a use existing on the date of transfer, or where such disposal is the result of a bona fide foreclosure or other proceeding to enforce rights given as security for a loan to pay for land under this section: And provided further, That nothing contained in this paragraph shall be construed as applicable to the disposition of any land or interest therein after the removal of the structures therefrom.

(3) To manage and operate the property involved in accordance with sound business practices, including the establishment of adequate reserves.

(4) Whenever the structures involved, or a substantial portion thereof, are terminated for housing use and are not to be used for a specific nonhousing use, to promptly demolish such structures terminated for housing use and clear the site thereof.

(e) Waiver of removal requirements

Any relinquishment or transfer by the Secretary of Housing and Urban Development under this section shall constitute a waiver of the requirements of section 1533 of this title (and any contractual obligations pursuant thereto) for removing the housing involved if the request for such relinquishment or transfer was made, as authorized herein, by the governing body of the municipality or county, or by the local housing authority, or, in other cases, if, prior to or within six months after the date of the relinquishment or transfer, there is filed with the Secretary of Housing and Urban Development a resolution of such governing body specifically approving (1) the unconditional waiver of such requirements or (2) the waiver of such requirements subject to conditions specified in the resolution. Any such conditions shall not affect the waiver of removal requirements hereunder, and the United States shall assume no responsibility for compliance therewith.

(f) Disposition of net revenue and proceeds; transfer charges

In any relinquishment or transfer under this section, the net revenues and other proceeds from such housing to which the United States is entitled on the basis of periodic settlements shall continue to accrue to the United States until the end of the month in which the relinquishment or transfer is made, and the obligation of the transferee to pay such accrued amounts shall not be affected by this section. The Secretary of Housing and Urban Development may charge to the transferee the cost to the United States of any survey, title information, or other item incident to the transfer.

(g) Transfers for slum clearance and community redevelopment projects

Upon the filing of a request therefor as herein prescribed, the Secretary of Housing and Urban Development may (subject to the provisions of this section) relinquish and transfer, without monetary consideration other than payment for land involved as specifically required by subsection (b) hereof, to any local public agency or institutional body of the municipality in which the total number of persons, who on December 31, 1948, were living in temporary family accommodations provided by the United States or any agency thereof since September 8, 1939, exceeded the total population of such municipality as shown by the 1940 census, all right, title, and interest of the United States in and with respect to any temporary housing located in such municipality under the
conditions set forth in said subsection (b). Notwithstanding the provisions of subsection (b) of this section, the Secretary of Housing and Urban Development shall not relinquish or transfer any right, title, or interest of the United States in and with respect to any temporary housing situated in such a municipality except as set forth in this subsection if at the time of the relinquishment or transfer there is in existence in such a municipality a local public agency organized specifically and solely for the purpose of slum clearance and community redevelopment.

(h) Transfers of temporary housing of masonry construction

Upon the filing of a request therefor as herein prescribed, the Secretary of Housing and Urban Development may (subject to the provisions of this section except the provisions of subsection (d) hereof) relinquish and transfer to any municipality, without monetary consideration other than payment for the land involved as specifically required by subsection (b) hereof, all right, title, and interest of the United States in and with respect to unoccupied temporary housing of masonry construction located in such municipality: Provided, That such housing has been wholly or partially stripped of trim and fixtures prior to April 20, 1950 and the municipality adopts a resolution determining that the structures, with proposed improvements, will be suitable for long-term housing use.


REFERENCES IN TEXT

Section 1572 of this title, referred to in subsecs. (a) and (b), has been omitted from the Code.

Subchapters III and VI of this chapter, referred to in subsec. (c), were comprised of sections 1531 to 1536 and 1571 to 1576, respectively, of this title and have been omitted from the Code. For further details, see note set out under section 1522 of this title.

CODIFICATION

In subsec. (c), “June 30, 1953” substituted for “December 31, 1950” the first time it appears and “June 30, 1951” the second time it appears pursuant to the executive orders cited as credits to this section. See notes set out below.

AMENDMENTS


1956—Subsec. (g). Act Feb. 15, 1956, limited restriction on transfer or relinquishment of temporary housing to a local public slum clearance agency to municipalities having such an agency at time of transfer or relinquishment.

1951—Subsec. (b). Act Oct. 26, 1951, substituted “at any time on or after September 16, 1940, and prior to July 29, 1947, or on or after June 27, 1950, and prior to such date thereafter as shall be determined by the President” for “during World War II”.

TRANSFER OF FUNCTIONS

Functions of Housing and Home Finance Agency and head thereof transferred to Secretary of Housing and Urban Development by Pub. L. 89–174, §5(a), Sept. 9, 1965, 79 Stat. 669, which is classified to section 3534(a) of this title. Section 9(c) of such act, set out as a note under section 3531 of this title, provided that references to Housing and Home Finance Agency or to any agency or officer therein are to be deemed to mean Secretary of Housing and Urban Development and that Housing and Home Finance Agency and Public Housing Administration have lapsed.

EXECUTIVE ORDER NO. 10184

Ex. Ord. No. 10184, Sept. 4, 1951, which extended time for filing requests from Dec. 31, 1950, to Dec. 31, 1951, also extended time for compliance with all conditions to relinquishments or transfers from June 30, 1951, to June 30, 1952. See note set out under section 1589a of this title.

EXECUTIVE ORDER NO. 10339

Ex. Ord. No. 10339, Apr. 7, 1952, set out as a note under section 1589a of this title, extended time for filing requests under subsecs. (a), (b), and (g) from Dec. 31, 1951, to Dec. 31, 1952, and extended time for compliance with all conditions to relinquishments or transfers under subsecs. (a), (b), and (g) from June 30, 1952, to June 30, 1953.

EXECUTIVE ORDER NO. 10395

Ex. Ord. No. 10395, Sept. 19, 1952, set out as a note under section 1589a of this title, extended time for filing requests under subsec. (h) from Dec. 31, 1951, to Dec. 31, 1952, and extended time for compliance with all conditions to relinquishments or transfers under subsec. (h) from June 30, 1952, to June 30, 1953.

EXECUTIVE ORDER NO. 10425

Ex. Ord. No. 10425, Jan. 16, 1953, set out as a note under section 1589a of this title, extended time for filing requests under subsecs. (a), (b), (g), and (h) from Dec. 31, 1952, to June 30, 1953.

§1582. Temporary housing exempted from provisions of section 1553 of this title

The requirements of section 1553 of this title shall not apply to any temporary housing—

(a) for which such requirements have been waived pursuant to section 1575 or section 1581 of this title;

(b) transferred by the Secretary of Housing and Urban Development to the jurisdiction of the Department of the Army, the Navy, or the Air Force pursuant to section 1524 of this title;

(c) disposed of by the Secretary of Housing and Urban Development under subchapter II or IV of this chapter for long-term housing or nonhousing use without any requirement for removal where the governing body of the municipality or county has adopted a resolution determining that, on the basis of local need and acceptability, the structures involved are (1) satisfactory for such long-term use or (2) satisfactory for such long-term use if conditions prescribed in such resolution, affecting the physical characteristics of the project, are met: Provided, That any such conditions shall not affect the disposal of any temporary housing hereunder, and the United States shall assume no responsibility for compliance with such conditions: And provided further, That

1 See References in Text note below.
any housing disposed of for housing use in accordance with this subsection shall thereafter be deemed to be housing accommodations, the construction of which was completed after June 30, 1947, within the meaning of section 4 of the Housing and Rent Act of 1947, as amended, relating to preference or priority to veterans or their families; or
(d) disposed of or relinquished by the Secretary of Housing and Urban Development prior to April 20, 1950, subject to such requirements or contractual obligations pursuant thereto, where the governing body of the municipality or county on or before December 31, 1950, adopts a resolution as provided in (c) above; and any contract obligations to the Federal Government for the removal of such housing shall be relinquished upon the filing of such a resolution with the Secretary of Housing and Urban Development.


REFERENCES IN TEXT
Section 1575 of this title, referred to in subsec. (a), has been omitted from the Code.

Section 4 of the Housing and Rent Act of 1947, as amended, referred to in subsec. (c), is section 4 of act June 30, 1947, ch. 163, title I, 61 Stat. 195, which was formerly classified to section 1884 of the former Appendix to Title 50, War and National Defense, and has been omitted from the Code.

AMENDMENTS
1581—Subsec. (c), Act Oct. 26, 1961, struck “of World War II” thus making section applicable to veterans of Korean war.

TRANSFER OF FUNCTIONS
For transfer of functions to Secretary of Housing and Urban Development, see note set out under section 1581 of this title.

§1583. Redetermination of demountable housing as temporary or permanent

With respect to any housing classified, prior to April 20, 1950, by the Secretary of Housing and Urban Development as demountable, the Secretary of Housing and Urban Development shall, as soon as practicable but not later in any event than December 31, 1950, and after consultation with the communities affected, redetermine (taking into consideration local standards and conditions) whether such housing is of a temporary or permanent character, and after such redetermination shall dispose of such housing in accordance with the provisions of this subchapter.


TRANSFER OF FUNCTIONS
For transfer of functions to Secretary of Housing and Urban Development, see note set out under section 1581 of this title.

§1584. Removal of all dwelling structures on land under Secretary's control; temporary housing exempted; preference in filling vacancies

With respect to temporary housing remaining under the jurisdiction of the Secretary of Housing and Urban Development on land under his control, the Secretary of Housing and Urban Development shall (1) permit vacancies, occurring or continuing after July 1, 1953, to be filled only by transfer of tenants of other accommodations in the same locality being removed as required by subchapters II to VII of this chapter; (2) notify, on or before March 31, 1954, all tenants to vacate the premises prior to July 1, 1954; (3) promptly after July 1, 1954, cause actions to be instituted to evict any tenants still remaining; and (4) remove (by demolition or otherwise) all dwelling structures as soon as practicable after they become vacant: Provided, That in any case where a request for relinquishment or transfer has been filed pursuant to section 1581 of this title and where under the provisions of section 1581(c) of this title the date for compliance with all conditions to the relinquishment or transfer shall have been extended, each of the foregoing dates shall be extended for a period of time equal to the period of the extension under section 1581(c) of this title: And provided further, That nothing heretofore in this section shall apply (1) to any temporary housing in any municipality in which the total number of persons, who on December 31, 1948, were living in temporary family accommodations provided by the United States or any agency thereof since September 8, 1939, exceeds 30 per centum of the total population of such municipality as shown by the 1940 census, nor (2) to any temporary housing as to which the local governing body has adopted a resolution as provided in section 1562(c) of this title, nor (3) to any temporary housing for which a request has been submitted in accordance with section 1581(b) of this title, but which has not been relinquished or transferred solely because the applicant has been unable to obtain from the landowner the right to possession of the land on reasonable terms as determined by the Secretary of Housing and Urban Development: Provided, That, in filling vacancies in such housing, the preferences set forth in section 1581(d)(1) of this title shall be applicable and that families within such preference classes shall be eligible for admission to such housing, nor (4) to any temporary housing in which accommodations have been reserved, prior to the enactment of this section, for veterans attending an educational institution if (i) such institution certifies that the accommodations are urgently needed for such veterans and submits facts showing, to the satisfaction of the Secretary of Housing and Urban Development, that all reasonable efforts have been made by the institution to find other accommodations for them and (ii) such institution agrees to reimburse the Secretary of Housing and Urban Development for any financial loss to the Secretary of Housing and Urban Development in the operation of the accommodations after June 30, 1951.

(Oct. 14, 1940, ch. 862, title VI, §604, as added June 28, 1948, ch. 688, §7, as added Apr. 20, 1950,
§ 1585. Acquisition of housing sites

(a) Lease, condemnation or purchase; temporary housing

The Secretary of Housing and Urban Development may continue by lease or condemnation any interest less than a fee simple in lands herefore acquired by the Secretary of Housing and Urban Development for national defense or war housing or for veterans’ housing (whether of permanent or temporary character), or held by any Federal agency in connection therewith, and may acquire, by purchase or condemnation, a fee simple title to or lesser interest in any such lands if the Secretary of Housing and Urban Development determines that the acquisition of such fee simple or lesser interest is necessary to protect the Government’s investment or to maintain the improvements constructed thereon, or that the cost of fulfilling the Government’s obligation to restore property to its original condition would equal or exceed the cost of acquiring the title thereto.

In any city in which, on March 1, 1953, there were more than ten thousand temporary housing units held by the United States of America, or any two contiguous cities in one of which there were on such date more than ten thousand temporary housing units so held, the Secretary of Housing and Urban Development may acquire, by purchase or condemnation, a fee simple title to any or all lands in which the Secretary holds a leasehold interest, or other interest less than a fee simple, acquired by the Federal Government for national defense or war housing or for veteran’s housing where (1) the Secretary of Housing and Urban Development finds that such acquisition by the Secretary of a fee simple title in the land will tend to expedite the orderly disposal or removal of temporary housing under the Secretary’s jurisdiction by facilitating the availability of improved sites for privately owned housing needed to replace such temporary housing, and will tend to expedite the transition of the city from a war-affected community containing, as of said date, a large number of temporary houses to a community having additional permanent, well-planned, residential neighborhoods, (2) the local governing body of the city makes a like finding and requests the Secretary of Housing and Urban Development to acquire such title to the land, and (3) the city has furnished assurances satisfactory to the Secretary of Housing and Urban Development that no individual who is employed by, or is in official of, the government of the city in which the land is located, or any agency thereof, shall be permitted, directly or indirectly, to have any financial interest in the purchase or redevelopment of such land.

Provided, That such acquisitions by the Secretary of Housing and Urban Development pursuant to this sentence shall be limited to not exceeding four hundred and twenty-five acres of land in the general area in which approximately one thousand five hundred units of temporary housing held by the United States of America were unoccupied on said date; and provided further, That funds for such acquisition by the Secretary of Housing and Urban Development, which are authorized, pursuant to subsection (c) of this section and title II of the Independent Offices Appropriation Act, 1955, to be expended from the revolving fund established by section 1701g–5 of title 12, shall be taken into consideration, to the extent that they are needed, in making any determination pursuant to the second proviso under that section. All or any part of any land so acquired by the Secretary of Housing and Urban Development may, after the five year period following the date of its acquisition, be sold by the Secretary, through negotiated sale, to such city or any local public agency where (1) the city or local public agency has represented to the Secretary of Housing and Urban Development that it is duly authorized under State law to purchase and resell such land, that such land will be made available to private enterprise for development in accordance with local zoning and other laws, and that the aggregate of such land and any other land in the same city previously sold under the authority of this paragraph to the city or a local public agency will be developed for predominantly residential use, and (2) the city or local public agency has agreed to pay the fair market value of the land as determined by the Secretary of Housing and Urban Development, after giving consideration, among other relevant information, to the cost to the Federal Government of acquiring the fee simple title and of holding the land pending sale (including estimated amounts to cover legal and overhead expenses of such ac-
quition and to cover interest costs to the Federal Government of monies invested in the land pending sale). Any such negotiated sale of land to the city or a local public agency shall be made upon terms which require (1) that the city or public agency shall pay in cash at least one-third of the price of the land upon its conveyance and the entire price within one year after its conveyance and (2) that any portion of the entire price not paid upon such conveyance shall be represented by an indebtedness which shall bear interest on outstanding balances at a rate of 4 per centum per annum and which shall be secured by a first mortgage lien upon the land or such portion of the land as the Secretary of Housing and Urban Development deems adequate to protect the financial interest of the Federal Government. The Secretary of Housing and Urban Development may, at any time that the Secretary deems it to be in the public interest to do so, dispose, under authority of other provisions of subchapters II to VII of this chapter, of any land acquired by the Secretary pursuant to this paragraph which has not been disposed of within five years after its acquisition shall be disposed of by the Secretary as expeditiously as possible in the public interest in accordance with other authority contained in subchapters II to VII of this chapter. Notwithstanding the provisions of section 1546 of this title or any other provisions of law, no payments in lieu of taxes shall be made for any tax year beginning subsequent to the date of the acquisition of title to the property by the Secretary of Housing and Urban Development.

(b) Land rentals

In any case in which the Secretary of Housing and Urban Development holds, on or after April 1, 1950, an interest in land acquired by the Federal Government for national defense, war housing, or veterans' housing and where (1) the term of such interest (as prescribed in the taking or in the lease or other instruments) is for the "duration of the emergency" or "duration of the war," or "duration of the emergency" or "duration of the war" plus a specific period thereafter, or for some similarly prescribed term, and (2) the rental, award, or other consideration which the Federal Government is obligated to pay or furnish for such interest gives the owner of the land less than an annual return, after payment of real estate taxes, of 6 per centum of the lowest value placed on such land by an independent appraiser, hired by the Government to make such appraisal based on the value of the land before the acquisition of the Government’s interest therein, plus 100 per centum of such value, the Secretary of Housing and Urban Development shall, upon request of the owner of the land and, notwithstanding any existing contractual or other rights or obligations, increase the amount of future payments for such interest in order to give the owner of the land a return for the Government’s use thereof not exceeding one the 6 per centum annual return described in (2) of this subsection: Provided. That this subsection shall not affect any payment heretofore made or any future payment accepted by an obligee, nor shall this subsection limit the consideration which may be paid for the use of any land beyond the existing term of the Government’s interest therein.

(c) Reserve account; availability of moneys

Notwithstanding any other provisions of law unless hereafter enacted expressly in limitation thereof, moneys shall be deposited in the reserve account established pursuant to subsection (a) and subsection (b) of section 1543 of this title (which account is hereby continued subject to the limitation as to amount specified in subsection (c)) therefrom and all moneys deposited in such reserve account shall be and remain available for any or all of the purposes specified in said subsections (a) or (b) or in this section without regard to the time prescribed in subsection (c) of section 1543 of this title with respect to covering moneys in such account into miscellaneous receipts. Moneys in such reserve accounts shall also be available for the payment of necessary expenses (which shall be considered nonadministrative expenses) in connection with administering (1) transfers pursuant to section 1581 of this title, (2) transfers of permanent or temporary character of demountable housing pursuant to section 1583 of this title, (3) changes in land tenure and revisions in the consideration payable to landowners pursuant to subsection (a) and (b), and (4) transfers of permanent war housing for low-rent use pursuant to section 1586 of this title. Moneys in such reserve account shall also be available for the purpose of making improvements to, or alterations of, any permanent housing or part thereof if (1) the dwelling structures therein are designed for occupancy by not more than four families and are to be sold separately and (2) such improvement or alteration is requested by the local governing body as a condition to the acceptance of the dedication of streets or utilities or is necessary for compliance with local law or regulation relating to the continued operation or occupancy of the housing by a purchaser.

References in Text


Subchapters III and VI of this chapter, referred to in subsec. (a), were comprised of sections 1581 to 1586 and 1571 to 1576, respectively, of this title and have been omitted from the Code. For further details, see note set out under section 1522 of this title.

Section 1543 of this title, referred to in subsec. (c), was omitted from the Code.

Amendments

1955—Subsec. (a). Act Aug. 11, 1955, authorized Administrator to acquire a fee simple title to lands where he

§ 1585 TITLE 42—THE PUBLIC HEALTH AND WELFARE Page 4424

1 So in original. Probably should be “subsections”.
finds that such acquisition will tend to expedite the transition of the city from a war-affected community containing a large number of temporary houses to a community having additional permanent, well-planned, residential neighborhoods.

1951—Subsec. (b), Act Sept. 1, 1951, in cl. (2), inserted “plus 100 per centum of such value”, substituted “shall” for “is authorized” and “increase” for “to in-

TRANSFER OF FUNCTIONS
For transfer of functions to Secretary of Housing and Urban Development, see note set out under section 1581 of this title.

§ 1586. Sale of specific housing projects
(a) Conditions precedent
The Secretary of Housing and Urban Development is specifically authorized to convey the following housing projects to the following local public housing agencies respectively, if—

1) on or before January 30, 1953, (i) the conveyance is requested by the governing body of the municipality or county and (ii) the public housing agency has demonstrated to the satisfaction of the Secretary of Housing and Urban Development that there is a need for low-rent housing (as such term is defined in the United States Housing Act of 1937 [42 U.S.C. 1437 et seq.]) within the area of operation of such public housing agency which is not being met by private enterprise;
2) the Secretary of Housing and Urban Development determines that the project requested will meet such need in whole or in part, and is suitable for low-rent housing use; and

3) on or before June 30, 1953, the governing body of the municipality or county enters into an agreement with the public housing agency (satisfactory to the Secretary of Housing and Urban Development) providing for local cooperation and payments in lieu of taxes not in excess of the amount permitted by subsection (c)(5) of this section, and the public housing agency enters into an agreement with the Secretary of Housing and Urban Development (in accordance with subsection (c) of this section) or for the administration of the project:

<table>
<thead>
<tr>
<th>State</th>
<th>Project number</th>
<th>Local public housing agency</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alabama</td>
<td>1041</td>
<td>Housing Authority of District of Birmingham</td>
</tr>
<tr>
<td>Arkansas</td>
<td>3023</td>
<td>Housing Authority of Conway</td>
</tr>
<tr>
<td>California</td>
<td>4031</td>
<td>Housing Authority of City of Los Angeles</td>
</tr>
<tr>
<td>Connecticut</td>
<td>6091</td>
<td>Housing Authority of City of Bridgeport</td>
</tr>
<tr>
<td>District of Columbia</td>
<td>4031</td>
<td>Housing Authority of City of Washington</td>
</tr>
<tr>
<td>Florida</td>
<td>8052</td>
<td>Housing Authority of City of Jacksonville</td>
</tr>
<tr>
<td>Georgia</td>
<td>9071</td>
<td>Housing Authority of City of Atlanta</td>
</tr>
<tr>
<td>Illinois</td>
<td>11011</td>
<td>Madison County Housing Authority</td>
</tr>
<tr>
<td>Indiana</td>
<td>12071</td>
<td>Housing Authority of City of Fort Wayne</td>
</tr>
<tr>
<td>Louisiana</td>
<td>16051</td>
<td>Housing Authority of Parish of Jefferson</td>
</tr>
<tr>
<td>Maryland</td>
<td>18095</td>
<td>Housing Authority of Baltimore City</td>
</tr>
<tr>
<td>Massachusetts</td>
<td>30032</td>
<td>Housing Authority of City of Boston</td>
</tr>
<tr>
<td>Michigan</td>
<td>26021</td>
<td>Housing Authority of City of Detroit</td>
</tr>
<tr>
<td>Nevada</td>
<td>26021</td>
<td>Housing Authority of City of Las Vegas</td>
</tr>
<tr>
<td>New Hampshire</td>
<td>27021</td>
<td>Housing Authority of City of Manchester</td>
</tr>
<tr>
<td>New Jersey</td>
<td>28044</td>
<td>Housing Authority of City of Camden</td>
</tr>
<tr>
<td>New York</td>
<td>28021</td>
<td>Housing Authority of City of Long Island</td>
</tr>
<tr>
<td>Ohio</td>
<td>28072</td>
<td>Housing Authority of City of Cleveland</td>
</tr>
<tr>
<td>Pennsylvania</td>
<td>30051</td>
<td>Housing Authority of City of Philadelphia</td>
</tr>
<tr>
<td>Rhode Island</td>
<td>30033</td>
<td>Housing Authority of Providence</td>
</tr>
<tr>
<td>South Carolina</td>
<td>30034</td>
<td>Housing Authority of Columbia</td>
</tr>
<tr>
<td>Texas</td>
<td>30039</td>
<td>Housing Authority of Dallas</td>
</tr>
</tbody>
</table>
§ 1586

TABLE 42—THE PUBLIC HEALTH AND WELFARE

In addition to the authority of the Secretary of Housing and Urban Development under the first sentence of this subsection, the Secretary is specifically authorized to convey any permanent war housing project to a local public housing agency if requested in writing, within sixty days after April 20, 1950, by such agency or the executive head of the municipality (or of the county or parish if such project is not in a municipality) within which the project is located, or by the Governor of the State where an agency of the State has authority to operate the project: Provided, That any conveyance by the Secretary of Housing and Urban Development pursuant to this sentence shall be subject to the same conditions and requirements as provided in this section with respect to a project specifically designated herein.

(b) Projects as “low-rent housing”

Upon the conveyance by the Secretary of Housing and Urban Development of any such project pursuant to the provisions of this section, such project shall constitute and be deemed to be “low-rent housing” as that term is used and defined in the United States Housing Act of 1937 [42 U.S.C. 1437 et seq.] (and to be a low-rent housing project pursuant to the provisions of this section with respect to a project specifically designated herein."

(c) Conditions and requirements of agreements

The agreement between the public housing agency and the Secretary of Housing and Urban Development required by subsection (a) of this section shall contain the following conditions and requirements, and may contain such further conditions, requirements, and provisions as the Secretary determines—

(1) during a period of forty years following the conveyance the project shall be administered as low-rent housing in accordance with subchapters II to VII of this chapter shall be conclusive evidence of compliance therewith insofar as any title or other interest in the property is concerned.
erty of Housing and Urban Development agree that the project, or any part thereof, is no longer suitable for use as low-rent housing, the project, or part thereof, shall with the approval of the Secretary of Housing and Urban Development be sold by the public housing agency after which the agreement shall be deemed to have terminated with respect to such project or part thereof except that the proceeds from such sale, after payment of the reasonable expense thereof, shall be paid to the Secretary of Housing and Urban Development, or, with the Secretary’s approval, used to finance the repair or rehabilitation of a project or part thereof conveyed to the public housing agency under this section; (2) the public housing agency shall, within six months following the conveyance, initiate a program for the removal of all families residing in the project on the date of conveyance who are ineligible under the provisions of the United States Housing Act of 1937 [42 U.S.C. 1437 et seq.] for continued occupancy therein, and shall have required such ineligible tenants to vacate their dwellings within eighteen months after the initiation of such program: Provided, That military personnel as designated by the Secretary of Defense or his designee shall not be subject to such removal until eighteen months after the date of conveyance; (3) annually during the term of such agreement, the public housing agency shall pay to the Secretary of Housing and Urban Development all income from the project remaining after deducting the amounts necessary (as determined pursuant to regulations of the Secretary of Housing and Urban Development) for (i) the payment of reasonable and proper costs of operating, maintaining, and approving such project, (ii) the payments in lieu of taxes authorized hereunder, (iii) the establishment and maintenance of reasonable and proper reserves as approved by the Secretary of Housing and Urban Development, and (iv) the payment of currently maturing installments of principal of and interest on any indebtedness incurred by such public housing agency with the approval of the Secretary of Housing and Urban Development: Provided, That the provisions of this paragraph shall not be applicable to any project which is consolidated under a single contract with one or more low-rent projects being assisted under the United States Housing Act of 1937 [42 U.S.C. 1437 et seq.], and all income from any such project conveyed under this section may be commingled with funds of the project or projects with which it is consolidated and applied in accordance with the requirements of the consolidated contract and the provisions of section 10(c) of the said Act [42 U.S.C. 1410(c)]; (4) during the term of such agreement, the project shall be exempt from all real and personal property taxes levied or imposed by the State, city, county, or other political subdivisions; (5) for the tax year in which the conveyance is made and the next succeeding tax year annual payments in lieu of taxes may be made to the State, city, county, or other political subdivisions in amounts not in excess of the real property taxes which would be paid to such State, city, county, or other political subdivisions if the project were not exempt from taxation; and thereafter, during the term of such agreement, payments in lieu of taxes with respect to the project may be made in amounts which do not exceed 10 per centum of the annual shelter rents charged in such project; (6) in selecting tenants for such project, the public housing agency shall give such preferences as are prescribed by subsection 10(g) of the United States Housing Act of 1937 [42 U.S.C. 1410g], except that for one year after the date of conveyance of a project, the public housing agency shall, to the extent permitted by law, give such preferences, by allocation or otherwise, to military personnel as the Secretary of Defense or his designee prescribes to the public housing agency; and (7) upon the occurrence of a substantial default in respect to the requirements and conditions to which the public housing agency is subject (as such substantial default shall be defined in such agreement), the public housing agency shall be obligated at the option of the Secretary of Housing and Urban Development, either to convey title in any case where, in the determination of the Secretary of Housing and Urban Development, (which determination shall be final and conclusive), such conveyance of title is necessary to achieve the purposes of this subchapter and the United States Housing Act of 1937 [42 U.S.C. 1437 et seq.], or to deliver possession to the Secretary of Housing and Urban Development of the project, as then constituted, to which such agreement relates: Provided, That in the event of such conveyance of title or delivery of possession, the Secretary of Housing and Urban Development may improve and administer such project as low-rent housing, and otherwise deal with such housing or parts thereof, subject, however, to the limitations contained in the applicable provisions of the United States Housing Act of 1937. The Secretary of Housing and Urban Development shall be obligated to reconvey or to redeliver possession of the project, as constituted at the time of reconveyance or redelivery, to such public housing agency or to its successor (if such public housing agency or a successor exists) upon such terms as shall be prescribed in such agreement and as soon as practicable after the Secretary of Housing and Urban Development shall be satisfied that all defaults with respect to the project have been cured, and that the project will, in order to fulfill the purposes of this subchapter and the United States Housing Act of 1937, thereafter be operated in accordance with the terms of such agreement. Any prior conveyances and reconveyances, deliveries and redeliveries of possession shall not exhaust the right to require a conveyance or delivery of possession of the project to the Secretary of Housing and Urban Development pursuant to this paragraph upon the subsequent occurrence of a substantial default.
(d) Disposition of payments
At the end of each fiscal year, the total amount of payments during such year to the Secretary of Housing and Urban Development in accordance with subsection (c) of this section shall be covered into the Treasury as miscellaneous receipts.


REFERENCES IN TEXT
The United States Housing Act of 1937, referred to in subsecs. (a)(1), (b), and (c)(2), (3), (7), is act Sept. 1, 1937, ch. 896, as revised generally by Pub. L. 93–383, title II, §201(a), Aug. 22, 1974, 88 Stat. 653, which is classified generally to chapter 8 (§1437 et seq.) of this title. For complete classification of this Act to the Code, see Short Title note under section 1437 of this title and Tables.

Subchapters III and VI of this chapter, referred to in subsec. (b), were comprised of sections 1531 to 1536 and 1571 to 1576, respectively, of this title and have been omitted from the Code. For further details, see note set out under section 1522 of this title.

Subsections 2(1) and 2(2) and section 10 of the United States Housing Act of 1937, referred to in subsec. (c)(1), (3), and (6), are references to sections 2 and 19 of the Act prior to the general revision of the Act by Pub. L. 93–383, which is classified generally to chapter 8 (§1437 et seq.) of this title. Provisions of former sections 2 and 10 are covered by sections 3 and 5 of the Act which are classified to sections 1437a and 1437d of this title.

AMENDMENTS
1974—Subsec. (b). Pub. L. 93–383, §207(a), struck out provisions relating to payment of capital grants or annual contributions to low-rent housing projects.

Subsec. (c)(1). Pub. L. 93–383, §207(b), inserted provision relating to financing repair or rehabilitation of a project or part of project conveyed to public housing agency under this section.

1959—Subsec. (b). Pub. L. 86–372, §807(1), provided that if any such project is consolidated under a single annual contributions contract with any low-rent project being assisted with annual contributions under United States Housing Act of 1937, payment of any annual contribution on account of any project so assisted shall not be deemed to be a capital grant or annual contribution with respect to any project conveyed hereunder.

Subsec. (c)(3). Pub. L. 86–372, §807(2), inserted proviso making provisions of subsec. (c)(3) inapplicable to any project which is consolidated under a single contract with one or more low-rent projects being assisted under United States Housing Act of 1937, and permitting commingling of income from such project with funds of project or projects with which it is consolidated.

TRANSFER OF FUNCTIONS
For transfer of functions to Secretary of Housing and Urban Development, see note set out under section 1581 of this title.

EXECUTIVE ORDER No. 10284

EXECUTIVE ORDER No. 10339

EXECUTIVE ORDER No. 10425

§ 1587. Disposition of other permanent war housing

(a) Public interest
The Secretary of Housing and Urban Development shall, subject to the provisions of this section, dispose of permanent war housing, other than housing conveyed pursuant to section 1586 of this title, as promptly as practicable and in the public interest.

(b) Preference in sales of individuals
Preference in the purchase of any dwelling structure designed for occupancy by not more than four families and offered for separate sale shall be granted to occupants and to veterans over other prospective purchasers for such period as the Secretary of Housing and Urban Development may determine and in the following order:

(1) a veteran who occupies a unit in the dwelling structure to be sold and who intends to continue to occupy such unit;

(2) a nonveteran who occupies a unit in the dwelling structure to be sold and who intends to continue to occupy such unit;

(3) a veteran who intends to occupy a unit in the dwelling structure to be sold.

Subject to the above order of preference, the Secretary of Housing and Urban Development may establish subordinate preferences for any such dwelling structure. In the disposition of any dwellings under this section which were acquired by the United States from persons occupying the dwellings at the time of such acquisition, the Secretary of Housing and Urban Development may, notwithstanding the order of preference provided in this section, grant a first preference to such persons in the purchase of any of these dwellings for such period and under such conditions as the Secretary may determine to be appropriate and in the public interest. As used in this subsection, the term ‘‘veteran’’ shall include a veteran, a serviceman, or the family of a veteran or a serviceman, or the family of a deceased veteran or serviceman whose death has been determined by the Secretary of Veterans Affairs to be service-connected.

(c) Preference in sales of projects
In the case of any housing project required by this section to be disposed of, which is not offered for separate sale of separate dwelling structures designed for occupancy by not more than four families, such project may be sold as a whole or in such portions as the Secretary of Housing and Urban Development may determine. On such sales of an entire project or por-
(f) Terms of sales
Sales pursuant to this section shall be upon such terms as the Secretary of Housing and Urban Development shall determine: Provided, That full payment to the Government for the property sold shall be required within a period not exceeding twenty-five years with interest on unpaid balances at not less than 4 per centum per annum, except that in the case of projects initially programmed as mutual housing communities under the defense housing program, the terms of sale shall not require a down payment and shall provide for full payment to the United States over a period of forty-five years with interest on unpaid balances at not more than 3 per centum per annum.

(g) Disregard of preferences in certain cases
The Secretary of Housing and Urban Development may dispose of any permanent war housing without regard to the preferences in subsections (b) and (c) of this section when the Secretary determines that (1) such housing, because of design or lack of amenities, is unsuitable for family dwelling use, or (2) it is being used at the time of disposition for other than dwelling purposes, or (3) it was offered, with preferences substantially similar to those provided in the Housing Act of 1950, to veterans and occupants prior to April 20, 1950.


REFERENCES IN TEXT
Section 4 of the Housing and Rent Act of 1947, as amended, referred to in subsec. (e), is section 4 of act June 28, 1948, ch. 163, title I, 61 Stat. 163, which was formerly classified to section 1884 of the former Appendix to Title 50, War and National Defense, and has been omitted from the Code.

The Housing Act of 1950, referred to in subsec. (g), is act Apr. 20, 1950, ch. 94, 64 Stat. 48, as amended. For complete classification of this Act to the Code, see Short Title of 1950 Amendment note set out under section 1701 of Title 12, Banks and Banking, and Tables.

AMENDMENTS
1964—Subsec. (b). Act Mar. 10, 1954, in last paragraph, inserted sentence permitting Administrator to give, in the disposition of dwellings under this section which were acquired by the United States from persons occupying the dwellings at the time of such acquisition, a first preference to such persons in the purchase thereof.


TRANSFER OF FUNCTIONS
For transfer of functions to Secretary of Housing and Urban Development, see note set out under section 1581 of this title.

§1588. Sale of vacant land to local housing authorities; sale of personal property

(a) Notwithstanding any other provision of law, any land acquired under subchapters II to VII of this chapter or any other Act in connection with war or veterans’ housing, but upon which no dwellings are located at the time of sale, may be sold at fair value, as determined by the Secretary of Housing and Urban Development to any agency organized for slum clearance or to provide subsidized housing for persons of low income.

(b) Notwithstanding any other provision of law, any personal property held under subchapters II to VII of this chapter, and not sold with a project or building, may be sold at fair value, as determined by the Secretary of Housing and Urban Development to any agency organized for slum clearance or to provide subsidized housing for persons of low income. Any sale of personal property under this subsection shall be made on a cash basis, payable at the time of settlement.
§ 1589. Conveyance of land and nondwelling structures thereon to States for National Guard purposes

Notwithstanding any other provision of law, the Secretary of Housing and Urban Development is authorized to convey by quit claim deed, without consideration, any land, together with any nondwelling structures thereon, held under sub-chapters II to VII of this chapter or any other Act in connection with war or veterans' housing: Provided, That the United States shall be saved harmless from or reimbursed for such costs incidental to the conveyance as the Secretary of Housing and Urban Development may deem proper: Provided further, That the conveyance of such land shall contain the express condition that if the grantee shall fail or cease to use such land for such purposes, or shall alienate (or attempt to alienate) such land, title thereto shall, at the option of the United States, revert to the United States.


REFERENCES IN TEXT
Subchapters III and VI of this chapter, referred to in text, were comprised of sections 1531 to 1536 and 1571 to 1576, respectively, of this title and have been omitted from the Code. For further details, see note set out under section 1522 of this title.

§ 1589a. Extension by President of dates for disposal and other actions relating to housing under this subchapter

Notwithstanding any other provision of law, the President is authorized to extend, for such period or periods as he shall specify, the time within which any action is required or permitted to be taken by the Secretary of Housing and Urban Development or others under the provisions of this subchapter or section 1553 of this title (or any contract entered into pursuant thereto), upon a determination by him, after considering the needs of national defense and the effect of such extension upon the general housing situation and the national economy, that such extension is in the public interest.


AMENDMENTS
1952—Act July 14, 1952, inserted “or section 1553 of this title” immediately before parenthetical clause, and substituted “thereto” for “of this subchapter” in parenthetical clause.

TRANSFER OF FUNCTIONS
For transfer of functions to Secretary of Housing and Urban Development, see note set out under section 1581 of this title.

§ 1589. Conveyance of land and nondwelling structures thereon to States for National Guard purposes

Notwithstanding any other provision of law, the Secretary of Housing and Urban Development is authorized to convey by quit claim deed, without consideration, any land, together with any nondwelling structures thereon, held under sub-chapters II to VII of this chapter or any other Act in connection with war or veterans’ housing: Provided, That the United States shall be saved harmless from or reimbursed for such costs incidental to the conveyance as the Secretary of Housing and Urban Development may deem proper: Provided further, That the conveyance of such land shall contain the express condition that if the grantee shall fail or cease to use such land for such purposes, or shall alienate (or attempt to alienate) such land, title thereto shall, at the option of the United States, revert to the United States.


REFERENCES IN TEXT
Subchapters III and VI of this chapter, referred to in text, were comprised of sections 1531 to 1536 and 1571 to 1576, respectively, of this title and have been omitted from the Code. For further details, see note set out under section 1522 of this title.

TRANSFER OF FUNCTIONS
For transfer of functions to Secretary of Housing and Urban Development, see note set out under section 1581 of this title.

EXECUTIVE ORDER No. 10284

Ex. Ord. No. 10339. EXTENSIONS OF TIME

1. [Superseded, Ex. Ord. No. 10425, Jan. 16, 1953, 18 F.R. 405.]
2. The time stipulated in subsection (c) of section 601 of the Act [section 1581(c) of this title] on or before which all conditions to relinquishments or transfers pursuant to requests made under subsections (a), (b) and (g) of that section must be complied with is extended to June 30, 1953.
3. The time stipulated in section 604 of the Act [section 1584 of this title] after which vacancies occurring or continuing in temporary housing remaining under the jurisdiction of the Housing and Home Finance Administrator on land under his control may be filled only by transfer of tenants of other accommodations in the same locality being removed as required by the Act is extended to July 1, 1953.
4. The time stipulated in section 604 of the Act [section 1584 of this title] on or before which all tenants must be notified to vacate the premises is extended to March 31, 1954, and the time required to be stipulated in such notices prior to which the premises must be vacated is extended to July 1, 1954.
5. The time stipulated in section 604 of the Act [section 1584 of this title] promptly after which actions must be instituted to evict any tenants still remaining is extended to July 1, 1954.
7. The time stipulated in section 606(a)(3) of the Act [section 1586(a)(3) of this title] on or before which the governing body of the municipality or county must enter into an agreement with the public housing agency satisfactory to the Public Housing Administration providing for local cooperation and payments in lieu of taxes and on or before which the public housing agency must enter into an agreement with the Public Housing Administration for the administration of any project requested under section 606(a) of the Act [section 1586(a) of this title] is extended to June 30, 1953.

This order supersedes Executive Order 10284, dated September 1, 1951.

Ex. Ord. No. 10385. EXTENSION OF TIME RELATING TO THE REMOVAL OF CERTAIN TEMPORARY HOUSING
Ex. Ord. No. 10385, Aug. 16, 1952, 17 F.R. 7525, provided: The time stipulated in section 313 of the said act approved October 14, 1940, as amended [section 1553 of this title]...
title], within which, subject to the qualifications stated in the said section 313 [section 1533 of this title], housing of a temporary character under the jurisdiction of the Housing and Home Finance Administrator and constructed under certain laws must be removed is hereby extended from December 31, 1952, to July 1, 1954.

EX. ORD. No. 10895. EXTENSION OF TIME

2. The time stipulated in subsection (c) of section 601 of the Act [section 1581(c) of this title] on or before which all conditions to relinquishments or transfers pursuant to requests made under subsection (b) of that section must be complied with is extended to June 30, 1953.

EX. ORD. No. 10425. EXTENSIONS OF TIME

Ex. Ord. No. 10425, Jan. 16, 1953, 18 F.R. 405, provided:
1. The time stipulated in subsection (c) of section 601 of the act [section 1581(c) of this title] on or before which requests must be filed under subsections (a), (b), (g), and (h) of that section is extended to June 30, 1953.
2. The time stipulated in section 606(a)(1) of the act or before which conveyance of the housing projects listed in section 606(a)(3) of the act [section 1586(a)(1) of this title] must be requested by the governing body of the municipality or county and on or before which the need for low-rent housing must be demonstrated to the satisfaction of the Administrator is extended to June 30, 1953.

This order supersedes paragraphs 1 and 6 of Executive Order No. 10339 of April 5, 1952 [set out above], and paragraph 1 of Executive Order No. 10395 of September 18, 1952 [set out above].

EX. ORD. No. 10462. DELEGATION OF FUNCTIONS TO THE HOUSING AND HOME FINANCE ADMINISTRATOR

Ex. Ord. No. 10462, June 19, 1953, 18 F.R. 3613, provided:
1. The Housing and Home Finance Administrator is hereby designated and empowered to perform, without the approval, ratification, or other action by the President, the functions vested in the President by section 611 of the act entitled “An Act to expedite the provision of housing in connection with national defense, and for other purposes,” approved October 14, 1940, as amended (42 U.S.C. 1589a).
2. The meaning of the terms “perform” and “functions” as used in this order shall be the same as the meaning of those terms as used in chapter 4 of title 3 of the United States Code.

§ 1589d. Undisposed housing

(a) Disposal to highest bidder; rejection of bids; disposal by negotiation

Notwithstanding the provisions of this or any other law, (1) any housing to be sold on-site determined by the Secretary of Housing and Urban Development to be permanent, located on lands owned by the United States and under the jurisdiction of the Secretary, which is not relinquished, transferred, under contract of sale, sold, or otherwise disposed of by the Secretary under other provisions of this subchapter or under the provisions of other law by January 1, 1957, except housing which is determined by the Secretary by that date to be suitable for sale in accordance with section 1587(b) of this title; and (2) any permanent housing to be sold off-site which is not relinquished, transferred, under contract of sale, sold, or otherwise disposed of prior to August 7, 1956, shall be disposed of, as expeditiously as possible, on a competitive basis to the highest responsible bidder upon such terms and after such public advertisement as the Secretary of Housing and Urban Development may deem in the public interest; except that the Secretary of Housing and Urban Development may reject any bid which the Secretary deems less than the fair market value of the property and may thereafter dispose of the property by negotiation.
§ 1590. Definitions

Notwithstanding the provisions of this or any other law, all contracts entered into after August 7, 1956, for the sale, transfer, or other disposal of housing (other than housing subject to the provisions of section 1567(b) of this title) determined by the Secretary of Housing and Urban Development to be permanent, except contracts entered into pursuant to subsection (a) hereof, shall require that if title does not pass to the purchaser by April 1, 1957 (or within sixty days thereafter if such time is necessary to cure defects in title in accordance with the provisions of the contract), the rights of the purchaser shall terminate and thereafter the housing shall be sold under the provisions of subsection (a) hereof. For the purposes of this subsection, title shall be considered to have passed upon the execution of a conditional sales contract.

c) Dates

The dates set forth in subsections (a) and (b) of this section shall not be subject to change by virtue of the provisions of section 1589a of this title.

(d) The terms “veteran” and “serviceman” mean “veteran” and “serviceman” as those terms are defined in the United States Housing Act of 1937 [42 U.S.C. 1437 et seq.].

(e) The term “State” means any State, Territory, dependency, or possession of the United States, or the District of Columbia.

(f) The term “going Federal rate of interest” means “going Federal rate” as that term is defined in the United States Housing Act of 1937 [42 U.S.C. 1437 et seq.].

(g) The term “United States Housing Act of 1937” [42 U.S.C. 1437 et seq.] means the provisions of that Act, including all amendments thereto, now or hereafter adopted, except provisions relating to the initial construction of a project or dwelling units.

The provisions of Public Law 781, and Public Laws 9, 73, or 353, referred to in subsection (b), are not classified to the Code. For further details, see note set out under section 1522 of this title.

The United States Housing Act of 1937, referred to in subsections (d), (f), and (g), is act Sept. 1, 1937, ch. 383, 92, 94 Stat. 409, Aug. 22, 1974, 88 Stat. 653, which is classified generally to chapter 8 (42 U.S.C. 1437 et seq.) of this title. For complete classification of this Act to the Code, see Short Title note set out under section 1347 of this title and Tables.
SUBCHAPTER VIII—CRITICAL DEFENSE HOUSING AREAS

§ 1591. Determination of critical areas by President; requisite conditions

(a) Notwithstanding any other provisions of this Act, the authority contained in titles II or III of this Act shall not be exercised in any area unless the President shall have determined that such area is a critical defense housing area.

(b) No area shall be determined to be a critical defense housing area pursuant to this section unless the President finds that in such area all the following conditions exist:

(1) a new defense plant or installation has been or is to be provided, or an existing defense plant or installation has been or is to be reactivated or its operation substantially expanded;

(2) substantial in-migration of defense workers or military personnel is required to carry out activities at such plant or installation; and

(3) a substantial shortage of housing required for such defense workers or military personnel exists or impends which impedes or threatens to impede activities at such defense plant or installation, or that community facilities or services required for such defense workers or military personnel are not available or are insufficient, or both, as the case may be.


REFERENCES IN TEXT

This Act, referred to in subsecs. (a), (c), and (d), means act Sept. 1, 1951, ch. 378, 65 Stat. 293, as amended, known as the Defense Housing and Community Facilities and Services Act of 1951. Title II of this Act enacted subchapter X (§ 1750 et seq.) of chapter 13 of Title 12, Banks and Banking, and amended sections 371, 1430, 1702, 1706, 1715c, 1715f, 1716, and 1743 of Title 12. Title III of this Act is classified generally to subchapter IX (§ 1592 et seq.) of this chapter. For complete classification of this Act to the Code, see Short Title of 1951 Amendment note set out under section 1591 of this title and Tables.

AMENDMENTS

1953—Subsec. (a). Act June 30, 1953, substituted “titles II or III” for “titles II, III, or IV”.

INCONSISTENT LAWS

Act Sept. 1, 1951, ch. 378, title VI, § 617, 65 Stat. 317, provided that: “Insofar as the provisions of any other law are inconsistent with the provisions of this Act [see Short Title of 1951 Amendment note set out under section 1501 of this title], the provisions of this Act shall be controlling.”

SEPARABILITY

Act Sept. 1, 1951, ch. 378, title VI, § 618, 65 Stat. 317, provided in second sentence that: “Notwithstanding any other evidence of the intention of Congress, it is hereby declared to be the controlling intent of Congress that if any provisions of this Act [see Short Title of 1951 Amendment note set out under section 1501 of this title], or the application thereof to any persons or circumstances, shall be adjudged by any court of competent jurisdiction to be invalid, such judgment shall not affect, impair, or invalidate the remainder of this Act or its application to other persons and circumstances, but shall be confined in its operation to the provisions of this Act or the application thereof to the persons and circumstances directly involved in the controversy in which such judgment shall have been rendered.”

§ 1591a. Construction by private enterprise

In order to assure that private enterprise shall be afforded full opportunity to provide the defense housing needed wherever possible, in any area which the President, pursuant to the authority contained in section 1591 of this title, has declared to be a critical defense housing area—

(a) Publication of number of units needed

first, the number of permanent dwelling units (including information as to types, rentals, and general locations) needed for defense workers and military personnel in such critical defense housing area shall be publicly announced and printed in the Federal Register by the Secretary of Housing and Urban Development;

(b) Suspension of credit restrictions

second, residential credit restrictions under the Defense Production Act of 1950, as amended [50 U.S.C. 4501 et seq.], (1) as to housing to be sold at $72,000 or less per unit or to be rented at $85 or less per unit per month, shall be suspended with respect to the number and types of housing units at the sales prices or rentals which the President determines to be needed in such area for defense workers or military personnel, and (2) as to all other housing, shall be relaxed in such manner and to such extent as the President determines to be necessary and appropriate to obtain the production of such housing needed in such area for defense workers or military personnel;

(c) Mortgage insurance

third, the mortgage insurance aids provided under title II of this Act shall be made available to obtain the production of housing needed in such area for defense workers or military personnel; and

(d) Construction by Government as conditional

fourth, no permanent housing shall be constructed by the Federal Government under the provisions of subchapter IX of this chapter except to the extent that private builders or eligible mortgagees have not, within a period of not less than ninety days (as the Secretary of Housing and Urban Development shall specify) following public announcement of the availability of such mortgage insurance aids under title II of this Act, indicated through bona fide applications (which meet the requirements as to types, rentals, or sales prices, and general locations) for exceptions from such residential credit restrictions or for mortgage insurance or guaranty that they will provide the housing determined to be needed in such area for defense workers and military personnel and publicly announced as provided by subsection (a) of this section.

§ 1591b TITLE 42—THE PUBLIC HEALTH AND WELFARE

REFERENCES IN TEXT

The Defense Production Act of 1950, referred to in subsec. (b), is act Sept. 8, 1950, ch. 932, 64 Stat. 798, which is classified to chapter 55 (§4501 et seq.) of Title 50, War and National Defense. For complete classification of this Act to the Code, see Tables.

This Act, referred to in subsecs. (c) and (d), means act Sept. 1, 1951, ch. 378, 65 Stat. 265, as amended, known as the Defense Housing and Community Facilities and Services Act of 1951. Title II of this Act enacted subchapter X (§1750 et seq.) of chapter 13 of Title 12, Banks and Banking, and amended sections 371, 1430, 1702, 1706, 1715c, 1715f, 1716, and 1745 of Title 12. For complete classification of this Act to the Code, see Short Title of this Act to the Code, see Tables.

TRANSFER OF FUNCTIONS

For transfer of functions to Secretary of Housing and Urban Development, see note set out under section 1581 of this title.

§ 1591b. Community facilities or services by local agencies

In order to assure that community facilities or services required in connection with national defense activities shall, wherever possible, be provided by the appropriate local agencies with local funds, in any area which the President, pursuant to the authority contained in section 1591 of this title, has declared to be a critical defense housing area—

(a) Certification of necessity for loan

no loan shall be made pursuant to subchapter IX of this chapter for the provision of community facilities or equipment therefor required in connection with national defense activities in such area unless the chief executive officer of the appropriate political subdivision certifies, and the Secretary of Housing and Urban Development finds, that such facilities or equipment could not otherwise be provided when needed;

(b) Certification of necessity for grants or other payments

no grant or other payment shall be made pursuant to subchapter IX of this chapter for the provision of community facilities or services required in connection with national defense activities in such area unless the chief executive officer of the appropriate political subdivision certifies, and the Secretary of Housing and Urban Development finds, that such community facilities or services cannot otherwise be provided when needed, or operated and maintained, as the case may be, without the imposition of an increased excessive tax burden or an unusual or excessive increase in the debt limit of the appropriate local agency; and

(c) Maintenance and operation of facilities

no community facilities or services shall be provided, and no community facilities shall be maintained and operated, by the United States directly except where the appropriate local agency is demonstrably unable to provide such facilities and services, or to maintain or operate such community facilities and services adequately with its own personnel, with loans, grants, or payments authorized to be made pursuant to subchapter IX of this chapter.

For the purposes of this section, the term “chief executive officer of the appropriate political subdivision” shall mean appropriate principal executive officer or governing body having primary responsibility with respect to the community facility or service involved, but shall not, in any case, mean any public housing authority, or its governing body, or any of its officers, acting in such capacity.


TRANSFER OF FUNCTIONS

For transfer of functions to Secretary of Housing and Urban Development, see note set out under section 1581 of this title.

§ 1591c. Expiration date; exception

After June 30, 1953, no construction of permanent housing may be begun under subchapter IX of this chapter. After July 31, 1954, (a) no mortgage may be insured under title IX of the National Housing Act, as amended [12 U.S.C. 1750 et seq.] (except (i) pursuant to a commitment to insure issued on or before such date or (ii) after July 31, 1954, and until August 1, 1955, during such period, or for such project or projects, as the President may designate hereunder or (iii) pursuant to a commitment to insure issued pursuant to the preceding clause (ii)), (b) no agreement may be made to extend assistance for the provision of community facilities or services under subchapter IX of this chapter, and no construction of temporary housing or community facilities by the United States may be begun under such subchapter, except after July 31, 1954, and until August 1, 1955, during such period, or for such project or projects, as the President may designate hereunder: Provided, That to the extent necessary to assure the adequate completion of any facilities for which prior agreements have been made under subchapter IX, the Secretary of Housing and Urban Development may, at any time after July 31, 1954, enter into amendatory agreements under such subchapter involving the expenditure of additional Federal funds within the balance available thereon or before such date, (c) no loan may be made or obligations purchased by the Secretary of Housing and Urban Development under section 1701g–1 of title 12 (except pursuant to a commitment issued on or before June 30, 1953, or to refinance an existing loan or existing obligations held under such section by said Secretary on June 30, 1953).


REFERENCES IN TEXT

The National Housing Act, referred to in text, is act June 27, 1934, ch. 484, 48 Stat. 1246, as amended. Title IX of the National Housing Act is title IX of act June 27,
1934, ch. 847, as added by act Sept. 1, 1951, ch. 378, title II, §201, 65 Stat. 295, which is classified generally to subchapter X (§1750 et seq.) of chapter 13 of Title 12, Banks and Banking. For complete classification of this Act to the Code, see section 1701 of Title 12 and Tables. Section 1701g–1 of title 12, referred to in text, has been omitted from the Code.

AMENDMENTS


1954—Act Aug. 2, 1954, gave President standby authority to use mortgage insurance authority under title IX of the National Housing Act and the provisions in subchapter IX of this chapter for Federal aid in providing defense housing and community facilities and services in critical defense areas, in substitution for provisions under which authority for new projects under these two programs would have expired on June 30, 1954, and authorized the Housing and Home Finance Administrator to enter into amendatory agreements after June 30, 1954, to provide additional Federal assistance with respect to defense community facilities undertaken on or before such date where he finds it necessary to do so to assure the adequate completion of such facilities.


1953—Act June 30, 1953, inserted sentence prohibiting the beginning of permanent housing construction under subchapter IX of this chapter, after June 30, 1953; substituted “June 30, 1954” for “June 30, 1953” at beginning of present second sentence and “temporary housing” for “housing” in cl. (b) of present second sentence; struck a former cl. (c) out of existing second sentence which provided that (after June 30, 1953) no land might be acquired by the Housing and Home Finance Administrator under subchapter X of this chapter; and redesignated cl. (d) as (c).

TRANSFER OF FUNCTIONS

For transfer of functions to Secretary of Housing and Urban Development, see note set out under section 1581 of this title.

§ 1592a. Construction of housing

(a) Types, sales, preferences in purchases, and payment

Consistent with other requirements of national defense, any permanent housing constructed pursuant to the authority of this subchapter shall consist of one- to four-family dwelling structures (including row houses) so arranged that they may be offered for separate sale. All housing of permanent construction which is constructed or acquired under the authority of this subchapter shall be sold as expeditiously as possible and in the public interest taking into consideration the continuation of the need for such housing by persons engaged in national defense activities. All dwelling structures of permanent construction designed for occupancy by more than four families (and other structures in such project which are not sold separately) shall be sold as an entity. On such sales first preference shall be given for such period not less than ninety days nor more than six months from the date of the initial offering of such project as the Secretary of Housing and Urban Development may determine, to groups of veterans organized on a mutual ownership or cooperative basis (provided that any such group shall accept as a member of its organization, on the same terms, subject to the same conditions, and with the same privileges and responsibilities, required of, and extended to, other members of the group any tenant occupying a dwelling unit in such project, at any time during such period as the Secretary of Housing and Urban Development shall deem appropriate, starting on the date of the announce-
ment by the Secretary of Housing and Urban Development of the availability of such project. The Secretary of Housing and Urban Development shall provide an equitable method of selecting the purchasers when preferred purchasers (or groups of preferred purchasers) in the same preference class or containing members in the same preference class compete with each other. Sales pursuant to this section shall be for cash or credit, upon such terms as the Secretary of Housing and Urban Development shall determine, and at the fair value of the property as determined by the Secretary: Provided, That full payment to the Government for the property sold shall be required within a period of not exceeding twenty-five years with interest on unpaid balances at not less than 4 per centum per annum.

(b) Temporary housing

Where it is necessary to provide housing under this subchapter in locations where, in the determination of the Secretary of Housing and Urban Development, there appears to be no need for such housing beyond the period during which it is needed for housing persons engaged in national defense activities, the provisions of section 1591a of this title shall not be applicable and temporary housing which is of a mobile or portable character or which is otherwise constructed so as to be available for reuse at other locations or existing housing built or acquired by the United States under authority of any other law shall be provided. Any temporary housing constructed or acquired under this subchapter which the Secretary of Housing and Urban Development determines to be no longer needed for use under this subchapter shall, unless transferred to the Department of Defense pursuant to section 1592e of this title, or reported as excess to the Administrator of the General Services Administration pursuant to chapters 1 to 11 of title 40 and division C thereof, to be the value thereof. (Sept. 1, 1951, ch. 378, title III, §302, 65 Stat. 303; July 14, 1952, ch. 723, §5, 66 Stat. 602; Aug. 2, 1954, ch. 669, title VIII, §906, 68 Stat. 645; Pub. L. 89–174, §5(a), Sept. 9, 1965, 79 Stat. 669; Pub. L. 102–54, §13(q)(T)(A), June 13, 1991, 105 Stat. 281.)

AMENDMENTS

1991—Subsecs. (a), (c). Pub. L. 102–54 substituted “Secretary of Veterans Affairs” for “Veterans Administration”.

1994—Subsec. (b). Act Aug. 2, 1994, in second sentence, substituted provisions prescribing the disposition procedure, for former provisions that the housing should be disposed of by the Administrator not later than the date, and subject to the conditions and requirements, hereafter prescribed by the Congress: Provided, That nothing in this sentence shall be construed as prohibiting the Administrator from removing any such housing by demolition or otherwise prior to the enactment of such legislation”.

1992—Subsec. (b). Act July 14, 1992, inserted “or existing housing built or acquired by the United States under authority of any other law” after “for reuse at other locations”.

TRANSFER OF FUNCTIONS

For transfer of functions to Secretary of Housing and Urban Development, see note set out under section 1581 of this title.

§1592b. Maximum construction costs; determinations by Secretary in certain condemnation proceedings

The cost per family dwelling unit for any housing project constructed under the authority of this subchapter shall not exceed an average of $9,000 for two-bedroom units in such project, $10,000 for three-bedroom units in such project, and $11,000 for four-bedroom units in such project: Provided, That the Secretary of Housing and Urban Development may increase such dollar limitation by not exceeding $1,000 in any geographical area where he finds that cost levels so require: Provided further, That in the Territories and possessions of the United States the Secretary of Housing and Urban Development may increase any such dollar limitation by 50 per centum: And provided further, That for the purposes of this section the cost of any land acquired by the Secretary of Housing and Urban Development upon the filing of a declaration of taking in proceedings for the condemnation of fee title shall be considered to be the amount determined by the Secretary of Housing and Urban Development upon the basis of competent appraisal, to be the value thereof.
§ 1592c. Loans or grants for community facilities or services; conditions; maximum amounts; annual adjustments

In furtherance of the purposes of this subchapter and subject to the provisions hereof, the Secretary of Housing and Urban Development may make loans or grants, or other payments, to public and nonprofit agencies for the provision, or for the operation and maintenance, of community facilities and equipment therefor, or for the provision of community services, upon such terms and in such amounts as the Secretary of Housing and Urban Development may consider to be in the public interest: Provided, That grants under this subchapter to any local agency for hospital construction may be made only after such action by the local agency to secure assistance under Public Law 725, Seventy-ninth Congress, approved August 13, 1946, as amended, or Public Law 380, Eighty-first Congress, approved October 25, 1949, as is determined to be reasonable under the circumstances, and only to the extent that the required assistance is not available to such local agency under said Public Law 725, or said Public Law 380, as the case may be: Provided further, That grants or payments for the provision, or for the maintenance and operation, of community facilities or services under this section shall not exceed the portion of the cost of the provision, or the maintenance and operation, of such facilities or services which the Secretary of Housing and Urban Development estimates to be attributable to the national defense activities in the area and not to be recovered by the public or nonprofit agency from other sources, including payments by the United States under any other provisions of this Act or any other law: And provided further, That any such continuing grant or payment shall be reexamined and adjusted annually upon the basis of the ability of the agency to bear a greater portion of the cost of such maintenance, operation, or services as a result of increased revenues made possible by such facility or by such defense activities.


REFERENCES IN TEXT


§ 1592d. Secretary's powers with respect to housing, facilities, and services

(a) Planning, acquisition, construction, etc.

With respect to any housing or community facilities or services which the Secretary of Housing and Urban Development is authorized to provide, or any property which he is authorized to acquire, under this Act, the Secretary of Housing and Urban Development is authorized by contract or otherwise (without regard to section 601 of title 41, section 322 of the Act of June 30, 1932 (47 Stat. 412), as amended,1 chapters 1 to 11 of title 40 and division C (except sections 3302, 3307(e), 3501(b), 3509, 3906, 4710, and 4711) of subtitle I of title 41, and prior to the approval of the Attorney General) to make plans, surveys, and investigations; to acquire (by purchase, donation, condemnation or otherwise), construct, direct, extend, remodel, operate, rent, lease, exchange, repair, deal with, insure, maintain, convey, sell for cash or credit, demolish, or otherwise dispose of any property, land, improvement, or interest therein; to provide approaches, utilities, and transportation facilities; to procure necessary materials, supplies, articles, equipment, and machinery; to make advance payments for leased property; to pursue to final disposition by way of compromise or otherwise, claims both for and against the United States (exclusive of claims in excess of $5,000 arising out of contracts for construction, repairs, and the purchase of supplies and materials, and claims involving administrative expenses) which are not in litigation and which have not been referred to the Department of Justice; and to convey without cost to States and political subdivisions and instrumentalities thereof property for streets and other public thoroughfares and easements for public purposes: Provided, That any instrument executed by the Secretary of Housing and Urban Development and purporting to

1 See References in Text note below.
convey any right, title or interest in any property acquired pursuant to this subchapter or subchapter X of this chapter shall be conclusive evidence of compliance with the provisions thereof insofar as title or other interest of any bona fide purchaser, lessee or transferee of such property is concerned. Notwithstanding any provisions of this Act, housing or community facilities constructed by the United States pursuant to the authority contained herein shall conform to the requirements of State and local laws, ordinances, rules, or regulations relating to health and sanitation, and, to the maximum extent practicable, taking into consideration the availability of materials and the requirements of national defense, any housing or community facilities, except housing or community facilities of a temporary character, constructed by the United States pursuant to the authority contained herein shall conform to the requirements of State or local laws, ordinances, rules, or regulations relating to building codes.

(b) Condemnation

Before condemnation proceedings are instituted pursuant to this subchapter or subchapter X an effort shall be made to acquire the property involved by negotiation unless, because of reasonable doubt as to the identity of the owner or owners, because of the large number of persons with whom it would be necessary to negotiate, or for other reasons, the effort to acquire by negotiation would involve, in the judgment of the Secretary of Housing and Urban Development, such delay in acquiring the property as to be contrary to the interest of national defense. In any condemnation proceeding instituted pursuant to this subchapter or subchapter X, the court shall not order the party in possession to surrender possession in advance of final judgment unless a declaration of taking has been filed, and a deposit of the amount estimated to be just compensation has been made, under section 3114(a) to (d) of title 40, providing for such declarations. Unless title is in dispute, the court, upon application, shall promptly pay to the owner at least 75 per centum of the amount so deposited, but such payment shall be made without prejudice to any party to the proceeding.

(c) Return to original owner in certain cases

If any real property acquired under this subchapter or subchapter X is retained after June 30, 1954, without having been used for the purposes of this Act, the Secretary of Housing and Urban Development shall, if the original owner desires the property and pays the fair value thereof, return such property to the owner. In the event the Secretary of Housing and Urban Development and the original owner do not agree as to the fair value of the property, the fair value shall be determined by three appraisers, one of whom shall be chosen by the Secretary of Housing and Urban Development, one by the original owner, and the third by the first two appraisers; the expenses of such determination shall be paid in equal shares by the Government and the original owner.


References in Text

This Act, referred to in subsecs. (a) and (c), means act Sept. 1, 1951, ch. 378, 65 Stat. 293, as amended, known as the Defense Housing and Community Facilities and Services Act of 1951. For complete classification of this Act to the Code, see Short Title of 1951 Amendment note set out under section 1501 of this title and Tables. Section 322 of the Act of June 30, 1932, referred to in subsec. (a), is section 322 of act June 30, 1932, ch. 314, 47 Stat. 412, which was classified to section 278a of former Title 40, Public Buildings, Property, and Works, and was repealed by Pub. L. 100–678, §7, Nov. 17, 1988, 102 Stat. 4652.

Subchapter X, referred to in subsecs. (a), (b), and (c), was in the original, title IV, meaning title IV of act Sept. 1, 1951, ch. 378, 65 Stat. 310, as amended, which enacted sections 1593 to 1593d of this title and was repealed by act June 30, 1953, ch. 170, §19, 67 Stat. 126.

Codification


In subsec. (b), “section 3114(a) to (d) of title 40” substituted for “the first section of the Act of February 26, 1931 (46 Stat. 1421)” on authority of Pub. L. 107–217, §6(c), Aug. 21, 2002, 116 Stat. 1303, the first section of which enacted Title 40, Public Buildings, Property, and Works.

Amendments


Effective Date of 1982 Amendment

Amendment by Pub. L. 97–214 effective Oct. 1, 1982, and applicable to military construction projects, and to construction and acquisition of military family housing before, on, or after such date, see section 12(a) of Pub. L. 97–214, set out as an Effective Date note under section 2801 of Title 10, Armed Forces.

Transfer of Functions

For transfer of functions to Secretary of Housing and Urban Development, see note set out under section 1581 of this title.

§ 1592e. Interagency transfers of property; application of rules and regulations

Any Federal agency may, upon request of the Secretary of Housing and Urban Development, transfer to his jurisdiction without reimbursement any lands, improved or unimproved, or other property real or personal, considered by the Secretary of Housing and Urban Development to be needed or useful for housing or community facilities, or both, to be provided under this subchapter, and the Secretary of Housing and Urban Development is authorized to accept any such transfers. The Secretary of Housing
and Urban Development may also utilize any other real or personal property under its jurisdiction for the purpose of this subchapter without adjustment of the appropriations or funds involved. Any property so transferred or utilized, and any funds in connection therewith, shall be subject only to the authorizations and limitations of this subchapter. The Secretary of Housing and Urban Development may, in his discretion, upon request of the Secretary of Defense or his designee, transfer to the jurisdiction of the Department of Defense without reimbursement any land, improvements, housing, or community facilities constructed or acquired under the provisions of this subchapter and considered by the Department of Defense to be required for the purposes of the said Department. Upon the transfer of any such property to the jurisdiction of the Department of Defense, the laws, rules, and regulations relating to property of the Department of Defense shall be applicable to the property so transferred, and the provisions of this subchapter and the rules and regulations issued thereunder shall no longer apply.


Transfer of Functions

For transfer of functions to Secretary of Housing and Urban Development, see note set out under section 1581 of this title.

§1592f. Preservation of local civil and criminal jurisdiction, and civil rights; jurisdiction of State courts

Notwithstanding any other provisions of law, the acquisition by the United States of any real property pursuant to this subchapter or subchapter X of this chapter shall not deprive any State or political subdivision thereof of its civil or criminal jurisdiction in and over such property, or impair the civil or other rights under the State or local law of the inhabitants of such property. Any proceedings by the United States for the recovery of possession of any property or project acquired, developed, or constructed under this subchapter or subchapter X of this chapter may be brought in the courts of the States having jurisdiction of such causes.

(Sec. 1, 1951, ch. 378, title III, §307, 65 Stat. 307.)

References in Text

Subchapter X of this chapter, referred to in text, was in the original “title IV of this Act”, meaning title IV of act Sept. 1, 1951, ch. 378, 65 Stat. 310, as amended, which enacted sections 1593 to 1593d of this title and was repealed by act June 30, 1953, ch. 170, §19, 67 Stat. 126.

§1592g. Payment of annual sums to local authorities in lieu of taxes

The Secretary of Housing and Urban Development shall pay from rentals annual sums in lieu of taxes and special assessments which would be paid to the State and/or subdivision, as the case may be, upon such property if it were not exempt from taxation and special assessments, with such allowance as may be considered by the Secretary to be appropriate for expenditures by the Federal Government for the provision or maintenance of streets, utilities, or other public services to serve such property.


Transfer of Functions

For transfer of functions to Secretary of Housing and Urban Development, see note set out under section 1581 of this title.

§1592h. Conditions and requirements as to contracts; utilization of existing facilities; disposition of facilities constructed by United States

In carrying out this subchapter—

(a) notwithstanding any other provisions of this subchapter, so far as is consistent with emergency needs, contracts shall be subject to section 6101 of title 41;

(b) the cost-plus-a-percentage-of-cost system of contracting shall not be used, but contracts may be made on a cost-plus-a-fixed-fee basis: Provided, That the fixed fee shall not exceed 6 per centum of the estimated cost;

(c) wherever practicable, existing private and public community facilities shall be utilized or such facilities shall be extended, enlarged, or equipped in lieu of constructing new facilities; and

(d) all right, title, and interest of the United States in and to any community facilities constructed by the United States pursuant to the authority contained in this subchapter shall (if such agency is willing to accept such facility and operate the same for the purpose for which it was constructed) be disposed of to the appropriate State, city, or other local agency having responsibility for such type of facility in the area not later than one year after June 30, 1953, and subject to the conditions and requirements hereafter prescribed by the Congress.

(Sec. 1, 1951, ch. 378, title III, §309, 65 Stat. 307.)

Codification


§1592i. Laborers and mechanics

(a) Wages; overtime

Notwithstanding any other provision of law, the wages of every laborer and mechanic employed on any construction, maintenance, repair, or demolition work authorized by this subchapter shall be computed on a basic day rate of eight hours per day and work in excess of eight hours per day shall be permitted upon compensation for all hours worked in excess of eight
hours per day at not less than one and one-half times the basic rate of pay.

(b) Applicability of other laws

The provisions of sections 3141–3144, 3146, and 3147 of title 40; of section 874 of title 18; and of section 3145 of title 40, shall apply in accordance with their terms to work pursuant to this subchapter.

(c) Stipulations in loan contracts as to wages; certification

Any contract for loan or grant, or both, pursuant to this subchapter shall contain a provision requiring that not less than the wages prevailing in the locality, as predetermined by the Secretary of Labor pursuant to sections 3141–3144, 3146, and 3147 of title 40, shall be paid to all laborers and mechanics employed in the construction of the project at the site thereof; and the Secretary of Housing and Urban Development shall require certification as to compliance with the provisions of this subsection prior to making any payment under such contract.

(d) Reports by contractors and subcontractors to Secretary of Labor

Any contractor engaged in the development of any project financed in whole or in part with funds made available pursuant to this subchapter shall report monthly to the Secretary of Labor, and shall cause all subcontractors to report in like manner, within five days after the close of each month and on forms to be furnished by the United States Department of Labor, as to the number of persons on their respective payrolls on the particular project, the aggregate amount of such payrolls, the total man-hours worked, and itemized expenditures for materials. Any such contractor shall furnish to the Department of Labor the names and addresses of all subcontractors on the work at the earliest date practicable.

(e) Prescription of standards, regulations, and procedures by Secretary of Labor

The Secretary of Labor shall prescribe appropriate standards, regulations, and procedures, which shall be observed by the Secretary of Housing and Urban Development in carrying out the provisions of this subchapter (and cause to be made by the Department of Labor such investigations) with respect to compliance with and enforcement of the labor standards provisions of this section, as the Secretary deems desirable.


CODIFICATION


TRANSFER OF FUNCTIONS

For transfer of functions to Secretary of Housing and Urban Development, see note set out under section 1581 of this title.

§ 1592j. Disposition of moneys derived from rentals, operation, and disposition of property

Moneys derived from rentals, operation, or disposition of property acquired or constructed under the provisions of this subchapter shall be available for expenses of operation, maintenance, improvement, and disposition of any such property, including the establishment of necessary reserves therefor and administrative expenses in connection therewith: Provided, That such moneys derived from rentals, operation, or disposition may be deposited in a common fund account or accounts in the Treasury: And provided further, That the moneys in such common fund account or accounts shall not exceed $5,000,000 at any time, and all moneys in excess of such amount shall be covered into miscellaneous receipts.

(Sept. 1, 1951, ch. 378, title III, § 311, 65 Stat. 308.)

§ 1592k. Determination of fair rentals and classes of occupants by Secretary

The Secretary of Housing and Urban Development shall fix fair rentals based on the value thereof as determined by the Secretary which shall be charged for housing accommodations operated under this subchapter and may prescribe the class or classes of persons who may occupy such accommodations, preferences, or priorities in the rental thereof, and the terms, conditions, and period of such occupancy.


TRANSFER OF FUNCTIONS

For transfer of functions to Secretary of Housing and Urban Development, see note set out under section 1581 of this title.

§ 1592l. Authorization of appropriations

There are authorized to be appropriated—

(a) such sums, not exceeding $100,000,000, as may be necessary for carrying out the provisions and purposes of this subchapter relating to community facilities and services in critical defense housing areas; and

(b) such sums, not exceeding $100,000,000, as may be necessary for carrying out the provisions and purposes of this subchapter relating to housing in critical defense housing areas.


AMENDMENTS

1952—Act July 14, 1952, increased appropriation authorization in subsec. (a) from $60,000,000 to $100,000,000 and in subsec. (b) from $30,000,000 to $100,000,000.

§ 1592m. Transfer of functions and funds in certain cases

Subject to all of the limitations and restrictions of this Act, including, specifically, the requirements of subsection (c) of section 1591b of this title and of subsections (c) and (d) of section 1592b of this title, where any other officer, department, or agency is performing, or, in the determination of the President, has facilities adapted to the performance of, functions, powers and duties similar, or directly related, to any of
the functions, powers and duties which the Secretary of Housing and Urban Development is authorized by this subchapter to perform with respect to the construction, maintenance or operation of community facilities for recreation, and day-care centers, or the provision of community services, the President may transfer to such other officer, department, or agency any of the functions, powers, and duties authorized by this subchapter to be performed with respect thereto if he finds that such transfer will assist the furtherance of national defense activities, and upon any such transfer, funds in such amount as the Director of the Office of Management and Budget shall determine, but in no event in excess of the balance of any moneys appropriated to the Secretary of Housing and Urban Development pursuant to the authorization therefor contained in this subchapter for the performance of the transferred functions, powers, and duties, may also be transferred by the President to such other officer, department, or agency: Provided, That the President, by Executive Order or otherwise, may prescribe or direct the manner in which any functions, powers, and duties with respect to which the Secretary of Housing and Urban Development is authorized by this subchapter to perform with respect to assistance for the construction, or the construction of, any community facilities, shall be administered in coordination with other officers, departments, or agencies having functions or activities related thereto.


REFERENCES IN TEXT

TRANSFER OF FUNCTIONS
For transfer of functions to Secretary of Housing and Urban Development, see note set out under section 1501 of this title.

1. [Revoked by Ex. Ord. No. 12148, July 20, 1979, 44 F.R. 43229.]
2. [Revoked by Ex. Ord. No. 12148, July 20, 1979, 44 F.R. 43229.]
3. The Housing and Home Finance Administrator is hereby designated and empowered to perform, without the approval, ratification, or other action of the President, the functions vested in the President by section 102(b) of the Act [section 1591a(b) of this title], relative to the suspension and relaxation of restrictions under the Defense Production Act of 1950, as amended [50 App. §§2061 to 2166].
4. Except, as provided in paragraph 5 hereof, the functions authorized by Title III of the Act [sections 1592 to 1592o of this title] to be performed with respect to or in furtherance of the provision, maintenance, or operation of community facilities for, and with respect to or in furtherance of the provision of community services for, recreation and child day-care centers are hereby transferred to the Federal Security Administrator and shall be performed by him or by such officers and units of the Federal Security Agency as he may determine.
5. There are hereby excluded from the transfers effected by paragraph 4 hereof (a) functions with respect to site selection and land acquisition for, and the construction (including the letting of construction contracts, the preparation and approval of plans and specifications, and the supervision of construction work and of expenditures therefor) of, projects approved by the Federal Security Administrator, whether such construction is performed on behalf of, or is aided by, the Federal Government, (b) the servicing of loans for the construction of projects so approved, and (c) the functions under the second and third provisos of section 304 of the Act [section 1592c of this title] and those under sections 103(a) and 103(b) of the Act [sections 1591a(a) and (b) of this title]; Provided, that (1), the Federal Security Administrator or his delegate shall determine the general layout, size, and special design features appropriate to the particular type of facility, and (2) that final plans and specifications shall conform to such determinations.
6. In the performance of functions with respect to roads and highways under the Act, the Housing and Home Finance Administrator shall from time to time consult with the Secretary of Commerce or his representative as to the relationship of road and highway projects under the said Act to road and highway programs under the jurisdiction of the said Secretary.
7. In the performance of functions under Title III of the Act [sections 1592 to 1592o of this title] in Territories there shall be consultation with the Secretary of the Interior or his representative as to the relationship of proposed facilities and services in Territories to Territorial programs of the Department of the Interior.
8. The Housing and Home Finance Administrator, in connection with the performance of the pertinent functions vested in him by Title III of the Act [sections 1592 to 1592o of this title], shall obtain the approval of the Surgeon General of the Public Health Service or his representative with respect to the public health aspects of sources of water supply developed, utilized, or aided by the said Administrator, and shall consult with the Surgeon General or his representative with respect to the public health aspects of water distribution systems and sewerage systems constructed or aided by the Administrator.
9. Subject to the consent of the Housing and Home Finance Administrator, the Surgeon General of the Public Health Service shall utilize the facilities and services of the Housing and Home Finance Agency for the performance of the following aspects of the functions conferred upon him by section 316 of the Act [section 1592q of this title]: (a) the construction by the Federal Government of projects approved by the Surgeon General (including the letting of construction contracts, the preparation or review of plans and specifications, and the supervision of construction work and expenditures therefor), (b) land acquisition for projects so constructed, and (c) the obtaining of construction required for the purpose of, and the furnishing of recommendations with respect to, (i) the findings provided for in sections 160(a) and 160(b) of the Act [sections 1591a(a) and (b) of this title], and (ii) the activities provided for in the second and third provisos of section 304 of the Act [section 1592c of this title]. The Surgeon
General shall pay the Housing and Home Finance Agency for such utilization, either in advance or otherwise, out of funds available to him for the performance of such functions.

10. Subject to the consent of the Federal Security Administrator, the Housing and Home Finance Administrator shall utilize the facilities and services of the Federal Security Agency in connection with the providing of library facilities under Title III of the Act [sections 1592 to 1592o of this title] in such manner that the division of work with respect to library facilities as between the Housing and Home Finance Administrator and the Federal Security Administrator will be the same as that with respect to recreation and child day-care center facilities as indicated in paragraphs 4 and 5 of this order. The Housing and Home Finance Administrator shall pay the Federal Security Administrator for such utilization, either in advance or otherwise, out of funds available to the Housing and Home Finance Administrator for the performance of the functions involved.

11. Paragraphs 9 and 10 shall not be construed as a limitation upon the Surgeon General or the Housing and Home Finance Administrator, as the case may be, with respect to utilization or delegation other than that referred to in such paragraphs and not inconsistent with the provisions of such paragraphs, respectively, or as divesting either the Surgeon General or the Administrator of any function conferred upon him by the Act.

12. As used in this order the term "functions" embraces duties, powers, responsibilities, authority, or discretion, and the term "perform" may be construed to mean "exercise".

§ 1592n. Definitions

As used in this subchapter, the following terms shall have the meanings respectively ascribed to them below, and, unless the context clearly indicates otherwise, shall include the plural as well as the singular number:

(a) "State" shall mean the several States, the District of Columbia, and Territories, and possessions of the United States.

(b) "Federal agency" shall mean any executive department or officer (including the President), independent establishment, commission, board, bureau, division, or office in the executive branch of the United States Government, or other agency of the United States, including corporations in which the United States owns all or a majority of the stock, directly or indirectly.

(c) "Community facility" shall mean waterworks, sewers, sewage, garbage and refuse disposal facilities, police and fire protection facilities, public sanitary facilities, works for treatment and purification of water, libraries, hospitals and other places for the care of the sick, recreational facilities, streets and roads, and day-care centers.

(d) "Community service" shall mean the maintenance and operation of facilities for health, refuse disposal, sewage treatment, recreation, water purification, and day-care centers, and the provision of fire-protection.

(e) "National defense" shall mean (1) the operations and activities of the armed forces, the Atomic Energy Commission, or any other Government department or agency directly or indirectly and substantially concerned with the national defense, (2) other operations and activities directly or indirectly and substantially concerned with the operations and activities of the armed forces and the Atomic Energy Commission, (3) activities in connection with the Mutual Defense Assistance Act of 1949, as amended, or (4) the provision of community facilities or services necessary to the health, safety, or public welfare of the inhabitants of a town or community which has been relocated as a result of the acquisition (through eminent domain or purchase in lieu thereof) of its former site by or on behalf of the Atomic Energy Commission for national-defense activities.

(f) "Nonprofit agency" shall mean any agency no part of the net earnings of which inures to the benefit of any private stockholder or individual.

(g) "Project" shall mean housing or community facilities acquired, developed, or constructed with financial assistance pursuant to this subchapter.

(h) "Veteran" shall mean a person, or the family of a person, who has served in the active military or naval service of the United States at any time (i) on or after September 16, 1940, and prior to July 26, 1947, (ii) on or after April 6, 1917, and prior to November 11, 1918, or (iii) on or after June 27, 1950, and prior to such date thereafter as shall be determined by the President, and who shall have been discharged or released therefrom under conditions other than dishonorable or who shall be still serving therein. The term shall also include the family of a person who served in the active military or naval service of the United States within any such period and who shall have died of causes determined by the Secretary of Veterans Affairs to have been service-connected.


REFERENCES IN TEXT

The Mutual Defense Assistance Act of 1949, referred to in subsec. (e), is act Oct. 6, 1949, ch. 626, 63 Stat. 714, as amended, which was classified generally to chapter 20 (§1571 et seq.) of Title 22, Foreign Relations and Assistance for Armed Forces Abroad, prior to its repeal by act Aug. 20, 1954, ch. 997, title V, §542(a)(5), (9) to (11), 68 Stat. 861. For complete classification of this Act to the Code, see Tables.

AMENDMENTS

1991—Subsec. (h). Pub. L. 102–54 substituted "Secretary of Veterans Affairs" for "Veterans' Administration".


Atomic Energy Commission abolished and functions transferred by sections 5814 and 5841 of this title. See also, Transfer of Functions notes set out under those sections.

§ 1592o. Powers of Surgeon General of Public Health Service

Notwithstanding any other provision of this subchapter, all functions, powers, and duties under this subchapter and section 1591b of this title with respect to health, refuse disposal, sewage treatment, and water purification shall be exercised by and vested in the Surgeon General of the Public Health Service: Provided, That the Surgeon General shall have power to delegate to any other Federal agency functions, powers, and duties with respect to construction.
(Sept. 1, 1951, ch. 378, title III, §316, 65 Stat. 310.)

TRANSFER OF FUNCTIONS


SUBCHAPTER X—DEVELOPMENT SITES FOR ISOLATED DEFENSE INSTALLATIONS

EXPIRATION DATE

For expiration of authority of Housing and Home Ad- ministrator to act under this subchapter, see section 1591c of this title.


Section 1593b, act Sept. 1, 1951, ch. 378, title IV, §403, 65 Stat. 310, related to payment of annual sums to local authorities in lieu of taxes.

Section 1593c, act Sept. 1, 1951, ch. 378, title IV, §404, 65 Stat. 311, related to use of Treasury moneys.

Section 1593d, act Sept. 1, 1951, ch. 378, title IV, §405, 65 Stat. 311, related to acquisition of land for privately financed defense housing.

§ 1593e. Housing of persons displaced by acquisition of property for defense installations or industries

Upon a finding by the Secretary of Housing and Urban Development that the acquisition of any real property for a defense installation or industry has resulted, or will result, in the displacement of persons from their homes on such property, he may (notwithstanding any other provision of this or any other law) issue regulations pursuant to which such persons may be permitted to occupy or purchase housing for which credit restrictions established pursuant to the Defense Production Act of 1950 [50 U.S.C. 4501 et seq.] have been relaxed or housing which has been provided or assisted under the provisions of this Act (including amendments to other Acts provided herein), subject to any conditions or requirements that he determines necessary for purposes of national defense.


REFERENCES IN TEXT

The Defense Production Act of 1950, referred to in text, is act Sept. 8, 1950, ch. 932, 64 Stat. 798, which is classified to chapter 55 (§4501 et seq.) of Title 50, War and National Defense. For complete classification of this Act to the Code, see Tables.

This Act and herein, referred to in text, mean act Sept. 1, 1951, ch. 378, 65 Stat. 293, as amended, known as the Defense Housing and Community Facilities and Services Act of 1951. For complete classification of this Act to the Code, see Short Title of 1951 Amendment note set out under section 1591 of this title and Tables.

TRANSFER OF FUNCTIONS

For transfer of functions to Secretary of Housing and Urban Development, see note set out under section 1581 of this title.

SUBCHAPTER XI—HOUSING FOR MILITARY PERSONNEL

§ 1594. Contracts for construction

(a) Contract provisions; competitive bids

The Secretary of Defense or his designee is authorized to enter into contracts with any eligible bidder to provide for the construction of urgently needed housing on lands owned or leased by the United States and situated on or near a military reservation or installation for the purpose of providing suitable living accommodations for military personnel of the armed services assigned to duty at the military installation at or in the area where the housing is situated. Any such contract shall provide that each housing unit in the project shall be placed under the control of the Secretary of Defense, or his designee, as soon as the unit is available for occupancy as determined by the Secretary of Housing and Urban Development. Any such contract shall also provide that, except for stock held by the Secretary of Housing and Urban Development, the capital stock of the mortgagor (where the mortgagor is a corporation) be transferred to the Secretary of Defense, or his designee, when the housing has been completed as determined by the Secretary of Housing and Urban Development. Any such contract shall contain such terms and conditions as the Secretary of Housing and Urban Development may determine to be necessary to protect the interests of the United States. Any such contract shall provide for the furnishing by the contractor of a performance bond and a payment bond with a surety or sureties satisfactory to the Secretary of Defense, or his designee, and the furnishing of such bonds shall be deemed a sufficient compliance with the provisions of section 3311 of title 40, and no additional bonds shall be required under such section. Before the Secretary of Defense shall enter into any contract as authorized by this section for the construction of housing, he shall invite the submission of competitive bids after advertising in the manner prescribed in section 2305 of title 10.

(b) "Eligible bidder" defined

For the purposes of this subchapter, the term "eligible bidder" means a person, partnership, firm, or corporation determined by the Secretary of Defense after consultation with the Secretary of Housing and Urban Development (1) to be qualified by experience and financial responsibility to construct housing of the type described in subsection (a) of this section, and (2) to have submitted the lowest acceptable bid.

(c) Acquisition of capital stock of property covered by mortgage

Notwithstanding any other provision of law, the Secretary of Defense or his designee is au-
authorized to acquire the capital stock of mortgagors holding property covered by a mortgage insured under title VIII of the National Housing Act as amended by the Housing Amendments of 1955 [12 U.S.C. 1748 et seq.], and to exercise the rights as holder of such capital stock during the life of such mortgage and, upon the termination of the mortgage, to dissolve the corporation; to guarantee the payment of notes or other legal instruments required by the Secretary of Housing and Urban Development of such mortgagors holding property covered by a mortgage in- sured under title VIII of the National Housing Act and indemnify the Armed Services Housing Mortgage Insurance Fund against loss in cases where so required. All housing facilities placed under the control of the Secretary of Defense pursuant to the provisions of this subchapter shall be deemed to be housing facilities under the jurisdiction of the military department to which they are assigned.

(d) Opinion as to title to property; guarantee; title search and title insurance

On request by the Secretary of Defense, the Attorney General shall furnish to the Secretary of Defense, or his designee, an opinion as to the sufficiency of title to any property on which it is proposed to construct housing, or on which housing has been constructed, under this section. If the opinion of the Attorney General is that the title to any such property is good and sufficient, the Secretary of Defense is authorized to guarantee, or enter into a commitment to guarantee, the mortgagee, under a mortgage on such property which is insured under title VIII of the National Housing Act [12 U.S.C. 1748 et seq.], against any losses that may thereafter arise from adverse claims to title. None of the proceeds of any mortgage loan hereafter insured under such title VIII shall be used for title search and title insurance costs: Provided, That if the Secretary of Defense, or his designee, determines in the case of any housing project, that the financing of the construction of such project is impossible unless title insurance is provided, the Secretary of Defense may provide for the payment of the reasonable costs necessary for obtaining title search and title insurance. Any payments by the Secretary of Defense hereunder shall be made from the revolving fund established under section 1594a(g) of this title. Any determination by the Secretary of Defense under the foregoing proviso shall be set forth in writing, together with the reasons therefor. The Committees on Armed Services of the Senate and House of Representatives shall be promptly notified of each such determination, and of the amount of any payment made by the Secretary of Defense for title search and title insurance costs.

(a) Purchase price

Whenever the Secretary of Defense or his designee deems it necessary for the purpose of this subchapter, he may acquire, by purchase, donation, condemnation, or other means of transfer, any land or (with the approval of the Secretary of Housing and Urban Development) (1) any housing financed with mortgages insured under title VIII of the National Housing Act [12 U.S.C. 1748 et seq.] as in effect prior to August 11, 1955, (2) any housing situated adjacent to a military installation which was (A) completed prior to July 1, 1952, (B) certified by the Department of Defense, prior to construction, as being necessary to meet an existing military family housing need and considered as military housing by the Secretary of Housing and Urban Development, and (C) financed with mortgages insured under section 207 of the National Housing Act [12 U.S.C. 1713], or (3) any housing situated on or adjacent to a military installation which was (A) completed prior to July 1, 1952, (B) consid-
ered by the Department of Defense, prior to con-
struction, as being necessary to meet an exist-
ning military family housing need and considered
as military housing by the Secretary of Housing
and Urban Development, and (C) financed with
mortgages insured under section 906 of the Na-
tional Housing Act [12 U.S.C. 1743], including ad-
jacent property constructed primarily to pro-
vide commercial facilities for the occupants of
such housing. The purchase price of any such
housing shall not exceed the Secretary of Hous-
ing and Urban Development’s estimate of the re-
placement cost of such housing and related
property (not including the value of any im-
provements installed or constructed with appro-
priated funds) as of the date of final endorse-
ment for mortgage insurance reduced by an ap-
propriate allowance representing the estimated
cost of repairs and replacements necessary to re-
store the property to sound physical condition,
as determined by the Secretary of Defense or his
designee upon the advice of the Secretary of
Housing and Urban Development; Provided, That
in any case where the Secretary of Defense or
his designee acquires a project held by the Sec-
retary of Housing and Urban Development, the
price paid shall not exceed the face value of the
debentures (plus accrued interest thereon) which
are funded and insured as military housing by the
Department of Defense, or any other Fed-
eral agency. The amount of such deposit in any
case where the sponsor or owner has not cer-
tified the cost of the project to the Secretary of
Housing and Urban Development at August 18,
1959, shall be determined by the Secretary of De-
fense, or his designee, in accordance with sec-
ctions 3114 to 3116 and 3118 of title 40, with a view
toward accurately estimating the equity of the
sponsor or owner: Provided, That in the event
there is withdrawn from the registry of the
property involved by negotiation. In any such
condemnation proceedings, and in the interests
of expedition, the issue of just compensation
may be determined by a commission of three
qualified, disinterested persons to be appointed
by the court. Any commission appointed here-
under shall give full consideration to all ele-
ments of value in accordance with existing law,
and shall have the powers of a master provided
in subdivision (c) of rule 53 of the Federal Rules
of Civil Procedure and proceedings before it
shall be governed by the provisions of para-
graphs (1) and (2) of subdivision (d) of such rule.
Its action and report shall be determined by a
majority and its findings and report shall have
the effect, and be dealt with by the court in ac-
cordance with the practice prescribed in para-
graph (2) of subdivision (e) of such rule. Trial of
all issues, other than just compensation, shall
be by the court.

(2) In any condemnation proceedings insti-
tuted to acquire any such housing, or interest
therein, the court shall not order the party in
possession to surrender possession in advance of
final judgment unless a declaration of taking
has been filed, and a deposit of the amount de-
termined to be just compensation has been made,
under section 3114(a) to (d) of title 40. The
amount of such deposit for the purpose of this
section shall not in any case be less than an
amount equal to the actual cost of the housing
(not including the value of any improvements
installed or constructed with appropriated
funds) as certified by the sponsor or owner of the
project to the Secretary of Housing and Urban
Development pursuant to any statute or any
regulations issued by the Secretary of Housing
and Urban Development, reduced by the amount
of the principal obligation of the mortgage out-
standing at the time possession is surrendered,
but any such deposit shall not include any ex-
cess mortgage proceeds or “windfalls,” kick-
backs and rebates received in connection with
the construction of said housing as deter-
mined by the Secretary of Defense, or any other Fed-
eral agency. The amount of such deposit in any
case where the sponsor or owner has not cer-
tified the cost of the project to the Secretary of
Housing and Urban Development at August 18,
1959, shall be determined by the Secretary of De-
fense, or his designee, in accordance with sec-
ctions 3114 to 3116 and 3118 of title 40, with a view
toward accurately estimating the equity of the
sponsor or owner: Provided, That in the event
there is withdrawn from the registry of the
court by the owner or sponsor a sum of money
in excess of the final award of just compensa-
tion, this excess shall be repaid to the United
States plus a sum equal to 4 per centum per
annum on such excess from the time such sum is
deposited in the registry of the court: Provided
further, That any court in which money is depos-
it as provided in this section shall require the
furnishing of security by the owner to protect
the United States from any loss by reason of a
final award of just compensation of less than the
amount deposited: And provided further, That the
deposit required to be made by this section shall
be without prejudice to any party in the deter-
mination of just compensation. Unless title is in
dispute, the court, upon application and subject
to the foregoing provisions of this subsection,
shall promptly pay to the owner at least 75 per
centum of the amount so deposited, but such
payment shall be made without prejudice to any
party to the proceeding. In the event that con-
demnation proceedings are instituted in accord-
ance with procedures under sections 3114 to 3116
and 3118 of title 40, the court shall order that the
amount deposited shall be paid in a lump sum or
over a period not exceeding five years in accord-
dance with stipulations executed by the parties
in the proceedings. In connection with con-
demnation proceedings which do not utilize the
procedures under such sections, the Secretary of
Defense or his designee, after final judgment of
the court, may pay or agree to pay in a lump sum or,
in accordance with stipulations exe-
cuted by the parties to the proceedings, over a
period not exceeding five years the difference
between the outstanding principal obligation,
plus accrued interest, and the price for the property fixed by the court. Unless such payment is made in a lump sum, the unpaid balance thereof shall bear interest at the rate of 4 per centum per annum.

(d) Occupancy; use, or improvement of property before approval of title

Property acquired under this section may be occupied, used, and improved for the purposes of this section prior to the approval of title by the Attorney General as required by sections 3111 and 3112 of title 40.

(e) Release of accrual requirements for replacement, taxes, and hazard insurance reserves

The Secretary of Defense or his designee may, in the case of any housing acquired or to be acquired under this section, make arrangements with the mortgagee whereby such mortgage will agree to release and waive all requirements of accruals for reserves for replacement, taxes, and hazard insurance provided for under the corporate charter and indenture agreement with respect to such housing, upon the execution of a written agreement by the Secretary or his designee that the purposes for which such reserves and other funds were accrued will be carried out.

(f) Use as public quarters or lease of housing

Any housing acquired under this section may be (1) assigned as public quarters to military personnel and their dependents; or (2) leased to military and civilian personnel for occupancy by them and their dependents, upon such terms and conditions as will in the judgment of the Secretary of Defense or his designee be in the best interest of the United States, without loss to military personnel of their basic allowance for quarters or appropriate allotments.


REFERENCES IN TEXT

The National Housing Act, referred to in subsec. (a), is act June 27, 1934, ch. 847, 48 Stat. 1246, as amended. Title VIII of the National Housing Act is classified generally to subchapter VIII (§1748 et seq.) of chapter 13 of Title 12, Banks and Banking. For complete classification of this Act to the Code, see section 1701 of Title 12 and Tables.

CODIFICATION


AMENDMENTS

1967—Subsec. (a). Pub. L. 90-19, §12(e)-3, (b)(4), substituted “Secretary of Housing and Urban Development” for “Federal Housing Commissioner” wherever appearing in first sentence, “Secretary of Housing and Urban Development’s” for “Federal Housing Commissioner’s”, “Secretary of Housing and Urban Development” for “Commissioner” wherever appearing in second sentence, and “Secretary of Defense” for “Secretary” in proviso, respectively.

Subsec. (c)(2). Pub. L. 90-19, §12(e)(1), (h)(5), substituted “Secretary of Housing and Urban Development” for “Federal Housing Commissioner” wherever appearing and “Secretary of Defense” for “Secretary” in penultimate sentence, respectively.

Subsec. (e). Pub. L. 90-19, §12(h)(6), substituted “Secretary of Defense” for “Secretary”.

1964—Subsec. (a). Pub. L. 88-560 authorized acquisition of housing on or adjacent to a military installation completed prior to July 1, 1962, considered necessary to meet existing military family need, considered military housing by the Federal Housing Commissioner, and financed with mortgages insured under section 608 of the National Housing Act, including adjacent property constructed primarily to provide commercial facilities for the occupants of such housing.

1962—Subsec. (f). Pub. L. 87-554 struck out provision for deposit in the revolving fund of amounts equal to the quarters allowances or appropriate allotments of military personnel to whom housing is assigned as public quarters and rental charges for leasing of housing to military and civilian personnel.

Subsec. (g). Pub. L. 87-554 repealed subsec. (g) creating the revolving fund, enumerating uses of the fund and requiring the deposit in the fund of specified quarters allowances or allotments, rental charges and savings realized in operation of housing.

Subsec. (h). Pub. L. 87-554 repealed subsec. (h) requiring the establishment of the revolving fund on the books of the Treasury Department, limiting appropriation authorization for revolving fund capital to $50,000,000 and permitting the transfer of certain funds to provide adequate capital for the fund.

1959—Subsec. (a). Pub. L. 86-372, §702(a), authorized acquisition of any housing situated adjacent to a military installation which was completed prior to July 1, 1952, certified by the Department of Defense, prior to construction, as being necessary to meet an existing military family need, considered military housing by the Federal Housing Commissioner, and financed with mortgages insured under section 207 of the National Housing Act.

Subsec. (b). Pub. L. 86-372, §702(b), substituted “any housing described in clause (1) or (2) of subsection (a) of this section” for “any housing constructed under the mortgage insurance provisions of sections 1748 to 1748h of title 12 (as in effect prior to Aug. 11, 1958)”.

Subsec. (c)(2). Pub. L. 86-372, §701, required the amount of the deposit in any case where the sponsor or owner has not certified the cost of the project to be determined with a view toward accurately estimating the equity of the sponsor or owner.

Pub. L. 86-149 required the amount of the deposit to be not less than an amount equal to the actual cost of the housing as certified reduced by the amount of the principal obligation of the mortgage outstanding at the time possession is surrendered, provided for determination of amount of deposit in cases where cost has not been certified, and required payment of 4 percent interest where money has been withdrawn in excess of final award of just compensation.

1958—Subsec. (c). Pub. L. 85-685 inserted provisions authorizing issue of just compensation to be determined by a commission of three qualified, disinterested persons to be appointed by the court, prescribing its powers, relating to its action and report, and requiring
trial of all issues, other than just compensation, to be by the court.

1957—Subsec. (a). Pub. L. 85-104 substituted "representing the estimated cost of repairs and replacement necessary to restore the property to sound physical condition" for "for physical depreciation".

1956—Act Aug. 7, 1956, designated existing provisions as subsecs. (a), (c), and (d), and added subsecs. (b) and (e) to (h).

Act Aug. 3, 1956, limited purchase price of housing to Commissioner's estimate of replacement cost of such housing and related property as of date of final endorsement for mortgage insurance reduced by an appropriate allowance for depreciation, and limited price of any project held by Commissioner to face value of debentures, plus accrued interest, which the Commissioner issued in acquiring the project.

**REPEALS**


**AMENDMENTS**

1956—Act Aug. 7, 1956, substituted "$21,000,000" for "$9,000,000".

**TRANSFER OF FUNCTIONS**

For transfer of authorities, functions, personnel, and assets of the Coast Guard, including the authorities and functions of the Secretary of Transportation relating thereto, to the Department of Homeland Security, and for treatment of related references, see sections 468(b), 551(d), 552(d), and 557 of Title 6, Domestic Security, and the Department of Homeland Security Reorganization Plan of November 25, 2002, as modified, set out as a note under section 521 of Title 6.

**§ 1594c. Services of architects and engineers; use of appropriations; acquisition of sites**

Whenever the Secretary of Defense or his designee determines that it is desirable in order to effectuate the purposes of this title, the Secretary is authorized, without regard to the civil service and classification laws, to procure, by negotiation or otherwise, the services of architects and engineers, or organizations thereof, under such arrangements as he deems desirable, but at an expense not in excess of that permissible under the schedule of fees allowed from time to time by the Secretary of Housing and Urban Development in connection with projects assisted under the United States Housing Act of 1937, as amended (42 U.S.C. 1437 et seq.). Such services may include the development of plans, drawings and specifications for family housing under this title and other services in connection therewith: Provided, That such plans, drawings, and specifications may include the use of any project to be constructed under this subchapter of alternate materials or alternate types of construction, including prefabrication, that provide substantially equal value and conform to standards established by the Secretary of Housing and Urban Development: Provided further, That such plans, drawings, and specifications, when developed pursuant to arrangements made under this section after August 7, 1956, shall follow the principle of modular measure, in order that the housing may be built by conventional construction, on-site fabrication, factory precutting, factory fabrication, or any combination of these construction methods: Provided further, That the Secretary of Defense may designate certain sites or parts thereof for family housing to be furnished from prefabricated houses or housing components. Such arrangements may include provision for advance or progress payments, for payment by third parties, for payment by the Government of any such compensation as it not paid for by third parties, and shall include provision for reimbursement by third parties to the Government of any compensation or other expenses paid by the Government pursuant to this section, and may include other provisions for compensation. Any public works appropriations now or hereafter available to the Departments of the Army, Navy, or Air Force or the Coast Guard may be obligated by the respective departments or the Coast Guard for these purposes. Reimbursements to the Government on
account of payments made pursuant to this section shall be made to appropriations against which such payments were charged. The Secretary of Defense is further authorized to advance or pay to the Department of Housing and Urban Development and the Federal National Mortgage Association its "Appraisal and Eligibility Statement" fees in connection with such family housing. The Secretary of Defense is further authorized to enter into arrangements by contract or otherwise for eventual acquisition by the Government, without cost to the Government of all right, title, and interest in sites on which housing is constructed pursuant to this title and improvements thereon.


REFERENCES IN TEXT

This title, referred to in text, means title IV of act Aug. 11, 1955, ch. 783, 69 Stat. 646, which enacted sections 1594 and 1594a, 1594b to 1594f of this title, amended sections 1720, 1746, and 1748a to 1748g of Title 12, Banks and Banking, and enacted provisions set out as a note under section 1748 of Title 12. For complete classification of this Act to the Code, see Tables.

The United States Housing Act of 1937, referred to in text, is act Sept. 1, 1937, ch. 896, as revised generally by Pub. L. 93–383, title II, § 201(a), Aug. 22, 1974, 88 Stat. 653, which is classified generally to chapter 15 (§ 1441 et seq.) of this title. For complete classification of this Act to the Code, see Short Title note set out under section 1594 of Title 12 and Tables.

AMENDMENTS

1967—Pub. L. 90–19 substituted "Secretary of Housing and Urban Development" and "Department of Housing and Urban Development" for "Public Housing Administration" and "Federal Housing Administration" in first sentence and first proviso and for "Federal Housing Administration" in penultimate sentence and "Secretary of Defense" for "Secretary" in third proviso and last two sentences, respectively.

1966—Act Aug. 7, 1966, inserted second proviso requiring plans, drawings, and specifications to follow the principle of modular measure, so the housing may be built by conventional construction, on-site fabrication, factory pre-cutting, factory fabrication, or any combination of these construction methods.

TRANSFER OF FUNCTIONS

For transfer of authorities, functions, personnel, and assets of the Coast Guard, including the authorities and functions of the Secretary of Transportation relating thereto, to the Department of Homeland Security, and for treatment of related references, see sections 406(b), 551(d), 552(d), and 557 of Title 6, Domestic Security, and the Department of Homeland Security Reorganization Plan of November 25, 2002, as modified, set out as a note under section 542 of Title 6.


TRANSFER OF FUNCTIONS

For transfer of authorities, functions, personnel, and assets of the Coast Guard, including the authorities and functions of the Secretary of Transportation relating thereto, to the Department of Homeland Security, and for treatment of related references, see sections 406(b), 551(d), 552(d), and 557 of Title 6, Domestic Security, and the Department of Homeland Security Reorganization Plan of November 25, 2002, as modified, set out as a note under section 542 of Title 6.


TRANSFER OF FUNCTIONS

For transfer of authorities, functions, personnel, and assets of the Coast Guard, including the authorities and functions of the Secretary of Transportation relating thereto, to the Department of Homeland Security, and for treatment of related references, see sections 406(b), 551(d), 552(d), and 557 of Title 6, Domestic Security, and the Department of Homeland Security Reorganization Plan of November 25, 2002, as modified, set out as a note under section 542 of Title 6.


TRANSFER OF FUNCTIONS

For transfer of authorities, functions, personnel, and assets of the Coast Guard, including the authorities and functions of the Secretary of Transportation relating thereto, to the Department of Homeland Security, and for treatment of related references, see sections 406(b), 551(d), 552(d), and 557 of Title 6, Domestic Security, and the Department of Homeland Security Reorganization Plan of November 25, 2002, as modified, set out as a note under section 542 of Title 6.


TRANSFER OF FUNCTIONS

For transfer of authorities, functions, personnel, and assets of the Coast Guard, including the authorities and functions of the Secretary of Transportation relating thereto, to the Department of Homeland Security, and for treatment of related references, see sections 406(b), 551(d), 552(d), and 557 of Title 6, Domestic Security, and the Department of Homeland Security Reorganization Plan of November 25, 2002, as modified, set out as a note under section 542 of Title 6.


TRANSFER OF FUNCTIONS

For transfer of authorities, functions, personnel, and assets of the Coast Guard, including the authorities and functions of the Secretary of Transportation relating thereto, to the Department of Homeland Security, and for treatment of related references, see sections 406(b), 551(d), 552(d), and 557 of Title 6, Domestic Security, and the Department of Homeland Security Reorganization Plan of November 25, 2002, as modified, set out as a note under section 542 of Title 6.


TRANSFER OF FUNCTIONS

For transfer of authorities, functions, personnel, and assets of the Coast Guard, including the authorities and functions of the Secretary of Transportation relating thereto, to the Department of Homeland Security, and for treatment of related references, see sections 406(b), 551(d), 552(d), and 557 of Title 6, Domestic Security, and the Department of Homeland Security Reorganization Plan of November 25, 2002, as modified, set out as a note under section 542 of Title 6.


TRANSFER OF FUNCTIONS

For transfer of authorities, functions, personnel, and assets of the Coast Guard, including the authorities and functions of the Secretary of Transportation relating thereto, to the Department of Homeland Security, and for treatment of related references, see sections 406(b), 551(d), 552(d), and 557 of Title 6, Domestic Security, and the Department of Homeland Security Reorganization Plan of November 25, 2002, as modified, set out as a note under section 542 of Title 6.

§ 1594f. Net floor area limitations

In the construction of housing under the authority of this title and title VIII of the National Housing Act, as amended [12 U.S.C. 1748 et seq.], the maximum limitations on net floor area for each unit shall be the same as the net floor area limitations prescribed by law (at the time plans and specifications for such construction are begun) for public quarters built with appropriated funds under military construction authority.


REFERENCES IN TEXT

This title, referred to in text, means title IV of act Aug. 11, 1955, ch. 783, 69 Stat. 646, as amended, which enacted sections 1720, 1748, and 1748a to 1748g of Title 12, Banks and Banking, and enacted provisions set out as a note under section 1748 of Title 12.

The National Housing Act, referred to in text, is act June 27, 1934, ch. 454, 48 Stat. 784, as amended. Title VIII of the National Housing Act is classified generally to subchapter VIII (§§ 1748 et seq.) of chapter 13 of Title 12, Banks and Banking.

For complete classification of this Act to the Code, see section 1701 of Title 12 and Tables.

AMENDMENTS

1957—Pub. L. 85–104 substituted “limitations prescribed by law (at the time plans and specifications for such construction are begun) for public quarters built with appropriated funds under military construction authority” for “permanent limitations prescribed in the second, third, and fourth provisos of section 3 of the act of June 12, 1948 (62 Stat. 375), or section 3 of the act of June 16, 1948 (62 Stat. 459), other than the first, second, and third provisos thereof”.


Section, act Aug. 3, 1956, ch. 939, title IV, § 419, 70 Stat. 1918, related to conditions precedent to entering into contracts for construction or acquisition of family housing units by or for the use of military or civilian personnel of any of the military services.

EFFECTIVE DATE OF REPEAL


EFFECTIVE DATE OF REPEAL

Repeal effective Oct. 1, 1982, and applicable to military construction projects, and to construction and acquisition of military family housing before, on, or after such date, see section 12(a) of Pub. L. 97–214, set out as an Effective Date note under section 2801 of Title 10, Armed Forces.


SAVINGS PROVISION

Pub. L. 97–214, § 9(b), July 12, 1982, 96 Stat. 174, provided that: “The Secretary of Defense may continue in effect any agreement guaranteeing rental returns to builders or other sponsors in foreign countries, and limitation on amount, period, and unit limitation of such guarantee.”

CHAPTER 10—FEDERAL SECURITY AGENCY

§§ 1601, 1602. Transferred

CODIFICATION

Section 1601, act May 9, 1941, ch. 97, 55 Stat. 184; 1953 Reorg. Plan No. 1, §§ 5, 8, eff. Apr. 11, 1953, 18 F.R. 2053,
§ 1603. Omitted

Codification

Section, acts July 13, 1943, ch. 221, title II, § 1, 57 Stat. 513; June 28, 1944, ch. 302, title II, § 201, 58 Stat. 566; July 13, 1944, ch. 221, title II, § 1, 58 Stat. 566; July 3, 1945, ch. 283, title II, § 201, 59 Stat. 376; July 26, 1946, ch. 672, title II, § 201, 60 Stat. 697; July 8, 1947, ch. 210, title II, § 201, 61 Stat. 276, which authorized the Secretary of the Treasury to transfer to constituent organizations of the Federal Security Agency requested amounts from appropriations for traveling expenses and printing and binding, Federal Security Agency, and to retransfer to such appropriations, was not repeated in subsequent appropriation acts.

CHAPTER 11—COMPENSATION FOR DISABILITY OR DEATH TO PERSONS EMPLOYED AT MILITARY, AIR, AND NAVAL BASES OUTSIDE UNITED STATES

Sec.

1651. Compensation authorized.
1652. Computation of benefits; application to aliens and nonnationals.
1653. Compensation districts; judicial proceedings.
1654. Persons excluded from benefits.

§ 1651. Compensation authorized

(a) Places of employment

Except as herein modified, the provisions of the Longshore and Harbor Workers’ Compensation Act, approved March 4, 1927 (44 Stat. 1424), as amended [33 U.S.C. 901 et seq.], shall apply in respect to the injury or death of any employee engaged in any employment—

(1) at any military, air, or naval base acquired after January 1, 1940, by the United States from any foreign government; or

(2) upon any lands occupied or used by the United States for military or naval purposes in any Territory or possession outside the continental United States (including the United States Naval Operating Base, Guantanamo Bay, Cuba; and the Canal Zone); or

(3) upon any public work in any Territory or possession outside the continental United States (including the United States Naval Operating Base, Guantanamo Bay, Cuba; and the Canal Zone), if such employee is engaged in employment at such place under the contract of a contractor (or any subcontractor or subordinate subcontractor with respect to the contract of such contractor) with the United States; but nothing in this paragraph shall be construed to apply to any employee of a contractor or subcontractor who is engaged exclusively in furnishing materials or supplies under his contract;

(4) under a contract entered into with the United States or any executive department, independent establishment, or agency thereof (including any corporate instrumentality of the United States), or any subcontract, or subordinate contract with respect to such contract, where such contract is to be performed outside the continental United States and at places not within the areas described in subparagraphs (1)–(3) of this subdivision, for the purpose of engaging in public work, and every such contract shall contain provisions requiring that the contractor (and subcontractor or subordinate contractor with respect to such contract) (1) shall, before commencing performance of such contract, provide for securing to or on behalf of employees engaged in such public work under such contract the payment of compensation and other benefits under the provisions of this chapter, and (2) shall maintain in full force and effect during the term of such contract, subcontract, or subordinate contract, or while employees are engaged in work performed thereunder, the said security for the payment of such compensation and benefits, but nothing in this paragraph shall be construed to apply to any employee of such contractor or subcontractor who is engaged exclusively in furnishing materials or supplies under his contract;

(5) under a contract approved and financed by the United States or any executive department, independent establishment, or agency thereof (including any corporate instrumentality of the United States), or any subcontract or subordinate contract with respect to such contract, where such contract is to be performed outside the continental United States, under the Mutual Security Act of 1954, as amended (other than title II of chapter II thereof unless the Secretary of Labor, upon the recommendation of the head of any department or other agency of the United States, determines a contract financed under a successor provision of any successor Act should be covered by this section), and not otherwise within the coverage of this section, and every such contract shall contain provisions requiring that the contractor (and subcontractor or subordinate contractor with respect to such contract) (A) shall, before commencing performance of such contract, provide for securing to or on behalf of employees engaged in work under such contract the payment of compensation and other benefits under the provisions of this chapter, and (B) shall maintain in full force and effect during the term of such contract, subcontract, or subordinate contract, or while employees are engaged in work performed thereunder, the said security for the payment of such compensation and benefits, but nothing in this paragraph shall be construed to apply to any employee of such contractor or subcontractor who is engaged exclusively in furnishing materials or supplies under his contract;

(6) outside the continental United States by an American employer providing welfare or similar services for the benefit of the Armed Forces pursuant to appropriate authorization by the Secretary of Defense, irrespective of the place where the injury or death occurs, and shall include any injury or
death occurring to any such employee during transportation to or from his place of employment, where the employer or the United States provides the transportation or the cost thereof.

(b) Definitions
As used in this section—

(1) the term “public work” means any fixed improvement or any project, whether or not fixed, involving construction, alteration, removal or repair for the public use of the United States or its allies, including but not limited to projects or operations under service contracts and projects in connection with the national defense or with war activities, dredging, harbor improvements, dams, roadways, and basing, as well as preparatory and ancillary work in connection therewith at the site or on the project;

(2) the term “allies” means any nation with which the United States is engaged in a common military effort or with which the United States has entered into a common defensive military alliance;

(3) the term “war activities” includes activities directly relating to military operations;

(4) the term “continental United States” means the States and the District of Columbia.

(c) Liability as exclusive
The liability of an employer, contractor (or any subcontractor or subordinate subcontractor with respect to the contract of such contractor) under this chapter shall be exclusive and in place of all other liability of such employer, contractor, subcontractor, or subordinate contractor to his employees (and their dependents) coming within the purview of this chapter, under the workman’s compensation law of any State, Territory, or other jurisdiction, irrespective of the place where the contract of hire of any such employee may have been made or entered into.

(d) “Contractor” defined
As used in this section, the term “contractor” means any individual, partnership, corporation, or association, and includes any trustee, receiver, assignee, successor, or personal representative thereof, and the rights, obligations, liability, and duties of the employer under such Longshore and Harbor Workers’ Compensation Act [33 U.S.C. 901 et seq.] shall be applicable to such contractor.

(e) Contracts within section; waiver of application of section
The liability under this chapter of a contractor, subcontractor, or subordinate contractor engaged in public work under subparagraphs (3) and (4), subdivision (a) of this section, and the conditions set forth therein, shall become applicable to contracts and subcontracts hereafter entered into but not completed at August 16, 1941, and the liability under this chapter of a contractor, subcontractor, or subordinate contractor engaged in performance of contracts, subcontracts, or subordinate contracts specified in subparagraph (5), subdivision (a) of this section, and the conditions set forth therein, shall hereafter be applicable to the remaining terms of such contracts, subcontracts, and subordinate contracts entered into prior to but not completed on the date of enactment of any successor Act to the Mutual Security Act of 1954, as amended, and contracting officers of the United States are authorized to make such modifications and amendments of existing contracts as may be necessary to bring such contracts into conformity with the provisions of this chapter. No right shall arise in any employee or his dependent under subparagraphs (3) and (4) of subdivision (a) of this section, prior to two months after the approval of this chapter. Upon the recommendation of the head of any department or other agency of the United States, the Secretary of Labor, in the exercise of his discretion, may waive the application of this section with respect to any contract, subcontract, contract, or subordinate contract, work location under such contracts, or classification of employees. Upon recommendation of any employer referred to in paragraph (6) of subsection (a) of this section, the Secretary of Labor may waive the application of this section to any employee or class of employees of such employer, or to any place of employment of such an employee or class of employees.

(f) Liability to prisoners of war and protected persons
The liability under this chapter of a contractor, subcontractor, or subordinate contractor engaged in public work under paragraphs (1), (2), (3), and (4) of subsection (a) of this section or in any work under paragraph (5) of subsection (a) of this section does not apply with respect to any person who is a prisoner of war or a protected person under the Geneva Conventions of 1949 and who is detained or utilized by the United States.


REFERENCES IN TEXT
The Longshore and Harbor Workers’ Compensation Act, referred to in subsec. (a) and (d), is act Mar. 4, 1927, ch. 509, 44 Stat. 1424, as amended, which is classified generally to chapter 18 (§ 901 et seq.) of Title 33, Navigation and Navigable Waters. For complete classification of this Act to the Code, see section 901 of Title 33 and Tables.

For definition of Canal Zone, referred to in subsec. (a)(2), (3), see section 3662(b) of Title 22, Foreign Relations and Intercourse.

was principally classified to chapter 24 (\$1750 et seq.) of Title 22, and which was repealed by acts July 18, 1956, ch. 627, \$8(m), 70 Stat. 539; Aug. 14, 1957, Pub. L. 85-141, \$52(a)(2), 71 Stat. 373, July 24, 1959, Pub. L. 86-108, ch. II, \$205(c), ch. IV, \$401, 73 Stat. 250; May 14, 1960, Pub. L. 86-472, ch. II, \$203(d), 204(c), 74 Stat. 138; Sept. 4, 1961, Pub. L. 87-195, pt. III, \$422(a)(2), 75 Stat. 460; June 30, 1976, Pub. L. 94-129, title II, \$212(b)(1), 90 Stat. 745; Apr. 4, 1996, Pub. L. 104-127, title II, \$228, 110 Stat. 963, except for sections 1754, 1753, 1796, 1853, 1928, 75 Stat. 356; July 24, 1959, Pub. L. 86-70, \$401(d), substituted provisions making liability of a contractor, subcontractor, or subordinate contractor inapplicable with respect to persons who are prisoners of war or protected persons and who are detained or utilized by the United States for provisions which made liability inapplicable with respect to employees not citizens of the United States who incurred an injury or death resulting in death subsequent to June 30, 1963. Pub. L. 85-477, \$502(a)(3), inserted "or any work under subparagraph (5) of subsection (a) of this section" before "shall not apply". Prior to amendment section read as follows: "Except as herein modified, the provisions of sections 901-921, 922-950 of title 33, as amended, and as the same may be amended hereafter, shall apply in respect to the injury or death of any employee engaged in any employment at any military, air, or naval base acquired after January 1, 1949, by the United States from any foreign government or any lands occupied or used by the United States for military or naval purposes in any territory or possession outside the continental United States, including Alaska, Guantanamo, and the Philippine Islands, but excluding the Canal Zone, irrespective of the place where the injury or death occurs." 

**Effective Date of 1964 Amendment**

Amendment by Pub. L. 85-837 effective Sept. 28, 1964, see section 28(e)(1) of Pub. L. 86-426, set out as a note under section 901 of Title 33, Navigation and Navigable Waters.

**Effective Date of 1959 Amendment**

Pub. L. 86-70, \$47(g), June 25, 1959, 73 Stat. 154, provided that: "The amendments in sections 40 and 42 [amending this section and sections 1701, 1704, and 1711 of this title] shall take effect when enacted [June 25, 1959]: Provided, however, That with respect to injuries or deaths occurring on or after January 3, 1959, and prior to the effective date of these amendments, claims filed by employees engaged in the State of Alaska in any of the employments covered by the Defense Base Act [this chapter] (and their dependents) may be adjudicated under the Workmen's Compensation Act of Alaska instead of the Defense Base Act."

**Effective Date of 1958 Amendment**

Pub. L. 85-608, title IV, \$602, Aug. 8, 1958, 72 Stat. 539, provided that: "The effective date of this Act [amending this section, sections 1701, 1702, 1704, 1711, and 1716 of this title, and sections 751 and 790 of former Title 5, Executive Departments and Government Officers and Employees, repealing section 801 of former Title 5, and enacting provisions set out as notes under this section and section 1701 of this title] is June 30, 1958. Persons are entitled to the benefits of this Act notwithstanding the fact that an injury, disability, or death occurred after June 30, 1958, and before the date of enactment of this Act [Aug. 8, 1958]."

**Short Title**

Section 5 of act Aug. 16, 1941, as added by Pub. L. 85-608, title II, \$262, Aug. 8, 1958, 72 Stat. 538, provided that: "This Act [enacting this chapter] may be cited as the "Defense Base Act"."

**Repeals**

Pub. L. 87-185, pt. IV, \$701, Sept. 4, 1961, 75 Stat. 463, cited as a credit to this section, was repealed by Pub. L. 87-565, pt. IV, \$401, Aug. 1, 1962, 76 Stat. 263, except as insofar as section 701 affected this section.
§ 1652. Computation of benefits; application to aliens and nonnationals

(a) The minimum limit on weekly compensation for disability, established by section 906(b) of title 33, and the minimum limit on the average weekly wages on which death benefits are to be computed, established by section 909(e) of title 33, shall not apply in computing compensation and death benefits under this chapter.

(b) Compensation for permanent total or permanent partial disability under section 908(c)(21) of title 33, or for death under this chapter to aliens and nonnationals of the United States not residents of the United States or Canada shall be in the same amount as provided for residents, except that dependents in any foreign country shall be limited to surviving wife and child or children, or if there be no surviving wife or child or children, to surviving father or mother whom the employee has supported, either wholly or in part, for the period of one year immediately prior to the date of the injury, and except that the Secretary of Labor may, at his option or upon the application of the insurance carrier shall, commute all future installments of compensation to be paid to such aliens or nonnationals of the United States by paying or causing to be paid to them one-half of the commuting amount of such future installments of compensation as determined by the Secretary.


AMENDMENTS

1984—Subsecs. (a), (b). Pub. L. 98–426 substituted references to sections of the Longshore and Harbor Workers’ Compensation Act for sections of the Longshoremen’s and Harbor Workers’ Compensation Act, which references have been translated to sections of title 33, thus requiring no change in text.


TRANSFER OF FUNCTIONS

“Secretary of Labor” and “Secretary” substituted for “Federal Security Administrator” and “Administrator”, respectively, in subsec. (b), pursuant to Reorg. Plan No. 19 of 1950, § 1, eff. May 24, 1950, 15 F.R. 3178, 64 Stat. 1271, which transferred functions of Federal Security Administrator to Secretary of Labor.


§ 1653. Compensation districts; judicial proceedings

(a) The Secretary of Labor is authorized to extend compensation districts established under the Longshore and Harbor Workers’ Compensation Act, approved March 4, 1927 (44 Stat. 1424) [33 U.S.C. 901 et seq.], or to establish new compensation districts, to include any area to which this chapter applies; and to assign to each such district one or more deputy commissioners, as the Secretary may deem necessary.

(b) Judicial proceedings provided under sections 18 and 21 of the Longshore and Harbor Workers’ Compensation Act [33 U.S.C. 918, 921] in respect to a compensation order made pursuant to this chapter shall be instituted in the United States district court of the judicial district wherein is located the office of the deputy commissioner whose compensation order is involved if his office is located in a judicial district, and if not so located, such judicial proceedings shall be instituted in the judicial district nearest the base at which the injury or death occurs.


REFERENCES IN TEXT

The Longshore and Harbor Workers’ Compensation Act, referred to in text, is act Mar. 4, 1927, ch. 509, 44 Stat. 1424, as amended, which is classified generally to chapter 18 (§ 901 et seq.) of Title 33, Navigation and Navigable Waters. For complete classification of this Act to the Code, see section 901 of Title 33 and Tables.

AMENDMENTS


EFFECTIVE DATE OF 1984 AMENDMENT


TRANSFER OF FUNCTIONS

“Secretary of Labor” and “Secretary” substituted for “Federal Security Administrator” and “Administrator”, respectively, in subsec. (a), pursuant to Reorg. Plan No. 19 of 1950, § 1, eff. May 24, 1950, 15 F.R. 3178, 64 Stat. 1271, which transferred functions of Federal Security Administrator to Secretary of Labor.


§ 1654. Persons excluded from benefits

This chapter shall not apply in respect to the injury or death of (1) an employee subject to the provisions of subchapter I of chapter 81 of title 5; (2) an employee engaged in agriculture, domestic service, or any employment that is casual and not in the usual course of the trade,
§ 1655. Requirement for Department of Defense to adopt an acquisition strategy for Defense Base Act insurance

(a) In general

The Secretary of Defense shall adopt an acquisition strategy for insurance required by the Defense Base Act (42 U.S.C. 1651 et seq.) which minimizes the cost of such insurance to the Department of Defense and to defense contractors subject to such Act.

(b) Criteria

The Secretary shall ensure that the acquisition strategy adopted pursuant to subsection (a) addresses the following criteria:

(1) Minimize overhead costs associated with obtaining such insurance, such as direct or indirect costs for contract management and contract administration.

(2) Minimize costs for coverage of such insurance consistent with realistic assumptions regarding the likelihood of incurred claims by contractors of the Department.

(3) Provide for a correlation of premiums paid in relation to claims incurred that is modeled on best practices in government and industry for similar kinds of insurance.

(4) Provide for a low level of risk to the Department.

(5) Provide for a competitive marketplace for insurance required by the Defense Base Act (42 U.S.C. 1651 et seq.) to the maximum extent practicable.

(c) Options

In adopting the acquisition strategy pursuant to subsection (a), the Secretary shall consider such options (including entering into a single Defense Base Act insurance contract) as the Secretary deems to best satisfy the criteria identified under subsection (b).

(d) Report

(1) Not later than 270 days after October 14, 2008, the Secretary shall submit to the Committees on Armed Services of the Senate and the House of Representatives, the Committee on Homeland Security and Governmental Affairs of the Senate, and the Committee on Oversight and Government Reform of the House of Representatives a report on the acquisition strategy adopted pursuant to subsection (a).

(2) The report shall include a discussion of each of the options considered pursuant to subsection (c) and the extent to which each option addresses the criteria identified under subsection (b), and shall include a plan to implement within 18 months after October 14, 2008, the acquisition strategy adopted by the Secretary.

(e) Review of acquisition strategy

As considered appropriate by the Secretary, but not less often than once every 3 years, the Secretary shall review and, as necessary, update the acquisition strategy adopted pursuant to subsection (a) to ensure that it best addresses the criteria identified under subsection (b).

§ 1701. Compensation for injury or death resulting from war-risk hazard

(a) Persons covered

In case of injury or death resulting from injury—
(1) to any person employed by a contractor with the United States, if such person in an employee specified in chapter 11 of this title, and no compensation is payable with respect to such injury or death under such chapter; or
(2) to any person engaged by the United States under a contract for his personal services outside the continental United States; or
(3) to any person employed outside the continental United States as a civilian employee paid from nonappropriated funds administered by the Army and Air Force Exchange Service, Army and Air Force Motion Picture Service, Navy Ship’s Store Ashore, Navy exchanges, Marine Corps exchanges, officers’ and noncommissioned officers’ open messes, enlisted men’s clubs, service clubs, special service activities, or any other instrumentality of the United States under the jurisdiction of the Department of Defense and conducted for the mental, physical, and morale improvement of personnel of the Department of Defense and their dependents; or
(4) to any person who is an employee specified in section 1551(a)(5) of this title, if no compensation is payable with respect to such injury or death under chapter 11 of this title or to any person engaged under a contract for his personal services outside the United States approved and financed by the United States under the Mutual Security Act of 1954, as amended (other than title II of chapter II thereof unless the Secretary of Labor, upon the recommendation of the head of any department or other agency of the United States Government, determines a contract financed under a successor provision of any successor Act should be covered by this section): Provided, That in cases where the United States is not a formal party to contracts approved and financed under the Mutual Security Act of 1954, as amended, the Secretary, upon the recommendation of the head of any department or agency of the United States, may, in the exercise of his discretion, waive the application of the provisions of this subparagraph with respect to any such contracts, subcontracts, or subordinate contracts, work location under such contracts, subcontracts, or subordinate contracts, or classification of employees; or
(5) to any person employed or otherwise engaged for personal services outside the continental United States by an American employer providing welfare or similar services for the benefit of the Armed Forces pursuant to appropriate authorization by the Secretary of Defense, and such injury proximately results from a war-risk hazard, whether or not such person then actually was engaged in the course of his employment, under circumstances supporting an inference that his absence is due to the belligerent action of a hostile force or person, or
(b) Missing persons considered as totally disabled
(1) Any person specified in subsection (a) who—
(A) is found to be missing from his place of employment, whether or not such person then actually was engaged in the course of his employment, under circumstances supporting an inference that his absence is due to the belligerent action of a hostile force or person, or
(B) is known to have been taken by a hostile force or person as a prisoner, hostage, or otherwise, or
(C) is not returned to his home or to the place where he was employed by reason of the failure of the United States or its contractor to furnish transportation, until such time as he is returned to his home, to the place of his employment, or is able to be returned to the jurisdiction of the United States, shall, under such regulations as the Secretary may prescribe, be regarded solely for the purposes of this subsection as totally disabled, and the same benefits as are provided for such disability under this subchapter shall be credited to his account and be payable to him for the period of such absence or until his death is in fact established or can be legally presumed to have occurred: Provided, That if such person has dependents residing in the United States or its Territories or possessions (including the United States Naval Operating Base, Guantanamo Bay, Cuba, and the Canal Zone), the Secretary during the period of such absence may disburse a part of such compensation, accruing for such total disability, to such dependents, which shall be equal to the monthly benefits otherwise payable for death under this subchapter, and the balance of such compensation for total disability shall accrue and be payable to such person upon his return from such absence. Any payment made pursuant to this subsection shall not in any case be included in computing the maximum aggregate or total compensation payable for disability or death, as provided in section 1702(a) of this title: Provided further, That no such payment to such person or his dependent, on account of such absence, shall be made during any period such person or dependent, respectively, has received, or may be entitled to receive, any other payment from the United States, either directly or indirectly, because of such absence, unless such person or dependent refunds or renounces such other benefit or payment for the period claimed.
Benefits found to be due under this subsection shall be paid from the compensation fund established pursuant to section 8147 of title 5: Provided, That the determination of dependents, dependency, and amounts of payments to dependents shall be made in the manner specified in subchapter I of chapter 81 of title 5: Provided further, That claim for such detention benefits shall be filed in accordance with and subject to the limitation provisions of subchapter I of chapter 81 of title 5, as modified by section 1706(c) of this title: And provided further, That except in cases of fraud or willful misrepresenta-
tion, the Secretary may waive recovery of money erroneously paid under this subdivision whenever he finds that such recovery would be impracticable or would cause hardship to the beneficiary affected: And provided further, That where such a person is found to be missing from his place of employment whether or not such person then actually was engaged in the course of his employment, under circumstances supporting an inference that his absence is due to the belligerent action of a hostile force or person or is known to have been taken by a hostile force or person as a prisoner, hostage, or otherwise, the amount of benefits to be credited to the account of such person under this subsection, and for the purposes of this subsection only, shall be 100 per centum of the average weekly wages of such person, except that in computing such benefits such average weekly wages (a) shall not exceed the average weekly wages paid to civilian employees of the United States in the same or most similar occupation in the area nearest to the place of employment where such person was last employed, and (b) shall not exceed the average weekly wages of such absent person at the time such absence began; and 70 per centum of such average weekly wage so determined shall be disbursed to the dependent or dependents of such person, irrespective of the limitations of section 909 of title 33, but should there be more than one such dependent, the distribution of such 70 per centum shall be proportionate to the percentages allowed for dependents by section 909 of title 33, and if such manner of disbursement in any case would result in injustice or excessive allowance for a dependent, the Secretary may, in his discretion, modify such percentage or apportionment to meet the requirements of the case; and in such cases benefits for detention shall accrue from January 1, 1942, unless the beginning of absence occurred upon a later date in which event benefits shall accrue from such later date, and for the period of such absence shall be 100 per centum of the average weekly wages, determined as herein provided: And provided further, That compensation for disability under this subchapter (except under allowance for scheduled losses of members or functions of the body, within the purview of section 1702(a) of this title) shall not be paid in any case in respect to any period of time during which benefits for detention may accrue under this subchapter in the same case, and should a person entitled to benefits for detention also be entitled to workmen's compensation or similar benefits under any other law, agreement, or plan (except allowances for scheduled losses of members or functions of the body), where such other benefits are paid or to be paid directly or indirectly by the United States, the amount of any overpayment thus arising; and any amounts recovered under this section shall be covered into such compensation fund, and for the foregoing purposes the Secretary shall have a right of lien, intervention, and recovery in any claim or proceeding for compensation.

(2) Upon application by such person, or someone on his behalf, the Secretary may, under such regulations as he may prescribe, furnish transportation or the cost thereof (including reimbursement) to any such person from the point where his release from custody by a hostile force or person is effected, to his some, the place of his employment, or other place within the jurisdiction of the United States; but no transportation, or the cost thereof, shall be furnished under this paragraph where such person is furnished such transportation, or the cost thereof, under any agreement with his employer or under any other provision of law.

(3) In the case of death of any such person, if his death occurred away from his home, the body of such person shall, in the discretion of the Secretary, and if so desired by his next of kin, near relative, or legal representative, be embalmed and transported in a hermetically sealed casket or other appropriate container to the home of such person or to such other place as may be designated by such next of kin, near relative, or legal representative. No expense shall be incurred under this paragraph where such person is furnished such transportation, or the cost thereof, under any agreement with his employer or under any other provision of law.

(4) Such benefits for detention, transportation expenses of repatriated persons, and expense of embalming, providing sealed or other appropriate container, and transportation of the body, and attendants (if required), as approved by the Secretary, shall be paid out of the compensation fund established under section 8147 of title 5.

(c) Persons not citizens or residents of United States

Compensation for permanent total or permanent partial disability or for death payable under this section to persons who are not citizens of the United States and who are not residents of the United States or Canada, shall be in the same amount as provided for residents; except that dependents in any foreign country

§ 1701

TITLE 42—THE PUBLIC HEALTH AND WELFARE
Page 4466

(4) Such benefits for detention, transportation expenses of repatriated persons, and expense of embalming, providing sealed or other appro

priate container, and transportation of the body, and attendants (if required), as approved by the Secretary, shall be paid out of the compensation fund established under section 8147 of title 5.

(c) Persons not citizens or residents of United States

Compensation for permanent total or permanent partial disability or for death payable under this section to persons who are not citizens of the United States and who are not residents of the United States or Canada, shall be in the same amount as provided for residents; except that dependents in any foreign country
shall be limited to surviving wife or husband and child or children, or if there be no surviving wife or husband or child or children, to surviving father or mother whom such person has supported, either wholly or in part, for the period of one year immediately prior to the date of the injury; and except that the Secretary, at his option, may commute all future installments of compensation to be paid to such persons by paying to them one-half of the commuted amount of such future installments of compensation as determined by the Secretary.

(d) Persons excepted from coverage

The provisions of this section shall not apply in the case of any person (1) whose residence is at or in the vicinity of the place of his employment, and (2) who is not living there solely by virtue of the exigencies of his employment, unless his injury or death resulting from injury occurs or his detention begins while in the course of his employment, or (3) who is a prisoner of war or a protected person under the Geneva Conventions of 1949 and who is detained or utilized by the United States.


REFERENCES IN TEXT


Title II of chapter II of the Mutual Security Act of 1954, referred to in subsec. (a)(4), which was classified generally to sections 1750 to 1758 of Title 22, was repealed by Pub. L. 87–195, Pt. III, §422(a)(2), Sept. 4, 1961, 75 Stat. 460.

For definition of Canal Zone, referred to in subsec. (b), see section 3902(b) of Title 22.

CODIFICATION

In subsecs. (a) and (b), “subsection I of chapter 81 of title 5” and “section 647 of title 5” substituted for references to act September 7, 1916, as amended, and section 35 of that Act, respectively, on authority of Pub. L. 89–554, §7(b), Sept. 6, 1966, 80 Stat. 631, the first section of which enacted Title 5, Government Organization and Employees. Prior to the enactment of Title 5, the act of September 7, 1916, known as the Federal Employees' Compensation Act, was classified to chapter 15 of Title 5.

Reference to Philippine Islands in subsec. (b)(1) omitted as obsolete in view of Proc. No. 2695, eff. July 4, 1946, 11 F.R. 7671, 60 Stat. 1352, recognizing independence of Philippines and withdrawing and surrendering all rights of possession, supervision, jurisdiction, control, or sovereignty now existing and exercised by United States in and over territory and people of Philippines. See note set out under section 1394 of Title 22, Foreign Relations and Intercourse.

AMENDMENTS

1984—Subsec. (b)(1). Pub. L. 98–426 substituted references to sections of the Longshore and Harbor Workers' Compensation Act for sections of the Longshoremen's and Harbor Workers' Compensation Act, which references have been translated to sections of title 33, thus requiring no change in text.

1961—Subsec. (a)(4). Pub. L. 87–195 extended coverage in those cases where the Secretary of Labor, upon the recommendation of the head of any department or other agency of the U.S. Government, determines a contract financed under a successor provision of any successor act to the Mutual Security Act of 1954 should be covered by this section.

1959—Subsec. (a). Pub. L. 86–70 struck out “or in Alaska or the Canal Zone” after “continental United States” in pars. (2), (3) and (5).

1958—Subsec. (a)(2). Pub. L. 85–608, §101(a), substituted “outside the continental United States or in Alaska or the Canal Zone” for “outside the United States or in Hawaii, Alaska, Puerto Rico, or the Virgin Islands”.

Subsec. (a)(3). Pub. L. 85–608, §101(b), substituted provisions relating to injuries to civilian employees outside the continental United States or in Alaska or the Canal Zone paid from nonappropriated funds and who are employed in connection with activities conducted for the mental, physical, and moral improvement of personnel of the Department of Defense and their dependents for provisions which related to injuries to persons employed as civilian employees of post exchanges or ship-service stores outside the United States or in Hawaii, Alaska, Puerto Rico, or the Virgin Islands.


Subsec. (b). Pub. L. 85–608, §101, substituted “a hostile force or person” for “an enemy” in four places and for “the enemy”.

Subsec. (c). Pub. L. 85–608, §401, reenacted subsec. (c) and also repealed section 2 of act June 30, 1953, which had previously repealed subsec. (c).

Subsec. (d). Pub. L. 85–608, §101(d), substituted provisions making section inapplicable to persons who are prisoners of war or protected persons and who are detained or utilized by the United States for provisions which made section inapplicable to persons who are not citizens of the United States and who suffered an injury, disability, death, or detention by the enemy subsequent to June 30, 1953.

1953—Subsec. (c). Act June 30, 1953, §2, repealed subsec. (c), which provided for amount of compensation payable to noncitizens and nonresidents for permanent total or permanent partial disability or death, limited eligible dependents and permitted Secretary to commute future installments of compensation.


1946—Act Aug. 7, 1946, made benefits payable for detention uniform from date of capture rather than at a reduced rate for 2 years as was the case formerly; prevented dual payments without impairing compensation rights for disability which continues after repatriation, and provided for adjustments of overpayments made under a mistake of facts.


Amendment by Pub. L. 86–70 effective June 25, 1959, see section 47(g) of Pub. L. 86–70, set out as a note under section 1651 of this title.


Amendment by Pub. L. 84–681 effective Dec. 23, 1943, ch. 380, title I, 57 Stat. 627, provided, in part that: "The amendment in paragraph (a) [amending this section] shall become effective the first day of the month next following the approval of this Act [Dec. 23, 1943]."  

Effective Date Act Dec. 2, 1942, ch. 668, title I, §107, 56 Stat. 1033, provided that: "This title [enacting this subchapter] shall take effect as of December 7, 1941.

Retroactive Effect of 1946 Amendment; Review of Cases Act Aug. 7, 1946, ch. 805, §2, 60 Stat. 899, provided for application of section 1 of act Aug. 7, 1946, amending this section, in all cases coming within the purview of subsec. (b) of this section, retrospectively to Jan. 1, 1942, and for review by the United States Employees' Compensation Commission of any case affected by such provisions, to make the adjustment of benefits which they require, and to make payments where the detained person has died since adjudication, to his legal representative.

Short Title Section 208 of act Dec. 2, 1942, as added by Pub. L. 85–608, §105, provided that: "Titles I and II of this Act [enacting subchapters I and II of this chapter] may be cited as the 'War Hazards Compensation Act'."  


Transfer of Functions For transfer of functions to Secretary of Labor, see note set out under section 1711 of this title.

Increase in Compensation for Injuries and Death From Injuries Sustained Before July 1, 1946 Pub. L. 87–380, Oct. 4, 1961, 75 Stat. 809, increased the monthly disability and death compensation payable pursuant to subsec. (a) of this section with respect to injuries or deaths resulting from injury sustained prior to July 1, 1946, by 15 per centum, effective only with respect to disability and death compensation payable for periods commencing on and after Oct. 4, 1961.

§1702. Application of Longshore and Harbor Workers' Compensation Act (a) In the administration of the provisions of subchapter I of chapter 81 of title 5 with respect to cases coming within the purview of section 1701 of this title, the scale of compensation benefits and the provisions for determining the amount of compensation and the payment thereof as provided in sections 908 and 909 of title 33, so far as the provisions of said sections can be applied under the terms and conditions set forth therein shall be payable in lieu of the benefits, except medical benefits, provided under subchapter I of chapter 81 of title 5: Provided, That the total compensation payable under this subchapter for injury or death shall in no event exceed the limitations upon compensation as fixed in section 914(m) of title 33 as such section may from time to time be amended except that the total compensation shall not be less than that provided for in the original enactment of this chapter.

(b) For the purpose of computing compensation with respect to cases coming within the purview of section 1701 of this title, the provisions of sections 906 and 910 of title 33 shall be applicable: Provided, That the minimum limit on weekly compensation for disability, established by section 906(b) of title 33, and the minimum limit on the average weekly wages on which death benefits are to be computed, established by section 909(e) of title 33, shall not apply in computing compensation under this subchapter.


References in Text The Longshore and Harbor Workers' Compensation Act, referred to in section catchline, is act Mar. 4, 1927, ch. 509, 44 Stat. 1424, as amended, which is classified generally to chapter 18 (§901 et seq.) of Title 33, Navigation and Navigable Waters. For complete classification of this Act to the Code, see section 901 of Title 33 and Tables.

Subsection (m) of section 914 of title 33, referred to in subsec. (a), was repealed by Pub. L. 92–576, §5(e), Oct. 27, 1972, 86 Stat. 1254.

Codification "Subchapter I of chapter 81 of title 5" substituted for references to Act of September 7, 1916, as amended, known as the Federal Employees' Compensation Act, on authority of Pub. L. 89–554, §7(b), Sept. 6, 1966, 80 Stat. 631, the first section of which enacted 'Title 5, Government Organization and Employees.'


1958—Subsec. (a). Pub. L. 85–608 struck out proviso that required any amendment to the Longshoremen's and Harbor Workers' Compensation Act which increased the amount of benefits payable for injury or death to be applied in the administration of this section as if the amendment had been in effect at the time of the particular injury or death.

1948—Subsec. (a). Act July 3, 1948, inserted all text in proviso beginning "as fixed in section 914(m) of title 33".

Effective Date of 1984 Amendment Amendment by Pub. L. 98–426 effective Sept. 28, 1984, see section 28(e)(1) of Pub. L. 98–426, set out as a note

1 See References in Text note below.
under section 901 of Title 33, Navigation and Navigable Waters.

Effective Date of 1958 Amendment

Benefits Adjudicated Prior to August 8, 1958
Pub. L. 85–608, title I, §192, Aug. 8, 1958, 72 Stat. 536, provided that the amendment made by that section shall not affect benefits adjudicated thereunder prior to Aug. 8, 1958.

§1703. “Contractor with the United States” defined
As used in this subchapter, the term “contractor with the United States” includes any subcontractor or subordinate subcontractor with respect to the contract of such contractor.

(Dec. 2, 1942, ch. 668, title I, §103, 56 Stat. 1031.)

§1704. Reimbursement
(a) Payments reimbursable; filing claim for reimbursement; regulations for payment of direct benefits
Where any employer or his insurance carrier or compensation fund pays or is required to pay benefits—
(1) to any person or fund on account of injury or death of any person coming within the purview of this subchapter or chapter 11 of this title, if such injury or death arose from a war-risk hazard, which are payable under any workmen’s compensation law of the United States or of any State, Territory, or possession of the United States, or other jurisdiction; or
(2) to any person by reason of any agreement outstanding on December 2, 1942 made in accordance with a contract between the United States and any contractor therewith to pay benefits with respect to the death of any employee of such contractor occurring under circumstances not entitling such person to benefits under any workmen’s compensation law or to pay benefits with respect to the failure of the United States or its contractor to furnish transportation upon the completion of the employment of any employee of such contractor to his home or to the place where he was employed; or
(3) to any person by reason of an agreement approved or authorized by the United States under which a contractor with the United States has agreed to pay workmen’s compensation benefits or benefits in the nature of workmen’s compensation benefits to an injured employee or his dependents on account of detention by a hostile force or person or on account of injury or death arising from a war-risk hazard;

such employer, carrier, or fund shall be entitled to be reimbursed for all benefits so paid or payable, including funeral and burial expenses, medical, hospital, or other similar costs for treatment and care; and reasonable and necessary claims expense in connection therewith. Claim for such reimbursement shall be filed with the Secretary under regulations promulgated by him, and such claims, or such part thereof as may be allowed by the Secretary, shall be paid from the compensation fund established under section 8147 of title 5. The Secretary may, under such regulations as he shall prescribe, pay such benefits, as they accrue and in lieu of reimbursement, directly to any person entitled thereto, and the insolvency of such employer, insurance carrier, or compensation fund shall not affect the right of the beneficiaries of such benefits to receive the compensation directly from the said compensation fund established under section 8147 of title 5. The Secretary may also, under such regulations as he shall prescribe, use any private facilities, or such Government facilities as may be available, for the treatment or care of any person entitled thereto.

(b) Charging of premiums as prohibiting reimbursement
No reimbursement shall be made under this subchapter in any case in which the Secretary finds that the benefits paid or payable were on account of injury, detention, or death which arose from a war-risk hazard for which a premium (which included an additional charge or loading for such hazard) was charged.

(c) Injury or death occurring within any State
The provisions of this section shall not apply with respect to benefits on account of any injury or death occurring within any State.


Codification
In subsec. (a), “section 8147 of title 5” substituted for “section 35 of such Act of September 7, 1916, as amended”, on authority of Pub. L. 89–554, §7(b), Sept. 6, 1966, 80 Stat. 631, the first section of which enacted Title 5, Government Organization and Employees.

Amendments
1958–Subsec. (a)(3). Pub. L. 85–608 substituted “a hostile force or person” for “the enemy”.

Effective Date of 1959 Amendment
Amendment by Pub. L. 86–70 effective June 25, 1959, see section 47(g) of Pub. L. 86–70, set out as a note under section 1651 of this title.

Effective Date of 1958 Amendment

Transfer of Functions
For transfer of functions to Secretary of Labor, see note set out under section 1711 of this title.

§1705. Receipt of workmen’s compensation benefits
(a) Receipt of benefits under other provisions
No benefits shall be paid or furnished under the provisions of this subchapter for injury or death to any person who recovers or receives workmen’s compensation benefits for the same injury or death under any other law of the United States, or under the law of any State,
(c) Receipt of wages as credit against payment under this subchapter; intervention by Secretary in proceeding to recover wages, etc.

Where any person specified in section 1701(a) of this title, or the dependent, beneficiary, or allottee of such person, receives or claims wages, payments in lieu of wages, insurance benefits for disability or loss of life (other than workmen's compensation benefits), and the cost of such wages, payments, or benefits is provided in whole or in part by the United States, the amount of such wages, payments, or benefits shall be credited, in such manner as the Secretary shall determine, against any payments to which any such person is entitled under this subchapter.

Where any person specified in section 1701(a) of this title, or any dependent, beneficiary, or allottee of such person, or the legal representative, devisee, or estate of any such entities, after having obtained benefits under this subchapter, seeks through any proceeding, claim, or otherwise, brought or maintained against the employer, the United States, or other person, to recover wages, payments in lieu of wages, or any sum claimed as for services rendered, or for failure to furnish transportation, or for liquidated or unliquidated damages under the employment contract, or any other benefit, and the right in respect thereto is alleged to have accrued during or as to any period of time in respect of which payments under this subchapter in such case have been made, and in like cases where a recovery is made or allowed, the Secretary shall have the right of intervention and a lien and right of recovery to the extent of any payments paid and payable under this subchapter in such case, provided the cost of such wages, payments in lieu of wages, or other such right, may be directly or indirectly paid by the United States; and any amounts recovered under this subsection shall be covered into the fund established under section 8147 of title 5.

(d) Entitlement to benefits by national of a foreign government under foreign laws

Where a national of a foreign government is entitled to benefits on account of injury or death resulting from a war-risk hazard, under the laws of his native country or any other foreign country, the benefits of this subchapter shall not apply.

(e) Receipt of benefits for prior accident or disease

If at the time a person sustains an injury coming within the purview of this subchapter said person is receiving workmen's compensation benefits on account of a prior accident or disease, said person shall not be entitled to any benefits under this subchapter during the period covered by such workmen's compensation benefits unless the injury from a war-risk hazard increases his disability, and then only to the extent such disability has been so increased.


Codification

In subsec. (b) and (c), “section 8147 of title 5” was substituted for “section 35 of such Act of September 7, 1916, as amended,” on authority of Pub. L. 89–554, §7(b), Sept. 6, 1966, 80 Stat. 631, the first section of which enacted Title 5, Government Organization and Employees.

Amendments

1943—Subsec. (c). Act Dec. 23, 1943, added second par.

Effective Date of 1943 Amendment

Act Dec. 23, 1943, provided that: “The amendment in paragraph (a) (amending this section) shall become effective as of the effective date of title I of such Act of December 2, 1942 [sections 1701 to 1706 of this title].”

Transfer of Functions

For transfer of functions to Secretary of Labor, see note set out under section 1711 of this title.

§ 1706. Administration

(a) Rules and regulations

The provisions of this subchapter shall be administered by the Secretary of Labor, and the Secretary is authorized to make rules and regulations for the administration thereof and to contract with insurance carriers for the use of the service facilities of such carriers for the purpose of facilitating administration.

(b) Agreements and working arrangements with other agencies, etc.

In administering the provisions of this subchapter the Secretary may enter into agreements or cooperative working arrangements with other agencies of the United States or of any State (including the District of Columbia, Hawaii, Alaska, Puerto Rico, and the Virgin Islands) or political subdivision thereof, and with other public agencies and private persons, agencies, or institutions, within and outside the United States, to utilize their services and facilities and to compensate them for such use. The Secretary may delegate to any officer or employee, or to any agency, of the United States or of any State, or of any political subdivision thereof, or Territory or possession of the United States, such of his powers and duties as he finds necessary for carrying out the purposes of this subchapter.

(c) Waiver of notice of injury and filing of claims

The Secretary, in his discretion, may waive the limitation provisions of subchapter I of chapter 81 of title 5 with respect to notice of injury and filing of claims under this subchapter,
whenever the Secretary shall find that, because of circumstances beyond the control of an injured person or his beneficiary, compliance with such provisions could not have been accomplished within the time therein specified.


**CODEIFICATION**

In subsec. (c), “subchapter I of chapter I of title 5” substituted for reference to Act of September 7, 1916, as amended, known as the Federal Employees’ Compensation Act, on authority of Pub. L. 89–554, §7(b), Sept. 6, 1966, 80 Stat. 631, the first section of which enacted Title 5, Government Organization and Employees.

**TRANSFER OF FUNCTIONS**

“Secretary of Labor” and “Secretary” substituted for “Federal Security Administrator” and “Administrator”, respectively, in text, pursuant to Reorg. Plan No. 19 of 1950, §1, eff. May 24, 1950, 15 F.R. 3178, 64 Stat. 1271, which transferred functions of Federal Security Administrator to Secretary of Labor.


**ADMISION OF ALASKA AND HAWAII TO STATEHOOD**


**SUBCHAPTER II—MISCELLANEOUS PROVISIONS**

**§ 1711. Definitions**

When used in this chapter—

(a) The term “Secretary” means the Secretary of Labor.

(b) The term “war-risk hazard” means any hazard arising during a war in which the United States is engaged; during an armed conflict in which the United States is engaged, whether or not war has been declared; or during a war or armed conflict between military forces of any origin, occurring within any country in which a person covered by this chapter is serving; from—

(1) the discharge of any missile (including liquids and gas) or the use of any weapon, explosive, or other noxious thing by a hostile force or person or in combating an attack or an imagined attack by a hostile force or person; or

(2) action of a hostile force or person, including rebellion or insurrection against the United States or any of its Allies; or

(3) the discharge or explosion of munitions intended for use in connection with a war or armed conflict with a hostile force or person as defined herein (except with respect to employees of a manufacturer, processor, or transporter of munitions during the manufacture, processing, or transporting thereof, or while stored on the premises of the manufacturer, processor, or transporter); or

(4) the collision of vessels in convoy or the operation of vessels or aircraft without running lights or without other customary peace-time aids to navigation; or

(5) the operation of vessels or aircraft in a zone of hostilities or engaged in war activities.

(c) The term “hostile force or person” means any nation, any subject of a foreign nation, or any other person serving a foreign nation (1) engaged in a war against the United States or any of its allies, (2) engaged in armed conflict, whether or not war has been declared, against the United States or any of its allies, or (3) engaged in a war or armed conflict between military forces of any origin in any country in which a person covered by this chapter is serving.

(d) The term “allies” means any nation with which the United States is engaged in a common military effort or with which the United States has entered into a common defensive military alliance.

(e) The term “war activities” includes activities directly relating to military operations.

(f) the term “continental United States” means the States and the District of Columbia.


**CODEIFICATION**

In the original of act Dec. 2, 1942, ch. 668, title II, §201, 56 Stat. 1033, the opening clause read “When used in this Act (except when used in title III)—”. Title III of such Act amended section 1651 of this title which is not in this chapter. Therefore, because of the use of the restrictive term “this chapter”, in this section, the words in parenthesis “except when used in title III” were omitted as unnecessary. This chapter comprises the remainder of such Act.

**AMENDMENTS**


1958—Subsec. (b). Pub. L. 85–608, §103(a), struck out provisions which defined “war-risk hazard” to mean hazards arising after Dec. 6, 1941, and prior to July 1, 1958, and inserted provisions redefining term to include hazards arising during a war or an armed conflict in which the United States is engaged, and hazards arising during a war or armed conflict between military forces of any origin, occurring within any country in which a person covered by this chapter is serving.

Subsec. (b)(1). Pub. L. 85–608, §104, substituted “a hostile force or person” for “an enemy” in two places.

Subsec. (b)(2). Pub. L. 85–608, §104, substituted “a hostile force or person” for “the enemy”.

Subsec. (b)(3). Pub. L. 85–608, §105(b), substituted “a war or armed conflict with a hostile force or person as defined herein” for “the national war effort”, and excepted employees of transporters of munitions during the transportation thereof or while the munitions are stored on the premises of the transporter.

1So in original. Probably should be capitalized.
§ 1712. Disqualification from benefits

No person convicted in a court of competent jurisdiction of any subversive act against the United States or any of its Allies, committed after the declaration by the President on May 27, 1941, of the national emergency, shall be entitled to compensation or other benefits under subchapter I, nor shall any compensation be payable with respect to his death or detention under said subchapter, and upon indictment or the filing of an information charging the commission of any such subversive act, all such compensation or other benefits shall be suspended and remain suspended until acquittal or withdrawal of such charge, but upon conviction thereof or upon death occurring prior to a final disposition thereof, all such payments and all benefits under said subchapter shall be forfeited and terminated. If the charge is withdrawn, or there is an acquittal, all such compensation withheld shall be paid to the person or persons entitled thereto.


NATIONAL EMERGENCY DECLARED ON MAY 27, 1941


§ 1713. Fraud; penalties

Whoever, for the purpose of causing an increase in any payment authorized to be made under this chapter, or for the purpose of causing any payment to be made where no payment is authorized hereunder, shall knowingly make or cause to be made, or aid or abet in the making of any false statement or representation of a material fact in any application for any payment under subchapter I, or knowingly make or cause to be made, or aid or abet in the making of any false statement, representation, affidavit, or document in connection with such an application, or claim, shall be guilty of a misdemeanor and upon conviction thereof shall be fined not more than $1,000 or imprisoned for not more than one year, or both.

(Dec. 2, 1942, ch. 668, title II, §203, 56 Stat. 1034.)

§ 1714. Legal services

No claim for legal services or for any other services rendered in respect of a claim or award for compensation under subchapter I to or on account of any person shall be valid unless approved by the Secretary; and any claim so approved shall, in the manner and to the extent fixed by the said Secretary, be paid out of the compensation payable to the claimant; and any person who receives any fee, other consideration, or any gratuity on account of services so rendered, unless such consideration or gratuity is so approved, or who solicits employment for another person or for himself in respect of any claim or award for compensation under subchapter I shall be guilty of a misdemeanor and upon conviction thereof shall, for each offense, be fined not more than $1,000 or imprisoned not more than one year, or both.

(Dec. 2, 1942, ch. 668, title II, §204, 56 Stat. 1034.)

TRANSFER OF FUNCTIONS

For transfer of functions to Secretary of Labor, see notes set out under section 1711 of this title.

§ 1715. Finality of Secretary's decisions

The action of the Secretary in allowing or denying any payment under subchapter I shall be final and conclusive on all questions of law and fact and not subject to review by any other official of the United States or by any court by mandamus or otherwise, and the Comptroller General is authorized and directed to allow credit in the accounts of any certifying or disbursing officer for payments in accordance with such action.
§ 1716. Presumption of death or detention

A determination that an individual is dead or a determination that he has been detained by a hostile force or person may be made on the basis of evidence that he has disappeared under circumstances such as to make such death or detention appear probable.


AMENDMENTS

1958—Pub. L. 85–608 substituted “a hostile force or person” for “the enemy”.

EFFECTIVE DATE OF 1958 AMENDMENT


§ 1717. Assignment of benefits; execution, levy, etc., against benefits

The right of any person to any benefit under subchapter I shall not be transferable or assignable at law or in equity except to the United States, and none of the moneys paid or payable (except money paid hereunder as reimbursement for funeral expenses or as reimbursement with respect to payments of workmen’s compensation or in the nature of workmen’s compensation benefits), or rights existing under said subchapter, shall be subject to execution, levy, attachment, garnishment, or other legal process or to the operation of any bankruptcy or insolvency law.

(Dec. 2, 1942, ch. 668, title II, §207, 56 Stat. 1035.)

CHAPTER 13—SCHOOL LUNCH PROGRAMS

Sec. 1751. Congressional declaration of policy.
1762. Authorization of appropriations; “Secretary” defined.
1753. Apportionments to States.
1754. Nutrition promotion.
1755. Direct expenditures for agricultural commodities and other foods.
1755a. Whole grain products.
1755b. Pulse crop products.
1756. Payments to States.
1757. State disbursement to schools.
1758. Program requirements.
1758a. State performance on enrolling children receiving program benefits for free school meals.
1758b. Local school wellness policy.
1759. Direct disbursement to schools by Secretary.
1759a. Special assistance funds.
1760. Miscellaneous provisions.
1761. Summer food service program for children.
1762. Repealed.
1762a. Commodity distribution program.
1763, 1764. Repealed.
1765. Election to receive cash payments.
1766. Child and adult care food program.
1766b to 1768. Repealed.

1769. Pilot projects.
1769a. Fresh fruit and vegetable program.
1769b. Department of Defense overseas dependents’ schools.
1769–1. Training, technical assistance, and food service management institute.
1769c. Compliance and accountability.
1769d. Childhood hunger research.
1769e. State childhood hunger challenge grants.
1769f. Duties of Secretary relating to nonprocurement debarment.
1769g. Information clearinghouse.
1769h. Program evaluation.
1769i. Ensuring safety of school meals.

§ 1751. Congressional declaration of policy

It is declared to be the policy of Congress, as a measure of national security, to safeguard the health and well-being of the Nation’s children and to encourage the domestic consumption of nutritious agricultural commodities and other food, by assisting the States, through grants-in-aid and other means, in providing an adequate supply of foods and other facilities for the establishment, maintenance, operation, and expansion of nonprofit school lunch programs.


AMENDMENTS

1989—Pub. L. 101–147 substituted “school lunch” for “school-lunch”.

EFFECTIVE DATE OF 2010 AMENDMENT

Pub. L. 111–296, §1(a), Dec. 13, 2010, 124 Stat. 3183, provided that: “Except as otherwise specifically provided in this Act [see Short Title of 2010 Amendment note below] or any of the amendments made by this Act, this Act and the amendments made by this Act take effect on October 1, 2010.”

EFFECTIVE DATE OF 1989 AMENDMENT

Pub. L. 101–147, §2, Nov. 10, 1989, 103 Stat. 878, provided that: “Except as otherwise provided in this Act, the amendments made by this Act [see Short Title of 1989 Amendment note below] shall take effect on the date of the enactment of this Act (Nov. 10, 1989).”

SHORT TITLE OF 2010 AMENDMENT

Pub. L. 111–296, §1(a), Dec. 13, 2010, 124 Stat. 3183, provided that: “This Act [enacting sections 1769b, 1769c, 1769e, 1769f, and 3179 of Title 7, Agriculture, amending sections 1396a, 1753, 1755, 1758, 1759a, 1760, 1761, 1762a, 1766, 1769, 1769b–1, 1769c, 1769g, 1769i, 1776, 1779, and 1786 of this title, sections 2013 and 2020 of Title 7, and section 1222g of Title 20, Education, repealing section 1769h of this title, enacting provisions set out as notes under this section and sections 1396a, 1756, and 1758 of this title and section 3179 of Title 7, and replacing provisions set out as a note under this section] may be cited as the ‘Healthy, Hunger-Free Kids Act of 2010’.”

SHORT TITLE OF 2004 AMENDMENT

Pub. L. 108–265, §1(a), June 30, 2004, 118 Stat. 729, provided that: “This Act [enacting sections 1754 and 1759 of this title, amending sections 1396a, 1758, 1759a, 1760, 1761, 1762a, 1766, 1769, 1769b–1, 1769g, 1773, 1775, 1786, and 1788 of this title and section 2020 of Title 7, Agriculture, enacting provisions set out as notes under this section and sections 1754, 1758, 1760, 1768c, 1773, and 1786 of this title, and amending provisions set out as a note under section 612c of ‘Title 7’ may be cited as the ‘Child Nutrition and WIC Reauthorization Act of 2004’.”
§1751  TITLE 42—THE PUBLIC HEALTH AND WELFARE

Short Title of 1998 Amendment
Pub. L. 105-336, §1(a), Oct. 31, 1998, 112 Stat. 3143, provided that: "This Act [amending sections 1755, 1758, 1759a to 1761, 1762a, 1762b, 1762c, 1763, 1767, 1769 to 1769b, 1772, 1773, 1774, 1784, 1786, and 1788 of this title, repealing sections 1761, and 1786 of this title, and enacting provisions set out as notes under section 1769 of this title and section 612c of Title 7, Agriculture] may be cited as the 'William F. Goodling Child Nutrition Reauthorization Act of 1998'."

Short Title of 1996 Amendment
Pub. L. 104-149, §1, May 29, 1996, 110 Stat. 1379, provided that: "This Act [amending section 1758 of this title] may be cited as the 'Healthy Meals for Children Act.'"

Short Title of 1994 Amendment
Pub. L. 103-448, §1(a), Nov. 2, 1994, 108 Stat. 4699, provided that: "This Act [enacting sections 1769d to 1769f of this title, amending sections 1396e–6, 1396g, 1755, 1756, 1758, 1759a, 1760, 1761, 1762a, 1766, 1769a, 1769f–1, 1769c, 1773, 1776, 1778, 1786, and 1788 of this title, section 2018 of Title 7, Agriculture, section 1484a of Title 7, Education, and section 3001 of Title 31, Money and Finance, enacting provisions set out as notes under this section and sections 1755, 1758, 1760, 1761, 1762a, 1769f, and 1786 of this title, amending provisions set out as notes under section 1769 of this title and section 612c of Title 7, Agriculture] may be cited as the 'Healthy Meals for Healthy Americans Act of 1994.'"

Short Title of 1992 Amendment
Pub. L. 102-342, §1, Aug. 14, 1992, 106 Stat. 911, provided that: "This Act [enacting section 1790 of this title, amending sections 1768, 1769, and 1786 of this title, enacting provisions set out as a note under section 1769 of this title, and amending provisions set out as a note under section 612c of Title 7, Agriculture] may be cited as the 'Child Nutrition Amendments of 1992.'"

Short Title of 1989 Amendment
Pub. L. 101-147, §1(a), Nov. 10, 1989, 103 Stat. 877, provided that: "This Act [enacting sections 1769b-a, 1769b-1, 1769c, 1769f, 1769f–1, 1769g to 1769h of this title, amending sections 1396c, 1755, 1755b, 1756, 1758, 1759a, 1760, 1761, 1762a, 1765, 1766, 1769f–1769h, 1772, 1773, 1776, 1778, 1783, 1784, 1786, and 1788 of this title, repealing sections 1762 and 1763 of this title, enacting provisions set out as notes under this section and sections 1755, 1758, 1761, 1762a, 1766, 1769f, 1769g, 1773, 1776, and 1786 of this title, enacting provisions set out as a note under section 1768 of this title] may be cited as the 'Child Nutrition Act Amendments of 1989.'"

Short Title of 1986 Amendments
Pub. L. 99-681, §4001(a), Nov. 14, 1986, 100 Stat. 4070, provided that: "This division (div. D (§4001–4503) of Pub. L. 99-681, amending sections 1725, 1755, 1758, 1760, 1761, 1762a, 1766, 1769 to 1769b, 1772, 1773, 1776, 1784, 1786, 1788, and 1789 of this title, repealing sections 1767, 1768, and 1769 of this title, and enacting provisions set out as notes under sections 1758, 1760, 1762, 1773, and 1786 of this title and section 1431(b) of Title 7, Agriculture) may be cited as the 'Child Nutrition Amendments of 1986.'"

Indirect Costs
Pub. L. 111-296, title III, §307, Dec. 13, 2010, 124 Stat. 3245, provided that: "(a) Guidance on Indirect Costs Rules.—Not later than 180 days after the date of enactment of this Act [Dec. 13, 2010], the Secretary [of Agriculture] shall issue guidance to school food authorities participating in the school lunch program established under the Richard B. Russell National School Lunch Act (42 U.S.C. 1751 et seq.) and the school breakfast program established by section 4 of the Child Nutrition Act of 1966 (42 U.S.C. 1771) covering program rules pertaining to indirect costs, including allowable indirect costs that may be charged to the nonprofit school food service account."

Pub. L. 93-150, §1, Nov. 7, 1973, 87 Stat. 560, provided: "That this Act [enacting sections 1755, 1757, 1758, 1759, 1759a, 1763, 1772, 1773, and 1786 of this title, and enacting provisions set out as notes under this section and section 240 of Title 20, Education] may be cited as the 'National School Lunch and Child Nutrition Act Amendments of 1974.'"

Short Title of 1973 Amendment
Pub. L. 93-150, §1, Nov. 7, 1973, 87 Stat. 560, provided: "That this Act [amending sections 1753, 1755, 1757, 1758, 1759, 1759a, 1763, 1772, 1773, and 1786 of this title, and enacting provisions set out as notes under this section and section 240 of Title 20, Education] may be cited as the 'National School Lunch and Child Nutrition Act Amendments of 1973.'"

Short Title
“(A) the allocation of indirect costs to, and the methodologies used to establish indirect cost rates for, school food authorities participating in the school lunch program established under the Richard B. Russell National School Lunch Act (42 U.S.C. 1751 et seq.) and the school breakfast program established under section 4 of the Child Nutrition Act of 1966 (42 U.S.C. 1773);

"(B) the impact of indirect costs charged to the nonprofit school food service account;

"(C) the types and amounts of indirect costs charged and recovered by school districts;

"(D) whether the indirect costs charged or recovered are consistent with requirements for the allocation of indirect costs and school food service operations; and

"(E) the types and amounts of indirect costs that could be charged or recovered under requirements for the allocation of indirect costs and school food service operations but are not charged or recovered; and

"(2) after completing the study required under paragraph (1), issue additional guidance relating to the types of costs that are reasonable and necessary to provide meals under the Richard B. Russell National School Lunch Act (42 U.S.C. 1751 et seq.) and the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.).

"(d) REPORT.—Not later than October 1, 2013, the Secretary shall submit to the Committee on Education and Labor of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report that describes the results of the study under subsection (b).

"(e) FUNDING.—

"(1) IN GENERAL.—On October 1, 2010, out of any funds in the Treasury not otherwise appropriated, the Secretary of the Treasury shall transfer to the Secretary to carry out this section $2,000,000, to remain available until expended.

"(2) RECIPT AND ACCEPTANCE.—The Secretary shall be entitled to receive, shall accept, and shall use to carry out this section the funds transferred under paragraph (1), without further appropriation.

LOCAL WELLNESS POLICY


"(1) undernutrition can permanently retard physical growth, brain development, and cognitive functioning of children;

"(2) the longer a child’s nutritional, emotional, and educational needs go unmet, the greater the likelihood of cognitive impairment;

"(3) low-income children who attend school hungry score significantly lower on standardized tests than non-hungry low-income children; and

"(4) supplemental nutrition programs under the Richard B. Russell National School Lunch Act (42 U.S.C. 1751 et seq.) and the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.) can help to offset threats posed to a child’s capacity to learn and perform in school that result from inadequate nutrient intake."

STUDY OF ADULTERATION OF JUICE PRODUCTS SOLD TO SCHOOL MEAL PROGRAMS

Pub. L. 103–448, title I, §125, Nov. 2, 1994, 108 Stat. 4734, directed Comptroller General of the United States, not later than 1 year after Nov. 2, 1994, to conduct study and to submit a report to Congress on costs and problems associated with sale of adulterated fruit juice and juice products to the school lunch program under this chapter and school breakfast program under section 1773 of this title.

CONSOLIDATION OF SCHOOL LUNCH PROGRAM AND SCHOOL BREAKFAST PROGRAM INTO COMPREHENSIVE MEAL PROGRAM

program with respect to any matter described in any of subparagraphs (A) through (N) of section 12(c)(4) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1760c(4)).

“(c) PLAN AND RECOMMENDATIONS.—

“(1) PLAN FOR CONSOLIDATION AND SIMPLIFICATION.—

Not later than 180 days prior to implementing the regulations described in subsection (a), the Secretary shall prepare and submit to the Committee on Education and Labor of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a plan for the consolidation and simplification of the school lunch program and the school breakfast program.

“(2) RECOMMENDATIONS WITH RESPECT TO CHANGE IN PAYMENT AMOUNTS.—If the Secretary proposes to change the amount of the breakfast assistance payment or the food assistance payment under the comprehensive meal program, the Secretary shall not include the change in the consolidation and shall prepare and submit to the Committee on Education and Labor, and the Committee on Agriculture, of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate recommendations for legislation to effect the change.

STUDY AND REPORT RELATING TO USE OF PRIVATE FOOD ESTABLISHMENTS AND CATERERS UNDER SCHOOL LUNCH PROGRAM AND SCHOOL BREAKFAST PROGRAM

Pub. L. 103–448, title III, §302, Nov. 2, 1994, 108 Stat. 4750, directed Comptroller General of the United States, in conjunction with the Director of the Office of Technology Assessment, to conduct a study and submit a report to Congress, not later than Sept. 1, 1996, on the use of private food establishments and caterers by schools that participate in the school lunch program under this chapter or the school breakfast program under section 1733 of this title.

SCHOOL LUNCH STUDIES

Pub. L. 101–624, title XVII, §1779, Nov. 28, 1990, 104 Stat. 3816, directed Secretary of Agriculture to determine the quantity of bonus commodities lost, by State, since the 1987–88 school year, the amount that school food service authorities charged students for non-free or reduced price meals, and the trends in school participation and student participation, by State and for the United States, and directed Secretary also to determine the cost to produce school lunches and breakfasts, including indirect and local administrative costs, the reasons why schools choose not to participate in the National school lunch program, the State costs incurred to administer the school programs, and the reasons why children eligible for free or reduced price meals do not apply for benefits or participate, with Secretary to submit to Congress a final report on results of the studies not later than Oct. 1, 1993.

COMPREHENSIVE STUDY OF BENEFITS OF PROGRAMS; REPORT TO CONGRESS

Pub. L. 93–150, §10, Nov. 7, 1973, 87 Stat. 564, directed Secretary of Agriculture to carry out a comprehensive study to determine if the benefits of the National School Lunch Act and the Child Nutrition Act are accruing to the maximum extent possible to all of the nation's school children, and to determine if regional cost differentials exist in Alaska and other States so as to require additional reimbursement, such report with recommendations to be submitted to Congress no later than June 30, 1974.

§1752. Authorization of appropriations; “Secretary” defined

For each fiscal year, there is authorized to be appropriated, out of money in the Treasury not otherwise appropriated, such sums as may be necessary to enable the Secretary of Agriculture (hereinafter referred to as “the Secretary”) to carry out the provisions of this chapter, other than sections 1761 and 1766 of this title. Appropriations to carry out the provisions of this chapter and of the Child Nutrition Act of 1966 [42 U.S.C. 1771 et seq.] for any fiscal year are authorized to be made a year in advance of the beginning of the fiscal year in which the funds will become available for disbursement to the States. Notwithstanding any other provision of law, any funds appropriated to carry out the provisions of this chapter and the Child Nutrition Act of 1966 shall remain available for the purposes of the Act for which appropriated until expended.

The Secretary of Agriculture to carry out the provisions of this chapter, other than sections 1761 and 1766 of this title. Appropriations to carry out the provisions of this chapter and of the Child Nutrition Act of 1966 [42 U.S.C. 1771 et seq.] for any fiscal year are authorized to be made a year in advance of the beginning of the fiscal year in which the funds will become available for disbursement to the States. Notwithstanding any other provision of law, any funds appropriated to carry out the provisions of this chapter and the Child Nutrition Act of 1966 shall remain available for the purposes of the Act for which appropriated until expended.

§1753. Apportionments to States

(a) The sums appropriated for any fiscal year pursuant to the authorizations contained in section 1752 of this title shall be available to the Secretary for supplying agricultural commod-
ities and other food for the program in accordance with the provisions of this chapter.

(b)(1) The Secretary shall make food assistance payments to each State educational agency each fiscal year, at such times as the Secretary may determine, from the sums appropriated for such purpose, in a total amount equal to the

(A) the number of lunches (consisting of a combination of foods which meet the minimum nutritional requirements prescribed by the Secretary under section 1758(a) of this title) served during such fiscal year in schools in such State which participate in the school lunch program under this chapter under agreements with such State educational agency; by

(B) the national average lunch payment prescribed in paragraph (2) of this subsection.

(2) The national average lunch payment for each lunch served shall be 10.5 cents (as adjusted pursuant to section 1759a(a) of this title) except that for each lunch served in school food authorities in which 60 percent or more of the lunches served in the school lunch program during the second preceding school year were served free or at a reduced price, the national average lunch payment shall be 2 cents more.

(3) ADDITIONAL REIMBURSEMENT.—

(A) REGULATIONS.—

(i) PROPOSED REGULATIONS.—Notwithstanding section 1758(f) of this title, not later than 18 months after December 13, 2010, the Secretary shall promulgate proposed regulations to update the meal patterns and nutrition standards for the school lunch program authorized under this chapter and the school breakfast program established by section 1773 of this title based on recommendations made by the Food and Nutrition Board of the National Research Council of the National Academy of Sciences.

(ii) INTERIM OR FINAL REGULATIONS.—Not later than 18 months after promulgation of the proposed regulations under clause (i), the Secretary shall promulgate interim or final regulations.

(II) DATE OF REQUIRED COMPLIANCE.—The Secretary shall establish in the interim or final regulations a date by which all school food authorities participating in the school lunch program authorized under this Act and the school breakfast program established by section 1773 of this title are required to comply with the meal pattern and nutrition standards established in the interim or final regulations.

(iii) REPORT TO CONGRESS.—Not later than 90 days after December 13, 2010, and each 90 days thereafter until the Secretary has promulgated interim or final regulations under clause (ii), the Secretary shall submit to the Committee on Education and Labor of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a quarterly report on progress made toward promulgation of the regulations described in this subparagraph.

(B) PERFORMANCE-BASED REIMBURSEMENT RATE INCREASE.—Beginning on the later of the date of promulgation of the implementing regulations described in subparagraph (A)(ii), December 13, 2010, or October 1, 2012, the Secretary shall provide additional reimbursement for each lunch served in school food authorities determined to be eligible under subparagraph (D).

(C) ADDITIONAL REIMBURSEMENT.—

(i) IN GENERAL.—Each lunch served in school food authorities determined to be eligible under subparagraph (D) shall receive an additional 6 cents, adjusted in accordance with section 1759a(a)(3) of this title, to the national lunch average payment for each lunch served.

(ii) DISBURSEMENT.—The State agency shall disburse funds made available under this paragraph to school food authorities eligible to receive additional reimbursement.

(D) ELIGIBLE SCHOOL FOOD AUTHORITY.—To be eligible to receive an additional reimbursement described in this paragraph, a school food authority shall be certified by the State to be in compliance with the interim or final regulations described in subparagraph (A)(i).

(2) The national average lunch payment for each lunch served shall be 10.5 cents (as adjusted pursuant to section 1759a(a) of this title) except that for each lunch served in school food authorities in which 60 percent or more of the lunches served in the school lunch program during the second preceding school year were served free or at a reduced price, the national average lunch payment shall be 2 cents more.

(E) FAILURE TO COMPLY.—Beginning on the later of the date described in subparagraph (A)(ii) or December 13, 2010, or October 1, 2012, school food authorities found to be out of compliance with the meal patterns or nutrition standards established by the implementing regulations shall not receive the additional reimbursement for each lunch served described in this paragraph.

(F) ADMINISTRATIVE COSTS.—

(i) IN GENERAL.—Subject to clauses (ii) and (iii), the Secretary shall make funds available to States for State activities related to training, technical assistance, certification, and oversight activities of this paragraph.

(ii) PROVISION OF FUNDS.—The Secretary shall provide funds described in clause (i) to States administering a school lunch program in a manner proportional to the administrative expense allocation of each State during the preceding fiscal year.

(iii) FUNDING.—

(I) IN GENERAL.—In the later of the fiscal year in which the implementing regulations described in subparagraph (A)(ii) are promulgated or the fiscal year in which this paragraph is enacted, and in the subsequent fiscal year, the Secretary shall use not more than $50,000,000 of funds made available under section 1752 of this title to make payments to States described in clause (i).

(II) RESERVATION.—In providing funds to States under clause (i), the Secretary may reserve not more than $3,000,000 per fiscal year to support Federal administrative activities to carry out this paragraph.

AMENDMENTS

Subsec. (b)(2). Pub. L. 101–147, §512(2), substituted “reduced price” for “reduced-price”.
1981—Subsec. (a). Pub. L. 97–95, §§801(a)(1), (2), 819(g), designated existing provisions as subsec. (a), struck out provision, inserted provision regarding the participation rate for the State, and struck out provisions regarding to States’ as section catchline.
1973—Pub. L. 93–150 increased national average food assistance payments from 8 to 10 cents per lunch.
1972—Pub. L. 92–433 substituted new formula for food assistance payments to State educational agencies by taking into account the number of lunches served during the year, the children in the schools in such State participating in the school lunch program, and the national average payment per lunch set up by the Secretary, with certain limitations, for apportionment formula limiting the apportionable funds to 75 per cent of the available funds for such year, and taking into account the participation rate for the State, the need rate for the State, and providing for a method of apportionment, special provisions for disposal of excess or unused funds and for fiscal years beginning July 1, 1962, July 1, 1963, July 1, 1964 and fixing the funds for American Samoa at $25,000 for each year for the five fiscal years beginning July 1, 1962.
1962—Pub. L. 87–823 amended section generally, and, among other changes, substituted as factors for apportionment of funds among the States “(1) the participation rate for the State, and (2) the assistance need rate for the State” for “(1) the number of school children in the State and (2) the need for assistance in the State as indicated by the relation of the per capita income of the United States to the per capita income in the State”; inserted, in provision for determination of amount of apportionment in clause designated “second”, “(exclusive of American Samoa for periods ending before July 1, 1967)”; inserted provisions for use of transitional formulas in apportionment of funds for fiscal years beginning in 1962, 1963, and 1964 and apportioning to American Samoa $25,000 annually for five fiscal years in period beginning July 1, 1962 and ending June 30, 1967; and struck out apportionment formula for Puerto Rico, Guam, American Samoa, and the Virgin Islands, which limited apportionments to 3 per centum of the total fund to be apportioned but required the apportionment to each to be not less than an amount which would result in an allotment per child of school age equal to that for the State with the lowest per capita income, definition of school (incorporated in section 1760(d)(7) of this title), provision for use of latest per capita income figures certified by the Department of Commerce (incorporated in section 1760(d)(6)(ii) of this title), and definition of school children which provided that the number of school children should be the number between ages of five and seventeen.
Pub. L. 87–868 inserted “American Samoa,” after “Guam,” in two places and “the apportionment for American Samoa,” after “the apportionment for Guam.”
1952—Act July 12, 1952, removed Alaska and Hawaii from 3 percent limitation imposed on Puerto Rico and Virgin Islands, made limitation applicable to Guam, and modified effects of 3 percent limitation.

EFFECTIVE DATE OF 1981 AMENDMENT

EFFECTIVE DATE OF 2010 AMENDMENT
Effective Date of 1972 Amendment
Pub. L. 92–433, §4(c), Sept. 26, 1972, 86 Stat. 726, provided that the amendment made by that section is effective after the fiscal year ending June 30, 1973.

Effective Date of 1962 Amendment
Pub. L. 87–688, §3(b), Sept. 25, 1962, 76 Stat. 587, provided that: “The amendments made by this section [amending this section and sections 1754 and 1760 of this title] shall be applicable only with respect to funds appropriated after the date of enactment of this Act [Sept. 25, 1962].”

Effective Date of 1952 Amendment
Act July 12, 1952, ch. 699, §1(d), 66 Stat. 591, provided that: “The amendments made by this Act [amending this section and sections 1754 and 1760 of this title] shall be effective with respect to funds appropriated after the date on which this Act is enacted [July 12, 1952].”

Promulgation of Regulations
Pub. L. 97–35, title VII, §820(c), Aug. 13, 1981, 95 Stat. 535, provided that: “Not later than 60 days after the date of the enactment of this Act [Aug. 13, 1981], the Secretary of Agriculture shall promulgate regulations to implement the amendments made by this title [see Tables for classification].”

Reduction in General Reimbursement for Fiscal Year Ending September 30, 1981
Pub. L. 96–499, title II, §201(a), Dec. 5, 1980, 94 Stat. 2599, provided that: “National average payment per lunch under this chapter shall be reduced by 2½ cents for certain school food authorities for fiscal year ending Sept. 30, 1981, and that the amount of reimbursements under section 1756 of this title for fiscal year ending Sept. 30, 1983, shall be reduced by a proportionate amount and that the Secretary of Agriculture shall consult with the National Advisory Council on Child Nutrition and interested parties. Funds expended under the foregoing provisions of this resolution shall be reimbursed out of any supplemental appropriation hereafter enacted (on and after Nov. 5, 1971) for the purpose of carrying out section 4 [this section] and section 11 of the [Richard B. Russell] National School Lunch Act [section 1759a of this title], and such reimbursements shall be deposited into the fund established pursuant to section 32 of the Act of August 24, 1935 (section 612c of Title 7, Agriculture), to be available for the purposes of said section 32 (section 612c of Title 7).”

Appportionment of Additional Funds to States
Pub. L. 92–433, §4(b), Sept. 26, 1972, 86 Stat. 726, provided that: “Funds made available pursuant to this section shall be apportioned to the States in such manner as will best enable schools to meet their obligations with respect to the service of free and reduced-price lunches and to meet the objective of this section with respect to providing a minimum rate of reimbursement under section 4 of the [Richard B. Russell] National School Lunch Act [this section], and such funds shall be apportioned and paid as expeditiously as may be practicable.”

Pub. L. 92–153, §2, Nov. 5, 1971, 85 Stat. 420, provided that: “Funds made available by this joint resolution [amending sections 1758 and 1759a of this title and enacting provisions set out as notes under this section and sections 1758 and 1773 of this title] shall be apportioned to the States in such manner as will best enable schools to meet their obligations with respect to the service of free and reduced-price lunches and to meet the objective of this joint resolution [amending sections 1758 and 1759a of this title and enacting provisions set out as notes under this section and sections 1758 and 1773 of this title] and such funds shall be apportioned and paid as expeditiously as may be practicable.”

§1754. Nutrition promotion

(a) In general

Subject to the availability of funds made available under subsection (g), the Secretary shall make payments to State agencies for each fiscal year, in accordance with this section, to promote nutrition in food service programs under this chapter and the school breakfast program established under the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.).

(b) Total amount for each fiscal year

The total amount of funds available for a fiscal year for payments under this section shall equal not more than the product obtained by multiplying—

(1) 1 ½ cents; by

(2) the number of lunches reimbursed through food service programs under this chapter during the second preceding fiscal year in schools, institutions, and service institutions that participate in the food service programs.

(c) Payments to States

(1) Allocation

Subject to paragraph (2), from the amount of funds available under subsection (g) for a fiscal year, the Secretary shall allocate to each State agency an amount equal to the greater of—
§ 1755. Direct expenditures for agricultural commodities and other foods

(a) Administrative expenses; nutritional education; pilot projects; cash-in-lieu of commodities study; refusal of commodities and receipt of other commodities available to the State in lieu of the refused commodities

The funds provided by appropriation or transfer from other accounts for any fiscal year for carrying out the provisions of this chapter, and for carrying out the provisions of the Child Nutrition Act of 1966 [42 U.S.C. 1771 et seq.], other than section 3 thereof [42 U.S.C. 1772] less

(1) not to exceed 3½ per centum thereof which per centum is hereby made available to the Secretary for the Secretary's administrative expenses under this chapter and under the Child Nutrition Act of 1966 [42 U.S.C. 1771 et seq.];
(2) the amount apportioned by the Secretary pursuant to section 1753 of this title and the amount appropriated pursuant to sections 1759a and 1761 of this title and sections 4 and 7 of the Child Nutrition Act of 1966 [42 U.S.C. 1773 and 1776]; and

(3) not to exceed 1 per centum of the funds provided for carrying out the programs under this chapter and the programs under the Child Nutrition Act of 1966 [42 U.S.C. 1771 et seq.], other than section 3 [42 U.S.C. 1772], which per centum is hereby made available to the Secretary to supplement the nutritional benefits of these programs through grants to States and other means for nutritional training and education for workers, cooperators, and participants in these programs, for pilot projects and the cash-in-lieu of commodities study required to be carried out under section 1769 of this title, and for necessary surveys and studies of requirements for food service programs in furtherance of the purposes expressed in section 1751 of this title, and section 2 of the Child Nutrition Act of 1966 [42 U.S.C. 1771].

shall be available to the Secretary during such year for direct expenditure by the Secretary for agricultural commodities and other foods to be distributed among the States and schools and service institutions participating in the food service programs under this chapter and under the Child Nutrition Act of 1966 [42 U.S.C. 1771 et seq.] in accordance with the needs as determined by the local school and service institution authorities. Except as provided in the next 2 sentences, any school participating in food service programs under this chapter may refuse to accept delivery of not more than 20 percent of the total value of agricultural commodities and other foods tendered to it in any school year; and if a school so refuses, that school may receive, in lieu of the refused commodities, other commodities to the extent that other commodities are available to the State during that year. Any school food authority may refuse some or all of the fresh fruits and vegetables offered to the school food authority in any school year and shall receive, in lieu of the offered fruits and vegetables, other more desirable fresh fruits and vegetables that are at least equal in value to the fresh fruits and vegetables refused by the school food authority. The value of any fresh fruits and vegetables refused by a school under the preceding sentence for a school year shall not be used to determine the 20 percent of the total value of agricultural commodities and other foods tendered to the school food authority in the school year under the second sentence. The provisions of law contained in the proviso of section 733c of title 15, facilitating operations with respect to the purchase and disposition of surplus agricultural commodities under section 612c of title 7, shall, to the extent not inconsistent with the provision of this chapter, also be applicable to expenditures of funds by the Secretary under this chapter. In making purchases of such agricultural commodities and other foods, the Secretary shall not issue specifications which restrict participation of local producers unless such specifications will result in significant advantages to the food service programs authorized by this chapter and the Child Nutrition Act of 1966.

(b) Delivery of commodities

The Secretary shall deliver, to each State participating in the school lunch program under this chapter, commodities valued at the total level of assistance authorized under subsection (a) for each school year for the school lunch program in the State, not later than September 30 of the following school year.

(c) Level of commodity assistance; computation of index; calculation of total assistance to each State; emphasis on high protein foods; per meal value of donated foods

(1)(A) The national average value of donated foods, or cash payments in lieu thereof, shall be 11 cents, adjusted on July 1, 1982, and each July 1 thereafter to reflect changes in the Price Index for Foods Used in Schools and Institutions. The Index shall be computed using 5 major food components in the Bureau of Labor Statistics’ Producer Price Index (cereal and bakery products, meats, poultry and fish, dairy products, processed fruits and vegetables, and fats and oils). Each component shall be weighted using the same relative weight as determined by the Bureau of Labor Statistics.

(B) The value of food assistance for each meal shall be adjusted each July 1 by the annual percentage change in a 3-month average value of the Price Index for Foods Used in Schools and Institutions for March, April, and May each year. Such adjustment shall be computed to the nearest 1/10 cent.

(C) For each school year, the total commodity assistance or cash in lieu thereof available to a State for the school lunch program shall be calculated by multiplying the number of lunches served in the preceding school year by the rate established by subparagraph (B). After the end of each school year, the Secretary shall reconcile the number of lunches served by schools in each State with the number of lunches served by schools in each State during the preceding school year and increase or reduce subsequent commodity assistance or cash in lieu thereof provided to each State based on such reconciliation.

(D) Among those commodities delivered under this section, the Secretary shall give special emphasis to high protein foods, meat, and meat alternates (which may include domestic seafood commodities and their products).

(E) Notwithstanding any other provision of this section, not less than 75 percent of the assistance provided under this subsection shall be in the form of donated foods for the school lunch program.

(2) To the maximum extent feasible, each State agency shall offer to each school food authority under its jurisdiction that participates in the school lunch program and receives commodities, agricultural commodities and their products, the per meal value of which is not less than the national average value of donated foods established under paragraph (1). Each such offer shall include the full range of such commodities and products that are available from the Sec-
(d) Termination of commodity assistance based upon school breakfast program

Beginning with the school year ending June 30, 1981, the Secretary shall not offer commodity assistance based upon the number of breakfasts served to children under section 4 of the Child Nutrition Act of 1966 [42 U.S.C. 1773].

(e) Minimum percentage of commodity assistance

(1) Subject to paragraph (2), in each school year the Secretary shall ensure that not less than 12 percent of the assistance provided under section 1753 of this title shall be in the form of—

(A) commodity assistance provided under this section, including cash in lieu of commodities and administrative costs for procurement of commodities under this section; or

(B) during the period beginning October 1, 2003, and ending September 30, 2018, commodities provided by the Secretary under any provision of law.

(2) If amounts available to carry out the requirements of the sections described in paragraph (1) are insufficient to meet the requirements of the sections described in paragraph (1) are insufficient to meet the requirements of the sections described in paragraph (1), the Secretary shall, to the extent necessary, use the authority provided under section 1762a(a) of this title to meet the requirement for the school year.

(f) Pilot project for procurement of unprocessed fruits and vegetables

(1) In general

The Secretary shall conduct a pilot project under which the Secretary shall facilitate the procurement of unprocessed fruits and vegetables in not more than 8 States receiving funds under this chapter.

(2) Purpose

The purpose of the pilot project required by this subsection is to provide selected States flexibility for the procurement of unprocessed fruits and vegetables by permitting each State—

(A) to utilize multiple suppliers and products established and qualified by the Secretary; and

(B) to allow geographic preference, if desired, in the procurement of the products under the pilot project.

(3) Selection and participation

(A) In general

The Secretary shall select States for participation in the pilot project in accordance with criteria established by the Secretary and terms and conditions established for participation.

(B) Requirement

The Secretary shall ensure that at least 1 project is located in a State in each of—

(i) the Pacific Northwest Region;

(ii) the Northeast Region;

(iii) the Western Region;

(iv) the Midwest Region; and

(v) the Southern Region.

(4) Priority

In selecting States for participation in the pilot project, the Secretary shall prioritize applications based on—

(A) the quantity and variety of local fruits and vegetables in the States on a per capita basis;

(B) the demonstrated commitment of the States to farm-to-school efforts, as evidenced by prior efforts to increase and promote farm-to-school programs in the States; and

(C) whether the States contain a sufficient quantity of local educational agencies, various population sizes, and geographical locations.

(5) Recordkeeping and reporting requirements

(A) Recordkeeping requirement

States selected to participate in the pilot project, and participating school food authorities within those States, shall keep records of the fruits and vegetables received under the pilot project in such manner and form as requested by the Secretary.

(B) Reporting requirement

Each participating State shall submit to the Secretary a report on the success of the pilot project in the State, including information on—

(i) the quantity and cost of each type of fruit and vegetable received by the State under the pilot project; and

(ii) the benefit provided by those procurements in conducting school food services in the State, including meeting school meal requirements.

REFERENCES IN TEXT


Subsection (c), referred to in subsec. (b), was repealed and subsec. (e) was redesignated (c) by Pub. L. 105–336, title I, § 101(a), Oct. 31, 1998, 112 Stat. 3144.

CODIFICATION


AMENDMENTS


1999—Subsec. (e)(1). Pub. L. 106–170 designated existing provisions as introductory provisions and subpar. (A) and added subpar. (B).

1998—Subsecs. (c) to (g). Pub. L. 105–336 redesignated subsecs. (e) to (g) as (c) to (e), respectively, and struck out former subsecs. (c) and (d) which read as follows—

“(c) Notwithstanding any other provision of law, the Secretary, until such time as a supplemental appropriation may provide additional funds for the purpose of subsection (b) of this section, shall use funds appropriated by section 612c of title 7 to make any payments to States authorized under such subsection. Any section 612c of title 7 funds utilized to make such payments shall be reimbursed out of any supplemental appropriation hereafter enacted for the purpose of carrying out subsection (b) of this section and such reimbursement shall be deposited into the fund established pursuant to section 612c of title 7 to be available for the purpose of said section 612c of title 7.

“(d) Any funds made available under subsection (b) or (c) of this section shall not be subject to the State matching provisions of section 1756 of this title.

“(e) In determining any value to be set under this section, the Secretary shall determine—

“(1) the average value of any fresh fruits and vegetables refused by a school food authority in any school year and shall receive, in lieu of the offered fruits and vegetables, other more desirable fresh fruits and vegetables that are at least equal in value to the fresh fruits and vegetables refused by the school food authority. The value of any fresh fruits and vegetables refused by a school under the preceding sentence for a school year shall not be used to determine the 20 percent of the total value of agricultural commodities and other foods tendered to the school food authority in the school year under the second sentence.

“(2) the average value of the combined value of all the fruits and vegetables offered to the school food authority in any school year and shall receive, in lieu of the refused fruits and vegetables, other more desirable fresh fruits and vegetables that are at least equal in value to the fresh fruits and vegetables refused by the school food authority. The value of such fruits and vegetables refused by a school under the preceding sentence for a school year shall not be used to determine the 20 percent of the total value of agricultural commodities and other foods tendered to the school food authority in the school year under the second sentence.

“(f) Prior to amendment, par. (1) read as follows:

“Except as provided in the next 2 sentences, the Secretary’s for “him” in par. (1), substituted “the Secretary” for “him” in par. (2), and, in concluding provisions, substituted “expenditure by the Secretary” for “expenditure by him” and made technical amendments to the references to section 736c of title 15 and section 612c of title 7 involving underlying provisions of original act and requiring no change in text.

Subsec. (e)(1). Pub. L. 101–147, § 131(a)(1), amended par. (1) generally. Prior to amendment, par. (1) read as follows—“The national average value of donated foods, or cash payments in lieu thereof, shall be 11 cents, adjusted on July 1, 1982, and each July 1 thereafter to reflect changes in the Price Index for Food Used in Schools and Institutions. The Index shall be computed using five major food components in the Bureau of Labor Statistics’ Producer Price Index (cereal and bakery products, meats, poultry and fish, dairy products, processed fruits and vegetables, and fats and oils). Each component shall be weighted using the same relative weight as determined by the Bureau of Labor Statistics. The value of good assistance for each meal shall be adjusted each July 1 by the annual percentage change in a three-month simple average value of the Price Index for Foods Used in Schools and Institutions for March, April, and May each year. Such adjustment shall be computed to the nearest one-fourth cent. Among those commodities delivered under this section, the Secretary shall give special emphasis to high protein foods, meat, and meat alternates (which may include domestic seafood commodities and their products). Notwithstanding any other provision of this section, not less than 75 percent of the assistance provided under this subsection (e) shall be in the form of donated foods for the school lunch program.”

Subsec. (e)(2). Pub. L. 100–147, § 131(a)(2), substituted “To the maximum extent feasible, each State agency” for “Each State agency”.

1988—Subsec. (e). Pub. L. 100–237 designated existing provisions as par. (1) and added par. (2).


Subsec. (e). Pub. L. 97–35, § 802, substituted provisions requiring value to be set at not less than 10 cents, as adjusted on July 1, 1982, and each July 1, thereafter, for provisions requiring value to be set at not less than 10 cents, as adjusted on an annual basis each school year after June 30, 1975.


1978—Subsec. (e). Pub. L. 95–627, § 6(b), substituted provision relating to Price Index for Food Used in Schools and Institutions for provision relating to Consumer Price Index.

Pub. L. 95–627, § 12(a), which provided for inserting “which includes domestic food commodities and their products” after “alternatives” was executed by inserting that parenthetical after “alternatives” as the probable intent of Congress.

1977—Subsec. (a). Pub. L. 95–166, §§ 7, 10(1), inserted provision which authorized referral of commodities and receipt of other commodities available to State, in lieu of refused commodities, and in cl. (3) authorized grants for pilot projects and cash-in-lieu of commodities study required to be carried out under section 1769 of this title.

Subsec. (b). Pub. L. 95–166, § 5, in revising subsec. (b), changed commodity distribution program to a school year from a fiscal year basis, and among other changes, extended deadline for estimated valuation and payment to May 15 and June 15 from February 15 and March 15, and struck out provision respecting apportionment. (g) enim propter populos agnsit.
riculture under title 7, subtitle (b), chapter II, sub-
chapter (a), parts 210 and 220.
Subsec. (e). Pub. L. 95–156, §19(a), substituted “school years” and “school year after June 30, 1975” for “fiscal years” and “fiscal year after June 30, 1975”, respectively.
1975—Subsec. (a). Pub. L. 94–105, §11(a), inserted provision prohibiting issuance of specifications in purchase of agricultural commodities and other foods unless such specifications result in significant advantages to the authorized food service programs.
Subsec. (b). Pub. L. 94–105, §4, substituted references to all schools of States for references to only nonprofit private schools of States in provisions covering Secretary’s direct administration of school food service programs.
Subsec. (e). Pub. L. 94–105, §11(b), inserted provision mandating that not less than 75 per centum of assistance under this subsection shall be in form of donated foods for the school lunch program.
Subsec. (b). Pub. L. 93–150, in revising text to make provisions applicable each fiscal year rather than only for fiscal year ending June 30, 1973, substituted in first sentence, “As of February 15 of each fiscal year” and “during that fiscal year” for “As of March 15, 1973” and “during the fiscal year ending June 30, 1973”;
second sentence, “for that fiscal year,” “March 15 of that fiscal year,” and “as of February 15 of such fiscal year” for “for the fiscal year ending June 30, 1973,” “April 15, 1973,” and “as of March 15, 1973,” third sentence, “during the preceding fiscal year” for “during the fiscal year ending June 30, 1972”; and proviso of third sentence, “during that fiscal year” for “during the fiscal year ending June 30, 1972.”.
Pub. L. 93–13 added subsec. (c).
1970—Pub. L. 91–248 increased amount authorized for administrative expenses by 3% percent of the amount appropriated to carry out this chapter and the Child Nutrition Act of 1966, other than section 1772 of this title, made such amount available for the Secretary’s administrative expenses, authorized use of up to 1 percent of the funds appropriated for this chapter and the Child Nutrition Act of 1966, other than section 1772 of this title, for nutritional training and education and studies of food service requirements in connection with those programs, reduced, to the extent funds were used for administrative expenses other than for this chapter or for educational or training or studies, the share of this chapter’s appropriations which may be used for direct expenditure by the Secretary for agricultural commodities and other foods, and authorized distribution of such foods to schools and service institutions participating in food service programs under this chapter and the Child Nutrition Act of 1966.
1965—Pub. L. 89–306 inserted “except section 1761 of this title” after “The funds appropriated for any fiscal year for carrying out the provisions of this chapter,”.
1962—Pub. L. 87–823 substituted “, less the amount apportioned by him pursuant to sections 1753, 1754, and 1759 of this title, and less the amount appropriated pursuant to section 1759a of this title” for “and less the amount apportioned to him pursuant to sections 1753, 1754, and 1759 of this title”.

Effective Date of 2010 Amendment

Effective Date of 2002 Amendment

Effective Date of 1998 Amendment

Effective Date of 1994 Amendment
Pub. L. 103–448, title IV, §401, Nov. 2, 1994, 108 Stat. 4751, provided that: “Except as otherwise provided in this Act [see Short Title of 1994 Amendment note set out under section 1751 of this title], this Act and the amendments made by this Act shall become effective on October 1, 1994.”

Effective Date of 1989 Amendment
Pub. L. 101–147, title I, §131(c), Nov. 10, 1989, 103 Stat. 907, provided that: “The amendments made by this section [amending this section and section 1766 of this title] shall become effective on July 1, 1989.”

Effective Date of 1981 Amendment

Effective Date of 1978 Amendment
Pub. L. 95–627, §14, Nov. 10, 1978, 92 Stat. 3625, provided that: “The provisions of this Act [enacting section 1769c of this title, amending this section and sections 1757, 1760, 1761, 1762a, 1766, 1769, 1773, 1774, 1776, 1786 of this title and enacting provisions set out as notes under this section, sections 1751, 1773, and 1786 of this title], except sections 4, 5, and 8, shall become effective October 1, 1978. The provisions of section 4 of this Act [amending section 1759a of this title] shall become effective January 1, 1979. The provisions of sections 5 [amending this section and sections 1759a, 1761, and 1772 of this title] and 8 [amending section 1758 of this title] of this Act shall become effective July 1, 1979, except that the Secretary may make the necessary changes in the income poverty guidelines for the special supplemental food program under section 17 of the Child Nutrition Act of 1966 [section 1786 of this title] not earlier than October 1, 1978, and not later than July 1, 1979.”

Effective Date of 1977 Amendment
Pub. L. 95–166, §19, Nov. 10, 1977, 91 Stat. 1345, provided that the amendment made by that section is effective January 1, 1977.

Reduction in Commodity Assistance for Fiscal Year Ending September 30, 1981

Congressional Findings and Declaration of Purpose
Pub. L. 93–13, §1, Mar. 30, 1973, 87 Stat. 9, provided that: “The Congress finds that the volume and variety of Federal food donations to school lunch and child nutrition programs are significantly below the amounts programmed and budgeted for the fiscal year ending June 30, 1973, and that schools participating in these programs are confronted with serious financial problems in obtaining sufficient supplies of the foods required to meet the nutritional standards established.
§ 1755a. Whole grain products

(a) Purpose

The purpose of this section is to encourage greater awareness and interest in the number and variety of whole grain products available to schoolchildren, as recommended by the 2005 Dietary Guidelines for Americans.

(b) Definition of eligible whole grains and whole grain products

In this section, the terms “whole grains” and “whole grain products” have the meaning given the terms by the Food and Nutrition Service in the HealthierUS School Challenge.

(c) Purchase of whole grains and whole grain products

In addition to the commodities delivered under section 6 of the Richard B. Russell National School Lunch Act (42 U.S.C. 1755), the Secretary shall purchase whole grains and whole grain products for use in—

(1) the school lunch program established under the Richard B. Russell National School Lunch Act (42 U.S.C. 1751 et seq.); and

(2) the school breakfast program established by section 1773 of this title.

(d) Evaluation

Not later than September 30, 2011, the Secretary shall conduct an evaluation of the activities conducted under subsection (c) that includes—

(1) an evaluation of whether children participating in the school lunch and breakfast programs increased their consumption of whole grains;

(2) an evaluation of which whole grains and whole grain products are most acceptable for use in the school lunch and breakfast programs;

(3) any recommendations of the Secretary regarding the integration of whole grain products in the school lunch and breakfast programs; and

(4) an evaluation of any other outcomes determined to be appropriate by the Secretary.

(e) Report

As soon as practicable after the completion of the evaluation under subsection (d), the Secretary shall submit to the Committee on Agriculture, Nutrition, and Forestry of the Senate and the Committee on Education and Labor of the House of Representatives a report describing the results of the evaluation.


§ 1755b. Pulse crop products

(a) Purpose

The purpose of this section is to encourage greater awareness and interest in the number and variety of pulse crop products available to schoolchildren, as recommended by the most recent Dietary Guidelines for Americans published under section 5341 of title 7.

(b) Definitions

In this section:

(1) Eligible pulse crop

The term “eligible pulse crop” means dry beans, dry peas, lentils, and chickpeas.

(2) Pulse crop product

The term “pulse crop product” means a food product derived in whole or in part from an eligible pulse crop.

(c) Purchase of pulse crops and pulse crop products

In addition to the commodities delivered under section 6 of the Richard B. Russell National School Lunch Act (42 U.S.C. 1755), subject to the availability of appropriations, the Secretary shall purchase eligible pulse crops and pulse crop products for use in—

(1) the school lunch program established under the Richard B. Russell National School Lunch Act (42 U.S.C. 1751 et seq.); and

(2) the school breakfast program established by section 1773 of this title.

(d) Evaluation

Not later than September 30, 2016, the Secretary shall conduct an evaluation of the activities conducted under subsection (c), including—

(1) an evaluation of whether children participating in the school lunch and breakfast programs described in subsection (c) increased overall consumption of eligible pulse crops as a result of the activities;

(2) an evaluation of which eligible pulse crops and pulse crop products are most acceptable for use in the school lunch and breakfast programs; and

(3) any recommendations of the Secretary regarding the integration of the use of pulse crop products in carrying out the school lunch and breakfast programs;
§ 1756

(a) State revenue matching requirements; special provisions for lower than average income per capita States

(1) Funds appropriated to carry out section 1753 of this title during any fiscal year shall be available for payment to the States for disbursement by State educational agencies in accordance with such agreements, not inconsistent with the provisions of this chapter, as may be entered into by the Secretary and such State educational agencies for the purpose of assisting schools within the States in obtaining agricultural commodities and other foods for consumption by children in furtherance of the school lunch program authorized under this chapter.

For any school year, such payments shall be made to a State only if, during such school year, the amount of the State revenues (excluding State revenues derived from the operation of the program) appropriated or used specifically for program purposes (other than any State revenues expended for salaries and administrative expenses of the program at the State level) is not less than 30 percent of the funds made available to such State under section 1753 of this title for the school year beginning July 1, 1980.

(2) If, for any school year, the per capita income of a State is less than the average per capita income of all the States, the amount required to be expended by a State under paragraph (1) for such year shall be an amount bearing the same ratio to the amount equal to 30 percent of the funds made available to such State under section 1753 of this title for the school year beginning July 1, 1980, as the per capita income of such State bears to the average per capita income of all the States.

(b) Disbursements; private schools

The State revenues provided by any State to meet the requirement of subsection (a) shall, to the extent the State revenue matching requirements, be disbursed to schools participating in the school lunch program under this chapter. No State in which the State educational agency is prohibited by law from disbursing State appropriated funds to private schools shall be required to match Federal funds made available for meals served in such schools, or to disburse, to such schools, any of the State revenues required to meet the requirements of subsection (a).

(c) Certification of payments by Secretary

The Secretary shall certify to the Secretary of the Treasury, from time to time, the amounts to be paid to any State under this section and shall specify when such payments are to be made. The Secretary of the Treasury shall pay to the State, at the time or times fixed by the Secretary, the amounts so certified.

(d) Combined Federal and State commodity purchases

Notwithstanding any other provision of law, the Secretary may enter into an agreement with a State agency, acting on the request of a school food service authority, under which funds payable to the State under section 1733 or 1759a of this title may be used by the Secretary for the purpose of purchasing commodities for use by the school food service authority in meals served under the school lunch program under this chapter.
revenue (other than revenues derived from the program) appropriated or used specifically for program purposes (other than salaries and administrative expenses at the State, as distinguished from local, level) shall constitute at least 8 percent of the matching requirement for the preceding school year, or, at the discretion of the Secretary, fiscal year, and for each school year thereafter, at least 10 percent of the matching requirement for the preceding school year for ‘‘For the fiscal year beginning July 1, 1971, and the fiscal year beginning July 1, 1972, State revenue (other than revenues derived from the program) appropriated or utilized specifically for program purposes (other than salaries and administrative expenses at the State, as distinguished from local, level) shall constitute at least 4 percent of the matching requirement for the preceding fiscal year; for each of the two succeeding fiscal years, at least 6 percent of the matching requirement for the preceding fiscal year; and for each fiscal year thereafter at least 10 percent of the matching requirement for the preceding fiscal year. 1975—Pub. L. 94–105 made requirements of section that each dollar of Federal assistance be matched by $3 from sources within the State inapplicable with respect to the payments made to participating schools under section 1733 of this title, with the proviso that such inapplicability not affect the level of State matching required by the sixth sentence of the section. 1972—Pub. L. 92–433 substituted ‘‘per centum of the matching requirement for the preceding fiscal year’’ for ‘‘per centum of the matching requirement’’ in four places. 1970—Pub. L. 91–248 inserted provision requiring that State revenues represent a prescribed minimum of the local funds required to match Federal funds appropriated under this chapter, required that amounts derived by the State from the program, or expended by it for salaries or administrative expenses at the State level, would not count toward meeting the State revenue share of the matching requirement, and required State funds disbursed to each school, to the extent practicable, on the basis of its share of the funds apportioned for the regular school lunch program, the special assistance program to schools for needy children, and the nonfood assistance program for schools drawing from poor economic areas. EFFECTIVE DATE OF 1994 AMENDMENT Amendment by Pub. L. 103–448 effective Oct. 1, 1994, see section 401 of Pub. L. 103–448, set out as a note under section 1755 of this title. EFFECTIVE DATE OF 1981 AMENDMENT Amendment by Pub. L. 97–35 effective July 1, 1981, see section 820(a)(2) of Pub. L. 97–35, set out as a note under section 1753 of this title. EFFECTIVE DATE OF 1977 AMENDMENT Pub. L. 95–166, §19, Nov. 10, 1977, 91 Stat. 1345, provided that the amendment made by that section is effective July 1, 1977. §1757. State disbursement to schools (a) Disbursement by State educational agency Funds paid to any State during any fiscal year pursuant to section 1753 of this title shall be disbursed by the State educational agency, in accordance with such agreements approved by the Secretary, as may be entered into by such State agency and the schools in the State, to those schools in the State which the State educational agency, taking into account need and attendance, determines are eligible to participate in the school lunch program.

(b) Permanent, amendable agreements The agreements described in subsection (a) shall be permanent agreements that may be amended as necessary.

(c) Suspension or termination of agreements The State educational agency may suspend or terminate any such agreement in accordance with regulations prescribed by the Secretary.

(d) Use of funds Use of funds paid to States may include, in addition to the purchase price of agricultural commodities and other foods, the cost of processing, distributing, transporting, storing or handling thereof.

(e) Limitation In no event shall such disbursement for food to any school for any fiscal year exceed an amount determined by multiplying the number of lunches served in the school in the school lunch program under this chapter during such year by the maximum per meal reimbursement rate for the State, for the type of lunch served, as prescribed by the Secretary.

(f) Increase in meal reimbursement In any fiscal year in which the national average payment per lunch determined under section 1753 of this title is increased above the amount prescribed in the previous fiscal year, the maximum per meal reimbursement rate, for the type of lunch served, shall be increased by a like amount.

(g) In advance or as reimbursement Lunch assistance disbursements to schools under this section and under section 1759a of this title may be made in advance or by way of reimbursement in accordance with procedures prescribed by the Secretary.

(See section 1757 for effective date of 1994 amendments and effective dates of amendments to this section.)
scribed by the Secretary, to have 1 or more mental or physical handicaps and who are attending any child care institution as defined in section 1768 of this title or any nonresidential public or nonprofit private school of high school grade or under for the purpose of participating in a school program established for individuals with mental or physical handicaps: Provided, That no institution that is not otherwise eligible to participate in the program under section 1766 of this title shall be deemed eligible because of this sentence.”


1981—Pub. L. 97–35 substituted references to per meal reimbursement rate, for references to Federal food-cost contribution rate wherever appearing, and struck out reference to section 1754 of this title, and food service equipment assistance.

1978—Pub. L. 95–627 inserted provision relating to definition of “child” and “children”.

1977—Pub. L. 95–166 substituted “food service equipment assistance” for “nonfood assistance”.

1973—Pub. L. 93–150 provided that in any fiscal year in which the national average payment per lunch determined under section 1753 of this title is increased above the amount prescribed in the previous fiscal year, the maximum Federal food-cost contribution rate, for the type of lunch served, shall be increased by a like amount.

1972—Pub. L. 92–433 substituted provision that disbursement to schools be made for the purpose of assisting them to finance the costs of agricultural commodities, for provision that such disbursement be made for the purpose of reimbursing them for such costs and inserted provision that lunch assistance disbursements to schools under this section and section 1759a of this title may be made in advance or by way of reimbursement according to procedure prescribed by the Secretary.

**Effective Date of 1981 Amendment**


**Effective Date of 1978 Amendment**


§ 1758. Program requirements

(a) Nutritional requirements

1(A) Lunches served by schools participating in the school lunch program under this chapter shall meet minimum nutritional requirements prescribed by the Secretary on the basis of tested nutritional research, except that the minimum nutritional requirements—

(i) shall not be construed to prohibit the substitution of foods to accommodate the medical or other special dietary needs of individual students; and

(ii) shall, at a minimum, be based on the weekly average of the nutrient content of school lunches.

(B) The Secretary shall provide technical assistance and training, including technical assistance and training in the preparation of lower-fat versions of foods commonly used in the school lunch program under this chapter, to schools participating in the school lunch program to assist the schools in complying with the nutritional requirements prescribed by the Secretary pursuant to subparagraph (A) and in providing appropriate meals to children with medically certified special dietary needs. The Secretary shall provide additional technical assistance to schools that are having difficulty maintaining compliance with the requirements.

(2) Fluid milk.

(A) In general.—Lunches served by schools participating in the school lunch program under this chapter—

(i) shall offer students a variety of fluid milk. Such milk shall be consistent with the most recent Dietary Guidelines for Americans published under section 5341 of title 7;

(ii) may offer students flavored and unflavored fluid milk and lactose-free fluid milk; and

(iii) shall provide a substitute for fluid milk for students whose disability restricts their diet, on receipt of a written statement from a licensed physician that identifies the disability that restricts the student’s diet and that specifies the substitute for fluid milk.

(B) Substitutes.—

(i) Standards for substitution.—A school may substitute for the fluid milk provided under subparagraph (A), a nondairy beverage that is nutritionally equivalent to fluid milk and meets nutritional standards established by the Secretary (which shall, among other requirements to be determined by the Secretary, include fortification of calcium, protein, vitamin A, and vitamin D to levels found in cow’s milk) for students who cannot consume fluid milk because of a medical or other special dietary need other than a disability described in subparagraph (A)(iii).

(ii) Notice.—The substitutions may be made if the school notifies the State agency that the school is implementing a variation allowed under this subparagraph, and if the substitution is requested by written statement of a medical authority or by a student’s parent or legal guardian that identifies the medical or other special dietary need that restricts the student’s diet, except that the school shall not be required to provide beverages other than beverages the school has identified as acceptable substitutes.

(iii) Excess expenses borne by school food authority.—Expenses incurred in providing substitutions under this subparagraph that are in excess of expenses covered by reimbursements under this chapter shall be paid by the school food authority.

(C) Restrictions on sale of milk prohibited.—A school that participates in the school...
lunch program under this chapter shall not directly or indirectly restrict the sale or marketing of fluid milk products by the school (or by a person approved by the school) at any time or any place: (i) on the school premises; or (ii) at any school-sponsored event.

(3) Students in senior high schools that participate in the school lunch program under this chapter (and, when approved by the local school district or nonprofit private schools, students in any other grade level) shall not be required to accept offered foods they do not intend to consume, and any such failure to accept offered foods shall not affect the full charge to the student for a lunch meeting the requirements of this subsection or the amount of payments made under this chapter to any such school for such lunch.

(4) PROVISION OF INFORMATION.—
(A) GUIDANCE.—Prior to the beginning of the school year beginning July 2004, the Secretary shall issue guidance to States and school food authorities to increase the consumption of foods and food ingredients that are recommended for increased serving consumption in the most recent Dietary Guidelines for Americans published under section 5341 of title 7.

(B) RULES.—Not later than 2 years after June 30, 2004, the Secretary shall promulgate rules, based on the most recent Dietary Guidelines for Americans, that reflect specific recommendations, expressed in serving recommendations, for increased consumption of foods and food ingredients offered in school nutrition programs under this chapter and the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.).

(C) PROCUREMENT AND PROCESSING OF FOOD SERVICE PRODUCTS AND COMMODITIES.—The Secretary shall—
(i) identify, develop, and disseminate to State departments of agriculture and education, school food authorities, local educational agencies, and local processing entities, model product specifications and practices for foods offered in school nutrition programs under this chapter and the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.) to ensure that the foods reflect the most recent Dietary Guidelines for Americans published under section 5341 of title 7;
(ii) not later than 1 year after December 13, 2010—
(I) carry out a study to analyze the quantity and quality of nutritional information available to school food authorities about food service products and commodities; and
(II) submit to Congress a report on the results of the study that contains such legislative recommendations as the Secretary considers necessary to ensure that school food authorities have access to the nutritional information needed for menu planning and compliance assessments; and
(iii) to the maximum extent practicable, in purchasing and processing commodities for use in school nutrition programs under this chapter and the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.), purchase the widest variety of healthful foods that reflect the most recent Dietary Guidelines for Americans.

(5) WATER.—Schools participating in the school lunch program under this chapter shall make available to children free of charge, nutritionally appropriate, potable water for consumption in the place where meals are served during meal service.

(b) Eligibility

(1)(A) Not later than June 1 of each fiscal year, the Secretary shall prescribe income guidelines for determining eligibility for free and reduced price lunches during the 12-month period beginning July 1 of such fiscal year and ending June 30 of the following fiscal year. The income guidelines for determining eligibility for free lunches shall be 130 percent of the applicable family size income levels contained in the nonfarm income poverty guidelines prescribed by the Office of Management and Budget, as adjusted annually in accordance with subparagraph (B). The income guidelines for determining eligibility for reduced price lunches for any school year shall be 185 percent of the applicable family size income levels contained in the nonfarm income poverty guidelines prescribed by the Office of Management and Budget, as adjusted annually in accordance with subparagraph (B). The Office of Management and Budget guidelines shall be revised at annual intervals, or at any shorter interval deemed feasible and desirable.

(B) The revision required by subparagraph (A) of this paragraph shall be made by multiplying—
(i) the official poverty line (as defined by the Office of Management and Budget); by
(ii) the percentage change in the Consumer Price Index during the annual or other interval immediately preceding the time at which the adjustment is made.

Revisions under this subparagraph shall be made not more than 30 days after the date on which the consumer price index data required to compute the adjustment becomes available.

(2)(A) Following the determination by the Secretary under paragraph (1) of this subsection of the income eligibility guidelines for each school year, each State educational agency shall announce the income eligibility guidelines, by family size, to be used by schools in the State in making determinations of eligibility for free and reduced price lunches. Local school authorities shall, each year, publicly announce the income eligibility guidelines for free and reduced price lunches on or before the opening of school.

(B) APPLICATIONS AND DESCRIPTIVE MATERIAL.—
(i) IN GENERAL.—Applications for free and reduced price lunches, in such form as the Secretary may prescribe or approve, and any descriptive material, shall be distributed to the parents or guardians of children in attendance at the school, and shall contain only the family size income levels for reduced price meal eligibility with the explanation that households with incomes less than or equal to these
values would be eligible for free or reduced price lunches.

(ii) INCOME ELIGIBILITY GUIDELINES.—Forms and descriptive material distributed in accordance with clause (i) may not contain the income eligibility guidelines for free lunches.

(iii) CONTENTS OF DESCRIPTIVE MATERIAL.—

(I) IN GENERAL.—Descriptive material distributed in accordance with clause (i) shall contain a notification that—

(aa) participants in the programs listed in subclause (II)(aa) are—

(ba) individuals in households that provide documentation for verification of eligibility for free or reduced price meals; and

(bb) documentation may be requested for verification of eligibility for free or reduced price meals.

(II) PROGRAMS.—The programs referred to in subclause (I)(aa) are—

(aa) the special supplemental nutrition program for women, infants, and children established by section 17 of the Child Nutrition Act of 1966 (42 U.S.C. 1786);

(bb) the supplemental nutrition assistance program established under the Food and Nutrition Act of 2008 (7 U.S.C. 2011 et seq.); and

(cc) the food distribution program on Indian reservations established under section 4(b) of the Food and Nutrition Act of 2008 (7 U.S.C. 2013(b)); and

(dd) a State program funded under the program of block grants to States for temporary assistance for needy families established under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.).

(3) HOUSEHOLD APPLICATIONS.—

(A) DEFINITION OF HOUSEHOLD APPLICATION.—In this paragraph, the term “household application” means an application for a child of a household to receive free or reduced price school lunches under this chapter, or free or reduced price school breakfasts under the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.), for which an eligibility determination is made other than under paragraph (4) or (5).

(B) ELIGIBILITY DETERMINATION.—

(i) IN GENERAL.—An eligibility determination shall be made on the basis of a complete household application executed by an adult member of the household or in accordance with guidance issued by the Secretary.

(ii) ELECTRONIC SIGNATURES AND APPLICATIONS.—A household application may be executed using an electronic signature if—

(I) the application is submitted electronically; and

(II) the electronic application filing system meets confidentiality standards established by the Secretary.

(C) CHILDREN IN HOUSEHOLD.—

(i) IN GENERAL.—The household application shall include the names of each child in the household for whom meal benefits are requested.

(ii) SEPARATE APPLICATIONS.—A State educational agency or local educational agency may not request a separate application for each child in the household that attends schools under the same local educational agency.

(D) VERIFICATION OF SAMPLE.—

(i) DEFINITIONS.—In this subparagraph:

(1) ERROR PRONE APPLICATION.—The term “error prone application” means an approved household application that—

(aa) indicates monthly income that is within $100, or an annual income that is within $1,200, of the income eligibility limitation for free or reduced price meals; or

(bb) in lieu of the criteria established under item (aa), meets criteria established by the Secretary.

(II) NON-RESPONSE RATE.—The term “non-response rate” means (in accordance with guidelines established by the Secretary) the percentage of approved household applications for which verification information has not been obtained by a local educational agency after attempted verification under subparagraphs (F) and (G).

(ii) VERIFICATION OF SAMPLE.—Each school year, a local educational agency shall verify eligibility of the children in a sample of household applications approved for the school year by the local educational agency, as determined by the Secretary in accordance with this subsection.

(iii) SAMPLE SIZE.—Except as otherwise provided in this paragraph, the sample for a local educational agency for a school year shall equal the lesser of—

(I) 3 percent of all applications approved by the local educational agency for the school year, as of October 1 of the school year, selected from error prone applications; or

(II) 3,000 error prone applications approved by the local educational agency for the school year, as of October 1 of the school year.

(iv) ALTERNATIVE SAMPLE SIZE.—

(I) IN GENERAL.—If the conditions described in subclause (IV) are met, the verification sample size for a local educational agency shall be the sample size described in subclause (II) or (III), as determined by the local educational agency.

(II) 3,000/3 PERCENT OPTION.—The sample size described in this subclause shall be the lesser of 3,000, or 3 percent of, applications selected at random from applications approved by the local educational agency for the school year, as of October 1 of the school year.

(III) 1,000/1 PERCENT PLUS OPTION.—

(aa) IN GENERAL.—The sample size described in this subclause shall be the sum of—

(AA) the lesser of 1,000, or 1 percent of, all applications approved by the local educational agency for the school year, as of October 1 of the school year, selected from error prone applications; and

(BB) the lesser of 500, or ½ of 1 percent of, applications approved by the local educational agency for the school year, as of October 1 of the school year, that provide a case number (in lieu of
income information) showing participation in a program described in item (bb) selected from those approved applications that provide a case number (in lieu of income information) verifying the participation.

(bb) PROGRAMS.—The programs described in this item are—

(AA) the supplemental nutrition assistance program established under the Food and Nutrition Act of 2008 (7 U.S.C. 2011 et seq.);

(BB) the food distribution program on Indian reservations established under section 4(b) of the Food and Nutrition Act of 2008 (7 U.S.C. 2013(b)); and

(CC) a State program funded under the program of block grants to States for temporary assistance for needy families established under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.) that the Secretary determines complies with standards established by the Secretary that ensure that the standards under the State program are comparable to or more restrictive than those in effect on June 1, 1995.

(IV) CONDITIONS.—The conditions referred to in subclause (I) shall be met for a local educational agency for a school year if—

(aa) the nonresponse rate for the local educational agency for the preceding school year is less than 20 percent; or

(bb) the local educational agency has more than 20,000 children approved by application by the local educational agency as eligible for free or reduced price meals for the school year, as of October 1 of the school year, and—

(AA) the nonresponse rate for the preceding school year is at least 10 percent below the nonresponse rate for the second preceding school year; or

(BB) in the case of the school year beginning July 2005, the local educational agency attempts to verify all approved household applications selected for verification through use of public agency records from at least 2 of the programs or sources of information described in subparagraph (F)(i).

(v) ADDITIONAL SELECTED APPLICATIONS.—A sample for a local educational agency for a school year under clause (I) and (iv)(II)(AA) shall include the number of additional randomly selected approved household applications that are required to comply with the sample size requirements in those clauses.

(E) PRELIMINARY REVIEW.—

(i) REVIEW FOR ACCURACY.—

(I) IN GENERAL.—Prior to conducting any other verification activity for approved household applications selected for verification, the local educational agency shall ensure that the initial eligibility determination for each approved household application is reviewed for accuracy by an individual other than the individual making the initial eligibility determination, unless otherwise determined by the Secretary.

(II) WAIVER.—The requirements of subclause (I) shall be waived for a local educational agency if the local educational agency is using a technology-based solution that demonstrates a high level of accuracy, to the satisfaction of the Secretary, in processing an initial eligibility determination in accordance with the income eligibility guidelines of the school lunch program.

(ii) FREE MEALS.—Public agency records that may be obtained and used under clause (i) to verify eligibility for free meals for ap-
proved household applications selected for verification shall include the most recent available information (other than information reflecting program participation or income before the 180-day period ending on the date of application for free meals) that is relied on to administer—

(I) a program or source of information described in clause (i) (other than clause (i)(IV)); or

(II) the State plan for medical assistance under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.) in—

(aa) a State in which the income eligibility limit applied under section 1902(l)(2)(C) of that Act (42 U.S.C. 1396a(l)(2)(C)) is not more than 133 percent of the official poverty line described in section 1902(l)(2)(A) of that Act (42 U.S.C. 1396a(l)(2)(A)); or

(bb) a State that otherwise identifies households that have income that is not more than 133 percent of the official poverty line described in section 1902(l)(2)(A) of that Act (42 U.S.C. 1396a(l)(2)(A)).

(iii) REDUCED PRICE MEALS.—Public agency records that may be obtained and used under clause (i) to verify eligibility for reduced price meals for approved household applications selected for verification shall include the most recent available information (other than information reflecting program participation or income before the 180-day period ending on the date of application for reduced price meals) that is relied on to administer—

(I) a program or source of information described in clause (i) (other than clause (i)(IV)); or

(II) the State plan for medical assistance under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.) in—

(aa) a State in which the income eligibility limit applied under section 1902(l)(2)(C) of that Act (42 U.S.C. 1396a(l)(2)(C)) is not more than 185 percent of the official poverty line described in section 1902(l)(2)(A) of that Act (42 U.S.C. 1396a(l)(2)(A)); or

(bb) a State that otherwise identifies households that have income that is not more than 185 percent of the official poverty line described in section 1902(l)(2)(A) of that Act (42 U.S.C. 1396a(l)(2)(A)).

(iv) EVALUATION.—Not later than 3 years after June 30, 2004, the Secretary shall complete an evaluation of—

(I) the effectiveness of direct verification carried out under this subparagraph in decreasing the portion of the verification sample that must be verified under subparagraph (G), while ensuring that adequate verification information is obtained; and

(II) the feasibility of direct verification by State agencies and local educational agencies.

(v) EXPANDED USE OF DIRECT VERIFICATION.—If the Secretary determines that direct verification significantly decreases the portion of the verification sample that must be verified under subparagraph (G), while ensuring that adequate verification information is obtained, and can be conducted by most State agencies and local educational agencies, the Secretary may require a State agency or local educational agency to implement direct verification through 1 or more of the programs described in clause (i), as determined by the Secretary, unless the State agency or local educational agency demonstrates (under criteria established by the Secretary) that the State agency or local educational agency lacks the capacity to conduct, or is unable to implement, direct verification.

(G) HOUSEHOLD VERIFICATION.—

(i) IN GENERAL.—If an approved household application is not verified through the use of public agency records, a local educational agency shall provide to the household written notice that—

(I) the approved household application has been selected for verification; and

(II) the household is required to submit verification information to confirm eligibility for free or reduced price meals.

(ii) PHONE NUMBER.—The written notice in clause (i) shall include a toll-free phone number that parents and legal guardians in households selected for verification can call for assistance with the verification process.

(iii) FOLLOWUP ACTIVITIES.—If a household does not respond to a verification request, a local educational agency shall make at least 1 attempt to obtain the necessary verification from the household in accordance with guidelines and regulations promulgated by the Secretary.

(iv) CONTRACT AUTHORITY FOR SCHOOL FOOD AUTHORITIES.—A local educational agency may contract (under standards established by the Secretary) with a third party to assist the local educational agency in carrying out clause (iii).

(H) VERIFICATION DEADLINE.—

(i) GENERAL DEADLINE.—

(I) IN GENERAL.—Subject to subclause (II), not later than November 15 of each school year, a local educational agency shall complete the verification activities required for the school year (including followup activities).

(II) EXTENSION.—Under criteria established by the Secretary, a State may extend the deadline established under subclause (I) for a school year for a local educational agency to December 15 of the school year.

(ii) ELIGIBILITY CHANGES.—Based on the verification activities, the local educational agency shall make appropriate modifications to the eligibility determinations made for household applications in accordance with criteria established by the Secretary.

(I) LOCAL CONDITIONS.—In the case of a natural disaster, civil disorder, strike, or other local condition (as determined by the Secretary), the Secretary may substitute alternatives for—
(i) the sample size and sample selection criteria established under subparagraph (D); and
(ii) the verification deadline established under subparagraph (H).

(J) INDIVIDUAL REVIEW.—In accordance with criteria established by the Secretary, the local educational agency may, on individual review—
   (i) decline to verify no more than 5 percent of approved household applications selected under subparagraph (D); and
   (ii) replace the approved household applications with other approved household applications to be verified.

(K) FEASIBILITY STUDY.—
   (i) IN GENERAL.—The Secretary shall conduct a study of the feasibility of using computer technology (including data mining) to reduce—
      (I) overcertification errors in the school lunch program under this chapter;
      (II) waste, fraud, and abuse in connection with this paragraph; and
      (III) errors, waste, fraud, and abuse in other nutrition programs, as determined to be appropriate by the Secretary.
   (ii) REPORT.—Not later than 180 days after June 30, 2004, the Secretary shall submit to the Committee on Education and the Workforce of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report describing—
      (I) the results of the feasibility study conducted under this subsection;
      (II) how a computer system using technology described in clause (i) could be implemented;
      (III) a plan for implementation; and
      (IV) proposed legislation, if necessary, to implement the system.

(4) DIRECT CERTIFICATION FOR CHILDREN IN SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM HOUSEHOLDS.—
   (A) IN GENERAL.—Subject to subparagraph (D), each State agency shall enter into an agreement with the State agency conducting eligibility determinations for the supplemental nutrition assistance program established under the Food and Nutrition Act of 2008 (7 U.S.C. 2011 et seq.).
   (B) PROCEDURES.—Subject to paragraph (6), the agreement shall establish procedures under which a child who is a member of a household receiving assistance under the supplemental nutrition assistance program shall be certified as eligible for free lunches under this chapter and free breakfasts under the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.), without further application.
   (C) CERTIFICATION.—Subject to paragraph (6), under the agreement, the local educational agency conducting eligibility determinations for a school lunch program under this chapter and a school breakfast program under the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.) shall certify a child who is a member of a household receiving assistance under the supplemental nutrition assistance program as eligible for free lunches under this chapter and free breakfasts under the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.), without further application.
   (D) APPLICABILITY.—This paragraph applies to—
      (i) in the case of the school year beginning July 2006, a school district that had an enrollment of 25,000 students or more in the preceding school year;
      (ii) in the case of the school year beginning July 2007, a school district that had an enrollment of 10,000 students or more in the preceding school year; and
      (iii) in the case of the school year beginning July 2008 and each subsequent school year, each local educational agency.

(E) PERFORMANCE AWARDS.—
   (i) IN GENERAL.—Effective for each of the school years beginning July 1, 2011, July 1, 2012, and July 1, 2013, the Secretary shall offer performance awards to States to encourage the States to ensure that all children eligible for direct certification under this paragraph are certified in accordance with this paragraph.
   (ii) REQUIREMENTS.—For each school year described in clause (i), the Secretary shall—
      (I) consider State data from the prior school year, including estimates contained in the report required under section 1758a of this title; and
      (II) make performance awards to not more than 15 States that demonstrate, as determined by the Secretary—
         (aa) outstanding performance; and
         (bb) substantial improvement.
   (iii) USE OF FUNDS.—A State agency that receives a performance award under clause (i)—
      (I) shall treat the funds as program income; and
      (II) may transfer the funds to school food authorities for use in carrying out the program.
   (iv) FUNDING.—
      (I) IN GENERAL.—On October 1, 2011, and each subsequent October 1 through October 1, 2013, out of any funds in the Treasury not otherwise appropriated, the Secretary of the Treasury shall transfer to the Secretary—
         (aa) $2,000,000 to carry out clause (I)(aa); and
         (bb) $2,000,000 to carry out clause (I)(bb).
   (II) RECEIPT AND ACCEPTANCE.—The Secretary shall be entitled to receive, shall accept, and shall use to carry out this clause the funds transferred under subclause (I), without further appropriation.
   (v) PAYMENTS NOT SUBJECT TO JUDICIAL REVIEW.—A determination by the Secretary whether, and in what amount, to make a performance award under this subparagraph shall not be subject to administrative or judicial review.
   (F) CONTINUOUS IMPROVEMENT PLANS.—
(i) DEFINITION OF REQUIRED PERCENTAGE.— 
In this subparagraph, the term “required percentage” means—
   (I) for the school year beginning July 1, 2011, 80 percent; 
   (II) for the school year beginning July 1, 2012, 90 percent; and
   (III) for the school year beginning July 1, 2013, and each school year thereafter, 95 percent.

(ii) REQUIREMENTS.—Each school year, the Secretary shall—
   (I) identify, using data from the prior year, including estimates contained in the report required under section 1758a of this title, States that directly certify less than the required percentage of the total number of children in the State who are eligible for direct certification under this paragraph;
   (II) require the States identified under subclause (I) to implement a continuous improvement plan to fully meet the requirements of this paragraph, which shall include a plan to improve direct certification for the following school year; and
   (III) assist the States identified under subclause (I) to develop and implement a continuous improvement plan in accordance with subclause (II).

(iii) FAILURE TO MEET PERFORMANCE STANDARDS.—
   (I) IN GENERAL.—A State that is required to develop and implement a continuous improvement plan under clause (ii)(II) shall be required to submit the continuous improvement plan to the Secretary, for the approval of the Secretary.
   (II) REQUIREMENTS.—At a minimum, a continuous improvement plan under subclause (I) shall include—
      (aa) specific measures that the State will use to identify more children who are eligible for direct certification, including improvements or modifications to technology, information systems, or databases;
      (bb) a timeline for the State to implement those measures; and
      (cc) goals for the State to improve direct certification results.

(G) WITHOUT FURTHER APPLICATION.—
   (i) IN GENERAL.—In this paragraph, the term “without further application” means that no action is required by the household of the child.
   (ii) CLARIFICATION.—A requirement that a household return a letter notifying the household of eligibility for direct certification or eligibility for free school meals does not meet the requirements of clause (i).

(5) DISCRETIONARY CERTIFICATION.—Subject to paragraph (6), any local educational agency may certify any child as eligible for free lunches or breakfasts, without further application, by directly communicating with the appropriate State or local agency to obtain documentation of the status of the child as—
   (A) a member of a family that is receiving assistance under the temporary assistance for needy families program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.) that the Secretary determines complies with standards established by the Secretary that ensure that the standards under the State program are comparable to or more restrictive than those in effect on June 1, 1995;
   (B) a homeless child or youth (defined as one of the individuals described in section 11434(a)(2) of this title);
   (C) served by the runaway and homeless youth grant program established under the Runaway and Homeless Youth Act (42 U.S.C. 5701 et seq.);
   (D) a migratory child (as defined in section 6399 of title 20);
   (E) a foster child whose care and placement is the responsibility of an agency that administers a State plan under part B or E of title IV of the Social Security Act (42 U.S.C. 620 et seq., 670 et seq.); or
   (ii) a foster child who a court has placed with a caretaker household.

(6) USE OR DISCLOSURE OF INFORMATION.—
   (A) IN GENERAL.—The use or disclosure of any information obtained from an application for free or reduced price meals, or from a State or local agency referred to in paragraph (3)(F), (4), or (5), shall be limited to—
      (i) a person directly connected with the administration or enforcement of this chapter or the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.); (ii) a person who administers a State plan under part B or E of title IV of the Social Security Act (42 U.S.C. 620 et seq., 670 et seq.); or
      (ii) a foster child who a court has placed with a caretaker household.

(i) DEFINITION OF REQUIRED PERCENTAGE.—
In this subparagraph, the term “required percentage” means—
   (I) for the school year beginning July 1, 2011, 80 percent; 
   (II) for the school year beginning July 1, 2012, 90 percent; and
   (III) for the school year beginning July 1, 2013, and each school year thereafter, 95 percent.

(ii) REQUIREMENTS.—Each school year, the Secretary shall—
   (I) identify, using data from the prior year, including estimates contained in the report required under section 1758a of this title, States that directly certify less than the required percentage of the total number of children in the State who are eligible for direct certification under this paragraph;
   (II) require the States identified under subclause (I) to implement a continuous improvement plan to fully meet the requirements of this paragraph, which shall include a plan to improve direct certification for the following school year; and
   (III) assist the States identified under subclause (I) to develop and implement a continuous improvement plan in accordance with subclause (II).

(iii) FAILURE TO MEET PERFORMANCE STANDARDS.—
   (I) IN GENERAL.—A State that is required to develop and implement a continuous improvement plan under clause (ii)(II) shall be required to submit the continuous improvement plan to the Secretary, for the approval of the Secretary.
   (II) REQUIREMENTS.—At a minimum, a continuous improvement plan under subclause (I) shall include—
      (aa) specific measures that the State will use to identify more children who are eligible for direct certification, including improvements or modifications to technology, information systems, or databases;
      (bb) a timeline for the State to implement those measures; and
      (cc) goals for the State to improve direct certification results.

(G) WITHOUT FURTHER APPLICATION.—
   (i) IN GENERAL.—In this paragraph, the term “without further application” means that no action is required by the household of the child.
   (ii) CLARIFICATION.—A requirement that a household return a letter notifying the household of eligibility for direct certification or eligibility for free school meals does not meet the requirements of clause (i).

(5) DISCRETIONARY CERTIFICATION.—Subject to paragraph (6), any local educational agency may certify any child as eligible for free lunches or breakfasts, without further application, by directly communicating with the appropriate State or local agency to obtain documentation of the status of the child as—
   (A) a member of a family that is receiving assistance under the temporary assistance for

1 See References in Text note below.
and the local educational agency or school food authority so elect; and

(II) verifying the eligibility of children for programs under this chapter or the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.); and

(v) a third party contractor described in paragraph (3)(G)(iv).

(B) LIMITATION ON INFORMATION PROVIDED.—Information provided under clause (ii) or (v) of subparagraph (A) shall be limited to the income eligibility status of the child for whom application for free or reduced price meal benefits is made or for whom eligibility information is provided under paragraph (3)(F), (4), or (5), unless the consent of the parent or guardian of the child for whom application for benefits was made is obtained.

(C) CRIMINAL PENALTY.—A person described in subparagraph (A) who publishes, divulges, discloses, or makes known in any manner, or in any extent not authorized by Federal law (including a regulation), any information obtained under this subsection shall be fined not more than $1,000 or imprisoned not more than 1 year, or both.

(D) REQUIREMENTS FOR WAIVER OF CONFIDENTIALITY.—A State that elects to exercise the option described in subparagraph (A)(iv)(I) shall ensure that any local educational agency or school food authority acting in accordance with that option—

(i) has a written agreement with 1 or more State or local agencies administering health programs for children under titles XIX and XXI of the Social Security Act (42 U.S.C. 1396 et seq. and 1397aa et seq.) that requires the health agencies to use the information obtained under subparagraph (A) to seek to enroll children in those health programs; and

(ii) notifies each household, the information of which shall be disclosed under subparagraph (A), that the information disclosed will be used only to enroll children in health programs referred to in subparagraph (A)(iv); and

(II) provides each parent or guardian of a child in the household with an opportunity to elect not to have the information disclosed.

(E) USE OF DISCLOSED INFORMATION.—A person to which information is disclosed under subparagraph (A)(iv)(I) shall use or disclose the information only as necessary for the purpose of enrolling children in health programs referred to in subparagraph (A)(iv).

(7) FREE AND REDUCED PRICE POLICY STATEMENT.—

(A) IN GENERAL.—After the initial submission, a local educational agency shall not be required to submit a free and reduced price policy statement to a State educational agency under this chapter unless there is a substantive change in the free and reduced price policy of the local educational agency.

(B) ROUTINE CHANGE.—A routine change in the policy of a local educational agency (such as an annual adjustment of the income eligibility guidelines for free and reduced price meals) shall not be sufficient cause for requiring the local educational agency to submit a policy statement.

(8) COMMUNICATIONS.—

(A) IN GENERAL.—Any communication with a household under this subsection or subsection (d) shall be in an understandable and uniform format and, to the maximum extent practicable, in a language that parents and legal guardians can understand.

(B) ELECTRONIC AVAILABILITY.—In addition to the distribution of applications and descriptive material in paper form as provided for in this paragraph, the applications and material may be made available electronically via the Internet.

(9) ELIGIBILITY FOR FREE AND REDUCED PRICE LUNCHES.—

(A) FREE LUNCHES.—Any child who is a member of a household whose income, at the time the application is submitted, is at an annual rate which does not exceed the applicable family size income level of the income eligibility guidelines for free lunches, as determined under paragraph (1), shall be served a free lunch.

(B) REDUCED PRICE LUNCHES.—

(i) IN GENERAL.—Any child who is a member of a household whose income, at the time the application is submitted, is at an annual rate greater than the applicable family size income level of the income eligibility guidelines for free lunches, as determined under paragraph (1), but less than or equal to the applicable family size income level of the income eligibility guidelines for reduced price lunches, as determined under paragraph (1), shall be served a reduced price lunch.

(ii) MAXIMUM PRICE.—The price charged for a reduced price lunch shall not exceed 40 cents.

(C) DURATION.—Except as otherwise specified in paragraph (3)(E), (3)(H)(ii), and section 1759a(a) of this title, eligibility for free or reduced price meals for any school year shall remain in effect—

(i) beginning on the date of eligibility approval for the current school year; and

(ii) ending on a date during the subsequent school year determined by the Secretary.

(10) No physical segregation of or other discrimination against any child eligible for a free lunch or a reduced price lunch under this subsection shall be made by the school nor shall there by any overt identification of any child by special tokens or tickets, announced or published lists of names, or by other means.

(11) Any child who has a parent or guardian who (A) is responsible for the principal support of such child and (B) is unemployed shall be served a free or reduced price lunch, respectively, during any period (i) in which such child’s parent or guardian continues to be unemployed and (ii) the income of the child’s parents or guardians during such period of unemploy-
segregation of, or other discrimination against, any child under clauses (A) and (B) of the preceding sentence on the basis of a statement executed in such form as the Secretary may prescribe by such parent or guardian. No physical identification of any such child by special tokens or tickets, announced or published lists of names, or by any other means.

(12)(A) A child shall be considered automatically eligible for a free lunch and breakfast under this chapter and the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.), respectively, without further application or eligibility determination, if the child is—

(i) a member of a household receiving assistance under the supplemental nutrition assistance program authorized under the Food and Nutrition Act of 2008 (7 U.S.C. 2011 et seq.);

(ii) a member of a family (under the State program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.)) that the Secretary determines complies with standards established by the Secretary that ensure that the standards under the State program are comparable to or more restrictive than those in effect on June 1, 1995;

(iii) enrolled as a participant in a Head Start program authorized under the Head Start Act (42 U.S.C. 9831 et seq.), on the basis of a determination that the child meets the eligibility criteria prescribed under section 645(a)(1)(B) of the Head Start Act (42 U.S.C. 9840(a)(1)(B));

(iv) a homeless child or youth (defined as 1 of the individuals described in section 11434(a)(2) of this title);

(v) served by the runaway and homeless youth grant program established under the Runaway and Homeless Youth Act (42 U.S.C. 5701 et seq.);

(vi) a migratory child (as defined in section 6399 of title 20); or

(vii)(I) a foster child whose care and placement is the responsibility of an agency that administers a State plan under part B or E of title IV of the Social Security Act (42 U.S.C. 620 et seq., 670 et seq.); or

(II) a foster child who a court has placed with a caretaker household.

(B) Proof of receipt of supplemental nutrition assistance program benefits or assistance under the State program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.) that the Secretary determines complies with standards established by the Secretary that ensure that the standards under the State program are comparable to or more restrictive than those in effect on June 1, 1995, or of enrollment or participation in a Head Start program on the basis described in subparagraph (A)(iii), shall be sufficient to satisfy any verification requirement imposed under this subsection.

(13) EXCLUSION OF CERTAIN MILITARY HOUSING ALLOWANCES.—The amount of a basic allowance provided under section 403 of title 37 on behalf of a member of a uniformed service for housing that is acquired or constructed under subchapter I of chapter 169 of title 10, or any related provision of law, shall not be considered to be income for the purpose of determining the eligibility of a child who is a member of the household of the member of a uniformed service for free or reduced price lunches under this chapter.

(14) COMBAT PAY.—(A) DEFINITION OF COMBAT PAY.—In this paragraph, the term “combat pay” means any additional payment under chapter 5 of title 37, or otherwise designated by the Secretary to be appropriate for exclusion under this paragraph, that is received by or from a member of the United States Armed Forces deployed to a designated combat zone, if the additional pay—

(i) is the result of deployment to or service in a combat zone; and

(ii) was not received immediately prior to serving in a combat zone.

(B) EXCLUSION.—Combat pay shall not be considered to be income for the purpose of determining the eligibility for free or reduced price meals of a child who is a member of the household of a member of the United States Armed Forces.

(15) DIRECT CERTIFICATION FOR CHILDREN RECEIVING MEDICAID BENEFITS.—

(A) DEFINITIONS.—In this paragraph:

(i) ELIGIBLE CHILD.—The term “eligible child” means a child—

(I)(aa) who is eligible for and receiving medical assistance under the Medicaid program; and

(bb) who is a member of a family with an income as measured by the Medicaid program before the application of any expense, block, or other income disregard, that does not exceed 133 percent of the poverty line (as defined in section 9902(2) of this title, including any revision required by such section) applicable to a family of the size used for purposes of determining eligibility for the Medicaid program; or

(II) who is a member of a household (as that term is defined in section 245.2 of title 7, Code of Federal Regulations (or successor regulations)) with a child described in subparagraph (I).

(ii) MEDICAID PROGRAM.—The term “Medicaid program” means the program of medical assistance established under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.).

(B) DEMONSTRATION PROJECT.—

(i) IN GENERAL.—The Secretary, acting through the Administrator of the Food and Nutrition Service and in cooperation with selected State agencies, shall conduct a demonstration project in selected local educational agencies to determine whether di-
rect certification of eligible children is an effective method of certifying children for free lunches and breakfasts under subsection (b)(1)(A) and section 4(e)(1)(A) of the Child Nutrition Act of 1966 (42 U.S.C. 1773(e)(1)(A)).

(ii) SCOPE OF PROJECT.—The Secretary shall carry out the demonstration project under this subparagraph—

(I) for the school year beginning July 1, 2012, in selected local educational agencies that collectively serve 2.5 percent of students certified for free and reduced price meals nationwide, based on the most recent available data;

(II) for the school year beginning July 1, 2013, in selected local educational agencies that collectively serve 5 percent of students certified for free and reduced price meals nationwide, based on the most recent available data; and

(III) for the school year beginning July 1, 2014, and each subsequent school year, in selected local educational agencies that collectively serve 10 percent of students certified for free and reduced price meals nationwide, based on the most recent available data.

(iii) PURPOSES OF THE PROJECT.—At a minimum, the purposes of the demonstration project shall be—

(I) to determine the potential of direct certification with the Medicaid program to reach children who are eligible for free meals but not certified to receive the meals;

(II) to determine the potential of direct certification with the Medicaid program to directly certify children who are enrolled for free meals based on a household application; and

(III) to provide an estimate of the effect on Federal costs and on participation in the school lunch program under this chapter and the school breakfast program established by section 4 of the Child Nutrition Act of 1966 (42 U.S.C. 1773) of direct certification with the Medicaid program.

(iv) COST ESTIMATE.—For each of 2 school years of the demonstration project, the Secretary shall estimate the cost of the direct certification of eligible children for free school meals through data derived from—

(I) the school meal programs authorized under this chapter and the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.);

(II) the Medicaid program; and

(III) interviews with a statistically representative sample of households.

(C) AGREEMENT.—

(i) IN GENERAL.—Not later than July 1 of the first school year during which a State agency will participate in the demonstration project, the State agency shall enter into an agreement with the 1 or more State agencies conducting eligibility determinations for the Medicaid program.

(ii) WITHOUT FURTHER APPLICATION.—Subject to paragraph (6), the agreement described in subparagraph (D) shall establish procedures under which an eligible child shall be certified for free lunches under this chapter and free breakfasts under section 4 of the Child Nutrition Act of 1966 (42 U.S.C. 1773), without further application (as defined in paragraph (4)(G)).

(D) CERTIFICATION.—For the school year beginning on July 1, 2012, and each subsequent school year, subject to paragraph (6), the local educational agencies participating in the demonstration project shall certify an eligible child as eligible for free lunches under this chapter and free breakfasts under the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.), without further application (as defined in paragraph (4)(G)).

(E) SITE SELECTION.—

(i) IN GENERAL.—To be eligible to participate in the demonstration project under this subsection, a State agency shall submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require.

(ii) CONSIDERATIONS.—In selecting States and local educational agencies for participation in the demonstration project, the Secretary may take into consideration such factors as the Secretary considers to be appropriate, which may include—

(I) the rate of direct certification;

(II) the share of individuals who are eligible for benefits under the supplemental nutrition assistance program established under the Food and Nutrition Act of 2008 (7 U.S.C. 2011 et seq.) who participate in the program, as determined by the Secretary;

(III) the income eligibility limit for the Medicaid program;

(IV) the feasibility of matching data between local educational agencies and the Medicaid program;

(V) the socioeconomic profile of the State or local educational agencies; and

(VI) the willingness of the State and local educational agencies to comply with the requirements of the demonstration project.

(F) ACCESS TO DATA.—For purposes of conducting the demonstration project under this paragraph, the Secretary shall have access to—

(i) educational and other records of State and local educational and other agencies and institutions receiving funding or providing benefits for 1 or more programs authorized under this chapter or the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.); and

(ii) income and program participation information from public agencies administering the Medicaid program.

(G) REPORT TO CONGRESS.—

(i) IN GENERAL.—Not later than October 1, 2014, the Secretary shall submit to the Committee on Education and Labor of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate, an interim report that describes the results of the demonstration project required under this paragraph.

(ii) FINAL REPORT.—Not later than October 1, 2015, the Secretary shall submit a final re-
port to the committees described in clause (i).

(H) FUNDING.—

(i) IN GENERAL.—On October 1, 2010, out of any funds in the Treasury not otherwise appropriated, the Secretary of the Treasury shall transfer to the Secretary to carry out subparagraph (G) $5,000,000, to remain available until expended.

(ii) RECEIPT AND ACCEPTANCE.—The Secretary shall be entitled to receive, shall accept, and shall use to carry out subparagraph (G) the funds transferred under clause (i), without further appropriation.

(c) Operation on nonprofit basis; donation of agricultural commodities

School lunch programs under this chapter shall be operated on a nonprofit basis. Commodities purchased under the authority of section 612c of title 7, may be donated by the Secretary to schools, in accordance with the needs as determined by local school authorities, for utilization in the school lunch program under this chapter as well as to other schools carrying out nonprofit school lunch programs and institutions authorized to receive such commodities. The requirements of this section relating to the service of meals without cost or at a reduced cost shall apply to the lunch program of any school utilizing commodities donated under any provision of law.

(d) Social Security numbers and other documentation required as condition of eligibility

(1) The Secretary shall require as a condition of eligibility for receipt of free or reduced price lunches that the member of the household who executes the application furnish the last 4 digits of the social security account number of the parent or guardian who is the primary wage earner responsible for the care of the child for whom the application is made, or that of another appropriate adult member of the child’s household, as determined by the Secretary.

(2) No member of a household may be provided a free or reduced price lunch under this chapter unless:

(A) appropriate documentation relating to the income of such household (as prescribed by the Secretary) has been provided to the appropriate local educational agency so that the local educational agency may calculate the total income of such household;

(B) documentation showing that the household is participating in the supplemental nutrition assistance program under the Food and Nutrition Act of 2008 [7 U.S.C. 2011 et seq.] has been provided to the appropriate local educational agency;

(C) documentation has been provided to the appropriate local educational agency showing that the family is receiving assistance under the State program funded under part A of title IV of the Social Security Act [42 U.S.C. 601 et seq.] that the Secretary determines complies with standards established by the Secretary that ensure that the standards under the State program are comparable to or more restrictive than those in effect on June 1, 1995;

(D) documentation has been provided to the appropriate local educational agency showing that the child meets the criteria specified in clauses (iv) or (v) of subsection (b)(12)(A);

(E) documentation has been provided to the appropriate local educational agency showing the status of the child as a migratory child (as defined in section 6399 of title 20);

(F) documentation has been provided to the appropriate local educational agency showing the status of the child as a foster child whose care and placement is the responsibility of an agency that administers a State plan under part B or E of title IV of the Social Security Act [42 U.S.C. 620 et seq., 670 et seq.]; or

(ii) documentation has been provided to the appropriate local educational agency showing the status of the child as a foster child who a court has placed with a caretaker household; or

(G) documentation has been provided to the appropriate local educational agency showing the status of the child as an eligible child (as defined in subsection (b)(15)(A)).

(e) Limitation on meal contracting

A school or school food authority participating in a program under this chapter may not contract with a food service company to provide a la carte food service unless the company agrees to offer free, reduced price, and full-price reimbursable meals to all eligible children.

(f) Nutritional requirements

(1) IN GENERAL.—Schools that are participating in the school lunch program or school breakfast program shall serve lunches and breakfasts that—

(A) are consistent with the goals of the most recent Dietary Guidelines for Americans published under section 5341 of title 7; and

(B) consider the nutrient needs of children who may be at risk for inadequate food intake and food insecurity.

(2) To assist schools in meeting the requirements of this subsection, the Secretary—

(A) shall—

(i) develop, and provide to schools, standardized recipes, menu cycles, and food product specification and preparation techniques; and

(ii) provide to schools information regarding nutrient standard menu planning, assisted nutrient standard menu planning, and food-based menu systems; and

(B) may provide to schools information regarding other approaches, as determined by the Secretary.

(3) USE OF ANY REASONABLE APPROACH.—

(A) IN GENERAL.—A school food service authority may use any reasonable approach, within guidelines established by the Secretary in a timely manner, to meet the requirements of this subsection, including—

(i) using the school nutrition meal pattern in effect for the 1994–1995 school year; and

(ii) using any of the approaches described in paragraph (3).

(B) NUTRIENT ANALYSIS.—The Secretary may not require a school to conduct or use a nutrient analysis to meet the requirements of this subsection.
(4) Waiver of requirement for weighted averages for nutrient analysis.—During the period ending on September 30, 2010, the Secretary shall not require the use of weighted averages for nutrient analysis of menu items and foods offered or served as part of a meal offered or served under the school lunch program under this chapter or the school breakfast program under section 4 of the Child Nutrition Act of 1966 (42 U.S.C. 1773).

(g) Justification of production records; paperwork reduction

Not later than 1 year after November 2, 1994, the Secretary shall provide a notification to Congress that justifies the need for production records required under section 210.10(b) of title 7, Code of Federal Regulations, and describes how the Secretary has reduced paperwork relating to the school lunch and school breakfast programs.

(h) Food safety

(1) In general

A school participating in the school lunch program under this chapter or the school breakfast program under section 4 of the Child Nutrition Act of 1966 (42 U.S.C. 1773) shall—

(A) at least twice during each school year, obtain a food safety inspection conducted by a State or local governmental agency responsible for food safety inspections;

(B) post in a publicly visible location a report on the most recent inspection conducted under subparagraph (A); and

(C) on request, provide a copy of the report to a member of the public.

(2) State and local government inspections

Nothing in paragraph (1) prevents any State or local government from adopting or enforcing any requirement for more frequent food safety inspections of schools.

(3) Audits and reports by States

For fiscal year 2020, each State shall annually—

(A) audit food safety inspections of schools conducted under paragraphs (1) and (3); and

(B) submit to the Secretary a report of the results of the audit.

(4) Audit by the Secretary

For fiscal year 2020, the Secretary shall annually audit State reports of food safety inspections of schools submitted under paragraph (3).

(5) School food safety program

(A) In general

Each school food authority shall implement a school food safety program, in the preparation and service of each meal served to children, that complies with any hazard analysis and critical control point system established by the Secretary.

(B) Applicability

Subparagraph (A) shall apply to any facility or part of a facility in which food is stored, prepared, or served for the purposes of the school nutrition programs under this chapter or section 4 of the Child Nutrition Act of 1966 (42 U.S.C. 1773).

(i) Single permanent agreement between State agency and school food authority; common claims form

(1) In general

If a single State agency administers any combination of the school lunch program under this chapter, the school breakfast program under section 4 of the Child Nutrition Act of 1966 (42 U.S.C. 1773), the summer food service program for children under section 1761 of this title, or the child and adult care food program under section 1766 of this title, the agency shall—

(A) require each school food authority to submit to the State agency a single agreement with respect to the operation by the authority of the programs administered by the State agency; and

(B) use a common claims form with respect to meals and supplements served under the programs administered by the State agency.

(2) Additional requirement

The agreement described in paragraph (1)(A) shall be a permanent agreement that may be amended as necessary.

(j) Purchases of locally produced foods

The Secretary shall—

(1) encourage institutions receiving funds under this chapter and the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.) to purchase unprocessed agricultural products, both locally grown and locally raised, to the maximum extent practicable and appropriate;

(2) advise institutions participating in a program described in paragraph (1) of the policy described in that paragraph and paragraph (3) and post information concerning the policy on the website maintained by the Secretary; and

(3) allow institutions receiving funds under this chapter and the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.), including the Department of Defense Fresh Fruit and Vegetable Program, to use a geographic preference for the procurement of unprocessed agricultural products, both locally grown and locally raised.

(k) Information on the school nutrition environment

(1) In general

The Secretary shall—

(A) establish requirements for local educational agencies participating in the school lunch program under this chapter and the school breakfast program established by section 4 of the Child Nutrition Act of 1966 (42 U.S.C. 1773) to report information about the school nutrition environment, for all schools under the jurisdiction of the local educational agencies, to the Secretary and to the public in the State on a periodic basis; and

(B) provide training and technical assistance to States and local educational agencies on the assessment and reporting of the school nutrition environment, including the use of any assessment materials developed by the Secretary.
§ 1758

(2) Requirements
In establishing the requirements for reporting on the school nutrition environment under paragraph (1), the Secretary shall—
(A) include information pertaining to food safety inspections, local wellness policies, meal program participation, the nutritional quality of program meals, and other information as determined by the Secretary; and
(B) ensure that information is made available to the public by local educational agencies in an accessible, easily understood manner in accordance with guidelines established by the Secretary.

(3) Authorization of appropriations
There are authorized to be appropriated to carry out this chapter such sums as are necessary for each of fiscal years 2011 through 2015.

(i) Food donation program

(1) In general
Each school and local educational agency participating in the school lunch program under this chapter may donate any food not consumed under such program to eligible local food banks or charitable organizations.

(2) Requirements
Paragraph (1), the Secretary shall—
(A) include information pertaining to food safety inspections, local wellness policies, meal program participation, the nutritional quality of program meals, and other information as determined by the Secretary; and
(B) ensure that information is made available to the public by local educational agencies in an accessible, easily understood manner in accordance with guidelines established by the Secretary.

(3) Authorization of appropriations
There are authorized to be appropriated to carry out this subsection such sums as are necessary for each of fiscal years 2011 through 2015.

(ii) Food donation program

(1) In general
Each school and local educational agency participating in the school lunch program under this chapter may donate any food not consumed under such program to eligible local food banks or charitable organizations.

(2) Requirements
Paragraph (1), the Secretary shall—
(A) include information pertaining to food safety inspections, local wellness policies, meal program participation, the nutritional quality of program meals, and other information as determined by the Secretary; and
(B) ensure that information is made available to the public by local educational agencies in an accessible, easily understood manner in accordance with guidelines established by the Secretary.

(3) Authorization of appropriations
There are authorized to be appropriated to carry out this subsection such sums as are necessary for each of fiscal years 2011 through 2015.
MENDMENTS


Pub. L. 116-6, which directed substitution of “For fiscal year 2019” for “For fiscal year 2018”, was executed by making the substitution for “for fiscal year 2018”, to reflect the probable intent of Congress.


Pub. L. 116-6, which directed substitution of “For fiscal year 2019” for “For fiscal year 2018”, was executed by making the substitution for “for fiscal year 2018”, to reflect the probable intent of Congress.


Subsec. (h)(3). Pub. L. 115-31, which directed substitution of “for fiscal year 2017” for “for each of fiscal years 2011 through 2015”, was executed by making the substitution for “for each of fiscal years 2011 through 2015”, to reflect the probable intent of Congress.

2018—Subsec. (h)(3). Pub. L. 115-31, which directed substitution of “for fiscal year 2017” for “for each of fiscal years 2011 through 2015”, was executed by making the substitution for “for each of fiscal years 2011 through 2015”, to reflect the probable intent of Congress.


Subsec. (d)(1). Pub. L. 111-296, § 301, inserted “the last 4 digits of” before “the social security account number” in first sentence and struck out second sentence which read as follows: “The Secretary shall require that social security account numbers of all adult members of the household be provided if verification of the data contained in the application is sought under subsection (b)(3)(G) of this section.”


Subsec. (f). Pub. L. 111-296, § 441(a)(1), inserted subsec. heading, added par. (1), redesignated former pars. (3) to (5) as (2) to (4), respectively, and struck out former par. (2) which related to nutritional requirements and grants of waivers from such requirements by State educational agencies.


Subsec. (f)(5). Pub. L. 111-80, § 749(b), substituted “2010” for “2009”.

Subsec. (h)(3). Pub. L. 111-80, § 749(c), substituted “2010” for “2009”.


2006—Subsec. (a)(2). Pub. L. 110-265, § 108, added par. (2) and struck out former par. (2) which read as follows: “Lunches served by schools participating in the school lunch program under this chapter—

“(A) shall offer students fluid milk; and

“(B) shall offer students a variety of fluid milk consistent with prior year preferences unless the prior year preference for any such variety of fluid milk is less than 1 percent of the total milk consumed at the school.”


Subsec. (b)(2)(A). Pub. L. 110-265, § 104(a)(2)(A), inserted subpar. heading, designated first and second sentences as cls. (i) and (ii), respectively, and inserted headings, in cl. (ii) substituted “Forms and descriptive material distributed in accordance with clause (i)” for “Such forms and descriptive material”, and added cl. (iii).


Subsec. (b)(2)(C)(ii) to (vii). (D). Pub. L. 110-265, § 104(a)(2)(C), struck out subpar. (C)(ii) to (vii) and (D), which related to direct certification of children in households receiving other assistance, disclosure of eligibility information, limitations, sanction for wrongful disclosure, waiver of confidentiality, use of disclosed information, and submission of price policy statement by school food authority.

Subsec. (b)(3). Pub. L. 110-265, § 105(a), added par. (3) and struck out former par. (3) which read as follows: “Except as provided in clause (ii), each eligibility determination shall be made on the basis of a complete application executed by an adult member of the household. The Secretary, should the local food authority may verify any data contained in such application. A school local food authority shall undertake such verification
of information contained in any such application as the Secretary may by regulation prescribe and, in accordance with such regulations, shall make appropriate changes in the eligibility determination with respect to such application on the basis of such verification.


Subsec. (b)(5). Pub. L. 108–265, §104(d)(1), struck out “(A) in general—” before “Subject to paragraph (6)”.


Subsec. (b)(9). Pub. L. 108–265, §106, inserted par. heading, designated existing provisions as subpars. (A) and (B), inserted subpar. headings, in subpar. (B) designated existing provisions as cls. (i) and (ii) and inserted par. heading, designated existing provisions as subpars. (A) and (B), inserted subpar. headings, and added subpar. (C).


Subsec. (h)(1). Pub. L. 108–265, §111(2), substituted “A school” for “Except as provided in paragraph (2), a school”.

Subsec. (h)(2). Pub. L. 108–265, §§111(3), added paras. (2) to (5) and struck out heading and text of former par. (2). Text read as follows: “Paragraph (1) shall not apply to a school if a food safety inspection of the school is required by a State or local governmental agency responsible for food safety inspections.”


Subsec. (j)(2)(E). Pub. L. 109–193, §702(a)(1), redesignated par. (2)(A) as (3) and added cls. (i) and (ii) of former subpar. (B) which read as follows: “(B)(i) The Secretary shall purchase in each calendar year to carry out the school lunch program under this chapter, and the school breakfast program under section 4 of the Child Nutrition Act of 1966 (42 U.S.C. 1773), lowfat cheese on a bid basis in a quantity that is the milkfat equivalent of the quantity of milkfat the Secretary estimates the Commodity Credit Corporation will purchase each calendar year as a result of the elimination of the requirement that schools offer students fluid whole milk and fluid unflavored lowfat milk, based on data provided by the Director of Office of Management and Budget.

“(ii) Not later than 30 days after the Secretary provides an estimate required under clause (i), the Director of the Congressional Budget Office shall provide to the appropriate committees of Congress a report on whether the Director concurs with the estimate of the Secretary.

“(iii) The quantity of lowfat cheese that is purchased under this subparagraph shall be in addition to the quantity of cheese that is historically purchased by the Secretary to carry out school feeding programs. The Secretary shall take such actions as are necessary to ensure that purchases under this subparagraph do not displace commercial purchases of cheese by schools.”

Subsec. (a)(3), (4). Pub. L. 104–193, §702(a)(2), (3), redesignated par. (4) as (3) and struck out former par. (3) which read as follows: “‘(b) The Secretary shall establish, in cooperation with State educational agencies, administrative procedures, which shall include local educational agency and student participation, designed to diminish waste of foods which are served by schools participating in the school lunch program under this chapter without endangering the nutritional integrity of the lunches served by such schools.’

Subsec. (b)(2)(C)(ii)(II). Pub. L. 104–193, §109(g)(1)(A), substituted “State program funded” for “program for aid to families with dependent children” and inserted before period at end “that the Secretary determines complies with standards established by the Secretary that ensure that the standards under the State program are comparable to or more restrictive than those in effect on June 1, 1996”.


Subsec. (b)(6)(A)(ii). Pub. L. 104–193, §109(g)(1)(B)(i), substituted “a family (under the State program funded)” for “an AFDC assistance unit (under the aid to families with dependent children program authorized” and “that the Secretary determines complies with
standards established by the Secretary that ensure that the standards under the State program are comparable to or more restrictive than those in effect on June 1, 1966' for 'in a State where the standard of eligibility for the assistance does not exceed 130 percent of the poverty line' (as defined in section 9002(2) of this title').

Subsec. (b)(6)(B). Pub. L. 104–193, §109(g)(1)(B)(ii), substituted 'assistance under the State program funded under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.) that the Secretary determines complies with standards established by the Secretary that ensure that the standards under the State program are comparable to or more restrictive than those in effect on June 1, 1995' for 'aid to families with dependent children'.

Subsec. (c). Pub. L. 104–193, §702(b)(2), struck out 'Each school shall, insofar as practicable, utilize in its lunch program commodities designated from time to time by the Secretary as being in abundance, either nationally or in the school area or commodities donated by the Secretary, after operated on a nonprofit basis'.

The Secretary is authorized to prescribe terms and conditions respecting the use of commodities donated under such section 612c of title 7, under section 1301 of title 7, and under section 144a–1 of title 7, as will maximize the nutritional and financial contributions of such donated commodities in such schools and institutions, after authorized to receive such commodities.', and 'None of the requirements of this section in respect to the amount for 'reduced cost' meals and to eligibility for meals without cost shall apply to schools (as defined in section 1760(d)(6) of this title which are private and nonprofit as defined in the last sentence of section 1760(d)(6) of this title) which participate in the school lunch program under this chapter until such time as the State educational agency, or in the case of such schools which participate under the provisions of section 1758 of this title the Secretary certifies that sufficient funds from sources other than children's payments are available to enable such schools to meet those requirements.' at end.

Pub. L. 104–193, §702(b)(1), substituted 'provision of law' for 'of the provisions of law referred to in the preceding sentence' in fifth sentence.

Subsec. (d)(2)(C). Pub. L. 104–193, §109(g)(2), substituted 'State program funded' for 'program for aid to families with dependent children' and inserted before period at end that 'the Secretary determines complies with standards established by the Secretary that ensure that the standards under the State program are comparable to or more restrictive than those in effect on June 1, 1995'.

Subsec. (f). Pub. L. 104–193, §702(c)(1)–(3), struck out '2)' designation before (A) Except as provided', re-designated subpars. (A) to (D) as pars. (1) to (4), respectively, and struck out former par. (1) which read as follows: 'In addition to such other forms of milk as the Secretary may determine, the lunches shall offer whole milk, lowfat milk, and skim milk.'

Subsec. (h). Pub. L. 104–193, §702(d), struck out subsec. (h) which read as follows: 'In carrying out this chapter and the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.), a State educational agency may use resources provided through the nutrition education and training program authorized under section 19 of the Child Nutrition Act of 1966 (42 U.S.C. 1788) for training and education in improving the quality and acceptance of school meals.' 1991—Subsec. (a)(1). Pub. L. 101–147, §101(a)(1), struck out ''member of'' after ''if the child is'' in introductory provisions, inserted a member of after (ii)' and (iii),' and added cl. (iii).

Subsec. (b)(6)(A). Pub. L. 103–448, §109(a)(1), struck out "a member of" after "if the child is" in introductory provisions, inserted "member of" after "(i)" and "(ii)" and added cl. (iii).

Subsec. (b)(6)(B). Pub. L. 103–448, §109(a)(2), inserted "or of enrollment or participation in a Head Start program on the basis described in subparagraph (A)(iii)," after "aid to families with dependent children".

Subsec. (f)(2)(D). Pub. L. 104–149 added subpar. (D) and struck out former subpar. (D) which read as follows: 'Schools may use any of the approaches described in subparagraph (C) to meet the requirements of this paragraph. In the case of schools that elect to use food-based menu systems to meet the requirements of this paragraph, the Secretary may not require the schools to conduct osteo nutrient analysis.'

Subsec. (f)(3). Pub. L. 104–193, §702(c)(5), redesignated cl. (i) and (ii) as subpars. (A) and (B), respectively, and in subpar. (A), redesignated subcls. (I) and (II) as cl. (i) and (ii), respectively, and in subpar. (A)(ii), substituted 'paragraph (3)' for 'paragraph (C)'.

Subsec. (h). Pub. L. 104–193, §702(d), struck out subsec. (h) which read as follows: 'Lunches served by schools participating in the school lunch program under this chapter shall offer students fluid whole milk and fluid unflavored lowfat milk.'
read as follows: “Eligibility determinations shall be made on the basis of a complete application executed by an adult member of the household. The Secretary, State and local school food authorities may seek verification of the data contained in the application. Local school food authorities shall undertake such verification of the information contained in these applications as the Secretary may by regulation prescribe and, in accordance with such regulations, make appropriate changes in the eligibility determinations on the basis of such verification.”


Subsec. (c). Pub. L. 93–317, §§305(b)(2), 312(1), substituted “School lunch” for “School-lunch”, substituting no change in text.

Subsec. (b)(1). Pub. L. 94–105, §6(b), designated existing provisions as subsec. (b)(1), struck out “if a school elects to serve reduced-price lunches” after “reduced price not to exceed 20 cents”, inserted provision for a reduced price lunch for any child eligible under reduced price lunch income guidelines, established income guidelines for reduced price lunches, beginning with fiscal year ending June 30, 1976, at 85 per centum above applicable family size income levels in income poverty guidelines.

Subsec. (b)(2). Pub. L. 94–105, §6(c), added par. (2).

Subsec. (e). Pub. L. 94–105, §6(e), substituted “schools (as defined in section 1706(d)(6) of this title which are private and nonprofit as defined in the last sentence of section 1760(d)(6) of this title)” for “nonprofit private schools”.

1974—Subsec. (b). Pub. L. 93–326 substituted “beginning with the fiscal year ending June 30, 1974” for “for the fiscal year ending June 30, 1974” in provision authorizing State educational agencies to establish income guidelines for reduced price lunches at not more than 75 per centum above applicable family size income levels in income poverty guidelines as prescribed by Secretary.


Subsec. (b). Pub. L. 92–433, §5(b), designated second through seventh sentences of existing provisions as subsec. (b), separated provisions relating to free and reduced price lunches, substituted July 1 of each year as the date by which the Secretary is required to prescribe an income poverty guideline, prescribed free lunch for children of households below the guideline instead of prior provision requiring free lunch or lunch at reduced price, authorized State educational agencies to set up family-size income levels for free and reduced price lunches to be within certain percentage limitations of the guideline prescribed by the Secretary, and provided for continuation until July 1, 1973 of higher guidelines established prior to July 1, 1972.

Subsec. (c). Pub. L. 92–433, §5(c), designated eighth through thirteenth sentences as subsec. (c) and in last sentence inserted provision that requirements of this section are not applicable to nonprofit private schools which participate in the school lunch program under this chapter until the State educational agency certifies about the funds.

1971—Pub. L. 92–153 inserted provisions for consideration of income poverty guidelines during fiscal year 1972 as a national minimum standard of eligibility and for reimbursement of State agencies during such fiscal year.
year pursuant to eligibility standards established by State agencies prior to Oct. 1, 1971.

1970—Pub. L. 91–248 placed a ceiling of 20 cents on any reduced price meal offered under the school lunch program, provided for determination of ability to pay the full cost of lunch based on a publicly announced policy the minimum criteria of which includes family income and the number of school children in the family unit as well as the size of the family unit in general, but, under which, by Jan. 1, 1971, such determination shall be based on the income poverty guidelines with first priority given to providing free meals to the neediest children, provided that there be no overt identification of those children who receive free and reduced price meals, authorized the Secretary to prescribe such terms and conditions for food service in the non-national School Lunch Act schools as well as schools under this Act which are receiving Federal assistance in the form of commodities, and excepted from requirements of this section with respect to amount for reduced cost meals and eligibility for meals without cost nonprofit private schools which participate in the school lunch program under the provisions of section 1799 of this title until the Secretary certifies that sufficient funds are available to enable such schools to meet the requirements of this section.

1968—Pub. L. 90–362 provided that minimum nutritional requirements prescribed by the Secretary on basis of tested nutritional research which lunches served by participating schools must meet could not be construed to prohibit substitution of foods to accommodate medical or other special dietary needs of individual students.

**Effective Date of 2010 Amendment**


**Effective Date of 2008 Amendment**

Amendment of this section and repeal of Pub. L. 110–246 effective July 1, 2008, except as otherwise provided, see section 4 of Pub. L. 110–246, set out as an Effective Date note under section 6701 of Title 7, Agriculture.

**Effective Date of 2004 Amendment**

Amendment by sections 102, 104(a)(2), (b)(1), (d)(1), (2), 105(a), and 111 of Pub. L. 108–265 effective July 1, 2005, see section 502(b)(4) of Pub. L. 108–265, as amended, set out as an Effective Date note under section 1754 of this title.

Amendment by sections 103, 104(a)(1), 108(a), 109, 110, and 112 of Pub. L. 108–265 effective June 30, 2004, except as otherwise provided, see section 502(a) of Pub. L. 108–265, as amended, set out as an Effective Date note under section 1754 of this title.


Amendment by Pub. L. 107–171, title IV, § 4302(b), May 13, 2002, 116 Stat. 331, provided that: "The amendment made by this section [amending this section] takes effect on the date of enactment of this Act [May 13, 2002]."

“(b) INTERIM FINAL REGULATIONS.—The Secretary may promulgate interim final regulations to implement the amendments described in subsection (a).

“(c) REGULATIONS.—Not later than 2 years after the date of enactment of this Act [June 30, 2004], the Secretary shall promulgate final regulations to implement the amendments described in subsection (a).”

Pub. L. 101–147, title II, § 203(a)–(c), Nov. 10, 1989, 103 Stat. 909, provided that: “Not later than July 1, 1990, the Secretary of Agriculture shall issue final regulations to implement the amendments made by subsection (b) [amending this section].”

REVIEW OF LOCAL POLICIES ON MEAL CHARGES AND PROVISION OF ALTERNATE MEALS


“(a) IN GENERAL.—

“(1) The Secretary [of Agriculture], in conjunction with States and participating local educational agencies, shall examine the current policies and practices of States and local educational agencies regarding extending credit to children to pay the cost to the children of reimbursable school lunches and breakfasts.

“(2) SCOPE.—The examination under paragraph (1) shall include the policies and practices in effect as of the date of enactment of this Act [Dec. 13, 2010] relating to providing to children who are without funds a meal other than the reimbursable meals.

“(3) FEASIBILITY.—In carrying out the examination under paragraph (1), the Secretary shall—

“(A) prepare a report on the feasibility of establishing national standards for meal charges and the provision of alternate meals; and

“(B) provide recommendations for implementing those standards.

“(b) FOLLOWUP ACTIONS.—

“(1) IN GENERAL.—Based on the findings and recommendations under subsection (a), the Secretary may—

“(A) implement standards described in paragraph (3) of that subsection through regulation;

“(B) test recommendations through demonstration projects; or

“(C) study further the feasibility of recommendations.

“(2) FACTORS FOR CONSIDERATION.—In determining how best to implement recommendations described in subsection (a)(3), the Secretary shall consider such factors as—

“(A) the impact of overt identification on children;

“(B) the manner in which the affected households will be provided with assistance in establishing eligibility for free and reduced-price meals or require a reduction in the number of children served in any school district during a fiscal year to be effective for that fiscal year. This section shall apply to fiscal year 1972.”

§ 1758a. State performance on enrolling children receiving program benefits for free school meals

(a) In general

Not later than December 31, 2008 and June 30 of each year thereafter, the Secretary shall submit to the Committees on Agriculture and Education and Labor of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report that assesses the effectiveness of each State in enrolling school-aged children in households receiving program benefits under the Food and Nutrition Act of 2008 (7 U.S.C. 2011 et seq.) (referred to in this section as “program benefits”) for free school meals using direct certification.

(b) Specific measures

The assessment of the Secretary of the performance of each State shall include—

(1) an estimate of the number of school-aged children, by State, who were members of a household receiving program benefits at any time in July, August, or September of the prior year;

(2) an estimate of the number of school-aged children, by State, who were directly certified as eligible for free meals under the Richard B. Russell National School Lunch Act (42 U.S.C. 1751 et seq.), based on receipt of program benefits, as of October 1 of the prior year; and

(3) an estimate of the number of school-aged children, by State, who were members of a household receiving program benefits at any time in July, August, or September of the...
prior year who were not candidates for direct certification because on October 1 of the prior year the children attended a school operating under the special assistance provisions of section 11(a)(1) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1759a(a)(1)) that is not operating in a base year.

(c) Performance innovations

The report of the Secretary shall describe best practices from States with the best performance or the most improved performance from the previous year.


REFERENCES IN TEXT


The Richard B. Russell National School Lunch Act, referred to in subsec. (b)(1), is act June 4, 1946, ch. 281, 60 Stat. 230, which is classified generally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 1751 of this title and Tables.

CODIFICATION


Section was enacted as part of the Food, Conservation, and Energy Act of 2008, and not as part of the Richard B. Russell National School Lunch Act which comprises this chapter.

EFFECTIVE DATE


DEFINITION OF "SECRETARY"

"Secretary" as meaning the Secretary of Agriculture, see section 701 of Title 7, Agriculture.

§ 1758b. Local school wellness policy

(a) In general

Each local educational agency participating in a program authorized by this chapter or the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.) shall establish a local school wellness policy for all schools under the jurisdiction of the local educational agency.

(b) Guidelines

The Secretary shall promulgate regulations that provide the framework and guidelines for local educational agencies to establish local school wellness policies, including, at a minimum,—

1. goals for nutrition promotion and education, physical activity, and other school-based activities that promote student wellness;
2. for all foods available on each school campus under the jurisdiction of the local educational agency during the school day, nutrition guidelines that—
   (A) are consistent with sections 1758 and 1766 of this title, and sections 4 and 10 of the Child Nutrition Act of 1966 (42 U.S.C. 1773, 1779); and
   (B) promote student health and reduce childhood obesity;
3. a requirement that the local educational agency permit parents, students, representatives of the school food authority, teachers of physical education, school health professionals, the school board, school administrators, and the general public to participate in the development, implementation, and periodic review and update of the local school wellness policy;
4. a requirement that the local educational agency inform and update the public (including parents, students, and others in the community) about the content and implementation of the local school wellness policy; and
5. a requirement that the local educational agency—
   (A) periodically measure and make available to the public an assessment on the implementation of the local school wellness policy, including—
      (i) the extent to which schools under the jurisdiction of the local educational agency are in compliance with the local school wellness policy;
      (ii) the extent to which the local school wellness policy of the local educational agency compares to model local school wellness policies; and
      (iii) a description of the progress made in attaining the goals of the local school wellness policy; and
   (B) designate 1 or more local educational agency officials or school officials, as appropriate, to ensure that each school complies with the local school wellness policy.

(c) Local discretion

The local educational agency shall use the guidelines promulgated by the Secretary under subsection (b) to determine specific policies appropriate for the schools under the jurisdiction of the local educational agency.

(d) Technical assistance and best practices

(1) In general

The Secretary, in consultation with the Secretary of Agriculture and the Secretary of Health and Human Services, acting through the Centers for Disease Control and Prevention, shall provide information and technical assistance to local educational agencies, school food authorities, and State educational agencies for use in establishing healthy school environments that are intended to promote student health and wellness.

(2) Content

The Secretary shall provide technical assistance that—

(A) includes resources and training on designing, implementing, promoting, disseminating, and evaluating local school wellness policies and overcoming barriers to the adoption of local school wellness policies;
(B) includes model local school wellness policies and best practices recommended by Federal agencies, State agencies, and non-governmental organizations;

(C) includes such other technical assistance as is required to promote sound nutrition and establish healthy school nutrition environments; and

(D) is consistent with the specific needs and requirements of local educational agencies.

(3) Study and report

(A) In general

Subject to the availability of appropriations, the Secretary, in conjunction with the Director of the Centers for Disease Control and Prevention, shall prepare a report on the implementation, strength, and effectiveness of the local school wellness policies carried out in accordance with this section.

(B) Study of local school wellness policies

The study described in subparagraph (A) shall include—

(i) an analysis of the strength and weaknesses of local school wellness policies and how the policies compare with model local wellness policies recommended under paragraph (2)(B); and

(ii) an assessment of the impact of the local school wellness policies in addressing the requirements of subsection (b).

(C) Report

Not later than January 1, 2014, the Secretary shall submit to the Committee on Education and Labor of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report that describes the findings of the study.

(D) Authorization of appropriations

There are authorized to be appropriated to carry out this paragraph $3,000,000 for fiscal year 2011, to remain available until expended.


REFERENCES IN TEXT


EFFECTIVE DATE

Section effective Oct. 1, 2010, except as otherwise specifically provided, see section 445 of Pub. L. 111–296, set out as an Effective Date of 2010 Amendment note under section 1751 of this title.

§1759. Direct disbursement to schools by Secretary

(a) The Secretary shall withhold funds payable to a State under this chapter and disburse the funds directly to schools, institutions, or service institutions within the State for the purposes authorized by this chapter to the extent that the Secretary has so withheld and disbursed such funds continuously since October 1, 1980, but only to such extent (except as otherwise required by subsection (b)) for the same purposes, and shall be subject to the same conditions, as applicable to a State disbursing funds made available under this chapter.

If the Secretary is administering (in whole or in part) any program authorized under this chapter, the State in which the Secretary is administering the program may, upon request to the Secretary, assume administration of that program.

(b) If a State educational agency is not permitted by law to disburse the funds paid to it under this chapter to any of the nonpublic schools in the State, the Secretary shall disburse the funds directly to such schools within the State for the same purposes and subject to the same conditions as are authorized or required with respect to the disbursements to public schools within the State by the State educational agency.


1981—Pub. L. 97–35 designated existing provisions as subsec. (a), substituted provisions relating to disbursement of funds directly to schools, institutions, or service institutions for the purposes authorized by this chapter, for provisions relating to disbursement of funds directly to schools for the purposes and subject to conditions authorized or required for disbursements to schools within the State by the State educational agency, and added subsec. (b).

1975—Pub. L. 94–105 altered provisions of section to accommodate authorization of direct payments to private nonprofit schools and institutions in conformity with revised allocation method for school lunch funds and expanded definition of “school” to include any public or licensed nonprofit residential child care institution, including but not limited to, orphanages and homes for the mentally retarded.


1972—Pub. L. 92–433 inserted proviso that beginning with the fiscal year ending June 30, 1974, the Secretary shall make payments directly to the nonprofit private schools for the purpose of section 1753 of this title under the same conditions as are prescribed for State educational agencies.

1970—Pub. L. 91–248 provided that data upon which State apportionments are calculated is the program year completed two years immediately prior to the fiscal year for which the appropriation is requested.

1962—Pub. L. 87–623 substituted “an amount which bears the same ratio to such funds as the number of lunches, consisting of a combination of foods and meeting the minimum requirements prescribed by the Secretary pursuant to section 1758 of this title, served in the preceding fiscal year by all nonprofit private schools participating in the program under this chapter within the State, as determined by the Secretary, bears to the participation rate for the State” for “the same proportion of the funds as the number of children between the ages of 5 and 17, inclusive, attending nonprofit private schools within the State, is of the total
number of persons of those ages within the State attending school.'

**Effective Date of 1981 Amendment**

§ 1759a. Special assistance funds

(a) Formula for computation of payments; computation for lunches to eligible children in schools funding service to ineligible children from non-Federal sources; special assistance factors; annual adjustments

(1)(A) Except as provided in section 1759 of this title, in each fiscal year each State educational agency shall receive special assistance payments in an amount equal to the sum of the product obtained by multiplying the number of lunches (consisting of a combination of foods which meet the minimum nutritional requirements prescribed by the Secretary pursuant to section 1758(a) of this title) served free to children eligible for such lunches in schools within that State during such fiscal year by the special assistance factor for free lunches prescribed by the Secretary for such fiscal year and the product obtained by multiplying the number of lunches served at a reduced price to children eligible for such reduced price lunches in schools within that State during such fiscal year by the special assistance factor for reduced price lunches prescribed by the Secretary for such fiscal year.

(B) Except as provided in subparagraph (C), (D), (E), or (F), in the case of any school which determines that at least 80 percent of the children in attendance during a school year (hereinafter referred to as the "first school year") are eligible for free lunches or reduced price lunches, special assistance payments shall be paid to the State educational agency with respect to that school, if that school so requests for the school year following the first school year, on the basis of the number of free lunches or reduced price lunches, as the case may be, that are served by that school during the school year for which the request is made, to those children who were determined to be so eligible in the first school year and the number of free lunches and reduced price lunches served during that year to other children determined for that year to be eligible for such lunches.

(C)(i) Except as provided in subparagraph (D), in the case of any school or school district that—

(I) elects to serve all children in the school or school district free lunches under the school lunch program during any period of 4 successive school years, or in the case of a school or school district that serves both lunches and breakfasts, elects to serve all children in the school or school district free lunches and free breakfasts under the school lunch program and the school breakfast program established under section 4 of the Child Nutrition Act of 1966 (42 U.S.C. 1773) during any period of 4 successive school years; and

(II) pays, from sources other than Federal funds, for the costs of serving the lunches or breakfasts that are in excess of the value of assistance received under this chapter and the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.) with respect to the number of lunches or breakfasts served during the period;

(ii) For purposes of making special assistance payments under clause (i), except as provided in clause (iii), the number of lunches or breakfasts served by a school or school district to children who are eligible for free lunches or breakfasts or reduced price lunches or breakfasts during each school year of the 4-school-year period shall be considered to be equal to the number of lunches or breakfasts served by the school or school district to children eligible for free lunches or breakfasts or reduced price lunches or breakfasts during the first school year of the period.

(iii) For purposes of computing the amount of the payments, a school or school district may elect to determine on a more frequent basis the number of children who are eligible for free or reduced price lunches or breakfasts who are served lunches or breakfasts during the 4-school-year period.

(D)(i) In the case of any school or school district that is receiving special assistance payments under this paragraph for a 4-school-year period described in subparagraph (C), the State may grant, at the end of the 4-school-year period, an extension of the period for an additional 4 school years, if the State determines, through available socioeconomic data approved by the Secretary, that the income level of the population of the school or school district has remained stable.

(ii) A school or school district described in clause (i) may reapply to the State at the end of the 4-school-year period, and at the end of each 4-school-year period thereafter for which the school or school district receives special assistance payments under this paragraph, for the purpose of continuing to receive the payments for a subsequent 4-school-year period.

(iii) If the Secretary determines after considering the best available socioeconomic data that the income level of families of children enrolled in a school or school district has not remained stable, the Secretary may require the submission of applications for free and reduced price lunches, or for free and reduced price lunches and breakfasts, in the first school year of any 4-school-year period for which the school or school district receives special assistance payments under this paragraph, for the purpose of calculating the special assistance payments.

(iv) For the purpose of updating information and reimbursement levels, a school or school district described in clause (i) that carries out a school lunch or school breakfast program may at any time require submission of applications for free and reduced price lunches or for free and reduced price lunches and breakfasts.

(B)(i) In the case of any school or school district that—

(I) elects to serve all children in the school or school district free lunches under the school lunch program during any period of 4 successive school years, or in the case of a
school or school district that serves both lunches and breakfasts, elects to serve all children in the school or school district free lunches and free breakfasts under the school lunch program and the school breakfast program during any period of 4 successive school years; and

(II) pays, from sources other than Federal funds, for the costs of serving the lunches or breakfasts that are in excess of the value of assistance received under this chapter and the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.) with respect to the number of lunches or breakfasts served during the period;

total Federal cash reimbursements and total commodity assistance shall be provided to the State educational agency with respect to the school or school district at a level that is equal to the total Federal cash reimbursements and total commodity assistance received by the school or school district in the last school year for which the school or school district accepted applications under the school lunch or school breakfast program, adjusted annually for inflation in accordance with paragraph (3)(B) and for changes in enrollment, to carry out the school lunch or school breakfast program.

(ii) A school or school district described in clause (i) may reallocate to the State at the end of the 4-school-year period described in clause (i), and at the end of each 4-school-year period thereafter for which the school or school district receives reimbursements and assistance under this subparagraph, for the purpose of continuing to receive the reimbursements and assistance for a subsequent 4-school-year period. The State may approve an application under this clause if the State determines, through available socio-economic data approved by the Secretary, that the income level of the population of the school or school district has remained consistent with the income level of the population of the school or school district in the last school year for which the school or school district accepted the applications described in clause (i).

(F) Universal meal service in high poverty areas.—

(i) Definition of identified students.—The term "identified students" means students certified based on documentation of benefit receipt or categorical eligibility as described in section 245.6a(c)(2) of title 7, Code of Federal Regulations (or successor regulations).

(ii) Election of special assistance payments.—(I) Special assistance payment.—For each month of the first school year of the 4-year period during which a school or local educational agency elects to receive payments under this subparagraph, special assistance payments at the rate for free meals shall be made under this subparagraph for a percentage of all reimbursable meals served in an amount equal to the product obtained by multiplying—

(aa) the multiplier described in clause (vii); by

(bb) the percentage of identified students at the school or local educational agency as of April 1 of the prior school year, up to a maximum of 100 percent.

(II) Payment for other meals.—The percentage of meals served that is not described in subclause (I) shall be reimbursed at the rate provided under section 1753 of this title.

(iv) Second, third, or fourth year of option.—

(I) Special assistance payment.—For each month of the second, third, or fourth school year of the 4-year period during which a school or local educational agency elects to receive payments under this subparagraph, special assistance payments at the rate for free meals shall be made under this subparagraph for a percentage of all reimbursable meals served in an amount equal to the product obtained by multiplying—

(aa) the multiplier described in clause (vii); by

(bb) the higher of the percentage of identified students at the school or local edu-
cational agency as of April 1 of the prior school year or the percentage of identified students at the school or local educational agency as of April 1 of the school year prior to the first year that the school or local educational agency has a percentage of enrolled students who are identified students that meets or exceeds a percentage that is 10 percentage points lower than the threshold described in clause (viii), the school or local educational agency may elect to receive special assistance payments under subsection (ii) for an additional grace year.

(II) SPECIAL ASSISTANCE PAYMENT.—For each month of a grace year, special assistance payments at the rate for free meals shall be made under this subparagraph for a percentage of all reimbursable meals served in an amount equal to the product obtained by multiplying—

(aa) the multiplier described in clause (vii); by

(bb) the percentage of identified students at the school or local educational agency as of April 1 of the prior school year, up to a maximum of 100 percent.

(III) PAYMENT FOR OTHER MEALS.—The percentage of meals served that is not described in subclause (I) shall be reimbursed at the rate provided under section 1753 of this title.

(v) GRACE YEAR.—

(I) IN GENERAL.—If, not later than April 1 of the fourth year of a 4-year period described in clause (ii)(I), a school or local educational agency has a percentage of enrolled students who are identified students that meets or exceeds a percentage that is 10 percentage points lower than the threshold described in clause (viii), the school or local educational agency may elect to receive special assistance payments under subsection (II) for an additional grace year.

(II) SPECIAL ASSISTANCE PAYMENT.—For each month of a grace year, special assistance payments at the rate for free meals shall be made under this subparagraph for a percentage of all reimbursable meals served in an amount equal to the product obtained by multiplying—

(aa) the multiplier described in clause (vii); by

(bb) the percentage of identified students at the school or local educational agency as of April 1 of the prior school year, up to a maximum of 100 percent.

(III) PAYMENT FOR OTHER MEALS.—The percentage of meals served that is not described in subclause (I) shall be reimbursed at the rate provided under section 1753 of this title.

(vi) APPLICATIONS.—A school or local educational agency that receives special assistance payments under this subparagraph may not be required to collect applications for free and reduced-price lunches.

(vii) MULTIPLIER.—

(I) PHASE-IN.—For each school year beginning on or before July 1, 2013, the multiplier shall be 1.6.

(II) FULL IMPLEMENTATION.—For each school year beginning on or after July 1, 2014, the Secretary may use, as determined by the Secretary—

(aa) a multiplier between 1.3 and 1.6; and

(bb) subject to item (aa), a different multiplier for different schools or local educational agencies.

(viii) THRESHOLD.—

(I) PHASE-IN.—For each school year beginning on or before July 1, 2013, the threshold shall be 40 percent.

(II) FULL IMPLEMENTATION.—For each school year beginning on or after July 1, 2014, the Secretary may use a threshold that is less than 40 percent.

(ix) PHASE-IN.—

(I) IN GENERAL.—In selecting States for participation during the phase-in period, the Secretary shall select States with an adequate number and variety of schools and local educational agencies that could benefit from the option under this subparagraph, as determined by the Secretary.

(II) LIMITATION.—The Secretary may not approve additional schools and local educational agencies to receive special assistance payments under this subparagraph after the Secretary has approved schools and local educational agencies in—

(aa) for the school year beginning on July 1, 2011, 3 States; and

(bb) for each of the school years beginning July 1, 2012 and July 1, 2013, an additional 4 States per school year.

(x) ELECTION OF OPTION.—

(I) IN GENERAL.—For each school year beginning on or after July 1, 2014, any local educational agency eligible to make the election described in clause (ii) for all schools in the district or on behalf of certain schools in the district may elect to receive special assistance payments under clause (iii) for the next school year if, not later than June 30 of the current school year, the local educational agency submits to the State agency the percentage of identified students at the school or local educational agency.

(II) STATE AGENCY NOTIFICATION.—Not later than May 1 of each school year beginning on or after July 1, 2011, each State agency with schools or local educational agencies that may be eligible to elect to receive special assistance payments under this subparagraph shall notify—

(aa) each local educational agency that meets or exceeds the threshold described in clause (viii) that the local educational agency is eligible to elect to receive special assistance payments under clause (ii) for the next 4 school years, of the blended reimbursement rate the local educational agency would receive under clause (iii), and of the procedures for the local educational agency to make the election;

(bb) each local educational agency that receives special assistance payments under clause (iii) of the blended reimbursement rate the local educational agency would receive under clause (iv); and

(cc) each local educational agency in the fourth year of electing to receive special assistance payments under this subparagraph that meets or exceeds a percentage that is 10 percentage points lower than the threshold described in clause (viii) and that receives special assistance payments under clause (iv), that the local educational agency may continue to receive such payments for the next school year, of the blended reimbursement rate the local educational agency would receive under clause (v), and of the procedures for the local educational agency to make the election; and

(dd) each local educational agency that meets or exceeds a percentage that is 10
§ 1759a

2013, the Secretary shall publish a report that describes—

(II) for schools and local educational agencies described in subclause (I)—

(aa) barriers to participation in the special assistance option under this subparagraph, as described by the nonparticipating schools and local educational agencies; and

(bb) changes to the special assistance option under this subparagraph that would make eligible schools and local educational agencies more likely to elect to receive special assistance payments;

(III) for schools and local educational agencies that elect to receive special assistance payments under this subparagraph—

(aa) the number of schools and local educational agencies;

(bb) an estimate of the percentage of identified students and the percentage of enrolled students who were certified to receive free or reduced price meals in the school year prior to the election to receive special assistance payments under this subparagraph, and a description of how the ratio between those percentages compares to 1.6;

(cc) an estimate of the number and share of schools and local educational agencies in which more than 80 percent of students are certified for free or reduced price meals that elect to receive special assistance payments under that clause; and

(dd) whether any of the schools or local educational agencies stopped electing to receive special assistance payments under this subparagraph;

(IV) the impact of electing to receive special assistance payments under this subparagraph on—

(aa) program integrity;

(bb) whether a breakfast program is offered;

(cc) the type of breakfast program offered;

(dd) the nutritional quality of school meals; and

(ee) program participation; and

(V) the multiplier and threshold, as described in clauses (vii) and (viii) respectively, that the Secretary will use for each school year beginning on or after July 1, 2014 and the rationale for any change in the multiplier or threshold.

(xii) FUNDING.—

(I) in general.—On October 1, 2010, out of any funds in the Treasury not otherwise appropriated, the Secretary of the Treasury shall transfer to the Secretary to carry out clause (xii) $5,000,000, to remain available until September 30, 2014.

(II) receipt and acceptance.—The Secretary shall be entitled to receive, shall accept, and shall use to carry out clause (xii) the funds transferred under subclause (I), without further appropriation.
(2) The special assistance factor prescribed by the Secretary for free lunches shall be 98.75 cents and the special assistance factor for reduced price lunches shall be 40 cents less than the special assistance factor for free lunches.

(3)(A) The Secretary shall prescribe on July 1, 1982, and on each subsequent July 1, an annual adjustment in the following:

(i) The national average payment rates for lunches (as established under section 1753 of this title).

(ii) The special assistance factor for lunches (as established under paragraph (2) of this subsection).

(iii) The national average payment rates for breakfasts (as established under section 4(b) of the Child Nutrition Act of 1966 [42 U.S.C. 1773 (b)]).

(iv) The national average payment rates for supplements (as established under section 1766(c) of this title).

(B) COMPUTATION OF ADJUSTMENT.—

(i) IN GENERAL.—The annual adjustment under this paragraph shall reflect changes in the cost of operating meal programs under this chapter and the Child Nutrition Act of 1966 [42 U.S.C. 1771 et seq.], as indicated by the change in the series for food away from home for the most recent 12-month period.

(ii) BASIS.—Each annual adjustment shall reflect the changes in the series for food away from home for the most recent 12-month period for which such data are available.

(iii) ROUNDING.—On July 1, 1999, and on each subsequent July 1, the national average payment rates for meals and supplements shall be adjusted to the nearest lower cent increment and shall be based on the unrounded amounts for the preceding 12-month period.

(b) Financing cost of free and reduced price lunches on basis of need of school for special assistance; maximum per lunch amount

Except as provided in section 10 of the Child Nutrition Act of 1966 [42 U.S.C. 1779], the special assistance payments made to each State agency during each fiscal year under the provisions of this section shall be used by such State agency to assist schools of that State in providing free and reduced price lunches served to children pursuant to section 1758(b) of this title. The amount of such special assistance funds that a school shall from time to time receive, within a maximum per lunch amount established by the Secretary for all States, shall be based on the need of the school for such special assistance. Such maximum per lunch amount established by the Secretary shall not be less than 60 cents.

(c) Payments to States

Special assistance payments to any State under this section shall be made as provided in the last sentence of section 1756 of this title.

(d) Report of school to State educational agency, contents; report of State educational agency to Secretary, contents

(1) The Secretary, when appropriate, may request each school participating in the school lunch program under this chapter to report monthly to the State educational agency the average number of children in the school who received free lunches and the average number of children who received reduced price lunches during the immediately preceding month.

(2) On request of the Secretary, the State educational agency of each State shall report to the Secretary the average number of children in the State who received free lunches and the average number of children in the State who received reduced price lunches during the immediately preceding month.

(e) Eligibility of commodity only schools for special assistance payments; free and reduced price meals; discrimination and identification prohibited

Commodity only schools shall also be eligible for special assistance payments under this section. Such schools shall serve meals free to children who meet the eligibility requirements for free meals under section 1758(b) of this title, and shall serve meals at a reduced price, not exceeding the price specified in section 1758(b)(9) of this title, to children meeting the eligibility requirements for reduced price meals under such section. No physical segregation of, or other discrimination against, any child eligible for a free or reduced-priced lunch shall be made by the school, nor shall there be any overt identification of any such child by any means.


(g) Universal meal service through Census data

(1) In general

To the maximum extent practicable, the Secretary shall identify alternatives to—

(A) the daily counting by category of meals provided by school lunch programs under this chapter and the school breakfast program established by section 4 of the Child Nutrition Act of 1966 (42 U.S.C. 1773); and

(B) the use of annual applications as the basis for eligibility to receive free meals or reduced price meals under this chapter.

(2) Recommendations

(A) Considerations

(i) In general

In identifying alternatives under paragraph (1), the Secretary shall consider the recommendations of the Committee on National Statistics of the National Academy of Sciences relating to use of the American Community Survey of the Bureau of the Census and other data sources.

(ii) Socioeconomic survey

The Secretary shall consider use of a periodic socioeconomic survey of households of children attending school in the school food authority in not more than 3 school food authorities participating in the school lunch program under this chapter.

(iii) Survey parameters

The Secretary shall establish requirements for the use of a socioeconomic survey under clause (ii), which shall—

1So in original. Probably should be “reduced price”.

111 Stat. 296.
§ 1759a

TITLE 42—THE PUBLIC HEALTH AND WELFARE

Page 4504

(I) include criteria for survey design, sample frame validity, minimum level of statistical precision, minimum survey response rates, frequency of data collection, and other criteria as determined by the Secretary;  
(II) be consistent with the Standards and Guidelines for Statistical Surveys, as published by the Office of Management and Budget;  
(III) be consistent with standards and requirements that ensure proper use of Federal funds; and  
(IV) specify that the socioeconomic survey be conducted at least once every 4 years.

(B) Use of alternatives

Alternatives described in subparagraph (A) that provide accurate and effective means of providing meal reimbursement consistent with the eligibility status of students may be—  
(i) implemented for use in schools or by school food authorities that agree—  
(ID) to serve all breakfasts and lunches to students at no cost in accordance with regulations issued by the Secretary; and  
(II) to pay, from sources other than Federal funds, the costs of serving any lunches and breakfasts that are in excess of the value of assistance received under this chapter or the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.) and the use of annual applications as the basis for eligibility to receive free or reduced price meals under those Acts;  
(II) the effect of the 1 or more methodologies adopted on participation in programs under those Acts;  
(III) the effect of the 1 or more methodologies adopted on administration of programs under those Acts; and  
(IV) such other matters as the Secretary determines to be appropriate.

(C) Demonstration projects

(i) In general

For the purpose of carrying out demonstration projects described in subparagraph (B), the Secretary may waive any requirements of this chapter relating to—  
(I) counting of meals provided by school lunch or breakfast programs;  
(II) applications for eligibility for free or reduced priced meals; or  
(III) required direct certification under section 1758(b)(4) of this title.

(ii) Number of projects

The Secretary shall carry out demonstration projects under this paragraph in not more than 5 local educational agencies for each alternative model that is being tested.

(iii) Limitation

A demonstration project carried out under this paragraph shall have a duration of not more than 3 years.

(iv) Evaluation

The Secretary shall evaluate each demonstration project carried out under this paragraph in accordance with procedures established by the Secretary.

(v) Requirement

In carrying out evaluations under clause (iv), the Secretary shall evaluate, using comparisons with local educational agencies with similar demographic characteristics—  
(I) the accuracy of the 1 or more methodologies adopted as compared to the daily counting by category of meals provided by school meal programs under this chapter or the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.) and the use of statistical precision, of annual applications as the basis for eligibility to receive free or reduced price meals under those Acts;  
(II) the effect of the 1 or more methodologies adopted on participation in programs under those Acts;  
(III) the effect of the 1 or more methodologies adopted on administration of programs under those Acts; and  
(IV) such other matters as the Secretary determines to be appropriate.


REFERENCES IN TEXT


Those Acts, referred to in subsec. (g)(2)(C)(v)(I) to (III), mean the Richard B. Russell National School Lunch Act, which was in the original “this Act” and was translated to read “this chapter”, and the Child Nutrition Act of 1966. See above.

AMENDMENTS

2010—Subsec. (a)(1)(B). Pub. L. 111–296, §104(a)(2), substituted “(E), or (F)” for “or (E)”.  

Subsec. (a)(3)(B)(ii). Pub. L. 111–296, §441(a)(2), struck out designations and headings of subcls. (1) and (II) and text of subcl. (I). Text of former subcl. (I) read as follows: “For the period ending June 30, 1989, the adjustments made under this paragraph shall be computed to the nearest one-fourth cent, except that adjustments to payment rates for meals and supplements served to individuals not determined to be eligible for free or reduced price meals and supplements shall be computed to the nearest lower cent increment and based on the unrounded amount for the preceding 12-month period.”

Subsec. (g). Pub. L. 111–296, §104(b), added subsec. (g).

2004—Subsec. (a)(1)(C) to (E). Pub. L. 108–265, §113, inserted “or school district” after “school” wherever appearing other than as part of “school year”, “school years”, “school lunch”, “school breakfast”, and “4-school-year period”.


Subsec. (f)(2)(A). Pub. L. 107–76, §766(2)(A), added subpar. (A) and struck out under heading and text of former subpar. (A). Text read as follows: “Not later than January 1, 2002, the Secretary shall submit to the Committee on Education and the Workforce of the House of Representatives and the Committee on Agriculture, Nutrition and Forestry of the Senate a report on the activities of the State agencies receiving grants under this subsection.”


Subsec. (a)(1)(D)(ii). Pub. L. 105–336, §103(a)(2)(B), struck out first sentence which read “A school described in clause (i) may reapply to the State at the end of the 2-school-year period described in clause (i) for the purpose of continuing to receive special assistance payments, as determined in accordance with this paragraph, for a subsequent 5-school-year period.”, substituted “A school described in clause (i)” for “school”, and substituted “4-” for “5-” before “school-year period” wherever appearing.


Subsec. (a)(3)(B). Pub. L. 104–193, §704(b)(1), inserted subscript heading, designated first two sentences as cl. (i) and (ii), respectively, and inserted headings, and designated last sentence as subcl. (I) of cl. (iii), inserted headings, and substituted “For the period ending June 30, 1999, the adjustments” for “The adjustments”, and added subcl. (II).

Subsec. (d). Pub. L. 104–193, §704(c)(1), (3), redesignated subsec. (e) as (d) and struck out former subsec. (d) which read as follows: “In carrying out this section, the terms and conditions governing the operation of the school lunch program set forth in other sections of this chapter, including those applicable to funds apportioned or paid pursuant to section 1755 of this title but excluding the provisions of section 1756 of this title relating to matching, shall be applicable to the extent they are not inconsistent with the express requirements of this section.”

Subsec. (e). Pub. L. 104–193, §704(c)(3), redesignated subsec. (f) as (e). Former subsec. (e) redesignated (d).
Index’, and inserted provision relating to the special assistance factor prescribed for reduced-price lunches in any State in which all schools charge students a uniform price for lunches.

1977—Subsec. (a). Pub. L. 95–166 provided for special assistance payments to the State educational agency where 40 percent of children in attendance during the school year are eligible for free lunches or reduced-price lunches and for determination of number of lunches served to children eligible for free lunches and reduced-price lunches where the school serves all students, eligible and noneligible, and funds for non-eligible students are from other than Federal funds.

1975—Subsec. (e)(1). Pub. L. 94–105 substituted “Each year by not later than a date specified by the Secretary” for “Not later than January 1 of each year”, and “following school year” for “following fiscal year”.

1973—Subsec. (a). Pub. L. 93–150 added subsec. (a) and struck out former subsec. (a) (provisions relating to appropriations authorization for fiscal year ending June 30, 1971, and succeeding fiscal years of such sums as may be necessary to provide special assistance to assure access to the school lunch program under this chapter by children of low-income families.

Subsec. (b). Pub. L. 93–150 added subsec. (b) and struck out former subsec. (b) (provisions relating to formula for apportionment of funds and need for additional funds.

Subsec. (c). Pub. L. 93–150 redesignated subsec. (d) as (c), substituted “Special assistance payments to any State” for “Payment of the funds apportioned to any State”, and struck out former subsec. (c) (provisions relating to basis for apportionment among States and need for additional funds.

Subsec. (d). Pub. L. 93–150 redesignated subsec. (g) as (d). Former subsec. (d) redesignated (c).

Subsec. (e). Pub. L. 93–150 redesignated subsec. (h) as (e) struck out former subsec. (e) (provisions relating to State disbursement to schools for financing operating costs of the school lunch program and basis for determination of amount of funds. Subject matter was covered by subsecs. (a) and (b) of this section.

Subsec. (f). Pub. L. 93–150 struck out subsec. (f) (provisions relating to withholding of funds from State educational agencies not permitted to disburse funds to nonprofit private schools and conditions thereof.

Subsecs. (g), (h). Pub. L. 93–150 redesignated subsecs. (g) and (h) as (d) and (e), respectively.

1971—Subsec. (e). Pub. L. 92–153 established a reimbursement rate as amount of funds to be disbursed to schools in a State, provided for receipt of a greater amount or reimbursement per meal if the school established financial inability to support service of meals and prescribed maximum per meal amount and higher maximum per meal amount for especially needy schools.

1970—Subsec. (a). Pub. L. 91–248 authorized for fiscal year ending June 30, 1971, and for each succeeding fiscal year such sums as may be necessary to provide assistance to assure access to school lunch program by children of low-income families.

Subsec. (b). Pub. L. 91–248 substituted formula for apportionment of funds among Puerto Rico, the Virgin Islands, Guam, and American Samoa based on the ratio of the number of children aged three to seventeen, inclusive, in such State as compared to the total number of children in all such States, for a ratio based on the number of free or reduced price lunches served in the preceding fiscal year in such State as compared to the number of such lunches served in all such States in the preceding fiscal year.

Subsec. (c). Pub. L. 91–248 struck out provision requiring that not less than 50 percent of the remaining sums appropriated be apportioned among the States other than Puerto Rico, the Virgin Islands, Guam, and American Samoa, substituted formula for apportionment of special assistance funds among the States based on the total number of children aged three to seventeen, inclusive, in households with incomes of less than $4,000 per annum, for a formula based on the number of free or reduced price lunches served in the preceding fiscal year and the assistance need rate, and provided that further apportionment be made on the same basis as the initial apportionment to any State which justifies the need for additional funds.

Subsec. (e). Pub. L. 91–248 substituted provision requiring that funds disbursed by the State be used to assist schools in financing all or part of the operating costs of the school lunch program, for requirement that disbursed funds be used to assist schools in the purchase of agricultural commodities and other foods.

1970—Subsec. (c). Pub. L. 91–248 substituted “in the fiscal year beginning two years immediately prior to the fiscal year for which the funds are appropriated” for “in the preceding fiscal year”.

1968—Subsec. (b). Pub. L. 91–248 substituted “in the fiscal year beginning two years immediately prior to the fiscal year for which the funds are appropriated” for “in the preceding fiscal year”.


1965—Subsec. (e). Pub. L. 91–248 struck out provisions relating to withholding of funds from State educational agencies not permitted to disburse funds to nonprofit private schools and conditions thereof.

1964—Subsecs. (g), (h). Pub. L. 91–248 redesignated subsecs. (g) and (h) as (d) and (e), respectively.


quired under the former sixth sentence of subsec. (a) of this section during the fiscal year ending Sept. 30, 1981.

ADDITIONAL FUNDS FOR FOOD SERVICE PROGRAMS FOR CHILDREN; APPOINTMENT TO STATES SPECIAL ASSISTANCE; CONSULTATION WITH CHILD NUTRITION COUNCIL; REIMBURSEMENT FROM SUPPLEMENTAL APPROPRIATION

Additional funds for food service programs for children from appropriations under section 622(c) of Title 7, Agriculture, apportionment to States, special assistance programs, consultation with National Advisory Council on Child Nutrition, and reimbursement from supplemental appropriation, see section 1 of Pub. L. 92–153, set out as a note under section 1753 of this title.

§ 1760. Miscellaneous provisions

(a) Accounts and records

States, State educational agencies, and schools participating in the school lunch program under this chapter shall keep such accounts and records as may be necessary to enable the Secretary to determine whether the provisions of this chapter are being complied with. Such accounts and records shall be available at any reasonable time for inspection and audit by representatives of the Secretary and shall be preserved for such period of time, not in excess of five years, as the Secretary determines is necessary.

(b) Agreements

(1) In general

The Secretary shall incorporate, in the agreement of the Secretary with the State agencies administering programs authorized under this chapter or the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.), the express requirements with respect to the operation of the programs to the extent applicable and such other provisions as in the opinion of the Secretary are reasonably necessary or appropriate to effectuate the purposes of this chapter and the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.).

(2) Expectations for use of funds

Agreements described in paragraph (1) shall include a provision that—

(A) supports full use of Federal funds provided to State agencies for the administration of programs authorized under this chapter or the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.); and

(B) excludes the Federal funds from State budget restrictions or limitations including, at a minimum—

(i) hiring freezes;
(ii) work furloughs; and
(iii) travel restrictions.

(c) Requirements with respect to teaching personnel, curriculum, instruction, etc.

In carrying out the provisions of this chapter, the Secretary shall not impose any requirement with respect to teaching personnel, curriculum, instruction, methods of instruction, and materials of instruction in any school.

(d) Definitions

For the purposes of this chapter—

(1) CHILDL—

(A) IN GENERAL.—The term “child” includes an individual, regardless of age, who—

(i) is determined by a State educational agency, in accordance with regulations prescribed by the Secretary, to have one or more disabilities; and

(ii) is attending any institution, as defined in section 1766(a) of this title, or any nonresidential public or nonprofit private school of high school grade or under, for the purpose of participating in a school program established for individuals with disabilities.

(B) RELATIONSHIP TO CHILD AND ADULT CARE FOOD PROGRAM.—No institution that is not otherwise eligible to participate in the program under section 1766 of this title shall be considered eligible because of this paragraph.

(2) “Commodity only schools” means schools that do not participate in the school lunch program under this chapter, but which receive commodities made available by the Secretary for use by such schools in nonprofit lunch programs.

(3) DISABILITY.—The term “disability” has the meaning given the term in the Rehabilitation Act of 1973 for purposes of title II of that Act (29 U.S.C 760 et seq.).

(4) LOCAL EDUCATIONAL AGENCY.—

(A) IN GENERAL.—The term “local educational agency” includes, in the case of a private nonprofit school, an appropriate entity determined by the Secretary.

(B) INCLUSION.—The term “local educational agency” includes an appropriate entity determined by the Secretary.

(5) “School” means (A) any public or nonprofit private school of high school grade or under, and (B) any public or licensed nonprofit private residential child care institution (including, but not limited to, orphanages and homes for the mentally retarded, but excluding Job Corps Centers funded by the Department of Labor). For purposes of this paragraph, the term “nonprofit”, when applied to any such private school or institution, means any such school or institution which is exempt from tax under section 501(c)(3) of title 26.

(6) “School year” means the annual period from July 1 through June 30.

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

(8) “State” means any of the fifty States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, or the Commonwealth of the Northern Mariana Islands.

(9) “State educational agency” means, as the State legislature may determine, (A) the chief State school officer (such as the State superintendent of public instruction, commissioner of education, or similar officer), or (B) a board of education controlling the State department of education.

(e) Value of assistance as income or resources under Federal or State laws

The value of assistance to children under this chapter shall not be considered to be income or resources for any purposes under any Federal or State laws, including laws relating to taxation and welfare and public assistance programs.
Adjustment of national average payment rate for Alaska, Hawaii, territories and possessions, etc.

In providing assistance for breakfasts, lunches, suppers, and supplements served in Alaska, Hawaii, Guam, American Samoa, Puerto Rico, the Virgin Islands of the United States, and the Commonwealth of the Northern Mariana Islands, the Secretary may establish appropriate adjustments for each such State to the national average payment rates prescribed under sections 1753, 1759a, 1761, and 1766 of this title and section 4 of the Child Nutrition Act of 1966 [42 U.S.C. 1771 et seq.], to reflect the differences between the costs of providing meals and supplements in those States and the costs of providing meals and supplements in all other States.

Criminal penalties

Whoever embezzles, willfully misapplies, steals, or obtains by fraud any funds, assets, or property that are the subject of a grant or other form of assistance under this chapter or the Child Nutrition Act of 1966 [42 U.S.C. 1771 et seq.], whether received directly or indirectly from the United States Department of Agriculture, or whoever receives, conceals, or retains such funds, assets, or property to personal use or gain, knowing such funds, assets, or property have been embezzled, willfully misapplied, stolen, or obtained by fraud shall, if such funds, assets, or property are of the value of $100 or more, be fined not more than $25,000 or imprisoned not more than five years, or both, or, if such funds, assets, or property are of a value of less than $100, shall be fined not more than $1,000 or imprisoned for not more than one year, or both.

Combined allocation for breakfast and lunch

No provision of this chapter or of the Child Nutrition Act of 1966 [42 U.S.C. 1771 et seq.] shall require any school receiving funds under this chapter and the Child Nutrition Act of 1966 to account separately for the cost incurred in the school lunch and school breakfast programs.

Use of school lunch facilities for elderly programs

Facilities, equipment, and personnel provided to a school food authority for a program authorized under this chapter or the Child Nutrition Act of 1966 [42 U.S.C. 1771 et seq.] may be used, as determined by a local educational agency, to support a nonprofit nutrition program for the elderly, including a program funded under the Older Americans Act of 1965 [42 U.S.C. 3001 et seq.].

Reimbursement for final claims

(1) Except as provided in paragraph (2), the Secretary may provide reimbursements for final claims for service of meals, supplements, and milk submitted to State agencies by eligible schools, summer camps, family day care homes, institutions, and service institutions only if—

(A) the claims have been submitted to the State agencies not later than 60 days after the last day of the month for which the reimbursement is claimed; and

(B) the final program operations report for the month is submitted to the Secretary not later than 90 days after the last day of the month.

(2) The Secretary may waive the requirements of paragraph (1) at the discretion of the Secretary.


Waiver of statutory and regulatory requirements

(1)(A) Except as provided in paragraph (4), the Secretary may waive any requirement under this chapter or the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.), or any regulation issued under either this chapter or such Act, for a State or eligible service provider that requests a waiver if—

(i) the Secretary determines that the waiver of the requirement would facilitate the ability of the State or eligible service provider to carry out the purpose of the program;

(ii) the State or eligible service provider has provided notice and information to the public regarding the proposed waiver; and

(iii) the State or eligible service provider demonstrates to the satisfaction of the Secretary that the waiver will not increase the overall cost of the program to the Federal Government, and, if the waiver does increase the overall cost to the Federal Government, the cost will be paid from non-Federal funds.

(B) The notice and information referred to in subparagraph (A)(ii) shall be provided in the same manner in which the State or eligible service provider customarily provides similar notices and information to the public.

(2)(A) To request a waiver under paragraph (1), a State or eligible service provider (through the appropriate administering State agency) shall submit an application to the Secretary that—

(i) identifies the statutory or regulatory requirements that are requested to be waived;

(ii) in the case of a State requesting a waiver, describes actions, if any, that the State has undertaken to remove State statutory or regulatory barriers;

(iii) describes the goal of the waiver to improve services under the program and the expected outcomes if the waiver is granted; and

(iv) includes a description of the impediments to the efficient operation and administration of the program.

(B) An application described in subparagraph (A) shall be developed by the State or eligible service provider and shall be submitted to the Secretary by the State.

(3) The Secretary shall act promptly on a waiver request contained in an application submitted under paragraph (2) and shall either grant or deny the request. The Secretary shall state in writing the reasons for granting or denying the request.

(4) The Secretary may not grant a waiver under this subsection that increases Federal costs or that relates to—

(A) the nutritional content of meals served;

(B) Federal reimbursement rates;

(C) the provision of free and reduced price meals;
(D) limits on the price charged for a reduced price meal;
(E) maintenance of effort;
(F) equitable participation of children in private schools;
(G) distribution of funds to State and local school food service authorities and service institutions participating in a program under this chapter and the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.);
(H) the disclosure of information relating to students receiving free or reduced price meals and other recipients of benefits;
(I) prohibiting the operation of a profit-producing program;
(J) the sale of competitive foods;
(K) the commodity distribution program authorized under section 17 of the Child Nutrition Act of 1966 (42 U.S.C. 1786); or
(L) enforcement of any constitutional or statutory right of an individual, including any right under—
(i) title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d et seq.);
(ii) section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794);
(iii) title IX of the Education Amendments of 1972 (20 U.S.C. 1681 et seq.);
(iv) the Age Discrimination Act of 1975 (42 U.S.C. 6101 et seq.);
(v) the Americans with Disabilities Act of 1990 (42 U.S.C. 12101 et seq.); and
(vi) the Individuals with Disabilities Education Act (20 U.S.C. 1400 et seq.).

(5) The Secretary shall periodically review the performance of any State or eligible service provider for which the Secretary has granted a waiver under this subsection and shall terminate the waiver if the performance of the State or service provider has been inadequate to justify a continuation of the waiver. The Secretary shall terminate the waiver if, after periodic review, the Secretary determines that the waiver has resulted in an increase in the overall cost of the program to the Federal Government and the increase has not been paid for in accordance with this title.

(6) The Secretary shall annually submit to the Committee on Education and Labor of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate, a report—
(A) summarizing the use of waivers by the State and eligible service providers;
(B) describing whether the waivers resulted in improved services to children;
(C) describing the impact of the waivers on providing nutritional meals to participants; and
(D) describing how the waivers reduced the quantity of paperwork necessary to administer the program.

(7) As used in this subsection, the term “eligible service provider” means—
(A) a local school food service authority;
(B) a service institution or private nonprofit organization described in section 1761 of this title; or
(C) a family or group day care home sponsoring organization described in section 1766 of this title.

(m) Procurement training

(1) In general

Subject to the availability of funds made available under paragraph (4), the Secretary shall provide technical assistance and training to States, State agencies, schools, and school food authorities in the procurement of goods and services for programs under this chapter or the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.) (other than section 17 of that Act (42 U.S.C. 1776)).

(2) Buy American training

Activities carried out under paragraph (1) shall include technical assistance and training on procuring safe foods, including the use of model specifications for procuring safe foods.

(3) Procuring safe foods

Activities carried out under paragraph (1) shall include technical assistance and training on procuring safe foods, including the use of model specifications for procuring safe foods.

(4) Authorization of appropriations

There is authorized to be appropriated to carry out this subsection $1,000,000 for each of fiscal years 2010 through 2015, to remain available until expended.

(n) Buy American

(1) Definition of domestic commodity or product

In this subsection, the term “domestic commodity or product” means—
(A) an agricultural commodity that is produced in the United States; and
(B) a food product that is processed in the United States substantially using agricultural commodities that are produced in the United States.

(2) Requirement

(A) In general

Subject to subparagraph (B), the Secretary shall require that a school food authority purchase, to the maximum extent practicable, domestic commodities or products.

(B) Limitations

Subparagraph (A) shall apply only to—
(i) a school food authority located in the contiguous United States; and
(ii) a purchase of a domestic commodity or product for the school lunch program under this chapter or the school breakfast program under section 4 of the Child Nutrition Act of 1966 (42 U.S.C. 1773).

(3) Applicability to Hawaii

Paragraph (2)(A) shall apply to a school food authority in Hawaii with respect to domestic commodities or products that are produced in Hawaii in sufficient quantities to meet the needs of meals provided under the school lunch program under this chapter or the school breakfast program under section 4 of the Child Nutrition Act of 1966 (42 U.S.C. 1773).

(4) Applicability to Puerto Rico

Paragraph (2)(A) shall apply to a school food authority in the Commonwealth of Puerto Rico.
§ 1760

Rico with respect to domestic commodities or products that are produced in the Commonwealth of Puerto Rico in sufficient quantities to meet the needs of meals provided under the school lunch program under this chapter or the school breakfast program under section 4 of the Child Nutrition Act of 1966 (42 U.S.C. 1773).

(o) Procurement contracts

In acquiring a good or service for programs under this chapter or the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.) (other than section 17 of that Act (42 U.S.C. 1786)), a State, State agency, school, or school food authority may enter into a contract with a person that has provided specification information to the State, State agency, school, or school food authority for use in developing contract specifications for acquiring such good or service.

(p) Price for a paid lunch

(1) Definition of paid lunch

In this subsection, the term “paid lunch” means a reimbursable lunch served to students who are not certified to receive free or reduced price meals.

(2) Requirement

(A) In general

For each school year beginning July 1, 2011, each school food authority shall establish a price for paid lunches in accordance with this subsection.

(B) Lower price

(i) In general

In the case of a school food authority that established a price for a paid lunch in the previous school year that was less than the difference between the total Federal reimbursement for a free lunch and the total Federal reimbursement for a paid lunch, the school food authority shall establish an average price for a paid lunch that is not less than the price charged in the previous school year, as adjusted by a percentage equal to the sum obtained by adding—

(I) 2 percent; and

(II) the percentage change in the Consumer Price Index for All Urban Consumers (food away from home index) used to increase the Federal reimbursement rate under section 1759a of this title for the most recent school year for which data are available, as published in the Federal Register.

(ii) Rounding

A school food authority may round the adjusted price for a paid lunch under clause (i) down to the nearest 5 cents.

(iii) Maximum required price increase

(I) In general

The maximum annual average price increase required to meet the requirements of this subparagraph shall not exceed 10 cents for any school food authority.

(II) Discretionary increase

A school food authority may increase the average price for a paid lunch for a school year by more than 10 cents.

(C) Equal or greater price

(i) In general

In the case of a school food authority that established an average price for a paid lunch in the previous school year that was equal to or greater than the difference between the total Federal reimbursement for a free lunch and the total Federal reimbursement for a paid lunch, the school food authority shall establish an average price for a paid lunch that is not less than the difference between the total Federal reimbursement for a free lunch and the total Federal reimbursement for a paid lunch.

(ii) Rounding

A school food authority may round the adjusted price for a paid lunch under clause (i) down to the nearest 5 cents.

(3) Exceptions

(A) Reduction in price

A school food authority may reduce the average price of a paid lunch established under this subsection if the State agency ensures that funding from non-Federal sources (other than in-kind contributions) is added to the nonprofit school food service account of the school food authority in an amount estimated to be equal to at least the difference between—

(i) the average price required of the school food authority for the paid lunches under paragraph (2); and

(ii) the average price charged by the school food authority for the paid lunches.

(B) Non-Federal sources

For the purposes of subparagraph (A), non-Federal sources does not include revenue from the sale of foods sold in competition with meals served under the school lunch program authorized under this chapter or the school breakfast program established by section 4 of the Child Nutrition Act of 1966 (42 U.S.C. 1773).

(C) Other programs

This subsection shall not apply to lunches provided under section 1766 of this title.

(4) Regulations

The Secretary shall establish procedures to carry out this subsection, including collecting and publishing the prices that school food authorities charge for paid meals on an annual basis and procedures that allow school food authorities to average the pricing of paid lunches at schools throughout the jurisdiction of the school food authority.

(q) Nonprogram food sales

(1) Definition of nonprogram food

In this subsection:

(A) In general

The term “nonprogram food” means food that is—
(i) sold in a participating school other than a reimbursable meal provided under this chapter or the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.); and

(ii) purchased using funds from the non-profit school food service account of the school food authority of the school.

(B) Inclusion

The term “nonprogram food” includes food that is sold in competition with a program established under this chapter or the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.).

(2) Revenues

(A) In general

The proportion of total school food service revenue provided by the sale of nonprogram foods to the total revenue of the school food service account shall be equal to or greater than the proportion of total food costs associated with obtaining nonprogram foods from the account.

(B) Accrual

All revenue from the sale of nonprogram foods shall accrue to the nonprofit school food service account of a participating school food authority.

(C) Effective date

This subsection shall be effective beginning on July 1, 2011.

(r) Disqualified schools, institutions, and individuals

Any school, institution, service institution, facility, or individual that has been terminated from any program authorized under this chapter or the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.) and is on a list of disqualified institutions and individuals under section 1761 of this title or section 1766(d)(5)(E) of this title may not be approved to participate in or administer any program authorized under this chapter or the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.).

(4) Revenues

Any school, institution, service institution, facility, or individual that has been terminated from any program authorized under this chapter or the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.) and is on a list of disqualified institutions and individuals under section 1761 of this title or section 1766(d)(5)(E) of this title may not be approved to participate in or administer any program authorized under this chapter or the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.).

(5) Effective date

This subsection shall be effective beginning on July 1, 2011.


REFERENCES IN TEXT


For complete classification of this Act to the Code, see Short Title note set out under section 1771 of this title and Tables.


The Older Americans Act of 1965, referred to in subsec. (i), is Pub. L. 89–73, July 14, 1965, 79 Stat. 218, as amended, which is classified generally to chapter 35 (§ 3001 et seq.) of this title. For complete classification of this Act to the Code, see Short Title note set out under section 3001 of this title and Tables.


For complete classification of this Act to the Code, see Short Title note set out under section 2000a of this title and Tables.

The Education Amendments of 1972, referred to in subsec. (i)(4)(M)(iii), is Pub. L. 92–318, June 23, 1972, 86 Stat. 533, as amended. Title IX of the Act, known as the Patsy Takemoto Mink Equal Opportunity in Education Act, is classified principally to chapter 38 (§ 1681 et seq.) of Title 20, Education. For complete classification of title IX to the Code, see Short Title note set out under section 3001 of this title and Tables.


The Individuals with Disabilities Education Act, referred to in subsec. (i)(4)(M)(v), is title II of Pub. L. 91–230, Apr. 13, 1970, 84 Stat. 175, as amended, which is classified generally to chapter 33 (§12101 et seq.) of this title. For complete classification of this Act to the Code, see Short Title note set out under section 12101 of this title and Tables.


The Individuals with Disabilities Education Act, referred to in subsec. (i)(4)(M)(x), is title II of Pub. L. 94–135, Nov. 28, 1975, 89 Stat. 728, as amended, which is classified generally to chapter 33 (§12101 et seq.) of this title. For complete classification of this Act to the Code, see Short Title note set out under section 12101 of this title and Tables.
porate, in the Secretary’s agreements with the State educational agencies, the express requirements under this chapter with respect to the operation of the school lunch program under this chapter insomuch as they may be applicable and such other provisions as in the Secretary’s opinion are reasonably necessary or appropriate to effectuate the purposes of this chapter.


2004—Subsec. (d)(5) to (9). Pub. L. 108–265, §108(b), redesignated par. (8) as (3), added par. (4), and redesignated former pars. (3) to (7) as (5) to (9), respectively.


Subsec. (p). Pub. L. 108–265, §208(2), struck out subsec. (p), which authorized grants for carrying out the demonstration project under section 1786(r) of this title and directed the Secretary to conduct an evaluation of such project and grant program.


Subsec. (f). Pub. L. 105–336, §104(a), substituted "breakfasts, lunches, suppers, and supplements" for "school breakfasts and lunches", substituted "sections 1753, 1759a, 1761, and 1766" for "sections 1753 and 1759a", and substituted "meals and supplements" for "lunches and breakfasts" in two places.

Subsec. (g). Pub. L. 105–336, §104(b), substituted "$25,000" for "$10,000".


1996—Subsec. (a). Pub. L. 104–193, §705(a), substituted "be available at any reasonable time" for "at all times be available".

Subsec. (c). Pub. L. 104–193, §706(b), substituted "the Secretary shall not" for "neither the Secretary nor the State shall"


Subsec. (d)(2). Pub. L. 104–193, §705(c)(1), substituted "the Commonwealth of the Northern Mariana Islands" for "the Trust Territory of the Pacific Islands".

Subsec. (d)(2). Pub. L. 104–193, §705(c)(3), redesignated par. (7) as (2), Former par. (2) redesignated (5).

Subsec. (d)(3). Pub. L. 104–193, §705(c)(2), (3), redesignated par. (5) as (3) and struck out former par. (3) which read as follows: "Participation rate for a State means a number equal to the number of lunches, consisting of a combination of foods and meeting the minimum requirements prescribed by the Secretary pursuant to section 1756 of this title, served in the fiscal year beginning two years immediately prior to the fiscal year for which the Federal funds are appropriated by schools participating in the program under this chapter in the State, as determined by the Secretary.".

Partly redesignated part as par. (2), Former part redesignated (7).

Subsec. (d)(4). Pub. L. 104–193, §705(c)(2), redesignated par. (6) as (4) and struck out former par. (4) which read as follows: "Assistance need rate (A) in the case of any State having an average annual per capita income equal to or greater than the average annual per capita income for all the States, shall be 5; and (B) in the case of any State having an average annual per capita income less than the average annual per capita income for all the States, shall be 4; and the quotient obtained by dividing the average annual per capita income for all the States by the average annual per capita income for such State, except that such product may not exceed 9 for any such State. For the purposes of this paragraph (1) the average annual per capita income for any State and for all the States shall be determined by the Secretary on the basis of the average annual per capita income for each State and for all the States for the three most recent years for which such data are available and certified to the Secretary by the Department of Commerce; and (ii) the average annual per capita income for American Samoa shall be disregarded in determining the average annual per capita income for all the States for periods ending before July 1, 1967."


Subsec. (e)(6). (7). Pub. L. 104–193, §705(c)(4), redesignated pars. (1) and (2) as (6) and (7), respectively.

Former pars. (6) and (7) redesignated (4) and (2), respectively.


Pub. L. 104–193, §701(b), added par. (9).

Subsec. (f). Pub. L. 104–193, §705(d), struck out "the Trust Territory of the Pacific Islands," after "the Virgin Islands of the United States,".

Subsec. (k)(1). Pub. L. 104–193, §705(e)(3), substituted "with the guidelines contained in the most recent ‘Dietary Guidelines for Americans’ that is published under section 3541 of title 7" for "with the Guidelines" in introductory provisions.

Pub. L. 104–193, §705(e)(1), (2), redesignated par. (3) as (1) and struck out former par. (1) which read as follows: "Prior to the publication of final regulations that implement changes that are intended to bring the meal pattern requirements of the school lunch and breakfast programs into conformance with the guidelines contained in the most recent ‘Dietary Guidelines for Americans’ that is published under section 3541 of title 7 (referred to in this subsection as the ‘Guidelines’), the Secretary shall issue proposed regulations permitting the use of food-based menu systems.

Subsec. (k)(2). Pub. L. 104–193, §705(e)(1), (2), redesignated par. (4) as (2) and struck out former par. (2) which read as follows: "(v) describes the management goals to be achieved, such as fewer hours devoted to, or fewer number of personnel involved in, the administration of the program; and (vi) provides a timetable for implementing the waiver;
“(vii) describes the process the State or eligible service provider will use to monitor the progress in implementing the waiver, including the process for monitoring the cost implications of the waiver to the Federal Government.”

Subsec. (j)(3). Pub. L. 104–193, §705(f)(2), designated subpar. (A) as par. (3) and struck out subpars. (B) to (D) which read as follows: “(B) If the Secretary grants a waiver request, the Secretary shall state in writing the expected outcome of granting the waiver. 

“(C) The result of the decision of the Secretary shall be disseminated by the State or eligible service provider through normal means of communication.

“(D)(i) Except as provided in clause (ii), a waiver granted by the Secretary under this subsection shall be for a period not to exceed 3 years.

“(ii) The Secretary may extend the period if the Secretary determines that the waiver has been effective in enabling the State or eligible service provider to carry out the purposes of the program.”


Subsec. (j)(4)(D) to (K). Pub. L. 104–193, §705(f)(3)(B), (G) redesignated subpars. (E) to (L) as (D) to (K), respectively, and struck out former subpar. (D) which read as follows: “offer versus serve provisions:”.


Subsec. (j)(6). Pub. L. 104–193, §705(f)(4), struck out subpar. (A) and designation of subpar. (B) and redesignated cls. (i) to (iv) of former subpar. (B) as subpars. (A) to (D). Prior to amendment, subpar. (A) read as follows: “(A)(i) An eligible service provider that receives a waiver under this subsection shall annually submit to the State a report that—

“(i) describes the use of the waiver by the eligible service provider; and

“(ii) evaluates how the waiver contributed to improved services to children served by the program for which the waiver was requested.

“(ii) The State shall annually submit to the Secretary a report that summarizes all reports received by the State from eligible service providers.”

1994—Subsec. (d)(5). Pub. L. 103–448, §112(a)(1), in first sentence struck out cl. (C) which read as follows: “with respect to the Commonwealth of Puerto Rico, nonprofit child care centers certified as such by the Governor of Puerto Rico and in second sentence struck out “of clauses (A) and (B)” after “For purposes”.

Subsec. (j)(6) to (m). Pub. L. 103–448, §§112(b)(d), 113, added subsec. (j) to (m).


Subsec. (b). Pub. L. 101–147, §306(b)(1), 312(1), substituted “the Secretary’s” for “his” in two places and substituted “school of high school grade or under” for “school of high school grade or under, (B) any public or nonprofit private residential child care institution (including, but not limited to, orphanages and homes for the mentally retarded, but excluding Job Corps Centers funded by the Department of Labor), and (C) with respect to the Commonwealth of Puerto Rico, nonprofit child care centers certified as such by the Governor of Puerto Rico. For purposes of clauses (A) and (B) of this paragraph, the term ‘nonprofit’, when applied to any such private school or institution, means any such school or institution which is exempt from tax under section 501(c)(3) of title 26. On July 1, 1988, and each July 1 thereafter, the Secretary shall adjust the tuition limitation amount prescribed in clause (A) of the first sentence of this paragraph to reflect changes in the Consumer Price Index for All Urban Consumers during the most recent 12-month period for which the data is available.”

1986—Subsec. (d)(5). Pub. L. 100–661, §4206(a)(2), inserted “On July 1, 1988, and each July 1 thereafter, the Secretary shall adjust the tuition limitation amount prescribed in clause (A) of the first sentence of this paragraph to reflect changes in the Consumer Price Index for All Urban Consumers during the most recent 12-month period for which the data is available.”

Subsec. (d)(5)(A). Pub. L. 99–500 and Pub. L. 99–591, §325(a), which directed the amendment of subpar. (A) by striking out “except private schools whose average yearly tuition exceeds $1,500 per child,” after “grade or under,” was executed by striking out “except private schools whose average yearly tuition exceeds $2,000 per child,” after “grade or under,” to reflect the probable intent of Congress and the intervening amendment of subpar. (A) by Pub. L. 99–661, §4206(a)(1), See below.

Pub. L. 99–661, §4205(a)(1), substituted “$2,000” for “$1,500”.


1981—Subsec. (d). Pub. L. 97–35, §819(c)(1), struck out par. (3) which defined “food service equipment assistance”, and redesignated pars. (4) to (8) as (3) to (7), respectively.

Pub. L. 97–35, §808(a), inserted reference to private schools in par. (6).

Pub. L. 97–35, §813(d), added par. (8).


1978—Subsec. (d)(7). Pub. L. 95–627, §10(b), substituted from July 1 through June 30” for “determined in accordance with regulations issued by the Secretary”.

Subsecs. (f) to (g), Pub. L. 95–627, §18(a), added subsecs. (f) and (g).


1977—Subsec. (d)(3). Pub. L. 95–156, §3, substituted “food service equipment assistance” for “nonfood assistance”.


Subsec. (d)(3) to (7). Pub. L. 94–105, §9(a), (c), struck out par. (3) defining “Nonprofit private schools”, redesignated pars. (4) to (7) as (3) to (6), respectively, and in par. (6), as so redesignated, inserted the word “school” to include any public or licensed nonprofit private residential child care institution, including,
but not limited to, orphanages and homes for the mentally retarded, and inserted provision defining “nonprofit” as any school or institution exempt under section 501(c)(3) of title 26. 

Subsec. (e), Pub. L. 94–105, §9(d), added subsec. (e).

1970—Subsec. (d)(5). Pub. L. 91–218 provided that data upon which State apportionments are calculated is program year completed two years immediately prior to fiscal year for which appropriation is requested.


Subsec. (d). Pub. L. 87–823 defined “State” in par. (1) to recognize Hawaiian and Alaskan statehood and to include American Samoa; “State educational agency” in par. (2) to exclude an exception applicable to the District of Columbia and language which was effective by its terms only through June 30, 1948; “nonprofit private school” in par. (3), substituting “section 501(c)(3) of title 26” for “section 101(6) of title 26”; and “nonfood assistance” in par. (4), substituting “used by schools” for “used on school premises”; and added pars. (5) to (7).

Pub. L. 87–688 inserted “American Samoa,” after “Guam”.


**Effective Date of 2015 Amendment**

Amendment by Pub. L. 114–96 effective Dec. 10, 2015, except with respect to certain noncompetitive programs and competitive programs, see section 5 of Pub. L. 114–95, set out as a note under section 6301 of Title 20, Education.

**Effective Date of 2010 Amendment**


**Effective Date of 2002 Amendment**


**Effective Date of 2000 Amendment**

Amendment by Pub. L. 106–224 effective Oct. 1, 2000, see section 212(c) of Pub. L. 106–224, set out as a note under section 1763 of this title.

**Effective Date of 1998 Amendment**


**Effective Date of 1994 Amendment**


Amendment by sections 112(b)(d) and 113 of Pub. L. 103–448 effective Oct. 1, 1994, see section 401 of Pub. L. 103–448, set out as a note under section 1753 of this title.

**Effective Date of 1987 Amendment**

Pub. L. 100–71, title I, §101(c), July 11, 1987, 101 Stat. 430, provided that: “The amendments made by subsections (a) and (b) [amending sections 1760 and 1784 of this title] shall take effect on July 1, 1987.”

**Effective Date of 1986 Amendments**

Pub. L. 99–661, div. D, title II, §4205(c), Nov. 14, 1986, 100 Stat. 4073, provided that: “(1) The amendments made by subsections (a)(1) and (b)(1) [amending sections 1760 and 1784 of this title] shall apply for the fiscal year beginning on October 1, 1986, and each school year thereafter.

“(2) The amendments made by subsections (a)(2) and (b)(2) [amending sections 1768 and 1784 of this title] shall apply for the school year beginning on July 1, 1988, and each school year thereafter.”


**Effective Date of 1981 Amendment**


**Effective Date of 1978 Amendment**


**Effective Date of 1977 Amendment**

Amendment by Pub. L. 95–166, §19, Nov. 10, 1977, 91 Stat. 1345, provided that the amendment made by that section is effective July 1, 1977.

**Effective Date of 1962 Amendment**

Amendment by Pub. L. 87–688 applicable only with respect to funds appropriated after Sept. 25, 1962, see section 3(b) of Pub. L. 87–688, set out as a note under section 1753 of this title.

**Effective Date of 1952 Amendment**

Amendment by act July 12, 1952, effective only with respect to funds appropriated after July 12, 1952, see section 1(d) of act July 12, 1952, set out as a note under section 1753 of this title.

**Buy American Requirements**

Pub. L. 115–334, title IV, §4207, Dec. 20, 2018, 132 Stat. 4666, provided that:

“(a) Enforcement.—Not later than 180 days after the date of the enactment of this Act [Dec. 20, 2018], the Secretary of Agriculture shall—

“(1) enforce full compliance with the requirements of section 12(a) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1760(a)) for purchases of agricultural commodities, including fish, meats, vegetables, and fruits, and the products thereof, and

“(2) ensure that States and school food authorities fully understand their responsibilities under such Act (42 U.S.C. 1751 et seq.).

“(b) Requirement.—The products of the agricultural commodities described in subsection (a)(1) shall be processed in the United States and substantially contain—

“(1) meats, vegetables, fruits, and other agricultural commodities produced in—

“(A) a State,

“(B) the District of Columbia,

“(C) the Commonwealth of Puerto Rico, or

“(D) any territory or possession of the United States, or

“(2) fish harvested—

“(A) within the Exclusive Economic Zone of the United States, as described in Presidential Proclamation 5030 (48 Fed. Reg. 10665; March 10, 1983) [16 U.S.C. 1453 note], or

“(B) by a United States flagged vessel.

“(c) Report.—Not later than 180 days after the date of the enactment of this Act, the Secretary shall submit to Congress a report on the actions the Secretary shall take to comply with this section.”

**Study of Cost Accounting Requirements**

Pub. L. 94–105, §21, Oct. 7, 1975, 89 Stat. 527, prohibited Secretary from delaying or withholding or causing any
§ 1761. Summer food service program for children

(a) In general

(1) Definitions

In this section:

(A) Area in which poor economic conditions exist

(i) in general

Subject to clause (ii), the term “area in which poor economic conditions exist”, as the term relates to an area in which a program food service site is located, means—

(I) the attendance area of a school in which at least 50 percent of the enrolled children have been determined eligible for free or reduced price school meals under this chapter and the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.);

(II) a geographic area, as defined by the Secretary based on the most recent census data available, in which at least 50 percent of the children residing in that area are eligible for free or reduced price school meals under this chapter and the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.);

(III) an area—

(aa) for which the program food service site documents the eligibility of enrolled children through the collection of income eligibility statements from the families of enrolled children or other means; and

(bb) at least 50 percent of the children enrolled at the program food service site meet the income standards for free or reduced price school meals under this chapter and the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.);

(IV) a geographic area, as defined by the Secretary based on information provided from a department of welfare or zoning commission, in which at least 50 percent of the children residing in that area are eligible for free or reduced price school meals under this chapter and the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.); or

(V) an area for which the program food service site demonstrates through other means approved by the Secretary that at least 50 percent of the children enrolled at the program food service site are eligible for free or reduced price school meals under this chapter and the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.).

(ii) Duration of determination

A determination that an area is an “area in which poor economic conditions exist” under clause (i) shall be in effect for—

(I) in the case of an area described in clause (i)(I), 5 years;

(II) in the case of an area described in clause (i)(II), until more recent census data are available;

(III) in the case of an area described in clause (i)(III), 1 year; and

(IV) in the case of an area described in subclause (IV) or (V) of clause (i), a period of time to be determined by the Secretary, but not less than 1 year.

(B) Children

The term “children” means—

(i) individuals who are 18 years of age and under; and

(ii) individuals who are older than 18 years of age who are—

(I) determined by a State educational agency or a local public educational agency of a State, in accordance with regulations promulgated by the Secretary, to have a disability, and

(II) participating in a public or nonprofit private school program established for individuals who have a disability.

(C) Program

The term “program” means the summer food service program for children authorized by this section.

(D) Service institution

The term “service institution” means a public or private nonprofit school food authority, local, municipal, or county government, public or private nonprofit higher education institution participating in the National Youth Sports Program, or residential public or private nonprofit summer camp, that develops special summer or school vacation programs providing food service similar to food service made available to children during the school year under the school lunch program under this chapter or the school breakfast program under the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.).

(E) State

The term “State” means—

(i) each of the several States of the United States;

(ii) the District of Columbia;

(iii) the Commonwealth of Puerto Rico;

(iv) Guam;

(v) American Samoa;

(vi) the Commonwealth of the Northern Mariana Islands; and

(vii) the United States Virgin Islands.

(2) Program authorization

(A) In general

The Secretary may carry out a program to assist States, through grants-in-aid and other means, to initiate and maintain nonprofit summer food service programs for children in service institutions.
§ 1761 TITLE 42—THE PUBLIC HEALTH AND WELFARE Page 4516

(B) Preparation of food
(i) In general
To the maximum extent feasible, consistent with the purposes of this section, any food service under the program shall use meals prepared at the facilities of the service institution or at the food service facilities of public and nonprofit private schools.

(ii) Information and technical assistance
The Secretary shall assist States in the development of information and technical assistance to encourage increased service of meals prepared at the facilities of service institutions and at public and nonprofit private schools.

(3) Eligible service institutions
Eligible service institutions entitled to participate in the program shall be limited to those that—
(A) demonstrate adequate administrative and financial responsibility to manage an effective food service;
(B) have not been seriously deficient in operating under the program;
(C)(i) conduct a regularly scheduled food service for children from areas in which poor economic conditions exist; or
(ii) qualify as camps; and
(D) provide an ongoing year-round service to the community to be served under the program (except that an otherwise eligible service institution shall not be disqualified for failure to meet this requirement for ongoing year-round service if the State determines that its disqualification would result in an area in which poor economic conditions exist not being served or in a significant number of needy children not having reasonable access to a summer food service program).

(4) Priority
(A) In general
The following order of priority shall be used by the State in determining participation where more than one eligible service institution proposes to serve the same area:
(i) Local schools.
(ii) All other service institutions and private nonprofit organizations eligible under paragraph (7) that have demonstrated successful program performance in a prior year.
(iii) New public institutions.
(iv) New private nonprofit organizations eligible under paragraph (7).

(B) Rural areas
The Secretary and the States, in carrying out their respective functions under this section, shall actively seek eligible service institutions located in rural areas, for the purpose of assisting such service institutions in applying to participate in the program.

(5) Camps
Camps that satisfy all other eligibility requirements of this section shall receive reimbursement only for meals served to children who meet the eligibility requirements for free or reduced price meals, as determined under this chapter and the Child Nutrition Act of 1966 [42 U.S.C. 1771 et seq.].

(6) Government institutions
Service institutions that are local, municipal, or county governments shall be eligible for reimbursement for meals served in programs under this section only if such programs are operated directly by such governments.

(7) Private nonprofit organizations
(A) Definition of private nonprofit organization
In this paragraph, the term “private nonprofit organization” means an organization that—
(i) exercises full control and authority over the operation of the program at all sites under the sponsorship of the organization;
(ii) provides ongoing year-round activities for children or families;
(iii) demonstrates that the organization has adequate management and the fiscal capacity to operate a program under this section;
(iv) is an organization described in section 501(c) of title 26 and exempt from taxation under 501(a)1 of that title; and
(v) meets applicable State and local health, safety, and sanitation standards.

(B) Eligibility
Private nonprofit organizations (other than organizations eligible under paragraph (1)) shall be eligible for the program under the same terms and conditions as other service institutions.

(8) Seamless summer option
Except as otherwise determined by the Secretary, a service institution that is a public or private nonprofit school food authority may provide summer or school vacation food service in accordance with applicable provisions of law governing the school lunch program established under this chapter or the school breakfast program established under the Child Nutrition Act of 1966 [42 U.S.C. 1771 et seq.].

(9) Exemption
(A) In general
For each of calendar years 2005 and 2006 in rural areas of the State of Pennsylvania (as determined by the Secretary), the threshold for determining “areas in which poor economic conditions exist” under paragraph (1)(C) shall be 40 percent.

(B) Evaluation
(i) In general
The Secretary, acting through the Administrator of the Food and Nutrition Service, shall evaluate the impact of the eligibility criteria described in subparagraph (A) as compared to the eligibility criteria described in paragraph (1)(C).

1 So in original. Probably should be preceded by “section”.

(ii) Impact

The evaluation shall assess the impact of the threshold in subparagraph (A) on—

(I) the number of sponsors offering meals through the summer food service program;

(II) the number of sites offering meals through the summer food service program;

(III) the geographic location of the sites;

(IV) services provided to eligible children; and

(V) other factors determined by the Secretary.

(iii) Report

Not later than January 1, 2008, the Secretary shall submit to the Committee on Education and the Workforce of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report describing the results of the evaluation under this subparagraph.

(iv) Funding

(I) In general

On January 1, 2005, out of any funds in the Treasury not otherwise appropriated, the Secretary of the Treasury shall transfer to the Secretary of Agriculture to carry out this subparagraph $400,000, to remain available until expended.

(II) Receipt and acceptance

The Secretary shall be entitled to receive, shall accept, and shall use to carry out this subparagraph the funds transferred under subclause (I), without further appropriation.

(10) Summer food service rural transportation

(A) In general

The Secretary shall provide grants, through not more than 5 eligible State agencies selected by the Secretary, to not more than 60 eligible service institutions selected by the Secretary to increase participation at congregate feeding sites in the summer food service program for children authorized by this section through innovative approaches to limited transportation in rural areas.

(B) Eligibility

To be eligible to receive a grant under this paragraph—

(i) a State agency shall submit an application to the Secretary, in such manner as the Secretary shall establish, and meet criteria established by the Secretary; and

(ii) a service institution shall agree to the terms and conditions of the grant, as established by the Secretary.

(C) Duration

A service institution that receives a grant under this paragraph may use the grant funds during the 3-fiscal year period beginning in fiscal year 2006.

(D) Reports

The Secretary shall submit to the Committee on Education and the Workforce of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate—

(i) not later than January 1, 2008, an interim report that describes—

(I) the use of funds made available under this paragraph; and

(II) any progress made by using funds from each grant provided under this paragraph; and

(ii) not later than January 1, 2009, a final report that describes—

(I) the use of funds made available under this paragraph;

(II) any progress made by using funds from each grant provided under this paragraph;

(III) the impact of this paragraph on participation in the summer food service program for children authorized by this section; and

(IV) any recommendations by the Secretary concerning the activities of the service institutions receiving grants under this paragraph.

(E) Funding

(i) In general

Out of any funds in the Treasury not otherwise appropriated, the Secretary of the Treasury shall transfer to the Secretary of Agriculture to carry out this paragraph—

(I) on October 1, 2005, $2,000,000; and

(II) on October 1, 2006, and October 1, 2007, $1,000,000.

(ii) Receipt and acceptance

The Secretary shall be entitled to receive, shall accept, and shall use to carry out this paragraph the funds transferred under clause (i), without further appropriation.

(iii) Availability of funds

Funds transferred under clause (i) shall remain available until expended.

(iv) Reallocation

The Secretary may reallocate any amounts made available to carry out this paragraph that are not obligated or expended, as determined by the Secretary.

(11) Outreach to eligible families

(A) In general

The Secretary shall require each State agency that administers the national school lunch program under this chapter to ensure that, to the maximum extent practicable, school food authorities participating in the school lunch program under this chapter cooperate with participating service institutions to distribute materials to inform families of—

(i) the availability and location of summer food service program meals; and

(ii) the availability of reimbursable breakfasts served under the school breakfast program established by section 4 of the Child Nutrition Act of 1966 (42 U.S.C. 1773).
§ 1761

TITLE 42—THE PUBLIC HEALTH AND WELFARE
Page 4518

(B) Inclusions
Informational activities carried out under subparagraph (A) may include—
(i) the development or dissemination of printed materials, to be distributed to all school children or the families of school children prior to the end of the school year, that inform families of the availability and location of summer food service program meals;
(ii) the development or dissemination of materials, to be distributed using electronic means to all school children or the families of school children prior to the end of the school year, that inform families of the availability and location of summer food service program meals; and
(iii) such other activities as are approved by the applicable State agency to promote the availability and location of summer food service programs to school children and the families of school children.

(C) Multiple State agencies
If the State agency administering the program under this section is not the same State agency that administers the school lunch program under this chapter, the 2 State agencies shall work cooperatively to implement this paragraph.

(12) Summer food service support grants

(A) In general
The Secretary shall use funds made available to carry out this paragraph to award grants on a competitive basis to State agencies to provide to eligible service institutions—
(i) technical assistance;
(ii) assistance with site improvement costs; or
(iii) other innovative activities that improve and encourage sponsor retention.

(B) Eligibility
To be eligible to receive a grant under this paragraph, a State agency shall submit an application to the Secretary in such manner, at such time, and containing such information as the Secretary may require.

(C) Priority
In making grants under this paragraph, the Secretary shall give priority to—
(i) applications from States with significant low-income child populations; and
(ii) State plans that demonstrate innovative approaches to retain and support summer food service programs after the expiration of the start-up funding grants.

(D) Use of funds
A State and eligible service institution may use funds made available under this paragraph to pay for such costs as the Secretary determines are necessary to establish and maintain summer food service programs.

(E) Reallocation
The Secretary may reallocate any amounts made available to carry out this paragraph that are not obligated or expended, as determined by the Secretary.

(F) Authorization of appropriations
There is authorized to be appropriated to carry out this paragraph $20,000,000 for fiscal years 2011 through 2015.

(b) Service institutions

(1) Payments.—
(A) In general.—Subject to subparagraph (B) and in addition to amounts made available under paragraph (3), payments to service institutions shall be—
(i) $1.97 for each lunch and supper served;
(ii) $1.13 for each breakfast served; and
(iii) 46 cents for each meal supplement served.

(B) Adjustments.—Amounts specified in subparagraph (A) shall be adjusted on January 1, 1997, and each January 1 thereafter, to the nearest lower cent increment to reflect changes for the 12-month period ending the preceding November 30 in the series for food away from home of the Consumer Price Index for All Urban Consumers published by the Bureau of Labor Statistics of the Department of Labor. Each adjustment shall be based on the unrounded adjustment for the prior 12-month period.

(C) Seamless summer reimbursements.—A service institution described in subsection (a)(6) shall be reimbursed for meals and meal supplements in accordance with the applicable provisions under this chapter (other than subparagraphs (A) and (B) of this paragraph and paragraph (4)) and the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.), as determined by the Secretary.

(2) Any service institution may only serve lunch and either breakfast or a meal supplement during each day of operation, except that any service institution that is a camp or that serves meals primarily to migrant children may serve up to 3 meals, or 2 meals and 1 supplement, during each day of operation, except that any service institution that is a camp or that serves meals primarily to migrant children may serve up to 3 meals, or 2 meals and 1 supplement, during each day of operation, if (A) the service institution is in compliance with all requirements described in clause (i) may be amended with the applicable State agency.

(3) Permanent operating agreements and budget for administrative costs.—

(A) Permanent operating agreements.—Subject to clauses (ii) and (iii), to participate in the program, a service institution that meets the conditions of eligibility described in this section and in regulations promulgated by the Secretary, shall be required to enter into a permanent agreement with the applicable State agency.

(ii) Amendments.—A permanent agreement described in clause (i) may be amended as necessary to ensure that the service institution is in compliance with all requirements established in this section or by the Secretary.

(iii) Termination.—A permanent agreement described in clause (i)—
(I) may be terminated for convenience by the service institution and State agency.
that is a party to the permanent agreement; and

(II) shall be terminated—

(aa) for cause by the applicable State agency in accordance with subsection (q) and with regulations promulgated by the Secretary; or

(bb) on termination of participation of the service institution in the program.

(B) BUDGET FOR ADMINISTRATIVE COSTS.—

(i) IN GENERAL.—When applying for participation in the program, and not less frequently than annually thereafter, each service institution shall submit a complete budget for administrative costs related to the program, which shall be subject to approval by the State.

(ii) AMOUNT.—Payment to service institutions for administrative costs shall equal the levels determined by the Secretary pursuant to the study required in paragraph (4).

(4)(A) The Secretary shall conduct a study of the food service operations carried out under the program. Such study shall include, but shall not be limited to—

(i) an evaluation of meal quality as related to costs; and

(ii) a determination whether adjustments in the maximum reimbursement levels for food service operation costs prescribed in paragraph (1) of this subsection should be made, including whether different reimbursement levels should be established for self-prepared meals and vendedored meals and which site-related costs, if any, should be considered as part of administrative costs.

(B) The Secretary shall also study the administrative costs of service institutions participating in the program and shall thereafter prescribe maximum allowable levels for administrative payments that reflect the costs of such service institutions, taking into account the number of sites and children served, and such other factors as the Secretary determines appropriate to further the goals of efficient and effective administration of the program.

(C) The Secretary shall report the results of such studies to Congress not later than December 1, 1977.

(e) Payments for meals served during May through September; exceptions for continuous school calendars or non-school sites; National Youth Sports Program

(1) Payments shall be made to service institutions only for meals served during the months of May through September, except in the case of service institutions that operate food service programs for children on school vacation at any time under a continuous school calendar or that provide meal service at non-school sites to children who are not in school for a period during the months of October through April due to a natural disaster, building repair, court order, or similar cause.

(2) Children participating in National Youth Sports Programs operated by higher education institutions shall be eligible to participate in the program under this paragraph on showing residence in areas in which poor economic conditions exist or on the basis of income eligibility statements for children enrolled in the program.

(d) Advance program payments to States for monthly meal service; letters of credit, forwarding to States; determination of amount; valid claims, receipt

Not later than April 15, May 15, and July 1 of each year, the Secretary shall forward to each State a letter of credit (advance program payment) that shall be available to each State for the payment of meals to be served in the month for which the letter of credit is issued. The amount of the advance program payment shall be an amount which the State demonstrates, to the satisfaction of the Secretary, to be necessary for advance program payments to service institutions in accordance with subsection (e) of this section. The Secretary shall also forward such advance program payments, by the first day of the month prior to the month in which the program will be conducted, to States that operate the program in months other than May through September. The Secretary shall forward any remaining payments due pursuant to subsection (b) of this section not later than sixty days following receipt of valid claims therefor.

(e) Advance program payments to service institutions for monthly meal service; certification of personnel training sessions; minimum days per month operations requirement; payments: computation, limitation; valid claims, receipt; withholding; demand for repayment; subtraction of disputed payments

(1) Not later than June 1, July 15, and August 15 of each year, or, in the case of service institutions that operate under a continuous school calendar, the first day of each month of operation, the State shall forward advance program payments to each service institution. The State shall not release the second month’s advance program payment to any service institution (excluding a school) that has not certified that it has held training sessions for its own personnel and the site personnel with regard to program duties and responsibilities. No advance program payment may be made for any month in which the service institution will operate under the program for less than ten days.

(2) The amount of the advance program payment for any month in the case of any service institution shall be an amount equal to (A) the total program payment for meals served by such service institution in the same calendar month of the preceding calendar year, (B) 50 percent of the amount established by the State to be needed by such service institution for meals if such service institution contracts with a food service management company, or (C) 65 percent of the amount established by the State to be needed by such service institution for meals if such service institution prepares its own meals, whichever amount is greatest: Provided, That the advance program payment may not exceed the total amount estimated by the State to be needed by such service institution for meals to be served in the month for which such advance program payment is made or $40,000, whichever is less, except that a State may make a larger advance program payment to such service institution where the State determines that such larger payment
is necessary for the operation of the program by such service institution and sufficient administrative and management capability to justify a larger payment is demonstrated. The State shall forward any remaining payment due a service institution not later than seventy-five days following receipt of valid claims. If the State has reason to believe that a service institution will not be able to submit a valid claim for reimbursement covering the period for which an advance program payment has been made, the subsequent month’s advance program payment shall be withheld until such time as the State has received a valid claim. Program payments advanced to service institutions that are not subsequently deducted from a valid claim for reimbursement shall be repaid upon demand by the State. Any prior payment that is under dispute may be subtracted from an advance program payment.

(f) Nutritional standards

(1) Service institutions receiving funds under this section shall serve meals consisting of a combination of foods and meeting minimum nutritional standards prescribed by the Secretary on the basis of tested nutritional research.

(2) The Secretary shall provide technical assistance to service institutions and private non-profit organizations participating in the program to assist the institutions and organizations in complying with the nutritional requirements prescribed by the Secretary pursuant to this subsection.

(3) Meals described in paragraph (1) shall be served without cost to children attending service institutions approved for operation under this section, except that, in the case of camps, charges may be made for meals served to children other than those who meet the eligibility requirements for free or reduced price meals in accordance with subsection (a)(5) of this section.

(4) To assure meal quality, States shall, with the assistance of the Secretary, prescribe model meal specifications and model food quality standards, and ensure that all service institutions contracting for the preparation of meals with food service management companies include in their contracts menu cycles, local food safety standards, and food quality standards approved by the State.

(5) Such contracts shall require (A) periodic inspections, by an independent agency or the local health department for the locality in which the meals are served, of meals prepared in accordance with the contract in order to determine bacteria levels present in such meals, and (B) conformance with standards set by local health authorities.

(6) Such inspections and any testing resulting therefrom shall be in accordance with the practices employed by such local health authority.

(7) OFFER VERSUS SERVE.—A school food authority participating as a service institution may permit a child to refuse one or more items of a meal that the child does not intend to consume, under rules that the school uses for school meals programs. A refusal of an offered food item shall not affect the amount of payments made under this section to a school for the meal.

(g) Regulations, guidelines, applications, and handbooks; publication; startup costs

The Secretary shall publish proposed regulations relating to the implementation of the program by November 1 of each fiscal year, final regulations by January 1 of each fiscal year, and guidelines, applications, and handbooks by February 1 of each fiscal year. In order to improve program planning, the Secretary may provide that service institutions be paid as startup costs not to exceed 20 percent of the administrative funds provided for in the administrative budget approved by the State under subsection (b)(3) of this section. Any payments made for startup costs shall be subtracted from amounts otherwise payable for administrative costs subsequently made to service institutions under subsection (b)(3) of this section.

(h) Direct disbursement to service institutions by Secretary

Each service institution shall, insofar as practicable, use in its food service under the program foods designated from time to time by the Secretary as being in abundance. The Secretary is authorized to donate to States, for distribution to service institutions, food available under section 1431 of title 7, or purchased under section 612c of title 7 or section 1446a–1 of title 7. Donated foods may be distributed only to service institutions that can use commodities efficiently and effectively, as determined by the Secretary.


(j) Administrative expenses of Secretary; authorization of appropriations

Expenditures of funds from State and local sources for the maintenance of food programs for children shall not be diminished as a result of funds received under this section.

(k) Administrative costs of State; payment; adjustment; standards and effective dates, establishment; funds: withholding, inspection

(1) The Secretary shall pay to each State for its administrative costs incurred under this section in any fiscal year an amount equal to (A) 20 percent of the first $50,000 in funds distributed to that State for the program in the preceding fiscal year; (B) 10 percent of the next $100,000 distributed to that State for the program in the preceding fiscal year; (C) 5 percent of the next $250,000 in funds distributed to that State for the program in the preceding fiscal year; and (D) 2½ percent of any remaining funds distributed to that State for the program in the preceding fiscal year: Provided, That such amounts may be adjusted by the Secretary to reflect changes in the size of that State’s program since the preceding fiscal year.

(2) The Secretary shall establish standards and effective dates for the proper, efficient, and effective administration of the program by the State. If the Secretary finds that the State has failed without good cause to meet any of the Secretary’s standards or has failed without good cause to carry out the approved State management and administration plan under subsection (n) of this section, the Secretary may withhold...
from the State such funds authorized under this subsection as the Secretary determines to be appropriate.

(3) To provide for adequate nutritional and food quality monitoring, and to further the implementation of the program, an additional amount, not to exceed the lesser of actual costs or 1 percent of program funds, shall be made available by the Secretary to States to pay for State or local health department inspections, and to reinspect facilities and deliveries to test meal quality.

(f) Food service management companies; subcontracts; assignments, conditions and limitations; meal capacity information in bids subject to review; registration; record, availability to States; small and minority-owned businesses for supplies and services; contracts: standard form, bid and contract procedures, bonding requirements and exemptions, review by States, collusive bidding safeguards

(1) Service institutions may contract on a competitive basis with food service management companies for the furnishing of meals or management of the entire food service under the section, except that a food service management company entering into a contract with a service institution under this section may not sub-contract with a single company for the total meal, with or without milk, or for the assembly of the meal. The Secretary shall prescribe additional conditions and limitations governing assignment of all or any part of a contract entered into by a food service management company under this section. Any food service management company shall, in its bid, provide the service institution information as to its meal capacity.

(2) Each State may provide for the registration of food service management companies.

(3) In accordance with regulations issued by the Secretary, positive efforts shall be made by service institutions to use small businesses and minority-owned businesses as sources of supplies and services. Such efforts shall afford those sources the maximum feasible opportunity to compete for contracts using program funds.

(4) Each State, with the assistance of the Secretary, shall establish a standard form of contract for use by service institutions and food service management companies. The Secretary shall prescribe requirements governing bid and contract procedures for acquisition of the services of food service management companies, including, but not limited to, bonding requirements (which may provide exemptions applicable to contracts of $100,000 or less), procedures for review of contracts by States, and safeguards to prevent collusive bidding activities between service institutions and food service management companies.

(m) Accounts and records

States and service institutions participating in programs under this section shall keep such accounts and records as may be necessary to enable the Secretary to determine whether there has been compliance with this section and the regulations issued hereunder. Such accounts and records shall be available at any reasonable time for inspection and audit by representatives of the Secretary and shall be preserved for such period of time, not in excess of five years, as the Secretary determines necessary.

(n) Management and administration plan; notification and submittal to Secretary; specific provisions

Each State desiring to participate in the program shall notify the Secretary by January 15 of each year of its intent to administer the program and shall submit for approval by February 15 a management and administration plan for the program for the fiscal year, which shall include, but not be limited to, (1) the State’s administrative budget for the fiscal year, and the State’s plans to comply with any standards prescribed by the Secretary under subsection (k) of this section; (2) the State’s plans for use of program funds and funds from within the State to the maximum extent practicable to reach needy children; (3) the State’s plans for providing technical assistance and training eligible service institutions; (4) the State’s plans for monitoring and inspecting service institutions, feeding sites, and food service management companies and for ensuring that such companies do not enter into contracts for more meals than they can provide effectively and efficiently; (5) the State’s plan for timely and effective action against program violators; and (6) the State’s plan for ensuring fiscal integrity by auditing service institutions not subject to auditing requirements prescribed by the Secretary.

(o) Violations and penalties

(1) Whoever, in connection with any application, procurement, recordkeeping, entry, claim for reimbursement, or other document or statement made in connection with the program, knowingly and willfully falsifies, conceals, or covers up by any trick, scheme, or device a material fact, or makes any false, fictitious, or fraudulent statements or representations, or makes or uses any false writing or document knowing the same to contain any false, fictitious, or fraudulent statement or entry, or whoever, in connection with the program, knowingly makes an opportunity for any person to defraud the United States, shall be fined not more than $10,000 or imprisoned not more than five years, or both.

(2) Whoever being a partner, officer, director, or managing agent connected in any capacity with any partnership, association, corporation, business, or organization, either public or private, that receives benefits under the program, knowingly or willfully embezzles, misapplies, steals, or obtains by fraud, false statement, or forgery, any benefits provided by this section or any money, funds, assets, or property derived from benefits provided by this section, shall be fined not more than $10,000 or imprisoned not more than five years, or both.

(3) If two or more persons conspire or collude to accomplish any act made unlawful under this
subsection, and one or more of such persons do any act to effect the object of the conspiracy or collusion, each shall be fined not more than $10,000 or imprisoned for not more than five years, or both.

(p) Monitoring of participating private nonprofit organizations

(1) In addition to the normal monitoring of organizations receiving assistance under this section, the Secretary shall establish a system under which the Secretary and the States shall monitor the compliance of private nonprofit organizations with the requirements of this section and with regulations issued to implement this section.

(2) In the fiscal year 1990 and each succeeding fiscal year, the Secretary may reserve for purposes of carrying out paragraph (1) not more than 1/2 of 1 percent of amounts appropriated for purposes of carrying out this section.

(q) Termination and disqualification of participating organizations

(1) In general

Each State agency shall follow the procedures established by the Secretary for the termination of participation of institutions under the program.

(2) Fair hearing

The procedures described in paragraph (1) shall include provision for a fair hearing and prompt determination for any service institution aggrieved by any action of the State agency that affects—

(A) the participation of the service institution in the program; or

(B) the claim of the service institution for reimbursement under this section.

(3) List of disqualified institutions and individuals

(A) In general

The Secretary shall maintain a list of service institutions and individuals that have been terminated or otherwise disqualified from participation in the program under the procedures established pursuant to paragraph (1).

(B) Availability

The Secretary shall make the list available to States for use in approving or renewing applications by service institutions for participation in the program.

(r) Authorization of appropriations

For the period beginning October 1, 1977, and ending September 30, 2015, there are hereby authorized to be appropriated such sums as are necessary to carry out the purposes of this section.


REFERENCES IN TEXT


CODEIFICATION


AMENDMENTS

Subsec. (a). Pub. L. 111–296, §441(a)(5)(A), inserted subsec. heading, added par. (1), and struck out former par. (1) which authorized the Secretary to carry out a program to initiate and maintain nonprofit food service programs for children in service institutions and provided definitions for this section.
Subsec. (a)(2). Pub. L. 111–296, §441(a)(5)(B)(i), inserted par. heading, designated existing provisions as subpar. (B) and inserted subpar. heading, inserted cl. (i) designation and heading before first sentence and cl. (ii) designation and heading before second sentence, and added subpar. (A).
Subsec. (a)(4). Pub. L. 111–296, §441(a)(5)(B)(iii), inserted par. heading, designated introductory provisions of par. (4) as introductory provisions of subpar. (A) and inserted subpar. heading, redesignated former subpars. (A) to (D) as cls. (i) to (iv), respectively, of subpar. (A) and realigned margins, and designated concluding provisions as subpar. (B) and inserted heading.
Subsec. (a)(7). Pub. L. 111–296, §111, added par. (7) and struck out former par. (7) which defined “private nonprofit organizations” and made them eligible for the program under the same terms and conditions as other service institutions.
Subsec. (b)(3). Pub. L. 111–296, §321, added par. (3) and struck out former par. (3) which read as follows: “Every service institution, when applying for participation in the program, shall submit a complete budget for ad-
ministrative costs related to the program, which shall be subject to approval by the State. Payment to service institutions for administrative costs shall equal the levels determined by the Secretary pursuant to the study prescribed in paragraph (4) of this subsection.”

Subsec. (q). Pub. L. 111–296, § 322(1), redesignated subsec. (q) as (r), redesignated subpars. (B) to (D) as (A) and (C), respectively, and struck out former subpar. (A) which read as follows:

“(A) IN GENERAL.—Except as otherwise provided in this paragraph, payments to service institutions shall equal full amount of State approved administrative costs.”

Subsec. (b)(1)(A). Pub. L. 110–191–1, § 738(a)(1)(D), which directed the amendment of subpar. (A), as redesignated by Pub. L. 110–161, § 738(a)(1)(D), by striking “(B)” and all that followed through “shall not exceed” and inserting “(A) IN GENERAL.—Subject to subparagraph (B) and in addition to amounts made available under paragraph (3), payments to service institutions shall be” was executed by substituting the language to be inserted for “(A) MAXIMUM AMOUNTS.—Subject to subparagraph (C), payments to any institution under subparagraph (A) shall not exceed” to reflect the probable intent of Congress and the redesignation of subpar. (B) as (A). See note above.


Subsec. (b)(1)(C). Pub. L. 110–191, § 738(a)(1)(D), substituted “(A) and (B)” for “(A), (B), and (C)”.

Subsec. (b)(3). Pub. L. 110–191, § 738(a)(2), struck out “full amount of State approved administrative costs incurred, except that such payment to service institutions may not exceed the maximum allowable” after “ADMINISTRATIVE COSTS SHALL EQUAL THE”.

2004—Subsec. (a)(8), (9). Pub. L. 108–265, § 116(a), (c), added pars. (8) and (9).


1998—Subsec. (a)(1)(D)(i). Pub. L. 105–336, § 105(c)(3), substituted “have a disability” for “be mentally or physically handicapped”.

Subsec. (a)(1)(D)(ii). Pub. L. 105–336, § 105(c)(3)(B)(ii), substituted “individuals who have a disability” for “the mentally or physically handicapped”.

Subsec. (a)(3)(C). Pub. L. 105–336, § 105(c)(2)(A), inserted “or” at end of cl. (i), redesignated cl. (ii) as (ii), and struck out former cl. (ii) which read as follows: “conduct a regularly scheduled food service primarily for homeless children; or”.

Subsec. (a)(7)(B)(i). Pub. L. 105–336, § 105(a), added cl. (i) and struck out former cl. (i) which read as follows: “(i) serve a total of not more than 2,500 children per day at not more than 5 sites in any urban area, with not more than 300 children being served at any 1 site; or, with a waiver granted by the State under standards developed by the Secretary, not more than 500 children being served at any 1 site); or

“(II) serve a total of not more than 2,500 children per day at not more than 20 sites in any rural area, with not more than 300 children being served at any 1 site (or, with a waiver granted by the State under standards developed by the Secretary, not more than 500 children being served at any 1 site)”.

Subsec. (a)(7)(B)(ii) to (vii). Pub. L. 105–336, § 105(b)(1), redesignated cls. (iv) to (vii) as (ii) to (v), respectively, and struck out former cls. (ii) and (iii) which read as follows:

“(ii) use self-preparation facilities to prepare meals, or obtain meals from a public facility (such as a school district, public hospital, or State university) or a school participating in the school lunch program under this chapter;

“(iii) operate in areas where a school food authority or the local, municipal, or county government has not indicated by March 1 of any year that such authority or unit of local government will operate a program under this section in such year;”.


Subsec. (b)(1). Pub. L. 105–336, § 105(b)(2)(B), substituted “may” for “shall” after “Each State” and struck out at end “For the purposes of this section, registration shall include, at a minimum—

“(A) certification that the company meets applicable State and local health, safety, and sanitation standards;”

“(B) disclosure of past and present company owners, officers, and directors, and their relationship, if any, to any service institution or food service management company that received program funds in any prior fiscal year;

“(C) records of contract terminations or disallowances, and health, safety, and sanitary code violations, in regard to program operations in prior fiscal years; and

“(D) the addresses of the company’s food preparation and distribution sites.”

No food service management company may be registered if the State determines that such company (i) lacks the administrative and financial capability to perform under the program, or (ii) has been seriously deficient in its participation in the program in prior fiscal years.”

Subsec. (b)(3) to (5). Pub. L. 105–336, § 105(b)(2)(C), (D), redesignated pars. (4) and (5) as (3) and (4), respectively, and struck out former par. (3) which read as follows: “In order to ensure that only qualified food service management companies contract for services in all States, the Secretary shall maintain a record of all registered food service management companies that have been seriously deficient in their participation in the program and may maintain a record of other registered food service management companies, for the purpose of making such information available to the States.”


§ 1761
Subsec. (a)(7)(A). Pub. L. 104–193, §706(a)(2), substituted “Private nonprofit organizations” for “Except as provided in subparagraph (C), private nonprofit organizations”.


Subsec. (b)(1). Pub. L. 104–193, §706(b), added par. (1) and struck out former par. (1) which read as follows: “(1) Payments to service institutions shall equal the full amount of food service, except that such payments to any institution shall not exceed (1) $85.75 cents for each lunch and supper served; (2) $47.75 cents for each breakfast served; or (3) $22.50 cents for each meal supplement served: Provided, That such amounts shall be adjusted each January 1 to the nearest one-fourth cent in accordance with the changes for the twelve-month period ending the preceding November 30 in the series for food away from home of the Consumer Price Index for All Urban Consumers published by the Bureau of Labor Statistics of the Department of Labor: Provided further, That the Secretary may make such adjustments in the maximum reimbursement levels as the Secretary determines, appropriate after making the study prescribed in paragraph (4) of this subsection.”

Subsec. (b)(2). Pub. L. 104–193, §706(c), substituted “3 meals, or 2 meals and 1 supplement,” for “four meals,” in first sentence and struck out at end “The meals that camps and migrant programs may serve shall include a breakfast, a lunch, a supper, and meal supplements.”

Subsec. (c)(2). Pub. L. 104–193, §706(d)(3), (4), struck out “, and such higher education institutions,” before “shall be eligible to participate” and substituted “on showing residence in areas in which poor economic conditions exist or on the basis of income eligibility standards for children enrolled in the program” for “without application”.

Pub. L. 104–193, §706(d)(1), (2), designated subpar. (B) as par. (2) and struck out subpars. (A), relating to eligibility of institutions operating National Youth Sports Program for meal and supplement reimbursements, and (C) to (E), relating to reimbursement rates, nutritional requirements and meal patterns, and issuance of regulations, respectively.

Subsec. (e)(1). Pub. L. 104–193, §706(e), substituted “each service institution: Provided, That (A) the State” for “each service institution: Provided, That the State”, substituted “(excluding a school)” after “program payment to any service institution”, and substituted “responsibilities.”

Subsec. (e)(2). Pub. L. 104–193, §706(f)(4), struck out “, (A)” after “program payment”, and struck out “, and (B) no advance program payment”.

Subsec. (f). Pub. L. 104–193, §706(f)(5), redesignated paragraphs (7) to (9) as (3) to (5), respectively.

Pub. L. 104–193, §706(f)(4), redesignated first to seventh sentences as pars. (1) to (7), respectively, struck out par. (3), substituted “paragraph (1)” for “the first sentence” in par. (4), and substituted “conformity with standards set by local health authorities” for “that bacteria levels conform to the standards which are applied by the local health authority for that locality with respect to the levels of bacteria that may be present in meals served by other establishments in that locality” in par. (6)(B). Prior to repeal, par. (3) read as follows: “The Secretary shall provide additional technical assistance to those service institutions and private nonprofit organizations that are having difficulty maintaining compliance with the requirements.”

Subsec. (g)(7). Pub. L. 104–193, §706(g), added par. (7). Subsec. (m). Pub. L. 104–193, §706(h), substituted “be available at any reasonable time for inspection and audit” for “at all times be available for inspection and audit” in second sentence.


Pub. L. 104–193, §706(j), struck out “, and its plans and schedule for informing service institutions of the availability of the program” before semicolon.

Subsec. (n)(3). Pub. L. 104–193, §706(j)(2), (4), redesignated par. (4) as (3) and struck out former par. (3) which read as follows: “(3) In estimating the number and character of service institutions and sites to be approved, and of meals to be served and children to participate for the fiscal year, and a description of the estimating methods used: “


Pub. L. 104–193, §706(j)(3), struck out “and schedule” after “State’s plans”.

Subsec. (n)(5) to (7). Pub. L. 104–193, §706(j)(4), redesignated pars. (6) and (7) as (5) and (6), respectively.

Former par. (5) redesignated (4).

Subsec. (p). Pub. L. 104–193, §706(i), redesignated subsec. (q) as (p) and struck out former subsec. (p) which read as follows: “The Secretary, Tribal Organizations, State agencies or regional offices of the Department of Labor: Provided further, That the Secretary may make such adjustments in the maximum reimbursement levels as the Secretary determines appropriate after making the study prescribed in paragraph (4) of this subsection.”


Subsec. (q)(2). Pub. L. 104–193, §706(k)(1), redesignated subpar. (3) as (2) and struck out former subpar. (2) which read as follows: “The Secretary shall require each State to establish and implement an ongoing training and technical assistance program for private nonprofit organizations that provides information on program requirements, procedures, and accountability. The Secretary shall provide assistance to State agencies regarding the development of such training and technical assistance programs.”


Pub. L. 104–193, §706(k)(2), substituted “paragraph (1)” for “paragraphs (1) and (2) of this subsection”.


1994—Subsec. (a)(4)(A) to (F). Pub. L. 103–448, §114(a), added subpars. (A) to (D) and struck out former subpars. (A) to (F) which read as follows: “(A) local schools or service institutions that have demonstrated successful program performance in a prior year; (B) service institutions that prepare meals at their own facilities or operate only one site; (C) service institutions that use local school food facilities for the preparation of meals; (D) other service institutions that have demonstrated ability for successful program operation; (E) service institutions that plan to integrate the program with Federal, State, or local employment programs; and (F) private nonprofit organizations eligible under paragraph (7).”

Subsec. (a)(7)(C). Pub. L. 103–448, §114(b), struck out subpar. (C) which read as follows: “(C)(1) Except as provided in clause (ii), no private nonprofit organization (other than organizations eligible under paragraph (1)) may participate in the program in an area where a school food authority or a local, municipal, or county government participated in the program before such organization applied to participate until the expiration of the 1-year period beginning on the date that such school food authority or local, municipal, or county government terminated its participation in the program.

(ii) Clause (I) shall not apply if the appropriate State agency or regional office of the Department of Agriculture (whichever administers the program in the area concerned), after consultation with the school...
food authority or local, municipal, or county government concerned, determines that such school food authority or local, municipal, or county government would have discontinued the participation in the program regardless of whether a private nonprofit organization was available to participate in the program in such area.

Subsec. (c)(1). Pub. L. 103–448, §114(c), inserted before period at end “or that provide meal service at non-school sites to children who are not in school for a period during the months of October through April due to a natural disaster, building repair, court order, or similar cause”.

Subsec. (f). Pub. L. 103–448, §105(b), inserted after first sentence “The Secretary shall provide technical assistance to service institutions and private nonprofit organizations participating in the program to assist the institutions and organizations in complying with the nutritional requirements prescribed by the Secretary pursuant to this subsection. The Secretary shall provide additional technical assistance to those service institutions and private nonprofit organizations that are having difficulty maintaining compliance with the requirements,” and substituted “Meals described in the first sentence shall be served” for “Such meals shall be served”.

Subsec. (b)(3). Pub. L. 103–448, §114(d), substituted “that have been seriously deficient in their participation in the program and may maintain a record of other registered food service management companies,” for “and their program record”.

Subsec. (n)(5). Pub. L. 103–448, §114(e)(1), (2), redesignated cl. (7) as (5) and struck out former cl. (5) which read as follows: “the State’s schedule for application by service institutions”;

Subsec. (n)(6). Pub. L. 103–448, §114(e)(1)-(3), redesignated cl. (9) as (6), inserted “and” at end, and struck out former cl. (6) which read as follows: “the actions to be taken to maximize the use of meals prepared by service institutions and the use of school food service facilities;”;


Subsec. (n)(8). Pub. L. 103–448, §114(e)(1), struck out cl. (8) which read as follows: “the State’s plan and schedule for registering food service management companies;”;


Subsec. (n)(10). Pub. L. 103–448, §114(e)(1), struck out cl. (10) which read as follows: “the State’s plan for determining the amounts of program payments to service institutions and for disbursing such payments;”;


Subsec. (n)(12). Pub. L. 103–448, §114(e)(4), struck out cl. (12) which read as follows: “the State’s procedure for granting a hearing and prompt determination to any service institution wishing to appeal a State ruling denying the service institution’s application for program participation or for program reimbursement.”

Subsec. (q)(2). Pub. L. 103–448, §114(f)(1)(A), (2), redesignated par. (3) as (2) and struck out former par. (2) which read as follows: “Application forms or other printed materials provided by the Secretary or the States to persons who intend to apply to participate as private nonprofit organizations shall contain a warning in bold lettering explaining, at a minimum—

(A) the criminal provisions and penalties established by subsection (o) of this section; and

(B) the procedures for termination of participation in the program as established by regulations.”

Subsec. (q)(3). Pub. L. 103–448, §114(f)(2), (3), redesignated par. (4) as (3) and substituted “paragraphs (1) and (2)” for “paragraphs (1) and (3)”.

Subsec. (q)(4). (5). Pub. L. 103–448, §114(f)(2), redesignated par. (4) and (5) as (3) and (4), respectively.


Subsec. (a)(7)(A). Pub. L. 101–147, §102(a)(1)(C)(i), amended subpar. (A) generally. Prior to amendment, subpar. (A) read as follows: “Not later than May 1, 1989, the Secretary shall institute Statewide demonstration projects in five States in which private nonprofit organizations, as defined in subparagraph (B) (other than organizations already eligible under subsection (a)(1) of this section), shall be eligible for the program under the same terms and conditions as other service institutions.”

Subsec. (a)(7)(B)(i). Pub. L. 101–147, §102(a)(1)(C)(ii)(II), inserted “or a school participating in the school lunch program under this chapter after “university””.


Subsec. (c). Pub. L. 101–147, §102(a)(2), designated existing provisions as par. (1) and added par. (2).

Subsec. (d). Pub. L. 101–147, §307(1), substituted “July 1 of each year” for “July 1, of each year”.


Subsec. (g). Pub. L. 101–147, §307(3), struck out “: Provided, That for fiscal year 1978, those portions of the regulations relating to payment rates for both food service operations and administrative costs need not be published until December 1 and February 1, respectively” after “February 1 of each fiscal year”.

Subsec. (h). Pub. L. 101–147, §307(4), made technical amendments to references to sections 612c, 1431, and 1446a-1 of title 7 involving underlying provisions of original act and requiring no change in text.

Subsec. (i)(1). Pub. L. 101–147, §102(a)(3), inserted “other than private nonprofit organizations eligible under subsection (a)(5) of this section” after “Service institutions”.


Subsec. (r). Pub. L. 101–147, §102(a)(6), substituted “For the fiscal year beginning October 1, 1979, and each succeeding fiscal year ending before October 1, 1994,” for “For the fiscal years beginning October 1, 1979, and ending September 30, 1989.”

Pub. L. 101–147, §102(a)(7), redesignated former subsec. (p) as (r).


1981—Subsec. (a). Pub. L. 97–35, §809, in par. (1)(B) substituted “public or private nonprofit school food authorities, local, municipal, or county governments, for “nonresidential public or private nonprofit institutions” and in par. (1)(C) substituted “50” for “33”, and added par. (6).

Subsec. (i). Pub. L. 97–35, §817(b), struck out subsec. (i) which related to administration of program by Secretary in event of nonadministration by State.

Subsec. (b)(1). Pub. L. 95–627, § 10(d)(2), inserted "the Northern Mariana Islands; inserted the definition of "poor economic conditions" of the months of May through September, at site locations where organized recreation activities or food services are provided for children in attendance."; and added pars. (4) and (5).

Subsec. (b)(2). Pub. L. 95–166 incorporated existing provisions in part in text designated par. (1); substituted "Payments" for "Disbursements" increased payments for cost of lunch and supper, breakfast, and evening meals coincides or overlaps.

Subsec. (b)(3). Pub. L. 95–166 added par. (3) which superseded part of existing provisions prescribing administrative costs of lunch and supper, breakfast, and meal supplement not to exceed 6, 3, and 1.5 cents respectively.


Subsec. (c). Pub. L. 95–166 substituted "Payments" for "Disbursements" and "except in the case of service institutions that operate food service programs for children on school vacation at any time under a continuous school calendar for except that the foregoing provision shall not apply to institutions which develop food service programs for children on school vacation at any time under a continuous school calendar for purposes of such institutions, if other than participating in the program authorized by this section".

Subsec. (d). Pub. L. 95–166, in revising text, substituted provision for advance program payment to States through letters of credit forwarded no later than April 15, May 15, and July 1, of each year for prior provision for forwarding advance payments no later than July 15, August 15, and November 15, of each year; substituted provision of payment amount provision; struck out prior provision for an amount no less than (1) the total payment made to the State for meals served for the calendar month of the preceding calendar year or (2) 65 per centum of the amount estimated by the State, on the basis of approved applications, to be needed to reimburse service institutions for meals served in the month, whichever is the greater, now covered in subsec. (e)(2) of this section; substituted provision for forwarding payments to States operating a program in months other than May through September by the first day of the month prior to the month in which the program is conducted for prior provision for receipt of advance payments not later than the first day of each month involved where institutions operate programs during nonsummer vacations during a continuous school calendar; reenacted provision for payments within sixty days of receipt of valid claims; and struck out provision declaring that any funds advanced to a State for which valid claims have not been established within one hundred eighty days shall be deducted from the next appropriate monthly advance payment unless the claimant requests a hearing with the Secretary prior to the 180th day, covered in subsec. (e)(3) of this section.

Subsec. (e). Pub. L. 95–166 added subsec. (e) which in incorporating in part provisions of former subsec. (d), substituted in par. (1) July 15 and August 15 for July 1 and August 1 and reenacted provision for payment not later than the first day of each month of operation where service institutions operate under a continuous school calendar, and in par. (2) substituted provision for payment of amount which is the greatest of the amount described in cls. (A), (B), and (C) for prior provision for such computation which is the greater of (1) the total payment made to the State for meals served for the calendar month of the preceding calendar year (covered in cl. (A)) or (2) 65 per centum of the amount estimated by the State, on the basis of approved applications, to be needed to reimburse service institutions for meals served in the month (covered in cl. (C)).

Former subsec. (e) redesignated (f).

Subsec. (f). Pub. L. 95–166 redesignated former subsec. (e) as (f), substituted in first sentence "first sentence" for "to which funds are disbursed", and inserted provisions respecting: charging ineligible children for meals served in camps, model specifications and standards for quality assurance, meal preparation contract requirements, and inspection and testing. Former subsec. (f) redesignated (g).

Subsec. (g). Pub. L. 95–166 redesignated former subsec. (f) as (g), required publication of proposed regulations by November 1, instead of January 1, final regulations by January 1, instead of March 1, and guidelines, applications, and handbooks by February 1, instead of March 1, of each fiscal year, inserted provision, substituted provision for payment of startup costs limited to 20 percent of administrative funds provided for in the administrative budget for prior limitation to 10 per centum of Federal funds paid to the service institutions for meals served under this section during the preceding summer, and substituted provision for subtraction of startup costs from amounts otherwise payable for administrative costs made to the service institutions for prior provision for such reduction from payments made for meals served under subsec. (b) of this section. Former subsec. (g) redesignated (h).

Subsec. (h). Pub. L. 95–166 redesignated former subsec. (g) as (h), struck out "participating" before "service institution" and ", either nationally or in the insti-
... and provisions authorizing to be appropriated such sums as may be necessary for the Secretary's administrative expenses, for the furnishing of meals or administration of the program, or both.

Subsec. (m). Pub. L. 95–166 struck out “, State educational agencies,” after “States”.

Subsecs. (n), (o). Pub. L. 95–166 added subsecs. (n) and (o).


Subsec. (a)(1). Pub. L. 94–20, §1(a), inserted “and for the period July 1, 1975, through September 30, 1975.” before “‘to enable’.”

Subsec. (b). Pub. L. 94–105 substituted provisions for provisions to service institutions of the full cost of obtaining, preparing and serving food and administrative costs, with maximum rates for each kind of meal and its related administrative cost and adjustment of the rates on March 1, on the basis of changes in the border of the Consumer Price Index for provisions apportioning among the states the appropriated sums, with a maximum basic grant of $50,000, and reserving 2 per centum of the appropriated sums for apportionment to States for meals served during any time under a continuous school calendar for provisions for food away from home of the Consumer Price Index for provisions apportioning among the states the appropriated sums, with a maximum basic grant of $50,000, and reserving 2 per centum of the appropriated sums for apportionment to States for meals served during any time under a continuous school calendar for provisions for food away from home of the Consumer Price Index for provisions apportioning among the states the appropriated sums, with a maximum basic grant of $50,000, and reserving 2 per centum of the appropriated sums for apportionment to States for meals served during any time under a continuous school calendar for provisions for food away from home of the Consumer Price Index

Subsec. (c). Pub. L. 94–105 substituted provisions for disbursement to service institutions only for meals served during May through Sept. except for institutions with programs for children on school vacation at any time under a continuous school calendar for provisions for the disbursement of funds by the State educational agency to service institutions on a non-discriminatory basis for the cost of obtaining agricultural commodities and other foods, purchase and rental of equipment and authorizing financial assistance not to exceed 3 per centum of the operating costs in cases of severe need.

Subsec. (d). Pub. L. 94–105 substituted provisions relating to the advance payment to States for meals served in that month and deductions in the next month for advances for which valid claims have not been established within 180 days for provisions for the disbursement of funds directly to service institutions in States where the State educational agency is forbidden by law to disburse funds to such institutions.

Subsec. (e). Pub. L. 94–105 substituted provisions for free meals consisting of a combination of foods and meeting minimum nutritional standards and prohibiting segregation, discrimination or overt identification practices with regard to any child because of his inability to pay.

Subsec. (f). Pub. L. 94–105 substituted provisions directing the Secretary to publish proposed and final regulations, guidelines, and handbooks and authorizing startup costs for meals served during the preceding summer for provisions for free or reduced cost meals with minimum nutritional standards and prohibiting segregation, discrimination or overt identification practices with regard to any child because of his inability to pay.

Subsec. (g). Pub. L. 94–105 substituted provisions directing the utilization of foods donated or designated as in abundance by the Secretary and directing the donation of food available under section 1431, 612c and 146a–1 of title 7 irrespective of funds appropriated, mandating that value of assistance to children under this section not be considered income, that expenditures of State and local funds not be diminished as a result of federal funding, authorizing appropriations for administrative expenses and requiring States and State educational agencies and service institutions to keep and make available for inspection such accounts and records as may be necessary.

Subsec. (i). Pub. L. 94–105 substituted provision that the amount of State and local funds spent for food programs not be diminished as a result of funds received under this program for provisions authorizing the Secretary of Agriculture to utilize during May 15 to Sept. 15, 1972 not to exceed $25,000 of funds available under section 612c of title 7 to carry out the purposes of this chapter, such funds to be reimbursed out of any supplemental appropriation.

Subsec. (j). Pub. L. 94–105 substituted provision authorizing to be appropriated such sums as may be necessary for the Secretary's administrative expenses for provisions adjusting the reimbursement rate for meals served during May through Sept. 1975 to the nearest quarter cent to reflect changes since the period of May through Sept. 1974 in the cost of operating special summer food programs.

Subsec. (k). Pub. L. 94–105 substituted provisions directing the Secretary to pay each State for administrative costs an amount equal to 2 per centum of funds distributed under subsec. (b), with no State to receive less than $10,000 unless funds distributed to such State total less than $50,000 for provisions directing the Secretary to issue regulations no later than ten days following May 2, 1975 pertaining to operations of the program during the months of May through Sept. 1975, with proviso that such regulations shall in no way differ from current regulations except for changes necessary to implement this chapter.


Subsecs. (l), (m). Pub. L. 94–105 added subsecs. (l) and (m).
1972—Subsec. (a)(1). Pub. L. 92–433, §2(a), substituted authorization of appropriation of such sums as are necessary for each of the fiscal years ending June 30, 1973, June 30, 1974, and June 30, 1975, for provisions authorizing appropriation of $32,000,000 for each of the fiscal years ending June 30, 1972 and June 30, 1973.


Subsec. (c)(2). Pub. L. 92–32, §7(b), provided that non-Federal contributions may be in cash or kind, fairly evaluated, including but not limited to equipment and services.

1970—Subsec. (f). Pub. L. 91–248 provided for determination of ability to pay the full cost of lunch based on a publicly announced policy the minimum criteria of which includes family income and the number of school children in the family unit as well as the size of the family unit in general and provided that there be no overt identification of those children who receive free and reduced price meals.

\[effective date of 2010 amendment\]

\[effective date of 2007 amendment\]

\[effective date of 2004 amendment\]
Amendment by section 116(a)–(e), (c), (e), and (g) of Pub. L. 110–235 effective June 30, 2004, and amendment by section 116(d) of Pub. L. 108–265 effective Oct. 1, 2005, see section 502(a), (b), (f) of Pub. L. 108–265, as amended, set out as an Effective Date note under section 1753 of this title.

\[effective date of 1998 amendment\]


\[effective date of 1996 amendment\]

\[effective date of 1994 amendment\]

\[effective date of 1989 amendment\]
Pub. L. 101–147, title I, §102(b)(2)(A), Nov. 10, 1989, 103 Stat. 881, provided that: “Subparagraphs (A), (B), (C), and (D)(i) of section 13(c)(2) of the [Richard B. Russell] National School Lunch Act [subpars. (A), (B), (C), (D)(i) of section (c)(2) of this section] (as added by subsection (a)(2)(B) of this section) shall be effective as of October 1, 1989.”


\[effective date of 1988 amendment\]
Amendment by Pub. L. 100–435 to be effective and implemented on Oct. 1, 1988, see section 701(a) of Pub. L. 100–435, set out as a note under section 1212 of Title 7, Agriculture.

\[effective date of 1981 amendment\]

\[effective date of 1978 amendment\]
Amendment by section 5(d) of Pub. L. 95–627 effective July 1, 1979, and amendment by sections 7(b) and 10(d)(2) of Pub. L. 95–627 effective Oct. 1, 1978, see section 14 of Pub. L. 95–627, set out as a note under section 1755 of this title.

\[effective date of 1975 amendment\]

\[regulations\]
Pub. L. 101–147, title I, §102(b)(1), Nov. 10, 1989, 103 Stat. 881, provided that: “Not later than February 1, 1990, the Secretary of Agriculture shall issue regulations to implement the amendments made by paragraphs (1), (3), (4), and (5) of subsection (a) [amending this section]. Notwithstanding the provisions of section 503 of title 5, United States Code, the Secretary of Agriculture may issue such regulations without providing notice or an opportunity for public comment.”


(i) issue final regulations to implement subparagraph (D)(i) of section 13(c)(2) of the [Richard B. Russell] National School Lunch Act [subpar. (D)(i) of section (c)(2) of this section] (as added by subsection (a)(2)(B) of this section); and

(ii) issue final regulations under subparagraph (E) of such section.”

\[all-day educational and recreational activities: sources of funds\]
Pub. L. 103–448, title I, §114(h), Nov. 2, 1994, 108 Stat. 4713, directed Secretary of Agriculture, not later than 180 days after Nov. 2, 1994, in consultation with heads of other Federal agencies, to identify sources of Federal funds that might be available from other Federal agencies for service institutions under the summer food service program for children established under this section to carry out all-day educational and recreational activities for children at feeding sites under the program, and notify the service institutions of the sources.

\[1762. Repealed.\]


\[1762a. commodity distribution program\]
(a) Use of funds for purchase of agricultural commodities and products for donation

Notwithstanding any other provision of law, the Secretary shall—
(1) use funds available to carry out the provisions of section 612c of title 7 which are not expended or needed to carry out such provisions, to purchase (without regard to the provisions of existing law governing the expenditure of public funds) agricultural commodities and their products of the types customarily purchased under such section (which may include domestic seafood commodities and their products), for donation to maintain the annually programmed level of assistance for programs carried on under this chapter, the Child Nutrition Act of 1966 [42 U.S.C. 1771 et seq.], and title III of the Older Americans Act of 1965 [42 U.S.C. 3021 et seq.]; and

(2) if stocks of the Commodity Credit Corporation are not available, use the funds of such Corporation to purchase agricultural commodities and their products of the types customarily available under section 1431 of title 7, for such donation.

(b) Nutrition quality and content information

(1) The Secretary shall maintain and continue to improve the overall nutritional quality of entitlement commodities provided to schools to assist the schools in improving the nutritional content of meals.

(2) The Secretary shall—

(A) require that nutritional content information labels be placed on packages or shipments of entitlement commodities provided to the schools; or

(B) otherwise provide nutritional content information regarding the commodities provided to the schools.

(c) Authorization of appropriations for purchase of products or for cash payments in lieu of donations

The Secretary may use funds appropriated from the general fund of the Treasury to purchase agricultural commodities and their products of the types customarily purchased for donation under section 311(a)(4) of the Older Americans Act of 1965 or for cash payments in lieu of such donations under section 311(b)(1) of such Act. There are hereby authorized to be appropriated such sums as are necessary to carry out the purposes of this subsection.

(d) Assistance procedures; cost and benefits, review; technical assistance; report to Congress; food quality standards contracting procedures

In providing assistance under this chapter and the Child Nutrition Act of 1966 [42 U.S.C. 1771 et seq.] for school lunch and breakfast programs, the Secretary shall establish procedures which will—

(1) ensure that the views of local school districts and private nonprofit schools with respect to the type of commodity assistance needed in schools are fully and accurately reflected in reports to the Secretary by the State with respect to State commodity preferences and that such views are considered by the Secretary in the purchase and distribution of commodities and by the States in the allocation of such commodities among schools within the States;

(2) solicit the views of States with respect to the acceptability of commodities;

(3) ensure that the timing of commodity deliveries to States is consistent with State school year calendars and that such deliveries occur with sufficient advance notice;

(4) provide for systematic review of the costs and benefits of providing commodities of the kind and quantity that are suitable to the needs of local school districts and private nonprofit schools; and

(5) make available technical assistance on the use of commodities available under this chapter and the Child Nutrition Act of 1966 [42 U.S.C. 1771 et seq.].

(e) Consultation with school representatives

Each State agency that receives food assistance payments under this section for any school year shall consult with representatives of schools in the State that participate in the school lunch program with respect to the needs of such schools relating to the manner of selection and distribution of commodity assistance for such program.

(f) Commodity only schools

Commodity only schools shall be eligible to receive donated commodities equal in value to the sum of the national average value of donated foods established under section 1755(c) of this title and the national average payment established under section 1753 of this title. Such schools shall be eligible to receive up to 5 cents per meal of such value in cash for processing and handling expenses related to the use of such commodities. Lunches served in such schools shall consist of a combination of foods which meet the minimum nutritional requirements prescribed by the Secretary under section 1758(a) of this title, and shall represent the four basic food groups, including a serving of fluid milk.

(g) Extension of alternative means of assistance

(1) As used in this subsection, the term “eligible school district” has the same meaning given such term in section 1581(a) of the Food Security Act of 1985.

(2) In accordance with the terms and conditions of section 1581 of such Act, the Secretary shall permit an eligible school district to continue to receive assistance in the form of cash or commodity letters of credit assistance, in lieu of commodities, to carry out the school lunch program operated in the district.

(h) Notice of irradiated food products

(1) In general

The Secretary shall develop a policy and establish procedures for the purchase and distribution of irradiated food products in school meals programs under this chapter and the Child Nutrition Act of 1966 [42 U.S.C. 1771 et seq.].

(2) Minimum requirements

The policy and procedures shall ensure, at a minimum, that—

(A) irradiated food products are made available only at the request of States and school food authorities;

(B) reimbursements to schools for irradiated food products are equal to reimburse-
ments to schools for food products that are not irradiated;
(C) States and school food authorities are provided factual information on the science and evidence regarding irradiation technology, including—
(i) notice that irradiation is not a substitute for safe food handling techniques; and
(ii) any other similar information determined by the Secretary to be necessary to promote food safety in school meals programs;
(D) States and school food authorities are provided model procedures for providing to school food authorities, parents, and students—
(i) factual information on the science and evidence regarding irradiation technology; and
(ii) any other similar information determined by the Secretary to be necessary to promote food safety in school meals;
(E) irradiated food products distributed to the Federal school meals program under this chapter and the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.) are labeled with a symbol or other printed notice that—
(i) indicates that the product was irradiated; and
(ii) is prominently displayed in a clear and understandable format on the container;
(F) irradiated food products are not commingled in containers with food products that are not irradiated; and
(G) schools that offer irradiated food products are encouraged to offer alternatives to irradiated food products as part of the meal plan used by the schools.


REFERENCES IN TEXT
The Child Nutrition Act of 1966, referred to in subsecs. (a)(1), (d), and (h)(1), (2)(E), is Pub. L. 93-326, Oct. 11, 1966, 60 Stat. 885, as amended, which is classified generally to chapter 13A (§1771 et seq.) of this title. For complete classification of this Act to the Code, see Short Title note set out under section 1711 of this title and Tables.

The Older Americans Act of 1965, referred to in subsecs. (a)(1) and (c), is Pub. L. 89-73, July 14, 1965, 79 Stat. 214, as amended. Title III of the Older Americans Act of 1965 is classified generally to subchapter III (§3021 et seq.) of chapter 35 of this title. Section 311 of the Act, which is classified to section 3003a of this title, was amended by Pub. L. 106-501, title III, §309, Nov. 13, 2000, 114 Stat. 2246, and, as so amended, new subsecs. (a) and (b) were added, former subsec. (a)(4) was redesignated (c)(4) and repealed, and former subsec. (b)(1) was redesignated (d)(1). For complete classification of this Act to the Code, see Short Title note set out under section 3001 of this title and Tables.


AMENDMENTS

2010—Subsec. (d). Pub. L. 111-296 struck out concluding provisions which read as follows: "Within eighteen months after November 10, 1977, the Secretary shall report to Congress on the impact of procedures established under this subsection, including the nutritional, economic, and administrative benefits of such procedures. In purchasing commodities for programs carried out under this chapter and the Child Nutrition Act of 1966, the Secretary shall establish procedures to ensure that contracts for the purchase of such commodities shall not be entered into unless the previous history and current patterns of the contracting party with respect to compliance with applicable meat inspection laws and with other appropriate standards relating to the wholesomeness of food for human consumption are taken into account."


Subsec. (f). Pub. L. 105-336, §101(b), substituted "1753(c)" for "1755(e)."

1996—Subsec. (b). Pub. L. 104-193, §707(a), redesignated pars. (2) and (3) as (1) and (2), respectively, and struck out former par. (1) which read as follows: "Among the products to be included in the food donations to the school lunch program shall be cereal and shortening and oil products."

Subsec. (e). Pub. L. 104-193, §707(b), amended subsec. (e) generally. Prior to amendment, subsec. (e) read as follows: "Each State educational agency that receives food assistance payments under this section for any school year shall establish for such year an advisory council, which shall be composed of representatives of schools in the State that participate in the school lunch program. The council shall advise each State agency with respect to the needs of such schools relating to the manner of selection and distribution of commodity assistance for such program."

Subsec. (g)(3). Pub. L. 104-193, §707(c), struck out par. (3) relating to cash compensation for losses due to changed methodology of study during 1982-1983 school year.

Subsec. (b), Pub. L. 103–448, §115(2), designated existing provisions as par. (1) and added pars. (2) and (3).

1989—Subsec. (a), Pub. L. 101–147, §110(a), substituted ’’1984’’ for ’’1989’’.

Subsec. (g), Pub. L. 101–147, §103(b)(1), (2)(A), amended subsec. (g), as amended identically by Pub. L. 99–500 and 99–591, §363, and Pub. L. 99–661, §4403, and as further amended by Pub. L. 100–356, resulted in changing text by striking out only the language that was inserted by section 2(c) of Pub. L. 100–356 at the end of par. (3)(A), ’’The Secretary shall complete action on any claim submitted under this subparagraph not later than 45 days after June 25, 1988.’’ see 1986 and 1988 Amendment notes below.

Subsec. (g)(3)(A), Pub. L. 101–147, §103(c), substituted last four sentences for former last two sentences which read as follows: ’’The Secretary, in computing losses sustained by any school district under the preceding sentence, shall base such computation on the actual amount of assistance received by such school district under this chapter for the school year ending June 30, 1982, including—

’’(i) the value of assistance in the form of commodities provided in addition to those provided pursuant to section 1755(e) of this title; and

’’(ii) the value of assistance provided in the form of either cash or commodity letters of credit.

The Secretary may provide cash compensation under this subparagraph only to eligible school districts that submit applications for such compensation not later than May 1, 1988.’’

1986—Subsec. (g)(3)(A), Pub. L. 100–356, §2(c), inserted at end ’’The Secretary shall complete action on any claim submitted under this subparagraph not later than 45 days after June 28, 1988.

Pub. L. 100–356, §2(a), inserted at end ’’The Secretary, in computing losses sustained by any school district under the preceding sentence, shall base such computation on the actual amount of assistance received by such school district under this chapter for the school year ending June 30, 1982, including—

’’(i) the value of assistance in the form of commodities provided in addition to those provided pursuant to section 1755(e) of this title; and

’’(ii) the value of assistance provided in the form of either cash or commodity letters of credit.

The Secretary may provide cash compensation under this subparagraph only to eligible school districts that submit applications for such compensation not later than May 1, 1988.’’

1985—Subsec. (g)(3)(B), Pub. L. 100–356, §2(b), substituted ’’such sums as may be necessary’’ for ’’$50,000’’.


1984—Sub. (c), Pub. L. 98–459 substituted ’’(b)(1)’’ for ’’(c)(1)’’.


Subsec. (c), Pub. L. 97–35, §819(j)(2), substituted references to section 311(a)(4) and (c)(1) of the Older Americans Act of 1965, for references to section 394f(a)(4) and (d)(4) of this title.


1979—Sub. (a)(1), Pub. L. 95–627 inserted ’’(which may include domestic seafood commodities and their products)’’ after ’’under such section’’.


Subsecs. (c) to (e), Pub. L. 95–166, §6(2), added subsecs. (c) to (e).


Effective Date of 2010 Amendment

Effective Date of 1998 Amendment

Effective Date of 1994 Amendment

Effective Date of 1989 Amendment
Amendment by Pub. L. 101–147, title I, §103(b)(2)(B), Nov. 10, 1989, 103 Stat. 862, provided: ’’The amendments made by subparagraph (A) [amending this section] shall take effect as if such amendments had been effective on June 28, 1988.’’

Effective Date of 1984 Amendment

Effective Date of 1981 Amendment

Effective Date of 1978 Amendment

Study of Effect of Combing Federally Donated and Federally Inspected Meat or Poultry
Pub. L. 103–448, title III, §304, Nov. 2, 1994, 108 Stat. 4750, directed Comptroller General of the United States to conduct study on incidence of States restricting or prohibiting legally contracted commercial entity from physically combining federally donated and inspected meat or poultry from another State and to submit report to Congress not later than Sept. 1, 1996.


Section, act June 4, 1946, ch. 281, §15, as added June 30, 1971, Pub. L. 92–32, §1, 85 Stat. 65, authorized use, during fiscal 1971, of not to exceed $35,000,000 from section 612c of Title 7, and not to exceed $100,000,000 during fiscal 1972 to carry out provisions of this chapter, with unexpended funds to remain available in accordance with last sentence of section 1752 of this title.

§1765. Election to receive cash payments
(a) Notwithstanding any other provision of law, where a State phased out its commodity...
distribution facilities prior to June 30, 1974, such State may, for purposes of the programs authorized by this chapter and the Child Nutrition Act of 1966 [42 U.S.C. 1771 et seq.], elect to receive cash payments in lieu of donated foods. Where such an election is made, the Secretary shall make cash payments to such State in an amount equivalent in value to the donated foods that the State would otherwise have received if it had retained its commodity distribution facilities. The amount of cash payments in the case of lunches shall be governed by section 1755(c) of this title.

(b) When such payments are made, the State educational agency shall promptly and equitably disburse any cash it receives in lieu of commodities to eligible schools and institutions, and such disbursements shall be used by such schools and institutions to purchase United States agricultural commodities and other foods for their food service programs.


§ 1766. Child and adult care food program

(a) Program purpose, grant authority and institution eligibility

(1) In general

(A) Program purpose

(i) Findings

Congress finds that—

(I) eating habits and other wellness-related behavior habits are established early in life; and

(II) good nutrition and wellness are important contributors to the overall health of young children and essential to cognitive development.

(ii) Purpose

The purpose of the program authorized by this section is to provide aid to child and adult care institutions and family or group day care homes for the provision of nutritious foods that contribute to the wellness, healthy growth, and development of young children, and the health and wellness of older adults and chronically impaired disabled persons.

(B) Grant authority

The Secretary may carry out a program to assist States through grants-in-aid and other means to initiate and maintain nonprofit food service programs for children in institutions providing child care.

(2) Definition of institution

In this section, the term “institution” means—

(A) any public or private nonprofit organization providing nonresidential child care or day care outside school hours for school children, including any child care center, settlement house, recreational center, Head Start center, and institution providing child care facilities for children with disabilities;

(B) any other private organization providing nonresidential child care or day care outside school hours for school children, if—

(i) at least 25 percent of the children served by the organization meet the income eligibility criteria established under section 1758(b) of this title for free or reduced price meals; or

(ii) the organization receives compensation from amounts granted to the States under title XX of the Social Security Act (42 U.S.C. 1397 et seq.) but only if the organization receives compensation under that title for at least 25 percent of its enrolled children or 25 percent of its licensed capacity, whichever is less;

(C) any public or private nonprofit organization acting as a sponsoring organization for one or more of the organizations described in subparagraph (A) or (B) or for an adult day care center (as defined in subsection (t));

(D) any other private organization acting as a sponsoring organization, and that is part of the same legal entity as, one or more organizations that are—

(i) described in subparagraph (B); or

(ii) proprietary title XIX or title XX centers (as defined in subsection (o)(2));

(E) any public or private nonprofit organization acting as a sponsoring organization for one or more family or group day care homes; and

(F) any emergency shelter (as defined in subsection (t)).

(3) Age limit

Except as provided in subsection (r), reimbursement may be provided under this section only for meals or supplements served to children not over 12 years of age (except that such age limitation shall not be applicable for children of migrant workers if 15 years of age or less or for children with disabilities).

(4) Additional guidelines

The Secretary may establish separate guidelines for institutions that provide care to school children outside of school hours.

(5) Licensing

In order to be eligible, an institution (except a school or family or group day care home sponsoring organization) or family or group day care home shall—
(A)(i) be licensed, or otherwise have approval, by the appropriate Federal, State, or local licensing authority; or
(ii) be in compliance with appropriate procedures for renewing participation in the program as prescribed by the Secretary, and not be the subject of information possessed by the State indicating that the license of the institution or home will not be renewed; (B) if Federal, State, or local licensing or approval is not available—
(i) meet any alternate approval standards established by the appropriate State or local governmental agency; or
(ii) meet any alternate approval standards established by the Secretary after consultation with the Secretary of Health and Human Services; or
(C) if the institution provides care to school children outside of school hours and Federal, State, or local licensing or approval is not required for the institution, meet State or local health and safety standards.

(6) Eligibility criteria

No institution shall be eligible to participate in the program unless it satisfies the following criteria:
(A) accepts final administrative and financial responsibility for management of an effective food service;
(B) has not been seriously deficient in its operation of the child and adult care food program, or any other program under this chapter or the Child Nutrition Act of 1966 [42 U.S.C. 1771 et seq.], or has not been determined to be ineligible to participate in any other publicly funded program by reason of violation of the requirements of the program, for a period of time specified by the Secretary;
(C)(i) will provide adequate supervisory and operational personnel for overall monitoring and management of the child care food program; and
(ii) in the case of a sponsoring organization, the organization shall employ an appropriate number of monitoring personnel based on the number and characteristics of child care centers and family or group day care homes sponsored by the organization, as approved by the State (in accordance with regulations promulgated by the Secretary), to ensure effective oversight of the operations of the child care centers and family or group day care homes;
(D) in the case of a family or group day care home sponsoring organization that employs more than one employee, the organization does not base payments to an employee of the organization on the number of family or group day care homes recruited;
(E) in the case of a sponsoring organization, the organization has in effect a policy that restricts other employment by employees that interferes with the responsibilities and duties of the employees of the organization with respect to the program; and
(F) in the case of a sponsoring organization that applies for initial participation in the program on or after June 20, 2000, and that operates in a State that requires such institutions to be bonded under State law, regulation, or policy, the institution is bonded in accordance with such law, regulation, or policy.

(b) Limitations on cash assistance

For the fiscal year ending September 30, 1979, and for each subsequent fiscal year, the Secretary shall provide cash assistance to States for meals as provided in subsection (f) of this section, except that, in any fiscal year, the aggregate amount of assistance provided to a State by the Secretary under this section shall not exceed the sum of (1) the Federal funds provided by the State to participating institutions within the State for that fiscal year and (2) any funds used by the State under section 10 of the Child Nutrition Act of 1966 [42 U.S.C. 1779].

(c) Formula for computation of payments; national average payment rate

(1) For purposes of this section, except as provided in subsection (f)(3), the national average payment rate for free lunches and suppers, the national average payment rate for reduced price lunches and suppers, and the national average payment rate for paid lunches and suppers shall be the same as the national average payment rates for free lunches, reduced price lunches, and paid lunches, respectively, under sections 1753 and 1759a of this title as appropriate (as adjusted pursuant to section 1759a(a) of this title).

(2) For purposes of this section, except as provided in subsection (f)(3), the national average payment rate for free breakfasts, the national average payment rate for reduced price breakfasts, and the national average payment rate for paid breakfasts shall be the same as the national average payment rates for free breakfasts, reduced price breakfasts, and paid breakfasts, respectively, under section 4(b) of the Child Nutrition Act of 1966 [42 U.S.C. 1773(b)] (as adjusted pursuant to section 1759a(a) of this title).

(3) For purposes of this section, except as provided in subsection (f)(3), the national average payment rate for free supplements shall be 30 cents, the national average payment rate for reduced price supplements shall be one-half the rate for free supplements, and the national average payment rate for paid supplements shall be 2.75 cents (as adjusted pursuant to section 1759a(a) of this title).

(4) Determinations with regard to eligibility for free and reduced price meals and supplements shall be made in accordance with the income eligibility guidelines for free lunches and reduced price lunches, respectively, under section 1758 of this title.

(5) A child shall be considered automatically eligible for benefits under this section without further application or eligibility determination, if the child is enrolled as a participant in a Head Start program authorized under the Head Start Act (42 U.S.C. 9831 et seq.), on the basis of a determination that the child meets the eligibility criteria prescribed under section 648(a)(1)(B) of the Head Start Act (42 U.S.C. 9840(a)(1)(B)).

(6) A child who has not yet entered kindergarten shall be considered automatically eligible for benefits under this section without fur-
other application or eligibility determination if the child is enrolled as a participant in the Even Start program under part B of chapter 1 of title I of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 2741 et seq.).

(d) Institution approval and applications

(1) Institution approval

(A) Administrative capability

Subject to subparagraph (B) and except as provided in subparagraph (C), the State agency shall approve an institution that meets the requirements of this section for participation in the child and adult care food program if the State agency determines that the institution—

(i) is financially viable;

(ii) is administratively capable of operating the program (including whether the sponsoring organization has business experience and management plans appropriate to operate the program) described in the application of the institution; and

(iii) has internal controls in effect to ensure program accountability.

(B) Approval of private institutions

(i) In general

In addition to the requirements established by subparagraph (A) and subject to clause (ii), the State agency shall approve a private institution that meets the requirements of this section for participation in the child and adult care food program only if—

(I) the State agency conducts a satisfactory visit to the institution before approving the participation of the institution in the program; and

(II) the institution—

(aa) has tax exempt status under title 26;

(bb) is operating a Federal program requiring nonprofit status to participate in the program; or

(cc) is described in subsection (a)(2)(B).

(ii) Exception for family or group day care homes

Clause (i) shall not apply to a family or group day care home.

(C) Exception for certain sponsoring organizations

(i) In general

The State agency may approve an eligible institution acting as a sponsoring organization for one or more family or group day care homes or centers that, at the time of application, is not participating in the child and adult care food program only if the State agency determines that—

(I) the institution meets the requirements established by subparagraphs (A) and (B); and

(II) the participation of the institution will help to ensure the delivery of benefits to otherwise unserved family or group day care homes or centers or to unserved children in an area.

(ii) Criteria for selection

The State agency shall establish criteria for approving an eligible institution acting as a sponsoring organization for one or more family or group day care homes or centers that, at the time of application, is not participating in the child and adult care food program for the purpose of determining if the participation of the institution will help ensure the delivery of benefits to otherwise unserved family or group day care homes or centers or to unserved children in an area.

(D) Notification to applicants

Not later than 30 days after the date on which an applicant institution files a completed application with the State agency, the State agency shall notify the applicant institution whether the institution has been approved or disapproved to participate in the child and adult care food program.

(E) Permanent operating agreements

(i) In general

Subject to clauses (ii) and (iii), to participate in the child and adult care food program, an institution that meets the conditions of eligibility described in this subsection shall be required to enter into a permanent agreement with the applicable State agency.

(ii) Amendments

A permanent agreement described in clause (i) may be amended as necessary to ensure that the institution is in compliance with all requirements established in this section or by the Secretary.

(iii) Termination

A permanent agreement described in clause (i)—

(I) may be terminated for convenience by the institution or State agency that is a party to the permanent agreement; and

(II) shall be terminated—

(aa) for cause by the applicable State agency in accordance with paragraph (5); or

(bb) on termination of participation of the institution in the child and adult care food program.

(2) Program applications

(A) In general

The Secretary shall develop a policy under which each institution providing child care that participates in the program under this section shall—

(i) submit to the State agency an initial application to participate in the program that meets all requirements established by the Secretary by regulation;

(ii) annually confirm to the State agency that the institution, and any facilities of the institution in which the program is operated by a sponsoring organization, is in compliance with subsection (a)(5); and

---

1 See References in Text note below.
(iii) annually submit to the State agency any additional information necessary to confirm that the institution is in compliance with all other requirements to participate in the program, as established in this chapter and by the Secretary by regulation.

(B) Required reviews of sponsored facilities

(i) In general

The Secretary shall develop a policy under which each sponsoring organization participating in the program under this section shall conduct—

(I) periodic unannounced site visits at not less than 3-year intervals to sponsored child and adult care centers and family or group day care homes to identify and prevent management deficiencies and fraud and abuse under the program; and

(II) at least 1 scheduled site visit each year to sponsored child and adult care centers and family or group day care homes to identify and prevent management deficiencies and fraud and abuse under the program and to improve program operations.

(ii) Varied timing

Sponsoring organizations shall vary the timing of unannounced reviews under clause (i)(I) in a manner that makes the reviews unpredictable to sponsored facilities.

(C) Required reviews of institutions

The Secretary shall develop a policy under which each State agency shall conduct—

(I) to identify and prevent management deficiencies and fraud and abuse under the program; and

(II) to improve program operations; and

(ii) more frequent reviews of any institution that—

(I) sponsors a significant share of the facilities participating in the program; (II) conducts activities other than the program authorized under this section; (III) has serious management problems, as identified in a prior review, or is at risk of having serious management problems; or (IV) meets such other criteria as are defined by the Secretary.

(D) Detection and deterrence of erroneous payments and false claims

(i) In general

The Secretary may develop a policy to detect and deter, and recover erroneous payments to, and false claims submitted by, institutions, sponsored child and adult care centers, and family or group day care homes participating in the program under this section.

(ii) Block claims

(I) Definition of block claim

In this clause, the term “block claim” has the meaning given the term in section 226.2 of title 7, Code of Federal Regulations (or successor regulations).

(II) Program edit checks

The Secretary may not require any State agency, sponsoring organization, or other institution to perform edit checks or on-site reviews relating to the detection of block claims by any child care facility.

(III) Allowance

Notwithstanding subclause (II), the Secretary may require any State agency, sponsoring organization, or other institution to collect, store, and transmit to the appropriate entity information necessary to develop any other policy developed under clause (i).

(3) Program information

(A) In general

On enrollment of a child in a sponsored child care center or family or group day care home participating in the program, the center or home (or its sponsoring organization) shall provide to the child’s parents or guardians—

(i) information that describes the program and its benefits; and (ii) the name and telephone number of the sponsoring organization of the center or home and the State agency involved in the operation of the program.

(B) Form

The information described in subparagraph (A) shall be in a form and, to the maximum extent practicable, language easily understandable by the child’s parents or guardians.

(4) Allowable administrative expenses for sponsoring organizations

In consultation with State agencies and sponsoring organizations, the Secretary shall develop, and provide for the dissemination to State agencies and sponsoring organizations of, a list of allowable reimbursable administrative expenses for sponsoring organizations under the program.

(5) Termination or suspension of participating organizations

(A) In general

The Secretary shall establish procedures for the termination of participation by institutions and family or group day care homes under the program.

(B) Standards

Procedures established pursuant to subparagraph (A) shall include standards for terminating the participation of an institution or family or group day care home that—

(i) engages in unlawful practices, falsifies information provided to the State agency, or conceals a criminal background; or
(ii) substantially fails to fulfill the terms of its agreement with the State agency.

(C) Corrective action

Procedures established pursuant to subparagraph (A)—

(i) shall require an entity described in subparagraph (B) to undertake corrective action; and

(ii) may require the immediate suspension of operation of the program by an entity described in subparagraph (B), without the opportunity for corrective action, if the State agency determines that there is imminent threat to the health or safety of a participant at the entity or the entity engages in any activity that poses a threat to public health or safety.

(D) Hearing

(i) In general

Except as provided in clause (ii), an institution or family or group day care home shall be provided a fair hearing in accordance with subsection (e)(1) prior to any determination to terminate participation by the institution or family or group day care home under the program.

(ii) Exception for false or fraudulent claims

(I) In general

If a State agency determines that an institution has knowingly submitted a false or fraudulent claim for reimbursement, the State agency may suspend the participation of the institution in the program in accordance with this clause.

(II) Requirement for review

Prior to any determination to suspend participation of an institution under subclause (I), the State agency shall provide for an independent review of the proposed suspension in accordance with subclause (III).

(III) Review procedure

The review shall—

(a) be conducted by an independent and impartial official other than, and not accountable to, any person involved in the determination to suspend the institution;

(b) provide the State agency and the institution the right to submit written documentation relating to the suspension, including State agency documentation of the alleged false or fraudulent claim for reimbursement and the response of the institution to the documentation;

(c) require the reviewing official to determine, based on the review, whether the State agency has established, based on a preponderance of the evidence, that the institution has knowingly submitted a false or fraudulent claim for reimbursement;

(d) require the suspension to be in effect for not more than 120 calendar days after the institution has received notification of a determination of suspension in accordance with this clause; and

(e) require the State agency during the suspension to ensure that payments continue to be made to sponsored centers and family and group day care homes meeting the requirements of the program.

(IV) Hearing

A State agency shall provide an institution that has been suspended from participation in the program under this clause an opportunity for a fair hearing on the suspension conducted in accordance with subsection (e)(1).

(E) List of disqualified institutions and individuals

(i) In general

The Secretary shall maintain a list of institutions, sponsored family or group day care homes, and individuals that have been terminated or otherwise disqualified from participation in the program.

(ii) Availability

The Secretary shall make the list available to State agencies for use in approving or renewing applications by institutions, sponsored family or group day care homes, and individuals for participation in the program.

(e) Hearings

(1) In general

Except as provided in paragraph (4), each State agency shall provide, in accordance with regulations promulgated by the Secretary, an opportunity for a fair hearing and a prompt determination to any institution aggrieved by any action of the State agency that affects—

(A) the participation of the institution in the program authorized by this section; or

(B) the claim of the institution for reimbursement under this section.

(2) Reimbursement

In accordance with paragraph (3), a State agency that fails to meet timeframes for providing an opportunity for a fair hearing and a prompt determination to any institution under paragraph (1) in accordance with regulations promulgated by the Secretary, shall pay, from non-Federal sources, all valid claims for reimbursement to the institution and the facilities of the institution during the period beginning on the day after the end of any regulatory deadline for providing the opportunity and making the determination and ending on the date on which a hearing determination is made.

(3) Notice to State agency

The Secretary shall provide written notice to a State agency at least 30 days prior to imposing any liability for reimbursement under paragraph (2).

(4) Federal audit determination

A State is not required to provide a hearing to an institution concerning a State action taken on the basis of a Federal audit determination.
(5) Secretarial hearing
If a State does not provide a hearing to an
institution concerning a State action taken on
the basis of a Federal audit determination, the
Secretary, on request, shall afford a hearing to
the institution concerning the action.

(f) State disbursements to institutions
(1) In general.—
(A) Requirement.—Funds paid to any State
under this section shall be disbursed to eligi-
bile institutions by the State under agreements
approved by the Secretary. Disbursements to
any institution shall be made only for the pur-
pose of assisting in providing meals to chil-
dren attending institutions, or in family or
group day care homes. Disbursement to any
institution shall not be dependent upon the
collection of moneys from participating chil-
dren. All valid claims from such institutions
shall be paid within forty-five days of receipt
by the State. The State shall notify the insti-
tution within fifteen days of receipt of a claim
if the claim as submitted is not valid because
it is incomplete or incorrect.

(B) Fraud or abuse.—
(i) In general.—The State may recover
funds disbursed under subparagraph (A) to
an institution if the State determines that
the institution has engaged in fraud or abuse
with respect to the program or has submit-
ted an invalid claim for reimbursement.

(ii) Payment.—Amounts recovered under
clause (i)—
(I) may be paid by the institution to the
State over a period of one or more years; and

(II) shall not be paid from funds used to
provide meals and supplements.

(iii) Hearing.—An institution shall be pro-
vided a fair hearing in accordance with sub-
section (e)(1) prior to any determination to
recover funds under this subparagraph.

(2)(A) Subject to subparagraph (B) of this
paragraph, the disbursement for any fiscal year
to any State for disbursement to institutions,
other than family or group day care home spon-
soring organizations, for meals provided under
this section shall be equal to the sum of the
products obtained by multiplying the total num-
ber of each type of meal (breakfast, lunch or
supper, or supplement) served in such institu-
tion in that fiscal year by the applicable na-
tional average payment rate for each such type
of meal, as determined under subsection (c).

(B) No reimbursement may be made to any in-
titution under this paragraph, or to family or
group day care home sponsoring organizations
under paragraph (3) of this subsection, for more
than two meals and one supplement per day per
child, or in the case of an institution (but not in
the case of a family or group day care home
sponsoring organization), 2 meals and 1 supple-
ment per day per child, for children that are
maintained in a child care setting for eight or
more hours per day.

(C) Limitation on administrative expenses
for certain sponsoring organizations.—
(i) In general.—Except as provided in clause
(ii), a sponsoring organization of a day care
center may reserve not more than 15 percent
of the funds provided under paragraph (1) for
the administrative expenses of the organiza-
tion.

(ii) Waiver.—A State may waive the require-
ment in clause (i) with respect to a sponsoring
organization if the organization provides jus-
tification to the State that the organization
requires funds in excess of 15 percent of the
funds provided under paragraph (1) to pay the
administrative expenses of the organization.

(3) Reimbursement of family or group day
home sponsoring organizations.—
(A) Reimbursement factor.—
(I) In general.—An institution that par-
ticipates in the program under this section
as a family or group day care home sponsoring
organization shall be provided, for pay-
ment to a home sponsored by the organiza-
tion, reimbursement factors in accordance
with this subparagraph for the cost of ob-
taining and preparing food and prescribed
labor costs involved in providing meals
under this section.

(ii) Tier I family or group day care
homes.—
(I) Definition of Tier I family or group
day care home.—In this paragraph, the
term "Tier I family or group day care
home" means
(aa) a family or group day care home
that is located in a geographic area, as
defined by the Secretary based on census
data, in which at least 50 percent of the
children residing in the area are mem-
ers of households whose incomes meet
the income eligibility guidelines for free
or reduced price meals under section 1758
of this title;

(bb) a family or group day care home
that is located in an area served by a
school enrolling students in which at
least 50 percent of the total number of
children enrolled are certified eligible to
receive free or reduced price school
meals under this chapter or the Child
Nutrition Act of 1966 (42 U.S.C. 1771 et
seq.); or

(cc) a family or group day care home
that is operated by a provider whose
household meets the income eligibility
guidelines for free or reduced price meals
under section 1758 of this title and whose
income is verified by the sponsoring or-
ganization of the home under regulations
established by the Secretary.

(ii) Reimbursement.—Except as provided
in subclause (I), a Tier I family or group
day care home shall be provided reim-
bursement factors under this clause with-
out a requirement for documentation of the
costs described in clause (i), except that
reimbursement shall not be provided
under this subclause for meals or supple-
ments served to the children of a person
acting as a family or group day care home
provider unless the children meet the in-
come eligibility guidelines for free or re-
duced price meals under section 1758 of
this title.
§ 1766

(III) FACTORS.—Except as provided in subclause (IV), the reimbursement factors applied to a home referred to in subclause (II) shall be the factors in effect on July 1, 1996.

(IV) ADJUSTMENTS.—The reimbursement factors under this subparagraph shall be adjusted on July 1, 1997, and each July 1 thereafter, to reflect changes in the Consumer Price Index for food at home for the most recent 12-month period for which the data are available. The reimbursement factors under this subparagraph shall be rounded to the nearest lower cent increment and based on the unrounded adjustment in effect on June 30 of the preceding school year.

(iii) Tier II family or group day care homes.—

(I) In general.—

(aa) Factors.—Except as provided in subclause (II), with respect to meals or supplements served under this clause by a family or group day care home that does not meet the criteria set forth in clause (ii)(I), the reimbursement factors shall be 95 cents for lunches and suppers, 27 cents for breakfasts, and 13 cents for supplements.

(bb) Adjustments.—The factors shall be adjusted on July 1, 1997, and each July 1 thereafter, to reflect changes in the Consumer Price Index for food at home for the most recent 12-month period for which the data are available. The reimbursement factors under this item shall be rounded down to the nearest lower cent increment and based on the unrounded adjustment for the preceding 12-month period.

(cc) Reimbursement.—A family or group day care home shall be provided reimbursement factors under this subclause without a requirement for documentation of the costs described in clause (i), except that reimbursement shall not be provided under this subclause for meals or supplements served to the children of a person acting as a family or group day care home provider unless the children meet the income eligibility guidelines for free or reduced price meals under section 1758 of this title.

(II) Other factors.—A family or group day care home that does not meet the criteria set forth in clause (ii)(I) may elect to be provided reimbursement factors determined in accordance with the following requirements:

(aa) Children eligible for free or reduced price meals.—In the case of meals or supplements served under this subsection to children who are members of households whose incomes meet the income eligibility guidelines for free or reduced price meals under section 1758 of this title, the family or group day care home shall be provided reimbursement factors set by the Secretary in accordance with clause (ii)(III).

(bb) Ineligible children.—In the case of meals or supplements served under this subsection to children who are members of households whose incomes do not meet the income eligibility guidelines, the family or group day care home shall be provided reimbursement factors in accordance with subclause (I).

(III) Information and determinations.—

(aa) In general.—If a family or group day care home elects to claim the factors described in subclause (II), the family or group day care home sponsoring organization serving the home shall collect the necessary income information, as determined by the Secretary, from any parent or other caretaker to make the determinations specified in subclause (II) and shall make the determinations in accordance with rules prescribed by the Secretary.

(bb) Categorical eligibility.—In making a determination under item (aa), a family or group day care home sponsoring organization may consider a child participating in or subsidized under, or a child with a parent participating in or subsidized under, a federally or State supported child care or other benefit program with an income eligibility limit that does not exceed the eligibility standard for free or reduced price meals under section 1758 of this title to be a child who is a member of a household whose income meets the income eligibility guidelines under section 1758 of this title.

(cc) Factors for children only.—A family or group day care home may elect to receive the reimbursement factors prescribed under clause (ii)(III) solely for the children participating in a program referred to in item (bb) if the home elects not to have income statements collected from parents or other caretakers.

(dd) Transmission of income information by sponsored family or group day care homes.—If a family or group day care home elects to be provided reimbursement factors described in subclause (II), the family or group day care home may assist in the transmission of necessary household income information to the family or group day care home sponsoring organization in accordance with the policy described in item (ee).

(ee) Policy.—The Secretary shall develop a policy under which a sponsored family or group day care home described in item (dd) may, under terms and conditions specified by the Secretary and with the written consent of the parents or guardians of a child in a family or group day care home participating in the program, assist in the transmission of the income information of the family to the family or group day care home sponsoring organization.

(IV) Simplified meal counting and reporting procedures.—The Secretary shall
prescribe simplified meal counting and reporting procedures for use by a family or group day care home that elects to claim the factors under subclause (II) and by a family or group day care home sponsoring organization that sponsors the home. The procedures the Secretary prescribes may include 1 or more of the following:

(a) Setting an annual percentage for each home of the number of meals served that are to be reimbursed in accordance with the reimbursement factors prescribed under clause (i)(III) and an annual percentage of the number of meals served that are to be reimbursed in accordance with the reimbursement factors prescribed under subclause (I), based on the family income of children enrolled in the home in a specified month or other period.

(b) Placing a home into 1 of 2 or more reimbursement categories annually based on the percentage of children in the home whose households have incomes that meet the income eligibility guidelines under section 1758 of this title, with each such reimbursement category carrying a set of reimbursement factors such as the factors prescribed under clause (ii)(III) or subclause (I) or factors established within the range of factors prescribed under clause (ii)(III) and subclause (I).

(cc) Such other simplified procedures as the Secretary may prescribe.

(V) MINIMUM VERIFICATION REQUIREMENTS.—The Secretary may establish any minimum verification requirements that are necessary to carry out this clause.

(B) ADMINISTRATIVE FUNDS.—

(i) IN GENERAL.—In addition to reimbursement factors described in subparagraph (A), a family or group day care home sponsoring organization shall receive reimbursement for the administrative expenses of the sponsoring organization in an amount that is not less than the product obtained each month by multiplying—

(I) the number of family and group day care homes of the sponsoring organization submitting a claim for reimbursement during the month; by

(II) the appropriate administrative rate determined by the Secretary.

(ii) ANNUAL ADJUSTMENT.—The administrative reimbursement levels specified in clause (i) shall be adjusted July 1 of each year to reflect changes in the Consumer Price Index for All Urban Consumers published by the Bureau of Labor Statistics of the Department of Labor for the most recent 12-month period for which such data are available.

(iii) CARRYOVER FUNDS.—The Secretary shall develop procedures under which not more than 10 percent of the amount made available to sponsoring organizations under this section for administrative expenses for a fiscal year may remain available for obligation or expenditure in the succeeding fiscal year.

(C)(i) Reimbursement for administrative expenses shall also include start-up funds to finance the administrative expenses for such institutions to initiate successful operation under the program and expansion funds to finance the administrative expenses for such institutions to expand into low-income or rural areas. Institutions that have received start-up funds may also apply at a later date for expansion funds. Such start-up funds and expansion funds shall be in addition to other reimbursement to such institutions for administrative expenses. Start-up funds and expansion funds shall be payable to enable institutions satisfying the criteria of subsection (d) of this section, and any other standards prescribed by the Secretary, to develop an application for participation in the program as a family or group day care home sponsoring organization or to implement the program upon approval of the application. Such start-up funds and expansion funds shall be payable in accordance with the procedures prescribed by the Secretary. The amounts of start-up and expansion funds payable to an institution shall be not less than the institution’s anticipated reimbursement for administrative expenses under the program for one month and not more than the institution’s anticipated reimbursement for administrative expenses under the program for two months.

(ii) Funds for administrative expenses may be used by family or group day care home sponsoring organizations to assist unlicensed family or group day care homes in becoming licensed.

(D) LIMITATIONS ON ABILITY OF FAMILY OR GROUP DAY CARE HOMES TO TRANSFER SPONSORING ORGANIZATIONS.—

(i) IN GENERAL.—Subject to clause (ii), a State agency shall limit the ability of a family or group day care home to transfer from a sponsoring organization to another sponsoring organization more frequently than once a year.

(ii) GOOD CAUSE.—The State agency may permit or require a family or group day care home to transfer from a sponsoring organization to another sponsoring organization more frequently than once a year for good cause (as determined by the State agency), including circumstances in which the sponsoring organization of the family or group day care home ceases to participate in the child and adult care food program.

(E) PROVISION OF DATA TO FAMILY OR GROUP DAY CARE HOME SPONSORING ORGANIZATIONS.—

(i) CENSUS DATA.—The Secretary shall provide to each State agency administering a child and adult care food program under this section data from the most recent decennial census survey or other appropriate census survey for which the data are available showing which areas in the State meet the requirements of subparagraph (A)(ii)(I)(aa).

The State agency shall provide the data to family or group day care home sponsoring organizations located in the State.

(ii) SCHOOL DATA.—

(I) IN GENERAL.—A State agency administering the school lunch program under
this chapter or the school breakfast program under the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.) shall provide to approved family or group day care home sponsoring organizations a list of schools serving elementary school children in the State in which not less than ½ of the children enrolled are certified to receive free or reduced price meals. The State agency shall collect the data necessary to create the list annually and provide the list on a timely basis to any approved family or group day care home sponsoring organization that requests the list.

(ii) Use of data from preceding school year.—In determining for a fiscal year or other annual period whether a home qualifies as a tier I family or group day care home under subparagraph (A)(ii)(I), the State agency administering the program under this section, and a family or group day care home sponsoring organization, shall use the most current available data at the time of the determination.

(iii) Duration of determination.—For purposes of this section, a determination that a family or group day care home is located in an area that qualifies the home as a tier I family or group day care home (as the term is defined in subparagraph (A)(ii)(I)), shall be in effect for 5 years (unless the determination is made on the basis of census data, in which case the determination shall remain in effect until more recent census data are available) unless the State agency determines that the area in which the home is located no longer qualifies the home as a tier I family or group day care home.

(4) By the first day of each month of operation, the State may provide advance payments for the month to each approved institution in an amount that reflects the full level of valid claims customarily received from such institution for one month’s operation. In the case of a newly participating institution, the amount of the advance shall reflect the State’s best estimate of the level of valid claims such institution will submit. If the State has reason to believe that an institution will not be able to submit a valid claim covering the period for which such an advance has been made, the subsequent month’s advance payment shall be withheld until the State receives a valid claim. Payments advanced to institutions that are not subsequently deducted from a valid claim for reimbursement shall be repaid upon demand by the State. Any prior payment that is under dispute may be subtracted from an advance payment.

(g) Nutritional requirements for meals and snacks served in institutions and family or group day care homes

(1) Definition of dietary guidelines

In this subsection, the term “Dietary Guidelines” means the Dietary Guidelines for Americans published under section 5341 of title 7.

(2) Nutritional requirements

(A) In general

Except as provided in subparagraph (C), reimbursable meals and snacks served by institutions, family or group day care homes, and sponsored centers participating in the program under this section shall consist of a combination of foods that meet minimum nutritional requirements prescribed by the Secretary on the basis of tested nutritional research.

(B) Conformity with the dietary guidelines and authoritative science

(i) In general

Not less frequently than once every 10 years, the Secretary shall review and, as appropriate, update requirements for meals served under the program under this section to ensure that the meals—

(I) are consistent with the goals of the most recent Dietary Guidelines; and

(II) promote the health of the population served by the program authorized under this section, as indicated by the most recent relevant nutrition science and appropriate authoritative scientific agency and organization recommendations.

(ii) Cost review

The review required under clause (i) shall include a review of the cost to child care centers and group or family day care homes resulting from updated requirements for meals and snacks served under the program under this section.

(iii) Regulations

Not later than 18 months after the completion of the review of the meal pattern under clause (i), the Secretary shall promulgate proposed regulations to update the meal patterns for meals and snacks served under the program under this section.

(C) Exceptions

(i) Special dietary needs

The minimum nutritional requirements prescribed under subparagraph (A) shall not prohibit institutions, family or group day care homes, and sponsored centers from substituting foods to accommodate the medical or other special dietary needs of individual participants.

(ii) Exempt institutions

The Secretary may elect to waive all or part of the requirements of this subsection for emergency shelters participating in the program under this section.

(3) Meal service

Institutions, family or group day care homes, and sponsored centers shall ensure that reimbursable meal service contributes to the development and socialization of enrolled children by providing that food is not used as a punishment or reward.

(4) Fluid milk

(A) In general

If an institution, family or group day care home, or sponsored center provides fluid milk as part of a reimbursable meal or sup-
plement, the institution, family or group day care home, or sponsored center shall provide the milk in accordance with the most recent version of the Dietary Guidelines.

(B) Milk substitutes

In the case of children who cannot consume fluid milk due to medical or other special dietary needs other than a disability, an institution, family or group day care home, or sponsored center may substitute for the fluid milk required in meals served, a nondairy beverage that—

(i) is nutritionally equivalent to fluid milk; and

(ii) meets nutritional standards established by the Secretary, including, among other requirements established by the Secretary, fortification of calcium, protein, vitamin A, and vitamin D to levels found in cow's milk.

(C) Approval

(i) In general

A substitution authorized under subparagraph (B) may be made—

(I) at the discretion of and on approval by the participating day care institution; and

(II) if the substitution is requested by written statement of a medical authority, or by the parent or legal guardian of the child, that identifies the medical or other special dietary need that restricts the diet of the child.

(ii) Exception

An institution, family or group day care home, or sponsored center that elects to make a substitution authorized under this paragraph shall not be required to provide beverages other than beverages the State has identified as acceptable substitutes.

(D) Excess expenses borne by institution

A participating institution, family or group day care home, or sponsored center shall be responsible for any expenses that—

(i) are incurred by the institution, family or group day care home, or sponsored center to provide substitutions under this paragraph; and

(ii) are in excess of expenses covered under reimbursements under this chapter.

(5) Nondiscrimination policy

No physical segregation or other discrimination against any person shall be made because of the inability of the person to pay, nor shall there be any overt identification of any such person by special tokens or tickets, different meals or meal service, announced or published lists of names, or other means.

(6) Use of abundant and donated foods

To the maximum extent practicable, each institution shall use in its food service foods that are—

(A) designated from time to time by the Secretary as being in abundance, either nationally or in the food service area; or

(B) donated by the Secretary.

(h) Donation of agricultural commodities by Secretary; measurement of value; annual readjustment of assistance; cash in lieu of commodities; Department of Defense child care feeding program

(1)(A) The Secretary shall donate agricultural commodities produced in the United States for use in institutions participating in the child care food program under this section.

(B) The value of the commodities donated under subparagraph (A) (or cash in lieu of commodities) to each State for each school year shall be, at a minimum, the amount obtained by multiplying the number of lunches and suppers served in participating institutions in that State during the preceding school year by the rate for commodities or cash in lieu of commodities established under section 1755(c) of this title for the school year concerned.

(C) After the end of each school year, the Secretary shall—

(i) reconcile the number of lunches and suppers served in participating institutions in each State during such school year with the number of lunches and suppers served by participating institutions in each State during the preceding school year; and

(ii) based on such reconciliation, increase or reduce subsequent commodity assistance or cash in lieu of commodities provided to each State.

(D) Any State receiving assistance under this section for institutions participating in the child care food program may, upon application to the Secretary, receive cash in lieu of or all of the commodities to which it would otherwise be entitled under this subsection. In determining whether to request cash in lieu of commodities, the State shall base its decision on the preferences of individual participating institutions within the State, unless this proves impracticable due to the small number of institutions preferring donated commodities.

(2) The Secretary is authorized to provide agricultural commodities obtained by the Secretary under the provisions of the Agricultural Act of 1949 (7 U.S.C. 1421 et seq.) and donated under the provisions of section 406 of such Act (7 U.S.C. 1431), to the Department of Defense for use by its institutions providing child care services, when such commodities are in excess of the quantities needed to meet the needs of all other child nutrition programs, domestic and foreign food assistance and export enhancement programs. The Secretary shall require reimbursement from the Department of Defense for the costs, or some portion thereof, of delivering such commodities to overseas locations, unless the Secretary determines that it is in the best interest of the program that the Department of Agriculture shall assume such costs.

(i) Audits

(1) Disregards

(A) In general

Subject to subparagraph (B), in conducting management evaluations, reviews, or audits under this section, the Secretary or a State agency may disregard any overpayment to an institution for a fiscal year if the total
overpayment to the institution for the fiscal year does not exceed an amount that is consistent with the disregards allowed in other programs under this chapter and recognizes the cost of collecting small claims, as determined by the Secretary.

(B) Criminal or fraud violations

In carrying out this paragraph, the Secretary and a State agency shall not disregard any overpayment for which there is evidence of a violation of a criminal law or civil fraud law.

(2) Funding

(A) In general

The Secretary shall make available for each fiscal year to each State agency administering the child and adult care food program, for the purpose of conducting audits of participating institutions, an amount of up to 1.5 percent of the funds used by each State in the program under this section, during the second preceding fiscal year.

(B) Additional funding

(i) In general

Subject to clause (ii), for fiscal year 2016 and each fiscal year thereafter, the Secretary may increase the amount of funds made available to any State agency under subparagraph (A), if the State agency demonstrates that the State agency can effectively use the funds to improve program management under criteria established by the Secretary.

(ii) Limitation

The total amount of funds made available to any State agency under this paragraph shall not exceed 2 percent of the funds used by each State agency in the program under this section, during the second preceding fiscal year.

(j) Agreements

(1) In general

The Secretary shall issue regulations directing States to develop and provide for the use of a standard form of agreement between each sponsoring organization and the family or group day care homes or sponsored day care centers participating in the program under such organization, for the purpose of specifying the rights and responsibilities of each party.

(2) Duration

An agreement under paragraph (1) shall remain in effect until terminated by either party to the agreement.

(k) Training and technical assistance

A State participating in the program established under this section shall provide sufficient training, technical assistance, and monitoring to facilitate effective operation of the program. The Secretary shall assist the State in developing plans to fulfill the requirements of this subsection.

(l) Non-diminishment of State and local funds

Expenditures of funds from State and local sources for the maintenance of food programs for children shall not be diminished as a result of funds received under this section.

(m) Accounts and records

States and institutions participating in the program under this section shall keep such accounts and records as may be necessary to enable the Secretary to determine whether there has been compliance with the requirements of this section. Such accounts and records shall be available at any reasonable time for inspection and audit by representatives of the Secretary, the Comptroller General of the United States, and appropriate State representatives and shall be preserved for such period of time, not in excess of five years, as the Secretary determines necessary.

(n) Authorization of appropriations

There are hereby authorized to be appropriated for each fiscal year such funds as are necessary to carry out the purposes of this section.

(o) Participation of older persons and chronically impaired disabled persons

(1) For purposes of this section, adult day care centers shall be considered eligible institutions for reimbursement for meals or supplements served to persons 60 years of age or older or to chronically impaired disabled persons, including victims of Alzheimer’s disease and related disorders with neurological and organic brain dysfunction. Reimbursement provided to such institutions for such purposes shall improve the quality of meals or level of services provided or increase participation in the program. Lunches served by each such institution for which reimbursement is claimed under this section shall provide, on the average, approximately 1/2 of the daily recommended dietary allowance established by the Food and Nutrition Board of the National Research Council of the National Academy of Sciences. Such institutions shall make reasonable efforts to serve meals that meet the special dietary requirements of participants, including efforts to serve foods in forms palatable to participants.

(2) For purposes of this subsection—

(A) the term “adult day care center” means any public agency or private nonprofit organization, or any proprietary title XIX or title XX center, which—

(i) is licensed or approved by Federal, State, or local authorities to provide adult day care services to chronically impaired disabled adults or persons 60 years of age or older in a group setting outside their homes, or a group living arrangement, on a less than 24-hour basis; and

(ii) provides for such care and services directly or under arrangements made by the agency or organization whereby the agency or organization maintains professional management responsibility for all such services; and

(B) the term “proprietary title XIX or title XX center” means any private, for-profit center providing adult day care services for which it receives compensation from amounts granted to the States under title XIX or XX of the Social Security Act [42 U.S.C. 1396 et seq., 1397
et seq.) and which title XIX or title XX beneficiaries were not less than 25 percent of enrolled eligible participants in a calendar month preceding initial application or annual reapplication for program participation.

(3)(A) The Secretary, in consultation2 with the Assistant Secretary for Aging, shall establish, within 6 months of October 1, 1988, separate guidelines for reimbursement of institutions described in this subsection. Such reimbursement shall take into account the nutritional requirements of eligible persons, as determined by the Secretary on the basis of tested nutritional research, except that such reimbursement shall not be less than would otherwise be required under this section.

(B) The guidelines shall contain provisions designed to assure that reimbursement under this subsection shall not duplicate reimbursement under part C of title III of the Older Americans Act of 1965 [42 U.S.C. 3030e et seq.], for the same meal served.

(4) For the purpose of establishing eligibility for free or reduced price meals or supplements under this subsection, income shall include only the income of an eligible person and, if any, the spouse and dependents with whom the eligible person resides.

(5) A person described in paragraph (1) shall be considered automatically eligible for free meals or supplements under this subsection, without further application or eligibility determination, if the person is—

(A) a member of a household receiving assistance under the Food and Nutrition Act of 2008 (7 U.S.C. 2011 et seq.); or

(B) a recipient of assistance under title XVI or XIX of the Social Security Act [42 U.S.C. 1381 et seq., 1396 et seq.].

(6) The Governor of any State may designate to administer the program under this subsection a State agency other than the agency that administers the child care food program under this section.


(q) Management support

(1) Technical and training assistance

In addition to the training and technical assistance that is provided to State agencies under other provisions of this chapter and the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.), the Secretary shall provide training and technical assistance in order to assist the State agencies in improving their program management and oversight under this section.

(2) Technical and training assistance for identification and prevention of fraud and abuse

As part of training and technical assistance provided under paragraph (1), the Secretary shall provide training on a continuous basis to State agencies, and shall ensure that such training is provided to sponsoring organizations, for the identification and prevention of fraud and abuse under the program and to improve management of the program.

2So in original. Probably should be “consultation”.

(r) Program for at-risk school children

(1) Definition of at-risk school child

In this subsection, the term “at-risk school child” means a school child who—

(A) is not more than 18 years of age, except that the age limitation provided by this subparagraph shall not apply to a child described in section 1769(d)(1)(A) of this title; and

(B) participates in a program authorized under this section operated at a site located in a geographical area served by a school in which at least 50 percent of the children enrolled are certified as eligible to receive free or reduced price school meals under this chapter or the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.).

(2) Participation in child and adult care food program

An institution may participate in the program authorized under this section only if the institution provides meals or supplements under a program—

(A) organized primarily to provide care to at-risk school children during after-school hours, weekends, or holidays during the regular school year; and

(B) with an educational or enrichment purpose.

(3) Administration

Except as otherwise provided in this subsection, the other provisions of this section apply to an institution described in paragraph (2).

(4) Meal and supplement reimbursement

(A) Limitations

An institution may claim reimbursement under this subsection only for one meal per child per day and one supplement per child per day served under a program organized primarily to provide care to at-risk school children during after-school hours, weekends, or holidays during the regular school year.

(B) Rates

(i) Meals

A meal shall be reimbursed under this subsection at the rate established for free meals under subsection (c).

(ii) Supplements

A supplement shall be reimbursed under this subsection at the rate established for a free supplement under subsection (c)(3).

(C) No charge

A meal or supplement claimed for reimbursement under this subsection shall be served without charge.

(5) Limitation

An institution participating in the program under this subsection may not claim reimbursement for meals and snacks that are served under section 1769(h) of this title on the same day.

(6) Handbook

(A) In general

Not later than 180 days after December 13, 2010, the Secretary shall—
§ 1766

(1) Information concerning the special supplemental nutrition program for women, infants, and children

(1) In general

The Secretary shall provide each State agency administering a child and adult care food program under this section with information concerning the special supplemental nutrition program for women, infants, and children authorized under section 17 of the Child Nutrition Act of 1966 (42 U.S.C. 1786).

(2) Requirements for State agencies

Each State agency shall ensure that each participating family and group day care center (other than an institution providing care to school children outside school hours)—

(A) receives materials that include—

(i) a basic explanation of the importance and benefits of the special supplemental nutrition program for women, infants, and children;

(ii) the maximum State income eligibility standards, according to family size, for the program; and

(iii) information concerning how benefits under the program may be obtained;

(B) receives periodic updates of the information described in subparagraph (A); and

(C) provides the information described in subparagraph (A) to parents of enrolled children at enrollment.

(2) Participation by emergency shelters

(1) Definition of emergency shelter

In this subsection, the term "emergency shelter" means—

(A) an emergency shelter (as defined in section 11351 of this title); or

(B) a site operated by the shelter.

(2) Administration

Except as otherwise provided in this subsection, an emergency shelter shall be eligible to participate in the program authorized under this section in accordance with the terms and conditions applicable to eligible institutions described in subsection (a).

(3) Licensing requirements

The licensing requirements contained in subsection (a)(5) shall not apply to an emergency shelter.

(4) Health and safety standards

To be eligible to participate in the program authorized under this section, an emergency shelter shall comply with applicable State or local health and safety standards.

(5) Meal or supplement reimbursement

(A) Limitations

An emergency shelter may claim reimbursement under this subsection—

(i) only for a meal or supplement served to children residing at an emergency shelter, if the children are—

(I) not more than 18 years of age; or

(II) children with disabilities; and

(ii) for not more than 3 meals, or 2 meals and a supplement, per child per day.

(B) Rate

A meal or supplement eligible for reimbursement shall be reimbursed at the rate at which free meals and supplements are reimbursed under subsection (c).

(C) No charge

A meal or supplement claimed for reimbursement shall be served without charge.

(u) Promoting health and wellness in child care

(1) Physical activity and electronic media use

The Secretary shall encourage participating child care centers and family or group day care homes—

(A) to provide to all children under the supervision of the participating child care centers and family or group day care homes daily opportunities for structured and unstructured age-appropriate physical activity; and

(B) to limit among children under the supervision of the participating child care centers and family or group day care homes the use of electronic media to an appropriate level.

(2) Water consumption

Participating child care centers and family or group day care homes shall make available to children, as nutritionally appropriate, potable water as an acceptable fluid for consumption throughout the day, including at meal times.

(3) Technical assistance and guidance

(A) In general

The Secretary shall provide technical assistance to institutions participating in the program under this section to assist participating child care centers and family or group day care homes in complying with the nutritional requirements and wellness recommendations prescribed by the Secretary in accordance with this subsection and subsection (g).

(B) Guidance

Not later than January 1, 2012, the Secretary shall issue guidance to States and institutions to encourage participating child care centers and family or group day care homes serving meals and snacks under this section to—

(I) include foods that are recommended for increased serving consumption in amounts recommended by the most recent Dietary Guidelines for Americans published under section 5341 of title 7, includ-
ing fresh, canned, dried, or frozen fruits and vegetables, whole grain products, lean meat products, and low-fat and non-fat dairy products; and
(ii) reduce sedentary activities and provide opportunities for regular physical activity in quantities recommended by the most recent Dietary Guidelines for Americans described in clause (i).

(C) Nutrition

Technical assistance relating to the nutritional requirements of this subsection and subsection (g) shall include—
(i) nutrition education, including education that emphasizes the relationship between nutrition, physical activity, and health;
(ii) menu planning;
(iii) interpretation of nutrition labels; and
(iv) food preparation and purchasing guidance to produce meals and snacks that are—
(I) consistent with the goals of the most recent Dietary Guidelines; and
(II) promote the health of the population served by the program under this section, as recommended by authoritative scientific organizations.

(D) Physical activity

Technical assistance relating to the physical activity requirements of this subsection shall include—
(i) education on the importance of regular physical activity to overall health and well being; and
(ii) sharing of best practices for physical activity plans in child care centers and homes as recommended by authoritative scientific organizations.

(E) Electronic media use

Technical assistance relating to the electronic media use requirements of this subsection shall include—
(i) education on the benefits of limiting exposure to electronic media by children; and
(ii) sharing of best practices for the development of daily activity plans that limit use of electronic media.

(F) Minimum assistance

At a minimum, the technical assistance required under this paragraph shall include a handbook, developed by the Secretary in coordination with the Secretary for Health and Human Services, that includes recommendations, guidelines, and best practices for participating institutions and family or group day care homes that are consistent with the nutrition, physical activity, and wellness requirements and recommendations of this subsection.

(G) Additional assistance

In addition to the requirements of this paragraph, the Secretary shall develop and provide such appropriate training and education materials, guidance, and technical assistance as the Secretary considers to be necessary to comply with the nutritional and wellness requirements of this subsection and subsection (g).

(H) Funding

(i) In general

On October 1, 2010, out of any funds in the Treasury not otherwise appropriated, the Secretary of the Treasury shall transfer to the Secretary to provide technical assistance under this subsection $10,000,000, to remain available until expended.

(ii) Receipt and acceptance

The Secretary shall be entitled to receive, shall accept, and shall use to carry out this subsection the funds transferred under clause (i), without further appropriation.


The Agricultural Act of 1949, referred to in subsec. (h)(2), is act Oct. 31, 1949, ch. 792, 63 Stat. 1051, which is classified principally to chapter 35A (§1421 et seq.) of Title 7, Agriculture.

The Older Americans Act of 1965, referred to in subsec. (o)(3)(B), is Pub. L. 88-525, Aug. 31, 1964, 78 Stat. 703, which is classified generally to chapter 35 of title 42 which was classified generally to part C (§3000e et seq.) of subchapter III of chapter 35 of this title and Tables.


The Social Security Act, referred to in subsecs. (a), (b)(2), (c), and (f)(4)(A), was in the original "enactment", "enacted by", or "definition" in section 441(a)(8) of this title. For complete classification of this Act to the Code, see the Code of Federal Regulations and Tables.

"(2)(A) The Secretary shall carry out these periodic audits of the States' food assistance programs for the most recent 12-month period for which such data are available."

Subsec. (e), Pub. L. 111-296, §334, added subpar. (E).


Subsec. (f)(3)(B). Pub. L. 111-296, §334, added subpar. (B) and struck out former subpar. (B) which read as follows: "Family or group day care home sponsoring organizations shall also receive reimbursement for the administrative expenses in amounts not exceeding the maximum allowable levels prescribed by the Secretary. Such levels shall be adjusted July 1 of each year to reflect changes in the Consumer Price Index for all urban consumers for the most recent 12-month period for which such data are available."

Subsec. (g), Pub. L. 111-296, §221(2), added subsec. (g) and struck out former subsec. (g) which related to meals served by participating institutions and compliance assistance.

Subsec. (h)(2), Pub. L. 111-296, §335, added par. (2) and struck out former par. (2). Prior to amendment, text read as follows: "The Secretary shall make available for each fiscal year to States administering the child care food program, for the purpose of conducting audits of participating institutions, an amount up to 1.5 percent (except, in the case of each of fiscal years 2005 through 2007, 1 percent) of the funds used by each State in the program under this section, during the second preceding fiscal year."

Subsec. (j)(1), Pub. L. 111-296, §331(c), substituted "Secretary shall" for "Secretary may", struck out "family or group day care" after "agreement between each", and inserted "or sponsored day care centers" after "day care homes."
Subsec. (r)(5). Pub. L. 111–296, § 221(r)(5), added subsec. (u), 2009—Subsec. (r)(5). Pub. L. 111–80 substituted “the District of Columbia and thirteen states, of which eleven are located in eight and of which six are located in seven” for “the child is a member of a family that meets the eligibility criteria prescribed under section 645(a)(1)(A) of the Head Start Act (42 U.S.C. 9840(a)(1)(A))”.

Subsec. (t)(5). Pub. L. 110–161 substituted “eight” for “seven” and “five” for “four” and inserted “West Virginia,” before “Illinois, Pennsylvania,”.

Subsec. (a)(2)(B)(i). Pub. L. 111–544 substituted “six States shall be Connecticut, Nevada, Wisconsin, Vermont, Maryland, West Virginia, Illinois, Pennsylvania, Missouri, Delaware, and Michigan and two States shall be approved by the Secretary through a competitive application process.” for “the child is a member of a family that meets the eligibility criteria prescribed under section 645(a)(1)(A) of the Head Start Act (42 U.S.C. 9840(a)(1)(A))”.


Subsec. (d)(2)(A)(ii), (iii). Pub. L. 106–224, § 243(b)(2)(A)(ii), (iii), substituted “Except as provided in subsection (r)” for “Except as provided in subsection (r)” and heading for former par. designation and heading after “school children outside of school hours,”.


Subsec. (a)(6)(D). Pub. L. 106–224, § 243(a)(8)(D), added subparts (E) and (F).


Subsec. (d)(1). Pub. L. 106–224, § 243(b)(1), added par. (1) and struck out former par. (1), which had provided that any eligible public institution would be approved upon its request, that any eligible private institution would be approved if it had been visited by a State agency and had either tax exempt status or had been operating a Federal program requiring nonprofit status, and set forth provisions relating to tax exempt certification of family or group day care homes, authorizing temporary permission for an institution moving toward compliance, and requiring notice of approval or disapproval of application within 30 days after receipt of filing.


Subsec. (d)(5)(D). Pub. L. 106–472, § 307(c)(2), designated existing provisions as cl. (i), inserted cl. (i) heading, substituted “Except as provided in cl. (ii), an institution is referred to as an ‘institution’” for “Among other private organization providing nonresidential day care services for which it receives compensation from amounts granted to the States under title XX of the Social Security Act and only if such organization receives compensation under such title for at least 25 percent of its enrolled children or 25 percent of its licensed capacity, whichever is less.” for “For purposes of determining eligibility—”.


Subsec. (f)(3)(D). Pub. L. 106–224, § 243(f), added subpar. (D) and struck out former subpar. (D), which required
the Secretary to reserve $5,000,000 of the amount made available for fiscal year 1997 for grants to States to provide assistance to family or group day care homes and set forth procedures relating to allocation and retention of funds and additional payments.


Subsec. (q)(2), (3). Pub. L. 106–224, § 243(q)(1)(B)(iv), added par. (2) and redesignated former par. (2) as (3).


Subsec. (r)(4)(A). Pub. L. 106–224, § 243(r)(2)(B), substituted “only for one meal per child per day and one supplement per child per day” for “only for—”, struck out “(i) a supplement” before “served under”, substituted “(ii)” for “(i)”, and struck out cl. (i) which read as follows: “one supplement per child per day.”


1996—Subsec. (a). Pub. L. 104–193, § 708(a), substituted “initiate and maintain nonprofit food service programs” for “initiate, maintain, and expand nonprofit food service programs” in first sentence.


Subsec. (c)(1) to (3). Pub. L. 104–193, § 708(e)(4), inserted “except as provided in subsection (f)(3),” after “For purposes of this section.”

Subsec. (d)(1). Pub. L. 104–193, § 708(c), struck out “and shall provide technical assistance, if necessary, to the institution for the purpose of completing its application” before period at end.

Subsec. (f)(2)(B). Pub. L. 104–193, § 708(d), substituted “2 meals and 1 supplement” for “two meals and two supplements or three meals and one supplement”.


Subsec. (f)(3)(A). Pub. L. 104–193, § 708(e)(1), added heading and text of subpar. (A) and struck out former subpar. (A) which read as follows: “Institutions that participate in the program under this section as family or group day care home sponsoring organizations shall be provided, for payment to such homes, a reimbursement factor set by the Secretary for the cost of obtaining and preparing food and prescribed labor costs, involved in providing meals under this section, without a requirement for documentation of such costs, except that reimbursement shall not be paid under this subparagraph for meals or supplements served to the children of a person acting as a family or group day care home provider unless such children meet the eligibility standards for free or reduced price meals under section 1758 of this title.”
tor under this subparagraph shall be rounded to the nearest one-fourth cent.


for children, whichever is less,’’ for ‘‘25 percent of the children enrolled in the organization or group day care homes from those that sponsor a lesser number of such homes.”


Subsec. (f)(4). Pub. L. 104–193, §708(c)(2), substituted “State may provide” for “State shall provide” in first sentence.

Subsec. (g)(1)(A). Pub. L. 104–193, §708(g)(1), struck out at end “Such meals shall be served free to needy children.”

Subsec. (g)(1)(B). Pub. L. 104–193, §708(g)(2), struck out at end “The Secretary shall provide additional technical assistance to those institutions and family or group day care homes so having difficulty maintaining compliance with the requirements.”

Subsec. (k). Pub. L. 104–193, §708(b), added heading and text of subsec. (k) and struck out former subsec. (k) consisting of paras. (1) to (3) which related to training and technical assistance, monitoring, research, and demonstration projects.

Subsec. (m). Pub. L. 104–193, §708(i), substituted “available at any reasonable time” for “available at all times.”

Subsec. (q). Pub. L. 104–193, §708(j), struck out subsec. (q) which related to provision of information concerning special supplemental nutrition program for women, infants, and children.


Subsec. (f)(3)(C). Pub. L. 101–147, §105(b)(1), inserted before period at end of first sentence “and expansion funds for the administrative expenses for such institutions to expand into low-income or rural areas”, inserted “and expansion funds after “start-up funds.””

Subsec. (g)(1)(A). Pub. L. 101–147, §312(2), substituted “reduced price” for “reduced-price”.

Subsec. (g)(3). Pub. L. 101–147, §105(b)(1), inserted before period at end of first sentence “and expansion funds may also apply at a later date for expansion funds.”

Subsec. (h)(1). Pub. L. 101–147, §313(b), amended par. (1) generally. Prior to amendment, par. (1) read as follows: “The Secretary shall donate agricultural commodities produced in the United States for use in institutions participating in the child care food program under this section. The value of such commodities (or cash in lieu of commodities) donated to each State for each school year shall be, at a minimum, the amount obtained by multiplying the number of lunches and suppers served in participating institutions in that State during that school year by the rate for commodities or cash in lieu thereof established for that school year under section 1755(e) of this title. Any State receiving assistance under this section for institutions participating in the child care food program may, upon application to the Secretary, receive cash in lieu of some or all of the commodities to which it would otherwise be entitled under this subsection. In determining whether to request cash in lieu of commodities, the State shall base its decision on the preferences of individual participating institutions within the State, unless this proves impracticable due to the small number of institutions preferring donated commodities.”

Subsec. (k). Pub. L. 101–147, §310(a)(4), redesignated subsec. (l) as (k) and struck out former subsec. (k) which related to study and report on maximum administrative payments reflecting costs of institutions.


Pub. L. 101–147, §105(b)(2), designated existing provisions as par. (1) and added pars. (2) and (3).

Subsecs. (m), (n). Pub. L. 101–147, §310(a)(4), redesignated subsecs. (m) and (n) as (m) and (n), respectively. Former subsec. (m) redesignated (i).


Pub. L. 101–147, §105(b)(3)(A), inserted at end of par. (1) “Lunches served by each such institution for which reimbursement is claimed under this section shall provide, on the average, approximately ⅔ of the daily recommended dietary allowance established by the Food and Nutrition Board of the National Research Council of the National Academy of Sciences. Such institutions shall make reasonable efforts to serve meals that meet the special dietary requirements of participants, in-
cluding efforts to serve foods in forms palatable to participants.”


1989—Subsec. (f)(2)(B). Pub. L. 101–147, § 1040–145, § 221, inserted provisions relating to reimbursement to institutions maintaining a child care setting for eight or more hours per day.

Subsec. (b). Pub. L. 100–435, § 214, designated existing provisions as par. (1) and added par. (2).

Subsec. (p)(3)(A). Pub. L. 100–640, § 661(c), amended subpar. (A) generally. Prior to amendment, subpar. (A) read as follows: “The Secretary of Agriculture, in consultation with the Commissioner on Aging, may establish separate guidelines for reimbursement of institutions described in this subsection.”


Subsec. (p)(5). Pub. L. 100–640, § 661(b), added par. (5).


Subsec. (c). Pub. L. 97–35, § 810(c), substituted provisions respecting applicability, determinations, etc., for national average payment rates for free lunches and suppers, etc., for provisions respecting formula for computation of payments, and applicability of national average payment rates.


Subsec. (f)(2) to (5). Pub. L. 97–35, §§ 810(d), 819(c), in par. (2) substituted provisions setting forth formula for disbursements for meals for provisions setting forth maximum per meal rates of reimbursements, struck out par. (3) which related to election rights of institutions other than family or group day care home sponsoring organizations, redesignated par. (4) as (3) and, as so redesignated, substantially revised and restructured provisions, and redesignated par. (5) as (4).

Subsec. (g). Pub. L. 97–35, § 810(e), struck out par. (2) which related to prohibitions respecting meals served by institutions, and redesignated pars. (3) and (4) as (2) and (3), respectively.

Subsec. (i). Pub. L. 97–35, §§ 810(f), 817(c)(2), struck out subsec. (i) which related to information required from State plans. Former subsec. (j) redesignated (i).

Subsec. (j) to (l). Pub. L. 97–35, §§ 810(g), 817(c)(2), redesignated subssecs. (k), (l), and (o) as (j), (k), and (l), respectively, and in subsec. (l), as so redesignated, struck out provision respecting availability of funds from food service equipment program. Former subsecs. (j) to (l) redesignated (i) to (k), respectively.

Subsec. (m). Pub. L. 97–35, § 817(c), struck out subsec. (m) which related to witholding of funds. Subsec. (p) redesignated (m).

Subsec. (n). Pub. L. 97–35, §§ 810(f), 817(c)(2), struck out subsec. (n) which related to appropriations, etc., for equipment assistance. Subsec. (q) redesignated (n).

Subsecs. (o) to (r). Pub. L. 97–35, § 817(c)(2), redesignated subssecs. (o) to (r) as (i) to (o), respectively.

1980—Subsec. (a). Pub. L. 96–499, § 207(a), included in definition of “institution” any private organization providing nonresidential day care services for which compensation was received from amounts granted to the States under title XX of the Social Security Act.

Subsec. (c). Pub. L. 96–499, § 208(b), inserted provision in pars. (1), (2), and (3) that the average payment rates for supplements served in such institutions was to be three cents lower than the adjusted rates prescribed by the Secretary in accordance with the adjustment formulas contained in such pars. (1), (2), and (3).

Subsec. (m)(1). Pub. L. 96–499, § 208(c), substituted “$4,000,000” for “$6,000,000.”

1978—Subsec. (a). Pub. L. 95–627 excepted family or group day care homes from licensing requirements, set out guidelines for institutions providing care for children outside of school hours, and set out criteria for determining eligibility under this section.

Subsec. (b). Pub. L. 95–627 substituted provisions limiting the aggregate amount of cash assistance to a State under this section for provisions setting out a formula for computation of payments under this section and adjustments to such payments. See subsec. (c) of this section.

Subsec. (c). Pub. L. 95–627 substituted provisions relating to the formula for the computation of payments under this section and the prescription of a national average payment rate for provisions relating to the maintenance of national nutritional standards and the prohibition of discrimination and identification of children unable to pay under the program.

Subsec. (d). Pub. L. 95–627 substituted provisions stating requirements for approval for participation in the program and requiring written notification of such approval or disapproval for provisions relating to State disbursements to participating institutions.

Subsec. (e). Pub. L. 95–627 substituted provisions relating to fair hearings for provisions relating to donations of agricultural commodities and cash in lieu of commodities. See subsec. (b) of this section.

Subsec. (f). Pub. L. 95–627 substituted provisions relating to disbursements to participating institutions by the State for provisions calling for direct disbursements to participating institutions by the Secretary and prescribing conditions therefor.

Subsec. (g). Pub. L. 95–627 substituted provisions relating to meals served at participating institutions and the necessary nutritional content thereof for provisions prohibiting the diminution of expenditures by State and local sources by reason of the availability of Federal funds.

Subsec. (h). Pub. L. 95–627 substituted provisions relating to donations of agricultural land commodities and cash in lieu of commodities for provisions authorizing appropriations to meet the administrative expenditures of the Secretary.

Subsec. (i). Pub. L. 95–627 substituted provisions relating to information required from State plans for provisions requiring adequate accounts and general record-keeping by States, State educational agencies, and participating institutions.

Subsec. (j). Pub. L. 95–627 substituted provisions relating to the availability of Federal funds to States for audits of participating institutions for provisions relating to food service equipment assistance and the apportionment of unused funds.

Subsec. (k). Pub. L. 95–627 substituted provisions relating to the use of a standard form of agreement and the issuance of regulations pertaining to such use for provisions relating to the issuance of rules and regulations to carry out this section by the Secretary.

Subsecs. (l) to (r). Pub. L. 95–627 added subsecs. (l) to (r).

1977—Subsec. (e). Pub. L. 95–166, § 19(d), substituted in last sentence “school year” for “fiscal year” in three instances.

Subsec. (j)(1). Pub. L. 95–166, § 3, substituted “food service equipment assistance” for “nonfood assistance.”

**Effective Date of 2010 Amendment**

Effective Date of 2008 Amendment

Effective Date of 1998 Amendment
Amendment by section 101(b) of Pub. L. 101–147 effective July 1, 1989, see section 101(c) of Pub. L. 101–147, set out as a note under section 1755 of this title.

Effective Date of 1996 Amendment
Amendment by section 101(b) of Pub. L. 100–175 effective Oct. 1, 1997, see section 101(a) of Pub. L. 100–175, set out as a note under section 3001 of this title.

Effective Date of 1991 Amendment
Amendment by sections 101(b), (f), (g), 817(c), and 818(k) of Pub. L. 97–35 effective Oct. 1, 1981, see section 820(a)(3), (4) of Pub. L. 97–35, set out as a note under section 1755 of this title.

Effective Date of 1989 Amendment
Amendment by section 101(b) of Pub. L. 100–175 effective Oct. 1, 1987, see section 101(a) of Pub. L. 100–175, set out as a note under section 3001 of this title.

Effective Date of 1988 Amendment
Amendment by section 211 of Pub. L. 100–435 to be effective and implemented on July 1, 1988, and amendment by section 214 of Pub. L. 100–435 to be effective and implemented on Oct. 1, 1988, see section 701(a), (b)(4) of Pub. L. 100–435, set out as a note under section 1203 of Title 7, Agriculture.

Effective Date of 1987 Amendment
Amendment by Pub. L. 100–175 effective Oct. 1, 1987, see section 701(a) of Pub. L. 100–175, set out as a note under section 3001 of this title.

Effective Date of 1986 Amendment
Amendment by sections 818(a), (f), (g), 817(c), and 818(k) of Pub. L. 97–35 effective Oct. 1, 1981, see section 820(a)(3), (4) of Pub. L. 97–35, set out as a note under section 1755 of this title.

Effective Date of 1980 Amendment
Amendment by Pub. L. 96–499, title II, §207(b), Dec. 5, 1980, 94 Stat. 2902, provided that: "The amendment made by subsection (a) of this section [amending this section] shall apply with respect to all fiscal years beginning on or after October 1, 1980."
shall coordinate with the Secretary of Health and Human Services to encourage State licensing agencies to include nutrition and wellness standards within State licensing standards that ensure, to the maximum extent practicable, that licensed child care centers and family or group day care homes—

"(1) provide to all children under the supervision of the child care centers and family or group day care homes daily opportunities for age-appropriate physical activity;

"(2) limit among children under the supervision of the child care centers and family or group day care homes the use of electronic media and the quantity of time spent in sedentary activity to an appropriate level;

"(3) serve meals and snacks that are consistent with the requirements of the child and adult care food program established under section 17 of the Richard B. Russell National School Lunch Act (42 U.S.C. 1766); and

"(4) promote such other nutrition and wellness goals as the Secretaries determine to be necessary."

REDUCING PAPERWORK AND IMPROVING PROGRAM ADMINISTRATION


"(a) DEFINITION OF PROGRAM.—In this section, the term 'program' means the child and adult care food program established under section 17 of the Richard B. Russell National School Lunch Act (42 U.S.C. 1766),

"(b) ESTABLISHMENT.—The Secretary (of Agriculture), in conjunction with States and participating institutions, shall continue to examine the feasibility of reducing unnecessary or duplicative paperwork resulting from regulations and recordkeeping requirements for State agencies, institutions, family and group day care homes, and sponsored centers participating in the program.

"(c) DUTIES.—At a minimum, the examination shall include—

"(1) review and evaluation of the recommendations, guidance, and regulatory priorities developed and issued to comply with section 119(i) of the Child Nutrition and WIC Reauthorization Act of 2004 (42 U.S.C. 1766 note; Public Law 108–265); and

"(2) examination of additional paperwork and administrative requirements that have been established since February 23, 2007, that could be reduced or simplified.

"(d) ADDITIONAL DUTIES.—The Secretary, in conjunction with States and institutions participating in the program, may also examine any aspect of administration of the program.

"(e) REPORT.—Not later than 4 years after the date of enactment of this Act (Dec. 13, 2010), the Secretary shall submit to Congress a report that describes the actions that have been taken to carry out this section, including—

"(1) actions taken to address administrative and paperwork burdens identified as a result of compliance with section 119(i) of the Child Nutrition and WIC Reauthorization Act of 2004 (42 U.S.C. 1766 note; Public Law 108–265);

"(2) administrative and paperwork burdens identified as a result of compliance with section 119(i) of that Act for which no regulatory action or policy guidance has been taken;

"(3) additional steps that the Secretary is taking or plans to take to address any administrative and paperwork burdens identified under subsection (c)(2) and paragraph (2), including—

"(A) new or updated regulations, policy, guidance, or technical assistance; and

"(B) a timeframe for the completion of those steps; and

"(4) recommendations to Congress for modifications to existing statutory authorities needed to address identified administrative and paperwork burdens."

RECOVERY AND REALLOCATION OF AUDIT FUNDS

Pub. L. 109–97, title VII, § 789, Nov. 10, 2005, 119 Stat. 2159, provided that: "Hereafter, notwithstanding any other provision of law, funds made available to States administering the Child and Adult Care Food Program for the purpose of conducting audits of participating institutions, funds identified by the Secretary as having been unused during the initial fiscal year of availability may be recovered and reallocated by the Secretary: Provided, That States may use the reallocated funds until expended for the purpose of conducting audits of participating institutions."

Similar provisions were contained in the following prior appropriation act:


PAPERWORK REDUCTION


EARLY CHILD NUTRITION EDUCATION


"(1) IN GENERAL.—Subject to the availability of funds made available under paragraph (6), for a period of 4 successive years, the Secretary of Agriculture shall award to 1 or more entities with expertise in designing and implementing health education programs for limited-English-proficient individuals 1 or more grants to enhance obesity prevention activities for child care centers and sponsoring organizations providing services to limited-English-proficient individuals through the child and adult care food program under section 17 of the Richard B. Russell National School Lunch Act (42 U.S.C. 1766) in each of 4 States selected by the Secretary in accordance with paragraph (2).

"(2) STATES.—The Secretary shall provide grants under this subsection in States that have experienced a growth in the limited-English-proficient population of the States of at least 100 percent between the years 1990 and 2000, as measured by the census.

"(3) REQUIRED ACTIVITIES.—Activities carried out under paragraph (1) shall include—

"(A) developing an interactive and comprehensive tool kit for use by lay health educators and training activities;

"(B) conducting training and providing ongoing technical assistance for lay health educators; and

"(C) establishing collaborations with child care centers and sponsoring organizations participating in the child and adult care food program under section 17 of the Richard B. Russell National School Lunch Act (42 U.S.C. 1766) to—

"(i) identify limited-English-proficient children and families; and

"(ii) enhance the capacity of the child care centers and sponsoring organizations to use appropriate obesity prevention strategies.

"(4) EVALUATION.—Each grant recipient shall identify an institution of higher education to conduct an independent evaluation of the effectiveness of the grant.

"(5) REPORT.—The Secretary shall submit to the Committee on Education and the Workforce of the House of Representatives, and the Committee on Agriculture, Nutrition, and Forestry and the Committee on Education, Health, Education, Labor, and Pensions, of the Senate a report that includes—

"(A) the evaluation completed by the institution of higher education under paragraph (4); and

"(B) the effectiveness of lay health educators in reducing childhood obesity; and
"(C) any recommendations of the Secretary concerning the grants.

"(6) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this sub-section $250,000 for each of fiscal years 2005 through 2009."

STUDY OF IMPACT OF AMENDMENTS BY PUB. L. 104–193 ON PROGRAM PARTICIPATION AND FAMILY DAY CARE LICENSING

Pub. L. 104–193, title VII, §708(I), Aug. 22, 1996, 110 Stat. 2303, directed Secretary of Agriculture, in conjunction with Secretary of Health and Human Services, to conduct study and report to Congress not later than two years after Aug. 22, 1996, on impact of the amendments made by section 708 of Pub. L. 104–193, amending this section, on the number of family day care homes and day care home sponsoring organizations participating in the child and adult care food program established under this section, the number of day care homes that are licensed, certified, registered, or approved by each State in accordance with regulations issued by the Secretary, the rate of growth of such numbers, the nutritional adequacy and quality of meals served in family day care homes, and the proportion of low-income children participating in the program prior to such amendments to this section and the proportion of low-income children participating in the program after such amendments to this section, and further required each State agency participating in the child and adult care food program under this section to submit to the Secretary of Agriculture data necessary to carry out this study.

FAMILY OR GROUP DAY CARE HOME DEMONSTRATION PROJECT

Pub. L. 100–435, title V, §503, Sept. 19, 1988, 102 Stat. 1672, as amended by Pub. L. 101–147, title I, §105(c)(1), Nov. 10, 1989, 103 Stat. 865, directed Secretary of Agriculture to conduct a demonstration project to begin 30 days after Sept. 19, 1988, in one State (selected by the Secretary) regarding the Child Care Food Program authorized under 42 U.S.C. 1766 in which day care institutions and family or group day care sponsoring organizations shall receive a reimbursement in addition to that received under 42 U.S.C. 1766(d) and (f) for providing one additional meal or supplement for children that are maintained in a day care institution or in a family or group day care home setting for eight or more hours per day, directed Secretary to submit a preliminary report to Congress not later than Aug. 1, 1988, and a final report after the conclusion of such project, with project to terminate Sept. 30, 1990.

REVIEW AND REVISION OF NUTRITION REQUIREMENTS FOR MEALS SERVED UNDER BREAKFAST PROGRAM: PROMulgATION OF REGULATIONS


ADJUSTMENTS IN NATIONAL AVERAGE PAYMENT RATE FOR SUPPLEMENTS DURING FISCAL YEAR ENDING SEPTEMBER 30, 1981

Pub. L. 96–499, title II, §208(a), Dec. 5, 1980, 94 Stat. 2602, related to adjustments required under the former pars. (1) through (3) of subsec. (c) of this section applicable in determining the national average payment rate for supplements during the fiscal year ending Sept. 30, 1981.

§1766a. Meal supplements for children in afterschool care

(a) General authority

(1) Grants to States

The Secretary shall carry out a program to assist States through grants-in-aid and other means to provide meal supplements under a program organized primarily to provide care for children in afterschool care in eligible elementary and secondary schools.

(2) Eligible schools

For the purposes of this section, the term "eligible elementary and secondary schools" means schools that—

(A) operate school lunch programs under this chapter;

(B) sponsor afterschool care programs; and

(C) operate afterschool programs with an educational or enrichment purpose.

(b) Eligible children

Reimbursement may be provided under this section only for supplements served to school children who are not more than 18 years of age, except that the age limitation provided by this subsection shall not apply to a child described in section 1766(c)(3) of this title; and

(c) Reimbursement

(1) At-risk school children

In the case of an eligible child who is participating in a program authorized under this section operated at a site located in a geographical area served by a school in which at least 50 percent of the children enrolled are certified as eligible to receive free or reduced price school meals under this chapter or the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.), a supplement provided under this section to the child shall be—

(A) reimbursed at the rate at which free supplements are reimbursed under section 1766(c)(3) of this title; and

(B) served without charge.

(2) Other school children

In the case of an eligible child who is participating in a program authorized under this section at a site that is not described in paragraph (1), for the purposes of this section, the national average payment rate for supplements shall be equal to those established under section 1766(c)(3) of this title (as adjusted pursuant to section 1759a(a)(3) of this title).

(d) Contents of supplements

The requirements that apply to the content of meal supplements served under child care food programs operated with assistance under this chapter shall apply to the content of meal supplements served under programs operated with assistance under this section.

REFERENCES IN TEXT

AMENDMENTS
1998—Subsec. (a)(1). Pub. L. 105–336, §108(a)(1), substituted “supplements under a program organized primarily to provide care for” for “supplements to”.

Subsec. (c). Pub. L. 105–336, §108(c), added par. (1), designated existing provisions as par. (2), inserted heading, and substituted ‘‘In the case of an eligible child who is participating in a program authorized under this subsection at a site that is not described in paragraph (1), for the purposes’’ for ‘‘For the purposes’’.

EFFECTIVE DATE OF 1998 AMENDMENT

REGULATIONS
Pub. L. 101–147, title I, §106(b), Nov. 10, 1989, 103 Stat. 886, provided that: “Not later than July 1, 1990, the Secretary of Agriculture shall issue final regulations to implement section 17A of the [Richard B. Russell] National School Lunch Act [this section] (as added by section (a) of this section).”


EFFECTIVE DATE OF REPEAL
Repeal effective July 1, 1999, see section 107(j)(4) of Pub. L. 105–336, set out as an Effective Date of 1998 Amendment note under section 1761 of this title.


§ 1769. Pilot projects

(b) Extension of eligibility of certain school districts to receive cash or commodity letters of credit assistance for school lunch programs

(1) Upon request to the Secretary, any school district that on January 1, 1987, was receiving all cash payments or all commodity letters of credit in lieu of entitlement commodities for its school lunch program shall receive all cash payments or all commodity letters of credit in lieu of entitlement commodities for its school lunch program beginning July 1, 1997. The Secretary, directly or through contract, shall administer the project under this subsection.

(2) Any school district that elects under paragraph (1) to receive all cash payments or all commodity letters of credit in lieu of entitlement commodities for its school lunch program shall receive bonus commodities in the same manner as if such school district was receiving all entitlement commodities for its school lunch program.

(c) Alternative counting and claiming procedures

(1) The Secretary may conduct pilot projects to test alternative counting and claiming procedures.

(2) Each pilot program carried out under this subsection shall be evaluated by the Secretary after it has been in operation for 3 years.


(g) Access to local foods: farm to school program

(1) Definition of eligible school

In this subsection, the term “eligible school” means a school or institution that participates in a program under this chapter or the school breakfast program established under section 1773 of this title.

(2) Program

The Secretary shall carry out a program to assist eligible schools, State and local agencies, Indian tribal organizations, agricultural producers or groups of agricultural producers, and nonprofit entities through grants and technical assistance to implement farm to school programs that improve access to local foods in eligible schools.

(3) Grants

(A) In general

The Secretary shall award competitive grants under this subsection to be used for—

(i) training;

(ii) supporting operations;

(iii) planning;

(iv) purchasing equipment;

(v) developing school gardens;

(vi) developing partnerships; and

(vii) implementing farm to school programs.

(B) Regional balance

In making awards under this subsection, the Secretary shall, to the maximum extent practicable, ensure—
(i) geographical diversity; and
(ii) equitable treatment of urban, rural, and tribal communities.

(C) Maximum amount

The total amount provided to a grant recipient under this subsection shall not exceed $100,000.

(4) Federal share

(A) In general

The Federal share of costs for a project funded through a grant awarded under this subsection shall not exceed 75 percent of the total cost of the project.

(B) Federal matching

As a condition of receiving a grant under this subsection, a grant recipient shall provide matching support in the form of cash or in-kind contributions, including facilities, equipment, or services provided by State and local governments, nonprofit organizations, and private sources.

(5) Criteria for selection

To the maximum extent practicable, in providing assistance under this subsection, the Secretary shall give the highest priority to funding projects that, as determined by the Secretary—

(A) make local food products available on the menu of the eligible school;
(B) serve a high proportion of children who are eligible for free or reduced price lunches;
(C) incorporate experiential nutrition education activities in curriculum planning that encourage the participation of school children in farm and garden-based agricultural education activities;
(D) demonstrate collaboration between eligible schools, nongovernmental and community-based organizations, agricultural producer groups, and other community partners;
(E) include adequate and participatory evaluation plans;
(F) demonstrate the potential for long-term program sustainability; and
(G) meet any other criteria that the Secretary determines appropriate.

(6) Evaluation

As a condition of receiving a grant under this subsection, each grant recipient shall agree to cooperate in an evaluation by the Secretary of the program carried out using grant funds.

(7) Technical assistance

The Secretary shall provide technical assistance and information to assist eligible schools, State and local agencies, Indian tribal organizations, and nonprofit entities—

(A) to facilitate the coordination and sharing of information and resources in the Department that may be applicable to the farm to school program;
(B) to collect and share information on best practices; and
(C) to disseminate research and data on existing farm to school programs and the potential for programs in underserved areas.

(8) Funding

(A) In general

On October 1, 2012, and each October 1 thereafter, out of any funds in the Treasury not otherwise appropriated, the Secretary of the Treasury shall transfer to the Secretary to carry out this subsection $5,000,000, to remain available until expended.

(B) Receipt and acceptance

The Secretary shall be entitled to receive, shall accept, and shall use to carry out this paragraph (A), without further appropriation.

(9) Authorization of appropriations

In addition to the amounts made available under paragraph (8), there are authorized to be appropriated to carry out this subsection such sums as are necessary for each of fiscal years 2011 through 2015.

(h) Pilot program for high-poverty schools

(1) In general

(A) Definitions

In this paragraph:

(i) Eligible program

The term “eligible program” means—

(I) a school-based program with hands-on vegetable gardening and nutrition education that is incorporated into the curriculum for 1 or more grades at 2 or more eligible schools; or

(II) a community-based summer program with hands-on vegetable gardening and nutrition education that is part of, or coordinated with, a summer enrichment program at 2 or more eligible schools.

(ii) Eligible school

The term “eligible school” means a public school, at least 50 percent of the students of which are eligible for free or reduced price meals under this chapter.

(B) Establishment

The Secretary shall carry out a pilot program under which the Secretary shall provide to nonprofit organizations or public entities in not more than 5 States grants to develop and run, through eligible programs, community gardens at eligible schools in the States that would—

(i) be planted, cared for, and harvested by students at the eligible schools; and

(ii) teach the students participating in the community gardens about agriculture production practices and diet.

(C) Priority States

Of the States in which grantees under this paragraph are located—

(i) at least 1 State shall be among the 15 largest States, as determined by the Secretary;

(ii) at least 1 State shall be among the 16th to 30th largest States, as determined by the Secretary; and

(iii) at least 1 State shall be a State that is not described in clause (i) or (ii).
(D) Use of produce

Produce from a community garden provided a grant under this paragraph may be—
(i) used to supplement food provided at the eligible school;
(ii) distributed to students to bring home to the families of the students; or
(iii) donated to a local food bank or senior center nutrition program.

(E) No cost-sharing requirement

A nonprofit organization or public entity that receives a grant under this paragraph shall not be required to share the cost of carrying out the activities assisted under this paragraph.

(F) Evaluation

A nonprofit organization or public entity that receives a grant under this paragraph shall be required to cooperate in an evaluation carried out by the Secretary.

(2) Authorization of appropriations

There are authorized to be appropriated such sums as are necessary to carry out this subsection for each of fiscal years 2004 through 2015.

(i) Year-round services for eligible entities

(1) In general

A service institution that is described in section 1761(a)(6) of this title (excluding a public school), or a private nonprofit organization described in section 1761(a)(7) of this title, and that is located in the State of California may be reimbursed—
(A) for up to 2 meals during each day of operation served;
(B) in the case of a service institution that operates a food service program for children on school vacation, at anytime during a period during the school year due to a natural disaster, building repair, court order, or similar case, at anytime during such a period; and
(C) for a snack served during each day of operation after school hours, weekends, and school holidays during the regular school calendar.

(2) Payments

The service institution shall be reimbursed consistent with section 1761(b)(1) of this title.

(3) Administration

To receive reimbursement under this subsection, a service institution shall comply with section 1761 of this title, other than subsections (b)(2) and (c)(1) of that section.

(4) Evaluation

Not later than September 30, 2007, the State agency shall submit to the Secretary a report on the effect of this subsection on participation in the summer food service program for children established under section 1761 of this title.

(5) Funding

The Secretary shall provide to the State of California such sums as are necessary to carry out this subsection for each of fiscal years 2011 through 2015.

(j) Free lunch and breakfast eligibility

(1) In general

Subject to the availability of funds under paragraph (4), the Secretary shall expand the service of free lunches and breakfasts provided at schools participating in the school lunch program under this chapter or the school breakfast program under section 1773 of this title in all or part of 5 States selected by the Secretary (of which at least 1 shall be a largely rural State with a significant Native American population).

(2) Income eligibility

The income guidelines for determining eligibility for free lunches or breakfasts under this subsection shall be 185 percent of the applicable family size income levels contained in the nonfarm income poverty guidelines prescribed by the Office of Management and Budget, as adjusted annually in accordance with section 1758(b)(1)(B) of this title.

(3) Evaluation

(A) In general

Not later than 3 years after the implementation of this subsection, the Secretary shall conduct an evaluation to assess the impact of the changed income eligibility guidelines by comparing the school food authorities operating under this subsection to school food authorities not operating under this subsection.

(B) Impact assessment

(i) Children

The evaluation shall assess the impact of this subsection separately on—
(I) children in households with incomes less than 130 percent of the applicable family income levels contained in the nonfarm poverty income guidelines prescribed by the Office of Management and Budget, as adjusted annually in accordance with section 1758(b)(1)(B) of this title; and
(II) children in households with incomes greater than 130 percent and not greater than 185 percent of the applicable family income levels contained in the nonfarm poverty income guidelines prescribed by the Office of Management and Budget, as adjusted annually in accordance with section 1758(b)(1)(B) of this title.

(ii) Factors

The evaluation shall assess the impact of this subsection on—
(I) certification and participation rates in the school lunch and breakfast programs;
(II) rates of lunch- and breakfast-skipping;
(III) academic achievement;
(IV) the allocation of funds authorized in title I of the Elementary and Secondary Education Act [20 U.S.C. 6301 et seq.] to local educational agencies and public schools; and
(V) other factors determined by the Secretary.

(C) Cost assessment

The evaluation shall assess the increased costs associated with providing additional free, reduced price, or paid meals in the school food authorities operating under this subsection.

(D) Report

On completion of the evaluation, the Secretary shall submit to the Committee on Education and the Workforce of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report describing the results of the evaluation under this paragraph.

(4) Authorization of appropriations

There are authorized to be appropriated such sums as are necessary to carry out this subsection, to remain available until expended.

(k) Organic food pilot program

(1) Establishment

The Secretary shall establish an organic food pilot program (referred to in this section as the "pilot program") under which the Secretary shall provide grants on a competitive basis to school food authorities selected under paragraph (3).

(2) Use of funds

(A) In general

The Secretary shall use funds provided under this section—
(i) to enter into competitively awarded contracts or cooperative agreements with school food authorities selected under paragraph (3); or
(ii) to make grants to school food authority applicants selected under paragraph (3).

(B) School food authority uses of funds

A school food authority that receives a grant under this section shall use the grant funds to establish a pilot program that increases the quantity of organic foods provided to schoolchildren under the school lunch program established under this chapter.

(3) Application

(A) In general

A school food authority seeking a contract, grant, or cooperative agreement under this subsection shall submit to the Secretary an application in such form, containing such information, and at such time as the Secretary shall prescribe.

(B) Criteria

In selecting contract, grant, or cooperative agreement recipients, the Secretary shall consider—
(i) the poverty line (as defined in section 9902(2) of this title, including any revision required by that section)
(ii) the commitment of each school food authority applicant—
(I) to improve the nutritional value of school meals;
(II) to carry out innovative programs that improve the health and wellness of schoolchildren; and
(III) to evaluate the outcome of the pilot program; and
(iii) any other criteria the Secretary determines to be appropriate.

(4) Authorization of appropriations

There are authorized to be appropriated to carry out this subsection $10,000,000 for fiscal years 2011 through 2015.


REFERENCES IN TEXT

sified generally to subchapter I (§ 6301 et seq.) of chapter 70 of Title 20, Education. For complete classification of this Act to the Code, see Short Title note set out under section 6301 of Title 20 and Tables.

CODIFICATION

PRIOR PROVISIONS
A prior section 18 of act June 4, 1946, which was classified to section 1767 of this title, was repealed.

AMENDMENTS
2010—Subsec. (a). Pub. L. 111–296, § 441(a)(9), struck out subsec. (a) which related to pilot projects for administration of child nutrition programs by contract or direct disbursement.
Subsec. (c). Pub. L. 111–296, § 441(a)(10), redesignated pars. (3) and (4) as (1) and (2), respectively, in par. (1), substituted “The Secretary may conduct” for “In addition to the pilot projects described in this subsection, the Secretary may conduct other”, and struck out former pars. (1) and (2) which related to certain pilot programs.
Subsecs. (h) to (j). Pub. L. 111–296, § 1223(a)(2), (3), added subsec. (g), redesignated pars. (3) and (4) of former subsec. (g) as pars. (1) and (2), respectively, of subsec. (h), inserted subsec. heading, substituted “In general” for “Pilot program for high-poverty schools” in heading of subsec. (h)(1), “carried out by the Secretary” for “in accordance with paragraph (1)(H)” in subsec. (h)(1)(F), and “2015” for “2008” in subsec. (h)(2), and struck out heading “Access to local foods and school gardens” of former subsec. (g), and pars. (1) and (2) of former subsec. (g) which related to grants and technical assistance by the Secretary to schools and non-profit entities for various projects and administration of such grants and technical assistance. Former subsec. (h) redesignated (i).
Subsec. (i). Pub. L. 111–296, § 1223(I), redesignated subsec. (h) as (i). Former subsec. (i) redesignated (j).

Prior to amendment, subsec. (i) related to reduced paper- work and application requirements and increased participation pilots.

Pub. L. 108–265, § 116(f)(2), substituted “The” for “During the period beginning October 1, 2000, and ending June 30, 2004, the”.
Pub. L. 108–265, § 116(f)(3), struck out “other than a service institution described in section 1761(a)(7) of this title” after “service institution”.
Subsec. (g). Pub. L. 108–265, § 120, added subsec. (g) and struck out heading and text of former subsec. (g), which related to fruit and vegetable pilot program.

Subsec. (g)(4). Pub. L. 108–30 inserted before period at end “, to remain available until the close of the school year beginning July 2003”.
1999—Subsec. (c). Pub. L. 105–136, § 109(a), (c)(1), redesignated subsec. (d) as (c) and struck out former subsec. (c) which related to demonstration program for prevention of boarder babies.
Subsec. (e). Pub. L. 105–336, § 109(a), (c)(1), redesignated subsec. (i) as (e) and struck out former subsec. (e) which related to demonstration program to provide meals and supplements outside of school hours.
Subsec. (g). Pub. L. 105–336, § 109(a), struck out subsec. (g) which related to increased choices of fruits, vegetables, legumes, cereals, and grain-based products.
Subsec. (i). Pub. L. 105–336, § 109(b), (c)(1), amended subsec. (i) generally and redesignated it as subsec. (e). Prior to amendment, subsec. (i) related to reduced paper- work and application requirements and increased participation pilots.
1996—Subsec. (d)(3) to (5). Pub. L. 104–193, § 709(a), redesignated pars. (4) and (5) as (3) and (4), respectively, and struck out former par. (3) which related to pilot program for schools with universal free lunch programs to use certain methods to determine number of free, reduced price, and paid meals to be provided.
Subsec. (e)(1). Pub. L. 104–193, § 709(b)(1), designated subpar. (A) as par. (1), substituted “Secretary may establish” for “Secretary shall establish”, and struck out subpar. (B) which read as follows: “The amount of a grant under subparagraph (A) shall be equal to the amount necessary to provide meals or supplements described in such subparagraph and shall be determined in accordance with reimbursement payment rates for meals and supplements under the child and adult care food program under section 1766 of this title.”

Subsec. (e)(5). Pub. L. 104–193, § 709(b)(2), added heading and text of par. (5) and struck out former par. (5) which read as follows:

"(5) Except as provided in subparagraph (B), the Secretary shall extend to carry out this subsection, from amounts appropriated for purposes of carrying out section 1766 of this title, $325,000 for fiscal year 1995, $375,000 for each of fiscal years 1996 and 1997, and $525,000 for fiscal year 1998. In addition to amounts described in the preceding sentence, the Secretary shall expend to carry out this subsection, directly or through contract, shall administer the project under this subsection.''

Subsec. (c). Pub. L. 103–448, § 117(a)(2)(A), (b), added subsec. (c) and struck out former subsec. (c), which related to provision of food service to homeless children under age 6 in emergency shelters.

Subsecs. (e) to (i). Pub. L. 103–448, § 118(b)(f), added subsecs. (e) to (i).


Subsec. (c)(2). Pub. L. 102–342, § 101(a)(1), inserted “State, city, local, or county governments, other public entities, or” before “private nonprofit”.

Subsec. (c)(2)(B)(i). Pub. L. 102–342, § 101(a)(1),inserted the “private nonprofit” organization for “Each such organization”.

Subsec. (c)(3)(A). Pub. L. 102–342, § 101(a)(2), substituted “not less than $350,000 in each of the fiscal years 1991 and 1992, not less than $600,000 in fiscal year 1993, and not less than $800,000 in each of the fiscal years 1991, 1992, 1993, and 1994,” and inserted “State, city, local, or county governments, other public entities, or” before “private nonprofit”.


Pub. L. 101–147, § 311(1), redesignated subsec. (d) as (a) and struck out former subsec. (a) which set forth statement of purpose of section and requirements for types of projects.

Subsec. (b). Pub. L. 101–147, § 311(1), redesignated subsec. (e) as (b) and struck out former subsec. (b) which provided for a study on effect of cash payments in lieu of commodities.

Subsec. (c). Pub. L. 101–147, § 311(1), redesignated subsec. (f) as (c) and struck out former subsec. (c) which related to report due not later than 18 months after Nov. 10, 1977.

Subsec. (d). Pub. L. 101–147, § 311(1), redesignated subsec. (g) as (d). Former subsec. (d) redesignated (a).

Subsec. (e). Pub. L. 101–147, § 311(1), redesignated subsec. (e) as (b).


Subsec. (c). Pub. L. 99–500 and Pub. L. 99–591, § 327(b), and Pub. L. 99–661, § 4207(b), which directed the identical amendment of subsec. (c) by striking out “except for the pilot projects conducted under subsection (d) of this section,” were executed by striking out “except for the pilot projects conducted under subsection (d) of this section” after “under this section” in introductory provisions, as the probable intent of Congress.

1978—Subsec. (c). Pub. L. 95–627, § 111(1), inserted provision excluding pilot projects conducted under subsec. (d) of this section.


Effective Date of 2010 Amendment

Effective Date of 2008 Amendment


Effective Date of 2007 Amendment

Effective Date of 2005 Amendment

Effective Date of 2004 Amendment

Effective Date of 2002 Amendment

Effective Date of 1998 Amendment

Effective Date of 1994 Amendment

Effective Date of 1992 Amendment
§ 1769a. Fresh fruit and vegetable program

(a) In general

For the school year beginning July 2008 and each subsequent school year, the Secretary shall provide grants to States to carry out a program to make free fresh fruits and vegetables available in elementary schools (referred to in this section as the "program").

(b) Program

A school participating in the program shall make free fresh fruits and vegetables available to students throughout the school day (or at such other times as are considered appropriate by the Secretary) in 1 or more areas designated by the school.

(c) Funding to States

(1) Minimum grant

Except as provided in subsection (i)(2), the Secretary shall provide to each of the 50 States and the District of Columbia an annual grant in an amount equal to 1 percent of the funds made available for a year to carry out the program.

(2) Additional funding

Of the funds remaining after grants are made under paragraph (1), the Secretary shall allocate additional funds to each State that is operating a school lunch program under section 1753 of this title based on the proportion of free and reduced price meal eligibility, including

(A) the population of the State; bears to
(B) the population of the United States.

(d) Selection of schools

(1) In general

Except as provided in paragraph (2) of this subsection and section 4304(a)(2) of the Food, Conservation, and Energy Act of 2008, each year, in selecting schools to participate in the program, each State shall—

(A) ensure that each school chosen to participate in the program is a school—

(i) in which not less than 50 percent of the students are eligible for free or reduced price meals under this chapter; and

(ii) that submits an application in accordance with subparagraph (D);

(B) to the maximum extent practicable, give the highest priority to schools with the highest proportion of children who are eligible for free or reduced price meals under this chapter;

(C) ensure that each school selected is an elementary school (as defined in section 7801 of title 20);

(D) solicit applications from interested schools that include—

(i) information pertaining to the percentage of students enrolled in the school submitting the application who are eligible for free or reduced price school lunches under this chapter;

(ii) a certification of support for participation in the program signed by the school food manager, the school principal, and the district superintendent (or equivalent positions, as determined by the school);

(iii) a plan for implementation of the program, including efforts to integrate activities carried out under this section with other efforts to promote sound health and nutrition, reduce overweight and obesity, or promote physical activity; and

(iv) such other information as may be requested by the Secretary; and

(E) encourage applicants to submit a plan for implementation of the program that includes a partnership with 1 or more entities that will provide non-Federal resources (including entities representing the fruit and vegetable industry).

(2) Exception

Clause (i) of paragraph (1)(A) shall not apply to a State if all schools that meet the requirements of that clause have been selected and the State does not have a sufficient number of additional schools that meet the requirement of that clause.

(3) Outreach to low-income schools

(A) In general

Prior to making decisions regarding school participation in the program, a State agency shall inform the schools within the State with the highest proportion of free and reduced price meal eligibility, including Native American schools, of the eligibility of the schools for the program with respect to priority granted to schools with the highest proportion of free and reduced price eligibility under paragraph (1)(B).

(B) Requirement

In providing information to schools in accordance with subparagraph (A), a State agency shall inform the schools that would likely be chosen to participate in the program under paragraph (1)(B).

(e) Notice of availability

If selected to participate in the program, a school shall widely publicize within the school the availability of free fresh fruits and vegetables under the program.

1 See References in Text note below.
(f) Per-student grant

The per-student grant provided to a school under this section shall be—

(1) determined by a State agency; and

(2) not less than $50, nor more than $75.

(g) Limitation

To the maximum extent practicable, each State agency shall ensure that in making the fruits and vegetables provided under this section available to students, schools offer the fruits and vegetables separately from meals otherwise provided at the school under this chapter or the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.).

(h) Evaluation and reports

(1) In general

The Secretary shall conduct an evaluation of the program, including a determination as to whether children experienced, as a result of participating in the program—

(A) increased consumption of fruits and vegetables;

(B) other dietary changes, such as decreased consumption of less nutritious foods; and

(C) such other outcomes as are considered appropriate by the Secretary.

(2) Report

Not later than September 30, 2011, the Secretary shall submit to the Committee on Education and Labor of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report that describes the results of the evaluation under paragraph (1).

(i) Funding

(1) In general

Out of the funds made available under subsection (b)(2)(A) of section 612c–6 of title 7, the Secretary shall use the following amounts to carry out this section:

(A) On October 1, 2008, $40,000,000.

(B) On July 1, 2009, $65,000,000.

(C) On July 1, 2010, $101,000,000.

(D) On July 1, 2011, $150,000,000.

(E) On July 1, 2012, and each July 1 thereafter, the amount made available for the preceding fiscal year, as adjusted to reflect changes for the 12-month period ending the preceding April 30 in the Consumer Price Index for All Urban Consumers published by the Bureau of Labor Statistics of the Department of Labor, for items other than food.

(2) Maintenance of existing funding

In allocating funding made available under paragraph (1) among the States in accordance with subsection (c), the Secretary shall ensure that each State that received funding under section 1769(f) of this title on the day before the date of enactment of the Food, Conservation, and Energy Act of 2008 shall continue to receive sufficient funding under this section to maintain the caseload level of the State under that section as in effect on that date.

(3) Evaluation funding

On October 1, 2008, out of any funds made available under subsection (b)(2)(A) of section 612c–6 of title 7, the Secretary shall use to carry out the evaluation required under subsection (h), $3,000,000, to remain available for obligation until September 30, 2010.

(4) Receipt and acceptance

The Secretary shall be entitled to receive, shall accept, and shall use to carry out this section any funds transferred for that purpose, without further appropriation.

(5) Authorization of appropriations

In addition to any other amounts made available to carry out this section, there are authorized to be appropriated such sums as are necessary to expand the program established under this section.

(6) Administrative costs

(A) In general

Of funds made available to carry out this section for a fiscal year, the Secretary may use not more than $500,000 for the administrative costs of carrying out the program.

(B) Reservation of funds

The Secretary shall reserve such funding as the Secretary determines to be necessary to administer the program in the State (with adjustments for the size of the State and the grant amount), but not to exceed the amount required to pay the costs of 1 full-time coordinator for the program in the State.

(7) Reallocations

(A) Among States

The Secretary may reallocate any amounts made available to carry out this section that are not obligated or expended by a date determined by the Secretary.

(B) Within States

A State that receives a grant under this section may reallocate any amounts made available under the grant that are not obligated or expended by a date determined by the Secretary.


References in Text

Section 4304(a)(2) of the Food, Conservation, and Energy Act of 2008, referred to in subsec. (d)(1), is section 4304(a)(2) of Pub. L. 110–246, which is set out as a note below.


Codification


Prior Provisions


Effective Date


Pilot Project for Canned, Frozen, or Dried Fruits and Vegetables


“(a) In General.—Subject to subsection (b), in the 2014–2015 school year, the Secretary of Agriculture shall carry out a pilot project in schools participating in the Fresh Fruit and Vegetable Program under section 19 of the Richard B. Russell National School Lunch Act (42 U.S.C. 1769a) (referred to in this section as the “Program”), in not less than 5 States, to evaluate the impact of allowing schools to offer canned, frozen, or dried fruits and vegetables as part of the Program.

“(b) Requirements.—Not later than 60 days after the date of enactment of this Act [Feb. 14, 2014], the Secretary shall establish criteria for the conditions under which canned, frozen, or dried fruits and vegetables may be offered, which shall be in accordance with the most recent Dietary Guidelines for Americans published under section 301 of the National Nutrition Monitoring and Related Research Act of 1990 (7 U.S.C. 551).

“(c) Evaluation.—With respect to the pilot project, the Secretary shall evaluate—

“(1) the impacts on fruit and vegetable consumption at the schools participating in the pilot project;

“(2) the impacts of the pilot project on school participation in the Program and operation of the Program; and

“(3) implementation strategies used by the schools participating in the pilot project;

“(d) Reports.—

“(1) Interim Report.—Not later than January 1, 2015, the Secretary shall submit to the Committee on Education and Workforce of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report that describes the results of the evaluation under subsection (c).”

“(2) Final Report.—On completion of the pilot project, the Secretary shall submit to the Committee on Education and Workforce of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report that describes the results of the evaluation under subsection (c).

“(e) Notice of Availability.—As soon as practicable after the date on which the Secretary establishes the criteria for the pilot project under subsection (b), the Secretary shall notify potentially eligible schools of the potential eligibility of the schools for participation in the pilot project.

“(f) Relationship to Fresh Fruit and Vegetable Program.—Nothing in this section permits a school that is not a part of the pilot project to offer anything other than fresh fruits and vegetables through the Program.

“(g) Funding.—The Secretary shall use $5,000,000 of amounts otherwise made available to the Secretary to carry out this section.”

Transition of Existing Schools


“(A) Existing secondary schools.—Section 19(d)(1)(C) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1769a(d)(1)(C)) (as amended by paragraph (1)) may be waived by a State until July 1, 2010, for each secondary school in the State that has been awarded funding under section 18(f) of that Act (42 U.S.C. 1769(f)) for the school year beginning July 1, 2008.

“(B) School Year Beginning July 1, 2008.—To facilitate transition from the program authorized under section 18(f) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1769(f)) (as in effect on the day before the date of enactment of this Act [June 18, 2008]) to the program established under section 19 of that Act (42 U.S.C. 1769a) (as amended by paragraph (1))—

“(i) for the school year beginning July 1, 2008, the Secretary of Agriculture may permit any school selected for participation under section 18(f) of that Act (42 U.S.C. 1769(f)) for that school year to continue to participate under section 19 of that Act (42 U.S.C. 1769a) until the end of that school year; and

“(ii) funds made available under that Act (42 U.S.C. 1751 et seq.) for fiscal year 2009 may be used to support the participation of any schools selected to participate in the program authorized under section 18(f) of that Act (42 U.S.C. 1769(f)) (as in effect on the day before the date of enactment of this Act [June 18, 2008]).”


§1769b. Department of Defense overseas dependents' schools

(a) Purpose of program; availability of payments and commodities

For the purpose of obtaining Federal payments and commodities in conjunction with the provision of lunches to students attending Department of Defense dependents’ schools which are located outside the United States, its territories or possessions, the Secretary of Agriculture shall make available to the Department of Defense, from funds appropriated for such purpose, the same payments and commodities as are provided to States for schools participating in the National School Lunch Program in the United States.

(b) Administration of program; eligibility determinations and regulations

The Secretary of Defense shall administer lunch programs authorized by this section and shall determine eligibility for free and reduced price lunches under the criteria published by the Secretary of Agriculture, except that the Sec-
Secretary of Defense shall prescribe regulations governing computation of income eligibility standards for families of students participating in the National School Lunch Program under this section.

(c) Nutritional standards for meals; noncompliance with standards

The Secretary of Defense shall be required to offer meals meeting nutritional standards prescribed by the Secretary of Agriculture; however, the Secretary of Defense may authorize deviations from Department of Agriculture prescribed meal patterns and fluid milk requirements when local conditions preclude strict compliance or when such compliance is impracticable.

(d) Authorization of appropriations

Funds are hereby authorized to be appropriated for any fiscal year in such amounts as may be necessary for the administrative expenses of the Department of Defense under this section.

(e) Technical assistance for administration of program

The Secretary of Agriculture shall provide the Secretary of Defense with the technical assistance in the administration of the school lunch programs authorized by this section.

Section 1769b–1. Training, technical assistance, and food service management institute

(a) General authority

The Secretary—

(1) subject to the availability of, and from, amounts appropriated pursuant to subsection (e)(1), shall conduct training activities and provide—

(A) training and technical assistance to improve the skills of individuals employed in—

(i) food service programs carried out with assistance under this chapter and, to the maximum extent practicable, using individuals who administer exemplary local food service programs in the State;

(ii) school breakfast programs carried out with assistance under section 1773 of this title; and

(iii) as appropriate, other federally assisted feeding programs; and

(B) assistance, on a competitive basis, to State agencies for the purpose of aiding schools and school food authorities with at least 50 percent of enrolled children certified to receive free or reduced price meals (and, if there are any remaining funds, other schools and school food authorities) in meeting the cost of acquiring or upgrading technology and information management systems for use in food service programs carried out under this chapter and section 1773 of this title, if the school or school food authority submits to the State agency an infrastructure development plan that—

(i) identifies the cost savings and improvements in program integrity and operations that would result from the use of new or upgraded technology;

(ii) ensures that there is not any overt identification of any child by special tokens or tickets, announced or published list of names, or by any other means;

(iii) provides for processing and verifying applications for free and reduced price school meals;

(iv) integrates menu planning, production, and serving data to monitor compliance with section 1758(f)(1) of this title; and

(v) establishes compatibility with statewide reporting systems;

(C) assistance, on a competitive basis, to State agencies with low proportions of schools or students that—

(i) participate in the school breakfast program under section 1773 of this title; and

(ii) demonstrate the greatest need, for the purpose of aiding schools in meeting costs associated with initiating or expanding a school breakfast program under section 1773 of this title, including outreach and informational activities; and

(2) from amounts appropriated pursuant to subsection (e)(2), is authorized to provide financial and other assistance to the University of Mississippi, in cooperation with the University of Southern Mississippi, to establish and

amendments


1986—Subsec. (d). Pub. L. 99–500 and Pub. L. 99–591, §328(a), and Pub. L. 99–661, §4208(a), amended subsec. (d) identically, striking out “and for payment of the difference between the value of commodities and payments received from the Secretary of Agriculture and (1) the full cost of each lunch for each student eligible for a free lunch, and (2) the full cost of each lunch, less any amounts required by law or regulation to be paid by each student eligible for a reduced-price lunch” after “this section”.

effective date

Section effective Oct. 1, 1978 and no provision herein to be construed as impairing or preventing the taking effect of any other Act providing for the transfer of functions described herein to an executive department having responsibility for education, see section 1415 of Pub. L. 95–561, set out as a note under section 921 of Title 20, Education.
maintain a food service management institute.

(b) Minimum requirements
The activities conducted and assistance provided as required by subsection (a)(1) shall at least include activities and assistance with respect to—

(1) menu planning;
(2) implementation of regulations and appropriate guidelines; and
(3) compliance with program requirements and accountability for program operations.

(c) Duties of food service management institute

(1) In general
Any food service management institute established as authorized by subsection (a)(2) shall carry out activities to improve the general operation and quality of—

(A) food service programs assisted under this chapter;
(B) school breakfast programs assisted under section 1773 of this title; and
(C) as appropriate, other federally assisted feeding programs.

(2) Required activities
Activities carried out under paragraph (1) shall include—

(A) conducting research necessary to assist schools and other organizations that participate in such programs in providing high quality, nutritious, cost-effective meal service to the children served;
(B) providing training and technical assistance with respect to—
   (i) efficient use of physical resources;
   (ii) financial management;
   (iii) efficient use of computers;
   (iv) procurement;
   (v) sanitation;
   (vi) safety, including food handling, hazard analysis and critical control point plan implementation, emergency readiness, responding to a food recall, and food biosecurity training;
   (vii) meal planning and related nutrition activities;
   (viii) culinary skills; and
   (ix) other appropriate activities;
(C) establishing a national network of trained professionals to present training programs and workshops for food service personnel;
(D) developing training materials for use in the programs and workshops described in subparagraph (C);
(E) acting as a clearinghouse for research, studies, and findings concerning all aspects of the operation of food service programs;
(F) training food service personnel to comply with the nutrition guidance and objectives established by the Secretary through a national network of instructors or other means;
(G) preparing informational materials, such as video instruction tapes and menu planners, to promote healthier food preparation; and
(H) assisting State educational agencies in providing additional nutrition and health instructions and instructors, including training personnel to comply with the nutrition guidance and objectives established by the Secretary.

(d) Coordination

(1) In general
The Secretary shall coordinate activities carried out and assistance provided as required by subsection (b) with activities carried out by any food service management institute established as authorized by subsection (a)(2).

(2) Use of institute for dietary and nutrition activities
The Secretary shall use any food service management institute established under subsection (a)(2) to assist in carrying out dietary and nutrition activities of the Secretary.

(e) Food service management institute

(1) Funding

(A) In general
In addition to any amounts otherwise made available for fiscal year 2011, on October 1, 2010, and each October 1 thereafter, out of any funds in the Treasury not otherwise appropriated, the Secretary of the Treasury shall transfer to the Secretary to carry out subsection (a)(2) $5,000,000, to remain available until expended.

(B) Receipt and acceptance
The Secretary shall be entitled to receive, shall accept, and shall use to carry out subsection (a)(2) the funds transferred under subparagraph (A), without further appropriation.

(2) Additional funding
In addition to amounts made available under paragraph (1), there are authorized to be appropriated to carry out subsection (a)(2) such sums as are necessary for fiscal years 1995 and each subsequent fiscal year. The Secretary may contribute to implementing dietary or nutrition initiatives. Any additional funding under this subparagraph shall be provided noncompetitively in a separate cooperative agreement.

(3) Funding for education, training, or applied research or studies
In addition to amounts made available under paragraphs (1) and (2), from amounts otherwise appropriated to the Secretary in discretionary appropriations, the Secretary may provide funds to any food service management institute established under subsection (a)(2) for projects specified by the Secretary that will contribute to implementing dietary or nutrition initiatives. Any additional funding under this subparagraph shall be provided noncompetitively in a separate cooperative agreement.

(f) Administrative training and technical assistance material
In collaboration with State educational agencies, local educational agencies, and school food authorities of varying sizes, the Secretary shall develop and distribute training and technical as-
assistance material relating to the administration of school meals programs that are representative of the best management and administrative practices.

(g) Federal administrative support

(1) Funding

(A) In general

Out of any funds in the Treasury not otherwise appropriated, the Secretary of the Treasury shall transfer to the Secretary of Agriculture to carry out this subsection—

(i) on October 1, 2004, and October 1, 2005, $3,000,000;

(ii) on October 1, 2006, October 1, 2007, October 1, 2008, and October 1, 2009, $2,000,000; and

(iii) on October 1, 2010, and every October 1 thereafter, $4,000,000.

(B) Receipt and acceptance

The Secretary shall be entitled to receive, shall accept, and shall use to carry out this subsection the funds transferred under subparagraph (A), without further appropriation.

(C) Availability of funds

Funds transferred under subparagraph (A) shall remain available until expended.

(2) Use of funds

The Secretary may use funds provided under this subsection—

(A) to provide training and technical assistance and material related to improving program integrity and administrative accuracy in school meals programs; and

(B) to assist State educational agencies in reviewing the administrative practices of local educational agencies, to the extent determined by the Secretary.


AMENDMENTS

2010—Subsec. (e). Pub. L. 111–296, § 406, substituted “Food service management institute” for “Authority for appropriations” in heading, added par. (1), redesignated former subpars. (B) and (C) of former par. (2) as pars. (2) and (3), respectively, and realigned margins, substituted “paragraph (1)” for “subparagraph (A)” in two places in par. (2) and “paragraphs (1) and (2)” for “subparagraphs (A) and (B)” in par. (3), and struck out former pars. (1) and (2)(A) which related to authorization of appropriations for training activities and technical assistance and funding for the food service management institute, respectively.


2004—Subsec. (a)(1). Pub. L. 108–265, § 125(a), substituted provisions relating to training and technical assistance under this chapter, section 173a of this title, and other federally assisted programs, including assistance on a competitive basis to State agencies for the purpose of aiding schools with at least 50 percent of enrolled children certified to receive free or reduced price meals, and to State agencies with low proportions of students that participate in the school breakfast program and demonstrate the greatest need, for provisions relating to training activities and technical assistance under this chapter, section 173a of this title, and other federally assisted programs.

Subsec. (c)(2)(E). Pub. L. 108–265, § 205(b), struck out “‘, including activities carried out with assistance provided under section 1788 of this title’ before semicolon at end.


Pub. L. 108–265, § 125(c)(2), substituted “provide to the Secretary” for “provide to the Secretary $147,000 for fiscal year 1995, $2,000,000 for each of fiscal years 1996 through 1998, and $2,000,000 for fiscal year 2005” for “‘and’ and ‘2004 and $4,000,000 for fiscal year 2005’ for ‘1999 and’.

Subsecs. (f), (g). Pub. L. 108–265, § 126(a), added subsecs. (f) and (g).

1998—Subsec. (c)(2)(F). (H). Pub. L. 105–336, § 110(a), substituted “established by the Secretary” for “of section 1788 of this title”.


Subsec. (e)(2)(A). Pub. L. 105–336, § 110(c), substituted “$2,000,000 for each of fiscal years 1996 through 1998, and $3,000,000 for each subsequent fiscal year,” for “‘and $2,000,000 for fiscal year 1996 and each subsequent fiscal year,’ in first sentence.

Pub. L. 105–336, § 103(c)(2), inserted “without further appropriation” before period at end of second sentence.


Subsec. (c)(2)(B)(ix), (x). Pub. L. 103–448, § 120(a)(1), added cl. (ix) and redesignated former cl. (ix) as (x).

Subsec. (c)(2)(F) to (H). Pub. L. 103–448, § 120(a)(2), struck out subpars. (F) to (H).

Subsec. (d). Pub. L. 103–448, § 120(b), designated existing provisions as par. (1), inserted heading, and added par. (2).

Subsec. (e). Pub. L. 103–448, § 120(c), added subsec. (e) and struck out former subsec. (e) which read as follows: “There are authorized to be appropriated—

‘(1) $3,000,000 for the fiscal years 1990, 1991, and 1992, and $1,000,000 for each of the fiscal years 1993, 1994, and 1995 for purposes of carrying out subsection (a)(1) of this section; and

‘(2) $1,000,000 for the fiscal years 1990 and 1991, and $500,000 for each of the fiscal years 1992, 1993, and 1994 for purposes of carrying out subsection (a)(2) of this section.’

1992—Subsec. (a)(2). Pub. L. 102–337 inserted “to provide financial and other assistance to the University of Mississippi, in cooperation with the University of Southern Mississippi,” after ‘‘is authorized’’.

EFFECTIVE DATE OF 2010 AMENDMENT


EFFECTIVE DATE OF 1998 AMENDMENT

§ 1769c

TITLE 42—THE PUBLIC HEALTH AND WELFARE

Page 4566

EFFECTIVE DATE OF 1994 AMENDMENT


§ 1769c. Compliance and accountability

(a) Unified accountability system

(1) In general

There shall be a unified system prescribed and administered by the Secretary to ensure that local food service authorities participating in the school lunch program established under this chapter and the school breakfast program established by section 4 of the Child Nutrition Act of 1966 (42 U.S.C. 1773) comply with those Acts, including compliance with—

(A) the nutritional requirements of section 1758(f) of this title for school lunches; and

(B) as applicable, the nutritional requirements for school breakfasts under section 4(e)(1) of the Child Nutrition Act of 1966 (42 U.S.C. 1773(e)(1)).

(b) Functions of system

(1) In general

Under the system described in subsection (a), each State educational agency shall—

(A) require that local food service authorities comply with the nutritional requirements described in subparagraphs (A) and (B) of paragraph (1);

(B) to the maximum extent practicable, ensure compliance through reasonable audits and supervisory assistance reviews;

(C) in conducting audits and reviews for the purpose of determining compliance with this chapter, including the nutritional requirements of section 1758(f) of this title—

(i) conduct audits and reviews during a 3-year cycle or other period prescribed by the Secretary;

(ii) select schools for review in each local educational agency using criteria established by the Secretary;

(iii) report the final results of the reviews to the public in the State in an accessible, easily understood manner in accordance with guidelines promulgated by the Secretary; and

(iv) submit to the Secretary each year a report containing the results of the reviews in accordance with procedures developed by the Secretary; and

(D) when any local food service authority is reviewed under this section, ensure that the final results of the review by the State educational agency are posted and otherwise made available to the public on request in an accessible, easily understood manner in accordance with guidelines promulgated by the Secretary.

(2) Minimization of additional duties

Each State educational agency shall coordinate the compliance and accountability activities described in paragraph (1) in a manner that minimizes the imposition of additional duties on local food service authorities.

(3) Additional review requirement for selected local educational agencies

(A) Definition of selected local educational agencies

In this paragraph, the term "selected local educational agency" means a local educational agency that has a demonstrated high level of, or a high risk for, administrative error, as determined by the Secretary.

(B) Additional administrative review

In addition to any review required by subsection (a) or paragraph (1), each State educational agency shall conduct an administrative review of each selected local educational agency during the review cycle established under subsection (a).

(C) Scope of review

In carrying out a review under subparagraph (B), a State educational agency shall only review the administrative processes of a selected local educational agency, including application, certification, verification, meal counting, and meal claiming procedures.

(D) Results of review

If the State educational agency determines (on the basis of a review conducted under subparagraph (B)) that a selected local educational agency fails to meet performance criteria established by the Secretary, the State educational agency shall—

(i) require the selected local educational agency to develop and carry out an approved plan of corrective action;

(ii) except to the extent technical assistance is provided directly by the Secretary, provide technical assistance to assist the selected local educational agency in carrying out the corrective action plan; and

(iii) conduct a followup review of the selected local educational agency under standards established by the Secretary.

(4) Retaining funds after administrative reviews

(A) In general

Subject to subparagraphs (B) and (C), if the local educational agency fails to meet administrative performance criteria established by the Secretary in both an initial review and a followup review under paragraph (1) or (3) or subsection (a), the Secretary may require the State educational agency to retain funds that would otherwise be paid to the local educational agency for school meals programs under procedures prescribed by the Secretary.

(B) Amount

The amount of funds retained under subparagraph (A) shall equal the value of any overpayment made to the local educational agency or school food authority as a result of an erroneous claim during the time period described in subparagraph (C).
(5) Use of retained funds

(A) In general

Subject to subparagraph (B), funds retained under paragraph (4) shall—

(i) be returned to the Secretary, and may be used—

(I) to provide training and technical assistance related to administrative practices designed to improve program integrity and administrative accuracy in school meals programs to State educational agencies and, to the extent determined by the Secretary, to local educational agencies and school food authorities;

(II) to assist State educational agencies in reviewing the administrative practices of local educational agencies in carrying out school meals programs; and

(iii) to carry out section 1769b–1(f) of this title; or

(ii) be credited to the child nutrition programs appropriation account.

(B) State share

A State educational agency may retain not more than 25 percent of an amount recovered under paragraph (4), to carry out school meals program integrity initiatives to assist local educational agencies and school food authorities that have repeatedly failed, as determined by the Secretary, to meet administrative performance criteria.

(C) Requirement

To be eligible to retain funds under subparagraph (B), a State educational agency shall—

(i) submit to the Secretary a plan describing how the State educational agency will use the funds to improve school meals program integrity, including measures to give priority to local educational agencies from which funds were retained under paragraph (4);

(ii) consider using individuals who administer exemplary local food service programs in the provision of training and technical assistance; and

(iii) obtain the approval of the Secretary for the plan.

(6) Eligibility determination review for selected local educational agencies

(A) In general

A local educational agency that has demonstrated a high level of, or a high risk for, administrative error associated with certification, verification, and other administrative processes, as determined by the Secretary, shall ensure that the initial eligibility determination for each application is reviewed for accuracy prior to notifying a household of the eligibility or ineligibility of the household for free or reduced price meals.

(B) Timeliness

The review of initial eligibility determinations—

(i) shall be completed in a timely manner; and

(ii) shall not result in the delay of an eligibility determination for more than 10 operating days after the date on which the application is submitted.

(C) Acceptable types of review

Subject to standards established by the Secretary, the system used to review eligibility determinations for accuracy shall be conducted by an individual or entity that did not make the initial eligibility determination.

(D) Notification of household

Once the review of an eligibility determination has been completed under this paragraph, the household shall be notified immediately of the determination of eligibility or ineligibility for free or reduced price meals.

(E) Reporting

(i) Local educational agencies

In accordance with procedures established by the Secretary, each local educational agency required to review initial eligibility determinations shall submit to the relevant State agency a report describing the results of the reviews, including—

(I) the number and percentage of reviewed applications for which the eligibility determination was changed and the type of change made; and

(II) such other information as the Secretary determines to be necessary.

(ii) State agencies

In accordance with procedures established by the Secretary, each State agency shall submit to the Secretary a report describing the results of the reviews of initial eligibility determinations, including—

(I) the number and percentage of reviewed applications for which the eligibility determination was changed and the type of change made; and

(II) such other information as the Secretary determines to be necessary.

(iii) Transparency

The Secretary shall publish annually the results of the reviews of initial eligibility
§ 1769c

(c) Role of Secretary

In carrying out this section, the Secretary shall—

(1) assist the State educational agency in the monitoring of programs conducted by local food service authorities; and

(2) through management evaluations, review the compliance of the State educational agency and the local school food service authorities with regulations issued under this chapter.

(d) Authorization of appropriations

There is authorized to be appropriated for purposes of carrying out the compliance and accountability activities referred to in subsection (c) $10,000,000 for each of fiscal years 2011 through 2015.

(e) Fines for violating program requirements

(1) School food authorities and schools

(A) In general

The Secretary shall establish criteria by which the Secretary or a State agency may impose a fine against any school food authority or school administering a program authorized under this chapter or the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.) if the Secretary determines that the State agency has—

(i) failed to correct severe mismanagement of the program;

(ii) disregarded a program requirement of which the school food authority or school had been informed; or

(iii) failed to correct repeated violations of program requirements.

(B) Limits

In calculating the fine for a school food authority or school, the Secretary shall base the amount of the fine on the reimbursement earned by school food authority or school for the program in which the violation occurred.

(ii) Amount

The amount under clause (i) shall not exceed—

(I) 1 percent of the amount of meal reimbursements earned for the fiscal year for the first finding of 1 or more program violations under subparagraph (A);

(II) 5 percent of the amount of meal reimbursements earned for the fiscal year for the second finding of 1 or more program violations under subparagraph (A); and

(III) 10 percent of the amount of meal reimbursements earned for the fiscal year for the third or subsequent finding of 1 or more program violations under subparagraph (A).

(2) State agencies

(A) In general

The Secretary shall establish criteria by which the Secretary may impose a fine against any State agency administering a program authorized under this chapter or the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.) if the Secretary determines that the State agency has—

(i) failed to correct severe mismanagement of the program;

(ii) disregarded a program requirement of which the State had been informed; or

(iii) failed to correct repeated violations of program requirements.

(B) Limits

In the case of a State agency, the amount of a fine under subparagraph (A) shall not exceed—

(1) 1 percent of funds made available under section 7(a) of the Child Nutrition Act of 1966 (42 U.S.C. 1776(a)) for State administrative expenses during a fiscal year for the first finding of 1 or more program violations under subparagraph (A);

(2) 5 percent of funds made available under section 7(a) of the Child Nutrition Act of 1966 (42 U.S.C. 1776(a)) for State administrative expenses during a fiscal year for the second finding of 1 or more program violations under subparagraph (A); and

(3) 10 percent of funds made available under section 7(a) of the Child Nutrition Act of 1966 (42 U.S.C. 1776(a)) for State administrative expenses during a fiscal year for the third or subsequent finding of 1 or more program violations under subparagraph (A).

(3) Source of funding

Funds to pay a fine imposed under paragraph (1) or (2) shall be derived from non-Federal sources.


References in Text


Those Acts, referred to in subsec. (a)(1), mean the Richard B. Russell National School Lunch Act, which was in the original "this Act" and was translated to read "this chapter"; and the Child Nutrition Act of 1966. See above.

Adoptions

Prior to 1986—Subsec. (a). Pub. L. 94-105, § 131(a), added subsec. (a) and struck out former subsec. (a). Prior to
amendment, text read as follows: “There shall be a unified system prescribed and administered by the Secretary for ensuring that local food service authorities that participate in the school lunch program under this chapter comply with the provisions of this chapter. Such system shall be established through the publication of regulations and the provision of an opportunity for public comment, consistent with the provisions of section 553 of title 5.”

Subsec. (b)(1). Pub. L. 111–296, § 207(2), added subpars. (A) to (D) and struck out former subpars. (A) and (B) which read as follows: “(A) require that local food service authorities comply with the provisions of this chapter; and
(B) ensure such compliance through reasonable audits and supervisory assistance reviews.”


Subsec. (d). Pub. L. 111–296, § 408, substituted “$6,000,000 for each of fiscal years 2004 through 2009” for “$5,000,000 for each of fiscal years 2004 through 2009”.


2004—Subsec. (b)(3) to (5). Pub. L. 108–265, § 126(b)(1), added pars. (3) to (5).

Subsec. (d). Pub. L. 108–265, § 127, substituted “$3,000,000 for each of the fiscal years 1994 through 2003” for “$3,000,000 for each of the fiscal years 1994 through 2003”.


Effective Date of 2010 Amendment

Effective Date of 2004 Amendment

Effective Date of 1998 Amendment

Effective Date of 1994 Amendment

Regulations
Pub. L. 101–147, title I, § 110(b), Nov. 10, 1989, 103 Stat. 889, provided that: “Not later than July 1, 1990, the Secretary of Agriculture shall issue final regulations to implement section 22 of the [Richard B. Russell National School Lunch Act [this section] (as added by subsection (a) of this section)].”

Interpretation
Pub. L. 108–265, title I, § 126(b)(2), June 30, 2004, 118 Stat. 765, provided that: “Nothing in the amendment made by paragraph (1) [amending this section] affects the requirements for fiscal actions as described in the regulations issued pursuant to section 22(a) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1769c(a)).”

§ 1769d. Childhood hunger research
(a) Research on causes and consequences of childhood hunger
(1) In general
The Secretary shall conduct research on—
(A) the causes of childhood hunger and food insecurity;
(B) the characteristics of households with childhood hunger and food insecurity; and
(C) the consequences of childhood hunger and food insecurity.

(2) Authority
In carrying out research under paragraph (1), the Secretary may—
(A) enter into competitively awarded contracts or cooperative agreements; or
(B) provide grants to States or public or private agencies or organizations, as determined by the Secretary.

(3) Application
To be eligible to enter into a contract or cooperative agreement or receive a grant under this subsection, a State or public or private agency or organization shall submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary shall require.

(4) Areas of inquiry
The Secretary shall design the research program to advance knowledge and understanding of information on the issues described in paragraph (1), such as—
(A) economic, health, social, cultural, demographic, and other factors that contribute to childhood hunger or food insecurity;
(B) the geographic distribution of childhood hunger and food insecurity;
(C) the extent to which—
(i) existing Federal assistance programs, including title 26, reduce childhood hunger and food insecurity; and
(ii) childhood hunger and food insecurity persist due to—
(I) gaps in program coverage;
(II) the inability of potential participants to access programs; or
(III) the insufficiency of program benefits or services;
(D) the public health and medical costs of childhood hunger and food insecurity;
(E) an estimate of the degree to which the Census Bureau measure of food insecurity underestimates childhood hunger and food insecurity because the Census Bureau excludes certain households, such as homeless, or other factors;
(F) the effects of childhood hunger on child development, well-being, and educational attainment; and
(G) such other critical outcomes as are determined by the Secretary.

(5) Funding
(A) In general
On October 1, 2012, out of any funds in the Treasury not otherwise appropriated, the Secretary of the Treasury shall transfer to the Secretary to carry out this subsection $10,000,000, to remain available until expended.

(B) Receipt and acceptance
The Secretary shall be entitled to receive, shall accept, and shall use to carry out this
subsection the funds transferred under sub-
paragraph (A), without further appro-
section. 
(b) Demonstration projects to end childhood
hunger
(1) Definitions
In this subsection:
(A) Child
The term “child” means a person under
the age of 18.
(B) Supplemental nutrition assistance pro-
gram
The term “supplemental nutrition assist-
ance program” means the supplemental nu-
trition assistance program established under
the Food and Nutrition Act of 2008 (7 U.S.C.
2011 et seq.).
(2) Purpose
Under such terms and conditions as are es-
blished by the Secretary, the Secretary
shall carry out demonstration projects that
look to end childhood hunger, including alternative models for serv-
ance delivery and benefit levels that promote
the reduction or elimination of childhood hun-
ger and food insecurity.
(3) Projects
Demonstration projects carried out under
this subsection may include projects that—
(A) enhance benefits provided under the
supplemental nutrition assistance program
for eligible households with children;
(B) enhance benefits or provide for innova-
tive program delivery models in the school
meals, afterschool snack, and child and
adult care food programs under this chapter
and the Child Nutrition Act of 1966 (42 U.S.C.
1771 et seq.); and
(C) target Federal, State, or local assist-
ance, including emergency housing or family
preservation services, at households with
children who are experiencing hunger or
food insecurity, to the extent permitted by
the legal authority establishing those assist-
ance programs and services.
(4) Grants
(A) Demonstration projects
(i) In general
In carrying out this subsection, the Sec-
retary may enter into competitively
awarded contracts or cooperative agree-
ments with, or provide grants to, public or
private organizations or agencies (as de-
termined by the Secretary), for use in ac-
cordance with demonstration projects that
meet the purposes of this subsection.
(ii) Requirement
At least 1 demonstration project funded
under this subsection shall be carried out
on an Indian reservation in a rural area
with a service population with a preva-
ience of diabetes that exceeds 15 percent,
as determined by the Director of the In-
dian Health Service.
(B) Application
To be eligible to receive a contract, coop-
erative agreement, or grant under this sub-
惠

(C) Selection criteria
Demonstration projects shall be selected
based on publicly disseminated criteria that
may include—
(i) an identification of a low-income tar-
get group that reflects individuals experi-
cing hunger or food insecurity;
(ii) a commitment to a demonstration
project that allows for a rigorous outcome
evaluation as described in paragraph (6);
(iii) a focus on innovative strategies to
reduce the risk of childhood hunger or pro-
vide a significant improvement to the food
security status of households with chil-
dren; and
(iv) such other criteria as are determined
by the Secretary.
(5) Consultation
In determining the range of projects and de-
fining selection criteria under this subsection,
the Secretary shall consult with—
(A) the Secretary of Health and Human
Services;
(B) the Secretary of Labor; and
(C) the Secretary of Housing and Urban
Development.
(6) Evaluation and reporting
(A) Independent evaluation
The Secretary shall provide for an inde-
pendent evaluation of each demonstration
project carried out under this subsection
that—
(i) measures the impact of each demon-
stration project on appropriate partici-
pation, food security, nutrition, and asso-
ciated behavioral outcomes among partici-
pating households; and
(ii) uses rigorous experimental designs
and methodologies, particularly random
assignment or other methods that are ca-
pable of producing scientifically valid in-
formation regarding which activities are
effective in reducing the prevalence or pre-
venting the incidence of food insecurity
and hunger in the community, especially
among children.
(B) Reporting
Not later than December 31, 2013 and each
December 31 thereafter until the date on
which the last evaluation under subpara-
graph (A) is completed, the Secretary shall—
(i) submit to the Committee on Agri-
culture and the Committee on Education
and Labor of the House of Representatives
and the Committee on Agriculture, Nutri-
tion, and Forestry of the Senate a report
that includes a description of—
(I) the status of each demonstration
project; and
(II) the results of any evaluations of
the demonstration projects completed
during the previous fiscal year; and
(ii) ensure that the evaluation results
are shared broadly to inform policy mak-
ers, service providers, other partners, and the public in order to promote the wide use of successful strategies.

(7) Funding

(A) In general
On October 1, 2012, out of any funds in the Treasury not otherwise appropriated, the Secretary of the Treasury shall transfer to the Secretary to carry out this subsection $40,000,000, to remain available until September 30, 2017.

(B) Receipt and acceptance
The Secretary shall be entitled to receive, shall accept, and shall use to carry out this subsection the funds transferred under subparagraph (A), without further appropriation.

(C) Use of funds

(i) In general
Funds made available under subparagraph (A) may be used to carry out this subsection, including to pay Federal costs associated with developing, soliciting, awarding, monitoring, and disseminating the results of each demonstration project under this subsection.

(ii) Indian reservations
Of amounts made available under subparagraph (A), the Secretary shall use a portion of the amounts to carry out research relating to hunger, obesity, and Type 2 diabetes on Indian reservations, including research to determine the manner in which Federal nutrition programs can help to overcome those problems.

(iii) Report
Not later than 1 year after December 13, 2010, the Secretary shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report that—

(I) describes the manner in which Federal nutrition programs can help to overcome child hunger nutrition problems on Indian reservations; and

(II) contains proposed administrative and legislative recommendations to strengthen and streamline all relevant Department of Agriculture nutrition programs to reduce childhood hunger, obesity, and Type 2 diabetes on Indian reservations.

(D) Limitations

(i) Duration
No project may be funded under this subsection for more than 5 years.

(ii) Project requirements
No project that makes use of, alters, or coordinates with the supplemental nutrition assistance program may be funded under this subsection unless the project is fully consistent with the project requirements described in section 17(b)(1)(B) of the Food and Nutrition Act of 2008 (7 U.S.C. 2026(b)(1)(B)).

(iii) Hunger-free communities
No project may be funded under this subsection that receives funding under section 7517 of title 7.1

(iv) Other benefits
Funds made available under this subsection may not be used for any project in a manner that is inconsistent with—

(I) this chapter;

(II) the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.); and

(III) the Food and Nutrition Act of 2008 (7 U.S.C. 2011 et seq.); or

(IV) the Emergency Food Assistance Act of 1983 (7 U.S.C. 7501 et seq.).

References in Text


The Emergency Food Assistance Act of 1983, referred to in subsec. (b)(7)(D)(IV), is Pub. L. 101-147, title I, §111, 103 Stat. 703, which is classified generally to chapter 51 (§2011 et seq.) of Title 7, Agriculture. For complete classification of this Act to the Code, see Short Title note set out under section 2011 of Title 7 and Tables.


The Emergency Food Assistance Act of 1983, referred to in subsec. (b)(7)(D), is Pub. L. 101-147, title I, §111, 103 Stat. 703, which is classified principally to chapter 102 (§7501 et seq.) of Title 7, Agriculture. For complete classification of this Act to the Code, see Short Title note set out under section 7501 of Title 7 and Tables.

References in Text


The Emergency Food Assistance Act of 1983, referred to in subsec. (b)(7)(D)(IV), is Pub. L. 101-147, title I, §111, 103 Stat. 703, which is classified generally to chapter 51 (§2011 et seq.) of Title 7, Agriculture. For complete classification of this Act to the Code, see Short Title note set out under section 2011 of Title 7 and Tables.

Prior Provisions

A prior section 1769d, act June 4, 1946, ch. 281, §23, as added Nov. 10, 1969, Pub. L. 101-147, title I, §111, 103 Stat. 890, directed Secretary to provide each appropriate State agency with information on income eligibility for free or reduced price meals under each program established under this chapter and the Child Nutrition Act of 1966, prior to repeal by Pub. L. 104-193, title VII, §711, Aug. 22, 1996, 110 Stat. 2301.

Effective Date

Section effective Oct. 1, 2010, except as otherwise specifically provided, see section 445 of Pub. L. 111-296, set out as an Effective Date of 2010 Amendment note under section 1751 of this title.

§1769e. State childhood hunger challenge grants

(a) Definitions
In this section:

(1) Child
The term “child” means a person under the age of 18.

(2) Supplemental nutrition assistance program
The term “supplemental nutrition assistance program” means the supplemental nutri-
tation assistance program established under the Food and Nutrition Act of 2008 (7 U.S.C. 2011 et seq.).

(b) Purpose

Under such terms and conditions as are established by the Secretary, funds made available under this section may be used to competitively award grants to or enter into cooperative agreements with Governors to carry out comprehensive and innovative strategies to end childhood hunger, including alternative models for service delivery and benefit levels that promote the reduction or elimination of childhood hunger by 2015.

(c) Projects

State demonstration projects carried out under this section may include projects that—

(1) enhance benefits provided under the supplemental nutrition assistance program for eligible households with children;

(2) enhance benefits or provide for innovative program delivery models in the school meals, afterschool snack, and child and adult care food programs under this chapter and the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.);

(3) target Federal, State, or local assistance, including emergency housing, family preservation services, child care, or temporary assistance at households with children who are experiencing hunger or food insecurity, to the extent permitted by the legal authority establishing those assistance programs and services;

(4) enhance outreach to increase access and participation in Federal nutrition assistance programs; and

(5) improve the coordination of Federal, State, and community resources and services aimed at preventing food insecurity and hunger, including through the establishment and expansion of State food policy councils.

(d) Grants

(1) In general

In carrying out this section, the Secretary may competitively award grants or enter into competitively awarded cooperative agreements with Governors for use in accordance with demonstration projects that meet the purposes of this section.

(2) Application

To be eligible to receive a grant or cooperative agreement under this section, a Governor shall submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require.

(3) Selection criteria

The Secretary shall evaluate proposals based on publicly disseminated criteria that may include—

(A) an identification of a low-income target group that reflects individuals experiencing hunger or food insecurity;

(B) a commitment to approaches that allow for a rigorous outcome evaluation as described in subsection (f); (C) a comprehensive and innovative strategy to reduce the risk of childhood hunger or provide a significant improvement to the food security status of households with children; and

(D) such other criteria as are determined by the Secretary.

(4) Requirements

Any project funded under this section shall provide for—

(A) a baseline assessment, and subsequent annual assessments, of the prevalence and severity of very low food security among children in the State, based on a methodology prescribed by the Secretary;

(B) a collaborative planning process including key stakeholders in the State that results in a comprehensive agenda to eliminate childhood hunger that is—

(i) described in a detailed project plan; and

(ii) provided to the Secretary for approval;

(C) an annual budget;

(D) specific performance goals, including the goal to sharply reduce or eliminate food insecurity among children in the State by 2015, as determined through a methodology prescribed by the Secretary and carried out by the Governor; and

(E) an independent outcome evaluation of not less than 1 major strategy of the project that measures—

(i) the specific impact of the strategy on food insecurity among children in the State; and

(ii) if applicable, the nutrition assistance participation rate among children in the State.

(e) Consultation

In determining the range of projects and defining selection criteria under this section, the Secretary shall consult with—

(1) the Secretary of Health and Human Services;

(2) the Secretary of Labor;

(3) the Secretary of Education; and

(4) the Secretary of Housing and Urban Development.

(f) Evaluation and reporting

(1) General performance assessment

Each project authorized under this section shall require an independent assessment that—

(A) measures the impact of any activities carried out under the project on the level of food insecurity in the State that—

(i) focuses particularly on the level of food insecurity among children in the State; and

(ii) includes a preimplementation baseline and annual measurements taken during the project of the level of food insecurity in the State; and

(B) is carried out using a methodology prescribed by the Secretary.

(2) Independent evaluation

Each project authorized under this section shall provide for an independent evaluation of not less than 1 major strategy that—
(A) measures the impact of the strategy on appropriate participation, food security, nutrition, and associated behavioral outcomes among participating households; and

(B) uses rigorous experimental designs and methodologies, particularly random assignment or other methods that are capable of producing scientifically valid information regarding which activities are effective in reducing the prevalence or preventing the incidence of food insecurity and hunger in the community, especially among children.

(3) Reporting

Not later than December 31, 2011 and each December 31 thereafter until the date on which the last evaluation under paragraph (1) is completed, the Secretary shall—

(A) submit to the Committee on Agriculture and the Committee on Education and Labor of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report that includes a description of—

(i) the status of each State demonstration project; and

(ii) the results of any evaluations of the demonstration projects completed during the previous fiscal year; and

(B) ensure that the evaluation results are shared broadly to inform policy makers, service providers, other partners, and the public in order to promote the wide use of successful strategies.

(g) Authorization of appropriations

(1) In general

There are authorized to be appropriated to carry out this section such sums as are necessary for each of fiscal years 2011 through 2014, to remain available until expended.

(2) Use of funds

Funds made available under paragraph (1) may be used to carry out this section, including to pay Federal costs associated with developing, soliciting, awarding, monitoring, evaluating, and disseminating the results of each demonstration project under this section.

(3) Limitations

(A) Duration

No project may be funded under this section for more than 5 years.

(B) Performance basis

Funds provided under this section shall be made available to each Governor on an annual basis, with the amount of funds provided for each year contingent on the satisfactory implementation of the project plan and progress towards the performance goals defined in the project year plan.

(C) Altering nutrition assistance program requirements

No project that makes use of, alters, or coordinates with the supplemental nutrition assistance program may be funded under this section unless the project is fully consistent with the project requirements described in section 17(b)(1)(B) of the Food and Nutrition Act of 2008 (7 U.S.C. 2026(b)(1)(B)),

(D) Other benefits

Funds made available under this section may not be used for any project in a manner that is inconsistent with—

(i) this chapter;

(ii) the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.);

(iii) the Food and Nutrition Act of 2008 (7 U.S.C. 2011 et seq.); or

(iv) the Emergency Food Assistance Act of 1983 (7 U.S.C. 7501 et seq.).


REFERENCES IN TEXT


The purposes of this section are to promote the prevention and deterrence of instances of fraud, bid rigging, and other anticompetitive activities encountered in the procurement of products for child nutrition programs by—

(1) establishing guidelines and a timetable for the Secretary to initiate debarment proceedings, as well as establishing mandatory debarment periods; and

(2) providing training, technical advice, and guidance in identifying and preventing the activities.

(b) Definitions

As used in this section:

(1) Child nutrition program

The term “child nutrition program” means—

(A) the school lunch program established under this chapter;
(B) the summer food service program for children established under section 1761 of this title;
(C) the child and adult care food program established under section 1766 of this title;
(D) the special milk program established under section 1772 of this title;
(E) the school breakfast program established under section 1773 of this title; and
(F) the special supplemental nutrition program for women, infants, and children authorized under section 1786 of this title.

(2) Contractor
The term ‘contractor’ means a person that contracts with a State, an agency of a State, or a local agency to provide goods or services in relation to the participation of a local agency in a child nutrition program.

(3) Local agency
The term ‘local agency’ means a school, school food authority, child care center, sponsoring organization, or other entity authorized to operate a child nutrition program at the local level.

(4) Nonprocurement debarment
The term ‘nonprocurement debarment’ means an action to bar a person from programs and activities involving Federal financial and nonfinancial assistance, but not including Federal procurement programs and activities.

(5) Person
The term ‘person’ means any individual, corporation, partnership, association, cooperative, or other legal entity, however organized.

(c) Assistance to identify and prevent fraud and anticompetitive activities
The Secretary shall—
(1) in cooperation with any other appropriate individual, organization, or agency, provide advice, training, technical assistance, and guidance (which may include awareness training, training films, and troubleshooting advice) to representatives of States and local agencies regarding means of identifying and preventing fraud and anticompetitive activities relating to the provision of goods or services in conjunction with the participation of a local agency in a child nutrition program; and
(2) provide information to, and fully cooperate with, the Attorney General and State attorneys general regarding investigations of fraud and anticompetitive activities relating to the provision of goods or services in conjunction with the participation of a local agency in a child nutrition program.

(d) Nonprocurement debarment
(1) In general
Except as provided in paragraph (3) and subsection (e), not later than 180 days after notification of the occurrence of a cause for debarment described in paragraph (2), the Secretary shall initiate nonprocurement debarment proceedings against the contractor who has committed the cause for debarment.

(2) Causes for debarment
Actions requiring initiation of nonprocurement debarment pursuant to paragraph (1) shall include a situation in which a contractor is found guilty in any criminal proceeding, or found liable in any civil or administrative proceeding, in connection with the supplying, providing, or selling of goods or services to any local agency in connection with a child nutrition program, of—
(A) an anticompetitive activity, including bid-rigging, price-fixing, the allocation of customers between competitors, or other violation of Federal or State antitrust laws;
(B) fraud, bribery, theft, forgery, or embezzlement;
(C) knowingly receiving stolen property;
(D) making a false claim or statement; or
(E) any other obstruction of justice.

(3) Exception
If the Secretary determines that a decision on initiating nonprocurement debarment proceedings cannot be made within 180 days after notification of the occurrence of a cause for debarment described in paragraph (2) because of the need to further investigate matters relating to the possible debarment, the Secretary may have such additional time as the Secretary considers necessary to make a decision, but not to exceed an additional 180 days.

(4) Mandatory child nutrition program debarment periods
(A) In general
Subject to the other provisions of this paragraph and notwithstanding any other provision of law except subsection (e), if, after deciding to initiate nonprocurement debarment proceedings pursuant to paragraph (1), the Secretary decides to debar a contractor, the debarment shall be for a period of not less than 3 years.

(B) Previous debarment
If the contractor has been previously debarred pursuant to nonprocurement debarment proceedings initiated pursuant to paragraph (1), and the cause for debarment is described in paragraph (2) based on activities that occurred subsequent to the initial debarment, the debarment shall be for a period of not less than 5 years.

(C) Scope
At a minimum, a debarment under this subsection shall serve to bar the contractor for the specified period from contracting to provide goods or services in conjunction with the participation of a local agency in a child nutrition program.

(D) Reversal, reduction, or exception
Nothing in this section shall restrict the ability of the Secretary to—
(i) reverse a debarment decision;
(ii) reduce the period or scope of a debarment;
(iii) grant an exception permitting a debarred contractor to participate in a particular contract to provide goods or services; or
(iv) otherwise settle a debarment action at any time;
in conjunction with the participation of a local agency in a child nutrition program, if
the Secretary determines there is good cause for the action, after taking into account factors set forth in paragraphs (1) through (6) of subsection (e).

(5) Information
On request, the Secretary shall present to the Committee on Education and Labor, and the Committee on Agriculture, of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate information regarding the decisions required by this subsection.

(6) Relationship to other authorities
A debarment imposed under this section shall not reduce or diminish the authority of a Federal, State, or local government agency or court to penalize, imprison, fine, suspend, debar, or take other adverse action against a person in a civil, criminal, or administrative proceeding.

(7) Regulations
The Secretary shall issue such regulations as are necessary to carry out this subsection.

(e) Mandatory debarment
Notwithstanding any other provision of this section, the Secretary shall initiate nonprocurement debarment proceedings against the contractor (including any cooperative) who has committed the cause for debarment (as determined under subsection (d)(2)), unless the action—

(1) is likely to have a significant adverse effect on competition or prices in the relevant market or nationally;

(2) will interfere with the ability of a local agency to procure a needed product for a child nutrition program;

(3) is unfair to a person, subsidiary corporation, affiliate, parent company, or local division of a corporation that is not involved in the improper activity that would otherwise result in the debarment;

(4) is likely to have significant adverse economic impacts on the local economy in a manner that is unfair to innocent parties;

(5) is not justified in light of the penalties already imposed on the contractor for violations relevant to the proposed debarment, including any suspension or debarment arising out of the same matter that is imposed by any Federal or State agency; or

(6) is not in the public interest, or otherwise is not in the interests of justice, as determined by the Secretary.

(f) Exhaustion of administrative remedies
Prior to seeking judicial review in a court of competent jurisdiction, a contractor against whom a nonprocurement debarment proceeding has been initiated shall—

(1) exhaust all administrative procedures prescribed by the Secretary; and

(2) receive notice of the final determination of the Secretary.

(g) Information relating to prevention and control of anticompetitive activities
On request, the Secretary shall present to the Committee on Education and Labor, and the Committee on Agriculture, of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate information regarding the activities of the Secretary relating to anticompetitive activities, fraud, nonprocurement debarment, and any waiver granted by the Secretary under this section.


AMENDMENTS
1998—Subsec. (b)(1)(D) to (G). Pub. L. 105–336 redesignated subpars. (E) to (G) as (D) to (F), respectively, and struck out former subpar. (D) which read as follows: ‘‘the homeless children nutrition program established under section 1766b of this title.’’

EFFECTIVE DATE OF 1998 AMENDMENT

EFFECTIVE DATE
Section effective Oct. 1, 1994, see section 401 of Pub. L. 103–448, set out as an Effective Date of 1994 Amendment note under section 1755 of this title.

Pub. L. 103–448, title I, § 122(b), Nov. 2, 1994, 108 Stat. 4730, provided that: ‘‘Section 25 of the [Richard B. Russell] National School Lunch Act [42 U.S.C. 1769f] (as added by subsection (a)) shall not apply to a cause for debarment as described in section 25(d)(2) of such Act that is based on an activity that took place prior to the effective date of section 25 of such Act [Oct. 1, 1994].’’

NO REDUCTION IN AUTHORITY OF SECRETARY OF AGRICULTURE TO DEBAR OR SUSPEND A PERSON FROM FEDERAL FINANCIAL AND NONFINANCIAL ASSISTANCE AND BENEFITS
Pub. L. 103–448, title I, § 122(c), Nov. 2, 1994, 108 Stat. 4731, provided that: ‘‘The authority of the Secretary of Agriculture that exists on the day before the date of enactment of this Act [Nov. 2, 1994] to debar or suspend a person from Federal financial and nonfinancial assistance and benefits under Federal programs and activities shall not be diminished or reduced by subsection (a) [enacting this section] or the amendment made by subsection (a).’’

§ 1769g Information clearinghouse

(a) In general
The Secretary shall enter into a contract with a nongovernmental organization described in subsection (b) to establish and maintain a clearinghouse to provide information to nongovernmental groups located throughout the United States that assist low-income individuals or communities regarding food assistance, self-help activities to aid individuals in becoming self-reliant, and other activities that empower low-income individuals or communities to improve the lives of low-income individuals and reduce reliance on Federal, State, or local governmental agencies for food or other assistance.

(b) Nongovernmental organization
The nongovernmental organization referred to in subsection (a) shall be selected on a competitive basis and shall—

(1) be experienced in the gathering of first-hand information in all the States through on-site visits to grassroots organizations in each State that fight hunger and poverty or that assist individuals in becoming self-reliant;
§ 1769h

(2) be experienced in the establishment of a clearinghouse similar to the clearinghouse described in subsection (a);

(3) agree to contribute in-kind resources towards the establishment and maintenance of the clearinghouse and agree to provide clearinghouse information, free of charge, to the Secretary, States, counties, cities, antihunger groups, and grassroots organizations that assist individuals in becoming self-sufficient and self-reliant;

(4) be sponsored by an organization, or be an organization, that—

(A) has helped combat hunger for at least 10 years;

(B) is committed to reinvesting in the United States; and

(C) is knowledgeable regarding Federal nutrition programs;

(5) be experienced in communicating the purpose of the clearinghouse through the media, including the radio and print media, and be able to provide access to the clearinghouse information through computer or telecommunication technology, as well as through the mails; and

(6) be able to provide examples, advice, and guidance to States, counties, cities, communities, antihunger groups, and local organizations regarding means of assisting individuals and communities to reduce reliance on government programs, reduce hunger, improve nutrition, and otherwise assist low-income individuals and communities become more self-sufficient.

c) Audits

The Secretary shall establish fair and reasonable auditing procedures regarding the expenditures of funds to carry out this section.

d) Funding

Out of any moneys in the Treasury not otherwise appropriated, the Secretary of the Treasury shall pay to the organization selected under this section, to establish and maintain the information clearinghouse, $200,000 for each of fiscal years 1995 and 1996, $150,000 for fiscal year 1997, $100,000 for fiscal year 1998, $160,000 for each of fiscal years 1999 through 2004, and $250,000 for each of fiscal years 2010 through 2021. The Secretary shall be entitled to receive the funds and shall accept the funds, without further appropriation.

(A) the cost of producing meals and meal supplements under the programs described in paragraph (1); and
(B) the nutrient profile of meals, and status of menu planning practices, under the programs.

(3) Authorization of appropriations

There is authorized to be appropriated to carry out this subsection $5,000,000 for fiscal year 2004 and each subsequent fiscal year.

(b) Certification improvements

(1) In general

Subject to the availability of funds made available under paragraph (5), the Secretary, acting through the Administrator of the Food and Nutrition Service, shall conduct a study of the feasibility of improving the certification process used for the school lunch program established under this chapter.

(2) Pilot projects

In carrying out this subsection, the Secretary may conduct pilot projects to improve the certification process used for the school lunch program.

(3) Components

In carrying out this subsection, the Secretary shall examine the use of—
(A) other income reporting systems;
(B) an integrated benefit eligibility determination process managed by a single agency;
(C) income or program participation data gathered by State or local agencies; and
(D) other options determined by the Secretary.

(4) Waivers

(A) In general

Subject to subparagraph (B), the Secretary may waive such provisions of this chapter as are necessary to carry out this subsection.

(B) Provisions

The protections of section 1758(b)(6) of this title shall apply to any study or pilot project carried out under this subsection.

(5) Authorization of appropriations

There is authorized to be appropriated to carry out this subsection such sums as are necessary.

(c) Cooperation with program research and evaluation

States, State educational agencies, local educational agencies, schools, institutions, facilities, and contractors participating in programs authorized under this chapter and the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.) shall cooperate with officials and contractors acting on behalf of the Secretary, in the conduct of evaluations and studies under those Acts.

(6) Rule of construction

Not later than 1 year after December 13, 2010, the Secretary, acting through the Administrator of the Food and Nutrition Service, shall—
(1) in consultation with the Administrator of the Agricultural Marketing Service and the Administrator of the Farm Service Agency, develop guidelines to determine the circumstances under which it is appropriate for the Secretary to institute an administrative hold on suspect foods purchased by the Secretary that are being used in school meal programs under this chapter and the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.);
(2) work with States to explore ways for the States to increase the timeliness of notification of food recalls to schools and school food authorities; and
(3) improve the timeliness and completeness of direct communication between the Food and Nutrition Service and States about holds and recalls, such as through the commodity alert system of the Food and Nutrition Service; and
(4) establish a timeframe to improve the commodity hold and recall procedures of the Department of Agriculture to address the role of processors and determine the involvement of distributors with processed products that may contain recalled ingredients, to facilitate the provision of more timely and complete information to schools.

(b) Food Safety and Inspection Service

Not later than 1 year after December 13, 2010, the Secretary, acting through the Administrator of the Food Safety and Inspection Service, shall revise the procedures of the Food Safety and Inspection Service to ensure that schools are included in effectiveness checks.

(6) Rule of construction

Not later than 1 year after December 13, 2010, the Secretary, acting through the Administrator of the Food Safety and Inspection Service, shall—
(1) in consultation with the Administrator of the Agricultural Marketing Service and the Administrator of the Farm Service Agency, develop guidelines to determine the circumstances under which it is appropriate for the Secretary to institute an administrative hold on suspect foods purchased by the Secretary that are being used in school meal programs under this chapter and the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.);
(2) work with States to explore ways for the States to increase the timeliness of notification of food recalls to schools and school food authorities; and
(3) improve the timeliness and completeness of direct communication between the Food and Nutrition Service and States about holds and recalls, such as through the commodity alert system of the Food and Nutrition Service; and
(4) establish a timeframe to improve the commodity hold and recall procedures of the Department of Agriculture to address the role of processors and determine the involvement of distributors with processed products that may contain recalled ingredients, to facilitate the provision of more timely and complete information to schools.
Chapter 13A—Child Nutrition

§ 1771. Congressional declaration of purpose

In recognition of the demonstrated relationship between food and good nutrition and the capacity of children to develop and learn, based on the years of cumulative successful experience under the national school lunch program with its significant contributions in the field of applied nutrition research, it is hereby declared to be the policy of Congress that these efforts shall be extended, expanded, and strengthened under the authority of the Secretary of Agriculture as a measure to safeguard the health and well-being of the Nation’s children, and to encourage the domestic consumption of agricultural and other foods, by assisting States, through grants-in-aid and other means, to meet more effectively the nutritional needs of our children.


Effective Date

Section effective Oct. 1, 2010, except as otherwise specifically provided, see section 445 of Pub. L. 111–296, set out as an Effective Date of 2010 Amendment note under section 1751 of this title.

§ 1772. Special program to encourage the consumption of fluid milk by children; authorization of appropriations; eligibility for special milk program; minimum rate of reimbursement; ineligibility of commodity only schools

(a)(1) There is hereby authorized to be appropriated for the fiscal year ending June 30, 1970, and for each succeeding fiscal year, such sums as may be necessary to enable the Secretary of Agriculture, under such rules and regulations as the Secretary may deem in the public interest, to encourage consumption of fluid milk by children in the United States in (A) nonprofit schools of high school grade and under, except as provided in paragraph (2), which do not participate in a meal service program authorized under this chapter or the Richard B. Russell National School Lunch Act [42 U.S.C. 1751 et seq.], (B) nonprofit nursery schools, child-care centers, settlement houses, summer camps, and similar nonprofit institutions devoted to the care and training of children, which do not participate in a meal service program authorized under this chapter or the Richard B. Russell National School Lunch Act, and (C) other foods, by assisting States, through grants-in-aid and other means, to meet more effectively the nutritional needs of our children.


Short Title of 2008 Amendment

Pub. L. 110–251, § 1, June 20, 2008, 122 Stat. 2314, provided that: “This Act [amending section 1786 of this title and enacting provisions set out as notes under this section and sections 1769 and 1786 of this title] may be cited as the ‘Children’s Nutrition Assistance Act of 1992.’”


§ 1772. Special program to encourage the consumption of fluid milk by children; authorization of appropriations; eligibility for special milk program; minimum rate of reimbursement; ineligibility of commodity only schools

§ 1773. School breakfast program.

§ 1774. Disbursement directly to schools or institutions.

§ 1775. Certification to Secretary of the Treasury of amounts to be paid to States.

§ 1776. State administrative expenses.

§ 1776a. 1776b. Omitted.

§ 1777. Use in school breakfast program of food designated as being in abundance or food donated by the Secretary of Agriculture.

§ 1778. Nonprofit programs.

§ 1779. Regulations.

§ 1780. Prohibitions.

§ 1781. Centralization in Department of Agriculture of administration of food service programs for children.

§ 1782. Appropriations for administrative expense.

§ 1783. Definitions.

§ 1784. Accounts and records; availability for inspection; authority to settle, adjust, or waive claims.

§ 1785. Special supplemental nutrition program for women, infants, and children.

§ 1786. Repealed.

§ 1787. Team nutrition network.

§ 1788. Department of Defense overseas dependents’ nutrition program.

§ 1789. Breastfeeding promotion program.

§ 1790. Bill Emerson Good Samaritan Food Donation Act.

§ 1791. Promoting Federal food donation.

§ 1792. Grants for expansion of school breakfast programs.

§ 1793. Use of school breakfast program of food designated as being in abundance or food donated by the Secretary of Agriculture; ineligibility of commodity only.

§ 1794. Disbursement directly to schools or institutions.

§ 1795. Certification to Secretary of the Treasury of amounts to be paid to States.

§ 1796. State administrative expenses.

§ 1797. Use in school breakfast program of food designated as being in abundance or food donated by the Secretary of Agriculture.

§ 1798. Nonprofit programs.

§ 1799. Regulations.

§ 1800. Prohibitions.

§ 1801. Centralization in Department of Agriculture of administration of food service programs for children.

§ 1802. Appropriations for administrative expense.

§ 1803. Definitions.

§ 1804. Accounts and records; availability for inspection; authority to settle, adjust, or waive claims.

§ 1805. Special supplemental nutrition program for women, infants, and children.

§ 1806. Repealed.

§ 1807. Team nutrition network.

§ 1808. Department of Defense overseas dependents’ nutrition program.

§ 1809. Breastfeeding promotion program.

§ 1810. Bill Emerson Good Samaritan Food Donation Act.

§ 1811. Promoting Federal food donation.

§ 1812. Grants for expansion of school breakfast programs.

§ 1813. Use of school breakfast program of food designated as being in abundance or food donated by the Secretary of Agriculture; ineligibility of commodity only.

§ 1814. Disbursement directly to schools or institutions.

§ 1815. Certification to Secretary of the Treasury of amounts to be paid to States.

§ 1816. State administrative expenses.
milk program provided for by this chapter during the fiscal year ending June 30, 1969.  
(5) Any school or nonprofit child care institution which does not participate in a meal service program authorized under this chapter or the Richard B. Russell National School Lunch Act shall receive the special milk program upon its request.  
(6) Children who qualify for free lunches under guidelines set forth by the Secretary shall, at the option of the school involved (or of the local educational agency involved in the case of a public school) be eligible for free milk upon their request.  
(7) For the fiscal year ending June 30, 1975, and for subsequent school years, the minimum rate of reimbursement for a half-pint of milk served in schools and other eligible institutions shall not be less than 5 cents per half-pint served to eligible children, and such minimum rate of reimbursement shall be adjusted on an annual basis each school year to reflect changes in the Producer Price Index for Fresh Processed Milk published by the Bureau of Labor Statistics of the Department of Labor.  
(8) Such adjustment shall be computed to the nearest one-fourth cent.  
(9) Notwithstanding any other provision of this section, in no event shall the minimum rate of reimbursement exceed the cost to the school or institution of milk served to children.  
(10) The State educational agency shall disburse funds paid to the State during any fiscal year for purposes of carrying out the program under this section in accordance with such agreements approved by the Secretary as may be entered into by such State agency and the schools in the State. The agreements described in the preceding sentence shall be permanent agreements that may be amended as necessary. Nothing in the preceding sentence shall be construed to limit the ability of the State educational agency to suspend or terminate any such agreement in accordance with regulations prescribed by the Secretary.

Commodity only schools shall not be eligible to participate in the special milk program under this section. For the purposes of the preceding sentence, the term “commodity only schools” means schools that do not participate in the school lunch program under the Richard B. Russell National School Lunch Act [42 U.S.C. 1751 et seq.], but which receive commodities made available by the Secretary for use by such schools in nonprofit lunch programs.


References in Text
The Richard B. Russell National School Lunch Act, referred to in subsecs. (a)(1), (2), (5), (b), is act June 4, 1946, ch. 281, 60 Stat. 230, as amended, which is classified generally to chapter 13 (§1751 et seq.) of this title. For complete classification of this Act to the Code, see Short Title note set out under section 1751 of this title and Tables.

Codification

Amendments

1996—Subsec. (a)(5). Pub. L. 104–193 substituted “the Commonwealth of the Northern Mariana Islands” for “the Trust Territory of the Pacific Islands”.  
Subsec. (a)(1). Pub. L. 101–147, § 321(1), substituted “the Secretary” for “he” before “may deem”.  
Subsec. (a)(4). Pub. L. 101–147, § 321(3), substituted “the Secretary” for “he”.  
Subsec. (a)(5). Pub. L. 101–147, § 321(4), substituted “its” for “their” before “request”.  
1995—Subsec. (a). Pub. L. 100–500, Pub. L. 99–591, and Pub. L. 99–661 amended subsec. (a) identically, designating existing provisions as pars. (1) and (3) to (9), in par. (1), redesignating former cls. (1) and (2) as subpars. (A) and (B) and inserting “except as provided in paragraph (2),” in subpar. (A), and adding par. (2).  
Pub. L. 97–35, § 807, inserted provisions respecting nonparticipation in a meal service program, and struck out provisions relating to rate of reimbursement per half-pint of milk served to children not eligible for free milk in schools, child care institutions, and summer camps participating in meal service programs under the National School Lunch Act.  
1990—Pub. L. 96–499 provided that the rate of reimbursement per half-pint of milk, served to children not eligible for free milk in schools, child care institutions, and summer camps participating in meal service programs under the National School Lunch Act was to be five cents.  
1987—Pub. L. 95–627 substituted “Producer Price Index for Fresh Processed Milk” for “series of food away from home from the Consumer Price Index”, and inserted provision relating to eligibility for free milk.  
1977—Pub. L. 95–166 provided free milk for children when milk is made available at times other than the periods of meal service in outlets that operate a food service program under sections 1753, 1766, and 1773 of this title, and substituted “school years” and “annual basis each fiscal year” for “fiscal years” and “annual basis each fiscal year” and deleted “the next, beginning with the fiscal year ending June 30, 1976.” before “to reflect changes”.  
1975—Pub. L. 94–105 added the Commonwealth of Puerto Rico, the Virgin Islands, American Samoa, and the Trust Territory of the Pacific Islands to definition of “United States”, and inserted provision relating to minimum rate of reimbursement to schools and institutions of the cost of milk served to children.  
1974—Pub. L. 93–347 substituted “such sums as may be necessary” for “not to exceed $120,000,000,” in provi-
§ 1773. School breakfast program

(a) Establishment; authorization of appropriations

There is hereby authorized to be appropriated such sums as are necessary to enable the Secretary to carry out a program to assist the States and the Department of Defense through grants-in-aid and other means to initiate, maintain, or expand nonprofit breakfast programs in all schools which make application for assistance and agree to carry out a nonprofit breakfast program in accordance with this chapter. Appropriations and expenditures for this chapter shall be considered Health and Human Services functions for budget purposes rather than functions of Agriculture.

(b) Breakfast assistance payments to State educational agencies; calculation; national average payments for breakfasts, free breakfasts and reduced price breakfasts; maximum price for reduced cost breakfasts; minimum daily nutrition requirements criteria; additional payments for severe need schools; maximum severe need payments

(1) The Secretary shall make breakfast assistance payments to each State educational agency for each fiscal year, at such times as the Secretary may determine, from the sums appropriated for such purpose, in an amount equal to the product obtained by multiplying—

(I) the number of breakfasts served during such fiscal year to children in schools in such States which participate in the school breakfast program under agreements with such State educational agency; by

(II) the national average breakfast payment for free breakfasts, for reduced price breakfasts, or for breakfasts served to children not eligible for free or reduced price meals, as appropriate, as prescribed in clause (B) of this paragraph.

(ii) The agreements described in clause (i)(I) shall be permanent agreements that may be amended as necessary. Nothing in the preceding sentence shall be construed to limit the ability of the State educational agency to suspend or terminate any such agreement in accordance with regulations prescribed by the Secretary.

(B) The national average payment for each free breakfast shall be 57 cents (as adjusted pursuant to section 1759a(a) of this title). The national average payment for each reduced price breakfast shall be one-half of the national average payment for free breakfast and the national average payment for a reduced price breakfast exceed 30 cents. The national average payment for each breakfast served to a child not eligible for free or reduced price meals shall be 8.25 cents (as adjusted pursuant to section 1759a(a) of this title).

(C) No school which receives breakfast assistance payments under this section may charge a price of more than 30 cents for a reduced price breakfast.

(D) No breakfast assistance payment may be made under this subsection for any breakfast served by a school unless such breakfast consists of a combination of foods which meet the minimum nutritional requirements prescribed by the Secretary under subsection (e) of this section.

(E) FREE AND REDUCED PRICE POLICY STATEMENT.—After the initial submission, a local educational agency shall not be required to submit a free and reduced price policy statement to a State under this chapter unless there is a substantive change in the free and reduced price policy of the local educational agency. A routine change in the policy of a local educational agency, such as an annual adjustment of the income eligibility guidelines for free and reduced price meals, shall not be sufficient cause for requiring the local educational agency to submit a policy statement.

(2)(A) The Secretary shall make additional payments for breakfasts served to children...
qualifying for a free or reduced price meal at schools that are in severe need.

(B) The maximum payment for each such free breakfast shall be the higher of—

(i) the national average payment established by the Secretary for free breakfasts plus 10 cents, or
(ii) 45 cents (as adjusted pursuant to section 1759a(a)(3)(B) of this title).

(C) The maximum payment for each such reduced price breakfast shall be thirty cents less than the maximum payment for each free breakfast as determined under clause (B) of this paragraph.

(3) The Secretary shall increase by 6 cents the annually adjusted payment for each breakfast served under this chapter and section 1766 of this title. These funds shall be used to assist States, to the extent feasible, in improving the nutritional quality of the breakfasts.

(4) Notwithstanding any other provision of law, whenever stocks of agricultural commodities are acquired by the Secretary or the Commodity Credit Corporation and are not likely to be sold by the Secretary or the Commodity Credit Corporation or otherwise used in programs of commodity sale or distribution, the Secretary shall make such commodities available to school food authorities and eligible institutions serving breakfasts under this chapter in a quantity equal in value to not less than 3 cents for each breakfast served under this chapter and section 1766 of this title.

(5) Expenditures of funds from State and local sources for the maintenance of the breakfast program shall not be diminished as a result of funds or commodities received under paragraph (3) or (4).

(c) Disbursement of apportioned funds by State; preference for schools in poor economic areas, for students traveling long distances daily, and for schools for improvement of nutrition and dietary practices of children of working mothers and from low-income families

Funds apportioned and paid to any State for the purpose of this section shall be disbursed by the State educational agency to schools selected by the State educational agency to assist such schools in operating a breakfast program and for the purpose of subsection (d). Disbursement to schools shall be made at such rates per meal or on such other basis as the Secretary shall prescribe. In selecting schools for participation, the State educational agency shall, to the extent feasible, provide assistance so as to improve the nutrition and dietary practices of children of working mothers and from low-income families. Breakfast assistance disbursement to schools under this section may be made in advance or by way of reimbursement in accordance with procedures prescribed by the Secretary.

(d) Severe need assistance

(1) In general

Each State educational agency shall provide additional assistance to schools in severe need, which shall include only those schools (having a breakfast program or desiring to initiate a breakfast program) in which—

(A) during the most recent second preceding school year for which lunches were served, 40 percent or more of the lunches served to students at the school were served free or at a reduced price; or

(B) in the case of a school in which lunches were not served during the most recent second preceding school year, the Secretary otherwise determines that the requirements of subparagraph (A) would have been met.

(2) Additional assistance

A school, on the submission of appropriate documentation about the need circumstances in that school and the eligibility of the school for additional assistance, shall be entitled to receive the meal reimbursement rate specified in subsection (b)(2).

(e) Nutritional requirements; service free or at reduced price; compliance assistance

(1)(A) Breakfasts served by schools participating in the school breakfast program under this section shall consist of a combination of foods and shall meet the minimum nutritional requirements prescribed by the Secretary on the basis of tested nutritional research, except that the minimum nutritional requirements shall be measured by not less than the weekly average of the nutrient content of school breakfasts. Such breakfasts shall be served free or at a reduced price to children in school under the same terms and conditions as are set forth with respect to the service of lunches free or at a reduced price in section 1758 of this title.

(B) The Secretary shall provide through State educational agencies technical assistance and training, including technical assistance and training in the preparation of foods high in complex carbohydrates and lower-fat versions of foods commonly used in the school breakfast program established under this section, to schools participating in the school breakfast program to assist the schools in complying with the nutritional requirements prescribed by the Secretary pursuant to subparagraph (A) and in providing appropriate meals to children with medically certified special dietary needs.

(2) At the option of a local school food authority, a student in a school under the authority that participates in the school breakfast program under this chapter may be allowed to refuse not more than one item of a breakfast that the student does not intend to consume. A refusal of an offered food item shall not affect the full charge to the student for a breakfast meeting the requirements of this section or the amount of payments made under this chapter to a school for the breakfast.

The Secretary shall provide through State educational agencies additional technical assistance to schools that are having difficulty maintaining compliance with the requirements relating to startup and expansion costs.

Subsec. (f)(1). Pub. L. 103–448, §201(c), designated existing provisions as subpar. (A) and added subpars. (B) and (C).

Subsec. (g). Pub. L. 103–448, §201(d), amended heading and text of subsec. (g) generally. Prior to amendment, text required the Secretary to pay State educational agencies to assist eligible schools in initiating a school breakfast program, set forth a plan by which certain State educational agencies competing for startup cost payments were to be given preference, provided that breakfast program maintenance funds were not to be diminished by these payments, defined “eligible school,” and directed Secretary to report to Congress. 1989—Subsec. (a). Pub. L. 101–147, §121(1), inserted before period at end of first sentence “and to carry out the provisions of subsection (g) of this section”.


Subsec. (b)(1)(A). Pub. L. 101–147, §322(2), designated existing provisions as cl. (i), redesignated former cls. (i) and (ii) as subcls. (I) and (II), respectively, of cl. (i), and added cl. (ii).

Subsec. (b)(3). Pub. L. 101–147, §322(2), made technical amendment to reference to section 1766 of this title involving underlying provisions of original act and requiring no change in text.

Subsec. (b)(3) to (5). Pub. L. 101–147, §322(a)(1), (2)(A), amended subsec. (b)(3) to (5), as amended identically by Pub. L. 99–591, §330(a), and Pub. L. 99–661, §4210(a), as further amended by Pub. L. 100–435, §210, to read as if only the amendment by Pub. L. 99–661 was enacted, and further amended subsec. (b)(3) identically to the amendment that was made by Pub. L. 100–435, resulting in no change in text, see 1986 and 1988 Amendment notes below.


Subsec. (f). Pub. L. 101–147, §121(2), inserted “Expansion of program” as heading, designated existing provisions as par. (1), struck out at end “Within 4 months after October 7, 1975, the Secretary shall report to the committees of jurisdiction in the Congress his plans and those of the cooperating State agencies to bring about the needed expansion in the school breakfast program.”, and added par. (2).


1986—Subsec. (b)(3). Pub. L. 100–435 substituted “6” for “3”.


1981—Subsec. (b). Pub. L. 97–35, §801(c)(1), (2), in par. (1) substituted provisions respecting calculation, amount, limitations, etc., for breakfast assistance payments to State educational agencies for provisions respecting apportionment, calculation, etc., for payments beginning with fiscal year ending June 30, 1975, and in par. (2) substituted provisions respecting annual adjustments, for provisions respecting semianual adjustments and substituted “thirty” for “five”.

Subsec. (c). Pub. L. 97–35, §819, struck out “financing the costs of” after “such schools in”.

Subsec. (d). Pub. L. 97–35, §801(c)(3)(A), substituted provisions limiting additional assistance requirements to schools in severe need for provisions setting forth requirements for eligibility standards for providing additional assistance to schools in severe need.

Subsec. (f). Pub. L. 97–35, §819(d), redesignated former subsec. (g) as (f). Former subsec. (f), which related to nonprofit private schools, was struck out.
Subsec. (g). Pub. L. 97–35, §817(d), redesignated former subsec. (g) as (f).


Subsec. (d). Pub. L. 95–627 specified which schools could be considered to be in severe need.

Subsec. (b)(1). Pub. L. 95–166, §12(a), redesignated existing provisions as par. (1) and struck out provision for payment of up to 45 cents for free breakfasts served to children qualifying for a free breakfast in cases of severe need, which is now covered in par. (2).

Subsec. (b)(2). Pub. L. 95–166, §12(b), added par. (2).

Subsec. (d). Pub. L. 95–166, §12(d), substituted requirement that the Secretary establish eligibility standards for providing additional assistance to schools in severe need for prior requirement that the State educational agency require applicant schools to provide justification of the need for such assistance; required the eligibility standards to be submitted to the Secretary for approval and to be included in the State plan of child nutrition operations and submission of appropriate documentation about the need circumstances in the school and the school's eligibility for additional assistance; and authorized payment of the lesser of 100 percent of the operating costs or the meal reimbursement rate, previously limited to the 100 percent payment.


Subsec. (f). Pub. L. 94–105, §17(a), substituted “directly to the schools (as defined in section 1784(c) of this title which are private and nonprofit as defined in the last sentence of section 1784(c) of this title)” for “directly to the nonprofit private schools”.

Subsec. (g). Pub. L. 94–105, §3, added subsec. (g).

1973—Subsec. (b). Pub. L. 93–150, §4(c), prescribed a minimum payment of 8 cents as the national average payment for all breakfasts served to eligible children, inserted provision for minimum payment of 15 cents for each reduced-price breakfast and for minimum payment of 20 cents for each free breakfast, and authorized, in cases of severe need, a payment of up to 45 cents for each breakfast served to children qualifying for a free breakfast.

Subsec. (c). Pub. L. 93–150, §4(a), (b), substituted in first sentence “State educational agency to assist such schools in financing the costs of operating a breakfast program” for “State educational agency, to assist such schools in financing the cost of obtaining agricultural and other foods for consumption by needy children in a breakfast program” and struck out second sentence which provided that “Such food costs may include, in addition to the purchase price, the cost of processing, distributing, transporting, storing, and handling.”, respectively.

1972—Subsec. (a). Pub. L. 92–433, §3(a), substituted authorization of appropriation of such sums as are necessary for fiscal years ending June 30, 1973, June 30, 1974, and June 30, 1975, for provisions authorizing appropriation of amounts not exceeding $25,000,000 for fiscal years 1972 and 1973 and made amounts available to schools making applications for assistance and agreeing to carry out a nonprofit breakfast program in accordance with this chapter.

Subsec. (b). Pub. L. 92–433, §3(b), added existing apportionment formula applicable to fiscal year ending June 30, 1973 and added new formula for fiscal years beginning with fiscal year ending June 30, 1974.

Subsec. (c). Pub. L. 92–433, §3(c), inserted provision that breakfast assistance disbursements to schools may be made in advance or by way of reimbursement in accordance with procedure prescribed by the Secretary.

Subsec. (d). Pub. L. 92–433, §3(d), substituted provisions that breakfasts be served free or at reduced cost under same terms and conditions as set forth in section 1758 of this title for provisions relating to determinability by local school authorities of the inability of children to pay full cost, criteria for such determination, income and poverty guidelines, affidavit of household's annual income, eligibility of nonprofit private schools for funds, and prohibition of discrimination on account of inability to pay.

Subsec. (f). Pub. L. 92–433, §3(e), substituted provisions that for fiscal year ending June 30, 1973, withholding and disbursement to nonprofit private schools will be effected as before and that commencing with the next fiscal year, the Secretary would directly make payments to the nonprofit private schools participating in the breakfast program under agreement with the Secretary for provisions that such withholding and disbursement be effected in accordance with section 1759 of this title with some exceptions.


Subsec. (c). Pub. L. 92–32, §3, substituted “assist such schools in financing the cost” for “reimburse such schools for the cost” and provided for preference of schools for improvement of nutrition and dietary practices of children of working mothers and from low-income families.

Subsec. (d). Pub. L. 92–32, §4, increased financial assistance from “80” to “100” per centum.

Subsec. (e). Pub. L. 92–32, §5, substituted provisions relating to criteria for determination of eligible children, income poverty guidelines, priority of need, determination of eligibility, affidavit of household's annual income, certification of availability of funds for nonprofit private schools, for former provision for determination of eligible children on basis of consultations of local school authorities with public welfare and health agencies.

1970—Subsec. (a). Pub. L. 91–248, §10, substituted “$25,000,000” for “$12,000,000”.

Subsec. (e). Pub. L. 91–248, §6(d), provided that there be no overt identification of those children who receive free and reduced price meals.

1968—Subsec. (a). Pub. L. 90–902 provided authorization to appropriate $6,500,000 for fiscal year 1969, not to exceed $10,000,000 for fiscal year 1970, and not to exceed $12,000,000 for fiscal year 1971, struck out references to “$8,500,000” for 1968 and 1969 and substituted “$12,000,000” for “$6,000,000”.

Effective Date of 2004 Amendment


Effective Date of 1998 Amendment


Effective Date of 1996 Amendment


Effective Date of 1994 Amendment


Effective Date of 1989 Amendment

subparagraph (A) [amending this section] shall take effect as if such amendments had been effective on July 1, 1968."

**Effective Date of 1988 Amendment**

Amendment by Pub. L. 100–435 to be effective and implemented on July 1, 1989, see section 701(b)(4) of Pub. L. 100–435, set out as a note under section 1202 of Title 7, Agriculture.

**Effective Date of 1986 Amendments**

Pub. L. 99–591, div. D, title II, §4210(a), Nov. 14, 1986, 100 Stat. 4074, provided that the amendment made by such section is effective, for all fiscal years beginning after December 31, 1986, and for all fiscal years beginning after December 31, 1987, see section 14 of Pub. L. 95–627, set out as a note under section 612c of Title 7, Agriculture.

**Effective Date of 1981 Amendment**


**Effective Date of 1978 Amendments**


**Transfer of Funds to Schools in Need of Additional Assistance in School Breakfast Program**

Pub. L. 92–153, §7, Nov. 5, 1971, 85 Stat. 420, provided that: "In addition to any other authority given to the Secretary he is hereby authorized to transfer funds witheld and disbursed such funds continuously from section 32 of the Act of August 24, 1935 [section 1751 et seq.] of this title into comprehensive meal program, see section 301 of Pub. L. 103–448, set out as a note under section 1751 of this title.

**Adjustments in Maximum Breakfast Payments for Fiscal Year Ending September 30, 1981**


"(1) no adjustment under such section shall be made on January 1 of such fiscal year; and

"(2) the adjustment under such section required to be made on July 1 of such fiscal year shall be computed to the nearest one-fourth cent based on changes, measured over the preceding twelve-month period for which data are available, in the series for food away from home of the Consumer Price Index for All Urban Consumers, published by the Bureau of Labor Statistics, Department of Labor."
the Secretary is administering the program may, upon request to the Secretary, assume administration of that program.

(b) If a State educational agency is not permitted by law to disburse the funds paid to it under this chapter to any of the nonpublic schools in the State, the Secretary shall disburse the funds directly to such schools within the State for the same purposes and subject to the same conditions as are authorized or required with respect to the disbursements to public schools within the State by the State educational agency.


PRIOR PROVISIONS


EFFECTIVE DATE


REPORT TO CONGRESS OF NEEDS FOR EQUIPMENT TO BE SUBMITTED BY JUNE 30, 1973

Pub. L. 92–433, §§6(e), Sept. 26, 1972, 86 Stat. 729, directed Secretary, to assist Congress in determining amounts needed annually, to conduct a survey among States and school districts on unmet needs for equipment in schools eligible for assistance under former section 1774 of this title, results of such survey to be reported to Congress by June 30, 1973.

§1775. Certification to Secretary of the Treasury of amounts to be paid to States

The Secretary shall certify to the Secretary of the Treasury from time to time the amounts to be paid to any State under sections 1772 through 1776 of this title and the time or times such amounts are to be paid; and the Secretary of the Treasury shall pay to the State at the time or times fixed by the Secretary the amounts so certified.


§1776. State administrative expenses

(a) Amount and allocation of funds

(1) Amount available

(A) In general

Each fiscal year, the Secretary shall make available to the States for their administrative costs an amount equal to not less than 1¼ percent of the Federal funds expended under sections 4, 11, and 17 of the Richard B. Russell National School Lunch Act [42 U.S.C. 1753, 1759a, 1766] and 1772 and 1773 of this title during the second preceding fiscal year.

(B) Allocation

The Secretary shall allocate the funds so provided in accordance with paragraphs (2), (3), and (4) of this subsection.

(2) Expense grants

(A) In general

Subject to subparagraph (B), the Secretary shall allocate to each State for administrative costs incurred in any fiscal year in connection with the programs authorized under the Richard B. Russell National School Lunch Act [42 U.S.C. 1751 et seq.] or under this chapter, except for the programs authorized under section 13 or 17 of the Richard B. Russell National School Lunch Act [42 U.S.C. 1761, 1766] or under section 1786 of this title, an amount equal to not less than 1 percent and not more than 1¼ percent of the funds expended by each State under sections 4 and 11 of the Richard B. Russell National School Lunch Act [42 U.S.C. 1753, 1759a] and sections 1772 and 1773 of this title during the second preceding fiscal year.

(B) Minimum amount

(i) In general

In no case shall the grant available to any State under this paragraph be less than the amount such State was allocated in the fiscal year ending September 30, 1981, or $200,000 (as adjusted under clause (ii),1 whichever is larger.

(ii) Adjustment

On October 1, 2008, and each October 1 thereafter, the minimum dollar amount for a fiscal year specified in clause (i) shall be adjusted to reflect the percentage change between—

(I) the value of the index for State and local government purchases, as published by the Bureau of Economic Analysis of the Department of Commerce, for the 12-month period ending June 30 of the second preceding fiscal year; and

(II) the value of that index for the 12-month period ending June 30 of the preceding fiscal year.

(3) The Secretary shall allocate to each State for its administrative costs incurred under the program authorized by section 17 of the Richard B. Russell National School Lunch Act [42 U.S.C. 1766] in any fiscal year an amount, based upon funds expended under that program in the second preceding fiscal year, equal to—

(A) 20 percent of the first $50,000,

(B) 10 percent of the next $100,000,

(C) 5 percent of the next $250,000, and

(D) 2½ percent of any remaining funds. If an agency in the State other than the State educational agency administers such program, the State shall ensure that an amount equal to no less than the funds due the State under this paragraph is provided to such agency for costs incurred by such agency in administering the program, except as provided in paragraph (5).

The Secretary may adjust any State’s allocation to reflect changes in the size of its program.

(4) The remaining funds appropriated under this section shall be allocated among the States by the Secretary in amounts the Secretary determines necessary for the improvement in the

1 So in original. Probably should be preceded by an additional closing parenthesis.
States of the administration of the programs authorized under the Richard B. Russell National School Lunch Act [42 U.S.C. 1751 et seq.] and this chapter, except for section 1786 of this title, including, but not limited to, improved program integrity and the quality of meals served to children.

(5)(A) Not more than 25 percent of the amounts made available to each State under this section for the fiscal year 1991 and 20 percent of the amounts made available to each State under this section for the fiscal year 1992 and for each succeeding fiscal year may remain available for obligation or expenditure in the fiscal year succeeding the fiscal year for which such amounts were appropriated.

(B) Reallocation of funds.—

(1) Return to Secretary.—For each fiscal year, any amounts appropriated that are not obligated or expended during the fiscal year and are not carried over for the succeeding fiscal year under subparagraph (A) shall be returned to the Secretary.

(ii) Reallocation by Secretary.—The Secretary shall allocate, for purposes of administrative costs, any remaining amounts among States that demonstrate a need for the amounts.

(6) Use of Administrative Funds.—Funds available to a State under this subsection and section 13(k)(1) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1761(k)(1)) may be used by the State for the costs of administration of the programs authorized under this chapter (except for the programs authorized under sections 1786 and 1790 of this title) and the Richard B. Russell National School Lunch Act (42 U.S.C. 1751 et seq.) without regard to the basis on which the funds were earned and allocated.

(7) Where the Secretary is responsible for the administration of programs under this chapter or the Richard B. Russell National School Lunch Act [42 U.S.C. 1751 et seq.], the amount of funds that would be allocated to the State agency under this section and section 13(k)(1) of the Richard B. Russell National School Lunch Act [42 U.S.C. 1761(k)(1)] shall be retained by the Secretary for the Secretary’s use in the administration of such programs.

(8) In the fiscal year 1991 and each succeeding fiscal year, in accordance with regulations issued by the Secretary, each State shall ensure that the State agency administering the distribution of commodities under programs authorized under this chapter and under the Richard B. Russell National School Lunch Act [42 U.S.C. 1751 et seq.] is provided, from funds made available to the State under this subsection, an appropriate amount of funds for administrative costs incurred in distributing such commodities. In developing such regulations, the Secretary may consider the value of commodities provided to the State under this chapter and under the Richard B. Russell National School Lunch Act.

(9)(A) If the Secretary determines that the administration of any program by a State under this chapter (other than section 1786 of this title) or under the Richard B. Russell National School Lunch Act (42 U.S.C. 1751 et seq.) (including any requirement to provide sufficient training, technical assistance, and monitoring of the child and adult care food program under section 17 of that Act (42 U.S.C. 1766)), or compliance with a regulation issued pursuant to either this chapter or such Act, is seriously deficient, and the State fails to correct the deficiency within a specified period of time, the Secretary may withhold from the State some or all of the funds allocated to the State under this section or under section 13(k)(1) or 17 of the Richard B. Russell National School Lunch Act (42 U.S.C. 1761(k)(1) or 1766).

(B) On a subsequent determination by the Secretary that the administration of any program referred to in subparagraph (A), or compliance with the regulations issued to carry out the program, is no longer seriously deficient and is operated in an acceptable manner, the Secretary may allocate some or all of the funds withheld under such subparagraph.

(b) Funds, Usage: Compensation, benefits, and travel expenses of personnel; support services; office equipment; staff development

Funds paid to a State under subsection (a) of this section may be used to pay salaries, including employee benefits and travel expenses, for administrative and supervisory personnel; for support services; for office equipment; and for staff development.

(c) Fund adjustment; State administered programs

If any State agency agrees to assume responsibility for the administration of food service programs in nonprofit private schools or child care institutions that were previously administered by the Secretary, an appropriate adjustment shall be made in the administrative funds paid under this section to the State not later than the succeeding fiscal year.

(d) Unused funds; availability for obligation and expenditure, and reallocation to other States

Notwithstanding any other provision of law, funds made available to each State under this section shall remain available for obligation and expenditure by that State during the fiscal year immediately following the fiscal year for which such funds were made available. For each fiscal year the Secretary shall establish a date by which each State shall submit to the Secretary a plan for the disbursement of funds provided under this section for each such year, and the Secretary shall reallocate any unused funds, as evidenced by such plans, to other States as the Secretary considers appropriate.

(e) Plans for use of administrative expense funds

(1) In general

Each State shall submit to the Secretary for approval by October 1 of the initial fiscal year a plan for the use of State administrative expense funds, including a staff formula for State personnel, system level supervisory and operating personnel, and school level personnel.

(2) Updates and information management systems

(A) In general

After submitting the initial plan, a State shall be required to submit to the Secretary
for approval only a substantive change in the plan.

(B) Plan contents

Each State plan shall, at a minimum, include a description of how technology and information management systems will be used to improve program integrity by—

(i) monitoring the nutrient content of meals served;

(ii) training local educational agencies, school food authorities, and schools in how to use technology and information management systems (including verifying eligibility for free or reduced price meals using program participation or income data gathered by State or local agencies); and

(iii) using electronic data to establish benchmarks to compare and monitor program integrity, program participation, and financial data.

(3) Training and technical assistance

Each State shall submit to the Secretary for approval a plan describing the manner in which the State intends to implement subsection (g) and section 22(b)(3) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1769c(b)(3)).

(B) Plan contents

Payments of funds under this section shall be made only to States that agree to maintain a level of funding out of State revenues, for administrative costs in connection with programs under this chapter (except section 1786 of this title) and the Richard B. Russell National School Lunch Act (42 U.S.C. 1751 et seq.).

(f) State funding requirement

Each State shall submit to the Secretary for approval a plan describing the manner in which the State intends to implement subsection (g) and section 22(b)(3) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1769c(b)(3)).

Professional standards for school food service

(1) Criteria for school food service and State agency directors

(A) School food service directors

(i) In general

The Secretary shall establish a program of required education, training, and certification for all school food service directors responsible for the management of a school food authority.

(ii) Requirements

The program shall include—

(I) minimum educational requirements necessary to successfully manage the school lunch program established under the Richard B. Russell National School Lunch Act (42 U.S.C. 1751 et seq.) and the school breakfast program established by section 1773 of this title;

(II) minimum program training and certification criteria for school food service directors; and

(III) minimum periodic training criteria to maintain school food service director certification.

(B) School nutrition State agency directors

The Secretary shall establish criteria and standards for States to use in the selection of State agency directors with responsibility for the school lunch program established under the Richard B. Russell National School Lunch Act (42 U.S.C. 1751 et seq.) and the school breakfast program established by section 1773 of this title.

(C) Training program partnership

The Secretary may provide financial and other assistance to 1 or more professional food service management organizations—

(i) to establish and manage the program under this paragraph; and

(ii) to develop voluntary training and certification programs for other school food service workers.

(D) Required date of compliance

(i) School food service directors

The Secretary shall establish a date by which all school food service directors whose local educational agencies are participating in the school lunch program established under the Richard B. Russell National School Lunch Act (42 U.S.C. 1751 et seq.) and the school breakfast program established by section 1773 of this title shall be required to comply with the education, training, and certification criteria established in accordance with subparagraph (A).

(ii) School nutrition State agency directors

The Secretary shall establish a date by which all State agencies shall be required to comply with criteria and standards established in accordance with subparagraph (B) for the selection of State agency directors with responsibility for the school lunch program established under the Richard B. Russell National School Lunch Act (42 U.S.C. 1751 et seq.) and the school breakfast program established by section 1773 of this title.

(2) Training and certification of food service personnel

(A) Training for individuals conducting or overseeing administrative procedures

(i) In general

At least annually, each State shall provide training in administrative practices (including training in application, certification, verification, meal counting, and meal claiming procedures) to local educational agency and school food authority personnel and other appropriate personnel.

(ii) Federal role

The Secretary shall—

(I) provide training and technical assistance described in clause (i) to the State; or

(II) at the option of the Secretary, directly provide training and technical assistance described in clause (i).

(iii) Required participation

In accordance with procedures established by the Secretary, each local educational agency or school food authority shall ensure that an individual conducting
or overseeing administrative procedures described in clause (i) receives training at least annually, unless determined otherwise by the Secretary.

(B) Training and certification of all local food service personnel

(i) In general
The Secretary shall provide training designed to improve—
(I) the accuracy of approvals for free and reduced price meals; and
(II) the identification of reimbursable meals at the point of service.

(ii) Certification of local personnel
In accordance with criteria established by the Secretary, local food service personnel shall complete annual training and receive annual certification—
(I) to ensure program compliance and integrity; and
(II) to demonstrate competence in the training provided under clause (i).

(iii) Training modules
In addition to the topics described in clause (i), a training program carried out under this subparagraph shall include training modules on—
(I) nutrition;
(II) health and food safety standards and methodologies; and
(III) any other appropriate topics, as determined by the Secretary.

(3) Funding

(A) In general
Out of any funds in the Treasury not otherwise appropriated, the Secretary of the Treasury shall transfer to the Secretary to carry out this subsection, to remain available until expended—
(i) on October 1, 2010, $5,000,000; and
(ii) on each October 1 thereafter, $1,000,000.

(B) Receipt and acceptance
The Secretary shall be entitled to receive, shall accept, and shall use to carry out this subsection the funds transferred under subparagraph (A), without further appropriation.

(h) Funding for training and administrative reviews

(1) Funding

(A) In general
On October 1, 2004, and on each October 1 thereafter, out of any funds in the Treasury not otherwise appropriated, the Secretary of the Treasury shall transfer to the Secretary of Agriculture to carry out this subsection $4,000,000, to remain available until expended.

(B) Receipt and acceptance
The Secretary shall be entitled to receive, shall accept, and shall use to carry out this subsection the funds transferred under subparagraph (A), without further appropriation.

(2) Use of funds

(A) In general
Except as provided in subparagraph (B), the Secretary shall use funds provided under this subsection to assist States in carrying out subsection (g) and administrative reviews of selected local educational agencies carried out under section 22 of the Richard B. Russell National School Lunch Act (42 U.S.C. 1769c).

(B) Exception
The Secretary may retain a portion of the amount provided to cover costs of activities carried out by the Secretary in lieu of the State.

(3) Allocation
The Secretary shall allocate funds provided under this subsection to States based on the number of local educational agencies that have demonstrated a high level of, or a high risk for, administrative error, as determined by the Secretary, taking into account the requirements established by the Child Nutrition and WIC Reauthorization Act of 2004 and the amendments made by that Act.

(4) Reallocation
The Secretary may reallocate, to carry out this section, any amounts made available to carry out this subsection that are not obligated or expended, as determined by the Secretary.

(i) Technology infrastructure improvement

(1) In general
Each State shall submit to the Secretary, for approval by the Secretary, an amendment to the plan required by subsection (e) that describes the manner in which funds provided under this section will be used for technology and information management systems.

(2) Requirements
The amendment shall, at a minimum, describe the manner in which the State will improve program integrity by—
(A) monitoring the nutrient content of meals served;
(B) providing training to local educational agencies, school food authorities, and schools on the use of technology and information management systems for activities including—
(i) menu planning;
(ii) collection of point-of-sale data; and
(iii) the processing of applications for free and reduced price meals; and
(C) using electronic data to establish benchmarks to compare and monitor program integrity, program participation, and financial data across schools and school food authorities.

(3) Technology infrastructure grants

(A) In general
Subject to the availability of funds made available under paragraph (4) to carry out this paragraph, the Secretary shall, on a competitive basis, provide funds to States to
be used to provide grants to local educational agencies, school food authorities, and schools to defray the cost of purchasing or upgrading technology and information management systems for use in programs authorized by this chapter (other than section 1786 of this title) and the Richard B. Russell National School Lunch Act (42 U.S.C. 1751 et seq.).

(B) Infrastructure development plan

To be eligible to receive a grant under this paragraph, a school or school food authority shall submit to the State a plan to purchase or upgrade technology and information management systems that addresses potential cost savings and methods to improve program integrity, including—

(i) processing and verification of applications for free and reduced price meals;

(ii) integration of menu planning, production, and serving data to monitor compliance with sections 9(f)(1) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1758(f)(1)); and

(iii) compatibility with statewide reporting systems.

(4) Authorization of appropriations

There are authorized to be appropriated to carry out this subsection such sums as are necessary for each of fiscal years 2010 through 2015, to remain available until expended.

(j) Authorization of appropriations

For the fiscal year beginning October 1, 1977, and each succeeding fiscal year ending before October 1, 2015, there are hereby authorized to be appropriated such sums as may be necessary for the purposes of this section.


REFERENCES IN TEXT

The Richard B. Russell National School Lunch Act, referred to in subsecs. (a), (f), (g)(1), and (13)(A), is act June 4, 1946, ch. 281, 60 Stat. 230, which is classified generally to chapter 13 (§1751 et seq.) of this title. For complete classification of this Act to the Code, see Short Title note set out under section 1751 of this title and Tables.


AMENDMENTS

2010—Subsec. (a)(1). Pub. L. 111–296, §411(b)(1), substituted “Each fiscal year” for “Except as provided in subparagraph (B), each fiscal year” in subpar. (A), redesignated subpar. (C) as (B), and struck out former subpar. (B). Prior to amendment, text of subpar. (B) read as follows: “In the case of each of fiscal years 2005 through 2007, the Secretary shall make available to each State for administrative costs not less than the initial allocation made to the State under this subsection for fiscal year 2004.”

Subsec. (g), Pub. L. 111–296, §306, added subsec. (g) and struck out former subsec. (g) which required each State to provide, at least annually, training in administrative practices, with emphasis on the requirements established by the Child Nutrition and WIC Reauthorization Act of 2004, and set out the Federal role and procedures for required participation.


Subsec. (a)(1). Pub. L. 108–265, §302(a)(1), (2)(A), inserted pars. (1) and (2), and struck out former subpars. (A) and (B). Subsec. (a)(2). Pub. L. 108–265, §302(a)(2)(B), inserted new pars. (1) and (2), and struck out former subpars. (A) and (B). Subsec. (b). Pub. L. 108–265, §302(b)(1), inserted new subpars. (1) and (2), and struck out former subpars. (1) and (2). Subsec. (c). Pub. L. 108–265, §126(c)(1), substituted “Each fiscal year” for “Except as provided in subparagraph (B), each” in subpar. (1), and struck out subpar. (2).

Subsec. (d). Pub. L. 108–265, §126(d)(2), substituted “Each fiscal year” for “Except as provided in subparagraph (B), each” in subpar. (1), and struck out subpar. (2).


1998—Subsec. (a)(3)(A). Pub. L. 105–336, §202(a)(2), amended subpar. (B) generally, substituting present provisions for provisions which related to return of unexpended funds to Secretary and reallocation of such funds to provide annual grants to public entities and
private nonprofit organizations participating in projects under former section 1760b of this title.

Subsec. (a)(6). Pub. L. 105–336, §202(b), amended par. (6) generally. Prior to amendment, par. (6) read as follows: "Funds available to States under this subsection and under section 13(k)(1) of the National School Lunch Act shall be used for the costs of administration of the programs for which the allocations are made, except that States may transfer up to 10 percent of any of the amounts allocated among such programs."


1996—Subsec. (e). Pub. L. 104–193, §724(b), substituted "the initial fiscal year a plan" for "each year an annual plan" and inserted at end "After submitting the initial plan, a State shall be required to submit to the Secretary for approval only a substantive change in the plan."

Pub. L. 104–193, §724(a), redesignated subsec. (f) as (e) and struck out former subsec. (e) which read as follows: "The State may use a portion of the funds available under this section to assist in the administration of the commodity distribution program."

Subsecs. (f), (g). Pub. L. 104–193, §724(a)(2), redesignated subsecs. (g) and (i)(1) as (f) and (g), respectively. Former subsec. (f) redesignated (e). Subsec. (h). Pub. L. 104–193, §724(a)(1), struck out subsec. (h) which read as follows: "The Secretary may not provide amounts under this section to a State for administrative costs incurred in any fiscal year unless the State agrees to participate in any study or survey of programs authorized under this chapter or the National School Lunch Act (42 U.S.C. 1751 et seq.) and conducted by the Secretary."

Subsec. (i). Pub. L. 104–193, §724(a)(2), redesignated subsec. (i) as (g).


Subsec. (i). Pub. L. 103–448, §202(c)(1), redesignated subsec. (h) as (i).


Subsec. (a)(5)(B)(i)(I). Pub. L. 102–512, §103(2), added subsec. (i) and struck out former sub. (I) which read as follows: "First allocate, for the purpose of providing grants on an annual basis to private nonprofit organizations participating in projects under section 18(c) of the National School Lunch Act, not less than $3,000,000 except in the fiscal year 1992 and not less than $4,000,000 in each of the fiscal years 1993 and 1994; and".

Subsec. (a)(5)(B)(i)(II). Pub. L. 102–512, §103(3), substituted "After making the allocations under subclause (I), the Secretary shall allocate," for "then allocate,".

1989—Subsec. (a)(3). Pub. L. 101–147, §122(a)(1)(A), inserted after first sentence "If an agency in the State other than the State educational agency administers such program, the State shall ensure that an amount equal to no less than the funds due the State under this paragraph is provided to such agency for costs incurred by such agency in administering the program, except as provided in paragraph (5)."

Subsec. (a)(5)(B) to (D), added pars. (5) and (6) and redesignated former pars. (5) and (6) as (6) and (7), respectively.

Subsec. (g). Pub. L. 101–147, §122(a)(2), inserted before period at end "and that agree to participate fully in any studies authorized by the Secretary."

Subsec. (h). Pub. L. 101–147, §122(a)(3), substituted "For the fiscal year beginning October 1, 1977, and each succeeding fiscal year ending before October 1, 1994, for "For the fiscal years beginning October 1, 1977, and ending September 30, 1989.".

1986—Subsecs. (b) to (g). Pub. L. 99–595 and Pub. L. 99–591, §§332, and Pub. L. 99–461, §§4103, 4212(2), amended section identically, redesignating subsecs. (c) to (h) as (b) to (g), respectively, and striking out former subsec. (b) which read as follows: "The Secretary, in cooperation with the several States, shall develop State staffing standards for the administration of programs by each State of sections 4, 11, and 17 of the National School Lunch Act [42 U.S.C. 1753, 1759a, 1766], and sections 1772 and 1773 of this title, that will ensure sufficient staff for the planning and administration of programs covered by State administrative expenses."


Subsec. (e). Pub. L. 97–35, §§814(b), substituted provisions relating to general availability of unobligated funds during fiscal years following the fiscal year in which such funds were made available for provisions relating to availability of unobligated funds for fiscal year 1979 and for the five succeeding fiscal years.

1980—Subsec. (e). Pub. L. 96–499, §201(b)(1), substituted "and for the five succeeding fiscal years" for "and the succeeding fiscal year.


1978—Subsec. (a). Pub. L. 95–627 generally revised and restructured subsection and, among other changes, inserted formula determining State allocations for administrative costs incurred in any fiscal year unless the State agrees to participate in any study or survey of programs authorized under this chapter or the National School Lunch Act (42 U.S.C. 1751 et seq.) and conducted by the Secretary for the Secretary's use in administering certain programs, allocations for such programs, under this section and section 13(k)(1) of the National School Lunch Act.

Subsec. (i). Pub. L. 95–166 added subsecs. (a) to (i) and struck out prior provisions authorizing the Secretary to utilize appropriated funds for advances to State educational agencies for use for administrative expenses, advancing the fund only in necessary amounts and for administration of certain activities, and authorizing appropriation of necessary sums, now incorporated in subsection (i) of this section.

1976—Pub. L. 91–248 inserted provisions authorizing the Secretary to utilize funds appropriated under this section for advances for administrative expenses of any other designated State agency as well as for those of the State educational agency and in the case of either State agency, for its administrative expenses in supervising and giving technical assistance to service institutions as well as to local school districts.

1975—Pub. L. 90–302 inserted the programs under sections 1759a and 1761 of this title to the enumeration of programs in which appropriated funds could be used for administrative expenses of local school districts, in supervising and giving technical assistance and added section 1761 to the enumeration of sections covering programs of additional activities under which funds could be advanced only in amounts and to the extent determined necessary by the Secretary.

Effective Date of 2010 Amendment
Effective Date of 2004 Amendment

Effective Date of 1998 Amendment

Effective Date of 1994 Amendment

Effective Date of 1992 Amendment

Effective Date of 1989 Amendment

Effective Date of 1981 Amendment

Effecitive Date of 1978 Amendment

§§ 1776a, 1776b. Omitted

Codification
Section 1776a, Pub. L. 103–111, title IV, Oct. 21, 1993, 107 Stat. 1071, conditioned the distribution of funds under section 1776 of this title upon agreement by a State to participate in studies and surveys of programs authorized under this chapter or the preceding chapter, when such studies or surveys were directed by Congress and requested by the Secretary of Agriculture, and was not repeated in the Agricultural, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1995. See section 1776h(b) of this title.

Section 1776b, Pub. L. 103–111, title IV, Oct. 21, 1993, 107 Stat. 1071, authorized the withholding, by the Secretary of Agriculture, of funds allocated to a State under sections 1761(k)(1) and 1776 of this title if the Secretary determined that the State was seriously deficient in administering any program under this chapter or the preceding chapter, and the State failed to correct such deficiencies within a specified period of time, and was not repeated in the Agricultural, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1995. See section 1776a(9)(A) of this title.

Provisions similar to sections 1776a and 1776b were contained in the following prior appropriation acts:

(i) establish standards that are consistent with the most recent Dietary Guidelines for Americans published under section 5341 of title 7, including the food groups to encourage and nutrients of concern identified in the Dietary Guidelines; and

(ii) consider—
(I) authoritative scientific recommendations for nutrition standards;
(II) existing school nutrition standards, including voluntary standards for beverages and snack foods and State and local standards;
(III) the practical application of the nutrition standards; and
(IV) special exemptions for school-sponsored fundraisers (other than fund-raising through vending machines, school stores, snack bars, a la carte sales, and any other exclusions determined by the Secretary), if the fundraisers are approved by the school and are infrequent within the school.

(D) Updating standards

As soon as practicable after the date of publication by the Department of Agriculture and the Department of Health and Human Services of a new edition of the Dietary Guidelines for Americans under section 5341 of title 7, the Secretary shall review and update as necessary the school nutrition standards and requirements established under this subsection.

(2) Implementation

(A) Effective date

The interim or final regulations under this subsection shall take effect at the beginning of the school year that is not earlier than 1 year and not later than 2 years following the date on which the regulations are finalized.

(B) Reporting

The Secretary shall submit to the Committee on Agriculture, Nutrition, and Forestry of the Senate and the Committee on Education and Labor of the House of Representatives a quarterly report that describes progress made toward promulgating final regulations under this subsection.

(c) Transfer of funds; reserve for special projects

In such regulations the Secretary may provide for the transfer of funds by any State between programs authorized under this chapter and the Richard B. Russell National School Lunch Act [42 U.S.C. 1751 et seq.] on the basis of an approved State plan of operation for the use of the funds and may provide for the reserve of up to 1 per centum of the funds available for apportionment to any State to carry out special developmental projects.


REFERENCES IN TEXT

The Richard B. Russell National School Lunch Act, referred to in text, is act June 4, 1946, ch. 281, 60 Stat. 230, as amended, which is classified generally to chapter 13 (§1751 et seq.) of this title. For complete classification of this Act to the Code, see Short Title note set out under section 1751 of this title and Tables.

AMENDMENTS

2010—Pub. L. 111–296 inserted subsec. (a) heading, added subsec. (b), and struck out former subsec. (b) which related to sale of competitive foods approved by the Secretary.


1996—Subsec. (b). Pub. L. 104–193 redesignated par. (1) as subsec. (b) and struck out pars. (2) to (4) which read as follows:

“(2) The Secretary shall develop and provide to State agencies, for distribution to private elementary schools and to public elementary schools through local educational agencies, model language that bans the sale of competitive foods of minimal nutritional value anywhere on elementary school grounds before the end of the last lunch period.

“(3) The Secretary shall provide to State agencies, for distribution to private secondary schools and to public secondary schools through local educational agencies, a copy of regulations (in existence on the effective date of this paragraph) concerning the sale of competitive foods of minimal nutritional value.

“(4) Paragraphs (2) and (3) shall not apply to a State that has in effect a ban on the sale of competitive foods of minimal nutritional value in schools in the State.”

1994—Pub. L. 103–448 designated existing provisions as subsecs. (a) to (c), realigned margins, and in subsec. (b) designated existing provisions as par. (1), substituted “The regulations” for “Such regulations”, and added pars. (2) to (4).

1989—Pub. L. 101–147 substituted “the Secretary” for “he” before “may deem” in first sentence.

1977—Pub. L. 95–166 inserted “approved by the Secretary” after “competitive foods”.

1972—Pub. L. 92–543 inserted provision that regulations issued under the section shall not prohibit the sale of competitive foods in food service facilities or areas during the time of service of food if the proceeds from the sales of such foods inure to the benefit of the schools or organizations of students approved by the school.

1970—Pub. L. 91–246 provided that regulations under this chapter and under the National School Lunch Act may include provisions relating to the service of food in participating schools and service institutions in competition with programs under this chapter and the National School Lunch Act, provided for transfer of funds by any State between programs authorized under this chapter and under the National School Lunch Act, and provided for a reserve of up to one percent of the funds available for apportionment to any State to carry out special development projects.

EFFECTIVE DATE OF 2010 AMENDMENT


EFFECTIVE DATE OF 1994 AMENDMENT

§ 1780. Prohibitions

(a) Interference with school personnel, curriculum, or instruction

In carrying out the provisions of sections 1772 and 1773 of this title, the Secretary shall not impose any requirements with respect to teaching personnel, curriculum, instruction, methods of instruction, and materials of instruction.

(b) Inclusion of assistance in determining income or resources

The value of assistance to children under this chapter shall not be considered to be income or resources for any purpose under any Federal or State laws including, but not limited to, laws relating to taxation, welfare, and public assistance programs. Expenditures of funds from State and local sources for the maintenance of food programs for children shall not be diminished as a result of funds received under this chapter.

(c) Federal law not applicable

Section 1639a of title 15 shall not apply to electronic benefit transfer systems established under this chapter or the Richard B. Russell National School Lunch Act (42 U.S.C. 1751 et seq.).


REFERENCES IN TEXT

The Richard B. Russell National School Lunch Act, referred to in subsec. (c), is act June 4, 1946, ch. 281, 60 Stat. 230, which is classified generally to chapter 13 of this title (§1751 et seq.).

§ 1781. Preschool programs

The Secretary may extend the benefits of all school feeding programs conducted and supervised by the Department of Agriculture to include preschool programs operated as part of the school system.


§ 1782. Centralization in Department of Agriculture of administration of food service programs for children

Authority for the conduct and supervision of Federal programs to assist schools in providing food service programs for children is assigned to the Department of Agriculture. To the extent practicable, other Federal agencies administering programs under which funds are to be provided to schools for such assistance shall transfer such funds to the Department of Agriculture for distribution through the administrative channels and in accordance with the standards established under this chapter and the Richard B. Russell National School Lunch Act [42 U.S.C. 1751 et seq.].


REFERENCES IN TEXT

The Richard B. Russell National School Lunch Act, referred to in text, is act June 4, 1946, ch. 281, 60 Stat. 230, as amended, which is classified generally to chapter 13 (§1751 et seq.) of this title. For complete classification of this Act to the Code, see Short Title note set out under section 1751 of this title and Tables.

AMENDMENTS


§ 1783. Appropriations for administrative expense

There are hereby authorized to be appropriated for any fiscal year such sums as may be necessary to the Secretary for the Secretary’s administrative expense under this chapter.


AMENDMENTS

1989—Pub. L. 101–147 inserted “Appropriations for administrative expense” as section catchline and substituted “are hereby” for “is hereby” and “the Secretary’s” for “his”.

§ 1784. Definitions

For the purposes of this chapter—

(1) “State” means any of the fifty States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, or the Commonwealth of the Northern Mariana Islands.

(2) “State educational agency” means, as the State legislature may determine, (A) the chief State school officer (such as the State superintendent of public instruction, commissioner of education, or similar officer), or (B) a board of education controlling the State department of education.

(3) “School” means (A) any public or nonprofit private school of high school grade or under, including kindergarten and preschool programs operated by such school, and (B) any public or licensed nonprofit private residential child care institution (including, but not limited to, orphanages and homes for the mentally retarded, but excluding Job Corps Centers funded by the Department of Labor). For purposes of clauses (A) and (B) of this paragraph, the term “nonprofit”, when applied to any such private school or institution, means any such school or institution which is exempt from tax under section 501(c)(3) of title 26.
(4) "Secretary" means the Secretary of Agriculture.
(5) "School year" means the annual period from July 1 through June 30.
(6) Except as used in section 1786 of this title, the terms "child" and "children" as used in this chapter, shall be deemed to include persons regardless of age who are determined by the State educational agency, in accordance with regulations prescribed by the Secretary, to have 1 or more disabilities and who are attending any nonresidential public or nonprofit private school of high school grade or under for the purpose of participating in a school program established for individuals with disabilities.

(7) DISABILITY.—The term "disability" has the meaning given the term in the Rehabilitation Act of 1973 for purposes of title II of that Act (29 U.S.C. 760 et seq.).


REFERENCES IN TEXT
The Rehabilitation Act of 1973, referred to in par. (7), is Pub. L. 93–112, Sept. 26, 1973, 87 Stat. 355, as amended, generally. Prior to amendment, subsec. (c) read as follows: "‘School’ means (A) any public or nonprofit private school of high school grade or under, including kindergarten and preschool programs operated by such school, (B) any public or licensed nonprofit private residential child care institution (including, but not limited to, orphanages and homes for the mentally retarded, but excluding Job Corps Centers funded by the Department of Labor), and (C) with respect to the Commonwealth of Puerto Rico, nonprofit child care centers certified as such by the Governor of Puerto Rico. For purposes of clauses (A) and (B) of this subsection, the term ‘nonprofit’, when applied to any such private school or institution, means any such school or institution which is exempt from tax under section 501(c)(3) of title 26. On July 1, 1988, and each July 1 thereafter, the Secretary shall adjust the tuition limitation amount prescribed in clause (A) of the first sentence of this paragraph to reflect changes in the Consumer Price Index for All Urban Consumers during the most recent 12-month period for which the data is available."

1986—Subsec. (c). Pub. L. 99–661, § 4205(b)(2), inserted "On July 1, 1986, and on each July 1 thereafter, the Secretary shall adjust the tuition limitation amount prescribed in clause (A) of the first sentence of this paragraph to reflect changes in the Consumer Price Index for All Urban Consumers during the most recent 12-month period for which the data is available."

1978—Subsec. (c)(A). Pub. L. 95–500 and Pub. L. 99–591, which directed the amendment of subpar. (A) by striking out "except private schools whose average yearly tuition exceeds $1,500 per child," after "such school" was executed by striking out "except private schools whose average yearly tuition exceeds $2,000 per child," after "such school" to reflect the probable intent of Congress and the intervening amendment of subpar. (A) by Pub. L. 99–661, § 4205(b)(2). See below.

1976—Subsec. (c). Pub. L. 99–661, § 4205(b)(1), substituted "$2,000" for "$1,500.""


1978—Subsec. (c). Pub. L. 95–627, § 10(c), substituted "from July 1 through June 30" for "determined in accordance with regulations issued by the Secretary".


Subsecs. (c) to (o), Pub. L. 94–105, § 17(b), struck out subsec. (c), which defined "Nonprofit private school" as any private school exempt from income tax under section 501(c)(3) of title 26, redesignated subsec.s. (d) and (e) as (c) and (d) respectively, and in subsec. (c) as so redesignated, inserted definition of "School" any public or licensed nonprofit private residential child care institution (including, but not limited to, orphanages and homes for the mentally retarded), and provision defining "nonprofit" as an exemption under section 501(c)(3) of title 26.

Effective Date of 1998 Amendment

Effective Date of 1987 Amendment
Amendment by Pub. L. 100–71 effective July 1, 1987, see section 101(c) of Pub. L. 100–71, set out as a note under section 1760 of this title.

Effective Date of 1986 Amendments
Amendment by section 4205(b)(1) of Pub. L. 99–661 applicable for fiscal year beginning Oct. 1, 1986, and each
§ 1785. Accounts and records; availability for inspection; authority to settle, adjust, or waive claims

(a) States, State educational agencies, schools, and nonprofit institutions participating in programs under this chapter shall keep such accounts and records as may be necessary to enable the Secretary to determine whether there has been compliance with this chapter and the regulations hereunder. Such accounts and records shall be available at any reasonable time for inspection and audit by representatives of the Secretary and shall be preserved for such period of time, not in excess of three years, as the Secretary determines is necessary.

(b) With regard to any claim arising under this chapter or under the Richard B. Russell National School Lunch Act [42 U.S.C. 1751 et seq.], the Secretary shall have the authority to determine the amount of, to settle and to adjust any such claim, and to compromise or deny such claim or any part thereof. The Secretary shall also have the authority to waive such claims if the Secretary determines that to do so would serve the purposes of either this chapter or the Richard B. Russell National School Lunch Act.

Nothing contained in this subsection shall be construed to diminish the authority of the Attorney General of the United States under section 516 of title 28 to conduct litigation on behalf of the United States.


REFERENCES IN TEXT


§ 1786. Special supplemental nutrition program for women, infants, and children

(a) Congressional findings and declaration of purpose

Congress finds that substantial numbers of pregnant, postpartum, and breastfeeding women, infants, and young children from families with inadequate income are at special risk with respect to their physical and mental health by reason of inadequate nutrition or health care, or both. It is, therefore, the purpose of the program authorized by this section to provide, up to the authorization levels set forth in subsection (g) of this section, supplemental foods and nutrition education, including breastfeeding promotion and support, through any eligible local agency that applies for participation in the program. The program shall serve as an adjunct to good health care, during critical times of growth and development, to prevent the occurrence of health problems, including drug abuse, and improve the health status of these persons.

(b) Definitions

As used in this section—

(1) “Breastfeeding women” means women up to one year postpartum who are breastfeeding their infants.

(2) “Children” means persons who have had their first birthday but have not yet attained their fifth birthday.

(3) “Competent professional authority” means physicians, nutritionists, registered nurses, dietitians, or State or local medically trained health officials, or persons designated by physicians or State or local medically trained health officials, in accordance with standards prescribed by the Secretary, as being competent professionally to evaluate nutritional risk.

(4) “Costs of nutrition services and administration” or “nutrition services and administration” means costs that shall include, but not be limited to, costs for certification of eligibility of persons for participation in the program (including centrifuges, measuring boards, spectrophotometers, and scales used for the certification), food delivery, monitoring, nutrition education, breastfeeding support and promotion, outreach, startup costs,
nutrition, and general administration applicable to implementation of the program under this section, such as the cost of staff, transportation, insurance, developing and printing food instruments, and administration of State and local agency offices.

(5) “Infants” means persons under one year of age.

(6) “Local agency” means a public health or welfare agency or a private nonprofit health or welfare agency, which, directly or through an agency or physician with which it has contracted, provides health services. The term shall include an Indian tribe, band, or group recognized by the Department of the Interior, the Indian Health Service of the Department of Health and Human Services, or an intertribal council or group that is an authorized representative of Indian tribes, bands, or groups recognized by the Department of the Interior.

(7) NUTRITION EDUCATION.—The term “nutrition education” means individual and group sessions and the provision of material that are designed to improve health status and achieve positive change in dietary and physical activity habits, and that emphasize the relationship between nutrition, physical activity, and health, all in keeping with the personal and cultural preferences of the individual.

(8) “Nutritional risk” means (A) detrimental or abnormal nutritional conditions detectable by biochemical or anthropometric measurements, (B) other documented nutritionally related medical conditions, (C) dietary deficiencies that impair or endanger health, (D) conditions that directly affect the nutritional health of a person, such as alcoholism or drug abuse, or (E) conditions that predispose persons to inadequate nutritional patterns or nutritionally related medical conditions, including, but not limited to, homelessness and migrancy.

(9) “Plan of operation and administration” means a document that describes the manner in which the State agency intends to implement and operate the program.

(10) “Pregnant women” means women up to six months after termination of pregnancy.

(11) “Pregnant, breastfeeding, and postpartum women” means women determined to have one or more fetuses in utero.

(12) “Secretary” means the Secretary of Agriculture.

(13) “State agency” means the health department or comparable agency of each State; an Indian tribe, band, or group recognized by the Department of the Interior; an intertribal council or group that is the authorized representative of Indian tribes, bands, or groups recognized by the Department of the Interior; or the Indian Health Service of the Department of Health and Human Services.

(14) “Supplemental foods” means those foods containing nutrients determined by nutritional research to be lacking in the diets of pregnant, breastfeeding, and postpartum women, infants, and children and foods that promote the health of the population served by the program authorized by this section, as indicated by relevant nutrition science, public health concerns, and cultural eating patterns, as prescribed by the Secretary. State agencies may, with the approval of the Secretary, substitute different foods providing the nutritional equivalent of foods prescribed by the Secretary, to allow for different cultural eating patterns.

(15) “Homeless individual” means—

(A) an individual who lacks a fixed and regular nighttime residence; or

(B) an individual whose primary nighttime residence is—

(i) a supervised publicly or privately operated shelter (including a welfare hotel or congregate shelter) designed to provide temporary living accommodations;

(ii) an institution that provides a temporary residence for individuals intended to be institutionalized;

(iii) a temporary accommodation of not more than 365 days in the residence of another individual; or

(iv) a public or private place not designed for, or ordinarily used as, a regular sleeping accommodation for human beings.

(16) “Drug abuse education” means—

(A) the provision of information concerning the dangers of drug abuse; and

(B) the referral of participants who are suspected drug abusers to drug abuse clinics, treatment programs, counselors, or other drug abuse professionals.

(17) “Competitive bidding” means a procurement process under which the Secretary or a State agency selects a single source (a single infant formula manufacturer) offering the lowest price, as determined by the submission of sealed bids, for a product for which bids are sought for use in the program authorized by this section.

(18) “Rebate” means the amount of money refunded under cost containment procedures to any State agency from the manufacturer or other supplier of the particular food product as the result of the purchase of the supplemental food with a voucher or other purchase instrument by a participant in each such agency’s program established under this section.

(19) “Discount” means, with respect to a State agency that provides program foods to participants without the use of retail grocery stores (such as a State that provides for the home delivery or direct distribution of supplemental food), the amount of the price reduction or other price concession provided to any State agency by the manufacturer or other supplier of the particular food product as the result of the purchase of program food by each such State agency, or its representative, from the supplier.

(20) “Net price” means the difference between the manufacturer’s wholesale price for infant formula and the rebate level or the discount offered or provided by the manufacturer under a cost containment contract entered into with the pertinent State agency.

(21) REMOTE INDIAN OR NATIVE VILLAGE.—The term “remote Indian or Native village” means an Indian or Native village that—

(A) is located in a rural area;

(B) has a population of less than 5,000 inhabitants; and
(C) is not accessible year-around by means of a public road (as defined in section 101 of title 23).

(22) PRIMARY CONTRACT INFANT FORMULA.—The term "primary contract infant formula" means the specific infant formula for which manufacturers submit a bid to a State agency in response to a rebate solicitation under this section and for which a contract is awarded by the State agency as a result of that bid.

(23) STATE ALLIANCE.—The term "State alliance" means 2 or more State agencies that agree to provide, through local agencies, at no cost, supplemental foods, nutrition education, and breastfeeding support and promotion to low-income pregnant, postpartum, and breastfeeding women, infants, and children who satisfy the eligibility requirements specified in subsection (d) of this section. The program shall be supplementary to—

(A) the supplemental nutrition assistance program;

(B) any program under which foods are distributed to needy families in lieu of supplemental nutrition assistance program benefits; and

(C) receipt of food or meals from soup kitchens, or shelters, or other forms of emergency food assistance.

(2) Subject to amounts appropriated to carry out this section under subsection (g)—

(A) the Secretary shall make cash grants to State agencies for the purpose of administering the program, and

(B) any State agency approved eligible local agency that applies to participate in or expand the program under this section shall immediately be provided with the necessary funds to carry out the program.

(3) Nothing in this subsection shall be construed to permit the Secretary to reduce ratably the amount of foods that an eligible local agency shall distribute under the program to participants. The Secretary shall take affirmative action to ensure that the program is instituted in areas most in need of supplemental foods. The existence of a commodity supplemental food program under section 4 of the Agriculture and Consumer Protection Act of 1973 shall not preclude the approval of an application from an eligible local agency to participate in the program under this section nor the operation of such program within the same geographic area as that of the commodity supplemental food program, but the Secretary shall issue such regulations as are necessary to prevent dual receipt of benefits under the commodity supplemental food program and the program under this section.

(4) A State shall be ineligible to participate in programs authorized under this section if the Secretary determines that State or local sales taxes are collected within the State on purchases of food made to carry out this section.

(d) Eligible participants

(1) Participation in the program under this section shall be limited to pregnant, postpartum, and breastfeeding women, infants, and children from low-income families who are determined by a competent professional authority to be at nutritional risk.

(2)(A) The Secretary shall establish income eligibility standards to be used in conjunction with the nutritional risk criteria in determining eligibility of individuals for participation in the program. Any individual at nutritional risk shall be eligible for the program under this section only if such individual—

(i) is a member of a family with an income that is less than the maximum income limit prescribed under section 1758(b) of this title for free and reduced price meals;

(ii)(I) receives supplemental nutrition assistance program benefits under the Food and Nutrition Act of 2008 [7 U.S.C. 2011 et seq.]; or

(II) is a member of a family that receives assistance under the State program funded under part A of title IV of the Social Security Act [42 U.S.C. 601 et seq.] that the Secretary determines complies with standards established by the Secretary that ensure that the standards under the State program are comparable to or more restrictive than those in effect on June 1, 1995; or

(iii)(I) receives medical assistance under title XIX of the Social Security Act [42 U.S.C. 1396 et seq.]; or

(II) is a member of a family in which a pregnant woman or an infant receives such assistance.

(B) For the purpose of determining income eligibility under this section, any State agency may choose to exclude from income—

(i) any basic allowance—

(I) for housing received by military service personnel residing off military installations; or

(II) provided under section 403 of title 37 for housing that is acquired or constructed under subchapter IV of chapter 169 of title 10 or any related provision of law; and

(ii) any cost-of-living allowance provided under section 475 of title 37 to a member of a uniformed service who is on duty outside the contiguous States of the United States.

(C) COMBAT PAY.—For the purpose of determining income eligibility under this section, a State agency shall exclude from income any additional payment under chapter 5 of title 37, or otherwise designated by the Secretary to be appropriate for exclusion under this subparagraph, that is received by or from a member of the United States Armed Forces deployed to a designated combat zone, if the additional pay—

(i) is the result of deployment to or service in a combat zone; and

(ii) was not received immediately prior to serving in a combat zone.
(D) In the case of a pregnant woman who is otherwise ineligible for participation in the program because the family of the woman is of insufficient size to meet the income eligibility standards of the program, the pregnant woman shall be considered to have satisfied the income eligibility standards if, by increasing the number of individuals in the family of the woman by 1 individual, the income eligibility standards would be met.

(3) Certification.—

(A) Procedures.—

(i) In General.—Subject to clause (ii), a person shall be certified for participation in accordance with general procedures prescribed by the Secretary.

(ii) Breastfeeding Women.—A State may elect to certify a breastfeeding woman for a period of 1 year postpartum or until a woman discontinues breastfeeding, whichever is earlier.

(iii) Children.—A State may elect to certify participant children for a period of up to 1 year, if the State electing the option provided under this clause ensures that participant children receive required health and nutrition assessments.

(B) A State may consider pregnant women who meet the income eligibility standards to be presumptively eligible to participate in the program and may certify the women for participation immediately, without delaying certification until an evaluation is made concerning nutritional risk. A nutritional risk evaluation of such a woman shall be completed not later than 60 days after the woman is certified for participation. If it is subsequently determined that the woman does not meet nutritional risk criteria, the certification of the woman shall terminate on the date of the determination.

(C) Physical Presence.—

(i) In General.—Except as provided in clause (ii) and subject to the requirements of the Americans with Disabilities Act of 1990 (42 U.S.C. 12101 et seq.) and section 794 of title 29, each individual seeking certification or recertification for participation in the program shall be physically present at each certification or recertification determination in order to determine eligibility under the program.

(ii) Waivers.—If the agency determines that the requirement of clause (i) would present an unreasonable barrier to participation, a local agency may waive the requirement of clause (i) with respect to—

(I) an infant or child who—

(aa) was present at the initial certification visit; and

(bb) is receiving ongoing health care;

(II) an infant or child who—

(aa) was present at the initial certification visit;

(bb) was present at a certification or recertification determination within the 1-year period ending on the date of the certification or recertification determination described in clause (i); and

(cc) has one or more parents who work; and

(iii) an infant under 8 weeks of age—

(aa) who cannot be present at certification for a reason determined appropriate by the local agency; and

(bb) for whom all necessary certification information is provided.

(D) Income Documentation.—

(i) In General.—Except as provided in clause (ii), in order to participate in the program pursuant to clause (i) of paragraph (2)(A), an individual seeking certification or recertification for participation in the program shall provide documentation of family income.

(ii) Waivers.—A State agency may waive the documentation requirement of clause (i), in accordance with criteria established by the Secretary, with respect to—

(I) an individual for whom the necessary documentation is not available; or

(II) an individual, such as a homeless woman or child, for whom the agency determines the requirement of clause (i) would present an unreasonable barrier to participation.

(E) Adjunct Documentation.—In order to participate in the program pursuant to clause (ii) or (iii) of paragraph (2)(A), an individual seeking certification or recertification for participation in the program shall provide documentation of receipt of assistance described in that clause.

(F) Proof of Residency.—An individual residing in a remote Indian or Native village or an individual served by an Indian tribal organization and residing on a reservation or pueblo may, under standards established by the Secretary, establish proof of residency under this section by providing to the State agency the mailing address of the individual and the name of the remote Indian or Native village.

(e) Nutrition education and drug abuse education

(1) The State agency shall ensure that nutrition education and drug abuse education is provided to all pregnant, postpartum, and breastfeeding participants in the program and to parents or caretakers of infants and children enrolled at local agencies operating the program under this section who do not participate in the program. A local agency participating in the program shall provide education or educational materials relating to the effects of drug and alcohol use by a pregnant, postpartum, or breastfeeding woman on the developing child of the woman.

(2) The Secretary shall prescribe standards to ensure that adequate nutrition education services and breastfeeding promotion and support are provided. The State agency shall provide training to persons providing nutrition education, including breastfeeding support and education, under this section.

(3) Nutrition Education Materials.—

(A) In General.—The Secretary shall, after submitting proposed nutrition education materials to the Secretary of Health and Human Services
Services for comment, issue such materials for use in the program under this section.
(B) Sharing of materials with other programs.
(i) Commodity supplemental food program.—The Secretary may provide, in bulk quantity, nutrition education materials (including materials promoting breastfeeding) developed with funds made available for the program authorized under this section to State agencies administering the commodity supplemental food program established under section 5 of the Agriculture and Consumer Protection Act of 1973 (7 U.S.C. 612c note; Public Law 93–86) at no cost to that program.
(ii) Child and adult care food program.—A State agency may allow the local agencies or clinics under the State agency to share nutrition educational materials with institutions participating in the child and adult care food program established under section 1766 of this title at no cost to that program, if a written materials sharing agreement exists between the relevant agencies.
(4) The State agency—
(A) shall provide each local agency with materials showing the maximum income limits, according to family size, applicable to pregnant women, infants, and children up to age 5 under the medical assistance program established under title XIX of the Social Security Act [42 U.S.C. 1396 et seq.] (in this section referred to as the “medical aid program”);
(B) shall provide to individuals applying for the program under this section, or reapplying at the end of their certification period, written information about the medical aid program and referral to such program or to agencies authorized to determine presumptive eligibility for such program, if such individuals are not participating in such program and appear to have family income below the applicable maximum income limits for such program; and
(C) may provide a local agency with materials describing other programs for which a participant in the program may be eligible.
(5) Each local agency shall maintain and make available for distribution a list of local resources for substance abuse counseling and treatment.
(f) Plan of operation and administration by State agency
(1)(A) Each State agency shall submit to the Secretary, by a date specified by the Secretary, an initial plan of operation and administration for a fiscal year. After submitting the initial plan, a State shall be required to submit to the Secretary for approval only a substantive change in the plan.
(B) To be eligible to receive funds under this section for a fiscal year, a State agency must receive the approval of the Secretary for the plan submitted for the fiscal year.
(C) The plan shall include—
(i) a description of the food delivery system of the State agency and the method of enabling participants to receive supplemental foods under the program at any of the authorized retail stores under the program, to be administered in accordance with standards developed by the Secretary, including a description of the State agency’s vendor peer group system, competitive price criteria, and allowable reimbursement levels that demonstrate that the State is in compliance with the cost-containment provisions in subsection (h)(1);
(ii) procedures for accepting and processing vendor applications outside of the established timeframes if the State agency determines there will be inadequate access to the program, including in a case in which a previously authorized vendor sells a store under circumstances that do not permit timely notification to the State agency of the change in ownership;
(iii) a description of the financial management system of the State agency;
(iv) a plan to coordinate operations under the program with other services or programs that may benefit participants in, and applicants for, the program;
(v) a plan to provide program benefits under this section to, and to meet the special nutrition education needs of, eligible migrants, homeless individuals, and Indians;
(vi) a plan to expend funds to carry out the program during the relevant fiscal year;
(vii) a plan to provide program benefits under this section to unserved and underserved areas in the State (including a plan to improve access to the program for participants and prospective applicants who are employed, or who reside in rural areas), if sufficient funds are available to carry out this clause;
(viii) a plan for reaching and enrolling eligible women in the early months of pregnancy, including provisions to reach and enroll eligible migrants;
(ix) a plan to provide program benefits under this section to unserved infants and children under the care of foster parents, protective services, or child welfare authorities, including infants exposed to drugs perinatally;
(x) a plan to provide nutrition education and promote breastfeeding; and
(xi) such other information as the Secretary may reasonably require.
(D) The Secretary may not approve any plan that permits a person to participate simultaneously in both the program authorized under this section and the commodity supplemental food program authorized under sections 4 and 5 of the Agriculture and Consumer Protection Act of 1973 (7 U.S.C. 612c note).
migrant participants who are residing in the State for a limited period of time. Each State agency shall be responsible for administering the program for migrant populations within its jurisdiction.

(4) State agencies shall submit monthly financial reports and participation data to the Secretary.

(5) State and local agencies operating under the program shall keep such accounts and records, including medical records, as may be necessary to enable the Secretary to determine whether there has been compliance with this section and to determine and evaluate the benefits of the nutritional assistance provided under this section. Such accounts and records shall be available at any reasonable time for inspection and audit by representatives of the Secretary and shall be preserved for such period of time, not in excess of five years, as the Secretary determines necessary.

(6)(A) Local agencies participating in the program under this section shall notify persons of their eligibility or ineligibility for the program within twenty days of the date that the household, during office hours of a local agency, personally makes an oral or written request to participate in the program. The Secretary shall establish a shorter notification period for categories of persons who, due to special nutritional risk conditions, must receive benefits more expeditiously.

(B) State agencies may provide for the delivery of vouchers to any participant who is not scheduled for nutrition education and breastfeeding counseling or a recertification interview through means, such as mailing, that do not require the participant to travel to the local agency to obtain vouchers. The State agency shall describe any plans for issuance of vouchers by mail in its plan submitted under paragraph (1).

The Secretary may disapprove a State plan with respect to the issuance of vouchers by mail in any specified jurisdiction or part of a jurisdiction within a State only if the Secretary finds that such issuance would pose a significant threat to the integrity of the program under this section in such jurisdiction or part of a jurisdiction.

(7)(A) The State agency shall, in cooperation with participating local agencies, publicly announce and distribute information on the availability of program benefits (including the eligibility criteria for participation and the location of local agencies operating the program) to offices and organizations that deal with significant numbers of potentially eligible individuals (including health and medical organizations, hospitals and clinics, welfare and unemployment offices, social service agencies, farmworker organizations, Indian tribal organizations, organizations and agencies serving homeless individuals and shelters for victims of domestic violence, and religious and community organizations in low income areas).

(B) The information shall be publicly announced by the State agency and by local agencies at least annually.

(C) The State agency and local agencies shall distribute the information in a manner designed to provide the information to potentially eligible individuals who are most in need of the benefits, including pregnant women in the early months of pregnancy.

(D) Each local agency operating the program within a hospital and each local agency operating the program that has a cooperative arrangement with a hospital shall—

(i) advise potentially eligible individuals that receive inpatient or outpatient prenatal, maternity, or postpartum services, or accompany a child under the age of 5 who receives well-child services, of the availability of program benefits; and

(ii) to the extent feasible, provide an opportunity for individuals who may be eligible to be certified within the hospital for participation in such program.

(8)(A) The State agency shall grant a fair hearing, and a prompt determination thereafter, in accordance with regulations issued by the Secretary, to any applicant, participant, or local agency aggrieved by the action of a State or local agency as it affects participation.

(B) Any State agency that must suspend or terminate benefits to any participant during the participant’s certification period due to a shortage of funds for the program shall first issue a notice to such participant.

If an individual certified as eligible for participation in the program under this section in one area moves to another area in which the program is operating, that individual’s certification of eligibility shall remain valid for the period for which the individual was originally certified.

(10) The Secretary shall establish standards for the proper, efficient, and effective administration of the program. If the Secretary determines that a State agency has failed without good cause to administer the program in a manner consistent with this section or to implement the approved plan of operation and administration under this subsection, the Secretary may withhold such amounts of the State agency’s funds for nutrition services and administration as the Secretary deems appropriate. Upon correction of such failure during a fiscal year by a State agency, any funds so withheld for such fiscal year shall be provided the State agency.

(11) SUPPLEMENTAL FOODS.—

(A) IN GENERAL.—The Secretary shall prescribe by regulation the supplemental foods to be made available in the program under this section.

(B) APPROPRIATE CONTENT.—To the degree possible, the Secretary shall assure that the fat, sugar, and salt content of the prescribed foods is appropriate.

(C) REVIEW OF AVAILABLE SUPPLEMENTAL FOODS.—As frequently as determined by the Secretary to be necessary to reflect the most recent scientific knowledge, but not less than every 10 years, the Secretary shall—

(i) conduct a scientific review of the supplemental foods available under the program; and

(ii) amend the supplemental foods available, as necessary, to reflect nutrition science, public health concerns, and cultural eating patterns.

(12) A competent professional authority shall be responsible for prescribing the appropriate
supplemental foods, taking into account medical and nutritional conditions and cultural eating patterns, and, in the case of homeless individuals, the special needs and problems of such individuals.

(13) The State agency may (A) provide nutrition education, breastfeeding promotion, and drug abuse education materials and instruction in languages other than English and (B) use appropriate foreign language materials in the administration of the program, in areas in which a substantial number of low-income households speak a language other than English.

(14) If a State agency determines that a member of a family has received an overissuance of food benefits under the program authorized by this section as the result of such member intentionally making a false or misleading statement or intentionally misrepresenting, concealing, or withholding facts, the State agency shall recover, in cash, from such member an amount that the State agency determines is equal to the value of the overissued food benefits, unless the State agency determines that the recovery of the benefits would not be cost effective.

(15) To be eligible to participate in the program authorized by this section, a manufacturer of infant formula that supplies formula for the program shall—

(A) register with the Secretary of Health and Human Services under the Federal Food, Drug, and Cosmetic Act [21 U.S.C. 301 et seq.]; and

(B) before bidding for a State contract to supply infant formula for the program, certify with the State health department that the formula complies with such Act and regulations issued pursuant to such Act.

(16) The State agency may adopt methods of delivering benefits to accommodate the special needs and problems of homeless individuals.

(17) Notwithstanding subsection (d)(2)(A)(1), not later than July 1 of each year, a State agency may implement income eligibility guidelines under this section concurrently with the implementation of income eligibility guidelines under the medicaid program established under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.).

(18) Each local agency participating in the program under this section may provide information about other potential sources of food assistance in the local area to individuals who apply in person to participate in the program under this section, but who cannot be served because the program is operating at capacity in the local area.

(19) The State agency shall adopt policies that—

(A) require each local agency to attempt to contact each pregnant woman who misses an appointment to apply for participation in the program under this section, in order to reschedule the appointment, unless the phone number and the address of the woman are unavailable to such local agency; and

(B) in the case of local agencies that do not routinely schedule appointments for individuals seeking to apply or be recertified for participation in the program under this section, require each such local agency to schedule appointments for each employed individual seeking to apply or be recertified for participation in such program so as to minimize the time each such individual is absent from the workplace due to such application or request for recertification.

(20) Each State agency shall conduct monitoring reviews of each local agency at least biennially.

(21) USE OF CLAIMS FROM LOCAL AGENCIES, VENDORS, AND PARTICIPANTS.—A State agency may use funds recovered from local agencies, vendors, and participants, as a result of a claim arising under the program, to carry out the program during—

(A) the fiscal year in which the claim arises; or

(B) the fiscal year in which the funds are collected; and

(C) the fiscal year following the fiscal year in which the funds are collected.

(22) The Secretary and the Secretary of Health and Human Services shall carry out an initiative to assure that, in a case in which a State medicaid program uses coordinated care providers under a contract entered into under section 1903(m), or a waiver granted under section 1915(b), of the Social Security Act (42 U.S.C. 1396b(m) or 1396n(b)), coordination between the program authorized by this section and the medicaid program is continued, including—

(A) the referral of potentially eligible women, infants, and children between the 2 programs; and

(B) the timely provision of medical information related to the program authorized by this section to agencies carrying out the program.

(23) INDIVIDUALS PARTICIPATING AT MORE THAN ONE SITE.—Each State agency shall implement a system designed by the State agency to identify individuals who are participating at more than one site under the program.

(24) HIGH RISK VENDORS.—Each State agency shall—

(A) identify vendors that have a high probability of program abuse; and

(B) conduct compliance investigations of the vendors.

(25) INFANT FORMULA BENEFITS.—A State agency may round up to the next whole can of infant formula to allow all participants under the program to receive the full-authorized nutritional benefit specified by regulation.

(26) NOTIFICATION OF VIOLATIONS.—If a State agency finds that a vendor has committed a violation that requires a pattern of occurrences in order to impose a penalty or sanction, the State agency shall notify the vendor of the initial violation in writing prior to documentation of another violation, unless the State agency determines that notifying the vendor would compromise an investigation.

(g) Authorization of appropriations

(1) IN GENERAL.—

(A) AUTHORIZATION.—There are authorized to be appropriated to carry out this section such sums as are necessary for each of fiscal years 2010 through 2015.

(B) ADVANCE APPROPRIATIONS; AVAILABILITY.—As authorized by section 1752 of this title, appropriations to carry out the provi-
sions of this section may be made not more than 1 year in advance of the beginning of the fiscal year in which the funds will become available for disbursement to the States, and shall remain available for the purposes for which appropriated until expended.

(2)(A) Notwithstanding any other provision of law, unless enacted in express limitation of this subparagraph, the Secretary—

(i) in the case of legislation providing funds through the end of a fiscal year, shall issue—

(A) an initial allocation of funds provided by the enactment of such legislation not later than the expiration of the 15-day period beginning on the date of the enactment of such legislation; and

(B) subsequent allocations of funds provided by the enactment of such legislation not later than the beginning of each of the second, third, and fourth quarters of the fiscal year; and

(ii) in the case of legislation providing funds for a period that ends prior to the end of a fiscal year, shall issue an initial allocation of funds provided by the enactment of such legislation not later than the expiration of the 10-day period beginning on the date of the enactment of such legislation.

(B) In any fiscal year—

(i) unused amounts from a prior fiscal year that are identified by the end of the first quarter of the fiscal year shall be recovered and reallocated not later than the beginning of the second quarter of the fiscal year; and

(ii) unused amounts from a prior fiscal year that are identified after the end of the first quarter of the fiscal year shall be recovered and reallocated on a timely basis.

(3) Notwithstanding any other provision of law, unless enacted in express limitation of this paragraph—

(A) the allocation of funds required by paragraph (2)(A)(i)(I) shall include not less than \( \frac{2}{3} \) of the amounts appropriated by the legislation described in such paragraph.

(B) the allocations of funds required by paragraph (2)(A)(i)(II) to be made not later than the beginning of the second and third quarters of the fiscal year shall each include not less than \( \frac{1}{3} \) of the amounts appropriated by the legislation described in such paragraph; and

(C) in the case of the enactment of legislation providing appropriations for a period of not more than 4 months, the allocation of funds required by paragraph (2)(A)(i)(II) shall include all amounts appropriated by such legislation except amounts reserved by the Secretary for purposes of carrying out paragraph (5).

(4) Of the sums appropriated for any fiscal year for programs authorized under this section, not less than nine-tenths of 1 percent shall be available first for services to eligible members of migrant populations. The migrant services shall be provided in a manner consistent with the priority system of a State for program participation.

(5) Of the sums appropriated for any fiscal year for the program under this section, one-half of 1 percent, not to exceed $15,000,000, shall be available to the Secretary for the purpose of evaluating program performance, evaluating health benefits, preparing reports on program participant characteristics, providing technical assistance to improve State agency administrative systems, administration of pilot projects, including projects designed to meet the special needs of migrants, Indians, and rural populations, and carrying out technical assistance and research evaluation projects of the programs under this section.

(h) Funds for nutrition services and administration

(1)(A) Each fiscal year, the Secretary shall make available, from amounts appropriated for such fiscal year under subsection (g)(1) and amounts remaining from amounts appropriated under such subsection for the preceding fiscal year, an amount sufficient to guarantee a national average per participant grant to be allocated among State agencies for costs of nutrition services and administration incurred by State and local agencies for such year.

(B)(i) The amount of the national average per participant grant for nutrition services and administration for any fiscal year shall be an amount equal to the amount of the national average per participant grant for nutrition services and administration issued for the preceding fiscal year, as adjusted.

(ii) Such adjustment, for any fiscal year, shall be made by revising the national average per participant grant for nutrition services and administration for the preceding fiscal year to reflect the percentage change between—

(I) the value of the index for State and local government purchases, as published by the Bureau of Economic Analysis of the Department of Commerce, for the 12-month period ending June 30 of the second preceding fiscal year; and

the index for the 12-month period ending June 30 of the previous fiscal year.

(C) Remaining amounts.—

(i) In General.—Except as provided in clause (ii), in any fiscal year, amounts remaining from amounts appropriated for such fiscal year under subsection (g)(1) and from amounts appropriated under such section for the preceding fiscal year, after carrying out subparagraph (A), shall be made available for food benefits under this section, except to the extent that such amounts are needed to carry out the purposes of subsections (g)(4) and (g)(5).

(ii) Breast Pumps.—A State agency may use amounts made available under clause (i) for the purchase of breast pumps.

(2)(A) The Secretary shall allocate to each State agency from the amount described in paragraph (1)(A) an amount for costs of nutrition services and administration on the basis of a formula prescribed by the Secretary. Such formula—

(i) shall be designed to take into account—

(I) the varying needs of each State;
(II) the number of individuals participating in each State; and
(III) other factors which serve to promote the proper, efficient, and effective administration of the program under this section;
(ii) shall provide for each State agency—
(I) an estimate of the number of participants for the fiscal year involved; and
(II) a per participant grant for nutrition services and administration for such year;
(iii) shall provide for a minimum grant amount for State agencies; and
(iv) may provide funds to help defray reasonable anticipated expenses associated with innovations in cost containment or associated with procedures that tend to enhance competition.

(B)(i) Except as provided in clause (ii) and subparagraph (C), in any fiscal year, the total amount allocated to a State agency for costs of nutrition services and administration under the formula prescribed by the Secretary under subparagraph (A) shall constitute the State agency's operational level for such costs for such year even if the number of participants in the program at such agency is lower than the estimate provided under subparagraph (A)(i)(I).

(ii) If a State agency's per participant expenditure for nutrition services and administration is more than 10 percent (except that the Secretary may establish a higher percentage for State agencies that are small) higher than its per participant grant for nutrition services and administration without good cause, the Secretary may reduce such State agency's operational level for costs of nutrition services and administration.

(C) In any fiscal year, the Secretary may reallocate amounts provided to State agencies under subparagraph (A) for such fiscal year. When reallocating amounts under the preceding sentence, the Secretary may provide additional amounts to, or recover amounts from, any State agency.

(3)(A) Except as provided in subparagraphs (B) and (C), in each fiscal year, each State agency shall expend—
(i) for nutrition education activities and breastfeeding promotion and support activities, an aggregate amount that is not less than the sum of—
(I) 1⁄4 of the amounts expended by the State for costs of nutrition services and administration; and
(II) except as otherwise provided in subparagraphs (F) and (G), an amount equal to a proportionate share of the national minimum breastfeeding promotion expenditure, as described in subparagraph (E), with each State's share determined on the basis of the number of pregnant women and breastfeeding women in the program in the State as a percentage of the national minimum breastfeeding promotion expenditure, as described in subparagraph (E), with each State's share determined on the basis of the number of pregnant women and breastfeeding women in the program in each State; and
(ii) for breastfeeding promotion and support activities an amount that is not less than the amount determined for such State under clause (i)(II).

(B) The Secretary may authorize a State agency to expend an amount less than the amount described in subparagraph (A)(i) for purposes of breastfeeding promotion and support activities if—
(i) the State agency so requests; and
(ii) the request is accompanied by documentation that other funds will be used to conduct nutrition education activities at a level commensurate with the level at which such activities would be conducted if the amount described in subparagraph (A)(i) were expended for such activities.

(C) The Secretary may authorize a State agency to expend for purposes of nutrition education an amount that is less than the difference between the aggregate amount described in subparagraph (A) and the amount expended by the State for breastfeeding promotion and support programs if—
(i) the State agency so requests; and
(ii) the request is accompanied by documentation that other funds will be used to conduct such activities.

(D) The Secretary shall limit to a minimal level any documentation required under this paragraph.

(E) For each fiscal year, the national minimum breastfeeding promotion expenditure means an amount that is—
(i) equal to $21 multiplied by the number of pregnant women and breastfeeding women participating in the program nationwide, based on the average number of pregnant women and breastfeeding women so participating during the last 3 months for which the Secretary has final data; and
(ii) adjusted for inflation on October 1, 1996, and each October 1 thereafter, in accordance with paragraph (1)(B)(ii).

(4) REQUIREMENTS.—
(A) IN GENERAL.—The Secretary shall—
(i) in consultation with the Secretary of Health and Human Services, develop a definition of breastfeeding for the purposes of the program under this section;
(ii) authorize the purchase of breastfeeding aids by State and local agencies as an allowable expense under nutrition services and administration;
(iii) require each State agency to designate an agency staff member to coordinate breastfeeding promotion efforts identified in the State plan of operation and administration;
(iv) require the State agency to provide training on the promotion and management of breastfeeding to staff members of local agencies who are responsible for counseling participants in the program under this section concerning breastfeeding;
(v) not later than 1 year after November 2, 1994, develop uniform requirements for the collection of data regarding the incidence and duration of breastfeeding among participants in the program;
(vi) partner with communities, State and local agencies, employers, health care professionals, and other entities in the private sector to build a supportive breastfeeding environment for women participating in the program under this section to support the
breastfeeding goals of the Healthy People initiative; and
(vii) annually compile and publish breastfeeding performance measurements based on program participant data on the number of partially and fully breast-fed infants, including breastfeeding performance measurements for—
(I) each State agency; and
(II) each local agency;
(viii) in accordance with subparagraph (B), implement a program to recognize exemplary breastfeeding support practices at local agencies or clinics participating in the special supplemental nutrition program established under this section; and
(ix) in accordance with subparagraph (C), implement a program to provide performance bonuses to State agencies.

(B) EXEMPLARY BREASTFEEDING SUPPORT PRACTICES.—
(i) IN GENERAL.—In evaluating exemplary practices under subparagraph (A)(viii), the Secretary shall consider—
(I) performance measurements of breastfeeding;
(II) the effectiveness of a peer counselor program;
(III) the extent to which the agency or clinic has partnered with other entities to build a supportive breastfeeding environment for women participating in the program; and
(IV) such other criteria as the Secretary considers appropriate after consultation with State and local program agencies.

(ii) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out the activities described in clause (vii) of subparagraph (A) such sums as are necessary.

(C) PERFORMANCE BONUSES.—
(i) IN GENERAL.—Following the publication of breastfeeding performance measurements under subparagraph (A)(vii), the Secretary shall provide performance bonus payments to not more than 15 State agencies that demonstrate, as compared to other State agencies participating in the program—
(I) the highest proportion of breast-fed infants; or
(II) the greatest improvement in proportion of breast-fed infants.

(ii) CONSIDERATION.—In providing performance bonus payments to State agencies under this subparagraph, the Secretary shall consider the proportion of fully breast-fed infants in the States.

(iii) USE OF FUNDS.—A State agency that receives a performance bonus under clause (I)—
(I) shall treat the funds as program income; and
(II) may transfer the funds to local agencies for use in carrying out the program.

(iv) IMPLEMENTATION.—The Secretary shall provide the first performance bonuses not later than 1 year after December 13, 2010, and may subsequently revise the criteria for awarding performance bonuses; and

(5)(A) Subject to subparagraph (B), in any fiscal year that a State agency submits a plan to reduce average food costs per participant and to increase participation above the level estimated for the State agency, the State agency may, with the approval of the Secretary, convert amounts allocated for food benefits for such fiscal year for costs of nutrition services and administration to the extent that such conversion is necessary—
(i) to cover allowable expenditures in such fiscal year; and
(ii) to ensure that the State agency maintains the level established for the per participant grant for nutrition services and administration for such fiscal year.

(B) If a State agency increases its participation level through measures that are not in the nutritional interests of participants or not otherwise allowable (such as reducing the quantities of foods provided for reasons not related to nutritional need), the Secretary may refuse to allow the State agency to convert amounts allocated for food benefits to defray costs of nutrition services and administration.

(C) For the purposes of this paragraph, the term "acceptable measures" includes use of cost containment measures, curtailment of vendor abuse, and breastfeeding promotion activities.

(D) REMOTE INDIAN OR NATIVE VILLAGES.—For noncontiguous States containing a significant number of remote Indian or Native villages, a State agency may convert amounts allocated for food benefits for a fiscal year to the costs of nutrition services and administration to the extent that the conversion is necessary to cover expenditures incurred in providing services (including the full cost of air transportation and other transportation) to remote Indian or Native villages and to provide breastfeeding support in remote Indian or Native villages.

(6) In each fiscal year, each State agency shall provide, from the amounts allocated to such agency for such year for costs of nutrition services and administration, an amount to each local agency for its costs of nutrition services and administration. The amount to be provided to each local agency under the preceding sentence shall be determined under allocation standards developed by the State agency in cooperation with the several local agencies, taking into account factors deemed appropriate to further proper, efficient, and effective administration of the program, such as—
(A) local agency staffing needs;
(B) density of population;
(C) number of individuals served; and
(D) availability of administrative support from other sources.

(7) The State agency may provide in advance to any local agency any amounts for nutrition services and administration deemed necessary for successful commencement or significant expansion of program operations during a reasonable period following approval of—
(A) a new local agency;

1 So in original. The ".; and" probably should be a period.
§ 1786

(8)(A)(i) Except as provided in subparagraphs (B) and (C)(iii), any State that provides for the purchase of foods under the program at retail grocery stores shall, with respect to the procurement of infant formula, use—

(I) a competitive bidding system; or

(II) any other cost containment measure that yields savings equal to or greater than savings generated by a competitive bidding system when such savings are determined by comparing the amounts of savings that would be provided over the full term of contracts offered in response to a single invitation to submit both competitive bids and bids for other cost containment systems for the sale of infant formula.

(ii) In determining whether a cost containment measure other than competitive bidding yields equal or greater savings, the State, in accordance with regulations issued by the Secretary, may take into account other cost factors (in addition to rebate levels and procedures for adjusting rebate levels when wholesale price levels change), such as—

(I) the number of infants who would not be expected to receive the primary contract infant formula under a competitive bidding system;

(II) the number of cans of infant formula for which no rebate would be provided under another rebate system; and

(III) differences in administrative costs relating to the implementation of the various cost containment systems (such as costs of converting a computer system for the purpose of operating a cost containment system and costs of preparing participants for conversion to a new or alternate cost containment system).

(iii) COMPETITIVE BIDDING SYSTEM.—A State agency using a competitive bidding system for infant formula shall award contracts to bidders offering the lowest net price for a specific infant formula for which manufacturers submit a bid unless the State agency demonstrates to the satisfaction of the Secretary that the weighted average retail price for different brands of infant formula in the State does not vary by more than 5 percent.

(iv) SIZE OF STATE ALLIANCES.—

(I) IN GENERAL.—Except as provided in subclauses (II) through (IV), no State alliance may exist among States if the total number of infants served by States participating in the alliance as of October 1, 2003, or such subsequent date determined by the Secretary for which data is available, or any Indian State agency, if the State agency or Indian State agency requests to join the State alliance.

(IV) SECRETARIAL WAIVER.—The Secretary may waive the requirements of this clause not earlier than 30 days after submitting to the Committee on Education and the Workforce of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a written report that describes the cost-containment and competitive benefits of the proposed waiver.

(v) FIRST CHOICE OF ISSUANCE.—The State agency shall use the primary contract infant formula as the first choice of issuance (by formula type), with all other infant formulas issued as an alternative to the primary contract infant formula.

(vi) REBATE INVOICES.—Effective beginning October 1, 2004, each State agency shall have a system to ensure that infant formula rebate invoices, under competitive bidding, provide a reasonable estimate or an actual count of the number of units sold to participants in the program under this section.

(vii) SEPARATE SOLICITATIONS.—In soliciting bids for infant formula under a competitive bidding system, any State agency, or State alliance, that served under the program a monthly average of more than 100,000 infants during the preceding 12-month period shall solicit bids from infant formula manufacturers under procedures that require that bids for rebates or discounts are solicited for milk-based and soy-based infant formula separately.

(viii) CENT-FOR-CENT ADJUSTMENTS.—A bid solicitation for infant formula under the program shall require the manufacturer to adjust for price changes subsequent to the opening of the bidding process in a manner that requires—

(I) a cent-for-cent increase in the rebate amounts if there is an increase in the lowest national wholesale price for a full truckload of the particular infant formula; and

(II) a cent-for-cent decrease in the rebate amounts if there is a decrease in the lowest national wholesale price for a full truckload of the particular infant formula.

(ix) LIST OF INFANT FORMULA WHOLESALERS, DISTRIBUTORS, RETAILERS, AND MANUFACTURERS.—The State agency shall maintain a list of—

(I) infant formula wholesalers, distributors, and retailers licensed in the State in accordance with State law (including regulations); and

(II) infant formula manufacturers registered with the Food and Drug Administration that provide infant formula.

(x) PURCHASE REQUIREMENT.—A vendor authorized to participate in the program under this section shall only purchase infant formula from the list described in clause (ix).

(B)(i) The Secretary shall waive the requirement of subparagraph (A) in the case of any State that demonstrates to the Secretary that—
(I) compliance with subparagraph (A) would be inconsistent with efficient or effective operation of the program operated by such State under this section; or

(ii) the amount by which the savings yielded by an alternative cost containment system would be less than the savings yielded by a competitive bidding system is sufficiently minimal that the difference is not significant.

(ii) The Secretary shall prescribe criteria under which a waiver may be granted pursuant to clause (i).

(iii) The Secretary shall provide information on a timely basis to the Committee on Education and Labor of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate on waivers that have been granted under clause (i).

(C)(i) The Secretary shall provide technical assistance to small Indian State agencies carrying out this paragraph in order to assist such agencies to achieve the maximum cost containment savings feasible.

(ii) The Secretary shall also provide technical assistance, on request, to State agencies that desire to consider a cost containment system that covers more than 1 State agency.

(ii) The Secretary may waive the requirement of subparagraph (A) in the case of any Indian State agency that has not more than 1,000 participants.

(D) No State may enter into a cost containment contract (as the term is defined in paragraph (2)) that prescribes conditions that would void, reduce the savings under, or otherwise limit the original contract if the State solicited or secured bids for, or entered into, a subsequent cost containment contract to take effect after the expiration of the original contract.

(E) The Secretary shall offer to solicit bids on behalf of State agencies regarding cost containment contracts to be entered into by infant formula manufacturers and State agencies. The Secretary shall make the offer to State agencies once every 12 months. Each such bid solicitation shall only take place if two or more State agencies request the Secretary to perform the solicitation. For such State agencies, the Secretary shall solicit bids and select the winning bidder for the contract. The contract shall only take effect if two or more State agencies accept the contract.

(F) In soliciting bids for contracts for infant formula for the program authorized by this section, the Secretary shall solicit bids from infant formula manufacturers under procedures in which bids for rebates or discounts are solicited for milk-based and soy-based infant formula, separately, except where the Secretary determines that such solicitation procedures are not in the best interest of the program.

(G) To reduce the costs of any supplemental foods, the Secretary may make available additional funds to State agencies out of the funds otherwise available under paragraph (4)(A) for nutrition services and administration in an amount not exceeding one half of 1 percent of the amounts to help defray reasonable anticipated expenses associated with innovations in cost containment or associated with procedures that tend to enhance competition.

(H)(i) Any person, company, corporation, or other legal entity that submits a bid to supply infant formula to carry out the program authorized by this section and announces or otherwise discloses the amount of the bid, or the rebate or discount practices of such entities, in advance of the time the bids are opened by the Secretary or the State agency, or any person, company, corporation, or other legal entity that makes a statement (prior to the opening of bids) relating to levels of rebates or discounts, for the purpose of influencing a bid submitted by any other person, shall be ineligible to submit bids to supply infant formula to the program for the bidding in progress for up to 2 years from the date the bids are opened and shall be subject to a civil penalty of up to $100,000,000, as determined by the Secretary to provide restitution to the program for harm done to the program. The Secretary shall issue regulations providing such person, company, corporation, or other legal entity appropriate notice, and an opportunity to be heard and to respond to charges.

(ii) The Secretary shall determine the length of the disqualification, and the amount of the civil penalty referred to in clause (i) based on such factors as the Secretary by regulation determines appropriate.

(iii) Any person, company, corporation, or other legal entity disqualified under clause (i) shall remain obligated to perform any requirements under any contract to supply infant formula existing at the time of the disqualification and until each such contract expires by its terms.

(I) Not later than the expiration of the 180-day period beginning on October 24, 1992, the Secretary shall prescribe regulations to carry out this paragraph.

(J) A State shall not incur any interest liability to the Federal Government on rebate funds for infant formula and other foods if all interest earned by the State on the funds is used for program purposes.

(K) REPORTING.—Effective beginning October 1, 2011, each State agency shall report rebate payments received from manufacturers in the month in which the payments are received, rather than in the month in which the payments were earned.

(9) COST CONTAINMENT MEASURE.—

(A) DEFINITION OF COST CONTAINMENT MEASURE.—In this subsection, the term "cost containment measure" means a competitive bidding, rebate, direct distribution, or home delivery system implemented by a State agency as described in the approved State plan of operation and administration of the State agency.

(B) SOLICITATION AND REBATE BILLING REQUIREMENTS.—Any State agency instituting a cost containment measure for any authorized food, including infant formula, shall—

(i) in the bid solicitation—

(I) identify the composition of State alliances for the purposes of a cost containment measure; and

(II) verify that no additional States shall be added to the State alliance between the date of the bid solicitation and the end of the contract;
(ii) have a system to ensure that rebate invoices under competitive bidding provide a reasonable estimate or an actual count of the number of units sold to participants in the program under this section;

(iii) open and read aloud all bids at a public proceeding on the day on which the bids are due; and

(iv) unless otherwise exempted by the Secretary, provide a minimum of 30 days between the publication of the solicitation and the date on which the bids are due.

(C) STATE ALLIANCES FOR AUTHORIZED FOODS OTHER THAN INFANT FORMULA.—Program requirements relating to the size of State alliances under paragraph (B)(A)(iv) shall apply to cost containment measures established for any authorized food under this section.

(10) FUNDS FOR INFRASTRUCTURE, MANAGEMENT INFORMATION SYSTEMS, AND SPECIAL NUTRITION EDUCATION.—

(A) IN GENERAL.—For each of fiscal years 2010 through 2015, the Secretary shall use for the purposes specified in subparagraph (B) $139,000,000 (as adjusted annually for inflation by the same factor used to determine the national average per participant grant for nutrition services and administration for the fiscal year under paragraph (1)(B).

(B) PURPOSES.—Subject to subparagraph (C), of the amount made available under subparagraph (A) for a fiscal year—

(i) $14,000,000 shall be used for—

(I) infrastructure for the program under this section;

(II) special projects to promote breastfeeding, including projects to assess the effectiveness of particular breastfeeding promotion strategies; and

(III) special State projects of regional or national significance to improve the services of the program;

(ii) $35,000,000 shall be used to establish, improve, or administer management information systems for the program, including changes necessary to meet new legislative or regulatory requirements of the program, of which up to $5,000,000 may be used for Federal administrative costs; and

(iii) $90,000,000 shall be used for special nutrition education (such as breastfeeding peer counselors and other related activities), of which not more than $10,000,000 of any funding provided in excess of $50,000,000 shall be used to make performance bonus payments under paragraph (4)(C).

(C) ADJUSTMENT.—Each of the amounts referred to in clauses (i), (ii), and (iii) of subparagraph (B) shall be adjusted annually for inflation by the same factor used to determine the national average per participant grant for nutrition services and administration for the fiscal year under paragraph (1)(B).

(D) PROPORTIONAL DISTRIBUTION.—The Secretary shall distribute funds made available under subparagraph (A) in accordance with the proportional distribution described in subparagraphs (B) and (C).

(11) VENDOR COST CONTAINMENT.—

(A) PEER GROUPS.—

(i) IN GENERAL.—The State agency shall—

(I) establish a vendor peer group system; and

(II) in accordance with subparagraphs (B) and (C), establish competitive price criteria and allowable reimbursement levels for each vendor peer group; and

(III) if the State agency elects to authorize any types of vendors described in subparagraph (D)(ii)(I)—

(aa) distinguish between vendors described in subparagraph (D)(ii)(I) and other vendors by establishing—

(AA) separate peer groups for vendors described in subparagraph (D)(ii)(I); or

(BB) distinct competitive price criteria and allowable reimbursement levels for vendors described in subparagraph (D)(ii)(I) within a peer group that contains both vendors described in subparagraph (D)(ii)(I) and other vendors; and

(bb) establish competitive price criteria and allowable reimbursement levels that comply with subparagraphs (B) and (C), respectively, and that do not result in higher food costs if program participants redeem supplemental food vouchers at vendors described in subparagraph (D)(ii)(I) rather than at vendors other than vendors described in subparagraph (D)(ii)(I).

Nothing in this paragraph shall be construed to compel a State agency to achieve lower food costs if program participants redeem supplemental food vouchers at vendors described in subparagraph (D)(ii)(I) rather than at vendors other than vendors described in subparagraph (D)(ii)(I).

(ii) EXEMPTIONS.—The Secretary may exempt from the requirements of clause (i)—

(I) a State agency that elects not to authorize any types of vendors described in subparagraph (D)(ii)(I) and that demonstrates to the Secretary that—

(aa) compliance with clause (i) would be inconsistent with efficient and effective operation of the program administered by the State under this section; or

(bb) an alternative cost-containment system would be as effective as a vendor peer group system; or

(II) a State agency—

(aa) in which the sale of supplemental foods that are obtained with food instruments from vendors described in subparagraph (D)(ii)(I) constituted less than 5 percent of total sales of supplemental foods that were obtained with food instruments in the State in the year preceding a year in which the exemption is effective; and

(bb) that demonstrates to the Secretary that an alternative cost-containment system would be as effective as the vendor peer group system and would not result in higher food costs if program participants redeem supplemental food vouchers at vendors described in sub-
 paragraph (D)(ii)(I) rather than at vendors other than vendors described in subparagraph (D)(ii)(I).

(B) COMPETITIVE PRICING.—
(i) IN GENERAL.—The State agency shall establish competitive price criteria for each peer group for the selection of vendors for participation in the program that—
(I) ensure that the retail prices charged by vendor applicants for the program are competitive with the prices charged by other vendors; and
(II) consider—
(aa) the shelf prices of the vendor for all buyers; or
(bb) the prices that the vendor bids for supplemental foods, which shall not exceed the shelf prices of the vendor for all buyers.

(ii) PARTICIPANT ACCESS.—In establishing competitive price criteria, the State agency shall consider participant access by geographic area.

(iii) SUBSEQUENT PRICE INCREASES.—The State agency shall establish procedures to ensure that a retail store selected for participation in the program does not, subsequent to selection, increase prices to levels that would make the store ineligible for selection to participate in the program.

(C) ALLOWABLE REIMBURSEMENT LEVELS.—
(i) IN GENERAL.—The agency shall establish allowable reimbursement levels for supplemental foods for each vendor peer group that ensure—
(I) that payments to vendors in the vendor peer group reflect competitive retail prices; and
(II) that the State agency does not reimburse a vendor for supplemental foods at a level that would make the vendor ineligible for authorization under the criteria established under subparagraph (B).

(ii) PRICE FLUCTUATIONS.—The allowable reimbursement levels may include a factor to reflect fluctuations in wholesale prices.

(iii) PARTICIPANT ACCESS.—In establishing allowable reimbursement levels, the State agency shall consider participant access in a geographic area.

(D) EXEMPTIONS.—The State agency may exempt from competitive price criteria and allowable reimbursement levels established under this paragraph—
(i) pharmacy vendors that supply only exempt infant formula or medical foods that are eligible under the program; and
(ii) vendors—
(I) in which more than 50 percent of the annual revenue of the vendor from the sale of food items consists of revenue from the sale of supplemental foods that are obtained with food instruments; or
(bb) who are new applicants likely to meet the criteria of item (aa) under criteria approved by the Secretary; and
(II) that are nonprofit.

(E) COST CONTAINMENT.—If a State agency elects to authorize any types of vendors described in subparagraph (D)(ii)(I), the State agency shall demonstrate to the Secretary, and the Secretary shall certify, that the competitive price criteria and allowable reimbursement levels established under this paragraph for vendors described in subparagraph (D)(ii)(I) do not result in average payments per voucher to vendors described in subparagraph (D)(ii)(I) that are higher than average payments per voucher to comparable vendors other than vendors described in subparagraph (D)(ii)(I).

(F) LIMITATION ON PRIVATE RIGHTS OF ACTION.—Nothing in this paragraph may be construed as creating a private right of action.

(G) IMPLEMENTATION.—A State agency shall comply with this paragraph not later than 18 months after June 30, 2004.

(12) ELECTRONIC BENEFIT TRANSFER.
(A) DEFINITIONS.—In this paragraph:
(1) ELECTRONIC BENEFIT TRANSFER.—The term "electronic benefit transfer" means a food delivery system that provides benefits using a card or other access device approved by the Secretary that permits electronic access to program benefits.

(ii) PROGRAM.—The term "program" means the special supplemental nutrition program established by this section.

(B) REQUIREMENTS.—
(i) IN GENERAL.—Not later than October 1, 2020, each State agency shall be required to implement electronic benefit transfer systems throughout the State, unless the Secretary grants an exemption under subparagraph (C) for a State agency that is facing unusual barriers to implement an electronic benefit transfer system.

(ii) RESPONSIBILITY.—The State agency shall be responsible for the coordination and management of the electronic benefit transfer system of the agency.

(C) EXEMPTIONS.—
(i) IN GENERAL.—To be eligible for an exemption from the statewide implementation requirements of subparagraph (B)(i), a State agency shall demonstrate to the Secretary 1 or more of the following:
(I) There are unusual technological barriers to implementation.

(ii) OPERATIONAL COSTS ARE NOT AFFORDABLE WITHIN THE NUTRITION SERVICES AND ADMINISTRATION GRANT OF THE STATE AGENCY.

(iII) IT IS IN THE BEST INTEREST OF THE PROGRAM TO GRANT THE EXEMPTION.

(iii) SPECIFIC DATE.—A State agency requesting an exemption under clause (i) shall specify a date by which the State agency anticipates statewide implementation described in subparagraph (B)(i).

(D) REPORTING.—
(i) IN GENERAL.—Each State agency shall submit to the Secretary electronic benefit transfer project status reports to demonstrate the progress of the State toward statewide implementation.

(ii) CONSULTATION.—If a State agency plans to incorporate additional programs in the electronic benefit transfer system of the
State, the State agency shall consult with the State agency officials responsible for administering the programs prior to submitting the planning documents to the Secretary for approval.

(III) Requirements.—At a minimum, a status report submitted under clause (i) shall contain—

(1) an annual outline of the electronic benefit transfer implementation goals and objectives of the State;

(II) appropriate updates in accordance with approval requirements for active electronic benefit transfer State agencies; and

(III) such other information as the Secretary may require.

(E) Imposition of Costs on Vendors.—

(i) Cost Prohibition.—Except as otherwise provided in this paragraph, the Secretary may not impose, or allow a State agency to impose, the costs of any equipment or system required for electronic benefit transfers on any authorized vendor in order to transact electronic benefit transfers if the vendor equipment or system is used solely to support the program.

(ii) Cost-Sharing.—The Secretary shall establish criteria for cost-sharing by State agencies and vendors of costs associated with any equipment or system that is not solely dedicated to transacting electronic benefit transfers for the program.

(iii) Fees.—

(I) In General.—A vendor that elects to accept electronic benefit transfers using multifunction equipment shall pay commercial transaction processing costs and fees imposed by a third-party processor that the vendor elects to use to connect to the electronic benefit transfer system of the State.

(II) Interchange Fees.—No interchange fees shall apply to electronic benefit transfer transactions under this paragraph.

(iv) Statewide Operations.—After completion of statewide expansion of a system for transacting of electronic benefit transfers—

(I) a State agency may not be required to incur ongoing maintenance costs for vendors using multifunction systems and equipment to support electronic benefit transfers; and

(II) any retail store in the State that applies for authorization to become a program vendor shall be required to demonstrate the capability to accept program benefits electronically prior to authorization, unless the State agency determines that the vendor is necessary for participant access.

(F) Minimum Lane Coverage.—

(i) In General.—The Secretary shall establish minimum lane coverage guidelines for vendor equipment and systems used to support electronic benefit transfers.

(ii) Provision of Equipment.—If a vendor does not elect to accept electronic benefit transfers using its own multifunction equipment, the State agency shall provide such equipment as is necessary to solely support the program to meet the established minimum lane coverage guidelines.

(G) Technical Standards.—The Secretary shall—

(i) establish technical standards and operating rules for electronic benefit transfer systems; and

(ii) require each State agency, contractor, and authorized vendor participating in the program to demonstrate compliance with the technical standards and operating rules.

(13) Universal Product Codes Database.—

(A) In General.—Not later than 2 years after December 13, 2010, the Secretary shall establish a national universal product code database to be used by all State agencies in carrying out the requirements of paragraph (12).

(B) Funding.—

(i) In General.—On October 1, 2010, and on each October 1 thereafter, out of any funds in the Treasury not otherwise appropriated, the Secretary of the Treasury shall transfer to the Secretary to carry out this paragraph $1,000,000, to remain available until expended.

(ii) Receipt and Acceptance.—The Secretary shall be entitled to receive, shall accept, and shall use to carry out this paragraph the funds transferred under clause (i), without further appropriation.

(iii) Use of Funds.—The Secretary shall use the funds provided under clause (i) for development, hosting, hardware and software configuration, and support of the database required under subparagraph (A).

(14) Incentive Items.—A State agency shall not authorize or make payments to a vendor described in paragraph (11)(D)(ii)(I) that provides incentive items or other free merchandise, except food or merchandise of nominal value (as determined by the Secretary), to program participants unless the vendor provides to the State agency proof that the vendor obtained the incentive items or merchandise at no cost.

(i) Division of funds formula; reallocation of unspent funds; use of State allocation to buy supplemental foods; use of amounts available for succeeding fiscal year

(1) By the beginning of each fiscal year, the Secretary shall divide, among the State agencies, the amounts made available for food benefits under subsection (h)(1)(C) on the basis of a formula determined by the Secretary.

(2) Each State agency’s allocation, as so determined, shall constitute the State agency’s authorized operational level for that year, except that the Secretary shall reallocate funds periodically if the Secretary determines that a State agency is unable to spend its allocation.

(3)(A) Notwithstanding paragraph (2) and subject to subparagraph (B)—

(i) (I) not more than 1 percent (except as provided in subparagraph (C)) of the amount of funds allocated to a State agency under this section for supplemental foods for a fiscal year may be expended by the State agency for allowable expenses incurred under this section for supplemental foods during the preceding fiscal year; and
(II) not more than 1 percent of the amount of funds allocated to a State agency under this section for nutrition services and administration for a fiscal year may be expended by the State agency for allowable expenses incurred under this section for supplemental foods and nutrition services and administration during the preceding fiscal year; and

(II) for each fiscal year, of the amounts allocated to a State agency under this section for the fiscal year may be expended by the State agency for allowable expenses incurred under this section for nutrition services and administration during the subsequent fiscal year.

(3) The initiative may include—

(A) outreach and technical assistance for State and local agencies and the facilities described in paragraph (2)(A) and the health centers and facilities described in paragraph (2)(B); and

(B) demonstration projects in selected State or local areas; and

(C) such other activities as the Secretaries find are appropriate.

(4) As used in this subsection:

(A) the term ‘‘community health center’’ has the meaning given the term in section 254c(a) of this title.

(8) TEMPORARY SPENDING AUTHORITY.—During each of fiscal years 2012 and 2013, the Secretary may authorize a State agency to expend more than the amount otherwise authorized under paragraph (3)(C) for expenses incurred under this section for supplemental foods during the preceding fiscal year, if the Secretary determines that—

(A) there has been a significant reduction in reported infant formula cost containment savings for the preceding fiscal year due to the implementation of subsection (b)(8)(K); and

(B) the reduction would affect the ability of the State agency to serve all eligible participants.

(j) Initiative to provide program services at community and migrant health centers

(1) The Secretary and the Secretary of Health and Human Services (referred to in this subsection as the ‘‘Secretaries’’) shall jointly establish and carry out an initiative for the purpose of providing both supplemental foods, nutrition education, and breastfeeding support and promotion under the special supplemental nutrition program and health care services to low-income pregnant, postpartum, and breastfeeding women, infants, and children at substantially more community health centers and migrant health centers.

(2) The initiative shall also include—

(A) activities to improve the coordination of the provision of supplemental foods, nutrition education, and breastfeeding support and promotion under the special supplemental nutrition program and health care services at facilities funded by the Indian Health Service; and

(B) the development and implementation of strategies to ensure that, to the maximum extent feasible, new community health centers, migrant health centers, and other federally supported health care facilities established in medically underserved areas provide supplemental foods, nutrition education, and breastfeeding support and promotion under the special supplemental nutrition program.

(3) The initiative may include—

(A) outreach and technical assistance for State and local agencies and the facilities described in paragraph (2)(A) and the health centers and facilities described in paragraph (2)(B); and

(B) demonstration projects in selected State or local areas; and

(C) such other activities as the Secretaries find are appropriate.

(4) As used in this subsection:

(A) the term ‘‘community health center’’ has the meaning given the term in section 254c(a) of this title.
(B) The term "migrant health center" has the meaning given the term in section 254b(a)(1) of this title.

(k) National Advisory Council on Maternal, Infant, and Fetal Nutrition; establishment; membership; term; officers; meetings; quorum; technical assistance by Secretary

(1) There is hereby established a National Advisory Council on Maternal, Infant, and Fetal Nutrition (referred to in this subsection as the "Council") composed of 24 members appointed by the Secretary. One member shall be a State director of a program under this section; one member shall be a State official responsible for a commodity supplemental food program under section 1304 of the Food and Agriculture Act of 1977; one member shall be a State fiscal officer of a program under this section (or the equivalent thereof); one member shall be a State health officer (or the equivalent thereof); one member shall be a local agency director of a program under this section in an urban area; one member shall be a local agency director of a program under this section in a rural area; one member shall be a project director of a commodity supplemental food program; one member shall be a representative of an organization serving migrants; one member shall be an official from a State agency predominantly serving Indians; three members shall be parent participants of a program under this section or of a commodity supplemental food program; one member shall be a pediatrician; one member shall be an obstetrician; one member shall be a representative of a nonprofit public interest organization that has experience with and knowledge of the special supplemental nutrition program; one member shall be a person involved at the retail sales level of food in the special supplemental nutrition program; two members shall be officials of the Department of Health and Human Services appointed by the Secretary; one member shall be an expert in drug abuse education and prevention; and one member shall be an expert in alcohol abuse education and prevention.

(2) Members of the Council appointed from outside the Department of Agriculture and the Department of Health and Human Services shall be appointed for terms not exceeding three years. State and local officials shall serve only during their official tenure, and the tenure of parent participants shall not exceed two years. Persons appointed to complete an unexpired term shall serve only for the remainder of such term.

(3) The Council shall elect a Chairman and a Vice Chairman. The Council shall meet at the call of the Chairman, but shall meet at least once a year. Eleven members shall constitute a quorum.

(4) The Secretary shall provide the Council with such technical and other assistance, including secretarial and clerical assistance, as may be required to carry out its functions.

(5) Members of the Council shall serve without compensation but shall be reimbursed for necessary travel and subsistence expenses incurred by them in the performance of the duties of the Council. Parent participant members of the Council, in addition to reimbursement for necessary travel and subsistence, shall, at the discretion of the Secretary, be compensated in advance for other personal expenses related to participation on the Council, such as child care expenses and lost wages during scheduled Council meetings.

(l) Donation of foods by Secretary

Foods available under section 1431 of title 7, including, but not limited to, dry milk, or purchased under section 612b of title 7, may be donated by the Secretary, at the request of a State agency, for distribution to programs conducted under this section. The Secretary may purchase and distribute, at the request of a State agency, supplemental foods for donation to programs conducted under this section, with appropriated funds, including funds appropriated under this section.

(m) Women, infants, and children farmers' market nutrition program; establishment, grants, etc.

(1) Subject to the availability of funds appropriated for the purposes of this subsection, and as specified in this subsection, the Secretary shall award grants to States that submit State plans that are approved for the establishment or maintenance of programs designed to provide recipients of assistance under subsection (c), or those who are on the waiting list to receive the assistance, with coupons that may be exchanged for fresh, nutritious, unprepared foods at farmers' markets and (at the option of a State) roadside stands, as defined in the State plans submitted under this subsection.

(2) A grant provided to any State under this subsection shall be provided to the chief executive officer of the State, who shall designate the appropriate State agency or agencies to administer the program in conjunction with the appropriate nonprofit organizations; and

(B) ensure coordination of the program among the appropriate agencies and organizations.

(3) The Secretary shall not make a grant to any State under this subsection unless the State agrees to provide State, local, or private funds for the program in an amount that is equal to not less than 30 percent of the administrative cost of the program, which may be satisfied from program income or State contributions that are made for similar programs. The Secretary may negotiate with an Indian State agency a lower percentage of matching funds than is required under the preceding sentence, but not lower than 10 percent of the administrative cost of the program, if the Indian State agency demonstrates to the Secretary financial hardship for the affected Indian tribe, band, group, or council.

(4) Subject to paragraph (6), the Secretary shall establish a formula for determining the amount of the grant to be awarded under this
subsection to each State for which a State plan is approved under paragraph (6), according to the number of recipients proposed to participate as specified in the State plan. In determining the amount to be awarded to new States, the Secretary shall rank order the State plans according to the criteria of operation set forth in this subsection, and award grants accordingly. The Secretary shall take into consideration the minimum amount needed to fund each approved State plan, and need not award grants to each State that submits a State plan.

(5) Each State that receives a grant under this subsection shall ensure that the program for which the grant is received complies with the following requirements:

(A) Individuals who are eligible to receive Federal benefits under the program shall only be individuals who are receiving assistance under subsection (c), or who are on the waiting list to receive the assistance.

(B) Construction or operation of a farmers' market may not be carried out using funds—
(i) provided under the grant; or
(ii) required to be provided by the State under paragraph (3).

(C) The value of the Federal share of the benefits received by any recipient under the program may not be—
(i) less than $10 per year; or
(ii) more than $30 per year.

(D) The coupon issuance process under the program shall be designed to ensure that coupons are targeted to areas with—
(i) the highest concentration of eligible individuals;
(ii) the greatest access to farmers' markets; and
(iii) certain characteristics, in addition to those described in clauses (i) and (ii), that are determined to be relevant by the Secretary and that maximize the availability of benefits to eligible individuals.

(E) The coupon redemption process under the program shall be designed to ensure that the coupons may be—
(i) redeemed only by producers authorized by the State to participate in the program; and
(ii) redeemed only to purchase fresh nutritious unprepared food for human consumption.

(F)(i) Except as provided in clauses (ii) and (iii), the State may use for administration of the program in any fiscal year not more than 17 percent of the total amount of program funds.
(ii) During any fiscal year for which a State receives assistance under this subsection, the Secretary shall permit the State to use not more than 2 percent of total program funds for market development or technical assistance to farmers' markets if the Secretary determines that the State intends to promote the development of farmers' markets in socially or economically disadvantaged areas, or remote rural areas, where individuals eligible for participation in the program have limited access to locally grown fruits and vegetables.

(iii) The provisions of clauses (i) and (ii) with respect to the use of program funds shall not apply to any funds that a State may contribute in excess of the funds used by the State to meet the requirements of paragraph (3).

(G) The State shall ensure that no State or local taxes are collected within the State on purchases of food with coupons distributed under the program.

(6)(A) The Secretary shall give the same preference for funding under this subsection to eligible States that participated in the program under this subsection in a prior fiscal year as to States that participated in the program in the most recent fiscal year. The Secretary shall inform each State of the award of funds as prescribed by subparagraph (G) by February 15 of each year.

(B)(i) Subject to the availability of appropriations, if a State provides the amount of matching funds required under paragraph (3), the State shall receive assistance under this subsection in an amount that is not less than the amount of such assistance that the State received in the most recent fiscal year in which it received such assistance.

(ii) If amounts appropriated for any fiscal year pursuant to the authorization contained in paragraph (10) for grants under this subsection are not sufficient to pay to each State for which a State plan is approved under paragraph (6) the amount that the Secretary determines each such State is entitled to under this subsection, each State's grant shall be ratably reduced, except that (if sufficient funds are available) each State shall receive at least $75,000 or the amount that the State received for the prior fiscal year if that amount is less than $75,000.

(C) In providing funds to a State that received assistance under this subsection in the previous fiscal year, the Secretary shall consider—
(i) the availability of any such assistance not spent by the State during the program year for which the assistance was received;
(ii) documentation that demonstrates that—
(I) there is a need for an increase in funds; and
(II) the use of the increased funding will be consistent with serving nutritionally at-risk persons and expanding the awareness and use of farmers' markets;
(iii) demonstrated ability to satisfactorily operate the existing program; and
(iv) whether, in the case of a State that intends to use any funding provided under subparagraph (G)(i)² to increase the value of the Federal share of the benefits received by a recipient, the funding provided under subparagraph (G)(i)² will increase the rate of coupon redemption.

(D)(i) A State that desires to receive a grant under this subsection shall submit, for each fiscal year, a State plan to the Secretary by November 15 of each year.
(ii) Each State plan submitted under this paragraph shall contain—
(I) the estimated cost of the program and the estimated number of individuals to be served by the program;
The Secretary shall establish objective criteria for the approval and ranking of State plans submitted under this paragraph.

The Secretary shall establish objective criteria for the approval and ranking of State plans submitted under this paragraph.

The Secretary shall establish objective criteria for the approval and ranking of State plans submitted under this paragraph.

The value of the benefit received by any recipient under any program for which a grant is received under this subsection may not affect the eligibility or benefit levels for assistance under other Federal or State programs.

Any programs for which a grant is received under this subsection shall be supplemental to the supplemental nutrition assistance program carried out under the Food and Nutrition Act of 2008 (7 U.S.C. 2011 et seq.) and to any other Federal or State program under which foods are distributed to needy families in lieu of supplemental nutrition assistance program benefits.

For each fiscal year, the Secretary shall collect from each State that receives a grant under this subsection information relating to—

(A) the number and type of recipients served by both Federal and non-Federal benefits under the program for which the grant is received;

(B) the rate of redemption of coupons distributed under the program;

(C) the average amount distributed in coupons to each recipient;

(D) the change in consumption of fresh fruits and vegetables by recipients, if the information is available;

(E) the effects of the program on farmers' markets, if the information is available; and

(F) any other information determined to be necessary by the Secretary.

(9) FUNDING.—

(A) AUTHORIZATION OF APPROPRIATIONS.—

There are authorized to be appropriated to carry out this subsection such sums as are necessary for each of fiscal years 2010 through 2015.

(B) (i)(I) Each State shall return to the Secretary any funds made available to the State that are unobligated at the end of the fiscal year for which the funds were originally allocated. The unexpended funds shall be returned to the Secretary by February 1st of the following fiscal year.

(ii) The Secretary shall establish procedures to reallocate funds that are returned under clause (i).

(iii) In any fiscal year, any funds that remain unobligated after satisfying the requirements of subparagraph (B) shall be reallocated in the following fiscal year according to procedures established pursuant to paragraph (10)(B)(ii).

(7)(A) The value of the benefit received by any recipient under any program for which a grant is received under this subsection may not affect the eligibility or benefit levels for assistance under other Federal or State programs.

(B) Any programs for which a grant is received under this subsection shall be supplemental to the supplemental nutrition assistance program carried out under the Food and Nutrition Act of 2008 (7 U.S.C. 2011 et seq.) and to any other Federal or State program under which foods are distributed to needy families in lieu of supplemental nutrition assistance program benefits.

For each fiscal year, the Secretary shall collect from each State that receives a grant under this subsection information relating to—

(A) the number and type of recipients served by both Federal and non-Federal benefits under the program for which the grant is received;

(B) the rate of redemption of coupons distributed under the program;

(C) the average amount distributed in coupons to each recipient;

(D) the change in consumption of fresh fruits and vegetables by recipients, if the information is available;

(E) the effects of the program on farmers' markets, if the information is available; and

(F) any other information determined to be necessary by the Secretary.

(9) FUNDING.—

(A) AUTHORIZATION OF APPROPRIATIONS.—

There are authorized to be appropriated to carry out this subsection such sums as are necessary for each of fiscal years 2010 through 2015.

(B) (i)(I) Each State shall return to the Secretary any funds made available to the State that are unobligated at the end of the fiscal year for which the funds were originally allocated. The unexpended funds shall be returned to the Secretary by February 1st of the following fiscal year.

(ii) The Secretary shall establish procedures to reallocate funds that are returned under clause (i).

(iii) In any fiscal year, any funds that remain unobligated after satisfying the requirements of subparagraph (B) shall be reallocated in the following fiscal year according to procedures established pursuant to paragraph (10)(B)(ii).

(A) The term “coupon” means a coupon, voucher, or other negotiable financial instrument by which benefits under this section are transferred.

(B) The term “program” means—

(i) the State farmers’ market coupon nutrition program authorized by this subsection (as it existed on September 30, 1991); or

(ii) the farmers’ market nutrition program authorized by this subsection.

(C) The term “recipient” means a person or household, as determined by the State, who is chosen by a State to receive benefits under this subsection, or who is on a waiting list to receive such benefits.

(D) The term “State agency” has the meaning provided in subsection (b)(13), except that the term also includes the agriculture department of each State and any other agency approved by the chief executive officer of the State.

(n) Disqualification of vendors who are disqualified under supplemental nutrition assistance program

(1) In general

The Secretary shall issue regulations providing criteria for the disqualification under this section of an approved vendor that is disqualified from accepting benefits under the supplemental nutrition assistance program established under the Food and Nutrition Act of 2008 (7 U.S.C. 2011 et seq.).

(2) Terms

A disqualification under paragraph (1)—

(A) shall be for the same period as the disqualification from the program referred to in paragraph (1);

(B) may begin at a later date than the disqualification from the program referred to in paragraph (1); and

(C) shall not be subject to judicial or administrative review.
§ 1786  TITLE 42—THE PUBLIC HEALTH AND WELFARE  Page 4614

(o) Disqualification of vendors convicted of trafficking or illegal sales

(1) In general

Except as provided in paragraph (4), a State agency shall permanently disqualify from participation in the program authorized under this section a vendor convicted of—

(A) trafficking in food instruments (including any voucher, draft, check, or access device (including an electronic benefit transfer card or personal identification number) issued in lieu of a food instrument under this section); or

(B) selling firearms, ammunition, explosives, or controlled substances (as defined in section 802 of title 21) in exchange for food instruments (including any item described in subparagraph (A) issued in lieu of a food instrument under this section).

(2) Notice of disqualification

The State agency shall—

(A) provide the vendor with notification of the disqualification; and

(B) make the disqualification effective on the date of receipt of the notice of disqualification.

(3) Prohibition of receipt of lost revenues

A vendor shall not be entitled to receive any compensation for revenues lost as a result of disqualification under this subsection.

(4) Exceptions in lieu of disqualification

(A) In general

A State agency may permit a vendor that, but for this paragraph, would be disqualified under paragraph (1), to continue to participate in the program if the State agency determines, in its sole discretion according to criteria established by the Secretary, that—

(i) disqualification of the vendor would cause hardship to participants in the program; and

(ii)(I) the vendor had, at the time of the violation under paragraph (1), an effective policy and program in effect to prevent violations described in paragraph (1); and

(II) the ownership of the vendor was not involved in the conduct of the violation.

(B) Civil penalty

If a State agency under subparagraph (A) permits a vendor to continue to participate in the program in lieu of disqualification, the State agency shall assess the vendor a civil penalty in an amount determined by the Secretary, except that—

(i) the amount of the civil penalty shall not exceed $10,000 for each violation; and

(ii) the amount of civil penalties imposed for violations investigated as part of a single investigation may not exceed $40,000.

(p) Criminal forfeiture

(1) In general

Notwithstanding any provision of State law and in addition to any other penalty authorized by law, a court may order a person that is convicted of a violation of a provision of law described in paragraph (2), with respect to food instruments (including any item described in subsection (o)(1)(A) issued in lieu of a food instrument under this section), funds, assets, or property that have a value of $100 or more and that are the subject of a grant or other form of assistance under this section, to forfeit to the United States all property described in paragraph (3).

(2) Applicable laws

A provision of law described in this paragraph is—

(A) section 1760(g) of this title; and

(B) any other Federal law imposing a penalty for embezzlement, willful misapplication, stealing, obtaining by fraud, or trafficking in food instruments (including any item described in subsection (o)(1)(A) issued in lieu of a food instrument under this section), funds, assets, or property.

(3) Property subject to forfeiture

The following property shall be subject to forfeiture under paragraph (1):

(A) All property, real and personal, used in a transaction or attempted transaction, to commit, or to facilitate the commission of, a violation described in paragraph (1).

(B) All property, real and personal, constituting, derived from, or traceable to any proceeds a person obtained directly or indirectly as a result of a violation described in paragraph (1).

(4) Procedures; interest of owner

Except as provided in paragraph (5), all property subject to forfeiture under this subsection, any seizure or disposition of the property, and any proceeding relating to the forfeiture, seizure, or disposition shall be subject to section 853 of title 21, other than subsection (d) of that section.

(5) Proceeds

The proceeds from any sale of forfeited property and any amounts forfeited under this subsection shall be used—

(A) first, to reimburse the Department of Justice, the Department of the Treasury, and the United States Postal Service for the costs incurred by the Department or Service to initiate and complete the forfeiture proceeding;

(B) second, to reimburse the Office of Inspector General of the Department of Agriculture for any costs incurred by the Office in the law enforcement effort resulting in the forfeiture;

(C) third, to reimburse any Federal, State, or local law enforcement agency for any costs incurred in the law enforcement effort resulting in the forfeiture; and

(D) fourth, by the State agency to carry out approval, reauthorization, and compliance investigations of vendors.

(q) Provision of technical assistance to Secretary of Defense

The Secretary of Agriculture shall provide technical assistance to the Secretary of Defense,
if so requested by the Secretary of Defense, for the purpose of carrying out the overseas special supplemental food program established under section 1060a(a) of title I.


Sections 4 and 5 of the Agriculture and Consumer Credit Act of 1973, referred to in subsec. (d)(3)(B)(i), (m)(7)(B), and (n)(1), are sections 4 and 5 of Pub. L. 93–68, which are set out as notes under section 612c of Title 7, Agriculture.


Subsec. (c)(1) Pub. L. 111–296, §231(3), substituted “supplemental foods, nutrition education, and breastfeeding support and promotion” for “supplemental foods and nutrition education” in first sentence of introductory provisions.


Subsec. (e)(2) Pub. L. 111–296, §231(4), inserted “including breastfeeding support and education,” after “providing nutrition education” in second sentence.

Subsec. (g)(3)(B) Pub. L. 111–296, §351, which directed the amendment of section 17(e)(3) of the “Child Nutrition Act” by adding subpar. (B) and striking out former subpar. (B), was executed to this section, which is section 17 of the Child Nutrition Act of 1966, to reflect the probable intent of Congress. Prior to amendment, subpar. (B) related to sharing nutrition education materials.


Subsec. (i)(11)(C) Pub. L. 111–296, §441(b)(2), redesignated subpar. (D) as (C) and struck out former subpar. (C), prior to amendment, text read as follows: “Subject to the availability of funds, the Secretary shall award grants not more than 10 local sites determined by the Secretary to be geographically and culturally representative of State, local, and Indian agencies, to evaluate the feasibility of including fresh, frozen, or canned fruits and vegetables (to be made available through private funds) as an addition to the supplemental foods prescribed under this section.”


Subsec. (g)(5) Pub. L. 111–296, §352(a), substituted “$15,000,000” for “$5,000,000”.

Subsec. (h)(4) Pub. L. 111–296, §231(6)(A), inserted par. heading, designated existing provisions as subpar. (A) and inserted heading, redesignated subpars. (B) to (F) as cls. (ii) to (vi), respectively, of subpar. (A), substituted “‘initiative; and’” for “2010 initiative.” in cl. (vi), added cls. (vii) to (ix), and added subpars. (B) and (C).


Subsec. (h)(9) Pub. L. 111–296, §352(c)(2), added par. (9) and struck out former par. (9) which read as follows: “For purposes of this subsection, the term ‘cost containment measure’ means a competitive bidding, rebate, direct distribution, or home delivery system implemented by a State agency as described in its approved plan of operation and administration.”

Subsec. (h)(10) Pub. L. 111–296, §231(6)(B), added par. (10) and struck out former par. (10) which related to funds for infrastructure, management information systems, and special nutrition education.

Subsec. (h)(12) Pub. L. 111–296, §352(d), added par. (12) and struck out former par. (12). Prior to amendment, text read as follows: “The Secretary may not impose, or allow a State agency to impose, the costs of any equipment, system, or processing required for electronic benefit transfers on any retail store authorized to transact food instruments, as a condition for authorization or participation in the program.”

Subsec. (h)(13) Pub. L. 111–296, §352(e), added par. (13) and struck out former par. (13). Prior to amendment, text read as follows: “The Secretary shall—

(1) establish a national universal product code database for use by all State agencies in carrying out the program; and

(2) make available from appropriated funds such sums as are required for hosting, hardware and software configuration, and support of the database.”


Subsec. (j) Pub. L. 111–296, §231(7), substituted “supplemental foods, nutrition education, and breastfeeding support and promotion” for “supplemental foods and nutrition education” in par. (1) and in two places in par. (2).

Subsec. (k)(9)(A) Pub. L. 111–296, §423, added subpar. (A) and struck out former subpar. (A) which related to authorization of appropriations and mandatory funding.

2009—Subsec. (d)(2)(C), (D), Pub. L. 111–80 added subpar. (C) and redesignated former subpars. (D) and (E) as (A) and (B), respectively.


Subsec. (m)(7)(B) Pub. L. 110–246, §4002(b)(1)(A), (B), (2)(AA), substituted “‘supplemental nutrition assistance program’ for ‘food stamp program’, ‘Food and Nutrition Act of 2008’ for ‘Food Stamp Act of 1977’,” and “‘supplemental nutrition assistance program benefits’ for ‘food stamps’.”


2004—Subsec. (b)(7) Pub. L. 108–265, §203(a)(1), added par. (7) and struck out former par. (7) which read as follows: “‘Nutrition education’ means individual or group sessions and the provision of materials designed to improve health status that achieve positive change in dietary habits, and emphasize relationships between nutrition and health, all in keeping with the individual’s personal, cultural, and socioeconomic preferences.”

Subsec. (b)(14) Pub. L. 108–265, §203(a)(2), inserted “and foods that promote the health of the population served by the program authorized by this section, as indicated by relevant nutrition science, public health concerns, and cultural eating patterns” after “children.”

Subsec. (b)(22), (23) Pub. L. 108–265, §203(a)(3), added paras. (22) and (23).

Subsec. (d)(3)(A) Pub. L. 108–265, §203(b)(1), inserted par. and subpar. headings, designated existing provisions as cl. (i), inserted heading, substituted “Subject to clause (i), a person” for “‘Persons’, and added cl. (i).


Pub. L. 108–265, §203(e)(10)(B), inserted before semicolon at end “including a description of the State agency’s vendor peer group system, competitive price criteria, and allowable reimbursement levels that demonstrate that the State is in compliance with the cost-containment provisions in subsection (h)(11).”

Pub. L. 108–265, §203(c)(1)(A), inserted “at any of the authorized retail stores under the program” after “food under the program.”

Subsec. (f)(1)(C)(ii) to (xi) Pub. L. 108–265, §203(c)(1)(B), (C), added cl. (ii) and redesignated former clrs. (i) to (x) as (ii) to (xi), respectively.
Subsec. (f)(11). Pub. L. 108–265, § 203(c)(2)(A), inserted par. heading, designated existing provisions as subpars. (A) and (B), inserted headings, and added subpars. (C) and (D).


Subsec. (h)(10). Pub. L. 108–265, § 203(e)(9), added par. (10) and struck out former par. (10), which related to use of certain funds for each of fiscal years 1995 through 2003 for development of infrastructure for the program, special State projects to improve services, and special breastfeeding support and promotion projects.

Subsec. (h)(11). Pub. L. 108–265, § 203(e)(10)(A), added par. (11) and struck out former par. (11), which required a Secretary to consider price levels of retail stores for participation in the program and to establish procedures to ensure that selected stores would not subsequently raise prices to levels that would have made them ineligible for participation.

Subsec. (h)(12). Pub. L. 108–265, § 203(e)(11), added par. (12) and struck out former par. (12), which directed the Secretary to establish a long-range plan for the development and implementation of management information systems to be used in carrying out the program, and to submit a report to the Committee on Education and the Workforce of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate not later than 2 years after Oct. 31, 1998.


Subsec. (j)(4). (5). Pub. L. 108–265, § 203(g), redesignated par. (5) as (4) and struck out former par. (4), which directed the Secretaries to provide notifications to Congress concerning actions to carry out the initiative and, upon completion of such initiative, an evaluation and a plan to further its goals.

Subsec. (m)(1). Pub. L. 108–265, § 203(h)(1), inserted “and (at the option of a State) roadside stands” after “farmers’ markets”.


Subsec. (m)(9)(A)(1). Pub. L. 108–265, § 203(h)(4), added cl. (1) and struck out former cl. (1), which authorized to be appropriated to carry out this subsection $8,000,000 for fiscal year 1994, $10,500,000 for fiscal year 1995, and such sums as might be necessary for each of fiscal years 1996 through 2003.


Subsec. (h)(1)(A). Pub. L. 106–224, § 242(b)(2)(B), substituted “costs of nutrition services and administration incurred by State and local agencies” for “costs incurred by State and local agencies for nutrition services and administration”.

Subsec. (h)(1)(B)(1). Pub. L. 106–224, § 244(d)(1), substituted “the preceding fiscal year” for “the fiscal year 1997”.


Subsec. (h)(1)(B)(1)(I). Pub. L. 106–224, § 244(d)(2)(B), added subcl. (I) and struck out former subcl. (I) which read as follows: “the value of the index for State and local government purchases, using the implicit price deflator, as published by the Bureau of Economic Analysis of the Department of Commerce, for the 12-month period ending June 30, 1998.”


Subsec. (e)(1). Pub. L. 105–336, § 203(b), inserted at end “A local agency participating in the program shall provide education or educational materials relating to the effects of drug and alcohol use by a pregnant, postpartum, or breastfeeding woman on the developing child of the woman.”

Subsec. (e)(3). Pub. L. 105–336, § 203(c), inserted par. heading, designated existing provisions as subpars. (A) and inserted heading, and added subpar. (B).

Subsec. (f)(21). Pub. L. 105–336, § 203(d), amended par. (21) generally. Prior to amendment, par. (21) read as follows: “A State agency may use funds recovered as a result of violations in the food delivery system of the program in the year in which the funds are collected for the purpose of carrying out the program.”
Subsec. (h)(2)(A)(iv). Pub. L. 105–336, §203(0)(2), struck out “, to the extent funds are not already provided under subparagraph (1)(v) for the same purpose,” after “may provide funds”.
Subsec. (h)(2)(B)(i). Pub. L. 105–336, §203(0)(3), substituted “10 percent (except that the Secretary may establish a higher percentage for State agencies that are small)” for “15 percent”.
Subsec. (i)(3)(E). Pub. L. 105–336, §203(0)(4)(A), in introductory provisions, substituted “For each fiscal year,” for “In the case of fiscal year 1996 (except as provided in subparagraph (g) and each subsequent fiscal year.”
Subsec. (i)(3)(A)(v)(i). Pub. L. 105–336, §203(0)(5), in introductory provisions, substituted “submits a plan to reduce average food costs per participant and to increase participation above the level estimated for the State agency”, the State agency may, with the approval of the Secretary, “for achieves, through use of acceptable measures, participation that exceeds the participation level estimated for such State agency under paragraph (2)(A)(i)(1), such State agency may”.
Subsec. (i)(3)(A). Pub. L. 105–336, §203(0)(8)(B), designated subpar. (D) as (C) and struck out former subpar. (C).
Subsec. (i)(3)(A)(i), (ii). Pub. L. 105–336, §203(0)(9)(B), added cls. (i) and (ii) and struck out former cls. (i) and (ii) which read as follows: “(i) not more than 1 percent (except as provided in subparagraph (B)) of the amount of funds allocated to a State agency for a fiscal year under this section may be expended by the State agency during the subsequent fiscal year; and “(ii) not more than 1 percent of the amount of funds allocated to a State agency for a fiscal year under this section may be expended by the State agency during the subsequent fiscal year.”
Subsec. (i)(3)(C) to (H). Pub. L. 105–336, §203(0)(10)(B), redesignated subpar. (H) as (G) and struck out former subpar. (C) to (G) which read as follows: “(C) The total amount of funds transferred from any fiscal year under clauses (i) and (ii) of subparagraph (A) shall not exceed 1 percent of the amount of the funds allocated to a State agency for such fiscal year. “(D) For State agencies implementing cost containment measures as defined in subsection (b)(2)(A) of this section, not more than 5 percent of the amount of funds allocated under this section to such a State agency for supplemental foods for the fiscal year in which the system is implemented, and not more than 3 percent of the amount of funds allocated to such a State agency for the fiscal year following the fiscal year in which the system is implemented, may be expended by the State agency for expenses incurred under this section for supplemental foods during the succeeding fiscal year. “(E) Notwithstanding any other provision in this paragraph and paragraph (2) a State agency may, subject to the approval of the Secretary under subparagraph (F), expend not more than 3 percent of the amount of funds allocated to such agency for supplemental foods under this section during the fiscal year 1990. “(F) Each State agency which intends to use the authority provided in subparagraph (B) shall request approval from the Secretary in advance and shall submit a plan showing how the State’s caseload will be managed to meet funding limitations. The Secretary shall review and make determinations on such plans on an expedited basis. “(G) No State can use the authority provided under subparagraph (B) to increase the caseload level above the highest level to date in fiscal year 1990.”
Subsec. (3)(4) to (6). Pub. L. 105–362 redesignated pars. (5) and (6) as (4) and (5), respectively, and struck out former par. (4) which read as follows: “The Council shall make a continuing study of the operation of the program under this section and related programs to determine how the program may be improved. The Council shall submit a report to the President of the United States and Congress, beginning with the fiscal year ending September 30, 1980, a written report, together with its recommendations on such program operations.”
Subsec. (m)(3). Pub. L. 105–336, §203(0)(1), inserted “program income or” after “satisfied from” in first sentence.
Subsec. (m)(6)(C)(ii). Pub. L. 105–336, §203(0)(2)(B), added cl. (ii) and struck out former cl. (ii) which read as follows: “documentation that justifies the need for an increase in participation; and”.
Subsec. (m)(6)(C)(iii), (iv). Pub. L. 105–336, §203(0)(3)(C), (D), substituted “; and” for period at end of cl. (iii) and added cl. (iv).
Subsec. (m)(6)(F). Pub. L. 105–336, §203(0)(3)(D), redesignated subpar. (D) as (F) and struck out former subpar. (F) which listed criteria for Secretary to apply in approving and ranking State plans.
Subsec. (m)(6)(F)(l). Pub. L. 105–336, §203(0)(4)(A), in first sentence, substituted “whose State plan for “that wish to serve additional recipients, and whose State plan to do so” and, in second sentence, struck out “for additional recipients” after “approved State plans”.
Subsec. (b)(16). Pub. L. 104–193, §729(a)(2), inserted “and” at end of subpar. (A), substituted a period for “and” at end of subpar. (B), and struck out subpar. (C) which read as follows: “the provision of materials developed by the Secretary under subsection (n) of this section.”
Subsec. (c)(5). Pub. L. 104–193, §729(b), struck out par. (5) which read as follows: “The Secretary shall promote the special supplemental nutrition program by producing and distributing materials, including television and radio public service announcements in English and other appropriate languages, to inform potentially eligible individuals of the benefits and services under the program.”
Subsec. (d)(4). Pub. L. 104–193, §729(c), struck out para. (4) which read as follows: "The Secretary shall report...on effects of...".

Subsec. (e)(2). Pub. L. 104–193, §729(d)(1), struck out par. (e) which read as follows: "Each local agency may use a master file to document and monitor the program, by addressing their special needs through the adoption of nutrition education materials appropriate for the special needs of such individuals, which may include...

Subsec. (e)(6). Pub. L. 104–193, §729(d)(4), struck out para. (e) which read as follows: "Each local agency may use a master file to document and monitor the program, by addressing their special needs through the adoption of nutrition education materials appropriate for the special needs of such individuals, which may include...

Subsec. (f)(1)(A). Pub. L. 104–193, §729(e)(1)(A), substituted "by a date specified by the Secretary, an initial" for "annually to the Secretary, a" and inserted at end "shall be required to submit to the Secretary for approval only a substantive change in the plan.".

Subsec. (f)(1)(C)(iii). Pub. L. 104–193, §729(e)(1)(B)(i), added cl. (iii) and struck out former cl. (iii) which read as follows: "a plan to coordinate operations under the program for participants and prospective applicants who are employed, or who reside in rural areas,...".


Subsec. (f)(1)(D), (E). Pub. L. 104–193, §729(e)(1)(C), (D), redesignated subpar. (E) as (D) and struck out former subpar. (D) which read as follows: "The Secretary may permit a State agency to submit only those parts of a plan that differ from plans submitted for previous fiscal years.".

Subsec. (f)(5). Pub. L. 104–193, §729(e)(3), substituted "be available at any reasonable time" for "at all times be available in second sentence.".

Subsec. (f)(6). Pub. L. 104–193, §729(e)(2), (10), redesignated par. (7) as (6) and struck out former par. (6) which read as follows: "The State agency, upon receipt of a completed application from a local agency for participation in the program (and the Secretary, upon receipt of a completed application from a State agency), shall notify the applicant agency in writing within thirty days of the approval or disapproval of the application, and any disapproval shall be accompanied with a statement of the reasons for such disapproval. Within fifteen days after receipt of an incomplete application, the State agency (or the Secretary) shall notify the applicant agency of the additional information needed to complete the application.".

Subsec. (f)(7). Pub. L. 104–193, §729(e)(10), redesignated pars. (8) and (9) as (7) and (8), respectively. Former par. (7) redesignated (6).
mula under procedures specified in subparagraph (B), if the Secretary determines that—

"(I) the anticipated savings are expected to be significant;

"(II) the administrative expenses involved in purchasing the food item through competitive bidding procedures, whether under a rebate or discount system, will not exceed the savings anticipated to be generated by the procedures; and

"(III) the procedures would be consistent with the purposes of the program; and

"(v) may".

Subsec. (h)(d)(J) to (L). Pub. L. 104–193, §729(g)(1)(B)(v), redesignated subpars. (J) to (L) as (K) to (J), respectively.

Subsec. (h)(d)(M). Pub. L. 104–193, §729(g)(1)(B)(i), struck out subpar. (M) which reads as follows:

"(M)(i) The Secretary shall establish pilot projects in at least 1 State, with the consent of the State, to determine the feasibility and cost of requiring States to carry out a system for using universal product codes to assist retail food stores that are vendors under the program in providing the type of infant formula that the participants in the program are authorized to obtain. In carrying out the projects, the Secretary shall determine whether the system reduces the incidence of incorrect redemptions of low-iron formula or brands of infant formula not authorized to be redeemed through the program, or both.

(i) The Secretary shall provide a notification to the Committee on Education and Labor of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate regarding whether the system is feasible, is cost-effective, reduces the incidence of incorrect redemptions of low-iron formula or brands of infant formula not authorized to be redeemed through the program, or both.

(ii) The Secretary shall provide a notification to the Committee on Education and Labor and the Committee on Agriculture, Nutrition, and Forestry of the Senate regarding the progress of the projects in at least 1 State, with the consent of the State, to determine the feasibility and cost of requiring States to carry out a system for using universal product codes to assist retail food stores that are vendors under the program in providing the type of infant formula that the participants in the program are authorized to obtain. In carrying out the projects, the Secretary shall determine whether the system reduces the incidence of incorrect redemptions of low-iron formula or brands of infant formula not authorized to be redeemed through the program, or both.

(iii) The system shall not require a vendor under the program to obtain special equipment and shall not be applicable to a vendor that does not have equipment that can use universal product codes.

Subsecs. (o), (p), Pub. L. 104–193, §729(h), substituted "Council shall elect" for "Secretary shall designate".

Subsec. (n). Pub. L. 104–193, §729(l), struck out subsec. (o) and (p) which related, respectively, to demonstration program for establishment of clinics at community colleges offering nursing education programs and grants for improvement and updating of information and data systems.

Subsec. (m)(h) to (i1). Pub. L. 104–66 redesignated pars. (10) and (11) as (9) and (10), respectively, and struck out former par. (9) which reads as follows:

"(m)(h) Before October 1 of every other year, the Secretary shall provide a report describing plans to ensure that the National Advisory Council on Maternal, Infant, and Fetal Nutrition established under subsection (k) of this section shall be implemented not later than July 1 of each year.

Subsec. (k)(1). Pub. L. 103–448, §204(w)(1)(C), substituted "Secretary financial hardship for the affected Indian tribe, band, group, or council."
Subsec. (f)(1)(C)(viii) to (xiii). Pub. L. 101–147, §123(a)(4)(A)(iii), (iv), added cls. (viii) to (xi) and redesignated former cls. (vii) and (ix) as (xii) and (xiii), respectively.


Subsec. (g)(1). Pub. L. 101–147, §123(a)(5)(A), amended par. (1) generally. Prior to amendment, par. (1) read as follows: “There are authorized to be appropriated to carry out this section $5,750,000,000 for the fiscal year ending September 30, 1986, and such sums as may be necessary for each of the fiscal years ending September 30, 1987, September 30, 1988, and September 30, 1989.”

Subsec. (g)(2), (3). Pub. L. 101–147, §123(a)(5)(B), (C), added pars. (2) and (3). Former pars. (2) and (3) redesignated (4) and (5), respectively.


Subsec. (g)(5). Pub. L. 101–147, §123(a)(5)(D), substituted “$5,000,000” for “$3,000,000”.

Pub. L. 101–147, §123(a)(5)(D), redesignated former par. (3) as (5).


Subsec. (h). Pub. L. 101–147, §123(a)(6), amended subsec. (b) generally, substituting provisions regarding the establishment and administration of national average participant grants for purposes of funding nutrition services and administration and provisions on breastfeeding promotion and procurement of infant formula, for provisions limiting funding for nutrition services and administration to 20% of the total funding for the section, providing a formula for distributing funds to States and setting forth various administrative duties.

Subsec. (i)(1). Pub. L. 101–147, §123(a)(7)(A), substituted “amounts made available for food benefits under subsection (b)(1)(C)” for “funds provided in accordance with this section”.

Subsec. (i)(3)(D). Pub. L. 101–147, §123(a)(7)(B), substituted “cost containment measures as defined in subsection (b)(4)(B)” for “approved cost-saving strategies as identified in subsection (b)(5)(A)” and “not more than 3 percent” for “at the discretion of the Secretary, up to 5 percent”.


Subsec. (j). Pub. L. 101–147, §123(a)(8), substituted “every other year” for “each year”.

Subsec. (k)(1). Pub. L. 101–147, §123(a)(9), substituted “24” for “twenty-three” and inserted “1 member shall be an expert in the promotion of breast feeding;” after “the Secretary.”


Subsec. (n)(1). Pub. L. 101–147, §326(b)(5), substituted “the date of enactment of the Anti-Drug Abuse Act of 1988” for “the date of enactment of this Act” in the original, which for purposes of codification was translated as “November 18, 1988”, resulting in no change in text.

Subsecs. (o), (p). Pub. L. 101–147, §123(a)(10), added subsecs. (o) and (p).


Subsec. (c)(1). Pub. L. 100–435, §212(b), amended last sentence generally, designating existing provisions as cls. (A) and (B) and adding cl. (C).


Pub. L. 100–227, §9, substituted “maternal and child health care, and medical programs” for “and maternal and child health care programs”.


Subsec. (f)(1)(C)(vii) to (ix). Pub. L. 100–237, §8(b), struck out “and” at end of cl. (vii), added cl. (viii), and redesignated former cl. (viii) as (ix).


Subsec. (f)(13). Pub. L. 100–435, §3201(3), inserted “and, in the case of homeless individuals, the special needs and problems of such individuals” before period at end.


Subsec. (h)(5). Pub. L. 100–237, §8(a), added par. (5).

Subsec. (h)(5)(D), (E). Pub. L. 100–356, §3(a), added subpars. (D) and (E).

Subsec. (i)(3)(A). Pub. L. 100–237, §12(1), inserted “and subject to subparagraphs (B) and (C)” after “paragraph (2)”, and substituted “and” for “or” at end of cl. (1).


Subsec. (k)(1). Pub. L. 100–690, §3201(5)(A), (B), increased membership of Council to twenty-three from twenty-one members and included experts in drug abuse education and prevention and alcohol abuse education and prevention.


1986—Subsec. (b)(1) to (4). Pub. L. 99–500 and Pub. L. 99–591, §341(a), and Pub. L. 99–661, §4301(a), amended subsec. (b) identically, redesignating pars. (2) to (4) as (1) to (3), respectively, adding par. (4), and striking out former par. (1) which defined “Administrative costs”.


Subsec. (c)(2). Pub. L. 99–500 and Pub. L. 99–591, §314(1), and Pub. L. 99–661, §4101(1), amended par. (2) identically, substituting “Subject to amounts appropriated to carry out this section under subsection (g)” for “Subject to the availability of funds under section (g)”.
for “Subject to the authorization levels specified in subsection (g) of this section for the fiscal years ending September 30, 1979, and September 30, 1980, and subject to amounts appropriated for this program for the fiscal year ending September 30, 1981, and for each succeeding fiscal year ending on or before September 30, 1984”.


Subsec. (f)(2). Pub. L. 99–500 and Pub. L. 99–991, §§341(b), and Pub. L. 99–661, §430(b), generally amended par. (2) identically. Prior to amendment, par. (2) read as follows: “Not less than one month prior to the submission to the Governor of the plan of operation and administration required by this subsection, the State agency shall conduct hearings to enable the general public to participate in the development of the State agency plan.”

Subsec. (f)(4). Pub. L. 99–500 and Pub. L. 99–991, §430(b)(1), and Pub. L. 99–661, §430(b)(1), added par. (4) identically. Prior to amendment, par. (4) read as follows: “The State agency shall, in cooperation with participating local agencies, publicize the availability of program benefits, including the eligibility criteria for participation and the location of local agencies operating the program. Such information shall be publicly announced by the State agency and by local agencies at least annually. Such information shall also be distributed to offices and organizations that deal with significant numbers of potentially eligible persons, including health and medical organizations, hospitals and clinics, welfare and unemployment offices, social service agencies, farmer organizations, Indian tribal organizations, and religious and community organizations in low income areas.”


Subsec. (g)(1). Pub. L. 99–661, §4104(2), designated existing provision authorizing appropriations of $550,000,000 for fiscal year ending Sept. 30, 1979, $750,000,000 for fiscal year ending Sept. 30, 1980, $900,000,000 for fiscal year ending Sept. 30, 1981, $1,017,000,000 for fiscal year ending Sept. 30, 1982, $1,060,000,000 for fiscal year ending Sept. 30, 1983, and $1,265,000,000 for fiscal year ending Sept. 30, 1984 as par. (1), and substituted provision authorizing appropriations of $1,570,000,000 for fiscal year ending Sept. 30, 1986, such sums as may be necessary for each of fiscal years ending Sept. 30, 1987, and Sept. 30, 1988, and $1,782,000,000 for fiscal year ending Sept. 30, 1989.


Subsec. (g)(3). Pub. L. 99–500 and Pub. L. 99–991, §§341(2)(A), 343(b), 349, and Pub. L. 99–661, §§4104(2)(A), 4303(b), 4309, amended subsec. (g) identically, designating provisions as par. (3) and inserting “preparing the report required under subsection (d) of this section, providing technical assistance to improve State agency administrative systems,”.


Subsec. (n). Pub. L. 96–499, §203(d)(2), substituted “such sums as may be necessary for the three subsequent fiscal years for $500,000,000 for the fiscal year ending September 30, 1982” for “1982”.


1979—Subsec. (g). Pub. L. 96–108 substituted “$750,000,000” for “$800,000,000”.

1978—Subsec. (a). Pub. L. 95–627 expanded provisions of this section to include postpartum and breastfeeding women.

Subsec. (b). Pub. L. 95–627 substituted provisions defining terms for purposes of this section for provisions relating to cash grants to State health departments, Indians, and other agencies for supplemental food to pregnant and lactating women.

Subsec. (c). Pub. L. 95–627 substituted provisions authorizing grants-in-aid by the Secretary, prohibiting ratable reductions of amounts of food an agency may distribute, authorizing affirmative actions to institute the program where needed, and authorizing the issuance of regulations relating to dual receipt of benefits.
under a commodity supplemental food program for provisions authorizing appropriations to carry out the food program for each fiscal year during the period ending Sept. 30, 1976.

Subsec. (d). Pub. L. 95-627 substituted provisions specifying persons eligible to participate in the food program for provisions prescribing administrative cost limitations and calling for approval by the Secretary of the manner of expenditure by the recipient agencies.

Subsec. (e). Pub. L. 95-627 substituted provisions relating to nutrition education for program participants for provisions relating to persons eligible to participate in the program. See subsec. (d) of this section.

Subsec. (f). Pub. L. 95-627 substituted provisions relating to submittal of State operational and administrative plans, participation in the program by eligible migrants, recordkeeping, certain types of notification, hearings, certification of eligibility, withholding of funds, issuance of regulations, and use of foreign languages for provisions relating to the maintenance of adequate medical records, the establishment of an advisory committee to study methods of evaluating the health benefits of the program, and the submittal of a report to Congress based upon such study no later than June 1, 1976.


Subsecs. (i) to (l). Pub. L. 95-627 added subsecs. (i) to (l).


Former subsec. (a) redesignated (b).

Pub. L. 94-28, §1(a), inserted "and for the period July 1, 1975, through September 30, 1975." after "1975."

Subsec. (b)(1), (2). Pub. L. 94-105 redesignated former subsec. (b)(1) as (b)(2), added (b)(2), and in (b)(1) as so redesignated, extended the program from Sept. 30, 1975 through the fiscal year ending Sept. 30, 1978 and made minor changes in phrasing.

1974—Subsec. (b). Pub. L. 93-376 increased from $40,000,000 to $100,000,000 appropriation authorization for fiscal year ending June 30, 1975, and increased from $40,000,000 to $100,000,000 amount which Secretary can use out of funds appropriated by section 612c of Title 7 in event that less than $100,000,000 has been appropriated by Aug. 1, 1974, for carrying out special supplemental food program for fiscal year ending June 30, 1975.

1973—Subsec. (a). Pub. L. 93-150, §6(a), provided for cash grants during fiscal year ending June 30, 1973, substituted in first sentence in two places "State; Indian tribe, band, or group recognized by the Department of the Interior; or the Indian Health Service of the Department of Health, Education, and Welfare" for "State", and substituted in second sentence provision for operation of the program for a "three-year" rather than a "two-year" period.

Subsec. (b). Pub. L. 93-150, §6(b), authorized appropriation of $40,000,000 for fiscal year ending June 30, 1975, and provided that in the event such sum was not appropriated by Aug. 1, 1974, the Secretary was to use $40,000,000, or, if any amount had been appropriated, the difference, if any, between the amount directly appropriated and $40,000,000, out of funds appropriated by section 612c of title 7.


CHARGE OF NAME
Committee on Education and the Workforce of House of Representatives changed to Committee on Education and Labor of House of Representatives by House Resolution No. 6, One Hundred Sixteenth Congress, Jan. 9, 2019.

EFFECTIVE DATE OF 2013 AMENDMENT
Pub. L. 112-239, div. A, title X, §1076(a), Jan. 2, 2013, 126 Stat. 147, provided that the amendment made by section 1076(a)(9) is effective Dec. 31, 2011, and as if included in Pub. L. 112-81 as enacted.

EFFECTIVE DATE OF 2010 AMENDMENT
Amendment by Pub. L. 111-296 effective Oct. 1, 2010, except as otherwise specifically provided, see section
options to accelerate such date, rules relating to claims, actions, and proceedings commenced before such date, rules relating to closing out of accounts for terminated or substantially modified projects and contingencies in office of Assistant Secretary for Family Support, and provisions relating to termination of entitlement under AFDC program, see section 116 of Pub. L. 104–193, as amended, set out as an Effective Date note under section 601 of this title.

shall promulgate—

Stat. 3160, provided that: "The Secretary of Agriculture shall promulgate—

(A) not later than March 1, 1999, proposed regulations to carry out section 17(f)(24) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(f)(24)), as added by paragraph (1); and

(B) not later than March 1, 2000, final regulations to carry out section 17(f)(24) of that Act."


(A) not later than March 1, 1999, proposed regulations to carry out section 17(h)(11) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(h)(11)), as added by paragraph (1); and

(B) not later than March 1, 2000, final regulations to carry out section 17(h)(11) of that Act."


(A) not later than March 1, 1999, proposed regulations to carry out section 17(o) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(o)), as added by paragraph (1); and

(B) not later than March 1, 2000, final regulations to carry out section 17(o) of that Act."

Pub. L. 101–147, title I, § 123(f)(1), Nov. 10, 1989, 103 Stat. 905, provided that: "Not later than July 1, 1990, the Secretary of Agriculture shall issue final regulations to implement the amendments made by subsection (a) [amending this section]."

Pub. L. 101–147, title II, § 213(b), Nov. 10, 1989, 103 Stat. 913, provided that: "Not later than July 1, 1990, the Secretary of Agriculture shall issue final regulations to implement the amendments made by subsection (a) [amending this section]."

Pub. L. 95–627, § 13, Nov. 10, 1978, 92 Stat. 3625, provided that:

(a) The Secretary shall promulgate regulations to implement the provisions of section 3 of this Act [amending this section] within one hundred and twenty days of the date of enactment of this Act [Nov. 10, 1978].

(b) The provisions of section 17 of the National School Lunch Act [section 1766 of this title], which are relevant to current regulations of the Secretary governing the child care food program and the special supplemental food program, respectively, shall remain in effect until such regulations are revoked, superseded, amended, or modified by regulations issued under those sections as amended by sections 2 and 3 of this Act.

(c) Pending proceedings under section 17 of the National School Lunch Act [section 1766 of this title] and section 17 of the Child Nutrition Act of 1966 [this section] shall not be abated by reason of any provision of sections 2 and 3 of this Act [amending this section and section 1766 of this title], but shall be disposed of under the applicable provisions of section 17 of the National School Lunch Act and section 17 of the Child Nutrition Act of 1966 in effect prior to the effective date of sections 2 and 3 of this Act [Oct. 1, 1978], which are relevant to current regulations of the Secretary governing the child care food program and the special supplemental food program, respectively, shall remain in effect until such regulations are revoked, superseded, amended, or modified by regulations issued under those sections as amended by sections 2 and 3 of this Act.

(d) Appropriations made available to carry out section 17 of the National School Lunch Act [section 1766 of this title] and section 17 of the Child Nutrition Act of 1966 [this section] shall be available to carry out the provisions of sections 2 and 3 of this Act [amending this section and section 1766 of this title]."

Study of Cost Containment Practices


(1) in general.—The Secretary of Agriculture shall conduct a study on the effect of cost containment practices established by States under the special supplemental nutrition program for women, infants, and children authorized under section 17 of the Child Nutrition Act of 1966 (42 U.S.C. 1786) for the selection of vendors and approved food items (other than infant formula) on—

(A) program participation;

(B) access and availability of prescribed foods;

(C) voucher redemption rates and actual food selections by participants;
“(D) participants on special diets or with specific food allergies;

“(E) participant use and satisfaction of prescribed foods;

“(F) achievement of positive health outcomes; and

“(G) program costs.

“(B) Report.—The Secretary shall submit to the Committee on Education and the Workforce of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate—

“(A) not later than 2 years after the date of enactment of this Act [Oct. 31, 1998], an interim report describing the results of the study conducted under paragraph (1); and

“(B) not later than 3 years after the date of enactment of this Act, a final report describing the results of the study conducted under paragraph (1).”

STUDY OF WIC SERVICES

“(1) In general.—The Comptroller General of the United States shall conduct a study that assesses—

“(A) the cost of delivering services under the special supplemental nutrition program for women, infants, and children authorized under section 17 of the Child Nutrition Act of 1966 (42 U.S.C. 1786), including the costs of implementing and administering cost containment efforts;

“(B) the fixed and variable costs incurred by State and local governments for delivering the services and the extent to which those costs are charged to State agencies;

“(C) the quality of the services delivered, taking into account the effect of the services on the health of participants; and

“(D) the costs incurred for personnel, automation, central support, and other activities to deliver the services and whether the costs meet Federal audit standards for allowable costs under the program.

“(2) Report.—Not later than 3 years after the date of enactment of this Act [Oct. 31, 1998], the Comptroller General shall submit to the Secretary of Agriculture, the Committee on Education and the Workforce of the House of Representatives, and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report containing the results of the study conducted under paragraph (1).”

REFERENCE TO COMMUNITY, MIGRANT, PUBLIC HOUSING, OR HOMELESS HEALTH CENTER CONSIDERED REFERENCE TO HEALTH CENTER
Reference to community health center, migrant health center, public housing health center, or homeless health center considered reference to health center, see section 4(c) of Pub. L. 104–299, set out as a note under section 294b of this title.

PROMOTION BY SECRETARY OF USE OF FARMERS’ MARKETS

REFERENCES TO SPECIAL SUPPLEMENTAL FOOD PROGRAM
Pub. L. 103–448, title II, § 204(w)(3), Nov. 2, 1994, 108 Stat. 4746, provided that: “Any reference to the special supplemental food program established under section 17 of the Child Nutrition Act of 1966 (42 U.S.C. 1786) in any provision of law, regulation, document, record, or other paper of the United States shall be considered to be a reference to the special supplemental nutrition program established under such section.”

WIC INFANT FORMULA PROTECTION; FINDINGS AND PURPOSES

“(a) FINDINGS.—

“(1) the domestic infant formula industry is one of the most concentrated manufacturing industries in the United States;

“(2) only three pharmaceutical firms are responsible for almost all domestic infant formula production;

“(3) coordination of pricing and marketing strategies is a potential danger where only a few companies compete regarding a given product;

“(4) improved competition among suppliers of infant formula to the special supplemental food program [special supplemental nutrition program] for women, infants, and children (WIC) can save substantial additional sums to be used to put thousands of additional eligible women, infants, and children on the WIC program; and

“(5) barriers exist in the infant formula industry that inhibit the entry of new firms and thus limit competition.

“(b) PURPOSES.—It is the purpose of this title [amending this section and enacting provisions set out as notes under this section and section 1771 of this title] to enhance competition among infant formula manufacturers and to reduce the per unit costs of infant formula for the special supplemental nutrition program for women, infants, and children (WIC):

STUDY OF INFANT FORMULA BID SOLICITATIONS

WOMEN, INFANTS, AND CHILDREN FARMERS’ MARKET NUTRITION PROGRAM; CONGRESSIONAL STATEMENT OF PURPOSE
Pub. L. 102–314, § 2, July 2, 1992, 106 Stat. 280, provided that: “The purpose of this Act [amending this section and enacting provisions set out as notes under this section and section 1771 of this title] is to authorize grants to be made to State programs designed to—

“(1) provide resources to women, infants, and children who are nutritionally at risk in the form of fresh nutritious unprepared foods (such as fruits and vegetables), from farmers’ markets; and

“(2) expand the awareness and use of farmers’ markets and increase sales at such markets.”

REVIEW OF PRIORITY SYSTEM; REPORTS TO CONGRESS
Pub. L. 101–147, title I, § 123(b), Nov. 10, 1989, 103 Stat. 904, directed Secretary of Agriculture to review priorities established under this section and priority system used under special supplemental food program under this section, especially as it affected pregnant women, and to submit preliminary and final reports to Congress on results of review by Oct. 1, 1990, and by July 1, 1991, respectively.

REPORT ON WIC FOOD PACKAGE
Pub. L. 101–147, title I, § 123(c), Nov. 10, 1989, 103 Stat. 904, directed Secretary of Agriculture to review appropriateness of foods eligible for purchase under special supplemental food program under this section and to submit preliminary and final reports to Congress on findings of review by June 30, 1991, and by June 30, 1992, respectively.

REPORT ON COSTS FOR NUTRITION SERVICES AND ADMINISTRATION
Pub. L. 101–147, title I, § 123(d), Nov. 10, 1989, 103 Stat. 905, directed Secretary of Agriculture to review effect on costs for nutrition services and administration incurred by State and local agencies of sections 123 and 213 of Pub. L. 101–647, and the amendments made by
such sections, amending this section and enacting provisions set out as notes under this section (including effect of both increases and decreases in requirements imposed on such agencies), and to report results of such review to Congress not later than one year after Nov. 10, 1989.

**PAPERWORK REDUCTION**

Pub. L. 101–147, title I, §123(e), Nov. 10, 1989, 103 Stat. 905, provided that: “In implementing and monitoring compliance with the provisions of the amendments made by this section [amending this section] (other than the amendment made by subsection (a)) to section 17d(2) of the Child Nutrition Act of 1966 (42 U.S.C. 1786d(2)), the Secretary of Agriculture shall not impose any new requirement on a State or local agency that would require the State or local agency to place additional paperwork or documentation in a case file maintained by a local agency.”

**FARMERS’ MARKET COUPONS DEMONSTRATION PROJECT**

Pub. L. 100–435, title V, §501(a), Sept. 19, 1988, 102 Stat. 1783–366, Pub. L. 99–591, title III, §348(b), Oct. 30, 1986, authorized appropriations for a project to encourage States to experiment with direct distribution, or home delivery systems and to examine the impact of percentage provided for nutrition services and administration, and to report results of this study to Congress not later than Mar. 1, 1989, such study to include an analysis of the impact in future years on per participant administrative costs if a substantial number of States implement competitive bidding, rebate, direct distribution, or home delivery systems and to examine the impact of percentage provided for nutrition services and administration on quality of such services.

**STUDY OF NUTRITION SERVICES AND ADMINISTRATION FUNDING**

Pub. L. 100–237, §8(c), Jan. 8, 1988, 101 Stat. 1741, directed Secretary to conduct a study of appropriateness of percentage of annual appropriation for the program required by 42 U.S.C. 1786(h)(1) to be made available for State and local agency costs for nutrition services and administration, and to report results of this study to Congress not later than Mar. 1, 1989, such study to include an analysis of the impact in future years on per participant administrative costs if a substantial number of States implement competitive bidding, rebate, direct distribution, or home delivery systems and to examine the impact of percentage provided for nutrition services and administration on quality of such services.

**STUDY OF MEDICAID SAVINGS FOR NEWBORNS FROM WIC PROGRAM**


**ACCOUNTABILITY FOR MIGRANT SERVICES**


**§1788. Team nutrition network**

(a) **Purposes**

The purposes of the team nutrition network are—

1. to establish State systems to promote the nutritional health of school children of the United States through nutrition education and the use of team nutrition messages and material developed by the Secretary, and to encourage regular physical activity and other activities that support healthy lifestyles for children, including those based on the most recent Dietary Guidelines for Americans published under section 5341 of title 7;

2. to provide assistance to States for the development of comprehensive and integrated nutrition education and active living programs in schools and facilities that participate in child nutrition programs;

3. to provide training and technical assistance and disseminate team nutrition messages to States, school and community nutrition programs, and child nutrition food service professionals;

4. to coordinate and collaborate with other nutrition education and active living programs that share similar goals and purposes; and

5. to identify and share innovative programs with demonstrated effectiveness in helping children to maintain a healthy weight by enhancing student understanding of healthful eating patterns and the importance of regular physical activity.

(b) **Definition of team nutrition network**

In this section, the term "team nutrition network" means a statewide multidisciplinary program for children to promote healthy eating and physical activity based on scientifically valid information and sound educational, social, and marketing principles.

(c) **Grants**

(1) **In general**

Subject to the availability of funds for use in carrying out this section, in addition to any other funds made available to the Secretary for team nutrition purposes, the Secretary, in consultation with the Secretary of Education, may make grants to State agencies for each fiscal year, in accordance with this section, to establish team nutrition networks to promote nutrition education through—

(A) the use of team nutrition network messages and other scientifically based information; and

(B) the promotion of active lifestyles.

(2) **Form**

A portion of the grants provided under this subsection may be in the form of competitive grants.

(3) **Funds from nongovernmental sources**

In carrying out this subsection, the Secretary may accept cash contributions from nongovernmental organizations made expressly to further the purposes of this section, to be managed by the Food and Nutrition Service, for use by the Secretary and the States in carrying out this section.
(d) Allocation
Subject to the availability of funds for use in carrying out this section, the total amount of funds made available for a fiscal year for grants under this section shall equal not more than the sum of—

(1) the product obtained by multiplying ½ cent by the number of lunches reimbursed through food service programs under the Richard B. Russell National School Lunch Act (42 U.S.C. 1751 et seq.) during the second preceding fiscal year in schools, institutions, and service institutions that participate in the food service programs; and

(2) the total value of funds received by the Secretary in support of this section from non-governmental sources.

(e) Requirements for State participation
To be eligible to receive a grant under this section, a State agency shall submit to the Secretary a plan that—

(1) is subject to approval by the Secretary; and

(2) is submitted at such time and in such manner, and that contains such information, as the Secretary may require, including—

(A) a description of the goals and proposed State plan for addressing the health and other consequences of children who are at risk of becoming overweight or obese;

(B) an analysis of the means by which the State agency will use and disseminate the team nutrition messages and material developed by the Secretary;

(C) an explanation of the ways in which the State agency will use the funds from the grant to work toward the goals required under subparagraph (A), and to promote healthy eating and physical activity and fitness in schools throughout the State;

(D) a description of the ways in which the State team nutrition network messages and activities will be coordinated at the State level with other health promotion and education activities;

(E) a description of the consultative process that the State agency employed in the development of the model nutrition and physical activity programs, including consultations with individuals and organizations with expertise in promoting public health, nutrition, or physical activity;

(F) a description of how the State agency will evaluate the effectiveness of each program developed by the State agency;

(G) an annual summary of the team nutrition network activities;

(H) a description of the ways in which the total school environment will support healthy eating and physical activity; and

(I) a description of how all communications to parents and legal guardians of students who are members of a household receiving or applying for assistance under the program shall be in an understandable and uniform format and, to the maximum extent practicable, in a language that parents and legal guardians can understand.

(f) State coordinator
Each State that receives a grant under this section shall appoint a team nutrition network coordinator who shall—

(1) administer and coordinate the team nutrition network within and across schools, school food authorities, and other child nutrition program providers in the State; and

(2) coordinate activities of the Secretary, acting through the Food and Nutrition Service, and State agencies responsible for other children’s health, education, and wellness programs to implement a comprehensive, coordinated team nutrition network program.

(g) Authorized activities
A State agency that receives a grant under this section may use funds from the grant—

(1)(A) to collect, analyze, and disseminate data regarding the extent to which children and youths in the State are overweight, physically inactive, or otherwise suffering from nutrition-related deficiencies or disease conditions; and

(B) to identify the programs and services available to meet those needs;

(2) to implement model elementary and secondary education curricula using team nutrition network messages and material developed by the Secretary to create a comprehensive, coordinated nutrition and physical fitness awareness and obesity prevention program;

(3) to implement pilot projects in schools to promote physical activity and to enhance the nutritional status of students;

(4) to improve access to local foods through farm-to-cafeteria activities that may include the acquisition of food and the provision of training and education;

(5) to implement State guidelines in health (including nutrition education and physical education guidelines) and to emphasize regular physical activity during school hours;

(6) to establish healthy eating and lifestyle policies in schools;

(7) to provide training and technical assistance to teachers and school food service professionals consistent with the purposes of this section;

(8) to collaborate with public and private organizations, including community-based organizations, State medical associations, and public health groups, to develop and implement nutrition and physical education programs targeting lower income children, ethnic minorities, and youth at a greater risk for obesity.

(h) Local nutrition and physical activity grants
(1) In general
Subject to the availability of funds to carry out this subsection, the Secretary, in consultation with the Secretary of Education, shall provide assistance to selected local educational agencies to create healthy school nutrition environments, promote healthy eating habits, and increase physical activity, consistent with the Dietary Guidelines for Americans published under section 5341 of title 7, among elementary and secondary education students.
(2) Selection of schools
In selecting local educational agencies for grants under this subsection, the Secretary shall—

(A) provide for the equitable distribution of grants among—

(i) urban, suburban, and rural schools; and

(ii) schools with varying family income levels;

(B) consider factors that affect need, including local educational agencies with significant minority or low-income student populations; and

(C) establish a process that allows the Secretary to conduct an evaluation of how funds were used.

(3) Requirement for participation
To be eligible to receive assistance under this subsection, a local educational agency shall, in consultation with individuals who possess education or experience appropriate for representing the general field of public health, including nutrition and fitness professionals, submit to the Secretary an application that shall include—

(A) a description of the need of the local educational agency for a nutrition and physical activity program, including an assessment of the nutritional environment of the school;

(B) a description of how the proposed project will improve health and nutrition through education and increased access to physical activity;

(C) a description of how the proposed project will be aligned with the local wellness policy required under section 204 of the Child Nutrition and WIC Reauthorization Act of 2004;

(D) a description of how funds under this subsection will be coordinated with other programs under this chapter, the Richard B. Russell National School Lunch Act (42 U.S.C. 1751 et seq.), or other Acts, as appropriate, to improve student health and nutrition;

(E) a statement of the measurable goals of the local educational agency for nutrition and physical education programs and promotion;

(F) a description of the procedures the agency will use to assess and publicly report progress toward meeting those goals; and

(G) a description of how communications to parents and guardians of participating students regarding the activities under this subsection shall be in an understandable and uniform format, and, to the extent maximum practicable, in a language that parents can understand.

(4) Duration
Subject to the availability of funds made available to carry out this subsection, a local educational agency receiving assistance under this subsection shall conduct the project during a period of 3 successive school years beginning with the initial fiscal year for which the local educational agency receives funds.

(5) Authorized activities
An eligible applicant that receives assistance under this subsection—

(A) shall use funds provided to—

(i) promote healthy eating through the development and implementation of nutrition education programs and curricula based on the Dietary Guidelines for Americans published under section 5341 of title 7; and

(ii) increase opportunities for physical activity through after school programs, athletics, intramural activities, and recess; and

(B) may use funds provided to—

(i) educate parents and students about the relationship of a poor diet and inactivity to obesity and other health problems;

(ii) develop and implement physical education programs that promote fitness and lifelong activity;

(iii) provide training and technical assistance to food service professionals to develop more appealing, nutritious menus and recipes;

(iv) incorporate nutrition education into physical education, health education, and after school programs, including athletics;

(v) involve parents, nutrition professionals, food service staff, educators, community leaders, and other interested parties in assessing the food options in the school environment and developing and implementing an action plan to promote a balanced and healthy diet;

(vi) provide nutrient content or nutrition information on meals served through the school lunch program established under the Richard B. Russell National School Lunch Act (42 U.S.C. 1751 et seq.) and the school breakfast program established by section 1773 of this title and items sold a la carte during meal times;

(vii) encourage the increased consumption of a variety of healthy foods, including fruits, vegetables, whole grains, and low-fat dairy products, through new initiatives to creatively market healthful foods, such as salad bars and fruit bars;

(viii) offer healthy food choices outside program meals, including by making low-fat and nutrient dense options available in vending machines, school stores, and other venues; and

(ix) provide nutrition education, including sports nutrition education, for teachers, coaches, food service staff, athletic trainers, and school nurses.

(6) Report
Not later than 18 months after completion of the projects and evaluations under this subsection, the Secretary shall—

(A) submit to the Committee on Education and the Workforce of the House of Representatives and the Committee on Health, Education, Labor, and Pensions and the Committee on Agriculture, Nutrition and Forestry of the Senate a report describing the results of the evaluation under this subsection; and
(B) make the report available to the public, including through the Internet.

(i) Nutrition education support

In carrying out the purpose of this section to support nutrition education, the Secretary may provide for technical assistance and grants to improve the quality of school meals and access to local foods in schools and institutions.

(j) Limitation

Material prepared under this section regarding agricultural commodities, food, or beverages, must be factual and without bias.

(k) Team nutrition network independent evaluation

(1) In general

Subject to the availability of funds to carry out this subsection, the Secretary shall offer to enter into an agreement with an independent, nonpartisan, science-based research organization—

(A) to conduct a comprehensive independent evaluation of the effectiveness of the team nutrition initiative and the team nutrition network under this section; and

(B) to identify best practices by schools in—

(i) improving student understanding of healthful eating patterns;

(ii) engaging students in regular physical activity and improving physical fitness;

(iii) reducing diabetes and obesity rates in school children;

(iv) improving student nutrition behaviors on the school campus, including by increasing healthier meal choices by students, as evidenced by greater inclusion of fruits, vegetables, whole grains, and lean dairy and protein in meal and snack selections;

(v) providing training and technical assistance for food service professionals resulting in the availability of healthy meals that appeal to ethnic and cultural taste preferences;

(vi) linking meals programs to nutrition education activities;

(vii) successfully involving parents, school administrators, the private sector, public health agencies, nonprofit organizations, and other community partners;

(viii) ensuring the adequacy of time to eat during school meal periods; and

(ix) successfully generating revenue through the sale of food items, while providing healthy options to students through vending, student stores, and other venues.

(2) Report

Not later than 3 years after funds are made available to carry out this subsection, the Secretary shall submit to the Committee on Education and the Workforce of the House of Representatives, the Committee on Health, Education, Labor, and Pensions and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report describing the findings of the independent evaluation.

(l) Authorization of appropriations

There are authorized to be appropriated such sums as are necessary to carry out this section.


REFERENCES IN TEXT


Section 204 of the Child Nutrition and WIC Reauthorization Act of 2004, referred to in subsec. (h)(3)(C), is section 204 of Pub. L. 108–265, which is set out as a note under section 1751 of this title.

CODIFICATION


AMENDMENTS

2004—Pub. L. 108–265 amended section caption and text generally. Prior to amendment, section consisted of subsecs. (a) to (i) relating to the establishment of a system of grants to State educational agencies for the development of comprehensive nutrition education and training programs, which would include, but not be limited to, instructing students with regard to the nutritional value of foods and the relationship between food and health, training child nutrition program personnel in the principles and practices of food service management, instructing teachers in principles of nutrition education, developing and using classroom materials and curricula, and providing information to parents and caregivers regarding the nutritional value of food and the relationship between food and health.

1999—Subsec. (d). Pub. L. 106–78 made technical amendment to references in original act which appear in text as references to sections 1761 and 1768–1 of this title.

1998—Subsec. (c). Pub. L. 105–336 inserted subsec. heading and par. (1)(A) and struck out former subsec. heading and par. (1) to (b)(A) which provided for grants to States for nutrition education and information programs based on rate of 50 cents for each child enrolled in schools, minimum amounts to be received by States, and authorizations of appropriations; redesignated par. (3)(B) as (1)(B); and redesignated pars. (4) and (5) as (2) and (3), respectively.

1996—Subsec. (a). Pub. L. 104–193, § 731(a)(1), substituted “that effective dissemination of scientifically valid information to children participating or eligible to participate in the school lunch and related child nutrition programs should be encouraged,” for “that—” and pars. (1) to (5) which related to priority of proper nutrition, lack of understanding of principles of good nutrition, training school employees, role of parents, and opportunities for children to learn about importance of good nutrition.

Subsec. (b). Pub. L. 104–193, § 731(a)(2), substituted “establish” for “encourage effective dissemination of
scientifically valid information to children participating or eligible to participate in the school lunch and related child nutrition programs by establishing

"(1) The Secretary shall assess the nutrition education and training program carried out under this section to determine what nutrition education needs are for children participating under the National School Lunch Act in the school lunch program, the summer food service program, and the child care food program.

"(2) The assessment required by paragraph (1) shall be completed not later than October 1, 1994—Subsec. (b). Pub. L. 103–448, § 206(a), substituted "education and training programs" for "information and education programs".

Subsec. (c). Pub. L. 103–448, § 205(a), (b), substituted "education and training program" for "information and education program" in first sentence, substituted "child nutrition program personnel" for "school food service personnel" in subpar. (B), and added subpar. (E).

Subsec. (d)(1). Pub. L. 103–448, § 205(a), redesignated former par. (3) as (2) and struck out former par. (2) which read as follows: "Any State desiring to receive grants authorized by this section may, from the funds appropriated to carry out this section, receive a plan-grants authorized by this section may, from the funds appropriated to carry out this section, receive a plan —

"An amount not to exceed 15 percent of each State's food service program, and the child care food program.

"(i) $10,000,000 for the fiscal year 1990;

"(ii) $25,000,000 for each of the fiscal years 1993 and 1994—Subsec. (c). Pub. L. 103–448, § 205(a), (b), substituted "educational, school food service, child care, and summer food service personnel" for "educational and school food service personnel".

"(i) $10,000,000 for the fiscal year 1990;

"(ii) $15,000,000 for the fiscal year 1991;

"(iii) $20,000,000 for the fiscal year 1992; and

"(iv) $25,000,000 for each of the fiscal years 1993 and 1994.

Subsec. (d)(4). Pub. L. 103–448, § 205(c)(2), substituted "educational, school food service, child care, and summer food service personnel" for "educational and school food service personnel".

Subsec. (d)(5). Pub. L. 103–448, § 205(d)(3), in first sentence inserted "", and in child care institutions and summer food service institutions," after "schools".


Subsec. (f)(1)(A)(i) to (viii). Pub. L. 103–448, § 205(d)(2)–(4), redesignated subpars. (A) to (H) as cl. (i) to (viii), respectively, of subpar. (A) and realigned margins.


Subsec. (f)(1)(H). Pub. L. 103–448, § 205(d)(5), redesignated subpars. (H) and (I) as cl. (viii) and (ix), respectively, of subpar. (A).

Subsec. (g)(1). Pub. L. 103–448, § 205(e), added par. (3) and struck out former par. (3) which read as follows: "An amount not to exceed 15 percent of each State's grant may be used for up to 50 percent of the expenditures for overall administration and supervisory purposes in connection with the program authorized under this section.

Subsec. (h). Pub. L. 103–448, § 205(f), substituted "nutrition education and training needs" for "nutrition education needs" in par. (2) and added subpar. (F) in par. (3).

Subsec. (i)(2)(A). Pub. L. 103–448, § 205(g), amended subpar. (A) generally. Prior to amendment, subpar. (A) read as follows: "There is authorized to be appropriated for grants to each State for the conduct of nutrition education and information programs—

"(i) $15,000,000 for the fiscal year 1991;

"(ii) $25,000,000 for each of the fiscal years 1993 and 1994.

Subsec. (i)(3). Pub. L. 103–448, § 205(h), added par. (3) and redesignated former par. (3) as (A).
Subsec. (j)(1). Pub. L. 103–448, §205(a), substituted “education and training program” for “information and education program”.

Subsec. (d)(1)(B). Pub. L. 101–147, §124(1)(A)(i), amended subpar. (B) generally. Prior to amendment, subpar. (B) read as follows: “the food service management training of school food service personnel, and”.

Subsec. (d)(1)(C). Pub. L. 101–147, §124(1)(A)(ii), substituted “‘schools, child care institutions, and institutions offering summer food service programs under section 13 of the National School Lunch Act’” for “‘schools and child care institutions’”.

Subsec. (d)(2). Pub. L. 101–147, §§124(1)(B), 327(1)(A), substituted “recommendations of State educational agencies, the Department of Health and Human Services, and other” for “recommendation of the National Advisory Council on Child Nutrition; State educational agencies; the Department of Health and Human Services; and other”.


Pub. L. 101–147, §214, inserted at end “Each plan developed as required by this section shall be updated on an annual basis.”


Subsec. (l)(2). Pub. L. 101–147, §124(3), amended par. (2) generally. Prior to amendment, par. (2) read as follows: “For the fiscal year ending September 30, 1980, and for each succeeding fiscal year ending on or before September 30, 1989, there is hereby authorized to be appropriated for grants to each State for the conduct of nutrition education and information programs, an amount equal to the higher of (A) 50 cents for each child enrolled in schools or in institutions within each State, or (B) $50,000 for each State. There is authorized to be appropriated for the grants referred to in the preceding sentence not more than $15,000,000 for fiscal year 1981, and not more than $5,000,000 for each subsequent fiscal year for provisions authorizing $15,000,000 for the fiscal year beginning Oct. 1, 1980, and each subsequent fiscal year, 1980—Subsec. (j)(2). Pub. L. 96–499 substituted “For the fiscal year ending September 30, 1980, and for each succeeding fiscal year ending on or before September 30, 1984” for “For the fiscal year beginning October 1, 1979” and “second preceding sentence” for “preceding sentence” and inserted provision authorizing appropriations for the fiscal year beginning October 1, 1980, and subsequent fiscal years, for the grants referred to in the preceding sentence, not more than $15,000,000."

Effective Date of 1998 Amendment

Effective Date of 1996 Amendment

(a) Purpose of program; availability of payments and commodities

For the purpose of obtaining Federal payments and commodities in conjunction with the provision of breakfasts to students attending Department of Defense dependents’ schools which are located outside the United States, its territories or possessions, the Secretary of Agriculture shall make available to the Department of Defense, from funds appropriated for such purpose, the same payments and commodities as are provided to States for schools participating in the school breakfast program in the United States.

(b) Administration of program; eligibility determinations and regulations

The Secretary of Defense shall administer breakfast programs authorized by this section and shall determine eligibility for free and reduced-price breakfasts under the criteria published by the Secretary of Agriculture, except that the Secretary of Defense shall prescribe regulations governing computations of income eligibility standards for families of students participating in the school breakfast program under this section.

(c) Nutritional standards for meals; noncompliance with standards

The Secretary of Defense shall be required to offer meals meeting nutritional standards pre-
scribed by the Secretary of Agriculture; however, the Secretary of Defense may authorize deviations from Department of Agriculture prescribed meal patterns and fluid milk requirements when local conditions preclude strict compliance or when such compliance is highly impracticable.

(d) Authorization of appropriations

Funds are hereby authorized to be appropriated for any fiscal year in such amounts as may be necessary for the administrative expenses of the Department of Defense under this section.

(e) Technical assistance for administration of program

The Secretary of Agriculture shall provide the Secretary of Defense with technical assistance in the administration of the school breakfast programs authorized by this section.

§ 1790. Breastfeeding promotion program

(a) In general

The Secretary, from amounts received under subsection (d), shall establish a breastfeeding promotion program to promote breastfeeding as the best method of infant nutrition, foster wider public acceptance of breastfeeding in the United States, and assist in the distribution of breastfeeding equipment to breastfeeding women.

(b) Conduct of program

In carrying out the program described in subsection (a), the Secretary may—

(1) develop or assist others to develop appropriate educational materials, including public service announcements, promotional publications, and press kits for the purpose of promoting breastfeeding;

(2) distribute or assist others to distribute such materials to appropriate public and private individuals and entities; and

(3) provide funds to public and private individuals and entities, including physicians, health professional organizations, hospitals, community based health organizations, and employers, for the purpose of assisting such entities in the distribution of breastpumps and similar equipment to breastfeeding women.

(c) Cooperative agreements

The Secretary is authorized to enter into cooperative agreements with Federal agencies, State and local governments, and other entities to carry out the program described in subsection (a).

(d) Gifts, bequests, and devises

(1) In general

The Secretary is authorized to solicit, accept, use, and dispose of gifts, bequests, or devises of services or property, both real and personal, for the purpose of establishing and carrying out the program described in subsection (a). Gifts, bequests, or devises of money and proceeds from the sales of other property received as gifts, bequests, or devises shall be deposited in the Treasury and shall be available for disbursement upon order of the Secretary.

(2) Criteria for acceptance

The Secretary shall establish criteria for determining whether to solicit and accept gifts, bequests, or devises under paragraph (1), including criteria that ensure that the acceptance of any gifts, bequests, or devises would not—

(A) reflect unfavorably on the ability of the Secretary to carry out the Secretary’s responsibilities in a fair and objective manner; or

(B) compromise, or appear to compromise, the integrity of any governmental program or any officer or employee involved in the program.

§ 1791. Bill Emerson Good Samaritan Food Donation Act

(a) Short title

This section may be cited as the “Bill Emerson Good Samaritan Food Donation Act”.

(b) Definitions

As used in this section:

(1) Apparently fit grocery product

The term “apparently fit grocery product” means food that meets all quality and labeling standards imposed by Federal, State, and local laws and regulations even though the product may not be readily marketable due to appearance, age, freshness, grade, size, surplus, or other conditions.

(2) Apparently wholesome food

The term “apparently wholesome food” means food that meets all quality and labeling standards imposed by Federal, State, and local laws and regulations even though the food may not be readily marketable due to appearance, age, freshness, grade, size, surplus, or other conditions.
§ 1791

(3) Donate

The term “donate” means to give without requiring anything of monetary value from the recipient, except that the term shall include giving by a nonprofit organization to another nonprofit organization, notwithstanding that the donor organization has charged a nominal fee to the donee organization, if the ultimate recipient or user is not required to give anything of monetary value.

(4) Food

The term “food” means any raw, cooked, processed, or prepared edible substance, ice, beverage, or ingredient used or intended for use in whole or in part for human consumption.

(5) Gleaner

The term “gleaner” means a person who harvests for free distribution to the needy, or for donation to a nonprofit organization for ultimate distribution to the needy, an agricultural crop that has been donated by the owner.

(6) Grocery product

The term “grocery product” means a non-food grocery product, including a disposable paper or plastic product, household cleaning product, laundry detergent, cleaning product, or miscellaneous household item.

(7) Gross negligence

The term “gross negligence” means voluntary and conscious conduct (including a failure to act) by a person who, at the time of the conduct, knew that the conduct was likely to be harmful to the health or well-being of another person.

(8) Intentional misconduct

The term “intentional misconduct” means conduct by a person with knowledge (at the time of the conduct) that the conduct is harmful to the health or well-being of another person.

(9) Nonprofit organization

The term “nonprofit organization” means an incorporated or unincorporated entity that—

(A) is operating for religious, charitable, or educational purposes; and

(B) does not provide net earnings to, or operate in any other manner that inures to the benefit of, any officer, employee, or shareholder of the entity.

(10) Person

The term “person” means an individual, corporation, partnership, organization, association, or governmental entity, including a retail grocer, wholesaler, hotel, motel, manufacturer, restaurant, caterer, farmer, and nonprofit food distributor or hospital. In the case of a corporation, partnership, organization, association, or governmental entity, the term includes an officer, director, partner, deacon, trustee, council member, or other elected or appointed individual responsible for the governance of the entity.

(c) Liability for damages from donated food and grocery products

(1) Liability of person or gleaner

A person or gleaner shall not be subject to civil or criminal liability arising from the nature, age, packaging, or condition of apparently wholesome food or an apparently fit grocery product that the person or gleaner donates in good faith to a nonprofit organization for ultimate distribution to needy individuals.

(2) Liability of nonprofit organization

A nonprofit organization shall not be subject to civil or criminal liability arising from the nature, age, packaging, or condition of apparently wholesome food or an apparently fit grocery product that the nonprofit organization received as a donation in good faith from a person or gleaner for ultimate distribution to needy individuals.

(3) Exception

Paragraphs (1) and (2) shall not apply to an injury to or death of an ultimate user or recipient of the food or grocery product that results from an act or omission of the person, gleaner, or nonprofit organization, as applicable, constituting gross negligence or intentional misconduct.

(d) Collection or gleaning of donations

A person who allows the collection or gleaning of donations on property owned or occupied by the person by gleaners, or paid or unpaid representatives of a nonprofit organization, for ultimate distribution to needy individuals shall not be subject to civil or criminal liability that arises due to the injury or death of the gleaner or representative, except that this paragraph shall not apply to an injury or death that results from an act or omission of the person constituting gross negligence or intentional misconduct.

(e) Partial compliance

If some or all of the donated food and grocery products do not meet all quality and labeling standards imposed by Federal, State, and local laws and regulations, the person or gleaner who donates the food and grocery products shall not be subject to civil or criminal liability in accordance with this section if the nonprofit organization that receives the donated food or grocery products—

(1) is informed by the donor of the distressed or defective condition of the donated food or grocery products;

(2) agrees to recondition the donated food or grocery products to comply with all the quality and labeling standards prior to distribution; and

(3) is knowledgeable of the standards to properly recondition the donated food or grocery product.

(f) Construction

This section shall not be construed to create any liability. Nothing in this section shall be construed to supersede State or local health regulations.


Constitution

Section was formerly classified to section 12672 of this title prior to renumbering by Pub. L. 104–210.
§ 1792. Promoting Federal food donation

(a) In general

Not later than 180 days after June 20, 2008, the Federal Acquisition Regulation issued in accordance with section 1303 of title 41 shall be revised to provide that all contracts above $25,000 for the provision, service, or sale of food in the United States, or for the lease or rental of Federal property to a private entity for events at which food is provided in the United States, shall include a clause that—

(1) encourages the donation of excess, apparently wholesome food to nonprofit organizations that provide assistance to food-insecure people in the United States; and

(2) states the terms and conditions described in subsection (b).

(b) Terms and conditions

(1) Costs

In any case in which a contractor enters into a contract with an executive agency under which apparently wholesome food is donated to food-insecure people in the United States, the head of the executive agency shall not assume responsibility for the costs and logistics of collecting, transporting, maintaining the safety of, or distributing excess, apparently wholesome food to food-insecure people in the United States under this section.

(2) Liability

An executive agency (including an executive agency that enters into a contract with a contractor) and any contractor making donations pursuant to this section shall be exempt from civil and criminal liability to the extent provided under section 1791 of this title.

References in Text

This section, referred to in subsec. (b), was in the original “this Act”, meaning Pub. L. 110–247, June 20, 2008, 122 Stat. 2314, which enacted this section and provisions set out as notes under this section and section 1771 of this title. For complete classification of this Act to the Code, see Short Title of 2008 Amendment note set out under section 1771 of this title and Tables.

§ 1793. Grants for expansion of school breakfast programs

(a) Definition of qualifying school

In this section, the term “qualifying school” means a school in severe need, as described in section 1773(d)(1) of this title.

(b) Establishment

Subject to the availability of appropriations provided in advance in an appropriations Act specifically for the purpose of carrying out this section, the Secretary shall establish a program under which the Secretary shall provide grants, on a competitive basis, to State educational agencies for the purpose of providing subgrants to local educational agencies for qualifying schools to establish, maintain, or expand the school breakfast program in accordance with this section.

(c) Grants to State educational agencies

(1) Application

To be eligible to receive a grant under this section, a State educational agency shall submit to the Secretary an application at such
time, in such manner, and containing such information as the Secretary may require.

(2) Administration

In carrying out this section, the Secretary shall—

(A) develop an appropriate competitive application process; and

(B) make information available to State educational agencies concerning the availability of funds under this section.

(3) Allocation

The amount of grants provided by the Secretary to State educational agencies for a fiscal year under this section shall not exceed the lesser of—

(A) the product obtained by multiplying—

(i) the number of qualifying schools receiving subgrants or other benefits under subsection (d) for the fiscal year; and

(ii) the maximum amount of a subgrant provided to a qualifying school under subsection (d)(4)(B); or

(B) $2,000,000.

(d) Subgrants to qualifying schools

(1) In general

A State educational agency receiving a grant under this section shall use funds made available under the grant to award subgrants to local educational agencies for a qualifying school or groups of qualifying schools to carry out activities in accordance with this section.

(2) Priority

In awarding subgrants under this subsection, a State educational agency shall give priority to local educational agencies with qualifying schools in which at least 75 percent of the students are eligible for free or reduced price school lunches under the school lunch program established under the Richard B. Russell National School Lunch Act (42 U.S.C. 1751 et seq.).

(3) State and district training and technical support

A local educational agency or State educational agency may allocate a portion of each subgrant to provide training and technical assistance to the staff of qualifying schools to carry out the purposes of this section.

(4) Amount; term

(A) In general

Except as otherwise provided in this paragraph, a subgrant provided by a State educational agency to a local educational agency or qualifying school under this section shall be in such amount, and shall be provided for such term, as the State educational agency determines appropriate.

(B) Maximum amount

The amount of a subgrant provided by a State educational agency to a local educational agency for a qualifying school or a group of qualifying schools under this subsection shall not exceed $10,000 for each school year.

(C) Maximum grant term

A local educational agency or State educational agency shall not provide subgrants to a qualifying school under this subsection for more than 2 fiscal years.

(e) Best practices

(1) In general

Prior to awarding grants under this section, the Secretary shall make available to State educational agencies information regarding the most effective mechanisms by which to increase school breakfast participation among eligible children at qualifying schools.

(2) Preference

In awarding subgrants under this section, a State educational agency shall give preference to local educational agencies for qualifying schools or groups of qualifying schools that have adopted, or provide assurances that the subgrant funds will be used to adopt, the most effective mechanisms identified by the Secretary under paragraph (1).

(f) Use of funds

(1) In general

A qualifying school may use a grant provided under this section—

(A) to establish, promote, or expand a school breakfast program of the qualifying school under this section, which shall include a nutritional education component;

(B) to extend the period during which school breakfast is available at the qualifying school;

(C) to provide school breakfast to students of the qualifying school during the school day; or

(D) for other appropriate purposes, as determined by the Secretary.

(2) Requirement

Each activity of a qualifying school under this subsection shall be carried out in accordance with applicable nutritional guidelines and regulations issued by the Secretary.

(g) Maintenance of effort

Grants made available under this section shall not diminish or otherwise affect the expenditure of funds from State and local sources for the maintenance of the school breakfast program.

(h) Reports

Not later than 18 months following the end of a fiscal year during which subgrants are awarded under this section, the Secretary shall submit to Congress a report describing the activities of the qualifying schools awarded subgrants.

(i) Evaluation

Not later than 180 days before the end of a grant term under this section, a local educational agency that receives a subgrant under this section shall—

(1) evaluate whether electing to provide universal free breakfasts under the school breakfast program in accordance with Provision 2 as established under subsections (b) through (k) of section 245.9 of title 7, Code of Federal Regulations (or successor regulations), would be cost-effective for the qualified schools based on estimated administrative savings and economies of scale; and

(2) submit the results of the evaluation to the State educational agency.
(j) Authorization of appropriations

There are authorized to be appropriated to carry out this section such sums as are necessary for each of fiscal years 2010 through 2015.


REFERENCES IN TEXT

The Richard B. Russell National School Lunch Act, referred to in subsec. (d)(1), is act June 30, 1946, ch. 724, § 301, 60 Stat. 210, which is classified generally to chapter 13 (§1751 et seq.) of this title. For complete classification of this Act to the Code, see Short Title note set out under section 1751 of this title and Tables.

Effective Date

Section effective Oct. 1, 2010, except as otherwise specified, see section 2231 to 2234 of this title as an Effective Date of 2010 Amendment note under section 1751 of this title.

CHAPTER 14—DEVELOPMENT AND CONTROL OF ATOMIC ENERGY

§§ 1801 to 1819, Transferred

CODIFICATION

The Atomic Energy Act of 1946, which was formerly classified to sections 1801 to 1819 of this title, was act Aug. 1, 1946, ch. 724, 60 Stat. 755. Act Aug. 1, 1946, was renamed the Atomic Energy Act of 1946 and completely amended by act Aug. 30, 1954, ch. 1073, § 1, 68 Stat. 919, and is classified principally to chapter 23 (§1021 et seq.) of this title. Provisions enacted in the Aug. 30, 1954, amendment largely corresponded to and expanded upon the provisions in the original Atomic Energy Act of 1946, as described below.


Section 1803, act Aug. 1, 1946, ch. 724, §3, 60 Stat. 758, related to research and development activities by Commission. For corresponding provisions from the Aug. 30, 1954, amendment, see sections 2001 to 2012 of this title.


Section 1806, act Aug. 1, 1946, ch. 724, §6, 60 Stat. 763, related to military application of atomic energy. For corresponding provisions from the Aug. 30, 1954, amendment, see sections 2121 and 2122 of this title.

Section 1807, act Aug. 1, 1946, ch. 724, §7, 60 Stat. 764, related to license requirements for utilization of atomic energy, reports to Congress, and issuance of licenses. For corresponding provisions from the Aug. 30, 1954, amendment, see sections 2131 to 2140 of this title.

Section 1808, act Aug. 1, 1946, ch. 724, §8, 60 Stat. 765, related to force and effect of international agreements. For corresponding provisions from the Aug. 30, 1954, amendment, see sections 2151 to 2154 of this title.

Section 1809, act Aug. 1, 1946, ch. 724, §9, 60 Stat. 765, related to property of Commission and its exempt status from taxation. For corresponding provisions from the Aug. 30, 1954, amendment, see sections 2161 to 2166 of this title.

Section 1811, act Aug. 1, 1946, ch. 724, §11, 60 Stat. 768, related to patents and inventions. For corresponding provisions from the Aug. 30, 1954, amendment, see sections 2181 to 2190 of this title.


Section 1814, act Aug. 1, 1946, ch. 724, §14, 60 Stat. 772, related to judicial review. For corresponding provisions from the Aug. 30, 1954, amendment, see sections 2271 to 2281 of this title.


Section 1816, act Aug. 1, 1946, ch. 724, §16, 60 Stat. 773, related to penalties for violation of certain provisions of this chapter, injunctions, subpoena of witnesses, and production of documents. For corresponding provisions from the Aug. 30, 1954, amendment, see sections 2271 to 2281 of this title.

Section 1817, act Aug. 1, 1946, ch. 724, §17, 60 Stat. 774, related to reports and recommendations to Congress. For corresponding provisions from the Aug. 30, 1954, amendment, see sections 2221 to 2224 of this title.


CHAPTER 15—DISASTER RELIEF

SUBCHAPTER I—FEDERAL ASSISTANCE PROGRAMS

§§ 1851 to 1854, Repealed. Sept. 30, 1950, ch. 1125, § 9, 64 Stat. 1111

Section 1851, act July 25, 1947, ch. 320, § 1, 61 Stat. 422, related to transfer of surplus personal property between War Assets Administration and Federal Works Agency to be utilized in alleviation of suffering caused by flood or other catastrophe.


For provisions relating to disaster relief, see section 5121 et seq. of this title.


Section 1855, act Sept. 30, 1950, ch. 1125 §1, 64 Stat. 1109, set out Congressional declaration of intent in enacting act of Sept. 30, 1950, covering major disasters.


Section 1855c, act Sept. 30, 1950, ch. 1125, §4, 64 Stat. 1110, directed Federal agencies to cooperate with each other and with other agencies in providing assistance.

Section 1855d, act Sept. 30, 1950, ch. 1125, §5, 64 Stat. 1110, directed the President to coordinate disaster assistance and to issue rules and regulations covering disaster relief.

Section 1855e, act Sept. 30, 1950, ch. 1125, §6, 64 Stat. 1111, dealt with repair and reconstruction of damaged United States facilities.

Section 1855f, act Sept. 30, 1950, ch. 1125, §7, 64 Stat. 1111, provided for utilization of services and facilities of other agencies, employment of temporary personnel, incurring of obligations, and reimbursements.

Section 1855g, act Sept. 30, 1950, ch. 1125, §8, 64 Stat. 1111, authorized an appropriation of $5,000,000 and required the President to submit a report to Congress at beginning of each session covering expenditure of amounts appropriated.

For provisions relating to disaster relief, see section 5121 et seq. of this title.

 EFFECTIVE DATE OF REPEAL


SUBCHAPTER III—ADJUSTMENT AND COORDINATION OF FEDERAL PROGRAMS


Section 1855bbb, Pub. L. 91–79, §2, Oct. 1, 1969, 83 Stat. 126, authorized the President to allocate funds for permanent repair and reconstruction of non-Federal streets, roads, and highway facilities destroyed or damaged as a result of a major disaster.

Section 1855ccc, Pub. L. 91–79, §3, Oct. 1, 1969, 83 Stat. 126, covered allowable alterations in timber sales contracts between Secretary of Agriculture or Secretary of the Interior and a timber purchaser in event of a major disaster causing major physical changes.


Section 1855ggg, Pub. L. 91–79, §8, Oct. 1, 1969, 83 Stat. 128, provided for development of State disaster relief programs, development of State agencies to administer disaster relief programs, and reports to Congress.


Section 1855ii, Pub. L. 91–79, §10, Oct. 1, 1969, 83 Stat. 128, authorized the President to provide on a temporary basis dwelling accommodations for individuals and families displaced by a major disaster.

Section 1855jj, Pub. L. 91–79, §11, Oct. 1, 1969, 83 Stat. 129, authorized the President to set up a food stamp and surplus commodities program to distribute food to persons in low-income households unable to purchase food as result of a major disaster.

Section 1855kkk, Pub. L. 91–79, §12, Oct. 1, 1969, 83 Stat. 129, provided for unemployment assistance to persons unemployed as result of a major disaster.

Section 1855lll, Pub. L. 91–79, §13, Oct. 1, 1969, 83 Stat. 129, covered grants and loans for funds used in the suppression of fire on forest or grass lands which threatens destruction as to constitute a major disaster.


For provisions relating to disaster relief, see section 5121 et seq. of this title.

**Effective Date of Repeal**


**CHAPTER 15A—RECIPROCAL FIRE PROTECTION AGREEMENTS**

**SUBCHAPTER I—PROTECTION OF UNITED STATES PROPERTY**

**§ 1856. Definitions**

As used in this subchapter—

(a) The term “agency head” means the head of any executive department, military department, agency, or independent establishment in the executive branch of the Government;

(b) The term “fire protection” includes personal services and equipment required for fire prevention, the protection of life and property from fire, fire fighting, and emergency services, including basic medical support, basic and advanced life support, hazardous material containment and confinement, and special rescue events involving vehicular and water mishaps, and trench, building, and confined space extractions; and

(c) The term “fire organization” means any governmental entity or public or private corporation or association maintaining fire protection facilities within the United States, its Territories and possessions, and any governmental entity or public or private corporation or association which maintains fire protection facilities in any foreign country in the vicinity of any installation of the United States.


**Amendments**

2006—Subsec. (b). Pub. L. 109–163 substituted “fire fighting, and emergency services, including basic medical support, basic and advanced life support, hazardous material containment and confinement, and special rescue events involving vehicular and water mishaps, and trench, building, and confined space extractions” for “‘and fire fighting’.”

**§ 1856a. Authority to enter into reciprocal agreement; waiver of claims; reimbursement; ratification of prior agreements**

(a) Each agency head charged with the duty of providing fire protection for any property of the United States is authorized to enter into a reciprocal agreement, with any fire organization maintaining fire protection facilities in the vicinity of such property, for mutual aid in furnishing fire protection for such property and for other property for which such organization normally provides fire protection. Each such agreement shall include a waiver by each party of all claims against every other party for compensation for any loss, damage, personal injury, or death occurring in consequence of the performance of such agreement. Any such agreement may provide for the reimbursement of any party for all or any part of the cost incurred by such party in furnishing fire protection for or on behalf of any other party.

(b) Any agreement heretofore executed which would have been authorized by this subchapter, if this subchapter had been in effect on the date of execution thereof, is ratified and confirmed.

(May 27, 1955, ch. 105, §2, 69 Stat. 66.)

**§ 1856a–1. Authority to enter into contracts with State and local governmental entities**

Notwithstanding any other provision of law, in fiscal year 1992 and thereafter, the Secretary of the Interior, the Secretary of Agriculture, the Secretary of Energy, the Secretary of the Army, and the Secretary of the Smithsonian Institution are authorized to enter into contracts with State and local governmental entities, including local fire districts, for procurement of services in the presuppression, detection, and suppression of fires on any units within their jurisdiction.


**Codification**

Section was enacted as part of the Department of the Interior and Related Agencies Appropriations Act, 1992, and not as part of act May 27, 1955, which comprises this subchapter.

**Prior Provisions**

Provisions similar to those in this section were contained in the following prior appropriation act: Pub. L. 101–512, title III, §310, Nov. 5, 1990, 104 Stat. 1649.

**Amendments**

2007—Pub. L. 110–114 inserted “the Secretary of the Army,” after “the Secretary of Energy,”.

**§ 1856b. Emergency assistance**

In the absence of any agreement authorized or ratified by section 1856a of this title, each agency head is authorized to render emergency assistance in extinguishing fires and in preserving life and property from fire, within the vicinity of any place at which such agency maintains
§ 1856c TITLE 42—THE PUBLIC HEALTH AND WELFARE

fire-protection facilities, when the rendition of such assistance is determined, under regulations prescribed by the agency head, to be in the best interest of the United States.

(May 27, 1955, ch. 105, § 3, 69 Stat. 67.)

§ 1856c. Service in line of duty

Any service performed under section 1856a or section 1856b of this title, by any officer or employee of the United States or any member of any armed force of the United States shall constitute service rendered in line of duty in such office, employment, or force. The performance of such service by any other individual shall not constitute such individual an officer or employee of the United States for the purposes of subsection I of chapter 81 of title 5.

(May 27, 1955, ch. 105, § 4, 69 Stat. 67.)

Codification

“Subchapter I of chapter 81 of title 5” substituted for “the Federal Employees’ Compensation Act, as amended” on authority of Pub. L. 89–554, § 7(b), Sept. 6, 1966, 80 Stat. 631, the first section of which enacted Title 5, Government Organization and Employees.

§ 1856d. Funds

(a) Funds available to any agency head for fire protection on installations or in connection with activities under the jurisdiction of such agency may be used to carry out the purposes of this subchapter. All sums received by any agency head for fire protection rendered pursuant to this subchapter shall be covered into the Treasury as miscellaneous receipts.

(b) Notwithstanding subsection (a), all sums received as reimbursements for costs incurred by any Department of Defense or Department of Agriculture activity for fire protection rendered pursuant to this subchapter shall be credited to the same appropriation or fund from which the expenses were paid or, if the period of availability for obligation for that appropriation has expired, to the appropriation or fund that is currently available to the activity for the same purpose. Amounts so credited shall be subject to the same provisions and restrictions as the appropriation or account to which credited.


Amendments

2014—Subsec. (b). Pub. L. 113–79 inserted “or Department of Agriculture” after “Department of Defense”.

2011—Subsec. (b). Pub. L. 112–81 amended subsec. (b) generally. Prior to amendment, subsec. (b) read as follows—Notwithstanding the provisions of subsection (a), all sums received for any Department of Defense activity for fire protection rendered pursuant to this subchapter shall be credited to the appropriation fund or account from which the expenses were paid. Amounts so credited shall be merged with funds in such appropriation fund or account and shall be available for the same purposes and subject to the same limitations as the funds with which the funds are merged.

2008—Pub. L. 110–181 designated existing provisions as subsec. (a) and added subsec. (b).

Effective date of 2011 amendment

Pub. L. 112–81, div. A, title III, § 364(d), Dec. 31, 2011, 125 Stat. 1380, provided that: “The amendment made by subsection (a) [amending this section] shall apply with respect to reimbursements for expenditures of funds appropriated after the date of the enactment of this Act [Dec. 31, 2011].”

§ 1856e. Reimbursement of fire funds

(a) Definition of State

In this section, the term “State” means—

(1) a State; and

(2) the Commonwealth of Puerto Rico.

(b) In general

If a State seeks reimbursement for amounts expended for resources and services provided to another State for the management and suppression of a wildfire, the Secretary, subject to subsections (c) and (d)—

(1) may accept the reimbursement amounts from the other State; and

(2) shall pay those amounts to the State seeking reimbursement.

(c) Mutual assistance agreement

As a condition of seeking and providing reimbursement under subsection (b), the State seeking reimbursement and the State providing reimbursement must each have a mutual assistance agreement with the Forest Service or another Federal agency for providing and receiving wildfire management and suppression resources and services.

(d) Terms and conditions

The Secretary may prescribe the terms and conditions determined to be necessary to carry out subsection (b).

(e) Effect on prior reimbursements

Any acceptance of funds or reimbursements made by the Secretary before February 7, 2014, that otherwise would have been authorized under this section shall be considered to have been made in accordance with this section.


Codification

Section was enacted as part of the Agricultural Act of 2014, and not as part of act May 27, 1955, which comprises this subchapter.


Definition of “Secretary”

“Secretary” as meaning the Secretary of Agriculture, see section 9001 of Title 7, Agriculture.

SUBCHAPTER II—WILDFIRE SUPPRESSION WITH FOREIGN FIRE ORGANIZATION

§ 1856m. Definitions

In this subchapter:

(1) Assume any and all liability

The term “assume any and all liability” means—

(A) the payment of—

(i) any judgment, settlement, fine, penalty, or cost assessment (including prevailing party legal fees) associated with the applicable litigation; and

(ii) any cost incurred in handling the applicable litigation (including legal fees); and
(B) with respect to a Federal firefighter, arranging for, and paying the costs of, representation in the applicable litigation.

(2) Federal firefighter
The term "Federal firefighter" means an individual furnished by the Secretary of Agriculture or the Secretary of the Interior under an agreement entered into under section 1856n of this title.

(3) Foreign fire organization
The term "foreign fire organization" means any foreign governmental, public, or private entity that has wildfire protection resources.

(4) Foreign firefighter
The term "foreign firefighter" means an individual furnished by a foreign fire organization under an agreement entered into under section 1856n of this title.

(5) Wildfire
The term "wildfire" means any forest or range fire.

(6) Wildfire protection resources
The term "wildfire protection resources" means any personnel, supplies, equipment, or other resources required for wildfire pre-suppression and suppression activities.

§ 1856n. Implementation

(a) Exchange of wildfire protection resources under a reciprocal agreement with a foreign fire organization

(1) Authority to enter into a reciprocal agreement
The Secretary of Agriculture or the Secretary of the Interior, in consultation with the Secretary of State, may enter into a reciprocal agreement with any foreign fire organization for mutual aid in furnishing wildfire protection resources for lands and other properties for which such Secretary or organization normally provides wildfire protection.

(2) Requirements for a reciprocal agreement
Any agreement entered into under this subsection—

(A) shall include a waiver by each party to the agreement of all claims against every other party to the agreement for compensation for any loss, damage, personal injury, or death occurring in consequence of the performance of such agreement;

(B) shall include a provision to allow the termination of such agreement by any party thereto after reasonable notice; and

(C) may provide for the reimbursement of any party thereto for all or any part of the costs incurred by such party in furnishing wildfire protection resources for, or on behalf of, any other party thereto.

(b) Exchange of wildfire protection resources without a reciprocal agreement
In the absence of any agreement authorized under subsection (a), the Secretary of Agriculture or the Secretary of the Interior may—

(1) furnish emergency wildfire protection resources to any foreign nation when the furnishing of such resources is determined by such Secretary to be in the best interest of the United States; and

(2) accept emergency wildfire protection resources from any foreign fire organization when the acceptance of such resources is determined by such Secretary to be in the best interest of the United States.

(c) Reimbursement under agreements with Canada
Notwithstanding the preceding provisions of this section, reimbursement may be provided for the costs incurred by the Government of Canada or a Canadian organization in furnishing wildfire protection resources to the Government of the United States under—

(1) the memorandum entitled "Memorandum of Understanding Between the United States Department of Agriculture and Environment Canada on Cooperation in the Field of Forestry-Related Programs" dated June 25, 1982; and


(d) Service performed under this subchapter by Federal employees

(1) In general
Any service performed by any employee of the United States under an agreement or otherwise under this subchapter shall constitute service rendered in the line of duty in such employment.

(2) Effect
Except as provided in section 1856n–1 of this title, the performance of such service by any other individual shall not make such individual an employee of the United States.

§ 1856n–1. Service performed under this subchapter by Federal employees

(1) In general
Any service performed by any employee of the United States under an agreement or otherwise under this subchapter shall constitute service rendered in the line of duty in such employment.

(2) Effect
Except as provided in section 1856n–1 of this title, the performance of such service by any other individual shall not make such individual an employee of the United States.

AMENDMENTS

Subsec. (d). Pub. L. 112–74, §411(3)(D), inserted subsec. heading, designated first and second sentences as pars. (1) and (2), respectively, inserted par. headings, and substituted “Except as provided in section 1856n–1 of this title, the” for “The” in par. (2).

§1856n–1. Reciprocal agreements with liability coverage

(a) Protection from liability for foreign firefighters and foreign fire organizations

Subject to subsection (b), in an agreement with a foreign fire organization entered into under section 1856n of this title, the Secretary of Agriculture and the Secretary of the Interior may provide that—

(1) a foreign firefighter shall be considered to be an employee of the United States for purposes of tort liability while the foreign firefighter is acting within the scope of an official duty under the agreement; and

(2) any claim against the foreign fire organization or any legal organization associated with the foreign firefighter that arises out of an act or omission of the foreign firefighter in the performance of an official duty under the agreement, or that arises out of any other act, omission, or occurrence for which the foreign fire organization or legal organization associated with the foreign firefighter is legally responsible under applicable law, may be prosecuted only—

(A) against the United States; and

(B) as if the act or omission were the act or omission of an employee of the United States.

(b) Protection from liability for Federal firefighters and the Federal Government

The Secretary of Agriculture and the Secretary of the Interior may provide the protections under subsection (a) if the foreign fire organization agrees—

(1) to assume any and all liability for any legal action brought against the Federal firefighter for an act or omission of the Federal firefighter while acting within the scope of an official duty under the agreement; and

(2) to the extent the United States or any legal organization associated with the Federal firefighter is not entitled to immunity from the jurisdiction of the courts having jurisdiction over the foreign fire organization receiving the services of the Federal firefighters, to assume any and all liability for any legal action brought against the United States or the legal organization arising out of—

(A) an act or omission of the Federal firefighter in the performance of an official duty under the agreement; or

(B) any other act, omission, or occurrence for which the United States or the legal organization associated with the Federal firefighter is legally responsible under the laws applicable to the foreign fire organization.


Prior Provisions

A prior section 5 of Pub. L. 100–428 was classified to section 1856p of this title prior to repeal by Pub. L. 101–11.

Amendments

2011—Pub. L. 112–74, §411(6), substituted “under this subchapter” for “under section 1856n(c) of this title”, “wildfire protection resources (including personnel)” for “wildfire protection resources or personnel” in two places, and “provide wildfire suppression” for “provide wildfire protection” and inserted “for wildfire suppression activities” before “unless”.


Section. Pub. L. 100–428, §§5, Sept. 9, 1988, 102 Stat. 1616, provided that authority to enter into agreements, to furnish or accept emergency wildfire protection resources, or to incur obligations for reimbursement under section 1856n of this title was to terminate Dec. 31, 1988.

Chapter 15B—Air Pollution Control

Subchapter I—Air Pollution Prevention and Control

§§1857 to 1857c–9. Transferred

Conciliation


Page 4645

TITLE 42—THE PUBLIC HEALTH AND WELFARE

tigations, training, and other activities, was transferred to section 7403 of this title.
Section 1857b–1, act July 14, 1955, ch. 360, title I, § 104,
1676, 1677, 1709, 1713; Apr. 9, 1973, Pub. L. 93–15, § 1(a), 87
Stat. 11; June 22, 1974, Pub. L. 93–319, § 13(a), 88 Stat. 265,
which provided for research relating to fuels and vehicles, was transferred to section 7404 of this title.
Section 1857c, act July 14, 1955, ch. 360, title I, § 105,
formerly § 4, as added Dec. 17, 1963, Pub. L. 88–206, § 1, 77
Stat. 395; renumbered and amended § 104, Oct. 20, 1965,
Pub. L. 89–272, title I, § 101(2)–(4), 79 Stat. 992; Oct. 15,
1966, Pub. L. 89–675, § 3, 80 Stat. 954; renumbered title I,
§ 105, and amended § 105, Nov. 21, 1967, Pub. L. 90–148, § 2,
15(c)(2), 84 Stat. 1677, 1713, which related to grants for
support of air pollution planning and control programs,
was transferred to section 7405 of this title.
Section 1857c–1, act July 14, 1955, ch. 360, title I, § 106,
as added Nov. 21, 1967, Pub. L. 90–148, § 2, 81 Stat. 490;
amended Dec. 31, 1970, Pub. L. 91–604, § 3(c), 84 Stat. 1677,
which related to interstate air quality agencies and
program cost limitations, was transferred to section
7406 of this title.
Section 1857c–2, act July 14, 1955, ch. 360, title I, § 107,
which related to air quality control regions, was transferred to section 7407 of this title.
Section 1857c–3, act July 14, 1955, ch. 360, title I, § 108,
which related to air quality criteria and control techniques, was transferred to section 7408 of this title.
Section 1857c–4, act July 14, 1955, ch. 360, title I, § 109,
which related to procedure for and promulgation of national primary and secondary ambient air quality
standards, was transferred to section 7409 of this title.
Section 1857c–5, act July 14, 1955, ch. 360, title I, § 110,
S. Res. 4, Feb. 4, 1977, which related to State implementation plans for national primary and secondary ambient air quality standards, was transferred to section
7410 of this title.
Section 1857c–6, act July 14, 1955, ch. 360, title I, § 111,
amended Nov. 18, 1971, Pub. L. 92–157, title III, § 302(f),
85 Stat. 464, which related to standards of performance
for new stationary sources, was transferred to section
7411 of this title.
Section 1857c–7, act July 14, 1955, ch. 360, title I, § 112,
which related to national emission standards for hazardous air pollutants, was transferred to section 7412 of
this title.
Section 1857c–8, act July 14, 1955, ch. 360, title I, § 113,
amended Nov. 18, 1971, Pub. L. 92–157, title III, § 302(b),
(c), 85 Stat. 464; June 22, 1974, Pub. L. 93–319, § 6(a)(1)–(3),
88 Stat. 259, which related to Federal enforcement procedures, was transferred to section 7413 of this title.
Section 1857c–9, act July 14, 1955, ch. 360, title I, § 114,
259, which related to recordkeeping, inspections, monitoring, and entry, was transferred to section 7414 of
this title.

§ 112(b)(1), Aug. 7, 1977, 91 Stat. 709

title

I,

Section, act July 14, 1955, ch. 360, title I, § 119, as
added June 22, 1974, Pub. L. 93–319, § 3, 88 Stat. 248, related to the authority of the Administrator of the Environmental Protection Agency to deal with energy
shortages. See section 7413 of this title.
References to section 1857c–10 appearing in section 792
of Title 15, Commerce and Trade, shall be construed to

§§ 1857d to 1857f–6c

refer to section 7413(d) of Title 42, The Public Health
and Welfare, see Compliance Orders note set out under
section 792 of Title 15.
EFFECTIVE DATE OF REPEAL
Repeal effective Aug. 7, 1977, see section 406 of Pub. L.
95–95, set out as an Effective Date of 1977 Amendment
note under section 7401 of this title.

§§ 1857d to 1857f–6c. Transferred
CODIFICATION
Section 1857d, act July 14, 1955, ch. 360, title I, § 115,
formerly § 5, as added Dec. 17, 1963, Pub. L. 88–206, § 1, 77
Stat. 396; renumbered § 105 and amended Oct. 20, 1965,
renumbered § 108 and amended Nov. 21, 1967, Pub. L.
90–148, § 2, 81 Stat. 491; renumbered § 115 and amended
Stat. 1678, 1688, 1689, 1713, which related to abatement
of air pollution by means of conference procedure, was
transferred to section 7415 of this title.
Section 1857d–1, act July 14, 1955, ch. 360, title I, § 116,
formerly § 109 as added Nov. 21, 1967, Pub. L. 90–148, § 2,
81 Stat. 497; renumbered and amended Dec. 31, 1970,
Pub. L. 91–604, § 4(a), (c), 84 Stat. 1678, 1689; June 22, 1974,
Pub. L. 93–319, § 6(b), 88 Stat. 259, which related to retention of State authority concerning air pollution,
was transferred to section 7416 of this title.
Section 1857e, act July 14, 1955, ch. 360, title I, § 117,
formerly § 6, as added Dec. 17, 1963, Pub. L. 88–206, § 1, 77
§§ 4(a), (d), 15(c)(2), 84 Stat. 1678, 1689, 1713, which related
to an Air Quality Advisory Board and to advisory committees, was transferred to section 7417 of this title.
Section 1857f, act July 14, 1955, ch. 360, title I, § 118,
formerly § 7, as added Dec. 17, 1963, Pub. L. 88–206, § 1, 77
§§ 4(a), 5, 84 Stat. 1678, 1689, which related to control and
abatement of air pollution from Federal facilities,
Presidential exemption, and report to Congress on
Presidential exemptions, was transferred to section
7418 of this title.

SUBCHAPTER II—EMISSION STANDARDS
FOR MOVING SOURCES
PART A—MOTOR VEHICLE EMISSION AND FUEL
STANDARDS
Section 1857f–1, act July 14, 1955, ch. 360, title II, § 202,
1690; June 22, 1974, Pub. L. 93–319, § 5, 88 Stat. 258, which
related to establishment of motor vehicle emission and
fuel standards, was transferred to section 7521 of this
title.
Section 1857f–2, act July 14, 1955, ch. 360, title II, § 203,
15(c)(2), 84 Stat. 1693, 1705, 1713, which related to prohibited acts with regard to motor vehicle emissions, was
transferred to section 7522 of this title.
Section 1857f–3, act July 14, 1955, ch. 360, title II, § 204,
1694, which related to subpenas and to jurisdiction of
district courts to restrain violations, was transferred
to section 7523 of this title.
Section 1857f–4, act July 14, 1955, ch. 360, title II, § 205,




### SUBCHAPTER III—GENERAL PROVISIONS

Section 1857k–1. Section 1857k–1, as added Dec. 31, 1970, Pub. L. 91–604, § 12(a)(2), 84 Stat. 1705, which related to emergency powers of the Administrator, was transferred to section 7603 of this title.


Section 1857m. Section 1857m, as added Dec. 31, 1970, Pub. L. 91–604, § 12(a)(2), 84 Stat. 1707, which related to Federal procurement, was transferred to section 7606 of this title.
§§ 1858, 1858a. Transferred

SUBCHAPTER IV—NOISE POLLUTION

Codification

Sec. 1861. Establishment; composition.

1862. Functions.

1862a. Findings and purpose.

1862b. Establishment of Program.

1862c. Procedures, guidelines, and planning activities.

1862d. Set-aside for certain institutions.

1862e. Evaluations of research centers.

1862f. Research center consortia.

1862g. Established Program to Stimulate Competitive Research.

1862h. Congressional statement of findings and declaration of purposes respecting scientific and technical education and training.

1862i. Scientific and technical education.

1862j. Authorization of appropriations.

1862k. Findings; core strategies.

1862l. National research facilities.

1862m. Financial disclosure.

1862n. Mathematics and science education partnerships.

1862o–1. Robert Noyce Teacher Scholarship Program.

1862o–1a. National Science Foundation Teaching Fellowships and Master Teaching Fellowships.

1862o–2. Establishment of centers for research on mathematics and science learning and education improvement.

1862o–3. Duplication of programs.

1862o–4. Major research equipment and facilities construction plan.

1862o–5. Board meetings; audits; reports; scholarship eligibility.

1862o–6. Undergraduate education reform.

1862o–7. Reports.


1862o–10. Minority-serving institutions undergraduate program.

1862o–11. Postdoctoral research fellowships.

1862o–12. Responsible conduct of research.

1862o–13. Reporting of research results.

1862o–14. Sharing research results.

1862o–15. Funding for successful science, technology, engineering, and mathematics education programs.

1862o–16. Meeting critical national science needs.

1862o–17. Research on innovation and inventiveness.

1862o–18. Cyberinfrastructure.

1862o–19. Pilot program of grants for new investigators.


1862o–21. Advanced information and communications technology research.

1862o–22. Repealed.

1862o–23. Hispanic-serving institutions undergraduate program.

1862o–24. Professional science master's degree programs.

1862o–25. Major research instrumentation.


1862o–29. Partnerships for innovation.

1862o–30. Sustainable chemistry basic research.

1862o–31. Undergraduate broadening participation program.
§ 1861. Establishment; composition

There is established in the executive branch of the Government an independent agency to be known as the National Science Foundation (hereinafter referred to as the "Foundation"). The Foundation shall consist of a National Science Board (hereinafter referred to as the "Board") and a Director.

(May 10, 1950, ch. 171, § 2, 64 Stat. 149.)

SHORT TITLE OF 2019 AMENDMENT

Pub. L. 116–102, § 1, Dec. 24, 2019, 133 Stat. 3263, provided that: "This Act [amending sections 1862–5 and 1862–7 of this title and enacting provisions set out as notes under section 1862–5 of this title] may be cited as the "Building Blocks of STEM Act'."

SHORT TITLE OF 2018 AMENDMENT

Pub. L. 115–402, § 1, Dec. 31, 2018, 132 Stat. 5343, provided that: "This Act [amending section 1862–1 of this title and enacting provisions set out as notes under sections 1862–1 and 1862–2 of this title] may be cited as the 'Innovations in Mentoring, Training, and Apprenticeships Act'."

Pub. L. 115–303, § 1, Dec. 11, 2018, 132 Stat. 4399, provided that: "This Act [amending sections 1862–1 and 1862–1a of this title and enacting provisions set out as notes under section 1862–1 of this title and preceding section 40901 of Title 51, National and Commercial Space Programs] may be cited as the 'Women in Aerospace Education Act'."

SHORT TITLE OF 2017 AMENDMENT

Pub. L. 115–6, § 1, Feb. 28, 2017, 131 Stat. 11, provided that: "This Act [amending section 1865a of this title and enacting provisions set out as a note under section 1865a of this title] may be cited as the 'Promoting Women in Entrepreneurship Act'."

Pub. L. 114–329, § 1(a), Jan. 6, 2017, 130 Stat. 2969, provided that: "This Act [see Tables for classification] may be cited as the 'American Innovation and Competitiveness Act'."

SHORT TITLE OF 2016 AMENDMENT

Pub. L. 114–124, § 1, Feb. 18, 2016, 130 Stat. 120, provided that: "This Act [enacting sections 1862r–1 of this title and provisions set out as notes under sections 1862r and 1862r–1 of this title] may be cited as the 'Research Excellence and Advancements for Dyslexia Act' or the 'READ Act'."

SHORT TITLE OF 2015 AMENDMENT

Pub. L. 114–99, § 1(a), Oct. 7, 2015, 129 Stat. 540, provided that: "This Act [enacting sections 1862q of this title and amending sections 1862n–1 and 1862n–1a of this title, and enacting provisions set out as a note under section 6621 of this title] may be cited as the 'STEM Education Act of 2015'."

SHORT TITLE OF 2011 AMENDMENT

Pub. L. 111–358, § 1(a), Jan. 4, 2011, 124 Stat. 4005, provided that: "This Act [amending section 1862t of this title and enacting provisions set out as notes under sections 1862t and 1862t–1 of this title] may be cited as the 'America COMPETES Reauthorization Act of 2010' or the 'America Creating Opportunities to Meaningfully Promote Excellence in Technology, Education, and Science Reauthorization Act of 2010'."

Pub. L. 111–358, title V, § 501, Jan. 4, 2011, 124 Stat. 4005, provided that: "This subtitle [subtitle A

SHORT TITLE OF 2002 AMENDMENT


SHORT TITLE OF 1998 AMENDMENT


SHORT TITLE OF 1996 AMENDMENT


SHORT TITLE OF 1992 AMENDMENT

Pub. L. 100–418, title VI, § 6401, Aug. 23, 1988, 102 Stat. 1542, which provided that subtitle E (§§ 6401–6403) of title VI of this Act, was to be cited as the ‘‘Academic Research Facilities Modernization Act of 1988’’.

SHORT TITLE OF 1988 AMENDMENTS

Pub. L. 100–570, § 1, Oct. 31, 1988, 102 Stat. 2873, provided that: ‘‘This Act [enacting sections 1862a to 1862k of this title and amending sections 1862i and 1862n of this title] may be cited as the ‘National Science Foundation Authorization Act of 1988’.

Pub. L. 100–570, title II, § 201, Oct. 31, 1988, 102 Stat. 2873, provided that: ‘‘This title [enacting sections 1862a to 1862k of this title, repealing former sections 1862a and 1862b of this title, and enacting provisions set out as notes under section 1861 of this title] may be cited as the ‘Academic Research Facilities Modernization Act of 1988’.’’

Pub. L. 100–148, title VI, § 6401, Aug. 23, 1988, 102 Stat. 1542, which provided that subtitle E (§§ 6401–6403) of title VI of Pub. L. 100–148, enacting sections 1862a and 1862b of this title, was to be cited as the ‘‘National Science Foundation University Infrastructure Act of 1988’’, was repealed by Pub. L. 100–570, title II, § 206, Oct. 31, 1988, 102 Stat. 2873.

SHORT TITLE OF 1986 AMENDMENT

Pub. L. 99–383, § 1, Aug. 21, 1986, 100 Stat. 813, provided that: ‘‘That this Act [amending sections 1862, 1864a, 1869, and 1870 of this title and section 5316 of Title 5, Government Organization and Employees, repealing sections 1676 to 1873, 1874, 1875, 1881a, 1882, and 1885 of this title, and enacting provisions set out as notes under sections 1885a and 6614 of this title] may be cited as the ‘National Science Foundation Authorization Act for Fiscal Year 1987’.’’

SHORT TITLE OF 1985 AMENDMENT

Pub. L. 99–159, title I, § 101, Nov. 22, 1985, 99 Stat. 887, provided that: ‘‘This title [enacting section 1886 of this title, amending sections 1862, 1863, 1864, 1866 to 1872, 1873, 1874, 1881a, 1882, and 1885 of this title, repealing sections 1873a and 1884 of this title, and amending provisions set out as notes under sections 1861 and 1882 of this title] may be cited as the ‘National Science Foundation Authorization Act for Fiscal Year 1986’.’’

SHORT TITLE OF 1980 AMENDMENT


SHORT TITLE OF 1977 AMENDMENT


SHORT TITLE OF 1976 AMENDMENT

Pub. L. 94–471, § 1, Oct. 11, 1976, 90 Stat. 2053, provided: ‘‘That this Act [amending sections 1862 and 1863 of this title, amending section 1863 of this title, and enacting provisions set out as notes under sections 1862, 1864, 1873, and 3820 of this title] may be cited as the ‘National Science Foundation Authorization Act, 1977’.’’

SHORT TITLE

Act May 10, 1950, ch. 171, § 1, 64 Stat. 149, provided: ‘‘That this Act [enacting this chapter] may be cited as the ‘National Science Foundation Act of 1950’.’’

TRANSFER OF FUNCTIONS

Office of Science and Technology, including offices of Director and Deputy Director, provided for by sections 1 and 2 of Reorg. Plan No. 2 of 1962, abolished and all functions vested by law in Office of Science and Technology or Director or Deputy Director of Office of Science and Technology transferred to Director of National Science Foundation by section 2 of Reorg. Plan No. 1 of 1973, eff. July 1, 1973, set out in the Appendix to Title 5, Government Organization and Employees.

CONTINUATION OF EXISTING OFFICES, PROCEDURES, AND ORGANIZATION

Amendments by Pub. L. 90–407, July 18, 1968, 82 Stat. 360, intended to continue in effect the existing offices, procedures, and organization of the Foundation as provided by this chapter, part II of Reorg. Plan No. 2 of 1962 [set out below], and Reorg. Plan No. 5 of 1965 [set out in Appendix to Title 5, Government Organization and Employees], but on and after July 18, 1968, part II of Reorg. Plan No. 2 of 1962, and Reorg. Plan No. 5 of 1965, as being of no force or affect, and nothing in Pub. L. 90–407 as altering or affecting any transfers of functions made by part I of Reorg. Plan No. 2 of 1962, see section 16 of Pub. L. 90–407, set out as Continuation of Existing Offices, Procedures, and Organization of the National Science Foundation note under section 1862 of this title.

REORGANIZATION PLAN NO. 2 OF 1962

Prepared by the President and transmitted to the Senate and the House of Representatives in Congress assembled, March 28, 1962, pursuant to the provisions of the Reorganization Act of 1949, 63 Stat. 203, as amended [see 5 U.S.C. 901 et seq.].

**CERTAIN SCIENCE AGENCIES AND FUNCTIONS**

**PART I—OFFICE OF SCIENCE AND TECHNOLOGY**


Sec. 3. [Repealed, Pub. L. 94–232, title V, § 502, May 11, 1976, 90 Stat. 472. Section transferred to Director of the Office of Science and Technology, from National Science Foundation, certain functions formerly conferred upon the Foundation.]

Sec. 4. [Repealed, Pub. L. 94–232, title V, § 502, May 11, 1976, 90 Stat. 472. Section authorized Director of the Office of Science and Technology to appoint employees necessary for work of the Office under classified civil service and to fix their compensation in accordance with the classification laws.]

**PART II—NATIONAL SCIENCE FOUNDATION**

**SECTION 21. EXECUTIVE COMMITTEE**

(a) There is hereby established the Executive Committee of the National Science Board, hereafter in this Part referred to as the Executive Committee, which shall be composed of five voting members. Four of the members shall be elected as hereinafter provided. The Director provided for in section 22 of this reorganization plan, ex officio, shall be the fifth member and the chairman of the Executive Committee.

(b) At its annual meeting held in 1964 and at each of its succeeding annual meetings the National Science Board, hereafter in this Part referred to as the Board, shall elect two of its members as members of the Executive Committee, and the Executive Committee members so elected shall hold office for two years from the date of their election. Any person who has been a member of the Executive Committee (established by this reorganization plan) for six consecutive years shall thereafter be ineligible for service as a member thereof during the two-year period following the expiration of such term.

(c) At its first meeting held after the effective date of this Act, the Board shall elect four of its members as members of the Executive Committee. As designated by the Board, two of the Executive Committee members so elected shall hold office as such members until the date of the annual meeting of the Board held in 1964 and the other two members so elected shall hold such office until the annual meeting of the Board held in 1965.

(d) Any person elected as a member of the Executive Committee to fill a vacancy occurring prior to the expiration of the term for which his predecessor was elected shall be elected for the remainder of such term.

(e) The functions conferred upon the Executive Committee now existing under the provisions of the National Science Foundation Act of 1950 (42 U.S.C. 1865 et seq.), by the provisions of section 6 of the National Science Foundation Act of 1950 (42 U.S.C. 1865) or otherwise, are hereby transferred to the Executive Committee established by the provisions of this Part; and the authority of the National Science Board to assign its powers and functions to the now-existing Executive Committee, and statutory limitations upon such assignment, shall hereafter be applicable to the Executive Committee established by the provisions of this Part.

**SECTION 22. DIRECTOR**

(a) There is hereby established in the National Science Foundation a new office with the title of Director of the National Science Foundation. The Director of the National Science Foundation, hereafter in this Part referred to as the Director, shall be appointed by the President by and with the advice and consent of the Senate. Before any person is appointed as Director the President shall afford the Board an opportunity to make recommendations to him with respect to such appointment. The Director shall serve for a term of six years unless sooner removed by the President. The Director shall not engage in any business, vocation or employment other than that of serving as such Director, nor shall he, except with the approval of the Board, hold any office in, or act in any capacity for, any organization, agency, or institution with which the Foundation makes any contract or other arrangement under the National Science Foundation Act of 1950 (42 U.S.C. 1861 et seq.).

(b) Except to the extent inconsistent with the provisions of section 23(b)(2) of this reorganization plan, all functions of the office of Director of the National Science Foundation abolished by the provisions of subsection (a) hereof are hereby transferred to the office of Director established by the provisions of subsection (a) of this section.

(c) The Director, ex officio, shall be an additional member of the Board and, except in respect of compensation and tenure, shall be coordinate with other members of the Board. He shall be a voting member of the Board and shall be eligible for election by the Board as chairman or vice chairman of the Board. [As amended Pub. L. 88–426, title III, § 305(41)(C), Aug. 14, 1964, 78 Stat. 428.]

**SECTION 23. ABDICATIONS**

(a) The following agencies, now existing under the National Science Foundation Act of 1950 (42 U.S.C. 1861 et seq.), are hereby abolished:

1. The Executive Committee of the National Science Board (section 6 of Act; 42 U.S.C. 1864).

2. The office of Director of the National Science Foundation (sections 2 and 5 of Act; 42 U.S.C. 1861, 1864).

(b) There are also hereby abolished:

1. The functions conferred upon the National Science Board by that part of section 8(a) of the National Science Foundation Act of 1950 (42 U.S.C. 1865(a)) which reads "The Board is authorized to appoint from among its members an Executive Committee".

2. The functions of the Director of the National Science Foundation provided for in sections 4(a) and 5(a) of the National Science Foundation Act of 1950 (42 U.S.C. 1863(a), 1864(a)) with respect to serving as a nonvoting member of the Board and his functions with respect to serving as a nonvoting member of the Executive Committee provided for in section 6(b) of that Act (42 U.S.C. 1865(b)).

3. So much of the functions conferred upon divisional committees by the provisions of section 8(d) of the National Science Foundation Act of 1950 (42 U.S.C. 1867(d)) as consists of making recommendations to, and advising and consulting with, the Board.

(c) The provisions of sections 23(a)(1) and 23(b)(1) hereof shall become effective on the date of the first meeting of the Board held after the effective date of the other provisions of this reorganization plan.

**PART III. TRANSITIONAL PROVISIONS**

**SECTION 31. INCIDENTAL TRANSFERS**

(a) So much of the personnel, property, records, and unexpended balances of appropriations, allocations, and other funds employed, held, used, available, or to be made available, in connection with the functions trans-
ferred by the provisions of section 3 of this reorganization plan as the Director of the Bureau of the Budget shall determine shall be transferred to the Office of Science and Technology at such time or times as the said Director shall direct.

(b) Such further measures and dispositions as the Director of the Bureau of the Budget shall deem to be necessary in order to effectuate the provisions of this section shall be carried out in such manner as he shall direct and by such agencies as he shall designate.

SEC. 32. INTERIM OFFICERS

(a) The President may authorize any person who immediately prior to the effective date of Part I of the reorganization plan holds a position in the Executive Office of the President to act as Director of the Office of Science and Technology until the office of Director is for the first time filled pursuant to the provisions of this reorganization plan or by reappointment, as the case may be.

(b) The President may authorize any person who immediately prior to the effective date of section 22 of this reorganization plan holds any office existing under the provisions of the National Science Foundation Act of 1950 (42 U.S.C. 1861 et seq.) to act as Director of the National Science Foundation until the Office of Director is for the first time filled pursuant to the provisions of this reorganization plan or by reappointment, as the case may be.

(c) The President may authorize any person who serves in an acting capacity under the foregoing provisions of this section to receive the compensation attached to the office in respect of which he so serves. Such compensation, if authorized, shall be in lieu of, but not in addition to, other compensation from the United States to which such person may be entitled.

[Amendments by Pub. L. 90–407, July 18, 1968, 82 Stat. 360, intended to continue in effect the existing offices, procedures, and organization of the National Science Foundation as provided by this chapter, part II of Reorg. Plan No. 2 of 1962, and Reorg. Plan No. 5 of 1965, but on and after July 18, 1968, part II of Reorg. Plan No. 2 of 1962, and Reorg. Plan No. 5 of 1965, as being of no force or effect, and nothing in Pub. L. 90–407 as altering or affecting any transfers of functions made by part I of Reorg. Plan No. 2 of 1962, see section 16 of Pub. L. 90–407, set out as Continuation of Existing Offices, Procedures, and Organization of the National Science Foundation note under section 1862 of this title.]

MESSAGE OF THE PRESIDENT

To the Congress of the United States:

I transmit herewith Reorganization Plan No. 2 of 1962, prepared in accordance with the provisions of the Reorganization Act of 1949, as amended, and providing for certain reorganizations in the field of science and technology.

Part I of the reorganization plan establishes the Office of Science and Technology as a new unit within the Executive Office of the President; places at the head thereof a Director appointed by the President and by and with the advice and consent of the Senate and makes provision for a Deputy Director similarly appointed; and transfers to the Director certain functions of the National Science Foundation under sections 3(a)(1) and 3(a)(6) of the National Science Foundation Act of 1950.

The new arrangements incorporated in Part I of the reorganization plan will constitute an important development in executive branch organization for science and technology. Under those arrangements the President will have permanent staff resources capable of advising and assisting him on matters of national policy affected by or pertaining to science and technology. Considering the rapid growth and far-reaching scope of Federal activities in science and technology, it is imperative that the President have adequate staff support in developing policies and evaluating programs in order to assure that science and technology are used most effectively in the interests of national security and general welfare.

To this end it is contemplated that the Director will assist the President in discharging the responsibilities of the President for the proper coordination of Federal science and technology functions. More particularly, it is expected that he will advise and assist the President as the President may request with respect to—

(1) Major policies, plans, and programs of science and technology of the various agencies of the Federal Government, giving appropriate emphasis to the relationship of science and technology to national security and foreign policy, and measures for furthering science and technology in the Nation.

(2) Assessment of selected scientific and technical developments and programs in relation to their impact on national policies.

(3) Review, integration, and coordination of major Federal activities in science and technology, giving due consideration to the effects of such activities on non-Federal resources and institutions.

(4) Assuring that good close relations exist with the Nation’s scientific and engineering communities so as to further in every appropriate way their participation in strengthening science and technology in the United States and the free world.

(5) Such other matters consistent with law as may be assigned by the President to the Office.

The ever-growing significance and complexity of Federal programs in science and technology have in recent years necessitated the taking of several steps for improving the organizational arrangements of the executive branch in relation to science and technology:

(1) The National Science Foundation was established in 1950. The Foundation was created to meet a widely recognized need for an organization to develop and encourage a national policy for the promotion of basic research and education in the sciences, to support basic research, to evaluate research programs undertaken by Federal agencies, and to perform related functions.

(2) The Office of the Special Assistant to the President for Science and Technology was established in 1957. The Special Assistant serves as Chairman of both the President’s Science Advisory Committee and the Federal Council for Science and Technology, mentioned below.

(3) At the same time, the Science Advisory Committee, composed of eminent non-Government scientists and engineers, and located within the Office of Defense Mobilization, was reconstituted in the White House Office as the President’s Science Advisory Committee.

(4) The Federal Council for Science and Technology, composed of policy officials of the principal agencies engaged in scientific and technical activities, was established in 1959.

The National Science Foundation has proved to be an effective instrument for administering sizable programs in support of basic research and education in the sciences and has set an example for other agencies through the administration of its own programs. However, the Foundation, being at the same organizational level as other agencies, cannot satisfactorily coordinate Federal science policies or evaluate programs of other agencies. Science policies, transcending agency lines, need to be coordinated and shaped at the level of the Executive Office of the President drawing upon many resources both within and outside of Government at that higher level, so required for the evaluation of Government programs in science and technology.

Thus, the further steps contained in Part I of the reorganization plan are now needed in order to meet most effectively new and expanding requirements brought about by the rapid and far-reaching growth of the Government’s research and development programs. These requirements call for the further strengthening of science organization at the Presidential level and for the adjustment of the Foundation’s role to reflect
changed conditions. The Foundation will continue to originate policy proposals and recommendations concerning the support of basic research and education in the sciences, and the new Office will look to the Foundation to provide studies and information on which sound national policies in science and technology can be based.

Part I of the reorganization plan will permit some strengthening of the staff and consultant resources now available to the President in respect of scientific and technical factors affecting executive branch policies and will also facilitate communication with the Congress.

Part II of the reorganization plan provides for certain reorganizations within the National Science Foundation which will strengthen the capability of the Director of the Foundation to exert leadership and otherwise further the effectiveness of administration of the Foundation. Specifically:

(1) There is established a new office of Director of the National Science Foundation and that Director, ex officio, is made a member of the National Science Board on a basis coordinate with that of other Board members.

(2) There is substituted for the now-existing Executive Committee of the National Science Board a new Executive Committee composed of the Director of the National Science Foundation, ex officio, as a voting member and Chairman of the Committee, and of four other members elected by the National Science Board from among its appointive members.

(3) Committees advisory to each of the divisions of the Foundation will make their recommendations to the Director only rather than to both the Director and the National Science Board.

After investigation I have found and hereby declare that each reorganization included in Reorganization Plan No. 2 of 1962 is necessary to accomplish one or more of the purposes set forth in section 2(a) of the Reorganization Act of 1949, as amended.

I have found and hereby declare that it is necessary to include in the reorganization plan, by reason of reorganizations made thereby, provisions for the appointment and compensation of the Director and Deputy Director of the Office of Science and Technology and of the Director of the National Science Foundation. The rate of compensation fixed for each of these officers is that which I have found to prevail in respect of comparable officers in the executive branch of the Government.

The functions abolished by the provisions of section 23(b) of the reorganization plan are provided for in sections 4(a), 5(a), 6(a), 6(b), and 8(d) of the National Science Foundation Act of 1950.

The taking effect of the reorganizations included in the reorganization plan will provide sound organizational arrangements and will make possible more effective and efficient administration of Government programs in science and technology. It is, however, impracticable to itemize at this time the reductions in expenditures which it is probable will be brought about by such taking effect.

I recommend that the Congress allow the reorganization plan to become effective.

JOHN F. KENNEDY.


§ 1862. Functions

(a) Initiation and support of studies and programs; scholarships, current register of scientific and engineering personnel

The Foundation is authorized and directed—

(1) to initiate and support basic scientific research and programs to strengthen scientific research potential and science education programs at all levels in the mathematical, physical, medical, biological, social, and other sciences, and to initiate and support research fundamental to the engineering process and programs to strengthen engineering research potential and engineering education programs at all levels in the various fields of engineering, by making contracts or other arrangements (including grants, loans, and other forms of assistance) to support such scientific, engineering, and educational activities and to appraise the impact of research upon industrial development and upon the general welfare;

(2) to award, as provided in section 1869 of this title, scholarships and graduate fellowships for study and research in the sciences or in engineering;

(3) to foster the interchange of scientific and engineering information among scientists and engineers in the United States and foreign countries;

(4) to foster and support the development and use of computer and other scientific and engineering methods and technologies, primarily for research and education in the sciences and engineering;

(5) to evaluate the status and needs of the various sciences and fields of engineering as evidenced by programs, projects, and studies undertaken by agencies of the Federal Government, by individuals, and by public and private research groups, employing by grant or contract such consulting services as it may deem necessary for the purpose of such evaluations; and to take into consideration the results of such evaluations in correlating the research and educational programs undertaken or supported by the Foundation with programs, projects, and studies undertaken by agencies of the Federal Government, by individuals, and by public and private research groups;

(6) to provide a central clearinghouse for the collection, interpretation, and analysis of data on scientific and engineering resources and to provide a source of information for policy formulation by other agencies of the Federal Government;

(7) to initiate and maintain a program for the determination of the total amount of money for scientific and engineering research, including money allocated for the construction of the facilities wherein such research is conducted, received by each educational institution and appropriate nonprofit organization in the United States, by grant, contract, or other arrangement from agencies of the Federal Government, and to report annually thereon to the President and the Congress; and

(8) to take a leading role in fostering and supporting research and education activities to improve the security of networked information systems.

(b) Contracts, grants, loans, etc., for scientific and engineering activities; financing of programs

The Foundation is authorized to initiate and support specific scientific and engineering activities in connection with matters relating to international cooperation, national security, and the effects of scientific and engineering ap-

AMENDMENTS

1986—Subsec. (a)(6). Pub. L. 99–383 amended par. (6) generally. Prior to amendment, par. (6) read as follows: “to maintain a current register of scientific and engineering personnel, and in other ways to provide a central clearinghouse for the collection, interpretation, and analysis of data on the availability of, and the current and projected need for, scientific and engineering resources in the United States, and to provide a source of information for policy formulation by other agencies of the Federal Government; and”.
Subsec. (a)(2). Pub. L. 99–159, § 110(a)(2), substituted “for study and research in the sciences or in engineering” for “for study and research in the sciences and engineering”. 
Subsec. (b). Pub. L. 99–159, §§ 109(e)(2), 110(a)(8), inserted reference to engineering in two places and substituted “1873(f)” for “1873(g)”.
Subsec. (d). Pub. L. 99–159, § 110(a)(10), substituted “research and education in science and engineering” for “basic research and education in the sciences”.
1977—Subsec. (a). Pub. L. 95–99 substituted “an objective” for “one of the objectives”.
1972—Subsec. (a)(1). Pub. L. 92–372 inserted support of science education programs at all levels to the functions of the Foundation and substituted “scientific and educational activities” for “scientific activities”. 

(plications upon society by making contracts or other arrangements (including grants, loans, and other forms of assistance) for the conduct of such activities. When initiated or supported pursuant to requests made by any other Federal department or agency, including the Office of Technology Assessment, such activities shall be financed whenever feasible from funds transferred to the Foundation by the requesting official as provided in section 1873(f) of this title, and any such activities shall be unclassified and shall be identified by the Foundation as being undertaken at the request of the appropriate official.

(c) Scientific and engineering research programs at academic and other nonprofit institutions; applied scientific and engineering research programs by Presidential directive; employment of consulting services; coordination of activities

In addition to the authority contained in subsections (a) and (b), the Foundation is authorized to initiate and support scientific and engineering research, including applied research, at academic and other nonprofit institutions. When so directed by the President, the Foundation is further authorized to support, through other appropriate organizations, applied scientific research and engineering research relevant to national problems involving the public interest. In exercising the authority contained in this subsection, the Foundation may employ by grant or contract such consulting services as it deems necessary, and shall coordinate and correlate its activities with respect to any such problem with other agencies of the Federal Government undertaking similar programs in that field.

(d) Promotion of research and education in science and engineering

The Board and the Director shall recommend and encourage the pursuit of national policies for the promotion of research and education in science and engineering.

(e) Balancing of research and educational activities in the sciences and engineering

In exercising the authority and discharging the functions referred to in the foregoing subsections, it shall be an objective of the Foundation to strengthen research and education in the sciences and engineering, including independent research by individuals, throughout the United States, and to avoid undue concentration of such research and education.

(f) Annual report to the President and Congress

The Foundation shall render an annual report to the President for submission on or before the 15th day of April of each year to the Congress summarizing the activities of the Foundation and making such recommendations as it may deem appropriate. Such report shall include information as to the acquisition and disposition by the Foundation of any patents and patent rights.

(g) Support of access to computer networks

In carrying out subsection (a)(4), the Foundation is authorized to foster and support access by the research and education communities to computer networks which may be used substan-
Subsec. (b). Pub. L. 92–484 inserted provisions authorizing the Foundation to initiate and support specific scientific activities in connection with matters relating to the effects of scientific applications upon society, and substituted provisions relating to the initiation or support pursuant to requests of activities by any other Federal department or agency, including the Office of Technology Assessment, for provisions relating to the initiation or support pursuant to requests of activities by the Secretary of State or Secretary of Defense.

1968—Subsec. (a)(1). Pub. L. 90–407 redesignated par. (2) as (1) and added social sciences to the enumerated list of sciences. Former par. (1) redesignated subsec. (d).

Subsec. (a)(2). Pub. L. 90–407 redesignated par. (4) as (2) and added social sciences to the enumerated list of sciences. Former par. (2) redesignated (1).


Subsec. (a)(5). Pub. L. 90–407 redesignated par. (6) as (5) and provided for the employment of consulting services, by grant or contract, to assist in the evaluation of the status and needs of the various sciences as evidenced by the programs and studies undertaken by agencies of the government, by individuals, and by public and private research groups, and provided for the consideration of the results of such evaluations in the correlation of the Foundation’s programs with those undertaken by agencies of the government, as well as those undertaken by individuals and by public and private research groups. Former par. (5) redesignated (3).

Subsec. (a)(6). Pub. L. 90–407 redesignated par. (8) as (6) and provided that the register of scientific and technical personnel shall be current, and authorized the Foundation to analyze and interpret the collected data on the availability of, and the current and projected need for, scientific and technical resources in the United States and to make such information available to other agencies of the government for policy formulation. Former par. (6) redesignated (5).

Subsec. (a)(7). Pub. L. 90–407 added par. (7). Former par. (7), which provided for the establishment of such special commissions as the Board may from time to time deem necessary for the purposes of this chapter, was struck out.


Subsec. (a)(9). Pub. L. 90–407 struck out par. (9) which authorized the Foundation to initiate and support a program of study, research, and evaluation in the field of weather modification, with particular attention to areas experiencing floods, drought, etc., and to report annually to the President and the Congress thereon.

Subsec. (b). Pub. L. 90–407 redesignated former subsec. (a)(3) as (b) and substituted provisions authorizing the Foundation to initiate and support specific scientific activities in matters related to international cooperation or national security for provisions authorizing the Foundation to initiate and support only scientific research activities, only in matters related to national defense and only when requested to do so by the Secretary of Defense, and inserted provisions specifying the manner of financing such scientific activities. Former subsec. (b) redesignated (e).


Subsec. (d). Pub. L. 90–407 redesignated former subsec. (a)(1) as (d) and substituted provisions authorizing the Board and the Director to recommend and encourage national policies promoting basic research and education in the sciences for provisions authorizing and directing the Foundation to develop and encourage such policies.

Subsec. (e). Pub. L. 90–407 redesignated former subsec. (b) as (e), substituted “the foregoing subsections” for “subsection (a) of this section”, “strengthen research” for “strengthen basic research”, and struck out reference to the territories and possessions of the United States.

Subsec. (i). Pub. L. 90–407 redesignated former subsec. (c) as (f) and struck out provision requiring the report to include the minority views and recommendations if any, of members of the Board.

1958—Subsec. (a)(2). Pub. L. 86–232 clarified the Foundation’s authority to sustain and strengthen scientific research potential.


TRANSFER OF NATIONAL SCIENCE FOUNDATION PROGRAMS

For transfer of all programs relating to science education of the National Science Foundation or the Director thereof under this chapter, with certain exceptions, to the Secretary of Education, see section 3444 of Title 20, Education.

MANAGEMENT OF THE U.S. ANTARCTIC PROGRAM

Pub. L. 114–329, title I, § 112, Jan. 6, 2017, 130 Stat. 2992, provided that:

“(a) REVIEW.—

“(1) IN GENERAL.—The Director of the Foundation shall continue to review the efforts by the Foundation to sustain and strengthen scientific efforts in the face of logistical challenges for the United States Antarctic Program.

“(2) ISSUES TO BE EXAMINED.—In conducting the review, the Director shall examine, at a minimum, the following:

“A. Implementation by the Foundation of issues and recommendations identified by—

“(i) the Inspector General of the National Science Foundation in audit reports and memoranda on the United States Antarctic Program in the last 4 years;

“(ii) the U.S. Antarctic Program Blue Ribbon Panel report, More and Better Science in Antarctica through Increased Logistical Effectiveness, issued July 23, 2012; and

“(iii) the National Research Council report, Future Science Opportunities in Antarctica and the Southern Ocean, issued September 2011.

“(B) Efforts by the Foundation to track its progress in addressing the issues and recommendations under subparagraph (A).

“(C) Efforts by the Foundation to address other opportunities and challenges, including efforts on scientific research, coordination with other Federal agencies and international partners, logistics and transportation, health and safety of participants, oversight and financial management of awardees and contractors, and resources and policy challenges.

“(B) BRIEFING.—Not later than 180 days after the date of enactment of this Act [Jan. 6, 2017], the Director shall brief the appropriate committees of Congress on the ongoing review, including findings and any recommendations.

[(For definitions of terms used in section 112 of Pub. L. 114–329, set out above, see section 2 of Pub. L. 114–329, set out as a note under section 1862s of this title.)]

NSF STUDY AND REPORT ON THE ‘DIGITAL DIVIDE’


“(a) STUDY.—The National Science Foundation shall conduct a study of the divergence in access to high technology (commonly referred to as the ‘digital divide’) in the United States.

“(B) REPORT.—Not later than 18 months after the date of enactment of this Act [Oct. 17, 2000], the Director of the National Science Foundation shall submit a report to Congress setting forth the findings of the study conducted under subsection (a).”

IMPROVING UNITED STATES UNDERSTANDING OF SCIENCE, ENGINEERING, AND TECHNOLOGY IN EAST ASIA

Pub. L. 105–244, title VIII, § 831, Oct. 7, 1998, 112 Stat. 1820, which provided for an interdisciplinary program of...

**STATUS OF SCIENTIFIC INSTRUMENTATION; CURRENT AND PROJECTED NEEDS FOR SCIENTIFIC AND TECHNOLOGICAL INSTRUMENTATION; DEVELOPMENT OF INDICES, CORRELATES, OR OTHER SUITABLE MEASURES OR INDICATORS**

Pub. L. 96–44, §7, Aug. 2, 1979, 93 Stat. 334, provided that: “In partial fulfillment of the established statutory requirement that the National Science Foundation evaluate the status of and current and projected need for scientific resources (section 3(a)(5) and (6) of Public Law 81–507, as amended [subsec. (a)(5) and (6) of this section]), the National Science Foundation shall develop indices, correlates, or other suitable measures or indicators of the status of scientific instrumentation in the United States and of the current and projected need for scientific and technological instrumentation.”

**FLOOD HAZARD MITIGATION STUDY**


**AUTHORIZED USE OF FUNDS UNDER SCIENCE AND SOCIETY PROGRAM**

Pub. L. 96–99, §5, Aug. 15, 1977, 91 Stat. 832, provided that:

“(a) From the funds authorized under the program ‘Science and Society’, the National Science Foundation is authorized to provide support which is designed to—

“(1) improve public understanding of public policy issues involving science and technology;

“(2) facilitate the participation of qualified scientists and engineers and of undergraduate and graduate students in public activities aimed at the resolution of public policy issues having significant scientific and technical aspects; and

“(3) assist nonprofit, citizens, and bona fide public interest groups to acquire necessary scientific and technical expertise in order to improve their comprehension of scientific and technical aspects of public policy issues.

“(b) Awards made pursuant to this section shall, to the extent feasible, include support for—

“(1) qualified scientists and engineers to work on public policy issues with significant scientific and technical components in conjunction with units of State and local government, nonprofit organizations, or bona fide public interest groups;

“(2) internship programs for science and engineering undergraduate or graduate students to work on public policy issues with significant scientific and technical components in conjunction with units of State and local government, nonprofit organizations, or bona fide public interest groups as part of their academic training;

“(3) forums, conferences, and workshops on public policy issues with significant scientific and technical components;

“(4) training in the presentation of scientific and technical studies in a manner which (A) improves public understanding of the ways in which science and technology influence contemporary life, (B) improves public access to the results of scientific and technical research, (C) encourages and facilitates interaction between laypersons and scientists on public issues with important scientific and technological components, and (D) increases public knowledge and understanding of the ethical and value implications of scientific and technological developments;

“(5) new and existing programs using radio or television to increase public understanding of public policy issues with significant scientific and technical components; and

“(6) bona fide public interest groups to acquire necessary scientific and technical expertise relating to the scientific and technical aspects of public policy issues and to enable such groups to bring together in appropriate forums experts whose research has been directed to the resolution of such issues.”

**ESTABLISHMENT OF “SCIENCE FOR CITIZENS PROGRAM”**

Conducted with “Public Understanding of Science Program”

Pub. L. 94–471, §5, Oct. 11, 1976, 90 Stat. 2654, provided that:

“(a) The National Science Foundation is authorized and directed to conduct an experimental ‘Science for Citizens Program’ and an augmented Public Understanding of Science Program under which funds will be available for pilot projects to:

“(1) improve public understanding of science, engineering and technology and their impact on public policy issues;

“(2) facilitate the participation of experienced scientists and engineers as well as graduate and undergraduate students in helping the public understand science, engineering and technology and their impact on public policies; and

“(3) assist nationally recognized professional societies and groups serving important public purposes in conducting a limited number of forums, conferences, and workshops to increase public understanding of science and technology, and of their impact on public policy issues, after consideration of the following eligibility factors:

“(A) the extent to which the proposal of the society or group will contribute to the development of facts, issues, and arguments relevant to public policy issues having significant scientific and technical aspects, and

“(B) the ability of the society or group, using its own resources, to conduct such forums, conferences, and workshops.

“(b) One or more review panels shall be established for the purpose of evaluating applications for awards under this section. The membership of each review panel shall have balanced representation from the scientific and nonscientific communities and the public and private sectors.

“(c) No contract, grant or other arrangement shall be made under this Section without the prior approval of the National Science Board.

“(d) To assist the Congress in evaluating activities initiated pursuant to this Section, the Director of the National Science Foundation, in consultation with a review panel having a balanced representation from the scientific and nonscientific communities and the public and private sectors, is directed to prepare a comprehensive analysis and assessment of such activities to be submitted to the House Committee on Science and Technology [now Committee on Science, Space, and Technology] and the Senate Committee on Labor and Public Welfare [now Committee on Health, Education, Labor, and Pensions], not later than October 31, 1977. An interim report is required no later than March 4, 1977.”

**DEVELOPMENT OF PROGRAM PLAN FOR CONTINUING EDUCATION IN SCIENCE AND ENGINEERING**

Pub. L. 94–471, §6, Oct. 11, 1976, 90 Stat. 2655, required the National Science Foundation to develop a program plan for continuing education in science and engineering and, not later than Oct. 31, 1977, provide specific committees of the House of Representatives and Senate a report on the plan developed with recommendations for implementation in fiscal year 1978.

**DENIAL OF FINANCIAL ASSISTANCE TO CAMPUS DISRUPTERS**

Pub. L. 93–96, §7, Aug. 16, 1973, 87 Stat. 316, provided that: “(a) If an institution of higher education determines, after affording notice and opportunity for hearing to an
individual attending, or employed by, such institution, that such individual has willfully refused to obey a law-enforcement official or student in such institution from engaging in their duties or pursuing their studies, and that such crime was of a serious nature and contributed to a substantial disruption of the administration of the institution with respect to which such crime was committed, then the institution which such individual attends, or is employed by, shall deny for a period of two years any further payment to, or for the direct benefit of, such individual under any of the programs specified in subsection (c). If an institution denies an individual assistance under the authority of the preceding sentence of this subsection, then any institution which such individual subsequently attends shall deny for the remainder of the two-year period any further payment to, or for the direct benefit of, such individual under any of the programs specified in subsection (c).

"(b) If an institution of higher education determines, after affording notice and opportunity for hearing to an individual attending, or employed by, such institution, that such individual has willfully refused to obey a law-enforcement official or student in such institution after the date of enactment of this Act [Aug, 16, 1973], and that such refusal was of a serious nature and contributed to a substantial disruption of the administration of such institution, then such institution shall deny, for a period of two years, any further payment to, or for the direct benefit of, such individual under any of the programs specified in subsection (c).

"(c) The programs referred to in subsections (a) and (b) are as follows:

"(1) The programs authorized by the National Science Foundation Act of 1950 [this chapter]; and


"(d)(1) Nothing in this Act [Pub. L. 93–96], or any Act amended by this Act, shall be construed to prohibit any institution of higher education from refusing to award, continue, or extend any financial assistance under any such Act to any individual because of any misconduct which in its judgment bears adversely on his fitness for such assistance.

"(2) Nothing in this section shall be construed as limiting or prejudicing the rights and prerogatives of any institution of higher education to institute and carry out an independent, disciplinary proceeding pursuant to existing authority, practice, and law.

"(e) Nothing in this section shall be construed to limit the freedom of any student to verbal expression of individual views or opinions."

Similar provisions were contained in the following National Science Foundation Authorization Acts:


CONTINUATION OF AUTHORIZATION FOR WEATHER MODIFICATION PROGRAMS; REPEAL

Pub. L. 90–407, § 11(t), July 18, 1968, 82 Stat. 365, provided in part that the authorization for the programs initiated under former subsec. (a)(9) of this section shall continue in effect until Sept. 1, 1968 for the purposes of section 1872a of this title.

CONTINUATION OF EXISTING OFFICERS, PROCEDURES, AND ORGANIZATION OF THE NATIONAL SCIENCE FOUNDATION

Pub. L. 90–407, § 16, July 18, 1968, 82 Stat. 367, provided that: "Except as otherwise specifically provided therein, the amendments made by this Act [enacting section 1864 of this title, amending sections 1862 to 1866, 1868 to 1870, 1872 to 1875, and 1877 of this title, sections 5313, 5314, and 5316 of Title 5, Government Organization and Employees, repealing sections 1867 and 1872a of this title, and enacting provisions set out as a note under section 5313 of Title 5] are intended to continue in effect under the National Science Foundation Act of 1950 [this chapter] the existing offices, procedures, and organization of the National Science Foundation as provided by such Act, [this subchapter] part I of Reorganization Plan Numbered 2 of 1962, and Reorganization Plan Numbered 5 of 1965 [set out as a note under section 1861 of this title]. From and after the date of the enactment of this Act [July 18, 1968], part II of Reorganization Plan Numbered 2 of 1962, and Reorganization Plan Numbered 5 of 1965, shall be of no force or effect; but nothing in this Act shall alter or affect any transfers of Federal funds made by part I of such Reorganization Plan Numbered 2 of 1962."

INVESTIGATION OF NEED FOR GEOPHYSICAL INSTITUTE IN TERRITORY OF HAWAII

Act Aug. 1, 1956, ch. 865, 70 Stat. 922, directed the National Science Foundation to conduct an investigation into the need for and the feasibility and usefulness of a geophysical institute located in the Territory [now State] of Hawaii. The Foundation was required to report the results of its investigations, together with its recommendations based thereon, to the Congress not later than 9 months after Aug. 1, 1956.

EX. ORD. NO. 10521, ADMINISTRATION OF SCIENTIFIC RESEARCH


SECTION 1. The National Science Foundation (hereinafter referred to as the Foundation) shall from time to time recommend to the President policies for the promotion and support of basic research in the sciences, including policies with respect to furnishing guidance toward defining the responsibilities of the Federal Government in the conduct and support of basic scientific research.

SIC. 2. The Foundation shall continue to make comprehensive studies and recommendations regarding the Nation's scientific research effort and its resources for scientific activities, including facilities and scientific personnel, and its foreseeable scientific needs, with particular attention to the extent of the Federal Government's activities and the resulting effects upon trained scientific personnel. In making such studies, the Foundation shall make full use of existing sources of information and research facilities within the Federal Government.

SIC. 3. The Foundation, in concert with each Federal agency concerned, shall review the basic scientific research programs and activities of the Federal Government in order, among other purposes, to formulate methods for strengthening the administration of such programs and activities by the responsible agencies, and to study areas of basic research where gaps or undesirable overlapping of support may exist, and shall recommend to the heads of agencies concerning the support given to basic research.

SIC. 4. As now or hereafter authorized or permitted by law, the Foundation shall be increasingly responsible for providing support by the Federal Government for general-purpose basic research through contracts and grants. The conduct and support by other Federal agencies of basic research in areas which are closely related to their missions is recognized as important and desirable, especially in response to current national needs, and shall continue.

SIC. 5. The Foundation, in consultation with educational institutions, the heads of Federal agencies, and the Commissioner of Education of the Department of Health, Education, and Welfare [now Secretary of Education], shall study the need for and the feasibility and usefulness of Federal financial support for education in the sciences.
opment, and shall recommend policies and procedures which will promote the attainment of general national research objectives and realization of the research needs of Federal agencies while safeguarding the strength and independence of the Nation's institutions of learning.

Sinc. The head of each Federal agency engaged in scientific research shall make certain that effective executive, organizational, and fiscal practices exist to ensure (a) that the Foundation is consulted on policies concerning the support of basic research, (b) that approved scientific research programs conducted by the agency are reviewed continuously in order to preserve priorities in research efforts and to adjust programs to meet the needs of Federal agencies without imposing unnecessary added burdens on budgetary and other resources, (c) that applied research and development shall be undertaken with sufficient consideration of the underlying basic research and such other factors as relative urgency, project costs, and availability of manpower and facilities, and (d) that, subject to considerations of security and applicable law, adequate dissemination shall be made within the Federal Government of reports on the nature and progress of research projects as an aid to the efficiency and economy of the overall Federal scientific research program.

Sinc. Federal agencies supporting or engaging in scientific research shall, with the assistance of the Foundation, cooperate in an effort to improve the methods of classification and reporting of scientific research projects and activities, subject to the requirements of security of information.

Sinc. To facilitate the efficient use of scientific research equipment and facilities held by Federal agencies:

(a) the head of each such agency engaged in scientific research shall, to the extent practicable, encourage and facilitate the sharing with other Federal agencies of major equipment and facilities; and

(b) a Federal agency shall procure new major equipment and facilities for scientific research purposes only after taking suitable steps to ascertain that the need cannot be met adequately from existing inventories or facilities of its own or of other agencies; and

(c) the Interdepartmental Committee on Scientific Research and Development shall take necessary steps to ensure that each Federal agency engaged directly in scientific research is kept informed of selected major equipment and facilities which could serve the needs of more than one agency. Each Federal agency possessing such equipment and facilities shall maintain appropriate records to assist other agencies in arranging for their joint use or exchange.

Sinc. The heads of the respective Federal agencies shall make such reports concerning activities within the purview of this order as may be required by the President.

Sinc. The National Science Foundation shall provide leadership in the effective coordination of the scientific information activities of the Federal Government with a view to improving the availability and dissemination of scientific information. Federal agencies shall cooperate with and assist the National Science Foundation in the performance of this function, to the extent permitted by law.

EXECUTIVE ORDER NO. 10807

ABOLITION OF FEDERAL COUNCIL FOR SCIENCE AND TECHNOLOGY

§ 1862a. Findings and purpose

(a) The Congress finds that—

(1) the fundamental research and related education program supported by the Federal Government and conducted by the Nation's universities and colleges are essential to our national security, and to our health, economic welfare, and general well-being;

(2) many national research and related education programs conducted by universities and colleges are now hindered by obsolete research buildings and equipment, and many institutions lack sufficient resources to repair, renovate, or replace their laboratories;

(3) the Nation's capacity to conduct high quality research and education programs and to maintain its competitive position at the forefront of modern science, engineering, and technology is threatened by this research capital deficit, which poses serious and adverse consequences to our future national security, health, welfare, and ability to compete in the international marketplace;

(4) a national effort to spur reinvestment in research facilities is needed, and national, State, and local policies and cooperative programs are required that will yield maximum return on the investment of scarce national resources and sustain a commitment to excellence in research and education; and

(5) the Foundation, as part of its responsibility for maintaining the vitality of the Nation's academic research, and in partnership with the States, industry, and universities and colleges, must assist in enhancing the historic linkages between Federal investment in academic research and training and investment in the research capital base by reinvesting in the capital facilities which modern research and education programs require.

(b) It is the purpose of sections 1862a to 1862d of this title to assist in modernizing and revitalizing the Nation's research facilities at institutions of higher education, independent non-profit research institutions and research museums, and consortia thereof, through capital investment.


REFERENCES IN TEXT

Sections 1862a to 1862d of this title, referred to in subsec. (b), was in the original "this title", meaning title II of Pub. L. 100–570, Oct. 31, 1988, 102 Stat. 2673, known as the Academic Research Facilities Modernization Act of 1988, which enacted sections 1862a to 1862d of this title, repealed former sections 1862a and 1862b of this title, and repealed provisions set out as a note under section 1861 of this title. For complete classification of this Act to the Code, see Short Title of 1988 Amendments note set out under section 1861 of this title and Tables.
§ 1862b  TITLE 42—THE PUBLIC HEALTH AND WELFARE

CODIFICATION
Section was enacted as part of the Academic Research Facilities Modernization Act of 1988, and also as part of the National Science Foundation Authorization Act of 1990 which comprises this chapter.

PRIOR PROVISIONS

§ 1862b. Establishment of Program

(a) Establishment; purpose

(1) To carry out sections 1862a to 1862d of this title, the Director shall establish and carry out a new Academic Research Facilities Modernization Program (hereafter in sections 1862a to 1862d of this title referred to as the “Program”), under which awards are made to institutions of higher education, independent nonprofit research institutions, and research museums, and consortia thereof, for the repair, renovation, or, in exceptional cases, replacement of obsolete science and engineering facilities primarily devoted to research.

(2) Such awards shall, consistent with the functions of the Foundation set forth in section 1862 of this title and through established Foundation selection procedures, serve to—

(A) promote the modernization of graduate academic science and engineering research laboratories and related facilities so as to facilitate and support research in the scientific and engineering disciplines;

(B) assist those academic institutions that historically have received relatively little Federal research and development funding to improve their academic science and engineering infrastructures and broaden and strengthen the Nation’s science and engineering base; and

(C) promote the modernization of undergraduate academic science and engineering research laboratories and related facilities so as to facilitate and support research in the scientific and engineering disciplines.

(b) Improvement projects; maximum amounts

(1) The Program shall be carried out through projects which involve the repair, renovation, or, in exceptional cases, replacement of specific science and engineering facilities devoted primarily to research at eligible institutions, or consortia thereof, and for which funds are awarded in response to specific proposals submitted by such eligible institutions or consortia in accordance with procedures prescribed by the Director pursuant to section 1862c of this title.

(2) Awards made under the Program shall not exceed $7,000,000 to any institution or consortium over any period of 5 years for the repair, renovation, or, in exceptional cases, replacement of academic research facilities.

(3) The Director shall, in making awards under the Program, consider the extent to which that institution or consortium has received funds for the repair, renovation, construction, or replacement of academic facilities from any other Federal funding source within the 5-year period immediately preceding the application. The Director shall give priority to institutions or consortia that have not received such funds in the preceding 5 years.

(4) The Director shall, in awarding funds under sections 1862a to 1862d of this title, consider the distribution of funds among institutions of different sizes and geographical locations.

(c) Criteria for award of funds

Criteria for the award of funds to any institution for a project under the Program shall include—

(1) the quality of the research and training to be carried out in the facility or facilities involved;

(2) the need for the proposed repair, renovation, or, in exceptional cases, replacement based on an analysis of the age and condition of existing research facilities and equipment;

(3) the congruence of the institution’s research and training activities with the future research needs of the Nation and the research mission of the Foundation;

(4) the contribution that the project will make toward meeting national, regional, and institutional research and related training needs;

(5) in the case of an institution that historically has received relatively little Federal research and development funding, the contribution the proposed project will make to improving the institution’s academic scientific and engineering infrastructure and broadening the Nation’s science and engineering base; and

(6) the impact of the award on the overall geographic distribution of awards made under the Program, with the objective of avoiding undue concentration of awards.


CODIFICATION
Section was enacted as part of the Academic Research Facilities Modernization Act of 1988, and also as part of the National Science Foundation Authorization Act of 1990, and not as part of the National Science Foundation Act of 1950 which comprises this chapter.

PRIOR PROVISIONS

MAJOR RESEARCH INSTRUMENTATION
Pub. L. 107–368, §13, Dec. 19, 2002, 116 Stat. 3055, required Director of the National Science Foundation to conduct a review and assessment of the major research instrumentation program and, not later than 1 year after Dec. 19, 2002, submit a report, including specified estimates, descriptions and analyses, of findings and recommendations to certain Congressional committees, and also required the Director to enter into an arrangement with the National Academy of Sciences to assess the need for an interagency program to establish and support fully equipped, state-of-the-art university-based centers for interdisciplinary research and advanced instrumentation development, and not later than 15 months after Dec. 19, 2002, to transmit to the committees the assessment conducted by the National Academy of Sciences together with the Foundation’s reaction to the assessment.
§ 1862c. Procedures, guidelines, and planning activities

(a) Procedures

(1) The Director shall, consistent with the objectives of the Program and the criteria set forth in section 1862b(c) of this title, set forth procedures for the Program.

(2) The procedures so prescribed shall contain such terms, conditions, and guidelines as may be necessary in the light of Program objectives, but shall in any event provide that—

(A) funds to carry out the Program will be awarded only on the basis of merit after a comprehensive review using established Foundation procedures;

(B) the membership of merit review panels that assess proposals will be broadly representative of eligible institutions, including research universities and predominantly undergraduate and minority institutions;

(C) the institution receiving an award shall provide at least 50 percent of the cost, in cash or in kind, fairly evaluated, of the repair, renovation, or replacement involved and shall provide this contribution from private or non-Federal public sources, except that the Director may accept a match of less than 50 percent, but at least 30 percent, for institutions which are not ranked among the top 100 of the institutions receiving Federal research and development funding, as documented in the latest annual report of the Foundation entitled “Federal Support to Universities, Colleges, and Selected Nonprofit Institutions”; and

(D) to the extent practicable, eligible institutions of a given type will compete against similar institutions for Program awards.

(b) Comprehensive planning activities

The Director shall conduct comprehensive planning activities, including surveys of research facility needs and other information-gathering activities, necessary to implement the Program and to develop the procedures called for under subsection (a) of this section.

(c) Guidelines

Prior to the issuance of the comprehensive plan required by subsection (d) of this section, and consistent with the Program criteria set forth in section 1862b(c) of this title, the Director shall publish in the Federal Register proposed Program guidelines for public review for a comment period of 30 days. Such guidelines shall provide detailed information on eligibility, criteria, terms, and conditions and shall include, but not be limited to—

(1) definitions for the terms “institutions of higher education”, “private non-profit research organizations”, “research museums”, “consortia”, “facilities”, “facilities primarily devoted to research”, “instrumentation”, “equipment”, “repair”, “renovation”, and “replacement”;

(2) selection criteria to be used by the Foundation in evaluating proposals from institutions and consortia thereof, including criteria for evaluating scientific merit and for evaluating the age and condition of existing research facilities; and

(3) requirements for matching a Program award with contributions from non-Federal sources.

(d) Comprehensive plan

The Director, after gathering appropriate information and after considering comments on the proposed Program guidelines published in the Federal Register pursuant to subsection (c) of this section, shall develop a comprehensive plan for the Program that—

(1) defines the appropriate roles and responsibilities of the Federal Government, institutions of higher education, State governments, private foundations, and other appropriate organizations;

(2) states what procedures will be used to ensure that predominantly undergraduate institutions and colleges and universities that historically have received little Federal research and development funding will receive substantial percentages of the funds awarded under sections 1862a to 1862d of this title;

(3) states the estimated percentage of Program funds available for each category of eligible institutions, including predominantly undergraduate institutions and colleges and universities that historically have received little Federal research and development funding as well as research universities; and

(4) evaluates and addresses, to the maximum extent possible, a variety of factors which include—

(A) the unique circumstances and research facilities needs of research universities, undergraduate institutions, and other institutions whose enrollment includes substantial percentages of minorities underrepresented in science and engineering research;

(B) innovative approaches in the management of the Program that address both short-term and long-term aspects of the renovation, repair, and replacement of academic research facilities;

(C) programmatic approaches that recognize and support excellence, strengthen scientific and engineering research potential and, to the maximum extent possible and consistent with the purposes of this Act, assure an equitable distribution of resources with respect to institutions and geographical areas; and

(D) any recommendations necessary to improve the Program and further meet the purposes of sections 1862a to 1862d of this title.

(e) Report

The Director shall prepare and submit, not later than June 15, 1989, a report containing the comprehensive plan required by subsection (d) of this section to the Committee on Labor and Human Resources and the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Science, Space, and Technology of the House of Representatives.

(f) Final guidelines

Final guidelines shall be published in the Federal Register not later than 45 days after the submission of the report required under subsection (e).

(g) Amount available for this section

The Director shall, from amounts available to the Foundation under section 101(b) of this Act for fiscal year 1989, make available an amount,
not to exceed $1,000,000, to carry out the provisions of this section. None of the funds authorized to be appropriated in section 101 of this Act may be used for grant or contract awards under the Program prior to completion and submission to Congress of the comprehensive plan required by subsection (d) of this section.

(h) Consultation with Secretary of Education and heads of other agencies

In conducting the activities under the Program, the Director shall consult with the Secretary of Education and the heads of other related agencies.


REFERENCES IN TEXT

This Act, referred to in subsecs. (d)(4)(C) and (g), is Pub. L. 100–570, Oct. 31, 1988, 102 Stat. 2865, known as the National Science Foundation Authorization Act of 1988. Section 101 of this Act is not classified to the Code. For complete classification of this Act to the Code, see Short Title of 1988 Amendments note set out under section 1861 of this title and Tables.

CODIFICATION

Section was enacted as part of the Academic Research Facilities Modernization Act of 1988, and also as part of the National Science Foundation Authorization Act of 1988, and not as part of the National Science Foundation Act of 1950 which comprises this chapter.

§ 1862f. Research center consortia

In Foundation programs making grants to research centers, the Director shall encourage the formation of consortia that include research universities, two-year and four-year colleges, and the private sector.


CODIFICATION

Section was enacted as part of the National Science Foundation Authorization Act of 1988, and not as part of the National Science Foundation Act of 1950 which comprises this chapter.

§ 1862g. Established Program to Stimulate Competitive Research

(a) The Director shall operate a program to stimulate competitive research (known as the “Established Program to Stimulate Competitive Research”), the purpose of which is to assist those States that—

(1) historically have received relatively little Federal research and development funding; and

(2) have demonstrated a commitment to develop their research bases and improve science and engineering research and education programs at their universities and colleges.

(b) A State which has received an initial award under such Program, whether or not the award was received before or after October 31, 1988, shall be eligible for up to 5 years of additional support under the Program if that State provides assurances of new matching funds and submits an acceptable new plan for using Program funds and matching funds to build the research capabilities of the State.


CODIFICATION

Section was enacted as part of the National Science Foundation Authorization Act of 1988, and not as part of the National Science Foundation Act of 1950 which comprises this chapter.

AMENDMENTS


Subsec. (b). Pub. L. 114–329, § 108(e)(2)(C), substituted “the Program” for “‘the program’”.

PLANNING GRANTS

ning proposals from applicants who are within .075 percentage points of the current eligibility level for the Experimental Program to Stimulate Competitive Research. Such proposals shall be reviewed by the Foundation to determine their merit for support under the Experimental Program to Stimulate Competitive Research or any other appropriate program."

[F]or definitions of terms used in section 26 of Pub. L. 107–368, set out above, see section 4 of Pub. L. 107–368, set out as a note under section 1862n of this title.]

§ 1862b. Congressional statement of findings and declaration of purposes respecting scientific and technical education and training

(a) Findings

The Congress finds that—

(1) the position of the United States in the world economy faces great challenges from highly trained foreign competition;

(2) the workforce of the United States must be better prepared for the technologically advanced, competitive, global economy;

(3) the improvement of our work force’s productivity and our international economic position depend upon the strengthening of our educational efforts in science, mathematics, and technology, especially at the associate-degree level;

(4) shortages of scientifically and technically trained workers in a wide variety of fields will best be addressed by collaboration among the Nation’s associate-degree-granting colleges and private industry to produce skilled, advanced technicians; and

(5) the National Science Foundation’s traditional role in developing model curricula, disseminating instructional materials, enhancing faculty development, and stimulating partnerships between educational institutions and industry, makes an enlarged role for the Foundation in scientific and technical education and training particularly appropriate.

(b) Purposes

It is the purpose of sections 1862h to 1862j of this title to—

(1) improve science and technical education at associate-degree-granting colleges;

(2) improve secondary school and postsecondary curricula in mathematics and science;

(3) improve the educational opportunities of postsecondary students by creating comprehensive articulation agreements and planning between 2-year and 4-year institutions; and

(4) promote outreach to secondary schools to improve mathematics and science instruction.


References in Text


Codification

Section was enacted as part of the Scientific and Advanced-Technology Act of 1992, and not as part of the National Science Foundation Act of 1950 which comprises this chapter.

§ 1862i. Scientific and technical education

(a) National advanced scientific and technical education program

The Director of the National Science Foundation (hereafter in sections 1862h to 1862j of this title referred to as the “Director”) shall award grants to associate-degree-granting colleges, and consortia thereof, to assist them in providing education in advanced-technology fields, and to improve the quality of their core education courses in science and mathematics. The grant program shall place emphasis on the needs of students who have been in the workforce (including work in the home), and shall be designed to strengthen and expand the scientific and technical education and training capabilities of associate-degree-granting colleges through such methods as—

(1) the development of model instructional programs in advanced-technology fields and in core science and mathematics courses;

(2) the professional development of faculty and instructors, both full- and part-time, who provide instruction in science, mathematics, and advanced-technology fields;

(3) the establishment of innovative partnership arrangements that—

(A) involve associate-degree-granting colleges and other appropriate public and private sector entities; and

(B) provide for private sector donations, faculty opportunities to have short-term assignments with industry, sharing of program costs, equipment loans, and the cooperative use of laboratories, plants, and other facilities, and provision for state-of-the-art work experience opportunities for students enrolled in such programs; and

(C) encourage participation of individuals identified in section 1885a or 1885b of this title;

(4) the acquisition of state-of-the-art instrumentation essential to programs designed to prepare and upgrade students in scientific and advanced-technology fields; and

(5) the development and dissemination of instructional materials in support of improving the advanced scientific and technical education and training capabilities of associate-degree-granting colleges, including programs for students who are not pursuing a science degree.

(b) National centers of scientific and technical education

The Director shall award grants for the establishment of centers of excellence, not to exceed 10 in number, among associate-degree-granting colleges. Centers shall meet one or both of the following criteria:

(1) Exceptional instructional programs in advanced-technology fields.

(2) Excellence in undergraduate education in mathematics and science.

The centers shall serve as national and regional clearinghouses and models for the benefit of both colleges and secondary schools, and shall
provide seminars and programs to disseminate model curricula and model teaching methods and instructional materials to other associate-degree-granting colleges in the geographic region served by the center.

(c) Articulation partnerships

(1) Partnership grants

(A) The Director shall make grants to eligible partnerships to encourage students to pursue bachelor degrees in mathematics, science, engineering, or technology, and to assist students pursuing bachelor degrees in mathematics, science, engineering, or technology to make the transition from associate-degree-granting colleges to bachelor-degree-granting institutions, through such means as—

(i) examining curricula to ensure that academic credit earned at the associate-degree-granting college is transferable to bachelor-degree-granting institutions;

(ii) informing teachers from the associate-degree-granting college on the specific requirements of courses at the bachelor-degree-granting institution; and

(iii) providing summer educational programs for students from the associate-degree-granting college to encourage such students’ subsequent matriculation at bachelor-degree-granting institutions.

(B) Each eligible partnership receiving a grant under this paragraph shall, at a minimum—

(i) counsel students, including students who have been in the workforce (including work in the home), about the requirements and course offerings of the bachelor-degree-granting institution;

(ii) conduct workshops and orientation sessions to ensure that students are familiar with programs, including laboratories and financial aid programs, at the bachelor-degree-granting institution;

(iii) provide students with research experiences at bachelor’s-degree-granting institutions participating in the partnership, including stipend support for students participating in summer programs; and

(iv) provide faculty mentors for students participating in activities under clause (iii), including summer salary support for faculty mentors.

Funds used by eligible partnerships to carry out clauses (i) and (ii) shall be from non-Federal sources. In-cash and in-kind resources used by eligible partnerships to carry out clauses (i) and (ii) shall not be considered to be contributions for purposes of applying subsection (i)(3).

(C) Any institution participating in a partnership that receives a grant under this paragraph shall be ineligible to receive assistance under part B of title I of the Higher Education Act of 1965 [20 U.S.C. 1011 et seq.] for the duration of the grant received under this paragraph.

(2) Outreach grants

The Director shall make grants to associate-degree-granting colleges with outstanding mathematics and science programs to strengthen relationships with secondary schools in the community served by the college by improving mathematics and science education and encouraging the interest and aptitude of secondary school students for careers in science and advanced-technology fields through such means as developing agreements with local educational agencies to enable students to satisfy entrance and course requirements at the associate-degree-granting college.

(3) Mentor training grants

The Director shall—

(A) establish a program to encourage and make grants available to institutions of higher education that award associate degrees to recruit and train individuals from the fields of science, technology, engineering, and mathematics to mentor students who are described in section 1885a or 1885b of this title in order to assist those students in identifying, qualifying for, and entering higher-paying technical jobs in those fields; and

(B) make grants available to associate-degree-granting colleges to carry out the program identified in subsection (A).

(d) Grants for associate degree programs in STEM fields

(1) In-demand workforce grants

The Director shall award grants to junior or community colleges to develop or improve associate degree or certificate programs in STEM fields, with respect to the region in which the respective college is located, and an in-demand industry sector or occupation.

(2) Applications

In considering applications for grants under paragraph (1), the Director shall prioritize—

(A) applications that consist of a partnership between the applying junior or community college and individual employers or an employer consortia, or industry or sector partnerships, and may include a university or other organization with demonstrated expertise in academic program development;

(B) applications that demonstrate current and future workforce demand in occupations directly related to the proposed associate degree or certificate program;

(C) applications that include commitments by the partnering employers or employer consortia, or industry or sector partnerships, to offer apprenticeships, internships, or other applied learning opportunities to students enrolled in the proposed associate degree or certificate program;

(D) applications that include outreach plans and goals for recruiting and enrolling women and other underrepresented populations in STEM fields in the proposed associate degree or certificate program; and

(E) applications that describe how the applying junior or community college will support the collection of information and data

1 So in original. Probably should be “subparagraph”.

2 So in original.
for purposes of evaluation of the proposed associate degree or certificate program.

(e) Grants for STEM degree applied learning opportunities

(1) In general

The Director shall award grants to institutions of higher education partnering with private sector employers or private sector employer consortia, or industry or sector partnerships, that commit to offering apprenticeships, internships, research opportunities, or applied learning experiences to enrolled students in identified STEM baccalaureate degree programs.

(2) Purposes

Awards under this subsection may be used—
(A) to develop curricula and programs for apprenticeships, internships, research opportunities, or applied learning experiences; or
(B) to provide matching funds to incentivize partnership and participation by private sector employers and industry.

(3) Applications

In considering applications for grants under paragraph (1), the Director shall prioritize—
(A) applicants that consist of a partnership between—
(i) the applying institution of higher education; and
(ii) individual employers or an employer consortium, or industry or sector partnerships;
(B) applications that demonstrate current and future workforce demand in occupations directly related to the identified STEM fields;
(C) applications that include outreach plans and goals for recruiting and enrolling women and other underrepresented populations in STEM fields; and
(D) applications that describe how the institution of higher education will support the collection and information of data for purposes of the evaluation of identified STEM degree programs.

(f) Grants for computer-based and online STEM education courses

(1) In general

The Director of the National Science Foundation shall award competitive grants to institutions of higher education or nonprofit organizations to conduct research on student outcomes and determine best practices for STEM education and technical skills education through distance learning or in a simulated work environment.

(2) Research areas

The research areas eligible for funding under this subsection may include—
(A) post-secondary courses for technical skills development for STEM occupations;
(B) improving high-school level career and technical education in STEM subjects;
(C) encouraging and sustaining interest and achievement levels in STEM subjects among women and other populations historically underrepresented in STEM studies and careers; and
(D) combining computer-based and online STEM education and skills development with traditional mentoring and other mentoring arrangements, apprenticeships, internships, and other applied learning opportunities.

(g) Coordination with other Federal departments

In carrying out this section, the Director shall consult, cooperate, and coordinate, to enhance program effectiveness and to avoid duplication, with the programs and policies of other relevant Federal agencies. In carrying out subsection (c), the Director shall coordinate activities with programs receiving assistance under part B of title I of the Higher Education Act of 1965 [20 U.S.C. 1011 et seq.].

(h) Funding

(1) Funding

The Director shall allocate out of amounts made available for the Education and Human Resources Directorate—
(A) up to $5,000,000 to carry out the activities under subsection (d) for each of fiscal years 2019 through 2022, subject to the availability of appropriations;
(B) up to $2,500,000 to carry out the activities under subsection (e) for each of fiscal years 2019 through 2022, subject to the availability of appropriations; and
(C) up to $2,500,000 to carry out the activities under subsection (f) for each of fiscal years 2019 through 2022, subject to the availability of appropriations.

(2) Limitation on funding

Amounts made available to carry out subsections (d), (e), and (f) shall be derived from amounts appropriated or otherwise made available to the National Science Foundation.

(3) Limitation on funding

To qualify for a grant under this section, an associate-degree-granting college, or consortium thereof, shall provide assurances adequate to the Director that it will not decrease its level of spending of funds from non-Federal sources on advanced scientific and technical education and training programs.

(i) Functions of Director

In carrying out sections 1862h to 1862j of this title, the Director shall—
(1) award grants on a competitive, merit basis;
(2) ensure an equitable geographic distribution of grant awards;
(3) ensure that an applicant for a grant awarded under subsection (a), (b), or (c)(1) will make an in-cash or in-kind contribution in an amount equal to at least 25 percent of the cost of the program, and for a grant awarded under subsection (c)(2) will make an in-cash or in-kind contribution in an amount at least equal to the amount of the grant award;
(4) establish and maintain a readily accessible inventory of the programs assisted under sections 1862h to 1862j of this title; and
(5) designate an officer of the National Science Foundation to serve as a liaison with associate-degree-granting institutions for the


CODIFICATION

Section was enacted as part of the Scientific and Advanced-Technology Act of 1992, and not as part of the National Science Foundation Act of 1950 which comprises this chapter.

AMENDMENTS

2018—Subsec. (a)(3)(A). Pub. L. 115–402, §3(3), substituted semicolon for comma at end. Subsec. (c)(1)(B), Pub. L. 115–402, §3(4), which directed substitution of “subsection (i)(3)” for “subsection (i)(3)” in cl. (iv), was executed by making the substitution in concluding provisions of subpar. (B) following cl. (iv), to reflect the probable intent of Congress. Subsecs. (d) to (f), Pub. L. 115–402, §3(2), added subsec. (d) to (f). Former subsec. (d) to (f) redesignated (g) to (i), respectively. Subsec. (g), Pub. L. 115–402, §3(1), redesignated subsec. (d) as (g). Former subsec. (g) redesignated (j). Subsec. (h), Pub. L. 115–402, §3(5), substituted “Funding” for “Limitation on funding” in heading, designated existing provisions as pars. (3) and inserted heading, and added par. (1) and (2). Pub. L. 115–402, §3(1), redesignated subsec. (e) as (h). Subsec. (i), Pub. L. 115–402, §3(1), redesignated subsec. (f) as (i). Subsec. (j), Pub. L. 115–402, §3(1), redesignated subsec. (g) as (j). Subsec. (j)(5) to (9), Pub. L. 115–402, §3(6), added pars. (5) and (6), redesignated former par. (5) as (7), and added pars. (8) and (9).


EFFECTIVE DATE OF 1998 AMENDMENT

Amendment by Pub. L. 105–244 effective Oct. 1, 1998, except as otherwise provided in Pub. L. 105–244, see sec-

See References in Text note below.

So in original. The period probably should be a semicolon.
The United States depends upon its scientific and technological capabilities to preserve the military and economic security of the United States.

(2) America’s leadership in the global marketplace is dependent upon a strong commitment to education, basic research, and development.

(3) A nation that is not technologically literate cannot compete in the emerging global economy.

(4) A coordinated commitment to mathematics and science instruction at all levels of education is a necessary component of successful efforts to produce technologically literate citizens.

(5) Professional development is a necessary component of efforts to produce system-wide improvements in mathematics, engineering, and science education in secondary, elementary, and postsecondary settings.

(6)(A) The mission of the National Science Foundation is to provide Federal support for basic scientific and engineering research, and to be a primary contributor to mathematics, science, and engineering education at academic institutions in the United States.

(B) In accordance with such mission, the long-term goals of the National Science Foundation include providing leadership to—

(i) enable the United States to maintain a position of world leadership in all aspects of science, mathematics, engineering, and technology;

(ii) promote the discovery, integration, dissemination, and application of new knowledge in service to society; and

(iii) achieve excellence in United States science, mathematics, engineering, and technology education at all levels.

(b) Core strategies

In carrying out activities designed to achieve the goals described in subsection (a), the Foundation shall use the following core strategies:

(1) Develop intellectual capital, both people and ideas, with particular emphasis on groups and regions that traditionally have not participated fully in science, mathematics, and engineering.

(2) Strengthen the scientific infrastructure by investing in facilities planning and modernization, instrument acquisition, instrument design and development, and shared-use research platforms.

(3) Integrate research and education through activities that emphasize and strengthen the natural connections between learning and inquiry.

(4) Promote partnerships with industry, elementary and secondary schools, community colleges, colleges and universities, other agencies, State and local governments, and other institutions involved in science, mathematics, and engineering to enhance the delivery of math and science education and improve the technological literacy of the citizens of the United States.


CODIFICATION

Section was enacted as part of the National Science Foundation Authorization Act of 1998, and not as part of the National Science Foundation Act of 1950 which comprises this chapter.

§ 1862k. Findings; core strategies

(a) Findings

Congress finds the following:

(1) The United States depends upon its scientific and technological capabilities to preserve the military and economic security of the United States.

(2) America’s leadership in the global marketplace is dependent upon a strong commitment to education, basic research, and development.
"(a) MATCHING FUNDS.—Matching funds required pursuant to section 204(a)(2)(C) of the Academic Research Facilities Modernization Act of 1986 (42 U.S.C. 1862(a)(2)(C)) shall not be considered facilities costs for purposes of determining indirect cost rates under Office of Management and Budget Circular A-21."

"(b) REPORT.—

"(1) IN GENERAL.—The Director of the Office of Science and Technology Policy, in consultation with other Federal agencies the Director deems appropriate, shall prepare a report:

(i) analyzing the Federal indirect cost reimbursement rates (as the term is defined in Office of Management and Budget Circular A-21) paid to universities in comparison with Federal indirect cost reimbursement rates paid to other entities, such as industry, government laboratories, research hospitals, and nonprofit institutions;

(ii) analyzing the distribution of the Federal indirect cost reimbursement rates by category (such as administration, facilities, utilities, and libraries) and by the type of entity; and

(C) analyzing the impact, if any, that changes in Office of Management and Budget Circular A-21 have had on—

(i) the Federal indirect cost reimbursement rates, the rate of change of the Federal indirect cost reimbursement rates, the distribution by category of the Federal indirect cost reimbursement rates, and the distribution by type of entity of the Federal indirect cost reimbursement rates; and

(ii) the Federal indirect cost reimbursement (as calculated in accordance with Office of Management and Budget Circular A-21), the rate of change of the Federal indirect cost reimbursement, the distribution by category of the Federal indirect cost reimbursement rates, and the distribution by type of entity of the Federal indirect cost reimbursement.

"(2) CONTENTS OF REPORT.—The report prepared by the Director under this paragraph shall describe any donations of educationally useful Federal equipment to schools made during the period covered by the report.

DEFINITIONS


(1) DIRECTOR.—The term 'Director' means the Director of the National Science Foundation established under section 2 of the National Science Foundation Act of 1950 (42 U.S.C. 1861).

(2) FOUNDATION.—The term 'Foundation' means the National Science Foundation established under section 2 of the National Science Foundation Act of 1950 (42 U.S.C. 1861).

(3) FULL LIFE-CYCLE COST.—The term 'full life-cycle cost' means all costs of planning, development, procurement, construction, operations and support, and shut-down costs, without regard to funding source and without regard to what entity manages the project or facility involved.

(4) BOARD.—The term 'Board' means the National Science Board established under section 2 of the National Science Foundation Act of 1950 (42 U.S.C. 1861).

(5) UNITED STATES.—The term 'United States' means the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Is-
lands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, and any other territory or possession of the United States.

"6) NATIONAL RESEARCH FACILITY.—The term ‘national research facility’ means a research facility funded by the Foundation which is available, subject to appropriate policies allocating access, for use by all scientists and engineers affiliated with research institutions located in the United States."

§ 1862f. National research facilities

(a) Facilities plan

(1) In general

The Director shall prepare, and include as part of the Foundation’s annual budget request to Congress, a plan for the proposed construction of, and repair and upgrades to, national research facilities, including full lifecycle cost information.

(2) Contents of the plan

The plan shall include—

(A) estimates of the costs for the construction, repair, and upgrades described in paragraph (1), including costs for instrumentation development;

(B) estimates of the costs for the operation and maintenance of existing and proposed new facilities;

(C) in the case of proposed new construction and for major upgrades to existing facilities, funding profiles, by fiscal year, and milestones for major phases of the construction;

(D) for each project funded under the major research equipment and facilities construction account and for major upgrades of facilities in support of Antarctic research programs—

(i) estimates of the total project cost (from planning to commissioning); and

(ii) the source of funds, including Federal funding identified by appropriations category and non-Federal funding;

(E) estimates of the full life-cycle cost of each national research facility;

(F) information on any plans to retire national research facilities; and

(G) estimates of funding levels for grants supporting research that will be conducted using each national research facility.

(3) Special rule

The plan shall include cost estimates in the categories of construction, repair, and upgrades—

(A) for the year in which the plan is submitted to Congress; and

(B) for not fewer than the succeeding 4 years.

(b) Status of facilities under construction

The plan required under subsection (a) shall include a status report for each uncompleted construction project included in current and previous plans. The status report shall include data on cumulative construction costs by project compared with estimated costs, and shall compare the current and original schedules for achievement of milestones for the major phases of the construction.


CODIFICATION

Section was enacted as part of the National Science Foundation Authorization Act of 1998, and not as part of the National Science Foundation Act of 1950 which comprises this chapter.

AMENDMENTS


2002—Subsec. (a)(1). Pub. L. 107–368, §14(b)(1), reenacted heading without change and amended text generally. Prior to amendment, text read as follows: “Not later than December 1, of each year, the Director shall, as part of the annual budget request, prepare and submit to Congress a plan for the proposed construction of, and repair and upgrades to, national research facilities.”


Subsec. (a)(2)(D) to (G). Pub. L. 107–368, §14(b)(2)(D)–(G), added subpars. (D) to (G).

§ 1862m. Financial disclosure

Persons temporarily employed by or at the Foundation shall be subject to the same financial disclosure requirements and related sanctions under the Ethics in Government Act of 1978 (5 U.S.C. App.) as are permanent employees of the Foundation in equivalent positions.


REFERENCES IN TEXT


CODIFICATION

Section was enacted as part of the National Science Foundation Authorization Act of 1998, and not as part of the National Science Foundation Act of 1950 which comprises this chapter.

§ 1862n. Mathematics and science education partnerships

(a) Program authorized

(1) In general

(A) The Director shall carry out a program to award grants to institutions of higher education or eligible nonprofit organizations (or consortia of such institutions or organizations) to establish mathematics and science education partnership programs to improve elementary and secondary mathematics and science instruction.

(B) Grants shall be awarded under this subsection on a competitive, merit-reviewed basis.

(2) Partnerships

(A) In order to be eligible to receive a grant under this subsection, an institution of higher education or eligible nonprofit organization (or consortium of such institutions or organi-
§ 1862n

See References in Text note below.

or one or more businesses.

higher education, a State educational agency, or one or more educational organizations) shall enter into a partnership with one or more local educational agencies that may also include the department, college, or program of education at an institution of higher education, a State educational agency, or one or more businesses.

(B) A participating institution of higher education shall include mathematics, science, or engineering departments in the programs carried out through a partnership under this paragraph.

(3) Uses of funds

Grants awarded under this subsection shall be used for activities that draw upon the expertise of the partners to improve elementary or secondary education in mathematics or science and that are consistent with State mathematics and science student academic achievement standards, including—

(A) recruiting and preparing students for careers in elementary or secondary mathematics or science education;

(B) offering professional development programs, including—

(i) teacher institutes for the 21st century, as described in paragraph (10); and

(ii) academic year institutes or workshops that—

(I) are designed to strengthen the capabilities of mathematics and science teachers; and

(II) may include professional development activities to prepare mathematics and science teachers to teach challenging mathematics, science, and technology college-preparatory courses;

(C) offering innovative preservice and inservice programs that instruct teachers on using technology and laboratory experiences more effectively in teaching mathematics and science, including programs that recruit and train undergraduate and graduate students to provide technical and laboratory support to teachers;

(D) developing distance learning programs for teachers or students, including developing courses, curricular materials, and other resources for the in-service professional development of teachers that are made available to teachers through the Internet;

(E) developing a cadre of master teachers who will promote reform and improvement in schools;

(F) offering teacher preparation and certification programs for professional mathematicians, scientists, and engineers who wish to begin a career in teaching;

(G) developing tools to evaluate activities conducted under this subsection;

(H) developing or adapting elementary school and secondary school mathematics and science curricular materials that incorporate contemporary research on the science of learning;

(I) developing initiatives to increase and sustain the number, quality, and diversity of prekindergarten through grade 12 teachers of mathematics and science, including the use of induction programs, as defined in section 9813(h)1 of title 20, for teachers in their first 2 years of teaching, especially in underserved areas;

(J) using mathematicians, scientists, and engineers employed by private businesses to help recruit and train mathematics and science teachers;

(K) developing science, technology, engineering, and mathematics educational programs and materials and conducting science, technology, engineering, and mathematics enrichment programs for students, including after-school programs and summer programs, with an emphasis on including and serving students described in subsection (b)(2)(G);

(L) providing research opportunities in business or academia for students and teachers;

(M) bringing mathematicians, scientists, and engineers from business and academia into elementary school and secondary school classrooms; and

(N) any other activities the Director determines will accomplish the goals of this subsection.

(4) Master teachers

Activities carried out in accordance with paragraph (3)(E) shall—

(A) emphasize the training of master teachers who will improve the instruction of mathematics or science in kindergarten through grade 12;

(B) include training in both content and pedagogy; and

(C) provide training only to teachers who will be granted sufficient nonclassroom time to serve as master teachers, as demonstrated by assurances their employing school has provided to the Director, in such time and such manner as the Director may require.

(5) Science enrichment programs for girls

Activities carried out in accordance with paragraph (3)(K) and (L) shall include elementary school and secondary school programs to encourage the ongoing interest of girls in science, mathematics, engineering, and technology and to prepare girls to pursue undergraduate and graduate degrees and careers in science, mathematics, engineering, or technology. Funds made available through awards to partnerships for the purposes of this paragraph may support programs for—

(A) encouraging girls to pursue studies in science, mathematics, engineering, and technology and to major in such fields in postsecondary education;

(B) tutoring girls in science, mathematics, engineering, and technology;

(C) providing mentors for girls in person and through the Internet to support such girls in pursuing studies in science, mathematics, engineering, and technology;

(D) educating the parents of girls about the difficulties faced by girls to maintain an interest and desire to achieve in science, mathematics, engineering, and technology, and enlisting the help of parents in overcoming these difficulties; and

(E) acquainting girls with careers in science, mathematics, engineering, and tech-

---

1 See References in Text note below.
ology and encouraging girls to plan for careers in such fields.

(6) Research in secondary schools

Activities carried out in accordance with paragraph (3)(K) may include support for research projects performed by students at secondary schools. Uses of funds made available through awards to partnerships for purposes of this paragraph may include—

(A) training secondary school mathematics and science teachers in the design of research projects for students;

(B) establishing a system for students and teachers involved in research projects funded under this subsection to exchange information about their projects and research results; and

(C) assessing the educational value of the student research projects by such means as tracking the academic performance and choice of academic majors of students conducting research.

(7) Stipends

Grants awarded under this subsection may be used to provide stipends for teachers or students participating in training or research activities that would not be part of their typical classroom activities.

(8) Mentors for teachers and students of challenging courses

Partnerships carrying out activities to prepare mathematics and science teachers to teach challenging mathematics, science, and technology college-preparatory courses in accordance with paragraph (3)(B) shall encourage companies employing scientists, technologists, engineers, or mathematicians to provide mentors to teachers and students and provide for the coordination of such mentoring activities.

(9) Innovation

Activities carried out in accordance with paragraph (3)(H) may include the development and dissemination of curriculum tools that will help foster inventiveness and innovation.

(10) Teacher institutes for the 21st century

(A) In general

Teacher institutes for the 21st century carried out in accordance with paragraph (3)(B) shall—

(i) be carried out in conjunction with a school served by the local educational agency in the partnership;

(ii) be science, technology, engineering, and mathematics focused institutes that provide professional development to elementary school and secondary school teachers;

(iii) serve teachers who—

(I) are considered highly qualified (as defined in section 9101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7801));

(II) teach high-need subjects in science, technology, engineering, or mathematics; and

(III) teach in high-need schools (as described in section 1114(a)(1)(A));

(iv) focus on the priorities developed by the Director in consultation with a broad group of relevant educational organizations;

(v) be content-based and build on school year curricula that are experiment-oriented, content-based, and grounded in current research;

(vi) ensure that the pedagogy component is designed around specific strategies that are relevant to teaching the subject and content on which teachers are being trained, which may include training teachers in the essential components of reading instruction for adolescents in order to improve student reading skills within the subject areas of science, technology, engineering, and mathematics;

(vii) be a multiyear program that is conducted for a period of not less than 2 weeks per year;

(viii) provide for direct interaction between participants in and faculty of the teacher institute;

(ix) have a component that includes the use of the Internet;

(x) provide for followup training in the classroom during the academic year for a period of not less than 3 days, which may or may not be consecutive, for participants in the teacher institute, except that for teachers in rural local educational agencies, the followup training may be conducted for a period of not less than 2 weeks per year;

(xi) establish a mechanism to provide supplemental support during the academic year for teacher institute participants to apply the knowledge and skills gained at the teacher institute.

(B) Optional members of the partnership

In addition to the partnership requirement under paragraph (2), an institution of higher education or eligible nonprofit organization (or consortium) desiring a grant for a teacher institute for the 21st century may also partner with a teacher organization, museum, or educational partnership organization.

(b) Selection process

(1) Application

An institution of higher education or an eligible nonprofit organization (or a consortium of such institutions or organizations) seeking funding under subsection (a) shall submit an application to the Director at such time, in such manner, and containing such information as the Director may require. The application shall include, at a minimum—

(A) a description of the partnership and the role that each member will play in implementing the proposal;

(B) a description of each of the activities to be carried out, including—

(i) how such activities will be aligned with State mathematics and science stu-
§ 1862n  TITLE 42—THE PUBLIC HEALTH AND WELFARE

Under paragraph (1), the Director shall consider, at a minimum—

(2) Review of applications

In evaluating the applications submitted under paragraph (1), the Director shall consider, at a minimum—

(A) the ability of the partnership to carry out effectively the proposed programs;

(B) the extent to which the members of the partnership are committed to making the partnership a central organizational focus;

(C) the extent to which the activities carried out by the partnership are based on relevant research and are likely to result in increased student achievement;

(D) the degree to which such activities are aligned with State mathematics and science student academic achievement standards;

(E) the extent to which the evaluation described in paragraph (1)(E) will be independent and based on objective measures;

(F) the likelihood that the partnership will demonstrate activities that can be widely implemented as part of larger scale reform efforts; and

(G) the extent to which the activities will encourage the interest of individuals identified in section 1885a or 1885b of this title in mathematics, science, engineering, and technology and will help prepare such individuals to pursue postsecondary studies in these fields;

(C) a description of the number, size, and nature of any stipends that will be provided to students or teachers and the reasons such stipends are needed;

(D) a description of how the partnership will serve as a catalyst for reform of mathematics and science education programs;

(E) a description of how the partnership will assess its success;

(F) a description of how the partnership will collaborate with the State educational agency to ensure that successful partnership activities may be replicated throughout the State; and

(G) a description of the manner in which the partnership will be continued after assistance under this section ends.

(2) Review of applications

In evaluating the applications submitted under paragraph (1), the Director shall consider—

(A) the ability of the partnership to carry out effectively the proposed programs;

(B) the extent to which the members of the partnership are committed to making the partnership a central organizational focus;

(C) the degree to which activities carried out by the partnership are based on relevant research and are likely to result in increased student achievement;

(D) the degree to which such activities are aligned with State mathematics and science student academic achievement standards;

(E) the extent to which the evaluation described in paragraph (1)(E) will be independent and based on objective measures;

(F) the likelihood that the partnership will demonstrate activities that can be widely implemented as part of larger scale reform efforts; and

(G) the extent to which the activities will encourage the interest of individuals identified in section 1885a or 1885b of this title in mathematics, science, engineering, and technology and will help prepare such individuals to pursue postsecondary studies in these fields.

(3) Awards

In awarding grants under this section, the Director shall—

(A) give priority to applications in which the partnership includes a high-need local educational agency or a high-need local educational agency in which at least one school does not make adequate yearly progress, as determined pursuant to part A of title I of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6311 et seq.); and

(B) ensure that, to the extent practicable, a substantial number of the partnerships funded under this section include businesses.

(c) Accountability and dissemination

(1) Assessment required

The Director shall evaluate the program established under subsection (a). At a minimum, such evaluation shall—

(A) use a common set of benchmarks and assessment tools to identify best practices and materials developed and demonstrated by the partnerships; and

(B) to the extent practicable, compare the effectiveness of practices and materials developed and demonstrated by the partnerships authorized under this section with those of partnerships funded by other State or Federal agencies.

(2) Report on evaluations

Not later than 4 years after August 9, 2007, the Director shall transmit a report summarizing the evaluations required under subsection (b)(1)(E) of grants received under this program and describing any changes to the program recommended as a result of these evaluations to the Committee on Science and Technology and the Committee on Education and Labor of the House of Representatives and to the Committee on Commerce, Science, and Transportation and the Committee on Health, Education, Labor, and Pensions of the Senate. Such report shall be made widely available to the public.

(3) Annual meeting

The Director, in consultation with the Secretary of Education, shall convene an annual meeting of the partnerships participating under this section to foster greater national collaboration.

(4) Technical assistance

At the request of an eligible partnership or a State educational agency, the Director shall provide the partnership or agency with technical assistance in meeting any requirements of this section, including providing advice from experts on how to develop—

(A) a quality application for a grant; and

(B) quality activities from funds received from a grant under this section.

(d) Definitions

In this section—

(1) the term "mathematics and science teacher" means a science, technology, engineering, or mathematics teacher at the elementary school or secondary school level; and

(2) the term "science", in the context of elementary and secondary education, includes technology and pre-engineering.
REFERENCES IN TEXT

Section 1001 of the Elementary and Secondary Education Act of 1965, referred to in subsec. (a)(10)(A)(iii)(I), was amended by Pub. L. 114–95 and, as so amended, is now section 1001 of the Act and no longer defines "highly qualified". A reference in this section to "highly qualified", as defined in section 9101 of the Act, with respect to a teacher, means that the teacher meets applicable State certification and licensure requirements, including any requirements for certification obtained through alternative routes to certification. See section 9214(a)(2) of Pub. L. 114–95, set out as a Use of the Term "Highly Qualified" in Other Laws note under section 1070g–2 of Title 20, Education.

Section 1141(a)(1)(A), referred to in subsec. (a)(10)(A)(iii)(III), probably means section 1114(a)(1)(A) of the Elementary and Secondary Education Act of 1965, which is classified to section 6314(a)(1)(A) of Title 20, Education.


CODIFICATION
Section was enacted as part of the National Science Foundation Authorization Act of 2002, and not as part of the National Science Foundation Act of 1950 which comprises this chapter.

AMENDMENTS
2017—Subsec. (c)(4), (5). Pub. L. 114–329 redesignated par. (5) as (4) and struck out former par. (4). Prior to amendment, text of par. (4) read as follows: "The Director, in consultation with the Secretary of Education, shall provide an annual report to the Committee on Science of the House of Representatives, the Committee on Education and the Workforce of the House of Representatives, the Committee on Commerce, Science, and Transportation of the Senate, and the Committee on Health, Education, Labor, and Pensions of the Senate describing how the program authorized under this section has been and will be coordinated with other programs with similar purposes. The report under this paragraph shall be submitted along with the President's annual budget request."

2015—Subsec. (a)(10)(A)(iii)(III). Pub. L. 114–95, § 2151(gggvii)(A), which directed substitution of "(as described in section 1114(a)(4)(A))" for "(as described in section 1114(a)(1))" was executed by making the substitution for "(as described in section 1114(a)(1))" to reflect the probable intent of Congress.

Subsec. (c)(4). Pub. L. 114–95, § 2151(gggvii)(B), substituted "other programs with similar purposes" for "the program authorized under part B of title II of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6304 et seq.)."

2007—Subsec. (a)(2)(A). Pub. L. 110–69, § 7028(1), substituted "the department, college, or program of education at an institution of higher education, a State educational agency, or a State educational agency" for "a State educational agency".

Subsec. (a)(3)(B). Pub. L. 110–69, § 7028(2), added subpar. (B) and struck out former subpar. (B) which read as follows: "offering professional development programs, including summer or academic year institutes or workshops, designed to strengthen the capabilities of mathematics and science teachers;"

Subsec. (a)(3)(C). Pub. L. 110–69, § 7028(3), inserted "and laboratory experiences" after "technology" and "and laboratory" after "provide technical,".

Subsec. (a)(3)(I). Pub. L. 110–69, § 7028(4), inserted "including the use of induction programs, as defined in section 9813(b) of title 20, for teachers in their first 2 years of teaching," after "and science,".

Subsec. (a)(9). Pub. L. 110–69, § 7028(5), added subpar. (K) and struck out former subpar. (K) which read as follows: "developing and offering mathematics or science enrichment programs for students, including after-school and summer programs;"

Subsec. (a)(8). Pub. L. 110–69, § 7028(6), added pars. (8) and (9).


Subsec. (b)(2)(E) to (G). Pub. L. 110–69, § 7028(7), added subpar. (E) and redesignated former subpars. (E) and (F) as (F) and (G), respectively.

Subsec. (c)(2). Pub. L. 110–69, § 7028(8), added par. (2) and struck out former par. (2). Prior to amendment, text of par. (2) read as follows:

"(A) The results of the evaluation required under paragraph (1) shall be made available to the public and shall be provided to the Committee on Science of the House of Representatives, the Committee on Commerce, Science, and Transportation of the Senate, and the Committee on Health, Education, Labor, and Pensions of the Senate.

"(B) Materials developed under the program established under subsection (a) of this section that are demonstrated to be effective shall be made widely available to the public."


CHANGE OF NAME
Committee on Science of House of Representatives changed to Committee on Science and Technology of House of Representatives by House Resolution No. 6, One Hundred Tenth Congress, Jan. 5, 2007. Committee on Science and Technology of House of Representatives changed to Committee on Science, Space, and Technology of House of Representatives by House Resolution No. 5, One Hundred Twelfth Congress, Jan. 5, 2011.

EFFECTIVE DATE OF 2015 AMENDMENT
Amendment by Pub. L. 114–95 effective Dec. 10, 2015, except with respect to certain noncompetitive programs and competitive programs, see section 5 of Pub. L. 114–95, set out as a note under section 6301 of Title 20, Education.

FINDINGS
Pub. L. 107–388, § 2, Dec. 19, 2002, 116 Stat. 3034, provided that: "(1) The National Science Foundation has made major contributions for more than 50 years to strengthen and sustain the Nation's academic research enterprise that is the envy of the world.

"(2) The economic strength and national security of the United States and the quality of life of all Americans are grounded in the Nation's scientific and technological capabilities.

"(3) The National Science Foundation carries out important functions in supporting basic research in all science and engineering disciplines and in supporting science, mathematics, engineering, and technology education at all levels.

"(4) The research and education activities of the National Science Foundation promote the discovery, integration, dissemination, and application of new knowledge in service to society and prepare future generations of scientists, mathematicians, and engineers who will be necessary to ensure America's leadership in the global marketplace.

"(5) The National Science Foundation must be provided with sufficient resources to enable it to carry out its responsibilities to develop intellectual capital, strengthen the scientific infrastructure, integrate research and education, enhance the delivery of
mathematics and science education in the United States, and improve the technological literacy of all people in the United States.

“(6) The emerging global economic, scientific, and technical environment challenges long-standing assumptions about domestic and international policy, requiring the National Science Foundation to play a more proactive role in sustaining the competitive advantage of the United States through superior research capabilities.

“(7) Commercial application of the results of Federal investment in basic and computing science is consistent with longstanding United States technology transfer policy and is a critical national priority, particularly with regard to cybersecurity and other homeland security applications, because of the urgent needs of commercial, academic, and individual users as well as the Federal and State Governments.”

REPORT ON FOUNDATION BUDGETARY AND PROGRAMMATIC EXPANSION


DEFINITIONS


“(a) Scholarship program

Pub. L. 107–368, § 18, Dec. 19, 2002, 116 Stat. 3010, provided that: “The Director shall carry out a program to provide scholarships and stipends to individuals who provide superior teaching or perform research in mathematics or science education receiving assistance under the Tribally Controlled College or University Assistance Act of 1978 [probably means Pub. L. 95–471, 25 U.S.C. 1801 et seq.].

“(1) ACADEMIC UNIT.—The term ‘academic unit’ means a department, division, institute, school, college, or other subcomponent of an institution of higher education.

“(2) BOARD.—The term ‘Board’ means the National Science Board established under section 2 of the National Science Foundation Act of 1950 (42 U.S.C. 1861).

“(3) COMMUNITY COLLEGE.—The term ‘community college’ means an institution of higher education as defined in section 101 of the Higher Education Act of 1965 [20 U.S.C. 1001] that provides not less than a 2-year degree that is acceptable for full credit toward a bachelor’s degree, including institutions of higher education receiving assistance under the Tribally Controlled College or University Assistance Act of 1978 [probably means Pub. L. 95–471, 25 U.S.C. 1801 et seq.].

“(4) DIRECTOR.—The term ‘Director’ means the Director of the National Science Foundation established under section 2 of the National Science Foundation Act of 1950 (42 U.S.C. 1861).

“(5) ELEMENTARY SCHOOL.—The term ‘elementary school’ has the meaning given that term by section 8101 of the Elementary and Secondary Education Act of 1965 [20 U.S.C. 7801].

“(6) ELIGIBLE NONPROFIT ORGANIZATION.—The term ‘eligible nonprofit organization’ means a nonprofit research institute, or a nonprofit professional association, with demonstrated experience and effectiveness in mathematics or science education as determined by the Director.

“(7) FOUNDATION.—The term ‘Foundation’ means the National Science Foundation established under section 2 of the National Science Foundation Act of 1950 (42 U.S.C. 1861).

“(8) HIGH-NEED LOCAL EDUCATIONAL AGENCY.—The term ‘high-need local educational agency’ means a local educational agency that meets one or more of the following criteria:

“(A) It has at least one school in which—

“(i) more than 34 percent of the academic classroom teachers at the secondary level (across all academic subjects) do not have an undergraduate degree with a major or minor in, or a graduate degree in, the academic field in which they teach the largest percentage of their classes; or

“(ii) more than 34 percent of the teachers in two of the academic departments do not have an undergraduate degree with a major or minor in, or a graduate degree in, the academic field in which they teach the largest percentage of their classes; or

“(B) It has at least one school in which—

“(i) more than 34 percent of the academic classroom teachers at the secondary level (across all academic subjects) do not have an undergraduate degree with a major or minor in, or a graduate degree in, the academic field in which they teach the largest percentage of their classes; or

“(ii) more than 34 percent of the teachers in two of the academic departments do not have an undergraduate degree with a major or minor in, or a graduate degree in, the academic field in which they teach the largest percentage of their classes.

“(C) It has at least one school whose teacher attrition rate has been 15 percent or more over the last three school years.

“(D) INSTITUTION OF HIGHER EDUCATION.—The term ‘institution of higher education’ has the meaning given such term in section 101(a) of the Higher Education Act of 1965 [20 U.S.C. 1001(a)].

“(E) LOCAL EDUCATIONAL AGENCY.—The term ‘local educational agency’ has the meaning given such term by section 8101 of the Elementary and Secondary Education Act of 1965 [20 U.S.C. 7801].

“(F) MASTER TEACHER.—The term ‘master teacher’ means a mathematics or science teacher who works to improve the instruction of mathematics or science in kindergarten through grade 12 through—

“(A) participating in the development or revision of science, mathematics, engineering, or technology curricula;

“(B) serving as a mentor to mathematics or science teachers;

“(C) coordinating and assisting teachers in the use of hands-on inquiry materials, equipment, and supplies, and when appropriate, supervising acquisition and repair of such materials;

“(D) providing in-classroom teaching assistance to mathematics or science teachers; and

“(E) providing professional development, including for the purposes of training other master teachers, to mathematics and science teachers.

“(G) NATIONAL RESEARCH FACILITY.—The term ‘national research facility’ means a research facility funded by the Foundation which is available, subject to appropriate policies allocating access, for use by all scientists and engineers affiliated with research institutions located in the United States.

“(H) SECONDARY SCHOOL.—The term ‘secondary school’ has the meaning given that term by section 8101 of the Elementary and Secondary Education Act of 1965 [20 U.S.C. 7801].

“(I) STATE.—Except with respect to the Experimental Program to Stimulate Competitive Research, the term ‘State’ means one of the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, or any other territory or possession of the United States.

“(J) STATE EDUCATIONAL AGENCY.—The term ‘State educational agency’ has the meaning given such term by section 8101 of the Elementary and Secondary Education Act of 1965 [20 U.S.C. 7801].

“(K) UNITED STATES.—The term ‘United States’ means the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, and any other territory or possession of the United States.”

§ 1862n–1. Robert Noyce Teacher Scholarship Program

(a) Scholarship program

(1) In general

The Director shall carry out a program to award grants to eligible entities to recruit and train mathematics and science teachers and to provide scholarships and stipends to individ-
(2) Merit review
Grants shall be provided under this section on a competitive, merit-reviewed basis.

(3) Use of grants
A grant provided under this section shall be used by the eligible entity—
(A) to develop and implement a program to recruit and prepare undergraduate students majoring in science, technology, engineering, and mathematics at the eligible entity (and participating institutions of higher education of the consortium, if applicable) to become qualified as mathematics and science teachers, through—
(i) administering scholarships in accordance with subsection (c);
(ii) offering academic courses and early clinical teaching experiences designed to prepare students participating in the program to teach in elementary schools and secondary schools, including such preparation as is necessary to meet requirements for teacher certification or licensing;
(iii) offering programs to students participating in the program, both before and after the students receive their baccalaureate degree, to enable the students to become better mathematics and science teachers, to fulfill the service requirements of this section, and to exchange ideas with others in the students’ fields; and
(iv) providing summer internships for freshman and sophomore students participating in the program, including research experiences at national laboratories and NASA centers; or
(B) to develop and implement a program to recruit and prepare science, technology, engineering, or mathematics professionals to become qualified as mathematics and science teachers, through—
(i) administering stipends in accordance with subsection (d);
(ii) offering academic courses and clinical teaching experiences designed to prepare stipend recipients to teach in elementary schools and secondary schools served by a high need local educational agency, including such preparation as is necessary to meet requirements for teacher certification or licensing; and
(iii) offering programs to stipend recipients, both during and after matriculation in the program for which the stipend is received, to enable recipients to become better mathematics and science teachers, to fulfill the service requirements of this section, and to exchange ideas with others in the students’ fields.

(4) Eligibility requirement
(A) In general
To be eligible to receive a grant under this section, an eligible entity shall ensure that specific faculty members and staff from the science, technology, engineering, and mathematics departments and specific education faculty of the eligible entity (and participating institutions of higher education of the consortium, if applicable) are designated to carry out the development and implementation of the program.

(B) Inclusion of master teachers
An eligible entity (and participating institutions of higher education of the consortium, if applicable) receiving a grant under this section may also include master teachers in the development of the pedagogical content of the program and in the supervision of students participating in the program in their clinical teaching experiences.

(C) Active participants
No eligible entity (or participating institution of higher education of the consortium, if applicable) receiving a grant under this section unless faculty from the science, technology, engineering, and mathematics departments of the eligible entity (and participating institutions of higher education of the consortium, if applicable) are active participants in the program.

(5) Awards
In awarding grants under this section, the Director shall ensure that the eligible entities (and participating institutions of higher education of the consortia, if applicable) represent a variety of types of institutions of higher education. In support of this goal, the Director shall broadly disseminate information about when and how to apply for grants under this section, including by conducting outreach to—
(A) historically Black colleges and universities that are part B institutions, as defined in section 322(2) of the Higher Education Act of 1965 (20 U.S.C. 1061(2)); and
(B) minority institutions, as defined in section 365(3) of the Higher Education Act of 1965 (20 U.S.C. 1067k(3)).

(6) Supplement not supplant
Grant funds provided under this section shall be used to supplement, and not supplant, other Federal or State funds available for the type of activities supported by the grant.

(b) Selection process
(1) Application
An eligible entity seeking funding under this section shall submit an application to the Director at such time, in such manner, and containing such information as the Director may require. The application shall include, at a minimum—
(A) in the case of an applicant that is submitting an application on behalf of a consortium of institutions of higher education, a description of the participating institutions of higher education and the roles and responsibilities of each such institution;
(B) a description of the program that the applicant intends to operate, including the number of scholarships and summer internships or the size and number of stipends the
applicant intends to award, the type of activities proposed for the recruitment of students to the program, and the selection process that will be used in awarding the scholarships or stipends;

(C) evidence that the applicant has the capability to administer the program in accordance with the provisions of this section, which may include a description of any existing programs at the applicant eligible entity (and participating institutions of higher education in the consortium, if applicable) that are targeted to the education of mathematics and science teachers and the number of teachers graduated annually from such programs;

(D) a description of the academic courses and clinical teaching experiences required under subparagraphs (A)(ii) and (B)(ii) of subsection (a)(3), as applicable, including—

(i) a description of the undergraduate program that will enable a student to graduate within 5 years with a major in science, technology, engineering, or mathematics and to obtain teacher certification or licensing;

(ii) a description of the clinical teaching experiences proposed; and

(iii) evidence of agreements between the applicant and the schools or local educational agencies that are identified as the locations at which clinical teaching experiences will occur;

(E) a description of the programs required under subparagraphs (A)(ii) and (B)(ii) of subsection (a)(3), including activities to assist new teachers in fulfilling the teachers’ service requirements under this section;

(F) an identification of the applicant eligible entity’s science, technology, engineering, and mathematics faculty and its education faculty (and such faculty of participating institutions of higher education of the consortium, if applicable) who will carry out the development and implementation of the program as required under subsection (a)(4); and

(G) a description of the process the applicant will use to fulfill the requirements of subsection (f).

(2) Review of applications

In evaluating the applications submitted under paragraph (1), the Director shall consider, at a minimum—

(A) the ability of the applicant (and the participating institutions of higher education of the consortium, if applicable) to effectively carry out the program;

(B) the extent to which the applicant’s science, technology, engineering, and mathematics faculty and its education faculty (and such faculty of participating institutions of higher education of the consortium, if applicable) have worked or will work collaboratively to design new or revised curricula that recognize the specialized pedagogy required to teach science, technology, engineering, and mathematics effectively in elementary schools and secondary schools;

(C) the extent to which the applicant (and the participating institutions of higher education of the consortium, if applicable) is committed to making the program a central organizational focus;

(D) the degree to which the proposed programming will enable scholarship or stipend recipients to become successful mathematics and science teachers;

(E) the number and academic qualifications of the students who will be served by the program; and

(F) the ability of the applicant (and the participating institutions of higher education of the consortium, if applicable) to recruit students who would otherwise not pursue a career in teaching in elementary schools or secondary schools and students who are individuals identified in section 1885a or 1885b of this title.

(c) Scholarship requirements

(1) In general

Scholarships under this section shall be available only to students who—

(A) are majoring in science, technology, engineering, or mathematics; and

(B) have attained at least junior status in a baccalaureate degree program.

(2) Selection

Individuals shall be selected to receive scholarships primarily on the basis of academic merit, with consideration given to financial need and to the goal of promoting the participation of individuals identified in section 1885a or 1885b of this title.

(3) Amount

The Director shall establish for each year the amount to be awarded for scholarships under this section for that year, which shall not be less than $10,000 per year, except that no individual shall receive for any year more than the cost of attendance at that individual’s institution. Full-time students may receive annual scholarships through the completion of a baccalaureate degree program, not to exceed a maximum of 3 years. Part-time students may receive scholarships that are prorated according to such students’ enrollment status, not to exceed 6 years of scholarship support.

(4) Service obligation

If an individual receives a scholarship under this section, such individual shall be required to complete, within 8 years after graduation from the baccalaureate degree program for which the scholarship was awarded, 2 years of service as a mathematics or science teacher for each full scholarship award received, with a maximum service requirement of 6 years. Service required under this paragraph shall be performed in a high need local educational agency.

(d) Stipends

(1) In general

Stipends under this section shall be available only to science, technology, engineering, or mathematics professionals who, while receiving the stipend, are enrolled in a program established under subsection (a)(3)(B).
(2) Selection
Individuals shall be selected to receive stipends under this section primarily on the basis of academic merit and professional achievement, with consideration given to financial need and to the goal of promoting the participation of individuals identified in section 1885a or 1885b of this title.

(3) Amount and duration
Stipends under this section shall not be less than $10,000 per year, except that no individual shall receive for any year more than the cost of attendance at such individual’s institution. Individuals may receive a maximum of 1 year of stipend support, except that if an individual is enrolled in a part-time program, such amount shall be prorated according to the length of the program.

(4) Service obligation
If an individual receives a stipend under this section, such individual shall be required to complete, within 4 years after graduation from the program for which the stipend was awarded, 2 years of service as a mathematics or science teacher. Service required under this paragraph shall be performed in a high need local educational agency.

(e) Conditions of support
As a condition of acceptance of a scholarship or stipend under this section, a recipient of a scholarship or stipend shall enter into an agreement with the eligible entity—

(1) accepting the terms of the scholarship or stipend pursuant to subsection (c) or subsection (d);
(2) agreeing to provide the eligible entity with annual certification of employment and up-to-date contact information and to participate in surveys conducted by the eligible entity as part of an ongoing assessment program; and
(3) establishing that if the service obligation required under this section is not completed, all or a portion of the scholarship or stipend received under this section shall be repaid in accordance with subsection (g).

(f) Collection for noncompliance

(1) Monitoring compliance
An eligible entity receiving a grant under this section, as a condition of participating in the program, enter into an agreement with the Director to monitor the compliance of scholarship or stipend recipients with their respective service requirements.

(2) Collection of repayment

(A) In general
In the event that a scholarship or stipend recipient is required to repay the scholarship or stipend under subsection (g), the eligible entity shall—

(i) be responsible for determining the repayment amounts and for notifying the recipient and the Director of the amount owed; and
(ii) collect such repayment amount within a period of time as determined under the agreement described in paragraph (1), or the repayment amount shall be treated as a loan in accordance with subparagraph (C).

(B) Returned to Treasury
Except as provided in subparagraph (C), any such repayment shall be returned to the Treasury of the United States.

(C) Retain percentage
An eligible entity may retain a percentage of any repayment the eligible entity collects to defray administrative costs associated with the collection. The Director shall establish a single, fixed percentage that will apply to all eligible entities.

(g) Failure to complete service obligation

(1) General rule
If an individual who has received a scholarship or stipend under this section—

(A) fails to maintain an acceptable level of academic standing in the educational institution in which the individual is enrolled, as determined by the Director;
(B) is dismissed from such educational institution for disciplinary reasons;
(C) withdraws from the program for which the award was made before the completion of such program;
(D) declares that the individual does not intend to fulfill the service obligation under this section; or
(E) fails to fulfill the service obligation of the individual under this section,
such individual shall be liable to the United States as provided in paragraph (2).

(2) Amount of repayment

(A) Less than one year of service
If a circumstance described in paragraph (1) occurs before the completion of 1 year of a service obligation under this section, the total amount of awards received by the individual under this section shall be repaid or such amount shall be treated as a loan to be repaid in accordance with subparagraph (C).

(B) More than one year of service
If a circumstance described in subparagraph (D) or (E) of paragraph (1) occurs after the completion of 1 year of a service obligation under this section—

(i) for a scholarship recipient, the total amount of scholarship awards received by the individual under this section, reduced by the ratio of the number of years of service completed divided by the number of years of service required, shall be repaid or such amount shall be treated as a loan to be repaid in accordance with subparagraph (C); and
(ii) for a stipend recipient, one-half of the total amount of stipends received by the individual under this section shall be repaid or such amount shall be treated as a loan to be repaid in accordance with subparagraph (C).

(C) Repayments
The loans described under subparagraphs (A) and (B) shall be payable to the Federal
§ 1862n–1

Government, consistent with the provisions of part B or D of title IV of the Higher Education Act of 1965 (20 U.S.C. 1071 et seq., 1087a et seq.), and shall be subject to repayment in accordance with terms and conditions specified by the Director (in consultation with the Secretary of Education) in regulations promulgated to carry out this paragraph.

(3) Exceptions

The Director may provide for the partial or total waiver or suspension of any service or payment obligation by an individual under this section whenever compliance by the individual with the obligation is impossible or would involve extreme hardship to the individual, or if enforcement of such obligation with respect to the individual would be unconscionable.

(h) Data collection

An eligible entity receiving a grant under this section shall supply to the Director any relevant statistical and demographic data on scholarship and stipend recipients the Director may request, including information on employment required under this section.

(i) Definitions

In this section—

(1) the term “cost of attendance” has the meaning given such term in section 472 of the Higher Education Act of 1965 (20 U.S.C. 1087ll);  
(2) the term “eligible entity” means—  
(A) an institution of higher education; or  
(B) an institution of higher education that receives grant funds on behalf of a consortium of institutions of higher education;  
(3) the term “fellowship” means an award to an individual under section 1862n–1a of this title;  
(4) the term “high need local educational agency” has the meaning given such term in section 201 of the Higher Education Act of 1965 (20 U.S.C. 1021);  
(5) the term “mathematics and science teacher” means a science, technology, engineering, mathematics, or computer science, including cybersecurity, teacher at the elementary school or secondary school level;  
(6) the term “scholarship” means an award under subsection (c);  
(7) the term “science, technology, engineering, or mathematics professional” means an individual who holds a baccalaureate, master’s, or doctoral degree in science, technology, engineering, mathematics, or computer science, including cybersecurity, and is working in or had a career in such field or a related area; and  
(8) the term “stipend” means an award under subsection (d).

(j) Mathematics and science scholarship gift fund

In accordance with section 1870(t) of this title, the Director is authorized to accept donations from the private sector to supplement but not supplant scholarships, stipends, internships, or fellowships associated with programs under this section or section 1862n–1a of this title.

(k) Assessment of teacher service and retention

Not later than 4 years after August 9, 2007, the Director shall transmit to the Committee on Health, Education, Labor, and Pensions of the Senate and the Committee on Science and Technology of the House of Representatives a report on the effectiveness of the programs carried out under this section and section 1862n–1a of this title. The report shall include the proportion of individuals receiving scholarships, stipends, or fellowships under the program who—

(1) fulfill the individuals’ service obligation required under this section or section 1862n–1a of this title;  
(2) remain in the teaching profession beyond the individuals’ service obligation; and  
(3) remain in the teaching profession in a high need local educational agency beyond the individuals’ service obligation.

(l) Evaluation

Not less than 2 years after August 9, 2007, the Director, in consultation with the Secretary of Education, shall conduct an evaluation to determine whether the scholarships, stipends, and fellowships authorized under this section and section 1862n–1a of this title have been effective in increasing the numbers of high-quality mathematics and science teachers teaching in high need local educational agencies and whether there continue to exist significant shortages of such teachers in high need local educational agencies.

References in Text

The Higher Education Act of 1965, referred to in subsec. (g)(2)(C), is Pub. L. 89–329, Nov. 8, 1965, 79 Stat. 1219. Parts B and D of title IV of the Act are classified to parts B (§ 1071 et seq.) and D (§ 1087a et seq.), respectively, of subchapter IV of chapter 26 of Title 20, Education. For complete classification of this Act to the Code, see Short Title note set out under section 1001 of Title 20 and Tables.

Amendments

2017—Subsec. (i)(7). Pub. L. 115–91, §1649C(2), amended par. (7) generally. Prior to amendment, par. (7) read as follows: “the term ‘science, technology, engineering, or mathematics teacher’ means a science, computer science, technology, engineering, or mathematics teacher at the elementary school or secondary school level;”.

Subsec. (i)(8). Pub. L. 115–91, §1649C(2), amended par. (8) generally. Prior to amendment, par. (8) read as follows: “the term ‘science, technology, engineering, or
 mathematics professional’ means a person who holds a baccalaureate, master’s, or doctoral degree in science, technology, engineering, or mathematics, and is working in or had a career in such field or a related area; and”.


CHANGE OF NAME
Committee on Science and Technology of House of Representatives changed to Committee on Science, Space, and Technology of House of Representatives by House Resolution No. 5, One Hundred Twelfth Congress, Jan. 5, 2011.

EFFECTIVE DATE OF 2018 AMENDMENT
Pub. L. 115–303, §2(b), Dec. 11, 2018, 132 Stat. 4399, provided that: ‘‘The amendments made by subsection (a) [amending this section and section 1862n–1a of this title] shall apply with respect to grants awarded on or after October 1, 2018.’’

DEFINITIONS
For definitions of terms used in this section, see section 4 of Pub. L. 107–368, set out as a note under section 1862n of this title.

§ 1862n–1a. National Science Foundation Teaching Fellowships and Master Teaching Fellowships

(a) In general

(1) Grants

(A) In general

As part of the Robert Noyce Teacher Scholarship Program established under section 1862n–1 of this title, the Director shall establish a separate program to award grants to eligible entities to enable such entities to administer fellowships in accordance with this section.

(B) Definitions

The terms used in this section have the meanings given in section 1862n–1 of this title.

(2) Fellowships

Fellowships under this section shall be available only to—

(A) science, technology, engineering, or mathematics professionals, including retiring professionals in those fields, who shall be referred to as ‘‘National Science Foundation Teaching Fellows’’ and who, in the first year of the fellowship, are enrolled in a master’s degree program leading to teacher certification or licensing; and

(B) mathematics and science teachers, who shall be referred to as ‘‘National Science Foundation Master Teaching Fellows’’ and who possess a master’s or bachelor’s degree in their field.

(b) Eligibility

In order to be eligible to receive a grant under this section, an eligible entity shall enter into a partnership that shall include—

(1) a department within an institution of higher education participating in the partnership that provides an advanced program of study in mathematics and science;

(2)(A) a school or department within an institution of higher education participating in the partnership that provides a teacher preparation program; or

(B) a 2-year institution of higher education that has a teacher preparation offering or a dual enrollment program with an institution of higher education participating in the partnership;

(3) not less than 1 high need local educational agency and a public school or a consortium of public schools served by the agency; and

(4) 1 or more nonprofit organizations that have a demonstrated record of capacity to provide expertise or support to meet the purposes of this section.

(c) Use of grants

Grants awarded under this section shall be used by the eligible entity (and participating institutions of higher education of the consortium, if applicable) to develop and implement a program for National Science Foundation Teaching Fellows or National Science Foundation Master Teaching Fellows, through—

(1) administering fellowships in accordance with this section, including providing the teaching fellowship salary supplements described in subsection (f);

(2) in the case of National Science Foundation Teaching Fellowships—

(A) offering academic courses and clinical teaching experiences leading to a master’s degree and designed to prepare individuals to teach in elementary schools and secondary schools, including such preparation as is necessary to meet the requirements for certification or licensing; and

(B) offering programs both during and after matriculation in the program for which the fellowship is received to become highly effective mathematics and science teachers, including mentoring, training, induction, and professional development activities, to fulfill the service requirements of this section, including the requirements of subsection (e), and to exchange ideas with others in their fields;

(3) in the case of National Science Foundation Master Teaching Fellowships for teachers with master’s degrees in their field—

(A) offering academic courses and leadership training to prepare individuals to become master teachers in elementary schools and secondary schools; and

(B) offering programs both during and after matriculation in the program for which the fellowship is received to enable fellows to become highly effective mathematics and science teachers, including mentoring, training, induction, and professional development activities, to fulfill the service requirements of this section, including the requirements of subsection (e), and to exchange ideas with others in their fields; and

(4) in the case of National Science Foundation Master Teaching Fellowships for teachers
with bachelor’s degrees in their field and working toward a master’s degree—

(A) offering academic courses leading to a master’s degree and leadership training to prepare individuals to become master teachers in elementary and secondary schools;

(B) offering programs both during and after matriculation in the program for which the fellowship is received to enable fellows to become highly effective mathematics and science teachers, including mentoring, training, induction, and professional development activities, to fulfill the service requirements of this section, including the requirements of subsection (e), and to exchange ideas with others in their fields; and

(C) providing internship opportunities for fellows, including research experiences at national laboratories and NASA Centers.

(d) Selection process

(1) Merit review

Grants shall be awarded under this section on a competitive, merit-reviewed basis.

(2) Applications

An eligible entity desiring a grant under this section shall submit an application to the Director at such time, in such manner, and containing such information as the Director may require. The application shall include, at a minimum—

(A) in the case of an applicant that is submitting an application on behalf of a consortium of institutions of higher education, a description of the participating institutions of higher education and the roles and responsibilities of each such institution;

(B) a description of the program that the applicant intends to operate, including the number of fellowships the applicant intends to award, the type of activities proposed for the recruitment of students to the program, and the amount of the teaching fellowship salary supplements to be provided in accordance with subsection (f);

(C) evidence that the applicant has the capability to administer the program in accordance with the provisions of this section, which may include a description of any existing programs at the applicant eligible entity (and participating institutions of higher education of the consortium, if applicable) that are targeted to the education of mathematics and science teachers and the number of teachers graduated annually from such programs;

(D) in the case of National Science Foundation Teaching Fellowships, a description of—

(i) the selection process that will be used in awarding fellowships, including a description of the rigorous measures to be used, including the rigorous, nationally recognized assessments to be used, in order to determine whether individuals applying for fellowships have advanced content knowledge of science, technology, engineering, or mathematics;

(ii) the academic courses and clinical teaching experiences described in subsection (c)(2)(A), including—

(I) a description of an educational program that will enable a student to obtain a master’s degree and teacher certification or licensing within 1 year; and

(II) evidence of agreements between the applicant and the schools or local educational agencies that are identified as the locations at which clinical teaching experiences will occur;

(iii) a description of the programs described in subsection (c)(2)(B), including activities to assist individuals in fulfilling their service requirements under this section;

(E) evidence that the eligible entity will provide the teaching supplements required under subsection (f); and

(F) a description of the process the applicant will use to fulfill the requirements of section 1862n–1(f) of this title.

(3) Criteria

In evaluating the applications submitted under paragraph (2), the Director shall consider, at a minimum—

(A) the ability of the applicant (and participating institutions of higher education of the consortium, if applicable) to effectively carry out the program and to meet the requirements of subsection (f);

(B) the extent to which the mathematics, science, or engineering faculty and the education faculty at the eligible entity (and participating institutions of higher education of the consortium, if applicable) have worked or will work collaboratively to design new or revised curricula that recognizes the specialized pedagogy required to teach science, technology, engineering, and mathematics effectively in elementary schools and secondary schools;

(C) the extent to which the applicant (and participating institutions of higher education of the consortium, if applicable) is committed to making the program a central organizational focus;

(D) the degree to which the proposed programming will enable participants to become highly effective mathematics and science teachers and prepare such participants to assume leadership roles in their schools, in addition to their regular classroom duties, including serving as mentor or master teachers, developing curriculum, and assisting in the development and implementation of professional development activities;

(E) the number and quality of the individuals that will be served by the program; and

(F) in the case of the National Science Foundation Teaching Fellowship, the ability of the applicant (and participating institutions of higher education of the consortium, if applicable) to recruit individuals who would otherwise not pursue a career in teaching and individuals identified in section 1885a or 1885b of this title.
(4) Selection of fellows
(A) In general
Individuals shall be selected to receive fellowships under this section primarily on the basis of—
(i) professional achievement;
(ii) academic merit;
(iii) content knowledge of science, technology, engineering, or mathematics, as demonstrated by their performance on an assessment in accordance with paragraph (2)(D)(i); and
(iv) in the case of National Science Foundation Master Teaching Fellows, demonstrated success in improving student academic achievement in science, technology, engineering, or mathematics.
(B) Promoting participation of certain individuals
Among individuals demonstrating equivalent qualifications, consideration may be given to the goal of promoting the participation of individuals identified in section 1885a or 1885b of this title.
(e) Duties of National Science Foundation Teaching Fellows and Master Teaching Fellows
A National Science Foundation Teaching Fellow or a National Science Foundation Master Teaching Fellow, while fulfilling the service obligation under subsection (h) and in addition to regular classroom activities, shall take on a leadership role within the school or local educational agency in which the fellow is employed, as defined by the partnership according to such fellow’s expertise, including serving as a mentor or master teacher, developing curricula, and assisting in the development and implementation of professional development activities.
(f) Teaching fellowship salary supplements
(1) In general
An eligible entity receiving a grant under this section shall provide salary supplements to individuals who participate in the program under this section during the period of their service obligation under subsection (h). A local educational agency through which the service obligation is fulfilled shall agree not to reduce the base salary normally paid to an individual solely because such individual receives a salary supplement under this subsection.
(2) Amount and duration
(A) Amount
Salary supplements provided under paragraph (1) shall be not less than $10,000 per year, except that, in the case of a National Science Foundation Teaching Fellow, while enrolled in the master’s degree program as described in subsection (c)(2)(A), except that if such fellow is enrolled in a part-time program, such amount shall be prorated according to the length of the program.
(C) Duration of support
An eligible entity receiving a grant under this section shall provide teaching fellowship salary supplements through the period of the fellow’s service obligation under subsection (h).
(g) Support for Master Teaching Fellows while enrolled in a master’s degree program
A National Science Foundation Master Teacher Fellow may receive a maximum of 1 year of fellowship support while enrolled in a master’s degree program as described in subsection (c)(4)(A), except that if such fellow is enrolled in a part-time program, such amount shall be prorated according to the length of the program.
(h) Service obligation
An individual awarded a fellowship under this section shall serve as a mathematics or science teacher in an elementary school or secondary school served by a high need local educational agency for—
(1) in the case of a National Science Foundation Teaching Fellow, 4 years, to be fulfilled within 6 years of completing the master’s program described in subsection (c)(2)(A); and
(2) in the case of a National Science Foundation Master Teaching Fellow, 5 years, to be fulfilled within 7 years of the start of participation in the program under subsection (c)(3).
(i) Matching requirement
(1) In general
An eligible entity receiving a grant under this section shall provide, from non-Federal sources, to carry out the activities supported by the grant—
(A) in the case of grants in an amount of less than $1,500,000, an amount equal to at least 30 percent of the amount of the grant, at least one half of which shall be in cash; and
(B) in the case of grants in an amount of $1,500,000 or more, an amount equal to at least 50 percent of the amount of the grant, at least one half of which shall be in cash.
(2) Waiver
The Director may waive all or part of the matching requirement described in paragraph (1) for any fiscal year for an eligible entity receiving a grant under this section, if the Director determines that applying the matching requirement would result in serious hardship or inability to carry out the authorized activities described in this section.
(j) Conditions of support; collection for non-compliance; failure to complete service obligation; data collection
(1) In general
Except as provided in paragraph (2), subsections (e), (f), (g), and (h) of section 1862n–1 of this title shall apply to eligible entities and recipients of fellowships under this section, as
applicable, in the same manner as such sub-
sections apply to eligible entities and recipi-
ents of scholarships and stipends under section
1862n–1 of this title, as applicable.

(2) Amount of repayment
If a circumstance described in subparagraph
(D) or (E) of section 1862n–1(g)(1) of this title
occurs after the completion of 1 year of a serv-
ice obligation under this section—

(A) for a National Science Foundation
Teaching Fellow, the total amount of fellow-
ship award received by the individual under
this section while enrolled in the master’s
degree program, reduced by one-fourth of
the total amount for each year of service
completed, plus one-half of the total teach-
ing fellowship salary supplements received
by such individual under this section, shall
be repaid or such amount shall be treated as
a loan to be repaid in accordance with sec-
tion 1862n–1(g)(1)(C) of this title; and

(B) for a National Science Foundation
Master Teaching Fellow, the total amount
of teaching fellowship salary supplements
received by the individual under this sec-
tion, reduced by one-half, shall be repaid or
such amount shall be treated as a loan to be
repaid in accordance with section
1862n–1(g)(1)(C) of this title.

(k) STEM teacher service and retention

(1) In general
The Director shall develop and implement
practices for increasing the proportion of indi-
viduals receiving fellowships under this sec-
tion who—

(A) fulfill the service obligation required
under subsection (h); and

(B) remain in the teaching profession in a
high need local educational agency beyond
the service obligation.

(2) Practices
The practices described under paragraph (1)
may include—

(A) partnering with nonprofit or profes-
sional associations or with other govern-
ment entities to provide individuals receiv-
ing fellowships under this section with op-
portunities for professional development, in-
cluding mentorship programs that pair those
individuals with currently employed and re-
cently retired science, technology, engineer-
ing, or mathematics professionals;

(B) increasing recruitment from high need
districts;

(C) establishing a system to better collect,
track, and respond to data on the career de-
cisions of individuals receiving fellowships
under this section;

(D) conducting research to better under-
stand factors relevant to teacher service and
retention, including factors specifically im-
pacting the retention of teachers who are indi-
viduals identified in sections 1885a and
1885b of this title; and

(E) conducting pilot programs to improve
teacher service and retention.

§ 1862n–2. Establishment of centers for research
on mathematics and science learning and
education improvement

(a) Establishment

(1) In general

(A) The Director shall award grants to insti-
tutions of higher education or eligible non-
profit organizations (or consortia thereof) to
establish multidisciplinary Centers for Re-
search on Learning and Education Improve-
ment.

(B) Grants shall be awarded under this para-
graph on a competitive, merit-reviewed basis.

(2) Purpose

The purpose of the Centers shall be to con-
duct and evaluate research in cognitive
science, education, and related fields and to
develop ways in which the results of such re-
search can be applied in elementary school
and secondary school classrooms to improve
the teaching of mathematics and science.
(3) Focus
(A) Each Center shall be focused on a different challenge faced by elementary school or secondary school teachers of mathematics and science. In determining the research focus of the Centers, the Director shall consult with the National Academy of Sciences and the Secretaries of Education and take into account the extent to which other Federal programs support research on similar questions.
(B) The proposal solicitation issued by the Director shall state the focus of each Center and applicants shall apply for designation as a specific Center.
(C) At least one Center shall focus on developing ways in which the results of research described in paragraphs (2) can be applied, duplicated, and scaled up for use in low-performing elementary schools and secondary schools to improve the teaching and student achievement levels in mathematics and science.
(D) To the extent practicable and relevant to its focus, every Center shall include, as part of its research, work designed to quantitatively assess and improve the ways that information technology is used in the teaching of mathematics and science.

(b) Selection process
(1) Application
An institution of higher education or an eligible nonprofit organization (or a consortium thereof) seeking funding under this section shall submit an application to the Director at such time, in such manner, and containing such information as the Director may require. The application shall include, at a minimum, a description of—
(A) the initial research projects that will be undertaken by the Center and the process by which new projects will be identified;
(B) how the Center will work with other research institutions and schools to broaden the national research agenda on learning and teaching;
(C) how the Center will promote active collaboration among physical, biological, and social science researchers;
(D) how the Center will promote active participation by elementary and secondary mathematics and science teachers and administrators; and
(E) how the results of the Center’s research can be incorporated into educational practices, and how the Center will assess the success of those practices.
(2) Review of applications
In evaluating the applications submitted under paragraph (1), the Director shall consider, at a minimum—
(A) the ability of the applicant to effectively carry out the research program, including the activities described in paragraph (1)(E);
(B) the experience of the applicant in conducting research on the science of teaching and learning and the capacity of the applicant to foster new multidisciplinary collaborations;
(C) the capacity of the applicant to attract elementary school and secondary school teachers from a diverse array of schools, and with diverse professional experiences, for participation in Center activities; and
(D) the capacity of the applicant to attract and provide adequate support for graduate students to pursue research at the intersection of educational practice and basic research on human cognition and learning.

(3) Awards
The Director shall ensure, to the extent practicable, that the Centers funded under this section conduct research and develop educational practices designed to improve the educational performance of a broad range of students, including individuals identified in section 1885a or 1885b of this title.

(c) Annual conference
The Director shall convene an annual meeting of the Centers to foster collaboration among the Centers and to further disseminate the results of the Centers’ activities.

(d) Coordination
The Director shall coordinate with the Secretary of Education in—
(1) disseminating the results of the research conducted pursuant to grants awarded under this section to elementary school teachers and secondary school teachers; and
(2) providing programming, guidance, and support to ensure that such teachers—
(A) understand the implications of the research disseminated under paragraph (1) for classroom practice; and
(B) can use the research to improve such teachers’ performance in the classroom.


Codification
Section was enacted as part of the National Science Foundation Authorization Act of 2002, and not as part of the National Science Foundation Act of 1950 which comprises this chapter.

Amendments
Subsec. (b)(1). Pub. L. 110–69, § 7006(b)(2), (3), in introductory provisions, inserted “or an eligible nonprofit organization” after “institution of higher education” and substituted “thereof” for “of such institutions”.

Funding for Centers

Definitions
For definitions of terms used in this section, see section 4 of Pub. L. 107–368, set out as a note under section 1862n of this title.

§ 1862n–3. Duplication of programs
(a) In general
The Director shall review the education programs of the Foundation that are in operation
as of December 19, 2002, to determine whether any of such programs duplicate the programs authorized under this Act.

(b) Implementation

As programs authorized under this Act are implemented, the Director shall—

(1) terminate any duplicative program being carried out by the Foundation or merge the duplicative program into a program authorized under this Act; and

(2) not establish any new program that duplicates a program that has been implemented pursuant to this Act.

(c) Report

(1) Review

The Director of the Office of Science and Technology Policy shall review the education programs of the Foundation to ensure compliance with the provisions of this section.

(2) Submission

Not later than 1 year after December 19, 2002, and annually thereafter as part of the annual Office of Science and Technology Policy’s budget submission to Congress, the Director of the Office of Science and Technology Policy shall complete a report on the review carried out under this subsection and shall submit the report to the Committee on Science and the Committee on Appropriations of the House of Representatives, and to the Committee on Commerce, Science, and Transportation, the Committee on Health, Education, Labor, and Pensions, and the Committee on Appropriations of the Senate.


REFERENCES IN TEXT


For complete classification of this Act to the Code, see Short Title of 2002 Amendment note set out under section 1862k of this title.

CODIFICATION

Section was enacted as part of the National Science Foundation Authorization Act of 2002, and not as part of the National Science Foundation Act of 1950 which comprises this chapter.

CHANGE OF NAME

Committee on Science of House of Representatives changed to Committee on Science and Technology of House of Representatives by House Resolution No. 6, One Hundred Tenth Congress, Jan. 5, 2007. Committee on Science and Technology of House of Representatives changed to Committee on Science, Space, and Technology of House of Representatives by House Resolution No. 5, One Hundred Twelfth Congress, Jan. 5, 2011.

DEFINITIONS

For definitions of terms used in this section, see section 4 of Pub. L. 107–368, set out as a note under section 1862k of this title.

§ 1862n–4. Major research equipment and facilities construction plan

(a) Prioritization of proposed major research equipment and facilities construction

(1) Development of priorities

The Director shall—

(A) develop a list indicating by number the relative priority for funding under the major research equipment and facilities construction account that the Director assigns to each project the Board has approved for inclusion in a future budget request; and

(B) submit the list described in subparagraph (A) to the Board for approval.

(2) Criteria

The Director shall include in the criteria for developing the list under paragraph (1) the readiness of plans for construction and operation, including confidence in the estimates of the full life-cycle cost (as defined in section 2 of the National Science Foundation Authorization Act of 1998 (42 U.S.C. 1862k note)) and the proposed schedule of completion.

(3) Updates

The Director shall update the list prepared under paragraph (1) each time the Board approves a new project that would receive funding under the major research equipment and facilities construction account and periodically submit any updated list to the Board for approval.

(b) Project management

No national research facility project funded under the major research equipment and facilities construction account shall be managed by an individual whose appointment to the Foundation is temporary.

(c) Board approval of major research equipment and facilities projects

The Board shall explicitly approve any project to be funded out of the major research equipment and facilities construction account before any funds may be obligated from such account for such project.


REFERENCES IN TEXT


CODIFICATION


Section was enacted as part of the National Science Foundation Authorization Act of 2002, and not as part of the National Science Foundation Act of 1950 which comprises this chapter.

AMENDMENTS

2017—Subsec. (a). Pub. L. 114–329, §204(c)(1), amended subsec. (a) generally. Prior to amendment, subsec. (a) related to prioritization of proposed major research equipment and facilities construction and annual reports.
§ 1862n–5. Board meetings; audits; reports; scholarship eligibility

(a) Board meetings

(1) Omitted

(2) Open meetings

To ensure transparency of the Board’s entire decision-making process, including deliberations on Board business occurring within its various subdivisions, the Board and all of its committees, subcommittees, and task forces (and any other entity consisting of members of the Board and reporting to the Board) shall be subject to section 552b of title 5. The preceding requirement will apply to meetings of the full Board, whenever a quorum is present; and to meetings of its subdivisions, whenever a quorum of the subdivision is present.

(3) Compliance audit

The Inspector General of the Foundation shall conduct an audit every three years of the compliance by the Board with the requirements described in paragraph (2). The audit shall examine the proposed and actual content of closed meetings and determine whether the closure of the meetings was consistent with section 552b of title 5.

(4) Report

Not later than February 15 of every third year, the Inspector General of the Foundation shall transmit to the Committee on Science of the House of Representatives, the Committee on Commerce, Science, and Transportation of the Senate, and the Committee on Health, Education, Labor, and Pensions of the Senate the audit required under paragraph (3) along with recommendations for corrective actions that need to be taken to achieve fuller compliance with the requirements described in paragraph (2), and recommendations on how to ensure public access to the Board’s deliberations.

(5) Materials relating to closed portions of meetings

To facilitate the audit required under paragraph (3) of this subsection, the Office of the National Science Board shall maintain the General Counsel’s certificate, the presiding officer’s statement, and a transcript or recording of any closed meeting, for at least 3 years after such meeting.

(b) Scholarship eligibility

The Director shall not exclude part-time students from eligibility for scholarships under the Computer Science, Engineering, and Mathematics Scholarship program.

$\text{codification}$


$\text{amendments}$

2011—Subsec. (a)(2). Pub. L. 111–338 substituted “To ensure transparency of the Board’s entire decision-making process, including deliberations on Board business occurring within its various subdivisions, the Board” for “The Board” and inserted at end “The preceding requirement will apply to meetings of the full Board, whenever a quorum is present; and to meetings of its subdivisions, whenever a quorum of the subdivision is present.”

2007—Subsec. (a)(3). Pub. L. 110–69, § 7015(a)(1), substituted “an audit every three years” for “an annual audit”.

Subsec. (a)(4). Pub. L. 110–69, § 7015(a)(2), substituted “every third year” for “each year”.


$\text{change of name}$

Committee on Science of House of Representatives changed to Committee on Science and Technology of House of Representatives by House Resolution No. 6, One Hundred Tenth Congress, Jan. 5, 2007. Committee on Science and Technology of House of Representatives changed to Committee on Science, Space, and Technology of House of Representatives by House Resolution No. 5, One Hundred Twelfth Congress, Jan. 5, 2011.

$\text{definitions}$

For definitions of terms used in this section, see section 4 of Pub. L. 107–368, set out as a note under section 1862n of this title.

§ 1862n–6. Undergraduate education reform

(a) In general

The Director shall award grants, on a competitive, merit-reviewed basis, to institutions of higher education to expand previously implemented reforms of undergraduate science, mathematics, engineering, or technology education that have been demonstrated to have been successful in increasing the number and quality of students studying toward and completing associate’s or baccalaureate degrees in science, mathematics, engineering, or technology.

(b) Uses of funds

Activities supported by grants under this section may include—

(1) expansion of successful reform efforts beyond a single course or group of courses to

(2) supplementing reforms that have already been implemented at institutions of higher education in order to expand the quality and number of students benefitting from those reforms.

(3) supporting efforts to develop and disseminate guidelines and resources that can be used by institutions of higher education to implement successful reform strategies.

(4) supporting efforts to evaluate the effectiveness of successful reform strategies.

(5) supporting efforts to develop and disseminate best practices and lessons learned from successful reform efforts.

(6) supporting efforts to build capacity at institutions of higher education to implement successful reform strategies.

(7) supporting efforts to address the needs of institutions of higher education that have not yet implemented successful reform strategies.

(8) supporting efforts to establish and sustain partnerships among institutions of higher education, faculty, and students to implement successful reform strategies.

(9) supporting efforts to develop and disseminate guidelines and resources that can be used by institutions of higher education to implement successful reform strategies.

(10) supporting efforts to evaluate the effectiveness of successful reform strategies.

(11) supporting efforts to develop and disseminate best practices and lessons learned from successful reform efforts.

(12) supporting efforts to build capacity at institutions of higher education to implement successful reform strategies.

(13) supporting efforts to address the needs of institutions of higher education that have not yet implemented successful reform strategies.

(14) supporting efforts to establish and sustain partnerships among institutions of higher education, faculty, and students to implement successful reform strategies.

(15) supporting efforts to develop and disseminate guidelines and resources that can be used by institutions of higher education to implement successful reform strategies.

(16) supporting efforts to evaluate the effectiveness of successful reform strategies.

(17) supporting efforts to develop and disseminate best practices and lessons learned from successful reform efforts.

(18) supporting efforts to build capacity at institutions of higher education to implement successful reform strategies.

(19) supporting efforts to address the needs of institutions of higher education that have not yet implemented successful reform strategies.

(20) supporting efforts to establish and sustain partnerships among institutions of higher education, faculty, and students to implement successful reform strategies.

§ 1862n–7. University-level education reform

(a) In general

The Director shall award grants, on a competitive, merit-reviewed basis, to institutions of higher education to expand previously implemented reforms of undergraduate science, mathematics, engineering, or technology education that have been demonstrated to have been successful in increasing the number and quality of students studying toward and completing associate’s or baccalaureate degrees in science, mathematics, engineering, or technology.

(b) Uses of funds

Activities supported by grants under this section may include—

(1) expansion of successful reform efforts beyond a single course or group of courses to

(2) supplementing reforms that have already been implemented at institutions of higher education in order to expand the quality and number of students benefitting from those reforms.

(3) supporting efforts to develop and disseminate guidelines and resources that can be used by institutions of higher education to implement successful reform strategies.

(4) supporting efforts to evaluate the effectiveness of successful reform strategies.

(5) supporting efforts to develop and disseminate best practices and lessons learned from successful reform efforts.

(6) supporting efforts to build capacity at institutions of higher education to implement successful reform strategies.

(7) supporting efforts to address the needs of institutions of higher education that have not yet implemented successful reform strategies.

(8) supporting efforts to establish and sustain partnerships among institutions of higher education, faculty, and students to implement successful reform strategies.

(9) supporting efforts to develop and disseminate guidelines and resources that can be used by institutions of higher education to implement successful reform strategies.

(10) supporting efforts to evaluate the effectiveness of successful reform strategies.

(11) supporting efforts to develop and disseminate best practices and lessons learned from successful reform efforts.

(12) supporting efforts to build capacity at institutions of higher education to implement successful reform strategies.

(13) supporting efforts to address the needs of institutions of higher education that have not yet implemented successful reform strategies.

(14) supporting efforts to establish and sustain partnerships among institutions of higher education, faculty, and students to implement successful reform strategies.
achieve reform within an entire academic unit;

(2) expansion of successful reform efforts beyond a single academic unit to other science, mathematics, engineering, or technology academic units within an institution;

(3) creation of multidisciplinary courses or programs that formalize collaborations for the purpose of improved student instruction and research in science, mathematics, engineering, and technology;

(4) expansion of undergraduate research opportunities beyond a particular laboratory, course, or academic unit to engage multiple academic units in providing multidisciplinary research opportunities for undergraduate students;

(5) expansion of innovative tutoring or mentoring programs proven to enhance student recruitment or persistence to degree completion in science, mathematics, engineering, or technology;

(6) improvement of undergraduate science, mathematics, engineering, and technology education for nonmajors, including education majors; and

(7) implementation of technology-driven reform efforts, including the installation of technology to facilitate such reform, that directly impact undergraduate science, mathematics, engineering, or technology instruction or research experiences.

(c) Selection process

(1) Applications

An institution of higher education seeking a grant under this section shall submit an application to the Director at such time, in such manner, and containing such information as the Director may require. The application shall include, at a minimum—

(A) a description of the proposed reform effort;

(B) a description of the previously implemented reform effort that will serve as the basis for the proposed reform effort and evidence of success of that previous effort, including data on student recruitment, persistence to degree completion, and academic achievement;

(C) evidence of active participation in the proposed project by individuals who were central to the success of the previously implemented reform effort; and

(D) evidence of institutional support for, and commitment to, the proposed reform effort, including a description of existing or planned institutional policies and practices regarding faculty hiring, promotion, tenure, and teaching assignment that reward faculty contributions to undergraduate education equal to, or greater than, scholarly scientific research.

(2) Review of applications

In evaluating applications submitted under paragraph (1), the Director shall consider at a minimum—

(A) the evidence of past success in implementing undergraduate education reform and the likelihood of success in undertaking the proposed expanded effort;

(B) the extent to which the faculty, staff, and administrators of the institution are committed to making the proposed institutional reform a priority of the participating academic unit;

(C) the degree to which the proposed reform will contribute to change in institutional culture and policy such that a greater value is placed on faculty engagement in undergraduate education, as evidenced through promotion and tenure policies; and

(D) the likelihood that the institution will sustain or expand the reform beyond the period of the grant.

(3) Grant distribution

The Director shall ensure, to the extent practicable, that grants awarded under this section are made to a variety of types of institutions of higher education.


CODIFICATION

Section was enacted as part of the National Science Foundation Authorization Act of 2002, and not as part of the National Science Foundation Act of 1950 which comprises this chapter.

DEFINITIONS

For definitions of terms used in this section, see section 4 of Pub. L. 107–368, set out as a note under section 1862n of this title.

§ 1862n–7. Reports

(a) Grant size and duration

Not later than 6 months after December 19, 2002, the Director shall transmit to the Committee on Science of the House of Representatives, the Committee on Commerce, Science, and Transportation of the Senate, and the Committee on Health, Education, Labor, and Pensions of the Senate a report describing the impact that increasing the average grant size and duration would have on minority-serving institutions and on institutions located in States where the Foundation’s Experimental Program to Stimulate Competitive Research (established under section 1862g of this title) is carrying out activities.

(b) Faculty

Not later than 3 months after December 19, 2002, the Director shall enter into an arrangement with the National Academy of Sciences to assess gender differences in the careers of science and engineering faculty. This study shall build on the Academy’s work on gender differences in the careers of doctoral scientists and engineers and examine issues such as faculty hiring, promotion, tenure, and allocation of resources including laboratory space. Upon completion, the results of this study shall be transmitted to the Committee on Science of the House of Representatives, the Committee on Commerce, Science, and Transportation of the Senate, and the Committee on Health, Education, Labor, and Pensions of the Senate.

(c) Grant funding

Not later than 3 months after December 19, 2002, the Director shall enter into an agreement with an appropriate party to assess gender dif-
ferences in the distribution of external Federal research and development funding. This study shall examine differences in amounts requested and awarded, by gender, in major Federal external grant programs. Upon completion, the results of this study shall be transmitted to the Committee on Science of the House of Representatives, the Committee on Commerce, Science, and Transportation of the Senate, and the Committee on Health, Education, Labor, and Pensions of the Senate.

(d) Study of broadband network access for schools and libraries

(1) Report to Congress

The Director shall conduct a study of the issues described in paragraph (3), and not later than 1 year after December 19, 2002, transmit to the Committee on Science of the House of Representatives, the Committee on Commerce, Science, and Transportation of the Senate, and the Committee on Health, Education, Labor, and Pensions of the Senate a report including recommendations to address those issues. Such report shall be updated annually for 4 additional years.

(2) Consultation

In preparing the reports under paragraph (1), the Director shall consult with Federal agencies and educational entities as the Director considers appropriate.

(3) Issues to be addressed

The reports shall—
(A) identify the availability of high-speed, large bandwidth capacity access to different demographic groups served by elementary schools, secondary schools, and libraries in the United States;
(B) identify how the provision of high-speed, large bandwidth capacity access to the Internet to such schools and libraries can be effectively utilized within each school and library;
(C) consider the effect that specific or regional circumstances may have on the ability of such institutions to acquire high-speed, large bandwidth capacity access to achieve universal connectivity as an effective tool in the education process; and
(D) include options and recommendations to address the challenges and issues identified in the reports.

(e) Minority-serving institution funding

(1) Annual reporting required

The Director shall submit an annual report, along with the President’s annual budget request, to the Committee on Science of the House of Representatives, the Committee on Commerce, Science, and Transportation of the Senate, and the Committee on Health, Education, Labor, and Pensions of the Senate on the amount of funding awarded by the Foundation to minority-serving institutions, including funding received as members of consortia. The report shall include information on such funding to minority-serving institutions—
(A) expressed as a percentage of funding to all institutions of higher education for each appropriations account within the Foundation’s budget; and
(B) for the preceding 10 years.

(2) Report on ways to improve funding

Within one year after December 19, 2002, the Director shall submit to the Committee on Science of the House of Representatives, the Committee on Commerce, Science, and Transportation of the Senate, and the Committee on Health, Education, Labor, and Pensions of the Senate a report on recommendations on how the Foundation can improve funding to minority-serving institutions.


Definitions

For definitions of terms used in this section, see section 4 of Pub. L. 107–368, set out as a note under section 1862n of this title.

§ 1862n–8. Evaluations

(a) Education

(1) In general

The Director, through the Research, Evaluation and Communication Division of the Education and Human Resources Directorate of the Foundation, shall evaluate the effectiveness of all undergraduate science, mathematics, engineering, or technology education activities supported by the Foundation in increasing the number and quality of students, including individuals identified in section 1885a or 1885b of this title studying toward and completing associate’s or baccalaureate degrees in science, mathematics, engineering, and technology. In conducting the evaluation, the Director shall consider information on—
(A) the number of students enrolled in undergraduate science, mathematics, engineering, and technology programs;
(B) student academic achievement, including quantifiable measurements of students’ mastery of content and skills;
(C) persistence to degree completion, including students who transfer from science, mathematics, engineering, and technology programs to programs in other academic disciplines; and
(D) placement during the first year after degree completion in post-graduate education or career pathways.

(2) Assessment benchmarks and tools

The Director, through the Research, Evaluation and Communication Division of the Education and Human Resources Directorate of the Foundation, shall establish a common set
of assessment benchmarks and tools, and shall enable every Foundation-sponsored project to incorporate the use of these benchmarks and tools in their project-based assessment activities.

(3) Reports to Congress

Not later than 3 years after December 19, 2002, and once every 3 years thereafter, the Director shall transmit to the Committee on Science of the House of Representatives, the Committee on Science and Technology of the Senate, and the Committee on Health, Education, Labor, and Pensions of the Senate a report containing the results of evaluations under paragraph (1).

(b) Awards

Notwithstanding any other provision of this Act, the Director shall annually evaluate a random sample of grants, contracts, or other awards made pursuant to this Act.

(c) Dissemination

The Director shall—

(1) provide for the dissemination of the results of the evaluations conducted pursuant to this section to the public; and

(2) provide notice to the public that such evaluations are available.


REFERENCES IN TEXT


CHANGE OF NAME

Committee on Science of the House of Representatives changed to Committee on Science and Technology of the House of Representatives by House Resolution No. 5, One Hundred Tenth Congress, Jan. 5, 2007. Committee on Science and Technology of the House of Representatives changed to Committee on Science, Space, and Technology of the House of Representatives by House Resolution No. 5, One Hundred Twelfth Congress, Jan. 5, 2011.

DEFINITIONS

For definitions of terms used in this section, see section 4 of Pub. L. 107–368, set out as a note under section 1862n of this title.

§ 1862n–9. Astronomy and Astrophysics Advisory Committee

(a) Establishment

The Foundation, the National Aeronautics and Space Administration, and the Department of Energy shall jointly establish an Astronomy and Astrophysics Advisory Committee (in this section referred to as the “Advisory Committee”).

(b) Duties

The Advisory Committee shall—

(1) assess, and make recommendations regarding, the coordination of astronomy and astrophysics programs of the Foundation, the National Aeronautics and Space Administration, and the Department of Energy;

(2) assess, and make recommendations regarding, the status of the activities of the Foundation, the National Aeronautics and Space Administration, and the Department of Energy as they relate to the recommendations contained in the National Research Council’s 2001 report entitled “Astronomy and Astrophysics in the New Millennium”, and the recommendations contained in subsequent National Research Council reports of a similar nature; and

(3) not later than March 15 of each year, transmit a report to the Director, the Administrator of the National Aeronautics and Space Administration, the Secretary of Energy, the Committee on Science of the House of Representatives, the Committee on Commerce, Science, and Transportation of the Senate, and the Committee on Health, Education, Labor, and Pensions of the Senate on the Advisory Committee’s findings and recommendations under paragraphs (1) and (2).

(c) Membership

The Advisory Committee shall consist of 13 members, none of whom shall be a Federal employee, including—

(1) 4 members selected by the Director;

(2) 4 members selected by the Administrator of the National Aeronautics and Space Administration;

(3) 3 members selected by the Secretary of Energy; and

(4) 2 members selected by the Director of the Office of Science and Technology Policy.

(d) Selection process

Initial selections under subsection (c) shall be made within 3 months after December 19, 2002. Vacancies shall be filled in the same manner as provided in subsection (c).

(e) Chairperson

The Advisory Committee shall select a chairperson from among its members.

(f) Coordination

The Advisory Committee shall coordinate with other Federal advisory committees that advise Federal agencies that engage in related research activities.

(g) Compensation

The members of the Advisory Committee shall serve without compensation, but shall receive travel expenses, including per diem in lieu of subsistence, in accordance with sections 5702 and 5703 of title 5.

(h) Meetings

The Advisory Committee shall convene, in person or by electronic means, at least 4 times a year.

(i) Quorum

A majority of the members serving on the Advisory Committee shall constitute a quorum for purposes of conducting the business of the Advisory Committee.

(j) Duration

Section 14 of the Federal Advisory Committee Act shall not apply to the Advisory Committee.

REFERENCES IN TEXT
Section 14 of the Federal Advisory Committee Act, referred to in subsec. (j), is section 14 of Pub. L. 92–463, which is set out in the Appendix to Title 5, Government Organization and Employees.

CODIFICATION
Section was enacted as part of the National Science Foundation Authorization Act of 2002, and not as part of the National Science Foundation Act of 1950 which comprises this chapter.

AMENDMENTS


Subsec. (c)(3), (4). Pub. L. 108–423, §5(a)(3)(B)(i), added par. (3) and redesignated former par. (3) as (4) and substituted “2” for “3”.

Subsec. (c). Pub. L. 108–423, §5(a)(4), substituted “other Federal advisory committees that advise Federal agencies that engage in related research activities” for “the advisory bodies of other Federal agencies, such as the Department of Energy, which may engage in related research activities”.

CHANGE OF NAME
Committee on Science of House of Representatives changed to Committee on Science and Technology of House of Representatives by House Resolution No. 5, One Hundred Twelfth Congress, Jan. 5, 2011.

EFFECTIVE DATE OF 2004 AMENDMENT

DEFINITIONS
For definitions of terms used in this section, see section 4 of Pub. L. 107–368, set out as a note under section 1862n of this title.

§1862o. Postdoctoral research fellows

(a) Mentoring
The Director shall require that all grant applications that include funding to support postdoctoral researchers include a description of the mentoring activities that will be provided for such individuals, and shall ensure that this part of the application is evaluated under the Foundation’s broader impacts merit review criterion. Mentoring activities may include career counseling, training in preparing grant applications, guidance on ways to improve teaching skills, and training in research ethics.

(b) Reports
The Director shall require that annual reports and the final report for research grants that include funding to support postdoctoral researchers include a description of the mentoring activities provided to such researchers.


CODIFICATION
Section was enacted as part of the America COMPETES Act, also known as the America Creating Opportunities to Meaningfully Promote Excellence in Technology, Education, and Science Act, and not as part of the National Science Foundation Act of 1950 which comprises this chapter.

REAFFIRMATION OF THE MERIT-REVIEW PROCESS OF THE NATIONAL SCIENCE FOUNDATION
Pub. L. 110–69, title VII, §7003, Aug. 9, 2007, 121 Stat. 679, provided that: “Nothing in this title [enacting this section and sections 1862m–1a and 1862o–1 to 1862o–15 of this title, amending sections 1862a, 1862d, 1862n, 1862n–1, 1862n–2, 1862n–5, 1863, 1870, and 1881a of this title, sections 5503 and 5511 of Title 15, Commerce and Trade,
and section 3801 of Title 31, Money and Finance, enacting provisions set out as notes under this section and section 1862n–2 of this title, and amending provisions set out as a note under section 1113 of Title 31 or title I (enacting sections 6603, 6619, and 6620 of this title and section 3718 of Title 15 and amending section 3711 of Title 15), or the amendments made by this title or title I, shall be interpreted to require or recommend that the Foundation—

"(1) alter or modify its merit-review system or peer-review process; or

"(2) exclude the awarding of any proposal by means of the merit-review or peer-review process."

### CURRICULA

Pub. L. 110–69, title VII, § 7001, Aug. 9, 2007, 121 Stat. 679, provided that: ‘‘Nothing in this title (enacting this section and sections 1862n-1a and 1862o–1 to 1862o–15 of this title, amending sections 1862i, 1862j, 1862n–4, 1862n–2, 1862n–5, 1863, 1870, and 1881a of this title, sections 5503 and 5511 of Title 15, Commerce and Trade, and section 3801 of Title 31, Money and Finance, enacting provisions set out as notes under this section and section 1862n–2 of this title, and amending provisions set out as a note under section 1113 of Title 31, or the amendments made by this title, shall be construed to limit the authority of State governments or local school boards to determine the curricula of their students.”

### DEFINITIONS

Pub. L. 110–69, title VII, § 7001, Aug. 9, 2007, 121 Stat. 675, as amended by Pub. L. 114–95, title IX, § 9215(i)(5), Dec. 10, 2015, 129 Stat. 2168, provided that: ‘‘In this title (enacting this section and sections 1862n–1a and 1862o–1 to 1862o–15 of this title, amending sections 1862i, 1862j, 1862n–4, 1862n–2, 1862n–5, 1863, 1870, and 1881a of this title, sections 5503 and 5511 of Title 15, Commerce and Trade, and section 3801 of Title 31, Money and Finance, enacting provisions set out as notes under this section and section 1862n–2 of this title, and amending provisions set out as a note under section 1113 of Title 31):

"(1) BASIC RESEARCH.—The term ‘basic research’ has the meaning given such term in the Office of Management and Budget circular No. A-11.

"(2) BOARD.—The term ‘Board’ means the National Science Board established under section 2 of the National Science Foundation Act of 1950 (42 U.S.C. 1861).

"(3) DIRECTOR.—The term ‘Director’ means the Director of the Foundation.

"(4) ELEMENTARY SCHOOL.—The term ‘elementary school’ has the meaning given such term in section 8101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7801).

"(5) FOUNDATION.—The term ‘Foundation’ means the National Science Foundation.

"(6) INSTITUTION OF HIGHER EDUCATION.—The term ‘institution of higher education’ has the meaning given such term in section 101(a) of the Higher Education Act of 1965 (20 U.S.C. 1001(a)).

"(7) SECONDARY SCHOOL.—The term ‘secondary school’ has the meaning given such term in section 8101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7801)."

### § 1862o–1. Responsible conduct of research

The Director shall require that each institution that applies for financial assistance from the Foundation for science and engineering research or education describe in its grant proposal a plan to provide appropriate training and oversight in the responsible and ethical conduct of research to undergraduate students, graduate students, and postdoctoral researchers participating in the proposed research project.


### CODIFICATION

Section was enacted as part of the America COMPETES Act, also known as the America Creating Opportunities to Meaningfully Promote Excellence in Technology, Education, and Science Act, and not as part of the National Science Foundation Act of 1950 which comprises this chapter.

For definitions of terms used in this section, see section 7001 of Pub. L. 110–69, set out as a note under section 1862o of this title.

### § 1862o–2. Reporting of research results

The Director shall ensure that all final project reports and citations of published research documents resulting from research funded, in whole or in part, by the Foundation, are made available to the public in a timely manner and in electronic form through the Foundation’s Web site.


### CODIFICATION

Section was enacted as part of the America COMPETES Act, also known as the America Creating Opportunities to Meaningfully Promote Excellence in Technology, Education, and Science Act, and not as part of the National Science Foundation Act of 1950 which comprises this chapter.

For definitions of terms used in this section, see section 7001 of Pub. L. 110–69, set out as a note under section 1862o of this title.

### § 1862o–3. Sharing research results

An investigator supported under a Foundation award, whom the Director determines has failed to comply with the provisions of section 734 of the Foundation Grant Policy Manual, shall be ineligible for a future award under any Foundation supported program or activity. The Director may restore the eligibility of such an investigator on the basis of the investigator’s subsequent compliance with the provisions of section 734 of the Foundation Grant Policy Manual and with such other terms and conditions as the Director may prescribe.


### CODIFICATION

Section was enacted as part of the America COMPETES Act, also known as the America Creating Opportunities to Meaningfully Promote Excellence in Technology, Education, and Science Act, and not as part of the National Science Foundation Act of 1950 which comprises this chapter.

For definitions of terms used in this section, see section 7001 of Pub. L. 110–69, set out as a note under section 1862o of this title.

### § 1862o–4. Funding for successful science, technology, engineering, and mathematics education programs

(a) Evaluation of programs

The Director shall, on an annual basis, evaluate all of the Foundation’s grants that are scheduled to expire within 1 year and—
(1) that have the primary purpose of meeting the objectives of the Science and Engineering Equal Opportunity Act (42 U.S.C. 1885 et seq.); or
(2) that have the primary purpose of providing teacher professional development.

(b) Continuation of funding

For grants that are identified under subsection (a) and that are determined by the Director to be successful in meeting the objectives of the initial grant solicitation, the Director may extend the duration of those grants for not more than 3 additional years beyond their scheduled expiration without the requirement for a recompetition.


REFERENCES IN TEXT


CODIFICATION

Section was enacted as part of the America COMPETES Act, also known as the America Creating Opportunities to Meaningfully Promote Excellence in Technology, Education, and Science Act, and not as part of the National Science Foundation Act of 1950 which comprises this chapter.

DEFINITIONS

For definitions of terms used in this section, see section 7001 of Pub. L. 110–69, set out as a note under section 1862o of this title.

§1862o–6. Research on innovation and inventiveness

In carrying out its research programs on science policy and on the science of learning, the Foundation may support research on the process of innovation and the teaching of inventiveness.


CODIFICATION

Section was enacted as part of the America COMPETES Act, also known as the America Creating Opportunities to Meaningfully Promote Excellence in Technology, Education, and Science Act, and not as part of the National Science Foundation Act of 1950 which comprises this chapter.

DEFINITIONS

For definitions of terms used in this section, see section 7001 of Pub. L. 110–69, set out as a note under section 1862o of this title.

§1862o–7. Cyberinfrastructure

In order to continue and expand efforts to ensure that research institutions throughout the Nation can fully participate in research programs of the Foundation and collaborate with colleagues throughout the Nation, the Director, not later than 180 days after August 9, 2007, shall develop and publish a plan that—
(1) describes the current status of broadband access for scientific research purposes at institutions in EPSCoR-eligible States, at institutions in rural areas, and at minority serving institutions; and
(2) outlines actions that can be taken to ensure that such connections are available to enable participation in those Foundation programs that rely heavily on high-speed networking and collaborations across institutions and regions.


CODIFICATION

Section was enacted as part of the America COMPETES Act, also known as the America Creating Opportunities to Meaningfully Promote Excellence in Technology, Education, and Science Act, and not as part of the National Science Foundation Act of 1950 which comprises this chapter.
§ 1862–8
\textit{Technology, Education, and Science Act}, and not as opportunities to Meaningfully Promote Excellence in PETES Act, also known as the America Creating Opportunity 1862

(a) In general

The Director shall carry out a pilot program to award 1-year grants to individuals to assist them in improving research proposals that were previously submitted to the Foundation but not selected for funding.

(b) Eligibility

To be eligible to receive a grant under this section, an individual—

(1) may not have previously received funding as the principal investigator of a research grant from the Foundation; and

(2) shall have submitted a proposal to the Foundation, which may include a proposal submitted to the Research in Undergraduate Institutions program, that was rated excellent under the Foundation’s competitive merit review process.

(c) Selection process

The Director shall make awards under this section based on the advice of the program officers of the Foundation.

(d) Use of funds

Grants awarded under this section shall be used to enable an individual to resubmit an updated research proposal for review by the Foundation through the agency’s competitive merit review process. Uses of funds made available under this section may include the generation of new data and the performance of additional analysis.

(e) Program administration

The Director shall carry out this section through the Small Grants for Exploratory Research program.

(f) National Science Board review

The Board shall conduct a review and assessment of the pilot program under this section, including the number of new investigators funded, the distribution of awards by type of institution of higher education, and the success rate upon resubmittal of proposals by new investigators funded through such pilot program. Not later than 3 years after August 9, 2007, the Board shall summarize its findings and any recommendations regarding changes to, the termination of, or the continuation of the pilot program in a report to the Committee on Science and Technology of the House of Representatives and the Committee on Commerce, Science, and Transportation and the Committee on Health, Education, Labor, and Pensions of the Senate.


\textbf{Codification}

Section was enacted as part of the America COMPETES Act, also known as the America Creating Opportunities to Meaningfully Promote Excellence in Technology, Education, and Science Act, and not as part of the National Science Foundation Act of 1950 which comprises this chapter.
§ 1862o–10. Advanced information and communications technology research

(1) In general

As part of the Program described in title I of the High-Performance Computing Act of 1991 (15 U.S.C. 5511 et seq.), the Foundation shall support basic research related to advanced information and communications technologies that will contribute to enhancing or facilitating the availability and affordability of advanced communications services for all people of the United States. Areas of research to be supported may include research on—

(A) affordable broadband access, including wireless technologies;
(B) network security and reliability;
(C) communications interoperability;
(D) networking protocols and architectures, including resilience to outages or attacks;
(E) trusted software;
(F) privacy;
(G) nanoelectronics for communications applications;
(H) low-power communications electronics;
(I) implementation of equitable access to national advanced fiber optic research and educational networks in noncontiguous States; and
(J) such other related areas as the Director finds appropriate.

(2) Centers

The Director shall award multiyear grants, subject to the availability of appropriated funds and on a merit-reviewed competitive basis, to institutions of higher education, nonprofit research institutions affiliated with institutions of higher education, or consortia of either type of institution to establish multidisciplinary Centers for Communications Research. The purpose of the Centers shall be to generate innovative approaches to problems in information and communications technology research, including the research areas described in paragraph (1). Institutions of higher education, nonprofit research institutions affiliated with institutions of higher education, or consortia receiving such grants may partner with 1 or more government laboratories, for-profit entities, or other institutions of higher education or nonprofit research institutions.

(3) Funding allocation

The Director shall increase funding for the basic research activities described in paragraph (1), which shall include support for the Centers described in paragraph (2), in proportion to the increase in the total amount appropriated to the Foundation for research and related activities for the fiscal years 2008 through 2010.

(4) Report to Congress

The Director shall transmit to Congress, as part of the President’s annual budget submission under section 1105 of title 31, a report on the amounts allocated for support of research under this section for the fiscal year during which such report is submitted and the levels proposed for the fiscal year with respect to which the budget submission applies. (Pub. L. 110–69, title VII, §7024(b), Aug. 9, 2007, 121 Stat. 689.)

REFERENCES IN TEXT


DEFINITIONS

For definitions of terms used in this section, see section 7001 of Pub. L. 110–69, set out as a note under section 1862o of this title.


§ 1862o–12. Hispanic-serving institutions undergraduate program

(a) In general

The Director shall award grants on a competitive, merit-reviewed basis to Hispanic-serving institutions (as defined in section 1101a of title 20) to enhance the quality of undergraduate STEM education at such institutions and to increase the retention and graduation rates of students pursuing associate’s or baccalaureate degrees in science, technology, engineering, and mathematics.

(b) Program components

Grants awarded under this section shall support—

(1) activities to improve courses and curriculum in science, technology, engineering, and mathematics;
(2) faculty development;
(3) stipends for undergraduate students participating in research; and
(4) other activities consistent with subsection (a), as determined by the Director.

(c) Instrumentation


CODIFICATION

Section was enacted as part of the America COMPETES Act, also known as the America Creating Opportunities to Meaningfully Promote Excellence in Technology, Education, and Science Act, and not as
part of the National Science Foundation Act of 1950 which comprises this chapter.

**AMENDMENTS**

2017—Subsec. (a). Pub. L. 114–329 amended subsec. (a) generally. Prior to amendment, text read as follows: “The Director is authorized to establish a new program to award grants on a competitive, merit-reviewed basis to Hispanic-serving institutions (as defined in section 1101a of title 20) to enhance the quality of undergraduate science, technology, engineering, and mathematics education at such institutions and to increase the retention and graduation rates of students pursuing associate’s or baccalaureate degrees in science, technology, engineering, and mathematics.”

**SAVINGS PROVISION**

Pub. L. 114–329, title III, § 315(b), Jan. 6, 2017, 130 Stat. 3016, provided that: “The amendment made by subsection (a) of this section [amending this section] shall not affect any award of a grant or other form of financial assistance made under section 7033 of the America COMPETES Act (42 U.S.C. 1862o) before the date of enactment of this Act [Jan. 6, 2017]. Such awards shall continue to be subject to the requirements to which such funds were subject under that section before the date of enactment of this Act.”

**DEFINITIONS**

For definitions of terms used in this section, see section 7001 of Pub. L. 110–69, set out as a note under section 1862o of this title.

§ 1862o–13. Professional science master’s degree programs

(a) Clearinghouse

(1) Development

The Director shall establish a clearinghouse, in collaboration with 4-year institutions of higher education (including applicable graduate schools and academic departments), and industries and Federal agencies that employ science-trained personnel, to share program elements used in successful professional science master’s degree programs and other advanced degree programs related to science, technology, engineering, and mathematics.

(2) Availability

The Director shall make the clearinghouse of program elements available under paragraph (1) available to institutions of higher education that are developing professional science master’s degree programs.

(b) Programs

(1) Programs authorized

The Director shall award grants to 4-year institutions of higher education that may include linkages between institutions of higher education and industries that employ science-trained personnel, with an emphasis on practical training and preparation for the workforce in high-need fields.

(2) Application

A 4-year institution of higher education desiring a grant under this section shall submit an application to the Director at such time, in such manner, and accompanied by such information as the Director may require. The application shall include—

(A) a description of the professional science master’s degree program that the institution of higher education will implement;

(B) a description of how the professional science master’s degree program at the institution of higher education will produce individuals for the workforce in high-need fields;

(C) the amount of funding from non-Federal sources, including from private industries, that the institution of higher education shall use to support the professional science master’s degree program; and

(D) an assurance that the institution of higher education shall encourage students in the professional science master’s degree program to apply for all forms of Federal assistance available to such students, including applicable graduate fellowships and student financial assistance under titles IV and VII of the Higher Education Act of 1965 (20 U.S.C. 1070 et seq., 1133 et seq.).

(3) Preferences

The Director shall give preference in making awards to 4-year institutions of higher education seeking Federal funding to create or improve professional science master’s degree programs, to those applicants—

(A) located in States with low percentages of citizens with graduate or professional degrees, as determined by the Bureau of the Census, that demonstrate success in meeting the unique needs of the corporate, non-profit, and government communities in the State, as evidenced by providing internships for professional science master’s degree students or similar partnership arrangements; or

(B) that secure more than two-thirds of the funding for such professional science master’s degree programs from sources other than the Federal Government.

(4) Number of grants; time period of grants

(A) Number of grants

Subject to the availability of appropriated funds, the Director shall award grants under paragraph (1) to a maximum of 200 4-year institutions of higher education.

(B) Time period of grants

Grants awarded under this section shall be for one 3-year term. Grants may be renewed only once for a maximum of 2 additional years.

(5) Evaluation and reports

(A) Development of performance benchmarks

Prior to the start of the grant program, the Director, in collaboration with 4-year institutions of higher education (including applicable graduate schools and academic departments), and industries and Federal agencies that employ science-trained personnel, shall develop performance benchmarks to evaluate the pilot programs assisted by grants under this section.

(B) Evaluation

For each year of the grant period, the Director, in consultation with 4-year institu-
tions of higher education (including applicable graduate schools and academic departments), and industries and Federal agencies that employ science-trained personnel, shall complete an evaluation of each program assisted by grants under this section. Any program that fails to satisfy the performance benchmarks developed under subparagraph (A) shall not be eligible for further funding.

(C) Report
Not later than 180 days after the completion of an evaluation described in subparagraph (B), the Director shall submit a report to Congress that includes—
(i) the results of the evaluation; and
(ii) recommendations for administrative and legislative action that could optimize the effectiveness of the pilot programs, as the Director determines to be appropriate.

(3) Reporting

(c) Cost sharing
(1) In general
An institution of higher education receiving an award under the Major Research Instrumentation program shall provide at least 30 percent of the cost from private or non-Federal sources.

(2) Exceptions
Institutions of higher education that are not Ph.D.-granting institutions are exempt from the cost sharing requirement in paragraph (1), and the Director may reduce or waive the cost sharing requirement for—
(A) institutions—
(i) that are not ranked among the top 100 institutions receiving Federal research and development funding, as documented by the statistical data published by the Foundation; and
(ii) for which the proposed project will make a substantial improvement in the institution’s capabilities to conduct leading edge research, to provide research experiences for undergraduate students using leading edge facilities, and to broaden the participation in science and engineering research by individuals identified in section 1885a or 1885b of this title; and
(B) consortia of institutions of higher education that include at least one institution that is not a Ph.D.-granting institution.

§ 1862o–15. Limit on proposals
(a) Policy
For programs supported by the Foundation that require as part of the selection process for awards the submission of preproposals and that also limit the number of preproposals that may be submitted by an institution, the Director shall allow the subsequent submission of a full proposal based on each preproposal that is determined to have merit following the Foundation's merit review process.

(b) Review and assessment of policies
The Board shall review and assess the effects on institutions of higher education of the policies of the Foundation regarding the imposition of limitations on the number of proposals that may be submitted by a single institution for programs supported by the Foundation. The Board shall determine whether current policies are well justified and appropriate for the types of programs that limit the number of proposal submissions. Not later than 1 year after August 9, 2007, the Board shall summarize the Board’s findings and any recommendations regarding changes to the current policy on the restriction of proposal submissions in a report to the Committee on Science and Technology of the House of Representatives and to the Committee on Commerce, Science, and Transportation and the
Committee on Health, Education, Labor, and Pensions of the Senate.


CODIFICATION
Section was enacted as part of the America COMPETES Act, also known as the America Creating Opportunities to Meaningfully Promote Excellence in Technology, Education, and Science Reauthorization Act of 2010, and not as part of the National Science Foundation Act of 1950 which comprises this chapter.

CHANGE OF NAME
Committee on Science and Technology of House of Representatives changed to Committee on Science, Space, and Technology of House of Representatives by House Resolution No. 5, One Hundred Twelfth Congress, Jan. 5, 2011.

DEFINITIONS
For definitions of terms used in this section, see section 7001 of Pub. L. 110–69, set out as a note under section 1862o of this title.

§ 1862p. National Center for Science and Engineering Statistics

(a) Establishment

There is established within the Foundation a National Center for Science and Engineering Statistics that shall serve as a central Federal clearinghouse for the collection, interpretation, analysis, and dissemination of objective data on science, engineering, technology, and research and development.

(b) Duties

In carrying out subsection (a) of this section, the Director, acting through the Center shall—

(1) collect, acquire, analyze, report, and disseminate statistical data related to the science and engineering enterprise in the United States and other nations that is relevant and useful to practitioners, researchers, policymakers, and the public, including statistical data on—

(A) research and development trends;

(B) the science and engineering workforce;

(C) United States competitiveness in science, engineering, technology, and research and development; and

(D) the condition and progress of United States STEM education;

(2) support research using the data it collects, and on methodologies in areas related to the work of the Center; and

(3) support the education and training of researchers in the use of large-scale, nationally representative data sets.

(c) Statistical reports

The Director or the National Science Board, acting through the Center, shall issue regular, and as necessary, special statistical reports on topics related to the national and international science and engineering enterprise such as the biennial report required by section 1863(j)(1) of this title on indicators of the state of science and engineering in the United States.


CODIFICATION
Section was enacted as part of the America COMPETES Reauthorization Act of 2010, also known as the America Creating Opportunities to Meaningfully Promote Excellence in Technology, Education, and Science Reauthorization Act of 2010, and not as part of the National Science Foundation Authorization Act of 2010, and also as part of the National Science Foundation Act of 1950 which comprises this chapter.

RESEARCH ON EFFICIENCY OF SKILLED TECHNICAL LABOR MARKETS


“(a) EFFICIENCY OF SKILLED TECHNICAL LABOR MARKETS.—The Director of the National Science Foundation, working through the Directorate of Social, Behavioral & Economic Sciences, in coordination with the Secretary of Labor, shall support research on labor market analysis innovations, data and information sciences, electronic information tools and methodologies, and metrics.

“(b) SKILLED TECHNICAL WORKFORCE.—

“(1) REVIEW.—The National Center for Science and Engineering Statistics of the National Science Foundation shall consult and coordinate with other relevant Federal statistical agencies, including the Institute of Education Sciences of the Department of Education, and the Committee on Science, Technology, Engineering, and Mathematics Education of the National Science and Technology Council established under section 101 of the America COMPETES Reauthorization Act of 2010 (Public Law 111–358) [42 U.S.C. 6621], to explore the feasibility of expanding its surveys to include the collection of objective data on the skilled technical workforce.

“(2) REPORT.—Not later than one year after the date of enactment of this Act [Dec. 31, 2018], the Director of the National Science Foundation shall submit to Congress a report on the progress made in expanding the National Center for Science and Engineering Statistics surveys to include the skilled technical workforce, including a plan for multi-agency collaboration to improve data collection and reporting of data on the skilled technical workforce.

“(c) DEFINITION OF SKILLED TECHNICAL WORKFORCE.—The term ‘skilled technical workforce’ [sic] means workers with high school diplomas and two-year technical training or certifications who employ significant levels of STEM knowledge in their jobs.”

DEFINITIONS
For definition of “STEM” as used in this section, see section 2 of Pub. L. 111–358, set out as a note under section 1862p and 1869 of this title, amending sections 1862n–1a, 1862n–5, 1863, and 1869 of this title, and enacting provisions set out as notes under sections 1862p and 1869 of this title:

(1) DIRECTOR.—The term ‘Director’ means the Director of the National Science Foundation.

(2) EPSCoR.—The term ‘EPSCoR’ means—

“(A) the Established Program to Stimulate Competitive Research established by the Foundation; or

“(B) a program similar to the Established Program to Stimulate Competitive Research at another Federal agency.

(3) FOUNDATION.—The term ‘Foundation’ means the National Science Foundation established under section 2 of the National Science Foundation Act of 1950 [42 U.S.C. 1861].

(4) INSTITUTION OF HIGHER EDUCATION.—The term ‘institution of higher education’ has the meaning given such term in section 101(a) of the Higher Education Act of 1965 [20 U.S.C. 1001(a)].
(5) STATE.—The term ‘State’ means one of the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, or any other territory or possession of the United States.

(6) UNITED STATES.—The term ‘United States’ means the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, and any other territory or possession of the United States.*

§ 1862p–1. National Science Foundation manufacturing research and education

(a) Manufacturing research

The Director shall carry out a program to award merit-reviewed, competitive grants to institutions of higher education to support fundamental research leading to transformative advances in manufacturing technologies, processes, and enterprises that will support United States manufacturing through improved performance, productivity, sustainability, and competitiveness. Research areas may include—

(1) nanomanufacturing;
(2) manufacturing and construction machines and equipment, including robotics, automation, and other intelligent systems;
(3) manufacturing enterprise systems;
(4) advanced sensing and control techniques;
(5) materials processing; and
(6) information technologies for manufacturing, including predictive and real-time models and simulations, and virtual manufacturing.

(b) Manufacturing education

In order to help ensure a well-trained manufacturing workforce, the Director shall carry out a program to award grants to strengthen and expand scientific and technical education and training in advanced manufacturing, including through the Foundation’s Advanced Technological Education program.


CODIFICATION

Section was enacted as part of the America COMPETES Reauthorization Act of 2010, also known as the America Creating Opportunities to Meaningfully Promote Excellence in Technology, Education, and Science Reauthorization Act of 2010, and also as part of the National Science Foundation Authorization Act of 2010, and not as part of the National Science Foundation Act of 1950 which comprises this chapter.

DEFINITIONS

For definitions of terms used in this section, see section 502 of Pub. L. 111–358, set out as a note under section 1862p–1 of this title.

§ 1862p–2. Partnerships for innovation

(a) In general

The Director shall carry out a program to award merit-reviewed, competitive grants to institutions of higher education to establish and to expand partnerships that promote innovation and increase the impact of research by developing tools and resources to connect new scientific discoveries to practical uses.

(b) Partnerships

(1) In general

To be eligible for funding under this section, an institution of higher education must propose establishment of a partnership that—

(A) includes at least one private sector entity; and

(B) may include other institutions of higher education, public sector institutions, private sector entities, and nonprofit organizations.

(2) Priority

In selecting grant recipients under this section, the Director shall give priority to partnerships that include one or more institutions of higher education and at least one of the following:

(A) A minority serving institution.

(B) A primarily undergraduate institution.

(C) A 2-year institution of higher education.

(c) Program

Proposals funded under this section shall seek—

(1) to increase the impact of the most promising research at the institution or institutions of higher education that are members of the partnership through knowledge transfer or commercialization;

(2) to increase the engagement of faculty and students across multiple disciplines and departments, including faculty and students in schools of business and other appropriate non-STEM fields and disciplines in knowledge transfer activities;

(3) to enhance education and mentoring of students and faculty in innovation and entrepreneurship through networks, courses, and development of best practices and curricula;

(4) to strengthen the culture of the institution or institutions of higher education to undertake and participate in activities related to innovation and leading to economic or social impact;

(5) to broaden the participation of all types of institutions of higher education in activities to meet STEM workforce needs and promote innovation and knowledge transfer; and

(6) to build lasting partnerships with local and regional businesses, local and State governments, and other relevant entities.

(d) Additional criteria

In selecting grant recipients under this section, the Director shall also consider the extent to which the applicants are able to demonstrate evidence of institutional support for, and commitment to—

(1) achieving the goals of the program as described in subsection (c);

(2) expansion to an institution-wide program if the initial proposal is not for an institution-wide program; and

(3) sustaining any new innovation tools and resources generated from funding under this program.

(e) Limitation

No funds provided under this section may be used to construct or renovate a building or structure.
§ 1862p–3. Sustainable chemistry basic research

The Director shall establish a Green Chemistry Basic Research program to award competitive, merit-based grants to support research into green and sustainable chemistry which will lead to clean, safe, and economical alternatives to traditional chemical products and practices. The research program shall provide sustained support for green chemistry research, education, and technology transfer through:

1. merit-reviewed competitive grants to individual investigators and teams of investigators, including, to the extent practicable, young investigators, for research;
2. grants to fund collaborative research partnerships among universities, industry, and nonprofit organizations;
3. symposia, forums, and conferences to increase outreach, collaboration, and dissemination of green chemistry advances and practices; and
4. education, training, and retraining of undergraduate and graduate students and professional chemists and chemical engineers, including through partnerships with industry, in green chemistry science and engineering.


CODIFICATION

Section was enacted as part of the America COMPETES Reauthorization Act of 2010, also known as the America Creating Opportunities to Meaningfully Promote Excellence in Technology, Education, and Science Reauthorization Act of 2010, and as part of the National Science Foundation Authorization Act of 2010, and not as part of the National Science Foundation Act of 1950 which comprises this chapter.

DEFINITIONS

For definitions of terms used in this section, see section 2 of Pub. L. 111–358, set out as a note under section 6621 of this title, and section 502 of Pub. L. 111–358, set out as a note under section 1862p of this title.

§ 1862p–4. Undergraduate broadening participation program

The Foundation shall continue to support the Historically Black Colleges and Universities Undergraduate Program, the Louis Stokes Alliances for Minority Participation program, the Tribal Colleges and Universities Program, and Hispanic-serving institutions as separate programs.


CODIFICATION

Section was enacted as part of the America COMPETES Reauthorization Act of 2010, also known as the America Creating Opportunities to Meaningfully Promote Excellence in Technology, Education, and Science Reauthorization Act of 2010, and also as part of the National Science Foundation Authorization Act of 2010 (42 U.S.C. 1862p–3)."

DEFINITIONS

For definitions of terms used in this section, see section 502 of Pub. L. 111–358, set out as a note under section 1862p of this title.

§ 1862p–5. Research experiences for high school students

The Director shall permit specialized STEM high schools conducting research to participate in major data collection initiatives from universities, corporations, or government labs under a research grant from the Foundation, as part of the research proposal.


CODIFICATION

Section was enacted as part of the America COMPETES Reauthorization Act of 2010, also known as the America Creating Opportunities to Meaningfully Promote Excellence in Technology, Education, and Science Reauthorization Act of 2010, and also as part of the National Science Foundation Authorization Act of 2010, and not as part of the National Science Foundation Act of 1950 which comprises this chapter.

DEFINITIONS

For definitions of terms used in this section, see section 502 of Pub. L. 111–358, set out as a note under section 1862p of this title.
§ 1862p–6. Research experiences for undergraduates

(a) Research sites

The Director shall award grants, on a merit-reviewed, competitive basis, to institutions of higher education, nonprofit organizations, or consortia of such institutions and organizations, for sites designated by the Director to provide research experiences for 6 or more undergraduate STEM students for sites designated at primarily undergraduate institutions of higher education and 10 or more undergraduate STEM students for all other sites, with consideration given to the goal of promoting the participation of individuals identified in section 1885a or 1885b of this title. The Director shall ensure that—

(1) at least half of the students participating in a program funded by a grant under this subsection at each site shall be recruited from institutions of higher education where research opportunities in STEM are limited, including 2-year institutions;

(2) the awards provide undergraduate research experiences in a wide range of STEM disciplines;

(3) the awards support a variety of projects, including independent investigator-led projects, interdisciplinary projects, and multi-institutional projects (including virtual projects);

(4) students participating in each program funded have mentors, including during the academic year to the extent practicable, to help connect the students' research experiences to the overall academic course of study and to help students achieve success in courses of study leading to a baccalaureate degree in a STEM field;

(5) mentors and students are supported with appropriate salary or stipends; and

(6) student participants are tracked, for employment and continued matriculation in STEM fields, through receipt of the undergraduate degree and for at least 3 years thereafter.

(b) Inclusion of undergraduates in standard research grants

The Director shall require that every recipient of a research grant from the Foundation proposing to include 1 or more students enrolled in certificate, associate, or baccalaureate degree programs in carrying out the research under the grant shall request support, including stipend support, for such undergraduate students as part of the research proposal itself rather than as a supplement to the research proposal, unless such undergraduate participation was not foreseeable at the time of the original proposal.


CODIFICATION

Section was enacted as part of the America COMPETES Reauthorization Act of 2010, also known as the America Creating Opportunities to Meaningfully Promote Excellence in Technology, Education, and Science Reauthorization Act of 2010, and also as part of the National Science Foundation Act of 1950, and not as part of the National Science Foundation Act of 1950 which comprises this chapter.

DEFINITIONS

For definitions of terms used in this section, see section 2 of Pub. L. 111–358, set out as a note under section 6621 of this title, and section 502 of Pub. L. 111–358, set out as a note under section 1862p of this title.

§ 1862p–7. STEM industry internship programs

(a) In general

The Director may award grants, on a competitive, merit-reviewed basis, to institutions of higher education, or consortia thereof, to establish or expand partnerships with local or regional private sector entities, for the purpose of providing undergraduate students with integrated internship experiences that connect private sector internship experiences with the students’ STEM coursework. The partnerships may also include industry or professional associations.

(b) Internship program

The grants awarded under subsection (a) may include internship programs in the manufacturing sector.

(c) 1 Use of grant funds

Grants under this section may be used—

(1) to develop and implement hands-on learning opportunities;

(2) to develop curricula and instructional materials related to industry, including the manufacturing sector;

(3) to perform outreach to secondary schools;

(4) to develop mentorship programs for students with partner organizations; and

(5) to conduct activities to support awareness of career opportunities and skill requirements.

(d) 2 Priority

In awarding grants under this section, the Director shall give priority to institutions of higher education or consortia thereof that demonstrate significant outreach to and coordination with local or regional private sector entities and Regional Centers for the Transfer of Manufacturing Technology established by section 278k(a)3 of title 15 in developing academic courses designed to provide students with the skills or certifications necessary for employment in local or regional companies.

(e) 1 Outreach to rural communities

The Foundation shall conduct outreach to institutions of higher education and private sector entities in rural areas to encourage those entities to participate in partnerships under this section.

(d) 2 Cost-share

The Director shall require a 50 percent non-Federal cost-share from partnerships established or expanded under this section.

(e) Restriction

No Federal funds provided under this section may be used—

(1) for the purpose of providing stipends or compensation to students for private sector

1 See original. Two subsecs. (c) have been enacted.
2 So in original. Two subsecs. (d) have been enacted.
3 See References in Text note below.
internships unless private sector entities match 75 percent of such funding; or
(2) as payment or reimbursement to private sector entities, except for institutions of higher education.

(f) Report
Not less than 3 years after January 4, 2011, the Director shall submit a report to Congress on the number and total value of awards made under this section, the number of students affected by those awards, any evidence of the effect of those awards on workforce preparation and jobs placement for participating students, and an economic and ethnic breakdown of the participating students.


REFERENCES IN TEXT
Section 278k of title 15, referred to in subsec. (d), was amended generally by Pub. L. 114–329, title V, § 501(b), Jan. 6, 2017, 130 Stat. 3023, and, as so amended, relates to the Hollings Manufacturing Extension Partnership.

CODIFICATION
Section was enacted as part of the America COMPETES Reauthorization Act of 2010, also known as the America Creating Opportunities to Meaningfully Promote Excellence in Technology, Education, and Science Reauthorization Act of 2010, and also as part of the National Science Foundation Authorization Act of 2010, and not as part of the National Science Foundation Act of 1950 which comprises this chapter.

DEFINITIONS
For definitions of terms used in this section, see section 278k of title 15, §515, Jan. 6, 2017, 130 Stat. 3023, and, as so amended, relates to the Hollings Manufacturing Extension Partnership.

§1862p–8. Cyber-enabled learning for national challenges

The Director shall, in consultation with appropriate Federal agencies, identify ways to use cyber-enabled learning to create an innovative STEM workforce and to help retain and retain our existing STEM workforce to address national challenges, including national security and competitiveness, and use technology to enhance or supplement laboratory based learning.


CODIFICATION
Section was enacted as part of the America COMPETES Reauthorization Act of 2010, also known as the America Creating Opportunities to Meaningfully Promote Excellence in Technology, Education, and Science Reauthorization Act of 2010, and also as part of the National Science Foundation Authorization Act of 2010, and not as part of the National Science Foundation Act of 1950 which comprises this chapter.

DEFINITIONS
For definitions of terms used in this section, see section 2 of Pub. L. 111–358, set out as a note under section 6621 of this title, and section 502 of Pub. L. 111–358, set out as a note under section 1862p of this title.

§1862p–9. Experimental Program to Stimulate Competitive Research

(a) Findings
The Congress finds that—
(1) the National Science Foundation Act of 1950 [42 U.S.C. 1861 et seq.] stated, “it shall be an objective of the Foundation to strengthen research and education in the sciences and engineering, including independent research by individuals, throughout the United States, and to avoid undue concentration of such research and education”;
(2) National Science Foundation funding remains highly concentrated, with 28 States and jurisdictions, taken together, receiving only about 12 percent of all National Science Foundation research funding;
(3) each of the States described in paragraph (2) receives only a fraction of 1 percent of the Foundation’s research dollars each year;
(4) first established at the National Science Foundation in 1979, the Experimental Program to Stimulate Competitive Research (referred to in this section as “EPSCoR”) assists States and jurisdictions historically underserved by Federal research and development funding in strengthening their research and innovation capabilities;
(5) the EPSCoR structure requires each participating State to develop a science and technology plan suited to State and local research, education, and economic interests and objectives;
(6) EPSCoR has been credited with advancing the research competitiveness of participating States, improving awareness of science, promoting policies that link scientific investment and economic growth, and encouraging partnerships between government, industry, and academia;
(7) EPSCoR proposals are evaluated through a rigorous and competitive merit-review process to ensure that awarded research and development efforts meet high scientific standards; and
(8) according to the National Academy of Sciences, EPSCoR has strengthened the national research infrastructure and enhanced the educational opportunities needed to develop the science and engineering workforce.

(b) Continuation of program
The Director shall continue to carry out EPSCoR, with the objective of helping the eligible States to develop the research infrastructure that will make them more competitive for Foundation and other Federal research funding. The program shall continue to increase as the National Science Foundation funding increases.

(c) Coordination of EPSCoR and similar Federal programs

(1) Another finding
The Congress finds that a number of Federal agencies have programs, such as EPSCoR and the National Institutes of Health Institutional Development Award program, designed to increase the capacity for and quality of science and technology research and training at academic institutions in States that historically have received relatively little Federal research and development funding.

(2) Coordination required
The EPSCoR Interagency Coordinating Committee, chaired by the National Science Foundation, shall—
(A) coordinate each EPSCoR to maximize the impact of Federal support for building competitive research infrastructure, and in order to achieve an integrated Federal effort;
(B) coordinate agency objectives with State and institutional goals, to obtain continued non-Federal support of science and technology research and training;
(C) develop metrics to assess gains in academic research quality and competitiveness, and in science and technology human resource development;
(D) conduct a cross-agency evaluation of each EPSCoR and accomplishments, including management, investment, and metric-measuring strategies implemented by the different agencies aimed to increase the number of new investigators receiving peer-reviewed funding, broaden participation, and empower knowledge generation, dissemination, application, and national research and development competitiveness;
(E) coordinate the development and implementation of new, novel workshops, outreach activities, and follow-up mentoring activities among each EPSCoR for colleges and universities in EPSCoR States and territories in order to increase the number of proposals submitted and successfully funded and to enhance statewide coordination of each EPSCoR;
(F) coordinate the development of new, innovative solicitations and programs to facilitate collaborations, partnerships, and mentoring activities among faculty at all levels in non-EPSCoR and EPSCoR States and jurisdictions;
(G) conduct an evaluation of the roles, responsibilities and degree of autonomy that program officers or managers (or the equivalent position) have in executing each EPSCoR at the different Federal agencies and the impacts these differences have on the number of EPSCoR State and jurisdiction faculty participating in the peer review process and the percentage of successful awards by individual EPSCoR State jurisdiction and individual researcher; and
(H) conduct a survey of colleges and university faculty at all levels regarding their knowledge and understanding of EPSCoR, and their level of interaction with and knowledge about their respective State or Jurisdictional EPSCoR Committee.

(3) Meetings and reports
The Committee shall meet at least twice each fiscal year and shall submit an annual report to the appropriate committees of Congress describing progress made in carrying out paragraph (2).

(d) Federal agency reports
Each Federal agency that administers an EPSCoR shall submit to Congress, as part of its Federal budget submission—
(1) a description of the program strategy and objectives;
(2) a description of the awards made in the previous fiscal year, including—
(A) the total amount made available, by State, under EPSCoR;
(B) the total amount of agency funding made available to all institutions and entities within each EPSCoR State;
(C) the efforts and accomplishments to fully integrate the EPSCoR States in major agency activities and initiatives;
(D) the percentage of EPSCoR reviewers from EPSCoR States; and
(E) the number of programs or large collaborator awards involving a partnership of organizations and institutions from EPSCoR and non-EPSCoR States; and

(3) an analysis of the gains in academic research quality and competitiveness, and in science and technology human resource development, achieved by the program over the last 5 fiscal years.

(e) National Academy of Sciences study

(1) In general
The Director shall contract with the National Academy of Sciences to conduct a study on all Federal agencies that administer an EPSCoR.

(2) Matters to be addressed
The study conducted under paragraph (1) shall include the following:
(A) A delineation of the policies of each Federal agency with respect to the awarding of grants to EPSCoR States.
(B) The effectiveness of each program.
(C) Recommendations for improvements for each agency to achieve EPSCoR goals.
(D) An assessment of the effectiveness of EPSCoR States in using awards to develop science and engineering research and education, and science and engineering infrastructure within their States.
(E) Such other issues that address the effectiveness of EPSCoR as the National Academy of Sciences considers appropriate.

(f) Award structure updates
In implementing the mandate to maximize the impact of Federal EPSCoR support on building competitive research infrastructure, and based on the inputs and recommendations of previous EPSCoR reviews, the head of each Federal agency administering an EPSCoR program shall—
(1) consider modifications to EPSCoR proposal solicitation, award type, and project evaluation—
(A) to more closely align with current agency priorities and initiatives;
(B) to focus EPSCoR funding on achieving critical scientific, infrastructure, and educational needs of that agency;
(C) to encourage collaboration between EPSCoR-eligible institutions and researchers, including with institutions and researchers in other States and jurisdictions;
(D) to improve communication between State and Federal agency proposal reviewers; and
(E) to continue to reduce administrative burdens associated with EPSCoR;
(2) consider modifications to EPSCoR award structures—
(A) to emphasize long-term investments in building research capacity, potentially
through the use of larger, renewable funding opportunities; and
(B) to allow the agency, States, and jurisdictions to experiment with new research and development funding models; and
(3) consider modifications to the mechanisms used to monitor and evaluate EPSCoR awards—
(A) to increase collaboration between EPSCoR-funded researchers and agency staff, including by providing opportunities for mentoring young researchers and for the use of Federal facilities;
(B) to identify and disseminate best practices; and
(C) to harmonize metrics across participating Federal agencies, as appropriate.


References in Text
The National Science Foundation Act of 1950, referred to in subsec. (a)(1), is act May 10, 1950, ch. 171, 64 Stat. 149, which is classified generally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 1861 of this title of 1950 which comprises this chapter.

Amendments
2017—Subsec. (a)(1). Pub. L. 114–329, § 103(a)(1), substituted “the National” for “The National” and “such research and education” for “such research and education.”
Subsec. (a)(2). Pub. L. 114–329, § 103(a)(2), substituted “with 28 States and jurisdictions, taken together, receiving only about 12 percent of all National Science Foundation research funding:” for “with 27 States and 2 jurisdictions, taken together, receiving only about 10 percent of all NSF research funding: each of these States received only a fraction of one percent of Foundation’s research dollars each year:”.
Subsec. (a)(3). Pub. L. 114–329, § 103(a)(3), added par. (3) and struck out former par. (3) which read as follows: “the Nation requires the talent, expertise, and research capabilities of all States in order to prepare sufficient numbers of scientists and engineers, remain globally competitive and support economic development.”
Subsec. (c). Pub. L. 114–329, § 103(d)(1)(A), (B), redesignated subsec. (d) as (c) and struck out former subsec. (c) which related to congressional reports.
Subsec. (c)(3). Pub. L. 114–329, § 103(d)(1)(B), redesignated subsec. (g) as (f), former subsec. (f) redesignated (d).
Subsec. (e). Pub. L. 114–329, § 103(d)(1)(B), redesignated subsec. (f) as (e), former subsec. (e) redesignated (d).
Subsec. (f). Pub. L. 114–329, § 103(d)(1)(B), added subsec. (g) and then redesignated it as (f).

Definitions
For definitions of terms used in this section, see section 562 of Pub. L. 111–358, set out as a note under section 1862p of this title.

§ 1862p–10. Academic technology transfer and commercialization of university research

(a) In general
Any institution of higher education (as such term is defined in section 1001(a) of title 20) that receives National Science Foundation research support and has received at least $25,000,000 in total Federal research grants in the most recent fiscal year shall keep, maintain, and report annually to the National Science Foundation the universal record locator for a public website that contains information concerning its general approach to and mechanisms for transfer of technology and the commercialization of research results, including—
(1) contact information for individuals and university offices responsible for technology transfer and commercialization;
(2) information for both university researchers and industry on the institution’s technology licensing and commercialization strategies;
(3) success stories, statistics, and examples of how the university supports commercialization of research results;
(4) technologies available for licensing by the university where appropriate; and
(5) any other information deemed by the institution to be helpful to companies with the potential to commercialize university inventions.

(b) NSF website
The National Science Foundation shall create and maintain a website accessible to the public that links to each website mentioned under (a).

(c) Trade secret information
Notwithstanding subsection (a), an institution shall not be required to reveal confidential, trade secret, or proprietary information on its website.


1 See References in Text note below.
REFERENCES IN TEXT
Section 1001(a) of title 20, referred to in subsec. (a), was in the original “section 101(a) of the Higher Education Act of 1965 (20 U.S.C. 1001(a))”, and was translated as reading “section 101(a)” of that Act, to reflect the probable intent of Congress.

CODIFICATION
Section was enacted as part of the America COMPETES Reauthorization Act of 2010, also known as the America Creating Opportunities to Meaningfully Promote Excellence in Technology, Education, and Science Reauthorization Act of 2010, and also as part of the National Science Foundation Authorization Act of 2010, and not as part of the National Science Foundation Act of 1950 which comprises this chapter.

§ 1862p–11. NSF grants in support of sponsored post-doctoral fellowship programs
The Director of the National Science Foundation may utilize funds appropriated to carry out grants to institutions of higher education (as such term is defined in section 1001(a) of title 20) to provide financial support for post-graduate research in fields with potential commercial applications to match, in whole or in part, any private sector grant of financial assistance to any post-doctoral program in such a field of study.


CODIFICATION
Section was enacted as part of the America COMPETES Reauthorization Act of 2010, also known as the America Creating Opportunities to Meaningfully Promote Excellence in Technology, Education, and Science Reauthorization Act of 2010, and also as part of the National Science Foundation Authorization Act of 2010, and not as part of the National Science Foundation Act of 1950 which comprises this chapter.

§ 1862p–12. Cloud computing research enhancement
(a) Research focus area
The Director may support a national research agenda in key areas affected by the increased use of public and private cloud computing, including—

(1) new approaches, techniques, technologies, and tools for—

(A) optimizing the effectiveness and efficiency of cloud computing environments; and

(B) mitigating security, identity, privacy, reliability, and manageability risks in cloud-based environments, including as they differ from traditional data centers;

(2) new algorithms and technologies to define, assess, and establish large-scale, trustworthy, cloud-based infrastructures;

(3) models and advanced technologies to measure, assess, report, and understand the performance, reliability, energy consumption, and other characteristics of complex cloud environments; and

(4) advanced security technologies to protect sensitive or proprietary information in global-scale cloud environments.

(b) Establishment

(1) In general
Not later than 60 days after January 4, 2011, the Director shall initiate a review and assessment of cloud computing research opportunities and challenges, including research areas listed in subsection (a), as well as related issues such as—

(A) the management and assurance of data that are the subject of Federal laws and regulations in cloud computing environments, which laws and regulations exist on January 4, 2011;

(B) misappropriation of cloud services, privacy through cloud technologies, and other threats to the integrity of cloud services;

(C) areas of advanced technology needed to enable trusted communications, processing, and storage; and

(D) other areas of focus determined appropriate by the Director.

(2) Unsolicited proposals
The Director may accept unsolicited proposals that review and assess the issues described in paragraph (1). The proposals may be judged according to existing criteria of the National Science Foundation.

(c) Report
The Director shall provide an annual report for not less than 5 consecutive years to Congress on the outcomes of National Science Foundation investments in cloud computing research, recommendations for research focus and program improvements, or other related recommendations. The reports, including any interim findings or recommendations, shall be made publicly available on the website of the National Science Foundation.

(d) NIST support
The Director of the National Institute of Standards and Technology shall—

(1) collaborate with industry in the development of standards supporting trusted cloud computing infrastructures, metrics, interoperability, and assurance; and

(2) support standards development with the intent of supporting common goals.


CODIFICATION
Section was enacted as part of the America COMPETES Reauthorization Act of 2010, also known as the America Creating Opportunities to Meaningfully Promote Excellence in Technology, Education, and Science Reauthorization Act of 2010, and also as part of the National Science Foundation Authorization Act of 2010, and not as part of the National Science Foundation Act of 1950 which comprises this chapter.

DEFINITIONS
For definitions of terms used in this section, see section 502 of Pub. L. 111–358, set out as a note under section 1862p of this title.

§ 1862p–13. Tribal colleges and universities program
(a) In general
The Director shall continue to support a program to award grants on a competitive, merit-reviewed basis to tribal colleges and universities (as defined in section 1059c of title 20, including institutions described in section 1059d of title
20, to enhance the quality of undergraduate STEM education at such institutions and to increase the retention and graduation rates of Native American students pursuing associate's or baccalaureate degrees in STEM.

(b) Program components

Grants awarded under this section shall support—

(1) activities to improve courses and curriculum in STEM;
(2) faculty development;
(3) stipends for undergraduate students participating in research; and
(4) other activities consistent with subsection (a), as determined by the Director.

(c) Instrumentation

Funding provided under this section may be used for laboratory equipment and materials.


DEFINITIONS

For definitions of terms used in this section, see section 2 of Pub. L. 111–358, set out as a note under section 6621 of this title, and section 502 of Pub. L. 111–358, set out as a note under section 1862p of this title.


(a) Goals

The Foundation shall apply a broader impacts review criterion to identify and demonstrate project support of the following goals:

(1) Increasing the economic competitiveness of the United States.
(2) Advancing of the health and welfare of the American public.
(3) Supporting the national defense of the United States.
(4) Enhancing partnerships between academia and industry in the United States.
(5) Developing an American STEM workforce that is globally competitive through improved pre-kindergarten through grade 12 STEM education and teacher development, and improved undergraduate STEM education and instruction.
(6) Improving public scientific literacy and engagement with science and technology in the United States.
(7) Expanding participation of women and individuals from underrepresented groups in STEM.

(b) Policy

Not later than 6 months after January 4, 2011, the Director shall develop and implement a policy for the Broader Impacts Review Criterion that—

(1) provides for educating professional staff at the Foundation, merit review panels, and applicants for Foundation research grants on the policy developed under this subsection;
(2) clarifies that the activities of grant recipients undertaken to satisfy the Broader Impacts Review Criterion shall—
(A) to the extent practicable employ proven strategies and models and draw on existing programs and activities; and
(B) when novel approaches are justified, build on the most current research results;
(3) allows for some portion of funds allocated to broader impacts under a research grant to be used for assessment and evaluation of the broader impacts activity;
(4) encourages institutions of higher education and other nonprofit education or research organizations to develop and provide, either as individual institutions or in partnerships thereof, appropriate training and programs to assist Foundation-funded principal investigators at their institutions in achieving the goals of the Broader Impacts Review Criterion as described in subsection (a); and
(5) requires principal investigators applying for Foundation research grants to provide evidence of institutional support for the portion of the investigator’s proposal designed to satisfy the Broader Impacts Review Criterion, including evidence of relevant training, programs, and other institutional resources available to the investigator from either their home institution or organization or another institution or organization with relevant expertise.


DEFINITIONS

For definitions of terms used in this section, see section 2 of Pub. L. 111–358, set out as a note under section 6621 of this title, and section 502 of Pub. L. 111–358, set out as a note under section 1862p of this title.
§ 1862p–15. Twenty-first century graduate education

(a) In general

The Director shall award grants, on a competitive, merit-reviewed basis, to institutions of higher education to implement or expand research-based reforms in master’s and doctoral level STEM education that emphasize preparation for diverse careers utilizing STEM degrees, including at diverse types of institutions of higher education, in industry, and at government agencies and research laboratories.

(b) Uses of funds

Activities supported by grants under this section may include—

(1) creation of multidisciplinary or interdisciplinary courses or programs for the purpose of improved student instruction and research in STEM;

(2) expansion of graduate STEM research opportunities to include interdisciplinary research opportunities and research opportunities in industry, at Federal laboratories, and at international research institutions or research sites;

(3) development and implementation of future faculty training programs focused on improved instruction, mentoring, assessment of student learning, and support of undergraduate STEM students;

(4) support and training for graduate students to participate in instructional activities beyond the traditional teaching assistantship, and especially as part of ongoing educational reform efforts, including at pre-K–12 schools, and primarily undergraduate institutions;

(5) creation, improvement, or expansion of innovative graduate programs such as science master’s degree programs;

(6) development and implementation of seminars, workshops, and other professional development activities that increase the ability of graduate students to engage in innovation, technology transfer, and entrepreneurship;

(7) development and implementation of seminars, workshops, and other professional development activities that increase the ability of graduate students to effectively communicate their research findings to technical audiences outside of their own discipline and to nontechnical audiences;

(8) expansion of successful STEM reform efforts beyond a single academic unit to other STEM academic units within an institution or to comparable academic units at other institutions; and

(9) research on teaching and learning of STEM at the graduate level related to the proposed reform effort, including assessment and evaluation of the proposed reform activities and research on scalability and sustainability of approaches to reform.

c) Partnership

An institution of higher education may partner with one or more other nonprofit education or research organizations, including scientific and engineering societies, for the purposes of carrying out the activities authorized under this section.

(d) Selection process

(1) Applications

An institution of higher education seeking a grant under this section shall submit an application to the Director at such time, in such manner, and containing such information as the Director may require. The application shall include, at a minimum—

(A) a description of the proposed reform effort;

(B) in the case of applications that propose an expansion of a previously implemented reform effort at the applicant’s institution or at other institutions, a description of the previously implemented reform effort;

(C) evidence of institutional support for, and commitment to, the proposed reform effort, including long-term commitment to implement successful strategies from the current reform effort beyond the academic unit or units included in the grant proposal or to disseminate successful strategies to other institutions; and

(D) a description of the plans for assessment and evaluation of the grant proposed reform activities.

(2) Review of applications

In selecting grant recipients under this section, the Director shall consider at a minimum—

(A) the likelihood of success in undertaking the proposed effort at the institution submitting the application, including the extent to which the faculty, staff, and administrators of the institution are committed to making the proposed institutional reform a priority of the participating academic unit or units;

(B) the degree to which the proposed reform will contribute to change in institutional culture and policy such that a greater value is placed on preparing graduate students for diverse careers utilizing STEM degrees;

(C) the likelihood that the institution will sustain or expand the reform beyond the period of the grant; and

(D) the degree to which scholarly assessment and evaluation plans are included in the design of the reform effort.


CODIFICATION

Section was enacted as part of the America COMPETES Reauthorization Act of 2010, also known as the America Creating Opportunities to Meaningfully Promote Excellence in Technology, Education, and Science Reauthorization Act of 2010, and also as part of the National Science Foundation Authorization Act of 2010, and not as part of the National Science Foundation Act of 1950 which comprises this chapter.

DEFINITIONS

For definitions of terms used in this section, see section 2 of Pub. L. 111–358, set out as a note under section 6621 of this title, and section 502 of Pub. L. 111–358, set out as a note under section 1862p of this title.
§ 1862q. Informal STEM education

(a) Grants

The Director of the National Science Foundation, through the Directorate for Education and Human Resources, shall continue to award competitive, merit-reviewed grants to support—

(1) research and development of innovative out-of-school STEM learning and emerging STEM learning environments in order to improve STEM learning outcomes and engagement in STEM;

(2) research that advances the field of informal STEM education; and

(3) a national partnership of institutions involved in informal STEM learning.

(b) Uses of funds

Activities supported by grants under this section may encompass a single STEM discipline, multiple STEM disciplines, or integrative STEM initiatives and shall include—

(1) research and development that improves our understanding of learning and engagement in informal environments, including the role of informal environments in broadening participation in STEM;

(2) design and testing of innovative STEM learning models, programs, and other resources for informal learning environments to improve STEM learning outcomes and increases engagement for K-12 students, K-12 teachers, and the general public, including design and testing of the scalability of models, programs, and other resources;

(3) fostering on-going partnerships between institutions involved in informal STEM learning, institutions of higher education, and education research centers; and

(4) developing, and making available informal STEM education activities and educational materials.

§ 1862r. Research in disabilities education

(a) Program

Nothing in this section and section 1862r-1 of this title alters the National Science Foundation’s Research in Disabilities Education program for fundamental and implementation research about learners (of all ages) with disabilities, including dyslexia, in science, technology, engineering, and mathematics (STEM). The National Science Foundation shall continue to encourage efforts to understand and address disability-based differences in STEM education and workforce participation, including differences for dyslexic learners.

(b) Line item

The Director of the National Science Foundation shall include the amount requested for the Research in Disabilities Education program in the Foundation’s annual congressional budget justification.

(c) Coordination

The National Science Foundation shall devote not less than $5,000,000 to research described in subsection (a), which shall include not less than $2,500,000 for research on the science of dyslexia, for each of fiscal years 2017 through 2021, subject to the availability of appropriations, to come from amounts made available for the Research and Related Activities account or the Education and Human Resources Directorate under subsection (e). This section shall be carried out using funds otherwise appropriated by law after February 18, 2016.
(e) Authorization
For each of fiscal years 2016 through 2021, there are authorized out of funds appropriated to the National Science Foundation, $5,000,000 to carry out the activities described in subsection (a).
(Pub. L. 114–124, § 4, Feb. 18, 2016, 130 Stat. 120.)

CODIFICATION
Section was enacted as part of the Research Excellence and Advancements for Dyslexia Act or READ Act, and not as part of the National Science Foundation Act of 1950 which comprises this chapter.

DEFINITION OF SPECIFIC LEARNING DISABILITY
Pub. L. 114–124, §§ 5, Feb. 18, 2016, 130 Stat. 121, provided that: "In this Act [see Short Title of 2017 Amendment § 1862s–1. Transparency and accountability (a) Findings

(1) building the understanding of and confidence in investments in basic research is essential to public support for sustained, predictable Federal funding;
(2) the Foundation has improved transparency and accountability of the outcomes made through the merit review process, but additional transparency into individual grants is valuable in communicating and assuring the public value of federally funded research; and
(3) the Foundation should commit to transparency and accountability and to clear, consistent public communication regarding the national interest for each Foundation-awarded grant and cooperative agreement.

(b) Guidance

(1) In general

The Director of the Foundation shall issue and periodically update, as appropriate, policy guidance for both Foundation staff and other Foundation merit review process participants on the importance of transparency and accountability to the outcomes made through the merit review process.
§ 1862s–2 TITLE 42—THE PUBLIC HEALTH AND WELFARE Page 4706

(2) Requirements

The guidance under paragraph (1) shall require that each public notice of a Foundation-funded research project justify the expenditure of Federal funds by—
(A) describing how the project—
(i) reflects the statutory mission of the Foundation, as established in the National Science Foundation Act of 1950 (42 U.S.C. 1861 et seq.); and
(ii) addresses the Foundation’s intellectual merit and broader impacts criteria; and

(B) clearly identifying the research goals of the project in a manner that can be easily understood by both technical and non-technical audiences.

(1) In general

The Director of the Foundation shall strengthen oversight and accountability over the full life-cycle of each major multi-user research facility project, including planning, development, procurement, construction, operations, and support, and shut-down of the facility, in order to maximize research investment.

(2) Requirements

In carrying out paragraph (1), the Director shall—
(A) prioritize the scientific outcomes of a major multi-user research facility project and the internal management and financial oversight of the major multi-user research facility project;

(B) clarify the roles and responsibilities of all organizations, including offices, panels, committees, and directorates, involved in supporting a major multi-user research facility project, including the role of the Major Research Equipment and Facilities Construction Panel;

(C) establish policies and procedures for the planning, management, and oversight of a major multi-user research facility project at each phase of the life-cycle of the major multi-user research facility project;

(D) ensure that policies for estimating and managing costs and schedules are consistent with the best practices described in the Government Accountability Office Cost Estimating and Assessment Guide, the Government Accountability Office Schedule Assessment Guide, and the Office of Management and Budget Uniform Guidance (2 C.F.R. Part 200);

(E) establish the appropriate project management and financial management expertise required for Foundation staff to oversee each major multi-user research facility project effectively, including by improving project management training and certification;

(F) coordinate the sharing of the best management practices and lessons learned from each major multi-user research facility project;

(G) continue to maintain a Large Facilities Office to support the research directorates in the development, implementation, and oversight of each major multi-user research facility project, including by—
(i) serving as the Foundation’s primary resource for all policy or process issues related to the development, implementation, and oversight of a major multi-user research facility project;

(ii) serving as a Foundation-wide resource on project management, including providing expert assistance on non-scientific and nontechnical aspects of project planning, budgeting, implementation, management, and oversight;

(iii) coordinating and collaborating with research directorates to share best management practices and lessons learned from prior major multi-user research facility projects; and

(iv) assessing each major multi-user research facility project for cost and schedule risk; and

(H) appoint a senior agency official whose responsibility is oversight of the development, construction, and operations of major multi-user research facilities across the Foundation.

(b) Facilities full life-cycle costs

(1) In general

Subject to subsection (c)(1), the Director of the Foundation shall require that any pre-award analysis of a major multi-user research facility project includes the development and consideration of the full life-cycle cost (as defined in section 2 of the National Science Foundation Authorization Act of 1998 (42 U.S.C. 1862k note)) in accordance with section 1862n–4 of this title.

(2) Implementation

Based on the pre-award analysis described in paragraph (1), the Director of the Foundation shall include projected operational costs within the Foundation’s out-years as part of the President’s annual budget submission to Congress under section 1105 of title 31.
(c) Cost oversight

(1) Pre-award analysis

(A) In general
The Director of the Foundation and the National Science Board may not approve or execute any agreement to start construction on any proposed major multi-user research facility project unless—
(i) an external analysis of the proposed budget has been conducted to ensure the proposal is complete and reasonable;
(ii) the analysis under clause (i) follows the Government Accountability Office Cost Estimating and Assessment Guide;
(iii) except as provided under subparagraph (C), an analysis of the accounting systems has been conducted;
(iv) an independent cost estimate of the construction of the project has been conducted using the same detailed technical information as the project proposal estimate to determine whether the estimate is well-supported and realistic; and
(v) the Foundation and the National Science Board have considered the analyses under clauses (i) and (ii) and the independent cost estimate under clause (iv) and resolved any major issues identified therein.

(B) Audits
An external analysis under subparagraph (A)(i) may include an audit.

(C) Exception
The Director of the Foundation, at the Director’s discretion, may waive the requirement under subparagraph (A)(iii) if a similar analysis of the accounting systems was conducted in the prior years.

(2) Construction oversight
The Director of the Foundation shall require for each major multi-user research facility project—
(A) periodic external reviews on project management and performance;
(B) adequate internal controls, policies, and procedures, and reliable accounting systems in preparation for the incurred cost audits under subparagraph (D);
(C) annual incurred cost submissions of financial expenditures; and
(D) an incurred cost audit of the major multi-user research facility project in accordance with Government Accountability Office Government Auditing Standards—
(i) at least once during construction at a time determined based on risk analysis and length of the award, except that the length of time between audits may not exceed 3 years; and
(ii) at the completion of the construction phase.

(3) Operations cost analysis
The Director of the Foundation shall require an independent cost analysis of the operational proposal for each major multi-user research facility project.

(d) Contingency

(1) In general
The Director of the Foundation shall strengthen internal controls to improve oversight of contingency on a major multi-user research facility project.

(2) Requirements
In carrying out paragraph (1), the Director of the Foundation shall—
(A) only include contingency amounts in an award in accordance with section 200.433 of title 2, Code of Federal Regulations (relating to contingency provisions), or any successor regulation;
(B) retain control over funds budgeted for contingency, except that the Director may disburse budgeted contingency funds incrementally to the awardee to ensure project stability and continuity;
(C) track contingency use; and
(D) ensure that contingency amounts allocated to the performance baseline are reasonable and allowable.

(e) Use of fees

(1) Sense of Congress
It is the sense of Congress that—
(A) the use of taxpayer-funded award fees should be transparent and explicable; and
(B) the Foundation should implement an award fee policy that ensures more transparency and accountability in the funding of necessary and appropriate expenses directly related to the construction and operation of major multi-user research facilities.

(2) Reporting and recordkeeping
The Director of the Foundation shall establish guidelines for awardees regarding inappropriate expenditures associated with all fee types used in cooperative agreements, including for alcoholic beverages, lobbying, meals or entertainment for non-business purposes, non-business travel, and any other purpose the Director determines is inappropriate.

(f) Oversight implementation progress
The Director of the Foundation shall—
(1) not later than 90 days after January 6, 2017, and periodically thereafter until the completion date, provide a briefing to the appropriate committees of Congress on the response to or progress made toward implementation of—
(A) this section;
(B) all of the issues and recommendations identified in cooperative agreement audit reports and memoranda issued by the Inspector General of the Foundation in the last 5 years; and
(C) all of the issues and recommendations identified by a panel of the National Academy of Public Administration in the December 2015 report entitled “National Science Foundation: Use of Cooperative Agreements to Support Large Scale Investment in Research”; and
(2) not later than 1 year after January 6, 2017, notify the appropriate committees of Congress when the Foundation has imple-
mented the recommendations identified in a panel of the National Academy of Public Administration report issued December 2015.

(g) Definitions
In this section:

(1) Appropriate committees of Congress
The term "appropriate committees of Congress" means the Committee on Commerce, Science, and Transportation and the Committee on Appropriations of the Senate and the Committee on Science, Space, and Technology and the Committee on Appropriations of the House of Representatives.

(2) Major multi-user research facility project
The term "major multi-user research facility project" means a science and engineering facility project that—

(A) exceeds the lesser of—

(i) 10 percent of a Directorate’s annual budget; or

(ii) $100,000,000 in total project costs; or

(B) is funded by the major research equipment and facilities construction account, or any successor account.

REFERENCES IN TEXT

CODIFICATION
Section was enacted as part of the American Innovation and Competitiveness Act, and not as part of the National Science Foundation Act of 1950 which comprises this chapter.

DEFINITIONS
For definitions of terms used in this section, see section 2 of Pub. L. 114–329, set out as a note under section 1862s of this title.

§ 1862s–3. Personnel oversight

(a) Conflicts of interest
The Director of the Foundation shall update the policy and procedure of the Foundation relating to conflicts of interest to improve documentation and management of any known conflict of interest of an individual on temporary assignment at the Foundation, including an individual on assignment under the Intergovernmental Personnel Act of 1970 (42 U.S.C. 4701 et seq.).

(b) Justifications
The Deputy Director of the Foundation shall submit annually to the appropriate committees of Congress written justification for each rotator employed under the Intergovernmental Personnel Act of 1970 (42 U.S.C. 4701 et seq.), or other rotator employed, by the Foundation that year that is paid at a rate that exceeds the maximum rate of pay for the Senior Executive Service, including, if applicable, the level of adjustment for the certified Senior Executive Service Performance Appraisal System.

(c) Report
Not later than 1 year after January 6, 2017, the Director of the Foundation shall submit to the appropriate committees of Congress a report on the Foundation’s progress in responding to the findings and implementing the recommendations of the Office of Inspector General of the Foundation related to the employment of rotators.

REFERENCES IN TEXT
The Intergovernmental Personnel Act of 1970, referred to in subsecs. (a) and (b), is Pub. L. 91–648, Jan. 5, 1971, 84 Stat. 1909, which is classified principally to chapter 62 (§ 4701 et seq.) of this title. For complete classification of this Act to the Code, see Short Title note set out under section 4701 of this title and Tables.

CODIFICATION
Section was enacted as part of the American Innovation and Competitiveness Act, and not as part of the National Science Foundation Act of 1950 which comprises this chapter.

DEFINITIONS
For definitions of terms used in this section, see section 2 of Pub. L. 114–329, set out as a note under section 1862s of this title.

§ 1862s–4. Brain Research through Advancing Innovative Neurotechnologies Initiative

(a) In general
The Foundation shall support research activities related to the interagency Brain Research through Advancing Innovative Neurotechnologies Initiative.

(b) Sense of Congress
It is the sense of Congress that the Foundation should work in conjunction with the Interagency Working Group on Neuroscience established by the National Science and Technology Council, Committee on Science to determine how to use the data infrastructure of the Foundation and other applicable Federal science agencies to help neuroscientists collect, standardize, manage, and analyze the large amounts of data that result from research attempting to understand how the brain functions.

REFERENCES IN TEXT
For definitions of terms used in this section, see section 2 of Pub. L. 114–329, set out as a note under section 1862s of this title.
§ 1862s–5. Programs to expand STEM opportunities

(a) Findings
Congress makes the following findings:

(1) Economic projections by the Bureau of Labor Statistics indicate that by 2018, there could be 2,400,000 unfilled STEM jobs.

(2) Women represent slightly more than half the United States population, and projections indicate that 54 percent of the population will be a member of a racial or ethnic minority group by 2050.

(3) Despite representing half the population, women comprise only about 30 percent of STEM workers according to a 2015 report by the National Center for Science and Engineering Statistics.

(4) A 2014 National Center for Education Statistics study found that underrepresented populations leave the STEM fields at higher rates than their counterparts.

(5) The representation of women in STEM drops significantly at the faculty level. Overall, women hold only 25 percent of all tenured and tenure-track positions and 17 percent of full professor positions in STEM fields in our Nation’s universities and 4-year colleges.

(6) Black and Hispanic faculty together hold about 6.5 percent of all tenured and tenure-track positions and 5 percent of full professor positions.

(7) Many of the numbers in the American Indian or Alaskan Native and Native Hawaiian or Other Pacific Islander categories for different faculty ranks were too small for the Foundation to report publicly without potentially compromising confidential information about the individuals being surveyed.

(b) Sense of Congress
It is the sense of Congress that—

(1) it is critical to our Nation’s economic leadership and global competitiveness that the United States educate, train, and retain more scientists, engineers, and computer scientists;

(2) there is currently a disconnect between the availability of and growing demand for STEM-skilled workers;

(3) historically, underrepresented populations are the largest untapped STEM talent pools in the United States; and

(4) given the shifting demographic landscape, the United States should encourage full participation of individuals from underrepresented populations in STEM fields.

(c) Reaffirmation
The Director of the Foundation shall continue to support programs designed to broaden participation of underrepresented populations in STEM fields.

(d) Grants to broaden participation

(1) In general
The Director of the Foundation shall award grants on a competitive, merit-reviewed basis, to eligible entities to increase the participation of underrepresented populations in STEM fields, including individuals identified in section 1885a or section 1885b of this title.

(2) Center of excellence

(A) In general
Grants awarded under this subsection may include grants for the establishment of a Center of Excellence to collect, maintain, and disseminate information to increase participation of underrepresented populations in STEM fields.

(B) Purpose
The purpose of a Center of Excellence under this subsection is to promote diversity in STEM fields by building on the success of the INCLUDES programs, providing technical assistance, maintaining best practices, and providing related training at federally funded academic institutions.

(3) Research
As a component of improving participation of women in STEM fields, research funded by a grant under this subsection may include research on—

(A) the role of teacher training and professional development, including effective incentive structures to encourage teachers to participate in such training and professional development, in encouraging or discouraging female students in prekindergarten through elementary school from participating in STEM activities;

(B) the role of teachers in shaping perceptions of STEM in female students in prekindergarten through elementary school and discouraging such students from participating in STEM activities;

(C) the role of other facets of the learning environment on the willingness of female students in prekindergarten through elementary school to participate in STEM activities, including learning materials and textbooks, seating arrangements, use of media and technology, classroom culture, and composition of students during group work;

(D) the role of parents and other caregivers in encouraging or discouraging female students in prekindergarten through elementary school from participating in STEM activities;

(E) the types of STEM activities that encourage greater participation by female students in prekindergarten through elementary school;

(F) the role of mentorship and best practices in finding and utilizing mentors; and

(G) the role of informal and after-school STEM learning opportunities on the perception of and participation in STEM activities of female students in prekindergarten through elementary school.

(e) Accountability and dissemination

(1) Evaluation
(A) In general
Not later than 5 years after January 6, 2017, the Director of the Foundation shall evaluate the grants provided under this section.

(B) Requirements
In conducting the evaluation under subparagraph (A), the Director shall—
§ 1862s–6. Presidential awards for excellence in STEM mentoring

(a) In general

The Director of the Foundation shall continue to administer awards on behalf of the Office of Science and Technology Policy to recognize outstanding mentoring in STEM fields.

(b) Annual award recipients

The Director of the Foundation shall provide Congress with a list of award recipients, including the name, institution, and a brief synopsis of the impact of the mentoring efforts.


CODIFICATION

Section was enacted as part of the American Innovation and Competitiveness Act, and not as part of the National Science Foundation Act of 1950 which comprises this chapter.

DEFINITIONS

For definitions of terms used in this section, see section 2 of Pub. L. 114–329, set out as a note under section 1862s of this title.

§ 1862s–7. Computer science education research

(a) Findings

Congress finds that as the lead Federal agency for building the research knowledge base for computer science education, the Foundation is well positioned to make investments that will accelerate ongoing efforts to enable rigorous and engaging computer science throughout the Nation as an integral part of STEM education.

(b) Grant program

(1) In general

The Director of the Foundation shall award grants to eligible entities to research computer science education and computational thinking.

(2) Research

The research described in paragraph (1) may include the development or adaptation, piloting or full implementation, and testing of—

(A) models of preservice preparation for teachers who will teach computer science and computational thinking;

(B) scalable and sustainable models of professional development and ongoing support for the teachers described in subparagraph (A);

(C) tools and models for teaching and learning aimed at supporting student success and inclusion in computing within and across diverse populations, particularly poor, rural, and tribal populations and other populations that have been historically underrepresented in computer science and STEM fields; and

(D) high-quality learning opportunities for teaching computer science and, especially in poor, rural, or tribal schools at the elementary school and middle school levels, for integrating computational thinking into STEM teaching and learning.

(3) Uses of funds

The tools and models described in paragraph (2)(C) may include—

(1) use a common set of benchmarks and assessment tools to identify best practices and materials developed or demonstrated by the research; and

(ii) to the extent practicable, combine this research resulting from the grant activity under subsection (e) with the current research on serving underrepresented students in grades kindergarten through 8.

(f) Coordination

In carrying out this section, the Director of the Foundation shall consult and cooperate with the programs and policies of other relevant Federal agencies to avoid duplication with and enhance the effectiveness of the program under this section.


CODIFICATION

Section was enacted as part of the American Innovation and Competitiveness Act, and not as part of the National Science Foundation Act of 1950 which comprises this chapter.

DEFINITIONS

For definitions of terms used in this section, see section 2 of Pub. L. 114–329, set out as a note under section 1862s of this title.
(A) offering training and professional development programs, including summer or academic year institutes or workshops, designed to strengthen the capabilities of pre-kindergarten and elementary school teachers and to familiarize such teachers with the role of bias against female students in the classroom;

(B) offering innovative pre-service and in-service programs that instruct teachers on female-inclusive practices for teaching computing concepts;

(C) developing distance learning programs for teachers or students, including developing curricular materials, play-based computing activities, and other resources for the in-service professional development of teachers that are made available to teachers through the Internet;

(D) developing or adapting pre-kindergarten and elementary school computer science curricular materials that incorporate contemporary research on the science of learning, particularly with respect to female inclusion;

(E) developing and offering female-inclusive computer science enrichment programs for students, including after-school and summer programs;

(F) providing mentors for female students in pre-kindergarten through elementary school to support such students in participating in computer science activities;

(G) engaging female students in pre-kindergarten through elementary school, and their guardians (if such communication takes place on school premises during otherwise-scheduled conferences or formal conversations between teachers and guardians) about—

(i) the difficulties faced by female students with regard to maintaining an interest in participating in computer science activities; and

(ii) the potential positive career benefits of engaging in such activities;

(H) acquainting female students in pre-kindergarten through elementary school with careers in computer science and encouraging such students to consider careers in the computer science field; and

(I) developing tools to evaluate activities conducted under this subsection, including reports for evaluating the effectiveness of activities under this section.

c) Collaborations

In carrying out the grants established in subsection (b), eligible entities may collaborate and partner with local or remote schools to support the integration of computing and computational thinking within pre-kindergarten through grade 12 STEM curricula and instruction.

d) Metrics

The Director of the Foundation shall develop metrics to measure the success of the grant program funded under this section in achieving program goals.

e) Report

The Director of the Foundation shall report, in the annual budget submission to Congress, on the success of the program as measured by the metrics in subsection (d).

(f) Definition of eligible entity

In this section, the term “eligible entity” means an institution of higher education or a nonprofit research organization.


Amendments


Definitions

For definitions of terms used in this section, see section 2 of Pub. L. 114–329, set out as a note under section 1862s of this title.

§1862s–8. Innovation Corps

(a) Findings

Congress makes the following findings:

(1) The National Science Foundation Innovation Corps (referred to in this section as the “I-Corps”) was established to foster a national innovation ecosystem by encouraging institutions, scientists, engineers, and entrepreneurs to identify and explore the innovation and commercial potential of National Science Foundation-funded research well beyond the laboratory.

(2) Through I-Corps, the Foundation invests in entrepreneurship and commercialization education, training, and mentoring that can ultimately lead to the practical deployment of technologies, products, processes, and services that improve the Nation’s competitiveness, promote economic growth, and benefit society.

(3) By building networks of entrepreneurs, educators, mentors, institutions, and collaborations, and supporting specialized education, training, and mentoring that can improve the Nation’s competitive-ness, grow the economy, and benefit society;

(4) By translating federally funded research to a commercial stage more quickly and efficiently, programs like the I-Corps create new jobs and companies, help solve societal problems, and provide taxpayers with a greater return on their investment in research.

(5) The I-Corps program model has a strong record of success that should be replicated at all Federal science agencies.

(b) Sense of Congress

It is the sense of Congress that—

(1) commercialization of federally funded research can improve the Nation’s competitive-ness, grow the economy, and benefit society;

(2) I-Corps is a useful tool in promoting the commercialization of federally funded research by training researchers funded by the Foundation in entrepreneurship and commercialization;

(3) I-Corps should continue to build a network of entrepreneurs, educators, mentors,
and institutions and support specialized education and training;
(4) researchers other than those funded by the Foundation may also benefit from the education and training described in paragraph (3); and
(5) I-Corps should continue to promote a strong innovation system by investing in and supporting female entrepreneurs through mentorship, education, and training because they are historically underrepresented in entrepreneurial fields.

c) I-Corps program

(1) In general

In order to promote a strong, lasting foundation for the national innovation ecosystem and increase the positive economic and social impact of federally funded research, the Director of the Foundation shall set forth eligibility requirements and carry out a program to award grants for entrepreneurship and commercialization education, training, and mentoring.

(2) Expansion of I-Corps

(A) In general

The Director—
(i) shall encourage the development and expansion of I-Corps and other training programs that focus on professional development, including education in entrepreneurship and commercialization; and
(ii) may establish an agreement with another Federal science agency—
(I) to make researchers, students, and institutions funded by that agency eligible to participate in the I-Corps program; or
(II) to assist that agency with the design and implementation of its own program that is similar to the I-Corps program.

(B) Partnership funding

In negotiating an agreement with another Federal science agency under subparagraph (A)(ii), the Director shall require that Federal science agency to provide funding for—
(i) the training for researchers, students, and institutions selected for the I-Corps program; and
(ii) the locations that Federal science agency designates as regional and national infrastructure for science and engineering entrepreneurship.

(3) Follow-on grants

(A) In general

Subject to subparagraph (B), the Director, in consultation with the Director of the Small Business Innovation Research Program, shall make funds available for competitive grants, including to I-Corps participants, to help support—
(i) prototype or proof-of-concept development; and
(ii) such activities as the Director considers necessary to build local, regional, and national infrastructure for science and engineering entrepreneurship.

(B) Limitation

Grants under subparagraph (A) shall be limited to participants with innovations that because of the early stage of development are not eligible to participate in a Small Business Innovation Research Program or a Small Business Technology Transfer Program.

(4) State and local partnerships

The Director may engage in partnerships with State and local governments, economic development organizations, and nonprofit organizations to provide access to the I-Corps program to support entrepreneurship education and training for researchers, students, and institutions under this subsection.

(5) Reports

The Director shall submit to the appropriate committees of Congress a biennial report on I-Corps program efficacy, including metrics on the effectiveness of the program. Each Federal science agency participating in the I-Corps program or that implements a similar program under paragraph (2)(A) shall contribute to the report.

(6) Definitions

In this subsection, the terms “Small Business Innovation Research Program” and “Small Business Technology Transfer Program” have the meanings given those terms in section 638 of title 15.

DEFINITIONS

For definitions of terms used in this section, see section 2 of Pub. L. 114–329, set out as a note under section 1862s of this title.

§ 1862s–9. Translational research grants

(a) Sense of Congress

It is the sense of Congress that—
(1) commercialization of federally funded research may benefit society and the economy; and
(2) not-for-profit organizations support the commercialization of federally funded research by providing useful business and technical expertise to researchers.

(b) Commercialization promotion

The Director of the Foundation shall continue to award grants on a competitive, merit-reviewed basis to eligible entities to promote the commercialization of federally funded research results.

(c) Use of funds

Activities supported by grants under this section may include—
(1) identifying Foundation-sponsored research and technologies that have the potential for accelerated commercialization;
(2) supporting prior or current Foundation-sponsored investigators, institutions of higher education, and non-profit organizations that partner with an institution of higher education in undertaking proof-of-concept work, including development of prototypes of technologies that are derived from Foundation-sponsored research and have potential market value;

(3) promoting sustainable partnerships between Foundation-funded institutions, industry, and other organizations within academia and the private sector with the purpose of accelerating the transfer of technology;

(4) developing multi-disciplinary innovation ecosystems which involve and are responsive to specific needs of academia and industry; and

(5) providing professional development, mentoring, and advice in entrepreneurship, project management, and technology and business development to innovators.

(d) Eligibility

(1) In general

The following organizations may be eligible for grants under this section:

(A) Institutions of higher education.

(B) Public or nonprofit technology transfer organizations.

(C) A nonprofit organization that partners with an institution of higher education.

(D) A consortia of 2 or more of the organizations described under subparagraphs (A) through (C).

(2) Lead organizations

Any eligible organization under paragraph (1) may apply as a lead organization.

(e) Applications

An eligible entity seeking a grant under this section shall submit an application to the Director at such time, in such manner, and containing such information as the Director may require.


CODIFICATION

Section was enacted as part of the American Innovation and Competitiveness Act, and not as part of the National Science Foundation Act of 1950 which comprises this chapter.

DEFINITIONS

For definitions of terms used in this section, see section 2 of Pub. L. 114–329, set out as a note under section 1865 of this title.

§ 1863. National Science Board

(a) Composition; appointment; establishment of policies of the Foundation

The Board shall consist of twenty-four members to be appointed by the President and of the Director ex officio. In addition to any powers and functions otherwise granted to it by this chapter, the Board shall establish the policies of the Foundation, within the framework of applicable national policies as set forth by the President and the Congress.

(b) Executive Committee; delegation of powers and functions

The Board shall have an Executive Committee as provided in section 1865 of this title, and may delegate to it or to the Director or both such of the powers and functions granted to the Board by this chapter as it deems appropriate.

(c) Meetings; nominations; quorum; notice

The persons nominated for appointment as members of the Board (1) shall be eminent in the fields of the basic, medical, or social sciences, engineering, agriculture, education, research management, or public affairs; (2) shall be selected solely on the basis of established records of distinguished service; and (3) shall be so selected as to provide representation of the views of scientific and engineering leaders in all areas of the Nation. In making nominations under this section, the President shall give due regard to equitable representation of scientists and engineers who are women or who represent minority groups. The President is requested, in the making of nominations of persons for appointment as members, to give due consideration to any recommendations for nomination which may be submitted to him by the National Academy of Sciences, the National Academy of Engineering, the National Association of State Universities and Land Grant Colleges, the Association of American Universities, the Association of American Colleges, the Association of State Colleges and Universities, or by other scientific, engineering, or educational organizations.

(d) Term of office; reappointment

The term of office of each member of the Board shall be six years; except that any member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed for the remainder of such term. Any person, other than the Director, who has been a member of the Board for twelve consecutive years shall thereafter be ineligible for appointment during the two-year period following the expiration of such twelfth year.

(e) Meetings; quorum; notice

The Board shall meet annually on the third Monday in May unless, prior to May 10 in any year, the Chairman has set the annual meeting for a day in May other than the third Monday, and at such other times as the Chairman may determine, but he shall also call a meeting whenever one-third of the members so request in writing. The Board shall adopt procedures governing the conduct of its meetings, including delivery of notice and a definition of a quorum, which in no case shall be less than one-half plus one of the confirmed members of the Board.

(f) Election of Chairman and Vice Chairman; vacancy

The election of the Chairman and Vice Chairman of the Board shall take place at each annual meeting occurring in an even-numbered year. The Vice Chairman shall perform the duties of the Chairman in his absence. In case a vacancy occurs in the chairmanship or vice chairmanship, the Board shall elect a member to fill such vacancy.
(g) Appointment and assignment of staff; compensation; security requirements

The Board may, with the concurrence of a majority of its members, permit the appointment of a staff consisting of professional staff members, technical and professional personnel on leave of absence from academic, industrial, or research institutions for a limited term, and such operations and support staff members as may be necessary. Such staff shall be appointed by the Chairman and assigned at the direction of the Board. The professional members and limited term technical and professional personnel of such staff may be appointed without regard to the provisions of title 5 governing appointments in the competitive service, and the provisions of chapter 51 of such title relating to classification, and shall be compensated at a rate not exceeding the maximum rate payable under section 5376 of such title, as may be necessary to provide for the performance of such duties as may be prescribed by the Board in connection with the exercise of its powers and functions under this chapter. Section 1873(a)(3) of this title shall apply to each limited term appointment of technical and professional personnel under this subsection. Each appointment under this subsection shall be subject to the same security requirements as those required for personnel of the Foundation appointed under section 1873(a) of this title.

(h) Special commissions

The Board is authorized to establish such special commissions as it may from time to time deem necessary for the purposes of this chapter.

(i) Committees; survey and advisory functions

The Board is also authorized to appoint from among its members such committees as it deems necessary, and to assign to committees so appointed such survey and advisory functions as the Board deems appropriate to assist it in exercising its powers and functions under this chapter.

(j) Report to President; submittal to Congress

(1) The Board shall render to the President and the Congress no later than January 15 of each even numbered year, a report on indicators of the state of science and engineering in the United States.

(2) The Board shall render to the President and the Congress reports on specific, individual policy matters within the authority of the Foundation (or otherwise as requested by the President or the Congress) related to science and engineering and education in science and engineering, as the Board, the President, or the Congress determines the need for such reports.

(k) Closed meetings

Portions of Board meetings in which the Board considers proposed Foundation budgets for a particular fiscal year may be closed to the public until the President’s budget for that fiscal year has been submitted to the Congress.

(l) Financial disclosure report for Board members

Members of the Board shall be required to file a financial disclosure report under title II of the Ethics in Government Act of 1978 (5 U.S.C. App.; 92 Stat. 1836), except that such reports shall be held confidential and exempt from any law otherwise requiring their public disclosure.


REFERENCES IN TEXT


AMENDMENTS

2012—Subsec. (a). Pub. L. 112–166 struck out “. . . by and with the advice and consent of the Senate,” after “appointed by the President”.

2011—Subsec. (g). Pub. L. 111–358, § 504(a), struck out “not more than 5” before “professional staff members”. Subsec. (i)(2). Pub. L. 111–338, § 232(a)(2), substituted “President and for “President, for submission to” in par. (1) and for “President for submission to” in par. (2).

2002—Subsec. (e). Pub. L. 107–368, § 15(a)(1), substituted “The Board shall adopt procedures governing the conduct of its meetings, including delivery of notice and a definition of a quorum, which in no case shall be less than one-half plus one of the confirmed members of the Board.” for “A majority of the members of the Board shall constitute a quorum. Each member shall be given notice, not less than fifteen days prior to any meeting, of the call of such meeting.”

2001—Subsec. (g). Pub. L. 107–368, § 15(c), substituted “Such staff shall be appointed by the Chairman and assigned at the direction of the Board.” for “Such staff shall be appointed by the Director, after consultation with the chairman of the Board and assigned at the direction of the Board.”


(124 Stat. 4006; 126 Stat. 1288.)

Subsec. (k). Pub. L. 100–570, §108, added subsec. (k) relating to requirement of Board members to file financial disclosure report.

Pub. L. 100–570, §185(a), added subsec. (k) relating to closed meetings.


Subsec. (e). Pub. L. 99–199, §109(a), struck out requirement that notice be made to members by registered or certified mail mailed to the last known address of record.

1982—Subsec. (j). Pub. L. 97–375 substituted provisions requiring a report in each even numbered year on the state of science and engineering, and reports on specific policy matters, as needed, for provisions requiring the Board to render an annual report to the President, for submission to the Congress on or before March 31 in each year, to deal essentially, though not necessarily exclusively, with policy issues or matters affecting the Foundation or with which the Board in its official role as the policymaking body of the Foundation was concerned.


Subsec. (a). Pub. L. 94–471, §9(a), inserted reference to the framework of applicable national policies as set forth by the President and the Congress.

Subsec. (g). Pub. L. 94–471, §9(b), inserted reference to consultation of the Director with the Chairman of the Board and substituted “GS–18” for “GS–15”.

Pub. L. 94–282 redesignated subsec. (h), and all references thereto, as subsec. (g). Former subsec. (g), concerning the annual report by the National Science Board to the President and Congress, was deleted.

Pub. L. 94–273 substituted “April” for “January”.

Subsecs. (h) to (j). Pub. L. 94–282 redesignated subsecs. (h) to (j) as (g) to (i), respectively.

1968—Subsec. (a). Pub. L. 90–407 redesignated provisions which authorized the Board to establish the policies of the Foundation in addition to any powers and functions otherwise granted to it by this chapter, for provisions which authorized the Board, except as otherwise provided by this chapter, to exercise the authority granted to the Foundation by this chapter. Provisions of this subsection, which enumerated the qualifications of persons nominated for appointment to the Board and provided for the specified organizations to make recommendations to the President of individuals qualified for nomination, were designated as subsec. (c).


Subsec. (c). Pub. L. 90–407 redesignated provisions of former subsec. (a) as (c) and added social science and research management to the enumerated fields of eminence, and substituted “the National Association of State Universities and Land Grant Colleges, the Association of American Universities, the Association of American Colleges, the Association of State Colleges and Universities” for “the Association of Land Grant Colleges and Universities, the National Association of State Universities, the Association of American Colleges”. Former subsec. (c), which provided that “the President shall call the first meeting of the Board, at which the first order of business shall be the election of a chairman and a vice chairman”, was struck out as executed.

Subsec. (d). Pub. L. 90–407 redesignated former subsec. (b) as (d), substituted “term of office of each member” for “term of office of each voting member”, struck out “the terms of office of the members first taking office after May 10, 1950”, and provided for exemption of Director from prohibition against reappointment within two years following twelve consecutive years of Board membership. Former subsec. (d) redesignated (e).

Subsec. (e). Pub. L. 90–407 redesignated former subsec. (d) as (e) and substituted “‘A majority of the members of the Board shall constitute a quorum’ for ‘A majority of the voting members of the Board shall constitute a quorum’”. Former subsec. (e) redesignated (f).

Subsec. (f). Pub. L. 90–407 redesignated former subsec. (e) as (f) and substituted provisions that the election of the Chairman and Vice Chairman take place at each annual meeting occurring in an even-numbered year for provisions that their election take place at the first meeting of the National Science Board following the enactment of Pub. L. 86–232, and that thereafter such election take place at the second annual meeting occurring after each such election.

Subsecs. (g) to (j). Pub. L. 90–407 added subsecs. (g) to (j).

1960—Subsec. (d). Pub. L. 86–507 inserted “or by certified mail” after “registered mail”.

1959—Subsec. (d). Pub. L. 86–232 changed annual meeting of Board from first Monday in December to third Monday or other designated day in May.

Subsec. (e). Pub. L. 86–232 substituted provision for an election of a Chairman and Vice Chairman of the Board immediately after the first meeting of Board following enactment of Pub. L. 86–232 and at each second annual meeting thereafter in place of provision for election of the first Chairman and Vice Chairman to serve until first Monday in December next succeeding date of election and for election of subsequent officers for terms of two years thereafter.

Effectiveness of 1982 Amendment

Amendment by Pub. L. 112–166 effective 60 days after Aug. 10, 2012, and applicable to appointments made on and after that effective date, including any nomination pending in the Senate on that date, see section 6(a) of Pub. L. 112–166, set out as a note under section 113 of Title 6, Domestic Security.

References to Maximum Rate Under 5 U.S.C. 5376

For reference to maximum rate under section 5376 of Title 5, Government Organization and Employees, see section 2(d)(3) of Pub. L. 110–372, set out as an Effective Date of 2008 Amendment note under section 5376 of Title 5.

Termination of Advisory Committees

Advisory committees in existence on Jan. 5, 1973, to terminate not later than the expiration of the 2-year period following Jan. 5, 1973, unless, in the case of a committee established by the President or an officer of the Federal Government, such committee is renewed by appropriate action prior to the expiration of such 2-year period, or in the case of a committee established by the Congress, its duration is otherwise provided by law. Advisory committees established after Jan. 5, 1973, to terminate not later than the expiration of the 2-year period beginning on the date of their establishment, unless, in the case of a committee established by the President or an officer of the Federal Government, such committee is renewed by appropriate action prior to the expiration of such 2-year period, or in the case of a committee established by the Congress, its duration is otherwise provided by law. See section 14 of Pub. L. 92–463, Oct. 6, 1972, 86 Stat. 776, set out in the Appendix to Title 5, Government Organization and Employees.

Continuation of Existing Officers, Procedures, and Organization of the National Science Foundation

Amendment by Pub. L. 90–407 intended to continue in effect the existing officers, procedures, and organization of the Foundation, see section 16 of Pub. L. 90–407, set out as a note under section 1862 of this title.
§ 1864. Director of Foundation

(a) Appointment; compensation; term of office

The Director of the Foundation (referred to in this chapter as the "Director") shall be appointed by the President, and with the advice and consent of the Senate. Before any person is appointed as Director, the President shall afford the Board an opportunity to make recommendations to him with respect to such appointment. The Director shall receive basic pay at the rate provided for level II of the Executive Schedule under section 5313 of title 5, and shall serve for a term of six years unless sooner removed by the President.

(b) Exercise of authority of Foundation; actions as final and binding upon the Foundation

Except as otherwise specifically provided in this chapter (1) the Director shall exercise all of the authority granted to the Foundation by this chapter (including any powers and functions which may be delegated to him by the Board), and (2) all actions taken by the Director pursuant to the provisions of this chapter (or pursuant to the terms of a delegation from the Board) shall be final and binding upon the Foundation.

(c) Delegation and redelegation of functions

The Director may from time to time make such provisions as he deems appropriate authorizing the performance by any other officer, agency, or employee of the Foundation of any of his functions under this chapter, including functions delegated to him by the Board; except that the Director may not redelegate policymaking functions delegated to him by the Board.

(d) Formulation of programs

The formulation of programs in conformance with the policies of the Foundation shall be carried out by the Director in consultation with the Board.

(e) Authority to grant, contract, etc.; delegation of authority or imposition of conditions; reporting requirement

(1) The Director may make grants, contracts, and other arrangements pursuant to section 1870(c) of this title only with the prior approval of the Board or under authority delegated by the Board, and subject to such conditions as the Board may specify.

(2) Any delegation of authority or imposition of conditions under paragraph (1) shall be promptly published in the Federal Register and reported to the Committee on Labor and Human Resources, and the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Science, Space, and Technology of the House of Representatives. On October 1 of each odd-numbered year the Board shall submit to the Congress a concise report which explains and justifies any actions taken by the Board under this subsection to delegate its authority or impose conditions within the preceding two years. The provisions of this subsection shall cease to be effective at the end of fiscal year 1989.


1965—Subsec. (e). Pub. L. 99–159 amended subsec. (e) generally. Prior to amendment, subsec. (e) read as follows: “The Director shall not make any contract, grant, or other arrangement pursuant to section 1870(c) of this title without the prior approval of the Board, except that a contract, grant, or other arrangement involving a total commitment of less than $2,000,000, or less than $500,000 in any one year, or a commitment of such lesser amount or amounts and subject to such other conditions as the Board in its discretion may from time to time determine to be appropriate and publish in the Federal Register, may be made if such action is taken pursuant to the terms and conditions set forth by the Board, and if each such action is reported to the Board at the Board meeting next following such action.”

1963—Subsec. (a). Pub. L. 90–407 inserted provision prescribing the annual rate of compensation of the Director, and struck out provision authorizing the Director to serve as a nonvoting ex officio member of the Board and as the chief executive officer of the Foundation.

Subsec. (b). Pub. L. 90–407 substituted provisions authorizing the Director, except as otherwise provided, to exercise all of the authority granted to the Foundation pursuant to section 1869 or 1870(c) of this title only with the prior approval of the Board or under authority delegated by the Board, and subject to such conditions as the Board may specify.

Subsecs. (c) to (f). Pub. L. 90–407 added subsecs. (c) to (f).

1959—Subsec. (b). Pub. L. 86–232 provided for delegation of authority from the Board or the Executive Committee to the Director.

§ 1864. Director of Foundation

(a) Appointment; compensation; term of office

The Director of the Foundation (referred to in this chapter as the "Director") shall be appointed by the President, by and with the advice and consent of the Senate. Before any person is appointed as Director, the President shall afford the Board an opportunity to make recommendations to him with respect to such appointment. The Director shall receive basic pay at the rate provided for level II of the Executive Schedule under section 5313 of title 5, and shall serve for a term of six years unless sooner removed by the President.

(b) Exercise of authority of Foundation; actions as final and binding upon the Foundation

Except as otherwise specifically provided in this chapter (1) the Director shall exercise all of the authority granted to the Foundation by this chapter (including any powers and functions which may be delegated to him by the Board), and (2) all actions taken by the Director pursuant to the provisions of this chapter (or pursuant to the terms of a delegation from the Board) shall be final and binding upon the Foundation.

(c) Delegation and redelegation of functions

The Director may from time to time make such provisions as he deems appropriate authorizing the performance by any other officer, agency, or employee of the Foundation of any of his functions under this chapter, including functions delegated to him by the Board; except that the Director may not redelegate policymaking functions delegated to him by the Board.

(d) Formulation of programs

The formulation of programs in conformance with the policies of the Foundation shall be carried out by the Director in consultation with the Board.

(e) Authority to grant, contract, etc.; delegation of authority or imposition of conditions; reporting requirement

(1) The Director may make grants, contracts, and other arrangements pursuant to section 1870(c) of this title only with the prior approval of the Board or under authority delegated by the Board, and subject to such conditions as the Board may specify.

(2) Any delegation of authority or imposition of conditions under paragraph (1) shall be promptly published in the Federal Register and reported to the Committee on Labor and Human Resources, and the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Science of the House of Representatives.

1965—Subsec. (e). Pub. L. 99–159 amended subsec. (e) generally. Prior to amendment, subsec. (e) read as follows: “The Director shall not make any contract, grant, or other arrangement pursuant to section 1870(c) of this title without the prior approval of the Board, except that a contract, grant, or other arrangement involving a total commitment of less than $2,000,000, or less than $500,000 in any one year, or a commitment of such lesser amount or amounts and subject to such other conditions as the Board in its discretion may from time to time determine to be appropriate and publish in the Federal Register, may be made if such action is taken pursuant to the terms and conditions set forth by the Board, and if each such action is reported to the Board at the Board meeting next following such action.”

1963—Subsec. (a). Pub. L. 90–407 inserted provision prescribing the annual rate of compensation of the Director, and struck out provision authorizing the Director to serve as a nonvoting ex officio member of the Board and as the chief executive officer of the Foundation.

Subsec. (b). Pub. L. 90–407 substituted provisions authorizing the Director, except as otherwise provided, to exercise all of the authority granted to the Foundation pursuant to section 1869 or 1870(c) of this title only with the prior approval of the Board or under authority delegated by the Board, and subject to such conditions as the Board may specify.

Subsec. (c) to (f). Pub. L. 90–407 added subsecs. (c) to (f).

1959—Subsec. (b). Pub. L. 86–232 provided for delegation of authority from the Board or the Executive Committee to the Director.

Change of Name

Committee on Labor and Human Resources of Senate changed to Committee on Health, Education, Labor, and Pensions of Senate by Senate Resolution No. 20, One Hundred Sixth Congress, Jan. 19, 1999.

Committee on Science of House of Representatives changed to Committee on Science and Technology of House of Representatives by House Resolution No. 6,
One Hundred Tenth Congress, Jan. 5, 2007. Committee on Science and Technology of House of Representatives changed to Committee on Science, Space, and Technology of House of Representatives by House Resolution No. 5, One Hundred Twelfth Congress, Jan. 5, 2011.

Effective Date of 1968 Amendment

Amendment by Pub. L. 90–407, insofar as related to rates of basic pay, effective on first day of first calendar month which begins on or after July 18, 1968, see section 15(a)(4) of Title 5, Government Organization and Employees.

Transfer of Functions

Authority of Director of National Science Foundation, from time to time, to make appropriate provisions authorizing performance by any other officer, or by any agency or employee, of National Science Foundation of any of his functions (including functions delegated to him by National Science Board), see Reorg. Plan No. 5 of 1965, eff. July 27, 1965, 30 F.R. 9355, 79 Stat. 1323, set out in the Appendix to Title 5, Government Organization and Employees.

Office of Director of National Science Foundation established under provisions of this section abolished and functions transferred to Director of National Science Foundation appointed pursuant to Reorg. Plan No. 2 of 1962, see section 22 (a), (b) of Reorg. Plan No. 2 of 1962, eff. June 8, 1962, 27 F.R. 5419, 76 Stat. 1253, set out as a note under section 1861 of this title.

Study on Research and Development Funding Data Discrepancies

Pub. L. 97–368, §25, Dec. 19, 2002, 116 Stat. 3067, required the Director of the National Science Foundation to enter into an agreement with the National Academy of Sciences to conduct a comprehensive study to determine the source of discrepancies in Federal reports on obligations and actual expenditures of Federal research and development funding and to submit a report on the results of the study to committees of Congress within one year after Dec. 19, 2002, and required the Director of the Office of Science and Technology Policy to submit to those committees a plan for implementation of the recommendations of the study, within 6 months after the completion of the study.

Research Purposes of Grants; Brief Statement in Titles

Pub. L. 96–516, §90, Dec. 12, 1980, 94 Stat. 3010, provided that: “The Director of the National Science Foundation shall require the titles of all its grants to contain a brief statement of the purpose of the research being undertaken. Insofar as possible such statements shall be in layman’s language.”

Feasibility Study of Solar Energy Transmission to Earth


“(a) The Director of the National Science Foundation, in consultation with the Director of the Office of Science and Technology Policy, the Secretary of Energy, the Administrator of the National Aeronautics and Space Administration, and technical experts in public agencies, private organizations, and academic institutions, is authorized to determine the need to provide support under this Act for a study of the feasibility of transmitting solar energy to Earth by using orbital structures manufactured from lunar or asteroidal materials, and the impact of such a feasibility study, if any, on existing National Science Foundation programs.

“(b)(1) If the Foundation determines that such a feasibility study is necessary, the Foundation is authorized to conduct such a study directly or by grants or contracts with public agencies, private organizations, or academic institutions.

“(2) At the conclusion of any such study the Foundation shall prepare and submit to the President and to the Congress a report of the study, together with such recommendations as the Foundation deems appropriate.

“(3) Of the funds authorized in section 2, $500,000 shall be available to carry out the provisions of this subsection.”

Feasibility Study of the Operation of the Peer Review System in the Evaluation of Grant Proposals

Pub. L. 94–471, §2(f), Oct. 11, 1976, 90 Stat. 2053, provided that: “The Director of the National Science Foundation is authorized and directed to conduct a feasibility study of operating the peer review system used in the evaluation of grant proposals within the Foundation so as to assure that the identity of the proposer is not known to the reviewers of the proposal. Any such system shall be considered to supplement and not to supplant the peer review system in operation in the Foundation on the date of enactment of this Act [Oct. 11, 1976].”

Science for Citizens Program: Preparation and Submission of Plan to Committees of Congress

Pub. L. 94–86, §3, Aug. 9, 1975, 89 Stat. 429, directed the Director of the National Science Foundation to prepare a comprehensive plan for the establishment and conduct of a “Science for Citizens Program” and, within six months from Aug. 9, 1975, submit the plan to specific committees of the House of Representatives and Senate. See section 5 of Pub. L. 94–471, set out as a note under section 1862 of this title.

Participation of Public in Conduct of Foundation Programs; Preparation and Submission of Plan to Committees of Congress

Pub. L. 94–86, §4, Aug. 9, 1975, 89 Stat. 430, authorized the Director of the National Science Foundation to prepare a comprehensive plan to facilitate the participation of members of the public in the formulation, development, and conduct of National Science Foundation programs, policies, and priorities and to submit the resulting recommendations, plans, or other findings to specific committees of the House of Representatives and the Senate within 120 days from Aug. 9, 1975.

Continuation of Existing Offices, Procedures, and Organization of the National Science Foundation

Amendment by Pub. L. 90–407 intended to continue in effect the existing offices, procedures, and organization of the Foundation, see section 16 of Pub. L. 90–407, set out as a note under section 1862 of this title.

§1864a. Deputy Director of the Foundation

There shall be a Deputy Director of the Foundation (referred to in this chapter as the “Deputy Director”), who shall be appointed by the President, by and with the advice and consent of the Senate. Before any person is appointed as Deputy Director, the President shall afford the Board and the Director an opportunity to make recommendations to him with respect to such appointment. The Deputy Director shall receive basic pay at the rate provided for level III of the Executive Schedule under section 5314 of title 5, and shall perform such duties and exercise such powers as the Director may prescribe. The Deputy Director shall act for, and exercise the powers of, the Director during the absence or disability of the Director or in the event of a vacancy in the office of Director.

§ 1865. Executive Committee

(a) Composition; powers and functions; membership; chairman

There shall be an Executive Committee of the Board (referred to in this chapter as the “Executive Committee”), which shall be composed of five members and shall exercise such powers and functions as may be delegated to it by the Board. Four of the members shall be elected as provided in subsection (b), and the Director ex officio shall be the fifth member and the chairman of the Executive Committee.

(b) Election to membership; term of office; eligibility for reelection

At each of its annual meetings the Board shall elect two of its members as members of the Executive Committee, and the Executive Committee members so elected shall hold office for two years from the date of their election. Any person, other than the Director, who has been a member of the Executive Committee for six consecutive years shall thereafter be ineligible for service as a member thereof during the two-year period following the expiration of such sixth year. For the purposes of this subsection, the period between any two consecutive annual meetings of the Board shall be deemed to be one year.

(c) Term of vacancy appointment

Any person elected as a member of the Executive Committee to fill a vacancy occurring prior to the expiration of the term for which his predecessor was elected shall be elected for the remainder of such term.

(d) Reports; minority views

The Executive Committee shall render an annual report to the Board, and such other reports as it may deem necessary, summarizing its activities and making such recommendations as it may deem appropriate. Minority views and recommendations, if any, of members of the Executive Committee shall be included in such reports.


Amendments

1968—Pub. L. 90–407, §5, made mandatory the organization of the Executive Committee, struck out prohibition that the Board may not assign to the Executive Committee the function of establishing policies, and inserted provisions setting forth the number of members, their manner of election, and the status of the Director.

Subsec. (b), Pub. L. 90–407, §§5, substituted provisions that Board elect two members as members of Executive Committee at its annual meeting, with period between any two consecutive annual meetings to be deemed one year, for provisions covering composition of Executive Committee, setting forth a special one year term of office for four members first elected after May 10, 1950, and directing that membership of Committee represent diverse interests and areas. Provisions of former subs. (b)(5) and (b)(6) were redesignated as subs. (c) and (d), respectively.

Subsec. (c), Pub. L. 90–407, §5, redesignated former subsec. (b)(2)(A) as (c) and substituted “Any person elected as a member of the Executive Committee” for “any member elected”. Former subsec. (c), authorizing the Board to appoint such additional committees as it deems necessary, and to delegate to such committees survey and advisory functions as it deems appropriate, was struck out.

Subsec. (d), Pub. L. 90–407, §5, redesignated former subsec. (b)(5) as (d) and substituted “The Executive Committee” for “Such Committee”.

1959—Subsec. (a), Pub. L. 86–232 struck out prohibition against assignment to Executive Committee of function of review and approval.

Subsec. (b)(1), Pub. L. 86–232 authorized Board to have an Executive Committee consisting of from five to nine members rather than fixed number of nine.

Transfer of Functions

Executive Committee of National Science Board appointed under provisions of this section abolished and functions conferred by this section transferred to Executive Committee of National Science Board established by Reorg. Plan No. 2 of 1962, see sections 21(e) and 29(a)(1) of Reorg. Plan No. 2 of 1962, eff. June 8, 1962, 27 F.R. 5419, 76 Stat. 1253, set out as a note under section 1861 of this title.

Continuation of Existing Offices, Procedures, and Organization of the National Science Foundation

Amendment by Pub. L. 90–407 intended to continue in effect the existing offices, procedures, and organization of the Foundation, see section 16 of Pub. L. 90–407, set out as a note under section 1862 of this title.

§ 1866. Divisions within Foundation

There shall be within the Foundation such divisions as the Director, in consultation with the Board, may from time to time determine.


Prior provisions

A prior section 8 of act May 10, 1950, which was classified to section 1867 of this title, was repealed by Pub. L. 90–407, §4, July 18, 1968, 82 Stat. 363.

Amendments

1968—Pub. L. 90–407, §6, substituted provisions that there be within the Foundation such divisions as the Director, in consultation with the Board, may from time to time determine for provisions that, unless otherwise provided by the Board, there be within the Foundation a Division of Medical Research, a Division of Mathematical, Physical, and Engineering Sciences, a Division of Biological Sciences, a Division of Scientific Personnel and Education, and such other divisions as the Board deems necessary.

Consolidation of Directorates

Pub. L. 96–516, §18, Dec. 12, 1980, 94 Stat. 3008, directed National Science Foundation to consolidate all Direc-
ties of each divisional committee.

Continuation of Existing Officers, Procedures, and Organization of the National Science Foundation

Amendment by Pub. L. 90–407 intended to continue in effect the existing offices, procedures, and organization of the Foundation, see section 16 of Pub. L. 90–407, set out as a note under section 1862 of this title.

§ 1869. Scholarships and graduate fellowships

(a) In general

The Foundation is authorized to award scholarships and graduate fellowships for study and research in the sciences or in engineering at appropriate nonprofit American or nonprofit foreign institutions selected by the recipient of such aid, for stated periods of time. Persons shall be selected for such scholarships and fellowships from among citizens, nationals or lawfully admitted permanent resident aliens of the United States, and such selections shall be made solely on the basis of ability; but in any case in which two or more applicants for scholarships or fellowships, as the case may be, are deemed by the Foundation to be possessed of substantially equal ability, and there are not sufficient scholarships or fellowships, as the case may be, available to grant one to each of such applicants, the available scholarship or scholarships or fellowship or fellowships shall be awarded to the applicants in such manner as will tend to result in a wide distribution of scholarships and fellowships throughout the United States. Nothing contained in this chapter shall prohibit the Foundation from refusing or revoking a scholarship or fellowship award, in whole or in part, in the case of any applicant or recipient, if the Board is of the opinion that such award is not in the best interests of the United States.

(b) Amount

The Director shall establish for each year the amount to be awarded for scholarships and fellowships under this section for that year. Such scholarship and fellowship shall include a cost of education allowance of $12,000, subject to any restrictions on the use of such cost of education allowance as determined by the Director.

Continuation of existing provisions as a note under section 1862 of this title.
for training the next generation of scientists and engineers in team-based interdisciplinary research and problem solving, and for providing them with the many additional skills, such as communication skills, needed to thrive in diverse STEM careers; and "(2) the Integrative Graduate Education and Research Traineeship program is no less valuable to the preparation and support of graduate students than the Foundation’s Graduate Research Fellowship program.

"(b) Equal Treatment of IGER and GRF.—Beginning in fiscal year 2011, the Director shall increase or, if necessary, decrease funding for the Foundation’s Integrative Graduate Education and Research Traineeship program (or any program by which it is replaced) at least at the same rate as it increases or decreases funding for the Graduate Research Fellowship program.’’

[For definitions of terms used in section 510(a), (b) of Pub. L. 111–358, set out above, see section 2 of Pub. L. 111–358, set out as a note under section 6621 of this title, and section 502 of Pub. L. 111–358, set out as a note under section 1862p of this title.]

CONTINUATION OF EXISTING OFFICES, PROCEDURES, AND ORGANIZATION OF THE NATIONAL SCIENCE FOUNDATION Amendment by Pub. L. 90–407 intended to continue in effect the existing offices, procedures, and organization of the Foundation, see section 16 of Pub. L. 90–407, set out as a note under section 1862 of this title.

§ 1869a. Contracts for precollege science or engineering curriculum development activities; inspection of materials by parent or guardian

After August 9, 1975, the Director of the National Science Foundation, shall require, as a condition of any award made by the National Science Foundation for the purpose of precollege science or engineering curriculum development activities, that the awardee, and any subcontractors involved in the distribution, marketing, or selling of such science or engineering curricula, shall include in any testing agreement, sales contract, or other comparable legal instrument a provision requiring that all instructional materials, including teacher’s manuals, films, tapes, or other supplementary instructional materials developed or provided under such award, subcontract, or other legal instrument, will be made available within the school district using such materials for inspection by parents or guardians of children engaged in those educational programs or projects of that school district. In addition, the Director of the National Science Foundation shall take such action as may be necessary and feasible to modify awards made for the purpose of precollege science or engineering curriculum development and implementation activities on or before August 9, 1975, to include such a provision in all possible cases.


Codification

Section was not enacted as part of the National Science Foundation Act of 1950 which comprises this chapter.

Amendments


§ 1869b. Issuance of instructions to grantees of precollege curriculum projects

The National Science Foundation is directed to issue instructions to grantees for precollege curriculum projects covering the protection of precollege students and procedures for involving such students in precollege education research and development, pilot-testing, evaluation, and revision of experimental and innovative precollege curriculum projects funded by the Foundation. These instructions shall require such grantees to obtain written approval of the school board or comparable authority responsible for the schools prior to the involvement of such students.


Codification

Section was not enacted as part of the National Science Foundation Act of 1950 which comprises this chapter.

§ 1869c. Low-income scholarship program

(1) Establishment

The Director of the National Science Foundation (referred to in this section as the “Director”) shall award scholarships to low-income individuals to enable such individuals to pursue associate, undergraduate, or graduate level degrees in mathematics, engineering, or computer science.

(2) Eligibility

(A) In general

To be eligible to receive a scholarship under this section, an individual—

(i) must be a citizen of the United States, a national of the United States (as defined in section 1101(a) of title 8), an alien admitted as a refugee under section 1157 of title 8, or an alien lawfully admitted to the United States for permanent residence;

(ii) shall prepare and submit to the Director an application at such time, in such manner, and containing such information as the Director may require; and

(iii) shall certify to the Director that the individual intends to use amounts received under the scholarship to enroll or continue enrollment at an institution of higher education (as defined in section 1001(a) of title 20) in order to pursue an associate, undergraduate, or graduate level degree in mathematics, engineering, computer science, or other technology and science programs designated by the Director.

(B) Ability

Awards of scholarships under this section shall be made by the Director solely on the basis of the ability of the applicant, except that in any case in which 2 or more applicants for scholarships are deemed by the Director to be possessed of substantially equal ability, and there are not sufficient scholarships available to grant one to each of such applicants, the available scholarship or scholarships shall be awarded to the applicants in a manner that...
will tend to result in a geographically wide distribution throughout the United States of recipients' places of permanent residence.

(3) Limitation

The amount of a scholarship awarded under this section shall be determined by the Director, except that the Director shall not award a scholarship in an amount exceeding $10,000 per year. The Director may renew scholarships for up to 4 years.

(4) Funding

The Director shall carry out this section only with funds made available under section 1356(s)(3) of title 8. The Director may use no more than 50 percent of such funds for undergraduate programs for curriculum development, professional and workforce development, and to advance technological education. Funds for these other programs may be used for purposes other than scholarships.

(5) Federal Register

Not later than 60 days after December 8, 2004, the Director shall publish in the Federal Register a list of eligible programs of study.

References in Text

Section 1157 of title 8, referred to in par. (2)(A)(i), was enacted as part of the American Competitiveness and Workforce Improvement Act of 1998, and as part of the Omnibus Consolidated and Emergency Supplemental Appropriations Act, 1999, and not as part of the National Science Foundation Act of 1950 which comprises this chapter.

Amendments

2004—Par. (2)(A)(i)(I). Pub. L. 108–447, § 429(a), substituted “computer science, or other technology and science programs designated by the Director” for “or computer science”.

Par. (3). Pub. L. 108–447, § 429(b), substituted “$10,000 per year” for “$3,125 per year”.

Par. (4). Pub. L. 108–447, § 429(c), inserted at end “The Director may use no more than 50 percent of such funds for undergraduate programs for curriculum development, professional and workforce development, and to advance technological education. Funds for these other programs may be used for purposes other than scholarships.”


2000—Par. (3). Pub. L. 106–313 substituted “$3,125 per year. The Director may renew scholarships for up to 4 years” for “$2,500 per year.”

Effective Date of 2004 Amendment


§ 1870. General authority of Foundation

The Foundation shall have the authority, within the limits of available appropriations, to do all things necessary to carry out the provisions of this chapter, including, but without being limited thereto, the authority—

(a) to prescribe such rules and regulations as it deems necessary governing the manner of its operations and its organization and personnel;

(b) to make such expenditures as may be necessary for administering the provisions of this chapter;

(c) to enter into contracts or other arrangements, or modifications thereof, for the carrying on, by organizations or individuals in the United States and foreign countries, including other government agencies of the United States and of foreign countries, of such scientific or engineering activities as the Foundation deems necessary to carry out the purposes of this chapter, and, at the request of the Secretary of State or Secretary of Defense, specific scientific or engineering activities in connection with matters relating to international cooperation or national security, and, when deemed appropriate by the Foundation, such contracts or other arrangements, or modifications thereof may be entered into without legal consideration, without performance or other bonds, and without regard to section 6101 of title 41;

(d) to make advance, progress, and other payments which relate to scientific or engineering activities without regard to the provisions of section 3324(a) and (b) of title 31;

(e) to acquire by purchase, lease, loan, gift, or condemnation, and to hold and dispose of by grant, sale, lease, or loan, real and personal property of all kinds necessary for, or resulting from, the exercise of authority granted by this chapter;

(f) to receive and use funds donated by others, if such funds are donated without restriction other than that they be used in furtherance of one or more of the general purposes of the Foundation, except that funds may be donated for specific prize competitions for “basic research” as defined in the Office of Management and Budget Circular No. A–11;

(g) to publish or arrange for the publication of scientific and engineering information so as to further the full dissemination of information of scientific or engineering value consistent with the national interest, without regard to the provisions of section 501 of title 44;

(h) to accept and utilize the services of voluntary and uncompensated personnel and to provide transportation and subsistence as authorized by section 5703 of title 5 for persons serving without compensation;

(i) to prescribe, with the approval of the Comptroller General of the United States, the extent to which vouchers for funds expended under contracts for scientific or engineering research shall be subject to itemization or substantiation prior to payment, without regard to the limitations of other laws relating to the expenditure of public funds and accounting therefor;

(j) to arrange with and reimburse the heads of other Federal agencies for the performance of any activity which the Foundation is authorized to conduct; and
(k) during the 5-year period beginning on August 21, 1986, to indemnify grantees, contractors, and subcontractors associated with the Ocean Drilling Program under the provisions of section 2354 of title 10 with all approvals and certifications required by such indemnification made by the Director.


Codification

In subsec. (c), "section 6101 of title 41" substituted for "section 3709 of the Revised Statutes" on authority of Pub. L. 111-350, §6(c), Jan. 4, 2011, 124 Stat. 3854, which Act enacted Title 41, Public Contracts.

In subsec. (d), "section 332(a) and (b) of title 31" substituted for "section 3668 of the Revised Statutes (31 U.S.C. sec. 529)" on authority of Pub. L. 97-258, §4(b), Sept. 13, 1982, 96 Stat. 1067, the first section of which enacted Title 31, Money and Finance.


Amendments

2007—Subsec. (f). Pub. L. 110-69 inserted before semicolon at end "; except that funds may be donated for specific prize competitions for ‘basic research’ as defined in the Office of Management and Budget Circular No. A-11;"


Subsec. (g). Pub. L. 99-159, §110(a)(14)(B), (C), substituted "‘engineering’ for ‘‘technical’’ and inserted reference to engineering value.


1968—Subsec. (c). Pub. L. 90-407, §9(a), substituted "‘scientific activities’ for ‘‘basic scientific research activities’’ and ‘‘scientific research activities’’, ‘‘international cooperation or national security’’ for ‘‘national defense’’, and inserted ‘‘Secretary of State’’ after ‘‘at the request of the’’.

Subsec. (d). Pub. L. 90-407, §9(b), substituted "activities for ‘research’".


Continuation of Existing Offices, Procedures, and Organization of the National Science Foundation

Amendment by Pub. L. 90-407 intended to continue in effect the existing offices, procedures, and organization of the Foundation, see section 16 of Pub. L. 90-407, set out as a note under section 1602 of this title.

Misrepresentation of Research Results

Pub. L. 114-329, title I, §115, Jan. 6, 2017, 130 Stat. 2994, provided that:

“(a) Prohibition.—The Director of the Foundation may revise the regulations under part 689 of title 45, Code of Federal Regulations (relating to research misconduct) to ensure that the findings and conclusions of any article authored by a principal investigator, using the results of research conducted under a Foundation grant, that is published in a peer-reviewed publication, made publicly available, or incorporated in an application for a research grant or grant extension from the Foundation, does not contain any falsification, fabrication, or plagiarism.

“(b) Interagency Communication.—Upon a finding that research misconduct has occurred, the Foundation shall, in addition to any possible final action under section 689.3 of title 45, Code of Federal Regulations, notify other Federal science agencies of the finding."

[For definitions of ‘Foundation’ and ‘Federal science agency’ as used in section 115 of Pub. L. 114-329, set out above, see section 2 of Pub. L. 114-329, set out as a note under section 1862s of this title.]

§1870a. Buy-American requirements

(a) Award of contracts

The Director shall, to the maximum extent practicable and consistent with current law, award to domestic firms any contracts for the purchase of goods and services intended for direct use by the Foundation.

(b) Report

The Director shall, as soon as possible after October 31, 1988, prepare a report on—

(1) the number of Foundation contracts entered into with foreign firms in fiscal year 1988;

(2) the number of such contracts entered into with domestic firms in that fiscal year;

(3) the number of contracts entered into with foreign firms where the Foundation also received a technically acceptable bid from a domestic firm; and

(4) any steps the Foundation will take to increase the number of contracts awarded to domestic firms.

Such report shall be submitted to the Committee on Science, Space, and Technology of the House of Representatives and the Committees on Labor and Human Resources and Commerce, Science, and Transportation of the Senate.

(c) Definitions

For the purposes of this section—

(1) the term ‘‘domestic firm’’ means a business entity which is organized under the laws of the United States or the laws of a State, district, commonwealth, territory, or possession of the United States, and which conducts business operations in the United States; and

(2) the term ‘‘foreign firm’’ means a business entity not described in paragraph (1).


Codification

Section was enacted as part of the National Science Foundation Authorization Act of 1988, and not as part of the National Science Foundation Act of 1950 which comprises this chapter.

Change of Name

Committee on Labor and Human Resources of Senate changed to Committee on Health, Education, Labor, and Pensions of Senate by Senate Resolution No. 20, One Hundred Sixth Congress, Jan. 19, 1999.

§1871. Disposition of inventions produced under contracts or other arrangements

Each contract or other arrangement executed pursuant to this chapter which relates to sci-
entific or engineering research shall contain provisions governing the disposition of inventions produced thereunder in a manner calculated to protect the public interest and the equities of the individual or organization with which the contract or other arrangement is executed: Provided, however, That nothing in this chapter shall be construed to authorize the Foundation to enter into any contractual or other arrangement inconsistent with any provision of law affecting the issuance or use of patents.


AMENDMENTS

1985—Pub. L. 99–159 struck out subsec. (a) designation, inserted “or engineering” after “scientific” and struck out subsec. (b) which prohibited Foundation officers and employees from acquiring, etc., patent rights in inventions.

§ 1872. International cooperation and coordination with foreign policy

(a) The Foundation is authorized to cooperate in any international scientific or engineering activities consistent with the purposes of this chapter and to expend for such international scientific or engineering activities such sums within the limit of appropriated funds as the Foundation may deem desirable. The Director may defray the expenses of representatives of Government agencies and other organizations and of individual scientists or engineers to accredited international scientific or engineering congresses and meetings whenever he deem it necessary in the promotion of the objectives of this chapter. In this connection, with the approval of the Secretary of State, the Foundation may undertake programs granting fellowships to, or making other similar arrangements with, foreign nationals for study and research in the sciences or in engineering in the United States without regard to section 1869 of this title or the affidavit of allegiance to the United States required by section 1874(d)(2) of this title.

(b)(1) The authority to enter into contracts or other arrangements with organizations or individuals in foreign countries and with agencies of foreign countries, as provided in section 1870(c) of this title, and the authority to cooperate in international scientific or engineering activities as provided in subsection (a) of this section, shall be exercised only with the approval of the Secretary of State, to the end that such authority shall be exercised in such manner as is consistent with the foreign policy objectives of the United States.

(2) If, in the exercise of the authority referred to in paragraph (1) of this subsection, negotiation with foreign countries or agencies thereof becomes necessary, such negotiation shall be carried on by the Secretary of State in consultation with the Director.


REFERENCES IN TEXT

Section 1874(d)(2) of this title, referred to in subsec. (a), was redesignated section 1874(c)(2) by Pub. L. 96–516, § 21(b)(2), Dec. 12, 1980, 94 Stat. 3010.

AMENDMENTS

1985—Subsec. (a). Pub. L. 99–159, § 110(a)(16), inserted “or engineering” after “scientific” the first three places appearing and “or engineers” after “scientists” and substituted “study and research in the sciences or in engineering” for “scientific study or scientific work”.


1968—Subsec. (a). Pub. L. 90–407 struck out “, with the approval of the Board,” after “The Director”, and substituted “section 15(d)(2) of this Act” for “section 16(d)(2) of this Act”, which resulted in no change in text because, for purposes of classification, provision was translated as “section 1874(d)(2) of this title”.

1959—Subsec. (a). Pub. L. 86–232 authorized the Foundation, with approval of the Secretary of State, to cooperate in scientific activities rather than scientific research activities, and to grant fellowships or make other arrangements with foreign nationals for scientific study or scientific work in the United States.

Subsec. (b)(1). Pub. L. 86–232 struck out “research” from phrase “scientific research activities”.

CONTINUATION OF EXISTING OFFICES, PROCEDURES, AND ORGANIZATION OF THE NATIONAL SCIENCE FOUNDATION Amendment by Pub. L. 90–407 intended to continue in effect the existing offices, procedures, and organization of the Foundation, see section 16 of Pub. L. 90–407, set out as a note under section 1862 of this title.


Section, act May 10, 1950, ch. 171, § 14, as added July 11, 1958, Pub. L. 85–510, § 2, 72 Stat. 353, authorized the Foundation, in carrying out a program of study, research, and evaluation in the field of weather modification, to consult with meteorologists and scientists, make contracts and grants, accept gifts, loan property, conduct hearings, and subpoena books and records.

EFFECTIVE DATE OF REPEAL

Pub. L. 90–407, § 11(1), July 18, 1968, 82 Stat. 365, provided that the repeal of this section is effective Sept. 1, 1968, and that provisions authorizing Foundation to initiate and support programs in field of weather modification should remain in effect until Sept. 1, 1968, for purpose of this section.

CONTINUATION OF EXISTING OFFICES, PROCEDURES, AND ORGANIZATION OF THE NATIONAL SCIENCE FOUNDATION

Repeal by Pub. L. 90–407 intended to continue in effect the existing offices, procedures, and organization of the Foundation, see section 16 of Pub. L. 90–407, set out as a note under section 1862 of this title.

§ 1873. Employment of personnel

(a) Appointment; compensation; application of civil service provisions; technical and professional personnel; members of special commissions; temporary appointments; travel expenses

(1) The Director shall, in accordance with such policies as the Board shall from time to time prescribe, appoint and fix the compensation of such personnel as may be necessary to carry out

1 So in original. Probably should be “deems”.

2 See References in Text note below.
the provisions of this chapter. Except as provided in section 1863(h) of this title, such appointments shall be made and such compensation shall be fixed in accordance with the provisions of title 5 governing appointments in the competitive service, and the provisions of chapter 51 and subchapter III of chapter 53 of title 5 relating to classification and General Schedule pay rates: Provided, That the Director may, in accordance with such policies as the Board shall from time to time prescribe, employ such technical and professional personnel and fix their compensation, without regard to such provisions, as he may deem necessary for the discharge of the responsibilities of the Foundation under this chapter. The members of the special commissions shall be appointed without regard to the provisions of title 5 governing appointments in the competitive service.

(2) The Director may, under the authority provided by paragraph (1) of this subsection and in accordance with such policies as the Board chooses to prescribe, appoint for a limited term, or on a temporary basis, scientists, engineers, and other technical and professional personnel on leave of absence from academic, industrial, or research institutions to work for the Foundation.

(3) The Foundation may pay, to the extent authorized for certain other Federal employees by section 5723 of title 5, travel expenses for any individual appointed for a limited term or on a temporary basis and transportation expenses of his or her immediate family and his or her household goods and personal effects from their individual’s residence at the time of selection or assignment to his or her duty station. The Foundation may pay such travel expenses and transportation expenses to the same extent for such an individual’s return to the former place of residence from his or her duty station, upon separation from the Federal service following an agreed period of service. The Foundation may also pay a per diem allowance at a rate not to exceed the daily amounts prescribed under section 5702 of title 5 to such an individual, in lieu of transportation expenses of the immediate family and household goods and personal effects, for the period of his or her employment with the Foundation. Notwithstanding any other provision of law, the employer’s contribution to any retirement, life insurance, or health benefit plan for an individual appointed for a term of one year or less, which could be extended for no more than one additional year, may be made or reimbursed from appropriations available to the Foundation.

(b) Operation of laboratories and pilot plants

The Foundation shall not, itself, operate any laboratories or pilot plants.

c) Compensation of members of Board and special commissions

The members of the Board and the members of each special commission shall be entitled to receive compensation for each day engaged in the business of the Foundation at a rate fixed by the Chairman but not exceeding the maximum rate payable under section 5376 of title 5 and shall be allowed travel expenses as authorized by section 5703 of title 5. For the purposes of determining the payment of compensation under this subsection, the time spent in travel by any member of the Board or any member of a special commission shall be deemed as time engaged in the business of the Foundation. Members of the Board and members of special commissions may waive compensation and reimbursement for traveling expenses.

d) Federal officers as members of special commissions; compensation

Persons holding other offices in the executive branch of the Federal Government may serve as members of special commissions, but they shall not receive remuneration for their services as such members during any period for which they receive compensation for their services in such other offices.

(e) Utilization of appropriations in making contracts

In making contracts or other arrangements for scientific or engineering research, the Foundation shall utilize appropriations available therefor in such manner as will in its discretion best realize the objectives of (1) having the work performed by organizations, agencies, and institutions, or individuals in the United States or foreign countries, including Government agencies of the United States and of foreign countries, qualified by training and experience to achieve the results desired, (2) strengthening the research staff of organizations, particularly nonprofit organizations, in the United States, (3) adding institutions, agencies, or organizations which, if aided, will advance scientific or engineering research, and (4) encouraging independent scientific or engineering research by individuals.

(f) Transfer of research and education funds of other Government departments or agencies

Funds available to any department or agency of the Government for scientific or engineering research or education, or the provision of facilities therefor, shall be available for transfer, with the approval of the head of the department or agency involved, in whole or in part, to the Foundation for such use as is consistent with the purposes for which such funds were provided, and funds so transferred shall be expendable by the Foundation for the purposes for which the transfer was made.

(g) "United States" defined

For purposes of this chapter, the term “United States” when used in a geographical sense means the States, the District of Columbia, the Commonwealth of Puerto Rico, and all territories and possessions of the United States.

(h) Expiration of authorization

Notwithstanding any other provision of law, the authorization of any appropriation to the Foundation shall expire (unless an earlier expiration is specifically provided) at the close of the second fiscal year following the fiscal year for which the authorization was enacted, to the extent that such appropriation has not theretofore actually been made.
(i) Public disclosure of information

(1)(A) Information supplied to the Foundation or a contractor of the Foundation in survey forms, questionnaires, or similar instruments for purposes of section 1862(a)(5) or (6) of this title by an individual, an industrial or commercial organization, or an educational, academic, or other nonprofit institution when the institution has received a pledge of confidentiality from the Foundation, shall not be disclosed to the public unless the information has been transformed into statistical or aggregate formats that do not allow for the identification of the supplier.

(B) Information that has not been transformed into formats described in subparagraph (A) may be used only for statistical or research purposes.

(C) The identities of individuals, organizations, and institutions supplying information described in subparagraph (A) may not be disclosed to the public.

(2) In support of functions authorized by section 1862(a)(5) or (6) of this title, the Foundation may designate, at its discretion, authorized persons, including employees of Federal, State, or local agencies or institutionalities (including local educational agencies) and employees of private organizations, to have access, for statistical or research purposes only, to information collected pursuant to section 1862(a)(5) or (6) of this title that allows for the identification of the supplier. No such person may—

(A) publish information collected pursuant to section 1862(a)(5) or (6) of this title in such a manner that either an individual, an industrial or commercial organization, or an educational, academic, or other nonprofit institution that has received a pledge of confidentiality from the Foundation can be specifically identified;

(B) permit anyone other than individuals authorized by the Foundation to examine data that allows for such identification relating to an individual, an industrial or commercial organization, or an academic, educational, or other nonprofit institution that has received a pledge of confidentiality from the Foundation; or

(C) knowingly and willfully request or obtain any nondisclosable information described in paragraph (1) from the Foundation under false pretenses.

(3) Violation of this subsection is punishable by a fine of not more than $10,000, imprisonment for not more than 5 years, or both.


References to Text

Section 1863(h) of this title, referred to in subsec. (a), was redesignated section 1863(g) of this title by Pub. L. 94–282, title V, § 603, May 11, 1976, 90 Stat. 473.

The General Schedule, referred to in subsec. (a)(1), is set out under section 5332 of Title 5.

Amendments

2002—Subsec. (i). Pub. L. 107–368 amended subsec. (i) generally. Prior to amendment, subsec. (i) read as follows: "Information supplied to the Foundation or a contractor of the Foundation by an industrial or commercial organization in survey forms, questionnaires, or similar instruments for the purposes of subsection (a)(5) or (a)(6) of section 1862 of this title may not be disclosed to the public unless such information has been transformed into statistical or aggregate formats that do not allow the identification of the supplier. The names of organizations supplying such information may not be disclosed to the public."

1998—Subsec. (c). Pub. L. 105–207 substituted "shall be entitled to receive" for "shall receive" and "the maximum rate payable under section 5376 for the rate specified for the daily rate for GS–18 of the General Schedule under section 5332 and inserted at end "For the purposes of determining the payment of compensation under this subsection, the time spent in travel by any member of the Board or any member of a special commission shall be deemed as time engaged in the business of the Foundation. Members of the Board and members of special commissions may waive compensation and reimbursement for traveling expenses."

1995—Subsec. (j). Pub. L. 104–66 struck out subsec. (j) which read as follows: "Starting with fiscal year 1995, the Foundation shall submit to the Congress in each fiscal year, at the time of the release of the President's budget, a three-year budget estimate for the Foundation. The three-year budget shall include funding estimates for each major activity, including each scientific directorate, the United States Antarctic Program, the Science and Engineering Education Directorate, and the Program Development and Management activity."

1991—Subsec. (a)(3). Pub. L. 102–139 struck out "and when less than" after "in lieu of".


1988—Subsec. (a). Pub. L. 100–570, § 106, designated existing provisions as par. (1) and added pars. (2) and (3). Subsec. (j), Pub. L. 100–570, § 107, added subsec. (j). Subsec. (b). Pub. L. 99–199, § 109(e)(1)(A), (B), struck out subsec. (b) relating to outside employment and activities, and redesignated subsec. (c) as (b). Subsec. (c). Pub. L. 99–199, § 109(o)(1)(B), redesignated subsec. (d) and (e) as (c) and (d), respectively.

1985—Subsec. (e). Pub. L. 99–199, §§ 109(o)(1)(B), 118(a)(18), redesignated subsec. (f) as (e) and inserted "or engineering" after "scientific" wherever appearing. Former subsec. (e) redesignated (d).

Subsec. (f). Pub. L. 99–199, §§ 109(o)(1)(B), 118(a)(18)(B), redesignated subsec. (g) as (f) and substituted "engineering" for "technical". Former subsec. (f) redesignated (e).

Subsecs. (g), (h). Pub. L. 99–199, § 109(o)(1)(B), redesignated subsec. (h) as (g) and (h), respectively. Former subsec. (g) redesignated (f).


1977—Subsec. (d). Pub. L. 95–99 substituted provisions authorizing compensation at a daily rate fixed by the chairman but not exceeding the rate specified for the daily rate for GS–18 of the General Schedule under section 5332 of title 5 for provisions authorizing a daily rate of $100.

1968—Subsec. (a). Pub. L. 90–407, §12, substituted provisions making applicable chapter 51 and subchapter III of chapter 53 of title 5, relating to classification and General Schedule pay rates, for provisions making applicable the civil-service laws and regulations and the Classification Act of 1949, and provisions that the members of special commissions be appointed without regard to the provisions of the 5, governing appointments in the competitive service, for provisions that the Deputy Director, and members of divisional committees and special commissions be appointed without regard to the civil-service laws or regulations. Provisions this subsection, relating to outside employment and activities of certain specified officers of the Foundation, were designated as subsec. (b).

Subsec. (b). Pub. L. 90–407, §12, redesignated provisions of former subsec. (a) as (b) and added Assistant Directors to specified officers of Foundation prohibited from engaging in outside employment and activities. Former subsec. (a), providing for the appointment of a Deputy Director, was struck out.

Subsec. (c). Pub. L. 90–407, §12, struck out applicability to members of each divisional committee, and substituted “$100” for “$50” and “section 5708” for “section 738–2”.

Subsec. (d). Pub. L. 90–407, §12, struck out “the divisional committees and” after “may serve as members of”.

Subsec. (e). Pub. L. 90–407, §12, struck out “the divisional committees and” after “after may serve as members of”.

Subsec. (f). Pub. L. 90–407, §12, redesignated subsec. (g) as (f), in cl. (2) substituted “United States” for “States, Territories, possessions, and the District of Columbia”, in cl. (3) substituted “advance scientific research” for “advanced basic research”, and in cl. (4) substituted “independent scientific research for “independent basic research”. Former subsec. (f), exempting members of Board, divisional committees, or special commissions from provisions of former sections 281, 283, or 284 of title 18 or former section 99 of title 5, unless the act made unlawful by the aforementioned former sections directly involved or directly interested the Foundation, was struck out.

Subsec. (g). Pub. L. 90–407, §12, redesignated subsec. (h) as (g) and struck out “and, until such time as an appropriation is made available directly to the Foundation, for general administrative expenses of the Foundation without regard to limitations otherwise applicable to such funds” after “the purposes for which the transfer was made”. Former subsec. (g) redesignated (f).


TRANSFER OF FUNCTIONS

Authority of Director of National Science Foundation, from time to time, to make appropriate provisions authorizing performance by any other officer, or by any agency or employee, of National Science Foundation of any of his functions (including functions delegated to him by National Science Board), see Reorg. Plan No. 5 of 1965, eff. July 27, 1965, 30 F.R. 9355, 79 Stat. 1323, set out in the Appendix to Title 5, Government Organization and Employees.

REFERENCES TO MAXIMUM RATE UNDER 5 U.S.C. 5376

For reference to maximum rate under section 5376 of Title 5, Government Organization and Employees, see section 2(d)(3) of Pub. L. 91–596, 79 Stat. 890, set out as an Effective Date of 2008 Amendment note under section 5376 of Title 5.

EMPLOYMENT OF MINORITIES, WOMEN, AND HANDICAPPED INDIVIDUALS IN EXECUTIVE LEVEL POSITIONS

Pub. L. 94–411, §7, Oct. 11, 1976, 90 Stat. 2056, provided that:

“(a) The Director of the National Science Foundation shall initiate an intensive search for qualified women, members of minority groups, and handicapped individuals to fill executive level positions in the National Science Foundation. In carrying out the requirement of this subsection, the Director shall work closely with organizations which have been active in seeking greater recognition of the scientific and technical capabilities of minorities, women, and handicapped individuals. The Director shall improve the representation of minorities, women, and handicapped individuals on advisory committees, review panels, and all other mechanisms by which the scientific community provides assistance to the Foundation. The Director of the National Science Foundation shall report quarterly to the Congress on the status of minorities, women, and handicapped individuals and activities undertaken pursuant to this section.

“(b) Notwithstanding any other provision of this or any other Act, the National Science Foundation shall, with funds available from the program “Minorities, Women, and Handicapped Individuals in Science” conduct experimental forums, conferences, workshops or other activities designed to improve scientific literacy and to encourage and assist minorities, women, and handicapped individuals to undertake and to advance in careers in scientific research and science education.

“(c)(1) In order to promote increased participation by minorities in careers in science and engineering, the National Science Foundation is authorized and directed to make available planning and study grants for programs including, but not limited to, Minority Centers for Graduate Education in Science and Engineering in accordance with this subsection.

“(2) The grants for Minority Centers for Graduate Education shall be used to determine the need for and feasibility of developing Centers to be established at geographically dispersed educational institutions which—

“(A) have substantial minority student enrollment;

“(B) are geographically located near minority population centers;

“(C) demonstrate a commitment to encouraging and assisting minority students, researchers, and faculty;

“(D) have an existing or developing capacity to offer doctoral programs in science and engineering;

“(E) will support basic research and the acquisition of necessary research facilities and equipment;

“(F) will serve as a regional resource in science and engineering for the minority community which the Center is designed to serve; and

“(G) will develop joint educational programs with nearby undergraduate institutions of higher education which have a substantial minority student enrollment.

“(3) The Director, in consultation with groups which have been active in seeking greater recognition of the scientific and technical capabilities of minorities, shall establish criteria for the award of the grants, and shall report to the Committees on Science and Technology of the House of Representatives [now Committee on Science, Space, and Technology] and the Committees on Labor and Public Welfare [now Committee on Health, Education, Labor, and Pensions] of the Senate on the results of activities including an evaluation and assessment of the entire program carried out under this subsection, not later than March 1, 1977.”

CONTINUATION OF EXISTING OFFICES, PROCEDURES, AND ORGANIZATION OF THE NATIONAL SCIENCE FOUNDATION

Amendment by Pub. L. 90–407 intended to continue in effect the existing offices, procedures, and organization of the Foundation, see section 16 of Pub. L. 90–407, set out as a note under section 1862 of this title.


§ 1874. Security provisions

(a) Nuclear energy research and development

The Foundation shall not support any research or development activity in the field of nuclear energy, nor shall it exercise any authority pursuant to section 1870(e) of this title in respect to that field, without first having obtained the concurrence of the Secretary of Energy that such activity will not adversely affect the common defense and security. To the extent that such activity involves restricted data as defined in the Atomic Energy Act of 1954 [42 U.S.C. 2241, related to prohibition respecting financial or other interest of employees processing applications or proposals for Foundation grants or contracts.

(b) Research relating to national defense

(1) In the case of scientific or engineering research activities under this chapter in connection with matters relating to the national defense, with respect to which funds have been transferred to the Foundation from the Department of Defense in accordance with the provisions of section 1873(f) of this title, the Secretary of Defense shall establish such security requirements and safeguards, including restrictions with respect to access to information and property, as he deems necessary.

(2) In the case of scientific or engineering research activities under this chapter in connection with matters relating to the national defense other than research activities referred to in paragraph (1) of this subsection, the Foundation shall establish such security requirements and safeguards, including restrictions with respect to access to information and property, as it deems necessary.

(3) Any agency of the Government exercising investigatory functions is authorized to make such investigations and reports as may be requested by the Foundation in connection with the enforcement of security requirements and safeguards, including restrictions with respect to access to information and property, established under paragraph (1) or (2) of this subsection.

References in Text


Amendments


1988—Subsec. (c), Pub. L. 100–570 struck out subsec. (c) which related to oath and statement prerequisite to acceptance of scholarship or fellowship, ineligibility of Communist organization members, and penalties for violation.


1980—Subsecs. (c), (d). Pub. L. 96–516 redesignated subsec. (d) as (c), and struck out former subsec. (c) relating to clearance of personnel by the Civil Service Commission.


1962—Subsec. (d). Pub. L. 87–835 designated existing provisions as par. (1), inserted reference to section 1869 of this title, and substituted the requirement, for applications made on or after Oct. 1, 1962, of a full statement regarding convictions for crimes, other than any committed before age 16 or for minor traffic violations, and any criminal charges punishable by thirty days confinement, or more, pending at time of application for scholarship or fellowship, for the requirement of an affidavit stating the affiant did not believe in, and was not a member or supporter of any organization believing in, or teaching, the violent overthrow of the United States Government, or by any illegal means, in such par. (1), and added par. (2).


SUBVERSIVE ACTIVITIES CONTROL BOARD

The Subversive Activities Control Board, established by act Sept. 23, 1950, ch. 1024, title I, § 12, 64 Stat. 997, ceased to operate as of June 30, 1973, due to lack of funding.

BASIC SCIENTIFIC RESEARCH; INCREASE IN GOVERNMENT SUPPORT: NATIONAL SCIENCE FOUNDATION


“(1) an increase in Government support of basic scientific research is necessary to preserve and strengthen the sound technological base essential both to protection of the national security and the solution of unmet domestic needs; and

“(2) a larger share of such support should be provided hereafter through the National Science Foundation.”

CONTINUATION OF EXISTING OFFICES, PROCEDURES, AND ORGANIZATION OF THE NATIONAL SCIENCE FOUNDATION

Amendment by Pub. L. 90–407 intended to continue in effect the existing offices, procedures, and organization of the Foundation, see section 16 of Pub. L. 90–407, set out as a note under section 1862 of this title.

§ 1875. Appropriations

To enable the Foundation to carry out its powers and duties, only such sums may be appropriated as the Congress may authorize by law.

AMENDMENTS

1968—Subsec. (a). Pub. L. 90–407, § 14, substituted provisions authorizing the appropriation of funds for the fiscal year ending June 30, 1969, June 30, 1970, and each subsequent fiscal year, such sums to be in addition to sums authorized by section 1122(b)(1) of title 33, for provisions authorizing the appropriation of such sums as may be necessary to carry out the provisions of this chapter out of any money in the Treasury otherwise appropriated.

1953—Subsec. (a). Act Aug. 8, 1953, removed the $15 million limitation on the amount of the annual appropriations.


drug-free workplace

Pub. L. 100–570, title I, § 118, Oct. 31, 1988, 102 Stat. 2873, provided that:

“(a) No funds authorized to be appropriated under this Act, or under any other Act authorizing appropriations for fiscal year 1989 through 1993 for the Foundation, shall be obligated or expended unless the Foundation has in place, and will continue to administer in good faith, a written policy designed to ensure that all of its workplaces are free from the illegal use, possession, or distribution of controlled substances (as defined in the Controlled Substances Act) by the officers and employees of the Foundation.

“(b) No funds authorized to be appropriated to the Foundation for fiscal years 1989 through 1993 shall be available for payment in connection with any grant, contract, or other agreement, unless the recipient of such grant, contractor, or party to such agreement, as the case may be, has in place and will continue to administer in good faith a written policy adopted by the board of directors or other governing authority of such recipient, contractor, or party, satisfactory to the Director of the Foundation, designed to ensure that all of the workplaces of such recipient, contractor, or party are free from the illegal use, possession, or distribution of controlled substances (as defined in the Controlled Substances Act) by the officers and employees of such recipient, contractor, or party.”

[Section 118 of Pub. L. 100–570, set out above, effective Jan. 16, 1989, see section 215(c) of Pub. L. 100–685, set out as a note under section 510 of Title 15, Commerce and Trade.]

continuation of existing offices, procedures, and organization of the National science foundation

Amendment by Pub. L. 90–407 intended to continue in effect the existing offices, procedures, and organization of the Foundation, see section 16 of Pub. L. 90–407, set out as a note under section 1862 of this title.


AMENDMENTS

EX. ORD. NO. 11287, AWARD AND PRESENTATION OF NATIONAL MEDAL OF SCIENCE


By virtue of the authority vested in me by the Act of August 25, 1959, entitled “An Act To Establish a National Medal of Science To Provide Recognition for Individuals Who Make Outstanding Contributions in the Physical, Biological, Mathematical, and Engineering Sciences,” 73 Stat. 431 (hereinafter referred to as the Act) [42 U.S.C. 1880, 1881], and as President of the United States, it is ordered as follows:

SECTION 1. Award of Medal. (a) The President shall award the National Medal of Science (hereinafter referred to as the Medal) established by the Act, the specifications of which are prescribed by Executive Order No. 10910 of January 17, 1961, as amended, on the basis of recommendations received by him in accordance with the provisions of this Order to individuals who in his judgment are deserving of special recognition by reason of their outstanding contributions to knowledge in the physical, biological, mathematical, or engineering sciences.

(b) The following-described criteria shall govern the award of the Medal—

1. Not more than twenty individuals shall be awarded the Medal in any one calendar year.
2. No individual shall be awarded the Medal unless, at the time such award is made, he:
   A. is a citizen or other national of the United States; or
   B. is an alien lawfully admitted to the United States for permanent residence who (i) has filed a petition for naturalization in the manner prescribed by Section 339 of the Immigration and Nationality Act [8 U.S.C. 1445(b)], and (ii) is not permanently ineligible to become a citizen of the United States.
3. Notwithstanding the provisions of paragraph (2) of this subsection, the Medal may be awarded posthumously, but only to individuals who, at the time of their death, met the conditions set forth in paragraph (2). The Medal shall not be awarded to any individual after the fifth anniversary of the day of his death.
4. Each Medal awarded shall be suitably inscribed. Each individual awarded the Medal shall also receive a citation descriptive of the award.
5. The presentation of the Medal shall be made in accordance with Section 2(d) of the Act.

SIC. 2. The President’s Committee. (a) There is hereby established the President’s Committee on the National Medal of Science (hereinafter referred to as the Committee), which shall be composed of twelve appointive members and two ex officio members and shall assist the President, as provided in this order, in connection with the carrying out of this Act.

(b) Each appointive member of the Committee shall be appointed by the President from among appropriately qualified citizens of the United States. Except as otherwise provided in subsection (e) of this Section, each such member shall be so appointed for a term of three years or for the balance of the unexpired term of his predecessor, whichever is appropriate. Members may be reappointed to serve one additional term of three years. As nearly as practicable, the appointive members of the Committee shall comprise a cross section of the major fields of science and engineering.

(c) The following shall be ex officio members of the Committee:
   1. The Science Adviser.
   2. The President of the National Academy of Sciences.
   3. The President, as provided in subsection (b) of this Section, shall be designated to serve until December 31, 1966, four shall be designated to serve until December 31, 1967, and four shall be designated to serve until December 31, 1968.

SIC. 3. Preliminary Procedure. (a) The Committee shall receive, on behalf of the President, (1) the recommendations made by the National Academy of Sciences respecting the award of the Medal pursuant to the provisions of Section 2(a) of the Act [subsec. (a) of this section], and (2) such similar recommendations as may be made by any other nationally representative scientific or engineering organization or other qualified source.

(b) Such recommendation shall be accompanied by such appropriate supporting material as the Committee may from time to time specify.

(c) On the basis of such criteria, information, and evidence as it may deem appropriate, and subject to the provisions of Section 1 of this Order, the Committee shall designate, from among the individuals who are recommended in accordance with Section 3(a) of this Order, those individuals whom the Committee recommends for the award of the Medal and shall transmit the names of those individuals to the President, together with its recommendations. In so transmitting its recommendations, the Committee shall include expressions of its views concerning, and such other information as may be pertinent to, its recommendations, and (2) may arrange the names of all or some of the recommended individuals in a sequence deemed by it to indicate the order of precedence in which the individuals involved deserve to receive the Medal.

SIC. 4. Time of Awards and Recommendations. (a) Unless otherwise directed by the President, announcement of the award of the Medal shall be made during the last sixty days of each calendar year and ceremonies for presentation of the Medal shall be held during the first ninety days of the calendar year following the announcement of the award.

(b) Recommendations for awards of the Medals shall be submitted to the Committee, pursuant to Section 3(a) of this Order, by the first day of July of the year in which it is proposed that they be announced by the President. Recommendations of the Committee shall be delivered to the President by the fifteenth day of October of the year in which it is proposed that they be announced. Awards of the Medal may be based upon recommendations of the Committee or upon such other information and evidence as the President deems appropriate.

SIC. 5. Services and Expenses. (a) The National Science Foundation is authorized to provide such assistance as may be necessary and appropriate to carry out the purposes of this Order.

(b) The members of the Committee shall serve without compensation, but the National Science Foundation is authorized to reimburse them for travel expenses and to pay them per diem in lieu of subsistence as authorized for persons serving without compensation [5 U.S.C. 7332(a) and (b)]

SIC. 6. Prior Orders. (a) Subject to the provisions of this Order, the President’s Committee on the National Medal of Science established by Section 2 of this Order shall be deemed to constitute a continuation of the Committee of the same name established by Executive Order No. 10961 of August 21, 1961. The latter Order is hereby revoked.

(b) Executive Order No. 10910 of January 17, 1961, is hereby amended by deleting from its title the words “AND AWARD,” and by deleting the last two sentences of Section 1, and all of Section 2 thereof.

EXTENSION OF TERM OF PRESIDENT’S COMMITTEE ON THE NATIONAL MEDAL OF SCIENCE

Term of President’s Committee on the National Medal of Science extended until Sept. 30, 2021, by Ex. Ord. No. 13889, Sept. 27, 2019, 84 F.R. 52743, set out as a
note under section 14 of the Federal Advisory Committee Act in the Appendix to Title 5, Government Organization and Employees.

Previous extensions of term of President’s Committee on the National Medal of Science were contained in the following prior Executive Orders:


§ 1881a. Alan T. Waterman Award

(a) Establishment; amounts; terms

The National Science Foundation is authorized to establish the Alan T. Waterman Award for research or advanced study in the mathematical, physical, medical, biological, engineering, behavioral, social, or other sciences. The award authorized by this section shall consist of a suitable medal and a grant to support further research or study by the recipient. The National Science Foundation will periodically establish the amounts and terms of such grants under this section.

(b) Purpose

Awards under this section shall be made to recognize and encourage the work of younger scientists whose capabilities and accomplishments show exceptional promise of significant future achievement.

(c) Number

Not more than three awards may be made under this section in any one fiscal year.


CODIFICATION

Section was enacted as part of the National Science Foundation Authorization Act, 1976, and not as part of the National Science Foundation Act of 1950 which comprises this chapter.

AMENDMENTS

2007—Subsec. (c). Pub. L. 110–69 amended subsec. (c) generally. Prior to amendment, subsec. (c) read as follows: “No more than one award shall be made under this section in any one fiscal year.”


1985—Subsec. (a). Pub. L. 99–159 substituted provisions requiring the National Science Board to periodically establish amounts and terms of grants, for provisions limiting the grant awarded to $50,000 per year for a period not exceeding three years.


§ 1881b. Presidential awards for teaching excellence

(1)(A) The President is authorized to make Presidential Awards for Excellence in Mathematics and Science Teaching to kindergarten through grade 12 school teachers of mathematics and science who have demonstrated outstanding teaching ability in the field of teaching mathematics or science.

(B) Each year the President is authorized to make no fewer than 108 awards under subparagraph (A). In selecting teachers for an award authorized by this subsection, the President shall select at least two teachers—

(i) from each of the several States;

(ii) from the District of Columbia;

(iii) from the Commonwealth of Puerto Rico;

(iv) from among the Trust Territory of the Pacific Islands, the Commonwealth of the Northern Mariana Islands, and other commonwealths, territories, and possessions of the United States; and

(v) from schools established outside the several States and the District of Columbia by any agency of the Federal Government for dependents of the employees of such agency.

(2) The President shall carry out this subsection, including the establishment of the selection procedures, after consultation with the Director and other appropriate officials of Federal agencies.

(3)(A) Funds to carry out this subsection for any fiscal year shall be made available from amounts appropriated pursuant to annual authorization of appropriations for the Foundation for Education and Human Resources.

(B) Amounts made available pursuant to subparagraph (A) shall be available for making awards under this subsection, for administrative expenses, for necessary travel by teachers selected under this subsection, and for special activities related to carrying out this subsection.

CODIFICATION

Section was enacted as part of the National Science Foundation Authorization Act of 1958, and not as part of the National Science Foundation Act of 1950 which comprises this chapter.

AMENDMENTS


TERMINATION OF TRUST TERRITORY OF THE PACIFIC ISLANDS

For termination of Trust Territory of the Pacific Islands, see note set out preceding section 1661 of Title 48, Territories and Insular Possessions.

§ 1882. Information furnished to Congressional committees

Notwithstanding any other provision of this or any other Act, the Director of the National Science Foundation and the National Science Board shall keep the Committee on Labor and Human Resources of the Senate and the Committee on Science, Space, and Technology of the House of Representatives fully and currently informed with respect to all of the activities of the National Science Foundation.


REFERENCES IN TEXT

This Act, referred to in text, is Pub. L. 96–44, known as the National Science Foundation Authorization Act for Fiscal Year 1980. For classification of this Act to the Code, see Tables.

CODIFICATION

Section was enacted as part of the authorization act cited as the credit to this section, and not as part of the National Science Foundation Act of 1950 which comprises this chapter.

PRIOR PROVISIONS

Provisions similar to this section were contained in the following prior authorization acts:


CODIFICATION

Section was enacted as part of the National Science Foundation Authorization Act, 1977, and not as part of the National Science Foundation Act of 1950 which comprises this chapter.

AMENDMENTS


§ 1885. Congressional statement of findings and declaration of policy respecting equal opportunities in science and engineering

(a) The Congress finds that it is in the national interest to promote the full use of human resources in science and engineering and to insure the full development and use of the scientific and engineering talents and skills of men...
and women, equally, of all ethnic, racial, and economic backgrounds, including persons with disabilities.

(b) The Congress declares it is the policy of the United States to encourage men and women, equally, of all ethnic, racial, and economic backgrounds, including persons with disabilities, to acquire skills in science, engineering, and mathematics, to have equal opportunity in education, training, and employment in scientific and engineering fields, and thereby to promote scientific and engineering literacy and the full use of the human resources of the Nation in science and engineering. To this end, the Congress declares that the highest quality science and engineering over the long-term requires substantial support, from currently available research and educational funds, for increased participation in science and engineering by women, minorities, and persons with disabilities. The Congress further declares that the impact on women, minorities, and persons with disabilities which is produced by advances in science and engineering must be included as essential factors in national and international science, engineering, and economic policies.


Codification

Section was enacted as part of the Science and Engineering Equal Opportunities Act, and not as part of the National Science Foundation Act of 1950 which comprises this chapter.

AMENDMENTS

2002—Subsec. (a). Pub. L. 107–368, §16(1), substituted "backgrounds, including persons with disabilities" for "backgrounds".

Subsec. (b). Pub. L. 107–368, §16(2), inserted "including persons with disabilities," after "backgrounds" and substituted "minorities, and persons with disabilities" for "and minorities" in two places.

1985—Subsec. (a). Pub. L. 99–159, §111(b)(2), substituted "engineering" for "technology" and "scientific and engineering talents and skills" for "scientific talent and technical skills".

Subsec. (b). Pub. L. 99–159, §111(b)(3)–(5), inserted "engineering," after "skills in science", substituted "engineering" for "technical", "scientific and engineering literacy" for "scientific literacy", and "engineering" for "technology" wherever appearing, and inserted "and engineering" after "highest quality science".

SHORT TITLE


SEVERABILITY OF SCIENCE AND ENGINEERING EQUAL OPPORTUNITIES ACT

Pub. L. 96–516, §38, Dec. 12, 1980, 94 Stat. 3014, provided that: "If a provision of this Act [enacting sections 1885 to 1885e of this title and provisions set out as notes under sections 1861 and 1865 of this title] is held invalid, the validity of the other provisions of the Act shall not be affected. If an application of a provision of this Act to a person or circumstance is held invalid, the validity of the application of the provisions to another person or circumstance shall not be affected."

REPEALS TO CONGRESS CONCERNING NATIONAL POLICY DEVELOPMENT OF PROMOTION, ETC., OF EQUAL OPPORTUNITY FOR WOMEN AND MINORITIES IN SCIENCE AND TECHNOLOGY, AND IMPACTS OF SCIENCE AND TECHNOLOGY ON WOMEN AND MINORITIES

Pub. L. 96–516, §35, Dec. 12, 1980, 94 Stat. 3012, directed President, with assistance of Director of Office of Science and Technology Policy and Director of Foundation, to prepare and transmit before Jan. 20, 1982, a report to Congress proposing a comprehensive national policy and program, including budgetary and legislative recommendations, for promotion of equal opportunity for women and minorities in science and technology, and directed President, with assistance of Director of Office of Science and Technology Policy, heads of appropriate executive departments, and Director of the Foundation to prepare and transmit before Jan. 1, 1983, a report to Congress proposing a comprehensive policy, including budgetary and legislative recommendations, concerning direct and indirect impacts of science and technology on women and minorities.

§1885a. Women in science and engineering; support of activities by Foundation for promotion, etc.

The Foundation is authorized to—

(1) support activities designed to—

(A) increase the participation of women in courses of study at the undergraduate, graduate, and postgraduate levels leading to degrees in scientific and engineering fields;

(B) encourage women to consider and prepare for careers in science and engineering; or

(C) provide traineeship and fellowship opportunities for women in science and engineering;

(2) support programs in science, engineering, and mathematics in elementary and secondary schools so as to stimulate the acquisition of knowledge, skills, and information by female students and to increase female student awareness of career opportunities requiring scientific and engineering skills;

(3) support activities in continuing education in science and engineering which provide opportunities for women who—

(A) are in the work force, or

(B) who are not in the work force because their careers have been interrupted, to acquire new knowledge, techniques, and skills in scientific and engineering fields;

(4) undertake a comprehensive research program designed to increase public understanding of (A) the potential contribution of women in science and engineering and (B) the means to facilitate the participation and advancement of women in scientific and engineering careers;

(5) establish a visiting women scientists and engineers program;

(6) support activities designed to improve the availability and quality of public information concerning the importance of the participation of women in careers in science and engineering;

(7) support activities of museums and science centers which demonstrate potential to interest and involve women in science and engineering;
(8) make grants, to be known as the National Research Opportunity Grants, to women scientists and engineers who (A) have received their doctorates within five years prior to the date of the award or (B) have received their doctorates, have had their careers interrupted, and are re-entering the work force within five years after such interruption; 
(9) make grants to women eligible under paragraph (8) to assist such women in planning and developing a research project eligible for support under such paragraph; 
(10) provide support to individuals or academic institutions for full-time or part-time visiting professorships for women in science and engineering; 
(11) support demonstration project activities of individuals, public agencies, and private entities designed to encourage the employment and advancement of women in science and engineering; and
(12) encourage its entrepreneurial programs to recruit and support women to extend their focus beyond the laboratory and into the commercial world.


Codification
Section was enacted as part of the Science and Engineering Equal Opportunities Act, and not as part of the National Science Foundation Act of 1950 which comprises this chapter.

Amendments
Par. (2). Pub. L. 99–159, §111(b)(6)(A), (B), inserted “engineering” for “science” and substituted “engineering” for “technical”.


Findings

(1) women make up almost 50 percent of the workforce in science, technology, engineering, and mathematics (STEM) professions;
(2) women are less likely to focus on the STEM disciplines that have had their careers interrupted, and are re-entering the work force within five years after such interruption;
(3) only 26 percent of women who do attain degrees in STEM fields work in STEM jobs;
(4) there is an increasing demand for individuals with STEM degrees to extend their focus beyond the laboratory so they can be leaders in discovery commercialization;
(5) studies have shown that technology and commercialization ventures are successful when women are in top management positions; and
(6) the National Science Foundation’s mission includes supporting women in STEM disciplines.”

Commission on the Advancement of Women and Minorities in Science, Engineering, and Technology Development

SECTION 1. SHORT TITLE.
This Act may be cited as the ‘Commission on the Advancement of Women and Minorities in Science, Engineering, and Technology Development’.

SEC. 2. FINDINGS.
“The Congress finds the following:

(1) According to the National Science Foundation’s 1996 report, Women, Minorities, and Persons with Disabilities in Science and Engineering—

(A) women have historically been underrepresented in scientific and engineering occupations, and although progress has been made over the last several decades, there is still room for improvement;

(B) female and minority students take fewer high-level mathematics and science courses in high school;

(C) female students earn fewer bachelors, masters, and doctoral degrees in science and engineering;

(D) among recent bachelors of science and bachelors of engineering graduates, women are less likely to be in the labor force, to be employed full-time, and to be employed in their field than are men;

(E) among doctoral scientists and engineers, women are far more likely to be employed at 2-year institutions, are far less likely to be employed in research universities, and are much more likely to teach part-time;

(F) among university full-time faculty, women are less likely to chair departments or hold high-ranked positions;

(G) a substantial salary gap exists between men and women with doctorates in science and engineering;

(H) Blacks, Hispanics, and Native Americans continue to be seriously underrepresented in graduate science and engineering programs; and

(I) Blacks, Hispanics, and Native Americans as a group are 23 percent of the population of the United States, but only 6 percent are scientists or engineers.

(2) According to the National Research Council’s 1995 report, Women Scientists and Engineers Employed in Industry: Why So Few?—

(A) limited access is the first hurdle faced by women seeking industrial jobs in science and engineering, and while progress has been made in recent years, common recruitment and hiring practices that make extensive use of traditional networks often overlook the available pool of women;

(B) once on the job, many women find paternalism, sexual harassment, allegations of reverse discrimination, different standards for judging the work of men and women, lower salary relative to their male peers, inequitable job assignments, and other aspects of a male-oriented culture that are hostile to women; and

(C) women to a greater extent than men find limited opportunities for advancement, particularly for moving into management positions, and the number of women who have achieved the top levels in corporations is much lower than would be expected, based on the pipeline model.

(3) The establishment of a commission to examine issues raised by the findings of these two reports would help—
"(A) to focus attention on the importance of eliminating artificial barriers to the recruitment, retention, and advancement of women and minorities in the fields of science, engineering, and technology, and in all employment sectors of the United States; 

"(B) to promote work force diversity; 

"(C) to sensitize employers to the need to recruit and retain women and minority scientists, engineers, and computer specialists; and 

"(D) to encourage the replication of successful recruitment and retention programs by universities, corporations, and Federal agencies having difficulties in employing women or minorities in the fields of science, engineering, and technology.

"SEC. 3. ESTABLISHMENT.

"There is established a commission to be known as the ‘Commission on the Advancement of Women and Minorities in Science, Engineering, and Technology Development’ (in this Act referred to as the ‘Commission’).

"SEC. 4. DUTY OF THE COMMISSION.

"The Commission shall review available research, and, if determined necessary by the Commission, conduct additional research to— 

"(1) identify the number of women, minorities, and individuals with disabilities in the United States in specific types of occupations in science, engineering, and technology development; 

"(2) examine the preparedness of women, minorities, and individuals with disabilities to— 

"(A) pursue careers in science, engineering, and technology development; and 

"(B) advance to positions of greater responsibility within academia, industry, and government; 

"(3) describe the practices and policies of employers and labor unions relating to the recruitment, retention, and advancement of women, minorities, and individuals with disabilities in the fields of science, engineering, and technology development; 

"(4) identify the opportunities for, and artificial barriers to, the recruitment, retention, and advancement of women, minorities, and individuals with disabilities in the fields of science, engineering, and technology development in academia, industry, and government; 

"(5) compile a synthesis of available research on lawful practices, policies, and programs that have successfully led to the recruitment, retention, and advancement of women, minorities, and individuals with disabilities in science, engineering, and technology development; 

"(6) issue recommendations with respect to lawful policies that government (including Congress and appropriate Federal agencies), academia, and private industry can follow regarding the recruitment, retention, and advancement of women, minorities, and individuals with disabilities in science, engineering, and technology development; 

"(7) identify the disincentives for women, minorities, and individuals with disabilities to continue graduate education in the fields of engineering, physics, and computer science; 

"(8) identify university undergraduate programs that are successful in retaining women, minorities, and individuals with disabilities in the fields of science, engineering, and technology development; 

"(9) identify the disincentives that lead to a disproportionate number of women, minorities, and individuals with disabilities leaving the fields of science, engineering, and technology development before completing their undergraduate education; 

"(10) assess the extent to which the recommendations of the Task Force on Women, Minorities, and the Handicapped in Science and Technology Development established under section 8 of the National Science Foundation Authorization Act for Fiscal Year 1987 (Public Law 99–383; 42 U.S.C. 1885a note) have been implemented; 

"(11) compile a list of all federally funded reports on the subjects of encouraging women, minorities, and individuals with disabilities to enter the fields of science and engineering and retaining women, minorities, and individuals with disabilities in the science and engineering workforce that have been issued since the date that the Task Force described in paragraph (10) submitted its report to Congress; 

"(12) assess the extent to which the recommendations contained in the reports described in paragraph (11) have been implemented; and 

"(13) evaluate the benefits of family-friendly policies in order to assist recruiting, retaining, and advancing women in the fields of science, engineering, and technology such as the benefits or disadvantages of the Family and Medical Leave Act of 1993 (29 U.S.C. 2001 et seq. [see Short Title note set out under section 2001 of Title 29, Labor, and Tables]).

"SEC. 5. MEMBERSHIP.

"(a) NUMBER AND APPOINTMENT.—The Commission shall be composed of 11 members as follows: 

"(1) One member appointed by the President from among for-profit entities that hire individuals in the fields of engineering, science, or technology development. 

"(2) Two members appointed by the Speaker of the House of Representatives from among such entities. 

"(3) One member appointed by the minority leader of the House of Representatives from among such entities. 

"(4) Two members appointed by the majority leader of the Senate from among such entities. 

"(5) One member appointed by the minority leader of the Senate from among such entities. 

"(6) Two members appointed by the Chairman of the National Governors Association from among individuals in education or academia in the fields of life science, physical science, or engineering. 

"(7) Two members appointed by the Vice Chairman of the National Governors Association from among such individuals. 

"(b) INITIAL APPOINTMENTS.—Initial appointments shall be made under subsection (a) not later than 90 days after the date of the enactment of this Act (Oct. 14, 1998).

"(c) TERMS. —

"(1) IN GENERAL.—Each member shall be appointed for the life of the Commission.

"(2) VACANCIES.—A vacancy in the Commission shall be filled in the manner in which the original appointment was made.

"(d) PAY OF MEMBERS.—Members shall not be paid by reason of their service on the Commission.

"(e) TRAVEL, EXPENSES.—Each member shall receive travel expenses, including per diem in lieu of subsistence, in accordance with sections 5702 and 5703 of title 5, United States Code.

"(f) QUORUM.—A majority of the members of the Commission shall constitute a quorum for the transaction of business.

"(g) CHAIRPERSON.—The Chairperson of the Commission shall be elected by the members.

"(h) MEETINGS.—The Commission shall meet not fewer than 5 times in connection with and pending the completion of the report described in section 8. The Commission shall hold additional meetings for such purpose if the Chairperson or a majority of the members of the Commission requests the additional meetings in writing.

"(i) EMPLOYMENT STATUS.—Members of the Commission shall not be deemed to be employees of the Federal Government by reason of their work on the Commission except for the purposes of— 

"(1) the tort claims provisions of chapter 171 of title 28, United States Code; and 

"(2) subchapter I of chapter 81 of title 5, United States Code, relating to compensation for work injuries.

"SEC. 6. DIRECTOR AND STAFF OF COMMISSION; EXPERTS AND CONSULTANTS.

"(a) DIRECTOR.—The Commission shall appoint a Director who shall be paid at a rate not to exceed the
maximum annual rate of basic pay payable under section 5376 of title 5, United States Code.

"(b) STAFF.—The Commission may appoint and fix the pay of additional personnel as the Commission considers appropriate.

"(c) APPLICABILITY OF CERTAIN CIVIL SERVICE LAWS.—The Director and staff of the Commission may be appointed without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and may be paid without regard to the provisions of chapter 51 and subchapter III of chapter 53 of title 5, United States Code, pay rates, except that an individual so appointed may not receive pay in excess of the maximum annual rate of basic pay payable under section 5376 of title 5, United States Code.

"(d) EXPERTS AND CONSULTANTS.—The Commission may procure temporary and intermittent services under section 3109(b) of title 5, United States Code, at rates for individuals not to exceed the maximum annual rate of basic pay payable under section 5376 of title 5, United States Code.

"SEC. 7. POWERS OF COMMISSION.

"(a) HEARINGS AND SESSIONS.—The Commission may, for the purpose of carrying out this Act, hold hearings, sit and act at times and places, take testimony, and receive evidence as the Commission considers appropriate. The Commission may administer oaths or affirmations to witnesses appearing before it.

"(b) POWERS OF MEMBERS AND AGENTS.—Any member or agent of the Commission may, if authorized by the Commission, take any action which the Commission is authorized to take by this section.

"(c) OBTAINING OFFICIAL DATA.—The Commission may secure directly from any department or agency of the United States information necessary to enable it to carry out its duties under this Act. Upon request of the Chairperson of the Commission, the head of that department or agency shall furnish that information to the Commission.

"(d) MAIL.—The Commission may use the United States mails in the same manner and under the same conditions as other departments and agencies of the United States.

"(e) ADMINISTRATIVE SUPPORT SERVICES.—Upon the request of the Commission, the Administrator of General Services shall provide to the Commission, on a reimbursable basis, the administrative support services necessary for the Commission to carry out its responsibilities under this Act.

"(f) CONTRACT AUTHORITY.—To the extent provided in advance in appropriations Acts, the Commission may enter into contracts with Government and private agencies or persons for the purpose of conducting research, surveys necessary to enable the Commission to carry out its duties under this Act.

"SEC. 8. REPORT.

"Not later than 1 year after the date on which the initial appointments under section 5(a) are completed, the Commission shall submit to the President, the Congress, and the highest executive official of each State, a written report containing the findings, conclusions, and recommendations of the Commission resulting from the study conducted under section 4.

"SEC. 9. CONSTRUCTION; USE OF INFORMATION OBTAINED.

"(a) IN GENERAL.—Nothing in this Act shall be construed to require any non-Federal entity (such as a business, college or university, foundation, or research organization) to provide information to the Commission concerning such entity's, including salaries and benefits, promotion criteria, and affirmative action plans.

"(b) USE OF INFORMATION OBTAINED.—No information obtained from any entity by the Commission may be used in connection with any employment related litigation.

"SEC. 10. TERMINATION; ACCESS TO INFORMATION.

"(a) TERMINATION.—The Commission shall terminate 30 days after submitting the report required by section 8.

"(b) ACCESS TO INFORMATION.—On or before the date of the termination of the Commission under subsection (a), the Commission shall provide to the National Science Foundation the information gathered by the Commission in the process of carrying out its duties under this Act. The National Science Foundation shall act as a central repository for such information and shall make such information available to the public, including making such information available through the Internet.

"SEC. 11. REVIEW OF INFORMATION PROVIDED BY THE NATIONAL SCIENCE FOUNDATION AND OTHER AGENCIES.

"(a) PROVISION OF INFORMATION.—At the request of the Commission, the National Science Foundation and any other Federal department or agency shall provide to the Commission any information determined necessary by the Commission to carry out its duties under this Act, including—

"(1) data on academic degrees awarded to women, minorities, and individuals with disabilities in science, engineering, and technology development, and workforce representation and the retention of women, minorities, and individuals with disabilities in the fields of science, engineering, and technology development; and

"(2) information gathered by the National Science Foundation in the process of compiling its biennial report on Women, Minorities, and Persons with Disabilities in Science and Engineering.

"(b) REVIEW OF INFORMATION.—The Commission shall review any information provided under subsection (a) and shall include in the report required under section 8—

"(1) recommendations on how to correct any deficiencies in the collection of the types of information described in that subsection, and in the analysis of such data, which might impede the characterization of the factors which affect the attraction and retention of women, minorities, and individuals with disabilities in the fields of science, engineering, and technology development; and

"(2) an assessment of the biennial report of the National Science Foundation on Women, Minorities, and Persons with Disabilities in Science and Engineering, and recommendations on how that report could be improved.

"SEC. 12. DEFINITION OF STATE.

"In this Act, the term 'State' includes the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands, American Samoa, Guam, the Virgin Islands, and any other territory or possession of the United States.

"SEC. 13. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated to carry out this Act—

"(1) $400,000 for fiscal year 1999; and

"(2) $400,000 for fiscal year 2000.

"SEC. 14. TASK FORCE ON WOMEN, MINORITIES, AND THE HANDICAPPED IN SCIENCE AND TECHNOLOGY.

"Pub. L. 99-383, §8, Aug. 21, 1986, 100 Stat. 815, provided that:

"(a) It is the purpose of this section to establish a task force on women, minorities, and the handicapped in science and technology policy to—

"(1) examine the current status of women, minorities, and the handicapped in science and engineering
§ 1885b  TITLES 42—THE PUBLIC HEALTH AND WELFARE  Page 4736

(b) The Foundation is authorized to undertake or support programs and activities to encourage the participation of persons with disabilities in the science and engineering professions.


CODIFICATION
Section was enacted as part of the Science and Engineering Equal Opportunities Act, and not as part of the National Science Foundation Act of 1950 which comprises this chapter.

AMENDMENTS

Subsec. (b) was struck out, Pub. L. 105–207, § 202(d)(1)(B), added subsec. (b) and struck out former subsec. (b), which read as follows: “By September 30, 1981, the Director, with the advice and assistance of the Committee on Equal Opportunities in Science and Technology established in section 1885c of this title, shall prepare and transmit to the Committee on Labor and Human Resources of the Senate and the Committee on Science and Technology of the House of Representatives a report proposing a comprehensive and continuing program at the Foundation to promote the full participation of minorities in science and engineering. Such report shall contain budgetary and legislative recommendations for the carrying out of such program by the Foundation.”


§ 1885c. Committee on Equal Opportunities in Science and Engineering

(a) Establishment; purposes

There is established within the Foundation a Committee on Equal Opportunities in Science and Engineering (hereinafter referred to as the “Committee”). The Committee shall provide advice to the Foundation concerning (1) the implementation of the provisions of sections 1885 to 1885d of this title and (2) other policies and activities of the Foundation to encourage full participation of women, minorities, and persons with disabilities in scientific, engineering, and professional fields.

(b) Membership; Chairperson; term of members

Each member of the Committee shall be appointed by the Director. In addition, the Chairman of the National Science Board may designate a member of the Board as a member of the Committee. Members of the Committee shall be appointed to serve for a three-year term, and may be reappointed to serve one additional term of three years.

(c) Responsibilities of Committee

The Committee shall be responsible for reviewing and evaluating all Foundation matters relating to opportunities for the participation in, and the advancement of, women, minorities, and persons with disabilities in education, training, and science and engineering research programs.
Standing or ad hoc subcommittees

The Committee may organize such standing or ad hoc subcommittees as the Committee finds appropriate.

Biennial report

Every 2 years, the Committee shall prepare and submit to the Director a report on its activities during the previous 2 years and proposed activities for the next 2 years. The Director shall submit to Congress the report, unaltered, together with such comments as the Director considers appropriate, including—

(1) review data on the participation in Foundation activities of institutions serving populations that are underrepresented in STEM disciplines, including poor, rural, and tribal populations; and

(2) recommendations regarding how the Foundation could improve outreach and inclusion of these populations in Foundation activities.


REFERENCES IN TEXT

Sections 1885 to 1885d of this title, referred to in subsec. (a), was in the original ‘‘this Act’’, meaning sections 31 et seq. of Pub. L. 96–516, as amended, known as the Science and Engineering Equal Opportunities Act, which enacted sections 1885 to 1885d of this title and provisions set out as notes under sections 1861 and 1885 of this title. For complete classification of this Act to the Code, see Short Title of 1980 Amendment note set out under section 1861 of this title and Tables.

CODIFICATION

Section was enacted as part of the Science and Engineering Equal Opportunities Act, and not as part of the National Science Foundation Act of 1950 which comprises this chapter.

AMENDMENTS

2017—Subsec. (e). Pub. L. 114–329, which directed the general amendment of section 204(e) of Pub. L. 100–570, was executed by making the amendment to subsec. (e) of this section, text read as follows: ‘‘Every 2 years, the Committee shall prepare and transmit to the Director a report on its activities during the previous two years and proposed activities for the next two years. The Director shall transmit to Congress the report, unaltered, together with such comments as the Director deems appropriate.’’


Subsec. (b). Pub. L. 105–207, § 202(d)(2)(B), struck out ‘‘with the concurrence of the National Science Board’’ after ‘‘the Director’’ and substituted ‘‘In addition, the Chairman of the National Science Board may designate a member of the Board as a member of the Committee. The Chairperson of the National Science Board Committee on Minorities and Women shall be an ex officio member of the Committee. ’’

Subsec. (c). Pub. L. 105–207, § 202(d)(2)(C), (D), added subsec. (c) and struck out former subsec. (c) which read as follows: ‘‘There shall be a subcommittee of the Committee which shall be known as the Subcommittee on Women in Science and Engineering. The Subcommittee on Women in Science and Engineering shall have responsibility for all Committee matters relating to (1) the participation in and opportunities for the education, training, and research of women in science and engineering and (2) the impact of science and engineering on women. The Subcommittee shall be composed of all the women members of the Committee and such other members of the Committee as the Committee may designate.’’

Subsec. (d). Pub. L. 105–207, § 202(d)(2)(F), struck out ‘‘additional’’ after ‘‘organize such’’.

Subsec. (e) as (d) and struck out former subsec. (d) which read as follows: ‘‘There shall be a subcommittee of the Committee which shall be known as the Subcommittee on Minorities in Science and Engineering. The Subcommittee on Minorities in Science and Engineering shall have responsibility for all Committee matters relating to (1) the participation in and opportunities for education, training, and research for minorities in science and engineering and (2) the impact of science and engineering on minorities. The Subcommittee shall be composed of all minority members of the Committee and such other members of the Committee as the Committee may designate.’’


1988—Subsec. (f). Pub. L. 105–207 amended subsec. (f) generally. Prior to amendment, subsec. (f) read as follows: ‘‘Each year the Committee shall prepare and transmit to the Director a report concerning its activities during the previous year and its proposed activities for the next year. The Director shall transmit to Congress the report, unaltered, along with comments.’’


Subsec. (a). Pub. L. 99–159 substituted ‘‘Engineering’’ for ‘‘Technology’’ and ‘‘scientific, engineering, and professional’’ for ‘‘scientific engineering, professional, and technical’’.


TERMINATION OF ADVISORY COMMITTEES

Advisory committees established after Jan. 5, 1973 to terminate not later than the expiration of the 2-year period beginning on the date of their establishment, unless, in the case of a committee established by the President or an officer of the Federal Government, such committee is renewed by appropriate action prior to the expiration of such 2-year period, or in the case of a committee established by the Congress, its duration is otherwise provided by law. See section 14 of Pub. L. 92–463, Oct. 6, 1972, 86 Stat. 776, set out in the Appendix to Title 5, Government Organization and Employees.

REPORT BY COMMITTEE ON EQUAL OPPORTUNITIES IN SCIENCE AND ENGINEERING

Pub. L. 107–368, § 20, Dec. 19, 2002, 116 Stat. 3063, provided that: ‘‘As part of the first report required by section 36(e) of the Science and Engineering Equal Opportunities Act (42 U.S.C. 1885c) transmitted to Congress after the date of enactment of this Act [Dec. 19, 2002], the Committee on Equal Opportunities in Science and Engineering shall include—

‘‘(1) a summary of its findings over the previous 10 years;

‘‘(2) a description of past and present policies and activities of the Foundation to encourage full participation of women, minorities, and persons with disabilities in science, mathematics, and engineering fields, including activities in support of minority-serving institutions; and

‘‘(3) an assessment of the trends in participation in Foundation activities, and an assessment of the success of Foundation policies and activities, along with
§ 1885d. Biennial reports

(a) By January 30 of each odd-numbered year, the Director shall simultaneously transmit a report to the Congress, the Attorney General, the Director of the Office of Science and Technology Policy, the Chairman of the Equal Employment Opportunity Commission, the Director of the Office of Personnel Management, the Secretary of Labor, the Secretary of Education, and the Secretary of Health and Human Services.

(b) The report required by subsection (a) shall contain—

(1) an accounting and comparison, by sex, race, and ethnic group and by discipline, of the participation of women and minorities in scientific and engineering positions, including—

(A) the number of individuals in permanent and temporary and in full-time and part-time scientific and engineering positions by appropriate level or similar category;

(B) the average salary of individuals in such scientific and engineering positions;

(C) the number and type of promotional opportunities realized by individuals in such scientific and engineering positions;

(D) the number of individuals serving as principal investigators in federally conducted or federally supported research and development; and

(E) the unemployment rate of individuals seeking scientific and engineering positions;

(2) an assessment, including quantitative and other data, of the proportion of women and minorities studying scientific and engineering fields, including mathematics and computer sciences, at all educational levels; and

(3) such other data, analyses, and evaluations as the Director, acting on the advice of the Committee on Equal Opportunities in Science and Engineering, determines appropriate to carry out the Foundation’s functions as well as the policies and programs of sections 1885 to 1885d of this title.


CODIFICATION

Section was enacted as part of the National Science Foundation Authorization Act for Fiscal Year 1986, and not as part of the National Science Foundation Act of 1950 which comprises this chapter.

§ 1886a. Data on specific fields of study

The National Science Foundation shall continue to collect statistically reliable data on the field of degree of college-educated individuals to fulfill obligations under section 1863(j)(1) of this title and the Science and Engineering Equal Opportunities Act [42 U.S.C. 1885 et seq.]. If the Director of the Foundation determines that there is a legal impediment to the continued collection of this data, he shall inform the Committee on Science of the House of Representatives and the Committee on Commerce, Science, and Transportation of the Senate not later than 180 days after December 30, 2005.


REFERENCES IN TEXT

Sections 1885 to 1885d of this title, referred to in subsec. (b)(3), was in the original “this Act”, meaning sections 31 et seq. of Pub. L. 96–516, as amended, known as the Science and Engineering Equal Opportunities Act, which enacted sections 1885 to 1885d of this title and provisions set out as notes under sections 1861 and 1885 of this title. For complete classification of this Act to the Code, see Short Title of 1980 Amendment note set out under section 1861 of this title and Tables.

CODIFICATION

Section was enacted as part of the National Science Foundation Act of 1950 which comprises this chapter.

AMENDMENTS


§ 1886. Data collection and analysis

The National Science Foundation is authorized to design, establish, and maintain a data collection and analysis capability in the Foundation for the purpose of identifying and assessing the research facilities needs of universities. The needs of universities, by major field of science and engineering, for construction and modernization of research laboratories, including fixed equipment and major research equipment, shall be documented. University expenditures for the construction and modernization of research facilities, the sources of funds, and other appropriate data shall be collected and analyzed. The Foundation, in conjunction with other appropriate Federal agencies, shall conduct the necessary surveys every 2 years and report the results to the Congress. The first report shall be submitted to the Congress by September 1, 1986.


CODIFICATION

Section was enacted as part of the National Science Foundation Authorization Act for Fiscal Year 1986, and not as part of the National Science Foundation Act of 1950 which comprises this chapter.

REFERENCES IN TEXT

The Science and Engineering Equal Opportunities Act, referred to in text, is Part B of Pub. L. 96–516, Dec. 12, 1980, 94 Stat. 3010, as amended, which enacted sections 1885 to 1885d of this title and provisions set out as notes under sections 1861 and 1885 of this title. For complete classification of this Act to the Code, see Short Title of 1980 Amendment note set out under section 1861 of this title and Tables.

CODIFICATION

Section, formerly classified to section 16831 of this title, was transferred following the enactment of Title 51, National and Commercial Space Programs, by Pub. L. 111–314.

Section was enacted as part of the National Aeronautics and Space Administration Authorization Act of
2005, and not as part of the National Science Foundation Act of 1950 which comprises this chapter.

CHANGE OF NAME

Committee on Science of House of Representatives changed to Committee on Science and Technology of House of Representatives by House Resolution No. 6, One Hundred Tenth Congress, Jan. 5, 2007. Committee on Science and Technology of House of Representatives changed to Committee on Science, Space, and Technology of House of Representatives by House Resolution No. 5, One Hundred Twelfth Congress, Jan. 5, 2011.

§1887. Indemnification of grantees, contractors, and subcontractors under ocean drilling program; approvals and certifications by Director

The Foundation is on and after November 25, 1985, authorized to indemnify grantees, contractors, and subcontractors associated with the ocean drilling program under the provisions of section 2541 of Title 10, with all approvals and certifications required thereby made by the Director of the National Science Foundation.


CODIFICATION

Section was enacted as part of the appropriation act cited as the credit to this section, and not as part of the National Science Foundation Act of 1950 which comprises this chapter.

PRIOR PROVISIONS

Provisions similar to this section were contained in the following prior appropriation act: Pub. L. 98–371, title II, §201, July 18, 1984, 98 Stat. 1228.

CHAPTER 16A—GRANTS FOR SUPPORT OF SCIENTIFIC RESEARCH


Section 1891, Pub. L. 85–934, §1, Sept. 6, 1958, 72 Stat. 1793, authorized the head of each executive agency to make grants for support of scientific research with institutions of higher education, etc. See section 6301 et seq. of Title 31, Money and Finance.

Section 1892, Pub. L. 85–934, §2, Sept. 6, 1958, 72 Stat. 1793, authorized the head of each executive agency to vest title to equipment, where feasible, in institutions of higher education, etc., involved in basic or applied scientific research pursuant to grants.

EFFECTIVE DATE OF REPEAL

Section 10(a) of Pub. L. 95–224 provided that sections 1891 and 1892 are repealed effective one year after the date of enactment of Pub. L. 95–224, which was approved Feb. 3, 1978.

REPEALS

Pub. L. 95–224, §10(a), Feb. 3, 1978, 92 Stat. 6, which repealed these sections and provided for the effective date of that repeal was itself repealed by Pub. L. 97–258, §5(b), Sept. 13, 1982, 96 Stat. 1068, 1083.


Section, Pub. L. 85–934, §3, Sept. 6, 1958, 72 Stat. 1793; Pub. L. 94–273, §2(34), Apr. 21, 1976, 90 Stat. 376, required a report to the appropriate committees of Congress by agencies or departments making grants for basic scientific research under this chapter.

CHAPTER 16B—CONTRACTS FOR SCIENTIFIC AND TECHNOLOGICAL RESEARCH

Sec. 1900. Interior Department programs.

1900a. Rules and regulations.

1900b. Amendment, modification, or repeal of authorizations for execution of contracts for research.

§1900. Interior Department programs

(a) Authorization for research contracts

The Secretary of the Interior is authorized to enter into contracts with educational institutions, public or private agencies or organizations, or persons for the conduct of scientific or technological research into any aspect of the problems related to the programs of the Department of the Interior which are authorized by statute.

(b) Capabilities of prospective contractors; advice and assistance, coordination of research, lines of inquiry, and cooperation

The Secretary shall require a showing that the institutions, agencies, organizations, or persons with which he expects to enter into contracts pursuant to this section have the capability of doing effective work. He shall furnish such advice and assistance as he believes will best carry out the mission of the Department of the Interior, participate in coordinating all research initiated under this section, indicate the lines of inquiry which seem to him most important, and encourage and assist in the establishment and maintenance of cooperation by and between the institutions, agencies, organizations, or persons and between them and other research organizations, the United States Department of the Interior, and other Federal agencies.

(c) Research reports or publications

The Secretary may from time to time disseminate in the form of reports or publications to public or private agencies or organizations, or individuals such information as he deems desirable on the research carried out pursuant to this section.


AMENDMENTS

1980—Subsec. (d). Pub. L. 96–470 struck out subsec. (d) which provided that no contract involving more than $25,000 be executed under subsec. (a) of this section prior to 30 calendar days from the date submitted to the President of the Senate and Speaker of the House of Representatives and the 30 calendar days not include days on which either the Senate or House of Representatives is not in session because of an adjournment of more than 3 calendar days to a day certain or an adjournment sine die.

§1900a. Rules and regulations

The Secretary shall prescribe such rules and regulations as he deems necessary to carry out the provisions of this chapter.

§ 1900b Amendment, modification, or repeal of authorizations for execution of contracts for research

Nothing contained in this chapter is intended to amend, modify, or repeal any provisions of law administered by the Secretary of the Interior which authorize the making of contracts for research.


CHAPTER 17—FEDERAL EMPLOYMENT SERVICE

§§ 1901 to 1918. Transferred

Section 1901, act June 6, 1933, ch. 49, §1, 48 Stat. 113, which related to establishment of United States Employment Service, was transferred to section 49 of Title 29, Labor.

Section 1902, act June 6, 1933, ch. 49, §2, 48 Stat. 114; 1939 Reorg. Plan No. 1, §§201, 203, eff. July 1, 1939, 4 F.R. 2728, 53 Stat. 1424, which related to establishment of officers and employees of the Service, was transferred to section 49h of Title 29.

Section 1903, act June 6, 1933, ch. 49, §3, 48 Stat. 114, which related to promotion and development of national system of employment offices, was transferred to section 49g of Title 29.

Section 1904, act June 6, 1933, ch. 49, §4, 48 Stat. 114, which related to establishment of state agencies, was transferred to section 49f of Title 29.


Section 1912, act Aug. 11, 1939, ch. 693, 53 Stat. 1409, which related to transfer to States of property used by United States Employment Service, was transferred to section 49f–1 of Title 29.

Section 1913, acts July 26, 1946, ch. 672, title I, §101, 60 Stat. 684; June 16, 1948, ch. 472, title I, §101, 62 Stat. 446, which related to Federal employees employed in State and local employment service and their conditions of service, was transferred to section 49c–2 of Title 29 and subsequently omitted from the Code.

Section 1914, act July 26, 1946, ch. 672, title I, §101, 60 Stat. 685, which related to refund of contributions to Federal Retirement System, was transferred to section 49c–3 of Title 29 and was repealed.

Section 1915, acts July 26, 1946, ch. 672, title I, §101, 60 Stat. 685; July 8, 1947, ch. 210, title I, §101, 61 Stat. 263; June 16, 1948, ch. 472, title I, §101, 62 Stat. 446, which related to establishment and maintenance of personnel standards on merit basis, was transferred to section 49c–4 of Title 29 and subsequently omitted from the Code.


Section 1917, act June 16, 1948, ch. 472, title I, §101, 62 Stat. 445, which related to payment to States for administrative expenses, was transferred to section 49m of Title 29 and subsequently omitted from the Code.

Section 1918, act June 16, 1948, ch. 472, title I, §101, 62 Stat. 445, which related to personnel standards, was transferred to section 49n of Title 29 and subsequently omitted from the Code.

CHAPTER 18—YOUTH MEDALS

Sec. 1921. Establishment of medals for bravery; rules and regulations; conditions governing awards.

1922. Establishment of medals for character and service; condition governing awards.

1923. Names of medals; presentation.

1924. Certificate of commendation accompanying awards; limitation on number of yearly awards.

1925. Omitted.

1926. Authorization of appropriations.

§ 1921. Establishment of medals for bravery; rules and regulations; conditions governing awards

The Department of Justice be, and it is, authorized and directed to promulgate rules and regulations establishing a medal; the method of selecting such recipient thereof so that an award shall be made to any child residing in the United States, who is eighteen years old or under, who has exhibited exceptional courage, extraordinary decision, presence of mind, and unusual swiftness of action, regardless of his or her own personal safety, in an effort to save or successfully saving the life or lives of any person or persons whose life or lives were in actual imminent danger.

(Aug. 3, 1950, ch. 520, §1, 64 Stat. 397.)

§ 1922. Establishment of medals for character and service; condition governing awards

The Department of Justice shall also honor by an appropriate medal such American boy or girl citizens, eighteen years old or under, who, in the opinion of the said Department of Justice, shall have achieved outstanding or unusual recogni-
tion for character and service during any given year.
(Aug. 3, 1950, ch. 520, §2, 64 Stat. 397.)

§ 1923. Names of medals; presentation
The medal to be awarded for bravery or valor as defined in section 1921 of this title shall be known as the Young American Medal for Bravery, while the medal for outstanding character and service as defined in section 1922 of this title shall be known as the Young American Medal for Service, and such medals shall be presented personally by the President of the United States for and on behalf, and in the name of the President and the Congress of the United States of America.
(Aug. 3, 1950, ch. 520, §3, 64 Stat. 398.)

§ 1924. Certificate of commendation accompanying awards; limitation on number of yearly awards
Accompanying such medals designated in this chapter there shall be an appropriate certificate of commendation presented to the recipient or recipients stating (a) the circumstances under which the act of bravery was performed, and (b) citing the outstanding recognition for character and service: Provided, That there shall not be awarded in any one calendar year in excess of four such medals, to wit, two for bravery and two for character and service, as herein authorized.
(Aug. 3, 1950, ch. 520, §4, 64 Stat. 398.)

§ 1925. Omitted

CODIFICATION
Section, Aug. 3, 1950, ch. 520, §§ 5, 64 Stat. 398, which required the Department of Justice to submit an annual report furnishing a list of the names of all those upon whom the President has conferred either the Young American Medal for Bravery or the Young American Medal for Service, terminated, effective May 15, 2000, pursuant to section 3003 of Pub. L. 101–66, as amended, set out as a note under section 1113 of Title 31, Money and Finance. See, also, Item 6 on page 117 of House Document No. 103–7.

§ 1926. Authorization of appropriations
It shall also be the duty of the Department of Justice to list in its annual budget request the sum of money necessary to carry out the provisions of this chapter, which sum is authorized in a sum not to exceed $5,000 per annum.
(Aug. 3, 1950, ch. 520, §6, 64 Stat. 398.)

CHAPTER 19—SALINE AND SALT WATERS
SUBCHAPTER I—SALINE WATER DEVELOPMENT PROGRAM


Section 1951, acts July 3, 1952, ch. 568, §§1, 64 Stat. 328; Sept. 22, 1961, Pub. L. 87–295, §1, 75 Stat. 628, stated Congressional policy on conversion of sea and saline waters and defined “saline water” and “United States”. See sections 1959 and 1659(b) and (d) of this title.

Section 1952, acts July 3, 1952, ch. 568, §§2, 64 Stat. 328; June 29, 1955, ch. 227, §§111, 69 Stat. 198; Sept. 22, 1961, Pub. L. 87–295, §1, 75 Stat. 628; Aug. 11, 1965, Pub. L. 89–118, §1(1), 79 Stat. 509; June 24, 1967, Pub. L. 90–30, §1(b)–(d), 81 Stat. 78, prescribed duties of Secretary of the Interior relating to (a) research and studies for development of processes and methods for converting saline water; (b) research and technical development work for developing processes and plant designs; reports to Congress; and treatment of demonstration projects as test beds; (c) recommendations to Congress for prototype plant; (d) methods for recovery and marketing of byproducts; and (e) economic studies and surveys on water production costs. See sections 1959a and 1959b(b) of this title.


SUBCHAPTER II—SALINE WATER DEMONSTRATION PROGRAM

§§ 1958a to 1958g. Omitted

CODIFICATION
Section 1958a, Pub. L. 85–883, §1, Sept. 2, 1958, 72 Stat. 1706, which related to demonstration plants for production of consumptive water from saline water, was omitted pursuant to section 1958d of this title.

Section 1958b, Pub. L. 85–883, §2, Sept. 2, 1958, 72 Stat. 1707, which related to contracts for construction, operation, and maintenance of demonstration plants, was omitted pursuant to section 1958d of this title.

Section 1958c, Pub. L. 85–883, §3, Sept. 2, 1958, 72 Stat. 1707, which related to acceptance of assistance from State and public agencies, and contracts for such assistance and its use, was omitted pursuant to section 1958d of this title.


Section 1958e, Pub. L. 85–883, §6, Sept. 2, 1958, 72 Stat. 1708, which related to contracts for construction, materials, and supplies, was omitted pursuant to section 1958d of this title.

Section 1958f, Pub. L. 85–883, §7, Sept. 2, 1958, 72 Stat. 1708, which related to authorization of appropriations, was omitted pursuant to section 1958d of this title.
SUBCHAPTER III—SALINE WATER CONVERSION PROGRAM


Section 1959b, Pub. L. 92–60, § 4, July 29, 1971, 85 Stat. 161, set out additional duties of Secretary of the Interior in area in area of conversion of saline water, such as conducting preliminary investigations, exploring potential cooperative agreements, reporting to the President and Congress, utilizing Federal agencies’ expertise and accepting financial assistance from State and other public agencies. See section 7833 of this title.


Section 1959d, Pub. L. 92–60, § 6, July 29, 1971, 85 Stat. 161, provided for coordination of saline water conversion activities with Department of Defense, cooperation of Secretary of the Interior’s activities with the Environmental Protection Agency and other Federal agencies, availability of research information and developments, continued validity of patent rights, publication of rules in the Federal Register, disposal of water and byproducts, dispositions of moneys and non-alteration of existing water ownership and control laws. See sections 7877(a) and 7879 of this title.


Section 1959g, Pub. L. 92–60, § 9, July 29, 1971, 85 Stat. 162, defined terms used in this chapter. See section 7837 of this title.


SHORT TITLE


ANNUAL AUTHORIZATION OF APPROPRIATIONS

Annual authorization for appropriations for the saline water conversion programs for fiscal years authorized by former section 1959h(b) of this title were contained in the following appropriations acts:


INVENTIONS—DEFINITION, TITLE, AND LICENSING

Pub. L. 94–316, § 3, June 22, 1976, 90 Stat. 694, which provided that relative to the definition of, title to, and licensing of inventions made or conceived in the course of or under any contract or grant pursuant to the Water Resources Research Act of 1964 (42 U.S.C. 1961 et seq.) or the Saline Water Conversion Act of 1971 (42 U.S.C. 1959 et seq.), and that notwithstanding any other provision of law, the Secretary was to be governed by the provisions of sections 9 and 10 of the Federal Non-nuclear Energy, Research, and Development Act of 1974 (42 U.S.C. 5908, 5909), provided, however, that subsection (i) and (n) of section 5908 of this title were not to apply to this act, was omitted in view of the repeal of the Water Resources Research Act of 1964 and the Saline Water Conversion Act of 1971 by Pub. L. 95–467, title IV, § 410(a), Oct. 17, 1978, 92 Stat. 1316.

$1959i. Transferred

Codification

Section, Pub. L. 95–64, § 2, Aug. 2, 1977, 91 Stat. 400, which related to desalting plants, was transferred to section 7836 of this title.

CHAPTER 19A—WATER RESOURCES RESEARCH PROGRAM

GENERAL PROVISIONS


Section, Pub. L. 88–379, § 1(b), July 17, 1964, 78 Stat. 329, set out Congressional purpose in enacting water resources research program legislation. See section 7802 of this title.

SHORT TITLE


SUBCHAPTER I—STATE WATER RESOURCES RESEARCH INSTITUTE


Section, Pub. L. 88–379, title I, § 101, July 17, 1964, 78 Stat. 330, set out approved appropriations for specific water resources research projects, including regional projects. See sections 7831(a) and 7832 of this title.


SUBCHAPTER II—ADDITIONAL WATER RESOURCES RESEARCH PROGRAMS


Section 1961c, Pub. L. 88–379, title III, § 300, July 17, 1964, 78 Stat. 332, related to cooperation of Federal, State and private agencies with Secretary of the Interior who was directed to make information on relevant projects available. See section 7877(a) of this title.

Section 1961c–1, Pub. L. 88–379, title III, § 301, July 17, 1964, 78 Stat. 332, related to lack of authority of Secretary of the Interior over water resources research of other Federal agencies and lack of effect that this chapter had on existing authorities and responsibilities of Federal agencies. See section 7861 of this title.


Section 1961c–3, Pub. L. 88–379, title III, § 303, July 17, 1964, 78 Stat. 332, made expenditures of funds for scientific or technological research or development activity conditioned upon availability to public of resulting information and developments, and provided that background patent rights would be unaffected. See section 7879 of this title.


CHAPTER 19B—WATER RESOURCES PLANNING

Sec.


SUBCHAPTER I—WATER RESOURCES COUNCIL

1962a. Establishment; composition; other Federal agency participation; designation of Chairman.

1962a–1. Powers and duties.


1962a–3. Review of river basin commission plans; report to President and Congress.


SUBCHAPTER II—RIVER BASIN COMMISSIONS

1962b. Creation of commissions; powers and duties.

Sec.

1962b–1. Membership of commissions; appointment of chairman.


SUBCHAPTER III—FINANCIAL ASSISTANCE TO STATES FOR COMPREHENSIVE PLANNING GRANT AUTHORIZATIONS

1962c. Authorization of appropriations; coordination of related Federal planning assistance programs; utilization of Federal agencies administering programs contributing to water resources planning.

1962c–1. Allotments to States: basis, population and land area determinations; payments to States: amount.

1962c–2. State programs; approval by Council; submission; requirements; notice and hearing prior to disapproval.


1962c–4. Payments to States; computation of amount.


1962c–6. Records; audit and examination.

SUBCHAPTER IV—MISCELLANEOUS PROVISIONS


1962d–5. Water resources development projects involving navigation, flood control, and shore protection.


1962d–5b. Written agreement requirement for water resources projects.


1962d–5d. Authorization of Secretary of the Army to contract with States and political subdivisions for increased law enforcement services during peak visitation periods; authorization of appropriations.

1962d–5e. Wetland areas.

1962d–5f. Beach nourishment.

1962d–5g. Hydroelectric power resources.

1962d–5h. Feasibility studies; acceleration; advancement of costs by non-Federal sources.

1962d–5i. Delmarva Peninsula hydrologic study; duties of Secretary of the Interior.

1962d–5j. Reports on Delmarva Peninsula hydrologic study.

1962d–5k. Information from Federal agencies for Delmarva Peninsula study.

1962d–5l. Cooperation with agencies on Delmarva Peninsula study.

1962d–5m. Authorization of appropriation for Delmarva Peninsula study.


1962d–5o. Dalecarlia Reservoir; delivery of water to metropolitan Maryland; expenses; payments; purchase of water from State or local authorities in Maryland or Virginia.

1962d–5p. Delmarva Peninsula study; Delmarva Peninsula study.

1962d–5q. Alaska hydroelectric power development.

1962d–5r. Protection of United States from liability for damages; exception of damages due to fault or negligence of United States.
$1962  TITLE 42—THE PUBLIC HEALTH AND WELFARE  Page 4744

Sec. 3. Definitions.
1962-17. Regional or river basin plans and Federal water and related land resources projects; preparation, formulation, and evaluation.
1962-18. Study of depletion of natural resources of regions of Colorado, Kansas, New Mexico, Oklahoma, Texas, and Nebraska utilizing Ogallala aquifer plans; reports to Congress; authorization of appropriation.
1962-19. Cooperation of Secretary of the Interior with State and local regulatory and law enforcement officials in enforcement of laws or ordinances in connection with Federal water resource development project; funding.

§ 1962. Congressional statement of policy
In order to meet the rapidly expanding demands for water throughout the Nation, it is hereby declared to be the policy of the Congress to encourage the conservation, development, and utilization of water and related land resources of the United States on a comprehensive and coordinated basis by the Federal Government, States, localities, and private enterprise with the cooperation of all affected Federal agencies, States, local governments, individuals, corporations, business enterprises, and others concerned.

(Pub. L. 89-80, § 2, July 22, 1965, 79 Stat. 244.)

SHORT TITLE OF 1974 AMENDMENT
Pub. L. 93-251, title I, § 109, Mar. 16, 1974, 88 Stat. 49, provided that: "This title [enacting sections 1962d-5c and 1962d-15 to 1962d-17 of this title, section 460ee of Title 42, Conservation and natural resources, and sections 56c-2, 56k, 579, 704b-11, and 1252a of Title 33, Navigation and Navigable Waters, amending section 4482 of this title, sections 460-13(a), (a)(3) and 460-14(b)(1) of Title 16, section 275a of Title 22, Foreign Relations and Intercourse, and sections 707, 708, 701r, 701r-1(c), 701s, 701a(b), and 1165(a) of Title 33, and enacting provisions set out as notes under sections 1962d-5 and 1962d-7 of this title and section 460-13 of Title 16] may be cited as the ‘Water Resources Development Act of 1974.’"

SHORT TITLE
Pub. L. 89-80, § 1, July 22, 1965, 79 Stat. 244, provided that: "This Act [enacting this chapter] may be cited as the ‘Water Resources Planning Act.’"

UNITED STATES-MEXICO TRANSBOUNDARY AQUIFER ASSESSMENT
Pub. L. 109-448, Dec. 22, 2006, 120 Stat. 3328, provided that:
‘‘SECTION 1. SHORT TITLE.
‘‘This Act may be cited as the ‘United States-Mexico Transboundary Aquifer Assessment Act’.

‘‘SEC. 2. PURPOSE.
‘‘The purpose of this Act is to direct the Secretary of the Interior to establish a United States-Mexico transboundary aquifer assessment program to systematically assess priority transboundary aquifers.

‘‘SEC. 3. DEFINITIONS.
‘‘In this Act:

‘‘(1) AQUIFER.—The term ‘a aquifer’ means a subsurface water-bearing geologic formation from which significant quantities of water may be extracted.

‘‘(2) IBWC.—The term ‘IBWC’ means the International Boundary and Water Commission, an agency of the Department of State.

‘‘(3) INDIAN TRIBE.—The term ‘Indian tribe’ means an Indian tribe, band, nation, or other organized group or community—

‘‘(A) that is recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians; and

‘‘(B) the reservation of which includes a transboundary aquifer within the exterior boundaries of the reservation.

‘‘(4) PARTICIPATING STATE.—The term ‘Participating State’ means each of the States of Arizona, New Mexico, and Texas.

‘‘(5) PRIORITY TRANSBOUNDARY AQUIFER.—The term ‘priority transboundary aquifer’ means a transboundary aquifer that has been designated for study and analysis under the program.

‘‘(6) PROGRAM.—The term ‘program’ means the United States-Mexico transboundary aquifer assessment program established under section 4(a).

‘‘(7) RESERVATION.—The term ‘reservation’ means land that has been set aside or that has been acknowledged as having been set aside by the United States for the use of an Indian tribe, the exterior boundaries of which are more particularly defined in a final tribal treaty, agreement, executive order, Federal statute, secretarial order, or judicial determination.

‘‘(8) SECRETARY.—The term ‘Secretary’ means the Secretary of the Interior, acting through the Director of the United States Geological Survey.

‘‘(9) TRANSBOUNDARY AQUIFER.—The term ‘transboundary aquifer’ means an aquifer that underlies the boundary between a Participating State and Mexico.

‘‘(10) TRI-REGIONAL PLANNING GROUP.—The term ‘Tri-Regional Planning Group’ means the binational planning group comprised of—

‘‘(A) the Junta Municipal de Agua y Saneamiento de Ciudad Juarez;

‘‘(B) the El Paso Water Utilities Public Service Board; and

‘‘(C) the Lower Rio Grande Water Users Organization.

‘‘(11) WATER RESOURCES RESEARCH INSTITUTES.—The term ‘water resources research institutes’ means the institutes within the Participating States established under section 104 of the Water Resources Research Act of 1984 (42 U.S.C. 19303).

‘‘SEC. 4. ESTABLISHMENT OF PROGRAM.

‘‘(a) IN GENERAL.—The Secretary, in consultation and cooperation with the Participating States, the water resources research institutes, Sandia National Laboratories, and other appropriate entities in the United States and Mexico, and the IBWC, as appropriate, shall carry out the United States-Mexico transboundary aquifer assessment program to characterize, map, and model priority transboundary aquifers along the United States-Mexico border at a level of detail determined to be appropriate for the particular aquifer.

‘‘(b) OBJECTIVES.—The objectives of the program are to—

‘‘(i) develop and implement an integrated scientific approach to identify and assess priority transboundary aquifers, including—

‘‘(A) for purposes of subsection (c)(2), specifying priority transboundary aquifers for further analysis by assessing—

‘‘(ii) the extent to which a proposed priority transboundary aquifer would be used;
“(iii) the susceptibility of a proposed priority transboundary aquifer to contamination; and
“(iv) any other relevant criteria;
“(B) evaluating all available data and publications as part of the development of study plans for each
priority transboundary aquifer;
“(C) creating a new, or enhancing an existing, geographic information system database to charac-
terize the spatial and temporal aspects of each priority transboundary aquifer; and
“(D) using field studies, including support for and expansion of ongoing monitoring and metering ef-
forts, to develop—
“(1) the additional data necessary to adequately define aquifer characteristics; and
“(2) consider the expansion or modification of existing
agreements, as appropriate, between the United
States Geological Survey, the Participating States, the
water resources research institutes, and appro-
priate authorities in the United States and Mexico, to—
“(A) conduct joint scientific investigations;
“(B) archive and share relevant data; and
“(C) carry out any other activities consistent with the program; and
“(3) produce scientific products for each priority
transboundary aquifer that—
“(A) are capable of being broadly distributed; and
“(B) provide the scientific information needed by
water managers and natural resource agencies on
both sides of the United States-Mexico border to ef-
ficiently accomplish the missions of the managers
and agencies;
“(C) DESIGNATION OF PRIORITY TRANSBORDARY AQUI-
FERs.—
“(1) IN GENERAL.—For purposes of the program, the
Secretary shall designate as priority transboundary
aquifers—
“(A) the Hueco Bolson and Mesilla aquifers under-
lying parts of Texas, New Mexico, and Mexico;
“(B) the Santa Cruz River Valley aquifers under-
lying Arizona and Sonora, Mexico; and
“(C) the San Pedro aquifers underlying Arizona
and Sonora, Mexico.
“(2) ADDITIONAL AQUIFERS.—The Secretary may,
using the criteria under subsection (b)(1)(A), evaluate
and designate additional priority transboundary
aquifers which underlie New Mexico or Texas.
“(d) COOPERATION WITH MEXICO.—To ensure a compre-
hensive assessment of priority transboundary aquifers, the
Secretary shall, to the maximum extent prac-
ticable, work with appropriate Federal agencies and
other organizations to develop partnerships with, and
provide funding to appropriate entities in the Partici-
pating States (including Sandia National Laboratories,
water resources research institutes, and other relevant organizations) and to imple-
ment cooperative agreements entered into with appro-
priate entities in Mexico to conduct specific authorized
activities in furtherance of the program, including the
binational collection and exchange of scientific data.
“(c) CRITERIA.—Funding provided to an appropriate
entity in Mexico pursuant to subsection (b) shall be
contingent on that entity providing 50 percent of the
necessary resources (including in-kind services) to fur-
ther assist in carrying out the authorized activity.

SEC. 8. AUTHORIZATION OF APPROPRIATIONS.
“(a) IN GENERAL.—There are authorized to be appro-
priated to carry out this Act $50,000,000 for the period
of fiscal years 2007 through 2016.
“(b) DISTRIBUTION OF FUNDS.—Of the amounts made
available under subsection (a), 50 percent shall be made
available to the water resources research institutes to
provide funding to appropriate entities in the Particip-
pating States (including Sandia National Laboratories,
State agencies, universities, the Tri-Regional Planning
Group, and other relevant organizations) and to imple-
mament cooperative agreements entered into with appro-
priate entities in Mexico to conduct specific authorized
activities in furtherance of the program, including the
binational collection and exchange of scientific data.

SEC. 9. SUNSET OF AUTHORITY.
“The authority of the Secretary to carry out any pro-
visions of this Act shall terminate 10 years after the
date of enactment of this Act [Dec. 22, 2006].”
§ 1962–1. Effect on existing laws

Nothing in this chapter shall be construed—

(a) to expand or diminish either Federal or State jurisdiction, responsibility, or rights in the field of water resources planning, development, or control; nor to displace, supersede, limit or modify any interstate compact or the jurisdiction or responsibility of any legally established joint or common agency of two or more States, or of two or more States and the Federal Government; nor to limit the authority of Congress to authorize and fund projects;

(b) to change or otherwise affect the authority or responsibility of any Federal official in the discharge of the duties of his office except as required to carry out the provisions of this chapter with respect to the preparation and review of comprehensive regional or river basin plans and the formulation and evaluation of Federal water and related land resources projects;

(c) as superseding, modifying, or repealing existing laws applicable to the various Federal agencies which are authorized to develop or participate in the development of water and related land resources or to exercise licensing or regulatory functions in relation thereto, except as required to carry out the provisions of this chapter; nor to affect the jurisdiction, powers, or prerogatives of the International Joint Commission, United States and Canada, the Permanent Engineering Board and the United States Operating Entity or Entities established pursuant to the Columbia River Basin Treaty, signed at Washington, January 17, 1961, or the International Boundary and Water Commission, United States and Mexico;

(d) as authorizing any entity established or acting under the provisions hereof to study, plan, or recommend the transfer of waters between areas under the jurisdiction of more than one river basin commission or entity performing the function of a river basin commission.


REFERENCES IN TEXT

The International Joint Commission, United States and Canada, referred to in subsec. (c), was organized in 1911 pursuant to article VII of the treaty of January 11, 1909, with Great Britain, 36 Stat. 2488. Provisions relating to such Commission are contained in sections 267b and 268 of Title 22, Foreign Relations and Intercourse.

§ 1962–2. Congressional statement of objectives

It is the intent of Congress that the objectives of enhancing regional economic development, the quality of the total environment, including its protection and improvement, the well-being of the people of the United States, and the national economic development are the objectives to be included in federally financed water resource projects (including shore protection projects such as projects for beach nourishment, including the replacement of sand), and in the evaluation of benefits and cost attributable thereto, giving due consideration to the most feasible alternative means of accomplishing these objectives.


§ 1962–3. Water resources principles and guidelines

(a) National water resources planning policy

It is the policy of the United States that all water resources projects should reflect national...
priorities, encourage economic development, and protect the environment by—

(1) seeking to maximize sustainable economic development;
(2) seeking to avoid the unwise use of floodplains and flood-prone areas and minimizing adverse impacts and vulnerabilities in any case in which a floodplain or flood-prone area must be used; and
(3) protecting and restoring the functions of natural systems and mitigating any unavoidable damage to natural systems.

(b) Principles and guidelines

(1) Principles and guidelines defined

In this subsection, the term “principles and guidelines” means the principles and guidelines contained in the document prepared by the Water Resources Council pursuant to section 1962a–2 of this title, entitled “Economic and Environmental Principles and Guidelines for Water and Related Land Resources Implementation Studies”, and dated March 10, 1983.

(2) In general

Not later than 2 years after November 8, 2007, the Secretary shall issue revisions, consistent with paragraph (3), to the principles and guidelines for use by the Secretary in the formulation, evaluation, and implementation of water resources projects.

(3) Considerations

In developing revisions to the principles and guidelines under paragraph (2), the Secretary shall evaluate the consistency of the principles and guidelines with, and ensure that the principles and guidelines address, the following:

(A) The use of best available economic principles and analytical techniques, including techniques in risk and uncertainty analysis.
(B) The assessment and incorporation of public safety in the formulation of alternatives and recommended plans.
(C) Assessment methods that reflect the value of projects for low-income communities and projects that use nonstructural approaches to water resources development and management.
(D) The assessment and evaluation of the interaction of a project with other water resources projects and programs within a region or watershed.
(E) The use of contemporary water resources paradigms, including integrated water resources management and adaptive management.
(F) Evaluation methods that ensure that water resources projects are justified by public benefits.

(4) Consultation and public participation

In carrying out paragraph (2), the Secretary shall—

(A) consult with the Secretary of the Interior, the Secretary of Agriculture, the Secretary of Commerce, the Secretary of Housing and Urban Development, the Secretary of Transportation, the Administrator of the Environmental Protection Agency, the Secretary of Energy, the Secretary of Homeland Security, the National Academy of Sciences, and the Council on Environmental Quality; and
(B) solicit and consider public and expert comments.

(5) Publication

The Secretary shall—

(A) submit to the Committee on Environment and Public Works of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives copies of—
(1) the revisions to the principles and guidelines for use by the Secretary; and
(2) an explanation of the intent of each revision, how each revision is consistent with this section, and the probable impact of each revision on water resources projects carried out by the Secretary; and
(B) make the revisions to the principles and guidelines for use by the Secretary available to the public, including on the Internet.

(6) Effect

Subject to the requirements of this subsection, the principles and guidelines as revised under this subsection shall apply to water resources projects carried out by the Secretary instead of the principles and guidelines for such projects in effect on the day before November 8, 2007.

(7) Applicability

After the date of issuance of the revisions to the principles and guidelines, the revisions shall apply—

(A) to all water resources projects carried out by the Secretary, other than projects for which the Secretary has commenced a feasibility study before the date of such issuance;
(B) at the request of a non-Federal interest, to a water resources project for which the Secretary has commenced a feasibility study before the date of such issuance; and
(C) to the reevaluation or modification of a water resources project, other than a reevaluation or modification that has been commenced by the Secretary before the date of such issuance.

(8) Existing studies

Revisions to the principles and guidelines issued under paragraph (2) shall not affect the validity of any completed study of a water resources project.

(9) Recommendation

Upon completion of the revisions to the principles and guidelines for use by the Secretary, the Secretary shall make a recommendation to Congress as to the advisability of repealing subsections (a) and (b) of section 19624–17 of this title.


CODIFICATION

Section was enacted as part of the Water Resources Development Act of 2007, and not as part of the Water Resources Planning Act which comprises this chapter.
§ 1962a

TITLe 42—THE PUBLIC HEALTH AND WELFARE

Page 4748

SECRETARY” DEFINED

Secretary means the Secretary of the Army, see section 2 of Pub. L. 110–114, set out as a note under section 2201 of Title 33, Navigation and Navigable Waters.

SUBCHAPTER I—WATER RESOURCES COUNCIL

§ 1962a. Establishment; composition; other Federal agency participation; designation of Chairman

There is hereby established a Water Resources Council (hereinafter referred to as the “Council”) which shall be composed of the Secretary of the Interior, the Secretary of Agriculture, the Secretary of the Army, the Secretary of Commerce, the Secretary of Housing and Urban Development, the Secretary of Transportation, the Administrator of the Environmental Protection Agency, and the Secretary of Energy. The Chairman of the Council shall request the heads of other Federal agencies to participate with the Council when matters affecting their responsibilities are considered by the Council. The Chairman of the Council shall be designated by the President.


AMENDMENTS


TRANSFER OF FUNCTIONS

“Secretary of Energy” substituted for “Chairman of the Federal Power Commission” in text pursuant to sections 301(b), 763, and 707 of Pub. L. 95–91, which are classified to sections 715(b), 7293, and 7297 of this title, and which terminated Federal Power Commission and transferred its functions and functions of Chairman thereof (with certain exceptions) to Secretary of Energy.

NATIONAL WATER COMMISSION


§ 1962a–1. Powers and duties

The Council shall—

(a) maintain a continuing study and prepare an assessment biennially, or at such less frequent intervals as the Council may determine, of the adequacy of supplies of water necessary to meet the water requirements in each water resource region in the United States and the national interest therein; and

(b) maintain a continuing study of the relation of regional or river basin plans and programs to the requirements of larger regions of the Nation and of the adequacy of administrative and statutory means for the coordination of the water and related land resources policies and programs of the several Federal agencies; it shall appraise the adequacy of existing and proposed policies and programs to meet such requirements; and it shall make recommendations to the President with respect to Federal policies and programs.


§ 1962a–2. Principles, standards, and procedures for Federal projects

(a) Establishment, consultation, revision

The Council shall establish, after such consultation with other interested entities, both Federal and non-Federal, as the Council may find appropriate, and with the approval of the President, principles, standards, and procedures for Federal participants in the preparation of comprehensive regional or river basin plans and for the formulation and evaluation of Federal water and related land resources projects. Such procedures may include provision for Council revision of plans for Federal projects intended to be proposed in any plan or revision thereof being prepared by a river basin planning commission.

(b) Economic evaluation; primary criterion

The Council shall develop standards and criteria for economic evaluation of water resource projects. For the purpose of those standards and criteria, the primary direct navigation benefits of a water resource project are defined as the product of the savings to shippers using the waterway and the estimated traffic that would use the waterway. “Savings to shippers” means the difference between (1) the freight rates or charges prevailing at the time of the study for the movement by the alternative means, and (2) those which would be charged on the proposed waterway. Estimated traffic that would use the waterway will be based on those freight rates, taking into account projections of the economic growth of the area.


AMENDMENTS

1983—Pub. L. 97–449 designated existing provisions as subsec. (a) and added subsec. (b).

DELEGATION OF FUNCTIONS

Functions of President under this section delegated to Chairman of Water Resources Council, see Ex. Ord. No. 11747, eff. Nov. 7, 1973, 38 F.R. 30993, as amended, set out as a note under section 1962a–3 of this title.

COMPUTATION OF PRICES FOR AGRICULTURAL COMMODITIES FOR USE IN EVALUATION OF WATER RESOURCES DEVELOPMENT PROJECTS

Pub. L. 100–460, title VI, § 632, Oct. 1, 1988, 102 Stat. 2362, provided that: “Hereafter, none of the funds appropriated in this or any other Act shall be used to alter the method of computing normalized prices for agricultural commodities for use by any Federal agency in evaluating water resources development projects to be undertaken in whole or in part with Federal funds that was in effect as of January 1, 1986.”

§ 1962a-3. Review of river basin commission plans; report to President and Congress

Upon receipt of a plan or revision thereof from any river basin commission under the provisions of section 1962b–3(3) of this title, the Council shall review the plan or revision with special regard to—

(1) the efficacy of such plan or revision in achieving optimum use of the water and related land resources in the area involved;

(2) the effect of the plan on the achievement of other programs for the development of agricultural, urban, energy, industrial, recreational, fish and wildlife, and other resources of the entire Nation; and

(3) the contributions which such plan or revision will make in obtaining the Nation’s economic and social goals.

Based on such review the Council shall—

(a) formulate such recommendations as it deems desirable in the national interest; and

(b) transmit its recommendations, together with the plan or revision of the river basin commission and the views, comments, and recommendations with respect to such plan or revision submitted by any Federal agency, Governor, interstate commission, or United States section of an international commission, to the President for his review and transmittal to the Congress with his recommendations in regard to authorization of Federal projects.


EX. ORD. No. 11747, DELEGATION OF PRESIDENTIAL FUNCTIONS


By virtue of the authority vested in me by section 301 of title 3 of the United States Code, and as President of the United States, it is hereby ordered as follows:

The Chairman of the Water Resources Council is designated and empowered to exercise, without the approval, ratification, or other action of the President, the approval function for standards and procedures vested in the President by section 103 of the Water Resources Planning Act, as amended (42 U.S.C. 1962a–2).

Based on such review the Council shall—

(a) formulate such recommendations as it deems desirable in the national interest; and

(b) transmit its recommendations, together with the plan or revision of the river basin commission and the views, comments, and recommendations with respect to such plan or revision submitted by any Federal agency, Governor, interstate commission, or United States section of an international commission, to the President for his review and transmittal to the Congress with his recommendations in regard to authorization of Federal projects.


EX. ORD. No. 11747, DELEGATION OF PRESIDENTIAL FUNCTIONS


By virtue of the authority vested in me by section 301 of title 3 of the United States Code, and as President of the United States, it is hereby ordered as follows:

The Chairman of the Water Resources Council is designated and empowered to exercise, without the approval, ratification, or other action of the President, the approval function for standards and procedures vested in the President by section 103 of the Water Resources Planning Act, as amended (42 U.S.C. 1962a–2).

§ 1962a-4. Administrative provisions

(a) Hearings, proceedings, evidence, reports; office space; use of mails; personnel; consultants; motor vehicles; necessary expenses; other powers

For the purpose of carrying out the provisions of this chapter, the Council may—(1) hold such hearings, sit and act at such times and places, take such testimony, receive such evidence, and print or otherwise reproduce and distribute so much of its proceedings and reports thereon as it may deem advisable; (2) acquire, furnish, and equip such office space as is necessary; (3) use the United States mails in the same manner and upon the same conditions as other departments and agencies of the United States; (4) employ and fix the compensation of such personnel as it deems advisable, in accordance with the civil service laws and chapter 51 and subchapter III of chapter 53 of title 5; (5) procure services as authorized by section 3109 of title 5, at rates not in excess of the daily equivalent of the rate prescribed for grade GS–18 under section 5332 of title 5 in the case of individual experts or consultants; (6) purchase, hire, operate, and maintain passenger motor vehicles; and (7) incur such necessary expenses and exercise such other powers as are consistent with and reasonably required to perform its functions under this chapter.

(b) Oaths

Any member of the Council is authorized to administer oaths when it is determined by a majority of the Council that testimony shall be taken or evidence received under oath.

(c) Records; public inspection

To the extent permitted by law, all appropriate records and papers of the Council may be made available for public inspection during ordinary office hours.

(d) Information and personnel from other Federal agencies

Upon request of the Council, the head of any Federal department or agency is authorized (1) to furnish to the Council such information as may be necessary for carrying out its functions and as may be available to or procurable by such department or agency, and (2) to detail to temporary duty with such Council on a reimbursable basis such personnel within his administrative jurisdiction as it may need or believe to be useful for carrying out its functions, each such detail to be without loss of seniority, pay, or other employee status.

(e) Responsibility for personnel and funds

The Council shall be responsible for (1) the appointment and supervision of personnel, (2) the assignment of duties and responsibilities among such personnel, and (3) the use and expenditures of funds.


CODIFICATION


AMENDMENTS

1975—Subsec. (a)(5). Pub. L. 94–112 substituted “not in excess of the daily equivalent of the rate prescribed for grade GS–18 under section 5332 of title 5 in the case of individual experts or consultants” for “not to exceed $100 per diem for individuals”.

REFERENCES IN OTHER LAWS TO GS–16, 17, OR 18 PAY RATES

References in laws to the rates of pay for GS–16, 17, or 18, or to maximum rates of pay under the General Schedule, to be considered references to rates payable under specified sections of Title 5, Government Organization and Employees, see section 529 of Title 5, Government Organization and Employees.
§ 1962b. Creation of commissions; powers and duties

(a) The President is authorized to declare the establishment of a river basin water and related land resources commission upon request therefor by the Council, or request addressed to the Council by a State within which all or part of the basin or basins concerned are located if the request by the Council or by a State (1) defines the area, river basin, or group of related river basins for which a commission is requested, (2) is made in writing by the Governor or in such manner as State law may provide, or by the Council, and (3) is concurred in by the Council and by not less than one-half of the States within which portions of the basin or basins concerned are located and, in the event the Upper Colorado River Basin is involved, by at least three of the four States of Colorado, New Mexico, Utah, and Wyoming or, in the event the Columbia River Basin is involved, by at least three of the four States of Idaho, Montana, Oregon, and Washington. Such concurrences shall be in writing.

(b) Each such commission for an area, river basin, or group of river basins shall, to the extent consistent with section 1962–1 of this title—

(1) serve as the principal agency for the coordination of Federal, State, interstate, local, and nongovernmental plans for the development of water and related land resources in its area, river basin, or group of river basins;

(2) prepare and keep up to date, to the extent practicable, a comprehensive, coordinated, joint plan for Federal, State, interstate, local, and nongovernmental development of water and related resources: Provided, That the plan shall include an evaluation of all reasonable alternative means of achieving optimum development of water and related land resources of the basin or basins, and it may be prepared in stages, including recommendations with respect to individual projects;

(3) recommend long-range schedules of priorities for the collection and analysis of basic data and for investigation, planning, and construction of projects; and

(4) foster and undertake such studies of water and related land resources problems in its area, river basin, or group of river basins as are necessary in the preparation of the plan described in clause (2) of this subsection.

River Basin Commission, transferred all funds, property, etc., of the Souris-Red-Rainy River Basins Commission to the Upper Mississippi River Basin Commission, and superseded Ex. Ord. Nos. 11359 and 11659, which was omitted in view of the revocation of Ex. Ord. No. 11659, which established the Upper Mississippi River Basin Commission and provided for its jurisdiction, functions, etc. See note set out above.

EXECUTIVE ORDER No. 11882
Ex. Ord. No. 11882, Oct. 6, 1975, 30 F.R. 46293, relating to membership of the Energy Research and Development Administration on established river basin commissions, was omitted pursuant to Ex. Ord. No. 12368, Feb. 3, 1978, 43 F.R. 4957, set out as a note under section 7151 of this title.

Ex. Ord. No. 12319, Termination of Certain River Basin Commissions
Ex. Ord. No. 12319, Sept. 9, 1981, 46 F.R. 45591, provided:

By the authority vested in me as President by the Constitution and laws of the United States, in order to ensure the orderly termination of the six river basin commissions established pursuant to the Water Resources Planning Act (42 U.S.C. 1962 et seq.), it is hereby ordered as follows:

SECTION 1. In accord with the decision of the Water Resources Council pursuant to Section 203(a) of the Water Resources Planning Act (42 U.S.C. 1962b-2(a)), the following river basin commissions shall terminate on the date indicated:

(a) Pacific Northwest River Basins Commission, terminated on September 30, 1981.
(b) Great Lakes Basin Commission, terminated on September 30, 1981.
(c) Ohio River Basin Commission, terminated on September 30, 1981.
(d) New England River Basins Commission, terminated on September 30, 1981.
(e) Missouri River Basin Commission, terminated on September 30, 1981.
(f) Upper Mississippi River Basin Commission, terminated on December 31, 1981.

SEC. 2. All Federal agencies shall cooperate with the commissions and the member States to achieve an orderly close out of commission activities and, if the member States so elect, to carry out an orderly transition of appropriate commission activities to the member States.

SEC. 3. To the extent permitted by law, the assets of the commissions which the Federal Government might otherwise be entitled to claim are to be transferred to the member States of the commissions, or such entities as the States acting through their representatives on the commissions may designate, to be used for such water and related land resources planning purposes as the States may decide among themselves. The terms and conditions for transfer of assets under this Section shall be subject to the approval of the Director of the Office of Management and Budget, or such Federal agency as he designates, before the transfer is effective.

SEC. 4. Federal agency members of river basin commissions are directed to continue coordination and cooperation in future State and inter-State basin planning arrangements.

SEC. 5. (a) Effective October 1, 1981, the following Executive Orders are revoked:

(1) Executive Order No. 11331, as amended, which established the Pacific Northwest River Basins Commission.
(2) Executive Order No. 11365, as amended, which established the Great Lakes Basin Commission.
(3) Executive Order No. 11371, as amended, which established the New England River Basins Commission.
(4) Executive Order No. 11576, as amended, which established the Ohio River Basin Commission.
(5) Executive Order No. 11658, as amended, which established the Missouri River Basin Commission.

(b) Effective January 1, 1982, Executive Order No. 11659, as amended, which established the Upper Mississippi River Basin Commission, is revoked.

RONALD REAGAN.

§1962b-1. Membership of commissions; appointment of chairman

Each river basin commission shall be composed of members appointed as follows:

(a) A chairman appointed by the President who shall also serve as chairman and coordinating officer of the Federal members of the commission and who shall represent the Federal Government in Federal-State relations on the commission and who shall not, during the period of his service on the commission, hold any other position as an officer or employee of the United States, except as a retired officer or retired civilian employee of the Federal Government;

(b) One member from each Federal department or independent agency determined by the President to have a substantial interest in the work to be undertaken by the commission, such member to be appointed by the head of such department or independent agency and to serve as the representative of such department or independent agency;

(c) One member from each State which lies wholly or partially within the area, river basin, or group of river basins for which the commission is established, and the appointment of each such member shall be made in accordance with the laws of the State which he represents. In the absence of governing provisions of State law, such State members shall be appointed and serve at the pleasure of the Governor;

(d) One member appointed by any interstate agency created by an interstate compact to which the consent of Congress has been given, and whose jurisdiction extends to the waters of the area, river basin, or group of river basins for which the river basin commission is created;

(e) When deemed appropriate by the President, one member, who shall be appointed by the President, from the United States section of any international commission created by a treaty to which the consent of the Senate has been given, and whose jurisdiction extends to the waters of the area, river basin, or group of river basins for which the river basin commission is established.


§1962b-2. Organization of commissions

(a) Commencement of functions; transfer of property, assets, and records upon termination of commission; availability of studies, data, and other materials to participants

Each river basin commission shall organize for the performance of its functions within ninety days after the President shall have declared the establishment of such commission, subject to the availability of funds for carrying on its work. A commission shall terminate upon decision of the Council or agreement of a majority of the States composing the commission. Upon such termination, all property, assets, and records of the commission shall thereafter be turned over to such agencies of the United States and the participating States as shall be
appropriate in the circumstances: Provided, That studies, data, and other materials useful in water and related land resources planning to any of the participants shall be kept freely available to all such participants.

(b) Vice chairman; State election; State representation

State members of each commission shall elect a vice chairman, who shall serve also as chairman and coordinating officer of the State members of the commission and who shall represent the State governments in Federal-State relations on the commission.

(c) Vacancies; alternates for chairman and vice chairman

Vacancies in a commission shall not affect its powers but shall be filled in the same manner in which the original appointments were made: Provided, That the chairman may by written notice designate alternates to act for them during temporary absences.

(d) Consensus of members on issues; opportunities for individual views; record of position of chairman and vice chairman; final authority on procedural questions

In the work of the commission every reasonable endeavor shall be made to arrive at a consensus of all members on all issues: but failing this, full opportunity shall be afforded each member for the presentation and report of individual views: Provided, That at any time the commission fails to act by reason of absence of consensus, the position of the chairman, acting in behalf of the Federal members, and the vice chairman, acting upon instructions of the State members, shall be set forth in the record: Provided further, That the chairman, in consultation with the vice chairman, shall have the final authority, in the absence of an applicable by-law adopted by the commission or in the absence of a consensus, to fix the times and places for meetings, to set deadlines for the submission of annual and other reports, to establish subcommittees, and to decide such other procedural questions as may be necessary for the commission to perform its functions.


§ 1962b–3. Duties of commissions

Each river basin commission shall—

(1) engage in such activities and make such studies and investigations as are necessary and desirable in carrying out the policy set forth in section 1962 of this title and in accomplishing the purposes set forth in section 1962(b) of this title;

(2) submit to the Council and the Governor of each participating State a report on its work at least once each year. Such report shall be transmitted through the President to the Congress. After such transmission, copies of any such report shall be sent to the heads of such Federal, State, interstate, and international agencies as the President or the Governors of the participating States may direct;

(3) submit to the Council for transmission to the President and by him to the Congress, and the Governors and the legislatures of the participating States a comprehensive, coordinated, joint plan, or any major portion thereof or necessary revisions thereof, for water and related land resources development in the area, river basin, or group of river basins for which such commission was established. Before the commission submits such a plan or major portion thereof or revision thereof to the Council, it shall transmit the proposed plan or revision to the head of each Federal department or agency, the Governor of each State, and each interstate agency, from which a member of the commission has been appointed, and to the head of the United States section of any international commission if the plan, portion or revision deals with a boundary water or a river crossing a boundary, or any tributary flowing into such boundary water or river, over which the international commission has jurisdiction or for which it has responsibility. Each such department and agency head, Governor, interstate agency, and United States section of an international commission shall have ninety days from the date of the receipt of the proposed plan, portion, or revision to report its views, comments, and recommendations to the commission. The commission may modify the plan, portion, or revision after considering the reports so submitted. The views, comments, and recommendations submitted by each Federal department or agency head, Governor, interstate agency, and United States section of an international commission shall be transmitted to the Council with the plan, portion, or revision; and

(4) submit to the Council at the time of submitting such plan, any recommendations it may have for continuing the functions of the commission and for implementing the plan, including means of keeping the plan up to date.


Termination of Reporting Requirements

For termination, effective May 15, 2000, of provisions in sec. (2) of this section relating to transmission of reports to Congress, see section 3003 of Pub. L. 104–66, as amended, set out as a note under section 9113 of Title 31, Money and Finance, and item 5 on page 40 of House Document No. 103–7.

Upper Mississippi River System Comprehensive Master Management Plan

§ 1962b-4. Administrative provisions

(a) Hearings, proceedings, evidence, reports; office space; use of mails; personnel, consultants, and professional service contracts; personnel from other agencies; retirement and employee benefit system for personnel without coverage; motor vehicles; necessary expenses; other powers

For the purpose of carrying out the provisions of this subchapter, each river basin commission may—

(1) hold such hearings, sit and act at such times and places, take such testimony, receive such evidence, and print or otherwise reproduce and distribute so much of its proceedings and reports thereon as it may deem advisable;
(2) acquire, furnish, and equip such office space as is necessary:
(3) use the United States mails in the same manner and upon the same conditions as departments and agencies of the United States;
(4) employ and compensate such personnel as it deems advisable, including consultants, at rates not in excess of the daily equivalent of the rate prescribed for grade GS–18 under section 5332 of title 5, and retain and compensate such professional or technical service firms as it deems advisable on a contract basis;
(5) arrange for the services of personnel from any State or the United States, or any subdivision or agency thereof, or any intergovernmental agency;
(6) make arrangements, including contracts, with any participating government, except the United States or the District of Columbia, for inclusion in a suitable retirement and employee benefit system of such of its personnel as may not be eligible for or continuing in another governmental retirement or employee benefit system, or otherwise provide for such coverage of its personnel;
(7) purchase, hire, operate, and maintain passenger motor vehicles; and
(8) incur such necessary expenses and exercise such other powers as are consistent with and reasonably required to perform its functions under this chapter.

(b) Oaths

The chairman of a river basin commission, or any member of such commission designated by the chairman thereof for the purpose, is authorized to administer oaths when it is determined by a majority of the commission that testimony shall be taken or evidence received under oath.

(c) Records; public inspection

To the extent permitted by law, all appropriate records and papers of each river basin commission shall be made available for public inspection during ordinary office hours.

(d) Information and personnel from other Federal agencies

Upon request of the chairman of any river basin commission, or any member or employee of such commission designated by the chairman thereof for the purpose, the head of any Federal department or agency is authorized (1) to furnish to such commission such information as may be necessary for carrying out its functions and as may be available to or procurable by such department or agency, and (2) to detail to temporary duty with such commission on a reimbursable basis such personnel within his administrative jurisdiction as it may need or believe to be useful for carrying out its functions, each such detail to be without loss of seniority, pay, or other employee status.

(e) Responsibility for personnel and funds

The chairman of each river basin commission shall, with the concurrence of the vice chairman, appoint the personnel employed by such commission, and the chairman shall, in accordance with the general policies of such commission with respect to the work to be accomplished by it and the timing thereof, be responsible for (1) the supervision of personnel employed by such commission, (2) the assignment of duties and responsibilities among such personnel, and (3) the use and expenditure of funds available to such commission.


AMENDMENTS

1975—Subsec. (a)(4). Pub. L. 94–112 substituted “not in excess of the daily equivalent of the rate prescribed for grade GS–18 under section 5332 of title 5” for “not to exceed $100 per diem”.

REFERENCES IN OTHER LAWS TO GS–16, 17, OR 18 PAY RATES

References in laws to the rates of pay for GS–16, 17, or 18, or to maximum rates of pay under the General Schedule, to be considered references to rates payable under specified sections of Title 5, Government Organization and Employees, see section 5332 (title 1, §180(c)(1)) of Pub. L. 101–509, set out in a note under section 5376 of Title 5.

§ 1962b-5. Compensation of members and chairmen

(a) Additional compensation prohibited to members appointed from Federal departments, agencies, and international commissions

Any member of a river basin commission appointed pursuant to section 1962b–1(b) and (e) of this title shall receive no additional compensation by virtue of his membership on the commission, but shall continue to receive, from appropriations made for the agency from which he is appointed, the salary of his regular position when engaged in the performance of the duties vested in the commission.

(b) Compensation of members from States and interstate agencies

Members of a commission, appointed pursuant to section 1962b–1(c) and (d) of this title, shall each receive such compensation as may be provided by the States or the interstate agency respectively, which they represent.

(c) Compensation of chairman

The per annum compensation of the chairman of each river basin commission shall be determined by the President, but when employed on a full-time annual basis shall not exceed the maximum scheduled rate for grade GS–18 or when engaged in the performance of the com-
mission’s duties on an intermittent basis such compensation shall be not more than $100 per day and shall not exceed $12,000 in any year.


REFERENCES IN OTHER LAWS TO GS–16, 17, OR 18 PAY RATES

References in laws to the rates of pay for GS–16, 17, or 18, or to maximum rates of pay under the General Schedule, to be considered references to rates payable under specified sections of Title 5, Government Organization and Employee, see section 529 (title I, § 101(c)(1)) of Pub. L. 101–509, set out in a note under section 5376 of Title 5.

§ 1962b–6. Expenses of commissions

(a) Federal share; apportionment of remainder; annual budget; estimates of proposed Federal appropriations; advances against delayed State appropriations; credit to account in the Treasury

Each commission shall recommend what share of its expenses shall be borne by the Federal Government, but such share shall be subject to approval by the Council. The remainder of the commission’s expenses shall be otherwise apportioned as the commission may determine. Each commission shall prepare a budget annually and transmit it to the Council and the States. Estimates of proposed appropriations from the Federal Government shall be included in the budget estimates submitted by the Council under chapter 11 of title 31, and may include an amount for advance to a commission against State appropriations for which delay is anticipated by reason of later legislative sessions. All sums appropriated to or otherwise received by a commission shall be credited to the commission’s account in the Treasury of the United States.

(b) Acceptance, reception, utilization, and disposal of appropriations, donations, and grants

A commission may accept for any of its purposes and functions appropriations, donations, and grants of money, equipment, supplies, materials, and services from any State or the United States or any subdivision or agency thereof, or intergovernmental agency, and may receive, utilize, and dispose of the same.

(c) Accounts of receipts and disbursements; annual audit; inclusion in annual report

The commission shall keep accurate accounts of all receipts and disbursements. The accounts shall be audited at least annually in accordance with generally accepted auditing standards by independent certified or licensed public accountants, certified or licensed by a regulatory authority of a State, and the report of the audit shall be included in and become a part of the annual report of the commission.

(d) Inspection of accounts

The accounts of the commission shall be open at all reasonable times for inspection by representatives of the jurisdictions and agencies which make appropriations, donations, or grants to the commission.


SUBCHAPTER III—FINANCIAL ASSISTANCE TO STATES FOR COMPREHENSIVE PLANNING GRANT AUTHORIZATIONS

§ 1962a. Authorization of appropriations; coordination of related Federal planning assistance programs; utilization of Federal agencies administering programs contributing to water resources planning

(a) In recognition of the need for increased participation by the States in water and related land resources planning to be effective, there are hereby authorized to be appropriated to the Council, $3,000,000 for fiscal year 1979 for grants to States to assist them in developing and participating in the development of comprehensive water and related land resources plans.

(b) The Council, with the approval of the President, shall prescribe such rules, establish such procedures, and make such arrangements and provisions relating to the performance of its functions under this subchapter, and the use of funds available therefor, as may be necessary in order to assure (1) coordination of the program authorized by this subchapter with related Federal planning assistance programs, including the program authorized under section 701 of the Housing Act of 1954 and (2) appropriate utilization of other Federal agencies administering programs which may contribute to achieving the purpose of this chapter.


REFERENCES IN TEXT


AMENDMENTS

1975—Subsec. (a). Pub. L. 94–404 substituted "$3,000,000 for fiscal year 1979" for "for fiscal years 1977 and 1978, $5,000,000 in each such year".


INCREASES IN SALARY, PAY, RETIREMENT, OR OTHER BENEFITS FOR FEDERAL EMPLOYEES

For authority for payment of increases in salary and other Federal employee benefits, see section 1(e) of Pub. L. 95–404, set out as a note under section 1962d of this title.

§ 1962c–1. Allotments to States: basis, population and land area determinations; payments to States: amount

(a) From the sums appropriated pursuant to section 1962c of this title for any fiscal year the

1 See References in Text note below.
Council shall from time to time make allotments to the States, in accordance with its regulations, on the basis of (1) the population, (2) the land area, (3) the need for comprehensive water and related land resources planning programs, and (4) the financial need of the respective States. For the purposes of this section the population of the States shall be determined on the basis of the latest estimates available from the Department of Commerce and the land area of the States shall be determined on the basis of the official records of the United States Geological Survey.

(b) From each State’s allotment under this section for any fiscal year the Council shall pay to such State an amount which is not more than 50 per centum of the cost of carrying out its State program approved under section 1962c–2 of this title, including the cost of training personnel for carrying out such program and the cost of administering such program.

The Council shall approve any program for comprehensive water and related land resources planning which is submitted by a State, if such program—

1. provides for comprehensive planning with respect to intrastate or interstate water resources, or both, in such State to meet the needs for water and water-related activities taking into account prospective demands for all purposes served through or affected by water and related land resources development, with adequate provision for coordination with all Federal, State, and local agencies, and non-governmental entities having responsibilities in affected fields;

2. provides, where comprehensive statewide development planning is being carried on with or without assistance under section 701 of the Housing Act of 1954 or under chapter 2003 of title 54, for full coordination between comprehensive water resources planning and other statewide planning programs and for assurances that such water resources planning will be in conformity with the general development policy in such State;

3. designates a State agency (hereinafter referred to as the “State agency”) to administer the program;

4. provides that the State agency will make such reports in such form and containing such information as the Council from time to time reasonably requires to carry out its functions under this subchapter;

5. sets forth the procedure to be followed in carrying out the State program and in administering such program; and

6. provides such accounting, budgeting, and other fiscal methods and procedures as are necessary for keeping appropriate accountability of the funds and for the proper and efficient administration of the program.

The Council shall not disapprove any program without first giving reasonable notice and opportunity for hearing to the State agency administering such program.

The Council shall not disapprove any program without first giving reasonable notice and opportunity for hearing to the State agency administrating such program.

(2) The Council shall pay to the State, from the allotment available therefor, the amount so estimated by it for any period, reduced or increased, as the case may be, by any sum (not previously adjusted under this paragraph) by which it finds that its estimate of the amount to be paid such State for any prior period under this subchapter was greater or less than the amount which should have been paid to such State for such prior period under this subchapter. Such payments shall be made through the disbursing facilities of the Treasury Department, at such times and in such installments as the Council may determine.

§ 1962c–3. Noncompliance; curtailing of payments

Whenever the Council after reasonable notice and opportunity for hearing to a State agency finds that—

(a) the program submitted by such State and approved under section 1962c–2 of this title has been so changed that it no longer complies with a requirement of such section; or

(b) in the administration of the program there is a failure to comply substantially with such a requirement,

the Council shall notify such agency that no further payments will be made to the State under this subchapter until it is satisfied that there will no longer be any such failure. Until the Council is so satisfied, it shall make no further payments to such State under this subchapter.

§ 1962c–4. Payments to States; computation of amount

The method of computing and paying amounts pursuant to this subchapter shall be as follows:

1. The Council shall, prior to the beginning of each calendar quarter or other period prescribed by it, estimate the amount to be paid to each State under the provisions of this subchapter for such period, such estimate to be based on such records of the State and information furnished by it, and such other investigation, as the Council may find necessary.

2. The Council shall pay to the State, from the allotment available therefor, the amount so estimated by it for any period, reduced or increased, as the case may be, by any sum (not previously adjusted under this paragraph) by which it finds that its estimate of the amount to be paid such State for any prior period under this subchapter was greater or less than the amount which should have been paid to such State for such prior period under this subchapter. Such payments shall be made through the disbursing facilities of the Treasury Department, at such times and in such installments as the Council may determine.

Footnote 1: See References in Text note below.
§ 1962c—5. “State” defined

For the purpose of this subchapter the term “State” means a State, the District of Columbia, Puerto Rico, the Virgin Islands or Guam.


AMENDMENTS


§ 1962c—6. Records; audit and examination

(a) Each recipient of a grant under this chapter shall keep such records as the Chairman of the Council shall prescribe, including records which fully disclose the amount and disposition of the funds received under the grant, and the total cost of the project or undertaking in connection with which the grant was made and the amount and nature of that portion of the cost of the project or undertaking supplied by other sources, and such other records as will facilitate an effective audit.

(b) The Chairman of the Council and the Comptroller General of the United States, or any of their duly authorized representatives, shall have access for the purpose of audit and examination to any books, documents, papers, and records of the recipient of the grant that are pertinent to the determination that funds granted are used in accordance with this chapter.


SUBCHAPTER IV—MISCELLANEOUS PROVISIONS

§ 1962d. Authorization of appropriations to the Water Resources Council

There are authorized to be appropriated to the Water Resources Council:

(a) Limitation for single river basin commission

The sum of $2,886,000 for fiscal year 1979 for the Federal share of the expenses of administration and operation of river basin commissions, including salaries and expenses of the chairmen, but not including funds authorized by subsection (c) below: Provided, That not more than $750,000 annually shall be available under this subsection for any single river basin commission;

(b) Limitation on the expenses of the Water Resources Council

the sum of $2,668,000 for fiscal year 1979 for the expenses of the Water Resources Council in administering this chapter, not including funds authorized by subsection (c) below;

(c) Limitation on availability of funds for preparation of certain studies and for assessments and plans

The sum of $3,179,900 for fiscal year 1979 for preparation of assessments, and for directing and coordinating the preparation of such river basin plans as the Council determines are necessary and desirable in carrying out the policy of this chapter: Provided, That $828,900 shall be available under this subsection for preparation of the Columbia River Estuary Special Study: Provided further, That $308,000 shall be available under this subsection for preparation of the New England Port and Harbor Study and $135,000 shall be available for completion of the Hudson River Basin Level B Study: Provided further, That $150,000 shall be available under this subsection for completion of Case Studies of the Application of Cost Sharing Policy Options for Flood Plain Management in the Connecticut River Basin: Provided further, That not more than $2,500,000 shall be available under this subsection for the preparation of assessments: Provided further, That the Council may transfer funds authorized by this subsection to river basin commissions and to Federal and State agencies upon such terms and conditions as it determines are necessary and desirable to carry out the above functions in an economical, efficient, and timely manner, and that such commissions and agencies are hereby authorized to receive and expend such funds pursuant to this subsection.


AMENDMENTS

1978—Subsec. (a). Pub. L. 95–404, § 1(a), substituted “The sum of $2,886,000 for fiscal year 1979” for “not to exceed $6,000,000 for fiscal year 1978”.

Subsec. (b). Pub. L. 95–404, § 1(b), substituted “the sum of $2,668,000 for fiscal year 1979” for “not to exceed $2,000,000 for fiscal year 1978”.

Subsec. (c). Pub. L. 95–404, § 1(c), substituted “The sum of $3,179,900 for fiscal year 1979” for “not to exceed the sum of $3,905,000 for fiscal year 1978” and inserted provisions making available the sums of $828,900 for the Columbia River Estuary Special Study; $308,000 for the New England Port and Harbor Study, $135,000 for the Hudson River Basin Level B Study, and $150,000 for the Case Studies of the Application of Cost Sharing Policy Options for Flood Plain Management in the Connecticut River Basin.

1977—Subsecs. (a), (b), Pub. L. 95–41, § 1(b), (c), substituted “annually” for “fiscal year”.

Subsec. (c). Pub. L. 95–41, § 1(a), substituted “not to exceed the sum of $3,905,000 for fiscal year 1978” for “not to exceed a total of $10,000,000 for fiscal years 1976 and 1977”.

Subsec. (b). Pub. L. 95–41, § 1(d), substituted “not to exceed $1,500,000” for “$2,000,000 for fiscal year 1978”.

1976—Pub. L. 94–285 substituted “$2,000,000” for “$1,500,000”.

1975—Pub. L. 94–112 substituted “not to exceed a total of $10,000,000 for fiscal years 1976 and 1977” for “not to exceed $3,500,000 annually for fiscal years 1974 and 1975”.

1973—Pub. L. 93–55 substituted “annually for fiscal years 1974 and 1975” for “in fiscal year 1973 and such annual amounts as may be authorized by subsequent Acts”.

1972—Pub. L. 92–396 authorized appropriations to the Water Resources Council, and in subsec. (a), substituted “chairmen” for “chairman”, in subsec. (b) inserted “not including funds authorized by subsection (c) below”, and added subsec. (c).

1971—Pub. L. 92–27 substituted appropriation authorization of $6,000,000 annually for Federal share of ex-

1 So in original. Probably should be capitalized.
penses of administration and operation of river basin commissions, including salaries and expenses of chair-
man, for former provisions for annual appropriation au-
thorization of $500,000; $6,000,000; and $400,000 for sub-
chapters I, II, and III of this chapter and authorize ap-
propriation of $1.5 million annually for administration
expenses of Water Resources Council.

1968—Pub. L. 90–547 increased authorization for appro-
priations to carry out provisions of subchapter I of this
chapter from not to exceed $300,000 annually to not to
exceed $500,000 annually.

INCREASES IN SALARY, PAY, RETIREMENT, OR OTHER
BENEFITS FOR FEDERAL EMPLOYEES

Pub. L. 95–404, §1(e), Sept. 30, 1978, 92 Stat. 864, pro-
vided that: "Appropriations authorized by this Act
[amending sections 1962c and 1962d of this title] for sal-
ary, pay, retirement, or other benefits for Federal em-
ployees may be increased by such additional or supple-
mental amounts as may be necessary for increases au-
thorized by law."

§ 1962d–1. Rules and regulations

The Council is authorized to make such rules
and regulations as it may deem necessary or ap-
propriate for carrying out those provisions of
this chapter which are administered by it.

Stat. 254.)

§ 1962d–2. Delegation of functions

The Council is authorized to delegate to any
member or employee of the Council its adminis-
trative functions under section 1962a–4 of this
title and the detailed administration of the
grant program under subchapter III.

Stat. 254.)

§ 1962d–3. Utilization of personnel

The Council may, with the consent of the head
of any other department or agency of the United
States, utilize such officers and employees of
such agency on a reimbursable basis as are nec-
essary to carry out the provisions of this chap-
ter.

Stat. 254.)

§ 1962d–4. Northeastern United States water sup-
ply

(a) Plans for Federal construction, operation,
and maintenance of reservoir system within
certain river basins and conveyance and pu-
rificati on facilities through cooperation of
Secretary of the Army and government agen-
cies; financial participation of States

Congress hereby recognizes that assuring ade-
quate supplies of water for the great metropoli-
tan centers of the United States has become a
problem of such magnitude that the welfare and
prosperity of this country require the Federal
Government to assist in the solution of water
supply problems. Therefore, the Secretary of
the Army, acting through the Chief of Engineers, is
authorized to cooperate with Federal, State, and
local agencies in preparing plans in accordance
with the Water Resources Planning Act [42
U.S.C. 1962 et seq.] to meet the long-range water
needs of the northeastern United States. This
plan may provide for the construction, opera-
tion, and maintenance by the United States of
(1) a system of major reservoirs to be located
within those river basins of the northeastern
United States which drain into the Chesapeake
Bay, those that drain into the Atlantic Ocean
north of the Chesapeake Bay, those that drain
into Lake Ontario, and those that drain into the
Saint Lawrence River, (2) major conveyance fa-
cilities by which water may be exchanged be-
tween these river basins to the extent found de-
sirable in the national interest, and (3) major
purification facilities. Such plans shall provide
for appropriate financial participation by the
States, political subdivisions thereof, and other
local interests.

(b) Construction, operation, and maintenance of
reservoirs and conveyance and purification
facilities

The Secretary of the Army, acting through
the Chief of Engineers, shall construct, operate,
and maintain those reservoirs, conveyance fa-
cilities, and purification facilities, which are
recommended in the plan prepared in accordance
with subsection (a) of this section, and which
are specifically authorized by law enacted after
October 27, 1965.

(c) Reservoirs as components of river basin and
water supply plans

Each reservoir included in the plan authorized
by this section shall be considered as a compo-
nent of a comprehensive plan for the optimum
development of the river basin in which it is sit-
uated, as well as a component of the plan estab-
lished in accordance with this section.

1073.)

REFERENCES IN TEXT

The Water Resources Planning Act, referred to in
subsec. (a), is Pub. L. 89–80, July 22, 1965, 79 Stat. 244,
as amended, which is classified generally to this chap-
ter (§1962 et seq.). For complete classification of this
Act to the Code, see Short Title note set out under sec-
1962 of this title and Tables.

Codification

Section was not enacted as a part of the Water Re-
sources Planning Act which comprises this chapter.

§ 1962d–5. Water resources development projects
involving navigation, flood control, and
shore protection

(a) Construction, operation, and maintenance;
limitation on estimated Federal first cost of
construction; Congressional committee ap-
proval of projects; reports to Congress

The Secretary of the Army, acting through
the Chief of Engineers, is authorized to con-
struct, operate, and maintain any water re-
source development project, including single and
multiple purpose projects involving, but not
limited to, navigation, flood control, and shore
protection, if the estimated Federal first cost of
constructing such project is less than $15,000,000.
No appropriation shall be made to construct, op-
erate, or maintain any such project if such
project has not been approved by resolutions
adopted by the Committee on Environment and
Public Works of the Senate and the Committee on Public Works and Transportation of the House of Representatives, respectively. For the purpose of securing consideration of such approval the Secretary shall transmit to Congress a report of such proposed project, including all relevant data and all costs.

(b) Local cooperation requirements based on certain estimated Federal first cost of construction

Any water resource development project authorized to be constructed by this section shall be subject to the same requirements of local cooperation as it would be if the estimated Federal first cost of such project were $15,000,000 or more.


Codification

Section was enacted as part of the Flood Control Act of 1965, and not as part of the Water Resources Planning Act which comprises this chapter.

Amendments


1976—Subsec. (a). Pub. L. 94–587, § 131(a), substituted “$15,000,000” for “$10,000,000”.

Subsec. (b). Pub. L. 94–587, § 131(b), substituted “$15,000,000” for “$10,000,000”.

Change of Name

Committee on Public Works and Transportation of House of Representatives treated as referring to Committee on Transportation and Infrastructure of House of Representatives by section 1(a) of Pub. L. 104–14, set out as a note preceding section 21 of Title 2, The Congress.

Local Cooperation, Study; Report to Congress

Pub. L. 93–251, title I, § 24, Mar. 7, 1974, 88 Stat. 20, provided that the Secretary of the Army make a study of the items of local cooperation involving hold and save harmless provisions which have been required for water resource development projects under his jurisdiction and report on such study to Congress not later than June 30, 1975.

Land and Water Use, Study; Report to Congress

Pub. L. 93–251, title I, § 25, Mar. 7, 1974, 88 Stat. 20, provided that the Secretary of the Army conduct a study on land use practices and recreational uses at water resource development projects under his jurisdiction and report on such study to Congress not later than June 30, 1975.

National Streambank Erosion Prevention and Control Demonstration Program

Pub. L. 93–251, title I, § 32, Mar. 7, 1974, 88 Stat. 21, as amended by Pub. L. 94–587, §§ 155, 161, Oct. 22, 1976, 90 Stat. 2962, 2963, known as the “Streambank Erosion Control Evaluation and Demonstration Act of 1974”, directed the Secretary of the Army, acting through the Chief of Engineers, to establish and conduct for a period of five fiscal years a national streambank erosion control development and demonstration program, to consist of planning, constructing, operating, evaluating, and demonstrating prototype streambank erosion control devices, both engineered and vegetative, and to be carried out in cooperation with the Secretary of Agriculture, particularly with respect to technical and engineering assistance to non-Federal interests in developing structural and non-structural methods of preventing damages attributable to shore and streambank erosion.

Visitor Protection Services, Study; Report to Congress

Pub. L. 93–251, title I, § 75, Mar. 7, 1974, 88 Stat. 32, directed Secretary of the Army to conduct a study on need for and means of providing visitor protection services at water resource development projects under jurisdiction of Department of the Army and report on such study to Congress not later than Dec. 31, 1974.

§19624–5a. Reimbursement to States

(a) Combination of reimbursement of installation costs and reduction in contributions; single project limitation

The Secretary of the Army, acting through the Chief of Engineers, may, when he determines it to be in the public interest, enter into agreements providing for reimbursement to States or political subdivisions thereof for work to be performed by such non-Federal public bodies at water resource development projects authorized for construction under the Secretary of the Army and the supervision of the Chief of Engineers. Such agreements may provide for reimbursement of installation costs incurred by such entities or an equivalent reduction in the contributions they would otherwise be required to make, or in appropriate cases, for a combination thereof. The amount of Federal reimbursement, including reductions in contributions, for a single project shall not exceed $5,000,000 or 1 percent of the total project cost, whichever is
general; except that the amount of actual Federal reimbursement, including reductions in contributions, for such project may not exceed $7,000,000 in any fiscal year.

(b) Agreement provisions; termination of agreement for failure to commence work

Agreements entered into pursuant to this section shall (1) fully describe the work to be accomplished by the non-Federal public body, and be accompanied by an engineering plan if necessary therefor; (2) specify the manner in which such work shall be carried out; (3) provide for necessary review of design and plans, and inspection of the work by the Chief of Engineers or his designee; (4) state the basis on which the amount of reimbursement shall be determined; (5) state that such reimbursement shall be dependent upon the appropriation of funds applicable thereto or funds available therefor, and shall not take precedence over other pending projects of higher priority for improvements; and (6) specify that reimbursement or credit for non-Federal installation expenditures shall apply only to work undertaken on Federal projects after project authorization and execution of the agreement, and does not apply retroactively to past non-Federal work. Each such agreement shall expire three years after the date on which it is executed if the work to be undertaken by the non-Federal public body has not commenced before the expiration of that period. The time allowed for completion of the work will be determined by the Secretary of the Army, acting through the Chief of Engineers, and stated in the agreement.

(c) Certification of performance

No reimbursement shall be made, and no expenditure shall be credited, pursuant to this section, unless and until the Chief of Engineers or his designee, has certified that the work for which reimbursement or credit is requested has been performed in accordance with the agreement.

(d) Beach erosion control projects

Reimbursement for work commenced by non-Federal public bodies no later than one year after August 13, 1968, to carry out or assist in carrying out projects for beach erosion control, may be made in accordance with the provisions of section 426f of title 33. Reimbursement for such work may, as an alternative, be made in accordance with the provisions of this section, provided that agreement required herein shall have been executed prior to commencement of the work. Expenditures for projects for beach erosion control commenced by non-Federal public bodies subsequent to one year after August 13, 1968, may be reimbursed by the Secretary of the Army, acting through the Chief of Engineers, only in accordance with the provisions of this section.

(e) Prohibition of construction for Federal assumption of responsibilities of non-Federal bodies or for Federal liability for unnecessary or inapplicable project work of such bodies

This section shall not be construed (1) as authorizing the United States to assume any responsibilities placed upon a non-Federal body by the conditions of project authorization, or (2) as committing the United States to reimburse non-Federal interests if the Federal project is not undertaken or is modified so as to make the work performed by the non-Federal Public body no longer applicable.

(f) Allotment limitation for any fiscal year; specific project reimbursement authorizations

The Secretary of the Army is authorized to allot from any appropriations hereafter made for civil works, not to exceed $10,000,000 for any one fiscal year to carry out the provisions of this section. This limitation does not include specific project authorizations providing for reimbursement.


Amendments

2007—Subsec. (a). Pub. L. 110–161, which directed the substitution of “$7,000,000” for “$5,000,000” in last sentence, was executed by making the substitution for “$5,000,000” the second place it appeared, to reflect the probable intent of Congress.

1996—Subsec. (a). Pub. L. 104–303, in last sentence, substituted “$5,000,000” for “$3,000,000” before “or 1 percent” and “any fiscal year,” for “any fiscal year.”

1988—Subsec. (a). Pub. L. 100–676 inserted before period at end “or 1 percent of the total project cost, whichever is greater; except that the amount of actual Federal reimbursement, including reductions in contributions, for such project may not exceed $5,000,000 in any fiscal year.”

1986—Subsec. (a). Pub. L. 99–662 substituted “$3,000,000” for “$1,000,000.”

§ 1962d–5b. Written agreement requirement for water resources projects

(a) Cooperation of non-Federal interest

(1) In general

After December 31, 1970, the construction of any water resources project, or an acceptable separable element thereof, by the Secretary of the Army, acting through the Chief of Engineers, or by a non-Federal interest where such interest will be reimbursed for such construction under any provision of law, shall not be commenced until each non-Federal interest has entered into a written partnership agreement with the Secretary (or, where appropriate, the district engineer for the district in which the project will be carried out) under which each party agrees to carry out its responsibilities and requirements for implementation or construction of the project or the appropriate element of the project, as the case may be; except that no such agreement shall be required if the Secretary determines that the administrative costs associated with negotiating, executing, or administering the agree-
ment would exceed the amount of the contribution required from the non-Federal interest and are less than $25,000.

(2) Liquidated damages

A partnership agreement described in paragraph (1) may include a provision for liquidated damages in the event of a failure of one or more parties to perform.

(3) Obligation of future appropriations

In any partnership agreement described in paragraph (1) and entered into by a State, or a body politic of the State which derives its powers from the State constitution, or a governmental entity created by the State legislature, the agreement may reflect that it does not obligate future appropriations for such performance and payment when obligating future appropriations would be inconsistent with constitutional or statutory limitations of the State or a political subdivision of the State.

(4) Credit for in-kind contributions

(A) In general

A partnership agreement described in paragraph (1) may provide with respect to a project that the Secretary shall credit toward the non-Federal share of the cost of the project, including a project implemented without specific authorization in law or a project under an environmental assistance program, the value of in-kind contributions made by the non-Federal interest, including—

(i) the costs of planning (including data collection), design, management, mitigation, construction, and construction services that are provided by the non-Federal interest for implementation of the project;

(ii) the value of materials or services provided before execution of the partnership agreement, including efforts on constructed elements incorporated into the project; and

(iii) the value of materials and services provided after execution of the partnership agreement.

(B) Condition

The Secretary may credit an in-kind contribution under subparagraph (A) only if the Secretary determines that the material or service provided as an in-kind contribution is integral to the project.

(C) Work performed before partnership agreement

(i) Construction

In any case in which the non-Federal interest is to receive credit under subparagraph (A) for the cost of construction carried out by the non-Federal interest before execution of a partnership agreement and that construction has not been carried out as of November 8, 2007, the Secretary and the non-Federal interest shall enter into an agreement under which the non-Federal interest shall carry out such work and shall do so prior to the non-Federal interest initiating construction or issuing a written notice to proceed for the construction.

(II) Eligibility

Construction that is carried out after the execution of an agreement to carry out work described in subclause (I) and any design activities that are required for that construction, even if the design activity is carried out prior to the execution of the agreement to carry out work, shall be eligible for credit.

(ii) Planning

(I) In general

In any case in which the non-Federal interest is to receive credit under subparagraph (A) for the cost of planning carried out by the non-Federal interest before execution of a feasibility cost-sharing agreement, the Secretary and the non-Federal interest shall enter into an agreement under which the non-Federal interest shall carry out such work and shall do so prior to the non-Federal interest initiating that planning.

(II) Eligibility

Planning that is carried out by the non-Federal interest after the execution of an agreement to carry out work described in subclause (I) shall be eligible for credit.

(D) Limitations

Credit authorized under this paragraph for a project—

(i) shall not exceed the non-Federal share of the cost of the project;

(ii) shall not alter any other requirement that a non-Federal interest provide lands, easements, relocations, rights-of-way, or areas for disposal of dredged material for the project;

(iii) shall not alter any requirement that a non-Federal interest pay a portion of the costs of construction of the project under sections 2211(a)(2) and 2213(a)(1)(A) of title 33; and

(iv) shall not exceed the actual and reasonable costs of the materials, services, or other things provided by the non-Federal interest, as determined by the Secretary.

(E) Analysis of costs and benefits

In the evaluation of the costs and benefits of a project, the Secretary shall not consider construction carried out by a non-Federal interest under this subsection as part of the future without project condition.

(F) Transfer of credit between separable elements of a project

Credit for in-kind contributions provided by a non-Federal interest that are in excess of the non-Federal cost share for an authorized separable element of a project may be applied toward the non-Federal cost share for a different authorized separable element of the same project.

(G) Application of credit

(i) In general

To the extent that credit for in-kind contributions, as limited by subparagraph (D),
and credit for required land, easements, rights-of-way, dredged material disposal areas, and relocations provided by the non-Federal interest exceed the non-Federal share of the cost of construction of a project other than a navigation project, the Secretary, subject to the availability of funds, shall enter into a reimbursement agreement with the non-Federal interest, which shall be in addition to a partnership agreement under subparagraph (A), to reimburse the difference to the non-Federal interest.

(ii) Priority
If appropriated funds are insufficient to cover the full cost of all requested reimbursement agreements under clause (i), the Secretary shall enter into reimbursement agreements in the order in which requests for such agreements are received.

(H) Applicability
(i) In general
This paragraph shall apply to water resources projects authorized after November 16, 1986, including projects initiated after November 16, 1986, without specific authorization in law, and to water resources projects authorized prior to November 17, 1986, if correction of design deficiencies is necessary.

(ii) Authorization as addition to other authorizations
The authority of the Secretary to provide credit for in-kind contributions pursuant to this paragraph shall be in addition to any other authorization to provide credit for in-kind contributions and shall not be construed as a limitation on such other authorization. The Secretary shall apply the provisions of this paragraph, in lieu of provisions under other crediting authority, only if so requested by the non-Federal interest.

(b) Definition of non-Federal interest
The term “non-Federal interest” means—
(1) a legally constituted public body (including an Indian tribe and a tribal organization (as those terms are defined in section 5304 of title 25)); or
(2) a nonprofit entity with the consent of the affected local government, that has full authority and capability to perform the terms of its agreement and to pay damages, if necessary, in the event of failure to perform.

(c) Enforcement; jurisdiction
Every agreement entered into pursuant to this section shall be enforcible in the appropriate district court of the United States.

(d) Nonperformance of terms of agreement by non-Federal interest; notice; reasonable opportunity for performance; performance by Chief of Engineers
After commencement of construction of a project, the Chief of Engineers may undertake performance of those items of cooperation necessary to the functioning of the project for its purposes, if he has first notified the non-Federal interest of its failure to perform the terms of its agreement and has given such interest a reasonable time after such notification to so perform.

(e) Delegation of authority
Not later than June 30, 2008, the Secretary shall issue policies and guidelines for partnership agreements that delegate to the district engineers, at a minimum—
(1) the authority to approve any policy in a partnership agreement that has appeared in an agreement previously approved by the Secretary;
(2) the authority to approve any policy in a partnership agreement the specific terms of which are dictated by law or by a final feasibility study, final environmental impact statement, or other final decision document for a water resources project;
(3) the authority to approve any partnership agreement that complies with the policies and guidelines issued by the Secretary; and
(4) the authority to sign any partnership agreement for any water resources project unless, within 30 days of the date of authorization of the project, the Secretary notifies the district engineer in which the project will be carried out that the Secretary wishes to retain the prerogative to sign the partnership agreement for that project.

(f) Report to Congress
Not later than 2 years after November 8, 2007, and every year thereafter, the Secretary shall submit to Congress a report detailing the following:
(1) The number of partnership agreements signed by district engineers and the number of partnership agreements signed by the Secretary.
(2) For any partnership agreement signed by the Secretary, an explanation of why delegation to the district engineer was not appropriate.

(g) Public availability
Not later than 120 days after November 8, 2007, the Chief of Engineers shall—
(1) ensure that each district engineer has made available to the public, including on the Internet, all partnership agreements entered into under this section within the preceding 10 years and all partnership agreements for water resources projects currently being carried out in that district; and
(2) make each partnership agreement entered into after November 8, 2007, available to the public, including on the Internet, not later than 7 days after the date on which such agreement is entered into.

(h) Effective date
This section shall not apply to any project the construction of which was commenced before January 1, 1972, or to the assurances for future demands required by the Water Supply Act of 1958, as amended [43 U.S.C. 390b].

Section was enacted as part of the Flood Control Act of 1970, and not as part of the Water Resources Planning Act which comprises this chapter.

**AMENDMENTS**

2014—Subsec. (b)(1). Pub. L. 113–121, §1018(a)(1), inserted “or a project under an environmental infrastructure assistance program” after “law” in introductory provisions.

Subsec. (a)(4)(C). Pub. L. 113–121, §1018(a)(2), added text of subpar. (C) and struck out text of former subpar. (C) which read as follows: “In any case in which the non-Federal interest is to receive credit under subparagraph (A)(ii) for the cost of work carried out by the non-Federal interest and such work has not been carried out as of November 8, 2007, the Secretary and the non-Federal interest shall enter into an agreement under which the non-Federal interest shall carry out such work, and only work carried out following the execution of the agreement shall be eligible for credit.”


Subsec. (a)(4)(E)(i) to (H). Pub. L. 113–121, §1018(a)(4), (5), added subpars. (E) to (G) and redesignated former subpar. (E) as (H).

Subsec. (a)(4)(H)(i). Pub. L. 113–121, §1018(a)(6)(A), inserted “resources and to water resources projects authorized prior to November 17, 1986, if correction of design deficiencies is necessary” before period at end.

Subsec. (a)(4)(H)(ii). Pub. L. 113–121, §1018(a)(6)(B), added cl. (ii) and struck out former cl. (ii). Prior to amendment, text read as follows: “In any case in which a specific provision of law provides for a non-Federal interest to receive credit toward the non-Federal share of the cost of a study of, or construction or operation and maintenance of, a water resources project, the specific provision of law shall apply instead of this paragraph.”


Subsec. (a). Pub. L. 110–114, §2003(a)(2), added subsec. (a) and struck out former subsec. (a), which read as follows: “After December 31, 1970, the construction of any water resources project, or an acceptable separable element thereof, by the Secretary of the Army, acting through the Chief of Engineers, or by a non-Federal interest where such interest will be reimbursed for such construction under the provisions of section 1962d–5a of this title or under any other provision of law, shall not be commenced until each non-Federal interest has entered into a written agreement with the Secretary of the Army to furnish its required cooperation for the project or the appropriate element of the project, as the case may be; except that no such agreement shall be required if the Secretary determines that the administrative costs associated with negotiating, executing, or administering the agreement would exceed the amount of the contribution required from the non-Federal interest and are less than $25,000. In any such agreement entered into by a State, or a body politic of the State which derives its powers from the State constitution, or a governmental entity created by the State legislature, the agreement may reflect that it does not obligate future appropriations for such performance and payment when obligating future appropriations would be inconsistent with constitutional or statutory limitations of the State or a political subdivision of the State.”

Subsec. (b). Pub. L. 110–114, §2003(b), inserted heading and amended text generally. Prior to amendment, text read as follows: “A non-Federal interest shall be a legally constituted public body with full authority and capability to perform the terms of its agreement and to pay damages, if necessary, in the event of failure to perform.”

Subsecs. (e) to (h). Pub. L. 110–114, §2003(c), added subsecs. (e) to (g) and redesignated former subsec. (e) as (h).


1996—Subsec. (a). Pub. L. 104–303 in first sentence, inserted “or an acceptable separable element thereof,” “or the appropriate element of the project,” and “or a project under an environmental infrastructure assistance program” after “law” in introductory provisions.


1986—Subsec. (a). Pub. L. 99–662 inserted “or an acceptable separable element thereof,” “or the appropriate element of the project,” and “or the regional tribe” after “In-” in introductory provisions.

1985—Subsec. (a). Pub. L. 99–662 inserted “or a project under a law” after “the non-Federal interest is to receive credit under subparagraph (A)(ii)” in introductory provisions.

1984—Subsec. (a). Pub. L. 98–629 inserted “or a project under an environmental infrastructure assistance program” after “law” in introductory provisions.

1983—Subsec. (a). Pub. L. 97–355 inserted “or a project under an environmental infrastructure assistance program” after “law.”

1982—Subsec. (a). Pub. L. 97–355 inserted “or a project under an environmental infrastructure assistance program” after “law.”

1981—Subsec. (a). Pub. L. 97–355 inserted “or a project under an environmental infrastructure assistance program” after “law.”

1980—Subsec. (a). Pub. L. 96–517, in introductory provisions, substituted “sections 2211 and 2213” for “section 2211” and inserted “of the State or a political subdivision of the State” after “Indian tribe.”

1978—Subsec. (a). Pub. L. 95–617 inserted “or a project under an environmental infrastructure assistance program” after “law.”

1977—Subsec. (a). Pub. L. 95–231 inserted “or a project under an environmental infrastructure assistance program” after “law.”

1976—Subsec. (a). Pub. L. 94–584 inserted “or a project under an environmental infrastructure assistance program” after “law.”

1975—Subsec. (a). Pub. L. 94–161 inserted “or a project under an environmental infrastructure assistance program” after “law.”

1974—Subsec. (a). Pub. L. 93–348 inserted “or a project under an environmental infrastructure assistance program” after “law.”

1973—Subsec. (a). Pub. L. 93–52, in introductory provisions, substituted “sections 2211 and 2213” for “section 2211” and inserted “of the State or a political subdivision of the State” after “Indian tribe.”


**EFFECTIVE DATE OF 2014 AMENDMENT**

Pub. L. 113–121, title I, §1018(c), June 10, 2014, 128 Stat. 1226, provided that: “The amendments made by subsections (a) and (b) [amending this section and provisions set out as a note under this section] take effect on November 8, 2007.”

**EFFECTIVE DATE OF 2007 AMENDMENT**

Pub. L. 110–114, title II, §2003(e), Nov. 8, 2007, 121 Stat. 1270, as amended by Pub. L. 113–121, title I, §1018(b), June 10, 2014, 128 Stat. 1225, provided that: “The amendments made by subsections (a), (b), and (d) [amending this section and provisions set out as a note under this section] only apply to partnership agreements entered into on or after November 8, 2007.”
into after the date of enactment of this Act [Nov. 8, 2007]; except that, at the request of a non-Federal interest for a project, the district engineer for the district in which the project is located may amend a project partnership agreement entered into on or before such date and under which construction on the project, or construction of design deficiency corrections on the project, has not been initiated, or under which construction of the project has not been completed and the work to be performed by the non-Federal interests has not been carried out and is creditable only toward any remaining non-Federal cost share, as of such date of enactment for the purpose of incorporating such amendments.

**LOCAL GOVERNMENT WATER MANAGEMENT PLANS**

Pub. L. 115–270, title I, § 1164, Oct. 23, 2018, 132 Stat. 3797, provided that: “With the consent of the non-Federal interest for a feasibility study for a water resources development project, the Secretary [of the Army] may enter into a written agreement under section 221(a) of the Flood Control Act of 1970 (42 U.S.C. 1962d–5b(a)), with a unit of local government in the watershed that has adopted a local or regional water management plan, to allow the unit of local government to participate in the feasibility study to determine if there is an opportunity to include additional feasible elements in the project in order to help achieve the purposes identified in the local or regional water management plan.”

**GUIDELINES**

Pub. L. 113–112, title I, § 1018(d), June 10, 2014, 128 Stat. 1228, provided that:

“(1) IN GENERAL.—Not later than 1 year after the date of enactment of this Act [June 10, 2014], the Secretary of the Army shall update any guidance or regulations for carrying out section 221(a)(4) of the Flood Control Act of 1970 (42 U.S.C. 1962d–5b(a)(4)) as amended by subsection (a) that are in existence on the date of enactment of this Act or issue new guidelines, as determined to be appropriate by the Secretary.

“(2) INCLUSIONS.—Any guidance, regulations, or guidelines updated or issued under paragraph (1) shall include, at a minimum—

(A) the milestone for executing an in-kind memorandum of understanding for construction by a non-Federal interest;

(B) criteria and procedures for evaluating a request to execute an in-kind memorandum of understanding for construction by a non-Federal interest that is earlier than the milestone under subparagraph (A) for that execution; and

(C) criteria and procedures for determining whether work carried out by a non-Federal interest is integral to a project.

“(3) PUBLIC AND STAKEHOLDER PARTICIPATION.—Before issuing any new or revised guidance, regulations, or guidelines or any subsequent updates to those documents, the Secretary shall—

(A) consult with affected non-Federal interests;

(B) publish the proposed guidelines developed under this subsection in the Federal Register; and

(C) provide the public with an opportunity to comment on the proposed guidelines.”

**OTHER CREDIT**


**PARTNERSHIP AND COOPERATION AGREEMENTS; REFERENCES**

Pub. L. 110–114, title II, § 2003(f), Nov. 8, 2007, 121 Stat. 1207, provided that:

“(1) IN GENERAL.—A goal of agreements entered into under section 221 of the Flood Control Act of 1970 (42 U.S.C. 1962d–5b) shall be to further partnership and cooperation, and the agreements shall be referred to as ‘partnership agreements’.

“(2) REFERENCES TO COOPERATION AGREEMENTS.—Any reference in a law, regulation, document, or other paper of the United States to a ‘cooperation agreement’ or ‘project cooperation agreement’ shall be deemed to be a reference to a ‘partnership agreement’ or a ‘project partnership agreement’, respectively.

“(3) REFERENCES TO PARTNERSHIP AGREEMENTS.—Any reference to a ‘partnership agreement’ or ‘project partnership agreement’ in this Act [see Short Title of 2007 Amendment note set out under section 2201 of Title 33, Navigation and Navigable Waters] (other than this section) shall be deemed to be a reference to a ‘cooperation agreement’ or a ‘project cooperation agreement’, respectively.”

**COMPLIANCE WITH COOPERATION REQUIREMENTS FOR NON-FEDERAL INTERESTS IN WATER RESOURCES PROJECTS**


“(1) The Secretary may require compliance with any requirements pertaining to cooperation by non-Federal interests in carrying out any water resources project authorized before, on, or after the date of enactment of this Act [Nov. 17, 1986].

“(2) Whenever on the basis of any information available to the Secretary, the Secretary finds that any non-Federal interest is not providing cooperation required under subsection (a) [amending this section], the Secretary may issue an order requiring such non-Federal interest to provide such cooperation.

“(3) Non-Federal interests shall be liable for interest on any payments required pursuant to section 221 of the Flood Control Act of 1970 [this section] that may fall delinquent. The interest rate to be charged on any such delinquent payment shall be at a rate, to be determined by the Secretary of the Treasury, equal to 150 percent of the average bond equivalent rate of the thirteen-week Treasury bills auctioned immediately prior to the date on which such payment became delinquent, or auctioned immediately prior to the beginning of each additional three-month period if the period of delinquency exceeds three months.

“(4) The Secretary may request the Attorney General to bring a civil action for appropriate relief, including permanent or temporary injunction, for payment of damages or, for any violation of an order issued under this section, to recover any costs incurred by the Secretary in undertaking performance of any item of cooperation under section 221(d) of the Flood Control Act of 1970 [subsec. (d) of this section], or to collect interest for which a non-Federal interest is liable under paragraph (3). Any action under this subsection may be brought in the district court of the United States for the district in which the defendant is located or resides, or is doing business, and such court shall have jurisdiction to restrain such violation, to require compliance, to require payment of any damages, and to require payment of any costs incurred by the Secretary in undertaking performance of any such item.

“(5) The Secretary is authorized to determine that no funds appropriated for operation and maintenance, including operation and maintenance of the project for flood control, Mississippi River and Tributaries, are to be used for the particular benefit of projects within the jurisdiction of any non-Federal interest when such non-Federal interest is in arrears for more than twenty-four months in the payment of charges due under an agreement entered into with the United States pursuant to section 221 of the Flood Control Act of 1970 (Public Law 91–611) [this section].”
§ 1962d–5c. Non-Federal public bodies, installment construction payments

(a) Annual installments during period of construction in absence of other provision for extended repayment

In connection with any water resource development project, heretofore, herein, or hereafter authorized to be undertaken by the Secretary of the Army, the construction of which has not been initiated as of March 7, 1974, where authorization requires that non-Federal public bodies make an agreed-upon cash contribution as part of their reimbursement to the Federal Government for construction costs, or a specific portion of the construction costs, and where there exists no other provision of law which would permit extended repayment for the construction costs or such specific portion of the construction costs involved, such non-Federal public bodies may make such repayment in annual installments during the period of construction.

(b) Cost sharing; modification

Upon the request of affected non-Federal public bodies, the Secretary of the Army is authorized to modify existing cost sharing agreements in order to effectuate the provisions of subsection (a) of this section.


CODIFICATION

Section was enacted as part of the Water Resources Development Act of 1974, and not as part of the Water Resources Planning Act which comprises this chapter.

§ 1962d–5d. Authorization of Secretary of the Army to contract with States and political subdivisions for increased law enforcement services during peak visitation periods; authorization of appropriations

(a) The Secretary of the Army, acting through the Chief of Engineers, is authorized to contract with States and their political subdivisions for the purpose of obtaining increased law enforcement services at water resources development projects under the jurisdiction of the Secretary of the Army to meet needs during peak visitation periods.

(b) There is authorized to be appropriated $10,000,000 per fiscal year for each fiscal year beginning after September 30, 1986, to carry out this section.


CODIFICATION

Section was enacted as part of the Water Resources Development Act of 1974, and not as part of the Water Resources Planning Act which comprises this chapter.

§ 1962d–5e. Wetland areas

(a) Authorization of Secretary of the Army to plan and establish wetland areas; criteria for establishment

The Secretary of the Army, acting through the Chief of Engineers, is authorized to plan and establish wetland areas as part of an authorized water resources development project under his jurisdiction. Establishment of any wetland area in connection with the dredging required for such a water resources development project may be undertaken in any case where the Chief of Engineers in his judgment finds that—

1. environmental, economic, and social benefits of the wetland area justifies the increased cost thereof above the cost required for alternative methods of disposing of dredged material for such project; and
2. the increased cost of such wetland area will not exceed $400,000; and
3. there is reasonable evidence that the wetland area to be established will not be substantially altered or destroyed by natural or man-made causes.

(b) Reports to Congress

Whenever the Secretary of the Army, acting through the Chief of Engineers, submits to Congress a report on a water resources development project after October 22, 1976, such report shall include, where appropriate, consideration of the establishment of wetland areas.

(c) Cost

In the computation of benefits and cost of any water resources development project the benefits of establishing any wetland area shall be deemed to be at least equal to the cost of establishing such area. All costs of establishing a wetland area shall be borne by the United States.


CODIFICATION

Section was enacted as part of the Water Resources Development Act of 1976, and not as part of the Water Resources Planning Act which comprises this chapter.

§ 1962d–5f. Beach nourishment

(a) In general

The Secretary of the Army, acting through the Chief of Engineers, is authorized to provide periodic beach nourishment in the case of each water resources development project where such nourishment has been authorized for a limited period for such additional period as he determines necessary but in no event shall such additional period extend beyond the fiftieth year which begins after the date of initiation of construction of such project.

(b) Review

(1) In general

Notwithstanding subsection (a), the Secretary shall, at the request of the non-Federal interest, carry out a study to determine the feasibility of extending the period of nourishment described in subsection (a) for a period not to exceed 15 additional years beyond the maximum period described in subsection (a).
(2) Timing
The 15 additional years provided under paragraph (1) shall begin on the date of initiation of construction of congressionally authorized nourishment.

(c) Plan for reducing risk to people and property
(1) In general
As part of the review described in subsection (b), the non-Federal interest shall submit to the Secretary a plan for reducing risk to people and property during the life of the project.

(2) Inclusion of plan in recommendation to Congress
The Secretary shall include the plan described in subsection (a) in the recommendations to Congress described in subsection (d).

(d) Report to Congress
Upon completion of the review described in subsection (b), the Secretary shall—
(1) submit to the Committee on Environment and Public Works of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives any recommendations of the Secretary related to the review; and
(2) include in the subsequent annual report to Congress required under section 2282d of title 33, any recommendations that require specific congressional authorization.

(e) Special rule
Notwithstanding any other provision of this section, for any existing authorized water resources development project for which the maximum period for nourishment described in subsection (a) will expire within the 10-year period beginning on June 10, 2014, that project shall remain eligible for nourishment for an additional 6 years after the expiration of such period.

§ 1962d-5g. Hydroelectric power resources
(a) Study; plan
The Secretary of the Army, acting through the Chief of Engineers, is authorized and directed to conduct a study of the most efficient methods of utilizing the hydroelectric power resources at water resource development projects under the jurisdiction of the Secretary of the Army and to prepare a plan based upon the findings of such study. Such study shall include, but not be limited to, an analysis of—
(1) the physical potential for hydroelectric development, giving consideration to the economic, social, environmental and institutional factors which will affect the realization of physical potential;
(2) the magnitude and regional distribution of needs for hydroelectric power;
(3) the integration of hydroelectric power generation with generation from other types of generating facilities;
(4) measures necessary to assure that generation from hydroelectric projects will efficiently contribute to meeting the national electric energy demands;
(5) the timing of hydroelectric development to properly coincide with changes in the demand for electric energy;
(6) conventional hydroelectric potential, both high head and low head projects utilizing run-of-rivers and possible advances in mechanical technology, and pumped storage hydroelectric potential at sites which evidence such potential;
(7) the feasibility of adding or reallocating storage and modifying operation rules to increase power production at corps projects with existing hydroelectric installations;
(8) measures deemed necessary or desirable to insure that the potential contribution of hydroelectric resources to the overall electric energy supply are realized to the maximum extent possible; and
(9) any other pertinent factors necessary to evaluate the development and operation of hydroelectric projects of the Corps of Engineers.

(b) Transmittal of plan to Congressional committees
Within three years after the date of the first appropriation of funds for the purpose of carrying out this section, the Secretary of the Army, acting through the Chief of Engineers, shall transmit the plan prepared pursuant to subsection (a) with supporting studies and documentation, together with the recommendations of the Secretary and the Chief of Engineers on such plan, to the Committee on Environment and Public Works of the Senate and the Committee on Public Works and Transportation of the House of Representatives.

(c) Authorization of appropriation
There is authorized to be appropriated to carry out subsections (a) and (b) of this section not to exceed $7,000,000.

(d) Feasibility studies of specific hydroelectric power installations; authorization of appropriations
The Secretary of the Army, acting through the Chief of Engineers, is authorized with respect to previously authorized projects to undertake feasibility studies of specific hydroelectric power installations that are identified in the
course of the study authorized by this section, as having high potential for contribution toward meeting regional power needs. There is authorized to be appropriated to carry out this subsection not to exceed $5,000,000 per fiscal year for each of the fiscal years 1978 and 1979.


Codification
Section was enacted as part of the Water Resources Development Act of 1976, and not as part of the Water Resources Planning Act which comprises this chapter.

Amendments

Change of Name
Committee on Public Works and Transportation of House of Representatives treated as referring to Committee on Transportation and Infrastructure of House of Representatives by section 1(a) of Pub. L. 104–14, set out as a note preceding section 21 of Title 2, The Congress.

Federal Hydroelectric Power Modernization Study
Pub. L. 100–676, §42, Nov. 17, 1988, 102 Stat. 4040, directed Secretary to conduct a study of need to modernize and upgrade federally owned and operated hydroelectric power system, and to submit a report, along with recommendations, to Congress not later than 2 years after Nov. 17, 1988.

Water Quality Effects of Hydroelectric Facilities
Pub. L. 100–676, §43, Nov. 17, 1988, 102 Stat. 4040, directed Secretary, in cooperation with Administrator of Environmental Protection Agency, to undertake a study of water quality effects of hydroelectric facilities owned and operated by Corps of Engineers, which was to be transmitted to Congress within 2 years of Nov. 17, 1988, and was to consider and include information for each such Corps of Engineers hydroelectric facility pertaining to: (1) base characteristics of major aquifers, and from each such major aquifer; (2) determine the depths, thicknesses, and permeabilities, the perennial yield, and the recharge characteristics of major aquifers, and the quality characteristics to be expected from each such major aquifer; (3) determine with respect to ground water resources the continuity and extent of important water-bearing formations; (4) determine the yield from stream systems under natural flow conditions and under varying degrees of storage and the amounts and quality of waters available from such systems during drought, flood, and intermediate conditions; (5) determine whether sea water has moved inland into heavily pumped coastal aquifers; (6) give special consideration to conditions which may invite the invasion of sea water into fresh-water supplies; (7) compile and make available to appropriate State and local officials any results of this study and investigation that would be appropriate for their use in long-range planning, development, and management of water supplies; (8) cooperate with State and local agencies for the purpose of using any information and data available to carry out the purposes of this study; and (9) consider such other matters as the Secretary may deem appropriate to the study and investigation herein authorized.


Codification
Section was not enacted as part of the Water Resources Planning Act which comprises this chapter.

§ 1962d–6. Feasibility studies; acceleration; advancement of costs by non-Federal sources
The Secretary may accelerate feasibility studies authorized by law when and to the extent that the costs of such studies shall have been advanced by non-Federal sources.


Codification
Section was not enacted as part of the Water Resources Planning Act which comprises this chapter.

§ 1962d–7. Delmarva Peninsula hydrologic study; duties of Secretary of the Interior
The Secretary of the Interior (hereinafter referred to as the “Secretary”) is authorized and directed to make a comprehensive study and investigation of the water resources of the Delmarva Peninsula with a view to determining the availability of fresh water supplies needed to meet the anticipated future water requirements of the Delmarva Peninsula area, and with a view to determining the most effective means from the standpoint of hydrologic feasibility of protecting and developing fresh water sources so as to insure, insofar as practicable, the availability of adequate water supplies in the future. In carrying out such study and investigation with respect to the Delmarva Peninsula, the Secretary shall—

1. appraise the water use, requirements, and trends, and determine the availability of water in the streams and underground sources for the entire peninsula;
2. determine the depths, thicknesses, and permeabilities, the perennial yield, and the recharge characteristics of major aquifers, and the quality characteristics to be expected from each such major aquifer;
3. determine with respect to ground water resources the continuity and extent of important water-bearing formations;
4. determine the yield from stream systems under natural flow conditions and under varying degrees of storage and the amounts and quality of waters available from such systems during drought, flood, and intermediate conditions;
5. determine whether sea water has moved inland into heavily pumped coastal aquifers;
6. give special consideration to conditions which may invite the invasion of sea water into fresh-water supplies;
7. compile and make available to appropriate State and local officials any results of this study and investigation that would be appropriate for their use in long-range planning, development, and management of water supplies;
8. cooperate with State and local agencies for the purpose of using any information and data available to carry out the purposes of this study; and
9. consider such other matters as the Secretary may deem appropriate to the study and investigation herein authorized.


Codification
Section was not enacted as part of the Water Resources Planning Act which comprises this chapter.

Washington Metropolitan Area Water Needs and Estuarial Water Supplies; Studies
Pub. L. 93–251, title I, §85, Mar. 7, 1974, 88 Stat. 36, provided in part for a study of Washington Metropolitan Area Future Water Needs, coordinated with Northeastern United States Water Supply study, and for a study of Estuarial Water Supplies, including a Patuxent Estuary Water Treatment Pilot Project, for review of scientific basis for study conclusions by National Academy of Sciences-National Academy of Engineering, and made further authorizations for Sixes Bridge Dam and Lake Project, Maryland dependent on such studies and review.

§ 1962d–8. Reports on Delmarva Peninsula hydrologic study
During the course of the study and investigation authorized by sections 1962d–7 to 1962d–11 of this title, the Secretary may submit to the
President for transmission to the Congress such interim reports as the Secretary may consider desirable. The Secretary shall submit a final report to the President for transmission to the Congress not more than six years after October 4, 1966.


\[\text{Codification}\]

Section was not enacted as part of the Water Resources Planning Act which comprises this chapter.

\$ 1962d–9. Information from Federal agencies for Delmarva Peninsula study

The Secretary is authorized to secure directly from any executive department, bureau, agency, board, commission, office, independent establishment, or instrumentality of the Federal Government, information, suggestions, estimates, and statistics for the purpose of sections 1962d–7 to 1962d–11 of this title, and each department, bureau, agency, board, commission, office, independent establishment, or instrumentality is authorized and directed to furnish such information, suggestions, estimates, and statistics, to the Secretary upon his or his designee's request.


\[\text{Codification}\]

Section was not enacted as part of the Water Resources Planning Act which comprises this chapter.

\$ 1962d–10. Cooperation with agencies on Delmarva Peninsula study

In carrying out the study and investigation authorized by sections 1962d–7 to 1962d–11 of this title, the Secretary is authorized to cooperate with other Federal, State, and local agencies now engaged in comprehensive planning for water resource use and development in the Delmarva Peninsula area by making available to those agencies his findings and to cooperate with those agencies in the Northeastern United States Water Supply Study as authorized by section 1962d–4 of this title.


\[\text{Codification}\]

Section was not enacted as part of the Water Resources Planning Act which comprises this chapter.

\$ 1962d–11. Authorization of appropriation for Delmarva Peninsula study

There is hereby authorized to be appropriated the sum of $500,000 to carry out the provisions of sections 1962d–7 to 1962d–11 of this title: Provided, That nothing in such sections shall prevent the expenditure of other funds appropriated to the United States Geological Survey for studies and activities performed under its general authority.


\[\text{Codification}\]

Section was not enacted as part of the Water Resources Planning Act which comprises this chapter.

\[\text{Change of Name}\]


\$ 1962d–11a. Potomac River water diversion structure

(a) Consent of Congress for construction; written agreement providing schedule for allocation among parties for withdrawal of waters

(1) Subject to paragraph (2) of this subsection, the consent of Congress is granted under section 401 of title 33 to the Washington Suburban Sanitary Commission to construct a water diversion structure, with an elevation not to exceed one hundred and fifty-nine feet above sea level, from the north shore of the Potomac River at the Washington Suburban Sanitary Commission water filtration plant to the north shore of Watkins Island.

(2) The structure authorized by paragraph (1) of this subsection, may not be constructed until the Secretary of the Army, acting through the Chief of Engineers, and the State of Maryland, the Commonwealth of Virginia, the Washington Suburban Sanitary Commission, and such other governmental authorities as the Secretary of the Army, the State of Maryland, and the Commonwealth of Virginia deem desirable signatories enter into a written agreement providing an enforceable schedule for allocation among the parties to such agreement for the withdrawal of the waters of that portion of the Potomac River located between Little Falls Dam and the farthest upstream limit of the pool of water behind the Chesapeake and Ohio Canal Company rubble dam at Seneca, Maryland, during periods of low flow of such portion of such river.

(b) Authorization of Secretary of the Army to enter written agreement; amendments or revisions

The Secretary of the Army, acting through the Chief of Engineers, is authorized to enter into the agreement referred to in subsection (a)(2) of this section and any amendment to or revision of such agreement.

(c) Riparian rights or other authority of Maryland, Virginia, political subdivisions; authority of District of Columbia

Except as may be provided in the agreement referred to in subsection (a)(2) of this section, nothing in this section shall alter any riparian rights or other authority of the State of Maryland, or any political subdivision thereof, the Commonwealth of Virginia, or any political subdivision thereof, or the District of Columbia, or authority of the Corps of Engineers existing on October 22, 1976, relative to the appropriation of water from, or the use of, the Potomac River.


\[\text{Codification}\]

Section was enacted as part of the Water Resources Development Act of 1976, and not as part of the Water Resources Planning Act which comprises this chapter.

\[\text{Amendments}\]

1980—Subsec. (a)(2). Pub. L. 96–292 struck out cl. "(A)" designation and cl. (B) which prohibited construction of the Potomac River water diversion struc-
ture should such structure be in conflict with the report of the Secretary of the Army, acting through the Chief of Engineers, issued in connection with a study of water resources development.

§ 1962d–11b. Dalecarlia Reservoir; delivery of water to metropolitan Maryland; expenses; payments; purchase of water from State or local authorities in Maryland or Virginia

(a) The Secretary, on the recommendation of the Chief of Engineers, is authorized to permit the delivery of water from the District of Columbia water system at the Dalecarlia filtration plant, or at other points on the system, to any competent State or local authority in the Washington, District of Columbia, metropolitan area in Maryland. All of the expense of installing the connection or connections and appurtenances between the water supply systems and any subsequent changes therein shall be paid by the requesting entity, which shall also pay such charges for the use of the water as the Secretary may, from time to time in advance of delivery, determine to be reasonable. Payments shall be made at such time, and pursuant to such regulations, as the Secretary prescribes. The Secretary may revoke any permit for the use of water at any time.

(b) The Secretary is authorized to purchase water from any State or local authority in Maryland or Virginia that has, at the time of purchase, completed a connection with the District of Columbia water system. The Secretary is authorized to pay such charges for the use of the water as the Secretary has agreed upon in advance of delivery.


CODIFICATION

Section was enacted as part of the Water Resources Development Act of 1986, and not as part of the Water Resources Planning Act which comprises this chapter.

DEFINITIONS

Secretary means the Secretary of the Army, see section 229(a) of Title 33, Navigation and Navigable Waters.


Section 1962d–12, act Aug. 9, 1955, ch. 682, § 1, 69 Stat. 618, authorized Secretary of the Interior to make investigations of projects for conservation, development, and utilization of Alaskan water resources and to report findings, with recommendations, to President and Congress.

Section 1962d–13, act Aug. 9, 1955, ch. 682, § 2, 69 Stat. 618, directed Secretary of the Interior, prior to transmission of report on Alaskan water resource projects to Congress, to transmit copies thereof for information and comments to Governor of Alaska and to heads of interested Federal departments and agencies, and to include copies of views of such officials along with transmission of Secretary’s report to Congress.

Section 1962d–14, act Aug. 9, 1955, ch. 682, § 3, 69 Stat. 618, authorized to be appropriated not more than $250,000 in any one fiscal year for Alaskan water resources investigation.

§ 1962d–14a. Alaska hydroelectric power development

(a) Congressional findings and declaration

(1) The Congress finds that the expeditious development of hydroelectric power generating fac-

(2) The Congress therefore declares that the expertise of the Chief of Engineers can and should be utilized for the benefit of local public bodies in the development of projects which yield 90 per centum or more of the benefits of the project are attributable to hydroelectric power generation when the project is fully operational.

(b) Establishment of fund; composition

To meet the goals of this section, there is hereby established in the Treasury of the United States an Alaska Hydroelectric Power Development Fund (hereafter referred to as the “fund”) to be and remain available for use by the Secretary of the Army (hereinafter referred to as the “Secretary”) to make expenditures authorized by this section. The fund shall consist of (1) all receipts and collections by the Secretary of repayments in accordance with subsection (e) of this section and payments by non-Federal public authorities to the Secretary to finance the cost of construction of projects in accordance with subsection (f) of this section, and which the Secretary is hereby directed to deposit in the fund as they are received, and (2) any appropriations made by the Congress to the fund.

(c) Authorization of appropriation

There is authorized to be appropriated to the Secretary for deposit in the fund established by subsection (b) of this section the sum of $25,000,000.

(d) Investments; deposits

(1) If the Secretary determines that moneys in the fund are in excess of current needs, he may request the investment of such amounts as he deems advisable by the Secretary of the Treasury in direct, general obligations of, or obligations guaranteed as to both principal and interest by, the United States.

(2) With the approval of the Secretary of the Treasury, the Secretary may deposit moneys of the fund in any Federal Reserve bank or other depository for funds of the United States, or in such other banks and financial institutions and under such terms and conditions as the Secretary and the Secretary of the Treasury may mutually agree.

(e) Expenditures for phase I design memorandum stage of advanced engineering and design; withholding of favorable report to Congress prior to repayment; expenditures from non-Federal funds

The Secretary is authorized to make expenditures from the fund for the phase I design memorandum stage of advanced engineering and design for any project in Alaska that meets the requirements of subsection (a)(2) of this section, if appropriate non-Federal public authorities, approved by the Secretary, agree with the Secretary, in writing, to repay the Secretary for all the separable and joint costs of preparing such design memorandum, if such report is favorable. Following the completion of the phase I design memorandum stage of advanced engineering and
design under this subsection, the Secretary shall not transmit any favorable report to Congress prior to being repaid in full by the appropriate non-Federal public authorities for the costs incurred during such phase I. The Secretary is also authorized to make expenditures from non-Federal funds deposited in the fund as an advance against construction costs.

(f) Authorization to construct projects; expenditures

In connection with water resources development projects which meet the criteria established by subsection (a)(2) of this section and which are to be constructed by the Secretary, acting through the Chief of Engineers, in accordance with an authorization by Congress and a contract between the non-Federal public authorities and the Secretary, pursuant to subsection (g)(1) of this section occurring on or subsequent to October 22, 1976, the Secretary, acting through the Chief of Engineers, is authorized to construct such projects including activities for engineering and design land acquisition, site development, and off-site improvements necessary for the authorized construction by making expenditures from (1) the Fund established in subsection (b) of this section of funds deposited by non-Federal public authorities as payments for construction and (2) payments of non-Federal public authorities held by the Secretary as payment of construction costs for a project authorized by this section.

(g) Agreement with non-Federal public authorities and submittal to Congressional committees, payment of total non-Federal obligations; conditions of United States assumption of excess over costs fixed in agreement, payment subject to appropriations acts

(1) Prior to initiating any construction work under the authorities of this section, the Secretary and the appropriate non-Federal public authorities shall agree in writing, and submit such agreement to the Committees on Environment and Public Works and on Appropriations of the Senate and the Committees on Public Works and Transportation and on Appropriations of the House of Representatives for review and reporting to the Congress for its consideration and approval that the appropriate non-Federal public authorities will pay the full anticipated costs of constructing the project at the time such costs are incurred, together with normal contingencies and related administrative expenses of the Secretary, and such payments shall be deposited in the fund or held by the Secretary for payment of obligations incurred by the Secretary on an authorized project under this section. The agreement shall provide for an initial determination of feasibility and compliance by the project with law. The total non-Federal obligation shall be paid on or prior to the date the Chief of Engineers has estimated by agreement, that the project concerned will be available for actual generation of all or a substantial portion of the authorized hydroelectric power of the project.

(2) In consideration of the obligations to be assumed by non-Federal public authorities under the provisions of this section and in recognition of the substantial investments which will be made by these authorities in reliance on the program established by this section, the United States shall assume the responsibility for paying for all costs over those fixed in the agreement with the non-Federal public authorities, if such costs are occasioned by acts of God, failure on the part of the Secretary, acting through the Chief of Engineers, to adhere to the agreed schedule of work or a failure of design: Provided, That payments by the Secretary of such costs shall be subject to appropriations acts.

(h) Conveyance of title, rights, and interests of United States; Federal requirements, reservations, and provisions

The Secretary is authorized and directed, pursuant to the agreement, to convey all title, rights, and interests of the United States to any project, its lands and water areas, and appurtenant facilities to the non-Federal public authorities which have agreed to assume ownership of the project and responsibility for its performance, operation, and maintenance, as well as necessary replacements in accordance with this section upon full payment by such non-Federal public authorities as required under subsection (g)(1) of this section. Such conveyance shall, pursuant to the agreement required by subsection (g) of this section, to the maximum extent possible, occur immediately upon the project's availability for generation of all or a substantial portion of the authorized hydroelectric power of the project, and shall include such Federal requirements, reservations, and provisions for access rights to the project and its records as the Secretary finds advisable to complete any portion of project construction remaining at the time of conveyance and to assure that the project will be operated and maintained in a responsible and safe manner to accomplish, as nearly as may be possible, all of the authorized purposes of the project including, but not restricted to, hydroelectric power generation.

(i) Short title

This section shall be cited as the “Alaska Hydroelectric Power Development Act”.


Codification

Section was enacted as part of the Water Resources Development Act of 1976, and not as part of the Water Resources Planning Act which comprises this chapter.

Amendments


Change of Name

Committee on Public Works and Transportation of House of Representatives treated as referring to Committee on Transportation and Infrastructure of House of Representatives by section 4(a) of Pub. L. 104–14, set out as a note preceding section 21 of Title 2, The Congress.
§ 1962d–15. Protection of United States from liability for damages; exception of damages due to fault or negligence of United States

The requirement in any water resources development project under the jurisdiction of the Secretary of the Army, that non-Federal interests hold and save the United States free from damages due to the construction, operation, and maintenance of the project, does not include damages due to the fault or negligence of the United States or its contractors.


CODIFICATION

Section was enacted as part of the Water Resources Development Act of 1974, and not as part of the Water Resources Planning Act which comprises this chapter.

§ 1962d–16. Comprehensive plans for development, utilization, and conservation of water and related resources

(a) Federal State cooperation

(1) Comprehensive plans

The Secretary of the Army, acting through the Chief of Engineers, is authorized to cooperate with any State, group of States, non-Federal interest working with a State or group of States, or regional coalition of governmental entities in the preparation of comprehensive plans for the development, utilization, and conservation of the water and related resources of drainage basins, watersheds, or ecosystems located within the boundaries of such State, interest, or entity, including plans to comprehensively address water resources challenges, and to submit to Congress reports and recommendations with respect to appropriate Federal participation in carrying out such plans.

(2) Technical assistance

(A) In general

At the request of a governmental agency or non-Federal interest, the Secretary may provide technical assistance to such agency or non-Federal interest in managing water resources.

(B) Types of assistance

Technical assistance under this paragraph may include provision and integration of hydrologic, economic, and environmental data and analyses.

(3) Institution of higher education

Notwithstanding section 236 of title 10, in carrying out this subsection, the Secretary may work with an institution of higher education, as determined appropriate by the Secretary.

(b) Fees

(1) Establishment and collection

For the purpose of recovering 50 percent of the total cost of providing assistance pursuant to subsection (a), the Secretary of the Army is authorized to establish appropriate fees, as determined by the Secretary, and to collect such fees from States and other non-Federal public bodies to whom assistance is provided under subsection (a).

(2) Contributed funds

The Secretary may accept and expend funds in excess of the fees established under paragraph (1) that are provided by a State or other non-Federal interest for assistance under this section.

(3) In-kind services

The non-Federal contribution for preparation of a plan subject to the cost sharing program under this subsection may be made by the provision of services, materials, supplies, or other in-kind services necessary to prepare the plan.

(4) Deposit and use

Fees collected under this subsection shall be deposited into the account in the Treasury of the United States entitled, “Contributions and Advances, Rivers and Harbors, Corps of Engineers (8862)” and shall be available until expended to carry out this section.

(c) Authorization of appropriations

(1) Federal and State cooperation

There is authorized to be appropriated not to exceed $30,000,000 annually to carry out subsection (a)(1), except that not more than $5,000,000 in Federal funds shall be expended in any one year in any one State. The Secretary may allow 2 or more States to combine all or a portion of the funds that the Secretary makes available to the States in carrying out subsection (a)(1).

(2) Technical assistance

There is authorized to be appropriated $15,000,000 annually to carry out subsection (a)(2), of which not more than $2,000,000 annually may be used by the Secretary to enter into cooperative agreements with nonprofit organizations to provide assistance to rural and small communities.

(d) Annual submission of proposed activities

Concurrent with the President’s submission to Congress of the President’s request for appropriations for the Civil Works Program for a fiscal year, the Secretary shall submit to the Committee on Transportation and Infrastructure of the House of Representatives and the Committee on Environment and Public Works of the Senate a report describing the individual activities proposed for funding under subsection (a)(1) for that fiscal year.

(e) “State” defined

For the purposes of this section, the term “State” means the several States of the United States, Indian tribes, the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, the Commonwealth of the Northern Marianas, and the Trust Territory of the Pacific Islands.

(f) Special rule

The cost-share for assistance under this section provided to Indian tribes, the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, the Commonwealth of the
Northern Marianas, and the Trust Territory of the Pacific Islands shall be as provided under section 2310 of title 33.


Classification
Section was enacted as part of the Water Resources Development Act of 1974, and not as part of the Water Resources Planning Act which comprises this chapter.

AMENDMENTS
2018—Subsec. (a)(1). Pub. L. 115–270, § 1159(1), amended par. (1) generally. Prior to amendment, text read as follows: “The Secretary of the Army, acting through the Chief of Engineers, is authorized to cooperate with any State, group of States, or non-Federal interest working with a State or group of States in the preparation of comprehensive plans for the development, utilization, and conservation of the water and related resources of drainage basins, watersheds, or ecosystems located within the boundaries of such State or group of States, including plans to comprehensively address water resources challenges, and to submit to Congress reports and recommendations with respect to appropriate Federal participation in carrying out such plans.”


2016—Subsec. (a)(1). Pub. L. 114–322, § 1128(1), substituted “‘group of States, or non-Federal interest’” for “‘or other non-Federal interest’” and inserted “‘or a portion of the funds that the Secretary makes available to the States in carrying out subsection (a)(1).’”


Subsec. (b)(2) to (4). Pub. L. 113–121, § 3015(2)(B), (C), added par. (2) and redesignated former pars. (2) and (3) as (3) and (4), respectively.

Subsec. (c)(1). Pub. L. 113–121, § 3015(3)(A), substituted “‘$30,000,000’” for “‘$10,000,000’” and “‘$5,000,000 in Federal funds’” for “‘$2,000,000’”.

Subsec. (c)(2). Pub. L. 113–121, § 3015(3)(B), substituted “‘$15,000,000’” for “‘$5,000,000’”.

2007—Subsec. (a). Pub. L. 110–114, § 203(1), (2), designated existing provisions as par. (1), inserted headings for subsec. (a) and par. (1), and added par. (2).


Subsec. (b)(2). Pub. L. 110–114, § 203(2)(B), substituted “‘The’” for “‘Up to ½ the’.”

Subsec. (c). Pub. L. 110–114, § 203(3)(A), designated existing provisions as par. (1), inserted headings for subsec. (c) and par. (1), redesignated former par. (1) as (4),

Subsec. (c)(2). Pub. L. 110–114, § 203(3)(B), substituted “‘subsection (a)(1)’” for “‘the provisions of this section’” and “‘$2,000,000’” for “‘$500,000’” in par. (1), and added par. (2).

Subsecs. (d), (e). Pub. L. 110–114, § 203(8), (9), added subsec. (d) and redesignated former subsec. (d) as (e).

1996—Subsec. (a). Pub. L. 104–303, § 221(1), inserted “‘watersheds, or ecosystems’” after “base”; and “‘subsection (a)(1),’” after “provisions of this section.”

Subsec. (b)(2) to (4). Pub. L. 104–303, § 221(2), redesignated pars. (3) and (4) as (2) and (3), respectively, and struck out heading and text of former par. (2). Text read as follows: “The Secretary shall phase in the cost sharing program under this subsection by recovering—

(A) approximately 10 percent of the total cost of providing assistance in fiscal year 1991;

(B) approximately 30 percent of the total cost in fiscal year 1992; and

(C) approximately 50 percent of the total cost in fiscal year 1993 and each succeeding fiscal year.”

Subsec. (c). Pub. L. 104–303, § 221(3), substituted “‘$10,000,000’” for “‘$6,000,000’” and “‘$500,000’” for “‘$300,000’”.

1992—Subsecs. (b)(3), (4). Pub. L. 102–580, § 208(b), added par. (3) and redesignated former par. (3) as (4).


1990—Subsecs. (b) to (d). Pub. L. 101–640 added subsec. (b) and redesignated former subsecs. (b) and (c) as (c) and (d), respectively.

1986—Subsec. (b). Pub. L. 99–662 substituted “‘$6,000,000’” for “‘$4,000,000’” and “‘$300,000’” for “‘$200,000’”.


1976—Subsec. (b). Pub. L. 94–587 increased limitation on annual appropriation authorization to $4,000,000 from $2,000,000.

Effective Date of 1980 Amendment

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

§ 1962d–17. Regional or river basin plans and Federal water and related land resources projects; preparation, formulation, and evaluation

(a) Interest rate formula for discounting future benefits and cost computations; repeal of conflicting provisions and administrative actions

The interest rate formula to be used in plan formulation and evaluation for discounting future benefits and computing costs by Federal officers, employees, departments, agencies, and instrumentalities in the preparation of comprehensive regional or river basin plans and the formulation and evaluation of Federal water and related land resources projects shall be the formula set forth in the “Policies, Standards, and Procedures in the Formulation, Evaluation, and Review of Plans for Use and Development of Water and Related Land Resources” approved by the President on May 15, 1962, and published as Senate Document 97 of the Eighty-seventh Congress on May 29, 1962, as amended by the regulation issued by the Water Resources Council and published in the Federal Register on December 24, 1968 (33 F.R. 19170; 18 C.F.R. 704.39), until otherwise provided by a statute enacted after March 7, 1974. Every provision of law and every administrative action in conflict with this section is hereby repealed to the extent of such conflict.
(b) Interest rate for prior authorized projects as sured of non-Federal share of project costs; continuation of rate

In the case of any project authorized before January 3, 1969, if the appropriate non-Federal interests have, prior to December 31, 1969, given satisfactory assurances to pay the required non-Federal share of project costs, the discount rate to be used in the computation of benefits and costs for such project shall be the rate in effect immediately prior to December 24, 1968, and that rate shall continue to be used for such project until construction has been completed, unless otherwise provided by a statute enacted after March 7, 1974.

(c) Water and related resources projects; Presidential study; scope of study; report to Congress

The President shall make a full and complete investigation and study of principles and standards for planning and evaluating water and related resources projects. Such investigation and study shall include, but not be limited to, consideration of enhancing regional economic development, the quality of the total environment including its protection and improvement, the well-being of the people of the United States, and the national economic development, as objectives to be included in federally-financed water and related resources projects and in the evaluation of costs and benefits attributable to such projects, as intended in section 1962-2 of this title, the interest rate formula to be used in evaluating and discounting future benefits for such projects, and appropriate Federal and non-Federal cost sharing for such projects. He shall report the results of such investigation and study, together with his recommendations, to Congress not later than one year after funds are first appropriated to carry out this subsection.

(Pub. L. 93–251, title I, § 80, Mar. 7, 1974, 88 Stat. 34.)

Codification

Section was enacted as part of the Water Resources Development Act of 1974, and not as part of the Water Resources Planning Act which comprises this chapter.

Rates used to assess return on federal government's investment in projects of army corps of engineers and bureau of reclamation

Pub. L. 95–28, title II, §204, May 13, 1977, 91 Stat. 121, provided that: "It is hereby reiterated that the interest rates or rates of discount to be used to assess the return on the Federal Government’s investment in projects of the United States Army Corps of Engineers or the Department of the Interior Bureau of Reclamation, shall be those interest rates or rates of discount established by Public Law 93–251, the Water Resources Development Act of 1974 [see Short Title of 1974 Amendment note set out under section 1962 of this title] or by any prior law authorizing projects of the United States Army Corps of Engineers or the Department of the Interior Bureau of Reclamation."

§1962d–18. Study of depletion of natural resources of regions of colorado, kansas, new mexico, oklahoma, texas, and nebraska utilizing ogallala aquifer; plans; reports to congress; authorization of appropriation

In order to assure an adequate supply of food to the Nation and to promote the economic vitality of the High Plains Region, the Secretary of Commerce hereby referred to in this section as the ‘Secretary’, acting through the Economic Development Administration, in cooperation with the Secretary of the Army, acting through the Chief of Engineers, and appropriate Federal, State, and local agencies, and the private sector, is authorized and directed to study the depletion of the natural resources of those regions of the States of Colorado, Kansas, New Mexico, Oklahoma, Texas, and Nebraska presently utilizing the declining water resources of the Ogallala aquifer, and to develop plans to increase water supplies in the area and report thereon to Congress, together with any recommendations for further congressional action. In formulating these plans, the Secretary is directed to consider all past and ongoing studies, plans, and work on depleted water resources in the region, and to examine the feasibility of various alternatives to provide adequate water supplies in the area including, but not limited to, the transfer of water from adjacent areas, such portion to be conducted by the Chief of Engineers to assure the continued economic growth and vitality of the region. The Secretary shall report on the costs of reasonably available options, the benefits of various options, and the costs of inaction. If water transfer is found to be a part of a reasonable solution, the Secretary, as part of his study, shall include a recommended plan for allocating and distributing water in an equitable fashion, taking into account existing water rights and the needs for future growth of all affected areas. An interim report, with recommendations, shall be transmitted to the Congress no later than October 1, 1978, and a final report, with recommendations, shall be transmitted to Congress not later than July 1, 1980. A sum of $6,000,000 is authorized to be appropriated for the purposes of carrying out this section.


Codification

Section was enacted as part of the Water Resources Development Act of 1976, and not as part of the Water Resources Planning Act which comprises this chapter.

§1962d–19. Cooperation of Secretary of the Interior with State and local regulatory and law enforcement officials in enforcement of laws or ordinances in connection with Federal resource protection, etc., within Federal water resource development project; funding

The Secretary of the Interior, in connection with Federal resource protection and the Federal administration of the use and occupancy of lands and waters within a water resource development project under his jurisdiction, is authorized to cooperate with the regulatory and law enforcement officials of any State or political subdivision thereof in the enforcement of the laws or ordinances of such State or political subdivision. Such cooperation may include the reimbursement of a State or its political subdivision for expenditures incurred in connection with such resource protection and administration. For purposes of complying with section 651

1So in original. Probably should be “aquifer,”.
of title 2, the authorization provided under this section is subject to the availability of appropriations.


CODIFICATION

Section was not enacted as part of the Water Resources Planning Act which comprises this chapter.

§ 1962d–20. Prohibition on Great Lakes diversions

(a) Congressional findings and declarations

The Congress finds and declares that—

(1) the Great Lakes are a most important natural resource to the eight Great Lakes States and two Canadian provinces, providing water supply for domestic and industrial use, clean energy through hydropower production, an efficient transportation mode for moving products into and out of the Great Lakes region, and recreational uses for millions of United States and Canadian citizens;

(2) the Great Lakes need to be carefully managed and protected to meet current and future needs within the Great Lakes basin and Canadian provinces;

(3) any new diversions of Great Lakes water for use outside of the Great Lakes basin will have significant economic and environmental impacts, adversely affecting the use of this resource by the Great Lakes States and Canadian provinces; and

(4) four of the Great Lakes are international waters and are defined as boundary waters in the Boundary Waters Treaty of 1909 between the United States and Canada, and as such any new diversion of Great Lakes water in the United States would affect the relations of the Government of the United States with the Government of Canada.

(b) Congressional declaration of purpose and policy

It is therefore declared to be the purpose and policy of the Congress in this section—

(1) to take immediate action to protect the limited quantity of water available from the Great Lakes system for use by the Great Lakes States and in accordance with the Boundary Waters Treaty of 1909;

(2) to encourage the Great Lakes States, in consultation with the Provinces of Ontario and Quebec, to develop and implement a mechanism that provides a common conservation standard embodying the principles of water conservation and resource improvement for making decisions concerning the withdrawal and use of water from the Great Lakes Basin;

(3) to prohibit any diversion of Great Lakes water by any State, Federal agency, or private entity for use outside the Great Lakes basin unless such diversion is approved by the Governor of each of the Great Lakes States; and

(4) to prohibit any Federal agency from undertaking any studies that would involve the transfer of Great Lakes water for any purpose for use outside the Great Lakes basin.

(c) "Great Lakes State" defined

As used in this section, the term "Great Lakes State" means each of the States of Illinois, Indiana, Michigan, Minnesota, Ohio, Pennsylvania, New York, and Wisconsin.

(d) Approval by Governors for diversion of water

No water shall be diverted or exported from any portion of the Great Lakes within the United States, or from any tributary within the United States of any of the Great Lakes, for use outside the Great Lakes basin unless such diversion or export is approved by the Governor of each of the Great Lakes States.

(e) Approval of Governors for diversion studies

No Federal agency may undertake any study, or expend any Federal funds to contract for any study, of the feasibility of diverting water from any portion of the Great Lakes within the United States, or from any tributary within the United States of any of the Great Lakes, for use outside the Great Lakes basin, unless such study or expenditure is approved by the Governor of each of the Great Lakes States. The prohibition of the preceding sentence shall not apply to any study or data collection effort performed by the Corps of Engineers or other Federal agency under the direction of the International Joint Commission in accordance with the Boundary Waters Treaty of 1909.

(f) Previously authorized diversions

This section shall not apply to any diversion of water from any of the Great Lakes which is authorized on November 17, 1986.


CODIFICATION

Section was enacted as part of the Water Resources Development Act of 1986, and not as part of the Water Resources Planning Act which comprises this chapter.

AMENDMENTS

2000—Subsec. (b)(2) to (4). Pub. L. 106–541, § 504(a), added par. (2) and redesignated former pars. (2) and (3) as (3) and (4), respectively.

Subsec. (d). Pub. L. 106–541, § 504(b), inserted "or exported" after "diverted" and "or export" after "diversion".

GREAT LAKES CONSUMPTIVE USE STUDY

Pub. L. 100–4, title V, § 521, Feb. 4, 1987, 101 Stat. 88, provided that in recognition of the serious impacts on the Great Lakes environment that could occur as a result of increased consumption of Great Lakes water, including loss of wetlands and reduction of fish spawning and habitat areas, as well as serious economic losses to vital Great Lakes industries, the Secretary of the Army in cooperation with the Administrator, other interested departments, agencies, and instrumentalities of the United States, and the eight Great Lakes States, was authorized to conduct a study of the effects of Great Lakes water consumption on economic growth and environmental quality in the Great Lakes region and of control measures that could be implemented to reduce the quantity of water consumed, and further provided an appropriation of $750,000 for fiscal years beginning after Sept. 30, 1986, to carry out such study.


MEASUREMENTS OF LAKE MICHIGAN DIVERSIONS


1 So in original. Probably should be "Lakes".

"(a) Beginning October 1, 1997, the Secretary, in cooperation with the State of Illinois, shall carry out measurements and make necessary computations required by the decree of the United States Supreme Court (388 U.S. 426) relating to the diversion of water from Lake Michigan and shall coordinate the results with downstate interests. The measurements and computations shall consist of all flow measurements, gauge records, hydraulic and hydrologic computations, including periodic field investigations and measuring device calibrations, necessary to compute the amount of water diverted from Lake Michigan by the State of Illinois and its municipalities, political subdivisions, agencies, and instrumentalities, not including water diverted or used by Federal installations.

"(b) There are authorized to be appropriated $1,250,000 for each of fiscal years 1999 through 2003 and $800,000 for each fiscal year beginning after September 30, 2003, to carry out this section, including those funds necessary to maintain the measurements and computations, as well as necessary capital construction costs associated with the installation of new flow measurement devices or structures declared necessary and appropriate by the Secretary."

§ 1962d–21. John Glenn Great Lakes basin program

(a) Strategic plans

(1) Study

The Secretary shall conduct a comprehensive study of the Great Lakes region to ensure the future use, management, and protection of water resources and related resources of the Great Lakes basin.

(2) Report

(A) In general

As expeditiously as possible, but not later than 3 years after August 17, 1999, and every 2 years thereafter, the Secretary shall submit to the Committee on Transportation and Infrastructure of the House of Representatives and the Committee on Environment and Public Works of the Senate a report outlining a strategic plan for Corps of Engineers programs and proposed Corps of Engineers projects in the Great Lakes basin.

(B) Contents

The plan shall include—

(i) details of projects in the Great Lakes region relating to—

(I) navigation improvements, maintenance, and operations for commercial and recreational vessels;
(II) environmental restoration activities;
(III) water level maintenance activities;
(IV) technical and planning assistance to States and remedial action planning committees;
(V) sediment transport analysis, sediment management planning, and activities to support prevention of excess sediment loadings;
(VI) flood damage reduction and shoreline erosion prevention; and
(VII) all other relevant activities of the Corps of Engineers; and

(ii) an analysis of factors limiting use of programs and authorities of the Corps of Engineers in existence on August 17, 1999, in the Great Lakes basin, including the need for new or modified authorities.

(3) Authorization of appropriations

There is authorized to be appropriated to carry out this section $1,000,000 for the period of fiscal years 2000 through 2003.

(b) Great Lakes biohydrological information

(1) Inventory

(A) In general

Not later than 90 days after August 17, 1999, the Secretary shall request each Federal agency that may possess information relevant to the Great Lakes biohydrological system to provide an inventory of all such information in the possession of the agency.

(B) Relevant information

For the purpose of subparagraph (A), relevant information includes information on—

(i) ground and surface water hydrology;
(ii) natural and altered tributary dynamics;
(iii) biological aspects of the system influenced by and influencing water quantity and water movement;
(iv) meteorological projections and the impacts of weather conditions on Great Lakes water levels; and
(v) other Great Lakes biohydrological system data relevant to sustainable water use management.

(2) Report

(A) In general

Not later than 18 months after August 17, 1999, the Secretary, in consultation with the States, Indian tribes, and Federal agencies, and after requesting information from the provinces and the federal government of Canada, shall—

(i) compile the inventories of information;
(ii) analyze the information for consistency and gaps; and
(iii) submit to Congress, the International Joint Commission, and the Great Lakes States a report that includes recommendations on ways to improve the information base on the biohydrological dynamics of the Great Lakes ecosystem as a whole, so as to support environmentally sound decisions regarding diversions and consumptive uses of Great Lakes water.

(B) Recommendations

The recommendations in the report under subparagraph (A) shall include recommendations relating to the resources and funds necessary for implementing improvement of the information base.

(C) Considerations

In developing the report under subparagraph (A), the Secretary, in cooperation with the Secretary of State, the Secretary of Transportation, and the heads of other agencies as appropriate, shall consider and report on the status of the issues described and recommendations made in—
(1) the Report of the International Joint Commission to the Governments of the United States and Canada under the 1977 reference issued in 1985; and
(ii) the 1993 Report of the International Joint Commission to the Governments of Canada and the United States on Methods of Alleviating Adverse Consequences of Fluctuating Water Levels in the Great Lakes St. Lawrence Basin.

(c) Great Lakes recreational boating
Not later than 18 months after August 17, 1999, the Secretary, using information and studies in existence on August 17, 1999, to the extent practicable, and in cooperation with the Great Lakes States, shall submit to Congress a report detailing the economic benefits of recreational boating in the Great Lakes basin, particularly at harbors benefiting from operation and maintenance projects of the Corps of Engineers.

(d) Cooperation
In undertaking activities under this section, the Secretary shall—
(1) encourage public participation; and
(2) cooperate, and, as appropriate, collaborate, with Great Lakes States, tribal governments, and Canadian federal, provincial, and tribal governments.

(e) Water use activities and policies
The Secretary may provide technical assistance to the Great Lakes States to develop interstate guidelines to improve the consistency and efficiency of State-level water use activities and policies in the Great Lakes basin.

(f) Cost sharing
The Secretary may seek and accept funds from non-Federal entities to be used to pay up to 25 percent of the cost of carrying out subsections (b), (c), (d), and (e).

(g) In-kind contributions for study
The non-Federal interest may provide up to 100 percent of the non-Federal share required under subsection (f) in the form of in-kind services and materials.


CODIFICATION
Section was enacted as part of the Water Resources Development Act of 1999, and not as part of the Water Resources Planning Act which comprises this chapter.

AMENDMENTS

DEFINITIONS
Secretary means the Secretary of the Army, see section 2 of Pub. L. 106–53, set out as a note under section 2201 of Title 33, Navigation and Navigable Waters.

§ 1962d–22. Great Lakes fishery and ecosystem restoration

(a) Findings
Congress finds that—
(1) the Great Lakes comprise a nationally and internationally significant fishery and ecosystem;
(2) the Great Lakes fishery and ecosystem should be developed and enhanced in a coordinated manner; and
(3) the Great Lakes fishery and ecosystem provides a diversity of opportunities, experiences, and beneficial uses.

(b) Definitions
In this section, the following definitions apply:
(1) Great Lake
(A) In general
The term “Great Lake” means Lake Superior, Lake Michigan, Lake Huron (including Lake St. Clair), Lake Erie, and Lake Ontario (including the St. Lawrence River to the 45th parallel of latitude).
(B) Inclusions
The term “Great Lake” includes any connecting channel, historically connected tributary, and basin of a lake specified in subparagraph (A).

(2) Great Lakes Commission
The term “Great Lakes Commission” means the Great Lakes Commission established by the Great Lakes Basin Compact (82 Stat. 414).

(3) Great Lakes Fishery Commission
The term “Great Lakes Fishery Commission” has the meaning given the term “Commission” in section 931 of title 16.

(4) Great Lakes State
The term “Great Lakes State” means each of the States of Illinois, Indiana, Michigan, Minnesota, Ohio, Pennsylvania, New York, and Wisconsin.

(c) Great Lakes fishery and ecosystem restoration
(1) Support plan
(A) In general
Not later than 1 year after December 11, 2000, the Secretary shall develop a plan for activities of the Corps of Engineers that support the management of Great Lakes fisheries.
(B) Use of existing documents
To the maximum extent practicable, the plan shall make use of and incorporate documents that relate to the Great Lakes and are in existence on December 11, 2000, such as lakewide management plans and remedial action plans.

(C) Cooperation
The Secretary shall develop the plan in cooperation with—
(i) the signatories to the Joint Strategic Plan for Management of the Great Lakes Fisheries; and
(ii) other affected interests.

(2) Reconnaissance studies
Before planning, designing, or constructing a project under paragraph (3), the Secretary shall carry out a reconnaissance study—
(A) to identify methods of restoring the fishery, ecosystem, and beneficial uses of the Great Lakes; and
(B) to determine whether planning of a project under paragraph (3) should proceed.

(3) Projects
The Secretary shall plan, design, and construct projects to support the restoration of the fishery, ecosystem, and beneficial uses of the Great Lakes.

(4) Evaluation program

(A) In general
The Secretary shall develop a program to evaluate the success of the projects carried out under paragraph (3) in meeting fishery and ecosystem restoration goals.

(B) Studies
Evaluations under subparagraph (A) shall be conducted in consultation with the Great Lakes Fishery Commission and appropriate Federal, State, and local agencies.

(5) Recreation features
A project carried out pursuant to this subsection may include compatible recreation features as determined by the Secretary, except that the Federal costs of such features may not exceed 10 percent of the Federal ecosystem restoration costs of the project.

(d) Cooperative agreements
In carrying out this section, the Secretary may enter into a cooperative agreement with the Great Lakes Commission or any other agency established to facilitate active State participation in management of the Great Lakes.

(e) Relationship to other Great Lakes activities
No activity under this section shall affect the date of completion of any other activity relating to the Great Lakes that is authorized under other law.

(f) Cost sharing

(1) Development of plan
The Federal share of the cost of development of the plan under subsection (c)(1) shall be 65 percent.

(2) Project planning, design, construction, and evaluation
Except for reconnaissance studies, the Federal share of the cost of planning, design, construction, and evaluation of a project under paragraph (3) or (4) of subsection (c) shall be 65 percent.

(3) Non-Federal share

(A) Credit for land, easements, and rights-of-way
The Secretary shall credit the non-Federal interest for the value of any land, easement, right-of-way, dredged material disposal area, or relocation provided for carrying out a project under subsection (c)(3).

(B) Form
The non-Federal interest may provide up to 100 percent of the non-Federal share required under paragraphs (1) and (2) in the form of services, materials, supplies, or other in-kind contributions.

(4) Operation and maintenance
The operation, maintenance, repair, rehabilitation, and replacement of projects carried out under this section shall be a non-Federal responsibility.

(5) Non-Federal interests
In accordance with section 1962d–5b of this title, for any project carried out under this section, a non-Federal interest may include a private interest and a nonprofit entity.

REFERENCES IN TEXT
The Great Lakes Basin Compact, referred to in subsec. (b)(2), is not classified to the Code.

AMENDMENTS

Subsec. (g). Pub. L. 114–322, title V, §1123, struck out subsec. (g) which authorized appropriations for subsection (c)(1) to (3).

2007—Subsec. (c)(2) to (4). Pub. L. 110–114, title V, §5011, added paragraphs (2) to (4), redesignated former paragraphs (2) and (3) as (3) and (4), respectively, and substituted “paragraph (3)” for “paragraph (2)” in subpar. (A) of par. (4).

Subsec. (f)(2). Pub. L. 110–114, §5011(b)(1), substituted “Except for reconnaissance studies, the Federal share” for “The Federal share” and “(3) or (4)” for “(2) or (3)”.

Subsec. (f)(3). Pub. L. 110–114, §5011(b)(2), substituted “subsection (c)(3)” for “subsection (c)(2)” in subpar. (A) and “100 percent” for “50 percent” in subpar. (B).


DEFINITIONS
Secretary means the Secretary of the Army, see section 2 of Pub. L. 110–114, added par. (5).
PART III—GENERAL PROVISIONS

SUBCHAPTER I—VOTING RIGHTS OF OVERSEAS CITIZENS

§ 1973p

Codification

Section 1973p was editorially reclassified as section 10313 of Title 52, Voting and Elections.

SUBCHAPTER I—VOTING ACCESSIBILITY FOR THE ELDERLY AND HANDICAPPED


SUBCHAPTER I—REGISTRATION AND VOTING BY ABSENT UNIFORMED SERVICES VOTERS AND OVERSEAS VOTERS IN ELECTIONS FOR FEDERAL OFFICE


SUBCHAPTER I—NATIONAL VOTER REGISTRATION


SUBCHAPTER II—FEDERAL ELECTION RECORDS

1974 to 1974e. Transferred.

SUBCHAPTER I—GENERALLY

§ 1971. Transferred

Codification

Section 1971 was editorially reclassified as section 10101 of Title 52, Voting and Elections.

§ 1972. Transferred

Codification

Section 1972 was editorially reclassified as section 10102 of Title 52, Voting and Elections.

SUBCHAPTER I—ENFORCEMENT OF VOTING RIGHTS

§ 1973. Transferred

Codification

Section 1973 was editorially reclassified as section 10301 of Title 52, Voting and Elections.

§ 1973a. Transferred

Codification

Section 1973a was editorially reclassified as section 10302 of Title 52, Voting and Elections.

§ 1973b. Transferred

Codification

Section 1973b was editorially reclassified as section 10303 of Title 52, Voting and Elections.

§ 1973c. Transferred

Codification

Section 1973c was editorially reclassified as section 10304 of Title 52, Voting and Elections.


Codification


§ 1973f. Transferred

Codification

Section 1973f was editorially reclassified as section 10305 of Title 52, Voting and Elections.


Codification


§ 1973h. Transferred

Codification

Section 1973h was editorially reclassified as section 10306 of Title 52, Voting and Elections.

§ 1973i. Transferred

Codification

Section 1973i was editorially reclassified as section 10307 of Title 52, Voting and Elections.

§ 1973j. Transferred

Codification

Section 1973j was editorially reclassified as section 10308 of Title 52, Voting and Elections.

§ 1973k. Transferred

Codification

Section 1973k was editorially reclassified as section 10309 of Title 52, Voting and Elections.

§ 1973l. Transferred

Codification

Section 1973l was editorially reclassified as section 10310 of Title 52, Voting and Elections.

§ 1973m. Omitted

Codification


§ 1973n. Transferred

Codification

Section 1973n was editorially reclassified as section 10311 of Title 52, Voting and Elections.

§ 1973o. Transferred

Codification

Section 1973o was editorially reclassified as section 10312 of Title 52, Voting and Elections.

§ 1973p. Transferred

Codification

Section 1973p was editorially reclassified as section 10313 of Title 52, Voting and Elections.
Repeal applicable with respect to elections taking place after Dec. 31, 1987, see section 204 of Pub. L. 99–410, set out as an Effective Date note under section 1973f of this title.

PART III—GENERAL PROVISIONS


Section 1973cc–21, act Aug. 9, 1955, ch. 656, § 301, 69 Stat. 588, provided definitions of terms used in this subchapter. See section 20310 of Title 52, Voting and Elections.


Section 1973cc–24, act Aug. 9, 1955, ch. 656, § 304, 69 Stat. 588, provided that acts done in good faith do not constitute a violation of any provision of law relating to elective franchise.

Section 1973cc–25, act Aug. 9, 1955, ch. 656, § 305, 69 Stat. 589, provided that no undue influence be used by any officer but that nothing in this subchapter be deemed to prohibit free discussion regarding political issues or candidates for public office. See section 609 of Title 18, Crimes and Criminal Procedure.

Section 1973cc–26, act Aug. 9, 1955, ch. 656, § 306, 69 Stat. 589, authorized appropriations as necessary to carry out this subchapter.

Repeal applicable with respect to elections taking place after Dec. 31, 1987, see section 204 of Pub. L. 99–410, set out as an Effective Date note under section 20301 of Title 52, Voting and Elections.

SUBCHAPTER I–E—VOTING RIGHTS OF OVERSEAS CITIZENS


Section 1973dd–3, Pub. L. 94–203, § 7, formerly § 5, Jan. 2, 1976, 89 Stat. 1143; renumbered § 7, Pub. L. 95–593, § 4(1), Nov. 4, 1978, 92 Stat. 2535, provided for enforcement by the Attorney General, jurisdiction of courts, and penalties for depriving or attempting to deprive persons of secured rights and giving or conspiring to give false information or paying or accepting money either for registration to vote or voting. See section 608 of Title 18, Crimes and Criminal Procedure, and section 20307 of Title 52, Voting and Elections.

Section 1973dd–4, Pub. L. 94–203, § 8, formerly § 6, Jan. 2, 1976, 89 Stat. 1143; renumbered § 8, Pub. L. 95–593, § 4(1), Nov. 4, 1978, 92 Stat. 2535, provided that if any provision of this subchapter is held invalid, the validity of the remainder of this subchapter not be affected.


Repeal applicable with respect to elections taking place after Dec. 31, 1987, see section 204 of Pub. L. 99–410, set out as an Effective Date note under section 20301 of Title 52, Voting and Elections.

SUBCHAPTER I–F—VOTING ACCESSIBILITY FOR THE ELDERLY AND HANDICAPPED

§ 1973ee. Transferred

CODIFICATION

Section 1973ee was editorially reclassified as section 20101 of Title 52, Voting and Elections.

§ 1973ee–1. Transferred

CODIFICATION

Section 1973ee–1 was editorially reclassified as section 20102 of Title 52, Voting and Elections.

§ 1973ee–2. Transferred

CODIFICATION

Section 1973ee–2 was editorially reclassified as section 20103 of Title 52, Voting and Elections.

§ 1973ee–3. Transferred

CODIFICATION

Section 1973ee–3 was editorially reclassified as section 20104 of Title 52, Voting and Elections.

§ 1973ee–4. Transferred

CODIFICATION

Section 1973ee–4 was editorially reclassified as section 20105 of Title 52, Voting and Elections.

§ 1973ee–5. Transferred

CODIFICATION

Section 1973ee–5 was editorially reclassified as section 20106 of Title 52, Voting and Elections.

§ 1973ee–6. Transferred

CODIFICATION

Section 1973ee–6 was editorially reclassified as section 20107 of Title 52, Voting and Elections.
§ 1973ff. Transferred
CODIFICATION
Section 1973ff was editorially reclassified as section 20301 of Title 52, Voting and Elections.

§ 1973ff–1. Transferred
CODIFICATION
Section 1973ff–1 was editorially reclassified as section 20302 of Title 52, Voting and Elections.

§ 1973ff–2. Transferred
CODIFICATION
Section 1973ff–2 was editorially reclassified as section 20303 of Title 52, Voting and Elections.

§ 1973ff–2a. Transferred
CODIFICATION
Section 1973ff–2a was editorially reclassified as section 20304 of Title 52, Voting and Elections.

§ 1973ff–2b. Transferred
CODIFICATION
Section 1973ff–2b was editorially reclassified as section 20305 of Title 52, Voting and Elections.

§ 1973ff–3. Transferred
CODIFICATION
Section 1973ff–3 was editorially reclassified as section 20306 of Title 52, Voting and Elections.

§ 1973ff–4. Transferred
CODIFICATION
Section 1973ff–4 was editorially reclassified as section 20307 of Title 52, Voting and Elections.

§ 1973ff–4a. Transferred
CODIFICATION
Section 1973ff–4a was editorially reclassified as section 20308 of Title 52, Voting and Elections.

§ 1973ff–5. Transferred
CODIFICATION
Section 1973ff–5 was editorially reclassified as section 20309 of Title 52, Voting and Elections.

§ 1973ff–6. Transferred
CODIFICATION
Section 1973ff–6 was editorially reclassified as section 20310 of Title 52, Voting and Elections.

§ 1973ff–7. Transferred
CODIFICATION
Section 1973ff–7 was editorially reclassified as section 20311 of Title 52, Voting and Elections.

§ 1973gg–1. Transferred
CODIFICATION
Section 1973gg–1 was editorially reclassified as section 20501 of Title 52, Voting and Elections.

§ 1973gg–2. Transferred
CODIFICATION
Section 1973gg–2 was editorially reclassified as section 20502 of Title 52, Voting and Elections.

§ 1973gg–3. Transferred
CODIFICATION
Section 1973gg–3 was editorially reclassified as section 20503 of Title 52, Voting and Elections.

§ 1973gg–4. Transferred
CODIFICATION
Section 1973gg–4 was editorially reclassified as section 20504 of Title 52, Voting and Elections.

§ 1973gg–5. Transferred
CODIFICATION
Section 1973gg–5 was editorially reclassified as section 20505 of Title 52, Voting and Elections.

§ 1973gg–6. Transferred
CODIFICATION
Section 1973gg–6 was editorially reclassified as section 20506 of Title 52, Voting and Elections.

§ 1973gg–7. Transferred
CODIFICATION
Section 1973gg–7 was editorially reclassified as section 20507 of Title 52, Voting and Elections.

§ 1973gg–8. Transferred
CODIFICATION
Section 1973gg–8 was editorially reclassified as section 20508 of Title 52, Voting and Elections.

§ 1973gg–9. Transferred
CODIFICATION
Section 1973gg–9 was editorially reclassified as section 20509 of Title 52, Voting and Elections.

§ 1973gg–10. Transferred
CODIFICATION
Section 1973gg–10 was editorially reclassified as section 20510 of Title 52, Voting and Elections.

SUBCHAPTER II—FEDERAL ELECTION RECORDS

§ 1974. Transferred
CODIFICATION
Section 1974 was editorially reclassified as section 20701 of Title 52, Voting and Elections.

§ 1974a. Transferred
CODIFICATION
Section 1974a was editorially reclassified as section 20702 of Title 52, Voting and Elections.

§ 1974b. Transferred
CODIFICATION
Section 1974b was editorially reclassified as section 20703 of Title 52, Voting and Elections.
§ 1975. Establishment of Commission

The President of the United States, by and with the advice and consent of the Senate, shall appoint not more than 44 members to the United States Commission on Civil Rights (hereinafter in this chapter referred to as the “Commission”).

(b) Membership

The Commission shall be composed of 8 members. Not more than 4 of the members shall at any one time be of the same political party. The initial membership of the Commission shall be the members of the United States Commission on Civil Rights on September 30, 1994. Thereafter vacancies in the membership of the Commission shall continue to be appointed as follows:

(1) 4 members of the Commission shall be appointed by the President.
(2) 2 members of the Commission shall be appointed by the President pro tempore of the Senate, upon the recommendations of the majority leader and the minority leader, and of the members appointed not more than one shall be appointed from the same political party.
(3) 2 members of the Commission shall be appointed by the Speaker of the House of Representatives upon the recommendations of the majority leader and the minority leader, and of the members appointed not more than one shall be appointed from the same political party.

(c) Terms

The term of office of each member of the Commission shall expire on the date such term would have expired as of September 30, 1994.

(d) Chairperson

(1) Except as provided in paragraphs (2) and (3), the individuals serving as Chairperson and Vice Chairperson of the United States Commission on Civil Rights on September 30, 1994 shall initially fill those roles on the Commission.
(2) Thereafter the President may, with the concurrence of a majority of the Commission’s members, designate a Chairperson or Vice Chairperson, as the case may be, from among the Commission’s members.
(3) The President shall, with the concurrence of a majority of the Commission’s members, fill a vacancy by designating a Chairperson or Vice Chairperson, as the case may be, from among the Commission’s members.
(4) The Vice Chairperson shall act in place of the Chairperson in the absence of the Chairperson.

(e) Removal of members

The President may remove a member of the Commission only for neglect of duty or malfeasance in office.

(f) Quorum

A majority of the Commission or a quorum of the Commission.

Amendments


SHORT TITLE

1999 A

1994 A

1992 A

1991 A

1989 A

§ 1975a Duties of Commission

(a) Generally
The Commission—
(1) shall investigate allegations in writing under oath or affirmation relating to deprivations—
(A) because of color, race, religion, sex, age, disability, or national origin; or
(B) as a result of any pattern or practice of fraud;
(2) shall—
(A) study and collect information relating to;
(B) make appraisals of the laws and policies of the Federal Government with respect to;
(C) serve as a national clearinghouse for information relating to; and
(D) prepare public service announcements and advertising campaigns to discourage; discrimination or denials of equal protection of the laws under the Constitution of the United States because of color, race, religion, sex, age, disability, or national origin, or in the administration of justice.

(b) Limitations on investigatory duties
Nothing in this chapter or any other Act shall be construed as authorizing the Commission, its advisory committees, or any person under its supervision or control, to inquire into or investigate any membership practices or internal operations of any fraternal organization, any college or university fraternity or sorority, any private club, or any religious organization.

(c) Reports
(1) Annual report
The Commission shall submit to the President and Congress at least one report annually that monitors Federal civil rights enforcement efforts in the United States.
(2) Other reports generally
The Commission shall submit such other reports to the President and the Congress as the Commission, the Congress, or the President shall deem appropriate.

(d) Advisory committees
The Commission may constitute such advisory committees as it deems advisable. The Commission shall establish at least one such committee in each State and the District of Columbia composed of citizens of that State or District.

(e) Hearings and ancillary matters
(1) Power to hold hearings
The Commission, or on the authorization of the Commission, any subcommittee of two or more members of the Commission, at least one of whom shall be of each major political party, may, for the purpose of carrying out this chapter, hold such hearings and act at such times and places as the Commission or such authorized subcommittee deems advisable. Each member of the Commission shall have the power to administer oaths and affirmations in connection with the proceedings of the Commission. The holding of a hearing by the Commission or the appointment of a subcommittee to hold a hearing pursuant to this paragraph must be approved by a majority of the Commission, or by a majority of the members present at a meeting when a quorum is present.
(2) Power to issue subpoenas
The Commission may issue subpoenas for the attendance of witnesses and the production of written or other matter. Such a subpoena may not require the presence of a witness more than 100 miles outside the place wherein the witness is found or resides or is domiciled or transacts business, or has appointed an agent for receipt of service of process. In case of contumacy or refusal to obey a subpoena, the Attorney General may in a Federal court of appropriate jurisdiction obtain an appropriate order to enforce the subpoena.
(3) Witness fees
A witness attending any proceeding of the Commission shall be paid the same fees and mileage that are paid witnesses in the courts of the United States.

(4) Depositions and interrogatories
The Commission may use depositions and written interrogatories to obtain information and testimony about matters that are the subject of a Commission hearing or report.

(f) Limitation relating to abortion
Nothing in this chapter or any other Act shall be construed as authorizing the Commission, its advisory committees, or any other person under its supervision or control to study and collect, make appraisals of, or serve as a clearinghouse for any information about laws and policies of the Federal Government or any other governmental authority in the United States, with respect to abortion.


PRIOR PROVISIONS


AMENDMENTS

§ 1975b. Administrative provisions

(a) Staff

(1) Director

There shall be a full-time staff director for the Commission who shall—
(A) serve as the administrative head of the Commission; and
(B) be appointed by the President with the concurrence of a majority of the Commission.

(2) Other personnel

Within the limitation of its appropriations, the Commission may—
(A) appoint such other personnel as it deems advisable, under the civil service and classification laws; and
(B) procure services, as authorized in section 3109 of title 5, but at rates for individuals not in excess of the daily equivalent paid for positions at the maximum rate for GS-15 of the General Schedule under section 5332 of title 5.

(b) Compensation of members

(1) Generally

Each member of the Commission who is not otherwise in the service of the Government of the United States shall receive a sum equivalent to the compensation paid at level IV of the Executive Schedule under section 5315 of title 5, prorated on a daily basis for time spent in the work of the Commission.

(2) Persons otherwise in Government service

Each member of the Commission who is otherwise in the service of the Government of the United States shall serve without compensation in addition to that received for such other service, but while engaged in the work of the Commission shall be paid actual travel expenses and per diem in lieu of subsistence expenses when away from such member’s usual place of residence, under subchapter I of chapter 57 of title 5.

(c) Voluntary or uncompensated personnel

The Commission shall not accept or use the services of voluntary or uncompensated persons. This limitation shall apply with respect to services of members of the Commission as it does with respect to services by other persons.

(d) Rules

(1) Generally

The Commission may make such rules as are necessary to carry out the purposes of this chapter.

(2) Continuation of old rules

Except as inconsistent with this chapter, and until modified by the Commission, the rules of the Commission on Civil Rights in effect on September 30, 1994 shall be the initial rules of the Commission.

(e) Cooperation

All Federal agencies shall cooperate fully with the Commission to the end that it may effectively carry out its functions and duties.

§ 1975d. Termination

This chapter shall terminate on September 30, 1996.

§ 1975c. Authorization of appropriations

There are authorized to be appropriated, to carry out this chapter $9,500,000 for fiscal year 1995. None of the sums authorized to be appropriated for fiscal year 1995 may be used to create additional regional offices.

(1) Other provisions


Amendments

CHAPTER 21—CIVIL RIGHTS

SUBCHAPTER I—GENERALLY

Sec. 1981. Equal rights under the law.
1981a. Damages in cases of intentional discrimination in employment.
1985. Conspiracy to interfere with civil rights.
1989. United States magistrate judges; appointment of persons to execute warrants.
1990. Marshals to obey precepts; refusing to receive or execute process.
1991. Fees; persons appointed to execute process.
1995. Criminal contempt proceedings; penalties; trial by jury.
1996. Protection and preservation of traditional religions of Native Americans.
1996a. Traditional Indian religious use of peyote.
1996b. Interethnic adoption.

SUBCHAPTER I—A—INSTITUTIONALIZED PERSONS

1997b. Subpoena authority.
1997c. Certification requirements; Attorney General to personally sign certification.
1997d. Intervention in actions.
1997e. Prohibition of retaliation.
1997f. Suits by prisoners.
1997g. Report to Congress.
1997h. Priorities for use of funds.
1997i. Notice to Federal departments.
1997k. Dismissal respecting private litigation.

SUBCHAPTER II—PUBLIC ACCOMMODATIONS

2000a. Prohibition against discrimination or segregation in places of public accommodation.
2000a–1. Prohibition against discrimination or segregation required by any law, statute, ordinance, regulation, rule or order, of a State or State agency.
2000a–2. Prohibition against deprivation of, interference with, and punishment for exercising rights and privileges secured by section 2000a or 2000a–1 of this title.
2000a–3. Civil actions for injunctive relief.
2000a–4. Community Relations Service; investigations and hearings; executive session; release of testimony; duty to bring about voluntary settlements.
2000a–6. Jurisdiction; exhaustion of other remedies; exclusiveness of remedies; assertion of rights based on other Federal or State laws and pursuit of remedies for enforcement of such rights.

SUBCHAPTER III—PUBLIC FACILITIES

2000b. Civil actions by the Attorney General.
2000b–1. Liability of United States for costs and attorney's fee.

SUBCHAPTER IV—PUBLIC EDUCATION

2000c–3. Training institutes; stipends; travel allowances.
2000c–4. Grants for in-service training in dealing with and for employment of specialists to advise in problems incident to desegregation; factors for consideration in making grants and fixing amounts, terms, and conditions.
2000c–5. Payments; adjustments; advances or reimbursement; installments.

SUBCHAPTER V—FEDERALLY ASSISTED PROGRAMS

2000d. Prohibition against exclusion from participation in, denial of benefits of, or discrimination under federally assisted programs on ground of race, color, or national origin.
2000d–1. Federal authority and financial assistance to programs or activities by way of grant, loan, or contract other than contract of insurance or guaranty.
2000d–2. Prohibition against discrimination in by way of grant, loan, or contract other than contract of insurance or guaranty; rules and regulations; approval by President; compliance with requirements; reports to Congressional committees; effective date of administrative action.
2000d–4. Construction of provisions not to authorize administrative action with respect to discrimination in employment practices except where primary objective of Federal financial assistance is to provide employment.
2000d–5. Federal authority and financial assistance to programs or activities by way of grant, loan, or contract other than contract of insurance or guaranty.
Subchapter VI—Equal Employment Opportunities

2000e–3. Other unlawful employment practices.
2000e–11. Veterans' special rights or preference.
2000e–12. Regulations; conformity of regulations with administrative procedure provisions; reliance on interpretations and instructions of Commission.
2000e–15. Presidential conferences; acquaintance of leadership with provisions for employment rights and obligations; plans for fair administration; membership.
2000e–16a. Short title; purpose; definition.
2000e–16b. Discriminatory practices prohibited.
2000e–16c. Coverage of previously exempt State employees.
2000e–17. Procedure for denial, withholding, termination, or suspension of Government contract subsequent to acceptance by Government of affirmative action plan of employer; time of acceptance of plan.

Subchapter VII—Registration and Voting Statistics

2000f. Survey for compilation of registration and voting statistics; geographical areas; scope; application of census provisions; voluntary disclosure; advising of right not to furnish information.

Subchapter VIII—Community Relations Service

2000g. Establishment of Service; Director of Service; appointment; term; personnel.
2000g–1. Functions of Service.
2000g–2. Cooperation with other agencies; conciliation assistance in confidence and without publicity; information as confidential; restriction on performance of investigative or prosecuting functions; violations and penalties.
2000g–3. Reports to Congress.

Subchapter IX—Miscellaneous Provisions

2000h. Criminal contempt proceedings: trial by jury; criminal practice, penalties, exceptions, intent; civil contempt proceedings.

Sec. 2000d–4a. "Program or activity" and "program" defined.
2000d–6. Policy of United States as to application of nondiscrimination provisions in schools of local educational agencies.

Title 42—The Public Health and Welfare

Title 42 of the United States Code, as enacted by the Civil Rights Act of 1964, includes a number of provisions aimed at ensuring equal employment opportunities and the protection of civil rights. This title contains a subchapter on equal employment opportunities, which includes definitions, unlawful employment practices, enforcement provisions, and duties of the Equal Employment Opportunity Commission. It also addresses employment by the Federal Government, discrimination prohibited, and equal opportunity for veterans. The title further details the registration and voting statistics and community relations service. The amendments made by this act are intended to improve the rights of citizens, particularly with regard to the prohibition of discrimination in employment, education, and housing.

The rights protected by this section are secured against impairment by nongovernmental discrimination and impairment under color of State law. The rights protected by this section are also protected against impairment by governmental discrimination and impairment under color of State law.
Congress, amending this section and sections 1988, 2000e, 2000e–1, 2000e–2, 2000e–4, 2000e–5, 2000e–16, 12111, 12112, and 12209 of this title, and section 626 of Title 29, Labor, and enacting provisions set out as notes under this section and sections 2000e and 2000e–4 of this title, and section 1a–5 of Title 16, Conservation] may be cited as the ‘Civil Rights Act of 1991’.

**SHORT TITLE OF 1976 AMENDMENT**


**SEVERABILITY**

Pub. L. 102–166, title IV, § 1461, Nov. 21, 1991, 105 Stat. 1099, provided that: “If any provision of this Act [see Short Title of 1991 Amendment note above], or an amendment made by this Act, or the application of such provision to any person or circumstances is held to be invalid, the remainder of this Act and the amendments made by this Act, and the application of such provision to other persons and circumstances, shall not be affected.”

**CONGRESSIONAL FINDINGS**


(1) additional remedies under Federal law are needed to deter unlawful harassment and intentional discrimination in the workplace;

(2) the decision of the Supreme Court in Wards Cove Packing Co. v. Atonio, 490 U.S. 642 (1989) has weakened the scope and effectiveness of Federal civil rights protections; and

(3) legislation is necessary to provide additional protections against unlawful discrimination in employment.”

**PURPOSES OF 1991 AMENDMENT**


(1) to provide appropriate remedies for intentional discrimination and unlawful harassment in the workplace;

(2) to codify the concepts of ‘business necessity’ and ‘job related’ enunciated by the Supreme Court in Griggs v. Duke Power Co., 401 U.S. 424 (1971), and in the other Supreme Court decisions prior to Wards Cove Packing Co. v. Atonio, 490 U.S. 642 (1989);

(3) to confirm statutory authority and provide statutory guidelines for the adjudication of disparate impact suits under title VII of the Civil Rights Act of 1964 (42 U.S.C. 2000e et seq.); and

(4) to respond to recent decisions of the Supreme Court by expanding the scope of relevant civil rights statutes in order to provide adequate protection to victims of discrimination.”

**LEGISLATIVE HISTORY FOR 1991 AMENDMENT**

Pub. L. 102–166, title I, §105(b), Nov. 21, 1991, 105 Stat. 1073, provided that: “No statements other than the interpretive memorandum appearing at Vol. 137 Congressional Record S 15276 (daily ed. Oct. 25, 1991) shall be considered legislative history of, or relied upon in any way as legislative history in construing or applying, any provision of this Act [see Short Title of 1991 Amendment note above] that relates to Wards Cove—Business necessity/cumulation/alternative business practice.”

**CONSTRUCTION OF 1991 AMENDMENT**


**ALTERNATIVE MEANS OF DISPUTE RESOLUTION**

Pub. L. 102–166, title I, §118, Nov. 21, 1991, 105 Stat. 1061, provided that: “Where appropriate and to the extent authorized by law, the use of alternative means of dispute resolution, including settlement negotiations, conciliation, facilitation, mediation, factfinding, mini-trials, and arbitration, is encouraged to resolve disputes arising under the Acts or provisions of Federal law amended by this title [enacting section 1981a of this title and amending this section, sections 1988, 2000e, 2000e–1, 2000e–2, 2000e–4, 2000e–5, 2000e–16, 12111, and 12112 of this title, and section 626 of Title 29, Labor].”

**EXECUTIVE ORDER NO. 13050**

Ex. Ord. No. 13050, June 13, 1997, 62 F.R. 32987, which established the President’s Advisory Board on Race, was revoked by Ex. Ord. No. 13138, §3(e), Sept. 30, 1999, 64 F.R. 53866, formerly set out as a note under section 14 of the Appendix to Title 5, Government Organization and Employees.

**§ 1981a. Damages in cases of intentional discrimination in employment**

(a) Right of recovery

(1) Civil rights

In an action brought by a complaining party under section 706 or 717 of the Civil Rights Act of 1964 [42 U.S.C. 2000e–5, 2000e–16] against a respondent who engaged in unlawful intentional discrimination (not an employment practice that is unlawful because of its disparate impact) prohibited under section 703, 704, or 717 of the Act [42 U.S.C. 2000e–3, 2000e–16], and provided that the complaining party cannot recover under section 1981 of this title, the complaining party may recover compensatory and punitive damages as allowed in subsection (b), in addition to any relief authorized by section 706(g) of the Civil Rights Act of 1964, from the respondent.

(2) Disability

In an action brought by a complaining party under the powers, remedies, and procedures set forth in section 706 or 717 of the Civil Rights Act of 1964 [42 U.S.C. 2000e–5, 2000e–16] (as provided in section 107(a) of the Americans with Disabilities Act of 1990 [42 U.S.C. 12117(a)], and section 794a(a)(1) of title 29, respectively) against a respondent who engaged in unlawful intentional discrimination (not an employment practice that is unlawful because of its disparate impact) under section 791 of title 29 and the regulations implementing section 791 of title 29, or who violated the requirements of section 791 of title 29 or the regulations implementing section 791 of title 29 concerning the provision of a reasonable accommodation, or section 102 of the Americans with Disabilities Act of 1990 [42 U.S.C. 12112], or committed a violation of section 102(b)(5) of the Act, against an individual, the complaining party may recover compensatory and punitive damages as allowed in subsection (b), in addition to any relief authorized by section 706(g) of the Civil Rights Act of 1964, from the respondent.
(3) Reasonable accommodation and good faith effort

In cases where a discriminatory practice involves the provision of a reasonable accommodation pursuant to section 102(b)(5) of the Americans with Disabilities Act of 1990 [42 U.S.C. 12112(b)(5)] or regulations implementing section 791 of title 29, damages may not be awarded under this section where the covered entity demonstrates good faith efforts, in consultation with the person with the disability who has informed the covered entity that accommodation is needed, to identify and make a reasonable accommodation that would provide such individual with an equally effective opportunity and would not cause an undue hardship on the operation of the business.

(b) Compensatory and punitive damages

(1) Determination of punitive damages

A complaining party may recover punitive damages under this section against a respondent (other than a government, government agency or political subdivision) if the complaining party demonstrates that the respondent engaged in a discriminatory practice or discriminatory practices with malice or with reckless indifference to the federally protected rights of an aggrieved individual.

(2) Exclusions from compensatory damages

Compensatory damages awarded under this section shall not include backpay, interest on backpay, or any other type of relief authorized under section 706(g) of the Civil Rights Act of 1964 [42 U.S.C. 2000e-5(g)].

(3) Limitations

The sum of the amount of compensatory damages awarded under this section for future pecuniary losses, emotional pain, suffering, inconvenience, mental anguish, loss of enjoyment of life, and other nonpecuniary losses, and the amount of punitive damages awarded under this section, shall not exceed, for each complaining party—

(A) in the case of a respondent who has more than 14 and fewer than 101 employees in each of 20 or more calendar weeks in the current or preceding calendar year, $50,000; and

(B) in the case of a respondent who has more than 100 and fewer than 201 employees in each of 20 or more calendar weeks in the current or preceding calendar year, $100,000; and

(C) in the case of a respondent who has more than 200 and fewer than 501 employees in each of 20 or more calendar weeks in the current or preceding calendar year, $200,000; and

(D) in the case of a respondent who has more than 500 employees in each of 20 or more calendar weeks in the current or preceding calendar year, $300,000.

(4) Construction

Nothing in this section shall be construed to limit the scope of, or the relief available under, section 1981 of this title.

(c) Jury trial

If a complaining party seeks compensatory or punitive damages under this section—

(1) any party may demand a trial by jury; and

(2) the court shall not inform the jury of the limitations described in subsection (b)(3).

(d) Definitions

As used in this section:

(1) Complaining party

The term “complaining party” means—

(A) in the case of a person seeking to bring an action under subsection (a)(1), the Equal Employment Opportunity Commission, the Attorney General, or a person who may bring an action or proceeding under title VII of the Civil Rights Act of 1964 [42 U.S.C. 2000e et seq.]; or

(B) in the case of a person seeking to bring an action under subsection (a)(2), the Equal Employment Opportunity Commission, the Attorney General, a person who may bring an action or proceeding under section 794a(a)(1) of title 29, or a person who may bring an action or proceeding under title I of the Americans with Disabilities Act of 1990 [42 U.S.C. 12111 et seq.].

(2) Discriminatory practice

The term “discriminatory practice” means the discrimination described in paragraph (1), or the discrimination or the violation described in paragraph (2), of subsection (a).


REFERENCES IN TEXT


EFFECTIVE DATE

Section effective Nov. 21, 1991, except as otherwise provided, see section 402 of Pub. L. 102–166, set out as an Effective Date of 1991 Amendment note under section 1981 of this title.

§ 1982. Property rights of citizens

All citizens of the United States shall have the same right, in every State and Territory, as is enjoyed by white citizens thereof to inherit, purchase, lease, sell, hold, and convey real and personal property.

(R.S. §1978.)

CODIFICATION

R.S. §1978 derived from act Apr. 9, 1866, ch. 31, §1, 14 Stat. 27.

Section was formerly classified to section 42 of Title 8, Aliens and Nationality.

EX. ORD. NO. 11063, EQUAL OPPORTUNITY IN HOUSING

WHEREAS the granting of Federal assistance for the public, rehabilitation, operation of housing and related facilities from which Americans are excluded because of their race, color, creed, or national origin is unfair, unjust, and inconsistent with the public policy of the United States as manifested in its Constitution and laws; and

WHEREAS the Congress in the Housing Act of 1949 [see Short Title note set out under section 1441 of this title] declared that the general welfare and security of the Nation and the health and living standards of its people require the realization as soon as feasible of the goal of a decent home and a suitable living environment for every American family; and

WHEREAS discriminatory policies and practices based upon race, color, creed, or national origin now operate to deny many Americans the benefits of housing financed through Federal assistance and as a consequence prevent such assistance from providing them with an alternative to substandard, unsafe, unsanitary, and overcrowded housing; and

WHEREAS such discriminatory policies and practices result in segregated patterns of housing and necessarily produce other forms of discrimination and segregation which deprive many Americans of equal opportunity in the exercise of their unalienable rights to life, liberty, and the pursuit of happiness; and

WHEREAS the executive branch of the Government, in faithfully executing the laws of the United States which authorize Federal financial assistance, directly or indirectly, for the provision, rehabilitation, and operation of housing and related facilities, is charged with an obligation and duty to assure that those laws are fairly administered and that benefits thereunder are made available to all Americans without regard to their race, color, creed, or national origin:

NOW, THEREFORE, by virtue of the authority vested in me as President of the United States by the Constitution and laws of the United States, it is ordered as follows:

PART I—PREVENTION OF DISCRIMINATION

SECTION 101. I hereby direct all departments and agencies in the executive branch of the Federal Government, insofar as their functions relate to the provision, rehabilitation, or operation of housing and related facilities, to take all action necessary and appropriate to prevent discrimination because of race, color, religion (creed), sex, disability, familial status or national origin—

(a) in the sale, leasing, rental, or other disposition of residential property and related facilities (including land to be developed for residential use), or in the use or occupancy thereof, if such property and related facilities are

(i) owned or operated by the Federal Government, or

(ii) provided in whole or in part by loans hereafter insured, guaranteed, or otherwise secured by the credit of the Federal Government, or

(iii) provided by the development or the redevelopment of real property purchased, leased, or otherwise obtained from a State or local public agency receiving Federal financial assistance for slum clearance or urban renewal with respect to such real property under a loan of grant contract hereafter entered into; and

(b) in the lending practices with respect to residential property and related facilities (including land to be developed for residential use) of lending institutions, insofar as such practices relate to loans hereafter insured or guaranteed by the Federal Government.

SEC. 102. I hereby direct the Department of Housing and Urban Development and all other executive departments and agencies to use their best efforts to take other appropriate action permitted by law, including the institution of appropriate litigation, if required, to promote the abandonment of discriminatory practices with respect to residential property and related facilities heretofore provided with Federal financial assistance of the types referred to in Section 101(a)(i), (iii), and (iv).

PART II—IMPLEMENTATION BY DEPARTMENTS AND AGENCIES

Sec. 201. Each executive department and agency subject to this order is directed to submit to the President’s Committee on Equal Opportunity in Housing established pursuant to Part IV of this order (hereinafter sometimes referred to as the Committee), within thirty days from the date of this order, a report outlining all current programs administered by it which are affected by this order.

Sec. 202. Each such department and agency shall be primarily responsible for obtaining compliance with the purposes of this order as the order applies to programs administered by it; and is directed to cooperate with the Committee, to furnish it, in accordance with law, such information and assistance as it may request in the performance of its functions, and to report to it at such intervals as the Committee may require.

Sec. 203. Each such department and agency shall, within thirty days from the date of this order, issue such rules and regulations, adopt such procedures and policies, and make such exemptions and exceptions as may be consistent with law and necessary or appropriate to effectuate the purposes of this order. Each such department and agency shall consult with the Committee in order to achieve such consistency and uniformity as may be feasible.

PART III—ENFORCEMENT

Sec. 301. The Committee, any subcommittee thereof, and any officer or employee designated by any executive department or agency subject to this order may hold such hearings, public or private, as the Committee, department, or agency may deem advisable for compliance, enforcement, or educational purposes.

Sec. 302. If any executive department or agency subject to this order concludes that any person or firm (including but not limited to any individual, partnership, association, trust, or corporation) or any State or local public agency has violated any rule, regulation, or procedure issued or adopted pursuant to this order, or any nondiscrimination provision included in any agreement or contract pursuant to any such rule, regulation, or procedure, it shall endeavor to end and remedy such violation by informal means, including conference, conciliation, and persuasion unless similar efforts made by another Federal department or agency have been unsuccessful. In conformity with rules, regulations, procedures, or policies issued or adopted by it pursuant to Section 203 hereof, a department or agency may take such action as may be appropriate under its governing laws, including, but not limited to, the following:

It may—

(a) cancel or terminate in whole or in part any agreement or contract with such person, firm, or State or local public agency providing for a loan, grant, contribution, or other Federal aid, or for the payment of a commission or fee;

(b) refrain from extending any further aid under any program administered by it and affected by this order until it is satisfied that the affected person, firm, or State or local public agency will comply with the rules, regulations, and procedures issued or adopted pursuant to this order, and any nondiscrimination provisions included in any agreement or contract;

(c) refuse to approve a lending institution or any other lender as a beneficiary under any program administered by it which is affected by this order or revoke such approval if previously given.

Sec. 303. In appropriate cases, executive departments and agencies shall refer their good offices to the Attorney General to enforce compliance with any rules, regulations, or procedures issued or adopted pursuant to this order, or violations of any
nondiscrimination provisions included in any agreement or contract, for such civil or criminal action as he may deem appropriate. The Attorney General is authorized to furnish legal advice concerning this order to the Committee and to any department or agency requesting such advice.

SEC. 304. Any executive department or agency affected by this order may also invoke the sanctions provided in Section 302 where any person or firm, including a lender, has violated the rules, regulations, or procedures issued or adopted pursuant to this order, or the nondiscrimination provisions included in any agreement or contract, with respect to any program affected by this order administered by any other executive department or agency.

PART IV—ESTABLISHMENT OF THE PRESIDENT'S COMMITTEE ON EQUAL OPPORTUNITY IN HOUSING


PART V—POWERS AND DUTIES OF THE PRESIDENT'S COMMITTEE ON EQUAL OPPORTUNITY IN HOUSING


SEC. 502. (a) The Committee shall take such steps as it deems necessary and appropriate to promote the coordination of the activities of departments and agencies under this order. In so doing, the Committee shall consider the overall objectives of Federal legislation relating to housing and the right of every individual to participate without discrimination because of race, color, religion (creed), sex, disability, familial status or national origin in the ultimate benefits of the Federal programs subject to this order.

(b) The Committee may confer with representatives of any department or agency, State or local public agency, civic, industry, or labor group, or any other group directly or indirectly affected by this order; examine the relevant rules, regulations, procedures, policies, and practices of any department or agency subject to this order and make such recommendations as may be necessary or desirable to achieve the purposes of this order.

(c) The Committee shall encourage educational programs by civic, educational, religious, industry, labor, and other nongovernmental groups to eliminate the basic causes of discrimination in housing and related facilities provided with Federal assistance.


PART VI—MISCELLANEOUS

SEC. 601. As used in this order, the term "departments and agencies" includes any wholly-owned or mixed-ownership Government corporation, and the term "State" includes the District of Columbia, the Commonwealth of Puerto Rico, and the territories of the United States.

SEC. 602. This order shall become effective immediately.

[Functions of President's Committee on Equal Opportunity in Housing under Ex. Ord. No. 11063 delegated to Secretary of Housing and Urban Development by Ex. Ord. No. 12992, §6–694(a), Jan. 17, 1994, 59 F.R. 2939, set out as a note under section 3608 of this title.]

§ 1983. Civil action for deprivation of rights

Every person who, under color of any statute, ordinance, regulation, custom, or usage, of any State or Territory or the District of Columbia, subjects, or causes to be subjected, any citizen of the United States or other person within the jurisdiction thereof to the deprivation of any rights, privileges, or immunities secured by the Constitution and laws, shall be liable to the party injured in an action at law, suit in equity, or other proper proceeding for redress, except that in any action brought against a judicial officer for an act or omission taken in such officer's judicial capacity, injunctive relief shall not be granted unless a declaratory decree was violated or declaratory relief was unavailable. For the purposes of this section, any Act of Congress applicable exclusively to the District of Columbia shall be considered to be a statute of the District of Columbia.


CONCLUSION


Section was formerly classified to section 43 of Title 8, Aliens and Nationality.

AMENDMENTS

1996—Pub. L. 104–317 inserted before period at end of first sentence "", except that in any action brought against a judicial officer for an act or omission taken in such officer's judicial capacity, injunctive relief shall not be granted unless a declaratory decree was violated or declaratory relief was unavailable"; 1979—Pub. L. 96–170 inserted "or the District of Columbia" after "Territory," and provisions relating to Acts of Congress applicable solely to the District of Columbia.

EFFECTIVE DATE OF 1979 AMENDMENT

Amendment by Pub. L. 96–170 applicable with respect to any deprivation of rights, privileges, or immunities secured by the Constitution and laws occurring after Dec. 29, 1979, see section 3 of Pub. L. 96–170, set out as a note under section 1343 of Title 28, Judiciary and Judicial Procedure.

§ 1984. Omitted

CONCLUSION

Section, act Mar. 1, 1875, ch. 114, §5, 18 Stat. 337, which was formerly classified to section 46 of Title 8, Aliens and Nationality, related to Supreme Court review of cases arising under act Mar. 1, 1875. Sections 1 and 2 of act Mar. 1, 1875 were declared unconstitutional in U.S. v. Singleton, 109 U.S. 3, and sections 3 and 4 of such act were repealed by act June 25, 1948, ch. 645, §21, 62 Stat. 862.

§ 1985. Conspiracy to interfere with civil rights

(1) Preventing officer from performing duties

If two or more persons in any State or Territory conspire to prevent, by force, intimidation, or threat, any person from accepting or holding any office, trust, or place of confidence under the United States, or from discharging any duties thereof; or to induce by like means any officer of the United States to leave any State, district, or place, where his duties as an officer are required to be performed, or to injure him in his person or property on account of his lawful discharge of the duties of his office, or while engaged in the lawful discharge thereof, or to injure his property so as to molest, interrupt, hinder, or impede him in the discharge of his official duties;

(2) Obstructing justice; intimidating party, witness, or juror

If two or more persons in any State or Territory conspire to deter, by force, intimidation, or
threat, any party or witness in any court of the United States from attending such court, or from testifying to any matter pending therein, freely, fully, and truthfully, or to injure such party or witness in his person or property on account of his having so attended or testified, or to influence the verdict, presentment, or indictment of any grand or petit juror in any such court, or to injure such juror in his person or property on account of any verdict, presentment, or indictment lawfully assented to by him, or of his being or having been such juror; or if two or more persons conspire for the purpose of impeding, hindering, obstructing, or defeating, in any manner, the due course of justice in any State or Territory, with intent to deny to any citizen the equal protection of the laws, or to injure him or his property for lawfully enforcing, or attempting to enforce, the right of any person, or class of persons, to the equal protection of the laws;

(3) Depriving persons of rights or privileges

If two or more persons in any State or Territory conspire or go in disguise on the highway or on the premises of another, for the purpose of preventing or hindering the constituted authorities of any State or Territory from giving or securing to all persons within such State or Territory the equal protection of the laws, or for the purpose of preventing or hindering the constituted authorities of any State or Territory from giving or securing to all persons within such State or Territory the equal protection of the laws; or if two or more persons conspire to prevent by force, intimidation, or threat, any citizen who is lawfully entitled to vote, from giving his support or advocacy in a legal manner, toward or in favor of the election of any lawfully qualified person as an elector for President or Vice President, or as a Member of Congress of the United States; or to injure any citizen in person or property on account of such support or advocacy; in any case of conspiracy set forth in this section, if one or more persons engaged therein do, or cause to be done, any act in furtherance of the object of such conspiracy, whereby another is injured in his person or property, or deprived of having and exercising any right or privilege of a citizen of the United States, the party so injured or deprived may have an action for the recovery of damages occasioned by such injury or deprivation, against any one or more of the conspirators.

(R.S. §1980.)

CODIFICATION


Section was formerly classified to section 47 of Title 8, Aliens and Nationality.

§ 1986. Action for neglect to prevent

Every person who, having knowledge that any of the wrongs conspired to be done, and mentioned in section 1985 of this title, are about to be committed, and having power to prevent or aid in preventing the commission of the same, neglects or refuses so to do, if such wrongful act be committed, shall be liable to the party injured, or his legal representatives, for all damages caused by such wrongful act, which such person by reasonable diligence could have prevented; and such damages may be recovered in an action on the case; and any number of persons guilty of such wrongful neglect or refusal may be joined as defendants in the action; and if the death of any party be caused by any such wrongful act and neglect, the legal representatives of the deceased shall have such action therefor, and may recover not exceeding $5,000 damages therein, for the benefit of the widow of the deceased, if there be one, and if there be no widow, then for the benefit of the next of kin of the deceased. But no action under the provisions of this section shall be sustained which is not commenced within one year after the cause of action has accrued.

(R.S. §1981.)

CODIFICATION


Section was formerly classified to section 48 of Title 8, Aliens and Nationality.

§ 1987. Prosecution of violation of certain laws

The United States attorneys, marshals, and deputy marshals, the United States magistrates and judges appointed by the district and territorial courts, with power to arrest, imprison, or bail offenders, and every other officer who is especially empowered by the President, are authorized and required, at the expense of the United States, to institute prosecutions against all persons violating any of the provisions of section 1990 of this title or of sections 5506 to 5516 and 5518 to 5532 of the Revised Statutes, and to cause such persons to be arrested, and imprisoned or bailed, for trial before the court of the United States or the territorial court having cognizance of the offense.


REFERENCES IN TEXT

Sections 5506 to 5510, 5516 to 5519 and 5524 to 5535 of the Revised Statutes, referred to in text, were repealed by act Mar. 4, 1909, ch. 221, §8, 35 Stat. 1199 and 1202, and reenacted as sections 5506, 5511 to 5515, and 5520 to 5523, also referred to in text, were repealed by act Feb. 8, 1894, ch. 25, §1, 28 Stat. 37. The provisions of sections 5508, 5510, 5516, 5518 and 5524 to 5532 of the Revised Statutes were reenacted by act Mar. 4, 1909, and classified to sections 51, 52, 54 to 59, 246, 428 and 443 to 445 of former Title 18, Criminal Code and Criminal Procedure. Those sections were repealed and reenacted as sections 241, 242, 372, 592, 593, 752, 1071, 1581, 1583 and 1588 of Title 18, Crimes and Criminal Procedure, in the general revision of Title 18 by act June 25, 1948, ch. 645, 62 Stat. 683.

CODIFICATION

R.S. §§1982 derived from acts Apr. 9, 1866, ch. 31, §4, 14 Stat. 26; May 31, 1870, Ch. 114, §9, 16 Stat. 142.

Section was formerly classified to section 49 of Title 8, Aliens and Nationality.

CHANGE OF NAME

Act June 25, 1948, eff. Sept. 1, 1948, substituted “United States attorneys” for “district attorneys”. See section 541 of Title 28, Judiciary and Judicial Procedure, and Historical and Revision Notes thereunder.

§ 1988. Proceedings in vindication of civil rights

(a) Applicability of statutory and common law

The jurisdiction in civil and criminal matters conferred on the district courts by the provisions of titles 13, 24, and 70 of the Revised Statutes for the protection of all persons in the United States in their civil rights, and for their vindication, shall be exercised and enforced in conformity with the laws of the United States, so far as such laws are suitable to carry the same into effect; but in all cases where they are not adapted to the object, or are deficient in the provisions necessary to furnish suitable remedies and punish offenses against law, the common law, as modified and changed by the constitution and statutes of the State wherein the court having jurisdiction of such civil or criminal cause is held, so far as the same is not inconsistent with the Constitution and laws of the United States, shall be extended to and govern the said courts in the trial and disposition of the cause, and, if it is of a criminal nature, in the infliction of punishment on the party found guilty.

(b) Attorney's fees

In any action or proceeding to enforce a provision of sections 1981, 1981a, 1982, 1983, 1985, and 1986 of this title, title IX of Public Law 92–318 [20 U.S.C. 1681 et seq.], the Religious Freedom Restoration Act of 1993 [42 U.S.C. 2000bb et seq.], the Religious Land Use and Institutionalized Persons Act of 2000 [42 U.S.C. 2000cc et seq.], title VI of the Civil Rights Act of 1964 [42 U.S.C. 2000d et seq.], or section 12361 of title 34, the court, in its discretion, may allow the prevailing party, other than the United States, a reasonable attorney's fee as part of the costs, except that in any action brought against a judicial officer for an act or omission taken in such officer's judicial capacity such officer shall not be held liable for any costs, including attorney's fees, unless such action was clearly in excess of such officer's jurisdiction.

(c) Expert fees

In awarding an attorney's fee under subsection (b) in any action or proceeding to enforce a provision of section 1981 or 1981a of this title, the court, in its discretion, may include expert fees as part of the attorney's fee.


REFERENCES IN TEXT

Title 13 of the Revised Statutes, referred to in subsec. (a), was in the original “this Title” meaning title 13 of the Revised Statutes, consisting of R.S. §§530 to 1093. For complete classification of R.S. §§530 to 1093 to the Code, see Tables.


Title 70 of the Revised Statutes, referred to in subsec. (a), was in the original “Title ‘CRIMES,’” meaning title 70 of the Revised Statutes, consisting of R.S. §§5323 to 5550. For complete classification of R.S. §§5323 to 5550, see Tables.

Title IX of Public Law 92–318, referred to in subsec. (b), is title IX of Pub. L. 92–318, June 23, 1972, 86 Stat. 373, as amended, known as the Patsy Takemoto Mink Equal Opportunity in Education Act, which is classified principally to chapter 38 (§1681 et seq.) of Title 20, Education. For complete classification of title IX to the Code, see Short Title note set out under section 1881 of Title 20 and Tables.


CODIFICATION


Section was formerly classified to section 729 of Title 28 prior to the general revision and enactment of Title 28, Judiciary and Judicial Procedure, by act June 25, 1948, ch. 464, §1, 62 Stat. 869.

AMENDMENTS


1996—Subsec. (b). Pub. L. 104–317 inserted before period at end “, except that in any action brought against a judicial officer for an act or omission taken in such officer’s judicial capacity such officer shall not be held liable for any costs, including attorney’s fees, unless such action was clearly in excess of such officer’s jurisdiction”.

1994—Subsec. (b). Pub. L. 103–322, which directed the amendment of the last sentence of this section by striking “or” after “92–318,” and by inserting “, or section 13981 of this title,” after “1964,” was executed to subsec. (b) of this section by striking “or” after “Act of 1993,” and by inserting “, or section 13981 of this title,” after “1964,” to reflect the probable intent of Congress and amendments by Pub. L. 102–166 and Pub. L. 105–141. See 1993 and 1991 Amendment notes below.


Subsec. (b). Pub. L. 102–166, §§103, 113(a)(1), designated second sentence of existing provisions as subsec. (b) and inserted "1981," after "1981.".


1980—Pub. L. 96–481 struck out "or in any civil action or proceeding; by or on behalf of the United States of America; to enforce, or charging a violation of, a provision of the United States Internal Revenue Code.".

1976—Pub. L. 94–559 authorized the court, in its discretion, to allow a reasonable attorney's fee as part of the prevailing party's costs.

Effective Date of 1991 Amendment

Effective Date of 1980 Amendment
Amendment by Pub. L. 96–481 effective Oct. 1, 1981, and applicable to adversary adjudication as defined in section 561(b)(1)(C) of Title 5, Government Organization and Employees, and to civil actions and adversary adjudications described in section 2412 of Title 28, Judiciary and Judicial Procedure, which are pending on, or commenced on or after Oct. 1, 1981, see section 208 of Pub. L. 96–481, set out as an Effective Date note under section 2412 of Title 28.

Short Title of 1976 Amendment

§ 1989. United States magistrate judges; appointment of persons to execute warrants

The district courts of the United States and the district courts of the Territories, from time to time, shall increase the number of United States magistrate judges, so as to afford a speedy and convenient means for the arrest and examination of persons charged with the crimes referred to in section 1987 of this title; and such magistrate judges are authorized and required to exercise all the powers and duties conferred on them herein with regard to such offenses in like manner as they are authorized by law to exercise with regard to other offenses against the laws of the United States. Said magistrate judges are empowered, within their respective counties, to appoint, in writing, under their hands, one or more suitable persons, from time to time, who shall execute all such warrants or other process as the magistrate judges may issue in the lawful performance of their duties, and the persons so appointed shall have authority to summon and call to their aid the bystanders or posse comitatus of the proper county, or such portion of the land or naval forces of the United States, or of the militia, as may be necessary to the performance of the duty with which they are charged; and such warrants shall run and be executed anywhere in the State or Territory within which they are issued.


Codification
R.S. §§1983 and 1984 derived from acts Apr. 9, 1866, ch. 31, §§4, 5, 14 Stat. 28; May 31, 1870, ch. 114, §§8, 10, 16 Stat. 142. Section was formerly classified to section 53 of Title 8, Aliens and Nationality.

Change of Name

§ 1990. Marshal to obey precepts; refusing to receive or execute process

Every marshal and deputy marshal shall obey and execute all warrants or other process, when directed to him, issued under the provisions of section 1989 of this title. Every marshal and deputy marshal who refuses to receive any warrant or other process when tendered to him, issued in pursuance of the provisions of this section, or refuses or neglects to use all proper means diligently to execute the same, shall be liable to a fine in the sum of $1,000, for the benefit of the party aggrieved thereby.

(R.S. §§1985, 5517.)

Codification
R.S. §5517 derived from act May 31, 1870, ch. 114, §10, 16 Stat. 142.

Section was formerly classified to section 51 of Title 8, Aliens and Nationality.

§ 1991. Fees; persons appointed to execute process

Every person appointed to execute process under section 1989 of this title shall be entitled to a fee of $5 for each party he may arrest and take before any United States magistrate judge, with such other fees as may be deemed reasonable by the magistrate judge for any additional services necessarily performed by him, such as attending at the examination, keeping the prisoner in custody, and providing him with food and lodging during his detention, and until the final determination of the magistrate judge; such fees to be made up in conformity with the fees usually charged by the officers of the courts of justice within the proper district or county, as near as may be practicable, and paid out of the Treasury of the United States on the certificate of the judge of the district within which the arrest is made, and to be recoverable from the defendant as part of the judgment in case of conviction.


Codification
R.S. §1987 derived from acts Apr. 9, 1866, ch. 31, §7, 14 Stat. 28; May 31, 1870, ch. 114, §12, 16 Stat. 143.

Section was formerly classified to section 53 of Title 8, Aliens and Nationality.

Change of Name
"United States magistrate judge" and "magistrate judge" substituted in text for "magistrate" wherever appearing pursuant to section 321 of Pub. L. 101–650, set out as a note under section 631 of Title 28, Judiciary and Judicial Procedure. Previously, "magistrate" sub-
§ 1992. Speedy trial

Whenever the President has reason to believe that offenses have been, or are likely to be committed against the provisions of section 1990 of this title or of section 5506 to 5516 and 5518 to 5532 of the Revised Statutes, within any judicial district, it shall be lawful for him, in his discretion, to direct the judge, marshal, and United States attorney of such district to attend at such place within the district, and for such time as he may designate, for the purpose of the more speedy arrest and trial of persons so charged, and it shall be the duty of every judge or other officer, when any such requisition is received by him to attend at the place and for the time therein designated.

(R.S. §1988; June 25, 1948, ch. 646, §1, 62 Stat. 909.)

REFERENCES IN TEXT

Sections 5506 to 5510, 5516 to 5519 and 5524 to 5535 of the Revised Statutes, referred to in text, were repealed by act Mar. 4, 1909, ch. 721, §341, 35 Stat. 1153; section 5506, 5511 to 5515, and 5520 to 5523, also referred to in text, were repealed by act Feb. 8, 1894, ch. 25, §1, 28 Stat. 37. The provisions of sections 5508, 5510, 5516, 5518 and 5524 to 5532 of the Revised Statutes were reenacted by act Mar. 4, 1909, and classified to sections 51, 52, 54 to 59, 246, 428 and 443 to 445 of former Title 18, Criminal Code and Criminal Procedure. Those sections were repealed and reenacted as sections 241, 242, 372, 592, 593, 752, 1071, 1581, 1583 and 1588 of Title 18, Crimes and Criminal Procedure, in the general revision of Title 18 by act June 25, 1948, ch. 645, 62 Stat. 683.

CODIFICATION

R.S. §1988 derived from act Apr. 9, 1866, ch. 31, §8, 14 Stat. 29.
Section was formerly classified to section 54 of Title 8, Aliens and Nationality.

CHANGE OF NAME

Act June 25, 1948, effective Sept. 1, 1948, substituted “United States attorney” for “district attorney”. See section 541 of Title 28, Judiciary and Judicial Procedure, and Historical and Revision Notes thereunder.


Section, R.S. §1989, authorized President to employ land or naval forces to aid in execution of judicial process issued under sections 1861 to 1863 or 1865 to 1892 of this title, or to prevent violation and enforce due execution of sections 1861 to 1885 and 1895 to 1904 of this title. See section 232 of Title 10, Armed Forces.

§ 1994. Peonage abolished

The holding of any person to service or labor under the system known as peonage is abolished and forever prohibited in any Territory or State of the United States; and all acts, laws, resolutions, orders, regulations, or usages of any Territory or State, which have heretofore established, maintained, or enforced, or by virtue of which any attempt shall hereafter be made to establish, maintain, or enforce, directly or indirectly, the voluntary or involuntary service or labor of any persons as peons, in liquidation of any debt or obligation, or otherwise, are declared null and void.

(R.S. §1990.)

CODIFICATION

Section was formerly classified to section 56 of Title 8, Aliens and Nationality.

§ 1995. Criminal contempt proceedings; penalties; trial by jury

In all cases of criminal contempt arising under the provisions of this Act, the accused, upon conviction, shall be punished by fine or imprisonment or both: Provided however, That in case the accused is a natural person the fine to be paid shall not exceed the sum of $1,000, nor shall imprisonment exceed the term of six months: Provided further, That in any such proceeding for criminal contempt, at the discretion of the judge, the accused may be tried with or without a jury: Provided further, however, That in the event such proceeding for criminal contempt be tried before a judge without a jury and the sentence of the court upon conviction is a fine in excess of the sum of $300 or imprisonment in excess of forty-five days, the accused in said proceeding, upon demand therefore, shall be entitled to a trial de novo before a jury, which shall conform as near as may be to the practice in other criminal cases.

This section shall not apply to contempt committed in the presence of the court or near thereto as to interfere directly with the administration of justice nor to the misbehavior, misconduct, or disobedience, of any officer of the court in respect to the writs, orders, or process of the court.

Nor shall anything herein or in any other provision of law be construed to deprive courts of their power, by civil contempt proceedings, without a jury, to secure compliance with or to prevent obstruction of, as distinguished from punishment for violations of, any lawful writ, process, order, rule, decree, or command of the court in accordance with the prevailing usages of law and equity, including the power of detention.


REFERENCES IN TEXT

This Act, referred to in text, is Pub. L. 85–315, Sept. 9, 1957, 71 Stat. 634, known as the Civil Rights Act of 1957. For complete classification of this Act to the Code, see Tables.

§ 1996. Protection and preservation of traditional religions of Native Americans

On and after August 11, 1978, it shall be the policy of the United States to protect and preserve for American Indians their inherent right of freedom to believe, express, and exercise the traditional religions of the American Indian, Eskimo, Aleut, and Native Hawaiians, including but not limited to access to sites, use and possession of sacred objects, and the freedom to worship through ceremonial and traditional rites.

(Pub. L. 95–341, §1, Aug. 11, 1978, 92 Stat. 469.)

SHORT TITLE OF 1994 AMENDMENT

may be cited as the "American Indian Religious Freedom Act Amendments of 1994."

SHORT TITLE
Pub. L. 95–341, as amended, which enacted this section, section 1996a of this title, and a provision set out as a note under this section, is popularly known as the American Indian Religious Freedom Act.

FEDERAL IMPLEMENTATION OF PROTECTIVE AND PRESERVATION FUNCTIONS RELATING TO NATIVE AMERICAN RELIGIOUS CULTURAL RIGHTS AND PRACTICES; PRESIDENTIAL REPORT TO CONGRESS
Pub. L. 95–341, § 2, Aug. 11, 1978, 92 Stat. 470, provided that the President direct the various Federal departments, agencies, and other instrumentalities responsible for administering relevant laws to evaluate their policies and procedures in consultation with native traditional religious leaders to determine changes necessary to preserve Native American religious cultural rights and practices and report to the Congress 12 months after Aug. 11, 1978.

EX. ORD. NO. 13007. INDIAN SACRED SITES
Ex. Ord. No. 13007, May 24, 1996, 61 F.R. 26771, provided:

By the authority vested in me as President by the Constitution and the laws of the United States, in furtherance of Federal treaties, and in order to protect and preserve Indian religious practices, it is hereby ordered:

SECTION 1. Accommodation of Sacred Sites. (a) In managing Federal lands, each executive branch agency with statutory or administrative responsibility for the management of Federal lands shall, to the extent practicable, permitted by law, and not clearly inconsistent with essential agency functions, (1) accommodate access to and ceremonial use of Indian sacred sites by Indian religious practitioners and (2) avoid adversely affecting the physical integrity of such sacred sites. Where appropriate, agencies shall maintain the confidentiality of sacred sites.

(b) For purposes of this order:

(i) "Federal lands" means any land or interests in land owned by the United States, except Indian trust lands;

(ii) "Indian tribe" means an Indian or Alaska Native tribe, band, nation, pueblo, village, or community that the Secretary of the Interior acknowledges to exist as an Indian tribe pursuant to Public Law No. 103–454, 108 Stat. 4791 [see 25 U.S.C. 5130, 5131], and "Indian" refers to a member of such an Indian tribe; and

(iii) "Sacred site" means any specific, discrete, narrowly delineated location on Federal land that is identified by an Indian tribe, or Indian individual determined to be an appropriately authoritative representative of an Indian religion, as sacred by virtue of its established religious significance to, or ceremonial use by, an Indian religion; provided that the tribe or appropriately authoritative representative of an Indian religion has informed the agency of the existence of such a site.

SEC. 2. Procedures. (a) Each executive branch agency with statutory or administrative responsibility for the management of Federal lands shall, as appropriate, promptly implement procedures for the purposes of carrying out the provisions of section 1 of this order, including, where practicable and appropriate, procedures to ensure reasonable notice is provided of proposed actions or land management policies that may restrict future access to or ceremonial use of, or adversely affect the physical integrity of, sacred sites. In all actions pursuant to this section, agencies shall comply with the Executive memorandum of April 29, 1994, "Government-to-Government Relations with Native American Tribal Governments" [25 U.S.C. 5301 note].

(b) Within 1 year of the effective date of this order, the head of each executive branch agency with statutory or administrative responsibility for the management of Federal lands shall report to the President, through the Assistant to the President for Domestic Policy, on the implementation of this order. Such a report shall address, among other things, (i) any changes necessary to accommodate access to and ceremonial use of Indian sacred sites; (ii) any changes necessary to avoid adversely affecting the physical integrity of Indian sacred sites; and (iii) procedures implemented or proposed to facilitate consultation with appropriate Indian tribes and religious leaders and the expeditious resolution of disputes relating to agency action on Federal lands that may adversely affect access to, ceremonial use of, or the physical integrity of sacred sites.

Sic. 3. Nothing in this order shall be construed to require a taking of vested property interests. Nor shall this order be construed to impair enforceable rights to use of Federal lands that have been granted to third parties through final agency action. For purposes of this order, "agency action" has the same meaning as in the Administrative Procedure Act (5 U.S.C. 551(13)).

Sic. 4. This order is intended only to improve the internal management of the executive branch and is not intended to, nor does it, create any right, benefit, or trust responsibility, substantive or procedural, enforceable at law or equity by any party against the United States, its agencies, officers, or any person.

WILLIAM J. CLINTON.

§ 1996a. Traditional Indian religious use of peyote

(a) Congressional findings and declarations
The Congress finds and declares that—

(1) for many Indian people, the traditional ceremonial use of the peyote cactus as a religious sacrament has for centuries been integral to a way of life, and significant in perpetuating Indian tribes and cultures;

(2) since 1965, this ceremonial use of peyote by Indians has been protected by Federal regulation;

(3) while at least 28 States have enacted laws which are similar to, or are in conformance with, the Federal regulation which protects the ceremonial use of peyote by Indian religious practitioners, 22 States have not done so, and this lack of uniformity has created hardship for Indian people who participate in such religious ceremonies;

(4) the Supreme Court of the United States, in the case of Employment Division v. Smith, 494 U.S. 872 (1990), held that the First Amendment does not protect Indian practitioners who use peyote in Indian religious ceremonies, and also raised uncertainty whether this religious practice would be protected under the compelling State interest standard; and

(5) the lack of adequate and clear legal protection for the religious use of peyote by Indians may serve to stigmatize and marginalize Indian tribes and cultures, and increase the risk that they will be exposed to discriminatory treatment.

(b) Use, possession, or transportation of peyote

(1) Notwithstanding any other provision of law, the use, possession, or transportation of peyote by an Indian for bona fide traditional ceremonial purposes in connection with the practice of a traditional Indian religion is lawful, and shall not be prohibited by the United States or any State. No Indian shall be penalized or discriminated against on the basis of such use, possession or transportation, including, but not
limited to, denial of otherwise applicable benefits under public assistance programs.

(2) This section does not prohibit such reasonable regulation and registration by the Drug Enforcement Administration of those persons who cultivate, harvest, or distribute peyote as may be consistent with the purposes of this section and section 1996 of this title.

(3) This section does not prohibit application of the provisions of section 481.111(a) of Vernon’s Texas Health and Safety Code Annotated, in effect on October 6, 1994, insofar as those provisions pertain to the cultivation, harvest, and distribution of peyote.

(4) Nothing in this section shall prohibit any Federal department or agency, in carrying out its statutory responsibilities and functions, from promulgating regulations establishing reasonable limitations on the use or ingestion of peyote prior to or during the performance of duties by sworn law enforcement officers or personnel directly involved in public transportation or any other safety-sensitive positions where the performance of such duties may be adversely affected by such use or ingestion. Such regulations shall be adopted only after consultation with representatives of traditional Indian religions for which the sacramental use of peyote is integral to their practice. Any regulation promulgated pursuant to this section shall be subject to the balancing test set forth in section 3 of the Religious Freedom Restoration Act (Public Law 103–141; 42 U.S.C. 2000bb–1).

(5) This section shall not be construed as requiring prison authorities to permit, nor shall it be construed to prohibit prison authorities from permitting, access to peyote by Indians while incarcerated within Federal or State prison facilities.

(6) Subject to the provisions of the Religious Freedom Restoration Act (Public Law 103–141; 42 U.S.C. 2000bb–1), this section shall not be construed to prohibit States from enacting or enforcing reasonable traffic safety laws or regulations.

(7) Subject to the provisions of the Religious Freedom Restoration Act (Public Law 103–141; 42 U.S.C. 2000bb–1), this section does not prohibit the Secretary of Defense from promulgating regulations establishing reasonable limitations on the use, possession, transportation, or distribution of peyote to promote military readiness, safety, or compliance with international law or laws of other countries. Such regulations shall be adopted only after consultation with representatives of traditional Indian religions for which the sacramental use of peyote is integral to their practice.

(c) Definitions

For purposes of this section—

(1) the term "Indian" means a member of an Indian tribe;

(2) the term "Indian tribe" means any tribe, band, nation, pueblo, or other organized group or community of Indians, including any Alaska Native village (as defined in, or established pursuant to, the Alaska Native Claims Settlement Act (43 U.S.C. 1601 et seq.)), which is recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians;

(3) the term "Indian religion" means any religion—

(A) which is practiced by Indians, and

(B) the origin and interpretation of which is from within a traditional Indian culture or community; and

(4) the term "State" means any State of the United States, and any political subdivision thereof.

(d) Protection of rights of Indians and Indian tribes

Nothing in this section shall be construed as abrogating, diminishing, or otherwise affecting—

(1) the inherent rights of any Indian tribe;

(2) the rights, express or implicit, of any Indian tribe which exist under treaties, Executive orders, and laws of the United States;

(3) the inherent right of Indians to practice their religions; and

(4) the right of Indians to practice their religions under any Federal or State law.


REFERENCES IN TEXT


The Alaska Native Claims Settlement Act, referred to in subsec. (c)(2), is Pub. L. 92–203, Dec. 18, 1971, 85 Stat. 688, as amended, which is classified generally to chapter 23 (§1601 et seq.) of Title 43, Public Lands. For complete classification of this Act to the Code, see Short Title note set out under section 1601 of Title 43 and Tables.

§1996b. Interethnic adoption

(1) Prohibited conduct

A person or government that is involved in adoption or foster care placements may not—

(A) deny to any individual the opportunity to become an adoptive or a foster parent, on the basis of the race, color, or national origin of the individual, or of the child, involved; or

(B) delay or deny the placement of a child for adoption or into foster care, on the basis of the race, color, or national origin of the adoptive or foster parent, or the child, involved.

(2) Enforcement

Noncompliance with paragraph (1) is deemed a violation of title VI of the Civil Rights Act of 1964 [42 U.S.C. 2000d et seq.].

(3) No effect on the Indian Child Welfare Act of 1978

This subsection shall not be construed to affect the application of the Indian Child Welfare Act of 1978 [25 U.S.C. 1901 et seq.].


REFERENCES IN TEXT

Title VI of the Act is classified generally to subchapter V (§2000d et seq.) of this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 2000a of this title and Tables.


**SUBCHAPTER I–A—INSTITUTIONALIZED PERSONS**

### § 1997. Definitions

As used in this subchapter—

1. The term “institution” means any facility or institution—
   (A) which is owned, operated, or managed by, or provides services on behalf of any State or political subdivision of a State; and
   (B) which is—
      (i) for persons who are mentally ill, disabled, or retarded, or chronically ill or handicapped;
      (ii) a jail, prison, or other correctional facility;
      (iii) a pretrial detention facility;
      (iv) for juveniles—
         (I) held awaiting trial;
         (II) residing in such facility or institution for purposes of receiving care or treatment; or
         (III) residing for any State purpose in such facility or institution (other than a residential facility providing only elementary or secondary education that is not an institution in which reside juveniles who are adjudicated delinquent, in need of supervision, neglected, placed in State custody, mentally ill or disabled, mentally retarded, or chronically ill or handicapped); or
      (v) providing skilled nursing, intermediate or long-term care, or custodial or residential care.

2. Privately owned and operated facilities shall not be deemed “institutions” under this subchapter if—
   (A) the licensing of such facility by the State constitutes the sole nexus between such facility and such State;
   (B) the receipt by such facility, on behalf of persons residing in such facility, of payments under title XVI, XVIII [42 U.S.C. 1381 et seq., 1395 et seq.], or under a State plan approved under title XIX [42 U.S.C. 1396 et seq.], of the Social Security Act, constitutes the sole nexus between such facility and such State; or
   (C) the licensing of such facility by the State, and the receipt by such facility, on behalf of persons residing in such facility, of payments under title XVI, XVIII [42 U.S.C. 1381 et seq., 1395 et seq.], or under a State plan approved under title XIX [42 U.S.C. 1396 et seq.], of the Social Security Act, constitutes the sole nexus between such facility and such State;

3. The term “person” means an individual, a trust or estate, a partnership, an association, or a corporation;

4. The term “State” means any of the several States, the District of Columbia, the Commonwealth of Puerto Rico, or any of the territories and possessions of the United States;

5. The term “legislative days” means any calendar day on which either House of Congress is in session.


### § 1997a. Initiation of civil actions

(a) Discretionary authority of Attorney General; preconditions

Whenever the Attorney General has reasonable cause to believe that any State or political subdivision of a State, official, employee, or agent thereof, or other person acting on behalf of a State or political subdivision of a State is subjecting persons residing in or confined to an institution, as defined in section 1997 of this title, to egregious or flagrant conditions which deprive such persons of any rights, privileges, or immunities, except that such deprivation is pursuant to a pattern or practice of resistance to the full enjoyment of such rights, privileges, or immunities, the Attorney General, for or in the name of the United States, may institute a civil action in any appropriate United States district court against such party for such equitable relief as may be appropriate to insure the minimum corrective measures necessary to insure the full enjoyment of such rights, privileges, or immunities, except that such equitable relief shall be available under this subchapter to persons residing in or confined to an institution as defined in section 1997(1)(B)(ii) of this title only insofar as such persons are subjected to conditions which deprive them of rights, privileges, or immunities secured or protected by the Constitution or laws of the United States. The Attorney General shall personally sign any complaint filed pursuant to this section.


### References in Text

The Social Security Act, referred to in par. (2)(B), (C), is act Aug. 14, 1935, ch. 531, 49 Stat. 620, as amended. Titles XVI, XVIII, and XIX of the Social Security Act are classified generally to subchapters XVI (§1381 et seq.), XVIII (§1395 et seq.), and XIX (§1396 et seq.) of chapter 7 of this title, respectively. For complete classification of this Act to the Code, see section 1305 of this title and Tables.
§ 1997a. Subpoena authority

(a) Authority

The Attorney General, or at the direction of the Attorney General, any officer or employee of the Department of Justice may require by subpoena access to any institution that is the subject of an investigation under this subchapter and to any document, record, material, file, report, memorandum, policy, procedure, investigation, video or audio recording, or quality assurance report relating to any institution that is the subject of an investigation under this subchapter to determine whether there are conditions which deprive persons residing in or confined to the institution of any rights, privileges, or immunities secured or protected by the Constitution or laws of the United States.

(b) Issuance and enforcement of subpoenas

(1) Issuance

Subpoenas issued under this section—

(A) shall bear the signature of the Attorney General or any officer or employee of the Department of Justice as designated by the Attorney General; and

(B) shall be served by any person or class of persons designated by the Attorney General or a designated officer or employee for that purpose.

(2) Enforcement

In the case of contumacy or failure to obey a subpoena issued under this section, the United States district court for the judicial district in which the institution is located may issue an order requiring compliance. Any failure to obey the order of the court may be punished by the court as a contempt of court.

(c) Protection of subpoenaed records and information

Any document, record, material, file, report, memorandum, policy, procedure, investigation, video or audio recording, or quality assurance report or other information obtained under a subpoena issued under this section—

(1) may not be used for any purpose other than to protect the rights, privileges, or immunities secured or protected by the Constitution or laws of the United States of persons who reside, have resided, or will reside in an institution; and

(2) may not be transmitted by or within the Department of Justice for any purpose other than to protect the rights, privileges, or immunities secured or protected by the Constitution or laws of the United States of persons

who reside, have resided, or will reside in an institution; and

(3) shall be redacted, obscured, or otherwise altered if used in any publicly available manner so as to prevent the disclosure of any personally identifiable information.


§ 1997b. Certification requirements; Attorney General to personally sign certification

(a) At the time of the commencement of an action under section 1997a of this title the Attorney General shall certify to the court—

(1) that at least 49 calendar days previously the Attorney General has notified in writing the Governor or chief executive officer and attorney general or chief legal officer of the appropriate State or political subdivision and the director of the institution of—

(A) the alleged conditions which deprive rights, privileges, or immunities secured or protected by the Constitution or laws of the United States and the alleged pattern or practice of resistance to the full enjoyment of such rights, privileges, or immunities;

(B) the supporting facts giving rise to the alleged conditions and pattern or practice, including the dates or time period during which the alleged conditions and pattern or practice of resistance occurred; and

(C) the minimum measures which the Attorney General believes may remedy the alleged conditions and the alleged pattern or practice of resistance;

(2) that the Attorney General has notified in writing the Governor or chief executive officer and attorney general or chief legal officer of the appropriate State or political subdivision and the director of the institution of the Attorney General’s intention to commence an investigation of such institution, that such notice was delivered at least seven days prior to the commencement of such investigation and that between the time of such notice and the commencement of an action under section 1997a of this title—

(A) the Attorney General has made a reasonable good faith effort to consult with the Governor or chief executive officer and attorney general or chief legal officer of the appropriate State or political subdivision and the director of the institution, or their designees, regarding financial, technical, or other assistance which may be available from the United States and which the Attorney General believes may assist in the correction of such conditions and pattern or practice of resistance;

(B) the Attorney General has encouraged the appropriate officials to correct the alleged conditions and pattern or practice of resistance through informal methods of con-
§ 1997c. Intervention in actions

(a) Discretionary authority of Attorney General; preconditions; time period

(1) Whenever an action has been commenced in any court of the United States seeking relief from egregious or flagrant conditions which deprive persons residing in institutions of any rights, privileges, or immunities secured or protected by the Constitution or laws of the United States, the Attorney General, for or in the name of the United States, may intervene in such action upon motion by the Attorney General.

(b) Certification requirements by Attorney General

(1) The Attorney General shall certify to the court in the motion to intervene filed under subsection (a)—

(A) that the Attorney General has notified in writing, at least fifteen days previously, the Governor or chief executive officer, attorney general or chief legal officer of the appropriate State or political subdivision, and the director of the institution of—

(i) the alleged conditions which deprive rights, privileges, or immunities secured or protected by the Constitution or laws of the United States and the alleged pattern or practice of resistance to the full enjoyment of such rights, privileges, or immunities;

(ii) the supporting facts giving rise to the alleged conditions, including the dates and time period during which the alleged conditions and pattern or practice of resistance occurred; and

(iii) to the extent feasible and consistent with the interests of other plaintiffs, the minimum measures which the Attorney General believes may remedy the alleged conditions and the alleged pattern or practice of resistance; and

(b) The Attorney General shall personally sign any certification made pursuant to this section.

(c) Attorney General to personally sign motion to intervene

The Attorney General shall personally sign any motion to intervene made pursuant to this section.

(d) Discretionary award of attorney fees; other award provisions unaffected

In any action in which the United States joins as an intervenor under this section, the court may allow the prevailing party, other than the United States, a reasonable attorney’s fee against the United States as part of the costs.

Prior to amendment, subsec. (b) read as follows: “Any certification made by the Attorney General pursuant to this section shall be personally signed by him.”


1976—Pub. L. 94–329, § 101[(a)], substituted “the Attorney General’s” for “his” in introductory provisions and in subpars. (A) to (C).

A MENDMENTS


AMENDMENTS

Subsec. (b)(2). Pub. L. 104–134, §101(a)(a) [title VIII, §803(c)(1)(B)], amended par. (2) generally. Prior to amendment, par. (2) read as follows: “Any certification made by the Attorney General pursuant to this subsection shall be personally signed by him.”
Subsec. (c). Pub. L. 104–134, §101(a)(a) [title VIII, §803(c)(2)], amended subsec. (c) generally. Prior to amendment, subsec. (c) read as follows: “Any motion to intervene made by the Attorney General pursuant to this section shall be personally signed by him.”

§ 1997d. Prohibition of retaliation

No person reporting conditions which may constitute a violation under this subchapter shall be subjected to retaliation in any manner for so reporting.


§ 1997e. Suits by prisoners

(a) Applicability of administrative remedies

No action shall be brought with respect to prison conditions under section 1983 of this title, or any other Federal law, by a prisoner confined in any jail, prison, or other correctional facility until such administrative remedies as are available are exhausted.

(b) Failure of State to adopt or adhere to administrative grievance procedure

The failure of a State to adopt or adhere to an administrative grievance procedure shall not constitute the basis for an action under section 1983 of this title.

(c) Dismissal

(1) The court shall on its own motion or on the motion of a party dismiss any action brought with respect to prison conditions under section 1983 of this title, or any other Federal law, by a prisoner confined in any jail, prison, or other correctional facility if the court is satisfied that the action is frivolous, malicious, fails to state a claim upon which relief can be granted, or seeks monetary relief from a defendant who is immune from such relief.

(2) In the event that a claim is, on its face, frivolous, malicious, fails to state a claim upon which relief can be granted, or seeks monetary relief from a defendant who is immune from such relief, the court may dismiss the underlying claim without first requiring the exhaustion of administrative remedies.

(d) Attorney’s fees

(1) In any action brought by a prisoner who is confined to any jail, prison, or other correctional facility, in which attorney’s fees are authorized under section 1988 of this title, such fees shall not be awarded, except to the extent that—

(A) the fee was directly and reasonably incurred in enforcing the relief ordered for the violation;

(ii) the fee was directly and reasonably incurred in enforcing the relief ordered for the violation.

(2) Whenever a monetary judgment is awarded in an action described in paragraph (1), a portion of the judgment (not to exceed 25 percent) shall be applied to satisfy the amount of attorney’s fees awarded against the defendant. If the award of attorney’s fees is not greater than 150 percent of the judgment, the excess shall be paid by the defendant.

(3) No award of attorney’s fees in an action described in paragraph (1) shall be based on an hourly rate greater than 150 percent of the hourly rate established under section 3006A of title 18 for payment of court-appointed counsel.

(4) Nothing in this subsection shall prohibit a prisoner from entering into an agreement to pay an attorney’s fee in an amount greater than the amount authorized under this subsection, if the fee is paid by the individual rather than by the defendant pursuant to section 1988 of this title.

(e) Limitation on recovery

No Federal civil action may be brought by a prisoner confined in a jail, prison, or other correctional facility, for mental or emotional injury suffered while in custody without a prior showing of physical injury or the commission of a sexual act (as defined in section 2246 of title 18).

(f) Hearings

(1) To the extent practicable, in any action brought with respect to prison conditions in Federal court pursuant to section 1983 of this title, or any other Federal law, by a prisoner confined in any jail, prison, or other correctional facility, pretrial proceedings in which the prisoner’s participation is required or permitted shall be conducted by telephone, video conference, or other telecommunications technology without removing the prisoner from the facility in which the prisoner is confined.

(2) Subject to the agreement of the official of the Federal, State, or local unit of government with custody over the prisoner, hearings may be conducted at the facility in which the prisoner is confined. To the extent practicable, the court shall allow counsel to participate by telephone, video conference, or other communications technology in any hearing held at the facility.

(g) Waiver of reply

(1) Any defendant may waive the right to reply to any action brought by a prisoner confined in any jail, prison, or other correctional facility under section 1983 of this title or any other Federal law. Notwithstanding any other law or rule of procedure, such waiver shall not constitute an admission of the allegations contained in the complaint. No relief shall be granted to the plaintiff unless a reply has been filed.

(2) The court may require any defendant to reply to a complaint brought under this section if it finds that the plaintiff has a reasonable opportunity to prevail on the merits.

(h) “Prisoner” defined

As used in this section, the term “prisoner” means any person incarcerated or detained in any facility who is accused of, convicted of, sen-
Counterterrorism Appropriations and Nondisclosure of Information in Actions Brought by Prisoners

References in text


Amendments

2013—Subsec. (e). Pub. L. 113–4 inserted "or the commission of a sexual act (as defined in section 2246 of title 18)" before period at end.

1996—Pub. L. 104–134 amended section generally, substituting provisions relating to suits by prisoners, consisting of subsec. (a) to (b), for former provisions relating to exhaustion of remedies, consisting of subsecs. (a) to (d).

1994—Subsec. (a). Pub. L. 103–322, § 20416(a)(1), substituted "exceed 180 days" for "exceed ninety days" in par. (1) and inserted before period at end of par. (2) "or are otherwise fair and effective".

Subsec. (c). Pub. L. 103–322, § 20416(a)(2), inserted "or are otherwise fair and effective" before period at end of par. (1) and "or is no longer fair and effective" before period at end of par. (2).

Effective date of 1994 amendment

Pub. L. 101–322, title II, § 20416(b), Sept. 13, 1994, 108 Stat. 1844, provided that: "The amendments made by subsection (a) [amending this section] shall take effect on the date of enactment of this Act [Sept. 13, 1994]."

Nondisclosure of Information in Actions Brought by Prisoners

Pub. L. 105–277, div. A, § 101(b) [title I, § 127], Oct. 21, 1998, 112 Stat. 2681–50, 2681–74, provided that: "Notwithstanding any other provision of law, in any action brought by a prisoner under section 1997h of this title, the financial records of a person employed or formerly employed by the Federal, State, or local government in connection with the incarceration or reentry of that prisoner—

(1) the financial records of a person employed or formerly employed by the Federal, State, or local government in connection with the incarceration or reentry of that prisoner—

(2) a detailed explanation of the procedures followed during the period of incarceration of that prisoner—

(3) an analysis of the impact of actions instituted pursuant to this subchapter including the history of, precise reasons for, and procedures followed in initiation or intervention in each case in which action was commenced;

(4) a detailed explanation of the procedures by which the Department has received, reviewed, and evaluated petitions or complaints regarding conditions in institutions;

(5) the financial records of a person employed or formerly employed by the Federal, State, or local government in connection with the incarceration or reentry of that prisoner—

(2) a detailed explanation of the procedures followed during the period of incarceration of that prisoner—

(3) an analysis of the impact of actions instituted pursuant to this subchapter including the history of, precise reasons for, and procedures followed in initiation or intervention in each case in which action was commenced;

(4) a detailed explanation of the procedures by which the Department has received, reviewed, and evaluated petitions or complaints regarding conditions in institutions;

(5) the financial records of a person employed or formerly employed by the Federal, State, or local government in connection with the incarceration or reentry of that prisoner—

(2) a detailed explanation of the procedures followed during the period of incarceration of that prisoner—

(3) an analysis of the impact of actions instituted pursuant to this subchapter including the history of, precise reasons for, and procedures followed in initiation or intervention in each case in which action was commenced;

(4) a detailed explanation of the procedures by which the Department has received, reviewed, and evaluated petitions or complaints regarding conditions in institutions; and

(5) the financial records of a person employed or formerly employed by the Federal, State, or local government in connection with the incarceration or reentry of that prisoner—

(2) a detailed explanation of the procedures followed during the period of incarceration of that prisoner—

(3) an analysis of the impact of actions instituted pursuant to this subchapter including the history of, precise reasons for, and procedures followed in initiation or intervention in each case in which action was commenced; and

(4) a detailed explanation of the procedures by which the Department has received, reviewed, and evaluated petitions or complaints regarding conditions in institutions.


Priorities for use of funds

It is the intent of Congress that deplorable conditions in institutions covered by this subchapter amounting to deprivations of rights protected by the Constitution or laws of the United States be corrected, not only by litigation as contemplated in this subchapter, but also by the voluntary good faith efforts of agencies of Federal, State, and local governments. It is the further intention of Congress that where Federal funds are available for use in improving such institutions, priority should be given to the correction or elimination of such unconstitutional or illegal conditions which may exist. It is not the intent of this provision to require the redirection of funds from one program to another or from one State to another.


section 1997a of this title or of the notification of an intention to file a motion to intervene under section 1997c of this title, and if the relevant institution receives Federal financial assistance from the Department of Health and Human Services or the Department of Education, the Attorney General shall notify the appropriate Secretary of the action and the reasons for such action and shall consult with such officials. Following such consultation, the Attorney General may proceed with an action under this subchapter if the Attorney General is satisfied that such action is consistent with the policies and goals of the executive branch.


AMENDMENTS
1996—Pub. L. 104–134 substituted “the action” for “his action” and “the Attorney General is satisfied” for “he is satisfied”.

§1997i. Disclaimer respecting standards of care

Provisions of this subchapter shall not authorize promulgation of regulations defining standards of care.


§1997j. Disclaimer respecting private litigation

The provisions of this subchapter shall in no way expand or restrict the authority of parties other than the United States to enforce the legal rights which they may have pursuant to existing law with regard to institutionalized persons. In this regard, the fact that the Attorney General may be conducting an investigation or contemplating litigation pursuant to this subchapter shall not be grounds for delay of or prejudice to any litigation on behalf of parties other than the United States.


SUBCHAPTER II—PUBLIC ACCOMMODATIONS

§2000a. Prohibition against discrimination or segregation in places of public accommodation

(a) Equal access

All persons shall be entitled to the full and equal enjoyment of the goods, services, facilities, privileges, advantages, and accommodations of any place of public accommodation, as defined in this section, without discrimination or segregation on the ground of race, color, religion, or national origin.

(b) Establishments affecting interstate commerce or supported in their activities by State action as places of public accommodation; lodgings; facilities principally engaged in selling food for consumption on the premises; gasoline stations; places of exhibition or entertainment; other covered establishments

Each of the following establishments which serves the public is a place of public accommoda-

dation within the meaning of this subchapter if its operations affect commerce, or if discrimination or segregation by it is supported by State action:

(1) any inn, hotel, motel, or other establishment which provides lodging to transient guests, other than an establishment located within a building which contains not more than five rooms for rent or hire and which is actually occupied by the proprietor of such establishment as his residence;
(2) any restaurant, cafeteria, lunchroom, lunch counter, soda fountain, or other facility principally engaged in selling food for consumption on the premises, including, but not limited to, any such facility located on the premises of any retail establishment; or any gasoline station;
(3) any motion picture house, theater, concert hall, sports arena, stadium or other place of exhibition or entertainment; and
(4) any establishment (A)(i) which is physically located within the premises of any establishment otherwise covered by this subsection, or (ii) within the premises of which is physically located any such covered establishment, and (B) which holds itself out as serving patrons of such covered establishment.

(c) Operations affecting commerce; criteria; “commerce” defined

The operations of an establishment affect commerce within the meaning of this subchapter if (1) it is one of the establishments described in paragraph (1) of subsection (b); (2) in the case of an establishment described in paragraph (2) of subsection (b), it serves or offers to serve interstate travelers of a substantial portion of the food which it serves, or gasoline or other products which it sells, has moved in commerce; (3) in the case of an establishment described in paragraph (3) of subsection (b), it customarily presents films, performances, athletic teams, exhibitions, or other sources of entertainment which move in commerce; and (4) in the case of an establishment described in paragraph (4) of subsection (b), it is physically located within the premises of, or there is physically located within its premises, an establishment the operations of which affect commerce within the meaning of this subsection. For purposes of this section, “commerce” means travel, trade, traffic, commerce, transportation, or communication among the several States, or between the District of Columbia and any State, or between any foreign country or any territory or possession and any State or the District of Columbia, or between points in the same State but through any other State or the District of Columbia or a foreign country.

(d) Support by State action

Discrimination or segregation by an establishment is supported by State action within the meaning of this subchapter if such discrimination or segregation (1) is carried on under color of any law, statute, ordinance, or regulation; or (2) is carried on under color of any custom or usage required or enforced by officials of the State or political subdivision thereof; or (3) is required by action of the State or political subdivision thereof.
(e) Private establishments

The provisions of this subchapter shall not apply to a private club or other establishment not in fact open to the public, except to the extent that the facilities of such establishment are made available to the customers or patrons of an establishment within the scope of subsection (b).


§ 2000a–1. Prohibition against discrimination or segregation required by any law, statute, ordinance, regulation, rule or order of a State or State agency

All persons shall be entitled to be free, at any establishment or place, from discrimination or segregation of any kind on the ground of race, color, religion, or national origin, if such discrimination or segregation is or purports to be required by any law, statute, ordinance, regulation, rule, or order of a State or any agency or political subdivision thereof.


§ 2000a–2. Prohibition against deprivation of, interference with, and punishment for exercising rights and privileges secured by section 2000a or 2000a–1 of this title

No person shall (a) withhold, deny, or attempt to withhold or deny, or deprive or attempt to deprive any person of any right or privilege secured by section 2000a or 2000a–1 of this title, or (b) intimidate, threaten, coerce, or attempt to intimidate, threaten, or coerce any person with the purpose of interfering with any right or privilege secured by section 2000a or 2000a–1 of this title.


§ 2000a–3. Civil actions for injunctive relief

(a) Persons aggrieved; intervention by Attorney General; legal representation; commencement of action without payment of fees, costs, or security

Whenever any person has engaged or there are reasonable grounds to believe that any person is about to engage in any act or practice prohibited by section 2000a–2 of this title, a civil action for preventive relief, including an application for a permanent or temporary injunction, restraining order, or other order, may be instituted by the person aggrieved and, upon timely application, the court may, in its discretion, permit the Attorney General to intervene in such civil action if he certifies that the case is of general public importance. Upon application by the complainant and in such circumstances as the court may deem just, the court may appoint an attorney for such complainant and may authorize the commencement of the civil action without the payment of fees, costs, or security.

(b) Attorney's fees; liability of United States for costs

In any action commenced pursuant to this subchapter, the court, in its discretion, may allow the prevailing party, other than the United States, a reasonable attorney's fee as part of the costs, and the United States shall be liable for costs the same as a private person.

(c) State or local enforcement proceedings; notification of State or local authority; stay of Federal proceedings

In the case of an alleged act or practice prohibited by this subchapter which occurs in a State, or political subdivision of a State, which has a State or local law prohibiting such act or practice and establishing or authorizing a State or local authority to grant or seek relief from such practice or to institute criminal proceedings with respect thereto upon receiving notice thereof, no civil action may be brought under subsection (a) before the expiration of thirty days after written notice of such alleged act or practice has been given to the appropriate State or local authority by registered mail or in person, provided that the court may stay proceedings in such civil action pending the termination of State or local enforcement proceedings.

(d) References to Community Relations Service to obtain voluntary compliance; duration of reference; extension of period

In the case of an alleged act or practice prohibited by this subchapter which occurs in a State, or political subdivision of a State, which has no State or local law prohibiting such act or practice, a civil action may be brought under subsection (a): Provided, That the court may refer the matter to the Community Relations Service.
§ 2000a–4. Community Relations Service; investigations and hearings; executive session; release of testimony; duty to bring about voluntary settlements

The Service is authorized to make a full investigation of any complaint referred to it by the court under section 2000a–3(d) of this title and may hold such hearings with respect thereto as may be necessary. The Service shall conduct any hearings with respect to any such complaint in executive session, and shall not release any testimony given therein except by agreement of all parties involved in the complaint with the permission of the court, and the Service shall endeavor to bring about a voluntary settlement between the parties.


§ 2000a–5. Civil actions by the Attorney General

(a) Complaint

Whenever the Attorney General has reasonable cause to believe that any person or group of persons is engaged in a pattern or practice of resistance to the full enjoyment of any of the rights secured by this subchapter, and that the pattern or practice is of such a nature and is intended to deny the full exercise of the rights herein described, the Attorney General may bring a civil action in the appropriate district court of the United States by filing with it a complaint (1) signed by him (or in his absence the Acting Attorney General), (2) setting forth facts pertaining to such pattern or practice, and (3) requesting such preventive relief, including an application for a permanent or temporary injunction, restraining order or other order against the person or persons responsible for such pattern or practice, as he deems necessary to insure the full enjoyment of the rights herein described.

(b) Three-judge district court for cases of general public importance: hearing, determination, expedition of action, review by Supreme Court; single judge district court: hearing, determination, expedition of action

In any such proceeding the Attorney General may file with the clerk of such court a request that a court of three judges be convened to hear and determine the case. Such request by the Attorney General shall be accompanied by a certificate that, in his opinion, the case is of general public importance. A copy of the certificate and request for a three-judge court shall be immediately furnished by such clerk to the chief judge of the circuit (or in his absence, the presiding circuit judge of the circuit) in which the proceeding was instituted, to hear and determine such case, and it shall be the duty of the judges so designated to assign the case for hearing at the earliest practicable date, to participate in the hearing and determination thereof, and to cause the case to be in every way expedited. An appeal from the final judgment of such court will lie to the Supreme Court.

In the event the Attorney General fails to file such a request in any such proceeding, it shall be the duty of the chief judge of the district (or in his absence, the acting chief judge) in which the case is pending immediately to designate a judge in such district to hear and determine the case. In the event that no judge in the district is available to hear and determine the case, the chief judge of the district, or the acting chief judge, as the case may be, shall certify this fact to the chief judge of the circuit (or in his absence, the acting chief judge) who shall then designate a district or circuit judge of the circuit to hear and determine the case.

It shall be the duty of the judge designated pursuant to this section to assign the case for hearing at the earliest practicable date and to cause the case to be in every way expedited.


§ 2000a–6. Jurisdiction; exhaustion of other remedies; exclusiveness of remedies; assertion of rights based on other Federal or State laws and pursuit of remedies for enforcement of such rights

(a) The district courts of the United States shall have jurisdiction of proceedings instituted pursuant to this subchapter and shall exercise the same without regard to whether the aggrieved party shall have exhausted any administrative or other remedies that may be provided by law.

(b) The remedies provided in this subchapter shall be the exclusive means of enforcing the rights based on this subchapter, but nothing in this subchapter shall preclude any individual or any State or local agency from asserting any right based on any other Federal or State law not inconsistent with this subchapter, including any statute or ordinance requiring nondiscrimination in public establishments or accommodations, or from pursuing any remedy, civil or criminal, which may be available for the vindication or enforcement of such right.

§ 2000b. Civil actions by the Attorney General

(a) Complaint; certification; institution of civil action; relief requested; jurisdiction; impleading additional parties as defendants

Whenever the Attorney General receives a complaint in writing signed by an individual to the effect that he is being deprived of or threatened with the loss of his right to the equal protection of the laws, on account of his race, color, religion, or national origin, by being denied equal utilization of any public facility which is owned, operated, or managed by or on behalf of any State or subdivision thereof, other than a public school or public college as defined in section 2000c of this title, and the Attorney General believes the complaint is meritorious and certifies that the signer or signers of such complaint are unable, in his judgment, to initiate and maintain appropriate legal proceedings for relief and that the institution of an action will materially further the orderly progress of desegregation in public facilities, the Attorney General is authorized to institute for or in the name of the United States a civil action in any appropriate district court of the United States a civil action in any appropriate district court of the United States. The Attorney General may implead as defendants such additional parties as are or become necessary to the grant of effective relief hereunder.

(b) Persons unable to initiate and maintain legal proceedings

The Attorney General may deem a person or persons unable to initiate and maintain appropriate legal proceedings within the meaning of subsection (a) of this section when such person or persons are unable, either directly or through other interested persons or organizations, to bear the expense of the litigation or to obtain effective legal representation; or whenever he is satisfied that the institution of such litigation would jeopardize the personal safety, employment, or economic standing of such person or persons, their families, or their property.


§ 2000b–1. Liability of United States for costs and attorney’s fee

In any action or proceeding under this subchapter the United States shall be liable for costs, including a reasonable attorney’s fee, the same as a private person.


§ 2000b–2. Personal suits for relief against discrimination in public facilities

Nothing in this subchapter shall affect adversely the right of any person to sue for or obtain relief in any court against discrimination in any facility covered by this subchapter.


§ 2000b–3. “Complaint” defined

A complaint as used in this subchapter is a writing or document within the meaning of section 1001, title 18.


SUBCHAPTER IV—PUBLIC EDUCATION

§ 2000c. Definitions

As used in this subchapter—

(a) “Secretary” means the Secretary of Education.

(b) “Desegregation” means the assignment of students to public schools and within such schools without regard to their race, color, religion, sex or national origin, but “desegregation” shall not mean the assignment of students to public schools in order to overcome racial imbalance.

(c) “Public school” means any elementary or secondary educational institution, and “public college” means any institution of higher education or any technical or vocational school above the secondary school level, provided that such public school or public college is operated by a State, subdivision of a State, or governmental agency within a State, or operated wholly or predominantly from or through the use of governmental funds or property, or funds or property derived from a governmental source.

(d) “School board” means any agency or agencies which administer a system of one or more public schools and any other agency which is responsible for the assignment of students to or within such system.


AMENDMENTS


TRANSFER OF FUNCTIONS

“Secretary means the Secretary of Education” substituted for “Commissioner means the Commissioner of Education” in subsec. (a) pursuant to sections 301(a)(1) and 507 of Pub. L. 96–88, which are classified to sections 341(a)(1) and 3507 of Title 20, Education, and which transferred all functions of Commissioner of Education of Department of Health, Education, and Welfare to Secretary of Education.

§ 2000c–1. Omitted

CODIFICATION

Section, Pub. L. 88–352, title IV, §402, July 2, 1964, 78 Stat. 247, authorized the Commissioner to conduct a survey and make a report to the President and the Congress within two years of July, 1964 concerning the availability of educational opportunities for minority group members.

§ 2000c–2. Technical assistance in preparation, adoption, and implementation of plans for desegregation of public schools

The Secretary is authorized, upon the application of any school board, State, municipality,
school district, or other governmental unit legally responsible for operating a public school or schools, to render technical assistance to such applicant in the preparation, adoption, and implementation of plans for the desegregation of public schools. Such technical assistance may, among other activities, include making available to such agencies information regarding effective methods of coping with special educational problems occasioned by desegregation, and making available to such agencies personnel of the Department of Education or other persons specially equipped to advise and assist them in coping with such problems.


**Transfer of Functions**

“Secretary”, meaning the Secretary of Education, and “Department of Education” substituted in text for “Commissioner” and “Office of Education”, respectively, pursuant to sections 301(a)(1), (b)(2) and 507 of Pub. L. 96–88, which are classified to sections 3441(a)(1), (b)(2) and 3507 of Title 20, Education, and which transferred all functions of Commissioner of Education to Secretary of Education and transferred Office of Education to the Department of Education.

**§ 2000c–3. Training institutes; stipends; travel allowances**

The Secretary is authorized to arrange, through grants or contracts, with institutions of higher education for the operation of short-term or regular session institutes for special training designed to improve the ability of teachers, supervisors, counselors, and other elementary or secondary school personnel to deal effectively with special educational problems occasioned by desegregation. Individuals who attend such an institute on a full-time basis may be paid stipends for the period of their attendance at such institute in amounts specified by the Secretary in regulations, including allowances for travel to attend such institute.


**Transfer of Functions**

“Secretary”, meaning the Secretary of Education, substituted in text for “Commissioner” pursuant to sections 301(a)(1) and 507 of Pub. L. 96–88, which are classified to sections 3441(a)(1) and 3507 of Title 20, Education, and which transferred all functions of Commissioner of Education to Secretary of Education.

**§ 2000c–6. Civil actions by the Attorney General**

(a) Complaint; certification; notice to school board or college authority; institution of civil action; relief requested; jurisdiction; transportation of pupils to achieve racial balance; judicial power to insure compliance with constitutional standards; impleading additional parties as defendants

Whenever the Attorney General receives a complaint in writing—

(1) signed by a parent or group of parents to the effect that his or their minor children, as members of a class of persons similarly situated, are being deprived by a school board of the equal protection of the laws, or

(2) signed by an individual, or his parent, to the effect that he has been denied admission to or not permitted to continue in attendance at a public college by reason of race, color, religion, sex or national origin,

and the Attorney General believes the complaint is meritorious and certifies that the signer or signers of such complaint are unable, in his judgment, to initiate and maintain appropriate legal proceedings for relief and that the institution of an action will materially further the orderly achievement of desegregation in public education, the Attorney General is authorized, after giving notice of such complaint to the ap-
propriate school board or college authority and after certifying that he is satisfied that such board or authority has had a reasonable time to adjust the conditions alleged in such complaint, to institute for or in the name of the United States a civil action in any appropriate district court of the United States against such parties and for such relief as may be appropriate, and such court shall have and shall exercise jurisdiction of proceedings instituted pursuant to this section, provided that nothing herein shall empower any official or court of the United States to issue any order seeking to achieve a racial balance in any school by requiring the transportation of pupils or students from one school to another or one school district to another in order to achieve such racial balance, or otherwise enlarge the existing power of the court to insure compliance with constitutional standards. The Attorney General may implead as defendants such additional parties as are or become necessary to the grant of effective relief hereunder.

(b) Persons unable to initiate and maintain legal proceedings

The Attorney General may deem a person or persons unable to initiate and maintain appropriate legal proceedings within the meaning of subsection (a) of this section when such person or persons are unable, either directly or through other interested persons or organizations, to bear the expense of the litigation or to obtain effective legal representation; or whenever he is satisfied that the institution of such litigation would jeopardize the personal safety, employment, or economic standing of such person or persons, their families, or their property.

(c) "Parent" and "complaint" defined

The term "parent" as used in this section includes any person standing in loco parentis. A "complaint" as used in this section is a writing or document within the meaning of section 1001, title 18.


AMENDMENTS

1972—Pub. L. 92–318 inserted "sex" after "religion."

$ 2000c–7. Liability of United States for costs

In any action or proceeding under this subchapter the United States shall be liable for costs the same as a private person.


$ 2000c–8. Personal suits for relief against discrimination in public education

Nothing in this subchapter shall affect adversely the right of any person to sue for or obtain relief in any court against discrimination in public education.


$ 2000c–9. Classification and assignment

Nothing in this subchapter shall prohibit classification and assignment for reasons other than race, color, religion, sex or national origin.


AMENDMENTS

1972—Pub. L. 92–318 inserted "sex" after "religion."

SUBCHAPTER V—FEDERALLY ASSISTED PROGRAMS

$ 2000d. Prohibition against exclusion from participation in, denial of benefits of, and discrimination under federally assisted programs on ground of race, color, or national origin

No person in the United States shall, on the ground of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance.


COORDINATION OF IMPLEMENTATION AND ENFORCEMENT OF PROVISIONS

For provisions relating to the coordination of implementation and enforcement of the provisions of this subchapter by the Attorney General, see section 1–201 of Ex. Ord. No. 12250, Nov. 2, 1980, 45 F.R. 72995, set out as a note under section 2000d–1 of this title.

Ex. Ord. No. 13160. NONDISCRIMINATION ON THE BASIS OF RACE, SEX, COLOR, NATIONAL ORIGIN, DISABILITY, RELIGION, AGE, SEXUAL ORIENTATION, AND STATUS AS A PARENT IN FEDERALLY CONDUCTED EDUCATION AND TRAINING PROGRAMS

Ex. Ord. No. 13160, June 23, 2000, 65 F.R. 39775, provided:

By the authority vested in me as President by the Constitution and the laws of the United States of America, including sections 921–932 of title 20, United States Code; section 2164 of title 10, United States Code; section 2001 et seq., of title 25, United States Code; section 7901 of title 5, United States Code; and section 301 of title 3, United States Code, and to achieve equal opportunity in Federally conducted education and training programs and activities, it is hereby ordered as follows:

SECTION 1. Statement of policy on education programs and activities conducted by executive departments and agencies.

1–101. The Federal Government must hold itself to at least the same principles of nondiscrimination in educational opportunities as it applies to the education programs and activities of State and local governments, and to private institutions receiving Federal financial assistance. Existing laws and regulations prohibit certain forms of discrimination in Federally conducted education and training programs and activities—including discrimination against people with disabilities, prohibited by the Rehabilitation Act of 1973, 29 U.S.C. 721 et seq., as amended, employment discrimination on the basis of race, color, national origin, sex, or religion, prohibited by Title VII of the Civil Rights Act of 1964, 42 U.S.C. 2000e–7 [42 U.S.C. 2000e et seq.], as amended, discrimination on the basis of race, color, national origin, or religion in educational programs receiving Federal assistance, under Title VI of the Civil Rights Acts of 1964, 42 U.S.C. 2000d et seq.,
based discrimination in education programs receiving Federal assistance under Title IX of the Education Amendments of 1972, 20 U.S.C. 1861 et seq. Through this Executive Order, discrimination on the basis of race, sex, color, national origin, disability, religion, age, sexual orientation, and status as a parent will be prohibited in Federally conducted education and training programs and activities.

1–102. No individual, on the basis of race, sex, color, national origin, disability, religion, age, sexual orientation, or status as a parent, shall be excluded from participation in, be denied the benefits of, or be subjected to discrimination in, a Federally conducted education or training program or activity.

2–201. “Federally conducted education and training programs and activities” includes programs and activities conducted, operated, or undertaken by an executive department or agency.

2–202. “Education and training programs and activities” include, but are not limited to, formal schools, extracurricular activities, academic programs, occupational training, scholarships and fellowships, student internships, training for industry members, summer enrichment camps, and teacher training programs.

2–203. The Attorney General is authorized to make a final determination as to whether a program falls within the scope of education and training programs and activities covered by this order, under subsection 2–202, or is excluded from coverage, under section 3.

2–204. “Military education or training programs” are those education and training programs conducted by the Department of Defense or, where the Coast Guard is concerned, the Department of Transportation, for the primary purpose of educating or training members of the armed forces or meeting a statutory requirement to educate or train Federal, State, or local civilian law enforcement officials pursuant to 10 U.S.C. Chapter 18.

2–205. “Armed Forces” means the Armed Forces of the United States.

2–206. “Status as a parent” refers to the status of an individual who, with respect to an individual who is under the age of 18 or who is 18 or older but is incapable of self-care because of a physical or mental disability, is:

(a) a biological parent;
(b) an adoptive parent;
(c) a foster parent;
(d) a stepparent;
(e) a custodian of a legal ward;
(f) in loco parentis over such an individual; or
(g) actively seeking legal custody or adoption of such an individual.

SISC. 3. Exemption from coverage.

3–301. This order does not apply to members of the armed forces, military education or training programs, or authorized intelligence activities. Members of the armed forces, including students at military academies, will continue to be covered by regulations that currently bar specified forms of discrimination that are now enforced by the Department of Defense and the individual service branches. The Department of Defense shall develop procedures to protect the rights of and to provide redress to civilians not otherwise protected by existing Federal law from discrimination on the basis of race, sex, color, national origin, disability, religion, age, sexual orientation, or status as a parent and who participate in military education or training programs or activities conducted by the Department of Defense.

3–302. This order does not apply to, affect, interfere with, or modify the operation of any other lawful affirmative action plan or program.

3–303. An individual shall not be deemed subjected to discrimination by reason of his or her exclusion from the benefits of a program established consistent with Federal law or limited by Federal law to individuals of a particular race, sex, color, disability, national origin, age, religion, sexual orientation, or status as a parent different from his or her own.

3–304. This order does not apply to ceremonial or similar education or training programs or activities of schools conducted by the Department of the Interior, Bureau of Indian Affairs, that are culturally relevant to the children represented in the school. “Culturally relevant” refers to any cultural activity that is fundamental to a tribe’s culture, customs, traditions, heritage, or religion.

3–305. This order does not apply to (a) selections based on national origin for foreign nationals to participate in covered education or training programs, if such programs primarily concern national security or foreign policy matters; or (b) selections or other decisions regarding participation in covered education or training programs made by entities outside the executive branch. It shall be the policy of the executive branch that education or training programs or activities shall not be available to entities that select persons for participation in violation of Federal or State law.

3–306. The prohibition on discrimination on the basis of age provided in this order does not apply to age-based admissions of participants to education or training programs, if such programs have traditionally been age-specific or must be age-limited for reasons related to health or national security.

SISC. 4. Administrative enforcement.

4–401. Any person who believes himself or herself to be aggrieved by a violation of this order or its implementing regulations, rules, policies, or guidance may personally or through a representative, file a written complaint with the agency that such person believes is in violation of this order or its implementing regulations, rules, policies, or guidance. Pursuant to procedures to be established by the Attorney General, each executive department or agency shall conduct an investigation of any complaint by one of its employees alleging a violation of this Executive Order.

4–402. (a) If the office within an executive department or agency that is designated to investigate complaints for violations of this order or its implementing rules, regulations, policies, or guidance concludes that an employee has not complied with this order or any of its implementing rules, regulations, policies, or guidance, such office shall complete a report and refer a copy of the report and any relevant findings or supporting evidence to an appropriate agency official. The appropriate agency official shall review such material and determine what, if any, disciplinary action is appropriate.

(b) In addition, the designated investigating office may provide appropriate agency officials with a recommendation for any corrective and/or remedial action. The appropriate officials shall consider such recommendation and implement corrective and/or remedial action by the agency, when appropriate. Nothing in this order authorizes monetary relief to the complainant as a form of remedial or corrective action by an executive department or agency.

4–403. Any action to discipline an employee who violates this order or its implementing rules, regulations, policies, or guidance, including removal from employment, where appropriate, shall be taken in compliance with otherwise applicable procedures, including the Civil Service Reform Act of 1978, Public Law No. 95–454, §47 Stat. 1111 [see Tables for classification].

SISC. 5. Implementation and Agency Responsibilities.

5–501. The Attorney General shall publish in the Federal Register such rules, regulations, policies, or guidance, as the Attorney General deems appropriate, to be followed by all executive departments and agencies. The Attorney General shall address:

a. which programs and activities fall within the scope of education and training programs and activities covered by this order, under subsection 2–202, or excluded from coverage, under section 3 of this order;

b. examples of discriminatory conduct;

c. applicable legal principles;

d. enforcement procedures with respect to complaints against employees; and

e. remedies;

f. requirements for agency annual and tri-annual reports as set forth in section 6 of this order; and
5-502. Within 90 days of the publication of final rules, regulations, policies, or guidance by the Attorney General, each executive department and agency shall establish a procedure to receive and address complaints regarding its Federally conducted education and training programs and activities. Each executive department and agency shall take all necessary steps to effectuate any subsequent rules, regulations, policies, or guidance issued by the Attorney General within 90 days of issuance.

5-503. The head of each executive department and agency shall be responsible for ensuring compliance within this order.

5-504. Each executive department and agency shall cooperate with the Attorney General and provide such information and assistance as the Attorney General may require in the performance of the Attorney General’s functions under this order.

5-505. Upon request and to the extent practicable, the Attorney General shall provide technical advice and assistance to executive departments and agencies to assist in full compliance with this order.

§ 2000d-5 Reporting Requirements.

5-601. Consistent with the regulations, rules, policies, or guidance issued by the Attorney General, each executive department and agency shall submit to the Attorney General a report that summarizes the number and nature of complaints filed with the agency and the disposition of such complaints. For the first 3 years after the date of this order, such reports shall be submitted annually within 90 days of the end of the previous fiscal year’s activities. Subsequent reports shall be submitted every 3 years and within 90 days of the end of each 3-year period.

§ 2000d–1 Federal authority and financial assistance to programs or activities by way of grant, loan, or contract other than contract of insurance or guaranty; rules and regulations; approval by President; compliance with requirements; reports to Congressional committees; effective date of administrative action

Each Federal department and agency which is empowered to extend Federal financial assistance to any program or activity, by way of grant, loan, or contract other than contract of insurance or guaranty, is authorized and directed to effectuate the provisions of section 2000d of this title with respect to such program or activity by issuing rules, regulations, or or-
orders of general applicability which shall be consistent with achievement of the objectives of the statute authorizing the financial assistance in connection with which the action is taken. No such rule, regulation, or order shall become effective unless and until approved by the President. Compliance with any requirement adopted pursuant to this section may be effected (1) by the termination of or refusal to grant or to continue assistance under such program or activity to any recipient as to whom there has been an express finding on the record, after opportunity for hearing, of a failure to comply with such requirement, but such termination or refusal shall be limited to the particular political entity, or part thereof, or other recipient as to whom such a finding has been made and, shall be limited in its effect to the particular program, or part thereof, in which such noncompliance has been so found, or (2) by any other means authorized by law: Provided, however, That no such action shall be taken until the department or agency concerned has advised the appropriate person or persons of the failure to comply with the requirement and has determined that compliance cannot be secured by voluntary means. In the case of any action terminating, or refusing to grant or continue, assistance because of failure to comply with a requirement imposed pursuant to this section, the head of the Federal department or agency shall file with the committees of the House and Senate having legislative jurisdiction over the program or activity involved a full written report of the circumstances and the grounds for such action. No such action shall become effective until thirty days have elapsed after the filing of such report.


DELEGATION OF FUNCTIONS

Function of the President relating to approval of rules, regulations, and orders of general applicability under this section, delegated to the Attorney General, see section 1–101 of Ex. Ord. No. 12250, Nov. 2, 1980, 45 F.R. 72996, set out below.

EQUAL OPPORTUNITY IN FEDERAL EMPLOYMENT


EXECUTIVE ORDER NO. 11247

Ex. Ord. No. 11247, eff. Sept. 24, 1965, 30 F.R. 12327, which related to enforcement of coordination of nondiscrimination in federally assisted programs, was superseded by Ex. Ord. No. 11764, eff. Jan. 21, 1974, 39 F.R. 2575, formerly set out below.

EXECUTIVE ORDER NO. 11764

Ex. Ord. No. 11764, Jan. 21, 1974, 39 F.R. 2575, which related to coordination of enforcement of provisions of this subchapter, was revoked by section 1–501 of Ex. Ord. No. 12250, Nov. 2, 1980, 45 F.R. 72996, set out below.

Ex. Ord. No. 12250. LEADERSHIP AND COORDINATION OF IMPLEMENTATION AND ENFORCEMENT OF NONDISCRIMINATION LAWS

Ex. Ord. No. 12250, Nov. 2, 1980, 45 F.R. 72995, provided: By the authority vested in me as President by the Constitution and statutes of the United States of America, including section 602 of the Civil Rights Act of 1964 (42 U.S.C. 2000d–1), Section 902 of the Education Amendments of 1972 (20 U.S.C. 1682), and Section 301 of Title 3 of the United States Code, and in order to provide, under the leadership of the Attorney General, for the consistent and effective implementation of various laws prohibiting discriminatory practices in Federal programs and programs receiving Federal financial assistance, it is hereby ordered as follows:

1–1. DELEGATION OF FUNCTION

1–101. The function vested in the President by Section 602 of the Civil Rights Act of 1964 (42 U.S.C. 2000d–1), relating to the approval of rules, regulations, and orders of general applicability, is hereby delegated to the Attorney General.

1–102. The function vested in the President by Section 902 of the Education Amendments of 1972 (20 U.S.C. 1682), relating to the approval of rules, regulations, and orders of general applicability, is hereby delegated to the Attorney General.

1–2. COORDINATION OF NONDISCRIMINATION PROVISIONS

1–201. The Attorney General shall coordinate the implementation and enforcement by Executive agencies of various nondiscrimination provisions of the following laws:

(a) Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d et seq.),

(b) Title IX of the Education Amendments of 1972 (20 U.S.C. 1681 et seq.),

(c) Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. 794),

(d) Any other provision of Federal statutory law which provides, in whole or in part, that no person in the United States shall, on the ground of race, color, national origin, handicap, religion, or sex, be excluded from participation in, be denied the benefits of, or be subject to discrimination under any program or activity receiving Federal financial assistance.

1–202. In furtherance of the Attorney General’s responsibility for the coordination of the implementation and enforcement of the nondiscrimination provisions of laws covered by this Order, the Attorney General shall review the existing and proposed rules, regulations, and orders of general applicability of the Executive agencies in order to identify those which are inadequate, unclear or unnecessarily inconsistent.

1–203. The Attorney General shall develop standards and procedures for taking enforcement actions and for conducting investigations and compliance reviews.

1–204. The Attorney General shall issue guidelines for establishing reasonable time limits on efforts to secure voluntary compliance, on the initiation of sanctions, and for referral to the Department of Justice for enforcement where there is noncompliance.

1–205. The Attorney General shall establish and implement a schedule for the review of the agencies’ regulations which implement the various nondiscrimination laws covered by this Order.

1–206. The Attorney General shall establish guidelines and standards for the development of consistent and effective recordkeeping and reporting requirements by Executive agencies; for the sharing and exchange by agencies of compliance records, findings, and supporting documentation; for the development of comprehensive employee training programs; for the development of effective information programs; and for the development of cooperative programs with State and local agencies, including sharing of information, deferring of enforcement activities, and providing technical assistance.

1–207. The Attorney General shall initiate cooperative programs between and among agencies, including the development of sample memoranda of understanding, designed to improve the coordination of the laws covered by this Order.

1–3. IMPLEMENTATION BY THE ATTORNEY GENERAL

1–301. In consultation with the affected agencies, the Attorney General shall promptly prepare a plan for the
implementation of this Order. This plan shall be submitted to the Director of the Office of Management and Budget.

1–302. The Attorney General shall periodically evaluate the implementation of the nondiscrimination provisions of the laws covered by this Order, and advise the heads of the agencies concerned on the results of such evaluations as to recommendations for needed improvement in implementation or enforcement.

1–303. The Attorney General shall carry out his functions under this Order, including the issuance of such regulations as he deems necessary, in consultation with affected agencies.

1–304. The Attorney General shall annually report to the President through the Director of the Office of Management and Budget on the progress in achieving the purposes of this Order. This report shall include any recommendations for changes in the implementation or enforcement of the nondiscrimination provisions of the laws covered by this Order.


1–4. AGENCY IMPLEMENTATION

1–401. Each Executive agency shall cooperate with the Attorney General in the performance of the Attorney General's functions under this Order and shall, unless prohibited by law, furnish such reports and information as the Attorney General may request.

1–402. Each Executive agency responsible for implementing a nondiscrimination provision of a law covered by this Order shall issue appropriate implementing directives (whether in the nature of regulations or policy guidance). To the extent permitted by law, they shall be consistent with the requirements prescribed by the Attorney General pursuant to this Order and shall be subject to the approval of the Attorney General, who may require that some or all of them be submitted for approval before taking effect.

1–403. Within 60 days after a date set by the Attorney General, Executive agencies shall submit to the Attorney General their plans for implementing their responsibilities under this Order.

1–5. GENERAL PROVISIONS

1–501. Executive Order No. 11764 is revoked. The present regulations of the Attorney General relating to the coordination of enforcement of Title VI of the Civil Rights Act of 1964 (this subchapter) shall continue in effect until revoked or modified (29 CFR 42.401 to 42.415).

1–502. Executive Order No. 11914 is revoked. The present regulations of the Secretary of Health and Human Services relating to the coordination of the implementation of Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. 794), shall be deemed to have been issued by the Attorney General pursuant to this Order and shall continue in effect until revoked or modified by the Attorney General.

1–503. Nothing in this Order shall vest the Attorney General with the authority to coordinate the implementation and enforcement by Executive agencies of statutory provisions relating to equal employment.

1–504. Existing agency regulations implementing the nondiscrimination provisions of laws covered by this Order shall continue in effect until revoked or modified.

JIMMY CARTER.

EX. ORD. NO. 13166. IMPROVING ACCESS TO SERVICES FOR PERSONS WITH LIMITED ENGLISH PROFICIENCY

Ex. Ord. No. 13166, Aug. 11, 2000, 65 F.R. 50121, provided:

By the authority vested in me as President by the Constitution and the laws of the United States of America, and to improve access to federally conducted and federally assisted programs and activities for persons who, as a result of national origin, are limited in their English proficiency (LEP), it is hereby ordered as follows:

SECTION 1. Goals.

The Federal Government provides and funds an array of services that can be made accessible to otherwise eligible persons who are not proficient in the English language. The Federal Government is committed to improving the accessibility of these services to eligible LEP persons, a goal that reinforces its equally important commitment to promoting programs and activities designed to help individuals learn English. To this end, each Federal agency shall examine the services it provides and develop and implement a system by which LEP persons can meaningfully access those services consistent with, and without unduly burdening, the fundamental mission of the agency. Each Federal agency shall also work to ensure that recipients of Federal financial assistance (recipients) provide meaningful access to their LEP applicants and beneficiaries. To assist the agencies with this endeavor, the Department of Justice has today issued a general guidance document (LEP Guidance), which sets forth the compliance standards that recipients must follow to ensure that the programs and activities they normally provide in English are accessible to LEP persons and thus do not discriminate on the basis of national origin in violation of Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d et seq.), as amended, and its implementing regulations. As described in the LEP Guidance, recipients must take reasonable steps to ensure meaningful access to their programs and activities by LEP persons.

SIC: 2. Federally Conducted Programs and Activities.

Each Federal agency shall provide a plan to improve access to its federally conducted programs and activities by eligible LEP persons. Each plan shall be consistent with the standards set forth in the LEP Guidance, and shall include the steps the agency will take to ensure that eligible LEP persons can meaningfully access the agency's programs and activities. Agencies shall develop and begin to implement these plans within 120 days of the date of this order, and shall send copies of their plans to the Department of Justice, which shall serve as the central repository of the agencies' plans.

SIC: 3. Federally Assisted Programs and Activities.

Each agency providing Federal financial assistance shall draft title VI guidance specifically tailored to its recipients that is consistent with the LEP Guidance issued by the Department of Justice. This agency-specific guidance shall detail how the general standards established in the LEP Guidance will be applied to the agency's recipients. The agency-specific guidance shall take into account the types of services provided by the recipients, the individuals served by the recipients, and other factors set out in the LEP Guidance. Agencies that already have developed title VI guidance that the Department of Justice determines is consistent with the LEP Guidance shall examine their existing guidance, as well as their programs and activities, to determine if additional guidance is necessary to comply with this order. The Department of Justice shall consult with the agencies in creating their guidance and, within 120 days of the date of this order, each agency shall submit its specific guidance to the Department of Justice for review and approval. Following approval by the Department of Justice, each agency shall publish its guidance document in the Federal Register for public comment.


In carrying out this order, agencies shall ensure that stakeholders, such as LEP persons and their representative organizations, recipients, and other appropriate individuals or entities, have an adequate opportunity to provide input. Agencies will evaluate the particular needs of the LEP persons they and their recipients serve and the burdens of compliance on the agency and its recipients. This input from stakeholders will assist the agencies in developing an approach to ensuring meaningful access by LEP persons that is practical and effective, fiscally responsible, responsive to the par-
§ 2000d-2. Judicial review; administrative procedure provisions

Any department or agency action taken pursuant to section 2000d-1 of this title shall be subject to such judicial review as may otherwise be provided by law for similar action taken by such department or agency on other grounds. In the case of action, not otherwise subject to judicial review, terminating or refusing to grant or to continue financial assistance upon a finding of failure to comply with any requirement imposed pursuant to section 2000d-1 of this title, any person aggrieved (including any State or political subdivision thereof and any agency of either) may obtain judicial review of such action in accordance with chapter 7 of title 5, and such action shall not be deemed committed to unreviewable agency discretion within the meaning of that chapter.


CODIFICATION

“Chapter 7 of title 5” and “that chapter” substituted in text for “section 10 of the Administrative Procedure Act” and “that section”, respectively, on authority of Pub. L. 89–554, §7(b), Sept. 6, 1966, 80 Stat. 631, the first section of which enacted Title 5, Government Organization and Employees. Prior to the enactment of Title 5, section 19 of the Administrative Procedure Act was classified to section 1009 of Title 5.

§ 2000d-3. Construction of provisions not to authorize administrative action with respect to employment practices except where primary objective of Federal financial assistance is to provide employment

Nothing contained in this subchapter shall be construed to authorize action under this subchapter by any department or agency with respect to any employment practice of any employer, employment agency, or labor organization except where a primary objective of the Federal financial assistance is to provide employment.


§ 2000d-4. Federal authority and financial assistance to programs or activities by way of contract of insurance or guaranty

Nothing in this subchapter shall add to or detract from any existing authority with respect to any program or activity under which Federal financial assistance is extended by way of a contract of insurance or guaranty.


§ 2000d-4a. “Program or activity” and “program” defined

For the purposes of this subchapter, the term “program or activity” and the term “program” mean all of the operations of—

(1)(A) a department, agency, special purpose district, or other instrumentality of a State or of a local government; or

(B) the entity of such State or local government that distributes such assistance and each such department or agency (and each other State or local government entity) to which the assistance is extended, in the case of assistance to a State or local government;

(2)(A) a college, university, or other post-secondary institution, or a public system of higher education; or

(B) a local educational agency (as defined in section 7801 of title 20), system of vocational education, or other school system;

(3)(A) an entire corporation, partnership, or any other private organization, or an entire sole proprietorship—

(i) if assistance is extended to such corporation, partnership, private organization, or sole proprietorship as a whole; or

(ii) which is principally engaged in the business of providing education, health care, housing, social services, or parks and recreation; or

(B) the entire plant or other comparable, geographically separate facility to which Federal financial assistance is extended, in the case of any other corporation, partnership, private organization, or sole proprietorship;

(4) any other entity which is established by two or more of the entities described in paragraph (1), (2), or (3); and

any part of which is extended Federal financial assistance.


AMENDMENTS


EFFECTIVE DATE OF 2015 AMENDMENT

Amendment by Pub. L. 114–95 effective Dec. 10, 2015, except with respect to certain noncompetitive programs and competitive programs, see section 5 of Pub. L. 114–95, set out as a note under section 6301 of Title 20, Education.

EFFECTIVE DATE OF 2002 AMENDMENT

Amendment by Pub. L. 107–110 effective Jan. 8, 2002, except with respect to certain noncompetitive programs and competitive programs, see section 5 of Pub. L. 107–110, set out as an Effective Date note under section 6301 of Title 20, Education.

EXCLUSION FROM COVERAGE

This section not to be construed to extend application of Civil Rights Act of 1964 [42 U.S.C. 2000a et seq.]

This order is intended only to improve the internal management of the executive branch and does not create any right or benefit, substantive or procedural, enforceable at law or equity by a party against the United States, its agencies, its officers or employees, or any person.
to ultimate beneficiaries of Federal financial assistance excluded from coverage before Mar. 22, 1988, see section 7 of Pub. L. 100–259, set out as a Construction note under section 6387 of Title 20, Education.

ABORTION NEUTRALITY

This section not to be construed to force or require any individual or hospital or any other institution, program, or activity receiving Federal funds to perform or pay for an abortion, see section 8 of Pub. L. 100–259, set out as a note under section 1668 of Title 20, Education.

§ 2000d–5. Prohibited deferral of action on applications by local educational agencies seeking Federal funds for alleged noncompliance with Civil Rights Act

The Secretary of Education shall not defer action or order action deferred on any application by a local educational agency for funds authorized to be appropriated by this Act, by the Elementary and Secondary Education Act of 1965 [20 U.S.C. 6301 et seq.], by the Act of September 30, 1950 \(^1\) (Public Law 764, Eighty-first Congress) or by the Cooperative Research Act [20 U.S.C. 351 et seq.], on the basis of alleged noncompliance with the provisions of title VI of the Civil Rights Act of 1964 [42 U.S.C. 2000d et seq.] for more than sixty days after notice is given to such local agency of such deferral unless such local agency is given the opportunity for a hearing, as provided in section 602 of title VI of the Civil Rights Act of 1964 [42 U.S.C. 2000d–1], such hearing to be held within sixty days of such notice, unless the time for such hearing is extended by mutual consent of such local agency and the Secretary, and such deferral shall not continue for more than thirty days after the close of any such hearing unless there has been an express finding on the record of such hearing that such local educational agency has failed to comply with the provisions of title VI of the Civil Rights Act of 1964: Provided, That, for the purpose of determining whether a local educational agency is in compliance with title VI of the Civil Rights Act of 1964 (Public Law 88–352), compliance by such agency with a final order or judgment of a Federal court for the desegregation of the school or school system operated by such agency shall be deemed to be compliance with such title VI, insofar as the matters covered in the order or judgment are concerned.

(Pub. L. 89–750, title I, §191, Nov. 3, 1966, 80 Stat. 1210, provided that: “The provisions of this title [enacting this section and sections 241m, 241n, and 241j of Title 20, Education, amending sections 241b, 241c, 241d, 241e, 241f, 241g, 241h, 241i, 241k, 241l, 331a, 331b, 332a, 332b, 332c, 332d, 821, 822, 823, 841, 842, 843, 844, 861, 862, 863, 864, 883, and 884 of Title 20, and enacting provisions set out as notes under sections 241a, 241b, and 241c of Title 20] shall be effective with respect to fiscal years beginning after June 30, 1966, except as specifically provided otherwise.”)

TRANSFER OF FUNCTIONS

“Secretary of Education” and “Secretary” substituted in text for “Commissioner of Education” and “Commissioner”, respectively, pursuant to sections 303(a)(1) and 307 of Pub. L. 96–88, which transferred all functions of Commissioner of Education of Department of Health, Education, and Welfare to Secretary of Education.

§ 2000d–6. Policy of United States as to application of nondiscrimination provisions in schools of local educational agencies

(a) Declaration of uniform policy

It is the policy of the United States that guidelines and criteria established pursuant to title VI of the Civil Rights Act of 1964 [42 U.S.C. 2000d et seq.] and section 182 of the Elementary and Secondary Education Amendments of 1966 [42 U.S.C. 2000d–5] dealing with conditions of segregation by race, whether de jure or de facto, in the schools of the local educational agencies of any State shall be applied uniformly in all regions of the United States whatever the origin or cause of such segregation.

(b) Nature of uniformity

Such uniformity refers to one policy applied uniformly to de jure segregation wherever found

\(^1\) See References in Text note below.
and such other policy as may be provided pursuant to law applied uniformly to de facto segregation wherever found.

(c) Prohibition of construction for diminution of obligation for enforcement or compliance with nondiscrimination requirements

Nothing in this section shall be construed to diminish the obligation of responsible officials to enforce or comply with such guidelines and criteria in order to eliminate discrimination in federally assisted programs and activities as required by title VI of the Civil Rights Act of 1964 [42 U.S.C. 2000d et seq.].

(d) Additional funds

It is the sense of the Congress that the Department of Justice and the Secretary of Education should request such additional funds as may be necessary to apply the policy set forth in this section throughout the United States.

References in Text

The Civil Rights Act of 1964, referred to in subsec. (a) and (c), is Pub. L. 88–352, July 2, 1964, 78 Stat. 241, as amended. Title VI of the Civil Rights Act of 1964 is classified generally to this subchapter (§ 2000d et seq.). For complete classification of this Act to the Code, see Short Title note set out under section 2000a of this title and Tables.

Codification

Section was enacted as part of the Elementary and Secondary Education Amendments of 1965, and not as part of the Civil Rights Act of 1964, title VI of which comprises this subchapter.

Transfer of Functions

"Secretary of Education" substituted for "Department of Health, Education, and Welfare" in subsec. (d) pursuant to sections 301 and 507 of Pub. L. 96–88, which are classified to sections 3441 and 3507 of Title 20, Education, and which transferred functions and offices (relating to education) of Department and Secretary of Health, Education, and Welfare to Secretary of Education.

§ 2000d–7. Civil rights remedies equalization

(a) General provision


(2) In a suit against a State for a violation of a statute referred to in paragraph (1), remedies (including remedies both at law and in equity) are available for such a violation to the same extent as such remedies are available for such a violation in the suit against any public or private entity other than a State.

(b) Effective date

The provisions of subsection (a) shall take effect with respect to violations that occur in whole or in part after October 21, 1986.


References in Text

The Education Amendments of 1972, referred to in subsec. (a)(1), is Pub. L. 92–318, June 23, 1972, 86 Stat. 235, as amended. Title IX of the Act, known as the Patsy Takemoto Mink Equal Opportunity in Education Act, is classified principally to chapter 28 (§ 1681 et seq.) of Title 20, Education. For complete classification of title IX to the Code, see Short Title note set out under section 1681 of Title 20 and Tables.


Codification

Section was enacted as part of the Rehabilitation Act Amendments of 1966, and not as part of the Civil Rights Act of 1964, title VI of which comprises this subchapter.

Subchapter VI—Equal Employment Opportunities

§ 2000e. Definitions

For the purposes of this subchapter—

(a) The term "person" includes one or more individuals, governments, governmental agencies, political subdivisions, labor unions, partnerships, associations, corporations, legal representatives, mutual companies, joint-stock companies, trusts, unincorporated organizations, trustees, trustees in cases under title 11, or receivers.

(b) The term "employer" means a person engaged in an industry affecting commerce who has fifteen or more employees for each working day in each of twenty or more calendar weeks in the current or preceding calendar year, and any agent of such a person, but such term does not include (1) the United States, a corporation wholly owned by the Government of the United States, an Indian tribe, or any department or agency of the District of Columbia subject by statute to procedures of the competitive service (as defined in section 2102 of title 5), or (2) a bona fide private membership club (other than a labor organization) which is exempt from taxation under section 501(c) of title 26, except that during the first year after March 24, 1972, persons having fewer than twenty-five employees (and their agents) shall not be considered employers.

(c) The term "employment agency" means any person regularly undertaking with or without compensation to procure employees for an employer or to procure for employees opportunities to work for an employer and includes an agent of such a person.

(d) The term "labor organization" means a labor organization engaged in an industry affecting commerce, and any agent of such an organization, and includes any organization of any kind, any agency, or employee representa-
§ 2000e

2000e


2000e


2000e


2000e


2000e


2000e


2000e


2000e


2000e


2000e

Removal to Act 77 Stat. 192; Pub. L. 89–554, § 8(a), Sept. 6, 1966, 80 Stat. 192;

2000e


2000e


2000e


2000e


2000e


2000e


2000e


2000e


2000e


2000e


2000e


2000e


2000e


2000e


2000e


2000e


2000e


2000e

after the effective date of this section, seventy-five or more during the second year after such date, fifty or more during the third year after such date, and twenty-five or more thereafter.


1966—Subsec. (b). Pub. L. 89–554 struck out proviso which stated that it shall be the policy of the United States to insure equal employment opportunities for Federal employees without discrimination because of race, color, religion, sex, or national origin and directed the President to utilize his existing authority to effectuate this policy.

**Effective Date of 1991 Amendment**

Amendment by section 104 of Pub. L. 102–166 effective Nov. 21, 1991, except as otherwise provided, see section 402 of Pub. L. 102–166, set out as a note under section 1881 of this title.

Pub. L. 102–166, title I, §109(c), Nov. 21, 1991, 105 Stat. 1073, provided that: “The amendments made by this section (amending this section and sections 2000e–1, 2000e–11, and 12112 of this title) shall not apply with respect to conduct occurring before the date of the enactment of this Act [Nov. 21, 1991].”

**Effective Date of 1978 Amendment**

Amendment by Pub. L. 95–598 effective Oct. 1, 1979, see section 402(a) of Pub. L. 95–598, set out as Effective Date note preceding section 101 of Title II, Bankruptcy.

**Effective Date of 1978 Amendment; Exceptions to Application**

Pub. L. 95–555, §2, Oct. 31, 1978, 92 Stat. 2767, provided that:

“(a) Except as provided in subsection (b), the amendment made by this Act [amending this section] shall be effective on the date of enactment [Oct. 31, 1978].

“(b) The provisions of the amendment made by the first section of this Act [amending this section] shall not apply to any fringe benefit program or fund, or insurance program which is in effect on the date of enactment of this Act [Oct. 31, 1978] until 180 days after enactment of this Act.”

**Effective Date**

Pub. L. 98–325, title VII, §718(a), (b), July 2, 1984, 78 Stat. 266, provided that:

“(a) This title [enacting this section and sections 2000e–1, 2000e–4, 2000e–7 to 2000e–15 of this title, and amending sections 2204 and 2205(a)(45) of former Title 5, Executive Departments and Independent Agencies] shall become effective one year after the date of its enactment [July 2, 1984].

“(b) Notwithstanding subsection (a), sections of this title other than sections 703, 704, 706, and 707 [sections 2000e–2, 2000e–3, 2000e–5, and 2000e–6 of this title] shall become effective immediately [July 2, 1984].”

**Glass Ceiling**

Pub. L. 102–166, title II, Nov. 21, 1991, 105 Stat. 1081–1087, entitled the “Glass Ceiling Act of 1991”, established a Glass Ceiling Commission which was to submit to Congress and the President, no later than 15 months after Nov. 21, 1991, study and recommendations concerning eliminating artificial barriers to advancement of women and minorities in the workplace and increasing opportunities and developmental experiences of women and minorities to foster advancement to management and decisionmaking positions in businesses, authorized creation of a National Award for Diversity and Excellence in the Workplace, and authorized a National Award for Diversity and Excellence in the Workplace which was to be awarded annually by the Commission to a qualified business concern which promoted more diverse skilled
§ 2000e of Title 42—The Public Health and Welfare work force at management and decisionmaking levels in business, and further provided for composition of Commission, powers, staff and consultants, confidentiality of information, appropriations, and termination of Commission and authority to make awards 4 years after Nov. 21, 1991.

Readjustment of Benefits Pub. L. 95-555, § 3, Oct. 31, 1978, 92 Stat. 2076, provided that: “Until the expiration of a period of one year from the date of enactment of this Act [Oct. 31, 1978] or, if there is an applicable collective-bargaining agreement in effect on the date of enactment of this Act, until the termination of that agreement, no person who, on the date of enactment of this Act, is entitled to participation in a government retirement or insurance program, benefits in violation of this Act shall, in order to come into compliance with this Act, reduce the benefits or the compensation provided any employee on the date of enactment of this Act, either directly or by failing to provide sufficient contributions to a fringe benefit fund or insurance program. Provided, That where the costs of such benefits on the date of enactment of this Act are apportioned between employers and employees, the payments or contributions required to comply with this Act may be made by employers and employees in the same proportion: And provided further, That nothing in this section shall prevent the readjustment of benefits or compensation for reasons unrelated to compliance with this Act.”


§ 2000e—Discrimination in Employment by Government Contractors and Subcontractors

Subpart A—Duties of the Secretary of Labor

Sec. 201. The Secretary of Labor shall be responsible for the administration and enforcement of Parts II and III of this Order. The Secretary shall adopt such rules and regulations and issue such orders as are deemed necessary and appropriate to achieve the purposes of Parts II and III of this Order.

Subpart B—Contractors’ Agreements

Sec. 202. Except in contracts exempted in accordance with Section 204 of this Order, all Government contracting agencies shall include in every Government contract hereafter entered into the following provisions:

“During the performance of this contract, the contractor agrees as follows:

“(1) The contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, sexual orientation, gender identity, or national origin. The contractor will take all reasonable action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, sexual orientation, gender identity, or national origin. Such action shall include, but not be limited to the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of this nondiscrimination clause.

“(2) The contractor will, in all solicitations or advertisements for employment placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, sexual orientation, or national origin.

“(3) The contractor will not discharge or in any other manner discriminate against any employee or applicant for employment because such employee or applicant has inquired about, discussed, or disclosed the compensation of the employee or applicant or another employee or applicant. This provision shall not apply to instances in which an employee who has access to the compensation information of other employees or applicants as a part of such employee’s essential job functions discloses the compensation of such other employees or applicants to individuals who do not otherwise have access to such information, unless such disclosure is in response to a formal complaint or charge, in furtherance of an investigation, proceeding, hearing, or action, including an investigation conducted by the employer, or is consistent with the contractor’s legal duty to furnish information.

“(4) The contractor will send to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the agency contracting officer, advising the labor union or workers’ representative of the contractor’s commitments under Section 202 of Executive Order No. 11246 of September 24, 1965, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

“(5) The contractor will comply with all provisions of Executive Order No. 11246 of Sept. 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.

“(6) The contractor will furnish all information and reports required by Executive Order No. 11246 of September 24, 1965, and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the contracting agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

“(7) In the event of the contractor’s noncompliance with the nondiscrimination clauses of this contract or with any of such rules, regulations, or orders, this contract may be cancelled, terminated or suspended in whole or in part and the contractor may be declared ineligible for further Government contracts in accordance with procedures authorized in Executive Order No. 11246 of Sept. 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order No. 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

“(8) The contractor will include the provisions of paragraphs (1) through (7) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of Executive Order No. 11246 of September 24, 1965 [section 204 of this Order] so that such provi-
sions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase order as may be directed by the Secretary of Labor as a means of enforcing such provisions including sanctions for noncompliance: Provided, however, that in the event the contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction, the contractor may request the United States to enter into such litigation to protect the interests of the United States.

§ 202. (a) Each contractor having a contract containing the provisions prescribed in Section 202 shall file, and shall cause each of his subcontractors to file, Compliance Reports with the contracting agency or the Secretary of Labor as may be directed. Compliance Reports shall be filed within such times and shall contain such information as to the practices, policies, programs, and employment policies, programs, and employment statistics of the contractor and each subcontractor, and shall be in such form, as the Secretary of Labor may prescribe.

(b) Bidders or prospective contractors or subcontractors may be required to state whether they have participated in any previous contract subject to the provisions of this Order, or any preceding similar Executive order, and in that event to submit, on behalf of themselves and their proposed subcontractors, Compliance Reports prior to or as an initial part of their bid or negotiation of a contract.

(c) Whenever the contractor or subcontractor has a collective bargaining agreement or other contract or understanding with a labor union or an agency referring workers or providing or supervising apprenticeship or training for such workers, the Compliance Report shall include such information as to such labor union’s or agency’s practices and policies affecting compliance as the Secretary of Labor may prescribe: Provided, That to the extent such information is within the exclusive possession of a labor union or any agency referring workers or providing or supervising apprenticeship or training and such labor union or agency shall refuse to furnish such information to the contractor, the contractor shall so certify to the Secretary of Labor as part of its Compliance Report and shall set forth what efforts he has made to obtain such information.

(d) The Secretary of Labor may direct that any bidder or prospective contractor or subcontractor shall submit, as part of his Compliance Report, a statement in writing, signed by an authorized officer or agent on behalf of any labor union or any agency referring workers or providing or supervising apprenticeship or other training, with which the bidder or prospective contractor has a collective bargaining agreement or other contract or understanding, that the signer’s policies and practices do not discriminate on the grounds of race, color, religion, sex, sexual orientation, gender identity, or national origin, and that the signer will affirmatively cooperate in the implementation of the policy and provisions of this order or that it consents and agrees that recruitment, employment, and the terms and conditions of employment under the proposed contract shall be in accordance with the purposes and provisions of the order. In the event that the union, or the agency shall refuse to execute such a statement, the Compliance Report shall so certify and set forth what efforts have been made to secure such a statement and such additional factual material as the Secretary of Labor may require.

§ 203. (a) The Secretary of Labor may, when the Secretary deems that special circumstances in the national interest so require, exempt a contracting agency from the requirement of including any or all of the provisions of Section 202 of this Order in any specific contract, subcontract, or purchase order.

(b) The Secretary of Labor may, by rule or regulation, exempt certain classes of contracts, subcontracts, or purchase orders (1) whenever work is to be or has been performed outside the United States and no recruitment of workers within the limits of the United States is involved; (2) for standard commercial supplies or raw materials; (3) involving less than specified amounts of money or specified numbers of workers; or (4) to the extent that they involve subcontracts below a specified tier.

(c) Section 202 of this Order shall not apply to a Government contractor or subcontractor that is a religious corporation, association, educational institution, or society, with respect to the employment of individuals of a particular religion to perform work connected with the carrying on by such corporation, association, educational institution, or society of its activities. Such contractors and subcontractors are not exempted or excused from complying with the other requirements contained in this Order.

(d) The Secretary of Labor may also provide, by rule, regulation, or order, for the exemption of facilities of a contractor that are in all respects separate and distinct from activities of the contractor related to the performance of the contract: provided, that such an exemption will not interfere with or impede the enforcement of the purposes of this Order; and provided further, that in the absence of such an exemption all facilities shall be covered by the provisions of this Order.

SUBPART C—POWERS AND DUTIES OF THE SECRETARY OF LABOR AND THE CONTRACTING AGENCIES

§ 205. The Secretary of Labor shall be responsible for securing compliance by all Government contractors and subcontractors with this Order and any implementing rules or regulations. All contracting agencies shall comply with the terms of this Order and any implementing rules, regulations, or orders of the Secretary of Labor. Contracting agencies shall cooperate with the Secretary of Labor and shall furnish such information and assistance as the Secretary may require.

§ 206. (a) The Secretary of Labor may investigate the employment practices of any Government contractor or subcontractor to determine whether or not the contractual provisions specified in Section 202 of this Order have been violated. Such investigation shall be conducted in accordance with the procedures established by the Secretary of Labor.

(b) The Secretary of Labor may receive and investigate complaints by employees or prospective employees of a Government contractor or subcontractor which allege discrimination contrary to the contractual provisions specified in Section 202 of this Order.

§ 207. The Secretary of Labor shall use his best efforts, directly and through interested Federal, State, and local agencies, contractors, and other readily available instrumentalities to cause any labor union engaged in work under Government contracts or any agency referring workers or providing or supervising apprenticeship or training or in the course of such work to cooperate in the implementation of the purposes of this Order. The Secretary of Labor shall, in appropriate cases, notify the Equal Employment Opportunity Commission, the Department of Justice, or other appropriate Federal agencies whenever it has reason to believe that the practices of any such labor organization or agency violate Title VI or Title VII of the Civil Rights Act of 1964 (sections 2000e to 2000d-4 of this title and this subchapter) or other provision of Federal law.

§ 208. (a) The Secretary of Labor, or any agency, officer, or employee in the executive branch of the Government designated by rule, regulation, or order of the Secretary, may hold such hearings, public or private, as the Secretary may deem advisable for compliance, enforcement, or educational purposes.

(b) The Secretary of Labor may hold, or cause to be held, hearings in accordance with Subsection (a) of this Section prior to imposing, ordering, or recommending the imposition of penalties and sanctions under this Order. No order for debarment of any contractor from further Government contracts under Section 209(a)(6) shall be made without affording the contractor an opportunity for a hearing.
SIC. 209. (a) In accordance with such rules, regulations, or orders as the Secretary of Labor may issue or adopt, the Secretary may:

(1) Publish, or cause to be published, the names of contractors or unions which it has concluded have complied or have failed to comply with the provisions of this Order or of the rules, regulations, and orders of the Secretary of Labor.

(2) Recommend to the Department of Justice that, in cases in which there is substantial or material violation or the threat of substantial or material violation of the contractual provisions set forth in Section 202 of this Order, appropriate proceedings be brought to enforce those provisions, including the enjoining, within the limitations of applicable law, of organizations, individuals, or groups who prevent directly or indirectly, or attempt to prevent directly or indirectly, compliance with the provisions of this Order.

(3) Recommend to the Equal Employment Opportunity Commission or the Department of Justice that appropriate proceedings be brought to enforce those provisions, including the enjoining, within the limitations of applicable law, of organizations, individuals, or groups who prevent directly or indirectly, or attempt to prevent directly or indirectly, compliance with the provisions of this Order.

(4) Recommend to the Department of Justice that criminal proceedings be brought for the furnishing of false information to any contracting agency or to the Secretary of Labor as the case may be.

(5) After consulting with the contracting agency, direct the contracting agency to cancel, terminate, suspend, or cause to be cancelled, terminated, or suspended, any contract, or any portion or portions thereof, for failure of the contractor or subcontractor to comply with equal employment opportunity provisions of the contract. Contracts may be cancelled, terminated, or suspended absolutely or on condition of, for the supervision of such compliance, (3) to carry out other modifications of existing contracts, with any noncomplying contractor, until such contractor has satisfied the Secretary of Labor that such contractor has established and will carry out personnel and employment policies in compliance with the provisions of this Order.

(b) Pursuant to rules and regulations prescribed by the Secretary of Labor, the Secretary shall make reasonable efforts, within a reasonable time limitation, to secure compliance with the contract provisions of this Order by methods of conference, conciliation, mediation. If persuasion before proceedings shall be instituted under subsection (a)(2) of this Section, or before a contract shall be cancelled or terminated in whole or in part under subsection (a)(3) of this Section.

SIC. 210. Whenever the Secretary of Labor makes a determination under Section 209, the Secretary shall promptly notify the appropriate agency. The agency shall take the action directed by the Secretary and shall report the results of the action it has taken to the Secretary of Labor within such time as the Secretary shall specify. If the contracting agency fails to take the action directed within thirty days, the Secretary may take the action directly.

SIC. 211. If the Secretary of Labor shall so direct, contracting agencies shall not enter into contracts with any bidder or prospective contractor unless the bidder or prospective contractor has satisfactorily complied with the provisions of this Order or submits a program for compliance acceptable to the Secretary of Labor.

SIC. 212. When a contract has been cancelled or terminated under Section 206(a)(5) or a contract has been debarred from further Government contracts under Section 206(a)(6) of this Order, because of noncompliance with the contract provisions specified in Section 202 of this Order, the Secretary of Labor shall promptly notify the Comptroller General of the United States.

SIC. 213. The Secretary of Labor may provide for issuance of a United States Government Certificate of Merit to employers or labor unions, or other agencies which are or may hereafter be engaged in work under Government contracts, if the Secretary is satisfied that the personnel and employment practices of the employer, or that the personnel, training, apprenticeship, membership, grievance and representation, and other practices, and policies of the labor union or other agency conform to the purposes and provisions of this Order.

SIC. 214. Any Certificate of Merit may at any time be suspended or revoked by the Secretary of Labor if the holder thereof, in the judgment of the Secretary, has failed to comply with the provisions of this Order.

SIC. 215. The Secretary of Labor may provide for the exemption of any employer, labor union, or other agency from any reporting requirements imposed under or pursuant to this Order if such employer, labor union, or other agency has been awarded a Certificate of Merit which has not been suspended or revoked.

PART III—NONDISCRIMINATION PROVISIONS IN FEDERALLY ASSISTED CONSTRUCTION CONTRACTS

SIC. 301. Each executive department and agency which administers a program involving Federal financial assistance shall require as a condition for approval of any grant, contract, loan, insurance, or guarantee thereunder, which may involve a construction contract, that the applicant for Federal assistance undertake and agree to incorporate, or cause to be incorporated, into all construction contracts paid for in whole or in part with funds obtained from the Federal Government or borrowed on the credit of the Federal Government pursuant to such grant, contract, loan, insurance, or guarantee, or undertaken pursuant to any Federal program involving such grant, contract, loan, insurance, or guarantee, the provisions prescribed for Government contracts by Section 202 of this Order or such modification thereof, preserving in substance the contractor's obligations thereunder, as may be approved by the Secretary of Labor.

Each such applicant shall also undertake and agree (1) to assist and cooperate actively with the Secretary of Labor in obtaining the compliance of contractors and subcontractors with those contract provisions and with the rules, regulations and other provisions contained under or pursuant to this Order if such employer, labor union, or other agency has been awarded a Certificate of Merit which has not been suspended or revoked.

SIC. 302. (a) "Construction contract," as used in this Order means any contract for the construction, rehabilitation, alteration, conversion, extension, or repair of buildings, highways, or other improvements to real property.

(b) The provisions the Part II of this Order shall apply to such construction contracts, and for purposes of such application the administering department or agency shall be considered the contracting agency referred to therein.

(c) The term "applicant" as used in this Order means an applicant for Federal assistance or, as determined by agency regulation, other program participant, with respect to whom an application for any grant, contract, loan, insurance, or guarantee is not finally acted upon prior to the effective date of this Part, and it includes such an applicant after he becomes a recipient of such Federal assistance.
S. 303(a). The Secretary of Labor shall be responsible for obtaining the compliance of such applicants with their undertakings under this Order. Each administering department and agency is directed to cooperate with the Secretary of Labor and to furnish the Secretary such information and assistance as the Secretary may require in the performance of the Secretary’s functions under this Order.

(b) In the event an applicant fails and refuses to comply with the applicant’s undertakings pursuant to this Order, the Secretary of Labor may, after consulting with the administering department or agency, take any or all of the following actions: (1) direct any administering department or agency to cancel, terminate, or suspend in whole or in part any contract or other arrangement with such applicant with respect to which the failure or refusal occurred; (2) direct any administering department or agency to refrain from extending any further assistance to the applicant under the program with respect to which the failure or refusal occurred until satisfactory assurance of future compliance has been received by the Secretary of Labor from such applicant; and (3) refer the case to the Department of Justice or the Equal Employment Opportunity Commission for appropriate law enforcement or other proceedings.

In no case shall action be taken with respect to an applicant pursuant to clause (1) or (2) of subsection (b) without notice and opportunity for hearing.

S. 401. The Secretary of Labor may delegate to any officer, agency, or employee in the Executive branch of the Government, any function or duty of the Secretary under Parts II and III of this Order.

S. 304. The Secretary of Labor shall provide administrative support for the execution of the program known as the “Plans for Progress,” of which affect employability, and provide for within the department or agency for periodically evaluating the effectiveness with which the policy of this Order is being carried out.

S. 4. The Equal Employment Opportunity Commission shall be responsible for directing and furthering the implementation of the policy of the Government of the United States to provide equal opportunity in Federal employment for all employees or applicants for employment except with regard to aliens employed outside the limits of the United States and to prohibit discrimination in employment because of race, color, religion, sex, national origin, handicap, age, sexual orientation, or status as a parent, to promote the full utilization of the present skills of each employee to the fullest extent possible, to provide the maximum feasible opportunity to employees to enhance their skills so they may perform at their highest potential and advance in accordance with their abilities; provide training and advice to managers and supervisors to assure their understanding and implementation of the policy expressed in this Order; assure participation at the local level with other employers, schools, and public or private groups in cooperative efforts to improve community conditions and provide for within the department or agency periodically evaluating the effectiveness with which the policy of this Order is being carried out.

S. 3. The Equal Employment Opportunity Commission, after consultation with all affected departments and agencies, shall issue such rules, regulations, orders, instructions, and other directives as it deems necessary and appropriate to carry out its responsibilities under this Order. The Department of Labor shall promulgate and enforce such rules, regulations, orders, instructions, and other directives as it deems necessary and appropriate to carry out the provisions of this Order and of the rules and regulations of the Secretary of Labor.

S. 404. The General Services Administration shall take appropriate action to revise the standard Government contract forms to accord with the provisions of this Order and of the rules and regulations of the Secretary of Labor.
§ 2000e

TITLED 42—THE PUBLIC HEALTH AND WELFARE

Page 4820

Ssc. 6. "Status as a parent" refers to the status of an individual who, with respect to an individual who is under the age of 18 or who is 18 or older but is incapable of self-care because of a physical or mental disability, is:

(a) a biological parent;
(b) an adoptive parent;
(c) a foster parent;
(d) a stepparent;
(e) a custodian of a ward;
(f) in loco parentis over such an individual; or
(g) actively seeking legal custody or adoption of such an individual.

Ssc. 7. The Office of Personnel Management shall be authorized to develop guidance on the provisions of this order prohibiting discrimination on the basis of an individual's sexual orientation or status as a parent.

Ssc. 8. This Order applies (a) to military departments as defined in section 102 of title 5, United States Code, and executive agencies (other than the General Accounting Office [now Government Accountability Office]) as defined in section 105 of title 5, United States Code, and to the employees thereof (including employees paid from nonappropriated funds), and (b) to those portions of the legislative and judicial branches of the Federal Government and of the Government of the District of Columbia having positions in the competitive service and to the employees in those positions. This Order does not apply to aliens employed outside the limits of the United States.

Ssc. 9. Part I of Executive Order No. 11246 of September 24, 1965, and those parts of Executive Order No. 11375 of October 13, 1967, which apply to Federal employment, are hereby superseded.

Ssc. 10. This Order shall be applicable to the United States Postal Service and to the Postal Rate Commission established by the Postal Reorganization Act of 1970 (Title 39, Postal Service).

Ssc. 11. This Executive Order does not confer any right or benefit enforceable in law or equity against the United States or its representatives.

EXECUTIVE ORDER No. 12050


Ex. Ord. No. 12067, COORDINATION OF FEDERAL EQUAL EMPLOYMENT OPPORTUNITY PROGRAMS


By virtue of the authority vested in me as President of the United States by the Constitution and statutes of the United States, including Section 9 of Reorganization Plan Number 1 of 1978 (43 FR 19897) [set out under section 2000e–4 of this title and in the Appendix to Title 5, Government Organization and Employee], it is ordered as follows:

1–1. IMPLEMENTATION OF REORGANIZATION PLAN

1–101. The transfer to the Equal Employment Opportunity Commission of all the functions of the Equal Employment Opportunity Coordinating Council, and the termination of that Council, as provided by Section 6 of Reorganization Plan Number 1 of 1978 (43 FR 19897) [set out under section 2000e–4 of this title and in the Appendix to Title 5, Government Organization and Employee] shall be effective on July 1, 1978.

1–2. RESPONSIBILITIES OF EQUAL EMPLOYMENT OPPORTUNITY COMMISSION

1–201. The Equal Employment Opportunity Commission shall provide leadership and coordination to the efforts of Federal departments and agencies to enforce all Federal statutes, Executive orders, regulations, and policies which require equal employment opportunity without regard to race, color, religion, sex, national origin, age or handicap. It shall strive to maximize effort, promote efficiency, and eliminate conflict, duplication and inconsistency among the operations, functions and jurisdictions of the Federal departments and agencies having responsibility for enforcing such statutes, Executive orders, regulations and policies.

1–202. In carrying out its functions under this order the Equal Employment Opportunity Commission shall consult with and utilize the special expertise of Federal departments and agencies with equal employment opportunity responsibilities. The Equal Employment Opportunity Commission shall cooperate with such departments and agencies in the discharge of their equal employment responsibilities.

1–203. All Federal departments and agencies shall cooperate with and assist the Equal Employment Opportunity Commission in the performance of its functions under this order and shall furnish the Commission such reports and information as it may request.

1–3. SPECIFIC RESPONSIBILITIES

1–301. To implement its responsibilities under Section 1–2, the Equal Employment Opportunity Commission shall, where feasible:

(a) develop uniform standards, guidelines, and policies defining the nature of employment discrimination on the ground of race, color, religion, sex, national origin, age or handicap under all Federal statutes, Executive orders, regulations, and policies which require equal employment opportunity;
(b) develop uniform standards and procedures for investigations and compliance reviews to be conducted by Federal departments and agencies under any Federal statute, Executive order, regulation or policy requiring equal employment opportunity;
(c) develop procedures with the affected agencies, including the use of memoranda of understanding, to minimize duplicative investigations or compliance reviews of particular employers or classes of employers or others covered by Federal statutes, Executive orders, regulations or policies requiring equal employment opportunity;
(d) ensure that Federal departments and agencies develop their own standards and procedures for undertaking enforcement actions when compliance with equal employment opportunity requirements of any Federal statute, Executive order, regulation or policy cannot be secured by voluntary means;
(e) develop uniform record-keeping and reporting requirements concerning employment practices to be utilized by all Federal departments and agencies having equal employment enforcement responsibilities;
(f) provide for the sharing of compliance records, findings, and supporting documentation among Federal departments and agencies responsible for ensuring equal employment opportunity;
(g) develop uniform training programs for the staff of Federal departments and agencies with equal employment opportunity responsibilities;
(h) assist all Federal departments and agencies with equal employment opportunity responsibilities in developing programs to provide appropriate publications and other information for those covered and those protected by Federal equal employment opportunity statutes, Executive orders, regulations, and policies; and
(i) initiate cooperative programs, including the development of memoranda of understanding between agencies, designed to improve the coordination of equal employment opportunity compliance and enforcement.

1–303. The Equal Employment Opportunity Commission shall issue such rules, regulations, policies, procedures or orders as it deems necessary to carry out its responsibilities under this order. It shall advise and offer to consult with the affected Federal departments and agencies during the development of any proposed rules, regulations, policies, procedures or orders and shall formally submit such proposed issuances to affected departments and agencies at least 15 working days prior to public announcement. The Equal Employment Opportunity Commission shall use its best efforts to reach agreement with the agencies on matters in dispute. Departments and agencies shall comply with all final rules, regulations, policies, procedures or orders of the Equal Employment Opportunity Commission.

1–304. All Federal departments and agencies shall advise and offer to consult with the Equal Employment Opportunity Commission during the development of any proposed rules, regulations, policies, procedures or orders concerning equal employment opportunity. Departments and agencies shall formally submit such proposed issuances to the Equal Employment Opportunity Commission and other interested Federal departments and agencies at least 15 working days prior to public announcement. The Equal Employment Opportunity Commission shall review such proposed rules, regulations, policies, procedures or orders to ensure consistency among the operations of the various Federal departments and agencies. Issuances related to internal management and administration are exempt from this clearance process. Case handling procedures unique to a single program also are exempt, although the Equal Employment Opportunity Commission may review such procedures in order to assure maximum consistency within the Federal equal employment opportunity program.

1–305. Before promulgating significant rules, regulations, policies, procedures or orders involving equal employment opportunity, the Commission and affected departments and agencies shall afford the public an opportunity to comment.

1–306. The Equal Employment Opportunity Commission may make recommendations concerning staff size and resource needs of the Federal departments and agencies having equal employment opportunity responsibilities to the Office of Management and Budget.

1–307. (a) It is the intent of this order that disputes between or among agencies concerning matters covered by this order shall be resolved through good faith efforts of the affected agencies to reach mutual agreement. Use of the dispute resolution mechanism contained in Subsections (b) and (c) of this Section should be resorted to only in extraordinary circumstances.

(b) Whenever a dispute which cannot be resolved through good faith efforts arises between the Equal Employment Opportunity Commission and another Federal department or agency concerning the issuance of an equal employment opportunity rule, regulation, policy, procedure, order or any matter covered by this Order, the Chairman of the Equal Employment Opportunity Commission or the head of the affected department or agency may refer the matter to the Executive Office of the President. Such reference must be in writing and may not be made later than 15 working days following receipt of the initiating agency's notice of intent publicly to announce an equal employment opportunity rule, regulation, policy, procedure or order. If no reference is made within the 15 day period, the decision of the agency which initiated the proposed issuance will become effective.

(c) Following reference of a disputed matter to the Executive Office of the President, the Assistant to the President for Domestic Affairs and Policy (or such other official as the President may designate) shall designate an official within the Executive Office of the President to meet with the affected agencies to resolve the dispute within a reasonable time.

1–308. The Equal Employment Opportunity Commission shall include in the annual report transmitted to the President and the Congress pursuant to Section 715 of Title VII of the Civil Rights Act of 1964, as amended (42 U.S.C. 2000e–14), a statement of the progress that has been made in achieving the purpose of this order. The Equal Employment Opportunity Commission shall provide Federal departments and agencies an opportunity to comment on the report prior to formal submission.

1–5. General Provisions

1–501. Nothing in this order shall relieve or lessen the responsibilities or obligations imposed upon any person or entity by Federal equal employment law, Executive order, regulation or policy.

1–502. Nothing in this order shall limit the Attorney General's role as legal adviser to the Executive Branch. --

JIMMY CARTER.

EX. ORD. No. 12086. CONSOLIDATION OF CONTRACT COMPLIANCE FUNCTIONS FOR EQUAL EMPLOYMENT OPPORTUNITY


By the authority vested in me as President by the Constitution and statutes of the United States of America, including Section 202 of the Budget and Accounting Procedures Act of 1950 (31 U.S.C. 581c) [31 U.S.C. 1351], in order to provide for the transfer to the Department of Labor of certain contract compliance functions relating to equal employment opportunity, it is hereby ordered as follows:

1–1. Transfer of Functions

1–101. The functions concerned with being primarily responsible for the enforcement of the equal employment opportunity provisions under Parts II and III of Executive Order, No. 11246, as amended [set out as a note above], are transferred or reassigned to the Secretary of Labor from the following agencies:

(a) Department of the Treasury.
(b) Department of Defense.
(c) Department of the Interior.
(d) Department of Commerce.
(e) Department of Health and Human Services.
(f) Department of Housing and Urban Development.
(g) Department of Transportation.
(h) Department of Energy.
(i) Environmental Protection Agency.
(j) General Services Administration.
(k) Small Business Administration.

1–102. The records, property, personnel and positions, and unexpended balances of appropriations or funds related to the functions transferred or reassigned by this Order, that are available and necessary to finance or discharge those functions, are transferred to the Secretary of Labor.

1–103. The Director of the Office of Management and Budget shall make such determinations, issue such orders, and take all actions necessary or appropriate to effectuate the transfers or reassignments provided by this Order, including the transfer of funds, records, property, and personnel.

1–2. Conforming Amendments to Executive Order No. 11246

1–201(a). In order to reflect the transfer of enforcement responsibility to the Secretary of Labor, Section 201 of Executive Order No. 11246, as amended, is amended to read:

"Sec. 201. The Secretary of Labor shall be responsible for the administration and enforcement of Parts II and III of this Order. The Secretary shall adopt such rules and regulations and issue such orders as are deemed necessary and appropriate to achieve the purposes of Parts II and III of this Order.".
paragraph (7) of the contract clauses specified in Section 202 of Executive Order No. 11246, as amended, is amended to read: "(7) The contractor will include the provisions of paragraphs (1) through (7) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of Executive Order No. 11246 of September 24, 1965, so that such provisions will be binding upon each subcontract or vendor. The contractor will take such action with respect to any subcontract or purchase order as may be directed by the Secretary of Labor as a means of enforcing such provisions including sanctions for noncompliance: Provided, however, that in the event the contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction, the contractor may request the United States to enter into such litigation to protect the interests of the United States.

1–203. In both the beginning and end of subsection (d) of Section 203 of Executive Order No. 11246, as amended, delete “contracting agency” in the phrase “contracting agency or the” in the phrase “contracting agency or the Secretary.”

1–204. Section 205 of Executive Order No. 11246, as amended, is amended by deleting the last two sentences, which dealt with agency designation of compliance officers, and revising the rest of that section to read:

“SEC. 205. The Secretary of Labor shall be responsible for securing compliance by all Government contractors and subcontractors with this Order and any implementing rules or regulations. All contracting agencies shall comply with the terms of this Order and any implementing rules, regulations, or orders of the Secretary of Labor. Contracting agencies shall cooperate with the Secretary of Labor and shall furnish such information and assistance as the Secretary may require.”.

1–205. In order to delete references to the contracting agencies conducting investigations, Section 206 of Executive Order No. 11246, as amended, is amended to read:

“SEC. 206. (a) The Secretary of Labor may investigate the employment practices of any Government contractor or subcontractor to determine whether or not the contractual provisions specified in Section 202 of this Order have been violated. Such investigation shall be conducted in accordance with the procedures established by the Secretary of Labor.

(b) The Secretary of Labor may receive and investigate complaints by employees or prospective employees of a Government contractor or subcontractor which allege discrimination contrary to the contractual provisions specified in Section 202 of this Order.”.

1–207. The introductory clause in Section 209(a) of Executive Order No. 11246, as amended, is amended by deleting “or the appropriate contracting agency” from “In accordance with such rules, regulations, or orders as the Secretary of Labor may issue or adopt, the Secretary or the appropriate contracting agency may:”.

1–208. In paragraph (5) of Section 209(a) of Executive Order No. 11246, as amended, insert at the beginning the phrase “After consulting with the contracting agency, direct the contracting agency to”, and at the end of paragraph (5) delete “contracting agency” and substitute therefor “Secretary of Labor” so that paragraph (5) is amended to read:

“(5) After consulting with the contracting agency, direct the contracting agency to cancel, terminate, suspend, or cause to be cancelled, terminated, or suspended, any contract, or any portion or portions thereof, failure or the contract or any contractor or subcontractor and comply with equal employment opportunity provisions of the contract. Contracts may be cancelled, terminated, or suspended absolutely or continuance of contracts may be conditioned upon a program for future compliance approved by the Secretary of Labor.”.

1–209. In order to reflect the transfer from the agencies to the Secretary of Labor of the enforcement functions, substitute “Secretary of Labor” for “each contracting agency” in Section 209(b) of Executive Order No. 11246, as amended, so that Section 209(b) is amended to read:

“(b) Pursuant to rules and regulations prescribed by the Secretary of Labor, the Secretary shall make reasonable efforts, within a reasonable time limitation, to secure compliance with the contract provisions of this Order by methods of conference, conciliation, mediation, and persuasion before proceedings shall be instituted under subsection (a)(5) of this Section, or before a contract shall be cancelled or terminated in whole or in part under subsection (a)(5) of this Section.”.

1–210. In order to reflect the responsibilities of the contracting agencies for prompt compliance with the directions of the Secretary of Labor, Sections 210 and 211 of Executive Order No. 11246, as amended, are amended to read:

“SEC. 210. Whenever the Secretary of Labor makes a determination under Section 209, the Secretary shall promptly notify the appropriate agency. The agency shall take the action directed by the Secretary and shall report the results of the action it has taken to the Secretary of Labor within such time as the Secretary shall specify. If the contracting agency fails to take the action directed within thirty days, the Secretary may take the action directly.”.

“SEC. 211. If the Secretary of Labor shall so direct, contracting agencies shall not enter into contracts with any bidder or prospective contractor unless the bidder or prospective contractor has satisfactorily complied with the provisions of this Order or submits a program for compliance acceptable to the Secretary of Labor.”

1–211. Section 212 of Executive Order No. 11246, as amended, is amended to read:

“SEC. 212. When a contract has been cancelled or terminated under Section 209(a)(5) or a contractor has been debarred from further Government contracts under Section 209(a)(6) of this Order, because of noncompliance with the contract provisions specified in Section 202 of this Order, the Secretary of Labor shall promptly notify the Comptroller General of the United States.

1–212. In order to reflect the transfer of enforcement responsibility to the Secretary of Labor, references to the administering department or agency are deleted in clauses (1), (2), and (3) of Section 301 of Executive Order No. 11246, as amended, and those clauses are amended to read:

“(1) to assist and cooperate actively with the Secretary of Labor in obtaining the compliance of contractors and subcontractors with those contract provisions and with the rules, regulations and relevant orders of the Secretary, (2) to obtain and to furnish to the Secretary of Labor such information as the Secretary may require for the supervision of such compliance, (3) to carry out sanctions and penalties for violation of such obligations imposed upon contractors and subcontractors by the Secretary of Labor pursuant to Part II, Subpart D, of this Order.”.

1–213. In order to reflect the transfer from the agencies to the Secretary of Labor of the enforcement functions “Secretary of Labor” shall be substituted for “administering department” in Sections 303 of Executive Order No. 11246, as amended, and Section 303 is amended to read:

“SEC. 303(a). The Secretary of Labor shall be responsible for obtaining the compliance of such applicants with their undertakings under this Order. Each administering department and agency is directed to cooperate with the Secretary of Labor and to furnish the Secretary such information and assistance as the Secretary may require in the performance of the Secretary’s functions under this Order.”.
“(b) In the event an applicant fails and refuses to comply with the applicant’s undertakings pursuant to this Order, the Secretary of Labor may, after consulting with the administering department or agency, take any or all of the following actions: (1) direct any administering department or agency to cancel, terminate, or suspend in whole or in part the agreement, contract or other arrangement with such applicant with respect to which the failure or refusal occurred; (2) direct any administering department or agency to refrain from extending any further assistance to the applicant under the program with respect to which the failure or refusal occurred until satisfactory assurance of future compliance has been received by the Secretary of Labor from such applicant; and (3) refer the case to the Department of Justice or the Equal Employment Opportunity Commission for appropriate law enforcement or other proceedings.”

“(c) In no case shall action be taken with respect to an applicant pursuant to clause (1) or (2) of subsection (b) without notice and opportunity for hearing.”

1-214. Section 401 of Executive Order No. 11246, as amended, is amended to read:

“Sec. 401. The Secretary of Labor may delegate to any officer, agency, or employee in the Executive branch of the Government, any function or duty of the Secretary under Parts II and III of this Order.”

1-3. GENERAL PROVISIONS

1-301. The transfers or reassignments provided by Section 1-1 of this Order shall take effect at such time or times as the Director of the Office of Management and Budget shall determine. The Director shall ensure that all such transfers or reassignments take effect within 60 days.

1-302. The conforming amendments provided by Section 1-2 of this Order shall take effect on October 8, 1978, except that, with respect to those agencies identified in Section 1-101 of this Order, the conforming amendments shall be effective on the effective date of the transfer or reassignment of functions as specified pursuant to Section 1-301 of this Order.

EXECUTIVE ORDER NO. 12135

Ex. Ord. No. 12135, May 9, 1979, 44 F.R. 27639, which established the President’s Advisory Committee for Women, was revoked by Ex. Ord. No. 12236, Dec. 21, 1981, 46 F.R. 62239, set out below.

EX. ORD. NO. 12336. TASK FORCE ON LEGAL EQUITY FOR WOMEN


By the authority vested in me as President by the Constitution of the United States of America, and in order to provide for the systematic elimination of regulatory and procedural barriers which have unfairly precluded women from receiving equal treatment from Federal activities, it is hereby ordered as follows:

Section 1. Establishment. (a) There is established the Task Force on Legal Equity for Women.

(b) The Task Force members shall be appointed by the President from among nominees by the heads of the following Executive agencies, each of which shall have one representative on the Task Force:

1. Department of State.
2. Department of The Treasury.
4. Department of Justice.
5. Department of The Interior.
6. Department of Agriculture.
7. Department of Commerce.
8. Department of Labor.
10. Department of Housing and Urban Development.
11. Department of Transportation.
13. Department of Education.
15. Veterans Administration [now Department of Veterans Affairs].
19. Environmental Protection Agency.
20. Corporation for National and Community Service.
22. Federal Register.
23. Food and Drug Administration.
24. General Services Administration.
25. National Aeronautics and Space Administration.
27. National Endowment for the Arts.
30. Social Security Administration.
31. United States Trade Representative.
32. United States Information Agency.
33. Women’s Bureau.
34. Other agencies may be invited to chair the Task Force. Other agencies may be invited to participate in the functions of the Task Force.

Section 2. Functions. (a) The members of the Task Force shall be responsible for coordinating and facilitating in their respective agencies, under the direction of the head of their agency, the implementation of changes ordered by the President in sex-discriminatory Federal regulations, policies, and practices.

(b) The Task Force shall periodically report to the President on the progress made throughout the Government in implementing the President’s directives.

(c) The President shall designate one of the members to chair the Task Force. Other agencies may be invited to participate in the functions of the Task Force.

Section 3. Administration. (a) The head of each Executive agency shall, to the extent permitted by law, provide the Task Force with such information and advice as the Task Force may identify as being useful to fulfill its functions.

(b) The agency with its representative chairing the Task Force shall, to the extent permitted by law, provide the Task Force with such administrative support as may be necessary for the effective performance of its functions.

(c) The head of each agency represented on the Task Force shall, to the extent permitted by law, furnish its representative such administrative support as is necessary and appropriate.

Section 4. General Provisions. (a) Section 1-101(b) of Executive Order No. 12238, as amended, is revoked.

(b) Executive Order No. 12135 is revoked.

(c) Section 6 of Executive Order No. 12050, as amended, is revoked.

RONALD REAGAN.

[The International Communication Agency was redesignated the United States Information Agency, see section 303 of Pub. L. 97-241, title III, Aug. 24, 1982, 96 Stat. 291, set out as a note under section 1461 of Title 22, Foreign Relations and Intercourse. For abolition of United States Information Agency (other than Broadcasting Board of Governors and International Broadcasting Bureau), transfer of functions, and treatment of references thereto, see sections 6531, 6532, and 6551 of Title 22.]
force, roughly half of their total representation in the civilian labor force. This Executive Order, therefore, affirms ongoing policies and recommends additional policies to eliminate the underrepresentation of Hispanics in the Federal workforce.

Sec. 2. Responsibilities of Executive Departments and Agencies. The head of each executive department and agency (agency) shall establish and maintain a program for the recruitment and career development of Hispanics in Federal employment. In its program, each agency shall:

(a) provide a plan for recruiting Hispanics that creates a fully diverse workforce for the agency in the 21st century;
(b) assess and eliminate any systemic barriers to the effective recruitment and consideration of Hispanics, including but not limited to:
1. broadening the area of consideration to include applicants from all appropriate sources;
2. ensuring that selection factors are appropriate and achieve the broadest consideration of applicants and do not impose barriers to selection based on nonmerit factors; and
3. considering the appointment of Hispanic Federal executives to rating, selection, performance review, and executive resources panels and boards;
(c) improve outreach efforts to include organizations outside the Federal Government in order to increase the number of Hispanic candidates in the selection pool for the Senior Executive Service;
(d) promote participation of Hispanic employees in management, leadership, and career development programs;
(e) ensure that performance plans for senior executives, managers, and supervisors include specific language related to significant accomplishments on diversity recruitment and career development and that accountability is predicated on those plans;
(f) establish appropriate agency advisory councils that include Hispanic Employment Program Managers;
(g) implement the goals of the Government-wide Hispanic Employment Initiatives issued by the Office of Personnel Management (OPM) in September 1997 (Nine-Point Plan), and the Report to the President’s Management Council on Hispanic Employment in the Federal Government of March 1999;
(h) ensure that managers and supervisors receive periodic training in diversity management in order to carry out their responsibilities to maintain a diverse workforce; and
(i) reflect a continuing priority for eliminating Hispanic underrepresentation in the Federal workforce and incorporate actions under this order as strategies for achieving workforce diversity goals in the agency’s Government Performance and Results Act (GPRA) Annual Performance Plan.

Sec. 3. Cooperation. All efforts taken by heads of agencies under sections 1 and 2 of this order shall, as appropriate, consult with and seek information and advice from experts in the areas of special targeted recruitment and diversity in employment.

Sec. 4. Responsibilities of the Office of Personnel Management. The Office of Personnel Management is required by law and regulations to undertake a Government-wide minority recruitment effort. Pursuant to that on-going effort and in implementation of this order, the Director of OPM shall:

(a) provide Federal human resources management policy guidance to address Hispanic underrepresentation where it occurs;
(b) within 180 days from the date of this order, prescribe such regulations as may be necessary to carry out the purposes of this order;
(c) within 60 days from the date of this order, establish an Interagency Task Force, chaired by the Director and composed of agency officials at the Deputy Secretary level, or the equivalent. This Task Force shall meet semi-annually to:
1. review best practices in strategic human resource management planning, including alignment with agency GPRA plans;
2. assess overall executive branch progress in complying with the requirements of this order;
3. provide advice on ways to increase Hispanic community involvement; and
4. recommend any further actions, as appropriate, in eliminating the underrepresentation of Hispanics in the Federal workforce where it occurs; and
(d) ensure that selection factors are appropriate, do not have the same educational and career opportunities as our sons, that affects entire communities, our daughters to work harder to make ends meet. When our daughters earn less than their male counterparts, that affects families who have to work harder to make ends meet. Our daughters do not have the same educational and career opportunities as our sons, that affects entire communities, our country, and our future as a Nation.

The purpose of this order is to establish a coordinated Federal response to issues that particularly impact the lives of women and girls and to ensure that Federal programs and policies address and take into account the distinctive concerns of women and girls, including women of color and those with disabilities.

Sec. 2. White House Council on Women and Girls. There is established within the Executive Office of the President a White House Council on Women and Girls (Council).
§ 2000e

(a) Membership of the Council. The Council shall consist of the following members:
(1) the Senior Advisor and Assistant to the President for Intergovernmental Affairs and Public Liaison, who shall serve as Chair of the Council;
(2) the Secretary of State;
(3) the Secretary of Defense;
(4) the Attorney General;
(5) the Secretary of the Interior;
(6) the Secretary of Agriculture;
(7) the Secretary of Commerce;
(8) the Secretary of Labor;
(9) the Secretary of Health and Human Services;
(10) the Secretary of Housing and Urban Development;
(11) the Secretary of Transportation;
(12) the Secretary of Energy;
(13) the Secretary of Education;
(14) the Secretary of Veterans Affairs;
(15) the Secretary of Homeland Security;
(16) the Representative of the United States of America to the United Nations;
(17) the United States Trade Representative;
(18) the Director of the Office of Management and Budget;
(19) the Administrator of the Environmental Protection Agency;
(20) the Chair of the Council of Economic Advisers;
(21) the Director of Personnel Management;
(22) the Administrator of the Small Business Administration;
(23) the Assistant to the President for Economic Policy and Director of the National Economic Council; and
(24) the heads of such other executive branch departments, agencies, and offices as the President may designate, to perform the functions of the member, a senior-level official who is a part of the member’s department, agency, or office, and who is a full-time officer or employee of the Federal Government. At the direction of the Chair, the Council may establish subgroups consisting exclusively of Council members or their designees under this section, as appropriate.

(b) Administration of the Council. The Department of Commerce shall provide funding and administrative support for the Council to the extent permitted by law and within existing appropriations. The Chair shall convene regular meetings of the Council, determine its agenda, and direct its work. The Chair shall designate an Executive Director of the Council, who shall coordinate the work of the Council and head any staff associated with the Council.

SIC. 3. Mission and Functions of the Council. The Council shall work across executive departments and agencies to provide a coordinated Federal response to issues that have a distinct impact on the lives of women and girls, including assisting women-owned businesses to compete internationally and working to increase the participation of women in the science, engineering, and technology workforce, and to ensure that Federal programs and policies adequately take those impacts into account. The Council shall be responsible for providing recommendations to the President on the effects of pending legislation and executive branch policy proposals; for suggesting changes to Federal programs or policies to address issues of special importance to women and girls; for reviewing and recommending changes to policies that have a distinct impact on women in the Federal workforce; and for assisting in the development of legislative and policy proposals of special importance to women and girls. The functions of the Council are advisory only.

SIC. 4. Outreach. Consistent with the objectives set out in this order, the Council, in accordance with applicable law, in addition to regular meetings, shall conduct outreach with representatives of nonprofit organizations, State and local government agencies, elected officials, and other interested persons that will assist with the Council’s development of a detailed set of recommendations.

SIC. 5. Federal Interagency Plan. The Council shall, within 150 days of the date of this order, develop and submit to the President a Federal interagency plan with recommendations for interagency action consistent with the goals of this order. The Federal interagency plan shall include an assessment by each member executive department, agency, or office of the status and scope of its efforts to further the progress and advancement of women and girls. Such an assessment shall include a report on the status of any offices or programs that have been created to develop, implement, or monitor targeted initiatives concerning women or girls. The Federal interagency plan shall also include recommendations for issues, programs, or initiatives that should be further evaluated or studied by the Council. The Council shall review and update the Federal interagency plan periodically, as appropriate, and shall present to the President any updated recommendations or findings.

SIC. 6. General Provisions. (a) The heads of executive departments and agencies shall assist and provide information to the Council, consistent with applicable law, as may be necessary to carry out the functions of the Council. Each executive department and agency shall bear its own expense for participating in the Council.

(b) Nothing in this order shall be construed to impair or otherwise affect:
(i) authority granted by law to an executive department, agency, or the head thereof; or
(ii) functions of the Director of the Office of Management and Budget relating to budgetary, administrative, or legislative proposals.

(c) This order shall be implemented consistent with applicable law and subject to the availability of appropriations.

(d) This order is not intended to, and does not, create any right or benefit, substantive or procedural, enforceable at law or in equity by any party against the United States, its departments, agencies, or entities, its officers, employees, or agents, or any other person.

BARACK OBAMA.

EX. ORD. NO. 13583. ESTABLISHING A COORDINATED GOVERNMENT-WIDE INITIATIVE TO PROMOTE DIVERSITY AND INCLUSION IN THE FEDERAL WORKFORCE.

Ex. Ord. No. 13583, Aug. 18, 2011, 76 F.R. 52847, provided:
By the authority vested in me as President by the Constitution and the laws of the United States of America, and in order to place as a model of equal opportunity, diversity, and inclusion, it is hereby ordered as follows:

SECTION 1. Policy. Our Nation derives strength from the diversity of its population and from its commitment to equal opportunity for all. We are at our best when we draw on the talents of all parts of our society, and our greatest accomplishments are achieved when diverse perspectives are brought to bear to overcome our greatest challenges.

A commitment to equal opportunity, diversity, and inclusion is critical for the Federal Government as an employer. By law, the Federal Government’s recruitment policies should “endeavor to achieve a work force from all segments of society.” (5 U.S.C. 2301(b)(1)). As the Nation’s largest employer, the Federal Government has a special responsibility to lead by example. Attaining a diverse, qualified workforce is one of the cornerstones of the merit-based civil service.

Prior Executive Orders, including but not limited to those listed below, have taken a number of steps to address the leadership role and obligations of the Federal Government as an employer. For example, Executive
Order 13171 of October 12, 2000 (Hispanic Employment in the Federal Government), directed executive departments and agencies to implement programs for recruitment, hiring, and career development of Hispanic employees and established a mechanism for identifying best practices in doing so. Executive Order 13518 of November 9, 2009 (Employment of Veterans in the Federal Government) required the establishment of a Veterans Employment Initiative. Executive Order 13548 of July 26, 2010 (Increasing Federal Employment of Individuals With Disabilities), and its related predecessors, Executive Order 13163 of July 26, 2000 (Increasing Employment of Adults With Disabilities), sought to tap the skills of the millions of Americans living with disabilities.

To realize more fully the goal of using the talents of all segments of society, the Federal Government must continue to challenge itself to enhance its ability to recruit, hire, promote, and retain a more diverse workforce. Further, the Federal Government must create a culture that encourages collaboration, flexibility, and fairness to enable individuals to participate to their full potential. Wherever possible, the Federal Government must also seek to consolidate compliance efforts established through existing or overlapping statutory mandates and directions from Executive Orders, and regulatory requirements. By this order, I am directing executive departments and agencies to develop and implement a more comprehensive, integrated, and strategic focus on diversity and inclusion as a key component of their human resources strategies. This approach should include a continuing effort to identify and adopt best practices, implemented in an integrated manner, to promote diversity and remove barriers to equal employment opportunity, consistent with merit system principles and applicable law.

Sect. 2. Government-Wide Diversity and Inclusion Initiative and Strategic Plan. The Director of the Office of Personnel Management (OPM) and the Deputy Director for Management of the Office of Management and Budget (OMB), in coordination with the President's Management Council (PMC) and the Chair of the Equal Employment Opportunity Commission (EEOC), shall:

(a) establish a coordinated Government-wide initiative to promote diversity and inclusion in the Federal workforce;

(b) within 90 days of the date of this order:

(i) develop and issue a Government-Wide Diversity and Inclusion Strategic Plan (Government-wide Plan), to be updated as appropriate and at a minimum every 4 years, focusing on workforce diversity, workplace inclusion, and agency accountability and leadership. The Government-wide Plan shall highlight comprehensive strategies for agencies to identify and remove barriers to equal employment opportunity that may exist in the Federal Government's recruitment, hiring, promotion, retention, professional development, and training policies and practices;

(ii) review applicable directives to agencies related to the development or submission of agency human capital and other workforce plans and reports in connection with recruitment, hiring, promotion, retention, professional development, and training policies and practices, and develop a strategy for consolidating such agency plans and reports where appropriate and permitted by law; and

(iii) provide guidance to agencies concerning formulation of agency-specific Diversity and Inclusion Strategic Plans prepared pursuant to section 3(b) of this order;

(c) identify appropriate practices to improve the effectiveness of each agency's efforts to recruit, hire, promote, retain, develop, and train a diverse and inclusive workforce, consistent with merit system principles and applicable law; and

(d) establish a system for reporting regularly on agencies' progress in implementing their agency-specific Diversity and Inclusion Strategic Plans and in meeting the objectives of this order.

Sect. 3. Responsibilities of Executive Departments and Agencies. All agencies shall implement the Government-wide Plan prepared pursuant to section 2 of this order, and such other related guidance as issued from time to time by the Director of OPM and Deputy Directors for Management of OMB. In addition, the head of each executive department and agency referred to under subsections (1) and (2) of section 901(b) of title 31, United States Code, shall:

(a) designate the agency's Chief Human Capital Officer to be responsible for enhancing employment and promotion opportunities within the agency, in collaboration with the agency's Director of Equal Employment Opportunity and Director of Diversity and Inclusion, if any, and consistent with law and merit system principles, including development and implementation of the agency-specific Diversity and Inclusion Strategic Plan;

(b) within 120 days of the issuance of the Government-wide Plan or its update under section 2(b)(i) of this order, develop and submit for review to the Director of OPM and the Deputy Director for Management of OMB an agency-specific Diversity and Inclusion Strategic Plan for recruiting, hiring, training, developing, advancing, promoting, and retaining a diverse workforce consistent with applicable law, the Government-wide Plan, merit system principles, the agency's overall strategic plan, its human capital plan prepared pursuant to part 5 of the Code of Federal Regulations, and other applicable workforce planning strategies and initiatives;

(c) implement the agency-specific Diversity and Inclusion Strategic Plan after incorporating it into the agency's human capital plan; and

(d) provide information as specified in the reporting requirements developed under section 2(d).

Sect. 4. General Provisions. (a) Nothing in this order shall be construed to impair or otherwise affect:

(i) authority granted to a department or agency or the head thereof, including the authority asserted by EEOC by other Executive Orders (including Executive Order 12067) or any agency's authority to establish an independent Diversity and Inclusion Office; or

(ii) functions of the Director of OMB relating to budgetary, administrative, or legislative proposals.

(b) This order shall be implemented consistent with applicable law and subject to the availability of appropriations.

(c) This order is not intended to, and does not, create any right or benefit, substantive or procedural, enforceable at law or in equity by any party against the United States, its departments, agencies, or entities, its officers, employees, or agents, or any other person.

BARACK OBAMA.
low workers, compensation discrimination is much more difficult to discover and remediate, and more likely to persist. Such prohibitions (either express or tacit) also restrict the amount of information available to participants in the Federal contracting labor pool, which tends to diminish market efficiency and decrease the likelihood that the most qualified and productive workers are hired at the market efficient price. Empowering that employees of Federal contractors may discuss their compensation without fear of adverse action will enhance the ability of Federal contractors and their employees to detect and remediate unlawful discriminatory practices, which will contribute to a more efficient market in Federal contracting.

Succ. 2. [Amended Ex. Ord. No. 11246, set out above.]

Section 4. Regulations. Within 180 days of the date of this order, the Secretary of Labor shall propose regulations to implement the requirements of this order.

Succ. 4. Severability. If any provision of this order, or the application of such provision or amendment to any person or circumstance, is held to be invalid, the remainder of this order and the application of the provisions of such to any person or circumstances shall not be affected thereby.

Succ. 5. General Provisions. (a) Nothing in this order shall be construed to limit the rights of an employee or applicant for employment protected under any provision of law. It also shall not be construed to prevent a Federal contractor covered by this order from pursuing a defense, as long as the defense is not based on a rule, policy, practice, agreement, or other instrument that prohibits employees or applicants from discussing or disclosing their compensation or the compensation of other employees or applicants, subject to paragraph (3) of section 202 of Executive Order 11246, as added by this order.

(b) Nothing in this order shall be construed to impair or otherwise affect:

(i) the authority granted by law to a department, agency, or the head thereof; or

(ii) the functions of the Director of the Office of Management and Budget relating to budgetary, administrative, or legislative proposals.

(c) This order shall be implemented consistent with applicable law and subject to the availability of appropriations.

(d) This order is not intended to, and does not, create any right or benefit, substantive or procedural, enforceable at law or in equity by any party against the United States, its departments, agencies, or entities, its officers, employees, or agents, or any other person.

Succ. 6. Effective Date. This order shall become effective immediately, and section 2 of this order shall apply to contracts entered into on or after the effective date of the rules promulgated by the Department of Labor under section 3 of this order.

BARACK OBAMA.

EX. ORD. NO. 13672. FURTHER AMENDMENTS TO EXECUTIVE ORDER 11478, EQUAL EMPLOYMENT OPPORTUNITY IN THE FEDERAL GOVERNMENT, AND EXECUTIVE ORDER 11246, EQUAL EMPLOYMENT OPPORTUNITY

Ex. Ord. No. 13672, July 21, 2014, 79 F.R. 42971, provided:

By the authority vested in me as President by the Constitution and the laws of the United States of America, including 49 U.S.C. 121, and in order to provide for a uniform policy for the Federal Government to prohibit discrimination and take further steps to promote economy and efficiency in Federal Government procurement by prohibiting discrimination based on sexual orientation and gender identity, it is hereby ordered as follows:

SECTION 1. [Amended Ex. Ord. No. 11478, set out above.]

Succ. 2. [Amended Ex. Ord. No. 11246, set out above.]

Succ. 3. Regulations. Within 90 days of the date of this order, the Secretary of Labor shall promulgate rules to implement the requirements of section 2 of this order.

Succ. 4. General Provisions. (a) Nothing in this order shall be construed to impair or otherwise affect:

(i) the authority granted by law to an agency or the head thereof; or

(ii) the functions of the Director of the Office of Management and Budget relating to budgetary, administrative, or legislative proposals.

(b) This order is not intended to, and does not, create any right or benefit, substantive or procedural, enforceable at law or in equity by any party against the United States, its departments, agencies, or entities, its officers, employees, or agents, or any other person.

Succ. 5. Effective Date. This order shall become effective immediately, and section 2 of this order shall apply to contracts entered into on or after the effective date of the rules promulgated by the Department of Labor under section 3 of this order.
ity statistics, the 2003 revision of the standard death certificate introduced improved standards for collecting data. Until all 50 States and registration areas adopted the new data standards, formulating a national-level maternal mortality ratio remains difficult.

(b) Women in Leadership in Corporate America. Women participate in every sector of the workforce. Their current role in corporate leadership is an important indicator of their progress. I encourage the Chair of the Securities and Exchange Commission to seek to supplement the information it already collects by seeking to collect, among other data, information on the presence of women in governance positions in corporations, in order to shed further light on the role of women in corporate America.

(c) Women in Leadership in Public Service. I encourage the Corporation for National and Community Service to include statistics about the role of women in diverse aspects of public service within its planned work on the 2010 National and Community Service Report. This memorandum shall be carried out to the extent permitted by law, consistent with the legal authorities of executive departments and agencies and subject to the availability of appropriations. Nothing in this memorandum shall be construed to impair or otherwise affect the authority granted by law to a department or agency, or the head thereof, or the functions of the Director of the Office of Management and Budget relating to budgetary, administrative, or legislative proposals.

This memorandum is not intended to, and does not, create any right or benefit, substantive or procedural, enforceable at law or in equity by any party against the United States, its departments, agencies, or entities, its officers, employees, or agents, or any other person.

The Director of the Office of Management and Budget is hereby authorized and directed to publish this memorandum in the Federal Register.

BARACK OBAMA.

PROMOTING DIVERSITY AND INCLUSION IN THE NATIONAL SECURITY WORKFORCE

Memorandum of President of the United States, Oct. 5, 2016, 81 F.R. 69993, provided:

Memorandum for the Heads of Executive Departments and Agencies

Our greatest asset in protecting the homeland and advancing our interests abroad is the talent and diversity of our national security workforce. Under my administration, we have made important progress toward harnessing the extraordinary range of backgrounds, cultures, perspectives, skills, and experiences of the U.S. population toward keeping our country safe and strong. As the United States becomes more diverse and the challenges we face more complex, we must continue to invest in policies to recruit, retain, and develop the best and brightest from all segments of our population. Research has shown that diverse groups are more effective at problem solving than homogeneous groups, and policies that promote diversity and inclusion will enhance our ability to draw from the broadest possible pool of talent, solve our toughest challenges, maximize employee engagement and innovation, and lead by example by setting a high standard for providing access to opportunity to all segments of our society.

The purpose of this memorandum is to provide guidance to the national security workforce in order to strengthen the talent and diversity of their respective organizations. That workforce, which comprises more than 3 million people, includes the following departments, agencies, offices, and other entities (agencies) that are primarily engaged in diplomacy, development, defense, intelligence, law enforcement, and homeland security: 1) Department of State: Civil Service and Foreign Service; 2) United States Agency for International Development (USAID): Civil Service and Foreign Service; 3) Department of Defense: civilians, officers, enlisted personnel, and civilian personnel; 4) the 17 members of the Intelligence Community; 5) Department of"
dum, agencies shall ensure their diversity and inclusion practices are fully integrated into broader succession planning efforts and supported by sufficient resource allocations and effective programs that invest in personnel development and engagement. Where appropriate, they shall also support, coordinate, and encourage research and other efforts by the Federal Government to expand the knowledge base of best practices for broadening participation and understanding the impact of diversity and inclusion on national security, including in the fields of science and technology.

Therefore, by the authority vested in me as President by the Constitution and the laws of the United States of America, I hereby direct the following:

SECTION 1. Collection, Analysis, and Dissemination of Workforce Data. Although collected data do not necessarily indicate the existence of barriers to equal employment opportunity, the collection and analysis of metrics allows agencies to assess their workforce talent gaps, as well as the effectiveness of their diversity and inclusion efforts and the adequacy of their resources to address these gaps. The dissemination of data to the public and to agency personnel may increase the transparency and accountability of their efforts. Accordingly, in the national security workforce shall:

(a) Aggregate demographic data and other information available to the public and broader workforce. Agencies shall make available to the general public information on the state of diversity and inclusion in their workforce. That information, which shall be updated at least once a year, shall include aggregate demographic data by workforce or service and grade or rank; attrition and promotion demographic data; validated inclusion metrics as specified in the New Inclusion Quotient (New IQ) index score; demographic comparisons to the relevant civilian labor force; and unclassified reports and barrier analyses related to diversity and inclusion.

(b) Expand the collection and analysis of voluntary applicant flow data. Applicant flow data tracks the selection rate variances for job positions among different demographic categories and in examining the fairness and inclusiveness of their recruitment efforts. Agencies shall develop a system to collect and analyze applicant flow data for so many positions as practicable in order to identify future areas for improvement in attracting diverse talent, with particular attention to senior and management positions. The collection of data may be implemented in a phased approach commensurate with agency resources. Agencies shall include such analysis, including the percentage and level of positions for which data are collected, and any resulting policy changes or recommendations in the report required by section 1(a) of this memorandum.

(c) Identify additional categories for voluntary data collection of current employees. The Federal Government may require minimum reporting that collecting race and ethnicity information in the Office of Management and Budget’s (OMB) Statistical Policy Directive “Standards for Maintaining, Collecting, and Providing Federal Data on Race and Ethnicity” is that standard also encourages agencies to collect more detailed data, which can be compared by aggregating such data into minimum categories when necessary. For example, agencies may also collect additional demographic data, such as information regarding sexual orientation or gender identity. No later than 90 days after the date of this memorandum, agencies shall determine whether they recommend the voluntary collection of more detailed demographic data on additional categories of federal workforce.

(d) Expand the collection of data related to the hiring and retention of women, persons with disabilities, and persons with military experience. Agencies shall ensure that information about women, persons with disabilities, and persons with military experience is reported to OMB, the Office of Personnel Management (OPM), the Equal Employment Opportunity Commission, and the Department of Labor for consideration.

SNC. 2. Provision of Professional Development Opportunities and Tools Consistent with Merit System Principles. An inclusive work environment enhances agencies’ ability to retain and sustain a strong workforce by allowing all employees to perform at their full potential and maximize their talent. Professional development opportunities and tools are key to fostering that potential, and each agency should make it a priority to ensure that all employees have access to them consistent with merit system principles. Agencies in the national security workforce shall therefore:

(a) Conduct stay and exit interviews or surveys. Agencies shall conduct periodic interviews with a representative cross-section of personnel to understand better their reasons for staying with their organization, as well as to receive feedback on workplace policies, professional development opportunities, and other issues affecting their decision to remain. They shall also provide opportunities for exit interviews or surveys of all departing personnel to understand better their reasons for leaving. Agencies shall include analysis from the interviews or surveys in their reports and show the results of the interviews differ by gender, race and national origin, sexual orientation, gender identity, disability status, and other demographic variables—and any resulting policy changes or recommendations in the report required by section 1(a) of this memorandum.

(b) Expand provision of professional development and career advancement opportunities. Agencies shall prioritize resources to expand professional development opportunities that support mission needs, such as academic programs, private-public exchanges, and detail assignments to relevant positions in private or international organizations; State, local, and tribal governments; or other branches of the Federal Government. In addition, agencies in the national security workforce shall offer, or sponsor employees to participate in, an SES Candidate Development Program (CDP) or other programs that train employees to gain the skills required for senior-level agency appointments. In determining which professional development programs are granted priority, agencies shall ensure that their SES CDP comports with the provisions of 5 C.F.R. part 412, subpart C, including merit staffing and assessment requirements. Agencies shall also categorize the number of expected senior-level vacancies as a factor in determining the number of candidates to select for such programs. Agencies shall track the demographics of program participants as well as the rate of placement into senior-level positions for participants in such programs, evaluate such data on an annual basis to look for ways to improve outreach and recruitment for these programs consistent with merit system principles, and include such data in the report required by section 1(a) of this memorandum.

(c) Institute a review process for security and counterintelligence determinations that result in assignment restrictions. For agencies in the national security workforce that place assignment restrictions on personnel or otherwise prohibit certain geographic assignments due to a security determination, these agencies shall ensure a review process exists consistent with the Adjudicative Guidelines for Determining Eligibility for Access to Classified Information, as well as applicable regulations. Agencies shall periodically collect additional demographic data, such as information regarding sexual orientation or gender identity. No later than 90 days after...
§ 2000e  TITLE 42—THE PUBLIC HEALTH AND WELFARE

Page 4830

Sect. 3. Strengthening of Leadership Engagement and Accountability. Senior leadership and supervisors play an important role in fostering diversity and inclusion in their workforce; they lead and in setting an example for cultivating talent consistent with merit system principles. Toward that end, agencies in the national security workforce shall:

(a) Reward and recognize efforts to promote diversity and inclusion. Agencies are strongly encouraged to consider implementing performance and advancement requirements that reward and recognize senior leaders’ and supervisors’ efforts in fostering an inclusive environment and cultivating talent consistent with merit system principles, such as through participation in mentoring programs or sponsorship initiatives, recruitment events, and other opportunities. They are also encouraged to create opportunities for senior leadership and supervisors to participate in outreach events and to discuss issues related to diversity and inclusion with the workforce on a regular basis, including with employee resource groups.

(b) Collect and disseminate voluntary demographic data of external advisory committees and boards. For agencies in the national security workforce that have external advisory committees or boards to which their senior leadership appoints members, they are strongly encouraged to collect voluntary demographic data from all members of committee(s) and boards, and to include such data in the information and report required by section 1(a) of this memorandum.

(c) Expand training on unconscious bias, inclusion, and flexible work policies. Agencies shall expand their provision of training on implicit or unconscious bias, inclusion, and flexible work policies and make implicit or unconscious bias training mandatory for senior leadership and management positions, as well as for those responsible for outreach, recruitment, hiring, career development, promotion, and security clearance adjudication. The provision of training may be implemented in a phased approach commensurate with agency resources. Agencies shall also make available training for bureaus, directorates, or divisions whose inclusion scores, such as those measured by the New IQ index, consistently rank below the agency-wide average 3 or more years in a row. Agencies should give special attention to ensuring the continuous incorporation of research-based best practices, including those to address the intersectionality between certain demographics and job positions.

Sect. 4. Reporting on Progress. No later than 120 days after the date of this memorandum, and on an annual basis thereafter, the Assistant to the President for National Security Affairs, in consultation with the Directors of OMB and OPM, shall report to the President on the progress of the national security workforce in implementing the requirements of this memorandum, based on information provided by relevant departments and agencies.

Sect. 5. General Provisions. (a) Nothing in this memorandum shall be construed to impair or otherwise affect:

(1) the authority granted by law to an executive department, agency, or the head thereof, or the status of that department or agency within the Federal Government; or

(2) the functions of the Director of OMB relating to budgetary, administrative, or legislative proposals.

(b) This memorandum shall be implemented consistent with applicable law, and subject to the availability of appropriations.

(c) This memorandum is not intended to, and does not, create any right or benefit, substantive or procedural, enforceable at law or in equity by any party against the United States, its departments, agencies, or entities, its officers, employees, or agents, or any other person.

(d) The Director of OPM is hereby authorized and directed to publish this memorandum in the Federal Register.

BARACK OBAMA.

MEMORANDUM

For the Heads of Executive Departments and Agencies

Our Federal lands and waters are among our Nation’s greatest treasures—from our National Parks and National Forests, to our wild and scenic rivers, recreation areas, and other public lands and waters. These natural and historic sites give us fresh air and clean water, places for recreation and inspiration, and support for our local communities and economies. As a powerful sign of our democratic ideals, these lands belong to all Americans—rich and poor, urban and rural, young and old, from all backgrounds, genders, cultures, religious viewpoints, and walks of life.

Our public lands and waters are treasured in part because they tell the story of our Nation. They preserve the history from our Nation’s wars, protect cultural sites considered sacred to countless Americans, and honor the accomplishments of distinctly American leaders ranging from Harriet Tubman to Abraham Lincoln to Cesar Chavez. I am proud that my Administration has significantly expanded the stories that our protected public lands and waters tell about our Nation through designating a diverse collection of cultural and historic sites as new parks and monuments and restoring the Koyukon Athabaskan name of Denali to the tallest mountain in North America. I am proud, too, that my Administration has sought to expand access to our public lands and waters and to make them more welcoming to all Americans, especially those who have not regularly visited our Nation’s great outdoors or had the means to do so easily. Initiatives like “Every Kid in a Park” complement additional, ongoing efforts by Federal agencies to improve accessibility, but more work must be done to honor the promise and opportunity of the idea that our public lands belong to every American. Over the last 8 years, Federal land and water management agencies have also shown a renewed commitment to promoting equal opportunity for all employees and in creating work environments where everyone is empowered to reach their full potential.

The purpose of this memorandum is to ensure that all Americans have the opportunity to experience and enjoy our public lands and waters, that all segments of the population have the chance to engage in decisions about how our lands and waters are managed, and that our Federal workforce—not just the sites it manages—is drawn from the rich range of the diversity in our Nation. In this memorandum, “diversity” refers to a range of characteristics including national origin, language, race, color, disability, ethnicity, age, religion, sexual orientation, gender (including gender identity), socioeconomic status, veteran status, and family structure. The term “inclusion” refers to a culture that connects each employee to the organization; encourages collaboration, flexibility, and fairness; and promotes diversity throughout the organization so that all individuals have opportunities to participate and contribute to their full potential.

This memorandum is directed at the Department of the Interior, the U.S. Forest Service, the Office of the Assistant Secretary of the Army for Civil Works, and the National Oceanic and Atmospheric Administration (covered agencies).

Promoting diversity and inclusion is not the sole responsibility of one office within a Federal agency but a joint effort that requires engagement by senior leadership and the entire workforce. In implementing the guidance in this memorandum, each covered agency shall ensure its diversity and inclusion practices are fully integrated into broader planning efforts and supported by sufficient resource allocations and effective programs that promote a wide range of investments in personnel development, public engagement, and opportunities for inclusive access.

BARACK OBAMA.
Therefore, by the authority vested in me as President by the Constitution and the laws of the United States of America, I hereby direct the following:

1. **Diversity and Inclusion in the Federal Workforce.** The quality and integrity of our National Parks, National Forests, and other public lands and waters depend on the public servants who steward them for the benefit of current and future generations. To ensure we are managing these resources responsibly, we must have a diverse and inclusive Federal workforce practicing public land management that recognizes the challenge of engaging communities across the Nation. A more diverse and inclusive Federal workforce also creates a more welcoming experience for all Americans, no matter their background or where they live, and encourages engagement with Federal agencies on the management and future of our public lands and waters. Consistent with existing authorities, each covered agency shall prioritize building a more diverse and inclusive Federal workforce reflective of our Nation and its citizens.

Federal agencies are subject to existing authorities aimed at addressing the leadership role and obligations of the Federal Government as an employer. For example, Executive Order 13583 of August 18, 2011 (Establishing a Coordinated Government-wide Initiative to Promote Diversity and Inclusion in the Federal Workforce), requires Federal agencies to take action to promote equal opportunity, diversity, and inclusion in the Federal workforce. Federal agencies also are required by section 717 of title VII of the Civil Rights Act of 1964 to take proactive steps to ensure equal opportunity for all Federal employees and applicants for Federal employment. This memorandum directs each of the covered agencies to pursue additional actions that create and maintain a diverse and inclusive Federal workforce. Toward that end, each covered agency shall integrate the following activities in its efforts to comply with related statutory mandates, Executive Orders, regulatory requirements, and individual agency policies:

(a) Provide professional development opportunities and tools. A diverse and inclusive work environment enhances the ability of each covered agency to create, retain, and sustain a strong workforce by allowing all employees to perform to their full potential and talent. Professional development opportunities and tools are key to fostering that potential, and ensuring that all employees have access to them should be a priority for all agencies, consistent with merit system principles. Accordingly, each covered agency shall:

(i) Develop a mechanism to conduct periodic interviews with a voluntary representative cross-section of its workforce to gain a more complete understanding of the reasons that employees choose to leave, by section 717 of title VII of the Civil Rights Act of 1964, and other issues.

(ii) Provide optional exit interviews or surveys for all departing personnel;

(iii) Collect information as needed to identify methods for attracting applicants to Federal employment and retaining diverse workplace talent through existing workforce programs and initiatives;

(iv) Prioritize resources, as appropriate, to expand professional development opportunities that support mission needs, such as academic and fellowship programs, private-public exchanges, and detail assignments to private or international organizations, State, local and tribal governments, or other branches of the Federal Government;

(v) Offer, or sponsor employees to participate in, a Senior Executive Service Candidate Development Program under subsection (b) of this memorandum that trains employees to gain the skills required for senior-level appointments. Each covered agency shall consider the number of expected senior-level vacancies as one factor in determining the number of candidates to select for such programs. In the selection process for these programs, each covered agency shall consider redacting personal information, including applicant names, from all materials provided for review to reduce the potential for unconscious bias. Each covered agency also shall evaluate on a retroactive basis the placement rate of program graduates into senior-level positions, including available demographic data, on an annual basis to look for ways to improve outreach and recruitment for these programs.

Each covered agency shall consult with the Office of Personnel Management (OPM) on the development or enhancement of data-collection tools to conduct these evaluations; and

(b) Strengthen leadership engagement and accountability. Senior leadership and supervisors play an important role in fostering diversity and inclusion in the workforce they lead and setting an example for cultivating this and future generations of talent. Toward that end, each covered agency shall:

(i) Reward and recognize efforts to promote diversity and inclusion in the workforce. Consistent with merit system principles, each covered agency is strongly encouraged to consider implementing performance and advancement requirements that reward and recognize senior leaders’ and supervisors’ success in fostering diverse environments and cultivating talent, such as through participation in mentoring programs or sponsorship initiatives, recruitment events, and other opportunities. Each covered agency also is encouraged to identify opportunities for senior leadership and supervisors to participate in outreach events and discuss issues related to promoting diversity and inclusion in its workforce on a regular basis with support from any existing employee resource group, as appropriate; and

(ii) Expand training on unconscious bias, diversity and inclusion, and flexible work policies. Each covered agency shall expand its provision of training on unconscious bias, diversity and inclusion, and flexible work policies and make unconscious bias training mandatory for senior leadership and management positions, including for employees responsible for outreach, recruitment, hiring, career development, promotion, and law enforcement. The provision of training may be implemented in a phased approach commensurate with agency resources. Each covered agency shall also make available training on a 2-year cycle for bureaus, directorates, or divisions for which inclusion scores, such as those measured by the New IQ index, demonstrate no improvement since the previous training cycle. Each covered agency shall:

(i) Seek additional opportunities for the development of unconscious bias, diversity and inclusion, and flexible work policies and make unconscious bias training mandatory for senior leadership and management positions, including for employees responsible for outreach, recruitment, hiring, career development, promotion, and law enforcement. The provision of training may be implemented in a phased approach commensurate with agency resources. Each covered agency shall also make available training on a 2-year cycle for bureaus, directorates, or divisions for which inclusion scores, such as those measured by the New IQ index, demonstrate no improvement since the previous training cycle. Each covered agency shall:

(ii) Develop a mechanism to conduct periodic interviews with a voluntary representative cross-section of its workforce to gain a more complete understanding of the reasons that employees choose to leave, by section 717 of title VII of the Civil Rights Act of 1964, and other issues.

(iii) Collect information as needed to identify methods for attracting applicants to Federal employment and retaining diverse workplace talent through existing workforce programs and initiatives;

(iv) Prioritize resources, as appropriate, to expand professional development opportunities that support mission needs, such as academic and fellowship programs, private-public exchanges, and detail assignments to private or international organizations, State, local and tribal governments, or other branches of the Federal Government;

(v) Offer, or sponsor employees to participate in, a Senior Executive Service Candidate Development Program under subsection (b) of this memorandum that trains employees to gain the skills required for senior-level appointments. Each covered agency shall consider the number of expected senior-level vacancies as one factor in determining the number of candidates to select for such programs. In the selection process for these programs, each covered agency shall consider redacting personal information, including applicant names, from all materials provided for review to reduce the potential for unconscious bias. Each covered agency also shall evaluate on a retroactive basis the placement rate of program graduates into senior-level positions, including available demographic data, on an annual basis to look for ways to improve outreach and recruitment for these programs.

Each covered agency also shall consult with the Office of Personnel Management (OPM) on the development or enhancement of data-collection tools to conduct these evaluations; and

(c) Analyze existing data and identify opportunities for improvement. Each covered agency shall continue to evaluate and eliminate existing barriers to the successful growth of diversity and inclusion in the Federal workplace. The following actions shall be taken to ensure continued progress on this issue:

(i) Each covered agency shall integrate the activities described under subsections (a) and (b) of this section in the priorities and actions outlined in Executive Order 13583 and the periodic agency self-assessments and barrier analyses required by Equal Employment Opportunity Commission Management Directive 715, and shall make such assessments and analyses publicly available;

(ii) Human resources and any appropriate diversity and leadership staff from each of the covered agencies shall meet at least twice each year with agency leadership to discuss actions pursued under sections 1(a) and (b) of this memorandum, including working to identify and eliminate barriers to promoting diversity and inclusion in agency workforce programs and to discuss potential actions to improve hiring programs, recruitment, and work environments. Where data gaps are identified, each covered agency is encouraged to collect additional information as needed in order to
identify methods for attracting and retaining talent from diverse populations, with particular attention to senior and management positions. Each covered agency shall consult with OPM on the development or enhancement of data-collection tools to collect this information; and

(iii) OPM shall continue to review covered agency-specific diversity and inclusion plans and provide recommended modifications for agency consideration, including recommendations on strategies to promote diversity and inclusion in agency workforces and potential improvements to the use of existing agency hiring authorities.

SNC. 2. Enhancing Opportunities for all Americans to Experience Public Lands and Waters. (a) Recognizing that our public lands belong to all Americans, it is critical that all Americans can experience Federal lands and waters and the benefits they provide, and that diverse populations are able to provide input to inform the management and stewardship of these important resources. In order to achieve this goal, each covered agency shall:

(i) Identify site-specific opportunities. As each covered agency periodically updates or develops new management plans for its lands and waters, it shall evaluate specific barriers and opportunities, as appropriate, to improve visitation, access, and recreational opportunities for diverse populations;

(ii) Update policies to ensure engagement with diverse constituencies. As policy manuals and handbooks are updated, each covered agency shall ensure that these materials reflect the importance of engaging with diverse populations in resource protection, land and water management, and program planning and decisionmaking, as appropriate;

(iii) Establish internal policies for recipients of Federal funding. Each covered agency shall ensure that State, local, tribal, and private sector recipients of Federal funding are taking action to improve visitation, access, and recreational opportunities for diverse populations;

(iv) Identify public liaisons. Within 90 days of the issuance of this memorandum, each covered agency shall identify multiple public liaisons with a diversity of backgrounds and perspectives to be charged with facilitating input from and engaging with diverse populations in land and water management processes;

(v) Identify opportunities on advisory councils and stakeholder committees. Within 120 days of the issuance of this memorandum, each covered agency shall identify opportunities to promote participation by diverse populations in advisory councils and stakeholder committees established to support public land or water management, environmental, public health, or energy development planning; and other relevant decisionmaking; and

(vi) Develop an action plan. Within 1 year of the issuance of this memorandum, each covered agency shall provide a publicly available action plan to the Chair of the White House Council on Environmental Quality identifying specific actions the agency will take to 1) improve access for diverse populations—particularly for minority, low-income, and disabled populations and tribal communities—to experience and enjoy our Federal lands and waters, and 2) address barriers to participation in the protection and management of important historic, cultural, or natural areas. Each covered agency shall identify in its action plan any critical barriers to achieving both of these goals. This barrier evaluation should draw on internal staff input as well as external perspectives, including interviews, surveys, and engagement with non-governmental entities, as appropriate and as resources allow. Each action plan should include specific steps that the covered agency will take to address identified barriers, including national as well as regional strategies, and, where appropriate, site-specific initiatives. Each covered agency shall work through the Federal Recreation Council (FRC) to assist with the development of this action plan and use the FRC to share best practices and recommendations regarding specific programs and initiatives.

(b) In identifying actions to improve opportunities for all Americans to experience our Federal lands and waters, each covered agency shall consider a range of actions including the following:

(i) Conducting active outreach to diverse populations—particularly minority, low-income, and disabled populations and tribal communities—to increase awareness about specific programs and opportunities;

(ii) Focusing on the mentoring of new environmental, outdoor recreation, and preservation leaders to increase diverse representation in these areas and on our public lands;

(iii) Forging new partnerships with State, local, tribal, private, and non-profit partners to expand access for diverse populations, particularly those in the immediate vicinity of a protected area;

(iv) Identifying and making improvements to existing programs to increase visitation and access by diverse populations—particularly minority, low-income, and disabled populations and tribal communities;

(v) Creating new programs, especially those that could address certain gaps that are identified;

(vi) Expanding the use of multilingual and culturally appropriate materials, including American Sign Language, in public communications and educational strategies, including through social media strategies, as appropriate, that target diverse populations;

(vii) Continuing coordinated, interagency efforts to promote youth engagement and empowerment, including fostering new partnerships with diversity- and youth-serving organizations and new partnerships with urban areas and programs; and

(viii) Identifying possible staff liaisons to diverse populations, particularly those in the immediate vicinity of a given protected area.

(c) In identifying actions to improve opportunities for all Americans to participate in the protection and management of important historic, cultural, and natural areas, each covered agency shall consider a range of actions including the following:

(i) Considering recommendations and proposals from diverse populations to protect at-risk historic, cultural, and natural sites;

(ii) Improving the availability and distribution of relevant information about ongoing land and water management planning and policy revisions;

(iii) Identifying agency staff charged with outreach to diverse populations;

(iv) Identifying opportunities to facilitate public participation from interested diverse populations facing financial barriers, including through partnerships, where appropriate, with philanthropic organizations and tribal, State, and local governments; and

(v) Taking other actions to increase opportunities for diverse populations to provide input and recommendations on protecting, improving access to, or otherwise managing important historic, cultural, or natural areas, with an emphasis on stakeholders facing significant barriers to participation.

Snc. 3. General Provisions. (a) Nothing in this memorandum shall be construed to impair or otherwise affect:

(i) the authority granted by law to an executive department or agency, or the head thereof, or the status of that department or agency within the Federal Government; or

(ii) the functions of the Director of the Office of Management and Budget relating to budgetary, administrative, or legislative proposals.

(b) This memorandum shall be implemented consistent with applicable law, and subject to the availability of appropriations.

(c) The Secretary of the Interior is hereby authorized and directed to publish this memorandum in the Federal Register.

Barack Obama.
§ 2000e–1. Exemption

(a) Inapplicability of subchapter to certain aliens and employees of religious entities

This subchapter shall not apply to an employer with respect to the employment of aliens outside any State, or to a religious corporation, association, educational institution, or society with respect to the employment of individuals of a particular religion to perform work connected with the carrying on by such corporation, association, educational institution, or society of its activities.

(b) Compliance with statute as violative of foreign law

It shall not be unlawful under section 2000e–2 or 2000e–3 of this title for an employer (or a corporation controlled by an employer), labor organization, employment agency, or joint labor-management committee controlling apprenticeship or other training or retraining (including on-the-job training programs) to take any action otherwise prohibited by such section, with respect to an employee in a workplace in a foreign country if compliance with such section would cause such employer (or such corporation), such organization, such agency, or such committee to violate the law of the foreign country in which such workplace is located.

(c) Control of corporation incorporated in foreign country

(1) If an employer controls a corporation whose place of incorporation is a foreign country, any practice prohibited by section 2000e–2 or 2000e–3 of this title engaged in by such corporation shall be presumed to be engaged in by such employer.

(2) Sections 2000e–2 and 2000e–3 of this title shall not apply with respect to the foreign operations of an employer that is a foreign person not controlled by an American employer.

(3) For purposes of this subsection, the determination of whether an employer controls a corporation shall be based on—

(A) the interrelation of operations;

(B) the common management;

(C) the centralized control of labor relations; and

(D) the common ownership or financial control, of the employer and the corporation.


AMENDMENTS

1991—Pub. L. 102–166 designated existing provisions as subsec. (a) and added subsecs. (b) and (c).

1972—Pub. L. 92–261 reenacted section catchline without change and amended text generally. Prior to amendment, text read as follows: "This subchapter shall not apply to an employer with respect to the employment of aliens outside any State, or to a religious corporation, association, or society with respect to the employment of individuals of a particular religion to perform work connected with the carrying on by such corporation, association, or society of its religious activities or to an educational institution with respect to the employment of individuals to perform work connected with the educational activities of such institution."

EFFECTIVE DATE OF 1991 AMENDMENT

Amendment by Pub. L. 102–166 inapplicable to conduct occurring before Nov. 21, 1991, see section 109(c) of Pub. L. 102–166, set out as a note under section 2000e of this title.

§ 2000e–2. Unlawful employment practices

(a) Employer practices

It shall be an unlawful employment practice for an employer—

(1) to fail or refuse to hire or to discharge any individual, or otherwise to discriminate against any individual with respect to his compensation, terms, conditions, or privileges of employment, because of such individual’s race, color, religion, sex, or national origin; or

(2) to limit, segregate, or classify his employees or applicants for employment in any way which would deprive or tend to deprive any individual of employment opportunities or otherwise adversely affect his status as an employee, because of such individual’s race, color, religion, sex, or national origin.

(b) Employment agency practices

It shall be an unlawful employment practice for an employment agency to fail or refuse to refer for employment, or otherwise to discriminate against, any individual because of his race, color, religion, sex, or national origin, or to classify or refer for employment any individual on the basis of his race, color, religion, sex, or national origin.

(c) Labor organization practices

It shall be an unlawful employment practice for a labor organization—

(1) to exclude or to expel from its membership, or otherwise to discriminate against, any individual because of his race, color, religion, sex, or national origin;

(2) to limit, segregate, or classify its membership or applicants for membership, or to classify or fail or refuse to refer for employment any individual, in any way which would deprive or tend to deprive any individual of employment opportunities, or would limit such employment opportunities or otherwise adversely affect his status as an employee or as an applicant for employment, because of such individual’s race, color, religion, sex, or national origin; or

(3) to cause or attempt to cause an employer to discriminate against an individual in violation of this section.

(d) Training programs

It shall be an unlawful employment practice for any employer, labor organization, or joint labor-management committee controlling apprenticeship or other training or retraining, including on-the-job training programs to discriminate against any individual because of his race, color, religion, sex, or national origin in admission to, or employment in, any program established to provide apprenticeship or other training.
(e) Businesses or enterprises with personnel qualified on basis of religion, sex, or national origin; educational institutions with personnel of particular religion

Notwithstanding any other provision of this subchapter, (1) it shall not be an unlawful employment practice for an employer to hire and employ employees, for an employment agency to classify, or refer for employment any individual, for a labor organization to classify its membership or to classify or refer for employment any individual, or for an employer, labor organization, or joint labor-management committee controlling apprenticeship or other training or retraining programs to admit or employ any individual in any such program, on the basis of his religion, sex, or national origin in those certain instances where religion, sex, or national origin is a bona fide occupational qualification reasonably necessary to the normal operation of that particular business or enterprise, and (2) it shall not be an unlawful employment practice for a school, college, university, or other educational institution or institution of learning to hire and employ employees of a particular religion if such school, college, university, or other educational institution or institution of learning is, in whole or in substantial part, owned, supported, controlled, or managed by a particular religion or by a particular religious corporation, association, or society, or if the curriculum of such school, college, university, or other educational institution or institution of learning is directed toward the propagation of a particular religion.

(f) Members of Communist Party or Communist-action or Communist-front organizations

As used in this subchapter, the phrase “unlawful employment practice” shall not be deemed to include any action or measure taken by an employer, labor organization, joint labor-management committee, or employment agency with respect to an individual who is a member of the Communist Party of the United States or of any other organization required to register as a Communist-action or Communist-front organization by final order of the Subversive Activities Control Board pursuant to the Subversive Activities Control Act of 1950 [50 U.S.C. 781 et seq.].

(g) National security

Notwithstanding any other provision of this subchapter, it shall not be an unlawful employment practice for an employer to fail or refuse to hire and employ any individual for any position, for an employer to discharge any individual from any position, or for an employment agency to fail or refuse to refer any individual for employment in any position, or for a labor organization to fail or refuse to refer any individual for employment in any position, if—

(1) the occupancy of such position, or access to the premises in or upon which any part of the duties of such position is performed or is to be performed, is subject to any requirement imposed in the interest of the national security of the United States under any security program in effect pursuant to or administered under any statute of the United States or any Executive order of the President; and

(2) such individual has not fulfilled or has ceased to fulfill that requirement.

(h) Seniority or merit system; quantity or quality of production; ability tests; compensation based on sex and authorized by minimum wage provisions

Notwithstanding any other provision of this subchapter, it shall not be an unlawful employment practice for an employer to apply different standards of compensation, or different terms, conditions, or privileges of employment pursuant to a bona fide seniority or merit system, or a system which measures earnings by quantity or quality of production or to employees who work in different locations, provided that such differences are not the result of an intention to discriminate because of race, color, religion, sex, or national origin, nor shall it be an unlawful employment practice for an employer to give and to act upon the results of any professionally developed ability test provided that such test, its administration or action upon the results is not designed, intended or used to discriminate because of race, color, religion, sex or national origin. It shall not be an unlawful employment practice under this subchapter for any employer to differentiate upon the basis of sex in determining the amount of the wages or compensation paid or to be paid to employees of such employer if such differentiation is authorized by the provisions of section 206(d) of title 29.

(i) Businesses or enterprises extending preferential treatment to Indians

Nothing contained in this subchapter shall apply to any business or enterprise on or near an Indian reservation with respect to any publicly announced employment practice of such business or enterprise under which a preferential treatment is given to any individual because he is an Indian living on or near a reservation.

(j) Preferential treatment not to be granted on account of existing number or percentage imbalance

Nothing contained in this subchapter shall be interpreted to require any employer, employment agency, labor organization, or joint labor-management committee subject to this subchapter to grant preferential treatment to any individual or to any group because of the race, color, religion, sex, or national origin of such individual or group on account of an imbalance which may exist with respect to the total number or percentage of persons of any race, color, religion, sex, or national origin employed by any employer, referred or classified for employment by any employment agency or labor organization, admitted to membership or classified by any labor organization, or admitted to, or employed in, any apprenticeship or other training program, in comparison with the total number or percentage of persons of such race, color, religion, sex, or national origin in any community, State, section, or other area.

(k) Burden of proof in disparate impact cases

(1)(A) An unlawful employment practice based on disparate impact is established under this subchapter only if—
(i) a complaining party demonstrates that a respondent uses a particular employment practice that causes a disparate impact on the basis of race, color, religion, sex, or national origin and the respondent fails to demonstrate that the challenged practice is job related for the position in question and consistent with business necessity; or
(ii) the complaining party makes the demonstration described in subparagraph (A) with respect to an alternative employment practice and the respondent refuses to adopt such alternative employment practice.

(B)(i) With respect to demonstrating that a particular employment practice causes a disparate impact as described in subparagraph (A)(i), the complaining party shall demonstrate that each particular challenged employment practice causes a disparate impact, except that if the complaining party can demonstrate to the court that the elements of a respondent’s decision-making process are not capable of separation for analysis, the decisionmaking process may be analyzed as one employment practice.

(ii) If the respondent demonstrates that a specific employment practice does not cause the disparate impact, the respondent shall not be required to demonstrate that such practice is required by business necessity.

(C) The demonstration referred to by subparagraph (A)(ii) shall be in accordance with the law as it existed on June 4, 1989, with respect to the concept of “alternative employment practice”.

(2) A demonstration that an employment practice is required by business necessity may not be used as a defense against a claim of intentional discrimination under this subchapter.

(3) Notwithstanding any other provision of this subchapter, a rule barring the employment of an individual who currently and knowingly uses or possesses a controlled substance, as defined in schedules I and II of section 102(6) of the Controlled Substances Act (21 U.S.C. 802(6)), other than the use or possession of a drug taken under the supervision of a licensed health care professional, or any other use or possession authorized by the Controlled Substances Act (21 U.S.C. 801 et seq.) or any other provision of Federal law, shall be considered an unlawful employment practice under this subchapter only if such rule is adopted or applied with an intent to discriminate because of race, color, religion, sex, or national origin.

(L) Prohibition of discriminatory use of test scores

It shall be an unlawful employment practice for a respondent, in connection with the selection or referral of applicants or candidates for employment or promotion, to adjust the scores of, use different cutoff scores for, or otherwise alter the results of, employment related tests on the basis of race, color, religion, sex, or national origin.

(m) Impermissible consideration of race, color, religion, sex, or national origin in employment practices

Except as otherwise provided in this subchapter, an unlawful employment practice is established when the complaining party demonstrates that race, color, religion, sex, or national origin was a motivating factor for any employment practice, even though other factors also motivated the practice.

(n) Resolution of challenges to employment practices implementing litigated or consent judgments or orders

(1)(A) Notwithstanding any other provision of law, and except as provided in paragraph (2), an employment practice that implements and is within the scope of a litigated or consent judgment or order that resolves a claim of employment discrimination under the Constitution or Federal civil rights laws may not be challenged under the circumstances described in subparagraph (B).

(B) A practice described in subparagraph (A) may not be challenged in a claim under the Constitution or Federal civil rights laws—

(i) by a person who, prior to the entry of the judgment or order described in subparagraph (A), had—

(I) actual notice of the proposed judgment or order sufficient to apprise such person that such judgment or order might adversely affect the interests and legal rights of such person and that an opportunity was available to present objections to such judgment or order by a future date certain; and

(II) a reasonable opportunity to present objections to such judgment or order; or

(ii) by a person whose interests were adequately represented by another person who had previously challenged the judgment or order on the same legal grounds and with a similar factual situation, unless there has been an intervening change in law or fact.

(2) Nothing in this subsection shall be construed to—

(A) alter the standards for intervention under rule 24 of the Federal Rules of Civil Procedure or apply to the rights of parties who have successfully intervened pursuant to such rule in the proceeding in which the parties intervened;

(B) apply to the rights of parties to the action in which a litigated or consent judgment or order was entered, or of members of a class represented or sought to be represented in such action, or of members of a group on whose behalf relief was sought in such action by the Federal Government;

(C) prevent challenges to a litigated or consent judgment or order on the ground that such judgment or order was obtained through collusion or fraud, or is transparently invalid or was entered by a court lacking subject matter jurisdiction; or

(D) authorize or permit the denial to any person of the due process of law required by the Constitution.

(3) Any action not precluded under this subsection that challenges an employment consent judgment or order described in paragraph (1) shall be brought in the court, and if possible before the judge, that entered such judgment or order. Nothing in this subsection shall preclude a transfer of such action pursuant to section 1404 of title 28.
§ 2000e–3 Other unlawful employment practices
(a) Discrimination for making charges, testifying, assisting, or participating in enforcement proceedings
It shall be an unlawful employment practice for an employer to discriminate against any of his employees or applicants for employment, for an employment agency, or joint labor-management committee controlling apprenticeship or other training or retraining, including on-the-job training programs, to print or publish or cause to be printed or published any notice or advertisement relating to employment by such an employer or membership in or any classification or referral for employment by such a labor organization, or relating to any classification or ref- ferral for employment by such an employment agency, or relating to admission to, or employment in, any program established to provide apprenticeship or other training by such a joint labor-management committee, indicating any preference, limitation, specification, or discrimination, based on race, color, religion, sex, or national origin, except that such a notice or advertisement may indicate a preference, limitation, specification, or discrimination based on religion, sex, or national origin when religion, sex, or national origin is a bona fide occupational qualification for employment.

(b) Printing or publication of notices or advertisements indicating prohibited preference, limitation, specification, or discrimination; occupational qualification exception
It shall be an unlawful employment practice for an employer, labor organization, employment agency, or joint labor-management committee controlling apprenticeship or other training or retraining, including on-the-job training programs, to print or publish or cause to be printed or published any notice or advertisement relating to employment by such an employer or membership in or any classification or referral for employment by such a labor organization, or relating to any classification or ref- ferral for employment by such an employment agency, or relating to admission to, or employment in, any program established to provide apprenticeship or other training by such a joint labor-management committee, indicating any preference, limitation, specification, or discrimination, based on race, color, religion, sex, or national origin, except that such a notice or advertisement may indicate a preference, limitation, specification, or discrimination based on religion, sex, or national origin when religion, sex, or national origin is a bona fide occupational qualification for employment.


AMENDMENTS
1972—Subsec. (a). Pub. L. 92–261, §8(c)(1), inserted provision making it an unlawful employment practice for a joint labor-management committee controlling apprenticeship or other training or retraining, including on-the-job training programs, to discriminate against the specified individuals.

Subsec. (b). Pub. L. 92–261, §8(c)(2), inserted provisions making prohibitions applicable to joint labor-management committees controlling apprenticeship or other training or retraining, including on-the-job training programs, and notices or advertisements of such joint labor-management committees relating to admission to, or employment in, any program established to provide apprenticeship or other training.

§ 2000e–4 Equal Employment Opportunity Commission
(a) Creation; composition; personnel; reporting to Congress;
(b) Appointments; compensation of personnel
There is hereby created a Commission to be known as the Equal Employment Opportunity Commission, which shall be composed of five members, not more than three of whom shall be members of the same political party. Members of the Commission shall be appointed by the President by and with the advice and consent of the Senate for a term of five years. Any individual chosen to fill a vacancy shall be appointed only for the unexpired term of the member whom he shall succeed, and all members of the Commission shall continue to serve until their successors are appointed and qualified, except that no such member of the Commission shall be removed by the President by and with the advice and consent of the Senate for a term of five years. Any individual chosen to fill a vacancy shall be appointed only for the unexpired term of the member whom he shall succeed, and all members of the Commission shall continue to serve until their successors are appointed and qualified, except that no such member of the Commission shall be removed by the President by and with the advice and consent of the Senate for a term of five years.


AMENDMENTS
1972—Subsec. (a). Pub. L. 92–261, §8(c)(1), inserted provision making it an unlawful employment practice for a joint labor-management committee controlling apprenticeship or other training or retraining, including on-the-job training programs, to discriminate against the specified individuals.

Subsec. (b). Pub. L. 92–261, §8(c)(2), inserted provisions making prohibitions applicable to joint labor-management committees controlling apprenticeship or other training or retraining, including on-the-job training programs, and notices or advertisements of such joint labor-management committees relating to admission to, or employment in, any program established to provide apprenticeship or other training.


AMENDMENTS
1972—Subsec. (a). Pub. L. 92–261, §8(c)(1), inserted provision making it an unlawful employment practice for a joint labor-management committee controlling apprenticeship or other training or retraining, including on-the-job training programs, to discriminate against the specified individuals.

Subsec. (b). Pub. L. 92–261, §8(c)(2), inserted provisions making prohibitions applicable to joint labor-management committees controlling apprenticeship or other training or retraining, including on-the-job training programs, and notices or advertisements of such joint labor-management committees relating to admission to, or employment in, any program established to provide apprenticeship or other training.
and, except as provided in subsection (b), shall appoint, in accordance with the provisions of title 5 governing appointments in the competitive service, such officers, agents, attorneys, administrative law judges, and employees as he deems necessary to assist it in the performance of its functions and to fix their compensation in accordance with the provisions of chapter 51 and subchapter III of chapter 53 of title 5, relating to classification and General Schedule pay rates: Provided, That assignment, removal, and compensation of administrative law judges shall be in accordance with sections 3105, 3344, 2372, and 7521 of title 5.

(b) General Counsel; appointment; term; duties; representation by attorneys and Attorney General

(1) There shall be a General Counsel of the Commission appointed by the President, by and with the advice and consent of the Senate, for a term of four years. The General Counsel shall have responsibility for the conduct of litigation as provided in sections 2000e–5 and 2000e–6 of this title. The General Counsel shall have such other duties as the Commission may prescribe or as may be provided by law and shall concur with the Chairman of the Commission on the appointment and supervision of regional attorneys. The General Counsel of the Commission on the effective date of this Act shall continue in such position and perform the functions specified in this subsection until a successor is appointed and qualified.

(2) Attorneys appointed under this section may, at the direction of the Commission, appear for and represent the Commission in any case in court, provided that the Attorney General shall conduct all litigation to which the Commission is a party in the Supreme Court pursuant to this subchapter.

(c) Exercise of powers during vacancy; quorum

A vacancy in the Commission shall not impair the right of the remaining members to exercise all the powers of the Commission and three members thereof shall constitute a quorum.

(d) Seal; judicial notice

The Commission shall have an official seal which shall be judicially noticed.

(e) Reports to Congress and the President

The Commission shall at the close of each fiscal year report to the Congress and to the President concerning the action it has taken and the moneys it has disbursed. It shall make such further reports on the cause of and means of eliminating discrimination and such recommendations for further legislation as may appear desirable.

(f) Principal and other offices

The principal office of the Commission shall be in or near the District of Columbia, but it may meet or exercise any or all its powers at any other place. The Commission may establish such regional or State offices as it deems necessary to accomplish the purpose of this subchapter.

(g) Powers of Commission

The Commission shall have power—

(1) to cooperate with and, with their consent, utilize regional, State, local, and other agencies, both public and private, and individuals;

(2) to pay to witnesses whose depositions are taken or who are summoned before the Commission or any of its agents the same witness and mileage fees as are paid to witnesses in the courts of the United States;

(3) to furnish to persons subject to this subchapter such technical assistance as they may request to further their compliance with this subchapter or an order issued thereunder;

(4) upon the request of (i) any employer, whose employees or some of them, or (ii) any labor organization, whose members or some of them, refuse or threaten to refuse to cooperate in effectuating the provisions of this subchapter, to assist in such effectuation by conciliation or such other remedial action as is provided by this subchapter;

(5) to make such technical studies as are appropriate to effectuate the purposes and policies of this subchapter and to make the results of such studies available to the public;

(6) to intervene in a civil action brought under section 2000e–5 of this title by an aggrieved party against a respondent other than a government, governmental agency or political subdivision.

(h) Cooperation with other departments and agencies in performance of educational or promotional activities; outreach activities

(1) The Commission shall, in any of its educational or promotional activities, cooperate with other departments and agencies in the performance of such educational and promotional activities.

(2) In exercising its powers under this subchapter, the Commission shall carry out educational and outreach activities (including dissemination of information in languages other than English) targeted to—

(A) individuals who historically have been victims of employment discrimination and have not been equitably served by the Commission; and

(B) individuals on whose behalf the Commission has authority to enforce any other law prohibiting employment discrimination, concerning rights and obligations under this subchapter or such law, as the case may be.

(i) Personnel subject to political activity restrictions

All officers, agents, attorneys, and employees of the Commission shall be subject to the provisions of section 7324 of title 5, notwithstanding any exemption contained in such section.

(j) Technical Assistance Training Institute

(1) The Commission shall establish a Technical Assistance Training Institute, through which the Commission shall provide technical assistance and training regarding the laws and regulations enforced by the Commission.

(2) An employer or other entity covered under this subchapter shall not be excused from com-

---

1 See References in Text note below.
pliance with the requirements of this subchapter because of any failure to receive technical assistance under this subsection.

(3) There are authorized to be appropriated to carry out this subsection such sums as may be necessary for fiscal year 1992.

(k) EEOC Education, Technical Assistance, and Training Revolving Fund

(1) There is hereby established in the Treasury of the United States a revolving fund to be known as the “EEOC Education, Technical Assistance, and Training Revolving Fund” (hereinafter in this subsection referred to as the “Fund”) and to pay the cost (including administrative and personnel expenses) of providing education, technical assistance, and training relating to laws administered by the Commission. Monies in the Fund shall be available without fiscal year limitation to the Commission for such purposes.

(2)(A) The Commission shall charge fees in accordance with the provisions of this paragraph to offset the costs of education, technical assistance, and training provided with monies in the Fund. Such fees for any education, technical assistance, or training—

(i) shall be imposed on a uniform basis on persons and entities receiving such education, assistance, or training,

(ii) shall not exceed the cost of providing such education, assistance, or training, and

(iii) with respect to each person or entity receiving such education, assistance, or training, shall bear a reasonable relationship to the cost of providing such education, assistance, or training to such person or entity.

(B) Fees received under subparagraph (A) shall be deposited in the Fund by the Commission.

(C) The Commission shall include in each report made under subsection (e) information with respect to the operation of the Fund, including information, presented in the aggregate, relating to—

(i) the number of persons and entities to which the Commission provided education, technical assistance, or training with monies in the Fund, in the fiscal year for which such report is prepared,

(ii) the cost to the Commission to provide such education, technical assistance, or training to such persons and entities, and

(iii) the amount of any fees received by the Commission from such persons and entities for such education, technical assistance, or training.

(3) The Secretary of the Treasury shall invest the portion of the Fund not required to satisfy current expenditures from the Fund, as determined by the Commission, in obligations of the United States or obligations guaranteed as to principal by the United States. Investment proceeds shall be deposited in the Fund.

(4) There is hereby transferred to the Fund $1,000,000 from the Salaries and Expenses appropriation of the Commission.


REFERENCES IN TEXT

The General Schedule, referred to in subsec. (a), is set out under section 5332 of Title 5.

The effective date of this Act, referred to in subsec. (b)(1), probably means the date of enactment of Pub. L. 92–261, which was approved Mar. 24, 1972.

Section 7324 of title 5, referred to in subsec. (i), which related to Executive agency employees or District of Columbia government employees influencing elections or taking part in political campaigns, was omitted in the general revision of subchapter III of chapter 73 of Title 5 by Pub. L. 103–244, §2(a), Oct. 6, 1993, 107 Stat. 1003, which enacted a new section 7324, relating to prohibition of political activities while on duty. See section 7325 of Title 5.

Amendments

1995—Subsec. (k)(2)(C). Pub. L. 104–66 substituted “including information, presented in the aggregate, relating to” for “including” in introductory provisions, “the number of persons and entities” for “the identity of each person or entity” in cl. (i), “such persons and entities” for “such person or entity” in cl. (ii), and “fee” for “fee” and “such persons and entities” for “such person or entity” in cl. (iii).


1991—Subsec. (b). Pub. L. 102–166, §111, designated existing provisions as par. (1) and added par. (2).


1972—Subsec. (a). Pub. L. 92–261, §8(d), struck out provisions setting forth length of terms of original members of Commission and provisions authorizing Vice Chairman to act as Chairman in certain circumstances, inserted provisions relating to continuation in office of all members of Commission, and substituted provisions requiring appointment of officers, etc., in accordance with provisions of title 5, fixing compensation of such officers, etc., in accordance with provisions of chapter 51 and subchapter III of chapter 53 of title 5, relating to classification and General Schedule pay rates, and requiring assignment, removal, and compensation of hearing examiners in accordance with specified sections, for provisions requiring appointment of officers, etc., in accordance with civil service laws, and fixing compensation of such officers, etc., in accordance with the Classification Act of 1949, as amended.

Subsecs. (b) to (e). Pub. L. 92–261, §8(e), added subsec. (b), struck out subsec. (e) which amended sections 2204 and 2205 of former Title 5, Executive Departments and Government Officers and Employees, and redesignated existing subsecs. (b), (c), and (d) as (c), (d), and (e), respectively.

Subsec. (g)(6). Pub. L. 92–261, §8(f), substituted provisions which authorized Commission to intervene in a
civic action brought under section 2000e-5 of this title where respondent is other than a government, governmental agency, or political subdivision for provisions which authorized Commission to refer matters to Attorney General with recommendations to intervene or institute civil actions.

Subsecs. (a) to (j). Pub. L. 92-261, §4(e)(2)-(5), struck out subsec. (a) which provided for legal representation for Commission, and redesignated subsecs. (i) and (j) as (h) and (i), respectively.

**Effective Date of 1991 Amendment**

Pub. L. 102-166 (effective Nov. 21, 1991), except as otherwise provided, see section 402 of Pub. L. 102-166, set out as a note under section 1961 of this title.

**Termination of Reporting Requirements**

For termination, effective May 15, 2000, of provisions of law requiring submittal to Congress of any annual, semiannual, or other regular periodic report listed in House Document No. 103-7 (in which a report required under subsec. (e) of this section is listed in item 20 on page 165), see section 3003 of Pub. L. 104-66, as amended, and section 1(a)(4) (div. A, title II, §1402(1)) of Pub. L. 106-554, set out as notes under section 1113 of Title 31, Money and Finance.

**Reorganization Plan No. 1 of 1978 Superseded by Civil Service Reform Act of 1978**


**Reorganization Plan No. 1 of 1978**

43 F.R. 18607, 92 Stat. 3761

Prepared by the President and transmitted to the Senate and the House of Representatives in Congress assembled, February 23, 1978, pursuant to the provisions of Chapter 9 of Title 5 of the United States Code.

**Equal Employment Opportunity**

**Section 1. Transfer of Equal Pay Enforcement Functions**

All functions related to enforcing or administering Section 6(d) of the Fair Labor Standards Act, as amended, (29 U.S.C. 206(d)) are hereby transferred to the Equal Employment Opportunity Commission. Such functions include, but shall not be limited to, the functions relating to equal pay administration and enforcement now vested in the Secretary of Labor, the Administrator of the Wage and Hour Division of the Department of Labor, and the Civil Service Commission pursuant to Sections 4(d)(1); 4(f); 9; 11(a), (b), and (c); 16(b) and (c) and 17 of the Fair Labor Standards Act, as amended, (29 U.S.C. 204(d)(1); 204(f); 206; 211(a), (b), and (c); 216(b) and (c) and 217) and Section 16(b)(1) of the Portal-to-Portal Act of 1947, as amended, (29 U.S.C. 259).

**Sec. 2. Transfer of Age Discrimination Enforcement Functions**

All functions vested in the Secretary of Labor or in the Civil Service Commission pursuant to Sections 2, 4, 7, 8, 9, 10, 11, 12, 13, 14, and 15 of the Age Discrimination in Employment Act of 1967, as amended, (29 U.S.C. 621, 623, 625, 627, 628, 629, 630, 631, 632, 633, and 635a) are hereby transferred to the Equal Employment Opportunity Commission. All functions relating to age discrimination administration and enforcement pursuant to Sections 6 and 16 of the Age Discrimination in Employ-
the Congress of the United States:

No. 1 of 1978. This Plan makes the Equal Employment Opportunity Commission the principal Federal agency responsible for equal employment opportunity activities and lays, for the first time, the foundation of a unified, coherent Federal structure to combat job discrimination in all its forms.

In 1940 President Roosevelt issued the first Executive Order forbidding discrimination in employment by the Federal government. Since that time the Congress, the courts and the Executive Branch—spurred by the courage and sacrifice of many people and organizations—have taken historic steps to extend equal employment opportunity protection throughout the private as well as public sector. But each new prohibition against discrimination unfortunately has brought with it a further dispersal of Federal equal employment opportunity responsibility. This fragmentation of authority among a number of Federal agencies has meant confusion and ineffective enforcement for employers, regulatory duplication and needless expense for employers.

Fair employment is too vital for haphazard enforcement. My Administration will aggressively enforce our civil rights laws. Although discrimination in any area has severe consequences, limiting economic opportunity affects access to education, housing and health care. I, therefore, ask you to join with me to reorganize administration of the civil rights laws and to begin that effort by reorganizing the enforcement of those laws which ensure an equal opportunity to a job.

SEC. 8. INCIDENTAL TRANSFERS

So much of the personnel, property, records and unexpended balances of appropriations, allocations and other funds employed, used, held, available, or to be made available in connection with the functions transferred under this Plan, as the Director of the Office of Management and Budget shall determine, shall be transferred to the appropriate department, agency, or component at such time or times as the Director of the Office of Management and Budget shall provide, except that no such unexpended balances transferred shall be used for purposes other than those for which the appropriation was originally made. The Director of the Office of Management and Budget shall provide for terminating the affairs of the Council abolished herein and for such further measures and dispositions as such Director deems necessary to effectuate the purposes of this Reorganization Plan.

SEC. 9. EFFECTIVE DATE

This Reorganization Plan shall become effective at such time or times, on or before October 1, 1979, as the President shall specify, but not sooner than the earliest time allowable under Section 906 of Title 5 of the United States Code.

Pursuant to Ex. Ord. No. 12106, Dec. 26, 1978, 44 F.R. 1033, the transfer to the Equal Employment Opportunity Commission of certain functions of the Civil Service Commission relating to enforcement of equal employment opportunity programs as provided by sections 1 to 4 of this Reorg. Plan is effective Jan. 1, 1979.

Pursuant to Ex. Ord. No. 12104, June 22, 1979, 44 F.R. 37192, sections 1 and 2 of this Reorg. Plan are effective July 1, 1979, except for transfer of functions already effective Jan. 1, 1979, under Ex. Ord. No. 12106 above.


MESSAGE OF THE PRESIDENT

To the Congress of the United States:

I am submitting to you today Reorganization Plan No. 1 of 1978. This Plan makes the Equal Employment Opportunity Commission the principal Federal agency in fair employment enforcement. Together with actions I shall take by Executive Order, it consolidates Federal equal employment opportunity programs as provided by sections 1 to 4 of this Reorg. Plan is effective Jan. 1, 1979, under Ex. Ord. No. 12106 above.

I am submitting to you today Reorganization Plan No. 1 of 1978. This Plan makes the Equal Employment Opportunity Commission the principal Federal agency in fair employment enforcement. Together with actions I shall take by Executive Order, it consolidates Federal equal employment opportunity programs as provided by sections 1 to 4 of this Reorg. Plan is effective Jan. 1, 1979, under Ex. Ord. No. 12106 above. This Plan and Executive Orders, constitute an important effort by reorganizing the enforcement of those laws which ensure an equal opportunity to a job.

Eighteen government units now exercise important responsibilities under statutes, Executive Orders and regulations relating to equal employment opportunity: The Equal Employment Opportunity Commission (EEOC) enforces Title VII of the Civil Rights Act of 1964, [section 2000e et seq. of this title] which bans employment discrimination based on race, national origin, sex or religion. The EEOC acts individually and also initiates private sector cases involving a "pattern or practice" of discrimination.

The Department of Labor and 11 other agencies enforce Executive Order 11246 [set out as a note under section 2000e of this title]. This prohibits discrimination in employment on the basis of race, national origin, sex, or religion and requires affirmative action by government contractors. While the Department now coordinates enforcement of this "contract compliance" program, it is actually administered by eleven other departments and agencies. The Department also administers those statutes requiring contractors to take affirmative action to employ handicapped people, disabled veterans and Vietnam veterans.

In addition, the Labor Department enforces the Equal Pay Act of 1963 [section 206(d) of Title 29, Labor], which prohibits employers from paying unequal wages based on sex, and the Age Discrimination in Employment Act of 1967 [section 621 et seq. of Title 29], which forbids age discrimination against persons between the ages of 40 and 65.

The Department of Justice litigates Title VII cases involving public sector employers—State and local governments. The Department also represents the Federal government in lawsuits against Federal contractors and grant recipients who are in violation of Federal nondiscrimination prohibitions.

The Civil Service Commission (CSC) enforces Title VII and all other nondiscrimination and affirmative action requirements for Federal employment. The CSC rules on complaints filed by individuals and monitors affirmative action plans submitted annually by other Federal agencies.

The Equal Employment Opportunity Coordinating Council includes representatives from EEOC, Labor, Justice, CSC and the Civil Rights Commission. It is charged with coordinating the Federal equal employment opportunity enforcement effort and with eliminating overlap and inconsistent standards.

In addition to these major government units, other agencies enforce various equal employment opportunity requirements which apply to specific grant programs. The Department of the Treasury, for example, creates and administers the anti-discrimination prohibitions applicable to recipients of revenue sharing funds. These activities have had a limited success. Some of the past deficiencies include:

—Inconsistent standards of compliance;
—Duplicative, inconsistent paperwork requirements and investigative efforts;
—Conflicts within agencies between their program responsibilities and their responsibility to enforce the civil rights laws;
—Confusion on the part of workers about how and where to seek redress;
—Lack of accountability.

I am proposing today a series of steps to bring coherence to the equal employment enforcement effort. These steps, to be accomplished by the Reorganization Plan and Executive Orders, constitute an important step toward consolidation of equal employment opportunity enforcement. They will be implemented over the next two years, so that the agencies involved may continue their internal reform.

Its experience and broad scope make the EEOC suitable for the role of principal Federal agency in fair employment enforcement. Located in the Executive Branch and responsible to the President, the EEOC has developed considerable expertise in the field of employment discrimination since it was created by the Civil Rights Act of 1964 [section 2000e–4 of this title]. The Commission has played a pioneer role in defining...
both employment discrimination and its appropriate remedies.

While it has had management problems in past admin-
istrations, the EEOC's new leadership is making substan-
tial progress in correcting them. In the last seven months the Commission has redesigned its inter-
nal structures and adopted proven management tech-
niques. Early experience with these procedures indi-
cates a high degree of success in reducing and expedit-
ng new cases. At my direction, the Office of Manage-
ment and Budget is actively assisting the EEOC to en-
sure that these reforms continue.

The Reorganization Plan I am submitting will ac-
complish the following:

On July 1, 1976, abolish the Equal Employment Op-
portunity Coordinating Council (42 U.S.C. 2000e–14) and
transfer its duties to the EEOC (no positions or funds
shifted).

On October 1, 1978, shift enforcement of equal em-
ployment opportunity for Federal employees from the CSC
to the EEOC (100 positions and $6.5 million shifted).

On July 1, 1979, shift responsibility for enforcing both
the Equal Pay Act and the Age Discrimination in Em-
ployment Act from the Labor Department to the EEOC
(198 positions and $3.3 million shifted for Equal Pay; 119
positions and $3.5 million for Age Discrimination).

On July 1, 1979, transfer the Attorney General’s authority to initiate
“pattern or practice” suits under Title VII in the pub-
lic sector.

In addition, I will issue an Executive Order on Octo-
ber 1, 1978, to consolidate the contract compliance pro-
gram—now the responsibility of Labor and eleven
“compliance agencies”—into the Labor Department
(1,517 positions and $33.1 million shifted).

These proposed transfers and consolidations reduce from
fifteen to three the number of Federal agencies having important equal employment opportunity re-
sponsibilities under Title VII of the Civil Rights Act
of 1964 and Federal contract compliance provisions.

Each element of my Plan is important to the success
of the entire proposal.

By establishing the Equal Employment Opportunity
Coordinating Council and transferring its responsibil-
ities to the EEOC, this plan places the Commission at the
center of equal employment opportunity enforce-
ment. With these new responsibilities, the EEOC can
give coherence and direction to the government’s ef-
forts by developing strong uniform enforcement stand-
ards to apply throughout the government: standardized
data collection procedures, joint training programs,
programs to ensure the sharing of enforcement related
data among agencies, and methods and priorities for
complaint and compliance reviews. Such direction has
benefited the Equal Employment Opportunity Co-
ordinating Council.

It should be stressed, however, that affected agencies
will be consulted before EEOC takes any action. When
the Plan has been approved, I intend to issue an Execu-
tive Order which will provide for consultation, as well
as a procedure for reviewing major disputed issues
within the Executive Office of the President. The At-
torney General’s responsibility to advise the Executive Branch on legal issues will also be preserved.

Transfer of the Civil Service Commission’s equal em-
ployment opportunity responsibilities to EEOC is need-
ed to ensure that: (1) Federal employees have the same
rights and remedies as those in the private sector and
in State and local government; (2) Federal agencies meet the same standards as are required of other em-
ployers; and (3) potential conflicts between an agency’s
equal employment opportunity and personnel manage-
ment functions are minimized. The Federal govern-
ment must not fall below the standard of performance it expects of private employers.

The Civil Service Commission has in the past been leth-
argic in enforcing fair employment requirements
within the Federal government. While the Chairman
and the Commission’s Executive Order program have
ever demonstrated their personal commitment to expanding equal employment opportunity, responsibility for en-
suring fair employment for Federal employees should
rest ultimately with the EEOC.

We must ensure that the transfer in no way under-
mines the important objectives of the comprehensive
 civil service reorganization which will be submitted to
Congress in the near future. When the two plans take
effect, I will direct the EEOC and the CSC to coordinate
their procedures to prevent any duplication and over-
lap.

The Equal Pay Act now administered by the Labor
Department, prohibits employers from paying men and
women the same job the same skill the same work on the
same premises different wages based on sex. Title VII of the Civil Rights Act, which is enforced by EEOC, contains a broader ban on
sex discrimination. The transfer of Equal Pay responsi-
bility from the Labor Department to the EEOC will
minimize overlap and centralize enforcement of statu-
tory prohibitions against sex discrimination in em-
ployment.

The transfer will strengthen efforts to combat sex
discrimination. Such efforts would be enhanced still
further by passage of the legislation pending before you, which I support, that would prohibit employers
from excluding women disabled by pregnancy from par-
ticipating in disability programs.

There is now virtually complete overlap in the em-
ployers, labor organizations, and employment agencies
enforced by Title VII and the Age Discrimination in
Employment Act. This overlap is burdensome to em-
ployers and confusing to victims of discrimination. The
proposed transfer of the age discrimination program
from the Labor Department to the EEOC will eliminate
the duplication.

The Plan I am proposing will not affect the Attorney
General’s responsibility to enforce Title VII against
State or local governments or to represent the Federal
government in suits against Federal contractors and
grant recipients. In 1972, the Congress determined that
the Attorney General should be involved in suits
against State and local governments. This proposal re-
forces that judgment and clarifies the Attorney Gen-
eral’s authority to initiate litigation against State or
local governments engaged in a “pattern or practice”
of discrimination. This in no way diminishes the
EEOC’s existing authority to investigate complaints
filed against State or local governments and, where ap-
propriate, to refer them to the Attorney General. The
Justice Department and the EEOC will cooperate so
that the Department sues on valid referrals, as well as
on its own “pattern or practice” cases.

A critical element of my proposals will be accom-
plished by Executive Order rather than by the Reorga-
nization Plan. This involves consolidation in the Labor
Department of the responsibility to ensure that Fed-
eral contractors comply with Equal Employment
Opportunity. Consolidation will achieve the following: promote consis-
tent standards, procedures, and reporting require-
ments; remove contractors from the jurisdiction of
multiple agencies; prevent an agency’s equal employ-
ment objectives from being outweighed by its procure-
ment and construction objectives; and produce more ef-
fective law enforcement through unification of plan-
ning, training and sanctions. By 1981, after I have had
an opportunity to review the manner in which both the
EEOC and the Labor Department are exercising their
new responsibilities, I will determine whether further
action is appropriate.

Finally, the responsibility for enforcing grant-related
equal employment provisions will remain with the
agencies administering the grant programs. With the
EEOC acting as coordinator of Federal equal employ-
ment programs, we will be able to bring overlap and du-
plication to a minimum. We will be able, for example,
to see that a university’s employment practices are not
subject to duplicative investigations under both Title
IX of the Education Amendments of 1972 [section 1681
et seq. of Title 20, Education] and the contract compli-
ance program. Because of the similarities between the
Executive Order program and those statutes requiring
Federal contractors to take affirmative action to em-
ploy handicapped individuals and disabled and Vietnam
veterans, I have determined that enforcement of these statutes should remain in the Labor Department.

Each of the changes set forth in the Reorganization Plan accompanying this message is necessary to accomplish one or more of the purposes set forth in Section 901(a) of Title 5 of the United States Code. I have taken care to determine that all functions abolished by this Plan are done only under the statutory authority provided by Section 901(b) of Title 5 of the United States Code.

I do not anticipate that the reorganizations contained in this Plan will result in any significant change in expenditures. They will result in a more efficient and manageable enforcement program.

The Plan I am submitting is moderate and measured. It gives the Equal Employment Opportunity Commission—an agency dedicated solely to this purpose—the primary Federal responsibility in the area of job discrimination, but it is designed to give this agency sufficient commitment of those charged with these responsibilities so that it will be given the resources necessary and appropriate to carry out this nation's progress in ensuring equal job opportunities for all our people.

CARTER.


EX. ORD. NO. 12106. TRANSFER OF CERTAIN EQUAL EMPLOYMENT OPPORTUNITY FUNCTIONS

Ex. Ord. No. 12106, Dec. 26, 1977, 43 F.R. 19807, provided:

By the authority vested in me as President of the United States of America by the Constitution and laws of the United States, including Section 9 of Reorganization Plan No. 1 of 1978 (43 FR 19807) [set out above], in order to effectuate the transfer of certain functions relating to the enforcement of equal employment programs, and in order to make certain technical amendments in other Orders to reflect this transfer of functions, it is hereby ordered as follows:


1–102. Executive Order No. 11478, as amended [set out as a note under section 2000e of this title], is further amended by deleting the preamble, by substituting "national origin, handicap, or age" for "or national origin" in the first sentence of Section 1, and revising Sections 3, 4, and 5 to read as follows:

"SEC. 3. Equal Employment Opportunity Commission shall be responsible for directing and furthering the implementation of the policy of the Government of the United States to provide equal opportunity in employment for all employees and applicants for employment (except with regard to aliens employed outside the limits of the United States) and to prohibit discrimination in employment because of race, color, religion, sex, national origin, handicap, or age."

"SEC. 4. The Equal Employment Opportunity Commission, after consultation with all affected departments and agencies, shall issue such rules, regulations, orders, and instructions and request such information from the affected departments and agencies as it deems necessary and appropriate to carry out this Order."

"SEC. 5. All departments and agencies shall cooperate with and assist the Equal Employment Opportunity Commission in the performance of its functions under this Order and shall furnish the Commission such reports and information as it may request. The head of each department or agency shall comply with rules, regulations, orders and instructions issued by the Equal Employment Opportunity Commission pursuant to Section 4 of this Order."

1–103. Executive Order No. 11022, as amended [set out as a note under section 3001 of this title], is further amended by revising Section 1(b) to read as follows:

"(b) The Council shall be composed of the Secretary of Health, Education, and Welfare (now Health and Human Services), who shall be Chairman, the Secretary of the Treasury, the Secretary of Agriculture, the Secretary of Commerce, the Secretary of Labor, the Secretary of Housing and Urban Development, the Secretary of Transportation, the Administrator of Veterans Affairs, the Director of the Office of Personnel Management, the Director of the Community Services Administration, and the Chairman of the Equal Employment Opportunity Commission.''

1–104. Executive Order No. 11480 of September 9, 1969 [set out as a note under section 791 of Title 29, Labor], is amended by deleting "and the Chairman of the United States Civil Service Commission" in Section 4 and substituting therefor "Director of the Office of Personnel Management, and the Chairman of the Equal Employment Opportunity Commission." 1–105. Executive Order No. 11830 of January 9, 1975 [set out as a note under section 791 of Title 29, Labor], is amended by deleting Section 2 and revising Section 1 to read as follows:

"In accord with Section 501 of the Rehabilitation Act of 1973 (29 U.S.C. 791) and Section 4 of Reorganization Plan No. 1 of 1978 (43 FR 19807) the Interagency Committee on Handicapped Employees is enlarged and composed of the following, or their designees whose positions are Executive level IV or higher:

1. (1) Secretary of Defense.
2. (2) Secretary of Labor.
3. (3) Secretary of Health, Education, and Welfare (now Health and Human Services), Co-Chairman.
4. (4) Director of the Office of Personnel Management.
5. (5) Administrator of Veterans Affairs.
7. (7) Chairman of the Federal Communications Commission.
9. (9) Such other members as the President may designate."

1–106. This Order shall be effective on January 1, 1979.

CARTER.

EX. ORD. NO. 12144. TRANSFER OF CERTAIN EQUAL PAY AND AGE DISCRIMINATION IN EMPLOYMENT ENFORCEMENT FUNCTIONS

Ex. Ord. No. 12144, June 22, 1979, 44 F.R. 37193, provided:

By the authority vested in me as President of the United States of America by the Constitution and laws of the United States, including Section 9 of Reorganization Plan No. 1 of 1978 (43 FR 19807) [set out above], in order to effectuate the transfer of certain functions relating to the enforcement of equal pay and age discrimination in employment programs from the Department of Labor to the Equal Employment Opportunity Commission, it is hereby ordered as follows:

1–101. Sections 1 and 2 of Reorganization Plan No. 1 of 1978 (43 FR 19807) [set out as a note above] shall become effective on July 1, 1979, with the exception of the transfer of functions from the Civil Service Commission, already effective January 1, 1979 (Executive Order No. 12106 [set out above]).

1–102. The records, property, personnel and positions, and unexpended balances of appropriations or funds, available or to be made available, which relate to the functions transferred as provided in this Order are hereby transferred from the Department of Labor to the Equal Employment Opportunity Commission.

1–103. The Director of the Office of Management and Budget shall make such determinations, issue such orders, and take all actions necessary or appropriate to effectuate the transfers provided in this Order, including the transfer of funds, records, property, and personnel.

1–104. This Order shall be effective July 1, 1979.

CARTER.
§ 2000e–5. Enforcement provisions

(a) Power of Commission to prevent unlawful employment practices

The Commission is empowered, as hereinafter provided, to prevent any person from engaging in any unlawful employment practice as set forth in section 2000e–2 or 2000e–3 of this title.

(b) Charges by persons aggrieved or member of Commission of unlawful employment practices by employers, etc.; filing; allegations; notice to respondent; contents of notice; investigation by Commission; contents of charges; prohibition on disclosure of charges; determination of reasonable cause; conference, conciliation, and persuasion for elimination of unlawful practices; prohibition on disclosure of informal endeavors to end unlawful practices; use of evidence in subsequent proceedings; penalties for disclosure of information; time for determination of reasonable cause

Whenever a charge is filed by or on behalf of a person claiming to be aggrieved, or by a member of the Commission, alleging that an employer, employment agency, labor organization, or joint labor-management committee controlling apprenticeship or other training, including on-the-job training programs, has engaged in an unlawful employment practice, the Commission shall serve a notice of the charge (including the date, place and circumstances of the alleged unlawful employment practice) on such employer, employment agency, labor organization, or joint labor-management committee (hereinafter referred to as the “respondent”) within ten days, and shall make an investigation thereof. Charges shall be in writing under oath or affirmation and shall contain such information and be in such form as the Commission requires. Charges shall not be made public by the Commission. If the Commission determines after such investigation that there is not reasonable cause to believe that the charge is true, it shall dismiss the charge and promptly notify the person claiming to be aggrieved and the respondent of its action. In determining whether reasonable cause exists, the Commission shall accord substantial weight to final findings and orders made by State or local authorities in proceedings commenced under State or local law pursuant to the requirements of subsections (c) and (d). If the Commission determines after such investigation that there is reasonable cause to believe that the charge is true, the Commission shall endeavor to eliminate any such alleged unlawful employment practice by informal methods of conference, conciliation, and persuasion. Nothing said or done during and as a part of such informal endeavors may be made public by the Commission, its officers or employees, or used as evidence in a subsequent proceeding without the written consent of the persons concerned. Any person who makes public information in violation of this subsection shall be fined not more than $1,000 or imprisoned for not more than one year, or both. The Commission shall make its determination on reasonable cause as promptly as possible and, so far as practicable, not later than one hundred and twenty days from the filing of the charge or, where applicable under subsection (c) or (d), from the date upon which the Commission is authorized to take action with respect to the charge.

(c) State or local enforcement proceedings; notification of State or local authority; time for filing charges with Commission; commencement of proceedings

In the case of an alleged unlawful employment practice occurring in a State, or political subdivision of a State, which has a State or local law prohibiting the unlawful employment practice alleged and establishing or authorizing a State or local authority to grant or seek relief from such practice or to institute criminal proceedings with respect thereto upon receiving notice thereof, no charge may be filed under subsection (a) by the person aggrieved before the expiration of sixty days after proceedings have been commenced under the State or local law, unless such proceedings have been earlier terminated, provided that such sixty-day period shall be extended to one hundred and twenty days during the first year after the effective date of such State or local law. If any requirement for the commencement of such proceedings is imposed by a State or local authority other than a requirement of the filing of a written and signed statement of the facts upon which the proceeding is based, the proceeding shall be deemed to have been commenced for the purposes of this subsection at the time such statement is sent by registered mail to the appropriate State or local authority.

(d) State or local enforcement proceedings; notification of State or local authority; time for action on charges by Commission

In the case of any charge filed by a member of the Commission alleging an unlawful employment practice occurring in a State or political subdivision of a State which has a State or local law prohibiting the practice alleged and establishing or authorizing a State or local authority to grant or seek relief from such practice or to institute criminal proceedings with respect thereto upon receiving notice thereof, the Commission shall, before taking any action with respect to such charge, notify the appropriate State or local officials and, upon request, afford them a reasonable time, but not less than sixty days (provided that such sixty-day period shall be extended to one hundred and twenty days during the first year after the effective day of such State or local law), unless a shorter period is requested, to act under such State or local law to remedy the practice alleged.

(e) Time for filing charges; time for service of notice of charge on respondent; filing of charge by Commission with State or local agency; seniority system

(1) A charge under this section shall be filed within one hundred and eighty days after the alleged unlawful employment practice occurred and notice of the charge (including the date, place and circumstances of the alleged unlawful employment practice) shall be served upon the

1 So in original. Probably should be subsection “(b)”. 
person against whom such charge is made within ten days thereafter, except that in a case of an unlawful employment practice with respect to which the person aggrieved has initially instituted proceedings with a State or local agency with authority to grant or seek relief from such practice or to institute criminal proceedings with respect thereto upon receiving notice thereof, such charge shall be filed by or on behalf of the person aggrieved within three hundred days after the alleged unlawful employment practice occurred, or within thirty days after receiving notice that the State or local agency has terminated the proceedings under the State or local law, whichever is earlier, and a copy of such charge shall be filed by the Commission with the State or local agency.

(2) For purposes of this section, an unlawful employment practice occurs, with respect to a seniority system that has been adopted for an intentionally discriminatory purpose in violation of this subchapter (whether or not that discriminatory purpose is apparent on the face of the seniority provision), when the seniority system is adopted, when an individual becomes subject to the seniority system, or when a person aggrieved is injured by the application of the seniority system or provision of the system.

(3)(A) For purposes of this section, an unlawful employment practice occurs, with respect to a discriminatory compensation decision or other practice, when an individual becomes subject to a discriminatory compensation decision or other practice, or when an individual is affected by application of a discriminatory compensation decision or other practice, including each time wages, benefits, or other compensation is paid, resulting in whole or in part from such a decision or other practice.

(B) In addition to any relief authorized by section 1981a of this title, liability may accrue and an aggrieved person may obtain relief as provided in subsection (g)(1), including recovery of back pay for up to two years preceding the filing of the charge, where the unlawful employment practices that have occurred during the charge filing period are similar or related to unlawful employment practices with regard to discrimination in compensation that occurred outside the time for filing a charge.

(f) Civil action by Commission, Attorney General, or person aggrieved; preconditions; procedure; appointment of attorney; payment of fees, costs, or security; intervention; stay of Federal proceedings; action for appropriate temporary or preliminary relief pending final disposition of charge; jurisdiction and venue of United States courts; designation of judge to hear and determine case; assignment of case for hearing; expedition of case; appointment of master

(1) If within thirty days after a charge is filed with the Commission or within thirty days after expiration of any period of reference under subsection (c) or (d), the Commission shall be unable to secure from the respondent a conciliation agreement acceptable to the Commission, the Commission may bring a civil action against any respondent not a government, governmental agency, or political subdivision named in the charge. In the case of a respondent which is a government, governmental agency, or political subdivision, if the Commission has been unable to secure from the respondent a conciliation agreement acceptable to the Commission, the Commission shall take no further action and shall refer the case to the Attorney General who may bring a civil action against such respondent in the appropriate United States district court. The person or persons aggrieved shall have the right to intervene in a civil action brought by the Commission or the Attorney General in a case involving a government, governmental agency, or political subdivision. If a charge filed with the Commission pursuant to subsection (b), is dismissed by the Commission, or if within one hundred and eighty days from the filing of such charge or the expiration of any period of reference under subsection (c) or (d), whichever is later, the Commission has not filed a civil action under this section or the Attorney General has not filed a civil action in a case involving a government, governmental agency, or political subdivision, or the Commission has not entered into a conciliation agreement to which the person aggrieved is a party, the Commission, or the Attorney General in a case involving a government, governmental agency, or political subdivision, shall so notify the person aggrieved and within ninety days after the giving of such notice a civil action may be brought against the respondent named in the charge (A) by the person claiming to be aggrieved or (B) if such charge was filed by a member of the Commission, by any person whom the charge alleged was aggrieved by the alleged unlawful employment practice. Upon application by the complainant and in such circumstances as the court may deem just, the court may appoint an attorney for such complainant and may authorize the commencement of the action without the payment of fees, costs, or security. Upon timely application, the court may, in its discretion, permit the Commission, or the Attorney General in a case involving a government, governmental agency, or political subdivision, to intervene in such civil action on certification that the case is of general public importance. Upon request, the court may, in its discretion, stay further proceedings for not more than sixty days pending the termination of State or local proceedings described in subsection (c) or (d) of this section or further efforts of the Commission to obtain voluntary compliance.

(2) Whenever a charge is filed with the Commission and the Commission concludes on the basis of a preliminary investigation that prompt judicial action is necessary to carry out the purposes of this Act, the Commission, or the Attorney General in a case involving a government, governmental agency, or political subdivision, may bring an action for appropriate temporary or preliminary relief pending final disposition of such charge. Any temporary restraining order or other order granting preliminary or temporary relief shall be issued in accordance with rule 65 of the Federal Rules of Civil Procedure. It shall be the duty of a court having jurisdiction over proceedings under this section to assign cases for hearing at the earliest practicable date and
to cause such cases to be in every way expedited.

(3) Each United States district court and each United States court of a place subject to the jurisdiction of the United States shall have jurisdiction of actions brought under this subchapter. Such an action may be brought in any judicial district in the State in which the unlawful employment practice is alleged to have been committed, in the judicial district in which the employment records relevant to such practice are maintained and administered, or in the judicial district in which the aggrieved person would have worked but for the alleged unlawful employment practice, but if the respondent is not found within any such district, such an action may be brought within the judicial district in which the respondent has his principal office. For purposes of sections 1404 and 1406 of title 28, the judicial district in which the respondent has his principal office shall in all cases be considered a district in which the action might have been brought.

(4) It shall be the duty of the chief judge of the district (or in his absence, the acting chief judge) in which the case is pending immediately to designate a judge in such district to hear and determine the case. In the event that no judge in the district is available to hear and determine the case, the chief judge of the district, or the acting chief judge, as the case may be, shall certify this fact to the chief judge of the circuit (or in his absence, the acting chief judge) who shall then designate a district or circuit judge of the circuit to hear and determine the case.

(5) It shall be the duty of the judge designated pursuant to this subsection to assign the case for hearing at the earliest practicable date and to cause the case to be in every way expedited. If such judge has not scheduled the case for trial within one hundred and twenty days after issue has been joined, that judge may appoint a master pursuant to rule 53 of the Federal Rules of Civil Procedure.

(g) Injunctions; appropriate affirmative action; equitable relief; accrual of back pay; reduction of back pay; limitations on judicial orders

(1) If the court finds that the respondent has intentionally engaged in or is intentionally engaging in an unlawful employment practice charged in the complaint, the court may enjoin the respondent from engaging in such unlawful employment practice, and order such affirmative action as may be appropriate, which may include, but is not limited to, reinstatement or hiring of employees, with or without back pay (payable by the employer, employment agency, or labor organization, as the case may be, responsible for the unlawful employment practice), or any other equitable relief as the court deems appropriate. Back pay liability shall not accrue from a date more than two years prior to the filing of a charge with the Commission. Interim earnings or amounts earned with reasonable diligence by the person or persons discriminated against shall operate to reduce the back pay otherwise allowable.

(2)(A) No order of the court shall require the admission or reinstatement of an individual as a member of a union, or the hiring, reinstatement, or promotion of an individual as an employee, or the payment to him of any back pay, if such individual was refused admission, suspended, or expelled, or was refused employment or advancement or was suspended or discharged for any reason other than discrimination on account of race, color, religion, sex, or national origin or in violation of section 2000e–3(a) of this title.

(B) On a claim in which an individual proves a violation under section 2000e–2(m) of this title and a respondent demonstrates that the respondent would have taken the same action in the absence of the impermissible motivating factor, the court—

(i) may grant declaratory relief, injunctive relief (except as provided in clause (ii)), and attorney’s fees and costs demonstrated to be directly attributable only to the pursuit of a claim under section 2000e–2(m) of this title; and

(ii) shall not award damages or issue an order requiring any admission, reinstatement, hiring, promotion, or payment, described in subparagraph (A).

(h) Provisions of chapter 6 of title 29 not applicable to civil actions for prevention of unlawful practices

The provisions of chapter 6 of title 29 shall not apply with respect to civil actions brought under this section.

(i) Proceedings by Commission to compel compliance with judicial orders

In any case in which an employer, employment agency, or labor organization fails to comply with an order of a court issued in a civil action brought under this section, the Commission may commence proceedings to compel compliance with such order.

(j) Appeals

Any civil action brought under this section and any proceedings brought under subsection (i) shall be subject to appeal as provided in sections 1291 and 1292, title 28.

(k) Attorney’s fee; liability of Commission and United States for costs

In any action or proceeding under this subchapter the court, in its discretion, may allow the prevailing party, other than the Commission or the United States, a reasonable attorney’s fee (including expert fees) as part of the costs, and the Commission and the United States shall be liable for costs the same as a private person.


References in Text

This Act, referred to in subsec. (f)(2), means Pub. L. 88–352, July 2, 1964, 78 Stat. 241, known as the Civil Rights Act of 1964, which is classified principally to subchapters II to IX of this chapter (§2000a et seq.). For complete classification of this Act to the Code, see Short Title note set out under section 2000a of this title and Tables.

Chapter 6 (§101 et seq.) of title 29, referred to in subsec. (h), is a reference to act Mar. 23, 1932, ch. 90, 47 Stat. 70, popularly known as the Norris-LaGuardia Act. For complete classification of this Act to the Code, see Tables.

AMENDMENTS
1991—Subsec. (e). Pub. L. 102–166, §112, designated existing provisions as par. (1) and added par. (2).
Subsec. (g). Pub. L. 102–166, §107(b), designated existing provisions as pars. (1) and (2)(A) and added par. (2)(B).
Subsec. (k). Pub. L. 102–166, §113(b), inserted “(including expert fees)” after “attorney’s fee”.
Subsec. (b). Pub. L. 92–261, §4(a), redesignated former subsec. (a) as (b), modified the procedure for the filing and consideration of charges by the Commission, subject to coverage unlawful employment practices of joint labor-management committees controlling apprenticeship or other training or retraining, including on-the-job training programs, required the Commission to accord substantial weight to final findings and orders made by State or local authorities.
Subsec. (c). Pub. L. 92–261, §4(a), redesignated former subsecs. (b) and (c) as (c) and (d), respectively. Former subsec. (d) redesignated (e).
Subsec. (e). Pub. L. 92–261, §4(a), redesignated former subsec. (d) as (e), extended from ninety to one hundred and eighty days after the occurrence of the alleged unlawful employment practice the time for filing charges under this section and from two hundred and ten to three hundred days the time for filing such charges where the person aggrieved initially instituted proceedings with a State or local agency, and inserted requirement that notice of the charge be served on the respondent within ten days after filing. Former subsec. (e) redesignated (f)(1).
Subsec. (f). Pub. L. 92–261, §4(a), redesignated former subsec. (e) as par. (1), substituted provisions setting forth the procedure for civil actions where the Commission was unable to secure from the respondents a conciliation agreement to prevent further unlawful employment practices for provisions setting forth the procedure for civil actions where the Commission was unable to obtain voluntary compliance with this subchapter and inserted provisions setting forth the procedure for civil action where the respondent is a government, governmental agency, or political subdivision and the Commission could not secure a conciliation agreement, added par. (2), redesignated former subsec. (f) as par. (3), substituted “aggrieved person” for “plaintiff”, and added pars. (4) and (5).
Subsec. (g). Pub. L. 92–261, §4(a), inserted provisions which authorized the court to order affirmative action not limited solely to the enumerated affirmative acts and such other equitable relief as deemed appropriate, and provisions which set forth the accrual date for back pay.
Subsecs. (1), (j). Pub. L. 92–261, §4(b)(1), (2), substituted “this section” for “subdivision (e) of this section”.

EFFECTIVE DATE OF 2009 AMENDMENT

EFFECTIVE DATE OF 1991 AMENDMENT

EFFECTIVE DATE OF 1972 AMENDMENT
Pub. L. 92–261, §14, Mar. 24, 1972, 86 Stat. 113, provided that: “The amendments made by this Act to section 706 of the Civil Rights Act of 1964 [this section] shall be applicable with respect to charges pending with the Commission on the date of enactment of this Act [Mar. 24, 1972] and all charges filed thereafter.”

FINDINGS
Pub. L. 111–2, §2, Jan. 29, 2009, 123 Stat. 5, provided that: “Congress finds the following:
“(1) The Supreme Court in Ledbetter v. Goodyear Tire & Rubber Co., 550 U.S. 618 (2007), significantly impair statutory protections against discrimination in compensation that Congress established and that have been bedrock principles of American law for decades. The Ledbetter decision undermines those statutory protections by unduly restricting the time period in which victims of discrimination can challenge and recover for discriminatory compensation decisions or other practices, contrary to the intent of Congress.
“(2) The limitation imposed by the Court on the filing of discriminatory compensation claims ignores the reality of wage discrimination and is at odds with the robust application of the civil rights laws that Congress intended.
“(3) With regard to any charge of discrimination under any law, nothing in this Act [amending this section and section 2000e–16 of this title and sections 626, 633a, and 794a of Title 29, Labor, and enacting provisions set out as notes under this section and section 2000a of this title] is intended to preclude or limit an aggrieved person’s right to introduce evidence of an unlawful employment practice that has occurred outside the time for filling a charge of discrimination.
“(4) Nothing in this Act is intended to change current law treatment of when pension distributions are considered paid.”

APPLICATION TO OTHER LAWS
Pub. L. 111–2, §§(a), (b), Jan. 29, 2009, 123 Stat. 6, provided that:
“(a) AMERICANS WITH DISABILITIES ACT OF 1990.—The amendments made by section 3 [amending this section] shall apply to claims of discrimination in compensation brought under title I and section 503 of the Americans with Disabilities Act of 1990 (42 U.S.C. 12111 et seq., 12203), pursuant to section 107(a) of such Act (42 U.S.C. 12117(a)), which adopts the powers, remedies, and procedures set forth in section 706 of the Civil Rights Act of 1964 (42 U.S.C. 2000e–5).
“(b) REHABILITATION ACT OF 1973.—The amendments made by section 3 shall apply to claims of discrimination in compensation brought under sections 501 and 504 of the Rehabilitation Act of 1973 (29 U.S.C. 791, 794), pursuant to—
“(1) sections 501(g) and 504(d) of such Act (29 U.S.C. 791(g) [now 29 U.S.C. 791(f)], 794(d)), respectively, which adopt the standards applied under title I of the Americans with Disabilities Act of 1990 (42 U.S.C. 12111 et seq.) for determining whether a violation has occurred in a complaint alleging employment discrimination; and
§ 2000e–6. Civil actions by the Attorney General

(a) Complaint
Whenever the Attorney General has reasonable cause to believe that any person or group of persons is engaged in a pattern or practice of resistance to the full enjoyment of any of the rights secured by this subchapter, and that the pattern or practice is of such a nature and is intended to deny the full exercise of the rights therein described, the Attorney General may bring a civil action in the appropriate district court of the United States by filing with it a complaint (1) signed by him (or in his absence the Acting Attorney General), (2) setting forth facts pertaining to such pattern or practice, and (3) requesting such relief, including an application for a permanent or temporary injunction, restraining order or other order against the person or persons responsible for such pattern or practice, as he deems necessary to insure the full enjoyment of the rights therein described.

(b) Jurisdiction; three-judge district court for cases of general public importance: hearing, determination, expedition of action, review by Supreme Court; single judge district court: hearing, determination, expedition of action

The district courts of the United States shall have and shall exercise jurisdiction of proceedings instituted pursuant to this section, and in any such proceeding the Attorney General may file with the clerk of such court a request that a court of three judges be convened to hear and determine the case. Such request by the Attorney General shall be accompanied by a certificate that, in his opinion, the case is of general public importance. A copy of the certificate and request for a three-judge court shall be immediately furnished by such clerk to the chief judge of the circuit (or in his absence, the presiding circuit judge of the circuit) in which the case is pending. Upon receipt of such request it shall be the duty of the chief judge of the circuit or the presiding circuit judge, as the case may be, to designate immediately three judges in such circuit, of whom at least one shall be a circuit judge and another of whom shall be a district judge of the court in which the proceeding was instituted, to hear and determine such case, and it shall be the duty of the judges so designated to assign the case for hearing at the earliest practicable date, to participate in the hearing and determination thereof, and to cause the case to be in every way expedited. An appeal from the final judgment of such court will lie to the Supreme Court.

In the event the Attorney General fails to file such a request in any such proceeding, it shall be the duty of the chief judge of the district (or in his absence, the acting chief judge) in which the case is pending immediately to designate a judge in such district to hear and determine the case. In the event that no judge in the district is available to hear and determine the case, the chief judge of the district, or the acting chief judge, as the case may be, shall certify this fact to the chief judge of the circuit (or in his absence, the acting chief judge) who shall then designate a district or circuit judge of the circuit to hear and determine the case.

It shall be the duty of the judge designated pursuant to this section to assign the case for hearing at the earliest practicable date and to cause the case to be in every way expedited.

(c) Transfer of functions, etc., to Commission; effective date; prerequisite to transfer; execution of functions by Commission

Effective two years after March 24, 1972, the functions of the Attorney General under this section shall be transferred to the Commission, together with such personnel, property, records, and unexpended balances of appropriations, allocations, and other funds employed, used, held, available, or to be made available in connection with such functions unless the President submits, and neither House of Congress vetoes, a reorganization plan pursuant to chapter 9 of title 5, inconsistent with the provisions of this subsection. The Commission shall carry out such functions in accordance with subsections (d) and (e) of this section.

(d) Transfer of functions, etc., not to affect suits commenced pursuant to this section prior to date of transfer

Upon the transfer of functions provided for in subsection (c) of this section, in all suits commenced pursuant to this section prior to the date of such transfer, proceedings shall continue without abatement, all court orders and decrees shall remain in effect, and the Commission shall be substituted as a party for the United States of America, the Attorney General, or the Acting Attorney General, as appropriate.

(e) Investigation and action by Commission pursuant to filing of charge of discrimination; procedure

Subsequent to March 24, 1972, the Commission shall have authority to investigate and act on a charge of a pattern or practice of discrimination, whether filed by or on behalf of a person claiming to be aggrieved or by a member of the Commission. All such actions shall be conducted in accordance with the procedures set forth in section 2000e–5 of this title.


Amendments

1972—Subsecs. (c) to (e). Pub. L. 92–261 added subsecs. (c) to (e).

Transfer of Functions

Any function of the Equal Employment Opportunity Commission concerning initiation of litigation with respect to State or local government, or political subdivisions under this section, and all necessary functions related thereto, including investigation, findings, notice and an opportunity to resolve the matter without contested litigation, were transferred to the Attorney General, to be exercised by him in accordance with procedures consistent with this subchapter, and with the Attorney General authorized to delegate any function under this section to any officer or employee of the Department of Justice, by Reorg. Plan No. 1 of 1978, §5, 43 F.R. 18007, 92 Stat. 3781, set out as a note under section 2000e–4 of this title.
Ex. Ord. No. 12068. Transfer of Certain Functions to
Attorney General

Ex. Ord. No. 12068, June 30, 1978, 43 F.R. 28971, pro-
vided:

By virtue of the authority vested in me as President
of the United States by the Constitution and laws of
the United States, including Section 9 of Reorganiza-
 tion Plan Number 1 of 1978 [43 FR 19807] [set out as a
note under section 2000e–4 of this title], in order to
clarify the Attorney General's authority to initiate
public sector litigation under Section 707 of Title VII
of the Civil Rights Act of 1964, as amended [this section],
§ 2000e–7. Effect on State laws

Nothing in this subchapter shall be deemed to
exempt or relieve any person from any liability,
duty, penalty, or punishment provided by any
present or future law of any State or political
subdivision of a State, other than any such law
which purports to require or permit the doing of
any act which would be an unlawful employ-
ment practice under this subchapter.

§ 2000e–8. Investigations

(a) Examination and copying of evidence related
to unlawful employment practices

In connection with any investigation of a
charge filed under section 2000e–5 of this title,
the Commission or its designated representative
shall at all reasonable times have access to, for
the purposes of examination, and the right to
copy any evidence of any person being inves-
tigated or proceeded against that relates to un-
lawful employment practices covered by this
subchapter and is relevant to the charge under
investigation.

(b) Cooperation with State and local agencies ad-
 ministering State fair employment practices
laws; participation in and contribution to re-
search and other projects; utilization of serv-
ces; payment in advance or reimbursement
agreements and rescission of agreements

The Commission may cooperate with State
and local agencies charged with the administra-
tion of State fair employment practices laws
and, with the consent of such agencies, may, for
the purpose of carrying out its functions and du-
ties under this subchapter and within the limi-
tation of funds appropriated specifically for such
purpose, engage in and contribute to the cost of
research and other projects of mutual interest
undertaken by such agencies, and utilize the
services of such agencies and their employees,
the Commission, or the Attorney General in a case involving a government, governmental agency or political subdivision, have jurisdiction to issue to such person an order requiring him to comply.

(d) Consultation and coordination between Commission and interested State and Federal agencies in prescribing recordkeeping and reporting requirements; availability of information furnished pursuant to recordkeeping and reporting requirements; conditions on availability

In prescribing requirements pursuant to subsection (c) of this section, the Commission shall consult with other interested State and Federal agencies and shall endeavor to coordinate its requirements with those adopted by such agencies. The Commission shall furnish upon request and without cost to any State or local agency charged with the administration of a fair employment practice law information obtained pursuant to subsection (c) of this section from any employer, employment agency, labor organization, or joint labor-management committee subject to the jurisdiction of such agency. Such information shall be furnished on condition that it not be made public by the recipient agency prior to the institution of a proceeding under State or local law involving such information. If this condition is violated by a recipient agency, the Commission may decline to honor subsequent requests pursuant to this subsection.

(e) Prohibited disclosures; penalties

It shall be unlawful for any officer or employee of the Commission to make public in any manner whatever any information obtained by the Commission pursuant to its authority under this subchapter and that is not available to the institution of any proceeding under this subchapter involving such information. Any officer or employee of the Commission who shall make public in any manner whatever any information in violation of this subsection shall be guilty, of a misdemeanor and upon conviction thereof, shall be fined not more than $1,000, or imprisoned not more than one year.


AMENDMENTS

1972—Subsec. (b). Pub. L. 92–261 inserted provisions authorizing the Commission to engage in and contribute to the cost of research and other projects undertaken by State and local agencies and provisions authorizing the Commission to make advance payments to State and local agencies and their employees for services rendered to the Commission, and struck out provisions relating to agreements between the Commission and State and local agencies prohibiting private civil actions under section 2000e–8 of this title in specified cases.

Subsec. (c). Pub. L. 92–261 struck out “Except as provided in subsection (d) of this section,” before “every employer, employment agency, and labor organization subject to this subchapter shall (1),” required the party seeking an exemption to bring an action in the district court only after the Commission denied the application for the exemption, and inserted provision which authorized the Commission, or the Attorney General in a case involving a government, etc., to apply for a court order compelling compliance with the recordkeeping and reporting obligations set out in this subsection.

Subsec. (d). Pub. L. 92–261 substituted provisions requiring consultation and coordination between Federal and State agencies in prescribing recordkeeping and reporting requirements pursuant to subsection (c) of this section, and authorizing the Commission to furnish information obtained pursuant to subsection (c) of this section to interested State and local agencies, for provisions exempting from recordkeeping and reporting requirements employers, etc., required to keep records and make reports under State or local fair employment practice laws, except for the maintenance of notations by such employers, etc., which reflect the differences in coverage or enforcement between State or local laws and the provisions of this subchapter, and dispensing with recordkeeping and reporting requirements where the employer reports under some Executive Order prescribing fair employment practices for Government contractors or subcontractors.

§2000e–9. Conduct of hearings and investigations pursuant to section 161 of title 29

For the purpose of all hearings and investigations conducted by the Commission or its duly authorized agents or agencies, section 161 of title 29 shall apply.


AMENDMENTS

1972—Pub. L. 92–261 substituted provisions making applicable section 161 of title 29 to all hearings and investigations conducted by the Commission or its authorized agents or agencies, for provisions enumerating the investigatory powers of the Commission and the procedure for their enforcement.

§2000e–10. Posting of notices; penalties

(a) Every employer, employment agency, and labor organization, as the case may be, shall post and keep posted in conspicuous places upon its premises where notices to employees, applicants for employment, and members are customarily posted a notice to be prepared or approved by the Commission setting forth excerpts, from or, summaries of, the pertinent provisions of this subchapter and information pertinent to the filing of a complaint.

(b) A willful violation of this section shall be punishable by a fine of not more than $100 for each separate offense.


§2000e–11. Veterans’ special rights or preference

Nothing contained in this subchapter shall be construed to repeal or modify any Federal, State, territorial, or local law creating special rights or preference for veterans.


§2000e–12. Regulations; conformity of regulations with administrative procedure provisions; reliance on interpretations and instructions of Commission

(a) The Commission shall have authority from time to time to issue, amend, or rescind suitable procedural regulations to carry out the provi-
sions of this subchapter. Regulations issued under this section shall be in conformity with the standards and limitations of subchapter II of chapter 5 of title 5.

(b) In any action or proceeding based on any alleged unlawful employment practice, no person shall be subject to any liability or punishment for or on account of (1) the commission by such person of an unlawful employment practice if he pleads and proves that the act or omission complained of was in good faith, in conformity with, and in reliance on any written interpretation or opinion of the Commission, or (2) the failure of such person to publish and file any information required by any provision of this subchapter if he pleads and proves that he failed to publish and file such information in good faith, in conformity with the instructions of the Commission issued under this subchapter regarding the filing of such information. Such a defense, if established, shall be a bar to the action or proceeding, notwithstanding that (A) after such act or omission, such interpretation or opinion is modified or rescinded or is determined by judicial authority to be invalid or of no legal effect, or (B) after publishing or filing the description and annual reports, such publication or filing is determined by judicial authority not to be in conformity with the requirements of this subchapter.


CODIFICATION

In subsec. (a), “subchapter II of chapter 5 of title 5” substituted for “the Administrative Procedure Act” on authority of Pub. L. 89–554, §7(b), Sept. 6, 1966, 80 Stat. 531, the first section of which enacted title 5, Government Organization and Employees.

EQUAL EMPLOYMENT OPPORTUNITY COMMISSION

GUIDELINES ON RELIGIOUS HARASSMENT

Pub. L. 112–55, div. B, title V, §506, Nov. 18, 2011, 125 Stat. 561, provided that: “During the current fiscal year and in each fiscal year thereafter, none of the funds made available in this or any other Act may be used to implement, administer, or enforce any guidelines of the Equal Employment Opportunity Commission covering harassment based on religion, when it is made known to the Federal entity or official to which such funds are made available that such guidelines do not differ in any respect from the proposed guidelines published by the Commission in the performance of their official duties. Notwithstanding the provisions of section 1114 of title 18, whoever in violation of section 1114 of title 18, whoever in violation of the provisions of section 1114 of such title kills a person while engaged in or on account of the performance of his official duties shall be subject to any liability or punishment for any term of years or for life.


Similar provisions were contained in the following prior appropriation acts:


“(a) FINDINGS.—The Congress finds that—

“(1) the liberties protected by our Constitution include religious liberty protected by the first amendment;

“(2) citizens of the United States profess the beliefs of almost every conceivable religion;

“(3) Congress has historically protected religious expression even from governmental action not intended to be hostile to religion;

“(4) the Supreme Court has written that ‘the free exercise of religion means, first and foremost, the right to believe and profess whatever religious doctrine one desires’;

“(5) the Supreme Court has firmly settled that under our Constitution the public expression of ideas may not be prohibited merely because the content of the ideas is offensive to some;

“(6) Congress enacted the Religious Freedom Restoration Act of 1993 [(2 U.S.C. 2000e et seq.)] to restate and make clear again our intent and position that religious liberty is and should forever be granted protection from unwarranted and unjustified government intrusions and burdens;

“(7) the Equal Employment Opportunity Commission has written proposed guidelines to title VII of the Civil Rights Act of 1964 [(2 U.S.C. 2000e et seq.)], published in the Federal Register on October 1, 1993, that expand the definition of religious harassment beyond established legal standards set forth by the Supreme Court, and that may result in the infringement of religious liberty;

“(8) such guidelines do not appropriately resolve issues related to religious liberty and religious expression in the workplace;

“(9) properly drawn guidelines for the determination of religious harassment should provide appropriate guidance to employers and employees and assist in the continued preservation of religious liberty as guaranteed by the first amendment;

“(10) the Commission states in its proposed guidelines that it retains wholly separate guidelines for the determination of sexual harassment because the Commission believes that sexual harassment raises issues about human interaction that are to some extent unique; and

“(11) the subject of religious harassment also raises issues about human interaction that are to some extent unique in comparison to other harassment.


“(1) the category of religion shall be withdrawn from the proposed guidelines at this time;

“(2) any new guidelines for the determination of religious harassment shall be drafted so as to make explicitly clear that symbols or expressions of religious belief consistent with the first amendment and the Religious Freedom Restoration Act of 1993 [(2 U.S.C. 2000e et seq.)] are not to be restricted and do not constitute proof of harassment;

“(3) the Commission shall hold public hearings on such new proposed guidelines; and

“(4) the Commission shall receive additional public comment before issuing similar new regulations.”

§ 2000e–13. Application to personnel of Commission of sections 111 and 1114 of title 18; punishment for violation of section 1114 of title 18

The provisions of sections 111 and 1114, title 18, shall apply to officers, agents, and employees of the Commission in the performance of their official duties. Notwithstanding the provisions of sections 111 and 1114 of title 18, whoever in violation of the provisions of section 1114 of such title kills a person while engaged in or on account of the performance of his official functions under this Act shall be punished by imprisonment for any term of years or for life.


REFERENCES IN TEXT

This Act, referred to in text, means Pub. L. 88–332, July 2, 1964, 78 Stat. 241, as amended, known as the
Civil Rights Act of 1964, which is classified principally to subchapters II to IX of this chapter (§2000a et seq.). For complete classification of this Act to the Code, see Short Title note set out under section 2000a of this title and Tables.

AMENDMENTS

1972—Pub. L. 92–261 inserted provisions which made section 1114 of title 18 applicable to officers, etc., of the Commission and set forth punishment for violation of such section 1114.

§ 2000e–14. Equal Employment Opportunity Coordinating Council; establishment; composition; duties; report to President and Congress

The Equal Employment Opportunity Commission shall have the responsibility for developing and implementing agreements, policies and practices designed to maximize effort, promote efficiency, and eliminate conflict, competition, duplication and inconsistency among the operations, functions and jurisdictions of the various departments, agencies and branches of the Federal Government responsible for the implementation and enforcement of equal employment opportunity legislation, orders, and policies. On or before October 1 of each year, the Equal Employment Opportunity Commission shall transmit to the President and to the Congress a report of its activities, together with such recommendations for legislative or administrative changes as it concludes are desirable to further promote the purposes of this section.


SUBMISSION OF SPECIFIC LEGISLATIVE RECOMMENDATIONS TO CONGRESS BY JANUARY 1, 1967, TO IMPLEMENT REPORT ON AGE DISCRIMINATION

Pub. L. 89–601, title VI, §606, Sept. 23, 1966, 80 Stat. 845, directed the Secretary of Labor to submit to the Congress not later than Jan. 1, 1967 his specific legislative recommendations for implementing the conclusions and recommendations contained in his report on age discrimination in employment made pursuant to provisions of this section prior to its amendment in 1972.

§ 2000e–15. Presidential conferences; acquaintance of leadership with provisions for employment rights and obligations; plans for fair administration; membership

The President shall, as soon as feasible after July 2, 1964, convene one or more conferences for the purpose of enabling the leaders of groups whose members will be affected by this subchapter to become familiar with the rights afforded and obligations imposed by its provisions, and for the purpose of making plans which will result in the fair and effective administration of this subchapter when all of its provisions become effective. The President shall invite the participation in such conference or conferences of (1) the members of the President’s Committee on Equal Employment Opportunity, (2) the members of the Commission on Civil Rights, (3) representatives of State and local agencies engaged in furthering equal employment opportunity, (4) representatives of private agencies engaged in furthering equal employment opportunity, and (5) representatives of employers, labor organizations, and employment agencies who will be subject to this subchapter.


EXECUTIVE ORDER NO. 11197


(a) Discriminatory practices prohibited; employees or applicants for employment subject to discipline

All personnel actions affecting employees or applicants for employment (except with regard to aliens employed outside the limits of the United States) in military departments as defined in section 102 of title 5, in executive agencies as defined in section 105 of title 5 (including
employees and applicants for employment who are paid from nonappropriated funds), in the United States Postal Service and the Postal Regulatory Commission, in those units of the Government of the District of Columbia having positions in the competitive service, and in those units of the judicial branch of the Federal Government having positions in the competitive service, in the Smithsonian Institution, and in the Government Publishing Office, the Government Accountability Office, and the Library of Congress shall be made free from any discrimination based on race, color, religion, sex, or national origin.

(b) Equal Employment Opportunity Commission; enforcement powers; issuance of rules, regulations, etc.; annual review and approval of national and regional equal employment opportunity plans; review and evaluation of equal employment opportunity programs and publication of progress reports; consultations with interested parties; compliance with rules, regulations, etc.; contents of national and regional equal employment opportunity plans; authority of Librarian of Congress

Except as otherwise provided in this subsection, the Equal Employment Opportunity Commission shall have authority to enforce the provisions of subsection (a) through appropriate remedies, including reinstatement or hiring of employees with or without back pay, as will effectuate the policies of this section, and shall issue such rules, regulations, orders and instructions as it deems necessary and appropriate to carry out its responsibilities under this section. The Equal Employment Opportunity Commission shall—

(1) be responsible for the annual review and approval of a national and regional equal employment opportunity plan which each department and agency and each appropriate unit referred to in subsection (a) of this section shall submit in order to maintain an affirmative program of equal employment opportunity for all such employees and applicants for employment;

(2) be responsible for the review and evaluation of the operation of all agency equal employment opportunity programs, periodically obtaining and publishing (on at least a semiannual basis) progress reports from each such department, agency, or unit; and

(3) consult with and solicit the recommendations of interested individuals, groups, and organizations relating to equal employment opportunity.

The head of each such department, agency, or unit shall comply with such rules, regulations, orders, and instructions which shall include a provision that an employee or applicant for employment shall be notified of any final action taken on any complaint of discrimination filed by him thereunder. The plan submitted by each department, agency, and unit shall include, but not be limited to—

(1) a description of the qualifications in terms of training and experience relating to equal employment opportunity for the principal and operating officials of each such department, agency, or unit responsible for carrying out the equal employment opportunity program and of the allocation of personnel and resources proposed by such department, agency, or unit to carry out its equal employment opportunity program.

With respect to employment in the Library of Congress, authorities granted in this subsection to the Equal Employment Opportunity Commission shall be exercised by the Librarian of Congress.

(c) Civil action by employee or applicant for employment for redress of grievances; time for bringing of action; head of department, agency, or unit as defendant

Within 90 days of receipt of notice of final action taken by a department, agency, or unit referred to in subsection (a), or by the Equal Employment Opportunity Commission upon appeal from a decision or order of such department, agency, or unit on a complaint of discrimination based on race, color, religion, sex or national origin, brought pursuant to subsection (a) of this section, Executive Order 11478 or any succeeding Executive orders, or after one hundred and eighty days from the filing of the initial charge with the department, agency, or unit or with the Equal Employment Opportunity Commission on appeal from a decision or order of such department, agency, or unit until such time as final action may be taken by a department, agency, or unit, an employee or applicant for employment, if aggrieved by the final disposition of his complaint, or by the failure to take final action on his complaint, may file a civil action as provided in section 2000e–5 of this title, in which civil action the head of the department, agency, or unit, as appropriate, shall be the defendant.

(d) Section 2000e–5(f) through (k) of this title applicable to civil actions

The provisions of section 2000e–5(f) through (k) of this title, as applicable, shall govern civil actions brought hereunder, and the same interest to compensate for delay in payment shall be available as in cases involving nonpublic parties.1

(e) Government agency or official not relieved of responsibility to assure nondiscrimination in employment or equal employment opportunity

Nothing contained in this Act shall relieve any Government agency or official of its or his primary responsibility to assure nondiscrimination in employment as required by the Constitution and statutes or of its or his responsibilities under Executive Order 11478 relating to equal employment opportunity in the Federal Government.

1 So in original.
(f) **Section 2000e–5(e)(3) of this title applicable to compensation discrimination**

Section 2000e–5(e)(3) of this title shall apply to complaints of discrimination in compensation under this section.


**REFERENCES IN TEXT**

This Act, referred to in subsec. (e), means Pub. L. 88–352, July 2, 1964, 78 Stat. 241, known as the Civil Rights Act of 1964, which is classified principally to this Act, see section 10(a) of Pub. L. 96–191, formerly set out as a note under section 2000e–16.

**AMENDMENTS**


1991—Subsec. (c). Pub. L. 102–166, §114(1), substituted “90 days” for “thirty days”.

(d). Pub. L. 102–166, §114(2), inserted before the period “, and the same interest to compensate for delay in payment shall be available as in cases involving nonpublic parties.”


**CHANGE OF NAME**


**Effective Date of 2009 Amendment**

Amendment by Pub. L. 111–2 effective as if enacted May 28, 2007, and applicable to certain claims of discrimination in compensation pending on or after that date, see section 6 of Pub. L. 111–2, set out as a note under section 2000e–5 of this title.

**Effective Date of 1998 Amendment**

Amendment by Pub. L. 105–220 effective Aug. 7, 1998, and applicable to and may be raised in any administrative or judicial claim or action brought after Aug. 7, 1998, but pending on such date, and any administrative or judicial claim or action brought after such date regardless of whether the claim or action arose prior to such date, if the claim or action was brought within the applicable statute of limitations, see section 341(d) of Pub. L. 105–220, formerly set out as a note under section 633A of Title 29, Labor.

**Effective Date of 1995 Amendment**

Amendment by Pub. L. 105–1 effective 1 year after Jan. 23, 1995, see section 1311(e) of Title 2, The Congress.

**Effective Date of 1991 Amendment**


**Effective Date of 1980 Amendment**


**TRANSFER OF FUNCTIONS**

“Equal Employment Opportunity Commission” substituted for “Civil Service Commission” in subsecs. (b) and (c) pursuant to section 1 of Pub. L. 88–352, title VII, §717, as added Pub. L. 19807, 92 Stat. 3781, set out as a note under section 2000e–4 of this title, which transferred all equal opportunity in Federal employment enforcement and related functions vested in Civil Service Commission by subsecs. (b) and (c) of this section to Equal Employment Opportunity Commission, with certain authority delegable to Director of Office of Personnel Management, effective Jan. 1, 1979, as provided by section 111A of Ex. Ord. No. 12106, Dec. 28, 1978, 44 F.R. 1053, set out as a note under section 2000e–4 of this title.

**EX. ORD. NO. 13145. TO PROHIBIT DISCRIMINATION IN FEDERAL EMPLOYMENT BASED ON GENETIC INFORMATION**

Ex. Ord. No. 13145, Feb. 8, 2000, 65 F.R. 6877, provided: By the authority vested in me as President of the United States by the Constitution and the laws of the United States of America, it is ordered as follows:

**SECTION 1. Nondiscrimination in Federal Employment on the Basis of Protected Genetic Information.**

1. The policy of the Government of the United States to provide equal employment opportunity in Federal employment for all qualified persons and to prohibit discrimination against employees based on protected genetic information, or information about a request for or the receipt of genetic services. This policy of equal opportunity applies to every aspect of Federal employment.

1–102. The head of each Executive department and agency shall extend the policy set forth in section 1 to all its employees covered by section 717 of Title VII of the Civil Rights Act of 1964, as amended (42 U.S.C. 2000e–16).

1–103. Executive departments and agencies shall carry out the provisions of this order to the extent permitted by law and consistent with their statutory and regulatory authorities, and their enforcement mechanisms. The Equal Employment Opportunity Commission shall be responsible for coordinating the policy of the Government of the United States to prohibit discrimination against employees in Federal employment based on protected genetic information, or information about a request for or the receipt of genetic services.

**SEC. 2. REQUIREMENTS APPLICABLE TO EMPLOYING DEPARTMENTS AND AGENCIES.**

1–201. Definitions.

(a) The term “employee” shall include an employee, applicant for employment, or former employee covered by section 717 of the Civil Rights Act of 1964, as amended (42 U.S.C. 2000e–16).

(b) Genetic monitoring means the periodic examination of employees to evaluate acquired modifications to their genetic material, such as chromosomal damage or evidence of increased occurrence of mutations, that may have developed in the course of em-
Employment due to exposure to toxic substances in the workplace, in order to identify, evaluate, respond to the effects of, or control adverse environmental exposure in the workplace.

(c) Genetic services means health services, including genetic tests, provided to obtain, assess, or interpret genetic information for diagnostic or therapeutic purposes, or for genetic education or counseling.

(d) Genetic test means the analysis of human DNA, RNA, chromosomes, proteins, or certain metabolites in order to detect disease-related genotypes or mutations. Tests for metabolites fall within the definition of “genetic tests” when an excess or deficiency of the metabolites indicates the presence of a mutation or mutations. The conducting of metabolic tests by a department or agency that are not intended to reveal the presence of a mutation shall not be considered a violation of this order, regardless of the results of the tests. Test results revealing a mutation shall, however, be subject to the provisions of this order.

(e) Protected genetic information means:

(A) Information about an individual’s genetic tests;

(B) Information about the genetic tests of an individual’s family members; or

(C) Information about the occurrence of a disease, or medical condition or disorder in family members of the individual.

Information about an individual’s current health status (including information about sex, age, physical exams, and chemical, blood, or urine analyses) is not protected genetic information unless it is described in subparagraph (1).

In discharging their responsibilities under this order, departments and agencies shall implement the following nondiscrimination requirements.

(a) The employing department or agency may request or require information defined in section 1–201(e)(1)(C) with respect to an individual who has been given a conditional offer of employment or to an employee if:

(1) the request or requirement is consistent with the Rehabilitation Act [of 1973, 29 U.S.C. 701 et seq.] and other applicable law; and

(2) the information obtained is to be used exclusively to assess whether further medical evaluation is needed to diagnose a current disease, or medical condition or disorder, or under the terms of section 1–301(b) of this order.

(b) The employing department or agency may request, collect, or purchase protected genetic information with respect to an employee, or any information about a request for or receipt of genetic services by such employee if:

(1) the employee uses genetic or health care services provided by the employer (other than use pursuant to section 1–301(a) of this order);

(2) the employee is notified when the results of such information to anyone except to the employee who uses the services for treatment of the individual; pursuant to section 1–202(d) of this order; for program evaluation or assessment; for compiling and analyzing information in anticipation of or for use in a civil or criminal legal proceeding; or for payment or accounting purposes, to verify that the service was performed (but in such cases the genetic information itself cannot be disclosed);

(3) such genetic information is not used in violation of sections 1–202(a) or 1–202(b) of this order.

(c) The employing department or agency may collect protected genetic information with respect to an employee if the requirements of part 46 of title 45 of the Code of Federal Regulations are met.

(d) Genetic monitoring of biological effects of toxic substances in the workplace shall be permitted if all of the following conditions are met:

(1) the employee has provided prior, knowing, voluntary, and written authorization to the employer to collect protected genetic information;

(2) the employee is notified when the results of genetic monitoring regulations that may be promulgated by the Secretary of Labor; and

(3) the monitoring conforms to any genetic monitoring regulations that may be promulgated by the Secretary of Labor; and

(4) the employer, excluding any licensed health care professionals that are involved in the genetic monitoring program, receives results of the mon-
§ 2000e–16b. Discriminatory practices prohibited

(a) Practices

All personnel actions affecting the Presidential appointees described in section 1219 of title 2 or the State employees described in section 2000e–16c of this title shall be made free from any discrimination based on—

(1) race, color, religion, sex, or national origin, within the meaning of section 2000e–16 of this title;
(2) age, within the meaning of section 633a of title 29; or
(3) disability, within the meaning of section 633a of title 29.

(b) Remedies

The remedies referred to in sections 1219(a)(1) of title 2 and 2000e–16c(a) of this title—

(1) may include, in the case of a determination that a violation of subsection (a)(1) or (a)(3) has occurred, such remedies as would be appropriate if awarded under sections 2000e–5(g), 2000e–5(k), and 2000e–16(d) of this title, and such compensatory damages as would be appropriate if awarded under section 1981 or sections 1981a(a) and 1981a(b)(2) of this title;

(2) may include, in the case of a determination that a violation of subsection (a)(2) has occurred, such remedies as would be appropriate if awarded under section 333a(c) of title 29; and

(3) may not include punitive damages.

1 See References in Text note below.
§ 2000e–16c. Coverage of previously exempt State employees

(a) Application

The rights, protections, and remedies provided pursuant to section 2000e–16b of this title shall apply with respect to employment of any individual chosen or appointed, by a person elected to public office in any State or political subdivision of any State by the qualified voters thereof—

(1) to be a member of the elected official’s personal staff;

(2) to serve the elected official on the policy-making level; or

(3) to serve the elected official as an immediate advisor with respect to the exercise of the constitutional or legal powers of the office.

(b) Enforcement by administrative action

(1) In general

Any individual referred to in subsection (a) may file a complaint alleging a violation, not later than 180 days after the occurrence of the alleged violation, with the Equal Employment Opportunity Commission, which, in accordance with the principles and procedures set forth in sections 554 through 557 of title 5, shall determine whether a violation has occurred and shall set forth its determination in a final order. If the Equal Employment Opportunity Commission determines that a violation has occurred, the final order shall also provide for appropriate relief.

(2) Referral to State and local authorities

(A) Application

Section 2000e–5(d) of this title shall apply with respect to any proceeding under this section.

(B) Definition

For purposes of the application described in subparagraph (A), the term “any charge filed by a member of the Commission alleging an unlawful employment practice means a complaint filed under this section.

(c) Judicial review

Any party aggrieved by a final order under subsection (b) may obtain a review of such order under chapter 158 of title 28. For the purpose of this review, the Equal Employment Opportunity Commission shall be an “agency” as that term is used in chapter 158 of title 28.

(d) Standard of review

To the extent necessary to decision and when presented, the reviewing court shall decide all relevant questions of law and interpret constitut-
Office of Federal Contract Compliance has disapproved such plan.


SUBCHAPTER VII—REGISTRATION AND VOTING STATISTICS

§2000f. Survey for compilation of registration and voting statistics; geographical areas; scope; application of census provisions; voluntary disclosure; advising of right not to furnish information

The Secretary of Commerce shall promptly conduct a survey to compile registration and voting statistics in such geographic areas as may be recommended by the Commission on Civil Rights. Such a survey and compilation shall, to the extent recommended by the Commission on Civil Rights, only include a count of persons of voting age by race, color, and national origin, and determination of the extent to which such persons are registered to vote, and have voted in any statewide primary or general election in which the Members of the United States House of Representatives are nominated or elected, since January 1, 1960. Such information shall also be collected and compiled in connection with the Nineteenth Decennial Census, and at such other times as the Congress may prescribe. The provisions of section 9 and chapter 7 of title 13 shall apply to any survey, collection, or compilation of registration and voting statistics carried out under this subchapter: Provided, however. That no person shall be compelled to disclose his race, color, national origin, or questioned about his political party affiliation, how he voted, or the reasons therefore, nor shall any penalty be imposed for his failure or refusal to make such disclosure. Every person interrogated orally, by written survey or questionnaire or by any other means with respect to such information shall be fully advised with respect to his right to fail or refuse to furnish such information.


SUBCHAPTER VIII—COMMUNITY RELATIONS SERVICE

§2000g. Establishment of Service; Director of Service; appointment, term; personnel

There is hereby established in and as a part of the Department of Commerce a Community Relations Service (hereinafter referred to as the “Service”), which shall be headed by a Director who shall be appointed by the President with the advice and consent of the Senate for a term of four years. The Director is authorized to appoint, subject to the civil service laws and regulations, such other personnel as may be necessary to enable the Service to carry out its functions and duties, and to fix their compensation in accordance with chapter 51 and subchapter III of chapter 53 of title 5.


CODIFICATION

References to “chapter 51 and subchapter III of chapter 53 of title 5” and “section 3109 of title 5” substituted in text for ““the Classification Act of 1949, as amended” and “section 15 of the Act of August 2, 1946 (60 Stat. 810; 5 U.S.C. 55a)”, respectively, on authority of Pub. L. 89–554, §7(b), Sept. 6, 1966, 80 Stat. 631, the first section of which enacted Title 5, Government Organization and Employees.

AMENDMENTS

1978—Pub. L. 95–624 struck out provision authorizing the Director to procure the services of experts and consultants at rates for individuals not in excess of $75 per diem.

REORGANIZATION PLAN NO. 1 OF 1966


Prepared by the President and transmitted to the Senate and the House of Representatives in Congress assembled, February 16, 1966, pursuant to the provisions of the Reorganization Act of 1949, 63 Stat. 205, as amended [see 5 U.S.C. 901 et seq.],

COMMUNITY RELATIONS SERVICE

SECTION 1. TRANSFER OF SERVICE

Subject to the provisions of this reorganization plan, the Community Relations Service now existing in the Department of Commerce under the Civil Rights Act of 1964 (Pub. L. No. 88–352, July 2, 1964) [see Short Title note under 42 U.S.C. 2000a], including the office of Director there of, is hereby transferred to the Department of Justice.

SEC. 2. TRANSFER OF FUNCTIONS

All functions of the Community Relations Service, and all functions of the Director of the Community Relations Service, together with all functions of the Secretary of Commerce and the Department of Commerce with respect thereto, are hereby transferred to the Attorney General.

SEC. 3. INCIDENTAL TRANSFERS

(a) Section 1 hereof shall be deemed to transfer to the Secretary of Commerce the personnel, property, and records of the Community Relations Service and the unexpended balances of appropriations, allocations, and other funds available or to be made available to the Service.

(b) Such further measures and dispositions as the Secretary of the Budget shall deem to be necessary in order to effectuate the transfers referred to in subsection (a) of this section shall be carried out in such manner as he shall direct and by such agencies as he shall designate.

MESSAGE OF THE PRESIDENT

To the Congress of the United States:

I transmit herewith Reorganization Plan No. 1 of 1966, prepared in accordance with the Reorganization Act of 1949, as amended, and providing for reorganization of community relations functions in the area of civil rights.

After a careful review of the activities of the Federal agencies involved in the field of civil rights, it became clear that the elimination of duplication and undesirable overlap required the consolidation of certain functions.

As a first step, I issued Executive Orders 11246 and 11247 on September 24, 1965.

Executive Order 11246 simplified and clarified executive branch assignments of responsibility for enforcing civil rights policies and placed responsibility for the Government-wide coordination of the enforcement activities of executive agencies in the Secretary of Labor with respect to employment by Federal contractors and in the Civil Service Commission with respect to employment by Federal agencies.
Executive Order 11247 directed the Attorney General to assist Federal agencies in coordinating their enforcement activities with respect to title VI of the Civil Rights Act of 1964, which prohibits discrimination in federally assisted programs.

As a further step for strengthening the operation and coordination of our civil rights programs, I now recommend a transfer of the functions of the Community Relations Service, established in the Department of Commerce under title X of the Civil Rights Act of 1964, to the Attorney General and transfer of the Service, including the Office of Director, to the Department of Justice.

The Community Relations Service was located in the Department of Commerce by the Congress on the assumption that a primary need would be the conciliation of disputes arising out of the public accommodations title of the act. That decision was appropriate on the basis of information available at that time. The need for conciliation in this area has not been as great as anticipated because of the voluntary progress that has been made by businessmen and business organizations.

To be effective, assistance to communities in the identification and conciliation of disputes should be closely and tightly coordinated. Thus, in any particular situation that arises within a community, representatives of Federal agencies whose programs are involved should coordinate their efforts through a single agency. In recent years, the Civil Rights Division of the Justice Department has played such a coordinating role in many situations, and has done so with great effectiveness.

Placing the Community Relations Service within the Justice Department will enhance the ability of the Justice Department to mediate and conciliate and will ensure that the Federal Government speaks with a unified voice in those tense situations where the good offices of the Federal Government are called upon to assist.

In this, as in other areas of Federal operations, we will move more surely and rapidly toward our objectives if we improve Federal organization and the arrangements for interagency coordination. The accompanying reorganization plan has that purpose.

The present distribution of Federal civil rights responsibilities clearly indicates that the activities of the Community Relations Service will fit most appropriately in the Department of Justice.

The Department of Justice has primary program responsibilities in civil rights matters and deep and broad experience in the conciliation of civil rights disputes. Congress has assigned it a major role in the implementation of title VI of the Civil Rights Act of 1964, and the Voting Rights Act of 1965. The Department of Justice performs related functions under other acts of Congress. Most of these responsibilities require not only litigation, but also efforts at persuasion, negotiation, and explanation, especially with local governments and law enforcement authorities. In addition, under the Law Enforcement Assistance Act the Department will be supporting local programs in the area of police-community relations.

The test of the effectiveness of an enforcement agency is not how many legal actions are initiated and won, but whether there is compliance with the law. Thus, every such agency necessarily engages in extensive efforts to obtain compliance with the law and the avoidance of disputes. In fact, title VI of the Civil Rights Act of 1964 requires each agency concerned to attempt to obtain compliance by voluntary means before taking further action.

Among the heads of Cabinet departments the President looks principally to the Attorney General for advice and judgment on civil rights issues. The latter is expected to be familiar with civil rights problems in all parts of the Nation and to make recommendations for executive and legislative action.

The Attorney General already has responsibility with respect to a major portion of Federal conciliation efforts in the civil rights field. Under Executive Order 11247, he coordinates the Government-wide enforcement of title VI of the Civil Rights Act of 1964, which relies heavily on the achievement of compliance through persuasion and negotiation.

In the light of these facts, the accompanying reorganization plan would transfer the functions of the Community Relations Service and of its Director to the Attorney General. In so providing, the plan, of course, follows the established pattern of Federal organization by vesting all the transferred powers in the head of the department. The Attorney General will provide for the organization of the Community Relations Service as a separate unit within the Department of Justice.

The functions transferred by the reorganization plan would be carried out with full regard for the provisions of section 1003 of title X of the Civil Rights Act of 1964 relating to (1) cooperation with appropriate State or local, public, or private agencies; (2) the confidentiality of information acquired with the understanding that it would be so held; and (3) the limitation on the performance of investigative or prosecutive functions by personnel of the Service.

This transfer will benefit both the Department of Justice and the Community Relations Service in the fulfillment of their existing functions.

The Attorney General will benefit in his role as the President's adviser by obtaining an opportunity to anticipate and meet problems before the need for legal action arises.

The Community Relations Service, brought into closer relationship with the Attorney General and the Civil Rights Division of the Department of Justice, will gain by becoming a primary resource in a coordinated effort in civil rights under the leadership of the Attorney General. The Community Relations Service will have direct access to the extensive information, experience, staff, and facilities within the Department and in other Federal agencies.

Finally, the responsibility for coordinating major Government activities under the Civil Rights Act aimed at voluntary and peaceful resolution of discriminatory practices will be centered in one department. Thus, the reorganization will permit the most efficient and effective utilization of resources in this field. Together the Service and the Department will have a larger capacity for accomplishment than they do apart.

Although the reorganizations provided for in the reorganization plan will not of themselves result in immediate savings, the improvement achieved in administration will permit a fuller and more effective utilization of manpower and will in the future allow the performance of the affected functions at lower costs than would otherwise be possible.

After investigation I have found and hereby declare that each organization included in Reorganization Plan No. 1 of 1966 is necessary to accomplish one or more of the purposes set forth in section 2(a) of the Reorganization Act of 1949, as amended.

I recommend that the Congress allow the reorganization plan to become effective.

LYNDON B. JOHNSON.


§ 2000g–1. Functions of Service

It shall be the function of the Service to provide assistance to communities and persons therein in resolving disputes, disagreements, or difficulties relating to discriminatory practices based on race, color, or national origin which impair the rights of persons in such communities under the Constitution or laws of the United States or which affect or may affect interstate commerce. The Service may offer its services in cases of such disputes, disagreements, or difficulties whenever, in its judgment, peaceful relations among the citizens of the
§ 2000g–2. Cooperation with other agencies; conciliation assistance in confidence and without publicity; information as confidential; restriction on performance of investigative or prosecuting functions; violations and penalties

(a) The Service shall, whenever possible, in performing its functions, seek and utilize the cooperation of appropriate State or local, public, or private agencies.

(b) The activities of all officers and employees of the Service in providing conciliation assistance shall be conducted in confidence and without publicity, and the Service shall hold confidential any information acquired in the regular performance of its duties upon the understanding that it would be so held. No officer or employee of the Service shall engage in the performance of investigative or prosecuting functions of any department or agency in any litigation arising out of a dispute in which he acted on behalf of the Service. Any officer or other employee of the Service, who shall make public in any manner whatever any information in violation of this subsection, shall be deemed guilty of a misdemeanor and, upon conviction thereof, shall be fined not more than $1,000 or imprisoned not more than one year.


§ 2000g–3. Reports to Congress

Subject to the provisions of sections 2000a–4 and 2000g–2(b) of this title, the Director shall, on or before January 31 of each year, submit to the Congress a report of the activities of the Service during the preceding fiscal year.


SUBCHAPTER IX—MISCELLANEOUS PROVISIONS

§ 2000h. Criminal contempt proceedings: trial by jury, criminal practice, penalties, exceptions, intent; civil contempt proceedings

In any proceeding for criminal contempt arising under title II, III, IV, V, VI, or VII of this Act, the accused, upon demand therefor, shall be entitled to a trial by jury, which shall conform as near as may be to the practice in criminal cases. Upon conviction, the accused shall not be fined more than $1,000 or imprisoned for more than six months.

This section shall not apply to contempt committed in the presence of the court, or so near thereto as to obstruct the administration of justice, nor to the misbehavior, misconduct, or disobedience of any officer of the court in respect to writs, orders, or process of the court. No person shall be convicted of criminal contempt hereunder unless the act or omission constituting such contempt shall have been intentional, as required in other cases of criminal contempt.

No person should be put twice in jeopardy under the laws of the United States for the same act or omission. For this reason, an acquittal or conviction in a prosecution for a specific crime under the laws of the United States shall bar a proceeding for criminal contempt, which is based upon the same act or omission and which arises under the provisions of this Act; and an acquittal or conviction in a proceeding for criminal contempt, which arises under the provisions of this Act, shall bar a prosecution for a specific crime under the laws of the United States based upon the same act or omission.


REFERENCES IN TEXT

This Act, referred to in text, is Pub. L. 88–352, July 2, 1964, 78 Stat. 241, as amended, known as the Civil Rights Act of 1964, which is classified principally to subchapters II to IX of this chapter (§2000a et seq.). For complete classification of this Act to the Code, see Short Title note set out under section 2000a of this title and Tables.

§ 2000h–1. Double jeopardy; specific crimes and criminal contempt

No person should be put twice in jeopardy under the laws of the United States for the same act or omission. For this reason, an acquittal or conviction in a prosecution for a specific crime under the laws of the United States shall bar a proceeding for criminal contempt, which is based upon the same act or omission and which arises under the provisions of this Act; and an acquittal or conviction in a proceeding for criminal contempt, which arises under the provisions of this Act, shall bar a prosecution for a specific crime under the laws of the United States based upon the same act or omission.


REFERENCES IN TEXT

This Act, referred to in text, is Pub. L. 88–352, July 2, 1964, 78 Stat. 241, as amended, known as the Civil Rights Act of 1964, which is classified principally to subchapters II to IX of this chapter (§2000a et seq.). For complete classification of this Act to the Code, see Short Title note set out under section 2000a of this title and Tables.

§ 2000h–2. Intervention by Attorney General; denial of equal protection on account of race, color, religion, sex or national origin

Whenever an action has been commenced in any court of the United States seeking relief from the denial of equal protection of the laws under the fourteenth amendment to the Constitution on account of race, color, religion, sex or national origin, the Attorney General for or in the name of the United States may intervene in such action upon timely application if the Attorney General certifies that the case is of general public importance. In such action the United States shall be entitled to the same relief as if it had instituted the action.
§ 2000h–3

TITLE 42—THE PUBLIC HEALTH AND WELFARE

Page 4860


AMENDMENTS

1972—Pub. L. 92–318 inserted “sex” after “religion.”.

§ 2000h–3. Construction of provisions not to affect authority of Attorney General, etc., to institute or intervene in actions or proceedings

Nothing in this Act shall be construed to deny, impair, or otherwise affect any right or authority of the Attorney General or of the United States or any agency or officer thereof under existing law to institute or intervene in any action or proceeding.


REFERENCES IN TEXT

This Act, referred to in text, is Pub. L. 88–352, July 2, 1964, 78 Stat. 241, as amended, known as the Civil Rights Act of 1964, which is classified principally to subchapters II to IX of this chapter (§2000a et seq.). For complete classification of this Act to the Code, see Short Title note set out under section 2000a of this title and Tables.

§ 2000h–4. Construction of provisions not to exclude operation of State laws and not to invalidate consistent State laws

Nothing contained in any title of this Act shall be construed as indicating an intent on the part of Congress to occupy the field in which any such title operates to the exclusion of State laws on the same subject matter, nor shall any provision of this Act be construed as invalidating any provision of State law unless such provision is inconsistent with any of the purposes of this Act, or any provision thereof.


REFERENCES IN TEXT

This Act, referred to in text, is Pub. L. 88–352, July 2, 1964, 78 Stat. 241, as amended, known as the Civil Rights Act of 1964, which is classified principally to subchapters II to IX of this chapter (§2000a et seq.). For complete classification of this Act to the Code, see Short Title note set out under section 2000a of this title and Tables.

§ 2000h–5. Authorization of appropriations

There are hereby authorized to be appropriated such sums as are necessary to carry out the provisions of this Act.


REFERENCES IN TEXT

This Act, referred to in text, is Pub. L. 88–352, July 2, 1964, 78 Stat. 241, as amended, known as the Civil Rights Act of 1964, which is classified principally to subchapters II to IX of this chapter (§2000a et seq.). For complete classification of this Act to the Code, see Short Title note set out under section 2000a of this title and Tables.

§ 2000h–6. Separability

If any provision of this Act or the application thereof to any person or circumstances is held invalid, the remainder of the Act and the application of the provision to other persons not similarly situated or to other circumstances shall not be affected thereby.


REFERENCES IN TEXT

This Act and the Act, referred to in text, is Pub. L. 88–352, July 2, 1964, 78 Stat. 241, as amended, known as the Civil Rights Act of 1964, which is classified principally to subchapters II to IX of this chapter (§2000a et seq.). For complete classification of this Act to the Code, see Short Title note set out under section 2000a of this title and Tables.

CHAPTER 21A—PRIVACY PROTECTION

SUBCHAPTER I—FIRST AMENDMENT PRIVACY PROTECTION

PART A—UNLAWFUL ACTS

§ 2000aa. Searches and seizures by government officers and employees in connection with investigation or prosecution of criminal offenses


SUBCHAPTER II—ATTORNEY GENERAL GUIDELINES


SUBCHAPTER I—FIRST AMENDMENT PRIVACY PROTECTION

PART A—UNLAWFUL ACTS

§ 2000aa. Searches and seizures by government officers and employees in connection with investigation or prosecution of criminal offenses

(a) Work product materials

Notwithstanding any other law, it shall be unlawful for a government officer or employee, in connection with the investigation or prosecution of a criminal offense, to search for or seize any work product materials possessed by a person reasonably believed to have a purpose to disseminate to the public a newspaper, book, broadcast, or other similar form of public communication, in or affecting interstate or foreign commerce; but this provision shall not impair or affect the ability of any government officer or employee, pursuant to otherwise applicable law, to search for or seize such materials, if—

(1) there is probable cause to believe that the person possessing such materials has committed or is committing the criminal offense to which the materials relate: Provided, however, That a government officer or employee may not search for or seize such materials under the provisions of this paragraph if the offense to which the materials relate consists of the receipt, possession, communication, or
withholding of such materials or the information contained therein (but such a search or seizure may be conducted under the provisions of this paragraph if the offense consists of the receipt, possession, or communication of information relating to the national defense, classified information, or restricted data under the provisions of section 793, 794, 797, or 798 of title 18, or section 2274, 2275, or 2277 of this title, or section 783 of title 50, or if the offense involves the production, possession, receipt, mailing, sale, distribution, shipment, or transportation of child pornography, the sexual exploitation of children, or the sales or purchase of children under section 2251, 2251A, 2252, or 2252A of title 18); or

(2) there is reason to believe that the immediate seizure of such materials is necessary to prevent the death of, or serious bodily injury to, a human being.

(b) Other documents

Notwithstanding any other law, it shall be unlawful for a government officer or employee, in connection with the investigation or prosecution of a criminal offense, to search for or seize documentary materials, other than work product materials, possessed by a person in connection with a purpose to disseminate to the public a newspaper, book, broadcast, or other similar form of public communication, in or affecting interstate or foreign commerce; but this provision shall not impair or affect the ability of any government officer or employee, pursuant to otherwise applicable law, to search for or seize such materials, if—

(1) there is probable cause to believe that the person possessing such materials has committed or is committing the criminal offense to which the materials relate; provided, however, that a government officer or employee may not search for or seize such materials under the provisions of this paragraph if the offense to which the materials relate consists of the receipt, possession, communication, or withholding of such materials or the information contained therein (but such a search or seizure may be conducted under the provisions of this paragraph if the offense consists of the receipt, possession, or communication of information relating to the national defense, classified information, or restricted data under the provisions of section 793, 794, 797, or 798 of title 18, or section 2274, 2275, or 2277 of this title, or section 783 of title 50, or if the offense involves the production, possession, receipt, mailing, sale, distribution, shipment, or transportation of child pornography, the sexual exploitation of children, or the sales or purchase of children under section 2251, 2251A, 2252, or 2252A of title 18); or

(2) there is reason to believe that the immediate seizure of such materials is necessary to prevent the death of, or serious bodily injury to, a human being;

(3) there is reason to believe that the giving of notice pursuant to a subpoena duces tectum would result in the destruction, alteration, or concealment of such materials; or

(4) such materials have not been produced in response to a court order directing compliance with a subpoena duces tectum, and—

(A) all appellate remedies have been exhausted; or

(B) there is reason to believe that the delay in an investigation or trial occasioned by further proceedings relating to the subpoena would threaten the interests of justice.

(c) Objections to court ordered subpoenas; affidavits

In the event a search warrant is sought pursuant to paragraph (4)(B) of subsection (b), the person possessing the materials shall be afforded adequate opportunity to submit an affidavit setting forth the basis for any contention that the materials sought are not subject to seizure.

§ 2000aa-6. Civil actions by aggrieved persons

(a) Right of action

A person aggrieved by a search for or seizure of materials in violation of this chapter shall have a civil cause of action for damages for such search or seizure—

(1) against the United States, against a State which has waived its sovereign immunity under the Constitution to a claim for damages resulting from a violation of this chapter, or against any other governmental unit, all of which shall be liable for violations of this chapter by their officers or employees while acting within the scope or under color of their office or employment; and

(2) against an officer or employee of a State who has violated this chapter while acting within the scope or under color of his office or employment, if such State has not waived its sovereign immunity as provided in paragraph (1).

(b) Good faith defense

It shall be a complete defense to a civil action brought under paragraph (2) of subsection (a) that the officer or employee had a reasonable good faith belief in the lawfulness of his conduct.

(c) Official immunity

The United States, a State, or any other governmental unit liable for violations of this chapter under subsection (a)(1), may not assert as a defense to a claim arising under this chapter the immunity of the officer or employee whose violation is complained of or his reasonable good faith belief in the lawfulness of his conduct, except that such a defense may be asserted if the violation complained of is that of a judicial officer.

(d) Exclusive nature of remedy

The remedy provided by subsection (a)(1) against the United States, a State, or any other governmental unit is exclusive of any other civil action or proceeding for conduct constituting a violation of this chapter, against the officer or employee whose violation gave rise to the claim, or against the estate of such officer or employee.

(e) Admissibility of evidence

Evidence otherwise admissible in a proceeding shall not be excluded on the basis of a violation of this chapter.

(f) Damages; costs and attorneys’ fees

A person having a cause of action under this section shall be entitled to recover actual damages but not less than liquidated damages of $1,000, and such reasonable attorneys’ fees and other litigation costs reasonably incurred as the court, in its discretion, may award: Provided, however, That the United States, a State, or any other governmental unit shall not be liable for interest prior to judgment.

(g) Attorney General; claims settlement; regulations

The Attorney General may settle a claim for damages brought against the United States under this section, and shall promulgate regulations to provide for the commencement of an administrative inquiry following a determination of a violation of this chapter by an officer or employee of the United States and for the imposition of administrative sanctions against such officer or employee, if warranted.

(h) Jurisdiction

The district courts shall have original jurisdiction of all civil actions arising under this section.


Effective Date

Section effective Jan. 1, 1981, except that insofar as such provisions are applicable to a State or any governmental unit other than the United States, the section is effective one year from Oct. 13, 1980, see section 108 of Pub. L. 96-440, set out as a note under section 2000aa-7 of this title.

§ 2000aa-7. Definitions

(a) “Documentary materials”, as used in this chapter, means materials upon which information is recorded, and includes, but is not limited to, written or printed materials, photographs, motion picture films, negatives, video tapes, audio tapes, and other mechanically, magnetically or electronically recorded cards, tapes, or discs, but does not include contraband or the fruits of a crime or things otherwise criminally possessed, or property designed or intended for use, or which is or has been used as, the means of committing a criminal offense.

(b) “Work product materials”, as used in this chapter, means materials, other than contraband or the fruits of a crime or things otherwise criminally possessed, or property designed or intended for use, or which is or has been used, as the means of committing a criminal offense, and—

(1) in anticipation of communicating such materials to the public, are prepared, produced, authored, or created, whether by the person in possession of the materials or by any other person;

(2) are possessed for the purposes of communicating such materials to the public; and

(3) include mental impressions, conclusions, opinions, or theories of the person who prepared, produced, authored, or created such material.

(c) “Any other governmental unit”, as used in this chapter, includes the District of Columbia, the Commonwealth of Puerto Rico, any territory or possession of the United States, and any local government, unit of local government, or any unit of State government.


Effective Date

Section effective Jan. 1, 1981, except that insofar as such provisions are applicable to a State or any governmental unit other than the United States, the section is effective one year from Oct. 13, 1980, see section 108 of Pub. L. 96-440, set out as a note under section 2000aa-7 of this title.

1 So in original. Probably should be “magnetically.”
§ 2000aa–11. Guidelines for Federal officers and employees

(a) Procedures to obtain documentary evidence; protection of certain privacy interests

The Attorney General shall, within six months of October 13, 1980, issue guidelines for the procedures to be employed by any Federal officer or employee, in connection with the investigation or prosecution of an offense, to obtain documentary materials in the private possession of a person when the person is not reasonably believed to be a suspect in such offense or related by blood or marriage to such a suspect, and when the materials sought are not contraband or the fruits or instrumentalities of an offense. The Attorney General shall incorporate in such guidelines—

(1) a recognition of the personal privacy interests of the person in possession of such documentary materials;
(2) a requirement that the least intrusive method or means of obtaining such materials be used which do not substantially jeopardize the availability or usefulness of the materials sought to be obtained;
(3) a recognition of special concern for privacy interests in cases in which a search or seizure for such documents would intrude upon a known confidential relationship such as that which may exist between clergyman and parishioner; lawyer and client; or doctor and patient; and
(4) a requirement that an application for a warrant to conduct a search governed by this subchapter be approved by an attorney for the government, except that in an emergency situation the application may be approved by another appropriate supervisory official if within 24 hours of such emergency the appropriate United States Attorney is notified.

(b) Use of search warrants; reports to Congress

The Attorney General shall collect and compile information on, and report annually to the Committees on the Judiciary of the Senate and the House of Representatives on the use of search warrants by Federal officers and employees for documentary materials described in subsection (a)(3).


CHAPTER 21B—RELIGIOUS FREEDOM RESTORATION

§ 2000bb. Congressional findings and declaration of purposes

(a) Findings

The Congress finds that—

(1) the framers of the Constitution, recognizing free exercise of religion as an unalienable right, secured its protection in the First Amendment to the Constitution;
(2) laws “neutral” toward religion may burden religious exercise as surely as laws intended to interfere with religious exercise;
(3) governments should not substantially burden religious exercise without compelling justification;
(4) in Employment Division v. Smith, 494 U.S. 872 (1990) the Supreme Court virtually eliminated the requirement that the government justify burdens on religious exercise imposed by laws neutral toward religion; and
(5) the compelling interest test as set forth in prior Federal court rulings is a workable test for striking sensible balances between religious liberty and competing prior governmental interests.

(b) Purposes

The purposes of this chapter are—

(1) to restore the compelling interest test as set forth in Sherbert v. Verner, 374 U.S. 398 (1963) and Wisconsin v. Yoder, 406 U.S. 205 (1972) and to guarantee its application in all cases where free exercise of religion is substantially burdened; and
(2) to provide a claim or defense to persons whose religious exercise is substantially burdened by government.


REFERENCES IN TEXT

This chapter, referred to in subsec. (b), was in the original “this Act”, meaning Pub. L. 103–141, Nov. 16, 1993, 107 Stat. 1488, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note below and Tables.

CONSTITUTIONALITY


SHORT TITLE

§ 2000bb-1  TITLED—THE PUBLIC HEALTH AND WELFARE

EX. ORD. NO. 13798. PROMOTING FREE SPEECH AND RELIGIOUS LIBERTY
Ex. Ord. No. 13798, May 4, 2017, 82 F.R. 21675, provided:
By the authority vested in me as President by the Constitution and the laws of the United States of America, in order to guide the executive branch in formulating and implementing policies with implications for the religious liberty of persons and organizations in America, and to further compliance with the Constitution and with applicable statutes and Presidential Directives, it is hereby ordered as follows:

SECTION 1. Policy. It shall be the policy of the executive branch to vigorously enforce Federal law’s robust protections for religious freedom. The Founders envisioned a Nation in which religious voices and views were integral to a vibrant public square, and in which religious people and institutions were free to practice their faith without fear of discrimination or retaliation by the Federal Government. For that reason, the United States Constitution enshrines and protects the fundamental right to religious liberty as Americans’ first freedom. Federal law protects the freedom of Americans and their organizations to exercise religion and participate fully in civic life without undue interference by the Federal Government. The executive branch will honor and enforce those protections.

SEC. 2. Respecting Religious and Political Speech. All executive departments and agencies (agencies) shall, to the greatest extent practicable and to the extent permitted by law, respect and protect the freedom of persons and organizations to engage in religious and political speech. In particular, the Secretary of the Treasury shall ensure, to the extent permitted by law, that the Department of the Treasury does not take any adverse action against any individual, house of worship, or other religious organization on the basis that such individual or organization speaks or has spoken about moral or political issues from a religious perspective, where speech of similar character has, consistent with law, not ordinarily been treated as participation or intervention in a political campaign on behalf of (or in opposition to) a candidate for public office by the Department of the Treasury. As used in this section, the term “adverse action” means the imposition of any tax or tax penalty; the delay or denial of tax-exempt status; the disallowance of tax deductions for contributions made to entities exempted from taxation under section 501(c)(3) of title 26, United States Code; or any other action that makes unavailable or denies any tax deduction, exemption, credit, or benefit.

SEC. 3. Conscience Protections with Respect to Preventive-Care Mandate. The Secretary of the Treasury, the Secretary of Labor, and the Secretary of Health and Human Services shall consider issuing amended regulations, consistent with applicable law, to address conscience-based objections to the preventive-care mandate promulgated under section 300gg-13(a)(4) of title 42, United States Code.

SEC. 4. Religious Liberty Guidance. In order to guide all agencies in complying with relevant Federal law, the Attorney General shall, as appropriate, issue guidance interpreting religious liberty protections in Federal law.

SEC. 5. Severability. If any provision of this order, or the application of any provision to any individual or circumstance, is held to be invalid, the remainder of this order and the application of its other provisions to any other individuals or circumstances shall not be affected thereby.

SEC. 6. General Provisions. (a) Nothing in this order shall be construed to impair or otherwise affect:
(i) the authority granted by law to an executive department or agency, or the head thereof; or
(ii) the functions of the Director of the Office of Management and Budget relating to budgetary, administrative, or legislative proposals.
(b) This order shall be implemented consistent with applicable law and subject to the availability of appropriations.

(c) This order is not intended to, and does not, create any right or benefit, substantive or procedural, enforceable at law or in equity by any party against the United States, its departments, agencies, or entities, its officers, employees, or agents, or any other person.

DONALD J. TRUMP.

§ 2000bb-2. Definitions
As used in this chapter—
(1) the term “government” includes a branch, department, agency, instrumentality, and official (or other person acting under color of law) of the United States, or of a covered entity;
(2) the term “covered entity” means the District of Columbia, the Commonwealth of Puerto Rico, and each territory and possession of the United States;
(3) the term “demonstrates” means meets the burdens of going forward with the evidence and of persuasion; and
(4) the term “exercise of religion” means religious exercise, as defined in section 2000cc-5 of this title.


REFERENCES IN TEXT
This chapter, referred to in text, was in the original “this Act”, meaning Pub. L. 103–141, Nov. 16, 1993, 107 Stat. 1488, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 2000bb of this title and Tables.

AMENDMENTS
2000—Par. (1). Pub. L. 106–274, § 7(a)(1), substituted “or of a covered entity” for “a State, or a subdivision of a State”.
Par. (4). Pub. L. 106–274, § 7(a)(3), substituted “religious exercise, as defined in section 2000cc–5 of this title for “the exercise of religion under the First Amendment to the Constitution”.
§ 2000cc. Protection of land use as religious exercise

(a) Substantial burdens

(1) General rule

No government shall impose or implement a land use regulation in a manner that imposes a substantial burden on the religious exercise of a person, including a religious assembly or institution, unless the government demonstrates that imposition of the burden on that person, assembly, or institution—

(A) is in furtherance of a compelling governmental interest; and

(B) is the least restrictive means of furthering that compelling governmental interest.

(2) Scope of application

This subsection applies in any case in which—

(A) the substantial burden is imposed in a program or activity that receives Federal financial assistance, even if the burden results from a rule of general applicability;

(B) the substantial burden affects, or removal of that substantial burden would affect, commerce with foreign nations, among the several States, or with Indian tribes, even if the burden results from a rule of general applicability; or

(C) the substantial burden is imposed in the implementation of a land use regulation or system of land use regulations, under which a government makes, or has in place formal or informal procedures or practices that permit the government to make, individualized assessments of the proposed uses for the property involved.

(b) Discrimination and exclusion

(1) Equal terms

No government shall impose or implement a land use regulation in a manner that treats a religious assembly or institution on less than equal terms with a nonreligious assembly or institution.

(2) Nondiscrimination

No government shall impose or implement a land use regulation that discriminates against any assembly or institution on the basis of religion or religious denomination.

(3) Exclusions and limits

No government shall impose or implement a land use regulation that—

(A) totally excludes religious assemblies from a jurisdiction; or

(B) unreasonably limits religious assemblies, institutions, or structures within a jurisdiction.


SHORT TITLE

§ 2000cc–1. Protection of religious exercise of institutionalized persons

(a) General rule

No government shall impose a substantial burden on the religious exercise of a person residing in or confined to an institution, as defined in section 1997 of this title, unless the government demonstrates that imposition of the burden on that person—

(1) is in furtherance of a compelling governmental interest; and

(2) is the least restrictive means of furthering that compelling governmental interest.

(b) Scope of application

This section applies in any case in which—

(1) the substantial burden is imposed in a program or activity that receives Federal financial assistance; or

(2) the substantial burden affects, or removal of that substantial burden would affect, commerce with foreign nations, among the several States, or with Indian tribes.


§ 2000cc–2. Judicial relief

(a) Cause of action

A person may assert a violation of this chapter as a claim or defense in a judicial proceeding and obtain appropriate relief against a government. Standing to assert a claim or defense under this section shall be governed by the general rules of standing under article III of the Constitution.

(b) Burden of persuasion

If a plaintiff produces prima facie evidence to support a claim alleging a violation of the Free Exercise Clause or a violation of section 2000cc of this title, the government shall bear the burden of persuasion on any element of the claim, except that the plaintiff shall bear the burden of persuasion on whether the law (including a regulation) or government practice that is challenged by the claim substantially burdens the plaintiff’s exercise of religion.

(c) Full faith and credit

Adjudication of a claim of a violation of section 2000cc of this title in a non-Federal forum shall not be entitled to full faith and credit in a Federal court unless the claimant had a full and fair adjudication of that claim in the non-Federal forum.

(d) Omitted

(e) Prisoners

Nothing in this chapter shall be construed to amend or repeal the Prison Litigation Reform Act of 1995 (including provisions of law amended by that Act).

(f) Authority of United States to enforce this chapter

The United States may bring an action for injunctive or declaratory relief to enforce compliance with this chapter. Nothing in this subsection shall be construed to deny, impair, or otherwise affect any right or authority of the Attorney General, the United States, or any agency, officer, or employee of the United States, acting under any law other than this subsection, to institute or intervene in any proceeding.

(g) Limitation

If the only jurisdictional basis for applying a provision of this chapter is a claim that a substantial burden by a government on religious exercise affects, or that removal of that substantial burden would affect, commerce with foreign nations, among the several States, or with Indian tribes, the provision shall not apply if the government demonstrates that all substantial burdens on, or the removal of all substantial burdens from, similar religious exercise throughout the Nation would not lead in the aggregate to a substantial effect on commerce with foreign nations, among the several States, or with Indian tribes.


REFERENCES IN TEXT

This chapter, referred to in text, was in the original “this Act”, meaning Pub. L. 106–274, Sept. 22, 2000, 114 Stat. 803, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 2000cc of this title and Tables.


CONSIDERATION

Section is comprised of section 4 of Pub. L. 106–274. Subsec. (d) of section 4 of Pub. L. 106–274 amended section 1988(b) of this title.


(a) Religious belief unaffected

Nothing in this chapter shall be construed to authorize any government to burden any religious belief.

(b) Religious exercise not regulated

Nothing in this chapter shall create any basis for restricting or burdening religious exercise or for claims against a religious organization including any religiously affiliated school or university, not acting under color of law.

(c) Claims to funding unaffected

Nothing in this chapter shall create or preclude a right of any religious organization to receive funding or other assistance from a government, or of any person to receive government funding for a religious activity, but this chapter may require a government to incur expenses in its own operations to avoid imposing a substantial burden on religious exercise.

(d) Other authority to impose conditions on funding unaffected

Nothing in this chapter shall—

(1) authorize a government to regulate or affect, directly or indirectly, the activities or policies of a person other than a government as a condition of receiving funding or other assistance; or
§ 2000cc–4. Establishment Clause unaffected

Nothing in this chapter shall be construed to affect, interpret, or in any way address that portion of the first amendment to the Constitution prohibiting laws respecting an establishment of religion (referred to in this section as the “Establishment Clause”). Granting government funding, benefits, or exemptions, to the extent permissible under the Establishment Clause, shall not constitute a violation of this chapter. In this section, the term “granting”, used with respect to government funding, benefits, or exemptions, does not include the denial of government funding, benefits, or exemptions.


§ 2000cc–5. Definitions

In this chapter:

(1) Claimant

The term “claimant” means a person raising a claim or defense under this chapter.

(2) Demonstrates

The term “demonstrates” means meets the burdens of going forward with the evidence and of persuasion.

(3) Free Exercise Clause

The term “Free Exercise Clause” means that portion of the first amendment to the Constitution that proscribes laws prohibiting the free exercise of religion.

(4) Government

The term “government”—

(A) means—

(i) a State, county, municipality, or other governmental entity created under the authority of a State;

(ii) any branch, department, agency, instrumentality, or official of an entity listed in clause (i); and

(iii) any other person acting under color of State law; and

(B) for the purposes of sections 2000cc–2(b) and 2000cc–3 of this title, includes the United States, a branch, department, agency, instrumentality, or official of the United States, and any other person acting under color of Federal law.

(5) Land use regulation

The term “land use regulation” means a zoning or landmarking law, or the application of such a law, that limits or restricts a claimant’s use or development of land (including a structure affixed to land), if the claimant has a claim or defense under this chapter.


§ 2000cc–5. References in Text

This chapter, referred to in text, was in the original “this Act”, meaning Pub. L. 106–274, Sept. 22, 2000, 114 Stat. 803, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 2000cc of this title and Tables.

This chapter, referred to in text, was in the original “this Act”, meaning Pub. L. 106–274, Sept. 22, 2000, 114 Stat. 803, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 2000cc of this title and Tables.

§ 2000cc–5. References in Text

This chapter, referred to in text, was in the original “this Act”, meaning Pub. L. 106–274, Sept. 22, 2000, 114 Stat. 803, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 2000cc of this title and Tables.
§ 2000dd Title 42—The Public Health and Welfare

shall be considered to be religious exercise of the person or entity that uses or intends to use the property for that purpose.


References in Text

This chapter, referred to in text, was in the original ‘‘this Act’’, meaning Pub. L. 196–274, Sept. 22, 2000, 114 Stat. 803, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 2000cc of this title and Tables.

CHAPTER 21D—DETAINEE TREATMENT

Sec. 2000dd. Prohibition on cruel, inhuman, or degrading treatment or punishment of persons under custody or control of the United States Government.

(a) In general

No individual in the custody or under the physical control of the United States Government, regardless of nationality or physical location, shall be subject to cruel, inhuman, or degrading treatment or punishment.

(b) Construction

Nothing in this section shall be construed to impose any geographical limitation on the applicability of the prohibition against cruel, inhuman, or degrading treatment or punishment under this section.

(c) Limitation on supersedeure

The provisions of this section shall not be superseded, except by a provision of law enacted after December 30, 2005, which specifically repeals, modifies, or supersedes the provisions of this section.

(d) Cruel, inhuman, or degrading treatment or punishment defined

In this section, the term ‘‘cruel, inhuman, or degrading treatment or punishment’’ means the cruel, unusual, and inhumane treatment or punishment prohibited by the Fifth, Eighth, and Fourteenth Amendments to the Constitution of the United States, as defined in the United States Reservations, Declarations and Understandings to the United Nations Convention Against Torture and Other Forms of Cruel, Inhuman or Degrading Treatment or Punishment done at New York, December 10, 1984.


‘‘(a) FINDINGS.—Congress finds the following:

‘‘(1) The National Commission on Terrorist Attacks Upon the United States (commonly referred to as the ‘9/11 Commission’) declared that the United States should work with friends to develop mutually agreed-on principles for the detention and humane treatment of captured international terrorists who are not being held under a particular country’s criminal laws and recommended that the United States engage its allies ‘to develop a common coalition approach toward the detention and humane treatment of captured terrorists’.

‘‘(2) A number of investigations remain ongoing by countries that are close United States allies in the war on terrorism regarding the conduct of officials, employees, and agents of the United States and of other countries related to conduct regarding detainees.

‘‘(3) The Secretary of State has launched an initiative to try to address the differences between the United States and many of its allies regarding the treatment of detainees.

‘‘(b) SENSE OF CONGRESS.—It is the sense of Congress that the Secretary, acting through the Legal Adviser of the Department of State, should continue to build on the Secretary’s efforts to engage United States allies to develop a common coalition approach, in compliance with Common Article 3 of the Geneva Conventions and other applicable legal principles, toward the detention and humane treatment of individuals detained during Operation Iraqi Freedom, Operation Enduring Freedom, or in connection with United States counterterrorism operations.

‘‘(c) REPORTING TO CONGRESS.—

‘‘(1) BRIEFINGS.—The Secretary of State shall keep the appropriate congressional committees fully and currently informed of the progress of any discussions between the United States and its allies regarding the development of the common coalition approach described in subsection (b).

‘‘(2) REPORT.—Not later than 180 days after the date of the enactment of this Act [Aug. 3, 2007], the Secretary of State, in consultation with the Attorney General and the Secretary of Defense, shall submit to the appropriate congressional committees a report on any progress towards developing the common coalition approach described in subsection (b).

‘‘(d) DEFINITION.—In this section, the term ‘appropriate congressional committees’ means—

‘‘(1) with respect to the House of Representatives, the Committee on Foreign Affairs, the Committee on Armed Services, the Committee on the Judiciary, and the Permanent Select Committee on Intelligence; and

‘‘(2) with respect to the Senate, the Committee on Foreign Relations, the Committee on Armed Services, the Committee on the Judiciary, and the Select Committee on Intelligence.’’

Ex. Ord. No. 13491, Ensuring Lawful Interrogations

Sec. 1. Detainee treatments.

The date ‘‘December 30, 2005’’, referred to in subsec. (c), was in the original ‘‘the date of enactment of this Act’’ and was translated as the date of enactment of Pub. L. 109–148.

Codification

By the authority vested in me by the Constitution and the laws of the United States of America, in order to improve the effectiveness of human intelligence-gathering, to promote the safe, lawful, and humane treatment of individuals in United States custody and of United States personnel who are detained in armed conflicts, to ensure compliance with the treaty obligations of the United States, including the Geneva Conventions, and to take care that the laws of the United States are faithfully executed, I hereby order as follows:

SECTION 1. Revocation. Executive Order 13440 of July 20, 2007, is revoked. All executive directives, orders, and regulations inconsistent with this order, including but not limited to those issued to or by the Central Intelligence Agency (CIA) from September 11, 2001, to January 20, 2009, concerning detention or the interrogation of detained individuals, are revoked to the extent of their inconsistency with this order. Heads of departments and agencies shall take all necessary steps to ensure that all directives, orders, and regulations of their respective departments or agencies are consistent with this order. Upon request, the Attorney General shall provide guidance about which directives, orders, and regulations are inconsistent with this order.

SIC 2. Definitions. As used in this order:
(c) “Common Article 3” means Article 3 of each of the Geneva Conventions.
(e) “Geneva Conventions” means:
(i) the Convention for the Amelioration of the Condition of the Wounded and Sick in Armed Forces in the Field, August 12, 1949 (6 UST 3114);
(ii) the Convention for the Amelioration of the Condition of Wounded, Sick and Shipwrecked Members of Armed Forces at Sea, August 12, 1949 (6 UST 3217);
(iii) the Convention Relative to the Treatment of Prisoners of War, August 12, 1949 (6 UST 3316); and
(iv) the Convention Relative to the Protection of Civilian Persons in Time of War, August 12, 1949 (6 UST 3516).
(f) “Treated humanely,” “violence to life and person,” “murder of all kinds,” “mutilation,” “cruel treatment,” “torture,” “outrages upon personal dignity,” “humiliating and degrading treatment” refer to, and have the same meaning as, those same terms in Common Article 3.
(g) The terms “detention facilities” and “detention facility” in section 4(a) of this order do not refer to facilities used only to hold people on a short-term, transitory basis.

SIC 3. Standards and Practices for Interrogation of Individuals in the Custody or Control of the United States in Armed Conflicts.
(a) Common Article 3 Standards as a Minimum Baseline. Consistent with the requirements of the Federal statute, 18 U.S.C. 2340–2340A, section 1003 of the Detainee Treatment Act of 2005, 42 U.S.C. 2000dd, the Convention Against Torture, Common Article 3, and other laws regulating the treatment and interrogation of individuals detained in any armed conflict, such persons shall in all circumstances be treated humanely and shall not be subjected to violence to life and person (including murder of all kinds, mutilation, cruel treatment, and torture), nor to outrages upon personal dignity (including humiliating and degrading treatment), whenever such individuals are in the custody or under the effective control of an officer, employee, or other agent of the United States Government or detained within a facility owned, operated, or controlled by a department or agency of the United States.
(b) Interrogation Techniques and Interrogation-Related Treatment. Effective immediately, an individual in the custody or under the effective control of an officer, employee, or other agent of the United States Government, or detained within a facility owned, operated, or controlled by a department or agency of the United States, in any armed conflict, shall not be subjected to any interrogation technique or approach, or any treatment related to interrogation, that is not authorized by and listed in Army Field Manual 2–22.3 (Manual). Interrogation techniques, approaches, and treatments described in the Manual shall be implemented strictly in accord with the principles, processes, conditions, and limitations the Manual prescribes. Where processes required by the Manual, such as a requirement of approval by specified Department of Defense officials, are inapposite to a department or agency other than the Department of Defense, such a department or agency shall use processes that are substantially equivalent to the processes the Manual prescribes for the Department of Defense. Nothing in this section shall preclude the Federal Bureau of Investigation, or other Federal law enforcement agencies, from continuing to use authorized, non-coercive techniques of interrogations that are designed to elicit voluntary statements and do not involve the use of force, threats, or promises.

(a) CIA Detention. The CIA shall close as expeditiously as possible any detention facilities that it currently operates and shall not operate any such detention facility in the future.
(b) International Committee of the Red Cross Access to Detained Individuals. All departments and agencies of the Federal Government shall provide the International Committee of the Red Cross with notification of, and timely access to, any individual detained in any armed conflict in the custody or under the effective control of an officer, employee, or other agent of the United States Government or detained within a facility owned, operated, or controlled by a department or agency of the United States Government, consistent with Department of Defense regulations and policies.

SIC 5. Special Interagency Task Force on Interrogation and Transfer Policies.
(a) Establishment of Special Interagency Task Force. There shall be established a Special Task Force (Special Task Force) to review interrogation and transfer policies.
(b) Membership. The Special Task Force shall consist of the following members, or their designees:
(i) the Attorney General, who shall serve as Chair;
(ii) the Director of National Intelligence, who shall serve as Co-Chair;
(iii) the Secretary of Defense, who shall serve as Co-Chair;
(iv) the Secretary of State;
(v) the Secretary of Homeland Security;
(vi) the Director of the Central Intelligence Agency;
(vii) the Chairman of the Joint Chiefs of Staff; and
(viii) other officers or full-time or permanent part-time employees of the United States, as determined by the Chair, with the concurrence of the head of the department or agency of the United States.
(c) Staff. The Chair may designate officers and employees within the Department of Justice to serve as
staff to support the Special Task Force. At the request of the Chair, officers and employees from other departments or agencies may serve on the Special Task Force with the concurrence of the head of the department or agency that employ such individuals. Such staff must be officers or full-time or permanent part-time employees of the United States. The Chair shall designate an officer or employee of the Department of Justice to serve as the Executive Secretary of the Special Task Force.

(d) Operation. The Chair shall convene meetings of the Special Task Force, determine its agenda, and direct its work. The Chair may establish and direct subgroups of the Special Task Force, consisting exclusively of members of the Special Task Force, to deal with particular subjects.

(e) Mission. The mission of the Special Task Force shall be:

(i) to study and evaluate whether the interrogation practices and techniques in Army Field Manual 2–22.3, when employed by departments or agencies outside the military, provide an appropriate means of acquiring the intelligence necessary to protect the Nation, and, if warranted, to recommend any additional or different guidance for other departments or agencies; and

(ii) to study and evaluate the practices of transferring individuals to other nations in order to ensure that such practices comply with the domestic laws, international obligations, and policies of the United States and do not result in the transfer of individuals to other nations to face torture or otherwise for the purpose, or with the effect, of undermining or circumventing the commitments or obligations of the United States to ensure the humane treatment of individuals in its custody or control.

(f) Administration. The Special Task Force shall be established for administrative purposes within the Department of Justice and the Department of Justice shall, to the extent permitted by law and subject to the availability of appropriations, provide administrative support and funding for the Special Task Force.

(g) Recommendations. The Special Task Force shall provide a report to the President, through the Assistant to the President for National Security Affairs and the Counsel to the President, on the matters set forth in subsection (d) within 180 days of the date of this order, unless the Chair determines that an extension is necessary.

(h) Termination. The Chair shall terminate the Special Task Force upon the completion of its duties.

§ 2000ddd-0. Protection of United States Government personnel engaged in authorized interrogations

(a) Protection of United States Government personnel

In any civil action or criminal prosecution against an officer, employee, member of the Armed Forces, or other agent of the United States Government who is a United States person, arising out of the officer, employee, member of the Armed Forces, or other agent’s engagement in specific operational practices, that involve detention and interrogation of aliens who the President or his designees have determined are believed to be engaged in or associated with international terrorist activity that poses a serious, continuing threat to the United States, its interests, or its allies, and that were officially authorized and determined to be lawful at the time that they were conducted, it shall be a defense that such officer, employee, member of the Armed Forces, or other agent did not know that the practices were unlawful and a person of ordinary sense and understanding would not know the practices were unlawful. Good faith reliance on advice of counsel should be an important factor; among others, to consider in assessing whether a person of ordinary sense and understanding would have known the practices to be unlawful. Nothing in this section shall be construed to limit or extinguish any defense or protection otherwise available to any person or entity from suit, civil or criminal liability, or
§ 2000dd–2. Limitation on interrogation techniques

(a) Limitation on interrogation techniques to those in the Army Field Manual

(1) Army Field Manual 2–22.3 defined

In this subsection, the term “Army Field Manual 2–22.3” means the Army Field Manual 2–22.3 entitled “Human Intelligence Collector Operations” in effect on November 25, 2015, or any similar successor Army Field Manual.

(2) Restriction

(A) In general

An individual described in subparagraph (B) shall not be subjected to any interrogation technique or approach, or any treatment related to interrogation, that is not authorized by and listed in the Army Field Manual 2–22.3.

(B) Individual described

An individual described in this subparagraph is an individual who is—

(i) in the custody or under the effective control of an officer, employee, or other agent of the United States Government; or

(ii) detained within a facility owned, operated, or controlled by a department or agency of the United States, in any armed conflict.

(3) Implementation

Interrogation techniques, approaches, and treatments prescribed by Army Field Manual 2–22.3 shall be implemented strictly in accord with the principles, processes, conditions, and limitations prescribed by Army Field Manual 2–22.3.

(4) Agencies other than the Department of Defense

If a process required by Army Field Manual 2–22.3, such as a requirement of approval by a specified Department of Defense official, is inapposite to a department or an agency other than the Department of Defense, the head of such department or agency shall ensure that a process that is substantially equivalent to the process prescribed by Army Field Manual 2–22.3 for the Department of Defense is utilized by all officers, employees, or other agents of such department or agency.

(5) Interrogation by Federal law enforcement

The limitations in this subsection shall not apply to officers, employees, or agents of the Federal Bureau of Investigation, the Department of Homeland Security, or other Federal law enforcement entities.

(6) Update of the Army Field Manual

(A) Requirement to update

(i) In general

Not sooner than three years after November 25, 2015, and once every three years thereafter, the Secretary of Defense, in consultation with the Attorney General, the Director of the Federal Bureau of Investigation, and the Director of National Intelligence, shall complete a thorough review of Army Field Manual 2–22.3, and re-
vise Army Field Manual 2-22.3, as necessary to ensure that Army Field Manual 2-22.3 complies with the legal obligations of the United States and the practices for interrogation described therein do not involve the use or threat of force.

(ii) Availability to the public

Army Field Manual 2-22.3 shall remain available to the public and any revisions to the Army Field Manual 2-22.3 adopted by the Secretary of Defense shall be made available to the public 30 days prior to the date the revisions take effect.

(B) Report on best practices of interrogations

(i) Requirement for report

Not later than 120 days after November 25, 2015, the interagency body established pursuant to Executive Order 13491 (commonly known as the High-Value Detainee Interrogation Group) shall submit to the Secretary of Defense, the Director of National Intelligence, the Attorney General, and other appropriate officials a report on best practices for interrogation that do not involve the use of force.

(ii) Recommendations

The report required by clause (i) may include recommendations for revisions to Army Field Manual 2-22.3 based on the body of research commissioned by the High-Value Detainee Interrogation Group.

(iii) Availability to the public

Not later than 30 days after the report required by clause (i) is submitted such report shall be made available to the public.

(b) International Committee of the Red Cross access to detainees

(1) Requirement

The head of any department or agency of the United States Government shall provide the International Committee of the Red Cross with notification of, and prompt access to, any individual detained in any armed conflict in the custody or under the effective control of an officer, employee, contractor, subcontractor, or other agent of the United States Government or detained within a facility owned, operated, or effectively controlled by a department, agency, contractor, or subcontractor of the United States Government, consistent with Department of Defense regulations and policies.

(2) Construction

Nothing in this subsection shall be construed to:

(A) to create or otherwise imply the authority to detain; or

(B) to limit or otherwise affect any other individual rights or state obligations which may arise under United States law or international agreements to which the United States is a party, including the Geneva Conventions, or to state all of the situations under which notification to and access for the International Committee of the Red Cross is required or allowed.

(c) Purpose

The Board shall—

(1) analyze and review actions the executive branch takes to protect the Nation from terrorism, ensuring that the need for such actions is balanced with the need to protect privacy and civil liberties; and

(2) ensure that liberty concerns are appropriately considered in the development and implementation of laws, regulations, and policies related to efforts to protect the Nation against terrorism.
(d) Functions

(1) Advice and counsel on policy development and implementation

The Board shall—

(A) review proposed legislation, regulations, and policies related to efforts to protect the Nation from terrorism, including the development and adoption of information sharing guidelines under subsections (d) and (f) of section 485 of title 6;

(B) review the implementation of new and existing legislation, regulations, and policies related to efforts to protect the Nation from terrorism, including the implementation of information sharing guidelines under subsections (d) and (f) of section 485 of title 6;

(C) advise the President and the departments, agencies, and elements of the executive branch to ensure that privacy and civil liberties are appropriately considered in the development and implementation of such legislation, regulations, policies, and guidelines; and

(D) in providing advice on proposals to retain or enhance a particular governmental power, consider whether the department, agency, or element of the executive branch has established—

(i) that the need for the power is balanced with the need to protect privacy and civil liberties;

(ii) that there is adequate supervision of the use by the executive branch of the power to ensure protection of privacy and civil liberties; and

(iii) that there are adequate guidelines and oversight to properly confine its use.

(2) Oversight

The Board shall continually review—

(A) the regulations, policies, and procedures, and the implementation of the regulations, policies, and procedures, of the departments, agencies, and elements of the executive branch relating to efforts to protect the Nation from terrorism to ensure that privacy and civil liberties are protected;

(B) the information sharing practices of the departments, agencies, and elements of the executive branch relating to efforts to protect the Nation from terrorism to determine whether they appropriately protect privacy and civil liberties and adhere to the information sharing guidelines issued or developed under subsections (d) and (f) of section 485 of title 6 and to other governing laws, regulations, and policies regarding privacy and civil liberties; and

(C) other actions by the executive branch relating to efforts to protect the Nation from terrorism to determine whether such actions—

(i) appropriately protect privacy and civil liberties; and

(ii) are consistent with governing laws, regulations, and policies regarding privacy and civil liberties.

(3) Relationship with privacy and civil liberties officers

The Board shall—

(A) receive and review reports and other information from privacy officers and civil liberties officers under section 2000ee-1 of this title;

(B) when appropriate, make recommendations to such privacy officers and civil liberties officers regarding their activities; and

(C) when appropriate, coordinate the activities of such privacy officers and civil liberties officers on relevant interagency matters.

(4) Testimony

The members of the Board shall appear and testify before Congress upon request.

(e) Reports

(1) In general

The Board shall—

(A) receive and review reports from privacy officers and civil liberties officers under section 2000ee-1 of this title; and

(B) periodically submit, not less than semiannually, reports—

(i) to the appropriate committees of Congress, including the Committee on the Judiciary of the Senate, the Committee on the Judiciary of the House of Representatives, the Committee on Homeland Security and Governmental Affairs of the Senate, the Committee on Homeland Security of the House of Representatives, the Committee on Oversight and Government Reform of the House of Representatives, the Select Committee on Intelligence of the Senate, and the Permanent Select Committee on Intelligence of the House of Representatives; and

(ii) to the President; and

(iii) which shall be in unclassified form to the greatest extent possible, with a classified annex where necessary.

(2) Contents

Not less than 2 reports submitted each year under paragraph (1)(B) shall include—

(A) a description of the major activities of the Board during the preceding period;

(B) information on the findings, conclusions, and recommendations of the Board resulting from its advice and oversight functions under subsection (d);

(C) the minority views on any findings, conclusions, and recommendations of the Board resulting from its advice and oversight functions under subsection (d);

(D) each proposal reviewed by the Board under subsection (d)(1) that—

(i) the Board advised against implementation; and

(ii) notwithstanding such advice, actions were taken to implement; and

(E) for the preceding period, any requests submitted under subsection (g)(1)(D) for the issuance of subpoenas that were modified or denied by the Attorney General.

(f) Informing the public

The Board—

(1) shall make its reports, including its reports to Congress, available to the public to the greatest extent that is consistent with the
protection of classified information and applicable law; and
(2) shall hold public hearings and otherwise inform the public of its activities, as appropriate and in a manner consistent with the protection of classified information and applicable law, but may, notwithstanding section 552b of title 5, meet or otherwise communicate in any number to confer or deliberate in a manner that is closed to the public.

(g) Access to information

(1) Authorization

If determined by the Board to be necessary to carry out its responsibilities under this section, the Board is authorized to—

(A) have access from any department, agency, or element of the executive branch, or any Federal officer or employee of any such department, agency, or element, to all relevant records, reports, audits, reviews, documents, papers, recommendations, or other relevant material, including classified information consistent with applicable law;

(B) interview, take statements from, or take public testimony from personnel of any department, agency, or element of the executive branch, or any Federal officer or employee of any such department, agency, or element;

(C) request information or assistance from any State, tribal, or local government; and

(D) at the direction of a majority of the members of the Board, submit a written request to the Attorney General of the United States that the Attorney General require, by subpoena, persons (other than departments, agencies, and elements of the executive branch) to produce any relevant information, documents, reports, answers, records, accounts, papers, and other documentary or testimonial evidence.

(2) Review of subpoena request

(A) In general

Not later than 30 days after the date of receipt of a request by the Board under paragraph (1)(D), the Attorney General shall—

(i) issue the subpoena as requested; or

(ii) provide the Board, in writing, with an explanation of the grounds on which the subpoena request has been modified or denied.

(B) Notification

If a subpoena request is modified or denied under subparagraph (A)(ii), the Attorney General shall, not later than 30 days after the date of that modification or denial, notify the Committee on the Judiciary of the Senate and the Committee on the Judiciary of the House of Representatives.

(3) Enforcement of subpoena

In the case of contumacy or failure to obey a subpoena issued pursuant to paragraph (1)(D), the United States district court for the judicial district in which the subpoenaed person resides, is served, or may be found may issue an order requiring such person to produce the evidence required by such subpoena.

(4) Agency cooperation

Whenever information or assistance requested under subparagraph (A) or (B) of paragraph (1) is, in the judgment of the Board, unreasonably refused or not provided, the Board shall report the circumstances to the head of the department, agency, or element concerned without delay. The head of the department, agency, or element concerned shall ensure that the Board is given access to the information, assistance, material, or personnel the Board determines to be necessary to carry out its functions.

(5) Access

Nothing in this section shall be construed to authorize the Board, or any agent thereof, to gain access to information regarding an activity covered by section 3093(a) of title 50.

(h) Membership

(1) Members

The Board shall be composed of a full-time chairman and 4 additional members, who shall be appointed by the President, by and with the advice and consent of the Senate.

(2) Qualifications

Members of the Board shall be selected solely on the basis of their professional qualifications, achievements, public stature, expertise in civil liberties and privacy, and relevant experience, and without regard to political affiliation, but in no event shall more than 3 members of the Board be members of the same political party. The President shall, before appointing an individual who is not a member of the same political party as the President, consult with the leadership of that party, if any, in the Senate and House of Representatives.

(3) Incompatible office

An individual appointed to the Board may not, while serving on the Board, be an elected official, officer, or employee of the Federal Government, other than in the capacity as a member of the Board.

(4) Term

Each member of the Board shall serve a term of 6 years, except that—

(A) a member appointed to a term of office after the commencement of such term may serve under such appointment only for the remainder of such term; and

(B) upon the expiration of the term of office of a member, the member shall continue to serve until the member’s successor has been appointed and qualified, except that no member may serve under this subparagraph—

(i) for more than 60 days when Congress is in session unless a nomination to fill the vacancy shall have been submitted to the Senate; or

(ii) after the adjournment sine die of the session of the Senate in which such nomination is submitted.

(5) Quorum and meetings

The Board shall meet upon the call of the chairman or a majority of its members. Three
members of the Board shall constitute a quorum.

(i) Compensation and travel expenses

(1) Compensation

(A) Chairman

The chairman of the Board shall be compensated at the rate of pay payable for a position at level III of the Executive Schedule under section 5314 of title 5.

(B) Members

Each member of the Board shall be compensated at a rate of pay payable for a position at level IV of the Executive Schedule under section 5315 of title 5 for each day during which that member is engaged in the actual performance of the duties of the Board.

(2) Travel expenses

Members of the Board shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for persons employed intermittently by the Government under section 5703(b) of title 5, while away from their homes or regular places of business in the performance of services for the Board.

(j) Staff

(1) Appointment and compensation

With rules agreed upon by the Board, the Board shall appoint and fix the compensation of a full-time executive director and such other personnel as may be necessary to enable the Board to carry out its functions, without regard to the provisions of title 5 governing appointments in the competitive service, and without regard to the provisions of chapter 51 and subchapter III of chapter 53 of title 5, while away from their homes or regular places of business in the performance of services for the Board.

(2) Appointment in absence of chairman

If the position of chairman of the Board is vacant, during the period of the vacancy, the Board, at the direction of the unanimous vote of the serving members of the Board, may exercise the authority of the chairman under paragraph (1).

(3) Detailees

Any Federal employee may be detailed to the Board without reimbursement from the Board, and such detailee shall retain the rights, status, and privileges of the detailee’s regular employment without interruption.

(4) Consultant services

The Board may procure the temporary or intermittent services of experts and consultants in accordance with section 3109 of title 5, at rates that do not exceed the daily rate paid to a person occupying a position at level IV of the Executive Schedule under section 5315 of such title.

(k) Security clearances

(1) In general

The appropriate departments, agencies, and elements of the executive branch shall cooperate with the Board to expeditiously provide the Board members and staff with appropriate security clearances to the extent possible under existing procedures and requirements.

(2) Rules and procedures

After consultation with the Secretary of Defense, the Attorney General, and the Director of National Intelligence, the Board shall adopt rules and procedures of the Board for physical, communications, computer, document, personnel, and other security relating to carrying out the functions of the Board.

(l) Treatment as agency, not as advisory committee

The Board—

(1) is an agency (as defined in section 551(1) of title 5); and

(2) is not an advisory committee (as defined in section 3(2) of the Federal Advisory Committee Act (5 U.S.C. App.)).

(m) Authorization of appropriations

There are authorized to be appropriated to carry out this section amounts as follows:

(1) For fiscal year 2008, $5,000,000.

(2) For fiscal year 2009, $6,650,000.

(3) For fiscal year 2010, $8,300,000.

(4) For fiscal year 2011, $10,000,000.

(5) For fiscal year 2012 and each subsequent fiscal year, such sums as may be necessary.

References in Text

Section 5703 of title 5, referred to in subsec. (i)(2), was amended generally by Pub. L. 94–22, § 4, May 19, 1975, 89 Stat. 85, and, as so amended, does not contain a subsec. (j), redesignated former pars. (2) and (3) as (3) and (4), respectively.


Subsec. (g)(2). Pub. L. 115–118, § 108(b)(3), substituted “shall hold public” for “hold public” and inserted before period at end “, but may, notwithstanding section 552b of title 5, meet or otherwise communicate in any number to confer or deliberate in a manner that is closed to the public”.

Subsec. (j)(2) to (4). Pub. L. 115–118, § 108(a), added par. (2) and redesignated former pars. (2) and (3) as (3) and (4), respectively.


2007—Pub. L. 110–53 amended section generally, substituting provisions relating to Privacy and Civil Lib-
Section 1. The United States Government has a solemn obligation, and shall continue fully, to protect the legal rights of all Americans, including freedoms, civil liberties, and information privacy guaranteed by Federal law, in the effective performance of national security and homeland security functions.

Section 2. Establishment of Board. To advance the policy set forth in section 1 of this order (Policy), there is hereby established the President’s Board on Safeguarding Americans’ Civil Liberties (Board). The Board shall be part of the Department of Justice for administrative purposes.

Section 3. The Board shall: (a)(i) advise the President on effective means to implement the Policy, and (ii) keep the President informed of the implementation of the Policy; (b) periodically request reports from Federal departments and agencies relating to policies and procedures that ensure implementation of the Policy; (c) recommend to the President policies, guidelines and other administrative actions, technologies, and legislation, as necessary to implement the Policy; (d) at the request of the head of any Federal department or agency, unless the Chair, after consultation with the Vice Chair, declines the request, promptly review and provide advice on a policy or action of that department or agency that implicates the Policy; (e) obtain information and advice relating to the Policy from representatives of entities or individuals outside the executive branch of the Federal Government in a manner that seeks their individual advice and does not involve collective judgment or consensus advice or deliberation; (f) refer, consistent with section 535 of title 28, United States Code, credible information pertaining to possible violations of law relating to the Policy by any Federal employee or official to the appropriate office for prompt investigation; (g) take steps to enhance cooperation and coordination among Federal departments and agencies in the implementation of the Policy, including but not limited to working with the Director of the Office of Management and Budget and other officers of the United States to review and assist in the coordination of guidelines and policies concerning national security and homeland security efforts, such as information collection and sharing; and (h) undertake other efforts to protect the legal rights of all Americans, including freedoms, civil liberties, and information privacy guaranteed by Federal law, as the President may direct.

Upon the recommendation of the Board, the Attorney General or the Secretary of Homeland Security may establish one or more committees that include individuals from outside the executive branch of the Federal Government, in accordance with applicable law, to advise the Board on specific issues relating to the Policy. Any such committee shall carry out its functions separately from the Board.

Section 4. Membership and Operation. The Board shall consist exclusively of the following: (a) the Deputy Attorney General, who shall serve as Chair; (b) the Under Secretary for Border and Transportation Security, Department of Homeland Security, who shall serve as Vice Chair; (c) the Assistant Attorney General (Civil Rights Division); (d) the Assistant Attorney General (Office of Legal Policy); (e) the Counsel for Intelligence Policy, Department of Justice; (f) the Chair of the Privacy Council, Federal Bureau of Investigation; (g) the Assistant Secretary for Information Analysis, Department of Homeland Security; (h) the Assistant Secretary (Policy), Directorate of Border and Transportation Security, Department of Homeland Security; (i) the Officer for Civil Rights and Civil Liberties, Department of Homeland Security; (j) the Privacy Officer, Department of Homeland Security;
The Chair, may request.

mation, support, and assistance as the Board, through

all Federal departments and agencies shall cooperate

(a) Designation and functions

The Attorney General, the Secretary of Defense, the Secretary of State, the Secretary of the Treasury, the Secretary of Health and Human Services, the Secretary of Homeland Security, the Director of National Intelligence, the Director of the Central Intelligence Agency, the Director of the National Security Agency, the Director of the Federal Bureau of Investigation, and the head of any other department, agency, or element of the executive branch designated by the Privacy and Civil Liberties Oversight Board under section 2000ee of this title to be appropriate for coverage under this section shall designate not less than 1 senior officer to serve as the principal advisor to—

(1) assist the head of such department, agency, or element and other officials of such department, agency, or element in appropriately considering privacy and civil liberties concerns when such officials are proposing, developing, or implementing laws, regulations, policies, procedures, or guidelines related to efforts to protect the Nation against terrorism;

(2) periodically investigate and review department, agency, or element actions, policies, procedures, guidelines, and related laws and their implementation to ensure that such department, agency, or element is adequately considering privacy and civil liberties in its actions;

(3) ensure that such department, agency, or element has adequate procedures to receive, investigate, respond to, and redress complaints from individuals who allege such department, agency, or element has violated their privacy or civil liberties; and

(4) in providing advice on proposals to retain or enhance a particular governmental power the officer shall consider whether such department, agency, or element has established—

(A) that the need for the power is balanced with the need to protect privacy and civil liberties;

(B) that there is adequate supervision of the use by such department, agency, or element of the power to ensure protection of privacy and civil liberties; and

(C) that there are adequate guidelines and oversight to properly confine its use.

(b) Exception to designation authority

(1) Privacy officers

In any department, agency, or element referred to in subsection (a) or designated by the Privacy and Civil Liberties Oversight Board, which has a statutorily created privacy officer, such officer shall perform the functions specified in subsection (a) with respect to privacy.

(2) Civil liberties officers

In any department, agency, or element referred to in subsection (a) or designated by the Board, which has a statutorily created civil liberties officer, such officer shall perform the functions specified in subsection (a) with respect to civil liberties.

(c) Supervision and coordination

Each privacy officer or civil liberties officer described in subsection (a) or (b) shall—

(1) report directly to the head of the department, agency, or element concerned; and

(2) coordinate their activities with the Inspector General of such department, agency, or element to avoid duplication of effort.
(d) Agency cooperation

The head of each department, agency, or element shall ensure that each privacy officer and civil liberties officer—

(1) has the information, material, and resources necessary to fulfill the functions of such officer;

(2) is advised of proposed policy changes;

(3) is consulted by decision makers; and

(4) is given access to material and personnel the officer determines to be necessary to carry out the functions of such officer.

(e) Reprisal for making complaint

No action constituting a reprisal, or threat of reprisal, for making a complaint or for disclosing information to a privacy officer or civil liberties officer described in subsection (a) or (b), or to the Privacy and Civil Liberties Oversight Board, that indicates a possible violation of privacy protections or civil liberties in the administration of the programs and operations of the Federal Government relating to efforts to protect the Nation from terrorism shall be taken by any Federal employee in a position to take such action, unless the complaint was made or the information was disclosed with the knowledge that it was false or with willful disregard for its truth or falsity.

(f) Periodic reports

(1) In general

The privacy officers and civil liberties officers of each department, agency, or element referred to or described in subsection (a) or (b) shall periodically, but not less than semiannually, submit a report on the activities of such officers—

(A)(i) to the appropriate committees of Congress, including the Committee on the Judiciary of the Senate, the Committee on the Judiciary of the House of Representatives, the Committee on Homeland Security and Governmental Affairs of the Senate, the Committee on Oversight and Government Reform of the House of Representatives, the Select Committee on Intelligence of the Senate, and the Permanent Select Committee on Intelligence of the House of Representatives;

(ii) to the head of such department, agency, or element; and

(iii) to the Privacy and Civil Liberties Oversight Board; and

(B) which shall be in unclassified form to the greatest extent possible, with a classified annex where necessary.

(2) Contents

Each report submitted under paragraph (1) shall include information on the discharge of each of the functions of the officer concerned, including—

(A) information on the number and types of reviews undertaken;

(B) the type of advice provided and the response given to such advice;

(C) the number and nature of the complaints received by the department, agency, or element concerned for alleged violations; and

(D) a summary of the disposition of such complaints, the reviews and inquiries conducted, and the impact of the activities of such officer.

(g) Informing the public

Each privacy officer and civil liberties officer shall—

(1) make the reports of such officer, including reports to Congress, available to the public to the greatest extent that is consistent with the protection of classified information and applicable law; and

(2) otherwise inform the public of the activities of such officer, as appropriate and in a manner consistent with the protection of classified information and applicable law.

(h) Savings clause

Nothing in this section shall be construed to limit or otherwise supplant any other authorities or responsibilities provided by law to privacy officers or civil liberties officers.

(1) each executive department or agency with law enforcement or antiterrorism functions should designate a privacy and civil liberties officer;

(A)(i) to the appropriate committees of Congress, including the Committee on Oversight and Government Reform of the House of Representatives, the Select Committee on Intelligence of the Senate, and the Permanent Select Committee on Intelligence of the Senate, the Committee on Homeland Security and Governmental Affairs of the Senate, the Committee on the Judiciary of the Senate, and the Committee on the Judiciary of the House of Representatives, available to the public to the greatest extent that is consistent with the protection of classified information and applicable law.

(2) assuring that technologies used to collect, use, store, and disclose information in an identifiable form allow for continuous auditing of compliance with stated privacy policies and practices governing the collection, use and distribution of information in the operation of the program;

(3) assuring that personal information contained in Privacy Act systems of records is handled in full compliance with fair information practices as defined in the Privacy Act of 1974 (5 U.S.C. 552a).
(4) evaluating legislative and regulatory proposals involving collection, use, and disclosure of personal information by the Federal Government;
(5) conducting a privacy impact assessment of proposed rules of the Department on the privacy of information in an identifiable form, including the type of personally identifiable information collected and the number of people affected;
(6) preparing a report to Congress on an annual basis on activities of the Department that affect privacy, including complaints of privacy violations, implementation of section 552a of title 5, \[1\] \[2\] \[3\] internal controls, and other relevant matters;
(7) ensuring that the Department protects information in an identifiable form and information systems from unauthorized access, use, disclosure, disruption, modification, or destruction;
(8) training and educating employees on privacy and data protection policies to promote awareness of and compliance with established privacy and data protection policies; and
(9) ensuring compliance with the Department’s established privacy and data protection policies.

(b) Establishing privacy and data protection procedures and policies

(1) In general
Within 12 months of December 8, 2004, each agency shall establish and implement comprehensive privacy and data protection procedures governing the agency’s collection, use, sharing, disclosure, transfer, storage and security of information in an identifiable form relating to the agency employees and the public. Such procedures shall be consistent with legal and regulatory guidance, including OMB regulations, the Privacy Act of 1974 (5 U.S.C. 552a), and section 208 of the E-Government Act of 2002.

(c) Recording
Each agency shall prepare a written report of its use of information in an identifiable form, along with its privacy and data protection policies and procedures and record it with the Inspector General of the agency to serve as a benchmark for the agency. Each report shall be signed by the agency privacy officer to verify that the agency intends to comply with the procedures in the report. By signing the report the privacy officer also verifies that the agency is only using information in identifiable form as detailed in the report.

(d) Inspector General review
The Inspector General of each agency shall periodically conduct a review of the agency’s implementation of this section and shall report the results of its review to the Committees on Appropriations of the House of Representatives and the Senate, the House Committee on Oversight and Government Reform, and the Senate Committee on Homeland Security and Governmental Affairs. The report required by this review may be incorporated into a related report to Congress otherwise required by law including, but not limited to, section 3545 \[4\] of title 44, the Federal Information Security Management Act of 2002. The Inspector General may contract with an independent, third party organization to conduct the review.

(e) Report

(1) In general
Upon completion of a review, the Inspector General of an agency shall submit to the head of that agency a detailed report on the review, including recommendations for improvements or enhancements to management of information in identifiable form, and the privacy and data protection procedures of the agency.

(2) Internet availability
Each agency shall make each independent third party review, and each report of the Inspector General relating to that review available to the public.

(f) Definition
In this section, the definition of “identifiable form” is consistent with Public Law 107–347, the E-Government Act of 2002, and means any representation of information that permits the identity of an individual to whom the information applies to be reasonably inferred by either direct or indirect means.


REFERENCES IN TEXT
The Privacy Act of 1974, referred to in subsecs. (a)(3) and (b)(1), is Pub. L. 93–579, Dec. 31, 1974, 88 Stat. 1896, which enacted section 552a of Title 5, Government Organization and Employees, and provisions set out as notes under section 552a of Title 5. For complete classification of this Act to the Code, see Short Title of 1974 Amendment note set out under section 552a of Title 5 and Tables.


CODIFICATION
Section was formerly set out as a note under section 552a of Title 5, Government Organization and Employees.

1See References in Text note below.
AMENDMENTS

2007—Subsec. (d), Pub. L. 110–161 added subsec. (d) and struck out former subsec. (d) which related to independent, third-party reviews.

CHANGE OF NAME

Committee on Oversight and Government Reform of House of Representatives changed to Committee on Oversight and Reform of House of Representatives by House Resolution No. 6, One Hundred Sixteenth Congress, Jan. 9, 2019.

EX. ORD. NO. 13719, ESTABLISHMENT OF THE FEDERAL PRIVACY COUNCIL

Ex. Ord. No. 13719, Feb. 9, 2016, 81 F.R. 7961, provided: By the authority vested in me as President by the Constitution and the laws of the United States of America, it is hereby ordered as follows:

SECTION 1. Policy. The mission of the United States Government is to serve its people. In order to accomplish its mission, the Government lawfully collects, maintains, and uses large amounts of information about people in a wide range of contexts. Protecting privacy in the collection and handling of this information is fundamental to the successful accomplishment of the Government's mission. The proper functioning of Government requires the public's trust, and to maintain that trust the Government must strive to uphold the highest standards for collecting, maintaining, and using personal data. Privacy has been at the heart of our democracy from its inception, and we need it now more than ever.

Executive departments and agencies (agencies) already take seriously their mission to protect privacy and have been working diligently to advance that mission through existing interagency mechanisms. Today's challenges, however, require that we find even more effective and innovative ways to improve the Government's efforts. Our efforts to meet these new challenges and preserve our core value of privacy, while delivering better and more effective Government services for the American people, demand leadership and enhanced coordination and collaboration among a diverse group of stakeholders and experts.

Therefore, it shall be the policy of the United States Government that agencies shall establish an interagency support structure that: builds on existing interagency efforts to protect privacy and provides expertise and assistance to agencies; expands the skill and career development opportunities of agency privacy professionals; improves the management of agency privacy programs by identifying and sharing lessons learned and best practices; and promotes collaboration and among agency privacy professionals to reduce unnecessary duplication of efforts and to ensure the effective, efficient, and consistent implementation of privacy policy Government-wide.

SEC. 2. Policy on Senior Agency Officials for Privacy. Within 120 days of the date of this order, the Director of the Office of Management and Budget (Director) shall issue a revised policy on the role and designation of the Senior Agency Officials for Privacy. The policy shall provide guidance on the Senior Agency Official for Privacy’s responsibilities at their agencies, required level of expertise, adequate level of resources, and other matters as determined by the Director. Agencies shall implement the requirements of the policy within a reasonable time frame as prescribed by the Director and consistent with applicable law.

SEC. 3. Responsibilities of Agency Heads. The head of each agency, consistent with guidance to be issued by the Director as required in section 2 of this order, shall designate or re-designate a Senior Agency Official for Privacy with the experience and skills necessary to manage an agency-wide privacy program. In addition, the head of each agency, to the extent permitted by law and consistent with applicable law, shall establish, in coordination with the Federal Privacy Council, established in section 4 of this order.
Council, the National Economic Council, the Domestic Policy Council, the National Security Council staff, the Office of Science and Technology Policy, the Interagency Council on Statistical Policy, the Federal Acquisition Regulatory Council, and the Small Agency Council.

Sec. 5. General Provisions. (a) Nothing in this order shall be construed to impair or otherwise affect:

(1) the authority granted by law to a department, agency, or the head thereof; or

(2) the functions of the Director relating to budgetary, administrative, or legislative proposals.

(b) This order shall be implemented consistent with applicable law and subject to the availability of appropriations.

(c) Independent agencies are encouraged to comply with the requirements of this order.

(d) This order is not intended to, and does not, create any right or benefit, substantive or procedural, enforceable at law or in equity by any party against the United States, its departments, agencies, or entities, its officers, employees, or agents, or any other person.

BARACK OBAMA.

[Ex. Ord. No. 13719 was originally published at 81 F.R. 7637 and was republished as set out above to correct an error appearing in the original publication.]

§ 2000ee–3. Federal agency data mining reporting

(a) Short title

This section may be cited as the “Federal Agency Data Mining Reporting Act of 2007”.

(b) Definitions

In this section:

(1) Data mining

The term “data mining” means a program involving pattern-based queries, searches, or other analyses of 1 or more electronic databases, where—

(A) a department or agency of the Federal Government, or a non-Federal entity acting on behalf of the Federal Government, is conducting the queries, searches, or other analyses to discover or locate a predictive pattern or anomaly indicative of terrorist or criminal activity on the part of any individual or individuals;

(B) the queries, searches, or other analyses are not subject-based and do not use personal identifiers of a specific individual, or inputs associated with a specific individual or group of individuals, to retrieve information from the database or databases; and

(C) the purpose of the queries, searches, or other analyses is not solely—

(i) the detection of fraud, waste, or abuse in a Government agency or program; or

(ii) the security of a Government computer system.

(2) Database

The term “database” does not include telephone directories, news reporting, information publicly available to any member of the public without payment of a fee, or databases of judicial and administrative opinions or other legal research sources.

(c) Reports on data mining activities by Federal agencies

(1) Requirement for report

The head of each department or agency of the Federal Government that is engaged in any activity to use or develop data mining shall submit a report to Congress on all such activities of the department or agency under the jurisdiction of that official. The report shall be produced in coordination with the privacy officer of that department or agency. If applicable, and shall be made available to the public, except for an annex described in subparagraph (C).

(2) Content of report

Each report submitted under subparagraph (A) shall include, for each activity to use or develop data mining, the following information:

(A) A thorough description of the data mining activity, its goals, and, where appropriate, the target dates for the deployment of the data mining activity.

(B) A thorough description of the data mining technology that is being used or will be used, including the basis for determining whether a particular pattern or anomaly is indicative of terrorist or criminal activity.

(C) A thorough description of the data sources that are being or will be used.

(D) An assessment of the efficacy or likely efficacy of the data mining activity in providing accurate information consistent with and valuable to the stated goals and plans for the use or development of the data mining activity

(E) An assessment of the impact or likely impact of the implementation of the data mining activity on the privacy and civil liberties of individuals, including a thorough description of the actions that are being taken or will be taken with regard to the property, privacy, or other rights or privileges of any individual or individuals as a result of the implementation of the data mining activity.

(F) A list and analysis of the laws and regulations that govern the information being or to be collected, reviewed, gathered, analyzed, or used in conjunction with the data mining activity, to the extent applicable in the context of the data mining activity.

(G) A thorough discussion of the policies, procedures, and guidelines that are in place or that are to be developed and applied in the use of such data mining activity in order to—

(i) protect the privacy and due process rights of individuals, such as redress procedures; and

(ii) ensure that only accurate and complete information is collected, reviewed, gathered, analyzed, or used, and guard against any harmful consequences of potential inaccuracies.

(3) Annex

(A) In general

A report under subparagraph (A) shall include in an annex any necessary—

(i) classified information;

(ii) law enforcement sensitive information;

(iii) stale data mining activities.

1 So in original. Probably should be “paragraph (3)

2 So in original. Probably should be “paragraph (1)".
(iii) proprietary business information; or
(iv) trade secrets (as that term is defined in section 1839 of title 18).

(B) Availability
Any annex described in clause (i)—\(^3\)
(i) shall be available, as appropriate, and consistent with the National Security Act of 1947 [50 U.S.C. 3001 et seq.], to the Committee on Homeland Security and Governmental Affairs, the Committee on the Judiciary, the Select Committee on Intelligence, the Committee on Appropriations, and the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on the Judiciary, the Permanent Select Committee on Intelligence, the Committee on Appropriations, and the Committee on Financial Services of the House of Representatives; and
(ii) shall not be made available to the public.

(4) Time for report
Each report required under subparagraph (A)\(^2\) shall be—
(A) submitted not later than 180 days after August 3, 2007; and
(B) updated not less frequently than annually thereafter, to include any activity to use or develop data mining engaged in after the date of the prior report submitted under subparagraph (A).\(^2\)


DEFINITIONS

The term "employee" means—
(i) an employee (including an applicant), as defined in section 2000e(f) of this title;
(ii) a State employee (including an applicant) described in section 2000e–16c(a) of this title;
(iii) a covered employee (including an applicant), as defined in section 1301 of title 2;
(iv) a covered employee (including an applicant), as defined in section 411(c) of title 3; or
(v) an employee or applicant to which section 2000e–16(a) of this title applies.

(B) Employer
The term "employer" means—
(i) an employer (as defined in section 2000e(b) of this title);
(ii) an entity employing a State employee described in section 2000e–16c(a) of this title;
(iii) an employing office, as defined in section 1301 of title 2;
(iv) an employing office, as defined in section 411(c) of title 3; or
(v) an entity to which section 2000e–16(a) of this title applies.

(C) Employment agency; labor organization
The terms "employment agency" and "labor organization" have the meanings given the terms in section 2000e of this title.

(D) Member
The term "member", with respect to a labor organization, includes an applicant for membership in a labor organization.

(3) Family member
The term "family member" means, with respect to an individual—
(A) a dependent (as such term is used for purposes of section 1181(f)(2) of title 29) of such individual, and
(B) any other individual who is a first-degree, second-degree, third-degree, or fourth-degree relative of such individual or of an individual described in subparagraph (A).

(4) Genetic information

(A) In general
The term "genetic information" means, with respect to any individual, information about—
(i) such individual’s genetic tests,
(ii) the genetic tests of family members of such individual, and
(iii) the manifestation of a disease or disorder in family members of such individual.

(B) Inclusion of genetic services and participation in genetic research
Such term includes, with respect to any individual, any request for, or receipt of, genetic services, or participation in clinical research which includes genetic services, by such individual or any family member of such individual.
(C) Exclusions

The term ‘‘genetic information’’ shall not include information about the sex or age of any individual.

(5) Genetic monitoring

The term ‘‘genetic monitoring’’ means the periodic examination of employees to evaluate acquired modifications to their genetic material, such as chromosomal damage or evidence of increased occurrence of mutations, that may have developed in the course of employment due to exposure to toxic substances in the workplace, in order to identify, evaluate, and respond to the effects of or control adverse environmental exposures in the workplace.

(6) Genetic services

The term ‘‘genetic services’’ means—
(A) a genetic test;
(B) genetic counseling (including obtaining, interpreting, or assessing genetic information); or
(C) genetic education.

(7) Genetic test

(A) In general

The term ‘‘genetic test’’ means an analysis of human DNA, RNA, chromosomes, proteins, or metabolites, that detects genotypes, mutations, or chromosomal changes.

(B) Exceptions

The term ‘‘genetic test’’ does not mean an analysis of proteins or metabolites that does not detect genotypes, mutations, or chromosomal changes.

<table>
<thead>
<tr>
<th>Effective Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pub. L. 110–233, title II, § 201, May 21, 2008, 122 Stat. 920, provided that: ‘‘This Act [enacting this chapter] takes effect on the date that is 18 months after the date of enactment of this Act [May 21, 2008].’’</td>
</tr>
</tbody>
</table>

Short Title

Pub. L. 110–233, § 201, provided that: ‘‘This Act [enacting this chapter, sections 300gg–53 and 1320d–9 of this title, and section 9834 of Title 26, Internal Revenue Code, amending sections 306g–1, 306g–21, 306g–22, 306g–61, 306g–91, and 1366s of this title, sections 9802 and 9832 of Title 26, and sections 216, 1132, 1182, and 1191b of Title 29, Labor, and enacting provisions set out as notes under this section, sections 300gg–1, 1320d–9, and 1366s of this title, section 9802 of Title 26, and sections 216 and 1132 of Title 29] may be cited as the ‘‘Genetic Information Non-discrimination Act of 2008.’’ |

Severability

Pub. L. 110–233, title III, § 301, provided that: ‘‘If any provision of this Act [see Short Title note above], an amendment made by this Act, or the application of such provision or amendment to any person or circumstance is held to be unconstitutional, the remainder of this Act, the amendments made by this Act, and the application of such provisions to any person or circumstance shall not be affected thereby.’’

Findings

Pub. L. 110–233, § 2, provided that: ‘‘Congress makes the following findings:

(1) Deciphering the sequence of the human genome and other advances in genetics open major new opportunities for medical progress. New knowledge about the genetic basis of illness will allow for earlier detection before symptoms, often before symptoms have begun. Genetic testing can allow individuals to take steps to reduce the likelihood that they will contract a particular disorder. New knowledge about genetics may allow for the development of better therapies that are more effective against disease or have fewer side effects than current treatments. These advances give rise to the potential misuse of genetic information to discriminate in health insurance and employment.

(2) The early science of genetics became the basis of State laws that provided for the sterilization of persons having presumed genetic ‘‘defects’’ such as intellectual disabilities, mental disease, epilepsy, blindness, and hearing loss, among other conditions. The first sterilization law was enacted in the State of Indiana in 1907. By 1981, a majority of States adopted sterilization laws to ‘‘correct’’ apparent genetic traits or tendencies. Many of these State laws have since been repealed, and many have been modified to include essential constitutional requirements of due process and equal protection. However, the current explosion in the science of genetics, and the history of sterilization laws by the States based on early genetic science, compels Congressional action in this area.

(3) Although genes are facially neutral markers, many genetic conditions and disorders are associated with particular racial and ethnic groups and gender. Because some genetic traits are most prevalent in particular groups, members of a particular group may be stigmatized or discriminated against as a result of that genetic information. This form of discrimination was evident in the 1970s, which saw the advent of programs to screen and identify carriers of sickle cell anemia, a disease which afflicts African-Americans. Once again, State legislatures began to enact discriminatory laws in the area, and in the early 1970s began mandating genetic screening of all African-Americans for sickle cell anemia, leading to discrimination and unnecessary fear. To alleviate some of this stigma, Congress in 1972 passed the National Sickle Cell Anemia Control Act [Pub. L. 92–294, see Tables for classification], which withholds Federal funding from States unless sickle cell testing is voluntary.

(4) Congress has been informed of examples of genetic discrimination in the workplace. These include the use of pre-employment genetic screening at Lawrence Berkeley Laboratory, which led to a court decision in favor of the employees in that case [ sic] Norman-Bloodsaw v. Lawrence Berkeley Laboratory (135 F.3d 1390, 1396 (9th Cir. 1998)). Congress clearly has a compelling public interest in relieving the fear of discrimination and in prohibiting its actual practice in employment and health insurance.

(5) Federal law addressing genetic discrimination in health insurance and employment is incomplete in both the scope and depth of its protections. Moreover, while many States have enacted some type of genetic non-discrimination law, these laws vary widely with respect to their approach, application, and level of protection. Congress has collected substantial evidence that the American public and the medical community find the existing patchwork of State and Federal laws to be confusing and inadequate to protect them from discrimination. Therefore Federal legislation establishing a national and uniform basic standard is necessary to fully protect the public from genetic discrimination and allay their concerns about the potential for discrimination, thereby allowing individuals to take advantage of genetic testing, technologies, research, and new therapies.

For meaning of references to an intellectual disability and to individuals with intellectual disabilities in
§ 2000ff-1  TITLE 42—THE PUBLIC HEALTH AND WELFARE  Page 4884

provisions amended by section 2 of Pub. L. 111–256, see section 2(k) of Pub. L. 111–256, set out as a note under section 160 of Title 20, Education.)

§ 2000ff-1. Employer practices

(a) Discrimination based on genetic information

It shall be an unlawful employment practice for an employer—

(1) to fail or refuse to hire, or to discharge, any employee, or otherwise to discriminate against any employee with respect to the compensation, terms, conditions, or privileges of employment of the employee, because of genetic information with respect to the employee; or

(2) to limit, segregate, or classify the employees of the employer in any way that would deprive or tend to deprive any employee of employment opportunities or otherwise adversely affect the status of the employee as an employee, because of genetic information with respect to the employee.

(b) Acquisition of genetic information

It shall be an unlawful employment practice for an employer to request, require, or purchase genetic information with respect to an employee for an employer to request, require, or purchase genetic information with respect to the employee; or

(1) where an employer inadvertently requests or requires family medical history of the employee or family member of the employee except—

(A) health or genetic services are offered by the employer, including such services offered as part of a wellness program;

(B) the employee provides prior, knowing, voluntary, and written authorization;

(C) only the employee (or family member if the family member is receiving genetic services) and the licensed health care professional or board certified genetic counselor involved in providing such services receive individually identifiable information concerning the results of such services; and

(D) any individually identifiable genetic information provided under subparagraph (C) in connection with the services provided under subparagraph (A) is only available for purposes of such services and shall not be disclosed to the employer except in aggregate terms that do not disclose the identity of specific employees;

(2) where—

(A) health or genetic services are offered by the employer, including such services offered as part of a wellness program;

(B) the employee provides prior, knowing, voluntary, and written authorization;

(C) only the employee (or family member if the family member is receiving genetic services) and the licensed health care professional or board certified genetic counselor involved in providing such services receive individually identifiable information concerning the results of such services; and

(D) any individually identifiable genetic information provided under subparagraph (C) in connection with the services provided under subparagraph (A) is only available for purposes of such services and shall not be disclosed to the employer except in aggregate terms that do not disclose the identity of specific employees;

(3) where an employer requests or requires family medical history from the employee to comply with the certification provisions of section 2013 of title 29 or such requirements under State family and medical leave laws;

(4) where an employer purchases documents that are commercially and publicly available (including newspapers, magazines, periodicals, and books, but not including medical databases or court records) that include family medical history;

(5) where the information involved is to be used for genetic monitoring of the biological effects of toxic substances in the workplace, but only if—

(A) the employer provides written notice of the genetic monitoring to the employee;

(B) the employee provides prior, knowing, voluntary, and written authorization; or

(ii) the genetic monitoring is required by Federal or State law;

(C) the employee is informed of individual monitoring results;

(D) the monitoring is in compliance with—

(i) any Federal genetic monitoring regulations, including any such regulations that may be promulgated by the Secretary of Labor pursuant to the Occupational Safety and Health Act of 1970 (29 U.S.C. 651 et seq.), the Federal Mine Safety and Health Act of 1977 (30 U.S.C. 801 et seq.), or the Atomic Energy Act of 1954 (42 U.S.C. 2011 et seq.); or

(ii) State genetic monitoring regulations, in the case of a State that is implementing genetic monitoring regulations under the authority of the Occupational Safety and Health Act of 1970 (29 U.S.C. 651 et seq.); and

(E) the employer, excluding any licensed health care professional or board certified genetic counselor that is involved in the genetic monitoring program, receives the results of the monitoring only in aggregate terms that do not disclose the identity of specific employees; or

(6) where the employer conducts DNA analysis for law enforcement purposes as a forensic laboratory or for purposes of human remains identification, and requests or requires genetic information of such employer’s employees, but only to the extent that such genetic information is used for analysis of DNA identification markers for quality control to detect sample contamination.

(c) Preservation of protections

In the case of information to which any of paragraphs (1) through (6) of subsection (b) applies, such information may not be used in violation of paragraph (1) or (2) of subsection (a) or treated or disclosed in a manner that violates section 2000ff–5 of this title.


REFERENCES IN TEXT


EFFECTIVE DATE

Section effective 18 months after May 21, 2008, see section 213 of Pub. L. 110–233, set out as a note under section 2000ff of this title.
§ 2000ff-2. Employment agency practices
(a) Discrimination based on genetic information
It shall be an unlawful employment practice for an employment agency—
(1) to fail or refuse to refer for employment, or otherwise to discriminate against, any individual because of genetic information with respect to the individual;
(2) to limit, segregate, or classify individuals or fail or refuse to refer for employment any individual in any way that would deprive or tend to deprive any individual of employment opportunities, or otherwise adversely affect the status of the individual as an employee, because of genetic information with respect to the individual; or
(3) to cause or attempt to cause an employer to discriminate against an individual in violation of this chapter.

(b) Acquisition of genetic information
It shall be an unlawful employment practice for an employment agency to request, require, or purchase genetic information with respect to an individual or a family member of the individual except—
(1) where an employment agency inadvertently requests or requires family medical history of the individual or family member of the individual;
(2) where—
(A) health or genetic services are offered by the employment agency, including such services offered as part of a wellness program;
(B) the individual provides prior, knowing, voluntary, and written authorization; and
(C) only the individual (or family member if the family member is receiving genetic services) and the licensed health care professional or board certified genetic counselor involved in providing such services receive individually identifiable information concerning the results of such services; and
(D) any individually identifiable genetic information provided under subparagraph (C) in connection with the services provided under subparagraph (A) is only available for purposes of such services and shall not be disclosed to the employment agency except in aggregate terms that do not disclose the identity of specific individuals;
(3) where an employment agency requests or requires family medical history from the individual to comply with the certification provisions of section 2613 of title 29 or such requirements under State family and medical leave laws;
(4) where an employment agency purchases documents that are commercially and publicly available (including newspapers, magazines, periodicals, and books, but not including medical databases or court records) that include family medical history; or
(5) where the information involved is to be used for genetic monitoring of the biological effects of toxic substances in the workplace, but only if—
(A) the employment agency provides written notice of the genetic monitoring to the individual;

(B)(i) the individual provides prior, knowing, voluntary, and written authorization; or
(ii) the genetic monitoring is required by Federal or State law;
(C) the individual is informed of individual monitoring results;
(D) the monitoring is in compliance with—
(i) any Federal genetic monitoring regulations, including any such regulations that may be promulgated by the Secretary of Labor pursuant to the Occupational Safety and Health Act of 1970 (29 U.S.C. 651 et seq.), the Federal Mine Safety and Health Act of 1977 (30 U.S.C. 801 et seq.), or the Atomic Energy Act of 1954 (42 U.S.C. 2011 et seq.); or
(ii) State genetic monitoring regulations, in the case of a State that is implementing genetic monitoring regulations under the authority of the Occupational Safety and Health Act of 1970 (29 U.S.C. 651 et seq.); and
(E) the employment agency, excluding any licensed health care professional or board certified genetic counselor that is involved in the genetic monitoring program, receives the results of the monitoring only in aggregate terms that do not disclose the identity of specific individuals.

(c) Preservation of protections
In the case of information to which any of paragraphs (1) through (5) of subsection (b) applies, such information may not be used in violation of paragraph (1), (2), or (3) of subsection (a) or treated or disclosed in a manner that violates section 2000ff–5 of this title.


REFERENCES IN TEXT

EFFECTIVE DATE
Section effective 18 months after May 21, 2008, see section 213 of Pub. L. 110–233, set out as a note under section 2000ff of this title.

§ 2000ff-3. Labor organization practices
(a) Discrimination based on genetic information
It shall be an unlawful employment practice for a labor organization—
(1) to exclude or to expel from the membership of the organization, or otherwise to dis-
§ 2000ff–4

Training programs

(a) Discrimination based on genetic information

It shall be an unlawful employment practice for any employer, labor organization, or joint labor-management committee controlling apprenticeship or other training or retraining, including on-the-job training programs—

(1) to discriminate against any individual because of genetic information with respect to the individual in admission to, or employment in, any program established to provide apprenticeship or other training or retraining;
(2) to limit, segregate, or classify the applicants for or participants in such apprenticeship or other training or retraining, or fail or refuse to refer for employment any individual, in any way that would deprive or tend to deprive any individual of employment opportunities, or otherwise adversely affect the status of the individual as an employee, because of genetic information with respect to the individual; or
(3) to cause or attempt to cause an employer to discriminate against an applicant for or a participant in such apprenticeship or other training or retraining in violation of this chapter.

(b) Acquisition of genetic information

It shall be an unlawful employment practice for an employer, labor organization, or joint labor-management committee described in subsection (a) to request, require, or purchase genetic information with respect to an individual or a family member of the individual except—

(1) where the employer, labor organization, or joint labor-management committee inadvertently requests or requires family medical history of the individual or family member of the individual;
(2) where—
(A) health or genetic services are offered by the employer, labor organization, or joint labor-management committee, including such services offered as part of a wellness program;
(B) the individual provides prior, knowing, voluntary, and written authorization;
(C) only the individual (or family member if the family member is receiving genetic services) and the licensed health care professional or board certified genetic counselor involved in providing such services receive individually identifiable information concerning the results of such services; and
(D) any individually identifiable genetic information provided under subparagraph (C) in connection with the services provided under subparagraph (A) is only available for purposes of such services and shall not be disclosed to the employer, labor organization, or joint labor-management committee except in aggregate terms that do not disclose the identity of specific individuals; or
(3) where the employer, labor organization, or joint labor-management committee requests or requires family medical history from the individual to comply with the certification provisions of section 2613 of title 29 or such requirements under State family and medical leave laws;
(4) where the employer, labor organization, or joint labor-management committee purchases documents that are commercially and publicly available (including newspapers, magazines, periodicals, and books, but not including medical databases or court records) that include family medical history;
(5) where the information involved is to be used for genetic monitoring of the biological effects of toxic substances in the workplace, but only if—
(A) the employer, labor organization, or joint labor-management committee provides written notice of the genetic monitoring to the individual;
(B)(i) the individual provides prior, knowing, voluntary, and written authorization; or
(ii) the genetic monitoring is required by Federal or State labor, mine safety, or health regulations, in the case of a State that is implementing genetic monitoring regulations under the authority of the Occupational Safety and Health Act of 1970 (29 U.S.C. 651 et seq.); and
(E) the employer, labor organization, or joint labor-management committee, excluding any licensed health care professional or board certified genetic counselor that is involved in the genetic monitoring program, receives the results of the monitoring only in aggregate terms that do not disclose the identity of specific individuals; or
(6) where the employer conducts DNA analysis for law enforcement purposes as a forensic laboratory or for purposes of human remains identification, and requests or requires genetic information of such employer’s apprentices or trainees, but only to the extent that such genetic information is used for analysis of DNA identification markers for quality control to detect sample contamination.

(c) Preservation of protections

In the case of information to which any of paragraphs (1) through (6) of subsection (b) applies, such information may not be used in violation of paragraph (1), (2), or (3) of subsection (a) or treated or disclosed in a manner that violates section 2000ff–5 of this title.


References in Text


§ 2000ff-5. Confidentiality of genetic information

(a) Treatment of information as part of confidential medical record

If an employer, employment agency, labor organization, or joint labor-management committee possesses genetic information about an employee or member, such information shall be maintained on separate forms and in separate medical files and be treated as a confidential medical record with respect to genetic information that presents an imminent hazard of death or life-threatening illness, and that the employee whose family member or family members is or are the subject of a disclosure under this paragraph is notified of such disclosure.

(b) Limitation on disclosure

An employer, employment agency, labor organization, or joint labor-management committee shall not disclose genetic information concerning an employee or member except—

(1) to the employee or member of a labor organization (or family member if the family member is receiving the genetic services) at the written request of the employee or member of such organization;

(2) to an occupational or other health researcher if the research is conducted in compliance with the regulations and protections provided for under part 46 of title 45, Code of Federal Regulations;

(3) in response to an order of a court, except that—

(A) the employer, employment agency, labor organization, or joint labor-management committee may disclose only the genetic information expressly authorized by such order; and

(B) if the court order was secured without the knowledge of the employee or member to whom the information refers, the employer, employment agency, labor organization, or joint labor-management committee shall inform the employee or member of the court order and any genetic information that was disclosed pursuant to such order;

(4) to government officials who are investigating compliance with this chapter if the information is relevant to the investigation;

(5) to the extent that such disclosure is made in connection with the employee’s compliance with the certification provisions of section 2613 of title 29 or such requirements under State family and medical leave laws; or

(6) to a Federal, State, or local public health agency only with regard to information that is described in section 2000ff(2)(A)(i) of this title and that concerns a contagious disease that presents an imminent hazard of death or life-threatening illness, and that the employee whose family member or family members is or are the subject of a disclosure under this paragraph is notified of such disclosure.

(c) Relationship to HIPAA regulations

With respect to the regulations promulgated by the Secretary of Health and Human Services under part C of title XI of the Social Security Act (42 U.S.C. 1320d et seq.) and section 264 of the Health Insurance Portability and Accountability Act of 1996 (42 U.S.C. 1320d–2 note), this chapter does not prohibit a covered entity under such regulations from any use or disclosure of health information that is authorized for the covered entity under such regulations. The previous sentence does not affect the authority of the Secretary to modify such regulations.


References in Text

Section 12112(d)(3)(B) of this title, referred to in subsec. (a), was in the original “section 102(d)(3)(B) of the Americans With Disabilities Act”, and was translated as meaning “section 102(d)(3)(B) of the Americans With Disabilities Act of 1990” to reflect the probable intent of Congress.


Section 264 of the Health Insurance Portability and Accountability Act of 1996, referred to in subsec. (c), is section 264 of Pub. L. 104–191, which is set out as a note under section 1320d–2 of this title.

Effective Date

Section effective 18 months after May 21, 2008, see section 213 of Pub. L. 110–233, set out as a note under section 2000ff of this title.

§ 2000ff-6. Remedies and enforcement

(a) Employees covered by title VII of the Civil Rights Act of 1964

(1) In general

The powers, procedures, and remedies provided in sections 705, 706, 707, 708, 710, and 711 of the Civil Rights Act of 1964 [42 U.S.C. 2000e–4 to 2000e–6, 2000e–8 to 2000e–10] to the Commission, the Attorney General, or any person, alleging a violation of title VII of that Act (42 U.S.C. 2000e et seq.) shall be the powers, procedures, and remedies this chapter provides to the Commission, the Attorney General, or any person, respectively, alleging an unlawful employment practice in violation of this chapter against an employee described in section 2000ff(2)(A)(i) of this title, except as provided in paragraphs (2) and (3).

(2) Costs and fees

The powers, remedies, and procedures provided in subsections (b) and (c) of section 1988 of this title, shall be powers, remedies, and procedures this chapter provides to the Commission, the Attorney General, or any person, alleging such a practice.

(3) Damages

The powers, remedies, and procedures provided in section 1981a of this title, including

1 So in original. The comma probably should not appear.
the limitations contained in subsection (b)(3) of such section 1981a, shall be powers, remedies, and procedures this chapter provides to the Commission, the Attorney General, or any person, alleging such a practice (not an employment practice specifically excluded from coverage under section 1981a(a)(1) of this title).

(b) Employees covered by Government Employee Rights Act of 1991

(1) In general

The powers, remedies, and procedures provided in sections 302 and 304 of the Government Employee Rights Act of 1991 (42 U.S.C. 2000e–16b, 2000e–16c) to the Commission, or any person, alleging a violation of section 302(a)(1) of that Act (42 U.S.C. 2000e–16b(a)(1)) shall be the powers, remedies, and procedures this chapter provides to the Commission, or any person, respectively, alleging an unlawful employment practice in violation of this chapter against an employee described in section 2000ff(2)(A)(ii) of this title, except as provided in paragraphs (2) and (3).

(2) Costs and fees

The powers, remedies, and procedures provided in subsections (b) and (c) of section 1988 of this title, including the limitations contained in subsection (b)(3) of such section 1981a, shall be powers, remedies, and procedures this chapter provides to the Commission, or any person, alleging such a practice (not an employment practice specifically excluded from coverage under section 1981a(a)(1) of this title).

(c) Employees covered by Congressional Accountability Act of 1995

(1) In general

The powers, remedies, and procedures provided in the Congressional Accountability Act of 1995 (2 U.S.C. 1301 et seq.) to the Board (as defined in section 101 of that Act (2 U.S.C. 1301)), or any person, alleging a violation of section 201(a)(1) of that Act (2 U.S.C. 1311(a)(1)) shall be the powers, remedies, and procedures this chapter provides to the Board, or any person, alleging an unlawful employment practice in violation of this chapter against an employee described in section 2000ff(2)(A)(iv) of this title, except as provided in paragraphs (2) and (3).

(2) Costs and fees

The powers, remedies, and procedures provided in subsections (b) and (c) of section 1988 of this title, including the limitations contained in subsection (b)(3) of such section 1981a, shall be powers, remedies, and procedures this chapter provides to the President, the Commission, the Merit Systems Protection Board, or any person, alleging a violation of section 411(a)(1) of that title, shall be the powers, remedies, and procedures this chapter provides to the President, the Commission, such Board, or any person, respectively, alleging an unlawful employment practice in violation of this chapter against an employee described in section 2000ff(2)(A)(v) of this title, except as provided in paragraphs (2) and (3).

(d) Employees covered by chapter 5 of title 3

(1) In general

The powers, remedies, and procedures provided in chapter 5 of title 3 to the President, the Commission, the Merit Systems Protection Board, or any person, alleging a violation of section 302(a)(1) of this title, except as provided in paragraphs (2) and (3).

(2) Costs and fees

The powers, remedies, and procedures provided in subsections (b) and (c) of section 1988 of this title, including the limitations contained in subsection (b)(3) of such section 1981a, shall be powers, remedies, and procedures this chapter provides to the President, the Commission, such Board, or any person, alleging such a practice.

(e) Employees covered by section 717 of the Civil Rights Act of 1964

(1) In general

The powers, remedies, and procedures provided in section 717 of the Civil Rights Act of 1964 (42 U.S.C. 2000e–16) to the Commission, the Attorney General, the Librarian of Congress, or any person, alleging a violation of that section shall be the powers, remedies, and procedures this chapter provides to the Commission, the Attorney General, the Librarian of Congress, or any person, respectively, alleging an unlawful employment practice in violation of this chapter against an employee or applicant described in section 2000ff(2)(A)(v) of this title, except as provided in paragraphs (2) and (3).

(2) Costs and fees

The powers, remedies, and procedures provided in subsections (b) and (c) of section 1988
of this title, shall be powers, remedies, and procedures this chapter provides to the Commission, the Attorney General, the Librarian of Congress, or any person, alleging such a practice.

(3) Damages

The powers, remedies, and procedures provided in section 201a of this title, including the limitations contained in subsection (b) thereof of such section 201a, shall be powers, remedies, and procedures this chapter provides to the Commission, the Attorney General, the Librarian of Congress, or any person, alleging such a practice (not an employment practice specifically excluded from coverage under section 201a(a)(1) of this title).

(f) Prohibition against retaliation

No person shall discriminate against any individual because such individual has opposed any act or practice made unlawful by this chapter or because such individual made a charge, testified, assisted, or participated in any manner in an investigation, proceeding, or hearing under this chapter. The remedies and procedures otherwise provided for under this section shall be available to aggrieved individuals with respect to violations of this subsection.

(g) Definition

In this section, the term "Commission" means the Equal Employment Opportunity Commission.

References in Text


Effective Date

Section effective 18 months after May 21, 2008, see section 213 of Pub. L. 110-233, set out as a note under section 2000ff of this title.

§ 2000ff-7. Disparate impact

(a) General rule

Notwithstanding any other provision of this Act, "disparate impact", as that term is used in section 2000e–2(k) of this title, on the basis of genetic information does not establish a cause of action under this Act.

(b) Commission

On the date that is 6 years after May 21, 2008, there shall be established a commission, to be known as the Genetic Nondiscrimination Study Commission (referred to in this section as the "Commission") to review the developing science of genetics and to make recommendations to Congress regarding whether to provide a disparate impact cause of action under this Act.

(c) Membership

(1) In general

The Commission shall be composed of 8 members, of which—

(A) 1 member shall be appointed by the Majority Leader of the Senate;

(B) 1 member shall be appointed by the Minority Leader of the Senate;

(C) 1 member shall be appointed by the Chairman of the Committee on Health, Education, Labor, and Pensions of the Senate;

(D) 1 member shall be appointed by the ranking minority member of the Committee on Health, Education, Labor, and Pensions of the Senate;

(E) 1 member shall be appointed by the Speaker of the House of Representatives;

(F) 1 member shall be appointed by the Majority Leader of the House of Representatives;

(G) 1 member shall be appointed by the Chairman of the Committee on Education and Labor of the House of Representatives; and

(H) 1 member shall be appointed by the ranking minority member of the Committee on Education and Labor of the House of Representatives.

(2) Compensation and expenses

The members of the Commission shall not receive compensation for the performance of services for the Commission, but shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5, while away from their homes or regular places of business in the performance of services for the Commission.

(d) Administrative provisions

(1) Location

The Commission shall be located in a facility maintained by the Equal Employment Opportunity Commission.

(2) Detail of Government employees

Any Federal Government employee may be detailed to the Commission without reimbursement, and such detail shall be without interruption or loss of civil service status or privilege.

(3) Information from Federal agencies

The Commission may secure directly from any Federal department or agency such information as the Commission considers necessary to carry out the provisions of this section. Upon request of the Commission, the head of such department or agency shall furnish such information to the Commission.

(4) Hearings

The Commission may hold such hearings, sit and act at such times and places, take such
testimony, and receive such evidence as the Commission considers advisable to carry out the objectives of this section, except that, to the extent possible, the Commission shall use existing data and research.

(5) Postal services

The Commission may use the United States mails in the same manner and under the same conditions as other departments and agencies of the Federal Government.

(e) Report

Not later than 1 year after all of the members are appointed to the Commission under subsection (c)(1), the Commission shall submit to Congress a report that summarizes the findings of the Commission and makes such recommendations for legislation as are consistent with this Act.

(f) Authorization of appropriations

There are authorized to be appropriated to the Equal Employment Opportunity Commission such sums as may be necessary to carry out this section.


REFERENCES IN TEXT

This Act, referred to in subsecs. (a), (b), and (e), is Pub. L. 110–233, May 21, 2008, 122 Stat. 881, known as the Genetic Information Nondiscrimination Act of 2008. For complete classification of this Act to the Code, see Short Title note set out under section 2000ff of this title and Tables.

EFFECTIVE DATE

Section effective 18 months after May 21, 2008, see section 213 of Pub. L. 110–233, set out as a note under section 2000ff of this title.

§ 2000ff–8. Construction

(a) In general

Nothing in this chapter shall be construed to—

(1) limit the rights or protections of an individual under any other Federal or State statute that provides equal or greater protection to an individual than the rights or protections provided for under this chapter, including the protections of an individual under the Americans with Disabilities Act of 1990 (42 U.S.C. 12101 et seq.) (including coverage afforded to individuals under section 102 of such Act (42 U.S.C. 1212(j)), or under the Rehabilitation Act of 1973 (29 U.S.C. 701 et seq.);

(2)(A) limit the rights or protections of an individual to bring an action under this chapter against an employer, employment agency, labor organization, or joint labor-management committee for a violation of this chapter; or

(B) provide for enforcement of, or penalties for violation of, any requirement or prohibition applicable to any employer, employment agency, labor organization, or joint labor-management committee subject to enforcement for a violation under—

(i) the amendments made by title I of this Act;

(ii)(I) subsection (a) of section 1181 of title 29 as such section applies with respect to genetic information pursuant to subsection (b)(1)(B) of such section;

(II) section 1182(a)(1)(F) of title 29; or

(III) section 1182(a)(1) of title 29 as such section applies with respect to genetic information as a health status-related factor;

(iii)(I) subsection (a) of section 2702 of the Public Health Service Act as such section applies with respect to genetic information pursuant to subsection (b)(1)(B) of such section;

(II) section 2702(a)(1)(F) of such Act; or

(III) section 2702(b)(1) of such Act as such section applies with respect to genetic information as a health status-related factor;

(iv)(I) subsection (a) of section 9801 of title 26 as such section applies with respect to genetic information pursuant to subsection (b)(1)(B) of such section;

(II) section 9802(a)(1)(F) of title 26; or

(III) section 9802(b)(1) of title 26 as such section applies with respect to genetic information as a health status-related factor;

(5) Postal services

(2)(A) limit the authority of a Federal department or agency to conduct or sponsor occupational or other health research that is conducted in compliance with the regulations contained in part 46 of title 45, Code of Federal Regulations (or any corresponding or similar regulation or rule);

(6) limit the statutory or regulatory authority of the Occupational Safety and Health Administration or the Mine Safety and Health Administration to promulgate or enforce workplace safety and health laws and regulations; or

(7) require any specific benefit for an employee or member or a family member of an employee or member under any group health plan or health insurance issuer offering group health insurance coverage in connection with a group health plan.

(b) Genetic information of a fetus or embryo

Any reference in this chapter to genetic information concerning an individual or family member of an individual shall—

(1) with respect to such an individual or family member of an individual who is a pregnant woman, include genetic information of any fetus carried by such pregnant woman; and

(2) with respect to an individual or family member utilizing an assisted reproductive technology, include genetic information of any embryo legally held by the individual or family member.

(c) Relation to authorities under title I

With respect to a group health plan, or a health insurance issuer offering group health insurance coverage in connection with a group health plan, this chapter does not prohibit any activity of such plan or issuer that is authorized for the plan or issuer under any provision of law referred to in clauses (i) through (iv) of subsection (a)(2)(B).

REFERENCES IN TEXT
Title I, referred to in subsecs. (a)(2)(B)(i) and (c), means title I of Pub. L. 110–233. For complete classification of title I to the Code, see Tables.
Section 2702 of the Public Health Service Act, referred to in subsec. (a)(2)(B)(ii)(I), is section 2702 of act July 1, 1944, which was classified to section 300gg–1 of this title, was amended by Pub. L. 111–148, title I, §1201(3), Mar. 23, 2010, 124 Stat. 154, and was transferred to subsec. (d) to (f) of section 300gg–4 of this title, effective for plan years beginning on or after Jan. 1, 2014. A new section 2702 of act July 1, 1944, related to guaranteed availability of coverage, was added by Pub. L. 111–148, title I, §1201(4), title X, §10106(a), Mar. 23, 2010, 124 Stat. 155, 892, and is classified to section 300gg–1 of this title.

EFFECTIVE DATE
Section effective 18 months after May 21, 2008, see section 213 of Pub. L. 110–233, set out as a note under section 2000ff of this title.

§ 2000ff–11. Authorization of appropriations
There are authorized to be appropriated such sums as may be necessary to carry out this chapter (except for section 2000ff–7 of this title).


EFFECTIVE DATE
Section effective 18 months after May 21, 2008, see section 213 of Pub. L. 110–233, set out as a note under section 2000ff of this title.

CHAPTER 22—INDIAN HOSPITALS AND HEALTH FACILITIES

SUBCHAPTER I—MAINTENANCE AND OPERATION

Sec. 2001. Hospitals and health facilities transferred to Public Health Service; restriction on closing hospitals.
Sec. 2002. Transfer of hospitals and facilities to State or private institutions; conditions and restrictions; failure to meet requirements.
Sec. 2004A. Sanitation facilities.
Sec. 2004B. Implementation of education, hospital and health facility, etc., contracts and grants by Public Health Service personnel; request for detail of personnel.

SUBCHAPTER II—CONSTRUCTION OF HEALTH FACILITIES AND COMMUNITY HOSPITALS

Sec. 2005A. Amount of assistance; determination of costs.
Sec. 2005B. Conditions of assistance.
Sec. 2005C. Payments.
Sec. 2005D. Eligibility of assisted project for aid under other acts; excluded costs.
Sec. 2005E. Definitions.
Sec. 2005F. Supervision or control of assisted hospitals.

SUBCHAPTER I—MAINTENANCE AND OPERATION

§ 2001. Hospitals and health facilities transferred to Public Health Service; restriction on closing hospitals
(a) All functions, responsibilities, authorities, and duties of the Department of the Interior, the Bureau of Indian Affairs, Secretary of the Interior, and the Commissioner of Indian Affairs relating to the maintenance and operation of hospital and health facilities for Indians, and the conservation of the health of Indians, are transferred to, and shall be administered by, the Surgeon General of the United States Public Health Service, under the supervision and direction of the Secretary of Health and Human Services: Provided, That hospitals now in operation for a specific tribe or tribes of Indians shall not be closed prior to July 1, 1958, without the consent of the governing body of the tribe or its organized council.

(b) In carrying out his functions, responsibilities, authorities, and duties under this sub-
chapter, the Secretary is authorized, with the consent of the Indian people served, to contract with private or other non-Federal health agencies or organizations for the provision of health services to such people on a fee-for-service basis or on a prepayment or other similar basis.


AMENDMENTS

1973—Pub. L. 93–222 designated existing provisions as subsec. (a) and added subsec. (b).

EFFECTIVE DATE


TRANSFER OF FUNCTIONS


§2002. Transfer of hospitals and facilities to State or private institutions; conditions and restrictions; failure to meet requirements

Whenever the health needs of the Indians can be better met thereby, the Secretary of Health and Human Services is authorized in his discretion to enter into contracts with any State, Territory, or political subdivision thereof, or any private nonprofit corporation, agency or institution providing for the transfer of the United States Public Health Service of Indian hospitals or health facilities, including initial operating equipment and supplies. It shall be a condition of such transfer that all facilities transferred shall be available to meet the health needs of the Indians and that such health needs shall be given priority over those of the non-Indian population. No hospital or health facility that has been constructed or maintained for a specific tribe of Indians, or for a specific group of tribes, shall be transferred by the Secretary of Health and Human Services to a non-Indian entity or organization under this subchapter unless such action has been approved by the governing body of the tribe, or by the governing bodies of a majority of the tribes, for which such hospital or health facility has been constructed or maintained: Provided, That if, following such transfer by the United States Public Health Service, the Secretary of Health and Human Services finds the hospital or health facility transferred under this section is not thereafter serving the need of the Indians, the Secretary of Health and Human Services shall notify those charged with management thereof, setting forth needed improvements, and in the event such improvements are not made within a time to be specified, shall immediately assume management and operation of such hospital or health facility.


EFFECTIVE DATE

Section effective July 1, 1959, see section 6 of act Aug. 5, 1954, set out as a note under section 2001 of this title.

TRANSFER OF FUNCTIONS

Functions of Public Health Service, Surgeon General of Public Health Service, and all other officers and employees of Public Health Service, and functions of all agencies of or in Public Health Service transferred to Secretary of Health, Education and Welfare by Reorg. Plan No. 3 of 1966, eff. June 25, 1966, 31 F.R. 8855, 80 Stat. 1610, set out as a note under section 202 of this title. Secretary of Health, Education, and Welfare redesignated Secretary of Health and Human Services by section 509(b) of Pub. L. 96–88, which is classified to section 3508(b) of Title 20, Education.

§2003. Regulations

The Secretary of Health and Human Services is also authorized to make such other regulations as he deems desirable to carry out the provisions of this subchapter.


CHANGE OF NAME

“Secretary of Health and Human Services” substituted in text for “Secretary of Health, Education, and Welfare” pursuant to section 509(b) of Pub. L. 96–88, which is classified to section 3508(b) of Title 20, Education.

EFFECTIVE DATE

Section effective July 1, 1959, see section 6 of act Aug. 5, 1954, set out as a note under section 2001 of this title.

§2004. Transfer of personnel, property, records, monies

The personnel, property, records, and unexpended balances of appropriations, allocations, and other funds (available or to be made available), which the Director of the Office of Management and Budget shall determine to relate primarily to the functions transferred to the Public Health Service of the Department of Health and Human Services hereunder, are transferred for use in the administration of the functions so transferred. Any of the personnel transferred pursuant to this subchapter which the transferee agency shall find to be in excess of the personnel necessary for the administration of the functions transferred to such agency shall be retransferred under existing law to other positions in the Government or separated from the service.


EFFECTIVE DATE

Section effective July 1, 1959, see section 6 of act Aug. 5, 1954, set out as a note under section 2001 of this title.

TRANSFER OF FUNCTIONS

Functions vested by law (including reorganization plan) in Bureau of the Budget or Director of Bureau of

Functions of Public Health Service, Surgeon General of Public Health Service, and all other officers and employees of Public Health Service, and functions of all agencies of or in Public Health Service transferred to Secretary of Health, Education, and Welfare by Reorg. Plan No. 3 of 1966, eff. June 25, 1966, 31 F.R. 8855, 80 Stat. 1610, set out as a note under section 202 of this title. Secretary and Department of Health, Education, and Welfare redesignated Secretary and Department of Health and Human Services by section 509(b) of Pub. L. 96–88, which is classified to section 3508(b) of Title 20, Education.

§ 2004a. Sanitation facilities
(a) Powers of Surgeon General
In carrying out his functions under this subchapter with respect to the provision of sanitation facilities and services, the Surgeon General is authorized—

(1) to construct, improve, extend, or otherwise provide and maintain, by contract or otherwise, essential sanitation facilities, including domestic and community water supplies and facilities, drainage facilities, and sewage- and waste-disposal facilities, together with necessary appurtenances and fixtures, for Indian homes, communities, and lands;

(2) to acquire lands, or rights or interests therein, including sites, rights-of-way, and easements, and to acquire rights to the use of water, by purchase, lease, gift, exchange, or otherwise, when necessary for the purposes of this section, except that no lands or rights or interests therein may be acquired from an Indian tribe, band, group, or community, or individual other than by gift or for nominal consideration, if the facility for which such lands or rights or interests therein are acquired is for the exclusive benefit of such tribe, band, group, or individual, respectively;

(3) to make such arrangements and agreements with appropriate public authorities and nonprofit organizations or agencies and with the Indians to be served by such sanitation facilities (and any other person so served) regarding contributions toward the construction, improvement, extension and provision thereof, and responsibilities for maintenance thereof, as in his judgment are equitable and will best assure the future maintenance of facilities in an effective and operating condition; and

(4) to transfer any facilities provided under this section, together with appurtenant interests in land, with or without a money consideration, and under such terms and conditions as in his judgment are appropriate, having regard to the contributions made and the maintenance responsibilities undertaken, and the special health needs of the Indians concerned, to any State or Territory or subdivision or public authority thereof, or to any Indian tribe, group, band, or community or, in the case of domestic appurtenances and fixtures, to any one or more of the occupants of the Indian home served thereby.

(b) Transfer and reversion of lands
The Secretary of the Interior is authorized to transfer to the Surgeon General for use in carrying out the purposes of this section such interest and rights in federally owned lands under the jurisdiction of the Department of the Interior, and in Indian-owned lands that either are held by the United States in trust for Indians or are subject to a restriction against alienation imposed by the United States, including appurtenances and improvements thereto, as may be requested by the Surgeon General. Any land or interest therein, including appurtenances and improvements to such land, so transferred shall be subject to disposition by the Surgeon General in accordance with paragraph (4) of subsection (a);

Provided, That, in any case where a beneficial interest in such land is in any Indian, or Indian tribe, band, or group, the consent of such beneficial owner to any such transfer or disposition shall first be obtained: Provided further, That where deemed appropriate by the Secretary of the Interior provisions shall be made for a reversion of title to such land if it ceases to be used for the purpose for which it is transferred or disposed.

(c) Project consultation and participation
The Surgeon General shall consult with, and encourage the participation of, the Indians concerned, States and political subdivisions thereof, in carrying out the provisions of this section.


TRANSFER OF FUNCTIONS


§ 2004b. Implementation of education, hospital and health facility, etc., contracts and grants by Public Health Service personnel; request for detail of personnel

In accordance with subsection (d) of section 215 of this title, upon the request of any Indian tribe, band, group, or community, commissioned officers of the Service may be assigned by the Secretary for the purpose of assisting such Indian tribe, group, band, or community in carrying out the provisions of contracts with, or grants to, tribal organizations pursuant to sections 5321 and 5322 of title 25.


AMENDMENTS

1988—Pub. L. 100–472, which directed amendment of this section by substituting reference to sections 5321
and 5322 of title 25 for reference to section 5321, former section 450g, "and" section 5322 of title 25, was executed by making the substitution for reference to section 5321, former section 450g, "or" section 5322 of title 25, to reflect the probable intent of Congress.

SUBCHAPTER II—CONSTRUCTION OF HEALTH FACILITIES AND COMMUNITY HOSPITALS

§ 2005. Financial assistance by Surgeon General

Whenever the Surgeon General of the Public Health Service, in carrying out his functions under subchapter I of this chapter with respect to the provision of health services to Indians in any particular area, determines, after consultation with such Indians, that the provision of financial assistance to one or more public or other nonprofit agencies or organizations for the construction of a community hospital constitutes a method of making needed hospital facilities available for such Indians which is more desirable and effective than direct Federal construction, he may provide such financial assistance from funds available for the construction of Indian health facilities for such Indians.

(Pub. L. 85–151, §1, Aug. 16, 1957, 71 Stat. 370.)

TRANSFER OF FUNCTIONS

Office of Surgeon General abolished by section 3 of Reorg. Plan No. 3 of 1966, eff. June 23, 1966, 31 F.R. 8855, 80 Stat. 1810, and functions thereof transferred to Secretary of Health, Education, and Welfare by section 1 of Reorg. Plan No. 3 of 1966, set out as a note under section 292 of this title, Secretary of Health, Education, and Welfare redesignated Secretary of Health and Human Services by section 509(b) of Pub. L. 96–88, which is classified to section 509(b) of Title 20, Education. Office of Surgeon General reestablished within the Office of the Assistant Secretary for Health, see Notice of Department of Health and Human Services by section 509(b) of Pub. L. 96–88, which is classified to section 509(b) of Title 20, Education.


REFERENCES IN TEXT

The Public Health Service Act, referred to in par. (b), is act July 1, 1944, ch. 373, 58 Stat. 682, as amended. Title VI of the Act is classified generally to subchapter IV (§291 et seq.) of chapter 6A of this title. For complete classification of this Act to the Code, see Short Title note set out under section 281 of this title and Tables.

TRANSFER OF FUNCTIONS

Office of Surgeon General abolished by section 3 of Reorg. Plan No. 3 of 1966, eff. June 23, 1966, 31 F.R. 8855, 80 Stat. 1810, and functions thereof transferred to Secretary of Health, Education, and Welfare by section 1 of Reorg. Plan No. 3 of 1966, set out as a note under section 292 of this title, Secretary of Health, Education, and Welfare redesignated Secretary of Health and Human Services by section 509(b) of Pub. L. 96–88, which is classified to section 509(b) of Title 20, Education. Office of Surgeon General reestablished within the Office of the Assistant Secretary for Health, see Notice of Department of Health and Human Services by section 509(b) of Pub. L. 96–88, which is classified to section 509(b) of Title 20, Education.


TRANSFER OF FUNCTIONS

Office of Surgeon General abolished by section 3 of Reorg. Plan No. 3 of 1966, eff. June 23, 1966, 31 F.R. 8855, 80 Stat. 1810, and functions thereof transferred to Secretary of Health, Education, and Welfare by section 1 of Reorg. Plan No. 3 of 1966, set out as a note under section 292 of this title, Secretary of Health, Education, and Welfare redesignated Secretary of Health and Human Services by section 509(b) of Pub. L. 96–88, which is classified to section 509(b) of Title 20, Education.


§ 2005a. Amount of assistance; determination of costs

The amount of such financial assistance shall not exceed that portion of the reasonable cost of the construction project which is attributable to the Indian health needs, as determined by the Surgeon General: Provided, That in determining, for the purposes of this subchapter, the portion of the cost of the construction project attributable to Indian health needs, the Surgeon General shall take into account only those categories of Indians for which hospital and medical care, including outpatient care and field health services, is being provided by or at the expense of the Public Health Service on August 16, 1957.


TRANSFER OF FUNCTIONS

Office of Surgeon General abolished by section 3 of Reorg. Plan No. 3 of 1966, eff. June 23, 1966, 31 F.R. 8855, 80 Stat. 1810, and functions thereof transferred to Secretary of Health, Education, and Welfare by section 1 of Reorg. Plan No. 3 of 1966, set out as a note under section 292 of this title, Secretary of Health, Education, and Welfare redesignated Secretary of Health and Human Services by section 509(b) of Pub. L. 96–88, which is classified to section 509(b) of Title 20, Education.

§ 2005d. Eligibility of assisted project for aid under other acts; excluded costs

Neither assistance provided under this subchapter for meeting part of the cost of construction of a hospital project, nor the giving of any assurance required as a condition of such assistance, shall be construed as affecting in any way the eligibility of such project for aid under Title VI of the Public Health Service Act [42 U.S.C. 291 et seq.] or any other Federal Act authorizing financial aid in the construction of such project, but construction costs met with Federal funds made available under this subchapter shall not be included in the cost of construction in which the Federal Government shares under such title VI or other Federal Act.


References in Text

The Public Health Service Act, referred to in text, is act July 1, 1944, ch. 373, 58 Stat. 682, as amended. Title VI of the Act is classified generally to subchapter IV (§ 291 et seq.) of chapter 6A of this title. For complete classification of this Act to the Code, see Short Title VI or other Federal Act.

§ 2005e. Definitions

As used in this subchapter:

(a) “Hospital” includes diagnostic or treatment centers and general hospitals, and related facilities, such as laboratories, outpatient departments, nurses’ home and training facilities, and central service facilities operated in connection with hospitals, but does not include any hospital furnishing primarily domiciliary care;

(b) “Diagnostic or treatment center” means a facility for the diagnosis or diagnosis and treatment of ambulatory patients—

(1) which is operated in connection with a hospital, or

(2) in which patient care is under the professional supervision of persons licensed to practice medicine or surgery in the State, or, in the case of dental diagnosis or treatment, under the professional supervision of persons licensed to practice dentistry in the State.

(c) “Nonprofit” means owned or operated by one or more corporations or associations no part of the net earnings of which inures, or may lawfully inure, to the benefit of any private shareholder or individual.

(d) “Construction” means construction of new buildings, expansion, remodeling, and alteration of existing buildings, and initial equipment of any such buildings (including medical transportation facilities), including architects and engineering fees, but excluding legal fees, the cost of off-site improvements and the cost of the acquisition of land.


§ 2005f. Supervision or control of assisted hospitals

Except as otherwise specifically provided, nothing in this subchapter shall be construed as conferring on any Federal officer or employee the right to exercise any supervision or control over the administration, personnel, maintenance, or operation of any hospital, with respect to which any funds have been or may be expended under this subchapter.


CHAPTER 23—DEVELOPMENT AND CONTROL OF ATOMIC ENERGY

SUBCHAPTER I—GENERAL PROVISIONS

2012. Congressional findings.
2013. Purpose of chapter.
2015a. Cold standby.
2016. Scholarship and fellowship program.
2016a. Partnership program with institutions of higher education.
2016b. Repealed.
2017a to 2017b. Omitted.
2021a. Storage or disposal facility planning.
2021b. Definitions.
2021d. Regional compacts for disposal of low-level radioactive waste.
2021e. Limited availability of certain regional disposal facilities during transition and licensing periods.
2021f. Emergency access.
2021g. Responsibilities of Department of Energy.
2021h. Alternative disposal methods.
2021i. Licensing review and approval.
2021j. Radioactive waste below regulatory concern.
2023. State authority to regulate radiation below level of regulatory concern of Nuclear Regulatory Commission.

SUBCHAPTER II—ORGANIZATION

2031, 2032. Repealed.
2033. Principal office.
2034. General Manager, Deputy and Assistant General Managers.
2035. Divisions, offices, and positions.
2036, 2037. Repealed.
2038. Appointment of Army, Navy, or Air Force officer as Assistant General Manager for Military Application; Chairman of Military Liaison Committee; compensation.
2039. Advisory Committee on Reactor Safeguards; composition; tenure; duties; compensation.
2040. Fellowship program of Advisory Committee on Reactor Safeguards; selection of fellowships.

SUBCHAPTER III—RESEARCH

2051. Research and development assistance.
2052. Research by Commission.
2053. Research for others; charges.

SUBCHAPTER IV—PRODUCTION OF SPECIAL NUCLEAR MATERIAL

2061. Production facilities.
2062. Irradiation of materials.
2063. Acquisition of production facilities.
2064. Disposition of energy; regulation on sale.
SUBCHAPTER V—SPECIAL NUCLEAR MATERIAL

2071. Determination of other material as special nuclear material; Presidential absent; effective date.
2072. Repealed.
2073. Domestic distribution of special nuclear material.
2074. Foreign distribution of special nuclear material.
2075. Acquisition of special nuclear material; payments; just compensation.
2076. Guaranteed purchase prices.
2077. Interagency review of applications for the transfer of United States civil nuclear technology.
2078. Congressional review of guaranteed purchase price, guaranteed purchase price period, and criteria for waiver of charges.

SUBCHAPTER VI—SOURCE MATERIAL

2091. Determination of source material.
2092. License requirements for transfers.
2093. Domestic distribution of source material.
2094. Foreign distribution of source material.
2095. Reports.
2096. Acquisition of source material; payments.
2097. Operations on lands belonging to United States.
2098. Public and acquired lands.
2099. Prohibitions against issuance of license.

SUBCHAPTER VII—BYPRODUCT MATERIALS

2111. Domestic distribution.
2112. Foreign distribution of byproduct material.
2113. Ownership and custody of certain byproduct material and disposal sites.
2114. Authorities of Commission respecting certain byproduct material.

SUBCHAPTER VIII—MILITARY APPLICATION OF ATOMIC ENERGY

2121. Authority of Commission.
2122. Prohibitions governing atomic weapons.
2123a. Repealed.
2123. Transferred.

SUBCHAPTER IX—ATOMIC ENERGY LICENSES

2131. License required.
2132. Utilization and production facilities for industrial or commercial purposes.
2133. Commercial licenses.
2134. Medical, industrial, and commercial licenses.
2135. Antitrust provisions governing licenses.
2136. Classes of facilities.
2137. Operators’ licenses.
2138. Suspension of licenses during war or national emergency.
2139. Component and other parts of facilities.
2139a. Regulations implementing requirements relating to licensing for components and other parts of facilities.
2140. Exclusions from license requirement.
2141. Licensing by Nuclear Regulatory Commission of distribution of special nuclear material, source material, and byproduct material by Department of Energy.
2142. Domestic medical isotope production.

SUBCHAPTER X—INTERNATIONAL ACTIVITIES

2151. Effect of international arrangements.
Sec. 2201. General duties of Commission.
2201a. Use of firearms by security personnel.
2202. Contracts.
2203. Advisory committees.
2204. Electric utility contracts; authority to enter into; cancellation; submission to Energy Committees.
2204a. Fission product contracts.
2205. Contract practices.
2205a. Repealed.
2206. Comptroller General audit.
2207. Claim settlements; reports to Congress.
2208. Payments in lieu of taxes.
2209. Subsidies.
2210. Indemnification and limitation of liability.
2210a. Conflicts of interest relating to contracts and other arrangements.
2210b. Uranium supply.
2210c. Elimination of pension offset for certain rehired Federal retirees.
2210d. Security evaluations.
2210e. Design basis threat rulemaking.
2210f. Recruitment tools.
2210h. Radiation source protection.
2210i. Secure transfer of nuclear materials.
2211. Payment of claims or judgments for
2212, 2213. Repealed or Transferred.
2215. Nuclear Regulatory Commission user
2218. Violation of specific sections.
2219. Civil penalties.
2220. Contempt proceedings.
2221. Just compensation for requisitioned property acquired.
2222. Condemnation of real property.
2224. Attorney General approval of title.
2225. Repealed or Transferred.
2226. NRC user fees and annual charges.
2227. Nuclear Regulatory Commission user fees and annual charges for fiscal year 2021 and each fiscal year thereafter.
SUBCHAPTER XIV—COMPENSATION FOR PRIVATE PROPERTY ACQUIRED
2221. Just compensation for requisitioned property.
2222. Condemnation of real property.
2224. Attorney General approval of title.
SUBCHAPTER XV—JUDICIAL REVIEW AND ADMINISTRATIVE PROCEDURE
2231. Applicability of administrative procedure provisions; definitions.
2232. License applications.
2233. Terms of licenses.
2234. Inalienability of licenses.
2235. Construction permits and operating licenses.
2236. Revocation of licenses.
2237. Modification of license.
2238. Continued operation of facilities.
2239. Hearings and judicial review.
2240. Licensee incident reports as evidence.
2241. Atomic safety and licensing boards; establishment; membership; functions; compensation.
2242. Temporary operating license.
2243. Licensing of uranium enrichment facilities.
SUBCHAPTER XVI—JOINT COMMITTEE ON ATOMIC ENERGY
2251 to 2257. Repealed.
2258. Joint Committee on Atomic Energy abolished.
2259. Information and assistance to Congressional committees.
SUBCHAPTER XVII—ENFORCEMENT OF CHAPTER
2271. General provisions.
SUBCHAPTER I—GENERAL PROVISIONS

§ 2011. Congressional declaration of policy

Atomic energy is capable of application for peaceful as well as military purposes. It is therefore declared to be the policy of the United States that—

(a) the development, use, and control of atomic energy shall be directed so as to make the maximum contribution to the general welfare, subject at all times to the paramount objective of making the maximum contribution to the common defense and security; and

(b) the development, use, and control of atomic energy shall be directed so as to promote world peace, improve the general welfare, increase the standard of living, and strengthen free competition in private enterprise.


Prior Provisions

A prior section 1 of act Aug. 1, 1946, ch. 724, 60 Stat. 755, which related to declaration of policy and purpose of former chapter 14 of this title, was classified to section 1801 of this title, prior to the general amendment and renumbering of act Aug. 1, 1946, by act Aug. 30, 1954.

Short Title of 2019 Amendment

Pub. L. 115–439, § 1(a), Jan. 14, 2019, 132 Stat. 5565, provided that: ‘‘This Act [enacting section 2215 of this title, amending sections 2134 and 2214 of this title, repealing section 2214 of this title, and enacting provisions set out as a note under section 2214 of this title] may be cited as the ‘Nuclear Energy Innovation and Modernization Act.’’’

Short Title of 2015 Amendment

Pub. L. 114–17, § 1, May 22, 2015, 129 Stat. 201, provided that: ‘‘This Act [enacting section 2160e of this title] may be cited as the ‘Iran Nuclear Agreement Review Act of 2015.’’’

Short Title of 2013 Amendment


Short Title of 2005 Amendment


Short Title of 2000 Amendment

Pub. L. 106–245, § 1, July 10, 2000, 114 Stat. 501, provided that: ‘‘This Act [enacting section 285a–9 of this title and enacting and amending provisions set out as notes under section 2210 of this title] may be cited as

 being added directly to act Aug. 1, 1946, without reference in their source credits to act Aug. 30, 1954.
the ‘Radiation Exposure Compensation Act Amendments of 2000’."

**SHORT TITLE OF 1996 AMENDMENT**


**SHORT TITLE OF 1988 AMENDMENT**


**SHORT TITLE OF 1964 AMENDMENT**


**SHORT TITLE OF 1958 AMENDMENT**


**SHORT TITLE**


**SEPARABILITY**

Act Aug. 1, 1946, ch. 724, title I, §291, as added by act Aug. 30, 1954, §1; renumbered title I, Oct. 24, 1992, Pub. L. 102–186, title IX, §§902(a)(8), 106 Stat. 2944, provided: “If any provision of this Act [see Short Title note above] or the application of such provision to any person or circumstances, is held invalid, the remainder of this Act or the application of such provision to persons or circumstances other than those as to which it is held invalid, shall not be affected thereby.”

**TRANSFER OF FUNCTIONS**

Atomic Energy Commission abolished and functions transferred by sections 5814 and 5815 of this title. See also Transfer of Functions notes set out under those sections.

### 2012. Congressional findings

The Congress of the United States makes the following findings concerning the development, use, and control of atomic energy:

(a) The development, utilization, and control of atomic energy for military and for all other purposes are vital to the common defense and security.


(c) The processing and utilization of source, byproduct, and special nuclear material affect interstate and foreign commerce and must be regulated in the national interest.

(d) The processing and utilization of source, byproduct, and special nuclear material must be regulated in the national interest and in order to provide for the common defense and security and to protect the health and safety of the public.

(e) Source and special nuclear material, production facilities, and utilization facilities are affected with the public interest, and regulation by the United States of the production and utilization of atomic energy and of the facilities used in connection therewith is necessary in the national interest to assure the common defense and security and to protect the health and safety of the public.

(f) The necessity for protection against possible interstate damage occurring from the operation of facilities for the production or utilization of source or special nuclear material places the operation of those facilities in interstate commerce for the purposes of this chapter.

(g) Funds of the United States may be provided for the development and use of atomic energy under conditions which will provide for the common defense and security and promote the general welfare.

(i) In order to protect the public and to encourage the development of the atomic energy industry, in the interest of the general welfare and of the common defense and security, the United States may make funds available for a portion of the damages suffered by the public from nuclear incidents, and may limit the liability of those persons liable for such losses.

### REFERENCES IN TEXT


### PRIOR PROVISIONS

A prior section 2 of act Aug. 1, 1946, ch. 724, 60 Stat. 756, which related to establishment of Atomic Energy Commission, its membership, tenure, compensation, and appointment of certain officers and committees, was classified to section 1802 of this title, prior to the general amendment of act Aug. 1, 1946, by act Aug. 30, 1954.

### AMENDMENTS

1964—Subsec. (b). Pub. L. 88–489, §1, struck out subsec. (b) which found that use of United States property by others must be regulated in national interest and in order to provide for common defense and security and to protect health and safety of public. Subsec. (b). Pub. L. 88–489, §2, struck out subsec. (b) which found it essential to common defense and security that title to all special nuclear material be in United States while such special nuclear material is within United States.
§ 2013. Purpose of chapter

It is the purpose of this chapter to effectuate the policies set forth above by providing for—

(a) a program of conducting, assisting, and fostering research and development in order to encourage maximum scientific and industrial progress;

(b) a program for the dissemination of unclassified scientific and technical information and for the control, dissemination, and declas­sification of Restricted Data, subject to appropriate safeguards, so as to encourage scientific and industrial progress;

(c) a program for Government control of the possession, use, and production of atomic energy and special nuclear material, whether owned by the Government or others, so directed as to make the maximum contribution to the common defense and security and the national welfare, and to provide continued assurance of the Government’s ability to enter into and enforce agreements with nations or groups of nations for the control of special nuclear materials and atomic weapons;

(d) a program to encourage widespread participation in the development and utilization of atomic energy for peaceful purposes to the maximum extent consistent with the common defense and security and with the health and safety of the public;

(e) a program of international cooperation to promote the common defense and security and to make available to cooperating nations the benefits of peaceful applications of atomic energy as widely as expanding technology and considerations of the common defense and security will permit; and

(f) a program of administration which will be consistent with the foregoing policies and programs, with international arrangements, and with agreements for cooperation, which will enable the Congress to be currently informed so as to take further legislative action as may be appropriate.


REFERENCES IN TEXT

This chapter, referred to in text, was in the original “this Act”, meaning act Aug. 1, 1946, ch. 724, as added by act Aug. 30, 1954, ch. 1073, §1, 68 Stat. 919, known as the Atomic Energy Act of 1954, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 2011 of this title and Tables.

PRIOR PROVISIONS

A prior section 3 of act Aug. 1, 1946, ch. 724, 60 Stat. 758, which related to research and development activities by the Atomic Energy Commission, was classified to section 1863 of this title, prior to the general amendment of act Aug. 1, 1946, by act Aug. 30, 1954.

Sections 4 to 10 of act Aug. 1, 1946, ch. 724, 60 Stat. 759–766, which related to production of fissionable material, prohibited acts, ownership and operation of production facilities, irradiation of materials, and manufacture of production facilities; control of fissionable materials; military application of atomic energy; license requirements for utilization of atomic energy, reports to Congress, and issuance of licenses; force and effect of international agreements; property of Commission and its exempt status from taxation; and control of information, were classified to sections 1841 to 1846, respectively, of this title, prior to the general amendment of act Aug. 1, 1946, by act Aug. 30, 1954. Section numbers 4 to 10 were not repeated in the general amendment of act Aug. 1, 1946.

AMENDMENTS

1964—Subsec. (c). Pub. L. 88–489 inserted “whether owned by the Government or others” and “and to provide continued assurance of the Government’s ability to enter into and enforce agreements with nations or groups of nations for the control of special nuclear materials and atomic weapons”.

§ 2014. Definitions

The intent of Congress in the definitions as given in this section should be construed from the words or phrases used in the definitions. As used in this chapter:

(a) The term “agency of the United States” means the executive branch of the United States, or any Government agency, or the legislative branch of the United States, or any agency, committee, commission, office, or other establishment in the legislative branch, or the judicial branch of the United States, or any office, agency, committee, commission, or other establishment in the judicial branch.

(b) The term “agreement for cooperation” means any agreement with another nation or regional defense organization authorized or permitted by sections 2074, 2077, 2094, 2112, 2121(c), 2133, 2134, or 2164 of this title, and made pursuant to section 2153 of this title.

(c) The term “atomic energy” means all forms of energy released in the course of nuclear fission or nuclear transformation.

(d) The term “atomic weapon” means any device utilizing atomic energy, exclusive of the means for transporting or propelling the device (where such means is a separable and divisible part of the device), the principal purpose of which is for use as, or for development of, a weapon, a weapon prototype, or a weapon test device.

(e) The term “byproduct material” means—

(1) any radioactive material (except special nuclear material) yielded in or made radioactive by exposure to the radiation incident to
§ 2014

Title 42—The Public Health and Welfare

Paragraphs

1. the process of producing or utilizing special nuclear material;
2. the tailings or wastes produced by the extraction or concentration of uranium or thorium from any ore processed primarily for its source material content;
3. any discrete source of radium-226 that is produced, extracted, or converted after extraction, before, on, or after August 8, 2005, for use in a commercial, medical, or research activity; or
4. any material that—
   a. has been made radioactive by use of a particle accelerator; and
   b. is produced, extracted, or converted after extraction, before, on, or after August 8, 2005, for use in a commercial, medical, or research activity; and
5. any discrete source of naturally occurring radioactive material, other than source material, that—
   a. The Commission, in consultation with the Administrator of the Environmental Protection Agency, the Secretary of Energy, the Secretary of Homeland Security, and the head of any other appropriate Federal agency, determines would pose a threat similar to the threat posed by a discrete source of radium-226 to the public health and safety or the common defense and security; and
   b. before, on, or after August 8, 2005, is extracted or converted after extraction for use in a commercial, medical, or research activity.
7. The term “common defense and security” means the common defense and security of the United States.
8. The term “defense information” means any information in any category determined by any Government agency authorized to classify information, as being information respecting, relating to, or affecting the national defense.
9. The term “design” means (1) specifications, plans, drawings, blueprints, and other items of like nature; (2) the information contained therein; or (3) the research and development data pertinent to the information contained therein.
10. The term “extraordinary nuclear occurrence” means any event causing a discharge or dispersal of source, special nuclear, or byproduct material from its intended place of confinement in amounts offsite, or causing radiation levels offsite, which the Nuclear Regulatory Commission or the Secretary of Energy, as appropriate, determines to be substantial, and which the Nuclear Regulatory Commission or the Secretary of Energy, as appropriate, determines has resulted or will probably result in substantial damages to persons offsite or property offsite. Any determination by the Nuclear Regulatory Commission or the Secretary of Energy, as appropriate, shall be final and conclusive, and no other official or any court shall have power or jurisdiction to review any such determination. The Nuclear Regulatory Commission or the Secretary of Energy, as appropriate, shall establish criteria in writing setting forth the basis upon which such determination shall be made. As used in this subsection, “offsite” means away from “the location” or “the contract location” as defined in the applicable Nuclear Regulatory Commission or the Secretary of Energy, as appropriate, indemnity agreement, entered into pursuant to section 2210 of this title.
11. The term “financial protection” means the ability to respond in damages for public liability and to meet the costs of investigating and defending claims and settling suits for such damages.
12. The term “Government agency” means any executive department, commission, independent establishment, corporation, wholly or partly owned by the United States of America which is an instrumentality of the United States, or any board, bureau, division, service, office, officer, authority, administration, or other establishment in the executive branch of the Government.
13. The term “indemnitor” means (1) any insurer with respect to his obligations under a policy of insurance furnished as proof of financial protection; (2) any licensee, contractor or other person who is obligated under any other form of financial protection, with respect to such obligations; and (3) the Nuclear Regulatory Commission or the Secretary of Energy, as appropriate, with respect to any obligation undertaken by it in indemnity agreement entered into pursuant to section 2210 of this title.
14. The term “international arrangement” means any international agreement hereafter approved by the Congress or any treaty during the time such agreement or treaty is in full force and effect, but does not include any agreement for cooperation.
15. The term “Energy Committees” means the Committee on Energy and Natural Resources of the Senate and the Committee on Energy and Commerce of the House of Representatives.
16. The term “licensed activity” means an activity licensed pursuant to this chapter and covered by the provisions of section 2210(a) of this title.
17. The term “nuclear incident” means any occurrence, including an extraordinary nuclear occurrence, within the United States causing, within or outside the United States, bodily injury, sickness, disease, or death, or loss of or damage to property, or loss of use of property, arising out of or resulting from the radioactive, toxic, explosive, or other hazardous properties of source, special nuclear, or byproduct material: Provided, however, That as the term is used in section 2210(l) of this title, it shall include any such occurrence outside the United States: And provided further, That as the term is used in section 2210(d) of this title, it shall include any such occurrence outside the United States if such occurrence involves source, special nuclear, or byproduct material owned by, and used by or under contract with, the United States: And provided further, That as the term is used in section 2210(c) of this title, it shall include any such occurrence outside both the United States and any other nation if such occurrence arises out of or results from the radioactive, toxic, explosive, or other hazardous properties of source, special nuclear, or byproduct material licensed pursuant...
to subchapters V, VI, VII, and IX of this division, which is used in connection with the operation of a licensed stationary production or utilization facility or which moves outside the territorial limits of the United States in transit from one person licensed by the Nuclear Regulatory Commission to another person licensed by the Nuclear Regulatory Commission.

(r) The term “operator” means any individual who manipulates the controls of a utilization or production facility.

(a) The term “person” means (1) any individual, corporation, partnership, firm, association, trust, estate, public or private institution, group, Government agency other than the Commission, any State or any political subdivision of, or any political entity within a State, any foreign government or nation or any political subdivision of any such government or nation, or other entity; and (2) any legal successor, representative, agent, or agency of the foregoing.

(t) The term “person indemnified” means (1) with respect to a nuclear incident occurring within the United States, the person with whom an indemnity agreement is executed or who is required to maintain financial protection, and any other person who may be liable for public liability or (2) with respect to any other nuclear incident occurring outside the United States, the person with whom an indemnity agreement is executed and any other person who may be liable for public liability by reason of his activities under any contract with the Secretary of Energy or any project to which indemnification under the provisions of section 2210(d) of this title has been extended or under any subcontract, purchase order, or other agreement, of any tier, under any such contract or project.

(u) The term “produce”, when used in relation to special nuclear material, means (1) to manufacture, make, produce, or refine special nuclear material; (2) to separate special nuclear material from other substances in which such material may be contained; or (3) to make or to produce new special nuclear material.

(v) The term “production facility” means (1) any equipment or device determined by rule of the Commission to be capable of the production of special nuclear material in such quantity as to be of significance to the common defense and security, or in such manner as to affect the health and safety of the public; or (2) any important component part especially designed for such equipment or device as determined by the Commission. Except with respect to the export of a uranium enrichment production facility, such term as used in subchapters IX and XV shall not include any equipment or device (or important component part especially designed for such equipment or device) capable of separating the isotopes of uranium or enriching uranium in the isotope 235.

(w) The term “public liability” means any legal liability arising out of or resulting from a nuclear incident or precautionary evacuation (including all reasonable additional costs incurred by a State, or a political subdivision of a State, in the course of responding to a nuclear incident or a precautionary evacuation), except:

(i) claims under State or Federal workmen’s compensation acts of employees of persons indemnified who are employed at the site of and in connection with the activity where the nuclear incident occurs; (ii) claims for loss of, or damage to, or loss of use of property which is located at the site of and used in connection with the licensed activity where the nuclear incident occurs. “Public liability” also includes damage to property of persons indemnified: Provided, That such property is covered under the terms of the financial protection required, except property which is located at the site of and used in connection with the activity where the nuclear incident occurs.

(x) The term “research and development” means (1) theoretical analysis, exploration, or experimentation; or (2) the extension of investigative findings and theories of a scientific or technical nature into practical application for experimental and demonstration purposes, including the experimental production and testing of models, devices, equipment, materials, and processes.

(y) The term “Restricted Data” means all data concerning (1) design, manufacture, or utilization of atomic weapons; (2) the production of special nuclear material; or (3) the use of special nuclear material in the production of energy, but shall not include data declassified or removed from the Restricted Data category pursuant to section 2162 of this title.

(2) The term “source material” means (1) uranium, thorium, or any other material which is determined by the Commission pursuant to the provisions of section 2091 of this title to be source material; or (2) ores containing one or more of the foregoing materials, in such concentration as the Commission may by regulation determine from time to time.

(aa) The term “special nuclear material” means (1) plutonium, uranium enriched in the isotopes 233 or in the isotope 235, and any other material which the Commission, pursuant to the provisions of section 2071 of this title, determines to be special nuclear material, but does not include source material; or (2) any material artificially enriched by any of the foregoing, but does not include source material.

(bb) The term “United States” when used in a geographical sense includes all territories and possessions of the United States, the Canal Zone and Puerto Rico.

(cc) The term “utilization facility” means (1) any equipment or device, except an atomic weapon, determined by rule of the Commission to be capable of making use of special nuclear material in such quantity as to be of significance to the common defense and security, or in such manner as to affect the health and safety of the public, or peculiarly adapted for making use of atomic energy in such quantity as to be of significance to the common defense and security, or in such manner as to affect the health and safety of the public; or (2) any important
component part especially designed for such equipment or device as determined by the Commission.

(dd) The terms "high-level radioactive waste" and "spent nuclear fuel" have the meanings given such terms in section 10101 of this title.

(ee) The term "transuranic waste" means material contaminated with elements that have an atomic number greater than 92, including plutonium, americium, and curium, and that are in concentrations greater than 10 nanocuries per gram, or in such other concentrations as the Nuclear Regulatory Commission may prescribe to protect the public health and safety.

(ff) The term "nuclear waste activities", as used in section 2210 of this title, means activities subject to an agreement of indemnification under subsection (d) of such section, that the Secretary of Energy is authorized to undertake, under this chapter or any other law, involving the storage, handling, transportation, treatment, or disposal of, or research and development on, spent nuclear fuel, high-level radioactive waste, or transuranic waste, including (but not limited to) activities authorized to be carried out under the Waste Isolation Pilot Project under section 213 of Public Law 96-164 (93 Stat. 1265).

(gg) The term "precautionary evacuation" means an evacuation of the public within a specified area near a nuclear facility, or the transportation route in the case of an accident involving transportation of source material, special nuclear material, byproduct material, high-level radioactive waste, spent nuclear fuel, or transuranic waste to or from a production or utilization facility, if the evacuation is—

(1) the result of any event that is not classified as a nuclear incident but that poses imminent danger of bodily injury or property damage from the radiological properties of source material, special nuclear material, byproduct material, high-level radioactive waste, spent nuclear fuel, or transuranic waste, and causes an evacuation; and

(2) initiated by an official of a State or a political subdivision of a State, who is authorized by State law to initiate such an evacuation and who reasonably determined that such an evacuation was necessary to protect the public health and safety.

(hh) The term "public liability action", as used in section 2210 of this title, means any suit to recover monetary damages for injuries to persons or property caused by the nuclear incident involved, under such section.

(i) LEGAL COSTS.—As used in section 2210 of this title, the term "legal costs" means the costs incurred by a plaintiff or a defendant in initiating, prosecuting, investigating, settling, or defending claims or suits for damage arising under such section.


REFERENCES IN TEXT

This chapter, referred to in text, was in the original "this Act", meaning act Aug. 1, 1946, ch. 724, as added by act Aug. 30, 1954, ch. 1073, §1, 68 Stat. 919, as the Atomic Energy Act of 1954, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under this Act.

For definition of Canal Zone, referred to in subsec. (bb), see section 3602(b) of Title 22, Foreign Relations and Intercourse.


PRIOR PROVISIONS

A prior section 11 of act Aug. 1, 1946, ch. 724, 60 Stat. 768, which related to patents and inventions, was classified to section 1811 of this title, prior to the general amendment of act Aug. 1, 1946, by act Aug. 30, 1954.

Sections 12 to 19 of act Aug. 1, 1946, ch. 724, 60 Stat. 770-775, which related to authority, powers and duties of Atomic Energy Commission; compensation for acquisition of private property; judicial review; Joint Committee of Congress on Atomic Energy; penalties for violation of certain provisions of chapter 14 of this title, injunctions, subpoenas of witnesses, and production of documents; reports and recommendations to Congress; definitions; and authorization of appropriations, were classified to sections 1812 to 1819, respectively, of this title, and section 20 of act Aug. 1, 1946, ch. 724, 60 Stat. 775, which related to separability of provisions of the act, was set out as a note under section 1801 of this title, prior to the general amendment of act Aug. 1, 1946, by act Aug. 30, 1954. Section numbers 12 to 20 were not repeated in the general amendment of act Aug. 1, 1946.

AMENDMENTS

2005—Subsec. (e). Pub. L. 109-58 substituted "means—" for "means", realigned margins of pars. (1) and (2), and added pars. (3) and (4).

1996—Subsec. (v). Pub. L. 104-134, which directed the amendment of subsec. (v) by striking out "or the construction and operation of a uranium enrichment facility using Atomic Vapor Laser Isotope Separation technology", was executed by striking out "or the construction and operation of a uranium enrichment production facility using Atomic Vapor Laser Isotope Separation technology" before "such term as used", to reflect the probable intent of Congress.

1994—Subsec. (u). Pub. L. 103-357 substituted " 'Energy Committees' means the Committees on Energy and Natural Resources of the Senate and the Committee on Energy and Commerce of the House of Representatives" for " 'Joint Committee' means the Joint Committee on Atomic Energy".


1So in original. No subsec. (ii) has been enacted.
read as follows: “Except with respect to the export of a uranium enrichment production facility, such term as used in subchapters IX and XV shall not include any equipment or device (or important component part especially designed for such equipment or device) capable of separating the isotopes of uranium or enriching uranium in the isotope 235.”

Subsec. (v). Pub. L. 101–575 inserted at end “Except with respect to the export of a uranium enrichment production facility, such term as used in subchapters IX and XV shall not include any equipment or device (or important component part especially designed for such equipment or device) capable of separating the isotopes of uranium or enriching uranium in the isotope 235.”

Subsec. (j), (m). Pub. L. 100–408, §16(b)(1), substituted “Nuclear Regulatory Commission or the Secretary of Energy, as appropriate,” for “Commission” wherever appearing.

Subsec. (q). Pub. L. 100–408, §16(d)(1), substituted “section” for “subsection” in three places, which for purposes of codification was translated as “section”, thus requiring no change in text.

Pub. L. 100–408, §16(d)(2), substituted “Secretary of Energy” for “Commission” wherever appearing.

Subsec. (t). Pub. L. 100–408, §16(d)(3), substituted “sections (a), (c), and (k)” for “section 2210(a), (c), and (k)” of this title for “section 2210(a), (c), and (k)” of this title.

Pub. L. 100–408, §5(a), inserted “or precautionary evacuation (including all reasonable additional costs incurred by a State, or a political subdivision part especially designed for such equipment or device) capable of separating the isotopes of uranium or enriching uranium in the isotope 235.”


1978—Subsec. (e). Pub. L. 95–604 designated existing provisions as cl. (1) and added cl. (2).

1975—Subsec. (q). Pub. L. 94–197 substituted “source, special nuclear, or byproduct material” for “facility or device” and inserted proviso to include within term as used in section 2210(c) of this title any occurrence outside both the United States and any other nation.

Subsec. (t). Pub. L. 94–197 expanded definition to include nuclear incidents occurring outside the United States as the term is used in section 2210(c) of this title and inserted reference to person required to maintain financial protection.


1978—Subsec. (k). (i). Pub. L. 95–604, §1(a)(1), redesignated former subsecs. (j) and (k) as (k) and (l), respectively. Former subsec. (l) redesignated (n).


Subsec. (n) to (p). Pub. L. 89–645, §1(a)(1), redesignated former subsecs. (i) to (n) as (n) to (p), respectively. Former subsecs. (n) to (p) redesignated (p) to (r), respectively.

Subsec. (q). Pub. L. 89–645, §1(a)(1), (4), redesignated former subsec. (o) as (q) and inserted “including an extraordinary nuclear occurrence,” between “occurrence” and “within”, respectively. Former subsec. (q) redesignated (s).

Subsecs. (r) to (cc). Pub. L. 89–645, §1(a)(1), redesignated former subsecs. (p) to (aa) as (r) to (cc), respectively.

1962—Subsec. (o). Pub. L. 87–615, §4, enlarged definition of “nuclear incident” to include any occurrence within the United States causing any of the listed injuries and damages within or outside the United States, provided that as used in section 2210(i) of this title, the term shall “include” instead of “mean” any such occurrence outside the United States, and that as used in section 2210(d) of this title, the term shall include any such occurrence outside the United States if such occurrence involves a facility or devise owned by, and used by or under contract with, the United States.

Subsec. (r). Pub. L. 87–615, §5, limited definition of “person indemnified” to nuclear incidents occurring within the United States, or in connection with the nuclear ship Savannah, and inserted provisions with respect to nuclear incidents occurring outside the United States.


Former subsec. (j) redesignated (k).

Subsecs. (k) to (m). Pub. L. 85–256, redesignated former subsecs. (j) to (k) as (k) to (m), respectively.

Former subsec. (m) redesignated (p).


Subsecs. (p), (q). Pub. L. 85–256 redesignated former subsecs. (m) and (n) as (p) and (q), respectively. Former subsecs. (p) and (q) redesignated (t) and (u), respectively.


Subsecs. (t). Pub. L. 85–256 redesignated former subsecs. (o) and (p) as (s) and (t), respectively. Former subsecs. (s) and (t) redesignated (x) and (y), respectively.


Subsecs. (v) to (aa). Pub. L. 85–256 redesignated former subsecs. (q) to (v) as (v) to (aa), respectively.

1966—Subsec. (o). Act Aug. 6, 1956, substituted “the Canal Zone and Puerto Rico” for “and the Canal Zone”.

CHANGE OF NAME

Committee on Energy and Commerce of House of Representatives treated as referring to Committee on Commerce of House of Representatives by section 1(a) of Pub. L. 104–14, set out as a note preceding section 21 of Title 15, Commerce and Trade.

National Aeronautics and Space Administration Committee on Commerce of House of Representatives changed to Committee on Energy and Commerce of House of Representatives by section 1(a) of Pub. L. 105–56, set out as a note preceding section 2014 of Title 15, Commerce and Trade.

FEDERAL REGISTER DATES OF EFFECTIVE AMENDMENT

Pub. L. 104–408, §20, Aug. 20, 1988, 102 Stat. 1084, provided that:

“(a) Except as provided in subsection (b), the amendments made by this Act [enacting section 2282a of this title and amending this section and sections 2210 and 2273 of this title] shall become effective on the date of the enactment of this Act [Aug. 20, 1988] and shall be applicable with respect to nuclear incidents occurring on or after such date.

“(b)(1) The amendments made by section 11 [amending this section and section 2210 of this title] shall apply to nuclear incidents occurring before, on, or after the date of the enactment of this Act.

“(2)(A) Section 234A of the Atomic Energy Act of 1954 [section 2282a of this title] shall not apply to any violation occurring before the date of the enactment of this Act.

1956—Subsec. (u). Act Aug. 6, 1956, substituted “the Canal Zone and Puerto Rico” for “and the Canal Zone”. 


section 9(a) of the Atomic Energy Act of 1946, as repeal, modify, amend, or alter the provisions of provided that: “Except as otherwise provided in this title [see section 202(b) of Pub. L. 95–504, set out as an Effective Date note under section 2113 of this title] the amendments made by this title [enacting sections 2022 and 2114 of this title, amending this section and sections 2021, 2111, and 2201 of this title, and enacting provisions set out as notes under sections 2021 and 2113 of this title] shall take effect on the date of the enactment of this Act [Nov. 8, 1978].”

TRANSFER OF FUNCTIONS
Atomic Energy Commission abolished and functions transferred by sections 5814 and 5841 of this title. See also Transfer of Functions notes set out under those sections.

§ 2015. Transfer of property

Nothing in this chapter shall be deemed to repeal, modify, amend, or alter the provisions of section 9(a) of the Atomic Energy Act of 1946, as heretofore amended.


REFERENCES IN TEXT
This chapter, referred to in text, was in the original “this Act”, meaning act Aug. 1, 1946, ch. 724, as added by act Aug. 30, 1954, ch. 1073, § 1, 68 Stat. 919, known as the Atomic Energy Act of 1946, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under this title and Tables.

Section 9(a) of the Atomic Energy Act of 1946, as heretofore amended, referred to in text, which was formerly classified to section 1809(a) of this title, provided that: “The President shall direct the transfer to the Commission of all interests owned by the United States or any Government agency in the following property:

“(1) All fissionable material; all atomic weapons and parts thereof; all facilities, equipment, and materials for the processing, production, or utilization of fissionable material or atomic energy; all processes and technical information of any kind, and the source thereof (including data, drawings, specifications, patents, patent applications, and other sources (relating to the processing, production, or utilization of fissionable material or atomic energy; and all contracts, agreements, leases, patents, applications for patents, inventions and discoveries (whether patented or unpatented), and other rights of any kind concerning any such items;

“(2) All facilities, equipment, and materials, devoted primarily to atomic energy research and development; and

“(3) Such other property owned by or in the custody or control of the Manhattan Engineer District or other Government agencies as the President may determine.”

PRIOR PROVISIONS
Provisions similar to those comprising this section were contained in section 9 of act Aug. 1, 1946, ch. 724, 60 Stat. 765, which was classified to section 1809 of this title, prior to the complete amendment and renumbering of act Aug. 1, 1946, by act Aug. 30, 1954.

§ 2015a. Cold standby

The Secretary is authorized to expend such funds as may be necessary for the purposes of maintaining enrichment capability at the Portsmouth, Ohio, facility.


§ 2015b. Scholarship and fellowship program

(a) Scholarship program

To enable students to study, for at least 1 academic semester or equivalent term, science, engineering, or another field of study that the Commission determines is in a critical skill area related to the regulatory mission of the Commission, the Commission may carry out a program to—

(1) award scholarships to undergraduate students who—

(A) are United States citizens; and

(B) enter into an agreement under subsection (c) to be employed by the Commission in the area of study for which the scholarship is awarded.

(b) Fellowship program

To enable students to pursue education in science, engineering, or another field of study that the Commission determines is in a critical skill area related to its regulatory mission, in a graduate or professional degree program offered by an institution of higher education in the United States, the Commission may carry out a program to—

(1) award fellowships to graduate students who—

(A) are United States citizens; and

(B) enter into an agreement under subsection (c) to be employed by the Commission in the area of study for which the fellowship is awarded.

(c) Requirements

(1) In general

As a condition of receiving a scholarship or fellowship under subsection (a) or (b), a recipient of the scholarship or fellowship shall enter into an agreement with the Commission under which, in return for the assistance, the recipient shall—

(A) maintain satisfactory academic progress in the studies of the recipient, as determined by criteria established by the Commission;

(B) agree that failure to maintain satisfactory academic progress shall constitute grounds on which the Commission may terminate the assistance;

(C) on completion of the academic course of study in connection with which the assistance was provided, and in accordance with criteria established by the Commission, engage in employment by the Commission for a period specified by the Commission, that shall be not less than 1 time and not more than 3 times the period for which the assistance was provided; and

(D) if the recipient fails to meet the requirements of subparagraph (A), (B), or (C), reimburse the United States Government for—

1 So in original. No par. (2) has been enacted.
(i) the entire amount of the assistance provided the recipient under the scholarship or fellowship; and
(ii) interest at a rate determined by the Commission.

(2) Waiver or suspension

The Commission may establish criteria for the partial or total waiver or suspension of any obligation of service or payment incurred by a recipient of a scholarship or fellowship under this section.

(d) Competitive process

Recipients of scholarships or fellowships under this section shall be selected through a competitive process primarily on the basis of academic merit and such other criteria as the Commission may establish, with consideration given to financial need and the goal of promoting the participation of individuals identified in section 1885a or 1885b of this title.

(e) Direct appointment

The Commission may appoint directly, with no further competition, public notice, or consideration of any other potential candidate, an individual who has—

(1) received a scholarship or fellowship awarded by the Commission under this section; and
(2) completed the academic program for which the scholarship or fellowship was awarded.


§ 2015c. Partnership program with institutions of higher education

(a) Definitions

In this section:

(1) Hispanic-serving institution

The term “Hispanic-serving institution” has the meaning given the term in section 1101a(a) of title 20.

(2) Historically Black college and university

The term “historically Black college or university” has the meaning given the term “part B institution” in section 1061 of title 20.

(3) Tribal college

The term “Tribal college” has the meaning given the term “tribally controlled college or university” in section 1801(a) of title 25.

(b) Partnership program

The Commission may establish and participate in activities relating to research, mentoring, instruction, and training with institutions of higher education, including Hispanic-serving institutions, historically Black colleges or universities, and Tribal colleges, to strengthen the capacity of the institutions—

(1) to educate and train students (including present or potential employees of the Commission); and
(2) to conduct research in the field of science, engineering, or law, or any other field that the Commission determines is important to the work of the Commission.


AMENDMENTS


§ 2017. Authorization of appropriations

(a) Congressional authorization

No appropriation shall be made to the Commission, nor shall the Commission waive charges for the use of materials under the Cooperative Power Reactor Demonstration Program, unless previously authorized by legislation enacted by the Congress.

(b) Accounting

Any Act appropriating funds to the Commission may appropriate specified portions thereof to be accounted for upon the certification of the Commission only.

(c) Restoration or replacement of facilities

Notwithstanding the provisions of subsection (a), funds are hereby authorized to be appropriated for the restoration or replacement of any plant or facility destroyed or otherwise seriously damaged, and the Commission is authorized to use available funds for such purposes.

(d) Substituted construction projects

Funds authorized to be appropriated for any construction project to be used in connection with the development or production of special nuclear material or atomic weapons may be used to start another construction project not otherwise authorized if the substituted construction project is within the limit of cost of the construction project for which substitution is to be made, and the Commission certifies that—

(1) the substituted project is essential to the common defense and security;
(2) the substituted project is required by changes in weapon characteristics or weapon logistic operations; and
(3) the Commission is unable to enter into a contract with any person on terms satisfactory to it to furnish from a privately owned plant or facility the product or services to be provided by the new project.

Prior Provisions

Provisions similar to those comprising this section were contained in section 19 of act Aug. 1, 1946, ch. 724, 60 Stat. 775, which was classified to section 1819 of this title, prior to the general amendment and renumbering of act Aug. 1, 1946, by act Aug. 30, 1954.

Amendments

1963—Subsec. (a). Pub. L. 88–72 required legislative authorization of appropriations to the Commission and waiver of charges for use of materials under the Cooperative Power Reactor Demonstration Program. Former provisions of subsec. (a) authorized appropriations necessary and appropriate to carry out the provisions and purposes of this chapter, excepting in par. (1) sums necessary for acquisition of real property or facility acquisition, construction or expansion (and deeming under certain conditions a nonmilitary experimental reactor to be a facility) and in par. (2) sums necessary to carry out cooperative programs for development and construction of reactors for demonstration of their use in production of electrical power or process heat, or for propulsion, or for commercial provision of byproduct material, irradiation or other special service, for civilian use, by arrangements providing for payment of funds, rendering of services and undertaking of research and development without full reimbursement, the waiver of charges accompanying such arrangement or the provision of other financial assistance pursuant to such arrangement or the acquisition of real property or facility acquisition, construction or expansion undertaken by the Commission as part of such arrangement.

Subsec. (b). Pub. L. 88–72 substituted “Any act appropriating funds to the Commission” for “The acts appropriating such sums.”

Subsec. (c). Pub. L. 88–72 struck out authorization of funds provision for advanced planning, construction design and architectural services in connection with any plant or facility and inserted “Notwithstanding” phrase.

Subsec. (d). Pub. L. 88–72 struck out “hereafter” after “Funds” and inserted “construction” before “project” wherever appearing.

1962—Subsecs. (c), (d). Pub. L. 87–615 added subsecs. (c) and (d).

1957—Pub. L. 85–79 designated first sentence as introductory clause of subsec. (a) and as (a)(1), inserted proviso to (a)(1), added (a)(2), by designating second sentence as subsec. (b), and struck out former sentence which provided that “Funds appropriated to the Commission shall, if obligated by contract during the fiscal year for which appropriated, remain available for expenditure for four years following the expiration of the fiscal year for which appropriated.”.

Effective date of 1963 Amendment


§2017a. Omitted

Codification

Section, act Sept. 26, 1962, Pub. L. 87–701, §104, 76 Stat. 601, which authorized appropriations for the Atomic Energy Commission for restoration or replacement of facilities, was from an Act authorizing appropriations for the Atomic Energy Commission, and was not enacted as part of the Atomic Energy Act of 1954 which comprises this chapter. See section 5821(g) of this title.

Similar provisions were contained in the following prior appropriation authorization acts:


§2017b. Omitted

Codification

Section, act Sept. 26, 1962, Pub. L. 87–701, §104, 76 Stat. 601, which authorized appropriations for the Atomic Energy Commission for restoration or replacement of facilities, was from an Act authorizing appropriations for the Atomic Energy Commission, and was not enacted as part of the Atomic Energy Act of 1954 which comprises this chapter. See section 2017(c) of this title.

Similar provisions were contained in the following prior appropriation authorization acts:


§2018. Agency Jurisdiction

Nothing in this chapter shall be construed to affect the authority or regulations of any Federal, State, or local agency with respect to the generation, sale, or transmission of electric power produced through the use of nuclear facilities licensed by the Commission: Provided, That this section shall not be deemed to confer upon any Federal, State, or local agency any authority to regulate, control, or restrict any activities of the Commission.


References In Text

This chapter, referred to in text, was in the original “this Act,” meaning act Aug. 1, 1946, ch. 724, as added by act Aug. 30, 1954, ch. 1073, §1, 68 Stat. 919, known as...
the Atomic Energy Act of 1954, which is classified principally to this chapter. For complete classification of
this Act to the Code, see Short Title note set out under
section 2011 of this title and Tables.

AMENDMENTS
1965—Pub. L. 89–135 inserted “produced through the use
of nuclear facilities licensed by the Commission:
Provided, That this section shall not be deemed to con-
fer upon any Federal, State, or local agency any au-
thority to regulate, control, or restrict any activities
of the Commission.”

§ 2019. Applicability of Federal Power Act
Every licensee under this chapter who holds a license
from the Commission for a utilization or production facility
for the generation of commercial electric energy under section 2133 of this
title and who transmits such electric energy in
interstate commerce shall be subject to the reg-

§ 2020. Licensing of Government agencies

Nothing in this chapter shall preclude any
Government agency now or hereafter authorized
by law to engage in the production, marketing,
or distribution of electric energy from obtaining
a license under section 2133 of this title, if quali-
fied under the provisions of said section, for the
construction and operation of production or utili-
zation facilities for the primary purpose of pro-
ducing electric energy for disposition for ulti-
mate public consumption.

REFERENCES IN TEXT

This chapter, referred to in text, was in the original
“This Act”, meaning act Aug. 1, 1946, ch. 724, as added:
by act Aug. 30, 1954, ch. 1073, §1, 68 Stat. 960; renumbered

§ 2021. Purpose

(a) Purpose
It is the purpose of this section—
(1) to recognize the interests of the States in
the peaceful uses of atomic energy, and to
clarify the respective responsibilities under
this chapter of the States and the Commission
with respect to the regulation of byproduct,
source, and special nuclear materials;
(2) to recognize the need, and establish pro-
grams for, cooperation between the States and
the Commission with respect to control of ra-
diation hazards associated with use of such
materials;
(3) to promote an orderly regulatory pattern
between the Commission and State govern-
ments with respect to nuclear development
and use and regulation of byproduct, source,
and special nuclear materials;
(4) to establish procedures and criteria for
discontinuance of certain of the Commission’s
regulatory responsibilities with respect to by-
product, source, and special nuclear materials,
and the assumption thereof by the States;
(5) to provide for coordination of the devel-
opment of radiation standards for the guid-
ance of Federal agencies and cooperation with
the States; and
(6) to recognize that, as the States improve
their capabilities to regulate effectively such
materials, additional legislation may be desir-
able.

(b) Agreements with States

Except as provided in subsection (c), the Com-
mision is authorized to enter into agreements
with the Governor of any State providing for
discontinuance of the regulatory authority of
the Commission under subchapters V, VI, and
VII of this division, and section 2201 of this title,
with respect to any one or more of the following
materials within the State:
(1) Byproduct materials (as defined in sec-
tion 2014(e) of this title).
(2) Source materials.
(3) Special nuclear materials in quantities
not sufficient to form a critical mass.

REFERENCES IN TEXT

This chapter, referred to in text, was in the original
“This Act”, meaning act Aug. 1, 1946, ch. 724, as added:
by act Aug. 30, 1954, ch. 1073, §1, 68 Stat. 919, known as
the Atomic Energy Act of 1954, which is classified prin-
cipally to this chapter. For complete classification of
this Act to the Code, see section 791a of Title 16 and
Tables.

§ 2021. Cooperation with States

(a) Purpose
It is the purpose of this section—
(1) to recognize the interests of the States in
the peaceful uses of atomic energy, and to
The Commission shall also retain authority under any such agreement to make a determination that all applicable standards and requirements have been met prior to termination of a license for byproduct material, as defined in section 2014(e)(2) of this title. Notwithstanding any agreement between the Commission and any State pursuant to subsection (b), the Commission is authorized by rule, regulation, or order to require that the manufacturer, processor, or producer of any equipment, device, commodity, or other product containing source, byproduct, or special nuclear material shall not transfer possession or control of such product except pursuant to a license issued by the Commission.

(d) Conditions

The Commission shall enter into an agreement under subsection (b) of this section with any State if—

(1) The Governor of that State certifies that the State has a program for the control of radiation hazards adequate to protect the public health and safety with respect to the materials within the State covered by the proposed agreement, and that the State desires to assume regulatory responsibility for such materials; and

(2) the Commission finds that the State program is in accordance with the requirements of subsection (o) and in all other respects compatible with the Commission’s program for the regulation of such materials, and that the State program is adequate to protect the public health and safety with respect to the materials covered by the proposed agreement.

(e) Publication in Federal Register; comment of interested persons

(1) Before any agreement under subsection (b) is signed by the Commission, the terms of the proposed agreement and of proposed exemptions pursuant to subsection (f) shall be published once each week for four consecutive weeks in the Federal Register; and such opportunity for comment by interested persons on the proposed agreement and exemptions shall be allowed as the Commission determines by regulation or order to be appropriate.

(2) Each proposed agreement shall include the proposed effective date of such proposed agreement and exemptions shall be published in the Federal Register within thirty days after signature by the Commission and the Governor.

(f) Exemptions

The Commission is authorized and directed, by regulation or order, to grant such exemptions from the licensing requirements contained in subchapters V, VI, and VII, and from its regulations applicable to licensees as the Commission finds necessary or appropriate to carry out any agreement entered into pursuant to subsection (b) of this section.

(g) Compatible radiation standards

The Commission is authorized and directed to cooperate with the States in the formulation of standards for protection against hazards of radiation to assure that State and Commission programs for protection against hazards of radiation will be coordinated and compatible.

(h) Consultative, advisory, and miscellaneous functions of Administrator of Environmental Protection Agency

The Administrator of the Environmental Protection Agency shall consult qualified scientists and experts in radiation matters, including the President of the National Academy of Sciences, the Chairman of the National Committee on Radiation Protection and Measurement, and qualified experts in the field of biology and medicine.

(i) Inspections and other functions; training and other assistance

The Commission in carrying out its licensing and regulatory responsibilities under this chapter is authorized to enter into agreements with any State, or group of States, to perform inspections or other functions on a cooperative basis as the Commission deems appropriate. The Commission is also authorized to provide training, with or without charge, to any State or political subdivision thereof or group of States as the Commission deems appropriate. Any such provision or assistance by the Commission shall take into account the additional expenses that may be incurred by a State as a consequence of the State’s entering into an agreement with the Commission pursuant to subsection (b).

(j) Reserve power to terminate or suspend agreements; emergency situations; State nonaction on causes of danger; authority exercisable only during emergency and commensurate with danger

(1) The Commission, upon its own initiative after reasonable notice and opportunity for hearing to the State with which an agreement under subsection (b) has become effective, or upon request of the Governor of such State, may terminate or suspend all or part of its agreement with the State and reassert the licensing and regulatory authority vested in it under this chapter, if the Commission finds that (1) such termination or suspension is required to protect the public health and safety, or (2) the State has not complied with one or more of the requirements of this section. The Commission shall periodically review such agreements and actions taken by the States under the agreements to ensure compliance with the provisions of this section.

(2) The Commission, upon its own motion or upon request of the Governor of any State, may,
after notifying the Governor, temporarily suspend all or part of its agreement with the State without notice or hearing if, in the judgment of the Commission:

(A) an emergency situation exists with respect to any material covered by such an agreement creating danger which requires immediate action to protect the health or safety of persons either within or outside the State, and

(B) the State has failed to take steps necessary to contain or eliminate the cause of the danger within a reasonable time after the situation arose.

A temporary suspension under this paragraph shall remain in effect only for such time as the emergency situation exists and shall authorize the Commission to exercise its authority only to the extent necessary to contain or eliminate the danger.

(k) State regulation of activities for certain purposes

Nothing in this section shall be construed to affect the authority of any State or local agency to regulate activities for purposes other than protection against radiation hazards.

(l) Commission regulated activities; notice of filing; hearing

With respect to each application for Commission license authorizing an activity as to which the Commission’s authority is continued pursuant to subsection (c), the Commission shall give prompt notice to the State or States in which the activity will be conducted of the filing of the license application; and shall afford reasonable opportunity for State representatives to offer evidence, interrogate witnesses, and advise the Commission as to the application without requiring such representatives to take a position for or against the granting of the application.

(m) Limitation of agreements and exemptions

No agreement entered into under subsection (b), and no exemption granted pursuant to subsection (f), shall affect the authority of the Commission under section 2201(b) or (l) of this title to issue rules, regulations, or orders to protect the common defense and security, to protect restricted data or to guard against the loss or diversion of special nuclear material. For purposes of section 2201(l) of this title, activities covered by exemptions granted pursuant to subsection (f) shall be deemed to constitute activities authorized pursuant to this chapter; and special nuclear material acquired by any person pursuant to such an exemption shall be deemed to have been acquired pursuant to section 2073 of this title.

(n) “State” and “agreement” defined

As used in this section, the term “State” means any State, Territory, or possession of the United States, the Canal Zone, Puerto Rico, and the District of Columbia. As used in this section, the term “agreement” includes any amendment to any agreement.

(o) State compliance requirements: compliance with section 2113(b) of this title and health and environmental protection standards; procedures for licenses, rulemaking, and license impact analysis; amendment of agreements for transfer of State collected funds; proceedings duplication restriction; alternative requirements

In the licensing and regulation of byproduct material, as defined in section 2014(e)(2) of this title, or of any activity which results in the production of byproduct material as so defined under an agreement entered into pursuant to subsection (b), a State shall require—

1. compliance with the requirements of subsection (b) of section 2113 of this title (respecting ownership of byproduct material and land), and

2. compliance with standards which shall be adopted by the State for the protection of the public health, safety, and the environment from hazards associated with such material which are equivalent, to the extent practicable, or more stringent than, standards adopted and enforced by the Commission for the same purpose, including requirements and standards promulgated by the Commission and the Administrator of the Environmental Protection Agency pursuant to sections 2113, 2114, and 2022 of this title, and

3. procedures which—

(A) in the case of licenses, provide procedures under State law which include—

(i) an opportunity, after public notice, for written comments and a public hearing, with a transcript,

(ii) an opportunity for cross examination, and

(iii) a written determination which is based upon findings included in such determination and upon the evidence presented during the public comment period and which is subject to judicial review;

(B) in the case of rulemaking, provide an opportunity for public participation through written comments or a public hearing and provide for judicial review of the rule;

(C) require for each license which has a significant impact on the human environment a written analysis (which shall be available to the public before the commencement of any such proceedings) of the impact of such license, including any activities conducted pursuant thereto, on the environment, which analysis shall include—

(i) an assessment of the radiological and nonradiological impacts to the public health of the activities to be conducted pursuant to such license;

(ii) an assessment of any impact on any waterway and groundwater resulting from such activities;

(iii) consideration of alternatives, including alternative sites and engineering methods, to the activities to be conducted pursuant to such license; and

(iv) consideration of the long-term impacts, including decommissioning, decontamination, and reclamation impacts, associated with activities to be conducted
pursuant to such license, including the management of any byproduct material, as defined by section 2014(e)(2) of this title; and

(D) prohibit any major construction activity with respect to such material prior to complying with the provisions of subparagraph (C).

If any State under such agreement imposes upon any licensee any requirement for the payment of funds to such State for the reclamation or long-term maintenance and monitoring of such material, and if transfer to the United States of such material is required in accordance with section 2113(b) of this title, such agreement shall be amended by the Commission to provide that such State shall transfer to the United States upon termination of the license issued to such licensee the total amount collected by such State from such licensee for such purpose. If such payments are required, they must be sufficient to ensure compliance with the standards established by the Commission pursuant to section 2201(x) of this title. No State shall be required under paragraph (3) to conduct proceedings concerning any license or regulation which would duplicate proceedings conducted by the Commission. In adopting requirements pursuant to paragraph (2) of this subsection with respect to sites at which ores are processed primarily for their source material content or which are used for the disposal of byproduct material as defined in section 2014(e)(2) of this title, the State may adopt alternatives (including, where appropriate, site-specific alternatives) to the requirements adopted and enforced by the Commission for the same purpose if, after notice and opportunity for public hearing, the Commission determines that such alternatives will achieve a level of stabilization and containment of the sites concerned, and a level of protection for public health, safety, and the environment from radiological and nonradiological hazards associated with such sites, which is equivalent to, to the extent practicable, or more stringent than the level which would be achieved by standards and requirements adopted and enforced by the Commission for the same purpose and any final standards promulgated by the Administrator of the Environmental Protection Agency in accordance with section 2022 of this title. Such alternative State requirements may take into account local or regional conditions, including geology, topography, hydrology and meteorology.


For definition of Canal Zone, referred to in subsec. (n), see section 3602(b) of Title 22, Foreign Relations and Intercourse.

Codification

In subsec. (h) of this section, provisions for the establishment of a Federal Radiation Council and for the designation of its Chairman and members have been omitted and the Administrator of the Environmental Protection Agency has been substituted for the Council as the person charged with the responsibility of carrying out the functions of the Council pursuant to Reorg. Plan No. 3 of 1970, \$ 2(a)(7), (6), eff. Dec. 2, 1970, 35 F.R. 15623, 84 Stat. 919, set out in the Appendix to Title 5, Government Organization and employees, which abolished the Federal Radiation Council and transferred its functions to the Administrator of the Environmental Protection Administration.

AMENDMENTS

2005—Subsec. (b). Pub. L. 109–58 substituted “State” for “State—” in introductory provisions, added pars. (1) to (3), and struck out former pars. (1) to (4) which read as follows:

“(1) byproduct materials as defined in section 2014(e)(1) of this title;

“(2) byproduct materials as defined in section 2014(e)(2) of this title;

“(3) source materials;

“(4) special nuclear materials in quantities not sufficient to form a critical mass.”

1992—Subsec. (c)(1). Pub. L. 102–486, \$ 902(a)(6), inserted before semicolon at end “or any uranium enrichment facility”.


1978—Subsec. (b). Pub. L. 95–604, \$ 204(a), inserted in par. (1) “as defined in section 2014(e)(1) of this title” after “byproduct materials”, added par. (2), and redesignated former pars. (2) and (3) as (3) and (4), respectively.

Subsec. (c). Pub. L. 95–604, \$ 204(f), required the Commission to retain authority under the agreement to make a determination that all applicable standards and requirements have been met prior to termination of a license for byproduct material as defined in section 2014(e)(2) of this title.

Subsec. (d)(2). Pub. L. 95–604, \$ 204(b), inserted “in accordance with the requirements of subsection (o) and in all other respects” before “compatible”.

Subsec. (j). Pub. L. 95–604, \$ 204(d), inserted “all or part of” after “suspend”, designated provision requiring termination or suspension be necessary to protect the public health and safety as cl. (1), added cl. (2), and inserted provision requiring the Commission to periodically review the agreements and actions taken by the States under the agreements to ensure compliance with the provisions of this section.

Subsec. (n). Pub. L. 95–604, \$ 204(c), added definition of “agreement”.


EFFECTIVE DATE OF 1978 AMENDMENT

Section 204(e)(2) of Pub. L. 95–604, as added by Pub. L. 96–106, \$ 22(d), Nov. 9, 1979, 93 Stat. 800, provided that: “The provisions of the amendment made by paragraph (1) of this subsection (which adds a new subsection o. to section 274 of the Atomic Energy Act of 1954 [this section]) shall apply only to the maximum extent practicable during the three-year period beginning on the date of the enactment of this Act [Nov. 8, 1978].”

State Authorities and Agreements Respecting By-product Material; Entry and Effective Dates of Agreements


"(h)(1) During the three-year period beginning on the date of the enactment of this Act [Nov. 8, 1978], notwithstanding any other provision of this title [See Effective Date of 1978 Amendment note set out under section 2014 of this title], any State may exercise any authority under State law (including authority exercised pursuant to an agreement entered into pursuant to section 274 of the Atomic Energy Act of 1954 [this section]) respecting (A) byproduct material, as defined in section 11 e. (2) of the Atomic Energy Act of 1954 [section 2014(e)(2) of this title], or (B) any activity which results in the production of byproduct material, as so defined, in the same manner and to the same extent as permitted before the date of the enactment of this Act, except that such State authority shall be exercised in a manner which, to the extent practicable, is consistent with the requirements of section 274 of the Atomic Energy Act of 1954 (as added by section 204(e) of this Act) [subsec. (o) of this section]. The Commission shall have the authority to ensure that such section 274 is implemented by any such State to the extent practicable during the three-year period beginning on the date of the enactment of this Act. Nothing in this section shall be construed to preclude the Commission or the Administrator of the Environmental Protection Agency from taking such action under section 275 of the Atomic Energy Act of 1954 [section 2022 of this title] as may be necessary to implement title I of this Act [section 711 et seq. of this title].

"(2) An agreement entered into with any State as permitted under section 274 of the Atomic Energy Act of 1954 [this section] with respect to byproduct material as defined in section 11 e. (2) of such Act. [section 2014(e)(2) of this title], may be entered into at any time after the date of the enactment of this Act [Nov. 8, 1978] but such agreement may take effect before the date one year after the date of the enactment of this Act. Notwithstanding any other provision of this title [See Effective Date of 1978 Amendment note set out under section 2014 of this title], where a State assumes or has assumed, pursuant to an agreement entered into under section 274 b. of the Atomic Energy Act of 1954 [subsec. (b) of this section], authority over any activity which results in the production of byproduct material, as defined in section 11 e. (2) of such Act [section 2014(e)(2) of this title], the Commission shall not, until the end of the three-year period beginning on the date of the enactment of this Act [Nov. 8, 1978], have licensing authority over such byproduct material produced in any activity covered by such agreement, unless the agreement is terminated, suspended, or amended to provide for such Federal licensing. If, at the end of such three-year period, a State has not entered into such an agreement with respect to byproduct material, as defined in section 11 e. (2) of the Atomic Energy Act of 1954, the Commission shall have authority over such byproduct material: Provided, however, That, in the case of a State which has exercised any authority under State law pursuant to an agreement entered into under section 274 of the Atomic Energy Act of 1954 [this section], the State authority over such byproduct material may be terminated, and the Commission authority over such material may be exercised, only after compliance by the Commission with the same procedures as are applicable in the case of termination of agreements under section 274 of the Atomic Energy Act of 1954 [subsec. (j) of this section]."

Federal Compliance with Pollution Control Standards

For provisions relating to the responsibility of the head of each Executive agency for compliance with applicable pollution control standards, see Ex. Ord. No. 12192, Nothing in §714 of the Atomic Energy Act of 1954 [43 P.R. 4707], set out as a note under section 421 of this title.

Executive Order No. 12192

Ex. Ord. No. 12192, Feb. 12, 1980, 45 P.R. 9727, which established the State Planning Council on Radioactive Waste Management and provided for its membership, functions, etc., was revoked by Ex. Ord. No. 12379, §13, Aug. 17, 1982, 47 P.R. 9699, set out as a note under section 14 of the Federal Advisory Committee Act in the Appendix to Title 5, Government Organization and Employees.

§2021a. Storage or disposal facility planning

(a) Any person, agency, or other entity proposing to develop a storage or disposal facility, including a test disposal facility, for high-level radioactive wastes, non-high-level radioactive wastes including transuranium contaminated wastes, or irradiated nuclear reactor fuel, shall notify the Commission as early as possible after the commencement of planning for a particular proposed facility. The Commission shall in turn notify the Governor and the State legislature of the State of proposed situs whenever the Commission has knowledge of such proposal.

(b) The Commission is authorized and directed to prepare a report on means for improving the opportunities for State participation in the process for siting, licensing, and developing nuclear waste storage or disposal facilities. Such report shall include detailed consideration of a program to provide grants through the Commission to any State, and the advisability of such a program, for the purpose of conducting an independent State review of any proposal to develop a nuclear waste storage or disposal facility identified in subsection (a) within such State. On or before March 1, 1979, the Commission shall submit the report to the Congress including recommendations for improving the opportunities for State participation together with any necessary legislative proposals.


References in Text

Commission, referred to in text, probably means the Nuclear Regulatory Commission in view of the fact that this section was enacted as part of the act authorizing appropriations for the Nuclear Regulatory Commission for fiscal year 1979.

Modification

Section was enacted as part of an act authorizing appropriations to the Nuclear Regulatory Commission for fiscal year 1979, and not as part of the Atomic Energy Act of 1954 which comprises this chapter.

Plan for Permanent Disposal of Waste from Atomic Energy Defense Activities; Submission of Plan to Congress Not Later Than June 30, 1983

Services of Senate and of House of Representatives not later than June 30, 1983, a report setting forth his plans for permanent disposal of high-level and transuranic waste resulting from atomic energy defense activities. Such report to include, but not be limited to, for each State in which such wastes are stored in interim storage facilities on Dec. 31, 1980, specific estimates of amounts allocated for expenditure each of the next five fiscal years to achieve the permanent disposal of such wastes and general estimates of amounts planned for expenditure in fiscal years thereafter to achieve such purpose, and a thorough and detailed program management plan for the disposal of such wastes.

WEST VALLEY DEMONSTRATION PROJECT; RADIOACTIVE WASTE MANAGEMENT; PROJECT ACTIVITIES; PUBLIC HEARINGS; REVIEW OF PROJECT AND CONSULTATIONS; AUTHORIZATION OF APPROPRIATIONS; REPORT TO CONGRESS

Pub. L. 107-66, title III, Nov. 12, 2001, 115 Stat. 503, provided in part: "That funding for the West Valley Demonstration Project shall be reduced in subsequent fiscal years to the minimum necessary to maintain the project in a safe and stable condition, unless, not later than September 30, 2002, the Secretary: (1) provides written notification to the Committees on Appropriations of the House of Representatives and the Senate that an agreement has been reached with the State of New York on the final scope of Federal activities at the West Valley site and on the respective Federal and State cost shares for those activities; (2) submits a written copy of that agreement to the Committees on Appropriations of the House of Representatives and the Senate; and (3) provides a written certification that the Federal actions proposed in the agreement will be in full compliance with all relevant Federal statutes and are in the best interest of the Federal Government.

Pub. L. 96-368, Oct. 1, 1980, 94 Stat. 1347, as amended by Pub. L. 102-154, title I, Nov. 13, 1991, 105 Stat. 1000; Pub. L. 110-32, Nov. 12, 2007, 121 Stat. 1195; Pub. L. 111-19, Mar. 18, 2009, 123 Stat. 1485, provided in part: "The Secretary shall carry out, in accordance with this Act, a high level radioactive waste management demonstration project at the Western New York Service Center in West Valley, New York, for the purpose of demonstrating solidification techniques which can be used for preparing high level radioactive waste for disposal. Under the project the Secretary shall carry out the following activities:

1. This Act may be cited as the 'West Valley Demonstration Project'.

2. (a) The Secretary shall carry out, in accordance with this Act, a high level radioactive waste management demonstration project at the Western New York Service Center in West Valley, New York, for the purpose of demonstrating solidification techniques which can be used for preparing high level radioactive waste for disposal. Under the project the Secretary shall carry out the following activities:

1. The Secretary shall solidify, in a form suitable for transportation and disposal, the high level radioactive waste at the Center by vitrification or by such other technology which the Secretary determines to be the most effective for solidification.

2. The Secretary shall develop containers suitable for the permanent disposal of the high level radioactive waste contained in the Center.

3. The Secretary shall, as soon as feasible, transport in accordance with applicable provisions of law, the waste solidified at the Center to an appropriate Federal repository for permanent disposal.

4. The Secretary shall, in accordance with applicable licensing requirements, dispose of low level radioactive waste and transuranic waste produced by the solidification of the high level radioactive waste under the project.

5. The Secretary shall decontaminate and decommission—

(A) the tanks and other facilities of the Center in which the high level radioactive waste solidified under the project was stored,

(B) the facilities used in the solidification of the waste, and

(C) any material and hardware used in connection with the project, in accordance with such requirements as the Commission may prescribe.

Before undertaking the project and during the fiscal year ending September 30, 1981, the Secretary shall carry out the following:

1. The Secretary shall hold in the vicinity of the Center public hearings to inform the residents of the area in which the Center is located of the activities proposed to be undertaken under the project and to receive their comments on the project.

2. The Secretary shall consider the various technologies available for the solidification and handling of high level radioactive waste taking into account the unique characteristics of such waste at the Center.

The Secretary shall:

(A) undertake detailed engineering and cost estimates for the project,

(B) prepare a plan for the safe removal of the high level radioactive waste at the Center for the purposes of solidification and include in the plan provisions respecting the safe breaching of the tanks in which the waste is stored, operating equipment to accomplish the removal, and sluicing techniques.

(C) conduct appropriate safety analyses of the project, and

(D) prepare required environmental impact analyses of the project.

The Secretary shall enter into a cooperative agreement with the State in accordance with the Federal Grant and Cooperative Agreement Act [see section 6301 et seq. of Title 31, Money and Finance] under which the State will carry out the following:

(A) The State will make available to the Secretary the facilities of the Center and the high level radioactive waste at the Center which are necessary for the completion of the project. The facilities and the waste shall be made available without the transfer of title and for such period as may be required for completion of the project.

(B) The Secretary shall provide technical assistance in securing required license amendments.

(C) The State shall pay 10 per centum of the costs of the project, as determined by the Secretary. In determining the costs of the project, the Secretary shall consider the value of the use of the Center for the project. The State may not use Federal funds to pay its share of the cost of the project, but may use the perpetual care fund to pay such share.

(D) Submission jointly by the Department of Energy and the State of New York of an application for a licensing amendment as soon as possible with the Nuclear Regulatory Commission providing for the demonstration.

Within one year from the date of the enactment of this Act [Oct. 1, 1980], the Secretary shall enter into an agreement with the Commission to establish arrangements for review and consultation by the Commission with respect to the project: Provided. That review and consultation by the Commission pursuant to this subsection shall be conducted informally by the Commission and shall not include nor require formal procedures or actions by the Commission pursuant to the Atomic Energy Act of 1946, as amended [this chapter], the Energy Reorganization Act of 1974, as amended [section 5801 et seq. of this title], or any other law. The agreement shall provide for the following:

1. The Secretary shall submit to the Commission, for its review and comment, a plan for the solidification of the high level radioactive waste at the Center, the removal of the waste for purposes of its solidification, the preparation of the waste for disposal, and the decontamination of the facilities to be used in solidifying the waste. In preparing its comments on the plan, the Commission shall specify with precision its objections to any provision of the plan. Upon submission of a plan to the Commission, the Secretary shall publish a notice in the Federal Register of the submission of the plan and of its availability for public inspection, and, upon receipt of comments from the Commission respecting a plan, the Secretary shall publish a notice in the Federal Register of the receipt
of the comments and of the availability of the comments for public inspection. If the Secretary does not revise the plan to meet objections specified in the comments of the Commission, the Secretary shall publish in the Federal Register a detailed statement for not so revising the plan.

"(2) The Secretary shall consult with the Commission in respect to the form in which the high level radioactive waste at the Center shall be solidified and the containers to be used in the permanent disposal of such waste.

"(3) The Secretary shall submit to the Commission safety analysis reports and such other information as the Commission may require to identify any danger to the public health and safety which may be presented by the project.

"(4) The Secretary shall afford the Commission access to the Center to enable the Commission to monitor the activities under the project for the purpose of assuring the public health and safety.

"(d) In carrying out the project, the Secretary shall consult with the Administrator of the Environmental Protection Agency, the Secretary of Transportation, the Director of the United States Geological Survey, and the commercial operator of the Center.

"SEC. 3. (a) There are authorized to be appropriated to the Secretary for the project not more than $75,000,000 for each of fiscal years 2020 through 2026.

"(b) The total amount obligated for the project by the Secretary shall be 90 per cent of the costs of the project.

"(c) The authority of the Secretary to enter into contracts under this Act shall be effective for any fiscal year only to such extent or in such amounts as are provided in advance by appropriation Acts.

"SEC. 4. Not later than February 1, 1961, and on February 1 of each calendar year thereafter during the term of the project, the Secretary shall transmit to the Speaker of the House of Representatives and the President pro tempore of the Senate an up-to-date report containing a detailed description of the activities of the Secretary in carrying out the project, including agreements entered into and the costs incurred during the period reported on and the activities to be undertaken in the next fiscal year and the estimated costs thereof.

"SEC. 5. (a) Other than the costs and responsibilities established by this Act for the project, nothing in this Act shall be construed as affecting any rights, obligations, or liabilities of the commercial operator of the Center, the State, or any person, as is appropriate, arising under the Atomic Energy Act of 1954 [this chapter] or under any other law, contract, or agreement for the operation, maintenance, or decontamination of any facility or property at the Center or for any wastes at the Center. Nothing in this Act shall be construed as affecting any applicable licensing requirement of the Atomic Energy Act of 1954 [section 5801 et seq. of this title]. This Act shall not apply or be extended to any facility or property at the Center which is not used in conducting the project. This Act may not be construed to expand or diminish the rights of the Federal Government.

"(b) This Act does not authorize the Federal Government to acquire title to any high level radioactive waste at the Center or to the Center or any portion thereof.

"SEC. 6. For purposes of this Act:

"(1) The term ‘Secretary’ means the Secretary of Energy.

"(2) The term ‘Commission’ means the Nuclear Regulatory Commission.

"(3) The term ‘State’ means the State of New York.

"(4) The term ‘high level radioactive waste’ means the high level radioactive waste which was produced by the reprocessing at the Center of spent nuclear fuel. Such term includes both liquid wastes which are produced directly in reprocessing, dry solid material derived from such liquid waste, and such other material as the Commission designates as high level radioactive waste for purposes of protecting the public health and safety.

"(5) The term ‘transuranic waste’ means material contaminated with elements which have an atomic number greater than 92, including neptunium, plutonium, americium, and curium, and which are in concentrations greater than 10 nanocuries per gram, or in such other concentrations as the Commission may prescribe to protect the public health and safety.

"(b) The term ‘low level radioactive waste’ means radioactive waste not classified as high level radioactive waste, transuranic waste, or byproduct material as defined in section 11e. (2) of the Atomic Energy Act of 1954 [section 2014(e)(2) of this title].

"(7) The term ‘project’ means the project prescribed by section 2(a).

"(8) The term ‘Center’ means the Western New York Service Center in West Valley, New York.’’

[For termination, effective May 15, 2000, of provisions of law requiring submittal to Congress of any annual, semiannual, or other regular periodic report listed in House Document No. 103–7 (in which a report required under section 4 of Pub. L. 96–368, set out above, is listed in item 1 on page 84), see section 3085 of Pub. L. 104–66, as amended, and section 1a(a)(4) [div. A, §1402(1)] of Pub. L. 106–554, set out as notes under section 1113 of Title 31, Money and Finance.]

§ 2021b. Definitions

For purposes of sections 2021b to 2021j of this title:

(1) Agreement State

The term ‘agreement State’ means a State that—

(A) has entered into an agreement with the Nuclear Regulatory Commission under section 2021 of this title; and

(B) has authority to regulate the disposal of low-level radioactive waste under such agreement.

(2) Allocation

The term ‘allocation’ means the assignment of a specific amount of low-level radioactive waste disposal capacity to a commercial nuclear power reactor for which access is required to be provided by sited States subject to the conditions specified under sections 2021b to 2021j of this title.

(3) Commercial nuclear power reactor

The term ‘commercial nuclear power reactor’ means any unit of a civilian light-water moderated utilization facility required to be licensed under section 2133 or 2134(b) of this title.

(4) Compact

The term ‘compact’ means a compact entered into by two or more States pursuant to sections 2021b to 2021j of this title.

(5) Compact commission

The term ‘compact commission’ means the regional commission, committee, or board established in a compact to administer such compact.

(6) Compact region

The term ‘compact region’ means the area consisting of all States that are members of a compact.

(7) Disposal

The term ‘disposal’ means the permanent isolation of low-level radioactive waste pursu-
§ 2021c  TITLE 42—THE PUBLIC HEALTH AND WELFARE  Page 4916

ant to the requirements established by the Nuclear Regulatory Commission under applicable laws, or by an agreement State if such occurrence occurs in such agreement State.

(8) Generate
The term “generate”, when used in relation to low-level radioactive waste, means to produce low-level radioactive waste.

(9) Low-level radioactive waste
(A) In general
The term “low-level radioactive waste” means radioactive material that—
(i) is not high-level radioactive waste, spent nuclear fuel, or byproduct material (as defined in section 2014(e)(2) of this title); and
(ii) the Nuclear Regulatory Commission, consistent with existing law and in accordance with paragraph (A), classifies as low-level radioactive waste.

(B) Exclusion
The term “low-level radioactive waste” does not include byproduct material (as defined in paragraphs (3) and (4) of section 2014(e) of this title).

(10) Non-sited compact region
The term “non-sited compact region” means any compact region that is not a sited compact region.

(11) Regional disposal facility
The term “regional disposal facility” means a non-Federal low-level radioactive waste disposal facility in operation on January 1, 1985, or subsequently established and operated under a compact.

(12) Secretary
The term “Secretary” means the Secretary of Energy.

(13) Sited compact region
The term “sited compact region” means a compact region in which there is located one of the regional disposal facilities at Barnwell, in the State of South Carolina; Richland, in the State of Washington; or Beatty, in the State of Nevada.

(14) State
The term “State” means any State of the United States, the District of Columbia, and the Commonwealth of Puerto Rico.

Prior Provisions

Amendments
2005—Par. (9). Pub. L. 109–58 designated existing provisions as subpar. (A), inserted heading, redesignated former subparas. (A) and (B) as cls. (i) and (ii), respectively, and added subpar. (B).

Short Title of 1986 Amendment

Short Title


§ 2021c. Responsibilities for disposal of low-level radioactive waste

(a)(1) Each State shall be responsible for providing, either by itself or in cooperation with other States, for the disposal of—
(A) low-level radioactive waste generated within the State (other than by the Federal Government) that consists of or contains class A, B, or C radioactive waste as defined by section 61.55 of title 10, Code of Federal Regulations, as in effect on January 26, 1983;
(B) low-level radioactive waste described in subparagraph (A) that is generated by the Federal Government except such waste that is—
(i) owned or generated by the Department of Energy;
(ii) owned or generated by the United States Navy as a result of the decommissioning of vessels of the United States Navy; or
(iii) owned or generated as a result of any research, development, testing, or production of any atomic weapon; and
(C) low-level radioactive waste described in subparagraphs (A) and (B) that is generated outside of the State and accepted for disposal in accordance with sections 1 2021e or 2021f of this title.

(2) No regional disposal facility may be required to accept for disposal any material—
(A) that is not low-level radioactive waste as defined by section 61.55 of title 10, Code of Federal Regulations, as in effect on January 26, 1983;
(B) identified under the Formerly Utilized Sites Remedial Action Program.

Nothing in this paragraph shall be deemed to prohibit a State, subject to the provisions of its compact, or a compact region from accepting for disposal any material identified in subparagraph (A) or (B).

(b)(1) The Federal Government shall be responsible for the disposal of—
(A) low-level radioactive waste owned or generated by the Department of Energy;

1 So in original. Probably should be “section”.
(b) low-level radioactive waste owned or generated by the United States Navy as a result of the decommissioning of vessels of the United States Navy;

(C) low-level radioactive waste owned or generated by the Federal Government as a result of any research, development, testing, or production of any atomic weapon; and

(D) any other low-level radioactive waste with concentrations of radionuclides that exceed the limits established by the Commission for class C radioactive waste, as defined by section 61.55 of title 10, Code of Federal Regulations, as in effect on January 26, 1983.

(2) All radioactive waste designated a Federal responsibility pursuant to subparagraph (b)(1)(D) that results from activities licensed by the Nuclear Regulatory Commission under the Atomic Energy Act of 1954, as amended, shall be disposed of in a facility licensed by the Nuclear Regulatory Commission that the Commission determines is adequate to protect the public health and safety.

(3) Not later than 12 months after January 15, 1986, the Secretary shall submit to the Congress a comprehensive report setting forth the recommendations of the Secretary for ensuring the safe disposal of all radioactive waste designated a Federal responsibility pursuant to subparagraph (b)(1)(D). Such report shall include—

(A) an identification of the radioactive waste involved, including the source of such waste, and the volume, concentration, and other relevant characteristics of such waste;

(B) an identification of the Federal and non-Federal options for disposal of such radioactive waste;

(C) a description of the actions proposed to ensure the safe disposal of such radioactive waste;

(D) a description of the projected costs of undertaking such actions;

(E) an identification of the options for ensuring that the beneficiaries of the activities resulting in the generation of such radioactive wastes bear all reasonable costs of disposing of such wastes; and

(F) an identification of any statutory authority required for disposal of such waste.

(4) The Secretary may not dispose of any radioactive waste designated a Federal responsibility pursuant to paragraph (b)(1)(D) that becomes a Federal responsibility for the first time pursuant to such paragraph until ninety days after the report prepared pursuant to paragraph (3) has been submitted to the Congress.


REFERENCES IN TEXT

The Atomic Energy Act of 1954, referred to in subsec. (b)(2), is act Aug. 1, 1946, ch. 724, as added by act Aug. 30, 1954, ch. 1073, §1, 68 Stat. 919, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 2011 of this title and Tables.

January 15, 1986, referred to in subsec. (b)(3), was in the original “the date of enactment of this Act” and was translated as meaning the date of enactment of Pub. L. 99–240 to reflect the probable intent of Congress.
the Nuclear Regulatory Commission or inconsistent with the regulations of the Department of Transportation;
(B) to regulate health, safety, or environmental hazards from source material, by-product material, or special nuclear material;
(C) to inspect the facilities of licensees of the Nuclear Regulatory Commission;
(D) to inspect security areas or operations at the site of the generation of any low-level radioactive waste by the Federal Government, or to inspect classified information related to such areas or operations; or
(E) to require indemnification pursuant to the provisions of chapter 171 of title 28 (commonly referred to as the Federal Tort Claims Act), or section 2210 of this title, whichever is applicable.

(4) Federal authority
Except as expressly provided in sections 2021b to 2021j of this title, nothing contained in sections 2021b to 2021j of this title or any compact may be construed to limit the applicability of any Federal law or to diminish or otherwise impair the jurisdiction of any Federal agency, or to alter, amend, or otherwise affect any Federal law governing the judicial review of any action taken pursuant to any compact.

(5) State authority preserved
Except as expressly provided in sections 2021b to 2021j of this title, nothing contained in sections 2021b to 2021j of this title expands, diminishes, or otherwise affects State law.

(c) Restricted use of regional disposal facilities
Any authority in a compact to restrict the use of the regional disposal facilities under the compact to the disposal of low-level radioactive waste generated within the compact region shall not take effect before each of the following occurs:
(1) January 1, 1986; and
(2) the Congress by law consents to the compact.

(d) Congressional review
Each compact shall provide that every 5 years after the compact has taken effect the Congress may by law withdraw its consent.

CODIFICATION
Section was enacted as part of the Low-Level Radioactive Waste Policy Act, and not as part of the Atomic Energy Act of 1954 which comprises this chapter.

PRIOR PROVISIONS

TEXAS LOW-LEVEL RADIOACTIVE WASTE DISPOSAL COMPACT CONSENT ACT

"SECTION 1. SHORT TITLE.
"This Act may be cited as the ‘Texas Low-Level Radioactive Waste Disposal Compact Consent Act’.

"SEC. 2. CONGRESSIONAL FINDING.
"The Congress finds that the compact set forth in section 5 is in furtherance of the Low-Level Radioactive Waste Policy Act (42 U.S.C. 2021b et seq.).

"SEC. 3. CONDITIONS OF CONSENT TO COMPACT.
"The consent of the Congress to the compact set forth in section 5—
"(1) shall become effective on the date of the enactment of this Act [Sept. 20, 1998];
"(2) is granted subject to the provisions of the Low-Level Radioactive Waste Policy Act (42 U.S.C. 2021b et seq.); and
"(3) is granted only for so long as the regional commission established in the compact complies with all of the provisions of such Act.

"SEC. 4. CONGRESSIONAL REVIEW.
"The Congress may alter, amend, or repeal this Act with respect to the compact set forth in section 5 after the expiration of the 10-year period following the date of the enactment of this Act [Sept. 20, 1998], and at such intervals thereafter as may be provided in such compact.

"SEC. 5. TEXAS LOW-LEVEL RADIOACTIVE WASTE COMPACT.
"(a) CONSENT OF CONGRESS.—In accordance with section 4(a)(2) of the Low-Level Radioactive Waste Policy Act (42 U.S.C. 2021d(a)(2)), the consent of Congress is given to the States of Texas, Maine, and Vermont to enter into the compact set forth in subsection (b).
"(b) TEXT OF COMPACT.—The compact reads substantially as follows: [Text of compact appears at 112 Stat. 1543].

SOUTHWESTERN LOW-LEVEL RADIOACTIVE WASTE DISPOSAL COMPACT CONSENT ACT
Pub. L. 100–712, Nov. 23, 1988, 102 Stat. 4773, provided that:

"SECTION 1. SHORT TITLE.
"This Act may be cited as the ‘Southwestern Low-Level Radioactive Waste Disposal Compact Consent Act’."

"SEC. 2. CONGRESSIONAL FINDING.

"SEC. 3. CONDITIONS OF CONSENT TO COMPACT.
"The consent of the Congress to the compact set forth in section 5—
"(1) shall become effective on the date of the enactment of this Act [Nov. 23, 1988];
"(2) is granted subject to the provisions of the Low-Level Radioactive Waste Policy Act (42 U.S.C. 2021b–2021j); and
"(3) is granted only for so long as the regional commission established in the compact complies with all of the provisions of such Act.

"SEC. 4. CONGRESSIONAL REVIEW.
"The Congress may alter, amend, or repeal this Act with respect to the compact set forth in section 5 after the expiration of the 10-year period following the date of enactment of this Act [Nov. 23, 1988], and at such intervals thereafter as may be provided in such compact.

"SEC. 5. SOUTHWESTERN LOW-LEVEL RADIOACTIVE WASTE COMPACT.
"(a) CONSENT OF CONGRESS.—In accordance with section 4(a)(2) of the Low-Level Radioactive Waste Policy Act (42 U.S.C. 2021d(a)(2)), the consent of Congress is given to the States of Arizona, California, and any eligible states, as defined in article VII of the Southwestern Low-Level Radioactive Waste Disposal Compact, to enter into such compact. Such compact is substantially as follows: [Text of compact appears at 102 Stat. 4773]."
APPALACHIAN STATES LOW-LEVEL RADIOACTIVE WASTE COMPACT CONSENT ACT

Pub. L. 100–319, May 19, 1988, 102 Stat. 471, provided that:

"SEC. 1. SHORT TITLE."

"This Act may be cited as the 'Appalachian States Low-Level Radioactive Waste Compact Consent Act'."

"SEC. 2. CONGRESSIONAL FINDING."


"SEC. 3. CONDITIONS OF CONSENT TO COMPACT."

"The consent of the Congress to the compact set forth in section 5 is in furtherance of the Appalachian States Low-Level Radioactive Waste Compact, and to each and every part and article thereof. Such compact reads substantially as follows: [Text of compact appears at 99 Stat. 1863.]

"SEC. 4. CONGRESSIONAL REVIEW."

"The Congress may alter, amend, or repeal this Act with respect to the compact set forth in section 5 after the expiration of the 10-year period following the date of the enactment of this Act [May 19, 1988], and at such intervals thereafter as may be provided for in such compact."

"SEC. 5. APPALACHIAN STATES LOW-LEVEL RADIOACTIVE WASTE COMPACT."

"In accordance with section 4(a)(2) of the Low-Level Radioactive Waste Policy Act (42 U.S.C. 2021d(A)(2)), the consent of Congress is hereby given to the States of Pennsylvania, West Virginia, and any eligible States as defined in Article 5(A) of the Appalachian States Low-Level Radioactive Waste Compact to enter into such compact. Such compact is substantially as follows: [Text of compact appears at 102 Stat. 471]."

OMNIBUS LOW-LEVEL RADIOACTIVE WASTE INTERSTATE COMPACT CONSENT ACT


"SEC. 201. SHORT TITLE."

"This Title may be cited as the 'Omnibus Low-Level Radioactive Waste Interstate Compact Consent Act'."

"Subtitle A—General Provisions"

"SEC. 211. CONGRESSIONAL FINDING."


"SEC. 212. CONDITIONS OF CONSENT TO COMPACTS."

"The consent of the Congress to each of the compacts set forth in subtitle B—

"(1) shall become effective on the date of the enactment of this Act [Jan. 15, 1986];

"(2) is granted subject to the provisions of the Low-Level Radioactive Waste Policy Act, as amended [42 U.S.C. 2021b–2021i]; and

"(3) is granted only for so long as the Appalachian States Low-Level Radioactive Waste Commission, advisory committees, and regional boards established in the compact comply with all of the provisions of such Act."

"SEC. 213. CONGRESSIONAL REVIEW."

"The Congress may alter, amend, or repeal this Act with respect to any compact set forth in subtitle B after the expiration of the 10-year period following the date of the enactment of this Act [Jan. 15, 1986], and at such intervals thereafter as may be provided in such compact."

"Subtitle B—Congressional Consent to Compacts"

"SEC. 221. NORTHWEST INTERSTATE COMPACT ON LOW-LEVEL RADIOACTIVE WASTE MANAGEMENT."

"The consent of Congress is hereby given to the States of Alaska, Hawaii, Idaho, Montana, Oregon, Utah, Washington, and Wyoming to enter into the Northwest Interstate Compact on Low-level Radioactive Waste Management, and to each and every part and article thereof. Such compact reads substantially as follows: [Text of compact appears at 99 Stat. 1860.]

"SEC. 222. CENTRAL INTERSTATE LOW-LEVEL RADIOACTIVE WASTE COMPACT."

"The consent of Congress is hereby given to the States of Arkansas, Iowa, Kansas, Louisiana, Minnesota, Missouri, Nebraska, North Dakota, and Oklahoma to enter into the Central Interstate Low-Level Radioactive Waste Compact, and to each and every part and article thereof. Such compact reads substantially as follows: [Text of compact appears at 99 Stat. 1863.]

"SEC. 223. SOUTHEAST INTERSTATE LOW-LEVEL RADIOACTIVE WASTE MANAGEMENT COMPACT."

"In accordance with section 4(a)(2) of the Low-Level Radioactive Waste Policy Act (42 U.S.C. 2021d(A)(2)), the consent of the Congress is hereby given to the States of Alabama, Florida, Georgia, Mississippi, North Carolina, South Carolina, Tennessee, and Virginia to enter into the Southeast Interstate Low-Level Radioactive Waste Management Compact. Such compact is substantially as follows: [Text of compact appears at 99 Stat. 1871; 103 Stat. 1283.]

"SEC. 224. CENTRAL MIDWEST INTERSTATE LOW-LEVEL RADIOACTIVE WASTE COMPACT."

"In accordance with section 4(a)(2) of the Low-Level Radioactive Waste Policy Act (42 U.S.C. 2021d(A)(2)), the consent of the Congress is hereby given to the States of Illinois and Kentucky to enter into the Central Midwest Interstate Low-Level Radioactive Waste Compact. Such compact is substantially as follows: [Text of compact appears at 99 Stat. 1880; 108 Stat. 4607.]

"SEC. 225. MIDWEST INTERSTATE LOW-LEVEL RADIOACTIVE WASTE MANAGEMENT COMPACT."

"In accordance with section 4(a)(2) of the Low-Level Radioactive Waste Policy Act (42 U.S.C. 2021d(A)(2)), the consent of Congress is hereby given to the States of Iowa, Indiana, Michigan, Minnesota, Missouri, Ohio, and Wisconsin to enter into the Midwest Interstate Compact on Low-Level Radioactive Waste Management. Such compact is as follows: [Text of compact appears at 99 Stat. 1892.]

"SEC. 226. ROCKY MOUNTAIN LOW-LEVEL RADIOACTIVE WASTE COMPACT."

"In accordance with section 4(a)(2) of the Low-Level Radioactive Waste Policy Act (42 U.S.C. 2021d(A)(2)), the consent of the Congress is hereby given to the States of Arizona, Colorado, Nevada, New Mexico, Utah, and Wyoming to enter into the Rocky Mountain Interstate Low-Level Radioactive Waste Compact. Such compact is substantially as follows: [Text of compact appears at 99 Stat. 1902.]

"SEC. 227. NORTHEAST INTERSTATE LOW-LEVEL RADIOACTIVE WASTE MANAGEMENT COMPACT."

"In accordance with section 4(a)(2) of the Low-Level Radioactive Waste Policy Act (42 U.S.C. 2021d(A)(2)), the consent of the Congress is hereby given to the States of Connecticut, New Jersey, Delaware, and Maryland to enter into the Northeast Interstate Low-Level Radioactive Waste Management Compact. Such compact is substantially as follows: [Text of compact appears at 99 Stat. 1910.]."
§ 2021e. Limited availability of certain regional disposal facilities during transition and licensing periods

(a) Availability of disposal capacity

(1) Pressurized water and boiling water reactors

During the seven-year period beginning January 1, 1986 and ending December 31, 1992, subject to the provisions of subsections (b) through (g), each State in which there is located a regional disposal facility referred to in paragraphs (1) through (3) of subsection (b) shall make disposal capacity available for low-level radioactive waste generated by pressurized water and boiling water commercial nuclear power reactors in accordance with the allocations established in subsection (c).

(2) Other sources of low-level radioactive waste

During the seven-year period beginning January 1, 1986 and ending December 31, 1992, subject to the provisions of subsections (b) through (g), each State in which there is located a regional disposal facility referred to in paragraphs (1) through (3) of subsection (b) shall make disposal capacity available for low-level radioactive waste generated by any source not referred to in paragraph (1).

(3) Allocation of disposal capacity

(A) During the seven-year period beginning January 1, 1986 and ending December 31, 1992, low-level radioactive waste generated within a sited compact region shall be accorded priority under this section in the allocation of available disposal capacity at a regional disposal facility referred to in paragraphs (1) through (3) of subsection (b) and located in the sited compact region in which such waste is generated. Provided, however, That in the event that all three States in which regional disposal facilities referred to in paragraphs (1) through (3) of subsection (b) act to prohibit the disposal of low-level radioactive waste pursuant to this subparagraph, each such State shall, in accordance with any applicable procedures of its compact, permit, as necessary, the disposal of additional quantities of such waste in increments of 10 per centum of the average annual volume for each such facility designated in subsection (b).

(B) Any State in which a regional disposal facility referred to in paragraphs (1) through (3) of subsection (b) is located may, subject to the provisions of its compact, prohibit the disposal of such waste generated outside of the compact region by a source in the event that the regional disposal facility located at Barnwell, South Carolina accepts for disposal low-level radioactive waste from any source in excess of the total amounts designated in subsection (b).

(C) Nothing in this paragraph shall require any disposal facility or State referred to in paragraphs (1) through (3) of subsection (b) to accept for disposal low-level radioactive waste in excess of the total amounts designated in subsection (b).

(4) Cessation of operation of low-level radioactive waste disposal facility

No provision of this section shall be construed to obligate any State referred to in paragraphs (1) through (3) of subsection (b) to accept low-level radioactive waste from any source in the event that the regional disposal facility located in such State ceases operations.

(b) Limitations

The availability of disposal capacity for low-level radioactive waste from any source shall be subject to the following limitations:

(1) Barnwell, South Carolina

The State of South Carolina, in accordance with the provisions of its compact, may limit the volume of low-level radioactive waste accepted for disposal at the regional disposal facility located at Barnwell, South Carolina to a total of 8,400,000 cubic feet of low-level radioactive waste during the 7-year period beginning January 1, 1986, and ending December 31, 1992 (as based on an average annual volume of 1,200,000 cubic feet of low-level radioactive waste).

(2) Richland, Washington

The State of Washington, in accordance with the provisions of its compact, may limit the volume of low-level radioactive waste accepted for disposal at the regional disposal facility located at Richland, Washington to a total of 9,800,000 cubic feet of low-level radioactive waste during the 7-year period beginning January 1, 1986, and ending December 31, 1992 (as based on an average annual volume of 1,400,000 cubic feet of low-level radioactive waste).

(3) Beatty, Nevada

The State of Nevada, in accordance with the provisions of its compact, may limit the volume of low-level radioactive waste accepted for disposal at the regional disposal facility located at Beatty, Nevada to a total of 1,400,000 cubic feet of low-level radioactive waste during the 7-year period beginning January 1, 1986, and ending December 31, 1992 (as based on an average annual volume of 200,000 cubic feet of low-level radioactive waste).

(c) Commercial nuclear power reactor allocations

(1) Amount

Subject to the provisions of subsections (a) through (g) each commercial nuclear power reactor shall upon request receive an allocation of low-level radioactive waste disposal capacity in cubic feet at the facilities referred to in subsection (b) during the 4-year transition period beginning January 1, 1986, and ending December 31, 1989, and during the 3-year licensing period beginning January 1, 1990, and ending December 31, 1992, in an amount calculated by multiplying the appropriate number from the following table by the number of months remaining in the applicable period as determined under paragraph (2).
(2) Method of calculation

For purposes of calculating the aggregate amount of disposal capacity available for a commercial nuclear power reactor under this subsection, the number of months shall be computed beginning with the first month of the applicable period, or the sixteenth month after receipt of a full power operating license, whichever occurs later.

(3) Unused allocations

Any unused allocation under paragraph (1) received by a reactor during the transition period or the licensing period may be used at any time after such reactor receives its full power license or after the beginning of the pertinent period, whichever is later, but not in any event after December 31, 1992, or after commencement of operation of a regional disposal facility in the compact region or State in which such reactor is located, whichever occurs first.

(4) Transferability

Any commercial nuclear power reactor in a State or compact region that is in compliance with the requirements of subsection (e) may assign any disposal capacity allocated to it under this subsection to any other person in that State or compact region. Such assignment may be for valuable consideration and shall be in writing, copies of which shall be filed at the affected compact commissions and States, along with the assignor’s unconditional written waiver of the disposal capacity being assigned.

(5) Unusual volumes

(A) The Secretary may, upon petition by the owner or operator of any commercial nuclear power reactor, allocate to such reactor disposal capacity in excess of the amount calculated under paragraph (1) if the Secretary finds and states in writing his reasons for so finding that making additional capacity available for such reactor through this paragraph is required to permit unusual or unexpected operating, maintenance, repair or safety activities.

(B) The Secretary may not make allocations pursuant to subparagraph (A) that would result in the acceptance for disposal of more than 800,000 cubic feet of low-level radioactive waste or would result in the total of the allocations made pursuant to this subsection exceeding 11,900,000 cubic feet over the entire seven-year interim access period.

(6) Limitation

During the seven-year interim access period referred to in subsection (a), the disposal facilities referred to in subsection (b) shall not be required to accept more than 11,900,000 cubic feet of low-level radioactive waste generated by commercial nuclear power reactors.

(d) Use of surcharge funds for milestone incentives; consequences of failure to meet disposal deadline

(1) Surcharges

The disposal of any low-level radioactive waste under this section (other than low-level radioactive waste generated in a sited compact region) may be charged a surcharge by the State in which the applicable regional disposal facility is located, in addition to the fees and surcharges generally applicable for disposal of low-level radioactive waste in the regional disposal facility involved. Except as provided in subsection (e)(2), such surcharges shall not exceed—

(A) in 1986 and 1987, $10 per cubic foot of low-level radioactive waste;
(B) in 1988 and 1989, $20 per cubic foot of low-level radioactive waste; and

(2) Milestone incentives

(A) Escrow account

Twenty-five per centum of all surcharge fees received by a State pursuant to paragraph (1) during the seven-year period referred to in subsection (a) shall be transferred on a monthly basis to an escrow account held by the Secretary. The Secretary shall deposit all funds received in a special escrow account. The funds so deposited shall not be the property of the United States. The Secretary shall act as trustee for such funds and shall invest them in interest-bearing United States Government Securities with the highest available yield. Such funds shall be held by the Secretary until—

(i) paid or repaid in accordance with subparagraph (B) or (C); or
(ii) paid to the State collecting such fees in accordance with subparagraph (F).

(B) Payments

(i) July 1, 1986.—The twenty-five per centum of any amount collected by a State under paragraph (1) for disposal of any low-level radioactive waste disposed of under this section (other than low-level radioactive waste generated in a sited compact region) shall be paid by the Secretary in accordance with subparagraph (A), shall be paid by the Secretary in accordance with subparagraph (F).

(ii) January 1, 1988.—The twenty-five per centum of any amount collected by a State under paragraph (1) for disposal of any low-level radioactive waste disposed of under this section (other than low-level radioactive waste generated in a sited compact region) shall be paid by the Secretary in accordance with subparagraph (A), shall be paid by the Secretary in accordance with subparagraph (F).

(iii) January 1, 1990.—The twenty-five per centum of any amount collected by a
State under paragraph (1) for low-level radioactive waste disposed of under this section during the period beginning January 1, 1988 and ending December 31, 1989, and transferred to the Secretary under subparagraph (A), shall be paid by the Secretary in accordance with subparagraph (D) if the milestone described in subparagraph (e)(1)(C) is met by the State in which such waste originated (or its compact region, where applicable).  

(iv) The twenty-five per centum of any amount collected by a State under paragraph (1) for low-level radioactive waste disposed of under this section during the period beginning January 1, 1990 and ending December 31, 1992, and transferred to the Secretary under subparagraph (A), shall be paid by the Secretary in accordance with subparagraph (D) if, by January 1, 1993, the State in which such waste originated (or its compact region, where applicable) is able to provide for the disposal of all such low-level radioactive waste generated within such State or compact region.  

(C) Failure to meet January 1, 1993 deadline  

If, by January 1, 1993, a State (or, where applicable, a compact region) in which low-level radioactive waste is generated is unable to provide for the disposal of all such waste generated within such State or compact region—  

(i) each State in which such waste is generated, upon the request of the generator or owner of the waste, shall take title to the waste, shall be obligated to take possession of the waste, and shall be liable for all damages directly or indirectly incurred by such generator or owner as a consequence of the failure of the State to take possession of the waste as soon after January 1, 1993 as the generator or owner notifies the State that the waste is available for shipment; or  

(ii) if such State elects not to take title to, take possession of, and assume liability for such waste, pursuant to clause (i), twenty-five per centum of any amount collected by a State under paragraph (1) for low-level radioactive waste disposed of under this section during the period beginning January 1, 1990 and ending December 31, 1992 shall be repaid, with interest, to each generator from whom such surcharge was collected. Repayments made pursuant to this clause shall be made on a monthly basis, with the first such repayment beginning on February 1, 1993, in an amount equal to one thirty-sixth of the total amount required to be repaid pursuant to this clause, and shall continue until the State (or, where applicable, compact region) in which such low-level radioactive waste is generated is able to provide for the disposal of all such waste generated within such State or compact region or until January 1, 1996, whichever is earlier.  

If a State in which low-level radioactive waste is generated elects to take title to, take possession of, and assume liability for such waste pursuant to clause (i), such State shall be paid such amounts as are designated in subparagraph (B) or (C) if, by January 1, 1993, the State in which such waste originated (or its compact region, where applicable, a compact region) in which low-level radioactive waste is generated provides for the disposal of such waste at any time after January 1, 1993 and prior to January 1, 1996, such State (or, where applicable, compact region) shall be paid in accordance with subparagraph (D) a lump sum amount equal to twenty-five per centum of any amount collected by a State under paragraph (1):  

Provided, however, That such payment shall be adjusted to reflect the remaining number of months between January 1, 1993 and January 1, 1996 for which such State (or, where applicable, compact region) provides for the disposal of such waste. If a State (or, where applicable, a compact region) in which low-level radioactive waste is generated is unable to provide for the disposal of all such waste generated within such State or compact region by January 1, 1996, each State in which such waste is generated, upon the request of the generator or owner of the waste, shall take title to the waste, be obligated to take possession of the waste, and shall be liable for all damages directly or indirectly incurred by such generator or owner as a consequence of the failure of the State to take possession of the waste as soon after January 1, 1996, as the generator or owner notifies the State that the waste is available for shipment.  

(D) Recipients of payments  

The payments described in subparagraphs (B) and (C) shall be paid within thirty days after the applicable date—  

(i) if the State in which such waste originated is not a member of a compact region, to such State;  

(ii) if the State in which such waste originated is a member of the compact region, to the compact commission serving such State.  

(E) Uses of payments  

(i) Limitations  

Any amount paid under subparagraphs (B) or (C) may only be used to—  

(I) establish low-level radioactive waste disposal facilities;  

(II) mitigate the impact of low-level radioactive waste disposal facilities on the host State;  

(III) regulate low-level radioactive waste disposal facilities; or  

(IV) ensure the decommissioning, closure, and care during the period of institutional control of low-level radioactive waste disposal facilities.  

(ii) Reports  

(I) Recipient  

Any State or compact commission receiving a payment under subparagraphs (B) or (C) shall, on December 31 of each

1 So in original. Probably should be “subparagraph”.

2 So in original. Probably should be “subparagraph”.

3 So in original. Probably should be “subparagraph”.
year in which any such funds are expended, submit a report to the Department of Energy itemizing any such expenditures.

(II) Department of Energy

Not later than six months after receiving the reports under subclause (I), the Secretary shall submit to the Congress a summary of all such reports that shall include an assessment of the compliance of each such State or compact commission with the requirements of clause (I).

(F) Payment to States

Any amount collected by a State under paragraph (1) that is placed in escrow under subparagraph (A) and not paid to a State or compact commission under subparagraphs (B) and (C) or not repaid to a generator under subparagraph (C) shall be paid from such escrow account to such State collecting such payment under paragraph (1). Such payment shall be made not later than 30 days after a determination of ineligibility for a refund is made.

(G) Penalty surcharges

No rebate shall be made under this subsection of any surcharge or penalty surcharge paid during a period of noncompliance with subsection (e)(1).

(e) Requirements for access to regional disposal facilities

(1) Requirements for non-sited compact regions and non-member States

Each non-sited compact region, or State that is not a member of a compact region that does not have an operating disposal facility, shall comply with the following requirements:

(A) By July 1, 1986, each such non-member State shall ratify compact legislation or, by the enactment of legislation or the certification of the Governor, indicate its intent to develop a site for the location of a low-level radioactive waste disposal facility within such State.

(B) By January 1, 1988

(i) each non-sited compact region shall identify the State in which its low-level radioactive waste disposal facility is to be located, or shall have selected the developer for such facility and the site to be developed, and each compact region or the State in which its low-level radioactive waste disposal facility is to be located shall develop a siting plan for such facility providing detailed procedures and a schedule for establishing a facility location and preparing a facility license application and shall delegate authority to implement such plan;

(ii) each non-member State shall develop a siting plan providing detailed procedures and a schedule for establishing a facility location and preparing a facility license application for a low-level radioactive waste disposal facility and shall delegate authority to implement such plan; and

(iii) The siting plan required pursuant to this paragraph shall include a description of the optimum way to attain operation of the low-level radioactive waste disposal facility involved, within the time period specified in sections 2021b to 2021j of this title. Such plan shall include a description of the objectives and a sequence of deadlines for all entities required to take action to implement such plan, including, to the extent practicable, an identification of the activities in which a delay in the start, or completion, of such activities will cause a delay in beginning facility operation. Such plan shall also identify, to the extent practicable, the process for (1) screening for broad siting areas; (2) identifying and evaluating specific candidate sites; and (3) characterizing the preferred site(s), completing all necessary environmental assessments, and preparing a license application for submission to the Nuclear Regulatory Commission or an Agreement State.

(C) By January 1, 1990

(i) a complete application (as determined by the Nuclear Regulatory Commission or the appropriate agency of an agreement State) shall be filed for a license to operate a low-level radioactive waste disposal facility within each non-sited compact region or within each non-member State; or

(ii) the Governor (or, for any State without a Governor, the chief executive officer) of any State that is not a member of a compact region in compliance with clause (i), or has not complied with such clause by its own actions, shall provide a written certification to the Nuclear Regulatory Commission, that such State will be capable of providing for, and will provide for, the storage, disposal, or management of any low-level radioactive waste generated within such State and requiring disposal after December 31, 1992, and include a description of the actions that will be taken to ensure that such capacity exists.

(D) By January 1, 1992, a complete application (as determined by the Nuclear Regulatory Commission or the appropriate agency of an agreement State) shall be filed for a license to operate a low-level radioactive waste disposal facility within each non-sited compact region or within each non-member State.

(E) The Nuclear Regulatory Commission shall transmit any certification received under subparagraph (C) to the Congress and publish any such certification in the Federal Register.

(F) Any State may, subject to all applicable provisions, if any, of any applicable compact, enter into an agreement with the compact commission of a region in which a regional disposal facility is located to provide the disposal of all low-level radioactive waste generated within such State, and, by virtue of such agreement, may, with the approval of the State in which the regional disposal facility is located, be deemed to be in compliance with subparagraphs (A), (B), (C), and (D).
(2) Penalties for failure to comply

(A) By July 1, 1986

If any State fails to comply with subparagraph (1)(A)—

(i) any generator of low-level radioactive waste within such region or non-member State shall, for the period beginning July 1, 1986, and ending December 31, 1986, be charged 2 times the surcharge otherwise applicable under subsection (d); and

(ii) on or after January 1, 1987, any low-level radioactive waste generated within such region or non-member State may be denied access to the regional disposal facilities referred to in paragraphs (1) through (3) of subsection (b).

(B) By January 1, 1988

If any non-sited compact region or non-member State fails to comply with paragraph (1)(B)—

(i) any generator of low-level radioactive waste within such region or non-member State shall—

(I) for the period beginning January 1, 1988, and ending June 30, 1988, be charged 2 times the surcharge otherwise applicable under subsection (d); and

(II) for the period beginning July 1, 1988, and ending December 31, 1988, be charged 4 times the surcharge otherwise applicable under subsection (d); and

(ii) on or after January 1, 1989, any low-level radioactive waste generated within such region or non-member State may be denied access to the regional disposal facilities referred to in paragraphs (1) through (3) of subsection (b).

(C) By January 1, 1990

If any non-sited compact region or non-member State fails to comply with paragraph (1)(C), any low-level radioactive waste generated within such region or non-member State may be denied access to the regional disposal facilities referred to in paragraphs (1) through (3) of subsection (b).

(D) By January 1, 1992

If any non-sited compact region or non-member State fails to comply with paragraph (1)(D), any generator of low-level radioactive waste within such region or non-member State shall, for the period beginning January 1, 1992 and ending upon the filing of the application described in paragraph (1)(D), be charged 3 times the surcharge otherwise applicable under subsection (d).

(3) Denial of access

No denial or suspension of access to a regional disposal facility under paragraph (2) may be based on the source, class, or type of low-level radioactive waste.

(4) Restoration of suspended access; penalties for failure to comply

Any access to a regional disposal facility that is suspended under paragraph (2) shall be restored after the non-sited compact region or non-member State involved complies with such requirement. Any payment of surcharge penalties pursuant to paragraph (2) for failure to comply with the requirements of this subsection shall be terminated after the non-sited compact region or non-member State involved complies with such requirements.

(f) Monitoring of compliance and denial of access to non-Federal facilities for noncompliance; information requirements of certain States; proprietary information

(1) Administration

Each State and compact commission in which a regional disposal facility referred to in paragraphs (1) through (3) of subsection (b) is located shall have authority—

(A) to monitor compliance with the limitations, allocations, and requirements established in this section; and

(B) to deny access to any non-Federal low-level radioactive waste disposal facilities within its borders to any low-level radioactive waste that—

(i) is in excess of the limitations or allocations established in this section; or

(ii) is not required to be accepted due to the failure of a compact region or State to comply with the requirements of subsection (e)(1).

(2) Availability of information during interim access period

(A) The States of South Carolina, Washington, and Nevada may require information from disposal facility operators, generators, intermediate handlers, and the Department of Energy that is reasonably necessary to monitor the availability of disposal capacity, the use and assignment of allocations and the applicability of surcharges.

(B) The States of South Carolina, Washington, and Nevada may, after written notice followed by a period of at least 30 days, deny access to disposal capacity to any generator or intermediate handler who fails to provide information under subsection (e)(1).

(C) PROPRIETARY INFORMATION

(i) Trade secrets, proprietary and other confidential information shall be made available to a State under this subsection upon request only if such State—

(I) consents in writing to restrict the dissemination of the information to those who are directly involved in monitoring under subparagraph (A) and who have a need to know;

(II) accepts liability for wrongful disclosure; and

(III) demonstrates that such information is essential to such monitoring.

(ii) The United States shall not be liable for the wrongful disclosure by any individual or State of any information provided to such individual or State under this subsection.

(iii) Whenever any individual or State has obtained possession of information under this subsection, the individual shall be subject to the same provisions of law with respect to the disclosure of such information as would apply to an officer or employee of the United States or of any department or agency thereof and the State shall be sub-
ject to the same provisions of law with re-
spect to the disclosure of such information
as would apply to the United States or any
department or agency thereof. No State or
State officer or employee who receives trade
secrets, proprietary information, or other
confidential information under sections
2021b to 2021j of this title may be required
to disclose such information under State law.

(g) **Nondiscrimination**

Except as provided in subsections (b) through
(e), low-level radioactive waste disposed of
under this section shall be subject without dis-
crimination to all applicable legal requirements
of the compact region and State in which the
disposal facility is located as if such low-level
radioactive waste were generated within such
compact region.


**CONSTRUCTION**

Section was enacted as part of the Low-Level Radio-
active Waste Policy Act, and not as part of the Atomic
Energy Act of 1946 which comprises this chapter.

**CONSTITUTIONALITY**

For constitutionality of section 102 of Pub. L. 99–240,
see Congressional Research Service, The Constitution
of the United States of America: Analysis and Interpre-
tation, Appendix I, Acts of Congress Held Unconstitu-
tional in Whole or in Part by the Supreme Court of the
United States.

§ 2021f. Emergency access

(a) **In general**

The Nuclear Regulatory Commission may
grant emergency access to any regional disposal
facility or non-Federal disposal facility within a
State that is not a member of a compact for spec-
cific low-level radioactive waste, if necessary to
eliminate an immediate and serious threat to the
public health and safety or the common de-
fense and security. The procedure for granting
emergency access shall be as provided in this
section.

(b) **Request for emergency access**

Any generator of low-level radioactive waste,
or any Governor (or, for any State without a
Governor, the chief executive officer of the
State) on behalf of any generator or generators
located in his or her State, may request that the
Nuclear Regulatory Commission grant emer-
gency access to a regional disposal facility or a
non-Federal disposal facility within a State that
is not a member of a compact for specific low-
level radioactive waste. Any such request shall
contain any information and certifications the
Nuclear Regulatory Commission may require.

(c) **Determination of Nuclear Regulatory Com-
mission**

(1) **Required determination**

Not later than 45 days after receiving a re-
quest under subsection (b), the Nuclear Regu-
latory Commission shall determine whether—

(A) emergency access is necessary because of an immediate and serious threat to the public health and safety or the common de-
fense and security; and

(B) the threat cannot be mitigated by any alternative consistent with the public health
and safety, including storage of low-level radioactive waste at the site of generation
or in a storage facility obtaining access to a
disposal facility by voluntary agreement, purchasing disposal capacity available for
assignment pursuant to section 2021e(c) of
this title or ceasing activities that generate
low-level radioactive waste.

(2) **Required notification**

If the Nuclear Regulatory Commission makes the determinations required in para-
graph (1) in the affirmative, it shall designate
an appropriate non-Federal disposal facility or
facilities, and notify the Governor (or chief ex-
ecutive officer) of the State in which such fa-
cility is located and the appropriate compact
region. The Nuclear Regulatory Commission shall also notify the Governor (or chief executive officer) of the
State in which the low-level radioactive waste
requiring emergency access was generated
that emergency access has been granted and
that, pursuant to subsection (e), no extension
of emergency access may be granted absent
diligent State action during the period of the
initial grant.

(d) **Temporary emergency access**

Upon determining that emergency access is
necessary because of an immediate and serious
threat to the public health and safety or the
common defense and security, the Nuclear Regu-
latory Commission may at its discretion grant
temporary emergency access, pending its deter-
mination whether the threat could be mitigated
by any alternative consistent with the public
health and safety. In granting access under this
subsection, the Nuclear Regulatory Commission
shall provide the same notification and informa-
tion required under subsection (c). Absent a de-
termination that no alternative consistent with
the public health and safety would mitigate the
threat, access granted under this subsection shall expire 45 days after the granting of tem-
porary emergency access under this subsection.

(e) **Extension of emergency access**

The Nuclear Regulatory Commission may
grant one extension of emergency access beyond
the period provided in subsection (c), if it deter-
mines that emergency access continues to be
necessary because of an immediate and serious
threat to the public health and safety or the
common defense and security that cannot be
mitigated by any alternative consistent with
the public health and safety, and that the gener-
ator of low-level radioactive waste granted
emergency access and the State in which the
low-level radioactive waste was generated have
diligently though unsuccessfully acted during
the period of the initial grant to eliminate the
need for emergency access. Any extension grant-
ed under this subsection shall be for the minimum volume and duration the Nuclear Regulatory Commission finds necessary to eliminate the immediate threat to public health and safety or the common defense and security, and shall not in any event exceed 180 days.

(f) Reciprocal access

Any compact region or State not a member of a compact that provides emergency access to non-Federal disposal facilities within its borders shall be entitled to reciprocal access to any subsequently operating non-Federal disposal facility that serves the State or compact region in which low-level radioactive waste granted emergency access was generated. The compact commission or State having authority to approve importation of low-level radioactive waste to the disposal facility to which emergency access was granted shall designate for reciprocal access an equal volume of low-level radioactive waste having similar characteristics to that provided emergency access.

(g) Approval by compact commission

Any grant of access under this section shall be submitted to the compact commission for the region in which the designated disposal facility is located for such approval as may be required under the terms of its compact. Any such compact commission shall act to approve emergency access not later than 15 days after receiving notification from the appropriate authority under subsection (f).

(h) Limitations

No State shall be required to provide emergency or reciprocal access to any regional disposal facility within its borders for low-level radioactive waste not meeting criteria established by the license or license agreement of such facility, or in excess of the approved capacity of such facility, or to delay the closing of any such facility pursuant to plans established before receiving a request for emergency or reciprocal access. No State shall, during any 12-month period, be required to provide emergency or reciprocal access to any regional disposal facility within its borders for more than 20 percent of the total volume of low-level radioactive waste accepted for disposal at such facility during the previous calendar year.

(i) Volume reduction and surcharges

Any low-level radioactive waste delivered for disposal under this section shall be reduced in volume to the maximum extent practicable and shall be subject to surcharges established in sections 2021b to 2021j of this title.

(j) Deduction from allocation

Any volume of low-level radioactive waste granted emergency or reciprocal access under this section, if generated by any commercial nuclear power reactor, shall be deducted from the low-level radioactive waste volume allocable under section 2021e(c) of this title.

(k) Agreement States

Any agreement under section 2021 of this title shall not be applicable to the determinations of the Nuclear Regulatory Commission under this section.


CODIFICATION

Section was enacted as part of the Low-Level Radioactive Waste Policy Act, and not as part of the Atomic Energy Act of 1954 which comprises this chapter.

§ 2021g. Responsibilities of Department of Energy

(a) Financial and technical assistance

The Secretary shall, to the extent provided in appropriations Acts, provide to those compact regions, host States, and nonmember States determined by the Secretary to require assistance for purposes of carrying out sections 2021b to 2021j of this title—

(1) continuing technical assistance to assist them in fulfilling their responsibilities under sections 2021b to 2021j of this title. Such technical assistance shall include, but not be limited to, technical guidelines for site selection, alternative technologies for low-level radioactive waste disposal, volume reduction options, management techniques to reduce low-level waste generation, transportation practices for shipment of low-level wastes, health and safety considerations in the storage, shipment and disposal of low-level radioactive waste, and establishment of a computerized data-base to monitor the management of low-level radioactive wastes; and

(2) through the end of fiscal year 1993, financial assistance to assist them in fulfilling their responsibilities under sections 2021b to 2021j of this title.

(b) Omitted


CODIFICATION

Subsec. (b) of this section, which required the Secretary to prepare and submit to Congress on an annual basis a report on low-level waste disposal, terminated, effective May 15, 2000, pursuant to section 3003 of Pub. L. 104–66, as amended, set out as a note under section 1113 of Title 31, Money and Finance. See, also, item 2 on page 84 of House Document No. 103–7.

Section was enacted as part of the Low-Level Radioactive Waste Policy Act, and not as part of the Atomic Energy Act of 1954 which comprises this chapter.

§ 2021h. Alternative disposal methods

(a) Not later than 12 months after January 15, 1986, the Nuclear Regulatory Commission shall, in consultation with the States and other interested persons, identify methods for the disposal of low-level radioactive waste other than shallow land burial, and establish and publish technical guidance regarding licensing of facilities that use such methods.

(b) Not later than 24 months after January 15, 1986, the Commission shall, in consultation with the States and other interested persons, identify and publish all relevant technical information regarding the methods identified pursuant to subsection (a) that a State or compact must pro-
vide to the Commission in order to pursue such methods, together with the technical requirements that such facilities must meet, in the judgment of the Commission, if pursued as an alternative to shallow land burial. Such technical information and requirements shall include, but need not be limited to, site suitability, site design, facility operation, disposal site closure, and environmental monitoring, as necessary to meet the performance objectives established by the Commission for a licensed low-level radioactive waste disposal facility. The Commission shall specify and publish such requirements in a manner and form deemed appropriate by the Commission.


CODIFICATION

Section was enacted as part of the Low-Level Radioactive Waste Policy Act, and not as part of the Atomic Energy Act of 1954 which comprises this chapter.

§ 2021i. Licensing review and approval

In order to ensure the timely development of new low-level radioactive waste disposal facilities, the Nuclear Regulatory Commission or, as appropriate, agreement States, shall consider an application for a disposal facility license in accordance with the laws applicable to such application, except that the Commission and the agreement state shall—

(1) not later than 12 months after January 15, 1986, establish procedures and develop the technical capability for processing applications for such licenses;

(2) to the extent practicable, complete all activities associated with the review and processing of any application for such a license (except for public hearings) no later than 15 months after the date of receipt of such application; and

(3) to the extent practicable, consolidate all required technical and environmental reviews and public hearings.


CODIFICATION

Section was enacted as part of the Low-Level Radioactive Waste Policy Act, and not as part of the Atomic Energy Act of 1954 which comprises this chapter.

§ 2021j. Radioactive waste below regulatory concern

(a) Not later than 6 months after January 15, 1986, the Commission shall establish standards and procedures, pursuant to existing authority, and develop the technical capability for considering and acting upon petitions to exempt specific radioactive waste streams from regulation by the Commission due to the presence of radionuclides in such waste streams in sufficiently low concentrations or quantities as to be below regulatory concern.

(b) The standards and procedures established by the Commission pursuant to subsection (a) shall set forth all information required to be submitted to the Commission by licensees in support of such petitions, including, but not limited to—

(1) a detailed description of the waste materials, including their origin, chemical composition, physical state, volume, and mass; and

(2) the concentration or contamination levels, half-lives, and identities of the radionuclides present.

Such standards and procedures shall provide that, upon receipt of a petition to exempt a specific radioactive waste stream from regulation by the Commission, the Commission shall determine in an expeditious manner whether the concentration or quantity of radionuclides present in such waste stream requires regulation by the Commission in order to protect the public health and safety. Where the Commission determines that regulation of a radioactive waste stream is not necessary to protect the public health and safety, the Commission shall take such steps as may be necessary, in an expeditious manner, to exempt the disposal of such radioactive waste from regulation by the Commission.


CODIFICATION

Section was enacted as part of the Low-Level Radioactive Waste Policy Act, and not as part of the Atomic Energy Act of 1954 which comprises this chapter.

§ 2022. Health and environmental standards for uranium mill tailings

(a) Promulgation and revision of rules for protection from hazards at inactive or depository sites

As soon as practicable, but not later than October 1, 1982, the Administrator of the Environmental Protection Agency (hereinafter referred to in this section as the "Administrator") shall, by rule, promulgate standards of general application (including standards applicable to licenses under section 164(h) of the Uranium Mill Tailings Radiation Control Act of 1978 [42 U.S.C. 7914(h)]) for the protection of the public health, safety, and the environment from radiological and nonradiological hazards associated with residual radioactive materials (as defined in section 101 of the Uranium Mill Tailings Radiation Control Act of 1978 [42 U.S.C. 7911]) located at inactive uranium mill tailings sites and depository sites for such materials selected by the Secretary of Energy, pursuant to title I of the Uranium Mill Tailings Radiation Control Act of 1978 [42 U.S.C. 7911 et seq.]. Standards promulgated pursuant to this subsection shall, to the maximum extent practicable, be consistent with the requirements of the Solid Waste Disposal Act, as amended [42 U.S.C. 6901 et seq.]. In establishing such standards, the Administrator shall consider the risk to the public health, safety, and the environment, the environmental and economic costs of applying such standards, and such other factors as the Administrator determines to be appropriate. The Administrator may periodically revise any standard promulgated pursuant to this subsection. After October 1,
amended [42 U.S.C. 6921 et seq.], which are applicable to such hazards: Provided, however, That no permit issued by the Administrator is required under this chapter or the Solid Waste Disposal Act, as amended [42 U.S.C. 6901 et seq.], for the processing, possession, transfer, or disposal of byproduct material, as defined in section 2014(e)(2) of this title. The Administrator may periodically revise any standard promulgated pursuant to this subsection. Within three years after such revision of any such standard, the Commission and any State permitted to exercise authority under section 2021(b)(2) of this title shall apply such revised standard in the case of any license for byproduct material as defined in section 2014(e)(2) of this title or any revision thereof.

(c) Publication in Federal Register; notice and hearing; consultations; judicial review; time for petition; venue; copy to Administrator; record; administrative jurisdiction; review by Supreme Court; effective date of rule

(1) Before the promulgation of any rule pursuant to this section, the Administrator shall publish the proposed rule in the Federal Register, together with a statement of the research, analysis, and other available information in support of such proposed rule, and provide a period of public comment of at least thirty days for written comments thereon and an opportunity, after such comment period and after public notice, for any interested person to present oral data, views, and arguments at a public hearing. There shall be a transcript of any such hearing. The Administrator shall consult with the Commission and the Secretary of Energy before promulgation of any such rule.

(2) Judicial review of any rule promulgated under this section may be obtained by any interested person only upon such person filing a petition for review within sixty days after such promulgation in the United States court of appeals for the Federal judicial circuit in which such person resides or has his principal place of business. A copy of the petition shall be forthwith transmitted by the clerk of court to the Administrator. The Administrator thereupon shall file in the court the written submissions to, and transcript of, the written or oral proceedings on which such rule was based as provided in section 2112 of title 28. The court shall have jurisdiction to review the rule in accordance with chapter 7 of title 5 and to grant appropriate relief as provided in such chapter. The judgement of the court affirming, modifying, or setting aside, in whole or in part, any such rule shall be final, subject to judicial review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28.

(3) Any rule promulgated under this section shall not take effect earlier than sixty calendar days after such promulgation.

(d) Federal and State implementation and enforcement

Implementation and enforcement of the standards promulgated pursuant to subsection (b) of this section shall be the responsibility of the Commission in the conduct of its licensing activities under this chapter. States exercising authority pursuant to section 2021(b)(2) of this
title shall implement and enforce such standards in accordance with subsection (o) of such section.

(e) Other authorities of Administrator unaffected

Nothing in this chapter applicable to byproduct material, as defined in section 2014(e)(2) of this title, shall affect the authority of the Administrator under the Clean Air Act of 1970, as amended [42 U.S.C. 7501 et seq.], or the Federal Water Pollution Control Act, as amended [33 U.S.C. 1251 et seq.].

(f) Implementation or enforcement of Uranium Mill Licensing Requirements

(1) Prior to January 1, 1983, the Commission shall not implement or enforce the provisions of the Uranium Mill Licensing Requirements published as final rules at 45 Federal Register 65531 to 65538 on October 3, 1980 (hereinafter referred to as the “October 3 regulations”). After December 31, 1982, the Commission is authorized to implement and enforce the provisions of such October 3 regulations (and any subsequent modifications or additions to such regulations which may be adopted by the Commission), except as otherwise provided in paragraphs (2) and (3) of this subsection.

(2) Following the proposal by the Administrator of standards under subsection (b), the Commission shall review the October 3 regulations, and, not later than 90 days after the date of such proposal, suspend implementation and enforcement of any provision of such regulations which the Commission determines after notice and opportunity for public comment to require a major action or major commitment by licensees which would be unnecessary if—

(A) the standards proposed by the Administrator are promulgated in final form without modification, and

(B) the Commission’s requirements are modified to conform to such standards.

Such suspension shall terminate on the earlier of April 1, 1983 or the date on which the Commission amends the October 3 regulations to conform to final standards promulgated by the Administrator under subsection (b). During the period of such suspension, the Commission shall continue to regulate byproduct material (as defined in section 2014(e)(2) of this title) under this chapter on a licensee-by-licensee basis as the Commission deems necessary to protect public health, safety, and the environment.

(3) Not later than 6 months after the date on which the Administrator promulgates final standards pursuant to subsection (b) of this section, the Commission shall, after notice and opportunity for public comment, amend the October 3 regulations, and adopt such modifications, as the Commission deems necessary to conform to such final standards of the Administrator.

(4) Nothing in this subsection may be construed as affecting the authority or responsibility of the Commission under section 2114 of this title to promulgate regulations to protect the public health and safety and the environment.

§ 2023. State authority to regulate radiation below level of regulatory concern of Nuclear Regulatory Commission

(a) In general

No provision of this chapter, or of the Low-Level Radioactive Waste Policy Act [42 U.S.C. 2212 et seq.], may be construed to prohibit or otherwise restrict the authority of any State to regulate, on the basis of radiological hazard, the disposal or off-site incineration of low-level radioactive waste, if the Nuclear Regulatory Commission, after October 24, 1992, exempts such waste from regulation.

(b) Relation to other State authority

This section may not be construed to imply preemption of existing State authority. Except as expressly provided in subsection (a), this section may not be construed to confer on any State any additional authority to regulate activities licensed by the Nuclear Regulatory Commission.

(c) Definitions

For purposes of this section:

(1) The term “low-level radioactive waste” means radioactive material classified by the Nuclear Regulatory Commission as low-level radioactive waste on October 24, 1992.

(2) The term “off-site incineration” means any incineration of radioactive materials at a facility that is located off the site where such materials were generated.

(3) The term “State” means each of the several States, the District of Columbia, and any commonwealth, territory, or possession of the United States.


Provisions similar to section 2031 were contained in section 1802(a)(2) of this title prior to the general amendment and renumbering of act Aug. 1, 1946, by act Aug. 30, 1954, ch. 1073, § 1, 68 Stat. 919.

Provisions similar to section 2032 were contained in section 1802(a)(2) of this title prior to the general amendment and renumbering of act Aug. 1, 1946, by act Aug. 30, 1954, ch. 1073, § 1, 68 Stat. 919.


Effective Date of Repeal

Repeal effective 120 days after Oct. 11, 1974, or on such earlier date as the President may prescribe and publish in the Federal Register, see section 312(a) of Pub. L. 93–438, set out as a note under section 5801 of this title.

Ex. Ord. No. 9816. Transfer of Property and Personnel to the Atomic Energy Commission

Ex. Ord. No. 9816, eff. Dec. 31, 1946, 12 F.R. 37, provided:

By virtue of the authority vested in me by the Constitution and the statutes, including the Atomic Energy Act of 1946 (this chapter), and as President of the United States and Commander in Chief of the Army and the Navy, it is hereby ordered and directed as follows:

1. There are transferred to the Atomic Energy Commission all interests owned by the United States or any Government agency in the following property:

(a) All fissionable material; all atomic weapons and parts thereof; all facilities, equipment, and materials for the processing, production, or utilization of fissionable material or atomic energy, all processes and technical information of any kind, and the source thereof (including data, drawings, specifications, patents, patent applications, and other sources) relating to the processing, production, or utilization of fissionable material or atomic energy, and all contracts, agreements, leases, patents, applications for patents, inventions and discoveries (whether patented or un patented), and other rights of any kind concerning any such items.

(b) All facilities, equipment, and materials, devoted primarily to atomic energy research and development.

2. There also are transferred to the Atomic Energy Commission all property, real or personal, tangible or intangible, including records, owned by or in the possession, custody or control of the Manhattan Engineering District, War Department, in addition to the property described in paragraph 1 above. Specific items of such property, including records, may be excepted from transfer to the Commission in the following manner:

(a) The Secretary of War shall notify the Commission in writing as to the specific items of property or records he wishes to except; and

(b) If after full examination of the facts by the Commission, it concurs in the exception, those specific items of property or records shall be excepted from transfer to the Commission; or

(c) If after full examination of the facts by the Commission, it does not concur in the exception, the matter shall be referred to the President for decision.

3. The Atomic Energy Commission shall exercise full jurisdiction over all interests and property transferred to the Commission in paragraphs 1 and 2 above, in accordance with the provisions of the Atomic Energy Act of 1946 (this chapter).

4. Any Government agency is authorized to transfer to the Atomic Energy Commission, at the request of the Commission, any property, real or personal, tangible or intangible, acquired or used by such Government agency in connection with any of the property or interests transferred to the Commission by paragraphs 1 and 2 above.
§ 2033. Principal office

The principal office of the Commission shall be in or near the District of Columbia, but the Commission or any duly authorized representative may exercise any or all of its powers in any place; however, the Commission shall maintain an office for the service of process and papers within the District of Columbia.


PRIOR PROVISIONS

Provisions similar to this section were contained in section 1802(a)(4) of this title, prior to the general amendment and renumbering of act Aug. 1, 1946, by act Aug. 30, 1954.

§ 2034. General Manager, Deputy and Assistant General Managers

There is established within the Commission—

(a) General Manager; chief executive officer; duties; appointment; removal

a General Manager, who shall be the chief executive officer of the Commission, and who shall discharge such of the administrative and executive functions of the Commission as the Commission may direct. The General Manager shall be appointed by the Commission, shall serve at the pleasure of the Commission and shall be removable by the Commission.

(b) Deputy General Manager; duties; appointment; removal

a Deputy General Manager, who shall act in the stead of the General Manager during his absence when so directed by the General Manager, and who shall perform such other administrative and executive functions as the General Manager shall direct. The Deputy General Manager shall be appointed by the General Manager with the approval of the Commission, shall serve at the pleasure of the General Manager, and shall be removable by the General Manager.

(c) Assistant General Managers; duties; appointment; removal

Assistant General Managers, or their equivalents (not to exceed a total of three positions), who shall perform such administrative and executive functions as the General Manager shall direct. They shall be appointed by the General Manager with the approval of the Commission, shall serve at the pleasure of the General Manager, and shall be removable by the General Manager.


PRIOR PROVISIONS

Provisions similar to this section were contained in section 1802(a)(4)(A) of this title, prior to the general

AMENDMENTS


Subsec. (c). Pub. L. 88–426, § 306(f)(3), struck out provisions which prescribed the compensation of the Assistant General Managers. Such compensation is now prescribed by section 5316 of Title 5, Government Organization and Employees.

1957—Subsec. (a). Pub. L. 85–287 designated existing provisions as subsec. (a), designated the General Manager as the chief executive officer of the Commission, and increased his compensation from $20,000 to $22,000 per annum.

Subsecs. (b), (c). Pub. L. 85–287 added subsecs. (b) and (c).

EFFECTIVE DATE OF 1964 AMENDMENT


§ 2035. Divisions, offices, and positions

There is established within the Commission—

(a) Program divisions; appointment and powers of Assistant General Manager and Division Directors

a Division of Military Application and such other program divisions (not to exceed ten in number) as the Commission may determine to the necessary to the discharge of its responsibilities, including a division or divisions the primary responsibilities of which include the development and application of civilian uses of atomic energy. The Division of Military Application shall be under the direction of an Assistant General Manager for Military Application, who shall be appointed by the Commission and shall be an active commissioned officer of the Armed Forces serving in general or flag officer rank or grade, as appropriate. Each other program division shall be under the direction of a Director who shall be appointed by the Commission. The Commission shall require each such division to exercise such of the Commission’s administrative and executive powers as the Commission may determine;

(b) General Counsel

an Office of the General Counsel under the direction of the General Counsel who shall be appointed by the Commission; and

(c) Inspection Division; duties

an Inspection Division under the direction of a Director who shall be appointed by the Commission. The Inspection Division shall be responsible for gathering information to show whether or not the contractors, licensees, and officers and employees of the Commission are complying with the provisions of this chapter (except those provisions for which the Federal Bureau of Investigation is responsible) and the appropriate rules and regulations of the Commission.

(d) Executive management positions; appointment; removal

such other executive management positions (not to exceed six in number) as the Commission may determine to be necessary to the discharge of its responsibilities. Such positions shall be established by the General Manager with the approval of the Commission. They shall be appointed by the General Manager with the approval of the Commission, shall serve at the pleasure of the General Manager, and shall be removable by the General Manager.


REFERENCES IN TEXT

This chapter, referred to in subsec. (c), was in the original “this Act”, meaning act Aug. 1, 1946, ch. 724, as added by act Aug. 30, 1954, ch. 1073, § 1, 68 Stat. 919, known as the Atomic Energy Act of 1946, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 2011 of this title and Tables.

PRIOR PROVISIONS

Provisions similar to this section were contained in section 1802(a)(4)(B) of this title, prior to the general amendment and renumbering of act Aug. 1, 1946, by act Aug. 30, 1954.

AMENDMENTS

1967—Subsec. (a). Pub. L. 90–190 substituted an Assistant General Manager for Military Application, who would be appointed by the Commission, for the Director of the Division of Military Application as the head of the Division of Military Application, inserted requirement that the Assistant General Manager be a commissioned officer of the Armed Forces serving in general or flag officer rank or grade, as appropriate, and substituted “other program division” for “such division”.


Subsec. (a). Pub. L. 85–287 increased compensation of Director from $16,000 to $19,000 per annum.

Subsec. (b). Pub. L. 85–287 increased compensation of General Counsel from $16,000 to $19,500 per annum.

Subsec. (c). Pub. L. 85–287 increased compensation of Director from $16,000 to $19,000 per annum.

Effective Date of 1964 Amendment

Transfer of Functions
Divisions of Military Application and Naval Reactors, both established under this section, transferred to Department of Energy by section 7158 of this title, with such organizational units to be deemed organizational units established by chapter 94 (§7101 et seq.) of this title. Energy Research and Development Administration terminated pursuant to sections 715(a) and 7293 of this title.

Atomic Energy Commission abolished and functions transferred by sections 5814 and 5841 of this title. Divisions of Military Application and Naval Reactors established under this section transferred to Energy Research and Development Administration and functions of Atomic Energy Commission with respect thereto transferred to Administrator by section 5814(d) of this title. See also Transfer of Functions notes set out under sections 5814 and 5841 of this title.

Section, act Aug. 1, 1946, ch. 724, §26, as added Aug. 30, 1954, ch. 1073, §1, 68 Stat. 926, established a General Advisory Committee to advise the Atomic Energy Commission on scientific and technical matters relating to materials, production, and research and development. Provisions similar to this section were contained in section 1802(d) of this title prior to the general amendment and renumbering of act Aug. 1, 1946, by act Aug. 30, 1954.


§2038. Appointment of Army, Navy, or Air Force officer as Assistant General Manager for Military Application; Chairman of Military Liaison Committee; compensation
Notwithstanding the provisions of any other law, the officer of the Army, Navy, or Air Force serving as Assistant General Manager for Military Application shall serve without prejudice to his commissioned status as such officer. Any such officer serving as Assistant General Manager for Military Application shall receive in addition to his pay and allowances, including special and incentive pays, for which pay and allowances the Commission shall reimburse his service, an amount equal to the difference between such pay and allowances, including special and incentive pays, and the compensation established for this position. Notwithstanding the provisions of any other law, any active or retired officer of the Army, Navy, or Air Force may serve as Chairman of the Military Liaison Committee without prejudice to his active or retired status as such officer. Any such officer serving as Chairman of the Military Liaison Committee shall receive, in addition to his pay and allowances, including special and incentive pays, an amount equal to the difference between such pay and allowances, including special and incentive pays, and the compensation fixed for such Chairman. Any such retired officer serving as Chairman of the Military Liaison Committee shall receive the compensation fixed for such Chairman and his retired pay.


Prior Provisions
Provisions similar to this section were contained in section 1802(d) of this title, prior to the general amendment and renumbering of act Aug. 1, 1946, by act Aug. 30, 1954.

Amendments
1967—Pub. L. 90–190 substituted “the officer of the Army, Navy, or Air Force serving” for “any active officer of the Army, Navy, or Air Force may serve” and “Assistant General Manager for Military Application” for “Director of the Division of Military Application” wherever appearing, provided for reimbursement by the Commission to the service of the Assistant General Manager for the pay and allowances received by him from his service while he is serving as Assistant General Manager, and struck out references to sections 2211 and 2213 of former title 5.
1964—Pub. L. 88–448 substituted provisions permitting a retired officer serving as Chairman of the Military Liaison Committee to receive the compensation fixed for such Chairman and his retired pay, subject to section 3102 of former title 5, for provisions which permitted a retired officer serving as Chairman to receive in addition to his retired pay, an amount equal to the difference between his retired pay and the compensation prescribed for the Chairman.

Pub. L. 88–426 substituted “and the compensation established for this position pursuant to section 2211 or 2213 of title 5” for “and the compensation prescribed in section 2035 of this title”.

Effective Date of 1964 Amendments
Amendment by Pub. L. 88–448 effective on first day of first month which begins later than the ninetieth day following Aug. 19, 1964, see section 466 of Pub. L. 88–448.


§2039. Advisory Committee on Reactor Safeguards; composition; tenure; duties; compensation
There is established an Advisory Committee on Reactor Safeguards consisting of a maximum of fifteen members appointed by the Commission for terms of four years each. The Committee shall review safety studies and facility license applications referred to it and shall make reports thereon. The Committee shall, with respect to the hazards of proposed or existing reactor facilities and the adequacy of proposed reactor safety standards, and shall perform such other duties as the Commission may...
§ 2040. Fellowship program of Advisory Committee on Reactor Safeguards; selection of fellows

To assist the Advisory Committee on Reactor Safeguards in carrying out its function, the committee shall establish a fellowship program under which persons having appropriate engineering or scientific expertise are assigned particular tasks relating to the functions of the committee. Such fellowship shall be for 2-year periods and the recipients of such fellowships shall be selected pursuant to such criteria as may be established by the committee.


Codification

Section was not enacted as part of the Atomic Energy Act of 1954.

SUBCHAPTER III—RESEARCH

§ 2051. Research and development assistance

(a) Contracts and loans for research activities

The Commission is directed to exercise its powers in such manner as to insure the continued conduct of research and development and training activities in the fields specified below, by private or public institutions or persons, and to assist in the acquisition of an ever-expanding fund of theoretical and practical knowledge in such fields. To this end the Commission is authorized and directed to make arrangements (including contracts, agreements, and loans) for the conduct of necessary traveling or other expenses while engaged in the work of the Committee. The provisions of section 2203 of this title shall be applicable to the Committee.


Amendments

1998—Pub. L. 105–362 struck out at end “In addition to its other duties under this section, the committee, making use of all available sources, shall undertake a study of reactor safety research and prepare and submit annually to the Congress a report containing the results of such study. The first such report shall be submitted to the Congress not later than December 31, 1977.—Pub. L. 95–209 inserted provisions which called for a study of reactor safety research and an annual report on results of study.

Termination of Advisory Committees

Advisory committees in existence on Jan. 5, 1973, to terminate not later than the expiration of the 2-year period following Jan. 5, 1973, unless, in the case of a committee established by the President or an officer of the Federal Government, such committee is renewed by appropriate action prior to the expiration of such 2-year period, or in the case of a committee established by the Congress, its duration is otherwise provided by law. See section 14 of Pub. L. 95–209, §6, Dec. 13, 1977, 91 Stat. 1483.)

§ 2040. Fellowship program of Advisory Committee on Reactor Safeguards; selection of fellows

To assist the Advisory Committee on Reactor Safeguards in carrying out its function, the committee shall establish a fellowship program under which persons having appropriate engineering or scientific expertise are assigned particular tasks relating to the functions of the committee. Such fellowship shall be for 2-year periods and the recipients of such fellowships shall be selected pursuant to such criteria as may be established by the committee.


Codification

Section was not enacted as part of the Atomic Energy Act of 1954.

SUBCHAPTER III—RESEARCH

§ 2051. Research and development assistance

(a) Contracts and loans for research activities

The Commission is directed to exercise its powers in such manner as to insure the continued conduct of research and development and training activities in the fields specified below, by private or public institutions or persons, and to assist in the acquisition of an ever-expanding fund of theoretical and practical knowledge in such fields. To this end the Commission is authorized and directed to make arrangements (including contracts, agreements, and loans) for the conduct of necessary traveling or other expenses while engaged in the work of the Committee. The provisions of section 2203 of this title shall be applicable to the Committee.


Amendments

1998—Pub. L. 105–362 struck out at end “In addition to its other duties under this section, the committee, making use of all available sources, shall undertake a study of reactor safety research and prepare and submit annually to the Congress a report containing the results of such study. The first such report shall be submitted to the Congress not later than December 31, 1977.—Pub. L. 95–209 inserted provisions which called for a study of reactor safety research and an annual report on results of study.

Termination of Advisory Committees

Advisory committees in existence on Jan. 5, 1973, to terminate not later than the expiration of the 2-year period following Jan. 5, 1973, unless, in the case of a committee established by the President or an officer of the Federal Government, such committee is renewed by appropriate action prior to the expiration of such 2-year period, or in the case of a committee established by the Congress, its duration is otherwise provided by law. See section 14 of Pub. L. 95–209, §6, Dec. 13, 1977, 91 Stat. 1483.)

§ 2040. Fellowship program of Advisory Committee on Reactor Safeguards; selection of fellows

To assist the Advisory Committee on Reactor Safeguards in carrying out its function, the committee shall establish a fellowship program under which persons having appropriate engineering or scientific expertise are assigned particular tasks relating to the functions of the committee. Such fellowship shall be for 2-year periods and the recipients of such fellowships shall be selected pursuant to such criteria as may be established by the committee.


Codification

Section was not enacted as part of the Atomic Energy Act of 1954.

SUBCHAPTER III—RESEARCH

§ 2051. Research and development assistance

(a) Contracts and loans for research activities

The Commission is directed to exercise its powers in such manner as to insure the continued conduct of research and development and training activities in the fields specified below, by private or public institutions or persons, and to assist in the acquisition of an ever-expanding fund of theoretical and practical knowledge in such fields. To this end the Commission is authorized and directed to make arrangements (including contracts, agreements, and loans) for the conduct of necessary traveling or other expenses while engaged in the work of the Committee. The provisions of section 2203 of this title shall be applicable to the Committee.


Amendments

1998—Pub. L. 105–362 struck out at end “In addition to its other duties under this section, the committee, making use of all available sources, shall undertake a study of reactor safety research and prepare and submit annually to the Congress a report containing the results of such study. The first such report shall be submitted to the Congress not later than December 31, 1977.—Pub. L. 95–209 inserted provisions which called for a study of reactor safety research and an annual report on results of study.

Termination of Advisory Committees

Advisory committees in existence on Jan. 5, 1973, to terminate not later than the expiration of the 2-year period following Jan. 5, 1973, unless, in the case of a committee established by the President or an officer of the Federal Government, such committee is renewed by appropriate action prior to the expiration of such 2-year period, or in the case of a committee established by the Congress, its duration is otherwise provided by law. See section 14 of Pub. L. 95–209, §6, Dec. 13, 1977, 91 Stat. 1483.)
such arrangement shall contain any provisions or conditions which prevent the dissemination of scientific or technical information, except to the extent such dissemination is prohibited by law.


Codification


Prior Provisions

Provisions similar to this section were contained in section 1803(a) of this title, prior to the general amendment and renumbering of act Aug. 1, 1946, by act Aug. 30, 1954.

Amendments


1970—Subsec. (a)(4). Pub. L. 91–580 inserted commercial uses as an additional purpose and substituted "demonstration of advances in the commercial or industrial application of atomic energy" for "demonstration of the practical value of utilization or production facilities for industrial or commercial purposes".

1966—Subsec. (a), Act Aug. 6, 1966, §2, inserted "and training" after "development" in first sentence.

Subsecs. (b) to (d). Act Aug. 6, 1966, §3, added subsec. (b) and redesignated former subsecs. (b) and (c) as (c) and (d), respectively.

Three Mile Island Nuclear Station, Pa.; Feasibility of Epidemiological Research on Health Effects of Low-Level Radiation; Report to Congress

Pub. L. 96–295, title III, §308(a), June 30, 1980, 94 Stat. 792, provided that in the conduct of the study required by Pub. L. 96–601, §5(b), Nov. 6, 1979, 92 Stat. 2949, on options for Federal epidemiological research on the health effects of low-level ionizing radiation, set out below, the Nuclear Regulatory Commission and the Environmental Protection Agency, in consultation with the Secretary of Health and Human Services, evaluate the feasibility of epidemiological research on the health effects of low-level ionizing radiation exposure to any licensee, contractor, and subcontractor employees as a result of the accident of March 28, 1979, at unit two of the Three Mile Island Nuclear Station in Pennsylvania, the efforts to stabilize such facility or reduce or prevent radioactive unplanned offsite releases in excess of allowable limits for normal operation established by the Commission, or efforts to decontaminate, decommission, or repair such facility, with the report required by such section 5(d) of Pub. L. 96–601 to include the results of this evaluation.

Study on Health Effects of Low-Level Radiation; Report to Congress

Pub. L. 95–601, §5, Nov. 6, 1978, 92 Stat. 2949, as amended by Pub. L. 96–88, title V, §509(b), Oct. 17, 1979, 93 Stat. 685; Pub. L. 96–295, title III, §308(b), June 30, 1980, 94 Stat. 792, provided that the Nuclear Regulatory Commission and the Environmental Protection Agency, in consultation with the Secretary of Health and Human Services, conduct preliminary planning and design studies for epidemiological research on the health effects of low-level ionizing radiation, within thirty days after Nov. 6, 1978, the Commission and the Environmental Protection Agency submit to the Congress a memorandum of understanding to delineate their responsibilities in the conduct of the planning studies, on or before Apr. 1, 1979, the Commission and the Environmental Protection Agency submit a report to the Congress containing an assessment of the capabilities and research needs of such agencies in the area of health effects of low-level ionizing radiation, and on or before Sept. 30, 1980, the Commission and the Environmental Protection Agency, in consultation with the Secretary of Health and Human Services, submit a report to the Congress which includes a study of options for Federal epidemiological research on the health effects of low-level ionizing radiation with evaluations of the feasibility of such options.

§2052. Research by Commission

The Commission is authorized and directed to conduct, through its own facilities, activities and studies of the types specified in section 2051 of this title.


Prior Provisions

Provisions similar to this section were contained in section 1803(b) of this title, prior to the general amendment and renumbering of act Aug. 1, 1946, by act Aug. 30, 1954.

§2053. Research for others; charges

In this section, with respect to international research projects, the term "private facilities or laboratories" means facilities or laboratories located in the United States. Where the Commission finds private facilities or laboratories are inadequate for the purpose, it is authorized to conduct for other persons, through its own facilities, such of those activities and studies of the types specified in section 2051 of this title as it deems appropriate to the development of energy. To the extent the Commission determines that private facilities or laboratories are inadequate for the purpose, and that the Commission's facilities, or scientific or technical resources have the potential of lending significant assistance to other persons in the fields of protection of public health and safety, the Commission may also assist other persons in these fields by conducting for such persons, through the Commission's own facilities, research and development or training activities and studies. The Commission is authorized to determine and make such charges as in its discretion may be desirable for the conduct of the activities and studies referred to in this section.

Such facilities to produce within a reasonable period of time a sufficient quantity of special nuclear material to produce an atomic weapon; or (3) are owned by the United States Enrichment Corporation.

Operation of Commission's facilities

The Commission is authorized and directed to produce or to provide for the production of special nuclear material in its own production facilities. To the extent deemed necessary, the Commission is authorized to make, or to continue in effect, contracts with persons obligating them to produce special nuclear material in facilities owned by the Commission. The Commission is also authorized to enter into research and development contracts authorizing the contractor to produce special nuclear material in facilities owned by the Commission to the extent that the production of such special nuclear material may be incident to the conduct of research and development activities under such contracts. Any contract entered into under this section shall contain provisions (1) prohibiting the contractor from subcontracting any part of the work he is obligated to perform under the contract, except as authorized by the Commission; and (2) obligating the contractor (A) to make such reports pertaining to activities under the contract to the Commission as the Commission may require, (B) to submit to inspection by employees of the Commission of all such activities, and (C) to comply with all safety and security regulations which may be prescribed by the Commission. Any contract made under the provisions of this subsection may be made without regard to the provisions of section 6101 of title 41, upon certification by the Commission that such action is necessary in the interest of the common defense and security, or upon a showing by the Commission that advertising is not reasonably practicable. Partial and advance payments may be made under such contracts.

Operation of other facilities

Special nuclear material may be produced in the facilities which under this section are not required to be owned by the Commission.

§ 2061. Production facilities

(a) Ownership

The Commission, as agent of and on behalf of the United States, shall be the exclusive owner of all production facilities other than facilities which (1) are useful in the conduct of research and development activities in the fields specified in section 2051 of this title, and do not, in the opinion of the Commission, have a potential production rate adequate to enable the user of such facilities to produce within a reasonable period of time a sufficient quantity of special nuclear material to produce an atomic weapon; (2) are licensed by the Commission under this division; or (3) are owned by the United States Enrichment Corporation.

(b) Operation of Commission's facilities

The Commission is authorized and directed to produce or to provide for the production of special nuclear material in its own production facilities. To the extent deemed necessary, the Commission is authorized to make, or to continue in effect, contracts with persons obligating them to produce special nuclear material in facilities owned by the Commission. The Commission is also authorized to enter into research and development contracts authorizing the contractor to produce special nuclear material in facilities owned by the Commission to the extent that the production of such special nuclear material may be incident to the conduct of research and development activities under such contracts. Any contract entered into under this section shall contain provisions (1) prohibiting the contractor from subcontracting any part of the work he is obligated to perform under the contract, except as authorized by the Commission; and (2) obligating the contractor (A) to make such reports pertaining to activities under the contract to the Commission as the Commission may require, (B) to submit to inspection by employees of the Commission of all such activities, and (C) to comply with all safety and security regulations which may be prescribed by the Commission. Any contract made under the provisions of this subsection may be made without regard to the provisions of section 6101 of title 41, upon certification by the Commission that such action is necessary in the interest of the common defense and security, or upon a showing by the Commission that advertising is not reasonably practicable. Partial and advance payments may be made under such contracts.

Operation of other facilities

Special nuclear material may be produced in the facilities which under this section are not required to be owned by the Commission.

Prior provisions

Provisions similar to those comprising this section were contained in section 4 of act Aug. 1, 1946, ch. 724, 60 Stat. 759, which was classified to section 1804 of this title, prior to the general amendment and renumbering of act Aug. 1, 1946, by act Aug. 30, 1954.

Amendments

1992—Subsec. (a). Pub. L. 102–486, § 902(a)(2), substituted “under this division” for “pursuant to under this chapter” in cl. (2) and added cl. (3).

1990—Subsec. (a)(2). Pub. L. 101–375 substituted “under this chapter” for “section 2133 or 2134 of this title”.

1967—Subsec. (b). Pub. L. 90–190 struck out provision requiring the President to determine in writing at least once each year the quantities of special nuclear material to be produced under this section, and to specify in such determination the quantities of special nuclear material to be available for distribution by the Commission pursuant to sections 2073 and 2074 of this title.
§ 2064. Disposition of energy; regulation on sale

If energy is produced at production facilities of the Commission or is produced in experimental utilization facilities of the Commission, such energy may be used by the Commission, or transferred to other Government agencies, or sold to publicly, cooperatively, or privately owned utilities or users at reasonable and nondiscriminatory prices. If the energy produced is electric energy, the price shall be subject to regulation by the appropriate agency having jurisdiction. In contracting for the disposal of such energy, the Commission shall give preference and priority to public bodies and cooperatives or to privately owned utilities providing electric utility services to high cost areas not being served by public bodies or cooperatives. Nothing in this chapter shall be construed to authorize the Commission to engage in the sale or distribution of energy for commercial use except such energy as may be produced by the Commission incident to the operation of research and development facilities of the Commission, or of production facilities of the Commission.


References in Text

This chapter, referred to in text, was in the original “this Act”, meaning act Aug. 1, 1946, ch. 724, as added by act Aug. 30, 1954, ch. 1073, §1, 68 Stat. 919, as the Atomic Energy Act of 1946, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 2011 of this title and Tables.

§ 2062. Irradiation of materials

The Commission and persons lawfully producing or utilizing special nuclear material are authorized to expose materials of any kind to the radiation incident to the processes of producing or utilizing special nuclear material.


References in Text

This section references the Atomic Energy Act of 1946, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 2011 of this title and Tables.

Prior Provisions

Provisions similar to those comprising this section were contained in section 4 of act Aug. 1, 1946, ch. 724, 60 Stat. 759, which was classified to section 1801 of this title, prior to the general amendment and renumbering of act Aug. 1, 1946, by act Aug. 30, 1954.

§ 2063. Acquisition of production facilities

The Commission is authorized to purchase any interest in facilities for the production of special nuclear materials, or in real property on which such facilities are located, without regard to the provisions of section 6101 of title 41 upon certification by the Commission that such action is necessary in the interest of the common defense and security, or upon a showing by the Commission that advertising is not reasonably practicable. Partial and advance payments may be made under contracts for such purposes. The Commission is further authorized to requisition, condemn, or otherwise acquire any interest in such production facilities, or to condemn or otherwise acquire such real property, and just compensation shall be made therefor.


References in Text

This section, referred to in text, was in the original “this Act”, meaning act Aug. 1, 1946, ch. 724, as added by act Aug. 30, 1954, ch. 1073, §1, 68 Stat. 919, as the Atomic Energy Act of 1946, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 2011 of this title and Tables.

Prior Provisions

Provisions similar to those comprising this section were contained in section 5 of act Aug. 1, 1946, ch. 724, 60 Stat. 760, which was classified to section 1805 of this title, prior to the general amendment and renumbering of act Aug. 1, 1946, by act Aug. 30, 1954.
§ 2065. Improving the reliability of domestic medical isotope supply

(a) Medical isotope development projects

(1) In general

The Secretary shall carry out a technology-neutral program—

(A) to evaluate and support projects for the production in the United States, without the use of highly enriched uranium, of significant quantities of molybdenum-99 for medical uses;

(B) to be carried out in cooperation with non-Federal entities; and

(C) the costs of which shall be shared in accordance with section 16352 of this title.

(2) Criteria

Projects shall be evaluated against the following primary criteria:

(A) The length of time necessary for the proposed project to begin production of molybdenum-99 for medical uses within the United States.

(B) The capability of the proposed project to produce a significant percentage of United States demand for molybdenum-99 for medical uses.

(C) The capability of the proposed project to produce molybdenum-99 in a cost-effective manner.

(D) The cost of the proposed project.

(3) Exemption

An existing reactor in the United States fueled with highly enriched uranium shall not be disqualified from the program if the Secretary determines that—

(A) there is no alternative nuclear reactor fuel, enriched in the isotope U-235 to less than 20 percent, that can be used in that reactor;

(B) the reactor operator has provided assurances that, whenever an alternative nuclear reactor fuel, enriched in the isotope U-235 to less than 20 percent, can be used in that reactor, it will use that alternative in lieu of highly enriched uranium; and

(C) the reactor operator has provided a current report on the status of its efforts to convert the reactor to an alternative nuclear reactor fuel enriched in the isotope U-235 to less than 20 percent, and an anticipated schedule for completion of conversion.

(4) Public participation and review

The Secretary shall—

(A) develop a program plan and annually update the program plan through public workshops; and

(B) use the Nuclear Science Advisory Committee to conduct annual reviews of the progress made in achieving the program goals and make recommendations to improve program effectiveness.

(b) Development assistance

The Secretary shall carry out a program to provide assistance for—

(1) the development of fuels, targets, and processes for domestic molybdenum-99 production that do not use highly enriched uranium; and

(2) commercial operations using the fuels, targets, and processes described in paragraph (1).

(c) Uranium lease and take-back

(1) In general

The Secretary shall establish a program to make low enriched uranium available, through lease contracts, for irradiation for the production of molybdenum-99 for medical uses.

(2) Title

The lease contracts shall provide for the producers of the molybdenum-99 to take title to and be responsible for the molybdenum-99 created by the irradiation, processing, or purification of uranium leased under this section.

(3) Duties

(A) Secretary

The lease contracts shall require the Secretary—

(i) to retain responsibility for the final disposition of spent nuclear fuel created by the irradiation, processing, or purification of uranium leased under this section for the production of medical isotopes; and

(ii) to take title to and be responsible for the final disposition of radioactive waste created by the irradiation, processing, or purification of uranium leased under this section for which the Secretary determines the producer does not have access to a disposal path.

(B) Producer

The producer of the spent nuclear fuel and radioactive waste shall accurately characterize, appropriately package, and transport the spent nuclear fuel and radioactive waste prior to acceptance by the Department.

(4) Compensation

(A) In general

Subject to subparagraph (B), the lease contracts shall provide for compensation in cash amounts equivalent to prevailing market rates for the sale of comparable uranium products and for compensation in cash amounts equivalent to the net present value of the cost to the Federal Government for—

(i) the final disposition of spent nuclear fuel and radioactive waste for which the Department is responsible under paragraph (3); and

(ii) other costs associated with carrying out the uranium lease and take-back program authorized by this subsection.

(B) Discount rate

The discount rate used to determine the net present value of costs described in subparagraph (A)(ii) shall be not greater than the average interest rate on marketable Treasury securities.

(5) Authorized use of funds

Subject to the availability of appropriations, the Secretary may obligate and expend funds received under leases entered into under this subsection, which shall remain available until expended, for the purpose of carrying out the
activities authorized by this subtitle, including activities related to the final disposition of spent nuclear fuel and radioactive waste for which the Department is responsible under paragraph (3).

(6) Exchange of uranium for services

The Secretary shall not barter or otherwise sell or transfer uranium in any form in exchange for—

(A) services related to the final disposition of the spent nuclear fuel and radioactive waste for which the Department is responsible under paragraph (3); or

(B) any other services associated with carrying out the uranium lease and take-back program authorized by this subsection.

(d) Coordination of environmental reviews

The Department and the Nuclear Regulatory Commission shall ensure to the maximum extent practicable that environmental reviews for the production of the medical isotopes shall complement and not duplicate each review.

(e) Operational date

The Secretary shall establish a program as described in subsection (c)(3) not later than 3 years after January 2, 2013.

(f) Radioactive waste

Notwithstanding section 10101 of this title, radioactive material resulting from the production of medical isotopes that has been permanently removed from a reactor or subcritical assembly and for which there is no further use shall be considered low-level radioactive waste if the material is acceptable under Federal requirements for disposal as low-level radioactive waste.


REFERENCES IN TEXT

This subtitle, referred to in subsec. (c)(5), is subtitle F (§§ 3171–3178) of title XXXI of div. C of Pub. L. 112–239. For complete classification of this subtitle to the Code, see Short Title of 2013 Amendment note set out under section 2011 of this title and Tables.

§ 2071. Determination of other material as special nuclear material; Presidential assent; effective date

The Commission may determine from time to time that other material is special nuclear material in addition to that specified in the definition as special nuclear material. Before making any such determination, the Commission must find that such material is capable of releasing substantial quantities of atomic energy and must find that the determination that such material is special nuclear material is in the interest of the common defense and security, and the President must have expressly assented in writing to the determination. The Commission’s determination, together with the assent of the President, shall be submitted to the Energy Committees and a period of thirty days shall elapse while Congress is in session (in computing such thirty days, there shall be excluded the days on which either House is not in session because of an adjournment for more than three days) before the determination of the Commission may become effective: Provided, however, that the Energy Committees, after having received such determination, may by resolution in writing, waive the conditions of or all or any portion of such thirty-day period.


PRIOR PROVISIONS

Provisions similar to this section were contained in section 1805(a)(1) of this title, prior to the general amendment and renumbering of act Aug. 1, 1946, by act Aug. 30, 1954.

AMENDMENTS


Section, act Aug. 1, 1946, ch. 724, § 52, as added Aug. 30, 1954, ch. 1073, § 1, 68 Stat. 929, related to Government ownership of all special nuclear material and provided for compensation of private owners of such material.

EXTINCTION OF RIGHTS, TITLE AND INTEREST IN SPECIAL NUCLEAR MATERIAL

Pub. L. 88–489, § 4, Aug. 26, 1964, 78 Stat. 603, provided in part that: “All rights, title, and interest in and to any special nuclear material vested in the United States solely by virtue of the provisions of the first sentence of such section 52 [this section], and not by any other transaction authorized by the Atomic Energy Act of 1964, as amended [this chapter], or other applicable law, are hereby extinguished.”

§ 2073. Domestic distribution of special nuclear material

(a) Licenses

The Commission is authorized (i) to issue licenses to transfer or receive in interstate commerce, transfer, deliver, acquire, possess, own,
receive possession of or title to, import, or export under the terms of an agreement for cooperation arranged pursuant to section 2153 of this title, special nuclear material, (ii) to make special nuclear material available for the period of the license, and, (iii) to distribute special nuclear material within the United States to qualified applicants requesting such material—

(1) for the conduct of research and development activities of the types specified in section 2051 of this title;

(2) for use in the conduct of research and development activities or in medical therapy under a license issued pursuant to section 2134 of this title;

(3) for use under a license issued pursuant to section 2133 of this title;

(4) for such other uses as the Commission determines to be appropriate to carry out the purposes of this chapter.

(b) Minimum criteria for licenses

The Commission shall establish, by rule, minimum criteria for the issuance of specific or general licenses for the distribution of special nuclear material depending upon the degree of importance to the common defense and security or to the health and safety of the public of—

(1) the physical characteristics of the special nuclear material to be distributed;

(2) the quantities of special nuclear material to be distributed; and

(3) the intended use of the special nuclear material to be distributed.

(c) Manner of distribution; charges for material sold; agreements; charges for material leased

(1) The Commission may distribute special nuclear material licensed under this section by sale, lease, lease with option to buy, or grant: Provided, however, That unless otherwise authorized by law, the Commission shall not after December 31, 1970, distribute special nuclear material except by sale to any person who possesses or operates a utilization facility under a license issued pursuant to section 2133 or 2134(b) of this title for use in the course of activities under such license; nor shall the Commission permit any such person after June 30, 1973, to continue leasing for use in the course of such activities special nuclear material previously leased to such person by the Commission.

(2) The Commission shall establish reasonable sales prices for the special nuclear material licensed and distributed by sale under this section. Such sales prices shall be established on a nondiscriminatory basis which, in the opinion of the Commission, will provide reasonable compensation to the Government for such special nuclear material.

(3) The Commission is authorized to enter into agreements with licensees for such period of time as the Commission may deem necessary or desirable to distribute to such licensees such quantities of special nuclear material as may be necessary for the conduct of the licensed activity. In such agreements, the Commission may agree to repurchase any special nuclear material licensed and distributed by sale which is not consumed in the course of the licensed activity, or any uranium remaining after irradiation of such special nuclear material, at a repurchase price not to exceed the Commission’s sale price for comparable special nuclear material or uranium in effect at the time of delivery of such material to the Commission.

(4) The Commission may make a reasonable charge, determined pursuant to this section, for the use of special nuclear material licensed and distributed by lease under subsection (a)(1), (2) or (4) and shall make a reasonable charge determined pursuant to this section for the use of special nuclear material licensed and distributed by lease under subsection (a)(3). The Commission shall establish criteria in writing for the determination of whether special nuclear material will be distributed by grant and for the determination of whether a charge will be made for the use of special nuclear material licensed and distributed by lease under subsection (a)(1), (2) or (4), considering, among other things, whether the licensee is a nonprofit or eleemosynary institution and the purposes for which the special nuclear material will be used.

(d) Determination of charges

In determining the reasonable charge to be made by the Commission for the use of special nuclear material distributed by lease to licensees of utilization or production facilities licensed pursuant to section 2133 or 2134 of this title, in addition to consideration of the cost thereof, the Commission shall take into consideration—

(1) the use to be made of the special nuclear material;

(2) the extent to which the use of the special nuclear material will advance the development of the peaceful uses of atomic energy;

(3) the energy value of the special nuclear material in the particular use for which the license is issued;

(4) whether the special nuclear material is to be used in facilities licensed pursuant to section 2133 or 2134 of this title. In this respect, the Commission shall, insofar as practicable, make uniform, nondiscriminatory charges for the use of special nuclear material distributed to facilities licensed pursuant to section 2133 of this title; and

(5) with respect to special nuclear material consumed in a facility licensed pursuant to section 2133 of this title, the Commission shall make a further charge equivalent to the sale price for similar special nuclear material established by the Commission in accordance with subsection (c)(2), and the Commission may make such a charge with respect to such material consumed in a facility licensed pursuant to section 2134 of this title.

(e) License conditions

Each license issued pursuant to this section shall contain and be subject to the following conditions—


(2) no right to the special nuclear material shall be conferred by the license except as defined by the license;

(3) neither the license nor any right under the license shall be assigned or otherwise transferred in violation of the provisions of this chapter;
(4) all special nuclear material shall be subject to the right of recapture or control reserved by section 2138 of this title and to all other provisions of this chapter;

(5) no special nuclear material may be used in any utilization or production facility except in accordance with the provisions of this chapter;

(6) special nuclear material shall be distributed only on terms, as may be established by rule of the Commission, such that no user will be permitted to construct an atomic weapon;

(7) special nuclear material shall be distributed only pursuant to such safety standards as may be established by rule of the Commission to protect health and to minimize danger to life or property; and

(8) except to the extent that the indemnification and limitation of liability provisions of section 2210 of this title apply, the licensee will hold the United States and the Commission harmless from any damages resulting from the use or possession of special nuclear material by the licensee.

(f) Distribution for independent research and development activities

The Commission is directed to distribute within the United States sufficient special nuclear material to permit the conduct of widespread independent research and development activities to the maximum extent practicable. In the event that applications for special nuclear material exceed the amount available for distribution, preference shall be given to those activities which are most likely, in the opinion of the Commission, to contribute to basic research, to the development of peaceful uses of atomic energy, or to the economic and military strength of the Nation.


References in Text

This chapter, referred to in subsecs. (a)(4) and (e)(3) to (5), was in the original “this Act”, meaning act Aug. 1, 1946, ch. 724, as added by act Aug. 30, 1954, ch. 1073, §1, 68 Stat. 919, known as the Atomic Energy Act of 1954, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 2011 of this title and Tables.

Prior Provisions

Provisions similar to this section were contained in section 1805(a)(4) of this title, prior to the general amendment and renumbering of act Aug. 1, 1946, by act Aug. 30, 1954.

Amendments

1992—Subsec. (c)(1). Pub. L. 102–486, §902(a)(3), substituted “or grant” for “grant,” and struck out “or through the provision of production or enrichment services” before “Provided, however” and before “to any person”.

1967—Subsec. (c)(1). Pub. L. 90–190, §10, inserted “or through the provision of production or enrichment services” wherever appearing.

Subsec. (f). Pub. L. 90–190, §9, struck out reference to the limitations on the distribution of special nuclear materials set by the President in determinations made pursuant to section 2061 of this title.

1964—Subsec. (a). Pub. L. 88–489, §5, substituted “(i) to issue licenses to transfer or receive in interstate commerce, transfer, deliver, acquire, possess, own, receive possession of or title to, import, and distribute in accordance with the terms of an agreement for cooperation arranged pursuant to section 2135 of this title, special nuclear material, (ii) to make special nuclear material available for the period of the license, and (iii) for “to issue licenses for the possession of, to make available for the period of the license, and”.

Subsec. (c). Pub. L. 88–489, §6, redesignated existing provisions as par. (4), inserted “by lease” wherever appearing and “special nuclear material will be distributed by grant and for the determination of whether”, and added pars. (1) to (3).

Subsec. (d). Pub. L. 88–489, §7, inserted “by lease” in introductory provisions, and in ch. (5) substituted “equivalent to the sale price for similar special nuclear material established by the Commission in accordance with subsection (c)(2), and the Commission may make such a charge with respect to such material consumed in a facility licensed pursuant to section 2134 of this title” for “based on the cost to the Commission, as estimated by the Commission, or the average fair price paid for the production of such special nuclear material as determined by section 2076 of this title, whichever is lower”.

Subsec. (e)(1). Pub. L. 88–489, §8, struck out par. (1) which provided that title to all special nuclear material shall at all times be in the United States.


Subsec. (c). Pub. L. 85–681, §2, substituted “for subsections (a)(1), (2) or (4)” for “for subsection (a)(1) or (a)(2)”. 1957—Subsec. (e)(8). Pub. L. 85–256 inserted “except to the extent that the indemnification and limitation of liability provisions of section 2210 of this title apply.”.

§ 2074. Foreign distribution of special nuclear material

(a) Compensation; distribution to International Atomic Energy Agency; procedure for distribution; repurchase of unconsumed materials; price; purchase of materials produced outside United States; price

The Commission is authorized to cooperate with any nation or group of nations by distributing special nuclear materials and to distribute such special nuclear material, pursuant to the terms of an agreement for cooperation to which such nation or group of nations is a party and which is made in accordance with section 2135 of this title. Unless hereafter otherwise authorized by law the Commission shall be compensated for special nuclear material so distributed at not less than the Commission’s published charges applicable to the domestic distribution of such material, except that the Commission to assist and encourage research on peaceful uses or for medical therapy may so distribute without charge during any calendar year only a quantity of such material which at the time of transfer does not exceed in value $10,000 in the case of one nation or $50,000 in the case of any group of nations. The Commission may distribute to the International Atomic Energy Agency, or to any group of nations, only such amount of special nuclear materials and for such period of time as are authorized by Congress: Provided, however, That, (i) notwithstanding this provision, the Commission is hereby authorized, subject to the
provisions of section 2153 of this title, to distribute to the Agency five thousand kilograms of contained uranium-235, five hundred grams of uranium-233, and three kilograms of plutonium, together with the amounts of special nuclear material which will match in amount the sum of all quantities of special nuclear materials made available by all other members of the Agency to June 1, 1960; and (ii) notwithstanding the foregoing provisions of this subsection, the Commission may distribute to the International Atomic Energy Agency, or to any group of nations, such other amounts of special nuclear materials and for such other periods of time as are established in writing by the Commission: Provided, however, That before they are established by the Commission pursuant to this subdivision (ii), such proposed amounts and periods shall be submitted to the Congress and referred to the Energy Committees and a period of sixty days shall elapse while Congress is in session (in computing such sixty days, there shall be excluded the days on which either House is not in session because of an adjournment of more than three days): And provided further, That any such proposed amounts and periods shall not become effective if during such sixty-day period the Congress passes a concurrent resolution stating in substance that it does not favor the proposed action: And provided further, That prior to the elapse of the first thirty days of any such sixty-day period the Energy Committees shall submit to their respective houses reports of their views and recommendations respecting the proposed amounts and periods and an accompanying proposed concurrent resolution stating in substance that the Congress favors, or does not favor, as the case may be, the proposed amounts or periods. The Commission may agree to repurchase any special nuclear material distributed under a sale arrangement pursuant to this subsection which is not consumed in the course of the activities conducted in accordance with the agreement for cooperation, or any uranium remaining after irradiation of such special nuclear material, at repurchase price not to exceed the Commission’s sale price for comparable special nuclear material or uranium in effect at the time of delivery of such material to the Commission. The Commission may also agree to purchase, consistent with and within the period of the agreement for cooperation, special nuclear material produced in a nuclear reactor located outside the United States through the use of special nuclear material which was leased or sold pursuant to this subsection. Under any such agreement the Commission shall purchase only such material as is delivered to the Commission during any period when there is in effect a guaranteed purchase price for the same material produced in a nuclear reactor by a person licensed under section 2134 of this title, established by the Commission pursuant to section 2076 of this title, and the price to be paid shall be the price so established by the Commission and in effect for the same material delivered to the Commission.

(b) Distribution to persons outside United States of plutonium and other special nuclear material exempted under section 2077(d) of this title; compensation; reports

Notwithstanding the provisions of sections 2153 and 2154 of this title and section 125 of the Atomic Energy Act of 1954, the Commission is authorized to distribute to any person outside the United States (1) plutonium containing 80 per centum or more by weight of plutonium-238, and (2) other special nuclear material when it has, in accordance with subsection 2077(d) of this title, exempted certain classes or quantities of such other special nuclear material or kinds of uses or users thereof from the requirements for a license set forth in this subchapter. Unless hereafter otherwise authorized by law, the Commission shall be compensated for special nuclear material so distributed at not less than the Commission’s published charges applicable to the domestic distribution of such material. The Commission shall not distribute any plutonium containing 80 per centum or more by weight of plutonium-238 to any person under this subsection if, in its opinion, such distribution would be inimical to the common defense and security. The Commission may require such reports regarding the use of material distributed pursuant to the provisions of this subsection as it deems necessary.

(c) Licensing or granting permission to others to distribute special nuclear material; conditions

The Commission is authorized to license or otherwise permit others to distribute special nuclear material to any person outside the United States under the same conditions, except as to charges, as would be applicable if the material were distributed by the Commission.

(d) Laboratory samples; medical devices; monitoring or other instruments; emergencies

The authority to distribute special nuclear material under this section other than under an export license granted by the Nuclear Regulatory Commission shall extend only to the following small quantities of special nuclear material (in no event more than five hundred grams per year of the uranium isotope 233, the uranium isotope 235, or plutonium contained in special nuclear material to any recipient): (1) which are contained in laboratory samples, medical devices, or monitoring or other instruments; or (2) the distribution of which is needed to deal with an emergency situation in which time is of the essence.

(e) Arrangements for storage or disposition of irradiated fuel elements

The authority in this section to commit United States funds for any activities pursuant to any subsequent arrangement under section 2160(a)(2)(E) of this title shall be subject to the requirements of section 2160 of this title.

§ 2075. Acquisition of special nuclear material; payments; just compensation

The Commission is authorized, to the extent it deems necessary to effectuate the provisions of this chapter, to purchase without regard to the limitations in section 2074 of this title or any guaranteed purchase prices established pursuant to section 2076 of this title, and to take, requisition, condemn, or otherwise acquire any special nuclear material or any interest therein. Any contract of purchase made under this section may be made without regard to the provisions of section 6101 of title 41, upon certification by the Commission that such action is necessary in the interest of the common defense and security, or upon a showing by the Commission that advertising is not reasonably practicable. Partial and advance payments may be made under contracts for such purposes. Just compensation shall be made for any right, property, or interest in property taken, requisitioned, or condemned under this section: Provided, That the authority in this section to commit United States funds for any activities pursuant to any subsequent arrangement under section 2160(a)(2)(E) of this title shall be subject to the requirements of section 2160 of this title.


REFERENCES IN TEXT


AMENDMENTS

1994—Subsec. (a). Pub. L. 103–437 substituted “Energy Committees and a period” for “Joint Committee and a period” and “Energy Committees shall submit to their respective houses reports of their views” for “Joint Committee shall submit a report to the Congress of its views”.


1974—Pub. L. 93–377 designated existing provisions as subsec. (a), designated initial proviso as cl. (i), added cl. (ii) and references to groups of nations, and substituted references to this subsection for references to this section.

1964—Pub. L. 88–489 authorized repurchase of unconsumed special nuclear materials, or any uranium remaining after irradiation of such materials, at a price not exceeding Commission’s sale price for comparable material in effect at time of delivery to Commission, and purchase of special nuclear material produced outside United States through use of material leased or sold under this section, during any period when there is a guaranteed purchase price for same material as produced under section 2134 of this title, for such price as established by the Commission.

1961—Pub. L. 87–306 inserted “five hundred grams of uranium 233 and three kilograms of plutonium” after “five thousand kilograms of contained uranium 235”.

1957—Pub. L. 85–177 inserted provisions requiring compensation at domestic charges for materials distributed abroad except for peaceful or medical therapy uses, and required Commission to obtain authorization of Congress for materials to be contributed to Agency beyond amount made available by all other members of the Agency to July 1, 1959.

EFFECTIVE DATE OF 1978 AMENDMENT

Amendment by Pub. L. 95–242 effective Mar. 10, 1978, except as otherwise provided and regardless of any requirement for the promulgation of implementing regulations, see section 603(c) of Pub. L. 95–242, set out as an Effective Date note under section 3201 of Title 22, Foreign Relations and Intercourse.

§ 2076. Guaranteed purchase prices

The Commission shall establish guaranteed purchase prices for plutonium produced in a nuclear reactor by a person licensed under section 2134 of this title and delivered to the Commission before January 1, 1971. The Commission shall also establish for such periods of time as it may deem necessary, but not to exceed ten years as to any such period, guaranteed pur-
chase prices for uranium enriched in the isotope 233 produced in a nuclear reactor by a person licensed under section 2133 or section 2134 and delivered to the Commission within the period of the guarantee. Guaranteed purchase prices established under the authority of this section shall not exceed the Commission’s determination of the estimated value of plutonium or uranium enriched in the isotope 233 as fuel in nuclear reactors, and such prices shall be established on a nondiscriminatory basis: Provided, That the Commission is authorized to establish such guaranteed purchase prices only for such plutonium or uranium enriched in the isotope 233 as the Commission shall determine is produced through the use of special nuclear material which was leased or sold by the Commission pursuant to section 2073 of this title.


AMENDMENTS


1964—Pub. L. 88–489 substituted provisions which directed the Commission to establish guaranteed purchase prices for plutonium produced by a person licensed under section 2134 of this title and delivered to the Commission prior to Jan. 1, 1971, and for uranium enriched in the isotope 233, for such periods of time as it deems necessary, but not exceeding ten years as to any such period, if produced by a person licensed under said section 2134, and delivered within the period of the guarantee, provided that guaranteed prices established under this section shall not exceed the Commission’s estimated value of enriched plutonium or uranium as fuel in reactors, and shall be on a nondiscriminatory basis, and authorized such guaranteed prices only for such enriched plutonium or uranium as is produced through the use of material which was leased or sold pursuant to section 2073 of this title, for provisions requiring the Commission to determine the fair price of special nuclear material by considering the value of the material for its intended use by the United States, and by giving such weight to the cost of production as it found to be equitable, providing that such price was to apply to all licensed producers of the same material, and permitting the Commission to establish guaranteed fair prices for all such material delivered to the Commission for such time as it deems necessary, but not exceeding seven years.

§ 2077. Unauthorized dealings in special nuclear material

(a) Handling by persons

Unless authorized by a general or specific license issued by the Commission, which the Commission is authorized to issue pursuant to section 2073 of this title, no person may transfer or receive in interstate commerce, transfer, deliver, acquire, own, possess, receive possession of, or title to, or import into or export from the United States any special nuclear material.

(b) Engagement or participation in development or production

It shall be unlawful for any person to directly or indirectly engage or participate in the development or production of any special nuclear material outside of the United States except (1) as specifically authorized under an agreement for cooperation made pursuant to section 2153 of this title, including a specific authorization in a subsequent arrangement under section 2160 of this title, or (2) upon authorization by the Secretary of Energy after a determination that such activity will not be inimical to the interest of the United States; Provided, That any such determination by the Secretary of Energy shall be made only with the concurrence of the Department of State and after consultation with the Nuclear Regulatory Commission, the Department of Commerce, and the Department of Defense. The Secretary of Energy shall, within ninety days after March 10, 1978, establish orderly and expeditious procedures, including provision for necessary administrative actions and inter-agency memoranda of understanding, which are mutually agreeable to the Secretaries of State, Defense, and Commerce, and the Nuclear Regulatory Commission for the consideration of requests for authorization under this subsection. Such procedures shall include, at a minimum, explicit direction on the handling of such requests, express deadlines for the solicitation and collection of the views of the consulted agencies (with identified officials responsible for meeting such deadlines), an interagency coordinating authority to monitor the processing of such requests, predetermined procedures for the expeditious handling of intra-agency and inter-agency disagreements and appeals to higher authorities, frequent meetings of inter-agency administrative coordinators to review the status of all pending requests, and similar administrative mechanisms. To the extent practicable, an applicant should be advised of all the information required of the applicant for the entire process for every agency’s needs at the beginning of the process. Potentially controversial requests should be identified as quickly as possible so that any required policy decisions or diplomatic consultations can be initiated in a timely manner. An immediate effort should be undertaken to establish quickly any necessary standards and criteria, including the nature of any required assurances or evidentiary showings, for the decision required under this subsection. The processing of any request proposed and filed as of March 10, 1978, shall not be delayed pending the development and establishment of procedures to implement the requirements of this subsection. Any trade secrets or proprietary information submitted by anyone seeking an authorization under this subsection shall be afforded the maximum degree of protection allowable by law: Provided further, That the export of component parts as defined in section 2134(b)(2) or (cc)(2) of this title shall be governed by sections 2139 and 2155 of this title: Provided further, That notwithstanding section 7172(d) of this title, the Secretary of Energy and not the Federal Energy Regulatory Commission, shall have sole jurisdiction within the Department of Energy over any matter arising from any function of the Secretary of Energy in this section, section 2074(d), section 2094, or section 2141(b) of this title.
(c) Distribution by Commission
The Commission shall not—
(1) distribute any special nuclear material to any person for a use which is not under the jurisdiction of the United States except pursuant to the provisions of section 2074 of this title; or
(2) distribute any special nuclear material or issue a license pursuant to section 2073 of this title to any person within the United States if the Commission finds that the distribution of such special nuclear material or the issuance of such license would be inimical to the common defense and security or would constitute an unreasonable risk to the health and safety of the public.

(d) Establishment of classes of special nuclear material; exemption of materials, kinds of uses and users from requirement of license
The Commission is authorized to establish classes of special nuclear material and to exempt certain classes or quantities of special nuclear material or kinds of uses or users from the requirements for a license set forth in this section when it makes a finding that the exemption of such classes or quantities of special nuclear material or such kinds of uses or users would not be inimical to the common defense and security and would not constitute an unreasonable risk to the health and safety of the public.

(e) Transfer, etc., of special nuclear material
Special nuclear material, as defined in section 2073 of this title, produced in facilities licensed under section 2133 or 2134 of this title may not be transferred, reprocessed, used, or otherwise disposed of after an agreement for cooperation made pursuant to section 2153 of this title, or (2) upon authorization by the Commission after a determination that such activity will not be inimical to the common defense and security or would constitute an unreasonable risk to the health and safety of the public.

Prior Provisions
Provisions similar to this section were contained in section 1865(a)(3) of this title, prior to the general amendment and renumbering of act Aug. 1, 1946, by act Aug. 30, 1954.

Amendments
2004—Subsec. (b). Pub. L. 108–458 substituted “or participate in the development or production of any special nuclear material” for “in the production of any special nuclear material”.
1978—Subsec. (b). Pub. L. 95–242 substituted “except (1) as specifically authorized under an agreement for cooperation made pursuant to section 2153 of this title, including a specific authorization in a subsequent arrangement under section 2160 of this title, or (2) upon authorization by the Secretary of Energy after a determination that such activity will not be inimical to the common defense and security or would constitute an unreasonable risk to the health and safety of the public” for “except (1) as specifically authorized under an agreement for cooperation made pursuant to section 2153 of this title, or (2) upon authorization by the Commission after a determination that such activity will not be inimical to the common defense and security or would constitute an unreasonable risk to the health and safety of the public.”
1966—Pub. L. 89–489 amended section generally, and among other changes, included all special nuclear materials within the section, struck out condition that such material be “the property of the United States”, included delivery, acquisition, ownership and receiving possession of or title to any special nuclear material within the acts prohibited to persons, prohibited the Commission from issuing a license pursuant to section 2073 of this title if the Commission finds that the issuance would be inimical to the common defense and security or would constitute an unreasonable risk to the health and safety of the public.

Effective Date of 1998 Amendment
Amendment by Pub. L. 105–277 effective on earlier of Apr. 1, 1999, or date of abolition of the United States Arms Control and Disarmament Agency pursuant to reorganization plan described in section 6601 of Title 22, Foreign Relations and Intercourse, see section 3201 of Pub. L. 105–277, set out as an Effective Date note under section 6511 of Title 22.

Effective Date of 1978 Amendment
Amendment by Pub. L. 95–242 effective Mar. 10, 1978, except as otherwise provided and regardless of any requirement for the promulgation of implementing regulations, see section 690(c) of Pub. L. 95–242 set out as an Effective Date note under section 3201 of Title 22, Foreign Relations and Intercourse.

Performance of Functions Pending Development of Procedures
The performance of functions under this chapter, as amended by the Nuclear Non-Proliferation Act of 1978, Pub. L. 95–242, Mar. 10, 1978, 92 Stat. 120, not to be delayed pending development of procedures even though as many as 120 days [after Mar. 10, 1978] are allowed for establishing those procedures, see section 5(b) of Ex. Ord. No. 12058, May 11, 1978, 43 F.R. 19777, set out under section 3201 of Title 22, Foreign Relations and Intercourse.

§2077a. Interagency review of applications for the transfer of United States civil nuclear technology
(a) Report on transfers to covered foreign countries
Not less frequently than every 90 days, the Secretary of Energy shall submit to the appropriate congressional committees a report that includes—
(1) a description of the authorizations under section 2077(b) of this title to transfer United States civil nuclear technology to a covered foreign country during the preceding 90 days; and
(2) a statement of whether any agency required to be consulted under that section or
§ 2077a  TITLE 42—THE PUBLIC HEALTH AND WELFARE

pursuant to regulation objected to or sought conditions on each such transfer.

(b) Determination of technologies to be protected

(1) In general

Not later than 90 days after November 25, 2015, and every five years thereafter, the Secretary of Energy shall—

(A) in consultation with the Secretary of State, the Secretary of Commerce, the Secretary of Defense, the Director of National Intelligence, and the Nuclear Regulatory Commission, determine the critical United States civil nuclear technologies that should be protected from diversion to a military program of a covered foreign country, including with respect to a naval propulsion or weapons program; and

(B) notify the appropriate congressional committees with respect to the determination and the technologies covered by the determination.

(2) Notification

(A) In general

Except as provided in subparagraph (B), not later than 14 days before making an authorization under section 2077(b) of this title for the transfer of a technology covered by a determination under paragraph (1) to a covered foreign country, the Secretary of Energy shall submit to the appropriate congressional committees a report that includes—

(i) a notification of the intention of the Secretary to make the authorization for the transfer of such technology; and

(ii) a statement of whether any agency required to be consulted under such section 2077(b) of this title or pursuant to regulations under any authorization for the transfer of United States civil nuclear technology to a covered foreign country is in compliance with its obligations.

(B) Waiver of deadline

The Secretary may waive the requirement under subparagraph (A) to submit the report required by that subparagraph not later than 14 days before making an authorization for the transfer of a technology covered by a determination under paragraph (1) to a covered foreign country if the Secretary—

(i) determines that an imminent radiological hazard exists; and

(ii) not later than 7 days after determining that such hazard exists, submits to the appropriate congressional committees—

(I) a certification that the hazard exists;

(II) a justification for the waiver; and

(III) the notification required by clause (i) of subparagraph (A) and the statement required by clause (ii) of that subparagraph.

(c) Consultations with intelligence community

(1) In general

The Secretary of Energy shall expeditiously revise part 810 of title 10, Code of Federal Regulations, to ensure that the Director of National Intelligence—

(A) is consulted with respect to the views of the intelligence community (as defined in section 3003(4) of title 50) with respect to each authorization issued under section 2077(b) of this title for the transfer of United States civil nuclear technology to a covered foreign country before the determination to approve or disapprove the request for the authorization; and

(B) is provided with an opportunity to present the views of the Director of National Intelligence on the national security risks of the transfer, if any.

(2) Submission to Congress

The Secretary of Energy, jointly with the Director of National Intelligence, shall include the results of consultations conducted under paragraph (1) in each report under subsection (a) and each notification under subsection (b)(2).

(d) Report on compliance of covered foreign countries and end-users

Not less frequently than annually, the Secretary of Energy shall submit to the appropriate congressional committees a report that includes—

(1) an assessment of whether each covered foreign country is in compliance with its obligations under any authorization for the transfer of United States civil nuclear technology under section 2077(b) of this title;

(2) with respect to any covered foreign country that is not in compliance with such obligations—

(A) a description the efforts of the United States to bring the country into compliance;

(B) an evaluation of the result of such efforts; and

(C) an assessment of the options available to the Secretary as a result of the country not being in compliance;

(3) an assessment of whether each end-user to which United States civil nuclear technology is transferred pursuant to an authorization under such section 2077(b) of this title is in compliance with the obligations of the end-user under that authorization; and

(4) a description of any consequences for the end-user or the exporter of the technology if the end-user is not in compliance with such obligations.

(e) Report on transfers to all foreign countries

(1) In general

Concurrent with the submission to Congress of the budget of the President for a fiscal year under section 1105(a) of title 31, the Secretary of Energy shall submit to the appropriate congressional committees a report on the activities of the Department of Energy associated with the review of applications for authorization under section 2077(b) of this title to transfer United States civil nuclear technology to any foreign country.

(2) Elements

The report required by paragraph (1) shall include—

(A) the number of applications for authorization under section 2077(b) of this title to
transfer United States civil nuclear technology to a foreign country submitted during the year preceding the submission of the report;

(B) the length of time each such application was under review;

(C) for each such application, an identification of any officer to which the authorization under such section 2077(b) of this title was delegated pursuant to section 2280(n) of this title;

(D) the number of such applications that were granted; and

(E) a description of efforts to streamline the review of such applications, taking into account the proliferation and diversion potential of end-users in the country to which United States civil nuclear technology would be transferred pursuant to such applications.

(f) Notifications of potential diversions

The Director of National Intelligence shall notify the Department of Energy and the appropriate congressional committees not later than 30 days after the date on which the Director determines that there is credible intelligence that United States civil nuclear technology is being or has been diverted—

(1) to a military program in a foreign country to which the transfer of the technology was authorized under section 2077(b) of this title; or

(2) to a foreign country to which the transfer of the technology was not so authorized.

(g) Guidelines

Not later than 60 days after November 25, 2015, the Secretary of Energy shall issue guidance with respect to the use of the clear and intended authority of the Secretary under section 2282 of this title to impose civil penalties, including fines and debarment, and to make referrals to the Attorney General for prosecution, for violations of the terms of authorizations for the transfer of United States civil nuclear technology issued under section 2077(b) of this title.

(h) Report on transfer of sensitive items

(1) In general

Not later than 180 days after November 25, 2015, and annually thereafter, the President shall submit to the appropriate congressional committees a report—

(A) describing the efforts of covered foreign countries to prevent the transfer of sensitive items, including efforts to improve the prevention of the transfer of such items; and

(B) assessing the adequacy of such efforts.

(2) Sensitive items defined

In this subsection, the term “sensitive items” means goods, services, and technologies described in section 2(a) of the Iran, North Korea, and Syria Nonproliferation Act (Public Law 106–178; 50 U.S.C. 1701 note).

(i) Definitions

In this section:

(1) Appropriate congressional committees

The term “appropriate congressional committees” means—

(A) the congressional defense committees;

(B) the Committee on Energy and Natural Resources, the Committee on Foreign Relations, and the Select Committee on Intelligence of the Senate; and

(C) the Committee on Energy and Commerce, the Committee on Foreign Affairs, and the Permanent Select Committee on Intelligence of the House of Representatives.

(2) Covered foreign country

The term “covered foreign country” means a foreign country that is a nuclear-weapon state, as defined by Article IX(3) of the Treaty on the Non-Proliferation of Nuclear Weapons, signed at Washington, London, and Moscow July 1, 1968, but does not include the United States, the United Kingdom, or France.


CODIFICATION

Section was enacted as part of the National Defense Authorization Act for Fiscal Year 2016, and not as part of the Atomic Energy Act of 1954 which comprises this chapter.

AMENDMENTS

2018—Subsec. (e)(2)(C) to (E). Pub. L. 115–232 added subpar. (C) and redesignated former subpars. (C) and (D) as (D) and (E), respectively.

“CONGRESSIONAL DEFENSE COMMITTEES” DEFINED

Congressional defense committees means the Committees on Armed Services and Appropriations of the Senate and the House of Representatives, see section 3 of Pub. L. 114–92, 129 Stat. 745. See note under section 101 of Title 10, Armed Forces.

DELEGATION OF AUTHORITY PURSUANT TO SECTION 3136(h) OF THE NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 2016

Memorandum of President of the United States, May 10, 2016, 81 F.R. 31161, provided:

Memorandum for the Secretary of State

By the authority vested in me as President by the Constitution and the laws of the United States of America, including section 301 of title 3, United States Code, I hereby order as follows:

I hereby delegate functions and authorities vested in the President by section 3136(h) of the National Defense Authorization Act for Fiscal Year 2016 (Public Law 114–92) (the “Act”) to the Secretary of State.

Any reference in this memorandum to the Act shall be deemed to be a reference to any future act that is the same or substantially the same as such provision. You are authorized and directed to publish this memorandum in the Federal Register.

Barack Obama.

§ 2078. Congressional review of guaranteed purchase price, guaranteed purchase price period, and criteria for waiver of charges

Before the Commission establishes any guaranteed purchase price or guaranteed purchase price period in accordance with the provisions of section 2076 of this title, or establishes any criteria for the waiver of any charge for the use of special nuclear material licensed and distributed under section 2075 of this title, the proposed guaranteed purchase price, guaranteed purchase price period, or criteria for the waiver of such charge shall be submitted to the Energy
Committees and a period of forty-five days shall elapse while Congress is in session (in computing such forty-five days there shall be excluded the days in which either House is not in session because of adjournment for more than three days): Provided, however, That the Energy Committees, after having received the proposed guaranteed purchase price, guaranteed purchase price period, or criteria for the waiver of such charge, may by resolution in writing waive the conditions of, or all or any portion of, such forty-five-day period.


AMENDMENTS


1964—Pub. L. 88-489 substituted “‘guaranteed purchase’ and ‘purchase’ for ‘fair’ wherever appearing,” “‘licensed and distributed’ for “‘licensed or distributed’”, and provided that the Joint Committee resolution waiving the conditions of the forty-five-day period must be in writing.

SUBCHAPTER VI—SOURCE MATERIAL

§ 2091. Determination of source material

The Commission may determine from time to time that other material is source material in addition to those specified in the definition of source material. Before making such determination, the Commission must find that such material is essential to the production of special nuclear material and must find that the determination that such material is source material is in the interest of the common defense and security, and the President must have expressly assented in writing to the determination. The Commission’s determination, together with the assent of the President, shall be submitted to the Energy Committees and a period of thirty days shall elapse while Congress is in session (in computing such thirty days, there shall be excluded the days on which either House is not in session because of an adjournment of more than three days) before the determination of the Commission may become effective: Provided, however, That the Energy Committees, after having received such determination, may by resolution in writing waive the conditions of or all or any portion of such thirty-day period.


PRIOR PROVISIONS

Provisions similar to this section were contained in section 1805(b)(2) of this title, prior to the general amendment and renumbering of act Aug. 1, 1946, by act Aug. 30, 1954.

§ 2092. License requirements for transfers

Unless authorized by a general or specific license issued by the Commission which the Commission is authorized to issue, no person may transfer or receive in interstate commerce, transfer, deliver, receive possession of or title to, or import into or export from the United States any source material after removal from its place of deposit in nature, except that licenses shall not be required for quantities of source material which, in the opinion of the Commission, are unimportant.


PRIOR PROVISIONS

Provisions similar to this section were contained in section 1805(b)(2) of this title, prior to the general amendment and renumbering of act Aug. 1, 1946, by act Aug. 30, 1954.

§ 2093. Domestic distribution of source material

(a) License

The Commission is authorized to issue licenses for and to distribute source material within the United States to qualified applicants requesting such material—

(1) for the conduct of research and development activities of the types specified in section 2051 of this title;

(2) for use in the conduct of research and development activities or in medical therapy under a license issued pursuant to section 2134 of this title;

(3) for use under a license issued pursuant to section 2133 of this title; or

(4) for any other use approved by the Commission as an aid to science or industry.

(b) Minimum criteria for licenses

The Commission shall establish, by rule, minimum criteria for the issuance of specific or general licenses for the distribution of source material depending upon the degree of importance to the common defense and security or to the health and safety of the public of—

(1) the physical characteristics of the source material to be distributed;

(2) the quantities of source material to be distributed; and

(3) the intended use of the source material to be distributed.

(c) Determination of charges

The Commission may make a reasonable charge determined pursuant to section 2201(m) of this title for the source material licensed and distributed under subsection (a)(1), (a)(2), or (a)(4) and shall make a reasonable charge determined pursuant to section 2201(m) of this title, for the source material licensed and distributed under subsection (a)(3). The Commission shall establish criteria in writing for the determination of whether a charge will be made for the source material licensed and distributed under subsection (a)(1), (a)(2), or (a)(4), considering, among other things, whether the licensee is a nonprofit or eleemosynary institution and the
purposes for which the source material will be used.


PRIOR PROVISIONS

Provisions similar to this section were contained in section 1805(b)(3) of this title, prior to the general amendment and renumbering of act Aug. 1, 1946, by act Aug. 30, 1954.

§ 2094. Foreign distribution of source material

The Commission is authorized to cooperate with any nation by distributing source material and to distribute source material pursuant to the terms of an agreement for cooperation to which such nation is a party and which is made in accordance with section 2153 of this title. The Commission is also authorized to distribute source material outside of the United States upon a determination by the Commission that such activity will not be inimical to the interests of the United States. The authority to distribute source material under this section other than under an export license granted by the Nuclear Regulatory Commission shall in no case extend to quantities of source material in excess of three metric tons per year per recipient.


AMENDMENTS

1978—Pub. L. 95-242 provided that the authority to distribute source material under this section other than under an export license granted by the Nuclear Regulatory Commission shall in no case extend to quantities of source material in excess of three metric tons per year per recipient.

EFFECTIVE DATE OF 1978 AMENDMENT

Amendment by Pub. L. 95-242 effective Mar. 10, 1978, except as otherwise provided and regardless of any requirement for the promulgation of implementing regulations, see section 685(c) of Pub. L. 95-242, set out as an Effective Date note under section 3201 of Title 22, Foreign Relations and Intercourse.

PERFORMANCE OF FUNCTIONS PENDING DEVELOPMENT OF PROCEDURES

The performance of functions under this chapter, as amended by the Nuclear Non-Proliferation Act of 1978, Pub. L. 95-242, Mar. 10, 1978, 92 Stat. 120, not to be delayed pending development of procedures even though as many as 120 days [after Mar. 10, 1978] are allowed for establishing those procedures, see section 9(b) of Ex. Ord. No. 12279, May 11, 1978, 43 F.R. 20447, not set out under section 3201 of Title 22, Foreign Relations and Intercourse.

§ 2095. Reports

The Commission is authorized to issue such rules, regulations, or orders requiring reports of ownership, possession, extraction, refining, shipment, or other handling of source material as it may deem necessary, except that such reports shall not be required with respect to (a) any source material prior to removal from its place of deposit in nature, or (b) quantities of source material which in the opinion of the Commission are unimportant or the reporting of which will discourage independent prospecting for new deposits.


PRIOR PROVISIONS

Provisions similar to this section were contained in section 1805(b)(3) of this title, prior to the general amendment and renumbering of act Aug. 1, 1946, by act Aug. 30, 1954.

§ 2096. Acquisition of source material; payments

The Commission is authorized and directed, to the extent it deems necessary to effectuate the provisions of this chapter—

(a) to purchase, take, requisition, condemn, or otherwise acquire supplies of source material;

(b) to purchase, condemn, or otherwise acquire any interest in real property containing deposits of source material; and

(c) to purchase, condemn, or otherwise acquire rights to enter upon any real property deemed by the Commission to have possibilities of containing deposits of source material in order to conduct prospecting and exploratory operations for such deposits.

Any purchase made under this section may be made without regard to the provisions of section 6101 of title 41, upon certification by the Commission that such action is necessary in the interest of the common defense and security, or upon a showing by the Commission that advertising is not reasonably practicable. Partial and advanced payments may be made under contracts for such purposes. The Commission may establish guaranteed prices for all source material delivered to it within a specified time. Just compensation shall be made for any right, property, or interest in property taken, requisitioned, condemned, or otherwise acquired under this section.


REFERENCES IN TEXT

This chapter, referred to in text, was in the original “this Act”, meaning act Aug. 1, 1946, ch. 724, as added by act Aug. 30, 1954, ch. 1073, §1, 68 Stat. 919, known as the Atomic Energy Act of 1954, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 2011 of this title and Tables.

CODIFICATION


PRIOR PROVISIONS

Provisions similar to this section were contained in section 1805(b)(4) of this title, prior to the general amendment and renumbering of act Aug. 1, 1946, by act Aug. 30, 1954.
§ 2097. Operations on lands belonging to United States

The Commission is authorized, to the extent it deems necessary to effectuate the provisions of this chapter, to issue leases or permits for prospecting for, exploration for, mining of, or removal of deposits of source material in lands belonging to the United States: Provided, however, that notwithstanding any other provisions of law, such leases or permits may be issued for lands administered for national park, monument, and wildlife purposes only when the President by Executive Order declares that the requirements of the common defense and security make such action necessary.


REFERENCES IN TEXT

This chapter, referred to in text, was in the original "Reserve pool", meaning act Aug. 1, 1946, ch. 724, as amended by act Aug. 30, 1954, ch. 1073, §1, 68 Stat. 919, known as the Atomic Energy Act of 1954, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 2011 of this title and Tables.

§ 2098. Public and acquired lands

(a) Conditions on location, entry, and settlement

No individual, corporation, partnership, or association, which had any part, directly or indirectly, in the development of the atomic energy program, may benefit by any location, entry, or settlement upon the public domain made after such location, entry, or settlement is made, and the same is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 2011 of this title and Tables.

(b) Reservation of mineral rights; release

Any reservation of radioactive mineral substances, fissionable materials, or source material, together with the right to enter upon the land and prospect for, mine, and remove the same, inserted pursuant to Executive Order 9613 of September 13, 1945, Executive Order 9701 of March 4, 1946, the Atomic Energy Act of 1946, or Executive Order 9908 of December 5, 1947, in any patent, conveyance, lease, permit, or other authorization or instrument disposing of any interest in public or acquired lands of the United States, is released, remised, and quitclaimed to the person or persons entitled upon August 19, 1958 under the grant from the United States or successive grants to the ownership, occupancy, or use of the land under the applicable Federal or State laws: Provided, however, That in cases where any such reservation on acquired lands of the United States has been heretofore released, remised, or quitclaimed subsequent to August 19, 1954, in reliance upon authority deemed to have been contained in the Atomic Energy Act of 1946, as amended, or the Atomic Energy Act of 1954 [42 U.S.C. 2011 et seq.], as heretofore amended, the same shall be valid and effective in all respects to the same extent as if public lands and not acquired lands had been involved. The foregoing release shall be subject to any rights which may have been granted by the United States pursuant to any such reservation, but the releases shall be subrogated to the rights of the United States.

(c) Prior locations

Notwithstanding the provisions of the Atomic Energy Act of 1946, as amended, and particularly section 5(b)(7) thereof, or the provisions of sections 501 to 505 of title 30, and particularly section 503 of title 30, any mining claim, heretofore located under the mining laws of the United States, for or based upon a discovery of a mineral deposit which is a source material and which, except for the possible contrary construction of said Atomic Energy Act, would have been locatable under such mining laws, shall, insofar as adversely affected by such possible contrary construction, be valid and effective, in all respects to the same extent as if said mineral deposit were a locatable mineral deposit other than a source material.


REFERENCES IN TEXT

The Atomic Energy Act of 1946, referred to in subsecs. (b) and (c), is act Aug. 1, 1946, ch. 724, 60 Stat. 755, which was classified generally to chapter 14 (§1801 et seq.) of this title prior to the general amendment by act Aug. 30, 1954, ch. 1073, §1, 68 Stat. 919. The act of Aug. 1, 1946, ch. 724, is now known as the Atomic Energy Act of 1954, and is classified principally to this chapter.

Section 5(b)(7) thereof, referred to in subsec. (c), means section 5(b)(7) of act Aug. 1, 1946, ch. 724, 60 Stat. 762, which was classified to section 1805(b)(7) of this title and was omitted in the general amendment of the Atomic Energy Act of 1946 by act Aug. 30, 1954, ch. 1073, §1, 68 Stat. 919.

The Atomic Energy Act of 1954, referred to in subsec. (b), is act Aug. 1, 1946, ch. 724, as added by act Aug. 30, 1954, ch. 1073, §1, 68 Stat. 919, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 2011 of this title and Tables.


PRIOR PROVISIONS

Provisions similar to this section were contained in section 1805(b)(7) of this title, prior to the general amendment and renumbering of act Aug. 1, 1946, by act Aug. 30, 1954.
§ 2099. Prohibitions against issuance of license

The Commission shall not license any person to transfer or deliver, receive possession of or title to, or import into or export from the United States any source material if, in the opinion of the Commission, the issuance of a license to such person for such purpose would be inimical to the common defense and security or the health and safety of the public.


(PRIOR PROVISIONS)

Provisions similar to this section were contained in section 1805(d)(2) of this title, prior to the general amendment and renumbering of act Aug. 1, 1946, by act Aug. 30, 1954.

SUBCHAPTER VII—BYPRODUCT MATERIALS

§ 2111. Domestic distribution

(a) In general

No person may transfer or receive in interstate commerce, manufacture, produce, transfer, acquire, own, possess, import, or export any byproduct material, except to the extent authorized by this section, section 2112 or section 2114 of this title. The Commission is authorized to issue general or specific licenses to applicants seeking to use byproduct material for research or development purposes, for medical therapy, industrial uses, agricultural uses, or such other useful applications as may be developed. The Commission may distribute, sell, loan, or lease such byproduct material as it owns to qualified applicants with or without charge: Provided, however, That, for byproduct material to be distributed by the Commission for a charge, the Commission shall establish prices on such equitable basis as, in the opinion of the Commission, (a) will provide reasonable compensation to the Government for such material, (b) will not discourage the use of such material or the development of sources of supply of such material independent of the Commission, and (c) will encourage research and development. In distributing such material, the Commission shall give preference to applicants proposing to use such material either in the conduct of research and development or in medical therapy. The Commission shall not permit the distribution of any byproduct material to any licensee, and shall recall or order the recall of any distributed material from any licensee, who is not equipped to observe or who fails to observe such safety standards to protect health as may be established by the Commission or who uses such material in violation of law or regulation of the Commission or in a manner other than as disclosed in the application therefor or approved by the Commission. The Commission is authorized to establish classes of byproduct material and to exempt certain classes or quantities of material or kinds of uses or users from the requirements for a license set forth in this section when it makes a finding that the exemption of such classes or quantities of such material or such kinds of uses or users will not constitute an unreasonable risk to the common defense and security and to the health and safety of the public.

(b) Requirements

(1) In general

Except as provided in paragraph (2), byproduct material, as defined in paragraphs (3) and (4) of section 2014(e) of this title, may only be transferred to and disposed of in a disposal facility that—

(A) is adequate to protect public health and safety; and

(B) (i) is licensed by the Commission; or

(ii) is licensed by a State that has entered into an agreement with the Commission under section 2021(b) of this title, if the licensing requirements of the State are compatible with the licensing requirements of the Commission.

(2) Effect of subsection

Nothing in this subsection affects the authority of any entity to dispose of byproduct material, as defined in paragraphs (3) and (4) of section 2014(e) of this title, at a disposal facility in accordance with any Federal or State solid or hazardous waste law, including the Solid Waste Disposal Act (42 U.S.C. 6901 et seq.).

(c) Treatment as low-level radioactive waste

Byproduct material, as defined in paragraphs (3) and (4) of section 2014(e) of this title, disposed of under this section shall not be considered to be the low-level radioactive waste for the purposes of—

(1) section 2 of the Low-Level Radioactive Waste Policy Act (42 U.S.C. 2021b); or

(2) carrying out a compact that is—

(A) entered into in accordance with that Act (42 U.S.C. 2021b et seq.); and

(B) approved by Congress.


REFERENCES IN TEXT


The Low-Level Radioactive Waste Policy Act, referred to in subsec. (c)(2)(A), is Pub. L. 96–573, as
§ 2112. Foreign distribution of byproduct material

(a) Cooperation with other Nations

The Commission is authorized to cooperate with any nation by distributing byproduct material, and to distribute byproduct material, pursuant to the terms of an agreement for cooperation to which such nation is party and which is made in accordance with section 2153 of this title.

(b) Distribution to individuals

The Commission is also authorized to distribute byproduct material to any person outside the United States upon application therefor by such person and demand such charge for such material as would be charged for the material if it were distributed within the United States: Provided, however, That the Commission shall not distribute any such material to any person under this section if, in its opinion, such distribution would be inimical to the common defense and security:

And provided further, That the Commission may require such reports regarding the use of material distributed pursuant to the provisions of this section as it deems necessary.

(c) Distributor's license

The Commission is authorized to license others to distribute byproduct material to any person outside the United States under the same conditions, except as to charges, as would be applicable if the material were distributed by the Commission.


§ 2113. Ownership and custody of certain byproduct material and disposal sites

(a) Specific assurances in license for pre-termination actions

Any license issued or renewed after the effective date of this section under section 2092 or section 2111 of this title for any activity which results in the production of any byproduct material, as defined in section 2014(e)(2) of this title, shall contain such terms and conditions as the Commission determines to be necessary to assure that, prior to termination of such license—

1. The licensee will comply with decontamination, decommissioning, and reclamation standards prescribed by the Commission for sites (A) at which ores were processed primarily for their source material content and (B) at which such byproduct material is deposited, and

2. Ownership of any byproduct material, as defined in section 2014(e)(2) of this title, which resulted from such licensed activity shall be transferred to (A) the United States or (B) in the State in which such activity occurred if such State exercises the option under subsection (b)(1) to acquire land used for the disposal of byproduct material.

Any license which is in effect on the effective date of this section and which is subsequently terminated without renewal shall comply with paragraphs (1) and (2) upon termination.

(b) Transfer of title; health and environmental protection through maintenance of property and materials; use of surface or subsurface estates; first refusal rights of transferor; maintenance, monitoring, and emergency measures and other authorized action; licensee-transferor liability for fraud or negligence; administrative and legal costs limitation; government retransfers under section 7814(h) of this title

1. (A) The Commission shall require by rule, regulation, or order that prior to the termination of any license which is issued after the effective date of this section, title to the land, including any interests therein (other than land owned by the United States or by a State) which is used for the disposal of any byproduct material, as defined by section 2014(e)(2) of this title, pursuant to such license shall be transferred to—

   (i) the United States, or

   (ii) the State in which such land is located, at the option of such State,

   unless the Commission determines prior to such termination that transfer of title to such land and such byproduct material is not necessary or desirable to protect the public health, safety, or welfare or to minimize or eliminate danger to life or property. Such determination shall be made in accordance with section 2231 of this title. Notwithstanding any other provision of law or any such determination, such property and materials shall be maintained pursuant to a license issued by the Commission pursuant to section 2111 of this title in such manner as will protect the public health, safety, and the environment.

   (B) If the Commission determines by order that use of the surface or subsurface estates, or both, of the land transferred to the United States or to a State under subparagraph (A) would not endanger the public health, safety, welfare, or environment, the Commission, pur-
sistant to such regulations as it may prescribe, shall permit the use of the surface or subsurface estates, or both, of such land in a manner consistent with the provisions of this section. If the Commission permits such use of such land, it shall provide the person who transferred such land with the right of first refusal with respect to such use of such land.

(2) If transfer to the United States of title to such byproduct material and such land is required under this section, the Secretary of Energy or any Federal agency designated by the President shall, following the Commission’s determination of compliance under subsection (c), assume title and custody of such byproduct material and land transferred as provided in this subsection. Such Secretary or Federal agency shall maintain such material and land in such manner as will protect the public health and safety and the environment. Such custody may be transferred to another officer or instrumentality of the United States only upon approval of the President.

(3) If transfer to a State of title to such byproduct material is required in accordance with this subsection, such State shall, following the Commission’s determination of compliance under subsection (d), assume title and custody of such byproduct material and land transferred as provided in this subsection. Such State shall maintain such material and land in such manner as will protect the public health, welfare, and the environment.

(4) In the case of any such license under section 2092 of this title, which was in effect on the effective date of this section, the Commission may require, before the termination of such license, such transfer of land and interests therein (as described in paragraph (1) of this subsection) to the United States or a State in which such land is located, at the option of such State, as may be necessary to protect the public health, welfare, and the environment from any effects associated with such byproduct material. In exercising the authority of this paragraph, the Commission shall take into consideration the status of the ownership of such land and interests therein and the ability of the licensee to transfer title and custody thereof to the United States or a State.

(5) The Commission may, pursuant to a license, or by rule or order, require the Secretary or other Federal agency or State having custody of such property and materials to undertake such monitoring, maintenance, and emergency measures as are necessary to protect the public health and safety and such other actions as the Commission deems necessary to comply with the standards promulgated pursuant to section 2114 of this title. The Secretary or such other Federal agency is authorized to carry out the monitoring, maintenance, and emergency measures but shall take no other action pursuant to such license, rule or order, with respect to such property and materials unless expressly authorized by Congress after November 8, 1978.

(6) The transfer of title to land or byproduct materials, as defined in section 2014(e)(2) of this title, to a State or the United States pursuant to this subsection shall not relieve any licensee of liability for any fraudulent or negligent acts done prior to such transfer.

(7) Material and land transferred to the United States or a State in accordance with this subsection shall be transferred without cost to the United States or a State (other than administrative and legal costs incurred in carrying out such transfer). Subject to the provisions of paragraph (1)(B) of this subsection, the United States or a State shall not transfer title to material or property acquired under this subsection to any person, unless such transfer is in the same manner as provided under section 7914(h) of this title.

(8) The provisions of this subsection respecting transfer of title and custody to land shall not apply in the case of lands held in trust by the United States for any Indian tribe or lands owned by such Indian tribe subject to a restriction against alienation imposed by the United States. In the case of such lands which are used for the disposal of byproduct material, as defined in section 2014(e)(2) of this title, the licensee shall be required to enter into such arrangements with the Commission as may be appropriate to assure the long-term maintenance and monitoring of such lands by the United States.

(c) Compliance with applicable standards and license requirements; determination upon termination of license

Upon termination on-license to which this section applies, the Commission shall determine whether or not the licensee has complied with all applicable standards and requirements under such license.


REFERENCES IN TEXT

Effective date of this section, referred to in subsecs. (a) and (b)(1)(A), (4), is three years after Nov. 8, 1978, see section 202(b) of Pub. L. 95–604, set out as an Effective Date note below.

AMENDMENTS

1979—Subsec. (a). Pub. L. 96–106, § 22(c), substituted “Any license which is in effect on the effective date of this section and which is subsequently terminated without renewal shall comply with paragraphs (1) and (2) upon termination” for “Any license in effect on November 8, 1978, shall either contain such terms and conditions on renewal thereof after the effective date of this section, or comply with paragraphs (1) and (2) upon the termination of such license, whichever first occurs”.

Subsec. (b)(1)(A). Pub. L. 96–106, § 22(e), among other changes, substituted reference to section 2111 of this title for reference to section 2114(b) of this title.

EFFECTIVE DATE

Pub. L. 95–604, title II, § 202(b), Nov. 8, 1978, 92 Stat. 3036, provided that: “This section [enacting this section] shall be effective three years after the enactment of this Act [Nov. 8, 1978].”

CONSOLIDATION OF LICENSES AND PROCEDURES

shall consolidate, to the maximum extent practicable, licenses and licensing procedures under amendments made by this title [see Effective Date of 1978 Amendment note set out under section 2014 of this title] with licenses and licensing procedures under other authorities contained in the Atomic Energy Act of 1954 [this chapter].

(Provision effective Nov. 8, 1978, see section 208 of Pub. L. 95–604, set out as an Effective Date of 1978 Amendment note under section 2014 of this title).

§ 2114. Authorities of Commission respecting certain byproduct material

(a) Management function

The Commission shall insure that the management of any byproduct material, as defined in section 2014(e)(2) of this title, is carried out in such manner as—

(1) the Commission deems appropriate to protect the public health and safety and the environment from radiological and non-radiological hazards associated with the processing and with the possession and transfer of such material, taking into account the risk to the public health, safety, and the environment, with due consideration of the economic costs and such other factors as the Commission determines to be appropriate,\(^1\)

(2) conforms with applicable general standards promulgated by the Administrator of the Environmental Protection Agency under section 2022 of this title, and

(3) conforms to general requirements established by the Commission, with the concurrence of the Administrator, which are, to the maximum extent practicable, at least comparable to requirements applicable to the possession, transfer, and disposal of similar hazardous material regulated by the Administrator under the Solid Waste Disposal Act, as amended [42 U.S.C. 6901 et seq.].

(b) Rules, regulations, or orders for certain activities; civil penalty

In carrying out its authority under this section, the Commission is authorized to—

(1) by rule, regulation, or order require persons, officers, or instrumentalities exempted from licensing under section 2111 of this title to conduct monitoring, perform remedial work, and to comply with such other measures as it may deem necessary or desirable to protect health or to minimize danger to life or property, and in connection with the disposal or storage of such byproduct material; and

(2) make such studies and inspections and to conduct such monitoring as may be necessary.

Any violation by any person other than the United States or any officer or employee of the United States or a State of any rule, regulation, or order or licensing provision, of the Commission established under this section or section 2113 of this title shall be subject to a civil penalty in the same manner and in the same amount as violations subject to a civil penalty under section 2282 of this title. Nothing in this section affects any authority of the Commission under any other provision of this chapter.

(c) Alternative requirements or proposals

In the case of sites at which ores are processed primarily for their source material content or which are used for the disposal of byproduct material as defined in section 2134(e)(2) of this title, a licensee may propose alternatives to specific requirements adopted and enforced by the Commission under this chapter. Such alternative proposals may take into account local or regional conditions, including geology, topography, hydrology and meteorology. The Commission may treat such alternatives as satisfying Commission requirements if the Commission determines that such alternatives will achieve a level of stabilization and containment of the sites concerned, and a level of protection for public health, safety, and the environment from radiological and nonradiological hazards associated with such sites, which is equivalent to, to the extent practicable, or more stringent than the level which would be achieved by standards and requirements adopted and enforced by the Commission for the same purpose and any final standards promulgated by the Administrator of the Environmental Protection Agency in accordance with section 2022 of this title.


REFERENCES IN TEXT

The Solid Waste Disposal Act, as amended, referred to in subsec. (a)(3), is title II of Pub. L. 89–272, as amended generally by Pub. L. 94–580, § 2, Oct. 21, 1976, 90 Stat. 2795, which is classified generally to chapter 82 of title 42, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 6901 of this title and Tables.

This chapter, referred to in subsecs. (b) and (c), was in the original “‘this Act’”, meaning act Aug. 1, 1946, ch. 724, as added by act Aug. 30, 1954, ch. 1073, § 1, 68 Stat. 919, known as the Atomic Energy Act of 1946, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 2011 of this title and Tables.

AMENDMENTS

1983—Subsec. (a)(1). Pub. L. 97–415, § 22(a), inserted provison that the Commission is to take into account the risk to the public health, safety, and the environment, with due consideration of the economic costs and such other factors as the Commission determines to be appropriate.


EFFECTIVE DATE

Section effective Nov. 8, 1978, see section 208 of Pub. L. 95–604, set out as an Effective Date of 1978 Amendment note under section 2014 of this title.

SUBCHAPTER VIII—MILITARY APPLICATION OF ATOMIC ENERGY

§ 2121. Authority of Commission

(a) Research and development; weapons production; hazardous wastes; transfers of technologies

The Commission is authorized to—

(1) conduct experiments and do research and development work in the military application of atomic energy;
(2) engage in the production of atomic weapons, or atomic weapon parts, except that such activities shall be carried on only to the extent that the express consent and direction of the President of the United States has been obtained, which consent and direction shall be obtained at least once each year;

(3) provide for safe storage, processing, transportation, and disposal of hazardous waste (including radioactive waste) resulting from nuclear materials production, weapons production and surveillance programs, and naval nuclear propulsion programs;

(4) carry on research on and development of technologies needed for the effective negotiation and verification of international agreements on control of special nuclear materials and nuclear weapons; and

(5) under applicable law (other than this paragraph) and consistent with other missions of the Department of Energy, make transfers of federally owned or originated technology to States and local governments, private industry, and universities or other nonprofit organizations so that the prospects for commercialization of such technology are enhanced.

(b) Material for Department of Defense use

The President may authorize the Commission (1) to deliver such quantities of special nuclear material or atomic weapons to the Department of Defense for such use as he deems necessary in the interest of national defense, or (2) to authorize the Department of Defense to manufacture, produce, or acquire any atomic weapon or utilization facility for military purposes: Provided, however, That such authorization shall not extend to the production of special nuclear material other than that incidental to the operation of such utilization facilities.

(c) Sale, lease, or loan to other Nations of materials for military applications

The President may authorize the Commission or the Department of Defense, with the assistance of the other, to cooperate with another nation and, notwithstanding the provisions of sections 2077, 2092, or 2111 of this title, to transfer by arrangement for the nonnuclear parts of atomic weapons, and special nuclear materials for military applications; and

(1) nonnuclear parts of atomic weapons provided that such nation has made substantial progress in the development of atomic weapons, and other nonnuclear parts of atomic weapons systems involving Restricted Data provided that such transfer will not contribute significantly to that nation's atomic weapon design, development, or fabrication capability; and

(2) utilization facilities for military applications; and

(3) source, byproduct, or special nuclear material for research on, development of, production of, or use in utilization facilities for military applications; and

(4) source, byproduct, or special nuclear material for research on, development of, or use in atomic weapons: Provided, however, That the transfer of such material to that nation is necessary to improve its atomic weapon design, development, or fabrication capability.

whenever the President determines that the proposed cooperation and each proposed transfer arrangement for the nonnuclear parts of atomic weapons and atomic weapons systems, utilization facilities or source, byproduct, or special nuclear material will promote and will not constitute an unreasonable risk to the common defense and security, while such other nation is participating with the United States pursuant to an international arrangement by substantial and material contributions to the mutual defense and security: Provided, however, That the cooperation is undertaken pursuant to an agreement entered into in accordance with section 2153 of this title: And provided further, That if an agreement for cooperation arranged pursuant to this subsection provides for transfer of utilization facilities for military applications the Commission, or the Department of Defense with respect to cooperation it has been authorized to undertake, may authorize any person to transfer such utilization facilities for military applications in accordance with the terms and conditions of this subsection and of the agreement of cooperation.


Prior Provisions

Provisions similar to this section were contained in section 1866(a) of this title, prior to the general amendment and renumbering of act Aug. 1, 1946, by act Aug. 30, 1954.

Amendments

1989—Subsec. (a)(3) to (5). Pub. L. 101–189 added pars. (3) to (5).


Delegation of Functions

Authority vested in President by subsec. (c) of this section delegated to Secretary of Defense and Secretary of Energy, see section 2a(a)(1) of Ex.Ord. No. 10841, as amended, set out as a note under section 2153 of this title.

Form of Certifications Regarding Safety or Reliability of Nuclear Weapons Stockpile


Authority To Provide Certificate of Commendation to Department of Energy and Contractor Employees for Exemplary Service in Stockpile Stewardship and Security


NUCLEAR WEAPONS STOCKPILE LIFE EXTENSION PROGRAM


REPORT ON STOCKPILE STewardship CRITERIA


Panel To Assess the reliability, Safety, and Security of the United States Nuclear Stockpile


(a) REQUIREMENT FOR PANEL.—The Secretary of Defense, in consultation with the Secretary of Energy, shall enter into a contract with a federally funded research and development center to establish a panel for the assessment of the certification process for the reliability, safety, and security of the United States nuclear stockpile.

(b) COMPOSITION AND ADMINISTRATION OF PANEL.—(1) The panel shall consist of private citizens of the United States with knowledge and expertise in the technical aspects of design, manufacture, and maintenance of nuclear weapons.

(2) The federally funded research and development center shall be responsible for establishing appropriate procedures for the panel, including selection of a panel chairman.

(c) DUTIES OF PANEL.—Each year the panel shall review and assess the following:

(1) The annual certification process, including the conclusions and recommendations resulting from the process, for the safety, security, and reliability of the nuclear weapons stockpile of the United States, as carried out by the directors of the national weapons laboratories.

(2) The long-term adequacy of the process of certifying the safety, security, and reliability of the nuclear weapons stockpile of the United States.

(3) The adequacy of the criteria established by the Secretary of Energy pursuant to section 3138 [formerly set out as a note above] for achieving the purposes for which those criteria are established.

(d) REPORT.—Not later than October 1 of 1999 and 2000, and not later than February 1, 2003, the panel shall submit to the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives a report setting forth its findings and conclusions resulting from the review and assessment carried out for the year covered by the report. The report shall be submitted in classified and unclassified form.

(e) COOPERATION OF OTHER AGENCIES.—(1) The panel may secure directly from the Department of Energy, the Department of Defense, or any of the national weapons laboratories or plants or any other Federal department or agency information that the panel considers necessary to carry out its duties.

(2) For carrying out its duties, the panel shall be provided full and timely cooperation by the Secretary of Energy, the Secretary of Defense, the Commander of United States Strategic Command, the Directors of the Los Alamos National Laboratory, the Lawrence Livermore National Laboratory, the Sandia National Laboratories, the Savannah River Site, the Y–12 Plant, the Pantex Facility, and the Kansas City Plant, and any other official of the United States that the chairman of the panel determines as having information described in paragraph (1).

(3) The Secretary of Energy and the Secretary of Defense shall each designate at least one officer or employee of the Department of Energy and the Department of Defense, respectively, to serve as a liaison officer between the department and the panel.

(f) FUNDING.—The Secretary of Defense and the Secretary of Energy shall each contribute 50 percent of the amount of funds that are necessary for the panel to carry out its duties. Funds available for the Department of Energy for the National Nuclear Security Administration shall be available for the Department of Energy contribution.

(g) Termination of Panel.—The panel shall terminate April 1, 2003.

(h) Initial Implementation.—The Secretary of Defense shall enter into the contract required under subsection (a) not later than 60 days after the date of the enactment of this Act [Oct. 17, 1998]. The panel shall convene its first meeting not later than 30 days after the date as of which all members of the panel have been appointed.

(i) Follow-Up Report.—Not later than February 1, 2003, the panel shall submit to the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives a follow-up report assessing progress toward meeting the expectations set forth by the panel for the United States stockpile stewardship program, and making recommendations for corrective legislative action where progress has been unsatisfactory.

COMMISSION ON MAINTAINING UNITED STATES NUCLEAR WEAPONS EXPERTISE


TRITIUM PRODUCTION PROGRAM


MANUFACTURING INFRASTRUCTURE FOR REFINABRATION AND CERTIFICATION OF NUCLEAR WEAPONS STOCKPILE

classified to section 2532 of Title 50, War and National Defense.

**FELLOWSHIP PROGRAM FOR DEVELOPMENT OF SKILLS CRITICAL TO DEPARTMENT OF ENERGY NUCLEAR WEAPONS COMPLEX**


**STUDY ON NUCLEAR TEST READINESS POSTURES**


**PLAN FOR STEWARDSHIP, MANAGEMENT, AND CERTIFICATION OF WARHEADS IN THE NUCLEAR WEAPONS STOCKPILE**


**REPORT ON WASTE STREAMS GENERATED BY NUCLEAR WEAPONS PRODUCTION CYCLE**

Pub. L. 103–337, div. C, title XXXI, § 3154, Oct. 5, 1994, 108 Stat. 3091, directed Secretary of Energy, not later than May 31, 1996, to submit to Congress report containing description of all waste streams generated before 1992 during each step of complete cycle of production and disposition of nuclear weapon components by Department of Energy, with description for each such step to be based on unit of analysis appropriate for that step, and to include estimate of volume of waste generated per unit of analysis and analysis of characteristics of each waste stream.

**PROHIBITION ON RESEARCH AND DEVELOPMENT OF LOW-YIELD NUCLEAR WEAPONS**


**STOCKPILE STEWARDSHIP PROGRAM**


**LIMITATIONS ON UNITED STATES NUCLEAR WEAPONS TESTING**


"(a) LIMITATION ON OBLIGATION OF FUNDS.—The Secretary of Defense may not obligate funds in preparation for any activity of the Department of Defense, including the so-called 'Mighty Quake' test, to study the effects of a nuclear weapon explosion through underground nuclear weapons testing unless that test is permitted in accordance with the provisions of section 507 of Public Law 102–377 [set out above] (106 Stat. 1343).

"(b) CERTAIN ACTIONS NOT PROHIBITED.—Subsection (a) does not preclude the Secretary of Defense, acting through the Director of the Defense Nuclear Agency, from—

"(1) proceeding with underground nuclear test tunnel deactivation and environmental cleanup; or

"(2) expending funds for infrastructure activities not covered by the limitation in subsection (a).

"(c) FUNDING.—Of the funds authorized to be appropriated pursuant to section 201 [107 Stat. 1583] for defense-wide activities, not more than $36,000,000 may be used for activities described in subsection (b)."


"(c) On and after July 1, 1993, and before January 1, 1997, an underground test of a nuclear weapon may be conducted by the United States—

"(1) only if—

"(A) the President has submitted the annual report required under subsection (d); and

"(B) Congress has not agreed to a joint resolution describing in subsection (d)(3) within that 90-day period; and

"(2) only if the test is conducted during the period covered by the report.

"(d)(1) Not later than March 1 of each year beginning after 1992, the President shall submit to the Committees on Armed Services and Appropriations of the Senate and the House of Representatives, in classified and unclassified forms, a report containing the following matters:

"(A) A schedule for resumption of the Nuclear Testing Talks with Russia.

"(B) A plan for achieving a multilateral comprehensive ban on the testing of nuclear weapons on or before September 30, 1996.

"(C) An assessment of the number and type of nuclear warheads that will remain in the United States stockpile of active nuclear weapons on September 30, 1996.
Section 2122, Title 42—The Public Health and Welfare

For each fiscal year after fiscal year 1992, an assessment of the number and type of nuclear warheads that will remain in the United States stockpile of nuclear weapons and the number of nuclear weapons that will remain in the United States stockpile of active nuclear weapons; and

(iii) will not be transferred to the Department of Energy for dismantlement.

(g) A description of the safety features of each warhead that is covered by an assessment referred to in subparagraph (C) or (D).

(h) A plan for installing one or more modern safety features in each warhead identified in the assessment referred to in subparagraph (C), as determined after an analysis of the costs and benefits of installing such feature or features in the warhead, should have one or more of such features.

(i) An assessment of the number and type of nuclear weapons tests, not to exceed 5 tests in any period covered by an annual report under this paragraph and a total of 15 tests in the 4-fiscal year period beginning with fiscal year 1993, that are necessary in order to ensure the safety of each nuclear warhead in which one or more modern safety features are installed pursuant to the plan referred to in subparagraph (F).

(j) A schedule, in accordance with subparagraph (G), for conducting at the Nevada test site, each of the tests enumerated in the assessment pursuant to subparagraph (G).

(3) The first annual report shall cover the period beginning on the date on which a resumption of testing of nuclear weapons is permitted under subsection (c) beginning on the date on which a resumption of testing of nuclear weapons is permitted under subsection (c) and ending on September 30, 1994. Each annual report thereafter shall cover the fiscal year following the fiscal year in which the report is submitted.

(B) For the purposes of subparagraph (A), ‘joint resolution’ means only a joint resolution introduced after the date on which the Congress receives the certification, Congress does not agree to a joint resolution described in subsection (e)(2)(A)(i), the days on which either House is not in session because of an adjournment of more than 3 days to a day certain shall be excluded.

(C) The President may authorize the United Kingdom to conduct in the United States, within a period covered by an annual report, one test of a nuclear weapon if the President determines that it is in the national interests of the United States to do so. Such a test shall be considered as one of the tests within the maximum number of tests that the United States is permitted to conduct during that period under paragraph (1)(B).

(f) (Transferred to section 2530 of Title 50, War and National Defense.)

(g) In the computation of the 90-day period referred to in subsection (c)(1) and the 60-day period referred to in subsection (e)(2)(A)(ii), the days on which either House is not in session because of an adjournment of more than 3 days to a day certain shall be excluded.

(h) In this section, the term ‘modern safety feature’ means any of the following features:

(1) An insensitive high explosive (IHE).

(2) Fire resistant pits (FRP).

(3) An enhanced detonation safety (ENDS) system.

Nuclear Test Ban Readiness Program


Prohibitions governing atomic weapons

(a) It shall be unlawful, except as provided in section 2121 of this title, for any person, inside or outside of the United States, to knowingly participate in the development of, manufacture, produce, transfer, acquire, receive, possess, import, export, or use, or possess and threaten to use, any atomic weapon. Nothing in this section shall be deemed to modify the provisions of section 2651(a) or 2511 of this title.

(b) Conduct prohibited by subsection (a) is within the jurisdiction of the United States if—

(1) the offense occurs in or affects interstate or foreign commerce; the offense occurs outside of the United States and is committed by a national of the United States;

(2) the offense is committed against a national of the United States while the national is outside the United States;

(3) the offense is committed against any property that is owned, leased, or used by the United States or by any department or agency of the United States, whether the property is within or outside the United States; or

(4) an offender aids or abets any person over whom jurisdiction exists under this subsection in committing an offense under this section or conspires with any person over whom jurisdiction exists under this subsection to commit an offense under this section.


Prior Provisions

Provisions similar to this section were contained in section 1806(b) of this title, prior to the general amend-
§ 2131. License required

It shall be unlawful, except as provided in section 2121 of this title, for any person within the United States to transfer or receive in interstate commerce, manufacture, produce, transfer, acquire, possess, use, import, or export any utilization or production facility except under and in accordance with a license issued by the Commission pursuant to section 2133 or 2134 of this title.


Prior Provisions

Provisions similar to this section were contained in section 1907(a) of this title, prior to the general amendment and renumbering of act Aug. 1, 1946, by act Aug. 30, 1954.

Amendments

1956—Act Aug. 6, 1956, inserted “use,” after “possess,”.

§ 2132. Utilization and production facilities for industrial or commercial purposes

(a) Issuance of licenses

Except as provided in subsections (b) and (c), or otherwise specifically authorized by law, any license hereafter issued for a utilization or production facility for industrial or commercial purposes shall be issued pursuant to section 2133 of this title.

(b) Facilities constructed or operated under section 2134(b)

Any license hereafter issued for a utilization or production facility for industrial or commercial purposes, the construction or operation of which was licensed pursuant to section 2134(b) of this title prior to enactment into law of this subsection, shall be issued under section 2134(b) of this title.

(c) Cooperative Power Reactor Demonstration facilities

Any license for a utilization or production facility for industrial or commercial purposes constructed or operated under an arrangement with the Commission entered into under the Cooperative Power Reactor Demonstration Program shall, except as otherwise specifically required by applicable law, be issued under section 2134(b) of this title.


Amendments

1970—Pub. L. 91-560 substituted provisions authorizing Commission to issue licenses for a utilization or production facility for industrial or commercial purposes under section 2133, except that license may be issued under section 2134(b), for such utilization or production facility, construction or operation of which was licensed under section 2134(b) before December 19, 1970 or constructed or operated under an arrangement with Commission entered into under Cooperative Power Reactor Demonstration Program, for provisions authorizing Commission to issue licenses pursuant to section 2133 of this title on a determination that such utilization or production facility has been sufficiently developed to be of practical value for industrial or commercial purposes.

§ 2133. Commercial licenses

(a) Conditions

The Commission is authorized to issue licenses to persons applying therefor to transfer or receive in interstate commerce, manufacture,
produce, transfer, acquire, possess, use, import, or export under the terms of an agreement for cooperation arranged pursuant to section 2153 of this title, utilization or production facilities for industrial or commercial purposes. Such license shall be issued in accordance with the provisions of subchapter XV and subject to such conditions as the Commission may by rule or regulation establish to effectuate the purposes and provisions of this chapter.

(b) Nonexclusive basis

The Commission shall issue such licenses on a nonexclusive basis to persons applying therefor (1) whose proposed activities will serve a useful purpose proportionate to the quantities of special nuclear material or source material to be utilized; (2) who are equipped to observe and who agree to observe such safety standards to protect health and to minimize danger to life or property as the Commission may by rule establish; and (3) who agree to make available to the Commission such technical information and data concerning activities under such licenses as the Commission may determine necessary to promote the common defense and security and to protect the health and safety of the public. All such information may be used by the Commission only for the purposes of the common defense and security and to protect the health and safety of the public.

(c) License period

Each such license shall be issued for a specified period, as determined by the Commission, depending on the type of activity to be licensed, but not exceeding forty years from the authorization to commence operations, and may be renewed upon the expiration of such period.

(d) Limitations

No license under this section may be given to any person for activities which are not under or within the jurisdiction of the United States, except for the export of production or utilization facilities under terms of an agreement for cooperation arranged pursuant to section 2153 of this title, or except under the provisions of section 2139 of this title, or except under the provisions of subchapter XV or section 2134(b) of this title which is in effect on June 30, 1980, to include the provisions required under this subsection.


References in Text

This chapter, referred to in subsec. (a), was in the original “this Act”, meaning act Aug. 1, 1946, ch. 724, as added by act Aug. 30, 1954, ch. 1073, §1, 68 Stat. 919, known as the Atomic Energy Act of 1946, as classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 2011 of this title and Tables.

Amendments

2005—Subsec. (c). Pub. L. 109–58 inserted “from the authorization to commence operations” after “forty years”.


1970—Subsec. (a). Pub. L. 91–560 struck out requirement of a finding of practical value under section 2132 and substituted “utilization and production facilities for industrial or commercial purposes” for “such type of utilization or production facility”.


Subsec. (d). Act Aug. 6, 1956, §13, inserted “an alien or any” after “issued to”.

Advanced Nuclear Reactor Program Licensing

Pub. L. 115–439, title I, §103(a), Jan. 14, 2019, 132 Stat. 5571, provided that:

“(1) STAGED LICENSING.—For the purpose of predictable, efficient, and timely reviews, not later than 270 days after the date of enactment of this Act (Jan. 14, 2019), the [Nuclear Regulatory] Commission shall develop and implement, within the existing regulatory framework, strategies for—

“(A) establishing stages in the licensing process for commercial advanced nuclear reactors; and

“(B) developing procedures and processes for—

“(i) using a licensing project plan; and

“(ii) optional use of a conceptual design assessment.

“(2) RISK-INFORMED LICENSING.—Not later than 2 years after the date of enactment of this Act, the Commission shall develop and implement, where appropriate, strategies for the increased use of risk-informed, performance-based licensing evaluation techniques and guidance for commercial advanced nuclear reactors within the existing regulatory framework, including evaluation techniques and guidance for the resolution of the following:

“(A) Applicable policy issues identified during the course of review by the Commission of a commercial advanced nuclear reactor licensing application;

“(B) The issues described in SECY–98–092 and SECY–15–077, including—

“(i) licensing basis event selection and evaluation;

“(ii) source terms;

“(ii) source terms;

1 So in original.

2 So in original. Probably should be “(e)”. 
ANCE OF GUIDANCE.

(3) RESEARCH AND TEST REACTOR LICENSING.—For the purpose of predictable, efficient, and timely reviews, not later than 2 years after the date of enactment of this Act, the Commission shall develop and implement strategies within the existing regulatory framework for licensing research and test reactors, including the issuance of guidance.

(4) TECHNOLOGY-INCLUSIVE REGULATORY FRAMEWORK.—Not later than December 31, 2027, the Commission shall complete a rulemaking to establish a technology-inclusive, regulatory framework for optional use by commercial advanced nuclear reactor applicants for new reactor license applications.

(b) TRAINING AND EXPERTISE.—As soon as practicable after the date of enactment of this Act, the Commission shall provide for staff training or the hiring of experts, as necessary.

(A) to support the activities described in paragraphs (i) through (iv); and

(B) to support preparations—

(i) to conduct pre-application interactions; and

(ii) to review commercial advanced nuclear reactor license applications.

(6) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to the Commission to carry out this subsection $14,420,000 for each of fiscal years 2020 through 2024.

§2134. Medical, industrial, and commercial licenses

(a) Medical therapy

The Commission is authorized to issue licenses to persons applying therefor for utilization facilities for use in medical therapy. In issuing such licenses the Commission is directed to permit the widest amount of effective medical therapy possible with the amount of special nuclear material available for such purposes and to impose the minimum amount of regulation consistent with its obligations under this chapter to promote the common defense and security and to protect the health and safety of the public.

(b) Industrial and commercial purposes

As provided for in subsection (b) or (c) of section 2132 of this title, or where specifically authorized by law, the Commission is authorized to issue licenses under this subsection to persons applying therefor for utilization and production facilities for industrial and commercial purposes. In issuing licenses under this subsection, the Commission shall impose the minimum amount of such regulations and terms of license as will permit the Commission to fulfill its obligations under this chapter.

(c) Research and development activities

The Commission is authorized to issue licenses to persons applying therefor for utilization and production facilities useful in the conduct of research and development activities of the types specified in section 2051 of this title. The Commission is directed to impose only such minimum amount of regulation of the licensee as the licensee shall recover not more than 75 percent of the annual costs to the licensee of owning and operating the facility through sales of nonenergy services, energy, or both, other than research and development or education and training, of which not more than 50 percent may be through sales of energy.

(d) Limitations

No license under this section may be given to any person for activities which are not under or within the jurisdiction of the United States, except for the export of production or utilization facilities under terms of an agreement for cooperation arranged pursuant to section 2153 of this title or except under the provisions of section 2139 of this title. No license may be issued to any corporation or other entity if the Commission knows or has reason to believe it is owned, controlled, or dominated by an alien, a foreign corporation, or a foreign government. In any event, no license may be issued to any person within the United States if, in the opinion of the Commission, the issuance of a license to such person would be inimical to the common defense and security or to the health and safety of the public.


REFERENCES IN TEXT


AMENDMENTS

2019—Subsec. (c). Pub. L. 115–439 struck out “and which are not facilities of the type specified in subsection (b)” after “section 2051 of this title” and inserted at end “The Commission is authorized to issue licenses under this section for utilization facilities useful in the conduct of research and development activities of the types specified in section 2051 of this title in which the licensee sells research and testing services and energy to others, subject to the condition that the licensee shall recover not more than 75 percent of the annual costs to the licensee of owning and operating the facility through sales of nonenergy services, energy, or both, other than research and development or education and training, of which not more than 50 percent may be through sales of energy.”

1970—Subsec. (b). Pub. L. 91–560 substituted provisions authorizing the issuance of licenses for utilization or production facilities for industrial or commercial purposes (i) where specifically authorized by law or (ii) where the facility was constructed or operated under an arrangement with the Commission entered into under the cooperative power reactor demonstration program, and the applicable statutory authorization does not require licensing under section 2133, or (iii)
where the facility was theretofore licensed under section 2134(b), for provisions authorizing the issue of licenses for utilization and production facilities involved in the conduct of research and development activities leading to the demonstration of the practical value of such facilities for industrial and commercial purposes.

**Encouraging Private Investment in Research and Test Reactors**

Pub. L. 115–439, title I, § 106(a), Jan. 14, 2019, 132 Stat. 5577, provided that: “The purpose of this section [amending this section] is to encourage private investment in research and test reactors.”

**§ 2135. Antitrust provisions governing licenses**

(a) Violations of antitrust laws

Nothing contained in this chapter shall relieve any person from the operation of the following Acts, as amended, “An Act to protect trade and commerce against unlawful restraints and monopolies” approved July second, eighteen hundred and ninety-four; “An Act to supplement existing laws against unlawful restraints and monopolies” approved October fifteen, eighteen hundred and fourteen; and “An Act to create a Federal Trade Commission” defined its powers and duties, and for other purposes” approved August twenty-seven, eighteen hundred and ninety-four: “An Act to supplement existing laws against unlawful restraints and monopolies, and for other purposes” approved October fifteen, nineteen hundred and fourteen; and “An Act to create a Federal Trade Commission” defined its powers and duties, and for other purposes” approved September twenty-six, nineteen hundred and fourteen; sections seventy-three to seventy-six, inclusive, of an Act entitled “An Act defining its powers and duties, and for other purposes” approved August twenty-seven, eighteen hundred and ninety-four; “An Act to protect trade and commerce against unlawful restraints and monopolies” approved July second, eighteen hundred and ninety-four; sections seventy-three to seventy-six, inclusive, of an Act entitled “An Act defining its powers and duties, and for other purposes” approved August twenty-seven, eighteen hundred and ninety-four; “An Act to supplement existing laws against unlawful restraints and monopolies, and for other purposes” approved October fifteen, nineteen hundred and fourteen; and “An Act to create a Federal Trade Commission” defined its powers and duties, and for other purposes” approved September twenty-six, nineteen hundred and fourteen. In the event a licensee is found by a court of competent jurisdiction, either in an original action in that court or in a proceeding to enforce or review the findings or orders of any Government agency having jurisdiction under the laws cited above, to have violated any of the provisions of such laws in the conduct of the licensed activity, the Commission may suspend, revoke, or take such other action as it may deem necessary with respect to any license issued by the Commission under the provisions of this chapter.

(b) Reports to Attorney General

The Commission shall report promptly to the Attorney General any information it may have with respect to any utilization of special nuclear material or atomic energy which appears to violate or to tend toward the violation of any of the foregoing Acts, or to restrict free competition in private enterprise.

(c) Transmissions to Attorney General of copies of license applications; publication of advice; factors considered; exceptions

(1) The Commission shall promptly transmit to the Attorney General a copy of any license application provided for in paragraph (2) of this subsection, and a copy of any written request provided for in paragraph (3) of this subsection; and the Attorney General shall, within a reasonable time, but in no event to exceed 180 days after receiving a copy of such application or written request, render such advice to the Commission as he determines to be appropriate in regard to the finding to be made by the Commission pursuant to paragraph (5) of this subsection. Such advice shall include an explanatory statement as to the reasons or basis therefor.

(2) Paragraph (1) of this subsection shall apply to an application for a license to construct or operate a utilization or production facility under section 2133 of this title; Provided, however, That paragraph (1) shall not apply to an application for a license to operate a utilization or production facility for which a construction permit was issued under section 2133 of this title unless the Commission determines such review is advisable on the ground that significant changes in the licensee’s activities or proposed activities have occurred subsequent to the previous review by the Attorney General and the Commission under this subsection in connection with the construction permit for the facility.

(3) With respect to any Commission permit for the construction of a utilization or production facility issued pursuant to subsection (b) of section 2134 of this title prior to December 19, 1970, any person who intervened or who sought by timely written notice to the Commission to intervene in the construction permit proceeding for the facility to obtain a determination of antitrust considerations or to advance a jurisdictional basis for such determination shall have the right, upon a written request to the Commission, to obtain an antitrust review under this section of the application for an operating license. Such written request shall be made within 25 days after the date of initial Commission publication in the Federal Register of notice of the filing of an application for an operating license for the facility or December 19, 1970, whichever is later.

(4) Upon the request of the Attorney General, the Commission shall furnish or cause to be furnished such information as the Attorney General determines to be appropriate for the advice called for in paragraph (1) of this subsection.

(5) Promptly upon receipt of the Attorney General’s advice, the Commission shall publish the advice in the Federal Register. Where the Attorney General advises that there may be adverse antitrust aspects and recommends that there be a hearing, the Attorney General or his designee may participate as a party in the proceedings thereafter held by the Commission on such licensing matter in connection with the subject matter of his advice. The Commission shall give due consideration to the advice received from the Attorney General and to such evidence as may be provided during the proceedings in connection with such subject matter, and shall make a finding as to whether the activities under the license would create or maintain a situation inconsistent with the antitrust laws as specified in subsection (a).

(6) In the event the Commission’s finding under paragraph (5) is in the affirmative, the Commission shall also consider, in determining whether the license should be issued or continued, such other factors, including the need for power in the affected area, as the Commission in its judgment deems necessary to protect the public interest. On the basis of its findings, the Commission shall have the authority to issue or continue a license as applied for, to refuse to issue a license, to rescind a license or amend it, and to issue a license with such conditions as it deems appropriate.

(7) The Commission, with the approval of the Attorney General, may except from any of the
requirements of this subsection such classes or types of licenses as the Commission may determine would not significantly affect the applicant’s activities under the antitrust laws as specified in subsection (a).

With respect to any application for a construction permit on file at the time of enactment into law of this subsection, which permit would be for issuance under section 2133 of this title, and with respect to any application for an operating license in connection with which a written request for an antitrust review is made as provided for in paragraph (3), the Commission, after consultation with the Attorney General, may, upon determination that such action is necessary in the public interest to avoid unnecessary delay, establish by rule or order periods for Commission notification and receipt of advice differing from those set forth above and may issue a construction permit or operating license in advance of consideration of and findings with respect to the matters covered in this subsection: Provided, That any construction permit or operating license so issued shall contain such conditions as the Commission deems appropriate to assure that any subsequent findings and orders of the Commission with respect to such matters will be given full force and effect.

(9) APPLICABILITY.—This subsection does not apply to an application for a license to construct or operate a utilization facility or production facility under section 2133 or 2134(b) of this title that is filed on or after August 8, 2005.


REFERENCES IN TEXT

This chapter, referred to in subsec. (a), was in the original “this Act”, meaning act Aug. 1, 1946, ch. 724, as added by act Aug. 30, 1954, ch. 1073, §1, 68 Stat. 919, known as the Atomic Energy Act of 1954, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 2011 of this title and Tables.

The Commission shall—

(a) group the facilities licensed either under section 2133 or 2134 of this title into classes which may include either production or utilization facilities or both, upon the basis of the similarity of operating and technical characteristics of the facilities;

(b) define the various activities to be carried on at each such class of facility; and

(c) designate the amounts of special nuclear material available for use by each such facility.


§ 2137. Classes of facilities

The Commission may—

(a) group the facilities licensed either under section 2133 or 2134 of this title into classes which may include either production or utilization facilities or both, upon the basis of the similarity of operating and technical characteristics of the facilities;

(b) define the various activities to be carried on at each such class of facility; and

(c) designate the amounts of special nuclear material available for use by each such facility.


§ 2137. Operators' licenses

The Commission shall—

(a) prescribe uniform conditions for licensing individuals as operators of any of the various classes of production and utilization facilities licensed in this chapter, and

(b) determine the qualifications of such individuals;

(c) issue licenses to such individuals in such form as the Commission may prescribe; and
§ 2138 Suspension of licenses during war or national emergency

Whenever the Congress declares that a state of war or national emergency exists, the Commission is authorized to suspend any licenses granted under this chapter if in its judgment such action is necessary to the common defense and security. The Commission is authorized during such period, if the Commission finds it necessary to the common defense and security, to order the recapture of any special nuclear material or to order the operation of any facility licensed under section 2133 or 2134 of this title, and is authorized to order the entry into any plant or facility in order to recapture such material, or to operate such facility. Just compensation shall be paid for any damages caused by the recapture of any special nuclear material or by the operation of any such facility.

(Aug. 1, 1946, ch. 724, title I, §106, as amended Aug. 30, 1954, ch. 1073, §1, 68 Stat. 919, known as the Atomic Energy Act of 1954, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 2101 of this title and Tables.)

REFERENCES IN TEXT

This chapter, referred to in text, was in the original “this Act”, meaning act Aug. 1, 1946, ch. 724, as added by act Aug. 30, 1954, ch. 1073, §1, 68 Stat. 919, known as the Atomic Energy Act of 1954, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 2101 of this title and Tables.

TECHNICAL CAPABILITY OF LICENSEE PERSONNEL IMPROVEMENT PLAN; STUDY OF LICENSE REQUIREMENT FOR PLANT MANAGERS AND SENIOR LICENSEE OFFICERS; REPORT TO CONGRESS


“(a) The Commission is authorized and directed to prepare a plan for improving the technical capability of licensee personnel to safely operate utilization facilities licensed under section 103 or 104b of the Atomic Energy Act of 1954 (sections 2133 and 2134(b) of this title). In proposing such plan, the Commission shall consider the feasibility of requiring standard mandatory training programs for nuclear facility operators, including classroom study, apprenticeships at the facility, and emergency simulator training. Such plan shall include specific criteria for more intensive training and retraining of operator personnel licensed under section 107 of the Atomic Energy Act of 1954 (this section), and for the licensing of such personnel, to assure—

“(1) conformity with all conditions and requirements of the operating license;

“(2) early identification of accidents, events, or event sequences which may significantly increase the likelihood of an accident; and

“(3) effective response to any such event or sequence.

Such plan shall include provision for Commission review and approval of the qualifications of personnel conducting any required training and retraining program. The plan shall also include requirements for the renewal of operator licenses including, to the extent practicable, requirements that the operator—

“(A) has been actively and extensively engaged in the duties listed in such license,

“(B) has discharged such duties safely to the satisfaction of the Commission,

“(C) is capable of continuing such duties, and

“(D) has participated in a requalification training program.

Such plan shall include criteria for suspending or revoking operator licenses. In addition, the Commission shall also consider the feasibility of requiring such licensed operator to pass a requalification test every six months including—

“(i) written questions, and

“(ii) emergency simulator exams.

The Commission shall transmit to the Congress the plan required by this subsection within six months after the date of the enactment of this Act (June 30, 1980), and shall implement as expeditiously as practicable each element thereof not requiring legislative enactment.

“(b) The Nuclear Regulatory Commission is authorized and directed to undertake a study of the feasibility and value of licensing, under section 107 of the Atomic Energy Act of 1954 (this section), plant managers of utilization facilities and senior licensee officers responsible for operation of such facilities. The Commission shall report to the Congress within six months of the date of enactment of this Act [June 30, 1980] on the findings and recommendations of the study required by this subsection, and shall expeditiously implement each such recommendation not requiring legislative enactment.”

§ 2139 Component and other parts of facilities

(a) Licenses for domestic activities

With respect to those utilization and production facilities which are so determined by the Commission pursuant to section 2014(v)(2) or 2014(cc)(2) of this title the Commission may issue general licenses for domestic activities required to be licensed under section 2131 of this title, if the Commission determines in writing that such general licensing will not constitute an unreasonable risk to the common defense and security.

(b) Export licenses

After consulting with the Secretaries of State, Energy, and Commerce, the Commission is authorized and directed to determine which component parts as defined in section 2014(v)(2) or 2014(cc)(2) of this title and which other items or substances are especially relevant from the standpoint of export control because of their significance for nuclear explosive purposes. Except as provided in section 2135(b)(2) of this title, no such component, substance, or item which is so determined by the Commission shall be exported unless the Commission issues a general or specific license for its export after finding,
based on a reasonable judgment of the assurances provided and other information available to the Federal Government, including the Commission, that the following criteria or their equivalent are met: (1) IAEA safeguards as required by Article III (2) of the Treaty will be applied with respect to such component, substance, or item; (2) no such component, substance, or item will be used for any nuclear explosive device or for research on or development of any nuclear explosive device; and (3) no such component, substance, or item will be retransferred to the jurisdiction of any other nation or group of nations unless the prior consent of the United States is obtained for such retransfer; and after determining in writing that the issuance of such general or specific license or category of licenses will not be inimical to the common defense and security: Provided, That a specific license shall not be required for an export pursuant to this section if the component, item or substance is covered by a facility license issued pursuant to section 2155 of this title.

(c) Exports inimical to common defense and security of United States

The Commission shall not issue an export license under the authority of subsection (b) if it is advised by the executive branch, in accordance with the procedures established under section 2155(a) of this title, that the export would be inimical to the common defense and security of the United States.


AMENDMENTS


1978—Subsec. (a). Pub. L. 95–242 redesignated existing provisions as subsec. (a) and substituted “the Commission may issue general licenses for domestic activities required to be licensed under section 2313 of this title, if the Commission determines in writing that such general licensing will not constitute an unreasonable risk to the common defense and security” for “the Commission may (a) issue general licenses for activities required to be licensed under section 2131 of this title, if the Commission determines in writing that such general licensing will not constitute an unreasonable risk to the common defense and security, and (b) issue licenses for the export of other facilities, if the Commission determines in writing that each export will not constitute an unreasonable risk to the common defense and security”.


EFFECTIVE DATE OF 1968 AMENDMENT

Amendment by Pub. L. 95–277 effective on earlier of Apr. 1, 1969, or date of abolition of the United States Arms Control and Disarmament Agency pursuant to reorganization plan described in section 6601 of Title 22, Foreign Relations and Intercourse, see section 1201 of Pub. L. 95–277, set out as an Effective Date note under section 6511 of Title 22.

EFFECTIVE DATE OF 1978 AMENDMENT

Amendment by Pub. L. 95–242 effective Mar. 10, 1978, except as otherwise provided and regardless of any requirement for the promulgation of implementing regulations, see section 609(c) of Pub. L. 95–242, set out as an Effective Date note under section 3201 of Title 22, Foreign Relations and Intercourse.

EXPORTS CONTRACTED FOR PRIOR TO NOV. 1, 1977, MADE WITHIN ONE YEAR OF MAR. 10, 1978; SAVINGS PROVISION


PERFORMANCE OF FUNCTIONS PENDING DEVELOPMENT OF PROCEDURES

The performance of functions under this chapter, as amended by the Nuclear Non-Proliferation Act of 1978, Pub. L. 95–242, Mar. 10, 1978, 92 Stat. 120, not to be delayed pending development of procedures even though as many as 120 days (after Mar. 10, 1978) are allowed for establishing the procedures, see section 5(b) of Ex. Ord. No. 12058, May 11, 1978, 43 F.R. 20947, set out under section 3201 of Title 22, Foreign Relations and Intercourse.

§ 2139a. Regulations implementing requirements relating to licensing for components and other parts of facilities

(a) Omitted

(b) The Commission, not later than one hundred and twenty days after March 10, 1978, shall publish regulations to implement the provisions of subsections (b) and (c) of section 2139 of this title. Among other things, these regulations shall provide for the prior consultation by the Commission with the Department of State, the Department of Energy, the Department of Defense, and the Department of Commerce.

(c) The President, within not more than one hundred and twenty days after March 10, 1978, shall publish procedures regarding the control by the Department of Commerce over all export items, other than those licensed by the Commission, which could be, if used for purposes other than those for which the export is intended, of significance for nuclear explosive purposes. Among other things, these procedures shall provide for prior consultations by the Department of Commerce with the Department of State, the Commission, the Department of Energy, and the Department of Defense.


REFERENCES IN TEXT

Commission, referred to in text, is defined as meaning the Nuclear Regulatory Commission by section 4(n)(1) of the Nuclear Non-Proliferation Act of 1978, Pub. L. 95–242, which is classified to section 3203(a)(1) of Title 22, Foreign Relations and Intercourse.
§ 2140. Exclusions from license requirement

Nothing in this subchapter shall be deemed—

(a) to require a license for (1) the processing, fabricating, or refining of special nuclear material, or the separation of special nuclear material, or the separation of special nuclear material from other substances, under contract with and for the account of the Commission; or (2) the construction or operation of facilities under contract with and for the account of the Commission; or

(b) to require a license for the manufacture, production, or acquisition by the Department of Defense of any utilization facility authorized pursuant to section 2121 of this title, or for the use of such facility by the Department of Defense or a contractor thereof.


§ 2141. Licensing by Nuclear Regulatory Commission of distribution of special nuclear material, source material, and byproduct material by Department of Energy

(a) The Nuclear Regulatory Commission is authorized to license the distribution of special nuclear material, source material, and byproduct material by the Department of Energy pursuant to section 2074, 2094, and 2112 of this title, respectively, in accordance with the same procedures established by law for the export licensing of such material by any person: Provided, That nothing in this section shall require the licensing of the distribution of byproduct material by the Department of Energy under section 2112 of this title.

(b) The Department of Energy shall not distribute any special nuclear material or source material under section 2074 or 2094 of this title other than under an export license issued by the Nuclear Regulatory Commission until (1) the Department has obtained the concurrence of the Department of State and has consulted with the Nuclear Regulatory Commission and the Department of Defense under mutually agreed procedures which shall be established within not more than ninety days after March 10, 1978, and (2) the Department finds based on a reasonable judgment of the assurances provided and the information available to the Department of State, that the criteria in section 2157 of this title or their equivalent and any applicable criteria in section 2156 of this title are met, and that the proposed distribution would not be injurious to the common defense and security.


AMENDMENTS


Effective Date of 1998 Amendment

Amendment by Pub. L. 105–277 effective on earlier of Apr. 1, 1999, or date of abolition of the United States Arms Control and Disarmament Agency pursuant to reorganization plan described in section 6601 of Title 22, Foreign Relations and Intercourse, see section 1231 of Pub. L. 105–277, set out as an Effective Date note under section 6511 of Title 22.

Effective Date

Section effective Mar. 10, 1978, except as otherwise provided and regardless of any requirements for the promulgation of implementing regulations, see section 6511 of Title 22, Foreign Relations and Intercourse.

Delegation of Functions

Secretary of Commerce to be responsible for performing function vested in President by subsec. (c) of this section, see section 3 of Ex. Ord. No. 12058, May 11, 1978, 43 F.R. 20947, set out under section 3201 of Title 22, Foreign Relations and Intercourse.

Performance of Functions Pending Development of Procedures

The performance of functions under the Nuclear Non-Proliferation Act of 1978, Pub. L. 95–242, Mar. 10, 1978, 92 Stat. 120, not to be delayed pending development of procedures even though as many as 120 days (after Mar. 10, 1978) are allowed for establishing those procedures, see section 5(b) of Ex. Ord. No. 12058, May 11, 1978, 43 F.R. 20947, set out under section 3201 of Title 22, Foreign Relations and Intercourse.
§ 2142. Domestic medical isotope production

(a) The Commission may issue a license, or grant an amendment to an existing license, for the use in the United States of highly enriched uranium as a target for medical isotope production in a nuclear reactor, only if, in addition to any other requirement of this chapter—

(1) the Commission determines that—

(A) there is no alternative medical isotope production target that can be used in that reactor; and

(B) the proposed recipient of the medical isotope production target has provided assurances that, whenever an alternative medical isotope production target can be used in that reactor, it will use that alternative in lieu of highly enriched uranium; and

(2) the Secretary of Energy has certified that the United States Government is actively supporting the development of an alternative medical isotope production target that can be used in that reactor.

(b) As used in this section—

(1) the term “alternative medical isotope production target” means a nuclear reactor target which is enriched to less than 20 percent of the isotope U–235;

(2) a target “can be used” in a nuclear research or test reactor if—

(A) the target has been qualified by the Reduced Enrichment Research and Test Reactor Program of the Department of Energy; and

(B) use of the target will permit the large majority of ongoing and planned experiments and medical isotope production to be conducted in the reactor without a large percentage increase in the total cost of operating the reactor;

(3) the term “highly enriched uranium” means uranium enriched to 20 percent or more in the isotope U–235; and

(4) the term “medical isotope” includes molybdenum-99, iodine-131, xenon-133, and other radioactive materials used to produce a radio-pharmaceutical for diagnostic or therapeutic procedures or for research and development.

§ 2151. Effect of international arrangements

Any provision of this chapter or any action of the Commission to the extent and during the time that it conflicts with the provisions of any international arrangements made after August 30, 1954 shall be deemed to be of no force or effect.


REFERENCES IN TEXT

This chapter, referred to in text, was in the original “this Act”, meaning act Aug. 1, 1946, ch. 724, as added by act Aug. 30, 1954, ch. 1073, § 1, 68 Stat. 919, known as the Atomic Energy Act of 1954, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 2011 of this title and Tables.

PRIOR PROVISIONS

Provisions similar to this section were contained in section 190(a) of this title, prior to the general amendment and renumbering of act Aug. 1, 1946, by act Aug. 30, 1954.

§ 2152. Policies contained in international arrangements

In the performance of its functions under this chapter, the Commission shall give maximum effect to the policies contained in any international arrangement made after August 30, 1954.


REFERENCES IN TEXT

This chapter, referred to in text, was in the original “this Act”, meaning act Aug. 1, 1946, ch. 724, as added by act Aug. 30, 1954, ch. 1073, § 1, 68 Stat. 919, known as the Atomic Energy Act of 1954, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 2011 of this title and Tables.

PRIOR PROVISIONS

Provisions similar to this section were contained in section 1808(a) of this title, prior to the general amendment and renumbering of act Aug. 1, 1946, by act Aug. 30, 1954.

§ 2153. Cooperation with other nations

No cooperation with any nation, group of nations or regional defense organization pursuant to sections 2073, 2074(a), 2077, 2094, 2112, 2121, 2133, 2134, or 2164 of this title shall be undertaken until—

(a) Terms, conditions, duration, nature, scope, and other requirements of proposed agreements for cooperation; Presidential exemptions; negotiations; Nuclear Proliferation Assessment Statement

the proposed agreement for cooperation has been submitted to the President, which proposed agreement shall include the terms, con-
ditions, duration, nature, and scope of the cooperation; and shall include the following requirements:

1. a guaranty by the cooperating party that safeguards as set forth in the agreement for cooperation will be maintained with respect to all nuclear materials and equipment transferred pursuant thereto, and with respect to all special nuclear material used in or produced through the use of such nuclear materials and equipment, so long as the material or equipment remains under the jurisdiction or control of the cooperating party, irrespective of the duration of any other provisions in the agreement or whether the agreement is terminated or suspended for any reason;

2. in the case of non-nuclear-weapon states, a requirement, as a condition of continued United States nuclear supply under the agreement for cooperation, that IAEA safeguards be maintained with respect to all nuclear materials in all peaceful nuclear activities within the territory of such state, under its jurisdiction, or carried out under its control anywhere;

3. except in the case of those agreements for cooperation arranged pursuant to section 2121(c) of this title, a guaranty by the cooperating party that no nuclear materials and equipment or sensitive nuclear technology to be transferred pursuant to such agreement, and no special nuclear material produced through the use of any nuclear materials and equipment or sensitive nuclear technology transferred pursuant to such agreement, will be used for any nuclear explosive device, or for research on or development of any nuclear explosive device, or for any other military purpose;

4. except in the case of those agreements for cooperation arranged pursuant to section 2121(c) of this title and agreements for cooperation with nuclear-weapon states, a stipulation that the United States shall have the right to require the return of any nuclear materials and equipment transferred pursuant thereto and any special nuclear material produced through the use thereof if the cooperating party detonates a nuclear explosive device or terminates or abrogates an agreement providing for IAEA safeguards;

5. a guaranty by the cooperating party that any material or any Restricted Data transferred pursuant to the agreement for cooperation and, except in the case of agreements arranged pursuant to section 2121(c), 2164(b), 2164(c), or 2164(d) of this title, any production or utilization facility transferred pursuant to the agreement for cooperation or any special nuclear material produced through the use of any such facility or through the use of any material transferred pursuant to the agreement, will not be transferred to unauthorized persons or beyond the jurisdiction or control of the cooperating party without the consent of the United States;

6. a guaranty by the cooperating party that adequate physical security will be maintained with respect to any nuclear material transferred pursuant to such agreement and with respect to any special nuclear material used in or produced through the use of any material, production facility, or utilization facility transferred pursuant to such agreement;

7. except in the case of agreements for cooperation arranged pursuant to section 2121(c), 2164(b), 2164(c), or 2164(d) of this title, a guaranty by the cooperating party that no material transferred pursuant to the agreement for cooperation and no material used in or produced through the use of any material, production facility, or utilization facility transferred pursuant to the agreement for cooperation will be reprocessed, enriched or (in the case of plutonium, uranium 233, or uranium enriched to greater than twenty percent in the isotope 235, or other nuclear materials which have been irradiated) otherwise altered in form or content without the prior approval of the United States;

8. except in the case of those agreements for cooperation arranged pursuant to section 2121(c), 2164(b), 2164(c), or 2164(d) of this title, a guaranty by the cooperating party that no plutonium, no uranium 233, and no uranium enriched to greater than twenty percent in the isotope 235, transferred pursuant to the agreement for cooperation, or recovered from any source or special nuclear material so transferred or from any source or special nuclear material used in any production facility or utilization facility transferred pursuant to the agreement for cooperation, will be stored in any facility that has not been approved in advance by the United States; and

9. except in the case of agreements for cooperation arranged pursuant to section 2121(c), 2164(b), 2164(c), or 2164(d) of this title, a guaranty by the cooperating party that any special nuclear material, production facility, or utilization facility produced or constructed under the jurisdiction of the cooperating party by or through the use of any sensitive nuclear technology transferred pursuant to such agreement for cooperation will be subject to all the requirements specified in this subsection.

The President may exempt a proposed agreement for cooperation (except an agreement arranged pursuant to section 2121(c), 2164(b), 2164(c), or 2164(d) of this title) from any of the requirements of the foregoing sentence if he determines that inclusion of any such requirement would be seriously prejudicial to the achievement of United States non-proliferation objectives or otherwise jeopardize the common defense and security. Except in the case of those agreements for cooperation arranged pursuant to section 2121(c), 2164(b), 2164(c), or 2164(d) of this title, any proposed agreement for cooperation shall be negotiated jointly by the Secretary of State, with the technical assistance and concurrence of the Secretary of Energy; and after consultation with the Commission shall be submitted to the President accompanied by the views
and recommendations of the Secretary of State, the Secretary of Energy, and the Nuclear Regulatory Commission. The Secretary of State shall also provide to the President an unclassified Nuclear Proliferation Assessment Statement (A) which shall analyze the consistency of the text of the proposed agreement for cooperation with all the requirements of this chapter, with specific attention to whether the proposed agreement is consistent with each of the criteria set forth in this subsection, and (B) regarding the adequacy of the safeguards and other control mechanisms and the peaceful use assurances contained in the agreement for cooperation to ensure that any assistance furnished thereunder will not be used to further any military or nuclear explosive purpose. Each Nuclear Proliferation Assessment Statement prepared pursuant to this chapter shall be accompanied by a classified annex, prepared in consultation with the Director of Central Intelligence, summarizing relevant classified information. In the case of those agreements for cooperation arranged pursuant to section 2121(c), 2164(b), 2164(c), or 2164(d) of this title, any proposed agreement for cooperation shall be submitted to the President by the Secretary of Energy or, in the case of those agreements for cooperation arranged pursuant to section 2121(c), 2164(b), or 2164(d) of this title which are to be implemented by the Department of Defense, by the Secretary of Defense;

(b) Presidential approval and authorization for execution of proposed agreements for cooperation

the President has submitted text of the proposed agreement for cooperation (except an agreement arranged pursuant to section 2121(c), 2164(b), 2164(c), or 2164(d) of this title), together with the accompanying unclassified Nuclear Proliferation Assessment Statement, to the Committee on Foreign Relations of the Senate and the Committee on Foreign Affairs of the House of Representatives and the Committee on Armed Services of the Senate, and any annexes thereto, when required by subsection (a), have been submitted to the Congress: Provided, that an agreement for cooperation exempted by the President pursuant to subsection (a) from any requirement contained in that subsection, or an agreement exempted pursuant to section 8003(a)(1) of title 22, shall not become effective unless the Congress adopts, and there is enacted, a joint resolution stating in substance that the Congress does not favor the proposed agreement for cooperation: Provided, That the sixty-day period shall not begin until a Nuclear Proliferation Assessment Statement prepared by the Secretary of State, and any annexes thereto, has been submitted to the Congress: Provided further, That an agreement for cooperation shall not become effective unless the Congress adopts, and there is enacted, a joint resolution stating that the Congress does not favor such agreement, During the sixty-day period the President has consulted with such Committees for a period of not less than thirty days of continuous session (as defined in section 2159(g) of this title) concerning the consistency of the terms of the proposed agreement with all the requirements of this chapter, and the President has approved and authorized the execution of the proposed agreement for cooperation and has made a determination in writing that the performance of the proposed agreement will promote, and will not constitute an unreasonable risk to, the common defense and security;

(c) Submital of proposed agreements for cooperation to Congressional committees

the proposed agreement for cooperation (if not an agreement subject to subsection (d)), together with the approval and determination of the President, has been submitted to the Committee on Foreign Affairs of the House of Representatives and the Committee on Foreign Relations of the Senate for a period of not less than thirty days of continuous session (as defined in section 2159(g) of this title): Provided, however, That these committees, after having received such agreement for cooperation, may by resolution in writing waive the conditions of all or any portion of such thirty-day period; and

(d) Congressional action

the proposed agreement for cooperation (if arranged pursuant to section 2121(c), 2164(b), 2164(c), or 2164(d) of this title, or if entailing implementation of section 2073, 2074(a), 2133, or 2134 of this title in relation to a reactor that may be capable of producing more than five thermal megawatts or special nuclear material for use in connection therewith) has been submitted to the Congress, together with the approval and determination of the President, for a period of sixty days of continuous session (as defined in section 2159(g) of this title) and referred to the Committee on Foreign Affairs of the House of Representatives and the Committee on Foreign Relations of the Senate, and in addition, in the case of a proposed agreement for cooperation arranged pursuant to section 2121(c), 2164(b), 2164(c), or 2164(d) of this title, the Committee on Armed Services of the House of Representatives and the Committee on Armed Services of the Senate, but such proposed agreement for cooperation shall not become effective if during such sixty-day period the Congress adopts, and there is enacted, a joint resolution stating in substance that the Congress does not favor the proposed agreement for cooperation: Provided, That the sixty-day period shall not begin until a Nuclear Proliferation Assessment Statement prepared by the Secretary of State, and any annexes thereto, when required by subsection (a), have been submitted to the Congress: Provided further, That an agreement for cooperation exempted by the President pursuant to subsection (a) from any requirement contained in that subsection, or an agreement exempted pursuant to section 8003(a)(1) of title 22, shall not become effective unless the Congress adopts, and there is enacted, a joint resolution stating that the Congress does not favor such agreement, During the sixty-day period the President has consulted with such Committees for a period of not less than thirty days of continuous session (as defined in section 2159(g) of this title) concerning the consistency of the terms of the proposed agreement with all the requirements of this chapter, and the President has approved and authorized the execution of the proposed agreement for cooperation and has made a determination in writing that the performance of the proposed agreement will promote, and will not constitute an unreasonable risk to, the common defense and security;

Following submission of a proposed agreement for cooperation (except an agreement for cooperation arranged pursuant to section 2121(c), 2164(b), 2164(c), or 2164(d) of this title) to the Committee on Foreign Affairs of the House of Representatives and the Committee on Foreign Relations of the Senate, the Nuclear Regulatory Commission, the Department of State, the Department of Energy, and the Department of Defense shall, upon the request of either of those committees, promptly furnish to those committees their views as to whether the safeguards and other controls contained therein provide an adequate framework to ensure that any exports as contemplated by such agreement will not be
imimal to or constitute an unreasonable risk to the common defense and security.

If, after March 10, 1978, the Congress fails to disapprove a proposed agreement for cooperation which exempts the recipient nation from the requirements set forth in subsection (a) of this title, such failure to act shall constitute a failure to adopt a resolution of disapproval pursuant to section 2157(b)(3) of this title for purposes of the Commission’s consideration of applications and requests under section 2155(a)(2) of this title and there shall be no congressional review pursuant to section 2157 of this title of any subsequent license or authorization with respect to that state until the first such license or authorization which is issued after twelve months from the expiration of the sixty-day period in which the Agreement in question is reviewed by the Congress.

(c) Congressional committees informed of initiatives or negotiations relating to cooperation agreements

The President shall keep the Committee on Foreign Affairs of the House of Representatives, the Committee on Foreign Relations of the Senate fully and currently informed of any initiative or negotiations relating to a new or amended agreement for peaceful nuclear cooperation pursuant to this section (except an agreement arranged pursuant to section 2121(c), 2164(c), or 2164(d) of this title, or an amendment thereto).


REFERENCES IN TEXT

This chapter, referred to in subsecs. (a) and (b), was in the original “this Act”, meaning act Aug. 1, 1946, ch. 724, as added by act Aug. 30, 1954, ch. 1073, §1, 68 Stat. 919, known as the Atomic Energy Act of 1946, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 2011 of this title and Tables.

AMENDMENTS


2006—Subsec. (d). Pub. L. 109-101, in second proviso, inserted “, or an agreement exempted pursuant to section 2155(c)(1) of this title,” after “that subsection”.

1998—Pub. L. 105-277, §1225(d)(4)(C), in first undesignated paragraph of concluding provisions, struck out “the Arms Control and Disarmament Agency” after “the Director of”.

Subsec. (a). Pub. L. 105-277, §1225(d)(4)(A), in concluding provisions, struck out “and in consultation with the Director of the Arms Control and Disarmament Agency (“the Director”)” before “;” and after consultation,” inserted “and” after “Secretary of Energy,” substituted “Commission. The Secretary of State for “Commission, and the Director, who,” and inserted “Each Nuclear Proliferation Assessment Statement prepared pursuant to this chapter shall be accompanied by a classified annex, prepared in consultation with the Director of Central Intelligence, summarizing relevant classified information.” after “nuclear explosive purpose.”

Subsec. (d). Pub. L. 105-277, §1225(d)(4)(B), in first proviso, substituted “Nuclear Proliferation Assessment Statement prepared by the Secretary of State, and any annexes thereto,” for “Nuclear Proliferation Assessment Statement prepared by the Arms Control and Disarmament Agency,” and substituted “have been” for “has been”.


1993—Pub. L. 103-337, §3155(c)(1)(A), substituted “2164(c), or 2164(d)” for “2164(c), or 2164(d)” wherever appearing.

1985—Subsec. (a). Pub. L. 99-64, §301(a)(1), in provisions following par. (9) inserted “(A) which shall analyze the consistency of the text of the proposed agreement for cooperation with all the requirements of this chapter, with specific attention to whether the proposed agreement is consistent with each of the criteria set forth in this subsection, and (B) after “Assessment Statement”.”

Subsec. (b). Pub. L. 99-64, §301(a)(2), inserted “the President has submitted text of the proposed agreement for cooperation, together with the accompanying unclassified Nuclear Proliferation Assessment Statement, to the Committee on Foreign Relations of the Senate and the Committee on Foreign Affairs of the House of Representatives, the President has consulted with such Committees for a period of not less than thirty days of continuous session (as defined in section 2159(g) of this title) concerning the consistency of the terms of the proposed agreement with all the requirements of this chapter, and”.

Subsec. (d). Pub. L. 99-64, §301(a)(3), (b), substituted “adopts, and there is enacted, a joint resolution” for “adopts a concurrent resolution”, inserted a further proviso directing that an agreement for cooperation exempted by the President pursuant to subsection (a) of this section from any requirement contained in that subsection shall not become effective unless the Congress adopts, and there is enacted, a joint resolution stating that the Congress does favor such agreement, inserted sentence directing that during the sixty-day period the Committee on Foreign Affairs of the House of Representatives and the Committee on Foreign Relations of the Senate shall each hold hearings on the proposed agreement for cooperation and submit a report to their respective bodies recommending whether it should be approved or disapproved, and substituted...
tion in all new agreements for cooperation, inserted into pars. (3), (5), and (6) the existing provisions with an exception for defense related agreements. The requirement would be seriously prejudicial to the achievement of United States nonproliferation objectives or jeopardize the common defense and security for any other reason, provided for Congressional rejection of any such Presidential exemption, and provided that agreements be negotiated by the Department of State, with an exception for defense related agreements.

Subsec. (a). Pub. L. 95–242 amended and carried forward into pars. (3), (5), and (6) the existing provisions relating to the terms and conditions required for inclusion in all new agreements for cooperation, inserted new terms and conditions set out in pars. (1), (2), (4), (5), and (9), inserted provisions empowering the President to exempt proposed agreements from any of the requirements if he determines that inclusion of the requirement would be seriously prejudicial to the achievement of United States nonproliferation objectives or jeopardize the common defense and security for any other reason, provided for Congressional rejection of any such Presidential exemption, and provided that agreements be negotiated by the Department of State, with an exception for defense related agreements.

Subsec. (b). Pub. L. 95–242 reenacted existing provisions with only minor changes in punctuation.

Subsec. (c). Pub. L. 95–242 inserted "(if not an agreement subject to subsection (d))" after "the proposed agreement for cooperation", substituted "submitted to the Committee on International Relations of the House of Representatives and the Committee on Foreign Relations for a period of thirty days of continuous session (as defined in section 2159(g) of this title)" for "submitted to the Joint Committee and a period of thirty days has elapsed while Congress is in session (in computing such thirty days, there shall be excluded the days on which either House is not in session because of the adjournment of more than three days)" and substituted reference to "these committees" for reference to "the Joint Committee" in proviso.

Subsec. (d). Pub. L. 95–242 provided that proposed agreements be laid before the Committees on International Relations and Foreign Relations rather than the Joint Committee on Atomic Energy and that for major agreements the Nuclear Proliferation Assessment Statement, if any, prepared in conjunction with the President's review of the proposed agreement, also be submitted to the committees.

1974—Pub. L. 93–377 substituted reference to section 2074(a) of this title for reference to section 2074 of this title in opening par.

Subsec. (d). Pub. L. 93–485 inserted reference to proposed agreements entailing implementation of sections 2073, 2074, 2133, or 2134 of this title, or in relation to reactors capable of producing more than five thermal megawatts or special nuclear material in connection therewith, inserted provision requiring the Joint Committee to submit a report to Congress of its views and recommendations respecting the proposed agreement, and an accompanying proposed concurrent resolution favoring or otherwise of such agreement within the first thirty days of the sixty day period and providing that such concurrent resolution so reported shall become the pending business of the House in question within twenty-five days and shall be voted on within five days thereafter unless such House determined otherwise, and struck out the proviso that during the 85th Congress the waiting period shall be thirty days. Pub. L. 88–489, § 3201 of Title 22, Foreign Relations and Intercourse.


Subsec. (a). Pub. L. 85–479, § 3, included agreements for cooperation arranged pursuant to section 2121(c) of this title, and inserted in cl. (3) the exception in the case of agreements arranged pursuant to section 2121(c) of this title.

Subsec. (b). Pub. L. 85–681 inserted proviso clause relating to waiver waiting period.


CHANGE OF NAME

Reference to the Director of Central Intelligence or the Director of the Central Intelligence Agency in the Director's capacity as the head of the intelligence community deemed to be a reference to the Director of National Intelligence. Reference to the Director of Central Intelligence or the Director of the Central Intelligence Agency in the Director's capacity as the head of the Central Intelligence Agency deemed to be a reference to the Director of the Central Intelligence Agency. See section 1081(a), (b) of Pub. L. 108–458, set out as a note under section 3001 of Title 50, War and National Defense.

EFFECTIVE DATE OF 1998 AMENDMENT

Amendment by Pub. L. 105–277 effective on earlier of Apr. 1, 1999, or date of abolition of the United States Arms Control and Disarmament Agency pursuant to reorganization plan described in section 6601 of Title 22, Foreign Relations and Intercourse, see section 1201 of Pub. L. 105–277, set out as an Effective Date note under section 6511 of Title 22.

EFFECTIVE DATE OF 1985 AMENDMENT

Pub. L. 99–64, title III, §301(d), July 12, 1985, 99 Stat. 162, provided that: "The amendments made by this section [amending this section and section 2159 of this title] shall apply to any agreement for cooperation which is entered into after the date of the enactment of this Act (July 12, 1985)."

EFFECTIVE DATE OF 1978 AMENDMENT

Amendment by Pub. L. 95–242 effective Mar. 10, 1978, except as otherwise provided and regardless of any requirement for the promulgation of implementing regulations, see section 600(c) of Pub. L. 95–242, set out as an Effective Date note under section 3201 of Title 22, Foreign Relations and Intercourse.

EFFECTIVE DATE OF 1974 AMENDMENT


LIMITATION ON PRODUCTION OF NUCLEAR PROLIFERATION ASSESSMENT STATEMENTS


"(a) LIMITATION.—The Secretary of State may not provide to the President, and the President may not submit to Congress, a Nuclear Proliferation Assessment Statement described in subsection a. of section 123 of the Atomic Energy Act of 1954 (42 U.S.C. 2153) with respect to a proposed cooperation agreement with any country that has not signed and implemented an Additional Protocol with the International Atomic Energy Agency, other than a country with which, as of June 19, 2019, is in effect a civilian nuclear cooperation agreement pursuant to such section 123.

"(b) WAIVER.—The limitation under subsection (a) shall be waived with respect to a particular country beginning on the date that is 90 days after the date on which the President submits to the appropriate congressional committees a report describing the manner in which such agreement would advance the national security and defense interests of the United States and not contribute to the proliferation of nuclear weapons.

"(c) FORM.—The report described in subsection (b) shall be submitted in unclassified form but may include a classified annex.

"(d) APPROPRIATE CONGRESSIONAL COMMITTEES DEFINED.—In this section, the term 'appropriate congressional committees' means—

"(1) the Committee on Armed Services and the Committee on Foreign Relations of the Senate; and

"(2) the Committee on Armed Services and the Committee on Foreign Affairs of the House of Representatives."
§ 2153  TITLE 42—THE PUBLIC HEALTH AND WELFARE  Page 4972

SUPPORT FOR UNITED STATES-REPUBLIC OF KOREA CIVIL NUCLEAR COOPERATION

Pub. L. 113–81, Feb. 12, 2014, 128 Stat. 1007, provided that:

"SECTION 1. SHORT TITLE.

"This Act may be cited as the 'Support for United States-Republic of Korea Civil Nuclear Cooperation Act'."

"SEC. 2. FINDINGS.

"Congress makes the following findings:

"(1) In the 60th year of the alliance, the relationship between the United States and the Republic of Korea could not be stronger. It is based on mutual sacrifice, mutual respect, shared interests, and the shared responsibility to promote peace and security in Asia and throughout the world.

"(2) North Korea's nuclear weapons programs, including uranium enrichment and plutonium processing technologies, undermine security on the Korean Peninsula. The United States and the Republic of Korea have a shared interest in preventing further proliferation, including through the implementation of the 2005 Joint Statement of the Six-Party Talks.

"(3) Both the United States and Republic of Korea have a shared objective in strengthening the Treaty on the Non-Proliferation of Nuclear Weapons, signed at London, Moscow, and Washington July 1, 1968, and a political and a commercial interest in working collaboratively to address challenges to their respective peaceful civil nuclear programs.

"(4) The nuclear energy agreement referred to in section 3 is scheduled to expire on March 19, 2014. In order to maintain healthy and uninterrupted cooperation in this area between the two countries while a new agreement is being negotiated, Congress should authorize the President to extend the duration of the current agreement until March 19, 2016.

"SEC. 3. EXTENSION OF NUCLEAR ENERGY AGREEMENT WITH THE REPUBLIC OF KOREA.

"Notwithstanding section 123 of the Atomic Energy Act of 1954 (42 U.S.C. 2153), the President is authorized to take such actions as may be required to extend the term of the Agreement for Cooperation between the Government of the United States of America and the Government of the Republic of Korea Concerning Civil Uses of Nuclear Energy, signed at Washington November 24, 1972 (24 UST 757; TIAS 7583), and amended on May 15, 1974 (25 UST 1359; TIAS 7862), to a date that is not later than March 19, 2016.

"SEC. 4. REPORT TO CONGRESS ON PROGRESS OF NEGOTIATIONS BETWEEN THE UNITED STATES AND REPUBLIC OF KOREA.

"Not later than 180 days after the date of the enactment of this Act [Feb. 12, 2014], and every 180 days thereafter until a new Agreement for Cooperation between the Government of the United States of America and the Government of the Republic of Korea Concerning Civil Uses of Nuclear Energy is submitted to Congress, the President shall provide to the Senate Committee on Foreign Relations and the Committee on Appropriations of the Senate and the Committee on Foreign Affairs and the Committee on Appropriations of the House of Representatives a report on the progress of negotiations on a new civil nuclear cooperation agreement."

[Memorandum of President of the United States, July 11, 2014, 79 P.R. 4917, dedicated to the Secretary of State the reporting functions under section 4 of Pub. L. 113–81, set out above.]

APPLICABILITY OF NOTICE AND WAIT PROVISIONS


PERFORMANCE OF FUNCTIONS PENDING DEVELOPMENT OF PROCEDURES

The performance of functions under this chapter, as amended by the Nuclear Non-Proliferation Act of 1978, Pub. L. 95–242, Mar. 10, 1978, 92 Stat. 120, not to be delayed pending development of procedures even though as many as 120 days after the date provided for establishing those procedures, see section 5 of Ex. Ord. No. 12058, May 11, 1978, 43 F.R. 20947, set out under section 3201 of Title 22, Foreign Relations and Intercourse.

FUEL CYCLE EVALUATIONS; REPORT TO CONGRESS

Pub. L. 95–601, §9, Nov. 6, 1978, 92 Stat. 2951, directed Commission to monitor and assist, as requested, International Fuel Cycle Evaluation and studies and evaluations of various nuclear fuel cycle systems by Department of Energy in progress as of Nov. 6, 1978, and report to Congress semiannually through calendar year 1980 and annually thereafter until, on status of domestic and international evaluations of nuclear fuel cycle systems, with report to include a summary of information developed by and available to Commission on health, safety, and safeguards implications of leading fuel cycle technologies.

ADUENCY OF LAWS AND REGULATIONS GOVERNING EXPORT AND RE-IMPORT OF NUCLEAR MATERIALS, ETC., AND SAFEGUARDS PREVENTING PROLIFERATION OF NUCLEAR MATERIALS

Pub. L. 93–500, §14, Oct. 29, 1974, 88 Stat. 1571, directed President to review and report to Congress within six months after Oct. 29, 1974, on all laws and regulations issued thereunder, guiding the export and re-import of nuclear materials and information relating to the design and development thereof, in order to curb further domestic and international nuclear proliferation, diversion, or theft of nuclear materials.

COOPERATION WITH BERLIN

Act Aug. 1, 1946, ch. 724, title I, §125, as added by Apr. 12, 1957, Pub. L. 85–14, 71 Stat. 11; amended by Aug. 17, 1974, Pub. L. 93–417, §5, 88 Stat. 475, renumbered title I, Oct. 21, 1982, Pub. L. 97–206, title IX, §962a(a)(6), 106 Stat. 2944, provided that the President could authorize the Commission to enter into agreements for cooperation with the Federal Republic of Germany in accordance with this section, on behalf of Berlin, for purposes of this chapter comprising those areas over which the Berlin Senate exercised jurisdiction (the United States, British, and French sectors) and the Commission could thereafter cooperate with Berlin pursuant to section 207(a), 2077, 2094, 2112, 2133, or 2134 of this title, with provision that the guaranties required by this section were to be made by Berlin with the approval of the allied commandants.

EX. ORD. NO. 10841. INTERNATIONAL COOPERATION


"SECTION 1. Whenever the President, pursuant to section 123 of the Act [this section], has approved and authorized the execution of a proposed agreement providing for cooperation pursuant to section 91c, 144a, 144b, or 144c of the Act [sections 2121(c), 2164(a), 2164(b), 2164(c) of this title], such approval and authorization by the President shall constitute his authorization to cooperate to the extent provided for in the agreement and in the manner provided for in section 91c, 144a, 144b, or
§ 2153a. Approval for enrichment after export of source or special nuclear material; export of major critical components of enrichment facilities

(a) Except as specifically provided in any agreement for cooperation, no source or special nuclear material hereafter exported from the United States may be enriched after export without the prior approval of the United States for such enrichment. Provided. That the procedures governing such approvals shall be identical to those set forth for the approval of proposed subsequent arrangements under section 2160 of this title, and any commitments from the recipient which the Secretary of Energy and the Secretary of State deem necessary to ensure that such approval will be obtained prior to such enrichment shall be obtained prior to the submission of the executive branch judgment regarding the export in question and shall be set forth in such submission: And provided further. That no source or special nuclear material shall be exported for the purpose of enrichment or reactor fueling to any nation or group of nations which has, after March 10, 1978, entered into a new or amended agreement for cooperation with the United States, except pursuant to such agreement.

(b) In addition to other requirements of law, no major critical component of any uranium enrichment, nuclear fuel reprocessing, or heavy water production facility shall be exported under any agreement for cooperation (except an agreement for cooperation pursuant to section 2121(c), 2164(b), or 2164(c) of this title) unless such agreement for cooperation specifically designates such components as items to be exported pursuant to the agreement for cooperation. For purposes of this subsection, the term "major critical component" means any component part or group of component parts which the President determines to be essential to the operation of a complete uranium enrichment, nuclear fuel reprocessing, or heavy water production facility.


§ 2153b. Export policies relating to peaceful nuclear activities and international nuclear trade

The President shall take immediate and vigorous steps to seek agreement from all nations and groups of nations to commit themselves to adhere to the following export policies with respect to their peaceful nuclear activities and their participation in international nuclear trade:

(a) Undertakings by transferee nations receiving nuclear material and equipment or sensitive nuclear technology

No nuclear materials and equipment and no sensitive nuclear technology within the terri-
§ 2153c. Renegotiation of agreements for cooperation

(a) Application to existing agreements of undertakings required of new agreements after March 10, 1978

The President shall initiate a program immediately to renegotiate agreements for cooperation in effect on March 10, 1978, or otherwise to obtain the agreement of parties to such agreements for cooperation to the undertakings that would be required for new agreements under the 1954 Act. To the extent that an agreement for cooperation in effect on March 10, 1978, with a cooperating party contains provisions equivalent to any or all of the criteria set forth in section 127 of the 1954 Act [42 U.S.C. 2156] with respect to materials and equipment transferred pursuant thereto or with respect to any special nuclear material used in or produced through
the use of any such material or equipment, any renegotiated agreement with that cooperating party shall continue to contain an equivalent provision with respect to such transferred materials and equipment and such special nuclear material. To the extent that an agreement for cooperation in effect on March 10, 1978, with a cooperating party does not contain provisions with respect to any nuclear materials and equipment which have previously been transferred under an agreement for cooperation with the United States and which are under the jurisdiction or control of the cooperating party and with respect to any special nuclear material which is used in or produced through the use thereof and which is under the jurisdiction or control of the cooperating party, which are equivalent to any or all of those required for new and amended agreements for cooperation under section 123 a. of the 1954 Act [42 U.S.C. 2153(a)], the President shall vigorously seek to obtain the application of such provisions with respect to such nuclear materials and equipment and such special nuclear material. Nothing in this Act or in the 1954 Act shall be deemed to relinquish any rights which the United States may have under any agreement for cooperation in force on March 10, 1978.

(b) Presidential review of export agreement conditions and policy goals

The President shall annually review each of requirements (1) through (9) set forth for inclusion in agreements for cooperation under section 123 a. of the 1954 Act [42 U.S.C. 2153(a)] and the export policy goals set forth in section 2153b of this title to determine whether it is in the interest of United States non-proliferation objectives for any such requirements or export policies which are not already being applied as export criteria to be enacted as additional export criteria.

(c) Presidential proposals for additional export criteria

If the President proposes enactment of any such requirements or export policies as additional export criteria or to take any other action with respect to such requirements or export policy goals for the purpose of encouraging adherence by nations and groups of nations to such requirements and policies, he shall submit such a proposal together with an explanation thereof to the Congress.

(d) Congressional action

If the Committee on Foreign Relations of the Senate or the Committee on Foreign Affairs of the House of Representatives, after reviewing the President's annual report or any proposed legislation, determines that it is in the interest of United States non-proliferation objectives to take any action with respect to such requirements or export policy goals, it shall report a joint resolution to implement such determination. Any joint resolution so reported shall be considered in the Senate and the House of Representatives, respectively, under applicable procedures provided for the consideration of resolutions pursuant to subsection 130 b. through g. of the 1954 Act [42 U.S.C. 2159(b) through (g)].

References in Text

This Act, referred to in subsec. (a), means the Nuclear Non-Proliferation Act of 1978, Pub. L. 95–242, Mar. 10, 1978, 92 Stat. 120, which is classified principally to chapter 47 (§2301 et seq.) of Title 22, Foreign Relations and Intercourse. For complete classification of this Act to the Code, see Short Title note set out under section 3201 of Title 22 and Tables.

Codification

Section was enacted as part of the Nuclear Non-Proliferation Act of 1978, and not as part of the Atomic Energy Act of 1946 which comprises this chapter.

Section 2153b of this title, referred to in subsec. (b), was in the original “section 401”, meaning section 401 of Pub. L. 95–242, which amended section 2153 of this title. Section 401 has been translated as section 2153b of this title, which was enacted by section 403 of Pub. L. 95–242, to reflect the probable intent of Congress in view of the reference to the export policy goals which are set forth in section 2153b of this title.

Amendments


Effective Date

Section effective Mar. 10, 1978, except as otherwise provided and regardless of any requirements for the promulgation of implementing regulations, see section 603(c) of Pub. L. 95–242, set out as a note under section 3201 of Title 22, Foreign Relations and Intercourse.

Delegation of Functions

Secretary of State responsible for performing functions vested in President under this section, see section 2(a) of Ex. Ord. No. 12058, May 11, 1978, 43 F.R. 20947, set out under section 3201 of Title 22, Foreign Relations and Intercourse.

Supply of Additional Low-Enriched Uranium Under International Agreements for Cooperation in Civil Uses of Nuclear Energy

Pub. L. 96–280, June 18, 1980, 94 Stat. 550, provided that:

“SECTION 1. Limits contained in agreements for cooperation on the amount of low-enriched uranium which may be transferred by or exported from the United States pursuant thereto shall not be construed to preclude transfer or export of amounts of low-enriched uranium in excess of such limits to nations which are parties to the Treaty on the Non-Proliferation of Nuclear Weapons.

“SEC. 2. (a) The terms used in this joint resolution shall have the meanings ascribed to them by the Atomic Energy Act of 1954 [this chapter] and by the Nuclear Non-Proliferation Act of 1978 [22 U.S.C. 2301 et seq.].

“(b) The term ‘low-enriched uranium’ means uranium enriched to less than 20 per centum in the isotope 235.”

Performance of Functions Pending Development of Procedures


Definitions

For definitions of terms used in this section, see section 3203 of Title 22, Foreign Relations and Intercourse.

§ 2153c

So in original.

1963 Act
§ 2153d. Authority to continue agreements for cooperation entered into prior to March 10, 1978

(a) The amendments to section 2153 of this title made by this Act shall not affect the authority to continue cooperation pursuant to agreements for cooperation entered into prior to March 10, 1978.

(b) Nothing in this Act shall affect the authority to include dispute settlement provisions, including arbitration, in any agreement made pursuant to an Agreement for Cooperation.


REFERENCES IN TEXT

This Act, referred to in text, means the Nuclear Non-Proliferation Act of 1978, Pub. L. 95–242, Mar. 10, 1978, 92 Stat. 120, which is classified principally to chapter 47 (§ 3201 et seq.) of Title 22, Foreign Relations and Intercourse. For complete classification of this Act to the Code, see Short Title note set out under section 3201 of Title 22 and Tables.

CODIFICATION

Section was enacted as part of the Nuclear Non-Proliferation Act of 1978, and not as part of the Atomic Energy Act of 1954 which comprises this chapter.

EFFECTIVE DATE

Section effective Mar. 10, 1978, except as otherwise provided and regardless of any requirements for the promulgation of implementing regulations, see section 603(c) of Pub. L. 95–242, set out as a note under section 3201 of Title 22, Foreign Relations and Intercourse.

§ 2153e. Protection of environment

The President shall endeavor to provide in any agreement entered into pursuant to section 2153 of this title for cooperation between the parties in protecting the international environment from radioactive, chemical or thermal contamination arising from peaceful nuclear activities.


CODIFICATION

Section was enacted as part of the Nuclear Non-Proliferation Act of 1978, and not as part of the Atomic Energy Act of 1954 which comprises this chapter.

EFFECTIVE DATE

Section effective Mar. 10, 1978, except as otherwise provided and regardless of any requirements for the promulgation of implementing regulations, see section 603(c) of Pub. L. 95–242, set out as a note under section 3201 of Title 22, Foreign Relations and Intercourse.

DELegATION OF FUNCTIONS

Secretary of State responsible for performing functions vested in President under this section, see section 2(a) of Ex. Ord. No. 12058, May 11, 1978, 43 F.R. 20947, set out under section 3201 of Title 22, Foreign Relations and Intercourse.

PERFORMANCE OF FUNCTIONS PENDING DEVELOPMENT OF PROCEDURES

The performance of functions under the Nuclear Non-Proliferation Act of 1978, Pub. L. 95–242, Mar. 10, 1978, 92 Stat. 120, not to be delayed pending development of procedures even though as many as 120 days after Mar. 10, 1978 are allowed for establishing those procedures, see section 5(b) of Ex. Ord. No. 12058, May 11, 1978, 43 F.R. 20947, set out under section 3201 of Title 22, Foreign Relations and Intercourse.

§ 2153e–1. Effectiveness of rule, regulation, or procedure with regard to exports subject to Nuclear Non-Proliferation Act of 1978

No environmental rule, regulation, or procedure shall become effective with regard to exports subject to the provisions of 22 U.S.C. 3201 et seq., the Nuclear Non-Proliferation Act of 1978, until such time as the President has reported to Congress on the progress achieved pursuant to section 407 of the Act (42 U.S.C. 2153e) entitled “Protection of the Environment” which requires the President to seek to provide, in agreements required under the Act, for cooperation between the parties in protecting the environment from radioactive, chemical or thermal contaminations arising from peaceful nuclear activities.


REFERENCES IN TEXT

The Nuclear Non-Proliferation Act of 1978, referred to in text, in Pub. L. 95–242, Mar. 10, 1978, 92 Stat. 120, which is classified principally to chapter 47 (§ 3201 et seq.) of Title 22, Foreign Relations and Intercourse. For complete classification of this Act to the Code, see Short Title note set out under section 3201 of Title 22 and Tables.

CODIFICATION

Section was enacted as part of the Export-Import Bank Act Amendments of 1978, and not as part of the Atomic Energy Act of 1954 which comprises this chapter.

EFFECTIVE DATE

Section effective Nov. 10, 1978, see section 1917 of Pub. L. 95–630, set out as an Effective Date of 1978 Amendment note under section 635 of Title 12, Banks and Banking.

§ 2153f. Savings clause; Nuclear Non-Proliferation Act of 1978

(a) All orders, determinations, rules, regulations, permits, contracts, agreements, certificates, licenses, and privileges—

(1) which have been issued, made, granted, or allowed to become effective in the exercise of functions which are the subject of this Act, by (i) any agency or officer, or part thereof, in exercising the functions which are affected by this Act, or (ii) any court of competent jurisdiction, and

(2) which are in effect at the time this Act takes effect,

shall continue in effect according to their terms until modified, terminated, superseded, set aside, or repealed as the case may be, by the parties thereto or by any court of competent jurisdiction.

(b) Nothing in this Act shall affect the procedures or requirements applicable to agreements for cooperation entered into pursuant to sections 2121(c), 2164(b), or 2164(c) of this title or arrangements pursuant thereto as it was in effect immediately prior to March 10, 1978.

(Pub. L. 95–242, title VI, § 603(a), (b), Mar. 10, 1978, 92 Stat. 152.)
REFERENCES IN TEXT
This Act, referred to in text, means the Nuclear Non-Proliferation Act of 1978, Pub. L. 95-242, Mar. 10, 1978, 92 Stat. 120, which is classified principally to chapter 47 (§3201 et seq.) of Title 22, Foreign Relations and Intercourse. For complete classification of this Act to the Code, see Short Title note set out under section 3201 of Title 22, Foreign Relations and Intercourse.

DEFINITION
Section was enacted as part of the Nuclear Non-Proliferation Act of 1978, and not as part of the Atomic Energy Act of 1854 which comprises this chapter.

EFFECTIVE DATE
Section effective Mar. 10, 1978, except as otherwise provided and regardless of any requirements for the promulgation of implementing regulations, see section 603(c) of Pub. L. 95-242, set out as a note under section 3201 of Title 22, Foreign Relations and Intercourse.

PERFORMANCE OF FUNCTIONS PENDING DEVELOPMENT OF PROCEDURES
The performance of functions the Nuclear Non-Proliferation Act of 1978, Pub. L. 95-242, Mar. 10, 1978, 92 Stat. 120, not to be delayed pending development of procedures even though as many as 120 days (after Mar. 10, 1978) are allowed for establishing those procedures, see section 5(b) of Ex. Ord. No. 12038, May 11, 1978, 43 F.R. 20947, set out under section 3201 of Title 22, Foreign Relations and Intercourse.

§2154. International atomic pool
The President is authorized to enter into an international arrangement with a group of nations providing for international cooperation in the nonmilitary applications of atomic energy and he may thereafter cooperate with that group of nations pursuant to sections 2074(a), 2077, 2094, 2112, 2133, 2134, or 2164(a) of this title: Provided, however, That the cooperation is undertaken pursuant to an agreement for cooperation entered into in accordance with section 2153 of this title.


AMENDMENTS
1974—Pub. L. 93-377 substituted reference to section 2074(a) of this title for reference to section 2074 of this title.

TRANSFER OF FUNCTIONS
Atomic Energy Commission abolished and functions transferred by sections 5814 and 5841 of this title. See also Transfer of Functions notes set out under those sections.

§2155. Export licensing procedures
(a) Executive branch judgment on export applications; criteria governing United States nuclear exports

No license may be issued by the Nuclear Regulatory Commission (the "Commission") for the export of any production or utilization facility, or any source material or special nuclear material, including distributions of any material by the Department of Energy under section 2074, 2094, or 2112 of this title, for which a license is required or requested, and no exemption from any requirement for such an export license may be granted by the Commission, as the case may be, until—

(1) the Commission has been notified by the Secretary of State that it is the judgment of the executive branch that the proposed export or exemption will not be inimical to the common defense and security, or that any export in the category to which the proposed export belongs would not be inimical to the common defense and security because it lacks significance for nuclear explosive purposes. The Secretary of State shall, within ninety days after March 10, 1978, establish orderly and expeditious procedures, including provision for necessary administrative actions and inter-agency memoranda of understanding, which are mutually agreeable to the Secretaries of Energy, Defense, and Commerce, and the Nuclear Regulatory Commission, for the preparation of the executive branch judgment on export applications under this section. Such procedures shall include, at a minimum, explicit direction on the handling of such applications, express deadlines for the solicitation and collection of the views of the consulted agencies (with identified officials responsible for meeting such deadlines), an inter-agency coordinating authority to monitor the processing of such applications, predetermined procedures for the expeditious handling of intra-agency and inter-agency disagreements and appeals to higher authorities, frequent meetings of inter-agency administrative coordinators to review the status of all pending applications and similar administrative mechanisms. To the extent practicable, an applicant should be advised of all the information required of the applicant for the entire process for every agency’s needs at the beginning of the process. Potentially controversial applications should be identified as quickly as possible so that any required policy decisions or diplomatic consultations can be initiated in a timely manner. An immediate effort should be undertaken to establish quickly any necessary standards and criteria, including the nature of any required assurances or evidentiary showings, for the decisions required under this section. The processing of any export application proposed and filed as of March 10, 1978, shall not be delayed pending the development and establishment of procedures to implement the requirements of this section. The executive branch judgment shall be completed in not more than sixty days from receipt of the application or request, unless the Secretary of State in his discretion specifically authorizes additional time for consideration of the application or request because it is in the national interest to allow such additional time. The Secretary shall notify the Committee on Foreign Relations of the Senate and the Committee on Foreign Affairs of the House of Representatives of any such authorization. In submitting any such judgment, the Secretary of State shall specifically address the extent to which the export criteria then in effect are met and the extent to which the cooperating

1 So in original. Probably should be “can”. 
party has adhered to the provisions of the applicable agreement for cooperation. In the event he considers it warranted, the Secretary may also address the following additional factors, among others:

(A) whether issuing the license or granting the exemption will materially advance the non-proliferation policy of the United States by encouraging the recipient nation to adhere to the Treaty, or to participate in the undertakings contemplated by section 2153b or 2153ca of this title;

(B) whether failure to issue the license or grant the exemption would otherwise be seriously prejudicial to the non-proliferation objectives of the United States; and

(C) whether the recipient nation or group of nations has agreed that conditions substantially identical to the export criteria set forth in section 2156 of this title will be applied by another nuclear supplier nation or group of nations to the proposed United States export, and whether in the Secretary's judgment those conditions will be implemented in a manner acceptable to the United States.

The Secretary of State shall provide appropriate data and recommendations, subject to requests for additional data and recommendations, as required by the Commission or the Secretary of Energy, as the case may be; and

(2) the Commission finds, based on a reasonable judgment of the assurances provided and other information available to the Federal Government, including the Commission, that the criteria in section 2156 of this title or their equivalent, and any other applicable statutory requirements, are met: Provided, That continued cooperation under an agreement for cooperation as authorized in accordance with section 2154 of this title shall not be prevented by failure to meet the provisions of paragraph (4) or (5) of section 2156 of this title for a period of thirty days after March 10, 1978, and for a period of twenty-three months thereafter if the Secretary of State notifies the Commission that the nation or group of nations bound by the relevant agreement has agreed to negotiations as called for in section 2156 of this title; however, nothing in this subsection shall be deemed to relinquish any rights which the United States may have under agreements for cooperation in force on March 10, 1978;

(a) Requests to be given timely consideration; Presidential review if Commission is unable to make required statutory determinations; Commission review

(1) Timely consideration shall be given by the Commission to requests for export licenses and exemptions and such requests shall be granted upon a determination that all applicable statutory requirements have been met.

(2) If, after receiving the executive branch judgment that the issuance of a proposed export license will not be inimical to the common defense and security, the Commission does not issue the proposed license on a timely basis because it is unable to make the statutory determinations required under this chapter, the Commission shall publicly issue its decision to that effect, and shall submit the license application to the President. The Commission's decision shall include an explanation of the basis for the decision and any dissenting or separate views.

(b) Requests to be given timely consideration; Presidential review if Commission is unable to make required statutory determinations; Commission review

(1) Timely consideration shall be given by the Commission to requests for export licenses and exemptions and such requests shall be granted upon a determination that all applicable statutory requirements have been met.

(2) If, after receiving the executive branch judgment that the issuance of a proposed export license will not be inimical to the common defense and security, the Commission does not issue the proposed license on a timely basis because it is unable to make the statutory determinations required under this chapter, the Commission shall publicly issue its decision to that effect, and shall submit the license application to the President. The Commission's decision shall include an explanation of the basis for the decision and any dissenting or separate views.

If, after receiving the proposed license application and reviewing the Commission's decision, the President determines that withholding the proposed export would be seriously prejudicial to the achievement of United States non-proliferation objectives, or would otherwise jeopardize the common defense and security, the proposed export may be authorized by Executive order: Provided, That prior to any such export,
the President shall submit the Executive order, together with his explanation of why, in light of the Commission’s decision, the export should nonetheless be made, to the Congress for a period of sixty days of continuous session (as defined in section 2159(g) of this title) and shall be referred to the Committee on Foreign Affairs of the House of Representatives and the Committee on Foreign Relations of the Senate, but any such proposed export shall not occur if during such sixty-day period the Congress adopts a concurrent resolution stating in substance that it does not favor the proposed export. Any such Executive order shall be considered pursuant to the procedures set forth in section 2159 of this title for the consideration of Presidential submissions: And provided further, That the procedures established pursuant to subsection (b) or section 2155a of this title shall provide that the Commission shall immediately initiate review of any application for a license under this section and to the maximum extent feasible shall expeditiously process the application concurrently with the executive branch review, while awaiting the final executive branch judgment. In initiating its review, the Commission may identify a set of concerns and requests for information associated with the projected issuance of such license and shall transmit such concerns and requests to the executive branch which shall address such concerns and requests in its written communications with the Commission. Such procedures shall also provide that if the Commission has not completed action on the application within sixty days after the receipt of an executive branch judgment that the proposed export or exemption is not inimical to the common defense and security or that any export in the category to which the proposed export belongs would not be inimical to the common defense and security because it lacks significance for nuclear explosive purposes, the Commission shall inform the applicant in writing of the reason for delay and provide follow-up reports as appropriate. If the Commission has not completed action by the end of an additional sixty days (a total of one hundred and twenty days from receipt of the executive branch judgment), the President may authorize the proposed export by Executive order, upon a finding that further delay would be excessive and upon making the findings required for such Presidential authorizations under this subsection, and subject to the Congressional review procedures set forth herein. However, if the Commission has commenced procedures for public participation regarding the proposed export under regulations promulgated pursuant to subsection (b) of section 2155a of this title, or—within sixty days after receipt of the executive branch judgment on the proposed export—the Commission has identified and transmitted to the executive branch a set of additional concerns or requests for information, the President may not authorize the proposed export until sixty days after public proceedings are completed or sixty days after a full executive branch response to the Commission’s additional concerns or requests has been made consistent with subsection (a)(1) of this section: Provided further, That nothing in this section shall affect the right of the Commission to obtain data and recommendations from the Secretary of State at any time as provided in subsection (a)(1) of this section.

(c) Additional export criteria

In the event that the House of Representatives or the Senate passes a joint resolution which would adopt one or more additional export criteria, or would modify any existing export criteria under this chapter, any such joint resolution shall be referred in the other House to the Committee on Foreign Relations of the Senate or the Committee on Foreign Affairs of the House of Representatives, as the case may be, and shall be considered by the other House under applicable procedures provided for the consideration of resolutions pursuant to section 2159 of this title.


REFERENCES IN TEXT

This chapter, referred to in subsecs. (b)(2) and (c), was in the original “this Act”, meaning act Aug. 1, 1946, ch. 724, as added by act Aug. 30, 1954, ch. 1073, §1, 68 Stat. 919, known as the Atomic Energy Act of 1954, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 2101 of this title and Tables.

AMENDMENTS


EFFECTIVE DATE OF 1998 AMENDMENT

Amendment by Pub. L. 105–277 effective on earlier of Apr. 1, 1999, or date of abolition of the United States Arms Control and Disarmament Agency pursuant to reorganization plan described in section 6611 of Title 22, Foreign Relations and Intercourse, see section 3201 of Title 22, Foreign Relations and Intercourse.

EFFECTIVE DATE

Section effective Mar. 10, 1978, except as otherwise provided and regardless of any requirements for the promulgation of implementing regulations, see section 603(c) of Pub. L. 95–242, set out as a note under section 3201 of Title 22, Foreign Relations and Intercourse.

TRANSFER OF FUNCTIONS

For transfer of certain functions from Nuclear Regulatory Commission to Chairman thereof, see Reorg. Plan No. 1 of 1980, 45 F.R. 40651, 94 Stat. 3585, set out as a note under section 5841 of this title.

DELEGATION OF FUNCTIONS

Secretary of State responsible for preparation of timely information and recommendations related to the functions vested in President by this section, see section 2(4) of Ex. Ord. No. 12058, May 11, 1978, 43 F.R. 20947, set out under section 3201 of Title 22, Foreign Relations and Intercourse.

NUCLEAR EXPORT REPORTING REQUIREMENT

§1000(a)(7) [div. B, title XI, §1135], Nov. 29, 1999, 113 Stat. 1536, 1501A–494, provided that:

“(a) NOTIFICATION OF CONGRESS.—The President shall notify the Committee on Foreign Relations of the Senate and the Committee on International Relations [now Committee on Foreign Relations] of the House of Representatives upon the granting of a license by the Nuclear Regulatory Commission for the export or reexport of any nuclear-related technology or equipment, including source material, special nuclear material, or equipment or material especially designed or prepared for the processing, use, or production of special nuclear material.

“(b) APPLICABILITY.—The requirements of this section shall apply only to an export or reexport to a country that

“(1) the President has determined is a country that has detonated a nuclear explosive device; and

“(2) is not a member of the North Atlantic Treaty Organization.

“(c) CONTENT OF NOTIFICATION.—The notification required pursuant to this section shall include—

“(1) a detailed description of the articles or services to be exported or reexported, including a brief description of the capabilities of any article to be exported or reexported;

“(2) an estimate of the number of officers and employees of the United States Government and of United States Government civilian contract personnel expected to be required in such country to carry out the proposed export or reexport;

“(3) the name of each licensee expected to provide the article or service proposed to be sold and a description from the licensee of any offset agreements proposed to be entered into in connection with such sale (if known on the date of transmittal of such statement);

“(4) the projected delivery dates of the articles or services to be exported or reexported; and

“(5) the extent to which the recipient country in the previous two years has engaged in any of the activities specified in subparagraph (A), (B), or (C) of section 129(c) of the Atomic Energy Act of 1954 [42 U.S.C. 2158(b)(1)(A), (B), (C)].””

[Memorandum of President of the United States, July 8, 2004, 69 F.R. 43725, delegated to Secretary of State the functions conferred upon the President by section 1523 of Pub. L. 105–261, set out above.]

PERFORMANCE OF FUNCTIONS PENDING DEVELOPMENT OF PROCEDURES

The performance of functions under this chapter, as amended by the Nuclear Non-Proliferation Act of 1978, Pub. L. 95–242, Mar. 10, 1978, 92 Stat. 120, not to be delayed pending development of procedures even though as many as 120 days [after Mar. 10, 1978] are allowed for establishing those procedures, see section 5(b) of Ex. Ord. No. 12058, May 11, 1978, 43 F.R. 20947, set out under section 3021 of Title 22, Foreign Relations and Intercourse.

Ex. Ord. No. 12055. Export of Special Nuclear Material to India

Ex. Ord. No. 12055, Apr. 27, 1978, 43 F.R. 18157, provided:

By virtue of the authority vested in me as President by the Constitution and statutes of the United States of America, and by Section 126(b) of the Atomic Energy Act of 1954 [42 U.S.C. 2158(b)], as amended by Section 304(a) of the Nuclear Non-Proliferation Act of 1978 (Public Law 95–242, 92 Stat. 131) (subsec. (b)(2) of this section), and having determined that withholding the export proposed pursuant to Nuclear Regulatory Commission export license application XSNM–1060 would be seriously prejudicial to the achievement of the United States non-proliferation objectives, that export to India is authorized; however, such export shall not occur for a period of 60 days as defined by Section 130g of the Atomic Energy Act of 1954, as amended [section 2159(g) of this title].

JIMMY CARTER.

EXECUTIVE ORDER No. 12193


Ex. Ord. No. 12218. Export of Special Nuclear Material to India

Ex. Ord. No. 12218, June 19, 1980, 45 F.R. 41625, provided:

By the authority vested in me as President by the Constitution and statutes of the United States of America, including Section 126(b) (2) of Mar. 10, 1980, was extended the period of nuclear cooperation with the European Atomic Energy Community to Mar. 10, 1981, was revoked by Ex. Ord. No. 12608, Sept. 9, 1987, 52 F.R. 34617. See notes below.

EXECUTIVE ORDER No. 12351


EXECUTIVE ORDER No. 12409


EXECUTIVE ORDER No. 12463


EXECUTIVE ORDER No. 12506


EXECUTIVE ORDER No. 12564


EXECUTIVE ORDER No. 12587


EXECUTIVE ORDER No. 12629

Ex. Ord. No. 12629, Mar. 9, 1988, 53 F.R. 7875, extended the period of nuclear cooperation with the European

EXECUTIVE ORDER NO. 12970

EXECUTIVE ORDER NO. 12706

EXECUTIVE ORDER NO. 12753

EXECUTIVE ORDER NO. 12791

EXECUTIVE ORDER NO. 12840

EXECUTIVE ORDER NO. 12903

EXECUTIVE ORDER NO. 12955
Ex. Ord. No. 12955, Mar. 9, 1995, 60 F.R. 13365, provided:

By the authority vested in me as President by the Constitution and the laws of the United States of America, including section 126a(2) of the Atomic Energy Act of 1954, as amended (42 U.S.C. 2155(a)(2)), and having determined that, upon the expiration of the period specified in the first proviso to section 126a(2) of such Act and extended for 12-month periods by Executive Order Nos. 12193, 12295, 12351, 12409, 12463, 12506, 12554, 12587, 12629, 12670, 12706, 12753, 12791, 12840, and 12890 (see notes above), failure to continue peaceful nuclear cooperation with the European Atomic Energy Community would be seriously prejudicial to the achievement of United States nonproliferation objectives and would otherwise jeopardize the common defense and security of the United States, and having notified the Congress of this determination, I hereby extend the duration of that period to December 31, 1995.

Executive Order No. 12955 shall be superseded on the effective date of this Executive order.

WILLIAM J. CLINTON.

DELEGATION OF FUNCTIONS REGARDING DETERMINATION OF TIME, TERMS AND CONDITIONS OF NUCLEAR EXPORTS

Memorandum of the President of the United States, dated Oct. 3, 1980, provided:

By the authority vested in me by Title 3, United States Code, Section 301, you are hereby authorized to perform the following functions on my behalf:

1. Determination of the time, terms and conditions of exports made pursuant to any Executive Order herefore or hereafter issued under Section 126(b)(2) of the Atomic Energy Act of 1954, as amended (42 U.S.C. §2155(b)(2));

2. Issuance of such rules, regulations and procedures as you may from time to time deem necessary or desirable for the exercise of functions delegated by paragraph 1.

This memorandum shall be published in the Federal Register.

JIMMY CARTER.

§ 2155a. Regulations establishing Commission procedures covering grant, suspension, revocation, or amendment of nuclear export licenses or exemptions

(a) Omitted
(b) Within one hundred and twenty days of March 10, 1978, the Commission shall, after consultations with the Secretary of State, promulgate regulations establishing procedures (1) for the granting, suspending, revoking, or amending of any nuclear export license or exemption pursuant to its statutory authority; (2) for public participation in nuclear export licensing proceedings when the Commission finds that such participation will be in the public interest and will assist the Commission in making the statutory determinations required by the 1954 Act, including such public hearings and access to information as the Commission deems appropriate: Provided, That judicial review as to any such finding shall be limited to the determination of whether such finding was arbitrary and capricious; (3) for a public written Commission opinion accompanying the dissenting or separate views of any Commissioner, in those proceedings where one or more Commissioners have dissenting or separate views on the issuance of an export license; and (4) for public notice of Commission proceedings and decisions, and for recording of minutes and votes of the Commission: Provided further, That until the regulations required by this subsection have been promulgated, the Commission shall implement the provisions of this Act under temporary procedures established by the Commission.

(c) The procedures to be established pursuant to subsection (b) shall constitute the exclusive basis for hearings in nuclear export licensing proceedings before the Commission and, notwithstanding section 189 a. of the 1954 Act (42 U.S.C. 2239(a)), shall not require the Commission to grant any person an on-the-record hearing in such a proceeding.


REFERENCES IN TEXT

This Act, referred to in subsec. (b), means the Nuclear Non-Proliferation Act of 1978, Pub. L. 95–242, Mar. 10, 1978, 92 Stat. 129, which is classified principally to chapter 47 (§3201 et seq.) of Title 22. For complete classification of this Act to the Code, see Short Title note set out under section 3201 of Title 22 and Tables.

CODIFICATION

Section was enacted as part of the Nuclear Non-Proliferation Act of 1978, and not as part of the Atomic Energy Act of 1954 which comprises this chapter.

Section is based on subsections (a) and (d) of Pub. L. 95–242 enacted sections 2155 and 2156a, respectively, of this title.
§ 2156. Criteria governing United States nuclear exports

The United States adopts the following criteria, which, in addition to other requirements of law, will govern exports of peaceful nuclear uses from the United States of source material, special nuclear material, production or utilization facilities, and any sensitive nuclear technology:

1. IAEA safeguards as required by Article III(2) of the Treaty will be applied with respect to any such material or facilities proposed to be exported, to any such material or facilities previously exported and subject to the applicable agreement for cooperation, and to any special nuclear material used in or produced through the use thereof.

2. No such material, facilities, or sensitive nuclear technology proposed to be exported or previously exported and subject to the applicable agreement for cooperation, and no special nuclear material produced through the use of such materials, facilities, or sensitive nuclear technology, will be used for any nuclear explosive device or for research on or development of any nuclear explosive device.

3. Adequate physical security measures will be maintained with respect to such material or facilities proposed to be exported and to any special nuclear material used in or produced through the use thereof. Following the effective date of any regulations promulgated by the Commission pursuant to section 2156a of this title, physical security measures shall be deemed adequate if such measures provide a level of protection equivalent to that required by the applicable regulations.

4. No such material, facilities, or sensitive nuclear technology proposed to be exported, and no special nuclear material produced through the use of such material, will be retransferred to the jurisdiction of any other nation or group of nations unless the prior approval of the United States is obtained for such retransfer. In addition to other requirements of law, the United States may approve such retransfer only if the nation or group of nations designated to receive such retransfer agrees that it shall be subject to the conditions required by this section.

5. No such material proposed to be exported and no special nuclear material produced through the use of such material will be reprocessed, and no irradiated fuel elements containing such material removed from a reactor shall be altered in form or content, unless the prior approval of the United States is obtained for such reprocessing or alteration.

6. No such sensitive nuclear technology shall be exported unless the foregoing conditions shall be applied to any nuclear material or equipment which is produced or constructed under the jurisdiction of the recipient nation or group of nations by or through the use of any such exported sensitive nuclear technology.


Effective Date

Section effective Mar. 10, 1978, except as otherwise provided and regardless of any requirements for the promulgation of implementing regulations, see section 603(c) of Pub. L. 95–242, set out as a note under section 3201 of Title 22, Foreign Relations and Intercourse.

DEFINITIONS

For definitions of terms used in this section, see section 3203 of Title 22, Foreign Relations and Intercourse.
§ 2157. Additional export criterion and procedures

(a)(1) As a condition of continued United States export of source material, special nuclear material, production or utilization facilities, and any sensitive nuclear technology to non-nuclear-weapon states, no such export shall be made unless IAEA safeguards are maintained with respect to all peaceful nuclear activities in, under the jurisdiction of, or carried out under the control of such state at the time of the export.

(2) The President shall seek to achieve adherence to the foregoing criterion by recipient non-nuclear-weapon states.

(b) The criterion set forth in subsection (a) shall be applied as an export criterion with respect to any application for the export of materials, facilities, or technology specified in subsection (a) which is filed after eighteen months from March 10, 1978, or for any such application under which the first export would occur at least twenty-four months after March 10, 1978, except as provided in the following paragraphs:

(1) If the Commission or the Department of Energy, as the case may be, is notified that the President has determined that failure to approve an export to which this subsection applies because such criterion has not yet been met would be seriously prejudicial to the achievement of United States non-proliferation objectives or otherwise jeopardize the common defense and security, the license or authorization may be issued subject to other applicable requirements of the law: Provided, That any such export of any production or utilization facility or of any source or special nuclear material (intended for use as fuel in any production or utilization facility) which has been licensed or authorized pursuant to this subsection shall be made to any non-nuclear-weapons state which has failed to meet such criterion until the first such license or authorization with respect to such state is submitted to the Congress (together with a detailed assessment of the reasons underlying the President’s determination, the judgment of the executive branch required under section 2155 of this title, and any Commission opinion and views) for a period of sixty days of continuous session (as defined in section 2159(g) of this title) and referred to the Committee on Foreign Affairs of the House of Representatives and the Committee on Foreign Relations of the Senate, but such export shall not occur if during such sixty-day period the Congress adopts a concurrent resolution stating in substance that the Congress does not favor the proposed export. Any such license or authorization shall be considered pursuant to the procedures set forth in section 2159 of this title for the consideration of Presidential submissions.

(2) If the Congress adopts a resolution of disapproval pursuant to paragraph (1), no further export of materials, facilities, or technology specified in subsection (a) shall be permitted for the remainder of that Congress, unless such state meets the criterion or the President notifies the Congress that he has determined that significant progress has been made in achieving adherence to such criterion by such state or that United States foreign policy interests dictate reconsideration and the Congress, pursuant to the procedure of paragraph (1), does not adopt a concurrent resolution stating in substance that it disagrees with the President’s determination.

(3) If the Congress does not adopt a resolution of disapproval during any review period provided for by this paragraph, the provisions of paragraph (2) shall apply with respect to further exports to such state.

(Aug. 1, 1946, ch. 724, title I, § 128, as added Pub. L. 95–242, Mar. 10, 1978, 92 Stat. 120, not to be delayed pending development of procedures even though as many as 120 days (after Mar. 10, 1978) are allowed for establishing those procedures, see section 5(b) of Ex. Ord. No. 12058, May 11, 1978, 43 F.R. 16274; set out under section 3201 of Title 22, Foreign Relations and Intercourse.)
§ 2158. Conduct resulting in termination of nuclear exports

(a) No nuclear materials and equipment or sensitive nuclear technology shall be exported to—

(1) any non-nuclear-weapon state that is found by the President to have, at any time after March 10, 1978,
   (A) detonated a nuclear explosive device; or
   (B) terminated or abrogated IAEA safeguards; or
   (C) materially violated an IAEA safeguards agreement; or
   (D) engaged in activities involving source or special nuclear material and having direct significance for the manufacture or acquisition of nuclear explosive devices, and has failed to take steps which, in the President’s judgment, represent sufficient progress toward terminating such activities; or

(2) any nation or group of nations that is found by the President to have, at any time after March 10, 1978,
   (A) materially violated an agreement for cooperation with the United States, or, with respect to material or equipment not supplied under an agreement for cooperation, materially violated the terms under which such material or equipment was supplied or the terms of any commitments obtained with respect thereto pursuant to section 2153a(a) of this title; or
   (B) assisted, encouraged, or induced any non-nuclear-weapon state to engage in activities involving source or special nuclear material and having direct significance for the manufacture or acquisition of nuclear explosive devices, and has failed to take steps which, in the President’s judgment, represent sufficient progress toward terminating such assistance, encouragement, or inducement; or
   (C) entered into an agreement after March 10, 1978, for the transfer of reprocessing equipment, materials, or technology to the sovereign control of a non-nuclear-weapon state except in connection with an international fuel cycle evaluation in which the United States is a participant or pursuant to a subsequent international agreement or understanding to which the United States subscribes;

unless the President determines that cessation of such exports would be seriously prejudicial to the achievement of United States non-proliferation objectives or otherwise jeopardize the common defense and security: Provided, That prior to the effective date of any such determination, the President’s determination, together with a report containing the reasons for his determination, shall be submitted to the Congress and referred to the Committee on Foreign Affairs of the House of Representatives and the Committee on Foreign Relations of the Senate for a period of sixty days of continuous session (as defined in section 2159(g) of this title), but any such determination shall not become effective if during such sixty-day period the Congress adopts, and there is enacted, a joint resolution stating in substance that it does not favor the determination. Any such determination shall be considered pursuant to the procedures set forth in section 2159 of this title for the consideration of Presidential submissions.

(b)(1) Notwithstanding any other provision of law, including specifically section 2151 of this title, and except as provided in paragraphs (2) and (3), no nuclear materials and equipment or sensitive nuclear technology, including items and assistance authorized by section 2077(b) of this title and regulated under part 810 of title 10, Code of Federal Regulations, and nuclear-related items on the Commerce Control List maintained under part 774 of title 15 of the Code of Federal Regulations, shall be exported or reexported, or transferred or retransferred whether directly or indirectly, and no Federal agency shall issue any license, approval, or authorization for the export or reexport, or transfer, or retransfer, whether directly or indirectly, of these items or assistance (as defined in this paragraph) to any country whose government has been identified by the Secretary of State as engaged in state sponsorship of terrorist activities (specifically including any country the government of which has been determined by the Secretary of State under section 2371(a) of title 22, section 4605(j)(1) of title 50, or section 2780(d) of title 22 to have repeatedly provided support for acts of international terrorism).

(2) This subsection shall not apply to exports, reexports, transfers, or retransfers of radiation monitoring technologies, surveillance equipment, seals, cameras, tamper-indication devices, nuclear detectors, monitoring systems, or equipment necessary to safely store, transport, or remove hazardous materials, whether such items, services, or information are regulated by the Department of Energy, the Department of Commerce, or the Commission, except to the extent

1 See References in Text note below.
that such technologies, equipment, seals, cameras, devices, detectors, or systems are available for use in the design or construction of nuclear reactors or nuclear weapons.

(3) The President may waive the application of paragraph (1) to a country if the President determines and certifies to Congress that the waiver will not result in any increased risk that the country receiving the waiver will acquire nuclear weapons, nuclear reactors, or any materials or components of nuclear weapons and—

(A) the government of such country has not within the preceding 12-month period willfully aided or abetted the international proliferation of nuclear explosive devices to individuals or groups or willfully aided and abetted an individual or groups in acquiring unsafeguarded nuclear materials;

(B) in the judgment of the President, the government of such country has provided adequate, verifiable assurances that it will cease its support for acts of international terrorism;

(C) the waiver of that paragraph is in the vital national security interest of the United States; or

(D) such a waiver is essential to prevent or respond to a serious radiological hazard in the country receiving the waiver that may or does threaten public health and safety.


§2159. Congressional review procedures

(a) Committee consideration of Presidential submissions; reports

Not later than forty-five days of continuous session of Congress after the date of transmittal to the Congress of any submission of the President required by section 2155(a)(2), 2155(b)(2), 2157(b), 2158, 2160(a)(3), or 2160(f)(1)(A) of this title, the Committee on Foreign Relations of the Senate and the Committee on Foreign Affairs of the House of Representatives shall each submit a report to its respective House on its views and recommendations respecting such Presidential submission together with a resolution, as defined in subsection (f), stating in substance that the Congress approves or disapproves such submission, as the case may be: Provided, That if any such committee has not reported such a resolution at the end of such forty-five day period, such committee shall be deemed to be discharged from further consideration of such submission. If no such resolution has been reported at the end of such period, the first resolution, as defined in subsection (f), which is introduced within five days thereafter within such House shall be placed on the appropriate calendar of such House.

(b) Consideration of resolution by respective houses of Congress

When the relevant committee or committees have reported such a resolution (or have been discharged from further consideration of such a resolution pursuant to subsection (a)) or when a resolution has been introduced and placed on the appropriate calendar pursuant to subsection (a), as the case may be, it is at any time thereafter in order (even though a previous motion to the same effect has been disagreed to) for any Member of the House to move to proceed to the consideration of the resolution. The motion is highly privileged and is not debatable. The motion shall not be subject to amendment, or to a motion to postpone, or to a motion to proceed to the consideration of other business. A motion to reconsider the vote by which the motion is agreed to or disagreed to shall not be in order. If a motion to proceed to the consideration of the resolution is agreed to, the resolution shall remain the unfinished business of the respective House until disposed of.

(c) Debate

Debate on the resolution, and on all debatable motions and appeals in connection therewith, shall be limited to not more than ten hours,
which shall be divided equally between individuals favoring and individuals opposing the resolution. A motion further to limit debate is in order and not debatable. An amendment to a motion to postpone, or a motion to recommit the resolution, or a motion to proceed to the consideration of other business is not in order. A motion to reconsider the vote by which the resolution is agreed to or disagreed to shall not be in order. No amendment to any concurrent resolution pursuant to the procedures of this section is in order except as provided in subsection (d).

(d) Vote on final approval

Immediately following (1) the conclusion of the debate on such concurrent resolution, (2) a single quorum call at the conclusion of debate if requested in accordance with the rules of the appropriate House, and (3) the consideration of an amendment introduced by the Majority Leader or his designee to insert the phrase, “does not” in lieu of the word “does” if the resolution under consideration is a concurrent resolution of approval, the vote on final approval of the resolution shall occur.

(e) Appeals from decisions of Chair

Appeals from the decisions of the Chair relating to the application of the rules of the Senate or the House of Representatives, as the case may be, to the procedure relating to such a resolution shall be decided without debate.

(f) Resolution

For the purposes of subsections (a) through (e) of this section, the term “resolution” means a concurrent resolution of the Congress, the matter after the resolving clause of which is as follows: “That the Congress (does or does not) favor the transmitted to the Congress by the President on .”, the blank spaces therein to be appropriately filled, and the affirmative or negative phrase within the parenthetical to be appropriately selected.

(g) Continuity of Congressional sessions; computation of time

(1) Except as provided in paragraph (2), for the purposes of this section—

(A) continuity of session is broken only by an adjournment of Congress sine die; and

(B) the days on which either House is not in session because of an adjournment of more than three days to a day certain are excluded in the computation of any period of time in which Congress is in continuous session.

(2) For purposes of this section insofar as it applies to section 2153 of this title—

(A) continuity of session is broken only by an adjournment of Congress sine die at the end of a Congress; and

(B) the days on which either House is not in session because of an adjournment of more than three days are excluded in the computation of any period of time in which Congress is in continuous session.

(h) Supersedure or change in rules

This section is enacted by Congress—

(1) as an exercise of the rulemaking power of the Senate and the House of Representatives, respectively, and as such they are deemed a part of the rules of each House, respectively, but applicable only with respect to the procedure to be followed in that House in the case of resolutions described by subsection (f) of this section; and they supersede other rules only to the extent that they are inconsistent therewith; and

(2) with full recognition of the constitutional right of either House to change the rules (so far as relating to the procedures of that House) at any time, in the same manner and to the same extent as in the case of any other rule of that House.

(i) Joint resolutions

(1) For the purposes of this subsection, the term “joint resolution” means—

(A) for an agreement for cooperation pursuant to section 2153 of this title, a joint resolution, the matter after the resolving clause of which is as follows: “That the Congress (does or does not) favor the proposed agreement for cooperation transmitted to the Congress by the President on .”, or

(B) for a determination under section 2158 of this title, a joint determination, the matter after the resolving clause of which is as follows: “That the Congress does not favor the determination transmitted to the President on .”, or

(C) for a subsequent arrangement under section 201 of the United States-India Nuclear Cooperation Approval and Nonproliferation Enhancement Act, a joint resolution, the matter after the resolving clause of which is as follows: “That the Congress does not favor the subsequent arrangement to the Agreement for Cooperation Between the Government of the United States of America and the Government of India Concerning Peaceful Uses of Nuclear Energy that was transmitted to Congress by the President on September 10, 2008.”,

with the date of the transmission of the proposed agreement for cooperation inserted in the blank, and the affirmative or negative phrase within the parenthetical appropriately selected.
joint resolutions introduced in the Senate shall be referred to the Committee on Foreign Relations and in addition, in the case of a proposed agreement for cooperation arranged pursuant to section 2121(c), 2164(b), or 2164(c) of this title, the Committee on Armed Services.

(4) If the committee of either House to which a joint resolution has been referred has not reported it at the end of 45 days after its introduction (or in the case of a joint resolution related to a subsequent arrangement under section 201 of the United States-India Nuclear Cooperation Approval and Nonproliferation Enhancement Act, 15 days after its introduction), the committee shall be discharged from further consideration of the joint resolution or of any other joint resolution introduced with respect to the same matter; except that, in the case of a joint resolution which has been referred to more than one committee, if before the end of that 45-day period (or in the case of a joint resolution related to a subsequent arrangement under section 201 of the United States-India Nuclear Cooperation Approval and Nonproliferation Enhancement Act, 15-day period) one such committee has reported the joint resolution, any other committee to which the joint resolution was referred shall be discharged from further consideration of the joint resolution or of any other joint resolution introduced with respect to the same matter.

(5) A joint resolution under this subsection shall be considered in the Senate in accordance with the provisions of section 601(b)(4) of the International Security Assistance and Arms Export Control Act of 1976. For the purpose of expediting the consideration and passage of joint resolutions reported or discharged pursuant to the provisions of this subsection, it shall be in order for the Committee on Rules of the Senate to provide for the immediate consideration of a joint resolution under this subsection which may be similar, if applicable, to the procedures set forth in section 601(b)(4) of the International Security Assistance and Arms Export Control Act of 1976.

(6) In the case of a joint resolution described in paragraph (1), if prior to the passage by one House of a joint resolution of that House, that House receives a joint resolution with respect to the same matter from the other House, then—

(A) the procedure in that House shall be the same as if no joint resolution had been received from the other House; but

(B) the vote on final passage shall be on the joint resolution of the other House.

(Aug. 1, 1946, ch. 724, title I, § 130, as added Pub. L. 95–242, title III, § 308, Mar. 10, 1978, § 392(c), set out as par. (1), substituted “Except as provided in paragraph (2), for “For”, redesignated former pars. (1) and (2) as subpars. (A) and (B), respectively, and added par. (2).


Effective date of 1985 amendment

Amendment by Pub. L. 99–64 applicable to any agreement for cooperation entered into after July 12, 1985, see section 301(d) of Pub. L. 99–64, set out as a note under section 2153 of this title.

Effective date

Section effective Mar. 10, 1978, except as otherwise provided and regardless of any requirements for the promulgation of implementing regulations, see section 603(c) of Pub. L. 95–242, set out as a note under section 3201 of Title 22, Foreign Relations and Intercourse.

§ 2160. Subsequent arrangements

(a) Consultation and concurrence; negotiations of a policy nature; notice of proposed subsequent arrangement; Nuclear Proliferation Assessment Statement; reprocessing of material

(1) Prior to entering into any proposed subsequent arrangement under an agreement for cooperation (other than an agreement for cooperation arranged pursuant to section 2121(c),
§ 2160

Title 42—The Public Health and Welfare

(1) the Secretary of Energy may not enter into any subsequent arrangement for the reprocessing of any such material in a facility which has not processed power reactor fuel assemblies or been the subject of a subsequent arrangement therefor prior to March 10, 1978, or for subsequent retransfer to a non-nuclear-weapon state of any plutonium in quantities greater than 500 grams resulting from the reprocessing of any such material, until he has provided the Committee on Foreign Affairs of the House of Representatives and the Committee on Foreign Relations of the Senate with a report containing his reasons for entering into such arrangement and a period of 15 days of continuous session (as defined in section 2159(g) of this title) has elapsed: Provided, however, That if in the view of the President an emergency exists due to unforeseen circumstances requiring immediate entry into a subsequent arrangement, such period shall consist of fifteen calendar days;

(2) the Secretary of Energy may not enter into any subsequent arrangement for the reprocessing of any such material in a facility which has not processed power reactor fuel assemblies or been the subject of a subsequent arrangement therefor prior to March 10, 1978, or for subsequent retransfer to a non-nuclear-weapon state of any plutonium in quantities greater than 500 grams resulting from the reprocessing of any such material, unless in his judgment, and that of the Secretary of State, such reprocessing or retransfer will not result in a significant increase in the risk of proliferation beyond that
which exists at the time that approval is requested. Among all the factors in making this judgment, foremost consideration will be given to whether or not the reprocessing or retransfer will take place under conditions that will ensure timely warning to the United States of any diversion well in advance of the time at which the non-nuclear-weapon state could transform the diverted material into a nuclear explosive device; and

(3) the Secretary of Energy shall attempt to ensure, in entering into any subsequent arrangement for the reprocessing of any such material in any facility that has processed power reactor fuel assemblies or been the subject of a subsequent arrangement therefor prior to March 10, 1978, or for the subsequent retransfer to any non-nuclear-weapon state of any plutonium in quantities greater than 500 grams resulting from such reprocessing, that such reprocessing or retransfer shall take place under conditions comparable to those which in his view, and that of the Secretary of State, satisfy the standards set forth in paragraph (2).

(c) Procedures for consideration of requests for subsequent arrangements

The Secretary of Energy shall, within ninety days after March 10, 1978, establish orderly and expeditious procedures, including provision for necessary administrative actions and inter-agency memoranda of understanding, which are mutually agreeable to the Secretaries of State, Defense, and Commerce and the Nuclear Regulatory Commission, for the consideration of requests for subsequent arrangements under this section. Such procedures shall include, at a minimum, explicit direction on the handling of such requests, express deadlines for the solicitation and collection of the views of the consulted authorities, frequent meetings of inter-agency administrative coordinators to review the status of all pending requests, and similar administrative mechanisms. To the extent practicable, an applicant should be advised of all the information Statement, the Secretary of Energy shall so declare in his response to the Department of Energy. If the Secretary of State declares that he intends to prepare such a Statement, he shall do so within sixty days of his receipt of a copy of the proposed subsequent arrangement (during which time the Secretary of Energy may not enter into the subsequent arrangement), unless pursuant to the Secretary of State’s request, the President waives the sixty-day requirement and notifies the Committee on Foreign Affairs of the House of Representatives and the Committee on Foreign Relations of the Senate of such waiver and the justification therefor. The processing of any subsequent arrangement proposed and filed as of March 10, 1978, shall not be delayed pending the development and establishment of procedures to implement the requirements of this section.

(d) Activities not prohibited, precluded, or limited

Nothing in this section is intended to prohibit, permanently or unconditionally, the reprocessing of spent fuel owned by a foreign nation which fuel has been supplied by the United States, to preclude the United States from full participation in the International Nuclear Fuel Cycle Evaluation provided for in section 3323 of title 22; to in any way limit the presentation or consideration in that evaluation of any nuclear fuel cycle by the United States or any other participation; nor to prejudice open and objective consideration of the results of the evaluation.

(e) Jurisdiction of Secretary of Energy

Notwithstanding section 7172(d) of this title, the Secretary of Energy, and not the Federal Energy Regulatory Commission, shall have sole jurisdiction within the Department of Energy over any matter arising from any function of the Secretary of Energy in this section.

(f) Subsequent arrangements involving direct or indirect commitment of United States for storage or other disposition of foreign spent nuclear fuel in United States

(1) With regard to any subsequent arrangement under subsection (a)(2)(E) (for the storage or disposition of irradiated fuel elements), where such arrangement involves a direct or indirect commitment of the United States for the storage or other disposition, interim or permanent, of any foreign spent nuclear fuel in the United States, the Secretary of Energy may not enter into any such subsequent arrangement, unless:

A(k) Such commitment of the United States has been submitted to the Congress for a period of sixty days of continuous session (as defined in section 2159(g) of this title) and has been referred to the Committee on Foreign Affairs of the House of Representatives and the Committee on Foreign Relations of the Senate, but any such commitment shall not become effective if during such sixty-day period the Congress adopts a concurrent resolution stating in substance that it does not favor the commitment, any such commitment to be considered pursuant to the procedures set forth in section 2159 of this title for the consideration of Presidential submissions; or (ii) if the President has submitted a detailed generic plan for such disposition or storage in the United States to the Congress for a period of sixty days of continuous session (as defined in section 2159(g) of this title), which plan has been referred to the Committee on Foreign Affairs of the House of Representatives and the Com-
Title and Tables.

For complete classification of this Act to the Code, see Title I, 

Section 131, as added Pub. L. 101-568, § 1225(d)(4)(B). Substituted "view of the Secretary of State, Secretary of Energy, Secretary of Defense, or the Commission" for "Director's view" and "the Secretary of State, in consultation with such Secretary or the Commission, shall prepare" for "he may prepare".

Subsec. (c). Pub. L. 105-277, § 1225(d)(7), struck out "that the Director of the Arms Control and Disarmament Agency," before "and the Nuclear"; in first sentence and substituted "Secretary of State" for "Director" in sixth and seventh sentences and "Secretary of State's" for "Director's" in seventh sentence.


Subsec. (f)(2). Pub. L. 103-437 substituted "Foreign Affairs and Science, Space, and Technology" for "International Relations and Science and Technology".

Effective Date of 1998 Amendment

Amendment by Pub. L. 105-277 effective on earlier of Apr. 1, 1999, or date of abolition of the United States Arms Control and Disarmament Agency pursuant to reorganization plan described in section 6001 of Title 22, Foreign Relations and Intercourse, see section 1201 of Pub. L. 105-277, set out as an Effective Date note under section 6511 of Title 22.

Delegation of Functions

Delegation or assignment to Secretary of Energy of functions vested in President under subsecs. (a)(2)(G), (b)(1), and (f)(2) of this section, of function vested in President under subsec. (f)(1)(A)(ii) of this section to extent that such function relates to preparation of a detailed generic plan, see section 1(b) and (c) of Ex. Ord. No. 12058, May 11, 1978, 43 F.R. 20947, set out under section 3201 of Title 22, Foreign Relations and Intercourse.

Secretary of State responsible for performing function vested in President under subsec. (c) of this section, except that Secretary of State may not waive 60-day requirement for preparation of a Nuclear Non-Proliferation Assessment Statement for more than 60 days without approval of President, see section 2(e) of Ex. Ord. No. 12358, May 11, 1979, 43 F.R. 20947, set out under section 3201 of Title 22.

Limitations on Receipt and Storage of Spent Nuclear Fuel From Foreign Research Reactors


"(a) Purpose.—It is the purpose of this section to regulate the receipt and storage of spent nuclear fuel at the Department of Energy defense nuclear facility located at the Savannah River Site, South Carolina (in this section referred to as the Savannah River Site)."

"(b) Receipt in Emergency Circumstances.—When the Secretary of Energy determines that emergency circumstances make it necessary to receive spent nuclear fuel, the Secretary shall submit a notification to the Congress. The Secretary may not receive spent nuclear fuel at the Savannah River Site until the expiration of the 30-day period beginning

References in Text

This chapter, referred to in subsecs. (a)(2)(C), (3), (4) and (f)(1)(C), was in the original "this Act", meaning act Aug. 1, 1946, ch. 724, as added by act Aug. 30, 1954, ch. 1073, § 48, 68 Stat. 919, known as the Atomic Energy Act of 1954, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 2011 of this title and Tables.
on the date on which the Congress receives the notification.

“(c) LIMITATION ON STORAGE IN NON-EMERGENCY CIRCUMSTANCES.—The Secretary of Energy may not, under other than emergency circumstances, receive and store at the Savannah River Site any spent nuclear fuel in excess of the amount that (as of the date of the enactment of this Act [Nov. 30, 1986]) the Savannah River Site is capable of receiving and storing, until, with respect to the receipt and storage of any such spent nuclear fuel—

“(1) the completion of an environmental impact statement under section 102(2)(C) of the National Environmental Policy Act of 1969 (42 U.S.C. 4332(2)(C));

“(2) the expiration of the 90-day period (as prescribed by regulation pursuant to such Act (42 U.S.C. 4321 et seq.)) beginning on the date of such completion; and

“(3) the signing by the Secretary of a record of decision following such completion.

“(d) LIMITATIONS ON RECEIPT.—The Secretary of Energy may not, under emergency or non-emergency circumstances, receive spent nuclear fuel if the spent nuclear fuel—

“(1) cannot be transferred in an expeditious manner from its port of entry in the United States to a storage facility that is located at a Department of Energy facility and is capable of receiving and storing the spent nuclear fuel; or

“(2) will remain on a vessel in the port of entry for a period that exceeds the period necessary to unload the fuel from the vessel pursuant to routine unloading procedures.

“(e) CRITERIA FOR PORT OF ENTRY.—The Secretary of Energy shall, if economically feasible and to the maximum extent practicable, provide for the receipt of spent nuclear fuel under this section at a port of entry in the United States which, as determined by the Secretary and compared to each other port of entry in the United States that is capable of receiving the spent nuclear fuel—

“(1) has the lowest human population in the area surrounding the port of entry;

“(2) is closest in proximity to the facility which will store the spent nuclear fuel; and

“(3) has the most appropriate facilities for, and experience in, receiving spent nuclear fuel.

“(f) DEFERRED IN THE PERIOD OF DEVELOPMENT OF PROCEDURES.—In this section, the term ‘spent nuclear fuel’ means nuclear fuel that—

“(1) was originally exported to a foreign country from the United States in the form of highly enriched uranium; and

“(2) was used in a research reactor by the Government of a foreign country or by a foreign-owned or foreign-controlled entity.

Performance of Functions Pending Development of Procedures

The performance of functions under this chapter, as amended by the Nuclear Non-Proliferation Act of 1978, Pub. L. 95–242, Mar. 10, 1978, 92 Stat. 120, not to be delayed pending development of procedures even though as many as 120 days [after Mar. 10, 1978] are allowed for establishing those procedures, see section 5(b) of Ex. Ord. No. 12058, May 11, 1978, 43 F.R. 20947, set out under section 3201 of Title 22, Foreign Relations and Intercourse.

§ 2160a. Review of Nuclear Proliferation Assessment Statements

No court or regulatory body shall have any jurisdiction under any law to compel the performance of or to review the adequacy of the performance of any Nuclear Proliferation Assessment Statement, or any annexes thereto, called for in this Act or in the 1954 Act.


References in Text

This Act, referred to in text, means the Nuclear Non-Proliferation Act of 1978, Pub. L. 95–242, Mar. 10, 1978, 92 Stat. 120, which is classified principally to chapter 47 (§ 3201 et seq.) of Title 22, Foreign Relations and Intercourse. For complete classification of this Act to the Code, see Short Title note set out under section 3201 of Title 22 and Tables.

Codification

Section was enacted as part of the Nuclear Non-Proliferation Act of 1978, and not as part of the Atomic Energy Act of 1946 which comprises this chapter.

Amendments

1998—Pub. L. 105–277 inserted “, or any annexes there-to,” before “called for in”.

Effective Date of 1998 Amendment

Amendment by Pub. L. 105–277 effective on earlier of Apr. 1, 1999, or date of abolition of the United States Arms Control and Disarmament Agency pursuant to reorganization plan described in section 6601 of Title 22, Foreign Relations and Intercourse, see section 1201 of Pub. L. 105–277, set out as an Effective Date note under section 6511 of Title 22.

Effective Date

Section effective Mar. 10, 1978, except as otherwise provided and regardless of any requirements for the promulgation of implementing regulations, see section 663(c) of Pub. L. 95–242, set out as a note under section 3201 of Title 22, Foreign Relations and Intercourse.

Definitions

For definitions of terms used in this section, see section 3203 of Title 22, Foreign Relations and Intercourse.

§ 2160b. Authority to suspend nuclear cooperation with nations which have not ratified the Convention on the Physical Security of Nuclear Material

The President may suspend nuclear cooperation under this chapter with any nation or group of nations which has not ratified the Convention on the Physical Security of Nuclear Material.


References in Text

This chapter, referred to in text, was in the original “this Act”, meaning act Aug. 1, 1946, ch. 724, as added by act Aug. 30, 1954, ch. 1073, § 1, 68 Stat. 919, known as the Atomic Energy Act of 1954, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 2011 of this title and Tables.

§ 2160c. Consultation with Department of Defense concerning certain exports and subsequent arrangements

(a) In addition to other applicable requirements—

(1) a license may be issued by the Nuclear Regulatory Commission under this chapter for the export of special nuclear material described in subsection (b); and

(2) approval may be granted by the Secretary of Energy under section 2160 of this title for the transfer of special nuclear material described in subsection (b);
only after the Secretary of Defense has been consulted on whether the physical protection of that material during the export or transfer will be adequate to deter theft, sabotage, and other acts of international terrorism which would result in the diversion of that material. If, in the view of the Secretary of Defense based on all available intelligence information, the export or transfer might be subject to a genuine terrorist threat, the Secretary shall provide to the Nuclear Regulatory Commission or the Secretary of Energy, as appropriate, his written assessment of the risk and a description of the actions the Secretary of Defense considers necessary to upgrade physical protection measures.

(b) Subsection (a) applies to the export or transfer of more than 2 kilograms of plutonium or more than 5 kilograms of uranium enriched to more than 20 percent in the isotope 235 or the isotope 239.


REFERENCES IN TEXT
This chapter, referred to in subsec. (a)(1), was in the original “this Act”, meaning act Aug. 1, 1946, ch. 724, as added by act Aug. 30, 1954, ch. 1075, §1, 68 Stat. 919, known as the Atomic Energy Act of 1946, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 2011 of this title and Tables.

AMENDMENTS

EFFECTIVE DATE OF 1994 AMENDMENT
Amendment by Pub. L. 103–236 effective 60 days after Apr. 30, 1994, see section 831 of Pub. L. 103–236, set out as an Effective Date note under section 6301 of Title 22, Foreign Relations and Intercourse.

§ 2160d. Further restrictions on exports
(a) In general
Except as provided in subsection (b), the Commission may issue a license for the export of highly enriched uranium to be used as a fuel or target in a nuclear research or test reactor only if, in addition to any other requirement of this chapter, the Commission determines that—

(1) there is no alternative nuclear reactor fuel or target enriched in the isotope 235 to a lesser percent than the proposed export, that can be used in that reactor;

(2) the proposed recipient of that uranium has provided assurances that, whenever an alternative nuclear reactor fuel or target can be used in that reactor, it will use that alternative in lieu of highly enriched uranium; and

(3) the United States Government is actively developing an alternative nuclear reactor fuel or target that can be used in that reactor.

(b) Medical isotope production
(1) Definitions
In this subsection:

(A) Highly enriched uranium
The term “highly enriched uranium” means uranium enriched to include concentration of U–235 above 20 percent.

(B) Medical isotope
The term “medical isotope” includes Molybdenum 99, Iodine 131, Xenon 133, and other radioactive materials used to produce a radiopharmaceutical for diagnostic, therapeutic procedures or for research and development.

(C) Radiopharmaceutical
The term “radiopharmaceutical” means a radioactive isotope that—

(i) contains byproduct material combined with chemical or biological material; and

(ii) is designed to accumulate temporarily in a part of the body for therapeutic purposes or for enabling the production of a useful image for use in a diagnosis of a medical condition.

(D) Recipient country
The term “recipient country” means Canada, Belgium, France, Germany, and the Netherlands.

(2) Licenses
The Commission may issue a license authorizing the export (including shipment to and use at intermediate and ultimate consignees specified in the license) to a recipient country of highly enriched uranium for medical isotope production if, in addition to any other requirements of this chapter (except subsection (a)), the Commission determines that—

(A) a recipient country that supplies an assurance letter to the United States Government in connection with the consideration by the Commission of the export license application has informed the United States Government that any intermediate consignees and the ultimate consignee specified in the application are required to use the highly enriched uranium solely to produce medical isotopes; and

(B) the highly enriched uranium for medical isotope production will be irradiated only in a reactor in a recipient country that—

(i) uses an alternative nuclear reactor fuel; or

(ii) is the subject of an agreement with the United States Government to convert an alternative nuclear reactor fuel when alternative nuclear reactor fuel can be used in the reactor.

(3) Review of physical protection requirements
(A) In general
The Commission shall review the adequacy of physical protection requirements that, as of the date of an application under paragraph (2), are applicable to the transportation and storage of highly enriched uranium for medical isotope production or control of residual material after irradiation and extraction of medical isotopes.

(B) Imposition of additional requirements
If the Commission determines that additional physical protection requirements are
necessary (including a limit on the quantity of highly enriched uranium that may be contained in a single shipment), the Commission shall impose such requirements as license conditions or through other appropriate means.

(4) First report to Congress

(A) NAS study

The Secretary shall enter into an arrangement with the National Academy of Sciences to conduct a study to determine—

(i) the feasibility of procuring supplies of medical isotopes from commercial sources that do not use highly enriched uranium;
(ii) the current and projected demand and availability of medical isotopes in regular current domestic use;
(iii) the progress that is being made by the Department of Energy and others to eliminate all use of highly enriched uranium in reactor fuel, reactor targets, and medical isotope production facilities; and
(iv) the potential cost differential in medical isotope production in the reactors and target processing facilities if the products were derived from production systems that do not involve fuels and targets with highly enriched uranium.

(B) Feasibility

For the purpose of this subsection, the use of low enriched uranium to produce medical isotopes shall be determined to be feasible if—

(i) low enriched uranium targets have been developed and demonstrated for use in the reactors and target processing facilities that produce significant quantities of medical isotopes to serve United States needs for such isotopes;
(ii) sufficient quantities of medical isotopes are available from low enriched uranium targets and fuel to meet United States domestic needs; and
(iii) the average anticipated total cost increase from production of medical isotopes in such facilities without use of highly enriched uranium is less than 10 percent.

(C) Report by the Secretary

Not later than 5 years after August 8, 2005, the Secretary shall submit to Congress a report that—

(i) contains the findings of the National Academy of Sciences made in the study under subparagraph (A); and
(ii) discloses the existence of any commitments from commercial producers to provide domestic requirements for medical isotopes without use of highly enriched uranium consistent with the feasibility criteria described in subparagraph (B) not later than the date that is 4 years after the date of submission of the report.

(5) Second report to Congress

If the study of the National Academy of Sciences determines under paragraph (4)(A)(i) that the procurement of supplies of medical isotopes from commercial sources that do not use highly enriched uranium is feasible, but the Secretary is unable to report the existence of commitments under paragraph (4)(C)(ii), not later than the date that is 6 years after August 8, 2005, the Secretary shall submit to Congress a report that describes options for developing domestic supplies of medical isotopes in quantities that are adequate to meet domestic demand without the use of highly enriched uranium consistent with the cost increase described in paragraph (4)(B)(iii).

(6) Certification

At such time as commercial facilities that do not use highly enriched uranium are capable of meeting domestic requirements for medical isotopes, within the cost increase described in paragraph (4)(B)(iii) and without impairing the reliable supply of medical isotopes for domestic utilization, the Secretary shall submit to Congress a certification to that effect.

(7) Sunset provision

After the Secretary submits a certification under paragraph (6), the Commission shall, by rule, terminate its review of export license applications under this subsection.

(c) Medical production license sunset

Effective 7 years after January 2, 2013, the Commission may not issue a license for the export of highly enriched uranium from the United States for the purposes of medical isotope production.

(d) Medical production license extension

The period referred to in subsection (c) may be extended for no more than 6 years if, no earlier than 6 years after January 2, 2013, the Secretary of Energy certifies to the Committee on Energy and Commerce of the House of Representatives and the Committee on Energy and Natural Resources of the Senate that—

(i) there is insufficient global supply of molybdenum-99 produced without the use of highly enriched uranium available to satisfy the domestic United States market; and
(ii) the export of United States-origin highly enriched uranium for the purposes of medical isotope production is the most effective temporary means to increase the supply of molybdenum-99 to the domestic United States market.

(e) Public notice

To ensure public review and comment, the development of the certification described in subsection (d) shall be carried out through announcement in the Federal Register.

(f) Joint certification

(1) In general

In accordance with paragraph (2), the ban on the export of highly enriched uranium for purposes of medical isotope production referred to in subsections (c) and (d) shall not go into effect unless the Secretary of Energy and the Secretary of Health and Human Services have jointly certified that—

(A) there is a sufficient supply of molybdenum-99 produced without the use of highly enriched uranium available to meet the needs of patients in the United States; and
(B) it is not necessary to export United States-origin highly enriched uranium for the purposes of medical isotope production in order to meet United States patient needs.

(2) Time of certification

The joint certification under paragraph (1) shall be made not later than 7 years after January 2, 2013, except that, if the period referred to in subsection (c) is extended under subsection (d), the 7-year deadline under this paragraph shall be extended by a period equal to the period of such extension under subsection (d).

(g) Suspension of medical production license

At any time after the restriction of export licenses provided for in subsection (c) becomes effective, if there is a critical shortage in the supply of molybdenum-99 available to satisfy the domestic United States medical isotope needs, the restriction of export licenses may be suspended for a period of no more than 12 months, if—

(1) the Secretary of Energy certifies to the Congress that the export of United States-origin highly enriched uranium for the purposes of medical isotope production is the only effective temporary means to increase the supply of molybdenum-99 necessary to meet United States medical isotope needs during that period; and

(2) the Congress enacts a Joint Resolution approving the temporary suspension of the restriction of export licenses.

(h) Definitions

As used in this section—

(1) the term “alternative nuclear reactor fuel or target” means a nuclear reactor fuel or target which is enriched to less than 20 percent in the isotope U–235;

(2) the term “highly enriched uranium” means uranium enriched to 20 percent or more in the isotope U–235;

(3) a fuel or target “can be used” in a nuclear research or test reactor if—

(A) the fuel or target has been qualified by the Reduced Enrichment Research and Test Reactor Program of the Department of Energy; and

(B) use of the fuel or target will permit the large majority of ongoing and planned experiments and medical isotope production to be conducted in the reactor without a large percentage increase in the total cost of operating the reactor; and

(4) the term “medical isotope” includes molybdenum-99, iodine-131, xenon-133, and other radioactive materials used to produce a radiopharmaceutical for diagnostic or therapeutic procedures or for research and development.

§ 2160e. Congressional review and oversight of agreements with Iran

(a) Transmission to Congress of nuclear agreements with Iran and verification assessment with respect to such agreements

(1) Transmission of agreements

Not later than 5 calendar days after reaching an agreement with Iran relating to the nuclear program of Iran, the President shall transmit to the appropriate congressional committees and leadership—

(A) the agreement, as defined in subsection (h)(1), including all related materials and annexes;

(B) a verification assessment report of the Secretary of State prepared under paragraph (2) with respect to the agreement; and

(C) a certification that—

(i) the agreement includes the appropriate terms, conditions, and duration of the agreement’s requirements with respect to Iran’s nuclear activities and provisions describing any sanctions to be waived, suspended, or otherwise reduced by the United States, and any other nation or entity, including the United Nations; and

(ii) the President determines the agreement meets United States non-proliferation objectives, does not jeopardize the common defense and security, provides an adequate framework to ensure that Iran’s nuclear activities permitted thereunder will not be inimical to or constitute an unreasonable risk to the common defense and security, and ensures that Iran’s nuclear activities permitted thereunder will not be used to further any nuclear-related military or nuclear explosive purpose, including for any research on or development of any nuclear explosive device or any other nuclear-related military purpose.

(2) Verification assessment report

(A) In general

The Secretary of State shall prepare, with respect to an agreement described in paragraph (1), a report assessing—

(i) the extent to which the Secretary will be able to verify that Iran is complying with its obligations and commitments under the agreement;

(ii) the adequacy of the safeguards and other control mechanisms and other assurances contained in the agreement with respect to Iran’s nuclear program to ensure
Iran’s activities permitted thereunder will not be used to further any nuclear-related military or nuclear explosive purpose, including for any research on or development of any nuclear explosive device or any other nuclear-related military purpose; and

(iii) the capacity and capability of the International Atomic Energy Agency to effectively implement the verification regime required by or related to the agreement, including whether the International Atomic Energy Agency will have sufficient access to investigate suspicious sites or allegations of covert nuclear-related activities and whether it has the required funding, manpower, and authority to undertake the verification regime required by or related to the agreement.

(B) Assumptions

In preparing a report under subparagraph (A) with respect to an agreement described in paragraph (1), the Secretary shall assume that Iran could—

(i) use all measures not expressly prohibited by the agreement to conceal activities that violate its obligations and commitments under the agreement; and

(ii) alter or deviate from standard practices in order to impede efforts to verify that Iran is complying with those obligations and commitments.

(C) Classified annex

A report under subparagraph (A) shall be transmitted in unclassified form, but shall include a classified annex prepared in consultation with the Director of National Intelligence, summarizing relevant classified information.

(3) Exception

(A) In general

Neither the requirements of subparagraphs (B) and (C) of paragraph (1), nor subsections (b) through (g) of this section, shall apply to an agreement described in subsection (h)(6) or to the EU-Iran Joint Statement made on April 2, 2015.

(B) Additional requirement

Notwithstanding subparagraph (A), any agreement as defined in subsection (h)(6) and any related materials, whether concluded before or after May 22, 2015, shall not be subject to the exception in subparagraph (A).

(b) Period for review by Congress of nuclear agreements with Iran

(1) In general

During the 30-calendar day period following transmittal by the President of an agreement pursuant to subsection (a), the Committee on Foreign Relations of the Senate and the Committee on Foreign Affairs of the House of Representatives shall, as appropriate, hold hearings and briefings and otherwise obtain information in order to fully review such agreement.

(2) Exception

The period for congressional review under paragraph (1) shall be 60 calendar days if an agreement, including all materials required to be transmitted to Congress pursuant to subsection (a)(1), is transmitted pursuant to subsection (a) between July 10, 2015, and September 7, 2015.

(3) Limitation on actions during initial congressional review period

Notwithstanding any other provision of law, except as provided in paragraph (6), prior to and during the period for transmission of an agreement in subsection (a)(1) and during the period for congressional review provided in paragraph (1), including any additional period as applicable under the exception provided in paragraph (2), the President may not waive, suspend, reduce, provide relief from, or otherwise limit the application of statutory sanctions with respect to Iran under any provision of law or refrain from applying any such sanctions pursuant to an agreement described in subsection (a).

(4) Limitation on actions during presidential consideration of a joint resolution of disapproval

Notwithstanding any other provision of law, except as provided in paragraph (6), if a joint resolution of disapproval described in subsection (c)(2)(B) passes both Houses of Congress, the President may not waive, suspend, reduce, provide relief from, or otherwise limit the application of statutory sanctions with respect to Iran under any provision of law or refrain from applying any such sanctions pursuant to an agreement described in subsection (a) for a period of 12 calendar days following the date of such passage.

(5) Limitation on actions during congressional reconsideration of a joint resolution of disapproval

Notwithstanding any other provision of law, except as provided in paragraph (6), if a joint resolution of disapproval described in subsection (c)(2)(B) passes both Houses of Congress, and the President vetoes such joint resolution, the President may not waive, suspend, reduce, provide relief from, or otherwise limit the application of statutory sanctions with respect to Iran under any provision of law or refrain from applying any such sanctions pursuant to an agreement described in subsection (a) for a period of 10 calendar days following the date of the President’s veto.

(6) Exception

The prohibitions under paragraphs (3) through (5) do not apply to any new deferral, waiver, or other suspension of statutory sanctions pursuant to the Joint Plan of Action if that deferral, waiver, or other suspension is made—

(A) consistent with the law in effect on May 22, 2015; and

(B) not later than 45 calendar days before the transmission by the President of an agreement, assessment report, and certification under subsection (a).

(7) Definition

In the House of Representatives, for purposes of this subsection, the terms “transmit-
(c) Effect of congressional action with respect to nuclear agreements with Iran

(1) Sense of Congress
It is the sense of Congress that—
(A) the sanctions regime imposed on Iran by Congress is primarily responsible for bringing Iran to the table to negotiate on its nuclear program;
(B) these negotiations are a critically important matter of national security and foreign policy for the United States and its closest allies;
(C) this section does not require a vote by Congress for the agreement to commence;
(D) this section provides for congressional review, including, as appropriate, for approval, disapproval, or no action on statutory sanctions relief under an agreement; and
(E) even though the agreement may commence, because the sanctions regime was imposed by Congress and only Congress can permanently modify or eliminate that regime, it is critically important that Congress have the opportunity, in an orderly and deliberative manner, to consider and, as appropriate, take action affecting the statutory sanctions regime imposed by Congress.

(2) In general
Notwithstanding any other provision of law, action involving any measure of statutory sanctions relief by the United States pursuant to an agreement subject to subsection (a) or the Joint Plan of Action—
(A) may be taken, consistent with existing statutory requirements for such action, if, during the period for review provided in subsection (b), there is enacted a joint resolution stating in substance that the Congress does favor the agreement;
(B) may not be taken if, during the period for review provided in subsection (b), there is enacted a joint resolution stating in substance that the Congress does not favor the agreement; or
(C) may be taken, consistent with existing statutory requirements for such action, if, following the period for review provided in subsection (b), there is not enacted any such joint resolution.

(3) Definition
For the purposes of this subsection, the phrase “action involving any measure of statutory sanctions relief by the United States” shall include waiver, suspension, reduction, or other effort to provide relief from, or otherwise limit the application of statutory sanctions with respect to, Iran under any provision of law or any other effort to refrain from applying any such sanctions.

(d) Congressional oversight of Iranian compliance with nuclear agreements

(1) In general
The President shall keep the appropriate congressional committees and leadership fully and currently informed of all aspects of Iranian compliance with respect to an agreement subject to subsection (a).

(2) Potentially significant breaches and compliance incidents
The President shall, within 10 calendar days of receiving credible and accurate information relating to a potentially significant breach or compliance incident by Iran with respect to an agreement subject to subsection (a), submit such information to the appropriate congressional committees and leadership.

(3) Material breach report
Not later than 30 calendar days after submitting information about a potentially significant breach or compliance incident pursuant to paragraph (2), the President shall make a determination whether such potentially significant breach or compliance issue constitutes a material breach and, if there is such a material breach, whether Iran has cured such material breach, and shall submit to the appropriate congressional committees and leadership such determination, accompanied by, as appropriate, a report on the action or failure to act by Iran that led to the material breach, actions necessary for Iran to cure the breach, and the status of Iran’s efforts to cure the breach.

(4) Semi-annual report
Not later than 180 calendar days after entering into an agreement described in subsection (a), and not less frequently than once every 180 calendar days thereafter, the President shall submit to the appropriate congressional committees and leadership a report on Iran’s nuclear program and the compliance of Iran with the agreement during the period covered by the report, including the following elements:
(A) Any action or failure to act by Iran that breached the agreement or is in non-compliance with the terms of the agreement.
(B) Any delay by Iran of more than one week in providing inspectors access to facilities, people, and documents in Iran as required by the agreement.
(C) Any progress made by Iran to resolve concerns by the International Atomic Energy Agency about possible military dimensions of Iran’s nuclear program.
(D) Any procurement by Iran of materials in violation of the agreement or which could otherwise significantly advance Iran’s ability to obtain a nuclear weapon.
(E) Any centrifuge research and development conducted by Iran that—
(i) is not in compliance with the agreement; or
(ii) may substantially reduce the breakout time of acquisition of a nuclear weapon by Iran, if deployed.
(F) Any diversion by Iran of uranium, carbon-fiber, or other materials for use in Iran’s nuclear program in violation of the agreement.
(G) Any covert nuclear activities undertaken by Iran, including any covert nuclear weapons-related or covert fissile material activities or research and development.
(H) An assessment of whether any Iranian financial institutions are engaged in money laundering or terrorist finance activities, including names of specific financial institutions if applicable;

(I) Iran’s advances in its ballistic missile program, including developments related to its long-range and inter-continental ballistic missile programs.

(J) An assessment of—
   (i) whether Iran directly supported, financed, planned, or carried out an act of terrorism against the United States or a United States person anywhere in the world;
   (ii) whether, and the extent to which, Iran supported acts of terrorism, including acts of terrorism against the United States or a United States person anywhere in the world;
   (iii) all actions, including in international fora, being taken by the United States to stop, counter, and condemn acts by Iran to directly or indirectly carry out acts of terrorism against the United States and United States persons;
   (iv) the impact on the national security of the United States and the safety of United States citizens as a result of any Iranian actions reported under this paragraph; and
   (v) all of the sanctions relief provided to Iran, pursuant to the agreement, and a description of the relationship between each sanction waived, suspended, or deferred and Iran’s nuclear weapon’s program.

(K) An assessment of whether violations of internationally recognized human rights in Iran have changed, increased, or decreased, as compared to the prior 180-day period.

(5) Additional reports and information

(A) Agency reports

Following submission of an agreement pursuant to subsection (a) to the appropriate congressional committees and leadership, the Department of State, the Department of Energy, and the Department of Defense shall, upon the request of any of those committees or leadership, promptly furnish to those committees or leadership their views as to whether the safeguards and other controls contained in the agreement with respect to Iran’s nuclear program provide an adequate framework to ensure that Iran’s activities permitted thereunder will not be inimical to or constitute an unreasonable risk to the common defense and security.

(B) Provision of information on nuclear initiatives with Iran

The President shall keep the appropriate congressional committees and leadership fully and currently informed of any initiative or negotiations with Iran relating to Iran’s nuclear program, including any new or amended agreement.

(6) Compliance certification

After the review period provided in subsection (b), the President shall, not less than every 90 calendar days—

(A) determine whether the President is able to certify that—
   (i) Iran is transparently, verifiably, and fully implementing the agreement, including all related technical or additional agreements;
   (ii) Iran has not committed a material breach with respect to the agreement or, if Iran has committed a material breach, Iran has cured the material breach;
   (iii) Iran has not taken any action, including covert activities, that could significantly advance its nuclear weapons program; and
   (iv) suspension of sanctions related to Iran pursuant to the agreement is—
      (I) appropriate and proportionate to the specific and verifiable measures taken by Iran with respect to terminating its illicit nuclear program; and
      (II) vital to the national security interests of the United States; and

(B) if the President determines he is able to make the certification described in subparagraph (A), make such certification to the appropriate congressional committees and leadership.

(7) Sense of Congress

It is the sense of Congress that—

(A) United States sanctions on Iran for terrorism, human rights abuses, and ballistic missiles will remain in place under an agreement, as defined in subsection (h)(1);

(B) issues not addressed by an agreement on the nuclear program of Iran, including fair and appropriate compensation for Americans who were terrorized and subjected to torture while held in captivity for 444 days after the seizure of the United States Embassy in Tehran, Iran, in 1979 and their families, the freedom of Americans held in Iran, the human rights abuses of the Government of Iran against its own people, and the continued support of terrorism worldwide by the Government of Iran, are matters critical to ensure justice and the national security of the United States, and should be expeditiously addressed;

(C) the President should determine the agreement in no way compromises the commitment of the United States to Israel’s security, nor its support for Israel’s right to exist; and

(D) in order to responsibly implement any long-term agreement reached between the P5+1 countries and Iran, it is critically important that Congress have the opportunity to review any agreement and, as necessary, take action to modify the statutory sanctions regime imposed by Congress.

(e) Expedited consideration of legislation

(1) Initiation

(A) In general

In the event the President does not submit a certification pursuant to subsection (d)(6) during each 90-day period following the review period provided in subsection (b), or submits a determination pursuant to subsection (d)(3) that Iran has materially
§ 2160e  TITLE 42—THE PUBLIC HEALTH AND WELFARE  Page 4998

breached an agreement subject to subsection (a) and the material breach has not been cured, qualifying legislation introduced within 60 calendar days of such event shall be entitled to expedited consideration pursuant to this subsection.

(B) Definition

In the House of Representatives, for purposes of this paragraph, the terms ‘submit’ and ‘submits’ mean submit and submits, respectively, to the Speaker of the House of Representatives.

(2) Qualifying legislation defined

For purposes of this subsection, the term “qualifying legislation” means only a bill of either House of Congress—

(A) the title of which is as follows: “A bill reinstating statutory sanctions imposed with respect to Iran.”; and

(B) the matter after the enacting clause of which is: “Any statutory sanctions imposed with respect to Iran pursuant to that were waived, suspended, reduced, or otherwise relieved pursuant to an agreement submitted pursuant to section 135(a) of the Atomic Energy Act of 1954 are hereby reinstated and any action by the United States Government to facilitate the release of funds or assets to Iran pursuant to such agreement, or provide any further waiver, suspension, reduction, or other relief pursuant to such agreement is hereby prohibited.”, with the blank space being filled in with the law otherwise relieved pursuant to an agreement.

(3) Introduction

During the 60-calendar day period provided for in paragraph (1), qualifying legislation may be introduced—

(A) in the House of Representatives, by the majority leader or the minority leader; and

(B) in the Senate, by the majority leader (or the majority leader’s designee) or the minority leader (or the minority leader’s designee).

(4) Floor consideration in House of Representatives

(A) Reporting and discharge

If a committee of the House to which qualifying legislation has been referred has not reported such qualifying legislation within 10 legislative days after the date of referral, that committee shall be discharged and any action by the United States Government to facilitate the release of funds or assets to Iran pursuant to such agreement, or provide any further waiver, suspension, reduction, or other relief pursuant to such agreement is hereby prohibited.”, with the blank space being filled in with the law or laws under which sanctions are to be reinstated.

(B) Proceeding to consideration

Beginning on the third legislative day after each committee to which qualifying legislation has been referred reports it to the House or has been discharged from further consideration thereof, it shall be in order to move to proceed to consider the qualifying legislation in the House. All points of order against the motion are waived. Such a motion shall not be in order after the House has disposed of a motion to proceed on the qualifying legislation with regard to the same agreement. The previous question shall be considered as ordered on the motion to its adoption without intervening motion. The motion shall not be debatable. A motion to reconsider the vote by which the motion is disposed of shall not be in order.

(C) Consideration

The qualifying legislation shall be considered as read. All points of order against the qualifying legislation and against its consideration are waived. The previous question shall be considered as ordered on the qualifying legislation to final passage without intervening motion except two hours of debate equally divided and controlled by the sponsor of the qualifying legislation (or a designee) and an opponent. A motion to reconsider the vote on passage of the qualifying legislation shall not be in order.

(5) Consideration in the Senate

(A) Committee referral

Qualifying legislation introduced in the Senate shall be referred to the Committee on Foreign Relations.

(B) Reporting and discharge

If the Committee on Foreign Relations has not reported such qualifying legislation within 10 session days after the date of referral of such legislation, that committee shall be discharged from further consideration of such legislation and the qualifying legislation shall be placed on the appropriate calendar.

(C) Proceeding to consideration

Notwithstanding Rule XXII of the Standing Rules of the Senate, it is in order at any time after the committee authorized to consider qualifying legislation reports it to the Senate or has been discharged from its consideration (even though a previous motion to the same effect has been disagreed to) to move to proceed to the consideration of qualifying legislation, and all points of order against qualifying legislation (and against consideration of the qualifying legislation) are waived. The motion to proceed is not debatable. The motion is not subject to a motion to postpone. A motion to reconsider the vote by which the motion is agreed to and not disagreed to shall not be in order. If a motion to proceed to the consideration of the qualifying legislation is agreed to, the qualifying legislation shall remain the unfinished business until disposed of.

(D) Debate

Debate on qualifying legislation, and on all debatable motions and appeals in connection therewith, shall be limited to not more than 10 hours, which shall be divided equally between the majority and minority leaders or their designees. A motion to further limit debate is in order and not debatable. An amendment to, or a motion to postpone, or a motion to proceed to the consideration of other business, or a motion to recommence the qualifying legislation is not in order.

(E) Vote on passage

The vote on passage shall occur immediately following the conclusion of the de-
bate on the qualifying legislation and a single quorum call at the conclusion of the debate, if requested in accordance with the rules of the Senate.

(F) Rulings of the Chair on procedure
Appeals from the decisions of the Chair relating to the application of the rules of the Senate, as the case may be, to the procedure relating to qualifying legislation shall be decided without debate.

(G) Consideration of veto messages
Debate in the Senate of any veto message with respect to qualifying legislation, including all debatable motions and appeals in connection with such qualifying legislation, shall be limited to 10 hours, to be equally divided between, and controlled by, the majority leader and the minority leader or their designees.

(6) Rules relating to Senate and House of Representatives
(A) Coordination with action by other House
If, before the passage by one House of qualifying legislation of that House, that House receives qualifying legislation from the other House, then the following procedures shall apply:
(i) The qualifying legislation of the other House shall not be referred to a committee.
(ii) With respect to qualifying legislation of the House receiving the legislation—
(I) the procedure in that House shall be the same as if no qualifying legislation had been received from the other House; but
(II) the vote on passage shall be on the qualifying legislation of the other House.

(B) Treatment of a bill of other House
If one House fails to introduce qualifying legislation under this section, the qualifying legislation of the other House shall be entitled to expedited floor procedures under this section.

(C) Treatment of companion measures
If, following passage of the qualifying legislation in the Senate, the Senate receives a companion measure from the House of Representatives, the companion measure shall not be debatable.

(D) Application to revenue measures
The provisions of this paragraph shall not apply in the House of Representatives to qualifying legislation which is a revenue measure.

(f) Rules of House of Representatives and Senate
Subsection (e) is enacted by Congress—
(1) as an exercise of the rulemaking power of the Senate and the House of Representatives, respectively, and as such are deemed a part of the rules of each House, respectively, but applicable only with respect to the procedure to be followed in that House in the case of legislation described in those sections, and supersede other rules only to the extent that they are inconsistent with such rules; and
(2) with full recognition of the constitutional right of either House to change the rules (so far as relating to the procedure of that House) at any time, in the same manner, and to the same extent as in the case of any other rule of that House.

(g) Rules of construction
Nothing in the section shall be construed as—
(1) modifying, or having any other impact on, the President’s authority to negotiate, enter into, or implement appropriate executive agreements, other than the restrictions on implementation of the agreements specifically covered by this section;
(2) allowing any new waiver, suspension, reduction, or other relief from statutory sanctions with respect to Iran under any provision of law, or allowing the President to refrain from applying any such sanctions pursuant to an agreement described in subsection (a) during the period for review provided in subsection (b);
(3) revoking or terminating any statutory sanctions imposed on Iran; or
(4) authorizing the use of military force against Iran.

(h) Definitions
In this section:
(1) Agreement
The term “agreement” means an agreement related to the nuclear program of Iran that includes the United States, commits the United States to take action, or pursuant to which the United States commits or otherwise agrees to take action, regardless of the form it takes, whether a political commitment or otherwise, and regardless of whether it is legally binding or not, including any joint comprehensive plan of action entered into or made between Iran and any other parties, and any additional materials related thereto, including annexes, appendices, codicils, side agreements, implementing materials, documents, and guidance, technical or other understandings, and any related agreements, whether entered into or implemented prior to the agreement or to be entered into or implemented in the future.

(2) Appropriate congressional committees
The term “appropriate congressional committees” means the Committee on Finance, the Committee on Banking, Housing, and Urban Affairs, the Select Committee on Intelligence, and the Committee on Foreign Relations of the Senate and the Committee on Ways and Means, the Committee on Financial Services, the Permanent Select Committee on Intelligence, and the Committee on Foreign Affairs of the House of Representatives.

(3) Appropriate congressional committees and leadership
The term “appropriate congressional committees and leadership” means the Committee on Finance, the Committee on Banking, Housing, and Urban Affairs, the Select Committee on Intelligence, and the Committee on Foreign Relations, and the Majority and Minority Leaders of the Senate and the Committee on Ways and Means, the Committee on Financial
Services, the Permanent Select Committee on Intelligence, and the Committee on Foreign Affairs, and the Speaker, Majority Leader, and Minority Leader of the House of Representatives.

(4) Iranian financial institution

The term “Iranian financial institution” has the meaning given the term in section 8513b(d) of title 22.

(5) Joint Plan of Action

The term “Joint Plan of Action” means the Joint Plan of Action, signed at Geneva November 24, 2013, by Iran and by France, Germany, the Russian Federation, the People’s Republic of China, the United Kingdom, and the United States, and all implementing materials and agreements related to the Joint Plan of Action, including the technical understandings reached on January 12, 2014, the extension thereto agreed to on July 18, 2014, the extension agreed to on November 24, 2014, and any materially identical extension that is agreed to on or after May 22, 2015.

(6) EU-Iran Joint Statement

The term “EU-Iran Joint Statement” means only the Joint Statement by EU High Representative Federica Mogherini and Iranian Foreign Minister Javad Zarif made on April 2, 2015, at Lausanne, Switzerland.

(7) Material breach

The term “material breach” means, with respect to an agreement described in subsection (a), any breach of the agreement, or in the case of non-binding commitments, any failure to perform those commitments, that substantially—

(A) benefits Iran’s nuclear program;

(B) decreases the amount of time required by Iran to achieve a nuclear weapon; or

(C) deviates from or undermines the purposes of such agreement.

(8) Noncompliance defined

The term “noncompliance” means any departure from the terms of an agreement described in subsection (a) that is not a material breach.

(9) P5+1 countries

The term “P5+1 countries” means the United States, France, the Russian Federation, the People’s Republic of China, the United Kingdom, and Germany.

(10) United States person

The term “United States person” has the meaning given that term in section 8511 of title 22.

§ 2161. Policy of Commission

It shall be the policy of the Commission to control the dissemination and declassification of Restricted Data in such a manner as to assure the common defense and security. Consistent with such policy, the Commission shall be guided by the following principles:

(a) Until effective and enforceable international safeguards against the use of atomic energy for destructive purposes have been established by an international arrangement, there shall be no exchange of Restricted Data with other nations except as authorized by section 2164 of this title; and

(b) The dissemination of scientific and technical information relating to atomic energy should be permitted and encouraged so as to provide that free interchange of ideas and criticism which is essential to scientific and industrial progress and public understanding and to enlarge the fund of technical information.


Prior Provisions

Provisions similar to this section were contained in section 1810(a) of this title, prior to the general amendment and numbering of act Aug. 1, 1946, by act Aug. 30, 1954.

§ 2162. Classification and declassification of Restricted Data

(a) Periodic determination

The Commission shall from time to time determine the data, within the definition of Re-
restricted Data, which can be published without undue risk to the common defense and security and shall thereupon cause such data to be declassified and removed from the category of Restricted Data.

(b) Continuous review

The Commission shall maintain a continuous review of Restricted Data and of any Classification Guides issued for the guidance of those in the atomic energy program with respect to the areas of Restricted Data which have been declassified in order to determine which information may be declassified and removed from the category of Restricted Data without undue risk to the common defense and security.

(c) Joint determination on atomic weapons: Presidential determination on disagreement

In the case of Restricted Data which the Commission and the Department of Defense jointly determine to relate primarily to the military utilization of atomic weapons, the determination that such data may be published without constituting an unreasonable risk to the common defense and security shall be made by the Commission and the Department of Defense jointly, and if the Commission and the Department of Defense do not agree, the determination shall be made by the President.

(d) Removal from Restricted Data category

(1) The Commission shall remove from the Restricted Data category such data as the Commission and the Department of Defense jointly determine can be adequately safeguarded as defense information: Provided, however, That no such data so removed from the Restricted Data category shall be transmitted or otherwise made available to any nation or regional defense organization, while such data remains defense information, except pursuant to an agreement for cooperation entered into in accordance with subsection (b) or (d) of section 2164 of this title.

(2) The Commission may restore to the Restricted Data category any information related to the design of nuclear weapons removed under paragraph (1) if the Commission and the Department of Defense jointly determine that—

(A) the programmatic requirements that caused the information to be removed from the Restricted Data category are no longer applicable or have diminished;

(B) the information would be more appropriately protected as Restricted Data; and

(C) restoring the information to the Restricted Data category is in the interest of national security.

(3) In carrying out paragraph (2), information concerning atomic energy programs of other nations shall be restored to the Restricted Data category in accordance with regulations prescribed for purposes of such paragraph.

(e) Joint determination on atomic energy programs

(1) The Commission shall remove from the Restricted Data category such information concerning the atomic energy programs of other nations as the Commission and the Director of National Intelligence jointly determine to be necessary to carry out the provisions of section 102(d) of the National Security Act of 1947, as amended, and can be adequately safeguarded as defense information.

(2) The Commission may restore to the Restricted Data category any information concerning atomic energy programs of other nations removed under paragraph (1) if the Commission and the Director of National Intelligence jointly determine that—

(A) the programmatic requirements that caused the information to be removed from the Restricted Data category are no longer applicable or have diminished;

(B) the information would be more appropriately protected as Restricted Data; and

(C) restoring the information to the Restricted Data category is in the interest of national security.

(3) In carrying out paragraph (2), information concerning atomic energy programs of other nations shall be restored to the Restricted Data category in accordance with regulations prescribed for purposes of such paragraph.

References in Text


Amendments

2013—Subsec. (d). Pub. L. 112–239, §3163(1), designated existing provisions as par. (1) and added pars. (2) and (3). See section 3163(b) of Pub. L. 112–239. Subsec. (e). Pub. L. 112–239, §3163(2), designated existing provisions as par. (1), substituted “National Intelligence” for “Central Intelligence”, and added pars. (2) and (3).

1994—Subsec. (d). Pub. L. 103–337, §3155(c)(2), substituted “subsection (b) or (d) of section 2164 of this title” for “section 2164(b) of this title”. Subsec. (f). Pub. L. 103–337, §3155(c)(3), struck out subsec. (f) which read as follows: “Notwithstanding any other law, the President may publicly release Restricted Data regarding the nuclear weapons stockpile of the United States if the United States and member states of the Commonwealth of Independent States reach reciprocal agreement on the release of such data.”


Review of Certain Documents Before Declassification and Release

Pub. L. 104–106, div. C, title XXXI, §3155, Feb. 10, 1996, 110 Stat. 625, which was formerly set out as a note under this section, was renumbered section 4521 of Pub. L. 107–314, the Bob Stump National Defense Authoriza-
§ 2163. Access to Restricted Data

The Commission may authorize any of its employees, or employees of any contractor, prospective contractor, licensee or prospective licensee of the Commission or any other person authorized access to Restricted Data by the Commission under section 2165(b) and (c) of this title to permit any employee of an agency of the Department of Defense or of its contractors, or any member of the Armed Forces to have access to Restricted Data required in the performance of his duties and so certified by the head of the appropriate agency of the Department of Defense or his designee: Provided, however, That the head of the appropriate agency of the Department of Defense or his designee has determined, in accordance with the established personnel security procedures and standards of such agency, that permitting the member or employee to have access to such Restricted Data will not endanger the common defense and security: And provided further, That the Secretary of Defense finds that the established personnel and other security procedures and standards of such agency are adequate and in reasonable conformity to the standards established by the Commission under section 2165 of this title.

AMENDMENTS
1961—Pub. L. 87–206 inserted reference to subsection (c) of section 2165 of this title.
1956—Act Aug. 6, 1956, inserted “or any other person authorized access to Restricted Data by the Commission under section 2165(b) of this title”.

§ 2164. International cooperation

(a) By Commission

The President may authorize the Commission to cooperate with another nation and to communicate to that nation Restricted Data on—

(1) refining, purification, and subsequent treatment of source material;
(2) civilian reactor development;
(3) production of special nuclear material;
(4) health and safety;
(5) industrial and other applications of atomic energy for peaceful purposes; and
(6) research and development relating to the foregoing:

Provided, however. That no such cooperation shall involve the communication of Restricted Data relating to the design or fabrication of atomic weapons: And provided further. That the cooperation is undertaken pursuant to an agreement for cooperation entered into in accordance with section 2153 of this title, or is undertaken pursuant to an agreement existing on August 30, 1954.

(b) By Department of Defense
The President may authorize the Department of Defense, with the assistance of the Commission, to cooperate with another nation or with a regional defense organization to which the United States is a party, and to communicate to that nation or organization such Restricted Data (including design information) as is necessary to—

(1) the development of defense plans;
(2) the training of personnel in the employment of and defense against atomic weapons and other military applications of atomic energy;
(3) the evaluation of the capabilities of potential enemies in the employment of atomic weapons and other military applications of atomic energy; and
(4) the development of compatible delivery systems for atomic weapons;

whenever the President determines that the proposed cooperation and the proposed communication of the Restricted Data will promote and will not constitute an unreasonable risk to the common defense and security, while such other nation or organization is participating with the United States pursuant to an international arrangement by substantial and material contributions to the mutual defense and security: Provided, however, That the cooperation is undertaken pursuant to an agreement entered into in accordance with section 2153 of this title.

(d) By Department of Energy
(1) In addition to the cooperation authorized in subsections (a), (b), and (c), the President may, upon making a determination described in paragraph (2), authorize the Department of Energy, with the assistance of the Department of Defense, to cooperate with another nation to communicate to that nation such Restricted Data, and the President may, upon making such determination, authorize the Department of Defense, with the assistance of the Department of Energy, to cooperate with another nation to communicate to that nation such data removed from the Restricted Data category under section 2162 of this title, as is necessary for—

(A) the support of a program for the control of and accounting for fissile material and other weapons material;
(B) the support of the control of and accounting for atomic weapons;
(C) the verification of a treaty; and
(D) the establishment of international standards for the classification of data on atomic weapons, data on fissile material, and related data.

(2) A determination referred to in paragraph (1) is a determination that the proposed cooperation and proposed communication referred to in that paragraph—

(A) will promote the common defense and security interests of the United States and the nation concerned; and
(B) will not constitute an unreasonable risk to such common defense and security interests.

(3) Cooperation under this subsection shall be undertaken pursuant to an agreement for cooperation entered into in accordance with section 2153 of this title.

(c) Exchange of information concerning atomic weapons; research, development, or design, of military reactors
In addition to the cooperation authorized in subsections (a) and (b), the President may authorize the Commission, with the assistance of the Department of Defense, to cooperate with another nation and—

(1) to exchange with that nation Restricted Data concerning atomic weapons: Provided, That communication of such Restricted Data to that nation is necessary to improve its atomic weapon design, development, or fabrication capability and provided that nation has made substantial progress in the development of atomic weapons; and
(2) to communicate or exchange with that nation Restricted Data concerning research, development, or design, of military reactors,

whenever the President determines that the proposed cooperation and the communication of the proposed Restricted Data will promote and will not constitute an unreasonable risk to the common defense and security, while such other nation is participating with the United States pursuant to an international arrangement by substantial and material contributions to the mutual defense and security: Provided, however, That the cooperation is undertaken pursuant to an agreement entered into in accordance with section 2153 of this title.
§ 2165. Security restrictions

(a) On contractors and licensees

No arrangement shall be made under section 2051 of this title, no contract shall be made or continued in effect under section 2061 of this title, and no license shall be issued under section 2133 or 2134 of this title, unless the person with whom such arrangement is made, the contractor or prospective contractor, or the prospective licensee agrees in writing not to permit any individual to have access to Restricted Data unless the person with whom such arrangement is made, the contractor or prospective contractor, or the prospective licensee agrees in writing not to permit any individual to have access to Restricted Data until the Director of the Office of Personnel Management shall have made an investigation and report to the Commission on the character, associations, and loyalty of such individual, and the Commission shall have determined that permitting such person to have access to Restricted Data will not endanger the common defense and security.

(b) Employment of personnel; access to Restricted Data

Except as authorized by the Commission or the General Manager upon a determination by the Commission or General Manager that such action is clearly consistent with the national interest, no individual shall be employed by the Commission nor shall the Commission permit any individual to have access to Restricted Data until the Director of the Office of Personnel Management shall have made an investigation and report to the Commission on the character, associations, and loyalty of such individual, and the Commission shall have determined that permitting such person to have access to Restricted Data will not endanger the common defense and security.

(c) Acceptance of investigation and clearance granted by other Government agencies

In lieu of the investigation and report to be made by the Director of the Office of Personnel Management pursuant to subsection (b) of this section, the Commission may accept an investigation and report on the character, associations, and loyalty of an individual made by another Government agency which conducts personnel security investigations, provided that a security clearance has been granted to such individual by another Government agency based on such investigation and report.

(d) Investigations by FBI

In the event an investigation made pursuant to subsections (a) and (b) of this section develops any data reflecting that the individual who is the subject of the investigation is of questionable loyalty, the Director of the Office of Personnel Management shall refer the matter to the Federal Bureau of Investigation for the conduct of a full field investigation, the results of which shall be furnished to the Director of the Office of Personnel Management for his information and appropriate action.

(e) Presidential investigation

(1) If the President deems it to be in the national interest he may from time to time determine that investigations of any group or class which are required by subsections (a), (b), and (c) of this section be made by the Federal Bureau of Investigation.

(2) In the case of an individual employed in a program known as a Special Access Program, any investigation required by subsections (a), (b), and (c) of this section shall be made by the Federal Bureau of Investigation.

(f) Performance of personnel security investigations by FBI

(1) Notwithstanding the provisions of subsections (a), (b), and (c) of this section, but subject to subsection (e) of this section, a majority of the members of the Commission may direct that an investigation required by such provisions on an individual described in paragraph (2) be carried out by the Federal Bureau of Investigation rather than by the Civil Service Commission.

(2) An individual described in this paragraph is an individual who is employed—

(A) in a program certified by a majority of the members of the Commission to be of a high degree of importance or sensitivity; or

(B) in any other specific position certified by a majority of the members of the Commission to be of a high degree of importance or sensitivity.

(g) Investigation standards

The Commission shall establish standards and specifications in writing as to the scope and extent of investigations, the reports of which will be utilized by the Commission in making the determination, pursuant to subsections (a), (b), and (c) of this section, that permitting a person access to restricted data will not endanger the common defense and security. Such standards and specifications shall be based on the location and class or kind of work to be done, and shall,
among other considerations, take into account the degree of importance to the common defense and security of the restricted data to which access will be permitted.

(h) War time clearance

Whenever the Congress declares that a state of war exists, or in the event of a national disaster due to enemy attack, the Commission is authorized during the state of war or period of national disaster due to enemy attack to employ individuals and to permit individuals access to Restricted Data pending the investigation report, and determination required by subsection (b), to the extent that and so long as the Commission finds that such action is required to prevent impairment of its activities in furtherance of the common defense and security.


PRIOR PROVISIONS

Provisions similar to this section were contained in section 1810(b)(5) of this title, prior to the general amendment and renumbering of act Aug. 1, 1946, by act Aug. 30, 1954.

AMENDMENTS


Subsec. (f). Pub. L. 108–136, §3131(a), amended text of subsec. (f) generally. Prior to amendment, text read as follows: “Notwithstanding the provisions of subsections (a), (b), and (c) of this section, a majority of the members of the Commission shall certify those specific positions which are of a high degree of importance or sensitivity, and upon such certification, the investigation and reports required by such provisions shall be made by the Federal Bureau of Investigation.”

1999—Subsec. (e). Pub. L. 106–65 designated existing provisions as par. (1) and added par. (2).


1961—Subsecs. (c), (d), Pub. L. 87–206 added subsec. (c) and redesignated former subsecs. (c) and (d) as (d) and (e), respectively.

Subsec. (e). Pub. L. 87–206 redesignated former subsec. (d) as (e) and amended provisions by substituting “determine that” for “cause investigations”, inserting reference to subsection (c) of this section and striking out “instead of by the Civil Service Commission” after “Federal Bureau of Investigation”. Former subsec. (e) redesignated (f).

Subsec. (f). Pub. L. 87–206 redesignated former subsec. (e) as (f) and amended provisions by inserting reference to subsection (c) of this section and striking out “instead of by the Civil Service Commission” after “Federal Bureau of Investigation”. Former subsec. (f) redesignated (g).

Subsecs. (g), (h). Pub. L. 87–206 redesignated former subsec. (f) as (g) and amended provisions by substituting “the reports of which will be utilized by the Commission in making the determination, pursuant to subsection (b), (c) of this section, that permitting a person access to restricted data will not endanger the common defense and security” for “to be made by the Civil Service Commission pursuant to subsections (a) and (b) of this section.” Former subsec. (g) redesignated (h).


IMPLEMENTATION OF SUBSECTION (e)(2)

Pub. L. 106–65, div. C, title XXXI, §3144(b), (c), Oct. 5, 1999, 113 Stat. 894, provided that:

“(b) COMPLIANCE.—The Director of the Federal Bureau of Investigation shall have 18 months from the date of the enactment of this Act (Oct. 5, 1999) to meet the responsibilities of the Bureau under subsection e.(2) of section 145 of the Atomic Energy Act of 1954 [42 U.S.C. 2165(e)(2)], as added by subsection (a).

“(c) REPORT.—(1) Not later than six months after the date of the enactment of this Act, the Director of the Federal Bureau of Investigation shall submit to the committees specified in paragraph (2) a report on the implementation of the responsibilities of the Bureau under subsection e.(2) of that section. That report shall include the following:

“(A) An assessment of the capability of the Bureau to execute the additional clearance requirements, to include additional post-initial investigations.

“(B) An estimate of the additional resources required, to include funding, to support the expanded use of the Bureau to conduct the additional investigations.

“(C) The extent to which contractor personnel are and would be in the clearance process.

“(2) The committees referred to in paragraph (1) are the following:

“(A) The Committee on Armed Services and the Select Committee on Intelligence of the Senate.

“(B) The Committee on Armed Services and the Permanent Select Committee on Intelligence of the House of Representatives.”

TRANSFER OF FUNCTIONS

“Director of the Office of Personnel Management” and “his” substituted for “Civil Service Commission” and “its”, respectively, in subsecs. (a) to (d), pursuant to Reorg. Plan No. 2 of 1978, §102, 43 F.R. 36027, 92 Stat. 3783, set out under section 2101 of Title 5, Government Organization and Employees, which transferred all functions vested by statute in United States Civil Service Commission to Director of Office of Personnel Management (except as otherwise specified), effective Jan. 1, 1979, as provided by section 1–102 of Ex. Ord. No. 12107, Dec. 28, 1978, 44 F.R. 10555, set out under section 1101 of Title 5.

§ 2166. Applicability of other laws

(a) Sections 2161 to 2165 of this title shall not exclude the applicable provisions of any other laws, except that no Government agency shall take any action under such other laws inconsistent with the provisions of those sections.

(b) The Commission shall have no power to control or restrict the dissemination of information other than as granted by this or any other law.


PRIOR PROVISIONS

Provisions similar to this section were contained in section 1810(b)(6) of this title, prior to the general amendment and renumbering of act Aug. 1, 1946, by act Aug. 30, 1954.
§ 2167. Safeguards information

(a) Confidentiality of certain types of information; issuance of regulations and orders; considerations for exercise of Commission's authority; disclosure of routes and quantities of shipment; civil penalties; withholding of information from Congressional committees

In addition to any other authority or requirement regarding protection from disclosure of information, and subject to subsection (b) (3) of section 552 of title 5, the Commission shall prescribe such regulations, after notice and opportunity for public comment, or issue such orders, as necessary to prohibit the unauthorized disclosure of safeguards information which specifically identifies a licensee's or applicant's detailed—

(1) control and accounting procedures or security measures (including security plans, procedures, and equipment) for the physical protection of special nuclear material, by whomsoever possessed, whether in transit or at fixed sites, in quantities determined by the Commission to be significant to the public health and safety or the common defense and security;

(2) security measures (including security plans, procedures, and equipment) for the physical protection of source material or by-product material, by whomsoever possessed, whether in transit or at fixed sites, in quantities determined by the Commission to be significant to the public health and safety or the common defense and security; or

(3) security measures (including security plans, procedures, and equipment) for the physical protection of and the location of certain plant equipment vital to the safety of production or utilization facilities involving nuclear materials covered by paragraphs (1) and (2).

if the unauthorized disclosure of such information could reasonably be expected to have a significant adverse effect on the health and safety of the public or the common defense and security by significantly increasing the likelihood of theft, diversion, or sabotage of such material or such facility. The Commission shall exercise the authority under this subsection—

(A) so as to apply the minimum restrictions needed to protect the health and safety of the public or the common defense and security, and

(B) upon a determination that the unauthorized disclosure of such information could reasonably be expected to have a significant adverse effect on the health and safety of the public or the common defense and security by significantly increasing the likelihood of theft, diversion, or sabotage of such material or such facility.

Nothing in this chapter shall authorize the Commission to prohibit the public disclosure of information pertaining to the routes and quantities of shipments of source material, by-product material, high level nuclear waste, or irradiated nuclear reactor fuel. Any person, whether or not a licensee of the Commission, who violates any regulation adopted under this section shall be subject to the civil monetary penalties of section 2262 of this title. Nothing in this section shall be construed to authorize the withholding of information from the duly authorized committees of the Congress.

(b) Regulations or orders issued under this section and section 2201(b) of this title for purposes of section 2273 of this title

For the purposes of section 2273 of this title, any regulations or orders prescribed or issued by the Commission under this section shall also be deemed to be prescribed or issued under section 2201(b) of this title.

(c) Judicial review

Any determination by the Commission concerning the applicability of this section shall be subject to judicial review pursuant to subsection (a)(4)(B) of section 552 of title 5.

(d) Reports to Congress; contents

Upon prescribing or issuing any regulation or order under subsection (a) of this section, the Commission shall submit to Congress a report that:

(1) specifically identifies the type of information the Commission intends to protect from disclosure under the regulation or order;

(2) specifically states the Commission's justification for determining that unauthorized disclosure of the information to be protected from disclosure under the regulation or order could reasonably be expected to have a significant adverse effect on the health and safety of the public or the common defense and security by significantly increasing the likelihood of theft, diversion, or sabotage of such material or such facility, as specified under subsection (a) of this section; and

(3) provides justification, including proposed alternative regulations or orders, that the regulation or order applies only the minimum restrictions needed to protect the health and safety of the public or the common defense and security.


References in Text

This chapter, referred to in subsec. (a), was in the original “this Act”, meaning act Aug. 1, 1946, ch. 724, as added by act Aug. 30, 1954, ch. 1073, §1. 68 Stat. 919, known as the Atomic Energy Act of 1946, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 201 of this title and Tables.

Classification

Subsection (e) of this section, which required the Commission to submit to Congress a quarterly basis a report detailing the Commission's application during that period of every regulation or order prescribed or issued under this section, terminated, effective May 15, 2000, pursuant to section 3003 of Pub. L. 106–55, as amended, set out as a note under section 1113 of Title 31, Money and Finance. See, also, item 7 on page 186 of House Document No. 103–7.

1 So in original. Probably should be followed by a semicolon.
§ 2168. Dissemination of unclassified information

(a) Dissemination prohibited; rules and regulations; determinations of Secretary prerequisite to issuance of prohibiting regulations or orders; criteria

(1) In addition to any other authority or requirement regarding protection from dissemination of information, and subject to section 552(b)(3) of title 5, the Secretary of Energy (hereinafter in this section referred to as the "Secretary"), with respect to atomic energy defense programs, shall prescribe such regulations, after notice and opportunity for public comment thereon, or issue such orders as may be necessary to prohibit the unauthorized dissemination of unclassified information pertaining to—

(A) the design of production facilities or utilization facilities;

(B) security measures (including security plans, procedures, and equipment) for the physical protection of (i) production or utilization facilities, (ii) nuclear material contained in such facilities, or (iii) nuclear material in transit; or

(C) the design, manufacture, or utilization of any atomic weapon or component if the design, manufacture, or utilization of such weapon or component was contained in any information declassified or removed from the Restricted Data category by the Secretary (or the head of the predecessor agency of the Department of Energy) pursuant to section 2162 of this title.

(2) The Secretary may prescribe regulations or issue orders under paragraph (1) to prohibit the dissemination of any information described in such paragraph only if and to the extent that the Secretary determines that the unauthorized dissemination of such information could reasonably be expected to have a significant adverse effect on the health and safety of the public or the common defense and security by significantly increasing the likelihood of (A) illegal production of nuclear weapons, or (B) theft, diversion, or sabotage of nuclear materials, equipment, or facilities.

(3) In making a determination under paragraph (2), the Secretary may consider what the likelihood of an illegal production, theft, diversion, or sabotage referred to in such paragraph would be if the information proposed to be prohibited from dissemination under this section were at no time available for dissemination.

(4) The Secretary shall exercise his authority under this subsection to prohibit the dissemination of any information described in paragraph (1) of this subsection—

(A) so as to apply the minimum restrictions needed to protect the health and safety of the public or the common defense and security; and

(B) upon a determination that the unauthorized dissemination of such information could reasonably be expected to result in a significant adverse effect on the health and safety of the public or the common defense and security by significantly increasing the likelihood of (i) illegal production of nuclear weapons, or (ii) theft, diversion, or sabotage of nuclear materials, equipment, or facilities.

(5) Nothing in this section shall be construed to authorize the Secretary to authorize the withholding of information from the appropriate committees of the Congress.

(b) Civil penalties

(1) Any person who violates any regulation or order of the Secretary issued under this section with respect to the unauthorized dissemination of information shall be subject to a civil penalty, to be imposed by the Secretary, of not to exceed $100,000 for each such violation. The Secretary may compromise, mitigate, or remit any penalty imposed under this subsection.

(2) The provisions of subsections (b) and (c) of section 2282 of this title, shall be applicable with respect to the imposition of civil penalties by the Secretary under this section in the same manner that such provisions are applicable to the imposition of civil penalties by the Commission under subsection (a) of such section.

(c) Criminal penalties

For the purposes of section 2273 of this title, any regulation prescribed or order issued by the Secretary under this section shall also be deemed to be prescribed or issued under section 2201(b) of this title.

(d) Judicial review

Any determination by the Secretary concerning the applicability of this section shall be subject to judicial review pursuant to section 552(a)(4)(B) of title 5.

AMENDMENTS


1983—Subsec. (a)(1). Pub. L. 97–415, § 17(a), inserted "... with respect to atomic energy defense programs, ..." after "hereinafter in this section referred to as the "Secretary"".

Subsecs. (d), (e). Pub. L. 97–415, § 17(b), added subsecs. (d) and (e).

§ 2169. Fingerprinting for criminal history record checks

(a) In general

(1)(A)(i) The Commission shall require each individual or entity described in clause (ii) to fingerprint each individual described in subparagraph (B) before the individual described in subparagraph (B) is permitted access under subparagraph (B).

(ii) The individuals and entities referred to in clause (i) are individuals and entities that, on or before the date on which an individual is permitted access under subparagraph (B)—

(I) are licensed or certified to engage in an activity subject to regulation by the Commission;

(II) have filed an application for a license or certificate to engage in an activity subject to regulation by the Commission; or
(III) have notified the Commission in writing of an intent to file an application for licensing, certification, permitting, or approval of a product or activity subject to regulation by the Commission.

(B) The Commission shall require to be fingerprinted any individual who—

(i) is permitted unescorted access to—

(A) a utilization facility; or

(B) the Commission, in accordance with regulations prescribed under this section, may provide such results to the individual or entity required to conduct the fingerprinting under paragraph (1)(A).

(ii) is permitted access to safeguards information under section 2167 of this title.

(2) All fingerprints obtained by an individual or entity as required in paragraph (1) shall be submitted to the Attorney General of the United States through the Commission for identification and a criminal history records check.

(3) The costs of an identification or records check under paragraph (2) shall be paid by the individual or entity required to conduct the fingerprinting under paragraph (1)(A).

(4) Notwithstanding any other provision of law—

(A) the Attorney General may provide any result of an identification or records check under paragraph (2) to the Commission; and

(B) the Commission, in accordance with regulations prescribed under this section, may provide the results to the individual or entity required to conduct the fingerprinting under paragraph (1)(A).

(b) Waiver

The Commission, by rule, may relieve persons from the obligations imposed by this section, upon specified terms, conditions, and periods, if the Commission finds that such action is consistent with its obligations to promote the common defense and security and to protect the health and safety of the public.

(c) Regulations

For purposes of administering this section, the Commission shall prescribe requirements—

(1) to implement procedures for the taking of fingerprints;

(2) to establish the conditions for use of information received from the Attorney General, in order—

(A) to limit the redissemination of such information;

(B) to ensure that such information is used solely for the purpose of determining whether an individual shall be permitted unescorted access to a utilization facility, radioactive material, or other property described in subsection (a)(1)(B) or shall be permitted access to safeguards information under section 2167 of this title;

(C) to ensure that no final determination may be made solely on the basis of information provided under this section involving—

(i) an arrest more than 1 year old for which there is no information of the disposition of the case; or

(ii) an arrest that resulted in dismissal of the charge or an acquittal; and

(D) to protect individuals subject to fingerprinting under this section from misuse of the criminal history records; and

(3) to provide each individual subject to fingerprinting under this section with the right to complete, correct, and explain information contained in the criminal history records prior to any final adverse determination.

(d) Use of biometric methods

The Commission may require a person or individual to conduct fingerprinting under subsection (a)(1) by authorizing or requiring the use of any alternative biometric method for identification that has been approved by—

(1) the Attorney General; and

(2) the Commission, by regulation.

(e) Processing fees; use of amounts collected

(1) The Commission may establish and collect fees to process fingerprints and criminal history records under this section.

(2) Notwithstanding section 3302(b) of title 31, and to the extent approved in appropriation Acts—

(A) a portion of the amounts collected under this subsection in any fiscal year may be retained and used by the Commission to carry out this section; and

(B) the remaining portion of the amounts collected under this subsection in such fiscal year may be transferred periodically to the Attorney General and used by the Attorney General to carry out this section.

(3) Any amount made available for use under paragraph (2) shall remain available until expended.


AMENDMENTS

2005—Subsec. (a). Pub. L. 109–58, § 652(a), revised and restructured provisions of subsec. (a). Prior to amendment, subsec. (a) read as follows: "The Nuclear Regulatory Commission (in this section referred to as the "Commission") shall require each licensee or applicant for a license to operate a utilization facility under section 2133 or 2134(b) of this title to fingerprint each individual who is permitted unescorted access to the facility or is permitted access to safeguards information under section 2167 of this title. All fingerprints obtained by a licensee or applicant as required in the preceding sentence shall be submitted to the Attorney General of the United States through the Commission for identification and a criminal history records check. The costs of any identification and records check conducted pursuant to the preceding sentence shall be paid by the licensee or applicant. Notwithstanding any other provision of law, the Attorney General may provide such results to the licensee or applicant submitting such fingerprints." Amendment by Pub. L. 109–58, § 652(a)(D), which misquoted the sentence to be stricken by leaving out the word "the" before "licensee", was nevertheless executed to reflect the probable intent of Congress.
Subsec. (c)(2)(B). Pub. L. 109–58, §652(2)(B), substituted “unescorted access to a utilization facility, radioactive material, or other property described in subsection (a)(1)(B)” for “unescorted access to the facility of a licensee or applicant”.
Subsecs. (d), (e). Pub. L. 109–58, §652(3), (d), added subsec. (d) and redesignated former subsec. (d) as (e).

Effective Date
Pub. L. 99–399, title VI, §806(b), Aug. 27, 1986, 100 Stat. 877, provided that: “The provisions of subsection a. of section 149 of the Atomic Energy Act of 1954 [subsec. (a) of this section], as added by this Act, shall take effect upon the promulgation of regulations by the Nuclear Regulatory Commission as set forth in subsection c. of such section [subsec. (c) of this section]. Such regulations shall be promulgated not later than 6 months after the date of the enactment of this Act [Aug. 27, 1986].”

Subchapter XII—Patents and Inventions

§2181. Inventions relating to atomic weapons, and filing of reports

(a) Denial of patent; revocation of prior patents

No patent shall hereafter be granted for any invention or discovery which is useful solely in the utilization of special nuclear material or atomic energy in an atomic weapon. Any patent granted for any such invention or discovery is revoked, and just compensation shall be made therefor.

(b) Denial of rights; revocation of prior rights

No patent hereafter granted shall confer any rights with respect to any invention or discovery to the extent that such invention or discovery is used in the utilization of special nuclear material or atomic energy in atomic weapons. Any rights conferred by any patent heretofore granted for any invention or discovery are revoked to the extent that such invention or discovery is so used, and just compensation shall be made therefor.

(e) Confidential information; circumstances permitting disclosure

Reports filed pursuant to subsection (c) of this section, and applications to which access is provided under subsection (d) of this section, shall be kept in confidence by the Commission, and no information concerning the same given without authority of the inventor or owner unless necessary to carry out the provisions of any Act of Congress or in such special circumstances as may be determined by the Commission.

Prior Provisions

Provisions similar to this section were contained in section 1811(a) of this title, prior to the general amendment and renumbering of act Aug. 1, 1946, by act Aug. 30, 1954.

Amendments

Subsec. (c). Pub. L. 87–206, §8, struck out designation as cl. (1) of provision relating to provision or utilization of special nuclear material or atomic energy and cls. (2) and (3) relating to utilization of special nuclear material in an atomic weapon and utilization of atomic energy in an atomic weapon, respectively, and substituted “the one hundred and twentieth day” for “whichever of the following is the later: either the ninetieth day after completion of such invention or discovery; or the ninetieth day”.

Effective Date of 1999 Amendment

Amendment by Pub. L. 106–113 effective 4 months after Nov. 29, 1999, see section 1006(a)(9) [title IV, §4731] of Pub. L. 106–113, set out as a note under section 1 of Title 35, Patents.

Emergency Relief From Postal Situation Affecting Atomic Energy Cases

Excusal of delayed fees or actions affected by postal situation beginning on Mar. 18, 1970, and ending on or about Mar. 30, 1970, see note set out under section 111 of Title 35, Patents.
§ 2182. Inventions conceived during Commission contracts; ownership; waiver; hearings

Any invention or discovery, useful in the production or utilization of special nuclear material or atomic energy, made or conceived in the course or under any contract, subcontract, or arrangement entered into with or for the benefit of the Commission, regardless of whether the contract, subcontract, or arrangement involved the expenditure of funds by the Commission, shall be vested in, and be the property of, the Commission, except that the Commission may waive its claim to any such invention or discovery under such circumstances as the Commission may deem appropriate, consistent with the policy of this section. No patent for any invention or discovery, useful in the production or utilization of special nuclear material or atomic energy, shall be issued unless the applicant files with the application, or within thirty days after request therefor by the Under Secretary of Commerce for Intellectual Property and Director of the United States Patent and Trademark Office (unless the Commission advises the Under Secretary of Commerce for Intellectual Property and Director of the United States Patent and Trademark Office that its rights have been determined and that accordingly no statement is necessary) a statement under oath setting forth the full facts surrounding the making or conception of the invention or discovery described in the application and whether the invention or discovery was made or conceived in the course of or under any contract, subcontract, or arrangement entered into with or for the benefit of the Commission, regardless of whether the contract, subcontract, or arrangement involved the expenditure of funds by the Commission. The Under Secretary of Commerce for Intellectual Property and Director of the United States Patent and Trademark Office shall as soon as the application is otherwise in condition for allowance forward copies of the application and the statement to the Commission. The Under Secretary of Commerce for Intellectual Property and Director of the United States Patent and Trademark Office may proceed with the application and issue the patent to the applicant (if the invention or discovery is otherwise patentable) unless the Commission, within 90 days after receipt of copies of the application and statement, directs the Under Secretary of Commerce for Intellectual Property and Director of the United States Patent and Trademark Office to issue the patent to the Commission (if the invention or discovery is otherwise patentable) to be held by the Commission as the agent of and on behalf of the United States. If the Commission files such a direction with the Under Secretary of Commerce for Intellectual Property and Director of the United States Patent and Trademark Office, and if the applicant’s statement claims, and the applicant still believes, that the invention or discovery was not made or conceived in the course of or under any contract, subcontract or arrangement entered into with or for the benefit of the Commission entitling the Commission to the title to the application or the patent the applicant may, within 30 days after notification of the filing of such a direction, request a hearing before the Patent Trial and Appeal Board. The Board shall have the power to hear and determine whether the Commission was entitled to the direction filed with the Under Secretary of Commerce for Intellectual Property and Director of the United States Patent and Trademark Office. The Board shall follow the rules and procedures established for interference and derivation cases and an appeal may be taken by either the applicant or the Commission from the final order of the Board to the United States Court of Appeals for the Federal Circuit in accordance with the procedures governing the appeals from the Patent Trial and Appeal Board.

If the statement filed by the applicant should thereafter be found to contain false material statements any notification by the Commission that it has no objections to the issuance of a patent to the applicant shall not be deemed in any respect to constitute a waiver of the provisions of this section or of any applicable civil or criminal statute, and the Commission may have the title to the patent transferred to the Commission on the records of the Under Secretary of Commerce for Intellectual Property and Director of the United States Patent and Trademark Office in accordance with the provisions of this section. A determination of rights by the Commission pursuant to a contractual provision or other arrangement prior to the request of the Under Secretary of Commerce for Intellectual Property and Director of the United States Patent and Trademark Office for the statement, shall be final in the absence of false material statements or nondisclosure of material facts by the applicant.


Amendments

with Commission, striking out language extending
Commission's patent rights to other relationships and
activities in connection with Commission contracts,
provided for waiver of patent rights consistent with the
policy of this section and for finality of determinations
of Commission, and dispensed with need for statement
to Commissioner of Patents under certain circumstances.

**Effective Date of 2011 Amendment**

Amendment by Pub. L. 112–29 effective upon the expi-
ration of the 1-year period beginning on Sept. 16, 2011,
and applicable to proceedings commenced on or after
that effective date, with certain exceptions, see section
7(e) of Pub. L. 112–29, set out as a note under section 6
of Title 35, Patents.

**Effective Date of 1999 Amendment**

Amendment by Pub. L. 106–113 effective 4 months
after Nov. 29, 1999, see section 1000(a)(9) [title IV, §4731]
of Pub. L. 106–113, set out as a note under section 1 of
Title 35, Patents.

**Effective Date of 1984 Amendment**

Amendment by Pub. L. 98–622 effective three months
after Nov. 8, 1984, see section 207 of Pub. L. 98–622,
set out as a note under section 41 of Title 35, Patents.

**Effective Date of 1982 Amendment**

Amendment by Pub. L. 97–164 effective Oct. 1, 1982,
see section 171 of Title 28, Judiciary and Judicial Proce-
dure.

§ 2183. Nonmilitary utilization

(a) Declaration of public interest

The Commission may, after giving the patent
owner an opportunity for a hearing, declare any
patent to be affected with the public interest if
(1) the invention or discovery covered by the
patent is of primary importance in the produc-
tion or utilization of special nuclear material or
atomic energy; and (2) the licensing of such in-
vention or discovery under this section is of pri-
mary importance to effectuate the policies and
purposes of this chapter.

(b) Action by Commission

Whenever any patent has been declared af-
fected with the public interest, pursuant to sub-
section (a)—

(1) the Commission is licensed to use the in-
vention or discovery covered by such patent in
performing any of its powers under this chap-
ter; and

(2) any person may apply to the Commission
for a nonexclusive patent license to use the in-
vention or discovery covered by such patent,
and the Commission shall grant such patent
license to the extent that it finds that the use
of the invention or discovery is of primary im-
portance to the conduct of an activity by such
person authorized under this chapter.

(c) Application for patent

Any person—

(1) who has made application to the Commis-
sion for a license under sections 2073, 2092,
2093, 2111, 2193 or 2194 of this title, or a permit
or lease under section 2077 of this title; or
(2) to whom such license, permit, or lease
has been issued by the Commission;

(3) who is authorized to conduct such activi-
ties as such applicant is conducting or pro-
poses to conduct under a general license issued
by the Commission under sections 2092 or 2111
of this title; or

(4) whose activities or proposed activities
are authorized under section 2051 of this title,
may at any time make application to the Com-
mision for a patent license for the use of an in-
vention or discovery useful in the production or
utilization of special nuclear material or atomic
energy covered by a patent. Each such applica-
tion shall set forth the nature and purpose of
the use which the applicant intends to make of
the patent license, the steps taken by the appli-
cant to obtain a patent license from the owner
of the patent, and a statement of the effects, as
estimated by the applicant, on the authorized
activities which will result from failure to ob-
tain such patent license and which will result
from the granting of such patent license.

(d) Hearings

Whenever any person has made an application
to the Commission for a patent license pursuant to subsection (c)—

(1) the Commission, within 30 days after the
filing of such application, shall make avail-
able to the owner of the patent all of the infor-
mation contained in such application, and
shall notify the owner of the patent of the
time and place at which a hearing will be held
by the Commission;

(2) the Commission shall hold a hearing
within 60 days after the filing of such applica-
tion at a time and place designated by the
Commission; and

(3) in the event an applicant applies for two
or more patent licenses, the Commission may,
in its discretion, order the consolidation of
such applications, and if the patents are owned
by more than one owner, such owners may be
made parties to one hearing.

(e) Commission's findings

If, after any hearing conducted pursuant to
subsection (d), the Commission finds that—

(1) the invention or discovery covered by
the patent is of primary importance in the produc-
tion or utilization of special nuclear material
or atomic energy;

(2) the licensing of such invention or discov-
ery is of primary importance to the conduct of
the activities of the applicant;

(3) the activities to which the patent license
are proposed to be applied by such applicant
are of primary importance to the furtherance
of policies and purposes of this chapter; and

(4) such applicant cannot otherwise obtain a
patent license from the owner of the patent on
terms which the Commission deems to be rea-
sonable for the intended use of the patent to
be made by such applicant,

the Commission shall license the applicant to
use the invention or discovery covered by the
patent for the purposes stated in such applica-
tion on terms deemed equitable by the Commis-
sion and generally not less fair than those
granted by the patentee or by the Commission
to similar licensees for comparable use.

(f) Limitations on issuance of patent

The Commission shall not grant any patent li-
cense pursuant to subsection (e) for any other
§ 2184. Injunctions; measure of damages

No court shall have jurisdiction or power to stay, restrain, or otherwise enjoin the use of any invention or discovery by a patent licensee, to the extent that such use is licensed by section 2183(b) or 2183(e) of this title. If, in any action against such patent licensee, the court shall determine that the defendant is exercising such license, the measure of damages shall be the royalty fee determined pursuant to section 2187(c) of this title, together with such costs, interest, and reasonable attorney’s fees as may be fixed by the court. If no royalty fee has been determined, the court shall stay the proceeding until the royalty fee is determined pursuant to section 2187(c) of this title. If any such patent licensee shall fail to pay such royalty fee, the patentee may bring an action in any court of competent jurisdiction for such royalty fee, together with such costs, interest, and reasonable attorney’s fees as may be fixed by the court.


§ 2185. Prior art

In connection with applications for patents covered by this subchapter, the fact that the invention or discovery was known or used before shall be a bar to the patenting of such invention or discovery even though such prior knowledge or use was under secrecy within the atomic energy program of the United States.


Transfer of Functions

Atomic Energy Commission abolished and functions transferred by sections 5814 and 5841 of this title. See, also, notes set out under those sections.

§ 2186. Commission patent licenses

The Commission shall establish standard specifications upon which it may grant a patent license to use any patent declared to be affected with the public interest pursuant to section 2183(a) of this title. Such a patent license shall not waive any of the other provisions of this chapter.


References in Text

This chapter, referred to in text, was in the original “this Act”, meaning act Aug. 1, 1946, ch. 724, as added by act Aug. 30, 1954, ch. 1073, §1, 68 Stat. 919, known as the Atomic Energy Act of 1946, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 2011 of this title and Tables.

Prior Provisions

Provisions similar to this section were contained in section 1811(c)(3) of this title, prior to the general amendment and renumbering of act Aug. 1, 1946, by act Aug. 30, 1954.

Amendments


§ 2184. Injunctions; measure of damages

No court shall have jurisdiction or power to stay, restrain, or otherwise enjoin the use of any invention or discovery by a patent licensee, to the extent that such use is licensed by section 2183(b) or 2183(e) of this title. If, in any action against such patent licensee, the court shall determine that the defendant is exercising such license, the measure of damages shall be the royalty fee determined pursuant to section 2187(c) of this title, together with such costs, interest, and reasonable attorney’s fees as may be fixed by the court. If no royalty fee has been determined, the court shall stay the proceeding until the royalty fee is determined pursuant to section 2187(c) of this title. If any such patent licensee shall fail to pay such royalty fee, the patentee may bring an action in any court of competent jurisdiction for such royalty fee, together with such costs, interest, and reasonable attorney’s fees as may be fixed by the court.


Prior Provisions

Provisions similar to this section were contained in section 1811(c)(3) of this title, prior to the general amendment and renumbering of act Aug. 1, 1946, by act Aug. 30, 1954.

§ 2185. Prior art

In connection with applications for patents covered by this subchapter, the fact that the invention or discovery was known or used before shall be a bar to the patenting of such invention or discovery even though such prior knowledge or use was under secrecy within the atomic energy program of the United States.


Transfer of Functions

Atomic Energy Commission abolished and functions transferred by sections 5814 and 5841 of this title. See, also, notes set out under those sections.

§ 2186. Commission patent licenses

The Commission shall establish standard specifications upon which it may grant a patent license to use any patent declared to be affected with the public interest pursuant to section 2183(a) of this title. Such a patent license shall not waive any of the other provisions of this chapter.


References in Text

This chapter, referred to in text, was in the original “this Act”, meaning act Aug. 1, 1946, ch. 724, as added by act Aug. 30, 1954, ch. 1073, §1, 68 Stat. 919, known as the Atomic Energy Act of 1946, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 2011 of this title and Tables.

Prior Provisions

Provisions similar to this section were contained in section 1811(c)(3) of this title, prior to the general amendment and renumbering of act Aug. 1, 1946, by act Aug. 30, 1954.
§ 2187. Compensation, awards, and royalties

(a) Patent Compensation Board

The Commission shall designate a Patent Compensation Board to consider applications under this section. The members of the Board shall receive a per diem compensation for each day spent in meetings or conferences, and all members shall receive their necessary traveling or other expenses while engaged in the work of the Board. The members of the Board may serve as such without regard to the provisions of sections 281, 283, or 284 of title 18, except in so far as such sections may prohibit any such member from receiving compensation in respect of any particular matter which directly involves the Commission or in which the Commission is directly interested.

(b) Eligibility

(1) Any owner of a patent licensed under section 2188 or 2183(b) or 2183(e) of this title, or any patent licensee thereunder may make application to the Commission for the determination of a reasonable royalty fee in accordance with such procedures as the Commission by regulation may establish.

(2) Any person seeking to obtain the just compensation provided in section 2181 of this title shall make application therefor to the Commission in accordance with such procedures as the Commission may by regulation establish.

(3) Any person making any invention or discovery useful in the production or utilization of special nuclear material or atomic energy, who is not entitled to compensation or a royalty therefor under this chapter and who has complied with the provisions of section 2181(c) of this title may make application to the Commission for, and the Commission may grant, an award. The Commission may also, after consultation with the General Advisory Committee, and with the approval of the President, grant an award for any especially meritorious contribution to the development, use, or control of atomic energy.

(c) Standards

(1) In determining a reasonable royalty fee as provided for in section 2183(b) or 2183(e) of this title, the Commission shall take into consideration (A) the advice of the Patent Compensation Board; (B) any defense, general or special, that might be pleaded by a defendant in an action for infringement; (C) the extent to which, if any, such patent was developed through federally financed research; and (D) the degree of utility, novelty, and importance of the invention or discovery, and may consider the cost to the owner of the patent of developing such invention or discovery or acquiring such patent.

(2) In determining what constitutes just compensation as provided for in section 2181 of this title, or in determining the amount of any award under subsection (b)(3), the Commission shall take into account the considerations set forth in paragraph (1) of this subsection and the actual use of such invention or discovery. Such compensation may be paid by the Commission in periodic payments or in a lump sum.

(d) Limitations

Every application under this section shall be barred unless filed within six years after the date on which first accrues the right to such reasonable royalty fee, just compensation, or award for which such application is filed.


References in Text

Sections 281, 283, and 284 of title 18, referred to in subsec. (a), were repealed by Pub. L. 87–409, §2, Oct. 23, 1962, 76 Stat. 1126, except as sections 281 and 283 apply to retired officers of the Armed Forces of the United States, and were supplanted by sections 203, 205, and 207, respectively, of Title 18, Crimes and Criminal Procedures. For further details, see “Exceptions” note set out under section 203 of Title 18.

This chapter, referred to in subsec. (b)(3), was in the original “‘this Act’”, meaning act Aug. 1, 1946, ch. 724, as added by act Aug. 30, 1954, ch. 1073, §1, 68 Stat. 919, known as the Atomic Energy Act of 1944, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 2011 of this title and Tables.

Prior Provisions

Provisions similar to this section were contained in section 1811(e)(1) to (3) of this title, prior to the general amendment and renumbering of act Aug. 1, 1946, by act Aug. 30, 1954.

Amendments

1974—Subsec. (b)(3). Pub. L. 93–276 substituted “after consultation with the General Advisory Committee” for “upon the recommendation of the General Advisory Committee”.


Transfer of Functions

Atomic Energy Commission abolished and functions transferred by sections 5814 and 5841 of this title. Patent Compensation Board established by this section transferred to Energy Research and Development Administration and functions of Atomic Energy Commission with respect thereto transferred to Administrator by section 5814(d) of this title. See, also, notes set out under sections 5814 and 5841 of this title. Energy Research and Development Administration terminated and functions vested in Administrator thereof transferred to Secretary of Energy (unless otherwise specifically provided) by sections 7151(a) and 7293 of this title.

Termination of Advisory Committees

Advisory committees in existence on Jan. 5, 1973, to terminate not later than the expiration of the 2-year period following Jan. 5, 1973, unless, in the case of a committee established by the President or an officer of the Federal Government, such committee is renewed by appropriate action prior to the expiration of such 2-year period, or in the case of a committee established by the Congress, its duration is otherwise provided for by law. See Pub. L. 92–463, §14, Oct. 6, 1972, 86 Stat. 776, set out in the Appendix to Title 5, Government Organization and Employees.
EX. ORD. NO. 11477. AWARDS BY COMMISSION WITHOUT APPROVAL OF PRESIDENT

Ex. Ord. No. 11477, eff. Aug. 7, 1969, 34 F.R. 12937, provided:

By virtue of the authority vested in me by section 301 of title 3 of the United States Code, and as President of the United States, it is ordered as follows:

The Atomic Energy Commission is hereby designated and empowered, without approval, ratification, or other action by the President, to grant by the unanimous affirmative vote of all of its members not more than five awards in any calendar year, not exceeding the sum of $5,000 each, pursuant to the last sentence of section 157b(3) of the Atomic Energy Act of 1954 (42 U.S.C. 2187(b)(3) which authorizes the Commission to grant awards for especially meritorious contributions to the development, use, or control of atomic energy.

RICHARD NIXON.

MODIFICATION OF EXECUTIVE ORDER NO. 11477

Ex. Ord. No. 11477, Aug. 7, 1969, 34 F.R. 12937, set out as a note above, when referring to functions of the Atomic Energy Commission is modified to provide that all such functions shall be exercised by the Secretary of Energy and the Nuclear Regulatory Commission, see section 4(a)(1) of Ex. Ord. No. 12386, Feb. 3, 1978, 43 F.R. 4997, set out as a note under section 7151 of this title.

§ 2188. Monopolistic use of patents

Whenever the owner of any patent hereafter granted for any invention or discovery of primary use in the utilization or production of special nuclear material or atomic energy is found by a court of competent jurisdiction to have intentionally used such patent in a manner so as to violate any of the antitrust laws specified in section 2135(a) of this title, there may be included in the judgment of the court, at its discretion, deems that such licensee shall pay a reasonable royalty to the owner of the patent, the reasonable royalty so included in the judgment of the court, in its discretion, shall be such as the court deems that such royalty to the owner of the patent, the reasonable royalty to be determined in accordance with section 2187 of this title.


AMENDMENTS

1969—Pub. L. 93–596 made it discretionary, rather than mandatory, for the court to require payment of royalties by a licensee to the owner of a patent.

§ 2189. Federally financed research

Nothing in this chapter shall affect the right of the Commission to require that patents granted on inventions, made or conceived during the course of federally financed research or operations, be assigned to the United States.


REFERENCES IN TEXT

This chapter, referred to in text, was in the original ‘‘this Act’’, meaning act Aug. 1, 1946, ch. 724, as added by act Aug. 30, 1954, ch. 1073, § 1, 68 Stat. 919, known as the Atomic Energy Act of 1954, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 2111 of this title and Tables.

§ 2190. Saving clause for prior patent applications

Any patent application on which a patent was denied by the United States Patent and Trademark Office under sections 1811(a)(1), 1811(a)(2), or 1811(b) of this title, and which is not prohibited by section 2181 or 2185 of this title may be reinstated upon application to the Commissioner of Patents and Trademarks within one year after August 30, 1954 and shall then be deemed to have been continuously pending since its original filing date: Provided, however, That no patent issued upon any patent application so reinstated shall in any way furnish a basis of claim against the Government of the United States.


REFERENCES IN TEXT

Sections 1811(a)(1), 1811(a)(2), and 1811(b) of this title, referred to in text, were omitted from the Code in the general amendment and renumbering of act Aug. 1, 1946 which was classified to section 1801 et seq. of this title) by act Aug. 30, 1954, ch. 1073, 68 Stat. 919.

CHANGE OF NAME


SUBCHAPTER XIII—GENERAL AUTHORITY OF COMMISSION

§ 2201. General duties of Commission

In the performance of its functions the Commission is authorized to—

(a) Establishment of advisory boards

establish advisory boards to advise with and make recommendations to the Commission on legislation, policies, administration, research, and other matters, provided that the Commission issues regulations setting forth the scope, procedure, and limitations of the authority of each such board;

(b) Standards governing use and possession of material

establish by rule, regulation, or order, such standards and instructions to govern the possession and use of special nuclear material, source material, and byproduct material as the Commission may deem necessary or desirable to promote the common defense and security or to protect health or to minimize danger to life or property; in addition, the Commission shall prescribe such regulations or orders as may be necessary or desirable to pro-
mote the Nation's common defense and security with regard to control, ownership, or possession of any equipment or device, or important component part especially designed for such equipment or device, capable of separating the isotopes of uranium or enriching uranium in the isotope 235:

(c) Studies and investigations

make such studies and investigations, obtain such information, and hold such meetings or hearings as the Commission may deem necessary or proper to assist it in exercising any authority provided in this chapter, or in the administration or enforcement of this chapter, or any regulations or orders issued thereunder. For such purposes the Commission is authorized to administer oaths and affirmations, and by subpena to require any person to appear and testify, or to appear and produce documents, or both, at any designated place. Witnesses subpoenaed under this subsection shall be paid the same fees and mileage as are paid witnesses in the district courts of the United States:

(d) Employment of personnel

appoint and fix the compensation of such officers and employees as may be necessary to carry out the functions of the Commission. Such officers and employees shall be appointed in accordance with the civil-service laws and their compensation fixed in accordance with chapter 51 and subchapter III of chapter 53 of title 5, if such provisions were applicable to such position, as are paid by law, and scientific and technical personnel up to a limit of the highest rate of grade 18 of the General Schedule) whose position would be subject to chapter 51 and subchapter III of chapter 53 of title 5, if such provisions were applicable to such position, shall be paid a salary at a rate in excess of the rate payable under such provisions for positions of equivalent difficulty or responsibility. Such rates of compensation may be adopted by the Commission as may be authorized by chapter 51 and subchapter III of chapter 53 of title 5, as of the same date such rates are authorized for positions subject to such provisions. The Commission shall make adequate provision for administrative review of any determination to dismiss any employee:

(e) Acquisition of material, property, etc; negotiation of commercial leases

acquire such material, property, equipment, and facilities, establish or construct such buildings and facilities, and modify such buildings and facilities from time to time, as it may deem necessary; and conduct such functions on its behalf as may appear desirable;

(f) Utilization of other Federal agencies

with the consent of the agency concerned, utilize or employ the services or personnel of any Government agency or any State or local government, or voluntary or uncompensated personnel, to perform such functions on its behalf as may appear desirable;

(g) Acquisition of real and personal property

acquire, purchase, lease, and hold real and personal property, including patents, as agent of and on behalf of the United States, subject to the provisions of section 2224 of this title, and to sell, lease, grant, and dispose of such real and personal property as provided in this chapter;

(h) Consideration of license applications

consider in a single application one or more of the activities for which a license is required by this chapter, combine in a single license one or more of such activities, and permit the applicant or licensee to incorporate by reference pertinent information already filed with the Commission;

(i) Regulations governing Restricted Data

prescribe such regulations or orders as it may deem necessary (1) to protect Restricted Data received by any person in connection with any activity authorized pursuant to this chapter, (2) to guard against the loss or diversion of any special nuclear material acquired by any person pursuant to section 2073 of this title or produced by any person in connection with any activity authorized pursuant to this chapter, to prevent any use or disposition thereof which the Commission may determine to be inimical to the common defense and security, including regulations or orders designating activities, involving quantities of special nuclear material which in the opinion of the Commission are important to the common defense and security, that may be conducted only by persons whose character, asso-

---

1 So in original.
ciations, and loyalty shall have been investigated under standards and specifications established by the Commission and as to whom the Commission shall have determined that permitting each such person to conduct the activity will not be imical to the common defense and security, (3) to govern any activity authorized pursuant to this chapter, including standards and restrictions governing the design, location, and operation of facilities used in the conduct of such activity, in order to protect health and to minimize danger to life or property, and (4) to ensure that sufficient funds will be available for the decommissioning of any production or utilization facility licensed under section 2133 or 2134(b) of this title, including standards and restrictions governing the control, maintenance, use, and disbursement by any former licensee under this chapter that has control over any fund for the decommissioning of the facility;

(j) Disposition of surplus materials

without regard to the provisions of chapters 1 to 11 (except section 559) of title 40 and division C (except sections 3302, 3307(e), 3501(b), 3505, 3506, 4710, and 4711(e)) of subtitle I of title 41, or any other law, make such disposition as it may deem desirable of (1) radioactive materials, and (2) any other property, the special use and disposition of which is, in the opinion of the Commission, in the interest of the national security: Provided, however, That the property furnished to licensees in accordance with the provisions of subsection (m) shall not be deemed to be property disposed of by the Commission pursuant to this subsection;

(k) Carrying of firearms; authority to make arrests without warrant

authorize such of its members, officers, and employees as it deems necessary in the interests of the common defense and security to carry firearms while in the discharge of their official duties. The Commission may also authorize such of those employees of its contractors and subcontractors (at any tier) engaged in the protection of property under the jurisdiction of the United States located at facilities owned by or contracted to the United States or being transported to or from such facilities as it deems necessary in the interests of the common defense and security to carry firearms while in the discharge of their official duties. A person authorized to carry firearms under this subsection may, while in the performance of, and in connection with, official duties, make arrests without warrant for any offense against the United States committed in that person’s presence or for any felony cognizable under the laws of the United States if that person has reasonable ground to believe that the individual to be arrested has committed or is committing such felony. An employee of a contractor or subcontractor authorized to carry firearms under this subsection may make such arrests only when the individual to be arrested is within, or in direct flight from, the area of such offense. A person granted authority to make arrests by this subsection may exercise that authority only in the enforcement of (1) laws regarding the property of the United States in the custody of the Department of Energy, the Nuclear Regulatory Commission, or a contractor of the Department of Energy or Nuclear Regulatory Commission, or (2) any provision of this chapter that may subject an offender to a fine, imprisonment, or both. The arrest authority conferred by this subsection is in addition to any arrest authority under other laws. The Secretary, with the approval of the Attorney General, shall issue guidelines to implement this subsection;


(m) Agreements regarding production

enter into agreements with persons licensed under section 2133, 2134, 2073(a)(4), or 2093(a)(4) of this title for such periods of time as the Commission may deem necessary or desirable (1) to provide for the processing, fabricating, separating, or refining in facilities owned by the Commission of source, byproduct, or other material or special nuclear material owned by or made available to such licensees and which is utilized or produced in the conduct of the licensed activity, and (2) to sell, lease, or otherwise make available to such licensees such quantities of source or byproduct material, and other material not defined as special nuclear material pursuant to this chapter, as may be necessary for the conduct of the licensed activity: Provided, however, That any such agreement may be canceled by the licensee at any time upon payment of such reasonable cancellation charges as may be agreed upon by the licensee and the Commission: And provided further, That the Commission shall establish prices to be paid by licensees for material or services to be furnished by the Commission pursuant to this subsection, which prices shall be established on such a nondiscriminatory basis as, in the opinion of the Commission, will provide reasonable compensation to the Government for such material or services and will not discourage the development of sources of supply independent of the Commission;

(n) Delegation of functions

delegate to the General Manager or other officers of the Commission any of those functions assigned to it under this chapter except those specified in sections 2071, 2077(b) (with respect to enrichment and reprocessing of special nuclear material or with respect to transfers to any covered foreign country (as defined in section 2077a(i) of this title)), 2091, 2128, 2153, 2165(b) of this title (with respect to the determination of those persons to whom the Commission may reveal Restricted Data in the national interest), 2165(d) of this title and subsection (a) of this section;

(o) Reports

require by rule, regulation, or order, such reports, and the keeping of such records with respect to, and to provide for such inspections of, activities and studies of types specified in section 2051 of this title and of activities under licenses issued pursuant to sections 2073, 2093,
2111, 2133, and 2134 of this title, as may be necessary to effectuate the purposes of this chapter, including section 2135 of this title; and

(p) Rules and regulations

make, promulgate, issue, rescind, and amend such rules and regulations as may be necessary to carry out the purposes of this chapter.

(q) Easements for rights-of-way

The Commission is authorized and empowered, under such terms and conditions as are deemed advisable by it, to grant easements for rights-of-way over, across, in, and upon acquired lands under its jurisdiction and control, and public lands permanently withdrawn or reserved for the use of the Commission, to any State, political subdivision thereof, or municipality, or to any individual, partnership, or corporation of any State, Territory, or possession of the United States, for (a) railroad tracks; (b) oil pipe lines; (c) substations for electric power transmission lines, telephone lines, and telegraph lines, and pumping stations for gas, water, sewer, and oil pipe lines; (d) canals; (e) ditches; (f) flumes; (g) tunnels; (h) dams and reservoirs in connection with fish and wildlife programs, fish hatcheries, and other fish-cultural improvements; (i) roads and streets; and (j) for any other purpose or purposes deemed advisable by the Commission: Provided, That such rights-of-way shall be granted only upon a finding by the Commission that the same will not be incompatible with the public interest: Provided further, That such rights-of-way shall not include any more land than is reasonably necessary for the purpose for which granted: And provided further, That all or any part of such rights-of-way may be annulled and forfeited by the Commission for failure to comply with the terms and conditions of any grant hereunder or for nonuse for a period of two consecutive years or abandonment of rights granted under authority hereof. Copies of all instruments granting easements over public lands pursuant to this section shall be furnished to the Secretary of the Interior.

(r) Sale of utilities and related services

Under such regulations and for such periods and at such prices the Commission may prescribe, the Commission may sell or contract to sell to purchasers within Commission-owned communities or in the immediate vicinity of the Commission community, as the case may be, any of the following utilities and related services, if it is determined that they are not available from another local source and that the sale is in the interest of the national defense or in the public interest:

1. Electric power.
2. Steam.
3. Compressed air.
5. Sewage and garbage disposal.
6. Natural, manufactured, or mixed gas.
7. Ice.
8. Mechanical refrigeration.
9. Telephone service.

Proceeds of sales under this subsection shall be credited to the appropriation currently available for the supply of that utility or service. To meet local needs the Commission may make minor expansions and extensions of any distributing system or facility within or in the immediate vicinity of a Commission-owned community through which a utility or service is furnished under this subsection.

(s) Succession of authority

establish a plan for a succession of authority which will assure the continuity of direction of the Commission’s operations in the event of a national disaster due to enemy activity. Notwithstanding any other provision of this chapter, the person or persons succeeding to command in the event of such disaster shall be vested with all of the authority of the Commission: Provided, That any such succession to authority, and vesting of authority shall be effective only in the event and as long as a quorum of three or more members of the Commission is unable to convene and exercise direction during the disaster period: Provided further, That the disaster period includes the period when attack on the United States is imminent and the post-attack period necessary to reestablish normal lines of command;

(t) Contracts

enter into contracts for the processing, fabricating, separating, or refining in facilities owned by the Commission of source, byproduct or other material, or special nuclear material, in accordance with and within the period of an agreement for cooperation while comparable services are available to persons licensed under section 2233 or 2134 of this title: Provided, That the prices for services under such contracts shall be no less than the prices currently charged by the Commission pursuant to subsection (m);

(u) Additional contracts; guiding principles; appropriations

1. enter into contracts for such periods of time as the Commission may deem necessary or desirable, but not to exceed five years from the date of execution of the contract, for the purchase or acquisition of reactor services or services related to or required by the operation of reactors;
2. (A) enter into contracts for such periods of time as the Commission may deem necessary or desirable for the purchase or acquisition of any supplies, equipment, materials, or services required by the Commission whenever the Commission determines that: (i) it is advantageous to the Government to make such purchase or acquisition from commercial sources; (ii) the furnishing of such supplies, equipment, materials, or services will require the construction or acquisition of special facilities by the vendors or suppliers thereof; (iii) the amortization chargeable to the Commission constitutes an appreciable portion of the cost of contract performance, excluding cost of materials; and (iv) the contract for such period is more advantageous to the Government than a similar contract not executed under the authority of this subsection. Such
contracts shall be entered into for periods not to exceed five years each from the date of initial delivery of such supplies, equipment, materials, or services or ten years from the date of execution of the contracts excluding periods of renewal under option.

(B) In entering into such contracts the Commission shall be guided by the following principles: (i) the percentage of the total cost of special facilities devoted to contract performance and chargeable to the Commission should not exceed the ratio between the period of contract deliveries and the anticipated useful life of such special facilities; (ii) the desirability of obtaining options to renew the contract for reasonable periods at prices not to include charges for special facilities already amortized; and (iii) the desirability of reserving in the Commission the right to take title to the special facilities under appropriate circumstances; and

(3) include in contracts made under this subsection provisions which limit the obligation of funds to estimated annual deliveries and services and the unamortized balance of such amounts due for special facilities as the parties shall agree is chargeable to the performance of the contract. Any appropriation available at the time of termination or thereafter made available to the Commission for operating expenses shall be available for payment of such costs which may arise from termination as the contract may provide. The term “special facilities” as used in this subsection means any land and any depreciable buildings, structures, utilities, machinery, equipment, and fixtures necessary for the production or furnishing of such supplies, equipment, materials, or services and not available to the vendors or suppliers for the performance of the contract.

(v) Support of United States Enrichment Corporation provide services in support of the United States Enrichment Corporation, except that the Secretary of Energy shall annually collect payments and other charges from the Corporation sufficient to ensure recovery of the costs (excluding depreciation and imputed interest on original plant investments in the Department’s gaseous diffusion plants and costs under section 2297c–2(d) of this title) incurred by the Department of Energy after October 21, 1992, in performing such services;

(w) License fees for nuclear power reactors

prescribe and collect from any other Government agency, which applies to the Commission for, or is issued by the Commission, a license or certificate, any fee, charge, or price which it may require, in accordance with the provisions of section 9701 of title 31 or any other law.

(x) Standards and instructions for bonding, surety, or other financial arrangements, including performance bonds

Establish by rule, regulation, or order, after public notice, and in accordance with the requirements of section 2231 of this title, such standards and instructions as the Commission may deem necessary or desirable to ensure—

(1) that an adequate bond, surety, or other financial arrangement (as determined by the Commission) will be provided, before termination of any license for byproduct material as defined in section 2014(e)(2) of this title, by a licensee to permit the completion of all requirements established by the Commission for the decommissioning, decontamination, and reclamation of sites, structures, and equipment used in conjunction with byproduct material as so defined, and

(2) that—

(A) in the case of any such license issued or renewed after November 8, 1978, the need for long-term maintenance and monitoring of such sites, structures and equipment after termination of such license will be minimized and, to the maximum extent practicable, eliminated; and

(B) in the case of each license for such material (whether in effect on November 8, 1978, or issued or renewed thereafter), if the Commission determines that any such long-term maintenance and monitoring is necessary, the licensee, before termination of any license for byproduct material as defined in section 2014(e)(2) of this title, will make available such bonding, surety, or other financial arrangements as may be necessary to assure such long-term maintenance and monitoring.

Such standards and instructions promulgated by the Commission pursuant to this subsection shall take into account, as determined by the Commission, so as to avoid unnecessary duplication and expense, performance bonds or other financial arrangements which are required by other Federal agencies or State agencies and/or other local governing bodies for such decommissioning, decontamination, and reclamation and long-term maintenance and monitoring except that nothing in this paragraph shall be construed to require that the Commission accept such bonds or arrangements if the Commission determines that such bonds or arrangements are not adequate to carry out subparagraphs (1) and (2) of this subsection.


AMENDMENT OF SECTION

For termination of amendment by section 501(c) of Pub. L. 100–449, see Effective and Termination Dates of 1988 Amendment note below.

REFERENCES IN TEXT

This chapter, referred to in subsec. (c), (g) to (i), (m) to (p), and (s), was in the original “‘this Act’, meaning act Aug. 1, 1946, ch. 724, as added by act Aug. 30, 1954, ch. 1037, §1, 68 Stat. 919, known as the Atomic Energy Act of 1946, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 2011 of this title and Tables.


CODIFICATION

In subsec. (d), ‘‘chapter 51 and subchapter III of chapter 53 of title 5’’ and ‘‘such provisions’’ substituted for ‘‘the Classification Act of 1949, as amended’’ and ‘‘such Act’’, respectively, on authority of Pub. L. 89–554, §7(b), Sept. 6, 1966, 80 Stat. 631, the first section of which enacted Title 5, Government Organization and Employees.


In subsec. (x)(2)(B), ‘‘November 8, 1978’’ was in the original ‘‘the date of the enactment of this section’’, which has been translated as the date of the enactment of this subsection to reflect the probable intent of Congress.

PRIOR PROVISIONS

Provisions similar to this section were contained in section 1812(a) of this title, prior to the general amendment and renumbering of act Aug. 1, 1946, by act Aug. 30, 1954.

AMENDMENTS

2018—Subsec. (n). Pub. L. 115–232 substituted ‘‘2077(b)’’ (with respect to enrichment and reprocessing of special nuclear material or with respect to transfers to any covered foreign country (as defined in section 2077a(i) of this title)), for ‘‘2077(b)’’, 2005—Subsec. (1)(4). Pub. L. 109–58, §626, added cl. (4).


420192—Subsec. (v). Pub. L. 102–486, §1902(a)(4), amended subsec. (v) generally, substituting provisions relating to duty to provide services in support of United States Department of Energy Enrichment Corporation for provisions relating to duty to enter into contracts for production or enrichment of special nuclear material.

Subsec. (w). Pub. L. 102–486, §1902(a)(5), inserted ‘‘or which operates any facility regulated or certified under section 2297f or 2297f–1 of this title,’’ after ‘‘2134(b) of this title,’’ and ‘‘or certificates’’ after ‘‘holders of, such licenses’’.

1990—Subsec. (b). Pub. L. 101–575, which directed amendment of subsec. (b) by striking the period at the end and inserting ‘‘; in addition, the Commission shall prescribe such regulations or orders as may be necessary or desirable to promote the Nation’s common defense and security with regard to control, ownership, or possession of any equipment or device, or important component part especially designed for such equipment or device, capable of separating the isotopes of uranium or enriching uranium in the isotope 235;’’, was executed by striking the semicolon at end of subsec. (b) and making insertion to reflect probable intent of Congress.

1988—Subsec. (v). Pub. L. 100–449 temporarily inserted in closing provisions ‘‘For purposes of this subsection’’ references to sections 1812(a) and of section 305 of Public Law 99–591 (100 Stat. 3341–209, 210), ‘‘foreign origin’’ excludes source or special nuclear material originating in Canada.’’ See Effective and Termination Dates of 1988 Amendment note below.

1986—Subsec. (k). Pub. L. 99–661 inserted ‘‘and contractors (at any tier)’’ after ‘‘employees of its contractors’’, substituted ‘‘‘under the jurisdiction of the United States for ‘‘owned by the United States and’’, inserted ‘‘or being transported to or from such facilities’’ after ‘‘contracted to the United States’’, inserted after third sentence ‘‘An employee of a contractor or subcontractor authorized to carry firearms under this subsection may make such arrests only when the individual to be arrested is within, or in direct flight from, the area of such offense’’ and inserted before the semicolon at end ‘‘. The Secretary, with the approval of the Attorney General, shall issue guidelines to implement this subsection’’.

1981—Subsec. (k). Pub. L. 97–90 inserted provision that a person authorized to carry firearms under this subsection may, while in the performance of, and in connection with, official duties, make arrests without warrant for any offense against the United States committed in that person’s presence or for any felony cognizable under the laws of the United States if that person has reasonable grounds to believe that the person arrested is committing or has committed or is committing such felony, that a person granted authority to make arrests by this subsection may exercise that authority only in the enforcement of 1 laws regarding the property of the United States in the custody of the Department of Energy, the Nuclear Regulatory Commission, or a contractor of the Department of Energy or Nuclear Regulatory Commission, or (2) any provision of this chapter that may subject an offender to a fine, imprisonment, or both, and that the arrest authority conferred by this subsection is in addition to any arrest authority under other laws.


1974—Subsec. (i). Pub. L. 93–377 inserted provision in cl. (2) relating to regulations or orders designating activities, involving quantities of special nuclear material important to the common defense and security, that may be conducted by persons whose character, etc., have been established so that if they are committed to conduct such activities it would not be inimical to the common defense and security.


1970—Subsec. (c). Pub. L. 91–452 struck out provision that no person be excused from complying with any requirement under this paragraph because of his privilege against self-incrimination, but that the immunity provisions of the Compulsory Testimony Act of Feb. 11, 1883, apply with respect to any individual who specifically claims such privilege.
Subsec. (n). Pub. L. 91–560, §7, struck out references to section 2132 of this title and the finding of practical value.

Subsec. (v). Pub. L. 91–560, §8, substituted provisions for the establishment of prices on a basis of recovery of the Government's costs over a reasonable period of time for provisions for the establishment of prices on a basis which will provide reasonable compensation to the Government.

1967—Subsec. (n). Pub. L. 90–90–190 substituted "2077(b)" for "2077(a)(3)".


1962—Subsec. (d). Pub. L. 87–793 substituted "up to a limit of the highest rate of grade 18 of the General Schedule of the Classification Act of 1949, as amended" for "up to a limit of $19,000".


Subsec. (n). Pub. L. 87–615 substituted "2165(f) of this title" for "2165(e) of this title".

1961—Subsecs. (s) to (v). Pub. L. 87–266 redesignated subsec. (t) to (v) as (s) to (u), respectively.

1959—Subsec. (m). Pub. L. 86–300 inserted references to sections 2073(a)(4) and 2093(a)(4) of this title.

1958—Subsec. (d). Pub. L. 85–681, §6, authorized the Commission to adopt compensation rates on a retroactive basis as may be authorized by the Classification Act for other Government employees.

Subsecs. (n) to (s). Pub. L. 85–507 redesignated subsecs. (o) to (s) as (n) to (r), respectively.

Subsec. (n), which authorized the Commission to assign employees for instruction, education, or training by public or private agencies, institutions of learning, laboratories, or industrial or commercial organizations, was repealed by Pub. L. 85–507, see section 4101 et seq. of Title 5, Government Organizations and Employees.

Subsec. (t) to (v). Pub. L. 85–681, §7, added subsecs. (t) to (v).

1957—Subsec. (d). Pub. L. 85–287 inserted "up to a limit of $19,000" after "scientific and technical personnel".

Subsec. (e). Pub. L. 85–162, §201, inserted "(at the time of the initial grant of any privilege grant, lease, or permit, or renewal thereof, or in order to avoid inequities or undue hardship prior to the sale by the United States of property affected by such grant)" after "adjusted terms which".

Subsec. (s). Pub. L. 85–162, §204, added subsec. (s).

1956—Subsec. (e). Act July 14, 1956, inserted proviso relating to negotiation of commercial leases without advertising by the Commission.


EFFECTIVE AND TERMINATION DATES OF 1968 AMENDMENT

Amendment by Pub. L. 100–449 effective on the date the United States-Canada Free-Trade Agreement enters into force (Jan. 1, 1989), and to cease to have effect on the date the Agreement ceases to be in force, see section 501(a), (c) of Pub. L. 100–449, set out in a note under section 2112 of Title 19, Customs Duties.

EFFECTIVE DATE OF 1970 AMENDMENT

Amendment by Pub. L. 91–452 effective on sixty-first day following Oct. 15, 1970, and not to affect any immunity to which any individual is entitled under this section by reason of any testimony given before sixty-first day following Oct. 15, 1970, see section 260 of Pub. L. 91–452, set out as an Effective Date; Savings Provision note under section 6001 of Title 18, Crimes and Criminal Procedure.

EFFECTIVE DATE OF 1962 AMENDMENTS


Repeal of subsec. (l) effective with respect to articles entered, or withdrawn from warehouse, for consumption on or after Aug. 31, 1963, see Pub. L. 87–456, title V, §501(a), May 24, 1962, 76 Stat. 78.

EFFECTIVE DATE OF 1958 AMENDMENT


REFERENCES TO UNITED STATES ENRICHMENT CORPORATION

References to the United States Enrichment Corporation deemed, as of the privatization date (July 28, 1998), to be references to the private corporation, see section 3116(e) of Pub. L. 104–134, set out as a note under former section 2297 of this title.

REFERENCES IN OTHER LAWS TO GS–16, 17, OR 18 PAY RATES

References in laws to the rates of pay for GS–16, 17, or 18, or to maximum rates of pay under the General Schedule, to be considered references to rates payable under specified sections of Title 5, Government Organization and Employees, see section 532 [title I, §101(c)(1)] of Pub. L. 101–509, set out in a note under section 5376 of Title 5.

ORGANIZATIONAL CONFLICTS OF INTEREST

Pub. L. 95–209, §7, Dec. 13, 1977, 91 Stat. 1483, provided that: "The Commission shall by December 31, 1977, promulgate guidelines to be applied by the Commission in determining whether an organization proposing to enter into a contractual arrangement with the Commission has a conflict of interest which might impair the contractor's judgment or otherwise give the contractor an unfair competitive advantage."

APPLICABILITY TO FUNCTIONS TRANSFERRED BY DEPARTMENT OF ENERGY ORGANIZATION ACT

Pub. L. 95–91, title VII, §709(c)(2), Aug. 4, 1977, 91 Stat. 608, provided that: "Section 161(d) of the Atomic Energy Act of 1954 [subsec. (d) of this section] shall not apply to functions transferred by this Act [see Short Title note set out under section 7101 of this title]."

TERMINATION OF ADVISORY BOARDS

Advisory boards in existence on Jan. 5, 1973, to terminate not later than the expiration of the 2-year period following Jan. 5, 1973, unless, in the case of a board established by the President or an officer of the Federal Government, such board is renewed by appropriate action prior to the expiration of such 2-year period, or, in the case of a board established by the Congress, its duration is otherwise provided by law. Advisory boards established after Jan. 5, 1973, to terminate not later than the expiration of the 2-year period beginning on the date of their establishment, unless, in the case of a board established by the Congress, its duration is otherwise provided by law. See sections 3(2) and 14 of Pub. L. 92–463, Oct. 6, 1972, 86 Stat. 770, 776, set out in the Appendix to Title 5, Government Organization and Employees.

EMERGENCY PREPAREDNESS FUNCTIONS

For assignment of certain emergency preparedness functions to Members of the Nuclear Regulatory Commission, see Parts 1, 2, and 21 of Ex. Ord. No. 12656, Nov. 18, 1988, 53 F.R. 47491, set out as a note under section 5195 of this title.

PRINCIPAL OFFICE BUILDING FOR ATOMIC ENERGY COMMISSION

on such site, in accordance with plans and specifications prepared by or under direction of Commission, of a modern office building to serve as principal office of Federal Housing Administration, and Housing and Home Finance Agency to report to Joint Committee by Jan. 31, 1958, with respect to renegotiations, reappraisals, and sales proceedings authorized under sections 201 and 202 of Pub. L. 85–162 amending subsec. (e) of this section and enacting section 2202(c) of this title.

§ 2201a. Use of firearms by security personnel

(a) Definitions

In this section, the terms “handgun”, “rifle”, “shotgun”, “firearm”, “ammunition”, “machinegun”, “short-barreled shotgun”, and “short-barreled rifle” have the meanings given in section 921(a) of title 18.

(b) Authorization

Notwithstanding subsections (a)(4), (a)(5), (b)(2), (b)(4), and (c) of section 922 of title 18, section 5841 of title 26, and any law (including regulations) of a State or a political subdivision of a State that prohibits the transfer, receipt, possession, transportation, importation, or use of a handgun, a rifle, a shotgun, a short-barreled shotgun, a short-barreled rifle, a machinegun, a semiautomatic assault weapon, ammunition for any such gun or weapon, or a large capacity ammunition feeding device, in carrying out the duties of the Commission, the Commission may authorize the security personnel of any licensee or certificate holder, and that has been designated by the Commission, to transfer, receive, possess, transport, import, and use 1 or more such guns, weapons, ammunition, or devices, if the Commission determines that—

(1) the authorization is necessary to the discharge of the official duties of the security personnel; and

(2) the security personnel—

(A) are not otherwise prohibited from possessing or receiving a firearm under Federal or State laws relating to possession of firearms by a certain category of persons;

(B) have successfully completed any requirement under this section for training in the use of firearms and tactical maneuvers;

(C) are engaged in the protection of—

(i) a facility owned or operated by a licensee or certificate holder of the Commission that is designated by the Commission; or

(ii) radioactive material or other property owned or possessed by a licensee or certificate holder of the Commission, or that is being transported to or from a facility owned or operated by such a licensee or certificate holder, and that has been determined by the Commission to be of significance to the common defense and security; and

(D) are discharging the official duties of the security personnel in transferring, receiving, possessing, transporting, or importing the weapons, ammunition, or devices.

(c) Background checks

A person that receives, possesses, transports, imports, or uses a weapon, ammunition, or a device under subsection (b) shall be subject to a background check by the Attorney General, based on fingerprints and including a background check under section 103(b) of the Brady Handgun Violence Prevention Act (Public Law 103–159; 18 U.S.C. 922 note) to determine whether the person is prohibited from possessing or receiving a firearm under Federal or State law.

(d) Effective date

This section takes effect on the date on which guidelines are issued by the Commission, with the approval of the Attorney General, to carry out this section.


REFERENCES IN TEXT

Section 103 of the Brady Handgun Violence Prevention Act, referred to in subsec. (d), is section 103 of Pub. L. 103–159, which was classified as a note under section 922 of Title 18, Crimes and Criminal Procedure, prior to editorial reclassification as section 40901 of Title 34, Crime Control and Law Enforcement.

Guidelines to carry out this section, referred to in subsec. (d), were issued effective Sept. 11, 2009, see 74 F.R. 46800.

§ 2202. Contracts

The President may, in advance, exempt any specific action of the Commission in a particular matter from the provisions of law relating to contracts whenever he determines that such action is essential in the interest of the common defense and security.


PRIOR PROVISIONS

Provisions similar to this section were contained in section 1812(b) of this title, prior to the general amendment and renumbering of act Aug. 1, 1946, by act Aug. 30, 1954.

§ 2203. Advisory committees

The members of the General Advisory Committee established pursuant to section 2036 of this title and the members of advisory boards established pursuant to section 2203(a) of this title may serve as such without regard to the provisions of sections 281, 283, or 284 of title 18, except insofar as such sections may prohibit any such member from receiving compensation from a source other than a nonprofit educational institution in respect of any particular matter which directly involves the Commission or in which the Commission is directly interested.


1 See References in Text note below.

2 See References in Text note below.
§ 2204. Electric utility contracts; authority to enter into; cancellation; submission to Energy Committees

The Commission is authorized in connection with the construction or operation of the Oak Ridge, Paducah, and Portsmouth installations of the Commission, without regard to sections 1341, 1342, and 1349–1351 and subchapter II of chapter 15 of title 31, to enter into new contracts or modify or confirm existing contracts to provide for electric utility services for periods not exceeding twenty-five years, and such contracts shall be subject to termination by the Commission upon payment of cancellation costs as provided in such contracts, and any appropriation presently or hereafter made available to the Commission shall be available for the payment of such cancellation costs. Any such cancellation payments shall be taken into consideration in determination of the rate to be charged in the event the Commission or any other agency of the Federal Government shall purchase electric utility services from the contractor subsequent to the cancellation and during the life of the original contract. The authority of the Commission under this section to enter into new contracts or modify or confirm existing contracts to provide for electric utility services includes, in case such electric utility services are to be furnished to the Commission by the Tennessee Valley Authority, authority to contract with any person to furnish electric utility services to the Tennessee Valley Authority in replacement thereof. Any contract hereafter entered into by the Commission pursuant to this section shall be submitted to the Energy Committees and a period of thirty days shall elapse while Congress is in session (in computing such thirty days, there shall be excluded the days on which either House is not in session because of adjournment for more than three days) before the contract of the Commission shall become effective: Provided, however, That the Energy Committees, after having received the proposed contract, may by resolution in writing, waive the conditions of or all or any portion of such thirty-day period.


REFERENCES IN TEXT


Sections 281, 283, and 284 of title 18, referred to in text, were repealed by Pub. L. 86–300, §2, Oct. 23, 1962, 76 Stat. 1126, except as sections 281 and 283 apply to retired officers of the Armed Forces of the United States, and were supplanted by sections 203, 205, and 207, respectively, of Title 18, Crimes and Criminal Procedures. For further details, see “Exemptions” note set out under section 283 of Title 18.

PRIOR PROVISIONS

Provisions similar to this section were contained in section 1812(c) of this title, prior to the general amendment and renumbering of act Aug. 1, 1946, by act Aug. 30, 1954.

AMENDMENTS

1949—Pub. L. 86–380 inserted “from a source other than a nonprofit educational institution” after “compensation”.

TRANSFER OF FUNCTIONS

Atomic Energy Commission abolished and functions transferred by sections 5814 and 5841 of this title. General Advisory Committee transferred to Energy Research and Development Administration and functions of Commission with respect thereto transferred to Administrator by section 5814(d) of this title. See, also, notes set out under sections 5814 and 5841 of this title. General Advisory Committee abolished by Pub. L. 96–151, title VII, §709(c)(1), Aug. 4, 1977, 91 Stat. 698. Energy Research and Development Administration terminated and functions vested by law in Administrator thereof transferred to Secretary of Energy (unless otherwise specifically provided) by sections 7151(a) and 7293 of this title.

TERMINATION OF ADVISORY BOARDS AND COMMITTEES

Advisory boards and committees in existence on Jan. 5, 1973, to terminate not later than the expiration of the 2-year period following Jan. 5, 1973, unless, in the case of a board or committee established by the President or an officer of the federal government, such board or committee is renewed by appropriate action prior to the expiration of such 2-year period, or in the case of a board or committee established by the Congress, its duration is otherwise provided by law. Advisory boards and committees established after Jan. 5, 1973, to terminate not later than the expiration of the 2-year period beginning on the date of their establishment, unless, in the case of a board or committee established by the President or an officer of the federal government, such board or committee is renewed by appropriate action prior to the expiration of such 2-year period, or in the case of a board or committee established by the Congress, its duration is otherwise provided for by law. See sections 3(2) and 14 of Pub. L. 92–483, Oct. 6, 1972, 86 Stat. 770, 776, set out in the Appendix to Title 5, Government Organization and Employees.

§ 2204a. Fission product contracts (a) Authority to enter into contracts

Without regard to sections 1341, 1342, and 1349–1351 and subchapter II of chapter 15 of title 31, the Commission is authorized to enter into contracts for such periods of time as the Commission may deem necessary or desirable, for the purpose of making available fission products from Commission reactors, with or without charge for commercial application.

(b) Cancellation

Any contract entered into by the Commission pursuant to this section shall be subject to termination by the Commission upon payment of cancellation costs as provided in such contract,
and any appropriation presently or hereafter made available to the Commission shall be available for payment of such costs which may arise from termination as the contract may provide.

(c) Submission to Energy Committees

Before the Commission enters into any arrangement or amendment thereto under the authority of this section, the basis for the proposed arrangement or amendment thereto which the Commission proposes to execute (with necessary background and explanatory data) shall be submitted to the Energy Committees (as defined by section 2014 of this title), and a period of forty-five days shall elapse while Congress is in session in computing such forty-five days, there shall be excluded the days on which either House is not in session because of adjournment of more than three days: Provided, however, That the Energy Committees, after having received the basis for the proposed arrangement or amendment thereto, may by resolution in writing waive the conditions of, or all or any portion of, such forty-five-day period.


REFERENCES IN TEXT

Commission, referred to in text, probably means the Atomic Energy Commission in view of the fact that this section was enacted as part of the act authorizing appropriations for the Atomic Energy Commission.

AMENDMENTS

1994—Subsec. (c). Pub. L. 103–437 substituted “Energy Committees” for “Joint Committee” and inserted the proviso “Provided, however, That no moneys so appropriated shall be available for payment under such contract which includes any provision precluding an audit by the Government Accountability Office of any transaction under such contract: And provided further, That nothing in this section shall preclude the earlier disposal of contractor and subcontractor records in accordance with records disposal schedules agreed upon between the Commission and the Government Accountability Office.”


Section, Pub. L. 95–601, §11, Nov. 6, 1978, 92 Stat. 2963, directed Commission to report to Congress on Jan. 1, 1979, and annually thereafter on use of contractors, consultants, and National Laboratories by Commission, and that such report include, for each contract issued, in progress or completed during fiscal year 1978, information on bidding procedure, nature of work, amount and duration of contract, progress of work, relation to previous contracts, and relation between amount of contract and amount actually spent.

§2206. Comptroller General audit

No moneys appropriated for the purposes of this chapter shall be available for payments under any contract with the Commission, negotiated without advertising, except contracts with any foreign government or any agency thereof and contracts with foreign producers, unless such contract includes a clause to the effect that the Comptroller General of the United States or any of his duly authorized representatives shall, until the expiration of three years after final payment, have access to and the right to examine any directly pertinent books, documents, papers, and records of the contractor or any of his subcontractors engaged in the performance of, and involving transactions related to such contracts or subcontracts: Provided, however, That no moneys so appropriated shall be available for payment under such contract which includes any provision precluding an audit by the Government Accountability Office of any transaction under such contract: And provided further, That nothing in this section shall preclude the earlier disposal of contractor and subcontractor records in accordance with records disposal schedules agreed upon between the Commission and the Government Accountability Office.

References in Text

This chapter, referred to in text, was in the original “this Act”, meaning act Aug. 1, 1946, ch. 724, as added by act Aug. 30, 1954, ch. 1073, §1, 68 Stat. 919, known as the Atomic Energy Act of 1954, which is classified principally to this chapter.
cipally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 2011 of this title and Tables.

AMENDMENTS


§ 2207. Claim settlements; reports to Congress

The Commission, acting on behalf of the United States, is authorized to consider, ascertain, adjust, determine, settle, and pay, any claim for money damage of $5,000 or less against the United States for bodily injury, death, or damage to or loss of real or personal property resulting from any detonation, explosion, or radiation produced in the conduct of any program undertaken by the Commission involving the detonation of an explosive device, where such claim is presented to the Commission in writing within one year after the accident or incident out of which the claim arises: Provided, however, that the damage to or loss of property, or bodily injury or death, shall not have been caused in whole or in part by any negligence or wrongful act on the part of the claimant, his agents, or employees. Any such settlement under the authority of this section shall be final and conclusive for all purposes, notwithstanding any other provision of law to the contrary. If the Commission considers that a claim in excess of $5,000 is meritorious and would otherwise be covered by this section, the Commission may report the facts and circumstances thereof to the Congress for its consideration.


AMENDMENTS

1961—Pub. L. 87-206 substituted "any program undertaken by the Commission involving the detonation of an explosive device" for "the Commission's program for testing atomic weapons" and authorized the Commission to report meritorious claims in excess of $5,000 to the Congress.

§ 2208. Payments in lieu of taxes

In order to render financial assistance to those States and localities in which the activities of the Commission are carried on, and in which the Commission has acquired property previously subject to State and local taxation, the Commission is authorized to make payments to State and local governments in lieu of property taxes. Such payments may be in the amounts, at the times, and upon the terms the Commission deems appropriate, but the Commission shall be guided by the policy of not making payments in excess of the taxes which would have been payable for such property in the condition in which it was acquired, except in cases where special burdens have been cast upon the State or local government by activities of the Commission, the Manhattan Engineer District or their agents. In any such case, any benefit accruing to the State or local government by reason of such activities shall be considered in determining the amount of the payment.


PRIOR PROVISIONS

Provisions similar to this section were contained in section 1809(b) of this title, prior to the general amendment and renumbering of act Aug. 1, 1946, by act Aug. 30, 1954.

§ 2209. Subsidies

No funds of the Commission shall be employed in the construction or operation of facilities licensed under section 2133 or 2134 of this title except under contract or other arrangement entered into pursuant to section 2051 of this title.


§ 2210. Indemnification and limitation of liability

(a) Requirement of financial protection for licensees

Each license issued under section 2133 or 2134 of this title and each construction permit issued under section 2235 of this title shall, and each license issued under section 2073, 2093, or 2111 of this title may, for the public purposes cited in section 1202(i) of this title, have as a condition of the license a requirement that the licensee have and maintain financial protection of such type and in such amounts as the Nuclear Regulatory Commission (in this section referred to as the "Commission") in the exercise of its licensing and regulatory authority and responsibility shall require in accordance with subsection (b) to cover public liability claims. Whenever such financial protection is required, it may be a further condition of the license that the licensee execute and maintain an indemnification agreement in accordance with subsection (c). The Commission may require, as a further condition of issuing a license, that an applicant waive any immunity from public liability conferred by Federal or State law.

(b) Amount and type of financial protection for licensees

1. The amount of primary financial protection required shall be the amount of liability insurance available from private sources, except that the Commission may establish a lesser amount on the basis of criteria set forth in writing, which it may revise from time to time, taking into consideration such factors as the following: (A) the cost and terms of private insurance, (B) the type, size, and location of the licensed activity and other factors pertaining to the hazard, and (C) the nature and purpose of the licensed activity. Provided, That for facilities designed for producing substantial amounts of electricity and having a rated capacity of 100,000 electrical kilowatts or more, the amount of primary financial protection required shall be the maximum amount available at reasonable
Such primary financial protection may include private insurance, private contractual indemnities, self-insurance, other proof of financial responsibility, or a combination of such measures and shall be subject to such terms and conditions as the Commission may, by rule, regulation, or order, prescribe. The Commission shall require licensees that are required to have and maintain primary financial protection equal to the maximum amount of liability insurance available from private sources to maintain, in addition to such primary financial protection, private liability insurance available under an industry retrospective rating plan providing for premium charges deferred in whole or major part until public liability from a nuclear incident exceeds or appears likely to exceed the level of the primary financial protection required of the licensee involved in the nuclear incident. Provided, That such insurance is available to, and required of, all of the licensees of such facilities without regard to the manner in which they obtain other types or amounts of such primary financial protection; and provided further, That the maximum amount of the standard deferred premium provided for in this chapter shall not be more than $95,800,000 (subject to adjustment for inflation under subsection (t)), but not more than $15,000,000 in any 1 year (subject to adjustment for inflation under subsection (t)), for each facility for which such licensee is required to maintain the maximum amount of primary financial protection: and provided further, That the amount which may be charged a licensee following any nuclear incident under such a plan shall not be more than $95,800,000 (subject to adjustment for inflation under subsection (t)), but not more than $15,000,000 in any 1 year (subject to adjustment for inflation under subsection (t)), for each facility for which such licensee is required to maintain the maximum amount of primary financial protection: and provided further, That the amount which may be charged a licensee following any nuclear incident shall not exceed the licensee's pro rata share of the aggregate public liability claims and costs (excluding legal costs subject to subsection (o)(1)(D), payment of which has not been authorized under such subsection) arising out of the nuclear incident. Payment of any State premium taxes which may be applicable to any deferred premium provided for in this chapter shall be the responsibility of the licensee and shall not be included in the retrospective premium established by the Commission.

The Commission may, on a case by case basis, assess annual deferred premium amounts less than the standard annual deferred premium amount assessed under paragraph (1)—

(i) for any facility, if more than one nuclear incident occurs in any one calendar year; or

(ii) for any licensee licensed to operate more than one facility, if the Commission determines that the financial impact of assessing the standard annual deferred premium amount under paragraph (1) would result in undue financial hardship to such licensee or the rate-payers of such licensee.

(B) In the event that the Commission assesses a lesser annual deferred premium amount under subparagraph (A), the Commission shall require payment of the difference between the standard annual deferred premium assessment under paragraph (1) and any such lesser annual deferred premium assessment within a reasonable period of time, with interest at a rate determined by the Secretary of the Treasury on the basis of the current average market yield on outstanding marketable obligations of the United States of comparable maturities during the month preceding the date that the standard annual deferred premium assessment under paragraph (1) would become due.

(3) The Commission shall establish such requirements as are necessary to assure availability of funds to meet any assessment of deferred premiums within a reasonable time when due, and may provide reinsurance or shall otherwise guarantee the payment of such premiums in the event it appears that the amount of such premiums will not be available on a timely basis through the resources of private industry and insurance. Any agreement by the Commission with a licensee or indemnitor to guarantee the payment of deferred premiums may contain such terms as the Commission deems appropriate to carry out the purposes of this section and to assure reimbursement to the Commission for its payments made due to the failure of such a licensee or indemnitor to meet any of its obligations arising under or in connection with financial protection required under this subsection including without limitation terms creating liens upon the licensed facility and the revenues derived therefrom or any other property or revenues of such licensee to secure such reimbursement and consent to the automatic revocation of any license.

(4)(A) In the event that the funds available to pay valid claims in any year are insufficient as a result of the limitation on the amount of deferred premiums that may be required of a licensee in any year under paragraph (1) or (2), or the Commission is required to make reinsurance or guaranteed payments under paragraph (3), the Commission shall, in order to advance the necessary funds—

(i) request the Congress to appropriate sufficient funds to satisfy such payments; or

(ii) to the extent approved in appropriation Acts, issue to the Secretary of the Treasury obligations in such forms and denominations, bearing such maturities, and subject to such terms and conditions as may be agreed to by the Commission and the Secretary of the Treasury.

(B) Except for funds appropriated for purposes of making reinsurance or guaranteed payments under paragraph (3), any funds appropriated under subparagraph (A)(i) shall be repaid to the general fund of the United States Treasury from amounts made available by standard deferred premium assessments, with interest at a rate determined by the Secretary of the Treasury on the basis of the current average market yield on outstanding marketable obligations of the United States of comparable maturities during the month preceding the date that the funds appropriated under such subparagraph are made available.

(C) Except for funds appropriated for purposes of making reinsurance or guaranteed payments under paragraph (3), redemption of obligations issued under subparagraph (A)(ii) shall be made by the Commission from amounts made available by standard deferred premium assessments.
Such obligations shall bear interest at a rate determined by the Secretary of the Treasury by taking into consideration the average market yield on outstanding marketable obligations to the United States of comparable maturities during the month preceding the issuance of the obligations under this paragraph. The Secretary of the Treasury shall purchase any issued obligations, and for such purpose the Secretary of the Treasury may use as a public debt transaction the proceeds from the sale of any securities issued under chapter 31 of title 31, and the purchases for which securities may be issued under such chapter are extended to include any purchase of such obligations. The Secretary of the Treasury may at any time sell any of the obligations under this paragraph. All redemptions, purchases, and sales by the Secretary of the Treasury of obligations under this paragraph shall be treated as public debt transactions of the United States.

(5)(A) For purposes of this section only, the Commission shall consider a combination of facilities described in subparagraph (B) to be a single facility having a rated capacity of 100,000 electrical kilowatts or more.

(B) A combination of facilities referred to in subparagraph (A) is two or more facilities located at a single site, each of which has a rated capacity of 100,000 electrical kilowatts or more but not more than 300,000 electrical kilowatts, with a combined rated capacity of not more than 1,300,000 electrical kilowatts.

(c) Indemnification of licensees by Nuclear Regulatory Commission

The Commission shall, with respect to licenses issued between August 30, 1954, and December 31, 2025, for which it requires financial protection of less than $560,000,000, agree to indemnify and hold harmless the licensee and other persons indemnified, as their interest may appear, from public liability arising from nuclear incidents which is in excess of the level of financial protection required of the licensee. The aggregate indemnity for all persons indemnified in connection with each nuclear incident shall not exceed $500,000,000 excluding costs of investigating and settling claims and defending suits for damage: Provided, however, That this amount of indemnity shall be reduced by the amount that the financial protection required shall exceed $60,000,000. Such a contract of indemnification shall cover public liability arising out of or in connection with the contractual activity; and

(ii) Public liability arising out of nuclear waste activities subject to an agreement of indemnification under subparagraph (A).

(B)(i)(I) Beginning 60 days after August 20, 1988, agreements of indemnification under subparagraph (A) shall be the exclusive means of indemnification for public liability arising from activities described in such subparagraph, including activities conducted under a contract that contains an indemnification clause under Public Law 85–804 [50 U.S.C. 1431 et seq.] entered into between August 1, 1987, and August 20, 1988.

(ii) The Secretary may incorporate in agreements of indemnification under subparagraph (A) the provisions relating to the waiver of any issue or defense as to charitable or governmental immunity authorized in subsection (n)(1) to be incorporated in agreements of indemnification. Any such provisions incorporated under this subclause shall apply to any nuclear incident arising out of nuclear waste activities subject to an agreement of indemnification under subparagraph (A).

(2) In an agreement of indemnification entered into under paragraph (1), the Secretary—

(A) may require the contractor to provide and maintain financial protection of such a type and in such amounts as the Secretary shall determine to be appropriate to cover public liability arising out of or in connection with the contractual activity; and

(B) shall indemnify the persons indemnified against such liability above the amount of the financial protection required, in the amount of $10,000,000,000 (subject to adjustment for inflation under subsection (t)), in the aggregate, for all persons indemnified in connection with the contract and for each nuclear incident, including such legal costs of the contractor as are approved by the Secretary.

(3) All agreements of indemnification under which the Department of Energy (or its predecessor agencies) may be required to indemnify any person under this section shall be deemed to be amended, on August 8, 2005, to reflect the amount of indemnity for public liability and any applicable financial protection required of the contractor under this subsection.

(4) Financial protection under paragraph (2) and indemnification under paragraph (1) shall be the exclusive means of financial protection and indemnification under this section for any Department of Energy demonstration reactor licensed by the Commission under section 5842 of this title.

(5) In the case of nuclear incidents occurring outside the United States, the amount of the indemnity provided by the Secretary under this subsection shall not exceed $500,000,000.

(6) The provisions of this subsection may be applicable to lump sum as well as cost type con-
tracts and to contracts and projects financed in whole or in part by the Secretary.

(7) A contractor with whom an agreement of indemnification has been executed under paragraph (1)(A) and who is engaged in activities connected with the underground detonation of a nuclear explosive device shall be liable, to the extent so indemnified under this subsection, for injuries or damage sustained as a result of such detonation in the same manner and to the same extent as would a private person acting as principal, and no immunity or defense found in the Federal, State, or municipal character of the contractor or of the work to be performed under the contract shall be effective to bar such liability.

(e) Limitation on aggregate public liability

(1) The aggregate public liability for a single nuclear incident of persons indemnified, including such legal costs as are authorized to be paid under subsection (o)(1)(D), shall not exceed—

(A) in the case of facilities designed for producing substantial amounts of electricity and having a rated capacity of 100,000 electrical kilowatts or more, the maximum amount of financial protection required of such facilities under subsection (b) (plus any surcharge assessed under subsection (o)(1)(E));

(B) in the case of contractors with whom the Secretary has entered into an agreement of indemnification under subsection (d), the amount of indemnity and financial protection that may be required under paragraph (2) of subsection (d); and

(C) in the case of all other licensees of the Commission required to maintain financial protection under this section—

(i) $500,000,000, together with the amount of financial protection required of the licensee;

(ii) if the amount of financial protection required of the licensee exceeds $50,000,000, $500,000,000 or the amount of financial protection required of the licensee, whichever amount is more.

(2) In the event of a nuclear incident involving damages in excess of the amount of aggregate public liability under paragraph (1), the Congress will thoroughly review the particular incident in accordance with the procedures set forth in subsection (i) and will in accordance with such procedures, take whatever action is determined to be necessary (including approval of appropriate compensation plans and appropriation of funds) to provide full and prompt compensation to the public for all public liability claims resulting from a disaster of such magnitude.

(3) No provision of paragraph (1) may be construed to preclude the Congress from enacting a revenue measure, applicable to licensees of the Commission required to maintain financial protection pursuant to subsection (b), to fund any action undertaken pursuant to paragraph (2).

(4) With respect to any nuclear incident occurring outside of the United States to which an agreement of indemnification entered into under the provisions of subsection (d) is applicable, such aggregate public liability shall not exceed the amount of $500,000,000, together with the amount of financial protection required of the contractor.

(f) Collection of fees by Nuclear Regulatory Commission

The Commission or the Secretary, as appropriate, is authorized to collect a fee from all persons with whom an indemnification agreement is executed under this section. This fee shall be $30 per year per thousand kilowatts of thermal energy capacity for facilities licensed under section 2133 of this title: Provided, That the Commission or the Secretary, as appropriate, is authorized to reduce the fee for such facilities in reasonable relation to increases in financial protection required above a level of $60,000,000. For facilities licensed under section 2134 of this title, and for construction permits under section 2235 of this title, the Commission is authorized to reduce the fee set forth above. The Commission shall establish criteria in writing for determination of the fee for facilities licensed under section 2134 of this title, taking into consideration such factors as (1) the type, size, and location of facility involved, and other factors pertaining to the hazard, and (2) the nature and purpose of the facility. For other licenses, the Commission shall collect such nominal fees as it deems appropriate. No fee under this subsection shall be less than $100 per year.

(g) Use of services of private insurers

In administering the provisions of this section, the Commission or the Secretary, as appropriate, shall use, to the maximum extent practicable, the facilities and services of private insurance organizations, and the Commission or the Secretary, as appropriate, may contract to pay a reasonable compensation for such services. Any contract made under the provisions of this subsection may be made without regard to the provisions of section 6101 of title 41 upon a showing by the Commission or the Secretary, as appropriate, that advertising is not reasonably practicable and advance payments may be made.

(h) Conditions of agreements of indemnification

The agreement of indemnification may contain such terms as the Commission or the Secretary, as appropriate, deems appropriate to carry out the purposes of this section. Such agreement shall provide that, when the Commission or the Secretary, as appropriate, makes a determination that the United States will probably be required to make indemnity payments under this section, the Commission or the Secretary, as appropriate, shall collaborate with any person indemnified and may approve the payment of any claim under the agreement of indemnification, appear through the Attorney General on behalf of the person indemnified, take charge of such action, and settle or defend any such action. The Commission or the Secretary, as appropriate, shall have final authority on behalf of the United States to settle or approve the settlement of any such claim on a fair and reasonable basis with due regard for the purposes of this chapter. Such settlement shall not include expenses in connection with the claim incurred by the person indemnified.

(i) Compensation plans

(1) After any nuclear incident involving damages that are likely to exceed the applicable amount of aggregate public liability under sub-
paragraph (A), (B), or (C) of subsection (e)(1), the Secretary or the Commission,1 as appropriate, shall—

(A) make a survey of the causes and extent of damage; and
(B) expeditiously submit a report setting forth the results of such survey to the Congress, to the Representatives of the affected districts, to the Senators of the affected States, and (except for information that will cause serious damage to the national defense of the United States) to the public, to the parties involved, and to the courts.

(2) Not later than 90 days after any determination by a court, pursuant to subsection (o), that the public liability from a single nuclear incident may exceed the applicable amount of aggregate public liability under subparagraph (A), (B), or (C) of subsection (e)(1) the President shall submit to the Congress—

(A) an estimate of the aggregate dollar value of personal injuries and property damage that arises from the nuclear incident and exceeds the amount of aggregate public liability under subsection (e)(1);
(B) recommendations for additional sources of funds to pay claims exceeding the applicable amount of aggregate public liability under subparagraph (A), (B), or (C) of subsection (e)(1), which recommendations shall consider a broad range of possible sources of funds (including possible revenue measures on the sector of the economy, or on any other class, to which such revenue measures might be applied);
(C) 1 or more compensation plans, that either individually or collectively shall provide for full and prompt compensation for all valid claims and contain a recommendation or recommendations as to the relief to be provided, including any recommendations that funds be allocated or set aside for the payment of claims that may not be discovered until a later date; and
(D) any additional legislative authorities necessary to implement such compensation plan or plans.

(3)(A) Any compensation plan transmitted to the Congress pursuant to paragraph (2) shall bear an identification number and shall be transmitted to both Houses of Congress on the same day and to each House while it is in session.

(B) The provisions of paragraphs (4) through (6) shall apply with respect to consideration in the Senate of any compensation plan transmitted to the Senate pursuant to paragraph (2).

(4) No such compensation plan may be considered approved for purposes of subsection (e)(2) unless between the date of transmittal and the end of the first period of sixty calendar days of continuous session of Congress after the date on which such action is transmitted to the Senate, the Senate passes a resolution described in paragraph 62 of this subsection.

(5) For the purpose of paragraph (4) of this subsection—

1 So in original. Probably should be “Commission,”.
2 So in original. Probably should be paragraph “(6)”.

(A) continuity of session is broken only by an adjournment of Congress sine die; and
(B) the days on which either House is not in session because of an adjournment of more than three days to a day certain are excluded in the computation of the sixty-day calendar period.

(6)(A) This paragraph is enacted—

(i) as an exercise of the rulemaking power of the Senate and as such it is deemed a part of the rules of the Senate, but applicable only with respect to the procedure to be followed in the Senate in the case of resolutions described by subparagraph (B) and it supersedes other rules only to the extent that it is inconsistent therewith; and

(ii) with full recognition of the constitutional right of the Senate to change the rules at any time, in the same manner and to the same extent as in the case of any other rule of the Senate.

(B) For purposes of this paragraph, the term “resolution” means only a joint resolution of the Congress the matter after the resolving clause of which is as follows: “That the

numbered . . . submitted to the Congress on . . .”, the first blank space therein being filled with the name of the resolving House and the other blank spaces being appropriately filled; but does not include a resolution which specifies more than one compensation plan.

(C) A resolution once introduced with respect to a compensation plan shall immediately be referred to a committee (and all resolutions with respect to the same compensation plan shall be referred to the same committee) by the President of the Senate.

(D)(i) If the committee of the Senate to which a resolution with respect to a compensation plan has been referred has not reported it at the end of twenty calendar days after its referral, it shall be in order to move either to discharge the committee from further consideration of such resolution or to discharge the committee from further consideration with respect to such compensation plan which has been referred to the committee.

(ii) A motion to discharge may be made only by an individual favoring the resolution, shall be highly privileged (except that it may not be made after the committee has reported a resolution with respect to the same compensation plan), and debate thereon shall be limited to not more than one hour, to be divided equally between those favoring and those opposing the resolution. An amendment to the motion shall not be in order, and it shall not be in order to move to reconsider the vote by which the motion was agreed to or disagreed to.

(iii) If the motion to discharge is agreed to or disagreed to, the motion may not be renewed, nor may another motion to discharge the committee be made with respect to any other resolution with respect to the same compensation plan.

(E)(i) When the committee has reported, or has been discharged from further consideration of, a resolution, it shall be at any time there-
after in order (even though a previous motion to the same effect has been disagreed to) to move to proceed to the consideration of the resolution. The motion shall be highly privileged and shall not be debatable. An amendment to the motion shall not be in order, and it shall not be in order to move to reconsider the vote by which the motion was agreed to or disagreed to.

(ii) Debate on the resolution referred to in clause (i) of this subparagraph shall be limited to not more than ten hours, which shall be divided equally between those favoring and those opposing such resolution. A motion further to limit debate shall not be debatable. An amendment to or motion to recommit, the resolution shall not be in order, and it shall not be in order to move to reconsider the vote by which such resolution was agreed to or disagreed to.

(P)(i) Motions to postpone, made with respect to the discharge from committee, or the consideration of a resolution or motions to proceed to the consideration of other business, shall be decided without debate.

(ii) Appeals from the decision of the Chair relating to the application of the rules of the Senate to the procedures relating to a resolution shall be decided without debate.

(j) Contracts in advance of appropriations

In administering the provisions of this section, the Commission or the Secretary, as appropriate, may make contracts in advance of appropriations and incur obligations without regard to sections 1341, 1342, 1349, 1350, and 1351, and subsection (i) of this subparagraph shall be limited in order to move to reconsider the vote by which such resolution was agreed to or disagreed to.

(k) Exemption from financial protection requirement for nonprofit educational institutions

With respect to any license issued pursuant to section 2073, 2093, 2111, 2134(a), or 2134(c) of this title, for the conduct of educational activities to a person found by the Commission to be a nonprofit educational institution, the Commission shall exempt such licensee from the financial protection requirement of subsection (a). With respect to licenses issued between August 30, 1954, and December 31, 2025, for which the Commission grants such exemption:

(i) the Commission shall agree to indemnify and hold harmless the licensee and other persons indemnified, as their interests may appear, from public liability in excess of $250,000 arising from nuclear incidents. The aggregate indemnity for all persons indemnified in connection with each nuclear incident shall not exceed $500,000,000, including such legal costs of the licensee as are approved by the Commission;

(ii) such contracts of indemnification shall cover public liability arising out of or in connection with the licensed activity; and shall include damage to property of persons indemnified, except property which is located at the site of and used in connection with the activity where the nuclear incident occurs; and

(iii) such contracts of indemnification, when entered into with a licensee having immunity from public liability because it is a State agency, shall provide also that the Commission shall make payments under the contract on account of activities of the licensee in the same manner and to the same extent as the Commission would be required to do if the licensee were not such a State agency.

Any licensee may waive an exemption to which it is entitled under this subsection. With respect to any production or utilization facility for which a construction permit is issued between August 30, 1954, and December 31, 2025, the requirements of this subsection shall apply to any license issued for such facility subsequent to December 31, 2025.

(l) Presidential commission on catastrophic nuclear accidents

(1) Not later than 90 days after August 20, 1988, the President shall establish a commission (in this subsection referred to as the “study commission”) in accordance with the Federal Advisory Committee Act (5 U.S.C. App.) to study means of fully compensating victims of a catastrophic nuclear accident that exceeds the amount of aggregate public liability under subsection (e)(1).

(2)(A) The study commission shall consist of not less than 7 and not more than 11 members, who—

(i) shall be appointed by the President; and

(ii) shall be representative of a broad range of views and interests.

(B) The members of the study commission shall be appointed in a manner that ensures that not more than a mere majority of the members are of the same political party.

(C) Each member of the study commission shall hold office until the termination of the study commission, but may be removed by the President for inefficiency, neglect of duty, or malfeasance in office.

(D) Any vacancy in the study commission shall be filled in the manner in which the original appointment was made.

(E) The President shall designate one of the members of the study commission as chairperson, to serve at the pleasure of the President.

(3) The study commission shall conduct a comprehensive study of appropriate means of fully compensating victims of a catastrophic nuclear accident that exceeds the amount of aggregate public liability under subsection (e)(1), and shall submit to the Congress a final report setting forth—

(A) recommendations for any changes in the laws and rules governing the liability or civil procedures that are necessary for the equitable, prompt, and efficient resolution and payment of all valid damage claims, including the advisability of adjudicating public liability claims through an administrative agency instead of the judicial system;

(B) recommendations for any standards or procedures that are necessary to establish priorities for the hearing, resolution, and payment of claims when awards are likely to exceed the amount of funds available within a specific time period; and

(C) recommendations for any special standards or procedures necessary to decide and pay claims for latent injuries caused by the nuclear incident.

(4)(A) The chairperson of the study commission may appoint and fix the compensation of a
staff of such persons as may be necessary to discharge the responsibilities of the study commission, subject to the applicable provisions of the Federal Advisory Committee Act (5 U.S.C. App.) and title 5.

(B) To the extent permitted by law and requested by the chairperson of the study commission, the Administrator of General Services shall provide the study commission with necessary administrative services, facilities, and support on a reimbursable basis.

(C) The Attorney General, the Secretary of Health and Human Services, and the Administrator of the Federal Emergency Management Agency shall, to the extent permitted by law and subject to the availability of funds, provide the study commission with such facilities, support, funds and services, including staff, as may be necessary for the effective performance of the functions of the study commission.

(D) The study commission may request any Executive agency to furnish such information, advice, or assistance as it determines to be necessary to carry out its functions. Each such agency is directed, to the extent permitted by law, to furnish such information, advice or assistance upon request by the chairperson of the study commission.

(E) Each member of the study commission may receive compensation at the maximum rate prescribed by the Federal Advisory Committee Act (5 U.S.C. App.) for each day such member is engaged in the work of the study commission. Each member may also receive travel expenses, including per diem in lieu of subsistence under sections 5702 and 5703 of title 5.

(F) The functions of the President under the Federal Advisory Committee Act (5 U.S.C. App.) that are applicable to the study commission, except the function of reporting annually to the Congress, shall be performed by the Administrator of General Services.

(5) The final report required in paragraph (3) shall be submitted to the Congress not later than the expiration of the 2-year period beginning on August 20, 1988.

(6) The study commission shall terminate upon the expiration of the 2-month period beginning on the date on which the final report required in paragraph (3) is submitted.

(m) Coordinated procedures for prompt settlement of claims and emergency assistance

The Commission or the Secretary, as appropriate, is authorized to enter into agreements with other indemnitors to establish coordinated procedures for the prompt handling, investigation, and settlement of claims for public liability. The Commission or the Secretary, as appropriate, and other indemnitors may make payments, or for the aid of claimants for the purpose of providing immediate assistance following a nuclear incident. Any funds appropriated to the Commission or the Secretary, as appropriate, shall be available for such payments. Such payments may be made without securing releases, shall not constitute an admission of the liability of any person indemnified or of any indemnitor, and shall operate as a satisfaction to the extent thereof of any final settlement or judgment.

(n) Waiver of defenses and judicial procedures

(1) With respect to any extraordinary nuclear occurrence to which an insurance policy or contract furnished as proof of financial protection or an indemnity agreement applies and which—

(A) arises out of or results from or occurs in the course of the construction, possession, or operation of a production or utilization facility;

(B) arises out of or results from or occurs in the course of transportation of source material, byproduct material, or special nuclear material to or from a production or utilization facility,

(C) during the course of the contract activity arises out of or results from the possession, operation, or use by a Department of Energy contractor or subcontractor of a device utilizing special nuclear material or byproduct material,

(D) arises out of, results from, or occurs in the course of, the construction, possession, or operation of any facility licensed under section 2073, 2093, or 2111 of this title, for which the Commission has imposed as a condition of the license a requirement that the licensee have and maintain financial protection under subsection (a),

(E) arises out of, results from, or occurs in the course of, transportation of source material, byproduct material, or special nuclear material to or from any facility licensed under section 2073, 2093, or 2111 of this title, for which the Commission has imposed as a condition of the license a requirement that the licensee have and maintain financial protection under subsection (a), or

(F) arises out of, results from, or occurs in the course of nuclear waste activities.

the Commission or the Secretary, as appropriate, may incorporate provisions in indemnity agreements with licensees and contractors under this section, and may require provisions to be incorporated in insurance policies or contracts furnished as proof of financial protection, which waive (i) any issue or defense as to conduct of the claimant or fault of persons indemnified, (ii) any issue or defense as to governmental immunity, and (iii) any issue or defense based on any statute of limitations if suit is instituted within three years from the date on which the claimant or the indemnitor reasonably could have known of his injury or damage and the cause thereof. The waiver of any such issue or defense shall be effective regardless of whether such issue or defense may otherwise be deemed jurisdictional or relating to an element in the cause of action. When so incorporated, such waivers shall be judicially enforceable in accordance with their terms by the claimant against the person indemnified. Such waivers shall not preclude a defense based upon a failure to take reasonable steps to mitigate damages, nor shall such waivers apply to injury or damage to a claimant or to a claimant's property which is intentionally sustained by the claimant or which results from a nuclear incident intentionally and wrongfully caused by the

3So in original. The period probably should be a comma.
claimant. The waivers authorized in this subsection shall, as to indemnitors, be effective only with respect to those obligations set forth in the insurance policies or the contracts furnished as proof of financial protection and in the indemnity agreements. Such waivers shall not apply to, or prejudice the prosecution or defense of, any claim or portion of claim which is not within the protection afforded under (i) the terms of insurance policies or contracts furnished as proof of financial protection, or indemnity agreements, and (ii) the limit of liability provisions of subsection (e).

(2) With respect to any public liability action arising out of or resulting from a nuclear incident, the United States district court in the district where the nuclear incident takes place, or in the case of a nuclear incident taking place outside the United States, the United States District Court for the District of Columbia, shall have original jurisdiction without regard to the citizenship of any party or the amount in controversy. Upon motion of the defendant or of the Commission or the Secretary, as appropriate, any such action pending in any State court (including any such action pending on August 20, 1988) or United States district court shall be filed within the period provided in section 1446 of title 28 or within the 30-day period beginning on August 20, 1988, whichever occurs later.

(3)(A) Following any nuclear incident, the chief judge of the United States district court having jurisdiction under paragraph (2) with respect to public liability actions (or the judicial council of the judicial circuit in which the nuclear incident occurs) may appoint a special caseload management panel (in this paragraph referred to as the “management panel”) to coordinate and assign (but not necessarily hear themselves) cases arising out of the nuclear incident, if—

(i) a court, acting pursuant to subsection (o), determines that the aggregate amount of public liability is likely to exceed the amount of primary financial protection available under subsection (b) (or an equivalent amount in the case of a contractor indemnified under subsection (d)); or

(ii) the chief judge of the United States district court (or the judicial council of the judicial circuit) determines that cases arising out of the nuclear incident will have an unusual impact on the work of the court.

(B)(i) Each management panel shall consist only of members who are United States district judges or circuit judges.

(ii) Members of a management panel may include any United States district judge or circuit judge of another district court or court of appeals, if the chief judge of such other district court or court of appeals consents to such assignment.

(C) It shall be the function of each management panel—

(i) to consolidate related or similar claims for hearing or trial;

(ii) to establish priorities for the handling of different classes of cases;

(iii) to assign cases to a particular judge or special master;

(iv) to appoint special masters to hear particular types of cases, or particular elements or procedural steps of cases;

(v) to promulgate special rules of court, not inconsistent with the Federal Rules of Civil Procedure, to expedite cases or allow more equitable consideration of claims;

(vi) to implement such other measures, consistent with existing law and the Federal Rules of Civil Procedure, as will encourage the equitable, prompt, and efficient resolution of cases arising out of the nuclear incident; and

(vii) to assemble and submit to the President such data, available to the court, as may be useful in estimating the aggregate damages from the nuclear incident.

(o) Plan for distribution of funds

(1) Whenever the United States district court in the district where a nuclear incident occurs, or the United States District Court for the District of Columbia in case of a nuclear incident occurring outside the United States, determines upon the petition of any indemnitor or other interested person that public liability from a single nuclear incident may exceed the limit of liability under the applicable limit of liability under subparagraph (A), (B), or (C) of subsection (d); or

(2) The court shall not authorize payments in excess of 15 per centum of such limit of liability unless the court determines that such payments are or will be in accordance with a plan of distribution which has been approved by the court or such payments are not likely to prejudice the subsequent adoption and implementation by the court of a plan of distribution pursuant to subparagraph (C); and

(C) The Commission or the Secretary, as appropriate, shall, and any other indemnitor or other interested person may, submit to such district court a plan for the disposition of pending claims and for the distribution of remaining funds available. Such a plan shall include an allocation of appropriate amounts for personal injury claims, property damage claims, and possible latent injury claims which may not be discovered until a later time and shall include establishment of priorities between claimants and classes of claims, as necessary to insure the most equitable allocation of available funds. Such court shall have all power necessary to approve, disapprove, or modify plans proposed, or to adopt another plan; and to determine the proportionate share of funds available for each claimant. The Commission or the Secretary as appropriate, any other indemnitor, and any person indemnified shall be entitled to such orders as may be appropriate to implement and enforce the
provisions of this section, including orders limiting the liability of the persons indemnified, orders approving or modifying the plan, orders staying the payment of claims and the execution of court judgments, orders apportioning the payments to be made to claimants, and orders permitting partial payments to be made before final determination of the total claims. The orders of such court shall be effective throughout the United States.

(D) A court may authorize payment of only such legal costs as are permitted under paragraph (2) from the amount of financial protection required by subsection (b).

(E) If the sum of public liability claims and legal costs authorized under paragraph (2) arising from any nuclear incident exceeds the maximum amount of financial protection required under subsection (b), any licensee required to pay a standard deferred premium under subsection (b)(1) shall, in addition to such deferred premium, be charged such an amount as is necessary to pay a pro rata share of such claims and costs, but in no case more than 5 percent of the maximum amount of such standard deferred premium described in such subsection.

(2) A court may authorize the payment of legal costs under paragraph (1)(D) only if the person requesting such payment has—

(A) submitted to the court the amount of such payment requested; and

(B) demonstrated to the court—

(i) that such costs are reasonable and equitable; and

(ii) that such person has—

(I) litigated in good faith;

(II) avoided unnecessary duplication of effort with that of other parties similarly situated;

(III) not made frivolous claims or defenses; and

(IV) not attempted to unreasonably delay the prompt settlement or adjudication of such claims.

(p) Reports to Congress

The Commission and the Secretary shall submit to the Congress by December 31, 2021, detailed reports concerning the need for continuation or modification of the provisions of this section, taking into account the condition of the nuclear industry, availability of private insurance, and the state of knowledge concerning nuclear safety at that time, among other relevant factors, and shall include recommendations as to the repeal or modification of any of the provisions of this section.

(q) Limitation on awarding of precautionary evacuation costs

No court may award costs of a precautionary evacuation unless such costs constitute a public expense, and the state of knowledge concerning the nuclear industry, availability of private insurance, and the state of knowledge concerning nuclear safety at that time, among other relevant factors, and shall include recommendations as to the repeal or modification of any of the provisions of this section.

(r) Limitation on liability of lessors

No person under a bona fide lease of any utilization or production facility (or part thereof or undivided interest therein) shall be liable by reason of an interest as lessor of such production or utilization facility, for any legal liability arising out of or resulting from a nuclear incident resulting from such facility, unless such facility is in the actual possession and control of such person at the time of the nuclear incident giving rise to such legal liability.

(s) Limitation on punitive damages

No court may award punitive damages in any action with respect to a nuclear incident or precautionary evacuation against a person on behalf of whom the United States is obligated to make payments under an agreement of indemnification covering such incident or evacuation.

(t) Inflation adjustment

(1) The Commission shall adjust the amount of the maximum total and annual standard deferred premium under subsection (b)(1) not less than once during each 5-year period following August 20, 2003, in accordance with the aggregate percentage change in the Consumer Price Index since—

(A) August 20, 2003, in the case of the first adjustment under this subsection; or

(B) the previous adjustment under this subsection.

(2) The Secretary shall adjust the amount of indemnification provided under an agreement of indemnification under subsection (d) not less than once during each 5-year period following July 1, 2003, in accordance with the aggregate percentage change in the Consumer Price Index since—

(A) that date, in the case of the first adjustment under this paragraph; or

(B) the previous adjustment under this paragraph.

(3) For purposes of this subsection, the term “Consumer Price Index” means the Consumer Price Index for all urban consumers published by the Secretary of Labor.

References in Text

Title note set out under section 1011 of this title and Tables.


The Federal Advisory Committee Act, referred to in subsec. (h)(1), (4)(A), (E), (F), is Pub. L. 92–436, Oct. 6, 1972, 86 Stat. 770, as amended, which is set out in the Appendix to Title 5, Government Organization and Employees.


**CODIFICATION**


**AMENDMENTS**

2005—Subsec. (b)(1). Pub. L. 109–58, § 603(1), substituted “$95,800,000” for “$63,500,000” and “$15,000,000 in any one year (subject to adjustment for inflation under subsection (b)(2))” for “$10,000,000 in any one year” in second proviso of third sentence.


Subsec. (d)(2). Pub. L. 109–58, § 604(a), added par. (2) and struck out former par. (2) which read as follows: “In agreements of indemnification entered into under paragraph (1), the Secretary may require the contractor to provide and maintain financial protection of such a type and in such amounts as the Secretary shall determine to be appropriate to cover public liability arising out of or in connection with the contractual activity, and shall indemnify the persons indemnified against such claims above the amount of the financial protection required, to the full extent of the aggregate financial protection required of the contractor as approved by the Secretary.”

Subsec. (d)(3). Pub. L. 109–58, § 604(b), added par. (3) and struck out former par. (3) which read as follows: “(3) The amount of indemnity provided contractors under this subsection shall not, at any time, be reduced in the event that the maximum amount of financial protection required of licensees under section (b) of this section is increased by the Commission, the amount of indemnity, together with any financial protection the contractor, shall at all times remain equal to or greater than the maximum amount of financial protection required of licensees under subsection (b) of this section.”

(b) The amount of indemnity provided contractors under this subsection shall not, at any time, be reduced in the event that the maximum amount of financial protection required of licensees under subsection (b) of this section is increased by the Commission, the amount of indemnity, together with any financial protection the contractor, shall at all times remain equal to or greater than the maximum amount of financial protection required of licensees under subsection (b) of this section.

(c) All agreements of indemnification under which the Department of Energy (or its predecessor agencies) may be required to indemnify any person, shall be deemed to be amended, on August 29, 1988, to reflect the amount of indemnity for public liability and any applicable financial protection required of the contractor under this subsection on August 29, 1988.”

Subsec. (d)(5). Pub. L. 109–58, § 605(a), substituted “$500,000,000” for “$100,000,000”. Subsec. (e)(1)(B). Pub. L. 109–58, § 605(b), struck out “the maximum amount of financial protection required under subsection (b)” or “before” “the amount of indemnity” and substituted “paragraph (3)” for “paragraph (3) of subsection (d)”, whichever amount is more.

Subsec. (e)(4). Pub. L. 109–58, § 605(b), substituted “$500,000,000” for “$100,000,000”.


Subsec. (t)(2), (3). Pub. L. 109–58, § 607, added par. (2) and redesignated former par. (2) as (3).


1998—Subsec. (p). Pub. L. 105–362 struck out par. (1) designation and struck out par. (2) which read as follows: “Not later than April 1 of each year, the Commission and the Secretary shall each submit an annual report to the Congress setting forth the activities under this section during the preceding calendar year.”


Subsec. (b). Pub. L. 100–408, § 16(e)(2), inserted “Amount and type of financial protection for licensees” as heading.

Subsec. (b)(1). Pub. L. 100–408, § 16(a)(3)(c), inserted par. (1) designation, inserted “primary” after “The amount of”, inserted “such” and “of such”, redesignated cls. (1) to (3) as (A) to (C), inserted “excluding the amount of private liability insurance available under the industry retrospective rating plan required in this subsection”, substituted “The Commission shall require licensees that are required to have and maintain primary financial protection equal to the maximum amount of liability insurance available from private sources to maintain financial protection equal to the maximum amount of financial protection required of licensees under subsection (b)” for “for ‘in prescribing such terms and conditions for licensees required to have and maintain financial protection equal to the maximum amount of liability insurance available from private sources, the Commission shall, by rule initially prescribed not later than twelve months from December 31, 1975, include, in determining such maximum amount’, substituted ‘That the maximum amount of the standard deferred premium that may be charged a licensee following any nuclear incident under subsection (t), but not more than $10,000,000 in any one year, for each facility for which such licensee is required to maintain the maximum amount of primary financial protection’”.

Subsec. (b)(2). Pub. L. 100–408, § 16(a)(2), substituted “‘The Nuclear Regulatory Commission (in this section referred to as the ‘Commission’) in the exercise’” for “‘the Commission’ in the exercise”.

Subsec. (b). Pub. L. 100–408, § 16(e)(2), inserted “Amount and type of financial protection for licensees” as heading.

Subsec. (b)(1). Pub. L. 100–408, § 2(a)(c)(3), inserted par. (1) designation, inserted “primary” after “The amount of”, inserted “such” and “of such”, redesignated cls. (1) to (3) as (A) to (C), inserted “excluding the amount of private liability insurance available under the industry retrospective rating plan required in this subsection”, substituted “The Commission shall require licensees that are required to have and maintain primary financial protection equal to the maximum amount of liability insurance available from private sources to maintain financial protection equal to the maximum amount of financial protection required of licensees under subsection (b)” for “for ‘in prescribing such terms and conditions for licensees required to have and maintain financial protection equal to the maximum amount of liability insurance available from private sources, the Commission shall, by rule initially prescribed not later than twelve months from December 31, 1975, include, in determining such maximum amount’, substituted ‘That the maximum amount of the standard deferred premium that may be charged a licensee following any nuclear incident under such a plan shall not be more than $63,500,000 (subject to adjustment for inflation under subsection (t)), but not more than $10,000,000 in any one year, for each facility for which such licensee is required to maintain the maximum amount of primary financial protection’” for “That the standard deferred premium which may be charged following any nuclear incident under such a plan shall be not less than $2,000,000 nor more than $5,000,000 for each facility required to maintain the maximum amount of financial protection”, inserted “(excluding legal costs subject to subsection (c)(1)(D), payment of which has not been authorized under such subsection)”, and struck out “The Commission is authorized to establish a minimum amount which the aggregate deferred premiums charged for each facility within a calendar year may not exceed. The Commis-
sion may establish amounts less than the standard premium for individual facilities taking into account such factors as the facility's size, location, and other factors pertaining to the hazard.


Subsec. (b)(3). Pub. L. 100–408, §2(d)(1), inserted par. (3) designation.


Subsec. (c). Pub. L. 100–408, §16(e)(3), inserted "Indemnification of licenses by Nuclear Regulatory Commission" as heading.

Pub. L. 100–408, §3, substituted "August 1, 2002" for "August 1, 1987" wherever appearing.

Subsec. (d). Pub. L. 100–408, §4(a), inserted "Indemnification of contractors by Department of Energy" as heading and completely revised and expanded subsec. (d), changing its structure from a single unnumbered subsection to one consisting of seven numbered paragraphs.

Subsec. (e). Pub. L. 100–408, §6, inserted "Limitation on aggregate public liability" as heading and completely revised and expanded subsec. (e), changing its structure from a single unnumbered subsection to one consisting of four numbered paragraphs.


Pub. L. 100–408, §16(b)(3), inserted "or the Secretary, as appropriate," in two places.

Subsec. (g). Pub. L. 100–408, §16(e)(5), inserted "Use of services of private insurers" as heading.

Pub. L. 100–408, §16(c)(1), substituted "section 3709 of the Revised Statutes (41 U.S.C. 5)" for "section 3709 of the Revised Statutes", which for purposes of codification was translated as "section 5 of title 41", thus requiring no change in text.

Pub. L. 100–408, §16(b)(4), inserted "or the Secretary, as appropriate," after "Commission", wherever appearing.

Subsec. (h). Pub. L. 100–408, §16(e)(6), inserted "Conditions of indemnification" as heading.

Pub. L. 100–408, §16(b)(4), inserted "or the Secretary, as appropriate," after "Commission", wherever appearing.

Subsec. (i). Pub. L. 100–408, §7(a), inserted "Compensation plans" as heading and completely revised and expanded subsec. (i), changing its structure from a single unnumbered subsection to one consisting of six numbered paragraphs.

Subsec. (j). Pub. L. 100–408, §16(e)(7), inserted "Contracts in advance of appropriations" as heading.

Pub. L. 100–408, §16(c)(2), substituted "sections 1341, 1342, 1349, 1350, and 1351, and subchapter II of chapter 15, of title 31" for "section 3679 of the Revised Statutes", which for purposes of codification was translated as "section 5 of title 41", thus requiring no change in text.

Pub. L. 100–408, §16(b)(4), inserted "or the Secretary, as appropriate," after "Commission", wherever appearing.

Subsec. (k). Pub. L. 100–408, §16(e)(8), inserted "Exemption from financial protection requirement for nonprofit educational institutions" as heading.

Pub. L. 100–408, §16(d)(5), in introductory provisions substituted "subsection a for "subsection 170a", which for purposes of codification was translated as "subsection (a)", thus requiring no change in text.


Subsec. (k)(1). Pub. L. 100–408, §8(2), substituted "including such legal costs of the licensee as are approved by the Commission" for "excluding cost of investigating its final settling claims and defending suits for damage".

Subsec. (l). Pub. L. 100–408, §9, inserted "Presidential commission on catastrophic nuclear accidents" as heading and completely revised and expanded subsec. (l), changing its structure from a single unnumbered subsection to one consisting of six numbered paragraphs.

Subsec. (m). Pub. L. 100–408, §16(e)(9), inserted "Coordinated procedures for prompt settlement of claims and emergency assistance" as heading.

Pub. L. 100–408, §16(b)(4), inserted "or the Secretary, as appropriate," after "Commission" wherever appearing.

Subsec. (n). Pub. L. 100–408, §16(e)(10), inserted "Waiver of defenses and judicial procedures" as heading.

Subsec. (n)(1). Pub. L. 100–408, §§10, 16(b)(5)(A), (d)(6), redesignated existing subpars. (a), (b), and (c) as (A), (B), and (C), respectively, added subpar. (D), (E), and (F), substituted "a Department of Energy contractor" for "a Commission contractor" in subpar. (C), and, in closing provisions inserted ", or the Secretary, as appropriate," after "the Commission", struck out ", but in no event more than twenty years after the date of the nuclear incident" after "and the cause thereof", and substituted "subsection e" for "subsection 170b", which for purposes of codification was translated as "subsection (e)", requiring no change in text.

Subsec. (n)(2). Pub. L. 100–408, §16(b)(5)(B), inserted "or the Secretary, as appropriate" after "Commission".

Pub. L. 100–408, §11(a), substituted "a nuclear incident" for "an extraordinary nuclear occurrence" in two places and "the nuclear incident" for "the extraordinary nuclear occurrence", and inserted "including any such action pending on August 20, 1988", and "in any action that is or becomes removable pursuant to this paragraph, a petition for removal shall be filed within the period provided in section 1446 of title 28 or within the 30-day period beginning on August 20, 1988, whichever occurs later.".

Subsec. (n)(3). Pub. L. 100–408, §11(c), added par. (3).

Subsec. (o). Pub. L. 100–408, §11(d)(1), inserted "Plan for distribution of funds" as heading, designated existing provisions as par. (1), redesignated former pars. (1) to (3) as subspar. (A) to (C), respectively, and added subspar. (D) and (E) and par. (2).

Subsec. (o)(1). Pub. L. 100–408, §7(b)(1), substituted "the applicable limit of liability under subparagraph (A), (B), or (C) of subsection (e)(1)" for "subsection (e)" in introductory provisions.

Subsec. (o)(1)(B). Pub. L. 100–408, §16(d)(7), substituted "paragraph (C)" for "paragraph (3) of this subsection (e)".

Subsec. (o)(1)(C). Pub. L. 100–408, §16(b)(6), inserted "or the Secretary, as appropriate," after first reference to "Commission" and "or the Secretary as appropriate" after second reference to "Commission".

Subsec. (o)(4). Pub. L. 100–408, §7(b)(2), struck out par. (4) which read as follows: "The Commission shall, within ninety days after a court shall have made a determination, deliver to the Joint Committee on the Judiciary an amendment to the report prepared in accordance with section (i) of this section setting forth the estimated requirements for full compensation and relief of all claimants, and recommendations as to the relief to be provided."

Subsec. (p). Pub. L. 100–408, §16(e)(11), inserted "Reports to Congress" as heading.

Pub. L. 100–408, §12, designated existing provisions as par. (1), substituted "and the Secretary shall submit to the Congress by August 1, 1998, detailed reports" for "shall submit to the Congress by August 1, 1983, a detailed report", and added par. (2).

Subsec. (q). Pub. L. 100–408, §5(c), added subsec. (q).


Subsec. (s). Pub. L. 100–408, §14, added subsec. (s).


1975—Subsec. (a). Pub. L. 94–197, §2, inserted provision relating to the public purposes cited in section 2023(a) of this title and "in the exercise of its licensing and regulatory authority and responsibility" after "as the Commission", and substituted "required, it may" for "required, it shall".

Subsec. (b). Pub. L. 94–197, §3, redesignated existing subpar. 100,000 electrical kilowatts or more, the amount of financial protection required shall be at a reasonable cost and on reasonable terms, and requirement that financial protection be subject to such terms and conditions as the Commission, by rule, regulation or order prescribes,
and established premium and funding standards and procedures for prescribing terms and conditions for licensees required to have and maintain financial protection equal to the maximum amount of liability insurance available from private sources. Notwithstanding the directory language that amendment be made to section 107 b. of the Atomic Energy Act of 1954, as amended, the amendment was executed to section 170 b. of the Atomic Energy Act of 1954, as amended, (subsec. (b) of this section) as the probable intent of Congress. 

Subsec. (c). Pub. L. 94–197, §4, substituted “and August 1, 1967, for which it requires financial protection of less than $560,000,000,” for “and August 1, 1977, for which it requires financial protection,” “excluding” for “including the reasonable”, and “and August 1, 1967” for “August 1, 1977” in text relating to any production or utilization facility.

Subsec. (d). Pub. L. 94–197, §5, substituted “until August 1, 1987,” for “until August 1, 1977,” and “excluding” for “including the reasonable”.

Subsec. (e). Pub. L. 94–197, §6, designated existing provisions as cl. (1), added cl. (2), substituted proviso relating to Congressional review and action for provision relating to aggregate liability exceeding the sum of $560,000,000, and substituted “And provided further:” for “Provided further:”.

Subsec. (f). Pub. L. 94–197, §7, inserted proviso which authorized Commission to reduce the indemnity fee for persons with whom indemnification agreements have been executed in reasonable relation to increases in financial protection above a level of $50,000,000.

Subsec. (h). Pub. L. 94–197, §8, substituted “shall not include” for “may include reasonable”.

Subsec. (i). Pub. L. 94–197, §9, inserted “or which will probably result in public liability claims in excess of $560,000,000,” after “this section”, and requirement that Commission report extent of damage caused from a nuclear incident to the Congressmen of the affected districts and the Senators of the affected state and substituted provision relating to information concerning the national defense, for provisions relating to applicability of prohibition of sections 2161 to 2166 of this title, other laws or Executive order.

Subsec. (k). Pub. L. 94–197, §10, substituted “August 1, 1967” for “August 1, 1977” wherever appearing and substituted “excluding” for “including the reasonable” in par. (1).

Subsec. (l). Pub. L. 94–197, §11, substituted “excluding” for “including the reasonable”.


Subsec. (o)(3), (4). Pub. L. 94–197, §13, in par. (3) inserted provisions authorizing the establishment, in any proceeding for disposition of claims, of priorities between classes of claims and claimants to extent necessary to ensure the most equitable allocation of available funds, and added par. (4).


1966—Subsec. (e). Pub. L. 89–615, §2, struck out last sentence which authorized application by the Commission or any indemnified person to district court of the United States having venue in bankruptcy over location of nuclear incident and to United States District Court for the District of Columbia in cases of nuclear incidents occurring outside the United States, and upon a showing that public liability from a single nuclear incident will probably exceed the limit of imposable liability, entitled the applicant to orders for enforcement of this section, including limitation of liability of indemnified persons, staying payment of claims and execution of court judgments, apportioning payments to claimants, permitting partial payments before final determination of total claims, and setting aside part of funds for possible injuries not discovered until later time, now incorporated in subsec. (o) of this section.

Subsecs. (m) to (o). Pub. L. 89–615, §3, added subsecs. (m) to (o).

1965—Subsec. (c). Pub. L. 89–210, §1, substituted “August 1, 1977” for “August 1, 1967” wherever appearing, and inserted proviso requiring the amount of indemnity to be reduced by the amount that the financial protection required shall exceed $60,000,000.

Subsec. (d). Pub. L. 89–210, §2, substituted “August 1, 1977” for “August 1, 1967,” and inserted proviso requiring the amount of indemnity to be reduced by the amount that the financial protection required shall exceed $60,000,000.

Subsec. (e). Pub. L. 89–210, §3, inserted proviso prohibiting the aggregate liability to exceed the sum of $560,000,000.

1964—Subsec. (c). Pub. L. 88–394, §2, provided that with respect to any facility for which a permit is issued between Aug. 30, 1954, and Aug. 1, 1967, the requirements of the subsection shall apply to any license issued subsequent to Aug. 1, 1967.

Subsec. (k). Pub. L. 88–394, §3, provided that with respect to any facility for which a permit is issued between Aug. 30, 1954, and Aug. 1, 1967, the requirements of the subsection shall apply to any license issued subsequent to Aug. 1, 1967.

1962—Subsec. (d). Pub. L. 87–615, §6, limited the amount of indemnity provided by the Commission for nuclear incidents occurring outside the United States to $100,000,000.

Subsec. (e). Pub. L. 87–615, §7, inserted proviso limiting the aggregate liability in cases of nuclear incidents occurring outside the United States to which an indemnification agreement entered into under subsec. (d) of this section is applicable, to $100,000,000, and substituted “occurring outside the United States, the Commission or any person indemnified may apply to the United States District Court for the District of Columbia” for “caused by ships of the United States outside of the United States, the Commission or any person indemnified may apply to the appropriate district court of the United States for venue in bankruptcy matters over the location of the principal place of business of the shipping company owning or operating the ship”.


1958—Subsec. (e). Pub. L. 85–602, §23, gave the district court that has venue in bankruptcy matters over the location of the principal place of business of the shipping company owning or operating the ship jurisdiction in cases of nuclear incidents caused by ships of the United States outside of the United States.


CHANGE OF NAME


EFFECTIVE DATE OF 2005 AMENDMENT

§ 2210 TITLE 42—THE PUBLIC HEALTH AND WELFARE

604, and 605 [amending this section] do not apply to a nuclear incident that occurs before the date of the enactment of this Act [Aug. 8, 2005].'

EFFECTIVE DATE OF 1988 AMENDMENT

Amendment by Pub. L. 100–408 effective Aug. 20, 1988, and applicable with respect to nuclear incidents occurring after Aug. 20, 1988, except that amendment by section 11 of Pub. L. 100–408 applicable to nuclear incidents occurring before, on, or after Aug. 20, 1988, see section 20 of Pub. L. 100–408, set out as a note under section 2014 of this title.

SHORT TITLE

This section is popularly known as the “Price-Anderson Act” and also as the “Atomic Energy Damages Act”.

TRANSFER OF FUNCTIONS

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

For transfer of functions, personnel, assets, and liabilities of the Federal Emergency Management Agency, including the functions of the Director of the Federal Emergency Management Agency relating thereto, to the Secretary of Homeland Security, and for treatment of related references, see former sections 3181 and 655, 655a, 655d, 655e, and 657 of Title 6, Domestic Security, and the Department of Homeland Security Reorganization Plan of November 25, 2002, as modified, set out as a note under section 452 of Title 6.

TERMINATION OF ADVISORY COMMISSIONS

Advisory commissions established after Jan. 5, 1973, to terminate not later than the expiration of 2-year period beginning on the date of their establishment, unless, in the case of a commission established by the President or an officer of the Federal Government, such commission is renewed by appropriate action prior to the expiration of such 2-year period, or in the case of a commission established by the Congress, its duration is otherwise provided for by law. See sections 3(2) and 14 of Pub. L. 92–463, Oct. 5, 1972, 86 Stat. 770, 776, set out in the Appendix to Title 5, Government Organization and Employees.

FINDINGS


‘‘(1) the Radiation Exposure Compensation Act [Pub. L. 101–426] (42 U.S.C. 2210 note) recognized the responsibility of the Federal Government to compensate individuals who were harmed by the mining of radioactive materials or fallout from nuclear arms testing;

‘‘(2) a congressional oversight hearing conducted by the Committee on Labor and Human Resources [now Committee on Health, Education, Labor, and Pensions] of the Senate demonstrated that since enactment of the Radiation Exposure Compensation Act (42 U.S.C. 2210 note), regulatory burdens have made it too difficult for some deserving individuals to be fairly and efficiently compensated;

‘‘(3) reports of the Atomic Energy Commission and the National Institute for Occupational Safety and Health testify to the need to extend eligibility to States in which the Federal Government sponsored uranium mining and milling from 1941 through 1971;

‘‘(4) scientific data resulting from the enactment of the Radiation-Exposed Veterans Compensation Act of 1990 (38 U.S.C. 101 note) [Pub. L. 101–321, see Tables for classification], and obtained from the Committee on the Biological Effects of Ionizing Radiations, and the President’s Advisory Committee on Human Radi-ation Experiments provide medical validation for the extension of compensable radiogenic pathologies;

‘‘(5) above-ground uranium miners, millers and individuals who transported ore should be fairly compensated, in a manner similar to that provided for underground uranium miners, in cases in which those individuals suffered disease or resultant death, associated with radiation exposure, due to the failure of the Federal Government to warn and otherwise help protect citizens from the health hazards addressed by the Radiation Exposure Compensation Act of 1990 (42 U.S.C. 2210 note); and

‘‘(6) it should be the responsibility of the Federal Government in partnership with State and local governments and appropriate healthcare organizations, to initiate and support programs designed for the early detection, prevention and education on radiogenic diseases in approved States to aid the thousands of individuals adversely affected by the mining of uranium and the testing of nuclear weapons for the Nation’s weapons arsenal.’”

AFFIDAVITS

Pub. L. 106–245, §3(a)(2), July 10, 2000, 114 Stat. 507, provided that:

“(A) IN GENERAL.—The Attorney General shall take such action as may be necessary to ensure that the procedures established by the Attorney General under section 6 of the Radiation Exposure Compensation Act [Pub. L. 101–426 (42 U.S.C. 2210 note)] provide that, in addition to any other material that may be used to substantiate employment history for purposes of determining working level months, an individual filing a claim under those procedures may make such a substantiation by means of an affidavit described in subparagraph (B).

“(B) AFFIDAVITS.—An affidavit referred to under subparagraph (A) is an affidavit—

‘‘(i) that meets such requirements as the Attorney General may establish; and

‘‘(ii) is made by a person other than the individual filing the claim that attests to the employment history of the claimant.’”

GAO REPORTS


RADIATION EXPOSURE COMPENSATION ACT


‘‘SECTION 1. SHORT TITLE.

‘‘This Act may be cited as the ‘Radiation Exposure Compensation Act’.

‘‘SEC. 2. FINDINGS, PURPOSE, AND APOLOGY.

(a) FINDINGS.—The Congress finds that—

‘‘(1) fallout emitted during the Government’s atmospheric nuclear testing and exhumed by the Atomic Energy Commission exposed individuals to radiation that is presumed to have generated an excess of cancers among these individuals;
“(2) the health of the individuals who were exposed to radiation in these tests was put at risk to serve the national security interests of the United States;

“(3) radiation released in underground uranium mines that were providing uranium for the primary use and benefit of the nuclear weapons program of the United States Government exposed miners to large doses of radiation and other airborne hazards in the mine environment that together are presumed to have produced an increased incidence of lung cancer and respiratory diseases among these miners;

“(4) the United States should recognize and assume responsibility for the harm done to these individuals; and

“(5) the Congress recognizes that the lives and health of uranium miners and of individuals who were exposed to radiation were subjected to increased risk of injury and disease to serve the national security interests of the United States.

“(b) PURPOSE.—It is the purpose of this Act to establish a procedure to make partial restitution to the individuals described in subsection (a) for the burdens they have borne for the Nation as a whole.

“(c) APOLOGY.—The Congress apologizes on behalf of the Nation to the individuals described in subsection (a) and their families for the hardships they have endured.

“SEC. 3. TRUST FUND.

“(a) ESTABLISHMENT.—There is established in the Treasury of the United States, a trust fund to be known as the 'Radiation Exposure Compensation Trust Fund' (hereinafter in this Act referred to as the 'Fund'), which shall be administered by the Secretary of the Treasury.

“(b) INVESTMENT OF AMOUNTS IN THE FUND.—Amounts in the Fund shall be invested in accordance with section 9702 of title 31, United States Code, and any interest earned on such amounts shall be credited to the Fund.

“(c) AVAILABILITY OF THE FUND.—Amounts in the Fund shall be available only for disbursement by the Attorney General under section 6.

“(d) TERMINATION.—The Fund shall terminate 22 years after the date of the enactment of the Radiation Exposure Compensation Act Amendments of 2000 [July 10, 2000]. If all of the amounts in the Fund have not been expended by the end of that 22-year period, investments in amounts in the Fund shall be liquidated and proceeds thereof deposited in the Fund and all funds remaining in the Fund shall be deposited in the miscellaneous receipts account in the Treasury.

“(e) APPROPRIATION.

“(1) IN GENERAL.—There are appropriated to the Fund, out of any money in the Treasury not otherwise appropriated, for fiscal year 2002 and each fiscal year thereafter, such sums as may be necessary, not to exceed the applicable maximum amount specified in paragraph (2), to carry out the purposes of the Fund.

“(2) LIMITATION.—Appropriation of amounts to the Fund pursuant to paragraph (1) is subject to the following maximum amounts:

“(A) For fiscal year 2002, $172,000,000.

“(B) For fiscal year 2003, $145,000,000.

“(C) For fiscal year 2004, $107,000,000.

“(D) For fiscal year 2005, $65,000,000.

“SEC. 4. CLAIMS RELATING TO ATMOSPHERIC NUCLEAR TESTING.

“(a) CLAIMS

“(1) CLAIMS RELATING TO LEUKEMIA.—

“(A) IN GENERAL.—An individual described in this subparagraph shall receive an amount specified in subparagraph (B) if the conditions described in subparagraph (C) are met. An individual referred to in the preceding sentence is an individual who—

“(i) was physically present in an affected area for a period of at least 1 year during the period beginning on January 21, 1951, and ending on October 31, 1958;

“(ii) was physically present in the affected area for the period beginning on June 30, 1962, and ending on July 31, 1962; or

“(iii) participated onsite in a test involving the atmospheric detonation of a nuclear device; and

“(B) ALL other Claimants.—If the applicable period of physical presence described in clause (i) or (ii) of clause (i) or onsite participation described in clause (iii) (as the case may be); and

“(ii) more than [sic] 2 years after first exposure to fallout.

“(B) AMOUNTS.—If the conditions described in subparagraph (A) are met, an individual described in clause (i) or (ii) shall receive $50,000; or

“(i) who is described in clause (i) or (ii) of subparagraph (A)(i) shall receive $75,000.

“(C) CONDITIONS.—The conditions described in this subparagraph are as follows:

“(1) Initial exposure occurred prior to age 21.

“(2) The claim for a payment under subparagraph (B) is filed with the Attorney General by or on behalf of the individual.

“(3) The Attorney General determines, in accordance with section 6, that the claim meets the requirements of this Act.

“(2) CLAIMS RELATING TO SPECIFIED DISEASES.—Any individual who—

“(A) was physically present in the affected area for a period of at least 2 years during the period beginning on January 21, 1951, and ending on October 31, 1958.

“(B) was physically present in the affected area for the period beginning on June 30, 1962, and ending on July 31, 1962, or

“(C) participated onsite in a test involving the atmospheric detonation of a nuclear device, and who submits written medical documentation that he or she, after such period of physical presence or such participation (as the case may be), contracted a specified disease, shall receive $50,000 (in the case of an individual described in subparagraph (A) or (B)) or $75,000 (in the case of an individual described in subparagraph (C)), if—

“(1) the claim for such payment is filed with the Attorney General by or on behalf of such individual, and

“(2) the Attorney General determines, in accordance with section 6, that the claim meets the requirements of this Act.

“(3) CONFORMITY WITH SECTION 6.—Payments under this section may be made only in accordance with section 6.

“(4) EXCLUSION.—No payment may be made under this section on any claim of the Government of the Marshall Islands, or of any citizen or national of the Marshall Islands, that is referred to in Article X, Section 1 of the Agreement Between the Government of the United States and the Government of the Marshall Islands for the Implementation of section 177 of the Compact of Free Association (as approved by the Compact of Free Association Act of 1980 (Public Law 99-239) (48 U.S.C. 1901 et seq.)).

“(5) DEFINITIONS.—For purposes of this section, the term—

“(1) ‘affected area’ means—

“(A) in the State of Utah, the counties of Washington, Iron, Kane, Garfield, Sevier, Beaver, Millard, Wayne, San Juan, and Uinta;

“(B) in the State of Nevada, the counties of White Pine, Nye, Lander, Lincoln, Eureka, and that portion of Clark County that consists of townships 13 through 16 at ranges 63 through 71; and

“(C) in the State of Arizona, the counties of Coconino, Yavapai, Navajo, Apache, and Gila, and that part of Arizona that is north of the Grand Canyon; and

“(2) ‘specified disease’ means leukemia (other than chronic lymphocytic leukemia), provided that initial
§ 2210 TITL E 42—THE PUBLIC HEALTH AND WELFARE Page 5038

exposure occurred after the age of 20 and the onset of the disease was at least 2 years after first exposure, and the following diseases, provided onset was at least 5 years after first exposure: multiple myeloma, lymphomas (other than Hodgkin's disease), and primary cancer of the: thyroid, male or female breast, esophagus, stomach, pharynx, small intestine, pancreas, bile ducts, gall bladder, salivary gland, urinary bladder, brain, colon, ovary, liver (except if cirrhosis or hepatitis B is indicated), or lung.

"SEC. 5. CLAIMS RELATING TO URANIUM MINING."

"(a) Eligibility of Individuals."

"(1) In General.—An individual shall receive $100,000 for a claim made under this Act if—

"(i) that individual—

"(I) was employed in a uranium mine or uranium mill (including any individual who was employed in the transport of uranium ore or vanadium-uranium ore from such mine or mill) located in Colorado, New Mexico, Arizona, Wyoming, South Dakota, Washington, Utah, Idaho, North Dakota, Oregon, and Texas at any time during the period beginning on January 1, 1942, and ending on December 31, 1971; and

"(II) was a miner exposed to 40 or more working level months of radiation or worked for at least 1 year during the period described under clause (i) and submits written medical documentation that the individual, after that exposure, developed lung cancer or a nonmalignant respiratory disease; or

"(II) was a miner exposed to 40 or more working level months of radiation or worked for at least 1 year during the period described under clause (i) and submits written medical documentation that the individual, after that exposure, developed lung cancer or a nonmalignant respiratory disease; or

"(B) the State submits an application to the Department of Labor; or

"(C) the Attorney General makes a determination that the individual, after that exposure, developed lung cancer or a nonmalignant respiratory disease or renal cancers and other chronic renal disease including nephritis and kidney tubal tissue injury;

"(B) the claim for that payment is filed with the Attorney General by or on behalf of that individual; and

"(C) the Attorney General determines, in accordance with section 6, that the claim meets the requirements of this Act.

"(2) Inclusion of Additional States.—Paragraph (1) of this section shall apply to a State, in addition to the States named under such clause, if—

"(A) a uranium mine was operated in such State at any time during the period beginning on January 1, 1942, and ending on December 31, 1971; and

"(B) the State submits an application to the Department of Labor to include such State.

"(3) Payment Requirement.—Each payment under this section may be made only in accordance with section 6.

"(b) Definitions. —For purposes of this section—

"(i) the term 'working level month of radiation' means radiation exposure at the level of one working level month of radiation; or

"(ii) the term 'working level' means the concentration of short half-life daughters of radon that will release (1.3 x 10^6) electron volts per liter of air;

"(iii) the term 'nonmalignant respiratory disease' means fibrosis of the lung, pulmonary fibrosis, cor pulmonale related to fibrosis of the lung, silicosis, and pneumoconiosis;

"(iv) the term 'Indian tribe' means any Indian tribe, band, nation, pueblo, or other organized group or community, that is recognized as eligible for special programs and services provided by the United States to Indian tribes because of their status as Indians;

"(v) the term 'medical documentation' for purposes of proving a nonmalignant respiratory disease means, in any case in which the claimant is living—

"(A) an arterial blood gas study; or

"(B) a written diagnosis by a physician meeting the requirements of subsection (c)(1); and

"(C) a chest x-ray administered in accordance with standard techniques and the interpretive reports of a maximum of two National Institute of Occupational Health and Safety certified 'B' readers classifying the existence of the nonmalignant respiratory disease of category 1/0 or higher according to a 1989 report of the International Labor Office (known as the 'ILO'), or subsequent revisions;

"(C) the term 'lung cancer'—

"(A) means any physiological condition of the lung, trachea, or bronchus that is recognized as lung cancer by the National Cancer Institute; and

"(B) includes in situ lung cancers;

"(C) means radiation exposure at the level of one working level month of radiation; or

"(ii) the term 'working level' means the concentration of short half-life daughters of radon that will release (1.3 x 10^6) electron volts per liter of air; or

"(B) the State submits an application to the Department of Labor to include such State.

"(3) Payment Requirement.—Each payment under this section may be made only in accordance with section 6.

"(b) Definitions. —For purposes of this section—

"(i) the term 'working level month of radiation' means radiation exposure at the level of one working level month of radiation; or

"(ii) the term 'working level' means the concentration of short half-life daughters of radon that will release (1.3 x 10^6) electron volts per liter of air;

"(iii) the term 'nonmalignant respiratory disease' means fibrosis of the lung, pulmonary fibrosis, cor pulmonale related to fibrosis of the lung, silicosis, and pneumoconiosis;

"(iv) the term 'Indian tribe' means any Indian tribe, band, nation, pueblo, or other organized group or community, that is recognized as eligible for special programs and services provided by the United States to Indian tribes because of their status as Indians;

"(v) the term 'medical documentation' for purposes of proving a nonmalignant respiratory disease means, in any case in which the claimant is living—

"(A) an arterial blood gas study; or

"(B) a written diagnosis by a physician meeting the requirements of subsection (c)(1); and

"(C) a chest x-ray administered in accordance with standard techniques and the interpretive reports of a maximum of two National Institute of Occupational Health and Safety certified 'B' readers classifying the existence of the nonmalignant respiratory disease of category 1/0 or higher according to a 1989 report of the International Labor Office (known as the 'ILO'), or subsequent revisions;

"(ii) the term 'lung cancer'—

"(A) means any physiological condition of the lung, trachea, or bronchus that is recognized as lung cancer by the National Cancer Institute; and

"(B) includes in situ lung cancers;

"(C) means radiation exposure at the level of one working level month of radiation; or

"(ii) the term 'working level' means the concentration of short half-life daughters of radon that will release (1.3 x 10^6) electron volts per liter of air; or

"(B) the State submits an application to the Department of Labor to include such State.

"(3) Payment Requirement.—Each payment under this section may be made only in accordance with section 6.

"(b) Definitions. —For purposes of this section—

"(i) the term 'working level month of radiation' means radiation exposure at the level of one working level month of radiation; or

"(ii) the term 'working level' means the concentration of short half-life daughters of radon that will release (1.3 x 10^6) electron volts per liter of air;

"(iii) the term 'nonmalignant respiratory disease' means fibrosis of the lung, pulmonary fibrosis, cor pulmonale related to fibrosis of the lung, silicosis, and pneumoconiosis;

"(iv) the term 'Indian tribe' means any Indian tribe, band, nation, pueblo, or other organized group or community, that is recognized as eligible for special programs and services provided by the United States to Indian tribes because of their status as Indians;

"(v) the term 'medical documentation' for purposes of proving a nonmalignant respiratory disease means, in any case in which the claimant is living—

"(A) an arterial blood gas study; or

"(B) a written diagnosis by a physician meeting the requirements of subsection (c)(1); and

"(C) a chest x-ray administered in accordance with standard techniques and the interpretive reports of a maximum of two National Institute of Occupational Health and Safety certified 'B' readers classifying the existence of the nonmalignant respiratory disease of category 1/0 or higher according to a 1989 report of the International Labor Office (known as the 'ILO'), or subsequent revisions;

"(ii) the term 'lung cancer'—

"(A) means any physiological condition of the lung, trachea, or bronchus that is recognized as lung cancer by the National Cancer Institute; and

"(B) includes in situ lung cancers;

"(C) means radiation exposure at the level of one working level month of radiation; or

"(ii) the term 'working level' means the concentration of short half-life daughters of radon that will release (1.3 x 10^6) electron volts per liter of air; or

"(B) the State submits an application to the Department of Labor to include such State.

"(3) Payment Requirement.—Each payment under this section may be made only in accordance with section 6.

"(b) Definitions. —For purposes of this section—

"(i) the term 'working level month of radiation' means radiation exposure at the level of one working level month of radiation; or

"(ii) the term 'working level' means the concentration of short half-life daughters of radon that will release (1.3 x 10^6) electron volts per liter of air;

"(iii) the term 'nonmalignant respiratory disease' means fibrosis of the lung, pulmonary fibrosis, cor pulmonale related to fibrosis of the lung, silicosis, and pneumoconiosis;

"(iv) the term 'Indian tribe' means any Indian tribe, band, nation, pueblo, or other organized group or community, that is recognized as eligible for special programs and services provided by the United States to Indian tribes because of their status as Indians;

"(v) the term 'medical documentation' for purposes of proving a nonmalignant respiratory disease means, in any case in which the claimant is living—

"(A) an arterial blood gas study; or

"(B) a written diagnosis by a physician meeting the requirements of subsection (c)(1); and

"(C) a chest x-ray administered in accordance with standard techniques and the interpretive reports of a maximum of two National Institute of Occupational Health and Safety certified 'B' readers classifying the existence of the nonmalignant respiratory disease of category 1/0 or higher according to a 1989 report of the International Labor Office (known as the 'ILO'), or subsequent revisions;
"(II) has a documented ongoing physician patient relationship with the claimant.

"SEC. 6. DETERMINATION AND PAYMENT OF CLAIMS.

(a) ESTABLISHMENT OF FILING PROCEDURES.—The Attorney General shall establish procedures whereby individuals may submit claims for payments under this Act. In establishing procedures under this subsection, the Attorney General shall take into account and make allowances for the law, tradition, and customs of Indian tribes (as that term is defined in section 5(b)) and members of Indian tribes, to the maximum extent practicable.

"(b) DETERMINATION OF CLAIMS.—

"(1) IN GENERAL.—The Attorney General shall, in accordance with this subsection, determine whether each claim filed under this Act meets the requirements of this Act. All reasonable doubt with regard to whether a claim meets the requirements of this Act shall be resolved in favor of the claimant.

"(2) CONSULTATION.—The Attorney General shall—

"(A) in consultation with the Surgeon General, establish guidelines for determining what constitutes written medical documentation that an individual contracted leukemia under section 4(a)(1), a specified disease under section 4(a)(2), or other disease specified in section 5;

"(B) in consultation with the Director of the National Institute for Occupational Safety and Health, establish guidelines for determining what constitutes documentation that an individual was exposed to the working level months of radiation under section 5; and

"(C) in consultation with the Secretary of Defense and the Secretary of Energy, establish guidelines for determining what constitutes documentation that an individual participated onsite in a test involving the atmospheric detonation of a nuclear device under section 4(a)(2)(C).

The Attorney General may consult with the Surgeon General with respect to making determinations pursuant to the guidelines issued under subparagraph (A), with the Director of the National Institute for Occupational Safety and Health with respect to making determinations pursuant to the guidelines issued under subparagraph (B), and with the Secretary of Defense and the Secretary of Energy with respect to making determinations pursuant to the guidelines issued under subparagraph (C).

"(c) PAYMENT OF CLAIMS.—

"(1) IN GENERAL.—The Attorney General shall pay, from amounts available in the Fund (or, in the case of a payment under section 5, from the Energy Employees Occupational Illness Compensation Fund, pursuant to section 3650(d) of the Energy Employees Occupational Illness Compensation Program Act of 2000 (42 U.S.C. 7384u(d))), claims filed under this Act which the Attorney General determines meet the requirements of this Act.

"(2) OFFSET FOR CERTAIN PAYMENTS.—(A) A payment to an individual, or to a survivor of that individual, under this section on a claim under section 5(a), (a)(2)(A), or (a)(2)(B) of section 4 or a claim under section 5 shall be offset by the amount of any payment made pursuant to a final award or settlement on a claim (other than a claim for workers’ compensation) by virtue of marriage, relationship, or settlement on a claim (other than a claim for workers’ compensation), against any person, or any payment made by the Department of Veterans Affairs, that is based on injuries incurred by that individual on account of exposure to radiation as a result of on-site participation in a test involving the atmospheric detonation of a nuclear device. The amount of the offset under this subparagraph with respect to payments described in clauses (i) and (ii) shall be the actuarial present value of such payments.

"(3) RIGHT OF SUBROGATION.—Upon payment of a claim under this section, the United States Government is subrogated for the amount of the payment to a right or claim that the individual to whom the payment was made may have against any person on account of injuries referred to in paragraph (2).

"(4) PAYMENTS IN THE CASE OF DECEASED PERSONS.—

"(A) IN GENERAL.—In the case of an individual who is deceased at the time of payment under this section, such payment may be made only as follows:

"(i) If the individual is survived by a spouse who is living at the time of payment, such payment shall be made to such surviving spouse.

"(ii) If there is no surviving spouse described in clause (i), such payment shall be made in equal shares to all children of the individual who are living at the time of payment.

"(iii) If there is no surviving spouse described in clause (i) and if there are no children described in clause (ii), such payment shall be made in equal shares to the parents of the individual who are living at the time of payment.

"(iv) If there is no surviving spouse described in clause (i), and if there are no children described in clause (ii) or parents described in clause (iii), such payment shall be made in equal shares to all grandchildren of the individual who are living at the time of payment.

"(B) INDIVIDUALS WHO ARE SURVIVORS.—If an individual eligible for payment under section 4 or 5 dies before filing a claim under this Act, a survivor of that individual who may receive payment under subparagraph (A) may file a claim for such payment under this Act.

"(C) DEFINITIONS.—For purposes of this paragraph—

"(i) the ‘spouse’ of an individual is a wife or husband of that individual who was married to that individual for at least one year immediately before the death of that individual;

"(ii) a ‘child’ includes a recognized natural child, a stepchild who lived with an individual in a regular parent-child relationship, and an adopted child;

"(iii) a ‘parent’ includes fathers and mothers through adoption;

"(iv) a ‘grandchild’ of an individual is a child of a child of that individual; and

"(v) a ‘grandparent’ of an individual is a parent of a parent of that individual.

"(D) APPLICATION OF NATIVE AMERICAN LAW.—In determining those individuals eligible to receive compensation by virtue of marriage, relationship, or survivorship, such determination shall take into consideration and give effect to established law, tradition, and custom of the particular affected Indian tribe.

"(E) ACTION ON CLAIMS.—

"(1) IN GENERAL.—The Attorney General shall complete the determination on each claim filed in accordance with the procedures established under subparagraph (a) not later than twelve months after the claim is so filed. For purposes of determining when
the 12-month period ends, a claim under this Act shall be deemed filed as of the date of its receipt by the Attorney General. In the event of the denial of a claim, the claimant shall be permitted a reasonable period in which to seek administrative review of the denial by the Attorney General. The Attorney General shall make a final determination with respect to any such administrative review within 60 days after the receipt of the claimant’s request for such review. In the event the Attorney General fails to render a determination within 12 months after the date of the receipt of such request, the claim shall be deemed awarded as a matter of law and paid.

“(2) ADDITIONAL INFORMATION.—The Attorney General may request from any claimant under this Act, or from any individual or entity on behalf of any such claimant, any reasonable additional information or documentation necessary to complete the determination on the claim in accordance with the procedures established under subsection (a).

“(3) TREATMENT OF PERIOD ASSOCIATED WITH REQUEST.—

“(A) IN GENERAL.—The period described in subparagraph (B) shall not apply to the 12-month limitation under paragraph (1).

“(B) PERIOD.—The period described in this subparagraph is the period—

“(i) beginning on the date on which the Attorney General makes a request for additional information or documentation under paragraph (2); and

“(ii) ending on the date on which the claimant or individual or entity acting on behalf of that claimant submits that information or documentation or informs the Attorney General that it is not possible to provide that information or that the claimant or individual or entity will not provide that information.

“(4) PAYMENT WITHIN 6 WEEKS.—The Attorney General shall ensure that an approved claim is paid not later than 6 weeks after the date on which such claim is approved.

“(5) NATIVE AMERICAN CONSIDERATIONS.—Any procedures under this subsection shall take into consideration and incorporate, to the fullest extent feasible, Native American law, tradition, and custom with respect to the submission and processing of claims by Native Americans.

“(e) PAYMENT IN FULL SETTLEMENT OF CLAIMS AGAINST THE UNITED STATES.—Except as otherwise authorized by law, the acceptance of payment by an individual under this section shall be in full satisfaction of all claims of or on behalf of that individual against the United States, or against any person with respect to that person’s performance of a contract with the United States, that arise out of exposure to radiation, from atmospheric nuclear testing, in the affected area (as defined in section 6(v)) at any time during the period described in subsection (a)(1), (a)(2)(A), or (a)(2)(B) of section 4, exposure to radiation in a uranium mine, mill, or while employed in the transport of uranium ore or vanadium-uranium ore from such mine or mill at any time during the period described in section 5(a), or exposure to radiation as a result of onsite participation in a test involving the atmospheric detonation of a nuclear device.

“(f) ADMINISTRATIVE COSTS NOT PAID FROM THE FUND.—No costs incurred by the Attorney General in carrying out this section shall be paid from the Fund or set off against, or otherwise deducted from, any payment under this section to any individual.

“(g) TERMINATION OF DUTIES OF ATTORNEY GENERAL.—The duties of the Attorney General under this section shall cease when the Fund terminates.

“(h) CERTIFICATION OF TREATMENT OF PAYMENTS UNDER OTHER LAWS.—Amounts paid to an individual under this section—

“(1) shall be treated for purposes of the internal revenue laws of the United States as damages for human suffering; and

“(2) shall not be included as income or resources for purposes of determining eligibility to receive benefits described in section 3855(c)(2)(C) of title 31, United States Code, or the amount of such benefits.

“(i) USE OF EXISTING RESOURCES.—The Attorney General should use funds and resources available to the Attorney General to carry out his or her functions under this Act.

“(j) REGULATORY AUTHORITY.—The Attorney General may issue such regulations as are necessary to carry out this Act.

“(k) LIENS AND OFFSETS; CHOICE OF REMEDIES.

“(a) CLAIMS NOT ASSIGNABLE OR TRANSFERABLE; CHOICE OF REMEDIES.—

“(A) Any claims not assignable or transferable.

“(B) Choice of remedies.

“(C) Applicable percentage limitations.

“(2) The percentage referred to in subsection (a) is—

“(1) 2 percent for the filing of an initial claim; and

“(2) 10 percent with respect to—

“(A) any claim with respect to which a representative has made a contract for services before the date of the enactment of the Radiation Exposure Compensation Act Amendments of 2000 [July 10, 2000]; or

“(B) a resubmittal of a denied claim.

“(D) Penalty.—Any such representative who violates this section shall be fined not more than $5,000.

“(3) CERTAIN CLAIMS NOT AFFECTED BY AWARDS OF DAMAGES.

“(a) General rule.—Notwithstanding any contract, the representative of an individual may not receive, for services rendered in connection with the claim of an individual under this Act, more than that percentage specified in subsection (b) of a payment made under this Act on such claim.

“(b) Applicable percentage limitations.

“(c) Penalty.—Any such representative who violates this section shall be fined not more than $5,000.

“(d) Secrecy.—The Attorney General may not disclose personal information to any individual unless the individual is the subject of the claim.
compensation payments; and a payment under this Act shall not affect any claim against an insurance carrier with respect to insurance or against any person with respect to worker’s compensation.

"SEC. 11. BUDGET ACT.

"No authority under this Act to enter into contracts or to make payments shall be effective in any fiscal year except to such extent or in such amounts as are provided in advance in appropriations Acts.

"SEC. 12. REPORT

"(a) Report.—The Secretary of Health and Human Services shall submit a report on the incidence of radiation related moderate or severe silicosis and pneumoconiosis in uranium miners employed in the uranium mines that are defined in section 5 and are located off of Indian reservations.

"(b) Completion.—Such report shall be completed not later than September 30, 1992.

"SEC. 13. REPEAL


NEGOTIATED RULEMAKING ON FINANCIAL PROTECTION FOR RADIOPHARMACEUTICAL LICENSEES

Pub. L. 100–408, § 19, Aug. 20, 1988, 102 Stat. 1083, provided that—

"(a) RULEMAKING PROCEEDING.—

"(1) PURPOSE.—The Nuclear Regulatory Commission (hereafter in this section referred to as the ‘Commission’) shall initiate a proceeding, in accordance with the requirements of this section, to determine whether to enter into indemnity agreements under section 170 of the Atomic Energy Act of 1954 (42 U.S.C. 2210) with persons licensed by the Commission under section 81, 104(a), or 104(c) of the Atomic Energy Act of 1954 (42 U.S.C. 2111, 213(a), and 213(c)) or by a State under section 274(b) of the Atomic Energy Act of 1954 (42 U.S.C. 2212(b)) for the manufacture, production, possession, or use of radioisotopes or radiopharmaceuticals for medical purposes (hereafter in this section referred to as ‘radiopharmaceutical licensees’).

"(2) FINAL DETERMINATION.—A final determination with respect to whether radiopharmaceutical licensees, or any class of such licensees, shall be indemnified pursuant to section 170 of the Atomic Energy Act of 1954 (42 U.S.C. 2210) and if so, the terms and conditions of such indemnification, shall be rendered by the Commission within 18 months of the date of the enactment of this Act [Aug. 20, 1988].

"(b) NEGOTIATED RULEMAKING.—

"(1) ADMINISTRATIVE CONFERENCE GUIDELINES.—For the purpose of making the determination required under subsection (a), the Commission shall, to the extent consistent with the provison of this Act [see Short Title of 1988 Amendment note set out under section 2210a of this title], conduct a negotiated rulemaking in accordance with the guidance provided by the Administrative Conference of the United States in Recommendation 82–4, ‘Procedures for Negotiating Proposed Regulations’ (42 Fed. Reg. 30708, July 15, 1982).

"(2) DESIGNATION OF CONVENER.—Within 30 days of the date of the enactment of this Act [Aug. 20, 1988], the Commission shall designate an individual or individuals recommended by the Administrative Conference of the United States to serve as a convener for such negotiations.

"(3) SUBMISSION OF RECOMMENDATIONS OF THE CONVENER.—The convener shall, not later than 7 months after the date of the enactment of this Act, submit to the Commission recommendations for a proposed rule regarding whether the Commission should enter into indemnity agreements under section 170 of the Atomic Energy Act of 1954 (42 U.S.C. 2210) with radiopharmaceutical licensees and, if so, the terms and conditions of such indemnification. If the convener recommends that such indemnity be provided for radiopharmaceutical licensees, the proposed rule submitted by the convener shall set forth the procedures for the execution of indemnification agreements with radiopharmaceutical licensees.

"(4) PUBLICATION OF RECOMMENDATIONS AND PROPOSED RULE.—If the convener recommends that such indemnity be provided for radiopharmaceutical licensees, the Commission shall publish the recommendations of the convener submitted under paragraph (3) as a notice of proposed rulemaking within 30 days of the submission of such recommendations under such paragraph.

"(5) ADMINISTRATIVE PROCEDURES.—To the extent consistent with the provisions of this Act, the Commission shall conduct the proceeding required under subsection (a) in accordance with section 553 of title 5, United States Code.’’

EXECUTIVE ORDER NO. 12658
Ex. Ord. No. 12658, Nov. 18, 1988, 53 F.R. 47517, as amended by Ex. Ord. No. 12665, Jan. 12, 1989, 54 F.R. 1919, which established President’s Commission on Catastrophic Nuclear Accidents, was revoked by Ex. Ord. No. 12774, § 3(c), Sept. 27, 1991, 56 F.R. 49836, formerly set out as a note under section 14 of the Federal Advisory Committee Act in the Appendix to Title 5, Government Organization and Employees.

EXECUTIVE ORDER NO. 12891
Ex. Ord. No. 12891, Jan. 15, 1994, 59 F.R. 2935, which established the Advisory Committee on Human Radiation Experiments, was revoked by Ex. Ord. No. 12852, § 3(a), Sept. 29, 1997, 62 F.R. 51756, formerly set out as a note under section 14 of the Federal Advisory Committee Act in the Appendix to Title 5, Government Organization and Employees.

§ 2210a. Conflicts of interest relating to contracts and other arrangements

(a) Disclosure requirements

The Commission shall, by rule, require any person proposing to enter into a contract, agreement, or other arrangement, whether by competitive bid or negotiation, under this chapter or any other law administered by it for the conduct of research, development, evaluation activities, or for technical and management support services, to provide the Commission, prior to entering into any such contract, agreement, or arrangement, with all relevant information, as determined by the Commission, bearing on whether that person has a possible conflict of interest with respect to—

(1) being able to render impartial, technically sound, or objective assistance or advice in light of other activities or relationships with other persons, or

(2) being given an unfair competitive advantage. Such person shall insure, in accordance with regulations prescribed by the Commission, compliance with this section by any subcontractor (other than a supply subcontractor) of such person in the case of any subcontract for more than $10,000.

(b) Evaluation

(1) In general

Except as provided in paragraph (2), the Nuclear Regulatory Commission shall not enter into any such contract agreement or arrangement unless it finds, after evaluating all information provided under subsection (a) and any other information otherwise available to the Commission that—
(A) it is unlikely that a conflict of interest would exist, or
(B) such conflict has been avoided after appropriate conditions have been included in such contract, agreement, or arrangement; except that if the Commission determines that such conflict of interest exists and that such conflict of interest cannot be avoided by including appropriate conditions therein, the Commission may enter into such contract, agreement, or arrangement, if the Commission determines that it is in the best interests of the United States to do so and includes appropriate conditions in such contract, agreement, or arrangement to mitigate such conflict.

(2) Nuclear Regulatory Commission

Notwithstanding any conflict of interest, the Nuclear Regulatory Commission may enter into a contract, agreement, or arrangement with the Department of Energy or the operator of a Department of Energy facility, if the Nuclear Regulatory Commission determines that—
(A) the conflict of interest cannot be mitigated; and
(B) adequate justification exists to proceed without mitigation of the conflict of interest.

(c) Promulgation and publication of rules

The Commission shall publish rules for the implementation of this section, in accordance with section 533 of title 5 (without regard to subsection (a)(2) thereof) as soon as practicable after November 6, 1978, but in no event later than 120 days after such date.

(d) Excessive imports; investigation by United States International Trade Commission

The Secretary of Energy, at any time, may determine on the basis of the monitoring and reporting requirements under this section that source material or special nuclear material from foreign sources is being imported in such increased quantities as to be a substantial cause of serious injury, or threat thereof, to the United States uranium mining and milling industry. Based on that determination, the Secretary is authorized to issue regulations providing for the collection of such information as the Secretary deems necessary to carry out the monitoring and reporting requirements of this section.

(b) Disclosure of information

Upon a satisfactory showing to the Secretary of Energy by any person that any information, or portion thereof obtained under this section, would, if made public, divulge proprietary information of such person, the Secretary shall not disclose such information and disclosure thereof shall be punishable under section 1905 of title 18.

(c) Criteria for monitoring and reporting requirements

The criteria referred to in subsection (a) shall include, but not be limited to—
(1) an assessment of whether executed contracts or options for source material or special nuclear material will result in greater than 37½ percent of actual or projected domestic uranium requirements for any two-consecutive-year period being supplied by source material or special nuclear material from foreign sources;
(2) projections of uranium requirements and inventories of domestic utilities for a 10 year period;
(3) present and probable future use of the domestic market by foreign imports;
(4) whether domestic economic reserves can supply all future needs for a future 10 year period;
(5) present and projected domestic uranium exploration expenditures and plans;
(6) present and projected employment and capital investment in the uranium industry;
(7) the level of domestic uranium production capacity sufficient to meet projected domestic nuclear power needs for a 10 year period; and
(8) a projection of domestic uranium production and uranium price levels which will be in effect under various assumptions with respect to imports.
(e) Excessive imports for contracts or options as threatening national security; investigation by Secretary of Commerce; recommendation for further investigation

(1) If, during the period 1982 to 1992, the Secretary of Energy determines that executed contracts or options for source material or special nuclear material from foreign sources for use in utilization facilities within or under the jurisdiction of the United States represent greater than 37½ percent of actual or projected domestic uranium requirements for any two-consecutive-year period, or if the Secretary of Energy determines the level of contracts or options involving source material and special nuclear material from foreign sources may threaten to impair the national security, the Secretary of Energy shall request the Secretary of Commerce to initiate under section 1862 of title 19 an investigation to determine the effects on the national security of imports of source material and special nuclear material. The Secretary of Energy shall cooperate fully with the Secretary of Commerce in carrying out such an investigation and shall make available to the Secretary of Commerce the findings that lead to this request and such other information that will assist the Secretary of Commerce in the conduct of the investigation.

(2) The Secretary of Commerce shall, in the conduct of any investigation requested by the Secretary of Energy pursuant to this section, take into account any information made available by the Secretary of Energy, including information regarding the impact on national security of projected or executed contracts or options for source material or special nuclear material from foreign sources or whether domestic production capacity is sufficient to supply projected national security requirements.

(3) No sooner than 3 years following completion of any investigation by the Secretary of Commerce under paragraph (1), if no recommendation has been made pursuant to such study for trade adjustments to assist or protect domestic uranium production, the Secretary of Energy may initiate a request for another such investigation by the Secretary of Commerce.


§2210c. Elimination of pension offset for certain rehired Federal retirees

(a) In general

The Commission may waive the application of section 8344 or 8468 of title 5 on a case-by-case basis for employment of an annuitant—

(1) in a position of the Commission for which there is exceptional difficulty in recruiting or retaining a qualified employee; or

(2) when a temporary emergency hiring need exists.

(b) Procedures

The Commission shall prescribe procedures for the exercise of authority under this section, including—

(1) criteria for any exercise of authority; and

(2) procedures for a delegation of authority.

(c) Effect of waiver

An employee as to whom a waiver under this section is in effect shall not be considered an employee for purposes of subchapter II of chapter 83, or chapter 84, of title 5.


§2210d. Security evaluations

(a) Security response evaluations

Not less often than once every 3 years, the Commission shall conduct security evaluations at each licensed facility that is part of a class of licensed facilities, as the Commission considers to be appropriate, to assess the ability of a private security force of a licensed facility to defend against any applicable design basis threat.

(b) Force-on-force exercises

(1) The security evaluations shall include force-on-force exercises.
(2) The force-on-force exercises shall, to the maximum extent practicable, simulate security threats in accordance with any design basis threat applicable to a facility.

(3) In conducting a security evaluation, the Commission shall mitigate any potential conflict of interest that could influence the results of a force-on-force exercise, as the Commission determines to be necessary and appropriate.

(c) Action by licensees

The Commission shall ensure that an affected licensee corrects those material defects in performance that adversely affect the ability of a private security force at that facility to defend against any applicable design basis threat.

(d) Facilities under heightened threat levels

The Commission may suspend a security evaluation under this section if the Commission determines that the evaluation would compromise security at a nuclear facility under a heightened threat level.

(e) Report

Not less often than once each year, the Commission shall submit to the Committee on Energy and Public Works of the Senate and the Committee on Environment and Public Works of the House of Representatives a report, in classified form and unclassified form, that describes the results of each security response evaluation conducted and any relevant corrective action taken by a licensee during the previous year.

§ 2210e. Design basis threat rulemaking

(a) Rulemaking

The Commission shall—

(1) not later than 90 days after the date of enactment of this section, initiate a rulemaking proceeding, including notice and opportunity for public comment, to be completed not later than 18 months after that date, to revise the design basis threats of the Commission; or

(2) not later than 18 months after the date of enactment of this section, complete any ongoing rulemaking to revise the design basis threats.

(b) Factors

When conducting its rulemaking, the Commission shall consider the following, but not be limited to—

(1) the events of September 11, 2001;

(2) an assessment of physical, cyber, biochemical, and other terrorist threats;

(3) the potential for attack on facilities by multiple coordinated teams of a large number of individuals;

(4) the potential for assistance in an attack from several persons employed at the facility;

(5) the potential for suicide attacks;

(6) the potential for water-based and air-based threats;

(7) the potential use of explosive devices of considerable size and other modern weaponry;

(8) the potential for attacks by persons with a sophisticated knowledge of facility operations;

(9) the potential for fires, especially fires of long duration;

(10) the potential for attacks on spent fuel shipments by multiple coordinated teams of a large number of individuals;

(11) the adequacy of planning to protect the public health and safety at and around nuclear facilities, as appropriate, in the event of a terrorist attack against a nuclear facility; and

(12) the potential for theft and diversion of nuclear materials from such facilities.


§ 2210f. Recruitment tools

The Commission may purchase promotional items of nominal value for use in the recruitment of individuals for employment.


§ 2210g. Expenses authorized to be paid by the Commission

The Commission may—

(1) pay transportation, lodging, and subsistence expenses of employees who—

(A) assist scientific, professional, administrative, or technical employees of the Commission; and

(B) are students in good standing at an institution of higher education (as defined in section 1002 of title 20) pursuing courses related to the field in which the students are employed by the Commission; and

(2) pay the costs of health and medical services furnished, pursuant to an agreement between the Commission and the Department of State, to employees of the Commission and dependents of the employees serving in foreign countries.


§ 2210h. Radiation source protection

(a) Definitions

In this section:

(1) Code of conduct


(2) Radiation source

The term “radiation source” means—

(A) a Category 1 Source or a Category 2 Source, as defined in the Code of Conduct; and

(B) any other material that poses a threat such that the material is subject to this sec-
tion, as determined by the Commission, by regulation, other than spent nuclear fuel and special nuclear materials.

(b) Commission approval
Not later than 180 days after August 8, 2005, the Commission shall issue regulations prohibiting a person from—

(1) exporting a radiation source, unless the Commission has specified determined under section 2077 or 2112 of this title, consistent with the Code of Conduct, with respect to the exportation of—

(A) the recipient of the radiation source must receive and possess the radiation source under the laws and regulations of the country of the recipient; and

(B) the recipient country has the appropriate technical and administrative capability, resources, and regulatory structure to ensure that the radiation source will be managed in a safe and secure manner; and

(C) the date on which the radiation source is shipped—

(i) a notification has been provided to the recipient country; and

(ii) a notification has been received from the recipient country;
after public notice and an opportunity for comment, that—

(A) the recipient of the radiation source must receive and possess the radiation source under the laws and regulations of the country of the recipient; and

(B) the recipient country has the appropriate technical and administrative capability, resources, and regulatory structure to ensure that the radiation source will be managed in a safe and secure manner; and

(C) the date on which the radiation source is shipped—

(i) a notification has been provided to the recipient country; and

(ii) a notification has been received from the recipient country;
as the Commission determines to be appropriate;

(2) importing a radiation source, unless the Commission has determined, with respect to the importation, that—

(A) the proposed recipient is authorized by law to receive the radiation source; and

(B) the shipment will be made in accordance with any applicable Federal or State law or regulation; and

(3) selling or otherwise transferring ownership of a radiation source, unless the Commission—

(A) has determined that the licensee has verified that the proposed recipient is authorized under law to receive the radiation source; and

(B) has required that the transfer shall be made in accordance with any applicable Federal or State law or regulation.

c) Tracking system
(1)(A) Not later than 1 year after August 8, 2005, the Commission shall issue regulations establishing a mandatory tracking system for radiation sources in the United States.

(B) In establishing the tracking system under subparagraph (A), the Commission shall coordinate with the Secretary of Transportation to ensure compatibility, to the maximum extent practicable, between the tracking system and any system established by the Secretary of Transportation to track the shipment of radiation sources.

(2) The tracking system under paragraph (1) shall—

(A) enable the identification of each radiation source by serial number or other unique identifier;

(B) require reporting within 7 days of any change of possession of a radiation source; and

(C) permit the entry of information on the date on which the study is conducted, including an identification of any industrial or other process that—

(A) uses a radiation source that could be replaced with an economically and technically equivalent (or improved) process that does not require the use of a radiation source; or

(B) may be used with a radiation source that would pose a lower risk to public health and safety in the event of an accident or attack involving the radiation source.

(3) Not later than 2 years after August 8, 2005, the Commission shall submit to Congress the results of the study under paragraph (1).

d) Penalty
A violation of a regulation issued under subsection (a) or (b) shall be punishable by a civil penalty not to exceed $1,000,000.

e) National Academy of Sciences study
(1) Not later than 60 days after August 8, 2005, the Commission shall enter into an arrangement with the National Academy of Sciences under which the National Academy of Sciences shall conduct a study of industrial, research, and commercial uses for radiation sources.

(2) The study under paragraph (1) shall include a review of uses of radiation sources in existence on the date on which the study is conducted, including an identification of any industrial or other process that—

(A) uses a radiation source that could be replaced with an economically and technically equivalent (or improved) process that does not require the use of a radiation source; or

(B) may be used with a radiation source that would pose a lower risk to public health and safety in the event of an accident or attack involving the radiation source.

(3) Not later than 2 years after August 8, 2005, the Commission shall submit to Congress the results of the study under paragraph (1).

f) Task force on radiation source protection and security
(1) There is established a task force on radiation source protection and security (referred to in this section as the "task force").

(2)(A) The chairperson of the task force shall be the Chairperson of the Commission (or a designee).

(B) The membership of the task force shall consist of the following:

(i) The Secretary of Homeland Security (or a designee).

(ii) The Secretary of Defense (or a designee).

(iii) The Secretary of Energy (or a designee).

(iv) The Secretary of Transportation (or a designee).

(v) The Attorney General (or a designee).

(vi) The Secretary of State (or a designee).

(vii) The Director of National Intelligence (or a designee).

(viii) The Director of the Central Intelligence Agency (or a designee).

(ix) The Administrator of the Federal Emergency Management Agency (or a designee).

(x) The Director of the Federal Bureau of Investigation (or a designee).

(xi) The Administrator of the Environmental Protection Agency (or a designee).

(3)(A) The task force, in consultation with Federal, State, and local agencies, the Conference of Radiation Control Program Directors, and the Organization of Agreement States, and after public notice and an opportunity for comment, shall evaluate, and provide recommendations relating to, the security of radiation sources in the United States from potential terrorist threats, including acts of sabotage, theft, or use of a radiation source in a radiological dispersal device.
§ 2210i

(B) Not later than 1 year after August 8, 2005, and not less than once every 4 years thereafter, the task force shall submit to Congress and the President a report, in unclassified form with a classified annex if necessary, providing recommendations, including recommendations for appropriate regulatory and legislative changes, for—

(i) a list of additional radiation sources that should be required to be secured under this chapter, based on the potential attractiveness of the sources to terrorists and the extent of the threat to public health and safety of the sources, taking into consideration—

(I) radiation source radioactivity levels;

(II) radioactive half-life of a radiation source;

(III) dispersability;

(IV) chemical and material form;

(V) for radioactive materials with a medical use, the availability of the sources to physicians and patients for medical treatment; and

(VI) any other factor that the Chairperson of the Commission determines to be appropriate;

(ii) the establishment of, or modifications to, a national system for recovery of lost or stolen radiation sources;

(iii) the storage of radiation sources that are not used in a safe and secure manner as of the date on which the report is submitted;

(iv) modifications to the national tracking system for radiation sources;

(v) the establishment of, or modifications to, a national system (including user fees and other methods) to provide for the proper disposal of radiation sources secured under this chapter;

(vi) modifications to export controls on radiation sources to ensure that foreign recipients of radiation sources are able and willing to adequately control radiation sources from the United States;

(vii)(I) any alternative technologies available as of the date on which the report is submitted that may perform some or all of the functions performed by devices or processes that employ radiation sources; and

(II) the establishment of appropriate regulations and incentives for the replacement of the devices and processes described in subclause (I)—

(aa) with alternative technologies in order to reduce the number of radiation sources in the United States; or

(bb) with radiation sources that would pose a lower risk to public health and safety in the event of an accident or attack involving the radiation source; and

(viii) the creation of, or modifications to, procedures for improving the security of use, transportation, and storage of radiation sources, including—

(I) periodic audits or inspections by the Commission to ensure that radiation sources are properly secured and can be fully accounted for;

(II) evaluation of the security measures by the Commission;

(III) increased fines for violations of Commission regulations relating to security and safety measures applicable to licensees that possess radiation sources;

(IV) criminal and security background checks for certain individuals with access to radiation sources (including individuals involved with transporting radiation sources); and

(V) requirements for effective and timely exchanges of information relating to the results of criminal and security background checks between the Commission and any State with which the Commission has entered into an agreement under section 2021(b) of this title;

(VI) assurances of the physical security of facilities that contain radiation sources (including facilities used to temporarily store radiation sources being transported); and

(VII) the screening of shipments to facilities that the Commission determines to be particularly at risk for sabotage of radiation sources to ensure that the shipments do not contain explosives.

(g) Action by Commission

Not later than 60 days after the date of receipt by Congress and the President of a report under subsection (f)(3)(B), the Commission, in accordance with the recommendations of the task force, shall—

(1) take any action the Commission determines to be appropriate, including revising the system of the Commission for licensing radiation sources; and

(2) ensure that States that have entered into agreements with the Commission under section 2021(b) of this title take similar action in a timely manner.


REFERENCES IN TEXT

This chapter, referred to in subsec. (f)(3)(B)(1), (v), was in the original “this Act”, meaning act Aug. 1, 1946, ch. 724, as added by act Aug. 30, 1954, ch. 1073, §1, 68 Stat. 919, known as the Atomic Energy Act of 1954, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 2011 of this title and Tables.

CHANGE OF NAME


§ 2210i. Secure transfer of nuclear materials

(a) The Commission shall establish a system to ensure that materials described in subsection (b), when transferred or received in the United States by any party pursuant to an import or
export license issued pursuant to this chapter, are accompanied by a manifest describing the type and amount of materials being transferred or received. Each individual receiving or accompanying the transfer of such materials shall be subject to a security background check conducted by appropriate Federal entities.

(b) Except as otherwise provided by the Commission by regulation, the materials referred to in subsection (a) are byproduct materials, source materials, special nuclear materials, high-level radioactive waste, spent nuclear fuel, transuranic waste, and low-level radioactive waste (as defined in section 10101(16) of this title).


REFERENCES IN TEXT
This chapter, referred to in subsec. (a), was in the original “this Act”, meaning act Aug. 1, 1946, ch. 724, as added by act Aug. 30, 1954, ch. 1073, §1, 68 Stat. 919, known as the Atomic Energy Act of 1946, which is classified principally to this chapter. For complete classification of this Act to the Code, see Title 42 of the Code of Federal Regulations, set out below.

EFFECTIVE DATE
Pub. L. 109–58, title VI, §656(c), Aug. 8, 2005, 119 Stat. 814, provided that: “The amendment made by subsection (a) [enacting this section] shall take effect upon the issuance of regulations under subsection (b) [set out below], except that the background check requirement shall become effective on a date established by the Commission.” [For issuance of regulations effective Feb. 23, 2007, see 72 F.R. 3025.]

REGULATIONS
Pub. L. 109–58, title VI, §656(b), Aug. 8, 2005, 119 Stat. 814, provided that: “Not later than 1 year after the date of the enactment of this Act [Aug. 8, 2005], and from time to time thereafter as it considers necessary, the Nuclear Regulatory Commission shall issue regulations identifying radioactive materials or classes of individuals that, consistent with the protection of public health and safety and the common defense and security, are appropriate exceptions to the requirements of section 170D [probably means 170I] of the Atomic Energy Act of 1954 [42 U.S.C. 2212(I)], as added by subsection (a) of this section.”

EFFECT ON OTHER LAW
Pub. L. 109–58, title VI, §656(d), Aug. 8, 2005, 119 Stat. 814, provided that: “Nothing in this section [enacting this section and provisions set out as notes under this section] or the amendment made by this section shall waive, modify, or affect the application of chapter 51 of title 42, United States Code, and title 23, United States Code.”

§ 2211. Payment of claims or judgments for damage resulting from nuclear incident involving nuclear reactor of United States warship; exception; terms and conditions
It is the policy of the United States that it will pay claims or judgments for bodily injury, death, or damage to or loss of real or personal property proven to have resulted from a nuclear incident involving the nuclear reactor of a United States warship, provided that the injury, death, damage, or loss was not caused by the act of an armed force engaged in combat or as a result of civil insurrection. The President may authorize, under such terms and conditions as he may direct, the payment of such claims or judgments from any contingency funds available to the Government or may certify such claims or judgments to the Congress for appropriation of the necessary funds.


CODIFICATION
Section was not enacted as part of the Atomic Energy Act of 1954 which comprises this chapter.

EX. ORD. No. 11918. COMPENSATION FOR DAMAGES INVOLVING NUCLEAR REACTORS OF UNITED STATES WARSHIPS
Ex. Ord. No. 11918, eff. June 1, 1976, 41 F.R. 22329, provided:

By virtue of the authority vested in me by the joint resolution approved December 6, 1974 (Public Law 93-513, 88 Stat. 1610, 42 U.S.C. 2211), and by section 301 of title 3 of the United States Code, and as President of the United States of America, in order that prompt, adequate and effective compensation will be provided in the unlikely event of injury or damage resulting from a nuclear incident involving the nuclear reactor of a United States warship, it is hereby ordered as follows:

SECTION 1. (a) With respect to the administrative settlement of claims or judgments for bodily injury, death, or damage to or loss of real or personal property proven to have resulted from a nuclear incident involving the nuclear reactor of a United States warship, the Secretary of Defense is designated and empowered to authorize, in accord with Public Law 93–513 [this section], the payment, under such terms and conditions as he may direct, of such claims and judgments from contingency funds available to the Department of Defense.

(b) The Secretary of Defense shall, when he considers such action appropriate, certify claims or judgments described in subsection (a) and transmit to the Director of the Office of Management and Budget his recommendation with respect to appropriation by the Congress of such additional sums as may be necessary.

SEC. 2. The provisions of section 1 shall not be deemed to replace, alter, or diminish the statutory and other functions vested in the Attorney General, or the United States District Court of the District of Columbia in the case of any incident giving rise to a claim of a foreign country or national thereof, and international negotiations relating to Public Law 93–513 [this section], shall be performed by or under the authority of the Secretary of State.

GERALD R. FORD.

§ 2212. Transferred

CODIFICATION

PRIOR PROVISIONS


Effective Date of Repeal
Repeal effective Oct. 1, 2006, see section 637(c) of Pub. L. 109–58, set out as an Effective Date of 2005 Amendment note under section 2214 of this title.

§ 2214. NRC user fees and annual charges

(a) Annual assessment

(1) In general

The Nuclear Regulatory Commission (in this section referred to as the “Commission”) shall annually assess and collect such fees and charges as are described in subsections (b) and (c).

(2) First assessment

The first assessment of fees under subsection (b) and annual charges under subsection (c) shall be made not later than September 30, 1991.

(b) Fees for service or thing of value

Pursuant to section 9701 of title 31, any person who receives a service or thing of value from the Commission shall pay fees to cover the Commission’s costs in providing any such service or thing of value.

(c) Annual charges

(1) Persons subject to charge

Except as provided in paragraph (4), any licensee or certificate holder of the Commission may be required to pay, in addition to the fees set forth in subsection (b), an annual charge.

(2) Aggregate amount of charges

(A) In general

The aggregate amount of the annual charges collected from all licensees and certificate holders in a fiscal year shall equal an amount that approximates the percentages of the budget authority of the Commission for the fiscal year stated in subparagraph (B), less—

(i) amounts collected under subsection (b) during the fiscal year;

(ii) amounts appropriated to the Commission from the Nuclear Waste Fund for the fiscal year;


(iv) amounts appropriated to the Commission for homeland security activities of the Commission for the fiscal year, except for the costs of fingerprinting and background checks required by section 2169 of this title and the costs of conducting security inspections; and

(v) amounts appropriated to the Commission for the fiscal year for activities related to the development of regulatory infrastructure for advanced nuclear reactor technologies, including activities required under section 1031 of the Nuclear Energy Innovation and Modernization Act.

(B) Percentages

The percentages referred to in subparagraph (A) are—

(i) 98 percent for fiscal year 2001;

(ii) 96 percent for fiscal year 2002;

(iii) 94 percent for fiscal year 2003;

(iv) 92 percent for fiscal year 2004; and

(v) 90 percent for fiscal year 2005 and each fiscal year thereafter.

(3) Amount per licensee

The Commission shall establish, by rule, a schedule of charges fairly and equitably allocating the aggregate amount of charges described in paragraph (2) among licensees. To the maximum extent practicable, the charges shall have a reasonable relationship to the cost of providing regulatory services and may be based on the allocation of the Commission’s resources among licensees or classes of licensees.

(4) Exemption

(A) In general

Paragraph (1) shall not apply to the holder of any license for a federally owned research reactor used primarily for educational training and academic research purposes.

(B) Research reactor

For purposes of subparagraph (A), the term “research reactor” means a nuclear reactor that—

(i) is licensed by the Nuclear Regulatory Commission under section 2134(c) of this title for operation at a thermal power level of 10 megawatts or less; and

(ii) if so licensed for operation at a thermal power level of more than 1 megawatt, does not contain—

(I) a circulating loop through the core in which the licensee conducts fuel experiments;

(II) a liquid fuel loading; or

(III) an experimental facility in the core in excess of 16 square inches in cross-section.

(d) “Nuclear Waste Fund” defined

As used in this section, the term “Nuclear Waste Fund” means the fund established pursuant to section 10222(c) of this title.


1 See References in Text note below.

REFERENCES IN TEXT

Section was enacted as part of the Omnibus Budget Reconciliation Act of 1990, and not as part of the Atomic Energy Act of 1954 which comprises this chapter.

AMENDMENTS

2018—Pub. L. 115–439, title I, § 102, Dec. 20, 2019, 133 Stat. 5551, provided that: ‘‘The amendments made by this section [amending this section and repealing section 2213 of this title] take effect on October 1, 2019.’’


2001—Subsec. (a)(3). Pub. L. 106–377, § 1(a)(2) [title VIII], added par. (2) and struck out heading and text of former par. (2). Text read as follows: ‘‘The aggregate annual charge collected from all licensees shall equal an amount that approximates 100 percent of the budget authority of the Commission in the fiscal year in which such charge is collected, less any amount appropriated to the Commission from the Nuclear Waste Fund and the amount of fees collected under subsection (b) of this section in such fiscal year.’’


1992—Subsec. (c)(1). Pub. L. 102–486, § 2903(a)(1), substituted ‘‘Except as provided in paragraph (4), any licensee’’ for ‘‘Any licensee’’.


REPEAL OF SECTION

EFFECTIVE DATE OF 2005 AMENDMENT
Pub. L. 109–58, title VI, § 637(c), Aug. 8, 2005, 119 Stat. 791, provided that: ‘‘The amendments made by this section [amending this section and repealing section 2213 of this title] take effect on October 1, 2006.’’

EFFECTIVE DATE OF 1992 AMENDMENT
Pub. L. 102–486, title XXIX, § 2903(b), Oct. 24, 1992, 106 Stat. 3125, provided that: ‘‘The amendments made by [by] subsection (a) [amending this section] shall apply to annual charges assessed under section 6101(c) of the Omnibus Budget Reconciliation Act of 1990 [42 U.S.C. 2214(c)] for fiscal year 1992 or any succeeding fiscal year.’’

POLICY REVIEW
Pub. L. 102–486, title XXIX, § 2903(c), Oct. 24, 1992, 106 Stat. 3125, provided that: ‘‘The Nuclear Regulatory Commission shall review its policy for assessment of annual charges under section 6101(c) of the Omnibus Budget Reconciliation Act of 1990 [42 U.S.C. 2214(c)], solicit public comment on the need for changes to such policy, and recommend to the Congress such changes in existing law as the Commission finds are needed to prevent the placement of an unfair burden on certain licensees of the Commission, in particular those that hold licenses to operate federally owned research reactors used primarily for educational training and academic research purposes.’’

§ 2215. Nuclear Regulatory Commission user fees and annual charges for fiscal year 2021 and each fiscal year thereafter

(a) Annual budget justification

(1) In general

In the annual budget justification submitted by the Commission to Congress, the Commission shall expressly identify anticipated expenditures necessary for completion of the requested activities of the Commission anticipated to occur during the applicable fiscal year.

(2) Restriction

Budget authority granted to the Commission for purposes of the requested activities of the Commission shall be used, to the maximum extent practicable, solely for conducting requested activities of the Commission.

(3) Limitation on corporate support costs

With respect to the annual budget justification submitted to Congress, corporate support costs, to the maximum extent practicable, shall not exceed the following percentages of the total budget authority of the Commission requested in the annual budget justification:

(A) 30 percent for each of fiscal years 2021 and 2022;

(B) 29 percent for each of fiscal years 2023 and 2024;

(C) 28 percent for fiscal year 2025 and each fiscal year thereafter.

(b) Fees and charges

(1) Annual assessment

(A) In general

Each fiscal year, the Commission shall assess and collect fees and charges in accordance with paragraphs (2) and (3) in a manner
that ensures that, to the maximum extent practicable, the amount assessed and collected is equal to an amount that approximates—

(i) the total budget authority of the Commission for that fiscal year, less
(ii) the budget authority of the Commission for the activities described in subparagraph (B).

(B) Excluded activities described

The activities referred to in subparagraph (A)(ii) are the following:

(i) Any fee relief activity, as identified by the Commission.

(ii) Amounts appropriated for a fiscal year to the Commission—

(I) from the Nuclear Waste Fund established under section 10222(c) of this title; 
(III) for the homeland security activities of the Commission (other than for the costs of fingerprinting and background checks required under section 2169 of this title and the costs of conducting security inspections); 
(IV) for the Inspector General services of the Commission provided to the Defense Nuclear Facilities Safety Board; 
(V) for research and development at universities in areas relevant to the mission of the Commission; and 
(VI) for a nuclear science and engineering grant program that will support multiyear projects that do not align with programmatic missions but are critical to maintaining the discipline of nuclear science and engineering.

(iii) Costs for activities related to the development of regulatory infrastructure for advanced nuclear reactor technologies, including activities required under section 103.1

(C) Exception

The exclusion described in subparagraph (B)(iii) shall cease to be effective on January 1, 2031.

(D) Report

Not later than December 31, 2029, the Commission shall submit to the Committee on Appropriations and the Committee on Environment and Public Works of the Senate and the Committee on Appropriations and the Committee on Energy and Commerce of the House of Representatives a report describing the views of the Commission on the continued appropriateness and necessity of the funding described in subparagraph (B)(iii).

(2) Fees for service or thing of value

In accordance with section 9701 of title 31, the Commission shall assess and collect fees from any person who receives a service or thing of value from the Commission to cover the costs to the Commission of providing the service or thing of value.

(3) Annual charges

(A) In general

Subject to subparagraph (B) and except as provided in subparagraph (D), the Commission may charge to any licensee or certificate holder of the Commission an annual charge in addition to the fees assessed and collected under paragraph (2).

(B) Cap on annual charges of certain licensees

(i) Operating reactors

The annual charge under subparagraph (A) charged to an operating reactor licensee, to the maximum extent practicable, shall not exceed the annual fee amount per operating reactor licensee established in the final rule of the Commission entitled “Revision of Fee Schedules; Fee Recovery for Fiscal Year 2015” (80 Fed. Reg. 37432 (June 30, 2015)), as may be adjusted annually by the Commission to reflect changes in the Consumer Price Index published by the Bureau of Labor Statistics of the Department of Labor.

(ii) Waiver

The Commission may waive, for a period of 1 year, the cap on annual charges described in clause (i) if the Commission submits to the Committee on Appropriations and the Committee on Environment and Public Works of the Senate and the Committee on Appropriations and the Committee on Energy and Commerce of the House of Representatives a written determination that the cap on annual charges may compromise the safety and security mission of the Commission.

(C) Amount per licensee

(i) In general

The Commission shall establish by rule a schedule of annual charges fairly and equitably allocating the aggregate amount of charges described in subparagraph (A) among licensees and certificate holders.

(ii) Requirement

The schedule of annual charges under clause (i)—

(I) to the maximum extent practicable, shall be reasonably related to the cost of providing regulatory services; and
(II) may be based on the allocation of the resources of the Commission among licensees or certificate holders or classes of licensees or certificate holders.

(D) Exemption

(i) Definition of research reactor

In this subparagraph, the term “research reactor” means a nuclear reactor that—

(I) is licensed by the Commission under section 2134(c) of this title for operation at a thermal power level of not more than 10 megawatts; and
(II) if licensed under subclause (I) for operation at a thermal power level of

1 See References in Text below.
more than 1 megawatt, does not contain—

(a) a circulating loop through the core in which the licensee conducts fuel experiments;
(b) a liquid fuel loading; or
(c) an experimental facility in the core in excess of 18 square inches in cross-section.

(ii) Exemption
Subparagraph (A) shall not apply to the holder of any license for a federally owned research reactor used primarily for educational training and academic research purposes.

(c) Performance and reporting
(1) In general
Not later than 180 days after January 14, 2019, the Commission shall develop for the requested activities of the Commission—
(A) performance metrics; and
(B) milestone schedules.

(2) Delays in issuance of final safety evaluation
The Executive Director for Operations of the Commission shall inform the Commission of a delay in issuance of the final safety evaluation for a requested activity of the Commission by the completion date required by the performance metrics or milestone schedule under paragraph (1) by not later than 30 days after the completion date.

(3) Delays in issuance of final safety evaluation exceeding 180 days
If the final safety evaluation for the requested activity of the Commission described in paragraph (2) is not completed by the date that is 180 days after the completion date required by the performance metrics or milestone schedule under paragraph (1), the Commission shall submit to the appropriate congressional committees a timely report describing the delay, including a detailed explanation accounting for the delay and a plan for timely completion of the final safety evaluation.

(d) Accurate invoicing
With respect to invoices for fees described in subsection (b)(2), the Commission shall—

(1) ensure appropriate review and approval prior to the issuance of invoices;
(2) develop and implement processes to audit invoices to ensure accuracy, transparency, and fairness; and
(3) modify regulations to ensure fair and appropriate processes to provide licensees and applicants an opportunity to efficiently dispute or otherwise seek review and correction of errors in invoices for those fees.

(e) Report
Not later than September 30, 2021, the Commission shall submit to the Committee on Appropriations and the Committee on Environment and Public Works of the Senate and the Committee on Appropriations and the Committee on Energy and Commerce of the House of Representatives a report describing the implementation of this section, including any impacts and recommendations for improvement.

(f) Effective date
Except as provided in subsection (c), this section takes effect on October 1, 2020.


REFERENCES IN TEXT


CODIFICATION
Section was enacted as part of the Nuclear Energy Innovation and Modernization Act, and not as part of the Atomic Energy Act of 1954 which comprises this chapter.

PUPRE
Pub. L. 115–439, §2, Jan. 14, 2019, 132 Stat. 5565, provided that: ‘‘The purpose of this Act [see Short Title of 2019 Amendment note set out under section 2011 of this title] is to provide—
‘‘(1) a program to develop the expertise and regulatory processes necessary to allow innovation and the commercialization of advanced nuclear reactors;
‘‘(2) a revised fee recovery structure to ensure the availability of resources to meet industry needs without burdening existing licensees unfairly for inaccurate workload projections or premature existing reactor closures; and
‘‘(3) more efficient regulation of uranium recovery.’’

[For definition of ‘‘advanced nuclear reactors’’ as used in section 2 of Pub. L. 115–439, set out above, see section 3 of Pub. L. 115–439, set out below.]

DEFINITIONS
Pub. L. 115–439, §3, Jan. 14, 2019, 132 Stat. 5565, provided that: ‘‘In this Act [see Short Title of 2019 Amendment note set out under section 2011 of this title]:

‘‘(1) ADVANCED NUCLEAR REACTOR.—The term ‘advanced nuclear reactor’ means a nuclear fission or fusion reactor, including a prototype plant (as defined in sections 50.2 and 52.1 of title 10, Code of Federal Regulations as in effect on the date of enactment of this Act [Jan. 14, 2019]), with significant improvements compared to commercial nuclear reactors under construction as of the date of enactment of this Act, including improvements such as—
‘‘(A) additional inherent safety features;
‘‘(B) significantly lower levelized cost of electricity;
‘‘(C) lower waste yields;
‘‘(D) greater fuel utilization;
‘‘(E) enhanced reliability;
‘‘(F) increased proliferation resistance;
‘‘(G) increased thermal efficiency; or
‘‘(H) ability to integrate into electric and non-electric applications.
‘‘(2) ADVANCED NUCLEAR REACTOR FUEL.—The term ‘advanced nuclear reactor fuel’ means fuel for use in an advanced nuclear reactor or a research and test reactor, including fuel with a low uranium enrichment level of not greater than 20 percent.
‘‘(3) AGREEMENT STATE.—The term ‘Agreement State’ means any State with which the Commission has entered into an effective agreement under section 274 b. of the Atomic Energy Act of 1954 (42 U.S.C. 2021(b)).

DVANCED NUCLEAR REACTOR FUEL

---

"(2) The term ‘advanced nuclear reactor fuel’ means fuel for use in an advanced nuclear reactor or a research and test reactor, including fuel with a low uranium enrichment level of not greater than 20 percent."

"(3) The term ‘Agreement State’ means any State with which the Commission has entered into an effective agreement under section 274b. of the Atomic Energy Act of 1954 (42 U.S.C. 2021(b))."
addresses a technical topic related to nuclear reactor safety or design.''

**SUBCHAPTER XIV—COMPENSATION FOR PRIVATE PROPERTY ACQUIRED**

### § 2221. Just compensation for requisitioned property

The United States shall make just compensation for any property or interests therein taken or requisitioned pursuant to sections 2063, 2075, 2096, and 2138 of this title. Except in case of real property or any interest therein, the Commission shall determine and pay such just compensation. If the compensation so determined is unsatisfactory to the person entitled thereto, such person shall be paid 75 per centum of the amount so determined, and shall be entitled to sue the United States in the United States Court of Federal Claims or in any district court of the United States for the district in which such claimant is a resident in the manner provided by section 1546 of title 28 to recover such further sum as added to said 75 per centum will constitute just compensation.


**Prior Provisions**

Provisions similar to this section were contained in section 1813(a) of this title, prior to the general amendment and renumbering of act Aug. 1, 1946, by act Aug. 30, 1954.

**Amendments**


1982—Pub. L. 97–164 substituted “United States Claims Court” for “Court of Claims.”

**Effective Date of 1992 Amendment**


**Effective Date of 1982 Amendment**

meridian, Bernalillo County, New Mexico, thence south no degrees twenty-three minutes thirty seconds west one thousand nine hundred forty-seven and twenty-one one-hundredths feet, thence north eighty-nine degrees twenty-seven minutes forty-five seconds north thirty-nine minutes no seconds east two hundred thirty and forty-two and seventy-one-hundredths feet, thence north eighty-nine degrees three minutes fifteen seconds east two thousand four hundred sixty-eight and forty-one-hundredths feet to the point of beginning.

This retrocession of jurisdiction shall take effect upon acceptance by the State of New Mexico.

§ 2222. Condemnation of real property

Proceedings for condemnation shall be instituted pursuant to the provisions of section 3113 of title 40, and section 1403 of title 28, Sections 3114 to 3116 and 3118 of title 40 shall be applicable to any such proceedings.


CODIFICATION


PRIOR PROVISIONS

Provisions similar to this section were contained in section 1813(b) of this title, prior to the general amendment and renumbering of act Aug. 1, 1946, by act Aug. 30, 1954.

§ 2223. Patent application disclosures

In the event that the Commission communicates to any nation any Restricted Data based on any patent application not belonging to the United States, just compensation shall be paid by the United States to the owner of the patent application. The Commission shall determine such compensation. If the compensation so determined is unsatisfactory to the person entitled thereto, such person shall be paid 75 per centum of the amount so determined, and shall be entitled to sue the United States in the United States Court of Federal Claims or in any district court of the United States for the district in which such claimant is a resident in a manner provided by section 1346 of title 28 to recover such further sum as added to such 75 per centum will constitute just compensation.


AMENDMENTS


1982—Pub. L. 97-164 substituted “United States Claims Court” for “Court of Claims”.

EFFECTIVE DATE OF 1992 AMENDMENT


EFFECTIVE DATE OF 1982 AMENDMENT


§ 2224. Attorney General approval of title

All real property acquired under this chapter shall be subject to the provisions of sections 3111 and 3112 of title 40: Provided, however, That real property acquired by purchase or donation, or other means of transfer may also be occupied, used, and improved for the purposes of this chapter prior to approval of title by the Attorney General in those cases where the President determines that such action is required in the interest of the common defense and security.


REFERENCES IN TEXT

This chapter, referred to in text, was in the original “this Act”, meaning act Aug. 1, 1946, ch. 724, as added by act Aug. 30, 1954, ch. 1073, §1, 68 Stat. 919, known as the Atomic Energy Act of 1954, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 2011 of this title and Tables.

CODIFICATION


PRIOR PROVISIONS

Provisions similar to this section were contained in section 1813(b) of this title, prior to the general amendment and renumbering of act Aug. 1, 1946, by act Aug. 30, 1954.

SUBCHAPTER XV—JUDICIAL REVIEW AND ADMINISTRATIVE PROCEDURE

§ 2231. Applicability of administrative procedure provisions; definitions

The provisions of subchapter II of chapter 5, and chapter 7, of title 5 shall apply to all agency action taken under this chapter, and the terms
“agency” and “agency action” shall have the meaning specified in section 551 of title 5: Provided, however, That in the case of agency proceedings or actions which involve Restricted Data, defense information, safeguards information protected from disclosure under the authority of section 2167 of this title or information protected from dissemination under the authority of section 2168 of this title, the Commission shall provide by regulation for such parallel procedures as will effectively safeguard and prevent disclosure of Restricted Data, defense information, or such safeguards information to unauthorized persons with minimum impairment of the procedural rights which would be available if Restricted Data, defense information, or such safeguards information, were not involved.


§ 2232. License applications

(a) Contents and form

Each application for a license hereunder shall be in writing and shall specifically state such information as the Commission, by rule or regulation, may determine to be necessary to decide such of the technical and financial qualifications of the applicant, the character of the applicant, the citizenship of the applicant, or any other qualifications of the applicant as the Commission may deem appropriate for the license. In connection with applications for licenses to operate production or utilization facilities, the applicant shall state such technical specifications, including information of the amount, kind, and source of special nuclear material required, the place of the use, the specific characteristics of the facility, and such other information as the Commission may, by rule or regulation, deem necessary in order to enable it to find that the utilization or production of special nuclear material will be in accord with the common defense and security and will provide adequate protection to the health and safety of the public. Such technical specifications shall be a part of any license issued. The Commission may at any time after the filing of the original application, and before the expiration of the license, require further written statements in order to enable the Commission to determine whether the application should be granted or denied or whether a license should be modified or revoked. All applications and statements shall be signed by the applicant or licensee. Applications for, and statements made in connection with, licenses under sections 2133 and 2134 of this title shall be made under oath or affirmation. The Commission may require any other applications or statements to be made under oath or affirmation.

(b) Review of applications by Advisory Committee on Reactor Safeguards; report

The Advisory Committee on Reactor Safeguards shall review each application under section 2133 or section 2134(b) of this title for a construction permit or an operating license for a facility, any application under section 2134(c) of this title for a construction permit or an operating license for a testing facility, any application under subsection (a) or (c) of section 2134 of this title specifically referred to it by the Commission, and any application for an amendment to a construction permit or an amendment to an operating license under section 2133 or 2134 of this title, for “involve Restricted Data, defense information, or safeguards information protected from disclosure under the authority of section 2167 of this title, the Commission shall provide by regulation for such parallel procedures as will effectively safeguard and prevent disclosure of Restricted Data, defense information, or such safeguards information, to unauthorized persons with minimum impairment of the procedural rights which would be available if Restricted Data, defense information, or such safeguards information, were not involved.”
(c) Commercial power; publication

The Commission shall not issue any license under section 2133 of this title for a utilization or production facility for the generation of commercial power until it has given notice in writing to such regulatory agency as may have jurisdiction over the rates and services incident to the proposed activity; until it has published notice of the application in such trade or news publications as the Commission deems appropriate to give reasonable notice to municipalities, private utilities, public bodies, and cooperatives which might have a potential interest in such utilization or production facility; and until it has published notice of such application once each week for four consecutive weeks in the Federal Register, and until four weeks after the last notice.

(d) Preferred consideration

The Commission, in issuing any license for a utilization or production facility for the generation of commercial power under section 2133 of this title, shall give preferred consideration to applications for such facilities which will be located in high cost power areas in the United States if there are conflicting applications for a limited opportunity for such license. Where such conflicting applications resulting from limited opportunity for such license include those submitted by public or cooperative bodies such applications shall be given preferred consideration.


AMENDMENTS

1970—Subsec. (c). Pub. L. 91–560 substituted provisions requiring notification by publication giving reasonable notice to municipalities, private utilities, public bodies, and cooperatives which might have a potential interest in such utilization or production facility, for provisions requiring notice in writing to municipalities, private utilities, public bodies and cooperatives within transmission distance authorized to engage in the distribution of electric energy.

1962—Subsec. (b). Pub. L. 87–615 substituted provisions requiring review of applications under section 2133 or 2134(b) of this title for a construction permit or an operating license for a facility, or under section 2134(c) of this title for a testing facility, for provisions which required review of license applications for such facilities, and inserted provisions requiring review of any application for an amendment to a construction permit or operating license under section 2133 or 2134(a), (b), or (c) of this title specifically referred to it by the Commission.

1957—Subsecs. (b) to (d). Pub. L. 85–256 added subsec. (b) and redesignated former subsecs. (b) and (c) as (c) and (d), respectively.

1956—Subsec. (a). Act Aug. 6, 1956, struck out “under oath or affirmation” from last sentence, and inserted two sentences at end requiring applications and statements in connection with sections 2133 and 2134 to be made under oath or affirmation and authorizing Commission to require any other applications or statements to be made under oath or affirmation.

§ 2233. Terms of licenses

Each license shall be in such form and contain such terms and conditions as the Commission may, by rule or regulation, prescribe to effectuate the provisions of this chapter, including the following provisions:


(b) No right to the special nuclear material shall be conferred by the license except as defined by the license.

(c) Neither the license nor any right under the license shall be assigned or otherwise transferred in violation of the provisions of this chapter.

(d) Every license issued under this chapter shall be subject to the right of recapture or control reserved by section 2138 of this title, and to all of the other provisions of this chapter, now or hereafter in effect and to all valid rules and regulations of the Commission.

(1964, 78 Stat. 607, set out in the Appendix to Title 5, Government Organization and Employees.)

REFERENCES IN TEXT

This chapter, referred to in text, was in the original “this Act”, meaning act Aug. 1, 1946, ch. 724, as added by act Aug. 30, 1954, ch. 1073, §1, 68 Stat. 919, known as the Atomic Energy Act of 1954, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 2101 of this title and Tables.

AMENDMENTS

1964—Par. (a). Pub. L. 88–489 struck out par. (a) which placed title to all special nuclear material utilized or produced by facilities pursuant to license in the United States at all times.

§ 2234. Inalienability of licenses

No license granted hereunder and no right to utilize or produce special nuclear material granted hereby shall be transferred, assigned or in any manner disposed of, either voluntarily or involuntarily, directly or indirectly, through transfer of control of any license to any person, unless the Commission shall, after securing full information, find that the transfer is in accordance with the provisions of this chapter, and shall give its consent in writing. The Commission may give such consent to the creation of a mortgage, pledge, or other lien upon any facility or special nuclear material, owned or thereafter acquired by a licensee, or upon any leasehold or other interest to such facility, and the rights of the creditors so secured may thereafter be en-
forced by any court subject to rules and regulations established by the Commission to protect public health and safety and promote the common defense and security.


§ 2235. Construction permits and operating licenses

(a) All applicants for licenses to construct or modify production or utilization facilities shall, if the application is otherwise acceptable to the Commission, be initially granted a construction permit. The construction permit shall state the earliest and latest dates for the completion of the construction or modification. Unless the construction or modification of the facility is completed by the completion date, the construction permit shall expire, and all rights thereunder be forfeited, unless upon good cause shown, the Commission extends the completion date. Upon the completion of the construction or modification of the facility, upon the filing of any additional information needed to bring the original application up to date, and upon finding that the facility authorized has been constructed and will operate in conformity with the application as amended and in conformity with the provisions of this chapter and of the rules and regulations of the Commission, and in the absence of any good cause being shown to the Commission why the granting of a license would not be in accordance with the provisions of this chapter, the Commission shall thereupon issue a license to the applicant. For all other purposes of this chapter, a construction permit is deemed to be a “license”.

(b) After holding a public hearing under section 2239(a)(1)(A) of this title, the Commission shall issue to the applicant a combined construction and operating license if the application contains sufficient information to support the issuance of a combined license and the Commission determines that there is reasonable assurance that the facility has been constructed and will be operated in conformity with the license, the provisions of this chapter, and the Commission’s rules and regulations. Following issuance of the combined license, the Commission shall ensure that the prescribed inspections, tests, and analyses are performed and, prior to operation of the facility, shall find that the prescribed acceptance criteria are met. Any finding made under this subsection shall not require a hearing except as provided in section 2239(a)(1)(B) of this title.


AMENDMENTS

1964—Pub. L. 88–489 inserted “or special nuclear material,” after “liens upon any facility” and substituted “interest in such facility” for “interest in such property”.

§ 2235. Construction permits and operating licenses

(a) All applicants for licenses to construct or modify production or utilization facilities shall, if the application is otherwise acceptable to the Commission, be initially granted a construction permit. The construction permit shall state the earliest and latest dates for the completion of the construction or modification. Unless the construction or modification of the facility is completed by the completion date, the construction permit shall expire, and all rights thereunder be forfeited, unless upon good cause shown, the Commission extends the completion date. Upon the completion of the construction or modification of the facility, upon the filing of any additional information needed to bring the original application up to date, and upon finding that the facility authorized has been constructed and will operate in conformity with the application as amended and in conformity with the provisions of this chapter and of the rules and regulations of the Commission, and in the absence of any good cause being shown to the Commission why the granting of a license would not be in accordance with the provisions of this chapter, the Commission shall thereupon issue a license to the applicant. For all other purposes of this chapter, a construction permit is deemed to be a “license”.

(b) After holding a public hearing under section 2239(a)(1)(A) of this title, the Commission shall issue to the applicant a combined construction and operating license if the application contains sufficient information to support the issuance of a combined license and the Commission determines that there is reasonable assurance that the facility has been constructed and will be operated in conformity with the license, the provisions of this chapter, and the Commission’s rules and regulations. Following issuance of the combined license, the Commission shall ensure that the prescribed inspections, tests, and analyses are performed and, prior to operation of the facility, shall find that the prescribed acceptance criteria are met. Any finding made under this subsection shall not require a hearing except as provided in section 2239(a)(1)(B) of this title.


AMENDMENTS

1992—Pub. L. 102–486, §2801, inserted “and operating licenses” after “permits” in section catchline, designated existing text as subsec. (a), and added subsec. (b).

EXECUTIVE ORDER NO. 12129


§ 2236. Revocation of licenses

(a) False applications; failure of performance

Any license may be revoked for any material false statement in the application or any statement of fact required under section 2232 of this title, or because of conditions revealed by such application or statement of fact or any report, record, or inspection or other means which would warrant the Commission to refuse to grant a license on an original application, or for failure to construct or operate a facility in accordance with the terms of the construction permit or license or the technical specifications in the application, or for failure to observe any of the terms and provisions of this chapter or of any regulation of the Commission.

(b) Procedure

The Commission shall follow the provisions of section 558(c) of title 5 in revoking any license.

(c) Repossession of material

Upon revocation of the license, the Commission may immediately retake possession of all special nuclear material held by the licensee. In
cases found by the Commission to be of extreme importance to the national defense and security or to the health and safety of the public, the Commission may re-capture any special nuclear material held by the licensee or may enter upon and operate the facility prior to any of the procedures provided under subchapter II of chapter 5 and chapter 7 of title 5. Just compensation shall be paid for the use of the facility.


REFERENCES IN TEXT

This chapter, referred to in subsec. (a), was in the original “this Act”, meaning act Aug. 1, 1946, ch. 724, as added by act Aug. 30, 1954, ch. 1073, §1, 68 Stat. 919, known as the Atomic Energy Act of 1946, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 2011 of this title and Tables.

MODIFICATION

In subs. (b) and (c), “section 58(c) of title 5” and “section 3 of chapter 5 and chapter 7 of title 5” substituted for “section 9(b) of the Administrative Procedure Act [5 U.S.C. 1001–1011]” and “the Administration Procedure Act [5 U.S.C. 1001–1011]”, respectively, on authority of Pub. L. 89-554, §7(b), Sept. 6, 1966, 80 Stat. 631, the first section of which enacted Title 5, Government Organization and Employees.

§ 2237. Modification of license

The terms and conditions of all licenses shall be subject to amendment, revision, or modification, by reason of amendments of this chapter or by reason of rules and regulations issued in accordance with the terms of this chapter.


REFERENCES IN TEXT

This chapter, referred to in text, was in the original “this Act”, meaning act Aug. 1, 1946, ch. 724, as added by act Aug. 30, 1954, ch. 1073, §1, 68 Stat. 919, known as the Atomic Energy Act of 1946, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 2011 of this title and Tables.

§ 2238. Continued operation of facilities

Whenever the Commission finds that the public convenience and necessity or the production program of the Commission requires continued operation of a production facility or utilization facility the license for which has been revoked pursuant to section 2236 of this title, the Commission may, after consultation with the appropriate regulatory agency, State or Federal, having jurisdiction, order that possession be taken of and such facility be operated for such period of time as the public convenience and necessity or the production program of the Commission may, in the judgment of the Commission, require, or until a license for the operation of the facility shall become effective. Just compensation shall be paid for the use of the facility.


§ 2239. Hearings and judicial review

(a)(1)(A) In any proceeding under this chapter, for the granting, suspending, revoking, amending any license or construction permit, or application to transfer control, and in any proceeding for the issuance or modification of rules and regulations dealing with the activities of licensees, and in any proceeding for the payment of compensation, an award or royalties under sections 2133, 2137, 2236(c) or 2238 of this title, the Commission shall grant a hearing upon the request of any person whose interest may be affected by the proceeding, and shall admit any such person as a party to such proceeding. The Commission shall hold a hearing after thirty days’ notice and publication once in the Federal Register, on each application under section 2133 or 2134(b) of this title for a construction permit for a facility, and on any application under section 2134(c) of this title for a construction permit for a testing facility. In cases where such a construction permit has been issued following the holding of such a hearing, the Commission may, in the absence of a request therefor by any person whose interest may be affected, issue an operating license or an amendment to a construction permit or an amendment to an operating license without a hearing, but upon thirty days’ notice and publication once in the Federal Register of its intent to do so. The Commission may dispense with such thirty days’ notice and publication with respect to any application for an amendment to a construction permit or an amendment to an operating permit upon a determination by the Commission that the amendment involves no significant hazards consideration.

(B)(i) Not less than 180 days before the date scheduled for initial loading of fuel into a plant by a licensee that has been issued a combined construction permit and operating license under section 2235(b) of this title, the Commission shall publish in the Federal Register notice of intended operation. That notice shall provide that any person whose interest may be affected by operation of the plant, may within 60 days request the Commission to hold a hearing on whether the facility as constructed complies, or on completion will comply, with the acceptance criteria of the license.

(ii) A request for hearing under clause (i) shall show, prima facie, that one or more of the acceptance criteria in the combined license have not been, or will not be met, and the specific operational consequences of nonconformance that would be contrary to providing reasonable assurance of adequate protection of the public health and safety.

(iii) After receiving a request for a hearing under clause (i), the Commission expeditiously shall either deny or grant the request. If the request is granted, the Commission shall determine, after considering petitioners’ prima facie showing and any answers thereto, whether during a period of interim operation, there will be reasonable assurance of adequate protection of...
the public health and safety. If the Commission determines that there is such reasonable assurance, it shall allow operation during an interim period under the combined license.

(iv) The Commission, in its discretion, shall determine appropriate hearing procedures, whether informal or formal adjudicatory, for any hearing under clause (i), and shall state its reasons therefor.

(v) The Commission shall, to the maximum possible extent, render a decision on issues raised by the hearing request within 180 days of the publication of the notice provided by clause (i) or the anticipated date for initial loading of fuel into the reactor, whichever is later. Commencement of operation under a combined license shall not be subject to subparagraph (A).

2(A) The Commission may issue and make immediately effective any amendment to an operating license or any amendment to a combined construction and operating license, upon a determination by the Commission that such amendment involves no significant hazards consideration, notwithstanding the pendency before the Commission of a request for a hearing from any person. Such amendment may be issued and made immediately effective in advance of the holding and completion of any required hearing. In determining whether such amendment involves no significant hazards consideration, the Commission shall consult with the State in which the facility involved is located. In all other respects such amendment shall meet the requirements of this chapter.

(B) The Commission shall periodically (but not less frequently than once every thirty days) publish notice of any amendments issued, or proposed to be issued, as provided in subparagraph (A). Each such notice shall include all amendments issued, or proposed to be issued, since the date of publication of the last such periodic notice. Such notice shall, with respect to each amendment or proposed amendment (i) identify the facility involved; and (ii) provide a brief description of such amendment. Nothing in this subsection shall be construed to delay the effective date of any amendment.

(C) The Commission shall, during the ninety-day period following the effective date of this paragraph, promulgate regulations establishing (i) standards for determining whether any amendment to an operating license or any amendment to a combined construction and operating license involves no significant hazards consideration; (ii) criteria for providing or, in emergency situations, dispensing with prior notice and reasonable opportunity for public comment on any such determination, which criteria shall take into account the exigency of the need for the amendment involved; and (iii) procedures for consultation on any such determination with the State in which the facility involved is located.

(b) The following Commission actions shall be subject to judicial review in the manner prescribed in chapter 158 of title 28 and chapter 7 of title 5:

(1) Any final order entered in any proceeding of the kind specified in subsection (a).

(2) Any final order allowing or prohibiting a facility to begin operating under a combined construction and operating license.

(3) Any final order establishing by regulatory standards to govern the Department of Energy’s gaseous diffusion uranium enrichment plants, including any such facilities leased to a corporation established under the USEC Privatization Act (42 U.S.C. 2297 et seq.).

(4) Any final determination under section 2297(c) of this title relating to whether the gaseous diffusion plants, including any such facilities leased to a corporation established under the USEC Privatization Act (42 U.S.C. 2297 et seq.), are in compliance with the Commission’s standards governing the gaseous diffusion plants and all applicable laws.


REFERENCES IN TEXT

This chapter, referred to in subsection (a)(1)(A), (2)(A), was in the original “this Act”, meaning act Aug. 1, 1946, ch. 724, as added by act Aug. 30, 1954, ch. 1073, §1, 68 Stat. 919, known as the Atomic Energy Act of 1946, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 2011 of this title and Tables.

The effective date of this paragraph, referred to in subsection (a)(2)(C), probably means the date of enactment of Pub. L. 97–415, which was approved Jan. 4, 1983.


The effective date of this paragraph, referred to in subsection (a)(2)(C), was in the original this Act’, meaning act Aug. 1, 1946, ch. 724, as added by act Aug. 30, 1954, ch. 1073, §1, 68 Stat. 919, known as the Atomic Energy Act of 1946, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 2011 of this title and Tables.

AMENDMENTS

1996—Subsec. (b). Pub. L. 104–134 amended subsec. (b) generally. Prior to amendment, subsec. (b) read as follows: “Any final order entered in any proceeding of the kind specified in subsection (a) of this section or any final order allowing or prohibiting a facility to begin operating under a combined construction and operating license shall be subject to judicial review in the manner prescribed in the Act of December 29, 1950, as amended (ch. 1189, 64 Stat. 1129), and to the provisions of section 10 of the Administrative Procedure Act, as amended.”


Subsec. (a)(2)(A), (C). Pub. L. 102–486, §2804, inserted “or any amendment to a combined construction and operating license” after “any amendment to an operating license”.

Subsec. (b). Pub. L. 102–486, §3805, inserted “or any final order allowing or prohibiting a facility to begin operating under a combined construction and operating license” before “shall be subject to judicial review”.

1963—Subsec. (a). Pub. L. 97–415 designated existing provisions as par. (1) and added par. (2).

1962—Subsec. (a). Pub. L. 87–615 substituted “construction permit for a facility” and “construction permit for a testing facility” for “license for a facility” and “license for a testing facility”, respectively, and authorized the commission in cases where a permit has been issued following a hearing, and in the absence of
a request therefor by anyone whose interest may be affected, to issue an operating license or an amendment to a construction permit or an operating license without a hearing upon thirty days' notice and publication once in the Federal Register of its intent to do so, and to dispense with such notice and publication with respect to any application for an amendment to a construction permit or to an operating license upon its determination that the amendment involves no significant hazards consideration.

1987—Subsec. (a). Pub. L. 95–242 required the Commission to hold a hearing after 30 days notice and publication once in the Federal Register on an application for a license for a facility or a testing facility.

*Effective Date of 1992 Amendment*

Subsec. (a)(1)(B) of this section, as added by section 2802 of Pub. L. 102–486, applicable to all proceedings involving combined license for which application was filed after May 8, 1991, see section 2806 of Pub. L. 102–486, set out as a note under section 2239 of this title.

*Authority To Effectuate Amendments To Operating Licenses*

Pub. L. 97–415, §12(b), Jan. 4, 1983, 96 Stat. 2073, provided that: "The authority of the Nuclear Regulatory Commission, under the provisions of the amendment made by subsection (a) [amending this section], to issue and to make immediately effective any amendment to an operating license shall take effect upon the promulgation by the Commission of the regulations required in such provisions."

*Review of Nuclear Proliferation Assessment Statements*

No court or regulatory body to have jurisdiction to compel performance of or to review adequacy of performance of any Nuclear Proliferation Assessment Statement called for by the Atomic Energy Act of 1954 [this chapter] or by the Nuclear Non-Proliferation Act of 1978, Pub. L. 95–242, Mar. 10, 1978, 92 Stat. 120, see section 2160a of this title.

*Administrative Orders Review Act*

Court of appeals exclusive jurisdiction respecting final orders of Atomic Energy Commission, now the Nuclear Regulatory Commission and the Secretary of Energy, made reviewable by this section, see section 2342 of Title 28, Judiciary and Judicial Procedure.

§ 2240. Licensee incident reports as evidence

No report by any licensee of any incident arising out of or in connection with a licensed activity made pursuant to any requirement of the Commission shall be admitted as evidence in any suit or action for damages growing out of any matter mentioned in such report.


References in Text

This chapter, referred to in subsec. (a), was in the original “this Act,” meaning act Aug. 1, 1946, ch. 724, as added by act Aug. 30, 1954, ch. 1073, §1, 68 Stat. 919, known as the Atomic Energy Act of 1946, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 2011 of this title and Tables.

Codification

In subsec. (a), “sections 566(b) and 557(b) of title 5” substituted for "sections 7(a) and 8(a) of the Administrative Procedure Act (5 U.S.C. 1007(a), 1007(a))" on authority of Pub. L. 89–554, §7(b), Sept. 6, 1966, 80 Stat. 631, the first section of which enacted Title 5, Government Organization and Employees.

Amendments

1970—Subsec. (a). Pub. L. 91–560 required that two members of the board should have such technical or other qualifications the Commission deems appropriate to the issues to be decided.

§ 2242. Temporary operating license

(a) Fuel loading, testing, and operation at specific power level; petition, affidavit, etc.

In any proceeding upon an application for an operating license for a utilization facility required to be licensed under section 2133 or 2334 of this title, in which a hearing is otherwise required pursuant to section 2239(a) of this title, the applicant may petition the Commission for a temporary operating license for such facility authorizing fuel loading, testing, and operation at a specific power level to be determined by the Commission, pending final action by the Commission on the application. The initial petition for a temporary operating license for such facility, and any temporary operating license issued for such facility based upon the initial petition, shall be limited to power levels not to exceed 5 percent of rated full thermal power. Following issuance by the Commission—
sion of the temporary operating license for each such facility, the licensee may file petitions with the Commission to amend the license to allow facility operation in staged increases at specific power levels, to be determined by the Commission, exceeding 5 percent of rated full thermal power. The initial petition for a temporary operating license for each such facility may be filed at any time after the filing of: (1) the report of the Advisory Committee on Reactor Safeguards required by section 2232(b) of this title; (2) the filing of the Initial Safety Evaluation Report by the Nuclear Regulatory Commission staff and the Nuclear Regulatory Commission staff’s first supplement to the report prepared in response to the report of the Advisory Committee on Reactor Safeguards for the facility; (3) the Nuclear Regulatory Commission staff’s final detailed statement on the environmental impact of the facility prepared pursuant to section 4332(2)(C) of this title; and (4) a State, local, or utility emergency preparedness plan for the facility. Petitions for the issuance of a temporary operating license, or for an amendment to such license allowing operation at a specific power level greater than that authorized in the initial temporary operating license, shall be accompanied by an affidavit or affidavits setting forth the specific facts upon which the petitioner relies to justify issuance of the temporary operating license or the amendment thereto. The Commission shall publish notice of each such petition in the Federal Register and in such trade or news publications as the Commission deems appropriate to give reasonable notice to persons who might have a potential interest in the grant of such temporary operating license or amendment thereto. Any person may file affidavits or statements in support of, or in opposition to, the petition within thirty days after the publication of such notice in the Federal Register.

(b) Operation at greater power level; criteria, effect, terms and conditions, etc.; procedures applicable

With respect to any petition filed pursuant to subsection (a) of this section, the Commission may issue a temporary operating license, or amend the license to authorize temporary operation at each specific power level greater than that authorized in the initial temporary operating license, as determined by the Commission, upon finding that—

(1) in all respects other than the conduct or completion of any required hearing, the requirements of law are met;

(2) in accordance with such requirements, there is reasonable assurance that operation of the facility during the period of the temporary operating license in accordance with its terms and conditions will provide adequate protection to the public health and safety and the environment during the period of temporary operation; and

(3) denial of such temporary operating license will result in delay between the date on which construction of the facility is sufficiently completed, in the judgment of the Commission, to permit issuance of the temporary operating license, and the date when such facility would otherwise receive a final operating license pursuant to this chapter.

The temporary operating license shall become effective upon issuance and shall contain such terms and conditions as the Commission may deem necessary, including the duration of the license and any provision for the extension thereof. Any final order authorizing the issuance or amendment of any temporary operating license pursuant to this section shall recite with specificity the facts and reasons justifying the findings under this subsection, and shall be transmitted upon such issuance to the Committees on Natural Resources and on Energy and Commerce of the House of Representatives and the Committee on Environment and Public Works of the Senate. The final order of the Commission with respect to the issuance or amendment of a temporary operating license shall be subject to judicial review pursuant to chapter 158 of title 28. The requirements of section 2239(a) of this title with respect to the issuance or amendment of facility licenses shall not apply to the issuance or amendment of a temporary operating license under this section.

(c) Hearing for final operating license; suspension, issuance, compliance, etc., with temporary operating license

Any hearing on the application for the final operating license for a facility required pursuant to section 2239(a) of this title shall be concluded as promptly as practicable. The Commission shall suspend the temporary operating license if it finds that the applicant is not prosecuting the application for the final operating license with due diligence. Issuance of a temporary operating license under subsection (b) of this section shall be without prejudice to the right of any party to raise any issue in a hearing required pursuant to section 2239(a) of this title; and failure to assert any ground for denial or limitation of a temporary operating license shall not bar the assertion of such ground in connection with the issuance of a subsequent final operating license. Any party to a hearing required pursuant to section 2239(a) of this title on the final operating license for a facility for which a temporary operating license has been issued under subsection (b), and any member of the Atomic Safety and Licensing Board conducting such hearing, shall promptly notify the Commission of any information indicating that the terms and conditions of the temporary operating license are not being met, or that such terms and conditions are not sufficient to comply with the provisions of paragraph (2) of subsection (b).

(d) Administrative remedies for minimization of need for license

The Commission is authorized and directed to adopt such administrative remedies as the Commission deems appropriate to minimize the need for issuance of temporary operating licenses pursuant to this section.

(e) Expiration of issuing authority

The authority to issue new temporary operating licenses under this section shall expire on December 31, 1983.

(a) Environmental impact statement

(1) Major Federal action

The issuance of a license under sections 2073 and 2093 of this title for the construction and operation of any uranium enrichment facility shall be considered a major Federal action significantly affecting the quality of the human environment for purposes of the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.).

(2) Timing

An environmental impact statement prepared under paragraph (1) shall be prepared before the hearing on the issuance of a license for the construction and operation of a uranium enrichment facility is completed.

(b) Adjudicatory hearing

(1) In general

The Commission shall conduct a single adjudicatory hearing on the record with regard to the licensing of the construction and operation of a uranium enrichment facility under sections 2073 and 2093 of this title.

(2) Timing

Such hearing shall be completed and a decision issued before the issuance of a license for such construction and operation.

(3) Single proceeding

No further Commission licensing action shall be required to authorize operation.

(c) Inspection and operation

Prior to commencement of operation of a uranium enrichment facility licensed hereunder, the Commission shall verify through inspection that the facility has been constructed in accordance with the requirements of the license for construction and operation. The Commission shall publish notice of the inspection results in the Federal Register.

(d) Insurance and decommissioning

(1) The Commission shall require, as a condition of the issuance of a license under sections 2073 and 2093 of this title for a uranium enrichment facility, that the licensee have and maintain liability insurance of such type and in such amounts as the Commission judges appropriate to cover liability claims arising out of any occurrence within the United States, causing, within or outside the United States, bodily injury, sickness, disease, or death, or loss of or damage to property, or loss of use of property, arising out of or resulting from the radioactive, toxic, explosive, or other hazardous properties of chemical compounds containing source or special nuclear material.

(2) The Commission shall require, as a condition for the issuance of a license under sections 2073 and 2093 of this title for a uranium enrichment facility, that the licensee provide adequate assurance of the availability of funds for the decommissioning (including decontamination) of such facility using funding mechanisms that may include, but are not necessarily limited to, the following:

(A) Prepayment (in the form of a trust, escrow account, government fund, certificate of deposit, or deposit of government securities).

(B) Surety (in the form of a surety or performance bond, letter of credit, or line of credit), insurance, or other guarantee (including parent company guarantee) method.

(C) External sinking fund in which deposits are made at least annually.

(e) No Price-Anderson coverage

Section 2210 of this title shall not apply to any license under section 2073 or 2093 of this title for...
a uranium enrichment facility constructed after November 15, 1990.

(f) Limitation

No license or certificate of compliance may be issued to the United States Enrichment Corporation or its successor under this section or sections 1 2073, 2093, or 2297f of this title, if the Commission determines that—

(1) the Corporation is owned, controlled, or dominated by an alien, a foreign corporation, or a foreign government; or

(2) the issuance of such a license or certificate of compliance would be inimical to—

(A) the common defense and security of the United States; or

(B) the maintenance of a reliable and economical domestic source of enrichment services.


REFERENCES IN TEXT


AMENDMENTS


REFERENCES TO UNITED STATES ENRICHMENT CORPORATION

References to the United States Enrichment Corporation deemed, as of the privatization date (July 28, 1998), to be references to the private corporation, see section 3116(e) of Pub. L. 104–134, set out as a note under former section 2297 of this title.

SUBCHAPTER XVI—JOINT COMMITTEE ON ATOMIC ENERGY

§§ 2251 to 2257. Repealed.

(a) Abolition

The Joint Committee on Atomic Energy is abolished.

(b) References in rules, etc., on and after September 20, 1977

Any reference in any rule, resolution, or order of the Senate or the House of Representatives or in any law, regulation, or Executive order to the Joint Committee on Atomic Energy shall, on and after September 20, 1977, be considered as referring to the committees of the Senate and the House of Representatives which, under the rules of the Senate and the House, have jurisdiction over the subject matter of such reference.

(c) Transfer of records, data, etc.; copies

All records, data, charts, and files of the Joint Committee on Atomic Energy are transferred to the committees of the Senate and House of Representatives which, under the rules of the Senate and the House, have jurisdiction over the subject matters to which such records, data, charts, and files relate. In the event that any record, data, chart, or file shall be within the jurisdiction of more than one committee, duplicate copies shall be provided upon request.


§ 2258. Joint Committee on Atomic Energy abolished

The Secretary of Energy and the Nuclear Regulatory Commission shall keep the committees

1 So in original. Probably should be “section”.

Provisions similar to section 2253 were contained in section 1815(c) of this title prior to the general amendment and renumbering of act Aug. 1, 1946 by act Aug. 30, 1954, ch. 1073, § 1, 68 Stat. 919.


Provisions similar to section 2254 were contained in section 1815(d) of this title prior to the general amendment and renumbering of act Aug. 1, 1946 by act Aug. 30, 1954, ch. 1073, § 1, 68 Stat. 919.


Provisions similar to section 2255 were contained in section 1815(e) of this title prior to the general amendment and renumbering of act Aug. 1, 1946 by act Aug. 30, 1954, ch. 1073, § 1, 68 Stat. 919.


Section 2257, act Aug. 1, 1946, ch. 724, § 207, as added Aug. 30, 1954, ch. 1073, § 1, 68 Stat. 957, required that Committee keep records of all Committee actions.

 Effectiveness Date of Repeal

of the Senate and the House of Representatives which, under the rules of the Senate and the House, have jurisdiction over the functions of the Secretary or the Commission, fully and currently informed with respect to the activities of the Secretary and the Commission.

(b) Department of Defense and Department of State

The Department of Defense and Department of State shall keep the committees of the Senate and the House of Representatives which, under the rules of the Senate and the House, have jurisdiction over national security considerations of nuclear energy, fully and currently informed with respect to such matters within the Department of Defense and Department of State relating to national security considerations of nuclear technology which are within the jurisdiction of such committees.

(c) Government agencies

Any Government agency shall furnish any information requested by the committees of the Senate and the House of Representatives which, under the rules of the Senate and the House, have jurisdiction over the development, utilization, or application of nuclear energy, with respect to the activities or responsibilities of such agency in the field of nuclear energy which are within the jurisdiction of such committees.

(d) Utilization of services, facilities, and personnel of Government agencies; reimbursement; prior written consent

The committees of the Senate and the House of Representatives which, under the rules of the Senate and the House, have jurisdiction over the development, utilization, or application of nuclear energy, are authorized to utilize the services, information, facilities, and personnel of any Government agency which has activities or responsibilities in the field of nuclear energy which are within the jurisdiction of such committees: Provided, however, That any utilization of personnel by such committees shall be on a reimbursable basis and shall require, with respect to committees of the Senate, the prior written consent of the Committee on Rules and Administration, and with respect to committees of the House of Representatives, the prior written consent of the Committee on House Oversight.


RECENT AMENDMENTS


CHANGE OF NAME

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

TRANSFER OF FUNCTIONS

For transfer of certain functions from Nuclear Regulatory Commission to Chairman thereof, see Reorg. Plan No. 1 of 1980, 45 F.R. 40561, 94 Stat. 3585, set out as a note under section 5841 of this title.

SUBCHAPTER XVII—ENFORCEMENT OF CHAPTER

§ 2271. General provisions

(a) Authority of President to utilize Government agencies

To protect against the unlawful dissemination of Restricted Data and to safeguard facilities, equipment, materials, and other property of the Commission, the President shall have authority to utilize the services of any Government agency to the extent he may deem necessary or desirable.

(b) Criminal violations

The Federal Bureau of Investigation of the Department of Justice shall investigate all alleged or suspected criminal violations of this chapter.

(c) Violations of this chapter

No action shall be brought against any individual or person for any violation under this chapter unless and until the Attorney General of the United States has advised the Commission with respect to such action and no such action shall be commenced except by the Attorney General of the United States: Provided, however, That nothing in this subsection shall be construed as applying to administrative action taken by the Commission.


REFERENCES IN TEXT

This chapter, referred to in subsecs. (b) and (c), was in the original “this Act,” meaning act Aug. 1, 1946, ch. 724, as added by act Aug. 30, 1954, ch. 1073, § 1, 68 Stat. 919, known as the Atomic Energy Act of 1946, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 2011 of this title and Tables.

AMENDMENTS

1990—Subsec. (c). Pub. L. 101–647 struck out “That no action shall be brought under section 2272, 2273, 2274, or 2276 of this title except by the express direction of the Attorney General: And provided further,” after “Provided however,”.

1969—Subsec. (c). Pub. L. 91–161 provided that nothing in this subsection should be construed to apply to administrative action taken by the Commission.

§ 2272. Violation of specific sections

(a) Whoever willfully violates, attempts to violate, or conspires to violate, any provision of sections 1 2077 or 2131 of this title, or whoever unlawfully interferes, attempts to interfere, or conspires to interfere with any recapture or entry under section 2138 of this title, shall, upon conviction thereof, be punished by a fine of not more than $10,000 or by imprisonment for not more than ten years, or both, except that whoever commits such an offense with intent to

1 So in original. Probably should be “section”.
§ 2273  Violation of sections

(a) Generally

Whoever willfully violates, attempts to violate, or conspires to violate, any provision of this chapter for which no criminal penalty is specifically provided or of any regulation or order prescribed or issued under section 2095 or 2201(b), (1), or (o) of this title shall, upon conviction thereof, be punished by a fine of not more than $5,000 or by imprisonment for not more than two years, or both, except that whoever commits such an offense with intent to injure the United States or with intent to secure an advantage to any foreign nation, shall, upon conviction thereof, be punished by a fine of not more than $20,000 or by imprisonment for not more than twenty years, or both.

(b) Construction or supply of components for utilization facilities; impairment of basic components; “basic component” defined; providing at construction sites of utilization facilities and on premises of component fabrication plants

Any individual director, officer, or employee of a firm constructing, or supplying the components of any utilization facility required to be licensed under section 2133 or 2134(b) of this title who by act or omission, in connection with such construction or supply, knowingly and willfully violates or causes to be violated, any section of this chapter, any rule, regulation, or order issued thereunder, or any license condition, which violation results, or if undetected could have resulted, in a significant impairment of a basic component of such a facility shall, upon conviction, be subject to a fine of not more than $25,000 for each day of violation, or to imprisonment not to exceed two years, or both. If the conviction is for a violation committed after a first conviction under this subsection, punishment shall be a fine of not more than $50,000 per day of violation, or imprisonment for not more than two years, or both. For the purposes of this subsection, the term “basic component” means a facility structure, system, component or part thereof necessary to assure—

(1) the integrity of the reactor coolant pressure boundary,

(2) the capability to shut-down the facility and maintain it in a safe shut-down condition, or

(3) the capability to prevent or mitigate the consequences of accidents which could result in an unplanned offsite release of quantities of fission products in excess of the limits established by the Commission.

The provisions of this subsection shall be prominently posted at each site where a utilization facility required to be licensed under section 2133 or 2134(b) of this title is under construction and on the premises of each plant where components for such a facility are fabricated.

(c) Criminal penalties

Any individual director, officer or employee of a person indemnified under an agreement of indemnification under section 2210(d) of this title (or of a subcontractor or supplier thereto) who, by act or omission, knowingly and willfully violates or causes to be violated any section of this chapter or any applicable nuclear safety-related rule, regulation or order issued thereunder by the Secretary of Energy (or expressly incorporated by reference by the Secretary for purposes of nuclear safety, except any rule, regulation, or order issued by the Secretary of Transportation), which violation results in or, if undetected, would have resulted in a nuclear incident as defined in section 2014(a) of this title shall, upon conviction, notwithstanding section 3571 of title 18, be subject to a fine of not more than $25,000, or to imprisonment not to exceed two years, or both. If the conviction is for a viola-
tion committed after the first conviction under this subsection, notwithstanding section 3571 of title 18, punishment shall be a fine of not more than $50,000, or imprisonment for not more than five years, or both.


REFERENCES IN TEXT

This chapter, referred to in text, was in the original ‘‘this Act’’, meaning act Aug. 1, 1946, ch. 724, as added by act Aug. 30, 1954, ch. 1073, §1, 68 Stat. 919, as the Atomic Energy Act of 1946, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 2011 of this title and Tables.

AMENDMENTS


1988—Pub. L. 96–295 designated existing provisions as subsec. (a) and added subsec. (b).

1989—Pub. L. 91–161 limited application of section to instances where no criminal penalties have been provided.

1967—Pub. L. 90–190 substituted ‘‘(o)’’ for ‘‘(p)’’.

EFFECTIVE DATE OF 1988 AMENDMENT


§ 2274. Communication of Restricted Data

Whoever, lawfully or unlawfully, having possession of, access to, control over, or being entrusted with any document, writing, sketch, photograph, plan, model, instrument, appliance, note, or information involving or incorporating Restricted Data—

(a) communicates, transmits, or discloses the same to any individual or person, or attempts or conspires to do any of the foregoing, with intent to injure the United States or with intent to secure an advantage to any foreign nation, upon conviction thereof, shall be punished by imprisonment for life, or by imprisonment for any term of years or a fine of not more than $100,000 or both;

(b) communicates, transmits, or discloses the same to any individual or person, or attempts or conspires to do any of the foregoing, with reason to believe such data will be utilized to injure the United States or to secure an advantage to any foreign nation, shall, upon conviction, be punished by a fine of not more than $50,000 or imprisonment for not more than ten years, or both.


AMENDMENTS

2000—Cl. (b). Pub. L. 106–398 substituted ‘‘$50,000’’ for ‘‘$500,000’’.

1999—Cl. (a). Pub. L. 106–65, §3148(a)(1), substituted ‘‘$100,000’’ for ‘‘$20,000’’.

Cl. (b). Pub. L. 106–65, §3148(a)(2), substituted ‘‘$500,000’’ for ‘‘$10,000’’.

1969—Pub. L. 91–161 made death penalty inapplicable for willful violation, or attempted violation of this section with intent to injure the United States, or secure an advantage for any foreign nation.

EFFECTIVE DATE OF 2000 AMENDMENT


EFFECTIVE DATE OF 1969 AMENDMENT

Amendment by Pub. L. 91–161 applicable to offenses committed on or after Dec. 24, 1969, see section 7 of Pub. L. 91–161, set out as a note under section 2272 of this title.

§ 2275. Receipt of Restricted Data

Whoever, with intent to injure the United States or with intent to secure an advantage to any foreign nation, acquires, or attempts or conspires to acquire any document, writing, sketch, photograph, plan, model, instrument, appliance, note, or information involving or incorporating Restricted Data, shall upon conviction thereof, be punished by imprisonment for life, or by imprisonment for any term of years or a fine of not more than $100,000 or both.


AMENDMENTS

1999—Pub. L. 106–65 substituted ‘‘$100,000’’ for ‘‘$20,000’’.

1969—Pub. L. 91–161 made death penalty inapplicable for willful violation, or attempted violation of this section with intent to injure the United States, or secure an advantage for any foreign nation.

EFFECTIVE DATE OF 1969 AMENDMENT

Amendment by Pub. L. 91–161 applicable to offenses committed on or after Dec. 24, 1969, see section 7 of Pub. L. 91–161, set out as a note under section 2272 of this title.

§ 2276. Tampering with Restricted Data

Whoever, with intent to injure the United States or with intent to secure an advantage to any foreign nation, removes, conceals, tampers with, alters, mutilates, or destroys any document, writing, sketch, photograph, plan, model, instrument, appliance, note, or information involving or incorporating Restricted Data and used by any individual or person in connection with the production of special nuclear material, or research or development relating to atomic energy, conducted by the United States, or financed in whole or in part by Federal funds, or conducted with the aid of special nuclear material, shall be punished by imprisonment for life, or by imprisonment for any term of years or a fine of not more than $20,000 or both.

§ 2277. Disclosure of Restricted Data

Whoever, being or having been an employee or member of the Commission, a member of the Armed Forces, an employee of any agency of the United States, or being or having been a contractor of the Commission or of an agency of the United States, or being or having been an employee of a contractor of the Commission or of an agency of the United States, or being or having been a licensee of the Commission, or being or having been an employee of a licensee of the Commission, knowingly communicates, or whoever conspires to communicate or to receive, any Restricted Data, knowing or having reason to believe that such data is Restricted Data, to any person not authorized to receive Restricted Data pursuant to the provisions of this chapter or under rule or regulation of the Commission issued pursuant thereto, knowing or having reason to believe such person is not so authorized to receive Restricted Data shall, upon conviction thereof, be punishable by a fine of not more than $12,500.


AMENDMENTS

1969—Pub. L. 91-161 made death penalty inapplicable for willful violation, or attempted violation of this section with intent to injure the United States, or secure an advantage for any foreign nation.

Effective Date of 1969 Amendment

Amendment by Pub. L. 91-161 applicable to offenses committed on or after Dec. 24, 1969, see section 7 of Pub. L. 91-161, set out as a note under section 2272 of this title.

§ 2278. Statute of limitations

(a) Issuance and posting of regulations

(1) The Commission is authorized to issue regulations relating to the entry upon or carrying, transporting, or otherwise introducing or causing to be introduced any dangerous weapon, explosive, or other dangerous instrument or material likely to produce substantial injury or damage to persons or property, into or upon any facility, installation, or real property subject to the jurisdiction, administration, in the custody of the Commission, or subject to the licensing authority of the Commission or certification by the Commission under this chapter or any other Act.

(2) Every such regulation of the Commission shall be posted conspicuously at the location involved.

(b) Penalty for violation of regulations

Whoever shall willfully violate any regulation of the Commission issued pursuant to subsection (a) shall, upon conviction thereof, be punishable by a fine of not more than $1,000.

(c) Penalty for violation of regulations regarding enclosed property

Whoever shall willfully violate any regulation of the Commission issued pursuant to subsection (a) with respect to any installation or other property which is enclosed by a fence, wall, floor, roof, or other structural barrier shall be guilty of a misdemeanor and upon conviction thereof shall be punished by a fine of not exceeding $5,000 or imprisonment for not more than one year, or both.


REFERENCES IN TEXT

This chapter, referred to in text, was in the original “this Act”, meaning act Aug. 1, 1946, ch. 724, as added by act Aug. 30, 1954, ch. 1073, §1, 68 Stat. 919, known as the Atomic Energy Act of 1954, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 2011 of this title and Tables.

AMENDMENTS

2005—Pub. L. 109-58, §654(1), (2), substituted “on” for “upon” in section catchline and realigned margins. Subsec. (a). Pub. L. 109-58, §654(3), designated first sentence as par. (1), substituted “in the custody of the Commission, or subject to the licensing authority of the Commission or certification by the Commission under this chapter or any other Act” for “in the custody of the Commission”, and designated second sentence as par. (2).

§ 2278a. Trespass on Commission installations; penalty

It shall be an offense, punishable by a fine of not more than $1,000 or imprisonment for not more than one year, or both—

(1) to make any photograph, sketch, picture, drawing, map or graphical representation, while present on property subject to the jurisdiction, administration or in the custody of the Commission, of any installations or equip-
Section 2274 to 2278b of this title shall not exclude the applicable provisions of any other laws.

Whenever in the judgment of the Commission any person has engaged or is about to engage in any acts or practices which constitute or will constitute a violation of any provision of this chapter, or any regulation or order issued thereunder, the Attorney General on behalf of the United States may make application to the appropriate court for an order enjoining such acts or practices, or for an order enforcing compliance with such provision, and upon a showing by the United States may make application to the appropriate court for an order enjoining such acts or practices, or for an order enforcing compliance with such provision, and upon a showing by the Attorney General on behalf of the United States, shall have jurisdiction to issue an order requiring such person to appear and give testimony or to appear and produce documents, or both, in accordance with the subpoena; and any failure to obey such order of the court may be punished by such court as a contempt thereof.

Any person who (1) violates any licensing or certification provision of section 2073, 2092, 2093, 2111, 2112, 2131, 2133, 2134, 2137, 2139, or 2297f of this title or any rule, regulation, or order issued thereunder, or any term, condition, or limitation of any license or certification issued thereunder, (2) violates any provision of section 2077 of this title, or (3) commits any violation for which a license may be revoked under section 2236 of this title, shall be subject to a civil penalty, to be imposed by the Commission, of not to exceed $100,000 for each such violation. If any violation is a continuing one, each day of such violation shall constitute a separate violation. The civil penalty shall constitute a separate violation, for which a license may be revoked under section 2236 of this title, shall be subject to a civil penalty, to be imposed by the Commission, of not to exceed $100,000 for each such violation. If any violation is a continuing one, each day of such violation shall constitute a separate violation, for which a license may be revoked under section 2236 of this title, and each day of such violation shall constitute a separate violation.
§ 2282a. Civil monetary penalties for violation of Department of Energy safety and whistleblower regulations

(a) Persons subject to penalty

Any person who has entered into an agreement of indemnification under section 2210(d) of this title (or any subcontractor or supplier thereto) who violates (or whose employee violates) any applicable rule, regulation or order related to nuclear safety prescribed or issued by the Secretary of Energy pursuant to this chapter (or expressly incorporated by reference by the Secretary for purposes of nuclear safety, except any rule, regulation, or order issued by the Secretary of Transportation), or who violates any applicable law, rule, regulation, or order related to nuclear safety whistleblower protections, shall be subject to a civil penalty of not to exceed $100,000 for each such violation. If any violation under this subsection is a continuing one, each day of such violation shall constitute a separate violation for the purpose of computing the applicable civil penalty. The Secretary of Energy may carry out this section with respect to the National Nuclear Security Administration by acting through the Administrator for Nuclear Security.

(b) Determination of amount

(1) The Secretary shall have the power to compromise, modify or remit, with or without conditions, such civil penalties and to prescribe regulations as he may deem necessary to implement this section.

(2) In determining the amount of any civil penalty under this subsection, the Secretary shall take into account the nature, circumstances, extent, and gravity of the violation or violations and, with respect to the violator, ability to pay, effect on ability to continue to do business, any history of prior such violations, the degree of culpability, and such other matters as justice may require.

(c) Assessment and payment

(1) Before issuing an order assessing a civil penalty against any person under this section, the Secretary shall provide to such person notice of the proposed penalty. Such notice shall inform such person of his opportunity to elect in writing within thirty days after the date of receipt of such notice to have the procedures of paragraph (3) (in lieu of those of paragraph (2)) apply with respect to such assessment.

(2) (A) Unless an election is made within thirty calendar days after receipt of notice under paragraph (1) to have paragraph (3) apply with respect to such penalty, the Secretary shall assess the penalty by order, after a determination of violation has been made on the record after an opportunity for an agency hearing pursuant to section 554 of title 5 before an administrative law judge appointed under section 552 of such title. Such assessment order shall include the administrative law judge’s findings and the basis for such assessment.

(B) Any person against whom a penalty is assessed under this paragraph may, within sixty calendar days after the date of the order of the Secretary assessing such penalty, institute an action in the United States court of appeals for the appropriate judicial circuit for judicial review of such order in accordance with chapter 7 of title 5. The court shall have jurisdiction to enter a judgment affirming, modifying, or setting aside in whole or in part, the order of the Secretary, or the court may remand the proceeding to the Secretary for such further action as the court may direct.

(3) (A) In the case of any civil penalty with respect to which the procedures of this paragraph have been elected, the Secretary shall promptly assess such penalty, by order, after the date of the election under paragraph (1).

(B) If the civil penalty has not been paid within sixty calendar days after the assessment order has been made under subparagraph (A), the Secretary shall institute an action in the appropriate district court of the United States for an order affirming the assessment of the civil penalty. The court shall have authority to review de novo the law and facts involved, and shall have jurisdiction to enter a judgment enforcing, modifying, and enforcing as so modified, or setting aside in whole or in part, such assessment.

(C) Any election to have this paragraph apply may not be revoked except with consent of the Secretary.

(4) If any person fails to pay an assessment of a civil penalty after it has become a final and unappealable order under paragraph (2), or after the appropriate district court has entered final judgment in favor of the Secretary under paragraph (3), the Secretary shall institute an action to recover the amount of such penalty in any appropriate district court of the United States. In
such action, the validity and appropriateness of such final assessment order or judgment shall not be subject to review.

(d) Limitation for not-for-profit institutions

(1) Notwithstanding subsection (a), in the case of any not-for-profit contractor, subcontractor, or supplier, the total amount of civil penalties paid under subsection (a) may not exceed the total amount of fees paid within any 1-year period (as determined by the Secretary) under the contract under which the violation occurs.

(2) For purposes of this section, the term “not-for-profit” means that no part of the net earnings of the contractor, subcontractor, or supplier inures to the benefit of any natural person or for-profit artificial person.

(3) Nuclear safety whistleblower protections

In this section, the term “nuclear safety whistleblower protections” means the protections for employees of contractors or subcontractors from reprisals pursuant to section 4712 of title 41, section 5851 of this title, or other provisions of Federal law (including rules, regulations, or orders) affording such protections, with respect to disclosures or other activities covered by such protections that relate to nuclear safety.


AMENDMENTS


Subsec. (a), Pub. L. 116–92, §3131(2), inserted “or who violates any applicable law, rule, regulation, or order related to nuclear safety whistleblower protections, before “shall be subject to a civil penalty” and inserted at end “The Secretary of Energy may carry out this section with respect to the National Nuclear Security Administration by acting through the Administrator for Nuclear Security.”

Subsec. (e), Pub. L. 116–92, §3131(3), added subsec. (e).

2005—Subsec. (b)(2). Pub. L. 109–58, §610(a), struck out at end “In implementing this section, the Secretary shall determine by rule whether nonprofit educational institutions should receive automatic remission of any penalty under this section.”

Subsec. (d), Pub. L. 109–58, §610(b), amended subsec. (d) generally. Prior to amendment, subsec. (d) provided that the provisions of this section would not apply to the University of Chicago for activities associated with Argonne National Laboratory; the University of California for activities associated with Los Alamos National Laboratory, Lawrence Livermore National Lab-

oratory, and Lawrence Berkeley National Laboratory; American Telephone and Telegraph Company and its subsidiaries for activities associated with Sandia National Laboratories; Universities Research Association, Inc. for activities associated with FERMI National Laboratory; Princeton University for activities associated with Princeton Plasma Physics Laboratory; the Associated Universities, Inc. for activities associated with the Brookhaven National Laboratory; and Battelle Memorial Institute for activities associated with Pacific Northwest Laboratory.


EFFECTIVE DATE OF 2005 AMENDMENT

Pub. L. 109–58, title VI, §610(c), Aug. 8, 2005, 119 Stat. 782, provided that: “The amendments made by this section [amending this section] shall not apply to any violation of the Atomic Energy Act of 1946 (42 U.S.C. 1 et seq.) occurring under a contract entered into before the date of enactment of this section [Aug. 8, 2005].”

EFFECTIVE DATE

Section effective Aug. 20, 1988, but inapplicable to any violation occurring before Aug. 20, 1988, see section 20 of Pub. L. 100–408, set out as an Effective Date of 1988 Amendment note under section 2014 of this title.

§ 2282b. Civil monetary penalties for violations of Department of Energy regulations regarding security of classified or sensitive information or data

(a) Persons subject to penalty

Any person who has entered into a contract or agreement with the Department of Energy, or a subcontract or subagreement thereto, and who violates (or whose employee violates) any applicable rule, regulation, or order prescribed or otherwise issued by the Secretary pursuant to this chapter relating to the safeguarding or security of Restricted Data or other classified or sensitive information shall be subject to a civil penalty of not to exceed $100,000 for each such violation.

(b) Fee or payment reductions for violations

The Secretary shall include in each contract with a contractor of the Department provisions which provide an appropriate reduction in the fees or amounts paid to the contractor under the contract in the event of a violation by the contractor or contractor employee of any rule, regulation, or order relating to the safeguarding or security of Restricted Data or other classified or sensitive information. The provisions shall specify various degrees of violations and the amount of the reduction attributable to each degree of violation.

(c) Powers and limitations

The powers and limitations applicable to the assessment of civil penalties under section 2282a of this title, except for subsection (d) of that section, shall apply to the assessment of civil penalties under this section.

(d) Application to certain entities

In the case of an entity specified in subsection (d) of section 2282a of this title—

(1) the assessment of any civil penalty under subsection (a) against that entity may not be made until the entity enters into a new contract with the Department of Energy or an extension of a current contract with the Department; and

1 So in original. Probably should be “(e)”. 
(2) the total amount of civil penalties under subsection (a) in a fiscal year may not exceed the total amount of fees paid by the Department of Energy to that entity in that fiscal year.


REFERENCES IN TEXT
This chapter, referred to in subsec. (a), was in the original “this Act”, meaning act Aug. 1, 1946, ch. 724, as added by act Aug. 30, 1954, ch. 1073, §1, 68 Stat. 919, known as the Atomic Energy Act of 1946, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 2011 of this title and Tables.

EFFECTIVE DATE

(a) Regulations required

(1) In general
The Secretary shall promulgate regulations for industrial and construction health and safety at Department of Energy facilities that are operated by contractors covered by agreements of indemnification under section 2210(d) of this title, after public notice and opportunity for comment under section 553 of title 5 (commonly known as the ‘‘Administrative Procedure Act’’). Such regulations shall, subject to paragraph (3), provide a level of protection for workers at such facilities that is substantially equivalent to the level of protection currently provided to such workers at such facilities.

(2) Applicability
The regulations promulgated under paragraph (1) shall not apply to any facility that is a component of, or any activity conducted under, the Naval Nuclear Propulsion Program provided for under Executive Order No. 12344, dated February 1, 1982 (as in force pursuant to section 1634 of the Department of Defense Authorization Act, 1985 (Public Law 98–525)).

(3) Flexibility
In promulgating the regulations under paragraph (1), the Secretary shall include flexibility—

(A) to tailor implementation of such regulations to reflect activities and hazards associated with a particular work environment;

(B) to take into account special circumstances at a facility that is, or is expected to be, permanently closed and that is expected to be demolished, or title to which is expected to be transferred to another entity for reuse; and

(C) to achieve national security missions of the Department of Energy in an efficient and timely manner.

(4) No effect on health and safety enforcement
This subsection does not diminish or otherwise affect the enforcement or the application of any other law, regulation, order, or contractual obligation relating to worker health and safety.

(b) Civil penalties

(1) In general
A person (or any subcontractor or supplier of the person) who has entered into an agreement of indemnification under section 2210(d) of this title (or any subcontractor or supplier of the person) that violates (or is the employer of a person that violates) any regulation promulgated under subsection (a) shall be subject to a civil penalty of not more than $70,000 for each such violation.

(2) Continuing violations
If any violation under this subsection is a continuing violation, each day of the violation shall constitute a separate violation for the purpose of computing the civil penalty under paragraph (1).

(c) Contract penalties

(1) In general
The Secretary shall include in each contract with a contractor of the Department who has entered into an agreement of indemnification under section 2210(d) of this title provisions that provide an appropriate reduction in the fees or amounts paid to the contractor under the contract in the event of a violation by the contractor or contractor employee of any regulation promulgated under subsection (a).

(2) Contents
The provisions shall specify various degrees of violations and the amount of the reduction attributable to each degree of violation.

(d) Coordination of penalties

(1) Choice of penalties
For any violation by a person of a regulation promulgated under subsection (a), the Secretary shall pursue either civil penalties under subsection (b) or contract penalties under subsection (c), but not both.

(2) Maximum amount
In the case of an entity described in subsection (d) of section 2282a of this title, the total amount of civil penalties under subsection (b) and contract penalties under subsection (c) in a fiscal year may not exceed the total amount of fees paid by the Department of Energy to that entity in that fiscal year.

(3) Coordination with section 2282a of this title
The Secretary shall ensure that a contractor of the Department is not penalized both under this section and under section 2282a of this title for the same violation.


REFERENCES IN TEXT
Executive Order No. 12344, referred to in subsec. (a)(2), is set out as a note under section 2511 of Title 50, War and National Defense.

Promulgation of Initial Regulations

“(1) DEADLINE FOR PROMULGATING REGULATIONS—The Secretary of Energy shall promulgate the regulations required by subsection a. of section 234C of the Atomic Energy Act of 1954 (42 U.S.C. 2282a(a)) as added by subsection (a) not later than one year after the date of the enactment of this Act [Dec. 2, 2002].

“(2) EFFECTIVE DATE.—The regulations promulgated under paragraph (1) shall take effect on the date that is one year after the promulgation date of the regulations.”

Prohibition
Pub. L. 107–314, div. C, title XXXI, § 3173(c), Dec. 2, 2002, 116 Stat. 2746, provided that: “The Secretary of Energy shall not participate in or otherwise support any study or other project relating to a modification in the scope of the regulations enforceable by civil penalties under section 234A or 234C of the Atomic Energy Act of 1954 (42 U.S.C. 2282a, 2282c), or the responsibility of the Secretary to implement and enforce such regulations, until after the date on which the regulations for such purposes under such section 234C take effect in accordance with subsection (b) [set out as a note above].”

§ 2283. Protection of nuclear inspectors
(a) Homicide
Whoever kills any person who performs any inspections which—

(1) are related to any activity or facility licensed by the Commission, and

(2) are carried out to satisfy requirements under this chapter or under any other Federal law governing the safety of utilization facilities required to be licensed under section 2133 or 2134(b) of this title, or the safety of radioactive materials,

shall be punished as provided under sections 1111 and 1112 of title 18. The preceding sentence shall be applicable only if such person is killed while engaged in the performance of such inspection duties or on account of the performance of such duties.

(b) Assault
Whoever forcibly assaults, resists, opposes, impedes, intimidates, or interferes with any person who performs inspections as described under subsection (a) of this section, while such person is engaged in such inspection duties or on account of the performance of such duties, shall be punished as provided under section 111 of title 18.


References in Text
This chapter, referred to in subsec. (a)(2), was in the original “this Act”, meaning act Aug. 1, 1946, ch. 724, as added by act Aug. 30, 1954, ch. 1073, § 1, 68 Stat. 919, known as the Atomic Energy Act of 1954, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 2011 of this title and Tables.

§ 2284. Sabotage of nuclear facilities or fuel
(a) Physical damage to facilities, etc.
Any person who knowingly destroys or causes physical damage to—

(1) any production facility or utilization facility licensed under this chapter;

(2) any nuclear waste treatment, storage, or disposal facility licensed under this chapter;

(3) any nuclear fuel for a utilization facility licensed under this chapter, or any spent nuclear fuel from such a facility; 

(4) any uranium enrichment, uranium conversion, or nuclear fuel fabrication facility licensed or certified by the Nuclear Regulatory Commission;

(5) any production, utilization, waste storage, waste treatment, waste disposal, uranium enrichment, uranium conversion, or nuclear fuel fabrication facility subject to licensing or certification under this chapter during construction of the facility, if the destruction or damage caused or attempted to be caused could adversely affect public health and safety during the operation of the facility;

(6) any primary facility or backup facility from which a radiological emergency preparedness alert and warning system is activated; or

(7) any radioactive material or other property subject to regulation by the Commission that, before the date of the offense, the Commission determines, by order or regulation published in the Federal Register, is of significance to the public health and safety or to common defense and security;

or attempts or conspires to do such an act, shall be fined not more than $10,000 or imprisoned for not more than 20 years, or both, and, if death results to any person, shall be imprisoned for any term of years or for life.

(b) Unauthorized use or tampering with facilities, etc.
Any person who knowingly causes an interruption of normal operation of any such facility through the unauthorized use of or tampering with the machinery, components, or controls of any such facility, or attempts or conspires to do such an act, shall be fined not more than $10,000 or imprisoned for not more than 20 years, or both, and, if death results to any person, shall be imprisoned for any term of years or for life.


References in Text
This chapter, referred to in subsec. (a)(1) to (3), (5), was in the original “this Act”, meaning act Aug. 1, 1946, ch. 724, as added by act Aug. 30, 1954, ch. 1073, § 1, 68 Stat. 919, known as the Atomic Energy Act of 1954, which is classified principally to this chapter. For com-

1 So in original. The semicolon probably should be a comma.
complete classification of this Act to the Code, see Short Title note set out under section 2011 of this title and Tables.

AMENDMENTS


Pub. L. 109–58, § 655(a), substituted "treatment, storage, or disposal facility" for "storage facility" in para. (2), (a) utilization facility licensed under this chapter" for "such a utilization facility" in para. (3), and "uranium conversion, or nuclear fuel fabrication facility licensed or certified" for "facility licensed" in para. (4) and added pars. (5) to (7).

Subsec. (b). Pub. L. 109–58, § 655(b), substituted "knowingly" for "intentionally and willfully".

2001—Subsec. (a). Pub. L. 107–56, §§ 810(f)(1), (2), 811(h)(1)(A), (C), in introductory provisions, struck out "or who intentionally and willfully attempts to destroy or cause physical damage to" before "—", and in concluding provisions, inserted "or attempts or conspires to do such an act," before "shall be fined" and substituted "20 years, or both, and, if death results to any person, shall be imprisoned for any term of years or for life." for "ten years, or both."


Subsec. (b). Pub. L. 107–56, §§ 810(f)(1), (3), 811(h)(2), struck out "or attempts to cause" before "an interruption of normal operation"; inserted "or attempts or conspires to do such an act," before "shall be fined"; and substituted "20 years, or both, and, if death results to any person, shall be imprisoned for any term of years or for life." for "ten years, or both.

1995—Subsec. (a)(4). Pub. L. 104–107, which directed amendment of this section by adding par. (4) after par. (3), was executed by adding par. (4) after par. (3) of subsec. (a) of this section to reflect the probable intent of Congress.

1983—Pub. L. 97–415 designated existing provisions as subsec. (a) and added subsec. (b).

SUBCHAPTER XVII—DEFENSE NUCLEAR FACILITIES SAFETY BOARD

§ 2286. Establishment

(a) Establishment

There is hereby established an independent establishment in the executive branch, to be known as the “Defense Nuclear Facilities Safety Board” (hereafter in this subchapter referred to as the “Board”).

(b) Membership

(1) The Board shall be composed of five members appointed from civilian life by the President, by and with the advice and consent of the Senate, from among United States citizens who are respected experts in the field of nuclear safety with a demonstrated competence and knowledge relevant to the independent investigative and oversight functions of the Board. Not more than three members of the Board shall be of the same political party.

(2) Any vacancy in the membership of the Board shall be filled in the same manner in which the original appointment was made.

(3) No member of the Board may be an employee of, or have any significant financial relationship with, the Department of Energy or any contractor of the Department of Energy.

(4) The President shall enter into an arrangement with the National Academy of Sciences under which the National Academy shall maintain a list of individuals who meet the qualifications described in paragraph (1) to assist the President in selecting individuals to nominate for positions as members of the Board.

(c) Chairman, Vice Chairman, and Members

(1) The President shall designate a Chairman and Vice Chairman of the Board from among members of the Board.

(2) In accordance with paragraphs (5) and (6), the Chairman shall be the chief executive officer of the Board and, subject to such policies as the Board may establish, shall exercise the functions of the Board with respect to—

(A) the appointment and supervision of employees of the Board;

(B) the organization of any administrative units established by the Board; and

(C) the use and expenditure of funds.

(3)(A) The Chairman may delegate any of the functions under this paragraph to any other member or to any appropriate officer of the Board.

(B) In carrying out subparagraph (A), the Chairman shall delegate to the Executive Director of Operations established under section 2286b(b)(3) of this title the following functions:—

(i) Administrative functions of the Board.

(ii) Appointment and supervision of employees of the Board not specified under paragraph (6).

(iii) Distribution of business among the employees and administrative units and offices of the Board.

(iv) Preparation of—

(I) proposals for the reorganization of the administrative units or offices of the Board;

(II) the budget estimate for the Board; and

(III) the proposed distribution of funds according to purposes approved by the Board.

(4) The Vice Chairman shall act as Chairman in the event of the absence or incapacity of the Chairman or in case of a vacancy in the office of Chairman.

(5) Each member of the Board, including the Chairman and Vice Chairman, shall—

(A) have equal responsibility and authority in establishing decisions and determining actions of the Board;

(B) have full access to all information relating to the performance of the Board’s functions, powers, and mission; and

(C) have one vote.

(6)(A) The Chairman, subject to the approval of the Board, shall appoint the senior employees described in subparagraph (C). Any member of the Board may propose to the Chairman an individual to be so appointed.

(B) The Chairman, subject to the approval of the Board, may remove a senior employee described in subparagraph (C). Any member of the Board may propose to the Chairman an individual to be so removed.

(C) The senior employees described in this subparagraph are the following senior employees of the Board:

(i) The Executive Director of Operations established under section 2286b(b)(3) of this title.

(ii) The general counsel.

(d) Terms

(1) Except as provided under paragraph (2), the members of the Board shall serve for terms of
five years. Members of the Board may be reappointed.

(2) Of the members first appointed—

(A) one shall be appointed for a term of one year;

(B) one shall be appointed for a term of two years;

(C) one shall be appointed for a term of three years;

(D) one shall be appointed for a term of four years; and

(E) one shall be appointed for a term of five years,
as designated by the President at the time of appointment.

(3) Any member appointed to fill a vacancy occurring before the expiration of the term of office for which such member’s predecessor was appointed shall be appointed only for the remainder of such term. A member may serve after the expiration of that member’s term until a successor has taken office.

(4) (A) Not later than 180 days after the expiration of the term of a member of the Board, the President shall—

(i) submit to the Senate the nomination of an individual to fill the vacancy; and

(ii) submit to the Committee on Armed Services of the Senate a report that includes—

(I) a description of the reasons the President did not submit such a nomination; and

(II) a plan for submitting such a nomination during the 90-day period following the submission of the report.

(B) If the President does not submit to the Senate the nomination of an individual to fill the vacancy during the 90-day period described in subclause (i) of subparagraph (A)(ii), the President shall submit to the Committee on Armed Services a report described in that subparagraph not less frequently than every 90 days until the President submits such a nomination.

(e) Quorum

Three members of the Board shall constitute a quorum, but a lesser number may hold hearings.

See 2019 Amendment notes below.

AMENDMENTS


Subsec. (c)(2). Pub. L. 116–92, § 3202(a)(2)(A), substituted “paragraphs (5) and (6)” for “paragraphs (5), (6), and (7)”.

Subsec. (c)(3). Pub. L. 116–92, § 3202(a)(1)(B), redesignated existing provisions as subpar. (A) and added subpar. (B).

Subsec. (c)(6). Pub. L. 116–92, § 3202(a)(3), amended par. (6) generally. Prior to amendment, par. (6) read as follows:

“(6)(A) The Chairman, subject to the approval of the Board, shall appoint the senior employees described in subparagraph (C).

“(B) The Chairman, subject to the approval of the Board, may remove a senior employee described in subparagraph (C).

“(C) The senior employees described in this subparagraph are the following senior employees of the Board:

“(i) The senior employee responsible for budgetary and general administration matters.

“(ii) The general counsel.

“(iii) The senior employee responsible for technical matters.”

Pub. L. 116–92, § 3202(a)(2)(B), (C), redesignated par. (7) as (6) and struck out former par. (6) which read as follows: “In carrying out paragraph (5)(B), the Chairman may not withhold from any member of the Board any information that is made available to the Chairman regarding the Board’s functions, powers, and mission (including with respect to the management and evaluation of employees of the Board).”


Subsec. (d)(1). Pub. L. 116–92, § 3203(b)(1)(A), substituted “A member may be reappointed for a second term only if the member was confirmed by the Senate more than two years into the member’s first term. A member may not be reappointed for a third term."

Subsec. (d)(3). Pub. L. 116–92, § 3203(b)(1)(B), designated existing provisions as subpar. (A), struck out at end “A member may serve after the expiration of that member’s term until a successor has taken office.” and added subpar. (B).


2015—Subsec. (c)(2). Pub. L. 114–92, § 3202(a)(1), substituted “paragraphs (5), (6), and (7)” for “paragraph (5)” in introductory provisions.


2013—Subsec. (b)(4). Pub. L. 112–239, § 3202(a)(1), struck out par. (4) which read as follows: “Not later than 180 days after September 29, 1988, the President shall submit to the Senate nominations for appointment to the Board. In the event that the President is unable to sub-
mit the nominations within such 180-day period, the President shall submit to the Committees on Armed Services and on Appropriations of the Senate and to the Speaker of the House of Representatives a report describing the reasons for such inactivity and a plan for submitting the nominations within the next 90 days. If the President is unable to submit the nominations within that 90-day period, the President shall again submit to such committees and the Speaker such a report and plan. The President shall continue to submit to such committees and the Speaker such a report and plan every 90 days until the nominations are submitted."

Subsec. (c). Pub. L. 112-239, §3202(a)(2)(A), substituted "Vice Chairman, and Members" for "and Vice Chairman" in heading.

Subsec. (c)(2). Pub. L. 112-239, §3202(a)(2)(B), substituted "In accordance with paragraph (5), the Chairman" for "The Chairman".

Subsec. (c)(5). Pub. L. 112-239, §3202(a)(2)(C), added par. (5).

**Effective Date of 2019 Amendment**

Pub. L. 116-92, div. C, title XXXII, §3202(b)(2), Dec. 20, 2019, 133 Stat. 1966, provided that: "The amendments made by paragraph (1) [amending this section] shall take effect on the date that is one year after the date of the enactment of this Act [Dec. 20, 2019]."

**Construction of Section 3202 of Pub. L. 112-239; Safety Standards**

Pub. L. 112-239, div. C, title XXXII, §3202(b), Jan. 2, 2013, 126 Stat. 2220, provided that: "Nothing in this section [enacting section 2286e of this title and amending this section and sections 2286a, 2286b, 2286d, 2286e, and 2286l-1 of this title] or in the amendments made by this section shall be construed to cause a reduction in nuclear safety standards."

**Report on External Regulation of Defense Nuclear Facilities**

Pub. L. 105-85, div. C, title XXXII, §3202, Nov. 18, 1997, 111 Stat. 2054, provided that:

"(a) Reporting Requirement.—The Defense Nuclear Facilities Safety Board (in this section referred to as the 'Board') shall prepare a report and make recommendations on its role in the Department of Energy's decision to establish external regulation of defense nuclear facilities. The report shall include the following:

"(1) An assessment of the value of and the need for the Board to continue to perform the functions specified under chapter 21 of the Atomic Energy Act of 1954 (42 U.S.C. 2286 et seq.).

"(2) An assessment of the relationship between the functions of the Board and a proposal by the Department of Energy to place Department of Energy defense nuclear facilities under the jurisdiction of external regulatory agencies.

"(3) An assessment of the functions of the Board and whether there is a need to modify or amend such functions.

"(4) An assessment of the relative advantages and disadvantages to the Department and the public of continuing the functions of the Board with respect to Department of Energy defense nuclear facilities and replacing the activities of the Board with external regulation of such facilities.

"(5) A list of all existing or planned Department of Energy defense nuclear facilities that are similar to facilities under the regulatory jurisdiction of the Nuclear Regulatory Commission.

"(6) A list of all Department of Energy defense nuclear facilities that are in compliance with all applicable Department of Energy orders, regulations, and requirements relating to the design, construction, operation, and decommissioning of defense nuclear facilities.

"(7) A list of all Department of Energy defense nuclear facilities that have implemented, pursuant to an implementation plan, recommendations made by the Board and accepted by the Secretary of Energy.

"(8) A list of Department of Energy defense nuclear facilities that have a function related to Department weapons activities.

"(9)(A) A list of each existing defense nuclear facility that the Board determines—

"(i) should continue to stay within the jurisdiction of the Board for a period of time or indefinitely; and

"(ii) should come under the jurisdiction of an outside regulatory authority.

"(B) An explanation of the determinations made under subparagraph (A).

"(10) For any existing facilities that should, in the opinion of the Board, come under the jurisdiction of an outside regulatory authority, the date when this move would occur and the period of time necessary for the transition.

"(11) A list of any proposed Department of Energy defense nuclear facilities that should come under the Board's jurisdiction.

"(12) An assessment of regulatory and other issues associated with the design, construction, operation, and decommissioning of facilities that are not owned by the Department of Energy but which would provide services to the Department of Energy.

"(13) An assessment of the role of the Board, if any, in privatization projects undertaken by the Department.

"(14) An assessment of the role of the Board, if any, in any tritium production facilities.

"(15) An assessment of the comparative advantages and disadvantages to the Department of Energy in the event some or all Department of Energy defense nuclear facilities were no longer included in the functions of the Board and were regulated by the Nuclear Regulatory Commission.

"(16) A comparison of the cost, as identified by the Nuclear Regulatory Commission, that would be incurred at a gaseous diffusion plant to comply with regulations issued by the Nuclear Regulatory Commission, with the cost that would be incurred by a gaseous diffusion plant if such a plant was considered to be a Department of Energy defense nuclear facility as defined by chapter 21 of the Atomic Energy Act of 1954 (42 U.S.C. 2286 et seq.)."

"(b) Comments on Report.—Before submission of the report to Congress under subsection (c), the Board shall transmit the report to the Secretary of Energy and the Nuclear Regulatory Commission. The Secretary and the Commission shall provide their comments on the report to both the Board and to Congress.

"(c) Submission to Congress.—Not later than six months after the date of the enactment of this Act [Nov. 18, 1997], the Board shall provide to Congress an interim report on the status of the implementation of this section. Not later than one year after the date of the enactment of this Act, and not earlier than 30 days after receipt of comments from the Secretary of Energy and the Nuclear Regulatory Commission under subsection (b), the Board shall submit to Congress the report required under subsection (a).

"(d) Definition.—In this section, the term `Department of Energy defense nuclear facility' has the meaning provided by section 318 of the Atomic Energy Act of 1954 (42 U.S.C. 2286c)."

§ 2286a. Mission and functions of Board

(a) Mission

The mission of the Board shall be to provide independent analysis, advice, and recommendations to the Secretary of Energy to inform the Secretary, in the role of the Secretary as operator and regulator of the defense nuclear facilities of the Department of Energy, in providing adequate protection of public health and safety at such defense nuclear facilities, including with
respect to the health and safety of employees and contractors at such facilities.

(b) Functions

The Board shall perform the following functions:

(1) Review and evaluation of standards

The Board shall review and evaluate the content and implementation of the standards relating to the design, construction, operation, and decommissioning of defense nuclear facilities of the Department of Energy (including all applicable Department of Energy orders, regulations, and requirements) at each Department of Energy defense nuclear facility. The Board shall recommend to the Secretary of Energy those specific measures that should be adopted to ensure that public health and safety are adequately protected. The Board shall include in its recommendations necessary changes in the content and implementation of such standards, as well as matters on which additional data or additional research is needed.

(2) Investigations

(A) The Board shall investigate any event or practice at a Department of Energy defense nuclear facility which the Board determines has adversely affected, or may adversely affect, public health and safety.

(B) The purpose of any Board investigation under subparagraph (A) shall be:

(i) to determine whether the Secretary of Energy is adequately implementing the standards described in paragraph (1) of the Department of Energy (including all applicable Department of Energy orders, regulations, and requirements) at the facility;

(ii) to ascertain information concerning the circumstances of such event or practice and its implications for such standards;

(iii) to determine whether such event or practice is related to other events or practices at other Department of Energy defense nuclear facilities; and

(iv) to provide to the Secretary of Energy such recommendations for changes in such standards or the implementation of such standards (including Department of Energy orders, regulations, and requirements) and such recommendations relating to data or research needs as may be prudent or necessary.

(3) Analysis of design and operational data

The Board shall have access to and may systematically analyze design and operational data, including safety analysis reports, from any Department of Energy defense nuclear facility.

(4) Review of facility design and construction

The Board shall review the design of a new Department of Energy defense nuclear facility before construction of such facility begins and shall recommend to the Secretary, within a reasonable time, such modifications of the design as the Board considers necessary to ensure adequate protection of public health and safety. During the construction of any such facility, the Board shall periodically review and monitor the construction and shall submit to the Secretary, within a reasonable time, such recommendations relating to the construction of that facility as the Board considers necessary to ensure adequate protection of public health and safety. An action of the Board, or a failure to act, under this paragraph may not delay or prevent the Secretary of Energy from carrying out the construction of such a facility.

(5) Recommendations

The Board shall make such recommendations to the Secretary of Energy with respect to Department of Energy defense nuclear facilities, including operations of such facilities, standards, and research needs, as the Board determines are necessary to ensure adequate protection of public health and safety. In making its recommendations the Board shall consider, and specifically assess risk (whenever sufficient data exists), the technical and economic feasibility of implementing the recommended measures.

(c) Excluded functions

The functions of the Board under this subchapter do not include functions relating to the safety of atomic weapons. However, the Board shall have access to any information on atomic weapons that is within the Department of Energy and is necessary to carry out the functions of the Board.

2019—Subsec. (a). Pub. L. 116–92 inserted “, including with respect to the health and safety of employees and contractors at such facilities” before period at end.


Subsec. (b). Pub. L. 112–239, § 3202(b)(1)(B), (D)(i), redesignated subsec. (a) as (b) and substituted “Functions” for “In general” in heading. Former subsec. (b) redesignated (c).

Subsec. (b)(5). Pub. L. 112–239, § 3202(b)(1)(D)(ii), inserted “, and specifically assess risk (whenever sufficient data exists),” after “shall consider”.

Subsec. (c). Pub. L. 112–239, § 3202(b)(1)(B), redesignated subsec. (b) as (c).

(2) (A) Subpoenas may be issued only under the signature of the Chairman or any member of the Board designated by him and shall be served by any person designated by the Chairman, any member, or any person as otherwise provided by law. The attendance of witnesses and the production of evidence may be required from any place in the United States at any designated place of hearing in the United States.

(B) Any member of the Board may administer oaths or affirmations to witnesses appearing before the Board.

(C) If a person issued a subpoena under paragraph (1) refuses to obey such subpoena or is guilty of contumacy, any court of the United States within the judicial district within which the hearing is conducted or within the judicial district within which such person is found or resides or transacts business may (upon application by the Board) order such person to appear before the Board to produce evidence or to give testimony relating to the matter under investigation. Any failure to obey such order of the court may be punished by such court as a contempt of the court.

(D) The subpoenas of the Board shall be served in the manner provided for subpoenas issued by a United States district court under the Federal Rules of Civil Procedure for the United States district courts.

(E) All process of any court to which application may be made under this section may be served in the judicial district in which the person required to be served resides or may be found.

(b) Staff

(1) The Board may, for the purpose of performing its responsibilities under this subchapter—

(A) in accordance with section 2286(c)(6) of this title, hire such staff as it considers necessary to perform the functions of the Board, including such scientific and technical personnel as the Board may determine necessary, but not more than the equivalent of 130 full-time employees; and

(B) procure the temporary and intermittent services of experts and consultants to the extent authorized by section 3109(b) of title 5 at rates the Board determines to be reasonable.

(2) The authority and requirements provided in section 2201(d) of this title with respect to officers and employees of the Commission shall apply with respect to scientific and technical personnel hired under paragraph (1)(A).

(3)(A) The Board shall have an Executive Director of Operations who shall be appointed under section 2286(c)(6) of this title.

(B) The Executive Director of Operations shall report to the Chairman.

(C) The Executive Director of Operations shall be the senior employee of the Board responsible for—

(i) general administration and technical matters;

(ii) ensuring that the members of the Board are fully and currently informed with respect to matters for which the members are responsible; and

(iii) the functions delegated by the Chairman pursuant to section 2286(c)(3)(B) of this title.

(4) Subject to the approval of the Board, the Chairman may organize the staff of the Board as the Chairman considers appropriate to best accomplish the mission of the Board described in section 2286a(a) of this title.

(c) Regulations

The Board may prescribe regulations to carry out the responsibilities of the Board under this subchapter.

(d) Reporting requirements

The Board may establish reporting requirements for the Secretary of Energy which shall be binding upon the Secretary. The information which the Board may require the Secretary of Energy to report under this subsection may include any information designated as classified information, or any information designated as safeguards information and protected from disclosure under section 2167 or 2168 of this title.

(e) Use of Government facilities, etc.

The Board may, for the purpose of carrying out its responsibilities under this subchapter, use any facility, contractor, or employee of any other department or agency of the Federal Government with the consent of and under appropriate support arrangements with the head of such department or agency and, in the case of a contractor, with the consent of the contractor.

(f) Assistance from certain agencies of Federal Government

With the consent of and under appropriate support arrangements with the Nuclear Regulatory Commission, the Board may obtain the advice and recommendations of the staff of the Commission on matters relating to the Board’s responsibilities and may obtain the advice and recommendations of the Advisory Committee on Reactor Safeguards on such matters.

(g) Assistance from organizations outside Federal Government

Notwithstanding any other provision of law relating to the use of competitive procedures, the Board may enter into an agreement with the National Research Council of the National Academy of Sciences or any other appropriate group or organization of experts outside the Federal Government chosen by the Board to assist the Board in carrying out its responsibilities under this subchapter.

(h) Resident inspectors

The Board may assign staff to be stationed at any Department of Energy defense nuclear facility to carry out the functions of the Board.

(i) Special studies

The Board may conduct special studies pertaining to adequate protection of public health and safety at any Department of Energy defense nuclear facility.

(j) Evaluation of information

The Board may evaluate information received from the scientific and industrial communities, and from the interested public, with respect to—

(1) events or practices at any Department of Energy defense nuclear facility; or

(2) suggestions for specific measures to improve the content of standards described in
section 2286a(b)(1) of this title, the implementation of such standards, or research relating to such standards at Department of Energy defense nuclear facilities.


REFERENCES IN TEXT


§ 2286c. Responsibilities of Secretary of Energy

(a) Cooperation

Except as specifically provided by this section, the Secretary of Energy shall fully cooperate with the Board and provide the Board with prompt and unfettered access to such facilities, personnel, and information as the Board considers necessary to carry out its responsibilities under this subchapter. Each contractor operating a Department of Energy defense nuclear facility under a contract awarded by the Secretary shall, to the extent provided in such contract or otherwise with the contractor’s consent, fully cooperate with the Board and provide the Board with prompt and unfettered access to such facilities, personnel, and information of the contractor as the Board considers necessary to carry out its responsibilities under this subchapter. The access provided to defense nuclear facilities, personnel, and information under this subsection shall be provided without regard to the hazard or risk category assigned to a facility by the Secretary.

(b) Authority of Secretary to deny information

(1) The Secretary may deny access to information under subsection (a) only to any person who—

(A) has not been granted an appropriate security clearance or access authorization by the Secretary; or

(B) does not need such access in connection with the duties of such person.

(2) If the Board requests access to information under subsection (a) in written form, and the Secretary denies access to such information pursuant to paragraph (1)—

(A) the Secretary shall provide the Board notice of such denial in written form; and

(B) not later than January 1 and July 1 of each year beginning in 2020—

(i) the Board shall submit to the congressional defense committees a report identifying each request for access to information under subsection (a) submitted to the Secretary in written form during the preceding six-month period and denied by the Secretary; and

(ii) the Secretary shall submit to the congressional defense committees a report identifying—

(I) each such request denied by the Secretary during that period; and

(II) the reason for the denial.

(3) In this subsection, the term “congressional defense committees” has the meaning given that term in section 101(a) of title 10.

(c) Application of nondisclosure protections by Board

The Board may not publicly disclose information provided under this section if such information is otherwise protected from disclosure by law, including deliberative process information.


AMENDMENTS

2019—Subsec. (a). Pub. L. 116–92, §3202(c)(1), substituted “Except as specifically provided by this section, the Secretary of Energy” for “The Secretary of Energy” and “prompt and unfettered access” for “ready access” in two places, and inserted at end “The access provided to defense nuclear facilities, personnel, and information under this subsection shall be provided without regard to the hazard or risk category assigned to a facility by the Secretary.”.

Subsecs. (b), (c). Pub. L. 116–92, §3202(c)(2), added subsecs. (b) and (c) and struck out former subsec. (b), which authorized the Secretary of Energy to deny access to unauthorized persons to information provided to the Board.
§ 2286d. Board recommendations

(a) Submission of recommendations

(1) Subject to subsections (h) and (i), not later than 30 days before the date on which the Board transmits a recommendation to the Secretary of Energy under section 2286a of this title, the Board shall transmit to the Secretary in writing a draft of such recommendation and any related findings, supporting data, and analyses to ensure the Secretary is adequately informed of a formal recommendation and to provide the Secretary an opportunity to provide input to the Board before such recommendation is finalized.

(2) The Secretary may provide to the Board comments on a draft recommendation transmitted by the Board under paragraph (1) by not later than 30 days after the date on which the Secretary receives the draft recommendation. The Board may grant, upon request by the Secretary, additional time for the Secretary to transmit comments on a draft recommendation to the Board.

(b) Public availability and comment

Subject to subsections (h) and (i), after the Secretary of Energy receives a recommendation from the Board under subsection (a)(3), the Board shall promptly make available to the public such recommendation and any related correspondence from the Secretary by

(1) providing such recommendation and correspondence to the public in the regional public reading rooms of the Department of Energy; and

(2) publishing in the Federal Register—

(A) such recommendation and correspondence; and

(B) a request for the submission to the Board of public comments on such recommendation that provides interested persons with 30 days after the date of the publication in which to submit comments, data, views, or arguments to the Board concerning the recommendation.

(c) Response by Secretary

(1) The Secretary of Energy shall transmit to the Board, in writing, a statement on whether the Secretary accepts or rejects, in whole or in part, the recommendations submitted to him by the Board under section 2286a of this title, a description of the actions to be taken in response to the recommendations, and his views on such recommendations. The Secretary of Energy shall transmit his response to the Board within 45 days after the date of the publication, under subsection (b), of the notice with respect to such recommendations or within such additional period, not to exceed 45 days, as the Board may grant.

(2) At the same time as the Secretary of Energy transmits his response to the Board under paragraph (1), the Secretary, subject to subsection (1), shall publish such response, together with a request for public comment on his response, in the Federal Register.

(3) Interested persons shall have 30 days after the date of the publication of the Secretary of Energy’s response in which to submit comments, data, views, or arguments to the Board concerning the Secretary’s response.

(4) The Board may hold hearings for the purpose of obtaining public comments on its recommendations and the Secretary of Energy’s response.

(d) Provision of information to Secretary

The Board shall furnish the Secretary of Energy with copies of all comments, data, views, and arguments submitted to it under subsection (b) or (c).

(e) Final decision

If the Secretary of Energy, in a response under subsection (c)(1), rejects (in whole or part) any recommendation made by the Board under section 2286a of this title, the Board shall either reaffirm its original recommendation or make a revised recommendation and shall notify the Secretary of its action. Within 30 days after receiving the notice of the Board’s action under this subsection, the Secretary shall consider the Board’s action and make a final decision on whether to implement all or part of the Board’s recommendations. Subject to subsection (i), the Secretary shall publish the final decision and the reasoning for such decision in the Federal Register and shall transmit to the Committees on Armed Services, Appropriations, and Energy and Commerce of the House of Representatives and the Committees on Armed Services, Appropriations, and Energy and Natural Resources of the Senate a written report containing that decision and reasoning.

(f) Implementation plan

The Secretary of Energy shall prepare a plan for the implementation of each Board recommendation, or part of a recommendation, that is accepted by the Secretary in his final decision. The Secretary shall transmit the implementation plan to the Board within 90 days after the date of the publication of the Secretary’s final decision on such recommendation in the Federal Register. The Secretary may have an additional 45 days to transmit the plan if the Secretary submits to the Board and to the Committees on Armed Services, Appropriations, and Energy and Commerce of the House of Representatives and the Committees on Armed Services, Appropriations, and Energy and Natural Resources of the Senate a notification setting forth the reasons for the delay and describing the actions the Secretary is taking to prepare an implementation plan under this subsection. The Secretary may implement any such recommendation (or part of any such recommendation) before, on, or after the date on which the Secretary transmits the implementation plan to the Board under this subsection.

(g) Implementation

(1) Subject to paragraph (2), not later than one year after the date on which the Secretary of Energy transmits an implementation plan with respect to a recommendation (or part thereof) under subsection (f), the Secretary shall carry out and complete the implementation plan. If complete implementation of the plan takes more than 1 year, the Secretary of Energy shall
submit a report to the Committees on Armed Services, Appropriations, and Energy and Commerce of the House of Representatives and the Committees on Armed Services, Appropriations, and Energy and Natural Resources of the Senate setting forth the reasons for the delay and when implementation will be completed.

(2) If the Secretary of Energy determines that the implementation of a Board recommendation (or part thereof) is impracticable because of budgetary considerations, or that the implementation would affect the Secretary’s ability to meet the annual stockpile re-
maintenance requirements established pursuant to section 2121
of this title, the Secretary shall submit to the President and to such committees a report containing the recommendation and the Secretary’s determination.

(h) Imminent or severe threat

(1) In any case in which the Board determines that a recommendation submitted to the Sec-
retary under section 2286a of this title relates to an imminent or severe threat to pub-
lc health and safety, the Board and the Sec-
etary of Energy shall proceed under this sub-
section in lieu of subsections (a) through (e).

(2) At the same time that the Board transmits a recommendation relating to an imminent or severe threat to the Secretary of Energy, the Board shall also transmit the recommendation to the President and for information purposes to the Secretary of Defense. The Secretary of Energy shall submit his recommendation to the President. The President shall review the Sec-
etary’s recommendation and shall make the decision concerning acceptance or re-
jection of the Board’s recommendation.

(3) After receipt by the President of the recom-
mendation from the Board under this sub-
section, the Board promptly shall make such recommendation available to the public and shall transmit such recommendation to the Committees on Armed Services, Appropriations, and Energy and Commerce of the House of Rep-
resentatives and the Committees on Armed Services, Appropriations, and Energy and Natural Resources of the Senate. The President shall promptly notify such committees of his decision and the reasons for that decision.

(i) Limitation

Notwithstanding any other provision of this section, the requirements to make information available to the public under this section—

(1) shall not apply in the case of information that is classified; and

(2) shall be subject to the orders and regula-
tions issued by the Secretary of Energy under sections 2107 and 2108 of this title to prohibit dissemination of certain information.

(Aug. 1, 1946, ch. 724, title I, §315, as added Pub.

AMENDMENTS


Subsec. (b). Pub. L. 112–239, §3202(c)(1)(A), (C), redesignated subsec. (a) as (b) and amended it generally. Prior to amendment, text read as follows: ‘‘Subject to subsections (g) and (h) of this section and after receipt by the Secretary of Energy of any recommendations from the Board under section 2286a of this title, the Board promptly shall make such recommendations available to the public in the Department of Energy’s regional public reading rooms and shall publish in the Federal Register such recommendations and a request for the submission to the Board of public comments on such recommendations. Interested persons shall have 30 days after the date of the publication of such notice in which to submit comments, data, views, or arguments to the Board concerning the recommendations.’’ Former sub-
sec. (b) redesignated (c).

Subsec. (c). Pub. L. 112–239, §3202(c)(1)(A), (2)(A), redesignated subsec. (b) as (c) and substituted ‘‘subsection (b)’’ for ‘‘subsection (a)’’ in par. (1) and ‘‘subsection (i)’’ for ‘‘subsection (h)’’ in par. (2). Former sub-
sec. (c) redesignated (d).

Subsec. (d). Pub. L. 112–239, §3202(c)(1)(A), (2)(B), redesignated subsec. (c) as (d) and substituted ‘‘subsection (a) or (b)’’ for ‘‘subsection (a) or (b)’’. Former sub-
sec. (d) redesignated (e).

Subsec. (e). Pub. L. 112–239, §3202(c)(1)(A), (2)(C), (F), redesignated subsec. (d) as (e) and substituted ‘‘subsection (c)(1)’’ for ‘‘subsection (c)(1)’’, ‘‘subsection (f)’’ for ‘‘subsection (h)’’, ‘‘Committees on Armed Serv-
ces, Appropriations, and Energy and Commerce of the House of Representatives’’ for ‘‘Committees on Armed Services and Appropriations of the Senate and to the Speaker of the House of Representatives’’. Former subsec. (e) redesignated (f).

Subsec. (f). Pub. L. 112–239, §3202(c)(1)(A), (2)(F), redesignated subsec. (e) as (f) and substituted ‘‘Commit-
tees on Armed Services, Appropriations, and Energy and Commerce of the House of Rep-
resentatives and the Committees on Armed Services, Appropriations, and Energy and Natu-
ral Resources of the Senate’’ for ‘‘Committees on Armed Services and Appropriations of the Senate and to the Speaker of the House of Representatives’’. Former subsec. (f) redesignated (g).

Subsec. (g). Pub. L. 112–239, §3202(c)(1)(A), redesignated subsec. (f) as (g). Former subsec. (g) redesignated (h).

Subsec. (g)(1). Pub. L. 112–239, §3202(c)(2)(D)(i), (F), substituted ‘‘subsection (f)’’ for ‘‘subsection (e)’’ and ‘‘Committees on Armed Services, Appropriations, and Energy and Commerce of the House of Rep-
resentatives and the Committees on Armed Services, Appropriations, and Energy and Natural Resources of the Senate’’ for ‘‘Committees on Armed Services and Appropriations of the Senate and to the Speaker of the House of Representatives’’. Former sub-
sec. (g)(1) redesignated (i).

Subsec. (g)(2). Pub. L. 112–239, §3202(c)(2)(D)(ii), sub-
stituted ‘‘and to such committees’’ for ‘‘, to the Com-
mittees on Armed Services and on Appropriations of the Senate’’, and to the Speaker of the House of Rep-
resentatives’’. Former subsec. (g)(2) redesignated (j).

Subsec. (h). Pub. L. 112–239, §3202(c)(1)(A), redesignated subsec. (g) as (h). Former subsec. (h) redesignated (i).

Subsec. (h)(1). Pub. L. 112–239, §3202(c)(2)(E)(i), substi-
tuted ‘‘through (e)’’ for ‘‘through (d)’’. Former subsec. (h)(1). Pub. L. 112–239, §3202(c)(2)(E)(ii), (F), substituted ‘‘Committees on Armed Services, Appropriations, and Energy and Commerce of the House of Rep-
resentatives’’ for ‘‘Committees on Armed Services and on Appropriations of the Senate’’ and to the Speaker of the House of Representatives’’ and struck out ‘‘and the Speaker’’ after ‘‘notify such com-
mittees’’. Former subsec. (i)(1) redesignated (j).

Subsec. (i). Pub. L. 112–239, §3202(c)(1)(A), redesignated subsec. (h) as (i).
§ 2286e. Reports

(a) Board report

(1) The Board shall submit to the Committees on Armed Services, Appropriations, and Energy and Commerce of the House of Representatives and the Committees on Armed Services, Appropriations, and Energy and Natural Resources of the Senate each year, at the same time that the President submits the budget to Congress pursuant to section 1105(a) of title 31, a written report concerning its activities under this subchapter, including all recommendations made by the Board, during the year preceding the year in which the report is submitted. The Board may also issue periodic unclassified reports on matters within the Board’s responsibilities.

(2) The annual report under paragraph (1) shall include an assessment of—

(A) the improvements in the safety of Department of Energy defense nuclear facilities during the period covered by the report;

(B) the improvements in the safety of Department of Energy defense nuclear facilities resulting from actions taken by the Board or taken on the basis of the activities of the Board; and

(C) the outstanding safety problems, if any, of Department of Energy defense nuclear facilities.

(b) DOE report

The Secretary of Energy shall submit to the Committees on Armed Services, Appropriations, and Energy and Commerce of the House of Representatives and the Committees on Armed Services, Appropriations, and Energy and Natural Resources of the Senate each year, at the same time that the President submits the budget to Congress pursuant to section 1105(a) of title 31, a written report concerning the activities of the Department of Energy under this subchapter during the year preceding the year in which the report is submitted.

§ 2286f. Judicial review

Chapter 7 of title 5 shall apply to the activities of the Board under this subchapter.

§ 2286g. “Department of Energy defense nuclear facility” defined

As used in this subchapter, the term “Department of Energy defense nuclear facility” means any of the following:

(1) A production facility or utilization facility (as defined in section 2014 of this title) that is under the control or jurisdiction of the Secretary of Energy and that is operated for national security purposes, but the term does not include—

(A) any facility or activity covered by Executive Order No. 12341, dated February 1,
Atlantic, pertaining to the Naval nuclear propulsion program;
(B) any facility or activity involved with the transportation of nuclear explosives or nuclear material;
(C) any facility that does not conduct atomic energy defense activities; or
(D) any facility owned by the United States Enrichment Corporation.

(2) A nuclear waste storage facility under the control or jurisdiction of the Secretary of Energy, but the term does not include a facility developed pursuant to the Nuclear Waste Policy Act of 1982 (42 U.S.C. 10101 et seq.) and licensed by the Nuclear Regulatory Commission.


REFERENCES IN TEXT
Executive Order No. 12344, referred to in par. (1)(A), is set out as a note under section 2511 of Title 50, War and National Defense.


AMENDMENTS
1991—Par. (1)(B). Pub. L. 102–190 struck out “with the assembly or testing of nuclear explosives or” after “involved”.

REFERENCES TO UNITED STATES ENRICHMENT CORPORATION
References to the United States Enrichment Corporation deemed, as of the privatization date (July 28, 1998), to be references to the private corporation, see section 316(e) of Pub. L. 104–134, set out as a note under former section 2286h–1 of this title.

§ 2286h. Contract authority subject to appropriations

The authority of the Board to enter into contracts under this subchapter is effective only to the extent that appropriations (including transfers of appropriations) are provided in advance for such purpose.


§ 2286h–1. Transmittal of certain information to Congress

Whenever the Board submits or transmits to the President or the Director of the Office of Management and Budget any legislative recommendation, or any statement or information in preparation of a report to be submitted to the Committees on Armed Services, Appropriations, and Energy and Commerce of the House of Representatives and the Committees on Armed Services, Appropriations, and Energy and Natural Resources of the Senate pursuant to section 2286(e) of this title, the Board shall submit at the same time a copy thereof to such committees.


PRIOR PROVISIONS
A prior section 320 of act Aug. 1, 1946, was renumbered section 321 and is classified to section 2286i of this title.

AMENDMENTS
2013—Pub. L. 112–239 substituted “submitted to the Committees on Armed Services, Appropriations, and Energy and Commerce of the House of Representatives and the Committees on Armed Services, Appropriations, and Energy and Natural Resources of the Senate” for “submitted to the Congress and “such committees.”” for “the Congress.”

§ 2286i. Annual authorization of appropriations

Authorizations of appropriations for the Board for fiscal years beginning after fiscal year 1989 shall be provided annually in authorization Acts.


§ 2286j. Procurement of inspector general services

Within 90 days of December 23, 2011, the Defense Nuclear Facilities Safety Board shall enter into an agreement for inspector general services with the Office of Inspector General for the Nuclear Regulatory Commission for fiscal years 2012 and 2013: Provided, That at the expiration of such agreement, the Defense Nuclear Facilities Safety Board shall procure inspector general services annually thereafter.


CODIFICATION
Section was enacted as part of the Energy and Water Development and Related Agencies Appropriations Act, 2012, and also as part of the Consolidated Appropriations Act, 2012, and not as part of the Atomic Energy Act of 1954 which comprises this chapter.

§ 2286k. Inspector General

(a) In general


(b) Budget

In the budget materials submitted to the President by the Board in connection with the
substitution to Congress, pursuant to section 1105 of title 31, of the budget for each fiscal year, the Board shall ensure that a separate, dedicated procurement line item is designated for the services of an Inspector General under subdivision (a).


REFERENCES IN TEXT

AMENDMENTS
2014—Subsec. (a). Pub. L. 113–291 amended subsec. (a) generally. Prior to amendment, subsec. (a) read as follows: "Not later than October 1, 2013, the Board shall enter into an agreement with an agency of the Federal Government to procure the services of the Inspector General of such agency for the Board, in accordance with the Inspector General Act of 1978 (5 U.S.C. App.). Such Inspector General shall have expertise relating to the mission of the Board."

§ 2286f. Authority of Inspector General

Notwithstanding any other provision of law, in this fiscal year and each fiscal year thereafter, the Inspector General of the Nuclear Regulatory Commission is authorized to exercise the same authorities with respect to the Defense Nuclear Facilities Safety Board, as determined by the Inspector General of the Nuclear Regulatory Commission, as the Inspector General exercises under the Inspector General Act of 1978 (5 U.S.C. App.) with respect to the Nuclear Regulatory Commission.


REFERENCES IN TEXT

CODIFICATION
Section was enacted as part of the EURATOM Cooperation Act of 1958 which comprises this subchapter, and not as part of the Atomic Energy Act of 1954 which comprises this chapter.

SIMILAR PROVISIONS
Provisions similar to the text of this section were contained in the following prior appropriation act:


SUBCHAPTER XVIII—EURATOM COOPERATION

§ 2291. Definitions

As used in this subchapter—
(a) "The Community" means the European Atomic Energy Community (EURATOM).
(b) The "Commission" means the Atomic Energy Commission, as established by the Atomic Energy Act of 1954, as amended [42 U.S.C. 2011 et seq.].
(c) "Joint program" means the cooperative program established by the Community and the United States and carried out in accordance with the provisions of an agreement for cooperation entered into pursuant to the provisions of section 2153 of this title, to bring into operation in the territory of the members of the Community powerplants using nuclear reactors of types selected by the Commission and the Community, having as a goal a total installed capacity of approximately one million kilowatts of electricity by December 31, 1965, except that two reactors may be selected to be in operation by December 31, 1965.
(d) All other terms used in this subchapter shall have the same meaning as terms described in section 2104 of this title.


REFERENCES IN TEXT

CODIFICATION
Section was enacted as part of the EURATOM Cooperation Act of 1958 which comprises this subchapter, and not as part of the Atomic Energy Act of 1954 which comprises this chapter.

TRANSFER OF FUNCTIONS
Atomic Energy Commission abolished and functions transferred by sections 5814 and 5841 of this title. See also Transfer of Functions notes set out under those sections.

§ 2292. Authorization of appropriations for research and development program; authority to enter into contracts; period of contracts; equivalent amounts for research and development program

There is authorized to be appropriated to the Commission, in accordance with the provisions of section 2107(a)(2) of this title, the sum of $3,000,000 as an initial authorization for fiscal year 1959 for use in a cooperative program of research and development in connection with the types of reactors selected by the Commission and the Community under the joint program. The Commission may enter into contracts for such periods as it deems necessary, but in no event to exceed five years, for the purpose of conducting the research and development program authorized by this section: Provided, That the Community authorizes an equivalent amount for use in the cooperative program of research and development.


CODIFICATION
Section was enacted as part of the EURATOM Cooperation Act of 1958 which comprises this subchapter, and not as part of the Atomic Energy Act of 1954 which comprises this chapter.

§ 2293. Omitted

CODIFICATION
guarantee contracts between the Atomic Energy Commission and operators of reactors under the cooperation program which were to extend no later than Dec. 31, 1975.

§ 2294. Authorization for sale or lease of uranium and plutonium; amounts; lien for non-payment; uranium enrichment services

Pursuant to the provisions of section 2074 of this title, there is hereby authorized for sale or lease to the Community an amount of contained uranium 235 which does not exceed that necessary to support the fuel cycle of power reactors located within the Community having a total installed capacity of thirty-five thousand megawatts of electric energy, together with twenty-five thousand kilograms of contained uranium 235 for other purposes:

one thousand five hundred kilograms of plutonium;

and

thirty kilograms of uranium 233;

in accordance with the provisions of an agreement or agreements for cooperation between the Government of the United States and the Community entered into pursuant to the provisions of section 2159 of this title: Provided, That the Government of the United States obtains the equivalent of a first lien on any such material sold to the Community for which payment is not made in full at the time of transfer. The Commission may enter into contracts to provide, after December 31, 1968, for the producing or enriching of all, or part of, the above-mentioned contained uranium 235 pursuant to the provisions of section 2201(v)(B) of this title in lieu of sale or lease thereof.


CODIFICATION

Section was enacted as part of the EURATOM Cooperation Act of 1968 which comprises this subchapter, and not as part of the Atomic Energy Act of 1954 which comprises this chapter.

AMENDMENTS

1973—Pub. L. 93–88 substituted “an amount of contained uranium 235 which does not exceed that necessary to support the fuel cycle of power reactors located within the Community having a total installed capacity of thirty-five thousand megawatts of electric energy, together with twenty-five thousand kilograms of contained uranium 235 for other purposes” for “‘two hundred fifteen thousand kilograms of contained uranium 235’”.

1967—Pub. L. 90–190 increased from seventy thousand to two hundred fifteen thousand kilograms of contained uranium 235 and from five hundred to one thousand five hundred kilograms of plutonium respectively the amount of material authorized to be sold or leased to the Community, and inserted provision authorizing the Commission, after Dec. 31, 1966, to perform uranium enrichment services for the Community, pursuant to the provisions of section 2201(v)(B) of this title, in lieu of the sale or lease of such material.

1964—Pub. L. 88–394 increased the amount of contained uranium 235 from thirty thousand kilograms to seventy thousand kilograms, and plutonium, from nine kilograms to five hundred kilograms.

1961—Pub. L. 87–206 substituted “Nine kilograms” for “One kilogram” of plutonium and inserted item reading “Thirty kilograms of uranium 233” and “or agreements”.

§ 2295. Acquisition of nuclear materials

(a) Authorization; restriction of amounts of plutonium or uranium; amount and use of plutonium authorized to be acquired

The Atomic Energy Commission is authorized to purchase or otherwise acquire from the Community special nuclear material or any interest therein from reactors constructed under the joint program in accordance with the terms of an agreement for cooperation entered into pursuant to the provisions of section 2153 of this title: Provided, That neither plutonium nor uranium 233 nor any interest therein shall be acquired under this section in excess of the total quantities authorized by law. The Commission is authorized to acquire from the Community pursuant to this section up to four thousand one hundred kilograms of plutonium for use only for peaceful purposes.

(b) Terms and periods of contracts to acquire plutonium

Any contract made under the provisions of this section to acquire plutonium or any interest therein may be at such prices and for such period of time as the Commission may deem necessary: Provided, That with respect to plutonium produced in any reactor constructed under the joint program, no such contract shall be for a period greater than ten years from the date of the first delivery of such contract; Provided further, That no such contract shall provide for compensation or the payment of a purchase price in excess of the Commission’s established price in effect at the time of delivery to the Commission for such material as fuel in a nuclear reactor.

(c) Terms and periods of contracts to acquire uranium

Any contract made under the provisions of this section to acquire uranium enriched in the isotope uranium 235 may be at such price and for such period of time as the Commission may deem necessary: Provided, That no such contract shall be for a period of time extending beyond the terminal date of the agreement for cooperation with the Community or provide for the acquisition of uranium enriched in the isotope U–235 in excess of the quantities of such material that have been distributed to the Community by the Commission less the quantity consumed in the nuclear reactors involved in the joint program: And provided further, That no such contract shall provide for compensation or the payment of a purchase price in excess of the Atomic Energy Commission’s established charges for such material in effect at the time delivery is made to the Commission.

(d) Contracts for purchase of special nuclear materials

Any contract made under this section for the purchase of special nuclear material or any interest therein may be made without regard to
the provisions of sections 1341, 1342, and 1349–1351 and subchapter II of chapter 15 of title 31.

(e) Certification by Commission

Any contract made under this section may be made without regard to section 6101 of title 41, upon certification by the Commission that such action is necessary in the interest of the common defense and security, or upon a showing by the Commission that advertising is not reasonably practicable.


CODIFICATION


$ 2296. Nonliability of United States; indemnification

The Government of the United States of America shall not be liable for any damages or third party liability arising out of or resulting from the joint program: Provided, however, That nothing in this section shall deprive any person of any rights under section 2210 of this title: And provided further, That nothing in this section shall apply to arrangements made by the Commission under a research and development program authorized in section 2292 of this title. The Government of the United States shall take such steps as may be necessary, including appropriate disclaimer or indemnity arrangements, in order to carry out the provisions of this section.


CODIFICATION

Section was enacted as part of the EURATOM Cooperation Act of 1958 which comprises this subchapter, and not as part of the Atomic Energy Act of 1954 which comprises this chapter.

AMENDMENTS

1961—Pub. L. 87–206 inserted proviso making provisions of section inapplicable to arrangements made by the Commission under a research and development program authorized by section 2292 of this title.

SUBCHAPTER XIX—REMEDIAL ACTION AND URANIUM REVITALIZATION

PART A—REMEDIAL ACTION AT ACTIVE PROCESSING SITES

§ 2296a. Remedial action program

(a) In general

Except as provided in subsection (b), the costs of decontamination, decommissioning, reclamation, and other remedial action at an active uranium or thorium processing site shall be borne by persons licensed under section 2002 or 2111 of this title for any activity at such site which results or has resulted in the production of byproduct material.

(b) Reimbursement

(1) In general

The Secretary of Energy shall, subject to paragraph (2), reimburse at least annually a licensee described in subsection (a) for such portion of the costs described in such subsection as are—

(A) determined by the Secretary to be attributable to byproduct material generated as an incident of sales to the United States; and

(B) either—

(i) incurred by such licensee not later than December 31, 2007; or

(ii) incurred by a licensee after December 31, 2007, in accordance with a plan for subsequent decontamination, decommissioning, reclamation, and other remedial action approved by the Secretary.

(2) Amount

(A) To individual active site uranium licensees

The amount of reimbursement paid to any licensee under paragraph (1) shall be determined by the Secretary in accordance with regulations issued pursuant to section 2296a–1 of this title and, for uranium mill tailings only, shall not exceed an amount equal to $6.25 multiplied by the dry short tons of byproduct material located on October 24, 1992, at the site of the activities of such licensee described in subsection (a), and generated as an incident of sales to the United States.

(B) To all active site uranium licensees

Payments made under paragraph (1) to active site uranium licensees shall not in the aggregate exceed $350,000,000.

(C) To thorium licensees

Payments made under paragraph (1) to the licensee of the active thorium site shall not exceed $365,000,000, and may only be made for off-site disposal. Such payments shall not exceed the following amounts:

(i) $90,000,000 in fiscal year 2002.

(ii) $55,000,000 in fiscal year 2003.

(iii) $20,000,000 in fiscal year 2004.

(iv) $20,000,000 in fiscal year 2005.

(v) $20,000,000 in fiscal year 2006.

(vi) $20,000,000 in fiscal year 2007.

Any amounts authorized to be paid in a fiscal year under this subparagraph that are not paid in that fiscal year may be paid in subsequent fiscal years.

(D) Inflation escalation index

The amounts in subparagraphs (A), (B), and (C) of this paragraph shall be increased annually based upon an inflation index. The Secretary shall determine the appropriate index to apply.

(E) Additional reimbursement

(i) Determination of excess

The Secretary shall determine as of December 31, 2008, whether the amount au-
authorized to be appropriated pursuant to section 2296a-2 of this title, when considered with the $6.25 per dry short ton limit on reimbursement, exceeds the amount reimbursable to the licensees under subsection (b)(2).

(ii) In the event of excess

If the Secretary determines under clause (i) that there is an excess, the Secretary may allow reimbursement in excess of $6.25 per dry short ton on a prorated basis at such sites where the costs reimbursable under subsection (b)(1) exceed the $6.25 per dry short ton limitation described in paragraph (2) of such subsection.

(3) Byproduct location

Notwithstanding the requirement of paragraph (2)(A) that byproduct material be located at the site on October 24, 1992, byproduct material moved from the site of the Edgemont Mill to a disposal site as the result of the decontamination, decommissioning, reclamation, and other remedial action of such mill shall be eligible for reimbursement to the extent eligible under paragraph (1).


CODIFICATION

Section was enacted as part of the Energy Policy Act of 1992, and not as part of the Atomic Energy Act of 1954 which comprises this chapter.

AMENDMENTS

2002—Subsec. (b)(2)(C). Pub. L. 107–222 substituted "$365,000,000" for "$140,000,000" and inserted at end "Such payments shall not exceed the following amounts:

"(i) $90,000,000 in fiscal year 2002.

"(ii) $35,000,000 in fiscal year 2003.

"(iii) $20,000,000 in fiscal year 2004.

"(iv) $20,000,000 in fiscal year 2005.

"(v) $20,000,000 in fiscal year 2006.

"(vi) $20,000,000 in fiscal year 2007.

Any amounts authorized to be paid in a fiscal year under this subparagraph that are not paid in that fiscal year may be paid in subsequent fiscal years."


1998—Subsec. (b)(2)(C). Pub. L. 105–388 substituted "$715,000,000" for "$415,000,000."

1996—Subsec. (a). Pub. L. 104–259 substituted "$415,000,000" for "$310,000,000."

§ 2296a–3. Definitions

For purposes of this part:

(1) The term "active uranium or thorium processing site" means—

(A) any uranium or thorium processing site, including the mill, containing byproduct material for which a license (issued by the Nuclear Regulatory Commission or its predecessor agency under the Atomic Energy Act of 1954 [42 U.S.C. 2021]) for the production of such material on such real property that is determined by the Secretary and reimbursement therefor shall be made in a timely manner subject only to the limitations of section 2296a of this title. An active uranium or thorium processing site owner shall apply for reimbursement hereunder by submitting a request for the amount of reimbursement, together with reasonable documentation in support thereof, to the Secretary. Any such request for reimbursement, supported by reasonable documentation, shall be approved by the Secretary and reimbursement therefor shall be made in a timely manner subject only to the limitations of section 2296a of this title. (Pub. L. 102–486, title X, § 1002, Oct. 24, 1992, 106 Stat. 2947.)

CODIFICATION

Section was enacted as part of the Energy Policy Act of 1992, and not as part of the Atomic Energy Act of 1954 which comprises this chapter.

§ 2296a–2. Authorization of appropriations

(a) In general

There is authorized to be appropriated $715,000,000 to carry out this part. The aggregate amount authorized in the preceding sentence shall be increased annually as provided in section 2296a of this title, based upon an inflation index to be determined by the Secretary.

(b) Source

Funds described in subsection (a) shall be provided from the Fund established under section 2297g of this title.


CODIFICATION

Section was enacted as part of the Energy Policy Act of 1992, and not as part of the Atomic Energy Act of 1954 which comprises this chapter.

AMENDMENTS

2002—Subsec. (a). Pub. L. 107–222 substituted "$715,000,000" for "$490,000,000."

1998—Subsec. (a). Pub. L. 105–388 substituted "$490,000,000" for "$415,000,000."

1996—Subsec. (a). Pub. L. 104–259 substituted "$415,000,000" for "$310,000,000."

§ 2296a–1. Regulations

Within 180 days of October 24, 1992, the Secretary shall issue regulations governing reimbursement under section 2296a of this title. An active uranium or thorium processing site owner shall apply for reimbursement hereunder by submitting a request for the amount of reimbursement, together with reasonable documentation in support thereof, to the Secretary. Any such request for reimbursement, supported by reasonable documentation, shall be approved by the Secretary and reimbursement therefor shall be made in a timely manner subject only to the limitations of section 2296a of this title. (Pub. L. 102–486, title X, § 1002, Oct. 24, 1992, 106 Stat. 2947.)
mined by the Secretary or by a State as permitted under section 274 of the Atomic Energy Act of 1954 (42 U.S.C. 2014(e)(2)); and
(3) The term "decontamination, decommis-
ing, reclamation, and other remedial ac-
tions" means work performed prior to or subse-
quent to October 24, 1992, which is necessary to
comply with all applicable requirements of the
Uranium Mill Tailings Radiation Control Act of
1978 (42 U.S.C. 7901 et seq.), or where appro-
priate, with requirements established by a
State that is a party to a discontinuance
agreement under section 274 of the Atomic

Section was enacted as part of the Energy Policy Act
of 1992, and not as part of the Atomic Energy Act of
1954 which comprises this chapter.

PART B—URANIUM REVITALIZATION

§ 2296b. Overfeed program
(a) Uranium purchases
To the maximum extent permitted by sound
business practice, the Corporation shall pur-
chase uranium in accordance with subsection (b)
and overfeed it into the enrichment process
to reduce the amount of power required to produce
the enriched uranium ordered by enrichment
services customers, taking into account costs
associated with depleted tailings.

(b) Use of domestic uranium
Uranium purchased by the Corporation for
purposes of this section shall be of domestic ori-
gin and purchased from domestic uranium pro-
ducers to the extent permitted under the multi-
lateral trade agreements (as defined in section
3501(4) of title 19) and the North American Free
Trade Agreement.

Section was enacted as part of the Energy Policy Act
of 1992, and not as part of the Atomic Energy Act of
1954 which comprises this chapter.

COGNITION
Section was enacted as part of the Energy Policy Act
of 1992, and not as part of the Atomic Energy Act of
1954 which comprises this chapter.

AMENDMENTS
1999—Subsec. (b). Pub. L. 106–36 substituted "multi-
lateral trade agreements (as defined in section 3501(4)
of title 19) and the North American Free Trade Agree-
ment" for "General Agreement on Tariffs and Trade
and the United States-Canada Free Trade Agreement".

§ 2296b–1. National Strategic Uranium Reserve

There is hereby established the National Stra-
tegic Uranium Reserve under the direction and
control of the Secretary. The Reserve shall con-
sist of natural uranium and uranium equivalents
contained in stockpiles or inventories currently
held by the United States for defense purposes.
Effective on October 24, 1992, and for 6 years
thereafter, use of the Reserve shall be restricted
to military purposes and government research.
Use of the Department of Energy's stockpile of
enrichment tails existing on October 24, 1992,
shall be restricted to military purposes for 6
years thereafter.

Section was enacted as part of the Energy Policy Act
of 1992, and not as part of the Atomic Energy Act of
1954 which comprises this chapter.

§ 2296b–2. Sale of remaining DOE inventories

The Secretary, after making the transfer re-
quired under section 2297c–6 of this title, may
sell, from time to time, portions of the remain-
ing inventories of raw or low-enriched uranium
of the Department that are not necessary to na-
tional security needs, to the Corporation, at a
fair market price. Sales under this section may
be made only if such sales will not have a sub-
stantial adverse impact on the domestic ura-
nium mining industry. Proceeds from sales
under this subsection shall be deposited into the
general fund of the United States Treasury.

Section was enacted as part of the Energy Policy Act
of 1992, and not as part of the Atomic Energy Act of
1954 which comprises this chapter.

REFERENCES IN TEXT
(1A), is act Aug. 1, 1946, ch. 724, as added by act Aug.
30, 1954, ch. 1073, §1, 68 Stat. 919, which is classified
principally to this chapter (§2291 et seq.). For complete
classification of this Act to the Code, see Short Title
note set out under section 7901 of this title and Tables.

The Uranium Mill Tailings Radiation Control Act of
1978, referred to in subsec. (3), is Pub. L. 95–604, Nov. 8,
1978, 92 Stat. 2949, which comprises this chapter.

The Uranium Mill Tailings Radiation Control Act of
1978, referred to in subsec. (4), is Pub. L. 95–604, Nov. 8,
1978, 92 Stat. 3021, which is classified principally to
chapter 86 (§7901 et seq.) of this title. For complete
classification of this Act to the Code, see Short Title
note set out under section 2011 of this title and Tables.

The Atomic Energy Act of 1954, referred to in
par. (1), is act Aug. 1, 1946, ch. 724, as added by act Aug.
30, 1954, ch. 1073, §1, 68 Stat. 919, which is classified
principally to this chapter (§2291 et seq.). For complete
classification of this Act to the Code, see Short Title
note set out under section 7901 of this title and Tables.

The Atomic Energy Act of 1954, referred to in
par. (2), is act Aug. 1, 1946, ch. 724, as added by act Aug.
30, 1954, ch. 1073, §1, 68 Stat. 919, which is classified
principally to this chapter (§2291 et seq.). For complete
classification of this Act to the Code, see Short Title
note set out under section 7901 of this title and Tables.

The Atomic Energy Act of 1954, referred to in
par. (3), is act Aug. 1, 1946, ch. 724, as added by act Aug.
30, 1954, ch. 1073, §1, 68 Stat. 919, which is classified
principally to this chapter (§2291 et seq.). For complete
classification of this Act to the Code, see Short Title
note set out under section 7901 of this title and Tables.

The Secretary shall have a continuing respon-

See References in Text note below.
the appropriate committees of Congress on action taken with respect to the domestic uranium industry, including action to promote the export of domestic uranium pursuant to subsection (b).

(b) Encourage export

The Department, with the cooperation of the Department of Commerce, the United States Trade Representative and other governmental organizations, shall encourage the export of domestic uranium. Within 180 days after October 24, 1992, the Secretary shall develop recommendations and implement government programs to promote the export of domestic uranium.


CODIFICATION

Section was enacted as part of the Energy Policy Act of 1992, and not as part of the Atomic Energy Act of 1954 which comprises this chapter.

§ 2296b–4. Annual uranium purchase reports

(a) In general

By January 1 of each year, the owner or operator of any civilian nuclear power reactor shall report to the Secretary, acting through the Administrator of the Energy Information Administration, for activities of the previous fiscal year—

1. the country of origin and the seller of any uranium or enriched uranium purchased or imported into the United States either directly or indirectly by such owner or operator; and

2. the country of origin and the seller of any enrichment services purchased by such owner or operator.

(b) Congressional access

The information provided to the Secretary pursuant to this section shall be made available to the Congress by March 1 of each year.


CODIFICATION

Section was enacted as part of the Energy Policy Act of 1992, and not as part of the Atomic Energy Act of 1954 which comprises this chapter.

§ 2296b–5. Uranium inventory study

Within 1 year after October 24, 1992, the Secretary shall submit to the Congress a study and report that includes—

1. a comprehensive inventory of all Government owned uranium or uranium equivalents, including natural uranium, depleted tailings, low-enriched uranium, and highly enriched uranium available for conversion to commercial use;

2. a plan for the conversion of inventories of foreign and domestic highly enriched uranium to low-enriched uranium for commercial use;

3. an estimation of the potential need of the United States for inventories of highly enriched uranium;

4. an analysis and summary of technological requirements and costs associated with converting highly enriched uranium to low-enriched uranium, including the construction of facilities if necessary;

5. an estimation of potential net proceeds from the conversion and sale of highly enriched uranium;

6. recommendations for implementing a plan to convert highly enriched uranium to low-enriched uranium; and

7. recommendations for the future use and disposition of such inventories.


CODIFICATION

Section was enacted as part of the Energy Policy Act of 1992, and not as part of the Atomic Energy Act of 1954 which comprises this chapter.

§ 2296b–6. Regulatory treatment of uranium purchases

(a) Encouragement

The Secretary shall encourage States and utility regulatory authorities to take into consideration the achievement of the objectives and purposes of this part, including the national need to avoid dependence on imports, when considering whether to allow the owner or operator of any electric power plant to recover in its rates and charges to customers any cost of purchase of domestic uranium, enriched uranium, or enrichment services from a non-affiliated seller greater than the cost of non-domestic uranium, enriched uranium or enrichment services.

(b) Report

Within 1 year after October 24, 1992, and annually thereafter, the Secretary shall report to the Congress on the progress of the Secretary in encouraging actions by State regulatory authorities pursuant to subsection (a). Such report shall include detailed information on programs initiated by the Secretary to encourage appropriate State regulatory action and recommendations, if any, on further action that could be taken by the Secretary, other Federal agencies, or the Congress in order to further the purposes of this part.

(c) Savings provision

This section may not be construed to authorize the Secretary to take any action in violation of the multilateral trade agreements (as defined in section 3501(4) of title 19) or the North American Free Trade Agreement.


CODIFICATION

Section was enacted as part of the Energy Policy Act of 1992, and not as part of the Atomic Energy Act of 1954 which comprises this chapter.

AMENDMENTS

1999—Subsec. (c). Pub. L. 106–36 substituted “multilateral trade agreements (as defined in section 3501(4) of title 19) or the North American Free Trade Agreement” for “General Agreement on Tariffs and Trade or the United States-Canada Free Trade Agreement”.

§ 2296b–7. Definitions

For purposes of this part:
The term “Corporation” means the United States Enrichment Corporation established under section 2297b of this title or its successor.

(2) The term “country of origin” means—

(A) with respect to uranium, that country where the uranium was mined;

(B) with respect to enriched uranium, that country where the uranium was mined and enriched; or

(C) with respect to enrichment services, that country where the enrichment services were performed.

(3) The term “domestic origin” refers to any uranium that has been mined in the United States including uranium recovered from uranium deposits in the United States by underground mining, open-pit mining, strip mining, in situ recovery, leaching, and ion recovery, or recovered from phosphoric acid manufactured in the United States.

(4) The term “domestic uranium producer” means a person or entity who produces domestic uranium and who has, to the extent required by State and Federal agencies having jurisdiction, licenses and permits for the operation, decontamination, decommissioning, and reclamation of sites, structures and equipment.

(5) The term “non-affiliated” refers to a seller who does not control, and is not controlled by or under common control with, the buyer.

(6) The term “overfeed” means to use uranium in the enrichment process in excess of the amount required at the transactional tails assay.

(7) The term “utility regulatory authority” means any State agency or Federal agency that has ratemaking authority with respect to the sale of electric energy by any electric utility or independent power producer. For purposes of this paragraph, the terms “electric utility”, “State agency”, “Federal agency”, and “ratemaking authority” have the respective meanings given such terms in section 2002 of title 16.

Page 5089

TITLE 42—THE PUBLIC HEALTH AND WELFARE

Section 2297b–7, act Aug. 1, 1946, ch. 724, title II, § 1308,
Stat. 2929, related to accounts and transfer of unexpended balances.
Section 2297b–8, act Aug. 1, 1946, ch. 724, title II, § 1309,
Stat. 2930, related to bonds, notes, and other evidences
of indebtedness.
Section 2297b–9, act Aug. 1, 1946, ch. 724, title II, § 1310,
Stat. 2931, related to exemption from State and local
taxes and payments in lieu of such taxes.
Section 2297b–10, act Aug. 1, 1946, ch. 724, title II,
§ 1311, as added Pub. L. 102–486, title IX, § 901, Oct. 24,
1992, 106 Stat. 2931, related to cooperation with other
agencies.
Section 2297b–11, act Aug. 1, 1946, ch. 724, title II,
§ 1312, as added Pub. L. 102–486, title IX, § 901, Oct. 24,
1992, 106 Stat. 2932, related to applicability of certain
Federal laws.
Section 2297b–12, act Aug. 1, 1946, ch. 724, title II,
§ 1313, as added Pub. L. 102–486, title IX, § 901, Oct. 24,
1992, 106 Stat. 2933, related to security of Corporation
facilities, equipment, etc.
Section 2297b–13, act Aug. 1, 1946, ch. 724, title II,
§ 1314, as added Pub. L. 102–486, title IX, § 901, Oct. 24,
Section 2297b–14, act Aug. 1, 1946, ch. 724, title II,
§ 1315, as added Pub. L. 102–486, title IX, § 901, Oct. 24,
1992, 106 Stat. 2933, related to governance of Corporation during transition period prior to appointment of
Board.
Section 2297b–15, act Aug. 1, 1946, ch. 724, title II,
§ 1316, as added Pub. L. 102–486, title IX, § 901, Oct. 24,
1992, 106 Stat. 2934, related to establishment of Working
Capital Account.
EFFECTIVE DATE OF REPEAL
Repeal effective as of date on which 100 percent of
ownership of United States Enrichment Corporation
has been transferred to private investors (July 28, 1998),
see section 3116(a)(1) of Pub. L. 104–134, set out as a note
under former section 2297 of this title.

SUBCHAPTER III—RIGHTS, PRIVILEGES,
AND ASSETS OF CORPORATION
§§ 2297c to 2297c–7. Repealed. Pub. L. 104–134,
1321–349
Section 2297c, act Aug. 1, 1946, ch. 724, title II, § 1401,
Stat. 2934; amended Pub. L. 102–572, title IX, § 902(b)(1),
Oct. 29, 1992, 106 Stat. 4516, related to marketing and
contracting authority of United States Enrichment
Corporation.
Section 2297c–1, act Aug. 1, 1946, ch. 724, title II, § 1402,
Stat. 2934, related to Corporation pricing policy for Department of Energy and other customers.
Section 2297c–2, act Aug. 1, 1946, ch. 724, title II, § 1403,
Section 2297c–3, act Aug. 1, 1946, ch. 724, title II, § 1404,
Stat. 2935, related to capital structure of Corporation.
Section 2297c–4, act Aug. 1, 1946, ch. 724, title II, § 1405,
Stat. 2936, authorized Corporation to apply for licenses
for use of patented inventions and discoveries.
Section 2297c–5, act Aug. 1, 1946, ch. 724, title II, § 1406,
Stat. 2936, related to liability for acts committed before and after transition date.
Section 2297c–6, act Aug. 1, 1946, ch. 724, title II, § 1407,
Stat. 2937, related to transfer of uranium inventories to
Corporation.

§§ 2297e to 2297e–7

Section 2297c–7, act Aug. 1, 1946, ch. 724, title II, § 1408,
Stat. 2937, related to purchase of highly enriched uranium from former Soviet Union.
EFFECTIVE DATE OF REPEAL
Repeal effective as of date on which 100 percent of
ownership of United States Enrichment Corporation
has been transferred to private investors (July 28, 1998),
see section 3116(a)(1) of Pub. L. 104–134, set out as a note
under former section 2297 of this title.

SUBCHAPTER IV—PRIVATIZATION OF
CORPORATION
1321–349
Section 2297d, act Aug. 1, 1946, ch. 724, title II, § 1501,
Stat. 2937, related to strategic plan for privatization of
United States Enrichment Corporation.
Section 2297d–1, act Aug. 1, 1946, ch. 724, title II, § 1502,
Stat. 2938, related to implementation of privatization
plan of Corporation.
EFFECTIVE DATE OF REPEAL
Repeal effective as of date on which 100 percent of
ownership of United States Enrichment Corporation
has been transferred to private investors (July 28, 1998),
see section 3116(a)(1) of Pub. L. 104–134, set out as a note
under former section 2297 of this title.

SUBCHAPTER V—AVLIS AND ALTERNATIVE
TECHNOLOGIES FOR URANIUM ENRICHMENT
§§ 2297e to 2297e–7. Repealed. Pub. L. 104–134,
1321–349
Section 2297e, act Aug. 1, 1946, ch. 724, title II, § 1601,
Stat. 2939, related to assessment by United States Enrichment Corporation of viability of commercialization
of AVLIS (atomic vapor laser isotope separation technology) and alternative uranium enrichment technologies.
Section 2297e–1, act Aug. 1, 1946, ch. 724, title II, § 1602,
Stat. 2939, related to transfer of rights and property to
Corporation.
Section 2297e–2, act Aug. 1, 1946, ch. 724, title II, § 1603,
Stat. 2940, related to predeployment activities by Corporation.
Section 2297e–3, act Aug. 1, 1946, ch. 724, title II, § 1604,
Oct. 29, 1992, 106 Stat. 4516, related to Corporation sponsorship of private for-profit corporation to construct
AVLIS and alternative technologies.
Section 2297e–4, act Aug. 1, 1946, ch. 724, title II, § 1605,
Stat. 2942, related to AVLIS Commercialization Fund
within Corporation.
Section 2297e–5, act Aug. 1, 1946, ch. 724, title II, § 1606,
Stat. 2942, related to Department research and development assistance.
Section 2297e–6, act Aug. 1, 1946, ch. 724, title II, § 1607,
Stat. 2942, related to site selection.
Section 2297e–7, act Aug. 1, 1946, ch. 724, title II, § 1608,
Stat. 2942, related to exclusion from Price-Anderson
coverage.


§ 2297f. Gaseous diffusion facilities

(a) Issuance of standards

Within 2 years after October 24, 1992, the Nuclear Regulatory Commission shall establish by regulation such standards as are necessary to govern the gaseous diffusion uranium enrichment facilities of the Department in order to protect the public health and safety from radiological hazard and provide for the common defense and security. Regulations promulgated pursuant to this subsection shall, among other things, require that adequate safeguards (within the meaning of section 2167 of this title) are in place.

(b) Annual report

(1) In general

Not later than the date on which a certificate of compliance is issued under subsection (c), the Nuclear Regulatory Commission, in consultation with the Department and the Environmental Protection Agency, shall report to the Congress on the status of health, safety, and environmental conditions at the gaseous diffusion uranium enrichment facilities of the Department.

(2) Required determination

Such report shall include a determination regarding whether the gaseous diffusion uranium enrichment facilities of the Department are in compliance with the standards established under subsection (a) and all applicable laws.

(c) Certification process

(1) Establishment

The Nuclear Regulatory Commission shall establish a certification process to ensure that the Corporation complies with standards established under subsection (a).

(2) Periodic application for certificate of compliance

The Corporation shall apply to the Nuclear Regulatory Commission for a certificate of compliance under paragraph (1) periodically, as determined by the Commission, but not less than every 5 years. The Commission shall review any such application and any determination made under subsection (b)(2) shall be based on the results of any such review.

(3) Treatment of certificate of compliance

The requirement for a certificate of compliance under paragraph (1) shall be in lieu of any requirement for a license for any gaseous diffusion facility of the Department leased by the Corporation.

(d) Requirement for operation

The gaseous diffusion uranium enrichment facilities of the Department may not be operated by the Corporation unless the Nuclear Regulatory Commission, in consultation with the Environmental Protection Agency, makes a determination of compliance under subsection (b) or approves a plan prepared by the Department for achieving compliance required under subsection (b).

Amendments

1998—Subsec. (b)(1). Pub. L. 105–362 substituted “Not later than the date on which a certificate of compliance is issued under subsection (c), the Nuclear—” for “The Nuclear” and struck out “at least annually” after “report”.

1996—Subsec. (c)(2). Pub. L. 104–134 amended heading and text of par. (2) generally. Prior to amendment, text read as follows: “The Corporation shall apply at least annually to the Nuclear Regulatory Commission for a certificate of compliance under paragraph (1). The Nuclear Regulatory Commission, in consultation with the Environmental Protection Agency, shall review any such application and any determination made under subsection (b)(2) of this section shall be based on the results of any such review.”

References to United States Enrichment Corporation

References to the Corporation, meaning the United States Enrichment Corporation, deemed, as of the pri-
§ 2297f-1. Licensing of other technologies
(a) In general
Corporation facilities using alternative technologies for uranium enrichment, including AVLIS, shall be licensed under sections 2073, 2093, and 2243 of this title.

(b) Costs for decontamination and decommissioning
The Corporation shall provide for the costs of decontamination and decommissioning of any Corporation facilities described in subsection (a) in accordance with the requirements of the amendments made by section 5 of the Solar, Wind, Waste, and Geothermal Power Production Act of 1990.

§ 2297g–1. Deposits
(a) Amount
The Fund shall consist of deposits in the amount of $518,233,333 per fiscal year (to be annually adjusted for inflation beginning on October 24, 1992, using the Consumer Price Index for all-urban consumers published by the Department of Labor) as provided in this section.

(b) Source
Deposits described in subsection (a) shall be from the following sources:
(1) Sums collected pursuant to subsection (c).
(2) Appropriations made pursuant to subsection (d).
(c) Special assessment
The Secretary shall collect a special assessment from domestic utilities. The total amount collected for a fiscal year shall not exceed $150,000,000 (to be annually adjusted for inflation using the Consumer Price Index for all-urban consumers published by the Department of Labor). The amount collected from each utility pursuant to this subsection for a fiscal year shall be in the same ratio to the amount re-
required under subsection (a) to be deposited for such fiscal year as the total amount of separative work units such utility has purchased from the Department of Energy for the purpose of commercial electricity generation, before October 24, 1992, bears to the total amount of separative work units purchased from the Department of Energy for all purposes (including units purchased or produced for defense purposes) before October 24, 1992. For purposes of this subsection—

(1) a utility shall be considered to have purchased a separative work unit from the Department if such separative work unit was produced by the Department, but purchased by the utility from another source; and

(2) a utility shall not be considered to have purchased a separative work unit from the Department if such separative work unit was purchased by the utility, but sold to another source.

(d) Authorization of appropriations
There are authorized to be appropriated to the Fund, for the period encompassing 15 years after October 24, 1992, such sums as are necessary to ensure that the amount required under subsection (a) is deposited for each fiscal year.

(e) Termination of assessments
The collection of amounts under subsection (c) shall cease after the earlier of—

(1) 15 years after October 24, 1992; or

(2) the collection of $2,250,000,000 (to be annually adjusted for inflation using the Consumer Price Index for all-urban consumers published by the Department of Labor) under such subsection.

(f) Continuation of deposits
Except as provided in subsection (e), deposits shall continue to be made into the Fund under subsection (d) for the period specified in such subsection.

(g) Treatment of assessment
Any special assessment levied under this section on domestic utilities for the decontamination or decommissioning of the Department’s gaseous diffusion enrichment facilities shall be deemed a necessary and reasonable current cost of fuel and shall be fully recoverable in rates in all jurisdictions in the same manner as the utility’s other fuel cost.

The costs of all decontamination and decommissioning of uranium enrichment facilities of the Department shall be paid from the Fund until such time as the Secretary certifies and the Congress concurs, by law, that such activities are complete.

(c) Payment of remedial action costs
The annual cost of remedial action at the Department’s gaseous diffusion facilities shall be paid from the Fund to the extent the amount available in the Fund is sufficient. To the extent the amount in the Fund is insufficient, the Department shall be responsible for the cost of remedial action. No provision of this division may be construed to relieve in any way the responsibility or liability of the Department for remedial action under applicable Federal and State laws and regulations.

All laborers and mechanics employed by contractors or subcontractors in the performance of decontamination or decommissioning of uranium enrichment facilities of the Department shall be paid wages at rates not less than those prevailing on projects of a similar character in the locality as determined by the Secretary of Labor in accordance with sections 3141–3144, 3146, and 3147 of title 40. The Secretary of Labor shall have, with respect to the labor standards specified in this section, the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (5 F.R. 3176, 64 Stat. 1267) and section 3145 of title 40. This section may not be construed to require the contracting out of activities associated with the decontamination or decommissioning of uranium enrichment facilities.

References in Text
Reorganization Plan Numbered 14 of 1950, referred to in text, is set out in the Appendix to Title 5, Government Organization and Employees.

Codification
§ 2297g-4. Reports to Congress

Within 3 years after October 24, 1992, and at least once every 3 years thereafter, the Secretary shall report to the Congress on progress under this subchapter. The 5th report submitted under this section shall contain recommendations of the Secretary for the reauthorization of the program and Fund under this division.


TERMINATION OF REPORTING REQUIREMENTS

For termination, effective May 15, 2000, of provisions of law requiring submittal to Congress of any annual, semiannual, or other regular periodic report listed in House Document No. 103–7 (in which a report required under this section is listed in item 7 on page 83), see section 3020 of Pub. L. 104–66, as amended, set out as a note under section 1113 of Title 31, Money and Finance.

SUBCHAPTER VIII—UNITED STATES ENRICHMENT CORPORATION PRIVATIZATION

§ 2297h. Definitions

Except as provided in section 2297h–10a of this title, for purposes of this subchapter:

(1) The term “AVLIS” means atomic vapor laser isotope separation technology.

(2) The term “Corporation” means the United States Enrichment Corporation and, unless the context otherwise requires, includes the private corporation and any successor thereto following privatization.

(3) The term “gaseous diffusion plants” means the Paducah Gaseous Diffusion Plant at Paducah, Kentucky and the Portsmouth Gaseous Diffusion Plant at Piketon, Ohio.

(4) The term “highly enriched uranium” means uranium enriched to 20 percent or more of the uranium-235 isotope.

(5) The term “low-enriched uranium” means uranium enriched to less than 20 percent of the uranium-235 isotope, including that which is derived from highly enriched uranium.

(6) The term “low-level radioactive waste” has the meaning given such term in section 2021k(9) of this title.

(7) The term “private corporation” means the corporation established under section 2297h–3 of this title.

(8) The term “privatization” means the transfer of ownership of the Corporation to private investors.

(9) The term “privatization date” means the date on which 100 percent of the ownership of the Corporation has been transferred to private investors.

(10) The term “public offering” means an underwritten offering to the public of the common stock of the private corporation pursuant to section 2297h–2 of this title.


(12) The term “Secretary” means the Secretary of Energy.

(13) The “Suspension Agreement” means the Agreement to Suspend the Antidumping Investigation on Uranium from the Russian Federation, as amended.

(14) The term “uranium enrichment” means the separation of uranium of a given isotopic content into 2 components, 1 having a higher percentage of a fissile isotope and 1 having a lower percentage.


REFERENCES IN TEXT

This subchapter, referred to in text, means subchapter A of chapter 1 of title III of Pub. L. 104–134, Apr. 26, 1996, 110 Stat. 1321–335, known as the U.S. Enrichment Corporation Privatization Act, which is classified principally to this chapter.

AMENDMENTS

2008—Pub. L. 110–329 substituted “Except as provided in section 2297h–10a of this title, for purposes” for “For purposes” in introductory provisions.

EX. ORD. NO. 13085. ESTABLISHMENT OF ENRICHMENT OVERSIGHT COMMITTEE

Ex. Ord. No. 13085, May 26, 1998, 63 F.R. 28335, provided:

By the authority vested in me as President by the Constitution and the laws of the United States of America, and in order to further the national security and other interests of the United States with regard to uranium enrichment and related businesses after the privatization of the United States Enrichment Corporation (USEC), it is ordered as follows:

SECTION 1. Establishment. There is hereby established an Enrichment Oversight Committee (EOC).

SIC. 2. Objectives. The EOC shall monitor and coordinate United States Government efforts with respect to the privatized USEC and any successor entities involved in uranium enrichment and related businesses in furtherance of the following objectives:

(a) The full implementation of the Agreement Between the Government of the United States of America and the Government of the Russian Federation Concerning the Disposition of Highly Enriched Uranium (HEU) Extracted from Nuclear Weapons, dated February 18, 1993 (“HEU Agreement”), and related contracts and agreements by the USEC as executive agent or by any other executive agent;

(b) The application of statutory, regulatory, and contractual restrictions on foreign ownership, control, or influence in the USEC, any successor entities, and any other executive agents;

(c) The development and implementation of United States Government policy regarding uranium enrichment and related technologies, processes, and data; and

(d) The collection and dissemination of information relevant to any of the foregoing on an ongoing basis, including from the Central Intelligence Agency and the Federal Bureau of Investigation.

SIC. 3. Organization. (a) The EOC shall be Chaired by a senior official from the National Security Council (NSC). The Chair shall coordinate the carrying out of the purposes and policy objectives of this order. The EOC shall meet as often as appropriate, but at least quarterly, and shall submit reports to the Assistant to
the President for National Security Affairs semiannually, or more frequently as appropriate. The EOC shall prepare annually the report for the President’s transmittal to the Congress pursuant to section 3112 of the USEC Privatization Act, Public Law 104–134, title III, 3112(b)(10), 110 Stat. 1321–34, 1321–346 (1996) [42 U.S.C. 2297h–16(b)(10)].

(b) The EOC shall consist of representatives from the Departments of State, the Treasury, Defense, Justice, Commerce, Energy, and the Office of Management and Budget, the NSC, the National Economic Council, the Council of Economic Advisers, and the Intelligence Community. The EOC shall formulate internal guidelines for its operations, including guidelines for convening meetings.

(c) The EOC shall coordinate sharing of information and provide direction, while operational responsibilities resulting from the EOC’s oversight activities will rest with EOC member agencies.

(d) At the request of the EOC, appropriate agencies, including the Department of Energy, shall provide day-to-day support for the EOC.

§ 2297h–4. HEU Agreement Oversight. The EOC shall form an HEU Agreement Oversight Subcommittee (the “Subcommittee”) in order to continue coordination of the implementation of the HEU Agreement and related contracts and agreements, monitor actions taken by the executive agent, and make recommendations regarding steps designed to facilitate full implementation of the HEU Agreement, including changes with respect to the executive agent. The Subcommittee shall be chaired by a senior official from the NSC and shall include representatives of the Departments of State, Defense, Justice, Commerce, and Energy, and the Office of Management and Budget, the National Economic Council, the Intelligence Community, and, as appropriate, the United States Trade Representative, and the Council of Economic Advisers. The Subcommittee shall meet as appropriate to review the implementation of the HEU Agreement and consider steps to facilitate full implementation of that Agreement. In particular, the Subcommittee shall:

(a) have access to all information concerning implementation of the HEU Agreement and related contracts and agreements;

(b) monitor negotiations between the executive agent or agents and Russian authorities on implementation of the HEU Agreement, including the proposals of both sides on delivery schedules and on price;

(c) monitor sales of the natural uranium component of low-enriched uranium derived from Russian HEU provided to applicable law;

(d) establish procedures for designating alternative executive agents to implement the HEU Agreement;

(e) coordinate policies and procedures regarding the full implementation of the HEU purchase agreement and related contracts and agreements, consistent with applicable law; and

(f) coordinate the position of the United States Government on any issues that arise in the implementation of the Memorandum of Agreement with the USEC for the USEC to serve as the United States Government Executive Agent under the HEU Agreement.

§ 2297h–5. Foreign Ownership, Control, or Influence (FOCI). The EOC shall collect and analyze information related to the maintenance of domestic uranium mining, enrichment, and conversion industries, provided that such activities shall be undertaken in a manner that provides appropriate protection for such information. In particular, the EOC shall:

(a) collect and review all public fillings made by or with respect to the USEC or any successor entities with the Securities and Exchange Commission;

(b) collect information from all available sources necessary for the preparation of the annual report to the Congress required by section 3112 of the USEC Privatization Act [42 U.S.C. 2297h–10], as noted in section 3(a) of this order, including information relating to plans by the USEC or any successor entities to expand or contract materially the enrichment of uranium-using gaseous diffusion technology;

(c) collect information relating to the development and implementation of atomic vapor laser isotope separation technology;

(d) to the extent permitted by law, and as necessary to fulfill the EOC’s oversight functions, collect proprietary information from the USEC, or any successor entities, provided that the collection of such information shall be undertaken so as to minimize disruption to the normal functioning of the private corporation. For example, such information would include the USEC’s financial statements prepared in accordance with standards applicable to public registrants and the executive summary of the USEC’s strategic plan as shared with its Board of Directors, as well as timely information on its unit production costs, capacity utilization rates, average pricing and sales for the current year and for new contracts, employment levels, overseas activities, and research and development initiatives. Such information shall be collected on an annual basis, with quarterly updates as appropriate; and

(e) coordinate with relevant agencies in monitoring the levels of natural and enriched uranium and enrichment services imported into the United States.

§ 2297h–6. Coordination with the Nuclear Regulatory Commission. Upon notification by the NRC that it seeks the views of other agencies of the executive branch regarding determinations necessary for the issuance of a license, or renewal of a certificate of compliance or license to the privatized USEC, the EOC shall convey the relevant views of these other agencies of the executive branch, including whether the applicant’s performance as the United States agent for the HEU Agreement is acceptable, on a schedule consistent with the NRC’s need for timely action on such regulatory decisions.

WILLIAM J. CLINTON.
§ 2297h-2. Method of sale

(a) Authorization

The Board of Directors of the Corporation, with the approval of the Secretary of the Treasury, shall transfer ownership of the assets and obligations of the Corporation to the private corporation established under section 2297h-3 of this title (which may be consummated through a merger or consolidation effected in accordance with, and having the effects provided under, the law of the State of incorporation of the private corporation, as if the Corporation were incorporated thereunder).

(b) Board determination

The Board, with the approval of the Secretary of the Treasury, shall select the method of transfer and establish terms and conditions for the transfer that will provide the maximum proceeds to the Treasury of the United States and will provide for the long-term viability of the private corporation, the continued operation of the gaseous diffusion plants, and the public interest in maintaining reliable and economical domestic uranium mining and enrichment industries.

(c) Adequate proceeds

The Secretary of the Treasury shall not allow the privatization of the Corporation unless before the sale date the Secretary of the Treasury determines that the method of transfer will provide the maximum proceeds to the Treasury consistent with the principles set forth in section 2297i-1(a) of this title.

(d) Application of securities laws


(e) Expenses

Expenses of privatization shall be paid from Corporation revenue accounts in the United States Treasury.

§ 2297h-3. Establishment of private corporation

(a) Incorporation

(1) The directors of the Corporation shall establish a private for-profit corporation under the laws of a State for the purpose of receiving the assets and obligations of the Corporation at privatization and continuing the business operations of the Corporation following privatization.

(2) The directors of the Corporation may serve as incorporators of the private corporation and shall take all steps necessary to establish the private corporation, including the filing of articles of incorporation consistent with the provisions of this subchapter.

(b) Status of private corporation

(1) The private corporation shall not be an agency, instrumentality, or establishment of the United States, a Government corporation, or a Government-controlled corporation.

(2) Except as otherwise provided by this subchapter, financial obligations of the private corporation shall not be obligations of, or guaranteed as to principal or interest by, the Corporation or the United States, and the obligations shall so plainly state.

(3) No action under section 1491 of title 28 shall be allowable against the United States based on actions of the private corporation.

(c) Application of post-Government employment restrictions

Beginning on the privatization date, the restrictions stated in section 207(a), (b), (c), and (d) of title 18 shall not apply to the acts of an individual done in carrying out official duties as a director, officer, or employee of the private corporation, if the individual was an officer or employee of the Corporation (including a director) acting in accordance with this section on behalf of the private corporation.

(d) Dissolution

In the event that the privatization does not occur, the Corporation will provide for the dissolution of the private corporation within 1 year of the private corporation’s incorporation unless the Secretary of the Treasury or his delegate,
upon the Corporation's request, agrees to delay any such dissolution for an additional year.


REFERENCES IN TEXT
This subchapter, referred to in subsecs. (a)(2) and (b)(2), means subchapter A of chapter 1 of title III of Pub. L. 104–134, Apr. 26, 1996, 110 Stat. 1321–335, known as the USEC Privatization Act, which is classified principally to this subchapter. For complete classification of subchapter A to the Code, see Short Title of 1996 Amendment note set out under section 2011 of this title and Tables.

CODIFICATION
Section was enacted as part of the USEC Privatization Act and also as part of the Omnibus Consolidated Rescissions and Appropriations Act of 1996, and not as part of the Atomic Energy Act of 1954 which comprises this chapter.

§ 2297h–4. Transfers to private corporation
Concurrent with privatization, the Corporation shall transfer to the private corporation:
(1) the lease of the gaseous diffusion plants in accordance with section 2297h–5 of this title,
(2) all personal property and inventories of the Corporation,
(3) all contracts, agreements, and leases under section 2297h–6(a) of this title,
(4) the Corporation's right to purchase power from the Secretary under section 2297h–6(b) of this title,
(5) such funds in accounts of the Corporation held by the Treasury or on deposit with any bank or other financial institution as approved by the Secretary of the Treasury, and
(6) all of the Corporation's records, including all of the papers and other documentary materials, regardless of physical form or characteristics, made or received by the Corporation.


CODIFICATION
Section was enacted as part of the USEC Privatization Act and also as part of the Omnibus Consolidated Rescissions and Appropriations Act of 1996, and not as part of the Atomic Energy Act of 1954 which comprises this chapter.

§ 2297h–5. Leasing of gaseous diffusion facilities
(a) Transfer of lease
Concurrent with privatization, the Corporation shall transfer to the private corporation the lease of the gaseous diffusion plants and related property for the remainder of the term of such lease in accordance with the terms of such lease.

(b) Renewal
The private corporation shall have the exclusive option to lease the gaseous diffusion plants and related property for additional periods following the expiration of the initial term of the lease.

(c) Exclusion of facilities for production of highly enriched uranium
The Secretary shall not lease to the private corporation any facilities necessary for the production of highly enriched uranium but may, subject to the requirements of the Atomic Energy Act of 1954 (42 U.S.C. 2111 et seq.), grant the Corporation access to such facilities for purposes other than the production of highly enriched uranium.

(d) DOE responsibility for preexisting conditions
The payment of any costs of decontamination and decommissioning, response actions, or corrective actions with respect to conditions existing before July 1, 1993, at the gaseous diffusion plants shall remain the sole responsibility of the Secretary.

(e) Environmental audit
For purposes of subsection (d), the conditions existing before July 1, 1993, at the gaseous diffusion plants shall be determined from the environmental audit conducted pursuant to section 1403(e) of the Atomic Energy Act of 1954 (42 U.S.C. 2297c–2(e)).

(f) Treatment under Price-Anderson provisions
Any lease executed between the Secretary and the Corporation or the private corporation, and any extension or renewal thereof, under this section shall be deemed to be a contract for purposes of section 170l. of the Atomic Energy Act of 1954 (42 U.S.C. 2218(d)).

(g) Waiver of EIS requirement
The execution or transfer of the lease between the Secretary and the Corporation or the private corporation, and any extension or renewal thereof, shall not be considered to be a major Federal action significantly affecting the quality of the human environment for purposes of section 4332 of this title.

(h) Maintenance of security
(1) In general
With respect to the Paducah Gaseous Diffusion Plant, Kentucky, and the Portsmouth Gaseous Diffusion Plant, Ohio, the guidelines relating to the authority of the Department of Energy's contractors (including any Federal agency, or private entity operating a gaseous diffusion plant under a contract or lease with the Department of Energy) and any subcontractor (at any tier) to carry firearms and make arrests in providing security at Federal installations, issued under section 2201(k) of this title shall require, at a minimum, the presence of all security police officers carrying sidearms at all times to ensure maintenance of security at the gaseous diffusion plants (whether a gaseous diffusion plant is operated directly by a Federal agency or by a private entity under a contract or lease with a Federal agency).

(2) Funding
(A) The costs of arming and providing arrest authority to the security police officers required under paragraph (1) shall be paid as follows:
(i) in the Department of Energy (the "Department") shall pay the percentage of the costs equal to the percentage of the total number of employees at the gaseous diffusion plant who are: (I) employees of the Department or the contractor or subcontractor...
tors of the Department; or (II) employees of
the private entity leasing the gaseous diffusion
plant who perform work on behalf of the
Department (including employees of a con-
tractor or subcontractor of the private en-
tity); and
(ii) the private entity leasing the gaseous
diffusion plant shall pay the percentage of
the costs equal to the percentage of the total
number of employees at the gaseous diffusion
plant who are employees of the private
entity (including employees of a contractor
or subcontractor of the private entity) other
than those employees who perform work for the Department.

(B) Neither the private entity leasing the
gaseous diffusion plant nor the Department
shall reduce its payments under any contract
or lease or take other action to offset its share
of the costs referred to in subparagraph (A), and
the Department shall not reimburse the
private entity for the entity’s share of these
costs.

(C) Nothing in this subsection shall alter the
Department’s responsibilities to pay the safe-
ty, safeguards and security costs associated
with the Department’s highly enriched ura-
nium activities.

References in Text
(c), is act Aug. 1, 1946, ch. 724, as added by act Aug. 30,
1946, ch. 1073, § 1, 68 Stat. 919, which is classified prin-
cipally to this chapter (§ 2011 et seq.). For complete
classification of this Act to the Code, see Short Title
note set out under section 2011 of this title and Tables.

Codification
Section was enacted as part of the USEC Privatiza-
tion Act and also as part of the Omnibus Consolidated
Rescissions and Appropriations Act of 1996, and not as
part of the Atomic Energy Act of 1954 which comprises
this chapter.

Amendments
1998—Subsec. (b). Pub. L. 105–245 substituted “all se-
curity police officers” for “an adequate number of se-
curity guards” in par. (1) and added par. (2).

§ 2297h–6. Transfer of contracts

(a) Transfer of contracts
Concurrent with privatization, the Corpora-
tion shall transfer to the private corporation all
contracts, agreements, and leases, including all
uranium enrichment contracts, that were—
(1) transferred by the Secretary to the Cor-
poration pursuant to section 2297c(b) of this
title, or
(2) entered into by the Corporation before the
privatization date.

(b) Nontransferable power contracts
The Corporation shall transfer to the private
corporation the right to purchase power from
the Secretary under the power purchase con-
tracts for the gaseous diffusion plants executed
by the Secretary before July 1, 1993. The Sec-

(c) Effect of transfer
(1) Notwithstanding subsection (a), the United
States shall remain obligated to the parties to
the contracts, agreements, and leases trans-
ferred under subsection (a) for the performance
of its obligations under such contracts, agree-
ments, or leases during their terms. Perform-
ance of such obligations by the private corpora-
tion shall be considered performance by the
United States.

(2) If a contract, agreement, or lease trans-
ferred under subsection (a) is terminated, ex-
tended, or materially amended after the privat-
ization date—
(A) the private corporation shall be respon-
sible for any obligation arising under such
contract, agreement, or lease after any exten-
sion or material amendment, and
(B) the United States shall be responsible for
any obligation arising under the contract,
agreement, or lease before the termination,
extension, or material amendment.

(3) The private corporation shall reimburse
the United States for any amount paid by the
United States under a settlement agreement en-
tered into with the consent of the private cor-
poration or under a judgment, if the settlement
or judgment—
(A) arises out of an obligation under a con-
tact, agreement, or lease transferred under
subsection (a), and
(B) arises out of actions of the private cor-
poration between the privatization date and
the date of a termination, extension, or mate-
rial amendment of such contract, agreement,
or lease.

(d) Pricing
The Corporation may establish prices for its
products, materials, and services provided to
customers on a basis that will allow it to attain
the normal business objectives of a profit mak-
ing corporation.

References in Text
(c), is act Aug. 1, 1946, ch. 724, as added by act Aug. 30,
1946, ch. 1073, § 1, 68 Stat. 919, which is classified prin-
cipally to this chapter (§2011 et seq.). For complete
classification of this Act to the Code, see Short Title
note set out under section 2011 of this title and Tables.

Codification
Section was enacted as part of the USEC Privatiza-
tion Act and also as part of the Omnibus Consolidated
Rescissions and Appropriations Act of 1996, and not as
part of the Atomic Energy Act of 1954 which comprises
this chapter.

§ 2297h–7. Liabilities

(a) Liability of United States
(1) Except as otherwise provided in this sub-
chapter, all liabilities arising out of the opera-
tion of the uranium enrichment enterprise be-
fore July 1, 1993, shall remain the direct liabil-
ities of the Secretary.

(2) Except as provided in subsection (a)(3) or
otherwise provided in a memorandum of agree-
ment entered into by the Corporation and the
Office of Management and Budget prior to the
privatization date, all liabilities arising out of

PRIVATE CORPORATION
the operation of the Corporation between July 1, 1993, and the privatization date shall remain the direct liabilities of the United States.

(3) All liabilities arising out of the disposal of depleted uranium generated by the Corporation between July 1, 1993, and the privatization date shall become the direct liabilities of the Secretary.

(4) Any stated or implied consent for the United States, or any agent or officer of the United States, to be sued by any person for any legal, equitable, or other relief with respect to any claim arising from any action taken by any agent or officer of the United States in connection with the privatization of the Corporation is hereby withdrawn.

(5) To the extent that any claim against the United States under this section is of the type otherwise required by Federal statute or regulation to be presented to a Federal agency or official for adjudication or review, such claim shall be presented to the Department of Energy in accordance with procedures to be established by the Secretary. Nothing in this paragraph shall be construed to impose on the Department of Energy liability to pay any claim presented pursuant to this paragraph.

(6) The Attorney General shall represent the United States in any action seeking to impose liability under this subsection.

(b) Liability of Corporation

Notwithstanding any provision of any agreement to which the Corporation is a party, the Corporation shall not be considered in breach, default, or violation of any agreement because of the transfer of such agreement to the private corporation under section 2297h–6 of this title or any other action the Corporation is required to take under this subchapter.

(c) Liability of private corporation

Except as provided in this subchapter, the private corporation shall be liable for any liabilities arising out of its operations after the privatization date.

(d) Liability of officers and directors

(1) No officer, director, employee, or agent of the Corporation shall be liable in any civil proceeding to any party in connection with any action taken in connection with the privatization if, with respect to the subject matter of the action, suit, or proceeding, such person was acting within the scope of his employment.

(2) This subsection shall not apply to claims arising under the Securities Act of 1933 (15 U.S.C. 77a et seq.), the Securities Exchange Act of 1934 (15 U.S.C. 78a et seq.), or under the Constitution or laws of any State, territory, or possession of the United States relating to transactions in securities.

(3) All liabilities arising out of the privatization of the Corporation between July 1, 1993, and the privatization date shall remain the direct liabilities of the United States.

The Securities Act of 1933, referred to in subsec. (d)(2), is act May 27, 1933, ch. 38, title I, 48 Stat. 74, as amended, which is classified generally to subchapter I (§77a et seq.) of chapter 2A of Title 15, Commerce and Trade. For complete classification of this Act to the Code, see section 78a of Title 15 and Tables.

The Securities Exchange Act of 1934, referred to in subsec. (d)(2), is act June 6, 1934, ch. 404, 48 Stat. 881, as amended, which is classified principally to chapter 2B (§78a et seq.) of Title 15. For complete classification of this Act to the Code, see section 78a of Title 15 and Tables.

 Codification

Section was enacted as part of the USEC Privatization Act and also as part of the Omnibus Consolidated Rescissions and Appropriations Act of 1996, and not as part of the Atomic Energy Act of 1944 which comprises this chapter.

§ 2297h–8. Employee protections

(a) Contractor employees

(1) Privatization shall not diminish the accrued, vested pension benefits of employees of the Corporation’s operating contractor at the two gaseous diffusion plants.

(2) In the event that the private corporation terminates or changes the contractor at either or both of the gaseous diffusion plants, the plan sponsor or other appropriate fiduciary of the pension plan covering employees of the prior operating contractor shall arrange for the transfer of all plan assets and liabilities relating to accrued pension benefits of such plan’s participants and beneficiaries from such plant to a pension plan sponsored by the new contractor or the private corporation or a joint labor-management plan, as the case may be.

(3) In addition to any obligations arising under the National Labor Relations Act (29 U.S.C. 151 et seq.), any employer (including the private corporation if it operates a gaseous diffusion plant without a contractor or any contractor of the private corporation) at a gaseous diffusion plant shall—

(A) abide by the terms of any unexpired collective bargaining agreement covering employees in bargaining units at the plant and in effect on the privatization date until the stated expiration or termination date of the agreement; or

(B) in the event a collective bargaining agreement is not in effect upon the privatization date, have the same bargaining obligations under section 8(d) of the National Labor Relations Act (29 U.S.C. 158(d)) as it had immediately before the privatization date.

(4) If the private corporation replaces its operating contractor at a gaseous diffusion plant, the new employer (including the new contractor or the private corporation if it operates a gaseous diffusion plant without a contractor) shall—

(A) offer employment to non-management employees of the predecessor contractor to the extent that their jobs still exist or they are qualified for new jobs, and

(B) abide by the terms of the predecessor contractor’s collective bargaining agreement until the agreement expires or a new agreement is signed.
(5) In the event of a plant closing or mass layoff (as such terms are defined in section 2101(a)(2) and (3) of title 29) at either of the gaseous diffusion plants, the Secretary of Energy shall treat any adversely affected employee of an operating contractor at a plant that was an employee at such plant on July 1, 1993, as a Department of Energy employee for purposes of sections 3161 and 3162 of the National Defense Authorization Act for Fiscal Year 1993 (42 U.S.C. 7274h-7274i).

(b) Authorization Act for Fiscal Year 1993 (42 U.S.C. 8422, and 8423 of title 5 for those employees who elect to retain their coverage under either CSRS or FERS pursuant to paragraph (1);

(B) such additional agency contributions as are determined necessary by the Office of Personnel Management to pay, in combination with the sums under subparagraph (A), the "normal cost" (determined using dynamic assumptions) of retirement benefits for those employees who elect to retain their coverage under CSRS pursuant to paragraph (1), with the concept of "normal cost" being used consistent with generally accepted actuarial standards and principles; and

(C) such additional amounts, not to exceed two percent of the amounts under subparagraphs (A) and (B), as are determined necessary by the Office of Personnel Management to pay the cost of administering retirement benefits for employees who retire from the Corporation after the privatization date under

1 See References in Text note below.
either CSRS or FERS, for their survivors, and for survivors of employees of the Corporation who die after the privatization date (which amounts shall be available to the Office of Personnel Management as provided in sections 8342 and 8351 of title 5 for employees who elect to retain their coverage under CSRS or FERS pursuant to paragraph (1)).

(3) The Corporation shall pay to the Thrift Savings Fund such employee and agency contributions as are required or authorized by sections 8342 and 8351 of title 5 for employees who elect to retain their coverage under CSRS or FERS pursuant to paragraph (1).

(4) Any employee of the Corporation who was subject to the Federal Employee Health Benefits Program (referred to in this section as "FEHBP") on the day immediately preceding the privatization date and who elects to retain coverage under either CSRS or FERS pursuant to paragraph (1) shall have the option to receive health benefits from a health benefit plan established by the Corporation or to continue without interruption coverage under the FEHBP, in lieu of coverage by the Corporation's health benefit system.

(5) The Corporation shall pay to the Employees Health Benefits Fund—

(A) such contributions and agency contributions as are required by section 8906(a)-(f) of title 5 for those employees who elect to retain their coverage under FEHBP pursuant to paragraph (4); and

(B) such amounts as are determined necessary by the Office of Personnel Management under paragraph (6) to reimburse the Office of Personnel Management for contributions under section 8906(g)(1) of title 5 for those employees who elect to retain their coverage under FEHBP pursuant to paragraph (4).

(6) The amounts required under paragraph (5)(B) shall pay the Government contributions for retired employees who retire from the Corporation after the privatization date under either CSRS or FERS, for survivors of such retired employees, and for survivors of employees of the Corporation who die after the privatization date, with said amounts prorated to reflect only that portion of the total service of such employees and retired persons that was performed for the Corporation after the privatization date.


References in Text

The National Labor Relations Act, referred to in subsec. (a)(3), (7)(C), is act July 5, 1935, ch. 372, 49 Stat. 449, as amended, which is classified generally to subchapter II (§151 et seq.) of chapter 7 of Title 29, Labor. For complete classification of this Act to the Code, see section 167 of Title 29 and Tables.

Sections 3161 and 3162 of the National Defense Authorization Act for Fiscal Year 1983, referred to in subsec. (a)(5), were classified to sections 2297h and 2297i, respectively, of this title and were renumbered sections 2297h and 2297i, respectively, of this title and were reclassified to sections 7274h and 7274i, respectively, of Title 29, Labor. For complete classification of this Act to the Code, see section 167 of Title 29 and Tables.

Section 185 of title 29, referred to in subsec. (a)(7)(A), was in the original "section 301 of the Labor Management Relations Act (29 U.S.C. 185)", and has been translated as reading section 301 of the Labor Management Relations Act, 1947, to reflect the probable intent of Congress.

Codification

Section was enacted as part of the USEC Privatization Act and also as part of the Omnibus Consolidated Rescissions and Appropriations Act of 1996, and not as part of the Atomic Energy Act of 1954 which comprises this chapter.

Amendments


1996—Subsec. (b)(3). Pub. L. 104–206 which directed the amendment of subsec. (b) by inserting par. (3) was executed to reflect the probable intent of Congress by substituting par. (3) for former par. (3) which read as follows: "The Corporation shall pay to the Thrift Savings Fund such employee and agency contributions as are required by section 8342 of title 5 for those employees who elect to retain their coverage under FERS pursuant to paragraph (1)."

§ 2297h–9. Ownership limitations

(a) Securities limitations

No director, officer, or employee of the Corporation may acquire any securities, or any rights to acquire any securities of the private corporation on terms more favorable than those offered to the general public—

(1) in a public offering designed to transfer ownership of the Corporation to private investors,

(2) pursuant to any agreement, arrangement, or understanding entered into before the privatization date, or

(3) before the election of the directors of the private corporation.

(b) Ownership limitation

Immediately following the consummation of the transaction or series of transactions pursuant to which 100 percent of the ownership of the Corporation is transferred to private investors, and for a period of three years thereafter, no person may acquire, directly or indirectly, beneficial ownership of securities representing more than 10 percent of the total votes of all outstanding voting securities of the Corporation.

The foregoing limitation shall not apply to—

(1) any employee stock ownership plan of the Corporation,

(2) members of the underwriting syndicate purchasing shares in stabilization transactions in connection with the privatization, or

(3) in the case of shares beneficially held in the ordinary course of business for others, any commercial bank, broker-dealer, or clearing agency.


Codification

Section was enacted as part of the USEC Privatization Act and also as part of the Omnibus Consolidated Rescissions and Appropriations Act of 1996, and not as part of the Atomic Energy Act of 1954 which comprises this chapter.
§ 2297h–10. Uranium transfers and sales

(a) Transfers and sales by Secretary

The Secretary shall not provide enrichment services or transfer or sell any uranium (including natural uranium concentrates, natural uranium hexafluoride, or enriched uranium in any form) to any person except as consistent with this section.

(b) Russian HEU

(1) On or before December 31, 1996, the United States Executive Agent under the Russian HEU Agreement shall transfer to the Secretary without charge title to an amount of uranium hexafluoride equivalent to the natural uranium component of low-enriched uranium derived from at least 18 metric tons of highly enriched uranium purchased from the Russian Executive Agent under the Russian HEU Agreement. The quantity of such uranium hexafluoride delivered to the Secretary shall be based on a tails assay of 0.30 U\textsuperscript{235}. Uranium hexafluoride transferred to the Secretary pursuant to this paragraph shall be deemed under United States law for all purposes to be of Russian origin.

(2) Within 7 years of April 26, 1996, the Secretary shall sell, and receive payment for, the uranium hexafluoride transferred to the Secretary pursuant to paragraph (1). Such uranium hexafluoride shall be sold—

(A) at any time for use in the United States for the purpose of overfeeding;

(B) at any time for end use outside the United States;

(C) in 1995 and 1996 to the Russian Executive Agent at the purchase price for use in matched sales pursuant to the Suspension Agreement; or,\footnote{So in original.}

(D) in calendar year 2001 for consumption by end users in the United States not prior to January 1, 2002, in volumes not to exceed 3,000,000 pounds U\textsubscript{3}O\textsubscript{8} equivalent per year.

(3) With respect to all enriched uranium delivered to the United States Executive Agent under the Russian HEU Agreement on or after January 1, 1997, the United States Executive Agent shall, upon request of the Russian Executive Agent, enter into an agreement to deliver concurrently to the Russian Executive Agent an amount of uranium hexafluoride equivalent to the natural uranium component of such uranium. An agreement executed pursuant to a request of the Russian Executive Agent, as contemplated in this paragraph, may pertain to any deliveries due during any period remaining under the Russian HEU Agreement. Such independent entity shall sell such uranium hexafluoride in one or more lots to any person or entity to maximize the proceeds from such sales, for disposition consistent with the limitations set forth in this subsection. The independent entity shall pay to the Russian Executive Agent the proceeds of any such auction less all reasonable transaction and other administrative costs. The quantity of such uranium hexafluoride auctioned shall be based on a tails assay of 0.30 U\textsuperscript{235}. Title to uranium hexafluoride auctioned pursuant to paragraph (4), may not be delivered for consumption by end users in the United States either directly or indirectly prior to January 1, 1998, and thereafter only in accordance with the following schedule:

<table>
<thead>
<tr>
<th>Year</th>
<th>Annual Maximum Deliveries to End Users (millions lbs. U\textsubscript{3}O\textsubscript{8} equivalent)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1998</td>
<td>2</td>
</tr>
<tr>
<td>1999</td>
<td>4</td>
</tr>
<tr>
<td>2000</td>
<td>6</td>
</tr>
<tr>
<td>2001</td>
<td>8</td>
</tr>
<tr>
<td>2002</td>
<td>10</td>
</tr>
<tr>
<td>2003</td>
<td>12</td>
</tr>
<tr>
<td>2004</td>
<td>14</td>
</tr>
<tr>
<td>2005</td>
<td>16</td>
</tr>
<tr>
<td>2006</td>
<td>17</td>
</tr>
<tr>
<td>2007</td>
<td>18</td>
</tr>
<tr>
<td>2008</td>
<td>19</td>
</tr>
<tr>
<td>2009 and each year thereafter</td>
<td>20</td>
</tr>
</tbody>
</table>

(4) In the event that the Russian Executive Agent does not exercise its right to enter into an agreement to take delivery of the natural uranium component of any low-enriched uranium, as contemplated in paragraph (3), within 90 days of the date such low-enriched uranium is delivered to the United States Executive Agent, or upon request of the Russian Executive Agent, then the United States Executive Agent shall engage an independent entity through a competitive selection process to auction an amount of uranium hexafluoride or U\textsubscript{3}O\textsubscript{8} (in the event that the conversion component of such hexafluoride has previously been sold) equivalent to the natural uranium component of such low-enriched uranium. An agreement executed pursuant to a request of the Russian Executive Agent, as contemplated in this paragraph, may pertain to any deliveries due during any period remaining under the Russian HEU Agreement. Such independent entity shall sell such uranium hexafluoride in one or more lots to any person or entity to maximize the proceeds from such sales, for disposition consistent with the limitations set forth in this subsection. The independent entity shall pay to the Russian Executive Agent the proceeds of any such auction less all reasonable transaction and other administrative costs. The quantity of such uranium hexafluoride auctioned shall be based on a tails assay of 0.30 U\textsuperscript{235}. Title to uranium hexafluoride auctioned pursuant to this paragraph shall transfer to the buyer of such material upon delivery of such material to the buyer. Uranium hexafluoride auctioned pursuant to this paragraph shall be deemed under United States law for all purposes to be of Russian origin.

(5) Except as provided in paragraphs (6) and (7), uranium hexafluoride delivered to the Russian Executive Agent under paragraph (3) or auctioned pursuant to paragraph (4), may not be delivered for consumption by end users in the United States either directly or indirectly prior to January 1, 1998, and thereby only in accordance with the following schedule:

<table>
<thead>
<tr>
<th>Year</th>
<th>Annual Maximum Deliveries to End Users (millions lbs. U\textsubscript{3}O\textsubscript{8} equivalent)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1998</td>
<td>2</td>
</tr>
<tr>
<td>1999</td>
<td>4</td>
</tr>
<tr>
<td>2000</td>
<td>6</td>
</tr>
<tr>
<td>2001</td>
<td>8</td>
</tr>
<tr>
<td>2002</td>
<td>10</td>
</tr>
<tr>
<td>2003</td>
<td>12</td>
</tr>
<tr>
<td>2004</td>
<td>14</td>
</tr>
<tr>
<td>2005</td>
<td>16</td>
</tr>
<tr>
<td>2006</td>
<td>17</td>
</tr>
<tr>
<td>2007</td>
<td>18</td>
</tr>
<tr>
<td>2008</td>
<td>19</td>
</tr>
<tr>
<td>2009 and each year thereafter</td>
<td>20</td>
</tr>
</tbody>
</table>

(6) Uranium hexafluoride delivered to the Russian Executive Agent under paragraph (3) or auctioned pursuant to paragraph (4) may be sold at any time as Russian-origin natural uranium in a matched sale pursuant to the Suspension
Agreement, and in such case shall not be counted against the annual maximum deliveries set forth in paragraph (5).

(7) Uranium hexafluoride delivered to the Russian Executive Agent under paragraph (3) or authorized pursuant to paragraph (4) may be sold at any time for use in the United States for the purpose of overheeding in the operations of enrichment facilities.

(8) Nothing in this subsection (b) shall restrict the sale of the conversion component of such uranium hexafluoride.

(9) The Secretary of Commerce shall have responsibility for the administration and enforcement of the limitations set forth in this subsection. The Secretary of Commerce may require any person to provide any certifications, information, or take any action that may be necessary to enforce these limitations. The United States Customs Service shall maintain and provide any information required by the Secretary of Commerce and shall take any action requested by the Secretary of Commerce which is necessary for the administration and enforcement of the uranium delivery limitations set forth in this section.

(10) The President shall monitor the actions of the United States Executive Agent under the Russian HEU Agreement and shall report to the Congress not later than December 31 of each year on the effect the low-enriched uranium delivered under the Russian HEU Agreement is having on the domestic uranium mining, conversion, and enrichment industries, and the operation of the gaseous diffusion plants. Such report shall include a description of actions taken or proposed to be taken by the President to prevent or mitigate any material adverse impact on such industries or any loss of employment at the gaseous diffusion plants as a result of the Russian HEU Agreement.

(c) Transfers to Corporation

(1) The Secretary shall transfer to the Corporation without charge up to 50 metric tons of enriched uranium and up to 7,000 metric tons of natural uranium from the Department of Energy’s stockpile, subject to the restrictions in subsection (c)(2).

(2) The Corporation shall not deliver for commercial end use in the United States—

(A) any of the uranium transferred under this subsection before January 1, 1998;

(B) more than 10 percent of the uranium (by uranium hexafluoride equivalent content) transferred under this subsection or more than 4,000,000 pounds, whichever is less, in any calendar year after 1997; or

(C) more than 800,000 separative work units contained in low-enriched uranium transferred under this subsection in any calendar year.

(d) Inventory sales

(1) In addition to the transfers authorized under subsections (c) and (e), the Secretary may, from time to time, sell natural and low-enriched uranium (including low-enriched uranium derived from highly enriched uranium) from the Department of Energy’s stockpile.

(2) Except as provided in subsections (b), (c), and (e), no sale or transfer of natural or low-enriched uranium shall be made unless—

(A) the President determines that the material is not necessary for national security needs,

(B) the Secretary determines that the sale of the material will not have an adverse material impact on the domestic uranium mining, conversion, or enrichment industry, taking into account the sales of uranium under the Russian HEU Agreement and the Suspension Agreement, and

(C) the price paid to the Secretary will not be less than the fair market value of the material.

(e) Government transfers

Notwithstanding subsection (d)(2), the Secretary may transfer or sell enriched uranium—

(1) to a Federal agency if the material is transferred for the use of the receiving agency without any resale or transfer to another entity and the material does not meet commercial specifications;

(2) to any person for national security purposes, as determined by the Secretary; or

(3) to any State or local agency or nonprofit, charitable, or educational institution for use other than the generation of electricity for commercial use.

(f) Savings provision

Nothing in this subchapter shall be read to modify the terms of the Russian HEU Agreement.


References in Text

This subchapter, referred to in subsec. (f), means subchapter A of chapter 1 of title III of Pub. L. 104–134, Apr. 26, 1996, 110 Stat. 1321–345, known as the USEC Privatization Act, which is classified principally to this subchapter. For complete classification of subchapter A to the Code, see Short Title of 1996 Amendment note set out under section 2011 of this title and Tables.

Codification

Section was enacted as part of the USEC Privatization Act and also as part of the Omnibus Consolidated Rescissions and Appropriations Act of 1996, and not as part of the Atomic Energy Act of 1954 which comprises this chapter.

Transfer of Functions

For transfer of functions, personnel, assets, and liabilities of the United States Customs Service of the Department of the Treasury, including functions of the Secretary of the Treasury relating thereto, to the Secretary of Homeland Security, and for treatment of related references, see sections 203(1), 551(d), 552(d), and 557 of Title 6, Domestic Security, and the Department of Homeland Security Reorganization Plan of November 25, 2002, as modified, set out as a note under section 542 of Title 6. For establishment of U.S. Customs and Border Protection in the Department of Homeland Security, treated as if included in Pub. L. 107–296 as of Nov. 25, 2002, see section 211 of Title 6, as amended generally by Pub. L. 114–125, and section 602(b) of Pub. L. 114–125, set out as a note under section 211 of Title 6.
(1) Completion of the Russian HEU Agreement

The term “completion of the Russian HEU Agreement” means the importation into the United States from the Russian Federation pursuant to the Russian HEU Agreement of uranium derived from the downblending of not less than 500 metric tons of highly enriched uranium of weapons origin.

(2) Downblending

The term “downblending” means processing highly enriched uranium into a uranium product in any form in which the uranium contains less than 20 percent uranium-235.

(3) Highly enriched uranium

The term “highly enriched uranium” means highly enriched uranium that—

(A) contains 90 percent or more uranium-235; and

(B) is verified by the Secretary of Energy to be of weapons origin.

(4) Highly enriched uranium of weapons origin

The term “highly enriched uranium of weapons origin” means highly enriched uranium that—

(A) contains 90 percent or more uranium-235; and

(B) is verified by the Secretary of Energy to be of weapons origin.

(5) Low-enriched uranium

The term “low-enriched uranium” means a uranium product in any form, including uranium hexafluoride (UF₆) and uranium oxide (UO₂), in which the uranium contains less than 20 percent uranium-235, including natural uranium, without regard to whether the uranium is incorporated into fuel rods or complete fuel assemblies.

(6) Russian HEU Agreement

The term “Russian HEU Agreement” has the meaning given that term in section 2297h(1) of this title.

(7) Uranium-235

The term “uranium-235” means the isotope U⁵₂₃₅.

(b) Statement of policy

It is the policy of the United States to support the continued downblending of highly enriched uranium of weapons origin in the Russian Federation in order to protect the essential security interests of the United States with respect to the nonproliferation of nuclear weapons.

(c) Promotion of downblending of Russian highly enriched uranium

(1) Completion of the Russian HEU Agreement

Prior to the completion of the Russian HEU Agreement, the importation into the United States of low-enriched uranium, including low-enriched uranium obtained under contracts for separative work units, that is produced in the Russian Federation and is not imported pursuant to the Russian HEU Agreement, may not exceed the following amounts:

(A) In the 4-year period beginning with calendar year 2008, 16,559 kilograms.

(B) In calendar year 2012, 24,839 kilograms.

(C) In calendar year 2013 and each calendar year thereafter through the calendar year of the completion of the Russian HEU Agreement, 41,398 kilograms.

(2) Incentives to continue downblending Russian highly enriched uranium after the completion of the Russian HEU Agreement

(A) In general

After the completion of the Russian HEU Agreement, the importation into the United States of low-enriched uranium, including low-enriched uranium obtained under contracts for separative work units, that is produced in the Russian Federation, whether or not such low-enriched uranium is derived from highly enriched uranium of weapons origin, may not exceed—

(i) in calendar year 2014, 485,279 kilograms;

(ii) in calendar year 2015, 455,142 kilograms;

(iii) in calendar year 2016, 480,146 kilograms;

(iv) in calendar year 2017, 490,710 kilograms;

(v) in calendar year 2018, 492,731 kilograms;

(vi) in calendar year 2019, 509,058 kilograms; and

(vii) in calendar year 2020, 514,754 kilograms.

(B) Additional imports in exchange for a commitment to downblend an additional 300 metric tons of highly enriched uranium

(i) In general

In addition to the amount authorized to be imported under subparagraph (A) and except as provided in clause (ii), if the Russian Federation enters into a bilateral agreement with the United States under which the Russian Federation agrees to downblend an additional 300 metric tons of highly enriched uranium after the completion of the Russian HEU Agreement, 4 kilograms of low-enriched uranium, whether or not such low-enriched uranium is derived from highly enriched uranium of weapons origin and including low-enriched uranium obtained under contracts for separative work units, may be imported in a calendar year for every 1 kilogram of Russian highly enriched uranium of weapons origin that was downblended in the preceding calendar year, subject to the verification of the Secretary of Energy under paragraph (10).

(ii) Maximum annual imports

Not more than 120,000 kilograms of low-enriched uranium may be imported in a calendar year under clause (i).

(3) Exceptions

The import limitations described in paragraphs (1) and (2) shall not apply to low-enriched uranium produced in the Russian Federation that is imported into the United States—

(A) for use in the initial core of a new nuclear reactor;

(B) for processing and to be certified for reexportation and not for consumption in the United States; or
§ 2297h–10a

(4) Limited waiver authority

(A) In general
Notwithstanding paragraph (1)(C), if the completion of the Russian HEU Agreement does not occur before December 31, 2013, the import limitations under paragraph (1)(C) shall be waived, and low-enriched uranium may be imported into the United States in the quantities specified in paragraph (2) in a calendar year after 2013, if—

(i) the Secretary of Energy and the Secretary of State jointly determine that—

(I) the failure of the completion of the Russian HEU Agreement arises from causes beyond the control and without the fault or negligence of the Government of the Russian Federation; and

(II) the Government of the Russian Federation has made reasonable efforts to avoid and mitigate the effects of the failure of the completion of the Russian HEU Agreement; and

(ii) the Secretary of Energy and the Secretary of State jointly notify Congress of, and publish in the Federal Register, the determination under clause (i) and the reasons for the determination.

(B) Notice and wait
A waiver under subparagraph (A) may not take effect until the date that is 180 days after the date on which Secretary of Energy and the Secretary of State notify Congress under subparagraph (A)(i).

(C) Termination
A waiver under subparagraph (A) shall terminate on December 31 of the calendar year with respect to which the Secretary makes the determination under subparagraph (A)(i).

(5) Adjustments to import limitations

(A) In general
The import limitations described in paragraph (2)(A) are based on the reference data in the 2003 Market Report on the Global Nuclear Fuel Market Supply and Demand 2005–2030 of the World Nuclear Association. In each of calendar years 2016 and 2019, the Secretary of Commerce shall review the projected demand for uranium for nuclear reactors in the United States and adjust the import limitations described in paragraph (2)(A) to account for changes in such demand in years after the year in which that report or a subsequent report is published.

(B) Incentive adjustment
Beginning in the second calendar year after the calendar year of the completion of the Russian HEU Agreement, the Secretary of Energy shall increase or decrease the amount of low-enriched uranium that may be imported in a calendar year under paragraph (2)(B) (including the amount of low-enriched uranium that may be imported for each kilogram of highly enriched uranium downblended under paragraph (2)(B)(1)) by a percentage equal to the percentage increase or decrease, as the case may be, in the average amount of uranium loaded into nuclear power reactors in the United States in the most recent 3-calendar-year period for which data are available, as reported by the Energy Information Administration of the Department of Energy, compared to the average amount of uranium loaded into such reactors during the 3-calendar-year period beginning on January 1, 2011, as reported by the Energy Information Administration.

(C) Publication of adjustments
As soon as practicable, but not later than July 31 of each calendar year, the Secretary of Energy shall publish in the Federal Register the amount of low-enriched uranium that may be imported in the current calendar year after the adjustments under subparagraph (B).

(6) Authority for additional adjustment

In addition to the adjustment under paragraph (5)(A), the Secretary of Commerce may adjust the import limitations under paragraph (2)(A) for a calendar year if the Secretary—

(A) in consultation with the Secretary of Energy, determines that the available supply of low-enriched uranium and the available stockpiles of uranium of the Department of Energy are insufficient to meet demand in the United States in the following calendar year; and

(B) notifies Congress of the adjustment not less than 45 days before making the adjustment.

(7) Equivalent quantities of low-enriched uranium imports

(A) In general
The import limitations described in paragraphs (1) and (2) are expressed in terms of uranium containing 4.4 percent uranium-235 and a tails assay of 0.3 percent.

(B) Adjustment for other uranium
Imports of low-enriched uranium under paragraphs (1) and (2), including low-enriched uranium obtained under contracts for separative work units, shall count against the import limitations described in such paragraphs in amounts calculated as the quantity of low-enriched uranium containing 4.4 percent uranium-235 necessary to equal the total amount of uranium-235 contained in such imports.

(8) Downblending of other highly enriched uranium

(A) In general
The downblending of highly enriched uranium not of weapons origin may be counted for purposes of paragraph (2)(B), subject to verification under paragraph (10), if the Secretary of Energy determines that the highly enriched uranium to be downblended poses a risk to the national security of the United States.

(B) Equivalent quantities of highly enriched uranium
For purposes of determining the additional low-enriched uranium imports allowed under
paragraph (2)(B), highly enriched uranium not of weapons origin downblended pursuant to subparagraph (A) shall count as downblended highly enriched uranium of weapons origin in amounts calculated as the quantity of highly enriched uranium containing 90 percent uranium-235 necessary to equal the total amount of uranium-235 contained in the highly enriched uranium not of weapons origin downblended pursuant to subparagraph (A).

(9) Termination of import restrictions
The provisions of this subsection shall terminate on December 31, 2020.

(10) Technical verifications by Secretary of Energy
(A) In general
The Secretary of Energy shall verify the origin, quantity, and uranium-235 content of the highly enriched uranium downblended for purposes of paragraphs (2)(B) and (8).

(B) Methods of verification
In conducting the verification required under subparagraph (A), the Secretary of Energy shall employ the transparency measures and access provisions agreed to under the Russian HEU Agreement for monitoring the downblending of Russian highly enriched uranium of weapons origin and such other methods as the Secretary determines appropriate.

(11) Enforcement of import limitations
The Secretary of Commerce shall be responsible for enforcing the import limitations imposed under this subsection and shall enforce such import limitations in a manner that imposes a minimal burden on the commercial nuclear industry.

(12) Effect on other agreements
(A) Russian HEU Agreement
Nothing in this section shall be construed to modify the terms of the Russian HEU Agreement, including the provisions of the Agreement relating to the amount of low-enriched uranium that may be imported into the United States.

(B) Other agreements
If a provision of any agreement between the United States and the Russian Federation, other than the Russian HEU Agreement, relating to the importation of low-enriched uranium, including low-enriched uranium obtained under contracts for separative work units, into the United States conflicts with a provision of this section, the provision of this section shall supersede the provision of the agreement to the extent of the conflict.


§ 2297h–11. Low-level waste

(a) Responsibility of DOE
(1) The Secretary, at the request of the generator, shall accept for disposal low-level radioactive waste, including depleted uranium if it were ultimately determined to be low-level radioactive waste, generated by—
(A) the Corporation as a result of the operations of the gaseous diffusion plants or as a result of the treatment of such wastes at a location other than the gaseous diffusion plants, or
(B) any person licensed by the Nuclear Regulatory Commission to operate a uranium enrichment facility under sections 2073, 2093, and 2243 of this title.

(2) Except as provided in paragraph (3), the generator shall reimburse the Secretary for the disposal of low-level radioactive waste pursuant to paragraph (1) in an amount equal to the Secretary’s costs, including a pro rata share of any...
capital costs, but in no event more than an amount equal to that which would be charged by commercial, State, regional, or interstate compact entities for disposal of such waste.

(3) In the event depleted uranium were ultimately determined to be low-level radioactive waste, the generator shall reimburse the Secretary for the disposal of depleted uranium pursuant to paragraph (1) in an amount equal to the Secretary’s costs, including a pro rata share of any capital costs.

(4) In the event that a licensee requests the Secretary to accept for disposal depleted uranium pursuant to this subsection, the Secretary shall be required to take title to and possession of such depleted uranium at an existing DUF6 storage facility.

(b) Agreements with other persons

The generator may also enter into agreements for the disposal of low-level radioactive waste subject to subsection (a) with any person other than the Secretary that is authorized by applicable laws and regulations to dispose of such wastes.

(c) State or interstate compacts

Notwithstanding any other provision of law, no State or interstate compact shall be liable for the treatment, storage, or disposal of any low-level radioactive waste (including mixed waste) attributable to the operation, decontamination, and decommissioning of any uranium enrichment facility.


CODIFICATION

Section was enacted as part of the USEC Privatization Act and also as part of the Omnibus Consolidated Rescissions and Appropriations Act of 1996, and not as part of the Atomic Energy Act of 1954 which comprises this chapter.

AMENDMENTS

2004—Subsec. (a)(4). Pub. L. 108–447, §311, which directed the addition of par. (4) to subsec. (a) of section 3113 of Public Law 104–134, was executed by adding par. (4) to subsec. (a) of this section, which is section 3113 of Pub. L. 104–134, to reflect the probable intent of Congress.

§ 2297b–12. AVLIS

(a) Exclusive right to commercialize

The Corporation shall have the exclusive commercial right to deploy and use any AVLIS patents, processes, and technical information owned or controlled by the Government, upon completion of a royalty agreement with the Secretary.

(b) Transfer of related property to Corporation

(1) In general

To the extent requested by the Corporation and subject to the requirements of the Atomic Energy Act of 1954 (42 U.S.C. 2011, et seq.), the President shall transfer without charge to the Corporation all of the right, title, or interest in and to property owned by the United States under control or custody of the Secretary that is directly related to and materially useful in the performance of the Corporation’s purposes regarding AVLIS and alternative technologies for uranium enrichment, including—

(A) facilities, equipment, and materials for research, development, and demonstration activities; and

(B) all other facilities, equipment, materials, processes, patents, technical information of any kind, contracts, agreements, and leases.

(2) Exception

Facilities, real estate, improvements, and equipment related to the gaseous diffusion, and gas centrifuge, uranium enrichment programs of the Secretary shall not transfer under paragraph (1)(B).

(3) Expiration of transfer authority

The President’s authority to transfer property under this subsection shall expire upon the privatization date.

(c) Liability for patent and related claims

With respect to any right, title, or interest provided to the Corporation under subsection (a) or (b), the Corporation shall have sole liability for any payments made or awards under section 157b.(3) of the Atomic Energy Act of 1954 (42 U.S.C. 2187(b)(3)), or any settlements or judgments involving claims for alleged patent infringement. Any royalty agreement under subsection (a) of this section shall provide for a reduction of royalty payments to the Secretary to offset any payments, awards, settlements, or judgments under this subsection.


REFERENCES IN TEXT

The Atomic Energy Act of 1954, referred to in subsec. (b)(1), is act Aug. 1, 1946, ch. 724, as added by act Aug. 30, 1954, ch. 1073, §1, 68 Stat. 919, which is classified principally to this chapter (§301 et seq.). For complete classification of this Act to the Code, see Short Title note set out under section 2011 of this title and Tables.

CODIFICATION

Section was enacted as part of the USEC Privatization Act and also as part of the Omnibus Consolidated Rescissions and Appropriations Act of 1996, and not as part of the Atomic Energy Act of 1954 which comprises this chapter.

§ 2297b–13. Application of certain laws

(a) OSHA

(1) As of the privatization date, the private corporation shall be subject to and comply with the Occupational Safety and Health Act of 1970 (29 U.S.C. 651 et seq.).

(2) The Nuclear Regulatory Commission and the Occupational Safety and Health Administration shall, within 90 days after April 26, 1996, enter into a memorandum of agreement to govern the exercise of their authority over occupational safety and health hazards at the gaseous diffusion plants, including inspection, investigation, enforcement, and rulemaking relating to such hazards.

(b) Antitrust laws

For purposes of the antitrust laws, the performance by the private corporation of a
“matched import” contract under the Suspension Agreement shall be considered to have occurred prior to the privatization date, if at the time of privatization, such contract had been agreed to by the parties in all material terms and confirmed by the Secretary of Commerce under the Suspension Agreement.

(c) Energy Reorganization Act requirements

(1) The private corporation and its contractors and subcontractors shall be subject to the provisions of section 5851 of this title to the same extent as an employer subject to such section.

(2) With respect to the operation of the facilities leased by the private corporation, section 5846 of this title shall apply to the directors and officers of the private corporation.


REFERENCES IN TEXT


CODIFICATION

Section was enacted as part of the USEC Privatization Act and also as part of the Omnibus Consolidated Rescissions and Appropriations Act of 1996, and not as part of the Atomic Energy Act of 1954 which comprises this chapter.

CHAPTER 24—DISPOSAL OF ATOMIC ENERGY COMMUNITIES

SUBCHAPTER I—GENERAL PROVISIONS

Sec. 2301. Congressional declaration of policy.
2302. Congressional findings.
2303. Purpose of chapter.
2304. Definitions.
2306. Qualification to purchase.
2307. Form and contents of contracts, mortgages, and other instruments.
2308. Conclusive evidence of compliance with chapter.
2309. Administrative review.
2310. Repossession of property; powers of Commission.
2311. Community Disposal Operations Fund.
2312. Authorization of appropriations.
2313. Transfer of functions.
2314, 2315. Repealed.

SUBCHAPTER II—LOTS, APPRAISALS, AND PRICES

2321. Lots; establishment of boundaries.
2322. Appraisal of property.
2323. Basis of appraisal.
2324. Posting of lists showing appraised value.
2325. Sales price.
2326. Deductions from sales price.

SUBCHAPTER III—CLASSIFICATION OF PROPERTY AND PRIORITIES

2331. Classification of property.
2332. Priorities; uniformity; preferences; impairment of rights.
2333. Transfer of priorities.

SUBCHAPTER IV—SALES OF PROPERTY FOR PRIVATE USE

2341. Applicability of subchapter.
2342. Disposal of property.
2343. Sales.
2344. Cash sales.
2345. Deeds; form and provisions.
2346. Occupancy by existing tenants.
2347. Sale of lots to lessees or individual owners.
2348. Priority sale of apartment houses.
2349. Hanford project; disposal of property.

SUBCHAPTER V—FINANCING

2361. Contract to purchase by priority purchaser.
2362. Financing by Commission.
2363. Indemnity obligation of Commission; incorporation by reference in deed.
2364. Community employment and population.
2365. Amount of indemnity.
2366. Conditions of indemnity; purchase of property by Commission.

SUBCHAPTER VI—UTILITIES

2371. Transfer of utilities.
2372. Date of transfer of utilities.
2373. Transfer to governmental or other legal entity; determination of transferee.
2374. Utilities transferable.
2375. Gift of utility to city; charges and terms for utilities transferred to other transferees.

SUBCHAPTER VII—MUNICIPALITIES

2381. Assistance in organization.
2382. Transfer of municipal installations.
2383. Date of transfer.
2384. Transfer to governmental entity or private nonprofit organization; determination of transferee.
2385. Installations transferable.
2386. Transfer of installations without charge.

SUBCHAPTER VIII—LOCAL ASSISTANCE

2391. Assistance to governmental entities.
2392. Reduction of payments.
2393. Payments in anticipation of services; withholding of payments.
2394. Contract to make payments.

SUBCHAPTER I—GENERAL PROVISIONS

§ 2301. Congressional declaration of policy

It is declared to be the policy of the United States of America that Government ownership and management of the communities owned by the Atomic Energy Commission shall be terminated in an expeditious manner which is consistent with and will not impede the accomplishment of the purposes and programs established by the Atomic Energy Act of 1954 [42 U.S.C. 2011 et seq.]. To that end, it is desired at each community to—

(a) facilitate the establishment of local self-government;
(b) provide for the orderly transfer to local entities of municipal functions, municipal installations, and utilities; and
(c) provide for the orderly sale to private purchasers of property within those communities with a minimum of dislocation.


REFERENCES IN TEXT

SHORT TITLE

Act Aug. 4, 1955, ch. 543, §1, 69 Stat. 471, provided that: "This Act [enacting this chapter and amending section 1715a of Title 12, Banks and Banking, and section 243 of Title 38, Education] may be cited as the 'Atomic Energy Community Act of 1955'."

SEPARABILITY

Act Aug. 4, 1955, ch. 543, ch. 11, §119, 69 Stat. 484, provided that: "If any provisions of this Act [see Short Title note above], or the application of such provision to any person or circumstances, is held invalid, the remainder of this Act or the application of such provision to persons or circumstances other than those as to which it is held invalid, shall not be affected thereby."

TRANSFER OF FUNCTIONS

Atomic Energy Commission abolished and functions transferred by sections 5814 and 5841 of this title. See also Transfer of Functions notes set out under those sections.

§ 2302. Congressional findings

The Congress of the United States makes the following findings concerning the communities owned by the Atomic Energy Commission:

(a) The continued morale of project-connected persons is essential to the common defense and security of the United States.

(b) In issuing rules and regulations required or permitted under this chapter for the disposal of the communities and in disposing of the communities in accordance with the provisions of this chapter and in accordance with the rules and regulations required or permitted by this chapter, the Commission is acting under authority delegated to it by the Congress.

(c) Funds of the United States may be provided for the disposal of the communities and for assistance in the operation of the communities thereafter under conditions which will provide for the common defense and promote the general welfare.


TRANSFER OF FUNCTIONS

Atomic Energy Commission abolished and functions transferred by sections 5814 and 5841 of this title. See also Transfer of Functions notes set out under those sections.

§ 2303. Purpose of chapter

It is the purpose of this chapter to effectuate the policies set forth above by providing for—

(a) the maintenance of conditions which will not impede the recruitment and retention of personnel essential to the atomic energy program;

(b) the obligation of the United States to contribute to the support of municipal functions in a manner commensurate with—

(1) the fiscal problems peculiar to the communities by reason of their construction as national defense installations, and

(2) the municipal and other burdens imposed on the governmental or other entities at the communities by the United States in its operations at or near the communities;

(c) the opportunity for the residents of the communities to assume the obligations and privileges of local self-government; and

(d) the encouragement of the construction of new homes at the communities.


§ 2304. Definitions

The intent of Congress in the definitions as given in this section should be construed from the words or phrases used in the definitions. As used in this chapter—

(a) The term "Commission" means the Atomic Energy Commission.

(b) The term "community" means the Atomic Energy Community.

(c) The term "house" includes the lot on which the house stands.

(d) The term "member of a family" means any person who, on the first offering date, resides in the same dwelling unit with one or more of the following relatives (including those having the same relationship through marriage or legal adoption): spouse, father, mother, grandfather, grandmother, brother, sister, son, daughter, uncle, aunt, nephew, niece, or first cousin.

(e) The term "mortgage" shall include deeds of trust and such other classes of lien as are given to secure advances on, or the unpaid purchase price of real estate under the laws of the State in which the real estate is located.

(f) The term "municipal installation" includes, without limitation, schools, hospitals, police and fire protection systems, sewerage and refuse disposal plants, water supply and distribution installations, streets and roads, libraries, parks, playgrounds and recreational means, municipal government buildings, other properties suitable for municipal or comparable local public service purposes, and any fixtures, equivalent, or other property appropriate to the operation, maintenance or repair of the foregoing.

(g) The term "occupant" means a person who, on the date on which the property in question is first offered for sale, is entitled to residential occupancy of the Government-owned house in question, or of a family dwelling unit in such house, in accordance with a lease or license.
agreement with the Commission or its property-management contractor.

(h) The term "offering date" means the date the property in question is offered for sale.

(i) The term "project area" means that area which on August 4, 1955, constitutes the Federal area at Oak Ridge, Tennessee, or Hanford, Washington, or that area which, on the date Los Alamos is included within this chapter, constitutes the County of Los Alamos, New Mexico, excluding therefrom, however, that land which is, on said date, under the administrative control of the National Park Service of the Department of the Interior.

(j) The term "project-connected person" means any person who, on the first offering date, is regularly employed at the project area in one of the following capacities:

1. An officer or employee of the Commission or any of its contractors or subcontractors, or of the United States or any agency thereof (including members of the Armed Forces), or of a State or political subdivision or agency thereof;
2. An officer or employee employed at a school or hospital located in the project area;
3. A person engaged in or employed in the project area by any professional, commercial, or industrial enterprise occupying premises located in the project area;
4. An officer or employee of any church or nonprofit organization occupying premises located in the project area.

(k) The term "resident" means any person who, on the date on which the property in question is first offered for sale is either—

1. an occupant in a residential unit designated for sale at the community, or
2. a project-connected person who is entitled, in accordance with a lease or similar agreement, to residential occupancy of privately owned rental housing in the community.

(l) The term "utility" means any electrical distribution system, any natural gas distribution system, any public transportation system, or any public communication system, and any fixtures, equipment, or other property appropriate to the operation, maintenance or repair of the foregoing.

(m) The terms "single" and "single family" when used in connection with "house" or "residential property" shall include each separate unit of a residential structure which the Commission has classified as a residential structure containing two or more separate single family units pursuant to section 2331(c) of this title.

(aug. 4, 1955, ch. 543, ch. 11, § 111, 69 stat. 483.)

amendments

subsec. (i), Pub. L. 87–719, § 2, included in definition of "project area" the County of Los Alamos, New Mexico, excluding land under administrative control of the National Park Service.
subsec. (j), Pub. L. 87–719, § 3, included in definition of "utility" any natural gas distribution system.
subsec. (m), Pub. L. 87–719, § 4, added subsec. (m).

transfer of functions

atomic energy commission abolished and functions transferred by sections 5814 and 5841 of this title. see also transfer of functions notes set out under those sections.

§ 2305. Powers of Atomic Energy Commission

the commission shall have all powers conferred by the atomic energy act of 1954 [42 u.s.c. 2011 et seq.], including the power to make, promulgate, issue, rescind, and amend such rules, regulations, and delegations as may be appropriate to carry out the provisions of this chapter and shall be subject to the limitations contained in chapter 14 of that act [42 u.s.c. 2201 et seq.]. nothing contained in this chapter shall impair the powers vested in the commission by the atomic energy act of 1954, as amended, or any other law.

(aug. 4, 1955, ch. 543, ch. 11, § 111, 69 stat. 483.)

references in text

the atomic energy act of 1954, as amended, referred to in text, is act aug. 1, 1946, ch. 724, as added by act aug. 30, 1954, ch. 1073, § 1, 68 stat. 919, which is classified principally to chapter 23 (§ 2011 et seq.) of this title. chapter 14 of that act, referred to in text, is classified to subchapter XIII (§ 2201 et seq.) of division a of chapter 23 of this title. for complete classification of this act to the code, see short title note set out under section 2011 of this title and tables.

transfer of functions

atomic energy commission abolished and functions transferred by sections 5814 and 5841 of this title. see also transfer of functions notes set out under those sections.

§ 2306. Qualification to purchase

no officer or employee of the commission or of any other federal agency (including officers and members of the armed forces) shall be disqualified from purchasing any property or exercising any right or privilege under this chapter, but no such officer or employee shall make any determination as to his own eligibility or priority, or as to valuation, price, or terms of sale and financing of property sold to him.

(aug. 4, 1955, ch. 543, ch. 11, § 112, 69 stat. 483.)

transfer of functions

atomic energy commission abolished and functions transferred by sections 5814 and 5841 of this title. see also transfer of functions notes set out under those sections.

§ 2307. Form and contents of contracts, mortgages, and other instruments

contracts entered into pursuant to this chapter and other instruments executed pursuant to this chapter shall be in such form and contain such provisions, consistent with this chapter, as the commission shall prescribe; and shall be as simple and concise as possible. any mortgage shall contain terms which will place the united states in the same position, with respect to any mortgages it may hold under the provisions of this chapter, as that occupied by a private lender under the applicable state laws for the relief of mortgagors with respect to deficiency judgments.

(aug. 4, 1955, ch. 543, ch. 11, § 113, 69 stat. 483.)

transfer of functions

atomic energy commission abolished and functions transferred by sections 5814 and 5841 of this title. see
also Transfer of Functions notes set out under those sections.

§ 2308. Conclusive evidence of compliance with chapter

A deed, lease, contract, or other instrument executed by or on behalf of the Commission purporting to transfer title or any other interest in property disposed of pursuant to this chapter shall be conclusive evidence of compliance with the provisions of this chapter and rules and regulations promulgated thereunder, insofar as concerns title or other interest of any bona fide grantee or transferee for value without notice of lack of such compliance, and his successors in title.


TRANSFER OF FUNCTIONS

Atomic Energy Commission abolished and functions transferred by sections 5814 and 5841 of this title. See also Transfer of Functions notes set out under those sections.

§ 2309. Administrative review

Determinations authorized by this chapter to be made by the Commission as to classification, priorities, prices, and terms and conditions of sale of property disposed under this chapter shall be subject to review only in accordance with such provisions for administrative review or reconsideration as the Commission may prescribe.


TRANSFER OF FUNCTIONS

Atomic Energy Commission abolished and functions transferred by sections 5814 and 5841 of this title. See also Transfer of Functions notes set out under those sections.

§ 2310. Repossession of property; powers of Commission

The Commission is authorized to repossess any property sold by it in accordance with the terms of any contract to purchase, mortgage or other instrument, and to sell or make any other disposition of any property so repossessed and any property purchased by it pursuant to section 2366 of this title. Notwithstanding any other provision of law relating to the acquisition, handling, or disposal of real property by the United States, the Commission shall have power to deal with, complete, operate, rent, renovate, modernize, insure, or sell for cash or credit, in its discretion, any properties acquired pursuant to this chapter, and to pursue to final collection, by way of compromise or otherwise, all claims arising pursuant to this section: Provided, That expenses authorized by this section shall be considered nonadministrative expenses: Provided further, That section 6101 of title 41 shall not apply to any contract entered into pursuant to this section if the amount thereof does not exceed $1,000.


CODIFICATION


AMENDMENTS

1956—Act July 25, 1956, specifically enumerated powers of the Commission in relation to properties acquired pursuant to this chapter, authorized final collection of claims by way of compromise or otherwise, to provide that expenses authorized by this section shall be considered nonadministrative expenses, and excepted contracts that do not exceed $1,000 from provisions of section 5 of title 41.

TRANSFER OF FUNCTIONS

Atomic Energy Commission abolished and functions transferred by sections 5814 and 5841 of this title. See also Transfer of Functions notes set out under those sections.

§ 2311. Community Disposal Operations Fund

(a) Establishment

There is established as of June 30, 1956, a Community Disposal Operations Fund, and the Commission (or the head of such agency as may be carrying out the sales and financing functions of the Commission pursuant to a delegation by the President under section 2313 of this title) is authorized to credit said fund with all moneys hereafter obtained or now held by it and to account under said fund for all assets and liabilities held or acquired by it in connection with its sales and financing functions under this chapter, and to make temporary advances to such fund, from any other funds available for expenses of operations of such Commission or agency, as may be required to carry out such functions pending the realization of sufficient proceeds under the provisions of this chapter: Provided, That any such advances shall be repaid to the source appropriation or fund, to the extent of any unobligated balances available in the Community Disposal Operations Fund, prior to the close of the fiscal year during which such advances are made.

(b) Availability

The Community Disposal Operations Fund shall be available to pay for all necessary costs, expenses (including administrative expenses), losses or obligations incurred in connection with the aforesaid functions, including expenses incident to sale, or other transfer and any financing under section 2362 of this title, indemnities under sections 2363 to 2366 of this title, and expenses authorized by section 2310 of this title, and expenses in connection with the defense and payment of any claims for breaches of warranties and covenants of title of any property disposed of pursuant to this chapter.

(c) Liquidating dividends

Any amount in said fund which is determined to be in excess of requirements for the purposes thereof shall be declared and paid as liquidating dividends to the Treasury, not less often than annually.


AMENDMENTS

1956—Act July 25, 1956, amended section generally to establish the Community Disposal Operations Fund, to
provide for its availability, and to require excess amounts to be paid as liquidating dividends to the Treasury. Former provisions of this section required that the net proceeds derived by the Commission from the disposal of property pursuant to this chapter were to be covered into the Treasury.

**TRANSFERS OF FUNCTIONS**

Atomic Energy Commission abolished and functions transferred by sections 5814 and 5841 of this title. See also Transfer of Functions notes set out under those sections.

§ 2312. Authorization of appropriations

(a) No appropriation shall be made to carry out the provisions and purposes of this chapter unless previously authorized by legislation enacted by Congress.

(b) There are authorized to be appropriated the sum of $518,000 at Oak Ridge, the sum of $2,215,000 at Richland and the sum of $8,719,000 at Los Alamos for construction, modification, or expansion of municipal installations and utilities authorized to be transferred pursuant to subchapters VI and VII of this chapter.


**AMENDMENTS**

1967—Subsec. (a). Pub. L. 90-190 substituted provisions prohibiting making of appropriations to carry out provisions and purposes of this chapter unless previously authorized by legislation enacted by Congress for provisions granting authority to appropriate such sums as may be necessary and appropriate to carry out provisions and purposes of this chapter.


1956—Subsec. (b). Act July 25, 1956, §6, substituted “$2,215,000” for “$2,165,000”.

Subsec. (c). Act July 25, 1956, §5, repealed subsec. (c) which appropriated funds derived from disposal of property to pay any costs, losses, expenses, or obligations incurred by Commission. See section 2311(b) of this title.

§ 2313. Transfer of functions

The President is authorized to delegate the duties and responsibilities placed on the Commission by this chapter to such other agencies of the United States Government as are reasonably qualified to perform those duties and responsibilities. The President may delegate any or all of the duties and responsibilities of the Commission in the operation of the communities to such other agencies of the United States Government that are reasonably qualified to perform those duties and responsibilities. The Commission shall retain no financing duties and responsibilities.


**TRANSFER OF FUNCTIONS**

Atomic Energy Commission abolished and functions transferred by sections 5814 and 5841 of this title. See also Transfer of Functions notes set out under those sections.

**EXECUTIVE ORDER NO. 10657**


**EXECUTIVE ORDER NO. 11105**


Section, act Aug. 4, 1955, ch. 543, ch. 10, §102, 69 Stat. 483, required a triennial report to the Joint Committee on Atomic Energy by the Commission reviewing its activities under this chapter.

(Aug. 4, 1955, ch. 543, ch. 10, §101, 69 Stat. 483, provided that sections 2251 to 2257 of this title were applicable to all matters coming under this chapter.

**SUBCHAPTER II—LOTS, APPRAISALS, AND PRICES**

§ 2321. Lots; establishment of boundaries

The Commission is authorized to plat each community immediately upon passage of this chapter, or immediately upon the inclusion of the community within the provisions of this chapter. The Commission may establish lot boundaries, and realine, divide, or enlarge existing tracts as it deems appropriate.


**TRANSFER OF FUNCTIONS**

Atomic Energy Commission abolished and functions transferred by sections 5814 and 5841 of this title. See also Transfer of Functions notes set out under those sections.

**§ 2322. Appraisal of property**

The Commission shall proceed to secure appraisals of all property at the community which is to be sold pursuant to this chapter. The appraisals shall be made by the Secretary of Housing and Urban Development or his designee. The Secretary of Housing and Urban Development shall be reimbursed from the Community Disposal Operations Fund for the cost of such appraisals. Appraisals made under this section shall be the appraisals on which the Secretary of Housing and Urban Development may insure any mortgage or loan under the National Housing Act [12 U.S.C. 1701 et seq.] until such time as he finds that the appraisal values generally in the community no longer represent the fair market values of the properties.


**REFERENCES IN TEXT**

The National Housing Act, referred to in text, is act June 27, 1934, ch. 847, 48 Stat. 1246, as amended, which
§ 2323. Basis of appraisal

Except for lots sold pursuant to the provisions of section 2347(a) of this title, the appraised value shall be the current fair market value of the Government’s interest in the property.


§ 2324. Posting of lists showing appraised value

Lists showing the appraised value of each parcel of property to be offered for sale to priority purchasers shall, prior to the offering of such property for sale, be made available for public inspection, at reasonable times, at the offices of the Commission at the community.


Transfer of Functions

Atomic Energy Commission abolished and functions transferred by sections 5814 and 5841 of this title. See also Transfer of Functions notes set out under those sections.

§ 2325. Sales price

(a) Government-owned single or duplex houses

In the sale to priority purchasers of properties on which are located Government-owned single or duplex houses, the sales price shall be the appraised value less a deduction of 15 per centum of the appraised value less the deductions provided by section 2326 of this title.

(b) Other properties

In all other cases the sales price to priority purchasers shall be the appraised value less the deductions provided by section 2326 of this title.

(c) Appraised value of interest in commercial property

The appraised value of the Government’s interest in commercial property shall, in the cases where renegotiation of the lease is requested by the lessee under the provisions of section 2326 of this title, be based upon the renogotiated lease if any is agreed on. Where such renegotiations are requested, the sales proceedings shall not be initiated until the completion of the renegotiation.


Amendments


Report With Respect to Renegotiations, Reappraisals, and Sales Proceedings

Pub. L. 85-162, title II, § 283, Aug. 21, 1957, 71 Stat. 410, required Atomic Energy Commission, Federal Housing Administration, and Housing and Home Finance Agency to report to Joint Committee by Jan. 31, 1958, with respect to renegotiations, reappraisals, and sales proceedings authorized under subsec. (c) of this section.

§ 2326. Deductions from sales price

(a) Improvements

In addition to any other deduction which may be permitted from the sales price for property, there shall, upon application by the prospective purchaser, be deducted the amount by which the current fair market value of the Government’s interest in the premises is enhanced as a result of improvements to the premises made by, or at the expense of, the prospective purchaser: Provided, That, with reference to commercial property, the improvement credit allowed shall be the value of the enhancement of the Government’s interest in the property, as determined by the Commission on the basis of the appraisal provided for under section 2322 of this title: Provided further, That such credit shall be reduced to the extent that lessee has been previously compensated therefor, as determined by the Commission, under the terms of the lease or otherwise.

(b) Improvements by occupant of single family or duplex house

An occupant of a single family or duplex house shall, upon application therefor, be entitled to a credit, against the purchase price of any residential property purchased through the exercise of a priority right established under the provisions of section 2322 of this title, for the amount by which the current fair market value of the Government’s interest in the single family or duplex house of which he was an occupant is enhanced as a result of improvements to the premises of such single family or duplex house made by, or at the expense of, such occupant.

(c) Determination of value of improvements

The value of the improvements as specified in subsections (a) and (b) shall be determined in accordance with the provisions of section 2322 of this title.

(d) Additional deduction to persons purchasing property without benefit of indemnity provisions

Persons purchasing property pursuant to the provisions of section 2342 of this title, who do not desire to avail themselves of the indemnity provisions contained in sections 2363 to 2366 of this title, shall be entitled to an additional deduction of 10 per centum of the appraised value of the property in addition to any other deduction set forth in this section.

§ 2331. Classification of property

(a) Property within each community

Immediately upon passage of this chapter, or, in the case of Los Alamos, upon its inclusion within this chapter, the Commission shall classify all real property (including such improvements and such fixtures, equipment and other personal property incident thereto as it may deem appropriate) within each community in accordance with such classifications as shall insure reasonably similar treatment for reasonably similar property. The classification shall be made by such procedures, consistent with this subchapter, as it shall determine.

(b) Property at or in vicinity of each community

The Commission may, but shall not be required to, classify any other real property at or in the vicinity of the community, whether within or outside of that community.

(c) Residential structures within each community

Prior to the date any residential property is first offered for sale at Los Alamos, the Commission shall further classify each residential structure within the community of Los Alamos either as a single family house, a duplex house, an apartment house, a dormitory, or as a residential structure containing two or more separate single family units and shall post, at the offices of the Commission at Los Alamos, a list, available for public inspection at reasonable times, showing the classification of each such residential structure. For the purposes of this chapter, each such residential structure will thereafter be deemed to be a single family house, a duplex house, an apartment house, a dormitory, or a residential structure containing two or more separate single family units in accordance with its classification. In determining the classification of such residential structure containing two or more separate family units or, in the case of Los Alamos, upon its inclusion within this chapter, the Commission shall consider (1) the practicability of selling separately the single family units, and (2) the insurability of mortgages under section 1715m(a) of title 12.


AMENDMENTS

1962—Subsec. (a). Pub. L. 87–719, §7, inserted “, or, in the case of Los Alamos, upon its inclusion within this chapter” after “chapter”.

SUBCHAPTER IV—SALES OF PROPERTY FOR PRIVATE USE

§ 2341. Applicability of subchapter

The provisions of this subchapter shall be made applicable at each community as soon as the Commission makes a finding in writing that there is a reasonable possibility that the Government-owned real property at such community can be disposed of in accordance with the provisions of this subchapter.


TRANSFER OF FUNCTIONS

Atomic Energy Commission abolished and functions transferred by sections 5814 and 5841 of this title. See also Transfer of Functions notes set out under those sections.

§ 2342. Disposal of property

(a) Property under lease or license agreement

The Commission shall offer for disposal all real property (including such improvements thereon and such fixtures, equipment, and other personal property incident thereto as it may deem appropriate) within the community which is presently under lease or license agreement with the Commission or its community management contractor for residential, commercial or industrial, agricultural, church or other non-profit use, or which, in the opinion of the Commission, is appropriate for such use, other than—

(1) structures which in the opinion of the Commission should be removed from the community because of their unsatisfactory type of construction, condition, or location; or

(2) property which in the opinion of the Commission should be transferred pursuant to subchapters VI or VII; or

(3) property which in the opinion of the Commission should be retained by the Commission for its own use.

(b) Discretionary disposal of other real property

The Commission may, but shall not be required to, dispose of any other real property at the community, whether within or outside of that community.

(c) Terms and conditions; impairment of rights

Such property shall be disposed of on such terms and conditions, consistent with this subchapter, as the Commission shall prescribe in the national interest, and without regard to any preferences or priorities whatever except those provided for pursuant to this chapter. Transfers by the Commission of such property shall not impair rights under existing leases and covenants, including any purchase rights therein conferred.


AMENDMENTS


TRANSFER OF FUNCTIONS

Atomic Energy Commission abolished and functions transferred by sections 5814 and 5841 of this title. See also Transfer of Functions notes set out under those sections.

§ 2343. Sales

(a) Notice to priority holders

Where rights of priority have been granted pursuant to the provisions of this chapter to Government-owned property, it shall be offered for sale to priority purchaser by giving notice to those eligible for such priority. Such notice shall (1) be in such manner as the Commission shall prescribe, (2) identify the property to be sold, and (3) state the terms and conditions of sale and the date of the offer which, in the case of occupants of single family or duplex houses, shall expire not less than ninety days after the date of the offer.

(b) Sale of property to highest bidder

Any property (other than church property) classified for sale under section 2331 of this title and offered for sale under section 2342 of this title, as to which no priority right has been conferred, or as to which all priority rights have expired, shall be advertised for sale to the highest bidder, subject to the right of the Commission to reject any or all bids. No bid shall be accepted which is below the appraised value or, in the case of Government-owned single and duplex houses is below 85 per centum of the appraised value.

(c) Disposal of property not sold at auction

As to any property which has not been sold under subsection (b) within ninety days after the first advertisement for sale under such subsection the Commission may make such disposition, on such terms and conditions, as it may deem appropriate.

(d) Church property

Property for use of churches, in respect of which all priority rights have expired, may be disposed of by advertising and competitive bid, or by negotiated sale or other transfer at such prices, terms, and conditions as the Commission shall determine to be fair and equitable.


AMENDMENTS

1962—Subsec. (b). Pub. L. 87–719, §10, struck out ‘‘, and also subject to the right of an occupant of a Government-owned single family or duplex house to buy such house by paying an amount equal to the highest bid’’ after ‘‘bids’’ in first sentence.

Subsec. (c). Pub. L. 87–719, §11, struck out ‘‘, but the Commission shall give an occupant of a Government-owned single family or duplex house such further opportunity to purchase such house as shall be fair and equitable’’.

1961—Subsec. (c). Pub. L. 87–174 substituted ‘‘ninety days’’ for ‘‘one year’’.

TRANSFER OF FUNCTIONS

Atomic Energy Commission abolished and functions transferred by sections 5814 and 5841 of this title. See also Transfer of Functions notes set out under those sections.

§ 2344. Cash sales

All sales shall be for cash, and the buyer shall arrange for the necessary financing, except as provided in subchapter V of this chapter.
§ 2345. Deeds; form and provisions

Deeds executed in connection with the disposal of property pursuant to the provisions of this chapter—

(a) shall be as simple as the Commission shall find to be appropriate, and may contain such warranties or covenants of title and other provisions (including any indemnity) as the Commission may deem appropriate;

(b) with respect to any dormitory or apartment houses and any property used or to be used for construction of housing developments for rental purposes, may retain or acquire such rights to the Commission to designate the future occupants of part or all of such properties as it may deem appropriate to insure the availability of housing for employees of the Commission and its contractors;

(c) may require that the transferee, his heirs, successors, and assigns shall compensate the Commission for any municipal services provided by the Commission at rates which will not be in excess of the average tax for such services in the immediate vicinity of the community; and any amounts due and unpaid for such compensation (together with interest and costs thereon) shall, as of the date on which such amounts become delinquent, be a lien in favor of the United States upon the premises sold by the Commission, though not valid as against any mortgagee, pledgee, purchaser, or judgment creditor until notice thereof has been filed in accordance with the laws of the State in which the property is situated or in the office of the clerk of the United States district court for the judicial district in which the property subject to the lien is situated, if such State has not by law provided for the filing of such notice;

(d) in transferring any property pursuant to sections 2321 and 2342 of this title, may impose such restrictions and requirements relating to the use of the premises and to public health and safety, as the Commission may deem appropriate, which restrictions and requirements shall not be valid beyond one year after the incorporation of the city at the community or, after June 30, 1966, in the case of Los Alamos; and

(e) may require that any payments in lieu of property taxes or assessments for local improvements made by the Commission with respect to the property shall be equitably prorated.


AMENDMENTS


§ 2346. Occupancy by existing tenants

Upon application by any occupant of a single or duplex house made within the period of the first priority when such house is first offered for sale under this chapter, the Commission shall execute a lease to such occupant for a period not to exceed one year from the date on which such property is first offered for sale, or for such period as he remains a project-connected person, whichever is shorter. In selling any house with respect to which a lease executed under this section is in effect, the Commission may provide that the purchaser shall assume any or all obligations of the lessor, but the Commission shall guarantee the lessee’s performance under the terms of the lease.


TRANSFER OF FUNCTIONS

Atomic Energy Commission abolished and functions transferred by sections 5814 and 5841 of this title. See also Transfer of Functions notes set out under those sections.

§ 2347. Sale of lots to lessees or individual owners

(a) Notwithstanding any other provision of this chapter, the Commission is authorized, immediately upon passage of this chapter, or immediately upon the inclusion of the community within the provisions of this chapter, to offer for sale to the lessees single residential lots, which were leased by competitive bid and which do not have a Government-owned building thereon, at a price equal to the initial valuation of the lot as stated in the lease.

(b) The Commission is authorized to offer for sale, as soon as possible, other lots, to individual owners, upon which single family or duplex houses may be erected, taking into consideration the zoning restrictions the new city is likely to enact with respect to those lots. The zoning restrictions to be taken into account at Los Alamos shall be those which the local government is likely to enact with respect to those lots.


AMENDMENTS

1962—Subsec. (b). Pub. L. 87–719 inserted provision that zoning restrictions to be taken into account at Los Alamos shall be those which the local government is likely to enact with respect to those lots.

TRANSFER OF FUNCTIONS

Atomic Energy Commission abolished and functions transferred by sections 5814 and 5841 of this title. See also Transfer of Functions notes set out under those sections.

§ 2348. Priority sale of apartment houses

(a) Grantees eligible; priorities; applicability of deduction, financing and indemnity provisions

The Commission is authorized at Los Alamos to grant to occupants project-connected persons, and persons residing in the community both at the time of offering of an apartment house for sale and for the preceding six months, and to any of the foregoing persons acting together, such priority interests and priority rights for the purchase of the apartment house as the Commission determines to be fair and reason-
able: Provided, That a first priority right to purchase may be granted only to an occupant or a group of occupants, or an assignee (whose membership or ownership is composed of occupants, or project-connected persons, or persons residing in the community both at the time of offering of an apartment house for sale and for the preceding six months, or any of the foregoing persons) of the priority interests of such occupants, who or which has obtained the priority interest of at least 60 per centum of the occupants of the apartment house: Provided further, That a second priority right to purchase may be granted only to an entity whose membership or ownership consists of occupants, or project-connected persons, or persons residing in the community both at the time of offering of an apartment house for sale and for the preceding six months, or any of the foregoing persons (provided that such entity has obtained the priority interest of at least one occupant), and whose membership or ownership equals in number, and occupies or agrees to occupy, at least 70 per centum of the housing units in the apartment house. The 15 per centum deduction specified by section 2325(a) of this title, the deduction provided by section 2326(d) of this title, the financing provisions of section 2362 of this title, and the indemnity provided by sections 2363 to 2366 of this title shall be applicable to such priority sales of apartment houses. Priority interests granted by the Commission under this section shall be transferable as the Commission may by rule or regulation prescribe, but no priority right to purchase shall be transferred except as provided by section 2333 of this title.

(b) Leasing arrangements by non-participants in apartment house sales; assumption of lessor's obligations

Any occupant who does not participate in the purchase of an apartment house with respect to which a priority right to purchase has been granted shall be entitled, at the time of sale by the Commission, to a lease for occupancy of his housing unit for a period not to exceed fifteen months from the date the property was first offered for sale: Provided, That the occupant makes application for such a lease within 30 days of the grant of such priority to purchase. In selling any apartment house with respect to which lease executed under this section is in effect, the Commission is authorized to provide for the purchaser to assume any or all obligations of the lessor. The Commission in such event shall guarantee the lessee's performance of the lease.

(c) Eligibility to participate in priority purchase

Persons who have purchased, either individually or jointly with other persons, a single-family house or duplex house (or a single-family unit in a duplex house) at Los Alamos pursuant to a priority right under this chapter shall not be eligible to participate in the priority purchase of an apartment house.

(d) Rules and regulations

The Commission is authorized to prescribe by rule or regulation such other conditions as it may find necessary or desirable for qualification of priority interests and rights for the purchase of an apartment house.

AMENDMENTS

1967—Pub. L. 90–190 redesignated existing provisions as subsec. (a), inserted reference to Los Alamos, increased the types of grantees eligible to purchase apartment houses from cooperatives, the entire membership of which is restricted to project-connected persons, inserted provisos which altered the priority right to purchase such apartment houses so as to create a second priority right and second priority; in lieu of the provision that the priority with respect to each cooperative shall terminate within such time as the Commission may prescribe if the cooperative has not obtained 100 per centum initial membership consisting of project-connected persons, struck out definition of "cooperative" as used in this section as a corporation or a trust of the character described in section 1715(e)(a)(1) of title 12, and added subsecs. (b) to (d).

TRANSFER OF FUNCTIONS

Atomic Energy Commission abolished and functions transferred by sections 5814 and 5841 of this title. See also Transfer of Functions notes set out under those sections.
§ 2361. Contract to purchase by priority purchaser

The Commission may, in the sale of any single-family or duplex house to a priority purchaser, enter into a contract to purchase which provides that the purchaser shall conclude his purchase within not more than three years after the date the contract is entered into. Such contracts to purchase shall provide for such periodic payments, including payments on account of principal, interest, or tax equivalents, as the Commission shall prescribe.


§ 2362. Financing by Commission

(a) Acceptance of residential property notes

In the event that the Commission finds that financing on reasonable terms is not available from other sources, the Commission may, in order to facilitate the sale of residential property under subchapter IV of this chapter, accept, in partial payment of the purchase price of any commercial property notes secured by first mortgages on such terms and conditions as the Commission shall deem appropriate.

(c) Acceptance of commercial property notes

In the event that the Commission finds that financing on reasonable terms is not available from other sources, the Commission may, in order to facilitate the sale of commercial property under subchapter IV of this chapter, accept, in partial payment of the purchase price of any commercial property notes secured by first mortgages on such terms and conditions as the Commission shall deem appropriate.

(d) Sale of notes and mortgages

The Commission may sell any notes and mortgages acquired under subsections (a) and (c) of this section on terms set by the Commission. Notwithstanding any other provisions of law and without regard to the provisions of section 6101 of title 41, the Commission may, in accordance with such terms and conditions as it may prescribe, (1) enter into contracts for servicing any of the notes and mortgages it has acquired, and (2) sell or enter into contracts to sell to a servicer any notes and mortgages with respect to which a servicing contract has been entered into by the servicer with the Commission: Provided, That with respect to sales of notes and mortgages under (2) the Commission shall comply with section 6101 of title 41 unless it determines that such compliance would not be feasible.


§ 2363. Indemnity obligation of Commission; incorporation by reference in deed

For a period of not more than fifteen years after August 4, 1955, or, in the case of Los Alamos, not more than fifteen years after the date it is included within this chapter, the Commission shall indemnify the purchaser (except a
§ 2364. Community employment and population

The indemnity obligation specified in section 2363 of this title shall arise only if, for the six months just preceding the date on which it is invoked—

(a) the total number of operating, maintenance, and administrative employees in the project area, as determined by the Commission, has been less than fourteen thousand three hundred and thirty-seven in the case of Oak Ridge or seven thousand six hundred and twenty-two in the case of Richland or eleventh thousand seven hundred and sixty-nine in the case of Los Alamos; and

(b) the population in the community has been less than twenty-nine thousand two hundred and fifty in the case of Oak Ridge or twenty-five thousand two hundred in the case of Richland or eleven thousand seven hundred and sixty-nine in the case of Los Alamos.

For purposes of this section employment shall be determined based on the average of the pay periods ending nearest the 15th of each month.


AMENDMENTS
1962—Pub. L. 87–719 inserted “or, in the case of Los Alamos, not more than fifteen years after the date it is included within this chapter” after “August 4, 1955.”

TRANSFER OF FUNCTIONS
Atomic Energy Commission abolished and functions transferred by sections 5814 and 5841 of this title. See also Transfer of Functions notes set out under those sections.

§ 2365. Amount of indemnity

The indemnity obligation of the Commission specified in section 2363 of this title shall be for such amount, less the sales price of the property, as would have remained unpaid under a loan entered into on the date of the execution of the original deed by the Commission—

(1) which was in the amount of the purchase price from the Commission and provided for equal monthly payments of principal and interest over a period of twenty years computed on the basis of the average interest and other charges recorded for property of the same class at the community; and

(2) on which all payments due to the date when notice was received by the Commission had been made.

(Aug. 4, 1955, ch. 543, ch. 6, §65, 69 Stat. 479.)

TRANSFER OF FUNCTIONS
Atomic Energy Commission abolished and functions transferred by sections 5814 and 5841 of this title. See also Transfer of Functions notes set out under those sections.

§ 2366. Conditions of indemnity; purchase of property by Commission

The Commission shall make the indemnity payment specified by section 2365 of this title only if the Commission receives a notice from the then owner of the property that he is about to sell the property for a sum less than the unpaid balance of the real or hypothetical loan calculated pursuant to such section. Such payment shall be made only if—

(a) notice is given to the Commission at a time when the conditions of section 2364 of this title are satisfied;

(b) the sale is made within such time as the Commission may prescribe and in a manner which the Commission determined to afford adequate assurance of a fair price without excessive costs; and

(c) the Commission is given such prior notice of the sale and such opportunity to become a purchaser as it shall prescribe.

In such circumstances the Commission is authorized to purchase the property. Sales pursuant to this section and payment by the Commission of such amount, if any, as is owing pursuant to sections 2363 to 2366 of this title shall end the obligation of the Commission under sections 2363 to 2366 of this title with respect to that property.


TRANSFER OF FUNCTIONS
Atomic Energy Commission abolished and functions transferred by sections 5814 and 5841 of this title. See also Transfer of Functions notes set out under those sections.

SUBCHAPTER VI—UTILITIES

§ 2371. Transfer of utilities

The Commission is authorized to transfer to one or more of the entities specified in this subchapter such utilities as in the judgment of the Commission will be appropriate to enable the transferee to meet the needs of the residents of the community for adequate utility services of the kind to be transferred.


TRANSFER OF FUNCTIONS
Atomic Energy Commission abolished and functions transferred by sections 5814 and 5841 of this title. See also Transfer of Functions notes set out under those sections.
§ 2372. Date of transfer of utilities

Transfers of utilities shall be made as soon as possible, but in any event, not later than five years after August 4, 1955, in the case of Oak Ridge and Richland, or, in the case of Los Alamos, not later than June 30, 1998.


AMENDMENTS
1996—Pub. L. 104–106 substituted “not later than June 30, 1998” for “not later than five years after the date it is included within this chapter”.

1962—Pub. L. 87–719 inserted “in the case of Oak Ridge and Richland, or, in the case of Los Alamos, not later than five years after the date it is included within this chapter” after “August 4, 1955.”.

§ 2373. Transfer to governmental or other legal entity; determination of transferee

(a) Transfer may be made to one or more of the following, if the transferee has the legal authority to receive and operate the utility:

(1) the city at the community;

(2) the State in which the community is located;

(3) any political subdivision or agency of that State; or

(4) any person, firm, corporation, or other legal entity.

(b) In determining the transferee for any utility, the Commission may consider the following:

(1) the pattern of ownership of the comparable utilities in the State in which the community is located;

(2) the ability of the transferee to operate the utility;

(3) the probable price of the sale of the utility, the ability of the transferee to pay that price, and any probable expense;

(4) the desires of the eligible voters of the community as directly expressed in any vote in any officially recognized procedure or in any procedure established by the Commission; and

(5) the benefit to the United States in reducing possible requirements for local assistance as authorized in subchapters VII and VIII of this chapter.


TRANSFER OF FUNCTIONS

Atomic Energy Commission abolished and functions transferred by sections 5814 and 5841 of this title. See also Transfer of Functions notes set out under those sections.

§ 2374. Utilities transferable

All utilities are authorized to be transferred under this subchapter, but shall not include property which the Commission determines to be needed for its own use.


TRANSFER OF FUNCTIONS

Atomic Energy Commission abolished and functions transferred by sections 5814 and 5841 of this title. See also Transfer of Functions notes set out under those sections.

§ 2375. Gift of utility to city; charges and terms for utilities transferred to other transferees

The Commission may give the utility to the city incorporated at the community; and must charge in selling the utility to any other transferee: Provided, That at Los Alamos, utilities may be given to the county or other local governmental entity. The charges and terms for the transfer of any utility may be established by advertising and competitive bidding or by public sale or other transfer at such prices, terms, and conditions as the Commission shall determine to be fair and equitable.


AMENDMENTS
1962—Pub. L. 87–719 inserted “: Provided, That at Los Alamos, utilities may be given to the county or other local governmental entity” after “transferee”.

TRANSFER OF FUNCTIONS

Atomic Energy Commission abolished and functions transferred by sections 5814 and 5841 of this title. See also Transfer of Functions notes set out under those sections.

SUBCHAPTER VII—MUNICIPALITIES

§ 2381. Assistance in organization

The Commission is authorized, for a period not to extend beyond five years after August 4, 1955, in the case of Oak Ridge and Richland, or, in the case of Los Alamos, not to extend beyond five years after the date it is included within this chapter, to cooperate with and assist the residents of the community in preparation for and establishment of local self-government and in the transfer of municipal installations and responsibilities to local entities. Such assistance may include payment of any amounts reasonably necessary to meet expenses incident to the establishment and organization of a city government and other local entities at the community, until such time as the municipal installations are transferred in accordance with the provisions of this subchapter.


AMENDMENTS
1962—Pub. L. 87–719 inserted “: Provided, That at Los Alamos, utilities may be given to the county or other local governmental entity” after “August 4, 1955.”.

TRANSFER OF FUNCTIONS

Atomic Energy Commission abolished and functions transferred by sections 5814 and 5841 of this title. See also Transfer of Functions notes set out under those sections.

§ 2382. Transfer of municipal installations

The Commission is authorized to transfer to one or more of the entities specified in this subchapter such municipal installations as in the judgment of the Commission, will be appropriate to enable the transferees to meet the needs of
§ 2383. Date of transfer

Transfers of municipal installations may be made at any time, not later than five years after August 4, 1955, in the case of Oak Ridge and Richland, or, in the case of Los Alamos, not later than June 30, 1998.


AMENDMENTS

1962—Pub. L. 87–719 inserted “in the case of Oak Ridge and Richland, or, in the case of Los Alamos, not later than five years after the date it is included within this chapter” after “August 4, 1955.”.

§ 2384. Transfer to governmental entity or private nonprofit organization; determination of transferee

(a) Transfers may be made to one or more of the following, if the entity has the legal authority to receive the installation: (1) the city at the community; (2) the State in which the community is located; (3) any political subdivision or agency of that State; or (4) a private nonprofit organization in the case of the hospital installation or cemetery at the community.

(b) In determining the entity to which school, hospital, and other municipal installations, respectively, shall be transferred, the Commission shall be governed, in order, by

(1) the results of a vote in which the eligible voters in the community expressed themselves directly on the transfer in the vote on the incorporation of the city;

(2) the results of a vote in which the eligible voters have directly expressed themselves on the proposed transfer in a referendum or other officially recognized procedure;

(3) there being only one entity which is legally authorized to receive the municipal installation; or

(4) in the absence of the other alternatives, the Commission has conducted a vote of the eligible voters of the community on the proposed transfer under such procedures as it may establish.


TRANSFER OF FUNCTIONS

Atomic Energy Commission abolished and functions transferred by sections 5814 and 5841 of this title. See also Transfer of Functions notes set out under those sections.

§ 2385. Installations transferable

All municipal installations are authorized to be transferred under this subchapter, but shall not include property which the Commission determines to be needed for its own use.


TRANSFER OF FUNCTIONS

Atomic Energy Commission abolished and functions transferred by sections 5814 and 5841 of this title. See also Transfer of Functions notes set out under those sections.

§ 2386. Transfer of installations without charge

The transfer of any municipal installation authorized to be made under the provisions of this subchapter may be made without charge to the entity receiving the installation.


SUBCHAPTER VIII—LOCAL ASSISTANCE

§ 2391. Assistance to governmental entities

(a) Annual assistance payments; extensions; determination of amount and recipient

From the date of transfer of any municipal installations to a governmental or other entity authorized to receive the installation transferred under this chapter, the Administrator is authorized, for a period of ten years, to make annual assistance payments of just and reasonable sums to the State, county, or local entity having jurisdiction to collect property taxes or to the entity receiving the installation transferred hereunder: Provided, however, That with respect to the cities of Oak Ridge, Tennessee, and Richland, Washington, the Richland School District, the Los Alamos School Board, and the county of Los Alamos, New Mexico, the Administrator is authorized to continue to make assistance payments of just and reasonable sums after expiration of such ten-year period: Provided further, That the Administrator is also authorized to make payments of just and reasonable sums to Anderson County and Roane County, Tennessee. In determining the amount and recipient of such payments the Administrator shall consider—

(1) the approximate real property taxes and assessments for local improvements which would be paid to the governmental entity upon property within the community if such property were not exempt from taxation by reason of Federal ownership;

(2) the maintaining of municipal services at a level which will not impede the recruitment or retention of personnel essential to the Energy Research and Development Administration programs;

(3) the fiscal problems peculiar to the governmental entity by reason of the construction at the community as a single-purpose national defense installation under emergency conditions;

(4) the municipal services and other burdens imposed on the governmental or other entities at the community by the United States in its operations in the project area; and

(5) the tax revenues and sources available to the governmental entity, its efforts and diligence in collection of taxes, assessment of property, and the efficiency of its operations.

(b) Special interim payments

Special interim payments may be made under the provisions of this section to any governmental entity which—
(1) has a special burden due to the requirements under law imposed upon it in assisting in effectuating the purposes of this chapter for which it will not otherwise receive adequate compensation or revenues; or
(2) will suffer a tax loss or lapse in place of which it will not receive any other adequate revenues until the new governmental entities contemplated by this subchapter are receiving their normal taxes and performing their normal functions.

(c) Payments for special burdens

Payments made under this section shall be payments made for special burdens imposed on the local governmental entities in accordance with the second sentence of section 2208 of this title. Payments may be made under this section notwithstanding the provisions of the Act of September 30, 1950 (Public Law 874, Eighty-first Congress), as amended.

(d) Recommendation for further assistance payments

With respect to any entity not less than six months prior to the expiration of the ten-year period referred to in subsection (a) or not less than six months prior to June 30, 1979, in the case of the cities of Oak Ridge, Tennessee, and Richland, Washington, and the Richland School District; or not less than six months prior to June 30, 1986, in the case of Anderson County and Roane County, Tennessee; or not later than June 30, 1996, in the case of the Los Alamos School Board and the county of Los Alamos, New Mexico, the Administrator shall present to the appropriate committees of the House of Representatives and the Senate recommendations as to the need for any further assistance payments to such entity. If the recommendation under the preceding sentence regarding the Los Alamos School Board or the county of Los Alamos, New Mexico, indicates a need for further assistance for the school board or the county, as the case may be, after June 30, 1997, the recommendation shall include a report and plan describing the actions required to eliminate the need for further assistance for the school board or the county, including a proposal for legislative action to carry out the plan.

(e) Reduction or termination of assistance payments; determination by Administrator of financial self-sufficiency

In exercising the authority of subsection (a) the Administrator shall assure that the governmental or other entities receiving assistance hereunder utilize all reasonable, available means to achieve financial self-sufficiency to the end that assistance payments by the Administrator may be reduced or terminated at the earliest practical time.

References in Text


Amendments

1996—Subsec. (d). Pub. L. 104–106 substituted “; or not less than June 30, 1996, in the case of the Los Alamos School Board and the county of Los Alamos, New Mexico” for “, and the Los Alamos School Board; and not less than six months prior to June 30, 1987, in the case of the county of Los Alamos, New Mexico” and inserted at end “If the recommendation under the preceding sentence regarding the Los Alamos School Board or the county of Los Alamos, New Mexico, indicates a need for further assistance for the school board or the county, as the case may be, after June 30, 1997, the recommendation shall include a report and plan describing the actions required to eliminate the need for further assistance for the school board or the county, including a proposal for legislative action to carry out the plan.”

1978—Subsec. (a). Pub. L. 95–238, §205(a)(1), inserted provisions for applicability to the Los Alamos School Board and the county of Los Alamos, New Mexico, and inserted substituted provisions authorizing Administrator to make payments for provisions requiring Administrator to make payments.

Subsec. (d). Pub. L. 95–238, §205(a)(2), inserted provisions for applicability to the Los Alamos School Board and the county of Los Alamos, New Mexico, and substituted provision requiring presentation to appropriate committees of the House and the Senate for provisions requiring presentation to the Joint Committee on Atomic Energy.

1975—Subsec. (a). Pub. L. 94–187, §601(1), (5), substituted “Administrator” for “Commission” in three places and inserted at end of first sentence “: Provided further, That the Administrator is also authorized to make payments of just and reasonable sums to Anderson County and Roane County, Tennessee”.


1967—Subsec. (a). Pub. L. 90–190, §21, authorized the Commission, with respect to the cities of Oak Ridge, Tenn., and Richland, Wash., and the Richland School District, to continue to make assistance payments of just and reasonable sums after the expiration of the ten-year period following the date of transfer of any municipal installation, and added par. (5).

Subsec. (d). Pub. L. 90–190, §22, inserted “; or not less than six months prior to June 30, 1979, in the case of the Cities of Oak Ridge, Tennessee, and Richland, Washington, and the Richland School District,” after “subsection (a) of this section”, substituted “assistance” for “contribution”, and struck out requirement that if Commission proposes further contribution payments, it shall propose a definite schedule of such payments which will provide for an orderly and reasonably prompt withdrawal of Commission from participation in and contribution toward local government.


Transfer of Functions

Energy Research and Development Administration terminated and functions vested by law in Adminis-
trator thereof transferred to Secretary of Energy (unless otherwise specifically provided) by sections 7151(a) and 7293 of this title.

**Conveyance to Los Alamos, New Mexico**


**Environmental Restoration.—**If the Secretary of Energy determines under any authority previously established by law that a parcel of land described in subsection (c) requires environmental restoration or remediation, the Secretary shall, to the maximum extent practicable, complete the environmental restoration or remediation of the parcel not later than September 30, 2022, and otherwise in compliance with such law.

**Conveyance or Transfer.—**If the Secretary determines under any authority previously established by law that environmental restoration or remediation cannot reasonably be expected to be completed with respect to a parcel of land described in subsection (c) by September 30, 2022, the Secretary shall not convey or transfer the parcel of land.

**Parcel of Land.—**A parcel of land described in this subsection is a parcel of land under the jurisdiction or administrative control of the Secretary at or in the vicinity of Los Alamos National Laboratory that the Secretary has previously identified as suitable for conveyance or transfer in a report submitted to the congressional defense committees (Committees on Armed Services and Appropriations of the Senate and the House of Representatives) prior to the date of enactment of this Act [Jan. 7, 2011].


(a) In General.—The Secretary of Energy shall—

(1) except as provided in paragraph (2), convey, without consideration, to the Incorporated County of Los Alamos, New Mexico (in this section referred to as the ‘County’), or to the designee of the County, fee title to the parcels of land that are allocated for conveyance to the County in the agreement under subsection (e); and

(2) notwithstanding paragraph (1) and the agreement under subsection (e), convey, without consideration, to the Board of Education of the Los Alamos Public Schools, New Mexico, within the County, fee title to the parcels of land identified by the Department of Energy as Parcel A–18–1 that are currently located in Technical Area–21 of Los Alamos National Laboratory upon the entry of Los Alamos Public Schools and the County into an agreement for the use of the parcel of land identified as Parcel A–8; and

(b) transfer to the Secretary of the Interior, in trust for the Pueblo of San Ildefonso (in this section referred to as the ‘Pueblo’), administrative jurisdiction over the parcels that are allocated for transfer to the Secretary of the Interior in such agreement.

**Preliminary Identification of Parcels of Land for Conveyance or Transfer.—** (1) Not later than 90 days after the date of enactment of this Act [Nov. 26, 1997], the Secretary of Energy shall submit to the congressional defense committees a report identifying the parcels of land under the jurisdiction or administrative control of the Secretary at or in the vicinity of Los Alamos National Laboratory that are suitable for conveyance or transfer under this section.

(2) A parcel is suitable for conveyance or transfer for purposes of paragraph (1) if the parcel—

(A) is not required to meet the national security mission of the Department of Energy or will not be required for that purpose before the end of the 10-year period beginning on the date of enactment of this Act;

(B) is likely to be conveyable or transferable, as the case may be, under this section not later than the end of such period; and

(C) is suitable for use for a purpose specified in subsection (b).

(3) Review of Title.— (1) Not later than one year after the date of enactment of this Act [Nov. 26, 1997], the Secretary shall submit to the congressional defense committees a report setting forth the results of a title search on each parcel of land identified as suitable for conveyance or transfer under paragraph (2) and an analysis of any claims against or other impairments to the fee title to each such parcel.

(2) In the period beginning on the date of the completion of the title search with respect to a parcel under paragraph (1) and ending on the date of the submittal of the report under that paragraph, the Secretary shall take appropriate action to resolve claims against or other impairments, if any, to fee title that are identified with respect to the parcel in the title search.

**Environmental Restoration.—** (1) Not later than 21 months after the date of enactment of this Act [Nov. 26, 1997], the Secretary shall—

(A) identify the environmental restoration or remediation, if any, that is required with respect to each parcel of land identified under subsection (b) to which the United States has fee title;

(B) carry out any review of the environmental impact of the conveyance or transfer of each such parcel that is required under the provisions of the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.); and

(C) submit to Congress a report setting forth the results of the activities under subparagraphs (A) and (B).

(2) If the Secretary determines under paragraph (1) that a parcel described in paragraph (1)(A) requires environmental restoration or remediation, the Secretary shall, to the maximum extent practicable, complete the environmental restoration or remediation of the parcel not later than November 26, 2012.

(e) Agreement for Allocation of Parcels.— As soon as practicable after completion of a title search to parcels of land under subsection (c), but not later than 90 days after the submittal of the report under subsection (d)(1)(C), the County and the Pueblo shall submit to the Secretary an agreement between the County and the Pueblo which allocates between the County and the Pueblo the parcels identified for conveyance or transfer under subsection (b).

(f) Plan for Conveyance and Transfer.— (1) Not later than 90 days after the date of the submittal to the Secretary of Energy of the agreement under subsection (e), the Secretary shall submit to the congressional defense committees a plan for conveying or transferring parcels of land under this section in accordance with the allocation specified in the agreement.

(2) The plan under paragraph (1) shall provide for the completion of the conveyance or transfer of parcels under this section not later than 9 months after the date of the submittal of the plan under that paragraph.

(g) Review of Environmental Restoration or Remediation.— (1) Subject to paragraphs (2) and (3), the Secretary shall convey or transfer parcels of land in accordance with the allocation specified in the agreement submitted to the Secretary under subsection (e).

(2) In the case of a parcel allocated under the agreement that is not available for conveyance or transfer in accordance with the requirement in subsection (f)(2) by reason of its requirement to meet the national security mission of the Department, the Secretary shall convey or transfer the parcel, as the case may be, upon the completion of the environmental restoration or remediation that is required with respect to the parcel.

(B) If the Secretary determines that environmental restoration or remediation cannot reasonably be ex-
pected to be completed with respect to a parcel by November 26, 2012, the Secretary shall not convey or transfer the parcel under this section.

(3) Use of Conveyed or Transferred Land.—The parcels of land conveyed or transferred under this section shall be used for historic, cultural, or environmental preservation purposes, economic diversification purposes, or community self-sufficiency purposes.

(4) Treatment of Conveyances and Transfers.—(1) The purpose of the conveyances and transfers under this section is to fulfill the obligations of the United States with respect to Los Alamos National Laboratory, New Mexico, under sections 91 and 94 of the Atomic Energy Community Act of 1955 (42 U.S.C. 2391, 2394).

(2) Upon the completion of the conveyance or transfer of the parcels of land available for conveyance or transfer under this section, the Secretary shall make no further payments with respect to Los Alamos National Laboratory under section 91 or section 94 of the Atomic Energy Community Act of 1955.

(5) Repeal of Superseeded Provision.—In the event of the enactment of the National Defense Authorization Act for Fiscal Year 1998 (Pub. L. 105–85) by reason of the approval of the President of the conference report to accompany the bill (H.R. 1119) of the 105th Congress, section 3165 of such Act (section 3165 of Pub. L. 105–85, see below) is repealed.

Pub. L. 105–85, div. C, title XXXI, §3165, Nov. 14, 1997, 111 Stat. 1956, provided that, XXXI, § 3158, Nov. 30, 1993, 107 Stat. 1956, provided that, if the Secretary finds that the recipient is not furnishing such services for any part of the area so designated.


Amendments


Transfer of Functions

Energy Research and Development Administration terminated and functions vested by law in Administrator thereof transferred to Secretary of Energy (unless otherwise specifically provided) by sections 715(a) and 7293 of this title.

§2393. Payments in anticipation of services; withholding of payments

The payments made pursuant to section 2391 of this title to transferees of municipal installations are in anticipation that the respective recipients of those payments furnish, or have furnished, for the community, the school, hospital, or other municipal services in respect of which the payments are made. Any such payment may be withheld, in whole or in part, if the Administrator finds that the recipient is not furnishing such services for any part of the area so designated.


Amendments


Transfer of Functions

Energy Research and Development Administration terminated and functions vested by law in Administrator thereof transferred to Secretary of Energy (unless otherwise specifically provided) by sections 715(a) and 7293 of this title.

§2394. Contract to make payments

The Administrator is authorized, without regard to sections 1341, 1342, and 1349–1351 and subchapter II of chapter 15 of title 31, to enter into a contract with any governmental or other entity to which payments are authorized to be made pursuant to section 2391 of this title, obligating the Administrator to make to such entity the payments directed or authorized to be made by section 2391 of this title: Provided, however, That the term of such contracts, in the case of the cities of Oak Ridge, Tennessee, and Richland, Washington, and the Richland School District, shall not extend beyond June 30, 1979; and in the case of the Los Alamos School Board shall not extend beyond June 30, 1997; and in the case of the county of Los Alamos, New Mexico, shall be effective with respect to a period before July 1, 1997, only to the extent or in such amounts as are provided in appropriation Acts.

Title 31, Money and Credit of Pub. L. 97–258, § 4(b), Sept. 13, 1982, 96 Stat. 1067, the first section of which enacted Title 31, Money and Finance.

**AMENDMENTS**


Pub. L. 99–661, § 3138(b)(2), inserted at end “The authority to enter into a contract under the preceding sentence with the Los Alamos School Board and with the county of Los Alamos, New Mexico, shall extend beyond June 30, 1996, in the case of Anderson County and Roane County, Tennessee. The latter amendment was authorized” for “payments are required or authorized”.

1975—Pub. L. 94–187 substituted “Administrator” for “Commission” in two places and inserted provision “‘Commission’ in two places and inserted provision ‘attorney to the Los Alamos School Board and the county of Los Alamos, New Mexico, substituted ‘payments are authorized’ for ‘payments are required or authorized’, and struck out applicability of provisions to Anderson and Roane Counties, Tennessee, for contracts not beyond June 30, 1966. 1975-Pub. L. 94–187 substituted ‘Commission’ in two places and inserted provision that the term of such contracts shall not extend beyond June 30, 1966, in the case of Anderson County and Roane County, Tennessee. The latter amendment was executed in this section, rather than to section 2393, as the probable intent of Congress. 1967—Pub. L. 90–190 inserted proviso, and ‘or authorized’ wherever appearing.”

**TRANSFER OF FUNCTIONS**

Energy Research and Development Administration terminated and functions vested by law in Administrator thereof transferred to Secretary of Energy (unless otherwise specifically provided) by sections 7151(a) and 7293 of this title.

**NONAPPLICABILITY OF TITLE II OF PUB. L. 95–238 TO ANY AUTHORIZATION OR APPROPRIATION FOR MILITARY APPLICATION OF NUCLEAR ENERGY, ETC.; DEFINITIONS**


**CHAPTER 25—FEDERAL FLOOD INSURANCE**

Sec. 2401 to 2413. Repealed.

2414. Issuance of notes by Administrator of Federal Emergency Management Agency; terms and conditions.

2415 to 2421. Repealed.
proval of the Secretary of the Treasury. Such notes or other obligations shall bear interest at a rate determined by the Secretary of the Treasury, taking into consideration the current average market yield on outstanding marketable obligations of the United States of comparable maturities during the month preceding the issuance of such notes or other obligations. The Secretary of the Treasury is authorized and directed to purchase any notes and other obligations to be issued under this subsection and for such purpose he is authorized to use as a public debt transaction the proceeds from the sale of any securities issued under chapter 31 of title 31, and the purposes for which securities may be issued under such chapter are extended to include any purchases of such notes and obligations.

The Secretary of the Treasury may at any time sell any of the notes or other obligations acquired by him under this section. All redemptions, purchases, and sales by the Secretary of the Treasury of such notes or other obligations shall be treated as public debt transactions of the United States.


AMENDMENTS


1984—Subsec. (e). Pub. L. 98–479 substituted “chapter 31 of title 31” for “the Second Liberty Bond Act, as amended”, and “such chapter” for “such Act, as amended.”


1968—Subsecs. (a) to (d). Pub. L. 90–448, § 1303(c), repealed subsecs. (a) to (d), which created three funds, provided for deposits therein, investment of moneys in the funds, and deposit of salvage proceeds.

Subsec. (e). Pub. L. 90–448, § 1303(a), (b), substituted “current average market yield on outstanding marketable obligations of the United States of comparable maturities during the month” for “current average rate on outstanding marketable obligations of the United States of comparable maturities as of the last day of the month”, and struck out provisions which permitted Secretary of the Treasury to purchase any notes and other obligations to be issued under this subsection.

Subsecs. (f), (g). Pub. L. 90–448, § 1303(c), repealed subsecs. (f) and (g) which provided for use of moneys in the Funds and for payment of administrative expenses.

EFFECTIVE DATE OF 1968 AMENDMENT

Amendment by Pub. L. 90–448 effective 120 days following Aug. 1, 1968, or such later date prescribed by the Secretary but in no event more than 180 days following Aug. 1, 1968, see section 1377 of Pub. L. 90–448, set out as an Effective Date note under section 4001 of this title.

TRANSFER OF FUNCTIONS

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

For transfer of functions, personnel, assets, and liabilities of the Federal Emergency Management Agency, including the functions of the Director of the Federal Emergency Management Agency relating thereto, to the Secretary of Homeland Security, and for treatment of related references, see former section 315a(1) and sections 551(d), 552(d), and 557 of Title 6, Domestic Security, and the Department of Homeland Security Reorganization Plan of November 25, 2002, as modified, see out as a note under section 542 of Title 6.

Functions of Public Housing Administration and of Housing and Home Finance Agency (of which Public Housing Administration is a constituent agency) and of heads thereof transferred to Secretary of Housing and Urban Development by Pub. L. 89–174, § 5(a), Sept. 9, 1965, 79 Stat. 669, which is classified to section 353a(a) of this title. Section 9(c) of such act, set out as a note under section 3531 of this title, provides that references to Housing and Home Finance Agency or to any agency or officer therein are to be deemed to mean Secretary of Housing and Urban Development and that Housing and Home Finance Administration and Public Housing Administration have lapsed.


EFFECTIVE DATE OF REPEAL

Repeal effective 120 days following Aug. 1, 1968, or such later date prescribed by the Secretary but in no event more than 180 days following Aug. 1, 1968, see section 1377 of Pub. L. 90–448, set out as an Effective Date note under section 4001 of this title.

CHAPTER 26—NATIONAL SPACE PROGRAM

SUBCHAPTER I—GENERAL PROVISIONS


§ 2455. Repealed or Transferred

CODIFICATION

Section, Pub. L. 85–568, title III, § 304(a), (b), July 29, 1958, 72 Stat. 435, as amended, was transferred and is set out as a note under section 20132 of Title 51.


Section 2456, Pub. L. 85–568, title III, § 304(e), July 29, 1958, 72 Stat. 435, related to permission to use firearms. See section 20135 of Title 51.


§ 2459a. Omitted

CODIFICATION


National and Commercial Space Programs.


Section 2459d, Pub. L. 102–139, title III, Oct. 28, 1991, 105 Stat. 771, related to prohibition of grant or contract providing guaranteed customer base for new commercial space hardware or services. See section 30901 of Title 51.


§ 2459j–1. Transferred

CODIFICATION

Section, Pub. L. 111–117, div. B, title III, Dec. 16, 2009, 123 Stat. 3144, which related to deposit of proceeds from lease of non-excess property, was transferred and is set out as a note under section 20148 of Title 51, National and Commercial Space Programs.


Section 2459m, Pub. L. 85–45, § 4, June 15, 1959, 73 Stat. 75, required that appropriations have prior authorization by Congress. See section 30101 of Title 51.


§ 2464a. Omitted

CODIFICATION

Section, Pub. L. 99–190, § 101(b) [title VIII, § 8111], Dec. 19, 1985, 99 Stat. 1165, 1222, which related to payloads launched on Titan II launch vehicles and cost effectiveness as against space shuttle launches in fiscal year 1986, was omitted from the Code following the enactment of Title 51, National and Commercial Space Programs, by Pub. L. 111–314.


Section, Pub. L. 101–611, title I, § 121, Nov. 16, 1990, 104 Stat. 3198, related to Space Shuttle use policy. Subsecs. (a), (c), and (d) were repealed and reenacted as subsecs. (a), (b), and (c), respectively, of section 70122 of Title 51, National and Commercial Space Programs. Subsec. (b), requiring Administrator to submit implementation plan in report to Congress within six months after Nov. 16, 1990, was repealed as obsolete.


Section, Pub. L. 87–367, title II, § 206(b), Oct. 4, 1961, 75 Stat. 791, required Administrator of National Aeronautics and Space Administration to submit to Congress, not later than 45 days after close of each fiscal year, a report which sets forth, as of close of such fiscal year, the number of positions established, the name, compensation, and qualification of each incumbent, position or positions held in or outside Federal Government by each incumbent during the 5 years immediately preceding date of appointment, and such other information as required by Congress and authorized Administrator to omit any information deemed detrimental to national security, to inform Congress of such omission, and to supply all information concerning such matter at request of any Congressional committee.


Section, Pub. L. 101–144, title III, Nov. 9, 1989, 103 Stat. 863; Pub. L. 109–155, title VI, § 611, Dec. 30, 2005, 119 Stat. 2932, related to award of prime and subcontracts to small businesses and disadvantaged individuals. First paragraph was repealed and reenacted as section 30304 of Title 51, National and Commercial Space Programs. Last paragraph, requiring Administrator to submit plan for small and disadvantaged business goals within one year from Nov. 9, 1989, was repealed as obsolete.

§§ 2473c. Repealed or Transferred

Codification


Subsec. (b) was transferred and is set out as a note under section 31102 of Title 51, National and Commercial Space Programs.

Subsecs. (c) to (h) were repealed by Pub. L. 111–314, § 6, Dec. 18, 2010, 124 Stat. 3444. See section 31102 of Title 51.


Subchapter III—Upper Atmosphere Research


CHAPTER 26A—NATIONAL SPACE GRANT COLLEGE AND FELLOWSHIP PROGRAM

§ 2486. Transferred

CODIFICATION


Section 2486a, Pub. L. 100–147, title II, § 203, Oct. 30, 1987, 101 Stat. 869, related to congressional findings, was transferred and is set out as a note under section 40301 of Title 51, National and Commercial Space Programs.


Section 2486e, Pub. L. 100–147, title II, § 207, Oct. 30, 1987, 101 Stat. 873, related to identification of specific national needs and problems relating to space and grants or contracts with respect to such needs or problems. See section 40305 of Title 51.


Section 2486g, Pub. L. 100–147, title II, § 209, Oct. 30, 1987, 101 Stat. 875, related to space grant college and space grant regional consortium. See section 40307 of Title 51.


CHAPTER 27—LOAN SERVICE OF CAPTIONED FILMS AND EDUCATIONAL MEDIA FOR HANDICAPPED

Sec. 2491 to 2494. Repealed. 2495. National Advisory Committee on Education of the Deaf.


§ 2495. National Advisory Committee on Education of the Deaf

(a) Establishment; number and appointment of members; representation of interests; Chairman; term of office; vacancies; restriction on terms

(1) For the purpose of advising and assisting the Secretary of Education (hereinafter in this section referred to as the “Secretary”) with respect to the education of the deaf, there is hereby created a National Advisory Committee on Education of the Deaf, which shall consist of twelve persons, not otherwise in the employ of the United States, appointed by the Secretary without regard to the civil service laws.

(2) The membership of the Advisory Committee shall include educators of the deaf, persons interested in education of the deaf, educators of the hearing, and deaf individuals.

(3) The Secretary shall from time to time designate one of the members of the Advisory Committee to serve as Chairman of the Advisory Committee.

(4) Each member of the Advisory Committee shall serve for a term of four years, except that any member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed only for the remainder of such term, and except that the terms of the office of the members first taking office shall expire, as designated by the Secretary at the time of appointment, three at the end of the first year, three at the end of the second year, three at the end of the third year, and three at the end of the fourth year after the date of appointment.

(5) A member of the Advisory Committee shall not be eligible to serve continuously for more than one term.

(b) Functions of Advisory Committee

The Advisory Committee shall advise the Secretary concerning the carrying out of existing and the formulating of new or modified programs with respect to the education of the deaf. In carrying out its functions, the Advisory Committee shall (A) make recommendations to the Secretary for the development of a system for gathering information on a periodic basis in order to facilitate the assessment of progress and identification of problems in the education of the deaf; (B) identify emerging needs respecting the education of the deaf, and suggest innovations which give promise of meeting such needs and of otherwise improving the educational prospects of deaf individuals; (C) suggest promising areas of inquiry to give direction to the research efforts of the Federal Government in improving the education of the deaf; and (D) make such other recommendations for administrative action or legislative proposals as may be appropriate.

(c) Advisory professional or technical personnel

The Secretary may, at the request of the Advisory Committee appoint such special advisory professional or technical personnel as may be necessary to enable the Advisory Committee to carry out its duties.

(d) Compensation and travel expenses

Members of the Advisory Committee, and advisory or technical personnel appointed pursuant to subsection (c), while attending meetings or conferences of the Advisory Committee or otherwise serving on business of the Advisory Committee, shall be entitled to receive compensation at rates fixed by the Secretary, but not exceeding $100 per day including travel time and while serving away from their homes or regular places of business they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5 for persons in the Government service employed intermittently.

(e) Meetings

The Advisory Committee shall meet at the request of the Secretary, but at least semiannually.

CODIFICATION

In subsec. (d), “section 5703 of title 5” substituted for “section 5 of the Administrative Expenses Act”; on authority of Pub. L. 89–554, § 7(b), Sept. 6, 1966, 80 Stat. 631, the first section of which enacted Title 5, Government Organization and Employees.

TRANSFER OF FUNCTIONS

“Secretary of Education” substituted for “Secretary of Health, Education, and Welfare” in subsec. (a)(1) pursuant to sections 301 and 507 of Pub. L. 96–88, which are classified to sections 3441 and 3507 of Title 20, Education, and which transferred functions and offices (relating to education) of Secretary of Health, Education, and Welfare to Secretary of Education.

TERMINATION OF ADVISORY COMMITTEES

Advisory committees in existence on Jan. 5, 1973, to terminate not later than the expiration of the 2-year period following Jan. 5, 1973, unless, in the case of a committee established by the President or an officer of the Federal Government, such committee is renewed by appropriate action prior to the expiration of such 2-year period, or in the case of a committee established by the Congress, its duration is otherwise provided by law. See section 14 of Pub. L. 92–483, Oct. 6, 1972, 86 Stat. 776, set out in the Appendix to Title 5, Government Organization and Employees.

CHAPTER 28—AREA REDEVELOPMENT PROGRAM

§§ 2501 to 2512. Omitted

CODIFICATION

Sections 2501 to 2512 terminated as of Aug. 31, 1965, pursuant to section 2525 of this title.
§§ 2515 to 2525. Omitted

CONDICATION

Sections 2515 to 2525 terminated as of Aug. 31, 1965, pursuant to section 2525 of this title.


Section 2517. Pub. L. 87–72, §20, May 1, 1961, 75 Stat. 61, provided that Secretary of Commerce maintain as a permanent record a list of applications approved for financial assistance and for public inspection thereof.

Section 2518. Pub. L. 87–72, §21, May 1, 1961, 75 Stat. 61, provided for labor standards for laborers and mechanics; their rate of wages and overtime and for enforcement thereof.


Section 2522. Pub. L. 87–72, §25, May 1, 1961, 75 Stat. 63, stated that each recipient of assistance under this chapter shall keep such records as the Secretary shall prescribe and provided for audit of such records by the Federal Government.

Section 2523. Pub. L. 87–72, §27, May 1, 1961, 75 Stat. 63, provided that the Secretary shall establish and conduct a continuing program of study and research and shall include in his annual report to Congress his findings resulting therefrom and his recommendations for legislative and other action.


Section 2525. Pub. L. 87–72, §29, May 1, 1961, 75 Stat. 63; Pub. L. 89–55, June 30, 1965, 79 Stat. 196, stated that termination date of this chapter and all authority conferred thereunder shall be Aug. 31, 1965, and that the Secretary of the Treasury shall be responsible for liquidation of affairs and functions conducted under this chapter.

CHAPTER 29—JUVENILE DELINQUENCY AND YOUTH OFFENSES CONTROL

§§ 2541 to 2548. Omitted

CONDICATION


Section 2543. Pub. L. 87–274, §4, Sept. 22, 1961, 75 Stat. 573, which provided for grants for training of personnel in programs, for prevention or control of juvenile delinquency or youth offenses, expired June 30, 1967, pursu-
ant to section 2545 of this title. See section 3861 of this title.


Section 2547. Pub. L. 87–274, § 8, as added Pub. L. 88–368 § 3, July 9, 1964, 78 Stat. 309, which provided for a special study of high school graduation and employment opportunities for young people, authorized appropriations for study through July 1, 1965, and provided that the repeal is effective with respect to fiscal years after June 30, 1974.

CHAPTER 30—MANPOWER DEVELOPMENT AND TRAINING PROGRAM

SUBCHAPTER I—MANPOWER REQUIREMENTS, DEVELOPMENT, AND UTILIZATION


Effective Date of Repeal


SUBCHAPTER II—TRAINING AND SKILL DEVELOPMENT PROGRAMS

PART A—DUTIES OF THE SECRETARY OF LABOR


Effective Date of Repeal


PART B—DUTIES OF THE SECRETARY OF HEALTH, EDUCATION, AND WELFARE


provided that the repeal is effective with respect to fiscal years after June 30, 1974.

PART C—REDEVELOPMENT AREAS


PART D—CORRECTIONAL INSTITUTIONS


PART E—WORK EXPERIENCE AND TRAINING PROGRAMS


SUBCHAPTER IV—SEASONAL UNEMPLOYMENT IN THE CONSTRUCTION INDUSTRY

Congressional findings and declaration of purpose in establishing a study of problems of seasonal unemployment in construction industry.


**Effective Date of Repeal**


**SUBCHAPTER V—SUPPLEMENTARY STATE PROGRAMS**


**Effective Date of Repeal**


**CHAPTER 31—PUBLIC WORKS ACCELERATION PROGRAM**

Sec. 2641. Congressional declaration of purpose.

2642. Acceleration of public works.

2643. Increase of State or local expenditures.

§ 2641. Congressional declaration of purpose

(a) The Congress finds that (1) certain communities and areas in the Nation are presently burdened by substantial unemployment and underemployment and have failed to share fully in the economic gains of the recovery from the recession of 1960–1961 and (2) action by the Federal Government is necessary, both to provide immediate useful work for the unemployed and underemployed in these communities and to help these communities, through improvement of their facilities, to become more conducive to industrial development and better places in which to live and work. The Nation has a backlog of needed public projects, and an acceleration of these projects now will not only increase employment at a time when jobs are urgently required but will also meet longstanding public needs, improve community services, and enhance the health and welfare of citizens of the Nation.

(b) The Congress further finds that Federal assistance to stimulate public works investment in order to increase employment opportunities is most urgently needed in those areas, both urban and rural, which qualify as redevelopment areas because they suffer from persistent and chronic unemployment and economic underdevelopment, as well as in other areas which have suffered from substantial unemployment for a period of at least twelve months.


**Short Title**


§ 2642. Acceleration of public works

(a) Eligible areas

For the purposes of this section the term “eligible area” means—

(1) those areas which the Secretary of Labor designates each month as having been areas of substantial unemployment for at least nine of the preceding twelve months; and

(2) those areas which are designated by the Secretary of Commerce under subsections (a) and (b) of section 2504 of this title as “redevelopment areas”.

(b) Authority to initiate and accelerate projects; allocation of funds

The President is authorized to initiate and accelerate in eligible areas those Federal public works projects which have been authorized by Congress, and those public works projects of States and local governments for which Federal financial assistance is authorized under provisions of law other than this chapter, by allocating funds appropriated to carry out this section—

(1) to the heads of the departments, agencies, and instrumentalities of the Federal Government responsible for the construction of Federal public works projects, and

(2) to the heads of the departments, agencies, and instrumentalities of the Federal Government responsible for the administration of laws authorizing Federal financial assistance to public works projects of State and local governments.

(c) Grants-in-aid; law governing; amount of Federal contributions

All grants-in-aid made from allocations made by the President under this section shall be made by the head of the department, agency, or instrumentality of the Federal Government administering the law authorizing such grants, and, except as otherwise provided in this sub-
section, shall be made in accordance with all of the provisions of such law except (1) provisions requiring allocation of funds among the States, and (2) limitations upon the total amount of such grants for any period. Notwithstanding any provisions of such law requiring the Federal contribution to the State or local government involved to be less than a fixed portion of the cost of a project, grants-in-aid may be made under authority of this section which bring the total of all Federal contributions to such project up to 50 per centum of the cost of such project, or up to 65 per centum of the cost of such project if the State or local government does not have economic and financial capacity to assume all of the additional financial obligations required.

(d) Authorization of appropriations

There is authorized to be appropriated not to exceed $900,000,000 to be allocated by the President in accordance with subsection (b) of this section, except that not less than $300,000,000 shall be allocated for public works projects in areas designated by the Secretary of Commerce as redevelopment areas under subsection (b) of section 2504 of this title.

(e) Rules and regulations; considerations

The President shall prescribe rules, regulations, and procedures to carry out this section which will assure that adequate consideration is given to the relative needs of eligible areas. In prescribing such rules, regulations, and procedures the President shall consider among other relevant factors (1) the severity of the rates of unemployment in the eligible areas and the duration of such unemployment and (2) the income levels of families and the extent of underemployment in eligible areas.

(f) Restrictions on allocated funds

Funds allocated by the President under this section shall be available only for projects—

(1) which can be initiated or accelerated within a reasonably short period of time;

(2) which will meet an essential public need;

(3) a substantial portion of which can be completed within twelve months after initiation or acceleration;

(4) which will contribute significantly to the reduction of local unemployment;

(5) which are not inconsistent with locally approved comprehensive plans for the jurisdiction affected, wherever such plans exist.

(g) Limit on allocations available for projects in any one State

Not more than 10 per centum of all amounts allocated by the President under this section shall be made available for public works projects within any one State.

(h) Criteria determining substantial unemployment

The criteria to be used by the Secretary of Labor in determining areas of substantial unemployment for the purposes of paragraph (1) of subsection (a) of this section shall be the criteria established in section 63 of title 29 of the Code of Federal Regulations as in effect May 1, 1962.

References in Text

Section 2504 of this title, referred to in subs. (a) and (d), was omitted from the Code.

Executive Order No. 11049


§ 2643. Increase of State or local expenditures

(a) No part of any allocation made by the President under this chapter shall be made available during any fiscal year to any State or local government for any public works project, unless the proposed or planned total expenditure (exclusive of Federal funds) of such State or local government during such fiscal year for all its capital improvement projects is increased by an amount approximately equal to the non-Federal funds required to be made available for such public works project.

(b) No part of any allocation made by the President under this chapter shall be made available for any planning or construction, directly or indirectly, of any school or other educational facility.


CHAPTER 32—THIRD PARTY LIABILITY FOR HOSPITAL AND MEDICAL CARE

Sec. 2651. Recovery by United States.

2652. Regulations.

2653. Limitation or repeal of other provisions for recovery of hospital and medical care costs.

§ 2651. Recovery by United States

(a) Conditions; exceptions; persons liable; amount of recovery; subrogation; assignment

In any case in which the United States is authorized or required by law to furnish or pay for hospital, medical, surgical, or dental care and treatment (including prostheses and medical appliances) to a person who is injured or suffers a disease, after the effective date of this Act, under circumstances creating a tort liability upon some third person (other than or in addition to the United States and except employers of seamen treated under the provisions of section 249 of this title) to pay damages therefor, the United States shall have a right to recover (independent of the rights of the injured or diseased person) from said third person, or that person’s insurer, the reasonable value of the care and treatment so furnished, to be furnished, paid for, or to be paid for and shall, as to this right be subrogated to any right or claim that the injured or diseased person, his guardian, personal representative, estate, dependents, or survivors has against such third person to the extent of the reasonable value of the care and treatment so furnished, to be furnished, paid for, or to be paid for. The head of the department or agency of the United States furnishing such care or treatment may also require the injured or diseased person, his guardian, personal representative, estate, dependents, or survivors, as appropriate, to assign his claim or cause of action against the third person to the extent of that right or claim.

(b) Recovery of cost of pay for member of uniformed services unable to perform duties

If a member of the uniformed services is injured, or contracts a disease, under circumstances creating a tort liability upon a third person (other than or in addition to the United States and except employers of seamen referred to in subsection (a)) for damages for such injury or disease and the member is unable to perform the member’s regular military duties as a result of the injury or disease, the United States shall have a right (independent of the rights of the member) to recover from the third person or an insurer of the third person, or both, the amount equal to the total amount of the pay that accrues and is to accrue to the member for the period for which the member is unable to perform such duties as a result of the injury or disease and is not assigned to perform other military duties.

(c) United States deemed third party beneficiary under alternative system of compensation

(1) If, pursuant to the laws of a State that are applicable in a case of a member of the uniformed services who is injured or contracts a disease as a result of tortious conduct of a third person, there is in effect for such a case (as a substitute or alternative for compensation for damages through tort liability) a system of compensation or reimbursement for expenses of hospital, medical, surgical, or dental care and treatment or for lost pay pursuant to a policy of insurance, contract, medical or hospital service agreement, or similar arrangement, the United States shall be deemed to have been pay lost by the member as described in subsection (a) shall be deemed to have been incurred by the member;

(A) the expenses incurred or to be incurred by the United States for care and treatment for an injured or diseased member as described in subsection (a) shall be deemed to have been incurred by the member;

(B) the cost to the United States of the pay of the member as described in subsection (b) shall be deemed to have been pay lost by the member as a result of the injury or disease; and

(C) the United States shall be subrogated to any right or claim that the injured or diseased member or the member’s guardian, personal representative, estate, dependents, or survivors have under a policy, contract, agreement, or arrangement referred to in paragraph (1) to the extent of the reasonable value of the care and treatment and the total amount of the pay deemed lost under subparagraph (B).

(d) Enforcement procedure; intervention; joinder of parties; State or Federal court proceedings

The United States may, to enforce a right under subsections (a), (b), and (c) (1) intervene or join in any action or proceeding brought by the injured or diseased person, his guardian, personal representative, estate, dependents, or survivors, against the third person who is liable for the injury or disease or the insurance carrier or other entity responsible for the payment or reimbursement of medical expenses or lost pay; or (2) if such action or proceeding is not commenced within six months after the first day in which care and treatment is furnished or paid for by the United States in connection with the injury or disease involved, institute and prosecute legal proceedings against the third person who is liable for the injury or disease or the insurance carrier or other entity responsible for the payment or reimbursement of medical expenses or lost pay, in a State or Federal court, either alone (in its own name or in the name of the injured person, his guardian, personal representative, estate, dependents, or survivors) or in conjunction with the injured or diseased person, his guardian, personal representative, estate, dependents, or survivors.

(e) Veterans’ exception

The provisions of this section shall not apply with respect to hospital, medical, surgical, or dental care and treatment (including prostheses and medical appliances) furnished by the Department of Veterans Affairs to an eligible veteran for a service-connected disability under the provisions of chapter 17 of title 38.

(f) Crediting of amounts recovered

(1) Any amount recovered under this section for medical care and related services furnished by a military medical treatment facility or similar military activity shall be credited to the appropriation or appropriations supporting the operation of that facility or activity, as determined under regulations prescribed by the Secretary of Defense.

(2) Any amount recovered under this section for the cost to the United States of pay of an injured or diseased member of the uniformed services shall be credited to the appropriation that supports the operation of the command, activity, or other unit to which the member was assigned at the time of the injury or illness, as determined under regulations prescribed by the Secretary concerned.

(g) Definitions

For the purposes of this section:

(1) The term “uniformed services” has the meaning given such term in section 101 of title 10.

(2) The term “tortious conduct” includes any tortious omission.

(3) The term “pay”, with respect to a member of the uniformed services, means basic pay, special pay, and incentive pay that the member is authorized to receive under title 37 or any other law providing pay for service in the uniformed services.

(4) The term “Secretary concerned” means—

(A) the Secretary of Defense, with respect to the Army, the Navy, the Air Force, the Marine Corps, and the Coast Guard (when it is operating as a service in the Navy);

(B) the Secretary of Homeland Security, with respect to the Coast Guard when it is not operating as a service in the Navy;

(C) the Secretary of Health and Human Services, with respect to the commissioned corps of the Public Health Service; and

(D) the Secretary of Commerce, with respect to the commissioned corps of the National Oceanic and Atmospheric Administration.
To the extent prescribed by regulations under subsection (a), the head of the department or agency of the United States concerned may (1) compromise, or settle and execute a release of, any claim which the United States has by virtue of the right established by section 2651 of this title; or (2) waive any such claim, in whole or in part, for the convenience of the Government, or if he determines that collection would result in undue hardship upon the person who suffered the injury or disease resulting in care or treatment described in section 2651 of this title.

(c) Damages recoverable for personal injury unaffected

No action taken by the United States in connection with the rights afforded under this legislation shall operate to deny to the injured person the recovery for that portion of his damage not covered hereunder.


§§ 2661 to 2666

To carry out the purposes of the Act of September 25, 1962 (Public Law 87–693) [subsec. (a) of this section], it is hereby ordered as follows:

SECTION I. The Director of the Office of Management and Budget shall, for the purposes of this Act, prescribe regulations to carry out the purposes of the Act of September 25, 1962 [this chapter].

SEC. 2. Except as provided in Section 1 of this order, the Attorney General shall prescribe regulations to carry out the purposes of the Act of September 25, 1962 [this chapter].

§ 2653. Limitation or repeal of other provisions for recovery of hospital and medical care costs

This chapter does not limit or repeal any other provision of law providing for recovery by the United States of the costs of care and treatment described in section 2651 of this title.


CHAPTER 33—COMMUNITY MENTAL HEALTH CENTERS

EXECUTIVE ORDER NO. 11280

Ex. Ord. No. 11280, May 11, 1966, 31 F.R. 7167, which established the President’s Committee on Mental Retardation, was superseded by Ex. Ord. No. 11776, Mar. 28, 1974, 39 F.R. 11865, formerly set out preceding section 6000 of this title.

SUBCHAPTER I—UNIVERSITY-AFFILIATED FACILITIES FOR PERSONS WITH DEVELOPMENTAL DISABILITIES

§§ 2661 to 2666. Omitted

Codification

Sections 2661 to 2666 were superseded in the general amendment of part H of title I of Pub. L. 88–164 (this subchapter) by Pub. L. 94–103, title I, § 105, title III,


Effective Date of Repeal


§§ 2671 to 2674. Transferred

Codification


A prior section 2673, Pub. L. 88–164, title I, § 133, Oct. 31, 1963, 77 Stat. 287, provided that within six months after Oct. 31, 1963, the Secretary, after consultation with the Federal Hospital Council, prescribe to the States (1) what constitutes adequate services for mentally retarded persons, (2) the method of determining priority of projects, (3) standards of construction and equipment, and (4) that the State plan provide adequate facilities for the mentally retarded including persons unable to pay therefor.


Section 2675, Pub. L. 88–164, title I, § 135, as added Pub. L. 91–517, title I, § 101(b), Oct. 30, 1970, 84 Stat. 1321, related to projects for construction, prescribing in: subsec. (a) for submission of application and its contents, subsec. (b) for approval by Secretary, subsec. (c) for a hearing prior to disapproval, and subsec. (d) for amendment of application.

A prior section 2675, Pub. L. 88–164, title I, § 135, Oct. 31, 1963, 77 Stat. 288, provided for the submission of an application for approval by the Secretary, of projects for construction, set forth the contents of such application, provided for hearing prior to disapproval, and subject to approval any amendment of an approved application.


Effective Date of Repeal


§§ 2677 to 2677c. Transferred

Codification

Section 2677, Pub. L. 88–164, title I, § 137, as added Pub. L. 91–517, title I, § 101(b), Oct. 30, 1970, 84 Stat. 1323, which related to payments to States for planning, administration, and services, was transferred to former section 6004 of this title.


which related to withholding of payments for planning, administration, and services, was transferred to former section 6065 of this title.


set forth manner, terms and conditions for grants for alcoholism treatment and prevention.


§§ 2688k to 2688o. Omitted
CODIFICATION


§§ 2688p to 2688q. Omitted
CODIFICATION


PART A—PLANNING AND OPERATIONS
ASSISTANCE


A prior section 301 of Pub. L. 88–164, title II, was classified to section 2681 of this title.


A prior section 302 of Pub. L. 88–164, title II, was classified to section 2682 of this title.


A prior section 203 of Pub. L. 88–164, title II, was classified to section 2683 of this title.


A prior section 204 of Pub. L. 88–164, title II, was classified to section 2684 of this title.


A prior section 205 of Pub. L. 88–164, title II, was classified to section 2685 of this title.


Effective Date of Repeal

Part C—Facilities Assistance


A prior section 221 of Pub. L. 88–164, title II, was classified to section 2688a of this title.


A prior section 222 of Pub. L. 88–164, title II, was classified to section 2688b of this title.


A prior section 223 of Pub. L. 88–164, title II, was classified to section 2688c of this title.


A prior section 224 of Pub. L. 88–164, title II, was classified to section 2688d of this title.

Effective Date of Repeal

§ 2689m. Transferred

Compensation


PART D—RAPE PREVENTION AND CONTROL


Effective Date of Repeal


PART E—GENERAL PROVISIONS


Effective Date of Repeal


Effective Date of Repeal


EFFECTIVE DATE OF REPEAL

Repeal effective with respect to appropriations under Pub. L. 94–103 for fiscal years beginning after June 30, 1975, see section 6000 et seq. of this title.

EFFECTIVE DATE OF REPEAL

Repeal effective with respect to appropriations under Pub. L. 94–103 for fiscal years beginning after June 30, 1975, see section 6000 et seq. of this title.

SUBCHAPTER IV—GENERAL PROVISIONS


Repeal effective Oct. 1, 1981, see section 6000 et seq. of this title.

EFFECTIVE DATE OF REPEAL

Repeal effective with respect to appropriations under Pub. L. 94–103 for fiscal years beginning after June 30, 1975, see section 6000 et seq. of this title.
SUBCHAPTER V—TRAINING OF PHYSICAL EDUCATORS AND RECREATION PERSONNEL FOR MENTALLY RETARDED AND OTHER HANDICAPPED CHILDREN


SUBCHAPTER V—HEADSTART AND FOLLOW THROUGH

Publish L. 91–230, title VI, § 662, Apr. 13, 1970, 84 Stat. 188, provided that the repeal by that section is effective July 1, 1971.

CHAPTER 34—ECONOMIC OPPORTUNITY PROGRAM

Sec.

2701 to 2703. Repealed or Omitted.

2704. Discontinued Job Corps centers; utilization for special youth programs.

2705 to 2707. Repealed or Omitted.

SUBCHAPTER I—RESEARCH AND DEMONSTRATIONS

PART A—RESEARCH, DEMONSTRATION, AND PILOT PROJECTS

2711 to 2719. Repealed.

PART B—WORK AND TRAINING FOR YOUTH AND ADULTS

2731 to 2749. Repealed or Omitted.

PART C—FEDERAL WORK-STUDY PROGRAMS

2751 to 2757. Transferred or Repealed.

PART D—SPECIAL IMPACT PROGRAMS

2761 to 2768. Omitted or Repealed.

PART E—SPECIAL WORK AND CAREER DEVELOPMENT PROGRAMS

2769 to 2769f. Repealed.

PART F—DURATION OF PROGRAMS

2771. Repealed.

SUBCHAPTER II—URBAN AND RURAL COMMUNITY ACTION PROGRAMS

2781. Repealed.

PART A—COMMUNITY ACTION AGENCIES AND PROGRAMS

2782 to 2797. Omitted or Repealed.

PART B—FINANCIAL ASSISTANCE TO COMMUNITY ACTIONS PROGRAMS AND RELATED ACTIVITIES

2801 to 2815. Repealed.

PART C—SUPPLEMENTAL PROGRAMS AND ACTIVITIES

2821 to 2830. Omitted or Repealed.

PART D—GENERAL AND TECHNICAL PROVISIONS

2831 to 2837. Omitted or Repealed.
amendments of 1978'.''

and enacting provisions set out as notes under this section and section 2871, 2871a, 2928a, 2928c, 2928e, 2928h, 2930e, 2930f, 2941, 2942, 2943, 2944, 2948, 2951, 2971f, 2971g, 2971h, 2974b, 2974c, 2974d, 2974g, 2984, 2991a, 2991b, 2991c, 2991d, 2991e, 2991f, 2991g, 2991h, 2991j, 2992, 2992a, 2992b, 2992c, 2992d, 2992e, 2992f, 2992g, 2992h, 2992i, 2992j, 2993, 2993a, 2993b, 2993c, 2994, 2994a, 2994b, 2994c, 2994d, 2994e, 2994f, 2994g, 2994h, 2994i, 2994j, 2995, 2995a, and 2995b of this title, enacting provision set out as a note under this section, and enacting provisions set out as notes under this section and section 2942 of this title may be cited as the ‘Community Services Act Technical Amendments of 1976.’

SHORT TITLE OF 1975 AMENDMENTS

Pub. L. 94–43, § 1, June 28, 1975, 89 Stat. 233, provided:

‘‘That this Act (amending section 2756 of this title and section 1615 of Title 20, Education, and enacting provisions set out as notes under section 2756 of this title and section 167a of Title 20) may be cited as the ‘Emergency Technical Provisions Act.’’

Pub. L. 93–644, § 1, Jan. 4, 1975, 89 Stat. 2291, provided:

‘‘That this Act (enacting sections 2706, 2707, 2711 to 2715, 2820 to 2830, 2845 to 2852b, 2929 to 2930, 2971f, 2971g, 2971h, 2984a to 2984g, 2991, and 2992 to 2992d of this title, amending sections 2709, 2822, 2830, 2831, 2901, 2902, 2921, 2922, 2923, 2924, 2941, 2942, 2943, 2944, 2946, 2971f, 2971g, 2974b, 2974c, 2974d, 2974g, 2984, 2995, 2995a, and 2995b of this title, repealing sections 2703, 2765, 2942 note, and 2949 of this title, and enacting provisions set out as notes under this section and sections 2706, 2765, and 2981 of this title) may be cited as the ‘Headstart, Economic Opportunity, and Community Partnership Act of 1974.’’

SHORT TITLE OF 1974 AMENDMENT

Pub. L. 93–355, § 1, July 25, 1974, 88 Stat. 378, provided:

‘‘That this Act (enacting subchapter X of this title and section 2956 of this title, amending sections 2956 and 2996b of this title, and enacting provisions set out as notes under sections 2909 and 2996b of this title) may be cited as the ‘Legal Services Corporation Act of 1974.’’

SHORT TITLE OF 1972 AMENDMENT

Pub. L. 92–424, § 1, Sept. 19, 1972, 86 Stat. 688, provided:

‘‘That this Act (enacting sections 2702h, 2813 to 2815, 2822, 2971f to 2971h, 2901 to 2985 of this title, amending sections 2724, 2742, 2749, 2771, 2791, 2809, 2812, 2824, 2836, 2862, 2871, 2907, 2932, 2933, 2943, 2945, 2966, 2974, 2991, 2992a, 2993, 2993a, 2994b, 2994c, and 3044b of this title, repealing sections 2763 to 2768 and 2836 of this title, and enacting provisions set out as notes under sections 2942 and 3044b of this title) may be cited as the ‘Economic Opportunity Amendments of 1972.’’

SHORT TITLE OF 1969 AMENDMENT

Pub. L. 91–177, § 1, Dec. 30, 1969, 83 Stat. 827, provided:

‘‘That this Act (amending sections 2702a, 2704, 2705, and 2769 to 2769e of this title, amending sections 2771, 2789, 2809, 2834, 2837, 2851, 2871, 2907, 2933, 2949, 2965, 2966, 2994b, and 2994d of this title, and section 8332 of Title 5, Government Officers and Employees, and enacting provisions set out as notes under this section and sections 2809, 2834, 2971a and 2994b of this title) may be cited as the ‘Economic Opportunity Amendments of 1969.’’

SHORT TITLE OF 1967 AMENDMENT

Pub. L. 90–222, § 1, Dec. 23, 1967, 81 Stat. 672, provided:

‘‘That this Act (amending sections 2702, 2703, 2729 to 2729, 2737 to 2749, 2749 to 2757, 2785 to 2797, 2806 to 2812, 2823 to 2826, 2832 to 2837, 2862 to 2864, 2906c, 2906d, 2906e, 2906f, 2906g, 2907 to 2933, 2942, 2972 to 2980, 2992a, 2992b, 2993a, 2993b, 2994, 2994a, 2994b, 2994c, and 2994d of this title, amending sections 2711 to 2721, 2781, 2787, 2789, 2841, 2845, 2861, 2901, 2902, 2906, 2908, 2929, 2941, 2942, 2943, 2944 to 2947, 2951, 2961 to 2963, 2966, 2981, and 2991 of this title and section 106 of Title 3, The President, omitting sections 2722, 2723 to 2736, 2761, 2762, 2783 to 2789, 2792 to 2794, 2821, 2822, 2831, and 2961a to 2961c of this title, redesignating section 2946 as section 2855 of this title, and enacting provisions set out as notes under section 2702
of this title] may be cited as the ‘Economic Opportunity Amendments of 1967’.”

**SHORT TITLE OF 1966 AMENDMENT**

Pub. L. 89–794, §1, Nov. 8, 1966, 80 Stat. 1451, provided: ‘‘That this Act [enacting sections 2610c, 2721, 2722, 2762, 2771, 2792, 2793, 2794, 2925, 2931, 2968, 2969, 2970, and 2995 of this title; amending this section, sections 2581, 2583, 2591, 2713, 2714, 2716, 2732, 2735, 2791, 2792, 2782, 2785, 2786, 2787, 2788, 2802, 2821, 2831, 2851, 2854, 2871, 2881, 2902, 2905, 2906, 2906, 2921, 2922, 2923, 2941, 2942, 2943, 2944, 2945, 2946, 2950, 2961, 2963, 2965, 2966, and 3161 of this title, and sections 425 and 1077 of Title 20. Education, repealing sections 2731, 2903, and 2904 of this title, and enacting provisions set out as notes under this section and section 2981 of this title and section 425 of Title 20] may be cited as the ‘Economic Opportunity Amendments of 1966’.’’

**SHORT TITLE OF 1965 AMENDMENT**


**SHORT TITLE**


Pub. L. 88–452, title X, §1014, as added by Pub. L. 92–555, §2, July 29, 1974, 88 Stat. 389, provided that: ‘‘This title [subchapter X of this chapter] may be cited as the ‘Legal Services Corporation Act’.’’

**STATEMENT OF PURPOSE OF 1978 AMENDMENT**

Pub. L. 95–568, §2, Nov. 2, 1978, 92 Stat. 2425, provided that: ‘‘It is the purpose of this Act [see Short Title of 1978 Amendment note above] to extend and revise programs under title I through title IX [subchapter I to IX of this chapter] of the Economic Opportunity Act of 1964 (hereinafter in this Act referred to as the ‘Act’).’’

**EXECUTIVE ORDER NO. 11470**


§ 2702. Omitted

**CODIFICATION**


**EFFECTIVE DATE**

Pub. L. 90–222, title IV, §401, Dec. 23, 1967, 81 Stat. 728, provided that: ‘‘The amendments made by this Act [see Short Title of 1967 Amendment note set out under section 2701 of this title] shall be in effect immediately upon its enactment [Dec. 23, 1967], except as provided in this section. Until June 30, 1968, the provisions of section 202 of the Economic Opportunity Act of 1964 as in effect immediately prior to the enactment of this Act [section 2702 of this title] shall apply to community action agencies in existence, and funds to any community action agency designated pursuant to sections 210 or 211 of the Economic Opportunity Act of 1964 as amended by this Act [sections 2700 and 2701 of this title]. Provided, however, That nothing in this Act shall require the termination before February 1, 1969 of an existing community action agency or any program assisted under the Economic Opportunity Act of 1964 [this chapter] prior to the designation of, and provision of financial assistance to, a community action agency or other agency established under sections 210 and 211 of the Economic Opportunity Act [sections 2700 and 2701 of this title] as amended by this Act.’’

**ACCESS OF GAO TO GRANTEE’S RECORDS**

Pub. L. 91–667, title III, Jan. 1, 1971, 84 Stat. 2018, provided in part that all grant agreements were to provide that the General Accounting Office would have access to the records bearing exclusively upon the Federal grant.

Similar provisions were contained in Pub. L. 91–204, title III, Mar. 5, 1970, 84 Stat. 46.

**INVESTIGATION AND EVALUATION OF ECONOMIC OPPORTUNITY PROGRAMS BY THE COMPTROLLER GENERAL**

**SUBMISSION OF FINAL REPORT BY DECEMBER 1, 1968**

Pub. L. 90–922, title II, Dec. 23, 1967, 81 Stat. 727, authorized the Comptroller General of the United States to make an investigation in sufficient depth of programs and activities by the Office of Economic Opportunity and by local public and private agencies carrying out such programs and activities, and the extent to which such programs and activities achieve the objectives set forth in the relevant part or title of this chapter which authorizes such programs or activities, and to transmit his final report to the Congress not later than Dec. 1, 1968 containing a detailed statement of his findings and conclusions together with such recommendations, including recommendations for additional legislation as he deemed advisable.

§§ 2702a, 2702b. Omitted

**CODIFICATION**


**Section 2702b, which was based on section 3(a), (b)(1), (3), (c), (d)(1), (2), (e) of Pub. L. 92–424, Sept. 19, 1972, 86 Stat. 688, 689, authorized appropriations for fiscal years 1973 and 1974.**

**Subsection (b)(2) of section 2702b, was based on section 3(b)(2) of Pub. L. 92–424, and related to functions of Secretary of Health, Education, and Welfare with respect to status of handicapped children in Headstart program. See section 903(d) of this title.**


§ 2704. Discontinued Job Corps centers; utilization for special youth programs

(a) Notwithstanding any other provision of law, the Director of the Office of Economic Opportunity shall establish procedures and make arrangements which are designed to assure that facilities and equipment of Job Corps centers which are being discontinued will, where feasible, be made available for use by State or Federal agencies and other public or private agencies, institutions, and organizations with satisfactory arrangements for utilizing such facilities and equipment for conducting programs, especially those providing opportunities for low-income disadvantaged youth, including, without limitation—

(1) special remedial programs;
(2) summer youth programs;
(3) exemplary vocational preparation and training programs;
(4) cultural enrichment programs, including music, the arts, and the humanities;
(5) training programs designed to improve the qualifications of educational personnel, including instructors in vocational educational programs; and
(6) youth conservation work and other conservation programs.

(b) To achieve the objectives of this section, the Director of the Office of Economic Opportunity shall consult with, elicit the cooperation of, and utilize the services of the Administrator of the General Services Administration, and the Secretaries of Agriculture, of the Interior, and of Labor.


Effective date of repeal


§ 2707. Omitted

Codification


SUBCHAPTER I—RESEARCH AND DEMONSTRATIONS

Codification

In the original, section 4 of Pub. L. 93–644, Jan. 4, 1975, 88 Stat. 2292, provided in part that “Title I of the Economic Opportunity Act of 1964 is amended to read as follows: ‘Title II—Research and Demonstrations’”. Section 4 also added sections 101 to 105 to such title II of the Economic Opportunity Act of 1964. However, title II was subsequently redesignated title I of the Act by section 2(a)(3) of Pub. L. 94–341, July 6, 1976, 90 Stat. 803, and classified as subchapter I of this chapter.

EXECUTIVE ORDER NO. 11330


Authorization of Appropriations for President’s Council on Youth Opportunity

Pub. L. 91–176, Dec. 30, 1969, 83 Stat. 826, provided: “That there is hereby authorized to be appropriated such sums as may be necessary for the expenses of the President’s Council on Youth Opportunity, established by Executive Order Numbered 11330 of March 5, 1967.”

PART A—RESEARCH, DEMONSTRATION, AND PILOT PROJECTS


§ 2751. Transferred

Section 2751, originally enacted as section 121 of Pub. L. 88–452, was renumbered section 441 of Pub. L. 89–329 and transferred to section 1087–51 of Title 20, Education.
PART D—SPECIAL IMPACT PROGRAMS
§§ 2761, 2762. Omitted

PART E—SPECIAL WORK AND CAREER DEVELOPMENT PROGRAMS

PART F—DURATION OF PROGRAMS


Effective Date of Repeal
Repeal effective Oct. 1, 1981, see section 9912(a) of this title, prior to the general amendment of chapter 106 (§9901 et seq.) of this title by Pub. L. 105–255.

SUBCHAPTER II—URBAN AND RURAL COMMUNITY ACTION PROGRAMS


Effective Date of Repeal
Repeal effective Oct. 1, 1981, see section 9912(a) of this title, prior to the general amendment of chapter 106 (§9901 et seq.) of this title by Pub. L. 105–255.

PART A—COMMUNITY ACTION AGENCIES AND PROGRAMS
§§ 2782 to 2789. Omitted

PART D—SPECIAL IMPACT PROGRAMS
CODIFICATION
Sections were omitted in the general amendment of Part D of this subchapter by Pub. L. 90–222, title I, §104, Dec. 23, 1967, 81 Stat. 691.


PART E—SPECIAL WORK AND CAREER DEVELOPMENT PROGRAMS
CODIFICATION
Sections were omitted in the general amendment of part A of this subchapter by Pub. L. 90–222, title I, §104, Dec. 23, 1967, 81 Stat. 691.


Effective Date of Repeal
Section 2786. Pub. L. 88–452, title II, §206, Aug. 20, 1964, 78 Stat. 518; Pub. L. 89–794, title II, §212(a), Nov. 8, 1966, 80 Stat. 1461, authorized Director to provide technical assistance and training for communities and to formulate and carry out small loan programs for small families to meet immediate and urgent family needs.


**Savings Provision**

Applicability until June 30, 1968, of the provisions of section 2782 of this title as in effect immediately prior to the enactment of Pub. L. 90–222, which was approved Dec. 23, 1967, and which omitted section 2782 of this title in the general reorganization of part A of this subchapter by section 104 of Pub. L. 90–222, to community action agencies in existence and funded prior to the enactment of Pub. L. 90–222, with certain exceptions, and provision for the transfer of functions, obligations, records, authority, and funds in agreements made prior to June 30, 1968, to agencies designated pursuant to sections 2790 and 2791 of this title as amended by Pub. L. 90–222, see section 401 of Pub. L. 90–222, set out as an Effective Date note under section 2792 of this title.


**Effective Date of Repeal**

Repeal effective Oct. 1, 1981, see section 9912(a) of this title, prior to the general amendment of chapter 106 (§9901 et seq.) of this title by Pub. L. 100–205.

**PART B—FINANCIAL ASSISTANCE TO COMMUNITY ACTION PROGRAMS AND RELATED ACTIVITIES**


**Effective Date of Repeal**

Repeal effective Oct. 1, 1981, see section 9912(a) of this title, prior to the general amendment of chapter 106 (§9901 et seq.) of this title by Pub. L. 100–205.

**PART B—FINANCIAL ASSISTANCE TO COMMUNITY ACTION PROGRAMS AND RELATED ACTIVITIES**


Repeal effective Oct. 1, 1981, see section 9912(a) of this title, prior to the general amendment of chapter 106 (§9901 et seq.) of this title by Pub. L. 100–205.


Effective Date of Repeal


Effective Date of Repeal

PART C—SUPPLEMENTAL PROGRAMS AND ACTIVITIES

§§2821, 2822. Omitted

Codification


Effective Date of Repeal


Effective Date of Repeal


Effective Date of Repeal

PART D—GENERAL AND TECHNICAL PROVISIONS

§2831. Omitted

Codification


Effective Date of Repeal

Repeal effective Oct. 1, 1981, see section 9912(a) of this title, prior to the general amendment of chapter 106 (§9901 et seq.) of this title by Pub. L. 105–255.

Subchapter III—Special Programs to Combat Poverty in Rural Areas

Part A—Rural Loan Program


Effective Date of Repeal

Repeal effective Oct. 1, 1981, see section 9912(a) of this title, prior to the general amendment of chapter 106 (§9901 et seq.) of this title by Pub. L. 105–255.

Part B—Assistance for Migrant, and Other Seasonally Employed Farmworkers and Their Families


Part C—Duration of Program


Part D—Indemnity Payments to Dairy Farmers


SUBCHAPTER IV—ASSISTANCE FOR MIGRANT AND OTHER SEASONALLY EMPLOYED FARMWORKERS AND THEIR FAMILIES


SUBCHAPTER V—HEADSTART AND FOLLOW THROUGH


Section 2906, Pub. L. 98–452, title IV, § 407, as added Pub. L. 90–922, title I, § 106(d)(3), Dec. 23, 1967, 81 Stat. 712, authorized Administrator to insure that government contracts, subcontracts, and deposits are placed in such a way as to aid small business concerns.


Effective Date of Repeal
Repeal effective Oct. 1, 1981, see section 9911(a) of this title, prior to the general amendment of chapter 106 (§ 9901 et seq.) of this title by Pub. L. 101–250.
§§ 2924, 2925. Omitted

CODIFICATION


PART A—HEADSTART PROGRAMS


EFFECTIVE DATE OF REPEAL

Repeal effective Oct. 1, 1981, see section 9912(a) of this title, prior to the general amendment of chapter 106 (§§ 9901 et seq.) of this title by Pub. L. 100–205.

PART B—FOLLOW THROUGH PROGRAMS


A prior section 554 of Pub. L. 88–452 was redesignated § 555, and is classified to section 2929b of this title.


CHAPTER VI ADMINISTRATION AND COORDINATION

PART A ADMINISTRATION

§§ 2941 to 2948

and subchapter VII of this chapter) to any other agency, was repealed by Pub. L. 93–644, §9(b), Jan. 4, 1975, 88 Stat. 2314, as amended by Pub. L. 94–341, §30(b)(1), July 6, 1976, 90 Stat. 807, effective on the date on which a reorganization plan is effective under section 2941 of this title, as amended by section 9(a) of Pub. L. 93–644.


**Effective Date of Repeal**

Repeal effective Oct. 1, 1981, see section 9912(a) of this title, prior to the general amendment of chapter 106 (§9901 et seq.) of this title by Pub. L. 105–205.

EXECUTIVE ORDER NO. 11466

Ex. Ord. No. 11466, Apr. 19, 1969, 34 F.R. 6727, formerly set out as a note under section 2962 of this title, which related to the administration of certain jointly funded projects, was superseded by Ex. Ord. No. 11667, June 19, 1975, 40 F.R. 7696, formerly a note under section 710 of Title III, Money and Finance.


**Effective Date of Repeal**

Repeal effective Oct. 1, 1981, see section 9912(a) of this title, prior to the general amendment of chapter 106 (§9901 et seq.) of this title by Pub. L. 105–205.
Page 5157

TITLE 42—THE PUBLIC HEALTH AND WELFARE
PART B—COORDINATION

§§ 2972 to 2978. Repealed. Pub. L. 97–35, title VI,
§ 683(a), Aug. 13, 1981, 95 Stat. 519
Section 2972, Pub. L. 88–452, title VI, § 630, as added
717, related to coordination of activities and policy
statement attendant thereto.
Section 2973, Pub. L. 88–452, title VI, § 631, as added
718; amended Pub. L. 95–568, § 17(a)(33), Nov. 2, 1978, 92
Stat. 2442, related to establishment, etc., of Economic
Opportunity Council.
Section 2974, Pub. L. 88–452, title VI, § 632, as added
2314; Pub. L. 95–568, §§ 13(j), 17(a)(34), Nov. 2, 1978, 92
Stat. 2436, 2442, set forth responsibilities of the Director.
Section 2975, Pub. L. 88–452, title VI, § 633, as added
719, related to cooperation of other Federal agencies.
Section 2976, Pub. L. 88–452, title VI, § 634, as added
719, related to combinations among projects and programs.
Section 2977, Pub. L. 88–452, title VI, § 635, as added
Stat. 2443, related to establishment, etc., of information center.
Section 2978, Pub. L. 88–452, title VI, § 636, as added
720, prohibited duplication of existing functions by new
departments or agencies.
EFFECTIVE DATE OF REPEAL
Repeal effective Oct. 1, 1981, see section 9912(a) of this
title, prior to the general amendment of chapter 106

Section, Pub. L. 88–452, title VI, § 637, as added Pub.
2314, related to special responsibilities and training
programs.
EFFECTIVE DATE OF REPEAL
Repeal effective Oct. 1, 1981, see section 9912(a) of this
title, prior to the general amendment of chapter 106

§§ 2979a, 2980. Repealed. Pub. L. 97–35, title VI,
§ 683(a), Aug. 13, 1981, 95 Stat. 519
Section 2979a, Pub. L. 88–452, title VI, § 638, as added
to utilization, etc., of regional offices.
Section 2980, Pub. L. 88–452, title VI, § 639, formerly
§ 638, as added Pub. L. 90–222, title I, § 108(m)(3), Dec. 23,
1967, 81 Stat. 721; renumbered § 639, Pub. L. 95–568,
§ 13(k), Nov. 2, 1978, 92 Stat. 2436, defined applicable
terms.
EFFECTIVE DATE OF REPEAL
Repeal effective Oct. 1, 1981, see section 9912(a) of this
title, prior to the general amendment of chapter 106

SUBCHAPTER VII—COMMUNITY ECONOMIC
DEVELOPMENT

§§ 2983 to 2983b

forth Congressional statement of purpose with respect
to community economic development programs.
A prior section 2981, Pub. L. 88–452, title VII, § 701,
§ 701(a), Nov. 8, 1966, 80 Stat. 1472; Pub. L. 90–222, title I,
§ 109, Dec. 23, 1967, 81 Stat. 722, respecting treatment of
income for certain public assistance purposes, related
to provisions of State plans and withholding of payments.
Section 2981a, Pub. L. 88–452, title VII, § 702, as added
‘‘community development corporation’’.
Section 2981b, Pub. L. 88–452, title VII, § 703, as added
to authorization of appropriations.
Section 2981c, Pub. L. 88–452, title VII, § 704, as added
to establishment, etc., of advisory community investment boards, and the National Board.
EFFECTIVE DATE OF REPEAL
Repeal effective Oct. 1, 1981, see section 9912(a) of this
title, prior to the general amendment of chapter 106

PART A—URBAN AND RURAL SPECIAL IMPACT
PROGRAMS
§§ 2982 to 2982c. Repealed. Pub. L. 97–35, title VI,
§ 683(a), Aug. 13, 1981, 95 Stat. 519
Section 2982, Pub. L. 88–452, title VII, § 711, as added
forth Congressional statement of policy with respect to
urban and rural special impact programs.
Section 2982a, Pub. L. 88–452, title VII, § 712, as added
L. 93–644, § 10(a), Jan. 4, 1975, 88 Stat. 2316; Pub. L.
94–341, § 2(b)(1), July 6, 1976, 90 Stat. 805; Pub. L. 95–568,
§ 14(c), Nov. 2, 1978, 92 Stat. 2437, related to establishment and scope of programs.
Section 2982b, Pub. L. 88–452, title VII, § 713, as added
L. 95–568, §§ 14(d), (e), 17(a)(36), Nov. 2, 1978, 92 Stat. 2437,
2443, set forth financial assistance requirements for
programs.
Section 2982c, Pub. L. 88–452, title VII, § 714, as added
EFFECTIVE DATE OF REPEAL
Repeal effective Oct. 1, 1981, see section 9912(a) of this
title, prior to the general amendment of chapter 106

§ 2982d. Omitted
CODIFICATION
L. 92–424, § 25(a), Sept. 19, 1972, 86 Stat. 700, related to
Federal share of program costs, prior to general amendment of this subchapter by Pub. L. 93–644, § 10(a), Jan.
4, 1975, 88 Stat. 2315, and was covered by section 2982c
of this title.

PART B—SPECIAL RURAL PROGRAMS

§§ 2981 to 2981c. Repealed. Pub. L. 97–35, title VI,
§ 683(a), Aug. 13, 1981, 95 Stat. 519

§§ 2983 to 2983b. Repealed. Pub. L. 97–35, title VI,
§ 683(a), Aug. 13, 1981, 95 Stat. 519

Section 2981, Pub. L. 88–452, title VII, § 701, as added
Pub. L. 92–424, § 25(a), Sept. 19, 1972, 86 Stat. 697; amend-

Section 2983, Pub. L. 88–452, title VII, § 721, as added
Pub. L. 92–424, § 25(a), Sept. 19, 1972, 86 Stat. 700; amend-




**Effective Date of Repeal**


**Part C—Development Loans to Community Economic Development Programs**


**Effective Date of Repeal**


§ 2984b. Omitted

**Codification**


**Effective Date of Repeal**


**Effective Date of Repeal**


**Subchapter VIII—Native American Programs**

§ 2991. Short title

This subchapter may be cited as the “Native American Programs Act of 1974”.


**Prior Provisions**


**Short Title of 2019 Amendment**

Pub. L. 116–191, § 1, Dec. 20, 2019, 133 Stat. 3261, provided that: “This Act (amending sections 2991–3 and 2992 of this title) may be cited as the ‘Esther Martinez Native American Languages Programs Reauthorization Act’.”

**Short Title of 2006 Amendment**

Pub. L. 109–394, § 1, Dec. 14, 2006, 120 Stat. 2705, provided that: “This Act (amending sections 2991–3 and 2992c of this title) may be cited as the ‘Esther Martinez Native American Languages Preservation Act of 2006’.”

**Short Title of 1998 Amendment**

Pub. L. 105–361, § 1, Nov. 10, 1998, 112 Stat. 3278, provided that: “This Act (amending sections 2991–1 and 2992a–1 of this title) may be cited as the ‘Esther Martinez Native American Languages Programs Amendments Act of 1998’.”

**Effective Date of Repeal**

§ 2991a. Congressional statement of purpose

The purpose of this subchapter is to promote the goal of economic and social self-sufficiency for American Indians, Native Hawaiians, other Native American Pacific Islanders (including American Samoan Natives), and Alaska Natives.


AMENDMENTS


1992—Pub. L. 102–375, which directed the substitution of “Alaskan Native” for “Alaskan Native”, could not be executed because the words “Alaskan Native” did not appear.

1987—Pub. L. 100–175, § 506(c)(1), substituted “Native Hawaiians” for “Hawaiian Natives”.
expected in addressing the myriad of problems facing Alaska Natives:

“(A) Self-reliance.

“(B) Self-determination.

“(C) Integrity of Native cultures.

“(8) There is a need to address the problems confronting Alaska Natives. This should be done rapidly, with certainty, and in conformity with the real economic, social, and cultural needs of Alaska Natives.

“(9) Congress retains and has exercised its constitutional authority over Native affairs in Alaska subsequent to the Treaty of Cession and does so now through this Act.

‘‘SEC. 2. ALASKA NATIVE IMPLEMENTATION STUDY.

“(a) FINDINGS.—The Congress finds and declares that—

“(1) the Alaska Native Commission adopted certain recommendations raising important policy questions which are unresolved in Alaska and which require further study and review before Congress considers legislation to implement solutions to address these recommendations; and

“(2) the Alaska Federation of Natives is the representative body of statewide Alaska Native interests best suited to further investigate and report to Congress with proposals to implement the recommendations of the Alaska Native Commission.

“(b) GRANT.—The Secretary of Health and Human Services shall make a grant to the Alaska Federation of Natives to conduct the study and submit the report required by this section. Such grant may only be made if the Alaska Federation of Natives agrees to abide by the requirements of this section.

“(c) STUDY.—Pursuant to subsection (b), the Alaska Federation of Natives shall—

“(1) examine the recommendations of the Alaska Native Commission;

“(2) examine initiatives in the United States, Canada, and elsewhere for successful ways that issues similar to the issues addressed by the Alaska Native Commission have been addressed;

“(3) conduct hearings within the Alaska Native community on further ways in which the Commission’s recommendations might be implemented; and

“(4) recommend enactment of specific provisions of law and other actions the Congress should take to implement such recommendations.

“(d) CONSIDERATION OF LOCAL CONTROL.—In developing its recommendations pursuant to subsection (c)(4), the Alaska Federation of Natives shall give specific attention to the ways in which the recommendations may be achieved at the local level with maximum local control of the implementation of the recommendations.

“(e) REPORT.—Not later than 12 months after the date on which the grant is made under subsection (b), the Alaska Federation of Natives shall submit a report on the study conducted under this section, together with the recommendations developed pursuant to subsection (c)(4), to the President and the Congress and to the Governor and legislature of the State of Alaska. In addition, the Alaska Federation of Natives shall make the report available to Alaska Native villages and organizations and to the general public.

“(f) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated $350,000 for the grant under subsection (b).

“(g) ADDITIONAL STATE FUNDING.—The Congress encourages the State of Alaska to provide the additional funding necessary for the completion of the study under this section.’

ALASKA NATIVE COMMISSION

Pub. L. 101–379, §12, Aug. 18, 1990, 104 Stat. 478, established a Joint Federal-State Commission on Policies and Programs Affecting Alaska Natives to conduct a comprehensive review of Federal and State policies and programs affecting Alaska Natives in order to identify specific actions that could be taken to help assure that

public policy goals were more fully realized among Alaska Natives, further provided for membership, meetings, and other administrative affairs of the Commission, as well as specific powers and duties, further directed the Commission to submit, by no later than 18 months after its first meeting, a report with recommendations to the President, the Congress, the Governor and legislature of the State of Alaska, and further provided for funding as well as termination of the Commission 180 days after the date of submission of its report.

$2991b. Financial assistance for Native American projects

(a) Authorization for financial assistance to public and nonprofit agencies; consultation with other Federal agencies to avoid duplication

The Commissioner is authorized to provide financial assistance, on a single year or multiyear basis, to public and nonprofit private agencies, including but not limited to, governing bodies of Indian tribes on Federal and State reservations, Alaska Native villages and regional corporations established by the Alaska Native Claims Settlement Act [43 U.S.C. 1601 et seq.], and such public and nonprofit private agencies serving Native Hawaiians, and Indian and Alaska Native organizations in urban or rural areas that are not Indian reservations or Alaska Native villages, for projects pertaining to the purposes of this subchapter. The Commissioner is authorized to provide financial assistance to public and nonprofit private agencies serving other Native American Pacific Islanders (including American Samoan Natives) for projects pertaining to the purposes of this Act. In determining the projects to be assisted under this subchapter, the Commissioner shall consult with other Federal agencies for the purpose of eliminating duplication or conflict among similar activities or projects and for the purpose of determining whether the findings resulting from those projects may be incorporated into one or more programs for which those agencies are responsible. Every determination made with respect to a request for financial assistance under this section shall be made without regard to whether the agency making such request serves, or the project to be assisted is for the benefit of, Indians who are not members of a federally recognized tribe. To the greatest extent practicable, the Commissioner shall ensure that each project to be assisted under this subchapter is consistent with the priorities established by the agency which receives such assistance.

(b) Limitations of financial assistance; exceptions; non-Federal contributions

Financial assistance extended to an agency under this subchapter shall not exceed 80 per
centum of the approved costs of the assisted project, except that the Commissioner may approve assistance in excess of such percentage if the Commissioner determines, in accordance with regulations establishing objective criteria, that such action is required in furtherance of the purposes of this subchapter. Non-Federal contributions may be in cash or in kind, fairly evaluated, including but not limited to plant, equipment, and services. The Commissioner shall not require non-Federal contributions in excess of 20 percent of the approved costs of programs or activities assisted under this subchapter.

(c) Assistance as addition to, and not substituted for, activities previously carried out without Federal assistance; waiver; nonreservation areas

(1) No project shall be approved for assistance under this subchapter unless the Commissioner is satisfied that the activities to be carried out under such project will be in addition to, and not in substitution for, comparable activities previously carried out without Federal assistance, except that the Commissioner may waive this requirement in any case in which the Commissioner determines, in accordance with regulations establishing objective criteria, that application of the requirement would result in unnecessary hardship or otherwise be inconsistent with the purposes of this subchapter.

(2) No project may be disapproved for assistance under this subchapter solely because the agency requesting such assistance is an Indian organization in a nonreservation area or serves Indians in a nonreservation area.

(d) Grants to improve tribal regulation of environmental quality

(1) The Commissioner shall award grants to Indian tribes for the purpose of funding 80 percent of the costs of planning, developing, and implementing programs designed to improve the capability of the governing body of the Indian tribe to regulate environmental quality pursuant to Federal and tribal environmental laws.

(2) The purposes for which funds provided under any grant awarded under paragraph (1) may be used include, but are not limited to—

(A) the training and education of employees responsible for enforcing, or monitoring compliance with, environmental quality laws,

(B) the development of tribal laws on environmental quality, and

(C) the enforcement and monitoring of environmental quality laws.

(3) The 20 percent of the costs of planning, developing, and implementing a program for which a grant is awarded under paragraph (1) that are not to be paid from such grant may be paid by the grant recipient in cash or through the provision of property or services, but only to the extent that such cash or property is from any source (including any Federal agency) other than a program, contract, or grant authorized under this subchapter.

(4) Grants shall be awarded under paragraph (1) on the basis of applications that are submitted by Indian tribes to the Commissioner in such form as the Commissioner shall prescribe.


REFERENCES IN TEXT

The Alaska Native Claims Settlement Act, referred to in subsec. (a), is Pub. L. 92–203, Dec. 18, 1971, 85 Stat. 688, as amended, which is classified generally to chapter 33 (§1601 et seq.) of Title 43, Public Lands. For complete classification of this Act to the Code, see Short Title note set out under section 1601 of Title 43 and Tables.

This Act, referred to in subsec. (a), probably means the Native American Programs Act of 1974, Pub. L. 88–452, title VIII, as added by Pub. L. 93–644, §11, Jan. 4, 1975, 88 Stat. 2324, which is classified generally to this subchapter, see section 2991a of this title.

PRIOR PROVISIONS


AMENDMENTS

1993—Subsec. (a). Pub. L. 103–171 substituted “areas that are not Indian reservations or Alaska Native villages” for “nonreservation areas”.

1992—Subsec. (a). Pub. L. 102–497 struck out “; subject to the availability of funds appropriated under the authority of section 2992d(c) of this title,” after “Commissioner is authorized” in second sentence.

Pub. L. 102–375, §822(21), substituted “Alaska Native villages” for “Alaskan Native villages”.

Pub. L. 102–375, §822(1)(A), (B)(i), substituted “Commissioner” for “Secretary” wherever appearing and substituted “Indian and Alaska Native organizations” for “Indian organizations”.

Pub. L. 102–375, §822(1)(B)(ii), which directed the substitution of “area that is not an Indian reservation or Alaska Native village for “nonreservation area”, could not be executed because the words “nonreservation area” did not appear.

Subsecs. (b), (c)(1), (d)(1), (4). Pub. L. 102–375, §822(1)(A), substituted “Commissioner” for “Secretary” wherever appearing.


1987—Subsec. (a). Pub. L. 100–175, §506(c)(2), substituted “Native Hawaiians” for “Hawaiian Native”.

Pub. L. 100–175, §§502(1), 504(a), inserted “...on a single year or multiyear basis,” after “assistance” in first sentence and inserted after first sentence “The Secretary is authorized, subject to the availability of funds appropriated under the authority of section 2992d(c) of this title, to provide financial assistance to public and nonprofit private agencies serving other Native American Indian Tribes (including American Samoa Native Tribes) for projects pertaining to the purposes of this Act.”

1984—Subsec. (a). Pub. L. 98–558, §1002(a), inserted at end “Every determination made with respect to a request for financial assistance under this section shall be made without regard to whether the agency making such request serves, or the project to be assisted is for the benefit of, Indians who are not members of a federally recognized tribe. To the greatest extent practicable, the Secretary shall ensure that each project to be assisted under this subchapter is consistent with the
§ 2991b–1. Loan fund; demonstration project

(a) Grant to Office of Hawaiian Affairs to establish revolving loan fund; purposes of fund; administrative costs; matching funds

(1) In order to provide funding that is not available from private sources, the Commissioner shall award a grant to the Office of Hawaiian Affairs of the State of Hawaii (referred to in this section as the “Office”), which shall use the grant to carry out, in the State of Hawaii, a demonstration project involving the establishment of a revolving loan fund—

(A) from which the Office shall make loans or loan guarantees to Native Hawaiian organizations and to individual Native Hawaiians for the purpose of promoting economic development in the State of Hawaii; and

(B) into which all payments, interest, charges, and other amounts collected from loans made under subparagraph (A) shall be deposited notwithstanding any other provision of law.

(2) The agreement under which a grant is awarded under paragraph (1) shall contain provisions which set forth the administrative costs of the grantee that are to be paid out of the funds provided under the grant and a requirement that the grantee contribute to the revolving loan fund an amount of non-Federal funds equal to the amount of such grant.

(b) Loans or loan guarantees to borrowers; determinations; term; interest rate; default and collection procedures; prohibition on self-lending

(1) The Office may make a loan or loan guarantee to a borrower under subsection (a)(1)(A) only if the Office determines that—

(A) the borrower is unable to obtain financing from other sources on reasonable terms and conditions; and

(B) there is a reasonable prospect that the borrower will repay the loan.

(2) Each loan or loan guarantee made under subsection (a)(1)(A) shall be—

(A) for a term that does not exceed 7 years; and

(B) at a rate of interest that does not exceed a rate equal to the sum of—

(I) the most recently published prime rate (as published in the newspapers of general circulation in the State of Hawaii before the date on which the loan is made); and

(II) 3 percentage points.

(3) The Office may require any borrower of a loan made under subsection (a)(1)(A) to provide such collateral as the Office determines to be necessary to secure the loan.

(4) Prior to making loans under subsection (a)(1)(A), the Office shall establish written procedures and definitions pertaining to defaults and collections of payments under the loans which shall be subject to the review and approval of the Commissioner. Such Office shall provide to each applicant for a loan under subsection (a)(1)(A), at the time application for the loan is made, a written copy of such procedures and definitions.

(5) The Office may not lend to itself any of the funds awarded under the grant.

(c) Notice to Commissioner of loans in default and uncollectability of such loans; instructions by Commissioner

(1) The Office shall provide the Commissioner at regular intervals written notice of each loan made under subsection (a)(1)(A) that is in default and the status of such loan.

(2)(A) After making reasonable efforts to collect all amounts payable under a loan made under subsection (a)(1)(A) that is in default, the Office shall notify the Commissioner that such loan is uncollectable or collectable only at an unreasonable cost. Such notice shall include recommendations for future action to be taken by the Office.

(B) Upon receiving such notice, the Commissioner shall instruct the Office—

(i) to continue with its collection activities;

(ii) to cancel, adjust, compromise, or reduce the amount of such loan; or

(iii) to modify any term or condition of such loan, including any term or condition relating to the rate of interest or the time of payment of any installment of principal or interest, or portion thereof, that is payable under such loan.

(C) The Office shall carry out all instructions received under subparagraph (B) from the Commissioner.

(d) Payment of administrative costs; management and technical assistance

(1) The Office shall pay expenses incurred by the Office in administering the revolving loan fund; and

(B) provide competent management and technical assistance to borrowers of loans made under subsection (a)(1)(A) to assist the borrowers to achieve the purposes of such loans.

(2) The Commissioner shall provide to the Office such management and technical assistance as the Office may request in order to carry out the provisions of this section.

(e) Regulations

Not later than 120 days after November 29, 1987, the Commissioner, in consultation with appropriate agencies of the State of Hawaii and community-based Native Hawaiian organizations, shall prescribe regulations which set forth the procedures and criteria to be used—

(1) in making loans under subsection (a)(1)(A); and
(2) in canceling, adjusting, compromising, and reducing under subsection (c) the outstanding amounts of such loans.

The Commissioner may prescribe such other regulations as may be necessary to carry out the purposes of this section, including regulations involving reporting and auditing.

(f) Authorization of appropriations; investment in obligations of United States

(1) There is authorized to be appropriated for each of the fiscal years 2000 and 2001, $1,000,000 for the purpose of carrying out the provisions of this section. Any amount appropriated under this paragraph shall remain available for expenditure without fiscal year limitation.

(2) The revolving loan fund that is required to be established under subsection (a)(1) shall be maintained as a separate account. Any portion of the revolving loan fund that is not required for expenditure shall be invested in obligations of the United States or in obligations guaranteed or insured by the United States.

(g) Reports to Congress; contents

(1) The Commissioner, in consultation with the Office, shall submit a report to the President pro tempore of the Senate and the Speaker of the House of Representatives not later than January 1 following each fiscal year, regarding the administration of this section in such fiscal year.

(2) Such report shall include the views and recommendations of the Commissioner with respect to the revolving loan fund established under subsection (a)(1) and with respect to loans made from such fund, and shall—

(A) describe the effectiveness of the operation of such fund in improving the economic and social self-sufficiency of Native Hawaiians;

(B) specify the number of loans made in such fiscal year;

(C) specify the number of loans outstanding as of the end of such fiscal year; and

(D) specify the number of borrowers who fall in such fiscal year to repay loans in accordance with the agreement under which such loans are required to be repaid.


AMENDMENTS

1998—Subsec. (a)(1). Pub. L. 105–361, § 3(a)(1)(A), in introductory provisions, substituted “award a grant” for “award grants” and “use that grant to carry out” for “use such grants to establish and carry out”.


Subsec. (b)(1). Pub. L. 105–361, § 3(a)(2)(A), substituted “a loan or loan guarantee to a borrower” for “loan to a borrower” in introductory provisions.


Subsec. (b)(2)(A). Pub. L. 105–361, § 3(a)(2)(B)(ii), substituted “4 years” for “5 years” in subsec. (b)(2)(B), Pub. L. 105–361, § 3(a)(2)(B)(iii), substituted “that does not exceed a rate equal to the sum of—” for “that is 2 percentage points below the average market yield on the most recent public offering of United States Treasury bills occurring before the date on which the loan is made,” which was struck out pursuant to the amendment of subsection (a)(1).
§ 2991b–2. Establishment of Administration for Native Americans

(a) Establishment

There is established in the Department of Health and Human Services (referred to in this subchapter as the “Department”) the Administration for Native Americans (referred to in this subchapter as the “Administration”), which shall be headed by a Commissioner of the Administration for Native Americans (referred to in this subchapter as the “Commissioner”). The Administration shall be the agency responsible for carrying out the provisions of this subchapter.

(b) Commissioner

The Commissioner shall be appointed by the President, by and with the advice and consent of the Senate.

(c) Duties

The Commissioner shall—

1. provide for financial assistance, loan funds, technical assistance, training, research and demonstration projects, and other activities, described in this subchapter;

2. serve as the effective and visible advocate on behalf of Native Americans within the Department, and with other departments and agencies of the Federal Government regarding all Federal policies affecting Native Americans;

3. with the assistance of the Intra-Departmental Council on Native American Affairs established by subsection (d)(1), coordinate activities within the Department leading to the development of policies, programs, and budgets, and their administration affecting Native Americans, and provide quarterly reports and recommendations to the Secretary;

4. collect and disseminate information related to the social and economic conditions of Native Americans, and preparing an annual report to the Congress about such conditions;

5. give preference to agencies described in section 2991b(a) of this title that are eligible for assistance under this subchapter, in entering into contracts for technical assistance, training, and evaluation under this subchapter; and

6. encourage agencies that carry out projects under this subchapter, to give preference to Native Americans, in hiring and entering into contracts to carry out such projects.

(d) Intra-Departmental Council on Native American Affairs

1. There is established in the Office of the Secretary the Intra-Departmental Council on Native American Affairs. The Commissioner shall be the chairperson of such Council and shall advise the Secretary on all matters affecting Native Americans that involve the Department. The Director of the Indian Health Service shall serve as vice chairperson of the Council.

2. The membership of the Council shall be the heads of principal operating divisions within the Department, as determined by the Secretary, and such persons in the Office of the Secretary as the Secretary may designate.

3. In addition to the duties described in subsection (c)(3), the Council shall, within 180 days following September 30, 1992, prepare a plan, including legislative recommendations, to allow tribal governments and other organizations described in section 2991b(a) of this title to consolidate grants administered by the Department and to designate a single office to oversee and audit the grants. Such plan shall be submitted to the committees of the Senate and the House of Representatives having jurisdiction over the Administration for Native Americans.

(e) Staffing levels

The Secretary shall assure that adequate staff and administrative support is provided to carry out the purpose of this subchapter. In determining the staffing levels of the Administration, the Secretary shall consider among other factors the unmet needs of the Native American population, the need to provide adequate oversight and technical assistance to grantees, the need to carry out the activities of the Council, the additional reporting requirements established, and the staffing levels previously maintained in support of the Administration.

AMENDMENTS


§ 2991b–3. Grant program to ensure survival and continuing vitality of Native American languages

(a) Authority to award grants

The Secretary shall award a grant to any agency or organization that is—

1. eligible for financial assistance under section 2991b(a) of this title; and

2. selected under subsection (c), to be used to assist Native Americans in ensuring the survival and continuing vitality of Native American languages.
(b) Purposes for which grants may be used

The purposes for which each grant awarded under subsection (a) may be used include, but are not limited to—

(1) the establishment and support of a community Native American language project to bring older and younger Native Americans together to facilitate and encourage the transfer of Native American language skills from one generation to another;

(2) the establishment of a project to train Native Americans to teach a Native American language to others or to enable them to serve as interpreters or translators of such language;

(3) the development, printing, and dissemination of materials to be used for the teaching and enhancement of a Native American language;

(4) the establishment or support of a project to train Native Americans to produce or participate in a television or radio program to be broadcast in a Native American language;

(5) the compilation, transcription, and analysis of oral testimony to record and preserve a Native American language;

(6) the purchase of equipment (including audio and video recording equipment, computers, and software) required to conduct a Native American language project; and

(7)(A) Native American language nests, which are site-based educational programs that—

(i) provide instruction and child care through the use of a Native American language for at least 5 children under the age of 7 for an average of at least 500 hours per year per student;

(ii) provide classes in a Native American language for parents (or legal guardians) of students enrolled in a Native American language nest (including Native American language-speaking parents); and

(iii) ensure that a Native American language is the dominant medium of instruction in the Native American language nest;

(B) Native American language survival schools, which are site-based educational programs for school-age students that—

(i) provide an average of at least 500 hours of instruction through the use of 1 or more Native American languages for at least 10 students for whom a Native American language survival school is their principal place of instruction;

(ii) develop instructional courses and materials for learning Native American languages and for instruction through the use of Native American languages;

(iii) provide for teacher training;

(iv) work toward a goal of increasing proficiency and fluency in at least 1 Native American language; and

(v) are located in areas that have high numbers or percentages of Native American students; and

(C) Native American language restoration programs, which are educational programs that—

(i) operate at least 1 Native American language program for the community in which it serves;

(ii) provide training programs for teachers of Native American languages;

(iii) develop instructional materials for the programs;

(iv) work toward a goal of increasing proficiency and fluency in at least 1 Native American language;

(v) provide instruction in at least 1 Native American language; and

(vi) may use funds received under this section for—

(I) Native American language programs, such as Native American language immersion programs, Native American language and culture camps, Native American language programs provided in coordination and cooperation with educational entities, Native American language programs provided in coordination and cooperation with local universities and colleges, Native American language programs that use a master-apprentice model of learning languages, and Native American language programs provided through a regional program to better serve geographically dispersed students;

(II) Native American language teacher training programs, such as training programs in Native American language translation for fluent speakers, training programs for Native American language teachers, training programs for teachers in schools to utilize Native American language materials, tools, and interactive media to teach Native American language; and

(III) the development of Native American language materials, such as books, audio and visual tools, and interactive media programs.

(c) Applications

For the purpose of making grants under subsection (a), the Secretary shall select applicants from among agencies and organizations described in such subsection on the basis of applications submitted to the Secretary at such time, in such form, and containing such information as the Secretary shall require, but each application shall include at a minimum—

(1) a detailed description of the current status of the Native American language to be addressed by the project for which a grant under subsection (a) is requested, including a description of existing programs and projects, if any, in support of such language;

(2) a detailed description of the project for which such grant is requested;

(3) a statement of objectives that are consonant with the purpose described in subsection (a);

(4) a detailed description of a plan to be carried out by the applicant to evaluate such project, consonant with the purpose for which such grant is made;
§ 2991b–3

(5) if appropriate, an identification of opportunities for the replication of such project or the modification of such project for use by other Native Americans;

(6) a plan for the preservation of the products of the Native American language project for the benefit of future generations of Native Americans and other interested persons; and

(7) in the case of an application for a grant to carry out any purpose specified in subsection (b)(7)(B), a certification by the applicant that the applicant has not less than 3 years of experience in operating and administering a Native American language survival school, a Native American language nest, or any other educational program in which instruction is conducted in a Native American language.

(d) Participating organizations

If a tribal organization or other eligible applicant decides that the objectives of its proposed Native American language project would be accomplished more effectively through a partnership arrangement with a school, college, or university, the applicant shall identify such school, college, or university as a participating organization in the application submitted under subsection (c).

(e) Limitations on funding

(1) Share

Notwithstanding any other provision of this subchapter, a grant made under subsection (a) may not be expended to pay more than 80 percent of the cost of the project that is assisted by such grant. Not less than 20 percent of such cost—

(A) shall be in cash or in kind, fairly evaluated, including plant, equipment, or services; and

(B)(i) may be provided from any private or non-Federal source; and

(ii) may include funds (including interest) distributed to a tribe—

(I) by the Federal Government pursuant to the satisfaction of a claim made under Federal law;

(II) from funds collected and administered by the Federal Government on behalf of such tribe or its constituent members; or

(III) by the Federal Government for general tribal administration or tribal development under a formula or subject to a tribal budgeting priority system, such as, but not limited to, funds involved in the settlement of land or other judgment claims, severance or other royalty payments, or payments under the Indian Self-Determination Act (25 U.S.C. 450f et seq.) or tribal budget priority system.

(2) Duration

The Secretary may make grants made under subsection (a) on a 1-year, 2-year, 3-year, 4-year, or 5-year basis, except that grants made under such subsection for any purpose specified in subsection (b)(7) may be made only on a 3-year, 4-year, or 5-year basis.

(f) Administration

(1) The Secretary shall carry out this section through the Administration for Native Americans.

(2)(A) Not later than 180 days after October 26, 1992, the Secretary shall appoint a panel of experts for the purpose of assisting the Secretary to review—

(i) applications submitted under subsection (a);

(ii) evaluations carried out to comply with subsection (c)(4); and

(iii) the preservation of products required by subsection (c)(5).

(B) Such panel shall include, but not be limited to—

(i) a designee of the Institute of American Indian and Alaska Native Culture and Arts Development;

(ii) a designee of the regional centers funded under section 221 of title 20;

(iii) representatives of national, tribal, and regional organizations that focus on Native American language, or Native American cultural, research, development, or training; and

(iv) other individuals who are recognized for their expertise in the area of Native American language.

Recommendations for appointment to such panel shall be solicited from Indian tribes and tribal organizations.

(C) The duties of such panel include—

(i) making recommendations regarding the development and implementation of regulations, policies, procedures, and rules of general applicability with respect to the administration of this section;

(ii) reviewing applications received under subsection (c);

(iii) providing to the Secretary a list of recommendations for the approval of such applications—

(I) in accordance with regulations issued by the Secretary; and

(II) the relative need for the project; and

(iv) reviewing evaluations submitted to comply with subsection (c)(4).

(D)(i) Subject to clause (ii), a copy of the products of the Native American language project for which a grant is made under subsection (a)—

(I) shall be transmitted to the Institute of American Indian and Alaska Native Culture and Arts Development; and

(II) may be transmitted, in the discretion of the grantee, to national and regional repositories of similar material;

for preservation and use consonant with their respective responsibilities under other Federal law.

(ii) Based on the Federal recognition of the sovereign authority of Indian tribes over all aspects of their cultures and language and except as provided in clause (iii), an Indian tribe may make a determination—

(I) not to transmit copies of such products under clause (i) or not to permit the redistribution of such copies; or

2So in original. The comma probably should not appear.
(II) to restrict in any manner the use or re-distribution of such copies after transmission under such clause.

(iii) Clause (ii) shall not be construed to authorize Indian tribes—

(I) to limit the access of the Secretary to such products for purposes of administering this section or evaluating such products; or

(II) to sell such products, or copies of such products, for profit to the entities referred to in clause (I).


REFERENCES IN TEXT

The Indian Self-Determination Act (25 U.S.C. 450f et seq.), referred to in subsec. (e)(1)(B)(ii)(III), is title I of Pub. L. 93–638, Jan. 4, 1975, 88 Stat. 2206, which was classified principally to part A (§450f et seq.) of subchapter II of chapter 14 of Title 25, Indians, prior to editorial re-classification as subchapter I (§5321 et seq.) of chapter 46 of Title 25. For complete classification of this Act to the Code, see Short Title note set out under section II of chapter 14 of Title 25, Indians, prior to editorial re-classification, Pub. L. 93–638, Jan. 4, 1975, 88 Stat. 2206, which was classified ''10 students'' for ''15 students''.

The Commissioner shall provide, directly or through other arrangements—

(A) technical assistance to a potential grantee in revising a grant proposal.

(3) upon denial of a grant application, technical assistance to a potential grantee in revising a grant proposal.

(Pub. L. 88–452, title VIII, § 804, as added Pub. L. 93–644, § 11, Jan. 4, 1975, 88 Stat. 2234; amended Pub. L. 109–394, § 2(3), inserted '', except that grants made under such subsection for any purpose specified in subsection (b)(7) may be made only on a 3-year basis'' before period at end.

$2991d. Research, demonstration, and pilot projects

(a) The Commissioner may provide financial assistance through grants or contracts for research, demonstration, or pilot projects conducted by public or private agencies which are designed to test or assist in the development of new approaches or methods that will aid in overcoming special problems or otherwise furthering the purposes of this subchapter.

(b) The Commissioner shall establish an overall plan to govern the approval of research, demonstration, and pilot projects and the use of all research authority under this subchapter. The plan shall set forth specific objectives to be achieved and priorities among such objectives.


PRIOR PROVISIONS


AMENDMENTS

1992—Subsecs. (a), (b). Pub. L. 102–375 substituted “Commissioner” for “Secretary”.

$2991d–1. Panel review of applications for assistance

(a) Establishment of formal panel; members

(1) The Commissioner shall establish a formal panel review process for purposes of—

(A) evaluating applications for financial assistance under sections 2991b and 2991d of this title; and

(B) determining the relative merits of the projects for which such assistance is requested.

(2) To implement the process established under paragraph (1), the Commissioner shall appoint members of review panels from among individuals who are not officers or employees of the Administration for Native Americans. In making appointments to such panels, the Commissioner shall give preference to American Indians, Native Hawaiians, other Native American Pacific Islanders (including American Samoan Natives), and Alaska Natives.

(b) Duties of panel

Each review panel appointed under subsection (a)(2) that reviews any application for financial assistance shall—
(1) determine the merit of each project described in such application;
(2) rank such application with respect to all other applications it reviews for the fiscal year involved, according to the relative merit of all of the projects that are described in such application and for which financial assistance is requested; and
(3) submit to the Commissioner a list that identifies all applications reviewed by such panel and arranges such applications according to rank determined under paragraph (2).

(c) Notice to Congressional committee chairman; information required

Upon the request of the chairman of the Committee on Indian Affairs of the Senate or of the chairman of the Committee on Education and Labor of the House of Representatives made with respect to any application for financial assistance under section 2991b or 2991d of this title, the Commissioner shall transmit to the chairman written notice—

(1) identifying such application;
(2) containing a copy of the list submitted to the Commissioner under subsection (b)(3) in which such application is ranked;
(3) specifying which other applications ranked in such list have been approved by the Commissioner under sections 2991b and 2991d of this title; and
(4) if the Commissioner has not approved each application superior in merit, as indicated on such list, to the application with respect to which such notice is transmitted, containing a statement of the reasons relied upon by the Commissioner for—

(A) approving the application with respect to which such notice is transmitted; and
(B) failing to approve each pending application that is superior in merit, as indicated on such list, to the application described in subparagraph (A).


PRIOR PROVISIONS


AMENDMENTS


§ 2991f. Submission of plans to State and local officials

(a) Submission to governing body of Indian reservation or Alaska Native village

No financial assistance may be provided to any project under section 2991b of this title or any research, demonstration, or pilot project under section 2991d of this title, which is to be carried out on or in an Indian reservation or Alaska Native village, unless a plan setting forth the project has been submitted to the governing body of that reservation or village and the plan has not been disapproved by the governing body within thirty days of its submission.

(b) Notification to chief executive officer of State or Territory

No financial assistance may be provided to any project under section 2991b of this title or...
any research, demonstration, or pilot project under section 2991d of this title, which is to be carried out in a State or Territory other than on or in an Indian reservation or Alaska Native village or Hawaiian Homestead, unless the Commissioner has notified the chief executive officer of the State or Territory of the decision of the Commissioner to provide that assistance.

(c) Notification to local governing officials of political subdivision

No financial assistance may be provided to any project under section 2991b of this title or any research, demonstration, or pilot project under section 2991d of this title, which is to be carried out in a city, county, or other major political subdivision of a State or Territory, unless the Commissioner has notified the local governing officials of the political subdivision of the decision of the Commissioner to provide that assistance.


PRIOR PROVISIONS

A prior section 809 of Pub. L. 88–452 was renumbered section 810 and is classified to section 2991h of this title.

AMENDMENTS

1992—Subsecs. (a), (b). Pub. L. 102–375 substituted “Commissioner” for “Secretary”.

§ 2991h. Appeals, notice, and hearing

(a) The Commissioner shall prescribe procedures to assure that—

(1) financial assistance under this subchapter shall not be suspended, except in emergency situations, unless the assisted agency has been given reasonable notice and opportunity to show cause why such action should not be taken; and

(2) financial assistance under this subchapter shall not be terminated, and application for refunding shall not be denied, and a suspension of financial assistance shall not be continued for longer than thirty days, unless the assisted agency has been afforded reasonable notice and opportunity for a full and fair hearing.

(b) If an application is rejected on the grounds that the applicant is ineligible or that activities proposed by the applicant are ineligible for funding, the applicant may appeal to the Secretary, not later than 30 days after the date of receipt of notification of such rejection, for a review of the grounds for such rejection. On appeal, if the Secretary finds that an applicant is eligible or that its proposed activities are eligible, such eligibility shall not be effective until the next cycle of grant proposals are considered by the Administration.


PRIOR PROVISIONS

A prior section 810 of Pub. L. 88–452 was renumbered section 811 and is classified to section 2992 of this title.

AMENDMENTS

1992—Pub. L. 102–375 substituted “Commissioner” for “Secretary”.

§ 2991g. Records and audits

(a) Each agency which receives financial assistance under this subchapter shall keep such records as the Commissioner may prescribe, including records which fully disclose the amount and disposition by that agency of such financial assistance, the total cost of the project in connection with which such financial assistance is given or used, the amount of that portion of the cost of the project supplied by other sources, and such other records as will facilitate an effective audit.

(b) The Commissioner and the Comptroller General of the United States, or any of their duly authorized representatives, shall have access for the purpose of audit and examination to any books, documents, papers, and records of any agency which receives financial assistance under this subchapter that are pertinent to the financial assistance received under this subchapter.


PRIOR PROVISIONS

A prior section 809 of Pub. L. 88–452 was renumbered section 810 and is classified to section 2991h of this title.

AMENDMENTS

1992—Subsecs. (a), (b). Pub. L. 102–375 substituted “Commissioner” for “Secretary”.

(a) Each agency which receives financial assistance under section 2991d of this title, which is to be carried out in a State or Territory other than on or in an Indian reservation or Alaska Native village or Hawaiian Homestead, unless the Commissioner has notified the chief executive officer of the State or Territory of the decision of the Commissioner to provide that assistance.

(c) Notification to local governing officials of political subdivision

No financial assistance may be provided to any project under section 2991b of this title or any research, demonstration, or pilot project under section 2991d of this title, which is to be carried out in a city, county, or other major political subdivision of a State or Territory, unless the Commissioner has notified the local governing officials of the political subdivision of the decision of the Commissioner to provide that assistance.


PRIOR PROVISIONS

A prior section 809 of Pub. L. 88–452 was renumbered section 810 and is classified to section 2991h of this title.

AMENDMENTS

1992—Subsecs. (a), (b). Pub. L. 102–375 substituted “Commissioner” for “Secretary”.

§ 2991h. Appeals, notice, and hearing

(a) The Commissioner shall prescribe procedures to assure that—

(1) financial assistance under this subchapter shall not be suspended, except in emergency situations, unless the assisted agency has been given reasonable notice and opportunity to show cause why such action should not be taken; and

(2) financial assistance under this subchapter shall not be terminated, and application for refunding shall not be denied, and a suspension of financial assistance shall not be continued for longer than thirty days, unless the assisted agency has been afforded reasonable notice and opportunity for a full and fair hearing.

(b) If an application is rejected on the grounds that the applicant is ineligible or that activities proposed by the applicant are ineligible for funding, the applicant may appeal to the Secretary, not later than 30 days after the date of receipt of notification of such rejection, for a review of the grounds for such rejection. On appeal, if the Secretary finds that an applicant is eligible or that its proposed activities are eligible, such eligibility shall not be effective until the next cycle of grant proposals are considered by the Administration.

§ 2992. Evaluation of projects

(a) Description and measurement of project impact, effectiveness, and structure and mechanisms for delivery of services; frequency of evaluations

(1) The Commissioner shall provide, directly or through grants or contracts, for the evaluation of projects assisted under this subchapter, including evaluations that describe and measure the impact of such projects, their effectiveness in achieving stated goals, their impact on related programs, and their structure and mechanisms for delivery of services, including, where appropriate, comparisons with appropriate controls, composed of persons who have not participated in such projects. Evaluations shall be conducted by persons not directly involved in the administration of the program or project evaluated.

(2) The projects assisted under this subchapter shall be evaluated in accordance with this section, not less frequently than at 3-year intervals.

(b) General standards for evaluation

Prior to obligating funds for the programs and projects covered by this subchapter with respect to fiscal year 1976, the Commissioner shall develop and publish general standards for evaluation of program and project effectiveness in achieving the objectives of this subchapter. The extent to which such standards have been met shall be considered in deciding whether to renew or supplement financial assistance authorized under this subchapter.

(c) Independent evaluations

In carrying out evaluations under this subchapter, the Commissioner may require agencies which receive assistance under this subchapter to provide for independent evaluations.

(d) Specificity of views

In carrying out evaluations under this subchapter, the Commissioner shall, whenever feasible, arrange to obtain the specific views of persons participating in and served by programs and projects assisted under this subchapter about such programs and projects.

(e) Publication of results; submission to Congress

The Commissioner shall publish the results of evaluative research and summaries of evaluations of program and project impact and effectiveness not later than ninety days after the completion thereof. The Commissioner shall submit to the appropriate committees of the Congress copies of all such research studies and evaluation summaries.

(f) Evaluation results as United States property

The Commissioner shall take the necessary action to assure that all studies, evaluations, proposals, and data produced or developed with assistance under this subchapter shall become the property of the United States.

§ 2992a. Labor standards

All laborers and mechanics employed by contractors or subcontractors in the construction, alteration, or repair, including painting or decorating, of buildings or other facilities in connection with projects assisted under this subchapter, shall be paid wages at rates not less than those prevailing on similar construction in the locality, as determined by the Secretary of Labor in accordance with sections 3141–3144, 3146, and 3147 of title 40. The Secretary of Labor shall have, with respect to such labor standards, the authority and functions set forth in Reorganization Plan Numbered 14 of 1950, and section 3145 of title 40.

Prior Provisions


A prior section 811 of Pub. L. 88–452 was renumbered section 812 and is classified to section 2992a of this title.


Amendments

1992—Subsec. (a). Pub. L. 102–375 substituted “Commissioner” for “Secretary”, designated existing provisions as par. (1), and added par. (2).

Subsecs. (b) to (f). Pub. L. 102–375, §822(11)(A), substituted “Commissioner” for “Secretary” wherever appearing.

§ 2992–1. Annual report

The Secretary shall, not later than January 31 of each year, prepare and transmit to the President pro tempore of the Senate and the Speaker of the House of Representatives an annual report on the social and economic conditions of American Indians, Native Hawaiians, other Native American Pacific Islanders (including American Samoan Natives), and Alaska Natives, together with such recommendations to Congress as the Secretary considers to be appropriate.

References in Text

§ 2992b. Administration

Nothing in this subchapter shall be construed to prohibit interagency funding agreements made between the Administration and other agencies of the Federal Government for the development and implementation of specific grants or projects.

(A) proposed under this subchapter; or
(B) applicable exclusively to any program, project, or activity authorized by, or carried out under, this subchapter;

§ 2992b–1. Additional requirements applicable to rulemaking

(a) In general

Notwithstanding subsection (a) of section 553 of title 5, and except as otherwise provided in this section, such section 553 shall apply with respect to the establishment and general operation of any program that provides loans, grants, benefits, or contracts authorized by this subchapter.

(b) Interpretative rule or general statement of policy; waiver of notice and public procedure regarding any other rule

(1) Subparagraph (A) of the last sentence of section 553(b) of title 5 shall not apply with respect to any interpretative rule or general statement of policy—

(A) proposed under this subchapter; or
(B) applicable exclusively to any program, project, or activity authorized by, or carried out under, this subchapter.

(2) Subparagraph (B) of the last sentence of section 553(b) of title 5 shall not apply with respect to any rule (other than an interpretative rule or a general statement of policy)—

(A) proposed under this subchapter; or
(B) applicable exclusively to any program, project, or activity authorized by, or carried out under, this subchapter;

(c) Effective date of rule or general statement of policy

Notwithstanding section 553(d) of title 5, no rule (including an interpretative rule) or general statement of policy that—

(1) is issued to carry out this subchapter; or
(2) applies exclusively to any program, project, or activity authorized by, or carried out under, this subchapter;

may take effect until 30 days after the publication required under the first 2 sentences of section 553(b) of title 5.

(d) Statutory citation required

Each rule (including an interpretative rule) and each general statement of policy to which this section applies shall contain after each of its sections, paragraphs, or similar textual units a citation to the particular provision of statutory or other law that is the legal authority for such section, paragraph, or unit.

(e) Rule or general statement of policy necessary as result of legislation; time for issuance

Except as provided in subsection (c), if as a result of the enactment of any law affecting the administration of this subchapter it is necessary or appropriate for the Secretary to issue any rule (including any interpretative rule) or a gen-
eral statement of policy, the Secretary shall issue such rule or such general statement of policy not later than 180 days after the date of the enactment of such law.

(f) Copy of rule or general statement of policy to Congressional leaders

Whenever an agency publishes in the Federal Register a rule (including an interpretative rule) or a general statement of policy to which subsection (c) applies, such agency shall transmit a copy of such rule or such general statement of policy to the Speaker of the House of Representatives and the President pro tempore of the Senate.


Prior Provisions

A prior section 814 of Pub. L. 88–452 was renumbered section 816 and is classified to section 2992d of this title.

Effective Date

Section effective Oct. 1, 1987, see section 70(a) of Pub. L. 100–175, set out as an Effective Date of 1987 Amendment note under section 3001 of this title.

§ 2992c. Definitions

As used in this subchapter, the term—

(1) "average" means the aggregate number of hours of instruction through the use of a Native American language to all students enrolled in a native language immersion program during a school year divided by the total number of students enrolled in the immersion program;

(2) "financial assistance" includes assistance advanced by grant, agreement, or contract, but does not include the procurement of plant or equipment, or goods or services;

(3) "Indian reservation or Alaska Native village" includes the reservation of any federally or State recognized Indian tribe, including any band, nation, pueblo, or rancheria, any former reservation in Oklahoma, and community under the jurisdiction of an Indian tribe, including a band, nation, pueblo, or rancheria, with allotted lands or lands subject to a restriction against alienation imposed by the United States or a State, and any lands of or under the jurisdiction of an Alaska Native village or group, including any lands selected by Alaska Natives or Alaska Native organizations under the Alaska Native Claims Settlement Act [43 U.S.C. 1601 et seq.];

(4) "Native Hawaiian" means any individual any of whose ancestors were natives of the area which consists of the Hawaiian Islands prior to 1778;

(5) the term "rule" has the meaning given it in section 551(4) of title 5, as amended from time to time;

(6) "Secretary" means the Secretary of Health and Human Services; and

(7) the term "Native American Pacific Islander" means an individual who is indigenous to a United States territory or possession located in the Pacific Ocean, and includes such individual while residing in the United States.


References in Text

The Alaska Native Claims Settlement Act, referred to in par. (3), is Pub. L. 92–203, Dec. 18, 1971, 85 Stat. 688, as amended, which is classified generally to chapter 33 (§1601 et seq.) of Title 43, Public Lands. For complete classification of this Act to the Code, see Short Title note set out under section 1601 of Title 43 and Tables.

Amendments

2006—Pub. L. 109–394 added par. (1) and redesignated former pars. (1) to (6) as (2) to (7), respectively.


1987—Pars. (4), (5). Pub. L. 100–175, §503(b), added par. (4) and redesignated former par. (4) as (5).


Effective Date of 1987 Amendment

Amendment by Pub. L. 100–175 effective Oct. 1, 1987, see section 70(a) of Pub. L. 100–175, set out as a note under section 3001 of this title.

§ 2992d. Authorization of appropriations

(a) There are authorized to be appropriated for the purpose of carrying out the provisions of this subchapter (other than sections 2991b(d), 2991b–1, 2991b–3 of this title, subsection (d) of this section, and any other provision of this subchapter for which there is an express authorization of appropriations), such sums as may be necessary for each of fiscal years 1999, 2000, 2001, and 2002.

(b) Not less than 90 per centum of the funds made available to carry out the provisions of this subchapter (other than sections 2991b(d), 2991b–1, 2991b–3, 2991c of this title, subsection (d) of this section, and any other provision of this subchapter for which there is an express authorization of appropriations) for a fiscal year shall be expended to carry out section 2991b(a) of this title for such fiscal year.

(c) There is authorized to be appropriated $8,000,000 for each of fiscal years 1999, 2000, 2001, and 2002, for the purpose of carrying out the provisions of section 2991b(d) of this title.

(d)(1) For fiscal year 1994, there are authorized to be appropriated such sums as may be necessary for the purpose of—

(A) establishing demonstration projects to conduct research related to Native American studies and Indian policy development; and

(B) continuing the development of a detailed plan, based in part on the results of the projects, for the establishment of a National
Center for Native American Studies and Indian Policy Development.

(2) Such a plan shall be delivered to the Congress not later than 30 days after September 30, 1992.

(e) There are authorized to be appropriated to carry out section 2991b-3 of this title $13,000,000 for each of fiscal years 2020 through 2024.


AMENDMENTS

2019—Subsecs. (a), (b), Pub. L. 116–101, §3(b), substituted “subsection (d)” for “subsection (e)”. (c) and struck out former subsec. (c) which read as follows:


1993—Subsec. (a), (b), Pub. L. 103–171, §5(b), substituted “2991b–1,” for “2991b–1.”

1987—Subsec. (c). Pub. L. 100–175, §506(b), inserted “(other than section 2991b-1 of this title)” after “this subchapter”.

1986—Subsec. (c). Pub. L. 100–175, §506(b), added subsec. (c). (d) for allowance of service as non-Federal contributions.


EFFECTIVE DATE OF 1987 AMENDMENT

Amendment by section 505 of Pub. L. 100–175 effective Oct. 1, 1987, and amendment by section 506(b) of Pub. L. 100–175 effective upon expiration of 90-day period beginning Nov. 29, 1987, see section 701(a), (c) of Pub. L. 100–175, set out as a note under section 3001 of this title.


Section 2993, Pub. L. 88–452, title VIII, §820, as added Pub. L. 90–222, title I, §110, Dec. 23, 1967, 81 Stat. 724; amended Pub. L. 90–222, §3(d), Sept. 19, 1972, 86 Stat. 703, related to community service programs, providing in: subsec. (a) for term of service and range of activities; subsec. (b) for support and allowances; and subsec. (c) for allowance of service as non-Federal contribution.


Such former provisions are covered by various sections as follows:

<table>
<thead>
<tr>
<th>Former Sections</th>
<th>Present Sections</th>
</tr>
</thead>
<tbody>
<tr>
<td>2993(a)</td>
<td>See 2993(a)</td>
</tr>
<tr>
<td>2993(b)</td>
<td>See 2993(b)</td>
</tr>
<tr>
<td>2993(c)</td>
<td>Repealed</td>
</tr>
<tr>
<td>2993d</td>
<td>See 2993d</td>
</tr>
<tr>
<td>2993e</td>
<td>See 2993e</td>
</tr>
<tr>
<td>2993f(a)</td>
<td>Repealed</td>
</tr>
<tr>
<td>2993f(b)</td>
<td>Repealed</td>
</tr>
</tbody>
</table>


Such former provisions are covered by various sections as follows:

<table>
<thead>
<tr>
<th>Former Sections</th>
<th>Present Sections</th>
</tr>
</thead>
<tbody>
<tr>
<td>2994</td>
<td>5050</td>
</tr>
<tr>
<td>2994a</td>
<td>4907</td>
</tr>
<tr>
<td>2994b(a)</td>
<td>5055(a)</td>
</tr>
<tr>
<td>2994b(b)(1)</td>
<td>5055(b)(1) to (3)</td>
</tr>
<tr>
<td>2994c(k)(1)</td>
<td>5055(c)(1)(2)</td>
</tr>
<tr>
<td>2994e</td>
<td>5044</td>
</tr>
<tr>
<td>2994f</td>
<td>5053</td>
</tr>
</tbody>
</table>

SUBCHAPTER IX—EVALUATION


Section 2995c, Pub. L. 88–452, title IX, § 904, as added Pub. L. 92–424, §27(a), Sept. 19, 1972, 86 Stat. 705, which provided for the publication of summaries of evaluations of the results of research, was omitted as superseeded in the general reorganization and amendment of this subchapter by Pub. L. 93–644, §12, Jan. 4, 1975, 88 Stat. 2327.

Effective Date of Repeal

§ 2995d. Omitted

Codification
Section, Pub. L. 88–452, title IX, § 905, as added Pub. L. 92–424, §27(a), Sept. 19, 1972, 86 Stat. 705, allowed head of any agency administering a program authorized under this chapter to conduct evaluations and take other action to same extent as Director under this subchapter, prior to the general amendment of this subchapter by Pub. L. 93–644, §12, Jan. 4, 1975, 88 Stat. 2327.

SUBCHAPTER X—LEGAL SERVICES CORPORATION

§ 2996. Congressional findings and declaration of purpose

The Congress finds and declares that—
(1) there is a need to provide equal access to the system of justice in our Nation for individuals who seek redress of grievances;
(2) there is a need to provide high quality legal assistance to those who would be otherwise unable to afford adequate legal counsel and to continue the present vital legal services program;
(3) providing legal assistance to those who face an economic barrier to adequate legal counsel will serve best the ends of justice and assist in improving opportunities for low-income persons consistent with the purposes of this chapter;
(4) for many of our citizens, the availability of legal services has reaffirmed faith in our government of laws;
(5) to preserve its strength, the legal services program must be kept free from the influence of or use by it of political pressures; and
(6) attorneys providing legal assistance must have full freedom to protect the best interests of their clients in keeping with the Code of Professional Responsibility, the Canons of Ethics, and the high standards of the legal profession.


AMENDMENTS
1977—Par. (3). Pub. L. 95–222 inserted provision relating to assistance in improving opportunities for low-income persons consistent with this chapter.

Effective Date of 1977 Amendment
Pub. L. 95–222, §17(b), Dec. 28, 1977, 91 Stat. 1624, provided that: “The amendments made by provisions of this Act other than sections 11 and 15 [amending this section and sections 2996c, 2996e, 2996f, 2996g, 2996h, 2996i, and 2996j of this title] shall be effective on the date of enactment of this Act [Dec. 28, 1977].”

SHORT TITLE
This subchapter is known as the “Legal Services Corporation Act”, see Short Title note set out under section 2791 of this title.

§ 2996a. Definitions

As used in this subchapter, the term—
(1) “Board” means the Board of Directors of the Legal Services Corporation;
(2) “Corporation” means the Legal Services Corporation established under this subchapter;
(3) “eligible client” means any person financially unable to afford legal assistance;
(4) “Governor” means the chief executive officer of a State;
(5) “legal assistance” means the provision of any legal services consistent with the purposes and provisions of this subchapter;
(6) “recipient” means any grantee, contractor, or recipient of financial assistance described in clause (A) of section 2996e(a)(1) of this title;
(7) “staff attorney” means an attorney who receives more than one-half of his annual professional income from a recipient organized solely for the provision of legal assistance to eligible clients under this subchapter; and

(8) “State” means any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Trust Territory of the Pacific Islands, and any other territory or possession of the United States.

Termination of Trust Territory of the Pacific Islands

For termination of Trust Territory of the Pacific Islands, see note set out preceding section 1661 of Title 48, Territories and Insular Possessions.

§ 2996b. Legal Services Corporation

(a) Establishment; purpose

There is established in the District of Columbia a private nonmembership nonprofit corporation, which shall be known as the Legal Services Corporation, for the purpose of providing financial support for legal assistance in noncriminal proceedings or matters to persons financially unable to afford legal assistance.

(b) Principal office; agent for service of process

The Corporation shall maintain its principal office in the District of Columbia and shall maintain therein a designated agent to accept service of process for the Corporation. Notice to or service upon the agent shall be deemed notice to or service upon the Corporation.

(c) Status of Corporation under tax laws

The Corporation, and any legal assistance program assisted by the Corporation, shall be eligible to be treated as an organization described in section 170(c)(2)(B) of title 26 and as an organization described in section 501(c)(3) of title 26 which is exempt from taxation under section 501(a) of title 26. If such treatments are conferred in accordance with the provisions of title 26, the Corporation, and legal assistance programs assisted by the Corporation, shall be subject to all provisions of title 26 relevant to the conduct of organizations exempt from taxation.

Termination of Trust Territory of the Pacific Islands

For termination of Trust Territory of the Pacific Islands, see note set out preceding section 1661 of Title 48, Territories and Insular Possessions.
§ 2996c. Board of Directors

(a) Establishment; membership

The Corporation shall have a Board of Directors consisting of eleven voting members appointed by the President, by and with the advice and consent of the Senate, no more than six of whom shall be of the same political party. A majority shall be members of the bar of the highest court of any State, and none shall be a full-time employee of the United States. Effective with respect to appointments made after December 28, 1977, but not later than July 31, 1978, the membership of the Board shall be appointed so as to include eligible clients, and to be generally representative of the organized bar, attorneys providing legal assistance to eligible clients, and the general public.

(b) Term of office

The term of office of each member of the Board shall be three years, except that five of the members first appointed, as designated by the President at the time of appointment, shall serve for a term of two years. Each member of the Board shall continue to serve until the successor to such member has been appointed and qualified. The term of initial members shall be computed from the date of the first meeting of the Board. The term of each member other than initial members shall be computed from the date of termination of the preceding term. Any member appointed to fill a vacancy occurring prior to the expiration of the term for which such member’s predecessor was appointed shall be appointed for the remainder of such term. No member shall be reappointed to more than two consecutive terms immediately following such member’s initial term.

(c) Board members not deemed officers or employees of United States

The members of the Board shall not, by reason of such membership, be deemed officers or employees of the United States.

(d) Chairman

The President shall select from among the voting members of the Board a chairman, who shall serve for a term of three years. Thereafter the Board shall annually elect a chairman from among its voting members.

(e) Removal

A member of the Board may be removed by a vote of seven members for malfeasance in office or for persistent neglect of or inability to discharge duties, or for offenses involving moral turpitude, and for no other cause.

(f) State advisory councils

Within six months after the first meeting of the Board, the Board shall request the Governor of each State to appoint a nine-member advisory council for such State. A majority of the members of the advisory council shall be appointed, after recommendations have been received from the State bar association, from among the attorneys admitted to practice in the State, and the membership of the council shall be subject to annual reappointment. If ninety days have elapsed without such an advisory council appointed by the Governor, the Board is authorized to appoint such a council. The advisory council shall be charged with notifying the Corporation of any apparent violation of the provisions of this subchapter and applicable rules, regulations, and guidelines promulgated pursuant to this subchapter. The advisory council shall, at the same time, furnish a copy of the notification to any recipient affected thereby, and the Corporation shall allow such recipient a reasonable time (but in no case less than thirty days) to reply to any allegation contained in the notification.

(g) Open meetings; applicability of Government in the Sunshine provisions

All meetings of the Board, of any executive committee of the Board, and of any advisory council established in connection with this subchapter shall be open and shall be subject to the requirements and provisions of section 552b of title 5 (relating to open meetings).

(h) Quarterly meetings

The Board shall meet at least four times during each calendar year.

§ 2996d. Officers and employees

(a) Appointment of president; outside compensation of officers prohibited; terms

The Board shall appoint the president of the Corporation, who shall be a member of the bar of the highest court of a State and shall be a non-voting ex officio member of the Board, and such other officers as the Board determines to be necessary. No officer of the Corporation may receive any salary or other compensation for services from any source other than the Corporation during his period of employment by the Corporation, except as authorized by the Board. All officers shall serve at the pleasure of the Board.

(b) Power of president to appoint and remove employees; nonpartisan appointments

(1) The president of the Corporation, subject to general policies established by the Board,
may appoint and remove such employees of the Corporation as he determines necessary to carry out the purposes of the Corporation.

(2) No political test or political qualification shall be used in selecting, appointing, promoting, or taking any other personnel action with respect to any officer, agent, or employee of the Corporation or of any recipient, or in selecting or monitoring any grantee, contractor, or person or entity receiving financial assistance under this subchapter.

(c) Conflict of interest

No member of the Board may participate in any decision, action, or recommendation with respect to any matter which directly benefits such member or pertains specifically to any firm or organization with which such member is then associated or has been associated within a period of two years.

(d) Compensation

Officers and employees of the Corporation shall be compensated at rates determined by the Board, but not in excess of the rate of level V of the Executive Schedule specified in section 5316 of title 5.

(e) Officers and employees not deemed officers and employees of Federal Government; Corporation not deemed a department, agency, or instrumentality of Federal Government; review of annual budget

(1) Except as otherwise specifically provided in this subchapter, officers and employees of the Corporation shall not be considered officers or employees, and the Corporation shall not be considered a department, agency, or instrumentality, of the Federal Government.

(2) Nothing in this subchapter shall be construed as limiting the authority of the Office of Management and Budget to review and submit comments upon the Corporation’s annual budget request at the time it is transmitted to the Congress.

(f) Exceptions

Officers and employees of the Corporation shall be considered officers and employees of the Federal Government for purposes of the following provisions of title 5: subchapter I of chapter 81 (relating to compensation for work injuries); chapter 83 (relating to civil service retirement); chapter 87 (relating to life insurance); and chapter 89 (relating to health insurance). The Corporation shall make contributions at the same rates applicable to agencies of the Federal Government under the provisions referred to in this subsection.

(g) Freedom of information

The Corporation and its officers and employees shall be subject to the provisions of section 552 of title 5 (relating to freedom of information).


§ 2996e. Powers, duties, and limitations

(a) Powers of nonprofit corporation; additional powers

To the extent consistent with the provisions of this subchapter, the Corporation shall exercise the powers conferred upon a nonprofit corporation by the District of Columbia Nonprofit Corporation Act (except for section 1005(o) of title 29 of the District of Columbia Code). In addition, the Corporation is authorized—

(1) (A) to provide financial assistance to qualified programs furnishing legal assistance to eligible clients, and to make grants to and contracts with—

(i) individuals, partnerships, firms, corporations, and nonprofit organizations, and

(ii) State and local governments (only upon application by an appropriate State or local agency or institution and upon a special determination by the Board that the arrangements to be made by such agency or institution will provide services which will not be provided adequately through non-governmental arrangements),

for the purpose of providing legal assistance to eligible clients under this subchapter, and (B) to make such other grants and contracts as are necessary to carry out the purposes and provisions of this subchapter;

(2) to accept in the name of the Corporation, and employ or dispose of in furtherance of the purposes of this subchapter, any money or property, real, personal, or mixed, tangible or intangible, received by gift, devise, bequest, or otherwise; and

(3) to undertake directly, or by grant or contract, the following activities relating to the delivery of legal assistance—

(A) research, except that broad general legal or policy research unrelated to representation of eligible clients may not be undertaken by grant or contract,

(B) training and technical assistance, and

(C) to serve as a clearinghouse for information.

(b) Disciplinary powers; representational questions; interference with professional responsibilities of attorneys; restrictions; languages other than English

(1)(A) The Corporation shall have authority to insure the compliance of recipients and their employees with the provisions of this subchapter and the rules, regulations, and guidelines promulgated pursuant to this subchapter, and to terminate, after a hearing in accordance with section 2996j of this title, financial support to a recipient which fails to comply.

(B) No question of whether representation is authorized under this subchapter, or the rules, regulations or guidelines promulgated pursuant to this subchapter, shall be considered in, or affect the final disposition of, any proceeding in which a person is represented by a recipient or an employee of a recipient. A litigant in such a proceeding may refer any such question to the Corporation which shall review and dispose of
§ 2996e  TITLE 42—THE PUBLIC HEALTH AND WELFARE  Page 5178

the question promptly, and take appropriate action. This subparagraph shall not preclude judicial review available under applicable law.

(2) If a recipient finds that any of its employees has violated or caused the recipient to violate the provisions of this subchapter or the rules, regulations, and guidelines promulgated pursuant to this subchapter, the recipient shall take appropriate remedial or disciplinary action in accordance with the types of procedures prescribed in the provisions of section 2996j of this title.

(3) The Corporation shall not, under any provision of this subchapter, interfere with any attorney in carrying out his professional responsibilities to his client as established in the Canons of Ethics and the Code of Professional Responsibility of the American Bar Association (referred to collectively in this subchapter as “professional responsibilities”) or abrogate as to attorneys in programs assisted under this subchapter the authority of a State or other jurisdiction to enforce the standards of professional responsibility generally applicable to attorneys in such jurisdiction. The Corporation shall ensure that activities under this subchapter are carried out in a manner consistent with attorneys’ professional responsibilities.

(4) No attorney shall receive any compensation, either directly or indirectly, for the provision of legal assistance under this subchapter unless such attorney is admitted to and otherwise authorized by law, rule, or regulation to practice law or provide such assistance in the jurisdiction where such assistance is initiated.

(5) The Corporation shall ensure that (A) no employee of the Corporation or of any recipient (except as permitted by law in connection with such employee’s own employment situation), while carrying out legal assistance activities under this subchapter, engage in, or encourage others to engage in, any public demonstration or picketing, boycott, or strike; and (B) no such employee shall, at any time, engage in, or encourage others to engage in, any of the following activities: (i) any rioting or civil disturbance, (ii) any activity which is in violation of an outstanding injunction of any court of competent jurisdiction, (iii) any other illegal activity, or (iv) any intentional identification of the Corporation or any recipient with any political activity prohibited by section 2996(a)(6) of this title. The Board, within ninety days after its first meeting, shall issue rules and regulations to provide for the enforcement of this paragraph and section 2996(a)(5) of this title, which rules shall include, among available remedies, provisos, in accordance with the types of procedures prescribed in the provisions of section 2996j of this title, for suspension of legal assistance supported under this subchapter, suspension of an employee of the Corporation or of any employee of any recipient by such recipient, and, after consideration of other remedial measures and after a hearing in accordance with section 2996j of this title, the termination of such assistance or employment, as deemed appropriate for the violation in question.

(6) In areas where significant numbers of eligible clients speak a language other than English as their principal language, the Corporation shall, to the extent feasible, provide that their principal language is used in the provision of legal assistance to such clients under this subchapter.

(c) Participation in litigation; lobbying activities

The Corporation shall not itself—

(1) participate in litigation unless the Corporation or a recipient of the Corporation is a party, or a recipient is representing an eligible client in litigation in which the interpretation of this subchapter or a regulation promulgated under this subchapter is an issue, and shall not participate on behalf of any client other than itself; or

(2) undertake to influence the passage or defeat of any legislation by the Congress of the United States or by any State or local legislative bodies, except that personnel of the Corporation may testify or make other appropriate communication (A) when formally requested to do so by a legislative body, a committee, or a member thereof, or (B) in connection with legislation or appropriations directly affecting the activities of the Corporation.

(d) Miscellaneous prohibitions

(1) The Corporation shall have no power to issue any shares of stock, or to declare or pay any dividends.

(2) No part of the income or assets of the Corporation shall inure to the benefit of any director, officer, or employee, except as reasonable compensation for services or reimbursement for expenses.

(3) Neither the Corporation nor any recipient shall contribute or make available corporate funds or program personnel or equipment to any political party or association, or the campaign of any candidate for public or party office.

(4) Neither the Corporation nor any recipient shall contribute or make available corporate funds or program personnel or equipment for use in advocating or opposing any ballot measures, initiatives, or referendums. However, an attorney may provide legal advice and representation as an attorney to any eligible client with respect to such client’s legal rights.

(5) No class action suit, class action appeal, or amicus curiae class action may be undertaken, directly or through others, by a staff attorney, except with the express approval of a project director of a recipient in accordance with policies established by the governing body of such recipient.

(6) Attorneys employed by a recipient shall be appointed to provide legal assistance without reasonable compensation only when such appointment is made pursuant to a statute, rule, or practice applied generally to attorneys practicing in the court where the appointment is made.

(e) Political activities of Corporation employees and staff attorneys

(1) Employees of the Corporation or of recipients shall not at any time intentionally identify the Corporation or the recipient with any partisan or nonpartisan political activity associated with a political party or association, or the campaign of any candidate for public or party office.
(2) Employees of the Corporation and staff attorneys shall be deemed to be State or local employees for purposes of chapter 15 of title 5, except that no staff attorney may be a candidate in a partisan political election.

(f) Harassment; malicious abuse of legal process

If an action is commenced by the Corporation or by a recipient and a final order is entered in favor of the defendant and against the Corporation or a recipient’s plaintiff, the court shall, upon motion by the defendant and upon a finding by the court that the action was commenced or pursued for the sole purpose of harassment of the defendant or that the Corporation or a recipient’s plaintiff maliciously abused legal process, enter an order (which shall be appealable before being made final) awarding reasonable costs and legal fees incurred by the defendant in defense of the action, except when in contravention of a State law, a rule of court, or a statute of general applicability. Any such costs and fees shall be directly paid by the Corporation.


REFERENCES IN TEXT

The District of Columbia Nonprofit Corporation Act, referred to in subsec. (a), is Pub. L. 87–569, Aug. 6, 1962, 76 Stat. 265, as amended, which is not classified to the Code.

AMENDMENTS

1977—Subsec. (a)(3). Pub. L. 95–222, § 5(a), (b), substituted “‘or’” for “‘and not’” and in par. (A) inserted exception for broad general legal or policy research.

Subsec. (b)(1). Pub. L. 95–222, § 6(a), designated existing provisions as subpar. (A) and added subpar. (B).

Subsec. (c)(1). Pub. L. 95–222, § 6(b), inserted provisions setting forth situations when the Corporation may participate in litigation.

Subsec. (d)(6). Pub. L. 95–222, § 6(c), added par. (6).

Subsec. (e)(2). Pub. L. 95–222, § 7(a), inserted provisions relating to staff attorneys.

Subsec. (f). Pub. L. 95–222, § 8, substituted “the court shall” for “the court may”.

EFFECTIVE DATE OF 1977 AMENDMENT

Amendment by Pub. L. 95–222 effective Dec. 28, 1977, see section 17(b) of Pub. L. 95–222, set out under section 2906 of this title.

§ 2996f. Grants and contracts

(a) Requisites

With respect to grants or contracts in connection with the provision of legal assistance to eligible clients under this subchapter, the Corporation shall—

(1) ensure the maintenance of the highest quality of service and professional standards, the preservation of attorney-client relationships, and the protection of the integrity of the adversary process from any impairment in furnishing legal assistance to eligible clients;

(2) establish, in consultation with the Director of the Office of Management and Budget and with the Governors of the several States, maximum income levels (taking into account family size, urban and rural differences, and substantial cost-of-living variations) for individuals eligible for legal assistance under this subchapter;

(B) establish guidelines to insure that eligibility of clients will be determined by recipients on the basis of factors which include—

(i) the liquid assets and income level of the client,

(ii) the fixed debts, medical expenses, and other factors which affect the client’s ability to pay,

(iii) the cost of living in the locality, and

(iv) such other factors as relate to financial inability to afford legal assistance, which may include evidence of a prior determination that such individual’s lack of income results from refusal or unwillingness, without good cause, to seek or accept an employment situation; and

(C) insure that (i) recipients, consistent with goals established by the Corporation, adopt procedures for determining and implementing priorities for the provision of such assistance, taking into account the relative needs of eligible clients for such assistance (including such outreach, training, and support services as may be necessary), including particularly the needs for service on the part of significant segments of the population of eligible clients with special difficulties of access to legal services or special legal problems (including elderly and handicapped individuals); and (ii) appropriate training and support services are provided in order to provide such assistance to such significant segments of the population of eligible clients;

(3) insure that grants and contracts are made so as to provide the most economical and effective delivery of legal assistance to persons in both urban and rural areas;

(4) insure that attorneys employed full time in legal assistance activities supported in major part by the Corporation refrain from (A) any compensated outside practice of law, and (B) any uncompensated outside practice of law except as authorized in guidelines promulgated by the Corporation;

(5) insure that no funds made available to recipients by the Corporation shall be used at any time, directly or indirectly, to influence the issuance, amendment, or revocation of any executive order or similar promulgation by any Federal, State, or local agency, or to undertake to influence the passage or defeat of any legislation by the Congress of the United States, or by any State or local legislative bodies, or State proposals by initiative petition, except where—

(A) representation by an employee of a recipient for any eligible client is necessary to the provision of legal advice and representation with respect to such client’s legal rights and responsibilities (which shall not be construed to permit an attorney or a recipient employee to solicit a client, in violation of professional responsibilities, for the purpose of making such representation possible); or

(B) a governmental agency, legislative body, a committee, or a member thereof—

(i) requests personnel of the recipient to testify, draft, or review measures or to make representations to such agency, body, committee, or member, or
§ 2996f

(b) Limitations on uses

No funds made available by the Corporation under this subchapter, either by grant or contract, may be used—

(1) to provide legal assistance (except in accordance with guidelines promulgated by the Corporation) with respect to any proceeding or litigation arising out of a violation of the Military Selective Service Act [50 U.S.C. 3801 et seq.] or of desertion from the Armed Forces of the United States, except that legal assistance may be provided to an eligible client in a civil action in which such client alleges that he was improperly classified prior to July 1, 1973, under the Military Selective Service Act or prior corresponding law; or

(11) to provide legal assistance in a manner inconsistent with the Assisted Suicide Funding Restriction Act of 1997 [42 U.S.C. 14401 et seq.].

(c) Recipient organizations

In making grants or entering into contracts for legal assistance, the Corporation shall insure

(1) to provide legal assistance with respect to any criminal proceeding, except to provide assistance to a person charged with an offense in an Indian tribal court;

(3) to provide legal assistance in civil actions to persons who have been convicted of a criminal charge where the civil action arises out of alleged acts or failures to act and the action is brought against an officer of the court or against a law enforcement official for the purpose of challenging the validity of the criminal conviction;

(4) for any of the political activities prohibited in paragraph (6) of subsection (a) of this section;

(5) to make grants to or enter into contracts with any private law firm which expends 50 percent or more of its resources and time litigating issues in the broad interests of a majority of the public;

(6) to support or conduct training programs for the purpose of advocating particular public policies or encouraging any political activities, labor or antilabor activities, boycotts, picketing, strikes, and demonstrations, as distinguished from the dissemination of information about such policies or activities, except that this provision shall not be construed to prohibit the provision of legal advice and representation to persons who have been convicted of a criminal charge where the civil action arises out of allegations of such client's legal rights and responsibilities; and

(7) to initiate the formation, or act as an organizer, of any association, federation, or similar entity, except that this paragraph shall not be construed to prohibit the provision of legal advice and representation to persons who have been convicted of a criminal charge where the civil action arises out of allegations of such client's legal rights and responsibilities; and

(9) to provide legal assistance with respect to any proceeding or litigation which seeks to procure a nontherapeutic abortion or to compel any individual or institution to perform an abortion, or assist in the performance of an abortion, or provide facilities for the performance of an abortion, contrary to the religious beliefs or moral convictions of such individual or institution;

(10) to provide legal assistance with respect to any proceeding or litigation relating to the desegregation of any elementary or secondary school or school system, except that nothing in this paragraph shall prohibit the provision of legal advice to an eligible client with respect to such client's legal rights and responsibilities; and

(11) to provide legal assistance with respect to any proceeding or litigation arising out of a violation of the Indian Self-Determination and Education Assistance Act [25 U.S.C. 450e et seq.].

No funds made available by the Corporation under this subchapter, either by grant or contract, may be used—

(1) to provide legal assistance (except in accordance with guidelines promulgated by the Corporation) with respect to any fee-generating case, which guidelines shall not preclude the provision of legal assistance in cases in which a client seeks only statutory benefits and appropriate private representation is not available);
that any recipient organized solely for the purpose of providing legal assistance to eligible clients is governed by a body at least 60 percent of which consists of attorneys who are members of the bar of a State in which the legal assistance is to be provided (except that the Corporation (1) shall, upon application, grant waivers to permit a legal services program, supported under section 2809(a)(3)1 of this title, which on July 25, 1974, has a majority of persons who are not attorneys on its policy-making board to continue such a non-attorney majority under the provisions of this subchapter, and (2) may grant, pursuant to regulations issued by the Corporation, such a waiver for recipients which, because of the nature of the population they serve, are unable to comply with such requirement) and at least one-third of which consists of persons who are, when selected, eligible clients who may also be representatives of associations or organizations of eligible clients. Any such attorney, while serving on such board, shall not receive compensation from a recipient.

(d) Program evaluation
The Corporation shall monitor and evaluate and provide for independent evaluations of programs supported in whole or in part under this subchapter to assure that the provisions of this subchapter and the bylaws of the Corporation and applicable rules, regulations, and guidelines promulgated pursuant to this subchapter are carried out.

(e) Corporation president authorized to make grants and enter into contracts
The president of the Corporation is authorized to make grants and enter into contracts under this subchapter.

(f) Public notification
At least thirty days prior to the approval of any grant application or prior to entering into a contract or prior to the initiation of any other project, the Corporation shall announce publicly, and shall notify the Governor, the State bar association of any State, and the principal local bar associations (if there be any) of any community, where legal assistance will thereby be initiated, of such grant, contract, or project. Notification shall include a reasonable description of the grant application or proposed contract or project and request comments and recommendations.

(g) Staff-attorney program study
The Corporation shall provide for comprehensive, independent study of the existing staff-attorney program under this chapter and, through the use of appropriate demonstration projects, of alternative and supplemental methods of delivery of legal services to eligible clients, including judicare, vouchers, prepaid legal insurance, and contracts with law firms; and, based upon the results of such study, shall make recommendations to the President and the Congress, not later than two years after the first meeting of the Board, concerning improvements, changes, or alternative methods for the economical and effective delivery of such services.

(h) Study and report to Congress on special needs of eligible clients
The Corporation shall conduct a study on whether eligible clients who are—
(1) veterans,
(2) native Americans,
(3) migrants or seasonal farm workers,
(4) persons with limited English-speaking abilities, and
(5) persons in sparsely populated areas where a harsh climate and an inadequate transportation system are significant impediments to receipt of legal services2 have special difficulties of access to legal services or special legal problems which are not being met. The Corporation shall report to Congress not later than January 1, 1979, on the extent and nature of any such problems and difficulties and shall include in the report and implement appropriate recommendations.


REFERENCES IN TEXT
The Military Selective Service Act, referred to in subsec. (b)(10), is act June 24, 1948, ch. 625, 62 Stat. 604, which is classified principally to chapter 49 (§ 3801 et seq.) of Title 50, War and National Defense. For complete classification of this Act to the Code, see Tables.


AMENDMENTS
2010—Subsec. (b)(2). Pub. L. 111–211 added par. (2) and struck out former par. (2) which read as follows: “to provide legal assistance with respect to any criminal proceeding, except to provide assistance to a person charged with a misdemeanor or lesser offense or its equivalent in an Indian tribal court;”;.

1997—Subsec. (a)(2)(B)(iv). Pub. L. 95–222, § 8(a), substituted provisions setting forth factors which may be included in determining financial ability, for provisions setting forth factors required to be included in determining financial ability.

Subsec. (a)(2)(C). Pub. L. 95–222, § 9(b)(1), expanded existing provisions by requiring the Corporation to establish procedures for determining and implementing priorities and criteria for such priorities, and inserted provisions relating to appropriate training and support services.

Subsec. (a)(5). Pub. L. 95–222, § 9(c), in introductory text inserted prohibition relating to influencing the passage or defeat of State proposals by initiative referendum, in subpar. (A) substituted provisions relating to representation by an employee of a recipient for any eligible client, for provisions relating to representation by an attorney as attorney for any eligible client, and in subpar. (B) designated existing provision as cl. (i),

See References in Text note below.

2So in original. Probably should be followed by a comma.
inserted exception for testifying, drafting, or reviewing measures, and added cl. (ii).

Subsec. (a)(6). Pub. L. 95–222, § 7(b), struck out provisions relating to prohibitions against political activities by staff attorneys of the types described under cl. (B) and (C) of this par. and section 1922(a) of title 5.

Subsec. (b). Pub. L. 95–222, § 10, redesignated and reorganized provisions of former par. (5) as paras. (1) to (3) and, as so redesignated, enumerated criteria for assistance under such paragraphs, redesignated former pars. (2) and (3) as (4) and (5), respectively, struck out former par. (4) relating to assistance to any unemancipated person of less than eighteen years of age, redesignated former par. (5) as (6), redesignated former par. (6) as (7) and, as so redesignated, inserted provision relating to initiation and provision relating to acting as an organizer, and struck out provisions relating to organization, assistance or encouragement to organize, or to plan for the creation, formation or structuring of entities, and provision respecting guidelines for assistance to clients, redesignated former par. (7) as (9) and, as so redesignated, inserted exception for legal advice to clients, reenacted par. (8) without change, and redesignated former par. (9) as (10) and, as so redesignated, inserted exception for actions concerning classifications prior to July 1, 1973.

Subsec. (c). Pub. L. 95–222, § 11, substituted provisions requiring recipients to include at least one-third membership of eligible clients or eligible clients who may also be representatives of associations or organizations of eligible clients, for provisions requiring recipients to include at least one individual eligible to receive legal assistance.

Subsec. (f). Pub. L. 95–222, § 12, inserted provision requiring notice to principal local bar association, if any, of community.


**Effective Date of 2000 Amendment**

Amendment by Pub. L. 106–185 applicable to any forfeiture proceeding commenced on and after the date that is 120 days after Apr. 25, 2000, see section 21 of Pub. L. 106–185, set out as a note under section 1232 of Title 8, Aliens and Nationality.

**Effective Date of 1997 Amendment**

Amendment by Pub. L. 105–12 effective Apr. 30, 1997, and applicable to Federal payments made pursuant to obligations incurred after Apr. 30, 1997, for items and services provided on or after such date, and also subject to being applicable with respect to contracts entered into, renewed, or extended after Apr. 30, 1997, as well as contracts entered into before Apr. 30, 1997, to the extent permitted under such contracts, see section 11 of Pub. L. 105–12, set out as an Effective Date note under section 14401 of this title.

**Effective Date of 1977 Amendment**

Amendment by sections 7(b), 9(a), (b)(1), (c), 10, 12, and 13 of Pub. L. 95–222 effective Dec. 28, 1977, see section 17(b) of Pub. L. 95–222, set out as a note under section 2996 of this title.

Pub. L. 95–222, § 17(a)(1), Dec. 28, 1977, 91 Stat. 1624, provided that: ‘‘The amendment made by section 11 of this Act [amending this section] shall be effective six months after the first day of the first calendar month following the date of enactment of this Act [Dec. 28, 1977].’’

**Implementation of System for Competitive Award of Grants and Contracts**

Pub. L. 101–515, title VI, § 1607 (part), Nov. 5, 1991, 104 Stat. 2151, provided: ‘‘That after October 1, 1991, (but not before) the Board of Directors of the Legal Services Corporation shall develop and implement a system for the competitive award of all grants and contracts, including provisions of former par. (1) as (2), (2) as (3), and (3) as (4), and added cl. (ii).”

§ 2996g. Records and reports

(a) Authority to require records

The Corporation is authorized to require such records as it deems necessary from any grantee, contractor, or person or entity receiving financial assistance under this subchapter regarding activities carried out pursuant to this subchapter.

(b) Authority to require recordkeeping; access to records

The Corporation is authorized to prescribe the keeping of records with respect to funds provided by grant or contract and shall have access to such records at all reasonable times for the purpose of insuring compliance with the grant or contract or the terms and conditions upon which financial assistance was provided.

(c) Annual report to President and Congress; contents

The Corporation shall publish an annual report which shall be filed by the Corporation with the President and the Congress. Such report shall include a description of services provided pursuant to section 2996f(a)(2)(A)(I) and (II) of this title.

(d) Copies and retention of reports

Copies of all reports pertinent to the evaluation, inspection, or monitoring of any grantee, contractor, or person or entity receiving financial assistance under this subchapter shall be submitted on a timely basis to such grantee, contractor, or person or entity, and shall be maintained in the principal office of the Corporation for a period of at least five years subsequent to such evaluation, inspection, or monitoring. Such reports shall be available for public inspection during regular business hours, and copies shall be furnished, upon request, to inter-
audited annually. Such audits shall be conducted in accordance with generally accepted auditing standards by independent certified public accountants who are certified by a regulatory authority of the jurisdiction in which the audit is undertaken.


Effective Date of 1977 Amendment
Amendment by Pub. L. 95–222 effective Dec. 28, 1977, see section 17(b) of Pub. L. 95–222, set out as a note under section 2906 of this title.

Termination of Reporting Requirements
For termination, effective May 15, 2000, of provisions in subsec. (c) of this section relating to filing annual report with Congress, see section 3083 of Pub. L. 101–666, as amended, set out as a note under section 1113 of Title 31, Money and Finance, and item 2 on page 202 of House Document No. 103–7.

§ 2996h. Audits

(a) Annual audit; availability of records; filing and inspection of report

(1) The accounts of the Corporation shall be audited annually. Such audits shall be conducted in accordance with generally accepted auditing standards by independent certified public accountants who are certified by a regulatory authority of the jurisdiction in which the audit is undertaken.

(2) The audits shall be conducted at the place or places where the accounts of the Corporation are normally kept. All books, accounts, financial records, reports, files, and other papers or property belonging to or in use by the Corporation and necessary to facilitate the audit; and full facilities for verifying transactions with the balances and securities held by depositaries, fiscal agents, and custodians shall be afforded to such representatives. All such books, accounts, financial records, reports, files, and property for a longer period under section 3523(c) of title 31.

(3) The report of the annual audit shall be made by the Corporation nor the Comptroller General shall have access to any reports or records subject to the attorney-client privilege.

(b) Audit by Government Accountability Office

(1) In addition to the annual audit, the financial transactions of the Corporation for any fiscal year during which Federal funds are available to finance any portion of its operations may be audited by the Government Accountability Office in accordance with such rules and regulations as may be prescribed by the Comptroller General of the United States.

(2) Any such audit shall be conducted at the place or places where accounts of the Corporation are normally kept. The representatives of the Government Accountability Office shall have access to all books, accounts, financial records, reports, files, and other papers or property belonging to or in use by the Corporation and necessary to facilitate the audit; and full facilities for verifying transactions with the balances and securities held by depositaries, fiscal agents, and custodians shall be afforded to such representatives. All such books, accounts, financial records, reports, files, and other papers or property of the Corporation shall remain in the possession and custody of the Corporation throughout the period beginning on the date such possession or custody commences and ending three years after such date, but the Government Accountability Office may require the retention of such books, accounts, financial records, reports, files, papers, or property for a longer period under section 3523(c) of title 31.

(c) Annual financial audit of recipient persons or bodies

(1) The Corporation shall conduct, or require each grantee, contractor, or person or entity receiving financial assistance under this subchapter to provide for, an annual financial audit. The report of each such audit shall be maintained for a period of at least five years at the principal office of the Corporation.

(2) Upon request, the Corporation shall submit to the Comptroller General of the United States copies of such reports, and the Comptroller General may, in addition, inspect the books, accounts, financial records, files, and other papers or property belonging to or in use by such grantee, contractor, or person or entity, which relate to the disposition or use of funds received from the Corporation. Such audit reports shall be available for public inspection, during regular business hours, at the principal office of the Corporation.

(d) Attorney-client privilege

Notwithstanding the provisions of this section or section 2996g of this title, neither the Corporation nor the Comptroller General shall have access to any reports or records subject to the attorney-client privilege.

Codification

Amendments

§ 2996i. Financing

(a) Authorization of appropriations

There are authorized to be appropriated for the purpose of carrying out the activities of the Corporation, $90,000,000 for fiscal year 1975, $100,000,000 for fiscal year 1976, and such sums as may be necessary for fiscal year 1977. There are authorized to be appropriated for the purpose of carrying out the activities of the Corporation $205,000,000 for the fiscal year 1978, and such sums as may be necessary for each of the two succeeding fiscal years. The first appropriation may be made available to the Corporation at any time after six or more members of the Board have been appointed and qualified. Appropriations for that purpose shall be made for not more than two fiscal years, and shall be paid to the Corporation in annual installments at the beginning of each fiscal year in such amounts as may be specified in Acts of Congress making appropriations.

(b) Availability of funds

Funds appropriated pursuant to this section shall remain available until expended.

(c) Non-Federal funds

Non-Federal funds received by the Corporation, and funds received by any recipient from a source other than the Corporation, shall be accounted for and reported as receipts and disbursements separate and distinct from Federal funds; but any funds so received for the provision of legal assistance shall not be expended by recipients for any purpose prohibited by this subchapter, except that this provision shall not be construed to prevent recipients from receiving other public funds or tribal funds (including foundation funds benefiting Indians or Indian tribes) and expending them in accordance with the purposes for which they are provided, or to prevent contracting or making other arrangements with private attorneys, private law firms, or other State or local entities of attorneys, or with legal aid societies having separate public defender programs, for the provision of legal assistance to eligible clients under this subchapter.

(d) Limitations on grant or contract authority

Not more than 10 percent of the amounts appropriated pursuant to subsection (a) of this section for any fiscal year shall be available for grants or contracts under section 2996e(a)(3) of this title in any such year.

AMENDMENTS

Effective Date of 1977 Amendment

Amendment by Pub. L. 95–222 effective Dec. 28, 1977, see section 17(b) of Pub. L. 95–222, set out as a note under section 2996 of this title.

§ 2996j. Special limitations

The Corporation shall prescribe procedures to insure that—

(1) financial assistance under this subchapter shall not be suspended unless the grantee, contractor, or person or entity receiving financial assistance under this subchapter has been given reasonable notice and opportunity to show cause why such action should not be taken; and

(2) financial assistance under this subchapter shall not be terminated, an application for refunding shall not be denied, and a suspension of financial assistance shall not be continued for longer than thirty days, unless the grantee, contractor, or person or entity receiving financial assistance under this subchapter has been afforded reasonable notice and opportunity for a timely, full, and fair hearing, and, when requested, such hearing shall be conducted by an independent hearing examiner. Such hearing shall be held prior to any final decision by the Corporation to terminate financial assistance or suspend or deny funding. Hearing examiners shall be appointed by the Corporation in accordance with procedures established in regulations promulgated by the Corporation.

AMENDMENTS

Effective Date of 1977 Amendment

Amendment by Pub. L. 95–222 effective Dec. 28, 1977, see section 17(b) of Pub. L. 95–222, set out as a note under section 2996 of this title.

§ 2996k. Coordination

The President may direct that appropriate support functions of the Federal Government may be made available to the Corporation in carrying out its activities under this subchapter, to the extent not inconsistent with other applicable law.

AMENDMENTS
1977—Subsec. (a). Pub. L. 95–222, § 15, inserted provisions authorizing appropriations for fiscal year 1978 and two succeeding fiscal years, and substituted provisions requiring appropriations to be made for not more than two fiscal years and payments in annual installments at beginning of each fiscal year in appropriated amounts, for provisions requiring appropriations to be for not more than two fiscal years, and, if for more than one year, in payments in annual installments at beginning of each fiscal year in appropriated amounts.
CHAPTER 35—PROGRAMS FOR OLDER AMERICANS

SUBCHAPTER I—DECLARATION OF OBJECTIVES AND DEFINITIONS

Sec.
3001. Congressional declaration of objectives.
3002. Definitions.
3003. Congressional declaration of additional objectives.

SUBCHAPTER II—ADMINISTRATION ON AGING

3011. Establishment of Administration on Aging.
3012. Functions of Assistant Secretary.
3013. Federal agency consultation.
3013a. Consultation with State agencies, area agencies on aging, and Native American grant recipients.
3014. Repealed.
3015. Gifts and donations.
3016. Authority of Assistant Secretary.
3017. Evaluation of programs.
3018. Reports to Congress.
3019. Joint funding of projects.
3020. Advance funding.
3020a. Application of other laws; costs of projects under this chapter not treated as income or benefits under other laws.
3020b. Reduction of paperwork.
3020c. Contracting and grant authority; private pay relationships; appropriate use of funds.
3020d. Surplus property eligibility.
3020e. Nutrition education.
3020e–1. Pension counseling and information programs.
3020f. Authorization of appropriations.

SUBCHAPTER III—GRANTS FOR STATE AND COMMUNITY PROGRAMS ON AGING

PART A—GENERAL PROVISIONS

3021. Purpose and program.
3022. Definitions.
3023. Authorization of appropriations; uses of funds.

3024. Allotment to States.
3025. Designation of State agencies.
3026. Area plans.
3027. State plans.
3028. Cost of administration of State plans.
3029. Payments of grants or contracts.
3030. Disaster relief reimbursements.
3030a. Nutrition services incentive program.
3030b. Recapture of payments made for multipurpose senior centers.
3030c. Audit; request for information.
3030c–1. Rights relating to in-home services for frail older individuals.
3030c–2. Consumer contributions.
3030c–3. Waivers.

PART B—SUPPORTIVE SERVICES

3030d. Grants for supportive services.
PART C—NUTRITION SERVICES

3030e. Grants for establishment and operation of nutrition projects.

SUBPART I—CONGREGATE NUTRITION SERVICES

3030f. Program authorized.
3030g. Criteria.

SUBPART II—HOME DELIVERED NUTRITION SERVICES

3030h. Program authorized.
3030i. Distribution to area agencies on aging.

PART D—EVIDENCE-BASED DISEASE PREVENTION AND HEALTH PROMOTION SERVICES

3030j. Program authorized.
3030k. Distribution to area agencies on aging.

PART E—NATIONAL FAMILY CAREGIVER SUPPORT PROGRAM

3030l. Program authorized.

SUBCHAPTER IV—ACTIVITIES FOR HEALTH, INDEPENDENCE, AND LONGEVITY

3031. Purposes.

PART A—GRANT PROGRAMS

3032. Program authorized.
3032a. Career preparation for the field of aging.
3032b. Older individuals’ protection from violence projects.
3032c. Health care service demonstration projects in rural areas.
3032d. Repealed.
3032e. Technical assistance and innovation to improve transportation for older individuals.
3032f. Demonstration, support, and research projects for multigenerational and civic engagement activities.
3032g. Native American programs.
3032h. Repealed.
3032i. Demonstration and support projects for legal assistance for older individuals.
3032j. Repealed.
3032k. Community innovations for aging in place.

PART B—GENERAL PROVISIONS

3033. Payment of grants.
3033a. Responsibilities of Assistant Secretary.

SUBCHAPTER V—MULTIPURPOSE SENIOR CENTERS

PART A—ACQUISITION, ALTERATION, OR RENOVATION OF MULTIPURPOSE SENIOR CENTERS

3041 to 3041f. Repealed.
§ 3001. Congressional declaration of objectives and definitions

The Congress hereby finds and declares that, in keeping with the traditional American concept of the inherent dignity of the individual in our democratic society, the older people of our Nation are entitled to, and it is the joint and several duty and responsibility of the governments of the United States, of the several States and their political subdivisions, and of Indian tribes to assist our older people to secure equal opportunity to the full and free enjoyment of the following objectives:

1. An adequate income in retirement in accordance with the American standard of living.
2. The best possible physical and mental health which science can make available and without regard to economic status.
3. Obtaining and maintaining suitable housing, independently selected, designed and located with reference to special needs and available at costs which older citizens can afford.
4. Full restoration services for those who require institutional care, and a comprehensive array of community-based, long-term care services adequate to appropriately sustain older people in their communities and in their homes, including support to family members and other persons providing voluntary care to older individuals needing long-term care services.
(5) Opportunity for employment with no discriminatory personnel practices because of age.
(6) Retirement in health, honor, dignity—after years of contribution to the economy.
(7) Participating in and contributing to meaningful activity within the widest range of civic, cultural, education and training and recreational opportunities.
(8) Efficient community services, including access to low-cost transportation, which provide a choice in supported living arrangements and social assistance in a coordinated manner and which are readily available when needed, with emphasis on maintaining a continuum of care for vulnerable older individuals.
(9) Immediate benefit from proven research knowledge which can sustain and improve health and happiness.

(10) Freedom, independence, and the free exercise of individual initiative in planning and managing their own lives, full participation in the planning and operation of community-based services and programs provided for their benefit, and protection against abuse, neglect, and exploitation.


AMENDMENTS
1992.—Par. (4). Pub. L. 102–375, § 101, inserted "... including support to family members and other persons providing voluntary care to older individuals needing long-term care services" after "homes".
Par. (5). Pub. L. 102–375, § 904(a)(1), substituted "vulnerable older individuals" for "the vulnerable elderly".
Par. (7). Pub. L. 100–175, § 101(1), substituted "United States," for "United States" and inserted "... of Indian tribes" after "subdivisions".
Par. (9). Pub. L. 100–175, § 101(2), substituted "... obtaining and maintaining suitable" for "... suitable for..."
Par. (11). Pub. L. 100–175, § 101(3), substituted "Participating in and contributing to" for "Pursuit of..."
Par. (13). Pub. L. 98–459, § 102(b), inserted reference to emphasis on maintaining a continuum of care for the vulnerable elderly.

Effectively Date of 1992 Amendment
Pub. L. 100–175, title VII, § 701, Nov. 29, 1987, 101 Stat. 963, provided that—

(a) GENERAL EFFECTIVE DATE.—Except as provided in subsections (b) and (c), this Act and the amendments made by this Act [see Title VII of this Act and the amendments made by this Act] shall not apply with respect to fiscal year 1992.

(b) APPLICATION OF AMENDMENTS.—
(1) FEDERAL COUNCIL ON AGING.—Incumbent members of the Federal Council until their successors are appointed under section 104 of the Older Americans Act of 1965 (42 U.S.C. 3001) are appropriate for any fiscal year beginning before the date of the enactment of this Act [Sept. 30, 1992;]

(2) STATE AND COMMUNITY PROGRAMS ON AGING.—The amendments made by sections 303(a)(2), 303(a)(3), 303(f), 304, 305, 306, 307, 316, 317, and 320 [enacting sections 3030g–11 to 3030g–13, 3030g–21, 3030g–22, and 3030p to 3030s of this title] shall not apply with respect to fiscal year 1992.

(3) COMMUNITY SERVICE EMPLOYMENT.—The amendments made by sections 410, 411, 413, 414, 415, 416, 418, and 419 [enacting sections 3035i, 3035j, 3035k, 3035l, and 3035m of this title] shall not apply with respect to fiscal year 1992.

(4) MEDICARE EXPANSION.—The amendments made by sections 3030k and 3030l of this title shall not apply with respect to fiscal year 1992.

(5) INDIAN AND NATIVE HAWAIIAN PROGRAMS.—The amendments made by sections 601 and 603 [amending sections 3026 to 3027 of this title] shall not apply with respect to fiscal year 1992.

(6) VULNERABLE ELDER RIGHTS PROTECTION ACTIVITY.—The amendments made by title VII of this Act [enacting sections 3058 to 3058k and 3058a to 3058e of this title and amending sections 1395i–3, 1396r, 3012, 3018, 3021, 3023, 3027, 3030d, and 3030h of this title] shall not apply with respect to fiscal year 1992.

Effective Date of 1987 Amendment
Pub. L. 100–175, title VII, § 701, Nov. 29, 1987, 101 Stat. 963, provided that—

(a) GENERAL EFFECTIVE DATE.—Except as provided in subsections (b) and (c), this Act and the amendments made by this Act [see Title VII of 1987 Amendment note below] shall take effect on October 1, 1987.

(b) APPLICATION OF AMENDMENTS.—The amendments made by title I of this Act [enacting sections 3030h to 3030j, 3030l, 3030m, 3030n, 3030o, 3030p, 3030q, and 3030r of this title] shall not apply with respect to fiscal year 1987.

(c) EFFECTIVE DATE OF SECTION 506.—The amendments made by section 506 of this Act [enacting section...
may be cited as the ‘Older Americans Act Amendments of 1992.’”

**SHORT TITLE OF 1987 AMENDMENT**

Pub. L. 100–175, § 1, Nov. 29, 1987, 101 Stat. 926, provided that: “This Act [enacting sections 280c to 280c–5, 2991–1, 2991d–1, 2992g–1, 3030p to 3030q, 3035f, 3035g, 3035h, and 3037g to 3037h of this title, amending this section, sections 1762a, 3011 to 3013, 3015 to 3018, 3020b, 3021 to 3029, 3030a, 3030c, 3030d, 3031, 3032, 3033a to 3033c, 3037, 3037a, 3037e, 3037f, 3037g to 3037h of this title, and sections 623, 630, and 631 of Title 29, Labor, and enacting provisions set out as notes under this section, section 3035f of this title, and section 631 of Title 29, and amending provisions set out as a note under former section 3045 of this title] shall take effect on the date of the enactment of this Act [Oct. 9, 1984].”

“(b)(1) The amendment made by section 206(a) [amending section 3037 of this title] shall take effect 60 days after the date of the enactment of this Act (Oct. 9, 1984).

“(2) The amendment made by section 206(d) [amending section 3037 of this title] shall take effect on the first day of the first fiscal year beginning (sic) after the date of the enactment of this Act (Oct. 9, 1984).

“(3) The amendment made by section 411(b) [amending section 3037 of this title] shall not apply with respect to any grant or payment made before the date of the enactment of this Act (Oct. 9, 1984).

“(4) The amendment made by section 701 [enacting subchapter XI of this chapter] shall take effect on October 1, 1984.”

**EFFECTIVE DATE OF 1987 AMENDMENT**


**SHORT TITLE OF 2016 AMENDMENT**

Pub. L. 114–144, § 1, Apr. 19, 2016, 130 Stat. 334, provided that: “This Act [see Tables for classification] may be cited as the ‘Older Americans Act Reauthorization Act of 2016.’”

**SHORT TITLE OF 2007 AMENDMENT**

Pub. L. 110–19, § 1, Apr. 23, 2007, 121 Stat. 84, provided that: “This Act [amending section 3030a of this title and enacting provisions set out as a note under section 3030a of this title] may be cited as the ‘Older Americans Reauthorization Technical Corrections Act.’”

**SHORT TITLE OF 2006 AMENDMENT**


**SHORT TITLE OF 2000 AMENDMENT**


**SHORT TITLE OF 1993 AMENDMENT**


**SHORT TITLE OF 1992 AMENDMENT**


**SHORT TITLE OF 1987 AMENDMENT**

Pub. L. 99–269, § 1, Apr. 1, 1986, 100 Stat. 78, provided that: “That this Act [amending section 3030a of this title and enacting provisions set out as notes under section 3030a of this title] may be cited as the ‘Older Americans Act Amendments of 1986.’”

**SHORT TITLE OF 1984 AMENDMENT**

Pub. L. 98–459, § 1, Oct. 9, 1984, 98 Stat. 1767, provided that: “This Act [enacting sections 3002, 3003, 3004, 3005 and 3006 of this title, amending this section, sections 1762a, 3011 to 3013, 3015 to 3018, 3020b, 3021 to 3029, 3030a, 3030c, 3030d, 3030e, 3031, 3032, 3033a to 3033e, 3035e, 3037, 3037a, 3037f, 3037g, 3037h, 3037i of this title, and sections 623, 630, and 631 of Title 29, Labor, and enacting provisions set out as notes under this section, sections 3002 and 3006 of this title, and section 631 of Title 29, and amending provisions set out as a note under section 3045 of this title] may be cited as the ‘Older Americans Act Amendments of 1984.’”

**SHORT TITLE OF 1981 AMENDMENT**

Pub. L. 97–115, § 1(a), Dec. 29, 1981, 95 Stat. 1555, provided that: “This Act [enacting sections 3031, 3032, 3035 to 3037, and 3037a of this title, amending this section, sections 3002 to 3003, 3013, 3015 to 3020, 3021 to 3028, 3030, 3030a, 3030b, 3035b, 3036, 3036a, 3036e, 3036f, 3036g, 3037, 3037a, 3037e, 3037f, 3037g, and 3037h of this title, and sections 3045 of this title, and section 3045 of this title] may be cited as the ‘Older Americans Act Amendments of 1981.’”

**SHORT TITLE OF 1978 AMENDMENT**

Pub. L. 95–478, § 1(a), Oct. 18, 1980, 92 Stat. 1559, provided that: “This Act [enacting sections 3020 to 3020d, 3030 to 3030e, 3035b to 3035h, 3037 to 3037h, and 6104a of this title, amending this section, sections 3002, 3011 to 3017, 3020a, 3021 to 3029, 3031 to 3035, 3036 to 3037a, 3036 to 3036f, 5001, 5011, 5012, 6010, 6103 and 6104 of this title, and section 3045 of this title] may be cited as the ‘Comprehensive Older Americans Act Amendments of 1978.’”

**SHORT TITLE OF 1975 AMENDMENT**

Pub. L. 94–135, § 1, Nov. 28, 1975, 89 Stat. 713, provided that: “That this Act [enacting chapter 76 and sections 3002, 3003, 3004, 3005, 3006, 3006a, 3007, and 3008 of this title, amending sections 290c–5, 290d, 3012, 3014, 3015, 3022, 3023, 3024, 3025, 3026, 3028, 3030, 3031, 3032, 3037, 3041d, 3041f, 3045b, 3045d, 3045e, 3045f, 3045g, 5011, 5012, and 5002..."
of this title and sections 1008a, 1208a, and 1341 of Title 20, Education, repealing sections 3061 to 3067 of this title, enacting provisions set out as notes under section 5001 of this title, and amending provisions set out as a note under section 2809 of this title] may be cited as the ‘Older Americans Amendments of 1973’.

**Short Title of 1973 Amendment**

Pub. L. 93–29, §1, May 3, 1973, 87 Stat. 30, provided: ‘That this Act [enacting chapter 35A of this title, subchs. III to V of this chapter, sections 3003, 3012, 3013 to 3020, 3044, 3046 of this title, and sections 351, 351c, 361 to 364, 1000a, and 1208a of Title 20, Education, amending this section, sections 3011, 3012, 3044a, 3044b, 3044e, and 3051 to 3053 of this title, and enacting sections 351, 351d, 351e, 1211, 1504, and 1505 of Title 20, repealing former subchs. III (sections 3021 to 3024a, and 3025 of this title), IV (sections 3031 and 3032 of this title), V (sections 3041 to 3043 of this title), and VIII (sections 3051 to 3055 of this title) of this chapter, and enacting provisions set out as notes under sections 2809, 3044b, and 3061 of this title and section 361 of Title 20] may be cited as the ‘Older Americans Comprehensive Services Amendments of 1973’.

**Short Title of 1967 Amendment**

Pub. L. 90–42, §1, July 1, 1967, 81 Stat. 106, provided: ‘That this Act [enacting section 3043 of this title and amending sections 3002, 3021, 3022, 3024, 3031, and 3051 to 3053 of this title] may be cited as the ‘Older Americans Act Amendments of 1967’.

**Short Title**


**Regulations**


(b) CONTENTS—The guidance described in subsection (a) shall be issued not later than 180 days after the date of enactment of this Act [Apr. 19, 2016].’

**Study of Effectiveness of State Long-Term Care Ombudsman Programs**

Pub. L. 102–375, title II, §211, Sept. 30, 1992, 106 Stat. 1215, as amended by Pub. L. 103–171, §4(a)(2), Dec. 2, 1993, 107 Stat. 91, provided that: ‘(a) A study of the unique needs of Holocaust survivors, including guidance on promising practices for conducting outreach to that population. In developing the guidance, the Assistant Secretary for Aging shall consult with experts and organizations serving Holocaust survivors, and shall take into account the possibility that the needs of Holocaust survivors may differ based on geography.

(b) CONTENTS.—The guidance shall include the following:

1. How nutrition service providers may meet the special health-related or other dietary needs of participants in programs under the Older Americans Act of 1965, including needs based on religious, cultural, or ethnic requirements.

2. How transportation service providers may address the urgent transportation needs of Holocaust survivors.

3. How State long-term care ombudsmen may address the unique needs of residents of long-term care facilities for whom institutional settings may produce sights, sounds, smells, emotions, and routines, that can induce panic, anxiety, and retraumatization as a result of experiences from the Holocaust.

4. How supportive service providers may consider the unique needs of Holocaust survivors.

5. How other services provided under that Act, as determined by the Assistant Secretary for Aging, may serve Holocaust survivors.

(c) DATE OF ISSUANCE.—The guidance described in subsection (a) shall be issued not later than 180 days after the date of enactment of this Act [Apr. 19, 2016].’

**Study on Board and Care Facility Quality**

Pub. L. 102–375, title II, §212, Sept. 30, 1992, 106 Stat. 1216, provided that: ‘(a) ARRANGEMENT FOR STUDY COMMITTEE.—The Secretary of Health and Human Services shall enter into an arrangement, in accordance with subsection (d), to establish a study committee described in subsection (c) to conduct a study through the Institute of Medicine of the National Academy of Sciences on the quality of board and care facilities for older individuals (as defined in section 162 [42 U.S.C. 3002] of the Older Americans Act of 1965 [42 U.S.C. 3001 et seq.]) and the disabled.

(b) SCOPE OF STUDY.—The study shall include—

1. an examination of existing quality, health, and safety requirements for board and care facilities and the enforcement of such requirements for their adequacy and effectiveness, with special attention to their effectiveness in promoting good personal care;

2. an examination of best practices and recommendations with respect to, the appropriate role of Federal, State, and local governments in assuring the health and safety of residents of board and care facilities; and

3. specific recommendations to the Congress and the Secretary, by not later than 20 months after the date of the enactment of this Act [Sept. 30, 1992], con-
section the term "board and care facility" means a facility described in section 1615(e) of the Social Security Act (42 U.S.C. 1396(e)) (42 U.S.C. 1396a(e)).

"(h) AUTHORIZATION.—There are authorized to be appropriated to carry out this section $1,500,000 for fiscal year 1992 and such sums as may be necessary for subsequent fiscal years."

STUDY ON HOME CARE QUALITY


"(a) ESTABLISHMENT STUDY COMMITTEE.—The Secretary of Health and Human Services shall enter into an arrangement, in accordance with subsection (d), to establish a study committee described in subsection (c) to conduct a study through the Institute of Medicine of the National Academy of Sciences on the quality of home care services for older individuals and disabled individuals.

"(b) SCOPE OF STUDY.—The study shall include—

"(1) an examination of existing quality, health and safety requirements for home care services and the enforcement of such requirements for their adequacy, effectiveness, and appropriateness;

"(2) an examination of, and recommendations with respect to, the appropriate role of Federal, State, and local governments in ensuring the health and safety of patients and clients of home care services; and

"(3) specific recommendations to the Congress and the Secretary, not later than 20 months after the date of the enactment of this Act (Sept. 30, 1992), concerning the establishment of minimum national standards for the quality, health, and safety of patients and clients of such services and the enforcement of such standards.

"(c) COMPOSITION OF STUDY COMMITTEE.—The study committee shall be composed of members appointed from among—

"(1) individuals with experience in long-term care, including nonmedical home care services;

"(2) patients and clients of home care services (including privately provided home care services and services funded under the Older Americans Act of 1965 (42 U.S.C. 3001 et seq.) or individuals who represent such patients and clients or organizations that advocate on behalf of such patients and clients;

"(3) providers of home care services (including privately provided home care services and services funded under the Older Americans Act of 1965) or individuals who represent such providers or organizations that advocate on behalf of such providers;

"(4) elected and appointed State officers who have responsibility relating to the health and safety of residents of board and care facilities;

"(5) other individuals with relevant expertise.

"(d) USE OF INSTITUTE OF MEDICINE.—The Secretary shall request the National Academy of Sciences, through the Institute of Medicine, to establish, appoint, and provide administrative support for the study committee under an arrangement under which the actual expenses incurred by the Academy in carrying out such functions will be paid by the Secretary. If the National Academy of Sciences is willing to do so, the Secretary shall enter into such arrangement with the Academy.

"(e) INVESTIGATION AND STUDY.—The study committee shall conduct its work in a manner that provides for the consultation with Members of Congress or their representatives, officials of the Department of Health and Human Services, and officials of State and local governments who are not members of the study committee.

"(f) REPORT.—Not later than 20 months after an arrangement is entered into under subsection (d), the study committee shall submit, to the Secretary, the Speaker of the House of Representatives, and the President pro tempore of the Senate, a report containing the results of the study referred to in subsection (a) and the recommendations made under subsection (b).
committee shall submit, to the Secretary, the Speaker of the House of Representatives, and the President pro tempore of the Senate, a report containing the results of the study referred to in subsection (a).

“(g) AUTHORIZATION.—There are authorized to be appropriated to carry out this section $1,000,000 for fiscal year 1992 and such sums as may be necessary for subsequent fiscal years.”

LONG-TERM HEALTH CARE WORKERS


“SEC. 801. DEFINITIONS.

“As used in this subtitle:

“(1) NURSING HOME NURSE AIDE.—The term ‘nursing home nurse aide’ means an individual employed at a nursing or convalescent home who assists in the care of patients at such home under the direction of nursing and medical staff.

“(2) HOME HEALTH CARE AIDE.—The term ‘home health care aide’ means an individual who—

“(A) is employed by a government, charitable, nonprofit, or proprietary agency; and

“(B) cares for elderly, convalescent, or handicapped individuals in the home of the individuals by performing routine home assistance (such as housecleaning, cooking, and laundry) and assisting in the health care of such individuals under the direction of a physician or nurse.

“SEC. 802. INFORMATION REQUIREMENTS.

“(a) NATIONAL CENTER FOR HEALTH STATISTICS.—The Director of the National Center for Health Statistics of the Centers for Disease Control [now Centers for Disease Control and Prevention] shall collect, and prepare a report containing—

“(1) demographic information on home health care aides and nursing home nurse aides, including information on the—

“(A) age, race, marital status, education, number of children and other dependents, gender, and primary language, of the aides; and

“(B) location of facilities at which the aides are employed in—

“(i) rural communities; or

“(ii) urban or suburban communities; and

“(2) information on the role of the aides in providing institution-based and home-based long-term care.

“(b) DEPARTMENT OF LABOR.—The Secretary of Labor shall—

“(1) collect, and prepare a report containing, information on home health care aides, including—

“(A) information on conditions of employment, including—

“(i) the length of employment of the aides with the current employer of the aides; and

“(ii) the number of aides who are—

“(I) employed by a for-profit employer; and

“(II) employed by a nonprofit private employer;

“(B) employed by a charitable employer;

“(C) employed by a government employer; or

“(D) independent contractors;

“(C) the number of full-time, part-time, and temporary positions for the aides;

“(D) the ratio of the aides to professional staff;

“(E) the types of tasks performed by the aides, the level of skill needed to perform the tasks, and whether the tasks are completed in an institution-based or home-based setting; and

“(F) the average number and range of hours worked each week by the aides; and

“(G) information on availability of the employment benefits for home health care aides and a description of the benefits, including—

“(i) information on health insurance coverage; and

“(ii) the type of pension plan coverage;

“(ii) the type of pension plan coverage; and

“(ii) the amount of vacation leave; and

“(iv) wage rates; and

“(v) the extent of work-related training provided; and

“(2) collect, and prepare a report containing, information on nursing home nurse aides, including—

“(A) the information described in subparagraphs (A) and (B) of paragraph (1); and

“(B) information on—

“(i) the type of facility of the employer of the aides, such as a skilled nursing facility, as defined in section 1819(a) of the Social Security Act (42 U.S.C. 1395i–3(a)), or an intermediate care facility within the meaning of section 1121(a) of the Social Security Act (42 U.S.C. 1320a(1);)

“(ii) the number of beds at the facility; and

“(iii) the ratio of the aides to residents of the facility.

“SEC. 803. REPORTS.

“(a) REPORTS TO COMMISSIONER ON AGING [NOW ASSISTANT SECRETARY FOR AGING].—

“(1) TRANSMITTAL.—

“(A) NATIONAL CENTER FOR HEALTH STATISTICS REPORT.—Not later than March 1, 1993, the Director of the National Center for Health Statistics of the Centers for Disease Control and Prevention shall transmit to the Commissioner on Aging the report required by section 802(a).

“(B) DEPARTMENT OF LABOR REPORTS.—

“(i) HOME HEALTH CARE AIDES.—Not later than March 1, 1993, the Secretary of Labor shall transmit to the Commissioner on Aging a plan for the collection of the information described in section 802(b)(1). Not later than March 1, 1993, the Secretary of Labor shall transmit to the Commissioner on Aging the report required by section 802(b)(1).

“(ii) NURSING HOME NURSE AIDES.—Not later than March 1, 1994, the Secretary of Labor shall transmit to the Commissioner on Aging the report required by section 802(b)(2).

“(2) PREPARATION.—

“(A) NATIONAL CENTER FOR HEALTH STATISTICS REPORT.—The report required by section 802(a) shall be prepared and organized in such a manner as the Director of the National Center for Health Statistics may determine to be appropriate.

“(B) DEPARTMENT OF LABOR REPORTS.—The reports required by paragraphs (1) and (2) of section 802(b) shall be prepared and organized in such a manner as the Secretary of Labor may determine to be appropriate.

“(3) PRESENTATION OF INFORMATION.—The reports required by section 802 shall not identify by name individuals supplying information for purposes of the reports. The reports shall present information collected in the aggregate.

“(b) REPORT TO CONGRESS.—The Commissioner on Aging [now Assistant Secretary for Aging] shall review the reports required by section 802 and shall submit to the appropriate committees of Congress a report containing—

“(1) the reports required by section 802;

“(2) the comments of the Commissioner on the reports; and

“(3) additional information, regarding the roles of nursing home nurse aides and home health care aides in providing long-term care, obtained through the State Long-Term Care Ombudsman program established under sections 307(a)(12) and 712 of the Older Americans Act of 1965 [now 42 U.S.C. 3027(a)(9), 3058c].

“SEC. 804. OCCUPATIONAL CODE.

“The Secretary of Labor shall include an occupational code covering nursing home nurse aides and an occupational code covering home health care aides in each wage survey of relevant industries conducted by the Department of Labor that begins after the date of enactment of this Act [Sept. 30, 1992].”

LIMITATION ON AUTHORITY TO ENTER INTO CONTRACTS

Pub. L. 102-375, title IX, §901, Sept. 30, 1992, 106 Stat. 1965, provided that: “Any authority to enter into con-
tracts under this Act [see ‘‘Tables for classification’’ or an amendment made by this Act shall be effective only to the extent or in such amounts as are provided in advance in appropriations Acts.’’]

**WHITExE HOUSE CONFERENCE ON AGING**


**‘‘SEC. 201. AUTHORIZATION OF THE CONFERENCE.**

‘‘(a) AUTHORITY TO CALL CONFERENCE.—Not later than December 31, 2005, the President shall convene the White House Conference on Aging in order to fulfill the purpose set forth in subsection (c) and to make fundamental policy recommendations regarding programs that are important to older individuals and to the families and communities of such individuals.

‘‘(b) PLANNING AND DIRECTION.—The Conference described in subsection (a) shall be planned and conducted under the direction of the Secretary, in cooperation with the Assistant Secretary for Aging, the Director of the Health Care Financing Administration, of the National Institute on Aging, the Administration on Aging, and the heads of such other Federal agencies serving older individuals as the Secretary determines.

‘‘(c) PURPOSE.—The purpose of the Conference described in subsection (a) shall be to gather individuals representing the spectrum of thought and experience in the field of aging to—

‘‘(1) evaluate the manner in which the objectives of this Act [probably means the Older Americans Act of 1965, Pub. L. 89–77, which enacted this chapter,] are being met by using the resources and talents of older individuals, of families and communities of such individuals, and of individuals from the public and private sectors;

‘‘(2) evaluate the manner in which national policies that are related to economic security and health care are prepared so that such policies serve individuals born from 1946 to 1964 and later, as the individuals become older individuals, including an examination of the Social Security, Medicare, and Medicaid programs carried out under titles II, XVIII, and XIX of the Social Security Act (42 U.S.C. 401 et seq., 1306 et seq., and 1396 et seq.) in relation to providing services under this Act, and determine how well such policies respond to the needs of older individuals; and

‘‘(3) develop not more than 50 recommendations to guide the President, Congress, and Federal agencies in serving older individuals.

‘‘(d) PARTICIPANTS AND DELEGATES.—

‘‘(1) PARTICIPANTS.—In order to carry out the purposes of this section, the Conference shall bring together—

‘‘(A) representatives of Federal, State, and local governments,

‘‘(B) professionals and lay people who are working in the field of aging,

‘‘(C) representatives of the general public, particularly older individuals.

‘‘(2) SELECTION OF DELEGATES.—The delegates shall be selected without regard to political affiliation or past partisan activity and shall, to the best of the appointing authority’s ability, be representative of the spectrum of thought in the field of aging. Delegates shall include individuals who are professionals, individuals who are nonprofessionals, majority individuals, individuals from low-income families, representatives of Federal, State, and local governments, and individuals from rural areas. A majority of such delegates shall be age 55 or older.

**‘‘SEC. 202. CONFERENCE ADMINISTRATION.**

‘‘(a) ADMINISTRATION.—In administering this section, the Secretary shall—

‘‘(1) provide written notice to all members of the Policy Committee of each meeting, hearing, or working session of the Policy Committee not later than 48 hours before the occurrence of such meeting, hearing, or working session,

‘‘(2) request the cooperation and assistance of the heads of such other Federal departments and agencies as may be appropriate in the carrying out of this section,

‘‘(3) make available for public comment a proposed agenda, prepared by the Policy Committee, for the Conference which will reflect to the greatest extent possible the major issues facing older individuals consistent with the provisions of subsection (a),

‘‘(4) prepare and make available background materials for the use of delegates to the Conference which the Secretary deems necessary, and

‘‘(5) engage such additional personnel as may be necessary to carry out the provisions of this section without regard to provisions of title 5, United States Code, governing appointments in the competitive service, and without regard to chapter 51 and subchapter III of chapter 53 of title 5 that relate to classification and General Schedule pay rates.

‘‘(b) DUTIES.—The Secretary shall, in carrying out the Secretary’s responsibilities and functions under this section, and as part of the White House Conference on Aging, ensure that—

‘‘(1) the agenda prepared under subsection (a)(3) for the Conference is published in the Federal Register not later than 30 days after such agenda is approved by the Policy Committee, and the Secretary may publish such agenda together with the recommendations of the Secretary regarding such agenda, and

‘‘(2) the personnel engaged under subsection (a)(5) shall be fairly balanced in terms of points of views represented and shall be appointed without regard to political affiliation or previous partisan activities, and

‘‘(3) the recommendations of the Conference are not inappropriately influenced by any appointing authority or by any special interest, but will instead be the result of the independent judgment of the Conference, and

‘‘(4) current and adequate statistical data, including decennial census data, and other information on the well-being of older individuals in the United States are readily available, in advance of the Conference, to the delegates of the Conference, together with such information as may be necessary to evaluate Federal programs and policies relating to aging. In carrying out this paragraph, the Secretary is authorized to make grants to, and enter into cooperative agreements with, public agencies and nonprofit private organizations.

‘‘(c) GIFTS.—The Secretary may accept, on behalf of the United States, gifts (in cash or in kind, including voluntary and uncompensated services), which shall be available to carry out this title. Gifts of cash shall be available in addition to amounts appropriated to carry out this title. Gifts may be earmarked by the donor or the executive committee for a specific purpose.

‘‘(d) RECORDS.—The Secretary shall maintain records regarding—

‘‘(1) the sources, amounts, and uses of gifts accepted under subsection (c); and

‘‘(2) the identity of each person receiving assistance to carry out this title, and the amount of such assistance received by each such person.

**‘‘SEC. 203. POLICY COMMITTEE; RELATED COMMITTEES.**

‘‘(a) POLICY COMMITTEE.—

‘‘(1) ESTABLISHMENT.—There is established a Policy Committee comprised of 17 members to be selected, not later than 2 years prior to the date on which the Conference convenes, as follows:

‘‘(A) PRESIDENTIAL APPOINTEES.—Nine members shall be selected by the President and shall include—

___
“(3) the term ‘Secretary’ means the Secretary of Health and Human Services;

“(4) the term ‘Conference’ means the White House Conference on Aging, and

“(5) the term ‘State’ means any of the several States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands of the United States, the Trust Territory of the Pacific Islands, or the Commonwealth of the Northern Mariana Islands.

“SEC. 206. AUTHORIZATION OF APPROPRIATIONS.

“(a) Authorization.—

“(1) In general.—There are authorized to be appropriated to carry out this section [title]—

“(A) such sums as may be necessary for the first fiscal year in which the Policy Committee plans the Conference and for the following fiscal year; and

“(B) such sums as may be necessary for the fiscal year in which the Conference is held.

“(2) Contracts.—Authority to enter into contracts under this title shall be effective only to the extent, or in such amounts as are, provided in advance in appropriations Acts.

“(b) Availability of funds.—

“(1) In general.—Except as provided in paragraph (3), any such funds neither expended nor obligated before the expiration of the one-year period beginning on the date the Conference adjourns shall be available to carry out the Older Americans Act of 1965 (42 U.S.C. 3001 et seq.).

“(2) Unobligated funds.—Except as provided in paragraph (3), any such funds neither expended nor obligated before the expiration of the one-year period beginning on the date the Conference adjourns shall be available to carry out the Older Americans Act of 1965.

[For reference to maximum rate under section 5376 of Title 5, United States Code (including travel time). While away from their homes or regular places of business, such members may be allowed travel expenses, including per diem in lieu of subsistence, as authorized under section 5703 of such title for persons employed intermittently in Federal Government service.

“SEC. 204. REPORT OF THE CONFERENCE.

“(a) Preliminary report.—Not later than 100 days after the date on which the Conference adjourns, the Policy Committee shall publish and deliver to the chief executive officers of the States a preliminary report on the Conference. Comments on the preliminary report of the Conference shall be accepted by the Policy Committee.

“(b) Final report.—Not later than 6 months after the date on which the Conference adjourns, the Policy Committee shall publish and transmit to the President and to Congress recommendations resulting from the Conference and suggestions for any administrative action and legislation necessary to implement the recommendations contained within the report.

“SEC. 205. DEFINITIONS.

“For the purposes of this title—

“(1) the term ‘area agency on aging’ has the meaning given in the term in section 102 of the Older Americans Act of 1965 (42 U.S.C. 3002);

“(2) the term ‘State agency on aging’ means the State agency designated under section 306(a)(1) of the Act;

“(3) the term ‘Secretary’ means the Secretary of Health and Human Services;

“(4) the term ‘Conference’ means the White House Conference on Aging, and

“(5) the term ‘State’ means any of the several States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands of the United States, the Trust Territory of the Pacific Islands, or the Commonwealth of the Northern Mariana Islands.

“(i) three members who are officers or employees of the United States; and

“(ii) six members with experience in the field of aging, including providers and consumers of aging services.

“(B) House appointees.—Two members shall be selected by the Speaker of the House of Representatives, after consultation with the Committee on Education and the Workforce and the Committee on Ways and Means of the House of Representatives, and two members shall be selected by the Minority Leader of the House of Representatives, after consultation with such committees.

“(C) Senate appointees.—Two members shall be selected by the Majority Leader of the Senate, after consultation with members of the Committee on Health, Education, Labor, and Pensions and the Special Committee on Aging of the Senate, and two members shall be selected by the Minority Leader of the Senate, after consultation with members of such committees.

“(2) Duties of the policy committee.—The Policy Committee shall initially meet at the call of the Secretary, but not later than 30 days after the last member is selected under subsection (a). Subsequent meetings of the Policy Committee shall be held at the call of the chairperson of the Policy Committee. Through meetings, hearings, and working sessions, the Policy Committee shall—

“(A) make recommendations to the Secretary to facilitate the timely convening of the Conference;

“(B) formulate and approve a proposed agenda for the Conference not later than 90 days after the first meeting of the Policy Committee for the Secretary;

“(C) make recommendations for participants and delegates of the Conference;

“(D) establish the number of delegates to be selected under section 201(d)(2);

“(E) establish an executive committee consisting of three to five members, with a majority of such members being age 55 or older, to work with Conference staff; and

“(F) establish other committees as needed that have a majority of members who are age 55 or older.

“(3) Voting; Chairperson.—

“(A) Voting.—The Policy Committee shall act by the vote of a majority of the members present. A quorum of Committee members shall not be required to conduct Committee business.

“(B) Chairperson.—The President shall select the chairperson from among the members of the Policy Committee. The chairperson may vote only to break a tie vote of the other members of the Policy Committee.

“(4) Advisory and other committees.—

“(1) In general.—The President shall establish an advisory committee to the Conference which shall include representation from the Federal Council on Aging and other public agencies and private nonprofit organizations as appropriate. The President shall consider for appointment to the advisory committee individuals recommended by the Policy Committee.

“(2) Other committees.—The Secretary may establish such other committees, including technical committees, as may be necessary to assist in the planning, conducting, and reviewing of the Conference.

“(c) Composition of committees.—Each committee established under subsection (b) shall be composed of professionals and public members, and shall include individuals from low-income families and from minority groups. A majority of the public members of each such committee shall be 55 years of age or older, and individuals who are Native Americans.

“(d) Compensation.—Appointed members of any such committee (other than any officers or employees of the Federal Government), while attending conferences or meetings of the committee or otherwise serving at the request of the Secretary, shall be entitled to receive compensation at a rate to be fixed by the Secretary, but not to exceed the daily equivalent of the maximum rate of pay payable under section 5376 of title 5, United States Code (including travel time).
§ 3002. Definitions

For the purposes of this chapter—

(1) The term “abuse” means the knowing infliction of physical or psychological harm or the knowing deprivation of goods or services that are necessary to meet essential needs or to avoid physical or psychological harm.

(2) The term “Administration” means the Administration on Aging.

(3) The term “adult protective services” means such services provided to adults as the Secretary may specify and includes services such as—

(A) receiving reports of adult abuse, neglect, or exploitation;

(B) investigating the reports described in subparagraph (A);

(C) case planning, monitoring, evaluation, and other casework and services; and

(D) providing, arranging for, or facilitating the provision of medical, social service, economic, legal, housing, law enforcement, or other protective, emergency, or support services.

(4) The term “Aging and Disability Resource Center” means an entity, network, or consortium established by a State as part of the State system of long-term care, to provide a coordinated and integrated system for older individuals and individuals with disabilities (as defined in section 12102 of this title), and the caregivers of older individuals and individuals with disabilities, that provides—

(A) comprehensive information on the full range of available public and private long-term care programs, options, service providers, and resources within a community, including information on the availability of integrated long-term care services, and Federal or State programs that provide long-term care services and supports through home and community-based service programs;

(B) person-centered counseling to assist individuals in assessing their existing or anticipated long-term care needs and goals, and developing and implementing a person-centered plan for long-term care that is consistent with the desires of such an individual and designed to meet the individual’s specific needs, goals, and circumstances;

(C) access for individuals to the full range of publicly-supported long-term care services and supports for which the individuals may be eligible, including home and community-based service options, by serving as a convenient point of entry for such programs and supports; and

(D) in cooperation with area agencies on aging, centers for independent living described in part C of title VII of the Rehabilitation Act of 1973 (29 U.S.C. 796f et seq.), and other community-based entities, information and referrals regarding available home and community-based services for individuals who are at risk for residing in, or who reside in, institutional settings, so that the individuals have the choice to remain in or to return to the community.

(5) The term “aging network” means the network of—

(A) State agencies, area agencies on aging, title VI [subchapter X of this chapter] grantees, and the Administration; and

(B) organizations that—

(i) are providers of direct services to older individuals; or

(ii) are institutions of higher education; and

(6) The term “area agency on aging” means an area agency on aging designated under section 3025(a)(2)(A) of this title or a State agency performing the functions of an area agency on aging under section 3025(b)(5) of this title.

(7) The term “Assistant Secretary” means the Assistant Secretary for Aging.

(8)(A) The term “assistive device” includes an assistive technology device.

(B) The terms “assistive technology”, “assistive technology device”, and “assistive technology service” have the meanings given such terms in section 3002 of title 29.

(9) The term “at risk for institutional placement” means, with respect to an older individual, that such individual is unable to perform at least 2 activities of daily living without substantial assistance (including verbal reminding, physical cuing, or supervision) and is determined by the State involved to be in need of placement in a long-term care facility.

(10) The term “board and care facility” means an institution regulated by a State pursuant to section 1382(e) of this title.

(11) The term “case management service”—

(A) means a service provided to an older individual, at the direction of the older individual or a family member of the individual—

(i) by an individual who is trained or experienced in the case management skills that are required to deliver the services and coordination described in subparagraph (B); and
(ii) to assess the needs, and to arrange, coordinate, and monitor an optimum package of services to meet the needs, of the older individual; and

(B) includes services and coordination such as—

(i) comprehensive assessment of the older individual (including the physical, psychological, and social needs of the individual);

(ii) development and implementation of a service plan with the older individual to mobilize the formal and informal resources and services identified in the assessment to meet the needs of the older individual, including coordination of the resources and services—

(I) with any other plans that exist for various formal services, such as hospital discharge plans; and

(II) with the information and assistance services provided under this chapter;

(iii) coordination and monitoring of formal and informal service delivery, including coordination and monitoring to ensure that services specified in the plan are being provided;

(iv) periodic reassessment and revision of the status of the older individual with—

(I) the older individual; or

(II) if necessary, a primary caregiver or family member of the older individual; and

(v) in accordance with the wishes of the older individual, advocacy on behalf of the older individual for needed services or resources.

(12) The term “civic engagement” means an individual or collective action designed to address a public concern or an unmet human, educational, health care, environmental, or public safety need.

(13) The term “disability” means (except when such term is used in the phrase “severe disability”), “developmental disabilities”, “physical or mental disability”, “physical and mental disabilities”, or “physical disabilities”) a disability attributable to mental or physical impairment, or a combination of mental and physical impairments, that results in substantial functional limitations in 1 or more of the following areas of major life activities: (A) self-care, (B) receptive and expressive language, (C) learning, (D) mobility, (E) self-direction, (F) capacity for independent living, (G) economic self-sufficiency, (H) cognitive functioning, and (I) emotional adjustment.

(14) The term “disease prevention and health promotion services” means—

(A) health risk assessments;

(B) routine health screening, which may include hypertension, glaucoma, cholesterol, cancer, vision, hearing, diabetes, bone density, oral health, and nutrition screening;

(C) nutritional counseling and educational services for individuals and their primary caregivers;

(D) evidence-based health promotion programs, including programs related to the prevention and mitigation of the effects of chronic disease (including osteoporosis, hypertension, obesity, diabetes, and cardiovascular disease), alcohol and substance abuse reduction, smoking cessation, weight loss and control, stress management, falls prevention, physical activity, and improved nutrition;

(E) programs regarding physical fitness, group exercise, and music therapy, art therapy, and dance-movement therapy, including programs for multigenerational participation that are provided by—

(i) an institution of higher education;

(ii) a local educational agency, as defined in section 6801 of title 20; or

(iii) a community-based organization;

(F) home injury control services, including screening of high-risk home environments and provision of educational programs on injury prevention (including fall and fracture prevention) in the home environment;

(G) screening for the prevention of depression, coordination of community mental and behavioral health services, provision of educational activities, and referral to psychiatric and psychological services;

(H) educational programs on the availability, benefits, and appropriate use of preventive health services covered under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.);

(I) medication management screening and education to prevent incorrect medication and adverse drug reactions;

(J) information concerning diagnosis, prevention, treatment, and rehabilitation concerning age-related diseases and chronic disabling conditions, including osteoporosis, cardiovascular diseases, diabetes, and Alzheimer’s disease and related disorders with neurological and organic brain dysfunction;

(K) gerontological counseling; and

(L) counseling regarding social services and followup health services based on any of the services described in subparagraphs (A) through (K).

The term shall not include services for which payment may be made under titles XVIII and XIX of the Social Security Act (42 U.S.C. 1395 et seq.).

(15) The term “elder abuse” means abuse of an older individual.

(16) The term “elder abuse, neglect, and exploitation” means abuse, neglect, and exploitation, of an older individual.

(17) The term “elder justice” means—

(A) from a societal perspective, efforts to—

(i) prevent, detect, treat, intervene in, and prosecute elder abuse, neglect, and exploitation; and

(ii) protect older individuals with diminished capacity while maximizing their autonomy; and

(B) from an individual perspective, the recognition of an older individual’s rights, including the right to be free of abuse, neglect, and exploitation.

1 See References in Text note below.
(18)(A) The terms ‘‘exploitation’’ and ‘‘financial exploitation’’ mean the fraudulent or otherwise illegal, unauthorized, or improper act or process of an individual, including a caregiver or fiduciary, that uses the resources of an older individual for monetary or personal benefit, profit, or gain, or that results in depriving an older individual of rightful access to, or use of, benefits, resources, belongings, or assets. 

(B) In subparagraph (A), the term ‘‘caregiver’’ means an individual who has the responsibility for the care of an older individual, either voluntarily, by contract, by receipt of payment for care, or as a result of the operation of law and means a family member or other individual who provides (on behalf of such individual or of a public or private agency, organization, or institution) compensated or uncompensated care to an older individual. 

(19) The term ‘‘family violence’’ has the same meaning given the term in the Family Violence Prevention and Services Act [42 U.S.C. 10401 et seq.].

(20) The term ‘‘fiduciary’’—

(A) means a person or entity with the legal responsibility—

(i) to make decisions on behalf of and for the benefit of another person; and

(ii) to act in good faith and with fairness; and

(B) includes a trustee, a guardian, a conservator, an executor, an agent under a financial power of attorney or health care power of attorney, or a representative payee.

(21) The term ‘‘focal point’’ means a facility established to encourage the maximum collection and coordination of services for older individuals.

(22) The term ‘‘frail’’ means, with respect to an older individual in a State, that the older individual is determined to be functionally impaired because the individual—

(A)(i) is unable to perform at least two activities of daily living without substantial human assistance, including verbal reminding, physical cueing, or supervision; or

(ii) at the option of the State, is unable to perform at least three such activities without such assistance; or

(B) due to a cognitive or other mental impairment, requires substantial supervision because the individual behaves in a manner that poses a serious health or safety hazard to the individual or to another individual.

(23) The term ‘‘greatest economic need’’ means the need resulting from an income level at or below the poverty line.

(24) The term ‘‘greatest social need’’ means the need caused by noneconomic factors, which include—

(A) physical and mental disabilities;

(B) language barriers; and

(C) cultural, social, or geographical isolation, including isolation caused by racial or ethnic status, that—

(i) restricts the ability of an individual to perform normal daily tasks; or

(ii) threatens the capacity of the individual to live independently.

(25) The term ‘‘Hispanic-serving institution’’ has the meaning given the term in section 1101a of title 20.

(26) The term ‘‘Indian’’ means a person who is a member of an Indian tribe.

(27) Except for the purposes of subchapter X of this chapter, the term ‘‘Indian tribe’’ means any tribe, band, nation, or other organized group or community of Indians (including any Alaska Native village or regional or village corporation as defined in or established pursuant to the Alaska Native Claims Settlement Act (Public Law 92–203; 85 Stat. 688) [43 U.S.C. 1601 et seq.]) which (A) is recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians; or (B) is located on, or in proximity to, a Federal or State reservation or rancheria.

(28) The term ‘‘information and assistance service’’ means a service for older individuals that—

(A) provides the individuals with current information on opportunities and services available to the individuals within their communities, including information relating to assistive technology;

(B) assesses the problems and capacities of the individuals;

(C) links the individuals to the opportunities and services that are available;

(D) to the maximum extent practicable, ensures that the individuals receive the services needed by the individuals, and are aware of the opportunities available to the individuals, by establishing adequate follow-up procedures; and

(E) serves the entire community of older individuals, particularly—

(i) older individuals with greatest social need;

(ii) older individuals with greatest economic need; and

(iii) older individuals at risk for institutional placement.

(29) The term ‘‘information and referral’’ includes information relating to assistive technology.

(30) The term ‘‘in-home services’’ includes—

(A) services of homemakers and home health aides;

(B) visiting and telephone reassurance;

(C) chore maintenance;

(D) in-home respite care for families, and adult day care as a respite service for families;

(E) minor modification of homes that is necessary to facilitate the ability of older individuals to remain at home and that is not available under another program (other than a program carried out under this chapter);

(F) personal care services; and

(G) other in-home services as defined—

(i) by the State agency in the State plan submitted in accordance with section 3027 of this title; and

(ii) by the area agency on aging in the area plan submitted in accordance with section 3026 of this title.
(31) The term "institution of higher education" has the meaning given the term in section 1001 of title 20.

(32) The term "integrated long-term care"—
(A) means items and services that consist of—
(i) with respect to long-term care—
(I) long-term care items or services provided under a State plan for medical assistance under the Medicaid program established under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.), including nursing facility services, home and community-based services, personal care services, and case management services provided under the plan; and

(ii) any other supports, items, or services that are available under any federally funded long-term care program; and

(ii) with respect to other health care, items and services covered under—
(I) the Medicare program established under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.);

(ii) the State plan for medical assistance under the Medicaid program; or

(III) any other federally funded health care program; and
(B) includes items or services described in subparagraph (A) that are provided under a public or private managed care plan or through any other service provider.

(33) The term "legal assistance"—
(A) means legal advice and representation provided by an attorney to older individuals with economic or social needs; and

(B) includes—
(i) to the extent feasible, counseling or other appropriate assistance by a paralegal or law student under the direct supervision of an attorney; and

(ii) counseling or representation by a nonlawyer where permitted by law.

(34) The term "long-term care" means any service, care, or item (including an assistive device), including a disease prevention and health promotion service, an in-home service, and a case management service—
(A) intended to assist individuals in coping with, and to the extent practicable compensate for, a functional impairment in carrying out activities of daily living;

(B) furnished at home, in a community care setting (including a small community care setting as defined in subsection (g)(1), and a large community care setting as defined in subsection (h)(1), of section 1929 of the Social Security Act (42 U.S.C. 1396l)), or in a long-term care facility; and

(C) not furnished to prevent, diagnose, treat, or cure a medical disease or condition.

(35) The term "long-term care facility" means—
(A) any skilled nursing facility, as defined in section 1919(a) of the Social Security Act (42 U.S.C. 1395l-1(a));

(B) any nursing facility, as defined in section 1919(a) of the Social Security Act (42 U.S.C. 1396r(a));

(C) for purposes of sections 3027(a)(9) and 3058g of this title, a board and care facility; and

(D) any other adult care home, including an assisted living facility, similar to a facility or institution described in subparagraph (A) through (C).

(36) The term "multipurpose senior center" means a community facility for the organization and provision of a broad spectrum of services, which shall include provision of health (including mental and behavioral health), social, nutritional, and educational services and the provision of facilities for recreational activities for older individuals.

(37) The term "Native American" means—
(A) an Indian as defined in paragraph (5); and

(B) a Native Hawaiian, as defined in section 3057k of this title.

(38) The term "neglect" means—
(A) the failure of a caregiver (as defined in paragraph (18)(B)) or fiduciary to provide the goods or services that are necessary to maintain the health or safety of an older individual; or

(B) self-neglect.

(39) The term "nonprofit" as applied to any agency, institution, or organization means an agency, institution, or organization which is, or is owned and operated by, one or more corporations or associations no part of the net earnings of which inures, or may lawfully inure, to the benefit of any private shareholder or individual.

(40) The term "older individual" means an individual who is 60 years of age or older.

(41) The term "physical harm" means bodily injury, impairment, or disease.

(42) The term "planning and service area" means an area designated by a State agency under section 3025(a)(1)(E) of this title, including a single planning and service area described in section 3025(b)(5)(A) of this title.

(43) The term "poverty line" means the official poverty line (as defined by the Office of Management and Budget, and adjusted by the Secretary in accordance with section 9902(2) of this title).2

(44) The term "representative payee" means a person who is appointed by a governmental entity to receive, on behalf of an older individual who is unable to manage funds by reason of a physical or mental incapacity, any funds owed to such individual by such entity.

(45) The term "Secretary" means the Secretary of Health and Human Services, except that for purposes of subchapter IX such term means the Secretary of Labor.

(46) The term "self-directed care" means an approach to providing services (including programs, benefits, supports, and technology) under this chapter intended to assist an individual with activities of daily living, in which—
(A) such services (including the amount, duration, scope, provider, and location of

2So in original. Probably should refer to paragraph (36).
3So in original. A closing parenthesis probably should follow "this title".
such services are planned, budgeted, and purchased under the direction and control of such individual;

(B) such individual is provided with such information and assistance as are necessary and appropriate to enable such individual to make informed decisions about the individual’s care options;

(C) the needs, capabilities, and preferences of such individual with respect to such services, and such individual’s ability to direct and control the individual’s receipt of such services, are assessed by the area agency on aging (or other agency designated by the area agency on aging); and

(D) based on the assessment made under subparagraph (C), the area agency on aging (or other agency designated by the area agency on aging) develops together with such individual and the individual’s family, caregiver (as defined in paragraph (18)(B)), or legal representative—

(i) a plan of services for such individual that specifies which services such individual will be responsible for directing;

(ii) a determination of the role of family members (and others whose participation is sought by such individual) in providing services under such plan; and

(iii) a budget for such services; and

(E) the area agency on aging or State agency provides for oversight of such individual’s self-directed receipt of services, including steps to ensure the quality of services provided and the appropriate use of funds under this chapter.

(47) The term “self-neglect” means an adult’s inability, due to physical or mental impairment or diminished capacity, to perform essential self-care tasks including—

(A) obtaining essential food, clothing, shelter, and medical care;

(B) obtaining goods and services necessary to maintain physical health, mental and behavioral health, or general safety; or

(C) managing one’s own financial affairs.

(48) The term “severe disability” means a severe, chronic disability attributable to mental or physical impairment, or a combination of mental and physical impairments, that—

(A) is likely to continue indefinitely; and

(B) results in substantial functional limitation in 3 or more of the major life activities specified in subparagraphs (A) through (G) of paragraph (8).

(49) The term “sexual assault” has the meaning given the term in section 10447 of title 34.

(50) The term “State” means any of the several States, the District of Columbia, the Virgin Islands of the United States, the Commonwealth of Puerto Rico, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands.

(51) The term “State agency” means the agency designated under section 3025(a)(1) of this title.

(52) The term “State system of long-term care” means the Federal, State, and local programs and activities administered by a State that provide, support, or facilitate access to long-term care for individuals in such State.

(53) The term “supportive service” means a service described in section 3030d(a) of this title.

(54) Except for the purposes of subchapter X of this chapter, the term “tribal organization” means the recognized governing body of any Indian tribe, or any legally established organization of Indians which is controlled, sanctioned, or chartered by such governing body. In any case in which a contract is let or grant made to an organization to perform services benefiting more than one Indian tribe, the approval of such Indian tribe shall be a prerequisite to the letting or making of such contract or grant.
assault”. However, it now refers to definitions in section 12291 of Title 34, Crime Control and Law Enforcement, which defines “sexual assault” in subsec. (a).

**Amendments**

2016—Par. (1). Pub. L. 114–114, §2(1), added par. (1) and struck out former par. (1) which defined “abuse”.

Par. (2). Pub. L. 114–114, §2(2), added par. (2) and struck out former par. (2) which defined “adult child with a disability”.

Par. (4). Pub. L. 114–114, §3(3), added par. (4) and struck out former par. (4) which defined “Aging and Disability Resource Center”.


Par. (17). Pub. L. 114–114, §3(3), added par. (17) and struck out former par. (17) which defined “elder justice”.


2006—Pub. L. 109–365, §101(b), redesignated pars. (1) to (54) as (45), (7), (50), (39), (26), (27), (54), (13), (48), (8), (29), (14), (1), (2), (5), (6), (10), (30), (37), (11), (15), (16), (18), (21), (22), (23), (24), (28), (31), (35), (36), (30), (40), (41), (42), (43), (44), (51), (53), (19), (49), (4), (9), (12), (17), (20), (25), (34), (46), (47), (52), and (32), respectively.

Par. (10). Pub. L. 109–365, §101(a)(1), added par. (10) and struck out former par. (10) which read as follows: “The term ‘assistive technology’ means technology, engineering methodologies, or scientific principles appropriate to meet the needs of, and address the barriers confronted by, older individuals with functional limitations.”

Par. (12)(D). Pub. L. 109–365, §101(a)(2), added subpar. (D) and struck out former subpar. (D) which read as follows: “health promotion programs, including but not limited to programs relating to prevention and reduction of effects of chronic disabling conditions (including osteoporosis and cardiovascular disease), alcohol and substance abuse reduction, smoking cessation, weight loss and control, and stress management.”

Par. (24). Pub. L. 109–365, §101(a)(3), added par. (24) and struck out former par. (24) which read as follows: “The term ‘counseling’ means the process or practice of an individual, including a caregiver, using the resources of an older individual for monetary or personal benefit, profit, or gain.”


Par. (34). Pub. L. 109–365, §101(a)(6), added par. (34) and struck out former par. (34) which read as follows: “The term ‘neglect’ means—

‘(A) the failure to provide for oneself the goods or services that are necessary to avoid physical harm, mental anguish, or mental illness; or

‘(B) the failure of a caregiver to provide the goods or services.”


Par. (2). Pub. L. 106–501, §101(2), added par. (2) and struck out former par. (2) which read as follows: “The term ‘Trust Territory of the Pacific Islands’ includes the Federated States of Micronesia, the Republic of the Marshall Islands, and the Republic of Palau.”

Par. (18). Pub. L. 106–501, §101(3), redesignated par. (19) as (18) and struck out former par. (18) which read as follows: “The term ‘arm therapy’ means the use of art and artistic processes specifically selected and administered by an art therapist, to accomplish the restoration, maintenance, or improvement of the mental, emotional, or social functioning of an individual.”

Par. (19). Pub. L. 106–501, §101(4), added par. (19) and struck out former par. (19) which read as follows: ‘The term ‘caregiver’ means an individual who has the responsibility for the care of an older individual, either voluntarily, by contract, by receipt of payment for care, or as a result of the operation of law.”


Par. (20). Pub. L. 106–501, §101(4), added par. (20) and struck out former par. (20) which read as follows: “The term ‘caretaker’ means a family member or other individual who provides (on behalf of such individual or of a public or private agency, organization, or institution) uncompensated care to an older individual who needs supportive services.”


Par. (23). Pub. L. 106–501, §101(5), redesignated par. (25) as (23) and struck out former par. (23) which read as follows: “The ‘dance-movement therapy’ means the use of psychotherapeutic movement as a process facilitated by a dance-movement therapist, to further the emotional, cognitive, or physical health of an older individual.”

Pars. (24) to (31). Pub. L. 106–501, §101(5), redesignated pars. (25) to (33) as (24) to (31), respectively. Former pars. (24) and (25) redesignated (22) and (23), respectively.


Pars. (34), (35). Pub. L. 106–501, §101(6), redesignated pars. (37) and (38) as (34) and (35), respectively. Former pars. (34) and (35) redesignated (32) and (33), respectively.

Par. (36). Pub. L. 106–501, §101(6), redesignated par. (39) as (36) and struck out former par.(36) which read as follows: “The term ‘music therapy’ means the use of musical or rhythmic interventions specifically selected by a music therapist to accomplish the restoration, maintenance, or improvement of social or emotional functioning, mental processing, or physical health of an older individual.”

Pars. (37) to (41). Pub. L. 106–501, §101(6), redesignated pars. (40) to (44) as (37) to (41), respectively. Former pars. (37) to (39) redesignated (34) to (36), respectively.

Pars. (42), (43). Pub. L. 106–501, §101(7), added pars. (42) and (43). Former pars. (42) and (43) redesignated (39) and (40), respectively.


1998—Par. (32). Pub. L. 105–244 substituted “section 1001” for “section 1141(a)”.

1993—Par. (2). Pub. L. 103–171, §3(a)(1), amended par. (2) generally. Prior to amendment, par. (2) read as follows: “The term ‘Commissioner’ means, unless the context otherwise requires, the Commissioner of the Administration.”

Par. (3). Pub. L. 103–171, §2(1), substituted “Virgin Islands of the United States” for “Virgin Islands”.

States Virgin Islands” for “Virgin Islands”, could not be executed because “Virgin Islands” did not appear in par. (2).

Pub. L. 102–375, §102(b)(1)(A), substituted “Secretary of Health and Human Services” for “Secretary of Labor”.

Pub. L. 102–375, §102(a), added par. (3).

Pub. L. 100–175, §102(a), added par. (4) defining “assistive technology” as (10).

Par. (11). Pub. L. 100–628, §706(1)(A), redesignated par. (9) defining “information and referral” as (11).

Par. (9). Pub. L. 100–628, §706(1)(B), redesignated par. (8) defining “Trust Territory of the Pacific Islands” as (12).

1987—Par. (9). Pub. L. 95–478, §503(a)(2), substituted “Secretary of Health and Human Services” for “Secretary of Labor” for “other than for purposes of subchapter IX”.

Par. (5). Pub. L. 95–478, §504(a)(2), substituted “except that for purposes of subchapter IX such term means the Secretary of Labor” for “other than for purposes of subchapter IX”.

Par. (6). Pub. L. 95–478, §504(a)(3), substituted “except that for purposes of subchapter IX such term means the Secretary of Labor” for “other than for purposes of subchapter IX”.

§ 3003. Congressional declaration of additional objectives

The Congress finds that millions of older citizens in this Nation are suffering unnecessary harm from the lack of adequate services. It is therefore the purpose of this Act, in support of the objectives of the Older Americans Act of 1965 [42 U.S.C. 3001 et seq.], to—

(1) make available comprehensive programs which include a full range of health, education, and supportive services to older citizens who need them,

(2) give full and special consideration to older citizens with special needs in planning such programs, and, pending the availability of such programs for all older citizens, give priority to the elderly with the greatest economic and social need,

(3) provide comprehensive programs which will assure the coordinated delivery of a full range of essential services to our older citizens, and, where applicable, also furnish meaningful employment opportunities for many individuals, including older persons, young persons, and volunteers from the community, and

(4) insure that the planning and operation of such programs will be undertaken as a partnership of older citizens, community agencies, and State and local governments, with appropriate assistance from the Federal Government.


References in Text


The Older Americans Act of 1965, referred to in text, is Pub. L. 89–73, July 14, 1965, 79 Stat. 218, which is classified generally to this chapter.

Codification

Section was not enacted as part of the Older Americans Act of 1965 which comprises this chapter.

Amendments

1981—Par. (1). Pub. L. 97–115 substituted “supportive services” for “social services”.

SUBCHAPTER II—ADMINISTRATION ON AGING

§ 3011. Establishment of Administration on Aging

(a) Function and operation

There is established in the Office of the Secretary an Administration on Aging which shall be headed by an Assistant Secretary for Aging. Except for subchapter IX, the Administration shall be the agency for carrying out this chapter. There shall be a direct reporting relationship between the Assistant Secretary and the Secretary. In the performance of the functions of the Assistant Secretary, the Assistant Secretary shall be directly responsible to the Sec-

Effective Date of 1998 Amendment


Effective Date of 1987 Amendment

Amendment by Pub. L. 100–175 effective Oct. 1, 1987, except not applicable with respect to any area plan submitted under section 302(a) of this title or any State plan submitted under section 302(a) of this title and approved for any fiscal year beginning before Nov. 29, 1987, see section 701(a), (b) of Pub. L. 100–175, set out as a note under section 3001 of this title.

Effective Date of 1978 Amendment


Effective Date of 1968 Amendment

Amendment by Pub. L. 90–42, §5(a)(2), enlarged term nonprofit institution or organization to include nonprofit agencies.

Effective Date of 1967 Amendment

Amendment by Pub. L. 90–42, §5(a)(2), enlarged term “State” to include the Trust Territory of the Pacific Islands.

Effective Date of 1967 Amendment

Amendment by Pub. L. 90–42, §5(a)(2), enlarged term “State” to include the Trust Territory of the Pacific Islands.

Effective Date of 1967 Amendment

Amendment by Pub. L. 90–42, §5(a)(2), enlarged term “State” to include the Trust Territory of the Pacific Islands.

Effective Date of 1967 Amendment

Amendment by Pub. L. 90–42, §5(a)(2), enlarged term “State” to include the Trust Territory of the Pacific Islands.
Secretary. The Secretary shall not approve or require any delegation of the functions of the Assistant Secretary (including the functions of the Assistant Secretary carried out through regional offices) to any other officer not directly responsible to the Assistant Secretary.

(b) Appointment of Assistant Secretary
The Assistant Secretary shall be appointed by the President by and with the advice and consent of the Senate.

(c) Office for American Indian, Alaskan Native, and Native Hawaiian Programs; Director
(1) There is established in the Administration an Office for American Indian, Alaskan Native, and Native Hawaiian Programs.
(2) The Office shall be headed by a Director of the Office for American Indian, Alaskan Native, and Native Hawaiian Aging appointed by the Assistant Secretary.
(3) The Director of the Office for American Indian, Alaskan Native, and Native Hawaiian Aging shall—
(A)(i) evaluate the adequacy of outreach under subchapter III and subchapter X for older individuals who are Native Americans and recommend to the Assistant Secretary necessary action to improve service delivery, outreach, coordination between subchapter III and subchapter X services, and particular problems faced by older Indians and Native Hawaiians; and
(ii) include a description of the results of such evaluation and recommendations in the annual report required by section 3018(a) of this title to be submitted by the Assistant Secretary;
(B) serve as the effective and visible advocate in behalf of older individuals who are Native Americans within the Department of Health and Human Services and with other departments and agencies of the Federal Government regarding all Federal policies affecting such individuals, with particular attention to services provided to Native Americans by the Indian Health Service;
(C) coordinate activities between other Federal departments and agencies to assure a continuum of improved services through memoranda of agreements or through other appropriate means of coordination;
(D) administer and evaluate the grants provided under this chapter to Indian tribes, public agencies and nonprofit private organizations serving Native Hawaiians;
(E) recommend to the Assistant Secretary policies and priorities with respect to the development and operation of programs and activities conducted under this chapter relating to older individuals who are Native Americans;
(F) collect and disseminate information related to problems experienced by older Native Americans, including information (compiled with assistance from public or nonprofit private entities, including institutions of higher education, with experience in assessing the characteristics and health status of older individuals who are Native Americans) on elder abuse, in-home care, health problems, and other problems unique to Native Americans;
(G) develop research plans, and conduct and arrange for research, in the field of American Native aging with a special emphasis on the gathering of statistics on the status of older individuals who are Native Americans;
(H) develop and provide technical assistance and training programs to grantees under subchapter X;
(I) promote coordination—
(i) between the administration of subchapter III and the administration of subchapter X; and
(ii) between programs established under subchapter III by the Assistant Secretary and programs established under subchapter X by the Assistant Secretary;

including sharing among grantees information on programs funded, and on training and technical assistance provided, under such subchapters; and
(J) serve as the effective and visible advocate on behalf of older individuals who are Indians, Alaskan Natives, and Native Hawaiians, in the States to promote the enhanced delivery of services and implementation of programs, under this chapter and other Federal Acts, for the benefit of such individuals.

(d) Office of Long-Term Care Ombudsman Programs
(1) There is established in the Administration the Office of Long-Term Care Ombudsman Programs (in this subsection referred to as the “Office”).
(2)(A) The Office shall be headed by a Director of the Office of Long-Term Care Ombudsman Programs (in this subsection referred to as the “Director”) who shall be appointed by the Assistant Secretary from among individuals who have expertise and background in the fields of long-term care advocacy and management. The Director shall report directly to the Assistant Secretary.
(B) No individual shall be appointed Director if—
(i) the individual has been employed within the previous 2 years by—
(I) a long-term care facility;
(II) a corporation that then owned or operated a long-term care facility; or
(III) an association of long-term care facilities;
(ii) the individual—
(I) has an ownership or investment interest (represented by equity, debt, or other financial relationship) in a long-term care facility or long-term care service; or
(II) receives, or has the right to receive, directly or indirectly remuneration (in cash or in kind) under a compensation arrangement with an owner or operator of a long-term care facility; or
(iii) the individual, or any member of the immediate family of the individual, is subject to a conflict of interest.
(3) The Director shall—
(A) serve as an effective and visible advocate on behalf of older individuals who reside in long-term care facilities, within the Department of Health and Human Services and with
other departments, agencies, and instrument-

talities of the Federal Government regarding all Federal policies affecting such individuals;

(B) review and make recommendations to the Assistant Secretary regarding—

(i) the approval of the provisions in State plans submitted under section 3027(a) of this title that relate to State Long-Term Care Ombudsman programs; and

(ii) the adequacy of State budgets and policies relating to the programs;

(C) after consultation with State Long-Term Care Ombudsmen and the State agencies, make recommendations to the Assistant Secretary regarding—

(i) policies designed to assist State Long-Term Care Ombudsmen; and

(ii) methods to periodically monitor and evaluate the operation of State Long-Term Care Ombudsman programs, to ensure that the programs satisfy the requirements of section 3027(a)(9) of this title and section 3058g of this title, including provision of service to residents of board and care facilities and of similar adult care facilities;

(D) keep the Assistant Secretary and the Secretary fully and currently informed about—

(i) problems relating to State Long-Term Care Ombudsman programs; and

(ii) the necessity for, and the progress toward, solving the problems;

(E) review, and make recommendations to the Secretary and the Assistant Secretary regarding, existing and proposed Federal legislation, regulations, and policies regarding the operation of State Long-Term Care Ombudsman programs;

(F) make recommendations to the Assistant Secretary and the Secretary regarding the policies of the Administration, and coordinate the activities of the Administration with the activities of other Federal entities, State and local entities, and nongovernmental entities, relating to State Long-Term Care Ombudsman programs;

(G) supervise the activities carried out under the authority of the Administration that relate to State Long-Term Care Ombudsman programs;

(H) administer the National Ombudsman Resource Center established under section 3012(a)(18) of this title and make recommendations to the Assistant Secretary regarding the operation of the National Ombudsman Resource Center;

(I) advocate, monitor, and coordinate Federal and State activities of Long-Term Care Ombudsmen under this chapter;

(J) submit to the Speaker of the House of Representatives and the President pro tempore of the Senate an annual report on the effectiveness of services provided under section 3027(a)(9) of this title and section 3058g of this title;

(K) have authority to investigate the operation or violation of any Federal law administered by the Department of Health and Human Services that may adversely affect the health, safety, welfare, or rights of older individuals;

(L) not later than 180 days after April 19, 2016, establish standards applicable to the training required by section 3058g(h)(5) of this title; and

(M) collect and analyze best practices related to responding to elder abuse, neglect, and exploitation in long-term care facilities, and publish a report of such best practices.

(e) Elder abuse prevention and services

(1) The Assistant Secretary is authorized to designate within the Administration a person to have responsibility for elder abuse prevention and services.

(2) It shall be the duty of the Assistant Secretary, acting through the person designated to have responsibility for elder abuse prevention and services, and in coordination with the heads of State adult protective services programs and the Director of the Office of Long-Term Care Ombudsman Programs—

(A) to develop objectives, priorities, policy, and a long-term plan for—

(i) facilitating the development, implementation, and continuous improvement of a coordinated, multidisciplinary elder justice system in the United States;

(ii) providing Federal leadership to support State efforts in carrying out elder justice programs and activities relating to—

(I) elder abuse prevention, detection, treatment, intervention, and response;

(II) training of individuals regarding the matters described in subclause (I); and

(III) the development of a State comprehensive elder justice system, as defined in section 3058aa-1(b) of this title;

(iii) establishing Federal guidelines and disseminating best practices for uniform data collection and reporting by States;

(iv) working with States, the Department of Justice, and other Federal entities to annually collect, maintain, and disseminate data relating to elder abuse, neglect, and exploitation, to the extent practicable;

(v) establishing an information clearinghouse to collect, maintain, and disseminate information concerning best practices and resources for training, technical assistance, and other activities to assist States and communities to carry out evidence-based programs to prevent and address elder abuse, neglect, and exploitation;

(vi) conducting research related to elder abuse, neglect, and exploitation;

(vii) providing technical assistance to States and other eligible entities that provide or fund the provision of the services described in subchapter XI;

(viii) carrying out a study to determine the national incidence and prevalence of elder abuse, neglect, and exploitation in all settings; and

(ix) promoting collaborative efforts and diminishing duplicative efforts in the development and carrying out of elder justice programs at the Federal, State and local levels; and

(B) to assist States and other eligible entities under subchapter XI to develop strategic
planning to better coordinate elder justice activities, research, and training.

(3) The Secretary, acting through the Assistant Secretary, may issue such regulations as may be necessary to carry out this subsection and section 3068a–1 of this title.

(f) Mental health services

(1) The Assistant Secretary may designate an officer or employee who shall be responsible for the administration of mental and behavioral health services authorized under this chapter.

(2) It shall be the duty of the Assistant Secretary, acting through the individual designated under paragraph (1), to develop objectives, priorities, and a long-term plan for supporting State and local efforts involving education about and prevention, detection, and treatment of mental disorders, including age-related dementia, depression, and Alzheimer's disease and related neurological disorders with neurological and organic brain dysfunction.

(3) The Secretary, acting through the Assistant Secretary, may issue such regulations as may be necessary to carry out this subsection.

AMENDMENTS


Subsec. (d)(3)(L). Pub. L. 114–144, § 3(a)(1)(C), substituted “April 19, 2016” for “September 30, 1992” and “3006g(h)(4) of this title; and” for “3006g(h)(4) of this title.”


Subsec. (e)(2). Pub. L. 114–144, § 3(a)(2), inserted “, in coordination with the heads of State adult protective services programs and the Director of the Office of Long-Term Care Ombudsman Programs” after “and services.”


2006—Subsecs. (e) and (f). Pub. L. 109–365 added subsecs. (e) and (f).


1998—Subsec. (a). Pub. L. 105–171, § 3(a)(2)(A), (D), substituted “an Assistant Secretary for Aging for a Commissioner on Aging” and substituted “the Assistant Secretary” for “the Commissioner” wherever appearing.

Subsec. (b). Pub. L. 105–171, § 3(a)(2)(D), substituted “Assistant Secretary” for “Commissioner”.

Subsec. (c)(2). Pub. L. 105–171, § 3(a)(2)(B)(i), (D), substituted “a Director of the Office for” for “an Associate Commissioner on” and “Assistant Secretary” for “Commissioner”.

Subsec. (c)(3). Pub. L. 105–171, § 3(a)(2)(B)(ii), (D), substituted “Director of the Office for” for “Associate Commissioner on” in introductory provisions and “Assistant Secretary” for “Commissioner” wherever appearing in subpars. (A), (E), and (I)(i).
§ 3012. Functions of Assistant Secretary

(a) Duties and functions of Administration

It shall be the duty and function of the Administration to—

(1) serve as the effective and visible advocate for older individuals within the Department of Health and Human Services and with other departments, agencies, and instrumentalities of the Federal Government by maintaining active review and commenting responsibilities over all Federal policies affecting older individuals;

(2) collect and disseminate information related to problems of the aged and aging;

(3) direct assist the Secretary in all matters pertaining to problems of the aged and aging;

(4) administer the grants provided by this chapter;

(5) develop plans, conduct and arrange for research in the field of aging, and assist in the establishment and implementation of programs designed to meet the health and economic needs of older individuals for supportive services, including nutrition, hospitalization, education and training services (including pre-retirement training, and continuing education), low-cost transportation and housing, assistive technology, and health (including mental and behavioral health) services;

(6) provide technical assistance and consultation to States and political subdivisions thereof with respect to programs for the aged and aging;

(7) prepare, publish, and disseminate educational materials dealing with the health and economic welfare of older individuals;

(8) gather statistics in the field of aging which other Federal agencies are not collecting, and take whatever action is necessary to achieve coordination of activities carried out or assisted by all departments, agencies, and instrumentalities of the Federal Government with respect to the collection, preparation, and dissemination of information relevant to older individuals;

(9) develop basic policies and set priorities with respect to the development and operation of programs and activities conducted under authority of this chapter;

(10) coordinate Federal programs and activities related to such purposes;

(11) coordinate, and assist in, the planning and development by public (including Federal, State, and local agencies) and private organizations of programs for older individuals, with a view to the establishment of a nationwide network of comprehensive, coordinated services and opportunities for such individuals;

(12)(A) consult and coordinate activities with the Administrator of the Centers for Medicare & Medicaid Services and the heads of other Federal entities to implement and build awareness of programs providing benefits affecting older individuals; and

(B) carry on a continuing evaluation of the programs and activities related to the objectives of this chapter, with particular attention to the impact of the programs and activities carried out under—

(i) titles XVIII and XIX of the Social Security Act (42 U.S.C. 1395 et seq., 1396 et seq.);

(ii) the Age Discrimination in Employment Act of 1967 (29 U.S.C. 621 et seq.); and

(iii) the National Housing Act (12 U.S.C. 1701 et seq.) relating to housing for older individuals and the setting of standards for the licensing of nursing homes, intermediate care homes, and other facilities providing care for such individuals;

(13) provide information and assistance to private organizations for the establishment and operation by them of programs and activities related to the objectives of this chapter;

(14) develop, in coordination with other agencies (including the Health Resources and Services Administration), a national plan for meeting the needs for trained personnel in the field of aging, and for training persons for carrying out programs related to the objectives of this chapter, and conduct and provide for the conducting of such training;

(15) consult with national organizations representing minority individuals to develop and disseminate training packages and to provide technical assistance efforts designed to assist State and area agencies on aging, and service providers, in providing services to older individuals with greatest economic need or individuals with greatest social need, with particular attention to and specific objectives for...
providing services to low-income minority individuals and older individuals residing in rural areas;
(16) collect for each fiscal year, for fiscal years beginning after September 30, 1988, directly or by contract, statistical data regarding programs and activities carried out with funds provided under this chapter, including—
(A) with respect to each type of service or activity provided with such funds—
(i) the aggregate amount of such funds expended to provide such service or activity;
(ii) the number of individuals who received such service or activity; and
(iii) the number of units of such service or activity provided;
(B) the number of senior centers which received such funds; and
(C) the extent to which each area agency on aging designated under section 3025(a) of this title satisfied the requirements of paragraphs (2) and (4)(A) of section 3026(a) of this title;
(17) obtain from—
(A) the Department of Agriculture information explaining the requirements for eligibility to receive benefits under the Food and Nutrition Act of 2008 [7 U.S.C. 2011 et seq.]; and
(B) the Social Security Administration information explaining the requirements for eligibility to receive supplemental security income benefits under title XVI of the Social Security Act [42 U.S.C. 1381 et seq.] (or assistance under a State plan program under title XVI of that Act);
and distribute such information, in written form, to State agencies, for redistribution to area agencies on aging, to carry out outreach activities and application assistance;
(18)(A) establish and operate the National Ombudsman Resource Center (in this paragraph referred to as the “Center”), under the administration of the Director of the Office of Long-Term Care Ombudsman Programs, that will—
(i) by grant or contract—
(1) conduct research;
(II) provide training, technical assistance, and information to State Long-Term Care Ombudsmen;
(III) analyze laws, regulations, programs, and practices; and
(IV) provide assistance in recruiting and retaining volunteers for State Long-Term Care Ombudsman programs by establishing a national program for recruitment efforts that utilizes the organizations that have established a successful record in recruiting and retaining volunteers for ombudsman or other programs;
relating to Federal, State, and local long-term care ombudsman policies; and
(ii) assist State Long-Term Care Ombudsmen in the implementation of State Long-Term Care Ombudsman programs; and
(B) make available to the Center not less than the amount of resources made available to the Long-Term Care Ombudsman National Resource Center for fiscal year 2000;
(19) conduct strict monitoring of State compliance with the requirements in effect, under this chapter to prohibit conflicts of interest and to maintain the integrity and public purpose of services provided and service providers, under this chapter in all contractual and commercial relationships;
(20)(A) encourage, and provide technical assistance to, States, area agencies on aging, and service providers to carry out outreach and benefits enrollment assistance to inform and enroll older individuals with greatest economic need, who may be eligible to participate, but who are not participating, in Federal and State programs providing benefits for which the individuals are eligible, including—
(i) supplemental security income benefits under title XVI of the Social Security Act (42 U.S.C. 1381 et seq.), or assistance under a State plan program under such title;
(ii) medical assistance under title XIX of such Act (42 U.S.C. 1396 et seq.);
(iii) benefits under the Food and Nutrition Act of 2008 (7 U.S.C. 2011 et seq.); or
(iv) benefits under any other applicable program; and
(B) at the election of the Assistant Secretary and in cooperation with related Federal agency partners administering the Federal programs, make a grant to or enter into a contract with a qualified, experienced entity to establish a National Center on Senior Benefits Outreach and Enrollment, which shall—
(i) maintain and update web-based decision support and enrollment tools, and integrated, person-centered systems, designed to inform older individuals about the full range of benefits for which the individuals may be eligible under Federal and State programs;
(ii) utilize cost-effective strategies to find older individuals with greatest economic need and enroll the individuals in the programs;
(iii) create and support efforts for Aging and Disability Resource Centers, and other public and private State and community-based organizations, including faith-based organizations and coalitions, to serve as benefits enrollment centers for the programs;
(iv) develop and maintain an information clearinghouse on best practices and cost-effective methods for finding and enrolling older individuals with greatest economic need in the programs for which the individuals are eligible; and
(v) provide, in collaboration with related Federal agency partners administering the Federal programs, training and technical assistance on effective outreach, screening, enrollment, and follow-up strategies;
(21) establish information and assistance services as priority services for older individuals, and develop and operate, either directly or through contracts, grants, or cooperative agreements, a National Eldercare Locator Service, providing information and assistance services through a nationwide toll-free num-
ber to identify community resources for older individuals;

(22) develop guidelines for area agencies on aging to follow in choosing and evaluating providers of legal assistance;

(23) develop guidelines and a model job description for choosing and evaluating legal assistance developers referred to in section 3027(a)(13) of this title and section 3058j of this title;

(24) establish and carry out pension counseling and information programs described in section 3020e–1 of this title;

(25) provide technical assistance, training, and other means of assistance to State agencies, area agencies on aging, and service providers regarding State and local data collection and analysis;

(26) design and implement, for purposes of compliance with paragraph (19), uniform data collection procedures for use by State agencies, including—

(A) uniform definitions and nomenclature;

(B) standardized data collection procedures;

(C) a participant identification and description system;

(D) procedures for collecting information on services needed by older individuals (including services that would permit such individuals to receive long-term care in home and community-based settings), as identified by service providers in assisting clients through the provision of the supportive services; and

(E) procedures for the assessment of unmet needs for services under this chapter;

(27) improve the delivery of services to older individuals living in rural areas through—

(A) synthesizing results of research on how best to meet the service needs of older individuals in rural areas;

(B) developing a resource guide on best practices for States, area agencies on aging, and service providers; and

(C) providing training and technical assistance to States to implement these best practices of service delivery;

(28) make available to States, area agencies on aging, and service providers information and technical assistance to support the provision of evidence-based disease prevention and health promotion services;

(29) provide information and technical assistance to States, area agencies on aging, and service providers, in collaboration with relevant Federal agencies, on providing efficient, person-centered transportation services, including across geographic boundaries;

(30) identify model programs and provide information and technical assistance to States, area agencies on aging, and service providers (including providers operating multipurpose senior centers), to support the modernization of multipurpose senior centers; and

(31) provide technical assistance to and share best practices with States, area agencies on aging, and Aging and Disability Resource Centers, on how to collaborate and coordinate services with health care entities, such as Federally-qualified health centers, as defined in section 1905(l)(2)(B) of the Social Security Act (42 U.S.C. 1396d(l)(2)(B)), in order to improve care coordination for individuals with multiple chronic illnesses.

(b) Development and implementation of comprehensive, coordinated systems for long-term care

To promote the development and implementation of comprehensive, coordinated systems at Federal, State, and local levels that enable older individuals to receive long-term care in home and community-based settings, in a manner responsive to the needs and preferences of older individuals and their family caregivers, the Assistant Secretary shall, consistent with the applicable provisions of this subchapter—

(1) collaborate, coordinate, and consult with other Federal entities responsible for formulating and implementing programs, benefits, and services related to providing long-term care, and may make grants, contracts, and cooperative agreements with funds received from other Federal entities;

(2) conduct research and demonstration projects to identify innovative, cost-effective strategies for modifying State systems of long-term care to—

(A) respond to the needs and preferences of older individuals and family caregivers; and

(B) target services to individuals at risk for institutional placement, to permit such individuals to remain in home and community-based settings;

(3) establish criteria for and promote the implementation (through area agencies on aging, service providers, and such other entities as the Assistant Secretary determines to be appropriate) of evidence-based programs to assist older individuals and their family caregivers in learning about and making behavioral changes intended to reduce the risk of injury, disease, and disability among older individuals;

(4) facilitate, in coordination with the Administrator of the Centers for Medicare & Medicaid Services, and other heads of Federal entities as appropriate, the provision of long-term care in home and community-based settings, including the provision of such care through self-directed care models that—

(A) provide for the assessment of the needs and preferences of an individual at risk for institutional placement to help such individual avoid unnecessary institutional placement and depletion of income and assets to qualify for benefits under the Medicaid program under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.);

(B) respond to the needs and preferences of such individual and provide the option—

(i) for the individual to direct and control the receipt of supportive services provided; or

(ii) as appropriate, for a person who was appointed by the individual, or is legally acting on the individual’s behalf, in order to represent or advise the individual in financial or service coordination matters (referred to in this paragraph as a “rep-
(C) assist an older individual (or, as appropriate, a representative of the individual) to develop a plan for long-term support, including selecting, budgeting for, and purchasing home and community-based long-term care and supportive services;

(5) provide for the Administration to play a lead role with respect to issues concerning home and community-based long-term care, including—

(A) directing (as the Secretary or the President determines to be appropriate) or otherwise participating in departmental and interdepartmental activities concerning long-term care;

(B) reviewing and commenting on departmental rules, regulations, and policies related to providing long-term care;

(C) making recommendations to the Secretary with respect to home and community-based long-term care, including recommendations based on findings made through projects conducted under paragraph (2); and

(D) when feasible, developing, in consultation with States and national organizations, a consumer-friendly tool to assist older individuals and their families in choosing home and community-based services, with a particular focus on ways for consumers to assess how providers protect the health, safety, welfare, and rights, including the rights provided under section 308c–1 of this title, of older individuals;

(6) promote, in coordination with other appropriate Federal agencies—

(A) enhanced awareness by the public of the importance of planning in advance for long-term care; and

(B) the availability of information and resources to assist in such planning;

(7) ensure access to, and the dissemination of, information about all long-term care options and service providers, including the availability of integrated long-term care;

(8) implement in all States Aging and Disability Resource Centers—

(A) to serve as visible and trusted sources of information on the full range of long-term care options, including both institutional and home and community-based care, which are available in the community;

(B) to provide personalized and consumer-friendly assistance to empower individuals to identify and articulate goals of care and to make informed decisions about their care options;

(C) to provide coordinated and streamlined access to all publicly supported long-term care options so that consumers can obtain the care they need through a single intake, assessment, and eligibility determination process;

(D) to help individuals to respond to or plan ahead for their long-term care needs;

(E) to assist (in coordination with the entities carrying out the health insurance information, counseling, and assistance program (receiving funding under section 1395b–4 of this title in the States) beneficiaries, and prospective beneficiaries, under the Medicare program established under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.) in understanding and accessing prescription drug and preventative health benefits under the provisions of, and amendments made by, the Medicare Prescription Drug, Improvement, and Modernization Act of 2003; and

(F) to provide information and referrals regarding available home and community-based services for individuals who are at risk for residing in, or who reside in, institutional settings, so that the individuals have the choice to remain in or to return to the community;

(9) establish, either directly or through grants or contracts, national technical assistance programs to assist State agencies, area agencies on aging, and community-based service providers funded under this chapter in implementing—

(A) home and community-based long-term care systems, including evidence-based programs; and

(B) evidence-based disease prevention and health promotion services programs;

(10) develop, in collaboration with the Administrator of the Centers for Medicare & Medicaid Services, performance standards and measures for use by States to determine the extent to which their State systems of long-term care fulfill the objectives described in this subsection; and

(11) conduct such other activities as the Assistant Secretary determines to be appropriate.

(c) Encouragement of participation by volunteer groups, utilization of older individuals, and cost savings

The Assistant Secretary, in consultation with the Chief Executive Officer of the Corporation for National and Community Service, shall—

(1) encourage and permit volunteer groups (including organizations carrying out national service programs and including organizations of youth in secondary or postsecondary school) that are active in supportive services and civic engagement to participate and be involved individually or through representative groups in supportive service and civic engagement programs or activities to the maximum extent feasible;

(2) develop a comprehensive strategy for utilizing older individuals to address critical local needs of national concern, including the engagement of older individuals in the activities of public and nonprofit organizations such as community-based organizations, including faith-based organizations; and

(3) encourage other community capacity-building initiatives involving older individuals, with particular attention to initiatives that demonstrate effectiveness and cost savings in meeting critical needs.
(d) National Center on Elder Abuse

(1) The Assistant Secretary shall establish and operate the National Center on Elder Abuse (in this subsection referred to as the “Center”).

(2) In operating the Center, the Assistant Secretary shall—

(A) annually compile, publish, and disseminate a summary of recently conducted research on elder abuse, neglect, and exploitation;

(B) develop and maintain an information clearinghouse on all programs (including private programs) showing promise of success, for the prevention, identification, and treatment of elder abuse, neglect, and exploitation;

(C) compile, publish, and disseminate training materials for personnel who are engaged or intend to engage in the prevention, identification, and treatment of elder abuse, neglect, and exploitation;

(D) provide technical assistance to State agencies and to other public and nonprofit private agencies and organizations to assist the agencies and organizations in planning, improving, developing, and carrying out programs and activities relating to the special problems of elder abuse, neglect, and exploitation; and

(E) conduct research and demonstration projects regarding the causes, prevention, identification, and treatment of elder abuse, neglect, and exploitation.

(3)(A) The Assistant Secretary shall carry out paragraph (2) through grants or contracts.

(B) The Assistant Secretary shall issue criteria applicable to the recipients of funds under this subsection. To be eligible to receive a grant or enter into a contract under subparagraph (A), an entity shall submit an application to the Assistant Secretary at such time, in such manner, and containing such information as the Assistant Secretary may require.

(C) The Assistant Secretary shall—

(i) establish research priorities for making grants or contracts to carry out paragraph (2)(E); and

(ii) not later than 60 days before the date on which the Assistant Secretary establishes such priorities, publish in the Federal Register for public comment a statement of such proposed priorities.

(4) The Assistant Secretary shall make available to the Center such resources as are necessary for the Center to carry out effectively the functions of the Center under this chapter and not less than the amount of resources made available to the Resource Center on Elder Abuse for fiscal year 2000.

(e) National Aging Information Center

(1) The Assistant Secretary shall make grants or enter into contracts with eligible entities to establish the National Aging Information Center (in this subsection referred to as the “Center”) to—

(i) provide information about grants and projects under subchapter IV;

(ii) annually compile, analyze, publish, and disseminate—

(I) statistical data collected under subsection (a)(19);

(II) census data on aging demographics; and

(III) data from other Federal agencies on the health, social, and economic status of older individuals and on the services provided to older individuals;

(iii) biennially compile, analyze, publish, and disseminate statistical data collected on the functions, staffing patterns, and funding sources of State agencies and area agencies on aging;

(iv) analyze the information collected under section 3011(c)(3)(F) of this title by the Director of the Office for American Indian, Alaskan Native, and Native Hawaiian Aging;

(v) provide technical assistance, training, and other means of assistance to State agencies, area agencies on aging, and service providers, regarding State and local data collection and analysis; and

(vi) be a national resource on statistical data regarding aging.

(B) To be eligible to receive a grant or enter into a contract under subparagraph (A), an entity shall submit an application to the Assistant Secretary at such time, in such manner, and containing such information as the Assistant Secretary may require.

(C) Entities eligible to receive a grant or enter into a contract under subparagraph (A) shall be organizations with a demonstrated record of experience in education and information dissemination.

(2)(A) The Assistant Secretary shall establish procedures specifying the length of time that the Center shall provide the information described in paragraph (1) with respect to a particular project or activity. The procedures shall require the Center to maintain the information beyond the term of the grant awarded, or contract entered into, to carry out the project or activity.

(B) The Assistant Secretary shall establish the procedures described in subparagraph (A) after consultation with—

(i) practitioners in the field of aging;

(ii) older individuals;

(iii) representatives of institutions of higher education;

(iv) national aging organizations;

(v) State agencies;

(vi) area agencies on aging;

(vii) legal assistance providers;

(viii) service providers; and

(ix) other persons with an interest in the field of aging.

(f) Development of performance outcome measures

(1) The Assistant Secretary, in accordance with the process described in paragraph (2), and in collaboration with a representative group of State agencies, tribal organizations, area agencies on aging, and providers of services involved in the performance outcome measures shall develop and publish by December 31, 2001, a set of performance outcome measures for planning, managing, and evaluating activities performed and services provided under this chapter. To the maximum extent possible, the Assistant Sec-
retary shall use data currently collected (as of the date of development of the measures) by State agencies, area agencies on aging, and service providers through the National Aging Program Information System and other applicable sources of information in developing such measures.

(2) The process for developing the performance outcome measures described in paragraph (1) shall include—

(A) a review of such measures currently in use by State agencies and area agencies on aging (as of the date of the review);

(B) development of a proposed set of such measures that provides information about the major activities performed and services provided under this chapter;

(C) pilot testing of the proposed set of such measures, including an identification of resource, infrastructure, and data collection issues at the State and local levels; and

(D) evaluation of the pilot test and recommendations for modification of the proposed set of such measures.

(g) Training and provision of services addressing elder justice and exploitation

The Assistant Secretary shall, as appropriate, ensure that programs authorized under this chapter include appropriate training in the prevention of abuse, neglect, and exploitation and provision of services that address elder justice and the exploitation of older individuals.


REFERENCES IN TEXT


The National Housing Act, referred to in subsec. (a)(12)(B)(ii), is act June 27, 1934, ch. 847, 48 Stat. 1246, as amended, which is classified principally to chapter 13 (§1701 et seq.) of Title 12, Banks and Banking, For complete classification of this Act to the Code, see section 1701 of Title 12 and Tables.


CODIFICATION


AMENDMENTS


Pub. L. 114–144, § 3(b)(1)(A), inserted “health and economic” before “needs of older individuals”.


Subsec. (a)(14). Pub. L. 114–144, § 3(b)(1)(C), inserted “(including the Health Resources and Services Administration)” after “other agencies”.


Subsec. (b)(8)(D). Pub. L. 114–144, § 3(b)(2)(B)(ii), inserted “respond to or” before “plan” and substituted “long-term care needs;” for “future long-term care needs; and”.


Subsec. (g). Pub. L. 114–144, § 3(b)(3), added subsec. (g).


Subsec. (a)(12). Pub. L. 109–365, § 202(1)(B), added par. (12) and struck out former par. (12) which read as follows: “carry on a continuing evaluation of the programs and activities related to the objectives of this chapter, with particular attention to the impact of medicare and medicaid, the Age Discrimination in Employment Act of 1967, and the programs of the National Housing Act relating to housing for older individuals and the setting of standards for the licensing of nursing homes, intermediate care homes, and other facilities providing care for such individuals;”.

Subsec. (a)(20). Pub. L. 109–365, § 202(1)(C), added par. (20) and struck out former par. (20) which read as follows: “encourage, and provide technical assistance to, States and area agencies on aging to carry out outreach to inform older individuals with greatest economic need who may be eligible to receive, but are not receiving, supplemental security income benefits under title XVI of the Social Security Act (42 U.S.C. 1381 et seq.) (or assistance under a State plan program under...
such title), medical assistance under title XIX of such Act (42 U.S.C. 1396 et seq.), and benefits under the Food Stamp Act of 1977 (7 U.S.C. 1981 et seq.), of the requirements of eligibility to receive such benefits and such assistance:

Subsec. (a)(26)(D). Pub. L. 109–365, § 202(1)(D)(i), struck out “gaps in” after “collecting information on” and inserted “(including services that would permit such individuals to receive long-term care in home and community-based settings)” after “individuals”.


Subsec. (a)(27)(D). Pub. L. 109–365, § 202(1)(E)(ii), struck out subpar. (D) which read as follows: “submitting a report on the States’ experiences in implementing these best practices and the effect these innovations are having on improving service delivery in rural areas to the relevant committees not later than 36 months after November 13, 2000.”


Subsecs. (b), (c), Pub. L. 109–365, § 202(2), added subsecs. (b) and (c) and struck out former subsecs. (b) and (c), which related to policy alternatives in long-term care and participation of volunteer groups in programs and activities.


2000—Subsec. (a)(9), Pub. L. 106–501, § 201(1)(A), redesignated par. (10) as (9) and struck out former par. (9) which read as follows: “stimulate more effective use of existing resources and available services for the aged and aging, including existing legislative protections with particular emphasis on the application of the Age Discrimination in Employment Act of 1967.”

Subsec. (a)(10), (11). Pub. L. 106–501, § 201(1)(A), redesignated pars. (11) and (12) as (10) and (11), respectively. Former par. (10) redesignated (9).


Subsec. (a)(13). Pub. L. 106–501, § 201(1)(B), redesignated par. (16) and (17) as (13) and (14), respectively, and struck out former pars. (13) and (14), which read as follows:

“(13) convene conferences of such authorities and officials of public (including Federal, State, and local agencies) and nonprofit private organizations concerned with the development and operation of programs for older individuals as the Assistant Secretary deems necessary or proper for the development and implementa tion of policies related to the objectives of this chapter;

“(14) develop and operate programs providing services and opportunities as authorized by this chapter which are not otherwise provided by existing programs for older individuals”;

Subsec. (a)(15). Pub. L. 106–501, § 201(1)(B), (C), redesignated par. (18) as (15) and inserted “and other individuals residing in rural areas” after “low-income minority older individuals”. Former par. (15) redesignated (12).


Subsec. (a)(16)(C). Pub. L. 106–501, § 201(1)(A), which directed that par. (19)(C) be amended by substituting “paragraphs (2) and (4)(A) of section 3026(a)” for “paragraphs (2) and (5)(A) of section 3026(a)”. was executed by making the substitution in par. (16)(C), to reflect the probable intent of Congress and the redesignation of par. (19) as (16) by Pub. L. 106–501, § 201(1)(B).

See above.


Subsec. (a)(19). Pub. L. 106–501, § 201(1)(E), added par. (19) and struck out former par. (19) which directed the Administration to issue regulations, and conduct strict monitoring of State compliance with the requirements in effect, under this chapter to prohibit conflicts of interest and to maintain the integrity and public purpose of services provided and service providers, under this chapter in all contractual and commercial relationships, and to include in such regulations certain conditions (an area agency on aging) of the funds provided by such title, and to permit the use of such funds for the provision of services in such a manner that the funds provided under this chapter are not otherwise provided by existing programs for older individuals; and


Subsec. (a)(21). Pub. L. 106–501, § 201(1)(F), added par. (21) and struck out former par. (21) which read as follows: “establish information and assistance services as priority services for older individuals”;


Subsec. (a)(23). Pub. L. 106–501, § 201(1)(F), added par. (24) and struck out former par. (24) which read as follows: “information Act of 1967”;

“(24)(A) conduct a study to determine ways in which Federal funds might be more effectively targeted to low-income minority older individuals, and older individuals residing in rural areas, to better meet the needs of States with a disproportionate number of other individuals with greatest economic need and older individuals with greatest social need;

“(B) conduct a study to determine ways in which Federal funds might be more effectively targeted to better meet the needs of States with disproportionate numbers of older individuals, including methods of allotting funds under subchapter III of this chapter, using the most recent estimates of the population of older individuals; and

“(C) not later than January 1, 1995, submit a report containing the findings resulting from the studies described in subparagraphs (A) and (B) to the Speaker of the House of Representatives and the President pro tempore of the Senate”;


Subsec. (a)(25). Pub. L. 106–501, § 201(1)(B), redesignated par. (28) and (29) as (25) and (26), respectively. Former pars. (25) and (26) redesignated (22) and (23), respectively.


Pub. L. 106–501, § 201(1)(H), which directed amendment of subsec. (a) by striking out par. (27) and redesignating the remaining pars., could only be executed by striking out par. (27) because there were no remaining pars. in subsec. (a) after amendment by Pub. L. 106–501, § 201(1)(B). Prior to amendment, par. (27) read as follows: “require that all Federal grants and contracts made under this subchapter and subchapter IV of this chapter be made in accordance with a competitive bidding process established by the Assistant Secretary by regulation.”


Subsec. (a)(28) to (30). Pub. L. 106–501, § 201(1)(B), redesignated pars. (29) to (30) as (25) to (27), respectively.

Subsec. (c). Pub. L. 106–501, § 201(1)(B), struck out par. (1) designation before “In executing the duties” and struck out par. (2) which read as follows:
“(2)(A) In executing the duties and functions of the Administration under this chapter and in carrying out the programs and activities provided for by this chapter, the Assistant Secretary shall act to encourage and assist the establishment and use of—

“(i) area volunteer service coordinators, as described in section 3026(a)(12) of this title, by area agencies on aging; and

“(ii) State volunteer service coordinators, as described in section 3027(a)(31) of this title, by State agencies.

“(B) The Assistant Secretary shall provide technical assistance to the area and State volunteer services coordinators.


Subsec. (e)(1)(A)(i). Pub. L. 106–501, § 801(b)(2)(C)(i), added cl. (i) and struck out former cl. (i) which read as follows: ‘‘(a)(3) information about education and training projects established under part A, and research and demonstration projects, and other activities, established under part B, of chapter 52 of title 20 of this title’’.


Subsec. (a)(13). Pub. L. 103–171, § 3(a)(3)(D), substituted ‘‘Assistant Secretary’’ for ‘‘Commissioner’’.

Subsec. (a)(18). Pub. L. 103–171, § 32(2), struck out ‘‘,’’ and service providers, ‘‘ after ‘area agencies’’ and inserted the phrase after ‘‘on aging’’.

Subsec. (a)(21)(A). Pub. L. 103–171, § 3(a)(3)(B), substituted ‘‘Director of the Office of Long-Term Care Ombudsman Programs’’ for ‘‘Associate Commissioner for Ombudsman Programs’’.


Subsec. (c)(b), (c). Pub. L. 103–171, § 3(a)(3)(D), substituted ‘‘Assistant Secretary’’ for ‘‘Commissioner’’ wherever appearing.

Subsec. (c)(1). Pub. L. 103–42 substituted ‘‘the Corporation for National and Community Service’’ for ‘‘the Director of the ACTION Agency’’.

Subsecs. (d), (e). Pub. L. 103–171, § 3(a)(3)(D), substituted ‘‘Assistant Secretary’’ for ‘‘Commissioner’’ wherever appearing.

Subsec. (e)(1)(A)(iv). Pub. L. 103–171, § 3(a)(3)(C), substituted ‘‘Director of the Office for’’ for ‘‘Associate Commissioner on’’.


Subsec. (a)(11). Pub. L. 102–375, § 202(a)(2), substituted ‘‘coordinate’’ for ‘‘provide for the coordination of’’.


Subsec. (a)(15). Pub. L. 102–375, § 904(a)(4)(A)(ii), (iii), substituted ‘‘objectives’’ for ‘‘purposes’’, ‘‘older individuals’’ for ‘‘the elderly’’, and ‘‘such individuals’’ for ‘‘other people’’.


Subsec. (a)(18). Pub. L. 102–375, § 202(a)(3)(A), substituted ‘‘greatest economic need or individuals with greatest social need, with particular attention to and specific objectives for programs and services to low-income minority individuals’’ for ‘‘the greatest economic or social needs’’.

Pub. L. 102–375, § 202(a)(3)(A), inserted ‘‘, and service providers’’ after ‘‘agencies’’.

Pub. L. 102–375, § 102(b)(10)(A), substituted ‘‘area agencies on aging’’ for ‘‘area agencies’’.


Subsec. (a)(20). Pub. L. 102–375, § 708(c)(1), struck out ‘‘under section 3027(a)(31) of this title’’ after ‘‘application assistance’’.


Subsec. (b)(1). Pub. L. 102–375, § 904(a)(4)(B)(i), struck out ‘‘with health systems agencies designated under section 300–4 of this title’’ after ‘‘linkages’’.

Pub. L. 102–321, § 163(c)(2)(A), substituted ‘‘the Substance Abuse and Mental Health Services Administration’’ for ‘‘the Alcohol, Drug Abuse, and Mental Health Administration’’.

Subsec. (b)(3). Pub. L. 102–375, § 904(a)(4)(B)(ii), substituted ‘‘older individuals’’ for ‘‘the elderly’’.


Subsec. (c). Pub. L. 102–375, § 202(d), designated existing provisions as par. (1) and added par. (2).


1987—Subsec. (a)(5). Pub. L. 100–175, § 105(a), inserted ‘‘including mental health’’ after ‘‘health’’.

Subsec. (a)(19), (20). Pub. L. 100–175, §§ 103(a), 155(a), added pars. (19) and (20).

Subsec. (b)(1). Pub. L. 100–175, § 106(a), inserted reference to the Alcohol, Drug Abuse, and Mental Health Administration and the Administration on Developmental Disabilities.

1984—Subsec. (a)(5). Pub. L. 98–459, § 202(a)(1), substituted ‘‘establishment and implementation of’’ for ‘‘establishment of and carry out’’.


Subsec. (c). Pub. L. 98–459, § 202(c), substituted ‘‘the duties and functions of the Administration’’ for ‘‘his duties and functions’’.


Subsec. (a)(6). Pub. L. 97–115, § 2(b)(3), substituted ‘‘collect and disseminate’’ for ‘‘serve as a clearinghouse for’’.

Subsec. (a)(5). Pub. L. 97–115, §§ 2(b)(4), 3(d), substituted ‘‘supportive services’’ for ‘‘social services’’ and ‘‘hospitalization, education and training services (including preretirement training, and continuing education, low-cost transportation and housing’’ for ‘‘hospitalization, preretirement training, continuing education, low-cost transportation and housing’’.

Subsec. (a)(8). Pub. L. 97–115, § 2(b)(5), inserted provisions authorizing and directing Administration to take whatever action is necessary to achieve coordination of activities carried out or assisted by all departments, agencies, and instrumentalities of the Federal Government with respect to collection, preparation, and dissemination of information relevant to older individuals.

Subsec. (a)(12), (16). Pub. L. 97–115, §§ 2(b)(6), (7), substituted ‘‘private organizations’’ for ‘‘nonprofit private organizations’’.

Subsec. (c). Pub. L. 97–115, §§ 2(c), (3)(d), substituted ‘‘Director of the ACTION Agency’’ for ‘‘Director of Action’’ and ‘‘supportive services’’ for ‘‘social services’’.

1978—Subsec. (a)(1) to (4). Pub. L. 95–478, § 102(a)(1), added par. (1) and redesignated former pars. (1) to (3) as (2) to (4), respectively. Former par. (4) redesignated (5).

Subsec. (a)(3). Pub. L. 95–478, §§ 102(a)(1), 505(b)(4)(A), redesignated former par. (4) as (5) and substituted ‘‘older individuals’’ for ‘‘older persons’’. Former par. (5) redesignated (6).
Subsec. (a)(7). Pub. L. 95–478, §§102(a)(1), 503(b)(4)(A), redesignated former par. (6) as (7) and substituted ‘‘older individuals’’ for ‘‘older persons’’. Former par. (7) redesignated (8).
Subsec. (a)(8) to (11). Pub. L. 95–478, §102(a)(1), redesignated former pars. (7) to (10) as (8) to (11). Former par. (11) redesignated (12).
Subsec. (a)(12). Pub. L. 95–478, §§102(a)(1), 503(b)(4), redesignated former par. (11) as (12) and substituted ‘‘older individuals’’ and ‘‘such individuals’’ for ‘‘older persons’’ and ‘‘such persons’’. Former par. (12) redesignated (13).
Subsec. (a)(13). Pub. L. 95–478, §§102(a)(1), 503(b)(4)(A), redesignated former par. (12) as (13) and substituted ‘‘older individuals’’ for ‘‘older persons’’. Former par. (13) redesignated (14).
Subsec. (a)(15) to (17). Pub. L. 95–478, §§102(a)(1), 503(b)(2), redesignated former par. (14) as (15), substituted ‘‘Age Discrimination in Employment Act of 1967’’ for ‘‘Age Discrimination in Employment Act of 1967’’ and redesignated former pars. (15) and (16) as (16) and (17), respectively.
Subsecs. (b), (c). Pub. L. 95–478, §102(a)(2), added subsec. (b) and redesignated former subsec. (b) as (c).
Subsec. (a)(8). Pub. L. 94–135, §114(c), struck out ‘‘and’’ after ‘‘aged and aging;’’.
1973—Subsec. (a). Pub. L. 93–29, §201(b)(1)–(3), in par. (4), substituted ‘‘research’’ for ‘‘research and demonstration programs’’ and made it the function of the Administration to assist in the establishment of any carry out programs designed to meet the needs of older persons for social services, including nutrition, hospitalization, preirement training, continuing education, low-cost transportation and housing, and health services; added pars. (9) to (16); and designated existing provisions as subsec. (a), respectively.

Effective Date of 2008 Amendment Amendment of this section and repeal of Pub. L. 110–234 effective date of enactment of Pub. L. 110–234, except as otherwise provided, see section 4 of Pub. L. 110–234, set out as an Effective Date note under section 7601 of Title 7, Agriculture.

Effective Date of 1993 Amendment Amendment by Pub. L. 103–82 effective Apr. 4, 1994, see section 406(b) of Pub. L. 103–82, set out as a note under section 8332 of Title 5, Government Organization and Employees.

Effective Date of 1992 Amendments Amendment by section 708(c)(1) of Pub. L. 102–375 inapplicable with respect to fiscal year 1993, see section 4(b) of Pub. L. 103–171, set out as a note under section 3001 of this title.
Amendment by section 708(c)(1) of Pub. L. 102–375 inapplicable with respect to fiscal year 1992, see section 906(b)(6) of Pub. L. 102–375, set out as a note under section 3001 of this title.

Effective Date of 1987 Amendment Amendment by Pub. L. 100–175 effective Oct. 1, 1987, except not applicable with respect to any area plan sub-
establish an Interagency Coordinating Committee on Aging (referred to in this subsection as the “Committee”) focusing on the coordination of agencies with respect to aging issues.

(2) The officials referred to in paragraph (1) shall include the Secretary of Labor and the Secretary of Housing and Urban Development, and may include, at the direction of the President, the Attorney General, the Secretary of Transportation, the Secretary of the Treasury, the Secretary of Agriculture, the Secretary of Homeland Security, the Commissioner of Social Security, and such other Federal officials as the President may direct. An official described in this paragraph may appoint a designee to carry out the official’s duties under paragraph (1).

(3) The Secretary of Health and Human Services shall serve as the first chairperson of the Committee, for 1 term, and the Secretary of Housing and Urban Development shall serve as the chairperson for the following term. After that following term, the Committee shall select a chairperson from among the members of the Committee, and any member may serve as the chairperson. No member may serve as the chairperson for more than 1 consecutive term.

(4) For purposes of this subsection, a term shall be a period of 2 calendar years.

(5) The Committee shall meet not less often than once each year.

(6) The Committee shall—

(A) share information with and establish an ongoing system to improve coordination among Federal agencies with responsibility for programs and services for older individuals and recommend improvements to such system with an emphasis on—

(i) improving access to programs and services for older individuals;

(ii) maximizing the impact of federally funded programs and services for older individuals by increasing the efficiency, effectiveness, and delivery of such programs and services;

(iii) planning and preparing for the impact of demographic changes on programs and services for older individuals; and

(iv) reducing or eliminating areas of overlap and duplication by Federal agencies in the provision and accessibility of such programs and services;

(B) identify, promote, and implement (as appropriate), best practices and evidence-based program and service models to assist older individuals in meeting their housing, health care, and other supportive service needs, including—

(i) consumer-directed care models for home and community-based care and supportive services that link housing, health care, and other supportive services and that facilitate aging in place, enabling older individuals to remain in their homes and communities as the individuals age; and

(ii) innovations in technology applications (including assistive technology devices and assistive technology services) that give older individuals access to information on available services or that help in providing services to older individuals;

(C) collect and disseminate information about older individuals and the programs and
services available to the individuals to ensure that the individuals can access comprehensive information;

(D) work with the Federal Interagency Forum on Aging-Related Statistics, the Bureau of the Census, and member agencies to ensure the continued collection of data relating to the housing, health care, and other supportive service needs of older individuals and to support efforts to identify and address unmet data needs;

(E) actively seek input from and consult with nongovernmental experts and organizations, including public health interest and research groups and foundations about the activities described in subparagraphs (A) through (F);

(F) identify any barriers and impediments, including barriers and impediments in statutory and regulatory law, to the access and use by older individuals of federally funded programs and services; and

(G) work with States to better provide housing, health care, and other supportive services to older individuals by—

(i) holding meetings with State agencies;

(ii) providing ongoing technical assistance to States about better meeting the needs of older individuals; and

(iii) working with States to designate liaisons, from the State agencies, to the Committee.

(7) Not later than 90 days following the end of each term, the Committee shall prepare and submit to the Committee on Financial Services of the House of Representatives, the Committee on Banking, and the Special Committee to the Committee without reimbursement, and such detail shall be without interruption or loss of civil service status or privilege.


REFERENCES IN TEXT
The Workforce Innovation and Opportunity Act, referred to in subsec. (a)(2) and (b)(1), is Pub. L. 113-128, July 22, 2014, 128 Stat. 1425. Title I of the Act is classified generally to subchapter I (§3111 et seq.) of chapter 2 of Title 29, Labor. For complete classification of this Act to the Code, see Short Title note set out under section 3101 of Title 29 and Tables.


The Adult Education and Family Literacy Act, referred to in subsec. (b)(8), was title II of Pub. L. 105-220, Aug. 7, 1998, 112 Stat. 1992, which was classified principally to subchapter I (§9201 et seq.) of chapter 73 of Title 29, Education, and was repealed by Pub. L. 113-128,

The Public Health Service Act, referred to in subsec. (b)(10), is act July 1, 1944, ch. 373, 58 Stat. 682, as amended, which is classified generally to chapter 6A (§201 et seq.) of this title. “Title XIX of the Public Health Service Act” is classified to subchapter XVII (§300w et seq.) of chapter 32 of Title 29, Labor.


The Community Services Block Grant Act, referred to in subsec. (b)(13), is subtitle B (§671 et seq.) of title XXVI of Pub. L. 101–237, Dec. 18, 1989, 103 Stat. 2057, as amended, which is classified generally to subchapter B (§10151 et seq.) of chapter 6A (§201 et seq.) of this title. For complete classification of this Act to the Code, see Short Title note set out under section 10151 of this title and Tables.


References to the Edward Byrne Memorial State and Local Law Enforcement Assistance Programs, referred to in subsec. (b)(18), deemed to be a reference to the grant program referred to in section 10151(a) of Title 34, Crime Control and Law Enforcement. See section 10151(b)(1) of Title 34.


**Classification**


**AMENDMENTS**

2014—Subsec. (a)(2), Pub. L. 113–128, §512(w)(1)(A), substituted “‘In particular, the Secretary of Labor shall consult and cooperate with the Assistant Secretary in carrying out title I of the Workforce Innovation and Opportunity Act’” for “‘In particular, the Secretary of Labor shall consult and cooperate with the Assistant Secretary in carrying out title I of the Workforce Investment Act of 1998’”.

2006—Subsec. (a)(3)(A), Pub. L. 109–965, §203(1), substituted “‘(with particular attention to low-income older individuals, including low-income minority older individuals, older individuals with limited English proficiency, and older individuals residing in rural areas) of (with particular attention to low-income minority older individuals and older individuals residing in rural areas)” for “‘(with particular attention to low-income minority older individuals and older individuals residing in rural areas)’” and section “‘section 305(b)’” for “‘section 305(e)’”.


Subsec. (c), Pub. L. 109–365, §203(3), added subsec. (c).


Pub. L. 105–277, §101(f) [title VIII, §405(d)(33)(A)(i)], substituted last sentence for former last sentence which read as follows: “In particular, the Secretary of Labor shall consult and cooperate with the Assistant Secretary in carrying out the Job Training Partnership Act (29 U.S.C. 1501 et seq.).”.

Subsec. (b)(1), Pub. L. 105–277, §101(f) [title VIII, §405(f)(25)(A)(ii)], added par. (1) and struck out former par. (1) which read as follows: “the Job Training Partnership Act or title I of the Workforce Investment Act of 1998”.

Pub. L. 105–277, §101(f) [title VIII, §405(d)(33)(A)(ii)], added par. (1) and struck out former par. (1) which read as follows: “the Job Training Partnership Act.”.

Subsec. (b)(8), Pub. L. 105–220 substituted “Adult Education and Family Literacy Act” for “Adult Education and Family Literacy Act”.

1993—Subsec. (a), Pub. L. 103–171, §3(a)(13), substituted “Assistant Secretary” for “Commissioner” wherever appearing.

Subsec. (a)(1), Pub. L. 103–82 substituted “the Corporation for National and Community Service” for “the ACTION Agency”.


1992—Subsec. (a), Pub. L. 102–375, §203(4), amended subsec. (a) generally. Prior to amendment, subsec. (a) read as follows: “The Commissioner, in carrying out the purposes and provisions of this chapter, shall advise, consult, and cooperate with the head of each Federal agency or department proposing or administering programs or services substantially related to the purposes of this chapter, with respect to such programs or services. The head of each Federal agency or department proposing to establish programs and services substantially related to the purposes of this chapter shall consult with the Commissioner prior to the establish-
ment of such programs and services. The head of each Federal agency administering any program substan-
tially related to the purposes of this chapter, particu-
larly administering any program set forth in sub-
section (b) of this section, shall, to achieve appropriate 
coordination, consult and cooperate with the Commiss-
ioner in carrying out such program.

Subsec. (b). Pub. L. 102–375, § 904(a)(5), substituted 
“objectives of this chapter” for “purposes of this 
chapter”.

1991—Subsec. (b)(9). Pub. L. 102–240 substituted refer-
ces to sections of the Federal Transit Act for sec-
tions of the Urban Mass Transportation Act of 1964, 
which for purposes of codification were translated as 
sections of title 49, Appendix, thus requiring no change 
in text.

1987—Subsec. (b)(10). Pub. L. 100–175, § 105(b), inserted 
reference to block grants under title XIX of the Public 
Health Service Act.

Subsec. (b)(15). Pub. L. 100–175, § 104(a), added par. (15). 
Subsec. (b)(16). Pub. L. 100–175, § 106(b), added 
paras. (16) and (17).

1984—Subsec. (b)(1). Pub. L. 98–459, § 203(a), sub-
stituted “Job Training Partnership Act” for “Compre-
hensive Employment and Training Act”.

Subsec. (b)(2). Pub. L. 98–459, § 203(b), inserted 
reference to title XVI of the Social Security Act.

Subsec. (b)(5). Pub. L. 98–459, § 203(c), struck out “the 
community school program under the Elementary and 
Secondary Education Act of 1965,” before “title I” and 
the comma after “Higher Education Act of 1965”.

Subsec. (b)(9). Pub. L. 98–459, § 203(d), struck out re-
ference to section 1904 of title 49, Appendix.

Subsec. (b)(10) to (14). Pub. L. 98–459, § 203(e), added 
paras. (10) to (14).

“purposes” for “purpose”.

Pub. L. 97–115, § 2(a)(2), substituted “pur-
poses of this chapter” for “purposes of this chapter” in 
provisions preceding par. (1), substituted “Compre-
hensive Employment and Training Act” for “Compre-
hensive Employment and Training Act of 1973” in par. (1), 
struck out par. (8) which referred to section 2990a(b)(8) of 
this title, redesignated par. (9) as (8) and inserted 
references to title I of the Higher Education Act of 1965 
and to the Adult Education Act, and redesignated par. 
(10) as (9).

1979—Subsec. (a). Pub. L. 95–478 added subsec. (a) and 
struck out similar prior provisions stating that “Fed-
eral agencies proposing to establish programs substan-
tially related to the purposes of this chapter shall con-
sult with the Administration on Aging prior to the es-
stablishment of such services, and Federal agencies 
administering such programs shall cooperate with the Ad-
ministration on Aging in carrying out such services”.


CHANGE OF NAME

Committee on Education and the Workforce of House 
of Representatives changed to Committee on Education 
and Labor of House of Representatives by House Reso-

1998 A

1998 A

1998 A

1998 A

1998 A

1998 A

1998 A

1998 A

1998 A
(a) Consultative services and technical assistance; short-term training and technical instruction; research and demonstrations; preparation and dissemination of informational materials; staff and technical assistance to Federal Council on the Aging; design of full-time nutrition professional as administrator of nutrition services.

(1) In carrying out the objectives of this chapter, the Assistant Secretary is authorized to—

(A) provide consultative services and technical assistance to public or nonprofit private agencies and organizations;

(B) provide short-term training and technical instruction;

(C) conduct research and demonstrations; and

(D) collect, prepare, publish, and disseminate special educational or informational materials, including reports of the projects for which funds are provided under this chapter.

(2)(A) The Assistant Secretary shall designate an officer or employee who shall serve on a full-time basis and who shall be responsible for the administration of the nutrition services described in subparts I and II of part C of subchapter III and shall have duties that include—

(i) designing, implementing, and evaluating evidence-based programs to support improved nutrition and regular physical activity for older individuals;

(ii) developing guidelines for nutrition providers concerning safety, sanitary handling of food, equipment, preparation, and food storage;

(iii) conducting outreach and disseminating evidence-based information to nutrition service providers about the benefits of healthful diets and regular physical activity, including information about the most current Dietary Guidelines for Americans published under section 5341 of title 7, the Food Guidance System of the Department of Agriculture, and advances in nutrition science;

(iv) promoting coordination between nutrition service providers and community-based organizations serving older individuals;

(v) developing guidelines on cost containment;

(vi) defining a long range role for the nutrition services in community-based care systems;

(vii) developing model menus and other appropriate materials for serving special needs populations and meeting cultural meal preferences;

(viii) disseminating guidance that describes strategies for improving the nutritional quality of meals provided under subchapter III, including strategies for increasing the consumption of whole grains, lowfat dairy products, fruits, and vegetables;

(ix) developing and disseminating guidelines for conducting nutrient analyses of meals provided under subparts I and II of part C of subchapter III, including guidelines for averaging key nutrients over an appropriate period of time; and

(x) providing technical assistance to the regional offices of the Administration with respect to each duty described in clauses (i) through (ix).

(B) The regional offices of the Administration shall be responsible for disseminating, and providing technical assistance regarding, the guidelines and information described in clauses (ii), (iii), and (v) of subparagraph (A) to State agencies, area agencies on aging, and persons that provide nutrition services under part C of subchapter III.

(C) The officer or employee designated under subparagraph (A) shall—

(i) have expertise in nutrition, energy balance, and meal planning; and
§ 3017 TITLE 42—THE PUBLIC HEALTH AND WELFARE Page 5218

(i)(I) be a registered dietitian;  
(II) be a credentialed nutrition professional; or  
(III) have education and training that is substantially equivalent to the education and training for a registered dietitian or a credentialed nutrition professional.  

(b) Utilization of services and facilities of Federal and other public or nonprofit agencies; advance or reimbursement payments for such use

In administering the functions of the Administration under this chapter, the Assistant Secretary may utilize the services and facilities of any other public or nonprofit agency or organization, in accordance with agreements between the Assistant Secretary and the head thereof, and is authorized to pay therefor, in advance or by way of reimbursement, as may be provided in the agreement.

Prior Provisions

A prior section 205 of Pub. L. 89–73 is classified to section 204 of this title and is redesignated subsec. (e) as (d) and struck out former subsec. (e) which read as follows:

“(c) Not later than 120 days after October 9, 1987, the Secretary shall issue and publish in the Federal Register proposed regulations for the administration of this chapter. After allowing a reasonable period for public comment on such proposed rules and not later than 90 days after such publication, the Secretary shall issue, in final form, regulations for the administration of this chapter.

“(d) Not later than September 1 of each fiscal year, the Assistant Secretary shall make available to the public, for the purpose of facilitating informed public comment, a statement of proposed specific goals to be achieved by implementing this chapter in the first fiscal year beginning after the date on which such statement is made available.”

1993—Subsecs. (a), (b), (d), Pub. L. 103–171 substituted “Assistant Secretary” for “Commissioner” wherever appearing.

1992—Subsec. (a). Pub. L. 102–375 designated existing provisions as par. (1), substituted “objectives” for “purposes” and “to—” for “to:” in introductory provisions, redesignated former pars. (1) to (5) as subpars. (A) to (E), respectively, and added par. (2).

1987—Subsec. (c). Pub. L. 100–175, § 109, substituted “October 9, 1987” for “October 9, 1984”.

Subsecs. (d), (e), Pub. L. 100–175, §110, added subsec. (d) and redesignated former subsec. (d) as (e).

1984—Subsec. (b), Pub. L. 98–459, §203(a), substituted “the functions of the Administration” for “his functions”.

Subsecs. (c), (d), Pub. L. 98–459, §205(b), added subsec. (c) and redesignated former subsec. (c) as (d).

1981—Subsecs. (b) to (d). Pub. L. 97–115, §2(g), struck out subsec. (b) providing that a report be prepared and submitted to Congress by the Commissioner not later than Sept. 30, 1980, and redesignated subsecs. (c) and (d) as (b) and (c), respectively.

1978—Subsecs. (b) to (d). Pub. L. 95–478 added subsec. (b) and redesignated existing subsecs. (b) and (c) as (b) and (d).

Effective Date of 1987 Amendment

Amendment by Pub. L. 100–175 effective Oct. 1, 1987, except not applicable with respect to any area plan submitted under section 3026(a) of this title or any State plan submitted under section 3027(a) of this title and approved for any fiscal year beginning before Nov. 29, 1987, see section 701(a), (b) of Pub. L. 100–175, set out as a note under section 3001 of this title.

Effective Date of 1984 Amendment


Effective Date of 1978 Amendment


§ 3017. Evaluation of programs

(a) Authority of Secretary; scope of evaluation; persons conducting evaluation

The Secretary shall measure and evaluate the impact of all programs authorized by this chapter, their effectiveness in achieving stated goals in general, and in relation to their cost, their impact on related programs, their effectiveness in targeting for services under this chapter underserved older individuals with greatest economic need (including low-income minority individuals and older individuals residing in rural areas) and underserved older individuals with greatest social need (including low-income minority individuals...
and older individuals residing in rural areas), and their structure and mechanisms for delivery of services, including, where appropriate, comparisons with appropriate control groups composed of persons who have not participated in such programs. Evaluations shall be conducted by persons not immediately involved in the administration of the program or project evaluated.

(b) General standards

The Secretary may not make grants or contracts under subchapter IV of this chapter until the Secretary develops and publishes general standards to be used by the Secretary in evaluating the programs and projects assisted under such subchapter. Results of evaluations conducted pursuant to such standards shall be included in the reports required by section 3018 of this title.

(c) Opinions of program and project participants; comparison of effectiveness of related programs; consultation with organizations concerned with older individuals

In carrying out evaluations under this section, the Secretary shall, whenever possible, arrange to obtain the opinions of program and project participants about the strengths and weaknesses of the programs and projects, and conduct, where appropriate, evaluations which compare the effectiveness of related programs in achieving common objectives. In carrying out such evaluations, the Secretary shall consult with organizations concerned with older individuals, including those representing minority individuals, older individuals residing in rural areas and older individuals with disabilities.

(d) Annual summaries and analyses of evaluation; demonstration projects; transmittal to Congress; dissemination to Federal, State, and local agencies and private organizations; accessibility to public

The Secretary shall annually publish summaries and analyses of the results of evaluative research and evaluation of program and project impact and effectiveness, including, as appropriate, health and nutrition education demonstration projects conducted under section 3027 of this title, the full contents of which shall be transmitted to Congress, be disseminated to Federal, State, and local agencies and private organizations with an interest in aging, and be accessible to the public.

(e) Federal property

The Secretary shall take the necessary action to assure that all studies, evaluations, proposals, and data produced or developed with Federal funds shall become the property of the United States.

(f) Availability to Secretary of information from executive agencies

Such information as the Secretary may deem necessary for purposes of the evaluations conducted under this section shall be made available to him, upon request, by the departments and agencies of the executive branch.

(g) Funds

From the total amount appropriated for each fiscal year to carry out subchapter III, the Secretary may use such sums as may be necessary, but not to exceed ½ of 1 percent of such amount, for purposes of conducting evaluations under this section, either directly or through grants or contracts. No part of such sums may be reprogrammed, transferred, or used for any other purpose. Funds expended under this subsection shall be justified and accounted for by the Secretary.


REFERENCES IN TEXT

Section 3027(f) of this title, referred to in subsec. (d), which related to demonstration projects for health and nutrition education, was repealed by Pub. L. 102–375, title III, § 307(q), Sept. 30, 1992, 106 Stat. 1223, and subsec. (g) of section 3027 was redesignated (f).

PRIOR PROVISIONS

A prior section 206 of Pub. L. 89–73 was renumbered section 205 and is classified to section 3016 of this title.

AMENDMENTS

2006—Subsec. (g). Pub. L. 109–365 substituted “From the total amount appropriated for each fiscal year to carry out subchapter III, the Secretary may use such sums as may be necessary, but not to exceed ½ of 1 percent of such amount, for purposes of conducting evaluations under this section, either directly or through grants or contracts,” for “The Secretary may use such sums as may be necessary, but not to exceed ½ of 1 percent of such amount, for purposes of conducting evaluations under this section, either directly or through grants or contracts.”


Subsec. (c). Pub. L. 106–501, § 203(2), inserted “older individuals residing in rural areas” after “minority individuals”.

Subsecs. (g)(1), (b). Pub. L. 103–171, §§2(1), 3(a)(13), substituted “1995” for “1994” and “Assistant Secretary” for “Commissioner”.


and “Assistant Secretary” for “Commissioner” in sub-

1992—Subsec. (a). Pub. L. 102–375, § 207(1), inserted “their effectiveness in targeting for services under this chapter unserved older individuals with greatest economic need (including low-income minority individuals) and unserved older individuals with greatest social need (including low-income minority individuals),” after “related programs.”

Subsecs. (g), (h). Pub. L. 102–375, § 207(2), added sub-

sects. (g) and (h) and struck out former subsec. (g) which read as follows: “The Secretary is authorized to use such sums as may be required, but not to exceed one-tenth of 1 percent of the funds appropriated under this chapter for each fiscal year, or $300,000 whichever is lower, to conduct program and project evaluations (directly, or by grants or contracts) as required by this subchapter. In the case of allotments from such an appropriation, the amount available for such allotments (and the amount deemed appropriated therefor) shall be reduced accordingly.”

1987—Subsec. (c). Pub. L. 100–175 inserted “and older individuals with disabilities” before period at end.

1984—Subsec. (a). Pub. L. 98–459, § 206(a), substituted “the Secretary develops and publishes general standards to be used by the Secretary in evaluating the programs and projects assisted under such subchapter” for “he has developed and published general standards to be used by him in evaluating the programs and projects assisted under such section or subchapter”.

Subsec. (c). Pub. L. 98–459, § 206(b), inserted provision requiring the Secretary to consult with organizations concerned with older individuals, including those representing minority individuals, in carrying out evaluations under this section.

Subsec. (d). Pub. L. 98–459, § 206(c), inserted reference to health and nutrition education demonstration projects conducted under section 3027(f) of this title and inserted provision requiring dissemination of summaries and analyses required by this subsection to Federal, State, and local agencies and private organizations with an interest in aging.

Subsec. (g). Pub. L. 98–459, § 206, substituted “one-tenth of 1 percent” for “1 per centum”; “under this chapter for each fiscal year” for “under this chapter”, and “$300,000 whichever is lower” for “$1,000,000 whichever is greater”.

1981—Subsec. (b). Pub. L. 97–115, § 2(h), struck out “under section 3028 of this title” after “The Secretary may not make grants or contracts”.

1978—Subsec. (c). Pub. L. 95–478, § 102(g)(1), required the Secretary to conduct, where appropriate, evaluations which compare the effectiveness of related programs in achieving common objectives.

Subsec. (d). Pub. L. 95–478, § 102(g)(2), required publication of analyses of evaluations and substituted “full contents of which shall be transmitted to Congress and be accessible to the public” for “full contents of which shall be available to Congress and the public”.

Effective Date of 1987 Amendment
Amendment by Pub. L. 100–175 effective Oct. 1, 1987, except not applicable with respect to any area plan submitted under section 3028(a) of this title or any State plan submitted under section 3027(a) of this title and approved for any fiscal year beginning before Nov. 29, 1987, see section 701(a), (b) of Pub. L. 100–175, set out as a note under section 3001 of this title.

Effective Date of 1984 Amendment
Amendment by section 206(a) of Pub. L. 98–459 effective 60 days after Oct. 9, 1984, see section 803(b)(1) of Pub. L. 98–459, set out as a note under section 3001 of this title.

Amendment by section 206(b), (c) of Pub. L. 98–459 effective Oct. 9, 1984, see section 803(a) of Pub. L. 98–459, set out as a note under section 3001 of this title.

Amendment by section 206(d) of Pub. L. 98–459 effective on first day of first fiscal year beginning after Oct. 8, 1984, see section 803(b)(2) of Pub. L. 98–459, set out as a note under section 3001 of this title.

Effective Date of 1978 Amendment
(C) the Office of Civil Rights of the Department of Health and Human Services;  
(D) the Secretary of Veterans Affairs; and  
(E) each public agency or private organization designated as an Office of the State Long-Term Care Ombudsman under subchapter III or XI in accordance with section 3058g(a)(4)(A) of this title.  

(c) Outreach activities; report on evaluations to be included in annual report  
The Assistant Secretary shall, as part of the annual report submitted under subsection (a), prepare and submit a report on the outreach activities supported under this chapter, together with such recommendations as the Assistant Secretary deems appropriate. In carrying out this subsection, the Assistant Secretary shall consider—  

(1) the number of older individuals reached through the activities;  
(2) the dollar amount of the assistance and benefits received by older individuals as a result of such activities;  
(3) the cost of such activities in terms of the number of individuals reached and the dollar amount described in paragraph (2);  
(4) the effect of such activities on supportive services and nutrition services furnished under subchapter III of this chapter; and  
(5) the effectiveness of State and local efforts to target older individuals with greatest economic need (including low-income minority individuals and older individuals residing in rural areas) and older individuals with greatest social need (including low-income minority individuals and older individuals residing in rural areas) to receive services under this chapter.  


PREVIOUS STATUTES

§ 3018

which read as follows: “an analysis of the information received under section 3026(b)(2)(D) of this title by the Assistant Secretary;”.


Subsec. (b). Pub. L. 106–501, §204(2), inserted “and older individuals residing in rural areas” after “low-income minority individuals.”.


Subsec. (c)(5). Pub. L. 106–501, §204(2), substituted “under subchapters III and XI in accordance with section 3058g(c) of this title” for “section 3027(a)(12)(C) of this title”.

Subsec. (b)(3)(E). Pub. L. 106–501, §708(a)(2)(A)(I)(II), added subpar. (E) and struck out former subpar. (E) which read as follows: “the public agencies and private organizations designated under section 3027(a)(12)(A) of this title.”

Subsec. (c). Pub. L. 102–375, §708(c)(2)(A), substituted “on the outreach activities supported under section 3026(a)(6)(F) of this title” for “on the evaluations required to be submitted under section 3027(a)(31)(D) of this title”.

Subsec. (c)(1). Pub. L. 102–375, §708(c)(2)(B), substituted “the activities” for “outreach activities supported under section 3026(a)(6)(F) of this title”.

Subsec. (c)(5). Pub. L. 102–375, §208(c), added par. (5).


PRIORITY PROVISIONS

A prior section 207 of Pub. L. 89–73 was renumbered section 206 and is classified to section 3017 of this title.

AMENDMENTS


2000—Subsec. (a)(3). Pub. L. 106–501, §801(b)(4), redesignated par. (4) as (3) and struck out former par. (3) which read as follows: “an analysis of the information received under section 3026(b)(2)(D) of this title by the Assistant Secretary;”.

Effective Date of 1992 Amendment

Amendment by section 708(a)(2)(A) and (c)(2) of Pub. L. 102–375 applicable with respect to fiscal year 1993.
§ 3019. Joint funding of projects

Pursuant to regulations prescribed by the President, and to the extent consistent with the other provisions of this chapter, where funds are provided for a single project by more than one Federal agency to any agency or organization assisted under this chapter, the Federal agency principally involved may be designated to act for all in administering the funds provided. In such cases, a single non-Federal share requirement may be established according to the proportion of funds advanced by each Federal agency, and any such agency may waive any technical grant or contract requirement (as defined by such regulations) which is inconsistent with the similar requirements of the administering agency or which the administering agency does not impose.


PRIOR PROVISIONS

A prior section 209 of Pub. L. 89–73 was renumbered section 209 and is classified to section 3020 of this title.

§ 3020. Advance funding

(a) For the purpose of affording adequate notice of funding available under this chapter, appropriations under this chapter are authorized to be included in the appropriation Act for the fiscal year preceding the fiscal year for which they are available for obligation.

(b) In order to effect a transition to the advance funding method of timing appropriation action, subsection (a) shall apply notwithstanding that its initial application will result in the enactment in the same year (whether in the same appropriation Act or otherwise) of two separate appropriations, one for the then current fiscal year and one for the succeeding fiscal year.


PRIOR PROVISIONS

A prior section 209 of Pub. L. 89–73 was renumbered section 209 and is classified to section 3020 of this title.

§ 3020a. Application of other laws; costs of projects under this chapter not treated as income or benefits under other laws

(a) The provisions and requirements of chapter 71 of title 31 shall not apply to the administration of the provisions of this chapter or to the administration of any program or activity under this chapter.

(b) No part of the costs of any project under any subchapter of this chapter may be treated as income or benefits to any eligible individual (other than any wage or salary to such individual) for the purpose of any other program or provision of Federal or State law.


CODIFICATION

In subsec. (a), “chapter 71 of title 31” substituted for “the Act of December 5, 1974 (Public Law 93–510; 88 Stat. 1604) [42 U.S.C. 4251 et seq.]” on authority of Pub. L. 97–258, § 1, Mar. 22, 1972, 86 Stat. 88, which was classified to section 208 and is classified to section 3019 of this title.

PRIOR PROVISIONS

A prior section 210 of Pub. L. 89–73 was renumbered section 210 and is classified to section 3020 of this title.

§ 3020b. Reduction of paperwork

In order to reduce unnecessary, duplicative, or disruptive demands for information, the Assistant Secretary, in consultation with State agencies and other appropriate agencies and organizations, shall continually review and evaluate all requests by the Administration for information under this chapter and take such action as may be necessary to reduce the paperwork required under this chapter. The Assistant Secretary shall request only such information as the Assistant Secretary deems essential to carry out the objectives and provisions of this chapter.
and, in gathering such information, shall make use of uniform service definitions to the extent that such definitions are available.


PRIOR PROVISIONS

A prior section 211 of Pub. L. 89–73 was renumbered section 210 and is classified to section 3023a of this title.

AMENDMENTS


1984—Pub. L. 98–459 inserted provision requiring the Commissioner, in gathering information, to make use of uniform service definitions to the extent that such definitions are available.

EFFECTIVE DATE OF 1984 AMENDMENT


EFFECTIVE DATE

Section effective at close of Sept. 30, 1978, see section 504 of Pub. L. 95–478, set out as an Effective Date of 1978 Amendment note under section 3001 of this title.

§ 3020c. Contracting and grant authority; private pay relationships; appropriate use of funds

(a) In general

Subject to subsection (b), this chapter shall not be construed to prevent a recipient of a grant or a contract under this chapter (other than subchapter IX) from entering into an agreement with a profitmaking organization for the recipient to provide services to individuals or entities not otherwise receiving services under this chapter, provided that—

(1) if funds provided under this chapter to such recipient are initially used by the recipient to pay part or all of a cost incurred by the recipient in developing and carrying out such agreement, such agreement guarantees that the cost is reimbursed to the recipient;

(2) if such agreement provides for the provision of 1 or more services, of the type provided under this chapter by or on behalf of such recipient, to an individual or entity seeking to receive such services—

(A) the individuals and entities may only purchase such services at their fair market rate;

(B) all costs incurred by the recipient in providing such services (and not otherwise reimbursed under paragraph (1)), are reimbursed to such recipient; and

(C) the recipient reports the rates for providing such services under such agreement in accordance with subsection (c) and the rates are consistent with the prevailing market rate for provision of such services in the relevant geographic area as determined by the State agency or area agency on aging (as applicable); and

(3) any amount of payment to the recipient under the agreement that exceeds reimbursement under this subsection of the recipient’s costs is used to provide, or support the provision of, services under this chapter.

(b) Ensuring appropriate use of funds

An agreement described in subsection (a) may not—

(1) be made without the prior approval of the State agency (or, in the case of a grantee under subchapter X, without the prior recommendation of the Director of the Office for American Indian, Alaska Native, and Native Hawaiian Aging and the prior approval of the Assistant Secretary), after timely submission of all relevant documents related to the agreement including information on all costs incurred;

(2) directly or indirectly provide for, or have the effect of, paying, reimbursing, subsidizing, or otherwise compensating an individual or entity in an amount that exceeds the fair market value of the services subject to such agreement;

(3) result in the displacement of services otherwise available to an older individual with greatest economic need, an older individual with greatest social need, an older individual with otherwise available to an older individual with the effect of, paying, reimbursing, subsidizing, or otherwise compensating an individual or entity in an amount that exceeds the fair market value of the services subject to such agreement;

(4) in any other way compromise, undermine, or be inconsistent with the objective of serving the needs of older individuals, as determined by the Assistant Secretary.

(c) Monitoring and reporting

To ensure that any agreement described in subsection (a) complies with the requirements of this section and other applicable provisions of this chapter, the Assistant Secretary shall develop and implement uniform monitoring procedures and reporting requirements consistent with the provisions of subparagraphs (A) through (E) of section 3026(a)(15) of this title in consultation with the State agencies and area agencies on aging. The Assistant Secretary shall annually prepare and submit to the chairpersons and ranking members of the appropriate committees of Congress a report analyzing all such agreements, and the costs incurred and services provided under the agreements. This report shall contain information on the number of the agreements per State, summaries of all the agreements, and information on the type of organizations participating in the agreements, types of services provided under the agreements, and the net proceeds from, and documentation of funds spent and reimbursed, under the agreements.

(d) Timely reimbursement

All reimbursements made under this section shall be made in a timely manner, according to standards specified by the Assistant Secretary.
(e) Cost

In this section, the term "cost" means an expense, including an administrative expense, incurred by a recipient in developing or carrying out an agreement described in subsection (a), whether the recipient contributed funds, staff time, or other plant, equipment, or services to meet the expense.


PRIOR PROVISIONS

A prior section 212 of Pub. L. 89–73 was renumbered section 211 and is classified to section 3020b of this title.

AMENDMENTS


PRIOR PROVISIONS

A prior section 212 of Pub. L. 89–73 was renumbered section 211 and is classified to section 3020b of this title.

AMENDMENTS

2006—Pub. L. 109–365 added section generally. Prior to amendment, text read as follows: "None of the provisions of this chapter shall be construed to prevent a recipient of a grant or a contract from entering into an agreement, subject to the approval of the State agency (or in the case of a grantee under subchapter X of this chapter, subject to the recommendation of the Director of the Office for American Indian, Alaskan Native, and Native Hawaiian Aging and the approval of the Assistant Secretary), with a profitmaking organization to carry out the provisions of this chapter and of the appropriate State plan."

1993—Pub. L. 102–171 substituted "Director of the Office for" for "Associate Commissioner on" and "Assistant Secretary" for "Commissioner".

1987—Pub. L. 100–175 inserted "(or in the case of a grantee under subchapter X of this chapter, subject to the recommendation of the Associate Commissioner on American Indian, Alaskan Native, and Native Hawaiian Aging and the approval of the Commissioner)" after "State agency".


EFFECTIVE DATE OF 1987 AMENDMENT

Amendment by Pub. L. 100–175 effective Oct. 1, 1987, except not applicable with respect to any area plan submitted under section 3020a of this title or any State plan submitted under section 3020a of this title and approved for any fiscal year beginning before Nov. 29, 1987, see section 701(a), (b) of Pub. L. 100–175, set out as a note under section 3001 of this title.

EFFECTIVE DATE

Section effective at close of Sept. 30, 1978, see section 504 of Pub. L. 95–478, set out as an Effective Date of 1978 Amendment note under section 3001 of this title.

§ 3020d. Surplus property eligibility

Any State or local government agency, and any nonprofit organization or institution, which receives funds appropriated for programs for older individuals under this chapter, under title IV or title XX of the Social Security Act [42 U.S.C. 601 et seq., 1297 et seq.], or under titles VIII and X of the Economic Opportunity Act of 1964 [42 U.S.C. 2991 et seq., 2996 et seq.] and the Community Services Block Grant Act [42 U.S.C. 9901 et seq.], shall be deemed eligible to receive for such programs, property which is declared surplus to the needs of the Federal Government in accordance with laws applicable to surplus property.


REFERENCES IN TEXT

The Social Security Act, referred to in text, is act Aug. 14, 1935, ch. 531, 49 Stat. 620, as Titles IV and XX of the Social Security Act are classified generally to subchapters IV (§ 601 et seq.) and XX (§ 1987 et seq.), respectively, of chapter 7 of this title. For complete classification of this Act to the Code, see section 1305 of this title and Tables.

The Economic Opportunity Act of 1964, referred to in text, is Pub. L. 89–452, Aug. 20, 1964, 78 Stat. 508, as amended, which was classified generally to chapter 34 of this title. For complete classification of this Act to the Code, see Tables.


PRIOR PROVISIONS

A prior section 213 of Pub. L. 89–73 was renumbered section 212 and is classified to section 3020c of this title.

AMENDMENTS


EFFECTIVE DATE

Section effective at close of Sept. 30, 1978, see section 504 of Pub. L. 95–478, set out as an Effective Date of 1978 Amendment note under section 3001 of this title.

§ 3020e. Nutrition education

The Assistant Secretary, in consultation with the Secretary of Agriculture, shall conduct outreach and provide technical assistance to agencies and organizations that serve older individuals to assist such agencies and organizations to carry out integrated health promotion and disease prevention programs that—

(1) are designed for older individuals; and

(2) include—

(A) nutrition education;

(B) physical activity; and

(C) other activities to modify behavior and to improve health literacy, including providing information on optimal nutrient intake, through nutrition education and nutrition assessment and counseling, in accordance with section 3030g–21(2)(J) of this title.

§ 3020e–1. Pension counseling and information programs

(a) Definitions

In this section:

(1) Pension and other retirement benefits

The term “pension and other retirement benefits” means private, civil service, and other public pensions and retirement benefits, including benefits provided under—

(A) the Social Security program under title II of the Social Security Act (42 U.S.C. 401 et seq.);

(B) the railroad retirement program under the Railroad Retirement Act of 1974 (45 U.S.C. 231 et seq.);

(C) the government retirement benefits programs under the Civil Service Retirement System set forth in chapter 83 of title 5, the Federal Employees Retirement System set forth in chapter 84 of title 5, or other Federal retirement systems; or

(D) employee pension benefit plans as defined in section 1002(2) of title 29.

(2) Pension counseling and information program

The term “pension counseling and information program” means a program described in subsection (b).

(b) Program authorized

The Assistant Secretary shall award grants to eligible entities to establish and carry out pension counseling and information programs that create or continue a sufficient number of pension counseling and information programs to provide outreach, information, counseling, referral, and other assistance regarding pension and other retirement benefits, and rights related to such benefits, to individuals in the United States.

(c) Eligible entities

The Assistant Secretary shall award grants under this section to—

(1) State agencies or area agencies on aging; and

(2) nonprofit organizations with a proven record of providing—

(A) services related to retirement of older individuals;

(B) services to Native Americans; or

(C) specific pension counseling.

(d) Citizen advisory panel

The Assistant Secretary shall establish a citizen advisory panel to advise the Assistant Secretary regarding which entities should receive grant awards under this section. Such panel shall include representatives of business, labor, national senior advocates, and national pension rights advocates. The Assistant Secretary shall consult such panel prior to awarding grants under this section.

e) Application

To be eligible to receive a grant under this section, an entity shall submit an application to the Assistant Secretary at such time, in such manner, and containing such information as the Assistant Secretary may require, including—

(1) a plan to establish a pension counseling and information program that—

(A) establishes or continues a State or area pension counseling and information program;

(B) serves a specific geographic area;

(C) provides counseling (including direct counseling and assistance to individuals who need information regarding pension and other retirement benefits) and information that may assist individuals in obtaining, or establishing rights to, and filing claims or complaints regarding, pension and other retirement benefits;

(D) provides information on sources of pension and other retirement benefits;

(E) establishes a system to make referrals for legal services and other advocacy programs;

(F) establishes a system of referral to Federal, State, and local departments or agencies related to pension and other retirement benefits;

(G) provides a sufficient number of staff positions (including volunteer positions) to ensure information, counseling, referral, and assistance regarding pension and other retirement benefits;

(H) provides training programs for staff members, including volunteer staff members, of pension and other retirement benefits programs;

(I) makes recommendations to the Administration, the Department of Labor and other Federal, State, and local agencies concerning issues for older individuals related to pension and other retirement benefits; and

(J) establishes or continues an outreach program to provide information, counseling, referral and assistance regarding pension and other retirement benefits, with particular emphasis on outreach to women, minorities, older individuals residing in rural areas, low-income retirees, and older individuals with limited English proficiency; and

(2) an assurance that staff members (including volunteer staff members) have no conflict of interest in providing the services described in the plan described in paragraph (1).

f) Criteria

The Assistant Secretary shall consider the following criteria in awarding grants under this section:

(1) Evidence of a commitment by the entity to carry out a proposed pension counseling and information program.

(2) The ability of the entity to perform effective outreach to affected populations, particu-
larly populations with limited English proficiency and other populations that are identified as in need of special outreach.

(3) Reliable information that the population to be served by the entity has a demonstrable need for the services proposed to be provided under the program.

(4) The ability of the entity to provide services under the program on a statewide or regional basis.

(g) Training and technical assistance program

(1) In general

The Assistant Secretary shall award grants to eligible entities to establish training and technical assistance programs that shall provide information and technical assistance to the staffs of entities operating pension counseling and information programs described in subsection (b), and general assistance to such entities, including assistance in the design of program evaluation tools.

(2) Eligible entities

Entities that are eligible to receive a grant under this subsection include nonprofit private organizations with a record of providing national information, referral, and advocacy in matters related to pension and other retirement benefits.

(3) Application

To be eligible to receive a grant under this subsection, an entity shall submit an application to the Assistant Secretary at such time, in such manner, and containing such information as the Assistant Secretary may require.

(h) Pension assistance hotline and intragency coordination

(1) Hotline

The Assistant Secretary shall enter into agreements with other Federal agencies to establish and administer a national telephone hotline that shall provide information regarding pension and other retirement benefits, and rights related to such benefits.

(2) Content

Such hotline described in paragraph (1) shall provide information for individuals (including individuals with limited English proficiency) seeking outreach, information, counseling, referral, and assistance regarding pension and other retirement benefits, and rights related to such benefits.

(3) Agreements

The Assistant Secretary may enter into agreements with the Secretary of Labor and the heads of other Federal agencies that regulate the provision of pension and other retirement benefits in order to carry out this subsection.

(i) Report to Congress

Not later than 30 months after November 13, 2000, the Assistant Secretary shall submit to the Committee on Education and the Workforce of the House of Representatives and the Committee on Health, Education, Labor and Pensions of the Senate a report that—

(1) summarizes the distribution of funds authorized for grants under this section and the expenditure of such funds;

(2) summarizes the scope and content of training and assistance provided under a program carried out under this section and the degree to which the training and assistance can be replicated;

(3) outlines the problems that individuals participating in programs funded under this section encountered concerning rights related to pension and other retirement benefits; and

(4) makes recommendations regarding the manner in which services provided in programs funded under this section can be incorporated into the ongoing programs of State agencies, area agencies on aging, multipurpose senior centers and other similar entities.

(j) Administrative expenses

Of the funds appropriated under section 3020f of this title to carry out this section for a fiscal year, not more than $100,000 may be used by the Administration for administrative expenses.


REFERENCES IN TEXT


PRIOR PROVISIONS

A prior section 215 of Pub. L. 89–73 was renumbered section 216 and is classified to section 3020f of this title.

AMENDMENTS


Subsec. (f)(2). Pub. L. 109–365, § 209(2), added par. (2) and struck out former par. (2) which read as follows: “The ability of the entity to perform effective outreach to affected populations, particularly populations that are identified in need of special outreach.”

Subsec. (h)(2). Pub. L. 109–365, § 209(3), inserted “including individuals with limited English proficiency” after “for individuals”.

§ 3020f. Authorization of appropriations

(a) IN GENERAL.—For purposes of carrying out this chapter, there are authorized to be appropriated for administration, salaries, and expenses of the Administration $40,063,000 for each of the fiscal years 2017, 2018, and 2019.

(b) There are authorized to be appropriated—

(1) to carry out section 3012(a)(21) of this title (relating to the National Eldercare Locator Service), $2,988,758 for fiscal year 2017, $2,332,440 for fiscal year 2018, and $2,176,121 for fiscal year 2019;

(2) to carry out section 3020e–1 of this title, $1,904,275 for fiscal year 2017, $1,944,099 for fiscal year 2018, and $1,983,922 for fiscal year 2019;
(3) to carry out section 3012 of this title (relating to Elder Rights Support Activities under this subchapter), $1,312,904 for fiscal year 2017, $1,340,361 for fiscal year 2018, and $1,367,817 for fiscal year 2019; and

(4) to carry out section 3012(b) of this title (relating to the Aging and Disability Resource Centers), $6,271,399 for fiscal year 2017, $6,402,551 for fiscal year 2018, and $6,533,703 for fiscal year 2019.


AMENDMENTS


Subsec. (b). Pub. L. 114–144, § 3(e)(2), amended subsec. (b) generally. Prior to amendment, text read as follows: “There are authorized to be appropriated to carry out section 3012(a)(24) of this title (relating to the National Eldercare Locator Service) such sums as may be necessary for fiscal years 2007, 2008, 2009, 2010, and 2011.”

Subsec. (c). Pub. L. 114–144, § 3(e)(3), struck out subsec. (c). Text read as follows: “There are authorized to be appropriated to carry out section 3012(b) of this title, such sums as may be necessary for fiscal years 2007, 2008, 2009, 2010, and 2011.”

2006—Subsec. (a). Pub. L. 109–365, § 210(1), substituted “$29,000,000 for fiscal year 1995; and” for “$24,000,000 for fiscal year 1994, and $20,000,000 for fiscal year 1995; and”.


Subsecs. (b), (c). Pub. L. 106–501, § 205(2), added subsecs. (b) and (c) and struck out heading and text of former subsec. (b). Text read as follows: “There are authorized to be appropriated for salaries and expenses of the Administration on Aging—

“(1) $17,000,000 for fiscal year 1992; $20,000,000 for fiscal year 1993; $21,000,000 for fiscal year 1994; and $23,000,000 for fiscal year 1995; and

“(2) such additional sums as may be necessary for each such fiscal year to enable the Assistant Secretary to provide for not fewer than 300 full-time employees (or the equivalent thereof) in the Administration on Aging.”

1993—Subsec. (b)(2). Pub. L. 103–171 substituted “Assistant Secretary” for “Commissioner”.

SUBCHAPTER III—GRANTS FOR STATE AND COMMUNITY PROGRAMS ON AGING

PART A—GENERAL PROVISIONS

§ 3021. Purpose and program

(a) Congressional declaration of purpose

(1) It is the purpose of this subchapter to encourage and assist State agencies and area agencies on aging to concentrate resources in order to develop greater capacity and foster the development and implementation of comprehensive and coordinated systems to serve older individuals by entering into new cooperative arrangements in each State with the persons described in paragraph (2), for the planning, and for the provision of, supportive services, and multipurpose senior centers, in order to—

(A) secure and maintain maximum independence and dignity in a home environment for older individuals capable of self care with appropriate supportive services; and

(B) remove individual and social barriers to economic and personal independence for older individuals;

(C) provide a continuum of care for vulnerable older individuals; and

(D) secure the opportunity for older individuals to receive managed in-home and community-based long-term care services.

(2) The persons referred to in paragraph (1) include—

(A) State agencies and area agencies on aging;

(B) other State agencies, including agencies that administer home and community care programs;

(C) Indian tribes, tribal organizations, and Native Hawaiian organizations;

(D) the providers, including voluntary organizations or other private sector organizations, of supportive services, nutrition services, and multipurpose senior centers;

(E) organizations representing or employing older individuals or their families; and

(F) organizations that have experience in providing training, placement, and stipends for volunteers or participants who are older individuals (such as organizations carrying out Federal service programs administered by the Corporation for National and Community Service), in community service settings.

(b) Administration of program

(1) In order to effectively carry out the purpose of this subchapter, the Assistant Secretary shall administer programs under this subchapter through the Administration.

(2) In carrying out the provisions of this subchapter, the Assistant Secretary may request the technical assistance and cooperation of the Department of Education, the Department of Labor, the Department of Housing and Urban Development, the Department of Transportation, the Office of Community Services, the Department of Veterans Affairs, the Substance Abuse and Mental Health Services Administration, and such other agencies and departments of the Federal Government as may be appropriate.

(c) Ombudsman program

The Assistant Secretary shall provide technical assistance and training (by contract, grant, or otherwise) to State long-term care ombudsman programs established under section 3027(a)(9) of this title in accordance with section 3058g of this title, and to individuals within such...
programs designated under section 3058g of this title to be representatives of a long-term care ombudsman, in order to enable such ombudsmen and such representatives to carry out the ombudsman program effectively.

(d) Use of funds

(1) Any funds received under an allotment as described in section 3024(a) of this title, or funds contributed toward the non-Federal share under section 3024(d) of this title, shall be used only for activities and services to benefit older individuals and other individuals as specifically provided for in this subchapter.

(2) No provision of this subchapter shall be construed as prohibiting a State agency or area agency on aging from providing services by using funds from sources not described in paragraph (1).


PRIOR PROVISIONS


AMENDMENTS


1992—Subsec. (a). Pub. L. 102–375, §301, amended subsec. (a) generally. Prior to amendment, subsec. (a) read as follows: “It is the purpose of this subchapter to encourage and assist State and area agencies to concentrate resources in order to develop greater capacity and foster the development and implementation of comprehensive and coordinated service systems to serve older individuals by entering into new cooperative arrangements in each State with State and area agencies, with Indian tribes, tribal organizations, and Native Hawaiian organizations, and with the providers, including voluntary organizations, of supportive services, including nutrition services and multipurpose senior centers, in order to—

“(1) secure and maintain maximum independence and dignity in a home environment for older individuals capable of self care with appropriate supportive services;

“(2) remove individual and social barriers to economic and personal independence for older individuals; and

“(3) provide a continuum of care for the vulnerable elderly.”


Subsec. (b)(2). Pub. L. 102–321 substituted “the Substance Abuse and Mental Health Services Administration” for “the Alcohol, Drug Abuse, and Mental Health Administration”.

Subsec. (c). Pub. L. 102–375, §708(a)(2)(B), substituted “in accordance with section 3058g of this title, and to individuals within such programs designated under section 3058g of this title” for “, and to individuals designated under such section”.


1987—Subsec. (a). Pub. L. 100–175, §121, inserted “, with Indian tribes, tribal organizations, and Native Hawaiian organizations,” after second reference to “agencies”.

Subsec. (b)(2). Pub. L. 100–175, §125(c), inserted the “Alcohol, Drug Abuse, and Mental Health Administration,” after “Veterans Administration,”.

Pub. L. 100–175, §194(b), inserted “, the Veterans Administration,” after “Office of Community Services”.

Subsec. (c). Pub. L. 100–175, §129(a), added subsec. (c).

1984—Subsec. (a). Pub. L. 98–459 substituted “area agencies” for “local agencies” in place of two places, inserted “and implementation”, inserted “, including voluntary organizations,”, and struck out “for the provision of” after “planning”.

1981—Subsec. (a). Pub. L. 97–115, §3(d), substituted “supportive services” for “social services” in two places.

Subsec. (b)(2). Pub. L. 97–115, §3(a), substituted “cooperation of the Department of Education, the Department of Labor, the Department of Housing and Urban Development, the Department of Transportation, the Office of Community Services, and such other agencies and departments” for “cooperation of the Department of Labor, the Community Services Administration, the Department of Housing and Urban Development, the Department of Transportation, and such other agencies and departments”.

EFFECTIVE DATE OF 1992 AMENDMENTS

Amendment by section 708(a)(2)(B) of Pub. L. 102–375 inapplicable with respect to fiscal year 1993, see section 4(b) of Pub. L. 103–171, set out as a note under section 3001 of this title.

Amendment by section 708(a)(2)(B) of Pub. L. 102–375 inapplicable with respect to fiscal year 1992, see section 905(b)(6) of Pub. L. 102–375, set out as a note under section 3001 of this title.


EFFECTIVE DATE OF 1987 AMENDMENT

Amendment by Pub. L. 100–175 effective Oct. 1, 1987, except not applicable with respect to any area plan submitted under section 3027(a) of this title or any State plan submitted under section 3027(a) of this title and approved for any fiscal year beginning before Nov. 29, 1987, see section 701(a), (b) of Pub. L. 100–175, set out as a note under section 3001 of this title.

EFFECTIVE DATE OF 1984 AMENDMENT

§ 3022. Definitions

For the purpose of this subchapter—

(1) The term "comprehensive and coordinated system" means a system for providing all necessary supportive services, including nutrition services, in a manner designed to—

(A) facilitate accessibility to, and utilization of, all supportive services and nutrition services provided within the geographic area served by such system by any public or private agency or organization;

(B) develop and make the most efficient use of supportive services and nutrition services in meeting the needs of older individuals;

(C) use available resources efficiently and with a minimum of duplication; and

(D) encourage and assist public and private entities that have unrealized potential for meeting the service needs of older individuals to assist the older individuals on a voluntary basis.

(2) The term "education and training service" means a supportive service designed to assist older individuals to better cope with their economic, health, and personal needs through services such as consumer education, continuing education, health education, pre-retirement education, financial planning, and other education and training services which will advance the objectives of this chapter.

(3) The term "family caregiver" means an adult family member, or another individual, who is an informal provider of in-home and community care to an older individual or to an individual with Alzheimer's disease or a related disorder with neurological and organic brain dysfunction.

(4) The term "unit of general purpose local government" means—

(A) a political subdivision of the State whose authority is general and not limited to only one function or combination of related functions; or

(B) an Indian tribal organization.


PRIOR PROVISIONS


AMENDMENTS

2006—Pars. (2) to (4). Pub. L. 109–365 added par. (4), re-designated pars. (2), (3), and (4) as pars. (4), (2), and (3), respectively, and moved par. (4) to end of section. 1992—Par. (10). Pub. L. 103–171 struck out par. (10) which defined "multipurpose senior center.

1987—Pars. (1) to (4). Pub. L. 102–375 added par. (4), re-designated pars. (2), (3), and (4) as pars. (4), (2), and (3), respectively, and moved par. (4) to end of section. 1993—Par. (10). Pub. L. 103–171 struck out par. (10) which defined "multipurpose senior center.


Pars. (2), (3). Pub. L. 102–375, § 102(b)(3)(A), (B), redesignated pars. (7) and (8) as (2) and (3), respectively, and struck out former paras. (2) and (3) which defined "information and referral source" and "long-term care facility", respectively.

Pars. (4) to (6). Pub. L. 102–375, § 102(b)(3)(A), struck out paras. (4) to (6) which defined "legal assistance", "planning and service area", and "State agency", respectively.

Pars. (7), (8). Pub. L. 102–375, § 102(b)(3)(B), redesignated pars. (7) and (8) as (2) and (3), respectively.

Pars. (9). Pub. L. 102–375, § 102(b)(3)(A), struck out par. (9) which defined "older individual".


Pars. (14) to (21). Pub. L. 102–375, § 102(b)(3)(A), struck out paras. (14) to (21) which defined "abuse", "elder abuse", "caretaker", "exploitation", "neglect", "physical harm", "greatest economic need", and "greatest social need", respectively.

1987—Par. (6). Pub. L. 100–175, § 192(b)(2), redesignated par. (7) as (6) and struck out former par. (6) which read as follows: "The term "State means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, the Trust Territory of the Pacific Islands, and the Commonwealth of the Northern Mariana Islands."

(A) a political subdivision of the State whose authority is general and not limited to only one function or combination of related functions; or

(B) an Indian tribal organization.
Pars. (7) to (9), Pub. L. 100–175, § 182(b)(2)(B), redesignated pars. (8) to (10) as (7) to (9), respectively. Former par. (7) redesignated (6).

Par. (10). Pub. L. 100–175, §§136(a)(2), 182(b)(2)(B), redesignated par. (11) as (10) and inserted "‘including mental health’" after ‘“health’." Former par. (10) redesignated (9).


Par. (12). (13), Pub. L. 100–175, § 182(b)(2)(B), which directed the redesignation of pars. (13) and (14) as (12) and (13), respectively, could not be executed because no pars. (13) and (14) had been enacted. A former par. (12) was redesignated (11).

Par. (14) to (19), Pub. L. 100–175, §§144(a), 182(b)(2)(B), added pars. (15) to (20) and redesignated them as (14) to (19), respectively.

Par. (20). Pub. L. 100–175, § 182(b)(2)(B), (e)(1), added par. (20) and redesignated former par. (20) as (19).

Pub. L. 100–175, §144(a), added par. (20).

Par. (21). Pub. L. 100–175, § 182(e)(1), added par. (21).

1984—Par. (2)(B). Pub. L. 98–459, § 302(1), substituted ‘‘employs, where feasible,’’ for ‘‘employs’’, and inserted ‘‘to assess the needs and capacities of older individuals.’’.

Par. (4). Pub. L. 98–459, § 302(2), substituted ‘‘legal assistance’’ for ‘‘legal services’’.


Par. (10) to (12), Pub. L. 98–459, § 302(4), added pars. (10) to (12).

1981—Par. (1). Pub. L. 97–115, § 3(d), substituted ‘‘supportive services’’ for ‘‘social services’’ in provisions preceding subpar. (A) and in subpars. (A) and (B).

Par. (3). Pub. L. 97–115, § 3(b)(1), inserted provision relating to any category of institutions regulated by a State pursuant to provisions of section 1382(e)(e) of this title (for purposes of section 3027(a)(12) of this title).


Effective Date of 1987 Amendment

Amendment by Pub. L. 100–175 effective Oct. 1, 1987, except not applicable with respect to any area plan submitted under section 3026(a) of this title or any State plan submitted under section 3026(a) of this title and approved for any fiscal year beginning before Nov. 29, 1987, see section 701(a), (b) of Pub. L. 100–175, set out as a note under section 3001 of this title.

Effective Date of 1984 Amendment


Effective Date

Section effective at close of Sept. 30, 1978, see section 504 of Pub. L. 95–478, set out as an Effective Date of 1978 Amendment note under section 3001 of this title.

§ 3023. Authorization of appropriations; uses of funds

(a)(1) There are authorized to be appropriated to carry out part B (relating to supportive services) $356,717,276 for fiscal year 2017, $364,456,847 for fiscal year 2018, and $372,196,069 for fiscal year 2019.

(2) Funds appropriated under paragraph (1) shall be available to carry out section 3058g of this title.

(b)(1) There are authorized to be appropriated to carry out part I of part C (relating to congregate and home delivered nutrition services) $232,195,942 for fiscal year 2017, $237,233,817 for fiscal year 2018, and $242,271,465 for fiscal year 2019.

(c) Grants made under part B, and subparts I and II of part C, of this subchapter may be used for paying part of the cost of—

(1) the administration of area plans by area agencies on aging designated under section 3025(a)(2)(A) of this title, including the preparation of area plans on aging consistent with section 3026 of this title and the evaluation of activities carried out under such plans; and

(2) the development of comprehensive and coordinated systems for supportive services, congregate and home delivered nutrition services under subparts I and II of part C, the development and operation of multipurpose senior centers, and the delivery of legal assistance.

(d) There are authorized to be appropriated to carry out part D (relating to disease prevention and health promotion services) $20,361,334 for fiscal year 2017, $20,803,107 for fiscal year 2018, and $21,244,860 for fiscal year 2019.

(e) There are authorized to be appropriated to carry out part E (relating to family caregiver support) $154,330,162 for fiscal year 2017, $157,564,066 for fiscal year 2018, and $160,791,658 for fiscal year 2019.


Prior Provisions


Amendments


necessary for fiscal years 1993, 1994, and 1995, to carry
out subpart III of part C of this subchapter (relating to
school-based meals for volunteer older individuals and
multigenerational programs).

d. (e) and struck out former subsecs. (d) to (g) which authorized appropriations for fiscal years 1992 to 1995 to carry out parts I to G of this subchapter.

1992—Subsec. (a)(1). Pub. L. 102–375, § 708(c)(3), struck out "for purposes other than outreach activities and application assistance under section 3027(a)(31) of this title" after "senior centers".

Pub. L. 102–375, § 303(a)(1), substituted "$611,376,000 for fiscal year 1992 and such sums as may be necessary for fiscal years 1993, 1994, and 1995" for "$379,575,000 for the fiscal year 1992, $390,554,000 for the fiscal year 1993, $418,481,000 for the fiscal year 1994, and $439,406,000 for the fiscal year 1995".

Subsec. (a)(2). Pub. L. 102–375, § 303(a)(2), amended par. (2) generally. Prior to amendment, par. (2) read as follows: "Subject to subsection (h) of this section, there are authorized to be appropriated $20,000,000 for fiscal year 1996 and such sums as may be necessary for each of the fiscal years 1997, 1998, 1999, and 2000."

Subsec. (f). Pub. L. 102–375, § 303(e), substituted "$45,388,000 for fiscal year 1992 and such sums as may be necessary for fiscal years 1993, 1994, and 1995" for "$25,000,000 for fiscal year 1988, $20,250,000 for fiscal year 1989, $27,563,000 for fiscal year 1990, and $29,941,000 for fiscal year 1991".

Subsec. (e). Pub. L. 102–375, § 303(d), substituted "There are authorized to be appropriated such sums as may be necessary for the fiscal years 1992, 1993, 1994, and 1995," for "Subject to subsection (h) of this section, there are authorized to be appropriated $25,000,000 for fiscal year 1988, $25,000,000 for fiscal years 1989, 1990 and 1991".

Subsec. (g). Pub. L. 102–375, § 303(f), amended subsec. (g) generally. Prior to amendment, subsec. (g) read as follows: "Subject to subsection (h) of this section, there are authorized to be appropriated $5,000,000 for fiscal year 1988 and such sums as may be necessary for each fiscal year 1989, 1990 and 1991."

"(2) There are authorized to be appropriated $120,000,000 for fiscal year 1992 and such sums as may be necessary for fiscal years 1993, 1994, and 1995, for the purpose of making grants under subpart II of part C of this subchapter (relating to home delivered nutrition services)."

"(3) There are authorized to be appropriated $15,000,000 for fiscal year 1992 and such sums as may be
of the fiscal years 1989, 1990, and 1991, to carry out part G of this subchapter (relating to abuse, neglect, and exploitation of older individuals)."

1987—Subsec. (a). Pub. L. 100–175, §§ 129(c)(1), 155(b), designated existing provisions as par. (1), inserted "for purposes other than outreach activities and application assistance under section 3027(a)(31) of this title", and added pars. (2) and (3).

Pub. L. 100–175, § 122(a), amended subsec. (a) generally. Prior to amendment, subsec. (a) read as follows: "There are authorized to be appropriated $350,300,000 for fiscal year 1984, $325,700,000 for fiscal year 1985, $343,600,000 for fiscal year 1986, $361,500,000 for fiscal year 1987, for the purpose of making grants under part B of this subchapter (relating to supportive services and senior centers)."

Subsec. (b). Pub. L. 100–175, § 122(b), amended subsec. (b) generally. Prior to amendment, subsec. (b) read as follows:

"(1) There are authorized to be appropriated $365,300,000 for fiscal year 1984, $360,800,000 for fiscal year 1985, $376,500,000 for fiscal year 1986, and $395,000,000 for fiscal year 1987, for the purpose of making grants under subpart I of part C of this subchapter (relating to congregate nutrition services).

"(2) There are authorized to be appropriated $68,700,000 for fiscal year 1984, $69,100,000 for fiscal year 1985, $72,000,000 for fiscal year 1986, and $75,600,000 for fiscal year 1987, for the purpose of making grants under subpart II of part C of this subchapter (relating to home delivered nutrition services)."


1984—Subsec. (a). Pub. L. 98–459, § 303(a), struck out provisions authorizing appropriations of $300,000,000 for fiscal year 1979, $360,000,000 for fiscal year 1980, $480,000,000 for fiscal year 1981, $306,000,000 for fiscal year 1982, and $327,400,000 for fiscal year 1983, and inserted provisions authorizing appropriations of $350,000,000 for fiscal year 1979, $375,000,000 for fiscal year 1980, $400,000,000 for fiscal year 1981, $319,100,000 for fiscal year 1982, and $341,400,000 for fiscal year 1983, and inserted provisions authorizing appropriations of $395,000,000 for fiscal year 1984, $376,500,000 for fiscal year 1985, and $395,000,000 for fiscal year 1986.

Subsec. (b)(1). Pub. L. 98–459, § 303(b)(1), struck out provisions authorizing appropriations of $300,000,000 for fiscal year 1979, $360,000,000 for fiscal year 1980, $480,000,000 for fiscal year 1981, $306,000,000 for fiscal year 1982, and $327,400,000 for fiscal year 1983, and inserted provisions authorizing appropriations of $350,000,000 for fiscal year 1979, $375,000,000 for fiscal year 1980, $400,000,000 for fiscal year 1981, $319,100,000 for fiscal year 1982, and $341,400,000 for fiscal year 1983, and inserted provisions authorizing appropriations of $395,000,000 for fiscal year 1984, $376,500,000 for fiscal year 1985, and $395,000,000 for fiscal year 1986.

Subsec. (d). Pub. L. 98–459, § 303(b)(2), struck out provisions authorizing appropriations of $360,000,000 for fiscal year 1979, $360,000,000 for fiscal year 1980, $100,000,000 for fiscal year 1981, $120,000,000 for fiscal year 1982, and $60,000,000 for fiscal year 1983, and inserted provisions authorizing appropriations of $60,000,000 for fiscal year 1984, $64,200,000 for fiscal year 1985, and $350,000,000 for fiscal year 1986, and substituted "relating to supportive services and senior centers" for "relating to social services".

Subsec. (c). Pub. L. 97–115, § 303(c)(1), inserted provisions authorizing appropriations of $300,000,000 for fiscal year 1982, $327,400,000 for fiscal year 1983, and $350,000,000 for fiscal year 1984, and substituted "relating to supportive services and senior centers" for "relating to social services".


Subsec. (c)(2). Pub. L. 97–115, § 303(d), substituted "supportive services" for "social services".

Effective Date of 1992 Amendments
Amendment by sections 303(a)(2), (3), and 708(c)(3) of Pub. L. 103–171 inapplicable with respect to fiscal year 1992, see section 4(b) of Pub. L. 103–171, set out as a note under section 3001 of this title.

Amendment by sections 303(a)(2), (3), (f), 316(b), and 708(c)(3) of Pub. L. 102–375 inapplicable with respect to fiscal year 1992, see section 905(b)(2), (6) of Pub. L. 102–375, set out as a note under section 3001 of this title.

Effective Date of 1987 Amendment
Amendment by Pub. L. 100–175 effective Oct. 1, 1987, except not applicable with respect to any area plan submitted under section 3026(a) of this title or any State plan submitted under section 3027(a) of this title and approved for any fiscal year beginning before Nov. 29, 1986, see section 701(a)(b) of Pub. L. 100–175, set out as a note under section 3001 of this title.

Effective Date of 1984 Amendment

Effective Date
Section effective at close of Sept. 30, 1978, see section 504 of Pub. L. 95–478, set out as an Effective Date of 1978 Amendment note under section 3001 of this title.

§ 3024. Allotment to States
(a) In general

(1) From the sums appropriated under subsections (a) through (d) of section 3023 of this title for each fiscal year, each State shall be allotted an amount which bears the same ratio to such sums as the population of older individuals in such State bears to the population of older individuals in all States.

(2) In determining the amounts allotted to States from the sums appropriated under section 3023 of this title for a fiscal year, the Assistant Secretary shall first determine the amount allotted to each State under paragraph (1) and then proportionately adjust such amounts, if necessary, to meet the requirements of paragraph (3).

(3)(A) No State shall be allotted less than 1⁄4 of 1 percent of the sum appropriated for the fiscal year for which the determination is made.

(B) Guam and the United States Virgin Islands shall each be allotted not less than 1⁄4 of 1 percent of the sum appropriated for the fiscal year for which the determination is made.

(C) American Samoa and the Commonwealth of the Northern Mariana Islands shall each be allotted not less than 1⁄4 of 1 percent of the sum appropriated for the fiscal year for which the determination is made.

(D) The term "State" does not include Guam, American Samoa, the United States Virgin Islands, and the Commonwealth of the Northern Mariana Islands.
(D)(1) For each of fiscal years 2017 through 2019, no State shall be allotted an amount that is less than 99 percent of the amount allotted to such State for the previous fiscal year.

(ii) For fiscal year 2020 and each subsequent fiscal year, no State shall be allotted an amount that is less than 100 percent of the amount allotted to such State for fiscal year 2019.

(4) The number of individuals aged 60 or older in any State and in all States shall be determined by the Assistant Secretary on the basis of the most recent data available from the Bureau of the Census, and other reliable demographic data satisfactory to the Assistant Secretary.

(5) State allotments for a fiscal year under this section shall be proportionally reduced to the extent that appropriations may be insufficient to provide the full allotments of the prior year.

(b) Unused funds

Whenever the Assistant Secretary determines that any amount allotted to a State under part B or C, or part E, for a fiscal year under this section will not be used by such State for carrying out the purpose for which the allotment was made, the Assistant Secretary shall make such allotment available for carrying out such purpose for one or more other States to the extent the Assistant Secretary determines that such other States will be able to use such additional amount for carrying out such purpose. Any amount made available to a State from an appropriation for a fiscal year in accordance with the preceding sentence shall, for purposes of this subchapter, be regarded as part of such State’s allotment (as determined under subsection (a)) for such year, but shall remain available until the end of the succeeding fiscal year.

(c) Withholding of funds; disbursement

If the Assistant Secretary finds that any State has failed to qualify under the State plan requirements of section 3027 of this title or the Assistant Secretary does not approve the funding formula required under section 3025 of this title, the Assistant Secretary shall withhold the allotment of funds to such State referred to in subsection (a). The Assistant Secretary shall disburse the funds so withheld directly to any public or private nonprofit institution or organization, agency, or political subdivision of such State submitting an approved plan under section 3027 of this title, which includes an agreement that any such payment shall be matched in the proportion determined under subsection (d)(1)(D) for such State, by funds or in-kind resources from non-Federal sources.

(d) Costs of administration, ombudsman program, demonstration projects, supportive services, senior centers and nutrition services; payment and determination of non-Federal share

(1) From any State’s allotment, after the application of section 3026 of this title, the Assistant Secretary shall disburse the funds so withheld to such State for carrying out part B, shall be available for conducting outreach demonstration projects under section 3058e of this title; and the remainder of such allotment shall be available to such State for carrying out part B, shall be available for conducting outreach demonstration projects under section 3058e of this title; and the remainder of such allotment shall be available to such State only for paying such percentage as the State agency determines, but not more than 85 percent of the cost of supportive services, senior centers, and nutrition services under this subchapter provided in the State as part of a comprehensive and coordinated system in planning and service areas for which there is an area plan approved by the State agency.

(2) The non-Federal share shall be in cash or in kind. In determining the amount of the non-Federal share, the Assistant Secretary may attribute fair market value to services and facilities contributed from non-Federal sources.


Amendments


2006—Subsec. (a)(3)(D). Pub. L. 109–365 amended subpar. (a) and struck out former subsec. (a) which read as follows:

“(a)(1) Subject to paragraphs (2) and (3), from the sums appropriated under section 3023 of this title for each fiscal year, each State shall be allotted an amount which bears the same ratio to such sums as the population of older individuals in such State bears to the population of older individuals in all States, except that (A) no State shall be allotted less than one-half of 1 percent of the sum appropriated for the fiscal year for which the determination is made; (B) Guam, the United States Virgin Islands, and the Trust Territory of the Pacific Islands, shall each be allotted not less than one-fourth of 1 percent of the sum appropriated for the fiscal year for which the determination is made; and (C) American Samoa and the Commonwealth of the Northern Mariana Islands shall each be allotted not less than one-sixteenth of 1 percent of the sum appropriated for the fiscal year for which the determination is made. For the purposes of paragraph (3) and the exception contained in subparagraph (A) only, the term ‘State’ does not include Guam, American Samoa, the United States Virgin Islands, the Trust Territory of the Pacific Islands, and the Commonwealth of the Northern Mariana Islands.

“(2) No State shall be allotted less than the total amount allotted to the State under paragraph (1) of this subsection and section 3026 of this title for fiscal year 1987.

“(3) No State shall be allotted, from the amount appropriated under section 3023 of this title, less than $50,000 for any fiscal year.

“(4) The number of individuals aged 60 or older in any State and in all States shall be determined by the Assistant Secretary on the basis of the most recent data available from the Bureau of the Census and other reliable demographic data satisfactory to the Assistant Secretary.

Subsec. (b). Pub. L. 106–501, §305(b), substituted “part B or C, or subpart I of part E,” for “part B or C” in first sentence.


Subsec. (e). Pub. L. 106–501, §801(c)(2)(B), struck out subsec. (e) which read as follows: “Grants made from allotments received under this subchapter may be used for paying for the costs of providing for a state volunteer services coordinator (as described in section 3026(a)(12) of this title) or a State volunteer services coordinator (as described in section 3027(a)(31) of this title).”


1992—Subsec. (a)(1). Pub. L. 102–375, §904(a)(10), substituted “of older individuals” for “aged 60 or older” in two places, “United States Virgin Islands” for “Virgin Islands” in two places, and “contained in subparagraph (A)” for “contained in clause (A)”.


Subsec. (a)(3). Pub. L. 102–375, §304(a)(2), amended par. (3) generally. Prior to amendment, par. (3) read as follows: “No State shall be allotted, from the amount appropriated pursuant to section 3025(a)(3) of this title, less than $50,000 for any fiscal year.”


Subsec. (c). Pub. L. 102–375, §304(b), inserted “or the Commissioner does not approve the funding formula required under section 3027(a)(2) of this title” after “requirements of section 3027 of this title”.

Subsec. (d)(1)(C). Pub. L. 102–375, §304(c), amended subpar. (C) generally. Prior to amendment, subpar. (C) read as follows: “after September 30, 1986, such amount (excluding any amount attributable to funds appropriated under section 3025(a)(3) of this title) as the State agency determines to be adequate, but not more than 1 percent, for conducting effective demonstration projects in health and nutrition education under section 3027(f) of this title shall be available for conduct of such projects; and”.


1987—Subsec. (a)(1). Pub. L. 100–175, §155(c)(1), substituted “paragraphs (2) and (3)” for “paragraph (3)” and “purposes of paragraph (3)” for “purposes of”. Subsec. (a)(2)–(5), redesignated former par. (2) as (3), and substituted “Assistant Secretary” for “Commissioner” throughout. Subsec. (d)(1). Pub. L. 100–175, §154(d), inserted a comma after “section 3025(b) of this title”.

Subsec. (d)(1)(A). Pub. L. 100–175, §123, substituted “10 percent” for “8.5 percent”.

Subsec. (d)(1)(B), (C). Pub. L. 100–175, §154(d), inserted “(excluding any amount attributable to funds appropriated under section 3025(a)(3) of this title)” after “amount”.

1984—Subsec. (a)(1). Pub. L. 98–459, §304(a)(1)–(5), substituted “Subject to paragraph (2),” from “‘From’,” substituted “under section 3023 of this title” for “under parts B and C.”, substituted “Commonwealth of the Northern Mariana Islands” for “Northern Mariana Islands” in two places, substituted “(and C)” for “(C)”, and struck out “; and”.

Subsec. (a)(2), (3), Pub. L. 98–459, §304(a)(6)–(8), added par. (2), redesignated former par. (2) as (3), and substituted “available to the Commissioner” for “available to him”.

Subsec. (b). Pub. L. 98–459, §304(b), substituted “‘the Commissioner shall make’ for ‘he shall make’” and “the extent the Commissioner determines” for “to the extent he determines”.

Subsec. (c). Pub. L. 98–459, §304(c), substituted “section (d)(1)(D)” for “section (d)(1)(B)” and “or in-kind resources” for “for in-kind resources”.

Subsec. (d)(1). Pub. L. 98–459, §304(d), inserted “, after the application of section 3028(b) of this title” in provisio before par. (1), added subpar. (C), and redesignated former subpar. (C) as (D).


1978—Subsec. (d)(1)(C). Pub. L. 97–115, §4(b), (c)(2), redesignated (B) as (C) and substituted “85 percent of the cost of the supportive services, senior centers, and nutrition services under this subchapter” for “90 percent of the cost of the supportive services, senior centers, and nutrition services under this subchapter”.

Effective Date of 1992 Amendment

Amendment by section 304 (excluding pars. (1) and (2) of subsec. (a)) of Pub. L. 102–375 inapplicable with re-
§ 3025. Designation of State agencies

(a) Duties of designated agency

In order for a State to be eligible to participate in programs of grants to States from allocations under this subchapter—

(1) the State shall, in accordance with regulations of the Assistant Secretary, designate a State agency as the sole State agency to—

(A) develop a State plan to be submitted to the Assistant Secretary for approval under section 3027 of this title;

(B) administer the State plan within such State;

(C) be primarily responsible for the planning, policy development, administration, coordination, priority setting, and evaluation of all State activities related to the objectives of this chapter;

(D) serve as an effective and visible advocate for older individuals by reviewing and commenting upon all State plans, budgets, and policies which affect older individuals and providing technical assistance to any agency, organization, association, or individual representing the needs of older individuals; and

(E) divide the State into distinct planning and service areas (or in the case of a State specified in subsection (b)(5)(A), designate the entire State as a single planning and service area), in accordance with guidelines issued by the Assistant Secretary, after considering the geographical distribution of older individuals in the State, the incidence of the need for supportive services, nutrition services, multipurpose senior centers, and legal assistance, the distribution of older individuals who have greatest economic need (with particular attention to low-income older individuals, including low-income minority older individuals, older individuals with limited English proficiency, and older individuals residing in rural areas) residing in such areas, the distribution of resources available to provide such services or centers, the boundaries of existing areas within the State which were drawn for the planning or administration of supportive services programs, the location of units of general purpose local government within the State, and any other relevant factors;

(2) the State agency shall—

(A) except as provided in subsection (b)(5), designate for each such area after consideration of the views offered by the unit or units of general purpose local government in such area, a public or private nonprofit agency or organization as the area agency on aging for such area;

(B) provide assurances, satisfactory to the Assistant Secretary, that the State agency will take into account, in connection with matters of general policy arising in the development and administration of the State plan for any fiscal year, the views of recipients of supportive services or nutrition services, or individuals using multipurpose senior centers provided under such plan;

(C) in consultation with area agencies, in accordance with guidelines issued by the Assistant Secretary, and using the best available data, develop and publish for review and comment a formula for distribution within the State of funds received under this subchapter that takes into account—

(i) the geographical distribution of older individuals in the State; and

(ii) the distribution among planning and service areas of older individuals with greatest economic need and older individuals with greatest social need, with particular attention to low-income minority older individuals;

(D) submit its formula developed under subparagraph (C) to the Assistant Secretary for approval;

(E) provide assurances that preference will be given to providing services to older individuals with greatest economic need and older individuals with greatest social need (with particular attention to low-income older individuals, including low-income minority older individuals, older individuals with limited English proficiency, and older individuals residing in rural areas), and include proposed methods of carrying out the preference in the State plan;

(F) provide assurances that the State agency will require use of outreach efforts described in section 3027(a)(16) of this title; and

(G)(i) set specific objectives, in consultation with area agencies on aging, for each planning and service area for providing services funded under this subchapter to low-income minority older individuals and older individuals residing in rural areas;
(ii) provide an assurance that the State agency will undertake specific program development, advocacy, and outreach efforts focused on the needs of low-income minority older individuals and older individuals residing in rural areas; and

(iii) provide a description of the efforts described in clause (ii) that will be undertaken by the State agency; and

(3) the State agency shall, consistent with this section, promote the development and implementation of a State system of long-term care that is a comprehensive, coordinated system that enables older individuals to receive long-term care in home and community-based settings, in a manner responsive to the needs and preferences of the older individuals and their family caregivers, by—

(A) collaborating, coordinating, and consulting with other agencies in such State responsible for formulating, implementing, and administering programs, benefits, and services related to providing long-term care;

(B) participating in any State government activities concerning long-term care, including reviewing and commenting on any State rules, regulations, and policies related to long-term care;

(C) conducting analyses and making recommendations with respect to strategies for modifying the State system of long-term care to better—

(i) respond to the needs and preferences of older individuals and family caregivers;

(ii) facilitate the provision, by service providers, of long-term care in home and community-based settings; and

(iii) target services to individuals at risk for institutional placement, to permit such individuals to remain in home and community-based settings;

(D) implementing (through area agencies on aging, service providers, and such other entities as the State determines to be appropriate) evidence-based programs to assist older individuals and their family caregivers in learning about and making behavioral changes intended to reduce the risk of injury, disease, and disability among older individuals; and

(E) providing for the availability and distribution (through public education campaigns, Aging and Disability Resource Centers, area agencies on aging, and other appropriate means) of information relating to—

(i) the need to plan in advance for long-term care; and

(ii) the full range of available public and private long-term care (including integrated long-term care) programs, options, service providers, and resources.

(b) Planning and service areas

(1) In carrying out the requirement of subsection (a)(1), the State may designate as a planning and service area any unit of general purpose local government which has a population of 100,000 or more. In any case in which a unit of general purpose local government makes application to the State agency under the preceding sentence to be designated as a planning and service area, the State agency shall, upon request, provide an opportunity for a hearing to such unit of general purpose local government.

(2) A State may designate as a planning and service area under subsection (a)(1), any region within the State recognized for purposes of areawide planning which includes one or more such units of general purpose local government when the State determines that the designation of such a regional planning and service area is necessary for, and will enhance, the effective administration of the programs authorized by this subchapter. The State may include in any planning and service area designated under subsection (a)(1) such additional areas adjacent to the unit of general purpose local government or regions so designated as the State determines to be necessary for, and will enhance, the effective administration of the programs authorized by this subchapter.

(3) The chief executive officer of each State in which a planning and service area crosses State boundaries, or in which an interstate Indian reservation is located, may apply to the Assistant Secretary to request redesignation as an inter-state planning and service area comprising the entire metropolitan area or Indian reservation. If the Assistant Secretary approves such an application, the Assistant Secretary shall adjust the State allotments of the areas within the planning and service area in which the inter-state planning and service area is established to reflect the number of older individuals within the area who will be served by an interstate planning and service area not within the State.

(4) Whenever a unit of general purpose local government, a region, a metropolitan area or an Indian reservation is denied designation under the provisions of subsection (a)(1), such unit of general purpose local government, region, metropolitan area, or Indian reservation may appeal the decision of the State agency to the Assistant Secretary. The Assistant Secretary shall afford such unit, region, metropolitan area, or Indian reservation an opportunity for a hearing. In carrying out the provisions of this paragraph, the Assistant Secretary may approve the decision of the State agency, disapprove the decision of the State agency and require the State agency to designate the unit, region, area, or Indian reservation an opportunity for a hearing. In carrying out the provisions of this paragraph, the Assistant Secretary may approve the decision of the State agency, disapprove the decision of the State agency and require the State agency to designate the unit, region, area, or Indian reservation; and, if such action is taken, the Assistant Secretary shall provide to such unit, region, area, or Indian reservation an opportunity for a hearing.

(5)(A) A State which on or before October 1, 1980, had designated, with the approval of the Assistant Secretary, a single planning and service area covering all of the older individuals in the State, in which the State agency was administering the area plan, may after that date designate one or more additional planning and service areas within the State to be administered by
public or private nonprofit agencies or organizations as area agencies on aging, after considering the factors specified in subsection (a)(1)(E). The State agency shall continue to perform the functions of an area agency on aging for any area of the State not included in a planning and service area for which an area agency on aging has been designated.

(B) Whenever a State agency designates a new area agency on aging after October 9, 1984, the State agency shall give the right to first refusal to a unit of general purpose local government if (i) such unit can meet the requirements of subsection (c), and (ii) the boundaries of such a unit and the boundaries of the area are reasonably contiguous.

(C)(i) A State agency shall establish and follow appropriate procedures to provide due process to affected parties, if the State agency initiates an action or proceeding to—

(I) revoke the designation of the area agency on aging under subsection (a);

(II) designate an additional planning and service area in a State;

(III) divide the State into different planning and service areas; or

(IV) otherwise affect the boundaries of the planning and service areas in the State.

(ii) The procedures described in clause (i) shall include procedures for—

(I) providing notice of an action or proceeding described in clause (i);

(II) documenting the need for the action or proceeding;

(III) conducting a public hearing for the action or proceeding;

(IV) involving area agencies on aging, service providers, and older individuals in the action or proceeding; and

(V) allowing an appeal of the decision of the State agency in the action or proceeding to the Assistant Secretary.

(iii) An adversely affected party involved in an action or proceeding described in clause (i) may bring an appeal described in clause (ii)(V) on the basis of—

(I) the facts and merits of the matter that is the subject of the action or proceeding; or

(II) procedural grounds.

(iv) In deciding an appeal described in clause (ii)(V), the Assistant Secretary may affirm or set aside the decision of the State agency. If the Assistant Secretary sets aside the decision, and the State agency has taken an action described in subclauses (I) through (III) of clause (i), the State agency shall nullify the action.

(c) Eligible State area agencies; development of area; preferred area agency on aging designees

An area agency on aging designated under subsection (a) shall be—

(1) an established office of aging which is operating within a planning and service area designated under subsection (a);

(2) any office or agency of a unit of general purpose local government, which is designated to function only for the purpose of serving as an area agency on aging by the chief elected official of such unit;

(3) any office or agency designated by the appropriate chief elected officials of any combination of units of general purpose local government to act only on behalf of such combination for such purpose;

(4) any public or private nonprofit agency in a planning and service area, or any separate organizational unit within such agency, which is under the supervision or direction for this purpose of the designated State agency and which can and will engage only in the planning or provision of a broad range of supportive services, or nutrition services within such planning and service area; or

(5) in the case of a State specified in subsection (b)(5), the State agency; and shall provide assurance, determined adequate by the State agency, that the area agency on aging will have the ability to develop an area plan and to carry out, directly or through contractual or other arrangements, a program in accordance with the plan within the planning and service area. In designating an area agency on aging within the planning and service area or within any unit of general purpose local government designated as a planning and service area the State shall give preference to an established office on aging, unless the State agency finds that no such office within the planning and service area will have the capacity to carry out the area plan.

(d) Publication for review and comment; contents

The publication for review and comment required by paragraph (2)(C) of subsection (a) shall include—

(1) a descriptive statement of the formula’s assumptions and goals, and the application of the definitions of greatest economic or social need,

(2) a numerical statement of the actual funding formula to be used,

(3) a listing of the population, economic, and social data to be used for each planning and service area in the State, and

(4) a demonstration of the allocation of funds, pursuant to the funding formula, to each planning and service area in the State.


Prior Provisions

the general amendment of this subchapter by Pub. L. 95–478. See section 3027 of this title.


### AMENDMENTS

2016—Subsec. (b)(5)(C)(i)(III). Pub. L. 114–144 substituted “planning and service areas” for “planning and service areas”.

2006—Subsec. (a)(1)(E). Pub. L. 109–365, §305(1)(A), substituted “(with particular attention to low-income older individuals, including low-income minority older individuals, and older individuals with limited English proficiency, and older individuals residing in rural areas)” for “(with particular attention to low-income minority individuals and older individuals residing in rural areas)” in two places.

Subsec. (a)(2)(E). Pub. L. 109–365, §305(2)(A), substituted “(with particular attention to low-income older individuals, including low-income minority older individuals, older individuals with limited English proficiency, and older individuals residing in rural areas)” for “(with particular attention to low-income minority individuals and older individuals residing in rural areas)”.


Subsec. (a)(2)(G)(II). Pub. L. 106–501, §304(2)(C), which directed the insertion of “and older individuals residing in rural areas” after “low-income minority individuals” was executed by making the insertion after “low-income minority older individuals”, to reflect the probable intent of Congress.


Subsec. (b)(1). Pub. L. 103–171, §2(8), substituted “area under subsection (a)(1)” for “area under clause (I) of subsection (a)” and “designated under subsection (a)(1)” for “designated under clause (I) of subsection (a)”.

Subsec. (b)(2). Pub. L. 103–171, §2(6), substituted “requirement of subsection (a)(1)” for “requirement of clause (I) of subsection (a)”.

Subsec. (b)(3) to (5). Pub. L. 103–171, §3(a)(13), substituted “Assistant Secretary” for “Commissioner wherever appearing.”

1992—Subsec. (a)(1)(C). Pub. L. 102–375, §305(a)(1), amended subpart. (C) generally. Prior to amendment, subpart. (C) read as follows: “be primarily responsible for the coordination of all State activities related to the purposes of this chapter.”


Subsec. (a)(1)(E). Pub. L. 102–375, §304(a)(1)(A)(1)(II), (III), inserted “individuals who are” before “Indian” and substituted “other individuals” for “individuals aged 60 and older.”


Subsec. (a)(2)(C). Pub. L. 102–375, §304(a)(2), amended subpar. (C) generally. Prior to amendment, subpar. (C) read as follows: “develop a formula, in accordance with guidelines issued by the Commissioner, for the distribution within the State of funds received under this subchapter, taking into account, to the maximum extent feasible, the best available statistics on the geographical distribution of individuals aged 60 and older in the State, and publish such formula for review and comment in accordance with subsection (d) of this section.”


Pub. L. 102–375, §305(a)(2)(B), substituted “for approval” for “for review and comment.”


Pub. L. 102–375, §305(a)(2)(C), struck out “and” at end.

Subsec. (a)(2)(F). Pub. L. 102–375, §305(a)(2)(D), amended subpar. (F) generally. Prior to amendment, subpar. (F) read as follows: “assure the use of outreach efforts that will identify individuals eligible for assistance under this chapter, with special emphasis on older individuals with the greatest economic or social needs (with particular attention to low-income minority individuals) and inform such individuals of the availability of such assistance.”


Subsec. (b)(3). Pub. L. 102–375, §304(a)(1)(A)(1)(II), substituted “clause (I) of subsection (a)” for “clause (1) of section (a)”.


Subsec. (b)(5). Pub. L. 102–375, §302(b)(10)(B), substituted “area agency on aging” for “agency” in two places.


Subsec. (c). Pub. L. 102–375, §302(b)(10)(D), substituted “area agency on aging” for “area agency” in concluding provisions of first sentence.

Subsec. (c)(2). Pub. L. 102–375, §302(b)(10)(C), substituted “area agency on aging” for “area agency.”


Subsec. (d). Pub. L. 100–628, §705(4)(B), redesignated subparts (A), (B), (C), and (D) as pars. (1), (2), (3), and (4), respectively.

1987—Subsec. (a)(1)(E). Pub. L. 100–175, §§132(a)(1), 134(a)(1), 134(a)(2), substituted “the distribution of older individuals who have greatest economic need (with particular attention to low-income minority individuals) residing in such areas, the distribution of older individuals who have greatest social need (with particular attention to low-income minority individuals) residing in such areas, for the distribution of older individuals who have low incomes residing in such areas,” inserted “the distribution of older Indians residing in such areas,” after second reference to “such areas,” and substituted “legal assistance” for “legal services.”
Subsec. (a)(2)(C). Pub. L. 100–175, §182(b), inserted “in accordance with subsection (d) of this section” before semicolon at end.


Subsec. (c)(2). Pub. L. 100–175, §124(1), inserted “to function only” after “designated”.

Subsec. (c)(3). Pub. L. 100–175, §124(2), inserted “only” after “to act”.

Subsec. (c)(4). Pub. L. 100–175, §124(3), inserted “., or any separate organizational unit within such agency,” after first reference to “area” and substituted “and” will engage only” for “engage”.


Subsec. (b)(3). Pub. L. 98–459, §305(b)(1), substituted “the Commissioner shall adjust” for “he shall adjust”.


Subsec. (a)(1)(E). Pub. L. 98–459, §305(a)(1), substituted “the number of older individuals who are Indians residing in such area, for the provision of such services or multipurpose senior centers in such area (taking into consideration, among other things, the number of older individuals with low incomes residing in such area, the number of older individuals who have greatest economic need (with particular attention to low-income older individuals, including low-income minority older individuals, older individuals with limited English proficiency, and older individuals residing in rural areas) residing in such area, the number of older individuals who have greatest social need (with particular attention to low-income older individuals, including low-income minority older individuals, older individuals with limited English proficiency, and older individuals residing in rural areas) residing in such area, the number of older individuals who are Indians residing in such area, and the efforts of voluntary organizations in the community), evaluating the effectiveness of the use of resources in meeting such need, and entering into agreements with providers of supportive services, nutrition services, and multipurpose senior centers in such area, for the provision of such services or centers to meet such need;” for “functions”, with particular attention to low-income minority individually.

Subsec. (a)(2)(A). Pub. L. 98–459, §305(a)(2), substituted “except as provided in subsection (b)(5), designate for each such area” for “determine for which planning and service area an area plan will be developed, in accordance with section 3026 of this title, and for each such area designate.”

Subsec. (a)(2)(B). Pub. L. 97–115, §3(d), substituted “supportive services” for “social services”.

Subsec. (b)(5). Pub. L. 97–115, §3(c), added par. (5).

Subsec. (c)(4). Pub. L. 97–115, §3(d), substituted “supportive services” for “social services”.

Subsec. (c)(5). Pub. L. 97–115, §3(d), added par. (5).

**Effective Date of 1992 Amendment**

Amendment by section 305 of Pub. L. 102–375 inapplicable with respect to fiscal year 1993, see section 4(b) of Pub. L. 103–171, set out as a note under section 3001 of this title.

Amendment by section 305 of Pub. L. 102–375 inapplicable with respect to fiscal year 1992, see section 905(b)(2) of Pub. L. 102–375, set out as a note under section 3001 of this title.

**Effective Date of 1987 Amendment**

Amendment by Pub. L. 100–175 effective Oct. 1, 1987, except not applicable with respect to any area plan submitted under section 3025(a) of this title or any State plan submitted under section 3027(a) of this title and approved for any fiscal year beginning before Nov. 29, 1987, see section 704(a), (b) of Pub. L. 100–175, set out as a note under section 3001 of this title.

**Effective Date of 1984 Amendment**


**Title 42—The Public Health and Welfare**

Section effective at close of Sept. 30, 1978, see section 504 of Pub. L. 95–478, set out as an Effective Date of 1978 Amendment note under section 3001 of this title.

**Section 3026. Area plans**

(a) Preparation and development by area agency on aging; requirements

Each area agency on aging designated under section 3025(a)(2)(A) of this title shall, in order to be approved by the State agency, prepare and develop an area plan for a planning and service area for a two-, three-, or four-year period determined by the State agency, with such annual adjustments as may be necessary. Each such plan shall be based upon a uniform format for area plans within the State prepared in accordance with section 3027(a)(1) of this title. Each such plan shall—

(1) provide, through a comprehensive and coordinated system, for supportive services, nutrition services, and, where appropriate, for the establishment, maintenance, modernization, or construction of multipurpose senior centers (including a plan to use the skills and services of older individuals in paid and unpaid work, including multigenerational and older individual to older individual work), within the planning and service area covered by the plan, including determining the extent of need for supportive services, nutrition services, and multipurpose senior centers in such area (taking into consideration, among other things, the number of older individuals with low incomes residing in such area, the number of older individuals who have greatest economic need (with particular attention to low-income older individuals, including low-income minority older individuals, older individuals with limited English proficiency, and older individuals residing in rural areas) residing in such area, the number of older individuals who have greatest social need (with particular attention to low-income older individuals, including low-income minority older individuals, older individuals with limited English proficiency, and older individuals residing in rural areas) residing in such area, the number of older individuals who are Indians residing in such area, and the efforts of voluntary organizations in the community), evaluating the effectiveness of the use of resources in meeting such need, and entering into agreements with providers of supportive services, nutrition services, or multipurpose senior centers in such area, for the provision of such services or centers to meet such need;

(2) provide assurances that an adequate proportion, as required under section 3027(a)(2) of this title, of the amount allotted for part B to the planning and service area will be expended for the delivery of each of the following categories of services—

(A) services associated with access to services (transportation, health services (including mental and behavioral health services), outreach, information and assistance (which may include information and assistance to...
§ 3026

1

So in original. A closing parenthesis probably should not appear.

and assurances that the area agency on aging will report annually to the State agency in detail the amount of funds expended for each such category during the fiscal year most recently concluded;

(3)(A) designate, where feasible, a focal point for comprehensive service delivery in each community, giving special consideration to designating multipurpose senior centers (including multipurpose senior centers operated by organizations referred to in paragraph (6)(C)) as such focal point; and

(B) specify, in grants, contracts, and agreements implementing the plan, the identity of each focal point so designated;

(4)(A)(i)(I) provide assurances that the area agency on aging will—

(aa) set specific objectives, consistent with State policy, for providing services to older individuals with greatest economic need, older individuals with greatest social need, and older individuals at risk for institutional placement;

(bb) include specific objectives for providing services to low-income minority older individuals, older individuals with limited English proficiency, and older individuals residing in rural areas; and

(ii) provide assurances that the area agency on aging will—

(I) specify how the provider intends to satisfy the service needs of low-income minority individuals, older individuals with limited English proficiency, and older individuals residing in rural areas in the area served by the provider;

(II) to the maximum extent feasible, provide services to low-income minority individuals, older individuals with limited English proficiency, and older individuals residing in rural areas in accordance with their need for such services; and

(III) meet specific objectives established by the area agency on aging, for providing services to low-income minority individuals, older individuals with limited English proficiency, and older individuals residing in rural areas within the planning and service area; and

(II) specify, in grants, contracts, and agreements implementing the plan, the identity of each focal point so designated;

(B) provide assurances that the area agency on aging will use outreach efforts that will—

(i) identify individuals eligible for assistance under this chapter, with special emphasis on—

(I) older individuals residing in rural areas;

(II) older individuals with greatest economic need (with particular attention to low-income minority individuals and older individuals residing in rural areas);

(III) older individuals with greatest social need (with particular attention to low-income minority individuals and older individuals residing in rural areas);

(IV) older individuals with severe disabilities;

(V) older individuals with limited English proficiency;

(VI) older individuals with Alzheimer's disease and related disorders with neurological and organic brain dysfunction (and the caretakers of such individuals); and

(VII) older individuals at risk for institutional placement; and

(ii) inform the older individuals referred to in subclauses (I) through (VI) of clause (i), and the caretakers of such individuals, of the availability of such assistance; and

(C) contain an assurance that the area agency on aging will ensure that each activity undertaken by the agency, including planning, advocacy, and systems development, will include a focus on the needs of low-income minority older individuals and older individuals residing in rural areas;

(5) provide assurances that the area agency on aging will coordinate planning, identification, assessment of needs, and provision of services for older individuals with disabilities, with particular attention to individuals with severe disabilities and individuals at risk for institutional placement, with agencies that develop or provide services for individuals with disabilities;

(6) provide that the area agency on aging will—

(A) take into account in connection with matters of general policy arising in the development and administration of the area plan, the views of recipients of services under such plan;

(B) serve as the advocate and focal point for older individuals within the community by (in cooperation with agencies, organizations, and individuals participating in activities under the plan) monitoring, evaluating, and commenting upon all policies, pro-
grams, hearings, levies, and community actions which will affect older individuals; (C)(i) where possible, enter into arrangements with organizations providing day care services for children, assistance to older individuals caring for relatives who are children, and respite for families, so as to provide opportunities for older individuals to aid or assist on a voluntary basis in the delivery of such services to children, adults, and families; (ii) if possible regarding the provision of services under this subchapter, enter into arrangements and coordinate with organizations that have a proven record of providing services to older individuals, that— (I) were officially designated as community action agencies or community action programs under section 210 of the Economic Opportunity Act of 1964 (42 U.S.C. 2796) for fiscal year 1981, and did not lose the designation as a result of failure to comply with such Act; or (II) came into existence during fiscal year 1982 as direct successors in interest to such community action agencies or community action programs; and (iii) make use of trained volunteers in providing direct services delivered to older individuals and individuals with disabilities needing such services and, if possible, work in coordination with organizations that have experience in providing training, placement, and stipends for volunteers or participants (such as organizations carrying out Federal service programs administered by the Corporation for National and Community Service) in community service settings; and that meet the requirements under section 9910 of this title; (D) establish an advisory council consisting of older individuals (including minority individuals and older individuals residing in rural areas) who are participants or who are eligible to participate in programs assisted under this chapter, family caregivers of such individuals, representatives of older individuals, service providers, representatives of the business community, local elected officials, providers of veterans’ health care (if appropriate), and the general public, to advise continuously the area agency on aging on all matters relating to the development of the area plan, the administration of the plan and operations conducted under the plan; (E) establish effective and efficient procedures for coordination of— (i) entities conducting programs that receive assistance under this chapter within the planning and service area served by the agency; and (ii) entities conducting other Federal programs for older individuals at the local level, with particular emphasis on entities conducting programs described in section 3013(b) of this title, within the area; (F) in coordination with the State agency and with the State agency responsible for mental and behavioral health services, increase public awareness of mental health disorders, remove barriers to diagnosis and treatment, and coordinate mental and behavioral health services (including mental health screenings) provided with funds expended by the area agency on aging with mental and behavioral health services provided by community health centers and by other public agencies and nonprofit private organizations; (G) if there is a significant population of older individuals who are Indians in the planning and service area of the area agency on aging, the area agency on aging shall conduct outreach activities to identify such individuals in such area and shall inform such individuals of the availability of assistance under this chapter; and (H) in coordination with the State agency and with the State agency responsible for elder abuse prevention services, increase public awareness of elder abuse, neglect, and exploitation, and remove barriers to education, prevention, investigation, and treatment of elder abuse, neglect, and exploitation, as appropriate; (7) provide that the area agency on aging shall, consistent with this section, facilitate the area-wide development and implementation of a comprehensive, coordinated system for providing long-term care in home and community-based settings, in a manner responsive to the needs and preferences of older individuals and their family caregivers, by— (A) collaborating, coordinating activities, and consulting with other local public and private agencies and organizations responsible for administering programs, benefits, and services related to providing long-term care; (B) conducting analyses and making recommendations with respect to strategies for modifying the local system of long-term care to better— (i) respond to the needs and preferences of older individuals and family caregivers; (ii) facilitate the provision, by service providers, of long-term care in home and community-based settings; and (iii) target services to older individuals at risk for institutional placement, to permit such individuals to remain in home and community-based settings; (C) implementing, through the agency or service providers, evidence-based programs to assist older individuals and their family caregivers in learning about and making behavioral changes intended to reduce the risk of injury, disease, and disability among older individuals; and (D) providing for the availability and distribution (through public education campaigns, Aging and Disability Resource Centers, the area agency on aging itself, and other appropriate means) of information relating to— (i) the need to plan in advance for long-term care; and (ii) the full range of available public and private long-term care (including inte-
§ 3026

So in original. The word "and" probably should not appear.

3026

3

So in original. The period probably should be a semicolon.

(8) provide that case management services provided under this subchapter through the area agency on aging will—

(A) not duplicate case management services provided through other Federal and State programs;

(B) be coordinated with services described in subparagraph (A); and

(C) be provided by a public agency or a nonprofit private agency that—

(i) gives each older individual seeking services under this subchapter a list of agencies that provide similar services within the jurisdiction of the area agency on aging;

(ii) gives each individual described in clause (i) a statement specifying that the individual has a right to make an independent choice of service providers and documents receipt by such individual of such statement;

(iii) has case managers acting as agents for the individuals receiving the services and not as promoters for the agency providing such services; or

(iv) is located in a rural area and obtains a waiver of the requirements described in clauses (i) through (iii);

(9) provide assurances that the area agency on aging, in carrying out the State Long-Term Care Ombudsman program under section 3027(a)(9) of this title, will expend not less than the total amount of funds appropriated under this chapter and expended by the agency in fiscal year 2000 in carrying out such a program under this subchapter;

(10) provide a grievance procedure for older individuals who are dissatisfied with or denied services under this subchapter;

(11) provide information and assurances concerning services to older individuals who are Native Americans (referred to in this paragraph as "older Native Americans"), including—

(A) information concerning whether there is a significant population of older Native Americans in the planning and service area and if so, an assurance that the area agency on aging will pursue activities, including outreach, to increase access of those older Native Americans to programs and benefits provided under this subchapter;

(B) an assurance that the area agency on aging will, to the maximum extent practicable, coordinate the services the agency provides under this subchapter with services provided under subchapter X; and

(C) an assurance that the area agency on aging will make services under the area plan available, to the same extent as such services are available to older individuals within the planning and service area, to older Native Americans; and

(12) provide that the area agency on aging will establish procedures for coordination of services with entities conducting other Federal or federally assisted programs for older individuals at the local level, with particular emphasis on entities conducting programs described in section 3013(b) of this title within the planning and service area.

(13) provide assurances that the area agency on aging will—

(A) maintain the integrity and public purpose of services provided, and service providers, under this subchapter in all contractual and commercial relationships;

(B) disclose to the Assistant Secretary and the State agency—

(i) the identity of each nongovernmental entity with which such agency has a contract or commercial relationship relating to providing any service to older individuals; and

(ii) the nature of such contract or such relationship;

(C) demonstrate that a loss or diminution in the quantity or quality of the services provided, or to be provided, under this subchapter by such agency has not resulted and will not result from such contract or such relationship;

(D) demonstrate that the quantity or quality of the services to be provided under this subchapter by such agency will be enhanced as a result of such contract or such relationship; and

(E) on the request of the Assistant Secretary or the State, for the purpose of monitoring compliance with this chapter (including conducting an audit), disclose all sources and expenditures of funds such agency receives or expends to provide services to older individuals;

(14) provide assurances that preference in receiving services under this subchapter will not be given by the area agency on aging to particular older individuals as a result of a contract or commercial relationship that is not carried out to implement this subchapter;

(15) provide assurances that funds received under this subchapter will be used—

(A) to provide benefits and services to older individuals, giving priority to older individuals identified in paragraph (4)(A)(i); and

(B) in compliance with the assurances specified in paragraph (13) and the limitations specified in section 3022c of this title;

(16) provide, to the extent feasible, for the furnishing of services under this chapter, consistent with self-directed care; and

(17) include information detailing how the area agency on aging will coordinate activities, and develop long-range emergency preparedness plans, with local and State emergency response agencies, relief organizations, local and State governments, and any other institutions that have responsibility for disaster relief service delivery.

(b) Assessment of preparation of area agencies

(1) An area agency on aging may include in the area plan an assessment of how prepared the...
Title 42—The Public Health and Welfare

During the 10-year period following the fiscal date on which such change is implemented, any agency and service providers in the planning and service area may include—

(A) the projected change in the number of older individuals in the planning and service area;

(B) an analysis of how such change may affect such individuals, including individuals with limited English proficiency, and older individuals residing in rural areas, and other individuals with limited English proficiency;

(C) an analysis of how the programs, policies, and services provided by such area agency can be improved, and how resource levels can be adjusted to meet the needs of the changing population of older individuals in the planning and service area; and

(D) an analysis of how the change in the number of individuals age 85 and older in the planning and service area is expected to affect the need for supportive services.

An area agency on aging, in cooperation with government officials, State agencies, tribal organizations, or local entities, may make recommendations to government officials in the planning and service area and the State, on actions determined by the area agency to build the capacity in the planning and service area to meet the needs of older individuals for—

(A) health and human services;

(B) land use;

(C) housing;

(D) transportation;

(E) public safety;

(F) workforce and economic development;

(G) recreation;

(H) education;

(I) civic engagement;

(J) emergency preparedness;

(K) protection from elder abuse, neglect, and exploitation; and

(L) any other service as determined by such agency.

(c) Waiver of requirements

Each State, in approving area agency on aging plans under this section, shall waive the requirement described in paragraph (2) of subsection (a) for any category of services described in such paragraph if the area agency on aging demonstrates to the State agency that services being furnished for such category in the area are sufficient to meet the need for such services in such area and had conducted a timely public hearing upon request.

(d) Transportation services; funds

(1) Subject to regulations prescribed by the Assistant Secretary, an area agency on aging designated under section 3025(a)(2)(A) of this title or, in areas of a State where no such agency has been designated, the State agency, may enter into agreements with agencies administering programs under the Rehabilitation Act of 1973 [29 U.S.C. 701 et seq.], and titles XIX and XX of the Social Security Act [42 U.S.C. 1396 et seq., 1397 et seq.] for the purpose of developing and implementing plans for meeting the common need for transportation services of individuals receiving benefits under such Acts and older individuals participating in programs authorized by this subchapter.

(2) In accordance with an agreement entered into under paragraph (1), funds appropriated under this subchapter may be used to purchase transportation services for older individuals and may be pooled with funds made available for the provision of transportation services under the Rehabilitation Act of 1973 [29 U.S.C. 701 et seq.], and titles XIX and XX of the Social Security Act [42 U.S.C. 1396 et seq., 1397 et seq.].

(e) Confidentiality of information relating to legal assistance

An area agency on aging may not require any provider of legal assistance under this subchapter to reveal any information that is protected by the attorney-client privilege.

(f) Withholding of area funds

(1) If the head of a State agency finds that an area agency on aging has failed to comply with Federal or State laws, including the area plan requirements of this section, regulations, or policies, the State may withhold a portion of the funds to the area agency on aging available under this subchapter.

(2)(A) The head of a State agency shall not make a final determination withholding funds under paragraph (1) without first affording the area agency on aging due process in accordance with procedures established by the State agency.

(B) At a minimum, such procedures shall include procedures for—

(i) providing notice of an action to withhold funds;

(ii) providing documentation of the need for such action; and

(iii) at the request of the area agency on aging, conducting a public hearing concerning the action.

(3)(A) If a State agency withholds the funds, the State agency may use the funds withheld to directly administer programs under this subchapter in the planning and service area served by the area agency on aging for a period not to exceed 180 days, except as provided in subparagraph (B).

(B) If the State agency determines that the area agency on aging has not taken corrective action, or if the State agency does not approve the corrective action, during the 180-day period described in subparagraph (A), the State agency may extend the period for not more than 90 days.


REFERENCES IN TEXT


The Social Security Act, referred to in subsec. (d), is act Aug. 14, 1935, ch. 531, 49 Stat. 620, as amended. Titles XIX and XX of the Act are classified generally to subchapters VIII (§§ 1396 et seq.) and X (§§ 1397 et seq.), respectively, of chapter 7 of this title. For complete classification of this Act to the Code, see section 1305 of this title and Tables.


Theamended, which is classified generally to chapter 16 (§§ 2001 et seq.) of this title, prior to repeal, except for titles VII and X, by Pub. L. 97–35, title VI, § 301, Aug. 13, 1981, 95 Stat. 519. Titles VIII and X of the Act are classified generally to subchapters VIII (§§ 1901 et seq.) and X (§§ 1906 et seq.), of chapter 34 of this title. Section 210 of the Act was classified generally to section 2790 of this title prior to repeal by Pub. L. 97–35. For complete classification of this Act to the Code, see Tables.

Theamended, which is classified generally to chapter 16 (§§ 2001 et seq.) of this title, prior to repeal, except for titles VII and X, by Pub. L. 97–35, title VI, § 301, Aug. 13, 1981, 95 Stat. 519. Titles VIII and X of the Act are classified generally to subchapters VIII (§§ 1901 et seq.) and X (§§ 1906 et seq.), of chapter 34 of this title. Section 210 of the Act was classified generally to section 2790 of this title prior to repeal by Pub. L. 97–35. For complete classification of this Act to the Code, see Tables.

The Social Security Act, referred to in subsec. (d), is act Aug. 14, 1935, ch. 531, 49 Stat. 620, as amended. Titles XIX and XX of the Act are classified generally to subchapters XIX (§§ 1396 et seq.) and XX (§§ 1397 et seq.), respectively, of chapter 7 of this title. For complete classification of this Act to the Code, see section 1305 of this title and Tables.


The Social Security Act, referred to in subsec. (d), is Pub. L. 89–73, Sept. 30, 1973, 87 Stat. 77, as amended, which was classified generally to subchapters VIII (§§ 683 et seq.) and X (§§ 686 et seq.), of chapter 34 of this title. Section 210 of the Act was classified generally to section 2790 of this title prior to repeal by Pub. L. 97–35. For complete classification of this Act to the Code, see Tables.

PRIORITY PROVIDERS


AMENDMENTS

2016—Subsec. (a)(1). Pub. L. 114–144, § 4(d)(1)(A), substituted “establishment, maintenance, modernization, or construction of multipurpose senior centers (including a plan to use the skills and services of older individuals in paid and unpaid work, including multigenerational and older individual to older individual partnerships),” for “establishment, maintenance, or construction of multipurpose senior centers,”.


Subsec. (b)(3)(K). Pub. L. 114–144, § 4(d)(2), added subpar. (K) and redesignated former subpar. (K) as (L). Subsec. (a)(1). Pub. L. 114–144, § 4(d)(1)(A), which directed the insertion of “the number of older individuals at risk for institutional placement residing in such area,” after “(individuals residing in such area),“ was executed by making the insertion after “(individuals residing in rural areas)” in subpar. (H).


REFERENCES IN TEXT

“(B) involvement of long-term care providers in the coordination of such services; and

(C) increasing community awareness of and involvement in addressing the needs of residents of long-term care facilities.”

Subsec. (a)(14) to (17), Pub. L. 109–365, § 306(b)(1)–(1), added paras. (15) to (17), redesignated former par. (16) as (15), and struck out former paras. (14) and two paras. (15) which read as follows:

“(14) provide assurances that funds received under this subchapter will not be used to pay any part of a cost (including an administrative cost) incurred by the area agency on aging to carry out a contract or commercial relationship that is not carried out to implement this subchapter; and

“(15) provide assurances that preference in receiving services under this subchapter will not be given by the area agency on aging to particular older individuals as a result of a contract or commercial relationship that is not carried out to implement this subchapter.”

Subsecs. (b) to (f), Pub. L. 109–365, § 306(b), (3), added subsec. (b) and redesignated former subsec. (b) to (e) as (c) to (f), respectively.

Subsec. (a)(1), Pub. L. 106–501, § 305(a)(1), inserted “and older individuals residing in rural areas” after “low-income minority individuals” in two places.

Subsec. (a)(2), Pub. L. 106–501, § 305(a)(2)(A), (C), in introductory provisions substituted “section 3027(a)(22)” for “section 3027(a)(22)” and, in concluding provisions, substituted “and assurances that the area agency on aging will report annually to the State agency” for “and specify annually in such plan, as submitted or as amended.”

Subsec. (a)(2)(B), Pub. L. 106–501, § 305(a)(2)(B), substituted “services, including” for “services (home-maker and home health aide, visiting and telephone reassurance, chore maintenance, and)”.


Subsec. (a)(4), Pub. L. 106–501, § 305(a)(4), redesignated par. (5) as (4) and struck out former par. (4) which read as follows: “provide for the establishment and maintenance of information and assistance services in sufficient numbers to assure that all older individuals within the planning and service area covered by the plan will have reasonably convenient access to such services, with particular emphasis on linking services available to isolated older individuals and older individuals with Alzheimer’s disease or related disorders with neurological and organic brain dysfunction (and the caretakers of individuals with such disease or disorders);”.

Subsec. (a)(4)(A)(1), Pub. L. 106–501, § 305(a)(5), inserted “and older individuals residing in rural areas” after “low-income minority individuals”.

Subsec. (a)(4)(A)(1)(I) to (III), Pub. L. 106–501, § 305(a)(6), inserted “and older individuals residing in rural areas” after “low-income minority individuals”.

Subsec. (a)(4)(B)(I)(II), (III), Pub. L. 106–501, § 305(a)(7), inserted “and older individuals residing in rural areas” after “low-income minority individuals”.

Subsec. (a)(4)(C), Pub. L. 106–501, § 305(a)(8), inserted “and older individuals residing in rural areas” after “low-income minority individuals”.


Subsec. (a)(6)(A), Pub. L. 106–501, § 305(a)(10)(A), (B), redesignated subpar. (C) as (A) and struck out former subpar. (A) which read as follows: “conduct periodic evaluations of, and public hearings on, activities carried out under the area plan and an annual evaluation of the effectiveness of outreach conducted under paragraph (6)(B).”

Subsec. (a)(6)(B), Pub. L. 106–501, § 305(a)(10)(A), (B), redesignated subpar. (D) as (B) and struck out former subpar. (B) which read as follows: “furnish appropriate technical assistance, and timely information in a timely manner, to providers of supportive services, nutrition services, or multipurpose senior centers in the planning and service area covered by the area plan.”

Subsec. (a)(6)(C), Pub. L. 106–501, § 305(a)(10)(B), (C), redesignated subpar. (E) as (C) and substituted “assistance to older individuals caring for their young children” for “or adults” in cl. (1). Former subpar. (C) redesignated (A).

Subsec. (a)(6)(D), Pub. L. 106–501, § 305(a)(10)(B), (D), redesignated subpar. (F) as (D) and inserted “and older individuals residing in rural areas” after “minority individuals”. Former subpar. (D) redesignated (B).


Subsec. (a)(6)(I) to (L), Pub. L. 106–501, § 305(a)(10)(A), struck out subpars. (I) to (L) which read as follows: “(I) conduct efforts to facilitate the coordination of community-based, long-term care services designed to retain individuals in their homes, thereby deferring unnecessary, costly institutionalization, and designed to include the development of case management services as a component of the long-term care services; (J) identify the public and private nonprofit entities involved in the prevention, identification, and treatment of the abuse, neglect, and exploitation of older individuals, and based on such identification, determine the extent to which the need for appropriate services for such individuals is unmet; (K) facilitate the involvement of long-term care providers in the coordination of community-based long-term care services and work to ensure community awareness of and involvement in addressing the needs of residents of long-term care facilities; (L) coordinate the categories of services specified in paragraph (2) for which the area agency on aging is required to expend funds under part B of this subchapter, with activities of community-based organizations established for the benefit of victims of Alzheimer’s disease and the families of such victims.”

Subsec. (a)(6)(M), (N), Pub. L. 106–501, § 305(a)(10)(B), redesignated subpars. (M) and (N) as (F) and (G), respectively.

Subsec. (a)(6)(O) to (S), Pub. L. 106–501, § 305(a)(10)(A), struck out subpars. (O) to (S) which provided that each area plan provide that the area agency on aging would: in subpar. (O), compile information on institutions of higher education in planning and service area, in subpar. (P), establish grievance procedure for older individuals dissatisfied with or denied services under this subchapter, in subpar. (Q), enter into voluntary arrangements with nonprofit entities that provide housing to older individuals, in subpar. (R), list telephone number of agency in each telephone directory published by provider of local telephone service, for residents in any geographical area that lay in whole or in part in service and planning area served by agency, and, in subpar. (S), identify needs of older individuals and describe methods area agency on aging would use to coordinate planning and delivery of transportation services to assist older individuals, including those with special needs.

Subsec. (a)(7) to (12), Pub. L. 106–501, § 305(a)(11), added pars. (7) to (12) and struck out former pars. (7) to (12) which required each area plan: in pars. (7) to (10): to provide assurances that any amount received under
parts D to G of this subchapter would be expended in accordance with such parts, in par. (11) to provide assurances that the area agency on aging, in carrying out the State Long-Term Care Ombudsman program under section 3027(a)(12) of this title, would expend not less than the amount of funds expended in fiscal year 1991, and, in par. (12), to provide an area volunteer services coordinator in the discretion of the area agency on aging.

Subsec. (a)(13). Pub. L. 106–501, § 305(a)(11), (12), redesignated par. (14) as (13) and struck out former par. (13) which read as follows: "(13) (A) describe all activities of the area agency on aging, whether funded by public or private funds; and (B) provide an assurance that the activities conform with--

"(i) the responsibilities of the area agency on aging, as set forth in this subsection; and

(ii) the laws, regulations, and policies of the State served by the area agency on aging;"


Subsec. (a)(15). Pub. L. 106–501, § 305(a)(13), added par. (15) relating to assurances that preference in receiving services under this subchapter would not be given by the area agency on aging to particular older individuals as a result of a contract or commercial relationship not being carried out to implement this subchapter.

Subsec. (a)(16) to (20). Pub. L. 106–501, § 305(a)(14), struck out pars. (17) to (20) which required each area plan to provide: in par. (17), assurances that projects in the planning and service area would reasonably accommodate particular dietary needs of participants, in par. (18), assurances that the area agency on aging would coordinate its services under this subchapter with services provided under subchapter X of this chapter, in par. (19), assurance that the area agency on aging would pursue activities to increase access by older individuals who are Native Americans to all aging programs and benefits provided by the agency, and, in par. (20), that case management services provided under this subchapter through the area agency on aging would be coordinated with and not duplicate other Federal and State programs and would be provided by a public agency or a nonprofit private agency either not providing services other than case management services or located in a rural area and having obtained a waiver of that requirement.

Subsec. (b). Pub. L. 106–501, § 305(b), struck out par. (1) designation before "Each State", inserted "and had conducted a timely public hearing" before period at end, and struck out par. (2) which related to public notice and hearing requirements applicable to an area agency on aging before it could request a waiver of the requirement described in subsec. (a)(2) and requirements of a State agency with regard to granting the waiver to an area agency on aging.


Subsec. (a)(2)(A). Pub. L. 102–375, § 306(a), substituted "information and assistance, and case management services" for " and information and assistance".

Pub. L. 102–375, § 102(b)(4), substituted "information and assistance" for "information and referral".


Subsec. (a)(5). Pub. L. 102–375, § 306(b), designated existing provisions as subpar. (A), inserted "including multipurpose senior centers operated by organizations referred to in paragraph (6)(E)(ii)) after "centers" and added subpar. (B).

Subsec. (a)(4). Pub. L. 102–375, § 306(c)(1), inserted before semicolon at end "with particular emphasis on linking services available to isolated older individuals and other individuals with Alzheimer’s disease or related disorders with neurological and organic brain dysfunction (and the caretakers of individuals with such disease or disorder)".

Pub. L. 102–375, § 102(b)(4), substituted "information and assistance" for "information and referral".

Subsec. (a)(5)(A)(i). Pub. L. 102–375, § 904(a)(12)(A)(iii), substituted "greatest economic need and older individuals with greatest social need" for "the greatest economic or social needs"

Pub. L. 102–375, § 306(c)(2)(A)(i), substituted the "area agency on aging will set specific objectives for" for "preference will be given to" and "include specific objectives for providing services" for "with particular attention"

Subsec. (a)(5)(A)(ii). Pub. L. 102–375, § 102(b)(10)(C), substituted "area agency on aging" for "area agency".

Subsec. (a)(5)(A)(ii). Pub. L. 102–375, § 306(c)(2)(A)(ii), added subcl. (II) generally. Prior to amendment, subcl. (II) read as follows: "attempt to provide services to low-income minority individuals in at least the same proportion as the population of low-income minority older individuals bears to the population of older individuals of the area served by such provider; and"


Subsec. (a)(5)(B). Pub. L. 102–375, § 306(c)(2)(B), amended subpar. (B) generally. Prior to amendment, subpar. (B) read as follows: "ensure the use of outreach efforts that will identify individuals eligible for assistance under this chapter, with special emphasis on rural elderly, older individuals who have greatest economic need (with particular attention to low-income minority individuals), older individuals who have greatest social need (with particular attention to low-income minority individuals), and older individuals with severe disabilities, and inform such individuals of the availability of such assistance;"


Pub. L. 102–375, § 306(d)(2), inserted "(in cooperation with agencies, organizations, and individuals participating in activities under the plan)" after "community by"


Subsec. (a)(6)(F). Pub. L. 102–375, § 102(b)(10)(C), substituted "area agency on aging" for "area agency".


Subsec. (a)(6)(H). Pub. L. 102–375, § 306(d)(4), amended subpar. (H) generally. Prior to amendment, subpar. (H) read as follows: "establish effective and efficient procedures for coordination between the programs assisted under this subchapter and programs described in section 3013(b) of this title;".

Subsec. (a)(6)(I). Pub. L. 102–375, § 306(d)(5), substituted "include the development of case management services as a component of the long-term care services" for "emphasize the development of client-centered case management systems as a component of such services".

Subsec. (a)(6)(J). Pub. L. 102–375, § 904(a)(12)(A)(iv)(IV), which directed substitution of such individuals in such area and shall inform such individuals for "elder Indians in such area and shall inform such older Indians" was executed by making the substitution for "elder Indians in such area and shall inform such older Indians" to reflect the probable intent of Congress.

§ 3026 TITLe 42—THE PUBLIC HEALTH AND WELFARE Page 5246
Pub. L. 102–375, §§ 102(b)(10)(E), 904(a)(12)(A)(iv)(III), substituted “population of older individuals who are Indians” for “population of older Indians” and “area agency on aging” for “area agency” in two places.


Subsec. (a)(6)(P) to (S). Pub. L. 102–375, § 306(d)(7), (8), added subpars. (P) to (S) and struck out former subpart. (P) which read as follows: “with funds and information received under section 3027(a)(31) of this title from the State agency—

"(l) carry out activities to identify older individuals with greatest economic need who may be eligible to receive, but are not receiving, supplemental security income benefits under title XVI of the Social Security Act (or assistance under a State plan program under title XVI of that Act), medical assistance under title XIX of the Social Security Act, and benefits under the Food Stamp Act of 1977;

"(m) carry out activities to inform older individuals of the requirements for eligibility to receive such assistance and such benefits; and

"(n) assist older individuals to apply for such assistance and such benefits’;


Subsec. (b)(2)(C). Pub. L. 102–375, § 102(b)(10)(C), substituted “area agency on aging” for “area agency’.


Subsec. (a)(7). Pub. L. 100–175, § 140(b), added par. (7).

Subsec. (a)(8). Pub. L. 100–175, § 141(b), added par. (8).

Subsec. (a)(9). Pub. L. 100–175, § 142(b), added par. (9).

Subsec. (a)(10). Pub. L. 100–175, § 143(b), added par. (10).

Subsec. (b)(2)(C), (D). Pub. L. 100–175, § 130(a)(2), added subpars. (C) and (D).


Pub. L. 98–459, § 306(a)(2)(B), substituted “and specify annually in such plan, as submitted or as amended, in detail the amount of funds expended for each such category during the fiscal year most recently concluded” for “and that some funds will be expended for each such category of services” in provisions following subpar. (C).


Subsec. (a)(3). Pub. L. 98–459, § 306(a)(3), substituted “giving special consideration” for “to encourage the maximum collocation and coordination of services for older individuals, and give special consideration”.


Subsec. (a)(6)(F). Pub. L. 98–459, § 306(a)(5)(A), (B), (D), redesignated subpar. (G) as (F), substituted “consisting of older individuals”, and struck out former subpar. (F) which had required the area agency on aging to enter, where possible, into arrangements with local educational agencies, institutions of higher education, and nonprofit private organizations, to use services provided for older individuals under the community schools program under the Elementary and Secondary Education Act of 1965.

Subsec. (a)(6)(G). (H). Pub. L. 98–459, § 306(a)(5)(D), redesignated subpars. (H) and (I) as (G) and (H), respectively. Former subpar. (G) redesignated (F).


Subsec. (b). Pub. L. 98–459, § 306(b), designated existing provisions as par. (1) and added par. (2).

1981—Subsec. (a). Pub. L. 97–115, §§ 3(d), 6(a), (b), substituted “for a two-, three-, or four-year period deter-
mended by the State agency,” for “for a 3-year period” in provisions preceding par. (1), substituted “supportive services” for “social services” in par. (1) in three places, substituted “an adequate portion” for “at least 50 percent” in provisions of par. (2) preceding subpar. (A), and substituted “supportive services” for “social services” in par. (6)(B).

Subsec. (b). Pub. L. 97–115, §6(c), struck out par. (1) providing that each State, in approving area agency plans under this section, could, for fiscal years 1979 and 1980, waive any particular requirement relating to the delivery of services or the establishment or operation of multipurpose senior centers which such agency could not meet because of the consolidation authorized by the Comprehensive Older Americans Act Amendments of 1978, except that the State agency could grant such a waiver only if the area agency demonstrated to the State agency that it was taking steps to meet the requirements of this subchapter, but that in any event the State agency could not grant a waiver for any requirement of this chapter in effect on Sept. 30, 1978, struck out par. (2) designation, made mandatory the formerly discretionary waiver by each State, in approving area agency plans under this section, of the requirement described in clause (2) of subsection (a) of this section for any category of services described in such clause if the area agency on aging demonstrates to the State agency that services being furnished for such category in the area are sufficient to meet the need for such services in such area, and struck out provisions that if the State agency granted a waiver with respect to any category, then the area agency had to expend under clause (2) of subsection (a) of this section a percentage of the amount allotted for part B to the planning and service area, for the categories with respect to which such waiver did not apply, that had been agreed upon by the State agency and the area agency.

**Effective Date of 1992 Amendment**

Amendment by section 306 of Pub. L. 102–375 inapplicable with respect to fiscal year 1993, see section 4(b) of Pub. L. 103–171, set out as a note under section 3001 of this title.

Amendment by section 306 of Pub. L. 102–375 inapplicable with respect to fiscal year 1992, see section 905(b)(2) of Pub. L. 102–375, set out as a note under section 3001 of this title.

**Effective Date of 1987 Amendment**

Amendment by Pub. L. 100–175 effective Oct. 1, 1987, except not applicable with respect to any area plan submitted under section 3026(a) of this title or any State plan submitted under section 3027(a) of this title and approved for any fiscal year beginning before Nov. 29, 1987, see section 70(a)(1), (b) of Pub. L. 100–175, set out as a note under section 3001 of this title.

**Effective Date of 1984 Amendment**


**Effective Date**

Section effective as of Sept. 30, 1978, see section 504 of Pub. L. 95–478, set out as an Effective Date of 1978 Amendment note under section 3001 of this title.

**Reference to Community, Migrant, Public Housing, or Homeless Health Center Considered Reference to Health Center**

Reference to community health center, migrant health center, public housing health center, or homeless health center considered reference to health center, see section 4(c) of Pub. L. 104–299, set out as a note under section 254b of this title.

**Implementation Information**

Pub. L. 100–175, title I, §155(g), Nov. 29, 1987, 101 Stat. 954, directed Commissioner on Aging, not later than Sept. 1, 1988, to analyze and compile information on successful and unsuccessful activities carried out to conduct outreach of the type described in 42 U.S.C. 3026a(6)(P) and distribute such information to State agencies on aging for dissemination to interested area agencies on aging to assist such area agencies in designing outreach activities.

**EVALUATION OF GUIDELINES**

Pub. L. 100–175, title I, §155(h), Nov. 29, 1987, 101 Stat. 954, directed Commissioner on Aging to issue guidelines to be followed by State agencies on aging and area agencies on aging in conducting evaluations of outreach activities conducted by the various area agencies.

§ 3027. State plans

(a) Criteria for eligibility; contents

Except as provided in the succeeding sentence and section 3029(a) of this title, each State, in order to be eligible for grants from its allotment under this subchapter for any fiscal year, shall submit to the Assistant Secretary a State plan for a two-, three-, or four-year period determined by the State agency, with such annual revisions as are necessary, which meets such criteria as the Assistant Secretary may by regulation prescribe. If the Assistant Secretary determines, in the discretion of the Assistant Secretary, that a State failed in 2 successive years to comply with the requirements under this subchapter, then the State shall submit to the Assistant Secretary a State plan for a 1-year period that meets such criteria, for subsequent years until the Assistant Secretary determines that the State is in compliance with such requirements. Each such plan shall comply with all of the following requirements:

1. The plan shall—

   (A) require each area agency on aging designated under section 3025(a)(2)(A) of this title to develop and submit to the State agency for approval, in accordance with a uniform format developed by the State agency, an area plan meeting the requirements of section 3026 of this title; and

   (B) be based on such area plans.

2. The plan shall provide that the State agency will—

   (A) evaluate, using uniform procedures described in section 3012(a)(26) of this title, the need for supportive services (including legal assistance pursuant to subsection (a)(11), information and assistance, and transportation services), nutrition services, and multipurpose senior centers within the State;

   (B) develop a standardized process to determine the extent to which public or private programs and resources (including volunteers and programs and services of voluntary organizations) that have the capacity and actually meet such need;

   (C) specify a minimum proportion of the funds received by each area agency on aging in the State to carry out part B that will be expended (in the absence of a waiver under section 3026(c) or 3030c–3 of this title) by such area agency on aging to provide each of
the categories of services specified in section 3026(a)(2) of this title.

(3) The plan shall—
(A) include (and may not be approved unless the Assistant Secretary approves) the statement and demonstration required by paragraphs (2) and (4) of section 3025(d) of this title (concerning intrastate distribution of funds); and
(B) with respect to services for older individuals residing in rural areas—
(i) provide assurances that the State agency will spend for each fiscal year, not less than the amount expended for such services for fiscal year 2000;
(ii) identify, for each fiscal year to which the plan applies, the projected costs of providing such services (including the cost of providing access to such services); and
(iii) describe the methods used to meet the needs for such services in the fiscal year preceding the first year to which such plan applies.

(4) The plan shall provide that the State agency will conduct periodic evaluations of, and public hearings on, activities and projects carried out in the State under this subchapter and subchapter XI, including evaluations of the effectiveness of services provided to individuals with greatest economic need, greatest social need, or disabilities (with particular attention to low-income minority older individuals, older individuals with limited English proficiency, and older individuals residing in rural areas).

(5) The plan shall provide that the State agency will—
(A) afford an opportunity for a hearing upon request, in accordance with published procedures, to any area agency on aging submitting a plan under this subchapter, to any provider of (or applicant to provide) services;
(B) issue guidelines applicable to grievance procedures required by section 3026(a)(10) of this title; and
(C) afford an opportunity for a public hearing, upon request, by any area agency on aging, by any provider of (or applicant to provide) services, or by any recipient of services under this subchapter regarding any waiver request, including those under section 3030c-3 of this title.

(6) The plan shall provide that the State agency will make such reports, in such form, and containing such information, as the Assistant Secretary may require, and comply with such requirements as the Assistant Secretary may impose to insure the correctness of such reports.

(7) (A) The plan shall provide satisfactory assurance that such fiscal control and fund accounting procedures will be adopted as may be necessary to assure proper disbursement of, and accounting for, Federal funds paid under this subchapter to the State, including any such funds paid to the recipients of a grant or contract.
(B) The plan shall provide assurances that—
(i) no individual (appointed or otherwise) involved in the designation of the State agency or an area agency on aging, or in the designation of the head of any subdivision of the State agency or of an area agency on aging, is subject to a conflict of interest prohibited under this chapter;
(ii) no officer, employee, or other representative of the State agency or an area agency on aging is subject to a conflict of interest prohibited under this chapter; and
(iii) mechanisms are in place to identify and remove conflicts of interest prohibited under this chapter.

(B) Regarding case management services, if the State agency or area agency on aging is already providing case management services (as of the date of submission of the plan) under a State program, the plan may specify that such agency is allowed to continue to provide case management services.

(C) The plan may specify that an area agency on aging is allowed to directly provide information and assistance services and outreach.

(8) The plan shall provide assurances that the State agency will carry out, through the Office of the State Long-Term Care Ombudsman, a State Long-Term Care Ombudsman program in accordance with section 3058g of this title and this subchapter, and will expend with funds received under subchapter XI for fiscal year 2000, and an amount that is not less than an amount expended by the State agency with funds received under this subchapter for fiscal year 2000, and an amount that is not less than the amount expended by the State agency with funds received under subchapter XI for fiscal year 2000.

(9) The plan shall provide assurances that the special needs of older individuals residing in rural areas will be taken into consideration and shall describe how those needs have been met and describe how funds have been allocated to meet those needs.

(10) The plan shall provide that with respect to legal assistance—
(A) the plan contains assurances that area agencies on aging will (i) enter into contracts with providers of legal assistance which can demonstrate the experience or capacity to deliver legal assistance; (ii) include in any such contract provisions to assure that any recipient of funds under division (i) will be subject to specific restrictions and regulations promulgated under the
§ 3027

Legal Services Corporation Act [42 U.S.C. 2996 et seq.] (other than restrictions and regulations governing eligibility for legal assistance under such Act and governing membership of local governing boards) as determined appropriate by the Assistant Secretary; and (iii) attempt to involve the private bar in legal assistance activities authorized under this subchapter, including groups within the private bar furnishing services to older individuals on a pro bono and reduced fee basis;

(B) the plan contains assurances that no legal assistance will be furnished unless the grantee administers a program designed to provide legal assistance to older individuals with social or economic need and has agreed, if the grantee is not a Legal Services Corporation project grantee, to coordinate its services with existing Legal Services Corporation projects in the planning and service area in order to concentrate the use of funds provided under this subchapter on individuals with the greatest such need; and the area agency on aging makes a finding, after assessment, pursuant to standards for service promulgated by the Assistant Secretary, that any grantee selected is the entity best able to provide the particular services;

(C) the State agency will provide for the coordination of the furnishing of legal services to older individuals within the State, and provide advice and technical assistance in the provision of legal services to older individuals within the State and support the furnishing of training and technical assistance for legal services for older individuals;

(D) the plan contains assurances, to the extent practicable, that legal services furnished under the plan will be in addition to any legal services for older individuals being furnished with funds from sources other than this chapter and that reasonable efforts will be made to maintain existing levels of legal services for older individuals; and

(E) the plan contains assurances that area agencies on aging will give priority to legal assistance related to income, health care, long-term care, nutrition, housing, utilities, protective services, defense of guardianship, abuse, neglect, and age discrimination.

(12) The plan shall provide, whenever the State desires to provide for a fiscal year for services for the prevention of abuse of older individuals—

(A) the plan contains assurances that any area agency on aging carrying out such services will conduct a program consistent with relevant State law and coordinated with existing State adult protective service activities for—

(i) public education to identify and prevent abuse of older individuals;

(ii) receipt of reports of abuse of older individuals;

(iii) active participation of older individuals participating in programs under this chapter through outreach, conferences, and referral of such individuals to other social service agencies or sources of assistance where appropriate and consented to by the parties to be referred; and

(iv) referral of complaints to law enforcement or public protective service agencies where appropriate;

(B) the State will not permit involuntary or coerced participation in the program of services described in this paragraph by alleged victims, abusers, or their households; and

(C) all information gathered in the course of receiving reports and making referrals shall remain confidential unless all parties to the complaint consent in writing to the release of such information, except that such information may be released to a law enforcement or public protective service agency.

(13) The plan shall provide assurances that each State will assign personnel (one of whom shall be known as a legal assistance developer) to provide State leadership in developing legal assistance programs for older individuals throughout the State.

(14) The plan shall, with respect to the fiscal year preceding the fiscal year for which such plan is prepared—

(A) identify the number of low-income minority older individuals in the State, including the number of low-income minority older individuals with limited English proficiency; and

(B) describe the methods used to satisfy the service needs of the low-income minority older individuals described in subparagraph (A), including the plan to meet the needs of low-income minority older individuals with limited English proficiency.

(15) The plan shall provide assurances that, if a substantial number of the older individuals residing in any planning and service area in the State are of limited English-speaking ability, then the State will require the area agency on aging for each such planning and service area—

(A) to utilize, in the delivery of outreach services under section 3026(a)(2)(A) of this title, the services of workers who are fluent in the language spoken by a predominant number of such older individuals who are of limited English-speaking ability; and

(B) to designate an individual employed by the area agency on aging, or available to such area agency on aging on a full-time basis, whose responsibilities will include—

(i) taking such action as may be appropriate to assure that counseling assistance is made available to such older individuals who are of limited English-speaking ability in order to assist such older individuals in participating in programs and receiving assistance under this chapter; and

(ii) providing guidance to individuals engaged in the delivery of supportive services under the area plan involved to enable such individuals to be aware of cultural sensitivities and to take into account effectively linguistic and cultural differences.

(16) The plan shall provide assurances that the State agency will require outreach efforts that will—
(A) identify individuals eligible for assistance under this chapter, with special emphasis on—
   (i) older individuals residing in rural areas;
   (ii) older individuals with greatest economic need (with particular attention to low-income older individuals, including low-income minority older individuals, older individuals with limited English proficiency, and older individuals residing in rural areas);
   (iii) older individuals with greatest social need (with particular attention to low-income older individuals, including low-income minority older individuals, older individuals with limited English proficiency, and older individuals residing in rural areas);
   (iv) older individuals with severe disabilities;
   (v) older individuals with limited English-speaking ability; and
   (vi) older individuals with Alzheimer’s disease and related disorders with neurological and organic brain dysfunction (and the caretakers of such individuals); and

(B) inform the older individuals referred to in clauses (i) through (vi) of subparagraph (A), and the caretakers of such individuals, of the availability of such assistance.

(17) The plan shall provide, with respect to the needs of older individuals with severe disabilities, assurances that the State will coordinate planning, identification, assessment of needs, and service for older individuals with disabilities with particular attention to individuals with severe disabilities with the State agencies with primary responsibility for individuals with disabilities, including severe disabilities, to enhance services and develop collaborative programs, where appropriate, to meet the needs of older individuals with disabilities.

(18) The plan shall provide assurances that area agencies on aging will conduct efforts to facilitate the coordination of community-based, long-term care services, pursuant to section 3026(a)(8) of this title, for older individuals who—
   (A) reside at home and are at risk of institutionalization because of limitations on their ability to function independently;
   (B) are patients in hospitals and are at risk of prolonged institutionalization; or
   (C) are patients in long-term care facilities, but who can return to their homes if community-based services are provided to them.

(19) The plan shall include the assurances and description required by section 3056(a)(A) of this title.

(20) The plan shall provide assurances that special efforts will be made to provide technical assistance to minority providers of services.

(21) The plan shall—
   (A) provide an assurance that the State agency will coordinate programs under this subchapter and programs under subchapter X, if applicable; and
   (B) provide an assurance that the State agency will pursue activities to increase access by older individuals who are Native Americans to all aging programs and benefits provided by the agency, including programs and benefits provided under this subchapter, if applicable, and specify the ways in which the State agency intends to implement the activities.

(22) If case management services are offered to provide access to supportive services, the plan shall provide that the State agency shall ensure compliance with the requirements specified in section 3056(a)(9) of this title.

(23) The plan shall provide assurances that demonstrable efforts will be made—
   (A) to coordinate services provided under this chapter with other State services that benefit older individuals; and
   (B) to provide multigenerational activities, such as opportunities for older individuals to serve as mentors or advisers in child care, youth day care, educational assistance, at-risk youth intervention, juvenile delinquency treatment, and family support programs.

(24) The plan shall provide assurances that the State will coordinate public services within the State to assist older individuals to obtain transportation services associated with access to services provided under this subchapter, to services under subchapter X, to comprehensive counseling services, and to legal assistance.

(25) The plan shall include assurances that the State has in effect a mechanism to provide for quality in the provision of in-home services under this subchapter.

(26) The plan shall provide assurances that funds received under this subchapter will not be used to pay any part of a cost (including an administrative cost) incurred by the State agency or an area agency on aging to carry out a contract or commercial relationship that is not carried out to implement this subchapter.

(27) The plan shall provide assurances that area agencies on aging will provide, to the extent feasible, for the furnishing of services under this chapter, consistent with self-directed care.

(28) (A) The plan shall include, at the election of the State, an assessment of how prepared the State is, under the State’s statewide service delivery model, for any anticipated change in the number of older individuals during the 10-year period following the fiscal year for which the plan is submitted.
   (B) Such assessment may include—
      (i) the projected change in the number of older individuals in the State;
      (ii) an analysis of how such change may affect such individuals, including individuals with low incomes, individuals with greatest economic need, minority older individuals, older individuals residing in rural areas, and older individuals with limited English proficiency;
      (iii) an analysis of how the programs, policies, and services provided by the State can
§ 3027

(b) Approval by Assistant Secretary; waiver of opportunity for a hearing.

(1) The Assistant Secretary shall approve any State plan which the Assistant Secretary finds fulfills the requirements of subsection (a), except the Assistant Secretary may not approve such plan unless the Assistant Secretary determines that the formula submitted under section 3025(a)(2)(D) of this title complies with the guidelines in effect under section 3025(a)(2)(C) of this title.

(2) The Assistant Secretary, in approving any State plan under this section, may waive the requirement described in paragraph (3)(B) if the State agency demonstrates to the Assistant Secretary that the service needs of older individuals residing in rural areas in the State are being met, or that the number of older individuals residing in rural areas is not sufficient to require the State agency to comply with such requirement.

(c) Notice and hearing prior to disapproval

(1) The Assistant Secretary shall not make a final determination disapproving any State plan, or any modification thereof, or make a final determination that a State is ineligible under section 3025 of this title, without first affording the State reasonable notice and opportunity for a hearing.

(2) Not later than 30 days after such final determination, a State dissatisfied with such final determination may appeal such final determination to the Secretary for review. If the State timely appeals such final determination in accordance with subsection (e)(1), the Secretary shall dismiss the appeal filed under this paragraph.

(3) If the State is dissatisfied with the decision of the Secretary after review under paragraph (2), the State may appeal such decision not later than 30 days after such decision and in the manner described in subsection (e). For purposes of appellate review under the preceding sentence, a reference in subsection (e) to the Assistant Secretary shall be deemed to be a reference to the Secretary.

(d) Discontinuance of payments; disbursement of withheld funds to agencies with approved plans; matching funds

Whenever the Assistant Secretary, after reasonable notice and opportunity for a hearing to the State agency, finds that—

(1) the State is not eligible under section 3025 of this title.

(2) the State plan has been so changed that it no longer complies substantially with the provisions of subsection (a), or

(3) in the administration of the plan there is a failure to comply substantially with any such provision of subsection (a),

the Assistant Secretary shall notify such State agency that no further payments from its allotments under section 3024 of this title and section 3028 of this title will be made to the State (or, in the Assistant Secretary’s discretion, that further payments to the State will be limited to projects under or portions of the State plan not affected by such failure), until the Assistant Secretary is satisfied that there will no longer be any failure to comply. Until the Assistant Secretary is so satisfied, no further payments shall be made to such State from its allotments under section 3024 of this title and section 3028 of this title (or payments shall be limited to projects under or portions of the State plan not affected by such failure). The Assistant Secretary shall, in accordance with regulations the Assistant Secretary shall prescribe, disburse the funds so withheld directly to any public or nonprofit private organization or agency or political subdivision of such State submitting an approved plan in accordance with the provisions of this section. Any such payment shall be matched in the proportions specified in section 3024 of this title.

(e) Appeal

(1) A State which is dissatisfied with a final action of the Assistant Secretary under subsection (b), (c), or (d) may appeal to the United States court of appeals for the circuit in which the State is located, by filing a petition with such court within 30 days after such final action. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Assistant Secretary, or any officer designated by the Assistant Secretary for such purpose. The Assistant Secretary thereupon shall file in the court the record of the proceedings on which the Assistant Secretary’s action is based, as provided in section 2112 of title 28.

(2) Upon the filing of such petition, the court shall have jurisdiction to affirm the action of the Assistant Secretary or to set it aside, in whole or in part, temporarily or permanently, but until the filing of the record, the Assistant Secretary may modify or set aside the Assistant Secretary’s order. The findings of the Assistant Secretary as to the facts, if supported by substantial evidence, shall be conclusive, but the court, for good cause shown, may remand the case to the Assistant Secretary to take further evidence, and the Assistant Secretary shall, within 30 days, file in the court the record of those further proceedings. Such new or modified findings of fact shall likewise be conclusive if supported by substantial evidence. The judg-
ment of the court affirming or setting aside, in whole or in part, any action of the Assistant Secretary shall be final, subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28.

(3) The commencement of proceedings under this subsection shall not, unless so specifically ordered by the court, operate as a stay of the Assistant Secretary’s action.

(f) Confidentiality of information relating to legal assistance

Neither a State, nor a State agency, may require any provider of legal assistance under this subchapter to reveal any information that is protected by the attorney-client privilege.

(2) The plan shall, with respect to the fiscal year preceding the fiscal year for which such plan is prepared—

"(A) identify the number of low-income minority older individuals in the State; and

"(B) describe the methods used to satisfy the service needs of such minority older individuals."

Subsec. (a)(16)(A)(vii). Pub. L. 109–365, §307(6)(B), substituted "(with particular attention to low-income older individuals, including low-income minority older individuals, older individuals with limited English proficiency, and older individuals residing in rural areas)" for "(with particular attention to low-income minority individuals and older individuals residing in rural areas)"


References in Text


Prior Provisions


Amendments


Subsec. (a)(4). Pub. L. 109–365, §307(2), substituted "(with particular attention to low-income minority older individuals, individuals with limited English proficiency, and older individuals residing in rural areas)" for "(with particular attention to low-income minority individuals and older individuals residing in rural areas)".

Subsec. (a)(14), (15). Pub. L. 109–365, §307(3)–(5), added par. (14), redesignated former par. (14) as (15), and struck out former par. (15) which read as follows: "The
that area agencies on aging may enter into grants and contracts with providers of education and training services, and nothing in this section will be interpreted to require that such services be provided by such State or area agency on aging.

Subsec. (a)(11). Pub. L. 106–501, § 306(5), (6), redesignated par. (15) as (11) and struck out former par. (11) which read as follows: “The plan shall provide that subject to the requirements of merit employment systems of State and local governments—

(A) preference shall be given to older individuals; and

(B) special consideration shall be given to individuals with formal training in the field of aging (including an educational specialty or emphasis in aging and a training degree or certificate in aging) or equivalent professional experience in the field of aging:

for any staff positions (full time or part time) in State and area agencies for which such individuals qualify.”

Subsec. (a)(12). Pub. L. 106–501, § 306(5), (6), redesignated par. (16) as (12) and struck out former par. (12) which read as follows: “The plan shall provide assurances that the State agency will carry out, through the Office of the State Long-Term Care Ombudsman, a State Long-Term Care Ombudsman program in accordance with section 3058g of this title and this subchapter.”

Subsec. (a)(13). Pub. L. 106–501, § 306(5), (8), redesignated par. (18) as (13) and struck out former par. (13) which related to a list of requirements that the plan was to provide with respect to nutrition services.

Subsec. (a)(14). Pub. L. 106–501, § 306(5), (10), redesignated par. (20) as (14) and struck out former par. (14) which related to required provisions of the plan with respect to acquisition, alteration, or renovation of existing facilities to serve as multipurpose senior centers.


Subsec. (a)(16). Pub. L. 106–501, § 306(12), (13), redesignated par. (24) as (16) and inserted “and older individuals residing in rural areas” after “low-income minority individuals” in cls. (i) and (iii). Former par. (16) redesignated (12).

Subsec. (a)(17). Pub. L. 106–501, § 306(14), inserted “to enhance services” before “and develop collaborative programs.”

Pub. L. 106–501, § 306(7), (12), redesignated par. (25) as (17) and struck out former par. (17) which read as follows: “The plan shall provide assurances that each State and local agency or area agency on aging shall provide training, to area volunteer services coordinators, to area volunteer services coordinators; and

(iii) encourage, organize, and promote the use of older individuals as volunteers to the State;

(iv) provide technical assistance, which may include training, to area volunteer services coordinators; and

(v) promote the recognition of the contribution made by volunteers to the programs administered under the State plan.

(B) If fewer than 50 percent of the area plans in the State provide for an area volunteer services coordinator, the State plan may provide for the State volunteer services coordinator described in subparagraph (A).


Subsec. (a)(33) to (35). Pub. L. 106–501, § 306(18), struck out pars. (33) to (35) which read as follows: “(33) The plan—

(A) shall include the statement and the demonstration required by paragraphs (2) and (4) of section 3025(d) of this title; and

(B) may not be approved unless the Assistant Secretary approves such statement and such demonstration.

(34) The plan shall provide an assurance that the State agency will coordinate programs under this subchapter and subchapter X of this chapter, if applicable.

(35) The plan shall—

(A) provide an assurance that the State agency shall pursue activities to increase access by older indivi-
viduals who are Native Americans to all aging pro-
grams and benefits provided by the agency, including
programs and benefits under this subchapter, if appli-
cable.

“(B) specify the ways in which the State agency en-
tends to implement the activities.”

par. (36) as (20).

Subsec. (a)(37) to (40). Pub. L. 106–501, § 306(20), struck out
pars. (37) to (40) which read as follows:

“(37) The plan shall identify for each fiscal year, the
actual and projected additional costs of providing serv-
ices under this subchapter, including the cost of provid-
ning access to such services, to older individuals resid-
ingen in rural areas in the State (in accordance with a
standard definition of rural areas specified by the As-
sistant Secretary).

“(38) The plan shall provide assurances that funds re-
cieved under this subchapter will not be used to pay
any part of a cost (including an administrative cost) in-
curred by the State or an area agency on aging to carry
out a contract or commercial relationship that is not
carried out to implement this subchapter.

“(39) The plan shall provide assurances that pref-
rence in receiving services under this subchapter will
not be given by the area agency on aging to particu-
lar older individuals as a result of a contract or commer-
cial relationship that is not carried out to implement
this subchapter.

“(40) The plan shall provide assurances that if the
State receives funds appropriated under section 3026(g)
of this title the State agency and area agencies on
aging will expend such funds to carry out part G of this
subchapter.”

Subsec. (a)(41), (42). Pub. L. 106–501, § 306(21), redesignated
pars. (41) and (42) as (23) and (24), respectively.

par. (43) which read as follows: “The plan shall provide
that the State agency shall issue guidelines applicable
to grievance procedures required by section
3026(a)(6)(P) of this title.”

par. (44) as (25).

par. (1) designation before “Neither a State” and
struck out par. (2) which read as follows: “Information
disclosed under section 3026(a)(14)(B)(i) of this title or
subsection (a)(7)(C)(i)(I) of this section may be dis-
closed to the public by the State agency or the State
only if such information could be disclosed under sec-
tion 552 of title 5 by an agency of the United States.”

1993—Pub. L. 103–171, § 3(a)(5)(B), substituted “Assis-
tant Secretary” for “Commissioner” wherever appear-
ing.

“knowledgeable” for “knowledgeable”.

tuted “solicitor” for “solicitor at end”.

Subsec. (b)(2). Pub. L. 103–171, § 2(9)(B), substituted
“such requirement” for “the requirement described in
clause (3)(B) of subsection (a) of this section”.

Subsecs. (a), (e). Pub. L. 103–171, § 3(a)(5)(A), substi-
tuted “Assistant Secretary” for “Commissioner”
wherever appearing.

1992—Subsec. (a). Pub. L. 102–375, § 307(b), sub-
tituted “the succeeding sentence and” for “provided
in” in first sentence and inserted after first sentence
“If the Commissioner determines, in the discretion of
the Commissioner, that a State failed in 2 successive
years to comply with the requirements under this sub-
chapter, then the State shall submit to the Commis-
sioner a State plan for a 1-year period that meets such
criteria, for subsequent years until the Commissioner
determines that the State is in compliance with such
requirements,” before “Each such plan shall comply”.

Subsec. (a)(1). Pub. L. 102–375, § 307(b)(10)(F), substi-
tuted “agencies on aging in” for “agencies in”.

Subsec. (a)(12). Pub. L. 102–375, § 307(d), inserted at end “In conducting
such evaluations and public hearings, the State
agency shall solicit the views and experiences of enti-
ties that are knowledgeable about the needs and con-
cerns of low-income minority older individuals.”

“information and assistance” for “information and re-
feral” in two places.

“section 3030 of this title” for “section 3030(1) of this
title”.

Subsec. (a)(11). Pub. L. 102–375, § 307(e), substituted
“governments—” for “governments, preference shall be
given to individuals aged 60 or older” and added sub-
paras. (A) and (B).

(12) generally, substituting provisions requiring the
plan to provide assurances that a State Long-Term
Care Ombudsman program be carried out in accordance
with section 3058g of this title for provisions setting
out, in subpars. (A) to (K), the assurances required to
be provided by the plan with respect to such a program.

Subsec. (a)(13)(A). Pub. L. 102–375, § 307(g)(1), substi-
tuted “to older individuals” for “to individuals aged
60 or older” and “by older individuals” for “by the elderly”.

Subsec. (a)(13)(B). Pub. L. 102–375, § 307(g)(2), substi-
tuted “subparagraph” for “subclause”.

Subsec. (a)(14). Pub. L. 102–375, § 307(g)(3), inserted “other than under
section 3026(b)(3) of this title” after “available under
this subchapter”.

Subsec. (a)(15). Pub. L. 102–375, § 307(g)(4), substi-
tuted “area agency on aging” for “area agency”.

Subsec. (a)(16). Pub. L. 102–375, § 307(g)(5), substi-
tuted “greatest economic need and older individuals with
greatest social need” for “the greatest economic or social
needs”.

Pub. L. 102–375, § 307(d), inserted at end “In conducting
such evaluations and public hearings, the State
agency shall solicit the views and experiences of enti-
ties that are knowledgeable about the needs and con-
cerns of low-income minority older individuals.”

“information and assistance” for “information and re-
feral” in two places.

“section 3030 of this title” for “section 3030(1) of this
section”.

Subsec. (a)(11). Pub. L. 102–375, § 307(e), substituted
“governments—” for “governments, preference shall be
given to individuals aged 60 or older” and added sub-
paras. (A) and (B).

(12) generally, substituting provisions requiring the
plan to provide assurances that a State Long-Term
Care Ombudsman program be carried out in accordance
with section 3058g of this title for provisions setting
out, in subpars. (A) to (K), the assurances required to
be provided by the plan with respect to such a program.

Subsec. (a)(13)(A). Pub. L. 102–375, § 307(g)(1), substi-
tuted “to older individuals” for “to individuals aged
60 or older” and “by older individuals” for “by the elderly”.

Subsec. (a)(13)(B). Pub. L. 102–375, § 307(g)(2), substi-
tuted “subparagraph” for “subclause”.

Subsec. (a)(14). Pub. L. 102–375, § 307(g)(3), inserted “other than under
section 3026(b)(3) of this title” after “available under
this subchapter”.

Subsec. (a)(15). Pub. L. 102–375, § 307(g)(4), substi-
tuted “area agency on aging” for “area agency”.

Subsec. (a)(16). Pub. L. 102–375, § 307(g)(5), substi-
tuted “greatest economic need and older individuals with
greatest social need” for “the greatest economic or social
needs”.
Subsec. (a)(20)(A). Pub. L. 100–175, § 182(k)(20), inserted “The plan shall” and substituted a period for semicolon.

Subsec. (a)(21). Pub. L. 100–175, § 307(1), amended par. (21) generally. Prior to amendment, par. (21) read as follows: “The State plan shall provide that the State agency, from funds allotted under section 3026(a) of this title, is not less than the amount required to be spent by this clause; and (B) to individuals with disabilities who reside at home with and accompany older individuals who are eligible under this chapter before semicolon.”

Subsec. (a)(22). Pub. L. 100–175, § 182(k)(22), inserted “The plan shall” and substituted a period for semicolon.

Subsec. (a)(23). Pub. L. 100–175, § 182(k)(23), inserted “The plan shall be” and substituted a period for semicolon.

Subsec. (a)(24). Pub. L. 100–175, § 182(k)(24), substituted “section 3026(a)(2)(A) of this title” for “sections 3026(a)(2)(A) and 3026(a)(6)(P) of this title”.


Subsec. (a)(26). Pub. L. 100–175, § 182(k)(26), inserted “The plan shall” and substituted a period for semicolon.

Subsec. (a)(27). Pub. L. 100–175, § 182(k)(27), inserted “The plan shall” and substituted a period for semicolon.

Subsec. (a)(28). Pub. L. 100–175, § 182(k)(28), inserted “The plan shall” and substituted a period for semicolon.

Subsec. (a)(29). Pub. L. 100–175, § 182(k)(29), inserted “The plan shall” and substituted a period for semicolon.

Subsec. (a)(30). Pub. L. 100–175, § 307(1), inserted before period at end “The plan shall”, and substituted a period for semicolon.

Subsec. (a)(31). Pub. L. 100–175, § 307(1), substituted par. (31) generally, substituting provisions relating to an area or State volunteer services coordinator for provisions that State agency make funds available to eligible area agencies on aging based on number of older individuals with greatest economic need and inadequacy of outreach activities and application assistance, that State agency require area agency to submit application describing and evaluating activities for which funds were sought, that State agency distribute to area agencies certain eligibility information, and that State agency submit to Commissioner a report on evaluations required to be submitted to it by area agencies.

Subsec. (a)(32). Pub. L. 100–175, § 307(1), inserted before period at end “State agency must have funded a demonstration project for health and nutrition education.”

Subsec. (a)(33)(A). Pub. L. 100–175, § 182(k)(33), substituted “Each such plan shall comply with all of the following requirements:” for “Each such plan shall—”.
Effective Date of 1992 Amendment
Amendment by sections 307 and 708(c)(4) of Pub. L. 102–375 inapplicable with respect to fiscal year 1992, see section 4(b) of Pub. L. 102–375, set out as a note under section 3001 of this title.

Amendment by sections 307 and 708(c)(4) of Pub. L. 102–375 inapplicable with respect to fiscal year 1992, see section 905(b)(2), (6) of Pub. L. 102–375, set out as a note under section 3001 of this title.

Effective Date of 1987 Amendment
Amendment by Pub. L. 100–175 effective Oct. 1, 1987, except not applicable with respect to any area plan submitted under section 3027(a) of this title or any State plan submitted under section 3027(a) of this title and approved for any fiscal year beginning before Nov. 29, 1987, see section 701(a), (b) of Pub. L. 100–175, set out as a note under section 3001 of this title.

Effective Date of 1987 Amendment
Amendment by Pub. L. 100–175 effective Oct. 1, 1987, except not applicable with respect to any area plan submitted under section 3027(a) of this title and approved for any fiscal year beginning before Nov. 29, 1987, see section 701(a), (b) of Pub. L. 100–175, set out as a note under section 3001 of this title.

Effective Date of 1984 Amendment

Effective Date
Section effective at close of Sept. 30, 1978, see section 504 of Pub. L. 95–478, set out as an Effective Date of 1978 Amendment note under section 3001 of this title.

Assessment of Unsatisfied Demand for Supportive Services Provided at Senior Centers and Other Sites
Pub. L. 100–175, title I, §111, Nov. 29, 1987, 101 Stat. 932, directed Commissioner on Aging, not later than Sept. 30, 1988, to submit to Congress a report assessing national unmet need for supportive services, nutrition services, and multipurpose senior centers by summarizing in detail for each State the results of the most recent evaluation conducted by the State agency under the then current plan submitted under 42 U.S.C. 3027(a)(3)(A) and containing recommendations of the Secretary with respect to need for administrative action and legislation relating to satisfying the demand for supportive services provided at senior centers and other sites.

Study of Ombudsman Program
Pub. L. 100–175, title I, §129(b), Nov. 29, 1987, 101 Stat. 934, directed Commissioner on Aging, not later than Dec. 31, 1988, to conduct a study and submit a report to Congress concerning involvement in the ombudsman program established under 42 U.S.C. 3027(a)(12) and its impact upon issues and problems affecting residents of board and care facilities and other similar adult care homes who are older individuals as defined in 42 U.S.C. 3027(a)(5) and the effectiveness of recruiting, supervising, and retaining volunteer ombudsmen.

§3028. Cost of administration of State plans
(a) Activities constituting administration; use of excess funds to supplement cost of administration of area plans; election to pay costs from sums received for administration of area plans

(1) Amounts available to States under subsection (b)(1) may be used to make grants to States for paying such percentages as each State agency determines, but not more than 75 percent, of the cost of the administration of its State plan, including the preparation of the State plan, the evaluation of activities carried out under such plan, the collection of data and the carrying out of analyses related to the need for supportive services, nutrition services, and multipurpose senior centers within the State, and dissemination of information so obtained, the provision of short-term training to personnel of public or nonprofit private agencies and organizations engaged in the operation of programs authorized by this chapter, and the carrying out of demonstration projects of statewide significance relating to the initiation, expansion, or improvement of services assisted under this subchapter.

(2) Any sums available to a State under subsection (b)(1) for part of the cost of the administration of its State plan which the State determines is not needed for such purpose may be used by the State to supplement the amount available under section 3024(d)(1)(A) of this title to cover part of the cost of the administration of area plans.

(3) Any State which has been designated a single planning and service area under section 3025(a)(1)(E) of this title covering all, or substantially all, of the older individuals in such State, as determined by the Assistant Secretary, may elect to pay part of the costs of the administration of State and area plans either out of sums received under this section of out of sums made available for the administration of area plans under section 3024(d)(1)(A) of this title, but shall not pay such costs out of sums received or allotted under both such sections.

(b) Formula for computation of allotment; application for additional funds; approval of application by Assistant Secretary; limitation on amount of additional funds; transfer of funds

(1) If for any fiscal year the aggregate amount appropriated under section 3023 of this title does not exceed $800,000,000, then—

(A) except as provided in clause (ii), the greater of 5 percent of the allotment to a State under section 3024(a)(1) of this title or $500,000; and

(B) in the case of Guam, American Samoa, the United States Virgin Islands, the Trust Territory of the Pacific Islands, and the Commonwealth of the Northern Mariana Islands, the greater of 5 percent of such allotment or $75,000;

shall be available to such State to carry out the purposes of this section.

(2) If for any fiscal year the aggregate amount appropriated under section 3023 of this title exceeds $800,000,000, then—

(A) except as provided in clause (ii), the greater of 5 percent of the allotment to a State under section 3024(a)(1) of this title or $500,000; and

(B) in the case of Guam, American Samoa, the United States Virgin Islands, the Trust Territory of the Pacific Islands, and the Commonwealth of the Northern Mariana Islands, the greater of 5 percent of such allotment or $100,000;

shall be available to such State to carry out the purposes of this section.

(3)(A) If the aggregate amount appropriated under section 3023 of this title for a fiscal year does not exceed $800,000,000, then any State which desires to receive amounts, in addition to amounts allotted to such State under paragraph
tion of this subchapter and except as provided in subparagraph (B), with respect to funds received by a State and attributable to funds appropriated under paragraph (1) or (2) of section 3023(b) of this title, including funds transferred under subparagraph (A) without regard to this subparagraph, for any fiscal year are insufficient to satisfy the need for services under subpart I or subpart II of part C, then the Assistant Secretary may grant a waiver that permits the State to transfer under subparagraph (A) to satisfy such need an additional 10 percent of the funds so received by a State and attributable to funds appropriated under paragraph (1) or (2) of section 3023(b) of this title.

(C) A State's request for a waiver under subparagraph (B) shall—
(i) be not more than one page in length;
(ii) include a request that the waiver be granted;
(iii) specify the amount of the funds received by a State and attributable to funds appropriated under paragraph (1) or (2) of section 3023(b) of this title, over the permissible 40 percent referred to in subparagraph (A), that the State requires to satisfy the need for services under subpart I or II of part C; and
(iv) not include a request for a waiver with respect to an amount if the transfer of the amount would jeopardize the appropriate provision of services under subpart I or II of part C;

(5)(A) Notwithstanding any other provision of this subchapter, of the funds received by a State attributable to funds appropriated under subpart (a)(1), and paragraphs (1) and (2) of sub-section (b), of section 3023 of this title, the State may elect to transfer not more than 30 percent for any fiscal year between programs under part B and part C, for use as the State considers appropriate. The State shall notify the Assistant Secretary of any such election.

(E) No application by a State under subparagraph (A) shall be approved unless it contains assurances that no amounts received by the State under this paragraph will be used to hire any individual to fill a job opening created by the action of the State in laying off or terminating the employment of any regular employee: not supported under this chapter in anticipation of filling the vacancy so created by hiring an employee to be supported through use of amounts received under this paragraph.

(4)(A) Notwithstanding any other provision of this subchapter and except as provided in subparagraph (B), with respect to funds received by a State and attributable to funds appropriated under paragraph (1) or (2) of section 3023(b) of this title, the State may elect to transfer not more than 40 percent of the funds so received between subpart I and subpart II of part C, for use as the State considers appropriate to meet the needs of the area served. The Assistant Secretary shall approve any such transfer unless the Assistant Secretary determines that such transfer is not consistent with the objectives of this chapter.

(B) If a State demonstrates, to the satisfaction of the Assistant Secretary, that funds received by the State and attributable to funds appropriated under paragraph (1) or (2) of section 3023(b) of this title, including funds transferred under subparagraph (A) without regard to this subparagraph, for any fiscal year are insufficient to satisfy the need for services under subpart I or subpart II of part C, then the Assistant Secretary may grant a waiver that permits the State to transfer under subparagraph (A) to satisfy such need an additional 10 percent of the funds so received by a State and attributable to funds appropriated under paragraph (1) or (2) of section 3023(b) of this title.

(C) A State's request for a waiver under subparagraph (B) shall—
(i) be not more than one page in length;
(ii) include a request that the waiver be granted;
(iii) specify the amount of the funds received by a State and attributable to funds appropriated under paragraph (1) or (2) of section 3023(b) of this title, over the permissible 40 percent referred to in subparagraph (A), that the State requires to satisfy the need for services under subpart I or II of part C; and
(iv) not include a request for a waiver with respect to an amount if the transfer of the amount would jeopardize the appropriate provision of services under subpart I or II of part C;

(5)(A) Notwithstanding any other provision of this subchapter, of the funds received by a State attributable to funds appropriated under subpart (a)(1), and paragraphs (1) and (2) of sub-section (b), of section 3023 of this title, the State may elect to transfer not more than 30 percent for any fiscal year between programs under part B and part C, for use as the State considers appropriate. The State shall notify the Assistant Secretary of any such election.

(E) No application by a State under subparagraph (A) shall be approved unless it contains assurances that no amounts received by the State under this paragraph will be used to hire any individual to fill a job opening created by the action of the State in laying off or terminating the employment of any regular employee: not supported under this chapter in anticipation of filling the vacancy so created by hiring an employee to be supported through use of amounts received under this paragraph.

(4)(A) Notwithstanding any other provision of this subchapter and except as provided in subparagraph (B), with respect to funds received by a State and attributable to funds appropriated under paragraph (1) or (2) of section 3023(b) of this title, the State may elect to transfer not more than 40 percent of the funds so received between subpart I and subpart II of part C, for use as the State considers appropriate to meet the needs of the area served. The Assistant Secretary shall approve any such transfer unless the Assistant Secretary determines that such transfer is not consistent with the objectives of this chapter.

(B) If a State demonstrates, to the satisfaction of the Assistant Secretary, that funds received by the State and attributable to funds appropriated under paragraph (1) or (2) of section 3023(b) of this title, including funds transferred under subparagraph (A) without regard to this subparagraph, for any fiscal year are insufficient to satisfy the need for services under subpart I or subpart II of part C, then the Assistant Secretary may grant a waiver that permits the State to transfer under subparagraph (A) to satisfy such need an additional 10 percent of the funds so received by a State and attributable to funds appropriated under paragraph (1) or (2) of section 3023(b) of this title.

(C) A State's request for a waiver under subparagraph (B) shall—
(i) be not more than one page in length;
(ii) include a request that the waiver be granted;
(iii) specify the amount of the funds received by a State and attributable to funds appropriated under paragraph (1) or (2) of section 3023(b) of this title, over the permissible 40 percent referred to in subparagraph (A), that the State requires to satisfy the need for services under subpart I or II of part C; and
(iv) not include a request for a waiver with respect to an amount if the transfer of the amount would jeopardize the appropriate provision of services under subpart I or II of part C;

(5)(A) Notwithstanding any other provision of this subchapter, of the funds received by a State attributable to funds appropriated under subpart (a)(1), and paragraphs (1) and (2) of sub-section (b), of section 3023 of this title, the State may elect to transfer not more than 30 percent for any fiscal year between programs under part B and part C, for use as the State considers appropriate. The State shall notify the Assistant Secretary of any such election.

(E) No application by a State under subparagraph (A) shall be approved unless it contains assurances that no amounts received by the State under this paragraph will be used to hire any individual to fill a job opening created by the action of the State in laying off or terminating the employment of any regular employee: not supported under this chapter in anticipation of filling the vacancy so created by hiring an employee to be supported through use of amounts received under this paragraph.
(I) part B; and
(II) part C, including the effect on the number of meals served.

(c) Availability of funds under this section to provide services under parts B and C

The amounts of any State’s allotment under subsection (b) for any fiscal year which the Assistant Secretary determines will not be required for that year for the purposes described in subsection (a)(1) shall be available to provide services under part B or part C, or both, in the State.


PRIOR PROVISIONS


AMENDMENTS


Pub. L. 106–501, §307(1)(A)(ii), which directed amendment of subpar. (A) by striking “in its plan under section 3027(a)(13) regarding Part C of this subchapter,” was executed by striking “in its plan under section 3027(a)(13) regarding part C of this subchapter,” after “the State considers appropriate. The State shall notify” to reflect the probable intent of Congress.

Subsec. (b)(4)(B). Pub. L. 106–501, §307(1)(B), substituted “for any fiscal year” for “for fiscal year 1993, 1994, 1995, or 1996” and “to satisfy such need an additional 10 percent of the funds so received” for “a portion of the funds so received” for “a portion of the funds so received” for “for any fiscal year”.

Subsec. (b)(5). Pub. L. 106–501, §307(1)(C), added par. (5) and struck out former par. (5) which authorized election by a State to transfer funds for fiscal years 1993 through 1996 between programs under parts B and C of this subchapter, provided for a State to obtain a need-based waiver to transfer additional funds, related to required contents and approval of the application for such transfer of funds.

1992—Subsec. (a)(3). Pub. L. 102–375, §308(b), inserted “been” after “Any State which has”.


Subsec. (b)(3)(B)(iii). Pub. L. 102–375, §§102(b)(9)(C), (10)(A), 904(a)(14)(B), inserted “and except as provided in subparagraph (B)” after “provision of this subchapter, substituted “received by a State and attributable to funds appropriated under paragraph (1) or (2) of section 3023(b) of this title, the” for “received under section 3023(b)(1) and (2) of this title, a,” and “not more than 10 percent of the funds so received” for “a portion of the funds appropriated”, and “objectives” for “purposes”, and added subpar. (B).

Subsec. (b)(5) to (7). Pub. L. 102–375, §308(2)(B), added pars. (5) to (7) and struck out former par. (5) which read as follows:

“(A) Notwithstanding any other provisions of this subchapter and except as provided in subparagraph (B), with respect to funds received under subsection (a)(1) and subsection (b) of section 3023 of this title, a State may elect to transfer not more than 20 percent of the funds allotted for any fiscal year between programs under part B and part C of this subchapter, for use as the State considers appropriate. The State shall notify the Commissioner of any such election.

“(B) Of the funds received under subsections (a)(1) and (b) of section 3023 of this title, a State may elect to transfer under subparagraph (A) not more than 30 percent of the funds allotted for fiscal year 1987—Subsec. (b)(1), Pub. L. 100–175, §182(b)(1), (2), struck designation “‘A’” after “‘1’” and redesignated former cls. (i) and (ii) as subs. (A) and (B), respectively.

Subsec. (b)(2). Pub. L. 100–175, §182(b)(3), struck designation “‘A’” after “‘1’” and redesignated former cls. (i) and (ii) as subs. (A) and (B), respectively.

Subsec. (b)(3)(C). Pub. L. 100–175, §162(b)(4), substituted “the Commissioner” for “he”.

Subsec. (b)(5)(A). Pub. L. 100–175, §162(b)(5), substituted “alloted for”, “for”, “alloted” for “appropriated”, “for” for “for”, “allotted” for “allocated”, and “used” for “used”.

Subsec. (b)(5)(B). Pub. L. 100–175, §162(b)(6), substituted provision that State may elect to transfer not more than 30 percent of funds allotted for any fiscal year for provision that State may elect to transfer not more than 27 percent of funds allotted for fiscal year 1985, not more than 29 percent of funds allotted for fiscal year 1986, and not more than 30 percent of funds allotted for fiscal year 1987.

Subsec. (b)(6)(B). Pub. L. 100–175, §182(b)(5), substituted “allotted” for “appropriated”.

Pub. L. 100–175, §129(c)(2)(B), inserted “sections (a)(1) and (b) of” after first reference to “under”.


Subsec. (a)(2). Pub. L. 98–459, §308(a)(2), substituted “available to a State under subsection (b)(1)” for “received by a State under this section”.

Subsec. (b)(1). Pub. L. 98–459, §308(b)(6), added par. (1). Former par. (1), which contained provisions, with respect to allotments to States for State planning, coordination, evaluation, and administration after “area plans, that each State had to be allotted funds on the basis of its population aged 60 or older as compared to all States, and specifying minimum amounts for each State of no less than one-half of 1 percent of appropriations or $300,000, whichever was greater, and for territories of no less than one-fourth of 1 percent of appropriations or $75,000, whichever was greater, was struck out.

Subsec. (b)(2). Pub. L. 98–459, §308(b)(6), added par. (2). Former par. (2) redesignated (3).
§ 3029. Payments of grants or contracts

(a) Advances or reimbursement; installments; assistance in development of State plan

Payments of grants or contracts under this subchapter may be made (after necessary adjustments resulting from previously made overpayments or underpayments) in advance or by way of reimbursement, and in such installments, as the Assistant Secretary may determine. From a State’s allotment for a fiscal year which is available under section 3028 of this title the Assistant Secretary may pay to a State which does not have a State plan approved under section 3027 of this title such amounts as the Assistant Secretary deems appropriate for the purpose of assisting such State in developing a State plan.

(b) Matching funds; percentage limitation

(1) For each fiscal year, not less than 25 percent of the non-Federal share of the total expenditures under the State plan which is required by section 3024(d) of this title shall be met from funds from State or local public sources.

(2) Funds required to meet the non-Federal share required by section 3024(d)(1)(D) of this title, in amounts exceeding 10 percent of the cost of the services specified in such section 3024(d)(1)(D) of this title, shall be met from State sources.

(c) Reduction of State allotment

A State’s allotment under section 3024 of this title for a fiscal year shall be reduced by the percentage (if any) by which its expenditures for such year from State sources under its State plan approved under section 3027 of this title are less than its average annual expenditures from such sources for the period of 3 fiscal years preceding such year.

(§ 3029. Payments of grants or contracts)

Effective Date of Amendment

Amendment by Pub. L. 100–175 effective Oct. 1, 1987, except not applicable with respect to any area plan submitted under section 3029(b)(1) of this title or any State plan submitted under section 3027(a) of this title and approved for any fiscal year beginning before Nov. 29, 1987, see section 701(a), (b) of Pub. L. 100–175, set out as a note under section 3001 of this title.

Effective Date of 1984 Amendment


Effective Date Section effective at close of Sept. 30, 1978, see section 504 of Pub. L. 95–478, set out as an Effective Date of 1978 Amendment note under section 3001 of this title.

Termination of Trust Territory of the Pacific Islands

For termination of Trust Territory of the Pacific Islands, see note set out preceding section 1681 of Title 48, Territories and Insular Possessions.
§ 3030. Disaster relief reimbursements

(a) Application; limitations

(1) The Assistant Secretary may provide reimbursements to any State (or to any tribal organization receiving a grant under subchapter X), upon application for such reimbursement, for funds such State makes available to area agencies on aging in such State (or funds used by such tribal organization) for the delivery of supportive services (and related supplies) during any major disaster declared by the President in accordance with the Robert T. Stafford Disaster Relief and Emergency Assistance Act [42 U.S.C. 5121 et seq.].

(2) Total payments to all States and such tribal organizations under paragraph (1) in any fiscal year shall not exceed 2 percent of the total amount appropriated and available to carry out subchapter IV.

(3) If the Assistant Secretary decides, in the 5-day period beginning on the date such disaster is declared by the President, to provide an amount of reimbursement under paragraph (1) to a State or such tribal organization, then the Assistant Secretary shall provide not less than 75 percent of such amount to such State or such tribal organization not later than 5 days after the date of such decision.

(b) Setting aside of funds by Assistant Secretary

(1) At the beginning of each fiscal year the Assistant Secretary shall set aside, for payment to States and such tribal organizations under subsection (a), an amount equal to 2 percent of the total amount appropriated and available to carry out subchapter IV.

(2) Amounts set aside under paragraph (1) which are not obligated by the end of the third quarter of any fiscal year shall be made available to carry out subchapter IV.

(c) Effect on other laws

Nothing in this section shall be construed to prohibit expenditures by States and such tribal organizations for disaster relief for older individuals in excess of amounts reimbursable under this section, by using funds made available to them under other sections of this chapter or under other provisions of Federal or State law, or from private sources.


REFERENCES IN TEXT


AMENDMENTS

2000—Subsec. (a)(1). Pub. L. 106–501, §308(1)(A), inserted “or to any tribal organization receiving a grant under subchapter X)” after “any State” and “(or funds used by such tribal organization)” before “for the delivery of supportive services”.

1993—Pub. L. 103–171, §3(a)(13), substituted “Assistant Secretary” for “Commissioner” wherever appearing in subsecs. (a)(1), (5) and (b)(1).

1988—Subsec. (a)(2). Pub. L. 102–375, §309(2)(B), substituted “2 percent” for “5 percent” and “to carry out subchapter IV” for “for carrying out the purposes of section 3035a of this title”.

1988—Subsec. (a)(1). Pub. L. 102–375, §§102(b)(10)(A), 309(1)(A), substituted “area agencies on aging” for “area agencies” and inserted “(and related supplies)” after “supportive services”.

SUBS. (a)(2). Pub. L. 102–375, §309(2), substituted “2 percent” for “5 percent” and “to carry out subchapter IV” for “for carrying out the purposes of section 3035a of this title”.

1981—Subsec. (a)(1). Pub. L. 97–115, §3(d), substituted “supportive services” for “social services”.


EFFECTIVE DATE

Section effective at the close of Sept. 30, 1978, see section 504 of Pub. L. 95–478, set out as an Effective Date of 1978 Amendment note under section 3001 of this title.

§ 3030a. Nutrition services incentive program

(a) Purpose

The purpose of this section is to provide incentives to encourage and reward effective performance by States and tribal organizations in the efficient delivery of nutritious meals to older individuals.

(b) Allotment and provision and payment

(1) The Secretary shall allot and provide, in accordance with this section, to or on behalf of each State agency with a plan approved under this subchapter for a fiscal year, and to or on behalf of each grantee with an application approved under such subchapter X for such fiscal year, an amount bearing the same ratio to the total amount appropriated for such fiscal year under subsection (e) as the number of meals served in the State under such plan approved for the preceding fiscal year (or the number of meals served by the title VI [subchapter X] grantee, under such application approved for such preceding fiscal year), bears to the total number of such meals served in all States and by title VI [subchapter X] grantees under all such plans and applications approved for such preceding fiscal year.

(2) For purposes of paragraph (1), in the case of a grantee that has an application approved...
under subchapter X for a fiscal year but that did not receive assistance under this section for the preceding fiscal year, the number of meals served by the title VI [subchapter X] grantee for the preceding fiscal year shall be deemed to equal the number of meals that the Assistant Secretary estimates will be served by the title VI [subchapter X] grantee in the fiscal year for which the application was approved.

(c) Donation of products

(1) Agricultural commodities (including bonus commodities) and products purchased by the Secretary of Agriculture under section 612c of title 7, shall be donated to a recipient of a grant or contract to be used for providing nutrition services in accordance with the provisions of this subchapter.

(2) The Commodity Credit Corporation shall dispose of food commodities (including bonus commodities) under section 1446a-1 of title 7 shall be used to meet the requirements of programs providing nutrition services in accordance with the provisions of this subchapter.

(3) Dairy products (including bonus commodities) purchased by the Secretary of Agriculture under subchapter X for a fiscal year but that did not receive assistance under this section for the preceding fiscal year, the number of meals served by the title VI [subchapter X] grantee for that State agency or grantee pursuant to this section to make commodity purchases for a fiscal year for a State agency or title VI [subchapter X] grantee shall remain available, only for the next fiscal year, to make commodity purchases for that State agency or grantee pursuant to this section.

(4) Each State agency and title VI [subchapter X] grantees shall promptly and equitably disburse amounts received under this subsection to recipients of grants and contracts. Such disbursements shall only be used by such recipients of grants or contracts to purchase domestically produced foods for their nutrition projects.

(5) Nothing in this subsection shall be construed to require any State agency or title VI [subchapter X] grantee to elect to receive cash payments under this subsection.

(e) Authorization of appropriations

There are authorized to be appropriated to carry out this section (other than subsection (c)(3)) $164,055,664 for fiscal year 2017, $167,486,502 for fiscal year 2018, and $170,917,349 for fiscal year 2019.

(f) Dissemination of information

In each fiscal year, the Secretary and the Secretary of Agriculture shall jointly disseminate to State agencies, title VI [subchapter X] grantees, area agencies on aging, and providers of nutrition services assisted under this subchapter, information concerning the foods available to such State agencies, title VI [subchapter X] grantees, area agencies on aging, and providers under subsection (c).

(Amendments)

2016—Subsec. (e). Pub. L. 114–144, which directed substitution of "$164,055,664 for fiscal year 2017, $167,486,502 for fiscal year 2018, and $170,917,349 for fiscal year 2019," for "for "such sums" and all that followed through the period at the end, was executed by making the substitution for "such sums as may be necessary for fiscal year 2007 and such sums as may be necessary for each
of the 4 succeeding fiscal years.” to reflect the probable intent of Congress.

2007—Subsec. (b)(3). Pub. L. 110–19, § 2(1), struck out par. (3) which read as follows: “State agencies that elect to make grants and enter into contracts for purposes of this section shall promptly and equitably disburse amounts received under this subsection to the recipients of the grants and contracts.”


Subsec. (f). Pub. L. 110–19, § 2(3), added subsec. (f) and struck out former subsec. (f). Prior to amendment, text read as follows: “The Secretary of Agriculture shall allot and provide, in accordance with this section, to or on behalf of each State agency—

“(1) school food authorities participating in programs authorized under the Richard B. Russell National School Lunch Act within the geographic area served by each such State agency, area agency on aging, and provider; and

“(2) the foods available to such State agencies, area agencies on aging, and providers under subsection (c).”


Subsec. (c)(1), (2). Pub. L. 109–365, § 309(2)(A), (B), inserted “(including bonus commodities)” after “commodities”.

Subsec. (c)(3). Pub. L. 109–365, § 309(2)(C), inserted “(including bonus commodities)” after “products”.


(3) .

Subsec. (d). Pub. L. 109–365, § 309(3), amended subsec. (d) generally, substituting provisions relating to purchase of agricultural commodities and payments to a school food authority to obtain commodities for provision relating to the end of a calendar year, the commodities report on amounts elected to be received, reimbursement for costs, disbursement of amounts, and emphasis on high protein foods.


Subsec. (f). Pub. L. 109–365, § 309(5), substituted the “Assistant Secretary and the Secretary of Agriculture” for “the Secretary of Agriculture and the Secretary of Health and Human Services” in introductory provisions, added paras. (1) and (2), and struck out former par. (1) which read as follows:

“(1) the existence of any Federal commodity processing program in which such State agencies, area agencies on aging, and providers may be eligible to participate; and

“(2) the procedures to be followed to participate in the program.”

2005—Subsec. (b). Pub. L. 108–7, § 217(a)(1)(A), substituted “ and payment” for “of cash or commodities” in heading that had been supplied editorially.

Subsec. (b)(1). Pub. L. 108–7, § 217(a)(1)(B), substituted “The Secretary shall allot and provide, in accordance with this section, to or on behalf of each State agency” for “The Secretary of Agriculture shall allot and provide in the form of cash or commodities or a combination thereof (at the discretion of the State) to each State agency” and “to or on behalf of each grantee” for “to each grantee”.


Subsec. (d)(1). Pub. L. 108–7, § 217(a)(3)(B), amended par. (1) generally. Prior to amendment, par. (1) read as follows: “In any case in which a State elects to receive cash payments, the Secretary of Agriculture shall make cash payments to such State in an amount equivalent in value to the donated foods which the State otherwise would have received if such State had retained its commodity distribution.”


Subsec. (d)(3). Pub. L. 108–7, § 217(a)(2)(D), (E), added par. (3) and struck out former par. (3) which read as follows: “Nothing in this subsection shall be construed to authorize the Secretary of Agriculture to require any State to elect to receive cash payments under this subsection.”

Subsec. (d)(4). Pub. L. 108–7, § 217(a)(2)(F), amended first sentence generally. Prior to amendment, first sentence read as follows: “When such payments are made, the State agency shall promptly and equitably disburse any cash it receives in lieu of commodities to recipients of grants or contracts.”


Subsec. (d)(5). Pub. L. 108–7, § 217(a)(2)(G), which directed the substitution of “provision” for “donating”, to reflect the probable intent of Congress.


Subsecs. (a), (b), Pub. L. 106–501, § 309(3), added subsecs. (a) and (b). Former subsecs. (a) and (b) redesignated (c) and (d), respectively.

Subsec. (c). Pub. L. 106–501, § 309(2)(4), redesignated subsec. (a) as (c) and struck out par. (4) which related to the level of assistance the Secretary of Agriculture was to maintain in donating commodities under this subsection for fiscal years 1992 and 1993 and required the Secretary to give emphasis to high protein foods, meat, and meat alternates. Former subsec. (c) redesignated (e).


Subsec. (d)(1). Pub. L. 106–501, § 309(5), substituted “In any case in which a State elects to receive cash payments,” for “Notwithstanding any other provision of law, a State may, for purposes of the programs authorized by this chapter, elect to receive cash payments in lieu of donated foods for all or any portion of its project. In any case in which a State makes such an election.”


Subsec. (e). Pub. L. 106–501, § 309(7), added subsec. (e) and struck out former subsec. (e) which authorized appropriations for fiscal years 1992 to 1995 to carry out this section, set a deadline for final reimbursement claims for meals, provided for a reduction of the percent-meal level in any fiscal year in which costs exceed amounts authorized, and required the Secretary to use the full amount appropriated for a fiscal year.

Pub. L. 106–501, § 309(2), redesignated subsec. (c) as (e).


1992—Subsec. (a)(4). Pub. L. 102–375, § 310(1), designated existing provisions as subpars. (A) and (B) and, in subpar. (A), substituted “shall maintain” for “shall maintain an annually programmed level of assistance of not less than 56.76 cents per meal during fiscal years 1986 through 1991,” and added cls. (i) and (ii).

Subsec. (c)(1)(A). Pub. L. 102–375, § 310(2)(A), substituted $250,000,000 for fiscal year 1992, $310,000,000 for fiscal year 1993, $380,000,000 for fiscal year 1994, and $460,000,000 for fiscal year 1995” for “$151,000,000 for the fiscal year 1990, and $201,000,000 for the fiscal year 1991”.

Subsec. (c)(2). Pub. L. 102–375, § 310(2)(B), designated existing provisions as subpar. (A), substituted “Except as provided in subparagraph (B), in,” for “In”, and added subpar. (B).

out after first sentence “The amount specified in this paragraph shall be adjusted on an annual basis for each fiscal year after September 30, 1986, to reflect changes in the series for food away from home of the Consumer Price Index for All Urban Consumers published by the Bureau of Labor Statistics of the Department of Labor. Such adjustment shall be computed to the nearest one-fourth cent.”

Subsec. (c)(1)(A). Pub. L. 100–175, § 122(c)(2), amended subpar. (A) generally. Prior to amendment, subpar. (A) read as follows:

“(ii) There are authorized to be appropriated $144,000,000 for fiscal year 1986 and $144,000,000 for fiscal year 1987 to carry out this section (other than subsection (a)(1) of this section).

“(iii) The provisions of the second and third sentences of subsection (a)(4) of this section shall not apply for fiscal years 1986 and 1987.


Subsec. (c)(1)(A). Pub. L. 99–269, § 3(b), amended subpar. (A) generally. Prior to amendment, subpar. (A) read as follows: “There are authorized to be appropriated $105,000,000 for fiscal year 1984, $120,800,000 for fiscal year 1985, $125,900,000 for fiscal year 1986, and $132,000,000 for fiscal year 1987, to carry out the provisions of this section (other than the provisions of subsection (a)(1) of this section) and such additional sums as may be necessary for each such fiscal year to maintain the level of reimbursement for the number of meals served under such provisions in fiscal year 1983.”


1984—Subsec. (a)(4). Pub. L. 98–459, § 310(b)(1), magically substituted “section (c) of this section” for “section (d) of this section” and “Consumer Price Index for All Urban Consumers” for “Consumer Price Index”.

Subsec. (c). Pub. L. 98–459, § 310(b)(1), which directed the amendment of this section by redesignating subsec. (d)(1) as (c)(1), was executed by redesignating subsec. (d) as (c) to reflect the probable intent of Congress.

Subsec. (c)(1). Pub. L. 98–459, § 310(b)(2), (3), inserted “(A)” after paragraph designation, struck out therein provisions authorizing appropriations of $35,200,000 for fiscal year 1982 and $100,000,000 for fiscal year 1983, inserted provisions authorizing appropriations of $120,800,000 for fiscal year 1984, $125,900,000 for fiscal year 1985, and $132,000,000 for fiscal year 1986, and substituted “fiscal year 1985” for “fiscal year 1981” at the end, and added subpar. (B).


1981—Subsec. (a)(4). Pub. L. 97–115, § 9(a), substituted “Subject to the authorization of appropriations specified in subsection (d) of this section, in donating” and “30 cents per meal for each fiscal year thereafter” for “In donating” and “30 cents per meal during the three succeeding fiscal years”, respectively.

Subsecs. (b), (c), Pub. L. 97–115, § 9(b), redesignated subsec. (b) as (b). Former subsec. (b), providing for the purchase, during fiscal years ending before Oct. 1, 1981, of high protein foods, meats, and meat alternatives by the Secretary of Agriculture for distribution to recipients of grants or contracts to be used for providing nutrition services in accordance with the provisions of this subchapter, was struck out.


Effective Date of 2007 Amendment
Pub. L. 110–19, § 3, Apr. 23, 2007, 121 Stat. 85, provided that:

“(a) In General.—The amendments made by section 2 [amending this section] shall take effect beginning with fiscal year 2008.

“(b) Application Process.—Effective on the date of enactment of this Act [Apr. 23, 2007], the Secretary of Agriculture shall take such actions as will enable States to use funds under this section under such provisions in fiscal year 2007 for allotments under such section for fiscal year 2008.”

Effective Date of 1987 Amendment
Amendment by Pub. L. 100–175 effective Oct. 1, 1987, except not applicable with respect to any area plan submitted under section 3026(a) of this title or any State plan submitted under section 3027(a) of this title and approved for any fiscal year beginning before Nov. 29, 1987, see section 701(a), (b) of Pub. L. 100–175, set out as a note under section 3001 of this title.

Effective Date of 1986 Amendment

Establishment of Maximum Rate of Reimbursement to States for Meals: Availability of Funds
Pub. L. 104–37, title IV, Oct. 21, 1995, 109 Stat. 324, provided in part: “That hereafter notwithstanding any other provision of law, for meals provided pursuant to the Older Americans Act of 1965 (42 U.S.C. 3001 et seq.), a maximum rate of reimbursement to States will be established by the Secretary, subject to reduction if obligations would exceed the amount of available funds, with any unobligated funds to remain available only for obligation in the fiscal year beginning October 1, 1996.”

Authorization of Appropriations
Pub. L. 99–269, § 3(a), Apr. 1, 1986, 100 Stat. 78, authorized appropriations for fiscal year 1985 in order to provide reimbursement at the level of 56.76 cents per meal during fiscal year 1985 determined under subsec. (a)(4) of this section.

§ 3030b. Recapture of payments made for multipurpose senior centers

If, within 10 years after acquisition, or within 20 years after the completion of construction, of any facility for which funds have been paid under this subchapter—

(1) the owner of the facility ceases to be a public or nonprofit private agency or organization; or

(2) the facility ceases to be used for the purposes for which it was acquired (unless the Assistant Secretary determines, in accordance with regulations, that there is good cause for releasing the applicant or other owner from the obligation to do so);

the United States shall be entitled to recover from the applicant or other owner of the facility an amount which bears to the then value of the facility (or so much thereof as constituted an approved project or projects) the same ratio as
the amount of such Federal funds bore to the
cost of the facility financed with the aid of such
funds. Such value shall be determined by agreement
of the parties or by action brought in the
United States district court for the district in
which such facility is situated.


AMENDMENTS
1993—Par. (2). Pub. L. 103–171 substituted “Assistant Secretary” for “Commissioner”.

EFFECTIVE DATE
Section effective at close of Sept. 30, 1978, see section 504 of Pub. L. 95–478, set out as an Effective Date of 1978 Amendment note under section 3001 of this title.

§ 3030c. Audit; request for information
(a) The Assistant Secretary and the Comptroller General of the United States or any of their duly authorized representatives shall have access for the purpose of audit and examination to any books, documents, papers, and records that are pertinent to a grant or contract received under this subchapter.

(b) State agencies and area agencies on aging shall not request information or data from providers which is not pertinent to services furnished pursuant to this chapter or a payment made for such services.


AMENDMENTS
1993—Subsec. (a). Pub. L. 103–171 substituted “Assistant Secretary” for “Commissioner”.

1984—Pub. L. 98–459 designated existing provisions as subsec. (a) and added subsec. (b).

EFFECTIVE DATE OF 1984 AMENDMENT

EFFECTIVE DATE
Section effective at close of Sept. 30, 1978, see section 504 of Pub. L. 95–478, set out as an Effective Date of 1978 Amendment note under section 3001 of this title.

§ 3030c–1. Rights relating to in-home services for frail older individuals
The Assistant Secretary shall require entities that provide in-home services under this subchapter to promote the rights of each older individual who receives such services. Such rights include the following:

(1) The right—
(A) to be fully informed in advance about each in-home service provided by such entity under this subchapter and about any change in such service that may affect the well-being of such individual; and
(B) to participate in planning and changing an in-home service provided under this subchapter by such entity unless such individual is judicially adjudged incompetent.

(2) The right to voice a grievance with respect to such service that is or fails to be so provided, without discrimination or reprisal as a result of voicing such grievance.

(3) The right to confidentiality of records relating to such individual.

(4) The right to have the property of such individual treated with respect.

(5) The right to be fully informed (orally and in writing), in advance of receiving an in-home service under this subchapter, of such individual’s rights and obligations under this subchapter.


AMENDMENTS
1993—Pub. L. 103–171 struck out “(a) PROMOTION.—” before “The Assistant” and substituted “Assistant Secretary” for “Commissioner”.

§ 3030c–2. Consumer contributions
(a) Cost sharing
(1) In general
Except as provided in paragraphs (2) and (3), a State is permitted to implement cost sharing for all services funded by this chapter by recipients of the services.

(2) Exception
The State is not permitted to implement the cost sharing described in paragraph (1) for the following services:

(A) Information and assistance, benefits counseling, or case management services.

(B) Ombudsman, elder abuse prevention, legal assistance, or other consumer protection services.

(C) Congregate and home delivered meals.

(D) Any services delivered through tribal organizations.

(3) Prohibitions
A State or tribal organization shall not permit the cost sharing described in paragraph (1) for any services delivered through tribal organizations. A State shall not permit cost sharing by a low-income older individual if the income of such individual is at or below the Federal poverty line. A State may exclude from cost sharing low-income individuals whose incomes are above the Federal poverty line. A State shall not consider any assets, savings, or other property owned by older individuals when defining low-income individuals who are exempt from cost sharing, when creating a sliding scale for the cost sharing, or when seeking contributions from any older individual.

(4) Payment rates
If a State permits the cost sharing described in paragraph (1), such State shall establish a sliding scale, based solely on individual income and the cost of delivering services.

(5) Requirements
If a State permits the cost sharing described in paragraph (1), such State shall require each
area agency on aging in the State to ensure that each service provider involved, and the
area agency on aging, will—
(A) protect the privacy and confidentiality of each older individual with respect to the
declaration or nondeclaration of individual income and to any share of costs paid or un-
paid by an individual;
(B) establish appropriate procedures to safeguard and account for cost share payments;
(C) use each collected cost share payment to expand the service for which such pay-
ment was given;
(D) not consider assets, savings, or other property owned by an older individual in de-
termining whether cost sharing is permitted;
(E) not deny any service for which funds are received under this chapter for an older
individual due to the income of such individual or such individual’s failure to make a
cost sharing payment;
(F) determine the eligibility of older individuals to cost share solely by a confidential
declaration of income and with no requirement for verification; and
(G) widely distribute State created written materials in languages reflecting the read-
ing abilities of older individuals that describe the criteria for cost sharing, the
State’s sliding scale, and the mandate described under subparagraph (E).

(6) Waiver
An area agency on aging may request a waiver to the State’s cost sharing policies, and
the State shall approve such a waiver if the area agency on aging can adequately demon-
strate that—
(A) a significant proportion of persons receiving services under this chapter subject to
cost sharing in the planning and service area have incomes below the threshold estab-
lished in State policy; or
(B) cost sharing would be an unreasonable administrative or financial burden upon the
area agency on aging.

(b) Voluntary contributions
(1) In general
Voluntary contributions shall be allowed and may be solicited for all services for which
funds are received under this chapter if the method of solicitation is noncoercive. Such
contributions shall be encouraged for individ-
uals whose self-declared income is at or above
185 percent of the poverty line, at contribution levels based on the actual cost of services.

(2) Local decision
The area agency on aging shall consult with the relevant service providers and older indi-
viduals in agency’s planning and service area in a State to determine the best method for
accepting voluntary contributions under this subsection.

(3) Prohibited acts
The area agency on aging and service provid-
ers shall not means test for any service for
which contributions are accepted or deny serv-
ices to any individual who does not contribute to the cost of the service.

(4) Required acts
The area agency on aging shall ensure that each service provider will—
(A) provide each recipient with an opportunity to voluntarily contribute to the cost of
the service;
(B) clearly inform each recipient that there is no obligation to contribute and that the
contribution is purely voluntary;
(C) protect the privacy and confidentiality of each recipient with respect to the recipi-
ett’s contribution or lack of contribution;
(D) establish appropriate procedures to safeguard and account for all contributions; and
(E) use all collected contributions to expand the service for which the contributions
were given and to supplement (not supplant) funds received under this chapter.

(c) Participation
(1) In general
The State and area agencies on aging, in conducting public hearings on State and area
plans, shall solicit the views of older individuals, providers, and other stakeholders on im-
plementation of cost-sharing in the service area or the State.

(2) Plans
Prior to the implementation of cost sharing under subsection (a), each State and area
agency on aging shall develop plans that are designed to ensure that the participation of
low-income older individuals (with particular attention to low-income older individuals,
including low-income minority older individuals, older individuals with limited English
proficiency, and older individuals residing in rural areas) receiving services will not de-
crease with the implementation of the cost sharing under such subsection.

(d) Evaluation
Not later than 1 year after November 13, 2000, and annually thereafter, the Assistant Secretary
shall conduct a comprehensive evaluation of practices for cost sharing to determine its im-
 pact on participation rates (with particular attention to low-income older individuals, in-
cluding low-income minority older individuals, older individuals with limited English proficiency,
and older individuals residing in rural areas). If the Assistant Secretary finds that there is a dis-
parate impact upon low-income or minority older individuals or older individuals residing in rural areas in any State or region within the
State regarding the provision of services, the Assistant Secretary shall take corrective action

to assure that such services are provided to all older individuals without regard to the cost
sharing criteria.


Codification
Pub. L. 106–501, § 310, which directed the addition of this section at the end of Part A of title III (42 U.S.C.
§ 3030c–3. Waivers

(a) In general

The Assistant Secretary may waive any of the provisions specified in subsection (b) with particular attention to low-income minority older individuals, including low-income minority older individuals, older individuals with limited English proficiency, and older individuals residing in rural areas" for "with particular attention to low-income minority individuals and older individuals residing in rural areas"

(b) Requirements subject to waiver

The provisions of this subchapter that may be waived under this section are—

(1) any provision of sections 3025, 3026, and 3027 of this title requiring statewide uniformity of programs carried out under this subchapter, to the extent necessary to permit demonstrations, in limited areas of a State, of innovative approaches to assist older individuals;

(2) any area plan requirement described in section 3026(a) of this title if granting the waiver will promote innovations or improve service delivery and will not diminish services already provided under this chapter;

(3) any State plan requirement described in section 3027(a) of this title if granting the waiver will promote innovations or improve service delivery and will not diminish services already provided under this chapter;

(4) any restriction under paragraph (5) of section 3028(b) of this title, on the amount that may be transferred between programs carried out under part B and part C; and

(5) the requirement of section 3029(c) of this title that certain amounts of a State allotment be used for the provision of services, with respect to a State that reduces expenditures under the State plan of the State (but only to the extent that the non-Federal share of the expenditures is not reduced below any minimum specified in section 3024(d) of this title or any other provision of this subchapter).

(c) Duration of waiver

The application by a State agency for a waiver under this section shall include a recommendation as to the duration of the waiver (not to exceed the duration of the State plan of the State). The Assistant Secretary, in granting such a waiver, shall specify the duration of the waiver, which may be the duration recommended by the State agency or such shorter time period as the Assistant Secretary finds to be appropriate.

(d) Reports to Secretary

With respect to each waiver granted under this section, not later than 1 year after the expiration of such waiver, and at any time during the waiver period that the Assistant Secretary may require, the State agency shall prepare and submit to the Assistant Secretary a report evaluating the impact of the waiver on the operation and effectiveness of programs and services provided under this subchapter.

(Pub. L. 89–73, title III, § 316, as added Pub. L. 106–501, § 310, which directed the addition of this section at the end of Part A of title III of the Older Americans Act of 1965 to reflect the probable intent of Congress.)

PART B—SUPPORTIVE SERVICES

§ 3030d. Grants for supportive services

(a) Grants

The Assistant Secretary shall carry out a program for making grants to States under State plans approved under section 3027 of this title for any of the following supportive services:

(1) health (including mental and behavioral health), education and training, welfare, informational, recreational, homemaker, counseling, referral, chronic condition self-care management, or falls prevention services;

(2) transportation services to facilitate access to supportive services or nutrition services, and services provided by an area agency
on aging, in conjunction with local transportation service providers, public transportation agencies, and other local government agencies, that result in increased provision of such transportation services for older individuals;

(3) services designed to encourage and assist older individuals to use the facilities and services (including information and assistance services) available to them, including language translation services to assist older individuals with limited-English speaking ability to obtain services under this subchapter;

(4) services designed (A) to assist older individuals to obtain adequate housing, including residential repair and renovation projects designed to enable older individuals to maintain their homes in conformity with minimum housing standards; (B) to adapt homes to meet the needs of older individuals who have physical disabilities; (C) to prevent unlawful entry into residences of older individuals, through the installation of security devices and through structural modifications or alterations of such residences; or (D) to assist older individuals in obtaining housing for which assistance is provided under programs of the Department of Housing and Urban Development;

(5) services designed to assist older individuals in avoiding institutionalization and to assist individuals in long-term care institutions who are able to return to their communities, including—

(A) client assessment, case management services, and development and coordination of community services;

(B) services to meet the special needs of caregivers, including care-takers who provide in-home services to frail older individuals; and

(C) in-home services and other community services, including home health, home-maker, shopping, escort, reader, and letter writing services, to assist older individuals to live independently in a home environment;

(6) services designed to provide to older individuals legal assistance and other counseling services and assistance, including—

(A) tax counseling and assistance, financial counseling, and counseling regarding appropriate health and life insurance coverage;

(B) representation—

(i) of individuals who are wards (or are allegedly incapacitated); and

(ii) in guardianship proceedings of older individuals who seek to become guardians, if other adequate representation is unavailable in the proceedings; and

(C) provision, to older individuals who provide uncompensated care to their adult children with disabilities, of counseling to assist such older individuals with permanency planning for such children;

(7) services designed to enable older individuals to attain and maintain physical and mental well-being through programs of regular physical activity, exercise, music therapy, art therapy, and dance-movement therapy;

(8) services designed to provide health screening (including mental and behavioral health screening and falls prevention services screening) to detect or prevent (or both) illnesses and injuries that occur most frequently in older individuals;

(9) services designed to provide, for older individuals, preretirement counseling and assistance in planning for and assessing future post-retirement needs with regard to public and private insurance, public benefits, lifestyle changes, relocation, legal matters, leisure time, and other appropriate matters;

(10) services of an ombudsman at the State level to receive, investigate, and act on complaints by older individuals who are residents of long-term care facilities and to advocate for the well-being of such individuals;

(11) provision of services and assistive devices (including provision of assistive technology services and assistive technology devices) which are designed to meet the unique needs of older individuals who are disabled, and of older individuals who provide uncompensated care to their adult children with disabilities;

(12) services to encourage the employment of older workers, including job and second career counseling and, where appropriate, job development, referral, and placement, and including the coordination of the services with programs administered by or receiving assistance from the Department of Labor, including programs carried out under the Workforce Innovation and Opportunity Act;

(13) crime prevention services and victim assistance programs for older individuals;

(14) a program, to be known as "Senior Opportunities and Services", designed to identify and meet the needs of low-income older individuals in one or more of the following areas: (A) development and provision of new volunteer services; (B) effective referral to existing health (including mental and behavioral health), employment, housing, legal, consumer, transportation, and other services; (C) stimulation and creation of additional services and programs to remedy gaps and deficiencies in presently existing services and programs; and (D) such other services as the Assistant Secretary may determine are necessary or especially appropriate to meet the needs of low-income older individuals and to assure them greater self-sufficiency;

(15) services for the prevention of abuse of older individuals in accordance with subpart III of part A of subchapter XI and section 3027(a)(12) of this title, and screening for elder abuse, neglect, and exploitation;

(16) inservice training and State leadership for legal assistance activities;

(17) health and nutrition education services, including information concerning prevention, diagnosis, treatment, and rehabilitation of age-related diseases and chronic disabling conditions;

(18) services designed to enable mentally impaired older individuals to attain and maintain emotional well-being and independent living through a coordinated system of support services;

(19) services designed to support family members and other persons providing vol-
(c) Coordination of services with other providers

In carrying out the provisions of this part, to more efficiently and effectively deliver services to older individuals, each area agency on aging shall coordinate services described in subsection (a) with other community agencies and voluntary organizations providing the same services. In coordinating the services, the area agency on aging shall make efforts to coordinate the services with agencies and organizations carrying out intergenerational programs or projects, and pursue opportunities for the development of intergenerational shared site models for programs or projects, consistent with the purposes of this chapter.

(d) Relationship to other funding sources

Funds made available under this part shall supplement, and not supplant, any Federal, State, or local funds expended by a State or unit of general purpose local government (including an area agency on aging) to provide services described in subsection (a).

(e) "Adult child with a disability" defined

In this section, the term "adult child with a disability" means a child who—

(1) is age 18 or older;

(2) is financially dependent on an older individual who is a parent of the child; and

(3) has a disability.

REFERENCES IN TEXT

The Workforce Innovation and Opportunity Act, referred to in subsec. (a)(12), is Pub. L. 114–144, July 22, 2014, 128 Stat. 1425, which enacted chapter 41 (§2001 et seq.) of Title 29, Labor, repealed chapter 39 (§2291 et seq.) of Title 29 and chapter 73 (§2901 et seq.) of Title 20, Education, and made amendments to numerous other sections and notes in the Code. For complete classification of this Act to the Code, see Short Title note set out under section 3101 of Title 29 and Tables.

AMENDMENTS


Subsec. (a)(2). Pub. L. 114–144, §9(5)(B), inserted "and behavioral" before "mental".

Subsec. (a)(8). Pub. L. 114–144, §9(5)(C), inserted "and behavioral" after "mental".


1992—Subsec. (a)(3). Pub. L. 102–375, § 312(1), (2), inserted “(including information and assistance services)” after “and services” and “including language translation services to older individuals with limited-English speaking ability to obtain services under this subchapter” before semicolon at end.
Subsec. (a)(6). Pub. L. 102–375, § 312(4), amended par. (6) generally. Prior to amendment, par. (6) read as follows: “services designed to provide legal assistance and other counseling services and assistance, including tax counseling and assistance, financial counseling, and counseling regarding appropriate health and life insurance coverage, to older individuals.”
Subsec. (a)(8). Pub. L. 102–375, § 312(6), substituted “for older individuals, preretirement counseling and assistance in planning for and assessing future post-retirement needs with regard to public and private insurance, public benefits, lifestyle changes, legal matters, leisure time, and other appropriate matters” for “for preretirement and second career counseling for older individuals”.
Subsec. (a)(11). Pub. L. 102–375, § 312(7), inserted before semicolon at end “, and of older individuals who provide uncompensated care to their adult children with disabilities”.
Subsec. (a)(12). Pub. L. 102–375, § 312(8), inserted “and second career” after “including job”.
Subsec. (a)(14). Pub. L. 102–375, § 306(a)(15)(B)(i), substituted “low-income older individuals” for “older, poor individuals 60 years of age or older”.
Subsec. (a)(16). Pub. L. 102–375, § 312(9), inserted before semicolon at end “, including information concerning prevention, diagnosis, treatment, and rehabilitation of age-related diseases and chronic disabling conditions”.
Subsec. (a)(19) to (22). Pub. L. 102–375, § 312(10)–(12), added paras. (19) to (21) and redesignated former par. (19) as (22).
1987—Subsec. (a). Pub. L. 100–175, § 146(b), inserted sentence at end defining “client assessment through case management” for purposes of par. (5).
Subsec. (a)(1). Pub. L. 100–175, § 136(d)(1), inserted “(including mental health)” after “health”.
Subsec. (a)(4)(B). Pub. L. 100–175, § 136(d)(2), substituted “who have physical disabilities” for “suffering from physical disabilities”.
Subsec. (a)(10). Pub. L. 100–175, § 182(m), inserted “for” after “advocate”.
1984—Subsec. (a)(5). Pub. L. 98–450, § 312(a)(1), in amending par. (5) generally, substituted “services designed to assist older individuals in avoiding institutionalization and to assist individuals in long-term care institutions who are able to return to their communities, including client assessment through case management and integration and coordination of community services such as physical activity, exercise, music therapy, art therapy, and dance-movement therapy” for “services designed to assist older individuals in avoiding institutionalization, including” and “and letter writing services, through resource development and management to assist such individuals to live” for “letter writing services, and other similar services designed to assist such individuals to continue living”.
1980—Subsec. (b)(1). Pub. L. 100–175, § 182(m), inserted “as a(13), substituted “Assistant Secretary” for “Commissioner”.
Subsec. (c). Pub. L. 93–144, § 4(g)(3), inserted before period at end “, and pursuant to the development of intergenerational shared site models for programs or projects, consistent with the purposes of this chapter.”
§ 3030d-21 PURPOSES

The purposes of this part are—
(1) to reduce hunger and food insecurity;
(2) to promote socialization of older individuals; and
(3) to promote the health and well-being of older individuals by assisting such individuals to gain access to nutrition and other disease prevention and health promotion services to delay the onset of adverse health conditions resulting from poor nutritional health or sedentary behavior.


SUBPART I—CONGREGATE NUTRITION SERVICES

§ 3030e. Grants for establishment and operation of nutrition projects

The Assistant Secretary shall carry out a program for making grants to States under State plans approved under section 3027 of this title for the establishment and operation of nutrition projects that—

(1) 5 or more days a week (except in a rural area where such frequency is not feasible (as defined by the Assistant Secretary by regulations) and a lesser frequency is approved by the State agency), provide at least one hot or other appropriate meal per day and any additional meals which the recipient of a grant or contract under this subpart may elect to provide;

(2) shall be provided in congregate settings, including adult day care facilities and multigenerational meal sites; and

(3) provide nutrition education, nutrition counseling, and other nutrition services, as appropriate, based on the needs of meal participants.


AMENDMENTS


Par. (2). Pub. L. 109–365, § 313(3), struck out “which” before “shall be provided”.

Par. (3). Pub. L. 109–365, § 313(4), added par. (3) and struck out former par. (3) which read as follows: “which may include nutrition education services and other appropriate nutrition services for older individuals.”


1993—Pub. L. 103–171 substituted “Assistant Secretary” for “Commissioner” in introductory provisions and par. (1).

1992—Par. (1). Pub. L. 102–375 inserted “(except in a rural area where such frequency is not feasible (as defined by the Commissioner by regulation) and a lesser frequency is approved by the State agency)” after “week” and struck out before semicolon at end “, each of which assures a minimum of one-third of the daily recommended dietary allowances as established by the Food and Nutrition Board of the National Academy of Sciences-National Research Council”. 
§ 3030f. Program authorized

The Assistant Secretary shall establish and carry out a program to make grants to States under State plans approved under section 3027 of this title for the establishment and operation of nutrition projects for older individuals that provide—

(1) on 5 or more days a week (except in a rural area where such frequency is not feasible (as defined by the Assistant Secretary by rule) and a lesser frequency is approved by the State agency) at least 1 home delivered meal per day, which may consist of hot, cold, frozen, dried, canned, or fresh foods and, as appropriate, supplemental foods, and any additional meals that the recipient of a grant or contract under this subpart elects to provide; and

(2) nutrition education, nutrition counseling, and other nutrition services, as appropriate, based on the needs of meal recipients.

(2006—Par. (1). Pub. L. 110–365 amended section generally. Prior to amendment, text read as follows: “The Assistant Secretary, in consultation with recognized experts in the fields of nutrition science, dietetics, meal planning and food service management, and aging, shall develop minimum criteria of efficiency and quality for the furnishing of home delivered meal services for projects described in section 3030f of this title. The criteria required by this section shall take into account the ability of established home delivered meal services to continue such services without major alteration in the furnishing of such services.”)

AMENDMENTS

2006—Pub. L. 110–365 amended section generally. Prior to amendment, text read as follows: “The Assistant Secretary, in consultation with recognized experts in the fields of nutrition science, dietetics, meal planning and food service management, and aging, shall develop minimum criteria of efficiency and quality for the furnishing of home delivered meal services for projects described in section 3030f of this title. The criteria required by this section shall take into account the ability of established home delivered meal services to continue such services without major alteration in the furnishing of such services.”

2005—Pub. L. 110–171 substituted “Assistant Secretary” for “Commissioner”.


1997—Pub. L. 104–208 substituted “National Association of Area Agencies on Aging, the National Association of Nutrition and Aging Services Programs, the National Association of Meals Programs, Incorporated, and any other appropriate group, shall develop minimum criteria of efficiency and quality for the furnishing of home delivered meal services for projects described in section 3030f of this title. The criteria required by this section shall take into account the ability of established home delivered meal services to continue such services without major alteration in the furnishing of such services.”

1993—Pub. L. 103–171 substituted “Assistant Secretary” for “Commissioner”.


1987—Pub. L. 100–175 substituted “National Association of Area Agencies” for “Association of Area Agencies”.


AMENDMENTS

2006—Pub. L. 110–365 amended section generally. Prior to amendment, text read as follows: “The Assistant Secretary, in consultation with recognized experts in the fields of nutrition science, dietetics, meal planning and food service management, and aging, shall develop minimum criteria of efficiency and quality for the furnishing of home delivered meal services for projects described in section 3030f of this title. The criteria required by this section shall take into account the ability of established home delivered meal services to continue such services without major alteration in the furnishing of such services.”


1993—Pub. L. 103–171 substituted “Assistant Secretary” for “Commissioner”.


1987—Pub. L. 100–175 substituted “National Association of Area Agencies” for “Association of Area Agencies”.


Effective Date of 1987 Amendment

Amendment by Pub. L. 100–175 effective Oct. 1, 1987, except not applicable with respect to any area plan submitted under section 3027(a) of this title or any State plan submitted under section 3027(a) of this title and approved for any fiscal year beginning before Nov. 29, 1987, see section 701(a), (b) of Pub. L. 100–175, set out as a note under section 3001 of this title.

Effective Date

Section effective at close of Sept. 30, 1978, see section 504 of Pub. L. 95–478, set out as an Effective Date of 1978 Amendment note under section 3001 of this title.

SUBPART III—GENERAL PROVISIONS

COMIFICATION

Pub. L. 106–501, title III, § 312(b), Nov. 13, 2000, 114 Stat. 2252, redesignated subpart IV of this part as subpart III.
§ 3030g–21. Nutrition

A State that establishes and operates a nutrition project under this chapter shall—

(1) utilize the expertise of a dietitian or other individual with equivalent education and training in nutrition science, or if such an individual is not available, an individual with comparable expertise in the planning of nutritional services, and

(2) ensure that the project—

(A) provides meals that—

(i) comply with the most recent Dietary Guidelines for Americans, published by the Secretary and the Secretary of Agriculture, and

(ii) provide to each participating older individual—

(I) a minimum of 33% percent of the dietary reference intakes established by the Food and Nutrition Board of the Institute of Medicine of the National Academy of Sciences, if the project provides one meal per day,

(II) a minimum of 66% percent of the allowances if the project provides two meals per day, and

(III) 100 percent of the allowances if the project provides three meals per day, and

(iii) to the maximum extent practicable, are adjusted to meet any special dietary needs of program participants,

(B) provides flexibility to local nutrition providers in designing meals that are appealing to program participants,

(C) encourages providers to enter into contracts that limit the amount of time meals must spend in transit before they are consumed,

(D) where feasible, encourages joint arrangements with schools and other facilities serving meals to children in order to promote intergenerational meal programs,

(E) provides that meals, other than in-home meals, are provided in settings in as close proximity to the majority of eligible older individuals’ residences as feasible,

(F) comply with applicable provisions of State or local laws regarding the safe and sanitary handling of food, equipment, and supplies used in the storage, preparation, service, and delivery of meals to an older individual,

(G) ensures that meal providers solicit the advice and expertise of—

(i) a dietitian or other individual described in paragraph (1),

(ii) meal participants, and

(iii) other individuals knowledgeable with regard to the needs of older individuals,

(H) ensures that each participating area agency on aging establishes procedures that allow nutrition project administrators the option to offer a meal, on the same basis as meals provided to participating older individuals, to individuals providing volunteer services during the meal hours, and to individuals with disabilities who reside at home with older individuals eligible under this chapter.

(I) ensures that nutrition services will be available to older individuals and to their spouses, and may be made available to individuals with disabilities who are not older individuals but who reside in housing facilities occupied primarily by older individuals at which congregate nutrition services are provided,

(J) provides for nutrition screening and nutrition education, and nutrition assessment and counseling if appropriate,

(K) encourages individuals who distribute nutrition services under subpart II to provide, to homebound older individuals, available medical information approved by health care professionals, such as informational brochures and information on how to get vaccines, including vaccines for influenza, pneumonia, and shingles, in the individuals’ communities, and

(L) where feasible, encourages the use of locally grown foods in meal programs and identifies potential partnerships and contracts with local producers and providers of locally grown foods.

Prior Provisions

A prior subpart III, consisting of sections 3030g–11 to 3030g–13 of this title, related to school-based meals for volunteer older individuals and multigenerational programs, is being repealed by Pub. L. 106–501, title III, §312(a), Nov. 13, 2000, 114 Stat. 2525.


2000—Par. (2)(C). Pub. L. 109–365, §316(2)(C), amended subpar. (G) generally. Prior to amendment, subpar. (G) read as follows: “comply with the Dietary Guidelines for Americans, published by the Secretary and the Secretary of Agriculture.”
2000—Par. (2)(G). Pub. L. 109–365, §316(2)(G), amended subpar. (J) generally. Prior to amendment, subpar. (J) read as follows: “‘solicit the advice of a dietitian or individual with comparable expertise in the planning of nutritional services, and”.
2000—Par. (2)(J). Pub. L. 109–365, §316(2)(J), (K), Pub. L. 109–365, §316(2)(J), (K), and (L) and struck out former subpar. (J) which read as follows: “provide for nutrition screening and, where appropriate, for nutrition education and counseling.”
§ 3030g–22. Payment requirement
Payments made by a State agency or an area agency on aging for nutrition services (including meals) provided under part A, B, or C may not be reduced to reflect any increase in the level of assistance provided under section 3030a of this title.

Prior Provisions
Prior sections 3030h to 3030k were repealed by Pub. L. 106–501, title III, §314(1), Nov. 13, 2000, 114 Stat. 2253.


§ 3030m. Program authorized
(a) Grants to States
The Assistant Secretary shall carry out a program for making grants to States under State plans approved under section 3027 of this title to provide evidence-based disease prevention and health promotion services and information at multipurpose senior centers, at congregate meal sites, through home delivered meals programs, or at other appropriate sites. In carrying out such program, the Assistant Secretary shall consult with the Directors of the Centers for Disease Control and Prevention and the National Institute on Aging.

(b) Community organizations and agencies
The Assistant Secretary shall, to the extent possible, assure that services provided by other community organizations and agencies are used to carry out the provisions of this part.

(e) Improving indoor air quality
The Assistant Secretary shall work in consultation with qualified experts to provide information on methods of improving indoor air quality in buildings where older individuals congregate.


Amendments
2016—Subsec. (a). Pub. L. 114–144 inserted “evidence-based” after “to provide”.
Subsec. (b). Pub. L. 103–171, §3(a)(13), substituted “Assistant Secretary” for “Commissioner”.
1992—Subsec. (a). Pub. L. 105–375, §319(a)(1), amended subsec. (a) generally. Prior to amendment, subsec. (a) read as follows: “The Commissioner shall carry out a program for making grants to States under State plans approved under section 3027 of this title for periodic preventive health services to be provided at senior centers or alternative sites as appropriate.”
Subsecs. (b), (c), Pub. L. 102–375, § 319(a)(2), (3), redesignated subsec. (c) as (b) and struck out former subsec. (b) which read as follows: “Preventive health services under this part may not include services eligible for reimbursement under Medicare.”

**Effective Date**

Section effective Oct. 1, 1987, except not applicable with respect to any area plan submitted under section 3026(a) of this title or any State plan submitted under section 3027(a) of this title and approved for any fiscal year beginning before Nov. 29, 1987, see section 701(a), (b) of Pub. L. 100–175, set out as an Effective Date of 1987 Amendment note under section 3001 of this title.

**§ 3030n. Distribution to area agencies on aging**

The State agency shall give priority, in carrying out this part, to areas of the State—

(1) which are medically underserved; and

(2) in which there are a large number of older individuals who have the greatest economic need for such services.


**Prior Provisions**

Prior sections 3030c to 3030r were repealed by Pub. L. 106–501, title III, §§ 315, 316(1), Nov. 13, 2000, 114 Stat. 2253.


**Effective Date**

Section effective Oct. 1, 1987, except not applicable with respect to any area plan submitted under section 3026(a) of this title or any State plan submitted under section 3027(a) of this title and approved for any fiscal year beginning before Nov. 29, 1987, see section 701(a), (b) of Pub. L. 100–175, set out as an Effective Date of 1987 Amendment note under section 3001 of this title.

**Part E—National Family Caregiver Support Program**


A prior part D of this subchapter, consisting of sections 3030m to 3030o of this title, was redesignated part D of this subchapter.

A prior part G of this subchapter consisting of sections 3030p to 3030r of this title, related to supportive activities for caretakers who provide in-home services to frail older individuals, prior to repeal by Pub. L. 106–501, title III, § 314(1), Nov. 13, 2000, 114 Stat. 2253. See Prior Provisions note set out under section 3030m of this title.

**§ 3030s. Definitions**

(a) In general

In this part:

(1) Child

The term “child” means an individual who is not more than 18 years of age.

(2) Individual with a disability

The term “individual with a disability” means an individual with a disability, as defined in section 12201 of this title, who is not less than age 18 and not more than age 59.

(3) Older relative caregiver

The term “older relative caregiver” means a caregiver who—

(A) is age 55 or older; and

(B) in the case of a caregiver for a child—

(i) is the primary caregiver of the child because the biological or adoptive parents are unable or unwilling to serve as the primary caregivers of the child; and

(ii) is the primary caregiver of the child, such as legal custody, adoption, or guardianship, or is raising the child informally; and

(C) in the case of a caregiver for an individual with a disability, is the parent, grandparent, or other relative by blood, marriage, or adoption, of the individual with a disability.

(b) Rule

In providing services under this part, for family caregivers who provide care for individuals with Alzheimer’s disease and related disorders with neurological and organic brain dysfunction, the State involved shall give priority to caregivers who provide care for older individuals with such disease or disorder.


**Amendments**


**Effective Date**

Section effective Oct. 1, 1987, except not applicable with respect to any area plan submitted under section 3026(a) of this title or any State plan submitted under section 3027(a) of this title and approved for any fiscal year beginning before Nov. 29, 1987, see section 701(a), (b) of Pub. L. 100–175, set out as an Effective Date of 1987 Amendment note under section 3001 of this title.

**Part E—National Family Caregiver Support Program**


Subsec. (a)(1), Pub. L. 114–144, §4(k)(2)(A)(x), struck out “or who is an individual with a disability” before period at end.

(a)(2), (3), Pub. L. 114–144, §4(k)(2)(A)(x), added pars. (2) and (3) and struck out former par. (2) which defined grandparent or older individual who is a relative caregiver.

(b)(2), Pub. L. 114–144, §4(k)(2)(B), substituted “this part,” for “this subpart—,” struck out par. (1) designation before “for family caregivers,” and struck out par. (2) which read as follows: “for grandparents or older individuals who are relative caregivers, the State involved shall give priority to caregivers who provide care for children with severe disabilities.”

2006—Pub. L. 109–365 designated existing provisions as subsec. (a) and inserted heading, inserted “or who is an individual with a disability” after “age” in par. (1), substituted “a child by blood, marriage, or adoption” for “a child by blood or marriage” and “55 years” for “50 years” in par. (3), redesignated par. (3) as (2), struck out former par. (2) which defined term “family caregiver”, and added subsec. (b).

For short title of this part as the “National Family Caregiver Support Act”, see section 371 of Pub. L. 89–73, set out as a Short Title note under section 3001 of this title.

RECOGNIZE, ASSIST, INCLUDE, SUPPORT, AND ENGAGE FAMILY CAREGIVERS

Pub. L. 115–119, Jan. 22, 2018, 132 Stat. 23, provided that:

“SECTION 1. SHORT TITLE.

“This Act may be cited as the ‘Recognize, Assist, Include, Support, and Engage Family Caregivers’ Act of 2017 or the ‘RAISE Family Caregivers’ Act.”

“SEC. 2. DEFINITIONS.

“In this Act:

“(1) ADVISORY COUNCIL.—The term ‘Advisory Council’ means the Family Caregiving Advisory Council convened under section 4.

“(2) FAMILY CAREGIVER.—The term ‘family caregiver’ means an adult family member or other individual who has a significant relationship with, and who provides a broad range of assistance to, an individual with a chronic or other health condition, disability, or functional limitation.

“(3) SECRETARY.—The term ‘Secretary’ means the Secretary of Health and Human Services.

“(4) STRATEGY.—The term ‘Strategy’ means the Family Caregiving Strategy set forth under section 3.

“SEC. 3. FAMILY CAREGIVING STRATEGY.

“(a) IN GENERAL.—The Secretary, in consultation with the heads of other appropriate Federal agencies, shall develop jointly with the Advisory Council and submit to the Committee on Health, Education, Labor, and Pensions and the Special Committee on Aging of the Senate, the Committee on Education and the Workforce (now Committee on Education and Labor) of the House of Representatives, and the State agencies responsible for carrying out family caregiver programs, an initial Strategy incorporating the items addressed in the Advisory Council’s initial report under section 4(d) and other relevant information, including best practices, for recognizing and supporting family caregivers; and

“(b) CONTENTS.—The Strategy shall identify recommended actions that Federal (under existing Federal programs), State, and local governments, communities, health care providers, long-term services and supports providers, and others are taking, or may take, to recognize and support family caregivers in a manner that reflects their diverse needs, including with respect to the following:

“(1) Promoting greater adoption of person- and family-centered care in all health and long-term services and supports settings, with the person receiving care, family caregivers, and the center of care teams.

“(2) Assessment and service planning (including care transitions and coordination) involving family caregivers and care recipients.

“(3) Information, education, and training supports, referral, and care coordination, including with respect to hospice care, palliative care, and advance care planning services.

“(4) Respite options.

“(5) Financial security and workplace issues.

“(6) Delivering services based on the performance, mission, and purpose of a program while eliminating redundancies.

“(c) DUTIES OF THE SECRETARY.—The Secretary, in carrying out subsection (a), shall oversee the following:

“(1) Collecting and making publicly available information submitted by the Advisory Council under section 4(d) to the Committee on Health, Education, Labor, and Pensions and the Special Committee on Aging of the Senate, the Committee on Education and the Workforce (now Committee on Education and Labor) of the House of Representatives, and the State agencies responsible for carrying out family caregiver programs, including evidence-based or promising practices and innovative models (both domestic and foreign) regarding the provision of care by family caregivers or support for family caregivers.

“(2) Coordinating and assessing existing Federal Government programs and activities to recognize and support family caregivers while ensuring maximum effectiveness and avoiding unnecessary duplication.

“(3) Providing technical assistance, as appropriate, such as disseminating identified best practices and information sharing based on reports provided under section 4(d), to State or local efforts to support family caregivers.

“(d) INITIAL STRATEGY; UPDATES.—The Secretary shall—

“(1) not later than 18 months after the date of enactment of this Act (Jan. 22, 2018), develop, publish, and submit to the Committee on Health, Education, Labor, and Pensions and the Special Committee on Aging of the Senate, the Committee on Education and the Workforce (now Committee on Education and Labor) of the House of Representatives, and the State agencies responsible for carrying out family caregiver programs, an initial Strategy incorporating the items addressed in the Advisory Council’s initial report under section 4(d) and other relevant information, including best practices, for recognizing and supporting family caregivers; and

“(2) biennially update, republish, and submit to the Committee on Health, Education, Labor, and Pensions and the Special Committee on Aging of the Senate, the Committee on Education and the Workforce (now Committee on Education and Labor) of the House of Representatives, and the State agencies responsible for carrying out family caregiver programs the Strategy, taking into account the most recent annual report submitted under section 4(d)(1)—

“(A) to reflect new developments, challenges, opportunities, and solutions; and

“(B) to review progress based on recommendations for recognizing and supporting family caregivers in the Strategy and, based on the results of such review, recommend priority actions for improving the implementation of such recommendations, as appropriate.

“(e) PROCESS FOR PUBLIC INPUT.—The Secretary shall establish a process for public input to inform the development of, and updates to, the Strategy, including a process for the public to submit recommendations to the Advisory Council and an opportunity for public comment on the proposed Strategy.

“(f) NO PREEMPTION.—Nothing in this Act preempts any authority of a State or local government to recognize or support family caregivers.

“(g) RULE OF CONSTRUCTION.—Nothing in this Act shall be construed to permit the Secretary (through regulation, guidance, grant criteria, or otherwise) to—

“(1) mandate, direct, or control the allocation of State or local resources;
“(2) mandate the use of any of the best practices identified in the reports required under this Act; or
“(3) otherwise expand the authority of the Secretary beyond that expressly provided to the Secretary in this Act.

SEC. 4. FAMILY CAREGIVING ADVISORY COUNCIL.

“(a) CONVENING.—The Secretary shall convene a Family Caregiving Advisory Council to advise and provide recommendations, including identified best practices, to the Secretary on recognizing and supporting family caregivers.

“(b) MEMBERSHIP.—(1) IN GENERAL.—The members of the Advisory Council shall consist of—
“(A) the appointed members under paragraph (2);
“(B) the Federal members under paragraph (3).

“(2) APPOINTED MEMBERS.—In addition to the Federal members under paragraph (3), the Secretary shall appoint not more than 15 voting members of the Advisory Council who are not representatives of Federal departments or agencies and who shall include at least 1 representative of each of the following:
“(A) an individual who is a family caregiver;
“(B) Older adults with long-term services and supports needs;
“(C) Individuals with disabilities;
“(D) Health care and social service providers;
“(E) Long-term services and supports providers;
“(F) Employers;
“(G) Paraprofessional workers;
“(H) State and local officials;
“(I) Accreditation bodies;
“(J) Veterans;
“(K) As appropriate, other experts and advocacy organizations engaged in family caregiving.

“(3) FEDERAL MEMBERS.—The Federal members of the Advisory Council, who shall be nonvoting members, shall consist of the following:
“(A) The Administrator of the Centers for Medicare & Medicaid Services (or the Administrator’s designee);
“(B) The Administrator of the Administration for Community Living (or the Administrator’s designee who has experience in both aging and disability);
“(C) The Secretary of Veterans Affairs (or the Secretary’s designee);
“(D) The heads of other Federal departments or agencies (or their designees), including relevant departments or agencies that oversee labor and workforce, economic, government financial policies, community service, and other impacted populations, as appointed by the Secretary or the Chair of the Advisory Council.

“(4) DIVERSE REPRESENTATION.—The Secretary shall ensure that the membership of the Advisory Council reflects the diversity of family caregivers and individuals receiving services and supports.

“(c) MEETINGS.—The Advisory Council shall meet quarterly during the 1-year period beginning on the date of enactment of this Act (Jan. 22, 2018) and at least three times during each year thereafter. Meetings of the Advisory Council shall be open to the public.

“(d) ADVISORY COUNCIL ANNUAL REPORTS.—
“(1) IN GENERAL.—Not later than 12 months after the date of enactment of this Act, and annually thereafter, the Advisory Council shall submit to the Secretary, the Committee on Health, Education, Labor, and Pensions and the Special Committee on Aging of the Senate, the Committee on Education and the Workforce (now Committee on Education and Labor) of the House of Representatives, and the State agencies responsible for carrying out family caregiver programs, and make publicly available on the internet website of the Department of Health and Human Services, a report concerning the development, maintenance, and updating of the Strategy, including a description of the outcomes of the recommendations and any priorities included in the initial report pursuant to paragraph (2), as appropriate.

“(2) INITIAL REPORT.—The Advisory Council’s initial report under paragraph (1) shall include—
“(A) an inventory and assessment of all federally funded efforts to recognize and support family caregivers and the outcomes of such efforts, including analyses of the extent to which federally funded efforts are reaching family caregivers and gaps in such efforts;
“(B) recommendations—
“(i) to improve and better coordinate Federal programs and activities to recognize and support family caregivers, as well as opportunities to improve the coordination of such Federal programs and activities with State programs; and
“(ii) to effectively deliver services based on the performance, mission, and purpose of a program while eliminating redundancies, avoiding unnecessary duplication and overlap, and ensuring the needs of family caregivers are met;
“(C) the identification of challenges faced by family caregivers, including financial, health, and other challenges, and existing approaches to address such challenges; and
“(D) an evaluation of how family caregiving impacts the Medicare program, the Medicaid program, and other Federal programs.


SEC. 5. FUNDING.

“No additional funds are authorized to be appropriated to carry out this Act. This Act shall be carried out using funds otherwise authorized.

SEC. 6. SUNSET PROVISION.

“The authority and obligations established by this Act shall terminate on the date that is 3 years after the date of enactment of this Act (Jan. 22, 2018).”

§ 3030s–1. Program authorized

(a) in general

The Assistant Secretary shall carry out a program for making grants to States with State plans approved under section 3027 of this title, to pay for the Federal share of the cost of carrying out State programs, to enable area agencies on aging, or entities that such area agencies on aging contract with, to provide multifaceted systems of support services—

(1) for family caregivers; and

(2) for older relative caregivers.

(b) Support services

The services provided, in a State program under subsection (a), by an area agency on aging, or entity that such agency has contracted with, shall include—

(1) information to caregivers about available services;

(2) assistance to caregivers in gaining access to the services;

(3) individual counseling, organization of support groups, and caregiver training to assist the caregivers in the areas of health, nutrition, and financial literacy, and in making decisions and solving problems relating to their caregiving roles;

(4) respite care to enable caregivers to be temporarily relieved from their caregiving responsibilities; and

(5) supplemental services, on a limited basis, to complement the care provided by caregivers.
(c) Population served; priority

(1) Population served

Services under a State program under this part shall be provided to family caregivers, and older relative caregivers, who—

(A) are described in paragraph (1) or (2) of subsection (a); and

(B) with regard to the services specified in paragraphs (4) and (5) of subsection (b), in the case of a caregiver described in paragraph (1), is providing care to an older individual who meets the condition specified in subparagraph (A)(i) or (B) of section 3002(22) of this title.

(2) Priority

In providing services under this part, the State, in addition to giving the priority described in section 3030s(b) of this title, shall give priority—

(A) to caregivers who are older individuals with greatest social need, and older individuals with greatest economic need (with particular attention to low-income older individuals); and

(B) to older relative caregivers of children with severe disabilities, or individuals with disabilities who have severe disabilities.

d) Use of volunteers

In carrying out this part, each area agency on aging shall make use of trained volunteers to expand the provision of the available services described in subsection (b) and, if possible, work in coordination with organizations that have experience in providing training, placement, and stipends for volunteers or participants (such as organizations carrying out Federal service programs administered by the Corporation for National and Community Service), in community service settings.

e) Quality standards and mechanisms and accountability

(1) Quality standards and mechanisms

The State shall establish standards and mechanisms designed to assure the quality of services provided with assistance made available under this part.

(2) Data and records

The State shall collect data and maintain records relating to the State program in a standardized format specified by the Assistant Secretary. The State shall furnish the records to the Assistant Secretary, at such time as the Assistant Secretary may require, in order to enable the Assistant Secretary to monitor State program administration and compliance, and to evaluate and compare the effectiveness of the State programs.

(3) Reports

The State shall prepare and submit to the Assistant Secretary reports on the data and records required under paragraph (2), including information on the services funded under this part, and standards and mechanisms by which the quality of the services shall be assured. The reports shall describe any mechanisms used in the State to provide to persons who are family caregivers, or older relative caregivers, information about and access to various services so that the persons can better carry out their care responsibilities.

(f) Caregiver allotment

(1) In general

(A) From sums appropriated under section 3023(e) of this title for a fiscal year, the Assistant Secretary shall allot amounts among the States proportionately based on the population of individuals 70 years of age or older in the States.

(B) In determining the amounts allotted to States from the sums appropriated under section 3023 of this title for a fiscal year, the Assistant Secretary shall first determine the amount allotted to each State under subparagraph (A) and then proportionately adjust such amounts, if necessary, to meet the requirements of paragraph (2).

(C) The number of individuals 70 years of age or older in any State and in all States shall be determined by the Assistant Secretary on the basis of the most recent data available from the Bureau of the Census and other reliable demographic data satisfactory to the Assistant Secretary.

(2) Minimum allotment

(A) The amounts allotted under paragraph (1) shall be reduced proportionately to the extent necessary to increase other allotments under such paragraph to achieve the amounts described in subparagraph (B).

(B)(i) Each State shall be allotted 1/2 of 1 percent of the amount appropriated for the fiscal year for which the determination is made.

(ii) Guam and the Virgin Islands of the United States shall each be allotted 1/3 of 1 percent of the amount appropriated for the fiscal year for which the determination is made.

(iii) American Samoa and the Commonwealth of the Northern Mariana Islands shall each be allotted 1/6 of 1 percent of the amount appropriated for the fiscal year for which the determination is made.

(C) For the purposes of subparagraph (B)(i), the term “State” does not include Guam, American Samoa, the Virgin Islands of the United States, and the Commonwealth of the Northern Mariana Islands.

g) Availability of funds

(1) Use of funds for administration of area plans

Amounts made available to a State to carry out the State program under this part may be used, in addition to amounts available in accordance with section 3023(e)(1) of this title, for costs of administration of area plans.

(2) Federal share

(A) In general

Notwithstanding section 3024(d)(1)(D) of this title, the Federal share of the cost of carrying out a State program under this part shall be 75 percent.

(B) Non-Federal share

The non-Federal share of the cost shall be provided from State and local sources.

(C) Limitation

A State may use not more than 10 percent of the total Federal and non-Federal share
2010, and 2011’’.


A child who is not more than 18 years of age’’ before pec-

are responsibilities.’’

services so that the persons can better carry out their

roles;’’ for ‘‘caregivers to assist the caregivers in mak-

nutrition, and financial literacy, and in making deci-

Subsec. (c)(1). Pub. L. 114–114, § 4(1), substituted ‘‘older relative caregivers’’ for ‘‘grandparents or older

individuals who are relative caregivers’’.


individuals who are relative caregivers, and who’’.

Subsec. (g)(2)(C). Pub. L. 114–114, § 4(3), substituted ‘‘older relative caregivers’’ for ‘‘grandparents or older

individuals who are relative caregivers of a child who is

not more than 18 years of age’’.

2006—Subsec. (b)(5). Pub. L. 109–365, § 321(1), sub-

stituted ‘‘assist the caregivers in the areas of health, nu-

trition, and financial literacy, and in making deci-

sions and solving problems relating to their caregiving

roles;’’ for ‘‘caregivers to assist the caregivers in mak-

ing decisions and solving problems relating to their
caregiving roles’’.

Subsec. (c)(1)(B). Pub. L. 109–365, § 321(2)(A), sub-

stituted ‘‘subparagraph (A)(i) or (B) of section 3002(22)’’

for ‘‘subparagraph (A)(i) or (B) of section 3002(23)’’.


(2) and struck out former par. (2). Prior to amendment, text read as follows: ‘‘In providing services under this

subpart, the State shall give priority for services to

older relative caregivers.’’

Prior sections 3030s–11 and 3030s–12, which comprised


Section 3030s–11, Pub. L. 89–73, title III, § 375, as added


2256, provided for an innovation grant program.

Section 3030s–12, Pub. L. 89–73, title III, § 376, as added


2257, directed Assistant Secretary to carry out activities

of national significance to promote quality and

continuous improvement in the support provided to

family and other informal caregivers of older individ-

uals.

AMENDMENTS

2016—Pub. L. 114–114 substituted ‘‘this part’’ for ‘‘this

subpart’’ wherever appearing.

Subsec. (a)(2). Pub. L. 114–114, § 4(1), substituted ‘‘older relative caregivers’’ for ‘‘grandparents or older

individuals who are relative caregivers’’.


tory provisions, substituted ‘‘older relative caregivers, who’’ for ‘‘grandparents and older individuals who are

relative caregivers, and who’’.


stituted ‘‘to older relative caregivers of children with

severe disabilities, or individuals with disabilities who

have severe disabilities’’ for ‘‘to older individuals pro-

viding care to individuals with severe disabilities, in-

cluding children with severe disabilities’’.


‘‘older relative caregivers’’ for ‘‘grandparents or older

individuals who are relative caregivers’’.


‘‘grandparents or older individuals who are relative

caregivers’’ for ‘‘grandparents and older individuals who

are relative caregivers, and who’’.


In carrying out this subpart, each area agency on

aging process; understanding of the older population and the

The purposes of this subchapter are—

(1) to expand the Nation’s knowledge and under-

standing of the older population and the

aging process;

(2) to design, test, and promote the use of in-

novative ideas and best practices in programs

and services for older individuals;
(3) to help meet the needs for trained personnel in the field of aging; and

(4) to increase awareness of citizens of all ages of the need to assume personal responsibility for their own longevity.


PRIOR PROVISIONS


There are authorized to be appropriated to carry out—

(a) In general

For the purpose of carrying out this section, the Assistant Secretary may make grants to and enter into contracts with States, public agencies, private nonprofit agencies, institutions of higher education, and organizations, including tribal organizations, for—

(1) education and training to develop an adequately trained workforce to work with and on behalf of older individuals;

(2) applied social research and analysis to improve access to and delivery of services for older individuals;

(3) evaluation of the performance of the programs, activities, and services provided under this section;

(4) the development of methods and practices to improve the quality and effectiveness of the programs, services, and activities provided under this section;

(5) the demonstration of new approaches to design, deliver, and coordinate programs and services for older individuals;

(6) technical assistance in planning, developing, implementing, and improving the programs, services, and activities provided under this section;

(7) coordination with the designated State agency described in section 101(a)(2)(A)(i) of the Rehabilitation Act of 1973 (29 U.S.C. 721(a)(2)(A)(i)) to provide services to older individuals who are blind as described in such Act [29 U.S.C. 701 et seq.];

(8) the training of graduate level professionals specializing in the mental health needs of older individuals;

(9) planning activities to prepare communities for the aging of the population, which activities may include—

(A) efforts to assess the aging population;

(B) activities to coordinate the activities of State and local agencies in order to meet the needs of older individuals; and

(C) training and technical assistance to support States, area agencies on aging, and organizations receiving grants under subchapter X, in engaging in community planning activities;

(10) the development, implementation, and assessment of technology-based service models and best practices, to support the use of health monitoring and assessment technologies, communication devices, assistive technologies, and other technologies that may remotely connect family and professional caregivers to frail older individuals residing in home and community-based settings or rural areas;

(11) conducting activities of national significance to promote quality and continuous improvement in the support provided to family and other informal caregivers of older individuals through activities that include program evaluation, training, technical assistance, and research, including—

(A) programs addressing unique issues faced by rural caregivers;

(B) programs focusing on the needs of older individuals with cognitive impairment such as Alzheimer's disease and related disorders with neurological and organic brain dysfunction, and their caregivers; and

(C) programs supporting caregivers in the role they play in providing disease prevention and health promotion services;

(12) building public awareness of cognitive impairments such as Alzheimer's disease and related disorders with neurological and organic brain dysfunction, depression, and mental disorders;

(13) continuing support for program integrity initiatives concerning the Medicare program under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.) that train senior volunteers to prevent and identify health care fraud and abuse; and

(14) any other activities that the Assistant Secretary determines will achieve the objectives of this section.

(b) Authorization of appropriations

There are authorized to be appropriated to carry out—

(1) aging network support activities under this section, $6,216,054 for fiscal year 2017, $6,346,048 for fiscal year 2018, and $6,476,043 for fiscal year 2019; and

(2) elder rights support activities under this section, $10,856,828 for fiscal year 2017, $11,083,873 for fiscal year 2018, and $11,310,919 for fiscal year 2019.
education and training that prepares students for careers in the field of aging.

(b) Definitions

For purposes of subsection (a):

(1) Hispanic Center of Excellence in Applied Gerontology

The term “Hispanic Center of Excellence in Applied Gerontology” means an institution of higher education with a program in applied gerontology that—

(A) has a significant number of Hispanic individuals enrolled in the program, including individuals accepted for enrollment in the program;

(B) has been effective in assisting Hispanic students of the program to complete the program and receive the degree involved;

(C) has been effective in recruiting Hispanic individuals to attend the program, including providing scholarships and other financial assistance to such individuals and encouraging Hispanic students of secondary educational institutions to attend the program;

(D) has made significant recruitment efforts to increase the number and placement of Hispanic individuals serving in faculty or administrative positions in the program.

(2) Historically Black college or university

The term “historically Black college or university” has the meaning given the term “part B institution” in section 1061(2) of title 20.


MENDMENTS

2006—Subsec. (a)(13), (14). Pub. L. 109–365 amended subsec. (a) generally. Prior to amendment, text read as follows: “The Assistant Secretary shall make grants to institutions of higher education, historically Black colleges or universities, Hispanic Centers of Excellence in Applied Gerontology, and other educational institutions that serve the needs of minority students, to provide education and training to prepare students for careers in the field of aging.”

§ 3032b. Older individuals' protection from violence projects

(a) Program authorized

The Assistant Secretary shall make grants to States, area agencies on aging, nonprofit organizations, or tribal organizations to carry out the activities described in subsection (b).

(b) Activities

A State, an area agency on aging, a nonprofit organization, or a tribal organization that receives a grant under subsection (a) shall use such grant to—

(1) support projects in local communities, involving diverse sectors of each community, to
coordinate activities concerning intervention in and prevention of elder abuse, neglect, and exploitation, including family violence and sexual assault, against older individuals;

(2) develop and implement outreach programs directed toward assisting older individuals who are victims of elder abuse, neglect, and exploitation (including family violence and sexual assault, against older individuals), including programs directed toward assisting the individuals in senior housing complexes, nursing homes, board and care facilities, and senior centers;

(3) expand access to family violence and sexual assault programs (including shelters, rape crisis centers, and support groups), including mental health services, safety planning and legal advocacy for older individuals and encourage the use of senior housing, hotels, or other suitable facilities or services when appropriate as emergency short-term shelters for older individuals who are the victims of elder abuse, including family violence and sexual assault; or

(4) promote research on legal, organizational, or training impediments to providing services to older individuals through shelters and other programs, such as impediments to provision of services in coordination with delivery of health care or services delivered under this chapter.

(c) Preference

In awarding grants under subsection (a), the Assistant Secretary shall give preference to a State, an area agency on aging, a nonprofit organization, or a tribal organization that has the ability to carry out the activities described in this section and subchapter XI of this chapter.

(d) Coordination

The Assistant Secretary shall encourage each State, area agency on aging, nonprofit organization, and tribal organization that receives a grant under subsection (a) to coordinate activities provided under this section with activities provided by other area agencies on aging, tribal organizations, State adult protective service programs, private nonprofit organizations, and by other entities receiving funds under subchapter XI of this chapter.

(Authority)

The Assistant Secretary, after consultation with the State agency of the State involved, shall make grants to eligible public agencies and nonprofit private organizations to pay part or all of the cost of developing or operating model health care service projects (including related home health care services, adult day health care, mental health services, outreach, and transportation) through multipurpose senior centers that are located in rural areas and that provide nutrition services under section 3030e of this title, to meet the health care needs of medically underserved older individuals residing in such areas.

(b) Eligibility

To be eligible to receive a grant under subsection (a), a public agency or nonprofit private organization shall submit to the Assistant Secretary an application containing such information and assurances as the Secretary may require, including—

(1) information describing the nature and extent of the applicant’s—

(A) experience in providing medical services of the type to be provided in the project for which a grant is requested; and

(B) coordination and cooperation with—

(i) institutions of higher education having graduate programs with capability in public health, mental health, the medical sciences, psychology, pharmacology, nursing, social work, health education, nutrition, or gerontology, for the purpose of designing and developing such project; and

(ii) critical access hospitals (as defined in section 1395x(aa)(2) of this title);

(2) assurances that the applicant will carry out the project for which a grant is requested, through a multipurpose senior center located—

(A)(i) in a rural area that has a population of less than 5,000; or

(ii) in a county that has fewer than seven individuals per square mile; and

(B) in a State in which—

(i) not less than 33% of the population resides in rural areas; and

(ii) not less than 5 percent of the population resides in counties with fewer than seven individuals per square mile, as defined by and determined in accordance with the most recent data available from the Bureau of the Census; and

(3) assurances that the applicant will submit to the Assistant Secretary such evaluations and reports as the Assistant Secretary may require.

(c) Reports

The Assistant Secretary shall prepare and submit to the appropriate committees of Congress a report that includes summaries of the evaluations and reports required under subsection (b).

(AMENDMENTS)


§ 3032e. Technical assistance and innovation to improve transportation for older individuals

(a) In general

The Secretary may award grants or contracts to nonprofit organizations to improve transportation services for older individuals.

(b) Use of funds

(1) In general

A nonprofit organization receiving a grant or contract under subsection (a) shall use the funds received through such grant or contract to carry out a demonstration project, or to provide technical assistance to assist local transit providers, area agencies on aging, senior centers, and local senior support groups, to encourage and facilitate coordination of Federal, State, and local transportation services and resources for older individuals. The organization may use the funds to develop and carry out an innovative transportation demonstration project to create transportation services for older individuals.

(2) Specific activities

In carrying out a demonstration project or providing technical assistance under paragraph (1) the organization may carry out activities that include—

(A) developing innovative approaches for improving access by older individuals to transportation services, including volunteer driver programs, economically sustainable transportation programs, and programs that allow older individuals to transfer their automobiles to a provider of transportation services in exchange for the services;

(B) preparing information on transportation options and resources for older individuals and organizations serving such individuals, and disseminating the information by establishing and operating a toll-free telephone number;

(C) developing models and best practices for providing comprehensive integrated transportation services for older individuals, including services administered by the Secretary of Transportation, by providing ongoing technical assistance to agencies providing services under subchapter III and by assisting in coordination of public and community transportation services; and

(D) providing special services to link older individuals to transportation services not provided under subchapter III.

(c) Economically sustainable transportation

In this section, the term “economically sustainable transportation” means demand responsive transportation for older individuals—

(1) that may be provided through volunteers; and

(2) that the provider will provide without receiving Federal or other public financial assistance, after a period of not more than 5 years of providing the services under this section.

(1) In general

The Assistant Secretary shall award grants and enter into contracts with eligible organizations to carry out projects to—

(1) provide opportunities for older individuals to participate in multigenerational activities and civic engagement activities designed to meet critical community needs, and use the full range of time, skills, and experience of older individuals, including demonstration and support projects that—

(A) provide support for older relative caregivers (as defined in section 3030s of this title) raising children (such as kinship navigator programs); or

(B) involve volunteers who are older individuals who provide support and information to families who have a child with a disability or chronic illness, or other families in need of such family support; and

(2) coordinate multigenerational activities and civic engagement activities, promote volunteerism, and facilitate development of and participation in multigenerational activities and civic engagement activities.

(b) Use of funds

An eligible organization shall use funds made available under a grant awarded, or a contract entered into, under this section to—

(1) carry out a project described in subsection (a); and

(2) evaluate the project in accordance with subsection (f).

(c) Preference

In awarding grants and entering into contracts to carry out a project described in subsection (a), the Assistant Secretary shall give preference to—

(1) eligible organizations with a demonstrated record of carrying out multigenerational activities or civic engagement activities;

(2) eligible organizations proposing multigenerational activity projects that will serve older individuals and communities with the greatest need (with particular attention to low-income minority individuals, older individuals with limited English proficiency, older individuals residing in rural areas, and low-income minority communities); and

(3) eligible organizations proposing civic engagement projects that will serve communities with the greatest need; and

(4) eligible organizations with the capacity to develop meaningful roles and assignments that use the time, skills, and experience of older individuals to serve public and nonprofit organizations.

(d) Application

To be eligible to receive a grant or enter into a contract under subsection (a), an organization

AMENDMENTS

2006—Pub. L. 109–365 amended section generally. Prior to amendment, text consisted of subsecs. (a) and (b) relating to grants and contracts to provide technical assistance to improve transportation for seniors.
shall submit an application to the Assistant Secretary at such time, in such manner, and accompanied by such information as the Assistant Secretary may reasonably require.

(e) Eligible organizations
Organizations eligible to receive a grant or enter into a contract under subsection (a)—
(1) to carry out activities described in subsection (a)(1), shall be organizations that provide opportunities for older individuals to participate in activities described in subsection (a)(1); and
(2) to carry out activities described in subsection (a)(2), shall be organizations with the capacity to conduct the coordination, promotion, and facilitation described in subsection (a)(2), through the use of multigenerational coordinators.

(f) Local evaluation and report
(1) Evaluation
Each organization receiving a grant or a contract under subsection (a) to carry out a project described in subsection (a) shall evaluate the multigenerational activities or civic engagement activities carried out under the project to determine—
(A) the effectiveness of the activities involved;
(B) the impact of such activities on the community being served and the organization providing the activities; and
(C) the impact of such activities on older individuals involved in such project.

(2) Report
The organization shall submit a report to the Assistant Secretary containing the evaluation not later than 6 months after the expiration of the period for which the grant or contract is in effect.

(g) Report to Congress
Not later than 6 months after the Assistant Secretary receives the reports described in subsection (f)(2), the Assistant Secretary shall prepare and submit to the Speaker of the House of Representatives and the President pro tempore of the Senate a report that assesses the evaluations and includes, at a minimum—
(1) the names or descriptive titles of the projects funded under subsection (a);
(2) a description of the nature and operation of the projects;
(3) the names and addresses of organizations that conducted the projects;
(4) in the case of projects carried out under subsection (a)(1), a description of the methods and success of the projects in recruiting older individuals as employees and as volunteers to participate in the projects;
(5) in the case of projects carried out under subsection (a)(2), the rate of turnover of older individuals participating in the projects as employees and as volunteers;
(6) in the case of projects carried out under subsection (a)(1), the rate of turnover of older individual employees and volunteers in the projects;
(7) a strategy for disseminating the findings resulting from the projects described in paragraph (1); and
(8) any policy change recommendations relating to the projects.

(h) Definitions
As used in this section:
(1) Multigenerational activity
The term “multigenerational activity” means an activity that provides an opportunity for interaction between 2 or more individuals of different generations, including activities connecting older individuals and youth in a child care program, a youth day care program, an educational assistance program, an at-risk youth intervention program, a juvenile delinquency treatment program, a before- or after-school program, a library program, or a family support program.

(2) Multigenerational coordinator
The term “multigenerational coordinator” means a person who—
(A) builds the capacity of public and nonprofit organizations to develop meaningful roles and assignments, that use the time, skill, and experience of older individuals to serve those organizations; and
(B) nurtures productive, sustainable working relationships between—
(i) individuals from the generations with older individuals; and
(ii) individuals in younger generations.

§ 3032g. Native American programs
(a) Establishment
(1) In general
The Assistant Secretary shall make grants or enter into contracts with not fewer than two and not more than four eligible entities to establish and operate Resource Centers on Native American Elders (referred to in this section as “Resource Centers”). The Assistant Secretary shall make such grants or enter into such contracts for periods of not less than 3 years.

(2) Functions
(A) In general
Each Resource Center that receives funds under this section shall—
(i) gather information;
(ii) perform research;
(iii) provide for the dissemination of results of the research; and
(iv) provide technical assistance and training to entities that provide services
to Native Americans who are older individuals.

(B) Areas of concern

In conducting the functions described in subparagraph (A), a Resource Center shall focus on priority areas of concern for the Resource Centers regarding Native Americans who are older individuals, which areas shall be—

(i) health (including mental health) problems;
(ii) long-term care, including in-home care;
(iii) elder abuse; and
(iv) other problems and issues that the Assistant Secretary determines are of particular importance to Native Americans who are older individuals.

(3) Preference

In awarding grants and entering into contracts under paragraph (1), the Assistant Secretary shall give preference to institutions of higher education that have conducted research on, and assessments of, the characteristics and needs of Native Americans who are older individuals.

(4) Consultation

In determining the type of information to be sought from, and activities to be performed by, Resource Centers, the Assistant Secretary shall consult with the Director of the Office for American Indian, Alaskan Native, and Native Hawaiian Aging and with national organizations with special expertise in serving Native Americans who are older individuals.

(5) Eligible entities

To be eligible to receive a grant or enter into a contract under paragraph (1), an entity shall be an institution of higher education with experience conducting research and assessment on the needs of older individuals.

(6) Report to Congress

The Assistant Secretary, with assistance from each Resource Center, shall prepare and submit to the Speaker of the House of Representatives and the President pro tempore of the Senate an annual report on the status and needs, including the priority areas of concern, of Native Americans who are older individuals.

(b) Training grants

The Assistant Secretary shall make grants and enter into contracts to provide in-service training opportunities and courses of instruction on aging to Indian tribes through public or nonprofit Indian aging organizations and to provide annually national trainings for directors of programs under this subchapter.


§ 3032l. Demonstration and support projects for legal assistance for older individuals

(a) Program authorized

The Assistant Secretary shall make grants and enter into contracts, in order to—

(1) provide a national legal assistance support system (operated by one or more grantees or contractors) of activities to State and area agencies on aging for providing, developing, or supporting legal assistance for older individuals, including—

(A) case consultations;
(B) training;
(C) provision of substantive legal advice and assistance; and
(D) assistance in the design, implementation, and administration of legal assistance delivery systems to local providers of legal assistance for older individuals; and

(2) support demonstration projects to expand or improve the delivery of legal assistance to older individuals with social or economic needs.

(b) Assurances

Any grants or contracts made under subsection (a)(2) shall contain assurances that the requirements of section 3027(a)(11) of this title are met.

(c) Assistance

To carry out subsection (a)(1), the Assistant Secretary shall make grants to or enter into contracts with nonprofit organizations experienced in providing support and technical assistance on a nationwide basis to States, area agencies on aging, legal assistance providers, ombudsmen, elder abuse prevention programs, and other organizations interested in the legal rights of older individuals.

§ 3032k. Community innovations for aging in place

(a) Definitions

In this section:

(1) Eligible entity

The term “eligible entity”—

(A) means a nonprofit health or social service organization, a community-based nonprofit organization, an area agency on aging or other local government agency, a tribal organization, or another entity that—

(i) the Assistant Secretary determines to be appropriate to carry out a project under this part; and

(ii) demonstrates a record, and experience in, providing or administering group and individual health and social services to older individuals; and

(B) does not include an entity providing housing under the congregate housing services program carried out under section 8011 of this title or the multifamily service coordinator program carried out under section 1701q(g) of title 12.

(2) Naturally Occurring Retirement Community

The term “Naturally Occurring Retirement Community” means a community with a concentrated population of older individuals, which may include a residential building, a housing complex, an area (including a rural area) of single family residences, or a neighborhood composed of age-integrated housing—

(A) where—

(i) 40 percent of the heads of households are older individuals; or

(ii) a critical mass of older individuals exists, based on local factors that, taken in total, allow an organization to achieve efficiencies in the provision of health and social services to older individuals living in the community; and

(B) that is not an institutional care or assisted living setting.

(b) Grants

(1) In general

The Assistant Secretary shall make grants, on a competitive basis, to eligible entities to develop and carry out model aging in place projects. The projects shall promote aging in place for older individuals (including such individuals who reside in Naturally Occurring Retirement Communities), in order to sustain the independence of older individuals. A recipient of a grant under this subsection shall identify innovative strategies for providing, and linking older individuals to programs and services that provide, comprehensive and coordinated health and social services to sustain the quality of life of older individuals and support aging in place.

(2) Grant periods

The Assistant Secretary shall make the grants for periods of 3 years.

c) Applications

(1) In general

To be eligible to receive a grant under subsection (b) for a project, an entity shall submit an application to the Assistant Secretary at such time, in such manner, and containing such information as the Assistant Secretary may require.

(2) Contents

The application shall include—

(A) a detailed description of the entity’s experience in providing services to older individuals in age-integrated settings;

(B) a definition of the contiguous service area and a description of the project area in which the older individuals reside or carry out activities to sustain their well-being;

(C) the results of a needs assessment that identifies—

(i) existing (as of the date of the assessment) community-based health and social services available to individuals residing in the project area;

(ii) the strengths and gaps of such existing services in the project area;

(iii) the needs of older individuals who reside in the project area; and

(iv) services not being delivered that would promote aging in place and contribute to the well-being of older individuals residing in the project area;

(D) a plan for the development and implementation of an innovative model for service coordination and delivery within the project area;

(E) a description of how the plan described in subparagraph (D) will enhance existing services described in subparagraph (C)(i) and support the goal of this section to promote aging in place;

(F) a description of proposed actions by the entity to prevent the duplication of services funded under a provision of this chapter, other than this section, and a description of how the entity will cooperate, and coordinate planning and services (including any formal agreements), with agencies and organizations that provide publicly supported services for older individuals in the project area, including the State agency and area agencies on aging with planning and service areas in the project area;

(G) an assurance that the entity will seek to establish cooperative relationships with interested local entities, including private agencies and businesses that provide health and social services, housing entities, community development organizations, philanthropic organizations, foundations, and other non-Federal entities;

(H) a description of the entity’s protocol for referral of residents who may require long-term care services, including coordination with local agencies, including area agencies on aging and Aging and Disability Resource Centers that serve as single points of entry to public services;

(I) a description of how the entity will offer opportunities for older individuals to
§ 3033  TITLE 42—THE PUBLIC HEALTH AND WELFARE  Page 5288

be involved in the governance, oversight, and operation of the project;
(J) an assurance that the entity will submit to the Assistant Secretary such evaluations and reports as the Assistant Secretary may require; and
(K) a plan for long-term sustainability of the project.

(d) Use of funds
(1) In general
An eligible entity that receives a grant under subsection (b) shall use the funds made available through the grant to—
(A) ensure access by older individuals in the project area to—
(i) case management, case assistance, and social work services;
(ii) health care management and health care assistance, including disease prevention and health promotion services;
(iii) education, socialization, and recreational activities; and
(iv) volunteer opportunities for project participants;
(B) conduct outreach to older individuals within the project area; and
(C) develop and implement innovative, comprehensive, and cost-effective approaches for the delivery and coordination of community-based health and social services, including those identified in subparagraph (A)(iv), which may include mental health services, for eligible older individuals.

(2) Coordination
An eligible entity receiving a grant under subsection (b) for a project shall coordinate activities with organizations providing services funded under subchapter III to support such services for or facilitate the delivery of such services to eligible older individuals served by the project.

(3) Preference
In carrying out an aging in place project, an eligible entity shall, to the extent practicable, serve a community of low-income individuals and operate or locate the project and services in or in close proximity to a location where a large concentration of older individuals has aged in place and resided, such as a Naturally Occurring Retirement Community.

(4) Supplement not supplant
Funds made available to an eligible entity under subsection (b) shall be used to supplement, not supplant, any Federal, State, or other funds otherwise available to the entity to provide health and social services to eligible older individuals.

(e) Competitive grants for technical assistance
(1) Grants
The Assistant Secretary shall (or shall make a grant, on a competitive basis, to an eligible nonprofit organization, to enable the organization to—
(A) provide technical assistance to recipients of grants under subsection (b); and
(B) carry out other duties, as determined by the Assistant Secretary.

(2) Eligible organization
To be eligible to receive a grant under this subsection, an organization shall be a nonprofit organization (including a partnership of nonprofit organizations), that—
(A) has experience and expertise in providing technical assistance to a range of entities serving older individuals and experience evaluating and reporting on programs; and
(B) has demonstrated knowledge of and expertise in community-based health and social services.

(3) Application
To be eligible to receive a grant under this subsection, an organization (including a partnership of nonprofit organizations) shall submit an application to the Assistant Secretary at such time, in such manner, and containing such information as the Assistant Secretary may require, including an assurance that the organization will submit to the Assistant Secretary such evaluations and reports as the Assistant Secretary may require.

(f) Report
The Assistant Secretary shall annually prepare and submit a report to Congress that shall include—
(1) the findings resulting from the evaluations of the model projects conducted under this section;
(2) a description of recommended best practices regarding carrying out health and social service projects for older individuals aging in place; and
(3) recommendations for legislative or administrative action, as the Assistant Secretary determines appropriate.


PRIOR PROVISIONS
A prior section 422 of Pub. L. 89–73 was classified to section 3035a of this title prior to the general amendment of this subchapter by Pub. L. 106–501.

Another prior section 422 of Pub. L. 89–73 was classified to section 3035c of this title prior to the general amendment of this subchapter by Pub. L. 97–115.

PART B—GENERAL PROVISIONS
§ 3033. Payment of grants
(a) Contributions
To the extent the Assistant Secretary determines a contribution to be appropriate, the Assistant Secretary shall require the recipient of any grant or contract under this subchapter to contribute money, facilities, or services for carrying out the project for which such grant or contract was made.

(b) Payments
Payments under this subchapter pursuant to a grant or contract may be made (after necessary adjustment, in the case of grants, on account of previously made overpayments or underpayments) in advance or by way of reimbursement, and in such installments and on such conditions, as the Assistant Secretary may determine.
(c) Consultation

The Assistant Secretary shall make no grant or contract under this subchapter in any State that has established or designated a State agency for purposes of subchapter III unless the Assistant Secretary—

(1) consults with the State agency prior to issuing the grant or contract; and
(2) informs the State agency of the purposes of the grant or contract when the grant or contract is issued.

(93x384)


PRIOR PROVISIONS


A prior section 3031 of Pub. L. 89–73 was classified to section 3037 of this title, prior to the general amendment of this subchapter by Pub. L. 97–115.

Another prior section 3031 of Pub. L. 89–73 was renumbered section 451 and was classified to section 3037 of this title, prior to the general amendment of this subchapter by Pub. L. 97–115.

§ 3033a. Responsibilities of Assistant Secretary

(a) In general

The Assistant Secretary shall be responsible for the administration, implementation, and making of grants and contracts under this subchapter and shall not delegate authority under this subchapter to any other individual, agency, or organization.

(b) Report

(1) In general

Not later than January 1 following each fiscal year, the Assistant Secretary shall submit, to the Speaker of the House of Representatives and the President pro tempore of the Senate, a report for such fiscal year that describes each project and each program—

(A) for which funds were provided under this subchapter;
(B) that was completed in the fiscal year for which such report is prepared.

(2) Contents

Such report shall contain—

(A) the name or descriptive title of each project or program;
(B) the name and address of the individual or governmental entity that conducted such project or program;
(C) a specification of the period throughout which such project or program was conducted;
(D) the identity of each source of funds expended to carry out such project or program and the amount of funds provided by each such source;
(E) an abstract describing the nature and operation of such project or program; and
(F) a bibliography identifying all published information relating to such project or program.

(c) Evaluations

(1) In general

The Assistant Secretary shall establish by regulation and implement a process to evaluate the results of projects and programs carried out under this subchapter.

(2) Results

The Assistant Secretary shall—

(A) make available to the public the results of each evaluation carried out under paragraph (1); and
(B) use such evaluation to improve services delivered, or the operation of projects and programs carried out, under this chapter, including preparing an analysis of such services, projects, and programs, and of how the evaluation relates to improvements in such services, projects, and programs and in the strategic plan of the Administration.


PRIOR PROVISIONS

A prior section 3032 of Pub. L. 89–73 was classified to section 3033a of this title, prior to the general amendment of this subchapter by Pub. L. 97–115.

Prior sections 3034 to 3037b were omitted in the general amendment of this subchapter by Pub. L. 106–501.


grams or activities not specifically authorized by this subchapter, prior to the general amendment of this subchapter by Pub. L. 97–115.


AMENDMENTS

2006—Subsec. (c)(2)(B). Pub. L. 109–365 inserted before period at end “, including preparing an analysis of such services, projects, and programs, and of how the evaluation relates to improvements in such services, projects, and programs and in the strategic plan of the Administration”.

SUBCHAPTER V—MULTIPURPOSE SENIOR CENTERS

PART A—ACQUISITION, ALTERATION, OR RENOVATION OF MULTIPURPOSE SENIOR CENTERS


EFFECTIVE DATE OF REPEAL


PART B—INITIAL STAFFING OF MULTIPURPOSE SENIOR CENTERS


A prior section 3042, Pub. L. 89–73, title V, § 502, July 14, 1965, 79 Stat. 225, related to payments of training project grants, providing in subsec. (a) for contribution by recipients; subsec. (b) adjustments, advances or reimbursement, installments, and conditions; and subsec. (c) consultation of Secretary with State agency prior to making grants or contracts for volunteer service projects and for services as senior health aides and seniors, and consultations with other government and private agencies and organizations, prior to repeal by Pub. L. 93–29, title IV, § 401, May 3, 1973, 87 Stat. 45.

EFFECTIVE DATE OF REPEAL


SUBCHAPTER VI—NATIONAL OLDER AMERICANS VOLUNTEER PROGRAM


Section 3044, Pub. L. 89–73, title VI, § 601, as added Pub. L. 91–69, § 9, Sept. 17, 1969, 83 Stat. 111; amended Pub. L. 93–29, title VI, § 601, May 3, 1973, 87 Stat. 55, related to grants and contracts for volunteer service projects, providing in: subsec. (a) for approval of programs and rules and regulations; subsec. (b) for method of payment; subsec. (c) for conditions upon award of grant or contract, and subsec. (d) for exclusion as income of compensation to individual volunteers.


Section 3044c, Pub. L. 89–73, title VI, § 612, as added Pub. L. 91–69, § 9, Sept. 17, 1969, 83 Stat. 113, related to conditions upon award of grantor contract and defined “community action agency”.


SUBCHAPTER IX—COMMUNITY SERVICE

SENIOR OPPORTUNITIES


Effective Date of Repeal


Q. If a competitive bidding process is used in awarding contracts for nutrition services, what are the requirements for the process to be effective?

A. A competitive bidding process shall include evaluation of each bidder's experience in providing services to older individuals. It also requires that the process shall be conducted in a competitive manner, with the goal of ensuring quality of service and cost-effectiveness on the part of the bidder. Providers of services who receive funds under title VII of the Older Americans Act of 1965 (former sections 3045 to 3045i of this title) as in effect on September 29, 1978, shall be given preference.
community service activities (which shall include community service employment) for unemployed low-income persons who are age 55 or older, particularly persons who have poor employment prospects, and to increase the number of persons who may enjoy the benefits of unsubsidized employment in both the public and private sectors, the Secretary of Labor (referred to in this subchapter as the “Secretary”) may establish an older American community service employment program.

(2) Use of appropriated amounts

Amounts appropriated to carry out this subchapter shall be used only to carry out the provisions contained in this subchapter.

(b) Grant authority

(1) Projects

To carry out this subchapter, the Secretary may make grants to public and nonprofit private agencies and organizations, agencies of a State, and tribal organizations to carry out the program established under subsection (a). Such grants may provide for the payment of costs, as provided in subsection (c), of projects developed by such organizations and agencies in cooperation with the Secretary in order to make such program effective or to supplement such program. The Secretary shall make the grants from allotments made under section 3056b of this title, and in accordance with section 3056f of this title. No payment shall be made by the Secretary toward the cost of any project established or administered by such an organization or agency unless the Secretary determines that such project—

(A) will provide community service employment only for eligible individuals except for necessary technical, administrative, and supervisory personnel, and such personnel will, to the fullest extent possible, be recruited from among eligible individuals;

(B) will provide community service employment and other authorized activities for eligible individuals in the community in which such individuals reside, or in nearby communities; or

(ii) if such project is carried out by a tribal organization that receives a grant under this subsection or receives assistance from a State that receives a grant under this sub- 
section, will provide community service employment and other authorized activities for such individuals, including those who are Indians residing on an Indian reservation, as defined in section 3501 of title 25;

(C) will comply with an average participation cap for eligible individuals (in the aggregate) of—

(i) 27 months; or

(ii) pursuant to the request of a grantee, an extended period of participation established by the Secretary for a specific project area for such grantee, up to a period of not more than 36 months, if the Secretary determines that extenuating circumstances exist relating to the factors identified in section 3056k(a)(2)(E) of this title that justify such an extended period for the program year involved;

(D) will employ eligible individuals in service related to publicly owned and operated facilities and projects, or projects sponsored by nonprofit organizations (excluding political parties exempt from taxation under section 501(c)(3) of title 26), but excluding projects involving the construction, operation, or maintenance of any facility used or to be used as a place for sectarian religious instruction or worship;

(E) will contribute to the general welfare of the community, which may include support for children, youth, and families;

(F) will provide community service employment and other authorized activities for eligible individuals;

(G)(i) will not reduce the number of employment opportunities or vacancies that would otherwise be available to individuals not participating in the program;

(ii) will not displace currently employed workers (including partial displacement, such as a reduction in the hours of non-overtime work, wages, or employment benefits);

(iii) will not impair existing contracts or result in the substitution of Federal funds for other funds in connection with work that would otherwise be performed; and

(iv) will not employ or continue to employ any eligible individual to perform the same work or substantially the same work as that performed by any other individual who is on layoff;

(H) will coordinate activities with training and other services provided under title I of the Workforce Innovation and Opportunity Act [29 U.S.C. 3111 et seq.], including utilizing the one-stop delivery system of the local workforce development areas involved to recruit eligible individuals to ensure that the maximum number of eligible individuals will have an opportunity to participate in the project;

(I) will include such training (such as work experience, on-the-job training, and classroom training) as may be necessary to make the most effective use of the skills and talents of those individuals who are participating, and will provide for the payment of the reasonable expenses of individuals being trained, including a reasonable subsistence allowance equivalent to the wage described in subparagraph (J);

(J) will ensure that safe and healthy employment conditions will be provided, and will ensure that participants employed in community service and other jobs assisted under this subchapter will be paid wages that shall not be lower than whichever is the highest of—

(i) the minimum wage that would be applicable to such a participant under the Fair Labor Standards Act of 1938 (29 U.S.C. 201 et seq.), if section 6(a)(1) of such Act (29 U.S.C. 206(a)(1)) applied to the participant and if the participant were not exempt under section 13 of such Act (29 U.S.C. 213);

(ii) the State or local minimum wage for the most nearly comparable covered employment; or
§ 3056

(III) the prevailing rates of pay for individuals employed in similar public occupations by the same employer;

(K) will be established or administered with the advice of persons competent in the field of service in which community service employment or other authorized activities are being provided, and of persons who are knowledgeable about the needs of older individuals;

(L) will authorize payment for necessary supportive services costs (including transportation costs) of eligible individuals that may be incurred in training in any project funded under this subchapter, in accordance with rules issued by the Secretary;

(M) will ensure that, to the extent feasible, such project will serve the needs of minority and Indian eligible individuals, eligible individuals with limited English proficiency, and eligible individuals with greatest economic need, at least in proportion to their numbers in the area served and take into consideration their rates of poverty and unemployment;

(N)(i) will prepare an assessment of the participants’ skills and talents and their needs for services, except to the extent such project has, for the participant involved, recently prepared an assessment of such skills and talents, and such needs, pursuant to another employment or training program (such as a program under the Workforce Innovation and Opportunity Act [29 U.S.C. 3101 et seq.], the Carl D. Perkins Career and Technical Education Act of 2006 [20 U.S.C. 2301 et seq.], or part A of title IV of the Social Security Act [42 U.S.C. 601 et seq.]) and will prepare a related service strategy;

(ii) will provide training and employment counseling to eligible individuals based on strategies that identify appropriate employment objectives and the need for supportive services, developed as a result of the assessment and service strategy provided for in clause (i), and provide other appropriate information regarding such project; and

(iii) will provide counseling to participants on their progress in meeting such objectives and satisfying their need for supportive services;

(O) will provide appropriate services for participants, or refer the participants to appropriate services, through the one-stop delivery system of the local workforce development areas involved as established under section 121(e) of the Workforce Innovation and Opportunity Act [29 U.S.C. 3151(e)], and will be involved in the planning and operations of such system pursuant to a memorandum of understanding with the local workforce development board in accordance with section 121(c) of such Act [29 U.S.C. 3151(c)];

(P) will post in such project workplace a notice, and will make available to each person associated with such project a written explanation—

(i) clarifying the law with respect to political activities allowable and unallowable under chapter 15 of title 5 applicable to the project and to each category of individuals associated with such project; and

(ii) containing the address and telephone number of the Inspector General of the Department of Labor, to whom questions regarding the application of such chapter may be addressed;

(Q) will provide to the Secretary the description and information described in—

(i) clauses (ii) and (viii) of paragraph (B), relating to coordination with other Federal programs, of section 102(b) of the Workforce Innovation and Opportunity Act [29 U.S.C. 3112(b)]; and

(ii) paragraph (2)(C)(i), relating to implementation of one-stop delivery systems, of section 102(b) of the Workforce Innovation and Opportunity Act; and

(R) will ensure that entities that carry out activities under the project (including State agencies, local entities, subgrantees, and subcontractors) and affiliates of such entities receive an amount of the administrative cost allocation determined by the Secretary, in consultation with grantees, to be sufficient.

(2) Regulations

The Secretary may establish, issue, and amend such regulations as may be necessary to effectively carry out this subchapter.

(3) Assessment and service strategies

(A) Prepared under this chapter

An assessment and service strategy required by paragraph (1)(N) to be prepared for an eligible individual shall satisfy any condition for an assessment and service strategy or individual employment plan for an adult participant under subtitle B of title I of the Workforce Innovation and Opportunity Act [29 U.S.C. 3151 et seq.], in order to determine whether such eligible individual also qualifies for career or training services described in section 134(c) of such Act [29 U.S.C. 3174(c)].

(B) Prepared under Workforce Innovation and Opportunity Act

An assessment and service strategy or individual employment plan prepared under subtitle B of title I of the Workforce Innovation and Opportunity Act [29 U.S.C. 3151 et seq.] for an eligible individual may be used to comply with the requirement specified in subparagraph (A).

(c) Federal share and use of funds

(1) Federal share

The Secretary may pay a Federal share not to exceed 90 percent of the cost of any project for which a grant is made under subsection (b), except that the Secretary may pay all of such cost if such project is—

(A) an emergency or disaster project; or

(B) a project located in an economically depressed area, as determined by the Secretary in consultation with the Secretary of Commerce and the Secretary of Health and Human Services.

(2) Non-Federal share

The non-Federal share shall be in cash or in kind. In determining the amount of the non-
Federal share, the Secretary may attribute fair market value to services and facilities contributed from non-Federal sources.

(3) Use of funds for administrative costs

Of the grant amount to be paid under this subsection by the Secretary for a project, not to exceed 13.5 percent shall be available for any fiscal year to pay the administrative costs of such project, except that—

(A) the Secretary may increase the amount available to pay the administrative costs to an amount not to exceed 15 percent of the grant amount if the Secretary determines, based on information submitted by the grantee under subsection (b), that such increase is necessary to carry out such project; and

(B) if the grantee under subsection (b) demonstrates to the Secretary that—

(i) major administrative cost increases are being incurred in necessary program components, including liability insurance, payments for workers' compensation, costs associated with achieving unsubsidized placement goals, and costs associated with other operation requirements imposed by the Secretary;

(ii) the number of community service employment positions in the project or the number of minority eligible individuals participating in the project will decline if the amount available to pay the administrative costs is not increased; or

(iii) the size of the project is so small that the amount of administrative costs incurred to carry out the project necessarily exceeds 13.5 percent of the grant amount;

the Secretary shall increase the amount available for such fiscal year to pay the administrative costs to an amount not to exceed 15 percent of the grant amount.

(4) Administrative costs

For purposes of this subchapter, administrative costs are the costs, both personnel-related and nonpersonnel-related and both direct and indirect, associated with the following:

(A) The costs of performing general administrative functions and of providing for the coordination of functions, such as the costs of—

(i) accounting, budgeting, and financial and cash management;

(ii) procurement and purchasing;

(iii) property management;

(iv) personnel management;

(v) payroll functions;

(vi) coordinating the resolution of findings arising from audits, reviews, investigations, and incident reports;

(vii) audits;

(viii) general legal services;

(ix) developing systems and procedures, including information systems, required for administrative functions;

(x) preparing administrative reports; and

(xi) other activities necessary for the general administration of government funds and associated programs.

(B) The costs of performing oversight and monitoring responsibilities related to administrative functions.

(C) The costs of goods and services required for administrative functions of the project involved, including goods and services such as rental or purchase of equipment, utilities, office supplies, postage, and rental and maintenance of office space.

(D) The travel costs incurred for official business in carrying out administrative activities or overall management.

(E) The costs of information systems related to administrative functions (such as personnel, procurement, purchasing, property management, accounting, and payroll systems), including the purchase, systems development, and operating costs of such systems.

(F) The costs of technical assistance, professional organization membership dues, and evaluating results obtained by the project involved against stated objectives.

(5) Non-Federal share of administrative costs

To the extent practicable, an entity that carries out a project under this subchapter shall provide for the payment of the expenses described in paragraph (4) from non-Federal sources.

(6) Use of funds for wages and benefits and programmatic activity costs

(A) In general

Amounts made available for a project under this subchapter that are not used to pay for the administrative costs shall be used to pay for the costs of programmatic activities, including the costs of—

(i) participant wages, such benefits as are required by law (such as workers' compensation or unemployment compensation), the costs of physical examinations, compensation for scheduled work hours during which an employer's business is closed for a Federal holiday, and necessary sick leave that is not part of an accumulated sick leave program, except that no amounts provided under this subchapter may be used to pay the cost of pension benefits, annual leave, accumulated sick leave, or bonuses;

(ii) participant training (including the payment of reasonable costs of instructors, classroom rental, training supplies, materials, equipment, and tuition), which may be provided prior to or subsequent to placement and which may be provided on the job, in a classroom setting, or pursuant to other appropriate arrangements;

(iii) job placement assistance, including job development and job search assistance;

(iv) participant supportive services to enable a participant to successfully participate in a project under this subchapter, which may include the payment of reasonable costs of transportation, health and medical services, special job-related or personal counseling, incidentals (such as work shoes, badges, uniforms, eyeglasses, and tools), child and adult care, temporary shelter, and follow-up services; and
(v) outreach, recruitment and selection, intake, orientation, and assessments.

(B) Use of funds for wages and benefits

From the funds made available through a grant made under subsection (b), a grantee under this subchapter—

(i) except as provided in clause (ii), shall use not less than 75 percent of the grant funds to pay the wages, benefits, and other costs described in subparagraph (A)(i) for eligible individuals who are employed under projects carried out under this subchapter; or

(ii) that obtains approval for a request described in subparagraph (C) may use not less than 65 percent of the grant funds to pay the wages, benefits, and other costs described in subparagraph (A)(i).

(C) Request to use additional funds for programmatic activity costs

(i) In general

A grantee may submit to the Secretary a request for approval—

(I) to use not less than 65 percent of the grant funds to pay the wages, benefits, and other costs described in subparagraph (A)(i);

(II) to use the percentage of grant funds described in paragraph (3) to pay for administrative costs, as specified in that paragraph;

(III) to use not more than 10 percent of the grant funds for individual participants to provide activities described in clauses (i) and (iv) of subparagraph (A), in which case the grantee shall provide (from the funds described in this subclause) the subsistence allowance described in subsection (b)(1)(I) for those individual participants who are receiving training described in that subclause from the funds described in this subclause, but may not use the funds described in this subclause to pay for any administrative costs; and

(IV) to use the remaining grant funds to provide activities described in clauses (ii) through (v) of subparagraph (A).

(ii) Contents

In submitting the request the grantee shall include in the request—

(I) a description of the activities for which the grantee will spend the grant funds described in subclauses (III) and (IV) of clause (i), consistent with those subclauses;

(II) an explanation documenting how the provision of such activities will improve the effectiveness of the project, including an explanation concerning whether any displacement of eligible individuals or elimination of positions for such individuals will occur, information on the number of such individuals to be displaced and of such positions to be eliminated, and an explanation concerning how the activities will improve employment outcomes for individuals served, based on the assessment conducted under subsection (b)(1)(N); and

(III) a proposed budget and work plan for the activities, including a detailed description of the funds to be spent on the activities described in subclauses (III) and (IV) of clause (i).

(iii) Submission

The grantee shall submit a request described in clause (i) not later than 90 days before the proposed date of implementation contained in the request. Not later than 30 days before the proposed date of implementation, the Secretary shall approve, approve as modified, or reject the request, on the basis of the information included in the request as described in clause (ii).

(D) Report

Each grantee under subsection (b) shall annually prepare and submit to the Secretary a report documenting the grantee’s use of funds for activities described in clauses (i) through (v) of subparagraph (A).

(d) Project description

Whenever a grantee conducts a project within a planning and service area in a State, such grantee shall conduct such project in consultation with the area agency on aging of the planning and service area and the local workforce development board and shall submit to the State agency, the local workforce development board, and the area agency on aging a description of such project to be conducted in the State, including the location of the project, 90 days prior to undertaking the project, for review and public comment according to guidelines the Secretary shall issue to assure efficient and effective coordination of projects under this subchapter.

(e) Pilot, demonstration, and evaluation projects

(1) In general

The Secretary, in addition to exercising any other authority contained in this subchapter, shall use funds reserved under section 3056d(a)(1) of this title to carry out demonstration projects, pilot projects, and evaluation projects, for the purpose of developing and implementing techniques and approaches, and demonstrating the effectiveness of the techniques and approaches, in addressing the employment and training needs of eligible individuals. The Secretary shall enter into such agreements with States, public agencies, non-profit private organizations, or private business concerns, as may be necessary, to conduct the projects authorized by this subsection. To the extent practicable, the Secretary shall provide an opportunity, prior to the development of a demonstration or pilot project, for the appropriate area agency on aging to submit comments on such a project in order to ensure coordination of activities under this subchapter.

(2) Projects

Such projects may include—

(A) activities linking businesses and eligible individuals, including activities providing assistance to participants transitioning
from subsidized activities to private sector employment; (B) demonstration projects and pilot projects designed to—
(i) attract more eligible individuals into the labor force;
(ii) improve the provision of services to eligible individuals under one-stop delivery systems established under section 122(e) of the Workforce Innovation and Opportunity Act [29 U.S.C. 3151(e)];
(iii) enhance the technological skills of eligible individuals; and
(iv) provide incentives to grantees under this subchapter for exemplary performance and incentives to businesses to promote their participation in the program under this subchapter;
(C) demonstration projects and pilot projects, as described in subparagraph (B), for workers who are older individuals (but targeted to eligible individuals) only if such demonstration projects and pilot projects are designed to assist in developing and implementing techniques and approaches in addressing the employment and training needs of eligible individuals;
(D) provision of training and technical assistance to support any project funded under this subchapter;
(E) dissemination of best practices relating to employment of eligible individuals; and
(F) evaluation of the activities authorized under this subchapter.

(3) Consultation

To the extent practicable, entities carrying out projects under this subsection shall consult with appropriate area agencies on aging, with the State workforce development board and local workforce development board, and with other appropriate agencies and entities to promote coordination of activities under this subchapter.


Prior Provisions


Amendments


§ 3056a Administration

(a) State plan

(1) Governor

For a State to be eligible to receive an allotment under section 3056d of this title, the Governor of the State shall submit to the Secretary for consideration and approval, a single State plan (referred to in this subchapter as the “State plan”) that outlines a 4-year strategy for the statewide provision of community service employment and other authorized activities for eligible individuals under this subchapter. The plan shall contain such provisions as the Secretary may require, consistent with this subchapter, including a description of the process used to ensure the participation of individuals described in paragraph (2). Not less often than every 2 years, the Governor shall review the State plan and submit an update to the State plan to the Secretary for reconsideration and approval.

(2) Recommendations

In developing the State plan prior to its submission to the Secretary, the Governor shall seek the advice and recommendations of—

(A) individuals representing the State agency and the area agencies on aging in the State, and the State and local workforce development boards established under title I of the Workforce Innovation and Opportunity Act [29 U.S.C. 3111 et seq.];

(B) individuals representing public and nonprofit private agencies and organizations providing employment services, including each grantee operating a project under this subchapter in the State;

(C) individuals representing social service organizations providing services to older individuals, grantees under subchapter III of this chapter, affected communities, unemployed older individuals, community-based organizations serving the needs of older individuals, business organizations, and labor organizations.

(3) Comments

Any State plan submitted by the Governor in accordance with paragraph (1) shall be accompanied by copies of public comments relating to the plan received pursuant to paragraph (8), and a summary of the comments.

(4) Plan provisions

The State plan shall identify and address—

(A) the relationship that the number of eligible individuals in each area bears to the total number of eligible individuals, respectively, in the State;

(B) the relative distribution of eligible individuals residing in rural and urban areas in the State; and
(C) the relative distribution of—
   (i) eligible individuals who are individuals with greatest economic need;
   (ii) eligible individuals who are minority individuals;
   (iii) eligible individuals who are limited English proficient; and
   (iv) eligible individuals who are individuals with greatest social need;
   (D) the current and projected employment opportunities in the State (such as by providing information available under section 49F-2 of title 29 by occupation), and the type of skills possessed by local eligible individuals;
   (E) the localities and populations for which projects of the type authorized by this subchapter are most needed; and
   (F) how the activities of grantees in the State under this subchapter will be coordinated with activities carried out in the State under title I of the Workforce Innovation and Opportunity Act (29 U.S.C. 3111 et seq.) and other related programs (referred to in this subparagraph as "WIOA and related activities"), and how the State will reduce unnecessary duplication between the activities carried out under this subchapter and the WIOA and related activities.

(5) Governor's recommendations
Before a proposal for a grant under this subchapter for any fiscal year is submitted to the Secretary, the Governor of the State in which projects are proposed to be conducted under this subchapter and a combined State plan shall be considered to be a reference to that combined State plan.

(6) Combined State plan
In lieu of the plan described in paragraph (1), a State may develop and submit a combined State plan in accordance with section 103 of the Workforce Innovation and Opportunity Act (29 U.S.C. 3113). For a State that obtains approval of such a combined State plan, that section 103 shall apply in lieu of this subchapter and a reference in any other provision of this subchapter (other than this subsection) to a State plan shall be considered to be a reference to that combined State plan.

(7) Disruptions
In developing a plan or considering a recommendation under this subchapter, the Governor shall avoid disruptions in the provision of services for participants to the greatest possible extent.

(8) Determination; review
(A) Determination
In order to effectively carry out this subchapter, each State shall make the State plan available for public comment. The Secretary, in consultation with the Assistant Secretary, shall review the plan and make a written determination with findings and a decision regarding the plan.

(B) Review
The Secretary may review, on the Secretary's own initiative or at the request of any public or private agency or organization or of any agency of the State, the distribution of projects and services under this subchapter in the State, including the distribution between urban and rural areas in the State. For each proposed reallocation of projects or services in a State, the Secretary shall give notice and opportunity for public comment.

(9) Exemption
The grantees that serve eligible individuals who are older Indians or Pacific Island and Asian Americans with funds reserved under section 3056a(a)(3) of this title may not be required to participate in the State planning processes described in this section but shall collaborate with the Secretary to develop a plan for projects and services to eligible individuals who are Indians or Pacific Island and Asian Americans, respectively.

(b) Coordination with other Federal programs
(1) In general
The Secretary shall coordinate the program carried out under this subchapter with programs carried out under other subchapters of this chapter, to increase employment opportunities available to older individuals.

(2) Programs
(A) In general
The Secretary shall coordinate programs carried out under this subchapter with the program carried out under the Workforce Innovation and Opportunity Act, the Community Services Block Grant Act (42 U.S.C. 9901 et seq.), the Rehabilitation Act of 1973 (29 U.S.C. 701 et seq.), the Carl D. Perkins Career and Technical Education Act of 2006 (20 U.S.C. 12501 et seq.), the National and Community Service Act of 1990 (42 U.S.C. 12501 et seq.), and the Domestic Volunteer Service Act of 1973 (42 U.S.C. 4950 et seq.). The Secretary shall coordinate the administration of this subchapter with the administration of other subchapters of this chapter by the Assistant Secretary to increase the likelihood that eligible individuals for whom employment opportunities under this subchapter are available and who need services under such subchapters receive such services.
§ 3056a

Use of funds

Prohibition

Funds appropriated to carry out this subchapter may not be used to carry out any program under the Workforce Innovation and Opportunity Act, the Community Services Block Grant Act, the Rehabilitation Act of 1973, the Carl D. Perkins Career and Technical Education Act of 2006, the National and Community Service Act of 1990, or the Domestic Volunteer Service Act of 1973.

Joint activities

Clause (i) shall not be construed to prohibit carrying out projects under this subchapter jointly with programs, projects, or activities under any Act specified in clause (i), or from carrying out section 3056i of this title.

Informational materials on age discrimination

The Secretary shall distribute to grantees under this subchapter, for distribution to program participants, and at no cost to grantees or participants, informational materials developed and supplied by the Equal Employment Opportunity Commission or other appropriate Federal agencies that the Secretary determines are designed to help participants identify age discrimination and to understand their rights under the Age Discrimination in Employment Act of 1967 (29 U.S.C. 621 et seq.).

Use of services, equipment, personnel, and facilities

In carrying out this subchapter, the Secretary may use the services, equipment, personnel, and facilities of Federal and other agencies, with their consent, with or without reimbursement, and on a similar basis cooperate with other public and nonprofit private agencies and organizations in the use of services, equipment, and facilities.

Payments

Payments under this subchapter may be made in advance or by way of reimbursement and in such installations as the Secretary may determine.

No delegation of functions

The Secretary shall not delegate any function of the Secretary under this subchapter to any other Federal officer or entity.

Compliance

Monitoring

The Secretary shall monitor projects for which grants are made under this subchapter to determine whether the grantees are complying with rules and regulations issued to carry out this subchapter (including the statewide planning, consultation, and coordination requirements of this subchapter).

Compliance with uniform cost principles and administrative requirements

Each grantee that receives funds under this subchapter shall comply with the applicable uniform cost principles and appropriate administrative requirements for grants and contracts that are applicable to the type of entity that receives funds, as issued as circulars or rules of the Office of Management and Budget.

Reports

Each grantee described in paragraph (2) shall prepare and submit a report in such manner and containing such information as the Secretary may require regarding activities carried out under this subchapter.

Records

Each grantee described in paragraph (2) shall keep records that—

(A) are sufficient to permit the preparation of reports required by this subchapter;

(B) are sufficient to permit the tracing of funds to a level of expenditure adequate to ensure that the funds have not been spent unlawfully; and

(C) contain any other information that the Secretary determines to be appropriate.

Evaluations

The Secretary shall establish by rule and implement a process to evaluate, in accordance with section 3056k of this title, the performance of projects carried out and services provided under this subchapter. The Secretary shall report to Congress, and make available to the public, the results of each such evaluation and shall use such evaluation to improve services delivered by, or the operation of, projects carried out under this subchapter.

References in Text


The Community Services Block Grant Act, referred to in subsec. (b)(2)(A), (B)(i), is subtitle B (§ 671 et seq.) of title VI of Pub. L. 97–35, Aug. 13, 1981, 95 Stat. 431, which is classified generally to chapter 44 (§ 1071 et seq.) of this title. For complete classification of this Act to the Code, see Short Title note set out under section 3101 of Title 29 and Tables.


PRIOR PROVISIONS


Another prior section 503 of Pub. L. 89–73 was classified to section 3041b of this title, prior to repeal by Pub. L. 95–478.

AMENDMENTS


Subsec. (a)(4)(F). Pub. L. 114–144, §6(b)(1)(C), added subpar. (F) and struck out former subpar. (F) which read as follows: “plans for facilitating the coordination of activities of grantees in the State under this subchapter with activities carried out in the State under title I of the Workforce Innovation and Opportunity Act”.


Subsec. (a)(7). Pub. L. 114–144, §6(b)(1)(A), redesignated pars. (6) to (8) as (7) to (9), respectively.


Subsec. (b)(2)(A). Pub. L. 113–128, §512(4)(B), substituted “with the program carried out under the Workforce Innovation and Opportunity Act” for “with the program carried out under the Workforce Investment Act of 1998 (29 U.S.C. 2801 et seq.)”.

EFFECTIVE DATE OF 2014 AMENDMENT

Amendment by Pub. L. 113–128 effective on the first day of the first full program year after July 22, 2014 (July 1, 2015), see section 506 of Pub. L. 113–128, set out as an Effective Date note under section 1101 of Title 29, Labor.

§ 3056b. Participants not Federal employees

(a) Inapplicability of certain provisions covering Federal employees

Eligible individuals who are participants in any project funded under this subchapter shall not be considered to be Federal employees as a result of such participation and shall not be subject to part III of title 5.

(b) Workers’ compensation

No grant or subgrant shall be made and no contract or subcontract shall be entered into under this subchapter with an entity who is, or whose employees are, under State law, exempted from operation of the State workers’ compensation law, generally applicable to employees, unless the entity shall undertake to provide either through insurance by a recognized carrier or by self-insurance, as authorized by State law, that the persons employed under the grant, subgrant, contract, or subcontract shall enjoy workers’ compensation coverage equal to that provided by law for covered employees.


PRIOR PROVISIONS


Another prior section 504 of Pub. L. 89–73 was classified to section 3041c of this title, prior to repeal by Pub. L. 95–478.

§ 3056c. Interagency cooperation

(a) Consultation with the Assistant Secretary

The Secretary shall consult with and obtain the written views of the Assistant Secretary before issuing rules and before establishing general policy in the administration of this subchapter.

(b) Consultation with heads of other agencies

The Secretary shall consult and cooperate with the Secretary of Health and Human Services (acting through officers including the Direc-
tor of the Office of Community Services), and the heads of other Federal agencies that carry out programs related to the program carried out under this subchapter, in order to achieve optimal coordination of the program carried out under this subchapter with such related programs. Each head of a Federal agency shall cooperate with the Secretary in disseminating information relating to the availability of assistance under this subchapter and in promoting the identification and interests of individuals eligible for employment in projects assisted under this subchapter.

(c) Coordination

(1) In general

The Secretary shall promote and coordinate efforts to carry out projects under this subchapter jointly with programs, projects, or activities carried out under other Acts, especially activities provided under the Workforce Innovation and Opportunity Act, including activities provided through one-stop delivery systems established under section 121(e) of such Act (29 U.S.C. 315(e)), that provide training and employment opportunities to eligible individuals.

(2) Coordination with certain activities

The Secretary shall consult with the Secretary of Education to promote and coordinate efforts to carry out projects under this subchapter jointly with activities in which eligible individuals may participate that are carried out under the Carl D. Perkins Career and Technical Education Act of 2006 (20 U.S.C. 2301 et seq.).


REFERENCES IN TEXT

The Workforce Innovation and Opportunity Act, referred to in subsec. (c)(1), is Pub. L. 113–128, July 22, 2014, 128 Stat. 1425, which enacted chapter 32 (§3101 et seq.) of Title 29, Labor, and repealed chapter 29 (§2801 et seq.) of Title 29 and chapter 73 (§2901 et seq.) of Title 29, Education, and made amendments to numerous other sections and notes in the Code. For complete classification of this Act to the Code, see Short Title note set out under section 3101 of Title 29 and Tables.


Prior Provisions


Another prior section 505 of Pub. L. 89–73 was classified to section 3041d of this title, prior to repeal by Pub. L. 95–478.

Amendments

2014—Subsec. (c)(1). Pub. L. 113–128 substituted “activities carried out under other Acts, especially activities provided under the Workforce Innovation and Opportunity Act, including activities provided through one-stop delivery systems established under section 121(e) of such Act,” for “activities carried out under other Acts, especially activities provided under the Workforce Innovation and Opportunity Act of 1998 (29 U.S.C. 286 et seq.), including activities provided through one-stop delivery systems established under section 134(c) of such Act (29 U.S.C. 2864(c))”,.

Effective Date of 2014 Amendment

Amendment by Pub. L. 113–128 effective on the first day of the first full program year after July 22, 2014 (July 1, 2015), see section 506 of Pub. L. 113–128, set out as an Effective Date note under section 3101 of Title 29, Labor.

§ 3056d. Distribution of assistance

(a) Reservations

(1) Reservation for pilot demonstration and evaluation projects

Of the funds appropriated to carry out this subchapter for each fiscal year, the Secretary may first reserve not more than 1.5 percent to carry out demonstration projects, pilot projects, and evaluation projects under section 3056(e) of this title.

(2) Reservation for territories

Of the funds appropriated to carry out this subchapter for each fiscal year, the Secretary shall reserve 0.75 percent, of which—

(A) Guam, American Samoa, and the United States Virgin Islands shall each receive 30 percent of the funds so reserved; and

(B) the Commonwealth of the Northern Mariana Islands shall receive 10 percent of the funds so reserved.

(3) Reservation for organizations

Of the funds appropriated to carry out this subchapter for each fiscal year, the Secretary shall reserve such amount as may be necessary to make national grants to public or nonprofit national Indian aging organizations with the ability to provide community service employment and other authorized activities for eligible individuals who are Indians and to national public or nonprofit Pacific Island and Asian American aging organizations with the ability to provide community service employment and other authorized activities for eligible individuals who are Pacific Island and Asian Americans.

(b) State allotments

The allotment for each State shall be the sum of the amounts allotted for national grants in such State under subsection (d) and for the grant to such State under subsection (e).

(c) Division between national grants and grants to States

The funds appropriated to carry out this subchapter for any fiscal year that remain after
amounts are reserved under paragraphs (1), (2), and (3) of subsection (a) shall be divided by the Secretary between national grants and grants to States as follows:

(1) Reservation of funds for fiscal year 2000 level of activities

(A) In general
The Secretary shall reserve the amount of funds necessary to maintain the fiscal year 2000 level of activities supported by grantees that operate under this subchapter under national grants from the Secretary, and the fiscal year 2000 level of activities supported by State grantees under this subchapter, in proportion to their respective fiscal year 2000 levels of activities.

(B) Insufficient appropriations
If in any fiscal year the funds appropriated to carry out this subchapter are insufficient to satisfy the requirement specified in subparagraph (A), then the amount described in subparagraph (A) shall be reduced proportionally.

(2) Funding in excess of fiscal year 2000 level of activities

(A) Up to $35,000,000
The amount of funds remaining (if any) after the application of paragraph (1), but not to exceed $35,000,000, shall be divided so that 75 percent shall be provided to State grantees and 25 percent shall be provided to grantees that operate under this subchapter under national grants from the Secretary.

(B) Over $35,000,000
The amount of funds remaining (if any) after the application of subparagraph (A) shall be divided so that 50 percent shall be provided to State grantees and 50 percent shall be provided to grantees that operate under this subchapter under national grants from the Secretary.

(d) Allotments for national grants

From funds available under subsection (c) for national grants, the Secretary shall allot for public and nonprofit private agency and organization grantees that operate under this subchapter under national grants from the Secretary in each State, an amount that bears the same ratio to such funds as the product of the number of individuals age 55 or older in the State and the allotment percentage of such State bears to the sum of the corresponding products for all States, except as follows:

(1) Minimum allotment
No State shall be provided an amount under this subsection that is less than 1/2 of 1 percent of the amount provided under subsection (c) for State grantees in all of the States.

(2) Hold harmless
If such amount provided under subsection (c) is—
(A) equal to or less than the amount necessary to maintain the fiscal year 2000 level of activities, allotments for grantees that operate under this subchapter under national grants from the Secretary in each State shall be proportional to the amount necessary to maintain their fiscal year 2000 level of activities; or
(B) greater than the amount necessary to maintain the fiscal year 2000 level of activities, no State shall be provided a percentage increase above the amount necessary to maintain the fiscal year 2000 level of activities for grantees that operate under this subchapter under national grants from the Secretary in the State that is less than 30 percent of the percentage increase above the amount necessary to maintain the fiscal year 2000 level of activities for public and private nonprofit agency and organization grantees that operate under this subchapter under national grants from the Secretary in all of the States.

(3) Reduction
Allotments for States not affected by paragraphs (1) and (2)(B) shall be reduced proportionally to satisfy the conditions in such paragraphs.

(e) Allotments for grants to States

From the amount provided for grants to States under subsection (c), the Secretary shall allot for the State grantees in each State an amount that bears the same ratio to such amount as the product of the number of individuals age 55 or older in the State and the allotment percentage of such State bears to the sum of the corresponding products for all States, except as follows:

(1) Minimum allotment
No State shall be provided an amount under this subsection that is less than 1/2 of 1 percent of the amount provided under subsection (c) for State grantees in all of the States.

(2) Hold harmless
If such amount provided under subsection (c) is—
(A) equal to or less than the amount necessary to maintain the fiscal year 2000 level of activities, allotments for State grantees in the State that is less than 30 percent of the percentage increase above the amount necessary to maintain their fiscal year 2000 level of activities, no State shall be provided a percentage increase above the amount necessary to maintain the fiscal year 2000 level of activities for State grantees in the State that is less than 30 percent of the percentage increase above the amount necessary to maintain the fiscal year 2000 level of activities for State grantees in all of the States.

(3) Reduction
Allotments for States not affected by paragraphs (1) and (2)(B) shall be reduced proportionally to satisfy the conditions in such paragraphs.

(f) Allotment percentage
For purposes of subsections (d) and (e) and this subsection—
(1) the allotment percentage of each State shall be 100 percent less that percentage that bears the same ratio to 50 percent as the per capita income of such State bears to the per capita income of the United States, except that—

(A) the allotment percentage shall be not more than 75 percent and not less than 33 percent; and

(B) the allotment percentage for the District of Columbia and the Commonwealth of Puerto Rico shall be 75 percent;

(2) the number of individuals age 55 or older in any State and in all States, and the per capita income in any State and in all States, shall be determined by the Secretary on the basis of the most satisfactory data available to the Secretary; and

(3) for the purpose of determining the allotment percentage, the term “United States” means the 50 States,1 and the District of Columbia.

(g) Definitions

In this section:

(1) Cost per authorized position

The term “cost per authorized position” means the sum of—

(A) the hourly minimum wage rate specified in section 206(a)(1) of title 29, multiplied by the number of hours equal to the product of 21 hours and 52 weeks;

(B) an amount equal to 11 percent of the amount specified under subparagraph (A), for the purpose of covering Federal payments for fringe benefits; and

(C) an amount determined by the Secretary, for the purpose of covering Federal payments for the remainder of all other program and administrative costs.

(2) Fiscal year 2000 level of activities

The term “fiscal year 2000 level of activities” means—

(A) with respect to public and nonprofit private agency and organization grantees that operate under this subchapter under national grants from the Secretary, their level of activities for fiscal year 2000; and

(B) with respect to State grantees, their level of activities for fiscal year 2000.

(3) Grants to States

The term “grants to States” means grants made under this subchapter by the Secretary to the States.

(4) Level of activities

The term “level of activities” means the number of authorized positions multiplied by the cost per authorized position.

(5) National grants

The term “national grants” means grants made under this subchapter by the Secretary to public and nonprofit private agency and organization grantees that operate under this subchapter.

(6) State

The term “State” does not include Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, and the United States Virgin Islands.


PRIOR PROVISIONS


Another prior section 506 of Pub. L. 89–73 was classified to section 3041e of this title, prior to repeal by Pub. L. 95–478.

§ 3056e. Equitable distribution

(a) Interstate allocation

In making grants under section 3056(b) of this title from allotments made under section 3056d of this title, the Secretary shall ensure, to the extent feasible, an equitable distribution of activities under such grants, in the aggregate, among the States, taking into account the needs of underserved States.

(b) Intrastate allocation

The amount allocated for projects within each State under section 3056d of this title shall be allocated among areas in the State in an equitable manner, taking into consideration the State priorities set out in the State plan in effect under section 3056a(a) of this title.


PRIOR PROVISIONS


Another prior section 507 of Pub. L. 89–73 was classified to section 3041f of this title, prior to repeal by Pub. L. 95–478.

§ 3056f. Report

To carry out the Secretary’s responsibilities for reporting in section 3056a(g) of this title, the

1 So in original. The comma probably should not appear.
Secretary shall require the State agency for each State that receives funds under this subchapter to prepare and submit a report at the beginning of each fiscal year on such State’s compliance with section 3056e(b) of this title. Such report shall include the names and geographic location of all projects assisted under this subchapter and carried out in the State and the amount allocated to each such project under section 3056d of this title.


PRIOR PROVISIONS


§ 3056g. Employment assistance and Federal housing and supplemental nutrition assistance programs

Funds received by eligible individuals from projects carried out under the program established under this subchapter shall not be considered to be income of such individuals for purposes of determining the eligibility of such individuals, or of any other individuals, to participate in any housing program for which Federal funds may be available or for any income determination under the Food and Nutrition Act of 2008 (7 U.S.C. 2011 et seq.).


REFERENCES IN TEXT


CODIFICATION


PRIOR PROVISIONS


AMENDMENTS


EFFECTIVE DATE OF 2008 AMENDMENT


§ 3056h. Eligibility for workforce investment activities

Eligible individuals under this subchapter may be considered by local workforce development boards and one-stop operators established under title I of the Workforce Innovation and Opportunity Act (29 U.S.C. 3111 et seq.) to satisfy the requirements for receiving services under such title that are applicable to adults.


REFERENCES IN TEXT


PRIOR PROVISIONS


AMENDMENTS

2014—Pub. L. 113–128 substituted “by local workforce development boards and one-stop operators established under title I of the Workforce Innovation and Opportunity Act” for “by local workforce investment boards and one-stop operators established under title I of the Workforce Investment Act of 1998 (29 U.S.C. 2801 et seq.)” and “such title” for “such title I.”

EFFECTIVE DATE OF 2014 AMENDMENT

(July 1, 2015), see section 506 of Pub. L. 113–128, set out as an Effective Date note under section 3101 of Title 29, Labor.

§ 3056i. Coordination with the Workforce Innovation and Opportunity Act

(a) **Partners**

Grantees under this subchapter shall be one-stop partners as described in subparagraphs (A) and (B)(v) of section 121(b)(1) of the Workforce Innovation and Opportunity Act (29 U.S.C. 3151(b)(1)) in the one-stop delivery system established under section 121(e) of such Act (29 U.S.C. 3151(e)) for the appropriate local workforce development areas, and shall carry out the responsibilities relating to such partners.

(b) **Coordination**

In local workforce investment areas where more than 1 grantee under this subchapter provides services, the grantees shall—

1. coordinate their activities related to the one-stop delivery systems; and
2. be signatories of the memorandum of understanding established under section 121(c) of the Workforce Innovation and Opportunity Act (29 U.S.C. 3151(c)).


**PRIOR PROVISIONS**

A prior section 3056i, Pub. L. 89–73, title V, § 511, as added Pub. L. 106–501, title V, § 501, Nov. 13, 2000, 114 Stat. 2280, provided that assistance under this subchapter was not financial assistance described in section 1255a(h)(1)(A) of title 8, prior to the general amendment of this subchapter by Pub. L. 109–365. See section 3056j of this title.


**AMENDMENTS**


2014—Subsec. (a). Pub. L. 113–128, § 512(w)(7)(A), substituted “Grantees under this subchapter shall be one-stop partners as described in subparagraphs (A) and (B)(v) of section 121(b)(1) of the Workforce Innovation and Opportunity Act in the one-stop delivery system established under section 121(e) of such Act for the appropriate local workforce development areas” for “Grantees under this subchapter shall be one-stop partners as described in subparagraphs (A) and (B)(v) of section 121(b)(1) of the Workforce Innovation and Opportunity Act for ‘Workforce Innovation and Opportunity Act’ for ‘be signatories of the memorandum of understanding established under section 121(c) of the Workforce Innovation and Opportunity Act of 1998 (29 U.S.C. 3151(c))’”.

Effective Date of 2014 Amendment

Amendment by Pub. L. 113–128 effective on the first day of the first full program year after July 22, 2014 (July 1, 2015), see section 506 of Pub. L. 113–128, set out as an Effective Date note under section 3101 of Title 29, Labor.

§ 3056j. Treatment of assistance

Assistance provided under this subchapter shall not be considered to be financial assistance described in section 1255a(h)(1)(A) of title 8.


**PRIOR PROVISIONS**


§ 3056k. Performance

(a) **Measures**

(1) **Establishment and implementation of measures**

The Secretary shall establish and implement, after consultation with grantees, subgrantees, and host agencies under this subchapter, States, older individuals, area agencies on aging, and other organizations serving older individuals, core measures of performance for each grantee for projects and services carried out under this subchapter. The core measures of performance shall be applicable to each grantee under this subchapter without regard to whether such grantee operates the program directly or through subcontracts, subgrants, or agreements with other entities.

(2) **Content**

(A) **Composition of measures**

The core measures of performance established by the Secretary in accordance with paragraph (1) shall consist of core indicators of performance specified in subsection (b)(1) and the expected levels of performance applicable to each core indicator of performance.

(B) **Expected levels of performance**

The Secretary and each grantee shall reach agreement on the expected levels of performance for each program year for each of the core indicators of performance specified in subparagraph (A). Funds may not be awarded under the grant until such agreement is reached. At the conclusion of negotiations concerning the levels with all grantees, the Secretary shall make available for public review the final negotiated expected levels of performance for each grantee, including any comments submitted by the grantee regarding the grantee’s satisfaction with the negotiated levels.

(C) **Agreement on expected levels of performance**

(i) **First 2 years**

Each grantee shall reach agreement with the Secretary on levels of performance for each measure described in subparagraph (A)(1),1 for each of the first 2 program

---

1 So in original. Subparagraph (A) does not contain clauses.
years covered by the grant agreement. In reaching the agreement, the grantee and the Secretary shall take into account the expected levels proposed by the grantee and the factors described in subparagraph (D). The levels agreed to shall be considered to be the expected levels of performance for the grantee for such program years.

(ii) Third and fourth year

Each grantee shall reach agreement with the Secretary, prior to the third program year covered by the grant agreement, on levels of performance for each measure described in subparagraph (A), for each of the third and fourth program years so covered. In reaching the agreement, the grantee and the Secretary shall take into account the expected levels proposed by the grantee and the factors described in subparagraph (D). The levels agreed to shall be considered to be the expected levels of performance for the grantee for such program years.

(D) Factors

In reaching the agreements described in subparagraph (B), each grantee and the Secretary shall—

(i) take into account how the levels involved compare with the expected levels of performance established for other grantees;

(ii) ensure that the levels involved are adjusted, using an objective statistical model based on the model established by the Secretary in accordance with section 3141(a)(3)(A)(viii) of title 29; and

(iii) take into account the extent to which the levels involved reflect continued improvement in performance accountability on the core measures and ensure optimal return on the investment of Federal funds.

(E) Adjustments based on economic conditions and individuals served during the program year

The Secretary shall, in accordance with the objective statistical model developed pursuant to subparagraph (D)(ii), adjust the expected levels of performance for a program year for grantees, to reflect the actual economic conditions and characteristics of participants in the corresponding projects during such program year.

(3) Limitation

An agreement to be evaluated on the core measures of performance shall be a requirement for application for, and a condition of, all grants authorized by this subchapter.

(b) Indicators of performance

(1) Core indicators

The core indicators of performance described in subsection (a)(2)(A) shall consist of:

(A) hours (in the aggregate) of community service employment;

(B) the percentage of project participants who are in unsubsidized employment during the second quarter after exit from the project;

(C) the percentage of project participants who are in unsubsidized employment during the fourth quarter after exit from the project;

(D) the median earnings of project participants who are in unsubsidized employment during the second quarter after exit from the project;

(E) indicators of effectiveness in serving employers, host agencies, and project participants; and

(F) the number of eligible individuals served, including the number of participating individuals described in subsection (a)(3)(B)(ii) or (b)(2) of section 3056p of this title.

(2) Definitions of indicators

The Secretary, after consultation with national and State grantees, representatives of business and labor organizations, and providers of services, shall, by regulation, issue definitions of the indicators of performance described in paragraph (1).

(c) Evaluation

The Secretary shall annually evaluate, and publish and make available for public review information on, the actual performance of each grantee with respect to the levels achieved for each of the core indicators of performance, compared to the expected levels of performance established under subsection (a)(3)(B)(ii) or (b)(2) of section 3056p of this title.

(d) Technical assistance and corrective efforts

(1) Initial determinations

(A) In general

As soon as practicable after July 1, 2016, the Secretary shall determine if a grantee under this subchapter has, for program year 2016, met the expected levels of performance established under subsection (a)(2)(B) (including any adjustments to such levels made in accordance with subsection (a)(2)(E)).

(B) Technical assistance

If the Secretary determines that the grantee, for program year 2016, failed to meet the expected levels of performance described in subparagraph (A), the Secretary shall provide technical assistance to assist the grantee to meet the expected levels of performance.

(2) National grantees

(A) In general

Not later than 120 days after the end of each program year, the Secretary shall determine if a national grantee awarded a grant under section 3056(b) of this title in accordance with section 3056p of this title has met the expected levels of performance established under subsection (a)(2)(B) (including any adjustments to such levels made in accordance with subsection (a)(2)(E)) for the
core indicators of performance described in subsection (b)(1).

(B) Technical assistance and corrective action plan

(i) In general

If the Secretary determines that a national grantee fails to meet the expected levels of performance described in subparagraph (A), the Secretary after each year of such failure, shall provide technical assistance and require such grantee to submit a corrective action plan not later than 160 days after the end of the program year.

(ii) Content

The plan submitted under clause (i) shall detail the steps the grantee will take to meet the expected levels of performance in the next program year.

(iii) Recompetition

Any grantee who has failed to meet the expected levels of performance for 4 consecutive years shall not be allowed to compete in the subsequent grant competition under section 3056d of this title following the fourth consecutive year of failure but may compete in the next such grant competition after that subsequent competition.

(iv) Use of core indicators

For purposes of assessing grantee performance under this subparagraph before program year 2017, the Secretary shall use the core indicators of performance in effect at the time of the award and the most recent corresponding expected levels of performance.

(3) State grantees

(A) In general

Not later than 120 days after the end of each program year, the Secretary shall determine if a State grantee allotted funds under section 3056d(e) of this title has met the expected levels of performance established under subsection (a)(2)(B) (including any adjustments to such levels made in accordance with subsection (a)(2)(E)) for the State of a competition to award the funds allotted to the State under section 3056d(e) of this title for the first full program year following the Secretary's determination.

(B) Technical assistance and corrective action plan

(i) In general

If the Secretary determines that a State fails to meet the expected levels of performance described in subparagraph (A) for 3 consecutive program years, the Secretary shall provide for the conduct by the State of a competition to award the funds allotted to the State under section 3056d(e) of this title for the first full program year following the Secretary's determination.

(4) Special rule for implementation

The Secretary shall implement the core measures of performance described in this section not later than December 31, 2017.

(e) Impact on grant competition

Effective on January 1, 2018, the Secretary may not publish a notice announcing a grant competition under this subchapter, or solicit proposals for grants, until the day on which the Secretary implements the core measures of performance.


REFERENCES IN TEXT

Section 3141 of title 29, referred to in subsec. (a)(2)(D)(ii), was in the original a reference to section 116 of the Workforce Investment and Opportunity Act and was translated as meaning section 116 of the Workforce Innovation and Opportunity Act, to reflect the probable intent of Congress.

PRIOR PROVISIONS


AMENDMENTS


Subsec. (a)(2)(A). Pub. L. 114–144, §6(d)(1)(C)(i), substituted “Composition of measures” for “Composition of measures and indicators” in heading, struck out cl. (i) designation and heading, and struck out cl. (ii). Prior to amendment, text of cl. (ii) read as follows: “The additional indicators of performance established by the Secretary in accordance with paragraph (i) shall be the additional indicators of performance specified in subsection (b)(2).”

Subsec. (a)(2)(B). Pub. L. 114–144, §6(d)(1)(C)(iii), redesignated subpar. (C) as (B), substituted “subparagraph (A)” for “subparagraph (A)(i)”, and struck out “The agreement shall take into account the requirement of subparagraph (B) and the factors described in subparagraph (D), and other appropriate factors as determined by the Secretary, and shall be consistent with the requirements of subparagraph (E).” before “Funds may”. Former subpar. (B) struck out.


Text read as follows: “The measures described in subparagraph (A)(i) shall be designed to promote continuous improvement in performance.”

Subsec. (a)(2)(C) to (E). Pub. L. 114–144, §6(d)(1)(C)(iv), added subpars. (C) to (E) and struck out former subpars. (D) and (E) which related to adjustment of expected levels of performance and placement into unsubsidized employment, respectively. Former subpar. (C) redesignated (B).


Subsec. (a)(2)(A). Pub. L. 114–144, §6(d)(1)(C)(i), substituted “Composition of measures” for “Composition of measures and indicators” in heading, struck out cl. (i) designation and heading, and struck out cl. (ii). Prior to amendment, text of cl. (ii) read as follows: “The additional indicators of performance established by the Secretary in accordance with paragraph (i) shall be the additional indicators of performance specified in subsection (b)(2).”

Subsec. (a)(2)(B). Pub. L. 114–144, §6(d)(1)(C)(iii), redesignated subpar. (C) as (B), substituted “subparagraph (A)” for “subparagraph (A)(i)”, and struck out “The agreement shall take into account the requirement of subparagraph (B) and the factors described in subparagraph (D), and other appropriate factors as determined by the Secretary, and shall be consistent with the requirements of subparagraph (E).” before “Funds may”. Former subpar. (B) struck out.


Text read as follows: “The measures described in subparagraph (A)(i) shall be designed to promote continuous improvement in performance.”

Subsec. (a)(2)(C) to (E). Pub. L. 114–144, §6(d)(1)(C)(iv), added subpars. (C) to (E) and struck out former subpars. (D) and (E) which related to adjustment of expected levels of performance and placement into unsubsidized employment, respectively. Former subpar. (C) redesignated (B).


§ 3056f. Competitive requirements relating to grant awards

(a) Program authorized

(1) Initial approval of grant applications

From the funds available for national grants under section 3056d(d) of this title, the Secretary shall award grants under section 3056(b) of this title to eligible applicants, through a competitive process that emphasizes meeting performance requirements, to carry out projects under this subchapter for a period of 4 years, except as provided in paragraph (2). The Secretary may not conduct a grant competition under this subchapter until the day described in section 3056(e) of this title.

(2) Continuation of approval based on performance

If the recipient of a grant made under paragraph (1) meets the expected levels of performance described in section 3056d(d)(2)(A) of this title for each year of such 4-year period with respect to a project, the Secretary may award a grant under section 3056(b) of this title to such recipient to continue such project beyond such 4-year period for 1 additional year without regard to such process.

(b) Eligible applicants

An applicant shall be eligible to receive a grant under section 3056(b) of this title in accordance with subsections (a), (c), and (d).

(c) Criteria

For purposes of subsection (a)(1), the Secretary shall select the eligible applicants to receive grants based on the following:

(1) The applicant's ability to administer a project that serves the greatest number of eligible individuals, giving particular consideration to individuals with greatest economic need, individuals with greatest social need, and individuals described in subsection (a)(3)(B)(ii) or (b)(2) of section 3056p of this title.

(2) The applicant's ability to administer a project that provides employment for eligible individuals in the communities in which such individuals reside, or in nearby communities, that will contribute to the general welfare of the communities involved.

(3) The applicant's ability to administer a project that moves eligible individuals into unsubsidized employment.

(4) The applicant's prior performance, if any, in meeting core measures of performance under this subchapter and the applicant's ability to address core indicators of performance under this subchapter and under other Federal or State programs in the case of an applicant that has not previously received a grant under this subchapter.

(5) The applicant's ability to move individuals with multiple barriers to employment, including individuals described in subsection (a)(3)(B)(ii) or (b)(2) of section 3056p of this title, into unsubsidized employment.

(6) The applicant's ability to coordinate activities with other organizations at the State and local level.

(7) The applicant's plan for fiscal management of the project to be administered with funds received in accordance with this section.
§ 3056. The applicant’s ability to administer a project that provides community service.

(9) The applicant’s ability to minimize disruption in services for participants and in community services provided.

(10) Any additional criteria that the Secretary considers to be appropriate in order to minimize disruption in services for participants.

(d) Responsibility tests

(1) In general

Before final selection of a grantee, the Secretary shall conduct a review of available records to assess the applicant’s overall responsibility to administer Federal funds.

(2) Review

As part of the review described in paragraph (1), the Secretary may consider any information, including the applicant’s history with regard to the management of other grants.

(3) Failure to satisfy test

The failure to satisfy a responsibility test with respect to any 1 factor that is listed in paragraph (4), excluding those listed in subparagraphs (A) and (B) of such paragraph, does not establish that the applicant is not responsible unless such failure is substantial or persists for 2 or more consecutive years.

(4) Test

The responsibility tests include review of the following factors:

(A) Unsuccessful efforts by the applicant to recover debts, after 3 demand letters have been sent, that are established by final agency action, or a failure to comply with an approved repayment plan.

(B) Established fraud or criminal activity of a significant nature within the organization or agency involved.

(C) Serious administrative deficiencies identified by the Secretary, such as failure to maintain a financial management system as required by Federal rules or regulations.

(D) Willful obstruction of the audit process.

(E) Failure to provide services to participants for a current or recent grant or to meet applicable core measures of performance or address applicable indicators of performance.

(F) Failure to correct deficiencies brought to the grantee’s attention in writing as a result of monitoring activities, reviews, assessments, or other activities.

(G) Failure to return a grant closeout package or outstanding advances within 90 days of the grant expiration date or receipt of the closeout package, whichever is later, unless an extension has been requested and granted.

(H) Failure to submit required reports.

(I) Failure to properly report and dispose of Government property as instructed by the Secretary.

(J) Failure to have maintained effective cash management or cost controls resulting in excess cash on hand.

(K) Failure to ensure that a subrecipient complies with its Office of Management and Budget Circular A-133 audit requirements specified at section 667.200(b) of title 20, Code of Federal Regulations.

(L) Failure to audit a subrecipient within the required period.

(M) Final disallowed costs in excess of 5 percent of the grant or contract award if, in the judgment of the grant officer, the disallowances are egregious.

(N) Failure to establish a mechanism to resolve a subrecipient’s audit in a timely fashion.

(5) Determination

Applicants that are determined to be not responsible shall not be selected as grantees.

(6) Disallowed costs

Interest on disallowed costs shall accrue in accordance with the Debt Collection Improvement Act of 1996, including the amendments made by that Act.

(e) Grantees serving individuals with barriers to employment

(1) Definition

In this subsection, the term “individuals with barriers to employment” means minority individuals, Indian individuals, individuals with greatest economic need, and individuals described in subsection (a)(3)(B)(ii) or (b)(2) of section 3056p of this title.

(2) Special consideration

In areas where a substantial population of individuals with barriers to employment exists, a grantee that receives a national grant in accordance with this section shall, in selecting subgrantees, give special consideration to organizations (including former recipients of such national grants) with demonstrated expertise in serving individuals with barriers to employment.

(f) Minority-serving grantees

The Secretary may not promulgate rules or regulations affecting grantees in areas where a substantial population of minority individuals exists, that would significantly compromise the ability of the grantees to serve their targeted population of minority older individuals.


REFERENCES IN TEXT


PRIOR PROVISIONS


AMENDMENTS

2016—Subsec. (c)(4). Pub. L. 114–144 struck out “and addressing additional indicators of performance” after
“measures of performance” and “and additional indicators of performance” after “core indicators of performance”.

§ 3056m. Report on service to minority individuals

(a) In general

The Secretary shall annually prepare a report on the levels of participation and performance outcomes of minority individuals served by the program carried out under this subchapter.

(b) Contents

(1) Organization and data

Such report shall present information on the levels of participation and the outcomes achieved by such minority individuals with respect to each grantee under this subchapter, by service area, and in the aggregate, beginning with data that applies to program year 2005.

(2) Efforts

The report shall also include a description of each grantee’s efforts to serve minority individuals, based on information submitted to the Secretary by each grantee at such time and in such manner as the Secretary determines to be appropriate.

(3) Related matters

The report shall also include—

(A) an assessment of individual grantees based on the criteria established under subsection (c);

(B) an analysis of whether any changes in grantees have affected participation rates of such minority individuals;

(C) information on factors affecting participation rates among such minority individuals; and

(D) recommendations for increasing participation of minority individuals in the program.

(c) Criteria

The Secretary shall establish criteria for determining the effectiveness of grantees in serving minority individuals in accordance with the goals set forth in section 3056(a)(1) of title.

(d) Submission

The Secretary shall annually submit such a report to the appropriate committees of Congress.


Prior Provisions


§ 3056o. Authorization of appropriations

(a) In general

There are authorized to be appropriated to carry out this subchapter $445,189,405 for fiscal year 2017, $454,499,494 for fiscal year 2018, and $463,809,605 for fiscal year 2019.

(b) Obligation

Amounts appropriated under this section for any fiscal year shall be available for Federal obligation during the annual period that begins on April 1 of the calendar year immediately following the beginning of such fiscal year and that ends on June 30 of the following calendar year. Such amounts obligated to grantees shall be available for obligation and expenditure by grantees during the program year that begins on July 1 of the calendar year immediately following the beginning of the fiscal year in which the amounts are appropriated and that ends on June 30 of the following calendar year. The Secretary may extend the period during which such amounts may be obligated or expended in the case of a particular organization or agency that receives funds under this subchapter if the Secretary determines that such extension is necessary to ensure the effective use of such funds by such organization or agency.

(c) Recapturing funds

At the end of the program year, the Secretary may recapture any unexpended funds for the program year, and reobligate such funds within the 2 succeeding program years for—

(1) incentive grants to entities that are State grantees or national grantees under section 3056(b) of this title;

(2) technical assistance; or

(3) grants or contracts for any other activity under this subchapter.


Amendments


Subsec. (b). Pub. L. 114–144, §6(f)(2), substituted “April 1” for “July 1” and inserted “Federal” before “obligation during” and “Such amounts obligated to grantees shall be available for obligation and expendi-
§ 3056p. Definitions and rule

(a) Definitions

For purposes of this subchapter:

(1) Community service

The term "community service" means—

(A) social, health, educational, legal, and other counseling services and assistance, including tax counseling and assistance and financial counseling, and library, recreational, and other similar services;

(B) conservation, maintenance, or restoration of natural resources;

(C) community betterment or beautification;

(D) antipollution and environmental quality efforts;

(E) weatherization activities;

(F) economic development; and

(G) such other services essential and necessary to the community as the Secretary determines by rule to be appropriate.

(2) Community service employment

The term "community service employment" means part-time, temporary employment paid with grant funds in projects described in section 3056(b)(1)(D) of this title, through which eligible individuals are engaged in community service and receive work experience and job skills that can lead to unsubsidized employment.

(3) Eligible individual

(A) In general

The term "eligible individual" means an individual who is age 55 or older and who has a low income (including any such individual whose income is not more than 125 percent of the poverty line), excluding any income that is unemployment compensation, a benefit received under title XVI of the Social Security Act (42 U.S.C. 1381 et seq.), or, at the option of the grantee involved, the annualized income for the 6-month period (or, at the option of the grantee involved, the income received during the 12-month period) ending on the date an eligible individual submits an application to participate in a project carried out under this subchapter by such grantee.

(B) Participation

(i) Exclusion

Notwithstanding any other provision of this paragraph, the term "eligible individual" does not include an individual who are participated in projects under this subchapter for a period of 48 months in the aggregate (whether or not consecutive) after July 1, 2007, unless the period was increased as described in clause (ii).

(ii) Increased periods of participation

The Secretary shall authorize a grantee for a project to increase the period of participation described in clause (i), pursuant to a request submitted by the grantee, for individuals who—

(I) have a severe disability;

(II) are frail or are age 75 or older;

(III) meet the eligibility requirements related to age for, but do not receive, benefits under title II of the Social Security Act (42 U.S.C. 401 et seq.);

(IV) live in an area with persistent unemployment and are individuals with severely limited employment prospects; or

(V) have limited English proficiency or low literacy skills.

(4) Income

In this section, the term "income" means income received during the 12-month period (or, at the option of the grantee involved, the annualized income for the 6-month period) ending on the date an eligible individual submits an application to participate in a project carried out under this subchapter by such grantee.

(5) Local workforce development board; state workforce development board

The terms "local workforce development board" and "state workforce development board" have the meanings given the terms "local board" and "State board", respectively, in section 3 of the Workforce Innovation and Opportunity Act (29 U.S.C. 3103).

(6) Pacific Island and Asian Americans

The term "Pacific Island and Asian Americans" means Americans having origins in any of the original peoples of the Far East, Southeast Asia, the Indian Subcontinent, or the Pacific Islands.

(7) Program

The term "program" means the older American community service employment program established under this subchapter.

(8) Supportive services

The term "supportive services" means services, such as transportation, child care, dependent care, housing, and needs-related payments, that are necessary to enable an individual to participate in activities authorized under this subchapter, consistent with the provisions of this subchapter.

(9) Unemployed

The term "unemployed", used with respect to a person or individual, means an individual who is without a job and who wants and is available for work, including an individual who may have occasional employment that does not result in a constant source of income.

(b) Rule

Pursuant to regulations prescribed by the Secretary, an eligible individual shall have priority for the community service employment and other authorized activities provided under this subchapter if the individual—

(1) is 65 years of age or older; or

(2)(A) has a disability;

(B) has limited English proficiency or low literacy skills;
(C) resides in a rural area;
(D) is a veteran;
(E) has low employment prospects;
(F) has failed to find employment after utilizing services provided under title I of the Workforce Innovation and Opportunity Act [29 U.S.C. 3111 et seq.]; or
(G) is homeless or at risk for homelessness.


REFERENCES IN TEXT


AMENDMENTS

2015—Subsec. (a)(5) to (9). Pub. L. 114–144 added par. (5) and redesignated former pars. (5) to (8) as (6) to (9), respectively.

2014—Subsec. (b)(2)(F). Pub. L. 113–128 substituted “has failed to find employment after utilizing services provided under title I of the Workforce Innovation and Opportunity Act” for “has failed to find employment after utilizing services provided under title I of the Workforce Innovation and Opportunity Act of 1998”.

EFFECTIVE DATE OF 2014 AMENDMENT

Amendment by Pub. L. 113–128 effective on the first day of the first full program year after July 22, 2014 (July 1, 2015), see section 506 of Pub. L. 113–128, set out as an Effective Date note under section 3101 of Title 29, Labor.

SUBCHAPTER X—GRANTS FOR NATIVE AMERICANS

§ 3057. Statement of purpose

It is the purpose of this subchapter to promote the delivery of supportive services, including nutrition services to American Indians, Alaskan Natives, and Native Hawaiians that are comparable to services provided under subchapter III.


PRIOR PROVISIONS


AMENDMENTS

1992—Pub. L. 102–375 substituted “older individuals who are Indians, older individuals who are Alaskan Natives, and older individuals who are Native Hawaiians” for “older Indians, older Alaskan Natives, and older Native Hawaiians”.

EFFECTIVE DATE

Section effective Oct. 1, 1987, except not applicable with respect to any area plan submitted under section 3026(a) of this title or any State plan submitted under section 3027(a) of this title and approved for any fiscal year beginning before Nov. 29, 1987, see section 701(a), (b) of Pub. L. 100–175, set out as an Effective Date of 1987 Amendment note under section 3001 of this title.

PART A—INDIAN PROGRAM

§ 3057b. Findings

(a)1 The Congress finds that the older individuals who are Indians of the United States—

(1) are a rapidly increasing population;
(2) suffer from high unemployment;
(3) live in poverty at a rate estimated to be as high as 61 percent;
(4) have a life expectancy between 3 and 4 years less than the general population;
(5) lack sufficient nursing homes, other long-term care facilities, and other health care facilities;
(6) lack sufficient Indian area agencies on aging;
(7) frequently live in substandard and overcrowded housing;

1 So in original. No subsec. (b) has been enacted.
(8) receive less than adequate health care;
(9) are served under this subchapter at a rate of less than 19 percent of the total national population of older individuals who are Indians living on Indian reservations; and
(10) are served under subchapter III at a rate of less than 1 percent of the total participants under that subchapter.


PRIOR PROVISIONS


AMENDMENTS

Subsec. (a)(9). Pub. L. 102–375, § 904(a)(21)(B), substituted "population of older individuals who are Indians" for "Indian elderly population".

EFFECTIVE DATE
Section effective Oct. 1, 1987, except not applicable with respect to any area plan submitted under section 3026(a) of this title or any State plan submitted under section 3027(a) of this title and approved for any fiscal year beginning before Nov. 29, 1987, see section 701(a), (b) of Pub. L. 100–175, set out as an Effective Date of 1987 Amendment note under section 3001 of this title.

TASK FORCE
Pub. L. 100–175, title I, § 134(d), Nov. 29, 1987, 101 Stat. 941, provided that:

"(1) The Commissioner on Aging [now Assistant Secretary for Aging] shall establish a permanent interagency task force that is representative of departments and agencies of the Federal Government with an interest in older Indians and their welfare, and is designed to make recommendations with respect to facilitating the coordination of services and the improvement of services to older Indians.

"(2) The task force shall be chaired by the Associate Commissioner on [now Director of the Office for] American Indian, Alaskan Native, and Native Hawaiian Aging and shall submit its findings and recommendations to the Commissioner at 6-month intervals beginning after the date of enactment of this Act [Nov. 29, 1987]. Such findings and recommendations shall be included in the annual report required by section 207(a) of the Older Americans Act of 1965 [42 U.S.C. 3018(a)] to be submitted by the Commissioner."

SPECIAL REPORT ON SERVICES FOR OLDER INDIANS
Pub. L. 100–175, title I, § 134(e), Nov. 29, 1987, 101 Stat. 942, directed Commissioner on Aging to enter into a contract with a public agency or nonprofit private organization to conduct a thorough study of availability and quality of services under the Older Americans Act of 1965 [42 U.S.C. 3001 et seq.], and, not later than Dec. 31, 1988, submit to Congress a report and recommendations based on the study.

§ 3057c. Eligibility
(a) Criteria
A tribal organization of an Indian tribe is eligible for assistance under this part only if—
(1) the tribal organization represents at least 50 individuals who are 60 years of age or older; and
(2) the tribal organization demonstrates the ability to deliver supportive services, including nutritional services.

(b) Limitation
An Indian tribe represented by an organization specified in subsection (a) shall be eligible for only one grant under this part for any fiscal year. Nothing in this subsection shall preclude an Indian tribe represented by an organization specified in subsection (a) from receiving a grant under section 3057k–11 of this title.

(c) "Indian tribe" and "tribal organization" defined
For the purposes of this part the terms "Indian tribe" and "tribal organization" have the same meaning as in section 5304 of title 25.

PRIOR PROVISIONS

AMENDMENTS
2000—Subsecs. (b), (c). Pub. L. 106–501 added subsec. (b) and redesignated former subsec. (b) as (c).

EFFECTIVE DATE
Section effective Oct. 1, 1987, except not applicable with respect to any area plan submitted under section 3026(a) of this title or any State plan submitted under section 3027(a) of this title and approved for any fiscal year beginning before Nov. 29, 1987, see section 701(a), (b) of Pub. L. 100–175, set out as an Effective Date of 1987 Amendment note under section 3001 of this title.

§ 3057d. Grants authorized
The Assistant Secretary may make grants to eligible tribal organizations to pay all of the costs for delivery of supportive services and nutrition services for older individuals who are Indians.


PRIOR PROVISIONS
AMENDMENTS

1993—Pub. L. 103–171 substituted “‘Assistant Secretary’” for “‘Commissioner’”.
1992—Pub. L. 102–375 inserted “individuals who are” after “‘older’.

EFFECTIVE DATE

Section effective Oct. 1, 1987, except not applicable with respect to any area plan submitted under section 3026(a) of this title or any State plan submitted under section 3027(a) of this title and approved for any fiscal year beginning before Nov. 29, 1987, see section 701(a), (b) of Pub. L. 100–175, set out as an Effective Date of 1987 Amendment note under section 3001 of this title.

§ 3057e. Applications

(a) Approval criteria; provisions and assurances

No grant may be made under this part unless the eligible tribal organization submits an application to the Assistant Secretary which meets such criteria as the Assistant Secretary may by regulation prescribe. Each such application shall—

1. provide that the eligible tribal organization will evaluate the need for supportive and nutrition services among older individuals who are Indians to be represented by the tribal organization;

2. provide for the use of such methods of administration as are necessary for the proper and efficient administration of the program to be assisted;

3. provide that the tribal organization will make such reports in such form and containing such information, as the Assistant Secretary may reasonably require, and comply with such requirements as the Assistant Secretary may impose to assure the correctness of such reports;

4. provide for periodic evaluation of activities and projects carried out under the application;

5. establish objectives consistent with the purposes of this part toward which activities under the application will be directed, identify obstacles to the attainment of such objectives, and indicate the manner in which the tribal organization proposes to overcome such obstacles;

6. provide for establishing and maintaining information and assistance services to assure that older individuals who are Indians to be served by the assistance made available under this part will have reasonably convenient access to such services;

7. provide a preference for older individuals who are Indians for full or part-time staff positions wherever feasible;

8. provide assurances that either directly or by way of grant or contract with appropriate entities nutrition services will be delivered to older individuals who are Indians represented by the tribal organization substantially in compliance with the provisions of part C of subchapter III, except that in any case in which the need for nutritional services for older individuals who are Indians represented by the tribal organization is already met from other sources, the tribal organization may use the funds otherwise required to be expended under this paragraph for supportive services;

9. provide that any legal or ombudsman services made available to older individuals who are Indians represented by the tribal organization will be substantially in compliance with the provisions of subchapter III relating to the furnishing of similar services;

10. provide satisfactory assurance that fiscal control and fund accounting procedures will be adopted as may be necessary to assure proper disbursement of, and accounting for, Federal funds paid under this part to the tribal organization, including any funds paid by the tribal organization to a recipient of a grant or contract; and

11. contain assurances that the tribal organization will coordinate services provided under this part with services provided under subchapter III in the same geographical area.

(b) Population statistics development

For the purpose of any application submitted under this part, the tribal organization may develop its own population statistics, with approval from the Bureau of Indian Affairs, in order to establish eligibility.

(c) Approval by Assistant Secretary

(1) The Assistant Secretary shall approve any application which complies with the provisions of subsection (a).

(2) The Assistant Secretary shall provide waivers and exemptions of the reporting requirements of subsection (a)(3) for applicants that serve Indian populations in geographically isolated areas, or applicants that serve small Indian populations, where the small scale of the project, the nature of the applicant, or other factors make the reporting requirements unreasonable under the circumstances. The Assistant Secretary shall consult with such applicants in establishing appropriate waivers and exemptions.

(3) The Assistant Secretary shall approve any application that complies with the provisions of subsection (a), except that in determining whether an application complies with the requirements of subsection (a)(8), the Assistant Secretary shall provide maximum flexibility to an applicant that seeks to take into account subsistence needs, local customs, and other characteristics that are appropriate to the unique cultural, regional, and geographic needs of the Indian populations to be served.

(4) In determining whether an application complies with the requirements of subsection (a)(12),1 the Assistant Secretary shall require only that an applicant provide an appropriate narrative description of the geographic area to be served and an assurance that procedures will be adopted to ensure against duplicate services being provided to the same recipients.

(d) Disapproval by Assistant Secretary

Whenever the Assistant Secretary determines not to approve an application submitted under subsection (a) the Assistant Secretary shall—

1. state objections in writing to the tribal organization within 60 days after such decision;

2. provide to the extent practicable technical assistance to the tribal organization to overcome such stated objections; and

1 See References in Text note below.
(3) provide the tribal organization with a hearing, under such rules and regulations as the Assistant Secretary may prescribe.

(e) Funds per year

Whenever the Assistant Secretary approves an application of a tribal organization under this part, funds shall be awarded for not less than 12 months.


REFERENCES IN TEXT


PRIORITY PROVISIONS


AMENDMENTS

2009—Subsec. (a)(9) to (12). Pub. L. 106–501, § 801(d), redesignated pars. (10) to (12) as (9) to (11), respectively, and struck out former par. (9) which read as follows: ‘‘contain assurances that the provisions of sections 307(a), (b)(1), (b)(2), and 307(a)(1)(C) of this title will be complied with whenever the application contains provisions for the acquisition, alteration, or renovation of facilities to serve as multipurpose senior centers’’.

Subsec. (b). Pub. L. 106–501, § 602(1), substituted ‘‘approval’’ for ‘‘certification’’.

Subsec. (c). Pub. L. 106–501, § 802(2), redesignated existing provisions as par. (1) and added pars. (2) to (4).

1993—Subsec. (a). Pub. L. 103–171, § 3(a)(13), substituted ‘‘Assistant Secretary’’ for ‘‘Commissioner’’ wherever appearing in introductory provisions and in par. (3).

Subsec. (c). Pub. L. 103–171, § 2(21), substituted ‘‘Assistant Secretary’’ for ‘‘Commission’’.

Subsec. (d). Pub. L. 103–171, § 2(21), 3(a)(13), in introductory provisions, substituted ‘‘Assistant Secretary determines’’ for ‘‘Commissioner determines’’ and ‘‘Assistant Secretary shall’’ for ‘‘Commission shall’’ and, in par. (3), substituted ‘‘Assistant Secretary’’ for ‘‘Commissioner’’.

Subsec. (e). Pub. L. 103–171, § 3(a)(13), substituted ‘‘Assistant Secretary’’ for ‘‘Commissioner’’.

1992—Subsec. (a)(1). Pub. L. 102–375, § 904(a)(23)(C), inserted ‘‘individuals who are’’ after ‘‘older’’.

Subsec. (a)(6). Pub. L. 102–375, §§ 102(b)(4), 904(a)(23)(C), substituted ‘‘information and assistance’’ for ‘‘information and referral’’ and inserted ‘‘individuals who are’’ after ‘‘older’’.

Subsec. (a)(7). Pub. L. 102–375, § 904(a)(23)(A), substituted ‘‘older individuals who are Indians’’ for ‘‘Indians aged 60 and older’’.

Subsec. (a)(8). Pub. L. 102–375, § 904(a)(23)(B), (C), inserted ‘‘individuals who are’’ after ‘‘older’’ in two places and substituted ‘‘paragraph for clause’’ for ‘‘clause’’.

Subsec. (a)(10). Pub. L. 102–375, § 904(a)(23)(C), inserted ‘‘individuals who are’’ after ‘‘older’’.


EFFECTIVE DATE OF 1992 AMENDMENT

Amendment by section 601 of Pub. L. 102–375 inapplicable to fiscal year 1992, see section 905(b)(5) of Pub. L. 102–375, set out as a note under section 3001 of this title.

EFFECTIVE DATE

Section effective Oct. 1, 1987, except not applicable with respect to any area plan submitted under section 3026(a) of this title or any State plan submitted under section 3027(a) of this title and approved for any fiscal year beginning before Nov. 29, 1987, see section 701(a), (b) of Pub. L. 100–175, set out as an Effective Date of 1987 Amendment note under section 3001 of this title.

§ 3057e–1. Distribution of funds among tribal organizations

(a) Maintenance of 1991 amounts

Subject to the availability of appropriations to carry out this part, the amount of the grant (if any) made under this part to a tribal organization for fiscal year 1991 and for each subsequent fiscal year shall be not less than the amount of the grant made under this part to the tribal organization for fiscal year 1991.

(b) Use of additional amounts appropriated

If the funds appropriated to carry out this part in a fiscal year subsequent to fiscal year 1991 exceed the funds appropriated to carry out this part in fiscal year 1991, then the amount of the grant (if any) made under this part to a tribal organization for the fiscal year subsequent for the fiscal year shall be—

(1) increased by such amount as the Assistant Secretary considers to be appropriate, in addition to the amount of any increase required by subsection (a), so that the grant equals or more closely approaches the amount of the grant made under this part to the tribal organization for fiscal year 1991; or

(2) an amount the Assistant Secretary considers to be sufficient if the tribal organization did not receive a grant under this part for either fiscal year 1980 or fiscal year 1991.

(c) Clarification

(1) Definition

In this subsection, the term ‘covered year’ means fiscal year 2006 or a subsequent fiscal year.

(2) Consortia of tribal organizations

If a tribal organization received a grant under this part for fiscal year 1991 as part of a consortium, the Assistant Secretary shall consider the tribal organization to have received a grant under this part for fiscal year 1991 for purposes of subsections (a) and (b), and shall apply the provisions of subsections (a) and (b)(1) (under the conditions described in subsection (b)) to the tribal organization for each covered year for which the tribal organization submits an application under this part, even if the tribal organization submits—

(A) a separate application from the remaining members of the consortium; or

(B) an application as 1 of the remaining members of the consortium.


AMENDMENTS

1993—Subsec. (b). Pub. L. 103–171 substituted “Assistant Secretary” for “Commissioner” in pars. (1) and (2).

**Effective Date of 2006 Amendment**

Pub. L. 109–365, title VI, §601(b), Oct. 17, 2006, 120 Stat. 2590, provided that: “The amendment made by subsection (a) [amending this section] shall apply to grants awarded under part A of title VI of the Older Americans Act of 1965 (42 U.S.C. 3057 et seq.) during the grant period beginning April 1, 2008, and all subsequent grant periods.”

§ 3057f. Surplus educational facilities

(a) Multipurpose senior centers

Notwithstanding any other provision of law, the Secretary of the Interior through the Bureau of Indian Affairs shall make available surplus Indian educational facilities to tribal organizations, and nonprofit organizations with tribal approval, for use as multipurpose senior centers. Such centers may be altered so as to provide extended care facilities, community center facilities, nutrition services, child care services, and other supportive services.

(b) Applications; submission; contents

Each eligible tribal organization desiring to take advantage of such surplus facilities shall submit an application to the Secretary of the Interior at such time and in such manner, and containing or accompanied by such information, as the Secretary of the Interior determines to be necessary to carry out the provisions of this section.


**Prior Provisions**


**Effective Date**

Section effective Oct. 1, 1987, except not applicable with respect to any area plan submitted under section 3026(a) of this title or any State plan submitted under section 3027(a) of this title and approved for any fiscal year beginning before Nov. 29, 1987, see section 701(a), (b) of Pub. L. 100–175, set out as an Effective Date of 1987 Amendment note under section 3001 of this title.

§ 3057h. Eligibility

A public or nonprofit private organization having the capacity to provide services under this part for Native Hawaiians is eligible for assistance under this part only if—

(1) the organization will serve at least 50 individuals who have attained 60 years of age or older; and

(2) the organization demonstrates the ability to deliver supportive services, including nutrition services.


**Effective Date**

Section effective Oct. 1, 1987, except not applicable with respect to any area plan submitted under section 3026(a) of this title or any State plan submitted under section 3027(a) of this title and approved for any fiscal year beginning before Nov. 29, 1987, see section 701(a), (b) of Pub. L. 100–175, set out as an Effective Date of 1987 Amendment note under section 3001 of this title.

§ 3057i. Grants authorized

The Assistant Secretary may make grants to public and nonprofit private organizations to pay all of the costs for the delivery of supportive services and nutrition services to older Native Hawaiians.


**Amendments**

1993—Pub. L. 103–171 substituted “Assistant Secretary” for “Commissioner”.

**Effective Date**

Section effective Oct. 1, 1987, except not applicable with respect to any area plan submitted under section 3026(a) of this title or any State plan submitted under section 3027(a) of this title and approved for any fiscal year beginning before Nov. 29, 1987, see section 701(a), (b) of Pub. L. 100–175, set out as an Effective Date of 1987 Amendment note under section 3001 of this title.

§ 3057j. Application

(a) Approval criteria; provisions and assurances

No grant may be made under this part unless the public or nonprofit private organization submits an application to the Assistant Secretary which meets such criteria as the Assistant Secretary may by regulation prescribe. Each such application shall—

(1) provide that the organization will evaluate the need for supportive and nutrition serv-
ices among older Native Hawaiians to be represented by the organization;
(2) provide for the use of such methods of administration as are necessary for the proper and efficient administration of the program to be assisted;
(3) provide assurances that the organization will coordinate its activities with the State agency on aging and with the activities carried out under subchapter III in the same geographical area;
(4) provide that the organization will make such reports in such form and containing such information as the Assistant Secretary may reasonably require, and comply with such requirements as the Assistant Secretary may impose to ensure the correctness of such reports;
(5) provide for periodic evaluation of activities and projects carried out under the application;
(6) establish objectives, consistent with the purpose of this subchapter, toward which activities described in the application will be directed, identify obstacles to the attainment of such objectives, and indicate the manner in which the organization proposes to overcome such obstacles;
(7) provide for establishing and maintaining information and assistance services to assure that older Native Hawaiians to be served by the assistance made available under this part will have reasonably convenient access to such services;
(8) provide a preference for Native Hawaiians 60 years of age and older for full or part-time staff positions wherever feasible;
(9) provide that any legal or ombudsman services made available to older Native Hawaiians represented by the nonprofit private organization will be substantially in compliance with the provisions of subchapter III relating to the furnishing and similar services; and
(10) provide satisfactory assurances that the fiscal control and fund accounting procedures will be adopted as may be necessary to assure proper disbursement of, and accounting for, Federal funds paid under this part to the nonprofit private organization, including any funds paid by the organization to a recipient of a grant or contract.

(b) Approval by Assistant Secretary
The Assistant Secretary shall approve any application which complies with the provisions of subsection (a).

(c) Disapproval by Assistant Secretary
Whenever the Assistant Secretary determines not to approve an application submitted under subsection (a) the Assistant Secretary shall—
(1) state objections in writing to the nonprofit private organization within 60 days after such decision;
(2) provide to the extent practicable technical assistance to the nonprofit private organization to overcome such stated objections; and
(3) provide the organization with a hearing under such rules and regulations as the Assistant Secretary may prescribe.

(d) Funds per year
Whenever the Assistant Secretary approves an application of a nonprofit private organization under this part funds shall be awarded for not less than 12 months.


AMENDMENTS
1993—Pub. L. 103–171 substituted “Assistant Secretary” for “Commissioner” wherever appearing.
1992—Subsec. (a)(3). Pub. L. 102–375, §693, inserted before semicolon at end “and with the activities carried out under subchapter III in the same geographical area”.
Subsec. (a)(7). Pub. L. 102–375, §102(b)(4), substituted “information and assistance” for “information and referral”.

Effective Date of 1992 Amendment
Amendment by section 603 of Pub. L. 102–375 inapplicable to fiscal year 1992, see section 906(b)(5) of Pub. L. 102–375, set out as a note under section 3001 of this title.

Effective Date
Section effective Oct. 1, 1987, except not applicable with respect to any area plan submitted under section 3026(a) of this title or any State plan submitted under section 3027(a) of this title and approved for any fiscal year beginning before Nov. 29, 1987, see section 701(a), (b) of Pub. L. 100–175, set out as an Effective Date of 1987 Amendment note under section 3001 of this title.

§ 3057j–1. Distribution of funds among organizations
Subject to the availability of appropriations to carry out this part, the amount of the grant (if any) made under this part to an organization under this part funds shall be awarded for not less than 12 months.

Subject to the availability of appropriations for fiscal year 1992 and for each subsequent fiscal year shall be not less than the amount of the grant made under this part to the organization for fiscal year 1991.


§ 3057k. “Native Hawaiian” defined
For the purpose of this part, the term “Native Hawaiian” means any individual any of whose ancestors were natives of the area which consists of the Hawaiian Islands prior to 1778.


Effective Date
Section effective Oct. 1, 1987, except not applicable with respect to any area plan submitted under section 3026(a) of this title or any State plan submitted under section 3027(a) of this title and approved for any fiscal year beginning before Nov. 29, 1987, see section 701(a), (b) of Pub. L. 100–175, set out as an Effective Date of 1987 Amendment note under section 3001 of this title.

PART C—NATIVE AMERICAN CAREGIVER SUPPORT PROGRAM

Prior Provisions
A prior part C, consisting of sections 3057j to 3057n of this title, was redesignated part D of this subchapter.
$3057k–11. Program

(a) In general

The Assistant Secretary shall carry out a program for making grants to tribal organizations with applications approved under parts A and B, to pay for the Federal share of carrying out tribal programs, to enable the tribal organizations to provide multifaceted systems of the support services described in section 3030s–1 of this title for caregivers described in section 3030s–1 of this title.

(b) Requirements

In providing services under subsection (a), a tribal organization shall meet the requirements specified for an area agency on aging and for a State in the provisions of subsections (c), (d), and (e) of section 3030s–1 of this title and of section 3030s–2 of this title. For purposes of this subsection, references in such provisions to a State program shall be considered to be references to a tribal program under this part.


Prior Provisions

A prior section 631 of Pub. L. 89–73 was renumbered section 641 and is classified to section 3037 of this title.

PART D—GENERAL PROVISIONS

CODIFICATION

Pub. L. 106–501, title VI, § 604(3), Nov. 13, 2000, 114 Stat. 2288, redesignated part C of this subchapter as part D.

§ 3057l. Administration

In establishing regulations for the purpose of part A the Assistant Secretary shall consult with the Secretary of the Interior.


Amendments

1993—Pub. L. 103–171 substituted “Assistant Secretary” for “Commissioner”.

Effective Date

Section effective Oct. 1, 1987, except not applicable with respect to any area plan submitted under section 3026(a) of this title or any State plan submitted under section 3027(a) of this title and approved for any fiscal year beginning before Nov. 29, 1987, see section 701(a), (b) of Pub. L. 100–175, set out as an Effective Date of 1987 Amendment note under section 3001 of this title.

§ 3057m. Payments

Payments may be made under this subchapter (after necessary adjustments, in the case of grants, on account of previously made overpayments or underpayments) in advance or by way of reimbursement in such installments and on such conditions, as the Assistant Secretary may determine.


Amendments

1993—Pub. L. 103–171 substituted “Assistant Secretary” for “Commissioner”.

Effective Date

Section effective Oct. 1, 1987, except not applicable with respect to any area plan submitted under section 3026(a) of this title or any State plan submitted under section 3027(a) of this title and approved for any fiscal year beginning before Nov. 29, 1987, see section 701(a), (b) of Pub. L. 100–175, set out as an Effective Date of 1987 Amendment note under section 3001 of this title.

§ 3057n. Authorization of appropriations

There are authorized to be appropriated to carry out this subchapter—

(1) for parts A and B, $31,934,018 for fiscal year 2017, $32,601,843 for fiscal year 2018, and $33,269,670 for fiscal year 2019; and


Amendments

2016—Par. (1). Pub. L. 114–144, § 7(1), which directed substitution of “$31,934,018 for fiscal year 2017, $32,601,843 for fiscal year 2018, and $33,269,670 for fiscal year 2019,” for “such sums” and all that followed through the semicolon, was executed by making the substitution for “such sums as may be necessary for fiscal year 2007, and such sums as may be necessary for subsequent fiscal years,” to reflect the probable intent of Congress.

Par. (2). Pub. L. 114–144, § 7(2), which directed amendment of par. (2) by substituting “$7,718,566 for fiscal year 2017, $7,879,982 for fiscal year 2018, and $8,041,398 for fiscal year 2019,” for “such sums” and all that followed through the period at the end, was executed by making the substitution for “$6,500,000 for fiscal year 2007, $6,800,000 for fiscal year 2008, $7,000,000 for fiscal year 2009, $7,200,000 for fiscal year 2010, and $7,500,000 for fiscal year 2011,” to reflect the probable intent of Congress. The words “such sums” did not appear in text following the amendment by Pub. L. 109–365, § 602(2).


Par. (2). Pub. L. 109–365, § 602(2), substituted “$6,500,000 for fiscal year 2007, $6,800,000 for fiscal year 2008, $7,200,000 for fiscal year 2009, $7,500,000 for fiscal year 2010, and $7,900,000 for fiscal year 2011” for “$5,000,000 for fiscal year 2001, and such sums as may be necessary for subsequent fiscal years”.


1992—Pub. L. 102–375 amended section generally, substituting provisions authorizing appropriations of $50,000,000 for fiscal year 1992 and such sums as may be necessary for fiscal years 1993, 1994, and 1995, and designating 90 percent of such appropriations to carry out...
part A of this subchapter and 10 percent of such appropriations to carry out part B of this subchapter for provisions authorizing appropriations of $13,400,000 for fiscal year 1988, $16,280,630 for fiscal year 1989, $19,133,000 for fiscal year 1990, and $22,105,000 for fiscal year 1991, designating over 90 percent of such appropriations to carry out part A of this subchapter and less than 10 percent of such appropriations to carry out part B of this subchapter, along with provisions providing a preference for funding of such part A if actual amounts of appropriations fall below 1987 levels and a preference for funding of such part B if the actual amounts of appropriations exceed 1987 levels.

**Effective Date**
Section effective Oct. 1, 1987, except not applicable with respect to any area plan submitted under section 3026(a) of this title or any State plan submitted under section 3027(a) of this title and approved for any fiscal year beginning before Nov. 29, 1987, see section 701(a), (b) of Pub. L. 100–175, set out as an Effective Date of 1987 Amendment note under section 3001 of this title.

**SUBCHAPTER XI—ALLOTMENTS FOR VULNERABLE ELDER RIGHTS PROTECTION ACTIVITIES**

**PART A—STATE PROVISIONS**

### § 3058. Establishment

**Subpart I—General State provisions**

#### § 3058a. Authorization of appropriations

There are authorized to be appropriated to carry out part A of this subchapter and 10 percent of such appropriations to carry out part B of this subchapter for provisions authorizing appropriations of $13,400,000 for fiscal year 1988, $16,280,630 for fiscal year 1989, $19,133,000 for fiscal year 1990, and $22,105,000 for fiscal year 1991, designating over 90 percent of such appropriations to carry out part A of this subchapter and less than 10 percent of such appropriations to carry out part B of this subchapter, along with provisions providing a preference for funding of such part A if actual amounts of appropriations fall below 1987 levels and a preference for funding of such part B if the actual amounts of appropriations exceed 1987 levels.

**Effective Date**
Section effective Oct. 1, 1987, except not applicable with respect to any area plan submitted under section 3026(a) of this title or any State plan submitted under section 3027(a) of this title and approved for any fiscal year beginning before Nov. 29, 1987, see section 701(a), (b) of Pub. L. 100–175, set out as an Effective Date of 1987 Amendment note under section 3001 of this title.

**SUBCHAPTER XI—ALLOTMENTS FOR VULNERABLE ELDER RIGHTS PROTECTION ACTIVITIES**

**PART A—STATE PROVISIONS**

### § 3058. Establishment

The Assistant Secretary, acting through the Administration, shall establish and carry out a program for making allotments to States to pay for the cost of carrying out vulnerable elder rights protection activities.


**Prior Provisions**


A prior section 702 of Pub. L. 89–79 was classified to section 3045a of this title prior to repeal by Pub. L. 95–478.

### AMENDMENTS

#### 2016—Subsec. (a). Pub. L. 114–144, §8(a)(1), directed substitution of “$16,280,630 for fiscal year 2017, $16,621,101 for fiscal year 2018, and $16,961,573 for fiscal year 2019.” for “such sums” and all that followed through the period at the end, was executed by making the substitution for “such sums as may be necessary for fiscal year 2007, and such sums as may be necessary for subsequent fiscal years.” to reflect the probable intent of Congress.

Subsec. (b). Pub. L. 114–144, §8(a)(2), added subsec. (b) and struck out former subsec. (b). Prior to amendment, text read as follows: “There are authorized to be appropriated to carry out subpart III of this part, such sums as may be necessary for fiscal year 2007, and such sums as may be necessary for subsequent fiscal years.”


### Effective Date

Subchapter inapplicable with respect to fiscal year 1992, see section 905(b)(6) of Pub. L. 102–375, set out as an Effective Date of 1992 Amendment note under section 3001 of this title.

### § 3058b. Allotment

#### (a) In general

##### (1) Population

In carrying out the program described in section 3058 of this title, the Assistant Secretary shall initially allot to each State, from the funds appropriated under section 3058a of this title for each fiscal year, an amount that bears the same ratio to the funds as the population of older individuals in the State bears to the population of older individuals in all States.
(2) Minimum allotments

(A) In general

After making the initial allotments described in paragraph (1), the Assistant Secretary shall adjust the allotments on a pro rata basis in accordance with subparagraphs (B) and (C).

(B) General minimum allotments

(i) Minimum allotment for States

No State shall be allotted less than one-half of 1 percent of the funds appropriated under section 3058a of this title for the fiscal year for which the determination is made.

(ii) Minimum allotment for territories

Guam, the United States Virgin Islands, and the Trust Territory of the Pacific Islands, shall each be allotted not less than one-sixteenth of 1 percent of the sum appropriated under section 3058a of this title for the fiscal year for which the determination is made. American Samoa and the Commonwealth of the Northern Mariana Islands shall each be allotted not less than one-twelfth of 1 percent of the sum appropriated under section 3058a of this title for the fiscal year for which the determination is made.

(C) Minimum allotments for ombudsman and elder abuse programs

(i) Ombudsman program

No State shall be allotted for a fiscal year, from the funds appropriated under section 3058a of this title and made available to carry out subpart II of this part, less than the amount allotted to the State under section 3024 of this title in fiscal year 2000 to carry out the State Long-Term Care Ombudsman program under subchapter III.

(ii) Elder abuse programs

No State shall be allotted for a fiscal year, from the funds appropriated under section 3058a of this title and made available to carry out subpart III of this part, less than the amount allotted to the State under section 3024 of this title in fiscal year 2000 to carry out programs with respect to the prevention of elder abuse, neglect, and exploitation under subchapter III.

(D) “State” defined

For the purposes of this paragraph, the term “State” does not include Guam, American Samoa, the United States Virgin Islands, the Trust Territory of the Pacific Islands, and the Commonwealth of the Northern Mariana Islands.

(b) Reallotment

(1) In general

If the Assistant Secretary determines that any amount allotted to a State for a fiscal year under this section will not be used by the State for carrying out the purpose for which the allotment was made, the Assistant Secretary shall make the amount available to a State that the Assistant Secretary determines will be able to use the amount for carrying out the purpose.

(2) Availability

Any amount made available to a State from an appropriation for a fiscal year in accordance with paragraph (1) shall, for purposes of this part, be regarded as part of the allotment of the State (as determined under subsection (a)) for the year, but shall remain available until the end of the succeeding fiscal year.

(c) Withholding

If the Assistant Secretary finds that any State has failed to carry out this subchapter in accordance with the assurances made and description provided under section 3058d of this title, the Assistant Secretary shall withhold the allotment of funds to the State. The Assistant Secretary shall disburse the funds withheld directly to any public or nonprofit private institution or organization, agency, or political subdivision of the State submitting an approved plan containing the assurances and description.


Prior Provisions


Amendments


Subsec. (a)(2)(C)(ii). Pub. L. 106–501, §§ 702, 801(e)(1)(B), substituted “section 3058a of this title and made available to carry out subpart III of this part” for “section 3058a(b) of this title” and “2000” for “1991”.

1993—Pub. L. 103–171 substituted “Assistant Secretary” for “Commissioner” wherever appearing.

Effective Date

Section inapplicable with respect to fiscal year 1993, see section 4(b) of Pub. L. 103–171, set out as an Effective Date of 1992 Amendment note under section 3001 of this title.

Section inapplicable with respect to fiscal year 1992, see section 905(b)(6) of Pub. L. 102–375, set out as an Effective Date of 1992 Amendment note under section 3001 of this title.

Termination of Trust Territory of the Pacific Islands

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

§ 3058c. Organization

In order for a State to be eligible to receive allotments under this part—
(1) the State shall demonstrate eligibility under section 3025 of this title;
(2) the State agency designated by the State shall demonstrate compliance with the applicable requirements of section 3025 of this title; and
(3) each area agency on aging designated by the State agency and participating in such a program shall demonstrate compliance with the applicable requirements of section 3025 of this title.


PRIOR PROVISIONS


A prior section 704 of Pub. L. 89–73 was classified to section 3058c of this title prior to repeal by Pub. L. 95–478.

EFFECTIVE DATE

Section inapplicable with respect to fiscal year 1992, see section 905(b)(6) of Pub. L. 102–375, set out as an Effective Date of 1992 Amendment note under section 3001 of this title.

§ 3058d. Additional State plan requirements

(a) Eligibility

In order to be eligible to receive an allotment under this part, a State shall include in the State plan submitted under section 3027 of this title—

(1) an assurance that the State, in carrying out any subpart of this part for which the State receives funding under this part, will establish programs in accordance with the requirements of the subpart and this subpart;
(2) an assurance that the State will hold public hearings, and use other means, to obtain the views of older individuals, area agencies on aging, recipients of grants under subchapter X, and other interested persons and entities regarding programs carried out under this part;
(3) an assurance that the State, in consultation with area agencies on aging, will identify and prioritize statewide activities aimed at ensuring that older individuals have access to, and assistance in securing and maintaining, benefits and rights;
(4) an assurance that the State will use funds made available under this part for a subpart in addition to, and will not supplant, any funds that are expended under any Federal or State law in existence on the day before September 30, 1992, to carry out each of the vulnerable elder rights protection activities described in the subpart;
(5) an assurance that the State will place no restrictions, other than the requirements referred to in clauses (1) through (iv) of section 3055d(c)(5)(C) of this title, on the eligibility of entities for designation as local Ombudsman entities under section 3058g(a)(5) of this title; and
(6) an assurance that, with respect to programs for the prevention of elder abuse, neglect, and exploitation under subpart III of this part—

(A) in carrying out such programs the State agency will conduct a program of services consistent with relevant State law and coordinated with existing State adult protective service activities for—

(i) public education to identify and prevent elder abuse;
(ii) receipt of reports of elder abuse;
(iii) active participation of older individuals participating in programs under this chapter through outreach, conferences, and referral of such individuals to other social service agencies or sources of assistance if appropriate and if the individuals to be referred consent; and
(iv) referral of complaints to law enforcement or public protective service agencies if appropriate;

(B) the State will not permit involuntary or coerced participation in the program of services described in subparagraph (A) by alleged victims, abusers, or their households; and

(C) all information gathered in the course of receiving reports and making referrals shall remain confidential except—

(i) if all parties to such complaint consent in writing to the release of such information;
(ii) if the release of such information is to a law enforcement agency, public protective service agency, licensing or certification agency, ombudsman program, or protection or advocacy system; or
(iii) upon court order; and

(7) a description of the manner in which the State agency will carry out this subchapter in accordance with the assurances described in paragraphs (1) through (6).

(b) Privilege

Neither a State, nor a State agency, may require any provider of legal assistance under this part to reveal any information that is protected by the attorney-client privilege.


PRIOR PROVISIONS


A prior section 705 of Pub. L. 89–73 was classified to section 3045d of this title prior to repeal by Pub. L. 95–478.

AMENDMENTS

Subsec. (a)(7), (8). Pub. L. 106–501, § 703(3) to (5), redesignated par. (8) as (7), substituted “paragraphs (1) through (6)” for “paragraphs (1) through (7)”, and...
struck out former par. (7) which required inclusion in the State plan of assurances that the State agency would make funds available to carry out subpart V, giving priority to area agencies on aging based on greatest need for funds, would require certain conditions of eligibility, would distribute eligibility information to area agencies on aging, and would submit certain reports.


**Effective Date**

Section inapplicable with respect to fiscal year 1993, see section 4(b) of Pub. L. 103–171, set out as an Effective Date of 1992 Amendment note under section 3001 of this title.

Section inapplicable with respect to fiscal year 1992, see section 905(b)(6) of Pub. L. 102–375, set out as an Effective Date of 1992 Amendment note under section 3001 of this title.

§ 3058e. Demonstration projects

(a) Establishment

From amounts made available under section 3024(d)(1)(C) of this title after September 30, 1992, each State may provide for the establishment of at least one demonstration project, to be conducted by one or more area agencies on aging within the State, for outreach to older individuals with greatest economic need with respect to—

(1) benefits available under title XVI of the Social Security Act (42 U.S.C. 1381 et seq.) (or assistance under a State program established in accordance with such title);

(2) medical assistance available under title XIX of such Act (42 U.S.C. 1396 et seq.); and

(3) benefits available under the Food and Nutrition Act of 2008 (7 U.S.C. 2011 et seq.).

(b) Benefits

Each outreach project carried out under subsection (a) shall—

(1) provide to older individuals with greatest economic need information and assistance regarding their eligibility to receive the benefits and assistance described in paragraphs (1) through (3) of subsection (a);

(2) be carried out in a planning and service area that has a high proportion of older individuals with greatest economic need, relative to the aggregate number of older individuals in such area; and

(3) be coordinated with State and local entities that administer benefits under such titles.


**References in Text**

The Social Security Act, referred to in subsec. (a)(1), (2), is act Aug. 14, 1935, ch. 531, 49 Stat. 620, as amended. Titles XVI and XIX of the Act are classified generally to subchapters XVI (§1381 et seq.) and XIX (§1396 et seq.), respectively, of chapter 7 of this title. For complete classification of this Act to the Code, see section 1385 of this title and Tables.


**Codification**


**Prior Provisions**

A prior section 706 of Pub. L. 89–73 was classified to section 3045e of this title prior to repeal by Pub. L. 95–478.

**Amendments**


**Effective Date of 2008 Amendment**


**SUBPART II—OMBUDSMAN PROGRAMS**

§ 3058f. Definitions

As used in this subpart:

(1) Office

The term “Office” means the office established in section 3058g(a)(1)(A) of this title.

(2) Ombudsman

The term “Ombudsman” means the individual described in section 3058g(a)(2) of this title.

(3) Local Ombudsman entity

The term “local Ombudsman entity” means an entity designated under section 3058g(a)(4)(A) of this title to carry out the duties described in section 3058g(a)(5)(B) of this title with respect to an area or other substate area.

(4) Program

The term “program” means the State Long-Term Care Ombudsman program established in section 3058g(a)(1)(B) of this title.

(5) Representative

The term “representative” includes an employee or volunteer who represents an entity designated under section 3058g(a)(4)(A) of this title and who is individually designated by the Ombudsman.

(6) Resident

The term “resident” means an individual who resides in a long-term care facility.
§ 3058g. State Long-Term Care Ombudsman program

(a) Establishment

(1) In general

In order to be eligible to receive an allotment under section 3058b of this title from funds appropriated under section 3058a of this title and made available to carry out this subpart, a State agency shall, in accordance with this section—

(A) establish and operate an Office of the State Long-Term Care Ombudsman; and

(B) carry out through the Office a State Long-Term Care Ombudsman program.

(2) Ombudsman

The Office shall be headed by an individual, to be known as the State Long-Term Care Ombudsman, who shall be selected from among individuals with expertise and experience in the fields of long-term care and advocacy. The Ombudsman shall be responsible for the management, including the fiscal management, of the Office.

(3) Functions

The Ombudsman shall serve on a full-time basis, and shall, personally or through representatives of the Office—

(A) identify, investigate, and resolve complaints that—

(i) are made by, or on behalf of, residents, including residents with limited or no decisionmaking capacity and who have no known legal representative, and if such a resident is unable to communicate consent for an Ombudsman to work on a complaint directly involving the resident, the Ombudsman shall seek evidence to indicate what outcome the resident would have communicated (and, in the absence of evidence to the contrary, shall assume that the resident wishes to have the resident’s health, safety, welfare, and rights protected) and shall work to accomplish that outcome; and

(ii) relate to action, inaction, or decisions, that may adversely affect the health, safety, welfare, or rights of the residents (including the welfare and rights of the residents with respect to the appointment and activities of guardians and representative payees), of—

(I) providers, or representatives of providers, of long-term care services; (II) public agencies; or (III) health and social service agencies;

(B) provide services to assist the residents in protecting the health, safety, welfare, and rights of the residents;

(C) inform the residents about means of obtaining services provided by providers or agencies described in subparagraph (A)(ii) or services described in subparagraph (B);

(D) ensure that the residents have regular, timely, private, and unimpeded access to the services provided through the Office and that the residents and complainants receive timely responses from representatives of the Office to complaints;

(E) represent the interests of the residents before governmental agencies and seek administrative, legal, and other remedies to protect the health, safety, welfare, and rights of the residents;

(F) provide administrative and technical assistance to entities designated under paragraph (5) to assist the entities in participating in the program;

(G)(i) analyze, comment on, and monitor the development and implementation of Federal, State, and local laws, regulations, and other governmental policies and actions, that pertain to the health, safety, welfare, and rights of the residents, with respect to the adequacy of long-term care facilities and services in the State;

(ii) recommend any changes in such laws, regulations, policies, and actions as the Office determines to be appropriate; and

(iii) facilitate public comment on the laws, regulations, policies, and actions;

(H)(i) provide for training representatives of the Office;

(ii) promote the development of citizen organizations, to participate in the program; and

(iii) provide technical support for, actively encourage, and assist in the development of resident and family councils to protect the well-being and rights of residents;

(I) when feasible, continue to carry out the functions described in this section on behalf of residents transitioning from a long-term care facility to a home care setting; and

(J) carry out such other activities as the Assistant Secretary determines to be appropriate.

(4) Contracts and arrangements

(A) In general

Except as provided in subparagraph (B), the State agency may establish and operate the Office, and carry out the program, directly, or by contract or other arrangement with any public agency or nonprofit private organization.

(B) Licensing and certification organizations; associations

The State agency may not enter into the contract or other arrangement described in subparagraph (A) with—

(i) an agency or organization that is responsible for licensing or certifying long-term care services in the State; or

(ii) an association (or an affiliate of such an association) of long-term care facilities, or of any other residential facilities for older individuals.
(5) Designation of local Ombudsman entities and representatives

(A) Designation

In carrying out the duties of the Office, the Ombudsman may designate an entity as a local Ombudsman entity, and may designate an employee or volunteer to represent the entity.

(B) Duties

An individual so designated shall, in accordance with the policies and procedures established by the Office and the State agency—

(i) provide services to protect the health, safety, welfare, and rights of residents;

(ii) ensure that residents in the service area of the entity have regular, timely access to representatives of the program and timely responses to complaints and requests for assistance;

(iii) identify, investigate, and resolve complaints made by or on behalf of residents that relate to action, inaction, or decisions, that may adversely affect the health, safety, welfare, or rights of the residents;

(iv) represent the interests of residents before government agencies and seek administrative, legal, and other remedies to protect the health, safety, welfare, and rights of the residents;

(v) (i) review, and if necessary, comment on any existing and proposed laws, regulations, and other government policies and actions, that pertain to the rights and well-being of residents; and

(ii) facilitate the ability of the public to comment on the laws, regulations, policies, and actions;

(vi) support, actively encourage, and assist in the development of resident and family councils;

(vii) identify, investigate, and resolve complaints described in clause (iii) that are made by or on behalf of residents with limited or no decisionmaking capacity and who have no known legal representative, and if such a resident is unable to communicate consent for an Ombudsman to work on a complaint directly involving the resident, the Ombudsman shall seek evidence to indicate what outcome the resident would have communicated (and, in the absence of evidence to the contrary, shall assume that the resident wishes to have the resident’s health, safety, welfare, and rights protected) and shall work to accomplish that outcome; and

(viii) carry out other activities that the Ombudsman determines to be appropriate.

(C) Eligibility for designation

Entities eligible to be designated as local Ombudsman entities, and individuals eligible to be designated as representatives of such entities, shall—

(i) have demonstrated capability to carry out the responsibilities of the Office;

(ii) be free of conflicts of interest and not stand to gain financially through an action or potential action brought on behalf of individuals the Ombudsman serves;

(iii) in the case of the entities, be public or nonprofit private entities; and

(iv) meet such additional requirements as the Ombudsman may specify.

(D) Policies and procedures

(i) In general

The State agency shall establish, in accordance with the Office, policies and procedures for monitoring local Ombudsman entities designated to carry out the duties of the Office.

(ii) Policies

In a case in which the entities are grantees, or the representatives are employees, of area agencies on aging, the State agency shall develop the policies in consultation with the area agencies on aging. The policies shall provide for participation and comment by the agencies and for resolution of concerns with respect to case activity.

(iii) Confidentiality and disclosure

The State agency shall develop the policies and procedures in accordance with all provisions of this part regarding confidentiality and conflict of interest.

(b) Procedures for access

(1) In general

The State shall ensure that representatives of the Office shall have—

(A) private and unimpeded access to long-term care facilities and residents;

(B)(1) appropriate access to review all files, records, and other information concerning a resident, if—

(I) the representative has the permission of the resident, or the legal representative of the resident; or

(II) the resident is unable to communicate consent to the review and has no legal representative; or

(ii) access to the files, records, and information as is necessary to investigate a complaint if—

(I) a legal guardian of the resident refuses to give the permission;

(II) a representative of the Office has reasonable cause to believe that the guardian is not acting in the best interests of the resident; and

(III) the representative obtains the approval of the Ombudsman;

(C) access to the administrative records, policies, and documents, to which the residents have, or the general public has access, of long-term care facilities; and

(D) access to and, on request, copies of all licensing and certification records maintained by the State with respect to long-term care facilities.

(2) Procedures

The State agency shall establish procedures to ensure the access described in paragraph (1).

1So in original. Probably should be followed by a comma.
§ 3058g

(3) Health oversight agency

For purposes of section 264(c) of the Health Insurance Portability and Accountability Act of 1996 (including regulations issued under that section) (42 U.S.C. 1320d-2 note), the Ombudsman and a representative of the Office shall be considered a “health oversight agency,” so that release of residents’ individually identifiable health information to the Ombudsman or representative is not precluded in cases in which the requirements of clause (i) or (ii) of paragraph (1)(B), or the requirements of paragraph (1)(D), are otherwise met.

(c) Reporting system

The State agency shall establish a statewide uniform reporting system to—

(1) collect and analyze data relating to complaints and conditions in long-term care facilities and to residents for the purpose of identifying and resolving significant problems; and

(2) submit the data, on a regular basis, to—

(A) the agency of the State responsible for licensing or certifying long-term care facilities in the State;

(B) other State and Federal entities that the Ombudsman determines to be appropriate;

(C) the Assistant Secretary; and

(D) the National Ombudsman Resource Center established in section 3012(a)(18) of this title.

(d) Disclosure

(1) In general

The State agency shall establish procedures for the disclosure by the Ombudsman or local Ombudsman entities of files, records, and other information maintained by the program, including records described in subsection (b)(1) or (c).

(2) Identity of complainant or resident

The procedures described in paragraph (1) shall—

(A) provide that, subject to subparagraph (B), the files, records, and other information described in paragraph (1) may be disclosed only at the discretion of the Ombudsman to—

(i) the agency of the State responsible for licensing or certifying long-term care facilities in the State;

(ii) other State and Federal entities that the Ombudsman determines to be appropriate;

(iii) the Assistant Secretary; and

(iv) the National Ombudsman Resource Center established in section 3012(a)(18) of this title.

(B) prohibit the disclosure of the identity of any complainant or resident with respect to whom the Office maintains such files, records, or other information unless—

(i) the complainant or resident, or the legal representative of the complainant or resident, consents to the disclosure and the consent is given in writing;

(ii) the complainant or resident gives consent orally; and

(II) the consent is documented contemporaneously in a writing made by a representative of the Office in accordance with such requirements as the State agency shall establish; or

(iii) the disclosure is required by court order; and

(C) notwithstanding subparagraph (B), ensure that the Ombudsman may disclose information as needed in order to best serve residents with limited or no decisionmaking capacity who have no known legal representative and are unable to communicate consent, in order for the Ombudsman to carry out the functions and duties described in paragraphs (3)(A) and (5)(B) of subsection (a).

(e) Consultation

In planning and operating the program, the State agency shall consider the views of area agencies on aging, older individuals, and providers of long-term care.

(f) Conflict of interest

(1) Individual conflict of interest

The State agency shall—

(A) ensure that no individual, or member of the immediate family of an individual, involved in the designation of the Ombudsman (whether by appointment or otherwise) or the designation of an entity designated under subsection (a)(5), is subject to a conflict of interest;

(B) ensure that no officer or employee of the Office, representative of a local Ombudsman entity, or member of the immediate family of the officer, employee, or representative, is subject to a conflict of interest; and

(C) ensure that the Ombudsman—

(i) does not have a direct involvement in the licensing or certification of a long-term care facility or of a provider of a long-term care service;

(ii) does not have an ownership or investment interest (represented by equity, debt, or other financial relationship) in a long-term care facility or a long-term care service;

(iii) is not employed by, or participating in the management of, a long-term care facility or a related organization, and has not been employed by such a facility or organization within 1 year before the date of the determination involved;

(iv) does not receive, or have the right to receive, directly or indirectly, remuneration (in cash or in kind) under a compensation arrangement with an owner or operator of a long-term care facility;

(v) does not have management responsibility for, or operate under the supervision of an individual with management responsibility for, adult protective services; and

(vi) does not serve as a guardian or in another fiduciary capacity for residents of long-term care facilities in an official capacity (as opposed to serving as a guardian or fiduciary for a family member, in a personal capacity).

(2) Organizational conflict of interest

(A) In general

The State agency shall comply with subparagraph (B)(i) in a case in which the Office poses an organizational conflict of interest, including a situation in which the Office is placed in an organization that—

(i) is responsible for licensing, certifying, or surveying long-term care services in the State;
(ii) is an association (or an affiliate of such an association) of long-term care facilities, or of any other residential facilities for older individuals; 

(iii) provides long-term care services, including programs carried out under a Medicaid waiver approved under section 1115 of the Social Security Act (42 U.S.C. 1315) or under subsection (b) or (c) of section 1915 of the Social Security Act (42 U.S.C. 1396n), or under a Medicaid State plan amendment under subsection (i), (j), or (k) of section 1915 of the Social Security Act (42 U.S.C. 1396n); 

(iv) provides long-term care case management; 

(v) sets rates for long-term care services; 

(vi) provides adult protective services; 

(vii) is responsible for eligibility determinations for the Medicaid program carried out under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.); 

(viii) conducts preadmission screening for placements in facilities described in clause (ii); or 

(ix) makes decisions regarding admission or discharge of individuals to or from such facilities.

(B) Identifying, removing, and remedying organizational conflict

(i) In general

The State agency may not operate the Office or carry out the program, directly, or by contract or other arrangement with any public agency or nonprofit private organization, in a case in which there is an organizational conflict of interest (within the meaning of subparagraph (A)) unless such conflict of interest has been—

(I) identified by the State agency; 

(II) disclosed by the State agency to the Assistant Secretary in writing; and 

(III) remedied in accordance with this subparagraph.

(ii) Action by Assistant Secretary

In a case in which a potential or actual organizational conflict of interest (within the meaning of subparagraph (A)) involving the Office is disclosed or reported to the Assistant Secretary by any person or entity, the Assistant Secretary shall require that the State agency, in accordance with the policies and procedures established by the State agency under subsection (a)(5)(D)(iii)—

(I) remove the conflict; or 

(II) submit, and obtain the approval of the Assistant Secretary for, an adequate remedial plan that indicates how the Ombudsman will be unencumbered in fulfilling all of the functions specified in subsection (a)(3).

(g) Legal counsel

The State agency shall ensure that—

(1)(A) adequate legal counsel is available, and is able, without conflict of interest, to—

(i) provide advice and consultation needed to protect the health, safety, welfare, and rights of residents; and

(ii) assist the Ombudsman and representatives of the Office in the performance of the official duties of the Ombudsman and representatives; and

(B) legal representation is provided to any representative of the Office against whom suit or other legal action is brought or threatened to be brought in connection with the performance of the official duties of the Ombudsman or such a representative; and

(2) the Office pursues administrative, legal, and other appropriate remedies on behalf of residents.

(h) Administration

The State agency shall require the Office to—

(1) prepare an annual report—

(A) describing the activities carried out by the Office in the year for which the report is prepared; 

(B) containing and analyzing the data collected under subsection (c); 

(C) evaluating the problems experienced by, and the complaints made by or on behalf of, residents; 

(D) containing recommendations for—

(i) improving quality of the care and life of the residents; and

(ii) protecting the health, safety, welfare, and rights of the residents; 

(E)(i) analyzing the success of the program including success in providing services to residents of board and care facilities and other similar adult care facilities; and

(ii) identifying barriers that prevent the optimal operation of the program; and

(F) providing policy, regulatory, and legislative recommendations to solve identified problems, to resolve the complaints, to improve the quality of care and life of residents, to protect the health, safety, welfare, and rights of residents, and to remove the barriers; 

(2) analyze, comment on, and monitor the development and implementation of Federal, State, and local laws, regulations, and other government policies and actions that pertain to long-term care facilities and services, and to the health, safety, welfare, and rights of residents, in the State, and recommend any changes in such laws, regulations, and policies as the Office determines to be appropriate; 

(3)(A) provide such information as the Office determines to be necessary to public and private agencies, legislators, and other persons, regarding—

(i) the problems and concerns of individuals residing in long-term care facilities; and

(ii) recommendations related to the problems and concerns; and

(B) make available to the public, and submit to the Assistant Secretary, the chief executive officer of the State, the State legislature, the State agency responsible for licensing or certifying long-term care facilities, and other appropriate governmental entities, each report prepared under paragraph (1); 

(4) ensure that the Ombudsman or a designee participates in training provided by the National...
national Ombudsman Resource Center established in section 3012(a)(18) of this title;
(5) strengthen and update procedures for the training of the representatives of the Office, including unpaid volunteers, based on model standards established by the Director of the Office of Long-Term Care Ombudsman Programs, in consultation with representatives of citizen groups, long-term care providers, and the Office, that—
(A) specify a minimum number of hours of initial training;
(B) specify the content of the training, including training relating to—
(i) Federal, State, and local laws, regulations, and policies, with respect to long-term care facilities in the State;
(ii) investigative techniques; and
(iii) such other matters as the State determines to be appropriate; and
(C) specify an annual number of hours of in-service training for all designated representatives;
(6) prohibit any representative of the Office (other than the Ombudsman) from carrying out any activity described in subparagraphs (A) through (G) of subsection (a)(3) unless the representative—
(A) has received the training required under paragraph (5); and
(B) has been approved by the Ombudsman as qualified to carry out the activity on behalf of the Office;
(7) coordinate ombudsman services with the protection and advocacy systems for individuals with developmental disabilities and mental illnesses established under—
(A) subtitle C of title I of the Developmental Disabilities Assistance and Bill of Rights Act of 2000 [42 U.S.C. 15041 et seq.]; and
(B) the Protection and Advocacy for Mentally Ill Individuals Act of 1986 [42 U.S.C. 10801 et seq.];
(8) coordinate, to the greatest extent possible, ombudsman services with legal assistance provided under section 3026(a)(2)(C) of this title, through adoption of memoranda of understanding and other means;
(9) coordinate services with State and local law enforcement agencies and courts of competent jurisdiction; and
(10) permit any local Ombudsman entity to carry out the responsibilities described in paragraph (1), (2), (3), (7), or (8).

(i) Liability
The State shall ensure that no representative of the Office will be liable under State law for the good faith performance of official duties.

(j) Noninterference
The State shall—
(1) ensure that willful interference with representatives of the Office in the performance of the official duties of the representatives (as defined by the Assistant Secretary) shall be unlawful;
(2) prohibit retaliation and reprisals by a long-term care facility or other entity with respect to any resident, employee, or other person for filing a complaint with, providing information to, or otherwise cooperating with any representative of the Office; and
(3) provide for appropriate sanctions with respect to the interference, retaliation, and reprisals.


REFERENCES IN TEXT
Section 264(c) of the Health Insurance Portability and Accountability Act of 1996, referred to in subsec. (b)(3), is section 264(c) of Pub. L. 104–191, which is set out as a note under section 12205–2 of this title.

AMENDMENTS
2016—Subsec. (a)(2). Pub. L. 114–144, §8(c)(1)(A), inserted at end “The Ombudsman shall be responsible for the management, including the fiscal management, of the Office.”
Subsec. (a)(3)(A)(i). Pub. L. 114–144, §8(c)(1)(B)(i), added cl. (i) and struck out former cl. (i) which read as follows: “are made by, or on behalf of, residents; and”.
§ 3058i—Prevention of elder abuse, neglect, and exploitation

(a) Establishment

In order to be eligible to receive an allotment under section 3058b of this title from funds appropriated under section 3058a of this title and made available to carry out this part, a State agency shall, in accordance with this section, and in consultation with area agencies on aging, develop and enhance programs to address elder abuse, neglect, and exploitation.

(b) Use of allotments

The State agency shall use an allotment made under subsection (a) to carry out, through the programs described in subsection (a), activities...
to develop, strengthen, and carry out programs for the prevention, detection, assessment, and treatment of, intervention in, investigation of, and response to elder abuse, neglect, and exploitation, including—

(1) providing for public education and outreach to identify and prevent elder abuse, neglect, and exploitation;

(2) providing for public education and outreach to promote financial literacy and prevent identity theft and financial exploitation of older individuals;

(3) ensuring the coordination of services provided by area agencies on aging with services instituted under the State adult protection service program, State and local law enforcement systems, and courts of competent jurisdiction;

(4) promoting the development of information and data systems, including elder abuse reporting systems, to quantify the extent of elder abuse, neglect, and exploitation in the State;

(5) promoting the submission of data on elder abuse, neglect, and exploitation for the appropriate database of the Administration or another database specified by the Assistant Secretary;

(6) conducting analyses of State information concerning elder abuse, neglect, and exploitation and identifying unmet service, enforcement, or intervention needs;

(7) conducting training for individuals, including caregivers described in part E of subchapter III, professionals, and paraprofessionals, in relevant fields on the identification, prevention, and treatment of elder abuse, neglect, and exploitation, with particular focus on prevention and enhancement of self-determination and autonomy;

(8) providing technical assistance to programs that provide or have the potential to provide services for victims of elder abuse, neglect, and exploitation and for family members of the victims;

(9) conducting special and on-going training, for individuals involved in serving victims of elder abuse, neglect, and exploitation, on the topics of self-determination, individual rights, State and Federal requirements concerning confidentiality, and other topics determined by a State agency to be appropriate;

(10) promoting the development of an elder abuse, neglect, and exploitation system—

(A) that includes a State elder abuse, neglect, and exploitation law that includes provisions for immunity, for persons reporting instances of elder abuse, neglect, and exploitation, from prosecution arising out of such reporting, under any State or local law;

(B) under which a State agency—

(i) on receipt of a report of known or suspected instances of elder abuse, neglect, or exploitation, shall promptly initiate an investigation to substantiate the accuracy of the report; and

(ii) on a finding of elder abuse, neglect, or exploitation, shall take steps, including appropriate referral, to protect the health and welfare of the abused, neglected, or exploited older individual;

(C) that includes, throughout the State, in connection with the enforcement of elder abuse, neglect, and exploitation laws and with the reporting of suspected instances of elder abuse, neglect, and exploitation—

(i) such administrative procedures;

(ii) such personnel, such as forensic specialists, trained in the special problems of elder abuse, neglect, and exploitation prevention and treatment;

(iii) such training procedures;

(iv) such institutional and other facilities (public and private); and

(v) such related multidisciplinary programs and services, including programs and arrangements that protect against financial exploitation,

as may be necessary or appropriate to ensure that the State will deal effectively with elder abuse, neglect, and exploitation cases in the State;

(D) that preserves the confidentiality of records in order to protect the rights of older individuals;

(E) that provides for the cooperation of law enforcement officials, courts of competent jurisdiction, and State agencies providing human services with respect to special problems of elder abuse, neglect, and exploitation;

(F) that enables an older individual to participate in decisions regarding the welfare of the older individual, and makes the least restrictive alternatives available to an older individual who is abused, neglected, or exploited; and

(G) that includes a State clearinghouse for dissemination of information to the general public with respect to—

(i) the problems of elder abuse, neglect, and exploitation;

(ii) the facilities described in subparagraph (C)(i); and

(iii) prevention and treatment methods available to combat instances of elder abuse, neglect, and exploitation;

(11) examining various types of shelters serving older individuals (in this paragraph referred to as "safe havens"); and testing various safe haven models for establishing safe havens (at home or elsewhere), that recognize autonomy and self-determination, and fully protect the due process rights of older individuals;

(12) supporting multidisciplinary elder justice activities, such as—

(A) supporting and studying team approaches for bringing a coordinated multidisciplinary or interdisciplinary response to elder abuse, neglect, and exploitation, including a response from individuals in social service, health care, public safety, and legal disciplines;

(B) establishing a State coordinating council, which shall identify the individual State’s needs and provide the Assistant Secretary with information and recommendations relating to efforts by the State to combat elder abuse, neglect, and exploitation;

(C) providing training, technical assistance, and other methods of support to
groups carrying out multidisciplinary efforts at the State (referred to in some States as “State Working Groups”);
(D) broadening and studying various models for elder fatality and serious injury review teams, to make recommendations about their composition, protocols, functions, timing, roles, and responsibilities, with a goal of producing models and information that will allow for replication based on the needs of States and communities (other than the ones in which the review teams were used);
(E) developing best practices, for use in long-term care facilities, that reduce the risk of resident-to-resident abuse; and
(F) supporting and studying innovative practices in communities to develop partnerships across disciplines for the prevention, investigation, and prosecution of abuse, neglect, and exploitation; and
(3) addressing underserved populations of older individuals such as—
(A) older individuals living in rural locations;
(B) older individuals in minority populations; or
(C) low-income older individuals.

c) Approach

In developing and enhancing programs under subsection (a), the State agency shall use a comprehensive approach, in consultation with area agencies on aging, to identify and assist older individuals who are subject to abuse, neglect, and exploitation, including older individuals who live in State licensed facilities, unlicensed facilities, or domestic or community-based settings.

d) Coordination

In developing and enhancing programs under subsection (a), the State agency shall coordinate the programs with other State and local programs and services for the protection of vulnerable adults, particularly vulnerable older individuals, including programs and services such as—
(1) area agency on aging programs;
(2) adult protective service programs;
(3) the State Long-Term Care Ombudsman program established in subpart II of this part;
(4) protection and advocacy programs;
(5) facility and long-term care provider licensure and certification programs;
(6) Medicaid fraud and abuse services, including services provided by a State Medicaid fraud control unit, as defined in section 1396b(q) of this title;
(7) victim assistance programs; and
(8) consumer protection and State and local law enforcement programs, as well as other State and local programs that identify and assist vulnerable older individuals, and services provided by agencies and courts of competent jurisdiction.

e) Requirements

In developing and enhancing programs under subsection (a), the State agency shall—
(1) not permit involuntary or coerced participation in such programs by alleged victims, abusers, or members of their households;
(2) require that all information gathered in the course of receiving a report described in the course of receiving a report described in subsection (b)(10)(B)(i), and making a referral described in subsection (b)(10)(B)(ii), shall remain confidential except—
(A) if all parties to such complaint or report consent in writing to the release of such information;
(B) if the release of such information is to a law enforcement agency, public protective service agency, licensing or certification agency, ombudsman program, or protection or advocacy system; or
(C) upon court order; and
(3) make all reasonable efforts to resolve any conflicts with other public agencies with respect to confidentiality of the information described in paragraph (2) by entering into memoranda of understanding that narrowly limit disclosure of information, consistent with the requirement described in paragraph (2).

f) Designation

The State agency may designate a State entity to carry out the programs and activities described in this subpart.

g) Study and report

(1) Study

The Secretary, in consultation with the Department of the Treasury and the Attorney General of the United States, State attorneys general, and tribal and local prosecutors, shall conduct a study of the nature and extent of financial exploitation of older individuals. The purpose of this study would be to define and describe the scope of the problem of financial exploitation of the elderly and to provide an estimate of the number and type of financial transactions considered to constitute financial exploitation of the elderly and to provide an estimate of the number and type of financial transactions considered to constitute financial exploitation of the elderly. The study shall also examine the adequacy of current Federal and State legal protections to prevent such exploitation.

(2) Report

Not later than 18 months after November 13, 2000, the Secretary shall submit to Congress a report, which shall include—
(A) the results of the study conducted under this subsection; and
(B) recommendations for future actions to combat the financial exploitation of older individuals.

h) Accountability measures

The Assistant Secretary shall develop accountability measures to ensure the effectiveness of the activities carried out under this section.

(i) Evaluating programs

The Assistant Secretary shall evaluate the activities carried out under this section, using funds made available under section 3017(g) of this title.

(j) Compliance with applicable laws

In order to receive funds made available to carry out this section, an entity shall comply with all applicable laws, regulations, and guidelines.
AMENDMENTS


Subsec. (b)(5) to (10), Pub. L. 114–144, § 8(e)(1)(B), (C), added pars. (5) and redesignated former pars. (5) to (9) as (6) to (10), respectively. Former par. (10) redesignated (11).

Subsec. (b)(10)(C)(ii), Pub. L. 114–144, § 8(e)(1)(D)(i), inserted “... such as forensic specialists...” after “such personnel.”

Subsec. (b)(10)(C)(v), Pub. L. 114–144, § 8(e)(1)(D)(ii), inserted before comma at end “... including programs and arrangements that protect against financial exploitation...”

Subsec. (b)(11), (12), Pub. L. 114–144, § 8(e)(1)(B), redesignated pars. (10) and (11) as (11) and (12), respectively. Former par. (12) redesignated (13).


Subsec. (b)(13), Pub. L. 114–144, § 8(e)(1)(B), redesignated par. (12) as (13).


2006—Subsec. (a), Pub. L. 109–365, § 702(d), substituted “programs to address” for “programs for the prevention of...”

Subsec. (b), Pub. L. 109–365, § 702(2)(A), substituted “programs for the prevention, detection, assessment, and treatment of, intervention in, investigation of, and response to elder abuse, neglect, and exploitation (including financial exploitation), including—” for “programs for the prevention and treatment of elder abuse, neglect, and exploitation (including financial exploitation), including—” in introductory provisions.

Subsec. (b)(2) to (9), Pub. L. 109–365, § 702(2)(B), (C), added par. (2) and redesignated former pars. (2) to (8) as (3) to (9), respectively.

Subsec. (b)(10) to (12), Pub. L. 109–365, § 702(2)(D), (E), added pars. (10) to (12).


Subsec. (h) to (j), Pub. L. 109–365, § 702(4), added subsecs. (h) to (j).

2000—Subsec. (a), Pub. L. 106–501, § 801(e)(3), substituted “section 3058a of this title and made available to carry out this subpart” for “section 3058a(b) of this title.”

Subsec. (b), Pub. L. 106–501, § 705(1)(A), in introductory provisions, inserted “... including financial exploitation...” after “exploitation.”

Subsec. (b)(2), Pub. L. 106–501, § 705(1)(B), inserted “... State and local law enforcement systems, and courts of competent jurisdiction” after “service...”

Subsec. (b)(5), Pub. L. 106–501, § 705(1)(C), inserted “... including caregivers described in part E of subchapter III...” after “individuals...”

Subsec. (d)(8), Pub. L. 106–501, § 705(2), inserted “... State and local” before “law enforcement programs...” and “... services provided by agencies and courts of competent jurisdiction” before period at end.

Subsec. (g), Pub. L. 106–501, § 705(3), added subsec. (g).

EFFECTIVE DATE

Section inapplicable with respect to fiscal year 1992, see section 905(b)(6) of Pub. L. 102–375, set out as an Effective Date of 1992 Amendment note under section 3001 of this title.

DECLARATION OF PURPOSE

Pub. L. 102–375, title VII, § 703(a), Sept. 30, 1992, 106 Stat. 1262, provided that: “The purpose of this section (enacting this subpart) is to assist States in the design, development, and coordination of comprehensive services of the State and local levels to prevent, treat, and remedy elder abuse, neglect, and exploitation.”

SUBPART IV—STATE LEGAL ASSISTANCE DEVELOPMENT PROGRAM

§ 3058j. State legal assistance development program

A State agency shall provide the services of an individual who shall be known as a State legal assistance developer, and the services of other personnel, sufficient to ensure—

(1) State leadership in securing and maintaining the legal rights of older individuals;

(2) State capacity for coordinating the provision of legal assistance;

(3) State capacity to provide technical assistance, training, and other supportive functions to area agencies on aging, legal assistance providers, ombudsmen, and other persons, as appropriate;

(4) State capacity to promote financial management services to older individuals at risk of conservatorship;

(5) State capacity to assist older individuals in understanding their rights, exercising choices, benefiting from services and opportunities authorized by law, and maintaining the rights of older individuals at risk of guardianship; and

(6) State capacity to improve the quality and quantity of legal services provided to older individuals.
population of the entities relating to elder
rights;
(2) making grants to eligible entities to
carry out vulnerable elder rights protection
activities that the entities determine to be
priorities; and
(3) enabling the eligible entities to support
multidisciplinary elder justice activities, such as—
(A) establishing a coordinating council,
which shall identify the needs of an individ-
ual Indian tribe or other Native American
group and provide the Assistant Secretary
with information and recommendations re-
ating to efforts by the Indian tribe or the
governing entity of the Native American
group to combat elder abuse, neglect, and
exploitation;
(B) providing training, technical assist-
ance, and other methods of support to
groups carrying out multidisciplinary ef-
forts for an Indian tribe or other Native
American group; and
(C) broadening and studying various mod-
els for elder fatality and serious injury re-
view teams, to make recommendations
about their composition, protocols, func-
tions, timing, roles, and responsibilities,
with a goal of producing models and infor-
mation that will allow for replication based
on the needs of Indian tribes and other Na-
tive American groups (other than the ones in
which the review teams were used).

(b) Application

In order to be eligible to receive assistance
under this section, an entity shall submit an
application to the Assistant Secretary, at such
time, in such manner, and containing such in-
formation as the Assistant Secretary may re-
quire.

c) Eligible entity

An entity eligible to receive assistance under
this section shall be—
(1) an Indian tribe; or
(2) a public agency, a nonprofit organiza-
tion, serving older individuals who are Native
Americans.

d) Authorization of appropriations

There are authorized to be appropriated to
carry out this part such sums as may be nec-
essary for fiscal year 2007, and such sums as
may be necessary for subsequent fiscal years.

(Pub. L. 89–73, title VII, §751, as added Pub. L.
1290; amended Pub. L. 103–171, §3(a)(10), Dec. 2,
§707, Nov. 13, 2000, 114 Stat. 2291; Pub. L. 109–365,

AMENDMENTS

(3).
Subsec. (b). Pub. L. 109–365, §703(2), substituted “this
section” for “this part”.
Subsec. (d). Pub. L. 109–365, §703(3), substituted “this
part” for “this section” and “2007” for “2001”.

1993—Subsecs. (a), (b). Pub. L. 103–171 substituted
“Assistant Secretary” for “Commissioner” and “Direc-
tor of the Office for” for “Associate Commissioner on”
in subsec. (a) and “Assistant Secretary” for “Commissi-
oner” in two places in subsec. (b).

§3058aa–1. Grants to promote comprehensive
State elder justice systems

(a) Purpose and authority

For each fiscal year, the Assistant Secretary
may make grants to States, on a competitive
basis, in accordance with this section, to pro-
mote the development and implementation,
within each such State, of a comprehensive
er elder justice system, as defined in subsection
(b).

(b) Comprehensive elder justice system defined

In this section, the term “comprehensive elder
justice system” means an integrated, multi-
disciplinary, and collaborative system for pre-
venting, detecting, and addressing elder abuse,
exploitation, and neglect, and exploitation in a manner that—
(1) provides for widespread, convenient public
access to the range of available elder justice
information, programs, and services;
(2) coordinates the efforts of public health,
social service, and law enforcement authori-
ties, as well as other appropriate public and
private entities, to identify and diminish dup-
lication and gaps in the system;
(3) provides a uniform method for the standard-
ization, collection, management, analysis,
and reporting of data; and
(4) provides such other elements as the As-
sistant Secretary determines appropriate.

c) Applications

To be eligible to receive a grant under this
section for a fiscal year, a State shall submit an
application to the Assistant Secretary, at such
time, in such manner, and containing such in-
formation and assurances as the Assistant Sec-
retary determines appropriate.

(d) Amount of grants

The amount of a grant to a State with an ap-
lication approved under this section for a fiscal
year shall be such amount as the Assistant Sec-
retary determines appropriate.

(e) Use of funds

(1) In general

A State that receives a grant under this sec-
tion shall use funds made available through
such grant to promote the development and
implementation of a comprehensive elder jus-
tice system by—
(A) establishing formal working relation-
ships among public and private providers of
er elder justice programs, service providers,
and stakeholders in order to create a unified elder justice network across such State to coordinate programmatic efforts;

(B) facilitating and supporting the development of a management information system and standard data elements;

(C) providing for appropriate education (including educating the public about the range of available elder justice information, programs, and services), training, and technical assistance; and

(D) taking such other steps as the Assistant Secretary determines appropriate.

(2) Maintenance of effort

Funds made available to States pursuant to this section shall be used to supplement and not supplant other Federal, State, and local funds expended to support activities described in paragraph (1).


PART C—GENERAL PROVISIONS

§ 3058bb. Definitions

As used in this subchapter:

(1) Elder right

The term “elder right” means a right of an older individual.

(2) Vulnerable elder rights protection activity

The term “vulnerable elder rights protection activity” means an activity funded under part A.


AMENDMENTS


EFFECTIVE DATE

Section inapplicable with respect to fiscal year 1992, see section 4(b) of Pub. L. 103–171, set out as an Effective Date of 1992 Amendment note under section 3001 of this title.

§ 3058cc. Administration

A State agency may carry out vulnerable elder rights protection activities either directly or through contracts or agreements with public or nonprofit private agencies or organizations, such as—

(1) other State agencies;

(2) area agencies on aging;

(3) county governments;

(4) institutions of higher education;

(5) Indian tribes; or

(6) nonprofit service providers or volunteer organizations.


AMENDMENTS

2000—Pub. L. 106–501 struck out “or an entity described in section 3058aa(c) of this title” after “A State agency” in introductory provisions.

§ 3058dd. Technical assistance

(a) Other agencies

In carrying out the provisions of this subchapter, the Assistant Secretary may request the technical assistance and cooperation of such Federal entities as may be appropriate.

(b) Assistant Secretary

The Assistant Secretary shall provide technical assistance and training (by contract, grant, or otherwise) to persons and entities that administer programs established under this subchapter.


AMENDMENTS

1993—Subsec. (a). Pub. L. 103–171, §3(a)(13), substituted “Assistant Secretary” for “Commissioner”.

Subsec. (b). Pub. L. 106–501, §13(a)(11), (13), substituted “Assistant Secretary” for “Commissioner” in heading and text.

EFFECTIVE DATE

Section inapplicable with respect to fiscal year 1992, see section 4(b) of Pub. L. 103–171, set out as an Effective Date of 1992 Amendment note under section 3001 of this title.

§ 3058ee. Audits

(a) Access

The Assistant Secretary, the Comptroller General of the United States, and any duly authorized representative of the Assistant Secretary or the Comptroller shall have access, for the purpose of conducting an audit or examination, to any books, documents, papers, and records that are pertinent to financial assistance received under this subchapter.


AMENDMENTS

2000—Subsec. (b). Pub. L. 106–501 substituted “and area agencies on aging” for “area agencies on aging, and entities described in section 3058aa(c) of this title”.


EFFECTIVE DATE

Section inapplicable with respect to fiscal year 1993, see section 4(b) of Pub. L. 103–171, set out as an Effective Date of 1992 Amendment note under section 3001 of this title.
Section inapplicable with respect to fiscal year 1992, see section 3065(b)(6) of Pub. L. 102–375, set out as an Effective Date of 1992 Amendment note under section 3001 of this title.

§ 3058ff. Rule of construction

Nothing in this subchapter shall be construed to interfere with or abridge the right of an older individual to practice the individual’s religion through reliance on prayer alone for healing, in a case in which a decision to so practice the religion—

(1) is contemporaneously expressed by the older individual—

(A) either orally or in writing;

(B) with respect to a specific illness or injury that the older individual has at the time of the decision; and

(C) when the older individual is competent to make the decision;

(2) is set forth prior to the occurrence of the illness or injury in a living will, health care proxy, or other advance directive document that is validly executed and applied under State law; or

(3) may be unambiguously deduced from the older individual’s life history.


CHAPTER 35A—COMMUNITY SERVICE EMPLOYMENT FOR OLDER AMERICANS


Section 3061, Pub. L. 91–117, title VIII, § 802, Mar. 19, 1970, 81 Stat. 62, related to establishment of Older American Community Service Employment Program authority of Secretary, execution of agreements with terms and conditions for furthering purposes and goals of program, and regulations for execution of chapter provisions and costs and non-Federal share.

Section 3062, Pub. L. 91–117, title IX, § 903, Mar. 3, 1973, 87 Stat. 26, related to administration of community service projects; consideration of needs of localities, employment situation and skills of eligible participants, and potential projects and number and percentage of eligible individuals in local population; agency cooperation, community service projects as part of general manpower programs, expenditure of project appropriations for manpower programs prohibited; use of services, equipment, personnel, facilities of Federal and other agencies, and cooperation with other public and private agencies in such use; community service projects; criteria for equitable participation in administration of such projects; payments, advances, reimbursement, and installments; and prohibition of delegation of functions and duties.


Subject matter is covered by section 3056 et seq. of this title.

CHAPTER 36—COMPENSATION OF CONDEMNNEES IN DEVELOPMENT PROGRAMS


Subject matter is covered by section 4601 et seq. of this title.

EFFECTIVE DATE OF REPEAL

Repeal not applicable to any State so long as sections 4630 and 4655 of this title are not applicable in such State; but such sections completely applicable to all States after July 1, 1972, but until such date applicable to a State to extent the State is able under its laws to comply with such sections, see section 221 of Pub. L. 91–646, set out as an Effective Date note under section 4601 of this title.

SAVINGS PROVISION

Any rights or liabilities existing under sections 3071 to 3074 as not affected by such repeal, see sections 223(b) and 306 of Pub. L. 91–646, set out as Savings Provision notes under sections 4621 and 4651 of this title.

CHAPTER 37—COMMUNITY FACILITIES AND ADVANCE LAND ACQUISITION

§ 3101. Congressional declaration of purpose

The purpose of this chapter is to assist and encourage the communities of the Nation fully to meet the needs of their citizens by making it possible, with Federal grant assistance, for their governmental bodies (1) to construct adequate basic water and sewer facilities needed to promote the efficient and orderly growth and development of our communities, (2) to construct neighborhood facilities needed to enable them to carry on programs of necessary social services, and (3) to acquire, in a planned and orderly fashion, land to be utilized in the future for public purposes.


AMENDMENTS

§§ 3102, 3103. Omitted
CODIFICATION


§3104. Advance acquisition of land for public purposes
(a) Authority to make grants
In order to encourage and assist the timely acquisition of land planned to be utilized in the future for public purposes, the Secretary is authorized to make grants to States and local public bodies and agencies to assist in financing the acquisition of a fee simple estate or other interest in such land.

(b) Maximum amount of grants
The amount of any grant made under this section shall not exceed the aggregate amount of reasonable interest charges on the loans or other financial obligations incurred to finance the acquisition of such land for a period not in excess of the lesser of (1) five years from the date of acquisition of such land or (2) the period of time between the date on which the land was acquired and the date its use began for the purpose for which it was acquired: Provided, That where all or any portion of the cost of such land is not financed through borrowings, the amount of the grant shall be computed on the basis of the aggregate amount of reasonable interest charges that the Secretary determines would have been required.

(c) Utilization of land for public purpose within reasonable period of time
No grant shall be made under this section unless the Secretary determines that the land will be utilized for a public purpose within a reasonable period of time and that such utilization will contribute to economy, efficiency, and the comprehensively planned development of the area. The Secretary shall in all cases require that land acquired with the assistance of a grant under this section be utilized for a public purpose within five years after the date on which a contract to make such grant is entered into, unless the Secretary determines that due to unusual circumstances a longer period of time is necessary and in the public interest.

(d) Diversion of land; repayment; interim use
No land acquired with assistance under this section shall, without approval of the Secretary, be diverted from the purpose originally approved. The Secretary shall approve no such diversion unless he finds that the diversion is in accord with the then applicable comprehensive plan for the area. In cases of a diversion of land to other than a public purpose, the Secretary may require repayment of the grant, or substitution of land of approximately equal fair market value, whichever he deems appropriate. An interim use of the land for a public or private purpose in accordance with standards prescribed by the Secretary, or approved by him, shall not constitute a diversion within the meaning of this subsection.

(e) Eligibility for other Federal loans or grant programs
Notwithstanding any other provision of law, no project for which land is acquired with assistance under this section shall, solely as a result of such advance acquisition, be considered ineligible for the purpose of any other Federal loan or grant program, and the amount of the purchase price paid for the land by the recipient of a grant under this section may be considered an eligible cost for the purpose of such other Federal loan or grant program.


AMENDMENTS
1980—Subsec. (c). Pub. L. 96–470 substituted “unless the Secretary determines that due to unusual circumstances a longer period of time is necessary and in the public interest” for “unless the Secretary (1) determines that due to unusual circumstances a longer period of time is necessary and in the public interest, and (2) reports such determination promptly to the Committee on Banking and Currency of the Senate and House of Representatives”.

1968—Subsec. (a). Pub. L. 90–448 substituted “to be utilized in the future for public purposes” for “to be utilized in connection with the future construction of public works or facilities”.

Subsec. (b). Pub. L. 90–448 changed the period from not more than the lesser of (1) five years from the date such loan was made or such financial obligation was incurred, or (2) the period of time between the date such loan was made or such financial obligation was incurred and the date construction is begun on the public work or facility, to not more than the lesser of (1) five years from the date of acquisition of such land, or (2) the period of time between the date on which the land was acquired and the date its use began for the purpose for which it was acquired, and inserted proviso requiring the amount of the grant, where all or any portion of the cost of land is not financed through borrowings, to be computed on the basis of the aggregate amount of reasonable interest charges that the Secretary determines would have been required.

Subsec. (c). Pub. L. 90–448 substituted provisions requiring the Secretary to determine that the land will be utilized for a public purpose within a reasonable period of time, for provisions which required a determina-
tion that the public work or facility for which the land is to be utilized is planned to be constructed or initiated within a reasonable period of time, empowered the Secretary to extend the time if he determines that due to unusual circumstances a longer period of time is necessary and in the public interest, and required a prompt report of such determination to Congressional Committees.

Subsec. (d). Pub. L. 90–448 inserted provisions prohibiting diversion of land without approval of the Secretary, directing the Secretary to disapprove any diversion unless he finds that the diversion is in accord with the then applicable comprehensive plan for the area, authorizing the Secretary to accept, in cases of repayment, substitution of land of approximately equal fair market value, and stating that an interim use of land purchased with assistance is not utilized within five years after the agreement is entered into in connection with the construction of the public work or facility for which the land was acquired.


1967—Subsecs. (a), (c), (d). Pub. L. 90–19 substituted “Secretary” for “Administrator” wherever appearing.

§ 3105. Powers and duties of Secretary

(a) In the performance of, and with respect to, the functions, powers, and duties vested in him by this chapter, the Secretary shall (in addition to any authority otherwise vested in him) have the functions, powers, and duties set forth in section 1749a of title 12, except subsections (a), (c)(2), and (f) thereof.

(b) The Secretary is authorized, notwithstanding the provisions of section 3324(a) and (b) of title 31, to make advance or progress payments on account of any grant made pursuant to this chapter. No part of any grant authorized to be made by the provisions of this chapter shall be used for the payment of ordinary governmental operating expenses.


REFERENCES IN TEXT


Codification

In subsec. (b), “section 3324(a) and (b) of title 31” substituted for “section 3648 of the Revised Statutes [31 U.S.C. 529]” on authority of Pub. L. 97–258, §4(b), Sept. 13, 1982, 96 Stat. 1067, the first section of which enacted Title 31, Money and Finance.

AMENDMENTS

1967—Pub. L. 90–19 substituted “Secretary” for “Administrator” wherever appearing.

§ 3106. Definitions

As used in this chapter—

(a) The term “State” means the several States, the District of Columbia, the Commonwealth of Puerto Rico, and the territories and possessions of the United States.

(b) The term “local public bodies and agencies” includes public corporate bodies or political subdivisions; public agencies or instrumentalities of one or more States, municipalities, or capital improvement projects.

(c) The term “development cost” means the cost of acquiring the facility and of acquiring the land on which it is located, including necessary site improvements to permit its use as a site for the facility.


§ 3107. Labor standards

All laborers and mechanics employed by contractors or subcontractors on projects assisted under sections 3102 and 3103 of this title shall be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with sections 3141–3144, 3146, and 3147 of title 40. No such project shall be approved without first obtaining adequate assurance that these labor standards will be maintained upon the construction work. The Secretary of Labor shall have, with respect to the labor standards specified in this section, the authority and functions set forth in Reorganization Plan Numbered 14 of 1960.


REFERENCES IN TEXT

Sections 3102 and 3103 of this title, referred to in text, were omitted from the Code pursuant to section 5316 of this title which terminated the authority to make grants or loans under those sections and the Reorganization Plan Numbered 14 of 1960. Referred to in text, is set out in the Appendix to Title 5, Government Organization and Employees.

Codification


§ 3108. Authorization of appropriations

(a) There are authorized to be appropriated for each fiscal year commencing after June 30, 1965, and ending prior to July 1, 1969, not to exceed $350,000,000 in the case of the fiscal year commencing July 1, 1968, for grants under section 3102 of this title, (2) $50,000,000 for grants under section 3103 of this title, and (3) $25,000,000 for grants under section 3104 of this title. In addition, there is authorized to be appropriated for grants under section 3102 of this title not to exceed $115,000,000 for the fiscal year commencing July 1, 1969, and not to exceed $100,000,000 for the fiscal year commencing July 1, 1970. In addition, upon the enactment of the Emergency Community Facilities Act of 1970,
there is authorized to be appropriated for grants under section 3102 of this title not to exceed $1,000,000,000 for the fiscal year commencing July 1, 1970. In addition, there is authorized to be appropriated for the fiscal year commencing July 1, 1971, not to exceed $50,000,000 for grants under section 3103 of this title. In addition, there are authorized to be appropriated for the fiscal year commencing July 1, 1973, not to exceed $40,000,000 for grants under section 3103 of this title.

(b) Any amounts appropriated under this section shall remain available until expended, and any amounts authorized for any fiscal year under this section but not appropriated may be appropriated for any succeeding fiscal year commencing prior to July 1, 1974.


REFERENCES IN TEXT
Sections 3102 and 3103 of this title, referred to in subsec. (a), were omitted from the Code pursuant to section 3316 of this title which terminated the authority to make grants or loans under those sections after Jan. 1, 1975.


AMENDMENTS


1970—Subsec. (a). Pub. L. 91–609, §304(a), authorized appropriation of $50,000,000 for fiscal year commencing July 1, 1971, for grants under section 3103 of this title.

Pub. L. 91–431, §3(a), authorized appropriations for grants under section 3102 of this title, and enacted a provision set out as a note under this section. For complete classification of this Act to the Code, see Short Title note set out under section 3101 of this title and Tables.

1969—Subsec. (a). Pub. L. 91–152, §305(c), authorized appropriations of not more than $100,000,000 for fiscal year commencing July 1, 1970.

Subsec. (b). Pub. L. 91–152, §305(b), substituted “July 1, 1971” for “July 1, 1970”.

1968—Subsec. (a). Pub. L. 90–448, §605(b), authorized appropriations of not more than $350,000,000 for fiscal year commencing July 1, 1968, and not more than $15,000,000 for fiscal year commencing July 1, 1969.

Subsec. (b). Pub. L. 90–448, §605(a), substituted “July 1, 1970” for “July 1, 1969”.

CONGRESSIONAL STATEMENT OF FINDINGS
Pub. L. 91–431, §2, Oct. 6, 1970, 84 Stat. 886, provided that:

“(a) The Congress finds that a large number of municipalities and other entities of local government throughout the Nation are unable to finance construction of vital and urgently needed public facilities because of the shortage of funds for long-term borrowing.

“(b) The Congress further finds that there is an immediate need for such facilities in order to provide basic safeguards for the health and well-being of the people of the United States, to check widespread pollution of irreplaceable water sources, and to provide an effective and practical method of combating rising unemployment.”

ADMINISTRATIVE PRIORITY FOR APPLICATIONS RELATING TO ACTIVITIES IN AREAS AFFECTED BY BASE CLOSINGS

State or unit of local government or agency thereof affected by reduction in level of expenditure or employment at Department of Defense installation located in or near such State or unit of local government, priority in processing applications for assistance under this section, see section 1453a of this title.

CHAPTER 38—PUBLIC WORKS AND ECONOMIC DEVELOPMENT

Sec. 3121. Findings and declarations.
3122. Definitions.
3123. Discrimination on basis of sex prohibited in federally assisted programs.

SUBCHAPTER I—ECONOMIC DEVELOPMENT PARTNERSHIPS COOPERATION AND COORDINATION

3131. Establishment of economic development partnerships.
3132. Cooperation of Federal agencies.
3133. Coordination.

SUBCHAPTER II—GRANTS FOR PUBLIC WORKS AND ECONOMIC DEVELOPMENT

3141. Grants for public works and economic development.
3142. Base closings and realignments.
3143. Grants for planning and grants for administrative expenses.
3144. Cost sharing.
3145. Supplementary grants.
3146. Regulations on relative needs and allocations.
3147. Grants for training, research, and technical assistance.
3148. Repealed.
3149. Grants for economic adjustment.
3150. Changed project circumstances.
3151. Use of funds in projects constructed under projected cost.
3152. Reports by recipients.
3153. Prohibition on use of funds for attorney’s and consultant’s fees.
3154. Special impact areas.
3154a. Performance awards.
3154b. Planning performance awards.
3154c. Direct expenditure or redistribution by recipient.
3154d. Brightfields demonstration program.

SUBCHAPTER III—ELIGIBILITY: COMPREHENSIVE ECONOMIC DEVELOPMENT STRATEGIES

3161. Eligibility of areas.
3162. Comprehensive economic development strategies.

SUBCHAPTER IV—ECONOMIC DEVELOPMENT DISTRICTS

3171. Designation of economic development districts.
3172. Termination or modification of economic development districts.
3173. Repealed.
3174. Provision of comprehensive economic development strategies to Regional Commissions.
§ 3121. Findings and declarations

(a) Findings

Congress finds that—

(1) there continue to be areas of the United States experiencing chronic high unemployment, underemployment, outmigration, and low per capita incomes, as well as areas facing sudden and severe economic dislocations because of structural economic changes, changing trade patterns, certain Federal actions (including environmental requirements that result in the removal of economic activities from a locality), and natural disasters;

(2) economic growth in the States, cities, and rural areas of the United States is produced by expanding economic opportunities, expanding free enterprise through trade, developing and strengthening public infrastructure, and creating a climate for job creation and business development;

(3) the goal of Federal economic development programs is to raise the standard of living for all citizens and increase the wealth and overall rate of growth of the economy by encouraging communities to develop a more competitive and diversified economic base by—

(A) creating an environment that promotes economic activity by improving and expanding public infrastructure;

(B) promoting job creation through increased innovation, productivity, and entrepreneurship; and

(C) empowering local and regional communities experiencing chronic high unemployment and low per capita income to develop private sector business and attract increased private sector capital investment;

(4) while economic development is an inherently local process, the Federal Government should work in partnership with public and private State, regional, tribal, and local organizations to maximize the impact of existing resources and enable regions, communities, and citizens to participate more fully in the American dream and national prosperity;

(5) in order to avoid duplication of effort and achieve meaningful, long-lasting results, Federal, State, tribal, and local economic development activities should have a clear focus, improved coordination, a comprehensive approach, and simplified and consistent requirements; and

(6) Federal economic development efforts will be more effective if the efforts are coordinated with, and build upon, the trade, workforce investment, transportation, and technology programs of the United States.

(b) Declarations

In order to promote a strong and growing economy throughout the United States, Congress declares that—

(1) assistance under this chapter should be made available to both rural and urban distressed communities;

(2) local communities should work in partnership with neighboring communities, the States, Indian tribes, and the Federal Government to increase the capacity of the local communities to develop and implement comprehensive economic development strategies to alleviate economic distress and enhance competitiveness in the global economy;

(3) whether suffering from long-term distress or a sudden dislocation, distressed communities should be encouraged to support entrepreneurship to take advantage of the development opportunities afforded by technological innovation and expanding newly opened global markets; and

(4) assistance under this chapter should be made available to promote the productive reuse of abandoned industrial facilities and the redevelopment of brownfields.


PRIOR PROVISIONS


AMENDMENTS

2004—Pub. L. 108–373 reenacted section catchline without change and amended text generally, substituting pars. (1) to (6) for former pars. (1) to (8) in subsec. (a) and pars. (1) to (4) for former pars. (1) to (3) in subsec. (b).

EFFECTIVE DATE

Amendment note set out below) and the amendments made by this title shall take effect on a date determined by the Secretary of Commerce, but not later than 60 days after the date of enactment of this Act [Nov. 13, 1998]." [Effective Feb. 11, 1999, see 64 F.R. 2222.]

**SHORT TITLE OF 2004 AMENDMENT**

Pub. L. 108-373, §1(a), Oct. 27, 2004, 118 Stat. 1756, provided that: "This Act [enacting sections 3154 to 3156, 3221, 3222, and 3234 of this title, amending this section and sections 3121, 3131, 3133, 3135, 3136, 3137, 3138, 3139, 3142, 3143, 3145, 3147, 3148, 3149, 3151, 3152, 3153, 3154, 3156, 3157, 3158, 3159, 3160, 3161, 3162, 3174, 3192, 3196, 3122, 3123, 3129, and 3231 of this title, and repealing sections 3148, 3173, and 3195 of this title] may be cited as the 'Economic Development Administration Regional Revitalization Act of 2004'.”

**SHORT TITLE OF 1998 AMENDMENT**

Pub. L. 105-393, title I, §101, Nov. 13, 1998, 112 Stat. 3597, provided that: "This title [enacting subchapters I to VII of this chapter, transferring section 3221 of this title to section 3222 of this title, amending section 3136 of Title 5, Government Organization and Employees, repealing former subchapters I to X of this chapter, enacting provisions set out as notes under this section, and amending provisions set out as a note under this section] may be cited as the 'Economic Development Administration Reform Act of 1998'.”

**SHORT TITLE OF 1976 AMENDMENT**

Pub. L. 94–487, §101, Oct. 12, 1976, 90 Stat. 2331, provided that: "This Act [enacting sections 3173, 3174, 3176, and 3177 of this title, amending this section and sections 3131, 3132, 3135, 3141, 3142, 3151a, 3152, 3153, 3151, 3171, 3172, 3188a, 3214, 3241, 3243, 3245, 3246a to 3246c, and 3246 of this title, repealing section 3246d of this title, enacting provisions set out as notes under this section, and amending provisions set out as a note under section 3162 of this title] may be cited as the 'Public Works and Economic Development Act Amendments of 1976'.”

**SHORT TITLE OF 1975 AMENDMENTS**

Pub. L. 94–188, §1, Dec. 31, 1975, 89 Stat. 1079, provided that: "This Act [enacting sections 3194 to 3196 of this title and sections 225 and 383 of the Appendix to former Title 40, Public Buildings, Property, and Works, amending sections 3181, 3182, 3188a, and 3192 of this title, and sections 2, 101, 102, 105–107, 201, 202, 205, 207, 211, 214, 223, 224, 302, 401 and 405 of the Appendix to former Title 40, repealing section 3194 of this title, and enacting provisions set out as notes under sections 3181 and 3183 of this title and sections 1, 2 and 201 of the Appendix of former Title 40] may be cited as the 'Regional Development Act of 1975'.”

**SHORT TITLE OF 1974 AMENDMENT**

Pub. L. 93–667, §1, Dec. 31, 1974, 88 Stat. 1845, provided that: "This Act [enacting sections 3246 to 3246g of this title and sections 961 to 966 of Title 14, Labor, amending section 1240 of Title 29, Education, and sections 841, 842, 844, 845, 849 to 851, 881, and 883 of Title 29, and enacting provisions set out as notes under sections 3294 of Title 26, Internal Revenue Code, and 4102 of Title 38, Veterans' Benefits] may be cited as the 'Economy Jobs and Unemployment Assistance Act of 1974'.”

**SHORT TITLE OF 1973 AMENDMENT**

Pub. L. 92–65, title I, §101, Aug. 5, 1971, 85 Stat. 166, provided that: "This title [enacting section 3213 of this title and amending this section, sections 3135, 3141, 3152, 3161, 3162, 3171, 3188a, and 3191 of this title, and provisions set out as a note under section 3162 of this title] may be cited as the 'Public Works and Economic Development Act Amendments of 1971'.”

**SHORT TITLE OF 1969 AMENDMENT**

Pub. L. 91–123, title II, §201, Nov. 25, 1969, 83 Stat. 216, provided that: "This title [enacting sections 3190, 3191, and 3192 of this title and amending this section and sections 3135, 3136, and 3133 of this title] may be cited as the 'Regional Action Planning Commission Amendments of 1969'.”

**SHORT TITLE**


**TRANSITION PROVISIONS**


(a) Existing Rights, Duties, and Obligations.—This title [see Short Title of 1998 Amendment note set out above], including the amendments made by this title, does not affect the validity of any right, duty, or obligation of the United States or any other person arising under any contract, loan, or other instrument or agreement that was in effect on the day before the effective date of this title [see Effective Date note set out above] (except—

(1) the Public Works and Economic Development Act of 1965 (42 U.S.C. 3121 et seq.);

(2) the Area Redevelopment Act (42 U.S.C. 2501 et seq.); and

(3) the Trade Act of 1974 (19 U.S.C. 2101 et seq.).

(b) Administration.—The Secretary of Commerce shall take such action as is necessary before the effective date of this title as are appropriate to administer and liquidate grants, contracts, agreements, loans, obligations, debentures, or guarantees made by the Secretary under law in effect before the effective date of this title.

**DENALI COMMISSION**


SEC. 301. SHORT TITLE.

This title may be cited as the 'Denali Commission Act of 1998'.

---

**JUSTICE DEPARTMENT**

SEC. 302. PURPOSES.

The purposes of this title are as follows:

(1) To deliver the services of the Federal Government in the most cost-effective manner practicable by reducing administrative and overhead costs.

(2) To provide job training and other economic development services in rural communities particularly distressed communities (many of which have a rate of unemployment that exceeds 50 percent).

(3) To promote rural development, provide power generation and transmission facilities, modern communication systems, water and sewer systems and other infrastructure needs.

SEC. 303. ESTABLISHMENT OF COMMISSION.

(a) Establishment.—There is established a commission to be known as the Denali Commission (referred to in this title as the 'Commission').

(b) Membership.

(1) Composition.—The Commission shall be composed of 7 members, who shall be appointed by the Secretary of Commerce (referred to in this title as the 'Secretary'), of whom—

(A) one shall be the Governor of the State of Alaska, or an individual selected from nominations submitted by the Governor, who shall serve as the State Cochairperson;

(B) one shall be the President of the University of Alaska, or an individual selected from nominations submitted by the President of the University of Alaska;

(C) one shall be the President of the Alaska Municipal League or an individual selected from nominations submitted by the President of the Alaska Municipal League;

(D) one shall be the President of the Alaska Federation of Natives or an individual selected from nominations submitted by the President of the Alaska Federation of Natives;

(E) one shall be the Executive President of the Alaska State AFL-CIO or an individual selected from nominations submitted by the Executive President;

(F) one shall be the President of the Associated General Contractors of Alaska or an individual selected from nominations submitted by the President of the Associated General Contractors of Alaska; and

(G) one shall be the Federal Cochairperson, who shall be selected in accordance with the requirements of paragraph (2).

(2) Federal Cochairperson.

(A) In General.—The President pro tempore [sic] of the Senate and the Speaker of the House of Representatives shall each submit a list of nominations for the position of the Federal Cochairperson under paragraph (1)(G), including pertinent biographical information, to the Secretary.

(B) Appointment.—The Secretary shall appoint the Federal Cochairperson from among the list of nominations submitted under subparagraph (A). The Federal Cochairperson shall serve as an employee of the Department of Commerce, and may be removed by the Secretary for cause.

(C) Federal Cochairperson Vote.—The Federal Cochairperson appointed under this paragraph shall break any tie in the voting of the Commission.

(3) Term of Federal Cochairperson.—The Federal Cochairperson shall serve for a term of four years and may be reappointed.

(4) Interim Federal Cochairperson.—In the event of a vacancy for any reason in the position of Federal Cochairperson, the Secretary may appoint an Interim Federal Cochairperson, who shall have all the authority of the Federal Cochairperson, to serve until such time as the vacancy in the position of Federal Cochairperson is filled in accordance with subsection (b)(2). [sic]

(5) Term of all other members.—All other members shall be appointed for the life of the Commission.

(6) Vacancies.—Except as provided in paragraph (2), any vacancy in the Commission shall not affect its powers, but shall be filled in the same manner as the original appointment.

(7) Meetings.—

(A) In General.—The Commission shall meet at the call of the Federal Cochairperson not less frequently than 2 times each year, and may, as appropriate, conduct business by telephone or other electronic means.

(B) Notification.—Not later than 2 weeks before calling a meeting under this subsection, the Federal Cochairperson shall—

(i) notify each member of the Commission of the time, date and location of that meeting; and

(ii) provide each member of the Commission with a written agenda for the meeting, including any proposals for discussion and consideration, and any appropriate background materials.

(C) Quorum.—A majority of the members of the Commission shall constitute a quorum, but a lesser number of members may hold hearings.

(D) No Federal Employee Status.—No member of the Commission, other than the Federal Cochairperson, shall be considered to be a Federal employee for any purpose.

(8) Conflicts of Interest.—

(A) In General.—Except as provided in paragraphs (2) and (3), no member of the Commission (referred to in this subsection as a 'member') shall participate personally or substantially, through recommendation, the rendering of advice, investigation, or otherwise, in any proceeding, application, request for a ruling or other determination, contract claim, controversy, or other matter in which, to the knowledge of the member, 1 or more of the following has a direct financial interest:

(i) The member.

(ii) The spouse, minor child, or partner of the member.

(iii) An organization described in subparagraph (B), (C), (D), (E), or (F) of paragraph (1) for which the member is serving as an officer, director, trustee, partner, or employee.

(iv) Any individual, person, or organization with which the member is negotiating or has any arrangement concerning prospective employment.

(B) Disclosure.—Paragraph (1) shall not apply if the member—

(i) immediately advises the designated agency ethics official for the Commission of the nature and circumstances of the matter presenting a potential conflict of interest;

(ii) makes full disclosure of the financial interest; and

(iii) before the proceeding concerning the matter presents the conflict of interest, receives a written determination by the designated agency ethics official for the Commission that the interest is not so substantial as to be likely to affect the integrity of the services that the Commission may expect from the member. The written determination shall specify the rationale and any evidence or support for the decision, identify steps, if any, that should be taken to mitigate any conflict of interest, and be available to the public.

(C) Annual Disclosures.—Once each calendar year, each member shall make full disclosure of financial interests, in a manner to be determined by the designated agency ethics official for the Commission.

(D) Training.—Once each calendar year, each member shall undergo disclosure of financial interests training, as prescribed by the designated agency ethics official for the Commission.
paragraph or agency such information as it considers necessary to carry out the provisions of this Act [5 U.S.C. 532].

SEC. 304. DUTIES OF THE COMMISSION.

(a) WORK PLAN.—

(1) IN GENERAL.—Not later than 1 year after the date of enactment of this Act [Oct. 21, 1998] and annually thereafter, the Commission shall develop a proposed work plan for Alaska that meets the requirements of paragraph (2) and submit that plan to the Federal Cochairperson for review in accordance with the requirements of subsection (b).

(2) WORK PLAN.—In developing the work plan, the Commission shall—

(A) solicit project proposals from local government and other entities and organizations; and

(B) provide for a comprehensive work plan for rural and infrastructure development and necessary job training in the area covered under the work plan.

(b) REPORT.—Upon completion of a work plan under this subsection, the Commission shall prepare, and submit to the Secretary, the Federal Cochairperson, and the Director of the Office of Management and Budget, a report that outlines the work plan and contains recommendations for funding priorities.

(c) REVIEW BY FEDERAL COCHAIRPERSON.—

(1) IN GENERAL.—Upon receiving a work plan under this section, the Secretary, acting through the Federal Cochairperson, shall publish the work plan in the Federal Register, with notice and an opportunity for public comment. The period for public review and comment shall be the 30-day period beginning on the date of publication of that notice.

(2) CRITERIA FOR REVIEW.—In conducting a review under paragraph (1), the Secretary, acting through the Federal Cochairperson, shall—

(A) take into consideration the information, views, and comments received from interested parties through the public review and comment process specified in paragraph (1); and

(B) consult with appropriate Federal officials in Alaska including but not limited to Bureau of Indian Affairs, Economic Development Administration, and Rural Development Administration.

(d) APPROVAL.—Not later than 30 days after the end of the period specified in paragraph (1), the Secretary acting through the Federal Cochairperson, shall—

(A) approve, disapprove, or partially approve the work plan that is the subject of the review; and

(B) issue to the Commission a notice of the approval, disapproval, or partial approval that—

(i) specifies the reasons for disapproving any portion of the work plan; and

(ii) if applicable, includes recommendations for revisions to the work plan to make the plan subject to approval.

(e) REVIEW OF DISAPPROVAL OR PARTIAL APPROVAL.—If the Secretary, acting through the Federal Cochairperson, disapproves or partially approves a work plan, the Federal Cochairperson shall submit that work plan to the Commission for review and revision.

SEC. 305. POWERS OF THE COMMISSION.

(a) INFORMATION FROM FEDERAL AGENCIES.—The Commission may secure directly from any Federal department or agency such information as it considers necessary to carry out the provisions of this Act [probably means this title]. Upon request of the Federal Cochairperson of the Commission, the head of such department or agency shall furnish such information to the Commission. Agencies must provide the Commission with the requested information in a timely manner. Agencies are not required to provide the Commission any information that is exempt from disclosure by the Freedom of Information Act [5 U.S.C. 552].

(b) POSTAL SERVICES.—The Commission may use the United States mails in the same manner and under the same conditions as other departments and agencies of the Federal Government.

(c) GIFTS.—

(1) IN GENERAL.—Except as provided in paragraph (2), the Commission, on behalf of the United States, may accept, use, and dispose of gifts or donations of services, property, or money for purposes of carrying out this Act [probably means this title].

(2) CONDITIONAL.—With respect to conditional gifts—

(A) the Commission, on behalf of the United States, may accept conditional gifts for purposes of carrying out this Act [probably means this title], if approved by the Federal Cochairperson; and

(B) no gift shall be accepted that is conditioned on any expenditure not to be funded from the gift or from the income generated by the gift unless the expenditure has been approved by Act of Congress.

(d) The Commission, acting through the Federal Cochairperson, is authorized to enter into contracts and cooperative agreements, award grants, and make payments necessary to carry out the purposes of the Commission. With respect to funds appropriated to the Commission for fiscal year 1999, the Commission, acting through the Federal Cochairperson, is authorized to enter into contracts and cooperative agreements, award grants, and make payments to implement an interim work plan for fiscal year 1999 approved by the Commission.

SEC. 306. COMMISSION PERSONNEL MATTERS.

(a) COMPENSATION OF MEMBERS.—Each member of the Commission who is not an officer or employee of the Federal Government shall be compensated at a rate equal to the daily equivalent of the annual rate of basic pay prescribed for level IV of the Executive Schedule under section 5135 of title 5, United States Code, for each day (including travel time) during which such member is engaged in the performance of the duties of the Commission. The Federal Cochairperson shall be compensated at the annual rate prescribed for level IV of the Executive Schedule under section 5135 of title 5, United States Code. All members of the Commission who are officers or employees of the United States shall serve without compensation that is in addition to that received for their services as officers or employees of the United States.

(b) TRAVEL EXPENSES.—The members of the Commission shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5, United States Code, while away from their homes or regular places of business in the performance of services for the Commission.

(c) STAFF.—

(1) IN GENERAL.—The Federal Cochairperson of the Commission may, without regard to the civil service laws and regulations, appoint such personnel as may be necessary to enable the Commission to perform its duties.

(2) COMPENSATION.—The Federal Cochairperson of the Commission may fix the compensation of personnel without regard to the provisions of chapter 51 and subchapter III of chapter 53 of title 5, United States Code.
Code, relating to classification of positions and General Schedule pay rates.

“(d) Detail of Government Employees.—Any Federal Government employee shall be detailed to the Commission without reimbursement, and such detail shall be without interruption or loss of civil service status or privilege.

“(e) Procurement of Temporary and Intermittent Services.—The Federal Cochairperson of the Commission may procure temporary and intermittent services under section 3109(b) of title 5, United States Code, at rates for individuals which do not exceed the daily equivalent of the annual rate of basic pay prescribed for level V of the Executive Schedule under section 5316 of such title.

“(f) Offices.—The principal office of the Commission shall be located in Alaska, at a location that the Commission shall select.

“(g) Administrative Expenses and Records.—The Secretary of Agriculture may be appropriated funds to be used to provide assistance, and seek to avoid duplicating services and records which shall be available for audit examination by the Comptroller General or his or her designee.


“SEC. 307. SPECIAL FUNCTIONS.

“(a) Rural Utilities.—In carrying out its functions under this title, the Commission shall as appropriate, provide assistance, seek to avoid duplicating services and assistance, and complement the water and sewer wastewater programs under section 306D of the Consolidated Farm and Rural Development Act (7 U.S.C. 1926d) and section 303 of the Safe Drinking Water Act Amendment of 1996 (31 U.S.C. 1235a).

“(b) Bulk Fuels.—Funds transferred to the Commission pursuant to section 329 of the Department of Transportation and Related Agencies Appropriations Act, 1999 (section 101(g) of division A of this Act) [43 U.S.C. 1653 note] shall be available without further appropriation and until expended. The Commission, in consultation with the Lieutenant Governor of the State of Alaska, shall develop a plan to procure the repair or replacement of bulk fuel storage tanks in Alaska that are not in compliance with applicable—

“(1) Federal law, including the Oil Pollution Act of 1990 (43 U.S.C. 1321 et seq.); or

“(2) State law.

“(c) Demonstration Health Projects.—In order to demonstrate the value of adequate health facilities and services to the economic development of the region, the Secretary of Health and Human Services is authorized to make interagency transfers to the Denali Commission to plan, construct, and equip demonstration health, nutrition, and child care projects, including hospitals, health care clinics, and mental health facilities (including drug and alcohol treatment centers) in compliance with the Work Plan referred to under section 304 of Title III—Denali Commission of Division C—Other Matters of Public Law 105-277. No grant for construction or equipment of a demonstration project shall exceed 50 percent of such costs, unless the project is located in a severely economically distressed community, as identified in the Work Plan referred to under section 304 of Title III—Denali Commission of Division C—Other Matters of Public Law 105-277. In which case no grant shall exceed 50 percent of such costs. To carry out this section, there is authorized to be appropriated such sums as may be necessary.

“(d) Solid Waste.—The Secretary of Agriculture is authorized to make direct payments which shall remain available until expended to the Denali Commission to address deficiencies in solid waste disposal sites which threaten to contaminate rural drinking water supplies.

“(e) Docks, Waterfront Transportation Development, and Related Infrastructure Projects.—The Secretary of Transportation is authorized to make direct lump sum payments to the Commission to construct docks, waterfront development projects, and related transportation infrastructure, provided the local community provides a ten percent non-Federal match in the form of any necessary land or planning and design funds. To carry out this section, there is authorized to be appropriated such sums as may be necessary.

“SEC. 308. EXEMPTION FROM FEDERAL ADVISORY COMMITTEE ACT.


“SEC. 309. DENALI ACCESS SYSTEM PROGRAM.

“(a) Establishment of the Denali Access System Program.—Not later than 3 months after the date of enactment of the SAFEFEA–LU [Aug. 10, 2005], the Denali Commission shall establish a Denali Access System Program Advisory Committee (referred to in this section as the ‘advisory committee’).

“(b) Membership.—The advisory committee shall be composed of nine members to be appointed by the Governor of the State of Alaska as follows:

“(1) The chairperson of the Denali Commission.

“(2) Members who represent existing regional native corporations, native nonprofit entities, or tribal governments, including one member who is a civil engineer.

“(3) Members who represent rural Alaska regions or villages, including one member who is a civil engineer.

“(3) Terms.—(A) In General.—Except for the chairman of the Commission who shall remain a member of the advisory committee, members shall be appointed to serve a term of 4 years.

“(B) Initial Members.—Except for the chairman of the Commission, of the eight initial members appointed to the advisory committee, two shall be appointed for a term of 1 year, two shall be appointed for a term of 2 years, two shall be appointed for a term of 3 years, and two shall be appointed for a term of 4 years. All subsequent appointments shall be for 4 years.

“(4) Responsibilities.—The advisory committee shall be responsible for the following activities:

“(A) Advising the Commission on the surface transportation needs of Alaska Native villages and rural communities, including projects for the construction of essential access routes within remote Alaska Native villages and rural communities and for the construction of roads and facilities necessary to connect isolated rural communities to a road system.

“(B) Advising the Commission on considerations for coordinated transportation (sic) planning among the Alaska Native villages, including the Alaska rural villages, the State of Alaska, and other government entities.

“(C) Establishing a list of transportation priorities for Alaska Native village and rural community transportation projects on an annual basis, including funding recommendations.

“(D) Facilitate the Commission’s work on transportation projects involving more than one region.

“(E) FACA Exemption.—The functions of the Federal Advisory Committee Act (5 U.S.C. App.) shall not apply to the advisory committee.
"(c) ALLOCATION OF FUNDS.—  
   (1) IN GENERAL.—The Secretary shall allocate funding authorized and made available for the Denali access system program to the Commission to carry out this section.  
   (2) DISTRIBUTION OF FUNDING.—In distributing funds for surface transportation projects funded under the program, the Commission shall consult the list of transportation priorities developed by the advisory committee.  
   (d) PREFERENCE TO ALASKA MATERIALS AND PRODUCTS.—To construct a project under this section, the Commission shall, to the maximum extent practicable, the use of employees and businesses that are residents of Alaska.  
   (e) DESIGN STANDARDS.—Each project carried out under this section shall use technology and design standards determined by the Commission to be appropriate given the location and the functionality of the project.  
   (f) MAINTENANCE.—Funding for a construction project under this section may include an additional amount equal to not more than 10 percent of the total cost of construction, to be retained for future maintenance of the project. All such retained funds shall be dedicated for maintenance of the project and may not be used for other purposes.  
   (g) LEAD AGENCY DESIGNATION.—For purposes of projects carried out under this section, the Commission shall be designated as the lead agency for purposes of accessing Federal funds and for purposes of carrying out this project.  
   (h) NON-FEDERAL SHARE.—Notwithstanding any other provision of law, funds made available to carry out this section may be used to meet the non-Federal share of the cost of projects under title 23, United States Code.  
   (i) SURFACE TRANSPORTATION PROGRAM TRANSFERABILITY.—  
      (1) TRANSFERABILITY.—In any fiscal year, up to 15 percent of the amounts made available to the State of Alaska for surface transportation by [former] section 138 of title 23, United States Code, may be transferred to the Denali access system program.  
      (2) NO EFFECT ON SET-ASIDE.—Paragraph (2) of section 133(c) of title 23, United States Code, shall not apply to funds transferred under paragraph (1).  
   (j) AUTHORIZATION OF APPROPRIATIONS.—  
      (1) IN GENERAL.—There is authorized to be appropriated out of the Highway Trust Fund (other than the Mass Transit Account) to carry out this section $15,000,000 for each of fiscal years 2006 through 2009.  
      (2) APPLICABILITY OF TITLE 23.—Funds made available to carry out this section shall be available for obligation in the same manner as if such funds were apportioned under chapter 1 of title 23, United States Code; except that such funds shall not be transferable and shall remain available until expended, and the Federal share of the cost of any project carried out using such funds shall be determined in accordance with section 120(b).  
   SEC. 310. (a) The Federal Co-chairman of the Denali Commission shall appoint an Economic Development Committee to be chaired by the president of the Alaska Federation of Natives which shall include the Commissioner of Community and Economic Affairs for the State of Alaska, a representative from the Alaska Bankers Association, the chairman of the Alaska Permanent Fund, a representative from the Alaska State Chamber of Commerce, and a representative from each region. Of the regional representatives, at least two each shall be from Native regional corporations, Native non-profit corporations, tribes, and borough governments.  
   (b) The Economic Development Committee is authorized to consider and approve applications from Regional Advisory Committees for grants and loans to promote economic development and promote private sector investment to reduce poverty in economically distressed rural villages. The Economic Development Committee may make mini-grants to individual applicants and may issue loans under such terms and conditions as it determines.  
   (c) The State Co-chairman of the Denali Commission shall appoint a Regional Advisory Committee for each region which may include representatives from local, borough, and tribal governments, the Alaska Native non-profit corporation operating in the region, local Chambers of Commerce, and representatives of the private sector. Each Regional Advisory Committee shall develop a regional economic development plan for consideration by the Economic Development Committee.  
   (d) The Economic Development Committee, in consultation with the First Alaskans Institute, may develop rural development performance measures linking economic growth to poverty reduction to measure the success of its program which may include economic, educational, social, and cultural indicators. The performance measures will be tested in one region for 2 years and evaluated by the University of Alaska before being deployed statewide. Thereafter, performance in each region shall be evaluated using the performance measures, and the Economic Development Committee shall not fund projects which do not demonstrate success.  
   (e) Within the amounts made available annually to the Denali Commission for training, the Commission may make a grant to the First Alaskans Foundation upon submittal of an acceptable work plan to assist Alaska Natives and other rural residents in acquiring the skills and training necessary to participate fully in private sector business and economic and development opportunities through fellowships, scholarships, internships, public service programs, and other leadership initiatives.  
   (f) The Committee shall sponsor a statewide economic development summit in consultation with the World Bank to evaluate the best practices for economic development worldwide and how they can be incorporated into regional economic development plans.  
   (g) There is authorized to be appropriated such sums as may be necessary to the following agencies which shall be transferred to the Denali Commission as a direct lump sum payment to implement this section—  
      (1) Department of Commerce, Economic Development Administration,  
      (2) Department of Housing and Urban Development,  
      (3) Department of the Interior, Bureau of Indian Affairs,  
      (4) Department of Agriculture, Rural Development Administration, and  
      (5) Small Business Administration.  
   SEC. 311. TRANSFER OF FUNDS FROM OTHER FEDERAL AGENCIES.—  
      (a) IN GENERAL.—Subject to subsection (c), for purposes of this Act [probably means this title], the Commission may accept transfers of funds from other Federal agencies.  
      (b) TRANSFERS.—Any Federal agency authorized to carry out an activity that is within the authority of the Commission may transfer to the Commission any appropriated funds for the activity.  
      (c) TREATMENT.—Any funds transferred to the Commission under this subsection—  
         (1) shall remain available until expended; and  
         (2) may, to the extent necessary to carry out this Act [probably means this title], be transferred to, and merged with, the amounts made available by appropriations Acts for the Commission by the Federal Co-chairperson.  
   SEC. 312. AUTHORIZATION OF APPROPRIATIONS.—  
      (a) IN GENERAL.—There are authorized to be appropriated to the Commission to carry out the duties of the Commission consistent with the purposes of this title and pursuant to the work plan approved under section 304, $15,000,000 for each of fiscal years 2017 through 2021.
TITTLE 42—THE PUBLIC HEALTH AND WELFARE

EXECUTIVE ORDER NO. 11422

EXECUTIVE ORDER NO. 11493
Ex. Or. No. 11493, Nov. 13, 1969, 34 F.R. 18288, which created Council for Rural Affairs to advise President with respect to further development of non-metropolitan areas of country, was revoked by Ex. Or. No. 12553, Feb. 25, 1986, 51 F.R. 7237, set out as a note under section 561 of Title 31, Money and Finance.

EXECUTIVE ORDER NO. 13122
Ex. Or. No. 13122, May 25, 1999, 64 F.R. 29201, as amended by Ex. Or. No. 13284, § 6, Jan. 3, 2003, 68 F.R. 4075, provided by the authority vested in me as President by the Constitution and the laws of the United States of America, and in order to provide a more rapid and integrated Federal response to the economic development challenges of the Southwest Border region, it is hereby ordered as follows:

(a) There is established the “Interagency Task Force on the Economic Development of the Southwest Border” (Task Force) that reports to the Vice President, as Chair of the President’s Community Empowerment Board (PCEB), and to the Assistant to the President for Economic Policy, as Vice Chair of the PCEB.

(b) The Task Force shall comprise the Secretary of State, Secretary of Agriculture, Secretary of Commerce, Secretary of Defense, the Attorney General, Secretary of the Interior, Secretary of Education, Secretary of Health and Human Services, Secretary of Housing and Urban Development, Secretary of Energy, Secretary of Labor, Secretary of Transportation, Secretary of the Treasury, Secretary of Homeland Security, Director of the Office of Management and Budget, Director of National Drug Control Policy, Administrator of General Services, Administrator of the Small Business Administration, Administrator of the Environmental Protection Agency, or their designees, and such other senior executive branch officials as may be determined by the Co-Chairs of the Task Force. The Secretaries of the Treasury, Agriculture, and Labor shall Co-Chair the Task Force, rotating annually. The Co-Chairs chairing the Task Force will provide administrative support for the Task Force.

(c) The purpose of the Task Force is to coordinate and better leverage existing Administration efforts for the Southwest Border, in concert with locally led efforts, in order to increase the living standards and the overall economic profile of the Southwest Border so that it may achieve the average of the Nation. Specifically, the Task Force shall:

1. (a) analyze the existing programs and policies of Task Force members that relate to the Southwest Border to determine what changes, modifications, and innovations should be considered;

2. (b) consider statistical and data analysis, research, and policy studies related to the Southwest Border;

3. (c) develop and recommend short-term and long-term options for promoting sustainable economic development;

4. (d) consult and coordinate activities with State, tribal, and local governments, community leaders, Members of Congress, the private sector, and other interested parties, paying particular attention to maintaining existing authorities of the States, tribes, and local governments, and preserving their existing working relationships with other agencies, organizations, or individuals;
§ 3122. Definitions

In this chapter:

(1) **Comprehensive economic development strategy**

The term “comprehensive economic development strategy” means a comprehensive economic development strategy approved by the Secretary under section 3162 of this title.

(2) **Department**

The term “Department” means the Department of Commerce.

(3) **Economic development district**

(A) **In general**

The term “economic development district” means any area in the United States that—

(i) is composed of areas described in section 3161(a) of this title and, to the extent appropriate, neighboring counties or communities; and

(ii) has been designated by the Secretary as an economic development district under section 3171 of this title.

(B) **Inclusion**

The term “economic development district” includes any economic development district designated by the Secretary under section 3171 of title 42 (as in effect on the day before the effective date of the Economic Development Administration Reform Act of 1998).

(4) **Eligible recipient**

(A) **In general**

The term “eligible recipient” means—

(i) an economic development district;

(ii) an Indian tribe;

(iii) a State;

(iv) a city or other political subdivision of a State, including a special purpose unit of a State or local government engaged in economic or infrastructure development activities, or a consortium of political subdivisions;

(v) an institution of higher education or a consortium of institutions of higher education; or

(vi) a public or private nonprofit organization or association acting in cooperation with officials of a political subdivision of a State.

(B) **Training, research, and technical assistance grants**

In the case of grants under section 3147 of this title, the term “eligible recipient” also includes private individuals and for-profit organizations.

(5) **Federal agency**

The term “Federal agency” means a department, agency, or instrumentality of the United States.

(6) **Grant**

The term “grant” includes a cooperative agreement (within the meaning of chapter 63 of title 42).

(7) **Indian tribe**

The term “Indian tribe” means any Indian tribe, band, nation, pueblo, or other organized group or community, including any Alaska Native village or Regional Corporation (as defined in or established under the Alaska Native Claims Settlement Act (43 U.S.C. 1601 et seq.)), that is recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians.

(8) **Regional Commissions**

The term “Regional Commissions” means—

(A) the Appalachian Regional Commission established under chapter 148 of title 42;

(B) the Delta Regional Authority established under subtitle F of the Consolidated Farm and Rural Development Act (7 U.S.C. 2009aa et seq.);

(C) the Denali Commission established under the Denali Commission Act of 1998 (42 U.S.C. 3121 note; 112 Stat. 2681–637 et seq.); and

(D) the Northern Great Plains Regional Authority established under subtitle G of the Consolidated Farm and Rural Development Act (7 U.S.C. 2009bb et seq.).

(9) **Secretary**

The term “Secretary” means the Secretary of Commerce.

(10) **State**

The term “State” means a State, the District of Columbia, the Commonwealth of Puer-
to Rico, the Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, the Republic of the Marshall Islands, the Federated States of Micronesia, and the Republic of Palau.

(11) **United States**

The term "United States" means all of the States.

(12) **University center**

The term "university center" means an institution of higher education or a consortium of institutions of higher education established as a University Center for Economic Development under section 3173 of this title.


**REFERENCES IN TEXT**

Section 3173 of this title (as in effect on the day before the effective date of the Economic Development Administration Reform Act of 1998), referred to in par. (3)(B), means section 3173 of this title prior to its repeal by Pub. L. 105–393, §102(a). See Prior Provisions note set out under section 3173 of this title and section 105 of Pub. L. 105–393, set out as an Effective Date note under section 3121 of this title.

The Alaska Native Claims Settlement Act, referred to in par. (7), is Pub. L. 92–203, Dec. 18, 1971, 85 Stat. 688, as amended, which is classified generally to chapter 33 (§1601 et seq.) of Title 43, Public Lands. For complete classification of this Act to the Code, see Tables.

The Consolidated Farm and Rural Development Act, referred to in par. (8)(B), (D), is title III of Pub. L. 87–129, Aug. 8, 1961, 75 Stat. 307, as amended. Subtitles F and G of the Act are classified generally to subchapters VI (§2009aa et seq.) and VII (§2009bb et seq.), respectively, of chapter 50 of Title 7, Agriculture. For complete classification of this Act to the Code, see Short Title note set out under section 1921 of Title 7 and Tables.


**PRIOR PROVISIONS**


**AMENDMENTS**

2004—Par. (4)(A). Pub. L. 108–373, §102(a), redesignated cls. (ii) to (vii) as (i) to (vi), respectively, inserted "including a special purpose unit of a State or local government engaged in economic or infrastructure development activities," after "State" in cls. (iv), and struck out cl. (i) which read as follows: "an area described in section 3161(a) of this title;".

Par. (8) to (12), Pub. L. 108–373, §102(b), added pars. (8) and (12) and redesignated former pars. (8) to (10) as (9) to (11), respectively.

**EFFECTIVE DATE**

Section effective Feb. 11, 1999, see section 105 of Pub. L. 105–393, set out as a note under section 3121 of this title.

§3123. Discrimination on basis of sex prohibited in federally assisted programs

No person in the United States shall, on the ground of sex, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance under the Public Works and Economic Development Act of 1965 [42 U.S.C. 3121 et seq.].


**REFERENCES IN TEXT**


**CODIFICATION**

Section was not enacted as part of the Public Works and Economic Development Act of 1965 which comprises this chapter.

**SUBCHAPTER I—ECONOMIC DEVELOPMENT PARTNERSHIPS COOPERATION AND COORDINATION**

§3131. Establishment of economic development partnerships

(a) **In general**

In providing assistance under this subchapter, the Secretary shall cooperate with States and other entities to ensure that, consistent with national objectives, Federal programs are compatible with and further the objectives of State, regional, and local economic development plans and comprehensive economic development strategies.

(b) **Technical assistance**

The Secretary may provide such technical assistance to States, political subdivisions of States, sub-State regional organizations (including organizations that cross State boundaries), multi-State regional organizations, and nonprofit organizations as the Secretary determines is appropriate to—

(1) alleviate economic distress;

(2) encourage and support public-private partnerships for the formation and improvement of economic development strategies that sustain and promote economic development across the United States; and

(3) promote investment in infrastructure and technological capacity to keep pace with the changing global economy.

(c) **Intergovernmental review**

The Secretary shall promulgate regulations to ensure that appropriate State and local government agencies have been given a reasonable opportunity to review and comment on proposed projects under this subchapter that the Secretary determines may have a significant direct impact on the economy of the area.

(d) **Cooperation agreements**

(1) **In general**

The Secretary may enter into a cooperation agreement with any 2 or more States, or an or-
§ 3132. Cooperation of Federal agencies

In accordance with applicable laws and subject to the availability of appropriations, each Federal agency shall exercise its powers, duties and functions, and shall cooperate with the Secretary, in such manner as will assist the Secretary in carrying out this subchapter.


AMENDMENTS


Prior sections 3131 to 3137 were repealed by Pub. L. 105–393, §102(a).

§ 3133. Grants for public works and economic development

(a) In general

On the application of an eligible recipient, the Secretary may make grants for—

(1) acquisition or development of land and improvements for use for a public works, public service, or development facility; and

(2) acquisition, design and engineering, construction, rehabilitation, alteration, expansion, or improvement of such a facility, including related machinery and equipment.

(b) Meetings

To carry out subsection (a), or for any other purpose relating to economic development activities, the Secretary may convene meetings with Federal agencies, State and local governments, economic development districts, Indian tribes, and other appropriate planning and development organizations.


PRIOR PROVISIONS


AMENDMENTS


Effective Date

Section effective Feb. 11, 1999, see section 105 of Pub. L. 105–393, set out as a note under section 3121 of this title.

§ 3132. Cooperation of Federal agencies

In accordance with applicable laws and subject to the availability of appropriations, each Federal agency shall exercise its powers, duties and functions, and shall cooperate with the Secretary, in such manner as will assist the Secretary in carrying out this subchapter.


PRIOR PROVISIONS


Prior sections 3135 to 3137 were repealed by Pub. L. 105–393, §102(a).

§ 3133. Grants for public works and economic development

(a) In general

On the application of an eligible recipient, the Secretary may make grants for—

(1) acquisition or development of land and improvements for use for a public works, public service, or development facility; and

(2) acquisition, design and engineering, construction, rehabilitation, alteration, expansion, or improvement of such a facility, including related machinery and equipment.

(b) Meetings

To carry out subsection (a), or for any other purpose relating to economic development activities, the Secretary may convene meetings with Federal agencies, State and local governments, economic development districts, Indian tribes, and other appropriate planning and development organizations.


PRIOR PROVISIONS


Prior sections 3135 to 3137 were repealed by Pub. L. 105–393, §102(a).


AMENDMENTS


Effective Date

Section effective Feb. 11, 1999, see section 105 of Pub. L. 105–393, set out as a note under section 3121 of this title.

SUBCHAPTER II—GRANTS FOR PUBLIC WORKS AND ECONOMIC DEVELOPMENT

§ 3141. Grants for public works and economic development

(a) In general

On the application of an eligible recipient, the Secretary may make grants for—

(1) acquisition or development of land and improvements for use for a public works, public service, or development facility; and

(2) acquisition, design and engineering, construction, rehabilitation, alteration, expansion, or improvement of such a facility, including related machinery and equipment.
(b) Criteria for grant

The Secretary may make a grant under this section only if the Secretary determines that—

(1) the project for which the grant is applied for will, directly or indirectly—
   (A) improve the opportunities, in the area where the project is or will be located, for the successful establishment or expansion of industrial or commercial plants or facilities;
   (B) assist in the creation of additional long-term employment opportunities in the area; or
   (C) primarily benefit the long-term unemployed and members of low-income families;

(2) the project for which the grant is applied for will fulfill a pressing need of the area, or a part of the area, in which the project is or will be located; and

(3) the area for which the project is to be carried out has a comprehensive economic development strategy and the project is consistent with the strategy.

(c) Maximum assistance for each State

Not more than 15 percent of the amounts made available to carry out this section may be expended in any 1 State.


PRIOR PROVISIONS


EFFECTIVE DATE

Section effective Feb. 11, 1999, see section 105 of Pub. L. 105–393, set out as a note under section 3121 of this title.

§ 3143. Grants for planning and grants for administrative expenses

(a) In general

On the application of an eligible recipient, the Secretary may make grants to pay the costs of economic development planning and the administrative expenses of organizations that carry out the planning.

(b) Planning process

Planning assisted under this subchapter shall be a continuous process involving public officials and private citizens in—

(1) analyzing local economies;
(2) defining economic development goals;
(3) determining project opportunities; and
(4) formulating and implementing an economic development program that includes systematic efforts to reduce unemployment and increase incomes.

(c) Use of planning assistance

Planning assistance under this subchapter shall be used in conjunction with any other available Federal planning assistance to ensure adequate and effective planning and economical use of funds.

(d) State plans

(1) Development

Any State plan developed with assistance under this section shall be developed, to the maximum extent practicable, cooperatively by the State, political subdivisions of the State, and the economic development districts located wholly or partially in the State.

(2) Comprehensive economic development strategy

As a condition of receipt of assistance for a State plan under this subchapter, the State shall have or develop a comprehensive economic development strategy.

(3) Coordination

Before providing assistance for a State plan under this section, the Secretary shall consider the extent to which the State will consider local and economic development district plans.

(4) Comprehensive planning process

Any overall State economic development planning assisted under this section shall be a part of a comprehensive planning process that shall consider the provision of public works to—

(A) promote economic development and opportunity;
(B) foster effective transportation access;
(C) enhance and protect the environment;
(D) assist in carrying out the workforce investment strategy of a State;
(E) promote the use of technology in economic development, including access to high-speed telecommunications; and
(F) balance resources through the sound management of physical development.

(5) Report to Secretary

Each State that receives assistance for the development of a plan under this subsection shall submit to the Secretary an annual report on the planning process assisted under this subsection.


AMENDMENTS
Subsec. (d)(3). Pub. L. 108–373, §201(2), added par. (3) and struck out heading and text of former par. (3). Text read as follows: "On completion of a State plan developed with assistance under this section, the State shall—
"(A) certify to the Secretary that, in the development of the State plan, local and economic development district plans were considered and, to the maximum extent practicable, the State plan is consistent with the local and economic development district plans; and
"(B) identify any inconsistencies between the State plan and the local and economic development district plans and provide a justification for each inconsistency."
Subsec. (d)(4)(D) to (F). Pub. L. 108–373, §201(3), added subpars. (D) and (E) and redesignated former subpar. (D) as (F).

EFFECTIVE DATE
Section effective Feb. 11, 1999, see section 105 of Pub. L. 105–393, set out as a note under section 3211 of this title.

§3144. Cost sharing

(a) Federal share

Except as provided in subsection (c), the Federal share of the cost of any project carried out under this subchapter shall not exceed—

(1) 50 percent; plus
(2) an additional percent that—
(A) shall not exceed 30 percent; and
(B) is based on the relative needs of the area in which the project will be located, as determined in accordance with regulations promulgated by the Secretary.

(b) Non-Federal share

In determining the amount of the non-Federal share of the cost of a project, the Secretary may provide credit toward the non-Federal share for all contributions both in cash and in-kind, fairly evaluated, including contributions of space, equipment, assumptions of debt, and services.

(c) Increase in Federal share

(1) Indian tribes

In the case of a grant to an Indian tribe for a project under this subchapter, the Secretary may increase the Federal share above the percentage specified in subsection (a) up to 100 percent of the cost of the project.

(2) Certain States, political subdivisions, and nonprofit organizations

In the case of a grant to a State, or a political subdivision of a State, that the Secretary determines has exhausted the effective taxing and borrowing capacity of the State or political subdivision, or in the case of a grant to a nonprofit organization that the Secretary determines has exhausted the effective borrowing capacity of the nonprofit organization, the Secretary may increase the Federal share above the percentage specified in subsection (a) up to 100 percent of the cost of the project.

(3) Training, research, and technical assistance

In the case of a grant provided under section 3147 of this title, the Secretary may increase the Federal share above the percentage specified in subsection (a) up to 100 percent of the cost of the project if the Secretary determines that the project funded by the grant merits, and is not feasible without, such an increase.


AMENDMENTS
2004—Subsec. (a). Pub. L. 108–373, §202(a), added subsec. (a) and struck out heading and text of former subsec. (a). Text read as follows: "Subject to section 3145 of this title, the amount of a grant for a project under this subchapter shall not exceed 50 percent of the cost of the project."

EFFECTIVE DATE
Section effective Feb. 11, 1999, see section 105 of Pub. L. 105–393, set out as a note under section 3211 of this title.

§3145. Supplementary grants

(a) Definition of designated Federal grant program

In this section, the term "designated Federal grant program" means any Federal grant program that—

(1) provides assistance in the construction or equipping of public works, public service, or development facilities;
(2) the Secretary designates as eligible for an allocation of funds under this section; and
(3) assists projects that are—
(A) eligible for assistance under this subchapter; and
(B) consistent with a comprehensive economic development strategy.

(b) Supplementary grants
Subject to subsection (c), in order to assist eligible recipients in taking advantage of designated Federal grant programs, on the application of an eligible recipient, the Secretary may make a supplementary grant for a project for which the recipient is eligible but for which the recipient cannot provide the required non-Federal share because of the economic situation of the recipient.

(c) Requirements applicable to supplementary grants
(1) Amount of supplementary grants
The share of the project cost supported by a supplementary grant under this section may not exceed the applicable Federal share under section 3144 of this title.

(2) Form of supplementary grants
The Secretary shall make supplementary grants by—
(A) the payment of funds made available under this chapter to the heads of the Federal agencies responsible for carrying out the applicable Federal programs; or
(B) the award of funds under this chapter, which will be combined with funds transferred from other Federal agencies in projects administered by the Secretary.

(3) Federal share limitations specified in other laws
Notwithstanding any requirement as to the amount or source of non-Federal funds that may be applicable to a Federal program, funds provided under this section may be used to increase the Federal share for specific projects under the program that are carried out in areas described in section 3161(a) of this title above the Federal share of the cost of the project authorized by the law governing the program.

§ 3146. Regulations on relative needs and allocations
In promulgating rules, regulations, and procedures for assistance under this subchapter, the Secretary shall ensure that—
(1) the relative needs of eligible areas are given adequate consideration by the Secretary, as determined based on, among other relevant factors—
(A) the severity of the rates of unemployment in the eligible areas and the duration of the unemployment;
(B) the income levels and the extent of undertakings in eligible areas; and
(C) the outmigration of population from eligible areas and the extent to which the outmigration is causing economic injury in the eligible areas;
(2) allocations of assistance under this subchapter are prioritized to ensure that the level of economic distress of an area, rather than a preference for a geographic area or a specific type of economic distress, is the primary factor in allocating the assistance;
(3) (A) rural and urban economically distressed areas are not harmed by the establishment or implementation by the Secretary of any private sector leveraging goal for a project under this subchapter;
(B) any private sector leveraging goal established by the Secretary does not prohibit or discourage grant applicants under this subchapter from public works in, or economic development of, rural or urban economically distressed areas; and
(C) the relevant Committees of Congress are notified prior to making any changes to any private sector leveraging goal; and
§ 3147. Grants for training, research, and technical assistance

(a) In general

On the application of an eligible recipient, the Secretary may make grants for training, research, and technical assistance, including grants for program evaluation and economic impact analyses, that would be useful in alleviating or preventing conditions of excessive unemployment or underemployment.

(2) Types of assistance

Grants under paragraph (1) may be used for—

(A) project planning and feasibility studies;
(B) demonstrations of innovative activities or strategic economic development investments;
(C) management and operational assistance;
(D) establishment of university centers;
(E) establishment of business outreach centers;
(F) studies evaluating the needs of, and development potential for, economic growth of areas that the Secretary determines have substantial need for the assistance;
(G) studies that evaluate the effectiveness of coordinating projects funded under this chapter with projects funded under other Acts;
(H) assessment, marketing, and establishment of business clusters; and
(I) other activities determined by the Secretary to be appropriate.

(3) Cooperation requirement

In the case of a project assisted under this section that is national or regional in scope, the Secretary may waive the provision in section 3122(4)(A)(vi) of this title requiring a nonprofit organization or association to act in cooperation with officials of a political subdivision of a State.

(b) Methods of provision of assistance

In providing research and technical assistance under this section, the Secretary, in addition to making grants under subsection (a), may—

(1) provide research and technical assistance through officers or employees of the Department;

(2) pay funds made available to carry out this section to Federal agencies; or

(3) employ private individuals, partnerships, businesses, corporations, or appropriate institutions under contracts entered into for that purpose.


AMENDMENTS


EFFECTIVE DATE

Section effective Feb. 11, 1999, see section 105 of Pub. L. 105–393, set out as a note under section 3121 of this title.


§ 3149. Grants for economic adjustment

(a) In general

On the application of an eligible recipient, the Secretary may make grants for development of public facilities, public services, business development (including funding of a revolving loan fund), planning, technical assistance, training, and any other assistance to alleviate long-term economic deterioration and sudden and severe economic dislocation and further the economic adjustment objectives of this subchapter.

(b) Criteria for assistance

The Secretary may provide assistance under this section only if the Secretary determines that—

(1) the project will help the area to meet a special need arising from—
(A) actual or threatened severe unemployment; or
(B) economic adjustment problems resulting from severe changes in economic conditions; and

(2) the area for which a project is to be carried out has a comprehensive economic development strategy and the project is consistent with the strategy, except that this paragraph shall not apply to planning projects.

(c) Particular community assistance

Assistance under this section may include assistance provided for activities identified by communities, the economies of which are injured by—

(1) military base closures or realignments, defense contractor reductions in force, or Department of Energy defense-related funding
reductions, for help in diversifying their economies through projects to be carried out on Federal Government installations or elsewhere in the communities;

(2) disasters or emergencies, in areas with respect to which a major disaster or emergency has been declared under the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.), for post-disaster economic recovery;

(3) international trade, for help in economic restructuring of the communities;

(4) fishery failures, in areas with respect to which a determination that there is a commercial fishery failure has been made under section 1861a(a) of title 16; or

(5) the loss of manufacturing jobs, for reinvesting in and diversifying the economies of the communities.

(d) Special provisions relating to revolving loan fund grants

(1) In general

The Secretary shall promulgate regulations to maintain the proper operation and financial integrity of revolving loan funds established by recipients with assistance under this section.

(2) Efficient administration

The Secretary may—

(A) at the request of a grantee, amend and consolidate grant agreements governing revolving loan funds to provide flexibility with respect to lending areas and borrower criteria;

(B) assign or transfer assets of a revolving loan fund to third party for the purpose of liquidation, and the third party may retain assets of the fund to defray costs related to liquidation; and

(C) take such actions as are appropriate to enable revolving loan fund operators to sell or securitize loans (except that the actions may not include issuance of a Federal guarantee by the Secretary).

(3) Treatment of actions

An action taken by the Secretary under this subsection with respect to a revolving loan fund shall not constitute a new obligation if all grant funds associated with the original grant award have been disbursed to the recipient.

(4) Preservation of securities laws

(A) Not treated as exempted securities

No securities issued pursuant to paragraph (2)(C) shall be treated as exempted securities for purposes of the Securities Act of 1933 (15 U.S.C. 77a et seq.) or the Securities Exchange Act of 1934 (15 U.S.C. 78a et seq.), unless exempted by rule or regulation of the Securities and Exchange Commission.

(B) Preservation

Except as provided in subparagraph (A), no provision of this subsection or any regulation promulgated by the Secretary under this subsection supersedes or otherwise affects the application of the securities laws (as the term is defined in section 3(a) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a))) or the rules, regulations, or orders of the Securities and Exchange Commission or a self-regulatory organization under that Commission.

(e) Disaster mitigation

In providing assistance pursuant to subsection (c)(2), if appropriate and as applicable, the Secretary may encourage hazard mitigation in assistance provided pursuant to such subsection.


REFERENCES IN TEXT

The Robert T. Stafford Disaster Relief and Emergency Assistance Act, referred to in subsec. (c)(2), is Pub. L. 93–288, May 22, 1974, 88 Stat. 143, as amended, which is classified principally to chapter 68 (§5121 et seq.) of this title. For complete classification of this Act to the Code, see Short Title note set out under section 5121 of this title and Tables.

The Securities Act of 1933, referred to in subsec. (d)(4)(A), is title I of act May 27, 1933, ch. 38, 48 Stat. 74, as amended, which is classified generally to subchapter I (§77a et seq.) of chapter 2A of Title 15, Commerce and Trade. For complete classification of this Act to the Code, see section 77a of Title 15 and Tables.

The Securities Exchange Act of 1934, referred to in subsec. (d)(4)(A), is act June 6, 1934, ch. 494, 48 Stat. 881, as amended, which is classified principally to chapter 2B (§78a et seq.) of Title 15, Commerce and Trade. For complete classification of this Act to the Code, see section 78a of Title 15 and Tables.

AMENDMENTS

Subsec. (d). Pub. L. 108–373, §207(b), added subsec. (d) and struck out heading and text of former subsec. (d).

Text read as follows:

“(1) IN GENERAL.—Subject to paragraph (2), an eligible recipient of a grant under this section may directly expend the grant funds or may redistribute the funds to public and private entities in the form of a grant, loan, loan guarantee, payment to reduce interest on a loan guarantee, or other appropriate assistance.

“(2) LIMITATION.—Under paragraph (1), an eligible recipient may not provide any grant to a private for-profit entity.”

EFFECTIVE DATE

Section effective Feb. 11, 1999, see section 105 of Pub. L. 105–393, set out as a note under section 3121 of this title.

§3150. Changed project circumstances

In any case in which a grant (including a supplemental grant described in section 3145 of this title) has been made by the Secretary under this subchapter (or made under this chapter, as in effect on the day before the effective date of the Economic Development Administration Reform Act of 1998) for a project, and, after the grant has been made but before completion of the project, the purpose or scope of the project that was the basis of the grant is modified, the Secretary may approve, subject (except for a grant for which funds were obligated in fiscal year 1995) to the availability of appropriations, the use of grant funds for the modified project if the Secretary determines that—
(a) In general  

In the case of a grant to a recipient for a construction project under section 3141 or 3149 of this title, if the Secretary determines, before closeout of the project, that the cost of the project, based on the designs and specifications that were the basis of the grant, has decreased because of decreases in costs, the Secretary may approve, without further appropriation, the use of the excess funds (or a portion of the excess funds) by the recipient—  

(1) to increase the Federal share of the cost of the project under this title to the maximum percentage allowable under section 3144 of this title; or  

(2) to improve the project.  

(b) Other uses of excess funds  

Any amount of excess funds remaining after application of subsection (a) may be used by the Secretary for providing assistance under this chapter.  

(c) Transferred funds  

In the case of excess funds described in subsection (a) in projects using funds transferred from other Federal agencies pursuant to section 3214 of this title, the Secretary shall—  

(1) use the funds in accordance with subsection (a), with the approval of the originating agency; or  

(2) return the funds to the originating agency.

References in Text  
For the effective date of the Economic Development Administration Reform Act of 1998, see section 105 of Pub. L. 105–393, set out as an Effective Date note under section 3212 of this title.

Effective Date  
Section effective Feb. 11, 1999, see section 105 of Pub. L. 105–393, set out as a note under section 3212 of this title.

§3152. Reports by recipients  
(a) In general  

Each recipient of assistance under this subchapter shall submit reports to the Secretary at such intervals and in such manner as the Secretary shall require by regulation, except that no report shall be required to be submitted more than 10 years after the date of closeout of the assistance award.  

(b) Contents  

Each report shall contain an evaluation of the effectiveness of the economic assistance provided under this subchapter in meeting the need that the assistance was designed to address and in meeting the objectives of this chapter.

Prior Provisions  

Prior sections 3151 and 3151a were repealed by Pub. L. 105–393, §102(a).

Prior to amendment by Pub. L. 108–373, text read as follows: ‘‘In any case in which a grant (including a supplementary grant described in section 3145 of this title) has been made by the Secretary under this subchapter (or made under this chapter, as in effect on the day before the effective date of the Economic Development Administration Reform Act of 1998) for a construction project, and, after the grant has been made but before completion of the project, the cost of the project based on the designs and specifications that was the basis of the grant has decreased because of decreases in costs—  

(1) the Secretary may approve, subject to the availability of appropriations, the use of the excess funds or a portion of the funds to improve the project; and  

(2) any amount of excess funds remaining after application of paragraph (1) shall be deposited in the general fund of the Treasury.’’

Effective Date  
Section effective Feb. 11, 1999, see section 105 of Pub. L. 105–393, set out as a note under section 3212 of this title.
§ 3153. Prohibition on use of funds for attorney's and consultant's fees

Assistance made available under this subchapter shall not be used directly or indirectly for an attorney's or consultant's fee incurred in connection with obtaining grants and contracts under this subchapter.


PRIOR PROVISIONS


Effective Date

Section effective Feb. 11, 1999, see section 105 of Pub. L. 105–393, set out as a note under section 3121 of this title.

§ 3154. Special impact areas

(a) In general

On the application of an eligible recipient that is determined by the Secretary to be unable to comply with the requirements of section 3162 of this title, the Secretary may waive, in whole or in part, the requirements of section 3162 of this title and designate the area represented by the recipient as a special impact area.

(b) Conditions

The Secretary may make a designation under subsection (a) only after determining that—

(1) the project will fulfill a pressing need of the area; and

(2) the project will—

(A) be useful in alleviating or preventing conditions of excessive unemployment or underemployment; or

(B) assist in providing useful employment opportunities for the unemployed or underemployed residents in the area.

(c) Notification

At the time of the designation under subsection (a), the Secretary shall submit to the Committee on Environment and Public Works of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives a written notice of the designation, including a justification for the designation.


§ 3154a. Performance awards

(a) In general

The Secretary may make a performance award in connection with a grant made, on or after October 27, 2004, to an eligible recipient for a project under section 3141 or 3149 of this title.

(b) Performance measures

(1) Regulations

The Secretary shall promulgate regulations to establish performance measures for making performance awards under subsection (a).

(2) Considerations

In promulgating regulations under paragraph (1), the Secretary shall consider the inclusion of performance measures that assess—

(A) whether the recipient meets or exceeds scheduling goals;

(B) whether the recipient meets or exceeds job creation goals;

(C) amounts of private sector capital investments leveraged; and

(D) such other factors as the Secretary determines to be appropriate.

(c) Amount of awards

(1) In general

The Secretary shall base the amount of a performance award made under subsection (a) in connection with a grant on the extent to which a recipient meets or exceeds performance measures established in connection with the grant.

(2) Maximum amount

The amount of a performance award may not exceed 10 percent of the amount of the grant.

(d) Use of awards

A recipient of a performance award under subsection (a) may use the award for any eligible purpose under this chapter, in accordance with section 3212 of this title and such regulations as the Secretary may promulgate.

(e) Federal share

Notwithstanding section 3144 of this title, the funds of a performance award may be used to pay up to 100 percent of the cost of an eligible project or activity.

(f) Treatment in meeting non-Federal share requirements

For the purposes of meeting the non-Federal share requirements under this, or any other, Act the funds of a performance award shall be treated as funds from a non-Federal source.

(g) Terms and conditions

In making performance awards under subsection (a), the Secretary shall establish such terms and conditions as the Secretary considers to be appropriate.

(h) Funding

The Secretary shall use any amounts made available for economic development assistance programs to carry out this section.

(i) Reporting requirement

The Secretary shall include information regarding performance awards made under this section in the annual report required under section 3213 of this title.

(j) Review by Comptroller General

(1) Review

The Comptroller General shall regularly review the implementation of this section.
§ 3154b Planning performance awards

(a) In general
The Secretary may make a planning performance award in connection with a grant made, on or after October 27, 2004, to an eligible recipient for a project under this subchapter located in an economic development district.

(b) Eligibility
The Secretary may make a planning performance award to an eligible recipient under subsection (a) in connection with a grant for a project if the Secretary determines before close-out of the project that—

1. the recipient actively participated in the economic development activities of the economic development district in which the project is located;
2. the project is consistent with the comprehensive economic development strategy of the district;
3. the recipient worked with Federal, State, and local economic development entities throughout the development of the project; and
4. the project was completed in accordance with the comprehensive economic development strategy of the district.

(c) Maximum amount
The amount of a planning performance award made under subsection (a) in connection with a grant may not exceed 5 percent of the amount of the grant.

(d) Use of awards
A recipient of a planning performance award made under subsection (a) shall use the award to increase the Federal share of the cost of a project under this subchapter.

(e) Federal share
Notwithstanding section 3144 of this title, the funds of a planning performance award may be used to pay up to 100 percent of the cost of a project under this subchapter.

(f) Funding
The Secretary shall use any amounts made available for economic development assistance programs to carry out this section.

§ 3154c Direct expenditure or redistribution by recipient

(a) In general
Subject to subsection (b), a recipient of a grant under section 3141, 3143, or 3147 of this title may directly expend the grant funds or may redistribute the funds in the form of a subgrant to other eligible recipients to fund required components of the scope of work approved for the project.

(b) Limitation
A recipient may not redistribute grant funds received under section 3141 or 3148 of this title to a for-profit entity.

(c) Economic adjustment
Subject to subsection (d), a recipient of a grant under section 3149 of this title may directly expend the grant funds or may redistribute the funds to public and private entities in the form of a grant, loan, loan guarantee, payment to reduce interest on a loan guarantee, or other appropriate assistance.

(d) Limitation
Under subsection (c), a recipient may not provide any grant to a private for-profit entity.

§ 3154d Brightfields demonstration program

(a) Definition of brightfield site
In this section, the term “brightfield site” means a brownfield site that is redeveloped through the incorporation of 1 or more solar energy technologies.

(b) Demonstration program
On the application of an eligible recipient, the Secretary may make a grant for a project for the development of a brightfield site if the Secretary determines that the project will—

1. use 1 or more solar energy technologies to develop abandoned or contaminated sites for commercial use; and
2. improve the commercial and economic opportunities in the area in which the project is located.

(c) Savings clause
To the extent that any portion of a grant awarded under subsection (b) involves remediation, the remediation shall be subject to section 3222 of this title.

(d) Authorization of appropriations
There is authorized to be appropriated to carry out this section $5,000,000 for each of fiscal years 2004 through 2008, to remain available until expended.

§ 3161 Eligibility of areas

(a) In general
For a project to be eligible for assistance under section 3141 or 3149 of this title, the project shall be located in an area that, on the date of submission of the application, meets 1 or more of the following criteria:
(1) Low per capita income
The area has a per capita income of 80 percent or less of the national average.

(2) Unemployment rate above national average
The area has an unemployment rate that is, for the most recent 24-month period for which data are available, at least 1 percent greater than the national average unemployment rate.

(3) Unemployment or economic adjustment problems
The area is an area that the Secretary determines has experienced or is about to experience a special need arising from actual or threatened severe unemployment or economic adjustment problems resulting from severe short-term or long-term changes in economic conditions.

(b) Political boundaries of areas
An area that meets 1 or more of the criteria of subsection (a), including a small area of poverty or high unemployment within a larger community in less economic distress, shall be eligible for assistance under section 3141 or 3149 of this title without regard to political or other subdivisions or boundaries.

(c) Documentation
(1) In general
A determination of eligibility under subsection (a) shall be supported by the most recent Federal data available (including data available from the Bureau of Economic Analysis, the Bureau of Labor Statistics, the Census Bureau, the Bureau of Indian Affairs, or any other Federal source determined by the Secretary to be appropriate), or, if no recent Federal data is available, by the most recent data available through the government of the State in which the area is located.

(2) Acceptance by Secretary
The documentation shall be accepted by the Secretary unless the Secretary determines that the documentation is inaccurate.

(d) Prior designations
Any designation of a redevelopment area made before the effective date of the Economic Development Administration Reform Act of 1998 shall not be effective after that effective date.


REFERENCES IN TEXT
For the effective date of the Economic Development Administration Reform Act of 1998, referred to in subsec. (d), see section 105 of Pub. L. 105–393, set out as an Effective Date note under section 3121 of this title.

Prior Provisions
§ 3171. Designation of economic development districts

(a) In general

In order that economic development projects of broad geographic significance may be planned and carried out, the Secretary may designate appropriate economic development districts in the United States, with the concurrence of the States in which the districts will be wholly or partially located, if—

(1) the proposed district is of sufficient size or population, and contains sufficient resources, to foster economic development on a scale involving more than a single area described in section 3161(a) of this title;

(2) the proposed district contains at least 1 area described in section 3161(a) of this title; and

(3) the proposed district has a comprehensive economic development strategy that—

(A) contains a specific program for intradistrict cooperation, self-help, and public investment; and

(B) is approved by each affected State and by the Secretary.

(b) Authorities

The Secretary may, under regulations promulgated by the Secretary—

(1) invite the States to determine boundaries for proposed economic development districts;

(2) cooperate with the States—

(A) in sponsoring and assisting district economic planning and economic development groups; and

(B) in assisting the district groups in formulating comprehensive economic development strategies for districts; and

(3) encourage participation by appropriate local government entities in the economic development districts.


Prior Provisions


A prior section 401 of Pub. L. 89–136 was classified to section 3161 of this title prior to repeal by Pub. L. 105–393, § 102(a).

Effective Date

Section effective Feb. 11, 1999, see section 105 of Pub. L. 105–393, set out as a note under section 321 of this title.

Subchapter IV—Economic Development Districts

§ 3172. Termination or modification of economic development districts

The Secretary shall, by regulation, promulgate standards for the termination or modification of the designation of economic development districts.


Prior Provisions


A prior section 402 of Pub. L. 89–136 was classified to section 3162 of this title prior to repeal by Pub. L. 105–393, § 102(a).

Effective Date

Section effective Feb. 11, 1999, see section 105 of Pub. L. 105–393, set out as a note under section 321 of this title.


Prior Provisions


A prior section 403 of Pub. L. 89–136 was classified to section 3171 of this title prior to repeal by Pub. L. 105–393, § 102(a).

§ 3174. Provision of comprehensive economic development strategies to Regional Commissions

If any part of an economic development district is in a region covered by 1 or more of the Regional Commissions, the economic development district shall ensure that a copy of the comprehensive economic development strategy...
of the district is to be provided to the affected Regional Commission.


PRIOR PROVISIONS

A prior section 404 of Pub. L. 89–136 was classified to section 3172 of this title prior to repeal by Pub. L. 105–393, § 102(a).

AMENDMENTS

2004—Pub. L. 108–373 amended section catchline and text generally. Prior to amendment, text read as follows: “If any part of an economic development district is in the Appalachian region (as defined in section 403 of the Appalachian Regional Development Act of 1965 (40 U.S.C. App.)), the economic development district shall ensure that a copy of the comprehensive economic development strategy of the district is provided to the Appalachian Regional Commission established under that Act.”

EFFECTIVE DATE

Section effective Feb. 11, 1999, see section 105 of Pub. L. 105–393, set out as a note under section 3121 of this title.

§ 3175. Assistance to parts of economic development districts not in eligible areas

Notwithstanding section 3161 of this title, the Secretary may provide such assistance as is available under this chapter for a project in a part of an economic development district that is not in an area described in section 3161(a) of this title, if the project will be of a substantial direct benefit to an area described in section 3161(a) of this title that is located in the district.


PRIOR PROVISIONS

A prior section 405 of Pub. L. 89–136 was classified to section 3173 of this title prior to repeal by Pub. L. 105–393, § 102(a).


EFFECTIVE DATE

Section effective Feb. 11, 1969, see section 105 of Pub. L. 105–393, set out as a note under section 3121 of this title.

§ 3191. Assistant Secretary for Economic Development

(a) In general

The Secretary shall carry out this chapter through an Assistant Secretary of Commerce for Economic Development, to be appointed by the President, by and with the advice and consent of the Senate.

(b) Compensation

The Assistant Secretary of Commerce for Economic Development shall be compensated at the rate payable for level IV of the Executive Schedule under section 5315 of title 5.

(c) Duties

The Assistant Secretary of Commerce for Economic Development shall carry out such duties as the Secretary shall require and shall serve as the administrator of the Economic Development Administration of the Department.


PRIOR PROVISIONS


A prior section 501 of Pub. L. 89–136 was classified to section 3181 of this title prior to repeal by Pub. L. 97–35, § 1821(a)(8).

EFFECTIVE DATE

Section effective Feb. 11, 1969, see section 105 of Pub. L. 105–393, set out as a note under section 3121 of this title.

SUBCHAPTER V—ADMINISTRATION
§ 3192. Economic development information clearinghouse

In carrying out this chapter, the Secretary shall—

(1) maintain a central information clearinghouse on the Internet with—

(A) information on economic development, economic adjustment, disaster recovery, defense conversion, and trade adjustment programs and activities of the Federal Government;

(B) links to State economic development organizations; and

(C) links to other appropriate economic development resources;

(2) assist potential and actual applicants for economic development, economic adjustment, disaster recovery, defense conversion, and trade adjustment assistance under Federal and State laws in locating and applying for the assistance;

(3) assist areas described in section 3161(a) of this title and other areas by providing to interested persons, communities, industries, and businesses in the areas any technical information, market research, or other forms of assistance, information, or advice that would be useful in alleviating or preventing conditions of excessive unemployment or underemployment in the areas; and

(4) obtain appropriate information from other Federal agencies needed to carry out the duties under this chapter.


PRIOR PROVISIONS


A prior section 502 of Pub. L. 89–136 was classified to section 3182 of this title prior to repeal by Pub. L. 97–35, § 1821(a)(8).

AMENDMENTS

2004—Par. (1). Pub. L. 108–373, § 501(1), added par. (1) and struck out former par. (1) which read as follows: "maintain a central information clearinghouse on matters relating to economic development, economic adjustment, disaster recovery, defense conversion, and trade adjustment programs and activities of the Federal and State governments, including political subdivisions of States;"

Par. (2). Pub. L. 108–373, § 501(2), added par. (2) and struck out former par. (2) which read as follows: "assist potential and actual applicants for economic development, economic adjustment, disaster recovery, defense conversion, and trade adjustment assistance under Federal, State, and local laws in locating and applying for the assistance; and"


EFFECTIVE DATE

Section effective Feb. 11, 1999, see section 105 of Pub. L. 105–393, set out as a note under section 3121 of this title.

§ 3193. Consultation with other persons and agencies

(a) Consultation on problems relating to employment

The Secretary may consult with any persons, including representatives of labor, management, agriculture, and government, who can assist in addressing the problems of area and regional unemployment or underemployment.

(b) Consultation on administration of chapter

The Secretary may provide for such consultation with interested Federal agencies as the Secretary determines to be appropriate in the performance of the duties of the Secretary under this chapter.


PRIOR PROVISIONS


A prior section 503 of Pub. L. 89–136 was classified to section 3183 of this title prior to repeal by Pub. L. 97–35, § 1821(a)(8).

EFFECTIVE DATE

Section effective Feb. 11, 1999, see section 105 of Pub. L. 105–393, set out as a note under section 3121 of this title.

§ 3194. Administration, operation, and maintenance

The Secretary shall approve Federal assistance under this chapter only if the Secretary is satisfied that the project for which Federal assistance is granted will be properly and efficiently administered, operated, and maintained.


PRIOR PROVISIONS


A prior section 504 of Pub. L. 89–136 was classified to section 3184 of this title prior to repeal by Pub. L. 97–35, § 1821(a)(8).

EFFECTIVE DATE

Section effective Feb. 11, 1999, see section 105 of Pub. L. 105–393, set out as a note under section 3121 of this title.


PRIOR PROVISIONS

§ 1821(a)(8).

A prior section 505 of Pub. L. 89–136 was classified to section 3185 of this title prior to repeal by Pub. L. 97–35, § 1821(a)(8).

§ 3196. Performance evaluations of grant recipients

(a) In general

The Secretary shall conduct an evaluation of each university center and each economic development district that receives grant assistance under this chapter (each referred to in this section as a ‘‘grantee’’) to assess the grantee’s performance and contribution toward retention and creation of employment.

(b) Purpose of evaluations of university centers

The purpose of the evaluations of university centers under subsection (a) shall be to determine which university centers are performing well and are worthy of continued grant assistance under this chapter, and which should not receive continued assistance, so that university centers that have not previously received assistance may receive assistance.

(c) Timing of evaluations

Evaluations under subsection (a) shall be conducted on a continuing basis so that each grantee is evaluated within 3 years after the first award of assistance to the grantee, and at least once every 3 years thereafter, as long as the grantee receives the assistance.

(d) Evaluation criteria

(1) Establishment

The Secretary shall establish criteria for use in conducting evaluations under subsection (a).

(2) Evaluation criteria for university centers

The criteria for evaluation of a university center shall, at a minimum, provide for an assessment of the center’s contribution to providing technical assistance, conducting applied research, program performance, and disseminating results of the activities of the center.

(3) Evaluation criteria for economic development districts

The criteria for evaluation of an economic development district shall, at a minimum, provide for an assessment of management standards, financial accountability, and program performance.

(e) Peer review

In conducting an evaluation of a university center or economic development district under subsection (a), the Secretary shall provide for the participation of at least 1 other university center or economic development district, as appropriate, on a cost-reimbursement basis.


Prior Provisions


A prior section 506 of Pub. L. 89–136 was classified to section 3186 of this title prior to repeal by Pub. L. 97–35, § 1821(a)(8).

AMENDMENTS

2004–Subsec. (c). Pub. L. 108–373, § 503(a), struck out ‘‘after the effective date of the Economic Development Administration Reform Act of 1998’’ after ‘‘assistance to the grantee’’.

Subsec. (d)(2). Pub. L. 108–373, § 503(b), inserted ‘‘program performance,’’ after ‘‘applied research,’’.

Effective Date

Section effective Feb. 11, 1999, see section 105 of Pub. L. 105–393, set out as a note under section 3121 of this title.

§ 3197. Notification of reorganization

Not later than 30 days before the date of any reorganization of the offices, programs, or activities of the Economic Development Administration, the Secretary shall provide notification of the reorganization to the Committee on Environment and Public Works and the Committee on Appropriations of the Senate, and the Committee on Transportation and Infrastructure and the Committee on Appropriations of the House of Representatives.


Prior Provisions

A prior section 507 of Pub. L. 89–136 was classified to section 3187 of this title prior to repeal by Pub. L. 97–35, § 1821(a)(8).


Effective Date

Section effective Feb. 11, 1999, see section 105 of Pub. L. 105–393, set out as a note under section 3121 of this title.

Subchapter VI—Miscellaneous

§ 3211. Powers of Secretary

(a) In general

In carrying out the duties of the Secretary under this chapter, the Secretary may—

(1) adopt, alter, and use a seal, which shall be judicially noticed; and

(2) subject to the civil service and classification laws, select, employ, appoint, and fix the compensation of such personnel as are necessary to carry out this chapter;
§ 3211

(3) hold such hearings, sit and act at such times and places, and take such testimony, as the Secretary determines to be appropriate;

(4) request directly, from any Federal agency, board, commission, office, or independent establishment, such information, suggestions, estimates, and statistics as the Secretary determines to be necessary to carry out this chapter (and each Federal agency, board, commission, office, or independent establishment may provide such information, suggestions, estimates, and statistics directly to the Secretary);

(5) under regulations promulgated by the Secretary—

(A) assign or sell at public or private sale, or otherwise dispose of for cash or credit, in the Secretary’s discretion and on such terms and conditions and for such consideration as the Secretary determines to be reasonable, any evidence of debt, contract, claim, personal property, or security assigned to or held by the Secretary in connection with assistance provided under this chapter; and

(B) collect or compromise all obligations assigned to or held by the Secretary in connection with that assistance until such time as the obligations are referred to the Attorney General for suit or collection;

(6) deal with, complete, renovate, improve, modernize, insure, rent, or sell for cash or credit, on such terms and conditions and for such consideration as the Secretary determines to be reasonable, any real or personal property conveyed to or otherwise acquired by the Secretary in connection with assistance provided under this chapter;

(7) pursue to final collection, by means of compromise or other administrative action, before referral to the Attorney General, all claims against third parties assigned to the Secretary in connection with assistance provided under this chapter;

(8) acquire, in any lawful manner, any property (real, personal, or mixed, tangible or intangible), to the extent appropriate in connection with assistance provided under this chapter;

(9) in addition to any powers, functions, privileges, and immunities otherwise vested in the Secretary, take any action, including the procurement of the services of attorneys by contract, determined by the Secretary to be necessary or desirable in making, purchasing, servicing, compromising, modifying, liquidating, or otherwise administratively dealing with assets held in connection with financial assistance provided under this chapter;

(10)(A) employ experts and consultants or organizations as authorized by section 3109 of title 5 except that contracts for such employment may be renewed annually;

(B) compensate individuals so employed, including compensation for travel time; and

(C) allow individuals so employed, while away from their homes or regular places of business, travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5 for persons employed intermittently in the Federal Government service;

(11) establish performance measures for grants and other assistance provided under this chapter, and use the performance measures to evaluate the economic impact of economic development assistance programs under this chapter, which establishment and use of performance measures shall be provided by the Secretary through—

(A) officers or employees of the Department;

(B) the employment of persons under contracts entered into for such purposes; or

(C) grants to persons, using funds made available to carry out this chapter;

(12) conduct environmental reviews and incur necessary expenses to evaluate and monitor the environmental impact of economic development assistance provided and proposed to be provided under this chapter, including expenses associated with the representation and defense of the actions of the Secretary relating to the environmental impact of the assistance, using any funds made available to carry out section 3147 of this title;

(13) sue and be sued in any court of record of a State having general jurisdiction or in any United States district court, except that no attachment, injunction, garnishment, or other similar process, mesne or final, shall be issued against the Secretary or the property of the Secretary; and

(14) establish such rules, regulations, and procedures as the Secretary considers appropriate for carrying out this chapter.

(b) Deficiency judgments

The authority under subsection (a)(7) to pursue claims shall include the authority to obtain deficiency judgments or otherwise pursue claims relating to mortgages assigned to the Secretary.

(c) Inapplicability of certain other requirements

Section 6101 of title 41 shall not apply to any contract of hazard insurance or to any purchase or contract for services or supplies on account of property obtained by the Secretary as a result of assistance provided under this chapter if the premium for the insurance or the amount of the services or supplies does not exceed $1,000.

(d) Property interests

(1) In general

The powers of the Secretary under this section, relating to property acquired by the Secretary in connection with assistance provided under this chapter, shall extend to property interests of the Secretary relating to projects approved under—

(A) this chapter;

(B) title I of the Public Works Employment Act of 1976 (42 U.S.C. 6701 et seq.);

(C) title II of the Trade Act of 1974 (19 U.S.C. 2251 et seq.); and

(D) the Community Emergency Drought Relief Act of 1977 (42 U.S.C. 5184 note; Public Law 95–31).

(2) Release

The Secretary may release, in whole or in part, any real property interest, or tangible personal property interest, in connection with a grant after the date that is 20 years after the date on which the grant was awarded.
The power to convey and to execute, in the name of the Secretary, deeds of conveyance, deeds of release, assignments and satisfactions of mortgages, and any other written instrument relating to real or personal property or any interest therein in such property acquired by the Secretary under this chapter may be exercised by the Secretary, or by any officer or agent appointed by the Secretary for that purpose, without the execution of any express delegation of power or power of attorney.


REFERENCES IN TEXT


CODIFICATION


PRIORITY PROVISIONS


A prior section 601(a) of Pub. L. 89–136 was classified to section 3201 of this title prior to repeal by Pub. L. 105–393, §102(a).

EFFECTIVE DATE

Section effective Feb. 11, 1999, see section 105 of Pub. L. 105–393, set out as a note under section 3212 of this title.

§ 3212. Maintenance of standards

All laborers and mechanics employed by contractors or subcontractors on projects assisted by the Secretary under this chapter shall be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with subchapter IV of chapter 31 of title 40. The Secretary shall not extend any financial assistance under this chapter for such a project without first obtaining adequate assurance that these labor standards will be maintained upon the construction work. The Secretary of Labor shall have, with respect to the labor standards specified in this provision, the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176; 64 Stat. 1267), and section 3145 of title 40.

§ 3214 Delegation of functions and transfer of funds among Federal agencies

(a) Delegation of functions to other Federal agencies

The Secretary may—

1. delegate to the heads of other Federal agencies such functions, powers, and duties of the Secretary under this chapter as the Secretary determines to be appropriate; and

2. authorize the redelegation of the functions, powers, and duties by the heads of the agencies.

(b) Transfer of funds to other Federal agencies

Funds authorized to be appropriated to carry out this chapter may be transferred between Federal agencies, if the funds are used for the purposes for which the funds are specifically authorized and appropriated.

(c) Transfer of funds from other Federal agencies

1. In general

Subject to paragraph (2), for the purposes of this chapter the Secretary may accept transfers of funds from other Federal agencies if the funds are used for the purposes for which the funds are specifically authorized and appropriated.

2. Use of funds

The transferred funds—

(A) shall remain available until expended; and

(B) may, to the extent necessary to carry out this chapter, be transferred to and merged by the Secretary with the appropriations for salaries and expenses.

§ 3215 Penalties

(a) False statements; security overvaluation

A person that makes any statement that the person knows to be false, or willfully overvalues any security, for the purpose of—

1. obtaining for the person or for any applicant any financial assistance under this chapter or any extension of the assistance by renewal, deferment, or action, or by any other means, or the acceptance, release, or substitution of security for the assistance;

2. influencing in any manner the action of the Secretary; or

3. obtaining money, property, or any thing of value, under this chapter; shall be fined under title 18, imprisoned not more than 5 years, or both.

(b) Embezzlement and fraud-related crimes

A person that is connected in any capacity with the Secretary in the administration of this chapter and that—

1. embezzles, abstracts, purloins, or willfully misapplies any funds, securities, or other thing of value, that is pledged or otherwise entrusted to the person;

2. with intent to defraud the Secretary or any other person or entity, or to deceive any officer, auditor, or examiner—

(A) makes any false entry in any book, report, or statement of or to the Secretary; or

(B) without being duly authorized, draws any order or issue, puts forth, or assigns any note, debenture, bond, or other obligation, or draft, bill of exchange, mortgage, judgment, or decree thereof;

3. with intent to defraud, participates or shares in or receives directly or indirectly any money, profit, property, or benefit through any transaction, loan, grant, commission, contract, or any other act of the Secretary; or

4. gives any unauthorized information concerning any future action or plan of the Secretary that might affect the value of securities, or having such knowledge invests or speculates, directly or indirectly, in the securities or property of any company or corporation receiving loans, grants, or other assistance from the Secretary; shall be fined under title 18, imprisoned not more than 5 years, or both.

Effective Date

Section effective Feb. 11, 1999, see section 105 of Pub. L. 105–393, set out as a note under section 3212 of this title.
§ 3216. Employment of expediters and administrative employees

Assistance shall not be provided by the Secretary under this chapter to any business unless the owners, partners, or officers of the business—

(1) certify to the Secretary the names of any attorneys, agents, and other persons engaged by or on behalf of the business for the purpose of expediting applications made to the Secretary for assistance of any kind, under this chapter, and the fees paid or to be paid to the person for expediting the applications; and

(2) execute an agreement binding the business, for the 2-year period beginning on the date on which the assistance is provided by the Secretary to the business, to refrain from employing, offering any office or employment to, or retaining for professional services, any person who, on the date on which the assistance or any part of the assistance was provided, or within the 1-year period ending on that date—

(A) served as an officer, attorney, agent, or employee of the Department; and

(B) occupied a position or engaged in activities that the Secretary determines involved discretion with respect to the granting of assistance under this chapter.


Prior Provisions

Effective Date
Section effective Feb. 11, 1999, see section 105 of Pub. L. 105–393, set out as a note under section 3121 of this title.

§ 3217. Maintenance and public inspection of list of approved applications for financial assistance

(a) In general

The Secretary shall—

(1) maintain as a permanent part of the records of the Department a list of applications approved for financial assistance under this chapter; and

(2) make the list available for public inspection during the regular business hours of the Department.

(b) Additions to list

The following information shall be added to the list maintained under subsection (a) as soon as an application described in subsection (a)(1) is approved:

(1) The name of the applicant and, in the case of a corporate applicant, the name of each officer and director of the corporation.

(2) The amount and duration of the financial assistance for which application is made.

(3) The purposes for which the proceeds of the financial assistance are to be used.


Prior Provisions

Effective Date
Section effective Feb. 11, 1999, see section 105 of Pub. L. 105–393, set out as a note under section 3121 of this title.

§ 3218. Records and audits

(a) Recordkeeping and disclosure requirements

Each recipient of assistance under this chapter shall keep such records as the Secretary shall require, including records that fully disclose—

(1) the amount and the disposition by the recipient of the proceeds of the assistance;

(2) the total cost of the project in connection with which the assistance is given or used;

(3) the amount and nature of the portion of the cost of the project provided by other sources; and

(4) such other records as will facilitate an effective audit.

(b) Access to books for examination and audit

The Secretary, the Inspector General of the Department, and the Comptroller General of the United States, or any duly authorized representative, shall have access for the purpose of audit and examination to any books, documents, papers, and records of the recipient that relate to assistance received under this chapter.


Prior Provisions

Effective Date
Section effective Feb. 11, 1999, see section 105 of Pub. L. 105–393, set out as a note under section 3121 of this title.

§ 3219. Relationship to assistance under other law

Nothing in this chapter authorizes or permits any reduction in the amount of Federal assistance that any State or other entity eligible under this chapter is entitled to receive under any other Act.


Prior Provisions

Amendments
2004—Pub. L. 108–373 designated text of subsec. (b) as entire section and struck out subsec. (b) heading and
§ 3220
TITLE 42—THE PUBLIC HEALTH AND WELFARE

heading and text of subsec. (a). Prior to amendment, text of subsec. (a) read as follows: "Except as otherwise provided in this chapter, all financial and technical assistance authorized under this chapter shall be in addition to any Federal assistance authorized before the effective date of the Economic Development Administration Reform Act of 1998."

**Effective Date**

Section effective Feb. 11, 1999, see section 105 of Pub. L. 105–393, set out as a note under section 3211 of this title.

§ 3220. Acceptance of certifications by applicants

Under terms and conditions determined by the Secretary, the Secretary may accept the certifications of an applicant for assistance under this chapter that the applicant meets the requirements of this chapter.


**Prior Provisions**


**Effective Date**

Section effective Feb. 11, 1999, see section 105 of Pub. L. 105–393, set out as a note under section 3211 of this title.

§ 3221. Brownfields redevelopment report

(a) Definition of brownfield site

In this section, the term "brownfield site" has the meaning given the term in section 9001(39) of this title.

(b) Report

(1) In general

Not later than 1 year after October 27, 2004, the Comptroller General shall prepare a report that evaluates the grants made by the Economic Development Administration for the economic development of brownfield sites.

(2) Contents

The report shall—

(A) identify each project conducted during the previous 10-year period in which grant funds have been used for brownfield site redevelopment activities; and

(B) include for each project a description of—

(i) the type of economic development activities conducted;

(ii) if remediation activities were conducted—

(I) the type of remediation activities; and

(II) the amount of grant money used for those activities in dollars and as a percentage of the total grant award;

(iii) the economic development and environmental standards applied, if applicable;

(iv) the economic development impact of the project;

(v) the role of Federal, State, or local environmental agencies, if any; and

(vi) public participation in the project.

(3) Submission of report

The Comptroller General shall submit to the Committee on Environment and Public Works of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives a copy of the report.


**Prior Provisions**


§ 3222. Savings clause

To the extent that any portion of grants made under this chapter are used for an economic development project that involves remediation, the remediation shall be conducted in compliance with all applicable Federal, State, and local laws and standards.


**Prior Provisions**


**Effective Date**

Section effective Feb. 11, 1999, see section 105 of Pub. L. 105–393, set out as a note under section 3211 of this title.

§ 3231. General authorization of appropriations

(a) Economic development assistance programs

There are authorized to be appropriated for economic development assistance programs to carry out this chapter, to remain available until expended—

(1) $400,000,000 for fiscal year 2004;

(2) $425,000,000 for fiscal year 2005;

(3) $450,000,000 for fiscal year 2006;

(4) $475,000,000 for fiscal year 2007; and

(5) $500,000,000 for fiscal year 2008.

(b) Salaries and expenses

There are authorized to be appropriated for salaries and expenses of administering this chapter, to remain available until expended—

(1) $33,377,000 for fiscal year 2004; and

(2) such sums as are necessary for each fiscal year thereafter.

**Subchapter VII—Funding**

§ 3231. General authorization of appropriations

(a) Economic development assistance programs

There are authorized to be appropriated for economic development assistance programs to carry out this chapter, to remain available until expended—

(1) $400,000,000 for fiscal year 2004;

(2) $425,000,000 for fiscal year 2005;

(3) $450,000,000 for fiscal year 2006;

(4) $475,000,000 for fiscal year 2007; and

(5) $500,000,000 for fiscal year 2008.

(b) Salaries and expenses

There are authorized to be appropriated for salaries and expenses of administering this chapter, to remain available until expended—

(1) $33,377,000 for fiscal year 2004; and

(2) such sums as are necessary for each fiscal year thereafter.
§ 3234. Funding for grants for planning and grants for administrative expenses

Of the amounts made available under section 3231 of this title, each fiscal year, not less than $27,000,000 shall be made available for grants provided under section 3143 of this title.

(b) Federal share

The Federal share of the cost of activities funded with amounts made available under subsection (a) shall be up to 100 percent.


Prior sections 3246e to 3246h were repealed by Pub. L. 105–269, title II, § 201(c), Nov. 19, 1998, 112 Stat. 2461.


Section 3246h, Pub. L. 89–136, title X, § 1008, as added Pub. L. 94–487, title I, § 129, Oct. 12, 1976, 90 Stat. 1239, provided that a program or project was not ineligible for financial assistance solely because of increased construction costs.

CHAPTER 39—SOLID WASTE DISPOSAL

§§ 3251 to 3254f. Omitted

CODIFICATION

Sections 3251 to 3254f were omitted in the general amendment of the Solid Waste Disposal Act by Pub. L. 94–580, § 2, Oct. 21, 1976, 90 Stat. 2795.


§§ 3256 to 3259. Omitted

CODIFICATION

Sections 3256 to 3259 were omitted in the general amendment of the Solid Waste Disposal Act by Pub. L. 94–580, § 2, Oct. 21, 1976, 90 Stat. 2795.


CHAPTER 40—SOIL INFORMATION ASSISTANCE FOR COMMUNITY PLANNING AND RESOURCE DEVELOPMENT

Sec. 3271. Availability of soil surveys under soil survey program.

3272. Cooperative assistance to State and other public agencies; types of assistance; private engineering services.

3273. Contributions of State or other public agencies toward cost of soil surveys.

3274. Authorization of appropriations.

§ 3271. Availability of soil surveys under soil survey program

In recognition of the increasing need for soil surveys by the States and other public agencies
in connection with community planning and resource development for protecting and improving the quality of the environment, meeting recreational needs, conserving land and water resources, providing for multiple uses of such resources, and controlling and reducing pollution from sediment and other pollutants in areas of rapidly changing uses, including farmlands being shifted to other uses, resulting from rapid expansions in the uses of land for industry, housing, transportation, recreation, and related services, it is the sense of Congress that the soil survey program of the United States Department of Agriculture should be conducted so as to make available soil surveys to meet such needs of the States and other public agencies in connection with community planning and resource development.


§ 3272. Cooperative assistance to State and other public agencies; types of assistance; private engineering services

In order to provide soil surveys to assist States, their political subdivisions, soil and water conservation districts, towns, cities, planning boards and commissions, community development districts, and other public agencies in community planning and resource development for the protection and improvement of the quality of the environment, recreational development, the conservation of land and water resources, the development of multiple uses of such resources, and the control and prevention of pollution from sediment and other pollutants in areas of rapidly changing uses, including farm and nonfarm areas, the Secretary of Agriculture shall, upon the request of a State or other public agency, provide by means of such cooperative arrangements with the State or other public agency as he may deem advisable, the following assistance with respect to such areas and purposes:

1. The making of studies and reports necessary for the classification and interpretation of kinds of soil;
2. An intensification of the use and benefits of the National Cooperative Soil Survey;
3. The furnishing of technical and other assistance needed for use of soil surveys; and
4. Consultation with other Federal agencies participating or assisting in the planning and development of such areas in order to assure the coordination of the work under this chapter with the related work of such other agencies.

The provision by the Secretary of such assistance shall not interfere with the furnishing of engineering services by private engineering firms or consultants for on-site sampling and testing of sites or for design and construction of specific engineering works.


§ 3273. Contributions of State or other public agencies toward cost of soil surveys

It is further the sense of the Congress that the Secretary shall make a reasonable effort to assure that the contributions of any State or other public agency under any cooperative agreement which may be entered into between the Secretary and such State or other public agency with respect to a soil survey shall be a substantial portion of the cost of such soil survey.


§ 3274. Authorization of appropriations

There are hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of this chapter, such sums to remain available until expended.


CHAPTER 41—DEMONSTRATION CITIES AND METROPOLITAN DEVELOPMENT PROGRAM

SUBCHAPTER I—COMPREHENSIVE CITY DEMONSTRATION PROGRAMS

Sec. 3301 to 3313. Omitted.

SUBCHAPTER II—PLANNED AREAWIDE DEVELOPMENT

3331. Congressional findings and declaration of purpose.
3332. Cooperation between Federal agencies.
3333. Metropolitan expediter.
3334. Coordination of Federal aids with local governments.
3335. Grants to assist in planned area development.
3336. Amount of grant.
3337. Consultations and certifications.
3338. Definitions.
3339. Limitation on amount of grant.

SUBCHAPTER III—URBAN INFORMATION AND TECHNICAL ASSISTANCE SERVICES

3351 to 3356. Omitted.

SUBCHAPTER IV—MISCELLANEOUS PROVISIONS

3371. Assistance for housing in Alaska.
3372, 3373. Repealed.
3374. Acquisition of property at or near military bases which have been ordered to be closed and certain property owned by members of the Armed Forces, Department of Defense and United States Coast Guard civilian employees, and surviving spouses.

SUBCHAPTER I—COMPREHENSIVE CITY DEMONSTRATION PROGRAMS

§§ 3301 to 3313. Omitted

CODIFICATION

Sections were omitted pursuant to section 5316 of this title, which terminated authority to make grants or loans under this subchapter after Jan. 1, 1975.


Section 3302, Pub. L. 89–754, title I, §102, Nov. 3, 1966, 80 Stat. 1255, set out basic authority of Secretary of Defense, Department of Housing and Urban Development under this subchapter.

Section 3303, Pub. L. 89–754, title I, §103, Nov. 3, 1966, 80 Stat. 1256, set out basic authority of Secretary of Housing and Urban Development under this subchapter.


AMENDMENTS
1968—Pub. L. 90–448 extended scope from metropolitan planning and programming to areawide planning and programming.

SHORT TITLE
Pub. L. 89–754, §1, Nov. 3, 1966, 80 Stat. 1255, provided: “That this Act [enacting this chapter, section 1500d–1 of this title, sections 1735f–1, 1746cc–1, and 1749aaa to 1749aaa–5 of Title 12, Banks and Banking, and section 470b–1 of Title 16, Conservation, amending sections 1146, 1421, 1421b, 1453, 1455, 1456, 1460, 1463, 1471, 1472, 1474, 1485, 1487, 1492, 1500, 1500a, 1500c–2, 1500d, and 1500e of this title, section 663 of former Title 11, Bankruptcy, sections 24, 371, 1432, 1438, 1702, 1709, 1715c, 1715k, 1715l, 1715n, 1717, 1719, 1720, 1723, 1731a, 1735g, 1749, 1749c, 1749a, 1749bb, 1749bd, 1749ee of Title 12, sections 730dd and 637 of Title 15, Commerce and Trade, and section 461 of former Title 40, Public Buildings, Property, and Works, repealing section 1735b of Title 12, enacting provisions set out as notes under sections 1455 and 1500d–1 of this title and sections 1718, 1746cc–1, and 1749aaa of Title 12, and amending provisions set out as notes under sections 1701d–3, 1701q, and 1715e of Title 12] may be cited as the ‘Demonstration Cities and Metropolitan Development Act of 1968’.

§ 3332. Cooperation between Federal agencies

In order to insure that all Federal programs related to areawide development are carried out in a coordinated manner—

(1) the Secretary is authorized to call upon other Federal agencies to supply such statistical data, program reports, and other materials as he deems necessary to discharge his responsibilities for areawide development, and to assist the President in coordinating the areawide development efforts of all Federal agencies; and

(2) all Federal agencies which are engaged in administering programs related to areawide development, or which otherwise perform functions relating thereto, shall, to the maximum extent practicable, consult with and seek advice from all other significantly affected Federal departments and agencies in an effort to assure fully coordinated programs.

AMENDMENTS

§ 3333. Metropolitan expediters

Upon the request of the duly authorized local officials of the central city in any metropolitan area, and after consultation with local governmental authorities throughout the metropolitan area with respect to whether or not the Secretary should make an appointment under this section (and with respect to the individuals who might be so appointed), the Secretary may appoint a metropolitan expeditor for such area whenever he finds a need for the services specified in this section. The metropolitan expeditor shall provide information, data, and assistance to local authorities and private individuals and entities within the metropolitan area, and to all relevant Federal departments and agencies, with respect to all programs and activities conducted

AMENDMENTS

§§ 3331–3333.
within such metropolitan area by the Department of Housing and Urban Development, and with respect to other public and private activities and needs within such metropolitan area which relate to the programs and activities of the Department.


§ 3334. Coordination of Federal aids with local governments

(a) Review of projects by areawide agency or local government

All applications made after June 30, 1967, for Federal loans or grants to assist in carrying out open-space land projects or for the planning or construction of hospitals, airports, libraries, water supply and distribution facilities, sewerage facilities and waste treatment works, highways, transportation facilities, law enforcement facilities, and water development and land conservation projects within any metropolitan area shall be submitted for review to any areawide agency which is designated to perform metropolitan or regional planning for the area within which the assistance is to be used, and which is, to the greatest practicable extent, composed of or responsible to the elected officials of a unit of area-wide government or of the units of general local government within whose jurisdiction such agency is authorized to engage in such planning, and

(1) if made by a special purpose unit of local government, to the unit or units of general local government with authority to operate in the area within which the project is to be located.

(b) Comments and recommendations by area-wide agency and local government

(1) Except as provided in paragraph (2) of this subsection, each application shall be accompanied (A) by the comments and recommendations with respect to the project involved by the areawide agency and governing bodies of the units of general local government to which the application has been submitted for review, and (B) by a statement by the applicant that such comments and recommendations have been considered prior to formal submission of the application. Such comments shall include information concerning the extent to which the project is consistent with comprehensive planning developed or in the process of development for the metropolitan area or the unit of general local government, as the case may be, and the extent to which such project contributes to the fulfillment of such planning. The comments and recommendations and the statement referred to in this paragraph shall, except in the case referred to in paragraph (2) of this subsection, be reviewed by the agency of the Federal Government to which such application is submitted for the sole purpose of assisting it in determining whether the application is in accordance with the provisions of Federal law which govern the making of the loans or grants.

(2) An application for a Federal loan or grant need not be accompanied by the comments and recommendations and the statements referred to in paragraph (1) of this subsection, if the applicant certifies that a plan or description of the project, meeting the requirements of such rules and regulations as may be prescribed under subsection (c), or such application, has lain before an appropriate areawide agency or instrumentality or unit of general local government for a period of sixty days without comments or recommendations thereon being made by such agency or instrumentality.

(3) The requirements of paragraphs (1) and (2) shall also apply to any amendment of the application which, in light of the purposes of this subchapter, involves a major change in the project covered by the application prior to such amendment.

(c) Rules and regulations

The Office of Management and Budget, or such other agency as may be designated by the President, is hereby authorized to prescribe such rules and regulations as are deemed appropriate for the effective administration of this section.


AMENDMENTS


1968—Subsec. (a). Pub. L. 90–351 inserted ‘‘law enforcement facilities,’’ after ‘‘transportation facilities.’’.

TRANSFER OF FUNCTIONS


§ 3335. Grants to assist in planned area wide development

(a) Supplementary grants

The Secretary is authorized to make supplementary grants to applicant State and local public bodies and agencies carrying out, or assisting in carrying out, area wide development projects meeting the requirements of this section.

(b) Criteria

Grants may be made under this section only for area wide development projects in areas for which it has been demonstrated, to the satisfaction of the Secretary, that—

(1) area wide comprehensive planning and programming provide an adequate basis for evaluating (A) the location, financing, and scheduling of individual public facility projects (including but not limited to hospitals and libraries; sewer, water, and sewage treatment facilities; highway, mass transit, airport, and other transportation facilities; and recreation and other open-space areas) whether or not
§ 3336

TITLe 42—THE PUBLIC HEALTH AND WELFARE

Page 5372

federally assisted; and (B) other proposed land development or uses, which projects or uses, because of their size, density, type, or location, have public areawide or interjurisdictional significance;

(2) adequate areawide institutional or other arrangements exist for coordinating, on the basis of such areawide comprehensive planning and programming, local public policies and activities affecting the development of the area; and

(3) public facility projects and other land development or uses which have a major impact on the development of the area are, in fact, being carried out in accord with such areawide comprehensive planning and programming.

(c) Grant to unit of general local government or other applicant

(1) Where the applicant for a grant under this section is a unit of general local government, it must demonstrate to the satisfaction of the Secretary that, taking into consideration the scope of its authority and responsibilities, it is adequately assuring that public facility projects and other land development or uses of public areawide or interjurisdictional significance are being, and will be, carried out in accord with areawide planning and programming meeting the requirements of subsection (b). In making this determination the Secretary shall give special consideration to whether the applicant is effectively assisting in, and conforming to, areawide planning and programing through (A) the location and scheduling of public facility projects, whether or not federally assisted; and (B) where appropriate, the establishment and consistent administration of zoning codes, subdivision regulations, and similar land-use and density controls.

(2) Where the applicant for a grant under this section is not a unit of general local government, both it and the unit of general local government having jurisdiction over the location of the project must meet the requirements of this subsection.

(d) Secretary's consideration of comments of State bodies

In making the determinations required under this section, the Secretary shall obtain and give full consideration to the comments of the body or bodies (State or local) responsible for comprehensive planning and programing for the area.

(e) Restriction on grants to certain areawide development projects

No grant shall be made under this section with respect to an areawide development project for which a Federal grant has been made, or a contract of assistance has been entered into, under the legislation referred to in paragraph (2) of section 3338 of this title, prior to February 21, 1966, or more than one year prior to the date on which the Secretary has made the determinations required under this section with respect to the applicant and the area in which the project is located; provided, That in the case of a project for which a contract of assistance under the legislation referred to in paragraph (2) of section 3338 of this title has been entered into after June 30, 1967, no grant shall be made under this section unless an application for such grant has been made on or before the date of such contract.

(f) Racial balance or imbalance within school districts

Nothing in this section shall authorize the Secretary to require (or condition the availability or amount of financial assistance authorized to be provided under this subchapter upon) the adoption by any community of a program to achieve a racial balance or to eliminate racial imbalance within school districts.

(1) Where the applicant for a grant under this section is a unit of general local government, it must demonstrate to the satisfaction of the Secretary that the applicant is adequately assuring that public facility projects and other land development or uses of public areawide or interjurisdictional significance are being, and will be, carried out in accord with areawide planning and programming meeting the requirements of subsection (b). In making this determination the Secretary shall give special consideration to whether the applicant is effectively assisting in, and conforming to, areawide planning and programing through (A) the location and scheduling of public facility projects, whether or not federally assisted; and (B) where appropriate, the establishment and consistent administration of zoning codes, subdivision regulations, and similar land-use and density controls.

(2) Where the applicant for a grant under this section is not a unit of general local government, both it and the unit of general local government having jurisdiction over the location of the project must meet the requirements of this subsection.

AMENDMENTS

1968—Subsec. (a). Pub. L. 90–448, § 602(d)(1), substituted “areawide development” for “metropolitan development”.

Subsec. (b). Pub. L. 90–448, § 602(d)(1)–(3), substituted “areawide development projects in areas” for “metropolitan development projects in metropolitan areas”, “areawide comprehensive planning” for “metropolitanwide comprehensive planning” in three places, “public areawide” for “public metropolitanwide”, and “adequate areawide” for “adequate metropolitanwide”.

Subsec. (c). Pub. L. 90–448, § 602(d)(3)–(5), substituted “public areawide” for “public metropolitanwide”, and “areawide planning” for “metropolitan planning” in two places, and inserted “where appropriate,” after “(B)”.

Subsec. (d). Pub. L. 90–448, § 602(d)(2), substituted “programming for the area” for “programming for the metropolitan area”.

Subsec. (e). Pub. L. 90–448, § 602(d)(1), substituted “areawide development project” for “metropolitan development project”.

Subsec. (f). Pub. L. 90–448, § 602(d)(6), struck out “within the metropolitanwide area” after “school districts”.

§ 3336. Amount of grant

(a) Limitation; Federal and non-Federal contributions; projects or activities eligible for assistance

A grant under section 3335 of this title shall not exceed (1) 20 per centum of the cost of the project for which the grant is made; nor (2) the Federal grant made with respect to the project under the legislation referred to in paragraph (2) of section 3338 of this title. In no case shall the total Federal contributions to the cost of such project be more than 80 per centum. Notwithstanding any other provision of law, including requirements with respect to non-Federal contributions, grants under section 3335 of this title shall be eligible for inclusion (directly or through refunds or credits) as part of the financing for such projects: Provided, That projects or activities on the basis of which assistance is provided under section 3305(c) of this title shall not be eligible for assistance under section 3335 of this title.

(b) Authorization of appropriations; availability of funds for expenditures

There are authorized to be appropriated for grants under section 3335 of this title not to exceed $25,000,000 for the fiscal year ending June 30, 1967, and not to exceed $50,000,000 for the fiscal year ending June 30, 1968. Any amounts ap-
appropriated under this section shall remain available until expended, and any amounts authorized for any fiscal year under this section but not appropriated may be appropriated for any succeeding fiscal year commencing prior to July 1, 1970.


REFERENCES IN TEXT
Section 3305 of this title, referred to in subsec. (a), was omitted from the Code pursuant to section 5316 of this title, which terminated the authority to make grants and loans under subchapter I of this chapter after Jan. 1, 1979.

AMENDMENTS
1968—Subsec. (b). Pub. L. 90–448 permitted any amounts authorized for any fiscal year but not appropriated to be appropriated for any succeeding fiscal year commencing prior to July 1, 1970.

§ 3337. Consultations and certifications
In carrying out his authority under section 3335 of this title, including the issuance of regulations, the Secretary shall consult with the Department of the Interior; the Department of Health and Human Services; the Department of Commerce; and the Federal Aviation Agency with respect to metropolitan development projects assisted by those departments and agencies; and he shall, for the purpose of section 3336 of this title, accept their respective certifications as to the cost of those projects and the amount of the non-Federal contribution paid or to be paid to that cost.


AMENDMENTS

TRANSFER OF FUNCTIONS
Functions, powers, and duties of Federal Aviation Agency and of Administrator and other offices and officers thereof transferred by Pub. L. 89–754, Oct. 15, 1966, 80 Stat. 931, to Secretary of Transportation, with functions, powers, and duties of Secretary of Transportation pertaining to aviation safety to be exercised by Federal Aviation Administrator in Department of Transportation, see section 106 of Title 49, Transportation.

§ 3338. Definitions
As used in this subchapter—
(1) “Areawide development” means all projects or programs for the acquisition, use, and development of open-space land; and the planning and construction of hospitals, libraries, airports, water supply and distribution facilities, sewage facilities and waste treatment works, transportation facilities, highways, water development and land conservation, and other public works facilities.

(2) “Areawide development project” means a project assisted or to be assisted under section 702 of the Housing and Urban Development Act of 1965 [42 U.S.C. 3102]; section 606 of the Public Health Service Act [42 U.S.C. 291f]; section 81 of the Federal Water Pollution Control Act [33 U.S.C. 1158]; section 120(a) of title 23; section 121 of the Federal Airport Act; section 191 of the Airport and Airway Development Act of 1970; section 5309 of title 49; title VII of the Housing Act of 1961 [42 U.S.C. 1500 et seq.]; or section 200305(e) of title 54; or under section 101(a)(1) of the Public Works and Economic Development Act of 1965 (for a project of a type which the Secretary determines to be eligible for assistance under any of the other provisions listed above).

3 See References in Text note below.
loans under that section after Jan. 1, 1975. For complete classification of this Act to the Code, see Short Title note set out under sec -

Section 702 of the Housing and Urban Development Act of 1965 (42 U.S.C. 3102), referred to in par. (2), was omitted from the Code pursuant to section 5316 of this title which terminated the authority to make grants or loans under that section after Jan. 1, 1975.

Section 8 of the Federal Water Pollution Control Act, referred to in par. (2), which relates to the construction of sewerage treatment works, was formerly classified to section 1158 of Title 33, Navigation and Navigable Waters, prior to the reorganization of that Act by Pub. L. 92-500, Oct. 1, 1972, 86 Stat. 816. See Codification note set out under section 1251 of Title 33. Provisions of the Act relating to grants for construction of treatment works appear in section 1261 et seq. of Title 33.


The Housing Act of 1961, referred to in par. (2), is Pub. L. 87-70, June 30, 1961, 75 Stat. 149. Title VII of the Act, which was classified generally to chapter 8C (§ 1500 et seq.) of this title, was omitted pursuant to section 5316 of this title which terminated the authority to make grants or loans under such title VII after Jan. 1, 1975. For complete classification of this Act to the Code, see Short Title note set out under section 1251 of Title 33. Provisions of the Act relating to grants for construction of treatment works appear in section 1261 et seq. of Title 33.


The Housing Act of 1961, referred to in par. (2), is Pub. L. 87-70, June 30, 1961, 75 Stat. 149. Title VII of the Act, which was classified generally to chapter 8C (§ 1500 et seq.) of this title, was omitted pursuant to section 5316 of this title which terminated the authority to make grants or loans under such title VII after Jan. 1, 1975. For complete classification of this Act to the Code, see Short Title note set out under section 1251 of Title 33. Provisions of the Act relating to grants for construction of treatment works appear in section 1261 et seq. of Title 33.


The Housing Act of 1961, referred to in par. (2), is Pub. L. 87-70, June 30, 1961, 75 Stat. 149. Title VII of the Act, which was classified generally to chapter 8C (§ 1500 et seq.) of this title, was omitted pursuant to section 5316 of this title which terminated the authority to make grants or loans under such title VII after Jan. 1, 1975. For complete classification of this Act to the Code, see Short Title note set out under section 1251 of Title 33. Provisions of the Act relating to grants for construction of treatment works appear in section 1261 et seq. of Title 33.


The Housing Act of 1961, referred to in par. (2), is Pub. L. 87-70, June 30, 1961, 75 Stat. 149. Title VII of the Act, which was classified generally to chapter 8C (§ 1500 et seq.) of this title, was omitted pursuant to section 5316 of this title which terminated the authority to make grants or loans under such title VII after Jan. 1, 1975. For complete classification of this Act to the Code, see Short Title note set out under section 1251 of Title 33. Provisions of the Act relating to grants for construction of treatment works appear in section 1261 et seq. of Title 33.


exceed $10,000,000 to carry out the purposes of

(c) Authorization of appropriations

There is authorized to be appropriated not to exceed $10,000,000 to carry out the purposes of this section.


AMENDMENTS

1978—Subsec. (a). Pub. L. 95–557, § 904(a), revised subsec. (a) generally to require that the Department of Housing and Urban Development make loans and grants, on the basis of need, to regional Alaska Native housing authorities for certain planning, administrative, and other expenses in conjunction with the provision of housing and related facilities for Alaska residents. Subsec. (b). Pub. L. 95–557, § 904(b), inserted “except that the Secretary may make a grant in excess of such limitation in any case, after consultation with State officials”.


Section 3374, Pub. L. 89–754, title X, § 1010, Nov. 3, 1966, 80 Stat. 1296; Pub. L. 90–448, title XVII, § 1704, Aug. 1, 1968, 82 Stat. 1786; Pub. L. 91–152, title IV, §§ 402, 417, Dec. 24, 1969, 83 Stat. 395, 401, related to application of advances in technology to housing and urban development and provided for: statement of purpose and duties of Secretary; objectives of research and studies; execution of research and studies directly or by contract, acquisition of property, and limitation on contracts; authorization of appropriations and availability of funds for expenditures; and limitation of authority under other provisions of law. See sections 1701z–1 to 1701z–4 of Title 12, Banks and Banking.

Section 3373, Pub. L. 89–754, title X, § 1011, Nov. 3, 1966, 80 Stat. 1287, related to environmental studies and provided for: Congressional findings and comprehensive program of research, studies, surveys, and analyses; powers and duties of Secretary; advisory committees, functions, personnel, compensation, travel, and other necessary expenses; execution of studies, surveys, research, and analyses directly or by contract, and limitation on contracts; and authorization of appropriations and availability of funds for expenditures. See sections 1701z–1 to 1701z–4 of Title 12, Banks and Banking.

§ 3374. Acquisition of property at or near military bases which have been ordered to be closed and certain property owned by members of the Armed Forces, Department of Defense and United States Coast Guard civilian employees, and surviving spouses

(a) Authorization; conditions precedent

(1) Acquisition of property at or near military installations that have been ordered to be closed

Notwithstanding any other provision of law, the Secretary of Defense is authorized to acquire title to, hold, manage, and dispose of, or, in lieu thereof, to reimburse for certain losses upon private sale of, or foreclosure against, any property improved with a one- or two-family dwelling which is situated at or near a military base or installation which the Department of Defense has, subsequent to November 1, 1964, ordered to be closed in whole or in part, if—

(A) the Secretary determines—

(i) that the owner of such property is, or has been, a Federal employee employed at or in connection with such base or installation (other than a temporary employee serving under a time limitation), a nonappropriated fund instrumentality employee employed at a nonappropriated fund instrumentality operated in connection with such base or installation, or a member of the Armed Forces of the United States assigned thereto;

(ii) that the closing of such base or installation, in whole or in part, has required or will require the termination of such owner's employment or service at or in connection with such base or installation or, in the case of a member of the Armed Forces not assigned to that base or installation at the time of public announcement of such closing, will prevent any reassignment of such member to the base or installation; and

(iii) that as the result of the actual or pending closing of such base or installation in whole or in part, or if as the result of such action and other similar action in the same area, there is no present market for the sale of such property upon reasonable terms and conditions; or

(B) the Secretary determines—

(i) that the conditions in clauses (i) and (ii) of subparagraph (A) have been met; and

(ii) that the closing or realignment of the base or installation resulted from a realignment or closure carried out under the 2005 round of defense base closure and realignment under the Defense Base Closure and Realignment Act of 1990 (part XXIX of Public Law 101–510; 10 U.S.C. 2687 note);

(iii) that the property was purchased by the owner before July 1, 2006;

(iv) that the property was sold by the owner between July 1, 2006, and September 30, 2012, or an earlier end date designated by the Secretary;

1So in original. The second dash probably should not appear.

2See References in Text note below.
§ 3374

(5) As a consequence of such closure such employees or personnel must—

(b) Eligibility for benefits; criteria

(1) In order to be eligible for the benefits of subsection (a)(1), a civilian employee or a member of the Armed Forces—

(A) must be assigned to or employed at or in connection with the installation or activity at the time of public announcement of the closure action, or employed by a nonappropriated fund instrumentality operated in connection with such base or installation;

(B) must have been transferred from such installation or activity, or terminated as an employee as a result of a reduction in force, within six months prior to public announcement of the closure action; or

(C) must have been transferred from the installation or activity on an overseas tour within three years prior to public announcement of the closure action.

(2) A member of the Armed Forces shall also be eligible for the benefits of subsection (a)(1) if the member—

(A) was transferred from the installation or activity within three years prior to public announcement of the closure action; and

(B) in connection with the transfer, was informed of a future, programmed reassignment to the installation.

(3) The eligibility of a civilian employee and member of the Armed Forces under paragraph (1) and a member of the Armed Forces under paragraph (2) for benefits under subsection (a)(1) in connection with the closure of an installation or activity is subject to the additional conditions set out in paragraphs (4) and (5).

(4) At the time of public announcement of the closure action, or at the time of transfer or termination as set forth above, such personnel or employees must—

(A) have been the owner-occupant of the dwelling, or

(B) have vacated the owned dwelling as a result of being ordered into on-post housing during a six-month period prior to the closure announcement.

(5) As a consequence of such closure such employees or personnel must—
(A) be required to relocate because of military transfer or acceptance of employment beyond a normal commuting distance from the dwelling for which compensation is sought, or

(B) be unemployed, not as a matter of personal choice, and able to demonstrate such financial hardship that they are unable to meet their mortgage payments and related expenses.

(c) Election of benefits; mortgage loan encumbrance; foreclosure expenses

(1) Homeowner assistance related to closed military installations

(A) In general

Such persons as the Secretary of Defense may determine to be eligible under the criteria set forth in subsection (a)(1) shall elect either—

(i) to receive a cash payment as compensation for losses which may be or have been sustained in a private sale, in an amount not to exceed the difference between—

(I) 95 per centum of the fair market value of their property (as such value is determined by the Secretary of Defense) prior to public announcement of intention to close all or part of the military base or installation; and

(II) the fair market value of such property (as such value is so determined) at the time of the sale; or

(ii) to receive, as purchase price for their property, an amount not to exceed 90 per centum of prior fair market value as such value is determined by the Secretary of Defense, or the amount of the outstanding mortgages.

(B) Reimbursement of expenses

The Secretary may also pay a person who elects to receive a cash payment under subparagraph (A) an amount that the Secretary determines appropriate to reimburse the person for the costs incurred by the person in the sale of the property if the Secretary determines that such payment will benefit the person and is in the best interest of the United States.

(2) Homeowner assistance for wounded individuals and their spouses

(A) In general

Persons eligible under the criteria set forth in subsection (a)(2) may elect either—

(i) to receive a cash payment as compensation for losses which may be or have been sustained in a private sale, in an amount not to exceed the difference between—

(I) 95 per centum of prior fair market value of their property (as such value is determined by the Secretary of Defense); and

(II) the fair market value of such property (as such value is determined by the Secretary of Defense) at the time of sale; or

(ii) to receive, as purchase price for their property an amount not to exceed 90 per centum of prior fair market value as such value is determined by the Secretary of Defense, or the amount of the outstanding mortgages.

(B) Determination of benefits

The Secretary may also pay a person who elects to receive a cash payment under subparagraph (A) an amount that the Secretary determines appropriate to reimburse the person for the costs incurred by the person in the sale of the property if the Secretary determines that such payment will benefit the person and is in the best interest of the United States.

(3) Homeowner assistance for permanently reassigned individuals

(A) In general

Persons eligible under the criteria set forth in subsection (a)(3) may elect either—

(i) to receive a cash payment as compensation for losses which may be or have been sustained in a private sale, in an amount not to exceed the difference between—

(I) 95 per centum of prior fair market value of their property (as such value is determined by the Secretary of Defense); and

(II) the fair market value of such property (as such value is determined by the Secretary of Defense) at the time of sale; or

(ii) to receive, as purchase price for their property an amount not to exceed 90 per centum of prior fair market value as such value is determined by the Secretary of Defense, or the amount of the outstanding mortgages.

(B) Determination of benefits

The Secretary may also pay a person who elects to receive a cash payment under subparagraph (A) an amount that the Secretary determines appropriate to reimburse the person for the costs incurred by the person in the sale of the property if the Secretary determines that such payment will benefit the person and is in the best interest of the United States.

(4) Compensation and limitations related to foreclosures and encumbrances

Cash payment as compensation for losses sustained in a private sale shall not be made in any case in which the property is encumbered by a mortgage loan guaranteed, insured, or held by a Federal agency unless such mortgage loan is paid, assumed by a purchaser satisfactory to such Federal agency, or otherwise fully satisfied at or prior to the time such cash payment is made. Except in cases of payment as compensation for losses, in the event of foreclosure by mortgagees commenced on or after public announcement of intention to close all or part of the military base or installation the Secretary of Defense may reimburse or pay on account of eligible persons such sums as may be paid or be otherwise due and owing by such persons as the result of such foreclosure, including (without limiting the
§ 3374

TITLE 42—THE PUBLIC HEALTH AND WELFARE

Page 5378

generality of the foregoing) direct costs of judicial foreclosure, expenses and liabilities enforceable according to the terms of their mortgages or promissory notes, and the amount of debts, if any, established against such persons by a Federal agency in the case of loans made, guaranteed, or insured by such agency following liquidation of the security for such loans.

(d) Fund for extension of financial assistance; capital and receipts; availability of monies; covering into Treasury as miscellaneous receipts; Federal title to and control of property; other laws unaffected; foreign properties, exclusion

There shall be in the Treasury a fund which shall be available to the Secretary of Defense for the purpose of extending the financial assistance provided above. The capital of such fund shall consist of such sums as may, from time to time, be appropriated thereto, and shall consist also of receipts from the management, rental, or sale of properties acquired under this section, which receipts shall be credited to the fund and shall be available, together with funds appropriated therefor, for purchase or reimbursement purposes as provided above, as well as to defray expenses arising in connection with the acquisition, management, and disposal of such properties, including payment of principal, interest, and expenses of mortgages or other indebtedness thereon, and including the cost of staff services and contract services, costs of insurance, and other indemnity. Any part of such receipts not required for such expenses shall be covered into the Treasury as miscellaneous receipts. Properties acquired under this section shall be conveyed to, and acquired in the name of, the United States. The Secretary of Defense shall have the power to deal with, rent, renovate, and dispose of, whether by sales for cash or credit or otherwise, any properties so acquired: Provided, however, That no contract for acquisition, or acquisition, shall be deemed to constitute a contract for or acquisition of family housing units in support of military installations or activities within the meaning of section 15941 of this title, nor shall it be deemed a transaction within the contemplation of section 2622 of title 10: Provided further, That no properties in foreign countries shall be acquired under this section, except in connection with compensation for property located on a base or installation pursuant to subsection (l).

(e) Fund as source of payments to States in lieu of taxes; limitation on amount; allowance for public service expenditures

Payments from the fund created by this section may be made in lieu of taxes to any State or political subdivision thereof, with respect to real property, including improvements thereon, acquired and held under this section. The amount so paid for any year upon such property shall not exceed the taxes which would be paid to the State or subdivision, as the case may be, upon such property if it were not exempt from taxation, and shall reflect such allowance as may be considered appropriate for expenditures, if any, by the Government for streets, utilities, or other public services to serve such property.

(f) Title requirements; terms and conditions of payment; finality of decisions

The title to any property acquired under this section, the eligibility for, and the amounts of, cash payable, and the administration of the preceding provisions of this section, shall conform to such requirements, and shall be administered under such conditions and regulations, as the Secretary of Defense may prescribe. Such regulations shall also prescribe the terms and conditions under which payments may be made and instruments accepted under this section, and all the determinations and decisions made pursuant to such regulations by the Secretary of Defense regarding such payments and conveyances and the terms and conditions under which they are approved or disapproved, shall be final and conclusive and shall not be subject to judicial review.


(h) Omitted

(i) Specific authorization for funds; expenditure of monies in Fund

No funds may be appropriated for the acquisition of any property under authority of this section unless such funds have been specifically authorized for such purpose in a military construction authorization act, and no moneys in the fund created pursuant to subsection (d) of this section may be expended for any purpose except as may be provided in appropriation Acts.

(j) Omitted

(k) Reduction of operations at military base or installation

The authority provided by this section to the Secretary of Defense shall also be available when the Department of Defense has ordered a reduction in the scope of operations at a military base or installation. All references in subsections (a), (b), (c), (n), and (o) to “closures” or words of similar effect shall be deemed to include the reduction in scope of operations at a base or installation.

(l) Foreign property losses

Notwithstanding the provisions of subsection (a)(1)(A)(ii) and subsection (b)(5), Federal employees or military personnel employed at or near a military base or installation outside the United States who are otherwise eligible under the criteria as set forth above shall be entitled to compensation for losses arising (1) out of the sale of property, or (2) out of the inability to sell property located on a base or installation, incident to the owner’s transfer, reassignment, or involuntary termination of employment, which results in his relocation. Such employees or military personnel whose property is located off a base or installation shall be entitled to compensation under subsection (c) for losses sustained in private sales. Such employees or personnel whose property is located on a base or installation, who sell or are unable to find a purchaser for such property, may surrender their interest in such property to the United States, and shall be entitled to compensation, notwith-
standing lack of ownership of the land on which
such property is located, in an amount equal to
(A) 90 per centum of the sum of the present own-
er's purchase price of the dwelling and improve-
ments, and all costs of ownership including in-
terest on notes, utilities and services, mainte-
nance and insurance, less (B) the total of all
housing allowances received from the Govern-
ment during ownership and occupancy of the
dwelling, all rents collected, and the sale price,
if any, received for the property, as determined
by the Secretary of Defense: Provided, however,
that the maximum compensation shall in no
event exceed 90 per centum of the unamortized
portion of the cost of the property, including
improvements, at the time ownership is termi-
nated, as reflected in the amortization schedule,
if any, relating to such property. For the pur-
pose of this subsection, the term "United
States" means the several States and the Dis-
trict of Columbia.

(m) Eligibility for benefits as to closure actions
announced after April 1, 1973: criteria

In addition to the coverage provided above, the benefits of subsection (a)(1) shall apply, as
to closure actions in the several States and the
District of Columbia announced after April 1,
1973, to otherwise eligible employees or person-
nel who are (1) employed or assigned either at or
near the base or installation affected by the clos-
ure action, and (2) are required to relocate, due
to transfer, reassignment or involuntary termi-
nation of employment, for reasons other than
the closure action.

(n) Relocation assistance for Coast Guard per-
sone1

(1) Assistance under subsection (a)(1) shall be
provided by the Secretary of Defense with re-
spect to Coast Guard bases and installations or-
dered to be closed, in whole or in part, after Jan-
uary 1, 1987. Such assistance shall be provided
under terms equivalent to those under which as-
assistance is provided under subsection (a)(1) for
closings of military bases and installations
which are under the jurisdiction of the Sec-
retary of Defense.

(2) The Secretary of the department in which
the Coast Guard is operating, if other than the
Department of Defense, shall reimburse the Sec-
retary of Defense for expenditures under sub-
section (a)(1) made by the Secretary of Defense
with respect to closings of Coast Guard bases
and installations ordered when the Coast Guard
is not operating as a service in the Navy. The
Secretary of Defense and the Secretary of the
department in which the Coast Guard is operat-
ing shall enter into an agreement under which
the Secretary of the department in which the
Coast Guard is operating shall carry out such re-
imbursement.

(o) Relocation assistance for nonappropriated
fund instrumentation and other civilian em-
ployees

(1) Assistance under subsection (a)(1) shall be
provided by the Secretary of Defense with re-
spect to nonappropriated fund instrumentation employees adversely affected by the closure of a
base or installation ordered to be closed, in
whole or in part, after December 31, 1988.

(2) Notwithstanding subsection (b), a civilian
employee who is serving overseas and is entitled
to reemployment by the Federal Government
(including a nonappropriated fund instrumentality
of the United States) at or in connection with
a base or installation ordered to be closed, in
whole or in part, shall be entitled to the bene-
fits of subsection (a)(1) to the same extent as an
employee employed at or in connection with
that base or installation.

(3) All payments to a nonappropriated fund in-
strumentality employee under this section shall
be made from the funds available to the Sec-
retary of Defense under subsection (d).

(p) Definitions

In this section:

(1) the term "Armed Forces" has the mean-
ging given the term "armed forces" in section
101(a) of title 10;

(2) the term "civilian employee" has the
meaning given the term "employee" in section
2105(a) of title 5;

(3) the term "medical transition", in the
case of a member of the Armed Forces, means
a member who—

(A) is in Medical Holdover status;

(B) is in Active Duty Medical Extension
status;

(C) is in Medical Hold status;

(D) is in a status pending an evaluation by
a medical evaluation board;

(E) has a complex medical need requiring
six or more months of medical treatment; or

(F) is assigned or attached to an Army
Warrior Transition Unit, an Air Force Pa-
tient Squadron, a Navy Patient Multidis-
ciplinary Care Team, or a Marine Patient Af-
airs Team/Wounded Warrior Regiment; and

(4) the term "nonappropriated fund instru-
mentality employee" means a civilian em-
ployee who—

(A) is a citizen of the United States; and

(B) is paid from nonappropriated funds of
Army and Air Force Exchange Service, Navy
Resale and Services Support Office, Marine
Corps exchanges, or any other instrumental-
ity of the United States under the jurisdic-
tion of the Armed Forces which is conducted
for the comfort, pleasure, contentment, or
physical or mental improvement of members
of the Armed Forces.

Stat. 1290; Pub. L. 91–142, title VI, §602, Dec. 5,
1969, 83 Stat. 313; Pub. L. 91–511, title VI, §612,
VI, §601, Oct. 25, 1972, 86 Stat. 1150; Pub. L.
93–166, title V, §513(b), Nov. 29, 1973, 87 Stat. 679;
Stat. 2503; Pub. L. 103–337, div. B, title XXVIII,
div. A, title X, §101(a), (b), Feb. 17, 2009, 123
Stat. 194, 198.)

References in Text
The Defense Base Closure and Realignment Act of
1990, referred to in subsec. (a)(1)(B)(ii), is part A of title
The Secretary of Defense is authorized to enter into such agreement with the Secretary of Housing and Urban Development as may be appropriate for the purposes of economy and efficiency of administration of this section. Such agreement may provide authority to the Secretary of Housing and Urban Development and his designee to make any or all of the determinations and take any or all of the actions which the Secretary of Defense is authorized to undertake pursuant to the preceding provisions of this section. Any such determinations shall be entitled to the same extent as if made by the Secretary of Defense, and, in event the Secretaries of Defense and Housing and Urban Development so elect, the fund established pursuant to subsection (d) of this section shall be available to the Secretary of Housing and Urban Development to carry out the purposes thereof.


Subsec. (m). Pub. L. 111–5, § 1001(a)(6), substituted "subsection (a)(1)" for "this section".

Subsec. (n)(1). Pub. L. 111–5, § 1001(a)(7)(A), which directed substitution of "subsection (a)(1)" for "this section", was executed by making the substitution in two places to reflect the probable intent of Congress.

Subsec. (n)(2). Pub. L. 111–5, § 1001(a)(7)(B), substituted "subsection (a)(1)(II)" for "this section".

Subsec. (o)(1). Pub. L. 111–5, § 1001(a)(8)(A), (B), substituted "subsection (a)(1)(II)" for "this section".

Subsec. (o)(2). Pub. L. 111–5, § 1001(a)(8)(B), struck out par. (4) which defined "nonappropriated fund instrumentality employee" and "civilian employee".


2009—Subsec. (c). Pub. L. 110–337 inserted after first sentence "The Secretary may also pay a person who elects to receive a cash payment under clause (1) of the preceding sentence an amount that the Secretary determines appropriate to reimburse the person for the costs incurred by the person in the sale of the property if the Secretary determines that such payment will benefit the person and is in the best interest of the Federal Government."


Subsec. (a)(2). Pub. L. 102–190, § 2823(b)(1)(B), inserted before semicolon "or, in the case of a member of the Armed Forces not assigned to that base or installation, at the time of public announcement of such closing, will prevent any reassignment of such member to the base or installation".

Subsec. (b). Pub. L. 102–190, § 2823(a), (b)(2), (3), substituted pars. (1) to (3) for former introductory provisions and pars. (1) to (3); designated first proviso of subsec. (b) as par. (4) and substituted "At" for "Provided, that" as redesignated cls. (i) and (ii) as subpars. (A) and (B), respectively, and substituted period for colon at end of subpar. (B); and designated second proviso of subsec. (b) as par. (5) and substituted "As" for "Provided further, that" as and redesignated cls. (i) and (ii) as subpars. (A) and (B), respectively. Prior to amendment, former introductory provisions and pars. (1) to (3) read as follows: "In order to be eligible for the benefits of this section such employees or military personnel must be or have been—"

1. assigned to or employed at or in connection with the installation or activity at the time of public announcement of the closure action, or employed by a nonappropriated fund instrumentality operated in connection with such base or installation.

2. transferred from such installation or activity, or terminated as employees as a result of reduction in force, within six months prior to public announcement of the closure action, or
Federal criminal laws, who are determined to be addicted to narcotic drugs, and likely to be rehabilitated through treatment, should, in lieu of prosecution or sentencing, be civilly committed for confinement and treatment designed to effect their restoration to health, and return to society as useful members.

It is the further policy of the Congress that certain persons addicted to narcotic drugs who are not charged with the commission of any offense should be afforded the opportunity, through civil commitment, for treatment, in order that they may be rehabilitated and returned to society as useful members and in order that society may be protected more effectively from crime and delinquency which result from narcotic addiction.

(Pub. L. 89–793, § 2, Nov. 8, 1966, 80 Stat. 1438.)

CODIFICATION

Section was not enacted as part of the Narcotic Addict Rehabilitation Act of 1966, which is classified to subchapters II and III of this chapter, chapter 314 (section 4251 et seq.) of Title 18, Crimes and Criminal Procedure, and chapter 175 (section 2901 et seq.) of Title 28, Judiciary and Judicial Procedure.

EFFECTIVE DATE

Pub. L. 89–793, title VI, § 605, Nov. 8, 1966, 80 Stat. 1450, provided that: “Title I of this Act [enacting chapter 175 (§ 2901 et seq.) of Title 28, Judiciary and Judicial Procedure] shall take effect three months after the date of its enactment [Nov. 8, 1966], and shall apply to any case pending in a district court of the United States in which an appearance has not been made prior to such effective date. Titles II [enacting chapter 314 (§ 4251 et seq.) of Title 18, Crimes and Criminal Procedure] and V of this Act [amending section 7237(d) of Title 26, Internal Revenue Code and enacting provisions set out as a note under section 4202 of Title 18] shall take effect three months after the date of its enactment [Nov. 8, 1966].”

SHORT TITLE OF 1971 AMENDMENT

Pub. L. 92–420, § 1, Sept. 16, 1972, 86 Stat. 677, provided: “That this Act [amending section 3411 of this title, section 4251 of Title 18, Crimes and Criminal Procedure, and section 2901 of Title 28, Judiciary and Judicial Procedure, and enacting provisions set out as a note under section 4202 of Title 18] shall take effect three months after the date of its enactment [Nov. 8, 1966].”

SHORT TITLE

Pub. L. 89–793, § 1, Nov. 8, 1966, 80 Stat. 1438, provided: “That titles I, II, III, and IV of this Act [enacting subchapters II and III of this chapter, chapter 314 (§ 4251 et seq.) of Title 18, Crimes and Criminal Procedure, and chapter 175 (§ 2901 et seq.) of Title 28, Judiciary and Judicial Procedure] may be cited as the ‘Narcotic Addict Rehabilitation Amendments of 1971.’”

SEPARABILITY

Pub. L. 89–793, title VI, § 604, Nov. 8, 1966, 80 Stat. 1438, provided: “If any provision of this Act [enacting this chapter, chapter 314 (§ 4251 et seq.) of Title 18, Crimes and Criminal Procedure, and chapter 175 (§ 2901 et seq.) of Title 28, Judiciary and Judicial Procedure, amending section 357 of this title and section 7227 of Title 26, Internal Revenue Code, and enacting provisions set out as notes under this section and section 4202 of Title 18] or the application thereof to any person...
or circumstance is held invalid, the remainder of the Act and the application of such provision to other persons not similarly situated or to other circumstances shall not be affected thereby.”

**Authorization of Appropriations**

Pub. L. 89–793, title VI, §606, Nov. 8, 1966, 80 Stat. 1450, provided that: “There are authorized to be appropriated such sums as are necessary to carry out the provisions of this Act [enacting this chapter, chapter 314 (§4251 et seq.) of Title 18, Crimes and Criminal Procedure, and chapter 175 (§2901 et seq.) of Title 28, Judiciary and Judicial Procedure, amending section 257 of this title and section 7237 of Title 26, Internal Revenue Code, and enacting provisions set out as notes under this section and section 4202 of Title 18].”

REORGANIZATION PLAN NO. 3 OF 1966

Pub. L. 89–793, title VI, §606, Nov. 8, 1966, 80 Stat. 1450, provided that: “The provisions of this Act [enacting this chapter, chapter 314 (§4251 et seq.) of Title 18, Crimes and Criminal Procedure, and chapter 175 (§2901 et seq.) of Title 28, Judiciary and Judicial Procedure, amending section 257 of this title and section 7237 of Title 26, Internal Revenue Code, and enacting provisions set out as notes under this section and section 4202 of Title 18] shall be subject to the provisions of Reorganization Plan No. 3 of 1966 [set out as a note under section 202 of this title].”

§ 3402. State facilities and personnel for care and treatment; encouragement of adequate provision; benefit of experience of Surgeon General and Attorney General

The Surgeon General and the Attorney General are authorized to give representatives of States and local subdivisions thereof the benefit of their experience in the care, treatment, and rehabilitation of narcotic addicts so that each State may be encouraged to provide adequate facilities and personnel for the care and treatment of narcotic addicts in its jurisdiction.

(Pub. L. 89–793, title VI, §602, Nov. 8, 1966, 80 Stat. 1450.)

CODIFICATION

Section was not enacted as part of the Narcotic Addict Rehabilitation Act of 1966, which is classified to title XXXIV, §3405(b), Oct. 17, 2000, 114 Stat. 1221.

TRANSFER OF FUNCTIONS

Functions of Public Health Service, Surgeon General of Public Health Service, and all other officers and employees of Public Health Service, and functions of all agencies of or in Public Health Service transferred to Secretary of Health, Education, and Welfare by Reorg. Plan No. 3 of 1966, eff. June 25, 1966, 31 F.R. 8855, 80 Stat. 1610, set out as a note under section 202 of this title, Secretary of Health, Education, and Welfare redesignated Secretary of Health and Human Services by section 509(b) of Pub. L. 96–88, which is classified to section 5509(b) of Title 20, Education.

SUBCHAPTER III—REHABILITATION AND POSTHOSPITALIZATION CARE PROGRAMS AND ASSISTANCE TO STATES AND LOCALITIES


Section. Pub. L. 89–793, title IV, §402, Nov. 8, 1966, 80 Stat. 1448, authorized appropriations for grants to States and political subdivisions thereof and to private organizations and institutions for development of narcotic addict rehabilitation and treatment programs.
CHAPTER 43—DEPARTMENT OF HEALTH AND HUMAN SERVICES

SUBCHAPTER I—GENERAL PROVISIONS

§ 3501. Establishment of Department; effective date

The provisions of Reorganization Plan Numbered 1 of 1953, submitted to the Congress on March 12, 1953, shall take effect ten days after April 1, 1953, and its approval by the President, notwithstanding the provisions of the Reorganization Act of 1949, as amended, except that section 9 of such Act shall apply to such reorganization plan and to the reorganization made thereby.

(Apr. 1, 1953, ch. 14, 67 Stat. 18.)

REFERENCES IN TEXT

Reorganization Plan Numbered 1 of 1953, referred to in text, is Reorg. Plan No. 1 of 1953, eff. Apr. 11, 1953, 18 F.R. 2053, 67 Stat. 631, which is set out as a note below and in the Appendix to Title 5, Government Organization and Employees.

The Reorganization Act of 1949, as amended, referred to in text, is act June 20, 1949, ch. 226, 63 Stat. 203, which enacted sections 133z to 133z-15 of former Title 5, Executive Departments and Government Officers and Employees. Sections 133z to 133z-15 of former Title 5 were repealed and reenacted as sections 901 to 913 of Title 5, Government Organizations and Employees, by Pub. L. 89–554, Sept. 6, 1966, 80 Stat. 578. Section 913 of Title 5 has been omitted from the Code. Section 9 of the Reorganization Act of 1949, which enacted section 133z-7 of former Title 5, was also repealed and reenacted as section 907(a) to (c) of Title 5 by Pub. L. 89–554.

CODIFICATION

Section was formerly classified to section 623 of former Title 5, Executive Departments and Government Officers and Employees, prior to the general revision and enactment of Title 5, Government Organization and Employees, by Pub. L. 89–554, § 1, Sept. 1, 1966, 80 Stat. 578.

TRANSFER OF FUNCTIONS

For transfer of functions, personnel, assets, and liabilities of the Department of Health and Human Services, including the functions of the Secretary of Health and Human Services and the Assistant Secretary for Public Health Emergency Preparedness [now Assistant Secretary for Preparedness and Response] relating thereto, to the Secretary of Homeland Security, and for treatment of related references, see former section 313(b) and (6), and sections 551(d), 552(d), and 557 of Title 6, Domestic Security, and the Department of Homeland Security Reorganization Plan of November 25, 2002, as modified, set out as a note under section 542 of Title 6.

EMERGENCY PREPAREDNESS FUNCTIONS

For assignment of certain emergency preparedness functions to Secretary of Health and Human Services, see Parts 1, 2, and 8 of Ex. Ord. No. 12656, Nov. 18, 1988, 53 F.R. 47491, set out as a note under section 5195 of this title.

ORDER OF SUCCESSION

For order of succession during any period when both Secretary and Deputy Secretary of Health and Human Services are unable to perform functions and duties of office of Secretary, see Ex. Ord. No. 13250, Dec. 28, 2001, 66 F.R. 47977, listed in a table under section 5195 of Title 6, Domestic Security, and the Department of Homeland Security Reorganization Plan of November 25, 2002, as modified, set out as a note under section 542 of Title 6.

REDUCING ADMINISTRATIVE BURDEN FOR RESEARCHERS


“(a) PLAN PREPARATION AND IMPLEMENTATION OF MEASURES TO REDUCE ADMINISTRATIVE BURDENS.—

“(1) IN GENERAL.—Not later than 2 years after the date of enactment of this Act [Dec. 13, 2016], the Secretary of Health and Human Services (referred to in this section as the 'Secretary') shall—

“(A) lead a review by research funding agencies of all regulations and policies related to the disclosure of financial conflicts of interest, including the minimum threshold for reporting financial conflicts of interest;

“(B) make revisions, as appropriate, to harmonize existing policies and reduce administrative burden on researchers while maintaining the integrity and credibility of research findings and protections of human participants; and

“(C) confer with the Office of the Inspector General about the activities of such office related to financial conflicts of interest involving research funding agencies.

“(2) CONSIDERATIONS.—In updating policies under paragraph (1)(B), the Secretary shall consider—

“(A) modifying the timelines for the reporting of financial conflicts of interest to just-in-time infor-
mation by institutions receiving grant or cooperative agreement funding from the National Institutes of Health;

(2) ensuring that financial interest disclosure reporting requirements are appropriate for, and relevant to, awards that will directly fund research, which may include modification of the definition of the term 'investigator' for purposes of the regulations and policies described in subparagraphs (A) and (B) of paragraph (1); and

(3) updating any applicable training modules of the National Institutes of Health related to Federal financial interest disclosure.

"(b) MONITORING OF SUBRECIPIENTS OF FUNDING FROM THE NATIONAL INSTITUTES OF HEALTH.—The Director of the National Institutes of Health (referred to in this section as the 'Director of National Institutes of Health') shall implement measures to reduce the administrative burdens related to monitoring of subrecipients of funding from the National Institutes of Health, which may incorporate findings and recommendations from existing and ongoing activities. Such measures may include, as appropriate—

"(1) an exemption from subrecipient monitoring requirements, upon request from the primary awardees, provided that—

"(A) the subrecipient is subject to Federal audit requirements pursuant to the Uniform Guidance of the Office of Management and Budget;

"(B) the primary awardee conducts, pursuant to guidance of the National Institutes of Health, a pre-award evaluation of each subrecipient’s risk of non-compliance with Federal statutes and regulations, the conditions of the subaward, and any recurring audit findings; and

"(C) such exemption does not absolve the primary awardee of liability for misconduct by subrecipients; and

"(2) the implementation of alternative grant structures that obviate the need for subrecipient monitoring, which may include collaborative grant models allowing for multiple primary awardees.

"(c) REPORTING OF FINANCIAL EXPENDITURES.—The Secretary, in consultation with the Director of National Institutes of Health, shall evaluate financial expenditure reporting procedures and requirements for recipients of funding from the National Institutes of Health and take action, as appropriate, to avoid duplication between department and agency procedures and requirements and minimize burden to funding recipients.

"(d) ANIMAL CARE AND USE IN RESEARCH.—Not later than 2 years after the date of enactment of this Act [Dec. 13, 2016], the Director of the National Institutes of Health, in collaboration with the Secretary of Agriculture and the Commissioner of Food and Drugs, shall complete a review of applicable regulations and policies for the care and use of laboratory animals and make revisions, as appropriate, to reduce administrative burden on investigators while maintaining the integrity and credibility of research findings and protection of research animals. In carrying out this effort, the Director of the National Institutes of Health shall seek the input of experts, as appropriate. The Director of the National Institutes of Health shall—

"(1) identify ways to ensure such regulations and policies are not inconsistent, overlapping, or unnecessarily duplicative, including with respect to inspection and review requirements by Federal agencies and accrediting associations;

"(2) take steps to eliminate or reduce identified inconsistencies, overlap, or duplication among such regulations and policies; and

"(3) take other actions, as appropriate, to improve the coordination of regulations and policies with respect to research with laboratory animals.

"(e) DOCUMENTATION OF PERSONNEL EXPENSES.—The Secretary shall clarify the applicability of the requirements under the Office of Management and Budget Uniform Guidance for management and certification systems adopted by entities receiving Federal research grants through the Department of Health and Human Services regarding documentation of personnel expenses, including clarification of the extent to which any flexibility to such requirements specified in such Uniform Guidance applies to entities receiving grants through the Department of Health and Human Services.

"(f) RESEARCH POLICY BOARD.—

"(1) ESTABLISHMENT.—Not later than 1 year after the date of enactment of this Act, the Director of the Office of Management and Budget shall establish an advisory committee, to be known as the 'Research Policy Board' (referred to in this subsection as the 'Board'), to provide Federal Government officials with information on the effects of regulations related to Federal research requirements.

"(2) MEMBERSHIP.—

"(A) In general.—The Board shall include not more than 10 Federal members, including each of the following Federal members or their designees:


"(ii) The Director of the Office of Science and Technology Policy.

"(iii) The Secretary of Health and Human Services.

"(iv) The Director of the National Science Foundation.

"(2) The implementation of alternative grant structures that obviate the need for subrecipient monitoring, which may include collaborative grant models allowing for multiple primary awardees.

"(c) REPORTING OF FINANCIAL EXPENDITURES.—The Secretary, in consultation with the Director of National Institutes of Health, shall evaluate financial expenditure reporting procedures and requirements for recipients of funding from the National Institutes of Health and take action, as appropriate, to avoid duplication between department and agency procedures and requirements and minimize burden to funding recipients.

"(d) ANIMAL CARE AND USE IN RESEARCH.—Not later than 2 years after the date of enactment of this Act [Dec. 13, 2016], the Director of the National Institutes of Health, in collaboration with the Secretary of Agriculture and the Commissioner of Food and Drugs, shall complete a review of applicable regulations and policies for the care and use of laboratory animals and make revisions, as appropriate, to reduce administrative burden on investigators while maintaining the integrity and credibility of research findings and protection of research animals. In carrying out this effort, the Director of the National Institutes of Health shall seek the input of experts, as appropriate. The Director of the National Institutes of Health shall—

"(1) identify ways to ensure such regulations and policies are not inconsistent, overlapping, or unnecessarily duplicative, including with respect to inspection and review requirements by Federal agencies and accrediting associations;

"(2) take steps to eliminate or reduce identified inconsistencies, overlap, or duplication among such regulations and policies; and

"(3) take other actions, as appropriate, to improve the coordination of regulations and policies with respect to research with laboratory animals.

"(e) DOCUMENTATION OF PERSONNEL EXPENSES.—The Secretary shall clarify the applicability of the requirements under the Office of Management and Budget Uniform Guidance for management and certification systems adopted by entities receiving Federal research grants through the Department of Health and Human Services regarding documentation of personnel expenses, including clarification of the extent to which any flexibility to such requirements specified in such Uniform Guidance applies to entities receiving grants through the Department of Health and Human Services.

"(2) MEMBERSHIP.—

"(A) In general.—The Board shall include not more than 10 Federal members, including each of the following Federal members or their designees:


"(ii) The Director of the Office of Science and Technology Policy.

"(iii) The Secretary of Health and Human Services.

"(iv) The Director of the National Science Foundation.

"(2) The implementation of alternative grant structures that obviate the need for subrecipient monitoring, which may include collaborative grant models allowing for multiple primary awardees.
the Board in anticipating future regulatory challenges, including challenges emerging from new scientific advances.

"(5) REPORTING REQUIREMENTS.—Not later than 2 years after the date of enactment of this Act, and once thereafter, the Board shall submit a report to the Director of the Office of Management and Budget, the Administrator of the Office of Information and Regulatory Affairs of the Office of Management and Budget, the Director of the Office of Science and Technology Policy, the heads of relevant Federal departments and agencies, the Committee on Health, Education, Labor, and Pensions of the Senate, and the Committee on Energy and Commerce of the House of Representatives containing formal recommendations for harmonization, development, and reconsideration of scientific research policy, including the regulatory benefits and burdens.

"SUNSET.—The Board shall terminate on September 30, 2021.

"(7) GAO REPORT.—Not later than 4 years after the date of enactment of this Act, the Comptroller General of the United States shall submit an independent evaluation of the activities carried out by the Board pursuant to this subsection and submit to the appropriate committees of Congress a report regarding the results of the independent evaluation. Such report shall review and assess the Board’s activities with respect to the responsibilities described in paragraph (3)."

DATA COLLECTION RELATING TO RACE OR ETHNICITY

Pub. L. 106–525, title III, §301, Nov. 22, 2000, 114 Stat. 2507, provided that:

"(a) STUDY.—The National Academy of Sciences shall conduct a comprehensive study of the Department of Health and Human Services’ data collection systems and practices, and any data collection or reporting systems required under any of the programs or activities of the Department, relating to the collection of data on race or ethnicity, including other Federal data collection systems (such as the Social Security Administration) with which the Department interacts to collect relevant data on race and ethnicity.

"(b) REPORT.—Not later than 1 year after the date of enactment of this Act [Nov. 22, 2000], the National Academy of Sciences shall prepare and submit to the Committees on Health, Education, Labor, and Pensions of the Senate and the Committee on Commerce [now Committee on Energy and Commerce] of the House of Representatives, a report that:

"(1) identifies the data needed to support efforts to evaluate the effects of socioeconomic status, race and ethnicity on access to health care and other services and on disparity in health and other social outcomes and the data needed to enforce existing protections for equal access to health care;

"(2) examines the effectiveness of the systems and practices of the Department of Health and Human Services described in subsection (a), including pilot and demonstration projects of the Department, and the effectiveness of selected systems and practices of other Federal, State, and tribal agencies and the private sector, in collecting and analyzing such data;

"(3) contains recommendations for ensuring that the Department of Health and Human Services, in administering its entire array of programs and activities, collects, or causes to be collected, reliable and complete information relating to race and ethnicity; and

"(4) includes projections about the costs associated with the implementation of the recommendations described in paragraph (3), and the possible effects of the costs on program operations.

"(c) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of carrying out this section, there are authorized to be appropriated such sums as may be necessary for fiscal year 2001."
SEC. 4. COMMISSIONER OF SOCIAL SECURITY

There shall be in the Department a Commissioner of Social Security who shall be appointed by the President by and with the advice and consent of the Senate, shall perform such functions concerning social security and public welfare as the Secretary may prescribe, and shall receive compensation at the rate now or hereafter fixed by law for grade GS-18 of the general schedule established by the Classification Act of 1949, as amended [chapter 51 and subchapter III of chapter 53 of Title 5, Government Organization and Employees].

SEC. 5. TRANSFERS TO THE DEPARTMENT

All functions of the Federal Security Administrator are hereby transferred to the Secretary. All agencies of the Federal Security Agency, together with their respective functions, personnel, property, records, and funds, available balances in connection with such administrative-service activities as the Secretary deems necessary for the conduct of any services so established, and other funds (available or to be made available), and all other functions, personnel, property, records, and unexpended balances of appropriations, allocations, and other funds (available or to be made available) of the several agencies and offices abolished by this section which are not otherwise provided for in this reorganization plan, are hereby abolished. The Secretary and Department of Health, Education, and Welfare, and as Commissioner of Social Security, respectively, until the offices are filled by appointment in the manner provided by sections 1, 2, and 4 of this reorganization plan, but not for a period of more than 60 days. While so acting, such persons shall receive compensation at the rates provided by this reorganization plan for the offices the functions of which they perform.

[The Secretary and Department of Health, Education, and Welfare were redesignated the Secretary and Department of Health and Human Services, respectively, by 20 U.S.C. 3506. For transfers of functions (relating to education) of the Secretary and Department of Health, Education, and Welfare to the Secretary and Department of Education, and termination of certain offices and positions, see 20 U.S.C. 3441 and 3503.]

MESSAGE OF THE PRESIDENT

To the Congress of the United States:

I transmit herewith Reorganization Plan No. 1 of 1953, prepared in accordance with the provisions of the Reorganization Act of 1949, as amended.

In my message of February 2, 1953, I stated that I would send to the Congress a reorganization plan defining a new administrative status for Federal activities in health, education, and social security. This plan carries out that intention by creating a Department of Health, Education, and Welfare as one of the executive departments of the Government and by transferring to it the various units of the Federal Security Agency. The Department will be headed by a Secretary of Health, Education, and Welfare, who will be assisted by an Under Secretary and two Assistant Secretaries.

The purpose of this plan is to improve the administration of the vital health, education, and social-security functions now being carried on in the Federal Security Agency by giving them departmental rank. Such action is demanded by the importance and magnitude of these functions, which affect the well-being of millions of our citizens. The programs carried on by the Public Health Service include, for example, the conduct and promotion of research into the prevention and cure of such dangerous ailments as cancer and heart disease. The Public Health Service also administers payments to the States for the support of their health services and for urgently needed hospital construction. The Office of Education collects, analyzes, and distributes to school administrators throughout the country information relating to the organization and management of educational systems. Among its other functions is the provision of financial help to school districts burdened by activities of the United States Government. State assistance to the aged, the blind, the totally disabled, and dependent children is heavily supported by grants-in-aid administered through the Social Security Administration. The old-age and survivors insurance system and the child development and welfare programs are additional responsibilities of that Administration. Other offices of the Federal Security Agency are responsible for the conduct of Federal vocational rehabilitation programs and for the enforcement of food and drug laws.

There should be an unremitting effort to improve those health, education, and social-security programs which have proved their value. I have already recommended the expansion of the social-security system to cover persons not now protected, the continuation of assistance to school districts whose population has been greatly increased by the expansion of defense activities, and the strengthening of our food and drug laws.

But good intent and high purpose are not enough; all such programs depend for their success upon efficient, responsible administration. I have recently taken action to assure that the Federal Security Administrator's views are given proper consideration in executive councils by inviting her to attend meetings of the Cabinet. Now the establishment of the new department provided for in Reorganization Plan No. 1 of 1953 will give the needed additional assurance that these matters will receive the full consideration they deserve in the whole operation of the Government.

This need has long been recognized. In 1923, President Harding proposed a Department of Education and Wel-
fare, which was also to include health functions. In 1924, the Joint Committee on Reorganization recommended a new department similar to that suggested by President Harding. In 1932, one of President Hoover's reorganization proposals called for the concentration of health, education, and recreational activities in a single executive department. The President's Committee on Administrative Management in 1937 recommended the placing of health, education, and social-security functions in a Department of Social Welfare. This recommendation was partially implemented in 1939 by the creation of the Federal Security Agency—by which action the Congress indicated its approval of the grouping of these functions in a single agency. A new department could not be proposed at that time because the Reorganization Act of 1939 prohibited the creation of additional executive departments. In 1949, the Commission on Organization of the Executive Branch of the Government proposed the creation of a department for social security and education.

The present plan will make it possible to give the officials directing the Department titles indicative of their responsibilities and salaries comparable to those received by their counterparts in other executive departments. As the Under Secretary of an executive department, the Secretary's principal assistant will be better equipped to give leadership in the Department's organization and management activities, for which he will be primarily responsible. The plan opens the way to further administrative improvement by authorizing the Secretary to centralize services and activities common to the several agencies of the Department. It also established a uniform method of appointment for the heads of the three major constituent agencies. At present, the Surgeon General and the Commissioner of Education are appointed by the President and confirmed by the Senate, while the Commissioner for Social Security is appointed by the Federal Security Administrator. Hereafter, all three will be Presidential appointees subject to Senate confirmation.

I believe, and this plan reflects my conviction, that these several fields of Federal activity should continue within the framework of a single department. The plan at the same time assures that the Office of Education and the Public Health Service retain the professional and substantive responsibilities vested by law in those agencies or in their heads. The Surgeon General, the Commissioner of Education, and the Commissioner of Social Security will all have direct access to the Secretary.

There should be in the Department an Advisory Committee on Education, made up of persons chosen by the Secretary from outside the Federal Government, which will advise the Secretary with respect to the educational programs of the Department. I recommend the enactment of legislation authorizing the defrayal of the expenses of this Committee. The creation of such a Committee as an advisory body to the Secretary will help ensure the maintenance of responsibility for the public educational system in State and local governments while preserving the national interest in education through appropriate Federal action.

After investigation I have found and hereby declare that each reorganization included in Reorganization Plan No. 1 of 1933 is necessary to accomplish one or more of the purposes set forth in section 2(a) of the Reorganization Act of 1949, as amended. I have also found and hereby declare that by reason of these reorganizations, it is necessary to include in the reorganization plan provisions for the appointment and compensation of the new officers specified in sections 1, 2, 3, and 4 of the reorganization plan. The rates of compensation fixed for these officers are, respectively, those which I have found to prevail in respect of comparable officers in the executive branch of the Government.

Although the effecting of the reorganizations provided for in the reorganization plan will not in itself result in immediate savings, these savings in administration will in the future allow the performance of necessary services at greater savings than present operations would permit. An itemization of these savings in advance of actual experience is not practicable.

Dwight D. Eisenhower.

THE WHITE HOUSE, March 12, 1953.

EX. ORD. No. 11583, OFFICE OF CONSUMER AFFAIRS


Consumer protection fosters a market place in which our competitive economic system flourishes best. It is good for businessmen because it gives the consumer greater confidence in the goods and services provided by business. It is good for consumers because it reinforces the concept of buyers' rights:

— the right to make an intelligent choice among products and services;
— the right to accurate information on which to make a free choice;
— the right to expect that the health and safety of the buyer is taken into account by those who seek his patronage;
— the right to register dissatisfaction, and have a complaint heard and weighed, when a buyer's interests are badly served.

The Special Assistant to the President for Consumer Affairs is performing an important role in representing consumer interests in the Federal Government. It is important that the role of the office of the Special Assistant be reinforced by increasing its responsibilities and reemphasizing its importance.

There is need for a consumer office within the Executive Office of the President, which not only advises and represents the President on matters of consumer interest, but also analyzes and coordinates the implementation of all Federal activities in the field of consumer protection, helping to establish priorities and resolve conflicts, and recommending ways in which governmental consumer programs can be made more effective. NOW, THEREFORE, by virtue of the authority vested in me as President of the United States, it is ordered as follows:

SECTION 1. Office of Consumer Affairs. The Office of Consumer Affairs (hereinafter referred to as the "Office") is hereby established in the Executive Office of the President. The Office shall be headed by a Director, who shall be appointed by the President, and there shall be in the Office two Deputy Directors who shall also be appointed by the President. The Deputy Directors shall perform such duties as the Director may designate, and in case of a vacancy in the office of Director or during the absence or incapacity of the Director, the Deputy Directors, in the order designated by the President, shall act as Director. The Director and Deputy Directors shall receive compensation at such rates as the President, consonant with law, may hereafter determine.

SEC. 2. POWERS AND DUTIES OF THE DIRECTOR. (a) The Director shall be responsible for the exercise of the powers and the discharge of the duties of the Office, and shall have the authority to direct and supervise all personnel and activities thereof. The Director shall take all actions as may be necessary to organize the Office so as to carry out the functions and to achieve the purposes set forth in this order.

(b) In addition to any other office referred upon him by this order, the Director is authorized, in carrying out his functions hereunder, to—

(1) appoint one or more advisory committees composed of such private citizens and officials of the Federal, State, and local governments as he deems desirable to advise him with respect to his functions. Members of such committees (including the Consumer Advisory Council established in section 5 of this order) other than those regularly employed by the Federal Government, while attending meetings of such committees or otherwise serving at the request of the Director,
shall be entitled to receive compensation and travel expenses as authorized by law for persons serving interminently.

(2) promulgate such rules, regulations, and procedures as may be necessary to carry out the functions vested in him or in the Office, and delegate authority for the performance of any function to any officer or employee under his direction and supervision;

(3) utilize, with their consent, the services, personnel, and facilities of other Federal, State, local and private agencies and instrumentalities with or without reimbursement thereof except as reimbursement may be required by law; and

(c) The Director shall report periodically to the President on significant developments affecting the interests of consumers together with such recommendations including legislative recommendations as he deems appropriate.

S E C. 3. Functions. (a) The Office shall advise the President as to all matters affecting the interest of consumers.

(b) The Office shall—

(1) with respect to consumer interests in Federal policies and programs, encourage and assist in development and implementation of consumer programs; coordinate and review policies and programs; seek resolution of conflicts; advise and make recommendations to Federal agencies with respect to policy matters, the effectiveness of their programs and operations, and the elimination of duplications;

(2) assure that the interests of consumers are presented and considered in a timely manner by the appropriate levels of the Federal Government in the formulation of policies and in the operation of programs that affect the consumer interests;

(3) conduct investigations, conferences, and surveys concerning the needs, interests and problems of consumers, except that it shall, where feasible, avoid duplicating activities conducted by other Federal agencies;

(4) submit recommendations to the President on how Federal programs and activities affecting consumers can be improved;

(5) take action with respect to consumer complaints to the extent authorized by section 4 of this order;

(6) perform the functions assigned to the President’s Committee on Consumer Interests in Executive Order No. 11566 of October 26, 1970;

(7) encourage and coordinate the development of information of interest to consumers by Federal agencies and the publication and distribution of materials which will inform consumers of matters of interest to them in language which is readily understandable by the layman;

(8) encourage and coordinate research conducted by Federal agencies leading to improved consumer products, services, and consumer information;

(9) encourage, initiate, coordinate, evaluate, and participate in consumer education programs and consumer counseling programs;

(10) encourage, cooperate with, and assist State and local governments in the promotion and protection of consumer interests; and

(11) cooperate with and encourage private enterprise in the promotion and protection of consumer interest.

S E C. 4. Consumer complaints. (a) Whenever the Office receives from any source complaints or other information disclosing a possible violation of (1) any law of the United States or (2) any rule or order of any Federal agency concerning consumer interests, the Office shall promptly transmit such complaint or other information to the Federal agency charged with the duty of enforcing such law, rule, or order, for appropriate action.

(b) Whenever the Office receives complaints or other information disclosing any commercial or trade practice which it deems detrimental to the general interests of consumers within the United States, and which is not now, or which is not subject to, regulation by the Federal Government, the Office shall promptly transmit such complaint or other information to the Federal Government charged with the duty of enforcing such law, rule, or order, for appropriate action.

(c) The President shall appoint an Advisory Council to advise and make recommendations to the Director as to the effective implementation of consumer programs; coordinate the activities conducted by other Federal agencies leading to improved consumer products, services, and consumer information; and establish and operate a clearinghouse and facilities of other Federal, State, local and private agencies and instrumentalities.

(d) The Office shall conduct such investigations, conferences, and surveys as may be necessary to carry out the functions and responsibilities imposed by this order and to carry out any action of a nature which can reasonably be construed as substantially affecting the interests of consumers.

E X E C. O R D. No. 11702. TRANSFER OF OFFICE OF CONSUMER AFFAIRS


Under and by virtue of the authority vested in me by section 301 of title 3 of the United States Code (section 301 of title 3, The President) and as President of the United States of America, it is hereby ordered as follows:

S E C T I O N 1. The Office of Consumer Affairs, established by Executive Order No. 11583 of February 24, 1971, as amended by Executive Order No. 11586 of May 26, 1971 [set out above], together with its functions, is hereby transferred from the Executive Office of the President to the Department of Health and Human Services. The Director of the Office of Consumer Affairs shall con-
1–1. ESTABLISHMENT OF THE CONSUMER AFFAIRS COUNCIL
1–1. There is hereby established the Consumer Affairs Council (hereinafter referred to as the “Council”). 1–101. The Council shall consist of representatives of the following agencies and such other officers or employees of the United States as the President may designate as members:
(a) Department of Agriculture.
(b) Department of Commerce.
(c) Department of Defense.
(d) Department of Energy.
(e) Department of Health and Human Services.
(f) Department of Housing and Urban Development.
(g) Department of the Interior.
(h) Department of Justice.
(i) Department of Labor.
(j) Department of State.
(k) Department of Transportation.
(l) Department of the Treasury.
(m) Department of Homeland Security.
(n) ACTION Agency [now Corporation for National and Community Service].
(o) Administrative Conference of the United States.
(p) Community Services Administration.
(q) Department of Education.
(r) Environmental Protection Agency.
(s) Equal Employment Opportunity Commission.
(t) General Services Administration.
(u) Small Business Administration.
(v) Tennessee Valley Authority.
(w) Veterans Administration [now Department of Veterans Affairs].
x) Commission on Civil Rights is invited to participate.

Each agency on the Council shall be represented by the head of the agency or by a senior-level official designated by the head of the agency

1–2. FUNCTIONS OF THE COUNCIL
1–201. The Council shall provide leadership and coordination to ensure that agency consumer programs are implemented effectively; and shall strive to maximize effort, promote efficiency and interagency cooperation, and to eliminate duplication and inconsistency among agency consumer programs.

1–3. DESIGNATION AND FUNCTIONS OF THE CHAIRPERSON
1–301. The President shall designate the chairperson of the Council (hereinafter referred to as the “Chairperson”).
1–302. The Chairperson shall be the presiding officer of the Council and shall determine the times when the Council shall convene.
1–303. The Chairperson shall establish such policies, definitions, procedures, and standards to govern the implementation, interpretation, and application of this Order, and generally perform such functions and take such steps, as are necessary or appropriate to carry out the provisions of this Order.

1–4. CONSUMER PROGRAM REFORMS
1–401. The Chairperson, assisted by the Council, shall ensure that agencies review and revise their operating procedures so that consumer needs and interests are adequately considered and addressed. Agency consumer programs should be tailored to fit particular agency characteristics, but those programs shall include, at a minimum, the following five elements:
(a) Consumer Affairs Perspectives. Agencies shall have identifiable, accessible professional staffs of consumer affairs personnel authorized to participate, in a manner not inconsistent with applicable statutes, in the development and review of all agency rules, policies, programs, and legislation.
(b) Consumer Participation. Agencies shall establish procedures for the early and meaningful participation by consumers in the development and review of all agency rules, policies, and programs. Such procedures shall include provisions to assure that consumer concerns are adequately analyzed and considered in decisionmaking. To facilitate the expression of those concerns, agencies shall provide for forums at which consumers can meet with agency decisionmakers. In addition, agencies shall make affirmative efforts to inform consumers of pending proceedings and of the opportunities available for participation therein.
(c) Informational Materials. Agencies shall produce and distribute materials to inform consumers about the agencies’ responsibilities and services, about their procedures for consumer participation, and about aspects of the marketplace for which they have responsibility. In addition, each agency shall make available to consumers who attend agency meetings open to the public materials designed to make those meetings comprehensible to them.
(d) Education and Training. Agencies shall educate their staff members about the Federal consumer policy embodied in this Order and about the agencies’ programs for carrying out that policy. Specialized training shall be provided to agency consumer affairs personnel and, to the extent considered appropriate by each agency and in a manner not inconsistent with applicable statutes, technical assistance shall be made available to consumers and their organizations.
(e) Complaint Handling. Agencies shall establish procedures for systematically logging in, investigating, and responding to consumer complaints, and for integrating analyses of complaints into the development of policy.
1–402. The head of each agency shall designate a senior-level official within that agency to exercise, as the official’s sole responsibility, policy direction for, and coordination and oversight of, the agency’s consumer activities. The designated official shall report directly to the head of the agency and shall apprise the head of the potential impact on consumers of particular policy initiatives under development or review within the agency.

1–5. IMPLEMENTATION OF CONSUMER PROGRAM REFORMS
1–501. Within 60 days after the issuance of this Order, each agency shall prepare a draft report setting forth with specificity its program for complying with the requirements of Section 1–4 above. Each agency shall publish its draft consumer program in the Federal Register and shall give the public 60 days to comment on the program. A copy of the program shall be sent to the Council.
1–502. Each agency shall, within 30 days after the close of the public comment period on its draft consumer program, submit a revised program to the Chairperson. The Chairperson shall be responsible, on behalf of the President, for approving agency programs for compliance with this Order before their final publication in the Federal Register. Each agency’s final program shall be published no later than 90 days after the close of the public comment period, and shall include a summary of public comments on the draft program and a discussion of how those comments are reflected in the final program.
1–503. Each agency’s consumer program shall take effect no later than 30 days after its final publication in the Federal Register.

1–504. The Chairperson, with the assistance and advice of the Council, shall monitor the implementation by agencies of their consumer programs.

1–505. The Chairperson shall, promptly after the close of each fiscal year, submit to the President a full report on government-wide progress under this Order during the previous fiscal year. In addition, the Chairperson shall evaluate, from time to time, the consumer programs of particular agencies and shall report to the President as appropriate. Such evaluations shall be informed by appropriate consultations with interested parties.

1–6. BUDGET REVIEW

1–601. Each agency shall include a separate consumer program exhibit in its yearly budget submission to the Office of Management and Budget. By October 1 of each year the Director of the Office of Management and Budget shall provide the Chairperson with a copy of each of these exhibits. The Chairperson shall thereafter provide OMB with an analysis of the adequacy of the management of, and the funding and staff levels for, particular agency consumer programs.

1–7. CIVIL SERVICE INITIATIVES

1–701. In order to strengthen the professional standing of consumer affairs personnel, and to improve the recruitment and training of such personnel, the Office of Personnel Management shall consult with the Council regarding:

(a) the need for new or revised classification and qualification standard(s), consistent with the requirements of Title 5, United States Code, to be used by agencies in their classification of positions which include significant consumer affairs duties;

(b) the recruitment and selection of employees for the performance of consumer affairs duties; and

(c) the training and development of employees for the performance of such duties.

1–8. ADMINISTRATIVE PROVISIONS

1–801. Executive agencies shall cooperate with and assist the Council and the Chairperson in the performance of their functions under this Order and shall on a timely basis furnish them with such reports as they may request.

1–802. The Chairperson shall utilize the assistance of the United States Office of Consumer Affairs in fulfilling the responsibilities assigned to the Chairperson under this Order.

1–803. The Chairperson shall be responsible for providing the Council with such administrative services and support as may be necessary or appropriate; agencies shall assign, to the extent not inconsistent with applicable statutes, such personnel and resources to the activities of the Council and the Chairperson as will enable the Council and the Chairperson to fulfill their responsibilities under this Order.

1–804. The Chairperson may invite representatives of non-member agencies, including independent regulatory agencies, to participate from time to time in the functions of the Council.

1–9. DEFINITIONS

1–901. “Consumer” means any individual who uses, purchases, acquires, attempts to purchase or acquire, or is offered or furnished any real or personal property, tangible or intangible goods, services, or credit for personal, family, or household purposes.

1–902. “Agency” or “agencies” means any department or agency in the executive branch of the Federal government, except that the term shall not include:

(a) independent regulatory agencies, except as noted in subsection 1–401;

(b) agencies to the extent that their activities fall within the categories excepted in Sections 6(b)(2), (3), (4), and (6) of Executive Order No. 12044 [5 U.S.C. 553 note].

(c) agencies to the extent that they demonstrate within 30 days of the date of issuance of this Order, to the satisfaction of the Chairperson with the advice of the Council, that their activities have no substantial impact upon consumers.

EXECTIVE ORDER No. 13125


§ 3501a. Additional Assistant Secretaries

There shall be in the Department of Health and Human Services, in addition to the Assistant Secretaries now provided for by law, three additional Assistant Secretaries of Health and Human Services, who shall be appointed by the President, by and with the advice and consent of the Senate. The provisions of section 2 of the Reorganization Plan Numbered 1 of 1953 (67 Stat. 631) shall be applicable to such additional Assistant Secretaries to the same extent as they are applicable to the Assistant Secretaries authorized by that section.


REFERENCES IN TEXT

Reorganization Plan Numbered 1 of 1953, referred to in text, is set out as a note under section 202 of this title.

CONSIDERATION

Section was formerly classified to section 622h of former Title 5, Executive Departments and Government Officers and Employees, prior to the general revision and enactment of Title 5, Government Organization and Employees, by Pub. L. 89–554, § 1, Sept. 1, 1966, 80 Stat. 376.

CHANGE OF NAME

“Department of Health and Human Services” and “Assistant Secretaries of Health and Human Services” substituted in text for “Department of Health, Education, and Welfare” and “Assistant Secretaries of Health, Education, and Welfare”, respectively, pursuant to section 509(b) of Pub. L. 96–88, which is classified to section 3506(b) of Title 20, Education.

ASSISTANT SECRETARY FOR PUBLIC AFFAIRS

Pub. L. 112–166, § 2(e)(1), Aug. 10, 2012, 126 Stat. 1284, provided that: “Notwithstanding any other provision of law, the appointment of an individual to serve as the Assistant Secretary for Public Affairs within the Department of Health and Human Services shall not be subject to the advice and consent of the Senate.”

§ 3502. Assistant Secretary for Administration; appointment and duties

There shall be in the Department of Health and Human Services an Assistant Secretary for Administration who shall be appointed, with the approval of the President, by the Secretary of Health and Human Services under the classified civil service, who shall perform such duties as the Secretary shall prescribe.
section 3504(b) of this title.

80 Stat. 378.

tion and Employees, by Pub. L. 89–554, § 1, Sept. 1, 1966,
former Title 5, Executive Departments and Govern-
ment Officers and Employees, prior to the general revi-
sion and enactment of Title 5, Government Organization
and Employees, by Pub. L. 89–554, § 1, Sept. 1, 1966,
80 Stat. 378.

AMENDMENTS
1964—Pub. L. 88–426, § 305(34), struck out provisions
which prescribed compensation of Administrative As-

CHANGE OF NAME
"Department of Health and Human Services", "As-

Assistant Secretary of Health and Human Services", and
"Secretary of Health and Human Services" substituted
in text for "Department of Health, Education, and Wel-
fare", "Assistant Secretary of Health, Education, and
Welfare", and "Secretary of Health, Education, and
Welfare", respectively, pursuant to section 509(b) of
Pub. L. 96–88, which is classified to section 3508(b) of
Title 20, Education.

"Assistant Secretary of Health, Education, and Wel-
fare for Administration" substituted for "Administrative
Assistant Secretary of Health, Education, and Wel-

EFFECTIVE DATE OF 1964 AMENDMENT
Amendment by Pub. L. 88–426 effective on the first
day of the first pay period which begins on or after
July 1, 1964, except to the extent provided in section
501(c) of Pub. L. 88–426, see section 501 of Pub. L. 88–426,

EFFECTIVE DATE
Section effective on the first day of the first pay pe-
riod which begins on or after July 1, 1965, see section

§ 3502a. Administrator of Social and Rehabilita-
tion Service; appointment and confirmation

Appointments made on or after October 30, 1972, to the office of Administrator of the Social
and Rehabilitation Service, within the Depart-
ment of Health and Human Services, shall be
made by the President, by and with the advice
and consent of the Senate.

Stat. 1459; Pub. L. 96–88, title V, § 509(b), Oct. 17,
1979, 93 Stat. 695.)

CHANGE OF NAME
"Department of Health and Human Services" sub-
stituted in text for "Department of Health, Education,
and Welfare" pursuant to section 509(b) of Pub. L. 96–88,
which is classified to section 3508(b) of Title 20, Edu-
cation.

§ 3503. Omitted

CODIFICATION

Section, act July 31, 1956, ch. 802, § 2, 70 Stat. 733, pro-
vided for the appointment and compensation of a Gen-
eral Counsel in the Department of Health, Education,
and Welfare, and has been omitted in view of section
3504 of this title, which abolished the office as it existed
on July 31, 1956, upon appointment and qualification of
General Counsel provided for by section 3504(a) of this
title, or Apr. 1, 1957, whichever occurred earlier. See
section 3504(b) of this title.

Section was formerly classified to section 623b of
former Title 5, Executive Departments and Govern-
ment Officers and Employees, prior to the general revi-
sion and enactment of Title 5, Government Organiza-

§ 3504. General Counsel; appointment

(a) The President shall appoint on and after
July 31, 1956, by and with the advice and consent of
the Senate, a General Counsel of the Depart-
ment of Health and Human Services.

(b) The existing office of General Counsel of
the Department of Health and Human Services
shall be abolished effective upon the appoint-
ment and qualification of the General Counsel
provided for by subsection (a) or April 1, 1957,
whichever is earlier.

(July 31, 1956, ch. 804, title III, § 301, 70 Stat. 742;
Pub. L. 96–88, title V, § 509(b), Oct. 17, 1979, 93
Stat. 695.)

CODIFICATION
Section is based on that part of section 301 of act
July 31, 1956, relating to the General Counsel of the De-
partment of Health, Education, and Welfare [now
Health and Human Services]. That part of such section
301 relating to the General Counsel of the Department
of Agriculture, is classified to section 2214 of Title 7,
Agriculture. That part of such section 301 relating to
the General Counsel of the Post Office Department was
enacted as section 307 of Title 39 by Pub. L. 86–682,
Sept. 2, 1960, 74 Stat. 580. Such provisions were elimi-
nated from Title 39 by the Postal Reorganization Act,

Section was formerly classified to section 632c of
former Title 5, Executive Departments and Govern-
ment Officers and Employees, prior to the general revi-
sion and enactment of Title 5, Government Organiza-

§ 3505. Seal

The Secretary of the Department of Health
and Human Services is authorized to adopt an
official seal to be used as directed by the said
Secretary on appropriate occasions in connec-
tion with the functions of such Department or of
any office, bureau, board, or establishment
which is or shall hereafter become a part of such
Department, and such seal shall be judicially
noticed. Copies of any books, records, papers, or
other documents in the Department of Health
and Human Services shall be admitted in evi-
dence equally with the originals thereof when
authenticated under such seal.

(May 9, 1941, ch. 97, 55 Stat. 184; 1953 Reorg. Plan
631; Pub. L. 96–88, title V, § 509(b), Oct. 17, 1979, 93
Stat. 695.)

CODIFICATION
Section was formerly classified to section 623d of
former Title 5, Executive Departments and Govern-
ment Officers and Employees, prior to the general revi-
sion and enactment of Title 5, Government Organiza-
§ 3505a. Office of Population Affairs; establishment; Deputy Assistant Secretary for Population Affairs; appointment; staff and consultants

(a) There is established within the Department of Health and Human Services an Office of Population Affairs to be directed by a Deputy Assistant Secretary for Population Affairs under the direct supervision of the Assistant Secretary for Health and Scientific Affairs. The Deputy Assistant Secretary for Population Affairs shall be appointed by the Secretary.

(b) The Secretary is authorized to provide the Office of Population Affairs with such full-time professional and clerical staff and with the services of such consultants as may be necessary for it to carry out its duties and functions.


CHANGE OF NAME

“Department of Health and Human Services” substituted for “Department of Health, Education, and Welfare” in subsec. (a) pursuant to section 509(b) of Pub. L. 96–88, which is classified to section 3508(b) of Title 20, Education.

§ 3505b. Functions and duties of Deputy Assistant Secretary for Population Affairs

The Secretary shall utilize the Deputy Assistant Secretary for Population Affairs—

(1) to administer all Federal laws for which the Secretary has administrative responsibility and which provide for or authorize the making of grants or contracts related to population research and family planning programs;

(2) to administer and be responsible for all population and family planning research carried on directly by the Department of Health and Human Services or supported by the Department through grants to, or contracts with, entities and individuals;

(3) to act as a clearinghouse for information pertaining to domestic and international population research and family planning programs for use by all interested persons and public and private entities;

(4) to provide a liaison with the activities carried on by other agencies and instruments of the Federal Government relating to population research and family planning;

(5) to provide or support training for necessary manpower for domestic programs of population research and family planning programs of service and research; and

(6) to coordinate and be responsible for the evaluation of the other Department of Health and Human Services programs related to population research and family planning and to make periodic recommendations to the Secretary.


CHANGE OF NAME

“Department of Health and Human Services” substituted for “Department of Health, Education, and Welfare” in pars. (2) and (6) pursuant to section 509(b) of Pub. L. 96–88, which is classified to section 3508(b) of Title 20, Education.


Section, Pub. L. 91–572, §5, Dec. 24, 1970, 84 Stat. 1505, required the Secretary to submit a report to Congress not later than six months after Dec. 24, 1970, setting forth a plan for the implementation of family planning and population research programs under section 300 et seq. of this title.

EFFECTIVE DATE OF REPEAL

Repeal effective July 1, 1975, see section 608 of Pub. L. 94–63, set out as an Effective Date of 1975 Amendment note under section 247b of this title.

§ 3505d. National Health Professional Shortage Clearinghouse

(a) Establishment; function

There is established in the Department of Health and Human Services a National Health Professional Shortage Clearinghouse. It shall be the function of the Clearinghouse to provide information to, and maintain listings of, (1) communities and areas with health professional needs, and (2) prospective health workers interested in such opportunities.

(b) Information and listing services available without charge

Information and listing services performed by the Clearinghouse shall be provided free of charge to all interested health professionals and to all communities and groups within the areas determined by the Secretary under section 294n(f)1 of this title to have a shortage of and need for health professionals.

(c) Authorization of appropriations

There are authorized to be appropriated such sums as are necessary to establish, operate, and maintain the Clearinghouse created by subsection (a).


REFERENCES IN TEXT

Section 294n of this title, referred to in subsec. (b), was in the original a reference to section 741 of act July

1See References in Text note below.
1, 1944. Section 741 of that Act was omitted in the general revision of subchapter V of this chapter by Pub. L. 102–368, title I, §102, Oct. 13, 1992, 106 Stat. 1994. Pub. L. 102–368 enacted a new section 776 of act July 1, 1944, relating to acquired immune deficiency syndrome, which was classified to section 294n of this title and was subsequently renumbered section 2692 and transferred to section 300ff–111 of this title.

**CHANGE OF NAME**

"Department of Health and Human Services" substituted for "Department of Health, Education, and Welfare" in subsec. (a) pursuant to section 509(b) of Pub. L. 96–88, which is classified to section 3508(b) of Title 20, Education.

**AMENDMENTS**


§ 3506. Travel and subsistence expenses of officers and employees in connection with attendance at meetings or in performing advisory services

To the extent and under the conditions provided by regulations of the Secretary, officers (including commissioned officers of the Public Health Service) and employees of the Department of Health and Human Services may on and after June 29, 1957, in connection with their attendance at meetings or in performing advisory services, be retained by them to cover the cost thereof or deposited to the credit of the appropriation from which the cost thereof is paid, as may be provided, in such regulations.


**CODIFICATION**

Section was formerly classified to section 623f of former Title 5, Executive Departments and Government Officers and Employees, prior to the general revision and enactment of Title 5, Government Organization and Employees, by Pub. L. 89–554, §1, Sept. 1, 1966, 80 Stat. 378.

**TRANSFER OF FUNCTIONS**

Functions of Public Health Service, Surgeon General of Public Health Service, and all other officers and employees of Public Health Service, and functions of all agencies of or in Public Health Service transferred to Secretary of Health, Education, and Welfare by Reorg. Plan No. 3 of 1966, eff. June 25, 1966, 31 F.R. 8825, 80 Stat. 1610, set out in the Appendix to Title 5, Government Organization and Employees. Secretary of Health, Education, and Welfare redesignated Secretary of Health and Human Services by section 509(b) of Pub. L. 96–88, which is classified to section 3508(b) of Title 20, Education.

§ 3506a. Scientific engagement

(a) In general

Scientific meetings that are attended by scientific or medical personnel, or other professionals, of the Department of Health and Human Services for whom attendance at such meeting is directly related to their professional duties and the mission of the Department—

(1) shall not be considered conferences for the purposes of complying with Federal reporting requirements contained in annual appropriations Acts or in this section; and

(2) shall not be considered conferences for purposes of a restriction contained in an annual appropriations Act, based on Office of Management and Budget Memorandum M-12-12 or any other regulation restricting travel to such meeting.

(b) Limitation

Nothing in this section shall be construed to exempt travel for scientific meetings from Federal regulations relating to travel.

(c) Reports

Not later than 90 days after the end of the fiscal year, each operating division of the Department of Health and Human Services shall prepare, and post on an Internet website of the operating division, an annual report on scientific meeting attendance and related travel spending for each fiscal year. Such report shall include—

(1) general information concerning the scientific meeting activities involved;

(2) information concerning the total amount expended for such meetings;

(3) a description of all such meetings that were attended by scientific or medical personnel, or other professionals, of each such operating division where the total amount expended by the operating division associated with each such meeting were in excess of $30,000, including—

(A) the total amount of meeting expenses incurred by the operating division for such meeting;

(B) the location of such meeting;

(C) the date of such meeting;

(D) a brief explanation on how such meeting advanced the mission of the operating division; and

(E) the total number of individuals whose travel expenses or other scientific meeting expenses were paid by the operating division; and

(4) with respect to any such meeting where the total expenses to the operating division exceeded $150,000, a description of the exceptional circumstances that necessitated the expenditure of such amounts.


§ 3507. Transfer of personnel and household goods; delegation of Secretary's authority

The Secretary of Health and Human Services may on and after July 12, 1943, delegate to such officers and employees as he may designate for the purpose all his authority in connection with the transfer of personnel and household goods and effects from one official station to another.

Codification

Section was formerly classified to section 623e of former Title 5, Executive Departments and Government Officers and Employees, prior to the general revision and enactment of Title 5, Government Organization and Employees, by Pub. L. 89–554, §1, Sept. 1, 1966, 80 Stat. 378.

Section is from the Labor-Federal Security Appropriation Act, 1944.

Prior Provisions

Provisions similar to those in this section were contained in the following prior appropriation acts:

Transfer of Functions

Functions of Federal Security Administrator transferred to Secretary of Health, Education, and Welfare and all agencies of Federal Security Agency transferred to Department of Health, Education, and Welfare by section 5 of Reorg. Plan No. 1 of 1953 set out as a note under section 202 of this title, and office of Administrator abolished by section 8 of said Reorg. Plan No. 1 of 1953. Secretary and Department of Commerce, Education, and Welfare redesignated Secretary and Department of Health and Human Services by section 509(b) of Pub. L. 96–88, which is classified to section 3508(b) of Title 20, Education.

§ 3508. Omitted

Codification

Section, which authorized the Secretary to make transfers of motor vehicles between bureaus and offices without transfer of funds, was from section 202 of the Department of Labor, Health, Education, and Welfare Appropriation Act, 1976 (Pub. L. 94–206, title II, Jan. 28, 1976, 90 Stat. 20), and was not repeated in subsequent appropriation acts.

Similar provisions were contained in the following prior appropriation acts:


§§ 3510, 3511. Transferred

Codification

Section 3510, Pub. L. 91–667, title II, Jan. 11, 1971, 84 Stat. 2015, which related to the Working Capital Fund, was transferred to section 3513a of this title.


§ 3512. Office to assist small manufacturers of medical devices; establishment

The Secretary of Health and Human Services shall establish within the Department of Health and Human Services an identifiable office to provide technical and other nonfinancial assistance to small manufacturers of medical devices to assist them in complying with the requirements of the Federal Food, Drug, and Cosmetic Act [21 U.S.C. 301 et seq.], as amended by this Act.


References in Text

Federal Food, Drug, and Cosmetic Act, referred to in text, is act June 25, 1938, ch. 675, 52 Stat. 1040, as amended, which is classified generally to chapter 9 (§ 301 et seq.) of Title 21, Food and Drugs. For complete classification of this Act to the Code, see section 301 of Title 21 and Tables.

This Act, referred to in text, means Pub. L. 94–295, May 28, 1976, 90 Stat. 589, known as the Medical Device Amendments of 1976, which enacted this section, sections 369c to 369k, 379, 379a, of Title 21, amended sections 321, 331, 334, 351, 352, 358, 360, 374, 376 (now 379e), and 381 of Title 21, section 50 of Title 15, Commerce and Trade, and enacted provisions set out as notes under section 301 of Title 21. For complete classification of this Act to the Code, see Short Title of 1976 Amendment note set out under section 301 of Title 21 and Tables.

Change of Name

“Secretary of Health and Human Services” and “Department of Health and Human Services” substituted in text for “Secretary of Health, Education, and Welfare” and “Department of Health, Education, and Welfare”, respectively, pursuant to section 509(b) of Pub. L. 96–88, which is classified to section 3508(b) of Title 20, Education.

§ 3513. Working capital fund; establishment; amount; use; reimbursement

There is established a working capital fund, to be available without fiscal year limitation, for expenses necessary for the maintenance and operation of (1) a central reproduction service; (2) a central visual exhibit service; (3) a central supply service for supplies and equipment for which adequate stocks may be maintained to meet in whole or in part the requirements of the Department; (4) a central tabulating service; (5) telephone, mail, and messenger services; (6) a central accounting and payroll service; and (7) a central laborers’ service. Provided, That any stocks of supplies and equipment on hand or on
order shall be used to capitalize such fund: Provided further, That such fund shall be reimbursed in advance from funds available to bureaus, offices, and agencies for which such centralized services are performed at rates which will return in full all expenses of operation, including reserves for accrued annual leave and depreciation of equipment. 


Codification

Section was enacted as part of title II of act July 5, 1952, popularly known as the Federal Security Agency Appropriation Act, 1953.

Section was formerly classified to section 905 of this title.

Amendments

1969—Pub. L. 86–703 made fund available for maintenance and operation of a central visual exhibit service, telephone, mail and messenger services, a central accounting and payroll service, and a central laborers' service.

Transfer of Functions


§ 3513a. Working capital fund; availability for centralized personnel data collection and reporting and common regional administrative support services

The Working Capital Fund of the Department of Health and Human Services shall on and after January 11, 1971, be available for expenses necessary for centralized personnel data collection and reporting and common regional administrative support services.


Codification

Section was enacted as part of title II of Pub. L. 91–667, popularly known as the Department of Health, Education, and Welfare Appropriation Act, 1971.

Section was formerly classified to section 5610 of this title.

Change of Name

“Department of Health and Human Services” substituted in text for “Department of Health, Education, and Welfare” pursuant to section 509(b) of Pub. L. 96–88, which is classified to section 3508(b) of Title 20, Education.

§ 3514. Special account for grants of Department; reports

There is hereby established on the books of the Treasury an account or accounts without fiscal year limitation. There shall be deposited in such account, to the extent provided by the Secretary of Health and Human Services or his designee, all or part of any grant awarded by the Secretary or any other officer or employee of the Department of Health and Human Services. Payments of any such grant shall from time to time be made to the grantee from such account or accounts, subject to such limitations relating to fund accumulation as the Secretary may prescribe, to the extent needed to carry out the purposes of any such grant. Such reports as the Secretary or other officer awarding the grant may find necessary to assure expenditure of funds for the purpose of and in accordance with the terms and conditions of the grant shall be made to the Secretary or such officer by any such grantee.


Codification

Section was formerly classified to section 553 of former Title 31, Money and Finance.

Change of Name

“Secretary of Health and Human Services” and “Department of Health and Human Services” substituted in text for “Secretary of Health, Education, and Welfare” and “Department of Health, Education, and Welfare”, respectively, pursuant to section 509(b) of Pub. L. 96–88, which is classified to section 3508(b) of Title 20, Education.

§ 3514a. Nonrecurring expenses fund

There is hereby established in the Treasury of the United States a fund to be known as the “Nonrecurring expenses fund” (the Fund): Provided, That unobligated balances of expired discretionary funds appropriated in this or any succeeding fiscal year from the General Fund of the Treasury to the Department of Health and Human Services by this or any other Act may be transferred (not later than the end of the fifth fiscal year after the last fiscal year for which such funds are available for the purposes for
which appropriated) into the Fund: Provided further, That amounts deposited in the Fund shall be available until expended, and in addition to such other funds as may be available for such purposes, for capital acquisition necessary for the operation of the Department, including facilities infrastructure and information technology infrastructure, subject to approval by the Office of Management and Budget: Provided further, That amounts in the Fund may be obligated only after the Committees on Appropriations of the House of Representatives and the Senate are notified at least 15 days in advance of the planned use of funds.


AMENDMENTS

2009—Pub. L. 111–8 substituted “in this or any succeeding” for “for this or any succeeding”.

§ 3515. Performance of one-year contracts during two fiscal years

Funds provided in this Act or subsequent Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Acts may be used for one-year contracts which are to be performed in two fiscal years, so long as the total amount for such contracts is obligated in the year for which the funds are appropriated.


PRIOR PROVISIONS

Provisions similar to this section were contained in the following prior appropriation acts:


§ 3515a. Dedicated telephone service between employee residences and computer centers

For the purpose of insuring proper management of federally supported computer systems and data bases, funds appropriated by this Act or subsequent Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Acts are available for the purchase of dedicated telephone service between the private residences of employees assigned to computer centers funded under this Act or subsequent Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Acts, and the computer centers to which such employees are assigned.


PRIOR PROVISIONS

Provisions similar to this section were contained in the following prior appropriation acts:


§ 3515b. Prohibition on funding certain experiments involving human participants

None of the funds appropriated by this Act or subsequent Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Acts shall be used to pay for any research program or project or any program, project, or course which is of an experimental nature, or any other activity involving human participants, which is determined by the Secretary or a court of competent jurisdiction to present a danger to the physical, mental, or emotional well-being of a participant or subject of such program, project, or course, without the written, informed consent of each participant or subject, or a participant’s parents or legal guardian, if such participant or subject is under eighteen years of age. The Secretary shall adopt appropriate regulations respecting this section.


PRIOR PROVISIONS

Provisions similar to this section were contained in the following prior appropriation acts:


§ 3515c. Offset against Federal payments to States for provision of services

For any program funded in this Act or subsequent Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Acts, the Secretary of Health and Human Services is authorized, when providing services or conducting activities for a State with respect to such program for which the Secretary is entitled to reimbursement by the State, to obtain such reimbursement as an offset against Federal payments to which the State would otherwise be entitled under such program from funds appropriated for the same or any subsequent fiscal year. Such offsets shall be credited to the appropriation account which bore the expense of providing the service or conducting the activity, and shall remain available until expended.


§ 3515d. Expenses of Office of Inspector General; protective services; investigating non-payment of child support

For expenses necessary for the Office of Inspector General in carrying out the provisions of the Inspector General Act of 1978, as amended, $33,849,000: Provided, That of such amount, nec-
services are available for providing protective services to the Secretary and investigating non-payment of child support cases for which non-payment is a Federal offense under section 228 of title 18, each of which activities is hereby authorized in this and subsequent fiscal years.


REFERENCES IN TEXT

CODIFICATION
Section is from the Department of Health and Human Services Appropriations Act, 2001.

§ 3515e. Transfer of functions regarding independent living to Department of Health and Human Services, and savings provisions

(a) Definitions
For purposes of this section, unless otherwise provided or indicated by the context—
(1) the term “Administration for Community Living” means the Administration for Community Living of the Department of Health and Human Services;
(2) the term “Federal agency” has the meaning given to the term “agency” by section 551(1) of title 5;
(3) the term “function” means any duty, obligation, power, authority, responsibility, right, privilege, activity, or program; and
(4) the term “Rehabilitation Services Administration” means the Rehabilitation Services Administration of the Office of Special Education and Rehabilitative Services of the Department of Education.

(b) Transfer of functions
There are transferred to the Administration for Community Living, all functions which the Commissioner of the Rehabilitation Services Administration exercised before the effective date of this section (including all related functions of any officer or employee of that Administration) under chapter 1 of title VII of the Rehabilitation Act of 1973 (29 U.S.C. 796 et seq.).

(c) Personnel determinations by the Office of Management and Budget
The Office of Management and Budget shall—
(1) ensure that this section does not result in any net increase in full-time equivalent employees at any Federal agency impacted by this section; and
(2) not later than 1 year after the effective date of this section, certify compliance with this subsection to the Committee on Education and the Workforce of the House of Representatives and the Committee on Health, Education, Labor, and Pensions of the Senate.

(d) Delegation and assignment
Except where otherwise expressly prohibited by law or otherwise provided by this section, the Administrator of the Administration for Community Living may delegate any of the functions transferred to the Administrator of such Administration by subsection (b) and any function described in subsection (b) that was transferred or granted to such Administrator after the effective date of this section to such officers and employees of such Administration as the Administrator may designate, and may authorize successive redelegations of such functions described in subsection (b) as may be necessary or appropriate. No delegation of such functions by the Administrator of the Administration for Community Living under this subsection or under any other provision of this section shall relieve such Administrator of responsibility for the administration of such functions.

(e) Reorganization
Except where otherwise expressly prohibited by law or otherwise provided by this Act, the Administrator of the Administration for Community Living is authorized to allocate or reallocate any function transferred under subsection (b) among the officers of such Administration, and to consolidate, alter, or discontinue such organizational entities in such Administration as may be necessary or appropriate.

(f) Rules
The Administrator of the Administration for Community Living is authorized to prescribe, in accordance with the provisions of chapters 5 and 6 of title 5, such rules and regulations as that Administrator determines necessary or appropriate to administer and manage the functions described in subsection (b) of that Administration.

(g) Transfer and allocations of appropriations and personnel
Except as otherwise provided in this section, the personnel employed in connection with, and the assets, liabilities, contracts, property, records, and unexpended balances of appropriations, authorizations, allocations, and other funds employed, used, held, arising from, available to, or to be made available in connection with the functions transferred by subsection (b), subject to section 1531 of title 31, shall be transferred to the Administration for Community Living. Unexpended funds transferred pursuant to this subsection shall be used only for the purposes for which the funds were originally authorized and appropriated.

(h) Incidental transfers
The Director of the Office of Management and Budget, at such time or times as the Director shall provide, is authorized to make such determinations as may be necessary with regard to the functions transferred by subsection (b), and to make such additional incidental dispositions of personnel, assets, liabilities, grants, contracts, property, records, and unexpended balances of appropriations, authorizations, allocations, and other funds held, used, arising from, available to, or to be made available in connection with such functions, as may be necessary to carry out the provisions of this section. The Director of the Office of Management and Budget shall provide for the termination of the affairs of all entities terminated by this section and for such further measures and dispositions as may be necessary to effectuate the purposes of this section, with respect to such functions.
(i) Savings provisions

(1) Continuing effect of legal documents

All orders, determinations, rules, regulations, permits, agreements, grants, contracts, certificates, licenses, registrations, privileges, and other administrative actions—

(A) which have been issued, made, granted, or allowed to become effective by the President, any Federal agency or official thereof, or by a court of competent jurisdiction, in the performance of functions which are transferred under subsection (b); and

(B) which have been issued, made, granted, or allowed to become effective by the President, any Federal agency or official thereof, or by a court of competent jurisdiction, in the performance of functions which are transferred under subsection (b); and

shall continue in effect according to their terms until modified, terminated, superseded, set aside, or revoked in accordance with law by the President, the Administrator of the Administration for Community Living or other authorized official, a court of competent jurisdiction, or by operation of law.

(2) Proceedings not affected

The provisions of this section shall not affect any proceedings, including notices of proposed rulemaking, or any application for any license, permit, certificate, or financial assistance pending before the Rehabilitation Services Administration at the time this section takes effect, with respect to functions transferred by subsection (b) but such proceedings and applications shall be continued. Orders shall be final in such proceedings, appeals shall be taken therefrom, and payments shall be made pursuant to such orders, as if this section had not been enacted, and orders issued in any such proceedings shall continue in effect until modified, terminated, superseded, or revoked by a duly authorized official, by a court of competent jurisdiction, or by operation of law. Nothing in this paragraph shall be deemed to prohibit the discontinuance or modification of any such proceeding under the same terms and conditions and to the same extent that such proceeding could have been discontinued or modified if this section had not been enacted.

(3) Suits not affected

The provisions of this section shall not affect suits commenced (with respect to functions transferred under subsection (b)) before the effective date of this section, and in all such suits, proceedings shall be had, appeals taken, and judgments rendered in the same manner and with the same effect as if this section had not been enacted.

(4) Nonabatement of actions

No suit, action, or other proceeding commenced by or against the Rehabilitation Services Administration (with regard to functions transferred under subsection (b)), or by or against any individual in the official capacity of such individual as an officer of the Rehabilitation Services Administration (with regard to functions transferred under subsection (b)), shall abate by reason of the enactment of this section.

(5) Administrative actions relating to promulgation of regulations

Any administrative action relating to the preparation or promulgation of a regulation by the Rehabilitation Services Administration (with regard to functions transferred under subsection (b)) may be continued by the Administration for Community Living with the same effect as if this section had not been enacted.

(j) Separability

If a provision of this section or its application to any person or circumstance is held invalid, neither the remainder of this section nor the application of the provision to other persons or circumstances shall be affected.

(k) References

A reference in any other Federal law, Executive order, rule, regulation, or delegation of authority, or any document of or relating to—

(1) the Commissioner of the Rehabilitation Services Administration (with regard to functions transferred under subsection (b)), shall be deemed to refer to the Administrator of the Administration for Community Living; and

(2) the Rehabilitation Services Administration (with regard to functions transferred under subsection (b)), shall be deemed to refer to the Administration for Community Living.

(l) Transition

The Administrator of the Administration for Community Living is authorized to utilize—

(1) the services of such officers, employees, and other personnel of the Rehabilitation Services Administration with regard to functions transferred under subsection (b); and

(2) funds appropriated to such functions, for such period of time as may reasonably be needed to facilitate the orderly implementation of this section.

(m) Administration for Community Living

(1) Transfer of functions

There are transferred to the Administration for Community Living, all functions which the Commissioner of the Rehabilitation Services Administration exercised before the effective date of this section (including all related functions of any officer or employee of that Administration) under the Assistive Technology Act of 1998 (29 U.S.C. 3001 et seq.).

(2) Administrative matters

Subsections (d) through (l) shall apply to transfers described in paragraph (1).

(n) National Institute on Disability, Independent Living, and Rehabilitation Research

(1) Definitions

For purposes of this subsection, unless otherwise provided or indicated by the context—

(A) the term “NIDILRR” means the National Institute on Disability, Independent Living, and Rehabilitation Research of the Department of Health and Human Services; and

(B) the term “NIDRR” means the National Institute on Disability and Rehabilitation
(2) Transfer of functions

There are transferred to the NIDILRR, all functions which the Director of the NIDRR exercised before the effective date of this section (including all related functions of any officer or employee of the NIDRR).

(3) Administrative matters

(A) In general

Subsections (d) through (l) shall apply to transfers described in paragraph (2).

(B) References

For purposes of applying those subsections under subparagraph (A), those subsections—

(i) shall apply to the NIDRR and the Director of the NIDRR in the same manner and to the same extent as those subsections apply to the Rehabilitation Services Administration and the Commissioner of that Administration; and

(ii) shall apply to the NIDILRR and the Director of the NIDILRR in the same manner and to the same extent as those subsections apply to the Administration for Community Living and the Administrator of that Administration.


REFERENCES IN TEXT

The effective date of this section, referred to in subsec. (b), (c)(2), (d), (i)(1)(B), (3), (m)(1), and (n)(2), and the time this section takes effect, referred to in subsec. (i)(1)(B), (2), mean the date of enactment of Pub. L. 113–128, which was approved July 22, 2014. See section 506(d) of Pub. L. 113–128, set out as a note under section 3101 of Title 29, Labor.


This Act, referred to in subsec. (e), is Pub. L. 113–128, July 22, 2014, 128 Stat. 1425, known as the Workforce Innovation and Opportunity Act, which enacted chapter 32 (§3101 et seq.) of Title 29, Labor, repealed chapter 30 (§2801 et seq.) of Title 29 and chapter 73 (§9201 et seq.) of Title 20, Education, and made amendments to numerous other sections and notes in the Code. For complete classification of this Act to the Code, see Short Title note set out under section 3101 of Title 29 and Tables.


CODIFICATION

§ 3531. Congressional declaration of purpose

The Congress hereby declares that the general welfare and security of the Nation and the health and living standards of our people require, as a matter of national purpose, sound development of the Nation's communities and metropolitan areas in which the vast majority of its people live and work.

To carry out such purpose, and in recognition of the increasing importance of housing and urban development in our national life, the Congress finds that establishment of an executive department is desirable to achieve the best administration of the principal programs of the Federal Government which provide assistance for housing and for the development of the Nation's communities; to assist the President in achieving maximum coordination of the various Federal activities which have a major effect upon urban community, suburban, or metropolitan development; to encourage the solution of problems of housing, urban development, and mass transportation through State, county, town, village, or other local and private action, including promotion of interstate, regional, and metropolitan cooperation; to encourage the maximum contributions that may be made by vigorous private homebuilding and mortgage lending industries to housing, urban development, and the national economy; and to provide for full and appropriate consideration, at the national level, of the needs and interests of the Nation's communities and of the people who live and work in them.


Codification

Section was formerly classified to section 624 of former Title 5, Executive Departments and Government Officers and Employees, prior to the general revision and enactment of Title 5, Government Organization and Employee and Employee by Pub. L. 89–554, § 1, Sept. 1, 1966, 80 Stat. 378. Effective Date: Interim Appointments

(Pub. L. 89–174, § 11, Sept. 9, 1965, 79 Stat. 671, provided that:

"(a) The provisions of this Act [see Short Title note below] shall take effect upon the expiration of the first period of sixty calendar days following the date on which this Act is approved by the President [Sept. 9, 1965], or on such earlier date as the President shall specify by Executive order published in the Federal Register, except that any of the officers provided for in sections 3(a), 4(a), and 4(b) of this Act [sections 3532(a), 3533(a), and 3533(b) of this title] may be nominated and appointed, as provided in such sections, at any time after the date this Act is approved by the President [Sept. 9, 1965]."

"(b) In the event that one or more officers required by this Act, to be appointed, by and with the advice and consent of the Senate, shall not have entered upon office on the effective date of this Act, the President may designate any person who was an officer of the Housing and Home Finance Agency immediately prior to said effective date to act in such office until the office is filled as provided in this Act or until the expiration of the first period of sixty days following said effective date, whichever shall first occur. While so acting such persons shall receive compensation at the rates provided by this Act for the respective offices in which they act."

Short Title of 1969 Amendment


Short Title

Pub. L. 89–174, § 1, Sept. 9, 1965, 79 Stat. 667, provided: "That this Act [enacting this chapter, amending section 1451 of this title, sections 1 and 2211 of former Title 14, Executive Departments and Government Officers and Employees (see sections 101 and 5312 of Title 5, Government Organization and Employees), section 19 of Title 3, The President, and section 1723 of Title 12, Banks and Banking, and enacting provisions set out as notes under this section] may be cited as the 'Department of Housing and Urban Development Act'."

Savings Provisions: Abatement of Actions; Continuance of Rules, Regulations, Etc.; References in Other Laws to Housing and Home Finance Agency; Lapse of Agencies


"(a) No cause of action by or against any agency whose functions are transferred by this Act [see Short Title note above and section 3534 of this title], or by or against any officer of any agency in his official capacity, shall abate by reason of the enactment of this Act. Such causes of action may be asserted by or against the United States or such official of the Department as may be appropriate.

"(b) No suit, action, or other proceeding commenced by or against any agency whose functions are transferred by this Act [see Short Title note above and section 3534 of this title], or by or against any officer of any such agency in his official capacity, shall abate by reason of the enactment of this Act. A court may at any time during the pendency of the litigation, on its own motion or that of any party, order that the same or any such agency in his official capacity, shall abate by reason of the enactment of this Act. Such causes of action may be asserted by or against the United States or such official of the Department as may be appropriate.

"(c) Except as may be otherwise expressly provided in this Act [see Short Title note above], all powers and authorities conferred by this Act shall be cumulative and additional to and not in derogation of any powers and authorities otherwise existing. All rules, regulations, orders, authorizations, delegations, or other actions duly issued, made, or taken by or pursuant to applicable law, prior to the effective date of this Act [see Effective Date note above] by any agency, officer, or office pertaining to any functions, powers, and duties transferred by this Act shall continue in full force and effect after the effective date of this Act until modified or rescinded by the Secretary or such other officer or office of the Department as, in accordance with applicable law, may be appropriate. With respect to any function, power, or duty transferred by or under this Act and exercised hereafter, reference in another Federal law to the Housing and Home Finance Agency or to any officer, office, or agency therein, except the Federal National Mortgage Association and its officers, shall be deemed to mean the Secretary. The positions and agencies heretofore established by law in connection with the functions, powers, and duties transferred under section 5(a) of this Act [section 3534(a) of this title] shall lapse."
EXECTIVE ORDER No. 11452

EX. ORD. No. 11668. NATIONAL CENTER FOR HOUSING MANAGEMENT
Ex. Ord. No. 11668, Apr. 21, 1972, 37 F.R. 8057, provided: By virtue of the authority vested in me as President of the United States and in accordance with the provisions of the Department of Housing and Urban Development Act, as amended (42 U.S.C. 3531 et seq.), title VIII of the Housing Act of 1964, as amended (20 U.S.C. 801 et seq.), and title V of the Housing and Urban Development Act of 1970 (12 U.S.C. 1701z-1 et seq.), it is ordered as follows:

SECTION 1. Policy. The Nation’s housing stock represents an important national resource which must be protected and, if public and private investments are to be protected, and if we are to meet our goal of providing a decent home and suitable living environment for low and moderate income residents. The production of Federally-assisted housing has greatly expanded in recent years, creating a need for a balanced approach to ensure that such housing remains viable for the purposes intended.

This expansion also creates a need for a growing supply of new management manpower for the years ahead. Special skills must be developed among these managers so that they can effectively overcome the social and economic problems facing many residents of Federally-assisted housing, including the elderly. Training, the improvement of career opportunities, and the upgrading of industry standards are all essential to the improvement of the Nation’s housing management capability, particularly for low and moderate income housing.

Sec. 2. Establishment of a National Center for Housing Management. (a) The Secretary of Housing and Urban Development is directed to call upon public-spirited citizens, dedicated and experienced in the appropriate disciplines, to create, in accordance with existing laws, a new, non-governmental, not-for-profit institution to serve as a National Center for Housing Management (referred to herein as the Center).

(b) The Center should be designed to provide objective and independent leadership at the national level in helping meet the Nation’s housing management and training needs and should work cooperatively with the Department of Housing and Urban Development and with the public and private organizations and institutions involved in, or affected by, its activities.

Sec. 3. Activities of the Center. The activities of the Center should be developed along lines that include the following objectives:

1. Development of training and educational programs for housing management and personnel;

2. Cooperation with public and private national, State, and local organizations and institutions in extending housing management training and educational opportunities, using to the fullest extent possible the services and facilities of existing agencies with expertise in training and education;

3. Cooperation with national, State, and local organizations and institutions in establishing or expanding recruitment and placement systems that will link training in housing management to job opportunities in that field;

4. Development of improved housing management practices and assistance in professionalizing the housing management industry; and

5. Stimulating the creation of new management entities, and strengthening the effectiveness of existing management entities.

SEC. 4. Assistance by Federal Agencies. To the extent consistent with law, all other Federal executive departments and agencies shall cooperate and work with the Department of Housing and Urban Development and the Center in providing appropriate advice and financial support so as to ensure that the above described objectives are carried out with the most effective and efficient use of Federal, State and local resources, both public and private.

RICHARD NIXON.

§ 3532. Establishment of Department

(a) Designation; appointment and supervision of Secretary

There is hereby established at the seat of government an executive department to be known as the Department of Housing and Urban Development (hereinafter referred to as the “Department”). There shall be at the head of the Department a Secretary of Housing and Urban Development (hereinafter referred to as the “Secretary”), who shall be appointed by the President and with the advice and consent of the Senate. The Department shall be administered under the supervision and direction of the Secretary.

(b) General duties of Secretary

The Secretary shall, among his responsibilities, advise the President with respect to Federal programs and activities relating to housing and urban development; develop and recommend to the President policies for fostering the orderly growth and development of the Nation’s urban areas; exercise leadership at the direction of the President in coordinating Federal activities affecting housing and urban development; provide technical assistance and information, including a clearinghouse service to aid State, county, town, village, or other local governments in developing solutions to community and metropolitan development problems; consult and cooperate with State Governors and agencies, including, when appropriate, holding informal public hearings, with respect to Federal and State programs for assisting communities in developing solutions to community and metropolitan development problems and for encouraging effective regional cooperation in the planning and conduct of community and metropolitan development programs and projects; encourage comprehensive planning by the State and local governments with a view to coordinating Federal, State, and local urban and community development activities; encourage private enterprise to serve as large a part of the Nation’s total housing and urban development needs as it can and develop the fullest cooperation with private enterprise in achieving the objectives of the Department; and conduct continuing comprehensive studies, and make available findings, with respect to the problems of housing and urban development.

(c) Denial or limitation of benefits of departmental programs, functions, or activities on basis of population or corporate status of community

Nothing in this chapter shall be construed to deny or limit the benefits of any program, func-

1So in original. Probably should be “and”.

Page 5401 TITILE 42—THE PUBLIC HEALTH AND WELFARE § 3532
tion, or activity assigned to the Department by this chapter or any other Act to any community on the basis of its population or corporate status, except as may be expressly provided by law.

(d) Coordination of housing and urban development programs in enterprise zones

The Secretary shall:

(1) promote the coordination of all programs under the jurisdiction of the Secretary that are carried on within an enterprise zone designated pursuant to section 11501 of this title; 

(2) expedite, to the greatest extent possible, the consideration of applications for programs referred to in paragraph (1) through the consolidation of forms or otherwise; and

(3) provide, whenever possible, for the consolidation of periodic reports required under programs referred to in paragraph (1) into one summary report submitted at such intervals as may be designated by the Secretary.


REFERENCES IN TEXT

This chapter, referred to in subsec. (c), was in the original "this Act": meaning Pub. L. 89–174, Sept. 9, 1965, 79 Stat. 667, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 3531 of this title and Tables.

CODIFICATION

Section was formerly classified to section 624a of former Title 5, Executive Departments and Government Officers and Employees, prior to the general revision and enactment of Title 5, Government Organization and Employee by Pub. L. 89–554, §1, Sept. 1, 1966, 80 Stat. 378.

AMENDMENTS


EFFECTIVE DATE; INTERIM APPOINTMENTS

Nomination and appointment of Secretary of Housing and Urban Development any time after Sept. 9, 1965, and interim designation and compensation of officer of Housing and Home Finance Agency for that office upon nonentry upon the office upon expiration of first period of sixty calendar days following Sept. 9, 1965, or on earlier date specified by Executive order, see section 11 of Pub. L. 89–174, set out as a note under section 3531 of this title.

ORDER OF SUCCESSION

For order of succession during any period when both Secretary and Deputy Secretary of Housing and Urban Development are unable to perform functions and duties of office of Secretary, see Ex. Ord. No. 12343, Dec. 18, 2001, 66 F.R. 66262, listed in a table under section 3345 of Title 5, Government Organization and Employees.

OFFICE OF LEAD BASED PAINT ABATEMENT AND POISONING PREVENTION

Pub. L. 102–389, title II, Oct. 6, 1992, 106 Stat. 1593, provided in part that: "Notwithstanding any other provision of this or any other Act with respect to any fiscal year, the Office of Lead-Based Paint Abatement and Poisoning Prevention shall be contained within the Office of the Secretary, and said Office shall have ultimate responsibility within the Department of Housing and Urban Development, except for the Secretary, for all matters related to the abatement of lead in housing, and research related to lead abatement, consistent with the responsibilities outlined for the Office in Senate Report 102–107.''

Pub. L. 102–139, title II, Oct. 28, 1991, 105 Stat. 753, provided in part: "That there shall be established, in the Office of the Secretary, an Office of Lead Based Paint Abatement and Poisoning Prevention to be headed by a career Senior Executive Service employee who shall be responsible for all lead-based paint abatement and poisoning prevention activities (including, but not limited to, research, abatement, training regulations and policy development); Provided further, That such office shall be allocated a staffing level of twenty staff years."

CONDOMINIUM AND COOPERATIVE STUDY AND REPORT; SUBMISSION TO CONGRESS

Pub. L. 93–383, title VII, §821, Aug. 22, 1974, 88 Stat. 740, authorized the Secretary of Housing and Urban Development to conduct a full and complete investigation and study, and report to Congress not later than one year after Aug. 22, 1974, with respect to condominiums and cooperatives, and the problems, difficulties, and abuses or potential abuses applicable to condominium and cooperative housing.

EX. ORD. NO. 11297, COORDINATION OF FEDERAL URBAN PROGRAM

Ex. Ord. No. 11297, Aug. 11, 1966, 31 F.R. 10765, provided:

WHEREAS our Nation has become predominantly urban in character and is confronted by serious problems arising from inherited urban decay and rapid urban growth; and

WHEREAS the Congress has provided in the Department of Housing and Urban Development Act [see Short Title note under section 3531 of this title] that the Secretary of Housing and Urban Development (hereinafter referred to as the Secretary) shall "advise the President with respect to Federal programs and activities relating to housing and urban development; develop and recommend to the President policies for fostering the orderly growth and development of the Nation's urban areas; and exercise leadership at the direction of the President in coordinating Federal activities affecting housing and urban development"; and

WHEREAS such activities are closely interrelated with other important Federal activities affecting urban areas so that there is a need for maximum consultation and cooperation among Federal departments and agencies in their administration of programs having impact on urban areas; and

WHEREAS such consultation and cooperation are also essential to enable the Secretary to carry out his responsibilities under that Act to "provide technical assistance and information, including a clearinghouse service to aid State, county, town, village, or other local governments in developing solutions to community and metropolitan development problems; consult and cooperate with State Governors and State agencies . . . with respect to Federal and State programs for assisting communities in developing solutions to community and metropolitan development problems; and encouraging effective regional cooperation in the planning and conduct of community and metropolitan development programs and projects."

NOW, THEREFORE, by virtue of the authority vested in me as President of the United States by the Constitution and laws of the United States, it is ordered as follows:

SECTION 1. Functions of the Secretary of Housing and Urban Development. (a) To assist the Secretary in carrying out his responsibilities pursuant to the Department
of Housing and Urban Development Act, he shall con- 
vene, or authorize his representatives to convene, 
meetings at appropriate times and places of the heads, 
or representatives designated by them, of such Federal 
departments and agencies with programs affecting 
urban areas as he deems necessary or desirable for the 
following purposes: 

(1) To provide a forum for consideration of mutual 
problems concerning Federal programs and activities 
affecting the development of urban areas and for the 
exchange of current information needed to achieve co-
ordination of, and to avoid duplication in, such pro-
grams and activities. 

(2) To promote cooperations among Federal depart-
ments and agencies in achieving consistent policies, 
practices, and procedures for administration of their 
programs affecting urban areas. 

(3) To consult with and obtain the advice of the Fed-
eral departments and agencies with respect to: 

(A) consultation and cooperation with State Gov-
ernors and State and local agencies concerning Federal 
and State programs for assisting communities; 

(B) provision of technical information, a clearing-
house service, and other assistance to State and local 
governments in solving community and metropolitan 
development problems; and 

(C) encouragement of comprehensive planning of, 
and effective regional cooperation in, local urban, com-
munal, and metropolitan development activities. 

(4) To identify urban development problems of par-
ticular States, metropolitan areas, or communities 
which require interagency or intergovernmental co-
ordination.

(b) The Secretary shall make arrangements with such 
Federal departments and agencies for working groups 
to consider special problems arising with respect to 
matters described in subsection (a) of this section.

SECTION 2. Agency responsibilities. The heads of Federal 
departments and agencies have programs which have 
an impact on urban areas, or representatives des-
ignated by them, shall participate in meetings con-
vened pursuant to this Order and, to the extent per-
mitted by law and funds available, shall furnish infor-
mation, at the request of the Secretary, pertaining to 
programs within the responsibilities of such depart-
ments or agencies, and such additional information as 
will assist the Secretary in providing a clearinghouse 
for information on Federal programs affecting urban 
areas. The heads of such Federal departments and 
agencies shall ensure, to the extent practicable, that 
managers of Federal Housing Administration programs, 
at each level of the Department, shall be accountable for 
program operation, risk management, management of 
cash and other Federal assets, and program financing 
related to activities over which such managers have responsibil-
ity.

(c) Director of Urban Program Coordination; 
designation; powers and duties; studies of 
urban and community problems and recom-
mendations for administration of Federal 
programs affecting such problems

There shall be in the Department a Director of 
Federal Housing Program Coordination, who shall be des-
ignated by the Secretary. He shall assist the 
Secretary in carrying out his responsibilities to 
the President with respect to achieving maxi-
mum coordination of the programs of the vari-
ous departments and agencies of the Govern-
ment which have a major impact on community 
development. In providing such assistance, the 
Director shall make such studies of urban and 
community problems as the Secretary shall re-
quest, and shall develop recommendations relat-
ing to the administration of Federal programs 
affecting such problems, particularly with re-
spect to achieving effective cooperation among 
the Federal, State, and local agencies con-
cerned. Subject to the direction of the Secre-
ty, the Director shall, in carrying out his re-
sponsibilities, (1) establish and maintain close 
liason with the Federal departments and agen-
cies concerned and (2) consult with State, local, 
and regional officials, and consider their recom-
mendations with respect to such programs.

(d) Assistant to Secretary; designation; duty to 
provide information and advice to nonprofit 
project sponsors

There shall be in the Department an Assistant 
to the Secretary, designated by the Secretary, 
who shall be responsible for providing informa-
tion and advice to nonprofit organizations desir-
ing to sponsor housing projects assisted under 
programs administered by the Department.

(e) Special Assistant for Indian and Alaska Na-
tive Programs; report to Congress

(1) There shall be in the Department a Spe-
cial Assistant for Indian and Alaska Native Pro-
grams, who shall be located in the Office of the Assistant Secretary for Public and Indian Housing. The Special Assistant for Indian and Alaska Native Programs shall be designated by the Secretary not later than 60 days after October 12, 1977.

(B) The Special Assistant for Indian and Alaska Native Programs shall be appointed based solely on merit and shall be covered under the provisions of title 5 governing appointments in the competitive service.

(C) The Special Assistant for Indian and Alaska Native Programs shall be responsible for—

(i) administering, in coordination with the relevant office in the Department, the provision of housing assistance to Indian tribes or Indian housing authorities under each program of the Department that provides for such assistance;

(ii) administering the community development block grant program for Indian tribes under title I of the Housing and Community Development Act of 1974 [42 U.S.C. 5301 et seq.] and the provision of assistance to Indian tribes under such Act;

(iii) directing, coordinating, and assisting in managing any regional offices of the Department that administer Indian programs to the extent of such programs; and

(iv) coordinating all programs of the Department relating to Indian and Alaska Native housing and community development.

(D) The Secretary shall include in the annual report under section 3536 of this title a description of the extent of the housing needs for Indian families and community development needs of Indian tribes in the United States and the activities of the Department, and extent of such activities, in meeting such needs.

(2) The Secretary shall, not later than December 1 of each year, submit to Congress an annual report which shall include—

(A) a description of his actions during the current year and a projection of his activities during the succeeding years;

(B) estimates of the cost of the projected activities for succeeding fiscal years;

(C) a statistical report on the conditions of Indian and Alaska Native housing; and

(D) recommendations for such legislative, administrative, and other actions, as he deems appropriate.

(f) Federal Housing Administration Comptroller

There shall be in the Department a Federal Housing Administration Comptroller, designated by the Secretary, who shall be responsible for overseeing the financial operations of the Federal Housing Administration.

(g) Office of Housing Counseling

(1) Establishment

There is established, in the Department, the Office of Housing Counseling.

(2) Director

There is established the position of Director of Housing Counseling. The Director shall be the head of the Office of Housing Counseling and shall be appointed by, and shall report to, the Secretary. Such position shall be a career-

reserved position in the Senior Executive Service.

(3) Functions

(A) In general

The Director shall have primary responsibility within the Department for all activities and matters relating to homeownership counseling and rental housing counseling, including—

(i) research, grant administration, public outreach, and policy development relating to such counseling; and

(ii) establishment, coordination, and administration of all regulations, requirements, standards, and performance measures under programs and laws administered by the Department that relate to housing counseling, homeownership counseling (including maintenance of homes), mortgage-related counseling (including home equity conversion mortgages and credit protection options to avoid foreclosure), and rental housing counseling, including the requirements, standards, and performance measures relating to housing counseling.

(B) Specific functions

The Director shall carry out the functions assigned to the Director and the Office under this section and any other provisions of law. Such functions shall include establishing rules necessary for—

(i) the counseling procedures under section 1701x(g)(1) of title 12;

(ii) carrying out all other functions of the Secretary under section 1701x(g) of title 12, including the establishment, operation, and publication of the availability of the toll-free telephone number under paragraph (2) of such section;

(iii) contributing to the distribution of home buying information booklets pursuant to section 2604 of title 12;

(iv) carrying out the certification program under section 1701x(a)(4) of title 12;

(v) carrying out the assistance program under section 1701x(a)(4) of title 12, including criteria for selection of applications to receive assistance;

(vi) carrying out any functions regarding abusive, deceptive, or unscrupulous lending practices relating to residential mortgage loans that the Secretary considers appropriate, which shall include conducting the study under section 6 of the Expand and Preserve Home Ownership Through Counseling Act;

(vii) providing for operation of the advisory committee established under paragraph (4) of this subsection;

(viii) collaborating with community-based organizations with expertise in the field of housing counseling; and

(ix) providing for the building of capacity to provide housing counseling services in areas that lack sufficient services, including underdeveloped areas that lack

1 See References in Text note below.
basic water and sewer systems, electricity services, and safe, sanitary housing.

(4) Advisory committee
(A) In general
The Secretary shall appoint an advisory committee to provide advice regarding the carrying out of the functions of the Director.

(B) Members
Such advisory committee shall consist of not more than 12 individuals, and the membership of the committee shall equally represent the mortgage and real estate industry, including consumers and housing counseling agencies certified by the Secretary.

(C) Terms
Except as provided in subparagraph (D), each member of the advisory committee shall be appointed for a term of 3 years. Members may be reappointed at the discretion of the Secretary.

(D) Terms of initial appointees
As designated by the Secretary at the time of appointment, of the members first appointed to the advisory committee, 4 shall be appointed for a term of 1 year and 4 shall be appointed for a term of 2 years.

(E) Prohibition of pay; travel expenses
Members of the advisory committee shall serve without pay, but shall receive travel expenses, including per diem in lieu of subsistence, in accordance with applicable provisions under subchapter I of chapter 57 of title 5.

(F) Advisory role only
The advisory committee shall have no role in reviewing or awarding housing counseling grants.

(5) Scope of homeownership counseling
In carrying out the responsibilities of the Director, the Director shall ensure that homeownership counseling provided by, in connection with, or pursuant to any function, activity, or program of the Department addresses the entire process of homeownership, including the decision to purchase a home, the selection and purchase of a home, issues arising during or affecting the period of ownership of a home (including refinancing, default and foreclosure, and other financial decisions), and the sale or other disposition of a home.

(h) Special Assistant for Veterans Affairs
(1) Position
There shall be in the Office of the Secretary a Special Assistant for Veterans Affairs, who shall report directly to the Secretary.

(2) Appointment
The Special Assistant for Veterans Affairs shall be appointed based solely on merit and shall be covered under the provisions of title 5 governing appointments in the competitive service.

(3) Responsibilities
The Special Assistant for Veterans Affairs shall be responsible for—

(A) ensuring veterans have fair access to housing and homeless assistance under each program of the Department providing such assistance;

(B) coordinating all programs and activities of the Department relating to veterans;

(C) serving as a liaison for the Department with the Department of Veterans Affairs, including establishing and maintaining relationships with the Secretary of Veterans Affairs;

(D) serving as a liaison for the Department, and establishing and maintaining relationships with the United States Interagency Council on Homelessness and officials of State, local, regional, and non-governmental organizations concerned with veterans;

(E) providing information and advice regarding—

(i) sponsoring housing projects for veterans assisted under programs administered by the Department; or

(ii) assisting veterans in obtaining housing or homeless assistance under programs administered by the Department;

(F) coordinating with the Secretary of Housing and Urban Development and the Secretary of Veterans Affairs in carrying out section 404 of the Housing Opportunity Through Modernization Act of 2016;

(G) collaborating with the Department of Veterans Affairs on making joint recommendations to the Congress, the Secretary of Housing and Urban Development, and the Secretary of Veterans Affairs on how to better coordinate and improve services to veterans under both Department of Housing and Urban Development and Department of Veterans Affairs veterans housing programs, including ways to improve the Independent Living Program of the Department of Veteran Affairs; and

(H) carrying out such other duties as may be assigned to the Special Assistant by the Secretary or by law.

References in Text
The Housing and Community Development Act of 1974, referred to in subsec. (e)(1)(C)(i), is Pub. L. 93–383, Aug. 22, 1974, 88 Stat. 638. Title I of the Act is classified principally to chapter 69 (§§301 et seq.) of this title. For complete classification of this Act to the Code, see...
Short Title note set out under section 5301 of this title and Tables.


CODIFICATION

Section was formerly classified to section 624b of former Title 5, Executive Departments and Government Officers and Employees, prior to the general revision and enactment of Title 5, Government Organization and Employee, by Pub. L. 89–554, § 1, Sept. 1, 1966, 80 Stat. 376.

AMENDMENTS

1967—Subsec. (a). Pub. L. 90–83 increased number of Assistant Secretaries from five to six.

1966—Subsec. (b). Pub. L. 90–363 struck out provision setting compensation for the Under Secretary, Assistant Secretaries, and General Counsel.

1958—Subsec. (b). Pub. L. 85–833 struck out provision covering the compensation to be paid the Assistant Secretary for Administration.

Effective Date of 2012 Amendment

Amendment by Pub. L. 112–166 effective 60 days after Aug. 10, 2012, and applicable to appointments made on and after that effective date, including any nomination pending in the Senate on that date, see section 6(a) of Pub. L. 112–166, set out as a note under section 113 of Title 6, Domestic Security.

Effective Date of 2010 Amendment

Amendment by Pub. L. 111–203 effective on the date on which final regulations implementing that amendment take effect, or on the date that is 18 months after the designated transfer date if such regulations have not been issued by that date, see section 1600(c) of Pub. L. 111–203, set out as a note under section 1601 of Title 15, Commerce and Trade.

Effective Date of 1990 Amendment: Continued Service by Incumbents

Amendment by Pub. L. 101–509 effective on first day of first pay period that begins on or after Nov. 5, 1990, with continued service by incumbent Under Secretary of Housing and Urban Development, see section 529 (title I, § 112(e)(1), (2)(D)) of Pub. L. 101–509, set out as a note under section 3404 of Title 20, Education.

Effective Date; Interim Appointments

Nomination and appointment of Under Secretary, Assistant Secretaries, General Counsel, Federal Housing Commissioner, and Assistant Secretary for Administration of Department of Housing and Urban Development any time after Sept. 9, 1965, and interim designation and compensation of officers of Housing and Home Finance Agency for those offices upon non-entry upon the offices upon expiration of first period of sixty calendar days following Sept. 9, 1965 or on earlier date specified by Executive order, see section 11 of Pub. L. 89–174, set out as a note under section 3531 of this title.

Transfer of Position in Office of Deputy Assistant Secretary for Special Needs

Pub. L. 114–201, title IV, § 403(b), July 29, 2016, 130 Stat. 809, provided that: “On the date that the initial Special Assistant for Veterans Affairs is appointed pursuant to section 4(h)(2) of the Department of Housing and Urban Development Act (42 U.S.C. 3533(h)(2)), as added by subsection (a) of this section, the position of Special Assistant for Veterans Programs in the Office of the Deputy Assistant Secretary for Special Needs of the Department of Housing and Urban Development shall be terminated.”

Transfer of Functions

Pub. L. 102–550, title IX, § 902(a)(3), (3), Oct. 28, 1992, 106 Stat. 3866, 3867, provided that: “(2) TRANSFER OF FUNCTIONS.—Not later than the expiration of the 180-day period beginning on the date of the enactment of this Act [Oct. 28, 1992], the Secretary of Housing and Urban Development shall transfer to the Special Assistant for Indian and Alaska Native Programs any functions and duties described in section 4(e)(1)(b) of the Department of Housing and Urban Development Act (42 U.S.C. 3535(e)(1)(B)) (as added by paragraph (1) of this subsection).”

“(3) STAFF.—Not later than the expiration of the 1-year period beginning on the date of the enactment of this Act, the Secretary of Housing and Urban Development shall transfer from offices within the Department of Housing and Urban Development to the office of the Special Assistant for Indian and Alaska Native Programs such staff, having experience and capacity to administer Indian housing and community development programs, as may be necessary and appropriate to assist the Special Assistant in carrying out the responsibilities under section 4(e)(1)(B) of the Department of Housing and Urban Development Act (as added by paragraph (1) of this subsection).”
OFFICE OF INSPECTOR GENERAL


§3533a. Transferred


§3534. Transfer of functions

(a) Housing and Home Finance Agency, Federal Housing Administration, and Public Housing Administration

Except as otherwise provided in subsection (b) of this section, there are hereby transferred to and vested in the Secretary all of the functions, powers, and duties of the Housing and Home Finance Agency, the Federal Housing Administration and the Public Housing Administration in that Agency, and of the heads and other officers and offices of said agencies.

(b) Government National Mortgage Association

The Government National Mortgage Association, together with its functions, powers, and duties, is hereby transferred to the Department.

(c) Studies of organization of housing and urban development functions and programs and recommendations regarding transfer of such functions and programs to or from Department

The President shall undertake studies of the organization of housing and urban development functions and programs within the Federal Government, and he shall provide the Congress with the findings and conclusions of such studies, together with his recommendations regarding the transfer of such functions and programs to or from the Department. Notwithstanding any other provision of this chapter, none of the functions of the Secretary of the Interior authorized under chapter 2003 of title 54 or other functions transferred from the Department. Notwithstanding any other provision of this chapter, the Secretary may not merge or consolidate the Office of Federal Housing Enterprise Oversight of the Department, or any of the functions or responsibilities of such Office, with any function or program administered by the Secretary.”


1967—Subsec. (b), Pub. L. 90–83 struck out “and the item numbered (94) of section 303(e) of the Federal Executive Salary Act of 1964 of this title” after “The next to the last sentence of section 1723 of title 12” in repealing provision.

Effective Date of 1968 Amendment

Amendment by Pub. L. 90–448 effective from and after a date, no more than 120 days following Aug. 1, 1968, as established by the Secretary of Housing and Urban Development, see section 808 of Pub. L. 90–448, set out as an Effective Date note under section 1716b of Title 12, Banks and Banking.

Transfer of Functions

Pub. L. 89–174, §9(c), Sept. 9, 1965, 79 Stat. 670, set out as a note under section 3531 of this title, provides that references to the Housing and Home Finance Agency or to any agency or office therein are to be deemed to mean the Secretary of Housing and Urban Development, pursuant to the transfer of functions under this section, and that the Housing and Home Finance Agency and the Public Housing Administration, a constituent agency therein, have lapsed.

§3535. Administrative provisions

(a) Transfer of personnel, assets, etc.

The personnel employed in connection with, and the assets, liabilities, contracts, property, records, and unexpended balances of appropriations, authorizations, allocations, or other funds held, used, arising from, or available or to be made available in connection with, the functions, powers, and duties transferred by section 3534 of this title are hereby transferred with such functions, powers, and duties, respectively.


(c) Employment, compensation, authority, and duties of personnel

The Secretary is authorized, subject to the civil service and classification laws, to select, appoint, employ, and fix the compensation of...
such officers and employees, including attorneys, as shall be necessary to carry out the provisions of this chapter and to prescribe their authority and duties: Provided, That any other provision of law to the contrary notwithstanding, the Secretary may fix the compensation for not more than six positions in the Department at the annual rate applicable to positions in level V of the Executive Schedule provided by subchapter II of chapter 53 of title 5.

(d) Delegation of authority; rules and regulations

The Secretary may delegate any of his functions, powers, and duties to such officers and employees of the Department as he may designate, may authorize such successive redelegations of such functions, powers, and duties as he may deem desirable, and may make such rules and regulations as may be necessary to carry out his functions, powers, and duties.

(e) Temporary employment of experts or consultants; compensation

The Secretary may obtain services as authorized by section 3109 of title 5, at rates for individuals not to exceed the per diem equivalent to the highest rate for grade GS–18 of the General Schedule under section 5332 of title 5. The Secretary is authorized to enter into contracts with private companies for the provision of such managerial support to the Federal Housing Administration as the Secretary determines to be appropriate, including but not limited to the management of insurance risk and the improvement of the delivery of mortgage insurance.

(f) Working capital fund; establishment; uses; appropriations; capitalization; reimbursement

The Secretary is authorized to establish a working capital fund, to be available without fiscal year limitation, for expenses necessary for the maintenance and operation of such common administrative services as he shall find to be desirable in the interest of economy and efficiency in the Department, including such services as a central supply service for stationery and other supplies and equipment for which adequate stocks may be maintained to meet in whole or in part the requirements of the Department and its agencies; central messenger, mail, telephone, and other communications services; office space; central services for document reproduction and for graphics and visual aids; and a central library service. In addition to amounts appropriated to provide capital for said fund, which appropriations are hereby authorized, the fund shall be capitalized by transfer to it of such stock of supplies and equipment on hand or on order as the Secretary shall direct. Such fund shall be reimbursed from available funds of agencies and offices in the Department for which services are performed at rates which will return in full all expenses of operation, including reserves for accrued annual leave and for depreciation of equipment.

(g) Seal

The Secretary shall cause a seal of office to be made for the Department of such device as he shall approve, and judicial notice shall be taken of such seal.

(h) Financial transactions, finality; checking accounts for funds in Treasury; availability of funds for administrative expenses; consolidation of cash for banking and checking purposes

Except as such authority is otherwise expressly provided in any other Act administered by the Secretary, such financial transactions of the Secretary and administrative expenses of the Secretary as the making of loans or grants (and vouchers approved by the Secretary in connection with such financial transactions) shall be final and conclusive upon all officers of the Government, Funds made available to the Secretary pursuant to any provision of law for such financial transactions shall be deposited in a checking account or accounts with the Treasury of the United States. Such funds and any receipts and assets obtained or held by the Secretary in connection with such financial transactions shall be available, in such amounts as may from year to year be authorized by the Congress, for the administrative expenses of the Secretary in connection with such financial transactions. Notwithstanding the provisions of any other law, the Secretary may, with the approval of the Comptroller General, consolidate into one or more accounts for banking and checking purposes all cash obtained or held in connection with such financial transactions, including amounts appropriated, from whatever source derived.

(i) Foreclosure of property; actions for protection and enforcement of rights; purchase of property; dealing with property after such acquisition; deprivation of State court civil and criminal jurisdiction; impairment of civil rights under State laws; application of section 6101 of title 41; annual payments in lieu of local property taxes; sale and exchanges of property; insurance; modification of interest, terms; other covenants, conditions, and provisions

Except as such authority is otherwise expressly provided in any other Act administered by the Secretary, the Secretary is authorized to—

(1) foreclose on any property or commence any action to protect or enforce any right conferred upon him by any law, contract, or other agreement, and bid for and purchase at any foreclosure or any other sale any property in connection with which he has made a loan or grant. In the event of any such acquisition, the Secretary may, notwithstanding any other provision of law relating to the acquisition, handling, or disposal of real property by the United States, complete, administer, remodel and convert, dispose of, lease, and otherwise deal with, such property: Provided, That any acquisition of real property shall not deprive any State or political subdivision thereof of its civil or criminal jurisdiction in and over such property or impair the civil rights under the State or local laws of the inhabitants on such property: Provided further, That section 6101 of title 41 shall not apply to any contract for services or supplies on account of any property so acquired or owned if the amount of such contract does not exceed $2,500;
(2) enter into agreements to pay annual sums in lieu of taxes to any State or local taxing authority with respect to any real property so acquired or owned;
(3) sell or exchange at public or private sale, or lease, real or personal property, and sell or exchange any securities or obligations, upon such terms as he may fix;
(4) obtain insurance against loss in connection with property and other assets held;
(5) consent to the modification, with respect to the rate of interest, time of payment of any installment of principal or interest, security, or any other term of any contract or agreement to which he is a party or which has been transferred to him; and
(6) include in any contract or instrument such other covenants, conditions, or provisions as he may deem necessary, including any provisions relating to the authority or requirements under paragraph (5).

(j) Fees and charges

Notwithstanding any other provision of the law the Secretary is authorized to establish fees and charges, chargeable against program beneficiaries and project participants, which shall be adequate to cover over the long run, costs of inspection, project review and financing service, audit by Federal or federally authorized auditors, and other beneficial rights, privileges, licenses, and services. Such fees and charges herefore or hereafter collected shall be considered nonadministrative and shall remain available to operate expenses of the Department in providing similar services on a consolidated basis.

(k) Gifts and services, acceptance; taxable status of property; investments; disbursements

(1) The Secretary is authorized to accept and utilize voluntary and uncompensated services and accept, hold, administer, and utilize gifts and bequests of property, both real and personal, for the purpose of aiding or facilitating the work of the Department. Gifts and bequests of money and the proceeds from sales of other property received as gifts or bequests shall be deposited in the Treasury in a separate fund and shall be disbursed upon order of the Secretary. Property accepted pursuant to this paragraph, and the proceeds thereof, shall be used as nearly as possible in accordance with the terms of the gift or bequest.
(2) For the purpose of Federal income, estate, and gift taxes, property accepted under paragraph (1) shall be considered as a gift or bequest to or for use of the United States.
(3) Upon the request of the Secretary, the Secretary of the Treasury may invest and reinvest in securities of the United States or in securities guaranteed as to principal and interest by the United States any moneys contained in the fund provided for in paragraph (1). Income accruing from such securities and from any other property held by the Secretary pursuant to paragraph (1) shall be deposited to the credit of the fund and shall be disbursed upon order of the Secretary.

(l) Consultants; appointment of advisory committees; compensation and travel expenses

The Secretary is authorized to appoint, without regard to the civil service laws, such advisory committees as shall be appropriate for the purpose of consultation with and advice to the Department in the performance of its functions. Members of such committees, other than those regularly employed by the Federal Government, while attending meetings of such committees or otherwise serving at the request of the Secretary, may be paid compensation at rates not exceeding those authorized for individuals under subsection (e) of this section, and while serving away from their homes or regular places of business, may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5 for persons in the Government service employed intermittently.

(m) Occupancy preference in rental housing for military personnel

Whenever he shall determine that, because of location, or other considerations, any rental housing project assisted under title II of the National Housing Act [12 U.S.C. 1707 et seq.] or title I of the Housing and Urban Development Act of 1965 could ordinarily be expected substantially to serve the family housing needs of lower income military personnel serving on active duty, the Secretary is authorized to provide for or approve such preference or priority of occupancy of such project by such military personnel as he shall determine is appropriate to assure that the project will serve their needs on a continuing basis notwithstanding the frequency with which individual members of such personnel may be transferred or reassigned to new duty stations.

(n) Day care center for children of employees of Department; establishment; fees and charges

Notwithstanding any other provision of law, the Secretary is authorized by contract or otherwise to establish, equip, and operate a day care center facility or facilities, or to assist in establishing, equipping, and operating interagency day care facilities for the purpose of serving children who are members of households of employees of the Department. The Secretary is authorized to establish or provide for the establishment of appropriate fees and charges to be chargeable against the Department of Housing and Urban Development employees or others who are beneficiaries of services provided by any such day care center. In addition, limited startup costs may be provided by the Secretary in an amount limited to 3 per centum of the first year’s operating budget, but not to exceed $3,500.

(o) Agenda of rules or regulations under development or review; transmittal to Congress

(1) Notwithstanding any other provision of law, the Secretary shall transmit to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Banking, Finance and Urban Affairs of the House of Representatives an agenda of all rules or regulations which are under development or review by the Department. Such an agenda shall be transmitted to such Committees within 30 days of October 31, 1978, and at least semi-annually thereafter.
(2)(A) Any rule or regulation which is on any agenda submitted under paragraph (1) may not
be published for comment prior to or during the 15-calendar day period beginning on the day after the date on which such agenda was transmitted. If within such period, either Committee notifies the Secretary in writing that it intends to review any rule or regulation portion thereof which appears on the agenda, the Secretary shall submit to both Committees a copy of any such rule or regulation, in the form it is intended to be proposed, at least 15 calendar days prior to its being published for comment in the Federal Register.

(B) Any rule or regulation which has not been published for comment before October 31, 1978, and which does not appear on an agenda submitted under paragraph (1) shall be submitted to both such Committees at least 15 calendar days prior to its being published for comment.

(3) No rule or regulation may become effective until after the expiration of the 30-calendar day period beginning on the day after the day on which such rule or regulation is published as final. Any regulation implementing any provision of the Department of Housing and Urban Development Reform Act of 1989 that authorizes the imposition of a civil money penalty may not become effective until after the expiration of a public comment period of not less than 60 days.

(4) The provisions of paragraphs (2) and (3) may be waived upon the written request of the Secretary, if agreed to by the Chairmen and Ranking Minority Members of both Committees. (5), (6) Repealed. Pub. L. 101-235, title I, §123(4), Dec. 15, 1989, 103 Stat. 2021.

(7) The Secretary shall include with each rule or regulation required to be transmitted to the Committees under this subsection a detailed summary of all changes required by the Office of Management and Budget that prohibit, modify, postpone, or disapprove such rule or regulation in whole or part.

(p) Cost-benefit analysis of field reorganizations; requirements, contents, etc.

A plan for the reorganization of any regional, area, insurance, or other field office of the Department of Housing and Urban Development may take effect only upon the expiration of 90 days after publication in the Federal Register of a cost-benefit analysis of the effect of the plan on each office involved. Such cost-benefit analysis shall include, but not be limited to—

(1) an estimate of cost savings supported by background information detailing the source and substantiating the amount of the savings;
(2) an estimate of the additional cost which will result from the reorganization;
(3) a study of the impact on the local economy; and
(4) an estimate of the effect of the reorganization on the availability, accessibility, and quality of services provided for recipients of those services, where any of the above factors cannot be quantified, the Secretary shall provide a statement on the nature and extent of those factors in the cost-benefit analysis.

(q) Waiver of regulations

(1) Any waiver of regulations of the Department shall be in writing and shall specify the grounds for approving the waiver.

(2) The Secretary may delegate authority to approve a waiver of a regulation only to an individual of Assistant Secretary rank or equivalent rank, who is authorized to issue the regulation to be waived.

(3) The Secretary shall notify the public of all waivers of regulations approved by the Department. The notification shall be included in a notice in the Federal Register published not less than quarterly. Each notification shall cover the period beginning on the day after the last date covered by the prior notification, and shall—

(A) identify the project, activity, or undertaking involved;
(B) describe the nature of the requirement that has been waived and specify the provision involved;
(C) specify the name and title of the official who granted the waiver request;
(D) include a brief description of the grounds for approval of the waiver; and
(E) state how more information about the waiver and a copy of the request and the approval may be obtained.

(4) Any waiver of a provision of a handbook of the Department shall—

(A) be in writing;
(B) specify the grounds for approving the waiver; and
(C) be maintained in indexed form and made available for public inspection for not less than the 3-year period beginning on the date of the waiver.

(r) Program evaluation and monitoring

(1) For the programs listed in paragraph (2), amounts appropriated under this subsection shall be available to the Secretary for evaluating and monitoring of all such programs (including all aspects of the public housing and section 202 programs) and collecting and maintaining data for such purposes. The Secretary shall expend amounts made available under this subsection in accordance with the need and complexity of evaluating and monitoring each such program and collecting and maintaining data for such purposes.

(2) The programs subject to this subsection shall be the programs authorized under—

(B) section 202 of the Housing Act of 1959 [12 U.S.C. 1701q];
(C) section 106 of the Housing and Urban Development Act of 1968 [12 U.S.C. 1701x];
(D) the Fair Housing Act [42 U.S.C. 3601 et seq.];
(E) title I [42 U.S.C. 5301 et seq.] and section 819 of the Housing and Community Development Act of 1974;
(F) section 201 of the Housing and Community Development Amendments of 1978 [12 U.S.C. 1715z-1a];
(G) the Congregate Housing Services Act of 1978 [42 U.S.C. 1801 et seq.];
(H) section 222 of the Housing and Urban-Rural Recovery Act of 1983;
(I) section 3616a of this title;

See References in Text note below.
(J) title IV of the McKinney-Vento Homeless Assistance Act [42 U.S.C. 11360 et seq.]; and

(3) In conducting evaluations and monitoring pursuant to the authority under this subsection, and collecting and maintaining data pursuant to the authority under this subsection, the Secretary shall determine any need for additional staff and funding relating to evaluating and monitoring the programs under paragraph (2) and collecting and maintaining data for such purposes.

(4)(A) The Secretary may provide for evaluation and monitoring under this subsection and collecting and maintaining data for such purposes directly or by grants, contracts, or interagency agreements. Not more than 50 percent of the amounts made available under paragraph (1) may be used for grants, contracts, or interagency agreements.

(B) Any amounts not used for grants, contracts, or interagency agreements under subparagraph (A) shall be used in a manner that increases and strengthens the ability of the Department to monitor and evaluate the programs under paragraph (2) and to collect and maintain data for such purposes through officers and employees of the Department.

(5) There are authorized to be appropriated to carry out this subsection such sums as may be necessary for fiscal year 1993 and fiscal year 1994. Such amounts shall remain available until expended.

(s) Authorization of appropriations; allocations for staff and training

(1) Notwithstanding any other provision of law, there is authorized to be appropriated for salaries and expenses to carry out the purposes of this section $988,000,000 for fiscal year 1993 and $1,029,496,000 for fiscal year 1994.

(2) Of the amounts authorized to be appropriated by this section, $96,000,000 shall be available for each of the fiscal years 1993 and 1994, which amounts shall be used to provide staff in regional, field, or zone offices of the Department to monitor and evaluate the programs under paragraph (2) and to collect and maintain data for such purposes through officers and employees of the Department.

(3) Of the amounts authorized to be appropriated to carry out this section, not less than $5,000,000 of such amount shall be available for each fiscal year exclusively for the purposes of providing ongoing training and capacity building for Department personnel.

(f) Training regarding issues relating to grandparent-headed and relative-headed families

The Secretary shall ensure that all personnel employed in field offices of the Department who have responsibilities for administering the housing assistance program under section 8 of the United States Housing Act of 1937 [42 U.S.C. 1437f] or the supportive housing program under section 202 of the Housing Act of 1959 [12 U.S.C. 170i(q)], and an appropriate number of personnel in the headquarters office of the Department who have responsibilities for those programs, have received adequate training regarding how covered families (as that term is defined in section 202 of the LEGACY Act of 2003) can be served by existing affordable housing programs.

which is classified principally to subchapter I of chapter 45 (§3601 et seq.) of this title. For complete classification of this Act to the Code, see Short Title note set out under section 3601 of this title and Tables.

The Housing and Community Development Act of 1974, referred to in subsec. (r)(2)(E), is Pub. L. 93-383, Aug. 22, 1974, 88 Stat. 633. Title I of the Act is classified principally to chapter 69 (§5501 et seq.) of this title. For complete classification of this Act to the Code, see Short Title note set out under section 3601 of this title and Tables. Section 810 of the Act which was classified to section 1706c of Title 12, Banks and Banking, was repealed by Pub. L. 101-625, title II, §289(b), Nov. 28, 1990, 104 Stat. 4128.


The Cranston-Gonzalez National Affordable Housing Act, referred to in subsec. (r)(2)(K), is Pub. L. 101-625, Nov. 28, 1990, 104 Stat. 4079. Title II of the Act, known as the HOME Investment Partnerships Act, is classified principally to subchapter II (§12721 et seq.) of chapter 130 of this title. Title III of the Act enacted subchapter III (§12851 et seq.) of chapter 130 of this title and sections 1735f-17 and 1735f-18 of Title 12, Banks and Banking, amended sections 1703, 1706, 1709, 1715d, 1715s-20, 1721, and 1735f-9 of Title 12, and enacted provisions set out as notes under sections 1703, 1709, 1713, and 1735f-18 of Title 12. Title IV of the Act, known as the Homeownership and Opportunity Through HOPE Act, enacted subchapter II-A (§1437aa et seq.) of chapter 8 of this title and subchapter IV (§12871 et seq.) of chapter 130 of this title. The Act provided that the Secretary shall conduct a study on the need for a program of assistance to low-income homeowners and other families seeking to purchase a home and that the study include an examination of the availability of funds and other resources to provide such program. For complete classification of this Act to the Code, see Short Title note set out under section 11301 of this title and Tables.

Section 202 of the LEGACY Act of 2003, referred to in subsec. (t), is section 202 of Pub. L. 108-186, which is set out in a note under section 1790q of Title 12, Banks and Banking.

**Codification**

In subsec. (c), “the Executive Schedule provided by subchapter II of chapter 53 of title 5” substituted for “the Federal Executive Salary Schedule provided by the Federal Executive Salary Act of 1964” on authority of Pub. L. 98-327, §496(b), Sept. 6, 1984, 98 Stat. 631, the first section of which enacted Title 5, Government Organization and Employees.

Subsec. (d) is comprised of the first sentence of subsec. (d) of section 7 of Pub. L. 89-174. The second sentence of subsec. (d) repealed the second proviso of section 1451(c) of this title.

In subsec. (e), “section 3129 of title 5” substituted for “section 1451 of the Act of August 2, 1946” on authority of Pub. L. 89-554, §7(b), Sept. 6, 1966, 80 Stat. 631, the first section of which enacted Title 5. Prior to the enactment of Title 5, section 15 of the Act of Aug. 2, 1946, was classified to section 55a of former Title 5.


Section 203 of the McKinney-Vento Homeless Assistance Act, referred to in subsec. (g)(3), is Pub. L. 100-186, Jan. 18, 1988, 102 Stat. 1024, which is classified to section 1735f-20 of Title 12, Banks and Banking.


The McKinney-Vento Homeless Assistance Act is classified to section 1735f-20 of this title and Tables.


**AMENDMENTS**


1998—Subsec. (r)(9). Pub. L. 105-362 redesignated par. (9) as (5) and struck out former par. (5) which read as follows: “Not later than December 31 of each year, the Secretary shall submit to the Congress a report regarding the use of amounts made available under this subsection during the fiscal year ending on September 30 of that year, including an analysis of the ability of the Department to monitor and evaluate the programs under paragraph (2) and a statement of any needs determined under paragraph (3).”

1994—Subsec. (r)(5). Pub. L. 103-225 struck out before last semicolon “; except that with respect to any mortgage held by the Secretary, the Secretary shall, subject to the availability of amounts provided in appropriation Acts, implement the authority under this paragraph to reduce the interest rate on the mortgage to a rate not less than the rate for recently issued marketable obligations of the Treasury having a comparable maturity if (and to the extent that) such a reduction, when taken together with other actions authorized under the National Housing Act, is necessary to avoid foreclosure on the mortgage; and except that for any mortgage for which the interest rate is reduced pursuant to an appropriation under the preceding clause, if the Secretary determines that the income or ability of the mortgagor to make interest payments has increased, the Secretary may (not more than once for each such mortgage) increase such interest rate to a rate not exceeding the prevailing market rate, as determined by the Secretary”.

1992—Subsec. (i)(6). Pub. L. 102-550, §902(b)(1), inserted before semicolon “; except that with respect to any mortgage held by the Secretary, the Secretary shall, subject to the availability of amounts provided in appropriation Acts, implement the authority under this paragraph to reduce the interest rate on the mortgage to a rate not less than the rate for recently issued marketable obligations of the Treasury having a comparable maturity if (and to the extent that) such a reduction, when taken together with other actions authorized under the National Housing Act, is necessary to avoid foreclosure on the mortgage; and except that for any mortgage for which the interest rate is reduced pursuant to an appropriation under the preceding clause, if the Secretary determines that the income or ability of the mortgagor to make interest payments has increased, the Secretary may (not more than once for each such mortgage) increase such interest rate to a rate not exceeding the prevailing market rate, as determined by the Secretary”.

Subsec. (r)(6). Pub. L. 102-550, §902(b)(2), inserted before period “; including any provisions relating to the authority or requirements under paragraph (5)”.

Subsec. (t). Pub. L. 102-550, §902(c), amended first sentence generally. Prior to amendment, first sentence read as follows: “There is authorized to be appropriated to carry out this subsection $35,000,000 for fiscal year 1991.”

2000—Subsec. (t)(1). Pub. L. 101-625, §845(a)(1), inserted “and collecting and maintaining data for such purposes” before periods at end of first and last sentences.

Subsec. (r)(3). Pub. L. 101–625, § 954(a)(3), inserted “and collecting and maintaining data, pursuant to the authority under this subsection,” after comma and “and collecting and maintaining data for such purposes” before period at end.

Subsec. (r)(4)(A). Pub. L. 101–625, § 954(a)(4)(A), inserted “and collecting and maintaining data for such purposes” after “subsection”.

Subsec. (r)(4)(B). Pub. L. 101–625, § 954(a)(4)(B), inserted “and to collect and maintain data for such purposes” after “paragraph (2)”.

1989—Subsec. (e). Pub. L. 101–120, § 141, inserted at end “The Secretary is authorized to enter into contracts with private companies for the provision of such managerial support to the Federal Housing Administration as the Secretary determines to be appropriate, including but not limited to the management of insurance risk and the improvement of the delivery of mortgage insurance.”

Subsec. (o)(2)(A). Pub. L. 101–235, § 123(1), substituted “calendar day period beginning on the day” for “first period of 15 calendar days of continuous session of Congress which occurs” and struck out “of continuous session” before “prior to its being published”.


Subsec. (o)(3). Pub. L. 101–235, § 123(3)(A), substituted “calendar day period beginning on the day” for “first period of 30 calendar days of continuous session of Congress which occurs”.

Pub. L. 101–235, § 123(3)(B), substituted “Any regulation implementing any provision of the Department of Housing and Urban Development Reform Act of 1989 that authorizes the imposition of a civil money penalty may not become effective until after the expiration of a public comment period of not less than 60 days.” for “If within such 30-day period, either Committee has reported out or been discharged from further consideration of a joint resolution of disapproval or other legislation which is intended to modify or invalidate the rule or regulation or any portion thereof, the rule or regulation or portion thereof so addressed shall not become effective for a period of 90 calendar days from the date of Committee action or discharge unless the House to which such Committee reports has rejected such resolution or legislation, in which case the rule or regulation may go into effect only after the expiration of the 30 calendar days described in the first sentence of this paragraph if the other House does not have such a resolution or legislation pending or adopted, and if the requirements of section 553 of title 5 are met.”


Subsec. (r). Pub. L. 101–235, § 123(6), substituted “section (a)” for “section (b)”.

Subsec. (s). Pub. L. 101–235, § 123(7), substituted “section (a)” for “section (b)”.

Subsec. (t). Pub. L. 101–235, § 123(8), substituted “section (a)” for “section (b)”.

Subsec. (u). Pub. L. 101–235, § 123(9), substituted “section (a)” for “section (b)”.

Subsec. (v). Pub. L. 101–235, § 123(10), substituted “section (a)” for “section (b)”.

Subsec. (w). Pub. L. 101–235, § 123(11), substituted “section (a)” for “section (b)”.

Subsec. (x). Pub. L. 101–235, § 123(12), substituted “section (a)” for “section (b)”.

Subsec. (y). Pub. L. 101–235, § 123(13), substituted “section (a)” for “section (b)”.

Subsec. (z). Pub. L. 101–235, § 123(14), substituted “section (a)” for “section (b)”.

Subsec. (aa). Pub. L. 101–235, § 123(15), substituted “section (a)” for “section (b)”.


Subsec. (cc). Pub. L. 101–235, § 123(17), substituted “section (a)” for “section (b)”.

(2) “(1) with respect to 1- to 4-family dwellings owned by the Department of Housing and Urban Development, the Inspector General of the Department of Housing and Urban Development shall submit to the Congress a report, which shall include information relating to—the inspector’s inspection of any 1- to 4-family dwelling, the number and percentage of units in those dwellings that are substandard, based on any—

“(i) lack of hot or cold piped water;
§ 3535a. Working capital fund

There is hereby established in the United States Treasury, pursuant to section 3535(f) of this title, a working capital fund for the Department of Housing and Urban Development (referred to in this paragraph as the “Fund”): Provided, That amounts transferred to the Fund under this heading shall be available for Federal shared services used by offices and agencies of the Department, and for such portion of any office or agency’s printing, records management, space renovation, furniture, or supply services as the Secretary determines shall be derived from centralized sources made available by the Department to all offices and agencies and funded through the Fund: Provided further, That of the amounts made available in this title 1 for salaries and expenses under the headings “Executive Offices”, “Administrative Support Offices”, “Program Office Salaries and Expenses”, and “Government National Mortgage Association”, the Secretary shall transfer to the Fund such amounts, to remain available until expended, as are necessary to fund services, specified in the first proviso, for which the appropriation would otherwise have been available, and may transfer not to exceed an additional $10,000,000, in aggregate, from all such appropriations, to be merged with the Fund and to remain available until expended for use for any office or agency: Provided further, That amounts in the Fund shall be the only amounts available to each office or agency of the Department for the services, or portion of services, specified in the first proviso: Provided further, That with respect to the Fund, the authorities and conditions under this heading shall supplant the authorities and conditions provided under section 3535(f) of this title.


REFERENCES IN TEXT

This heading, referred to in text, refers to the heading “WORKING CAPITAL FUND” of title II of div. L of the Consolidated Appropriations Act, 2016, Pub. L. 114–113, which is classified to this section.


CODIFICATION

Section was enacted as part of the Consolidated Appropriations Act, 2016, and not as part of the Department of Housing and Urban Development Act which comprises this chapter.

§ 3536. Annual reports

The Secretary shall, as soon as practicable after the end of each calendar year, make a report to the President for submission to the Congress on the activities of the Department during the preceding calendar year. The report required under this section shall include the reports required under paragraphs (2) and (6) of section 3608(e) of this title, the reports required under subsections (a) and (b) of section 4656 of this title, the report required under section 1701d of title 12, and the report required under section 3533(e)(2) of this title.


1 See References in Text note below.
Section was formerly classified to section 624f of former Title 5, Executive Departments and Government Officers and Employees, prior to the general revision and enactment of Title 5, Government Organization and Employee, by Pub. L. 89–554, §1, Sept. 1, 1966, 80 Stat. 378.

AMENDMENTS

2000—Pub. L. 106–569 inserted at end “The report required under this section shall include the reports required under paragraphs (2) and (6) of section 3608(e) of this title, the reports required under subsections (a) and (b) of section 4856 of this title, the report required under section 17610 of title 12, and the report required under section 3533(e)(2) of this title.”

PERFORMANCE GOALS FOR DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT


“(1) In general.—The Secretary of the Department of Housing and Urban Development (hereafter in this Act [see Short Title of 1992 Amendment note set out under section 5301 of this title referred to as the ‘Secretary’) may establish performance goals for the major programs of the Department of Housing and Urban Development in order to measure progress towards meeting the objectives of national housing policy.

“(2) Form of goal.—The performance goals referred to in paragraph (1) shall be expressed in terms sufficient to measure progress.

“(3) Report.—The Secretary shall include in the Secretary’s annual report to the Congress a description of the progress made in attaining the performance goals for each program, citing the results achieved in each program for the previous year.

“(4) Failure to meet goals.—If a performance standard or goal has not been met, the description under paragraph (3) shall include an explanation of why the goal was not met, propose plans for achieving the performance goal, and recommend any legislative or regulatory changes necessary for achievement of the goal.”

ANNUAL REPORT ON CHARACTERISTICS OF FAMILIES IN ASSISTED HOUSING


“(a) In general.—The Secretary of Housing and Urban Development shall include in the annual report under section 8 of the Housing and Urban Development Act [probably means section 8 of the Department of Housing and Urban Development Act, 42 U.S.C. 3588] the descriptions of the characteristics of families assisted under each of the following programs of assistance: public housing, section 8 of the United States Housing Act of 1937 [42 U.S.C. 1437f] (other than subsection (c) of such section), section 8(c) of the United States Housing Act of 1937, and section 202 of the Housing Act of 1959 [42 U.S.C. 1701q].

“(b) Specific requirements.—The descriptions required in subsection (a) shall include information with respect to—

“(1) family size, including the number of children;

“(2) amount and sources of family income;

“(3) the age, race, and sex of family members; and

“(4) whether the head of the family (or the spouse of such person) is a member of the armed forces.

“(c) Collection and maintenance of data.—The Secretary shall collect and maintain data necessary to carry out the purposes of this section and shall coordinate such efforts, to the greatest extent possible, with activities and responsibilities under section 8 of the Department of Housing and Urban Development Act [42 U.S.C. 3586].”

§ 3536a. Report on interagency family economic empowerment strategies

The Secretary of Housing and Urban Development, in consultation with the Secretary of Labor, shall submit a report to the Congress annually that describes—

(1) any interagency strategies of such Departments that are designed to improve family economic empowerment by linking housing assistance with essential supportive services, such as employment counseling and training, financial education and growth, childcare, transportation, meals, youth recreational activities, and other supportive services; and

(2) any actions taken in the preceding year to carry out such strategies and the extent of progress achieved by such actions.


§ 3537. Separability

Notwithstanding any other evidence of the intent of Congress, it is hereby declared to be the intent of Congress that if any provision of this chapter, or the application thereof to any persons or circumstances, shall be adjudged by any court of competent jurisdiction to be invalid, such judgment shall not affect, impair, or invalidate the remainder of this chapter or its application to other persons and circumstances, but shall be confined in its operation to the provision of this chapter, or the application thereof to the persons and circumstances, directly involved in the controversy in which such judgment shall have been rendered.


REFERENCES IN TEXT

This chapter, referred to in text, was in the original “this Act”, meaning Pub. L. 89–174, Sept. 9, 1965, 79 Stat. 667, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 3531 of this title and Tables.

§ 3537a. Prohibition of advance disclosure of funding decisions

(a) Prohibited actions

During any selection process, no officer or employee of the Department of Housing and Urban Development shall knowingly disclose any covered selection information regarding such selection, directly or indirectly, to any person other than a person authorized by the Secretary to receive such information.

(b) Administrative remedies

If the Secretary receives or obtains information providing a reasonable basis to believe that
§ 3537a  TITLE 42—THE PUBLIC HEALTH AND WELFARE  Page 5416

a violation of subsection (a) has occurred, the Secretary shall—

(1) in the case of a selection that has not been made, determine whether to terminate the selection process or take other appropriate actions; and

(2) in the case of a selection that has been made, determine whether to—

(A) void or rescind the selection, subject to review and determination on the record after opportunity for a hearing;

(B) impose sanctions upon the violating applicant selected, subject to review and determination on the record after opportunity for a hearing;

(C) permit the violating applicant selected to continue to participate in the program; or

(D) take any other actions that the Secretary considers appropriate.

civil money penalties

(1) In general

Whenever any employee of the Department knowingly and materially violates the prohibition in subsection (a), the Secretary may impose a civil money penalty on the employee in accordance with the provisions of this subsection. This penalty shall be in addition to any other available civil remedy or any available criminal penalty and may be imposed whether or not the Secretary takes other disciplinary actions.

(2) Amount

The amount of the penalty, as determined by the Secretary, may not exceed $10,000 for each violation.

(3) Agency procedures

(A) Establishment

The Secretary shall establish standards and procedures governing the imposition of civil money penalties under this subsection. The standards and procedures—

(i) shall provide for the Secretary or other official of the Department to make the determination to impose a penalty or to use an administrative entity to make the determination;

(ii) shall provide for the imposition of a penalty only after the employee has been given an opportunity for a hearing on the record; and

(iii) may provide for review of any determination or order, or interlocutory ruling, arising from a hearing.

(B) Final orders

If no hearing is requested within 15 days of receipt of the notice of opportunity for hearing, the imposition of the penalty shall constitute a final and unappealable order. If the Secretary reviews the determination or order, the Secretary may affirm, modify, or reverse that determination or order. If the Secretary does not review the determination or order within 90 days of the issuance of the determination or order, the determination or order shall be final.

(C) Factors in determining amount of penalty

In determining the amount of a penalty under paragraph (2), consideration shall be given to such factors as the gravity of the offense, any history of prior disclosures of information on pending funding decisions made after December 15, 1989, ability to pay the penalty, injury to the public, benefits received, deterrence of future violations, and such other factors as the Secretary may determine in regulations to be appropriate.

(D) Reviewability of imposition of a penalty

The Secretary’s determination or order imposing a penalty under paragraph (1) shall not be subject to review, except as provided in paragraph (4).

(4) Judicial review of agency determination

(A) In general

After exhausting all administrative remedies established by the Secretary under paragraph (3)(A), an employee against whom the Secretary has imposed a civil money penalty under paragraph (1) may obtain a review of the penalty and such ancillary issues (such as any administrative sanctions under 24 C.F.R. part 25) as may be addressed in the notice of determination to impose a penalty under paragraph (3)(A)(i) in the appropriate court of appeals of the United States, by filing in such court, within 20 days after the entry of such order or determination, a written petition praying that the Secretary’s order or determination be modified or be set aside in whole or in part.

(B) Objections not raised in hearing

The court shall not consider any objection that was not raised in the hearing conducted pursuant to paragraph (3)(A) unless a demonstration is made of extraordinary circumstances causing the failure to raise the objection. If any party demonstrates to the satisfaction of the court that additional evidence not presented at such hearing is material and that there were reasonable grounds for the failure to present such evidence at the hearing, the court shall remand the matter to the Secretary for consideration of such additional evidence.

(C) Scope of review

The decisions, findings, and determinations of the Secretary shall be reviewed pursuant to section 706 of title 5.

(D) Order to pay penalty

Notwithstanding any other provision of law, in any such review, the court shall have the power to order payment of the penalty imposed by the Secretary.

(5) Action to collect penalty

If any employee fails to comply with the Secretary’s determination or order imposing a civil money penalty under paragraph (1), after the determination or order is no longer subject to review as provided by paragraphs (3)(A) and (4), the Secretary may request the Attorney General of the United States to bring an action in an appropriate United States district court to obtain a monetary judgment against the employee and such other relief as may be available. The monetary judgment may, in the court’s discretion, include the attorneys’ fees
and other expenses incurred by the United States in connection with the action. In an action under this subsection, the validity and appropriateness of the Secretary’s determination or order imposing the penalty shall not be subject to review.

(6) Settlement by Secretary
The Secretary may compromise, modify, or remit any civil money penalty which may be, or has been, imposed under this subsection.

(7) Deposit of penalties
The Secretary shall deposit all civil money penalties under this subsection into miscellaneous receipts of the Treasury.

(d) Criminal penalties
Whoever willfully violates subsection (a) by making a disclosure prohibited by subsection (a) to any applicant, or any officer, employee, representative, agent, or consultant of any applicant, shall be imprisoned not more than 5 years, or fined in accordance with title 18, or both.

(e) Definitions
For purposes of this section:

(1) Applicant
The term “applicant” means any applicant or candidate that is being considered for receiving assistance.

(2) Assistance
The term “assistance” means any grant, loan, subsidy, guarantee, or other financial assistance under a program administered by the Secretary that provides by statute, regulation, or otherwise for the competitive distribution of such assistance. The term does not include any mortgage insurance provided under a program administered by the Secretary.

(3) Covered selection information
The term “covered selection information” means—

(A) any information that is contained in any application or request for assistance, or any information regarding the decision of the Secretary to make available assistance or other information that is determined by the Secretary to be information that is not generally available to the public (not including program requirements and timing of the decision to make assistance available); and

(B) any information that is required by statute, regulation, or order to be confidential.

(4) Knowingly
The term “knowingly” means having actual knowledge of or acting with deliberate ignorance of or reckless disregard for the prohibitions under this section.

(5) Selection
The term “selection” means the determination of which applicants for assistance are to receive assistance under the program.

(6) Selection process
The term “selection process” means the period with respect to a selection for assistance that begins with the development, preparation, and issuance of a solicitation or request for applications for the assistance and concludes with the selection of recipients of assistance, and includes the evaluation of applications.

(f) Regulations
The Secretary shall issue such regulations as the Secretary deems appropriate to implement this section.

(g) Applicability
This section shall apply only with respect to violations that occur on or after December 15, 1989.


Effective Date of Repeal
Repeal effective Jan. 1, 1996, except as otherwise provided, see section 24 of Pub. L. 104–65, set out as an Effective Date note under section 1601 of Title 2, The Congress.

§3537c. Prohibition of lump-sum payments
In providing relocation assistance in connection with any program administered by the Department of Housing and Urban Development, the Secretary may not make lump-sum payments to any displaced residential tenant, except where necessary to cover—

(1) moving expenses;
(2) a downpayment on the purchase of a replacement residence, including a condominium unit or membership in a cooperative housing association; or
(3) any incidental expenses related to paragraph (1) or (2).


§3538. Rescheduling and refinancing of Federal loans
The Secretary of Housing and Urban Development is authorized to refinance any note or other obligation which is held by him in connection with any loan made by the Department of Housing and Urban Development or its predecessor in interest, or which is included within the revolving fund for liquidating programs established by the Independent Offices Appropriation Act of 1955 (2 U.S.C. 1705–5), where he finds such refinancing necessary because of the loss, destruction, or damage (as a result of a major disaster) to property or facilities securing such obligations. The Secretary may authorize a suspension in the payment of principal and interest charges on, and an additional extension in the maturity of, any such loan for a period not to exceed five years if he determines that such action is necessary to avoid severe financial hardship.

REFERENCES IN TEXT
The Independent Offices Appropriation Act of 1955, referred to in text, is act June 24, 1954, ch. 359, 68 Stat. 272. Provisions of the act which established the revolving fund for liquidating programs are classified to section 191g-5 of Title 12, Banks and Banking. For complete classification of this Act to the Code, see Tables.

CODIFICATION
Section was not enacted as part of the Department of Housing and Urban Development Act which comprises this chapter.
Section was formerly classified to section 4455(b) of this title.

EFFECTIVE DATE
Section effective Dec. 31, 1970, see section 304 of Pub. L. 91–606, set out as an Effective Date of 1970 Amendment note under section 165 of Title 26, Internal Revenue Code.

§ 3539. Housing and Urban Development Disaster Assistance Fund
The Secretary of Housing and Urban Development is authorized to establish a fund and to transfer to such fund from appropriations or funds available to the Department of Housing and Urban Development, such amounts as may be necessary to provide disaster assistance for which the Secretary has been requested by the President to make resources available pursuant to the authority of the Disaster Relief and Emergency Assistance Act [42 U.S.C. 5121 et seq.].

REFERENCES IN TEXT
The Disaster Relief and Emergency Assistance Act, referred to in text, is Pub. L. 95–386, May 22, 1978, 88 Stat. 143, as amended, known as the Robert T. Stafford Disaster Relief and Emergency Assistance Act, which is classified principally to chapter 68 (§5121 et seq.) of this title. For complete classification of this Act to the Code, see Short Title note set out under section 5121 of this title and Tables.

CODIFICATION
Section was not enacted as part of the Department of Housing and Urban Development Act which comprises this chapter.
Section was formerly classified to section 4413a of this title.

AMENDMENTS

TRANSFER OF FUNCTIONS
For transfer of all functions, personnel, assets, components, authorities, grant programs, and liabilities of the Federal Emergency Management Agency, including the functions of the Under Secretary for Federal Emergency Management relating thereto, to the Federal Emergency Management Agency, see section 315(a)(1) of Title 5, Domestic Security.
For transfer of functions, personnel, assets, and liabilities of the Federal Emergency Management Agency, including the functions of the Director of the Federal Emergency Management Agency relating thereto, to the Secretary of Homeland Security, and for treatment of related references, see former sections 551(d), 552(d), and 557 of Title 6, Domestic Security, and the Department of Homeland Security Reorganization Plan of November 25, 2002, as modified, set out as a note under section 542 of Title 6.

“President” substituted in text for “Director of the Office of Emergency Preparedness” pursuant to section 1 of Reorganization Plan No. 1 of 1973, eff. July 1, 1973, 38 F.R. 5979, 87 Stat. 1089, set out in the Appendix to Title 5, Government Organization and Employees.

Previously, functions of Director of Office of Emergency Preparedness under Disaster Relief Act of 1970, transferred to President by Reorg. Plan No. 1 of 1973, had been transferred to Secretary of Housing and Urban Development by Ex. Ord. No. 11749, Dec. 10, 1973, 38 F.R. 34177, which superseded Ex. Ord. No. 11725, June 27, 1973, 38 F.R. 17175, which had provided for a similar transfer to Secretary of Housing and Urban Development. Both of these Executive Orders were subsequently revoked, see Delegation of Functions note below.

Office of Emergency Preparedness [formerly Office of Emergency Planning], including offices of Director, Deputy Director, Assistant Directors, and Regional Directors, abolished and functions vested by law in Office of Emergency Preparedness or Director of Office of Emergency Preparedness transferred to President of United States by sections 1 and 3(a)(1) of Reorg. Plan No. 1 of 1973, eff. July 1, 1973, set out in the Appendix to Title 5, Government Organization and Employees.

DELEGATION OF FUNCTIONS
Functions of President under Disaster Relief Act of 1970 delegated to Secretary of Homeland Security by section 4–201 of Ex. Ord. No. 12148, July 20, 1979, 44 F.R. 43239, as amended, set out as a note under section 5195 of this title. Sections 5–112 and 5–113 of Ex. Ord. No. 12148, revoked Ex. Ord. Nos. 11725 and 11749, respectively, which had previously transferred President’s functions under Disaster Relief Act of 1970 to Secretary of Housing and Urban Development. See Transfer of Functions note above.

Section, Pub. L. 95–128, title IX, §904, Oct. 12, 1977, 91 Stat. 1149, required annual publication of prototype housing costs for one- to four-family dwelling units.

§ 3541. Paperwork reduction
(a) Declaration of policy
The Congress finds and declares—
(1) that various departments, agencies, and instrumentalities of the Federal Government with responsibilities involving housing and housing finance programs, require, approve, use or otherwise employ a variety of different forms as residential mortgages (or deeds of trust or similar security instruments) as notes secured by those mortgages, and for applications, appraisals and other purposes, and that such duplication of forms constitutes a paperwork burden that adds to the costs imposed on the Nation’s homeowners and home buyers;
(2) that unnecessary paperwork impedes the effectiveness of Federal housing and housing finance programs;
(3) that both single-family and multi-family programs are affected; and
(4) that simplification of paperwork imposed by Federal housing and housing finance programs would contribute to achieving the Nation’s housing goals by reducing housing costs.
(b) Uniform legal and other forms for use by agencies in housing programs

(1) Not later than October 1, 1980, the Secretary of Housing and Urban Development, the Secretary of Agriculture, and the Secretary of Veterans Affairs shall, consistent with provisions of law governing the conduct of housing programs, employ in their respective programs—
   (A) uniform single-family and multi-family note and mortgage forms;
   (B) a uniform application form for mortgage approval and commitment for mortgage insurance;
   (C) a uniform form for computation of the monthly net effective income of applicants;
   (D) a uniform property appraisal form;
   (E) a uniform settlement statement which shall satisfy the requirements of the Real Estate Settlement Procedures Act of 1974 [12 U.S.C. 2601 et seq.]; and
   (F) such other consolidated or simplified forms, particularly those which solicit identical or nearly identical information from the same persons in the conduct of two or more such programs, the consolidation or simplification of which the Secretaries of Housing and Urban Development and Agriculture and the Secretary of Veterans Affairs mutually agree would contribute to a reduction in the paperwork and regulatory burden of such programs.

(2) The Secretary of Housing and Urban Development, the Secretary of Agriculture, and the Secretary of Veterans Affairs shall, consistent with provisions of law governing their respective programs, provide by regulation for the elimination of forms which solicit information which is already available from other available sources through indexing or other means of identifying such forms.

(3) Each agency referred to in subsection (b) may employ riders, addenda, or similar forms of modification agreements to adapt such uniform forms to its respective programs and policies, consistent with the goals of minimizing the use and extent of such modification agreements and maximizing the suitability of such forms for the use of all participants, public and private.

(c) Coordination and reports by Director of Office of Management and Budget

The Director of the Office of Management and Budget shall coordinate and monitor the development and implementation by Federal departments and agencies of the efforts required by subsection (b) and shall report to the Congress on such development and implementation and with respect to any provisions of law which unnecessarily prevent such departments and agencies from carrying out the provisions of this section as part of each report required under Public Law 93-556. Such report shall include an estimate of the level of paperwork burden hours of the affected agencies as allocated by the Office of Management and Budget.


§3542. Public notice and comment regarding demonstration programs not expressly authorized in law

(a) No demonstration program not expressly authorized in law may be commenced by the Secretary of Housing and Urban Development until (1) a description of such demonstration program is published in the Federal Register, which description may be included in a notice of funding availability; and (2) there expires a period of sixty calendar days following the date of such publication, during which period the Secretary shall fully consider any public comments submitted with respect to such demonstration program.

(b) Nothing in this section may be considered to authorize the conducting of any demonstration program by the Secretary of Housing and Urban Development.


Codification

Section was enacted as part of the Supplemental Appropriations Act, 1984, and not as part of the Depart-
§ 3543. Preventing fraud and abuse in Department of Housing and Urban Development programs

(a) Disclosure of social security account number

As a condition of initial or continuing eligibility for participation in any program of the Department of Housing and Urban Development involving loans, grants, interest or rental assistance of any kind, or mortgage or loan insurance, and to ensure that the level of benefits provided under such programs is proper, the Secretary of Housing and Urban Development may require that an applicant or participant (including members of the household of an applicant or participant) disclose his or her social security account number or employer identification number to the Secretary.

(b) Definitions

For purposes of this section, the terms “applicant” and “participant” shall have such meanings as the Secretary of Housing and Urban Development by regulation shall prescribe. Such terms shall not include persons whose involvement is only in their official capacity, such as State or local government officials or officers of lending institutions.


CODIFICATION

Section was enacted as part of the Housing and Community Development Act of 1987, and not as part of the Department of Housing and Urban Development Act which comprises this chapter.

§ 3544. Preventing fraud and abuse in housing and urban development programs

(a) Definitions

As used in this section:

(1) Secretary

The term “Secretary” means the Secretary of Housing and Urban Development.

(2) Applicant; participant

The terms “applicant” and “participant” shall have such meanings as the Secretary by regulation shall prescribe, except that such terms shall include members of an applicant’s or participant’s household, and such terms shall not include persons whose involvement is only in their official capacity, such as State or local government officials and officers of lending institutions.

(3) Public housing agency

The term “public housing agency” means any agency described in section 3(f)(2) of the United States Housing Act of 1937 [42 U.S.C. 1437a(f)(2)], except as provided in this subsection, this consent form shall not be used to request taxpayer return information protected by section 6103 of title 26.

(4) Program of the Department of Housing and Urban Development

The term “program of the Department of Housing and Urban Development” includes Indian housing programs assisted under title II of the United States Housing Act of 1937.

(b) Applicant and participant consent

As a condition of initial or continuing eligibility for participation in any program of the Department of Housing and Urban Development involving initial and periodic review of an applicant’s or participant’s income, and to assure that the level of benefits provided under the program is correct, the Secretary may require that an applicant or participant—

(1) sign a consent form approved by the Secretary authorizing the Secretary, the public housing agency, or the owner responsible for determining eligibility for or level of benefits to request current or previous employers to verify salary and wage information pertinent to the applicant’s or participant’s eligibility or level of benefits;

(2) sign a consent form approved by the Secretary authorizing the Secretary or the public housing agency responsible for determining eligibility or level of benefits to request a State agency charged with the administration of the State unemployment law to release wage information with respect to such applicant or participant or information regarding whether such applicant or participant is receiving, has received, or has made application for, unemployment compensation, and the amount of any such compensation being received (or to be received) by such applicant or participant;

(3) sign a consent form approved by the Secretary authorizing the Secretary to request the Commissioner of Social Security and the Secretary of the Treasury to release information pursuant to section 6103(l)(7)(D)(ix) of title 26 with respect to such applicant or participant for the sole purpose of the Secretary verifying income information pertinent to the applicant’s or participant’s eligibility or level of benefits; and

(4) only in the case of an applicant or participant that is a member of a family described in section 3(f)(2) of the United States Housing Act of 1937 (42 U.S.C. 1437a(f)(2)), sign an agreement under which the applicant or participant agrees to provide to the appropriate public housing agency, or the owner responsible for determining the participant’s eligibility or level of benefits, the information required under section 3(f)(1) of such Act [42 U.S.C. 1437a(f)(1)] for the sole purpose of verifying income information pertinent to the applicant’s or participant’s eligibility or level of benefits, and comply with such agreement.

Except as provided in this subsection, this consent form shall not be used to request taxpayer return information protected by section 6103 of title 26.

(c) Access to records

(1) Omitted

(2) Applicant and participant protections

(A) In order to protect applicants for, and recipients of, benefits under the programs of the Department of Housing and Urban Development from the improper use of information obtained pursuant to the requirements of section 503(1) of this title from the State agency

1 See References in Text note below.
charged with the administration of the State unemployment compensation law, pursuant to section 3(d)(1) of the United States Housing Act of 1937 [42 U.S.C. 1437a(d)(1)] from the applicant or participant, or pursuant to section 6103(l)(7)(D)(ix) of title 26 from the Commissioner of Social Security or the Secretary of the Treasury, officers and employees of the Department of Housing and Urban Development and (in the case of information obtained pursuant to such section 503(i) or 3(d)(1) [42 U.S.C. 1437a(d)(1)]) representatives of public housing agencies may only use such information—

(i) to verify an applicant’s or participant’s eligibility for or level of benefits; or

(ii) in the case of an owner or public housing agency responsible for determining eligibility for or level of benefits, to inform such owner or public housing agency that an applicant’s or participant’s eligibility for or level of benefits is uncertain and to request such owner or public housing agency to verify such applicant’s or participant’s income information.

(B) No Federal, State, or local agency, or public housing agency, or owner responsible for determining eligibility for or level of benefits receiving such information may terminate, deny, suspend, or reduce any benefits of an applicant or participant until such agency or owner has taken appropriate steps to independently verify information relating to—

(i) the amount of the wages, other earnings or income, or unemployment compensation involved,

(ii) whether such applicant or participant actually has (or had) access to such wages, other earnings or income, or benefits for his or her own use, and

(iii) the period or periods when, or with respect to which, the applicant or participant actually received such wages, other earnings or income, or benefits.

(C) Such applicant or participant shall be informed by the agency or owner of the findings made by the agency or owner on the basis of such verified information, and shall be given an opportunity to contest such findings, in the same manner as applies to other information and findings relating to eligibility factors under the program.

(3) Penalty

(A) Any person who knowingly and willfully requests or obtains any information concerning an applicant or participant pursuant to the authority contained in section 503(i) of this title, section 3(d)(1) of the United States Housing Act of 1937 [42 U.S.C. 1437a(d)(1)], or section 6103(l)(7)(D)(ix) of title 26 without consent or agreement, as applicable, pursuant to subsection (b) of this section or under false pretenses, or any person who knowingly and willfully discloses any such information in any manner to any individual not entitled under any law to receive it, shall be guilty of a misdemeanor and fined not more than $5,000.

The term “person” as used in this paragraph shall include an officer or employee of the Department of Housing and Urban Development, an officer or employee of any public housing agency, and any owner responsible for determining eligibility for or level of benefits (or employee thereof).

(B) Any applicant or participant affected by (i) a negligent or knowing disclosure of information referred to in this section, section 503(i) of this title, section 3(d)(1) of the United States Housing Act of 1937 [42 U.S.C. 1437a(d)(1)], or section 6103(l)(7)(D)(ix) of title 26 about such person by an officer or employee of any public housing agency or owner (or employee thereof), which disclosure is not authorized by this section, such section 503(i), such section 3(d)(1) [42 U.S.C. 1437a(d)(1)], or such section 6103(l)(7)(D)(ix), or any regulation implementing this section, such section 503(i), such section 3(d)(1) [42 U.S.C. 1437a(d)(1)], or such section 6103(l)(7)(D)(ix), or for which consent, pursuant to subsection (b) of this section, has not been granted, or (ii) any other negligent or knowing action that is inconsistent with this section, such section 503(i), such section 3(d)(1) [42 U.S.C. 1437a(d)(1)], such section 6103(l)(7)(D)(ix), or any such implementing regulation may bring a civil action for damages and such other relief as may be appropriate against any officer or employee of any public housing agency or owner (or employee thereof) responsible for any such unauthorized action. The district court of the United States in the district in which the affected applicant or participant resides, in which such unauthorized action occurred, or in which the applicant or participant alleged to be responsible for any such unauthorized action resides, shall have jurisdiction in such matters. Appropriate relief that may be ordered by such district courts shall include reasonable attorney’s fees and other litigation costs.

(d) Effective date

(1) In general

Except as provided in paragraphs (2) and (3), the provisions of this section shall take effect on September 30, 1989.

(2) Optional early implementation

At the initiative of a State or an agency of the State, and with the approval of the Secretary of Labor, the amendments made by subsection (c)(1) may be made effective in such State on any date before September 30, 1989, which is more than 90 days after November 7, 1988.

(3) Requirements for State agencies

In the case of any State the legislature of which has not been in session for at least 30 calendar days (whether or not consecutive) between November 7, 1988, and September 30, 1989, the amendments made by subsection (c)(1) shall take effect 30 calendar days after the first day on which such legislature is in session on or after September 30, 1989.

(e) Conditions of release of information by third parties

An applicant or participant under any program of the Department of Housing and Urban Development may not be required or requested
to consent to the release of information by third parties as a condition of initial or continuing eligibility for participation in the program unless—

(1) the request for consent is made, and the information secured is maintained, in accordance with this section, section 552a of title 5; and

(2) the consent that is requested is appropriately limited, with respect to time and information relevant and necessary to meet the requirements of this section.


REFERENCES IN TEXT


The amendments made by subsection (c)(1), referred to in subsec. (d)(2), (3), mean the amendments made by section 904(c)(1) of Pub. L. 100–482, which enacted section 503(i) and amended section 504(a)(2) of this title. See Codification note below.

CODIFICATION

Section is comprised of section 904 of Pub. L. 100–482. Subsection (b)(3) of Pub. L. 100–482 amended sections 503 and 504 of this title.

Section was enacted as part of the Stewart B. McKinney Homeless Assistance Amendments Act of 1988, and not as part of the Department of Housing and Urban Development Act which comprises this chapter.

AMENDMENTS

1999—Subsec. (b)(4). Pub. L. 106–74 inserted “substituted ‘‘compensation law’’ and ‘‘in the case of information obtained pursuant to such section 503(i)’’ before ‘‘representatives’’.


EFFECTIVE DATE OF 1998 AMENDMENT

Amendment by title V of Pub. L. 105–276 effective and applicable beginning upon Oct. 1, 1999, except as otherwise provided, with provision that Secretary may implement amendment before such date, except to extent that such amendment provides otherwise, and with savings provision, see section 503 of Pub. L. 105–276, set out as a note under section 1437 of this title.

INCLUSION OF DISASTER HOUSING ASSISTANCE PROGRAM IN CERTAIN FRAUD AND ABUSE PREVENTION MEASURES


RELEASE FORMS

Pub. L. 102–550, title IX, § 903(b), Oct. 28, 1992, 106 Stat. 3868, directed Secretary of Housing and Urban Development, not later than the expiration of the 180-day period beginning Oct. 28, 1992, to develop a release form that fulfilled the requirements of this section and provided that during the period beginning Oct. 28, 1992, and ending upon implementation of the use of the new form, the benefits provided to an applicant or participant under any program of Department of Housing and Urban Development, or eligibility for such benefits, could not be terminated, denied, suspended, or reduced because of any failure to sign any form authorizing the release of information from any third party, if the applicant or participant otherwise disclosed all financial information relating to the application or recertification.

§ 3545. HUD accountability

(a) Notice regarding assistance

(1) Publication of notice of availability

The Secretary shall publish in the Federal Register notice of the availability of any as-

So in original. The comma probably should be “and”.

Subsec. (b). Pub. L. 103–66, § 3003(2)(D), in concluding provisions, substituted “Except as provided in this subsection, this” for “This”.


Subsec. (c)(2)(A). Pub. L. 103–66, § 3003(3)(A)(i), in introductory provisions, inserted “or pursuant to section 6103(h)(7)(D)(ix) of title 26 from the Commissioner of Social Security or the Secretary of the Treasury” after “compensation law” and “(in the case of information obtained pursuant to such section 503(i)” before “representatives”.


sistance under any program or discretionary fund administered by the Secretary.

(2) **Publication of application procedures**

The Secretary shall publish in the Federal Register a description of the form and procedures by which application for the assistance may be made, and any deadlines relating to the award or allocation of the assistance. Such description shall be designed to help eligible applicants to apply for such assistance.

(3) **Publication of selection criteria**

Not less than 30 days before any deadline by which applications or requests for assistance under any program or discretionary fund administered by the Secretary must be submitted, the Secretary shall publish in the Federal Register the criteria by which selection for the assistance will be made. Subject to section 1439 of this title, such criteria shall include any objective measures of housing need, project merit, or efficient use of resources that the Secretary determines are appropriate and consistent with the statute under which the assistance is made available.

(4) **Documentation of decisions**

(A) The Secretary shall award or allocate assistance only in response to a written application in a form approved in advance by the Secretary, except where other award or allocation procedures are specified in statute.

(B) The Secretary shall ensure that documentation and other information regarding each application for assistance is sufficient to indicate the basis on which any award or allocation was made or denied. The preceding sentence shall apply to—

(i) any application for an award or allocation of assistance made by the Secretary to a State, unit of general local government, or other recipient.

(ii) any application for a subsequent award or allocation of such assistance by such State, unit of general local government, or other recipient.

(C)(i) The Secretary shall notify the public of all funding decisions made by the Department. The Secretary shall require any State or unit of general local government to notify the public of the award or allocation of such funding to subsequent recipients. The notification shall include the following elements for each funding decision:

(I) the name and address of each funding recipient;

(II) the name or other means of identifying the project, activity, or undertaking for each funding recipient;

(III) the dollar amount of the funding for each project, activity, or undertaking;

(IV) the citation to the statutory, regulatory, or other criteria under which the funding decision was made; and

(V) such additional information as the Secretary deems appropriate for a clear and full understanding of the funding decision.

(ii) The notification referred to in clause (i) of this subsection shall be published as a Notice in the Federal Register at least quarterly.

(iii) For purposes of this subparagraph, the term “funding decision” means the decision of the Secretary to make available grants, loans, or any other form of financial assistance to an individual or to an entity, including (but not limited to) a State or local government or agency thereof (including a public housing agency), an Indian tribe, or a nonprofit organization, under any program administered by the Department that provides, by statute, regulation, or otherwise, for the competitive distribution of financial assistance.

(D) The Secretary shall publish a notice in the Federal Register at least annually informing the public of the allocation of assistance under section 1439(d)(1)(A) of this title.

(E) The Secretary shall ensure that each application and all related documentation and other information referred to in subparagraph (B), including each letter of support, is readily available for public inspection for a period of not less than 5 years, beginning not less than 30 days following the date on which the award or allocation is made.

(5) **Emergency exception**

The Secretary may waive the requirements of paragraphs (1), (2), and (3) if the Secretary determines that the waiver is required for appropriate response to an emergency. Not less than 30 days after providing a waiver under the preceding sentence, the Secretary shall publish in the Federal Register the Secretary’s reasons for so doing.

(b) **Disclosures by applicants**

The Secretary shall require the disclosure of information with respect to any application for assistance within the jurisdiction of the Department for a project application submitted to the Secretary or to any State or unit of general local government by any applicant who has received or, in the determination of the Secretary, can reasonably be expected to receive assistance within the jurisdiction of the Department in excess of $200,000 in the aggregate during any fiscal year or such lower amount as the Secretary may establish by regulation. Such information shall include the following:

(1) **Other government assistance**

Information regarding any related assistance from the Federal Government, a State, or a unit of general local government, or any agency or instrumentality thereof, that is expected to be made available with respect to the project or activities for which the applicant is seeking assistance. Such related assistance shall include but not be limited to any loan, grant, guarantee, insurance, payment, rebate, subsidy, credit, tax benefit, or any other form of direct or indirect assistance.

(2) **Interested parties**

The name and pecuniary interest of any person who has a pecuniary interest in the project or activities for which the applicant is seeking assistance. Persons with a pecuniary interest in the project or activity shall include but not be limited to any developers, contractors, and consultants involved in the application for assistance or the planning, develop-
ment, or implementation of the project or activity. For purposes of this paragraph, residency of an individual in housing for which assistance is being sought shall not, by itself, be considered a pecuniary interest.

(3) Expected sources and uses

A report satisfactory to the Secretary of the expected sources and uses of funds that are to be made available for the project or activity.

(c) Updating of disclosure

During the period when an application is pending or assistance is being provided, the applicant shall update the disclosure required under the previous subsection within 30 days of any substantial change.

(d) Limitation of assistance

The Secretary shall certify that assistance within the jurisdiction of the Department, as such term is defined in subsection (m), except that for purposes of this subsection such term shall not include any mortgage insurance provided pursuant to title II of the National Housing Act (12 U.S.C. 1707 et seq.), to any housing project shall not be more than is necessary to provide affordable housing after taking account of assistance described in subsection (b)(1). The Secretary shall adjust the amount of such assistance awarded or allocated to an applicant to compensate in whole or in part, as the Secretary determines to be appropriate, for any changes reported under subsection (c).

(e) Administrative remedies

If the Secretary receives or obtains information providing a reasonable basis to believe that a violation of subsection (b) or (c) has occurred, the Secretary shall:

(1) in the case of a selection that has not been made, determine whether to terminate the selection process or take other appropriate actions; and

(2) in the case of a selection that has been made, determine whether to:

(A) void or rescind the selection, subject to review and determination on the record after opportunity for a hearing;

(B) impose sanctions upon the violator, including debarment, subject to review and determination on the record after opportunity for a hearing;

(C) recapture any funds that have been disbursed;

(D) permit the violating applicant selected to continue to participate in the program; or

(E) take any other actions that the Secretary considers appropriate.

The Secretary shall publish in the Federal Register a descriptive statement of each determination made and action taken under this subsection.

(f) Civil money penalties

(1) In general

Whenever any person knowingly and materially violates any provision of subsection (b) or (c), the Secretary may impose a civil money penalty on that person in accordance with the provisions of this section. This penalty shall be in addition to any other available civil remedy or any available criminal penalty, and may be imposed whether or not the Secretary imposes other administrative sanctions.

(2) Amount of penalty

The amount of the penalty, as determined by the Secretary, may not exceed $10,000 for each violation.

(g) Agency procedures

(1) In general

The Secretary shall establish standards and procedures governing the imposition of civil money penalties under subsection (f). These standards and procedures—

(A) shall provide for the Secretary to make the determination to impose the penalty or to use an administrative entity to make the determination;

(B) shall provide for the imposition of a penalty only after the person has been given an opportunity for a hearing on the record; and

(C) may provide for review by the Secretary of any determination or order, or interlocutory ruling, arising from a hearing.

If no hearing is requested within 15 days of receipt of the notice of opportunity for hearing, the imposition of the penalty shall constitute a final and unappealable determination. If the Secretary reviews the determination or order, the Secretary may affirm, modify, or reverse that determination or order. If the Secretary does not review the determination or order, the determination or order shall be final.

(2) Factors in determining amount of penalty

In determining the amount of a penalty under subsection (f), consideration shall be given to such factors as the gravity of the offense, ability to pay the penalty, injury to the public, benefits received, deterrence of future violations, and such other factors as the Secretary may determine in regulations to be appropriate.

(3) Reviewability of imposition of a penalty

The Secretary’s determination or order imposing a penalty under subsection (f) shall not be subject to review, except as provided in subsection (h).

(h) Judicial review of agency determination

(1) In general

After exhausting all administrative remedies established by the Secretary under subsection (g)(1), a person against whom the Secretary has imposed a civil money penalty under subsection (f) may obtain a review of the penalty and such ancillary issues as may be addressed in the notice of determination to impose a penalty under subsection (g)(1)(A) in the appropriate court of appeals of the United States, by filing in such court, within 20 days after the entry of such order or determination, a written petition praying that the order or determination of the Secretary be modified or be set aside in whole or in part.

(2) Objections not raised in hearing

The court shall not consider any objection that was not raised in the hearing conducted
pursuant to subsection (g)(1) unless a demonstration is made of extraordinary circumstances causing the failure to raise the objection. If any party demonstrates to the satisfaction of the court that additional evidence not presented at the hearing is material and that there were reasonable grounds for the failure to present such evidence at the hearing, the court shall remand the matter to the Secretary for consideration of such additional evidence.

(3) Scope of review
The decisions, findings, and determinations of the Secretary shall be reviewed pursuant to section 706 of title 5.

(4) Order to pay penalty
Notwithstanding any other provision of law, in any such review, the court shall have the power to order payment of the penalty imposed by the Secretary.

(i) Action to collect penalty
If any person fails to comply with the determination or order of the Secretary imposing a civil money penalty under subsection (f), after the determination or order is no longer subject to review as provided by subsections (g)(1) and (h), the Secretary may request the Attorney General of the United States to bring an action in an appropriate United States district court to recover a monetary judgment may, in the court's discretion, include the attorneys' fees and other expenses incurred by the United States in connection with the action. In an action under this subsection, the validity and appropriateness of the Secretary's determination or order imposing the penalty shall not be subject to review.

(j) Settlement by Secretary
The Secretary may compromise, modify, or remit any civil money penalty which may be, or has been, imposed under this section.

(k) Regulations
The Secretary shall issue such regulations as the Secretary deems appropriate to implement this section.

(l) Deposit of penalties
The Secretary shall deposit all civil money penalties collected under this section into miscellaneous receipts of the Treasury.

(m) Definitions
For the purpose of this section—
(1) The term “Department” means the Department of Housing and Urban Development.
(2) The term “Secretary” means the Secretary of Housing and Urban Development.
(3) The term “person” means an individual (including a consultant, lobbyist, or lawyer), corporation, company, association, authority, firm, partnership, society, State, local government, or any other organization or group of people.
(4) The term “assistance within the jurisdiction of the Department” includes any contract, grant, loan, cooperative agreement, or other form of assistance, including the insurance or guarantee of a loan, mortgage, or pool of mortgages.
(5) The term “knowingly” means having actual knowledge of or acting with deliberate ignorance of or reckless disregard for the prohibitions under this section.

(n) Effective date
This section shall take effect on the date specified in regulations implementing this section that are issued by the Secretary after notice and public comment.


REFERENCES IN TEXT
The National Housing Act, referred to in subsec. (d), is act June 27, 1934, ch. 847, 48 Stat. 1246. Title II of the National Housing Act (12 U.S.C. 1707 et seq.) of chapter 13 of Title 12, Banks and Banking, for complete classification of this Act to the Code, see section 1701 of Title 12 and Tables.

CODIFICATION
Section was enacted as part of the Department of Housing and Urban Development Reform Act of 1989, and not as part of the Department of Housing and Urban Development Act which comprises this chapter.

AMENDMENTS
2008—Subsec. (d). Pub. L. 110–289 inserted “, as such term is defined in subsection (m), except that for purposes of this subsection such term shall not include any mortgage insurance provided pursuant to title II of the National Housing Act (12 U.S.C. 1707 et seq.)” after “Department” and “such” after “amount of”.

SUBSIDY LAYERING REVIEW

“(a) CERTIFICATION OF SUBSIDY LAYERING COMPLIANCE.—The requirements of section 102(d) of the Department of Housing and Urban Development Reform Act of 1989 (42 U.S.C. 3545(d)) may be satisfied in connection with a project receiving assistance under a program that is within the jurisdiction of the Department of Housing and Urban Development and under section 42 of the Internal Revenue Code of 1986 (26 U.S.C. 42) by a certification by a housing credit agency to the Secretary, submitted in accordance with guidelines established by the Secretary, that the combination of assistance within the jurisdiction of the Secretary and other government assistance provided in connection with a property for which assistance is to be provided within the jurisdiction of the Department of Housing and Urban Development and under section 42 of the Internal Revenue Code of 1986 shall not be any greater than is necessary to provide affordable housing.

“(b) IN PARTICULAR.—The guidelines established pursuant to subsection (a) shall—

“(1) require that the amount of equity capital contributed by investors to a project partnership is not less than the amount generally contributed by investors in current market conditions, as determined by the housing credit agency; and

“(2) require that project costs, including developer fees, are within a reasonable range, taking into account project size, project characteristics, project location and project risk factors, as determined by the housing credit agency.

“(c) REVOCATION BY SECRETARY.—If the Secretary determines that a housing credit agency has failed to comply with the guidelines established under subsection (a), the Secretary—

“(1) may inform the housing credit agency that the agency may no longer submit certification of subsidy layering compliance under this section; and
(2) shall carry out section 102(d) of the Department of Housing and Urban Development Reform Act of 1989 (42 U.S.C. 3545(d)) relating to affected projects allocated a low-income housing tax credit pursuant to section 42 of the Internal Revenue Code of 1986 [26 U.S.C. 42].

(4) Applicability.—Section 102(d) of the Department of Housing and Urban Development Reform Act of 1989 (42 U.S.C. 3545(d)) shall apply only to projects for which an application for assistance or insurance was filed after the date of enactment of the Housing and Urban Development Reform Act [probably should be Department of Housing and Urban Development Reform Act of 1989, enacted Dec. 15, 1989]."

§ 3545a. Notification of issuance of electronic notice of availability of assistance or funding to be competitively awarded for certain programs or discretionary funds

The Secretary of the Department of Housing and Urban Development shall, for fiscal year 2014 and subsequent fiscal years, notify the public through the Federal Register and other means, as determined appropriate, of the issuance of a notice of the availability of assistance or notice of funding availability (NOFA) for any program or discretionary fund administered by the Secretary that is to be competitively awarded. Notwithstanding any other provision of law, for fiscal year 2014 and subsequent fiscal years, the Secretary may make the NOFA available only on the Internet at the appropriate Government Web site or through other electronic media, as determined by the Secretary.


Codification

Section was enacted as part of the Housing and Community Development Act of 1992, and not as part of the Department of Housing and Urban Development Act which comprises this chapter.

Similar Provisions

Provisions similar to those in this section were contained in the following appropriation acts:


§ 3546. Use of domestic products

(a) Prohibition against fraudulent use of “Made in America” labels

A person shall not intentionally affix a label bearing the inscription of “Made in America”, or any inscription with that meaning, to any product sold in or shipped to the United States, if that product is not a domestic product.

(b) Report

The Secretary of Housing and Urban Development and the Secretary of Agriculture shall each submit, before January 1, 1994, a report to the Congress on procurements of products that are not domestic products.

(c) “Domestic product” defined

For the purposes of this section, the term “domestic product” means a product—

(1) that is manufactured or produced in the United States; and

(2) at least 50 percent of the cost of the articles, materials, or supplies of which are mined, produced, or manufactured in the United States.


Codification

Section was enacted as part of the Housing and Community Development Act of 1992, and not as part of the Department of Housing and Urban Development Act which comprises this chapter.

§ 3547. Special projects

1) In general

(A) Release of funds

In order to assure that the policies of the National Environmental Policy Act of 1969 [42 U.S.C. 3321 et seq.] and other provisions of law which further the purposes of such Act (as specified in regulations issued by the Secretary) are most effectively implemented in connection with the expenditure of funds for special projects appropriated under an appropriations Act for the Department of Housing and Urban Development, such as special projects under the head “Annual Contributions for Assisted Housing” in title II of the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1993, and to assure to the public undiminished protection of the environment, the Secretary of Housing and Urban Development may, under such regulations, in lieu of the environmental protection procedures otherwise applicable, provide for the release of funds for particular special projects upon the request of recipients of special projects assistance, if the State or unit of general local government, as designated by the Secretary in accordance with regulations, assumes all of the responsibilities for environmental review, decisionmaking, and action pursuant to such Act, and such other provisions of law as the regulations of the Secretary specify, that would otherwise apply to the Secretary were the Secretary to undertake such special projects as Federal projects.

(B) Implementation

The Secretary shall issue regulations to carry out this section only after consultation with the Council on Environmental Quality. Such regulations shall—

(i) provide for monitoring of the performance of environmental reviews under this section;

(ii) in the discretion of the Secretary, provide for the provision or facilitation of training for such performance; and

(iii) subject to the discretion of the Secretary, provide for suspension or termi-
nation by the Secretary of the assumption under subparagraph (A).

(C) Responsibilities of State or unit of general local government

The Secretary’s duty under subparagraph (B) shall not be construed to limit any responsibility assumed by a State or unit of general local government with respect to any particular release of funds under subparagraph (A).

(2) Procedure

The Secretary shall approve the release of funds for projects subject to the procedures authorized by this section only if, not less than 15 days prior to such approval and prior to any commitment of funds to such projects, the recipient submits to the Secretary a request for such release, accompanied by a certification of the State or unit of general local government which meets the requirements of paragraph (3). The Secretary’s approval of any such certification shall be deemed to satisfy the Secretary’s responsibilities under the National Environmental Policy Act of 1969 [42 U.S.C. 4321 et seq.] and such other provisions of law as the regulations of the Secretary specify as far as those responsibilities relate to the releases of funds for special projects to be carried out pursuant thereto which are covered by such certification.

(3) Certification

A certification under the procedures authorized by this section shall—

(A) be in a form acceptable to the Secretary;

(B) be executed by the chief executive officer or other officer of the State or unit of general local government who qualifies under regulations of the Secretary;

(C) specify that the State or unit of general local government under this section has fully carried out its responsibilities as described under paragraph (1); and

(D) specify that the certifying officer—

(i) consents to assume the status of a responsible Federal official under the National Environmental Policy Act of 1969 [42 U.S.C. 4321 et seq.] and each provision of law specified in regulations issued by the Secretary insofar as the provisions of such Act or other provision of law apply pursuant to paragraph (1); and

(ii) is authorized and consents on behalf of the State or unit of general local government and himself or herself to accept the jurisdiction of the Federal courts for the purpose of enforcement of the responsibilities as such an official.

(4) Approval by States

In cases in which a unit of general local government carries out the responsibilities described in paragraph (1), the Secretary may permit the State to perform those actions of the Secretary described in paragraph (2) and the performance of such actions by the State, where permitted by the Secretary, shall be deemed to satisfy the Secretary’s responsibilities referred to in the second sentence of paragraph (2).
CHAPTER 45—FAIR HOUSING

SUBCHAPTER I—GENERALLY

§ 3601. Declaration of policy

It is the policy of the United States to provide, within constitutional limitations, for fair housing throughout the United States.


Effective Date of 1988 Amendment

Pub. L. 100–430, § 1, Sept. 13, 1988, 102 Stat. 1619, provided that: “This Act and the amendments made by this Act [see Short Title of 1988 Amendment note below] shall take effect on the 180th day beginning after the date of the enactment of this Act [Sept. 13, 1988].”

Short Title of 1995 Amendment


Short Title of 1988 Amendment

Pub. L. 100–430, § 1, Sept. 13, 1988, 102 Stat. 1619, provided that: “This Act [enacting this chapter, sections 3610 to 3614a of this title, amending sections 3602, 3604 to 3608, 3615 to 3619, and 3631 of this title and sections 241, 242, and 1153 of Title 12, Bank and Currency; and repealing provisions set out as notes under sections 3610 to 3613 of this title, and enacting provisions set out as notes under this section and section 3602 of this title] may be cited as the ‘Fair Housing Amendments Act of 1988’.”

Short Title

Section 1 of Pub. L. 90–284, as added by Pub. L. 100–430, § 2, Sept. 13, 1988, 102 Stat. 1619, provided: “That this Act [enacting this chapter, sections 3610 to 3614a of this title, and amending sections 3602, 3604 to 3608, 3615 to 3619, and 3631 of this title and sections 241, 242, and 1153 of Title 12, Bank and Currency; and repealing provisions set out as notes under sections 3610 to 3613 of Title 12, and enacting provisions set out as notes under section 3602 of Title 12, and repealing provisions set out as notes under section 1306 of Title 28, Judiciary and Judicial Procedure] may be cited as the ‘Civil Rights Act of 1968.’”

Section 800 of Pub. L. 90–284, title VIII, as added by Pub. L. 100–430, § 4, Sept. 13, 1988, 102 Stat. 1619, provided that: “This title [enacting this subchapter and amending sections 3533 and 3535 of this title] may be cited as the ‘Fair Housing Act’.”

Separability

Pub. L. 100–430, § 14, Sept. 13, 1988, 102 Stat. 1636, provided that: ‘‘If any provision of this Act [see Short
Title of 1988 Amendment note above) or the application thereof to any person or circumstances is held invalid, the remainder of the Act and the application of the provision to other persons not similarly situated or to other circumstances shall not be affected thereby."

DISCLAIMER OF PREEMPTIVE EFFECT ON OTHER ACTS


INITIAL RULEMAKING

Pub. L. 100–430, §13(b), Sept. 13, 1988, 102 Stat. 1636, provided that: “In consultation with appropriate Federal agencies, the Secretary shall, not later than the 180th day after the date of the enactment of this Act [Sept. 13, 1988], issue rules to implement title VIII [this subchapter] as amended by this Act [see Short Title of 1988 Amendment note above]. The Secretary shall give public notice and opportunity for comment with respect to such rules."

FEDERA LLY PROTECTED ACTIVITIES; PENALTIES

Penalties for violations respecting federally protected activities not applicable to and not affecting activities under this subchapter, see section 101(b) of Pub. L. 90–284, set out as a note under section 245 of Title 18, Crimes and Criminal Procedure.

§ 3602. Definitions

As used in this subchapter—

(a) “Secretary” means the Secretary of Housing and Urban Development.

(b) “Dwelling” means any building, structure, or portion thereof which is occupied as, or designed or intended for occupancy as, a residence by one or more families, and any vacant land which is offered for sale or lease for the construction or location thereon of any such building, structure, or portion thereof.

(c) “Family” includes a single individual.

(d) “Person” includes one or more individuals, corporations, partnerships, associations, labor organizations, legal representatives, mutual companies, joint-stock companies, trusts, unincorporated organizations, trustees, trustees in cases under title 11, receivers, and fiduciaries.

(e) “To rent” includes to lease, to sublease, to let and otherwise to grant for a consideration the right to occupy premises not owned by the occupant.

(f) “Discriminatory housing practice” means an act that is unlawful under section 3604, 3605, 3606, or 3617 of this title.

(g) “State” means any of the several States, the District of Columbia, the Commonwealth of Puerto Rico, or any of the territories and possessions of the United States.

(h) “Handicap” means, with respect to a person—

1. a physical or mental impairment which substantially limits one or more of such person’s major life activities,
2. a record of having such an impairment, or
3. being regarded as having such an impairment, but such term does not include current, illegal use of or addiction to a controlled substance (as defined in section 802 of title 21).

(i) “Aggrieved person” includes any person who—

1. claims to have been injured by a discriminatory housing practice; or
2. believes that such person will be injured by a discriminatory housing practice that is about to occur.

(j) “Complainant” means the person (including the Secretary) who files a complaint under section 3610 of this title.

(k) “Familial status” means one or more individuals (who have not attained the age of 18 years) being domiciled with—

1. a parent or another person having legal custody of such individual or individuals; or
2. the designee of such parent or other person having such custody, with the written permission of such parent or other person.

The protections afforded against discrimination on the basis of familial status shall apply to any person who is pregnant or is in the process of securing legal custody of any individual who has not attained the age of 18 years.

(l) “Conciliation” means the attempted resolution of issues raised by a complaint, or by the investigation of such complaint, through informal negotiations involving the aggrieved person, the respondent, and the Secretary.

(m) “Conciliation agreement” means a written agreement setting forth the resolution of the issues in conciliation.

(n) “Respondent” means—

1. the person or other entity accused in a complaint of an unfair housing practice; and
2. any other person or entity identified in the course of investigation and notified as required with respect to respondents so identified under section 3610(a) of this title.

(o) “Prevailing party” has the same meaning as such term has in section 1988 of this title.

(AMENDMENTS)

1988—Subsec. (f). Pub. L. 100–430, §5(a), substituted “3606, or 3617” for “or 3606”.


EFFECTIVE DATE OF 1988 AMENDMENT

Amendment by Pub. L. 100–430 effective on 180th day beginning after Sept. 13, 1988, see section 13(a) of Pub. L. 100–430, set out as a note under section 3601 of this title.

EFFECTIVE DATE OF 1978 AMENDMENT

Amendment by Pub. L. 95–598 effective Oct. 1, 1979, see section 402(a) of Pub. L. 95–598, set out as an Effective Date note preceding section 101 of Title 11, Bankruptcy.

TRANSCVESTISM

Section 6(b)(3) of Pub. L. 100–430 provided that: “For the purposes of this Act [see Short Title of 1988 Amendment note set out under section 3601 of this title] as well as chapter 16 of title 29 of the United States Code [29 U.S.C. 701 et seq.], neither the term ‘individual with
handicaps’ nor the term ‘handicap’ shall apply to an individual solely because that individual is a transvestite.”

§ 3603. Effective dates of certain prohibitions
(a) Application to certain described dwellings
Subject to the provisions of subsection (b) and section 3607 of this title, the prohibitions against discrimination in the sale or rental of housing set forth in section 3604 of this title shall apply:

(1) Upon enactment of this subchapter, to—
   (A) dwellings owned or operated by the Federal Government;
   (B) dwellings provided in whole or in part with the aid of loans, advances, grants, or contributions made by the Federal Government, under agreements entered into after November 20, 1962, unless payment due thereon has been made in full prior to April 11, 1968;
   (C) dwellings provided in whole or in part by loans insured, guaranteed, or otherwise secured by the credit of the Federal Government, under agreements entered into after November 20, 1962, unless payment due thereon has been made in full prior to April 11, 1968; provided that nothing contained in subparagraphs (B) and (C) of this subsection shall be applicable to dwellings solely by virtue of the fact that they are subject to mortgages held by an FDIC or FSLIC institution; and
   (D) dwellings provided by the development or the redevelopment of real property purchased, rented, or otherwise obtained from a State or local public agency receiving Federal financial assistance for slum clearance or urban renewal with respect to such real property under loan or grant contracts entered into after November 20, 1962.

(2) After December 31, 1968, to all dwellings covered by paragraph (1) and to all other dwellings except as exempted by subsection (b).

(b) Exemptions
Nothing in section 3604 of this title (other than subsection (c)) shall apply to—

(1) any single-family house sold or rented by an owner: Provided, That such private individual owner does not own more than three such single-family houses at any one time: Provided further, That in the case of the sale of any such single-family house by a private individual owner not residing in such house at the time of such sale or who was not the most recent resident of such house prior to such sale, the exemption granted by this subsection shall apply only with respect to one such sale within any twenty-four month period: Provided further, That such bona fide private individual owner does not own any interest in, nor is there owned or reserved on his behalf, under any express or voluntary agreement, title to or any right to all or a portion of the proceeds from the sale or rental of, more than three such single-family houses at any one time: Provided further, That after December 31, 1968, the sale or rental of any such single-family house shall be excepted from the application of this subchapter only if such house is sold or rented (A) without the use in any manner of the sales or rental facilities or the sales or rental services of any real estate broker, agent, or salesman, or of such facilities or services of any person in the business of selling or renting dwellings, or of any employee or agent of any such broker, agent, salesman, or person and (B) without the publication, posting or mailing, after notice, of any advertisement or written notice in violation of section 3604(c) of this title; but nothing in this proviso shall prohibit the use of attorneys, escrow agents, abstractors, title companies, and other such professional assistance as necessary to perfect or transfer the title, or
   (2) rooms or units in dwellings containing living quarters occupied or intended to be occupied by no more than four families living independently of each other, if the owner actually maintains and occupies one of such living quarters as his residence.

(c) Business of selling or renting dwellings defined
For the purposes of subsection (b), a person shall be deemed to be in the business of selling or renting dwellings if—

(1) he has, within the preceding twelve months, participated as principal in three or more transactions involving the sale or rental of any dwelling or any interest therein, or
   (2) he has, within the preceding twelve months, participated as agent, other than in the sale of his own personal residence in providing sales or rental facilities or sales or rental services in two or more transactions involving the sale or rental of any dwelling or any interest therein, or
   (3) he is the owner of any dwelling designed or intended for occupancy by, or occupied by, five or more families.


§ 3604. Discrimination in the sale or rental of housing and other prohibited practices
As made applicable by section 3603 of this title and except as exempted by sections 3603(b) and 3607 of this title, it shall be unlawful—

(a) To refuse to sell or rent after the making of a bona fide offer, or to refuse to negotiate for the sale or rental of, or otherwise make unavailable or deny, a dwelling to any person because of race, color, religion, sex, familial status, or national origin.

(b) To discriminate against any person in the terms, conditions, or privileges of sale or rental of a dwelling, or in the provision of services or facilities in connection therewith, because of race, color, religion, sex, familial status, or national origin.

(c) To make, print, or publish, or cause to be made, printed, or published any notice, statement, or advertisement, with respect to the sale or rental of a dwelling that indicates any preference, limitation, or discrimination based on race, color, religion, sex, handicap, familial status, or national origin, or an intention to make any such preference, limitation, or discrimination.

(d) To represent to any person because of race, color, religion, sex, handicap, familial status, or national origin that any dwelling is not avail-
able for inspection, sale, or rental when such dwelling is in fact so available.

(e) For profit, to induce or attempt to induce any person to sell or rent any dwelling by representations regarding the entry or prospective entry into the neighborhood of a person or persons of a particular race, color, religion, sex, handicap, familial status, or national origin.

(f)(1) To discriminate in the sale or rental, or to otherwise make unavailable or deny, a dwelling to any buyer or renter because of a handicap of—

(A) that buyer or renter,\(^1\)

(B) a person residing in or intending to reside in that dwelling after it is so sold, rented, or made available; or

(C) any person associated with that buyer or renter.

(2) To discriminate against any person in the terms, conditions, or privileges of sale or rental of a dwelling, or in the provision of services or facilities in connection with such dwelling, because of a handicap of—

(A) that person; or

(B) a person residing in or intending to reside in that dwelling after it is so sold, rented, or made available; or

(C) any person associated with that person.

(3) For purposes of this subsection, discrimination includes—

(A) a refusal to permit, at the expense of the handicapped person, reasonable modifications of existing premises occupied or to be occupied by such person if such modifications may be necessary to afford such person full enjoyment of the premises except that, in the case of a rental, the landlord may where it is reasonable to do so condition permission for a modification on the renter agreeing to restore the interior of the premises to the condition that existed before the modification, reasonable wear and tear excepted.\(^2\)

(B) a refusal to make reasonable accommodations in rules, policies, practices, or services, when such accommodations may be necessary to afford such person equal opportunity to use and enjoy a dwelling; or

(C) in connection with the design and construction of covered multifamily dwellings for the purpose of making determinations as to whether the design and construction requirements of paragraph (3)(C) are met.

(1) the public use and common use portions of such dwellings are readily accessible to and usable by handicapped persons;

(ii) all the doors designed to allow passage into and within all premises within such dwellings are sufficiently wide to allow passage by handicapped persons in wheelchairs; and

(iii) all premises within such dwellings contain the following features of adaptive design:

(I) an accessible route into and through the dwelling;

(II) light switches, electrical outlets, thermostats, and other environmental controls in accessible locations;

(III) reinforcements in bathroom walls to allow later installation of grab bars; and

(IV) usable kitchens and bathrooms such that an individual in a wheelchair can maneuver about the space.

(4) Compliance with the appropriate requirements of the American National Standard for buildings and facilities providing accessibility and usability for physically handicapped people (commonly cited as “ANSI A117.1”) suffices to satisfy the requirements of paragraph (3)(C)(iii).

(5)(A) If a State or unit of general local government has incorporated the requirements set forth in paragraph (3)(C), compliance with such laws shall be deemed to satisfy the requirements of that paragraph.

(B) A State or unit of general local government may, review and approve newly constructed covered multifamily dwellings for the purpose of making determinations as to whether the design and construction requirements of paragraph (3)(C) are met.

(C) The Secretary shall encourage, but may not require, States and units of local government to include in their existing procedures for the review and approval of newly constructed covered multifamily dwellings, determinations as to whether the design and construction of such dwellings are consistent with paragraph (3)(C), and shall provide technical assistance to States and units of local government and other persons to implement the requirements of paragraph (3)(C).

(D) Nothing in this subchapter shall be construed to require the Secretary to review or approve the plans, designs or construction of new covered multifamily dwellings, to determine whether the design and construction of such dwellings are consistent with the requirements of paragraph (3)(C).

(6)(A) Nothing in paragraph (5) shall be construed to affect the authority and responsibility of the Secretary or a State or local public agency certified pursuant to section 3610(f)(3) of this title to receive and process complaints or otherwise engage in enforcement activities under this subchapter.

(B) Determinations by a State or a unit of general local government under paragraphs (5)(A) and (B) shall not be conclusive in enforcement proceedings under this subchapter.

(7) As used in this subsection, the term “covered multifamily dwellings” means—

(A) buildings consisting of 4 or more units if such buildings have one or more elevators; and

(B) ground floor units in other buildings consisting of 4 or more units.

(8) Nothing in this subchapter shall be construed to invalidate or limit any law of a State or political subdivision of a State, or other jurisdiction in which this subchapter shall be effective, that requires dwellings to be designed and constructed in a manner that affords handicapped persons greater access than is required by this subchapter.

(9) Nothing in this subsection requires that a dwelling be made available to an individual whose tenancy would constitute a direct threat to the health or safety of other individuals or whose tenancy would result in substantial physical damage to the property of others.

\(^1\) So in original. The comma probably should be a semicolon.

\(^2\) So in original. The period probably should be a semicolon.
§ 3605. Discrimination in residential real estate-related transactions

(a) In general

It shall be unlawful for any person or other entity whose business includes engaging in residential real estate-related transactions to discriminate against any person in making available such a transaction, or in the terms or conditions of such a transaction, because of race, color, religion, sex, handicap, familial status, or national origin.

(b) “Residential real estate-related transaction” defined

As used in this section, the term “residential real estate-related transaction” means any of the following:

(1) The making or purchasing of loans or providing other financial assistance—

   (A) for purchasing, constructing, improving, repairing, or maintaining a dwelling; or
   
   (B) secured by residential real estate.

(2) The selling, brokering, or appraising of residential real property.

(c) Appraisal exemption

Nothing in this subchapter prohibits a person engaged in the business of furnishing appraisals of real property to take into consideration factors other than race, color, religion, national origin, sex, handicap, or familial status.

§ 3606. Discrimination in the provision of brokerage services

After December 31, 1968, it shall be unlawful to deny any person access to or membership or participation in any multiple-listing service, real estate brokers’ organization or other service, organization, or facility relating to the business of selling or renting dwellings, or to discriminate against him in the terms or conditions of such access, membership, or participation, on account of race, color, religion, sex, handicap, familial status, or national origin.

§ 3607. Religious organization or private club exemption

(a) Nothing in this subchapter shall prohibit a religious organization, association, or society, or any nonprofit institution or organization operated, supervised or controlled by or in conjunction with a religious organization, association, or society, from limiting the sale, rental, or occupancy of dwellings which it owns or operates for other than a commercial purpose to persons of the same religion, or from giving preference to such persons, unless membership in such religion is restricted on account of race, color, or national origin. Nor shall anything in this subchapter prohibit a private club not in fact open to the public, which as an incident to its primary purpose or purposes provides lodg-
ings which it owns or operates for other than a commercial purpose, from limiting the rental or occupancy of such lodgings to its members or from giving preference to its members.

(b)(1) Nothing in this subchapter limits the applicability of any reasonable local, State, or Federal restrictions regarding the maximum number of occupants permitted to occupy a dwelling. Nor does any provision in this subchapter regarding familial status apply with respect to housing for older persons.

(2) As used in this section, “housing for older persons” means housing—

(A) provided under any State or Federal program that the Secretary determines is specifically designed and operated to assist elderly persons (as defined in the State or Federal program); or

(B) intended for, and solely occupied by, persons 62 years of age or older; or

(C) intended and operated for occupancy by persons 55 years of age or older, and—

(i) at least 80 percent of the occupied units are occupied by at least one person who is 55 years of age or older;

(ii) the housing facility or community publishes and adheres to policies and procedures that demonstrate the intent required under this subparagraph; and

(iii) the housing facility or community complies with rules issued by the Secretary for verification of occupancy, which shall—

(I) provide for verification by reliable surveys and affidavits; and

(II) include examples of the types of policies and procedures relevant to a determination of compliance with the requirements of clause (ii). Such surveys and affidavits shall be admissible in administrative and judicial proceedings for the purposes of such verification.

(3) Housing shall not fail to meet the requirements for housing for older persons by reason of:

(A) persons residing in such housing as of September 13, 1988, who do not meet the age requirements of subsections 1 (2)(B) or (C); Provided. That new occupants of such housing meet the age requirements of subsections 1 (2)(B) or (C); or

(B) unoccupied units: Provided. That such units are reserved for occupancy by persons who meet the age requirements of subsections 1 (2)(B) or (C).

(4) Nothing in this subchapter prohibits conduct against a person because such person has been convicted by any court of competent jurisdiction of the illegal manufacture or distribution of a controlled substance as defined in section 802 of title 21.

(5)(A) A person shall not be held personally liable for monetary damages for a violation of this subchapter if such person reasonably relied, in good faith, on the application of the exemption under this subsection relating to housing for older persons.

(B) For the purposes of this paragraph, a person may only show good faith reliance on the application of the exemption by showing that—

(i) such person has no actual knowledge that the facility or community is not, or will not be, eligible for such exemption; and

(ii) the facility or community has stated formally, in writing, that the facility or community complies with the requirements for such exemption.


CONCLUSION

September 13, 1988, referred to in subsec. (b)(3)(A), was in the original “the date of enactment of this Act”, which was translated as meaning the date of enactment of Pub. L. 100–430, which enacted subsec. (b) of this section, to reflect the probable intent of Congress.

AMENDMENTS

1995—Subsec. (b)(2)(C). Pub. L. 104–76, § 2, amended subpar. (C) generally. Prior to amendment, subpar. (C) read as follows: “‘intended and operated for occupancy by at least one person 55 years of age or older per unit. In determining whether housing qualifies as housing for older persons under this subsection, the Secretary shall develop regulations which require at least the following factors:

‘‘(i) the existence of significant facilities and services specifically designed to meet the physical or social needs of older persons, or if the provision of such facilities and services is not practicable, that such housing is necessary to provide important housing opportunities for older persons; and

‘‘(ii) that at least 80 percent of the units are occupied by at least one person 55 years of age or older per unit; and

‘‘(iii) the publication of, and adherence to, policies and procedures which demonstrate an intent by the owner or manager to provide housing for persons 55 years of age or older.’’


1988—Pub. L. 100–430 designated existing provisions as subsec. (a) and added subsec. (b).

EFFECTIVE DATE OF 1988 AMENDMENT

Amendment by Pub. L. 100–430 effective on 180th day beginning after Sept. 13, 1988, see section 13(a) of Pub. L. 100–430, set out as a note under section 3601 of this title.

REGULATIONS

Pub. L. 102–550, title IX, § 919, Oct. 28, 1992, 106 Stat. 3883, provided that: “The Secretary of Housing and Urban Development shall, not later than 180 days after the date of the enactment of this Act [Oct. 28, 1992], make rules defining what are ‘significant facilities and services especially designed to meet the physical or social needs of older persons’ required under section 807(b)(2)(B) of the Fair Housing Act [42 U.S.C. 3607(b)(2)] to meet the definition of the term ‘housing for older persons’ in such section.”

§ 3608. Administration

(a) Authority and responsibility

The authority and responsibility for administering this Act shall be in the Secretary of Housing and Urban Development.

(b) Assistant Secretary

The Department of Housing and Urban Development shall be provided an additional Assistant Secretary.

1So in original. Probably should be “paragraph”.

1
(c) Delegation of authority; appointment of administrative law judges; location of conciliation meetings; administrative review

The Secretary may delegate any of his functions, duties, and powers to employees of the Department of Housing and Urban Development or to boards of such employees, including functions, duties, and powers with respect to investigating, conciliating, hearing, determining, or otherwise acting as to any work, business, or matter under this subchapter. The person to whom such delegations are made with respect to hearing functions, duties, and powers shall be appointed and shall serve in the Department of Housing and Urban Development in compliance with sections 3105, 3344, 5372, and 7521 of title 5. Insofar as possible, conciliation meetings shall be held in the cities or other localities where the discriminatory housing practices allegedly occurred. The Secretary shall by rule prescribe such rights of appeal from the decisions of his administrative law judges to other administrative law judges or to other officers in the Department, to boards of officers or to himself, as shall be appropriate and in accordance with law.

(d) Cooperation of Secretary and executive departments and agencies in administration of housing and urban development programs and activities to further fair housing purposes

All executive departments and agencies shall administer their programs and activities relating to housing and urban development (including any Federal agency having regulatory or supervisory authority over financial institutions) in a manner affirmatively to further the purposes of this subchapter and shall cooperate with the Secretary to further such purposes.

(e) Functions of Secretary

The Secretary of Housing and Urban Development shall—

(1) make studies with respect to the nature and extent of discriminatory housing practices in representative communities, urban, suburban, and rural, throughout the United States;

(2) publish and disseminate reports, recommendations, and information derived from such studies, including an annual report to the Congress—

(A) specifying the nature and extent of progress made nationally in eliminating discriminatory housing practices and furthering the purposes of this subchapter, obstacles remaining to achieving equal housing opportunity, and recommendations for further legislative or executive action; and

(B) containing tabulations of the number of instances (and the reasons therefor) in the preceding year in which—

(i) investigations are not completed as required by section 3610(a)(1)(B) of this title;

(ii) determinations are not made within the time specified in section 3610(g) of this title; and

(iii) hearings are not commenced or findings and conclusions are not made as required by section 3612(g) of this title;

(3) cooperate with and render technical assistance to Federal, State, local, and other public or private agencies, organizations, and institutions which are formulating or carrying on programs to prevent or eliminate discriminatory housing practices;

(4) cooperate with and render such technical and other assistance to the Community Relations Service as may be appropriate to further its activities in preventing or eliminating discriminatory housing practices;

(5) administer the programs and activities relating to housing and urban development in a manner affirmatively to further the policies of this subchapter; and

(6) annually report to the Congress, and make available to the public, data on the race, color, religion, sex, national origin, age, handicap, and family characteristics of persons and households who are applicants for, participants in, or beneficiaries or potential beneficiaries of, programs administered by the Department to the extent such characteristics are within the coverage of the provisions of law and Executive orders referred to in subsection (f) which apply to such programs (and in order to develop the data to be included and made available to the public under this subsection, the Secretary shall, without regard to any other provision of law, collect such information relating to those characteristics as the Secretary determines to be necessary or appropriate).

(f) Provisions of law applicable to Department programs

The provisions of law and Executive orders to which subsection (e)(6) applies are—

(1) title VI of the Civil Rights Act of 1964 [42 U.S.C. 2000d et seq.];

(2) this subchapter;

(3) section 794 of title 29;

(4) the Age Discrimination Act of 1975 [42 U.S.C. 6101 et seq.];


(6) section 1962 of this title;

(7) section 637(a) of title 15;

(8) section 1735f–5 of title 12;

(9) section 5309 of this title;

(10) section 1701u of title 12;

(11) Executive orders 11063, 11246, 11625, 12250, 12250, and 12432; and

(12) any other provision of law which the Secretary specifies by publication in the Federal Register for the purpose of this sub-section.


References in Text

This Act, referred to in subsec. (a), means Pub. L. 90–284, Apr. 11, 1968, 82 Stat. 84; known as the Civil Rights Act of 1968. For complete classification of this Act to the Code, see Tables.

ter 21 of this title. For complete classification of this Act to the Code, see Short Title note set out under section 2000a of this title and Tables.


The Executive orders referred to in subsec. (f)(11) are set out as notes under sections of the Code as follows:

- Ex. Ord. No. 12259: 42 U.S.C. 2000d–1, and

CODIFICATION

The second sentence of subsec. (b) of this section has been omitted as amended sections 3533(a) and 3535(c) of this title.

AMENDMENTS

1988—Subsec. (d). Pub. L. 100–140, § 7(a), inserted “(including any Federal agency having regulatory or supervisory authority over financial institutions)” after “urban development.”


1978—Subsec. (c). Pub. L. 95–251 substituted “administrative law judges” for “hearing examiners”.

 EFFECTIVE DATE OF 1988 AMENDMENT


 EFFECTIVE DATE OF 1978 AMENDMENT

Amendment by Pub. L. 95–454 effective on first day of first applicable pay period beginning on or after 90th day after Oct. 13, 1978, see section 801(a)(4)(A) of Pub. L. 95–454, set out as an Effective Date note under section 5361 of Title 5, Government Organization and Employees.

TREATMENT OF OCCUPANCY STANDARDS


“(a) Establishment of Policy.—Not later than 60 days after the date of the enactment of this Act [Oct. 21, 1998], the Secretary of Housing and Urban Development shall publish a notice in the Federal Register for effect that takes effect upon publication and provides that the specific and unmodified standards provided in the March 20, 1991, Memorandum from the General Counsel of the Department of Housing and Urban Development to all Regional Counsel shall be the policy of the Department of Housing and Urban Development with respect to complaints of discrimination under the Fair Housing Act (42 U.S.C. 3601 et seq.) on the basis of familial status which involve an occupancy standard established by a housing provider.

“(b) Prohibition of National Standard.—The Secretary of Housing and Urban Development shall not directly or indirectly establish a national occupancy standard.”

EXECUTIVE ORDER No. 12259


EX. ORD. No. 12892, LEADERSHIP AND COORDINATION OF FAIR HOUSING IN FEDERAL PROGRAMS: AFFIRMATIVELY FURTHERING FAIR HOUSING

Ex. Ord. No. 12892, Jan. 17, 1994, 59 F.R. 2592, provided:

By the authority vested in me as President by the Constitution and the laws of the United States of America, and in accordance with the Housing Act, as amended (42 U.S.C. 3601 et seq. (“Act”), in order to affirmatively further fair housing in all Federal programs and activities relating to housing and urban development throughout the United States, it is hereby ordered as follows:

Section 1. Administration of Programs and Activities Relating to Housing and Urban Development. 1–101. Section 808(d) of the Act, as amended (42 U.S.C. 3608(d)), provides, that all executive departments and agencies shall administer their programs and activities relating to housing and urban development (including any Federal agency having regulatory or supervisory authority over financial institutions) in a manner affirmatively to further the purposes of the Act and shall cooperate with the Secretary of Housing and Urban Development to further such purposes.

1–102. As used in this order, the phrase “programs and activities” shall include programs and activities operated, administered, or undertaken by the Federal Government; grants; loans; contracts; insurance; guarantees; and Federal supervision or exercise of regulatory responsibility (including regulatory or supervisory authority over financial institutions).

Section 2. Responsibilities of Executive Agencies.

2–201. The primary authority and responsibility for administering the programs and activities relating to housing and urban development affirmatively to further fair housing is vested in the Secretary of Housing and Urban Development.

2–202. The head of each executive agency is responsible for ensuring that its programs and activities relating to housing and urban development are administered in a manner affirmatively to further the goal of fair housing as required by section 808 of the Act [42 U.S.C. 3608] and for cooperating with the Secretary of Housing and Urban Development, who shall be responsible for exercising leadership in furthering the purposes of the Act.

2–203. In carrying out the responsibilities in this order, the head of each executive agency shall take appropriate steps to require that all persons or other entities who are applicants for, or participants in, or who are supervised or regulated under, agency programs and activities relating to housing and urban development shall comply with this order.

2–204. Upon receipt of a complaint alleging facts that may constitute a violation of the Act or upon receipt of information from a consumer compliance examination or other information suggesting a violation of the Act, each executive agency shall forward such facts or information to the Secretary of Housing and Urban Development for processing under the Act. Where such facts or information indicate a possible pattern or practice of discrimination in violation of the Act, they shall be forwarded to the Attorney General.

Section 3. President’s Fair Housing Council.

3–301. There is hereby established an advisory council entitled the “President’s Fair Housing Council”
Secretary of Housing and Urban Development shall, to
sections 2–201, 2–202, 2–203, and section 3 of this order, the
related to housing and urban development that shall:
regarding programs and activities of executive agencies
Department of Justice and Federal banking agencies
consist of the Secretary of Health and Human Services,
ations and agencies as the President may, from time to
time, designate.
3–302. The President’s Fair Housing Council shall re-
view the design and delivery of Federal programs and
activities to ensure that they support a coordinated
strategy to affirmatively further fair housing. The
Council shall propose revisions to existing programs or
activities, develop pilot programs and activities, and
propose new programs and activities to achieve its
goals.
3–303. In support of cooperative efforts among all ex-
ecutive agencies, the Secretary of Housing and Urban
Development shall:
(a) cooperate with, and render assistance to, the
heads of all executive agencies in the formulation of
policies and procedures to implement this order and to
provide information and guidance on the affirmative
administration of programs and activities relating to
housing and urban development and the protection of
the rights accorded by the Act; and
(b) develop memoranda of understanding and any nec-
essary implementing procedures among executive agen-
cies designed to provide for consultation and the co-
ordination of Federal efforts to further fair housing
through the affirmative administration of programs and
activities relating to housing and urban development,
including coordination of the investigation of complaints or other information referred to the Sec-
retary as required by section 2–204 of this order that
would constitute a violation of the Act or, where rel-
vant, other Federal laws. Existing memoranda of un-
derstanding shall remain in effect until superseded.
3–304. In connection with carrying out functions
under this order, the Secretary of Housing and Urban
Development is authorized to request from any execu-
tive agency such information and assistance as the Sec-
retary deems necessary. Each agency shall furnish such
information to the extent permitted by law and, to the
extent practicable, provide assistance to the Secretary.

§ 3608
TITLE 42—THE PUBLIC HEALTH AND WELFARE
Page 5436

4–401. In implementing the responsibilities under sec-
tions 2–201, 2–202, 2–203, and section 3 of this order, the
Secretary of Housing and Urban Development shall, to
the extent permitted by law:
(a) promulgate regulations in consultation with the
Department of Justice and Federal banking agencies
regarding programs and activities of executive agencies
related to housing and urban development that shall:
(1) the administration of programs and activities
relating to housing and urban development in a man-
ner affirmatively to further fair housing; and
(2) the cooperation of executive agencies in further-
ance of the Secretary of Housing and Urban Develop-
ment’s authority and responsibility under the Act.
4–402. Within 180 days of the publication of final regu-
lations by the Secretary General, the Secretary of the Interior, the
Chair of the Federal Reserve, the Comptroller of the
Currency, the Director of the Office of Thrift Supervi-
sion, the Chair of the Federal Deposit Insurance Cor-
poration, and such other officials of executive depart-
ments and agencies as the President may, from time to
time, designate.

§ 5
Administrative Enforcement.
5–501. The head of each executive agency shall be
responsible for enforcement of this order and, unless pro-
hibited by law, shall cooperate and provide records,
data, and documentation in connection with any other
agency’s investigation of compliance with provisions of
this order.
5–502. If any executive agency concludes that any per-
son or entity (including any State or local public agen-
cy) applying for or participating in, or supervised or
regulated under, a program or activity relating to
housing and urban development has not complied with
this order or any applicable rule, regulation, or proce-
dure issued or adopted pursuant to this order, it shall
endeavor to end and remedy such violation by informal
means, including conference, conciliation, and, if
necessary, negotiation. An executive agency need not pursue informal
resolution of matters where similar efforts made by an-
other executive agency have been unsuccessful, except
where otherwise required by law. In the event of failure
of such informal means, the executive agency, in con-
formity with rules, regulations, procedures, or policies
issued or adopted by it pursuant to section 4 of this
order hereof, shall impose such sanctions as may be au-
thorized by law. To the extent authorized by law, such
sanctions may include:
(a) cancellation or termination of agreements or con-
tracts with such person, entity, or any State or local
public agency;
(b) refusal to extend any further aid under any pro-
gram or activity administered by it and affected by
this order until it is satisfied that the affected person,
entity, or State or local public agency will comply with
the rules, regulations, and procedures issued or adopted
pursuant to this order;
(c) refusal to grant supervisory or regulatory ap-
proval to such person, entity, or State or local public
agency under any program or activity administered by
it that is affected by this order or revoke such approval
if previously given; and
(d) any other action as may be appropriate under law.
5–503. Findings of any violation under section 5–502 of
this order shall be promptly reported by the head of
each executive agency to the Secretary of Housing and
Urban Development and the Attorney General. The

The

Secretary of Housing and Urban Development shall forward this information to all other executive agencies. 5–504. Any executive agency shall also consider invoking appropriate sanctions against any person or entity where any other executive department or agency has initiated action against that person or entity pursuant to section 5–502 of this order, where the Secretary of Housing and Urban Development has issued a charge against such person or entity that has not been resolved, or where the Attorney General has filed a civil action in Federal Court against such person or entity. 5–505. Each executive agency shall consult with the Secretary of Housing and Urban Development, and the Attorney General where a civil action in Federal Court has been filed, regarding agency actions to invoke sanctions under the Act. The Department of Housing and Urban Development, the Department of Justice, and Federal banking agencies shall develop and coordinate appropriate policies and procedures for taking action under their respective authorities. Each decision to invoke sanctions and the reasons therefor shall be documented and shall be provided to the Secretary of Housing and Urban Development and, where appropriate, to the Attorney General in a timely manner.


6–601. Nothing in this order shall limit the authority of the Attorney General to provide for the coordinated enforcement of nondiscrimination requirements in Federal assistance programs under Executive Order No. 12250 [42 U.S.C. 2004d-1 note].

6–602. All provisions of regulations, guidelines, and procedures proposed to be issued by executive agencies pursuant to this order that implement nondiscrimination requirements of laws covered by Executive Order No. 12250 [42 U.S.C. 2004d-1 note] shall be submitted to the Attorney General for review in accordance with that Executive order. In addition, the Secretary shall consult with the Attorney General regarding all regulations and procedures proposed to be issued under sections 4–401 and 4–402 of this order to assure consistency with coordinated Federal efforts to enforce nondiscrimination requirements in programs of Federal financial assistance pursuant to Executive Order No. 12250.

6–603. Nothing in this order shall affect the authority and responsibility of the Attorney General to commence any civil action authorized by the Act.

6–604. (a) Part IV and sections 501 and 503 of Executive Order No. 11063 [42 U.S.C. 1982 note] are revoked. The act, duties, and functions of the President's Committee on Equal Opportunity in Housing described in that Executive order shall be performed by the Secretary of Housing and Urban Development.

6–605. Sections 101 and 502(a) of Executive Order No. 11063 are revised to apply to discrimination because of “race, color, religion (creed), sex, disability, familial status or national origin.” All executive agencies shall revise regulations, guidelines, and procedures issued pursuant to Part II of Executive Order No. 11063 to reflect this amendment to coverage.

(c) Section 102 of Executive Order No. 11063 is revised by deleting the term “Housing and Home Finance Agency” and inserting in lieu thereof the term “Department of Housing and Urban Development.”


6–607. Nothing in this order shall limit the authority of the Federal banking agencies to carry out their responsibilities under current law or regulations.

6–607. Executive Order No. 12259 is hereby revoked.

7–701. The Secretary of Housing and Urban Development shall submit to the President an annual report commenting on the progress that the Department of Housing and Urban Development and executive agencies have made in carrying out requirements and responsibilities under this Executive order. The annual report may be consolidated with the annual report on the state of fair housing required by section 308(e)(2) of the Act [42 U.S.C. 3608(e)(2)].

WILLIAM J. CLINTON.

FEDERAL LEADERSHIP OF FAIR HOUSING

Memorandum of President of the United States, Jan. 17, 1994, 59 F.R. 8615, provided:

Memorandum for the Heads of Executive Departments and Agencies

On April 11, 1968, one week after the assassination of the great civil rights leader Martin Luther King, Jr., the Fair Housing Act [42 U.S.C. 3601 et seq.,] was enacted (1) to prohibit discrimination in housing, and (2) to direct the Secretary of Housing and Urban Development to affirmatively further fair housing in Federal housing and urban development programs. Twenty-five years later, despite a strengthening of the Fair Housing Act 5 years ago, hundreds of acts of housing discrimination occur in our Nation each day.

Americans of every income level, seeking to live where they choose, feel the weight of discrimination because of the color of their skin, their race, their religion, their gender, their country of origin, or because they are disabled or have children.

An increasing body of evidence indicates that barriers to fair housing are pervasive. Forty percent of all families move every 5 years. This statistic is significant given the results of a recent study, conducted by the Department of Housing and Urban Development (HUD), which found that more than half of the African Americans and Latinos seeking to rent or buy a home are treated differently than whites with the same qualifications. Moreover, based upon Home Mortgage Disclosure Act [12 U.S.C. 2801 et seq.] data, the number of minority persons who are rejected when attempting to obtain loans to purchase homes is two to three times higher than it is for nonminorities in almost every metropolitan area of this country.

Racial and ethnic segregration, both in the private housing market and in public and assisted housing, has been well documented. Despite legislation (the Fair Housing Act) and Executive action (Executive Order No. 11063 [42 U.S.C. 1982 note]), the divisive impact of housing segregation persists in metropolitan areas all across this country. Too many lower income and minority Americans face barriers to housing outside of central cities. Segregation in housing and schools deprives too many of our children and youth of an opportunity to enter the marketplace or work on an equal footing. For too many families, our cities are no longer the launching pads for economic self-sufficiency and upward mobility that they have been for countless immigrants and minorities since the country's birth. And many Americans who are better off abandon the cities.

The resulting decline in the very heart of too many of our metropolitan areas threatens all of us: the upward standards for all of us and all of our children—

We can do better. We can start by making sure that our own Federal policies and programs across all of our agencies support the fair housing and equal opportunity goals to which all Americans are committed. If all of our executive agencies affirmatively further fair housing in the design of their policies and administration of their programs relating to housing and urban development, a truly nondiscriminatory housing market will be closer to achievement.

By an Executive Order (Ex. Ord. No. 12892, set out above) ("the Order") I am issuing today and this memorandum, I am addressing those needs. The Secretary of Housing and Urban Development and, where appropriate, the Attorney General—the officials with the primary responsibility for the enforcement of Federal fair housing laws—will take executive action to develop and coordinating measures to carry out the purposes of this Order.
§ 3608a

TITLED—THE PUBLIC HEALTH AND WELFARE

Page 548

Through this Order, I am first expanding Executive Order No. 11063 to provide protection against discrimination in programs of Federal insurance or guaranty to persons who are disabled and to families with children. Second, I am revoking the old Executive Order No. 12599 entitled “Leadership and Coordination of Fair Housing in Federal Programs.” The new Executive order reflects the expanded authority of the Secretary of Housing and Urban Development and I am directing him to take stronger measures to provide leadership and coordination in affirmatively furthering fair housing in Federal programs.

Third, I ask the heads of departments and agencies, including the Federal banking agencies, to cooperate with the Secretary of Housing and Urban Development in identifying ways to structure agency programs and activities to affirmatively further fair housing and to promptly negotiate a memorandum of understanding with him to accomplish that goal.

Further, I direct the Secretary of Housing and Urban Development to review all of HUD’s programs to assure that they truly provide equal opportunity and promote economic self-sufficiency for those who are beneficiaries and recipients of those programs.

I also direct the Secretary to review HUD’s programs to assure that they contain the maximum incentives to affirmatively further fair housing and to eliminate barriers to free choice where they continue to exist. This review shall include Federally assisted housing, Federally insured housing and other housing and housing related programs, including those of the Government National Mortgage Association and the Federal Housing Administration.

Today, I am establishing a new Cabinet-level organization to focus the cooperative efforts of all agencies on fair housing. The President’s Fair Housing Council will be chaired by the Secretary of Housing and Urban Development and will consist of the Secretary of Health and Human Services, the Secretary of Transportation, the Secretary of Education, the Secretary of Labor, the Secretary of Defense, the Secretary of Agriculture, the Secretary of Veterans Affairs, the Secretary of the Treasury, the Attorney General, the Secretary of the Interior, the Chair of the Federal Reserve, the Comptroller of the Currency, the Director of the Office of Thrift Supervision, and the Chair of the Federal Deposit Insurance Corporation.

The President’s Fair Housing Council shall review the design and delivery of Federal programs and activities to ensure that they support a coordinated strategy to affirmatively further fair housing. The Council shall propose revisions to existing programs or activities, develop pilot programs and activities, and propose new programs and activities to achieve its goals. I direct the Secretary of Housing and Urban Development and the President’s Fair Housing Council to develop a pilot program to be implemented in selected metropolitan areas. This initiative will promote fair housing choice by helping inner-city families to move to suburban neighborhoods and by making the central city more attractive to those who have left it. I direct the members of the Council to undertake a demonstration program that will retrain the way assisted housing is offered to applicants, will break down jurisdictional barriers in housing opportunities, and will promote the use of subsidies that diminish residential segregation, and will combine these initiatives with refined educational incentives aimed at improving the effectiveness of inner-city schools.

I am directing that transportation alternatives be considered along with targeted social service and job training programs as part of the support necessary to create a one-stop, metropolitan area-wide fair housing opportunity pilot program that will effectively offer Federally assisted housing, Federally insured housing, and private market housing within a metropolitan area to all residents of the area. The pilot program should call upon realestate brokers, mortgage lenders, housing providers, and local government agencies, among others, to assist in expanding housing choices.

To address the findings of recent studies, I hereby direct the Secretary of Housing and Urban Development and the Attorney General and, where appropriate, the heads of the Federal banking agencies to exercise national leadership to end discrimination in mortgage lending, the secondary mortgage market, and property insurance practices. The Secretary is directed to issue regulations to define discriminatory practices in these areas and the Secretary and the Attorney General are directed to aggressively enforce the laws prohibiting these practices.

In each of these areas, I direct the Secretary of Housing and Urban Development to take the lead with the other Federal agencies in working to gain the voluntary cooperation, participation, and expertise of all of those in private industry, the States and localities who can assist in achieving the Nation’s fair housing goals.

The Secretary of Housing and Urban Development is authorized and directed to publish this memorandum in the Federal Register.

WILLIAM J. CLINTON.

§ 3608a. Collection of certain data

(a) In general

To assess the extent of compliance with Federal fair housing requirements (including the requirements established under title VI of Public Law 88–352 [42 U.S.C. 2000d et seq.] and title VIII of Public Law 90–284 [42 U.S.C. 3601 et seq.]), the Secretary of Agriculture shall collect, not less than annually, data on the racial and ethnic characteristics of persons eligible for, assisted, or otherwise benefiting under each community development, housing assistance, and mortgage and loan insurance and guaranteed program administered by such Secretary. Such data shall be collected on a building by building basis if the Secretary determines such collection to be appropriate.

(b) Reports to Congress

The Secretary of Agriculture shall include in the annual report of such Secretary to the Congress a summary and evaluation of the data collected by such Secretary under subsection (a) during the preceding year.


REFERENCES IN TEXT


Title VIII of Public Law 90–284, referred to in subsec. (a), is title VIII of Pub. L. 90–284, Apr. 11, 1968, 82 Stat. 361, as amended, known as the Fair Housing Act, which is classified principally to subchapter I (§ 3661 et seq.) of this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 3601 of this title and Tables.

CHANGE

Section was enacted as part of the Housing and Community Development Act of 1969 and not as part of title VIII of Pub. L. 90–284, popularly known as the Fair Housing Act, which comprises this subchapter.

AMENDMENTS

1995—Subsec. (a). Pub. L. 104–66, §107I(e)(1), struck out “the Secretary of Housing and Urban Development
§ 3609. Education and conciliation; conferences and consultations; reports

Immediately after April 11, 1968, the Secretary shall commence such educational and conciliatory activities as in his judgment will further the purposes of this subchapter. He shall call conferences of persons in the housing industry and other interested parties to acquaint them with the provisions of this subchapter and his suggested means of implementing it, and shall endeavor with their advice to work out programs of voluntary compliance and of enforcement. He may pay per diem, travel, and transportation expenses for persons attending such conferences as provided in section 5703 of title 5. He shall consult with State and local officials and other interested parties to learn the extent, if any, to which housing discrimination exists in their State or locality, and whether and how State or local enforcement programs might be utilized to combat such discrimination in connection with or in place of, the Secretary's enforcement of this subchapter. The Secretary shall issue reports on such conferences and consultations as he deems appropriate.


§ 3610. Administrative enforcement; preliminary matters

(a) Complaints and answers

(1)(A)(i) An aggrieved person may, not later than one year after an alleged discriminatory housing practice has occurred or terminated, file a complaint with the Secretary alleging such discriminatory housing practice. The Secretary, on the Secretary's own initiative, may also file such a complaint.

(ii) Such complaints shall be in writing and shall contain such information and be in such form as the Secretary requires.

(iii) The Secretary may also investigate housing practices to determine whether a complaint should be brought under this section.

(B) Upon the filing of such a complaint—

(i) the Secretary shall serve notice upon the aggrieved person acknowledging such filing and advising the aggrieved person of the time limits and choice of forums provided under this subchapter;

(ii) the Secretary shall, not later than 10 days after such filing or the identification of an additional respondent under paragraph (2), serve on the respondent a notice identifying the alleged discriminatory housing practice and advising such respondent of the procedural rights and obligations of respondents under this subchapter; together with a copy of the original complaint;

(iii) each respondent may file, not later than 10 days after receipt of notice from the Secretary, an answer to such complaint; and

(iv) the Secretary shall make an investigation of the alleged discriminatory housing practice and complete such investigation within 100 days after the filing of the complaint (or, when the Secretary takes further action under subsection (f)(2) with respect to a complaint, within 100 days after the commencement of such further action), unless it is impracticable to do so.

(C) If the Secretary is unable to complete the investigation within 100 days after the filing of the complaint (or, when the Secretary takes further action under subsection (f)(2) with respect to a complaint, within 100 days after the commencement of such further action), the Secretary shall notify the complainant and respondent in writing of the reasons for not doing so.

(D) Complaints and answers shall be under oath or affirmation, and may be reasonably and fairly amended at any time.

2)(A) A person who is not named as a respondent in a complaint, but who is identified as a respondent in the course of investigation, may be joined as an additional or substitute respondent upon written notice, under paragraph (1), to such person, from the Secretary.

(B) Such notice, in addition to meeting the requirements of paragraph (1), shall include the basis for the Secretary’s belief that the person to whom the notice is addressed is properly joined as a respondent.

(b) Investigative report and conciliation

(1) During the period beginning with the filing of such complaint and ending with the filing of a charge or a dismissal by the Secretary, the Secretary shall, to the extent feasible, engage in conciliation with respect to such complaint.

(2) A conciliation agreement arising out of such conciliation shall be an agreement between the respondent and the complainant, and shall be subject to approval by the Secretary.

(3) A conciliation agreement may provide for binding arbitration of the dispute arising from the complaint. Any such arbitration that results from a conciliation agreement may award appropriate relief, including monetary relief.

(4) Each conciliation agreement shall be made public unless the complainant and respondent otherwise agree and the Secretary determines that disclosure is not required to further the purposes of this subchapter.

(5)(A) At the end of each investigation under this section, the Secretary shall prepare a final investigative report containing—

(i) the names and dates of contacts with witnesses;

(ii) a summary and the dates of correspondence and other contacts with the aggrieved person and the respondent;

(iii) a summary description of other pertinent records;

(iv) a summary of witness statements; and

(v) answers to interrogatories.

(B) A final report under this paragraph may be amended if additional evidence is later discovered.

(c) Failure to comply with conciliation agreement

Whenever the Secretary has reasonable cause to believe that a respondent has breached a con-
ciliation agreement, the Secretary shall refer the matter to the Attorney General with a recommendation that a civil action be filed under section 3614 of this title for the enforcement of such agreement.

(d) Prohibitions and requirements with respect to disclosure of information

(1) Nothing said or done in the course of ciliation under this subchapter may be made public or used as evidence in a subsequent proceeding under this subchapter without the written consent of the persons concerned.

(2) Notwithstanding paragraph (1), the Secretary shall make available to the aggrieved person and the respondent, at any time, upon request following completion of the Secretary’s investigation, information derived from an investigation and any final investigative report relating to that investigation.

(e) Prompt judicial action

(1) If the Secretary concludes at any time following the filing of a complaint that prompt judicial action is necessary to carry out the purposes of this subchapter, the Secretary may authorize a civil action for appropriate temporary or preliminary relief pending final disposition of the complaint under this section. Upon receipt of such an authorization, the Attorney General shall promptly commence and maintain such an action. Any temporary restraining order or other order granting preliminary or temporary relief shall be issued in accordance with the Federal Rules of Civil Procedure. The commencement of a civil action under this subsection does not affect the initiation or continuation of administrative proceedings under this section and section 3612 of this title.

(2) Whenever the Secretary has reason to believe that a basis may exist for the commencement of proceedings against any respondent under sections 3614(a) and 3614(c) of this title or for proceedings by any governmental licensing or supervisory authorities, the Secretary shall transmit the information upon which such belief is based to the Attorney General, or to such authority, as the case may be.

(f) Referral for State or local proceedings

(1) Whenever a complaint alleges a discriminatory housing practice—

(A) within the jurisdiction of a State or local public agency; and

(B) as to which such agency has been certified by the Secretary under this subsection; the Secretary shall refer such complaint to that certified agency before taking any action with respect to such complaint.

(2) Except with the consent of such certified agency, the Secretary, after that referral is made, shall take no further action with respect to such complaint unless—

(A) the certified agency has failed to commence proceedings with respect to the complaint before the end of the 30th day after the date of such referral;

(B) the certified agency, having commenced such proceedings, fails to carry forward such proceedings with reasonable promptness; or

(C) the Secretary determines that the certified agency no longer qualifies for certification under this subsection with respect to the relevant jurisdiction.

(3)(A) The Secretary may certify an agency under this subsection only if the Secretary determines that—

(i) the substantive rights protected by such agency in the jurisdiction with respect to which certification is to be made;

(ii) the procedures followed by such agency;

(iii) the remedies available to such agency; and

(iv) the availability of judicial review of such agency’s action;

are substantially equivalent to those created by and under this subchapter.

(B) Before making such certification, the Secretary shall take into account the current practices and past performance, if any, of such agency.

(4) During the period which begins on September 13, 1988, and ends 40 months after September 13, 1988, each agency certified (including an agency certified for interim referrals pursuant to 24 CFR 115.11, unless such agency is subsequently denied recognition under 24 CFR 115.7 for the purposes of this subchapter on the day before September 13, 1988, shall for the purposes of this subsection be considered certified under this subchapter with respect to matters for which such agency was certified on September 13, 1988. If the Secretary determines in an individual case that an agency has not been able to meet the certification requirements within this 40-month period due to exceptional circumstances, such as the infrequency of legislative sessions in that jurisdiction, the Secretary may extend such period by not more than 8 months.

(5) Not less frequently than every 5 years, the Secretary shall determine whether each agency certified under this subsection continues to qualify for certification. The Secretary shall take appropriate action with respect to any agency not so qualifying.

(g) Reasonable cause determination and effect

(1) The Secretary shall, within 100 days after the filing of the complaint (or, when the Secretary takes further action under subsection (f)(2) with respect to a complaint, within 100 days after the commencement of such further action), determine based on the facts whether reasonable cause exists to believe that a discriminatory housing practice has occurred or is about to occur, unless it is impracticable to do so, or unless the Secretary has approved a conciliation agreement with respect to the complaint. If the Secretary is unable to make the determination within 100 days after the filing of the complaint (or, when the Secretary takes further action under subsection (f)(2) with respect to a complaint, within 100 days after the commencement of such further action), the Secretary shall notify the complainant and respondent in writing of the reasons for not doing so.

(2)(A) If the Secretary determines that reasonable cause exists to believe that a discriminatory housing practice has occurred or is about to occur, the Secretary shall, except as provided in subparagraph (C), immediately issue a charge on
be ordered to the same extent and subject to the same limitations as would apply if the subpoenas or discovery were ordered or served in aid of a civil action in the United States district court for the district in which the investigation is taking place.

(b) Witness fees

Witnesses summoned by a subpoena under this subchapter shall be entitled to the same witness and mileage fees as witnesses in proceedings in United States district courts. Fees payable to a witness summoned by a subpoena issued at the request of a party shall be paid by that party or, where a party is unable to pay the fees, by the Secretary.

(c) Criminal penalties

(1) Any person who willfully fails or neglects to attend and testify or to answer any lawful inquiry or to produce records, documents, or other evidence, if it is in such person’s power to do so, in obedience to the subpoena or other lawful order under subsection (a), shall be fined not more than $100,000 or imprisoned not more than one year, or both.

(2) Any person who, with intent thereby to mislead another person in any proceeding under this subchapter—

(A) makes or causes to be made any false entry or statement of fact in any report, account, record, or other document produced pursuant to subpoena or other lawful order under subsection (a);

(B) willfully neglects or fails to cause to be made full, true, and correct entries in such reports, accounts, records, or other documents; or

(C) willfully mutilates, alters, or by any other means falsifies any documentary evidence;

shall be fined not more than $100,000 or imprisoned not more than one year, or both.


PRIOR PROVISIONS


EFFECTIVE DATE

Section effective on 180th day beginning after Sept. 13, 1988, see section 13(a) of Pub. L. 100–430, set out as an Effective Date of 1988 Amendment note under section 3601 of this title.

§ 3612. Enforcement by Secretary

(a) Election of judicial determination

When a charge is filed under section 3610 of this title, a complainant, a respondent, or an aggrieved person on whose behalf the complaint was filed, may elect to have the claims asserted in that charge decided in a civil action under subsection (c) in lieu of a hearing under subsection (b). The election must be made not later than 20 days after the receipt by the electing person of service under section 3610(h) of this title or, in the case of the Secretary, not later than 20 days after such service. The person making such election shall give notice of doing so to
the Secretary and to all other complainants and respondents to whom the charge relates.

(b) Administrative law judge hearing in absence of election

If an election is not made under subsection (a) with respect to a charge filed under section 3610 of this title, the Secretary shall provide an opportunity for a hearing on the record with respect to a charge issued under section 3610 of this title. The Secretary shall delegate the conduct of a hearing under this section to an administrative law judge appointed under section 3105 of title 5. The administrative law judge shall conduct the hearing at a place in the vicinity in which the discriminatory housing practice is alleged to have occurred or to be about to occur.

(c) Rights of parties

At a hearing under this section, each party may appear in person, be represented by counsel, present evidence, cross-examine witnesses, and obtain the issuance of subpoenas under section 3106 of this title. Any aggrieved person may intervene as a party in the proceeding. The Federal Rules of Evidence apply to the presentation of evidence in such hearing as they would in a civil action in a United States district court.

(d) Expedited discovery and hearing

(1) Discovery in administrative proceedings under this section shall be conducted as expeditiously and inexpensively as possible, consistent with the need of all parties to obtain relevant evidence.

(2) A hearing under this section shall be conducted as expeditiously and inexpensively as possible, consistent with the needs and rights of the parties to obtain a fair hearing and a complete record.

(3) The Secretary shall, not later than 180 days after September 13, 1988, issue rules to implement this subsection.

(e) Resolution of charge

Any resolution of a charge before a final order under this section shall require the consent of the aggrieved person on whose behalf the charge is issued.

(f) Effect of trial of civil action on administrative proceedings

An administrative law judge may not continue administrative proceedings under this section regarding any alleged discriminatory housing practice after the beginning of the trial of a civil action commenced by the aggrieved party under an Act of Congress or a State law, seeking relief with respect to that discriminatory housing practice.

(g) Hearings, findings and conclusions, and order

(1) The administrative law judge shall commence the hearing under this section no later than 120 days following the issuance of the charge, unless it is impracticable to do so. If the administrative law judge is unable to commence the hearing within 120 days after the issuance of the charge, the administrative law judge shall notify the Secretary, the aggrieved person on whose behalf the charge was filed, and the respondent, in writing of the reasons for not doing so.

(2) The administrative law judge shall make findings of fact and conclusions of law within 60 days after the end of the hearing under this section, unless it is impracticable to do so. If the administrative law judge is unable to make findings of fact and conclusions of law within such period, or any succeeding 60-day period thereafter, the administrative law judge shall notify the Secretary, the aggrieved person on whose behalf the charge was filed, and the respondent, in writing of the reasons for not doing so.

(3) If the administrative law judge finds that a respondent has engaged or is about to engage in a discriminatory housing practice, such administrative law judge shall promptly issue an order for such relief as may be appropriate, which may include actual damages suffered by the aggrieved person and injunctive or other equitable relief. Such order may, to vindicate the public interest, assess a civil penalty against the respondent—

(A) in an amount not exceeding $10,000 if the respondent has not been adjudged to have committed any prior discriminatory housing practice;

(B) in an amount not exceeding $25,000 if the respondent has been adjudged to have committed one other discriminatory housing practice during the 5-year period ending on the date of the filing of this charge; and

(C) in an amount not exceeding $50,000 if the respondent has been adjudged to have committed 2 or more discriminatory housing practices during the 7-year period ending on the date of the filing of this charge;

except that if the acts constituting the discriminatory housing practice that is the object of the charge are committed by the same natural person who has been previously adjudged to have committed acts constituting a discriminatory housing practice, then the civil penalties set forth in subparagraphs (B) and (C) may be imposed without regard to the period of time within which any subsequent discriminatory housing practice occurred.

(4) No such order shall affect any contract, sale, encumbrance, or lease consummated before the issuance of such order and involving a bona fide purchaser, encumbrancer, or tenant without actual notice of the charge filed under this subsection.

(5) In the case of an order with respect to a discriminatory housing practice that occurred in the course of a business subject to a licensing or regulation by a governmental agency, the Secretary shall, not later than 30 days after the date of the issuance of such order (or, if such order is judicially reviewed, 30 days after such order is in substance affirmed upon such review)—

(A) send copies of the findings of fact, conclusions of law, and the order, to that governmental agency; and

(B) recommend to that governmental agency appropriate disciplinary action (including, where appropriate, the suspension or revocation of the license of the respondent).

(6) In the case of an order against a respondent against whom another order was issued within the preceding 5 years under this section, the
Secretary shall send a copy of each such order to the Attorney General.

(7) If the administrative law judge finds that the respondent has not engaged or is not about to engage in a discriminatory housing practice, as the case may be, such administrative law judge shall enter an order dismissing the charge. The Secretary shall make public disclosure of each such dismissal.

(h) Review by Secretary; service of final order

(1) The Secretary may review any finding, conclusion, or order issued under subsection (g). Such review shall be completed not later than 30 days after the finding, conclusion, or order is so issued; otherwise the finding, conclusion, or order becomes final.

(2) The Secretary shall cause the findings of fact and conclusions of law made with respect to any final order for relief under this section, together with a copy of such order, to be served on each aggrieved person and each respondent in the proceeding.

(i) Judicial review

(1) Any party aggrieved by a final order for relief under this section granting or denying in whole or in part the relief sought may obtain a review of such order under chapter 158 of title 28.

(2) Notwithstanding such chapter, venue of the proceeding shall be in the judicial circuit in which the discriminatory housing practice is alleged to have occurred, and filing of the petition for review shall be not later than 30 days after the order is entered.

(j) Court enforcement of administrative order upon petition by Secretary

(1) The Secretary may petition any United States court of appeals for the circuit in which the discriminatory housing practice is alleged to have occurred or in which any respondent resides or transacts business for the enforcement of the order of the administrative law judge and for appropriate temporary relief or restraining order, by filing in such court a written petition praying that such order be enforced and for appropriate temporary relief or restraining order.

(2) The Secretary shall file in court with the petition the record in the proceeding. A copy of such petition shall be forthwith transmitted by the clerk of the court to the parties to the proceeding before the administrative law judge.

(k) Relief which may be granted

(1) Upon the filing of a petition under subsection (i) or (j), the court may—

(A) grant to the petitioner, or any other party, such temporary relief, restraining order, or other order as the court deems just and proper;

(B) affirm, modify, or set aside, in whole or in part, the order, or remand the order for further proceedings; and

(C) enforce such order to the extent that such order is affirmed or modified.

(2) Any party to the proceeding before the administrative law judge may intervene in the court of appeals.

(3) No objection not made before the administrative law judge shall be considered by the court, unless the failure or neglect to urge such objection is excused because of extraordinary circumstances.

(l) Enforcement decree in absence of petition for review

If no petition for review is filed under subsection (i) before the expiration of 45 days after the date the administrative law judge’s order is entered, the administrative law judge’s findings of fact and order shall be conclusive in connection with any petition for enforcement—

(1) which is filed by the Secretary under subsection (j) after the end of such day; or

(2) under subsection (m).

(m) Court enforcement of administrative order upon petition of any person entitled to relief

If before the expiration of 60 days after the date the administrative law judge’s order is entered, no petition for review has been filed under subsection (i), and the Secretary has not sought enforcement of the order under subsection (j), any person entitled to relief under the order may petition for a decree enforcing the order in the United States court of appeals for the circuit in which the discriminatory housing practice is alleged to have occurred.

(n) Entry of decree

The clerk of the court of appeals in which a petition for enforcement is filed under subsection (j) or (m) shall forthwith enter a decree enforcing the order and shall transmit a copy of such decree to the Secretary, the respondent named in the petition, and to any other parties to the proceeding before the administrative law judge.

(o) Civil action for enforcement when election is made for such civil action

(1) If an election is made under subsection (a), the Secretary shall authorize, and not later than 30 days after the election is made the Attorney General shall commence and maintain, a civil action on behalf of the aggrieved person in a United States district court seeking relief under this subsection. Venue for such civil action shall be determined under chapter 87 of title 28.

(2) Any aggrieved person with respect to the issues to be determined in a civil action under this subsection may intervene as of right in that civil action.

(3) In a civil action under this subsection, if the court finds that a discriminatory housing practice has occurred or is about to occur, the court may grant as relief any relief which a court could grant with respect to such discriminatory housing practice in a civil action under section 3613 of this title. Any relief so granted that would accrue to an aggrieved person in a civil action commenced by that aggrieved person under section 3613 of this title shall also accrue to that aggrieved person in a civil action under this subsection. If monetary relief is sought for the benefit of an aggrieved person who does not intervene in the civil action, the court shall not award such relief if that aggrieved person has not complied with discovery orders entered by the court.

(p) Attorney’s fees

In any administrative proceeding brought under this section, or any court proceeding arising
§ 3613. Enforcement by private persons

(a) Civil action

(1)(A) An aggrieved person may commence a civil action in an appropriate United States district court or State court not later than 2 years after the occurrence or the termination of an alleged discriminatory housing practice, or the breach of a conciliation agreement entered into under this subchapter, whichever occurs last, to obtain appropriate relief with respect to such discriminatory housing practice or breach.

(B) The computation of such 2-year period shall not include any time during which an administrative proceeding under this subchapter was pending with respect to a complaint or charge under this subchapter based upon such discriminatory housing practice. This subparagraph does not apply to actions arising from a breach of a conciliation agreement.

(2) An aggrieved person may commence a civil action under this subsection whether or not a complaint has been filed under section 3610(a) of this title and without regard to the status of any such complaint, but if the Secretary or a State or local agency has obtained a conciliation agreement with the consent of an aggrieved person, no action may be filed under this subsection by such aggrieved person with respect to the alleged discriminatory housing practice which forms the basis for such complaint except for the purpose of enforcing the terms of such an agreement.

(b) Appointment of attorney by court

Upon application by a person alleging a discriminatory housing practice or a person against whom such a practice is alleged, the court may—

(1) appoint an attorney for such person; or

(2) authorize the commencement or continuation of a civil action under subsection (a) without the payment of fees, costs, or security, if in the opinion of the court such person is financially unable to bear the costs of such action.

(c) Relief which may be granted

(1) In a civil action under subsection (a), if the court finds that a discriminatory housing practice has occurred or is about to occur, the court may award to the plaintiff actual and punitive damages, and subject to subsection (d), may grant as relief, as the court deems appropriate, any permanent or temporary injunction, temporary restraining order, or other order (including an order enjoining the defendant from engaging in such practice or ordering such affirmative action as may be appropriate).

(2) In a civil action under subsection (a), the court, in its discretion, may allow the prevailing party, other than the United States, a reasonable attorney's fee and costs. The United States shall be liable for such fees and costs to the same extent as a private person.

(d) Effect on certain sales, encumbrances, and rentals

Relief granted under this section shall not affect any contract, sale, encumbrance, or lease consummated before the granting of such relief and involving a bona fide purchaser, encumberer, or tenant, without actual notice of the filing of a complaint with the Secretary or civil action under this subchapter.

(e) Intervention by Attorney General

Upon timely application, the Attorney General may intervene in such civil action, if the Attorney General certifies that the case is of general public importance. Upon such intervention the Attorney General may obtain such relief as would be available to the Attorney General under section 3614(e) of this title in a civil action to which such section applies.

§ 3614. Enforcement by Attorney General

(a) Pattern or practice cases

Whenever the Attorney General has reasonable cause to believe that any person or group of persons is engaged in a pattern or practice of resistance to the full enjoyment of any of the rights granted by this subchapter, or that any group of persons has been denied any of the rights granted by this subchapter and such denial raises an issue of general public importance, the Attorney General may commence a
civil action in any appropriate United States district court.

(b) On referral of discriminatory housing practice or conciliation agreement for enforcement

(1)(A) The Attorney General may commence a civil action in any appropriate United States district court for appropriate relief with respect to a discriminatory housing practice referred to the Attorney General by the Secretary under section 3610(g) of this title.

(B) A civil action under this paragraph may be commenced not later than the expiration of 18 months after the date of the occurrence or the termination of the alleged discriminatory housing practice.

(2)(A) The Attorney General may commence a civil action in any appropriate United States district court for appropriate relief with respect to breach of a conciliation agreement referred to the Attorney General by the Secretary under section 3610(c) of this title.

(B) A civil action may be commenced under this paragraph not later than the expiration of 90 days after the referral of the alleged breach under section 3610(c) of this title.

(c) Enforcement of subpoenas

The Attorney General, on behalf of the Secretary, or other party at whose request a subpoena is issued, under this subchapter, may enforce such subpoena in appropriate proceedings in the United States district court for the district in which the person to whom the subpoena was addressed resides, was served, or transacts business.

d) Relief which may be granted in civil actions under subsections (a) and (b)

(1) In a civil action under subsection (a) or (b), the court—

(A) may award such preventive relief, including a permanent or temporary injunction, restraining order, or other order against the person responsible for a violation of this subchapter as is necessary to assure the full enjoyment of the rights granted by this subchapter;

(B) may award such other relief as the court deems appropriate, including monetary damages to persons aggrieved; and

(C) may, to vindicate the public interest, assess a civil penalty against the respondent—

(i) in an amount not exceeding $50,000, for a first violation; and

(ii) in an amount not exceeding $100,000, for any subsequent violation.

(2) In a civil action under this section, the court, in its discretion, may allow the prevailing party, other than the United States, a reasonable attorney’s fee and costs. The United States shall be liable for such fees and costs to the extent provided by section 2412 of title 28.

e) Intervention in civil actions

Upon timely application, any person may intervene in a civil action commenced by the Attorney General under subsection (a) or (b) which involves an alleged discriminatory housing practice with respect to which such person is an aggrieved person or a conciliation agreement to which such person is a party. The court may grant such appropriate relief to any such intervening party as is authorized to be granted to a plaintiff in a civil action under section 3613 of this title.

§ 3614–1. Incentives for self-testing and self-correction

(a) Privileged information

(1) Conditions for privilege

A report or result of a self-test (as that term is defined by regulation of the Secretary) shall be considered to be privileged under paragraph (2) if any person—

(A) conducts, or authorizes an independent third party to conduct, a self-test of any aspect of a residential real estate related lending transaction of that person, or any part of that transaction, in order to determine the level or effectiveness of compliance with this subchapter by that person; and

(B) has identified any possible violation of this subchapter by that person and has taken, or is taking, appropriate corrective action to address any such possible violation.

(2) Privileged self-test

If a person meets the conditions specified in subparagraphs (A) and (B) of paragraph (1) with respect to a self-test described in that paragraph, any report or results of that self-test—

(A) shall be privileged; and

(B) may not be obtained or used by any applicant, department, or agency in any—

(i) proceeding or civil action in which one or more violations of this subchapter are alleged; or

(ii) examination or investigation relating to compliance with this subchapter.

(b) Results of self-testing

(1) In general

No provision of this section may be construed to prevent an aggrieved person, complainant, department, or agency from obtaining or using a report or results of any self-test in any proceeding or civil action in which a violation of this subchapter is alleged, or in any examination or investigation of compliance with this subchapter if—

(A) the person to whom the self-test relates or any person with lawful access to the report or the results—

(i) voluntarily releases or discloses all, or any part of, the report or results to the...
§ 3614a

TITLE 42—THE PUBLIC HEALTH AND WELFARE

Page 5446

The Secretary may make rules (including rules for the collection, maintenance, and analysis of appropriate data) to carry out this subchapter. The Secretary shall give public notice and opportunity for comment with respect to all rules made under this section.


PRIOR PROVISIONS

A prior section 815 of Pub. L. 90–284 was renumbered section 816 and is classified to section 3615 of this title.

§ 3615. Effect on State laws

Nothing in this subchapter shall be construed to invalidate or limit any law of a State or political subdivision of a State, or of any other jurisdiction in which this subchapter shall be effective, that grants, guarantees, or protects the same rights as are granted by this subchapter; but any law of a State, a political subdivision, or other such jurisdiction that purports to require or permit any action that would be a discriminatory housing practice under this subchapter shall to that extent be invalid.


PRIOR PROVISIONS

A prior section 816 of Pub. L. 90–284 was renumbered section 817 and is classified to section 3616 of this title.

§ 3616. Cooperation with State and local agencies administering fair housing laws; utilization of services and personnel; reimbursement; written agreements; publication in Federal Register

The Secretary may cooperate with State and local agencies charged with the administration of State and local fair housing laws and, with the consent of such agencies, utilize the services of such agencies and their employees and, notwithstanding any other provision of law, may reimburse such agencies and their employees for services rendered to assist him in carrying out this subchapter. In furtherance of such cooperative efforts, the Secretary may enter into written agreements with such State or local agencies. All agreements and terminations thereof shall be published in the Federal Register.

(a) In general

The Secretary of Housing and Urban Development (in this section referred to as the “Secretary”) may make grants to, or (to the extent of amounts provided in appropriation Acts) enter into contracts or cooperative agreements with, State or local governments or their agencies, public or private nonprofit organizations or institutions, or other public or private entities that are formulating or carrying out programs to prevent or eliminate discriminatory housing practices, to develop, implement, carry out, or coordinate—

(1) programs or activities designed to obtain enforcement of the rights granted by title VIII of the Act of April 11, 1968 [42 U.S.C. 3601 et seq.] (commonly referred to as the Civil Rights Act of 1968), or by State or local laws that provide rights and remedies for alleged discriminatory housing practices that are substantially equivalent to the rights and remedies provided in such title VIII, through such appropriate judicial or administrative proceedings (including informal methods of conference, conciliation, and persuasion) as are available therefor; and

(2) education and outreach programs designed to inform the public concerning rights and obligations under the laws referred to in paragraph (1).

(b) Private enforcement initiatives

(1) In general

The Secretary shall use funds made available under this subsection to conduct, through contracts with private nonprofit fair housing enforcement organizations, investigations of violations of the rights granted under title VIII of the Civil Rights Act of 1968 [42 U.S.C. 3601 et seq.], and such enforcement activities as appropriate to remedy such violations. The Secretary may enter into multiyear contracts and take such other action as is appropriate to enhance the effectiveness of such investigations and enforcement activities.

(2) Activities

The Secretary shall use funds made available under this subsection to conduct, through contracts with private nonprofit fair housing enforcement organizations, a range of investigative and enforcement activities designed to—

(A) carry out testing and other investigative activities in accordance with subsection (b)(1), including building the capacity for housing investigative activities in unserved or underserved areas;

(B) discover and remedy discrimination in the public and private real estate markets and real estate-related transactions, including, but not limited to, the making or purchasing of loans or the provision of other financial assistance sales and rentals of housing and housing advertising;

(c) Funding of fair housing organizations

(1) In general

The Secretary shall use funds made available under this section to enter into contracts or cooperative agreements with qualified fair housing enforcement organizations, other private nonprofit fair housing enforcement organizations, and nonprofit groups organizing to build their capacity to provide fair housing enforcement, for the purpose of supporting the continued development or implementation of initiatives which enforce the rights granted under title VIII of the Civil Rights Act of 1968 [42 U.S.C. 3601 et seq.], as amended. Contracts or cooperative agreements may not provide more than 50 percent of the operating budget of the recipient organization for any one year.

(2) Capacity enhancement

The Secretary shall use funds made available under this section to help establish, organize, and build the capacity of fair housing enforcement organizations, particularly in those areas of the country which are currently underserved by fair housing enforcement organizations as well as those areas where large concentrations of protected classes exist. For purposes of meeting the objectives of this paragraph, the Secretary may enter into contracts or cooperative agreements with qualified fair housing enforcement organizations. The Secretary shall establish annual goals which reflect the national need for private fair housing enforcement organizations.

(d) Education and outreach

(1) In general

The Secretary, through contracts with one or more qualified fair housing enforcement organizations, other fair housing enforcement organizations, and other nonprofit organizations representing groups of persons protected under title VIII of the Civil Rights Act of 1968 [42 U.S.C. 3601 et seq.], shall establish a national education and outreach program. The national program shall be designed to provide a centralized, coordinated effort for the development and dissemination of fair housing media products, including—

(A) public service announcements, both audio and video;

(B) television, radio and print advertisements;
§ 3616a

(C) posters; and
(D) pamphlets and brochures.

The Secretary shall designate a portion of the amounts provided in subsection (g)(4) for a national program specifically for activities related to the annual national fair housing month. The Secretary shall encourage cooperation with real estate industry organizations in the national education and outreach program. The Secretary shall also encourage the dissemination of educational information and technical assistance to support compliance with the housing adaptability and accessibility guidelines contained in the Fair Housing Act Amendments of 1988.

(2) Regional and local programs

The Secretary, through contracts with fair housing enforcement organizations, other nonprofit organizations representing groups of persons protected under title VIII of the Civil Rights Act of 1968 [42 U.S.C. 3601 et seq.], State and local agencies certified by the Secretary under section 810(f) of the Fair Housing Act [42 U.S.C. 3610(f)], or other public or private entities that are formulating or carrying out programs to prevent or eliminate discriminatory housing practices, shall establish or support education and outreach programs at the regional and local levels.

(3) Community-based programs

The Secretary shall provide funding to fair housing organizations and other nonprofit organizations representing groups of persons protected under title VIII of the Civil Rights Act of 1968, or other public or private entities that are formulating or carrying out programs to prevent or eliminate discriminatory housing practices, to support community-based education and outreach activities, including school, church, and community presentations, conferences, and other educational activities.

(e) Program administration

(1) Not less than 30 days before providing a grant or entering into any contract or cooperative agreement to carry out activities authorized by this section, the Secretary shall submit notification of such proposed grant, contract, or cooperative agreement (including a description of the geographical distribution of such contracts) to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Banking, Finance and Urban Affairs of the House of Representatives.


(f) Regulations

(1) The Secretary shall issue such regulations as may be necessary to carry out the provisions of this section.

(2) The Secretary shall, for use during the demonstration authorized in this section, establish guidelines for testing activities funded under the private enforcement initiative of the fair housing initiatives program. The purpose of such guidelines shall be to ensure that investigations in support of fair housing enforcement efforts described in subsection (a)(1) shall develop credible and objective evidence of discriminatory housing practices. Such guidelines shall apply only to activities funded under this section, shall not be construed to limit or otherwise restrict the use of facts secured through testing not funded under this section in any legal proceeding under Federal fair housing laws, and shall not be used to restrict individuals or entities, including those participating in the fair housing initiatives program, from pursuing any right or remedy guaranteed by Federal law. Not later than 6 months after the end of the demonstration period authorized in this section, the Secretary shall submit to Congress the evaluation of the Secretary of the effectiveness of such guidelines in achieving the purposes of this section.

(3) Such regulations shall include provisions governing applications for assistance under this section, and shall require each such application to contain—

(A) a description of the assisted activities proposed to be undertaken by the applicant, together with the estimated costs and schedule for completion of such activities;

(B) a description of the experience of the applicant in formulating or carrying out programs to prevent or eliminate discriminatory housing practices;

(C) available information, including studies made by or available to the applicant, indicating the nature and extent of discriminatory housing practices occurring in the general location where the applicant proposes to conduct its assisted activities, and the relationship of such activities to such practices;

(D) an estimate of such other public or private resources as may be available to assist the proposed activities;

(E) a description of proposed procedures to be used by the applicant for monitoring conduct and evaluating results of the proposed activities; and

(F) any additional information required by the Secretary.

(4) Regulations issued under this subsection shall not become effective prior to the expiration of 60 days after the Secretary transmits such regulations, in the form such regulations are intended to be published, to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Banking, Finance and Urban Affairs of the House of Representatives.

(5) The Secretary shall not obligate or expend any amount under this section before the effective date of the regulations required under this subsection.

(g) Authorization of appropriations

There are authorized to be appropriated to carry out the provisions of this section, $21,000,000 for fiscal year 1993 and $26,000,000 for fiscal year 1994, of which—

(1) not less than $3,820,000 for fiscal year 1993 and $8,500,000 for fiscal year 1994 shall be for private enforcement initiatives authorized under subsection (b), divided equally between activities specified under subsection (b)(1) and those specified under subsection (b)(2);

1 See References in Text note below.
2 So in original. The comma probably should not appear.
(2) not less than $2,230,000 for fiscal year 1993 and $8,500,000 for fiscal year 1994 shall be for qualified fair housing enforcement organizations authorized under subsection (c)(1);

(3) not less than $2,010,000 for fiscal year 1993 and $4,000,000 for fiscal year 1994 shall be for the creation of new fair housing enforcement organizations authorized under subsection (c)(2); and

(4) not less than $2,540,000 for fiscal year 1993 and $5,000,000 for fiscal year 1994 shall be for education and outreach programs authorized under subsection (d), to be divided equally between activities specified under subsection (d)(1) and those specified under subsections (d)(2) and (d)(3).

Any amount appropriated under this section shall remain available until expended.

(h) Qualified fair housing enforcement organization

(1) The term “qualified fair housing enforcement organization” means any organization that—

(A) is organized as a private, tax-exempt, nonprofit, charitable organization;

(B) has at least 2 years experience in complaint intake, complaint investigation, testing for fair housing violations and enforcement of meritorious claims; and

(C) is engaged in all the activities listed in paragraph (1)(B) at the time of application for assistance under this section.

An organization which is not solely engaged in fair housing enforcement activities may qualify as a qualified fair housing enforcement organization, provided that the organization is actively engaged in each of the activities listed in subparagraph (B).

(2) The term “fair housing enforcement organization” means any organization that—

(A) meets the requirements specified in paragraph (1)(A);

(B) is currently engaged in the activities specified in paragraph (1)(B);

(C) upon the receipt of funds under this section will become engaged in all of the activities specified in paragraph (1)(B); and

(D) for purposes of funding under subsection (b), has at least 1 year of experience in the activities specified in paragraph (1)(B).

(i) Prohibition on use of funds

None of the funds authorized under this section may be used by the Secretary for purposes of settling claims, satisfying judgments or fulfilling court orders in any litigation action in which the Secretary or the Department is a party to the litigation.

(j) Reporting requirements

Not later than 180 days after the close of each fiscal year in which assistance under this section is furnished, the Secretary shall prepare and submit to the Congress a comprehensive report which shall contain:

(1) a description of the progress made in accomplishing the objectives of this section;

(2) a summary of all the private enforcement activities carried out under this section and the use of such funds during the preceding fiscal year;

(3) a list of all fair housing enforcement organizations funded under this section during the preceding fiscal year, identified on a State-by-State basis;

(4) a summary of all education and outreach activities funded under this section and the use of such funds during the preceding fiscal year; and

(5) any findings, conclusions, or recommendations of the Secretary as a result of the funded activities.


REFERENCES IN TEXT

The Civil Rights Act of 1968, referred to in subsecs. (a)(1), (b)(1), (2)(C), (c)(1), and (d), is Pub. L. 90–284, Apr. 11, 1968, 82 Stat. 73, as amended. Title VIII of the Act, known as the Fair Housing Act, is classified principally to subchapter I (§3601 et seq.) of this chapter. For complete classification of these Acts to the Code, see Short Title notes set out under section 3601 of this title and Tables.


The phrase “Not later than 6 months after the end of the demonstration period authorized in this section”, referred to in subsec. (f)(2), probably means the end of the demonstration period pursuant to former subsec. (e) of this section, which provided that such period was to end Sept. 30, 1992. However, subsec. (e) was redesignated (h) and struck out by Pub. L. 102–550. See 1992 Amendment notes below.

CODIFICATION

Section was enacted as part of the Housing and Community Development Act of 1987, and not as part of title VIII of Pub. L. 90–284, known as the Fair Housing Act, which comprises this subchapter.

Section was formerly set out as a note under section 3616 of this title.

AMENDMENTS

1995—Subsec. (e)(2). Pub. L. 104–66 struck out par. (2) which read as follows: “The Secretary shall provide to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Banking, Finance and Urban Affairs of the House of Representatives a quarterly report that summarizes the activities funded under this section and describes the geographical distribution of grants, contracts, or cooperative agreements funded under this section.”

1992—Subsecs. (b) to (f). Pub. L. 102–550, §905(b)(1), (2), added subsecs. (b) to (d) and redesignated former subsecs. (b) and (c) as (e) and (f), respectively.

Subsec. (g). Pub. L. 102–550, §905(b)(1), (3), redesignated subsec. (d) as (g) and, in first sentence, substituted “$21,000,000 for fiscal year 1993 and $26,000,000 for fiscal year 1994, of which—” for “including any program evaluations, $6,000,000 for fiscal year 1991 and $6,300,000 for fiscal year 1992, of which not more than $3,000,000 in each year shall be for the private enforcement initiative demonstration.”

Subsec. (h). Pub. L. 102–550, §905(b)(4), added subsec. (h) and struck out former subsec. (h) which provided
that the demonstration period authorized by this section would end Sept. 30, 1992.

Pub. L. 102–550, §905(b)(1), redesignated subsec. (e) as (b).
Subsecs. (i), (j), Pub. L. 102–550, §905(b)(4), added sub-
secs. (i) and (j).

1990—Subsec. (d), Pub. L. 101–625, §953(a), amended first sentence generally. Prior to amendment, first sentence read as follows: "There are authorized to be appro-
piated to carry out the provisions of this section, including any program evaluations, $5,000,000 for fiscal year 1988, and $5,000,000 for fiscal year 1989, of which not more than $3,000,000 in each year shall be for the pri-
ivate enforcement initiative demonstration."
Subsec. (e), Pub. L. 101–625, §953(b), substituted "1992" for "1989".

CHANGE OF NAME

Committee on Banking, Finance and Urban Affairs of House of Representatives treated as referring to Com-
mittee on Banking and Financial Services of House of Rep-
resentatives, and jurisdiction over matters relating to
securities and exchanges and insurance generally trans-
ferred from Committee on Financial Services of House of Rep-

CONGRESSIONAL FINDINGS

(1) in the past half decade, there have been major legislative and administrative changes in Federal fair-
housing and fair lending laws and substantial im-
provements in the Nation's understanding of dis-
crimination in the housing markets;
(2) in response to evidence of continuing housing discrimination, the Congress passed the Fair Housing Act Amendments of 1988 (probably should be the Fair Housing Amendments Act of 1988, Pub. L. 100–430, see Short Title of 1988 Amendment note set out under section 3601 of this title), to provide for more effec-
tive enforcement of fair housing rights through judi-
cial and administrative avenues and to expand the number of protected classes covered under Federal fair housing laws;
(3) in the Financial Institutions Reform, Recovery and Enforcement Act of 1989 [Pub. L. 101–73, see Short Title of 1989 Amendment note set out under 12 U.S.C. 1811], the Congress expanded the disclosure provisions under the Home Mortgage Disclosure Act [probably should be the Home Mortgage Disclosure Act of 1975, 12 U.S.C. 2801 et seq.,] to provide increased informa-
tion on the mortgage lending patterns of financial in-
stitutions;
(4) in the Americans with Disabilities Act of 1990 [42 U.S.C. 12101 et seq.,] the Congress provided a clear and comprehensive national mandate for the elimi-
nation of discrimination against individuals with dis-
abilities;
(5) in 1991, data collected under the Home Mort-
gage Disclosure Act disclosed evidence of pervasive discrimina-
tion in the Nation's mortgage lending mar-
ket
(6) the Housing Discrimination Survey, released by the Department of Housing and Urban Develop-
ment in 1991, found that Hispanic and African-American homesseekers experience some form of discrimi-
nation in at least half of their encounters with sales and rental agents;
(7) the Fair Housing Initiatives Program should be revised and expanded to reflect the significant changes in the fair housing and fair lending area that have taken place since the Program's initial author-
ization in the Housing and Community Development Act of 1987 [Pub. L. 100–242, see Short Title of 1988 Amendment note under section 5301 of this title];
(8) continuing educational efforts by the real estate industry are a useful way to increase under-
standing by the public of their fair housing rights and responsibilities; and
(9) the proven efficacy of private nonprofit fair housing enforcement organizations and community-
based efforts makes support for these organizations a necessary component of the fair housing enforcement system.

§ 3617. Interference, coercion, or intimidation

It shall be unlawful to coerce, intimidate, threaten, or interfere with any person in the ex-
ercise or enjoyment of, or on account of his hav-
ing exercised or enjoyed, or on account of his having aided or encouraged any other person in the exercise or enjoyment of, any right granted or protected by section 3603, 3604, 3605, or 3606 of this title.


PRIOR PROVISIONS

A prior section 818 of Pub. L. 90–284 was renumbered section 819 and is classified to section 3618 of this title.

AMENDMENTS

1988—Pub. L. 100–430 struck out at end "This section may be enforced by appropriate civil action."

EFFECTIVE DATE OF 1988 AMENDMENT

Amendment by Pub. L. 100–430 effective on the 180th day beginning after Sept. 13, 1988, see section 13(a) of Pub. L. 100–430, set out as a note under section 3601 of this title.

§ 3618. Authorization of appropriations

There are hereby authorized to be appro-
piated such sums as are necessary to carry out the purposes of this subchapter.


PRIOR PROVISIONS

A prior section 818 of Pub. L. 90–284 was renumbered section 820 and is classified to section 3619 of this title.

§ 3619. Separability

If any provision of this subchapter or the ap-
lication thereof to any person or circumstances is held invalid, the remainder of the subchapter and the application of the provision to other persons not similarly situated or to other cir-
cumstances shall not be affected thereby.


SUBCHAPTER II—PREVENTION OF INTIMIDATION

§ 3631. Violations; penalties

Whoever, whether or not acting under color of law, by force or threat of force willfully injures, intimidates or interferes with, or attempts to injure, intimidate or interfere with—
(a) any person because of his race, color, religion, sex, handicap (as such term is defined in section 3602 of this title), familial status (as such term is defined in section 3602 of this title), or national origin and because he is or has been selling, purchasing, financing, occupying, or contracting or negotiating for the sale, purchase, rental, financing or occupation of any dwelling, or applying for or participating in any service, organization, or facility relating to the business of selling or renting dwellings; or

(b) any person because he is or has been, or in order to intimidate such person or any other person or any class of persons from—

(1) participating, without discrimination on account of race, color, religion, sex, handicap (as such term is defined in section 3602 of this title), familial status (as such term is defined in section 3602 of this title), or national origin, in any of the activities, services, organizations or facilities described in subsection (a); or

(2) affording another person or class of persons opportunity or protection so to participate; or

(c) any citizen because he is or has been, or in order to discourage such citizen or any other citizen from lawfully aiding or encouraging other persons to participate, without discrimination on account of race, color, religion, sex, handicap (as such term is defined in section 3602 of this title), familial status (as such term is defined in section 3602 of this title), or national origin, in any of the activities, services, organizations or facilities described in subsection (a), or participating lawfully in speech or peaceful assembly opposing any denial of the opportunity to so participate—

shall be fined under title 18 or imprisoned not more than one year, or both; and if bodily injury results from the acts committed in violation of this section or if such acts include the use, attempted use, or threatened use of a dangerous weapon, explosives, or fire after “bodily injury results”, substituted “under this title” for “not more than $1,000,” before “or imprisoned not more than one year”, inserted “from the acts committed in violation of this section or if such acts include the use, attempted use, or threatened use of a dangerous weapon, explosives, or fire” after “bodily injury results”, substituted “under this title” for “not more than $10,000,” before “or imprisoned not more than ten years”, inserted “from the acts committed in violation of this section or if such acts include kidnapping or an attempt to kidnap, aggravated sexual abuse or an attempt to commit aggravated sexual abuse, or an attempt to kill,” after “death results”, substituted “fined under this title or imprisoned” for “subject to imprisonment” before “for any term of years”, and inserted “‘, or both’” before period at end.

1988—Clos. (a), (b)(1), (c). Pub. L. 100–430 inserted “, sex” after “religion”. Penalties for violations respecting federally protected activities not applicable to and not affecting activities under fair housing provisions of subchapter I of this chapter, see section 101(b) of Pub. L. 90–284, set out as a note under section 3601 of this title.

FEDERALLY PROTECTED ACTIVITIES; PENALTIES

Penalties for violations respecting federally protected activities not applicable to and not affecting activities under fair housing provisions of subchapter I of this chapter, see section 101(b) of Pub. L. 90–284, set out as a note under section 245 of Title 18, Crimes and Criminal Procedure.

CHAPTER 46—JUSTICE SYSTEM IMPROVEMENT

Sec. 3701. 3702. Repealed or Transferred.

SUBCHAPTER I—OFFICE OF JUSTICE PROGRAMS

3711 to 3716a. Transferred.

SUBCHAPTER II—NATIONAL INSTITUTE OF JUSTICE

3721 to 3724. Repealed or Transferred.

SUBCHAPTER III—BUREAU OF JUSTICE STATISTICS

3731 to 3735. Repealed or Transferred.

SUBCHAPTER IV—ESTABLISHMENT OF BUREAU OF JUSTICE ASSISTANCE

3741 to 3743. Transferred.

SUBCHAPTER V—BUREAU OF JUSTICE ASSISTANCE GRANT PROGRAMS

PART A—EDWARD BYRN MEMORIAL JUSTICE ASSISTANCE GRANT PROGRAM

3750 to 3758. Transferred or Omitted.

PART B—DISCRETIONARY GRANTS

SUBPART I—GRANTS TO PUBLIC AND PRIVATE ENTITIES

3760 to 3762. Repealed.
This chapter has been editorially reorganized. Title I of the Omnibus Crime Control and Safe Streets Act of 1968, which comprised the chapter, has been editorially reclassified and renumbered as chapter 101 (§10101 et seq.) of Title 34, Crime Control and Law Enforcement.


Effective Date of Repeal
Repeal effective Oct. 12, 1984, see section 609AA(a) of Pub. L. 98–473, set out as an Effective Date note under section 10101 of Title 34, Crime Control and Law Enforcement.

§ 3702. Transferred

Codification
Section 3702 was editorially reclassified as section 10262 of Title 34, Crime Control and Law Enforcement.

SUBCHAPTER I—OFFICE OF JUSTICE PROGRAMS

§ 3711. Transferred

Codification
Section 3711 was editorially reclassified as section 10101 of Title 34, Crime Control and Law Enforcement.

SHORT TITLE OF 1994 AMENDMENT

§ 3712. Transferred

Codification
Section 3712 was editorially reclassified as section 10102 of Title 34, Crime Control and Law Enforcement.

§ 3712a. Transferred

Codification
Section 3712a was editorially reclassified as section 10103 of Title 34, Crime Control and Law Enforcement.

§ 3712b. Transferred

Codification
Section 3712b was editorially reclassified as section 10104 of Title 34, Crime Control and Law Enforcement.

§ 3712c. Transferred

Codification
Section 3712c was editorially reclassified as section 10105 of Title 34, Crime Control and Law Enforcement.

§ 3712d. Transferred

Codification

§ 3712e. Transferred

Codification
Section 3712e was editorially reclassified as section 10106 of Title 34, Crime Control and Law Enforcement.

§ 3712f. Transferred

Codification
Section 3712f was editorially reclassified as section 10107 of Title 34, Crime Control and Law Enforcement.

§ 3712g. Transferred

Codification
Section 3712g was editorially reclassified as section 10108 of Title 34, Crime Control and Law Enforcement.

§ 3712h. Transferred

Codification
Section 3712h was editorially reclassified as section 10109 of Title 34, Crime Control and Law Enforcement. Section was formerly classified to section 3712d of this title prior to renumbering by Pub. L. 109–271 and transfer to this section.

§ 3713. Transferred

Codification
Section 3713 was editorially reclassified as section 30101 of Title 34, Crime Control and Law Enforcement.

Prior Provisions

§ 3713a. Transferred

Codification
Section 3713a was editorially reclassified as section 30103 of Title 34, Crime Control and Law Enforcement.

§ 3713b. Transferred

Codification
Section 3713b was editorially reclassified as section 30104 of Title 34, Crime Control and Law Enforcement.

§ 3713c. Transferred

Codification
Section 3713c was editorially reclassified as section 30105 of Title 34, Crime Control and Law Enforcement.

§ 3713d. Transferred

Codification
Section 3713d was editorially reclassified as section 30106 of Title 34, Crime Control and Law Enforcement.

§ 3714. Transferred

Codification
Section 3714 was editorially reclassified as a note under section 603 of Title 6, Domestic Security.

§ 3714a. Transferred

Codification
Section 3714a was editorially reclassified as section 41508 of Title 34, Crime Control and Law Enforcement.
§ 3715. Transferred

CODIFICATION
Section 3715, formerly classified as a note under section 3712 of this title, was editorially reclassified as section 10110 of Title 34, Crime Control and Law Enforcement.

§ 3715a. Transferred

CODIFICATION
Section 3715a was editorially reclassified as section 10111 of Title 34, Crime Control and Law Enforcement.

§ 3716. Transferred

CODIFICATION
Section 3716 was editorially reclassified as section 10112 of Title 34, Crime Control and Law Enforcement.

DEFINITIONS
Pub. L. 111–84, div. E, § 4703(b), Oct. 28, 2009, 123 Stat. 2836, which defined terms, was editorially reclassified as section 30503 of Title 34, Crime Control and Law Enforcement.

§ 3716a. Transferred

CODIFICATION
Section 3716a was editorially reclassified as section 30504 of Title 34, Crime Control and Law Enforcement.

SUBCHAPTER II—NATIONAL INSTITUTE OF JUSTICE

§ 3721. Transferred

CODIFICATION
Section 3721 was editorially reclassified as section 30505 of Title 34, Crime Control and Law Enforcement.

ASSESSING AND REDUCING THREAT TO LAW ENFORCEMENT OFFICERS FROM CRIMINAL USE OF FIREARMS AND AMMUNITION
Pub. L. 104–132, title VIII, § 809, Apr. 24, 1996, 110 Stat. 1311, directed the Secretary of the Treasury to conduct a study assessing the threat to law enforcement officers from criminal use of firearms and ammunition, to be presented to Congress by Apr. 24, 1996.

NATIONAL COMMISSION TO SUPPORT LAW ENFORCEMENT


§ 3722. Transferred

CODIFICATION
Section 3722 was editorially reclassified as section 30506 of Title 34, Crime Control and Law Enforcement.

REPORT ON DRUG-TESTING TECHNOLOGIES

ANTI-STALKING LEGISLATION EVALUATION, MODEL DEVELOPMENT, DISSEMINATION AND REPORT
Pub. L. 102–385, title I, § 109(b), Oct. 6, 1992, 106 Stat. 1842, directed Attorney General, acting through Director of National Institute of Justice, to evaluate existing and proposed anti-stalking legislation in the States, develop model anti-stalking legislation that is constitutional and enforceable, prepare and disseminate to State authorities the findings of such evaluation, and report to Congress the findings and the need or appropriateness of further action by the Federal Government by Sept. 30, 1993.

§ 3723. Transferred

CODIFICATION
Section 3723 was editorially reclassified as section 10121 of Title 34, Crime Control and Law Enforcement.


Section, Pub. L. 90–351, title I, § 204, as added Pub. L. 96–157, § 2, Dec. 27, 1979, 93 Stat. 1174, provided for a National Institute of Justice Advisory Board, including the establishment and composition of the Board, rules respecting organization and procedure, term of office, duties of the Board, and delegation of powers and duties to the Director.

Prior sections 3721 to 3726 were omitted in the general revision of this chapter by Pub. L. 96–157.


Effective Date of Repeal
Repeal effective Oct. 12, 1984, see section 609A(a) of Pub. L. 98–473, set out as an Effective Date note under section 10101 of Title 34, Crime Control and Law Enforcement.

SUBCHAPTER III—BUREAU OF JUSTICE STATISTICS

§ 3731. Transferred

CODIFICATION
Section 3731 was editorially reclassified as section 10131 of Title 34, Crime Control and Law Enforcement.

§ 3732. Transferred

CODIFICATION
Section 3732 was editorially reclassified as section 10132 of Title 34, Crime Control and Law Enforcement.

§ 3733. Transferred

CODIFICATION
Section 3733 was editorially reclassified as section 10133 of Title 34, Crime Control and Law Enforcement.


Effective Date of Repeal
Repeal effective Oct. 12, 1984, see section 630A(a) of Pub. L. 98–473, set out as an Effective Date note under section 10101 of Title 34, Crime Control and Law Enforcement.

$3735. Transferred

Classification
Section 3735 was editorially reclassified as section 10134 of Title 34, Crime Control and Law Enforcement.

Prior Provisions

Subchapter IV—Establishment of Bureau of Justice Assistance

Prior Provisions
A prior subchapter IV, consisting of sections 3741 to 3748, related to block grants by Bureau of Justice Assistance, prior to repeal by Pub. L. 100–690, title VI, §3750d, Dec. 27, 1988, 102 Stat. 4328.


amended Pub. L. 101–162, title II, §212, Nov. 21, 1990, 104 Stat. 1269, related to the purpose of former sections 3750 to 3750d, to supplement the provisions of the Edward Byrne Memorial State and Local Law Enforcement Assistance Program to help States to curb motor vehicle thefts and related violence, and authorization of grants to anti-car theft committees.


Other prior sections 3750 to 3750d of this title, which comprised a prior part E of title I of Pub. L. 90–351, were omitted in the general amendment of title I of Pub. L. 90–351 by Pub. L. 96–137, §2, Dec. 27, 1979, 93 Stat. 1167.


§ 3751. Transferred

CODIFICATION

Section 3751 was editorially reclassified as section 10152 of Title 34, Crime Control and Law Enforcement.

§ 3752. Transferred

CODIFICATION

Section 3752 was editorially reclassified as section 10153 of Title 34, Crime Control and Law Enforcement.

§ 3753. Transferred

CODIFICATION

Section 3753 was editorially reclassified as section 10154 of Title 34, Crime Control and Law Enforcement.

§ 3754. Transferred

CODIFICATION

Section 3754 was editorially reclassified as section 10155 of Title 34, Crime Control and Law Enforcement.

§ 3755. Transferred

CODIFICATION

Section 3755 was editorially reclassified as section 10156 of Title 34, Crime Control and Law Enforcement.

§ 3756. Transferred

CODIFICATION

Section 3756 was editorially reclassified as section 10157 of Title 34, Crime Control and Law Enforcement.

§ 3757. Transferred

CODIFICATION

Section 3757 was editorially reclassified as section 10158 of Title 34, Crime Control and Law Enforcement.

§ 3758. Omitted

CODIFICATION


PART B—DISCRETIONARY GRANTS

SUBPART 1—GRANTS TO PUBLIC AND PRIVATE ENTITIES

Section 3762, Pub. L. 90–351, title I, § 512, as added Pub. L. 100–600, title VI, §609(a), Nov. 18, 1988, 102 Stat. 4336, related to limitation on use of discretionary grant funds.

§ 3762a. Transferred
CODIFICATION
Section 3762a was editorially reclassified as section 10171 of Title 34, Crime Control and Law Enforcement.

§ 3762b. Transferred
CODIFICATION
Section 3762b was editorially reclassified as section 10172 of Title 34, Crime Control and Law Enforcement.

SUBPART 2—GRANTS TO PUBLIC AGENCIES

§ 3762a. Transferred
CODIFICATION
Section 3762a was editorially reclassified as section 10171 of Title 34, Crime Control and Law Enforcement.

§ 3762b. Transferred
CODIFICATION
Section 3762b was editorially reclassified as section 10172 of Title 34, Crime Control and Law Enforcement.

SUBPART 3—GENERAL REQUIREMENTS

§ 3763. Transferred
CODIFICATION
Section 3763 was editorially reclassified as section 10171 of Title 34, Crime Control and Law Enforcement.

§ 3764. Transferred
CODIFICATION
Section 3764 was editorially reclassified as section 10172 of Title 34, Crime Control and Law Enforcement.

SUBPART 4—GRANTS TO PRIVATE ENTITIES

§ 3765. Transferred
CODIFICATION
Section 3765 was editorially reclassified as section 10191 of Title 34, Crime Control and Law Enforcement.

PART C—ADMINISTRATIVE PROVISIONS

§ 3766. Transferred
CODIFICATION
Section 3766 was editorially reclassified as section 10201 of Title 34, Crime Control and Law Enforcement.

§ 3766a. Transferred
CODIFICATION
Section 3766a was editorially reclassified as section 10202 of Title 34, Crime Control and Law Enforcement.

§ 3766b. Transferred
CODIFICATION
Section 3766b was editorially reclassified as section 10203 of Title 34, Crime Control and Law Enforcement.

SUBCHAPTER VI—CRIMINAL JUSTICE FACILITY CONSTRUCTION: PILOT PROGRAM


For prior section 3769, see note set out preceding section 3750 of this title.

A prior section 3601 of Pub. L. 90–351 was renumbered section 501 and classified to section 3761 of this title. See note set out preceding section 3750 of this title.

Another prior section 601 of Pub. L. 90–351, title I, June 18, 1968, 82 Stat. 209, was classified to section 3781 of this title and defined terms used in this chapter, prior to the general amendment of this chapter by Pub. L. 96–157. See section 3791 of this title.


A prior section 602 of Pub. L. 90–351 was renumbered section 502 and classified to section 3762 of this title. See note set out preceding section 3750 of this title.


A prior section 603 of Pub. L. 90–351 was renumbered section 503 and classified to section 3763 of this title. See note set out preceding section 3750 of this title.


A prior section 605 of Pub. L. 90–351 was renumbered section 505 and classified to section 3765 of this title. See note set out preceding section 3750 of this title.


A prior section 606 of Pub. L. 90–351 was renumbered section 506 and classified to section 3766 of this title. See note set out preceding section 3750 of this title.

For prior section 3770, see note set out preceding section 3750 of this title.

SUBCHAPTER VII—FBI TRAINING OF STATE AND LOCAL CRIMINAL JUSTICE PERSONNEL

§ 3771. Transferred
CODIFICATION
Section 3771 was editorially reclassified as section 10211 of Title 34, Crime Control and Law Enforcement.

PRIOR PROVISIONS


For another prior section 3771, see note set out preceding section 3750 of this title.

A prior section 701 of Pub. L. 96–157, §2, Dec. 27, 1979, 93 Stat. 1198, provided for a program to train prosecuting attorneys.


Section 3772, Pub. L. 90–351, title I, §702, as added Pub. L. 96–157, §2, Dec. 27, 1979, 93 Stat. 1198, provided for a program to train State and local criminal justice personnel.
section 10101 of Title 34, Crime Control and Law En-
forcement.

§ 3789d. Transferred
CODIFICATION
Section 3789d was editorially reclassified as section
10228 of Title 34, Crime Control and Law En-
forcement.

§ 3789e. Transferred
CODIFICATION
Section 3789e was editorially reclassified as section
10229 of Title 34, Crime Control and Law En-
forcement.

§ 3789f. Transferred
CODIFICATION
Section 3789f was editorially reclassified as section
10230 of Title 34, Crime Control and Law En-
forcement.

§ 3789g. Transferred
CODIFICATION
Section 3789g was editorially reclassified as section
10231 of Title 34, Crime Control and Law En-
forcement.

Section, Pub. L. 90–351, title I, § 819, as added Pub. L. 96–157, §§ 2, Dec. 27, 1979, 93 Stat. 1213, authorized accept-
ance of voluntary services. See section 10226(g) of Title
34, Crime Control and Law Enforcement.

EFFECTIVE DATE OF REPEAL
Repeal effective Oct. 12, 1984, see section 609Aa of
Pub. L. 98–473, set out as an Effective Date note under
section 10101 of Title 34, Crime Control and Law En-
forcement.

§ 3789i. Transferred
CODIFICATION
Section 3789i was editorially reclassified as section
10232 of Title 34, Crime Control and Law En-
forcement.

§ 3789j. Transferred
CODIFICATION
Section 3789j was editorially reclassified as section
10233 of Title 34, Crime Control and Law En-
forcement.

§ 3789k. Transferred
CODIFICATION
Section 3789k was editorially reclassified as section
10234 of Title 34, Crime Control and Law En-
forcement.

§ 3789l. Transferred
CODIFICATION
Section 3789l was editorially reclassified as section
10235 of Title 34, Crime Control and Law En-
forcement.

§ 3789m. Transferred
CODIFICATION
Section 3789m was editorially reclassified as section
10236 of Title 34, Crime Control and Law En-
forcement.

§ 3789n. Transferred
CODIFICATION
Section 3789n was editorially reclassified as section
10237 of Title 34, Crime Control and Law En-
forcement.

Section, Pub. L. 90–351, title I, § 826, as added Pub. L. 96–157, § 2, Dec. 27, 1979, 93 Stat. 1214, required reim-
bursement of Federal assistance for unused equipment.
§ 3793c. Transferred

CODIFICATION

Section 3793c was editorially reclassified as section 10283 of Title 34, Crime Control and Law Enforcement.

SUBCHAPTER XI—CRIMINAL PENALTIES

§ 3795. Transferred

CODIFICATION

Section 3795 was editorially reclassified as section 10271 of Title 34, Crime Control and Law Enforcement.

PRIOR PROVISIONS


§ 3795a. Transferred

CODIFICATION

Section 3795a was editorially reclassified as section 10272 of Title 34, Crime Control and Law Enforcement.

§ 3795b. Transferred

CODIFICATION

Section 3795b was editorially reclassified as section 10273 of Title 34, Crime Control and Law Enforcement.

SUBCHAPTER XII—PUBLIC SAFETY OFFICERS’ DEATH BENEFITS

PART A—DEATH BENEFITS

§ 3796. Transferred

CODIFICATION

Section 3796 was editorially reclassified as section 10281 of Title 34, Crime Control and Law Enforcement.

PRIOR PROVISIONS


§ 3796a. Transferred

CODIFICATION

Section 3796a was editorially reclassified as section 10282 of Title 34, Crime Control and Law Enforcement.

PRIOR PROVISIONS


§ 3796a–1. Transferred

CODIFICATION

Section 3796a–1 was editorially reclassified as section 10283 of Title 34, Crime Control and Law Enforcement.

§ 3796b. Transferred

CODIFICATION

Section 3796b was editorially reclassified as section 10284 of Title 34, Crime Control and Law Enforcement.

PRIOR PROVISIONS


§ 3796c. Transferred

CODIFICATION

Section 3796c was editorially reclassified as section 10285 of Title 34, Crime Control and Law Enforcement.

PRIOR PROVISIONS


§ 3796c–1. Transferred

CODIFICATION

Section 3796c–1 was editorially reclassified as section 10286 of Title 34, Crime Control and Law Enforcement.

§ 3796c–2. Transferred

CODIFICATION

Section 3796c–2 was editorially reclassified as section 10287 of Title 34, Crime Control and Law Enforcement.

§ 3796c–3. Transferred

CODIFICATION

Section 3796c–3 was editorially reclassified as section 10288 of Title 34, Crime Control and Law Enforcement.

PART B—EDUCATIONAL ASSISTANCE TO DEPENDENTS OF CIVILIAN FEDERAL LAW ENFORCEMENT OFFICERS KILLED OR DISABLED IN LINE OF DUTY

§ 3796d. Transferred

CODIFICATION

Section 3796d was editorially reclassified as section 10281 of Title 34, Crime Control and Law Enforcement.

§ 3796d–1. Transferred

CODIFICATION

Section 3796d–1 was editorially reclassified as section 10292 of Title 34, Crime Control and Law Enforcement.

§ 3796d–2. Transferred

CODIFICATION

Section 3796d–2 was editorially reclassified as section 10303 of Title 34, Crime Control and Law Enforcement.
§ 3796d–3. Transferred
CODIFICATION
Section 3796d–3 was editorially reclassified as section 10303 of Title 34, Crime Control and Law Enforcement.

§ 3796d–4. Transferred
CODIFICATION
Section 3796d–4 was editorially reclassified as section 10304 of Title 34, Crime Control and Law Enforcement.

§ 3796d–5. Transferred
CODIFICATION
Section 3796d–5 was editorially reclassified as section 10305 of Title 34, Crime Control and Law Enforcement.

§ 3796d–6. Transferred
CODIFICATION
Section 3796d–6 was editorially reclassified as section 10306 of Title 34, Crime Control and Law Enforcement.

§ 3796d–7. Transferred
CODIFICATION
Section 3796d–7 was editorially reclassified as section 10307 of Title 34, Crime Control and Law Enforcement.

SUBCHAPTER XII–A—REGIONAL INFORMATION SHARING SYSTEMS

PRIOR PROVISIONS

A prior subchapter XII–A, consisted of sections 3796h to 3796r, related to grants for law enforcement programs, prior to repeal by Pub. L. 100–690, title VI, § 6101(a), Nov. 18, 1988, 102 Stat. 4340. For similar provisions, see subchapter V (§ 10151 et seq.) of chapter 101 of Title 34, Crime Control and Law Enforcement.


A prior section 1301 of Pub. L. 90–351 was renumbered section 2501 and is classified to section 10541 of Title 34, Crime Control and Law Enforcement.


Section 3796m, Pub. L. 90–351, title I, § 1306, as added Pub. L. 99–570, title I, § 1552(a)(3), Oct. 27, 1986, 100 Stat. 3207–44, required each State and unit of local government receiving drug law enforcement grants to report each year to the Director and required Director to report annually to Congress.


§ 3796h. Transferred
CODIFICATION
Section 3796h was editorially reclassified as section 10331 of Title 34, Crime Control and Law Enforcement.

SUBCHAPTER XII–B—GRANTS FOR CLOSED-CIRCUIT TELEVISIONS OF TESTIMONY OF CHILDREN WHO ARE VICTIMS OF ABUSE

§ 3796aa. Transferred
CODIFICATION
Section 3796aa was editorially reclassified as section 10332 of Title 34, Crime Control and Law Enforcement.

§ 3796aa–1. Transferred
CODIFICATION
Section 3796aa–1 was editorially reclassified as section 10333 of Title 34, Crime Control and Law Enforcement.

§ 3796aa–2. Transferred
CODIFICATION
Section 3796aa–2 was editorially reclassified as section 10334 of Title 34, Crime Control and Law Enforcement.

§ 3796aa–3. Transferred
CODIFICATION
Section 3796aa–3 was editorially reclassified as section 10335 of Title 34, Crime Control and Law Enforcement.


§ 3796aa–5. Transferred
CODIFICATION
Section 3796aa–5 was editorially reclassified as section 10336 of Title 34, Crime Control and Law Enforcement.

§ 3796aa–6. Transferred
CODIFICATION
Section 3796aa–6 was editorially reclassified as section 10337 of Title 34, Crime Control and Law Enforcement.
Section, Pub. L. 90–351, title I, § 1408, as added Pub. L. 101–647, title II, § 241(a)(2), Nov. 29, 1990, 104 Stat. 4813, directed the chief executive of each participating State to designate a State office for purposes of applying for and administering funds under this subchapter.

§ 3796aa–8. Transferred
CODIFICATION
Section 3796aa–8 was editorially reclassified as section 10337 of Title 34, Crime Control and Law Enforcement.

SUBCHAPTER XII–C—RURAL DRUG ENFORCEMENT
§ 3796bb. Transferred
CODIFICATION
Section 3796bb was editorially reclassified as section 10351 of Title 34, Crime Control and Law Enforcement.

§ 3796bb–1. Transferred
CODIFICATION
Section 3796bb–1 was editorially reclassified as section 10352 of Title 34, Crime Control and Law Enforcement.

SUBCHAPTER XII–D—CRIMINAL CHILD SUPPORT ENFORCEMENT
§ 3796cc. Transferred
CODIFICATION
Section 3796cc was editorially reclassified as section 10361 of Title 34, Crime Control and Law Enforcement.

§ 3796cc–1. Transferred
CODIFICATION
Section 3796cc–1 was editorially reclassified as section 10362 of Title 34, Crime Control and Law Enforcement.

§ 3796cc–2. Transferred
CODIFICATION
Section 3796cc–2 was editorially reclassified as section 10363 of Title 34, Crime Control and Law Enforcement.

§ 3796cc–3. Transferred
CODIFICATION
Section 3796cc–3 was editorially reclassified as section 10364 of Title 34, Crime Control and Law Enforcement.

§ 3796cc–4. Transferred
CODIFICATION
Section 3796cc–4 was editorially reclassified as section 10365 of Title 34, Crime Control and Law Enforcement.

§ 3796cc–5. Transferred
CODIFICATION
Section 3796cc–5 was editorially reclassified as section 10366 of Title 34, Crime Control and Law Enforcement.

§ 3796cc–6. Transferred
CODIFICATION
Section 3796cc–6 was editorially reclassified as section 10367 of Title 34, Crime Control and Law Enforcement.

§ 3796cc–7. Transferred
CODIFICATION
Section 3796cc–7 was editorially reclassified as section 10368 of Title 34, Crime Control and Law Enforcement.

§ 3796cc–8. Transferred
CODIFICATION
Section 3796cc–8 was editorially reclassified as section 10369 of Title 34, Crime Control and Law Enforcement.

SUBCHAPTER XII–E—PUBLIC SAFETY AND COMMUNITY POLICING; “COPS ON THE BEAT”
§ 3796dd. Transferred
CODIFICATION
Section 3796dd was editorially reclassified as section 10381 of Title 34, Crime Control and Law Enforcement.

§ 3796dd–1. Transferred
CODIFICATION
Section 3796dd–1 was editorially reclassified as section 10382 of Title 34, Crime Control and Law Enforcement.

§ 3796dd–2. Transferred
CODIFICATION
Section 3796dd–2 was editorially reclassified as section 10383 of Title 34, Crime Control and Law Enforcement.

§ 3796dd–3. Transferred
CODIFICATION
Section 3796dd–3 was editorially reclassified as section 10384 of Title 34, Crime Control and Law Enforcement.

§ 3796dd–4. Transferred
CODIFICATION
Section 3796dd–4 was editorially reclassified as section 10385 of Title 34, Crime Control and Law Enforcement.

§ 3796dd–5. Transferred
CODIFICATION
Section 3796dd–5 was editorially reclassified as section 10386 of Title 34, Crime Control and Law Enforcement.

§ 3796dd–6. Transferred
CODIFICATION
Section 3796dd–6 was editorially reclassified as section 10387 of Title 34, Crime Control and Law Enforcement.

§ 3796dd–7. Transferred
CODIFICATION
Section 3796dd–7 was editorially reclassified as section 10388 of Title 34, Crime Control and Law Enforcement.

§ 3796dd–8. Transferred
CODIFICATION
Section 3796dd–8 was editorially reclassified as section 10389 of Title 34, Crime Control and Law Enforcement.

SUBCHAPTER XII–F—JUVENILE ACCOUNTABILITY BLOCK GRANTS
§ 3796ee. Transferred
CODIFICATION
Section 3796ee was editorially reclassified as section 10401 of Title 34, Crime Control and Law Enforcement.

§ 3796ee–1. Transferred
CODIFICATION
Section 3796ee–1 was editorially reclassified as section 10402 of Title 34, Crime Control and Law Enforcement.
§ 3796ee–2. Transferred
CODIFICATION
Section 3796ee–2 was editorially reclassified as section 10403 of Title 34, Crime Control and Law Enforcement.

§ 3796ee–3. Transferred
CODIFICATION
Section 3796ee–3 was editorially reclassified as section 10404 of Title 34, Crime Control and Law Enforcement.

§ 3796ee–4. Transferred
CODIFICATION
Section 3796ee–4 was editorially reclassified as section 10405 of Title 34, Crime Control and Law Enforcement.

§ 3796ee–5. Transferred
CODIFICATION
Section 3796ee–5 was editorially reclassified as section 10406 of Title 34, Crime Control and Law Enforcement.

§ 3796ee–6. Transferred
CODIFICATION
Section 3796ee–6 was editorially reclassified as section 10407 of Title 34, Crime Control and Law Enforcement.

§ 3796ee–7. Transferred
CODIFICATION
Section 3796ee–7 was editorially reclassified as section 10408 of Title 34, Crime Control and Law Enforcement.

§ 3796ee–8. Transferred
CODIFICATION
Section 3796ee–8 was editorially reclassified as section 10409 of Title 34, Crime Control and Law Enforcement.

§ 3796ee–9. Transferred
CODIFICATION
Section 3796ee–9 was editorially reclassified as section 10410 of Title 34, Crime Control and Law Enforcement.

§ 3796ee–10. Omitted
CODIFICATION

SUBCHAPTER XII–G—RESIDENTIAL SUBSTANCE ABUSE TREATMENT FOR STATE PRISONERS

§ 3796ff. Transferred
CODIFICATION
Section 3796ff was editorially reclassified as section 10421 of Title 34, Crime Control and Law Enforcement.

§ 3796ff–1. Transferred
CODIFICATION
Section 3796ff–1 was editorially reclassified as section 10422 of Title 34, Crime Control and Law Enforcement.

§ 3796ff–2. Transferred
CODIFICATION
Section 3796ff–2 was editorially reclassified as section 10423 of Title 34, Crime Control and Law Enforcement.

§ 3796ff–3. Transferred
CODIFICATION
Section 3796ff–3 was editorially reclassified as section 10424 of Title 34, Crime Control and Law Enforcement.

§ 3796ff–4. Transferred
CODIFICATION
Section 3796ff–4 was editorially reclassified as section 10425 of Title 34, Crime Control and Law Enforcement.

SUBCHAPTER XII–H—GRANTS TO COMBAT VIOLENT CRIMES AGAINST WOMEN

§ 3796gg. Transferred
CODIFICATION
Section 3796gg was editorially reclassified as section 10441 of Title 34, Crime Control and Law Enforcement.

§ 3796gg–0. Transferred
CODIFICATION
Section 3796gg–0 was editorially reclassified as section 10442 of Title 34, Crime Control and Law Enforcement.

§ 3796gg–0a. Transferred
CODIFICATION
Section 3796gg–0a was editorially reclassified as section 10443 of Title 34, Crime Control and Law Enforcement.

§ 3796gg–0b. Transferred
CODIFICATION
Section 3796gg–0b was editorially reclassified as section 10444 of Title 34, Crime Control and Law Enforcement.

§ 3796gg–0c. Transferred
CODIFICATION
Section 3796gg–0c was editorially reclassified as section 10445 of Title 34, Crime Control and Law Enforcement.

§ 3796gg–0d. Omitted
CODIFICATION

§ 3796gg–1. Transferred
CODIFICATION
Section 3796gg–1 was editorially reclassified as section 10446 of Title 34, Crime Control and Law Enforcement.

§ 3796gg–2. Transferred
CODIFICATION
Section 3796gg–2 was editorially reclassified as section 10447 of Title 34, Crime Control and Law Enforcement.
§ 3796gg–3. Transferred
CODIFICATION
Section 3796gg–3 was editorially reclassified as section 10448 of Title 34, Crime Control and Law Enforcement.

§ 3796gg–4. Transferred
CODIFICATION
Section 3796gg–4 was editorially reclassified as section 10449 of Title 34, Crime Control and Law Enforcement.

§ 3796gg–5. Transferred
CODIFICATION
Section 3796gg–5 was editorially reclassified as section 10450 of Title 34, Crime Control and Law Enforcement.

§ 3796gg–6. Transferred
CODIFICATION
Section 3796gg–6 was editorially reclassified as section 20121 of Title 34, Crime Control and Law Enforcement.

§ 3796gg–7. Transferred
CODIFICATION
Section 3796gg–7 was editorially reclassified as section 20122 of Title 34, Crime Control and Law Enforcement.

§ 3796gg–8. Transferred
CODIFICATION
Section 3796gg–8 was editorially reclassified as section 10451 of Title 34, Crime Control and Law Enforcement.

CODIFICATION
Pub. L. 109–271, which directed the repeal of section 202 of the Violence Against Women and Department of Justice Reauthorization Act of 2005 (Pub. L. 109–162), was executed by repealing this section, which was section 2014 of the Omnibus Crime Control and Safe Streets Act of 1968 as added by section 202 of Pub. L. 109–162, to reflect the probable intent of Congress.

§ 3796gg–10. Transferred
CODIFICATION
Section 3796gg–10 was editorially reclassified as section 10452 of Title 34, Crime Control and Law Enforcement.

§ 3796gg–11. Transferred
CODIFICATION
Section 3796gg–11 was editorially reclassified as section 10453 of Title 34, Crime Control and Law Enforcement.

SUBCHAPTER XII–I—GRANTS TO ENCOURAGE ARREST POLICIES AND ENFORCEMENT OF PROTECTION ORDERS

§ 3796hh. Transferred
CODIFICATION
Section 3796hh was editorially reclassified as section 10461 of Title 34, Crime Control and Law Enforcement.

§ 3796hh–1. Transferred
CODIFICATION
Section 3796hh–1 was editorially reclassified as section 10462 of Title 34, Crime Control and Law Enforcement.

§ 3796hh–2. Transferred
CODIFICATION
Section 3796hh–2 was editorially reclassified as section 10463 of Title 34, Crime Control and Law Enforcement.

§ 3796hh–3. Transferred
CODIFICATION
Section 3796hh–3 was editorially reclassified as section 10464 of Title 34, Crime Control and Law Enforcement.

§ 3796hh–4. Transferred
CODIFICATION
Section 3796hh–4 was editorially reclassified as section 10465 of Title 34, Crime Control and Law Enforcement.

CODIFICATION

SUBCHAPTER XII–J—MENTAL HEALTH COURTS

PRIOR PROVISIONS

§ 3796ii. Transferred
CODIFICATION
Section 3796ii was editorially reclassified as section 10471 of Title 34, Crime Control and Law Enforcement.

§ 3796ii–1. Transferred
CODIFICATION
Section 3796ii–1 was editorially reclassified as section 10472 of Title 34, Crime Control and Law Enforcement.

§ 3796ii–2. Transferred
CODIFICATION
Section 3796ii–2 was editorially reclassified as section 10473 of Title 34, Crime Control and Law Enforcement.

§ 3796ii–3. Transferred
CODIFICATION
Section 3796ii–3 was editorially reclassified as section 10474 of Title 34, Crime Control and Law Enforcement.
§ 3796ii–4. Transferred
CODIFICATION
Section 3796ii–4 was editorially reclassified as section 10475 of Title 34, Crime Control and Law Enforcement.

§ 3796ii–5. Transferred
CODIFICATION
Section 3796ii–5 was editorially reclassified as section 10476 of Title 34, Crime Control and Law Enforcement.

§ 3796ii–6. Transferred
CODIFICATION
Section 3796ii–6 was editorially reclassified as section 10477 of Title 34, Crime Control and Law Enforcement.

§ 3796ii–7. Transferred
CODIFICATION
Section 3796ii–7 was editorially reclassified as section 10478 of Title 34, Crime Control and Law Enforcement.

§ 3796ii–8. Transferred
CODIFICATION
Section 3796ii–8 was editorially reclassified as section 10479 of Title 34, Crime Control and Law Enforcement.

SUBCHAPTER XII–J—FAMILY SUPPORT

§ 3796jj. Transferred
CODIFICATION
Section 3796jj was editorially reclassified as section 10491 of Title 34, Crime Control and Law Enforcement.

§ 3796jj–1. Transferred
CODIFICATION
Section 3796jj–1 was editorially reclassified as section 10492 of Title 34, Crime Control and Law Enforcement.

§ 3796jj–2. Transferred
CODIFICATION
Section 3796jj–2 was editorially reclassified as section 10493 of Title 34, Crime Control and Law Enforcement.

§ 3796jj–3. Transferred
CODIFICATION
Section 3796jj–3 was editorially reclassified as section 10494 of Title 34, Crime Control and Law Enforcement.

§ 3796jj–4. Transferred
CODIFICATION
Section 3796jj–4 was editorially reclassified as section 10495 of Title 34, Crime Control and Law Enforcement.

§ 3796jj–5. Transferred
CODIFICATION
Section 3796jj–5 was editorially reclassified as section 10496 of Title 34, Crime Control and Law Enforcement.

§ 3796jj–6. Transferred
CODIFICATION
Section 3796jj–6 was editorially reclassified as section 10497 of Title 34, Crime Control and Law Enforcement.

SUBCHAPTER XII–L—DNA IDENTIFICATION GRANTS

§ 3796kk. Transferred
CODIFICATION
Section 3796kk was editorially reclassified as section 10511 of Title 34, Crime Control and Law Enforcement.

§ 3796kk–1. Transferred
CODIFICATION
Section 3796kk–1 was editorially reclassified as section 10512 of Title 34, Crime Control and Law Enforcement.

§ 3796kk–2. Transferred
CODIFICATION
Section 3796kk–2 was editorially reclassified as section 10513 of Title 34, Crime Control and Law Enforcement.

§ 3796kk–3. Transferred
CODIFICATION
Section 3796kk–3 was editorially reclassified as section 10514 of Title 34, Crime Control and Law Enforcement.

§ 3796kk–4. Transferred
CODIFICATION
Section 3796kk–4 was editorially reclassified as section 10515 of Title 34, Crime Control and Law Enforcement.

§ 3796kk–5. Transferred
CODIFICATION
Section 3796kk–5 was editorially reclassified as section 10516 of Title 34, Crime Control and Law Enforcement.

§ 3796kk–6. Transferred
CODIFICATION
Section 3796kk–6 was editorially reclassified as section 10517 of Title 34, Crime Control and Law Enforcement.

SUBCHAPTER XII–M—MATCHING GRANT PROGRAM FOR LAW ENFORCEMENT ARMOR VESTS

§ 3796ll. Transferred
CODIFICATION
Section 3796ll was editorially reclassified as section 10531 of Title 34, Crime Control and Law Enforcement.

§ 3796ll–1. Transferred
CODIFICATION
Section 3796ll–1 was editorially reclassified as section 10532 of Title 34, Crime Control and Law Enforcement.

§ 3796ll–2. Transferred
CODIFICATION
Section 3796ll–2 was editorially reclassified as section 10533 of Title 34, Crime Control and Law Enforcement.

§ 3796ll–3. Transferred
CODIFICATION
Section 3796ll–3 was editorially reclassified as section 10534 of Title 34, Crime Control and Law Enforcement.
§ 3797. Transferred
CODIFICATION
Section 3797 was editorially reclassified as section 10541 of Title 34, Crime Control and Law Enforcement.

SUBCHAPTER XIV—MATCHING GRANT PROGRAM FOR SCHOOL SECURITY

§ 3797a. Transferred
CODIFICATION
Section 3797a was editorially reclassified as section 10551 of Title 34, Crime Control and Law Enforcement.

§ 3797b. Transferred
CODIFICATION
Section 3797b was editorially reclassified as section 10552 of Title 34, Crime Control and Law Enforcement.

§ 3797c. Transferred
CODIFICATION
Section 3797c was editorially reclassified as section 10553 of Title 34, Crime Control and Law Enforcement.

§ 3797d. Transferred
CODIFICATION
Section 3797d was editorially reclassified as section 10554 of Title 34, Crime Control and Law Enforcement.


PRIOR PROVISIONS

SUBCHAPTER XV—PAUL COVERDELL FORENSIC SCIENCES IMPROVEMENT GRANTS

§ 3797f. Transferred
CODIFICATION
Section 3797f was editorially reclassified as section 10561 of Title 34, Crime Control and Law Enforcement.

§ 3797g. Transferred
CODIFICATION
Section 3797g was editorially reclassified as section 10562 of Title 34, Crime Control and Law Enforcement.

§ 3797h. Transferred
CODIFICATION
Section 3797h was editorially reclassified as section 10563 of Title 34, Crime Control and Law Enforcement.

§ 3797i. Transferred
CODIFICATION
Section 3797i was editorially reclassified as section 10564 of Title 34, Crime Control and Law Enforcement.
§ 3797s–5. Transferred
CODIFICATION
Section 3797s–5 was editorially reclassified as section 10595a of Title 34, Crime Control and Law Enforcement.

§ 3797s–6. Transferred
CODIFICATION
Section 3797s–6 was editorially reclassified as section 10596 of Title 34, Crime Control and Law Enforcement.

SUBCHAPTER XVI—DRUG COURTS
§ 3797u. Transferred
CODIFICATION
Section 3797u was editorially reclassified as section 10611 of Title 34, Crime Control and Law Enforcement.

STUDY BY THE GOVERNMENT ACCOUNTABILITY OFFICE

§ 3797u–1. Transferred
CODIFICATION
Section 3797u–1 was editorially reclassified as section 10612 of Title 34, Crime Control and Law Enforcement.

§ 3797u–2. Transferred
CODIFICATION
Section 3797u–2 was editorially reclassified as section 10613 of Title 34, Crime Control and Law Enforcement.

§ 3797u–3. Transferred
CODIFICATION
Section 3797u–3 was editorially reclassified as section 10614 of Title 34, Crime Control and Law Enforcement.

§ 3797u–4. Transferred
CODIFICATION
Section 3797u–4 was editorially reclassified as section 10615 of Title 34, Crime Control and Law Enforcement.

§ 3797u–5. Transferred
CODIFICATION
Section 3797u–5 was editorially reclassified as section 10616 of Title 34, Crime Control and Law Enforcement.

§ 3797u–6. Transferred
CODIFICATION
Section 3797u–6 was editorially reclassified as section 10617 of Title 34, Crime Control and Law Enforcement.

§ 3797u–7. Transferred
CODIFICATION
Section 3797u–7 was editorially reclassified as section 10618 of Title 34, Crime Control and Law Enforcement.

§ 3797u–8. Transferred
CODIFICATION
Section 3797u–8 was editorially reclassified as section 10619 of Title 34, Crime Control and Law Enforcement.

SUBCHAPTER XVII—OFFENDER REENTRY AND COMMUNITY SAFETY
§ 3797w. Transferred
CODIFICATION
Section 3797w was editorially reclassified as section 10631 of Title 34, Crime Control and Law Enforcement.

§ 3797w–1. Transferred
CODIFICATION
Section 3797w–1 was editorially reclassified as section 10632 of Title 34, Crime Control and Law Enforcement.

§ 3797w–2. Transferred
CODIFICATION
Section 3797w–2 was editorially reclassified as section 10633 of Title 34, Crime Control and Law Enforcement, which was repealed by Pub. L. 115–391, title V, § 504(g)(1), Dec. 21, 2018, 132 Stat. 5234.

SUBCHAPTER XVIII—CRIME FREE RURAL STATE GRANTS
§ 3797y. Transferred
CODIFICATION
Section 3797y was editorially reclassified as section 10641 of Title 34, Crime Control and Law Enforcement.

§ 3797y–1. Transferred
CODIFICATION
Section 3797y–1 was editorially reclassified as section 10642 of Title 34, Crime Control and Law Enforcement.

§ 3797y–2. Transferred
CODIFICATION
Section 3797y–2 was editorially reclassified as section 10643 of Title 34, Crime Control and Law Enforcement.

§ 3797y–3. Transferred
CODIFICATION
Section 3797y–3 was editorially reclassified as section 10644 of Title 34, Crime Control and Law Enforcement.

§ 3797y–4. Omitted
CODIFICATION

SUBCHAPTER XIX—ADULT AND JUVENILE COLLABORATION PROGRAM GRANTS
§ 3797aa. Transferred
CODIFICATION
Section 3797aa was editorially reclassified as section 10651 of Title 34, Crime Control and Law Enforcement.

§ 3797aa–1. Transferred
CODIFICATION
Section 3797aa–1 was editorially reclassified as section 10652 of Title 34, Crime Control and Law Enforcement.

SUBCHAPTER XX—CONFRONTING USE OF METHAMPHETAMINE
§ 3797cc. Transferred
CODIFICATION
Section 3797cc was editorially reclassified as section 10661 of Title 34, Crime Control and Law Enforcement.
§ 3797cc–1. Transferred
CODIFICATION
Section 3797cc–1 was editorially reclassified as section 10662 of Title 34, Crime Control and Law Enforcement.

§ 3797cc–2. Transferred
CODIFICATION
Section 3797cc–2 was editorially reclassified as section 10663 of Title 34, Crime Control and Law Enforcement.

§ 3797cc–3. Transferred
CODIFICATION
Section 3797cc–3 was editorially reclassified as section 10664 of Title 34, Crime Control and Law Enforcement.

SUBCHAPTER XX–A—LOAN REPAYMENT FOR PROSECUTORS AND PUBLIC DEFENDERS

§ 3797cc–21. Transferred
CODIFICATION
Section 3797cc–21 was editorially reclassified as section 10671 of Title 34, Crime Control and Law Enforcement.

SUBCHAPTER XX–B—GRANT PROGRAM TO EVALUATE AND IMPROVE EDUCATIONAL METHODS AT PRISONS, JAILS, AND JUVENILE FACILITIES

§ 3797dd. Transferred
CODIFICATION
Section 3797dd was editorially reclassified as section 10681 of Title 34, Crime Control and Law Enforcement, which was repealed by Pub. L. 115–391, title V, § 502(c)(1), Dec. 21, 2018, 132 Stat. 5228.

§ 3797dd–1. Omitted
CODIFICATION

SUBCHAPTER XXI—SEX OFFENDER APPREHENSION GRANTS; JUVENILE SEX OFFENDER TREATMENT GRANTS

§ 3797ee. Transferred
CODIFICATION
Section 3797ee was editorially reclassified as section 10691 of Title 34, Crime Control and Law Enforcement.

SUBCHAPTER XXII—COMPREHENSIVE OPIOID ABUSE GRANT PROGRAM

§ 3797ff. Transferred
CODIFICATION
Section 3797ff was editorially reclassified as section 10701 of Title 34, Crime Control and Law Enforcement.

§ 3797ff–1. Transferred
CODIFICATION
Section 3797ff–1 was editorially reclassified as section 10702 of Title 34, Crime Control and Law Enforcement.

§ 3797ff–2. Transferred
CODIFICATION
Section 3797ff–2 was editorially reclassified as section 10703 of Title 34, Crime Control and Law Enforcement.

§ 3797ff–3. Transferred
CODIFICATION
Section 3797ff–3 was editorially reclassified as section 10704 of Title 34, Crime Control and Law Enforcement.

§ 3797ff–4. Transferred
CODIFICATION
Section 3797ff–4 was editorially reclassified as section 10705 of Title 34, Crime Control and Law Enforcement.

§ 3797ff–5. Transferred
CODIFICATION
Section 3797ff–5 was editorially reclassified as section 10706 of Title 34, Crime Control and Law Enforcement.

§ 3797ff–6. Transferred
CODIFICATION
Section 3797ff–6 was editorially reclassified as section 10707 of Title 34, Crime Control and Law Enforcement.

CHAPTER 47—JUVENILE DELINQUENCY PREVENTION AND CONTROL

§ 3801. Omitted
CODIFICATION
Section, Pub. L. 90–445, § 2, as added Pub. L. 92–381, § 1, Aug. 14, 1972, 86 Stat. 532, which set out the Congressional findings and declaration of purpose for this chapter, was omitted in view of appropriations not being authorized for fiscal years after 1975.


SUBCHAPTER I—PREVENTIVE SERVICES AND DEMONSTRATION PROGRAMS

PART A—COMMUNITY-BASED COORDINATED YOUTH SERVICES

§§ 3811 to 3814. Omitted
CODIFICATION
Appropriations for this part have not been authorized for fiscal years after 1975.


PART B—DEMONSTRATIONS IN YOUTH DEVELOPMENT

§ 3821. Omitted


SUBCHAPTER II—TRAINING

§§ 3861, 3862. Omitted


SUBCHAPTER IV—ADMINISTRATION

§§ 3881 to 3888. Omitted

CODIFICATION

Appropriations for this subchapter have not been authorized for fiscal years after 1975.


REPEALS


Repeal by Pub. L. 95–115 effective Oct. 1, 1977, see former section 263(c) of Pub. L. 93–415, as added by Pub. L. 93–115, which is classified as an Effective Date of 1977 Amendment note under section 11101 of Title 34, Crime Control and Law Enforcement.

§§ 3890, 3891. Omitted

CODIFICATION

Appropriations for this subchapter have not been authorized for fiscal years after 1975.

Section 3890, Pub. L. 90–445, title IV, § 410, as added Pub. L. 92–381, § 1, Aug. 14, 1972, 86 Stat. 558, prohibited application of this chapter in such a way as to be detrimental to parental and individual rights.


CHAPTER 48—GUARANTEES FOR FINANCING NEW COMMUNITY LAND DEVELOPMENT


Section 3902, Pub. L. 90–448, title IV, §403, Aug. 1, 1968, 82 Stat. 514, provided Secretary with authority to guarantee obligations.


SHORT TITLE
Pub. L. 90–448, title IV, §401, Aug. 1, 1968, 82 Stat. 513, which provided that this title, which enacted this chapter and amended section 1492 of this title and sections 371 and 1464 of Title 12, Banks and Banking, may be referred to as the “New Communities Act of 1968”, was repealed by Pub. L. 99–181, title I [title IV, §474(e)], Nov. 30, 1983, 97 Stat. 1239.

SAVINGS PROVISION
Pub. L. 98–181, title I [title IV, §474(e)], Nov. 30, 1983, 97 Stat. 1239, provided that: “Any actions taken, prior to repeal, under the authority of any of the sections which are repealed by this section [repealing sections 3901 to 3906, 3908, 3909, 3911, 3914, 4511 to 4525, and 4532 of this title] shall continue to be valid. Nothing in this subsection shall impair the validity of any guarantees which have been made pursuant to title IV of the Housing and Urban Development Act of 1968, 42 U.S.C. 3901 et seq., or title VII of the Housing and Urban Development Act of 1970, 42 U.S.C. 4501 et seq., and any such guarantees shall continue to be governed by the provisions of title IV or title VII, as applicable, as they existed immediately before the date of the enactment of this Act [Nov. 30, 1983].”

§ 3907. Omitted

CODIFICATION
Section, Pub. L. 90–448, title IV, §408, Aug. 1, 1968, 82 Stat. 516; Pub. L. 91–609, title III, §303(c), Dec. 31, 1970, 84 Stat. 1790, which related to incontestability of guarantees was omitted pursuant to section 4528 of this title, which terminated authority to guarantee bonds, debentures, notes, or other obligations under this chapter after Dec. 31, 1970, with exceptions now inapplicable.


§ 3910. Omitted

CODIFICATION
Section, Pub. L. 90–448, title IV, §411, Aug. 1, 1968, 82 Stat. 516, which related to real property taxation was omitted pursuant to section 4528 of this title, which terminated authority to guarantee bonds, debentures, notes, or other obligations under this chapter after Dec. 31, 1970, with exceptions now inapplicable.


§§ 3912, 3913. Omitted

CODIFICATION
Sections were omitted pursuant to section 4528 of this title, which terminated authority to guarantee bonds, debentures, notes, or other obligations under this chapter after Dec. 31, 1970, with exceptions now inapplicable.

Section 3912, Pub. L. 90–448, title IV, §413, Aug. 1, 1968, 82 Stat. 517, set out functions, powers and duties of the Secretary under this chapter.

Section 3913, Pub. L. 90–448, title IV, §414, Aug. 1, 1968, 82 Stat. 517, related to audit of financial transactions of those whose obligations are guaranteed under this chapter.


CHAPTER 49—NATIONAL HOUSING PARTNERSHIPS

Sec. 3931. Congressional statement of purpose.

3932. Creation of corporations.

3933. Organization of corporation.

3934. Board of Directors; membership; appointment; term.

3935. Financing the corporation.

3936. Purposes and powers of corporation.

3937. National housing partnership.

3938. Annual report of corporation; audit of accounts.

3939. Applicability of antitrust laws.

3940. Reservation of right to repeal, alter, or amend chapter.

3941. State or local taxation or regulation; access to judicial process.

§ 3931. Congressional statement of purpose

The Congress finds that the volume of housing being produced for families and individuals of
low or moderate income must be increased to meet the national goal of a decent home and a suitable living environment for every American family, and declares that it is the policy of the United States to encourage the widest possible participation by private enterprise in the provision of housing for low or moderate income families. The Congress has therefore determined that one or more private organizations should be created to encourage maximum participation by private investors in programs and projects to provide low and moderate income housing.


§ 3932. Creation of corporations

(a) Authorization

There is hereby authorized to be created a private corporation for profit (hereinafter in this chapter referred to as the “corporation”). The corporation will not be an agency or establishment of the United States Government. The corporation shall be subject to the provisions of this chapter and, to the extent consistent with this chapter, to the District of Columbia Business Corporation Act.

(b) Creation of additional corporations

Whenever the President finds it in the national interest to do so, he may cause the creation of an additional corporation or additional corporations to carry out the purposes of this chapter. All the provisions of this chapter shall thereupon become applicable to each such corporation, and to the limited partnership formed by it pursuant to section 3937 of this title.

(c) Creation of corporations and organization of other partnerships, joint ventures, or associations by private persons

Nothing in this chapter shall be construed to preclude private persons from creating other corporations and organizing other partnerships, joint ventures, or associations for the purposes set forth in this chapter as the purposes of the corporation and the partnership described in section 3937 of this title.


REFERENCES IN TEXT

The District of Columbia Business Corporation Act, referred to in subsec. (a), is act June 8, 1954, ch. 269, 68 Stat. 179, as amended, which is not classified to the Code.

§ 3933. Organization of corporation

(a) Appointment of incorporators; Chairman; initial board of directors

The President of the United States shall appoint, by and with the advice and consent of the Senate, incorporators of the corporation, one of whom shall be designated by the President to serve as chairman. The incorporators shall serve as the initial board of directors until the first annual meeting of stockholders or until their successors are elected and have qualified.

(b) Action by incorporators; filing articles of incorporation

The incorporators shall take whatever actions are necessary or appropriate to establish the corporation, including the filing of articles of incorporation as approved by the President.

(c) Initial offering of stock in corporation and of interests in partnership; terms of offering

The incorporators shall also arrange for an initial offering of shares of stock in the corporation and of interests in the partnership described in section 3937 of this title. If the incorporators deem it advisable in order to carry out the purposes of this chapter, the initial offering may be made upon terms which require the purchase of other securities of the corporation or of interests in such partnership.


§ 3934. Board of Directors; membership; appointment; term

The corporation shall have a board of directors (hereinafter in this section referred to as the “board”), consisting of fifteen members. Three members of the board shall be appointed by the President of the United States, by and with the advice and consent of the Senate, effective on the date on which the other members are elected, and for terms of three years or until their successors have been appointed and have qualified, except that the first three members of the board so appointed shall continue in office for terms of one, two, and three years, respectively, and any member so appointed to fill a vacancy shall be appointed only for the unexpired term of the director whom he succeeds. Twelve members of the board shall be elected by the stockholders.


§ 3935. Financing the corporation

The corporation shall have the power to create and issue the number of shares stated in its articles of incorporation. Such shares may be divided into one or more classes, any or all of which classes may consist of shares with par value or shares without par value, with such designations, preferences, voting powers, and special or relative rights and such limitations, restrictions, or qualifications thereof as shall be stated in the articles of incorporation. The articles of incorporation may limit or deny the voting power of the shares of any class.


§ 3936. Purposes and powers of corporation

(a) Building, rehabilitation, acquisition, and financing of housing and related facilities for families and individuals of low or moderate income; acquisition and disposal of property; funds

In order to achieve the objectives and carry out the purposes of this chapter, the corporation is authorized to—

(1) plan, initiate, and carry out, pursuant to Federal programs or otherwise, the building, rehabilitation, acquisition, and financing of housing and related facilities primarily for the benefit of families and individuals of low or moderate income;
(2) buy, own, manage, lease, or otherwise acquire or dispose of property in connection with the developments, projects, or undertakings referred to in paragraph (1);

(3) provide such funds as may be necessary to accomplish the developments, projects, or undertakings referred to in paragraph (1); and

(4) for the purpose of generating income to support the building or rehabilitation of housing primarily for the benefit of families and individuals of low or moderate income (A) design, develop, manufacture and sell products and services for use in the construction, sale, or financing of housing, and (B) design and develop commercial, industrial, or retail facilities that are not directly related to housing, except that the development and preservation of housing for families and individuals of low or moderate income shall be the primary activity of the corporation.

(b) Authorization to enter into partnerships, limited partnerships, joint ventures, and other associations; manager or general partner of partnership, venture, or association; research and studies; technical assistance; loans or grants; hire or acceptance of services of consultants, experts, advisory boards and panels

Included in the activities authorized to the corporation for the accomplishment of the purposes indicated in subsection (a) of this section are, among others not specifically named—

(1) to enter into partnerships, limited partnerships, joint ventures, and other associations with individuals, corporations, and private and governmental agencies, organizations, and institutions;

(2) to act as manager or general partner of any such partnership, venture, or association;

(3) to conduct or contract for research and studies related to the development, demonstration, and evaluation of improved techniques and methods of constructing, rehabilitating, and maintaining housing;

(4) to provide technical assistance to nonprofit corporations, limited dividend corporations, and others with respect to the planning, refinancing, construction, rehabilitation, maintenance, and management of housing for low and moderate income families and individuals;

(5) to make loans or grants including grants of interests in housing and related facilities, to nonprofit corporations, limited dividend corporations, and others, in carrying out its activities under subsection (a) of this section; and

(6) to hire or accept the voluntary services of consultants, experts, advisory boards, and panels to aid the corporation in carrying out the purposes of this chapter.

(c) Exercise of powers conferred upon stock corporation by District of Columbia Business Corporation Act

To carry out the foregoing purposes and engaged in the foregoing activities, the corporation shall have the usual powers conferred upon a stock corporation by the District of Columbia Business Corporation Act.

(d) Labor standards

Nothing in this chapter shall have the effect of waiving or otherwise affecting the applicability of the provisions of sections 3141–3144, 3146, and 3147 of title 40, or any other law requiring compliance with labor standards, in the case of any construction to which such provisions would otherwise apply.

(e) Maximum combined outstanding equity commitment

The combined outstanding equity commitment of the corporation and the partnership with respect to activities undertaken under subsection (a)(4) may not exceed (1) 7 percent of their total combined equity commitment outstanding during the first 12-month period following October 17, 1984; (2) 14 percent of their total combined equity commitment outstanding during the second 12-month period following October 17, 1984; or (3) 20 percent of their total combined equity commitment outstanding at any time thereafter.

The District of Columbia Business Corporation Act, referred to in subsec. (c), is act June 8, 1954, ch. 269, 68 Stat. 179, as amended, which is not classified to the Code.

AMENDMENTS


§ 3937. National housing partnership

(a) Formation of limited partnership; partnership agreement

The corporation is authorized to arrange for the formation, as a separate organization, of a limited partnership (hereinafter in this chapter referred to as the “partnership”) under the District of Columbia Uniform Limited Partnership Act for the purpose of engaging in any of the activities authorized for the corporation under section 3936 of this title, and to enter into a partnership agreement governing the affairs of such limited partnership.

(b) Applicability of other laws; legal status of limited partnership

The partnership shall be subject to the provisions, to the extent consistent with this chapter, of (1) the District of Columbia Uniform Limited Partnership Act and (2) those provisions of the District of Columbia Uniform Partnership Act made applicable by section 6(2) of that Act. Not-
§ 3938  TITLES 42—THE PUBLIC HEALTH AND WELFARE

withstanding any inconsistency between the provisions of such Acts, or of any other law, and the provisions of this section, the partnership organized pursuant to this section shall be deemed to have the legal status of a limited partnership.

(c) Authorization to enter into partnerships, limited partnerships, or joint ventures organized under State or local laws for purpose of engaging in low and moderate income housing developments, projects, or undertakings

The partnership is authorized to enter into partnerships, limited partnerships, or joint ventures organized under applicable State or local law for the purpose of engaging in low and moderate income housing developments, projects, or undertakings in particular localities.

(d) General partner; capital of partnership; contribution of partners

The corporation shall be the general partner in the partnership. The capital of the partnership and the contributions of the partners shall be in such amounts and at such times as are set forth in or pursuant to the partnership agreement.

(e) Partnership agreement; participation in low and moderate income housing developments, projects, or undertakings; limitation on aggregate initial equity investment

The partnership agreement shall include provisions designed to assure that (1) the partnership shall participate in low and moderate income housing developments, projects, or undertakings in a manner designed to encourage the participation therein of local interests, and (2) in any such development, project, or undertaking the partnership shall not subscribe to more than 25 per centum (including equity investments made in services or property) of the aggregate initial equity investment unless, in the judgment of the corporation as general partner, the balance of the required equity investment is not readily obtainable from other responsible investors residing or doing business in the local community.

(f) Partnership agreement; authorization for stockholders to become limited partners; inclusion of other limited partners; acquisition of assignor’s stock by assignee of limited partner; approval of substitution or addition of partnership member

The partnership agreement may without limitation (1) permit each of the stockholders of the corporation to become a member of the partnership as a limited partner, (2) authorize the inclusion of other limited partners in addition to the stockholders of the corporation, (3) provide that the assignee of the partnership interest of a limited partner of the partnership who is also a stockholder of the corporation may not become a substituted limited partner unless he also acquires the assignor’s stock of the corporation, and (4) include provisions requiring that the corporation as a general partner approve the substitution or addition of a member of the partnership.

(g) Liability of corporation as general partner; treatment of interest of limited partner in partnership

A corporation which is a limited partner in the partnership shall not become liable as a general partner by reason of the fact that (1) such corporation is a holder of shares of voting stock of the corporation constituting not more than 5 per centum of the total number of outstanding shares of such stock and exercises any of the rights (including voting rights) of a holder of such shares, and/or (2) a person who is an officer or director of such corporation (or of another corporation which controls or is under common control of, or is under common control with, such corporation) is a director of the corporation and performs the duties of that office. The interest of a limited partner in the partnership shall not be treated as a stock interest in the corporation, notwithstanding that such interest of a limited partner may be proportionate to his stock interest in the corporation.

(h) Execution of certificate of partnership and amendments

The certificate of the partnership and any amendment thereof required by the District of Columbia Uniform Limited Partnership Act shall be executed and acknowledged by the corporation as member and by each other member of the partnership or his attorney-in-fact duly authorized by power of attorney in writing. The corporation may execute and acknowledge the certificate and any amendment thereof as attorney-in-fact for any member, member to be substituted or added, or assigning member, by whom the certificate or amendment is required to be executed and acknowledged and who has appointed the corporation as such attorney.


REFERENCES IN TEXT

The District of Columbia Uniform Limited Partnership Act, referred to in subsec. (a) and (b), is Pub. L. 87–716, Sept. 28, 1962, 76 Stat. 655, as amended, which is not classified to the Code.


§ 3938. Annual report of corporation; audit of accounts

(a)(1) The corporation shall submit an annual report to the President for transmittal to the Congress within six months after the end of its fiscal year. The report shall include a comprehensive and detailed report of the operations, activities, and financial condition of the corporation and the partnership under this chapter.

(2) The report shall contain a description of the activities undertaken under section 3938(a)(4) of this title, and shall specify, as a percentage of equity and in dollars, the extent of the corporation’s and the partnership’s investment in housing for the benefit of families and individuals of low or moderate income, the extent of the corporation’s and the partnership’s investment in other housing, and the extent of the corporation’s and the partnership’s activi-
ties which are undertaken under section 3936(a)(4) of this title. (b) The accounts of the corporation and of the partnership shall be audited annually in accordance with generally accepted auditing standards by independent certified public accountants or independent licensed public accountants certified or licensed by a regulatory authority of a State or other political subdivision of the United States.


AMENDMENTS

1984—Subsec. (a). Pub. L. 98–479 designated existing provisions as par. (1) and added par. (2).

TERMINATION OF REPORTING REQUIREMENTS

For termination, effective May 15, 2000, of provisions in subsec. (a) of this section relating to transmittal of annual report to Congress, see section 3003 of Pub. L. 104–66, as amended, set out as a note under section 1113 of Title 31, Money and Finance, and item 2 on page 182 of House Document No. 103–7.

§ 3939. Applicability of antitrust laws

Nothing contained herein shall affect the applicability of the Federal antitrust laws to the activities of the corporation and the partnership created under this chapter and of the persons participating therein or in partnerships, limited partnerships, or joint ventures with either of them.


§ 3940. Reservation of right to repeal, alter, or amend chapter

The right to repeal, alter, or amend this chapter at any time is expressly reserved.


§ 3941. State or local taxation or regulation; access to judicial process

Nothing contained in this chapter shall preclude a State or other local jurisdiction from imposing, in accordance with the laws of such State or other local jurisdiction, any valid nondiscriminatory tax, obligation, or regulation on the partnership as a taxable and or legal entity, but no limited partner of the partnership not otherwise subject to taxation or regulation by or judicial process of a State or other local jurisdiction shall be subject to taxation or regulation by or subject to or denied access to judicial process of such State or other local jurisdiction, or be subject or denied access to any greater extent, because of activities of the corporation or partnership within such State or other local jurisdiction.


CHAPTER 50—NATIONAL FLOOD INSURANCE

Sec. 4001. Congressional findings and declaration of purpose.
§ 4001. Congressional findings and declaration of purpose

(a) Necessity and reasons for flood insurance program

The Congress finds that (1) from time to time flood disasters have created personal hardships and economic distress which have required unforeseen disaster relief measures and have placed an increasing burden on the Nation’s resources; (2) despite the installation of preventive and protective works and the adoption of other public programs designed to reduce losses caused by flood damage, these methods have not been sufficient to protect adequately against growing exposure to future flood losses; (3) as a matter of national policy, a reasonable method of sharing the risk of flood losses is through a program of flood insurance which can complement and encourage preventive and protective measures; and (4) if such a program is initiated and carried out gradually, it can be expanded as knowledge is gained and experience is appraised, thus eventually making flood insurance coverage available on reasonable terms and conditions to persons who have need for such protection.

(b) Participation of Federal Government in flood insurance program carried out by private insurance industry

The Congress also finds that (1) many factors have made it uneconomic for the private insurance industry alone to make flood insurance available to those in need of such protection on reasonable terms and conditions; but (2) a program of flood insurance with large-scale participation of the Federal Government and carried out to the maximum extent practicable by the private insurance industry is feasible and can be initiated.

(c) Unified national program for flood plain management

The Congress further finds that (1) a program of flood insurance can promote the public interest by providing appropriate protection against the perils of flood losses and encouraging sound land use by minimizing exposure of property to flood losses; and (2) the objectives of a flood insurance program should be integrally related to a unified national program for flood plain management and, to this end, it is the sense of Congress that within two years following the effective date of this chapter the President should transmit to the Congress for its consideration any further proposals necessary for such a unified program, including proposals for the allocation of costs among beneficiaries of flood protection.

(d) Authorization of flood insurance program; flexibility in program

It is therefore the purpose of this chapter to (1) authorize a flood insurance program by means of which flood insurance, over a period of time, can be made available on a nationwide basis through the cooperative efforts of the Federal Government and the private insurance industry, and (2) provide flexibility in the program so that such flood insurance may be based on workable methods of pooling risks, minimizing costs, and distributing burdens equitably among those who will be protected by flood insurance and the general public.

(e) Land use adjustments by State and local governments; development of proposed future construction; assistance of lending and credit institutions; relation of Federal assistance to all flood-related programs; continuing studies

It is the further purpose of this chapter to (1) encourage State and local governments to make appropriate land use adjustments to constrict the development of land which is exposed to flood damage and minimize damage caused by flood losses, (2) guide the development of proposed future construction, where practicable, away from locations which are threatened by flood hazards, (3) encourage lending and credit institutions, as a matter of national policy, to assist in furthering the objectives of the flood insurance program, (4) assure that any Federal assistance provided under the program will be related closely to all flood-related programs and activities of the Federal Government, and (5) authorize continuing studies of flood hazards in order to provide for a constant reappraisal of the flood insurance program and its effect on land use requirements.

(f) Mudslides

The Congress also finds that (1) the damage and loss which results from mudslides is related
in cause and similar in effect to that which results directly from storms, deluges, overflowing waters, and other forms of flooding, and (2) the problems involved in providing protection against this damage and loss, and the possibilities for making such protection available through a Federal or federally sponsored program, are similar to those which exist in connection with efforts to provide protection against damage and loss caused by such other forms of flooding. It is therefore the further purpose of this chapter to make available, by means of the methods, procedures, and instrumentalities which are otherwise established or available under this chapter for purposes of the flood insurance program, protection against damage and loss resulting from mudslides that are caused by accumulations of water on or under the ground.


REFERENCES IN TEXT
For effective date of this chapter, referred to in subsec. (c), see section 1377 of Pub. L. 90–448, set out as an Effective Date note below.

This chapter, referred to in subsecs. (d) to (f), was in the original a reference to “this title” meaning title XIII of Pub. L. 90–448, Aug. 1, 1968, 82 Stat. 572, known as the National Flood Insurance Act of 1968, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out below and Tables.

AMENDMENTS
1994—Subsec. (g), Pub. L. 103–325 struck out subsec. (g) which read as follows: “The Congress also finds that (1) the damage and loss which may result from the erosion and undermining of shorelines by waves or currents in lakes and other bodies of water exceeding anticipated cyclical levels is related in cause and similar in effect to that which results directly from storms, deluges, overflowing waters, and other forms of flooding, and (2) the problems involved in providing protection against this damage and loss, and the possibilities for making such protection available through a Federal or federally sponsored program, are similar to those which exist in connection with efforts to provide protection against damage and loss caused by such other forms of flooding. It is therefore the further purpose of this chapter to make available, by means of the methods, procedures, and instrumentalities which are otherwise established or available under this chapter for purposes of the flood insurance program, protection against damage and loss resulting from the erosion and undermining of shorelines by waves or currents in lakes and other bodies of water exceeding anticipated cyclical levels.”

1973—Subsec. (g), Pub. L. 93–234 added subsec. (g).

EFFECTIVE DATE
Pub. L. 90–448, title XIII, §1377, Aug. 1, 1968, 82 Stat. 589, provided that: “This title [enacting this chapter, amending section 2414 of this title, repealing sections 2401 to 2413 and 2415 to 2421 of this title, and enacting provisions set out as notes under this section] shall take effect one hundred and twenty days following the date of its enactment [Aug. 1, 1968], except that the Secretary, on the basis of a finding that conditions exist necessitating the prescribing of an additional period, may prescribe a later effective date which in no event shall be more than one hundred and eighty days following such date of enactment.”

§ 4001
SHORT TITLE OF 2019 AMENDMENT
Pub. L. 115–19, §1, May 31, 2019, 133 Stat. 876, provided that: “This Act [amending sections 4016 and 4026 of this title and enacting provisions set out as a note under section 4016 of this title] may be cited as the ‘National Flood Insurance Program Extension Act of 2019’.”

SHORT TITLE OF 2018 AMENDMENT


SHORT TITLE OF 2014 AMENDMENT
Pub. L. 113–89, §1(a), Mar. 21, 2014, 128 Stat. 1020, provided that: “This Act [enacting sections 4005, 4015a, 4043, 4104, and 4106 of this title, amending sections 4012a, 4013, 4014, 4015, 4017, 4017a, 4081, 4101b, 4102, and 4104 of this title and section 2604 of Title 12, Banks and Banking, enacting provisions set out as notes under sections 4012a, 4014, 4015, and 4106 of this title, and repealing provisions set out as a note under section 4012a of this title] may be cited as the ‘Homeowner Flood Insurance Affordability Act of 2014’."

SHORT TITLE OF 2012 AMENDMENT


SHORT TITLE OF 2010 AMENDMENT


SHORT TITLE OF 2006 AMENDMENT

SHORT TITLE OF 2005 AMENDMENTS


SHORT TITLE OF 2004 AMENDMENT
of this title, amending sections 4011, 4015 to 4017, 4022, 4026, 4056, 4106c, 4106d, 4121, and 4127 of this title, and enacting provisions set out as notes under this section and sections 4011 and 4101 of this title] may be cited as the ‘Bunning-Bereuter-Blumenauer Flood Insurance Reform Act of 2004’."

SHORT TITLE OF 2003 AMENDMENTS


SHORT TITLE OF 1994 AMENDMENT
Pub. L. 103–325, title V, § 501, Sept. 23, 1994, 108 Stat. 2255, provided that: ‘‘This title [enacting sections 4104b to 4106d and 5154a of this title, amending this section, sections 4003, 4011, 4012a, 4013, 4015, 4017, 4022, 4026, 4027, 4037, 4056, 4044, 4045, 4054, 4091, 4101, 4106a, 4106b, 4121, and 5154 of this title, and sections 1784, 1830, 3005, and 4521 of Title 12, Banks and Banking, repealing section 4103 of this title, enacting provisions set out as notes under this section and sections 4011, 4013, 4014, 4101 to 4103, and 4104c of this title, and repealing provisions set out as a note under section 4015 of this title] may be cited as the ‘National Flood Insurance Reform Act of 1994’."

SHORT TITLE OF 1973 AMENDMENT
Pub. L. 93–234, § 1, Dec. 31, 1973, 87 Stat. 975, provided: ‘‘That this Act [enacting sections 4002, 4003, 4012a, 4104, 4105 to 4107, and 4128 of this title, amending this section, sections 4013 to 4016, 4026, 4054, 4056, 4101, and 4121 of this title, and sections 24 and 1709–1 of Title 12, Banks and Banking, and repealing section 4021 of this title] may be cited as the ‘Flood Disaster Protection Act of 1973’."

SHORT TITLE
Pub. L. 90–448, title XIII, § 1301, Aug. 1, 1968, 82 Stat. 572, provided that: ‘‘This title [enacting this chapter, amending section 2141 of this title, repealing sections 2461 to 2415 and 2415 to 2421 of this title, and enacting provisions set out as a note under this section] may be cited as the ‘Flood Insurance Act of 1968’."

REGULATIONS
Pub. L. 103–325, title V, § 585, Sept. 23, 1994, 108 Stat. 2287, as amended by Pub. L. 109–296, title VI, § 612(c), Oct. 4, 2006, 120 Stat. 1410, provided that: ‘‘The Administrator of the Federal Emergency Management Agency and any appropriate Federal agency may each issue any regulations necessary to carry out the applicable provisions of this title [see Short Title of 1994 Amendment note above] and the applicable amendments made by this title.’’

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

[For transfer of functions, personnel, assets, and liabilities of the Federal Emergency Management Agency, including the functions of the Director of the Federal Emergency Management Agency relating thereto, to the Secretary of Homeland Security, and for treatment of related references, see former section 313(1) and sections 531(d), 532(d), and 557 of Title 6, Domestic Security, and the Department of Homeland Security Reorganization Plan of November 25, 2002, as modified, set out as a note under section 542 of Title 6.]

§ 4002. Additional Congressional findings and declaration of purpose
(a) The Congress finds that—
(1) annual losses throughout the Nation from floods and mudslides are increasing at an alarming rate, largely as a result of the accelerating development of, and concentration of population in, areas of flood and mudslide hazards;
(2) the availability of Federal loans, grants, guaranties, insurance, and other forms of financial assistance are often determining factors in the utilization of land and the location and construction of public and of private industrial, commercial, and residential facilities;
(3) property acquired or constructed with grants or other Federal assistance may be exposed to risk of loss through floods, thus frustrating the purpose for which such assistance was extended;
(4) Federal instrumentalities insure or otherwise provide financial protection to banking and credit institutions whose assets include a substantial number of mortgage loans and other indebtedness secured by property exposed to loss and damage from floods and mudslides;
(5) the Nation cannot afford the tragic losses of life caused annually by flood occurrences, nor the increasing losses of property suffered by flood victims, most of whom are still inadequately compensated despite the provision of costly disaster relief benefits; and
(6) it is in the public interest for persons already living in flood-prone areas to have both an opportunity to purchase flood insurance and access to more adequate limits of coverage, so that they will be indemnified, for their losses in the event of future flood disasters.

(b) The purpose of this Act, therefore, is to—
(1) substantially increase the limits of coverage authorized under the national flood insurance program;
(2) provide for the expeditious identification of, and the dissemination of information concerning, flood-prone areas;

(3) require States or local communities, as a condition of future Federal financial assistance to participate in the flood insurance program and to adopt adequate flood plan ordinances with effective enforcement provisions consistent with Federal standards to reduce or avoid future flood losses; and

(4) require the purchase of flood insurance by property owners who are being assisted by Federal programs or by federally supervised, regulated, or insured agencies or institutions in the acquisition or improvement of land or facilities located or to be located in identified areas having special flood hazards.


REFERENCES IN TEXT


CODIFICATION

Section was enacted as part of the Flood Disaster Protection Act of 1973, and not as part of the National Flood Insurance Act of 1968 which comprises this chapter.

§ 4003. Definitions applicable to Flood Disaster Protection Act of 1973

(a) As used in this Act, unless the context otherwise requires, the term—

(1) “community” means a State or a political subdivision thereof which has zoning and building code jurisdiction over a particular area having special flood hazards;

(2) “Federal agency” means any department, agency, corporation, or other entity or instrumentality of the executive branch of the Federal Government, and includes the Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation;

(3) “financial assistance” means any form of loan, grant, guaranty, insurance, payment, rebate, subsidy, disaster assistance loan or grant, or any other form of direct or indirect Federal assistance, other than general or special revenue sharing or formula grants made to States;

(4) “financial assistance for construction purposes” means any form of financial assistance which is intended in whole or in part for the acquisition, construction, reconstruction, repair, or improvement of any publicly or privately owned building or mobile home, and for any machinery, equipment, fixtures, and furnishings contained or to be contained therein, and shall include the purchase or subsidization of mortgages or mortgage loans but shall exclude assistance pursuant to the Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.) (other than assistance under such Act in connection with a flood);

(5) “Federal entity for lending regulation” means the Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation, the Comptroller of the Currency, the National Credit Union Administration, and the Farm Credit Administration, and with respect to a particular regulated lending institution means the entity primarily responsible for the supervision of the institution;

(6) “Administrator” means the Administrator of the Federal Emergency Management Agency;

(7) “Federal agency lender” means a Federal agency that makes direct loans secured by improved real estate or a mobile home, to the extent such agency acts in such capacity;

(8) the term “improved real estate” means real estate upon which a building is located;

(9) “lender” means a regulated lending institution or Federal agency lender;

(10) “regulated lending institution” means any bank, savings and loan association, credit union, farm credit bank, Federal land bank association, production credit association, or similar institution subject to the supervision of a Federal entity for lending regulation; and

(11) “servicer” means the person responsible for receiving any scheduled periodic payments from a borrower pursuant to the terms of a loan, including amounts for taxes, insurance premiums, and other charges with respect to the property securing the loan, and making the payments of principal and interest and such other payments with respect to the amounts received from the borrower as may be required pursuant to the terms of the loan.

(b) The Administrator is authorized to define or redefine, by rules and regulations, any scientific or technical term used in this Act, insofar as such definition is not inconsistent with the purposes of this Act.


REFERENCES IN TEXT


The Disaster Relief and Emergency Assistance Act, referred to in subsec. (a)(4), is Pub. L. 93–288, May 22, 1974, 88 Stat. 143, known as the Robert T. Stafford Disaster Relief and Emergency Assistance Act, which is classified principally to chapter 68 (§ 5121 et seq.) of this title. For complete classification of this Act to the Code, see Short Title note set out under section 5121 of this title and Tables.

CODIFICATION

Section was enacted as part of the Flood Disaster Protection Act of 1973, and not as part of the National Flood Insurance Act of 1968 which comprises this chapter.
AMENDMENTS

2012—Subsec. (a)(6). Pub. L. 112–141 substituted “ ‘Administrator’ ” for “ ‘Director’ ” and “ Administrator of” for “Director of”.

Subsec. (b). Pub. L. 112–141 substituted “ Administrator” for “Director”.


1994—Subsec. (a)(5). Pub. L. 103–325, § 511(a)(1), added par. (5) and struck out former par. (5) which read as follows: “ ‘Federal instrumentality responsible for the supervision, approval, regulation, or insuring of banks, savings and loan associations, or similar institutions’ means the Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation, the Comptroller of the Currency, the Federal Home Loan Bank Board, the Federal Savings and Loan Insurance Corporation, and the National Credit Union Administration; and”.


1985—Subsec. (a)(6). Pub. L. 98–181, § 451(e)(2), substituted definition of “Director” meaning the Director of the Federal Emergency Management Agency for definition of “Secretary” meaning the Secretary of Housing and Urban Development.

Subsec. (b). Pub. L. 98–181, § 451(e)(1), substituted “Director” for “Secretary”.

1977—Subsec. (a)(4). Pub. L. 95–128 substituted “assistance pursuant to the Disaster Relief Act of 1974 (other than assistance under such Act in connection with a flood)” for “assistance for emergency work essential for the protection and preservation of life and property performed pursuant to the Disaster Relief Act of 1970 or any subsequent Act of Congress which supersedes or modifies the Disaster Relief Act of 1970”.

EFFECTIVE DATE OF 2010 AMENDMENT

Amendment by Pub. L. 111–203 effective on the transfer date, see section 906 of Title 2, The Congress.

TRANSFER OF FUNCTIONS

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

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

§ 4004. Definitions applicable to Biggert-Waters Flood Insurance Reform Act of 2012

(a) In general

In this subtitle, the following definitions shall apply:

(1) 100-year floodplain

The term “100-year floodplain” means that area which is subject to inundation from a flood having a 0.2-percent chance of being equaled or exceeded in any given year.

(2) 500-year floodplain

The term “500-year floodplain” means that area which is subject to inundation from a flood having a 0.2-percent chance of being equaled or exceeded in any given year.

(3) Administrator

The term “Administrator” means the Administrator of the Federal Emergency Management Agency.

(4) National Flood Insurance Program

The term “National Flood Insurance Program” means the program established under the National Flood Insurance Act of 1968 (42 U.S.C. 4001 et seq.).

(5) Write Your Own

The term “Write Your Own” means the cooperative undertaking between the insurance industry and the Federal Insurance Administration which allows participating property and casualty insurance companies to write and service standard flood insurance policies.

(b) Common terminology

Except as otherwise provided in this subtitle, any terms used in this subtitle shall have the meaning given to such terms under section 1370 of the National Flood Insurance Act of 1968 (42 U.S.C. 4121).


REFERENCES IN TEXT

This subtitle, referred to in subsecs. (a) and (b), is entitled “Flood Insurance Affordability Act of 2014” and also known as the Biggert-Waters Flood Insurance Reform Act of 2012. For complete classification of this subtitle to the Code, see Short Title of 2012 Amendment note set out under section 4001 of this title and Tables.


CODIFICATION

Section was enacted as part of the Biggert-Waters Flood Insurance Reform Act of 2012, and also as part of the Moving Ahead for Progress in the 21st Century Act, also known as the MAP–21, and not as part of National Flood Insurance Act of 1968 which comprises this chapter.

§ 4005. Definitions applicable to Homeowner Flood Insurance Affordability Act of 2014

For purposes of this title, the following definitions shall apply:

(1) Administrator

The term “Administrator” means the Administrator of the Federal Emergency Management Agency.

(2) National Flood Insurance Program

The term “National Flood Insurance Program” means the program established under the National Flood Insurance Act of 1968 (42 U.S.C. 4001 et seq.).


REFERENCES IN TEXT

This title, referred to in text, probably should read “this Act”, meaning Pub. L. 113–89, Mar. 21, 2014.
Stat. 572, which is classified principally to this chapter.

For complete classification of this Act to the Code, see Short Title note set out under section 4001 of this title and Tables.

The National Flood Insurance Act of 1968, referred to in par. (2), is title XIII of Pub. L. 90–448, Aug. 1, 1968, 82 Stat. 572, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 4001 of this title and Tables.

SUBCHAPTER I—THE NATIONAL FLOOD INSURANCE PROGRAM

§ 4011. Authorization to establish and carry out program

(a) Authorization and establishment

To carry out the purposes of this chapter, the Administrator of the Federal Emergency Management Agency is authorized to establish and carry out a national flood insurance program which will enable interested persons to purchase insurance against loss resulting from physical damage to or loss of real property or personal property related thereto arising from any flood occurring in the United States.

(b) Additional coverage for compliance with land use and control measures

The national flood insurance program established pursuant to subsection (a) shall enable the purchase of insurance to cover the cost of implementing measures that are consistent with land use and control measures established by the community under section 4102 of this title for—

(1) properties that are repetitive loss structures;
(2) properties that are substantially damaged structures;
(3) properties that have sustained flood damage on multiple occasions, if the Administrator determines that it is cost-effective and in the best interests of the National Flood Insurance Fund to require the implementation of such measures; and
(4) properties for which an offer of mitigation assistance is made under—

(A) section 4104c of this title (Flood Mitigation Assistance Program);
(B) the Hazard Mitigation Grant Program authorized under section 5170c of this title;
(C) the Predisaster Hazard Mitigation Program under section 5133 of this title; and
(D) any programs authorized or for which funds are appropriated to address any unmet needs or for which supplemental funds are made available.

The Administrator shall impose a surcharge on each insured of not more than $75 per policy to provide cost of compliance coverage in accordance with the provisions of this subsection.

(c) Participation and risk sharing by insurers

In carrying out the flood insurance program the Administrator shall, to the maximum extent practicable, encourage and arrange for—

(1) appropriate financial participation and risk sharing in the program by insurance companies and other insurers, and
(2) other appropriate participation, on other than a risk-sharing basis, by insurance companies and other insurers, insurance agents and brokers, and insurance adjustment organizations, in accordance with the provisions of subchapter II.


REFERENCES IN TEXT

This chapter, referred to in subsec. (a), was in the original a reference to “this title” meaning title XIII of Pub. L. 90–448, Aug. 1, 1968, 82 Stat. 572, known as the National Flood Insurance Act of 1968, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 4001 of this title and Tables.

AMENDMENTS


Subsec. (b)(3). Pub. L. 112–141, § 100238(b)(1), substituted “Administrator” for “Director”.

Subsec. (b)(4)(B) to (E). Pub. L. 112–141, § 100225(f), redesignated subpar. (C) to (E) as (B) to (D), respectively, and struck out former subpar. (B) which read as follows: “section 1336 (Repetitive Loss Priority Program and Individual Priority Property Program)”;.


2004—Subsec. (b). Pub. L. 108–264, § 105(a)(1)(B), which directed insertion of “by the community” after “established” in introductory provisions, was executed by making the insertion after “established” the second time appearing to reflect the probable intent of Congress.


Subsec. (b)(2). Pub. L. 108–264, § 105(a)(2), substituted “substantially damaged structures;” for “have flood damage in which the cost of repairs equals or exceeds 50 percent of the value of the structure at the time of the flood event; and”.

Subsec. (b)(3). Pub. L. 108–264, § 105(a)(3), which directed the substitution of “‘the implementation of such measures;’” for “‘compliance with land use and control measures.’”, was executed by making the substitution for “compliance with the land use and control measures.”, to reflect the probable intent of Congress.


1994—Subsecs. (b), (c). Pub. L. 103–325 added subsec. (b) and redesignated former subsec. (b) as (c).


Subsec. (b). Pub. L. 98–181, § 451(d)(1), substituted “Director” for “Secretary”.

EFFECTIVE DATE OF 1994 AMENDMENT

Effective Date

Section effective 120 days following Aug. 1, 1968, or such later date prescribed by the Secretary but in no event more than 180 days following Aug. 1, 1968, see section 1377 of Pub. L. 90–448, set out as a note under section 4001 of this title.

Transfer of Functions

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

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

Flood in Progress Determinations


"(a) Determinations.—Notwithstanding section 1306(c) of the National Flood Insurance Act of 1968 (42 U.S.C. 4983(c)), or any other provision of law, any eligible coverage (including completion of the application and payment of any initial premiums owed) are satisfactorily completed; and

"(b) Effective Date of Policies Covering Properties Affected by Flooding of the Missouri River in 2011.—

"(1) Eligible coverage.—For purposes of this subsection, the term ‘eligible coverage’ means coverage under a new contract for flood insurance coverage under the National Flood Insurance Program, or a modification to coverage under an existing flood insurance contract, for property damaged by the flooding of the Missouri River that commenced on June 1, 2011, that was purchased or made during the period beginning May 1, 2011, and ending June 6, 2011.

"(2) Effective dates.—Notwithstanding section 1306(c) of the National Flood Insurance Act of 1968 (42 U.S.C. 4983(c)), or any other provision of law, any eligible coverage shall—

"(A) be deemed to take effect on the date that is 30 days after the date on which all obligations for the eligible coverage (including completion of the application and payment of any initial premiums owed) are satisfactorily completed; and

"(B) cover damage to property occurring after the effective date described in subparagraph (A) that resulted from the flooding of the Missouri River that commenced on June 1, 2011, if the property did not suffer damage or loss as a result of such flooding before the effective date described in subparagraph (A).

"(c) Timely Notification.—Not later than 90 days after the date on which the Administrator submits the report required under subsection (a)(2), the Administrator shall, taking into consideration the results of the review under subsection (a)(1)(B), develop procedures for providing timely notification, to the extent practicable, to policyholders who have purchased flood insurance coverage under the National Flood Insurance Program within 30 days of a determination of a flood in progress and who may be affected by the flood of the determination and how the determination may affect their coverage.

[F]or definitions of terms used in section 100227 of Pub. L. 112–141, set out above, see section 4001 of this title.

Congressional Findings


"(1) the national flood insurance program—

"(A) identifies the flood risk;

"(B) provides flood risk information to the public;

"(C) encourages State and local governments to make appropriate land use adjustments to constrict the development of land which is exposed to flood damage and minimize damage caused by flood losses; and

"(D) makes flood insurance available on a nationwide basis that would otherwise not be available, to accelerate recovery from floods, mitigate future losses, save lives, and reduce the personal and national costs of flood disasters;

"(2) the national flood insurance program insures approximately 4,400,000 policyholders;

"(3) approximately 48,000 properties currently insured under the program have experienced, within a 10-year period, 2 or more flood losses where each such loss exceeds the amount $1,000;

"(4) approximately 10,000 of these repetitive-loss properties have experienced either 2 or 3 losses that cumulatively exceed building value or 4 or more losses, each exceeding $1,000;

"(5) repetitive-loss properties constitute a significant drain on the resources of the national flood insurance program, costing about $200,000,000 annually;

"(6) repetitive-loss properties comprise approximately 1 percent of currently insured properties but are expected to account for 25 to 30 percent of claims losses;

"(7) the vast majority of repetitive-loss properties were built before local community implementation of floodplain management standards under the program and thus are eligible for subsidized flood insurance;

"(8) while some property owners take advantage of the program allowing subsidized flood insurance without requiring mitigation action, others are trapped in a vicious cycle of suffering flooding, then repairing flood damage, then suffering flooding, without the means to mitigate losses or move out of harm’s way;

"(9) mitigation of repetitive-loss properties through buyouts, elevations, relocations, or flood-proofing will produce savings for policyholders under the program and for Federal taxpayers through reduced flood insurance losses and reduced Federal disaster assistance;

"(10) a strategy of making mitigation offers aimed at high-priority repetitive-loss properties and shifting more of the burden of recovery costs to property owners who choose to remain vulnerable to repetitive..."
flood damage can encourage property owners to take appropriate actions that reduce loss of life and property damage and benefit the financial soundness of the program;

“(1) the method for addressing repetitive-loss properties should be flexible enough to take into consideration legitimate circumstances that may prevent an owner from taking a mitigation action; and

“(2) focusing the mitigation and buy-out of repetitive loss properties upon communities and property owners that choose to voluntarily participate in a mitigation and buy-out program will maximize the benefits of such a program, while minimizing any adverse impact on communities and property owners.”

**Miscellaneous Flood Insurance Provisions**


**SEC. 201. Definitions.**

“In this title, the following definitions shall apply:

“(1) the term ‘Director’ means the Administrator of the Federal Emergency Management Agency;

“(2) Flood Insurance Policy.—The term ‘flood insurance policy’ means a flood insurance policy issued under the National Flood Insurance Act of 1968 (42 U.S.C. [4001 et seq.]);

“(3) Program.—The term ‘Program’ means the National Flood Insurance Program established under the National Flood Insurance Act of 1968 (42 U.S.C. 4001 et seq.).

**SEC. 202. Supplemental Forms.**

“(a) In General.—Not later than 6 months after the date of enactment of this Act [June 30, 2004], the Director shall develop supplemental forms to be issued in conjunction with the issuance of a flood insurance policy that set forth, in simple terms—

“(1) the exact coverages being purchased by a policyholder;

“(2) any exclusions from coverage that apply to the coverages purchased;

“(3) an explanation, including illustrations, of how lost items and damages will be valued under the policy at the time of loss;

“(4) the number and dollar value of claims filed under a flood insurance policy over the life of the property, and the effect, under the National Flood Insurance Act of 1968 (42 U.S.C. 4001 et seq.), of the filing of any further claims under a flood insurance policy with respect to that property; and

“(5) any other information that the Director determines will be helpful to policyholders in understanding flood insurance coverage.

“(b) Distribution.—The forms developed under subsection (a) shall be given to—

“(1) all holders of a flood insurance policy at the time of purchase and renewal; and

“(2) insurance companies and agents that are authorized to sell flood insurance policies.

**SEC. 203. Acknowledgement Form.**

“(a) In General.—Not later than 6 months after the date of enactment of this Act [June 30, 2004], the Director shall develop an acknowledgement form to be signed by the purchaser of a flood insurance policy that contains—

“(1) an acknowledgement that the purchaser has received a copy of the standard flood insurance policy, and any forms developed under section 202; and

“(2) an acknowledgement that the purchaser has been told that the contents of a property or dwelling are not covered under the terms of the standard flood insurance policy, and that the policyholder has the option to purchase additional coverage for such contents.

“(b) Distribution.—Copies of an acknowledgement form executed under subsection (a) shall be made available to the purchaser and the Director.

**SEC. 204. Flood Insurance Claims Handbook.**

“(a) In General.—Not later than 6 months after the date of enactment of this Act [June 30, 2004], the Director shall develop a flood insurance claims handbook that contains—

“(1) a description of the procedures to be followed to file a claim under the Program, including how to pursue a claim to completion;

“(2) how to file supplementary claims, proof of loss, and any other information relating to the filing of claims under the Program; and

“(3) detailed information regarding the appeals process established under section 205.

“(b) Distribution.—The handbook developed under subsection (a) shall be made available to—

“(1) each insurance company and agent authorized to sell flood insurance policies; and

“(2) each purchaser, at the time of purchase and renewal, of a flood insurance policy, and at the time of any flood loss sustained by such purchaser.

**SEC. 205. Appeal of Decisions Relating to Flood Insurance Coverage.**

“Not later than 6 months after the date of enactment of this Act [June 30, 2004], the Director shall, by regulation, establish an appeals process through which holders of a flood insurance policy may appeal the decisions, with respect to claims, proofs of loss, and loss estimates relating to such flood insurance policy, of—

“(1) any insurance agent or adjuster, or insurance company; or

“(2) any employee or contractor of the Federal Emergency Management Agency.

**SEC. 206. Study and Report on Use of Cost Compliance Coverage.**

“Not later than 1 year after the date of enactment of this Act [June 30, 2004], the Administrator of the Federal Emergency Management Agency shall submit to Congress a report that sets forth—

“(1) the use of cost of compliance coverage under section 1304(b) of the National Flood Insurance Act of 1968 (42 U.S.C. 4011(b)) in connection with flood insurance policies;

“(2) any barriers to policyholders using the funds provided by cost of compliance coverage under that section 1304(b) under a flood insurance policy, and recommendations to address those barriers; and

“(3) the steps that the Federal Emergency Management Agency has taken to ensure that funds paid for cost of compliance coverage under that section 1304(b) are being used to lessen the burdens on all homeowners and the Program.

**SEC. 207. Minimum Training and Education Requirements.**

“The Administrator of the Federal Emergency Management Agency shall, in cooperation with the insurance industry, State insurance regulators, and other interested parties—

“(1) establish minimum training and education requirements for all insurance agents who sell flood insurance policies; and

“(2) not later than 6 months after the date of enactment of this Act [June 30, 2004], publish these requirements in the Federal Register, and inform insurance companies and agents of the requirements.

**SEC. 208. GAO Study and Report.**

“(a) Study.—The Comptroller General of the United States shall conduct a study of—

“(1) the adequacy of the scope of coverage provided under flood insurance policies in meeting the intended goal of Congress that flood victims be restored to their pre-flood conditions, and any recommendations to ensure that goal is being met;

“(2) the adequacy of payments to flood victims under flood insurance policies; and

“(3) the practices of the Federal Emergency Management Agency and insurance adjusters in estimating losses incurred during a flood, and how such prac-
§ 4012 TITLES 42—THE PUBLIC HEALTH AND WELFARE

<table>
<thead>
<tr>
<th>Section</th>
<th>Title</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>4012</td>
<td>Scope of program and priorities</td>
<td>5486</td>
</tr>
</tbody>
</table>

(a) Priority for insurance for certain residential and church properties and business concerns

In carrying out the flood insurance program the Administrator shall afford a priority to making flood insurance available to cover residential properties which are designed for the occupancy of from one to four families, church properties, and business properties which are owned or leased and operated by small business concerns.

(b) Availability of insurance for other properties

If on the basis of—

(1) studies and investigations undertaken and carried out and information received or exchanged under section 4014 of this title, and

(2) such other information as may be necessary,

the Administrator determines that it would be feasible to extend the flood insurance program to cover other properties, he may take such action under this chapter as from time to time may be necessary in order to make flood insur-
ance available to cover, on such basis as may be feasible, any types and classes of—
(A) other residential properties not described in subsection (a) or (d),
(B) other business properties,
(C) agricultural properties,
(D) properties occupied by private nonprofit organizations, and
(E) properties owned by State and local governments and agencies thereof,
and any such extensions of the program to any types and classes of these properties shall from time to time be prescribed in regulations.

(c) Availability of insurance in States or areas evidencing positive interest in securing insurance and assuring adoption of adequate land use and control measures

The Administrator shall make flood insurance available in only those States or areas (or subdivisions thereof) which he has determined have—
(1) evidenced a positive interest in securing flood insurance coverage under the flood insurance program, and
(2) given satisfactory assurance that by December 31, 1971, adequate land use and control measures will have been adopted for the State or area (or subdivision) which are consistent with the comprehensive criteria for land management and use developed under section 4102 of this title, and that the application and enforcement of such measures will commence as soon as technical information on floodways and on controlling flood elevations is available.

(d) Availability of insurance for multifamily properties

(1) In general

The Administrator shall make flood insurance available to cover residential properties of 5 or more residences. Notwithstanding any other provision of law, the maximum coverage amount that the Administrator may make available under this subsection to such residential properties shall be equal to the coverage amount made available to commercial properties.

(2) Rule of construction

Nothing in this subsection shall be construed to limit the ability of individuals residing in residential properties of 5 or more residences to obtain insurance for the contents and personal articles located in such residences.

References in Text

This chapter, referred to in subsec. (b), was in the original a reference to “this title” meaning title XIII of Pub. L. 90–448, Aug. 1, 1968, 82 Stat. 572, known as the National Flood Insurance Act of 1968, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 4001 of this title and Tables.

Amendments


Subsec. (b). Pub. L. 112–141, § 100238(b)(1), substituted “Administrator” for “Director” in concluding provisions following par. (2).

Subsec. (b)(A). Pub. L. 112–141, § 100238(c)(1), which directed amendment of subsec. (b)(2)(A) by inserting “not described in subsection (a) or (d)” after “properties”, was executed by making the insertion in subpar. (A) following first concluding provisions to reflect the probable intent of Congress.


Effective Date

Section effective 120 days following Aug. 1, 1968, or such later date prescribed by the Secretary but in no event more than 180 days following Aug. 1, 1968, see section 1377 of Pub. L. 90–448, set out as a note under section 4001 of this title.

Transfer of Functions

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

For transfer of functions, personnel, assets, and liabilities of the Federal Emergency Management Agency, including the functions of the Director of the Federal Emergency Management Agency relating thereto, to the Secretary of Homeland Security, and for treatment of related references, see former section 313(1) and sections 551(d), 552(d), and 557 of Title 6, Domestic Security, and the Department of Homeland Security Reorganization Plan of November 23, 2002, as modified, set out as a note under section 542 of Title 6.

§ 4012a. Flood insurance purchase and compliance requirements and escrow accounts

(a) Amount and term of coverage

After the expiration of sixty days following December 31, 1973, no Federal officer or agency shall approve any financial assistance for acquisition or construction purposes for use in any area that has been identified by the Administrator as an area having special flood hazards and in which the sale of flood insurance has been made available under the National Flood Insurance Act of 1968 [42 U.S.C. 4001 et seq.], unless the building or mobile home and any personal property to which such financial assistance relates is covered by flood insurance in an amount at least equal to its development or project cost (less estimated land cost) or to the maximum limit of coverage made available with respect to the particular type of property under the National Flood Insurance Act of 1968, whichever is less: Provided, That if the financial assistance provided is in the form of a loan or an insurance
or guaranty of a loan, the amount of flood insurance required need not exceed the outstanding principal balance of the loan and need not be required beyond the term of the loan. The requirement of maintaining flood insurance shall apply during the life of the property, regardless of transfer of ownership of such property.

(b) Requirement for mortgage loans

(1) Regulated lending institutions

Each Federal entity for lending regulation (after consultation and coordination with the Financial Institutions Examination Council established under the Federal Financial Institutions Examination Council Act of 1974 (12 U.S.C. 3301 et seq.)) shall by regulation direct regulated lending institutions—

(A) not to make, increase, extend, or renew any loan secured by improved real estate or a mobile home located or to be located in an area that has been identified by the Administrator as an area having special flood hazards and in which flood insurance has been made available under the National Flood Insurance Act of 1968 (42 U.S.C. 4001 et seq.), unless the building or mobile home and any personal property securing such loan is covered for the term of the loan by flood insurance in an amount at least equal to the outstanding principal balance of the loan or the maximum limit of coverage made available under the Act with respect to the particular type of property, whichever is less; and

(B) to accept private flood insurance as satisfaction of the flood insurance coverage requirement under subparagraph (A) if the coverage provided by such private flood insurance meets the requirements for coverage under such subparagraph.

(2) Federal agency lenders

A Federal agency lender may not make, increase, extend, or renew any loan secured by improved real estate or a mobile home located or to be located in an area that has been identified by the Administrator as an area having special flood hazards and in which flood insurance has been made available under the National Flood Insurance Act of 1968, unless the building or mobile home and any personal property securing such loan is covered for the term of the loan by flood insurance in the amount provided in paragraph (1)(A). Each Federal agency lender shall accept private flood insurance as satisfaction of the flood insurance coverage requirement under the preceding sentence if the flood insurance coverage provided by such private flood insurance meets the requirements for coverage under such sentence. Each Federal agency lender shall issue any regulations necessary to carry out this paragraph. Such regulations shall be consistent with and substantially identical to the regulations issued under paragraph (1)(A).

(3) Government-sponsored enterprises for housing

The Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation shall implement procedures reasonably designed to ensure that, for any loan that is—

(A) secured by improved real estate or a mobile home located in an area that has been identified, at the time of the origination of the loan or at any time during the term of the loan, by the Administrator as an area having special flood hazards and in which flood insurance is available under the National Flood Insurance Act of 1968, and

(B) purchased by such entity, the building or mobile home and any personal property securing the loan is covered for the term of the loan by flood insurance in the amount provided in paragraph (1)(A). The Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation shall accept private flood insurance as satisfaction of the flood insurance coverage requirement under paragraph (1)(A) if the flood insurance coverage provided by such private flood insurance meets the requirements for coverage under such paragraph and any requirements established by the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation, respectively, relating to the financial solvency, strength, or claims-paying ability of private insurance companies from which the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation will accept private flood insurance.

(4) Applicability

(A) Existing coverage

Except as provided in subparagraph (B), paragraph (1) shall apply on September 23, 1994.

(B) New coverage

Paragraphs (2) and (3) shall apply only with respect to any loan made, increased, extended, or renewed after the expiration of the 1-year period beginning on September 23, 1994. Paragraph (1) shall apply with respect to any loan made, increased, extended, or renewed by any lender supervised by the Farm Credit Administration only after the expiration of the period under this subparagraph.

(C) Continued effect of regulations

Notwithstanding any other provision of this subsection, the regulations to carry out paragraph (1), as in effect immediately before September 23, 1994, shall continue to apply until the regulations issued to carry out paragraph (1) as amended by section 522(a) of Public Law 103–325 take effect.

(5) Rule of construction

Nothing in this subsection shall be construed to supersede or limit the authority of a Federal entity for lending regulation, the Federal Housing Finance Agency, a Federal agency lender, the Federal National Mortgage Association, or the Federal Home Loan Mortgage Corporation to establish requirements relating to the financial solvency, strength, or claims-paying ability of private insurance companies from which the entity or agency will accept private flood insurance.

(6) Notice

(A) In general

Each lender shall disclose to a borrower that is subject to this subsection that—
(i) flood insurance is available from private insurance companies that issue standard flood insurance policies on behalf of the national flood insurance program or directly from the national flood insurance program;
(ii) flood insurance that provides the same level of coverage as a standard flood insurance policy under the national flood insurance program may be available from a private insurance company that issues policies on behalf of the company; and
(iii) the borrower is encouraged to compare the flood insurance coverage, deductibles, exclusions, conditions and premiums associated with flood insurance policies issued by a regulated lending institution for purposes of complying with subparagraph (A).

(7) Private flood insurance defined

In this subsection, the term “private flood insurance” means an insurance policy that—
(A) is issued by an insurance company that is—
(i) licensed, admitted, or otherwise approved to engage in the business of insurance in the State or jurisdiction in which the insured building is located, by the insurance regulator of that State or jurisdiction; or
(ii) in the case of a policy of difference in conditions, multiple peril, all risk, or other blanket coverage insuring nonresidential commercial property, is recognized, or not disapproved, as a surplus lines insurer by the insurance regulator of the State or jurisdiction where the property to be insured is located;
(B) provides flood insurance coverage which is at least as broad as the coverage provided under a standard flood insurance policy under the national flood insurance program, including when considering deductibles, exclusions, and conditions offered by the insurer;
(C) includes—
(i) a requirement for the insurer to give 45 days’ written notice of cancellation or non-renewal of flood insurance coverage to—
(I) the insured; and
(II) the regulated lending institution or Federal agency lender;
(ii) information about the availability of flood insurance coverage under the national flood insurance program;
(iii) a mortgage interest clause similar to the clause contained in a standard flood insurance policy under the national flood insurance program; and
(iv) a provision requiring an insured to file suit not later than 1 year after date of a written denial of all or part of a claim under the policy; and
(D) contains cancellation provisions that are as restrictive as the provisions contained in a standard flood insurance policy under the national flood insurance program.

(c) Exceptions to purchase requirements

(1) State-owned property

Notwithstanding the other provisions of this section, flood insurance shall not be required on any State-owned property that is covered under an adequate State policy of self-insurance satisfactory to the Administrator. The Administrator shall publish and periodically revise the list of States to which this subsection applies.

(2) Small loans

Notwithstanding any other provision of this section, subsections (a) and (b) shall not apply to any loan having—
(A) an original outstanding principal balance of $5,000 or less; and
(B) a repayment term of 1 year or less.

(3) Detached structures

Notwithstanding any other provision of this section, flood insurance shall not be required, in the case of any residential property, for any structure that is a part of such property but is detached from the primary residential structure of such property and does not serve as a residence.

(d) Escrow of flood insurance payments

(1) Regulated lending institutions

(A) Federal entities responsible for lending regulations

Each Federal entity for lending regulation (after consultation and coordination with the Federal Financial Institutions Examination Council) shall, by regulation, direct that all premiums and fees for flood insurance under the National Flood Insurance Act of 1968, for residential improved real estate or a mobile home, shall be paid to the regulated lending institution or servicer for any loan secured by the residential improved real estate or mobile home, with the same frequency as payments on the loan are made, for the duration of the loan. Except as provided in subparagraph (B), upon receipt of any premiums or fees, the regulated lending institution or servicer shall deposit such premiums and fees in an escrow account on behalf of the borrower. Upon receipt of a notice from the Administrator or the provider of the flood insurance that insurance premiums are due, the premiums deposited in the escrow account shall be paid to the provider of the flood insurance.

(B) Limitation

Except as may be required under applicable State law, a Federal entity for lending regulation may not direct or require a regu-

---

1 So in original. The word “is” probably should not appear.
lated lending institution to deposit premiums or fees for flood insurance under the National Flood Insurance Act of 1968 in an escrow account on behalf of a borrower under subparagraph (A)—

(I) if—

(I) the regulated lending institution has total assets of less than $1,000,000,000; and

(II) on or before July 6, 2012, the regulated lending institution—

(aa) in the case of a loan secured by residential improved real estate or a mobile home, was not required under Federal or State law to deposit taxes, insurance premiums, fees, or any other charges in an escrow account for the entire term of the loan; and

(bb) did not have a policy of consistently and uniformly requiring the deposit of taxes, insurance premiums, fees, or any other charges in an escrow account for loans secured by residential improved real estate or a mobile home; or

(ii) in the case of a loan that—

(I) is in a junior or subordinate position to a senior lien secured by the same residential improved real estate or mobile home for which flood insurance is being provided at the time of the origination of the loan;

(II) is secured by residential improved real estate or a mobile home that is part of a condominium, cooperative, or other project development, if the residential improved real estate or mobile home is covered by a flood insurance policy that—

(aa) meets the requirements that the regulated lending institution is required to enforce under subsection (b)(1);

(bb) is provided by the condominium association, cooperative, homeowners association, or other applicable group; and

(cc) the premium for which is paid by the condominium association, cooperative, homeowners association, or other applicable group as a common expense;

(III) is secured by residential improved real estate or a mobile home that is used as collateral for a business purpose;

(IV) is a home equity line of credit;

(V) is a nonperforming loan; or

(VI) has a term of not longer than 12 months.

(2) Federal agency lenders

Each Federal agency lender shall by regulation require and provide for escrow and payment of any flood insurance premiums and fees relating to residential improved real estate and mobile homes securing loans made by the Federal agency lender under the circumstances and in the manner provided under paragraph (1). Any regulations issued under this paragraph shall be consistent with and substantially identical to the regulations issued under paragraph (1).

(3) Applicability of RESPA

Escrow accounts established pursuant to this subsection shall be subject to the provisions of section 10 of the Real Estate Settlement Procedures Act of 1974 [12 U.S.C. 2609].

(4) “Residential improved real estate” defined

For purposes of this subsection, the term “residential improved real estate” means improved real estate for which the improvement is a residential building.

(5) Applicability

This subsection shall apply only with respect to any loan made, increased, extended, or renewed after the expiration of the 1-year period beginning on September 23, 1994.

(e) Placement of flood insurance by lender

(1) Notification to borrower of lack of coverage

If, at the time of origination or at any time during the term of a loan secured by improved real estate or by a mobile home located in an area that has been identified by the Administrator (at the time of the origination of the loan or at any time during the term of the loan) as an area having special flood hazards in which flood insurance is available under the National Flood Insurance Act of 1968 [42 U.S.C. 4001 et seq.], the lender or servicer for the loan determines that the building or mobile home and any personal property securing the loan is not covered by flood insurance or is covered by such insurance in an amount less than the amount required for the property pursuant to paragraph (1), (2), or (3) of subsection (b), the lender or servicer shall notify the borrower under the loan that the borrower should obtain, at the borrower’s expense, an amount of flood insurance for the building or mobile home and such personal property that is not less than the amount under subsection (b)(1), for the term of the loan.

(2) Purchase of coverage on behalf of borrower

If the borrower fails to purchase such flood insurance within 45 days after notification under paragraph (1), the lender or servicer for the loan shall purchase the insurance on behalf of the borrower and may charge the borrower for the cost of premiums and fees incurred by the lender or servicer for the loan in purchasing the insurance, including premiums or fees incurred for coverage beginning on the date on which flood insurance coverage lapsed or did not provide a sufficient coverage amount.

(3) Termination of force-placed insurance

Within 30 days of receipt by the lender or servicer of a confirmation of a borrower’s existing flood insurance coverage, the lender or servicer shall—

(A) terminate any insurance purchased by the lender or servicer under paragraph (2); and

(B) refund to the borrower all premiums paid by the borrower for any insurance purchased by the lender or servicer under paragraph (2) during any period during which the borrower’s flood insurance coverage and the insurance coverage purchased by the lender
or servicer were each in effect, and any related fees charged to the borrower with respect to the insurance purchased by the lender or servicer during such period.

4. SUFFICIENCY OF DEMONSTRATION

For purposes of confirming a borrower’s existing flood insurance coverage, a lender or servicer for a loan shall accept from the borrower an insurance policy declarations page that includes the existing flood insurance policy number and the identity of, and contact information for, the insurance company or agent.

5. REVIEW OF DETERMINATION REGARDING REQUIRED PURCHASE

(A) IN GENERAL

The borrower and lender for a loan secured by improved real estate or a mobile home may jointly request the Administrator to review a determination of whether the building or mobile home is located in an area having special flood hazards. Such request shall be supported by technical information relating to the improved real estate or mobile home. Not later than 45 days after the Administrator receives the request, the Administrator shall review the determination and provide to the borrower and the lender with a letter stating whether or not the building or mobile home is in an area having special flood hazards. The determination of the Administrator shall be final.

(B) EFFECT OF DETERMINATION

Any person to whom a borrower provides a letter issued by the Administrator pursuant to subparagraph (A), stating that the building or mobile home is in an area having special flood hazards, shall have no obligation under this title to require the purchase of flood insurance for such building or mobile home during the period determined by the Administrator, which shall be specified in the letter and shall begin on the date on which such letter is provided.

(C) EFFECT OF FAILURE TO RESPOND

If a request under subparagraph (A) is made in connection with the origination of a loan and the Administrator fails to provide a letter under subparagraph (A) before the later of (i) the expiration of the 45-day period under such subparagraph, or (ii) the closing of the loan, no person shall have an obligation under this title to require the purchase of flood insurance for the building or mobile home securing the loan until such letter is provided.

6. APPLICABILITY

This subsection shall apply to all loans outstanding on or after September 23, 1994.

(f) CIVIL MONETARY PENALTIES FOR FAILURE TO REQUIRE FLOOD INSURANCE OR NOTIFY

1. CIVIL MONETARY PENALTIES AGAINST REGULATED LENDERS

Any regulated lending institution that is found to have a pattern or practice of committing violations under paragraph (2) shall be assessed a civil penalty by the appropriate Federal entity for lending regulation in the amount provided under paragraph (5).

2. LENDER VIOLATIONS

The violations referred to in paragraph (1) shall include—

(A) making, increasing, extending, or renewing loans in violation of—

(i) the regulations issued pursuant to subsection (b) of this section;

(ii) the escrow requirements under subsection (d) of this section; or

(iii) the notice requirements under section 1364 of the National Flood Insurance Act of 1968 (42 U.S.C. 4104a); or

(B) failure to provide notice or purchase flood insurance coverage in violation of subsection (e) of this section.

3. CIVIL MONETARY PENALTIES AGAINST GSE’S

(A) IN GENERAL

If the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation is found by the Director of the Federal Housing Finance Agency to have a pattern or practice of purchasing loans in violation of the procedures established pursuant to subsection (b)(3), the Director of such Office shall assess a civil penalty against such enterprise in the amount provided under paragraph (5) of this subsection.

(B) “ENTERPRISE” DEFINED

For purposes of this subsection, the term “enterprise” means the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation.

4. NOTICE AND HEARING

A penalty under this subsection may be issued only after notice and an opportunity for a hearing on the record.

5. AMOUNT

A civil monetary penalty under this subsection may not exceed $2,000 for each violation under paragraph (2) or paragraph (3).

6. LENDER COMPLIANCE

Notwithstanding any State or local law, for purposes of this subsection, any regulated lending institution that purchases flood insurance or renews a contract for flood insurance on behalf of or as an agent of a borrower of a loan for which flood insurance is required shall be considered to have complied with the regulations issued under subsection (b).

7. EFFECT OF TRANSFER ON LIABILITY

Any sale or other transfer of a loan by a regulated lending institution that has committed a violation under paragraph (1), that occurs subsequent to the violation, shall not affect the liability of the transferring lender with respect to any penalty under this subsection. A lender shall not be liable for any violations relating to a loan committed by another regulated lending institution that previously held the loan.

See References in Text note below.

3So in original. Probably should be “Agency”.
§ 4012a

(8) Deposit of penalties
Any penalties collected under this subsection shall be paid into the National Flood Mitigation Fund under section 1367 of the National Flood Insurance Act of 1968 [42 U.S.C. 4104d].

(9) Additional penalties
Any penalty under this subsection shall be in addition to any civil remedy or criminal penalty otherwise available.

(10) Statute of limitations
No penalty may be imposed under this subsection after the expiration of the 4-year period beginning on the date of the occurrence of the violation for which the penalty is authorized under this subsection.

(g) Other actions to remedy pattern of non-compliance

(1) Authority of Federal entities for lending regulation
A Federal entity for lending regulation may require a regulated lending institution to take such remedial actions as are necessary to ensure that the regulated lending institution complies with the requirements of the national flood insurance program if the Federal agency for lending regulation makes a determination under paragraph (2) regarding the regulated lending institution.

(2) Determination of violations
A determination under this paragraph shall be a finding that—
(A) the regulated lending institution has engaged in a pattern and practice of non-compliance in violation of the regulations issued pursuant to subsection (b), (d), or (e) or the notice requirements under section 1364 of the National Flood Insurance Act of 1968 [42 U.S.C. 4104a]; and
(B) the regulated lending institution has not demonstrated measurable improvement in compliance despite the assessment of civil monetary penalties under subsection (f).

(h) Fee for determining location
Notwithstanding any other Federal or State law, any person who makes a loan secured by improved real estate or a mobile home or any servicer for such a loan may charge a reasonable fee for the costs of determining whether the building or mobile home securing the loan is located in an area having special flood hazards, but only in accordance with the following requirements:

(1) Borrower fee
The borrower under such a loan may be charged the fee, but only if the determination—
(A) is made pursuant to the making, increasing, extending, or renewing of the loan that is initiated by the borrower;
(B) is made pursuant to a revision or updating under section 1360(c) [42 U.S.C. 4101(f)] of the floodplain areas and flood-risk zones or publication of a notice or compendium under subsection (h) or (i) of section 1360 [42 U.S.C. 4101(h), (i)] that affects the area in which the improved real estate or mobile home securing the loan is located or that, in the determination of the Administrator, may reasonably be considered to require a determination under this subsection; or
(C) results in the purchase of flood insurance coverage pursuant to the requirement under subsection (e)(2).

(2) Purchaser or transferee fee
The purchaser or transferee of such a loan may be charged the fee in the case of sale or transfer of the loan.


REFERENCES IN TEXT
The National Flood Insurance Act of 1968, referred to in subsecs. (a), (b), (d)(1), and (e)(1), and the Act, referred to in subsec. (b), is title XIII of Pub. L. 90–448, Aug. 1, 1968, 82 Stat. 572, as amended, which is classified principally to this chapter (§4001 et seq.). For complete classification of this Act to the Code, see Short Title note set out under section 4001 of this title and Tables.


Section 522(a) of Public Law 103–325, referred to in subsec. (b)(4)(C), was in original “section 522(a) of such Act”, which generally amended subsec. (b) of this section.


CODIFICATION
Section was enacted as part of the Flood Disaster Protection Act of 1973, and not as part of the National Flood Insurance Act of 1968 which comprises this chapter.

AMENDMENTS
Subsec. (d)(1)(B). Pub. L. 113–89, §25(a)(2), substituted “under subparagraph (A)—” for “under subparagraph (A) or (B), if—” in introductory provisions, designated existing provisions as cl. (i) and inserted “if—” after cl. (i) designation, redesignated former cls. (i) and (ii) as subcls. (I) and (II), respectively, of cl. (i), redesignated former subcls. (I) and (II) as items (aa) and (bb), respectively, of subcl. (II), and added cl. (I).
Subsec. (f)(5). Pub. L. 112–141, § 100208, substituted "$2,000" for "$350" and struck out at end "The total amount of penalties assessed under this subsection against any single regulated lending institution or enterprise during any calendar year may not exceed $100,000."


Subsec. (a). Pub. L. 103–325, § 582(c), struck out "...during the anticipated economic or useful life of the property," before "covered by flood insurance" and inserted at end "The requirement of maintaining flood insurance shall apply during the life of the property, regardless of transfer of ownership of such property."

Subsec. (b). Pub. L. 103–325, § 522(a), amended subsec. (b) generally. Prior to amendment, subsec. (b) read as follows: "Each Federal instrumentality responsible for the supervision, approval, regulation, or insuring of banks, savings and loan associations, or similar institutions shall by regulation direct such institution to make, increase, extend, or renew after the expiration of sixty days following December 31, 1973, any loan secured by improved real estate or a mobile home located or to be located in an area that has been identified by the Director as an area having special flood hazards and in which flood insurance has been made available under the National Flood Insurance Act of 1968, unless the building or mobile home and any personal property securing such loan is covered for the term of the loan by flood insurance in an amount at least equal to the outstanding principal balance of the loan or to the maximum limit of coverage made available with respect to the particular type of property under the Act, whichever is less."

Subsec. (c). Pub. L. 103–325, § 522(b), inserted heading, designated existing provisions as par. (1), inserted par. (1) heading, and added par. (2).

§ 4013

TITLE 42—THE PUBLIC HEALTH AND WELFARE

Page 5494

Flood Disaster Protection Act of 1973, as amended; and


“(aa) section 100209(a) of the Biggert-Waters Flood Insurance Reform Act of 2012 (Public Law 112–141; 126 Stat. 920); and

“(bb) subsection (a) of this section.

“(II) OPTION TO ESCROW FLOOD INSURANCE PAYMENTS.—Each Federal entity for lending regulation (after consultation and coordination with the Federal Financial Institutions Examination Council) shall, by regulation, direct that each regulated lending institution or servicer of an outstanding loan shall offer and make available to a borrower the option to have the borrower’s payment of premiums and fees for flood insurance under the National Flood Insurance Act of 1968 (42 U.S.C. 4001 et seq.), including the escrow of such payments, be treated in the same manner provided under section 102(d)(1)(A) of the Flood Disaster Protection Act of 1973, as amended.”

EFFECTIVE DATE OF 2012 AMENDMENT

Pub. L. 112–141, div. F, title II, §100209(b), July 6, 2012, 126 Stat. 920, which provided that the amendment made to this section by section 100209(a) of Pub. L. 112–141 would apply to any mortgage outstanding or entered into on or after the expiration of the 2-year period beginning on July 6, 2012, was repealed by Pub. L. 113–89, §25(b)(2), Mar. 21, 2014, 128 Stat. 1032. For effective date into on or after the expiration of the 2-year period beginning on July 6, 2012, was repealed by Pub. L. 113–89, §25(b)(3), Mar. 21, 2014, 128 Stat. 1032. For effective date of amendment by section 100209(a) of Pub. L. 112–141, see Effective Date of 2014 Amendment note above.

EFFECTIVE DATE OF 1994 AMENDMENT

Amendment by section 582(c) of Pub. L. 103–325 applicable to disasters declared after Sept. 23, 1994, see section 515a(e) of this title.

RULE OF CONSTRUCTION

Pub. L. 113–99, §25(b)(3), Mar. 21, 2014, 128 Stat. 1022, provided that: “Nothing in this section [amending this section and enacting and repealing provisions set out as notes under this section] or the amendments made by this section shall be construed to supersede, during the period beginning on July 6, 2012 and ending on December 31, 2015, the requirements under section 102(d)(1) of the Flood Disaster Protection Act of 1973 (42 U.S.C. 4012a(d)(1)), as in effect on July 5, 2012.”

TRANSFER OF FUNCTIONS

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

For transfer of functions, personnel, assets, and liabilities of the Federal Emergency Management Agency, including the functions of the Director of the Federal Emergency Management Agency relating thereto, to the Secretary of Homeland Security, and for treatment of related references, see former section 312(1) and sections 551(d), 552(d), and 557 of Title 6, Domestic Security, and the Department of Homeland Security Reorganization Plan of November 25, 2002, as modified, set out as a note under section 542 of Title 6.

TREATMENT OF FLOODPROOFED RESIDENTIAL BASEMENTS

Pub. L. 113–99, §21, Mar. 21, 2014, 128 Stat. 1028, provided that: “The Administrator [of the Federal Emergency Management Agency] shall continue to extend exceptions and variances for flood-proofed basements consistent with section 60.6 of title 41, Code of Federal Regulations, which are effective April 3, 2008; and section 60.3 of such title, which are effective April 3, 2009.”

§ 4013. Nature and limitation of insurance coverage

(a) Regulations respecting general terms and conditions of insurability

The Administrator shall, at any time or times, after consultation with the advisory committee authorized under section 4025 of this title, appropriate representatives of the pool formed or otherwise created under section 4051 of this title, and appropriate representatives of the insurance authorities of the respective States, provide by regulation for general terms and conditions of insurability which shall be applicable to properties eligible for flood insurance coverage under section 4012 of this title, including—

(1) the types, classes, and locations of any such properties which shall be eligible for flood insurance;

(2) the nature and limits of loss or damage in any areas (or subdivisions thereof) which may be covered by such insurance;

(3) the classification, limitation, and rejection of any risks which may be advisable;

(4) appropriate minimum premiums;

(5) appropriate loss-deductibles; and

(6) any other terms and conditions relating to insurance coverage or exclusion which may be necessary to carry out the purposes of this chapter.

(b) Regulations respecting amount of coverage

In addition to any other terms and conditions under subsection (a), such regulations shall provide that—

(1) any flood insurance coverage based on chargeable premium rates under section 4015 of this title which are less than the estimated premium rates under section 4014(a)(1) of this title shall not exceed—

(A) in the case of residential properties—

(i) $65,000 aggregate liability for any single-family dwelling, and $100,000 for any residential structure containing more than one dwelling unit,

(ii) $10,000 aggregate liability per dwelling unit for any contents related to such unit, and

(iii) in the States of Alaska and Hawaii, and in the Virgin Islands and Guam; the limits provided in clause (i) of this sentence shall be: $50,000 aggregate liability for any single-family dwelling, and $150,000 for any residential structure containing more than one dwelling unit;

(B) in the case of business properties which are owned or leased and operated by small business concerns, an aggregate liability with respect to any single structure, including any contents thereof related to premises of small business occupants (as that term is defined by the Administrator), which shall be equal to (i) $100,000 plus (ii) $10,000 multiplied by the number of such occupants and shall be allocated among such occupants (or among the occupant or occupants and the owner) under regulations prescribed by the Administrator; except that the aggregate li-
ability for the structure itself may in no case exceed $100,000; and
(C) in the case of church properties and any other properties which may become eligible for flood insurance under section 4012 of this title—
(1) $100,000 aggregate liability for any single structure, and
(ii) $100,000 aggregate liability per unit for any contents related to such unit; and
(2) in the case of any residential building designed for the occupancy of from 1 to 4 families for which the risk premium rate is determined in accordance with the provisions of section 4014(a)(1) of this title, additional flood insurance in excess of the limits specified in clause (i) of subparagraph (A) of paragraph (1) shall be made available, with respect to any single such building, up to an aggregate liability (including such limits specified in paragraph (1)(A)(i)) of $250,000:
(3) in the case of any residential property for which the risk premium rate is determined in accordance with the provisions of section 4014(a)(1) of this title, additional flood insurance in excess of the limits specified in clause (ii) of subparagraph (A) of paragraph (1) shall be made available to every insured upon renewal and every applicant for insurance so as to enable any such insured or applicant to receive coverage up to a total amount (including such limits specified in paragraph (1)(A)(ii)) of $100,000;
(4) in the case of any nonresidential building, including a church, for which the risk premium rate is determined in accordance with the provisions of section 4014(a)(1) of this title, additional flood insurance in excess of the limits specified in subparagraphs (B) and (C) of paragraph (1) shall be made available with respect to any single such building, up to an aggregate liability (including such limits specified in subparagraph (B) or (C) of paragraph (1), as applicable) of $500,000, and coverage shall be made available up to a total of $500,000 aggregate liability for contents owned by the building owner and $500,000 aggregate liability for each unit within the building for contents owned by the tenant; and
(5) any flood insurance coverage which may be made available in excess of the limits specified in subparagraph (A), (B), or (C) of paragraph (1), shall be based only on chargeable premium rates under section 4015 of this title, and the amount of such excess coverage shall not in any case exceed an amount equal to the applicable limit so specified (or allocated) under paragraph (1)(C), (2), (3), or (4), as applicable.

(c) Effective date of policies
(1) Waiting period
Except as provided in paragraph (2), coverage under a new contract for flood insurance coverage under this chapter entered into after September 23, 1994, and any modification to coverage under an existing flood insurance contract made after September 23, 1994, shall become effective upon the expiration of the 30-

(d) Optional high-deductible policies for residential properties

(1) Availability
In the case of residential properties, the Administrator shall make flood insurance coverage available, at the option of the insured, that provides for a loss-deductible for damage to the covered property in various amounts, up to and including $10,000.

(2) Disclosure
(A) Form
The Administrator shall provide the information described in subparagraph (B) clearly and conspicuously on the application form for flood insurance coverage or on a separate form, segregated from all unrelated information and other required disclosures.

(B) Information
The information described in this subparagraph is—
(i) information sufficient to inform the applicant of the availability of the coverage option required by paragraph (1) to applicants for flood insurance coverage; and
(ii) a statement explaining the effect of a loss-deductible and that, in the event of an insured loss, the insured is responsible out-of-pocket for losses to the extent of the deductible selected.
and struck out former par. (4) which read as follows: paragraph (1)(A)(ii)) of $100,000'' for ''an amount of a total amount (including such limits specified in paragraph (C).'' 

constituted ''a total amount (including such limits specified in sub

paragraph (B) of paragraph (1) shall be made available to every such owner, lessee, or operator in respect to any single structure, including any contents thereof, related to premises of small business occupants (as that term is defined by the Director), up to an amount equal to (i) $250,000 plus (ii) $300,000 multiplied by the number of such occupants which coverage shall be allocated among such occupants (or among the occupant or occupants and the owner) in accordance with the regulations prescribed by the Director pursuant to such subparagraph (B), except that the aggregate liability for the structure itself may in no case exceed $250,000."

Subsec. (b)(5). Pub. L. 103–325, §573(b)(1), substituted a period for ";" and  at end.

Subsec. (b)(6). Pub. L. 103–325, §573(b)(2), struck out par. (6) which read as follows: "the flood insurance purchase requirements of section 4012a of this title do not apply to the additional flood insurance limits made available in excess of twice the limits made available under paragraph (1)."

Subsec. (c). Pub. L. 103–325, §573(a), added subsec. (c).

Subsec. (c)(1)(A). Pub. L. 100–628 substituted "following" for "Following" in cls. (i) and (ii).

Subsec. (c)(5). Pub. L. 100–707 substituted "Disaster Relief and Emergency Assistance Act" for "Disaster Relief Act of 1974".


1871—Subsec. (b)(1)(C). Pub. L. 92–213, §2(c)(3), redesignated former par. (2) as (5), struck out "(or allocated to any person under subparagraph (B) of such paragraph)" after "paragraph (1)", and inserted "under paragraph (1)(C), (2), (3), or (4), as applicable" after "(or allocated)"


1973—Subsec. (b)(1)(A). Pub. L. 93–234, §101(a), in increasing limits of coverage, struck out following introductory text "residential properties" the clause "which are designed for the occupancy of one to four families"; substituted provisions in cl. (i) "$500,000 aggregate liability for any single-family dwelling, and $100,000 for any residential structure containing more than one dwelling unit" for "$17,500 aggregate liability for any dwelling unit, and $90,000 for any single dwelling structure containing more than one dwelling unit"; increased cl. (ii) limits to $10,000 from $5,000 and added cl. (iii).

Subsec. (b)(1)(B). Pub. L. 93–234, §101(b), substituted "$30,000" for "$30,000" in cl. (i), for "$50,000" in cl. (ii), and for "$30,000" in exception provision.

Subsec. (b)(1)(C). Pub. L. 93–234, §101(c), increased cl. (i) limits to $100,000 from $30,000 and substituted cl. (ii) "$100,000 aggregate liability per unit for any contents related to such unit" for "$5,000 aggregate liability per dwelling unit for any contents related to such unit in the case of residential properties, or per occupant (as that term is defined by the Secretary) for any contents related to the premises occupied in the case of any other properties".

1971—Subsec. (b)(1)(C). Pub. L. 92–213 inserted "church properties, and" before "any other properties which may become".

References in Text

This chapter, referred to in subsecs. (a)(6) and (c)(1), (2)(A), was in the original a reference to “this title” meaning title XIII of Pub. L. 90–448, Aug. 1, 1968, 82 Stat. 572, known as the National Flood Insurance Act of 1968, which is classified principally to this chapter. For complete classification of this Act to the Code, see Tables.
§ 4014. Estimates of premium rates

(a) Studies and investigations

The Administrator is authorized to undertake and carry out such studies and investigations and receive or exchange such information as may be necessary to publish, and shall from time to time make to the Senate and the House of Representatives, reports setting forth the flood insurance program. The Administrator shall make such reports to the Secretary of Homeland Security. The Administrator shall give to the Senate and the House of Representatives, and to the Congress under section 4012(b) of this title, a report setting forth, and shall from time to time make to the Senate and the House of Representatives, reports setting forth, the results of such studies and investigations and the recommendations of the Administrator in connection with the reductions in insurance rates recommended by the Administrator. Such recommendations and reports shall include the following:

(1) The risk of flood insurance, including the risk of losses which would be required in order to make such insurance available on an actuarial basis for any types and classes of properties for which insurance is available under section 4012 of this title and the costs associated with an individual risk transfer with respect to risk classes, as defined by the Administrator, would be required in order to make such insurance available on an actuarial basis for any types and classes of properties for which insurance coverage is available under section 4012(a) of this title or is recommended to the Congress under section 4012(b) of this title.

(b) Premium rates

The Administrator is authorized to publish the results of such studies and investigations and receive or exchange such information as may be necessary to determine, and shall from time to time make to the Senate and the House of Representatives, reports setting forth, the results of such studies and investigations and the recommendations of the Administrator in connection with the premium rates recommended by the Administrator. Such recommendations and reports shall include the following:

(1) The risk of flood insurance, including the risk of losses which would be required in order to make such insurance available on an actuarial basis for any types and classes of properties for which insurance coverage is available under section 4012(a) of this title; and the costs associated with an individual risk transfer with respect to risk classes, as defined by the Administrator, would be required in order to make such insurance available on an actuarial basis for any types and classes of properties for which insurance coverage is available under section 4012(a) of this title.

(2) The rates, if less than the rates estimated under paragraph (1), which would be reasonable, would encourage prospective insureds to take such measures as will reduce the risk of losses which would be required in order to make such insurance available on an actuarial basis for any types and classes of properties for which insurance coverage is available under section 4012(a) of this title.

DEFINITIONS

For definitions of terms used in this section, see section 4004 of this title.
purchase flood insurance, and would be consistent with the purposes of this chapter, and which, together with a fee charged to policyholders that shall not be not subject to any agents’ commission, company expenses allowances, or State or local premium taxes, shall include any administrative expenses incurred in carrying out the flood insurance and floodplain management programs (including the costs of mapping activities under section 4101 of this title), except that the Administrator shall not estimate rates under this paragraph for—

(A) any residential property which is not the primary residence of an individual;

(B) any severe repetitive loss property;

(C) any property that has incurred flood-related damage in which the cumulative amounts of payments under this chapter equaled or exceeded the fair market value of such property;

(D) any business property; or

(E) any property which on or after July 6, 2012, has experienced or sustained—

(i) substantial damage exceeding 50 percent of the fair market value of such property; or

(ii) substantial improvement exceeding 50 percent of the fair market value of such property; and

(3) the extent, if any, to which federally assisted or other flood protection measures initiated after August 1, 1968, affect such rates.

(b) Utilization of services of other Departments and agencies

In carrying out subsection (a), the Administrator shall, to the maximum extent feasible and on a reimbursement basis, utilize the services of the Department of the Army, the Department of the Interior, the Department of Agriculture, the Department of Commerce, and the Tennessee Valley Authority, and, as appropriate, other Federal departments or agencies, and for such purposes may enter into agreements or other appropriate arrangements with any persons.

(c) Priority to studies and investigations in States or areas evidencing positive interest in securing insurance under program

The Administrator shall give priority to conducting studies and investigations and making estimates under this section in those States or areas (or subdivisions thereof) which he has determined have evidenced a positive interest in securing flood insurance coverage under the flood insurance program.

(d) Parishes of Louisiana; premium rates

Notwithstanding any other provision of law, any structure existing on December 31, 1973, and located within Avoyelles, Evangeline, Rapides, or Saint Landry Parish in the State of Louisiana, which the Secretary determines is subject to additional flood hazards as a result of the construction or operation of the Atchafalaya Basin Levee System, shall be eligible for flood insurance under this chapter (if and to the extent it is eligible for such insurance under the other provisions of this chapter) at premium rates that shall not exceed those which would be applicable if such additional hazards did not exist.

(e) Eligibility of community making adequate progress on construction of flood protection system for rates not exceeding those applicable to completed flood protection system; determination of adequate progress

Notwithstanding any other provision of law, any community that has made adequate progress, acceptable to the Administrator, on the construction or reconstruction of a flood protection system which will afford flood protection for the one-hundred year frequency flood as determined by the Administrator, shall be eligible for flood insurance under this chapter (if and to the extent it is eligible for such insurance under the other provisions of this chapter) at premium rates not exceeding those which would be applicable under this section if such flood protection system had been completed. The Administrator shall find that adequate progress on the construction or reconstruction of a flood protection system, based on the present value of the completed flood protection system, has been made only if: (1) 100 percent of the cost of the system has been appropriated; (2) at least 60 percent of the cost of the system has been appropriated; (3) at least 50 percent of the cost of the system has been expended; and (4) the system is at least 50 percent completed. Notwithstanding any other provision of law, in determining whether a community has made adequate progress on the construction, reconstruction, or improvement of a flood protection system, the Administrator shall consider all sources of funding, including Federal, State, and local funds.

(f) Availability of flood insurance in communities restoring disaccredited flood protection systems; criteria; rates

Notwithstanding any other provision of law, this subsection shall apply to riverine and coastal levees that are located in a community which has been determined by the Administrator of the Federal Emergency Management Agency to be in the process of restoring flood protection afforded by a flood protection system that had been previously accredited on a Flood Insurance Rate Map as providing 100-year frequency flood protection but no longer does so, and shall apply without regard to the level of Federal funding of or participation in the construction, reconstruction, or improvement of the flood protection system. Except as provided in this subsection, in such a community, flood insurance shall be made available to those properties impacted by the disaccreditation of the flood protection system at premium rates that do not exceed those which would be applicable to any property located in an area of special flood hazard, the construction of which was started prior to the effective date of the initial Flood Insurance Rate Map published by the Administrator for the community in which such property is located. A revised Flood Insurance Rate Map shall be prepared for the community to delineate as Zone AR the areas of special flood hazard that result from the disaccreditation of the flood protection system. A community will be considered to be in the process of restoration if—
(1) the flood protection system has been deemed restorable by a Federal agency in consultation with the local project sponsor;
(2) a minimum level of flood protection is still provided to the community by the discredited system; and
(3) restoration of the flood protection system is scheduled to occur within a designated time period and in accordance with a progress plan negotiated between the community and the Federal Emergency Management Agency.
Communities that the Administrator of the Federal Emergency Management Agency determines to meet the criteria set forth in paragraphs (1) and (2) as of January 1, 1992, shall not be subject to revised Flood Insurance Rate Maps that contravene the intent of this subsection.
Such communities shall remain eligible for C zone rates for properties located in zone AR for any policy written prior to promulgation of final regulations for this section. Floodplain management criteria for such communities shall not require the elevation of improvements to existing structures and shall not exceed 3 feet above existing grade for new construction, provided the base flood elevation based on the discredited flood control system does not exceed five feet above existing grade, or the remaining new construction in such communities is limited to infill sites, rehabilitation of existing structures, or redevelopment of previously developed areas.

The Administrator of the Federal Emergency Management Agency shall develop and promulgate regulations to implement this subsection, including minimum floodplain management criteria, within 24 months after October 28, 1992.

(g) No extension of subsidy to new policies or lapsed policies

The Administrator shall not provide flood insurance to prospective insureds at rates less than those estimated under subsection (a)(1), as required by paragraph (2) of that subsection, for—

(1) any policy under the flood insurance program that has lapsed in coverage, unless the decision of the policy holder to permit a lapse in flood insurance coverage was as a result of the property covered by the policy no longer being required to retain such coverage; or
(2) any prospective insured who refuses to accept any offer for mitigation assistance by the Administrator (including an offer to relocate), including an offer of mitigation assistance—

(A) following a major disaster, as defined in section 5122 of this title; or
(B) in connection with—

(i) a repetitive loss property; or
(ii) a severe repetitive loss property.

(h) Definition

In this section, the term “severe repetitive loss property” has the following meaning:

(1) Single-family properties

In the case of a property consisting of 1 to 4 residences, such term means a property that—

(A) is covered under a contract for flood insurance made available under this chapter; and
(B) has incurred flood-related damage—

(i) for which 4 or more separate claims payments have been made under flood insurance coverage under this subchapter, with the amount of each such claim exceeding $5,000, and with the cumulative amount of such claims payments exceeding $30,000; or
(ii) for which at least 2 separate claims payments have been made under such coverage, with the cumulative amount of such claims exceeding the value of the property.

(2) Multifamily properties

In the case of a property consisting of 5 or more residences, such term shall have such meaning as the Director shall by regulation provide.
read as follows: “Notwithstanding any other provision of law, this subsection shall only apply in a community which has been determined by the Administrator of the Federal Emergency Management Agency to be in the process of restoring flood protection afforded by a flood protection system that had been previously accredited on a Flood Insurance Rate Map as providing 100-year frequency flood protection but no longer does so.”

Subsec. (g), Pub. L. 113–89, § 3(a)(1), redesignated paras. (3) and (4) as (1) and (2), respectively, substituted “Administrator” for “Director” wherever appearing.


Subsec. (a)(2). Pub. L. 112–141, § 100205(a)(1)(A), substituted “for—” for “for any residential property which is not the primary residence of an individual; and” and added subpars. (A) to (E). Pub. L. 112–123 inserted “, except that the Administrator shall not estimate rates under this paragraph for any residential property which is not the primary residence of an individual” before “; and”.

Subsecs. (b), (c), (e), (f), Pub. L. 112–141, § 100238(b)(1), substituted “Administrator” for “Director” wherever appearing.

Subsecs. (g), (h). Pub. L. 112–141, § 100205(a)(1)(B), added subsecs. (g) and (h).


1990—Subsec. (a)(2). Pub. L. 101–508, § 2302(e)(1)(D), inserted before semicolon “, and which, together with a fee charged to policyholders that shall not be subject to any agents' commission, company expenses allowances, or State or local premium taxes, shall include any administrative expenses incurred in carrying out the flood insurance and floodplain management programs (including the costs of mapping activities under section 4101 of this title)”.

1983—Subsecs. (a) to (c), (e). Pub. L. 98–181 substituted “Director” for “Secretary” wherever appearing.


Effective Date of 2012 Amendment

Effective Date
Section effective 120 days following Aug. 1, 1968, or such later date prescribed by the Secretary but in no event more than 180 days following Aug. 1, 1968, see section 1377 of Pub. L. 90–448, set out as a note under section 4001 of this title.

Transfer of Functions
For transfer of all functions, personnel, assets, components, authorities, grant programs, and liabilities of the Federal Emergency Management Agency, including the functions of the Under Secretary for Federal Emergency Management relating thereto, to the Federal Emergency Management Agency, see section 315(a)(1) of Title 8, Domestic Security.

For transfer of functions, personnel, assets, and liabilities of the Federal Emergency Management Agency, including the functions of the Director of the Federal Emergency Management Agency relating thereto, to the Secretary of Homeland Security, and for treatment of related references, see former section 319(k) and sections 551(d), 552(d), and 557 of Title 6, Domestic Security, and the Department of Homeland Security Reorganization Plan of November 25, 2002, as modified, set out as a note under section 6 of Title 6.

Repeal of Certain Rate Increases
Pub. L. 113–89, § 3, Mar. 21, 2014, 128 Stat. 1021, provided that:

“(a) REPEAL.—

“(1) IN GENERAL.—[Amended this section.]

“(2) EFFECTIVE DATE.—The Administrator of the Federal Emergency Management Agency shall make available such rate tables, as necessary to implement the amendments made by paragraph (1) as if it were enacted as part of the Biggert-Waters Flood Insurance Reform Act of 2012 (subtitle A of title II of div. F of Public Law 112–141; 126 Stat. 957 [sic]).

“(3) IMPLEMENTATION, COORDINATION, AND GUIDANCE.—

“(A) FACILITATION OF Timely REFUNDS.—To ensure the participation of Write Your Own companies (as such term is defined in section 100205(a) of the Biggert-Waters Flood Insurance Reform Act of 2012 [42 U.S.C. 4004(a)], the Administrator and the Federal Emergency Management Agency shall consult with Write Your Own companies throughout the development of guidance and rate tables necessary to implement the provisions of and the amendments made by this Act [see Short Title of 2014 Amendment note set out under section 4001 of this title].

“(B) IMPLEMENTATION AND GUIDANCE.—The Administrator shall issue final guidance and rate tables necessary to implement the provisions of and the amendments made by this Act not later than eight months following the date of the enactment of this Act [Mar. 21, 2014]. Write Your Own companies, in coordination with the Federal Emergency Management Agency, shall have not less than six months but not more than eight months following the issuance of such final guidance and rate tables to implement the changes required by such final guidance and rate tables.

“(4) REFUND OF EXCESS PREMIUM CHARGES COLLECTED.—The Administrator shall refund directly to insureds any premiums for flood insurance coverage under the National Flood Insurance Program [defined as the program established under the National Flood Insurance Act of 1968 (42 U.S.C. 4001 et seq.)] collected in excess of the rates required under the provisions of and amendments made by this section [amending this section]. To allow for necessary and appropriate implementation of such provisions and amendments, any premium changes necessary to implement such provisions and amendments, including any premium refund due to policy holders, which shall be paid directly by the National Flood Insurance Program, shall not be charged or paid to policyholders by the National Flood Insurance Program until after the Administrator issues guidance and makes available such rate tables to implement the provisions of and amendments made by this Act.

“(b) ASSUMPTION OF POLICIES AT EXISTING PREMIUM RATES.—The Administrator shall provide that the purchaser of a property that, as of the date of such purchase, is covered under an existing flood insurance policy under this title [probably means the National Flood Insurance Act of 1968, 42 U.S.C. 4001 et seq.] may assume such existing policy and coverage for the remainder of the term of the policy at the chargeable premium rates under such existing policy. Such rates shall continue with respect to such property until the implementation of subsection (a).”

Changes in Rates Resulting From
Pub. L. 113–89, § 31(a), Mar. 21, 2014, 128 Stat. 1035, provided that: “Not later than the date that is 6 months
before the date on which any change in risk premium rates for flood insurance coverage under the National Flood Insurance Program [defined as the program established under the National Flood Insurance Act of 1968 (42 U.S.C. 4001 et seq.) resulting from this Act [see Short Title of 2014 Amendment note set out under section 4001 of this title] or any amendment made by this Act is implemented, the Federal Emergency Management Agency] shall make publicly available the rate tables and underwriting guidelines that provide the basis for the change.

ELIGIBILITY FOR FLOOD INSURANCE FOR PERSONS RESIDING IN COMMUNITIES THAT HAVE MADE ADEQUATE PROGRESS ON THE RECONSTRUCTION OR IMPROVEMENT OF A FLOOD PROTECTION SYSTEM


"(a) ELIGIBILITY FOR FLOOD INSURANCE COVERAGE.—

"(1) In general.—Notwithstanding any other provision of law (including section 1307(e) of the National Flood Insurance Act of 1968 (42 U.S.C. 4014(e))), a person residing in a community that the Administrator determines made adequate progress on the reconstruction or improvement of a flood protection system that will afford flood protection for a 100-year floodplain (without regard to the level of Federal funding or participation in the construction, reconstruction, or improvement), shall be eligible for flood insurance coverage under the National Flood Insurance Program.

"(A) If the person resides in a community that is a participant in the National Flood Insurance Program; and

"(B) at a risk premium rate that does not exceed the risk premium rate that would be chargeable if the flood protection system had been completed.

"(2) ADEQUATE PROGRESS.—For purposes of paragraph (1), the Administrator shall determine that a community has made adequate progress on the reconstruction or improvement of a flood protection system if—

"(i) 100 percent of the project cost has been authorized;

"(ii) not less than 60 percent of the project cost has been secured or appropriated;

"(iii) not less than 50 percent of the flood protection system has been assessed as being without deficiencies; and

"(iv) the reconstruction or improvement has a project schedule that does not exceed 5 years, beginning on the date on which the reconstruction or construction of the improvement commences.

"(B) CONSIDERATIONS.—In determining whether a flood protection system has been assessed as being without deficiencies, the Administrator shall consider the requirements under section 65.19 of chapter 44, Code of Federal Regulations, or any successor thereto.

"(C) DATE OF COMMENCEMENT.—For purposes of subsection (b)(2)(B), the date of commencement of the reconstruction or improvement of a flood protection system that is undergoing reconstruction or improvement on the date of enactment of this Act [July 6, 2012] shall be deemed to be the date on which the owner of the flood protection system submits a request under paragraph (3).

"(3) REQUEST FOR DETERMINATION.—The owner of a flood protection system that is undergoing reconstruction or improvement on the date of enactment of this Act [July 6, 2012] may submit to the Administrator a request for a determination under paragraph (2) that the community in which the flood protection system is located has made adequate progress on the reconstruction or improvement of the flood protection system.

"(4) RULE OF CONSTRUCTION.—Nothing in this subsection shall be construed to prohibit the Administrator from making a determination under paragraph (2) for any community in which a flood protection system is not undergoing reconstruction or improvement on the date of enactment of this Act.

"(b) TERMINATION OF ELIGIBILITY.—

"(1) ADEQUATE CONTINUING PROGRESS.—The Administrator shall issue rules to establish a method of determining whether a community has made adequate continuing progress on the reconstruction or improvement of a flood protection system that includes—

"(A) a requirement that the Administrator shall—

"(i) consult with the owner of the flood protection system; and

"(II) 18 months after the date of a determination under subsection (a); and

"(III) 36 months after the date of a determination under subsection (a); and

"(ii) otherwise be terminated under paragraph (2)(B) shall be reasonably likely to be completed in accordance with the project schedule described in subsection (a)(2)(B); and

"(A) the Administrator determines that the community has not made adequate continuing progress; or

"(B) on the date that is 5 years after the date on which the reconstruction or construction of the improvement commences, the project has not been completed.

"(2) TERMINATION.—The Administrator shall terminate the eligibility for flood insurance coverage under subsection (a) for persons residing in a community with respect to which the Administrator made a determination under subsection (a) if—

"(A) the Administrator determines that the community has not made adequate continuing progress; or

"(B) there is a reasonable expectation that the reconstruction or improvement of the flood protection system will be completed not later than 1 year after the date of the determination under this paragraph.

"(3) RISK PREMIUM RATE.—If the Administrator terminates the eligibility of persons residing in a community to purchase flood insurance coverage described in subsection (a), the Administrator shall establish an appropriate risk premium rate for flood insurance coverage under the National Flood Insurance Program for persons residing in the community that purchased flood insurance coverage before the date on which the termination of eligibility takes effect, taking into consideration the then-current state of the flood protection system.

"(c) ADDITIONAL AUTHORITY.—

"(1) ADDITIONAL AUTHORITY.—Notwithstanding subsection (a), in exceptional and exigent circumstances, the Administrator may, in the Administrator’s sole discretion, determine that a person residing in a com-
munity, which is a participant in the National Flood Insurance Program, that has begun reconstruction or improvement of a flood protection system that will afford flood protection for a 100-year floodplain (without regard to the level of Federal funding of or participation in the reconstruction or improvement) shall be eligible for flood insurance coverage under the National Flood Insurance Program at a risk premium rate that does not exceed the risk premium rate that would be chargeable if the flood protection system had been completed, provided—

(A) the community makes a written request for the determination setting forth the exceptional and exigent circumstances, including why the community cannot meet the criteria for adequate progress set forth in under [sic] subsection (a)(2)(A) and why immediate relief is necessary; 

(B) the Administrator submits a written report setting forth findings of the exceptional and exigent circumstances on which the Administrator based an affirmative determination to the Commit-tee on Banking, Housing, and Urban Affairs of the Senate, and the Committee on Financial Services of the House of Representatives not later than 15 days before making the determination; and

(C) the eligibility for flood insurance coverage at a risk premium rate determined under this subsection terminates no later than 1 year after the date on which the Administrator makes the determination.

(2) LIMITATION.—Upon termination of eligibility under paragraph (1)(C), a community may submit another request pursuant to paragraph (1)(A). The Administrator may make no more than two determinations under paragraph (1) with respect to persons residing within any single requesting community.

(3) TERMINATION.—The authority provided under paragraphs (1) and (2) shall terminate two years after the enactment of this Act [July 6, 2012].

[For definitions of terms used in section 100230 of Pub. L. 112–141, set out above, see section 4004 of this title.]

§ 4015. Chargeable premium rates

(a) Establishment; terms and conditions

On the basis of estimates made under section 4014 of this title, and such other information as may be necessary, the Administrator shall from time to time prescribe, after providing notice—

(1) chargeable premium rates for any types and classes of properties for which insurance coverage shall be available under section 4012 of this title (at less than the estimated risk premium rates under section 4014(a)(1) of this title, where necessary), and

(2) the terms and conditions under which, and the areas (including subdivisions thereof) within which, such rates shall apply.

(b) Considerations for rates

Such rates shall, insofar as practicable, be—

(1) based on a consideration of the respective risks involved, including differences in risks due to land use measures, flood-proofing, flood forecasting, and similar measures;

(2) adequate, on the basis of accepted actuarial principles, to provide reserves for anticipated losses, or, if less than such amount, consistent with the objective of making flood insurance available where necessary at reasonable rates so as to encourage prospective insureds to purchase such insurance and with the purposes of this chapter;

(3) adequate, together with the fee under paragraph (1)(B)(iii) or (2) of section 4014(a) of this title, to provide for any administrative expenses of the flood insurance and floodplain management programs (including the costs of mapping activities under section 4101 of this title);

(4) stated so as to reflect the basis for such rates, including the differences (if any) between the estimated risk premium rates under section 4014(a)(1) of this title and the estimated rates under section 4014(a)(2) of this title; and

(5) adequate, on the basis of accepted actuarial principles, to cover the average historical loss year obligations incurred by the National Flood Insurance Fund.

(c) Actuarial rate properties

Subject only to the limitations provided under paragraphs (1) and (2), the chargeable rate shall not be less than the applicable estimated risk premium rate for such area (or subdivision thereof) under section 4014(a)(1) of this title with respect to the following properties:

(1) Post-firm properties

Any property the construction or substantial improvement of which the Administrator determines has been started after December 31, 1974, or started after the effective date of the initial rate map published by the Administrator under paragraph (2) of section 4101 of this title for the area in which such property is located, whichever is later, except that the chargeable rate for properties under this paragraph shall be subject to the limitation under subsection (e).

(2) Certain leased coastal and river properties

Any property leased from the Federal Government (including residential and nonresidential properties) that the Administrator determines is located on the river-facing side of any dike, levee, or other riverine flood control structure, or seaward of any seawall or other coastal flood control structure.
(d) Payment of certain sums to Administrator; deposits in Fund

With respect to any chargeable premium rate prescribed under this section, a sum equal to the portion of the rate that covers any administrative expenses of carrying out the flood insurance and floodplain management programs which have been estimated under paragraphs (1)(B)(i) and (1)(B)(iii) of section 4014(a) of this title or paragraph (2) of such section (including the fees under such paragraphs), shall be paid to the Administrator. The Administrator shall deposit the sum in the National Flood Insurance Fund established under section 4017 of this title.

(e) Annual limitation on premium increases

Except with respect to properties described under paragraph (2) of subsection (c), and notwithstanding any other provision of this chapter—

(1) the chargeable risk premium rate for flood insurance under this chapter for any property may not be increased by more than 18 percent each year, except—
   (A) as provided in paragraph (4);
   (B) in the case of property identified under section 4014(g) of this title; or
   (C) in the case of a property that—
      (i) is located in a community that has experienced a rating downgrade under the community rating system program carried out under section 4022(b) of this title;
      (ii) is covered by a policy with respect to which the policyholder has—
         (I) decreased the amount of the deductible; or
         (II) increased the amount of coverage; or
      (iii) was misrated;

(2) the chargeable risk premium rates for flood insurance under this chapter for any properties initially rated under section 4014(a)(2) of this title within any single risk classification, excluding properties for which the chargeable risk premium rate is not less than the applicable estimated risk premium rate under section 4014(a)(1) of this title, shall be increased by an amount that results in an average of such rate increases for properties within the risk classification during any 12-month period of not less than 5 percent of the average of the risk premium rates for such properties within the risk classification upon the commencement of such 12-month period;

(3) the chargeable risk premium rates for flood insurance under this chapter for any properties within any single risk classification may not be increased by an amount that would result in the average of such rate increases for properties within the risk classification during any 12-month period exceeding 15 percent of the average of the risk premium rates for properties within the risk classification upon the commencement of such 12-month period; and

(4) the chargeable risk premium rates for flood insurance under this chapter for any properties described in subparagraphs (A) through (E) of section 4014(a)(2) of this title shall be increased by 25 percent each year, until the average risk premium rate for such properties is equal to the average of the risk premium rates for properties described under paragraph (3).

(f) Adjustment of premium

Notwithstanding any other provision of law, if the Administrator determines that the holder of a flood insurance policy issued under this chapter is paying a lower premium than is required under this section due to an error in the floodplain determination, the Administrator may only prospectively charge the higher premium rate.

(g) Frequency of premium collection

With respect to any chargeable premium rate prescribed under this section, the Administrator shall provide policyholders that are not required to escrow their premiums and fees for flood insurance as set forth under section 4012a of this title with the option of paying their premiums annually or monthly.

(h) Rule of construction

For purposes of this section, the calculation of an “average historical loss year”—

(1) includes catastrophic loss years; and
(2) shall be computed in accordance with generally accepted actuarial principles.

(i) Rates for properties newly mapped into areas with special flood hazards

Notwithstanding subsection (f), the premium rate for flood insurance under this chapter that is purchased on or after March 21, 2014—

(1) on a property located in an area not previously designated as having special flood hazards and that, pursuant to any issuance, revision, updating, or other change in a flood insurance map, becomes designated as such an area; and

(2) where such flood insurance premium rate is calculated under subsection (a)(1) of section 4014 of this title, shall for the first policy year be the preferred risk premium for the property and upon renewal shall be calculated in accordance with subsection (e) of this section until the rate reaches the rate calculated under subsection (a)(1) of section 4014 of this title.

(j) Premiums and reports

In setting premium risk rates, in addition to striving to achieve the objectives of this chapter the Administrator shall also strive to minimize the number of policies with annual premiums that exceed one percent of the total coverage provided by the policy. For any policies premiums that exceed this one percent threshold, the Administrator shall report such exceptions to the Committee on Financial Services of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate.

(k) Consideration of mitigation methods

In calculating the risk premium rate charged for flood insurance for a property under this section, the Administrator shall take into account the implementation of any mitigation method identified by the Administrator in the guidance issued under section 4102(d) of this title.
(i) Clear communications

The Administrator shall clearly communicate full flood risk determinations to individual property owners regardless of whether their premium rates are full actuarial rates.

(m) Protection of small businesses, non-profits, houses of worship, and residences

(1) Report

Not later than 18 months after March 21, 2014, and semiannually thereafter, the Administrator shall monitor and report to Committee on Financial Services of the House Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate, the Administrator’s assessment of the impact, if any, of the rate increases required under subparagraphs (A) and (D) of section 4014(a)(2) of this title and the surcharges required under section 4015a of this title on the affordability of flood insurance for—

(A) small businesses with less than 100 employees;
(B) non-profit entities;
(C) houses of worship; and
(D) residences with a value equal to or less than 25 percent of the median home value of properties in the State in which the property is located.

(2) Recommendations

If the Administrator determines that the rate increases or surcharges described in paragraph (1) are having a detrimental effect on affordability, including resulting in lapsed policies, late payments, or other criteria related to affordability as identified by the Administrator, for any of the properties identified in subparagraphs (A) through (D) of such paragraph, the Administrator shall, not later than 3 months after making such a determination, make such recommendations as the Administrator considers appropriate to improve affordability to the Committee on Financial Services of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate.

(3) Impact

Not later than 18 months after March 21, 2014, and semiannually thereafter, the Administrator shall monitor and report to the Committee on Banking, Housing, and Urban Affairs of the Senate, the Administrator’s assessment of the impact, if any, of the rate increases required under subparagraphs (A) and (D) of section 4014(a)(2) of this title and the surcharges required under section 4015a of this title on the affordability of flood insurance for—

(A) small businesses with less than 100 employees;
(B) non-profit entities;
(C) houses of worship; and
(D) residences with a value equal to or less than 25 percent of the median home value of properties in the State in which the property is located.

(4) Recommendations

If the Administrator determines that the rate increases or surcharges described in paragraph (3) are having a detrimental effect on affordability, including resulting in lapsed policies, late payments, or other criteria related to affordability as identified by the Administrator, for any of the properties identified in subparagraphs (A) through (D) of such paragraph, the Administrator shall, not later than 3 months after making such a determination, make such recommendations as the Administrator considers appropriate to improve affordability to the Committee on Financial Services of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate.

This chapter, referred to in subsec. (t), was in the original “this Act”, and was translated as reading “this title”, meaning title XIII of Pub. L. 90–448, Aug. 1, 1968, 82 Stat. 572, known as the National Flood Insurance Act of 1968, which is classified principally to this chapter, to reflect the probable intent of Congress. For complete classification of this Act to the Code, see Short Title note set out under section 4001 of this title and Tables.


March 21, 2014, referred to in subsec. (m)(1), was in the original “the date of the enactment of this section”, and was translated as reading “the date of the enactment of this subsection”, meaning the date of enactment of Pub. L. 113–89, which enacted subsec. (m), to reflect the probable intent of Congress.

REFERENCES IN TEXT

This chapter, referred to in subsec. (b)(2), (e), (i), and (j), was in the original a reference to “this title” meaning title XIII of Pub. L. 90–448, Aug. 1, 1968, 82 Stat. 572, known as the National Flood Insurance Act of 1968, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 4001 of this title and Tables.

1 See References in Text note below.

AMENDMENTS


Subsec. (e)(1), (2). Pub. L. 113–89, § 5(5), added pars. (1) and (2). Former pars. (1) and (2) redesignated (3) and (4), respectively.

Pub. L. 113–89, § 5(2), (3), inserted “the chargeable risk premium rates for flood insurance under this chapter for any properties” at beginning.

Subsec. (e)(4), (5). Pub. L. 113–89, §§ 5(4), (6), redesignated par. (1) as (3) and substituted “15 percent” for “20 percent”.

Subsec. (f). Pub. L. 113–89, §§ 5(4), (7), redesignated par. (2) as (4) and substituted “paragraph (3)” for “paragraph (4)”. Subsec. (g). Pub. L. 113–89, §§ 11(a), substituted “annually or monthly” for “either annually or in more frequent installments”.

Subsec. (h). Pub. L. 113–89, § 4(a), redesignated subsec. (i) as (h) and struck out former subsec. (h) which related to premium adjustment to reflect current risk of flood.


Subsec. (e). Pub. L. 112–141, § 100205(c)(1), struck out “or (3)” after “paragraph (2)” and inserted “any properties” after “under this chapter for” in introductory provisions.

Pub. L. 112–123 substituted “under this chapter for—” for “under this chapter for”, inserted par. (1) designation before “any properties”, and added par. (2).
Subsec. (e)(1). Pub. L. 112–141, §100205(c)(2), substituted “within any single” for “any properties within any single” and “20 percent” for “10 percent”.

Subsec. (e)(2). Pub. L. 112–141, §100205(b)(1), added par. (2) and struck out former par. (2) which read as follows: “any residential properties which are not the primary residence of an individual, as described in section 4014(a)(2) of this title, the chargeable rate with respect to any property, the construction or substantial improvements of which the Director determines has been started after December 31, 1974, or the effective date of the initial rate map published by the Director under paragraph (2) of section 4101 of this title for the area in which such property is located, whichever is later, shall not be less than the applicable estimated risk premium rate for such area (or subdivision thereof) under section 4014(a)(1) of this title.”

Subsec. (e). Pub. L. 112–141, §100205(b)(1), substituted “Administrator” for “Director” in two places.

Subsec. (g). Pub. L. 112–141, §100205(d), added subsec. (g).


2004—Subsec. (c). Pub. L. 108–264, §106(a), added subsec. (c) and struck out former subsec. (c) which read as follows: “Subject only to the limitation under subsection (e) of this section, the chargeable rate with respect to any property, the construction or substantial improvements of which the Director determines has been started after December 31, 1974, or the effective date of the initial rate map published by the Director under paragraph (2) of section 4101 of this title for the area in which such property is located, whichever is later, shall not be less than the applicable estimated risk premium rate for such area (or subdivision thereof) under section 4014(a)(1) of this title.”

Subsec. (e). Pub. L. 108–264, §106(b), substituted “Except with respect to properties described under paragraph (2) or (3) of subsection (c), and notwithstanding”.


1994—Subsec. (c). Pub. L. 103–325, §572(a)(1), substituted “Subject only to the limitation under subsection (e) of this section” for “Notwithstanding any other provision of this chapter.”


Subsec. (d). Pub. L. 101–508, §2302(e)(2)(B), added subsec. (d) and struck out former subsec. (d) which read as follows: “In the event any chargeable premium rate prescribed under this section—

(i) is a rate which is not less than the applicable estimated risk premium rate under section 4014(a)(1) of this title, and

(ii) includes any amount for administrative expenses of carrying out the flood insurance program which have been estimated under clause (ii) of section 4014(a)(1)(B) of this title, a sum equal to such amount shall be paid to the Director, and he shall deposit such sum in the National Flood Insurance Fund established under section 4017 of this title.”

1983—Subsecs. (a), (c), (d). Pub. L. 98–181 substituted “Director” for “Secretary” wherever appearing.


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

TRANSFER OF FUNCTIONS

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

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

IMPLEMENTATION

Pub. L. 112–141, §11(b), Mar. 21, 2014, 128 Stat. 1025, provided that: “The Administrator of the Federal Emergency Management Agency shall implement the requirement under section 1388(g) of the National Flood Insurance Act of 1968 (42 U.S.C. 4015(g)), as amended by subsection (a), not later than the expiration of the 18-month period beginning on the date of the enactment of this Act (Mar. 21, 2014).”

LIMITATION ON PREMIUMS

Pub. L. 101–508, title II, §2302(e)(5), Nov. 5, 1990, 104 Stat. 1388–25, provided that, notwithstanding section 541(d) of Pub. L. 101–242, formerly set out below, premium rates charged for flood insurance under any program established pursuant to this chapter could be increased by more than 10 percent during fiscal year 1991, with certain exceptions.


Pub. L. 98–181, title I [title IV, §451(g)(1)], Nov. 30, 1983, 97 Stat. 1229, provided that premium rates charged...
for flood insurance under any program established pursuant to this chapter could not be increased during the period beginning Nov. 30, 1983, and ending Sept. 30, 1984.

§ 4015a. Premium surcharge

(a) Imposition and collection

The Administrator shall impose and collect an annual surcharge, in the amount provided in subsection (b), on all policies for flood insurance coverage under the National Flood Insurance Program that are newly issued or renewed after March 21, 2014. Such surcharge shall be in addition to the surcharge under section 4011(b) of this title and any other assessments and surcharges applied to such coverage.

(b) Amount

The amount of the surcharge under subsection (a) shall be—

1. $25, except as provided in paragraph (2); and
2. $250, in the case of a policy for any property that is—
   (A) a non-residential property; or
   (B) a residential property that is not the primary residence of an individual.

(c) Termination

Subsections (a) and (b) shall cease to apply on the date on which the chargeable risk premium rate for flood insurance under this chapter for each property covered by flood insurance under this chapter, other than properties for which premiums are calculated under subsection (e) or (f) of section 4014 of this title or section 4056 of this title or under section 100320 of the Biggert-Waters Flood Insurance Reform Act of 2012 (42 U.S.C. 4014 note), is less than the applicable estimated risk premium rate under section 4014(a)(1) of this title for such property.


REFERENCES IN TEXT

This chapter, referred to in subsec. (c), was in the original a reference to “this title” meaning title XIII of Pub. L. 90–448, Aug. 1, 1968, 82 Stat. 572, known as the National Flood Insurance Act of 1968, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 4001 of this title and Tables.

Section 100220 of the Biggert-Waters Flood Insurance Reform Act of 2012 (42 U.S.C. 4014 note), is section 100220 of Pub. L. 112–141, which is set out as a note under section 4014 of this title.

§ 4016. Financing

(a) Authority to issue notes and other obligations

All authority which was vested in the Housing and Home Finance Administrator by virtue of section 2414(e) of this title (pertaining to the issue of notes or other obligations to the Secretary of the Treasury), as amended by subsections (a) and (b) of section 1303 of this Act, shall be available to the Administrator for the purpose of carrying out the flood insurance program under this chapter; except that the total amount of notes and obligations which may be issued by the Administrator pursuant to such authority (1) without the approval of the President, may not exceed $500,000,000, and (2) with the approval of the President, may not exceed $1,500,000,000 through the date specified in section 4026 of this title, and $1,000,000,000 thereafter; except that, through September 30, 2019, clause (2) of this sentence shall be applied by substituting “$30,425,000,000” for “$1,500,000,000”.

The Administrator shall report to the Committee on Banking, Finance and Urban Affairs of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate at any time when he requests the approval of the President in accordance with the preceding sentence.

(b) Deposit of borrowed funds

Any funds borrowed by the Administrator under this authority shall, from time to time, be deposited in the National Flood Insurance Fund established under section 4017 of this title.

(c) Schedule of repayments

Upon the exercise of the authority established under subsection (a), the Administrator shall transmit a schedule for repayment of such amounts to—

1. the Secretary of the Treasury;
2. the Committee on Banking, Housing, and Urban Affairs of the Senate; and
3. the Committee on Financial Services of the House of Representatives.

(d) Reports on repayment

In connection with any funds borrowed by the Administrator under the authority established in subsection (a), the Administrator, beginning 6 months after the date on which such funds are borrowed, and continuing every 6 months thereafter until such borrowed funds are fully repaid, shall submit a report on the progress of such repayment to—

1. the Secretary of the Treasury;
2. the Committee on Banking, Housing, and Urban Affairs of the Senate; and
3. the Committee on Financial Services of the House of Representatives.


\[1\] See Extension of Limitation on Financing Provisions note below.
Effects of Amendments

For nonamendatory provisions extending the limitation on financing provisions in subsection (a) of this section, see Extension of Program notes under section 4026 of this title.

§ 4017. National Flood Insurance Fund

(a) Establishment; availability

To carry out the flood insurance program authorized by this chapter, the Administrator shall establish in the Treasury of the United States a National Flood Insurance Fund (hereinafter referred to as the "fund") which shall be an account separate from any other accounts or funds available to the Administrator and shall be available as described in subsection (f), without fiscal year limitation (except as otherwise provided in this section).

(1) for making such payments as may, from time to time, be required under section 4054 of this title;
(2) to pay reinsurance claims under the excess loss reinsurance coverage provided under section 4055 of this title;
(3) to repay to the Secretary of the Treasury such sums as may be borrowed from him (together with interest) in accordance with the authority provided in section 4016 of this title; and
(4) to the extent approved in appropriations Acts, to pay any administrative expenses of the flood insurance and floodplain management programs (including the costs of mapping activities under section 4101 of this title);
(5) for the purposes specified in subsection (d) under the conditions provided therein;
(6) for carrying out the program under section 4022(b) of this title;
(7) for transfers to the National Flood Mitigation Fund, but only to the extent provided in section 4104(d)(1) of this title; and
(8) for carrying out section 4104(f) of this title.

(b) Credits to Fund

The fund shall be credited with—

(1) such funds borrowed in accordance with the authority provided in section 4016 of this title as may from time to time be deposited in the fund;
(2) premiums, fees, or other charges which may be paid or collected in connection with the excess loss reinsurance coverage provided under section 4055 of this title;
(3) such amounts as may be advanced to the fund from appropriations in order to maintain the fund in an operating condition adequate to meet its liabilities;
(4) interest which may be earned on investments of the fund pursuant to subsection (c);
(5) such sums as are required to be paid to the Administrator under section 4015(d) of this title; and
(6) receipts from any other operations under this chapter (including premiums under the conditions specified in subsection (d), and salvage proceeds, if any, resulting from reinsurance coverage).

(c) Investment of moneys in obligations issued or guaranteed by United States

If, after—
(1) all outstanding obligations of the fund have been liquidated, and
(2) any outstanding amounts which may have been advanced to the fund from appropri-ations authorized under section 4127(a)(2)(B) of this title have been credited to the appro-priation from which advanced, with interest accrued at the rate prescribed under section 2414(e) of this title, as in effect immediately prior to August 1, 1968,

the Administrator determines that the moneys of the fund are in excess of current needs, he may request the investment of such amounts as he deems advisable by the Secretary of the Treasury in obligations issued or guaranteed by the United States.

(d) Availability of Fund if operation of program is carried out through facilities of Federal Government

In the event the Administrator makes a determina-tion in accordance with the provisions of section 4071 of this title that operation of the flood insurance program, in whole or in part, should be carried out through the facilities of the Federal Government, the fund shall be avail-able for all purposes incident thereto, includ-ing—

(1) cost incurred in the adjustment and pay-ment of any claims for losses, and
(2) payment of applicable operating costs set forth in the schedules prescribed under section 4018 of this title,

for so long as the program is so carried out, and in such event any premiums paid shall be depos-ited to the credit of the fund.

(e) Annual budget

An annual business-type budget for the fund shall be prepared, transmitted to the Congress, considered, and enacted in the manner pre-scribed by sections 9103 and 9104 of title 31 for wholly-owned Government corporations.

(f) Availability of funds dependent on future appropriations acts

The fund shall be available, with respect to any fiscal year beginning on or after October 1, 1981, only to the extent approved in appropriation Acts; except that the fund shall be available for the purpose described in subsection (d)(1) without such approval.


REFERENCES IN TEXT

This chapter, referred to in subsecs. (a) and (b)(6), was in the original a reference to “this title” meaning title XIII of Pub. L. 90–448, Aug. 1, 1968, 82 Stat. 572, known as the National Flood Insurance Act of 1968, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 4001 of this title and Tables.

AMENDMENTS

Subsec. (a)(8) to (9). Pub. L. 112–141, §100225(d), in-serted “and” at end of par. (6), substituted period for semicolon at end of par. (7), and struck out pars. (8) and (9) which read as follows:

“(8) for financial assistance under section 4102a of this title to States and communities for taking actions under such section with respect to severe repetitive loss properties, but only to the extent provided in section 4102a(c) of this title; and

“(9) for funding, not to exceed $10,000,000 in any fiscal year, for mitigation actions under section 4030 of this title, except that, notwithstanding any other provision of this chapter, amounts made available pursuant to this paragraph shall not be subject to offsetting collections through premium rates for flood insurance coverage under this chapter.”

Subsecs. (b)(5), (c), (d). Pub. L. 112–141, §100228(b)(1), substituted “Administrator” for “Director” wherever appearing.

2004—Subsec. (a)(7), (8). Pub. L. 108–264, §102(b), struck out “and” at end of par. (7), added par. (8), and struck out former par. (8) which read as follows: “for costs of preparing the report under section 577 of the Riegel Community Development and Regulatory Improvement Act of 1994, except that the fund shall be available for the purpose under this paragraph in an amount not to exceed an aggregate of $5,000,000 over the 2-year period beginning on September 23, 1994.”

1990—Subsec. (a)(4). Pub. L. 101–508 amended par. (4) generally. Prior to amendment, par. (4) read as follows: “to pay such administrative expenses (or portion of such expenses) of carrying out the flood insurance program as he may deem necessary; and”.


1983—Subsecs. (a), (b)(5), (c), (d). Pub. L. 98–181 sub-stituted “Director” for “Secretary” wherever appearing.


EFFECTIVE DATE OF 1981 AMENDMENT


EFFECTIVE DATE

Section effective 120 days following Aug. 1, 1968, or such later date prescribed by the Secretary but in no event more than 180 days following Aug. 1, 1968, see section 1377 of Pub. L. 90–448, set out as a note under section 4001 of this title.
§ 4017a. Reserve Fund

(a) Establishment of Reserve Fund

In carrying out the flood insurance program authorized by this subchapter, the Administrator shall establish in the Treasury of the United States a National Flood Insurance Reserve Fund (in this section referred to as the "Reserve Fund") which shall—

(1) be an account separate from any other accounts or funds available to the Administrator; and

(2) be available for meeting the expected future obligations of the flood insurance program, including—

(A) the payment of claims;
(B) claims adjustment expenses; and
(C) the repayment of amounts outstanding under any note or other obligation issued by the Administrator under section 4016(a) of this title.

(b) Reserve ratio

Subject to the phase-in requirements under subsection (d), the Reserve Fund shall maintain a balance equal to—

(1) 1 percent of the sum of the total potential loss exposure of all outstanding flood insurance policies in force in the prior fiscal year; or

(2) such higher percentage as the Administrator determines to be appropriate, taking into consideration any circumstance that may raise a significant risk of substantial future losses to the Reserve Fund.

(c) Maintenance of reserve ratio

(1) In general

The Administrator shall have the authority to establish, increase, or decrease the amount of aggregate annual insurance premiums to be collected for any fiscal year necessary—

(A) to maintain the reserve ratio required under subsection (b); and

(B) to achieve such reserve ratio, if the actual balance of such reserve is below the amount required under subsection (b).

(2) Considerations

In exercising the authority granted under paragraph (1), the Administrator shall consider—

(A) the expected operating expenses of the Reserve Fund;
(B) the insurance loss expenditures under the flood insurance program;
(C) any investment income generated under the flood insurance program; and
(D) any other factor that the Administrator determines appropriate.

(3) Limitations

(A) Rates

In exercising the authority granted under paragraph (1), the Administrator shall be subject to all other provisions of this chapter, including any provisions relating to chargeable premium rates or annual increases of such rates.

(B) Use of additional annual insurance premiums

Notwithstanding any other provision of law or any agreement entered into by the Administrator, the Administrator shall ensure that all amounts attributable to the establishment or increase of annual insurance premiums under paragraph (1) are transferred to the Reserve Fund, to be available for meeting the expected future obligations of the flood insurance program as described in subsection (a)(2).

(4) Deposit of premium surcharges

The Administrator shall deposit in the Reserve Fund any surcharges collected pursuant to section 4015a of this title.

(d) Phase-in requirements

The phase-in requirements under this subsection are as follows:

(1) In general

Beginning in fiscal year 2013 and not ending until the fiscal year in which the ratio required under subsection (b) is achieved, in each such fiscal year the Administrator shall place in the Reserve Fund an amount equal to not less than 7.5 percent of the reserve ratio required under subsection (b).

(2) Amount satisfied

As soon as the ratio required under subsection (b) is achieved, and except as provided in paragraph (3), the Administrator shall not be required to set aside any amounts for the Reserve Fund.

(3) Exception

If at any time after the ratio required under subsection (b) is achieved, the Reserve Fund falls below the required ratio under subsection (b), the Administrator shall place in the Reserve Fund for that fiscal year an amount equal to not less than 7.5 percent of the reserve ratio required under subsection (b).

(e) Limitation on reserve ratio

In any given fiscal year, if the Administrator determines that the reserve ratio required under subsection (b) cannot be achieved, the Administrator shall submit, on a calendar quarterly basis, a report to Congress that—

(1) describes and details the specific concerns of the Administrator regarding the consequences of the reserve ratio not being achieved;

(2) demonstrates how such consequences would harm the long-term financial soundness of the flood insurance program; and
(f) Investment

The Secretary of the Treasury shall invest such amounts of the Reserve Fund as the Secretary determines advisable in obligations issued or guaranteed by the United States.

REFERENCES IN TEXT

This chapter, referred to in subsec. (c)(3)(A), was in the original “this Act”, and was translated as reading “this title”, meaning title XIII of Pub. L. 90–448, Aug. 1, 1968, 82 Stat. 572, known as the National Flood Insurance Act of 1968, which is classified principally to this chapter, to reflect the probable intent of Congress. For complete classification of this Act to the Code, see Short Title note set out under section 4001 of this title and Tables.

AMENDMENTS


§ 4018. Operating costs and allowances; definitions

(a) The Administrator shall from time to time negotiate with appropriate representatives of the insurance industry for the purpose of establishing—

(1) a current schedule of operating costs applicable both to risk-sharing insurance companies and other insurers and to insurance companies and other insurers, insurance agents and brokers, and insurance adjustment organizations participating on other than a risk-sharing basis, and

(2) a current schedule of operating allowances applicable to risk-sharing insurance companies and other insurers, which may be payable in accordance with the provisions of subchapter II, and such schedules shall from time to time be prescribed in regulations.

(b) For purposes of subsection (a)—

(1) the term “operating costs” shall (without limiting such term) include—

(A) expense reimbursements covering the direct, actual, and necessary expenses incurred in connection with selling and servicing flood insurance coverage;

(B) reasonable compensation payable for selling and servicing flood insurance coverage, or commissions or service fees paid to producers;

(C) loss adjustment expenses; and

(D) other direct, actual, and necessary expenses which the Administrator finds are incurred in connection with selling or servicing flood insurance coverage; and

(2) the term “operating allowances” shall (without limiting such term) include amounts for profit and contingencies which the Administrator finds reasonable and necessary to carry out the purposes of this chapter.

(b) Minimum annual deductible

(1) Pre-firm properties

For any structure which is covered by flood insurance under this chapter, and on which construction or substantial improvement occurred on or before December 31, 1974, or before the effective date of an initial flood insurance rate map published by the Administrator under section 4011 of this title for the area in which such structure is located, the minimum annual deductible for damage to such structure shall be—

(A) $1,500, if the flood insurance coverage for such structure covers loss of, or physical damage to, such structure in an amount equal to or less than $100,000; and

§ 4019. Payment of claims

(a) In general

The Administrator is authorized to prescribe regulations establishing the general method or methods by which proved and approved claims for losses may be adjusted and paid for any damage to or loss of property which is covered by flood insurance made available under the provisions of this chapter.

(b) Minimum annual deductible

(1) Pre-firm properties

For any structure which is covered by flood insurance under this chapter, and on which construction or substantial improvement occurred on or before December 31, 1974, or before the effective date of an initial flood insurance rate map published by the Administrator under section 4011 of this title for the area in which such structure is located, the minimum annual deductible for damage to such structure shall be—

(A) $1,500, if the flood insurance coverage for such structure covers loss of, or physical damage to, such structure in an amount equal to or less than $100,000; and
§ 4020  TITLE 42—THE PUBLIC HEALTH AND WELFARE

(A) $2,000, if the flood insurance coverage for such structure covers loss of, or physical damage to, such structure in an amount greater than $100,000.

(2) Post-firm properties

For any structure which is covered by flood insurance under this chapter, and on which construction or substantial improvement occurred after December 31, 1974, or after the effective date of an initial flood insurance rate map published by the Administrator under section 4101 of this title for the area in which such structure is located, the minimum annual deductible for damage to such structure shall be—

(A) $1,000, if the flood insurance coverage for such structure covers loss of, or physical damage to, such structure in an amount equal to or less than $100,000; and

(B) $1,250, if the flood insurance coverage for such structure covers loss of, or physical damage to, such structure in an amount greater than $100,000.

(c) Payment of claims to condominium owners

The Administrator may not deny payment for any damage to or loss of property which is covered by flood insurance to condominium owners who purchased such flood insurance separate and apart from the flood insurance purchased by the condominium association in which such owner is a member, based solely, or in any part, on the flood insurance coverage of the condominium association or others on the overall property owned by the condominium association.

References in Text

This chapter, referred to in subsecs. (a) and (b), was in the original a reference to “this title” meaning title XIII of Pub. L. 90–448, Aug. 1, 1968, 82 Stat. 572, known as the National Flood Insurance Act of 1968, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 4001 of this title and Tables.

Amendments


Effective Date

Section effective 120 days following Aug. 1, 1968, or such later date prescribed by the Secretary but in no event more than 180 days following Aug. 1, 1968, see section 1377 of Pub. L. 90–448, set out as a note under section 4001 of this title.

Transfer of Functions

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

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

§ 4020. Dissemination of flood insurance information

The Administrator shall from time to time take such action as may be necessary in order to make information and data available to the public, and to any State or local agency or official, with regard to—

(1) the flood insurance program, its coverage and objectives, and

(2) estimated and chargeable flood insurance premium rates, including the basis for and differences between such rates in accordance with the provisions of section 4015 of this title.

References in Text


Amendments


Effective Date

Section effective 120 days following Aug. 1, 1968, or such later date prescribed by the Secretary but in no event more than 180 days following Aug. 1, 1968, see section 1377 of Pub. L. 90–448, set out as a note under section 4001 of this title.

Transfer of Functions

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

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

§ 4021. Participation in State disaster claims mediation programs

(a) Requirement to participate

In the case of the occurrence of a major disaster, as defined in section 5122 of this title, that may have resulted in flood damage covered under the national flood insurance program established under this chapter and other personal lines residential property insurance coverage offered by a State regulated insurer, upon a re-
Administrator in a program sponsored by such State for nonbinding mediation of insurance claims resulting from a major disaster, the Administrator shall cause representatives of the national flood insurance program to participate in such a State program where claims under the national flood insurance program are involved to expedite settlement of flood damage claims resulting from such disaster.

(b) Extent of participation

In satisfying the requirements of subsection (a), the Administrator shall require that each representative of the Administrator—

(1) be certified for purposes of the national flood insurance program to settle claims against such program resulting from such disaster in amounts up to the limits of policies under such program;
(2) attend State-sponsored mediation meetings regarding flood insurance claims resulting from such disaster at such times and places as may be arranged by the State;
(3) participate in good-faith negotiations toward the settlement of such claims with policyholders of coverage made available under the national flood insurance program; and
(4) finalize the settlement of such claims on behalf of the national flood insurance program with such policyholders.

c) Coordination

Representatives of the Administrator shall at all times coordinate their activities with insurance officials of the State and representatives of insurers for the purposes of consolidating and expediting settlement of claims under the national flood insurance program resulting from such disaster.

d) Qualifications of mediators

Each State mediator participating in State-sponsored mediation under this section shall be—

(1)(A) a member in good standing of the State bar in the State in which the mediation is to occur with at least 2 years of practical experience; and
(B) an active member of such bar for at least 1 year prior to the year in which such mediator's participation is sought; or
(2) a retired trial judge from any United States jurisdiction who was a member in good standing of the bar in the State in which the judge presided for at least 5 years prior to the year in which such mediator's participation is sought.

e) Mediation proceedings and documents privileged

As a condition of participation, all statements made and documents produced pursuant to State-sponsored mediation involving representatives of the Administrator shall be deemed privileged and confidential settlement negotiations made in anticipation of litigation.

(f) Liability, rights, or obligations not affected

Participation in State-sponsored mediation, as described in this section does not—

(1) affect or expand the liability of any party in contract or in tort; or
(2) affect the rights or obligations of the parties, as established—

(A) in any regulation issued by the Administrator, including any regulation relating to a standard flood insurance policy;
(B) under this chapter; and
(C) under any other provision of Federal law.

(g) Exclusive Federal jurisdiction

Participation in State-sponsored mediation shall not alter, change, or modify the original exclusive jurisdiction of United States courts, as set forth in this chapter.

(h) Cost limitation

Nothing in this section shall be construed to require the Administrator or a representative of the Administrator to pay additional mediation fees relating to flood insurance claims associated with a State-sponsored mediation program in which such representative of the Administrator participates.

(i) Exception

In the case of the occurrence of a major disaster that results in flood damage claims under the national flood insurance program and that does not result in any loss covered by a personal lines residential property insurance policy—

(1) this section shall not apply; and
(2) the provisions of the standard flood insurance policy under the national flood insurance program and the appeals process established under section 205 of the Bunning-Bereuter-Blumenauer Flood Insurance Reform Act of 2004 (42 U.S.C. 4011 note) and the regulations issued pursuant to such section shall apply exclusively.

(j) Representatives of the Administrator

For purposes of this section, the term “representatives of the Administrator” means representatives of the national flood insurance program who participate in the appeals process established under section 205 of the Bunning-Bereuter-Blumenauer Flood Insurance Reform Act of 2004 (42 U.S.C. 4011 note).


REFERENCES IN TEXT

This chapter, referred to in subsecs. (a), (f)(2)(B), and (g), was in the original a reference to “this title” meaning title XIII of Pub. L. 90–448, Aug. 1, 1968, 82 Stat. 572, known as the National Flood Insurance Act of 1968, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 4001 of this title and Tables.

Section 205 of the Bunning-Bereuter-Blumenauer Flood Insurance Reform Act of 2004, referred to in subsecs. (1)(2) and (j), in section 205 of Pub. L. 108–264, which is set out in a note under section 4011 of this title.

PRIOR PROVISIONS

A prior section 4021, Pub. L. 90–448, title XIII, §1314, Aug. 1, 1968, 82 Stat. 579, which denied Federal disaster assistance after Dec. 31, 1973, to persons who for a period of a year or more could have purchased flood insur-
§ 4022. State and local land use controls
(a) Requirement for participation in flood insurance program
(1) In general
After December 31, 1971, no new flood insurance coverage shall be provided under this chapter in any area (or subdivision thereof) unless an appropriate public body shall have adopted adequate land use and control measures (with effective enforcement provisions) which the Administrator finds are consistent with the comprehensive criteria for land management and use under section 4102 of this title.

(2) Agricultural structures
(A) Activity restrictions
Notwithstanding any other provision of law, the adequate land use and control measures required to be adopted in an area (or subdivision thereof) pursuant to paragraph (1) may provide, at the discretion of the appropriate State or local authority, for the repair and restoration to predamaged conditions of an agricultural structure that—
(i) is a repetitive loss structure; or
(ii) has incurred flood-related damage to the extent that the cost of restoring the structure to its predamaged condition would equal or exceed 50 percent of the market value of the structure before the damage occurred.

(B) Premium rates and coverage
To the extent applicable, an agricultural structure repaired or restored pursuant to subparagraph (A) shall pay chargeable premium rates established under section 4015 of this title at the estimated risk premium rates under section 4014(a)(1) of this title. If resources are available, the Administrator shall provide technical assistance and counseling, upon request of the owner of the structure, regarding wet flood-proofing and other flood damage reduction measures for agricultural structures. The Administrator shall not be required to make flood insurance coverage available for such an agricultural structure unless the structure is wet flood-proofed through permanent or contingent measures applied to the structure or its contents that prevent or provide resistance to damage from flooding by allowing flood waters to pass through the structure, as determined by the Administrator.

(C) Prohibition on disaster relief
Notwithstanding any other provision of law, any agricultural structure repaired or restored pursuant to subparagraph (A) shall not be eligible for disaster relief assistance under any program administered by the Administrator or any other Federal agency.

(D) Definitions
For purposes of this paragraph—
(i) the term “agricultural structure” means any structure used exclusively in connection with the production, harvesting, storage, raising, or drying of agricultural commodities; and
(ii) the term “agricultural commodities” means agricultural commodities and livestock.

(b) Community rating system and incentives for community floodplain management
(1) Authority and goals
The Administrator shall carry out a community rating system program, under which communities participate voluntarily—
(A) to provide incentives for measures that reduce the risk of flood or erosion damage that exceed the criteria set forth in section 4102 of this title and evaluate such measures;
(B) to encourage adoption of more effective measures that protect natural and beneficial floodplain functions;
(C) to encourage floodplain and erosion management; and
(D) to promote the reduction of Federal flood insurance losses.

(2) Incentives
The program shall provide incentives in the form of credits on premium rates for flood insurance coverage in communities that the Administrator determines have adopted and enforced measures that reduce the risk of flood and erosion damage that exceed the criteria set forth in section 4102 of this title. In providing incentives under this paragraph, the Administrator may provide for credits to flood insurance premium rates in communities that the Administrator determines have implemented measures that protect natural and beneficial floodplain functions.

(3) Credits
The credits on premium rates for flood insurance coverage shall be based on the estimated reduction in flood and erosion damage risks resulting from the measures adopted by the community under this program. If a community has received mitigation assistance under section 4104c of this title, the credits shall be phased in a manner, determined by the Administrator, to recover the amount of such assistance provided for the community.

(4) Reports
Not later than 2 years after September 23, 1994, and not less than every 2 years thereafter, the Administrator shall submit a report to the Congress regarding the program under this subsection. Each report shall include an analysis of the cost-effectiveness of the program, any other accomplishments or shortcomings of the program, and any recommendations of the Administrator for legislation regarding the program.

(c) Replacement of mobile homes on original sites
(1) Community participation
The placement of any mobile home on any site shall not affect the eligibility of any community to participate in the flood insurance program under this chapter and the Flood Disaster Protection Act of 1973 (notwithstanding
that such placement may fail to comply with any elevation or flood damage mitigation requirements), if—

(A) such mobile home was previously located on such site;

(B) such mobile home was relocated from such site because of flooding that threatened or affected such site; and

(C) such replacement is conducted not later than the expiration of the 180-day period that begins upon the subsidence (in the area of such site) of the body of water that flooded to a level considered lower than flood levels.

(2) Definition

For purposes of this subsection, the term "mobile home" has the meaning given such term in the law of the State in which the mobile home is located.


REFERENCES IN TEXT

This chapter, referred to in subsecs. (a)(1) and (c)(1), was in the original a reference to "this title" meaning title XIII of Pub. L. 90–448, Aug. 1, 1968, 82 Stat. 572, known as the National Flood Insurance Act of 1968, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 4001 of this title and Tables.


AMENDMENTS


1983—Pub. L. 98–181 substituted "Director" for "Secretary".

1969—Pub. L. 91–152 substituted provisions prohibiting new flood insurance coverage after Dec. 31, 1971, unless adequate land use measures have been adopted, for provisions prohibiting such coverage after June 30, 1970, unless permanent land use measures have been adopted.

EFFECTIVE DATE

Section effective 120 days following Aug. 1, 1968, or such later date prescribed by the Secretary but in no event more than 180 days following Aug. 1, 1968, see section 1377 of Pub. L. 90–448, set out as a note under section 4001 of this title.

TRANSFER OF FUNCTIONS

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

For transfer of functions, personnel, assets, and liabilities of the Federal Emergency Management Agency, including the functions of the Director of the Federal Emergency Management Agency relating thereto, to the Secretary of Homeland Security, and for treatment of related references, see former section 319(1) and sections 551(d), 552(d), and 557 of Title 6, Domestic Security, and the Department of Homeland Security Reorganization Plan of November 25, 2002, as modified, set out as a note under section 542 of Title 6.

§ 4023. Properties in violation of State and local law

No new flood insurance coverage shall be provided under this chapter for any property which the Administrator finds has been declared by a duly constituted State or local zoning authority, or other authorized public body, to be in violation of State or local laws, regulations, or ordinances which are intended to discourage or otherwise restrict land development or occupancy in flood-prone areas.


REFERENCES IN TEXT

This chapter, referred to in text, was in the original a reference to "this title" meaning title XIII of Pub. L. 90–448, Aug. 1, 1968, 82 Stat. 572, known as the National Flood Insurance Act of 1968, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 4001 of this title and Tables.

AMENDMENTS

2012—Pub. L. 112–141 substituted "Administrator" for "Director".

1983—Pub. L. 98–181 substituted "Director" for "Secretary".

EFFECTIVE DATE

Section effective 120 days following Aug. 1, 1968, or such later date prescribed by the Secretary but in no event more than 180 days following Aug. 1, 1968, see section 1377 of Pub. L. 90–448, set out as a note under section 4001 of this title.

TRANSFER OF FUNCTIONS

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

For transfer of functions, personnel, assets, and liabilities of the Federal Emergency Management Agency, including the functions of the Director of the Federal Emergency Management Agency relating thereto, to the Secretary of Homeland Security, and for treatment of related references, see former section 319(1) and sections 551(d), 552(d), and 557 of Title 6, Domestic Security, and the Department of Homeland Security Reorganization Plan of November 25, 2002, as modified, set out as a note under section 542 of Title 6.

§ 4024. Coordination with other programs

In carrying out this chapter, the Administrator shall consult with other departments and agencies of the Federal Government, and with
§ 4025. Flood insurance advisory committee

(a) Appointment; duties

The Administrator shall appoint a flood insurance advisory committee without regard to the provisions of title 5 governing appointments in the competitive service, and such committee shall advise the Administrator in the preparation of any regulations prescribed in accordance with this chapter and with respect to policy matters arising in the administration of this chapter, and shall perform such other responsibilities as the Administrator may, from time to time, assign to such committee.

(b) Membership

Such committee shall consist of not more than fifteen persons and such persons shall be selected from among representatives of—

(1) the insurance industry,

(2) State and local governments,

(3) lending institutions,

(4) the homebuilding industry, and

(5) the general public.

(c) Compensation and travel expenses

Members of the committee shall, while attending conferences or meetings thereof, be entitled to receive compensation at a rate fixed by the Administrator but not exceeding $100 per day, including traveltime, and while so serving away from their homes or regular places of business they may be allowed travel expenses, including per diem in lieu of subsistence, as is authorized under section 5703 of title 5 for persons in the Government service employed intermittently.


REFERENCES IN TEXT

This chapter, referred to in text, was in the original a reference to “this title” meaning title XIII of Pub. L. 90–448, Aug. 1, 1968, 82 Stat. 572, known as the National Flood Insurance Act of 1968, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 4001 of this title and Tables.

AMENDMENTS

2012—Pub. L. 112–141 substituted “Administrator” for “Director”.

1983—Pub. L. 98–181 substituted “Director” for “Secretary”.

EFFECTIVE DATE

Section effective 120 days following Aug. 1, 1968, or such later date prescribed by the Secretary but in no event more than 180 days following Aug. 1, 1968, see section 1377 of Pub. L. 90–448, set out as a note under section 4001 of this title.

TRANSFER OF FUNCTIONS

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

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

§ 4025. Flood insurance advisory committee

(a) Appointment; duties

The Administrator shall appoint a flood insurance advisory committee without regard to the provisions of title 5 governing appointments in the competitive service, and such committee shall advise the Administrator in the preparation of any regulations prescribed in accordance with this chapter and with respect to policy matters arising in the administration of this chapter, and shall perform such other responsibilities as the Administrator may, from time to time, assign to such committee.

(b) Membership

Such committee shall consist of not more than fifteen persons and such persons shall be selected from among representatives of—

(1) the insurance industry,

(2) State and local governments,

(3) lending institutions,

(4) the homebuilding industry, and

(5) the general public.

(c) Compensation and travel expenses

Members of the committee shall, while attending conferences or meetings thereof, be entitled to receive compensation at a rate fixed by the Administrator but not exceeding $100 per day, including traveltime, and while so serving away from their homes or regular places of business they may be allowed travel expenses, including per diem in lieu of subsistence, as is authorized under section 5703 of title 5 for persons in the Government service employed intermittently.


REFERENCES IN TEXT

This chapter, referred to in subsec. (a), was in the original a reference to “this title” meaning title XIII of Pub. L. 90–448, Aug. 1, 1968, 82 Stat. 572, known as the National Flood Insurance Act of 1968, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 4001 of this title and Tables.

AMENDMENTS


EFFECTIVE DATE

Section effective 120 days following Aug. 1, 1968, or such later date prescribed by the Secretary but in no event more than 180 days following Aug. 1, 1968, see section 1377 of Pub. L. 90–448, set out as a note under section 4001 of this title.

TRANSFER OF FUNCTIONS

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

For transfer of functions, personnel, assets, and liabilities of the Federal Emergency Management Agency, including the functions of the Director of the Federal Emergency Management Agency relating thereto, to the Secretary of Homeland Security, and for treatment of related references, see former section 313(1) and sections 551(d), 552(d), and 557 of Title 6, Domestic Security, and the Department of Homeland Security Reorganization Plan of November 25, 2002, as modified, set out as a note under section 542 of Title 6.
the expiration of such 2-year period, or in the case of a committee established by the Congress, its duration is otherwise provided by law. See section 14 of Pub. L. 92–925, 96 Stat. 1767, set out in the Appendix to Title 5, Government Organization and Employees.

§ 4026. Expiration of program

No new contract for flood insurance under this chapter shall be entered into after September 30, 2019.¹

(Pub. L. 90–448, title XIII, §1319, Aug. 1, 1968, 82 Stat. 572, known as the National Flood Insurance Act of 1968, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 4001 of this title and Tables.

AMENDMENTS


2012—Pub. L. 112–123 substituted “July 12, 2012” for “the earlier of the date of the enactment into law of an Act that specifically amends the date specified in this section or May 31, 2012”.


1986—Pub. L. 100–19 substituted the direction of the substituted of “2001” for “1998”, was executed by substituting “2001” for “1999” to reflect the probable intent of Congress and the amendment by Pub. L. 105–276, title III, see below.


REFERENCES IN TEXT

This chapter, referred to in text, was in the original a reference to “this title” meaning title XIII of Pub. L. 90–448, Aug. 1, 1968, 82 Stat. 572.

¹See Extension of Program note below.
$4027  Title 42—The Public Health and Welfare


References in Text

This chapter, referred to in subsec. (a), was in the original a reference to “this title” meaning title XIII of Pub. L. 90–448, Aug. 1, 1968, 82 Stat. 572, known as the National Flood Insurance Act of 1968, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 4001 of this title and Tables. The Riegle Community Development and Regulatory Improvement Act of 1994, referred to in subsec. (b), is Pub. L. 103–325, Sept. 23, 1994, 108 Stat. 2163. For complete classification of this Act to the Code, see Short Title note set out under section 4701 of Title 12, Banks and Banking, and Tables.


event more than 180 days following Aug. 1, 1968, see section 1377 of Pub. L. 90–448, set out as a note under section 4001 of this title.

TRANSFER OF FUNCTIONS

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

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

§ 4027a. Report of the Administrator on activities under the National Flood Insurance Program

(1) In general

The Administrator shall, on an annual basis, submit a full report on the operations, activities, budget, receipts, and expenditures of the National Flood Insurance Program for the preceding 12-month period to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives.

(2) Timing

Each report required under paragraph (1) shall be submitted to the committees described in paragraph (1) not later than 3 months following the end of each fiscal year.

(3) Contents

Each report required under paragraph (1) shall include—

(A) the current financial condition and income statement of the National Flood Insurance Fund established under section 4017 of this title, including—

(i) premiums paid into such Fund;
(ii) policy claims against such Fund; and
(iii) expenses in administering such Fund;

(B) the number and face value of all policies issued under the National Flood Insurance Program that are in force;

(C) a description and summary of the losses attributable to repetitive loss structures;

(D) a description and summary of all losses incurred by the National Flood Insurance Program due to—

(i) hurricane related damage; and
(ii) nonhurricane related damage;

(E) the amounts made available by the Administrator for mitigation assistance under section 4104(c)(4) of this title, as so redesignated by this Act, for the purchase of properties substantially damaged by flood for that fiscal year, and the actual number of flood damaged properties purchased and the total cost expended to purchase such properties;

(F) the estimate of the Administrator as to the average historical loss year, and the basis for that estimate;

(G) the estimate of the Administrator as to the maximum amount of claims that the National Flood Insurance Program would have to expend in the event of a catastrophic year;

(H) the average—

(i) amount of insurance carried per flood insurance policy;
(ii) premium per flood insurance policy; and
(iii) loss per flood insurance policy; and

(I) the number of claims involving damages in excess of the maximum amount of flood insurance available under the National Flood Insurance Program and the sum of the amount of all damages in excess of such amount.


REFERENCES IN TEXT


CODIFICATION

Section was enacted as part of the Biggert-Waters Flood Insurance Reform Act of 2012, and also as part of the Moving Ahead for Progress in the 21st Century Act, also known as the MAP–21, and not as part of the National Flood Insurance Act of 1968 which comprises this chapter.

DEFINITIONS

For definitions of terms used in this section, see section 4004 of this title.

§ 4027b. Assessment of claims-paying ability

(1) Assessment

(A) Assessment required

(i) In general

Not later than September 30 of each year, the Administrator shall conduct an assessment of the ability of the National Flood Insurance Program to pay claims.

(ii) Private market reinsurance

The assessment under this paragraph for any year in which the Administrator exercises the authority under section 4055(a)(2) of this title, as added by this section, to secure reinsurance of coverage provided by the National Flood Insurance Program from the private market shall include information relating the use of private sector reinsurance and reinsurance equivalents by the Administrator, whether or not the Administrator used the borrowing authority under section 4016 of this title.

(iii) First assessment

The Administrator shall conduct the first assessment required under this paragraph not later than September 30, 2012.

(B) Considerations

In conducting an assessment under subparagraph (A), the Administrator shall take into

1See References in Text note below.
§ 4028. John H. Chafee Coastal Barrier Resources System

(a) No new flood insurance coverage may be provided under this chapter on or after October 1, 1983, for any new construction or substantial improvements of structures located on any coastal barrier within the John H. Chafee Coastal Barrier Resources System established by section 3503 of title 16. A federally insured financial institution may make loans secured by structures which are not eligible for flood insurance by reason of this section.

(b) No new flood insurance coverage may be provided under this chapter after the expiration of the 1-year period beginning on November 16, 1990, for any new construction or substantial improvements of structures located in any area identified and depicted on the maps referred to in section 3503(a) of title 16 as an area that is not within the John H. Chafee Coastal Barrier Resources System and (2) is in an otherwise protected area. Notwithstanding the preceding sentence, new flood insurance coverage may be provided for structures in such protected areas that are used in a manner consistent with the purpose for which the area is protected.

§ 4029. Colorado River Floodway

(a) Renewal and transfer of policies; acquisition of policies after filing of maps

Owners of existing National Flood Insurance Act policies with respect to structures located within the Floodway established under section 1600c of title 43 shall have the right to renew and transfer such policies. Owners of existing structures located within said Floodway on October 8, 1986, who have not acquired National Flood Insurance Act policies shall have the right to acquire policies with respect to such structures for six months after the Secretary of the Interior files the Floodway maps required by section 1600c(b)(2) of title 43 and to renew and transfer such policies.

(b) New coverage for new construction or substantial improvements

No new flood insurance coverage may be provided under this chapter on or after a date six months after October 8, 1986, for any new construction or substantial improvements of structures located within the Colorado River Floodway established by section 1600c of title 43. New construction includes all structures that are not insurable prior to that date.

(c) Establishment of temporary boundaries

The Secretary of the Interior may by rule after notice and comment pursuant to section 553 of title 5 establish temporary Floodway boundaries to be in effect until the maps required by section 1600c(b)(2) of title 43 are filed, for the purpose of enforcing subsections (b) and (d) of this section.

References in Text

This chapter, referred to in text, was in the original a reference to “this title” meaning title XIII of Pub. L. 90–448, Aug. 1, 1968, 82 Stat. 572, known as the National Flood Insurance Act of 1968, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 4001 of this title and Tables.

Amendments

1999—Pub. L. 106–167 amended section catchline and substituted “John H. Chafee Coastal Barrier Resources System” for “Coastal Barrier Resources System” in subsecs. (a) and (b).

1990—Pub. L. 101–591 designated existing provisions as subsec. (a) and added subsec. (b).

1982—Subsecs. (a) to (c). Pub. L. 97–348 struck out subsec. designation in subsecs. (a) and (c), in provisions of former subsec. (a) substituted “on any coastal barrier within the Coastal Barrier Resources System established by section 3503 of title 16” for “on undeveloped coastal barriers which shall be designated by the Secretary of the Interior”, and struck out subsec. (b) which provided definitions for purposes of this section.

Effective Date


Study for Designation of Undeveloped Coastal Barriers; Report and Recommendations to Congress

(d) Loans by federally supervised, approved, regulated, or insured financial institutions

A regulated lending institution or Federal agency lender may make loans secured by structures which are not eligible for flood insurance by reason of this section: Provided, That prior to making such a loan, such institution determines that the loans or structures securing the loan are within the Floodway.


REFERENCES IN TEXT

The National Flood Insurance Act, referred to in subsec. (a), probably means the National Flood Insurance Act of 1968, title XIII of Pub. L. 90–448, Aug. 1, 1968, 82 Stat. 572, as amended, which is classified principally to this chapter (§4001 et seq.). For complete classification of this Act to the Code, see Short Title note set out under section 4001 of this title and Tables. Section 1600c(b)(2) of title 43, referred to in text, was struck out and former subsec. (b)(1)(ii) redesignated (b)(2) of section 1600c by Pub. L. 105–362, title III, §362(c), Nov. 10, 1998, 112 Stat. 3289. As amended, section 1600c(b)(2) no longer relates to maps required to be prepared and filed by the Secretary. This chapter, referred to in text, was in the original a reference to “this title” meaning title XIII of Pub. L. 90–448, Aug. 1, 1968, 82 Stat. 572, as known as the National Flood Insurance Act of 1968, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 4001 of this title and Tables.


Section, Pub. L. 90–448, title XIII, §1323, as added Pub. L. 103–325, title I, §104(a), June 30, 2004, 118 Stat. 722, provided funding for mitigation actions that reduce flood damages to individual properties for which 1 or more claim payments for losses have been made under flood insurance coverage under this chapter.

SECTION 4031. Treatment of certain payments

Assistance provided under a program under this chapter for flood mitigation activities (including any assistance provided under the mitigation pilot program under section 4102a of this title, any assistance provided under the mitigation assistance program under section 4104c of this title, and any funding provided under section 4030 of this title) with respect to a property shall not be considered income or a resource of the owner of the property when determining eligibility for or benefit levels under any income assistance or resource-tested program that is funded in whole or in part by an agency of the United States or by appropriated funds of the United States.


See References in Text note below.

REFERENCES IN TEXT

This chapter, referred to in text, was in the original a reference to “this title” meaning title XIII of Pub. L. 90–448, Aug. 1, 1968, 82 Stat. 572, known as the National Flood Insurance Act of 1968, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 4001 of this title and Tables. Section 4102a of this title, referred to in text, was repealed by Pub. L. 112–141, div. F, title II, §100225(c), July 6, 2012, 126 Stat. 941.


§4032. Treatment of swimming pool enclosures outside of hurricane season

(a) In general

Notwithstanding any other provision of law, including the adequate land use and control measures developed pursuant to section 4102 of this title and applicable to non-one- and twofamily structures located within coastal areas, as identified by the Administrator, the following may be permitted:

(1) Nonsupporting breakaway walls in the space below the lowest elevated floor of a building, if the space is used solely for a swimming pool between November 30 and June 1 of any year, in an area designated as Zone V on a flood insurance rate map.

(2) Openings in walls in the space below the lowest elevated floor of a building, if the space is used solely for a swimming pool between November 30 and June 1 of any year, in an area designated as Zone A on a flood insurance rate map.

(b) Rule of construction

Nothing in subsection (a) shall be construed to alter the terms and conditions of eligibility and insurability of coverage for a building under the standard flood insurance policy under the national flood insurance program.


§4033. Designation of Flood Insurance Advocate

(a) In general

The Administrator shall designate a Flood Insurance Advocate to advocate for the fair treatment of policy holders under the National Flood Insurance Program and property owners in the mapping of flood hazards, the identification of risks from flood, and the implementation of measures to minimize the risk of flood.

(b) Duties and responsibilities

The duties and responsibilities of the Flood Insurance Advocate designated under subsection (a) shall be to—

(1) educate property owners and policy holders under the National Flood Insurance Program on—

(A) individual flood risks;

(B) flood mitigation;

(C) measures to reduce flood insurance rates through effective mitigation;

(D) the flood insurance rate map review and amendment process; and
E) any changes in the flood insurance program as a result of any newly enacted laws (including this Act);

(2) assist policy holders under the National Flood Insurance Program and property owners to understand the procedural requirements related to appealing preliminary flood insurance rate maps and implementing measures to mitigate evolving flood risks;

(3) assist in the development of regional capacity to respond to individual constituent concerns about flood insurance rate map amendments and revisions;

(4) coordinate outreach and education with local officials and community leaders in areas impacted by proposed flood insurance rate map amendments and revisions; and

(5) aid potential policy holders under the National Flood Insurance Program in obtaining and verifying accurate and reliable flood insurance rate information when purchasing or renewing a flood insurance policy.


REFERENCES IN TEXT


CODIFICATION

Section was enacted as part of the Homeowner Flood Insurance Affordability Act of 2014, and not as part of the National Flood Insurance Act of 1968 which comprises this chapter.

DEFINITIONS

For definitions of terms used in this section, see section 4005 of this title.

SUBCHAPTER II—ORGANIZATION AND ADMINISTRATION OF FLOOD INSURANCE PROGRAM

§ 4041. Implementation of program

Following such consultation with representatives of the insurance industry as may be necessary, the Administrator shall implement the flood insurance program authorized under subchapter I in accordance with the provisions of part A of this subchapter and, if a determination is made by him under section 4071 of this title, under part B of this subchapter.


AMENDMENTS

2012—Pub. L. 112–141 substituted “Administrator” for “Director”.

1983—Pub. L. 98–181 substituted “Director” for “Secretary”.

EFFECTIVE DATE

Section effective 120 days following Aug. 1, 1968, or such later date prescribed by the Secretary but in no event more than 180 days following Aug. 1, 1968, see section 1377 of Pub. L. 90–448, set out as a note under section 4001 of this title.

TRANSFER OF FUNCTIONS

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

For transfer of functions, personnel, assets, and liabilities of the Federal Emergency Management Agency, including the functions of the Director of the Federal Emergency Management Agency relating thereto, to the Secretary of Homeland Security, and for treatment of related references, see former section 318(h) and sections 551(d), 552(d), and 557 of Title 6, Domestic Security, and the Department of Homeland Security Reorganization Plan of November 25, 2002, as modified, set out as a note under section 542 of Title 6.

PART A—INDUSTRY PROGRAM WITH FEDERAL FINANCIAL ASSISTANCE

§ 4051. Industry flood insurance pool; requirements for participation

(a) The Administrator is authorized to encourage and otherwise assist any insurance companies and other insurers which meet the requirements prescribed under subsection (b) to form, associate, or otherwise join together in a pool—

(1) in order to provide the flood insurance coverage authorized under subchapter I; and

(2) for the purpose of assuming, including as reinsurance of coverage provided by the flood insurance program, on such terms and conditions as may be agreed upon, such financial responsibility as will enable such companies and other insurers, with the Federal financial and other assistance available under this chapter, to assume a reasonable proportion of responsibility for the adjustment and payment of claims for losses under the flood insurance program.


REFERENCES IN TEXT

This chapter, referred to in subsecs. (a)(2) and (b), was in the original a reference to “this title” meaning title XIII of Pub. L. 90–448, Aug. 1, 1968, 82 Stat. 572, known as the National Flood Insurance Act of 1968, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 4001 of this title and Tables.

AMENDMENTS


Subsec. (a)(2). Pub. L. 112–141, §100238(d)(1), inserted “including as reinsurance of coverage provided by the flood insurance program” before “on such terms”: 
Subsec. (b), Pub. L. 112–141, §100238(b)(1), substituted “Administrator” for “Director”.

**Effective Date**

Section effective 120 days following Aug. 1, 1968, or such later date prescribed by the Secretary but in no event more than 180 days following Aug. 1, 1968, see section 1377 of Pub. L. 90–448, set out as a note under section 4001 of this title.

**Transfer of Functions**

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

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

§ 4052. Agreements with flood insurance pool

(a) Authorization

The Administrator is authorized to enter into such agreements with the pool formed or otherwise created under this part as he deems necessary to carry out the purposes of this chapter.

(b) Terms and conditions

Such agreements shall specify—

1. the terms and conditions under which risk capital will be available for the adjustment and payment of claims,

2. the terms and conditions under which the pool (and the companies and other insurers participating therein) shall participate in premiums received and profits or losses realized or sustained,

3. the maximum amount of profit, established by the Administrator and set forth in the schedules prescribed under section 4018 of this title, which may be realized by such pool (and the companies and other insurers participating therein),

4. the terms and conditions under which operating costs and allowances set forth in the schedules prescribed under section 4018 of this title may be paid,

5. the terms and conditions under which premium equalization payments under section 4054 of this title will be made and reinsurance claims under section 4055 of this title will be paid,

(c) Additional provisions

In addition, such agreements shall contain such provisions as the Administrator finds necessary to assure that—

1. no insurance company or other insurer which meets the requirements prescribed under section 4054(b) of this title, and which has indicated an intention to participate in the flood insurance program on a risk-sharing basis, will be excluded from participating in the pool,

2. the insurance companies and other insurers participating in the pool will take whatever action may be necessary to provide continuity of flood insurance coverage or reinsurance by the pool, and

3. any insurance companies and other insurers, insurance agents and brokers, and insurance adjustment organizations will be permitted to cooperate with the pool as fiscal agents or otherwise, on other than a risk-sharing basis, to the maximum extent practicable.


**References in Text**

This chapter, referred to in subsec. (a), was in the original a reference to “this title” meaning title XIII of Pub. L. 90–448, Aug. 1, 1968, 82 Stat. 572, known as the National Flood Insurance Act of 1968, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 4001 of this title and Tables.

**Amendments**

2012—Subses. (a), (b)(3), (c). Pub. L. 112–141, §100238(b)(1), substituted “Administrator” for “Director”.

Subsec. (c)(2). Pub. L. 112–141, §100232(d)(2), inserted “or reinsurance” after “flood insurance coverage”.

1983—Subses. (a), (b)(3), (c). Pub. L. 98–181 substituted “Director” for “Secretary”.

**Effective Date**

Section effective 120 days following Aug. 1, 1968, or such later date prescribed by the Secretary but in no event more than 180 days following Aug. 1, 1968, see section 1377 of Pub. L. 90–448, set out as a note under section 4001 of this title.

**Transfer of Functions**

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

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

§ 4053. Adjustment and payment of claims; judicial review; limitations; jurisdiction

The insurance companies and other insurers which form, associate, or otherwise join together in the pool under this part may adjust and pay all claims for proved and approved losses covered by flood insurance in accordance with the provisions of this chapter and, upon the disallowance by any such company or other insurer of any such claim, or upon the refusal of the claimant to accept the amount allowed upon any such claim, the claimant, within one year after the date of mailing of notice of disallow-
ance or partial disallowance of the claim, may institute an action on such claim against such company or other insurer in the United States district court for the district in which the insured property or the major part thereof shall have been situated, and original exclusive jurisdiction is hereby conferred upon such court to hear and determine such action without regard to the amount in controversy.


REFERENCES IN TEXT
This chapter, referred to in text, was in the original a reference to “this title” meaning title XIII of Pub. L. 90–448, Aug. 1, 1968, 82 Stat. 572, known as the National Flood Insurance Act of 1968, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 4001 of this title and Tables.

AMENDMENTS

§ 4054. Premium equalization payments; basis; aggregate amount; establishment of designated periods

(a) The Administrator, on such terms and conditions as he may from time to time prescribe, shall make periodic payments to the pool formed or otherwise created under section 4051 of this title, in recognition of such reductions in chargeable premium rates under section 4015 of this title below estimated premium rates under section 4014(a)(1) of this title as are required in order to make flood insurance available on reasonable terms and conditions.

(b) Designated periods under this section and the methods for determining the sum of premiums paid or payable during such periods shall be established by the Administrator.


AMENDMENTS
2012—Pub. L. 112–141 substituted “Administrator” for “Director” in subsecs. (a) and (b).

1983—Pub. L. 98–181 substituted “Director” for “Secretary” in subsecs. (a) and (b).

1973—Subsec. (b). (c), (d), Pub. L. 93–234 redesignated subsec. (c) as (b) and struck out former subsec. (b) prescribing formula for sharing losses between Government and industry and permit necessary flexibility in loss sharing to take into account longer-term loss experience trends and to compensate for lack of precision in actuarial computations.

AMENDMENTS
2012—Pub. L. 112–141 substituted “Administrator” for “Director” in subsecs. (a) and (b).

1983—Pub. L. 98–181 substituted “Director” for “Secretary” in subsecs. (a) and (b).

1973—Subsec. (b). (c), (d), Pub. L. 93–234 redesignated subsec. (c) as (b) and struck out former subsec. (b) prescribing formula for sharing losses between Government and industry and permit necessary flexibility in loss sharing to take into account longer-term loss experience trends and to compensate for lack of precision in actuarial computations.

AMENDMENTS
2012—Pub. L. 112–141 substituted “Administrator” for “Director” in subsecs. (a) and (b).

1983—Pub. L. 98–181 substituted “Director” for “Secretary” in subsecs. (a) and (b).

1973—Subsec. (b). (c), (d), Pub. L. 93–234 redesignated subsec. (c) as (b) and struck out former subsec. (b) prescribing formula for sharing losses between Government and industry and permit necessary flexibility in loss sharing to take into account longer-term loss experience trends and to compensate for lack of precision in actuarial computations.

Effective Date
Section effective 120 days following Aug. 1, 1968, or such later date prescribed by the Secretary but in no event more than 180 days following Aug. 1, 1968, see section 1377 of Pub. L. 90–448, set out as a note under section 4001 of this title.

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

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

§ 4055. Reinsurance coverage

(a) Availability for excess losses

(1) In general

The Administrator is authorized to take such action as may be necessary in order to make available, to the pool formed or otherwise created under section 4051 of this title, reinsurance for losses (due to claims for proved and approved losses covered by flood insurance) which are in excess of losses assumed by such pool in accordance with the excess loss agreement entered into under subsection (c).

(2) Private reinsurance

The Administrator is authorized to secure reinsurance of coverage provided by the flood insurance program from the private market at rates and on terms determined by the Administrator to be reasonable and appropriate, in an amount sufficient to maintain the ability of the program to pay claims.

(b) Availability pursuant to contract, agreement, or other arrangement; payment of premium, fee, or other charge

Such reinsurance shall be made available pursuant to contract, agreement, or any other arrangement, in consideration of such payment of a premium, fee, or other charge as the Administrator finds necessary to cover anticipated losses and other costs of providing such reinsurance.

(c) Excess loss agreement; negotiation

The Administrator is authorized to negotiate an excess loss agreement, from time to time, under which the amount of flood insurance retained by the pool, after ceding reinsurance, shall be adequate to further the purposes of this chapter, consistent with the objective of maintaining appropriate financial participation and risk sharing to the maximum extent practicable on the part of participating insurance companies and other insurers.

(d) Submission of excess losses on portfolio basis

All reinsurance claims for losses in excess of losses assumed by the pool shall be submitted on a portfolio basis by such pool in accordance with terms and conditions established by the Administrator.
§ 4056. Emergency implementation of flood insurance program; applicability of other provisions of law

(a) Notwithstanding any other provisions of this chapter, for the purpose of providing flood insurance coverage at the earliest possible time, the Administrator shall carry out the flood insurance program authorized under subchapter I during the period ending on the date specified in section 4026 of this title, in accordance with the provisions of this part and the other provisions of this chapter insofar as they relate to this part subject to the modifications made by or under subsection (b).

(b) In carrying out the flood insurance program pursuant to subsection (a), the Administrator—

(1) shall provide insurance coverage without regard to any estimated risk premium rates which would otherwise be determined under section 4014 of this title; and

(2) shall utilize the provisions and procedures contained in or prescribed by this part (other than section 4054 of this title) and sections 4081 and 4082 of this title to such extent and in such manner as he may consider necessary or appropriate to carry out the purpose of this section.

REFERENCES IN TEXT

This chapter, referred to in subsec. (a), was in the original a reference to “this title” meaning title XIII of Pub. L. 90–448. Aug. 1, 1968, 82 Stat. 572, known as the National Flood Insurance Act of 1968, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 4001 of this title and Tables.

AMENDMENTS


$ 4056. Emergency implementation of flood insurance program; applicability of other provisions of law

(a) Notwithstanding any other provisions of this chapter, for the purpose of providing flood insurance coverage at the earliest possible time, the Administrator shall carry out the flood insurance program authorized under subchapter I during the period ending on the date specified in section 4026 of this title, in accordance with the provisions of this part and the other provisions of this chapter insofar as they relate to this part subject to the modifications made by or under subsection (b).

(b) In carrying out the flood insurance program pursuant to subsection (a), the Administrator—

(1) shall provide insurance coverage without regard to any estimated risk premium rates which would otherwise be determined under section 4014 of this title; and

(2) shall utilize the provisions and procedures contained in or prescribed by this part (other than section 4054 of this title) and sections 4081 and 4082 of this title to such extent and in such manner as he may consider necessary or appropriate to carry out the purpose of this section.

REFERENCES IN TEXT

This chapter, referred to in subsec. (a), was in the original a reference to “this title” meaning title XIII of Pub. L. 90–448, Aug. 1, 1968, 82 Stat. 572, known as the National Flood Insurance Act of 1968, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 4001 of this title and Tables.

AMENDMENTS

2012—Pub. L. 112–141 substituted “Administrator” for “Director” in subsec. (a) and (b).


Page 5525

T I T L E 42—T H E P U B L I C H E A L T H A N D W E L F A R E

§ 4056

**EFFECTIVE DATE OF 2003 AMENDMENTS**


**EFFECTIVE DATE OF 1981 AMENDMENT**


**TRANSFER OF FUNCTIONS**

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

For transfer of functions, personnel, assets, and liabilities of the Federal Emergency Management Agency, including the functions of the Director of the Federal Emergency Management Agency relating thereto, to the Secretary of Homeland Security, and for treatment of related references, see former section 313(1) and sections 551(d), 552(d), and 557 of Title 6, Domestic Security, and the Department of Homeland Security Reorganization Plan of November 25, 2002, as modified, set out as a note under section 242 of Title 6.

**CONTINUING APPROPRIATIONS FOR FISCAL YEAR 1998**


§ 4057. Alternative loss allocation system for indeterminate claims

**(a) Definitions**

In this section:

(1) Administrator

The term “Administrator” means the Administrator of the Federal Emergency Management Agency.

(2) COASTAL Formula

The term “COASTAL Formula” means the formula established under subsection (b).

(3) Coastal State

The term “coastal State” has the meaning given the term “coastal state” in section 1453 of title 16.

(4) Indeterminate loss

**(A) In general**

The term “indeterminate loss” means, as determined by an insurance claims adjuster certified under the national flood insurance program and in consultation with an engineer as appropriate, a loss resulting from physical damage to, or loss of, property located in any coastal State arising from the combined perils of flood and wind associated with a named storm.

**(B) Requirements**

An insurance claims adjuster certified under the national flood insurance program shall only determine that a loss is an inde-
terminate loss if the claims adjuster determines that—
   (i) no material remnant of physical buildings or man-made structures remain except building foundations for the specific property for which the claim is made; and
   (ii) there is insufficient or no tangible evidence created, yielded, or otherwise left behind of the specific property for which the claim is made as a result of the named storm.

(5) Named storm

The term “named storm” means any organized weather system with a defined surface circulation and maximum winds of not less than 39 miles per hour which the National Hurricane Center of the United States National Weather Service names as a tropical storm or a hurricane.

(6) Post-storm assessment

The term “post-storm assessment” means the post-storm assessment developed under section 3611(b) of title 33.

(7) State

The term “State” means a State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, and any other territory or possession of the United States.

(8) Secretary

The term “Secretary” means the Secretary of Homeland Security.

(9) Standard insurance policy

The term “standard insurance policy” means any insurance policy issued under the national flood insurance program that covers loss or damage to property resulting from water peril.

(10) Property

The term “property” means real or personal property that is insured under a standard insurance policy for loss or damage to structure or contents.

(11) Under Secretary

The term “Under Secretary” means the Under Secretary of Commerce for Oceans and Atmosphere, in the Under Secretary’s capacity as Administrator of the National Oceanic and Atmospheric Administration.

(b) Establishment of flood loss allocation formula for indeterminate claims

(1) In general

Not later than 180 days after the date on which the protocol is established under section 3611(c)(1) of title 33, the Secretary, acting through the Administrator and in consultation with the Under Secretary, shall establish by rule a standard formula to determine and allocate wind losses and flood losses for claims involving indeterminate losses.

(2) Contents

The standard formula established under paragraph (1) shall—
   (A) incorporate data available from the Coastal Wind and Water Event Database established under section 3611(f) of title 33;
   (B) use relevant data provided on the National Flood Insurance Program Elevation Certificate for each indeterminate loss for which the formula is used;
   (C) consider any sufficient and credible evidence, approved by the Administrator of the pre-event condition of a specific property, including the findings of any policyholder or insurance claims adjuster in connection with the indeterminate loss to that specific property;
   (D) include other measures, as the Administrator considers appropriate, required to determine and allocate by mathematical formula the property damage caused by flood or storm surge associated with a named storm; and
   (E) subject to paragraph (3), for each indeterminate loss, use the post-storm assessment to allocate water damage (flood or storm surge) associated with a named storm.

(3) Degree of accuracy required

The standard formula established under paragraph (1) shall specify that the Administrator may only use the post-storm assessment for purposes of the formula if the Under Secretary certifies that the post-storm assessment has a degree of accuracy of not less than 90 percent in connection with the specific indeterminate loss for which the assessment and formula are used.

(c) Authorized use of post-storm assessment and COASTAL Formula

(1) In general

Subject to paragraph (3), the Administrator may use the post-storm assessment and the COASTAL Formula to—
   (A) review flood loss payments for indeterminate losses, including as part of the quality assurance reinspection program of the Federal Emergency Management Agency for claims under the national flood insurance program and any other process approved by the Administrator to review and validate payments under the national flood insurance program for indeterminate losses following a named storm; and
   (B) assist the national flood insurance program to—
      (i) properly cover qualified flood loss for claims for indeterminate losses; and
      (ii) avoid paying for any loss or damage to property caused by any peril (including wind), other than flood or storm surge, that is not covered under a standard policy under the national flood insurance program.

(2) Federal disaster declaration

Subject to paragraph (3), in order to expedite claims and reduce costs to the national flood insurance program, following any major disaster declared by the President under section 5170 of this title relating to a named storm in a coastal State, the Administrator may use the COASTAL Formula to determine and pay for any flood loss covered under a standard insurance policy under the national flood insurance program, if the loss is an indeterminate loss.
§ 4057

(3) National Academy of Sciences evaluation

(A) Evaluation required

(i) Evaluation

Upon the issuance of the rule establishing the COASTAL Formula, and each time the Administrator modifies the COASTAL Formula, the National Academy of Sciences shall:

(I) evaluate the expected financial impact on the national flood insurance program of the use of the COASTAL Formula as so established or modified; and

(II) evaluate the validity of the scientific assumptions upon which the formula is based and determine whether the COASTAL formula can achieve a degree of accuracy of not less than 90 percent in allocating flood losses for indeterminate losses.

(ii) Report

The National Academy of Sciences shall submit a report containing the results of each evaluation under clause (i) to the Administrator, the Committee on Banking, Housing, and Urban Affairs and the Committee on Commerce, Science, and Transportation of the Senate, and the Committee on Financial Services and the Committee on Science, Space, and Technology of the House of Representatives.

(B) Effective date and applicability

(i) Effective date

Paragraphs (1) and (2) of this subsection shall not take effect unless the report under subparagraph (A) relating to the establishment of the COASTAL Formula concludes that the use of the COASTAL Formula for purposes of paragraph (1) and (2) would not have an adverse financial impact on the national flood insurance program and that the COASTAL Formula is based on valid scientific assumptions that would allow a degree of accuracy of not less than 90 percent to be achieved in allocating flood losses for indeterminate losses.

(ii) Effect of modifications

Unless the report under subparagraph (A) relating to a modification of the COASTAL Formula concludes that the use of the COASTAL Formula, as so modified, for purposes of paragraphs (1) and (2) would not have an adverse financial impact on the national flood insurance program and that the COASTAL Formula is based on valid scientific assumptions that would allow a degree of accuracy of not less than 90 percent to be achieved in allocating flood losses for indeterminate losses the Administrator may not use the COASTAL Formula for purposes of paragraphs (1) and (2).

(C) Funding

Notwithstanding section 4017 of this title, there shall be available to the Administrator from the National Flood Insurance Fund, of amounts not otherwise obligated, not more than $750,000 to carry out this paragraph.

(d) Disclosure of COASTAL Formula

Not later than 30 days after the date on which a post-storm assessment is submitted to the Secretary under section 361(c)(2)(C) of title 33, for each indeterminate loss for which the COASTAL Formula is used pursuant to subsection (c)(2), the Administrator shall disclose to the policyholder that makes a claim relating to the indeterminate loss—

(1) that the Administrator used the COASTAL Formula with respect to the indeterminate loss; and

(2) a summary of the results of the use of the COASTAL Formula.

(e) Consultation

In carrying out subsections (b) and (c), the Secretary shall consult with—

(1) the Under Secretary for Oceans and Atmosphere;

(2) the Director of the National Institute of Standards and Technology;

(3) the Chief of Engineers of the Corps of Engineers;

(4) the Director of the United States Geological Survey;

(5) the Office of the Federal Coordinator for Meteorology;

(6) State insurance regulators of coastal States; and

(7) such public, private, and academic sector entities as the Secretary considers appropriate for purposes of carrying out such subsections.

(f) Recordkeeping

Each consideration and measure the Administrator determines necessary to carry out subsections (b) and (c) may be required, with advanced approval of the Administrator, to be provided for on the National Flood Insurance Program Elevation Certificate, or maintained otherwise on record if approved by the Administrator, for any property that qualifies for the COASTAL Formula.

(g) Civil penalty

(1) In general

If an insurance claims adjuster knowingly and willfully makes a false or inaccurate determination relating to an indeterminate loss, the Administrator may, after notice and opportunity for hearing, impose on the insurance claims adjuster a civil penalty of not more than $1,000.

(2) Deposit

Notwithstanding section 3302 of title 31 or any other law relating to the crediting of money, the Administrator shall deposit in the National Flood Insurance Fund any amounts received under this subsection, which shall remain available until expended and be available to the Administrator for purposes authorized for the National Flood Insurance Fund without further appropriation.

(h) Rule of construction

Nothing in this subsection shall be construed to require the Administrator to make any pay-
ment under the national flood insurance program, or an insurance company to make any payment, for an indeterminate loss based upon post-storm assessment or the COASTAL Formula.

(i) Applicability

Subsection (c) shall apply with respect to an indeterminate loss associated with a named storm that occurs after the date on which the Administrator issues the rule establishing the COASTAL Formula under subsection (b).

(j) Rule of Construction

Nothing in this subsection shall be construed to negate, set aside, or void any policy limit, including any loss limitation, set forth in a standard insurance policy.


PART B—GOVERNMENT PROGRAM WITH INDUSTRY ASSISTANCE

§ 4071. Federal operation of program; determination by Administrator; fiscal agents; report to Congress

(a) If at any time, after consultation with representatives of the insurance industry, the Administrator determines that operation of the flood insurance program as provided under part A cannot be carried out, or that such operation, in itself, would be assisted materially by the Federal Government's assumption, in whole or in part, of the operational responsibility for flood insurance under this chapter (on a temporary or other basis) he shall promptly undertake any necessary arrangements to carry out the program of flood insurance authorized under subchapter I through the facilities of the Federal Government, utilizing, for purposes of providing flood insurance coverage, either—

(1) insurance companies and other insurers, insurance agents and brokers, and insurance adjustment organizations, as fiscal agents of the United States,

(2) such other officers and employees of any executive agency (as defined in section 105 of title 5) as the Administrator and the head of any such agency may from time to time, agree upon, on a reimbursement or other basis, or

(3) both the alternatives specified in paragraphs (1) and (2),

(b) Upon making the determination referred to in subsection (a), the Administrator shall make a report to the Congress and, at the same time, to the private insurance companies participating in the National Flood Insurance Program pursuant to section 4017 of this title. Such report shall—

(1) state the reason for such determinations,

(2) be supported by pertinent findings,

(3) indicate the extent to which it is anticipated that the insurance industry will be utilized in providing flood insurance coverage under the program, and

(4) contain such recommendations as the Administrator deems advisable.

The Administrator shall not implement the program of flood insurance authorized under subchapter I through the facilities of the Federal Government until 9 months after the date of submission of the report under this subsection unless it would be impossible to continue to effectively carry out the National Flood Insurance Program operations during this time.


REFERENCES IN TEXT

This chapter, referred to in subsec. (a), was in the original a reference to “this title” meaning title XIII of Pub. L. 90–448, Aug. 1, 1968, 82 Stat. 572, known as the National Flood Insurance Act of 1968, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 4001 of this title and Tables.

AMENDMENTS

2012—Pub. L. 112–141 substituted “Administrator” for “Director” wherever appearing in text.

1989—Subsec. (b). Pub. L. 101–137 amended subsec. (b) generally. Prior to amendment, subsec. (b) read as follows: “Upon making the determination referred to in subsection (a) of this section, and at least thirty days prior to implementing the program of flood insurance authorized under subchapter I of this chapter through the facilities of the Federal Government, the Director shall make a report to the Congress and such report shall—

“(1) state the reasons for such determination,

“(2) be supported by pertinent findings,

“(3) indicate the extent to which it is anticipated that the insurance industry will be utilized in providing flood insurance coverage under the program, and

“(4) contain such recommendations as the Director deems advisable.”


EFFECTIVE DATE

Section effective 120 days following Aug. 1, 1968, or such later date prescribed by the Secretary but in no event more than 180 days following Aug. 1, 1968, see section 1377 of Pub. L. 90–448, set out as a note under section 4001 of this title.

TRANSFER OF FUNCTIONS

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

For transfer of functions, personnel, assets, and liabilities of the Federal Emergency Management Agency, including the functions of the Director of the Federal Emergency Management Agency relating thereto, to the Secretary of Homeland Security, and for treatment of related references, see former section 315(b)(2) and sections 521(d), 522(d), and 527 of Title 6, Domestic Security, and the Department of Homeland Security Reorganization Plan of November 25, 2002, as modified, set out as a note under section 542 of Title 6.
§ 4072. Adjustment and payment of claims; judicial review; limitations; jurisdiction

In the event the program is carried out as provided in section 4071 of this title, the Administrator shall be authorized to adjust and make payment of any claims for proved and approved losses covered by flood insurance, and upon the disallowance by the Administrator of any such claim, or upon the refusal of the claimant to accept the amount allowed upon any such claim, the claimant, within one year after the date of mailing of notice of disallowance or partial disallowance by the Administrator, may institute an action against the Administrator on such claim in the United States district court for the district in which the insured property or the major part thereof shall have been situated, and original exclusive jurisdiction is hereby conferred upon such court to hear and determine such action without regard to the amount in the controversy.


AMENDMENTS


Effective Date

Section effective 120 days following Aug. 1, 1968, or such later date prescribed by the Secretary but in no event more than 180 days following Aug. 1, 1968, see section 1377 of Pub. L. 90–448, set out as a note under section 4001 of this title.

TRANSFER OF FUNCTIONS

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

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

PART C—GENERAL PROVISIONS

§ 4081. Services by insurance industry

(a) Contracting for services and facilities

In administering the flood insurance program under this subchapter, the Administrator is authorized to enter into any contracts, agreements, or other appropriate arrangements which may, from time to time, be necessary for the purpose of utilizing, on such terms and conditions as may be agreed upon, the facilities and services of any insurance companies or other insurers, insurance agents and brokers, or insurance adjustment organizations; and such contracts, agreements, or arrangements may include provision for payment of applicable operating costs and allowances for such facilities and services as set forth in the schedules prescribed under section 4018 of this title.

(b) Certain laws inapplicable to contracting

Any such contracts, agreements, or other arrangements may be entered into without regard to the provisions of section 6101 of title 41 or any other provision of law requiring competitive bidding and without regard to the provisions of the Federal Advisory Committee Act (5 U.S.C. App.).

(c) Hold harmless

The Administrator of the Federal Emergency Management Agency shall hold any agent or broker selling or undertaking to sell flood insurance under this chapter harmless from any judgment for damages against such agent or broker as a result of any court action by a policyholder or applicant arising out of an error or omission on the part of the Federal Emergency Management Agency, and shall provide any such agent or broker with indemnification, including court costs and reasonable attorney fees, arising out of and caused by an error or omission on the part of the Federal Emergency Management Agency and its contractors. The Administrator of the Federal Emergency Management Agency may not hold harmless or indemnify an agent or broker for his or her error or omission.

(d) FEMA authority on transfer of policies

Notwithstanding any other provision of this chapter, the Administrator may, at the discretion of the Administrator, refuse to accept the transfer of the administration of policies for coverage under the flood insurance program under this chapter that are written and administered by any insurance company or other insurer, or any insurance agent or broker.

(e) Risk transfer

The Administrator may secure reinsurance of coverage provided by the flood insurance program from the private reinsurance and capital markets at rates and on terms determined by the Administrator to be reasonable and appropriate, in an amount sufficient to maintain the ability of the program to pay claims.


REFERENCES IN TEXT

The Federal Advisory Committee Act, referred to in subsec. (b), is Pub. L. 92–463, Oct. 6, 1972, 86 Stat. 770, as amended, which is set out in the Appendix to Title 5, Government Organization and Employees.

This chapter, referred to in subsecs. (c) and (d), was in the original a reference to “this title” meaning title XIII of Pub. L. 90–448, Aug. 1, 1968, 82 Stat. 572, known as the National Flood Insurance Act of 1968, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 4001 of this title and Tables.
CODIFICATION

AMENDMENTS
2013—Subsecs. (a), (c). Pub. L. 112–141, §1002(b)(1), substituted ‘‘Administrator’’ for ‘‘Director’’ wherever appearing.
1983—Subsec. (a). Pub. L. 98–181 substituted ‘‘Director’’ for ‘‘Secretary’’.

EFFECTIVE DATE OF 1981 AMENDMENT

EFFECTIVE DATE
Section effective 120 days following Aug. 1, 1968, or such later date prescribed by the Secretary but in no event more than 180 days following Aug. 1, 1968, see section 377 of Pub. L. 90–448, set out as a note under section 4001 of this title.

TRANSFER OF FUNCTIONS
For transfer of all functions, personnel, assets, components, authorities, grant programs, and liabilities of the Federal Emergency Management Agency, including the functions of the Under Secretary for Federal Emergency Management relating thereto, to the Federal Emergency Management Agency, see section 315(a)(1) of Title 6, Domestic Security.
For transfer of functions, personnel, assets, and liabilities of the Federal Emergency Management Agency, including the functions of the Director of the Federal Emergency Management Agency relating thereto, to the Secretary of Homeland Security, and for treatment of related references, see former section 318(1) and sections 551(d), 552(d), and 557 of Title 6, Domestic Security, and the Department of Homeland Security Reorganization Plan of November 25, 2002, as modified, set out as a note under section 542 of Title 6.

OVERSIGHT AND EXPENSE REIMBURSEMENTS OF INSURANCE COMPANIES

‘‘(a) SUBMISSION OF BIENNIAL REPORTS.—
‘‘(1) TO THE ADMINISTRATOR.—Not later than 20 days after the date of enactment of this Act (July 6, 2012), each property and casualty insurance company participating in the Write Your Own program shall submit to the Administrator any biennial report required by the Federal Emergency Management Agency to be prepared in the prior 3 years by such company.
‘‘(2) TO GAO.—Not later than 10 days after the submission of the biennial reports under paragraph (1), the Administrator shall submit all such reports to the Comptroller General of the United States.
‘‘(3) NOTICE TO CONGRESS OF FAILURE TO COMPLY.—The Administrator shall notify and report to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives on any property and casualty insurance company participating in the Write Your Own program that failed to submit its biennial reports as required under paragraph (1).
‘‘(4) FAILURE TO COMPLY.—A property and casualty insurance company participating in the Write Your Own program which fails to comply with the reporting requirement under this subsection or the requirement under section 62.23(j)(1) of title 41, Code of Federal Regulations (relating to biennial audit of the flood insurance financial statements) shall be subject to a civil penalty in an amount of not more than $1,000 per day for each day that the company remains in noncompliance with either such requirement.

‘‘(b) METHODOLOGY TO DETERMINE REIMBURSED EXPENSES.—Not later than 180 days after the date of enactment of this Act (July 6, 2012), the Administrator shall develop a methodology for determining the appropriate amounts that property and casualty insurance companies participating in the Write Your Own program should be reimbursed for selling, writing, and servicing flood insurance policies and adjusting flood insurance claims on behalf of the National Flood Insurance Program. The methodology shall be developed using actual expense data for the flood insurance line and can be derived from—

‘‘(1) flood insurance expense data produced by the property and casualty insurance companies;
‘‘(2) flood insurance expense data collected by the National Association of Insurance Commissioners; or
‘‘(3) a combination of the methodologies described in paragraphs (1) and (2).

‘‘(c) SUBMISSION OF EXPENSE REPORTS.—To develop the methodology established under subsection (b), the Administrator may require each property and casualty insurance company participating in the Write Your Own program to submit a report to the Administrator, in a format determined by the Administrator and within 60 days of the request, that details the expense levels of each such company for selling, writing, and servicing standard flood insurance policies and adjusting and servicing claims.

‘‘(d) FEMA RULEMAKING ON REIMBURSEMENT OF EXPENSES UNDER THE WRITE YOUR OWN PROGRAM.—Not later than 12 months after the date of enactment of this Act (July 6, 2012), the Administrator shall issue a rule to formulate revised expense reimbursements to property and casualty insurance companies participating in the Write Your Own program for their expenses (including their operating and administrative expenses for adjustment of claims) in selling, writing, and servicing standard flood insurance policies, including how such companies shall be reimbursed in both catastrophic and noncatastrophic years. Such reimbursements shall be structured to ensure reimbursements track the actual expenses, including standard business costs and operating expenses, of such companies as closely as practicably possible.

‘‘(e) REPORT OF THE ADMINISTRATOR.—Not later than 60 days after the effective date of the final rule issued pursuant to subsection (d), the Administrator shall submit to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives a report containing—

‘‘(1) the specific rationale and purposes of such rule;
‘‘(2) the reasons for the adoption of the policies contained in such rule; and
‘‘(3) the degree to which such rule accurately represents the true operating costs and expenses of property and casualty insurance companies participating in the Write Your Own program.

‘‘(f) GAO STUDY AND REPORT ON EXPENSES OF WRITE YOUR OWN PROGRAM.—
‘‘(1) STUDY.—Not later than 180 days after the effective date of the final rule issued pursuant to subsection (d), the Comptroller General of the United States shall—

‘‘(A) conduct a study on the efficacy, adequacy, and sufficiency of the final rules issued pursuant to subsection (d); and
‘‘(B) report to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives on the findings of the study conducted under subparagraph (A).
§ 4082. Use of insurance pool, companies, or other private organizations for certain payments

(a) Authorization to enter into contracts for certain responsibilities

In order to provide for maximum efficiency in the administration of the flood insurance program and in order to facilitate the expeditious payment of any Federal funds under such program, the Administrator may enter into contracts with pool formed or otherwise created under section 4051 of this title, or any insurance company or other private organizations, for the purpose of securing reinsurance of insurance coverage provided by the program or for the purpose of paying any Federal funds under such program and in order to facilitate the expeditious payment of any Federal funds pursuant to the contract, or otherwise participating in carrying out the contract, to give surety bond to the United States in such amount as the Administrator may deem appropriate.

(b) Terms and conditions of contract

Any contract entered into under subsection (a) may be entered into without regard to section 6101 of title 41 or any other provision of law requiring competitive bidding.

(d) Findings of Administrator

No contract may be entered into under this section unless the Administrator finds that the pool, company, or organization will perform its obligations under the contract efficiently and effectively, and will meet such requirements as to financial responsibility, legal authority, and other matters as he finds pertinent.

(e) Bond; liability of certifying officers and disbursing officers

(1) Any such contract may require the pool, company, or organization or any of its officers or employees certifying payments or disbursing funds pursuant to the contract, or otherwise participating in carrying out the contract, to give surety bond to the United States in such amount as the Administrator may deem appropriate.

(2) No individual designated pursuant to a contract under this section to certify payments shall, in the absence of gross negligence or intent to defraud the United States, be liable with respect to any payment certified by him under this section.

(f) Term of contract; renewals; termination

Any contract entered into under this section shall be for a term of one year, and may be made automatically renewable from term to term in the absence of notice by either party of an intention to terminate at the end of the current term; except that the Administrator may terminate any such contract at any time (after reasonable notice to the pool, company, or organization involved) if he finds that the pool, company, or organization has failed substantially to carry out the contract, or is carrying out the contract in a manner inconsistent with the efficient and effective administration of the flood insurance program authorized under this chapter.

References in Text


Codification


Pub. L. 112–141, §100232(d)(4)(A), inserted “securing reinsurance of insurance coverage provided by the program or for the purpose of” after “for the purpose of” in introductory provisions.


Subsec. (a)(2), Pub. L. 112–141, §100238(b)(1), substituted “Administrator” for “Director”.

Pub. L. 112–141, §100232(d)(4)(C), substituted “Receiving” for “receiving” and period for semicolon at end.

Subsec. (a)(3), Pub. L. 112–141, §100232(d)(4)(D)(i), substituted “Making” for “making”.


Subsec. (b)(5), Pub. L. 112–141, §100232(d)(4)(E), redesignated par. (4) as (5) and substituted “Otherwise” for “otherwise”.

Subsecs. (b), (d), (e)(1), (f). Pub. L. 112–141, §100238(b)(1), substituted “Administrator” for “Director” wherever appearing.

1963—Subsecs. (a), (b), (d), (e)(1), (f). Pub. L. 98–181 substituted “Director” for “Secretary” wherever appearing.

Effective Date

Section effective 120 days following Aug. 1, 1968, or such later date prescribed by the Secretary in no event more than 180 days following Aug. 1, 1968, see section 1377 of Pub. L. 90–448, set out as a note under section 4001 of this title.

Transfer of Functions

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

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

§ 4084. Records and audits

(a) The flood insurance pool formed or otherwise created under part A of this subchapter, and any insurance company or other private organization executing any contract, agreement, or other appropriate arrangement with the Administrator under part B of this subchapter or this part, shall keep such records as the Administrator shall prescribe, including records which fully disclose the total costs of the program undertaken or the services being rendered, and other records as will facilitate an effective audit.

(b) The Administrator and the Comptroller General of the United States, or any of their duly authorized representatives, shall have access for the purpose of audit and examination to any books, documents, papers, and records of the pool and any such insurance company or other private organization that are pertinent to the costs of the program undertaken or the services being rendered.


AMENDMENTS


Effective Date

Section effective 120 days following Aug. 1, 1968, or such later date prescribed by the Secretary in no event more than 180 days following Aug. 1, 1968, see section 1377 of Pub. L. 90–448, set out as a note under section 4001 of this title.

Transfer of Functions

For transfer of all functions, personnel, assets, components, authorities, grant programs, and liabilities of

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

SUBCHAPTER III—COORDINATION OF FLOOD INSURANCE WITH LAND-MANAGEMENT PROGRAMS IN FLOOD-PRONE AREAS

§ 4101. Identification of flood-prone areas

(a) Publication of information; establishment of flood-risk zones; estimates of flood-caused loss

The Administrator is authorized to consult with, receive information from, and enter into any agreements or other arrangements with the Secretaries of the Army, the Interior, Agriculture, and Commerce, the Tennessee Valley Authority, and the heads of other Federal departments or agencies, on a reimbursement basis, or with the head of any State or local agency, or enter into contracts with any persons or private firms, in order that he may—

(1) identify and publish information with respect to all flood plain areas, including coastal areas located in the United States, which has special flood hazards, within five years following August 1, 1968, and

(2) establish or update flood-risk zone data in all such areas, and make estimates with respect to the rates of probable flood caused loss for the various flood risk zones for each of these areas until the date specified in section 4026 of this title.

(b) Accelerated identification of flood-risk zones; authority of Administrator: grants, technical assistance, transactions, and payments

The Administrator is directed to accelerate the identification of risk zones within flood-prone and mudslide-prone areas, as provided by subsection (a)(2) of this section, in order to make known the degree of hazard within each such zone at the earliest possible date. To accomplish this objective, the Administrator is authorized, without regard to subsections (a) and (b) of section 3224 of title 31 and section 3001 of title 41, to make grants, provide technical assistance, and enter into contracts, cooperative agreements, or other transactions, on such terms as he may deem appropriate, or consent to modifications thereof, and to make advance or progress payments in connection therewith.

(c) Priority in allocation of manpower and other available resources for identification and mapping of flood hazard areas and flood-risk zones

The Secretary of Defense (through the Army Corps of Engineers), the Secretary of the Interior (through the United States Geological Survey), the Secretary of Agriculture (through the Soil Conservation Service), the Secretary of Commerce (through the National Oceanic and Atmospheric Administration), the head of the Tennessee Valley Authority, and the heads of all other Federal agencies engaged in the identification or delineation of flood-risk zones within the several States shall, in consultation with the Administrator, give the highest practicable priority in the allocation of available manpower and other available resources to the identification and mapping of flood hazard areas and flood-risk zones, in order to assist the Administrator to meet the deadline established by this section.

(d) Plan for bringing communities with flood-risk zones into full program status

The Administrator shall, not later than September 30, 1984, submit to the Congress a plan for bringing all communities containing flood-risk zones into full program status by September 30, 1987.

(e) Review of flood maps

Once during each 5-year period (the 1st such period beginning on September 23, 1994) or more often as the Administrator determines necessary, the Administrator shall assess the need to revise and update all floodplain areas and flood risk zones identified, delineated, or established under this section, based on an analysis of all natural hazards affecting flood risks.

(f) Updating flood maps

The Administrator shall revise and update any floodplain areas and flood-risk zones—

(1) upon the determination of the Administrator, according to the assessment under subsection (e), that revision and updating are necessary for the areas and zones; or

(2) upon the request from any State or local government stating that specific floodplain areas or flood-risk zones in the State or locality need revision or updating, if sufficient technical data justifying the request is submitted and the unit of government making the request agrees to provide funds in an amount determined by the Administrator.

(g) Availability of flood maps

To promote compliance with the requirements of this chapter, the Administrator shall make flood insurance rate maps and related information available free of charge to the Federal entities for lending regulation, Federal agency lenders, State agencies directly responsible for coordinating the national flood insurance program, and appropriate representatives of communities participating in the national flood insurance program, and at a reasonable cost to all other persons. Any receipts resulting from this subsection shall be deposited in the National Flood Insurance Fund, pursuant to section 4017(b)(6) of this title.

(h) Notification of flood map changes

The Administrator shall cause notice to be published in the Federal Register (or shall provide notice by another comparable method) of any change to flood insurance map panels and any change to flood insurance map panels issued in the form of a letter of map amendment or a
letter of map revision. Such notice shall be published or otherwise provided not later than 30 days after the map change or revision becomes effective. Notice by any method other than publication in the Federal Register shall include all pertinent information, provide for regular and frequent distribution, and be at least as accessible to map users as notice in the Federal Register. All notices under this subsection shall include information on how to obtain copies of the changes or revisions.

(i) Compendia of flood map changes

Every 6 months, the Administrator shall publish separately in their entirety within a compendium, all changes and revisions to flood insurance map panels and all letters of map amendment and letters of map revision for which notice was published in the Federal Register or otherwise provided during the preceding 6 months. The Administrator shall make such compendium available, free of charge, to Federal entities for lending regulation, Federal agency lenders, and States and communities participating in the national flood insurance program pursuant to section 4017 of this title and at cost to all other parties. Any receipts resulting from this subsection shall be deposited in the National Flood Insurance Fund, pursuant to section 4017(b)(6) of this title.

(j) Provision of information

In the implementation of revisions to and updates of flood insurance rate maps, the Administrator shall share information, to the extent appropriate, with the Under Secretary of Commerce for Oceans and Atmosphere and representatives from State coastal zone management programs.

Codification


Amendments


Subsec. (f)(2). Pub. L. 112–141, §100219, struck out "", but which may not exceed 50 percent of the cost of carrying out the requested revision or update" before period at end.


1989—Subsec. (a)(2). Pub. L. 101–137 added par. (2) and struck out former par. (2) which read as follows: "establish flood-risk zones in all such areas, and make estimates with respect to the rates of probable flood-caused loss for the various flood-risk zones for each of these areas, by September 30, 1989."


Pub. L. 100–179 substituted "December 2, 1987" for "November 15, 1987".


1984—Subsec. (b). Pub. L. 98–479 substituted reference to subsections (a) and (b) of section 3324 of title 31 for reference to section 3648 of the Revised Statutes, as amended (31 U.S.C. 529).


Subsec. (a)(2). Pub. L. 98–181, §451(d)(6), substituted "by September 30, 1985" for "within fifteen years following such date".

Subsecs. (b), (c). Pub. L. 98–181, §451(d)(1), substituted "Director" for "Secretary" wherever appearing.


1983—Pub. L. 93–234 designated existing provisions as subsec. (a) and added subsecs. (b) and (c).

Effective Date

Section effective 120 days following Aug. 1, 1988, or such later date prescribed by the Secretary but in no event more than 180 days following Aug. 1, 1988, see section 1377 of Pub. L. 90–448, set out as a note under section 4001 of this title.

Transfer of Functions

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

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

FLOOD PROTECTION STRUCTURE ACCREDITATION TASK FORCE

“(a) DEFINITIONS.—In this section—

“(1) the term ‘flood protection structure accreditation requirements’ means the requirements established under section 65.10 of title 44, Code of Federal Regulations, for levee systems to be recognized on maps created for purposes of the National Flood Insurance Program;

“(2) the term ‘National Committee on Levee Safety’ means the Committee on Levee Safety established under section 9003 of the National Levee Safety Act of 2007 (33 U.S.C. 3302); and

“(3) the term ‘task force’ means the Flood Protection Structure Accreditation Task Force established under subsection (b).

“(b) ESTABLISHMENT.—The Administrator and the Secretary of the Army, acting through the Chief of Engineers, in cooperation with the National Committee on Levee Safety, shall jointly establish a Flood Protection Structure Accreditation Task Force.

“(2) DUTIES.—

“(A) DEVELOPING PROCESS.—The task force shall develop a process to better align the information and data collected by or for the Corps of Engineers under the Inspection of Completed Works Program with the flood protection structure accreditation requirements so that—

“(1) information and data collected for either purpose can be used interchangeably; and

“(2) information and data collected by or for the Corps of Engineers under the Inspection of Completed Works Program is sufficient to satisfy the flood protection structure accreditation requirements.

“(B) GATHERING RECOMMENDATIONS.—The task force shall gather, and consider in the process developed under subparagraph (A), recommendations from interested persons in each region relating to the information, data, and accreditation requirements described in subparagraph (A).

“(C) CONSIDERATIONS.—In developing the process under paragraph (2), the task force shall consider changes to—

“(i) the information and data collected by or for the Corps of Engineers under the Inspection of Completed Works Program; and

“(ii) the flood protection structure accreditation requirements.

“(4) RULE OF CONSTRUCTION.—Nothing in this section shall be construed to require a reduction in the level of public safety and flood control provided by accredited levees, as determined by the Administrator for purposes of this section.

“(c) IMPLEMENTATION.—The Administrator and the Secretary of the Army, acting through the Chief of Engineers, shall implement the process developed by the task force under subsection (b) not later than 1 year after the date of enactment of this Act [July 6, 2012] and shall complete the process under subsection (b) not later than 2 years after the date of enactment of this Act.

“(d) REPORTS.—The Administrator and the Secretary of the Army, acting through the Chief of Engineers, in cooperation with the National Committee on Levee Safety, shall jointly submit to the Committee on Banking, Housing, and Urban Affairs and the Committee on Environment and Public Works of the Senate and the Committee on Financial Services, the Committee on Transportation and Infrastructure, and the Committee on Natural Resources of the House of Representatives reports concerning the activities of the task force and the implementation of the process developed by the task force under subsection (b), including—

“(1) an interim report, not later than 180 days after the date of enactment of this Act [July 6, 2012]; and

“(2) a final report, not later than 1 year after the date of enactment of this Act.

“(e) TERMINATION.—The task force shall terminate on the date of submission of the report under subsection (d)(2).

[For definitions of terms used in section 100226 of Pub. L. 112–141, set out above, see section 4004 of this title.]

GEOSPATIAL DIGITAL FLOOD HAZARD DATA
Pub. L. 108–264, title I, §107, June 30, 2004, 118 Stat. 724, provided that: ‘‘For the purposes of flood insurance and floodplain management activities conducted pursuant to the National Flood Insurance Program under the National Flood Insurance Act of 1968 (42 U.S.C. 4001 et seq.), geospatial digital flood hazard data distributed by the Federal Emergency Management Agency, or its designee, or the printed products derived from that data, are interchangeable and legally equivalent for the determination of the location of 1 in 100 year and 1 in 500 year flood plains [sic], provided that all other geospatial data shown on the printed product meets or exceeds any accuracy standard promulgated by the Federal Emergency Management Agency.’’

RETISSION OF FEMA RESPONSIBILITY TO MAP MUDSLIDES
Pub. L. 108–264, title I, §109, June 30, 2004, 118 Stat. 725, as amended by Pub. L. 109–295, title VI, §612(c), Oct. 4, 2006, 120 Stat. 1410, provided that: ‘‘As directed in section 1360(b) of the National Flood Insurance Act of 1968 (42 U.S.C. 4101(b)), the Administrator of the Federal Emergency Management Agency is again directed to accelerate the identification of risk zones within flood-prone and mudslide-prone areas, as provided by subsection (a)(2) of such section 1360, in order to make known the degree of hazard within each such zone at the earliest possible date.’’

TECHNICAL MAPPING ADVISORY COUNCIL
Pub. L. 103–325, title V, §576, Sept. 23, 1994, 108 Stat. 2280, established the Technical Mapping Advisory Council to help improve flood insurance rate maps and provided for its termination 5 years after the appointment of all its members.

§4101a. Technical Mapping Advisory Council
(a) Establishment
There is established a council to be known as the Technical Mapping Advisory Council (in this section referred to as the ‘‘Council’’).

(b) Membership
(1) In general
The Council shall consist of—

(A) the Administrator (or the designee thereof);

(B) the Secretary of the Interior (or the designee thereof);

(C) the Secretary of Agriculture (or the designee thereof);

(D) the Under Secretary of Commerce for Oceans and Atmosphere (or the designee thereof); and
(E) 16 additional members appointed by the Administrator or the designee of the Administrator, who shall be—
   (1) a member of a recognized professional surveying association or organization;
   (ii) a member of a recognized professional mapping association or organization;
   (iii) a member of a recognized professional engineering association or organization;
   (iv) a member of a recognized professional association or organization representing flood hazard determination firms;
   (v) a representative of the United States Geological Survey;
   (vi) a representative of a recognized professional association or organization representing State geographic information; 
   (vii) a representative of State national flood insurance coordination offices;
   (viii) a representative of the Corps of Engineers;
   (ix) a member of a recognized regional flood and storm water management organization;
   (x) 2 representatives of different State government agencies that have entered into cooperating technical partnerships with the Administrator and have demonstrated the capability to produce flood insurance rate maps;
   (xi) 2 representatives of different local government agencies that have entered into cooperating technical partnerships with the Administrator and have demonstrated the capability to produce flood insurance maps;
   (xii) a member of a recognized floodplain management association or organization;
   (xiii) a member of a recognized risk management association or organization; and
   (xiv) a State mitigation officer.

(2) Qualifications

Members of the Council shall be appointed based on their demonstrated knowledge and competence regarding surveying, cartography, remote sensing, geographic information systems, or the technical aspects of preparing and using flood insurance rate maps. In appointing members under paragraph (1)(E), the Administrator shall, to the maximum extent practicable, ensure that the membership of the Council has a balance of Federal, State, local, tribal, and private members, and includes geographic diversity, including representation from areas with coastline on the Gulf of Mexico and other States containing areas identified by the Administrator as at high risk for flooding or as areas having special flood hazards.

(c) Duties

The Council shall—
(1) recommend to the Administrator how to improve in a cost-effective manner the—
(A) accuracy, general quality, ease of use, and distribution and dissemination of flood insurance rate maps and risk data; and
(B) performance metrics and milestones required to effectively and efficiently map flood risk areas in the United States;
(2) recommend to the Administrator mapping standards and guidelines for—
(A) flood insurance rate maps; and
(B) data accuracy, data quality, data currency, and data eligibility;
(3) recommend to the Administrator how to maintain, on an ongoing basis, flood insurance rate maps and flood risk identification;
(4) recommend procedures for delegating mapping activities to State and local mapping partners;
(5) recommend to the Administrator and other Federal agencies participating in the Council—
(A) methods for improving interagency and intergovernmental coordination on flood mapping and flood risk determination; and
(B) a funding strategy to leverage and coordinate budgets and expenditures across Federal agencies; and
(6) submit an annual report to the Administrator that contains—
(A) a description of the activities of the Council;
(B) an evaluation of the status and performance of flood insurance rate maps and mapping activities to revise and update flood insurance rate maps, as required under section 4101b of this title; and
(C) a summary of recommendations made by the Council to the Administrator.

(d) Future conditions risk assessment and modeling report

(1) In general

The Council shall consult with scientists and technical experts, other Federal agencies, States, and local communities to—
(A) develop recommendations on how to—
(i) ensure that flood insurance rate maps incorporate the best available climate science to assess flood risks; and
(ii) ensure that the Federal Emergency Management Agency uses the best available methodology to consider the impact of—
(I) the rise in the sea level; and
(II) future development on flood risk; and
(B) not later than 1 year after July 6, 2012, prepare written recommendations in a future conditions risk assessment and modeling report and to submit such recommendations to the Administrator.

(2) Responsibility of the Administrator

The Administrator, as part of the ongoing program to review and update National Flood Insurance Program rate maps under section 4101b of this title, shall incorporate any future risk assessment submitted under paragraph (1)(B) in any such revision or update.

(e) Chairperson

The members of the Council shall elect 1 member to serve as the chairperson of the Council (in this section referred to as the “Chairperson”).

(f) Coordination

To ensure that the Council’s recommendations are consistent, to the maximum extent prac-
ticable, with national digital spatial data collection and management standards, the Chairperson shall consult with the Chairperson of the Federal Geographic Data Committee (established pursuant to Office of Management and Budget Circular A-16).

(g) Compensation
Members of the Council shall receive no additional compensation by reason of their service on the Council.

(h) Meetings and actions
(1) In general
The Council shall meet not less frequently than twice each year at the request of the Chairperson or a majority of its members, and may take action by a vote of the majority of the members.

(2) Initial meeting
The Administrator, or a person designated by the Administrator, shall request and coordinate the initial meeting of the Council.

(i) Officers
The Chairperson may appoint officers to assist in carrying out the duties of the Council under subsection (c).

(j) Staff
(1) Staff of FEMA
Upon the request of the Chairperson, the Administrator may detail, on a nonreimbursable basis, personnel of the Federal Emergency Management Agency to assist the Council in carrying out its duties.

(2) Staff of other Federal agencies
Upon request of the Chairperson, any other Federal agency that is a member of the Council may detail, on a nonreimbursable basis, personnel to assist the Council in carrying out its duties.

(k) Powers
In carrying out this section, the Council may hold hearings, receive evidence and assistance, provide information, and conduct research, as it considers appropriate.

(l) Report to Congress
The Administrator, on an annual basis, shall report to the Committee on Banking, Housing, and Urban Affairs of the Senate, the Committee on Financial Services of the House of Representatives, and the Office of Management and Budget on the—

(1) recommendations made by the Council;
(2) actions taken by the Federal Emergency Management Agency to address such recommendations to improve flood insurance rate maps and flood risk data; and
(3) any recommendations made by the Council that have been deferred or not acted upon, together with an explanatory statement.


CODIFICATION
Section was enacted as part of the Biggert-Waters Flood Insurance Reform Act of 2012, and also as part of the Moving Ahead for Progress in the 21st Century Act, also known as the MAP-21, and not as part of the National Flood Insurance Act of 1968 which comprises this chapter.

DEFINITIONS
For definitions of terms used in this section, see section 4004 of this title.

§4101b. National Flood Mapping Program
(a) Reviewing, updating, and maintaining maps
The Administrator, in coordination with the Technical Mapping Advisory Council established under section 4101a of this title, shall establish an ongoing program under which the Administrator shall review, update, and maintain National Flood Insurance Program rate maps in accordance with this section.

(b) Mapping
(1) In general
In carrying out the program established under subsection (a), the Administrator shall—

(A) identify, review, update, maintain, and publish National Flood Insurance Program rate maps with respect to—

(i) all populated areas and areas of possible population growth located within the 100-year floodplain;
(ii) all populated areas and areas of possible population growth located within the 500-year floodplain;
(iii) areas of residual risk, including areas that are protected by levees, dams, and other flood control structures;
(iv) areas that could be inundated as a result of the failure of a levee, dam, or other flood control structure;
(v) areas that are protected by non-structural flood mitigation features; and
(vi) the level of protection provided by flood control structures and by non-structural flood mitigation features;

(B) establish or update flood-risk zone data in all such areas, and make estimates with respect to the rates of probable flood caused loss for the various flood risk zones for each such area; and

(C) use, in identifying, reviewing, updating, maintaining, or publishing any National Flood Insurance Program rate map required under this section or under the National Flood Insurance Act of 1968 (42 U.S.C. 4011 et seq.), the most accurate topography and elevation data available.

(2) Mapping elements
Each map updated under this section shall—

(A) assess the accuracy of current ground elevation data used for hydrologic and hydraulic modeling of flooding sources and mapping of the flood hazard and wherever necessary acquire new ground elevation data utilizing the most up-to-date geospatial technologies in accordance with guidelines and specifications of the Federal Emergency Management Agency; and

(B) develop National Flood Insurance Program flood data on a watershed basis—

(i) to provide the most technically effective and efficient studies and hydrologic and hydraulic modeling; and
(ii) to eliminate, to the maximum extent possible, discrepancies in base flood elevations between adjacent political subdivisions.

(3) Other inclusions

In updating and maintaining maps under this section, the Administrator shall include—

(A) any relevant information on coastal inundation from—

(i) an applicable inundation map of the Corps of Engineers; and

(ii) data of the National Oceanic and Atmospheric Administration relating to storm surge modeling;

(B) any relevant information of the United States Geological Survey on stream flows, watershed characteristics, and topography that is useful in the identification of flood hazard areas, as determined by the Administrator;

(C) any relevant information on land subsidence, coastal erosion areas, changing lake levels, and other flood-related hazards;

(D) any relevant information or data of the National Oceanic and Atmospheric Administration and the United States Geological Survey relating to the best available science regarding future changes in sea levels, precipitation, and intensity of hurricanes; and

(E) any other relevant information as may be recommended by the Technical Mapping Advisory Committee.

(c) Standards

In updating and maintaining maps under this section, the Administrator shall—

(1) establish standards to—

(A) ensure that maps are adequate for—

(i) flood risk determinations; and

(ii) use by State and local governments in managing development to reduce the risk of flooding; and

(B) facilitate identification and use of consistent methods of data collection and analysis by the Administrator, in conjunction with State and local governments, in developing maps for communities with similar flood risks, as determined by the Administrator; and

(2) publish maps in a format that is—

(A) digital geospatial data compliant;

(B) compliant with the open publishing and data exchange standards established by the Open Geospatial Consortium; and

(C) aligned with official data defined by the National Geodetic Survey.

(d) Communication and outreach

(1) In general

The Administrator shall—

(A) before commencement of any mapping or map updating process, notify each community affected of the model or models that the Administrator plans to use in such process and provide an explanation of why such model or models are appropriate;

(B) provide each community affected a 30-day period beginning upon notification under subparagraph (A) to consult with the Administrator regarding the appropriateness, with respect to such community, of the mapping model or models to be used; provided that consultation by a community pursuant to this subparagraph shall not waive or otherwise affect any right of the community to appeal any flood hazard determinations;

(C) upon completion of the first Independent Data Submission, transmit a copy of such Submission to the affected community, provide the affected community a 30-day period during which the community may provide data to Administrator that can be used to supplement or modify the existing data, and incorporate any data that is consistent with prevailing engineering principles;

(D) work with States, local communities, and property owners to identify areas and features described in subsection (b)(1)(A)(v);

(E) work to enhance communication and outreach to States, local communities, and property owners about the effects—

(i) of any potential changes to National Flood Insurance Program rate maps that may result from the mapping program required under this section; and

(ii) that any such changes may have on flood insurance purchase requirements;

(F) engage with local communities to enhance communication and outreach to the residents of such communities, including tenants (with regard to contents insurance), on the matters described under subparagraph (E);

(G) not less than 30 days before issuance of any preliminary map, notify the Senators for each State affected and each Member of the House of Representatives for each congressional district affected by the preliminary map in writing of—

(i) the estimated schedule for—

(I) community meetings regarding the preliminary map;

(II) publication of notices regarding the preliminary map in local newspapers; and

(III) the commencement of the appeals process regarding the map; and

(ii) the estimated number of homes and businesses that will be affected by changes contained in the preliminary map, including how many structures will be that were not previously located in an area having special flood hazards will be located within such an area under the preliminary map; and

(H) upon the issuance of any proposed map and any notice of an opportunity to make an appeal relating to the proposed map, notify the Senators for each State affected and each Member of the House of Representatives for each congressional district affected by the proposed map of any action taken by the Administrator with respect to the proposed map or an appeal relating to the proposed map.

1 So in original. Probably should be preceded by “the”.

2 So in original. The words “will be” probably should not appear.
(2) Required activities

The communication and outreach activities required under paragraph (1) shall include—

(A) notifying property owners when their properties become included in, or when they are excluded from, an area covered by the mandatory flood insurance purchase requirement under section 4012a of this title;

(B) educating property owners regarding the flood risk and reduction of this risk in their community, including the continued flood risks to areas that are no longer subject to the flood insurance mandatory purchase requirement;

(C) educating property owners regarding the benefits and costs of maintaining or acquiring flood insurance, including, where applicable, lower-cost preferred risk policies under the National Flood Insurance Act of 1968 (42 U.S.C. 4011 et seq.) for such properties and the contents of such properties;

(D) educating property owners about flood map revisions and the process available to such owners to appeal proposed changes in flood elevations through their community, including by notifying local radio and television stations; and

(E) encouraging property owners to maintain or acquire flood insurance coverage.

(e) Community remapping request

Upon the adoption by the Administrator of any recommendation by the Technical Mapping Advisory Council for reviewing, updating, or maintaining National Flood Insurance Program rate maps in accordance with this section, a community that believes that its flood insurance rates in effect prior to adoption would be affected by the adoption of such recommendation may submit a request for an update of its rate maps, which may be considered at the Administrator’s sole discretion. The Administrator shall establish a protocol for the evaluation of such community map update requests.

(f) Authorization of appropriations

There is authorized to be appropriated to the Administrator to carry out this section $400,000,000 for each of fiscal years 2013 through 2017.

References in Text

The National Flood Insurance Act of 1968, referred to in subsecs. (b)(1)(C) and (d)(2)(C), is title XIII of Pub. L. 90–448, Aug. 1, 1968, 82 Stat. 572, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 4001 of this title and Tables.

Amendments

2014—Subsec. (b)(1)(A)(v), (vi). Pub. L. 113–89, §27(1), added cl. (v), redesignated former cl. (v) as (vi), and, in cl. (vi), inserted “and by non-structural flood mitigation features” before semicolon at end.

§4101c. Coordination

(a) Interagency budget crosscut and coordination report

(1) In general

The Secretary of Homeland Security, the Administrator, the Director of the Office of Management and Budget, and the heads of each Federal department or agency carrying out activities under sections 4101a and 4101b of this title shall work together to ensure that flood risk determination data and geospatial data are shared among Federal agencies in order to coordinate the efforts of the Nation to reduce its vulnerability to flooding hazards.

(2) Report

Not later than 30 days after the submission of the budget of the United States Government by the President to Congress, the Director of the Office of Management and Budget, in coordination with the Federal Emergency Management Agency, the United States Geological Survey, the National Oceanic and Atmospheric Administration, the Corps of Engineers, and other Federal agencies, as appropriate, shall submit to the appropriate authorizing and appropriating committees of the Senate and the House of Representatives an interagency budget crosscut and coordination report, certified by the Secretary or head of each such agency, that—

(A) contains an interagency budget crosscut report that displays relevant sections of the budget proposed for each of the Federal agencies working on flood risk determination data and digital elevation models, including any planned interagency or intra-agency transfers; and

(B) describes how the efforts aligned with such sections complement one another.

(b) Duties of the Administrator

In carrying out sections 4101a and 4101b of this title, the Administrator shall—
(1) participate, pursuant to section 216 of the E-Government Act of 2002 (44 U.S.C. 3501 note), in the establishment of such standards and common protocols as are necessary to assure the interoperability of geospatial data for all users of such information;

(2) coordinate with, seek assistance and cooperation of, and provide a liaison to the Federal Geographic Data Committee pursuant to the Office of Management and Budget Circular A–16 and Executive Order 12906 (43 U.S.C. 1457 note; relating to the National Spatial Data Infrastructure) for the implementation of and compliance with such standards;

(3) integrate with, leverage, and coordinate funding of, to the maximum extent practicable, the current flood mapping activities of each unit of State and local government;

(4) integrate with, leverage, and coordinate, to the maximum extent practicable, the current geospatial activities of other Federal agencies and units of State and local government; and

(5) develop a funding strategy to leverage and coordinate budgets and expenditures, and to maintain or establish joint funding and other agreement mechanisms with other Federal agencies and units of State and local government to share in the collection and utilization of geospatial data among all governmental users.


REFERENCES IN TEXT


Executive Order 12906, referred to in subsec. (b)(2), is Ex. Ord. No. 12906, Apr. 11, 1994, 59 F.R. 17671, which is set out as a note under section 1457 of Title 44, Public Lands.

CODIFICATION

Section was enacted as part of the Biggert-Waters Flood Insurance Affordability Act of 2014, and not as part of the National Flood Insurance Act of 1968 which comprises this chapter.

DEFINITIONS

For definitions of terms used in this section, see section 4005 of this title.

§ 4101e. Exemption from fees for certain map change requests

Notwithstanding any other provision of law, a requester shall be exempt from submitting a review or processing fee for a request for a flood insurance rate map change based on a habitat restoration project that is funded in whole or in part with Federal or State funds, including dam removal, culvert redesign or installation, or the installation of fish passage.


CODIFICATION

Section was enacted as part of the Homeowner Flood Insurance Affordability Act of 2014, and not as part of the National Flood Insurance Act of 1968 which comprises this chapter.

§ 4102. Criteria for land management and use

(a) Studies and investigations

The Administrator is authorized to carry out studies and investigations, utilizing to the maximum extent practicable the existing facilities and services of other Federal departments or agencies, and State and local governmental agencies, and any other organizations, with respect to the adequacy of State and local measures in flood-prone areas as to land management and use, flood control, flood zoning, and flood damage prevention, and may enter into any contracts, agreements, or other appropriate arrangements to carry out such authority.

(b) Extent of studies and investigations

Such studies and investigations shall include, but not be limited to, laws, regulations, or ordinances relating to encroachments and obstructions on stream channels and floodways, the orderly development and use of flood plains of rivers or streams, floodway encroachment lines, and flood plain zoning, building codes, building permits, and subdivision or other building restrictions.

(c) Development of comprehensive criteria designed to encourage adoption of adequate State and local measures

On the basis of such studies and investigations, and such other information as he deems necessary, the Administrator shall from time to time develop comprehensive criteria designed to encourage, where necessary, the adoption of adequate State and local measures which, to the maximum extent feasible, will—

(1) restrict the development of land which is exposed to flood damage where appropriate,

(2) guide the development of proposed construction away from locations which are threatened by flood hazards,

(3) assist in reducing damage caused by floods, and

(4) otherwise improve the long-range land management and use of flood-prone areas, and he shall work closely with and provide any necessary technical assistance to State, inter-
§ 4102a  TITLE 42—THE PUBLIC HEALTH AND WELFARE  Page 5542

state, and local governmental agencies, to encourage the application of such criteria and the adoption and enforcement of such measures.

(d) Flood mitigation methods for buildings

The Administrator shall establish guidelines for property owners that—

(1) provide alternative methods of mitigation, other than building elevation, to reduce flood risk to residential buildings that cannot be elevated due to their structural characteristics, including—

(A) types of building materials; and

(B) types of floodproofing; and

(2) inform property owners about how the implementation of mitigation methods described in paragraph (1) may affect risk premium rates for flood insurance coverage under the National Flood Insurance Program.


AMENDMENTS


2012—Subsecs. (a), (c). Pub. L. 112–141 substituted “Administrator” for “Director”.

1983—Subsecs. (a), (c). Pub. L. 98–181 substituted “Director” for “Secretary”.

1969—Subsec. (c). Pub. L. 91–152 substituted provisions requiring development of criteria designed to encourage adoption of adequate State and local measures, for provisions requiring development of criteria designed to encourage adoption of permanent State and local measures.

EFFECTIVE DATE

Section effective 120 days following Aug. 1, 1968, or such later date prescribed by the Secretary but in no event more than 180 days following Aug. 1, 1968, see section 1377 of Pub. L. 90–448, set out as a note under section 4001 of this title.

TRANSFER OF FUNCTIONS

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

For transfer of functions, personnel, assets, and liabilities of the Federal Emergency Management Agency, including the functions of the Director of the Federal Emergency Management Agency relating thereto, to the Secretary of Homeland Security, and for treatment of related references, see former section 313(1) and sections 554(d), 552(d), and 557 of Title 6, Domestic Security, and the Department of Homeland Security Reorganization Plan of November 25, 2002, as modified, set out as a note under section 542 of Title 6.

GUIDELINES

Pub. L. 113–89, §26(a)(2), Mar. 21, 2014, 128 Stat. 1052, provided that: “The Administrator [of the Federal Emergency Management Agency] shall issue the guidelines required under section 1361(d) of the National Flood Insurance Act of 1968 (42 U.S.C. 4102(d)), as added by the amendment made by paragraph (1) of this subsection, not later than the expiration of the 1-year period beginning on the date of the enactment of this Act [Mar. 21, 2014].”

TASK FORCE ON NATURAL AND BENEFICIAL FUNCTIONS OF THE FLOODPLAIN

Pub. L. 103–325, title V, §551(a), Sept. 23, 1994, 108 Stat. 2269, established the Task Force on Natural and Beneficial Functions of the Floodplain to conduct a study on the functions of the floodplain that reduce flood-related losses and provided for its termination 24 months after its last member was designated.


Section, Pub. L. 90–448, title XIII, §1361A, as added Pub. L. 108–264, title I, §102(a), June 30, 2004, 118 Stat. 714, created a pilot program for mitigation of severe repetitive loss properties by mitigating flood damage to such properties and losses to the National Flood Insurance Fund from such properties.


TRANSITION PHASE

Pub. L. 103–325, title V, §551(b), Sept. 23, 1994, 108 Stat. 2269, permitted the Director of the Federal Emergency Management Agency to enter into loan and purchase commitments as provided under this section (as in effect immediately before the enactment of Pub. L. 103–325) during the 1-year period beginning on Sept. 23, 1994.

§ 4104. Flood elevation determinations

(a) Publication or notification of proposed flood elevation determinations

In establishing projected flood elevations and designating areas having special flood hazards and designating areas having special flood hazards in a prominent local newspaper for land use purposes with respect to any community pursuant to section 4102 of this title, the Administrator shall first propose such determinations and designations by publication for comment in the Federal Register, by direct notification to the chief executive officer of the community, and by publication in a prominent local newspaper.

(b) Publication of flood elevation determinations; appeal of owner or lessee to local government; scientific or technical knowledge or information as basis for appeal; modification of proposed determinations

The Administrator shall publish notification of flood elevation determinations and designations of areas having special flood hazards in a prominent local newspaper for land use purposes with respect to any community.
who believes his property rights to be adversely affected by the Administrator’s proposed determination may appeal such determination to the local government. The sole grounds for appeal shall be the possession of knowledge or information indicating that (1) the elevations being proposed by the Administrator with respect to an identified area having special flood hazards are scientifically or technically incorrect, or (2) the designation of an identified special flood hazard area is scientifically or technically incorrect.

(c) Appeals by private persons; submission of negating or contradicting data to community; opinion of community respecting justification for appeal by community; transmission of individual appeals to Administrator; filing of community action with Administrator

Appeals by private persons shall be made to the chief executive officer of the community, or to such agency as he shall publicly designate, and shall set forth the data that tend to negate or contradict the Administrator’s finding in such form as the chief executive officer may specify. The community shall review and consolidate all such appeals and issue a written opinion stating whether the evidence presented is sufficient to justify an appeal on behalf of such persons by the community in its own name. Whether or not the community decides to appeal the Administrator’s determination, copies of individual appeals shall be sent to the Administrator as they are received by the community, and the community’s appeal or a copy of its decision not to appeal shall be filed with the Administrator not later than ninety days after the date of the second newspaper publication of the Administrator’s notification.

(d) Administrative review of appeals by private persons; modification of proposed determinations; decision of Administrator; form and distribution

In the event the Administrator does not receive an appeal from the community within the ninety days provided, he shall consolidate and review on their own merits, in accordance with the procedures set forth in subsection (e), the appeals filed within the community by private persons and shall make such modifications of his proposed determinations as may be appropriate, taking into account the written opinion, if any, issued by the community in support of such appeals. The Administrator’s decision shall be in written form, and copies thereof shall be sent both to the chief executive officer of the community and to each individual appellant.

(e) Administrative review of appeals by community; agencies for resolution of conflicting data; availability of flood insurance pending such resolution; time for determination of Administrator; community adoption of local land use and control measures within reasonable time of final determination; public inspection and admissibility in evidence of reports and other administrative information

Upon appeal by any community, as provided by this section, the Administrator shall review and take fully into account any technical or scientific data submitted by the community that tend to negate or contradict the information upon which his proposed determination is based. The Administrator shall resolve such appeal by consultation with officials of the local government involved, by administrative hearing, or by submission of the conflicting data to the Scientific Resolution Panel provided for in section 4104–1 of this title. Until the conflict in data is resolved, and the Administrator makes a final determination on the basis of his findings in the Federal Register, and so notifies the governing body of the community, flood insurance previously available within the community shall continue to be available, and no person shall be denied the right to purchase such insurance at chargeable rates. The Administrator shall make his determination within a reasonable time. The community shall be given a reasonable time after the Administrator’s final determination in which to adopt local land use and control measures consistent with the Administrator’s determination. The reports and other information used by the Administrator in making his final determination shall be made available for public inspection and shall be admissible in a court of law in the event the community seeks judicial review as provided by this section.

(f) Reimbursement of certain expenses

When, incident to any appeal under subsection (b) or (c) of this section, the owner or lessee of real property or the community, as the case may be, or, in the case of an appeal that is resolved by submission of conflicting data to the Scientific Resolution Panel provided for in section 4104–1 of this title, the community, incurs expense in connection with the services of surveyors, engineers, or similar services, but not including legal services, in the effecting of an appeal based on a scientific or technical error on the part of the Federal Emergency Management Agency, which is successful in whole or part, the Administrator shall reimburse such individual or community to an extent measured by the ratio of the successful portion of the appeal as compared to the entire appeal and applying such ratio to the reasonable value of all such services, but no reimbursement shall be made by the Administrator in respect to any fee or expense payment, the payment of which was agreed to be contingent upon the result of the appeal. The Administrator may use such amounts from the National Flood Insurance Fund established under section 4017 of this title as may be necessary to carry out this subsection. The Administrator shall promulgate regulations to carry out this subsection.

(g) Judicial review of final administrative determinations; venue; time for appeal; scope of review; good cause for stay of final determinations

Except as provided in section 4104–1 of this title, any appellant aggrieved by any final determination of the Administrator upon administrative appeal, as provided by this section, may appeal such determination to the United States district court for the district within which the community is located not more than sixty days after receipt of notice of such determination. The scope of review by the court shall be as provided by chapter 7 of title 5. During the pend-
ency of any such litigation, all final determinations of the Administrator shall be effective for the purposes of this chapter unless stayed by the court for good cause shown.


REFERENCES IN TEXT

This chapter, referred to in subsec. (g), was in the original a reference to “this title” meaning title XIII of Pub. L. 90–448, Aug. 1, 1968, 82 Stat. 572, known as the National Flood Insurance Act of 1968, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 4001 of this title and Tables.

AMENDMENTS

2014—Subsec. (f). Pub. L. 113–89 inserted “or, in the case of an appeal that is resolved by submission of conflicting data to the Scientific Resolution Panel provided for in section 4104–1 of this title, the community,” after “as the case may be,” and substituted “The Administrator may use such amounts from the National Flood Insurance Fund established under section 4017 of this title as may be necessary to carry out this subsection,” for “The amounts available for implementing this subsection shall not exceed $250,000.”


Pub. L. 112–141, §100217(1), inserted “and designating areas having special flood hazards after flood elevations” and substituted “such determinations and designations” for “such determinations”.

Subsec. (b). Pub. L. 112–141, §100238(b)(1), (2), substituted “Administrator” for “Director” in first sentence and “Administrator’s” for “Director’s” in second sentence.

Pub. L. 112–141, §100217(2), inserted “and designations of areas having special flood hazards” after “flood elevation determinations” and substituted “The sole grounds for appeal shall be the possession of knowledge or information indicating that the elevations being proposed by the Administrator with respect to an identified area having special flood hazards are scientifically or technically incorrect, or (2) the designation of an identified special flood hazard area is scientifically or technically incorrect.” for “The sole basis for such appeal may be the possession of knowledge or information indicating that the elevations being proposed by the Director with respect to an identified area having special flood hazards are scientifically or technically incorrect, and the sole relief which shall be granted under the authority of this section in the event that such appeal is sustained in accordance with subsection (e) or (f) of this section is a modification of the Director’s proposed determination accordingly.”

Subsecs. (c), (d). Pub. L. 112–141, §100238(b)(1), (2), substituted “Administrator” for “Director” and “Administrator’s” for “Director’s” wherever appearing.

Subsec. (e). Pub. L. 112–141, §100238(b)(1), (2), substituted “Administrator” for “Director” wherever appearing and “Administrator’s” for “Director’s” in two places.

Pub. L. 112–141, §100217(b)(1), substituted “the Scientific Resolution Panel provided for in section 4104–1 of this title for an independent scientific body or appropriate Federal agency for advice”.

Subsec. (f). Pub. L. 112–141, §100246, added subpar. (f) and struck out former subpar. (f) which read as follows: “When, incident to any appeal under subsection (b) or (c) of this section, the owner or lessee of real property or the community, as the case may be, incurs expense in connection with the services of surveyors, engineers, or similar services, but not including legal services, in the effecting of an appeal which is successful in whole or part, the Director shall reimburse such individual or community to an extent measured by the ratio of the successful portion of the appeal as compared to the entire appeal and applying such ratio to the reasonable value of all such services, but no reimbursement shall be made by the Director in respect to any fee or expense payment, the payment of which was agreed to be contingent upon the result of the appeal. There is authorized to be appropriated for purposes of implementing this subsection, not to exceed $250,000.”

Subsec. (g). Pub. L. 112–141, §100238(b)(1), substituted “Administrator” for “Director” in two places.

1983—Pub. L. 98–181 substituted “Director” for “Secretary” and “Director’s” for “Secretary’s” wherever appearing.

1977—Subsecs. (f), (g). Pub. L. 95–128 added subsec. (f) and redesignated former subsec. (f) as (g).

TRANSFER OF FUNCTIONS

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

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

§ 4104–1. Scientific Resolution Panel

(a) Availability

(1) In general

Pursuant to the authority provided under section 4104(e) of this title, the Administrator shall make available an independent review panel, to be known as the Scientific Resolution Panel, to any community—

(A) that has—

(i) filed a timely map appeal in accordance with section 4104 of this title;

(ii) completed 60 days of consultation with the Federal Emergency Management Agency on the appeal; and

(iii) not allowed more than 120 days, or such longer period as may be provided by the Administrator by waiver, to pass since the end of the appeal period; or

(B) that has received an unsatisfactory ruling under the map revision process established pursuant to section 4101(f) of this title.

(2) Appeals by owners and lessees

If a community and an owner or lessee of real property within the community appeal a proposed determination of a flood elevation under section 4104(b) of this title, upon the request of the community—

(A) the owner or lessee shall submit scientific and technical data relating to the appeals to the Scientific Resolution Panel; and

(B) the Administrator shall make available an independent scientific body or appropriate Federal agency for advice.
(B) the Scientific Resolution Panel shall make a determination with respect to the appeals in accordance with subsection (c).

(3) Definition

For purposes of paragraph (1)(B), an “unsatisfactory ruling” means that a community—

(A) received a revised Flood Insurance Rate Map from the Federal Emergency Management Agency, via a Letter of Final Determination, after September 30, 2008, and prior to July 6, 2012;

(B) has subsequently applied for a Letter of Map Revision or Physical Map Revision with the Federal Emergency Management Agency; and

(C) has received an unfavorable ruling on their request for a map revision.

(b) Membership

The Scientific Resolution Panel made available under subsection (a) shall consist of 5 members with expertise that relates to the creation and study of flood hazard maps and flood insurance. The Scientific Resolution Panel may include representatives from Federal agencies not involved in the mapping study in question and from other impartial experts. Employees of the Federal Emergency Management Agency may not serve on the Scientific Resolution Panel.

(c) Determination

(1) In general

Following deliberations, and not later than 90 days after its formation, the Scientific Resolution Panel shall issue a determination of resolution of the dispute. Such determination shall set forth recommendations for the base flood elevation determination or the designation of an area having special flood hazards that shall be reflected in the Flood Insurance Rate Maps.

(2) Basis

The determination of the Scientific Resolution Panel shall be based on—

(A) data previously provided to the Administrator by the community, and, in the case of a dispute submitted under subsection (a)(2), an owner or lessee of real property in the community; and

(B) data provided by the Administrator.

(3) No alternative determinations permissible

The Scientific Resolution Panel—

(A) shall provide a determination of resolution of a dispute that—

(i) is either in favor of the Administrator or in favor of the community on each distinct element of the dispute; or

(ii) in the case of a dispute submitted under subsection (a)(2), is in favor of the Administrator, in favor of the community, or in favor of the owner or lessee of real property in the community on each distinct element of the dispute; and

(B) may not offer as a resolution any other alternative determination.

(4) Effect of determination

(A) Binding

The recommendations of the Scientific Resolution Panel shall be binding on all appellants and not subject to further judicial review unless the Administrator determines that implementing the determination of the panel would—

(i) pose a significant threat due to failure to identify a substantial risk of special flood hazards; or

(ii) violate applicable law.

(B) Written justification not to enforce

If the Administrator elects not to implement the determination of the Scientific Resolution Panel pursuant to subparagraph (A), then not later than 60 days after the issuance of the determination the Administrator shall issue a written justification explaining such election.

(C) Appeal of determination not to enforce

If the Administrator elects not to implement the determination of the Scientific Resolution Panel pursuant to subparagraph (A), the community may appeal the determination of the Administrator as provided for under section 4104(g) of this title.

(d) Maps used for insurance and mandatory purchase requirements

With respect to any community that has a dispute that is being considered by the Scientific Resolution Panel formed pursuant to this subsection, the Federal Emergency Management Agency shall ensure that for each such community that—

(1) the Flood Insurance Rate Map described in the most recently issued Letter of Final Determination shall be in force and effect with respect to such community; and

(2) flood insurance shall continue to be made available to the property owners and residents of the participating community.

§ 4104a. Notice requirements

(a) Notification of special flood hazards

(1) Regulated lending institutions

Each Federal entity for lending regulation (after consultation and coordination with the Financial Institutions Examination Council) shall by regulation require regulated lending institutions, as a condition of making, increasing, extending, or renewing any loan secured by improved real estate or a mobile home that the regulated lending institution determines is located or is to be located in an area that has been identified by the Administrator under this chapter or the Flood Disaster Protection Act of 1973 as an area having special flood hazards, to notify the purchaser or lessee (or obtain satisfactory assurances that the seller or lessor has notified the purchaser or lessee) and the servicer of the loan of such special flood hazards, in writing, a reasonable period in advance of the signing of the purchase agreement, lease, or other documents involved in the transaction. The regulations shall also require that the regulated lending institution retain a record of the receipt of the notices by the purchaser or lessee and the servicer.
(2) Federal agency lenders

Each Federal agency lender shall by regulation require notification in the manner provided under paragraph (1) with respect to any loan that is made by the Federal agency lender and secured by improved real estate or a mobile home located or to be located in an area that has been identified by the Administrator under this chapter or the Flood Disaster Protection Act of 1973 as an area having special flood hazards. Any regulations issued under this paragraph shall be consistent with and substantially identical to the regulations issued under paragraph (1).

(3) Contents of notice

Written notification required under this subsection shall include—

(A) a warning, in a form to be established by the Administrator, stating that the building on the improved real estate securing the loan is located, or the mobile home securing the loan is or is to be located, in an area having special flood hazards;

(B) a description of the flood insurance purchase requirements under section 102(b) of the Flood Disaster Protection Act of 1973 [42 U.S.C. 4012a(b)];

(C) a statement that flood insurance coverage may be purchased under the national flood insurance program and is also available from private insurers, as required under section 102(b)(6) of the Flood Disaster Protection Act of 1973 (42 U.S.C. 4012a(b)(6)); and

(D) any other information that the Administrator considers necessary to carry out the purposes of the national flood insurance program;

(b) Notification of change of servicer

(1) Lending institutions

Each Federal entity for lending regulation (after consultation and coordination with the Financial Institutions Examination Council) shall by regulation require regulated lending institutions, in connection with the making, increasing, extending, renewing, selling, or transferring any loan described in subsection (a)(1), to notify the Administrator (or the designee of the Administrator) in writing during the term of the loan of the servicer of the loan. Such institutions shall also notify the Administrator (or such designee) of any change in the servicer of the loan, not later than 60 days after the effective date of such change. The regulations under this subsection shall provide that upon any change in the servicing of a loan, the duty to provide notification under this subsection shall transfer to the transferee servicer of the loan.

(2) Federal agency lenders

Each Federal agency lender shall by regulation provide for notification in the manner provided under paragraph (1) with respect to any loan described in subsection (a)(1) that is made by the Federal agency lender. Any regulations issued under this paragraph shall be consistent with and substantially identical to the regulations issued under paragraph (1) of this subsection.

(4) Notification of expiration of insurance

The Administrator (or the designee of the Administrator) shall, not less than 45 days before the expiration of any contract for flood insurance under this chapter, issue notice of such expiration by first class mail to the owner of the property covered by the contract, the servicer of any loan secured by the property covered by the contract, and (if known to the Administrator) the transferee servicer of the loan.


References in Text

This chapter, referred to in subsecs. (a)(1), (2) and (c), was in the original a reference to “this title” meaning title XIII of Pub. L. 90–448, Aug. 1, 1968, 82 Stat. 572, known as the National Flood Insurance Act of 1968, which is classified principally to this chapter.

The Flood Disaster Protection Act of 1973, referred to in subsec. (a)(1), (2), is Pub. L. 93–234, Dec. 31, 1973, 87 Stat. 975, as amended, which enacted sections 4002, 4003, 4012a, 4101, 4104a, 4105 to 4107, and 4128 of this title, amended sections 4001, 4013 to 4016, 4026, 4054, 4056, 4011, and 4123 of this title and sections 24 and 1709–1 of Title 12, Banks and Banking, and repealed section 4021 of this title, and enacted provision set out as a note under section 4001 of this title. For complete classification of this Act to the Code, see Short Title note set out under section 4001 of this title and Tables.

The Flood Disaster Protection Act of 1973, referred to in subsec. (a)(1), is Pub. L. 93–234, Dec. 31, 1973, 87 Stat. 975, as amended, which enacted sections 4002, 4003, 4012a, 4101, 4104a, 4105 to 4107, and 4128 of this title, amended sections 4001, 4013 to 4016, 4026, 4054, 4056, 4011, and 4123 of this title and sections 24 and 1709–1 of Title 12, Banks and Banking, and repealed section 4021 of this title, and enacted provision set out as a note under section 4001 of this title. For complete classification of this Act to the Code, see Short Title note set out under section 4001 of this title and Tables.

Amendments


1994—Pub. L. 103–325 amended section generally. Prior to amendment, section read as follows: “Any entity engaged in the business of insuring, reinsuring, or providing reinsurance or indemnity for the supervision, approval, regulation, or insuring of banks, savings and loan associations, or similar institutions shall by regulation require such institutions, as a condition of making, increasing, extending, or renewing (after the expiration of thirty days following August 22, 1974) any loan secured by improved real estate or a mobile home located or to be located in an area that has been identified by the Director under this chapter or Public Law 93–234 as an area having special flood hazards, to notify the purchaser or lessee (or obtain satisfactory assurances that the seller or lessor has notified the purchaser or lessee) of such special flood hazards, in writing, a reasonable period in advance of the signing of the purchase agreement, lease, or other documents involved in the transaction.”

1983—Pub. L. 98–181 substituted “Director” for “Secretary”.

Transfer of Functions

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

For transfer of functions, personnel, assets, and liabilities of the Federal Emergency Management Agency, including the functions of the Director of the Federal Emergency Management Agency relating thereto, to the Secretary of Homeland Security, and for treatment of related references, see former section 313(1) and sections 551(d), 532(d), and 557 of Title 6, Domestic Security, and the Department of Homeland Security Reorganization Plan of November 25, 2002, as modified, set out as a note under section 542 of Title 6.

§ 4104b. Standard hazard determination forms

(a) Development

The Administrator, in consultation with representatives of the mortgage and lending industry, the Federal entities for lending regulation, the Federal agency lenders, and any other appropriate individuals, shall develop a standard form for determining, in the case of a loan secured by improved real estate or a mobile home, whether the building or mobile home is located in an area identified by the Administrator as an area having special flood hazards and in which flood insurance under this chapter is available. The form shall be established by regulations issued not later than 270 days after September 23, 1994.

(b) Design and contents

(1) Purpose

The form under subsection (a) shall be designed to facilitate compliance with the flood insurance purchase requirements of this chapter.

(2) Contents

The form shall require identification of the type of flood-risk zone in which the building or mobile home is located, the complete map and panel numbers for the improved real estate or property on which the mobile home is located, the community identification number and community participation status (for purposes of the national flood insurance program) of the community in which the improved real estate or such property is located, and the date of the map used for the determination, with respect to flood hazard information on file with the Administrator. If the building or mobile home is not located in an area having special flood hazards the form shall require a statement to such effect and shall indicate the complete map and panel numbers of the improved real estate or property on which the mobile home is located. If the complete map and panel numbers are not available because the building or mobile home is not located in a community that is participating in the national flood insurance program or because no map exists for the relevant area, the form shall require a statement to such effect and shall indicate the type of flood-risk zone in which the building or mobile home is located, the complete map and panel numbers for the improved real estate or such property is located, and the community identification number and community participation status (for purposes of the national flood insurance program or because no map exists for the relevant area, the form shall require a statement to such effect and shall indicate the type of flood-risk zone in which the building or mobile home is not located in an area having special flood hazards; or

(2) the person contacts the Administrator to determine when the most recent map revisions or updates affecting such property occurred and such revisions and updates have occurred after such previous determination.

(f) Effective date

The regulations under this section requiring use of the form established pursuant to this section shall be issued together with the regulations required under subsection (a) and shall take effect upon the expiration of the 180-day period beginning on such issuance.


REFERENCES IN TEXT

This chapter, referred to in subs. (a) and (b)(1), was in the original a reference to “this title” meaning title XIII of Pub. L. 90–448, Aug. 1, 1968, 82 Stat. 572, known as the National Flood Insurance Act of 1968, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 4001 of this title and Tables.

AMENDMENTS

§ 4104c. Mitigation assistance

(a) Authority

The Administrator shall carry out a program to provide financial assistance to States and communities, using amounts made available from the National Flood Mitigation Fund under section 4104d of this title, for planning and carrying out activities designed to reduce the risk of flood damage to structures covered under contracts for flood insurance under this chapter. Such financial assistance shall be made available—

(1) to States and communities in the form of grants under this section for carrying out mitigation activities;

(2) to States and communities in the form of grants under this section for carrying out mitigation activities that reduce flood damage to severe repetitive loss structures; and

(3) to property owners in the form of direct assistance under this section for managing structures that are substantially damaged by flood, for public hearing.

(b) Eligibility for mitigation assistance

To be eligible to receive financial assistance under this section for mitigation activities, a State or community shall develop, and have approved by the Administrator, a flood risk mitigation plan (in this section referred to as a "mitigation plan"), that describes the mitigation activities to be carried out with assistance provided under this section, is consistent with the criteria established by the Administrator under section 4102 of this title, provides for reduction of flood losses to structures for which contracts for flood insurance are available under this chapter, and may be included in a multi-hazard mitigation plan. The mitigation plan shall be consistent with a comprehensive strategy for mitigation activities for the area affected by the mitigation plan, that has been adopted by the State or community following a public hearing.

(c) Eligible mitigation activities

(1) Requirement of consistency with approved mitigation plan

Amounts provided under this section may be used only for mitigation activities that are consistent with mitigation plans that are approved by the Administrator and identified under paragraph (4). The Administrator shall provide assistance under this section to the extent amounts are available in the National Flood Mitigation Fund pursuant to appropriation Acts, subject only to the absence of approvable mitigation plans.

(2) Requirements of technical feasibility, cost effectiveness, and interest of National Flood Insurance Fund

(A) In general

The Administrator may approve only mitigation activities that the Administrator determines—

(i) are technically feasible and cost-effective; or

(ii) will eliminate future payments from the National Flood Insurance Fund for severe repetitive loss structures through an acquisition or relocation activity.

(B) Considerations

In making a determination under subparagraph (A), the Administrator shall take into consideration recognized ancillary benefits.

(3) Eligible activities

Eligible activities under a mitigation plan may include—

(A) demolition or relocation of any structure located on land that is along the shore of a lake or other body of water and is certified by an appropriate State or local land use authority to be subject to imminent collapse or subsidence as a result of erosion or flooding;

(B) elevation, relocation, demolition, or floodproofing of structures (including public structures) located in areas having special flood hazards or other areas of flood risk;

(C) acquisition by States and communities of properties (including public properties) located in areas having special flood hazards or properties substantially damaged by flood, for public use, as the Administrator determines is consistent with sound land management and use in such area;

(D) elevation, relocation, or floodproofing of utilities (including equipment that serves structures);

(E) minor physical mitigation efforts that do not duplicate the flood prevention activities of other Federal agencies and that lessen the frequency or severity of flooding and decrease predicted flood damages, which shall not include major flood control projects such as dikes, levees, seawalls, groins, and jetties unless the Administrator determines that such activities are the most cost-effective mitigation activities for the National Flood Mitigation Fund;

(F) the development or update of mitigation plans by a State or community which
meet the planning criteria established by the Administrator, except that the amount from grants under this section that may be used under this subparagraph may not exceed $50,000 for any mitigation plan of a State or $25,000 for any mitigation plan of a community;

(d) Matching requirement

(1) Community

The term “community” means—

(A) a political subdivision that—

(i) has zoning and building code jurisdiction over a particular area having special flood hazards; and

(ii) is participating in the national flood insurance program; or

(B) a political subdivision of a State, or other authority, that is designated by political subdivisions, all of which meet the requirements of subparagraph (A), to administer grants for mitigation activities for such political subdivisions.

(2) Repetitive loss structure

The term “repetitive loss structure” has the meaning given such term in section 4121 of this title.

(3) Severe repetitive loss structure

The term “severe repetitive loss structure” means a structure that—

(A) is covered under a contract for flood insurance made available under this chapter; and

(B) has incurred flood-related damage—

(i) for which 4 or more separate claims payments have been made under flood insurance coverage under this chapter, with the amount of each such claim exceeding $5,000, and with the cumulative amount of such claims payments exceeding $20,000; or

(ii) for which at least 2 separate claims payments have been made under such cov-
that give priority for funding to such properties, or to such subsets of properties, as are in the best interest of the National Flood Insurance Fund.''

Subsec. (c)(3)(C). Pub. L. 112–141, §100225(a)(10)(B), redesignated subsec. (a) as (d) and added subpar. (E) which related to limitations on amount of mitigation assistance during any 5-year period.

Subsecs. (g), (h). Pub. L. 112–141, §100225(a)(11), added subsec. (g) which related to matching requirements for mitigation assistance and oversight of recipients of mitigation assistance, respectively.

Subsecs. (i), (j). Pub. L. 112–141, §100225(a)(12), redesignated subsecs. (g) and (h) which related to the matching requirement for mitigation assistance and oversight of recipients of mitigation assistance, respectively.

Subsecs. (k), (m). Pub. L. 112–141, §100225(a)(13), struck out subsecs. (k) and (m) which defined "community" for purposes of this section and which related to encouraging and improving participation in the national flood insurance program, respectively.

Subsec. (c)(3)(D). Pub. L. 112–141, §100225(a)(5)(D)(iv), added subpar. (D) which related to notification of mitigation plan approval and grant award.

Subsec. (c)(6). Pub. L. 112–141, §100225(a)(5)(E), struck out par. (6). Text read as follows: "The Director shall consider as an eligible activity the demolition and rebuilding of properties to at least base flood levels or higher, if required by the Director or if required by any State or local ordinance, and in accordance with project implementation criteria established by the Director."
The Administrator may use not more than 5 percent of amounts made available under subsection (b) to cover salaries, expenses, and other administrative costs incurred by the Administrator to make grants and provide assistance under section 4104c of this title.

d) Prohibition on offsetting collections

Notwithstanding any other provision of this chapter, amounts made available pursuant to this section shall not be subject to offsetting collections through premium rates for flood insurance coverage under this chapter.

e) Continued availability and reallocation

Any amounts made available pursuant to subparagraph (A), (B), or (C) of subsection (b)(1) that are not used in any fiscal year shall continue to be available for the purposes specified in the subparagraph of subsection (b)(1) pursuant to which such amounts were made available, unless the Administrator determines that reallocation of such unused amounts to meet demonstrated need for other mitigation activities under section 4104c of this title is in the best interest of the National Flood Insurance Fund.

(f) Investment

If the Administrator determines that the amounts in the National Flood Mitigation Fund are in excess of amounts needed under subsection (a), the Administrator may invest any excess amounts the Administrator determines advisable in interest-bearing obligations issued or guaranteed by the United States.

(g) Report

The Administrator shall submit a report to the Congress not later than the expiration of the 1-year period beginning on September 23, 1994, and not less than once during each successive 2-year period thereafter. The report shall describe the status of the Fund and any activities carried out with amounts from the Fund.


References in Text

This chapter, referred to in subsec. (d), was in the original a reference to "this title" meaning title XIII of Pub. L. 90–448, Aug. 1, 1968, 82 Stat. 572, known as the National Flood Insurance Act of 1968, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 4001 of this title and Tables.

Codification

September 23, 1994, referred to in subsec. (g), was in the original "the date of enactment of this Act", which was translated as meaning the date of enactment of Pub. L. 103–325, which enacted this section, to reflect probable intent of Congress.

Amendments

2012—Subsec. (a). Pub. L. 112–141, § 100228(b)(1), substituted "Administrator" for "Director".
§ 4105. Disaster mitigation requirements; notification to flood-prone areas

(a) Initial notification

Not later than six months following December 31, 1973, the Administrator shall publish information in accordance with section 4101(1) of this title, and shall notify the chief executive officer of each known flood-prone community not already participating in the national flood insurance program of its tentative identification as a community containing one or more areas having special flood hazards.

(b) Alternative actions of tentatively identified communities; public hearing; opportunity for submission of evidence; finality of administrative determination of existence or extent of flood hazard area

After such notification, each tentatively identified community shall either (1) promptly make proper application to participate in the national flood insurance program or (2) within six months submit technical data sufficient to establish the satisfaction of the Administrator that the community either is not seriously flood prone or that such flood hazards as may have existed have been corrected by flood-works or other flood control methods. The Administrator may, in his discretion, grant a public hearing to any community with respect to which conflicting data exist as to the nature and extent of a flood hazard. If the Administrator decides not to hold a hearing, the community shall be given an opportunity to submit written and documentary evidence. Whether or not such hearing is granted, the Administrator’s final determination as to the existence or extent of a flood hazard area in a particular community shall be deemed conclusive for the purposes of this Act if supported by substantial evidence in the record considered as a whole.

(c) Subsequent notification to additional communities known to be flood-prone areas

As information becomes available to the Administrator concerning the existence of flood hazards in communities not known to be flood prone at the time of the initial notification provided for by subsection (a) of this section he shall provide similar notifications to the chief executive officers of such additional communities, which shall then be subject to the requirements of subsection (b) of this section.

(d) Provisions of section 4106 applicable to flood-prone communities disqualified for flood insurance program

Formally identified flood-prone communities that do not qualify for the national flood insurance program within one year after such notification or by the date specified in section 4106 of this title, whichever is later, shall thereafter be subject to the provisions of that section relating to flood-prone communities which are not participating in the program.

(e) Administrative procedures; establishment; reimbursement of certain expenses; appropriation authorization

The Administrator is authorized to establish administrative procedures whereby the identification under this section of one or more areas in the community as having special flood hazards may be appealed to the Administrator by the community or any owner or lessee of real property within the community who believes his property has been inadvertently included in a special flood hazard area by the identification. When, incident to any appeal under this subsection, the owner or lessee of real property or the community, as the case may be, incurs expense in connection with the services of surveyors, engineers, or similar services, but not including legal services, in the effecting of an appeal which is successful in whole or part, the Administrator shall reimburse such individual or community to an extent measured by the ratio of the successful portion of the appeal as compared to the entire appeal and applying such ratio to the reasonable value of all such services, but no reimbursement shall be made by the Administrator in respect to any fee or expense payment, the payment of which was agreed to be contingent upon the result of the appeal. There is authorized to be appropriated for purposes of
implementing this subsection not to exceed $250,000.


REFERENCES IN TEXT


CODIFICATION

Section was enacted as part of the Flood Disaster Protection Act of 1973, and not as part of the National Flood Insurance Act of 1968 which comprises this chapter.

AMENDMENTS

2012—Subsecs. (a) to (c), (e). Pub. L. 112–141 substituted “Administrator” for “Director” and “Administrator’s” for “Director’s” wherever appearing.

1984—Subsec. (e). Pub. L. 98–479 struck out quotation marks before “$250,000”.

1983—Subsecs. (a) to (c), (e). Pub. L. 98–181 substituted “Director” for “Secretary” and “Director’s” for “Secretary’s” wherever appearing.


TRANSFER OF FUNCTIONS

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

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

§ 4106. Nonparticipation in flood insurance program

(a) Prohibition against Federal approval of financial assistance

No Federal officer or agency shall approve any financial assistance for acquisition or construction purposes on and after July 1, 1975, for use in any area that has been identified by the Administrator as an area having special flood hazards unless the community in which such area is situated is then participating in the national flood insurance program.

(b) Notification of purchaser or lessee of property in flood hazard area of availability of Federal disaster relief assistance in event of a flood disaster

In addition to the requirements of section 4104a of this title, each Federal entity for lending regulation shall by regulation require the regulated lending institutions described in such section, and each Federal agency lender shall issue regulations requiring the Federal agency lender, described in such section to notify (as a condition of making, increasing, extending, or renewing any loan secured by property described in such section) the purchaser or lessee of such property of whether, in the event of a disaster caused by flood to such property, Federal disaster relief assistance will be available to such property.


CODIFICATION

Section was enacted as part of the Flood Disaster Protection Act of 1973, and not as part of the National Flood Insurance Act of 1968 which comprises this chapter.

AMENDMENTS


1994—Subsec. (b). Pub. L. 103–325 substituted “Federal entity for lending regulation shall by regulation require the regulated lending institutions described in such section, and each Federal agency lender shall issue regulations requiring the Federal agency lender,” for “Federal instrumentality described in such section shall by regulation require the institutions”.


1977—Subsec. (b). Pub. L. 95–128 substituted provisions respecting notification of purchaser or lessee of property in flood hazards area of availability of Federal disaster relief assistance in the event of a flood disaster for prior provisions relating to Federal regulations against loans by financial institutions, unaffected prior March 1, 1976, residences, small business concerns, improvements under § 5,000 and nonresidential farm improvement.

1976—Subsec. (b). Pub. L. 94–375 incorporated provision regarding any loan made prior to March 1, 1976, to finance the acquisition of a previously occupied residential dwelling into cl. (1) as so designated, added remainder of cl. (1), and cls. (2) to (4).


1974—Pub. L. 94–50 inserted provision excepting from the prohibition of this section any loan made prior to January 1, 1976, to finance the acquisition of a previously occupied residential dwelling.

TRANSFER OF FUNCTIONS

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

For transfer of functions, personnel, assets, and liabilities of the Federal Emergency Management Agency, including the functions of the Under Secretary for Federal Emergency Management relating thereto, to the Secretary of Homeland Security, and for treatment of related references, see former section 313(1) and sections 551(d), 552(d), and 557 of Title 6, Domestic Security.
FLOODPLAIN MANAGEMENT

For provisions relating to the reduction of the risk of flood loss, the minimization of the impact of floods on human safety, health and welfare, and the management of floodplains, see Ex. Ord. No. 11866, May 24, 1977, 42 F.R. 26951 set out as a note under section 4221 of this title.

§ 4107. Consultation with local officials; scope

In carrying out his responsibilities under the provisions of this title and the National Flood Insurance Act of 1968 [42 U.S.C. 4001 et seq.] which relate to notification to and identification of flood-prone areas and the application of criteria for land management and use, including criteria derived from data reflecting new developments that may indicate the desirability of modifying elevations based on previous flood studies, the Administrator shall establish procedures assuring adequate consultation with the appropriate elected officials of general purpose local governments, including but not limited to those local governments whose prior eligibility under the program has been suspended. Such consultation shall include, but not be limited to, fully informing local officials at the commencement of any flood elevation study or investigation undertaken by any agency on behalf of the Administrator concerning the nature and purpose of the study, the areas involved, the manner in which the study is to be undertaken, the general principles to be applied, and the use to be made of the data obtained. The Administrator shall encourage local officials to disseminate information concerning such study widely within the community, so that interested persons will have an opportunity to bring all relevant facts and technical data concerning the local flood hazard to the attention of the agency during the course of the study.


REFERENCES IN TEXT

This title, referred to in text, means title II of Pub. L. 93–234, Dec. 31, 1973, 87 Stat. 975, as amended, which enacted sections 4105 to 4107 and 4128 of this title and amended section 4101 of this title and sections 24 and 1709–1 of Title 12, Banks and Banking. For complete classification of this Act to the Code, see Short Title of 1973 Amendment note set out under section 4001 of this title and Tables.

The National Flood Insurance Act of 1968, referred to in text, is title XIII of Pub. L. 90–448, Aug. 1, 1968, 82 Stat. 572, as amended, which is classified principally to this chapter (§ 4001 et seq.). For complete classification of this Act to the Code, see Short Title note set out under section 4001 of this title and Tables.

CODIFICATION

Section was enacted as part of the Flood Disaster Protection Act of 1973, and not as part of the National Flood Insurance Act of 1968 which comprises this chapter.

1 See References in Text note below.

AMENDMENTS


TRANSFER OF FUNCTIONS

For transfer of all functions, personnel, assets, components, authorities, grant programs, and liabilities of the Federal Emergency Management Agency, including the functions of the Under Secretary for Federal Emergency Management relating thereto, to the Federal Emergency Management Agency, see section 315(a)(1) of Title 8, Domestic Security.

For transfer of functions, personnel, assets, and liabilities of the Federal Emergency Management Agency, including the functions of the Director of the Federal Emergency Management Agency relating thereto, to the Secretary of Homeland Security, and for treatment of related references, see former section 315(1) and sections 511(d), 512(d), and 557 of Title 8, Domestic Security, and the Department of Homeland Security Reorganization Plan of November 25, 2002, as modified, set out as a note under section 4221 of Title 8.

SUBCHAPTER IV—GENERAL PROVISIONS

§ 4121. Definitions

(a) As used in this chapter—

(1) the term “flood” shall have such meaning as may be prescribed in regulations of the Administrator, and may include inundation from rising waters or from the overflow of streams, rivers, or other bodies of water, or from tidal surges, abnormally high tidal water, tidal waves, tsunamis, hurricanes, or other severe storms or deluge;

(2) the terms “United States” (when used in a geographic sense) and “State” includes the several States, the District of Columbia, the territories and possessions, the Commonwealth of Puerto Rico, and the Trust Territory of the Pacific Islands;

(3) the terms “insurance company”, “other insurer” and “insurance agent or broker” include any organization or person that is authorized to engage in the business of insurance under the laws of any State, subject to the reporting requirements of the Securities Exchange Act of 1934 [15 U.S.C. 78a et seq.] pursuant to section 13(a) or 15(d) of such Act (15 U.S.C. 78m(a) and 78o(d)), or authorized by the Administrator to assume reinsurance on risks insured by the flood insurance program;

(4) the term “insurance adjustment organization” includes any organizations and persons engaged in the business of adjusting loss claims arising under insurance policies issued by any insurance company or other insurer;

(5) the term “person” includes any individual or group of individuals, corporation, partnership, association, or any other organized group of persons, including State and local governments and agencies thereof;

(6) the term “Administrator” means the Administrator of the Federal Emergency Management Agency;

(7) the term “repetitive loss structure” means a structure covered by a contract for flood insurance that—

(A) has incurred flood-related damage on 2
occasions, in which the cost of repair, on the average, equaled or exceeded 25 percent of
the value of the structure at the time of each such flood event; and
(B) at the time of the second incidence of flood-related damage, the contract for flood insurance contains increased cost of
protection coverage.

(8) the term “Federal agency lender” means a Federal agency that makes direct loans secured by improved real estate or a mobile
home, to the extent such agency acts in such capacity;

(9) the term “Federal entity for lending regulation” means the Board of Governors of the Federal Reserve System, the Federal Deposit
Insurance Corporation, the Comptroller of the Currency, the National Credit Union Administration, and the Farm Credit Administration,
and with respect to a particular regulated lending institution means the entity primarily responsible for the supervision of the institu-
tion;

(10) the term “improved real estate” means real estate upon which a building is located;

(11) the term “lender” means a regulated lending institution or Federal agency lender;

(12) the term “natural and beneficial floodplain functions” means—
(A) the functions associated with the natural or relatively undisturbed floodplain that (i) moderate flooding, retain flood waters, reduce
erosion and sedimentation, and mitigate the effect of waves and storm surge from storms, and (ii) reduce flood related damage; and
(B) ancillary beneficial functions, including maintenance of water quality and recharge of ground water, that reduce flood related
damage;

(13) the term “regulated lending institution” means any bank, savings and loan association, credit union, farm credit bank, Federal land
bank association, production credit association, or similar institution subject to the supervision of a Federal entity for lending regu-
lation;

(14) the term “servicer” means the person responsible for receiving any scheduled periodic payments from a borrower pursuant to the
terms of a loan, including amounts for taxes, insurance premiums, and other charges with respect to the property securing the loan,
and making the payments of principal and interest and such other payments with respect to the amounts received from the borrower as may
be required pursuant to the terms of the loan; and

(15) the term “substantially damaged structure” means a structure covered by a contract for flood insurance that has incurred damage
for which the cost of repair exceeds an amount specified in any regulation promulgated by the Administrator, or by a community ordinance,
whichever is lower.

(b) The term “flood” shall also include inundation from mudslides which are proximately caused by accumulations of water on or under
the ground; and all of the provisions of this chapter shall apply with respect to such mudslides in the same manner and to the same
extent as with respect to floods described in subsection (a)(1), subject to and in accordance with such regulations, modifying the provisions
of this chapter (including the provisions relating to land management and use) to the extent necessary to assure that they can be effectively
so applied, as the Administrator may prescribe to achieve (with respect to such mudslides) the purposes of this chapter and the objectives of
the program.

(c) The term “flood” shall also include the collapse or subsidence of land along the shore of a lake or other body of water as a result of
erosion or undermining caused by waves or currents of water exceeding anticipated cyclical levels, and all of the provisions of this chapter shall apply
with respect to such collapse or subsidence in the same manner and to the same extent as with respect to floods described in subsection (a)(1),
subject to and in accordance with such regulations, modifying the provisions of this chapter (including the provisions relating to land
management and use) to the extent necessary to assure that they can be effectively so applied, as the Administrator may prescribe to achieve
(with respect to such collapse or subsidence) the purposes of this chapter and the objectives of the program.


References in Text

This chapter, referred to in text, was in the original a reference to “this title,” the provisions of this chapter and the objectives of
such a reference to “this title,” the provisions of this chapter and the objectives of

(A) the functions associated with the natural or relatively undisturbed floodplain that (i) moderate flooding, retain flood waters, reduce
erosion and sedimentation, and mitigate the effect of waves and storm surge from storms, and (ii) reduce flood related damage;

(B) ancillary beneficial functions, including maintenance of water quality and recharge of ground water, that reduce flood related
damage;

(c) The term “flood” shall also include the col-

Sec. 78a of Title 15 and Tables.

AMENDMENTS


Subsec. (a)(3). Pub. L. 112–141, §100232(d)(5), substituted “include any organization or person that is authorized to engage in the business of insurance under the laws of any State, subject to the reporting requirements of the Securities Exchange Act of 1934 pursuant to section 13(a) or 15(d) of such Act (15 U.S.C. 78m(a) and 78o(d)), or authorized by the Administrator to assume reinsurance on risks insured by the flood insurance program;” for “include any organizations and persons authorized to engage in the insurance business under the laws of any State;”.


Subsecs. (a)(15), (b), (c). Pub. L. 112–141, §100238(b)(1), substituted “Administrator” for “Director”.

2004—Subsec. (a)(7). Pub. L. 108–264, §105(b)(2)–(4), added par. (7) which read as follows: “the term ‘repetitive loss structure’ means a structure covered by a contract for flood insurance under this chapter that has incurred flood-related damage on 2 occasions during a 10-year period ending on the date of the event for which a second claim is made, in which the cost of repair, on the average, equalled or exceeded 25 percent of the value of the structure at the time of each such flood event.”


1988—Subsecs. (b), (c). Pub. L. 100–628 substituted ‘subsection (a)(1)” for “paragraph (1)”.


Subsec. (a)(6). Pub. L. 98–181, §451(d)(8), substituted definition of “Director” as the Director of the Federal Emergency Management Agency for definition of “Secretary” as the Secretary of Housing and Urban Development.

Subsecs. (b), (c). Pub. L. 98–181, §451(d)(1), substituted “Director” for “Secretary”.


1969—Pub. L. 91–352 designated existing provisions as subsec. (a) and added subsec. (b).

Effective Date

Section effective 120 days following Aug. 1, 1968, or such later date prescribed by the Secretary but in no event more than 180 days following Aug. 1, 1968, see section 1377 of Pub. L. 90–448, set out as a note under section 4001 of this title.

Transfer of Functions

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

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

Termination of Trust Territory of the Pacific Islands

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

§4122. Studies of other natural disasters; cooperation and consultation with other departments and agencies

(a) The Administrator is authorized to undertake such studies as may be necessary for the purpose of determining the extent to which insurance protection against earthquakes or any other natural disaster perils, other than flood, is not available from public or private sources, and the feasibility of such insurance protection being made available.

(b) Studies under this section shall be carried out, to the maximum extent practicable, with the cooperation of other Federal departments and agencies and State and local agencies, and the Administrator is authorized to consult with, receive information from, and enter into any necessary agreements or other arrangements with such other Federal departments and agencies (on a reimbursement basis) and such State and local agencies.


Amendments

2012—Pub. L. 112–141 substituted “Administrator” for “Director” in subsecs. (a) and (b).

1983—Pub. L. 98–181 substituted “Director” for “Secretary” in subsecs. (a) and (b).

Effective Date

Section effective 120 days following Aug. 1, 1968, or such later date prescribed by the Secretary but in no event more than 180 days following Aug. 1, 1968, see section 1377 of Pub. L. 90–448, set out as a note under section 4001 of this title.

Transfer of Functions

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

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

Study of Sinkhole Insurance

Pub. L. 98–181, title I [title IV, §453], Nov. 30, 1983, 97 Stat. 1230, permitted the Director of the Federal Emergency Management Agency to make a grant to a nonprofit organization, educational institution, or State or local agency to study the feasibility of expanding the national flood insurance program to cover damage or loss arising from sinkholes and authorized appropriations.

§4123. Advance payments

Any payments under this chapter may be made (after necessary adjustment on account of previously made underpayments or overpayments) in advance or by way of reimbursement, and in such installments and on such conditions, as the Administrator may determine.


References in Text

This chapter, referred to in text, was originally a reference to “this title” meaning title XIII of Pub. L. 90–448, Aug. 1, 1968, 82 Stat. 572, known as the National Flood Insurance Act of 1968, which is classified prim-
cipally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 4001 of this title and Tables.

**AMENDMENTS**

2012—Pub. L. 112–141 substituted “Administrator” for “Director”.

1968—Pub. L. 90–448 substituted “Director” for “Secretary”.

**EFFECTIVE DATE**

Section effective 120 days following Aug. 1, 1968, or such later date prescribed by the Secretary but in no event more than 180 days following Aug. 1, 1968, see section 1377 of Pub. L. 90–448, set out as a note under section 4001 of this title.

**TRANSFER OF FUNCTIONS**

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

For transfer of functions, personnel, assets, and liabilities of the Federal Emergency Management Agency, including the functions of the Director of the Federal Emergency Management Agency relating thereto, to the Secretary of Homeland Security, and for treatment of related references, see former section 313(1) and sections 531(d), 552(d), and 557 of Title 6, Domestic Security, and the Department of Homeland Security Reorganization Plan of November 25, 2002, as modified, set out as a note under section 542 of Title 6.

§ 4124. Applicability of fiscal controls

The provisions of chapter 91 of title 31 shall apply to the program authorized under this chapter to the same extent as they apply to wholly owned Government corporations.


**REFERENCES IN TEXT**

This chapter, referred to in text, was in the original a reference to “this title” meaning title XIII of Pub. L. 90–448, Aug. 1, 1968, 82 Stat. 572, known as the National Flood Insurance Act of 1968, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 4001 of this title and Tables.

**AMENDMENTS**


**EFFECTIVE DATE**

Section effective 120 days following Aug. 1, 1968, as to transfers of functions, and as to transfers of personnel, assets, and liabilities, effective Jan. 1, 1969.

Section effective 120 days following Aug. 1, 1968, or such later date prescribed by the Secretary but in no event more than 180 days following Aug. 1, 1968, see section 1377 of Pub. L. 90–448, set out as a note under section 4001 of this title.

§ 4125. Finality of certain financial transactions

Notwithstanding the provisions of any other law—

(1) any financial transaction authorized to be carried out under this chapter, and

(2) any payment authorized to be made or to be received in connection with any such financial transaction,

shall be final and conclusive upon all officers of the Government.


**REFERENCES IN TEXT**

This chapter, referred to in par. (1), was in the original a reference to “this title” meaning title XIII of Pub. L. 90–448, Aug. 1, 1968, 82 Stat. 572, known as the National Flood Insurance Act of 1968, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 4001 of this title and Tables.

**EFFECTIVE DATE**

Section effective 120 days following Aug. 1, 1968, or such later date prescribed by the Secretary but in no event more than 180 days following Aug. 1, 1968, see section 1377 of Pub. L. 90–448, set out as a note under section 4001 of this title.

§ 4126. Administrative expenses

Any administrative expenses which may be sustained by the Federal Government in carrying out the flood insurance and floodplain management programs authorized under this chapter may be paid with amounts from the National Flood Insurance Fund (as provided under section 4017(a)(4) of this title), subject to approval in appropriations Acts.


**REFERENCES IN TEXT**

This chapter, referred to in text, was in the original a reference to “this title” meaning title XIII of Pub. L. 90–448, Aug. 1, 1968, 82 Stat. 572, known as the National Flood Insurance Act of 1968, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 4001 of this title and Tables.

**AMENDMENTS**

1990—Pub. L. 101–508 substituted “and floodplain management programs authorized under this chapter may be paid with amounts from the National Flood Insurance Fund (as provided under section 4017(a)(4) of this title), subject to approval in appropriations Acts” for “program authorized under this chapter may be paid out of appropriated funds”.

**EFFECTIVE DATE**

Section effective 120 days following Aug. 1, 1968, or such later date prescribed by the Secretary but in no event more than 180 days following Aug. 1, 1968, see section 1377 of Pub. L. 90–448, set out as a note under section 4001 of this title.

§ 4127. Authorization of appropriations; availability

(a) There are hereby authorized to be appropriated such sums as may from time to time be necessary to carry out this chapter, including sums—

(1) to cover administrative expenses authorized under section 4126 of this title;

(2) to reimburse the National Flood Insurance Fund established under section 4017 of this title for—

(A) premium equalization payments under section 4055 of this title which have been made from such fund; and

(B) reinsurance claims paid under the excess loss reinsurance coverage provided under section 4055 of this title; and
§ 4128  TITLE 42—THE PUBLIC HEALTH AND WELFARE  Page 5588

(3) to make such other payments as may be necessary to carry out the purposes of this chapter.

(b) All such funds shall be available without fiscal year limitation.

(c) There are authorized to be appropriated such sums as may be necessary through the date specified in section 4026 of this title, for studies under this chapter.


REFERENCES IN TEXT

This chapter, referred to in subsecs. (a) and (c), was in the original a reference to “this title” meaning title XIII of Pub. L. 90–448, Aug. 1, 1968, 82 Stat. 572, known as the National Flood Insurance Act of 1968, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 4001 of this title and Tables.

AMENDMENTS

2004—Subsec. (c). Pub. L. 108–264 substituted “through the date specified in section 4026 of this title, for studies under this chapter.” for “through the date specified in section 4026 of this title, for studies under this chapter. Any amount appropriated under this subsection shall remain available until expended.”


1997—Subsec. (c). Pub. L. 105–65 substituted “such sums as may be necessary through September 30, 1998, for studies under this chapter” for “for studies under this chapter not to exceed $36,283,000 for fiscal year 1990, and such sums as may be necessary for fiscal year 1991.”

1996—Subsec. (c). Pub. L. 104–204, which directed amendment of first sentence by substituting “such sums as may be necessary through September 30, 1997 for studies under this chapter.” for “this subsection” does not appear in first sentence.

1989—Subsec. (c). Pub. L. 101–137 substituted provisions authorizing appropriations of not to exceed $35,900,000 for fiscal year 1989 and such sums as may be necessary for fiscal year 1991 for provisions authorizing appropriations of $37,000,000 for fiscal year 1988, and $37,000,000 for fiscal year 1989.

1988—Subsec. (c). Pub. L. 100–242 amended subsec. (c) generally. Prior to amendment, subsec. (c) read as follows: “There are authorized to be appropriated for studies under this chapter not to exceed $100,000,000 for the fiscal year 1977, not to exceed $108,000,000 for the fiscal year 1978, not to exceed $114,000,000 for the fiscal year 1979, not to exceed $74,000,000 for the fiscal year 1980, not to exceed $61,600,000 for the fiscal year 1981, not to exceed $42,600,000 for the fiscal year 1982, not to exceed $9,752,000 for the fiscal year 1984, and such sums as may be necessary for fiscal year 1985.”

1983—Subsec. (c). Pub. L. 98–181 inserted “not to exceed $9,752,000 for the fiscal year 1984, and such sums as may be necessary for fiscal year 1985.”


1978—Subsec. (c). Pub. L. 95–557 substituted “not to exceed $108,000,000 for the fiscal year 1978, and not to exceed $114,000,000 for the fiscal year 1979” for “and not to exceed $108,000,000 for the fiscal year 1978.”


EFFECTIVE DATE OF 2004 AMENDMENT


EFFECTIVE DATE OF 2003 AMENDMENTS


EFFECTIVE DATE OF 1981 AMENDMENT


EFFECTIVE DATE

Section effective 120 days following Aug. 1, 1968, or such later date prescribed by the Secretary but in no event more than 180 days following Aug. 1, 1968, see section 1377 of Pub. L. 90–448, set out as a note under section 4001 of this title.

§ 4128. Rules and regulations

(a) The Administrator is authorized to issue such regulations as may be necessary to carry out the purposes of this Act.

(b) The head of each Federal agency that administers a program of financial assistance relating to the acquisition, construction, reconstruction, repair, or improvement of publicly or privately owned land or facilities, and each Federal instrumentality responsible for the supervision, approval, regulation, or insuring of banks, savings and loan associations, or similar
institutions, shall, in cooperation with the Administrator, issue appropriate rules and regulations to govern the carrying out of the agency’s responsibilities under this Act.


REFERENCES IN TEXT


CODIFICATION

Section was enacted as part of the National Flood Insurance Act of 1968 which comprises this chapter.

AMENDMENTS

2012—Pub. L. 112–141 substituted “Administrator” for “Secretary” in subsec. (a) and (b).

1983—Pub. L. 98–181 substituted “Director” for “Secretary” in subsecs. (a) and (b).

TRANSFER OF FUNCTIONS

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

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

FLOODPLAIN MANAGEMENT

For provisions relating to the reduction of the risk of flood loss, the minimization of the impact of floods on human safety, health and welfare, and the management of floodplains, see Ex. Ord. No. 11988, May 24, 1977, 42 F.R. 26951, set out as a note under section 4001 of this title.

§ 4129. Federal Insurance Administrator; establishment of position

There is hereby established in the Federal Emergency Management Agency the position of Federal Insurance Administrator.


CODIFICATION

Section was formerly classified to section 3533a of this title.

Section was enacted as part of the Urban Property Protection and Reinsurance Act of 1968 and also as part of the Housing and Urban Development Act of 1968, and not as part of the National Flood Insurance Act of 1968 which comprises this chapter.

AMENDMENTS


TRANSFER OF FUNCTIONS

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

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

§ 4130. No cause of action

No cause of action shall exist and no claim may be brought against the United States for violation of any notification requirement imposed upon the United States by this subtitle or any amendment made by this subtitle.


REFERENCES IN TEXT

This subtitle, referred to in text, is subtitle A (§§ 100201–100249) of title II of div. F of Pub. L. 112–141, known as the Biggert-Waters Flood Insurance Reform Act of 2012. For complete classification of this subtitle to the Code, see Short Title of 2012 Amendment note set out under section 4001 of this title and Tables.

CODIFICATION

Section was enacted as part of the Biggert-Waters Flood Insurance Reform Act of 2012, and also as part of the Moving Ahead for Progress in the 21st Century Act, also known as the MAP-21, and not as part of the National Flood Insurance Act of 1968 which comprises this chapter.

§ 4131. Levee certifications

(a) Implementation of Flood Protection Structure Accreditation Task Force

In carrying out section 100226 of Public Law 112–141 (42 U.S.C. 4101 note; 126 Stat. 942), the Secretary shall—

(1) ensure that at least 1 program activity carried out under the inspection of completed works program of the Corps of Engineers provides adequate information to the Secretary to reach a levee accreditation decision under section 65.10 of title 44, Code of Federal Regulations (or successor regulation); and

(2) to the maximum extent practicable, carry out activities under the inspection of completed works program of the Corps of Engineers in alignment with the schedule established for the national flood insurance program established under chapter 1 of the National Flood Insurance Act of 1968 (42 U.S.C. 4011 et seq.).

1So in original. Probably should be “chapter I”.
(b) Accelerated levee system evaluations

(1) In general

On receipt of a request from a non-Federal interest, the Secretary may carry out a levee system evaluation of a federally authorized levee for purposes of the National Flood Insurance Program established under chapter 1 of the National Flood Insurance Act of 1968 (42 U.S.C. 4011 et seq.) if the evaluation will be carried out earlier than such an evaluation would be carried out under subsection (a).

(2) Requirements

A levee system evaluation under paragraph (1) shall—

(A) at a minimum, comply with section 6510 of title 44, Code of Federal Regulations (as in effect on June 10, 2014); and

(B) be carried out in accordance with such procedures as the Secretary, in consultation with the Administrator of the Federal Emergency Management Agency, may establish.

(3) Funding

(A) In general

The Secretary may use amounts made available under section 1962d–16 of this title to carry out this subsection.

(B) Cost share

The Secretary shall apply the cost share under section 1962d–16(b) of this title to any activities carried out under this subsection.

References in Text

The National Flood Insurance Act of 1968, referred to in subsecs. (a)(2) and (b)(1), is title XIII of Pub. L. 90–448, Aug. 1, 1968, 82 Stat. 572, which is classified principally to subchapter I (§ 4011 et seq.) of this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 4001 of this title and Tables.

Codification

Section was enacted as part of the Water Resources Development Act of 2014, and not as part of the National Flood Insurance Act of 1968 which comprises this chapter.

Definition of “Secretary”

Secretary means the Secretary of the Army, see section 2 of Pub. L. 113–121, set out as a note under section 2201 of Title 33, Navigation and Navigable Waters.

CHAPTER 51—DESIGN AND CONSTRUCTION OF PUBLIC BUILDINGS TO ACCOMMODATE PHYSICALLY HANDICAPPED

References in Text


The National Capital Transportation Act of 1965, referred to in par. (4), is Pub. L. 89–173, Sept. 8, 1965, 79 Stat. 663, as amended. Section 1 of the Act, which was classified to a note under section 681 of former Title 40, Public Buildings, Property, and Works, was repealed by Pub. L. 113–7, § 6(a)(2), Jan. 3, 2014, 128 Stat. 5 (as in effect on June 10, 2014). Section 2 of the Act, which was classified to section 681 of former Title 40, has been omitted from the Code. Sections 3 and 4 of the Act, which were classified to sections 682 and 683, respectively, of former Title 40, were repealed by Pub. L. 91–143, § 8(a)(2), Dec. 9, 1969, 83 Stat. 323. Sections 5(a) (no subsec. (b) was enacted) and 6 of the Act, which were classified to sections 684 and 685, respectively, of former Title 40, were repealed by Pub. L. 107–217, § 6(b), Aug. 21, 2002, 116 Stat. 1304. Section 7 of the Act amended provisions classified to section 682 of former Title 40, which was repealed by Pub. L. 91–205, Mar. 5, 1970, 84 Stat. 49; Pub. L. 94–541, title II, § 201(1), Oct. 18, 1976, 90 Stat. 2507.

Amendments

1976—Pub. L. 94–541 inserted in parenthetical text “not leased by the Government for subsidized housing programs” after “structure” and struck out par. (2) “after construction or alteration in accordance with plans and specifications of the United States” after “August 12, 1968”.

§ 4152. Standards for design, construction, and alteration of buildings; Administrator of General Services

The Administrator of General Services, in consultation with the Secretary of Health and Human Services, shall prescribe standards for the design, construction, and alteration of buildings (other than residential structures subject to this chapter and buildings, structures, and facilities of the Department of Defense and of the United States Postal Service subject to this chapter) to insure whenever possible that physically handicapped persons will have ready access to, and use of, such buildings.


AMENDMENTS
1976—Pub. L. 94–541 substituted “shall prescribe” and “‘to insure whenever possible’ for “is authorized to prescribe such” and “as may be necessary to insure”, respectively, and inserted in parenthetical text “and of the United States Postal Service” after “Department of Defense”.

CHANGE OF NAME
“Secretary of Health and Human Services” substituted in text for “Secretary of Health, Education, and Welfare” pursuant to section 509(b) of Pub. L. 96–88, which is classified to section 3508(b) of Title 20, Education.

§ 4153. Standards for design, construction, and alteration of buildings; Secretary of Housing and Urban Development

The Secretary of Housing and Urban Development, in consultation with the Secretary of Health and Human Services, shall prescribe standards for the design, construction, and alteration of buildings which are residential structures subject to this chapter to insure whenever possible that physically handicapped persons will have ready access to, and use of, such buildings.


AMENDMENTS
1976—Pub. L. 94–541 substituted “shall prescribe” and “‘to insure whenever possible’ for “is authorized to prescribe such” and “as may be necessary to insure”, respectively, and inserted in parenthetical text “and of Defense”.

CHANGE OF NAME
“Secretary of Health and Human Services” substituted in text for “Secretary of Health, Education, and Welfare” pursuant to section 509(b) of Pub. L. 96–88, which is classified to section 3508(b) of Title 20, Education.

§ 4154. Standards for design, construction, and alteration of buildings; Secretary of Defense

The Secretary of Defense, in consultation with the Secretary of Health and Human Services, shall prescribe standards for the design, construction, and alteration of buildings, structures, and facilities of the Department of Defense subject to this chapter to insure whenever possible that physically handicapped persons will have ready access to, and use of, such buildings.

The United States Postal Service, in consultation with the Secretary of Health and Human Services, shall prescribe such standards for the design, construction, and alteration of the buildings of the United States Postal Service to insure whenever possible that physically handicapped persons will have ready access to, and use of, such buildings.


AMENDMENTS
1976—Pub. L. 94–541 substituted “shall prescribe” and “‘to insure whenever possible’ for “is authorized to prescribe such” and “as may be necessary to insure”, respectively.

CHANGE OF NAME
“Secretary of Health and Human Services” substituted in text for “Secretary of Health, Education, and Welfare” pursuant to section 509(b) of Pub. L. 96–88, which is classified to section 3508(b) of Title 20, Education.

§ 4154a. Standards for design, construction, and alteration of buildings; United States Postal Service

The United States Postal Service, in consultation with the Secretary of Health and Human Services, shall prescribe such standards for the design, construction, and alteration of its buildings to insure whenever possible that physically handicapped persons will have ready access to, and use of, such buildings.


CHANGE OF NAME
“Secretary of Health and Human Services” substituted in text for “Secretary of Health, Education, and Welfare” pursuant to section 509(b) of Pub. L. 96–88, which is classified to section 3508(b) of Title 20, Education.

§ 4155. Effective date of standards

Every building designed, constructed, or altered after the effective date of a standard issued under this chapter which is applicable to such building, shall be designed, constructed, or altered in accordance with such standard.


§ 4156. Waiver and modification of standards

The Administrator of General Services, with respect to standards issued under section 4152 of this title, and the Secretary of Housing and...
Urban Development, with respect to standards issued under section 4153 of this title, and the Secretary of Defense with respect to standards issued under section 4154 of this title, and the United States Postal Service with respect to standards issued under section 4154a of this title—

(1) is authorized to modify or waive any such standard, on a case-by-case basis, upon application made by the head of the department, agency, or instrumentality of the United States concerned, and upon a determination by the Administrator or Secretary, as the case may be, that such modification or waiver is clearly necessary, and

(2) shall establish a system of continuing surveys and investigations to insure compliance with such standards.


**AMENDMENTS**

1976—Pub. L. 94–541, in introductory text, inserted reference to the United States Postal Service with respect to standards issued under section 4154a of this title and struck out “is authorized” at end; in par. (1), inserted introductory words “is authorized”; and in par. (2), substituted “shall establish a system of continuing surveys and investigations” for “to conduct such surveys and investigations as he deems necessary”.

§ 4157. Omitted

CODIFICATION

Section, Pub. L. 90–480, §7, as added Pub. L. 94–541, title II, §201(7), Oct. 18, 1976, 90 Stat. 2508; amended Pub. L. 103–437, §19(a), Nov. 2, 1994, 108 Stat. 4993, which required the Administrator of General Services to report to Congress during the first week of January of each year on his activities and those of other departments, agencies, and instrumentalties of the Federal Government under this chapter during the preceding fiscal year and the Architectural and Transportation Barriers Compliance Board established by section 792 of title 29 to report to the Public Works and Transportation Committee of the House of Representatives and the Environment and Public Works Committee of the Senate during the first week of January of each year on its activities and actions to insure compliance with the standards prescribed under this chapter, was terminated, effective May 15, 2000, pursuant to section 3003 of Pub. L. 101–466, as amended, set out as a note under section 1113 of Title 31, Money and Finance. See, also, item 6 on page 155 and item 10 on page 173 of House Document No. 103–7.

**CHAPTER 52—INTERGOVERNMENTAL COOPERATION**

**SUBCHAPTER I—GENERAL PROVISIONS**


**SHORT TITLE**


**SUBCHAPTER II—GRANTS-IN-AID TO THE STATES; IMPROVED ADMINISTRATION**


**SUBCHAPTER III—SPECIAL OR TECHNICAL SERVICES PROVIDED FOR STATE AND LOCAL UNITS OF GOVERNMENT BY FEDERAL DEPARTMENTS AND AGENCIES**


Section 4221, Pub. L. 90–577, title III, §301, Oct. 16, 1968, 82 Stat. 1102, set out the statement of purpose for the provision of special or technical services to State and local units of government by Federal departments and agencies.

Section 4222, Pub. L. 90–577, title III, §302, Oct. 16, 1968, 82 Stat. 1102; 1970 Reorg. Plan No. 2, §102, eff. July 1, 1970, 35 F.R. 7969, 84 Stat. 2305, authorized Federal departments and agencies to provide specialized or technical services to States or their political subdivisions. See section 6505(a), (b) of Title 31, Money and Finance.


Section, Pub. L. 90–577, title III, §304, Oct. 16, 1968, 82 Stat. 1102, provided that the Secretary of any department or the administrative head of any agency of the executive branch of the Federal Government furnish annually to the respective Committees on Government Operations of the Senate and House of Representatives a summary report on the scope of the services provided under the administration of this subchapter.


Section, Pub. L. 90–577, title III, §305, Oct. 16, 1968, 82 Stat. 1103, provided for the reservation of existing authority of Federal departments and agencies with respect to furnishing services to State and local units of government. See section 6505(d) of Title 31, Money and Finance.

**SUBCHAPTER IV—DEVELOPMENT ASSISTANCE PROGRAMS; COORDINATED INTERGOVERNMENTAL POLICY AND ADMINISTRATION**


SUBCHAPTER V—REVIEW OF FEDERAL GRANT-IN-AID PROGRAMS


Section 4243, Pub. L. 90–97, § 603, Oct. 16, 1968, 82 Stat. 1107, related to studies by the Advisory Commission on Intergovernmental Relations and a report of its findings to Congress. See section 6508(b) of Title 31.


CHAPTER 52A—JOINT FUNDING SIMPLIFICATION


Section 4253, Pub. L. 93–510, § 4, Dec. 5, 1974, 88 Stat. 1605, related to activities by heads of Federal agencies relating to application processing or assistance requests under two or more Federal programs supporting any project. See section 7104 of Title 31.

Section 4254, Pub. L. 93–510, § 5, Dec. 5, 1974, 88 Stat. 1605, related to special authorities of heads of Federal agencies with respect to projects assisted under more than one Federal assistance program and exercise of these authorities pursuant to regulations prescribed by President. See section 7108 of Title 31.


Section 4256, Pub. L. 93–510, § 7, Dec. 5, 1974, 88 Stat. 1606, related to delegation by Federal agency heads of powers and functions relating to supervision, etc., of Federal assistance with the approval of President. See section 7106 of Title 31.


Section 4260, Pub. L. 93–510, § 11, Dec. 5, 1974, 88 Stat. 1608, provided for a report by the President to Congress concerning actions taken under this chapter and the contents of such report. See section 7111 of Title 31.


CHAPTER 53—ADVISORY COMMISSION ON INTERGOVERNMENTAL RELATIONS


Appropriations: Unfunded mandates; Termination of Advisory Commission on Intergovernmental Relations

Pub. L. 104–52, title IV, Nov. 19, 1995, 109 Stat. 480, provided in part that: “For necessary expenses of the Advisory Commission on Intergovernmental Relations, $784,000, of which $334,000 is to carry out the provisions of Public Law 104–4 [see Short Title note set out under Title 31, Money and Finance, which provided for the effective and expiration dates of that Act], was repealed by Pub. L. 97–258, § 5(b), Sept. 13, 1982, 96 Stat. 1068.

CHAPTER 55—CONSIDERATION OF CERTAIN ELEMENTS OF LAW AMENDING INTERGOVERNMENTAL RELATIONS ACT OF 1967


CHAPTER 56—INSURANCE AND ECONOMIC RELATIONS ACT OF 2000

§ 4272. Declaration of purpose

Because the complexity of modern life intensifies the need in a federal form of government for the fullest cooperation and coordination of activities between the levels of government, and because population growth and scientific developments portend an increasingly complex society in future years, it is essential that an appropriate agency be established to give continuing attention to intergovernmental problems.

It is intended that the Commission, in the performance of its duties, will—

1. bring together representatives of the Federal, State, and local governments for the consideration of common problems;
2. provide a forum for discussing the administration and coordination of Federal grant and other programs requiring intergovernmental cooperation;
3. give critical attention to the conditions and controls involved in the administration of Federal grant programs;
4. make available technical assistance to the executive and legislative branches of the Federal Government in the review of proposed legislation to determine its overall effect on the Federal system;
5. encourage discussion and study at an early stage of emerging public problems that are likely to require intergovernmental cooperation;
6. recommend, within the framework of the Constitution, the most desirable allocation of governmental functions, responsibilities, and revenues among the several levels of government; and
7. recommend methods of coordinating and simplifying tax laws and administrative practices to achieve a more orderly and less competitive fiscal relationship between the levels of government and to reduce the burden of compliance for taxpayers.


Codification

Section was formerly classified to section 2372 of Title 5 prior to the general revision and enactment of Title 5, Government Organization and Employees, by Pub. L. 89–554, § 1, Sept. 6, 1966, 80 Stat. 378.

§ 4273. Membership of Commission; appointment of members; term

(a) Number of members; appointment; qualifications

The Commission shall be composed of twenty-six members, as follows:

1. Six appointed by the President of the United States, three of whom shall be officers of the executive branch of the Government, and three private citizens, all of whom shall have had experience or familiarity with relations between the levels of government;
2. Three appointed by the President of the Senate, who shall be Members of the Senate;
3. Three appointed by the Speaker of the House of Representatives, who shall be Members of the House;
4. Four appointed by the President from a panel of at least eight Governors submitted by the Governors’ Conference;
5. Three appointed by the President from a panel of at least six members of State legislative bodies submitted by the board of managers of the Council of State Governments;
6. Four appointed by the President from a panel of at least eight mayors submitted jointly by the National League of Cities and the United States Conference of Mayors; and
7. Three appointed by the President from a panel of at least six elected county officers submitted by the National Association of Counties.

(b) Political and geographical composition

The members appointed from private life under paragraph (1) of subsection (a) shall be appointed without regard to political affiliation; of each class of members enumerated in paragraphs (2) and (3) of subsection (a), two shall be from the majority party of the respective houses; of each class of members enumerated in paragraphs (4), (5), (6), and (7) of subsection (a), not more than two shall be from any one political party; of each class of members enumerated in paragraphs (5), (6) and (7) of subsection (a), not more than one shall be from any one State; and at least two of the appointees under paragraph (6) of subsection (a) shall be from cities under five hundred thousand population.

(c) Term of office; reappointment; period of service

The term of office of each member of the Commission shall be two years; members shall be eligible for reappointment; and, except as provided in section 4274(d) of this title, members shall serve until their successors are appointed.


Codification

Section was formerly classified to section 2373 of Title 5 prior to the general revision and enactment of Title 5, Government Organization and Employees, by Pub. L. 89–554, § 1, Sept. 6, 1966, 80 Stat. 378.

Amendments

§ 4274. Organization of Commission

(a) Initial meeting

The President shall convene the Commission within ninety days following September 24, 1959 at such time and place as he may designate for the Commission’s initial meeting.

(b) Chairman and Vice Chairman

The President shall designate a Chairman and a Vice Chairman from among members of the Commission.

(c) Vacancies in membership

Any vacancy in the membership of the Commission shall be filled in the same manner in which the original appointment was made; except that where the number of vacancies is fewer than the number of members specified in paragraphs (4), (5), (6), and (7) of section 4273(a) of this title, each panel of names submitted in accordance with the aforementioned paragraphs shall contain at least two names for each vacancy.

(d) Termination of service in official position from which originally appointed

Where any member ceases to serve in the official position from which originally appointed under section 4273(a) of this title, his place on the Commission shall be deemed to be vacant.

(e) Quorum

Thirteen members of the Commission shall constitute a quorum, but two or more members shall constitute a quorum for the purpose of conducting hearings.

§ 4275. Duties of Commission

It shall be the duty of the Commission—

(1) to engage in such activities and to make such studies and investigations as are necessary or desirable in the accomplishment of the purposes set forth in section 4272 of this title;

(2) to consider, on its own initiative, ways and means for fostering better relations between the levels of government;

(3) to submit an annual report to the President and the Congress on or before January 31 of each year. The Commission may also submit such additional reports to the President, to the Congress or any committee of the Congress, and to any unit of government or organization as the Commission deem appropriate.

§ 4276. Powers and administrative provisions

(a) Hearings; oaths and affirmations

The Commission or, on the authorization of the Commission, any subcommittee or members thereof, may, for the purpose of carrying out the provisions of this chapter, hold such hearings, take such testimony, and sit and act at such times and places as the Commission deems advisable. Any member authorized by the Commission may administer oaths or affirmations to witnesses appearing before the Commission or any subcommittee or members thereof.

(b) Cooperation by Federal agencies

Each department, agency, and instrumentalities of the executive branch of the Government, including independent agencies, is authorized and directed to furnish to the Commission, upon request made by the Chairman or Vice Chairman, such information as the Commission deems necessary to carry out its functions under this chapter.

(c) Executive director

The Commission shall have power to appoint, fix the compensation of, and remove an executive director without regard to the civil service laws and chapter 51 and subchapter III of chapter 53 of title 5. Such appointment shall be made solely on the basis of fitness to perform the duties of the position and without regard to political affiliation.

(d) Appointment and compensation of other personnel; temporary and intermittent services

Subject to such rules and regulations as may be adopted by the Commission, the Chairman, without regard to the civil service laws and chapter 51 and subchapter III of chapter 53 of title 5, and without reference to political affiliation, shall have the power—

(1) to appoint, fix the compensation of, and remove such other personnel as he deems necessary;

(2) to procure temporary and intermittent services to the same extent as is authorized by
section 3109 of title 5 but at rates not to exceed $50 a day for individuals.

(e) Applicability of other laws to employees

Except as otherwise provided in this chapter, persons in the employ of the Commission under subsections (c) and (d) of this section shall be considered to be Federal employees for all purposes, including—

1. subchapter III of chapter 83 of title 5,
2. chapter 87 of title 5,
3. annual and sick leave, and
4. subchapter I of chapter 57 of this title.

(f) Maximum compensation of employees

No individual employed in the service of the Commission shall be paid compensation for such employment at a rate in excess of the highest rate provided for grade 18 under the General Schedule, except that the executive director of the Commission may be paid compensation at any rate not exceeding the rate prescribed for level V in the Executive Schedule of subchapter II of chapter 53 of title 5.


CODIFICATION

The following substitutions were made on authority of Pub. L. 89–554, §7(b), Sept. 6, 1966, 80 Stat. 631, the first section of which enacted Title 5, Government Organization and Employees:

In subsecs. (c) and (d), “chapter 51 and subchapter III of chapter 53 of title 5” substituted for “the Classification Act of 1949”.


In subsec. (e), “subchapter III of chapter 83 of title 5”, “chapter 87 of title 5”, and “subchapter I of chapter 57 of title 5” substituted for “the Civil Service Retirement Act, as amended”, “the Federal Employees’ Group Life Insurance Act of 1954, as amended”, and “the Travel Expense Act of 1949, as amended”, respectively.

In subsec. (f), “the Executive Schedule of subchapter II of chapter 53 of title 5” substituted for “the Federal Executive Salary Schedule of the Federal Executive Salary Act of 1964”.

Section was formerly classified to section 2376 of Title 5 prior to the general revision and enactment of Title 5, Government Organization and Employees, by Pub. L. 89–554, §1, Sept. 6, 1966, 80 Stat. 378.

AMENDMENTS

1966—Subsec. (c). Pub. L. 89–733, §3, substituted “executive director” for “staff director”.

Subsec. (f). Pub. L. 89–733, §4, authorized the executive director of the Commission to be paid compensation at any rate not exceeding the rate prescribed for level V in the Federal Executive Salary Schedule.

1964—Subsec. (f). Pub. L. 88–426 substituted “at a rate in excess of the highest rate of grade 18 of the General Schedule of the Classification Act of 1949, as amended” for “at a rate in excess of $20,000 per annum”.

EFFECTIVE DATE OF 1964 AMENDMENT


REFERENCES IN OTHER LAWS TO GS–16, 17, OR 18 PAY RATES

References in laws to the rates of pay for GS–16, 17, or 18, or to maximum rates of pay under the General Schedule, to be considered references to rates payable under specified sections of Title 5, Government Organization and Employees, see section 529 (title I, §106(c)(1)) of Pub. L. 181–509, set out in a note under section 5376 of Title 5.

§ 4277. Compensation of members

(a) Members of the Commission who are Members of Congress, officers of the executive branch of the Federal Government, Governors, or full-time salaries officers of city and county governments shall serve without compensation in addition to that received in their regular public employment, but shall be allowed necessary travel expenses (or, in the alternative, a per diem in lieu of subsistence and mileage not to exceed the rates prescribed in subchapter I of chapter 57 of title 5), without regard to subchapter I of chapter 57 of title 5, the Standardized Government Travel Regulations, or section 5731(a) of title 5, and other necessary expenses incurred by them in the performance of duties vested in the Commission.

(b) Unless prohibited by State or local law, members of the Commission, other than those to whom subsection (a) is applicable, shall receive compensation at the rate of $50 per day for each day they are engaged in the performance of their duties as members of the Commission and shall be entitled to reimbursement for travel, subsistence, and other necessary expenses incurred by them in the performance of their duties as members of the Commission, as provided for in subsection (a) of this section.


CODIFICATION

In subsec. (a), “subchapter I of chapter 57 of title 5” substituted for “the Travel Expense Act of 1949, as amended” and for “the Travel Expense Act of 1949, as amended” (5 U.S.C. 1101–2) and “section 5731(a) of title 5” substituted for “section 10 of the Act of March 3, 1933, (5 U.S.C. 73(b))”, on authority of Pub. L. 89–554, §7(b), Sept. 6, 1966, 80 Stat. 631, the first section of which enacted Title 5, Government Organization and Employees.

Section was formerly classified to section 2377 of Title 5 prior to the general revision and enactment of Title 5, Government Organization and Employees, by Pub. L. 89–554, §1, Sept. 6, 1966, 80 Stat. 378.

AMENDMENTS

1966—Subsec. (b). Pub. L. 89–733 inserted “Unless prohibited by State or local law”.

§ 4278. Authorization of appropriations

There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this chapter.


CODIFICATION

Section was formerly classified to section 2378 of Title 5 prior to the general revision and enactment of Title 5, Government Organization and Employees, by Pub. L. 89–554, §1, Sept. 6, 1966, 80 Stat. 378.

§ 4279. Receipt of funds; consideration by Congress

The Commission is authorized to receive funds through grants, contracts, and contributions
from State and local governments and organizations thereof, and from nonprofit organizations. Such funds may be received and expended by the Commission only for purposes of this chapter. In making appropriations to the Commission the Congress shall consider the amount of any funds received by the Commission in addition to those funds appropriated to it by the Congress.


CODIFICATION

Section was formerly classified to section 2379 of Title 5, Government Organization and Employees, by Pub. L. 89–554, § 1, Sept. 6, 1966, 80 Stat. 378.

CHAPTER 54—CABINET COMMITTEE ON OPPORTUNITIES FOR SPANISH-SPEAKING PEOPLE

§§ 4301 to 4312. Omitted

CODIFICATION


CHAPTER 55—NATIONAL ENVIRONMENTAL POLICY

Sec.

4321. Congressional declaration of purpose.

SUBCHAPTER I—POLICIES AND GOALS

4331. Congressional declaration of national environmental policy.

4332. Cooperation of agencies; reports; availability of information; recommendations; international and national coordination of efforts.

4332a. Repealed.

4333. Conformity of administrative procedures to national environmental policy.

4334. Other statutory obligations of agencies.

4335. Efforts supplemental to existing authorizations.

SUBCHAPTER II—COUNCIL ON ENVIRONMENTAL QUALITY

4341. Omitted.

4342. Establishment; membership; Chairman; appointments.

4343. Employment of personnel, experts and consultants.

4344. Duties and functions.

4345. Consultation with Citizens' Advisory Committee on Environmental Quality and other representatives.

4346. Tenure and compensation of members.

4346a. Travel reimbursement by private organizations and Federal, State, and local governments.

4346b. Expenditures in support of international activities.

4347. Authorization of appropriations.

SUBCHAPTER III—MISCELLANEOUS PROVISIONS

4361. 4361a. Repealed.

4361b. Implementation by Administrator of Environmental Protection Agency of recommendations of 'CHESS' Investigative Report; waiver; inclusion of status of implementation requirements in annual revisions of plan for research, development, and demonstration.

4361c. Staff management.

4362. Interagency cooperation on prevention of environmental cancer and heart and lung disease.

4362a. Membership of Task Force on Environmental Cancer and Heart and Lung Disease.

4363. Continuing and long-term environmental research and development.

4363a. Pollution control technologies demonstrations.

4364. Expenditure of funds for research and development related to regulatory program activities.

4365. Science Advisory Board.

4366. Identification and coordination of research, development, and demonstration activities. Omitted.

4366a. Grants to qualified citizens groups.

4367. Reporting requirements of financial interests of officers and employees of Environmental Protection Agency.

4368. Grants to qualified citizens groups.

4368a. Utilization of talents of older Americans in projects of pollution prevention, abatement, and control.

4368b. General assistance program.

4369. Miscellaneous reports.

4369a. Reports on environmental research and development activities of Agency.

4370. Reimbursement for use of facilities.

4370a. Assistant Administrators of Environmental Protection Agency; appointment; duties.

4370b. Availability of fees and charges to carry out Agency programs.

4370c. Environmental Protection Agency fees.

4370d. Percentage of Federal funding for organizations owned by socially and economically disadvantaged individuals.

4370e. Working capital fund in Treasury.

4370f. Availability of funds after expiration of period for liquidating obligations.

4370g. Availability of funds for uniforms and certain services.

4370h. Availability of funds for facilities.

4370i. Regional liaisons for minority, tribal, and low-income communities.
The purposes of this chapter are: To declare a national policy which will encourage productive and enjoyable harmony between man and his environment; to promote efforts which will prevent or eliminate damage to the environment and biosphere and stimulate the health and welfare of man; to enrich the understanding of the earth and the universe N.W. in Washington, D.C., known as the Ariel Rios Environmental Quality. 1990', 'title VII', 'Pollution Prosecution' 'Air, Water, and Solid Waste Pollution', 'Pollution Prevention and Control', 'To Protect National Security and Enhance Military Readiness', 'The Environmental Protection Agency Headquarters located at 1200 Pennsylvania Avenue located at 1200 Pennsylvania Avenue Northwest located at 1200 Pennsylvania Avenue Northwest in Washington, D.C., known as the Ariel Rios Building, shall be known and redesignated as the 'William Jefferson Clinton Federal Building'.

'(b) References.—Any reference in a law, map, regulation, document, paper, or other record of the United States to the Environmental Protection Agency Headquarters referred to in subsection (a) shall be deemed to be a reference to the 'William Jefferson Clinton Federal Building'.

**MODIFICATION OR REPLACEMENT OF EXECUTIVE ORDER No. 13423**

Pub. L. 111–117, div. C, title VII, §742(b), Dec. 16, 2009, 123 Stat. 3216, provided that, '‘Hereafter, the President may modify or replace Executive Order No. 13423 [formerly set out below] if the President determines that a revised or new executive order will achieve equal or better environmental or energy efficiency results.’' [Pursuant to section 742(b) of Pub. L. 111–117, set out above, Ex. Ord. No. 13423 was replaced by Ex. Ord. No. 13693, Mar. 19, 2015, 80 F.R. 15871, set out below.]


**NECESSITY OF MILITARY LOW-LEVEL FLIGHT TRAINING TO PROTECT NATIONAL SECURITY AND ENHANCE MILITARY READINESS**

Pub. L. 106–398, §1 [[div. A], title III, §317], Oct. 30, 2000, 114 Stat. 1654, 1654A–57, provided that: ‘‘Nothing in the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) or the regulations implementing such law shall require the Secretary of Defense or the Secretary of a military department to prepare a grammatic, nation-wide environmental impact statement for low-level flight training in any condition to the use by the Armed Forces of an airspace for the performance of low-level training flights.’'

**POLLUTION PROSECUTION**

Pub. L. 101–593, title II, Nov. 16, 1990, 104 Stat. 2962, provided that: ‘‘SEC. 201. SHORT TITLE. ‘‘This title may be cited as the ‘Pollution Prosecution Act of 1990’.’’

**SEC. 202. EPA OFFICE OF CRIMINAL INVESTIGATION.** ‘‘(a) The Administrator of the Environmental Protection Agency (hereinafter referred to as the ‘Administrator’) shall increase the number of criminal investigators assigned to the Office of Criminal Investigations by such numbers as may be necessary to assure that the number of criminal investigators assigned to the office—

‘‘(1) for the period October 1, 1991, through September 30, 1992, is not less than 72;

‘‘(2) for the period October 1, 1992, through September 30, 1993, is not less than 110;

‘‘(3) for the period October 1, 1993, through September 30, 1994, is not less than 123;

‘‘(4) for the period October 1, 1994, through September 30, 1995, is not less than 150;

‘‘(5) beginning October 1, 1995, is not less than 200.

‘‘(b) For fiscal year 1991 and in each of the following 4 fiscal years, the Administrator shall, during each such fiscal year, provide increasing numbers of additional support staff to the Office of Criminal Investigations.

‘‘(c) The head of the Office of Criminal Investigations shall be a position in the competitive service as defined in 2102 of title 5 U.S.C. or a career reserve [reserved] position as defined in 3132(A) [3132(a)] of title 5 U.S.C. and the head of such office shall report directly, without in
tervening review or approval, to the Assistant Administrator for Enforcement.

"SEC. 203. CIVIL INVESTIGATORS.

The Administrator, as soon as practicable following the date of the enactment of this Act [Nov. 16, 1990], but no later than September 30, 1991, shall increase by fifty the number of civil investigators assigned to assist the Office of Enforcement in developing and prosecuting civil and administrative actions and carrying out its other functions.

"SEC. 204. NATIONAL TRAINING INSTITUTE.

The Administrator shall, as soon as practicable but no later than September 30, 1991, establish within the Office of Enforcement the National Enforcement Training Institute. It shall be the function of the Institute, among others, to train Federal, State, and local lawyers, inspectors, civil and criminal investigators, and technical experts in the enforcement of the Nation's environmental laws.

"SEC. 205. AUTHORIZATION.

For the purposes of carrying out the provisions of this Act [probably should be "this title"], there is authorized to be appropriated to the Environmental Protection Agency $13,000,000 for fiscal year 1991, $18,000,000 for fiscal year 1992, $20,000,000 for fiscal year 1993, $26,000,000 for fiscal year 1994, and $33,000,000 for fiscal year 1995.

REORGANIZATION PLAN NO. 3 OF 1970


Prepared by the President and transmitted to the Senate and the House of Representatives in Congress assembled, July 9, 1970, pursuant to the provisions of Chapter 9 of Title 5 of the United States Code.

ENVIRONMENTAL PROTECTION AGENCY

SECTION 1. ESTABLISHMENT OF AGENCY

(a) There is hereby established the Environmental Protection Agency, hereinafter referred to as the "Agency.

(b) There shall be at the head of the Agency the Administrator of the Environmental Protection Agency, hereinafter referred to as the "Administrator." The Administrator shall be appointed by the President, by and with the advice and consent of the Senate.

(c) There shall be in the Agency a Deputy Administrator of the Environmental Protection Agency who shall be appointed by the President, by and with the advice and consent of the Senate. The Deputy Administrator shall perform such functions as the Administrator shall perform, and shall act as Administrator during the absence or disability of the Administrator or in the event of a vacancy in the office of Administrator.

(d) There shall be in the Agency not to exceed five Assistant Administrators of the Environmental Protection Agency who shall be appointed by the President, by and with the advice and consent of the Senate. Each Assistant Administrator shall perform such functions as the Administrator shall perform, and shall act as Administrator during the absence or disability of the Administrator or in the event of a vacancy in the office of Administrator. Assistant Administrators shall not be appointed to reside at the same place as the Administrator.

SEC. 2. TRANSFERS TO ENVIRONMENTAL PROTECTION AGENCY

(a) There are hereby transferred to the Administrator:

(1) All functions vested by law in the Secretary of the Interior and the Department of the Interior which are administered through the Federal Water Quality Administration, all functions which were transferred to the Secretary of the Interior by Reorganization Plan No. 2 of 1966 (80 Stat. 1608), and all functions vested in the Secretary of the Interior or the Department of the Interior by the Federal Water Pollution Control Act or by provisions of law amendatory or supplementary thereof [see 33 U.S.C. 1251 et seq.].

(2) The functions vested in the Secretary of the Interior by the Act of August 1, 1958, 72 Stat. 479, 16 U.S.C. 742d–1 (being an Act relating to studies on the effects of insecticides, herbicides, fungicides, and pesticides upon the fish and wildlife resources of the United States), and (ii) the functions vested by law in the Secretary of the Interior and the Department of the Interior which are administered by the Gulf Breeze Biological Laboratory of the Bureau of Commercial Fisheries at Gulf Breeze, Florida.

(3) The functions vested by law in the Secretary of Health, Education, and Welfare or in the Department of Health, Education, and Welfare, as amended, 21 U.S.C. 345, 346, and vested through the Environmental Health Service, including the functions exercised by the following components thereof:

(i) The National Air Pollution Control Administration.

(ii) The Environmental Control Administration:

(A) Bureau of Solid Waste Management.

(B) Bureau of Water Hygiene.

(C) Bureau of Radiological Health.

except that functions carried out by the following components of the Environmental Control Administration of the Environmental Health Service are not transferred:

(i) Bureau of Community Environmental Management, (ii) Bureau of Occupational Safety and Health, and (iii) Bureau of Radiological Health, insofar as the functions carried out by the latter Bureau pertain to (A) regulation of radiation from consumer products, including electronic product radiation, (B) radiation as used in the healing arts, (C) occupational exposures to radiation, and (D) research, technical assistance, and training related to clauses (A), (B), and (C).

(4) The functions vested in the Secretary of Health, Education, and Welfare of establishing tolerances for pesticide chemicals under the Federal Food, Drug, and Cosmetic Act, as amended, 21 U.S.C. 345, 346, and vested through the Environmental Health Service, including the functions exercised by the following components thereof:

(i) The National Air Pollution Control Administration.

(ii) The Environmental Control Administration:

(A) Bureau of Solid Waste Management.

(B) Bureau of Water Hygiene.

(C) Bureau of Radiological Health.


(6) The functions of the Atomic Energy Commission under the Atomic Energy Act of 1946, as amended [42 U.S.C. 2011 et seq.], administered through its Division of Radiation Protection Standards, to the extent that such functions of the Commission consist of establishing generally applicable environmental standards for the protection of the general environment from radioactive material. As used herein, standards mean limits on radiation exposures or levels, or concentrations or quantities of radioactive material, in the general environment outside the boundaries of locations under the control of persons possessing or using radioactive material.

(7) All functions of the Federal Radiation Council [42 U.S.C. 2011(h)].
mental Quality Branch of the Plant Protection Division of the Agricultural Research Service.

(9) So much of the functions of the transferee officers and agencies referred to in or affected by the foregoing provisions of this section as is incidental to or necessary for the performance by or under the Administrator of the functions transferred by those provisions or related primarily to those functions. The transfer to the Administrator made by this section shall be deemed to include the transfer of (1) authority, provided by law, to prescribe regulations relating primarily to the transferred functions, and (2) the functions vested in the Secretary of the Interior and the Secretary of Health, Education, and Welfare by section 106(d)(1)(B) and (3) of the Internal Revenue Code of 1954 (as enacted by section 704 of the Tax Reform Act of 1969, 83 Stat. 668); but shall be deemed to exclude the transfer of the functions of the Bureau of Reclamation under section 3(b)(1) of the Water Pollution Control Act (33 U.S.C. (former) 466a(b)(1)).

(b) There are hereby transferred to the Agency:

(1) From the Department of the Interior, (i) the Water Pollution Control Advisory Board (33 U.S.C. [former] 466f) [see 33 U.S.C. 1386], together with its functions, and (ii) the hearing boards provided for in sections 10(c)(4) and 10(f) of the Federal Water Pollution Control Act, as amended (33 U.S.C. (former) 466g(c)(4); 466f(f)). The functions of the Secretary of the Interior with respect to being or designating the Chairman of the Water Pollution Control Advisory Board are hereby transferred to the Administrator.

(2) From the Department of Health, Education, and Welfare, the Air Quality Advisory Board (42 U.S.C. 1857e) [42 U.S.C. 741t], together with its functions. The functions of the Secretary of Health, Education, and Welfare with respect to being a member and the Chairman of that Board are hereby transferred to the Administrator.

SEC. 3. PERFORMANCE OF TRANSFERRED FUNCTIONS

The Administrator may from time to time make such provisions as he shall deem appropriate authorizing the performance of any of the functions transferred to him by the provisions of this reorganization plan by any other officer, or by any organizational entity or employee, of the Agency.

SEC. 4. INCIDENTAL TRANSFERS

(a) So much of the personnel, property, records, and unexpended balances of appropriations, allocations, and other funds employed, used, held, available or to be made available in connection with the functions transferred to the Administrator or the Agency by this reorganization plan as the Director of the Office of Management and Budget shall determine shall be transferred to the Agency at such time or times as the Director shall direct.

(b) Such further measures and dispositions as the Director of Office of Management and Budget shall deem to be necessary in order to effectuate the transfers referred to in subsection (a) of this section shall be carried out in such manner as he shall direct and by such agencies as he shall designate.

SEC. 5. INTERIM OFFICERS

(a) The President may authorize any person who immediately prior to the effective date of this reorganization plan held a position in the executive branch of the Government to act as Administrator until the office of Administrator is for the first time filled pursuant to the provisions of this reorganization plan or by recess appointment, as the case may be.

(b) The President may similarly authorize any such person to act as Deputy Administrator, and authorize any such person to act as the head of any principal constituent organizational entity of the Administrator.

(c) The President may authorize any person who serves in an acting capacity under the foregoing provisions of this section to receive the compensation attached to the office in respect of which he so serves. Such compensation, if authorized, shall be in lieu of, but not in addition to, other compensation from the United States to which such person may be entitled.

SEC. 6. ABOLITIONS

(a) Subject to the provisions of this reorganization plan, the following, exclusive of any functions, are hereby abolished:


(2) The Federal Radiation Council (73 Stat. 690; 42 U.S.C. 2021(h)).

(b) Such provisions as may be necessary with respect to terminating any outstanding affairs shall be made by the Secretary of the Interior in the case of the Federal Water Quality Administration and by the Administrator of General Services in the case of the Federal Radiation Council.

SEC. 7. EFFECTIVE DATE

The provisions of this reorganization plan shall take effect sixty days after the date they would take effect under 5 U.S.C. 906(a) in the absence of this section.

MESSAGE OF THE PRESIDENT

To the Congress of the United States:

I transmit herewith Reorganization Plan No. 3 of 1970, prepared in accordance with chapter 9 of title 5 of the United States Code and providing for an Environmental Protection Agency. My reasoning for transmitting this plan are stated in a more extended accompanying message.

After investigation, I have found and hereby declare that each reorganization included in Reorganization Plan No. 3 of 1970 is necessary to accomplish one or more of the purposes set forth in section 901(a) of title 5 of the United States Code. In particular, the plan is responsive to section 901(a)(1), "to promote the better execution of the laws, the more effective management of the executive branch and of its agencies and functions, and the expeditious administration of the public business;" and section 901(a)(3), "to increase the efficiency of the operations of the Government to the fullest extent practicable."

The reorganizations provided for in the plan make necessary the appointment and compensation of new officers as specified in section 1 of the plan. The rates of compensation fixed for these officers are comparable to those fixed for other officers in the executive branch who have similar responsibilities.

Section 907 of title 5 of the United States Code will operate to preserve administrative proceedings, including any public hearing proceedings, related to the transferred functions, which are pending immediately prior to the taking effect of the reorganization plan.

The reorganization plan should result in more efficient operation of the Government. It is not practical, however, to itemize or aggregate the exact expenditure reductions which will result from this action.

RICHARD NIXON.

THE WHITE HOUSE, July 9, 1970.
Our national government today is not structured to make a coordinated attack on the pollutants which debase the air we breathe, the water we drink, and the land that grows our food. Indeed, the present governmental structure for dealing with environmental pollution often defies effective and concerted action. Despite its complexity, for pollution control purposes the environment must be perceived as a single, interrelated system. Present assignments of departmental responsibility do not reflect this interrelatedness. Many agency missions, for example, are designed primarily on media lines—air, water, and land. Yet the sources of air, water, and land pollution are interrelated and often interchangeable. A single source may pollute the air with smoke and chemicals, the land with solid wastes, and a river or lake with chemical and other wastes. Control of the air pollution may produce more solid wastes, which then pollute the land or water. Control of the water-polluting effluent may convert it into solid wastes, which must be disposed of on land.

Similarly, some pollutants—chemicals, radiation, pesticides—appear in all media. Successful control of them at present requires the coordinated efforts of a variety of separate agencies and departments. The results are not always successful.

A far more effective approach to pollution control would:

—Identify pollutants.
—Trace them through the entire ecological chain, observing and recording changes in form as they occur.
—Determine the total exposure of man his environment.
—Examine interactions among forms of pollution.
—Determine where in the ecological chain interdiction would be most appropriate.

In organizational terms, this requires pulling together into one agency a variety of research, monitoring, standard-setting, and enforcement activities now scattered through several departments and agencies. It also requires that the new agency include sufficient support elements—in research and in aids to State and local anti-pollution programs, for example—to give it the needed strength and potential for carrying out its mission. The new agency would also, of course, draw upon the results of research conducted by other agencies.

COMPONENTS OF THE EPA

Under the terms of Reorganization Plan No. 3, the following would be moved to the new Environmental Protection Agency:

—The functions carried out by the Federal Water Quality Administration (from the Department of the Interior).
—Functions with respect to pesticides studies now vested in the Department of the Interior.
—The functions carried out by the National Air Pollution Control Administration (from the Department of Health, Education, and Welfare).
—The functions carried out by the Bureau of Solid Waste Management and the Bureau of Water Hygiene, and portions of the functions carried out by the Bureau of Radiological Health of the Environmental Control Administration (from the Department of Health, Education, and Welfare).
—Certain functions with respect to pesticides carried out by the Food and Drug Administration (from the Department of Health, Education, and Welfare).
—Authority to perform studies relating to ecological systems now vested in the Council on Environmental Quality.
—Functions respecting pesticides registration and related activities now carried out by the Agricultural Research Service (from the Department of Agriculture).
—Elementary, secondary, and related education programs of the Atomic Energy Commission are now transferred to the Department of Health, Education, and Welfare.

ENVIRONMENTAL PROTECTION AGENCY (EPA)

Despite its complexity, for pollution control purposes the environment must be perceived as a single, interrelated system. Present assignments of departmental responsibility do not reflect this interrelatedness. Many agency missions, for example, are designed primarily on media lines—air, water, and land. Yet the sources of air, water, and land pollution are interrelated and often interchangeable. A single source may pollute the air with smoke and chemicals, the land with solid wastes, and a river or lake with chemical and other wastes. Control of the air pollution may produce more solid wastes, which then pollute the land or water. Control of the water-polluting effluent may convert it into solid wastes, which must be disposed of on land.

Similarly, some pollutants—chemicals, radiation, pesticides—appear in all media. Successful control of them at present requires the coordinated efforts of a variety of separate agencies and departments. The results are not always successful.

A far more effective approach to pollution control would:

—Identify pollutants.
—Trace them through the entire ecological chain, observing and recording changes in form as they occur.
—Determine the total exposure of man his environment.
—Examine interactions among forms of pollution.
—Determine where in the ecological chain interdiction would be most appropriate.

In organizational terms, this requires pulling together into one agency a variety of research, monitoring, standard-setting, and enforcement activities now scattered through several departments and agencies. It also requires that the new agency include sufficient support elements—in research and in aids to State and local anti-pollution programs, for example—to give it the needed strength and potential for carrying out its mission. The new agency would also, of course, draw upon the results of research conducted by other agencies.

COMPONENTS OF THE EPA

Under the terms of Reorganization Plan No. 3, the following would be moved to the new Environmental Protection Agency:

—The functions carried out by the Federal Water Quality Administration (from the Department of the Interior).
—Functions with respect to pesticides studies now vested in the Department of the Interior.
—The functions carried out by the National Air Pollution Control Administration (from the Department of Health, Education, and Welfare).
—The functions carried out by the Bureau of Solid Waste Management and the Bureau of Water Hygiene, and portions of the functions carried out by the Bureau of Radiological Health of the Environmental Control Administration (from the Department of Health, Education, and Welfare).
—Certain functions with respect to pesticides carried out by the Food and Drug Administration (from the Department of Health, Education, and Welfare).
—Authority to perform studies relating to ecological systems now vested in the Council on Environmental Quality.
—Functions respecting pesticides registration and related activities now carried out by the Agricultural Research Service (from the Department of Agriculture).

With its broad mandate, EPA would also develop competence in areas of environmental protection that have not previously been given enough attention, such as the protection of the atmosphere and the sounds we hear. It would be the role of the EPA to provide an organization to which new programs in these areas could be added.

In brief, these are the principal functions to be transferred:

Federal Water Quality Administration.—Charged with the control of pollutants which impair water quality, it is broadly concerned with the impact of degraded water quality. It performs a wide variety of functions, including research, standard-setting and enforcement, and provides construction grants and technical assistance.

Certain pesticides research authority from the Department of the Interior.—Authority for research on the effects of pesticides on fish and wildlife would be provided to the EPA through transfer of the specialized research authority of the pesticides act enacted in 1958. Interior would retain its responsibility to do research on all factors affecting fish and wildlife. Under this provision, only one laboratory would be transferred to the EPA—the Gulf Breeze Biological Laboratory of the Bureau of Commercial Fisheries. The EPA would work closely with the fish and wildlife laboratories remaining with the Bureau of Sport Fisheries and Wildlife.

National Air Pollution Control Administration.—As the principal Federal agency concerned with air pollution, it conducts research on the effects of air pollutants, operates a monitoring network, and promulgates criteria which serve as the basis for setting air quality standards. Its regulatory functions are similar to those of the Federal Water Quality Administration. NAPCA is responsible for administering the Clean Air Act, which involves designating air quality regions, approving State standards and providing financial and technical assistance to State Control agencies to enable them to comply with the Act's provisions. It also sets and enforces Federal automotive emission standards.

Elements of the Environmental Control Administration. —ECA is the focal point within HEW for evaluation and control of a broad range of environmental health problems, including water quality, solid wastes, and radiation. Programs in the ECA involve research, development of criteria and standards, and the administration of planning and demonstration grants. From the ECA, the activities of the Bureaus of Water Hygiene and Solid Waste Management and portions of the activities of the Bureau of Radiological Health would be transferred. Other functions of the ECA including those related to the regulation of radiation from consumer products and occupational safety and health would remain in HEW.

Pesticides research and standard-setting programs of the Food and Drug Administration.—FDA's pesticides program consists of setting and enforcing standards which limit pesticide residues in food. EPA would have the authority to set pesticide standards and to monitor compliance with them, as well as to conduct related research. However, as an integral part of its food protection activities, FDA would retain its authority to remove from the market food with excess pesticide residues.

General ecological research from the Council on Environmental Quality.—This authority to perform studies and research relating to ecological systems would be in addition to EPA's other specific research authorities, and it would help EPA to measure the impact of the pollutants. The Council on Environmental Quality would retain its authority to conduct studies and research relating to environmental quality.

Environmental radiation standards programs.—The Atomic Energy Commission is now responsible for establishing environmental radiation standards and emission limits for radioactivity. Those standards have
been based largely on broad guidelines recommended by the Federal Radiation Council. The Atomic Energy Commission’s authority to set standards for the protection against general environmental radiation would be transferred to the Environmental Protection Agency. The functions of the Federal Radiation Council would also be transferred. AEC would retain responsibility for the implementation and enforcement of radiation standards through its licensing authority.

Pesticides registration program of the Agricultural Research Service.—The Department of Agriculture is currently responsible for several distinct functions related to pesticides use. It conducts research on the efficacy of various pesticides as related to other pest control methods and on the effects of pesticides on non-target plants, livestock, and poultry. It registers pesticides, monitors their persistence and carries out an educational program on pesticide use through the extension service. It conducts extensive pest control programs which utilize pesticides.

By transferring the Department of Agriculture’s pesticides registration and monitoring function to the EPA and merging it with the pesticides programs being transferred from HEW and Interior, the new agency would be given a broad capability for control over the introduction of pesticides into the environment. The Department of Agriculture would continue to conduct research on the effectiveness of pesticides. The Department would furnish this information to the EPA, which would have the responsibility for actually licensing pesticides for use after considering environmental and health effects. Thus the new agency would be able to make use of the expertise of the Department.

ADVANTAGES OF REORGANIZATION

This reorganization would permit response to environmental problems in a manner beyond the previous capability of our pollution control programs. The EPA would have the capacity to do research on important pollutants irrespective of the media in which they appear, and on the impact of these pollutants on the total environment. Both by itself and together with other agencies, the EPA would monitor the condition of the environment—biological as well as physical. With these data, the EPA would be able to establish quantitative ‘environmental baselines’—critical if we are to measure adequately the success or failure of our pollution abatement efforts.

As no disjointed array of separate programs can, the EPA would be able—in concert with the States—to set air and water quality standards for all media and for individual pollutants. This consolidation of pollution control authorities would help assure that we do not compound new problems in the process of controlling existing ones. Industries seeking to minimize the adverse impact of their activities on the environment would be assured of consistent standards covering the full range of their waste disposal problems. As the States develop and expand their own pollution control programs, they would be able to look to one agency to support their efforts with financial and technical assistance and training.

In proposing that the Environmental Protection Agency be set up as a separate new agency, I am making an exception to one of my own principles: that, as a matter of effective and orderly administration, additional new independent agencies normally should not be created. In this case, however, the arguments against placing environmental protection activities under the jurisdiction of one or another of the existing departments and agencies are compelling.

In the first place, almost every part of government is concerned with the environment in some way, and affects it in some way. Yet each department also has its own primary mission—such as resource development, transportation, health, defense, urban growth or agriculture—which necessarily affects its own view of environmental protection standards consistent with national environmental goals.

The conduct of research on the adverse effects of pollution and on methods and equipment for controlling it, the gathering of information on pollution, and the use of this information in strengthening environmental protection programs and recommending policy changes.

Assisting others, through grants, technical assistance and other means in arresting pollution of the environment.

Assisting the Council on Environmental Quality in developing and recommending to the President new policies for the protection of the environment.

One natural question concerns the relationship between the EPA and the Council on Environmental Quality, recently established by Act of Congress.

It is my intention and expectation that the two will work in close harmony, reinforcing each other’s mission. Essentially, the Council is a top-level advisory group (which might be compared with the Council of Economic Advisers), while the EPA would be an operating, “line” organization. The Council will continue to be a part of the Executive Office of the President and will perform its overall coordinating and advisory roles with respect to all Federal programs related to environmental quality.

The Council, then, is concerned with all aspects of environmental quality—wildlife preservation, parklands, land use, and population growth, as well as pollution. The EPA would be charged with protecting the environment by abating pollution. In short, the Council focuses on what our broad policies in the environment field should be; the EPA would focus on setting and enforcing pollution control standards. The two are competing, but complementary—and taken together, they should give us, for the first time, the means to mount an effectively coordinated campaign against environmental degradation in all of its many forms.

NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION

The oceans and the atmosphere are interacting parts of the total environmental system upon which we depend not only for the quality of our lives, but for life itself.

We face immediate and compelling needs for better protection of life and property from natural hazards, and for a better understanding of the total environment—and understanding which will enable us more effectively to monitor and predict its actions, and ultimately, perhaps to exercise some degree of control over them.

We also face a compelling need for exploration and development leading to the intelligent use of our marine resources. The global oceans, which constitute nearly three-fourths of the surface of our planet, are today the least-understood, the least-developed, and the least-protected part of our earth. Food from the oceans will increasingly be a key element in the world’s fight against hunger. The mineral resources of the ocean beds and of the oceans themselves, are being
increasingly tapped to meet the growing world demand. We must understand the nature of these resources, and assure their development without either contaminating the marine environment or upsetting its balance.

Establishment of the National Oceanic and Atmospheric Administration—NOAA—within the Department of Commerce would enable us to approach these tasks in a coordinated way. By employing a unified approach to the problems of the oceans and atmosphere, we can increase our knowledge and expand our opportunities not only in those areas, but in the third major component of our environment, the solid earth, as well. Scattered through various Federal departments and agencies, we already have the scientific, technological, and administrative resources to make an effective, unified approach possible. What we need is to bring them together. Establishment of NOAA would do so.

By far the largest of the components being merged would be the Commerce Department’s Environmental Science Services Administration (ESSA), with some 10,000 employees (70 percent of NOAA’s total personnel strength) and estimated Fiscal 1970 expenditures of almost $200 million. Placing NOAA within the Department of Commerce therefore entails the least dislocation, while also placing it within a Department which has traditionally been a center for service activities in the scientific and technological area.

COMPONENTS OF NOAA

Under terms of Reorganization Plan No. 4, the programs of the following organizations would be moved into NOAA:

—The Environmental Science Services Administration (from within the Department of Commerce).
—Elements of the Bureau of Commercial Fisheries (from the Department of the Interior).
—The marine sport fish program of the Bureau of Sport Fisheries and Wildlife (from the Department of the Interior).
—The Marine Minerals Technology Center of the Bureau of Mines (from the Department of the Interior).
—The Office of Sea Grant Programs (from the National Science Foundation).
—Elements of the United States Lake Survey (from the Department of the Army).
—The Office of the National Science Foundation.
—The National Oceanographic Data Center (from the Department of the Navy).
—The National Oceanographic Instrumentation Center (from the Department of the Navy).
—The National Data Buoy Project (from the Department of Transportation).

In brief, these are the principal functions of the programs and agencies to be combined:

THE ENVIRONMENTAL SCIENCE SERVICES ADMINISTRATION

(ESSA) comprises the following components:

—The Weather Bureau (weather, marine, river and flood forecasting and warning).
—The Coast and Geodetic Survey (earth and marine description, mapping and charting).
—The Environmental Data Service (storage and retrieval of environmental data).
—The National Environmental Satellite Center (observation of the global environment from earth-orbiting satellites).
—The National Environmental Satellite Center (observation of the global environment from earth-orbiting satellites).
—The ESSA Research Laboratories (research on physical environmental problems).

ESSA’s activities include observing and predicting the state of the oceans, the state of the lower and upper atmosphere, and the size and shape of the earth. It maintains the nation’s warning systems for such natural hazards as hurricanes, tornadoes, floods, earthquakes, and severe weather. It provides information for national defense, agriculture, transportation and industry.

ESSA monitors atmospheric, oceanic and geophysical phenomena on a global basis, through an unparalleled system of automatic ocean buoys to obtain oceanic and atmospheric data.

ROLE OF NOAA

Drawing these activities together into a single agency would make possible a balanced Federal program to improve our understanding of the resources of the sea, and permit their development and use while guarding against the sort of thoughtless exploitation that in the past laid waste to so many of our precious natural assets. It would make possible a consolidated program for achieving a more comprehensive understanding of oceanic and atmospheric phenomena, which so greatly affect our lives and activities. It would facilitate the cooperation between public and private interests that can best serve the interests of all.

I expect that NOAA would exercise leadership in developing a national oceanic and atmospheric program of research and development. It would coordinate its own scientific and technical resources with the technical and operational capabilities of other government agencies and private institutions. As important, NOAA would continue to provide those services to other agencies of government, industry and private individuals which have become essential to the efficient operation of our transportation systems, our agriculture and our national security. I expect it to maintain continuing and close liaison with the new Environmental Protection Agency and the Council on Environmental Quality as part of an effort to ensure that environmental questions and policies are dealt with in their totality and they benefit from the full range of the government’s technical and human resources.
Authorities who have studied this matter, including the Commission on Marine Science, Engineering and Resources, strongly recommended the creation of a National Advisory Committee for the Oceans and natural beauty. Consequently, I will request, upon approval of the plan, that the Secretary of Commerce establish a National Advisory Committee for the Oceans and the Atmosphere to advise him on the progress of governmental and private programs in achieving the nation's oceanic and atmospheric objectives.

AN ON-GOING PROCESS

The reorganizations which I am here proposing afford both the Congress and the Executive Branch an opportunity to re-evaluate the adequacy of existing program authorities involved in these consolidations. As these two new organizations come into being, we may well find that supplementary legislation to perfect their authorities will be necessary. I look forward to working with the Congress in this task.

In formulating these reorganization plans, I have been greatly aided by the work of the President's Advisory Council on Executive Organization (the Ash Council), the Commission on Marine Science, Engineering and Resources (the Stratton Commission, appointed by President Johnson), my special task force on oceanography headed by Dr. James Wakelin, and by the information developed during both House and Senate hearings on proposed NOAA legislation.

Many of those who have advised me have proposed additional reorganizations, and it may well be that in the future I shall recommend further changes. For the present, however, I think the two reorganizations transmitted today represent a sound and significant beginning. I also think that in practical terms, in this sensitive and rapidly developing area, it is better to proceed a step at a time—and thus to be sure that we are not caught up in a form of organizational indigestion from trying to rearrange too much at once. As we see how these changes work out, we will gain a better understanding of what further changes—in addition to these—might be desirable.

Ultimately, our objective should be to insure that the nation's environmental and resource protection activities are so organized as to maximize both the effective coordination of all and the effective functioning of each.

The Congress, the Administration and the public all share a profound commitment to the rescue of our natural environment, and the preservation of the Earth as a place both habitable by and hospitable to man. With the acceptance of these reorganization plans, the Congress will help us fulfill that commitment.

RICHARD NIXON.

THE WHITE HOUSE, July 9, 1970.

EX. ORD. NO. 11472. CABINET COMMITTEE ON THE ENVIRONMENT AND CITIZENS' ADVISORY COMMITTEE ON ENVIRONMENTAL QUALITY.


By virtue of the authority vested in me as President of the United States, it is ordered as follows:

PART I—CABINET COMMITTEE ON THE ENVIRONMENT

SECTION 101. Establishment of the Cabinet Committee. (a) There is hereby established the Cabinet Committee on the Environment (hereinafter referred to as "the Cabinet Committee").

(b) The President of the United States shall preside over meetings of the Cabinet Committee. The Vice President shall preside in the absence of the President.

(c) The Cabinet Committee shall be composed of the following members:

The Vice President of the United States
Secretary of Agriculture
Secretary of Commerce
Secretary of Health, Education, and Welfare

Secretary of Housing and Urban Development
Secretary of the Interior
Secretary of Transportation

and such other heads of departments and agencies and others as the President may from time to time prescribe.

(d) Each member of the Cabinet Committee may designate an alternate, who shall serve as a member of the Cabinet Committee whenever the regular member is unable to attend any meeting of the Cabinet Committee.

(e) When matters which affect the interest of Federal agencies the heads of which are not members of the Cabinet Committee are to be considered by the Cabinet Committee, the President or his representative may invite such agency heads or their alternates to participate in the deliberations of the Cabinet Committee.

(f) The Director of the Bureau of the Budget (now the Director of the Office of Management and Budget), the Director of the Office of Science and Technology, the Chairman of the Council of Economic Advisers, and the Executive Secretary of the Council for Urban Affairs or their representatives may participate in the deliberations of the Cabinet Committee on the Environment as observers.

(g) The Chairman of the Cabinet Committee on Environmental Quality (established by Public Law 91–190) [in this chapter] shall assist the President in directing the affairs of the Cabinet Committee.

SIC 102. Functions of the Cabinet Committee. (a) The Cabinet Committee shall advise and assist the President with respect to environmental quality matters and shall perform such other related duties as the President may from time to time prescribe. In addition thereto, the Cabinet Committee is directed to:

(1) Recommend measures to ensure that Federal policies and programs, including those for development and conservation of natural resources, take adequate account of environmental effects.

(2) Review the adequacy of existing systems for monitoring and predicting environmental changes so as to achieve effective coverage and efficient use of facilities and other resources.

(3) Foster cooperation between the Federal Government, State and local governments, and private organizations in environmental programs.

(4) Seek advancement of scientific knowledge of changes in the environment and encourage the development of technology to prevent or minimize adverse effects that endanger man's health and well-being.

(5) Stimulate public and private participation in programs and activities to protect against pollution of the Nation's air, water, and land and its living resources.

(6) Encourage timely public disclosure by all levels of government and by private parties of plans that would affect the quality of environment.

(7) Assure assessment of new and changing technologies for their potential effects on the environment.

(8) Facilitate coordination among departments and agencies of the Federal Government in protecting and improving the environment.

(b) The Cabinet Committee shall review plans and actions of Federal agencies affecting outdoor recreation and natural beauty. The Cabinet Committee may conduct studies and make recommendations to the President on matters of policy in the fields of outdoor recreation and natural beauty. In carrying out the foregoing provisions of this subsection, the Cabinet Committee shall, as far as may be practical, advise Federal agencies with respect to the effect of their respective plans and programs on recreation and natural beauty, and may suggest to such agencies ways to accomplish the purposes of this order. For the purposes of this order, plans and programs may include, but are not limited to, those for or affecting: (1) Development, restoration, and preservation of the beauty of the countryside, urban and suburban areas, water resources, wild rivers, scenic roads, parkways and highways; (2) the protection and appropriate management of scenic or historic areas, natural wonders, historic sites, and recreation areas; (3) the management of Federal land and water...
resources, including fish and wildlife, to enhance natural beauty and recreational opportunities consistent with other essential uses, (4) cooperation with the States and their local subdivisions and private organizations and individuals in areas of mutual interest, (5) interstate arrangements, including Federal participation where authorized and necessary, and (6) leadership in nationwide recreation and beautification effort.

S.C. 103. Coordination. The Secretary of the Interior may make available to the Cabinet Committee for coordination of outdoor recreation the authorities and resources available to him under the Act of May 28, 1963, 77 Stat. 49 [see 54 U.S.C. 200101], to the extent permitted by law, he may make such authorities and resources available to the Cabinet Committee also for promoting such coordination of other matters assigned to the Cabinet Committee by this order.

S.C. 104. Assistance for the Cabinet Committee. In compliance with provisions of applicable law, and as necessary to carry out the purposes of this order, (1) the Council on Environmental Quality (established by Public Law 91-190) [this chapter] shall provide or arrange for necessary administrative and staff services, support, and other assistance as may be available.

PART II—CITIZENS’ ADVISORY COMMITTEE ON ENVIRONMENTAL QUALITY


PART III—GENERAL PROVISIONS

S.C. 301. Construction. Nothing in this order shall be construed as subjecting any department, establishment, or other instrumentality of the executive branch of the Federal Government or the head thereof, or any function vested by law in or assigned pursuant to law to any such agency or head, to the authority of any other such agency or head or as abrogating, modifying, or restricting any such function in any manner.

S.C. 302. Prior bodies and orders. The President’s Council on Recreation and Natural Beauty and the Citizens’ Advisory Committee on Recreation and Natural Beauty are hereby terminated and the following are revoked:

(1) Executive Order No. 11278 of May 4, 1966.
(2) Executive Order No. 11359A of June 29, 1967.
(3) Executive Order No. 11402 of March 29, 1968.

TERMINATION OF CABINET COMMITTEE ON THE ENVIRONMENT

The Cabinet Committee on the Environment was terminated and its functions transferred to the Domestic Council, see section 2(b) of Ex. Ord. No. 11541, eff. July 1, 1970, 35 F.R. 10737, set out as a note under section 501 of Title 31, Money and Finance.

The Domestic Council was abolished by Reorg. Plan No. 1 of 1977, 35 F.R. 10737, effective October 1, 1977.

TERMINATION OF CITIZENS’ ADVISORY COMMITTEE ON ENVIRONMENTAL QUALITY

For provisions relating to termination of Citizens’ Advisory Committee on Environmental Quality see Ex. Ord. No. 12007, Aug. 22, 1977, 42 F.R. 42839, formerly set out as a note under section 14 of the Federal Advisory Committee Act in the Appendix to Title 5, Government Organization and Employees.

EX. ORD. No. 11514, PROTECTION AND ENHANCEMENT OF ENVIRONMENTAL QUALITY


By virtue of the authority vested in me as President of the United States and in furtherance of the purpose and policy of the National Environmental Policy Act of 1969 (Public Law No. 91-190, approved January 1, 1970) [this chapter], it is ordered as follows:

SECTION 1. Policy. The Federal Government shall provide leadership in protecting and enhancing the quality of the Nation’s environment to sustain and enrich human life. Federal agencies shall initiate measures needed to direct their policies, plans and programs so as to meet national environmental goals. The Council on Environmental Quality, through the Chairman, shall advise and assist the President in leading this national effort.

S.C. 2. Responsibilities of Federal agencies. Consistent with Title I of the National Environmental Policy Act of 1969 [42 U.S.C. 4331 et seq.], hereafter referred to as the “Act”, the heads of Federal agencies shall:

(a) Monitor, evaluate, and control on a continuing basis their agencies’ activities so as to protect and enhance the quality of the environment. Such activities shall include those directed to controlling pollution and enhancing the environment and those designed to accomplish other program objectives which may affect the quality of the environment. Agencies shall develop programs and measures to protect and enhance environmental quality and shall assess progress in meeting the specific objectives of such activities. Heads of agencies shall consult with appropriate Federal, State and local agencies in carrying out their activities as they affect the quality of the environment.

(b) Develop procedures to ensure the fullest practicable provision of timely public information and understanding of Federal plans and programs with environmental impact in order to obtain the views of interested parties. These procedures shall include, whenever appropriate, provision for public hearings, and shall provide the public with relevant information, including information on alternative courses of action. Federal agencies shall also encourage State and local agencies to adopt similar procedures for informing the public concerning their activities affecting the quality of the environment.

(c) Insure that information regarding existing or potential environmental problems and control methods developed as part of research, development, demonstration, test, or evaluation activities is made available to Federal agencies, States, counties, municipalities, institutions, and other entities, as appropriate.

(d) Review their agencies’ statutory authority, administrative regulations, policies, and procedures, including those relating to loans, grants, contracts, leases, licenses, or permits, in order to identify any deficiencies or inconsistencies therein which prohibit or limit full compliance with the purposes and provisions of the Act. A report on this review and the corrective actions taken or planned, including such measures to be proposed to the President as may be necessary to bring their authority and policies into conformance with the intent, purposes, and procedures of the Act, shall be provided to the Council on Environmental Quality not later than September 1, 1970.

(e) Engage in exchange of data and research results, and cooperate with agencies of other governments to foster the purposes of the Act.

(f) Proceed, in coordination with other agencies, with actions required by section 102 of the Act [42 U.S.C. 4332].

(g) In carrying out their responsibilities under the Act and this Order, comply with the regulations issued by the Council except where such compliance would be inconsistent with statutory requirements.

§ 4321  TITLE 42—THE PUBLIC HEALTH AND WELFARE

(a) Evaluate existing and proposed policies and activities of the Federal Government directed to the control of pollution and the enhancement of the environment, and to the accomplishment of other objectives which affect the quality of the environment. This shall include continuing review of procedures employed in the development and enforcement of Federal standards affecting environmental quality. Based upon such evaluations the Council shall, where appropriate, recommend to the President policies and programs to achieve more effective protection and enhancement of environmental quality and shall, where appropriate, seek resolution of significant environmental issues.

(b) Recommend to the President and to the agencies precocities are used to desenmakers and the public; and to reduce paperwork and the accumulation of extraneous background data, in order to emphasize the process more useful to decisionmakers and the public; and enhancing environmental quality.

(c) Determine the need for new policies and programs for dealing with environmental problems not being adequately covered by existing programs.

(d) Conduct, as it determines to be appropriate, public hearings or conferences on issues of environmental significance.

(e) Promote the development and use of indices and monitoring systems (1) to assess environmental conditions and trends, (2) to predict the environmental impact of proposed public and private actions, and (3) to determine the effectiveness of programs for protecting and enhancing environmental quality.

(f) Coordinate Federal programs related to environmental quality.

(g) Advise and assist the President and the agencies in achieving international cooperation for dealing with environmental problems, under the foreign policy guidance of the Secretary of State.

(h) Issue regulations to Federal agencies for the implementation of the procedural provisions of the Act (42 U.S.C. 4332(2)). Such regulations shall be developed after consultation with affected agencies and after such public hearings as may be appropriate. They will be designed to make the environmental impact statement process user friendly to decisionmakers and the public; and to reduce paperwork and the accumulation of extraneous background data, in order to emphasize the need to focus on real environmental issues and alternatives. They will require impact statements to be concise, clear, and to the point, and supported by evidence that agencies have made the necessary environmental analyses. The Council shall include in its regulations procedures (1) for the early preparation of environmental impact statements, and (2) for the referral to the Council of conflicts between agencies concerning the implementation of the National Environmental Policy Act of 1969, as amended (this chapter), and Section 309 of the Clean Air Act, as amended (42 U.S.C. 7609), for the Council’s recommendation as to their prompt resolution.

(i) Issue such other instructions to agencies, and request such reports and other information from them, as may be required to carry out the Council’s responsibilities under the Act.

(j) Assist the President in preparing the annual Environmental Quality Report provided for in section 201 of the Act (42 U.S.C. 4341).

(k) Foster investigations, studies, surveys, research, and analyses relating to (i) ecological systems and environmental quality, (ii) the impact of new and changing technologies thereon, and (iii) means of preventing or reducing adverse effects from such technologies.

SRS. Amendments to E.O. 11472. Executive Order No. 11472 of May 29, 1969, including the heading thereof, is hereby amended:

(1) By substituting for the term “the Environmental Quality Council”, wherever it occurs, the following: “the Cabinet Committee on the Environment”.

(2) By substituting for the term “the Council”, wherever it occurs, the following: “the Committee”.

(3) By inserting in subsection (f) of section 101, after “Budget,” the following: “the Director of the Office of Science and Technology”.

(4) By substituting for subsection (g) of section 101 the following:

“(g) The Chairman of the Council on Environmental Quality (established by Public Law 91–190 [this chapter]) shall assist the President in directing the affairs of the Cabinet Committee.”

(5) By deleting subsection (c) of section 102.

(6) By substituting for “the Office of Science and Technology”, in section 104, the following: “the Council on Environmental Quality (established by Public Law 91–190 [this chapter])”.

(7) By substituting for “(hereinafter referred to as the ‘Committee’)”, in section 201, the following: “(hereinafter referred to as the ‘Cabinet Committee’).

(8) By substituting for the term “the Committee”, wherever it occurs, the following: “the Citizens’ Committee.”

EX. ORD. No. 11523. NATIONAL INDUSTRIAL POLLUTION CONTROL COUNCIL

Ex. Ord. No. 11523, eff. Apr. 9, 1970, 35 F.R. 5993, provided:

By virtue of the authority vested in me as President of the United States, and in furtherance of the purpose and policy of the National Environmental Policy Act of 1969 (Public Law 91–190, approved January 1, 1970) [this chapter], it is ordered as follows:

SECTION 1. Establishment of the Council. (a) There is hereby established the National Industrial Pollution Control Council (hereinafter referred to as “the Industrial Council”) which shall be composed of a Chairman, a Vice-chairman, and other representatives of labor and industry appointed by the Secretary of Commerce (hereinafter referred to as “the Secretary”).

(b) The Secretary, with the concurrence of the Chairman, shall appoint an Executive Director of the Industrial Council.

SRS. Functions of the Industrial Council. The Industrial Council shall advise the President and the Chairman of the Council on Environmental Quality, through the Secretary, on programs of industry relating to the quality of the environment. In particular, the Industrial Council may—

(1) Survey and evaluate the plans and actions of industry in the field of environmental quality.

(2) Identify and examine problems of the effects on the environment of industrial practices and the needs of industry for improvements in the quality of the environment, and recommend solutions to those problems.

(3) Provide liaison among members of the business and industrial community on environmental quality matters.

(4) Encourage the business and industrial community to improve the quality of the environment.

(5) Advise on plans and actions of Federal, State, and local agencies involving environmental quality and industrial practices affecting industry which are referred to it by the Secretary, or by the Chairman of the Council on Environmental Quality through the Secretary.

SRS. Subordinate Committees. The Industrial Council may establish, with the concurrence of the Secretary, such subordinate committees as it may deem appropriate to assist in the performance of its functions. Each subordinate committee shall be headed by a chairman appointed by the Chairman of the Industrial Council with the concurrence of the Secretary.

SRS. Assistance for the Industrial Council. In compliance with applicable law, and as necessary to serve the purposes of this order, the Secretary shall provide or arrange for administrative and staff services, support, and facilities for the Industrial Council and any of its subordinate committees.

SRS. Expenses. Members of the Industrial Council or any of its subordinate committees shall receive no compensation from the United States by reason of their services hereunder, but may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by law (5 U.S.C. 5703) for persons in the Government service employed intermittently.

SRS. Regulations. The provisions of Executive Order No. 11007 of February 26, 1962 (3 CFR 573) [see 5 U.S.C. 901 note] prescribing regulations for the formation and
use of advisory committees, are hereby made applicable to the Industrial Council and each of its subordinate committees. The Secretary may exercise the discretionary powers set forth in that order.

SEC. 7. Construction. Nothing in this order shall be construed as subjecting any Federal agency, or any function vested by law, or assigned pursuant to law to any Federal agency, or the authority of any other Federal agency or of the Industrial Council or of any of its subordinate committees, or as abrogating or restricting any such function in any manner.

RICHARD NIXON.

EXECUTIVE ORDER NO. 11643


Ex. Ord. No. 11644. USE OF OFF-ROAD VEHICLES ON PUBLIC LANDS

Ex. Ord. No. 11644, Feb. 8, 1972, 37 F.R. 2877, as amended by Ex. Ord. No. 11989, May 24, 1977, 42 F.R. 28688; Ex. Ord. No. 12608, Sept. 9, 1987, 52 F.R. 34617, provided: An estimated 5 million off-road recreational vehicles—motorcycles, minibikes, trail bikes, snowmobiles, dunebuggies, all-terrain vehicles, and others—are in use in the United States today, and their popularity continues to increase rapidly. The widespread use of such vehicles on the public lands—often for legitimate purposes but also in frequent conflict with wise land and resource management practices, environmental values, and other types of recreational activity—has demonstrated the need for a unified Federal policy toward the use of such vehicles on the public lands.

NOW, THEREFORE, by virtue of the authority vested in me as President of the United States by the Constitution of the United States and in furtherance of the purpose and policy of the National Environmental Policy Act of 1969 (42 U.S.C. 4321), it is hereby ordered as follows:

SECTION I. Purpose. It is the purpose of this order to establish policies and provide for procedures that will ensure that the use of off-road vehicles on public lands will be controlled and directed so as to protect the resources of those lands, to promote the safety of all users of those lands, and to minimize conflicts among the various uses of those lands.

SEC. 2. Definitions. As used in this order, the term:

(1) “public lands” means (A) all lands under the custody and control of the Secretary of the Interior and the Secretary of Agriculture, except Indian lands, (B) lands under the custody and control of the Tennessee Valley Authority that are situated in western Kentucky, Tennessee and land between the Lakes,” and (C) lands under the custody and control of the Secretary of Defense;

(2) “respective agency head” means the Secretary of the Interior, the Secretary of Defense, the Secretary of Agriculture, and the Board of Directors of the Tennessee Valley Authority, with respect to public lands under their custody and control; and

(3) “off-road vehicle” means any motorized vehicle designed for or capable of cross-country travel or on or immediately over land, water, sand, snow, ice, marsh, swampland, or other natural terrain; except that such term excludes (A) any registered motorboat, (B) any fire, military, emergency or law enforcement vehicle when used for emergency purposes, and any combat or combat support vehicle when used for national defense purposes, and (C) any vehicle whose use is expressly authorized by the respective agency head under a permit, lease, license, or contract; and

(4) “official use” means use by an employee, agent, or designated representative of the Federal Government or one of its contractors in the course of his employment, agency, or representation.

SIC. 3. Zones of Use. (a) Each respective agency head shall develop and issue regulations and administrative instructions, within six months of the date of this order, to provide for administrative designation of the specific areas and trails on public lands on which the use of off-road vehicles may be permitted, and areas in which the use of off-road vehicles may not be permitted, and set a date by which such designation of all public lands shall be completed. Those regulations shall direct that the designation of such areas and trails will be based upon the protection of the resources of the public lands, promotion of the safety of all users of those lands, and minimization of conflicts among the various uses of those lands. The regulations shall further require that the designation of such areas and trails shall be in accordance with the following—

(1) Areas and trails shall be located to minimize damage to soil, watershed, vegetation, or other resources of the public lands.

(2) Areas and trails shall be located to minimize harassment of wildlife or significant disruption of wildlife habitats.

(3) Areas and trails shall be located to minimize conflicts between off-road vehicle use and other existing or proposed recreational uses of the same or neighboring public lands, and to ensure the compatibility of such uses with existing conditions in populated areas, taking into account noise and other factors.

(4) Areas and trails shall not be located in officially designated Wilderness Areas or Primitive Areas. Areas and trails shall be located in areas of the National Park system, Natural Areas, or National Wildlife Refuges and Game Ranges only if the respective agency head determines that off-road vehicle use in such locations will not adversely affect their natural, aesthetic, or scenic values.

(b) The respective agency head shall ensure adequate opportunity for public participation in the promulgation of such regulations and in the designation of areas and trails under this section.

(c) The limitations on off-road vehicle use imposed under this section shall not apply to official use.

SIC. 4. Operating Conditions. Each respective agency head shall develop and publish, within one year of the date of this order, regulations prescribing operating conditions for off-road vehicles on the public lands. These regulations shall be directed at protecting resource values, preserving public health, safety, and welfare, and minimizing use conflicts.

SIC. 5. Public Information. The respective agency head shall ensure that areas and trails where off-road vehicle use is permitted are well marked and shall provide for the publication and distribution of information, including maps, describing such areas and trails and explaining the conditions on vehicle use. He shall seek cooperation of relevant State agencies in the dissemination of this information.

SIC. 6. Enforcement. The respective agency head shall, when authorized by law, prescribe appropriate penalties for violation of regulations adopted pursuant to this order, and shall establish procedures for the enforcement of those regulations. To the extent permitted by law, he may enter into agreements with State or local governmental agencies for cooperative enforcement of laws and regulations relating to off-road vehicle use.

SIC. 7. Consultation. Before issuing the regulations or administrative instructions required by this order or designating areas or trails are required by this order and those regulations and administrative instructions, the Secretary of the Interior shall, as appropriate, consult with the Secretary of Energy and the Nuclear Regulatory Commission.

SIC. 8. Monitoring of Effects and Review. (a) The respective agency head shall monitor the effects of the use of off-road vehicles on lands under their jurisdiction. On the basis of the information gathered, they shall from time to time amend or rescind designation of areas or other actions taken pursuant to this order as necessary to further the policy of this order.
§ 4321  TITLE 42—THE PUBLIC HEALTH AND WELFARE  Page 5578

(b) The Council on Environmental Quality shall maintain a continuing review of the implementation of this order.

Executive Order No. 11987

Ex. Ord. No. 11987, May 24, 1977, 42 F.R. 26949, which directed executive agencies, and encouraged States, local governments, and private citizens, to restrict the introduction of exotic species into the natural ecosystems on lands and waters under their control, and which directed executive agencies to restrict the exportation of native species for introduction of such species into ecosystems outside the United States where they do not naturally occur, unless such introduction or exportation was found not to have an adverse effect on natural ecosystems, was revoked by Ex. Ord. No. 13112, § 11988. Floodplain Management


By virtue of the authority vested in me by the Constitution and statutes of the United States of America, and as President of the United States of America, in furtherance of the National Environmental Policy Act of 1969, as amended (42 U.S.C. 4321 et seq.), the National Flood Insurance Act of 1968, as amended (42 U.S.C. 4001 et seq.), and the Flood Disaster Protection Act of 1973 (Public Law 92-224, 87 Stat. 975 [see Short Title of 1973 Amendment note set out under 42 U.S.C. 4001]), in order to achieve the objectives of the policies set forth in Section 1 of this Order, each agency has a responsibility to (1) acquire and manage, and disposing of Federal lands and facilities; (2) provide administration, management, and operation facilities (3) conduct Federal activities and programs affecting land use, including but not limited to water and related land resources planning, regulating, and licensing activities.

§ 1. Each agency shall provide leadership and shall take action to reduce the risk of flood loss, to minimize the impact of floods on human safety, health and welfare, and to preserve the natural and beneficial values served by floodplains in carrying out its responsibilities for (1) acquiring, managing, and disposing of Federal lands and facilities; (2) providing Federally undertaken, financed, or assisted construction and improvements; and (3) conducting Federal activities and programs affecting land use, including but not limited to water and related land resources planning, regulating, and licensing activities.

§ 2. In carrying out the activities described in Section 1 of this Order, each agency has a responsibility to (1) acquire and manage, and disposing of Federal lands and facilities; (2) provide administration, management, and operation facilities (3) conduct Federal activities and programs affecting land use, including but not limited to water and related land resources planning, regulating, and licensing activities.

(a) In order to provide leadership and shall take action to reduce the risk of flood loss, to minimize the impact of floods on human safety, health and welfare, and to preserve the natural and beneficial values served by floodplains in carrying out its responsibilities for (1) acquiring, managing, and disposing of Federal lands and facilities; (2) providing Federally undertaken, financed, or assisted construction and improvements; and (3) conducting Federal activities and programs affecting land use, including but not limited to water and related land resources planning, regulating, and licensing activities.

(b) The Council on Environmental Quality shall maintain a continuing review of the implementation of this order.

(c) Each agency shall take floodplain management into account when formulating or evaluating any water and land use plans and shall apply the measures and actions referred to above.

(d) As allowed by law, each agency shall issue or amend existing regulations and procedures within one year to comply with this Order. These procedures shall incorporate the Unified National Program for Floodplain Management of the Water Resources Council, and shall explain the means that the agency will employ to pursue the nonhazardous use of riverine, coastal, and other floodplains in connection with the activities under its authority. To the extent possible, existing processes, such as those of the Council on Environmental Quality and the Water Resources Council, shall be utilized to fulfill the requirements of this Order. Agencies shall prepare their procedures in consultation with national governments and with Federal, State, local, and private organizations.

(floodplain—federal agencies for major Federal actions significantly affecting the quality of the human environment, the evaluation required below will be included in any statement of the National Environmental Policy Act (42 U.S.C. 4322(2)(C)). To determine whether the action is taken in a floodplain, the agency shall use one of the approaches in Section 2(b) of the best-available information and the Federal Emergency Management Agency's effective Flood Insurance Rate Map.

(2) If an agency has determined to, or proposes to, conduct, support, or allow an action to be located in a floodplain, the agency shall consider alternatives to avoid adverse effects and incompatible development in the floodplains. Where possible, an agency shall use natural systems, ecosystem processes, and nature-based approaches when developing alternatives for consideration. If the head of the agency finds that the only practicable alternative consistent with the law and with the policy set forth in this Order requires siting in a floodplain, the agency shall, prior to taking action, (i) design or modify its action in order to minimize potential harm to or within the floodplain, consistent with regulations issued in accordance with Section 4(d) of this Order, and (ii) prepare and circulate a notice containing an explanation of why the action is proposed to be located in the floodplain.

(3) For programs subject to the Office of Management and Budget Circular A-95, the agency shall send the notice, not to exceed three pages in length including a location map, to the state and areawide A-95 clearinghouses for the geographic areas affected. The notice shall include: (i) the reasons why the agency is proposed to be located in a floodplain; (ii) a statement indicating whether the action conforms to applicable state or federal floodplain protection standards; and (iii) a list of the alternatives considered. Agencies shall endeavor to allow a brief comment period prior to taking any action.

(e) Each agency shall provide opportunity for early public review of any plans or proposals for actions in floodplains, in accordance with Section 2(b) of this Order.

(f) Each agency shall provide opportunity for early public review of any plans or proposals for actions in floodplains, in accordance with Section 2(b) of this Order.

(g) Each agency shall provide opportunity for early public review of any plans or proposals for actions in floodplains, in accordance with Section 2(b) of this Order.
with the Water Resources Council, the Administrator of the Federal Emergency Management Agency, and the Council on Environmental Quality, and shall update procedures as necessary.

SIC. 3. In addition to the requirements of Section 2, agencies with responsibilities for Federal real property and facilities shall take the following measures:

(a) The regulations and procedures established under Section 2(d) of this Order shall, at a minimum, require the construction of Federal structures and facilities to be in accordance with the standards and criteria and to be consistent with the intent of those promulgated under the National Flood Insurance Program. The regulations and procedures must also be consistent with the Federal Flood Management Standards (FFRMS). They shall deviate only to the extent that the standards of the Flood Insurance Program and FFRMS are demonstrably inappropriate for a given type or facility.

(b) If, after compliance with the requirements of this Order, new construction of structures or facilities are to be located in a floodplain, accepted floodproofing and other flood protection measures shall be applied to new construction or rehabilitation. To achieve flood protection, agencies shall, wherever practicable, elevate structures above the elevation of the floodplain as defined in Section 6(c) of this Order rather than filling in land.

(c) If property used by the general public has suffered flood damage or is located in an identified flood hazard area, the responsible agency shall provide on structures, and other places where appropriate, conspicuous delineation of past and probable flood height in order to enhance public awareness of and knowledge about flood hazards.

(d) When property in floodplains is proposed for lease, easement, right-of-way, or disposal to non-Federal public or private parties, the Federal agency shall (1) reference in the conveyance those uses that are restricted under identified Federal, State or local floodplain regulations; and (2) attach other appropriate restrictions to the uses of properties by the grantee or purchaser and any successors, except where prohibited by law; or (3) withhold such properties from conveyance.

SIC. 4. In addition to any responsibilities under this Order and Sections 102, 202, and 205 of the Flood Disaster Protection Act of 1973, as amended (42 U.S.C. 4123a, 4126, and 4128), agencies which guarantee, approve, regulate, or insure any financial transaction which is related to a national security interest or an emergency action, where an agency action is excepted from paragraph (1) because it is in the interest of national security, it is a mission-critical requirement related to a national security interest or an emergency action, or it is a mission-critical requirement for which the benefits of action are demonstrably offset by the burdens of action, and application to a Federal facility is in the interest of national security or an emergency action, where application to a Federal facility is in the interest of national security or an emergency action, the agency head shall rely on the area of land subject to the base flood.

SIC. 5. The head of each agency shall submit a report to the Council on Environmental Quality and to the Water Resources Council on June 90, 1976, regarding the status of their procedures and the impact of this Order on the agency’s operations. Thereafter, the Water Resources Council shall periodically evaluate agency procedures and their effectiveness.

SIC. 6. As used in this Order:

(a) The term “agency” shall have the same meaning as the term “Executive agency” in Section 105 of Titie 5 of the United States Code and shall include the military departments; the directives contained in this Order, however, are meant to apply only to those agencies which perform the activities described in Section 1 which are located in or affecting floodplains.

(b) The term “base flood” shall mean that flood which has a one percent or greater chance of occurrence in any given year.

(c) The term “floodplain” shall mean the lowland and relatively flat areas adjoining inland and coastal water bodies including floodplains and areas of offshore islands. The floodplain shall be established using one of the following approaches:

(1) Unless an exception is made under paragraph (2), the floodplain shall be:

(i) the elevation and flood hazard area that result from using a climate-informed science approach that uses the best-available, actionable hydrologic and hydraulic data and methods that integrate current and future changes in flooding based on climate science.

(2) This approach will also include an emphasis on whether the action is a critical action as one of the factors to be considered when conducting the analysis;

(ii) the elevation and flood hazard area that result from using the floodplain data described in subparagraph (i) and adding an additional 2 feet to the base flood elevation for non-critical actions and by adding an additional 3 feet to the base flood elevation for critical actions;

(iii) the area subject to flooding by the 0.2 percent annual chance flood; or

(iv) the elevation and flood hazard area that result from using any other method identified in an update to the FFRMS.

SIC. 7. Executive Order No. 11206 of August 10, 1966, is hereby revoked. All actions, procedures, and issuances taken under that Order and still in effect shall remain in effect until modified by appropriate authority under the terms of this Order.

SIC. 8. Nothing in this Order shall apply to assistance provided for emergency work essential to save lives and protect property and public health and safety, performed pursuant to Sections 403 and 502 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act of 1988 (42 U.S.C. 5170b and 5192).

SIC. 9. To the extent the provisions of Section 2(a) of this Order are applicable to projects covered by Section 104(h) of the Housing and Community Development Act of 1974, as amended (86 Stat. 640, 42 U.S.C. 5304(h)), the provisions of 42 U.S.C. 5304(h) shall apply to such projects, all of the responsibilities for environmental review, decision-making, and action pursuant to the National Environmental Policy Act of 1969, as amended (42 U.S.C. 4321).

EX. ORD. No. 11990, PROTECTION OF WETLANDS


By virtue of the authority vested in me by the Constitution and statutes of the United States of America, and as President of the United States of America, in furtherance of the National Environmental Policy Act of 1969, as amended (42 U.S.C. 4321 et seq.), in order to avoid to the extent possible the long and short term adverse impacts associated with the destruction or modification of wetlands and to avoid direct or indirect support of new construction in wetlands wherever there is a practicable alternative, is hereby ordered as follows:

SECTION 1. (a) Each agency shall provide leadership and shall take action to minimize the destruction, loss or degradation of wetlands, and to preserve and enhance the natural and beneficial values of wetlands in carrying out the agency’s responsibilities for (1) acquiring, managing, and disposing of Federal lands and facilities; and (2) providing Federally undertaken, financed, or assisted construction and improvements; and (3) conducting Federal activities and programs affecting land use, including but not limited to water and related land resources planning, regulating, and licensing activities.
(b) This Order does not apply to the issuance by Federal agencies of permits, licenses, or allocations to private parties for activities involving wetlands on non-Federal property.

SISC. 2. (a) In furtherance of Section 101(b)(3) of the National Environmental Policy Act of 1969 (42 U.S.C. 4331(b)(3)) to improve and coordinate Federal plans, functions, programs and resources to the end that the Nation may attain the widest range of beneficial uses of the environment without degradation and risk to health or safety, each agency, to the extent permitted by law, shall avoid undertaking or providing assistance for new construction located in wetlands unless the head of the agency finds (1) that there is no practicable alternative to such construction, and (2) that the proposed action includes all practicable measures to minimize harm to wetlands which may result from such use. In making this finding the head of the agency may take into account economic, environmental and other pertinent factors.

(b) Each agency shall also provide opportunity for early public review of any plans or proposals for new construction in wetlands, in accordance with Section 2(b) of Executive Order No. 11514, as amended [set out above], including the development of procedures to accomplish this objective for Federal actions whose impact is not significant enough to require the preparation of an environmental impact statement under Section 102(2)(C) of the National Environmental Policy Act of 1969, as amended (42 U.S.C. 4332(2)(C)).

SISC. 3. After receipt of applications for new authorizations or approvals transmitted to the Office of Management and Budget shall indicate, if an action to be proposed will be located in wetlands, whether the proposed action is in accord with this Order.

SISC. 4. When Federally-owned wetlands or portions of wetlands are proposed for lease, easement, right-of-way or disposal to non-Federal public or private parties, the Federal agency shall (a) reference in the conveyance those uses that are restricted under identified Federal, State or local wetlands regulations; and (b) attach other appropriate restrictions to the uses of properties by the grantee or purchaser and any successor, except where prohibited by law; or (c) withhold such properties from disposal.

SISC. 5. In carrying out the activities described in Section 1 of this Order, each agency shall consider factors relevant to a proposal's effect on the survival and quality of the wetlands. Among these factors are:

(a) public health, safety, and welfare, including water supply, quality, recharge and discharge; pollution; flood and storm hazards; and sediment and erosion;

(b) maintenance of natural systems, including conservation and long term productivity of existing flora and fauna, species and habitat diversity and stability, hydrologic utility, fish, wildlife, timber, and food and fiber resources; and

(c) other uses of wetlands in the public interest, including recreational, scientific, and cultural uses.

SISC. 6. As allowed by law, agencies shall issue or amend their existing procedures in order to comply with this Order. To the extent possible, existing processes, such as those of the Council on Environmental Quality, shall be utilized to fulfill the requirements of this Order.

SISC. 7. As used in this Order:

(a) The term "agency" shall have the same meaning as the term "Executive agency" in Section 105 of Title 5 of the United States Code and shall include the military departments; the directives contained in this Order, however, are meant to apply only to those agencies which perform the activities described in Section 1 which are located in or affecting wetlands.

(b) The term "new construction" shall include draining, dredging, channelizing, filling, digging, impounding, and related activities and any structures or facilities begun or authorized after the effective date of this Order.

(c) The term "wetlands" means those areas that are inundated by surface or ground water with a frequency sufficient to support and under normal circumstances does or would support a prevalence of vegetation or aquatic life that requires saturated or seasonally saturated soil conditions for growth and reproduction. Wetlands generally include swamps, marshes, bogs, and similar areas such as sloughs, potholes, wet meadows, river overflows, mud flats, and natural ponds.

SISC. 8. This Order does not apply to projects presently under construction, or to projects for which all of the funds have been appropriated through Fiscal Year 1977, or to projects and programs for which a draft or final environmental impact statement will be filed prior to October 1, 1977. The provisions of Section 2 of this Order shall be implemented by each agency not later than October 1, 1977.

SISC. 9. Nothing in this Order shall apply to assistance provided for emergency work, essential to save lives and protect property and public health and safety, performed pursuant to Sections 305 and 306 of the Disaster Relief Act of 1974 (88 Stat. 148, 42 U.S.C. 5145 and 5146).

SISC. 10. To the extent the provisions of Sections 2 and 5 of this Order are applicable to projects covered by Section 104(h) of the Housing and Community Development Act of 1974, as amended (88 Stat. 640, 42 U.S.C. 5304(h)), the responsibilities under those provisions may be assumed by the appropriate applicant, if the applicant has also assumed, with respect to such projects, all of the responsibilities under Section 102(2)(C), including the development of procedures to accomplish this objective for Federal actions whose impact is not significant enough to require the preparation of an environmental impact statement; and, action pursuant to the National Environmental Policy Act of 1969, as amended (42 U.S.C. 4321 et seq.).
the President on January 26, 1978 and published at page 4377 of the Federal Register on February 1, 1978).


(i) Federal Insecticide, Fungicide, and Rodenticide Act, as amended (7 U.S.C. 136 et seq.)

1–103. “Applicable pollution control standards” means the same substantive, procedural, and other requirements that would apply to a private person.

1–2. AGENCY COORDINATION

1–201. Each Executive agency shall cooperate with the Administrator of the Environmental Protection Agency, hereinafter referred to as the Administrator, and State, interstate, and local agencies in the prevention, control, and abatement of environmental pollution.

1–202. Each Executive agency shall consult with the Administrator and with State, interstate, and local agencies concerning the best techniques and methods available for the prevention, control, and abatement of environmental pollution.

1–3. TECHNICAL ADVICE AND OVERSIGHT

1–301. The Administrator shall provide technical advice and assistance to Executive agencies in order to ensure their cost effective and timely compliance with applicable pollution control standards.

1–302. The administrator shall conduct such reviews and inspections as may be necessary to monitor compliance with applicable pollution control standards by Federal facilities and activities.

1–4. POLLUTION CONTROL PLAN

[Revoked by Ex. Ord. No. 13148, § 901, Apr. 21, 2000, 65 F.R. 24604.]

1–5. FUNDING

1–501. The head of each Executive agency shall ensure that sufficient funds for compliance with applicable pollution control standards are requested in the agency budget.

1–502. The head of each Executive agency shall ensure that funds appropriated and apportioned for the prevention, control and abatement of environmental pollution are not used for any other purpose unless permitted by law and specifically approved by the Office of Management and Budget.

1–6. COMPLIANCE WITH POLLUTION CONTROLS

1–601. Whenever the Administrator or the appropriate State, interstate, or local agency notifies an Executive agency that it is in violation of an applicable pollution control standard (see Section 1–102 of this Order), the Executive agency shall promptly consult with the notified agency and provide the latter with a plan to achieve and maintain compliance with the applicable pollution control standard. This plan shall include an implementation schedule for coming into compliance as soon as practicable.

1–602. The Administrator shall make every effort to resolve conflicts regarding such violation between Executive agencies and, on request of any party, such conflicts between an Executive agency and a State, interstate, or a local agency. If the Administrator cannot resolve a conflict, the Administrator shall request the Director of the Office of Management and Budget to resolve the conflict.

1–603. The Director of the Office of Management and Budget shall consider unresolved conflicts at the request of the Administrator. The Director shall seek the Administrator's technological judgment and determination with regard to the applicability of statutes and regulations.

1–604. These conflict resolution procedures are in addition to, not in lieu of, other procedures, including sanctions, for the enforcement of applicable pollution control standards.

1–605. Except as expressly provided by a Presidential exemption under this Order, nothing in this Order, nor any action or inaction under this Order, shall be construed to revise or modify any applicable pollution control standard.

1–7. LIMITATION ON EXEMPTIONS

1–701. Exemptions from applicable pollution control standards may only be granted under statutes cited in Section 1–102(a) through 1–102(f) if the President makes the required appropriate statutory determination: that such exemption is necessary (a) in the interest of national security, or (b) in the paramount interest of the United States.

1–702. The head of an Executive agency may, from time to time, recommend to the President through the Director of the Office of Management and Budget, that an activity or facility, or uses thereof, be exempt from an applicable pollution control standard.

1–703. The Administrator shall advise the President, through the Director of the Office of Management and Budget, whether he agrees or disagrees with a recommendation for exemption and his reasons therefor.

1–704. The Director of the Office of Management and Budget must advise the President within sixty days of receipt of the Administrator's views.

1–8. GENERAL PROVISIONS

1–801. The head of each Executive agency that is responsible for the construction or operation of Federal facilities outside the United States shall ensure that such construction or operation complies with the environmental pollution control standards of general applicability in the host country or jurisdiction.

1–802. Nothing in this Order shall create any right or benefit, substantive or procedural, enforceable at law by a party against the United States, its agencies, its officers, or any person.

1–803. Executive Order No. 11752 of December 17, 1973, is revoked.

Ex. Ord. No. 12114. ENVIRONMENTAL EFFECTS ABROAD OF MAJOR FEDERAL ACTIONS

Ex. Ord. No. 12114, Jan. 4, 1979, 44 F.R. 595, provided: By virtue of the authority vested in me by the Constitution and the laws of the United States, and as President of the United States, in order to further environmental objectives consistent with the foreign policy and national security policy of the United States, it is ordered as follows:

SECTION 1

1–1. Purpose and Scope. The purpose of this Executive Order is to enable responsible officials of Federal agencies having ultimate responsibility for authorizing and approving actions encompassed by this Order to be informed of pertinent environmental considerations and to take such considerations into account, with other pertinent considerations of national policy, in making decisions regarding such actions. While based on independent authority, this Order furthers the purpose of the National Environmental Policy Act [42 U.S.C. 4321 et seq.] and the Marine Protection Research and Sanctuaries Act [16 U.S.C. 1401 et seq., and 33 U.S.C. 1401 et seq.] and the Deepwater Port Act [33 U.S.C. 1501 et seq.] consistent with the foreign policy and national security policy of the United States, and represents the United States government's exclusive and complete determination of the procedural and other actions to be taken by Federal agencies to further the purpose of the National Environmental Policy Act, with respect to the environment outside the United States, its territories and possessions.

SECTION 2

2–1. Agency Procedures. Every Federal agency taking major Federal actions encompassed hereby and not exempted herefrom having significant effects on the environment outside the geographical borders of the United States.
States and its territories and possessions shall within eight months after the effective date of this Order have in effect procedures to implement this Order. Agencies shall consult with the Department of State and the Council on Environmental Quality concerning such procedures prior to placing them in effect.

2-2. Information Exchange. To assist in effectuating the foregoing purposes, the Department of State and the Council on Environmental Quality in collaboration with other interested Federal agencies and other nations shall conduct a program for exchange on a continuing basis of information concerning the environment. The objectives of this program shall be to provide information for use by decisionmakers, to heighten awareness of and interest in environmental concerns and, as appropriate, to facilitate environmental cooperation with foreign nations.

2-3. Actions Included. Agencies in their procedures under Section 2-1 shall establish procedures by which their officers having ultimate responsibility for authorizing and approving actions in one of the following categories encompassed by this Order, take into consideration in making decisions concerning such actions, a document described in Section 2-4(a):

(a) major Federal actions significantly affecting the environment of the global commons outside the jurisdiction of any nation e.g., the oceans or Antarctica;

(b) major Federal actions significantly affecting the environment of a foreign nation not participating in the United States and not otherwise involved in the action;

(c) major Federal actions significantly affecting the environment of a foreign nation which provide to that nation:

(1) a product, or physical project producing a principal product or an emission or effluent, which is prohibited or strictly regulated by Federal law in the United States because of its toxic effects on the environment create a serious public health risk; or

(2) a physical project which in the United States is prohibited or strictly regulated by Federal law to protect the environment against radioactive substances.

(d) major Federal actions outside the United States, its territories and possessions which significantly affect natural or ecological resources of global importance designated for protection under this subsection by the President, or, in the case of such a resource protected by international agreement binding on the United States, by the Secretary of State. Recommendations to the President under this subsection shall be accompanied by the views of the Council on Environmental Quality and the Secretary of State.

Validating Procedures. (a) There are the following types of documents to be used in connection with actions described in Section 2-3:

(i) environmental impact statements (including generic, program and specific statements);

(ii) bilateral or multilateral environmental studies, relevant or related to the proposed action, by the United States and one [or more] foreign nations, or by an international body or organization in which the United States is a member or participant; or

(iii) concise reviews of the environmental issues involved, including environmental assessments, summary environmental analyses or other appropriate documents.

(b) Agencies shall in their procedures provide for preparation of documents described in Section 2-4(a), with respect to actions described in Section 2-3, as follows:

(i) for effects described in Section 2-3(a), an environmental impact statement described in Section 2-4(a)(i);

(ii) for effects described in Section 2-3(b), a document described in Section 2-4(a)(ii) or (iii), as determined by the agency;

(iii) for effects described in Section 2-3(c), a document described in Section 2-4(a)(i) or (ii), as determined by the agency;

(iv) for effects described in Section 2-3(d), a document described in Section 2-4(a)(ii), (ii) or (iii), as determined by the agency.

Such procedures may provide that an agency need not prepare a new document when a document described in Section 2-4(a) already exists.

(c) Nothing in this Order shall serve to invalidate any existing regulations of any agency which have been adopted pursuant to court order or pursuant to judicial settlement of any case or to prevent any agency from providing in its procedures for measures in addition to those provided for herein to further the purpose of the National Environmental Policy Act (42 U.S.C. 4321 et seq.) and other environmental laws, including the Marine Protection Research and Sanctuaries Act [16 U.S.C. 1431 et seq. and 33 U.S.C. 1401 et seq.], and the Deepwater Port Act [33 U.S.C. 1501 et seq.], consistent with the foreign and national security policies of the United States.

(d) Except as provided in Section 2-5(b), agencies taking action encompassed by this Order shall, as soon as feasible, inform other Federal agencies with relevant expertise of the availability of environmental documents prepared pursuant to those procedures.

In order to avoid duplication of resources, agencies in their procedures shall provide for appropriate utilization of the resources of other Federal agencies with relevant environmental jurisdiction or expertise.

2-5. Exemptions and Considerations. (a) Notwithstanding Section 2-3, the following actions are exempt from this Order:

(i) actions not having a significant effect on the environment outside the United States as determined by the agency;

(ii) actions taken by the President;

(iii) actions taken by or pursuant to the direction of the President or Cabinet officer when the national security or interest is involved or when the action occurs in the course of an armed conflict;

(iv) intelligence activities and arms transfers;

(v) export licenses or permits or export approvals, and actions relating to nuclear activities except actions providing to a foreign nation a nuclear production or utilization facility as defined in the Atomic Energy Act of 1954 [42 U.S.C. 2011 et seq.], as amended, or a nuclear waste management facility;

(vi) votes and other actions in international conferences and organizations;

(vii) disaster and emergency relief action.

(b) Agency procedures under Section 2-1 implementing Section 2-4 may provide for appropriate modifications in the contents, timing and availability of documents to other affected Federal agencies and affected nations, where necessary to:

(i) enable the agency to decide and act promptly as and when required;

(ii) avoid adverse impacts on foreign relations or infringement in fact or appearance of other nations' sovereign responsibilities, or

(iii) ensure appropriate reflection of:

(1) diplomatic factors;

(2) international commercial, competitive and export promotion factors;

(3) needs for governmental or commercial confidentiality;

(4) national security considerations;

(5) difficulties of obtaining information and agency ability to analyze meaningfully environmental effects of a proposed action; and

(6) the degree to which the agency is involved in or able to affect a decision to be made.

(c) Agency procedure under Section 2-1 may provide for categorical exclusions and for such exemptions in addition to those specified in subsection (a) of this Section as may be necessary to meet emergency circumstances, situations involving exceptional foreign policy and national security sensitivities and other such spe-
tions described in Section 2–3(a) unless permitted by law.

3-3. Multi-Agency Actions. Where more than one Federal agency is involved in an action or program, a lead agency, as determined by the agencies involved, shall have responsibility for implementing this Order.

3-4. Certain Terms. For purposes of this Order, “environment” means the natural and physical environment and excludes social, economic and other environments; and an action significantly affects the environment if it does significant harm to the environment even though on balance the agency believes the action to be beneficial to the environment. The term “export approval” in Section 2–2(a)(v) does not mean or include direct loans to finance exports.

3-5. Multiple Impacts. If a major Federal action having effects on the environment of the United States or the global commons requires preparation of an environmental impact statement, and if the action also has effects on the environment of a foreign nation, an environmental impact statement need not be prepared with respect to the effects on the environment of the foreign nation.

JIMMY CARTER.

EXECUTIVE ORDER No. 12194
Ex. Ord. No. 12194, Feb. 21, 1980, 45 F.R. 12209, which established the Radiation Policy Council and provided for its membership, functions, etc., was revoked by Ex. Ord. No. 12379, § 23, Aug. 17, 1982, 47 F.R. 36100, formerly set out as a note under section 14 of the Appendix to Title 5, Government Organization and Employees.

EXECUTIVE ORDER No. 12737
Ex. Ord. No. 12737, Dec. 12, 1990, 55 F.R. 51681, which established President’s Commission on Environmental Quality and provided for its functions and administration, was revoked by Ex. Ord. No. 12980, Nov. 17, 1995, 60 F.R. 57819; Ex. Ord. No. 13053, June 30, 1997, 62 F.R. 39945; Ex. Ord. No. 13114, Feb. 23, 1999, 64 F.R. 10099, which established the President’s Council on Sustainable Development, was revoked by Ex. Ord. No. 13138, § 3(c), Sept. 30, 1999, 64 F.R. 53880, formerly set out as a note under section 14 of the Appendix to Title 5, Government Organization and Employees.

EXECUTIVE ORDER No. 12898

By the authority vested in me as President by the Constitution and the laws of the United States of America, and in order to establish, in accordance with the goals and purposes of the National Environmental Policy Act of 1969, as amended (42 U.S.C. §§21 et seq.), the Environmental Quality Improvement Act of 1970, as amended (42 U.S.C. §§ 471 et seq.), and the National Environmental Education Act, Public Law 101–619, 104 Stat. 3525 (1990) [20 U.S.C. §§ 5501 et seq.], an awards program to raise environmental awareness and to recognize outstanding achievements in the United States and in its territories in the areas of conservation and environmental protection by both the public and private sectors, it is hereby ordered as follows:

SECTION 1. Establishment. The President’s Environment and Conservation Challenge Awards program is established for the purposes of recognizing outstanding environmental achievements by U.S. citizens, enterprises, or programs; providing an incentive for environmental accomplishment; promoting cooperative partnerships between diverse groups working together to achieve common environmental goals; and identifying successful environmental programs that can be replicated.

Sect. 2. Administration. (a) The Council on Environmental Quality, with the assistance of the President’s Commission on Environmental Quality, shall organize, manage, and administer the awards program, including the development of selection criteria, the nomination of eligible individuals to receive the award, and the selection of award recipients.

(b) Any expenses of the program shall be paid from funds available for the expenses of the Council on Environmental Quality.

Sect. 3. Awards. (a) Up to three awards in each of the following four categories shall be made annually to eligible individuals, organizations, groups, or entities:

(i) Quality Environmental Management Awards (incorporation of environmental concerns into management decisions and practices);

(ii) Partnership Awards (successful coalition building efforts);

(iii) Innovation Awards (innovative technology programs, products, or processes);

(iv) Education and Communication Awards (education and information programs contributing to the development of an ethic fostering conservation and environmental protection).

(b) Presidential citations shall be given to eligible program finalists who demonstrate notable or unique achievements, but who are not selected to receive awards.

Sect. 4. Eligibility. Only residents of the United States and organizations, groups, or entities doing business in the United States are eligible to receive an award under this program. An award under this program shall be given only for achievements in the United States or its territories. Organizations, groups, or entities may be profit or nonprofit, public or private entities.

Sect. 5. Information System. The Council on Environmental Quality shall establish and maintain a data bank with information about award nominees to catalogue and publicize model conservation or environmental protection programs which could be replicated.

GERALD R. FORD.

EXECUTIVE ORDER No. 12986

EXECUTIVE ORDER No. 13053

EXECUTIVE ORDER No. 13138

By the authority vested in me as President by the Constitution and the laws of the United States of America, it is hereby ordered as follows:

SECTION 1–1. IMPLEMENTATION. 1–101. Agency Responsibilities. To the greatest extent practicable and permitted by law, and consistent with the principles set forth in the report on the National Performance Review, each Federal agency shall make achieving environmental justice part of its mission by identifying and addressing, as appropriate, disproportionate...
tionately high and adverse human health or environmental effects of its programs, policies, and activities on minority populations and low-income populations in the United States and its territories and possessions, the District of Columbia, the Commonwealth of Puerto Rico, and the Commonwealth of the Mariana Islands.

1–102. Creation of an Interagency Working Group on Environmental Justice. (a) Within 3 months of the date of this order, the Administrator of the Environmental Protection Agency ("Administrator") or the Administrator's designee shall convene an interagency Federal Working Group on Environmental Justice ("Working Group"). The Working Group shall comprise the heads of the following executive agencies and offices, or their designees: (a) Department of Defense; (b) Department of Health and Human Services; (c) Department of Housing and Urban Development; (d) Department of Labor; (e) Department of Agriculture; (f) Department of Transportation; (g) Department of Justice; (h) Department of the Interior; (i) Department of Commerce; (j) Department of Energy; (k) Environmental Protection Agency; (l) Office of Management and Budget; (m) Office of Science and Technology Policy; (n) Office of the Deputy Assistant to the President for Environmental Policy; (o) Office of the Assistant to the President for Domestic Policy; (p) National Economic Council; (q) Council of Economic Advisers; and (r) such other officials of the executive branch of the Federal Government as the President may designate. The Working Group shall report to the President through the Deputy Assistant to the President for Environmental Policy and the Assistant to the President for Domestic Policy.

(b) The Working Group shall: (1) provide guidance to Federal agencies on criteria for identifying disproportionately high and adverse human health or environmental effects on minority populations and low-income populations; (2) coordinate with, provide guidance to, and serve as a clearinghouse for, each Federal agency as it develops an environmental justice strategy as required by section 1–103 of this order, in order to ensure that the administration, interpretation and enforcement of programs, activities and policies are undertaken in a consistent manner; (3) assist in coordinating research by, and stimulating cooperation among, the Environmental Protection Agency, the Department of Health and Human Services, the Department of Housing and Urban Development, and other agencies conducting research or other activities in accordance with section 3–3 of this order; (4) establish processes for coordinating data collection, required by this order; (5) examine existing data and studies on environmental justice; (6) hold public meetings as required in section 5–502(d) of this order; and (7) develop interagency model projects on environmental justice that evidence cooperation among Federal agencies.

1–103. Development of Agency Strategies. (a) Except as provided in section 6–505 of this order, each Federal agency shall develop an agency-wide environmental justice strategy, as set forth in subsections (b)–(e) of this section that identifies and addresses disproportionately high and adverse human health or environmental effects of its programs, policies, and activities on minority populations and low-income populations. The environmental justice strategy shall list programs, policies, planning and public participation processes, enforcement, and/or rulemakings related to human health or the environment that should be revised or, at a minimum: (1) promote enforcement of all health and environmental statutes in areas with minority populations and low-income populations; (2) ensure greater public participation; (3) improve research and data collection relating to the health of and environment of minority populations and low-income populations; and (4) identify differential patterns of consumption of natural resources among minority populations and low-income populations. In addition, the environmental justice strategy shall include, where appropriate, a timetable for undertaking identified revisions and consideration of economic and social implications of the revisions.

(b) Within 4 months of the date of this order, each Federal agency shall provide the Working Group with an outline of its proposed environmental justice strategy.

(c) Within 6 months of the date of this order, each Federal agency shall provide the Working Group with a copy and written description of its strategy to the Working Group. From the date of this order through March 24, 1995, each Federal agency, as part of its environmental justice strategy, shall identify several specific projects that can be promptly undertaken to address particular concerns identified during the development of the proposed environmental justice strategy, and a schedule for implementing those projects.

(f) Within 24 months of the date of this order, each Federal agency shall report to the Working Group on its progress in implementing its agency-wide environmental justice strategy.

(g) Federal agencies shall provide additional periodic reports to the Working Group as requested by the Working Group.

1–104. Reports to the President. Within 14 months of the date of this order, the Working Group shall submit to the President, through the Office of the Deputy Assistant to the President for Environmental Policy and the Office of the Assistant to the President for Domestic Policy, a report that describes the implementation of this order, and includes the final environmental justice strategies described in section 1–103(e) of this order.

3–2. FEDERAL AGENCY RESPONSIBILITIES FOR FEDERAL PROGRAMS. Each Federal agency shall conduct its programs, policies, and activities that substantially affect human health or the environment, in a manner that ensures that such programs, policies, and activities do not have the effect of excluding persons (including populations) from participation in, denying persons (including populations) the benefits of, or subjecting persons (including populations) to discrimination under, such programs, policies, and activities, because of their race, color, or national origin.

3–3. RESEARCH, DATA COLLECTION, AND ANALYSIS. 3–301. Human Health and Environmental Research and Analysis. (a) Environmental human health research, whenever practicable and appropriate, shall include diverse segments of the population in epidemiological and clinical studies, including segments at high risk from environmental hazards, such as minority populations, low-income populations and workers who may be exposed to substantial environmental hazards.

(b) Environmental human health analyses, whenever practicable and appropriate, shall identify multiple and cumulative exposures.

(c) Federal agencies shall provide minority populations and low-income populations the opportunity to comment on the development and design of research strategies undertaken pursuant to this order.

3–302. Human Health and Environmental Data Collection and Analysis. To the extent permitted by existing law, including the Privacy Act, as amended (5 U.S.C. section 552a); (a) each Federal agency, whenever practicable and appropriate, shall collect, maintain, and analyze information assessing and comparing environmental and human health risks borne by populations identified by race, national origin, or income. To the extent practical and appropriate, Federal agencies shall use this information to determine whether their programs, policies, and activities have disproportionately high and
adverse human health or environmental effects on minority populations and low-income populations;
(b) In connection with the development and implementation of agency strategies in section 1–103 of this order, each Federal agency, whenever practicable and appropriate, shall collect, maintain, and analyze information on the race, national origin, income level, and other readily accessible and appropriate information for areas surrounding facilities or sites expected to have a substantial environmental, human health, or economic effect on the surrounding populations, when such facilities or sites become the subject of a substantial Federal environmental administrative or judicial action. Such information shall be made available to the public, unless prohibited by law; and
(c) Each Federal agency, whenever practicable and appropriate, shall collect, maintain, and analyze information on the race, national origin, income level, and other readily accessible and appropriate information for areas surrounding Federal facilities that are:
   (1) subject to the reporting requirements under the Emergency Planning and Community Right-to-Know Act, 42 U.S.C. 11001–11021; or
   (2) expected to have a substantial environmental, human health, or economic effect on surrounding populations. Such information shall be made available to the public, unless prohibited by law.
(d) In carrying out the responsibilities in this section, each Federal agency, whenever practicable and appropriate, shall share information and eliminate unnecessary duplication of efforts through the use of existing data systems and cooperative agreements among Federal agencies and with State, local, and tribal governments.

Ssc. 4–4. SUBSISTENCE CONSUMPTION OF FISH AND WILDLIFE
  4–401. Consumption Patterns. In order to assist in identifying the need for ensuring protection of populations with differential patterns of subsistence consumption of fish and wildlife, Federal agencies, whenever practicable and appropriate, shall collect, maintain, and analyze information on the consumption patterns of populations who principally rely on fish and/or wildlife for subsistence. Federal agencies shall communicate to the public the risks of those consumption patterns.
  4–402. Guidance. Federal agencies, whenever practicable and appropriate, shall work in a coordinated manner to publish guidance reflecting the latest scientific information available concerning methods for evaluating the human health risks associated with the consumption of pollutant-bearing fish or wildlife. Agencies shall consider such guidance in developing their policies and rules.

Ssc. 5–5. PUBLIC PARTICIPATION AND ACCESS TO INFORMATION
  (a) The public may submit recommendations to Federal agencies relating to the incorporation of environmental justice principles into Federal agency programs or policies. Each Federal agency shall convey such recommendations to the Working Group.
  (b) Each Federal agency may, whenever practicable and appropriate, translate crucial public documents, notices, and hearings relating to human health or the environment for limited English speaking populations.
  (c) Each Federal agency shall work to ensure that public documents, notices, and hearings relating to human health or the environment are concise, understandable, and readily accessible to the public.
  (d) The Working Group shall hold public meetings, as appropriate, for the purpose of fact-finding, receiving recommendations, and conducting inquiries concerning environmental justice. The Working Group shall prepare for public review a summary of the comments and recommendations discussed at the public meetings.

Ssc. 6–6. GENERAL PROVISIONS
  6–601. Responsibility for Agency Implementation. The head of each Federal agency shall be responsible for ensuring compliance with this order. Each Federal agency shall conduct internal reviews and take such other steps as may be necessary to monitor compliance with this order.

6–602. Executive Order No. 12250. This Executive order is intended to supplement but not supersede Executive Order No. 12250 [42 U.S.C. 2000d–1 note], which requires consistent and effective implementation of various laws prohibiting discriminatory practices in programs receiving Federal financial assistance. Nothing herein shall limit the effect or mandate of Executive Order No. 12250.

6–603. Executive Order No. 12875. This Executive order is not intended to limit the effect or mandate of Executive Order No. 12875 [former 5 U.S.C. 661 note].

6–604. Scope. For purposes of this order, Federal agency means any agency on the Working Group, and such other agencies as may be designated by the President, that conducts any Federal program or activity that substantially affects human health or the environment. Independent agencies are requested to comply with the provisions of this order.

6–605. Petitions for Exemptions. The head of a Federal agency may petition the President for an exemption from the requirements of this order on the grounds that all or some of the petitioning agency’s programs or activities should not be subject to the requirements of this order.

6–606. Native American Programs. Each Federal agency responsibility set forth under this order shall apply equally to Native American programs.

(a) Agencies shall provide for the development of Indian country emergency plans in coordination with the Working Group, and, after consultation with tribal leaders, shall coordinate steps to be taken pursuant to such plans.

(b) Agencies shall provide for the development of Federal programs or activities that address Federally-recognized Indian Tribes.

6–607. Costs. Unless otherwise provided by law, Federal agencies shall assume the financial costs of complying with this order.

6–608. General. Federal agencies shall implement this order consistent with, and to the extent permitted by, existing law.

6–609. Judicial Review. This order is intended only to improve the internal management of the executive branch and is not intended to, nor does it create any right, benefit, or trust responsibility, substantive or procedural, enforceable at law or equity by a party against the United States, its agencies, its officers, or any person. This order shall not be construed to create any right to judicial review involving the compliance or noncompliance of the United States, its agencies, its officers, or any other person with this order.

WILLIAM J. CLINTON.

EX. ORD. No. 13045. PROTECTION OF CHILDREN FROM ENVIRONMENTAL HEALTH RISKS AND SAFETY RISKS


By the authority vested in me as President by the Constitution and the laws of the United States of America, it is hereby ordered as follows:

SECTION 1. Policy.
1–101. A growing body of scientific knowledge demonstrates that children may suffer disproportionately from environmental health risks and safety risks. These risks arise because: children’s neurological, immunological, digestive, and other bodily systems are still developing; children eat more food, drink more fluids, and breathe more air in proportion to their body weight than adults; children’s size and weight may diminish their protection from standard safety features; and children’s behavior patterns may make them more susceptible to accidents because they are less able to protect themselves. Therefore, to the extent permitted by law and appropriate, and consistent with the agency’s mission, each Federal agency:

(a) shall give its high priority to identify and assess environmental health risks and safety risks that may disproportionately affect children; and
(b) shall ensure that its policies, programs, activities, and standards address disproportionate risks to children that result from environmental health risks or safety risks.
§ 4321

1-102. Each independent regulatory agency is encouraged to participate in the implementation of this order and comply with its provisions.

Sic. 2. Definitions. The following definitions shall apply to this order:

2-201. "Federal agency" means any authority of the United States that is an agency under 44 U.S.C. 3521(1) or (2), or is considered to be independent regulatory agencies under 44 U.S.C. 352(5). For purposes of this order, "military departments," as defined in 5 U.S.C. 102, are covered under the auspices of the Department of Defense.

2-202. "Covered regulatory action" means any substantive action in a rulemaking, initiated after the date of this order or for which a Notice of Proposed Rulemaking is published 1 year after the date of this order, that is likely to result in a rule that may:

(a) be "economically significant" under Executive Order 12866 (5 U.S.C. 601 note) (a rulemaking that has an annual effect on the economy of $100 million or more or would adversely affect in a material way the economy, a sector of the economy, productivity, competition, jobs, the environment, public health or safety, or State, local, or tribal governments or communities); and

(b) concern an environmental health risk or safety risk that an agency has reason to believe may disproportionately affect children.

2-203. "Environmental health risks and safety risks" mean risks to health or to safety that are attributable to products or substances that the child is likely to come in contact with or ingest (such as the air we breath, the food we eat, the water we drink or use for recreation, the soil we live on, and the products we use or are exposed to).

Sic. 3. Task Force on Environmental Health Risks and Safety Risks to Children.

3-301. There is hereby established the Task Force on Environmental Health Risks and Safety Risks to Children ("Task Force").

3-302. The Task Force will report to the President in consultation with the Domestic Policy Council, the National Science and Technology Council, the Council on Environmental Quality, and the Office of Management and Budget (OMB).

3-303. Membership. The Task Force shall be composed of the:

(a) Secretary of Health and Human Services, who shall serve as a Co-Chair of the Council;

(b) Administrator of the Environmental Protection Agency, who shall serve as a Co-Chair of the Council;

(c) Secretary of Education;

(d) Secretary of Labor;

(e) Attorney General;

(f) Secretary of Energy;

(g) Secretary of Housing and Urban Development;

(h) Secretary of Agriculture;

(i) Secretary of Transportation;

(j) Director of the Office of Management and Budget;

(k) Chair of the Council on Environmental Quality;

(l) Chair of the Consumer Product Safety Commission;

(m) Assistant to the President for Economic Policy;

(n) Assistant to the President for Domestic Policy;

(o) Director of the Office of Science and Technology Policy;

(p) Chair of the Council of Economic Advisers; and

(q) Such other officials of executive departments and agencies as the President may, from time to time, designate.

Members of the Task Force may delegate their responsibilities under this order to subordinates.

3-304. Functions. The Task Force shall recommend to the President Federal strategies for children’s environmental health and safety, within the limits of the Administration’s budget, to include the following elements:

(a) statements of principles, general policy, and targeted annual priorities to guide the Federal approach to achieving the goals of this order;

(b) a coordinated research agenda for the Federal Government, including steps to implement the review of research databases described in section 4 of this order;

(c) recommendations for appropriate partnerships among Federal, State, local, and tribal governments and the private, academic, and nonprofit sectors;

(d) proposals to enhance interagency and intergovernmental communication to assist families in evaluating risks to children and in making informed consumer choices;

(e) an identification of high-priority initiatives that the Federal Government has undertaken or will undertake in advancing protection of children’s environmental health and safety; and

(f) a statement regarding the desirability of new legislation to fulfill or promote the purposes of this order.

3-305. The Task Force shall prepare a biennial report on research, data, or other information that would enhance our ability to understand, analyze, and respond to environmental health risks and safety risks to children. For purposes of this report, executive departments, the Environmental Protection Agency, and other agencies identified by the Task Force shall identify and specifically describe for the Task Force key data needs related to environmental health risks and safety risks to children that have arisen in the course of the agency’s programs and activities. Each report shall also detail the accomplishments of the Task Force from the date of the preceding report. The Task Force shall incorporate agency submissions into its report and ensure that the report is publicly available and widely disseminated. The Office of Science and Technology Policy and the National Science and Technology Council shall ensure that this report is fully considered in establishing research priorities.

3-306. The Task Force shall exist for 8 years from the date of this order.

Sic. 4. Research Coordination and Integration.

4-401. Within 6 months of the date of this order, the Task Force shall develop or direct to be developed a review of existing and planned data resources and a proposed plan for ensuring that researchers and Federal research agencies have access to information on all research conducted or funded by the Federal Government that is related to adverse health risks in children resulting from exposure to environmental health risks or safety risks. The National Science and Technology Council shall review the plan.

4-402. The plan shall promote the sharing of information on academic and private research. It shall include recommendations to encourage that such data, to the extent permitted by law, is available to the public, the scientific and academic communities, and all Federal agencies.

Sic. 5. Agency Environmental Health Risk or Safety Risk Regulations.

5-501. For each covered regulatory action submitted to OMB’s Office of Information and Regulatory Affairs (OIRA) for review pursuant to Executive Order 12866 [5 U.S.C. 601 note], the issuing agency shall provide to OIRA the following information developed as part of the agency’s decisionmaking process, unless prohibited by law:

(a) an evaluation of the environmental health or safety effects of the planned regulation on children; and

(b) an explanation of why the planned regulation is preferable to other potentially effective and reasonably feasible alternatives considered by the agency.

5-502. In emergency situations, or when an agency is obligated by law to act more quickly than normal review procedures allow, the agency shall comply with the provisions of this section to the extent practicable. For those covered regulatory actions that are governed by a court-imposed or statutory deadline, the agency shall, to the extent practicable, schedule any rulemaking proceedings so as to permit sufficient time for completing the analysis required by this section.

5-503. The analysis required by this section may be included as part of any other required analysis, and shall be made part of the administrative record for the
covered regulatory action or otherwise made available to the public, to the extent permitted by law.


6-601. The Director of the OMB ("Director") shall convene an Interagency Forum on Child and Family Statistics ("Forum"), which will include representatives from the appropriate Federal statistics and research agencies. The Forum shall produce a biennial compendium ("Report") of the most important indicators of the well-being of the Nation’s children.

6-602. The Forum shall determine the indicators to be included in each Report and identify the sources of data to be used for each indicator. The Forum shall provide an ongoing review of Federal collection and dissemination of data on children and families, and shall make recommendations to improve the coverage and coordination of data collection and to reduce duplication and overlap.

6-603. The Report shall be published by the Forum in collaboration with the National Institute of Child Health and Human Development (now the Eunice Kennedy Shriver National Institute of Child Health and Human Development). The Forum shall present the first annual Report to the President, through the Director, by July 31, 1997. The Report shall be published bimonthly thereafter, using the most recently available data.


7-701. This order is intended only for internal management of the executive branch. This order is not intended, and should not be construed to create, any right, benefit, or trust responsibility, substantive or procedural, enforceable at law or equity by a party against the United States, its agencies, its officers, or its employees. This order shall not be construed to create any right to judicial review involving the compliance or noncompliance with this order by the United States, its agencies, its officers, or any other person.

7-702. Executive Order 12606 of September 2, 1987 is revoked.

7-703. Nothing in this order shall be construed to impair or otherwise affect the functions of the Director of the Office of Management and Budget relating to budget, administrative, or legislative proposals.

EX. ORD. NO. 13061. FEDERAL SUPPORT OF COMMUNITY EFFORTS ALONG AMERICAN HERITAGE RIVERS


By the authority vested in me as President by the Constitution and the laws of the United States of America, including the National Environmental Policy Act of 1969 (Public Law 91–190) [42 U.S.C. 4321 et seq.], and in order to protect and restore rivers and their adjacent communities, it is hereby ordered as follows:

Section 1. Policies.

(a) The American Heritage Rivers initiative has three objectives: natural resource and environmental protection, economic revitalization, and historic and cultural preservation.

(b) Executive agencies ("agencies"), to the extent permitted by law and consistent with their missions and resources, shall coordinate Federal plans, functions, programs, and resources to preserve, protect, and restore rivers and their associated resources important to our history, culture, and natural heritage.

(c) Agencies shall develop plans to bring increased efficiencies to existing and authorized programs with goals that are supportive of protection and restoration of communities along rivers.

(d) In accordance with Executive Order 12389 [5 U.S.C. 601 note], agencies shall act with due regard for the protection of private property provided for by the Fifth Amendment to the United States Constitution. No new regulatory authority is created as a result of the American Heritage Rivers initiative. This initiative will not interfere with matters of State, local, and tribal government jurisdiction.

(e) In furtherance of these policies, the President will designate rivers that meet certain criteria as "American Heritage Rivers.

(f) It is the policy of the Federal Government that communities shall nominate rivers as American Heritage Rivers and the Federal role will be solely to support community-based efforts to preserve, protect, and restore these rivers and communities. Federal actions will be consistent with the diverse needs of different kinds of communities from the core of our cities to remote rural areas and shall seek to ensure that the role played by the Federal Government is complementary to the plans and work being carried out by State, local, and tribal governments. To the extent possible, Federal resources will be strategically directed to complement resources being spent by these governments.

(i) Agencies shall establish a method for field offices to assess the success of the American Heritage River initiatives and provide a means to recommend changes that will improve the delivery and accessibility of Federal services and programs. Agencies are directed, where appropriate, to reduce and make more flexible procedural requirements and paperwork related to providing assistance to communities along designated rivers.

(j) Agencies shall commit to a policy under which they will seek to ensure that their actions have a positive effect on the natural, historic, economic, and cultural resources of American Heritage River communities. The policy will require agencies to consult with American Heritage River communities early in the planning stages of Federal actions, take into account the communities' goals and objectives and ensure that actions are compatible with the work of these communities. Agencies shall seek to ensure that their help for one community does not adversely affect neighboring communities. Additionally, agencies are encouraged to develop formal and informal partnerships to assist communities. Local Federal facilities, to the extent permitted by law and consistent with the agencies' missions and resources, should provide public access, physical space, technical assistance, and other support for American Heritage River communities.

(k) In addition to providing support to designated rivers, agencies will work together to provide information and services to all communities seeking support.

SIC. 2. Process for Nominating an American Heritage River

(a) Nomination. Communities, in coordination with their State, local, or tribal governments, can nominate their river, river stretch, or river confluence for designation as an American Heritage River. When several communities are involved in the nomination of the same river, nominations will detail the coordination among the interested communities and the role each will play in the process. Individuals living outside the community may not nominate a river.

(b) Selection Criteria. Nominations will be judged based on the following:

(1) the characteristics of the natural, economic, agricultural, scenic, historic, cultural, or recreational resources of the river that render it distinctive or unique;

(2) the effectiveness with which the community has defined its plan of action and the extent to which plan addresses, either through planned actions or past accomplishments, all three American Heritage Rivers objectives, which are set forth in section 1(a) of this order;

(3) the strength and diversity of community support for the nomination as evidenced by letters from elected officials; landowners; private citizens; businesses; and especially State, local, and tribal governments. Broad community support is essential to receiving the American Heritage River designation; and
(4) willingness and capability of the community to fuse partnerships and agreements to implement their plan to meet their goals and objectives.

(c) Recommendation Process. The Chair of the Council on Environmental Quality ("CEQ") shall develop a fair and objective procedure to obtain the views of a diverse group of experts for the purpose of making recommendations to the President as to which rivers shall be designated. These experts shall reflect a variety of viewpoints, such as those representing natural, cultural, and historic resources; scenic, environmental, and recreation interests; tourism, transportation, and economic development interests; and industries such as agriculture, hydropower, manufacturing, mining, and forest management. The Chair of the CEQ shall ensure that the rivers recommended represent a variety of stream sizes, diverse geographical locations, and a wide range of settings from urban to rural and ensure that relatively pristine, successful revitalization efforts are considered as well as degraded rivers in need of restoration.

(d) Designation. The President will designate certain rivers as American Heritage Rivers. Based on the receipt of a sufficient number of qualified nominations, up to 20 rivers will be designated in the first phase of the initiative.

(2) The Interagency Committee provided for in section 3 of this order shall develop a process by which any community that nominates and has its river designated may have this designation terminated at its request. Upon a determination by the Chair of the CEQ that a community has failed to implement its plan, the Chair may recommend to the President that a designation be revoked. The Chair shall notify the community at least 30 days prior to making such a recommendation to the President. Based on that recommendation, the President may revoke the designation.

SIC. 3. Establishment of an Interagency Committee. There is hereby established the American Heritage Rivers Interagency Committee ("Committee"). The Committee shall have two co-chairs. The Chair of the CEQ shall be a permanent co-chair. The other co-chair will rotate among the heads of the agencies listed below.

(a) The Committee shall be composed of the following members or their designees at the Assistant Secretary level or equivalent:

(1) The Secretary of Defense;
(2) The Attorney General;
(3) The Secretary of the Interior;
(4) The Secretary of Agriculture;
(5) The Secretary of Commerce;
(6) The Secretary of Housing and Urban Development;
(7) The Secretary of Transportation;
(8) The Secretary of Energy;
(9) The Administrator of the Environmental Protection Agency;
(10) The Chair of the Advisory Council on Historic Preservation;
(11) The Chairperson of the National Endowment for the Arts; and
(12) The Chairperson of the National Endowment for the Humanities.

The Chair of the CEQ may invite to participate in meetings of the Committee, representatives of other agencies, as appropriate.

(b) The Committee shall:

(1) establish formal guidelines for designation as an American Heritage River;
(2) periodically review the actions of agencies in support of the American Heritage Rivers Initiative; and
(3) report to the President on the progress, accomplishments, and effectiveness of the American Heritage Rivers Initiative; and
(4) perform other duties as directed by the Chair of the CEQ.

SIC. 4. Responsibilities of the Federal Agencies. Consistent with Title I of the National Environmental Policy Act of 1969 (42 U.S.C. 4331 et seq.), agencies shall:

(a) identify their existing programs and plans that give them the authority to offer assistance to communities involved in river conservation and community health and revitalization;
(b) to the extent practicable and permitted by law and regulation, refocus programs, grants, and technical assistance to provide support for communities adjacent to American Heritage Rivers;
(c) identify all technical tools, including those developed for purposes other than river conservation, that can be applied to river protection, restoration, and community revitalization;
(d) provide access to existing scientific data and information to the extent permitted by law and consistent with the agencies mission and resources;
(e) cooperate with State, local, and tribal governments and communities with respect to their activities that take place in, or affect the area around, an American Heritage River;
(f) commit to a policy, as set forth in section 1(j) of this order, in making decisions affecting the quality of an American Heritage River;
(g) select from among all the agencies a single individual called the "River Navigator," for each river that is designated an American Heritage River, with whom the communities can communicate goals and needs and who will facilitate community-agency interchange;
(h) allow public access to the river, for agencies with facilities along American Heritage Rivers, to the extent practicable and consistent with their mission and resources;
(i) cooperate, as appropriate, with communities on projects that protect or preserve stretches of the river that are on Federal property or adjacent to a Federal facility.

SIC. 5. Responsibilities of the Committee and the Council on Environmental Quality. The CEQ shall serve as Executive agent for the Committee, and the CEQ and the Committee shall ensure the implementation of the policies and purposes of this initiative.

SIC. 6. Definition. For the purposes of this order, Executive agency means any agency on the Committee and such other agency as may be designated by the President.

SIC. 7. Judicial Review. This order does not create any right or benefit, substantive or procedural, enforceable by any party against the United States, its agencies or instrumentalities, its officers or employees, or any other person.

WILLIAM J. CLINTON.

EXECUTIVE ORDER No. 13080

PROC. No. 7112. DESIGNATION OF AMERICAN HERITAGE RIVERS
Proc. No. 7112, July 30, 1998, 63 F.R. 41949, provided:

In celebration of America’s rivers, and to recognize and reward grassroots efforts to restore them, last year I announced the American Heritage Rivers initiative.

My goal was to help communities realize their visions for their rivers by making it easier for them to tap existing programs and resources of the Federal Government.

From across the country, hundreds of communities answered my call for nominations, asking that their rivers be designated American Heritage Rivers.

I applaud all of the communities that have drawn together and dedicated themselves to the goal of healthy rivers, now and forever.

Having reviewed the recommendations of the American Heritage Rivers Initiative Advisory Committee, I am pleased to be able to recognize a select group of rivers and communities that reflect the true diversity and splendor of America’s natural endowment, and the tremendous energy and commitment of its citizenry.
Pursuant to Executive Orders 13061 [set out above], 13080, and 13093 [set out above], I hereby designate the following American Heritage Rivers:

- The Blackstone and Woonasquatucket Rivers, in the States of Massachusetts and Rhode Island;
- The Connecticut River, in the States of Connecticut, Massachusetts, New Hampshire, and Vermont;
- The Cuyahoga River, in the State of Ohio;
- The Detroit River, in the State of Michigan;
- The Hanalei River, in the State of Hawaii;
- The Hudson River, in the State of New York;
- The Upper Mississippi River, in the States of Illinois, Iowa, Minnesota, Missouri, and Wisconsin;
- The Lower Mississippi River, in the States of Louisiana and Tennessee;
- The New River, in the States of North Carolina, Virginia, and West Virginia;
- The Rio Grande, in the State of Texas;
- The Potomac River, in the District of Columbia and the States of Maryland, Pennsylvania, Virginia, and West Virginia;
- The St. Johns River, in the State of Florida;
- The Upper Susquehanna and Lackawanna Rivers, in the State of Pennsylvania;
- The Willamette River, in the State of Oregon.

IN WITNESS WHEREOF, I have hereunto set my hand this thirtieth day of July, in the year of our Lord nineteen hundred and ninety-eight, and of the Independence of the United States of America the two hundred and twenty-third.

WILLIAM J. CLINTON.

EX. ORD. NO. 13112. INVASIVE SPECIES


SECTION 1. Definitions. (a) “Control” means containing, suppressing, or reducing populations of invasive species.

(b) “Eradication” means the removal or destruction of an entire population of invasive species.

(c) “Federal agency” means an executive department or agency, but does not include independent establishments as defined by 5 U.S.C. 104.

(d) “Introduction” means, as a result of human activity, the intentional or unintentional escape, release, dissemination, or placement of an organism into an ecosystem to which it is not native.

(e) “Invasive species” means, with regard to a particular ecosystem, a non-native organism whose introduction causes or is likely to cause economic or environmental harm, or harm to human, animal, or plant health.

(f) “Non-native species” or “alien species” means, with respect to a particular ecosystem, an organism, including its seeds, eggs, spores, or other biological material capable of propagating that species, that occurs outside of its natural range.

(g) “Pathway” means the mechanisms and processes by which non-native species are moved, intentionally or unintentionally, into a new ecosystem.

(h) “Prevention” means the action of stopping invasive species from being introduced or spreading into a new ecosystem.

(i) “United States” means the 50 States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the U.S. Virgin Islands, the Commonwealth of the Northern Mariana Islands, all possessions, and the territorial sea of the United States as defined by Presidential Proclamation 5928 of December 27, 1988.

Sec. 2. Federal Agency Duties. (a) Each Federal agency for which that agency’s actions may affect the introduction, establishment, or spread of invasive species shall, to the extent practicable and permitted by law, (1) identify such agency actions;

(2) subject to the availability of appropriations, and within administrative, budgetary, and jurisdictional limits, use relevant agency programs and authorities to:

(i) prevent the introduction, establishment, and spread of invasive species;

(ii) detect and respond rapidly to eradicate or control populations of invasive species in a manner that is cost-effective and minimizes human, animal, plant, and environmental health risks;

(iii) monitor invasive species populations accurately and reliably;

(iv) provide for the restoration of native species, ecosystems, and other assets that have been impacted by invasive species;

(v) conduct research on invasive species and develop and apply technologies to prevent their introduction, and provide for environmentally sound methods of eradication and control of invasive species;

(vi) promote public education and action on invasive species, their pathways, and ways to address them, with an emphasis on prevention, and early detection and rapid response;

(vii) assess and strengthen, as appropriate, policy and regulatory frameworks pertaining to the prevention, eradication, and control of invasive species and address regulatory gaps, inconsistencies, and conflicts;

(viii) coordinate with and complement similar efforts of States, territories, federally recognized American Indian tribes, Alaska Native Corporations, Native Hawaiians, local governments, nongovernmental organizations, and the private sector; and

(ix) in consultation with the Department of State and with other agencies as appropriate, coordinate with foreign governments to prevent the movement and minimize the impacts of invasive species; and

(3) refrain from authorizing, funding, or implementing actions that are likely to cause or promote the introduction, establishment, or spread of invasive species in the United States unless, pursuant to guidelines that it has prescribed, the agency has determined and made public its determination that the benefits of such actions clearly outweigh the potential harm caused by invasive species; and that all feasible and prudent measures to minimize risk of harm will be taken in conjunction with the actions.

(c) [sic] Federal agencies shall pursue the duties set forth in this section in coordination, to the extent practicable, with other member agencies of the Council and staff, consistent with the National Invasive Species Council Management Plan, and in cooperation with State, local, tribal, and territorial governments, and stakeholders, as appropriate, and in consultation with the Department of State when Federal agencies are working with international organizations and foreign nations.

(d) Federal agencies that are members of the Council, and Federal interagency bodies working on issues relevant to the prevention, eradication, and control of invasive species, shall provide the Council with annual information on actions taken that implement these duties and identify barriers to advancing priority actions.

(e) To the extent practicable, Federal agencies shall also expand the use of new and existing technologies and practices; develop, share, and utilize similar metrics and standards, methodologies, and databases.
§ 4321  TITLE 42—THE PUBLIC HEALTH AND WELFARE  Page 5590

and, where relevant, platforms for monitoring invasive species; and, facilitate the interoperability of information systems, open data, data analytics, predictive modeling, and data reporting necessary to inform timely, science-based decision making.

SIC. 3. National Invasive Species Council. (a) A National Invasive Species Council (Council) is hereby established. The mission of the Council is to provide the vision and leadership to coordinate, sustain, and expand Federal efforts to safeguard the interests of the United States through the prevention, eradication, and control of invasive species, and through the restoration of ecosystems and other assets impacted by invasive species.

(b) The Council’s membership shall be composed of the following officials, who may designate a senior-level representative to perform the functions of the member:

(i) Secretary of State;
(ii) Secretary of the Treasury;
(iii) Secretary of Defense;
(iv) Secretary of the Interior;
(v) Secretary of Agriculture;
(vi) Secretary of Commerce;
(vii) Secretary of Health and Human Services;
(viii) Secretary of Transportation;
(ix) Secretary of Homeland Security;
(x) Administrator of the National Aeronautics and Space Administration;
(xi) Administrator of the Environmental Protection Agency;
(xii) Administrator of the United States Agency for International Development;
(xiii) United States Trade Representative;
(xiv) Director or Chair of the following components of the Executive Office of the President: the Office of Science and Technology Policy, the Council on Environmental Quality, and the Office of Management and Budget; and
(xv) Officials from such other departments, agencies, offices, or entities as the agencies set forth above, by consensus, to perform the functions of the Co-Chair. The Council shall meet no less than once each year. The Secretary of the Interior shall, after consultation with the Co-Chairs, appoint an Executive Director of the Council to oversee a staff that supports the duties of the Council. Within 1 year of the date of this order, the Co-Chairs of the Council shall convene a meeting of its members to complete a charter, which shall include any administrative policies and processes necessary to ensure that the Council can satisfy the functions and responsibilities described in this order.

(d) The Secretary of the Interior shall maintain the current Invasive Species Advisory Committee established under the Federal Advisory Committee Act, 5 U.S.C. App., to provide information and advice for consideration by the Council. The Secretary shall, after consultation with other members of the Council, appoint members of the advisory committee who represent diverse stakeholders and who have expertise to advise the Council.

(e) Administration of the Council. The Department of the Interior shall provide funding and administrative support for the Council and the advisory committee consistent with existing authorities. To the extent permitted by law, including the Economy Act, and within existing appropriations, participating agencies may detail staff to the Department of the Interior to support the Council’s efforts.

SIC. 4. Duties of the National Invasive Species Council. The Council shall provide national leadership regarding invasive species and shall:

(a) With regard to the implementation of this order, work to ensure that the Federal agency and interagency activities concerning invasive species are coordinated, complementary, cost-efficient, and effective;
(b) Undertake a National Invasive Species Assessment in coordination with the U.S. Global Change Research Program’s periodic national assessment, that evaluates the impact of invasive species on major U.S. assets, including food security, water resources, infrastructure, the environment, human, animal, and plant health, natural resources, cultural identity and resources, and military readiness, from ecological, social, and economic perspectives.
(c) Advance national incident response, data collection, and rapid reporting capacities that build on existing frameworks and programs and strengthen early detection of and rapid response to invasive species, including those that are vectors, reservoirs, or causative agents of disease;
(d) Publish an assessment by 2020 that identifies the most promising scientific, technical, and programmatic coordination challenges to the Federal Government’s capacity to prevent the introduction of invasive species, and that incorporate recommendations and priority actions to overcome these challenges into the National Invasive Species Council Management Plan, as appropriate;
(e) Support and encourage the development of new technologies and practices, and promote the use of existing technologies and practices, to prevent, eradicate, and control invasive species, including those that are vectors, reservoirs, and causative agents of disease;
(f) Convene annually to discuss and coordinate interagency priorities and report annually on activities and budget requirements for programs that contribute directly to the implementation of this order; and
(g) Publish a National Invasive Species Council Management Plan as set forth in section 5 of this order.

SIC. 5. National Invasive Species Council Management Plan. (a) By December 31, 2019, the Council shall publish a National Invasive Species Council Management Plan (Management Plan), which shall, among other priorities identified by the Council, include actions to further the implementation of the duties of the National Invasive Species Council.

(b) The Management Plan shall recommend strategies to:

(1) Provide institutional leadership and priority setting;
(2) Achieve effective interagency coordination and cost-efficiency;
(3) Raise awareness and motivate action, including through the promotion of appropriate transparency, community-level consultation, and stakeholder outreach concerning the benefits and risks to human, animal, or plant health when controlling or eradicating an invasive species;
(4) Remove institutional and policy barriers;
(5) Assess and strengthen capacities; and
(6) Foster scientific, technical, and programmatic innovation.

(c) The Council shall evaluate the effectiveness of the Management Plan implementation and update the Plan every 3 years. The Council shall provide an annual report of its achievements to the public.

(d) Council members may complement the Management Plan with invasive species policies and plans specific to their respective agency’s roles, responsibilities, and authorities.

SIC. 6. Judicial Review and Administration. (a) This order is intended only to improve the internal management of the executive branch and is not intended to create any right, benefit, or legal obligation, substantive or procedural, enforceable at law or equity by a party against the United States, its agencies, its officers, or any other person.

(b) Executive Order 11987 of May 24, 1977, is hereby revoked.

(c) The requirements of this order do not affect the obligations of Federal agencies under 16 U.S.C. 4713 with respect to ballast water programs.

(d) The duties of section 3(a)(2) [probably means 2(a)(2)] and section 3(a)(3) [2(a)(3)] of this order shall
not apply to any action of the Department of State if the Secretary of State finds that exemption from such requirements is necessary for foreign policy, readiness, or national security reasons. The duties of sections 3(a)(2) (2(a)(2)) and section 3(a)(3) (2(a)(3)) of this order shall not apply to any action of the Department of Defense if the Secretary of Defense finds that exemption from such requirements is necessary for foreign policy, readiness, or national security reasons.

(e) The requirements of this order do not affect the obligations of the Department of Health and Human Services under the Public Health Service Act or the Federal Food, Drug, and Cosmetic Act.

EXTENSION OF TERM OF INVASIVE SPECIES ADVISORY COMMITTEE

Term of Invasive Species Advisory Committee extended until Sept. 30, 2019, by Ex. No. 13834, § 8, May 17, 2018, 83 F. R. 23773, set out below.

Ex. No. 13851, SAFEGUARDING THE NATION FROM THE IMPACTS OF INVASIVE SPECIES

Ex. No. 13751, Dec. 5, 2016, 81 F. R. 88609, provided: By the authority vested in me as President by the Constitution and to ensure the faithful execution of all laws of the United States of America, including the National Environmental Policy Act of 1969, as amended (42 U.S.C. 4321 et seq.), the Nonindigenous Aquatic Nuisance Prevention and Control Act of 1990, (16 U.S.C. 1471 et seq.), the Plant Protection Act (7 U.S.C. 7701 et seq.), the Lacey Act, as amended (18 U.S.C. 3771–3778 et seq.), the Endangered Species Act of 1973, as amended (16 U.S.C. 1531 et seq.), the Noxious Weed Control and Eradication Act of 2004 (7 U.S.C. 7761 et seq.), and other pertinent statutes, to prevent the introduction of invasive species and provide for their control, and to minimize the economic, plant, animal, ecological, and human health impacts that invasive species cause, it is hereby ordered as follows:

SECTION 1. Policy. It is the policy of the United States to prevent the introduction, establishment, and spread of invasive species, as well as to eradicate and control populations of invasive species that are established. Invasive species pose threats to prosperity, security, and quality of life. They have negative impacts on the environment and natural resources, agriculture and food production systems, water resources, human, animal, and plant health, infrastructure, the economy, energy, cultural resources, and military readiness. Every year, invasive species cost the United States billions of dollars in economic losses and other damages.

Of substantial growing concern are invasive species that are or may be vectors, reservoirs, and causative agents of disease, which threaten human, animal, and plant health. The introduction, establishment, and spread of invasive species create the potential for serious public health impacts, especially when considered in the context of changing climate conditions. Climate change influences the establishment, spread, and impacts of invasive species.

Executive Order 13112 of February 3, 1999 (Invasive Species), called upon executive departments and agencies to take steps to prevent the introduction and spread of invasive species, and to support efforts to eradicate and control invasive species that are established. Executive Order 13112 also created a coordinating body—the Invasive Species Council, also referred to as the National Invasive Species Council, to oversee implementation of the order, encourage proactive planning and action, develop recommendations for international cooperation, and take other steps to improve the Federal response to invasive species. Past efforts at preventing, eradicating, and controlling invasive species demonstrated that collaboration across Federal, State, local, tribal, and territorial government; stakeholders; and the private sector is critical to minimizing the spread of invasive species and that coordinated action is necessary to protect the assets and security of the United States.

This order amends Executive Order 13112 and directs actions to continue coordinated Federal prevention and control efforts related to invasive species. This order maintains the National Invasive Species Council (Council) and the Invasive Species Advisory Committee; expands the membership of the Council; clarifies the operations of the Council; incorporates considerations of human and environmental health, climate change, technological innovation, and other emerging priorities into Federal efforts to address invasive species; and strengthens coordinated, cost-efficient Federal action.

Sic. 2. Definitions. [Amended Ex. No. 13112, set out as a note above.]
Sic. 3. Federal Agency Duties. [Amended Ex. No. 13112, set out as a note above.]
Sic. 4. Emerging Priorities. Federal agencies that are members of the Council and Federal interagency bodies working on issues relevant to the prevention, erad-
§ 4321
TITLE 42—THE PUBLIC HEALTH AND WELFARE
Page 5592

Section 2. Goals for Agencies. In implementing the policy set forth in section 1 of this order, the head of each agency shall meet the following goals, which are based on relevant statutory requirements, in a cost-effective manner:

(a) Achieve and maintain annual reductions in building energy use and implement energy efficiency measures that reduce costs;

(b) Meet statutory requirements relating to the consumption of renewable energy and electricity;

(c) Reduce potable and non-potable water consumption, and comply with stormwater management requirements;

(d) Utilize performance contracting to achieve energy, water, building modernization, and infrastructure goals;

(e) Ensure that new construction and major renovations conform to applicable building energy efficiency requirements and sustainable design principles in a manner that achieves building efficiency when renewing or entering into leases; implement space utilization and optimization practices; and annually assess and report on building performance to CEQ.

(f) Implement waste prevention and recycling measures and comply with all Federal requirements with regard to solid, hazardous, and toxic waste management and disposal;

(g) Acquire, use, and dispose of products and services, including electronics, in accordance with statutory mandates for purchasing preference, Federal Acquisition Regulation requirements, and other applicable Federal procurement policies; and

(h) Track and, as required by section 7(b) of this order, report on energy management activities, performance improvements, cost reductions, greenhouse gas emissions, energy and water savings, and other appropriate performance measures.

Section 3. Implementation and Immediate Actions. (a) The Chairman of the Council on Environmental Quality (CEQ) and the Director of the Office of Management and Budget (OMB) shall coordinate in developing, issuing, and updating, as necessary, requirements and streamlined metrics to assess agency progress in achieving the goals set forth in section 2 of this order.

(b) Within 90 days of the date of this order [35: y 17, 2018], the Secretary of Agriculture, Secretary of Energy, Administrator of General Services, and the Administrator of the Environmental Protection Agency (EPA) shall review relevant Government-wide guidance related to energy and environmental performance issued by their respective agencies and shall, in conjunction with CEQ, develop a plan and proposed timeline to modify, replace, or rescind such guidance, as necessary, to facilitate implementation of this order.

(c) Within 120 days of the date of this order, the Secretary of Energy, in coordination with the Secretary of Defense, the Administrator of General Services, and the heads of other agencies as appropriate, shall review existing Federal vehicle fleet requirements and report to the Chairman of CEQ and the Director of OMB regarding opportunities to optimize Federal fleet performance, reduce associated costs, and streamline reporting and compliance requirements.

(d) Within 150 days of the date of this order, the Chairman of CEQ, in coordination with the Director of OMB, shall review and, where needed, revise existing CEQ guidance related to energy and environmental performance, and shall issue instructions for implementation of this order.

Section 4. Additional Duties of the Chairman of the Council on Environmental Quality. In implementing the policy set forth in section 1 of this order, the Chairman of CEQ shall:

(a) in coordination with the Director of OMB, continue to oversee the Federal Interagency Sustainability Steering Committee (Steering Committee), which shall continue in effect, and shall advise the Director of OMB and the Chairman of CEQ regarding agency compliance with section 2 of this order; and

(b) issue, as necessary and appropriate and in coordination with the Director of OMB, additional guidance to assist agencies in implementing this order.
SEC. 5. Additional Duties of the Director of the Office of Management and Budget. In implementing the policy set forth in section 1 of this order, the Director of OMB shall:

(a) issue, as necessary and after consultation with the Chairman of CEQ, instructions, directions, and guidance to the heads of agencies concerning evaluation of agency progress and performance related to the implementation of this order; and

(b) prepare periodic scorecards evaluating agency performance and identify additional actions needed to implement this order.

SEC. 6. Duties of the Federal Chief Sustainability Officer. A Federal Chief Sustainability Officer, designated by the President, shall head an Office of Federal Sustainability, which shall be maintained as an interagency environmental project within CEQ, and for which EPA shall provide funding through the Office of Environmental Quality Management Fund, 42 U.S.C. 4575. In implementing the policy set forth in section 1 of this order, the Federal Chief Sustainability Officer shall:

(a) monitor progress and advise the Chairman of CEQ on agency performance and implementation of this order;

(b) lead the development of programs and policies to assist agencies in implementing the goals of this order; and

(c) chair, convene, and preside at meetings and direct the work of the Steering Committee.

SEC. 7. Duties of Heads of Agencies. In implementing the policy set forth in section 1 of this order, the head of each agency shall:

(a) within 45 days of the date of this order, designate an agency Chief Sustainability Officer—who shall be a senior civilian official, compensated annually in an amount at or above the amount payable at level IV of the Executive Schedule—and assign the designated official the authority to perform duties relating to the implementation of this order within the agency; and

(b) report to the Chairman of CEQ and the Director of OMB regarding agency implementation and progress toward the goals of this order and relevant statutory requirements.


SEC. 9. Limitations. (a) This order shall apply only to agency activities, personnel, resources, and facilities that are located within the United States. The head of an agency may provide that this order shall apply in whole or in part with respect to agency activities, personnel, resources, and facilities that are not located within the United States, if the head of the agency determines that such application is in the interest of the United States.

(b) The head of an agency shall manage agency activities, personnel, resources, and facilities that are not located within the United States, and with respect to which the head of the agency has not made a determination under subsection (a) of this section, in a manner consistent with the policy set forth in section 1 of this order, and to the extent the head of the agency determines practicable.

SEC. 10. Exemption Authority. (a) The Director of National Intelligence may exempt an intelligence activity of the United States—and related personnel, resources, and facilities—from the provisions of this order, other than this subsection, to the extent the Director determines necessary to protect intelligence sources and methods from unauthorized disclosure.

(b) The head of an agency may exempt law enforcement activities of that agency, and related personnel, resources, and facilities, from the provisions of this order, other than this subsection, to the extent the head of an agency determines necessary to protect undercover operations from unauthorized disclosure.

(c) The head of an agency may exempt law enforcement, protective, emergency response, or military tactical vehicle fleets of that agency from the provisions of this order, other than this subsection. Heads of agencies shall manage fleets to which this paragraph refers in a manner consistent with the policy set forth in section 1 of this order to the extent they determine practicable.

(d) The head of an agency may exempt particular agency activities and facilities from the provisions of this order, other than this subsection, if it is in the interest of national security. If the head of an agency issues an exemption under this subsection, the agency must notify the Chairman of CEQ in writing within 30 days of issuance of that exemption. To the maximum extent practicable, and without compromising national security, each agency shall strive to comply with the purposes, goals, and implementation steps in this order.

(e) The head of an agency may submit to the President, through the Chairman of CEQ, a request for an exemption of an agency activity, and related personnel, resources, and facilities, from this order.

SEC. 11. General Provisions. (a) Nothing in this order shall be construed to impair or otherwise affect:

(i) the authority granted by law to an executive department or agency, or the head thereof; or

(ii) the functions of the Director of OMB relating to budgetary, administrative, or legislative proposals.

(b) This order shall be implemented in a manner consistent with applicable law and subject to the availability of appropriations.

(c) This order is not intended to, and does not, create any right or benefit, substantive or procedural, enforceable at law or in equity by any party against the United States, its departments, agencies, or entities, its officers, employees, or agents, or any other person.

DONALD J. TRUMP.

SUBCHAPTER I—POLICIES AND GOALS

§ 4331. Congressional declaration of national environmental policy

(a) The Congress, recognizing the profound impact of man's activity on the interrelations of all components of the natural environment, particularly the profound influences of population growth, high-density urbanization, industrial expansion, resource exploitation, and new and expanding technological advances and recognizing further the critical importance of restoring and maintaining environmental quality to the overall welfare and development of man, declares that it is the continuing policy of the Federal Government to use all practicable means, consistent with other essential considerations of national policy, to improve and coordinate Federal plans, functions, programs, and resources to the end that the Nation may—

(1) fulfill the responsibilities of each generation as trustee of the environment for succeeding generations;

(2) assure for all Americans safe, healthy, productive, and aesthetically and culturally pleasing surroundings;
§ 4332

TITLE 42—THE PUBLIC HEALTH AND WELFARE Page 5594

(3) attain the widest range of beneficial uses of the environment without degradation, risk to health or safety, or other undesirable and unintended consequences;

(4) preserve important historic, cultural, and natural aspects of our national heritage, and maintain, wherever possible, an environment which supports diversity and variety of individual choice;

(5) achieve a balance between population and resource use which will permit high standards of living and a wide sharing of life’s amenities; and

(6) enhance the quality of renewable resources and approach the maximum attainable recycling of depletable resources.

(c) The Congress recognizes that each person should enjoy a healthful environment and that each person has a responsibility to contribute to the preservation and enhancement of the environment.


COMMISSION ON POPULATION GROWTH AND THE AMERICAN FUTURE

Pub. L. 91–213, §§1–9, Mar. 16, 1970, 84 Stat. 67–69, established the Commission on Population Growth and the American Future to conduct and sponsor such studies and research and make such recommendations as might be necessary to provide information and education to all levels of government in the United States, and to our people regarding a broad range of problems associated with population growth and their implications for America’s future; prescribed the composition of the Commission; provided for the appointment of its members, and the designation of a Chairman and Vice Chairman; required a majority of the members of the Commission to constitute a quorum, but allowed a lesser number to conduct hearings; prescribed the compensation of members of the Commission; required the Commission to conduct an inquiry into certain prescribed aspects of population growth in the United States and its foreseeable social consequences; provided for the appointment of an Executive Director and other personnel and prescribed their compensation; authorized the Commission to enter into contracts with public agencies, private firms, institutions, and individuals for the conduct of research and surveys, the preparation of reports, and other activities necessary to the discharge of its duties, and to request from any Federal department or agency any information and assistance which it deems necessary to carry out its functions; required the General Services Administration to provide administrative services for the Commission on a reimbursable basis; required the Commission to submit an interim report to the President and the Congress one year after it was established and to submit its final report two years after Mar. 16, 1970, terminated the Commission sixty days after the date of the submission of its final report; and authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, such amounts as might be necessary to carry out the provisions of Pub. L. 91–213.

EXECUTIVE ORDER NO. 11507


EXECUTIVE ORDER NO. 11752

Ex. Ord. No. 11752, Dec. 17, 1973, 38 F.R. 34793, which related to the prevention, control, and abatement of environmental pollution at Federal facilities, was set out as a note under section 4322 of this title.

§ 4332. Cooperation of agencies; reports; availability of information; recommendations; international and national coordination of efforts

The Congress authorizes and directs that, to the fullest extent possible: (1) the policies, regulations, and public laws of the United States shall be interpreted and administered in accordance with the policies set forth in this chapter, and (2) all agencies of the Federal Government shall—

(A) utilize a systematic, interdisciplinary approach which will insure the integrated use of the natural and social sciences and the environmental design arts in planning and in decisionmaking which may have an impact on man’s environment;

(B) identify and develop methods and procedures, in consultation with the Council on Environmental Quality established by subchapter II of this chapter, which will insure that presently unquantified environmental amenities and values may be given appropriate consideration in decisionmaking along with economic and technical considerations;

(C) include in every recommendation or report on proposals for legislation and other major Federal actions significantly affecting the quality of the human environment, a detailed statement by the responsible official on—

(i) the environmental impact of the proposed action,

(ii) any adverse environmental effects which cannot be avoided should the proposal be implemented,

(iii) alternatives to the proposed action,

(iv) the relationship between local short-term uses of man’s environment and the maintenance and enhancement of long-term productivity, and

(v) any irreversible and irretrievable commitments of resources which would be involved in the proposed action should it be implemented.

Prior to making any detailed statement, the responsible Federal official shall consult with and obtain the comments of any Federal agency which has jurisdiction by law or special expertise with respect to any environmental impact involved. Copies of such statement and the comments and views of the appropriate Federal, State, and local agencies, which are authorized to develop and enforce environmental standards, shall be made available to the President, the Council on Environmental Quality and to the public as provided by section 552 of title 5, and shall accompany the proposal through the existing agency review processes;

(D) Any detailed statement required under subparagraph (C) after January 1, 1970, for any major Federal action funded under a program of grants to States shall not be deemed to be legally insufficient solely by reason of having been prepared by a State agency or official, if:
(i) the State agency or official has state-wide jurisdiction and has the responsibility for such action,
(ii) the responsible Federal official furnishes guidance and participates in such preparation,
(iii) the responsible Federal official independently evaluates such statement prior to its approval and adoption, and
(iv) after January 1, 1976, the responsible Federal official provides early notification to, and solicits the views of, any other State or any Federal land management entity of any action or any alternative thereto which may have significant impacts upon such State or affected Federal land management entity and, if there is any disagreement on such impacts, prepares a written assessment of such impacts and views for incorporation into such detailed statement.

The procedures in this subparagraph shall not relieve the Federal official of his responsibilities for the scope, objectivity, and content of the entire statement or of any other responsibility under this chapter; and further, this subparagraph does not affect the legal sufficiency of statements prepared by State agencies with less than state-wide jurisdiction.1

(E) study, develop, and describe appropriate alternatives to recommended courses of action in any proposal which involves unresolved conflicts concerning alternative uses of available resources;

(F) recognize the worldwide and long-range character of environmental problems and, where consistent with the foreign policy of the United States, lend appropriate support to initiatives, resolutions, and programs designed to maximize international cooperation in anticipating and preventing a decline in the quality of mankind’s world environment;

(G) make available to States, counties, municipalities, institutions, and individuals, advice and information useful in restoring, maintaining, and enhancing the quality of the environment;

(H) initiate and utilize ecological information in the planning and development of resource-oriented projects; and

(I) assist the Council on Environmental Quality established by subchapter II of this chapter.


AMENDMENTS
1975—Subpars. (D) to (I). Pub. L. 94–83 added subpar. (D) and redesignated former subpars. (D) to (H) as (E) to (I), respectively.

CERTAIN COMMERCIAL SPACE LAUNCH ACTIVITIES

Pub. L. 104–88, title IV, §401, Dec. 28, 1995, 109 Stat. 955, provided that: “The licensing of a launch vehicle or launch site operator (including any amendment, extension, or renewal of the license) under [former] chapter 701 of title 49, United States Code [now chapter 509 (§50901 et seq.) of Title 51, National and Commercial Space Programs], shall not be considered a major Federal action for purposes of section 102(C) of the National Environmental Policy Act of 1969 (42 U.S.C. 4332(C)) if—

(1) the Department of the Army has issued a permit for the activity; and

(2) the Army Corps of Engineers has found that the activity has no significant impact.”

EX. ORD. NO. 13352. FACILITATION OF COOPERATIVE CONSERVATION

Ex. Ord. No. 13352, Aug. 26, 2004, 69 F.R. 52889, provided: By the authority vested in me as President by the Constitution and the laws of the United States of America, it is hereby ordered as follows:

SECTION 1. Purpose. The purpose of this order is to ensure that the Departments of the Interior, Agriculture, Commerce, and Defense and the Environmental Protection Agency implement laws relating to the environment and natural resources in a manner that promotes cooperative conservation, with an emphasis on appropriate inclusion of local participation in Federal decisionmaking, in accordance with their respective agency missions, policies, and regulations.

SEC. 2. Definition. As used in this order, the term “cooperative conservation” means actions that relate to use, enhancement, and enjoyment of natural resources, protection of the environment, or both, and that involve collaborative activity among Federal, State, local, and tribal governments, private for-profit and nonprofit institutions, other nongovernmental entities and individuals.

SEC. 3. Federal Activities. To carry out the purpose of this order, the Secretaries of the Interior, Agriculture, Commerce, and Defense and the Administrator of the Environmental Protection Agency shall, to the extent permitted by law and subject to the availability of appropriations and in coordination with each other as appropriate:

(a) carry out the programs, projects, and activities of the agency that they respectively head that implement laws relating to the environment and natural resources in a manner that: (i) facilitates cooperative conservation; (ii) takes appropriate account of and respects the interests of persons with ownership or other legally recognized interests in land and other natural resources; (iii) properly accommodates local participation in Federal decisionmaking; and (iv) provides that the programs, projects, and activities are consistent with protecting public health and safety;

(b) report annually to the Chairman of the Council on Environmental Quality on actions taken to implement this order; and

(c) provide funding to the Office of Environmental Quality Management Fund (42 U.S.C. 4976) for the Conference for which section 4 of this order provides.

SEC. 4. White House Conference on Cooperative Conservation. The Chairman of the Council on Environmental Quality shall, to the extent permitted by law and subject to the availability of appropriations:

(a) convene not later than 1 year after the date of this order, and thereafter at such times as the Chairman deems appropriate, a White House Conference on Cooperative Conservation (Conference) to facilitate the exchange of information and advice relating to (i) cooperative conservation and (ii) means for achievement of the purpose of this order; and

(b) ensure that the Conference obtains information in a manner that seeks from Conference participants their individual advice and does not involve collective judgment or consensus advice or deliberation.

SEC. 5. General Provision. This order is not intended to, and does not, create any right or benefit, substantive or procedural, enforceable at law or in equity by any party against the United States, its departments, agencies, instrumentalities or entities, its officers, employees or agents, or any other person.

GEORGE W. BUSH.

1 So in original. The period probably should be a semicolon.


Effective Date of Repeal
Repeal effective Oct. 1, 2015, see section 1003 of Pub. L. 114–94, set out as an Effective Date of 2015 Amendment note under section 3313 of Title 5, Government Organization and Employees.

§ 4333. Conformity of administrative procedures to national environmental policy

All agencies of the Federal Government shall review their present statutory authority, administrative regulations, and current policies and procedures for the purpose of determining whether there are any deficiencies or inconsistencies therein which prohibit full compliance with the purposes and provisions of this chapter and shall propose to the President not later than July 1, 1971, such measures as may be necessary to bring their authority and policies into conformity with the intent, purposes, and procedures set forth in this chapter.


§ 4334. Other statutory obligations of agencies

Nothing in section 4332 or 4333 of this title shall in any way affect the specific statutory obligations of any Federal agency (1) to comply with criteria or standards of environmental quality, (2) to coordinate or consult with any other Federal or State agency, or (3) to act, or refrain from acting contingent upon the recommendations or certification of any other Federal or State agency.


§ 4335. Efforts supplemental to existing authorizations

The policies and goals set forth in this chapter are supplementary to those set forth in existing authorizations of Federal agencies.


SUBCHAPTER II—COUNCIL ON ENVIRONMENTAL QUALITY

§ 4341. Omitted

CODIFICATION


§ 4342. Establishment; membership; Chairman; appointments

There is created in the Executive Office of the President a Council on Environmental Quality (hereinafter referred to as the “Council”). The Council shall be composed of three members who shall be appointed by the President to serve at his pleasure, by and with the advice and consent of the Senate. The President shall designate one of the members of the Council to serve as Chairman. Each member shall be a person who, as a result of his training, experience, and attainments, is exceptionally well qualified to analyze and interpret environmental trends and information of all kinds; to appraise programs and activities of the Federal Government in the light of the policy set forth in subchapter I of this chapter; to be conscious of and responsive to the scientific, economic, social, esthetic, and cultural needs and interests of the Nation; and to formulate and recommend national policies to promote the improvement of the quality of the environment.


COUNCIL ON ENVIRONMENTAL QUALITY: REDUCTION OF MEMBERS

Provisions stating that notwithstanding this section, the Council was to consist of one member, appointed by the President, by and with the advice and consent of the Senate, serving as chairman and exercising all powers, functions, and duties of the Council, were contained in the Department of the Interior, Environment, and Related Agencies Appropriations Act, 2006, Pub. L. 109–94, title III, Aug. 2, 2005, 119 Stat. 543, and were repeated in provisions of subsequent appropriations acts which are not set out in the Code. Similar provisions were also contained in the following prior appropriations acts:


§ 4343. Employment of personnel, experts and consultants

(a) The Council may employ such officers and employees as may be necessary to carry out its functions under this chapter. In addition, the Council may employ and fix the compensation of such experts and consultants as may be necessary for the carrying out of its functions under this chapter, in accordance with section 3109 of title 5 (but without regard to the last sentence thereof).

(b) Notwithstanding section 1342 of title 31, the Council may accept and employ voluntary and uncompensated services in furtherance of the purposes of the Council.


References in Text

The last sentence of section 3109 of title 5, referred to in subsec. (a), probably means the last sentence of section 3109(b) of title 5, which was the last sentence of that section when the reference was enacted. Since then, section 3109 of title 5 has been amended to add subsecs. (c) to (e) at the end.

CODIFICATION

In subsec. (b), “section 1342 of title 31” substituted for “section 3679(b) of the Revised Statutes (31 U.S.C.
$4345. Consultation with Citizens' Advisory Committee on Environmental Quality and other representatives

In exercising its powers, functions, and duties under this chapter, the Council shall—

(1) consult with the Citizens' Advisory Committee on Environmental Quality established by Executive Order numbered 11472, dated May 29, 1969, and with such representatives of science, industry, agriculture, labor, conservation organizations, State and local governments and other groups, as it deems advisable; and

(2) utilize, to the fullest extent possible, the services, facilities, and information (including statistical information) of public and private agencies and organizations, and individuals, in order that duplication of effort and expense may be avoided, thus assuring that the Council's activities will not unnecessarily overlap or conflict with similar activities authorized by law and performed by established agencies.


REFERENCES IN TEXT

Executive Order numbered 11472, dated May 29, 1969, referred to in par. (1), is set out as a note under section 4321 of this title.

CITIZENS' ADVISORY COMMITTEE ON ENVIRONMENTAL QUALITY

For provisions relating to termination of Citizens' Advisory Committee on Environmental Quality, see Ex. Ord. No. 12007, Aug. 22, 1977, 42 F.R. 28389, set out as a note under section 14 of the Federal Advisory Committee Act in the Appendix to Title 5, Government Organization and Employees.

$4346. Tenure and compensation of members

Members of the Council shall serve full time and the Chairman of the Council shall be compensated at the rate provided for Level II of the Executive Schedule Pay Rates (5 U.S.C. 5313). The other members of the Council shall be compensated at the rate provided for Level IV or the Executive Schedule Pay Rates (5 U.S.C. 5315).


$4346a. Travel reimbursement by private organizations and Federal, State, and local governments

The Council may accept reimbursements from any private nonprofit organization or from any department, agency, or instrumentality of the Federal Government, any State, or local government, for the reasonable travel expenses incurred by an officer or employee of the Council in connection with his attendance at any conference, seminar, or similar meeting conducted for the benefit of the Council.

§ 436b. Expenditures in support of international activities

The Council may make expenditures in support of its international activities, including expenditures for: (1) international travel; (2) activities in implementation of international agreements; and (3) the support of international exchange programs in the United States and in foreign countries.


§ 4347. Authorization of appropriations

There are authorized to be appropriated to carry out the provisions of this chapter not to exceed $300,000 for fiscal year 1970, $700,000 for fiscal year 1971, and $1,000,000 for each fiscal year thereafter.


SUBCHAPTER III—MISCELLANEOUS PROVISIONS


Section 4361a, Pub. L. 95–155, §4, Nov. 8, 1977, 91 Stat. 1258, related to budget projections in annual revisions of the plan for research, development, and demonstration.

§ 4361b. Implementation by Administrator of Environmental Protection Agency of recommendations of “CHESS” Investigative Report; waiver; inclusion of status of implementation requirements in annual revisions of plan for research, development, and demonstration

The Administrator of the Environmental Protection Agency shall implement the recommendations of the report prepared for the House Committee on Science and Technology entitled “The Environmental Protection Agency Research Program with primary emphasis on the Community Health and Environmental Surveillance System (CHESS): An Investigative Report”, unless for any specific recommendation he determines (1) that such recommendation has been implemented, (2) that implementation of such recommendation would not enhance the quality of the research, or (3) that implementation of such recommendation will require funding which is not available. Where such funding is not available, the Administrator shall request the required authorization or appropriation for such implementation. The Administrator shall report the status of such implementation in each annual revision of the five-year plan transmitted to the Congress under section 4361 of this title.


REFERENCES IN TEXT


1 See References in Text note below.

CODIFICATION

Section was enacted as part of the Environmental Research, Development, and Demonstration Authorization Act of 1978, and not as part of the National Environmental Policy Act of 1969 which comprises this chapter.

CHANGE OF NAME

Committee on Science and Technology of House of Representatives changed to Committee on Science, Space, and Technology of House of Representatives by House Resolution No. 5, One Hundred Twelfth Congress, Jan. 5, 2011.

§ 4361c. Staff management

(a) Appointments for educational programs

(1) The Administrator is authorized to select and appoint up to 75 full-time permanent staff members in the Office of Research and Development to pursue full-time educational programs for the purpose of (A) securing an advanced degree or (B) securing academic training, for the purpose of making a career change in order to better carry out the Agency’s research mission.

(2) The Administrator shall select and appoint staff members for these assignments according to rules and criteria promulgated by him. The Agency may continue to pay the salary and benefits of the appointees as well as reasonable and appropriate relocation expenses and tuition.

(3) The term of each appointment shall be for up to one year, with a single renewal of up to one year in appropriate cases at the discretion of the Administrator.

(4) Staff members appointed to this program shall not count against any Agency personnel ceiling during the term of their appointment.

(b) Post-doctoral research fellows

(1) The Administrator is authorized to appoint up to 25 Post-doctoral Research Fellows in accordance with the provisions of section 213.3102(aa) of title 5 of the Code of Federal Regulations.

(2) Persons holding these appointments shall not count against any personnel ceiling of the Agency.

(c) Non-Government research associates

(1) The Administrator is authorized and encouraged to utilize research associates from outside the Federal Government in conducting the research, development, and demonstration programs of the Agency.

(2) These persons shall be selected and shall serve according to rules and criteria promulgated by the Administrator.

(d) Women and minority groups

For all programs in this section, the Administrator shall place special emphasis on providing opportunities for education and training of women and minority groups.


CODIFICATION

Section was enacted as part of the Environmental Research, Development, and Demonstration Authorization Act of 1978, and not as part of the National Environmental Policy Act of 1969 which comprises this chapter.
CONTRACTS BY OFFICE OF RESEARCH AND DEVELOPMENT OF THE ENVIRONMENTAL PROTECTION AGENCY

Pub. L. 108–7, div. K, title III, Feb. 20, 2003, 117 Stat. 509, provided in part: "That the Office of Research and Development of the Environmental Protection Agency may hereafter contract directly with individuals or indirectly with institutions or nonprofit organizations, without regard to 41 U.S.C. 5 (see 41 U.S.C. 6101), for the temporary or intermittent personal services of students or recent graduates, who shall be considered employees for the purposes of chapters 57 and 81 of title 5, United States Code, relating to compensation for travel and work injuries, and chapter 171 of title 29, United States Code, relating to tort claims, but shall not be considered to be Federal employees for any other purposes."

§ 4362. Interagency cooperation on prevention of environmental cancer and heart and lung disease

(a) Not later than three months after August 7, 1977, there shall be established a Task Force on Environmental Cancer and Heart and Lung Disease (hereinafter referred to as the "Task Force"). The Task Force shall include representatives of the Environmental Protection Agency, the National Cancer Institute, the National Heart, Lung, and Blood Institute, the National Institute of Occupational Safety and Health, and the National Institute on Environmental Health Sciences, and shall be chaired by the Administrator (or his delegate).

(b) The Task Force shall—

(1) recommend a comprehensive research program to determine and quantify the relationship between environmental pollution and human cancer and heart and lung disease;

(2) recommend comprehensive strategies to reduce or eliminate the risks of cancer or such other diseases associated with environmental pollution;

(3) recommend research and such other measures as may be appropriate to prevent or reduce the incidence of environmentally related cancer and heart and lung diseases;

(4) coordinate research by, and stimulate cooperation between, the Environmental Protection Agency, the Department of Health and Human Services, and such other agencies as may be appropriate to prevent environmentally related cancer and heart and lung diseases; and

(5) report to Congress, not later than one year after August 7, 1977, and annually thereafter, on the problems and progress in carrying out this section.


CODIFICATION

Section was enacted as part of the Clean Air Act Amendments of 1977, and not as part of the National Environmental Policy Act of 1969 which comprises this chapter.

CHANGE OF NAME

"Department of Health and Human Services" substituted for "Department of Health, Education, and Welfare" in subsec. (b)(4) pursuant to section 506(b) of Pub. L. 96–88, which is classified to section 3508(b) of Title 20, Education.
conduct full-scale demonstrations of energy-related pollution control technologies as necessary in his judgment to fulfill the provisions of the Clean Air Act as amended [42 U.S.C. 7401 et seq.], the Federal Water Pollution Control Act as amended [33 U.S.C. 1251 et seq.], and other pertinent pollution control statutes.

(2) Energy-related environmental protection projects authorized to be administered by the Environmental Protection Agency under this Act shall not be transferred administratively to the Department of Energy or reduced through budget amendment. No action shall be taken through administrative or budgetary means to diminish the ability of the Environmental Protection Agency to initiate such projects.


REFERENCES IN TEXT

The Clean Air Act as amended, referred to in par. (1), is act July 14, 1955, ch. 360, 69 Stat. 322, as amended, which is classified generally to chapter 85 (§7401 et seq.) of this title. For complete classification of this Act to the Code, see Short Title note set out under section 7401 of this title and Tables.

The Federal Water Pollution Control Act as amended, referred to in par. (1), is act June 30, 1948, ch. 738, as amended generally by Pub. L. 92–500, §2, Oct. 18, 1972, 86 Stat. 815, which is classified generally to chapter 26 (§1251 et seq.) of Title 33, Navigation and Navigable Waters. For complete classification of this Act to the Code, see Short Title note set out under section 1251 of Title 33 and Tables.


Codification

Section was enacted as part of the Environmental Research, Development, and Demonstration Authorization Act of 1980, and not as part of the National Environmental Policy Act of 1969 which comprises this chapter.

Prior Provisions

Provisions similar to those in this section were contained in the following prior authorization act:


§ 4364. Expenditure of funds for research and development related to regulatory program activities

(a) Coordination, etc., with research needs and priorities of program offices and Environmental Protection Agency

The Administrator of the Environmental Protection Agency shall assure that the expenditure of any funds appropriated pursuant to this Act or any other provision of law for environmental research and development related to regulatory program activities shall be coordinated with and reflect the research needs and priorities of the program offices, as well as the overall research needs and priorities of the Agency, including those defined in the five-year research plan.

(b) Program offices subject to coverage

For purposes of subsection (a), the appropriate program offices are—

(1) the Office of Air and Waste Management, for air quality activities;

(2) the Office of Water and Hazardous Materials, for water quality activities and water supply activities;

(3) the Office of Pesticides, for environmental effects of pesticides;

(4) the Office of Solid Waste, for solid waste activities;

(5) the Office of Toxic Substances, for toxic substance activities;

(6) the Office of Radiation Programs, for radiation activities; and

(7) the Office of Noise Abatement and Control, for noise activities.

(c) Report to Congress; contents

The Administrator shall submit to the President and the Congress a report concerning the most appropriate means of assuring, on a continuing basis, that the research efforts of the Agency reflect the needs and priorities of the regulatory program offices, while maintaining a high level of scientific quality. Such report shall be submitted on or before March 31, 1978.


REFERENCES IN TEXT

This Act, referred to in subsec. (a), is Pub. L. 95–155, Nov. 8, 1977, 91 Stat. 1257, as amended, known as the Environmental Research, Development, and Demonstration Authorization Act of 1978, which to the extent classified to the Code enacted sections 300j–3a, 4361a, 4361b, and 4363 to 4367 of this title. For complete classification of this Act to the Code, see Tables.

Codification

Section was enacted as part of the Environmental Research, Development, and Demonstration Authorization Act of 1978, and not as part of the National Environmental Policy Act of 1969 which comprises this chapter.

§ 4365. Science Advisory Board

(a) Establishment; requests for advice by Administrator of Environmental Protection Agency and Congressional committees

The Administrator of the Environmental Protection Agency shall establish a Science Advisory Board which shall provide such scientific advice as may be requested by the Administrator, the Committee on Environment and Public Works of the United States Senate, or the Committee on Science, Space, and Technology, on Energy and Commerce, or on Public Works and Transportation of the House of Representatives.

(b) Membership; Chairman; meetings; qualifications of members

Such Board shall be composed of at least nine members, one of whom shall be designated Chairman, and shall meet at such times and places as may be designated by the Chairman of the Board in consultation with the Administrator. Each member of the Board shall be qualified by education, training, and experience to evaluate scientific and technical information on matters referred to the Board under this section.

(c) Proposed environmental criteria document, standard, limitation, or regulation; functions respecting in conjunction with Administrator

(1) The Administrator, at the time any proposed criteria document, standard, limitation,
or regulation under the Clean Air Act [42 U.S.C. 7401 et seq.], the Federal Water Pollution Control Act [33 U.S.C. 1251 et seq.], the Resource Conservation and Recovery Act of 1976 [42 U.S.C. 6901 et seq.], the Noise Control Act [42 U.S.C. 4901 et seq.], the Toxic Substances Control Act [15 U.S.C. 2601 et seq.], or the Safe Drinking Water Act [42 U.S.C. 300f et seq.], or under any other authority of the Administrator, is provided to any other Federal agency for formal review and comment, shall make available to the Board such proposed criteria document, standard, limitation, or regulation, together with relevant scientific and technical information in the possession of the Environmental Protection Agency on which the proposed action is based.

(2) The Board may make available to the Administrator, within the time specified by the Administrator, its advice and comments on the adequacy of the scientific and technical basis of the proposed criteria document, standard, limitation, or regulation, together with any pertinent information in the Board's possession.

(d) Utilization of technical and scientific capabilities of Federal agencies and national environmental laboratories for determining adequacy of scientific and technical basis of proposed criteria document, etc.

In preparing such advice and comments, the Board shall avail itself of the technical and scientific capabilities of any Federal agency, including the Environmental Protection Agency and any national environmental laboratories.

(e) Committees

(1) Member committees

(A) In general

The Board is authorized to establish such member committees and investigative panels as the Administrator and the Board determine to be necessary to carry out this section.

(B) Chairmanship

Each member committee or investigative panel established under this subsection shall be chaired by a member of the Board.

(2) Agriculture-related committees

(A) In general

The Administrator and the Board—

(i) shall establish a standing agriculture-related committee; and

(ii) may establish such additional agriculture-related committees and investigative panels as the Administrator and the Board determines to be necessary to carry out the duties under subparagraph (C).

(B) Membership

The standing committee and each agriculture-related committee or investigative panel established under subparagraph (A) shall be—

(i) composed of—

(I) such quantity of members as the Administrator and the Board determines to be necessary; and

(II) individuals who are not members of the Board on the date of appointment to the committee or investigative panel; and

(ii) appointed by the Administrator and the Board, in consultation with the Secretary of Agriculture.

(C) Duties

The agriculture-related standing committee and each additional committee and investigative panel established under subparagraph (A) shall provide scientific and technical advice to the Board relating to matters referred to the Board that the Administrator and the Board determines, in consultation with the Secretary of Agriculture, to have a significant direct impact on enterprises that are engaged in the business of the production of food and fiber, ranching and raising livestock, aquaculture, and all other farming- and agriculture-related industries.

(f) Appointment and compensation of secretary and other personnel; compensation of members

(1) Upon the recommendation of the Board, the Administrator shall appoint a secretary, and such other employees as deemed necessary to exercise and fulfill the Board's powers and responsibilities. The compensation of all employees appointed under this paragraph shall be fixed in accordance with chapter 51 and subchapter III of chapter 53 of title 5.

(2) Members of the Board may be compensated at a rate to be fixed by the President but not in excess of the maximum rate of pay for grade GS–18, as provided in the General Schedule under section 5332 of title 5.

(g) Consultation and coordination with Scientific Advisory Panel

In carrying out the functions assigned by this section, the Board shall consult and coordinate its activities with the Scientific Advisory Panel established by the Administrator pursuant to section 136w(d) of title 7.

(h) Public participation and transparency

The Board shall make every effort, consistent with applicable law, including section 552 of title 5 (commonly known as the "Freedom of Information Act") and section 552a of title 5 (commonly known as the "Privacy Act"), to maximize public participation and transparency, including making the scientific and technical advice of the Board and any committees or investigative panels of the Board publically available in electronic form on the website of the Environmental Protection Agency.

(i) Report to Congress

The Administrator shall annually report to the Committees on Environment and Public Works and Agriculture of the Senate and the Committees on Transportation and Infrastructure, Energy and Commerce, and Agriculture of the House of Representatives regarding the membership and activities of the standing agriculture-related committee established pursuant to subsection (e)(2)(A)(i).
REFERENCES IN TEXT
The Clean Air Act, referred to in subsec. (c)(1), is act July 14, 1955, ch. 360, 69 Stat. 322, as amended, which is classified generally to chapter 85 (§7401 et seq.) of this title. For complete classification of this Act to the Code, see Short Title note set out under section 7401 of this title and Tables.

The Federal Water Pollution Control Act, referred to in subsec. (c)(1), is act June 30, 1948, ch. 758, as amended generally by Pub. L. 92–500, §2, Oct. 18, 1972, 86 Stat. 816, which is classified generally to chapter 26 (§1251 et seq.) of Title 33, Navigation and Navigable Waters. For complete classification of this Act to the Code, see Short Title note set out under section 1251 of Title 33 and Tables.


The Toxic Substances Control Act, referred to in subsec. (c)(1), is Pub. L. 94–669, Oct. 11, 1976, 90 Stat. 2003, as amended, which is classified generally to chapter 53 (§1561 et seq.) of Title 15, Commerce and Trade. For complete classification of this Act to the Code, see Short Title note set out under section 1561 of Title 15 and Tables.


The National Environmental Policy Act of 1969, which comprises this title, was enacted as part of the Environmental Research, Development, and Demonstration Authorization Act of 1978, and not as part of the National Environmental Policy Act of 1969 which comprises this chapter.

AMENDMENTS
2014—Subsec. (e). Pub. L. 113–79, §12307(1), added subsec. (e) and struck out former subsec. (e). Text read as follows: "The Board is authorized to constitute such member committees and investigative panels as the Administrator and the Board find necessary to carry out this section. Each such member committee or investigative panel shall be chaired by a member of the Board."

Subsecs. (h) and (l). Pub. L. 113–79, §12307(2), added subsecs. (h) and (l).

1995—Subsecs. (c) to (i). Pub. L. 104–66 redesignated subsec. (e) to (i) as (c) to (g), respectively, and struck out former subsec. (c), which read as follows: "In addition to providing scientific advice when requested by the Administrator under subsection (a) of this section, the Board shall review and comment on the Environmental Protection Agency's five-year plan for environmental research, development, and demonstration provided for by section 4362 of this title and on each annual revision thereof. Such review and comment shall be transmitted to the Administrator, together with his comments thereon, at the time of the transmittal to the Congress of the annual revision involved."

1994—Subsec. (a). Pub. L. 103–437, §150(l), substituted "Committee on Science, Space, and Technology, Interstate and Foreign Commerce, or--" for "Committee on Science and Technology, Interstate and Foreign Commerce, or--".

Subsec. (d), Pub. L. 103–437, §150(o)(2), struck out subsec. (d) which related to review and report to Administrator, President, and Congress on health effects research.


CHANGE OF NAME
Committee on Energy and Commerce of House of Representatives treated as referring to Committee on Commerce of House of Representatives by section 1(a) of Pub. L. 104–14, set out as a note preceding section 21 of Title 2. Committee on Commerce of House of Representatives changed to Committee on Energy and Commerce of House of Representatives, and jurisdiction over matters relating to securities and exchanges and insurance generally transferred to Committee on Financial Services of House of Representatives by House Resolution No. 5, One Hundred Seventh Congress, Jan. 3, 2001.

Committee on Public Works and Transportation of House of Representatives treated as referring to Committee on Transportation and Infrastructure of House of Representatives by section 1(a) of Pub. L. 104–14, set out as a note preceding section 21 of Title 2.

TERMINATION OF ADVISORY BOARDS
Advisory boards established after Jan. 5, 1973, to terminate not later than the expiration of the 2-year period beginning on the date of their establishment, unless in the case of a board established by the President or an officer of the Federal Government, such board is renewed by appropriate action prior to the expiration of such 2-year period, or in the case of a board established by the Congress, its duration is otherwise provided for by law. See sections 3(2) and 14 of Pub. L. 92–463, Oct. 6, 1972, 86 Stat. 770, 776, set out in the Appendix to Title 5, Government Organization and Employees.

REFERENCES IN OTHER LAWS TO GS–16, 17, OR 18 PAY RATES
References in laws to the rates of pay for GS–16, 17, or 18, or to maximum rates of pay under the General Schedule, to be considered references to rates payable under specified sections of Title 5, Government Organization and Employees, see section 3576 of this title.

§4366. Identification and coordination of research, development, and demonstration activities
(a) Consultation and cooperation of Administrator of Environmental Protection Agency with heads of Federal agencies; inclusion of activities in annual revisions of plan for research, etc.

The Administrator of the Environmental Protection Agency, in consultation and cooperation with the heads of other Federal agencies, shall take such actions on a continuing basis as may be necessary or appropriate—

(1) to identify environmental research, development, and demonstration activities, within and outside the Federal Government, which may need to be more effectively coordinated in order to minimize unnecessary duplication of programs, projects, and research facilities;

(2) to determine the steps which might be taken under existing law, by him and by the heads of such other agencies, to accomplish or promote such coordination, and to provide for or encourage the taking of such steps; and
(3) to determine the additional legislative actions which would be needed to assure such coordination to the maximum extent possible. The Administrator shall include in each annual revision of the five-year plan provided for by section 4361 of this title a full and complete report on the actions taken and determinations made during the preceding year under this subsection, and may submit interim reports on such actions and determinations at such other times as he deems appropriate.

(b) Coordination of programs by Administrator

The Administrator of the Environmental Protection Agency shall coordinate environmental research, development, and demonstration programs of such Agency with the heads of other Federal agencies in order to minimize unnecessary duplication of programs, projects, and research facilities.

(c) Joint study by Council on Environmental Quality in consultation with Office of Science and Technology Policy for coordination of activities; report to President and Congress; report by President to Congress on implementation of joint study and report

(1) In order to promote the coordination of environmental research and development activities, and to assure that the action taken and methods used (under subsection (a) and otherwise) to bring about such coordination will be as effective as possible for that purpose, the Council on Environmental Quality in consultation with the Office of Science and Technology Policy shall promptly undertake and carry out a joint study of all aspects of the coordination of environmental research and development. The Chairman of the Council shall prepare a report on the results of such study, together with such recommendations (including legislative recommendations) as he deems appropriate, and shall submit such report to the President and the Congress not later than May 31, 1978.

(2) Not later than September 30, 1978, the President shall report to the Congress on steps he has taken to implement the recommendations included in the report under paragraph (1), including any recommendations he may have for legislation.


REFERENCES IN TEXT

Section 4361 of this title, referred to in subsection (a), was repealed by Pub. L. 101–617, §4, Nov. 16, 1990, 104 Stat. 3287.

§ 4366a. Omitted

CODIFICATION

Section, Pub. L. 101–617, §4, Nov. 16, 1990, 104 Stat. 3287, which related to development of data base of environmental research articles indexed by geographic location, expired 10 years after Nov. 16, 1990, pursuant to section 6 of Pub. L. 101–617, formerly set out as a Termination Date note under this section.

TERMINATION DATE

Pub. L. 101–617, §6, Nov. 16, 1990, 104 Stat. 3287, provided that Pub. L. 101–617, which enacted this section and provisions formerly set out under this section, was to expire 10 years after Nov. 16, 1990.

§ 4367. Reporting requirements of financial interests of officers and employees of Environmental Protection Agency

(a) Covered officers and employees

Each officer or employee of the Environmental Protection Agency who—

(1) performs any function or duty under this Act; and

(2) has any known financial interest in any person who applies for or receives grants, contracts, or other forms of financial assistance under this Act,

shall, beginning on February 1, 1978, annually file with the Administrator a written statement concerning all such interests held by such officer or employee during the preceding calendar year. Such statement shall be available to the public.

(b) Implementation of requirements by Administrator

The Administrator shall—

(1) act within ninety days after November 8, 1977—

(A) to define the term “known financial interest” for purposes of subsection (a) of this section; and

(B) to establish the methods by which the requirement to file written statements specified in subsection (a) of this section will be monitored and enforced, including appropriate provision for the filing by such offi-
cers and employees of such statements and the review by the Administrator of such statements; and
(2) Omitted.
(c) Exemption of positions by Administrator
In the rules prescribed under subsection (b) of this section, the Administrator may identify specific positions of a non policymaking nature within the Administration and provide that officers or employees occupying such positions shall be exempt from the requirements of this section.
(d) Violations; penalties
Any officer or employee who is subject to, and knowingly violates, this section, shall be fined not more than $2,500 or imprisoned not more than one year, or both.


REFERENCES IN TEXT
This Act, referred to in subsec. (a)(1), (2), is Pub. L. 95–155, Nov. 8, 1977, 91 Stat. 1257, as amended, known as the Environmental Research, Development, and Demonstration Authorization Act of 1978, which to the extent classified to the Code enacted sections 300j–3a, 4361a, 4361b, and 4363 to 4367 of this title. For complete classification of this Act to the Code, see Tables.

CODIFICATION
Subsec. (b)(2) of this section, which required the Administrator to report to Congress on June 1 of each calendar year with respect to such disclosures and the actions taken in regard thereto during the preceding calendar year, terminated, effective May 15, 2000, pursuant to section 3003 of Pub. L. 101–66, as amended, set out as a note under section 1113 of Title 31, Money and Finance. See also, item 9 on page 164 of House Document No. 103–7.

Section was enacted as part of the Environmental Research, Development, and Demonstration Authorization Act of 1978, and not as part of the National Environmental Policy Act of 1969 which comprises this chapter.

§ 4368. Grants to qualified citizens groups
(1) There is authorized to be appropriated to the Environmental Protection Agency, for grants to qualified citizens groups in States and regions, $3,000,000.
(2) Grants under this section may be made for the purpose of supporting and encouraging participation by qualified citizens groups in determining how scientific, technological, and social trends and changes affect the future environment and quality of life of an area, and for setting goals and identifying measures for improvement.
(3) The term ‘‘qualified citizens group’’ shall mean a nonprofit organization of citizens having an area based focus, which is not single-issue oriented and which can demonstrate a prior record of interest and involvement in goal-setting and research concerned with improving the quality of life, including plans to identify, protect and enhance significant natural and cultural resources and the environment.
(4) A citizens group shall be eligible for assistance only if certified by the Governor in consultation with the State legislature as a bona fide organization entitled to receive Federal assistance to pursue the aims of this program. The group shall further demonstrate its capacity to employ usefully the funds for the purposes of this program and its broad-based representative nature.
(5) After an initial application for assistance under this section has been approved, the Administrator may make grants on an annual basis, on condition that the Governor recertify the group and that the applicant submits to the Administrator annually—
(A) an evaluation of the progress made during the previous year in meeting the objectives for which the grant was made;
(B) a description of any changes in the objectives of the activities; and
(C) a description of the proposed activities for the succeeding one year period.
(6) A grant made under this program shall not exceed 75 per centum of the estimated cost of the project or program for which the grant is made, and no group shall receive more than $50,000 in any one year.
(7) No financial assistance provided under this section shall be used to support lobbying or litigation by any recipient group.


REFERENCES IN TEXT
This section, referred to in par. (5), means section 3 of Pub. L. 95–477, in its entirety, subsec. (d) of which enacted this section, subsecs. (a) and (b) of which were not classified to the Code, and subsec. (c) of which is set out as a note under section 4366 of this title.

CODIFICATION
Section was enacted as part of the Environmental Research, Development, and Demonstration Authorization Act of 1979, and not as part of the National Environmental Policy Act of 1969 which comprises this chapter.

§ 4368a. Utilization of talents of older Americans in projects of pollution prevention, abatement, and control
(a) Technical assistance to environmental agencies
Notwithstanding any other provision of law relating to Federal grants and cooperative agreements, the Administrator of the Environmental Protection Agency is authorized to make grants to, or enter into cooperative agreements with, private nonprofit organizations designated by the Secretary of Labor under title V of the Older Americans Act of 1965 [42 U.S.C. 3056 et seq.] to utilize the talents of older Americans in programs authorized by other provisions of law administered by the Administrator (and consistent with such provisions of law) in providing technical assistance to Federal, State, and local environmental agencies for projects of pollution prevention, abatement, and control. Funding for such grants or agreements may be made available from such programs or through title V of the Older Americans Act of 1965 and subtitle D of title I of the Workforce Innovation and Opportunity Act [29 U.S.C. 2921 et seq.].
(b) Pre-award certifications
Prior to awarding any grant or agreement under subsection (a), the applicable Federal, State, or local environmental agency shall certify to the Administrator that such grants or agreements will not—
(1) result in the displacement of individuals currently employed by the environmental agency concerned (including partial displacement through reduction of nonovertime hours, wages, or employment benefits); (2) result in the employment of any individual when any other person is in a layoff status from the same or substantially equivalent job within the jurisdiction of the environmental agency concerned; or (3) affect existing contracts for services.

(c) Prior appropriation Acts

Grants or agreements awarded under this section shall be subject to prior appropriation Acts.

(b) Purposes

The purposes of this section are to—

(1) provide general assistance grants to Indian tribal governments and intertribal consortia to build capacity to administer environmental regulatory programs that may be delegated by the Environmental Protection Agency on Indian lands; and

(2) provide technical assistance from the Environmental Protection Agency to Indian tribal governments and intertribal consortia in the development of multimedia programs to address environmental issues on Indian lands.

(d) General assistance program

(1) The Administrator of the Environmental Protection Agency shall establish an Indian Environmental General Assistance Program that provides grants to eligible Indian tribal governments or intertribal consortia to cover the costs of planning, developing, and establishing environmental protection programs consistent with other applicable provisions of law providing for enforcement of such laws by Indian tribes on Indian lands.

(2) Each grant awarded for general assistance under this subsection for a fiscal year shall be no less than $75,000, and no single grant may be awarded to an Indian tribal government or intertribal consortium for more than 10 percent of the funds appropriated under this section.

(3) The term “Indian tribal government” means any Indian tribe, band, nation, or other organized group or community, including any Alaska Native village or regional or village corporation (as defined in, or established pursuant to, the Alaska Native Claims Settlement Act (43 U.S.C.A. 1601, et seq.)), which is recognized as eligible for the special services provided by the United States to Indians because of their status as Indians.

(4) The term “intertribal consortium” or “intertribal consortium” means a partnership between two or more Indian tribal governments authorized by the governing bodies of those tribes to apply for and receive assistance pursuant to this section.

(5) The term “Administrator” means the Administrator of the Environmental Protection Agency.
shall remain available until expended. An Indian tribal government or intertribal consortium may receive a general assistance grant for a period of up to four years in each specific media area.

(e) No reduction in amounts

In no case shall the award of a general assistance grant to an Indian tribal government or intertribal consortium under this section result in a reduction of Environmental Protection Agency grants for environmental programs to that tribal government or consortium. Nothing in this section shall preclude an Indian tribal government or intertribal consortium from receiving individual media grants or cooperative agreements. Funds provided by the Environmental Protection Agency through the general assistance program shall be used by an Indian tribal government or intertribal consortium to supplement other funds provided by the Environmental Protection Agency through individual media grants or cooperative agreements.

(f) Expenditure of general assistance

Any general assistance under this section shall be expended for the purpose of planning, developing, and establishing the capability to implement programs administered by the Environmental Protection Agency and specified in the assistance agreement. Purposes and programs authorized under this section shall include the development and implementation of solid and hazardous waste programs for Indian lands. An Indian tribal government or intertribal consortium receiving general assistance pursuant to this section shall utilize such funds for programs and purposes to be carried out in accordance with the terms of the assistance agreement. Such programs and general assistance shall be carried out in accordance with the purposes and requirements of applicable provisions of law, including the Solid Waste Disposal Act (42 U.S.C. 6901 et seq.).

(g) Procedures

(1) Within 12 months following October 24, 1992, the Administrator shall promulgate regulations establishing procedures under which an Indian tribal government or intertribal consortium may apply for general assistance grants under this section.

(2) The Administrator shall publish regulations issued pursuant to this section in the Federal Register.

(3) The Administrator shall establish procedures for accounting, auditing, evaluating, and reviewing any programs or activities funded in whole or in part for a general assistance grant under this section.

(h) Authorization

There are authorized to be appropriated to the Agency's program of research, development, and demonstration that tribal government or consortium to supplement other funds provided by the Environmental Protection Agency through individual media grants or cooperative agreements.

(i) Report to Congress

The Administrator shall transmit an annual report to the appropriate Committees of the Congress with jurisdiction over the applicable environmental laws and Indian tribes describing which Indian tribes or intertribal consortia have been granted approval by the Administrator pursuant to law to enforce certain environmental laws and the effectiveness of any such enforcement.

References in Text

The Alaska Native Claims Settlement Act, referred to in subsec. (c)(1), is Pub. L. 92–203, Dec. 18, 1971, 85 Stat. 941, as amended, which is classified generally to chapter 33 (§1601 et seq.) of Title 43, Public Lands. For complete classification of this Act to the Code, see Short Title note set out under section 1601 of Title 43 and Tables.


Codification

Section was enacted as the Indian Environmental General Assistance Program Act of 1992 and as part of the Omnibus Territories Act of 1977, and not as part of the National Environmental Policy Act of 1969 which comprises this chapter.

Amendments

1996—Subsec. (h). Pub. L. 104–233 substituted “such sums as may be necessary” for “$15,000,000”.

1993—Subsec. (d)(1). Pub. L. 103–155, §8(a), inserted “consistent with other applicable provisions of law providing for enforcement of such laws by Indian tribes” after “programs”.

Subsec. (f). Pub. L. 103–155, §3(b), inserted at end “Such programs and general assistance shall be carried out in accordance with the purposes and requirements of applicable provisions of law, including the Solid Waste Disposal Act (42 U.S.C. 6901 et seq.).”


Availability of Funds for Waste Collection and Disposal


§ 4369. Miscellaneous reports

(a) Availability to Congressional committees

All reports to or by the Administrator relevant to the Agency’s program of research, development, and demonstration shall promptly be made available to the Committee on Science, Space, and Technology of the House of Representatives and the Committee on Environment and Public Works of the Senate, unless otherwise prohibited by law.

(b) Transmittal of jurisdictional information

The Administrator shall keep the Committee on Science, Space, and Technology of the House of Representatives and the Committee on Environment and Public Works of the Senate fully and currently informed with respect to matters
falling within or related to the jurisdiction of the committees.

(c) Comment by Government agencies and the public

The reports provided for in section 5910 of this title shall be made available to the public for comment, and to the heads of affected agencies for comment and, in the case of recommendations for action, for response.

(d) Transmittal of research information to the Department of Energy

For the purpose of assisting the Department of Energy in planning and assigning priorities in research development and demonstration activities related to environmental control technologies, the Administrator shall actively make available to the Department all information on research activities and results of research programs of the Environmental Protection Agency.


REFERENCES IN TEXT


CODIFICATION

Section was enacted as part of the Environmental Research, Development, and Demonstration Authorization Act of 1970, and not as part of the National Environmental Policy Act of 1969 which comprises this chapter.

AMENDMENTS

1994—Subsecs. (a), (b). Pub. L. 103–437 substituted “Science, Space, and Technology” for “Science and Technology”.

§ 4370a. Assistant Administrators of Environmental Protection Agency; appointment; duties

(a) The President, by and with the advice and consent of the Senate, may appoint three Assistant Administrators of the Environmental Protection Agency in addition to—

(1) the five Assistant Administrators provided for in section 1(d) of Reorganization Plan Numbered 3 of 1970 (5 U.S.C. Appendix);

(2) the Assistant Administrator provided by section 2625(g) of title 15; and

(3) the Assistant Administrator provided by section 6911a of this title.

(b) Each Assistant Administrator appointed under subsection (a) shall perform such duties as the Administrator of the Environmental Protection Agency may prescribe.


REFERENCES IN TEXT


CODIFICATION

Section was not enacted as part of the National Environmental Policy Act of 1969 which comprises this chapter.

§ 4370b. Availability of fees and charges to carry out Agency programs

Notwithstanding any other provision of law, after September 30, 1990, amounts deposited in the Licensing and Other Services Fund from fees and charges assessed and collected by the Ad-
ministrator for services and activities carried out pursuant to the statutes administered by the Environmental Protection Agency shall thereafter be available to carry out the Agency’s activities in the programs for which the fees or charges are made.


CODIFICATION

Section was enacted as part of the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1990, and not as part of the National Environmental Policy Act of 1969 which comprises this chapter.

§ 4370c. Environmental Protection Agency fees

(a) Assessment and collection

The Administrator of the Environmental Protection Agency shall, by regulation, assess and collect fees and charges for services and activities carried out pursuant to laws administered by the Environmental Protection Agency.

(b) Amount of fees and charges

Fees and charges assessed pursuant to this section shall be in such amounts as may be necessary to ensure that the aggregate amount of fees and charges collected pursuant to this section, in excess of the amount of fees and charges collected under current law—

(1) in fiscal year 1991, is not less than $28,000,000; and

(2) in each of fiscal years 1992, 1993, 1994, and 1995, is not less than $38,000,000.

(c) Limitation on fees and charges

(1) The maximum aggregate amount of fees and charges in excess of the amounts being collected under current law for services and activities carried out pursuant to this section in a fiscal year—

(A) for services and activities carried out pursuant to the Federal Water Pollution Control Act (33 U.S.C. 1251 et seq.) is $10,000,000; and

(B) for services and activities in programs within the jurisdiction of the House Committee on Energy and Commerce and administered by the Environmental Protection Agency through the Administrator, shall be limited to such sums collected as of November 5, 1990, pursuant to sections 2625(b) and 2665(e)(2) of title 15, and such sums specifically authorized by the Clean Air Act Amendments of 1990.

(2) Any remaining amounts required to be collected under this section shall be collected from services and programs administered by the Environmental Protection Agency other than those specified in subparagraphs (A) and (B) of paragraph (1).

(d) Rule of construction

Nothing in this section increases or diminishes the authority of the Administrator to promulgate regulations pursuant to section 9701 of title 31.

(e) Uses of fees

Fees and charges collected pursuant to this section shall be deposited into a special account for environmental services in the Treasury of the United States. Subject to appropriation Acts, such funds shall be available to the Environmental Protection Agency to carry out the activities for which such fees and charges are collected. Such funds shall remain available until expended.


REFERENCES IN TEXT

The Federal Water Pollution Control Act, referred to in subsection (c)(1)(A), is act June 30, 1948, ch. 758, as amended generally by Pub. L. 92–500, § 2, Oct. 18, 1972, 86 Stat. 816, which is classified generally to chapter 26 (§1251 et seq.) of Title 33, Navigation and Navigable Waters. For complete classification of this Act to the Code, see Short Title note set out under section 1251 of Title 33 and Tables.


CHANGE OF NAME

Committee on Energy and Commerce of the House of Representatives, treated as referring to Committee on Commerce of the House of Representatives by section 1(a) of Pub. L. 101–144, set out as a note preceding section 21 of Title 15, and substituted was made as if it read for “title V of the Independent Offices Appropriation Act of 1952” on authority of Pub. L. 97–258, § 4(b), Sept. 13, 1982, 96 Stat. 1067, the first section of which enacted Title 31, Money and Finance.

Section was enacted as part of the Omnibus Budget Reconciliation Act of 1990, and not as part of the National Environmental Policy Act of 1969 which comprises this chapter.

§ 4370d. Percentage of Federal funding for organizations owned by socially and economically disadvantaged individuals

The Administrator of the Environmental Protection Agency shall, on and after October 6, 1992, to the fullest extent possible, ensure that at least 8 per centum of Federal funding for prime and subcontracts awarded in support of authorized programs, including grants, loans, and contracts for wastewater treatment and leaking underground storage tanks grants, be made available to business concerns or other organizations owned or controlled by socially and economically disadvantaged individuals (within the meaning of section 637(a)(5) and (6) of title 15), including historically black colleges and universities. For purposes of this section, economically and socially disadvantaged individuals shall be deemed to include women.
§ 4370e. Working capital fund in Treasury

There is hereby established in the Treasury a "Working capital fund", to be available without fiscal year limitation for expenses and equipment necessary for the maintenance and operation of such administrative services as the Administrator determines may be performed more advantageously as central services: Provided, That any inventories, equipment, and other assets pertaining to the services to be provided by such fund, either on hand or on order, less the related liabilities or unpaid obligations, and any appropriations made hereafter for the purpose of providing capital, shall be used to capitalize such fund: Provided further, That such fund shall be paid in advance or reimbursed from funds available to the Agency and other Federal agencies for which such centralized services are performed, at rates which will return in full all expenses of operation, including accrued leave, depreciation of fund plant and equipment, amortization of automated data processing (ADP) software and systems (either acquired or donated), and an amount necessary to maintain a reasonable operating reserve, as determined by the Administrator: Provided further, That such fund shall provide services on a competitive basis: Provided further, That an amount not to exceed four percent of the total annual income to such fund may be retained in the fund for fiscal year 1997 and each fiscal year thereafter, to remain available until expended, to be used for the acquisition of capital equipment and for the improvement and implementation of Agency financial management, ADP, and other support systems: Provided further, That no later than thirty days after the end of each fiscal year amounts in excess of this reserve limitation shall be transferred to the Treasury.


CODIFICATION

Section was formerly set out as a note under section 501 of Title 31, Money and Finance.

AMENDMENTS

1996—Pub. L. 104–204, which directed the insertion of "or reimbursed" after "that such fund shall be paid in advance", was executed by making the insertion after "That such fund shall be paid in advance", to reflect the probable intent of Congress.

1997—Pub. L. 105–65 substituted "a Working capital fund" to be available without fiscal year limitation for expenses and equipment" for "a franchise fund pilot to be known as the ‘Working capital fund’, as authorized by section 403 of Public Law 103–356, to be available as provided in such section for expenses and equipment and struck out provision at end which read "Provided further, That such franchise fund pilot shall terminate pursuant to section 403(f) of Public Law 103–356".

§ 4370f. Availability of funds after expiration of period for liquidating obligations

For fiscal year 2001 and thereafter, the obligated balances of sums available in multiple-year appropriations accounts shall remain available through the seventh fiscal year after their period of availability has expired for liquidating obligations made during the period of availability.


CODIFICATION

Section was enacted as part of the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 2001, and not as part of the National Environmental Policy Act of 1969 which comprises this chapter.

§ 4370g. Availability of funds for uniforms and certain services

For fiscal year 2009 and thereafter, the Science and Technology and Environmental Programs and Management Accounts are available for uniforms, or allowances therefore,¹ as authorized by sections 5901 and 5902 of title 5 and for services as authorized by section 3109 of title 5, but at rates for individuals not to exceed the daily equivalent of the rate paid for level IV of the Executive Schedule.


REferences in Text

Level IV of the Executive Schedule, referred to in text, is set out under section 5315 of Title 5, Government Organization and Employees.

CODIFICATION

Section was enacted as part of the Department of the Interior, Environment, and Related Agencies Appropriations Act, 2009, and also as part of the Omnibus Appropriations Act, 2009, and not as part of the National Environmental Policy Act of 1969 which comprises this chapter.

§ 4370h. Availability of funds for facilities

For fiscal year 2009 and thereafter, the Science and Technology, Environmental Programs and Management, Office of Inspector General, Hazardous Substance Superfund, and Leaking Underground Storage Tank Trust Fund Program Accounts, are available for the construction, alteration, repair, rehabilitation, and renovation of facilities provided that the cost does not exceed $85,000 per project.


CODIFICATION

Section was enacted as part of the Department of the Interior, Environment, and Related Agencies Appropriations Act, 2009, and also as part of the Omnibus Appropriations Act, 2009, and not as part of the National Environmental Policy Act of 1969 which comprises this chapter.

¹ So in original. Probably should be "therefor."
prises this chapter.

§ 4370i. Regional liaisons for minority, tribal, and low-income communities

(a) In general

The Administrator of the Environmental Protection Agency (referred to in this section as the "Administrator") shall assign at least one employee in each regional office of the Environmental Protection Agency to serve as a liaison to minority, Tribal, and low-income communities in the relevant region.

(b) Public identification

The Administrator shall identify each regional liaison assigned under subsection (a) on the internet website of—

(1) the relevant regional office of the Environmental Protection Agency; and

(2) the Office of Environmental Justice of the Environmental Protection Agency.


Codification

Section was enacted as part of the America’s Water Infrastructure Act of 2018, and as part of the National Environmental Policy Act of 1969 which comprises this chapter.

§ 4370j. Municipal Ombudsman

(a) Establishment

There is established within the Office of the Administrator an Office of the Municipal Ombudsman, to be headed by a Municipal Ombudsman.

(b) General duties

The duties of the Municipal Ombudsman shall include the provision of—

(1) technical assistance to municipalities seeking to comply with the Federal Water Pollution Control Act [33 U.S.C. 1251 et seq.]; and

(2) information to the Administrator to help the Administrator ensure that agency policies are implemented by all offices of the Environmental Protection Agency, including regional offices.

(c) Actions required

The Municipal Ombudsman shall work with appropriate offices at the headquarters and regional offices of the Environmental Protection Agency to ensure that a municipality seeking assistance is provided information regarding—

(1) available Federal financial assistance for which the municipality is eligible;

(2) flexibility available under the Federal Water Pollution Control Act; and

(3) the opportunity to develop an integrated plan under section 402(s) of the Federal Water Pollution Control Act [33 U.S.C. 1342(s)].

(d) Information sharing

The Municipal Ombudsman shall publish on the website of the Environmental Protection Agency—

(1) general information relating to—

(A) the technical assistance referred to in subsection (b)(1);

(B) the financial assistance referred to in subsection (c)(1);

(C) the flexibility referred to in subsection (c)(2); and

(D) any resources developed by the Administrator related to integrated plans under section 402(s) of the Federal Water Pollution Control Act [33 U.S.C. 1342(s)]; and

(2) a copy of each permit, order, or judicial consent decree that implements or incorporates such an integrated plan.


References in Text

The Federal Water Pollution Control Act, referred to in subsec. (b)(1), is act June 30, 1948, ch. 758, as amended generally by Pub. L. 92–500, § 2, Oct. 18, 1972, 86 Stat. 816, which is classified generally to chapter 26 (§ 1251 et seq.) of Title 33, Navigation and Navigable Waters. For complete classification of this Act to the Code, see Short Title note set out under section 1251 of Title 33 and Tables.

Codification

Section was enacted as part of the Water Infrastructure Improvement Act, and not as part of the National Environmental Policy Act of 1969 which comprises this chapter.

Definitions

Pub. L. 115–436, § 2, Jan. 14, 2019, 132 Stat. 5558, provided that: "In this Act [see Short Title of 2019 Amendment note set out under section 1251 of Title 33, Navigation and Navigable Waters]:

(1) Administrator.—The term ‘Administrator’ means the Administrator of the Environmental Protection Agency.

(2) Municipality.—The term ‘municipality’ has the meaning given that term in section 502 of the Federal Water Pollution Control Act (33 U.S.C. 1342)."

Subchapter IV—Federal permitting improvement

§ 4370m. Definitions

In this subchapter:

(1) Agency

The term ‘agency’ has the meaning given the term in section 551 of title 5.

(2) Agency CERPO

The term ‘agency CERPO’ means the chief environmental review and permitting officer of an agency, as designated by the head of the agency under section 4370m–1(b)(2)(A)(iii)(I) of this title.

(3) Authorization

The term ‘authorization’ means any license, permit, approval, finding, determination, or other administrative decision issued by an agency that is required or authorized under Federal law in order to site, construct, reconstruct, or commence operations of a covered project administered by a Federal agency or, in the case of a State that chooses to participate in the environmental review and authorization process in accordance with section 4370m–2(c)(3)(A) of this title, a State agency.

(4) Cooperating agency

The term ‘cooperating agency’ means any agency with—
(A) jurisdiction under Federal law; or
(B) special expertise as described in section 1501.6 of title 40, Code of Federal Regulations (as in effect on December 4, 2015).

(5) Council
The term “Council” means the Federal Infrastructure Permitting Improvement Steering Council established under section 4370m–1(a) of this title.

(6) Covered project
(A) In general
The term “covered project” means any activity in the United States that requires authorization or environmental review by a Federal agency involving construction of infrastructure for renewable or conventional energy production, electricity transmission, surface transportation, aviation, ports and waterways, water resource projects, broadband, pipelines, manufacturing, or any other sector as determined by a majority vote of the Council that—
(I) is subject to NEPA;
(II) is likely to require a total investment of more than $200,000,000; and
(III) does not qualify for abbreviated authorization or environmental review processes under any applicable law; or
(ii) is subject to NEPA and the size and complexity of which, in the opinion of the Council, make the project likely to benefit from enhanced oversight and coordination, including a project likely to require—
(I) authorization from or environmental review involving more than 2 Federal agencies; or
(II) the preparation of an environmental impact statement under NEPA.

(B) Exclusion
The term “covered project” does not include—
(i) any project subject to section 139 of title 23; or
(ii) any project subject to section 2348 of title 33.

(7) Dashboard
The term “Dashboard” means the Permitting Dashboard required under section 4370m–2(b) of this title.

(8) Environmental assessment
The term “environmental assessment” means the detailed written statement required under section 1508.9 of title 40, Code of Federal Regulations.

(9) Environmental document
(A) In general
The term “environmental document” means an environmental assessment, finding of no significant impact, notice of intent, environmental impact statement, or record of decision.

(B) Inclusions
The term “environmental document” includes—

(i) any document that is a supplement to a document described in subparagraph (A); and
(ii) a document prepared pursuant to a court order.

(10) Environmental impact statement
The term “environmental impact statement” means the detailed written statement required under section 102(2)(C) of NEPA [42 U.S.C. 4332(2)(C)].

(11) Environmental review
The term “environmental review” means the agency procedures and processes for applying a categorical exclusion or preparing an environmental assessment, an environmental impact statement, or other document required under NEPA.

(12) Executive Director
The term “Executive Director” means the Executive Director appointed by the President under section 4370m–1(b)(1)(A) of this title.

(13) Facilitating agency
The term “facilitating agency” means the agency that receives the initial notification from the project sponsor required under section 4370m–2(a) of this title.

(14) Inventory
The term “inventory” means the inventory of covered projects established by the Executive Director under section 4370m–1(c)(1)(A) of this title.

(15) Lead agency
The term “lead agency” means the agency with principal responsibility for an environmental review of a covered project under NEPA and parts 1500 through 1508 of title 40, Code of Federal Regulations (or successor regulations).

(16) NEPA
The term “NEPA” means the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.).

(17) Participating agency
The term “participating agency” means an agency participating in an environmental review or authorization for a covered project in accordance with section 4370m–2 of this title.

(18) Project sponsor
The term “project sponsor” means an entity, including any private, public, or public-private entity, seeking an authorization for a covered project.


References in Text
The National Environmental Policy Act of 1969 or NEPA, referred to in pars. (6)(A), (11), and (15) and defined in (16), is Pub. L. 91–190, Jan. 1, 1970, 81 Stat. 852, which is classified generally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 4321 of this title and Tables.

Codification
Section was enacted as part of the Fixing America’s Surface Transportation Act, also known as the FAST
Act, and not as part of the National Environmental Policy Act of 1969 which comprises this chapter.

**Savings Clause**


(1) programs administered now and in the future by the Department of Transportation or its operating administrations under title 23, 46, or 49, United States Code, including direct loan and loan guarantee programs or other Federal infrastructure projects administered by an agency pursuant to their authority under title 49, United States Code; or

(2) any project subject to section 2465 of the Water Resources Development Act of 2007 (33 U.S.C. 2298).”

**Placement in United States Code**


**Ex. Ord. No. 13766. Expediting Environmental Reviews and Approvals for High Priority Infrastructure Projects**

Ex. Ord. No. 13766, Jan. 24, 2017, 82 F.R. 8657, provided:

By the authority vested in me as President by the Constitution and the laws of the United States of America, I hereby direct as follows:

**SECTION 1. Purpose.** Infrastructure investment strengthens our economic platform, makes America more competitive, creates millions of jobs, increases wages for American workers, and reduces the costs of goods and services for American families and consumers. Too often, infrastructure projects in the United States have been routinely and excessively delayed by agency processes and procedures. These delays have increased project costs and blocked the American people from the full benefits of increased infrastructure investments, which are important to allowing Americans to compete and win on the world economic stage. Federal infrastructure decisions should be accomplished with maximum efficiency and effectiveness, while also respecting property rights and protecting public safety and the environment. To that end, it is the policy of the executive branch to streamline and expedite, in a manner consistent with law, environmental reviews and approvals for all infrastructure projects, especially projects that are a high priority for the Nation, such as improving the U.S. electric grid and telecommunications systems and repairing and upgrading critical port facilities, airports, pipelines, bridges, and highways.

**SIC. 2. Identification of High Priority Infrastructure Projects.** With respect to infrastructure projects for which Federal reviews and approvals are required, upon request by the Governor of a State, or the head of any executive department or agency (agency), or on his or her own initiative, the Chairman of the Council on Environmental Quality (CEQ) shall, within 30 days after a request is made, decide whether an infrastructure project qualifies as a “high priority” infrastructure project. This determination shall be made after consideration of the project’s importance to the general welfare, value to the Nation, environmental benefits, and such other factors as the Chairman deems relevant.

**SIC. 3. Deadlines.** With respect to any project designated as a high priority under section 2 of this order, the Chairman of the CEQ shall coordinate with the head of the relevant agency to establish, in a manner consistent with law, expedited procedures and deadlines for completion of environmental reviews and approvals for such projects. All agencies shall give high priority to completing such reviews and approvals by the established deadlines using all necessary and appropriate means. With respect to deadlines established consistent with this section that are not met, the head of the relevant agency shall provide a written explanation to the Chairman explaining the causes for the delay and providing concrete actions taken by the agency to complete such reviews and approvals as expeditiously as possible.

**SIC. 4. General Provisions.** (a) This order shall be implemented consistent with applicable law and subject to the availability of appropriations.

(b) Nothing in this order shall be construed to impair or otherwise affect—

(i) the authority granted by law to an executive department or agency or the head thereof; or

(ii) the functions of the Director of the Office of Management and Budget relating to budgetary, administrative, or legislative proposals.

(c) All actions taken pursuant to this order shall be consistent with requirements and authorities to protect intelligence and law enforcement sources and methods. Nothing in this order shall be interpreted to supersede measures established under authority of law to protect the security and integrity of specific activities and associations that are in direct support of intelligence and law enforcement operations.

(d) This order is not intended to, and does not, create any right or benefit, substantive or procedural, enforceable at law or in equity by any party against the United States, its departments, agencies, or entities, its officers, employees, or agents, or any other person.

Donald J. Trump.


Ex. Ord. No. 13807, Aug. 15, 2017, 82 F.R. 40463, provided:

By the authority vested in me as President by the Constitution and the laws of the United States of America, and in order to ensure that the Federal environmental review and permitting process for infrastructure projects is coordinated, predictable, and transparent, it is hereby ordered as follows:

**SECTION 1. Purpose.** America needs increased infrastructure investment to strengthen our economy, enhance our competitiveness in world trade, create jobs and increase wages for our workers, and reduce the costs of goods and services for our families. The poor condition of America’s infrastructure has been estimated to cost a typical American household thousands of dollars each year. Inefficiencies in current infrastructure project decisions, including management of environmental reviews and permit decisions or authorizations, have delayed infrastructure investments, increased project costs, and blocked the American people from enjoying improved infrastructure that would benefit our economy, society, and environment. More efficient and effective Federal infrastructure decisions can transform our economy, so the Federal Government, as a whole, must change the way it processes environmental reviews and authorization decisions.

**SIC. 2. Policy.** It is the policy of the Federal Government to:

(a) safeguard our communities and maintain a healthy environment;

(b) ensure that Federal authorities make informed decisions concerning the environmental impacts of infrastructure projects;

(c) develop infrastructure in an environmentally sensitive manner;

(d) provide transparency and accountability to the public regarding environmental review and authorization decisions;

(e) be good stewards of public funds, including those used to develop infrastructure projects, and avoid duplicative and wasteful processes;

(f) conduct environmental reviews and authorization processes in a coordinated, consistent, predictable, and
timely manner in order to give public and private investors the confidence necessary to make funding decisions for new infrastructure projects; and

(b) make timely decisions with the goal of completing Federal environmental reviews and authorization decisions for major infrastructure projects within 2 years.

SIC. 3. Definitions. The terms of this order shall be applied consistently with those defined under 42 U.S.C. § 4370m and implementing guidance to the maximum extent possible. The following definitions shall specifically apply:

(a) “Authorization” means any license, permit, approval, finding, determination, or other administrative decision issued by a Federal department or agency (agency) that is required or authorized under Federal law in order to site, construct, reconstruct, or commence operations of an infrastructure project, including any authorization under 42 U.S.C. § 4370m(3).


(c) “Federal Permitting Improvement Steering Council” or “FPISC” means the entity established under 42 U.S.C. § 4370m–1.

(d) “Infrastructure project” means a project to develop the public and private physical assets that are designed to provide or support services to the general public in the following sectors: surface transportation, including highways, bridges, railways, and transit; aviation; ports, including navigational channels; water resources projects; energy production and generation, including from fossil, renewable, nuclear, and hydro sources; electricity transmission; broadband Internet; pipelines; stormwater and sewer infrastructure; drinking water infrastructure; and other sectors as may be determined by the FPISC.

(e) “Major infrastructure project” means an infrastructure project for which multiple authorizations by Federal agencies will be required to proceed with construction, the lead Federal agency has determined that it will prepare an environmental impact statement (EIS) under the National Environmental Policy Act (NEPA), 42 U.S.C. § 4321 et seq., and the project sponsor has identified the reasonable availability of funds sufficient to complete the project.

(f) “Permitting timetable” means an environmental review and authorization schedule, or other equivalent schedule, for a project or group of projects that identifies milestones—including intermediate and final completion dates for action by each agency on any Federal environmental review or authorization required for a project or group of projects—that is prepared by the lead Federal agency in consultation with all cooperating and participating agencies.

SIC. 4. Agency Performance Accountability. Federal agencies should follow transparent and coordinated processes for conducting environmental reviews and making authorization decisions. These processes must include early and open coordination among Federal, State, tribal, and local agencies and early engagement with the public. Holding Federal agencies accountable for their progress on implementing the policy set forth in section 2 of this order should, among other things, produce measurably better environmental outcomes with respect to infrastructure development.

(a) Performance Priority Goals.

(i) CAP Goal. A CAP Goal is a Federal tool for accelerating progress in priority areas that require active collaboration among multiple agencies to overcome organizational barriers and to achieve better performance than one agency could achieve on its own. Within 180 days of the date of this order, the Office of Management and Budget (OMB), in consultation with the FPISC, shall establish a CAP Goal on Infrastructure Permitting Modernization so that, where permitted by law:

(A) Federal environmental reviews and authorization processes for infrastructure projects are consistent, coordinated, and predictable; and

(B) the time for the Federal Government’s processing of environmental reviews and authorization decisions for new major infrastructure projects should be reduced to not more than an average of approximately 2 years, measured from the date of the publication of a notice of intent to prepare an environmental impact statement or other benchmark deemed appropriate by the Director of OMB.

(ii) Agency Goals. All Federal agencies with environmental review, authorization, or consultation responsibilities for infrastructure projects shall modify their Strategic Plans and Annual Performance Plans under the GPRA Modernization Act of 2010 to include agency performance goals related to the completion of environmental reviews and authorizations for infrastructure projects consistent with the new CAP Goal on Infrastructure Permitting Modernization. The agencies shall ensure that the goals are updated annually to reflect changes in the implementation of the CAP Goal.

(iii) Accountability. Within 180 days of the establishment of the CAP Goal on Infrastructure Permitting Modernization, as described in subsection (a) of this section, or such longer period of time as determined by the Director of OMB, OMB, in consultation with the Office of Personnel Management, will issue guidance for establishing a performance accountability system to facilitate achievement of the CAP Goal.

(iv) Tracking of Major Infrastructure Projects. The performance accountability system shall track each major infrastructure project. The performance accountability system shall include, at a minimum, assessments of the agency’s performance with respect to each of the following areas, as applicable:

(A) whether major infrastructure projects are processed using the “One Federal Decision” mechanism, as described in subsection 5(b) of this order;

(B) whether major infrastructure projects have a permitting timetable;

(C) whether major infrastructure projects follow an effective process that automatically elevates instances in which permitting timetable milestones are missed or extended, or are anticipated to be missed or extended, to appropriate senior agency officials;

(D) whether agencies are meeting the established milestones in the permitting timetable;

(E) the time it takes to complete the processing of environmental reviews and authorizations for each major infrastructure project;

(F) the costs of the environmental reviews and authorizations for each major infrastructure project.

(ii) Scoring. The accountability system shall include a scoring mechanism that shall follow, at a minimum, the following procedures:

(A) agencies will submit information to OMB, consistent with existing reporting mechanisms to the maximum extent possible, on the assessment areas described in subsection 5(b)(i) of this section;

(B) at least once per quarter, OMB will produce a scorecard of agency performance and overall progress toward achieving CAP Goal targets;

(C) where an agency’s inability to meet a permitting timetable milestone results in a significant delay of the project timeline, after consulting with the project sponsor and relevant agencies, agencies will submit (based on OMB guidance) an estimate of the delay’s costs to the Director of OMB;

(D) the Director of OMB will consider each agency’s performance during budget formulation and deter-
mine whether appropriate penalties, including those authorized at 23 U.S.C. 139(h)(7) and 33 U.S.C. 2348(h)(5), must or should be imposed, to the extent required or permitted by law, for those that significantly fail to meet a permitting timetable milestone or in other situations deemed appropriate by the Director of OMB after considering the causes of any poor performance.

(iii) **Best Practices.** Agencies shall implement the techniques and strategies the FPISC annually identifies as best practices pursuant to 42 U.S.C. 4370m-1(c)(2)(B), as appropriate. The performance accountability system shall track and score agencies on the incorporation and implementation of appropriate best practices for all infrastructure projects, including the implementation of such best practices at an agency’s field level.

**SEC. 5. Process Enhancements.** In furtherance of the policy described in section 2 of this order, Federal agencies shall follow a unified environmental review and authorization process.

(a) **Processing of Major Infrastructure Projects.** In processing environmental reviews and authorizations for major infrastructure projects, Federal agencies shall:

(i) use “One Federal Decision” described in subsection (b) of this section;

(ii) develop and follow a permitting timetable, which shall be reviewed and updated at least quarterly by the lead Federal agency in consultation with Federal cooperating and participating agencies; and

(iii) follow an effective process that automatically elevates instances where a permitting timetable milestone is missed or extended, or is anticipated to be missed or extended, to appropriate senior agency officials of the lead Federal agency and the cooperating and participating Federal agency or agencies to which the milestone applies.

(b) **One Federal Decision.**

(i) Each major infrastructure project shall have a lead Federal agency, which shall be responsible for navigating the project through the Federal environmental review and authorization process, including the identification of a primary Federal point of contact at each Federal agency. All Federal cooperating and participating agencies shall identify points of contact for each project and cooperate with the lead Federal agency point of contact, and respond to all reasonable requests for information from the lead Federal agency in a timely manner.

(ii) With respect to the applicability of NEPA to a major infrastructure project, the Federal lead, cooperating, and participating agencies for each major infrastructure project shall all record any individual agency decisions in one Record of Decision (ROD), which shall be coordinated by the lead Federal agency unless the project sponsor requests that agencies issue separate NEPA documents, the NEPA obligations of a cooperating or participating agency have been satisfied, or the lead Federal agency determines that a single ROD would not best promote completion of the project’s environmental review and authorization process. The Federal lead, cooperating, and participating agencies shall all agree to a permitting timetable that includes the completion dates for the ROD and the federally required authorizations for the project.

(iii) All Federal authorization decisions for the construction of a major infrastructure project shall be completed within 90 days of the issuance of a ROD by the lead Federal agency, provided that the final EIS includes an adequate level of detail to inform agency decisions pursuant to their specific statutory authority and requirements. The lead Federal agency may extend the 90-day deadline if the lead Federal agency determines that Federal law prohibits the agency from issuing its approval or permit within the 90-day period, the project sponsor requests that the permit or approval follow a different timeline, or the lead Federal agency determines that an extended authorization is needed for a reason that is not consistent with the project’s environmental review and authorization process.

(iv) The Council on Environmental Quality (CEQ) and OMB shall develop the framework for implementing One Federal Decision, in consultation with the FPISC.

(A) The framework should be consistent with the model processes established under 42 U.S.C. 4370m-2, 23 U.S.C. 139, 33 U.S.C. 2348, the 2015 “Red Book” (officially entitled “Synchronizing Environmental Reviews for Transportation and Other Infrastructure Projects”), and CEQ guidance on efficient and timely environmental reviews under NEPA.

(B) The framework shall also include guidance on the development of permitting timetables by the lead Federal agencies, in collaboration with Federal cooperating and participating agencies. Permitting timetables shall identify estimated intermediate and final completion dates for all environmental reviews and authorizations that are reasonably anticipated as being needed for a project, including the process for granting extensions of any established dates. The guidance shall specify that lead Federal agencies need not include the estimated intermediate and final completion dates of any such reviews or authorizations until the design of a project has sufficiently advanced so that they can be developed. In such cases, the guidance shall instruct lead Federal agencies to estimate when the project’s design will be advanced enough to determine such dates. The timetables shall account for any federally required decisions or permits that are assumed by, or delegated to, State, tribal, or local agencies and the extent to which any approval or permit to be issued by a Federal agency is dependent upon the issuance of such a decision or permit.

(C) CEQ and OMB shall also develop guidance for applying One Federal Decision whenever the lead agency is a State, tribal, or local agency exercising an assignment or delegation of an agency’s NEPA responsibilities.

(c) **Dashboard.** All projects subject to 23 U.S.C. 139 and “covered projects” under 42 U.S.C. 4370m shall be tracked on the Dashboard established under 42 U.S.C. 4370m-2(b). Other projects or classes of projects subject to special environmental review and authorization streamlining processes similar to those referenced in this subsection may also be tracked on the Dashboard at the discretion of the FPISC Executive Director. The dates for milestones of all projects tracked on the Dashboard shall be updated monthly, or on another appropriate timeline as may be determined by the FPISC Executive Director.

(d) **Executive Order 13766.** For purposes of implementing Executive Order 13766 of January 24, 2017 (Expediting Environmental Reviews and Approvals for High Priority Infrastructure Projects), all infrastructure projects that meet the criteria for, and are subject to, 23 U.S.C. 139, 33 U.S.C. 2348, or 42 U.S.C. 4370m-4370m-12 shall qualify as high priority projects under Executive Order 13766. Other projects or classes of projects subject to special environmental review and authorization streamlining processes, similar to those referenced in this subsection as may be determined by the FPISC Executive Director in consultation with OMB and CEQ, shall also qualify as high priority infrastructure projects under Executive Order 13766. The CEQ Chairman’s responsibilities under sections 2 and 3 of Executive Order 13766 shall be satisfied by referring the project to the FPISC Executive Director, the Secretary of Transportation, or the Assistant Secretary of the Army for Civil Works, as appropriate.

(e) **Council on Environmental Quality.**

(i) **Directives.** Within 30 days of the date of this order, the CEQ shall develop an initial list of actions it will take to enhance and modernize the Federal environmental review and authorization process. Such actions should include issuing such regulations, guidance, and directives as CEQ may deem necessary to:

(A) ensure optimal interagency coordination of environmental review and authorization decisions, including by providing for an expanded role and authorities for lead agencies, more clearly defined re-
sponsibilities for cooperating and participating agencies, and Government-wide applicability of NEPA decisions and analyses;

(b) ensure that environmental reviews and authorization decisions involving multiple agencies are conducted in a manner that is concurrent, synchronized, timely, and efficient;

(c) provide for agency use, to the maximum extent permitted by law, of environmental studies, analysis, and decisions conducted in support of earlier Federal, State, tribal, or local environmental reviews or authorization decisions; and

(d) ensure that agencies apply NEPA in a manner that reduces unnecessary burdens and delays as much as possible by using CEQ's authority to interpret NEPA to simplify and accelerate the NEPA review process.

(ii) Dispute Resolution. Except where dispute resolution processes are otherwise provided for in law, including under 42 U.S.C. 4370m–2, or by Executive Order or other Presidential directive, upon request of a lead Federal agency, cooperating agency, or participating agency, CEQ may mediate interagency disputes arising between Federal agencies concerning Federal environmental review or authorization decisions for any infrastructure project pertaining to any environmental law, regulation, order or policy, and shall facilitate resolution of any conflicting positions of the relevant agencies.

(iii) Agency Procedures. CEQ shall form and lead an interagency working group, consisting of the Director of OMB, agency CERPOs, and such other representatives of agencies as CEQ deems appropriate. The working group shall review the NEPA implementing regulations and other environmental review and authorization processing policies of agencies that are members of the FPISC to identify impediments to efficient and effective environmental reviews and authorizations for infrastructure projects. The working group shall also identify those agencies that require an action plan to address identified impediments. Based on this review, agencies shall develop action plans that set forth the actions they will take and timelines for completing those actions, and they shall submit those action plans to CEQ and OMB for comment. Each agency’s action plan shall, at a minimum, establish procedures for a regular review and update of categorical exclusions, where appropriate.

(f) Federal Permitting Improvement Steering Council.

(i) Organizational Support. Unless otherwise determined by the Director of OMB, the General Services Administration (GSA) shall provide necessary administrative and organizational support to the FPISC, including personnel, procurement, and budget support. The GSA Administrator, or the head of another agency designated by the Director of OMB, may delegate any authority to the FPISC Executive Director necessary for the operation and administration of the FPISC and the Office of the Executive Director, and the Executive Director may redelegate these authorities, as appropriate.

(ii) Additional Duties. In addition to the duties and responsibilities charged to the FPISC Executive Director under 42 U.S.C. 4370m–7 and 4370m–12 and this order, the FPISC Executive Director may, upon request of a FPISC member agency or a project sponsor, work with the lead agency or any cooperating and participating agencies to facilitate the environmental review and authorization process for any infrastructure project regardless of whether the project is a “covered project” under 42 U.S.C. 4370m, including by resolving disputes and promoting early coordination. The FPISC Executive Director, the Director of OMB, or the Chairman of CEQ may establish any appropriate policies or procedures concerning the FPISC Executive Director’s facilitation of the environmental review and authorization process under this subsection. Agencies must cooperate with the FPISC Executive Director with respect to the implementation of these additional duties.

(g) Energy Corridors. The Departments of the Interior and Agriculture, as appropriate, shall be the lead agencies for facilitating the identification and designation of energy right-of-way corridors on Federal lands for Government-wide expedited environmental review for the development of energy infrastructure projects.

(h) The Department of the Interior shall provide to OMB a strategy and recommendations for a multi-agency reorganization effort that would further the aims of this order. OMB, in consultation with the Department of the Interior, shall coordinate with the heads of other agencies affected to incorporate the strategy, as appropriate, into the comprehensive reorganization plan developed under Executive Order 13781 of March 13, 2017 (Comprehensive Plan for Reorganizing the Executive Branch).


Sect. 7. General Provisions. (a) Nothing in this order shall be construed to impair or otherwise affect:

(i) the authority granted by law to an executive department, agency, or the head thereof; or

(ii) the functions of the Director of the Office of Management and Budget relating to budgetary, administrative, or legislative proposals.

(b) This order shall be implemented consistent with applicable law and subject to the availability of appropriations.

(c) This order is not intended to, and does not, create any right or benefit, substantive or procedural, enforceable at law or in equity by any party against the United States, its departments, agencies, or entities, its officers, employees, or agents, or any other person.

DONALD J. TRUMP.

§ 4370m–1. Federal Permitting Improvement Council

(a) Establishment

There is established the Federal Permitting Improvement Steering Council.

(b) Composition

(1) Chair

The Executive Director shall—

(A) be appointed by the President; and

(B) serve as Chair of the Council.

(2) Council members

(A) In general

(i) Designation by head of agency

Each individual listed in subparagraph (B) shall designate a member of the agency in which the individual serves to serve on the Council.

(ii) Qualifications

A councilmember described in clause (i) shall hold a position in the agency of deputy secretary (or the equivalent) or higher.

(iii) Support

(I) In general

Consistent with guidance provided by the Director of the Office of Management and Budget, each individual listed in subparagraph (B) shall designate 1 or more appropriate members of the agency in which the individual serves to serve as an agency CERPO.

(II) Reporting

In carrying out the duties of the agency CERPO under this subchapter,
agency CERPO shall report directly to a deputy secretary (or the equivalent) or higher.

(B) Heads of agencies

The individuals that shall each designate a councilmember under this subparagraph are as follows:

(A) Inventory development

The Executive Director, in consultation with the Council, shall—

(i) not later than 180 days after December 4, 2015, establish an inventory of covered projects that are pending the environmental review or authorization of the head of any Federal agency;

(ii) categorize the projects in the inventory as appropriate, based on sector and project type; and

(iii) for each category, identify the types of environmental reviews and authorizations most commonly involved; and

(iv) add a covered project to the inventory after receiving a notice described in section 4370m–2(a)(1) of this title.

(B) Facilitating agency designation

The Executive Director, in consultation with the Council, shall—

(i) designate a facilitating agency for each category of covered projects described in subparagraph (A)(i); and

(ii) publish the list of designated facilitating agencies for each category of projects in the inventory on the Dashboard in an easily accessible format.

(C) Performance schedules

(i) In general

Not later than 1 year after December 4, 2015, the Executive Director, in consulta-
(i) to carry out responsibilities under this subchapter; and
(ii) to effectuate the adoption by agencies of the best practices and recommendations of the Council described in paragraph (2).

(2) Council

(A) Recommendations

(i) In general

The Council shall make recommendations to the Executive Director with respect to the designations under paragraph (1)(B) and the performance schedules under paragraph (1)(C).

(ii) Update

The Council may update the recommendations described in clause (i).

(B) Best practices

Not later than 1 year after December 4, 2015, and not less frequently than annually thereafter, the Council shall issue recommendations on the best practices for—

(i) enhancing early stakeholder engagement, including fully considering and, as appropriate, incorporating recommendations provided in public comments on any proposed covered project;
(ii) ensuring timely decisions regarding environmental reviews and authorizations, including through the development of performance metrics;
(iii) improving coordination between Federal and non-Federal governmental entities, including through the development of common data standards and terminologies;
(iv) increasing transparency;
(v) reducing information collection requirements and other administrative burdens on agencies, project sponsors, and other interested parties;
(vi) developing and making available to applicants appropriate geographic information systems and other tools;
(vii) creating and distributing training materials useful to Federal, State, tribal, and local permitting officials; and
(viii) addressing other aspects of infrastructure permitting, as determined by the Council.

(C) Meetings

The Council shall meet not less frequently than annually with groups or individuals representing State, tribal, and local governments that are engaged in the infrastructure permitting process.

(3) Agency CERPOs

An agency CERPO shall—

(A) advise the respective agency councilmember on matters related to environmental reviews and authorizations;
(B) provide technical support, when requested, to facilitate efficient and timely processes for environmental reviews and authorizations for covered projects under the jurisdictional responsibility of the agency, including supporting timely identification and resolution of potential disputes within the agency or between the agency and other Federal agencies;
(C) analyze agency environmental review and authorization processes, policies, and authorities and make recommendations to the respective agency councilmember for ways to standardize, simplify, and improve the efficiency of the processes, policies, and authorities, including by implementing guidance issued under paragraph (1)(D) and other best practices, including the use of information technology and geographic information system tools within the agency and across agencies, to the extent consistent with existing law; and
(D) review and develop training programs for agency staff that support and conduct environmental reviews or authorizations.

(d) Administrative support

The Director of the Office of Management and Budget shall designate a Federal agency, other than an agency that carries out or provides support only for projects that are not covered projects, to provide administrative support for the Executive Director, and the designated agency shall, as reasonably necessary, provide support and staff to enable the Executive Director to fulfill the duties of the Executive Director under this subchapter.


CODIFICATION

Section was enacted as part of the Fixing America’s Surface Transportation Act, also known as the FAST Act, and not as part of the National Environmental Policy Act of 1969 which comprises this chapter.

§ 4370m–2. Permitting process improvement

(a) Project initiation and designation of participating agencies

(1) Notice

(A) In general

A project sponsor of a covered project shall submit to the Executive Director and the facilitating agency notice of the initiation of a proposed covered project.

(B) Default designation

If, at the time of submission of the notice under subparagraph (A), the Executive Director has not designated a facilitating agency under section 4370m–1(c)(1)(B) of this title for the categories of projects noticed, the agency that receives the notice under subparagraph (A) shall be designated as the facilitating agency.

(C) Contents

Each notice described in subparagraph (A) shall include—

(i) a statement of the purposes and objectives of the proposed project;
(ii) a concise description, including the general location of the proposed project and a summary of geospatial information, if available, illustrating the project area and the locations, if any, of environmental, cultural, and historic resources;
§ 4370m–2

(2) Invitation

(A) In general
Not later than 45 days after the date on which the Executive Director must make a specific entry for the project on the Dashboard under subsection (b)(2)(A), the facilitating agency or lead agency, as applicable, shall—
(i) identify all Federal and non-Federal agencies and governmental entities likely to have financing, environmental review, authorization, or other responsibilities with respect to the proposed project; and
(ii) invite all Federal agencies identified under clause (i) to become a participating agency or a cooperating agency, as appropriate, in the environmental review and authorization management process described in section 4370m–4 of this title.

(B) Deadlines
Each invitation made under subparagraph (A) shall include a deadline for a response to be submitted to the facilitating or lead agency, as applicable.

(3) Participating and cooperating agencies

(A) In general
An agency invited under paragraph (2) shall be designated as a participating or cooperating agency for a covered project, unless the agency informs the facilitating or lead agency, as applicable, in writing before the deadline under paragraph (2)(B) that the agency—
(i) has no jurisdiction or authority with respect to the proposed project; or
(ii) does not intend to exercise authority related to, or submit comments on, the proposed project.

(B) Changed circumstances
On request and a showing of changed circumstances, the Executive Director may designate an agency that has opted out under subparagraph (A)(ii) to be a participating or cooperating agency, as appropriate.

(4) Effect of designation
The designation described in paragraph (3) shall not—
(A) give the participating agency authority or jurisdiction over the covered project; or
(B) expand any jurisdiction or authority a cooperating agency may have over the proposed project.

(5) Lead agency designation

(A) In general
On establishment of the lead agency, the lead agency shall assume the responsibilities of the facilitating agency under this subchapter.

(B) Redesignation of facilitating agency
If the lead agency assumes the responsibilities of the facilitating agency under subparagraph (A), the facilitating agency may be designated as a cooperative or participating agency.

(6) Change of facilitating or lead agency

(A) In general
On the request of a participating agency or project sponsor, the Executive Director may designate a different agency as the facilitating or lead agency, as applicable, for a covered project, if the facilitating or lead agency or the Executive Director receives new information regarding the scope or nature of a covered project that indicates that the project should be placed in a different category under section 4370m–1(c)(1)(B) of this title.

(B) Resolution of dispute
The Chairman of the Council on Environmental Quality shall resolve any dispute over designation of a facilitating or lead agency for a particular covered project.

(b) Permitting dashboard

(1) Requirement to maintain

(A) In general
The Executive Director, in coordination with the Administrator of General Services, shall maintain an online database to be known as the “Permitting Dashboard” to track the status of Federal environmental reviews and authorizations for any covered project in the inventory described in section 4370m–1(c)(1)(A) of this title.

(B) Specific and searchable entry
The Dashboard shall include a specific and searchable entry for each covered project.

(2) Additions

(A) In general

(i) Existing projects
Not later than 14 days after the date on which the Executive Director adds a project to the inventory under section 4370m–1(c)(1)(A) of this title, the Executive Director shall create a specific entry on the Dashboard for the covered project.

(ii) New projects
Not later than 14 days after the date on which the Executive Director receives a notice under subsection (a)(1), the Executive Director shall create a specific entry on the Dashboard for the covered project, unless the Executive Director, facilitating agency, or lead agency, as applicable, determines that the project is not a covered project.

(B) Explanation
If the facilitating agency or lead agency, as applicable, determines that the project is
not a covered project, the project sponsor may submit a further explanation as to why the project is a covered project not later than 14 days after the date of the determination under subparagraph (A).

(C) Final determination

Not later than 14 days after receiving an explanation described in subparagraph (B), the Executive Director shall—

(i) make a final and conclusive determination as to whether the project is a covered project; and

(ii) if the Executive Director determines that the project is a covered project, create a specific entry on the Dashboard for the covered project.

(3) Postings by agencies

(A) In general

For each covered project added to the Dashboard under paragraph (2), the facilitating or lead agency, as applicable, and each cooperating and participating agency shall post to the Dashboard—

(i) a hyperlink that directs to a website that contains, to the extent consistent with applicable law—

(I) the notification submitted under subsection (a)(1);

(II)(aa) where practicable, the application and supporting documents, if applicable, that have been submitted by a project sponsor for any required environmental review or authorization; or

(bb) a notice explaining how the public may obtain access to such documents;

(III) a description of any Federal agency action taken or decision made that materially affects the status of a covered project;

(IV) any significant document that supports the action or decision described in subclause (III); and

(V) a description of the status of any litigation to which the agency is a party that is directly related to the project, including, if practicable, any judicial document made available on an electronic docket maintained by a Federal, State, or local court; and

(ii) any document described in clause (i) that is not available by hyperlink on another website.

(B) Deadline

The information described in subparagraph (A) shall be posted to the website made available by hyperlink on the Dashboard not later than 5 business days after the date on which the Federal agency receives the information.

(4) Postings by the Executive Director

The Executive Director shall publish to the Dashboard—

(A) the permitting timetable established under subparagraph (A) or (C) of subsection (c)(1)(C);

(B) the status of the compliance of each agency with the permitting timetable;

(C) any modifications of the permitting timetable;

(D) an explanation of each modification described in subparagraph (C); and

(E) any memorandum of understanding established under subsection (c)(3)(B).

(c) Coordination and timetables

(1) Coordinated project plan

(A) In general

Not later than 60 days after the date on which the Executive Director must make a specific entry for the project on the Dashboard under subsection (b)(2)(A), the facilitating or lead agency, as applicable, in consultation with each coordinating and participating agency, shall establish a concise plan for coordinating public and agency participation in, and completion of, any required Federal environmental review and authorization for the project.

(B) Required information

The Coordinated Project Plan shall include the following information and be updated by the facilitating or lead agency, as applicable, at least once per quarter:

(i) A list of, and roles and responsibilities for, all entities with environmental review or authorization responsibility for the project.

(ii) A permitting timetable, as described in paragraph (2), setting forth a comprehensive schedule of dates by which all environmental reviews and authorizations, and to the maximum extent practicable, State permits, reviews and approvals must be made.

(iii) A discussion of potential avoidance, minimization, and mitigation strategies, if required by applicable law and known.

(iv) Plans and a schedule for public and tribal outreach and coordination, to the extent required by applicable law.

(C) Memorandum of understanding

The coordinated project plan described in subparagraph (A) may be incorporated into a memorandum of understanding.

(2) Permitting timetable

(A) Establishment

As part of the coordination project plan under paragraph (1), the facilitating or lead agency, as applicable, in consultation with each cooperating and participating agency, the project sponsor, and any State in which the project is located, and, subject to subparagraph (C), with the concurrence of each cooperating agency, shall establish a permitting timetable that includes intermediate and final completion dates for action by each participating agency on any Federal environmental review or authorization required for the project.

(B) Factors for consideration

In establishing the permitting timetable under subparagraph (A), the facilitating or lead agency shall follow the performance schedules established under section 4370m-1(c)(1)(C) of this title, but may vary the timetable based on relevant factors, including—
§ 4370m–2

(i) the size and complexity of the covered project;
(ii) the resources available to each participating agency;
(iii) the regional or national economic significance of the project;
(iv) the sensitivity of the natural or historic resources that may be affected by the project;
(v) the financing plan for the project; and
(vi) the extent to which similar projects in geographic proximity to the project were recently subject to environmental review or similar procedures under State law.

(C) Dispute resolution

(i) In general

The Executive Director, in consultation with appropriate agency CERPOs and the project sponsor, shall, as necessary, mediate any disputes regarding the permitting timetable referred to under subparagraph (A).

(ii) Disputes

If a dispute remains unresolved 30 days after the date on which the dispute was submitted to the Executive Director, the Director of the Office of Management and Budget, in consultation with the Chairman of the Council on Environmental Quality, shall facilitate a resolution of the dispute and direct the agencies party to the dispute to resolve the dispute by the end of the 60-day period beginning on the date of submission of the dispute to the Executive Director.

(iii) Final resolution

Any action taken by the Director of the Office of Management and Budget in the resolution of a dispute under clause (ii) shall—
(I) be final and conclusive; and
(II) not be subject to judicial review.

(D) Modification after approval

(i) In general

The facilitating or lead agency, as applicable, may modify a permitting timetable established under subparagraph (A) only if—
(I) the facilitating or lead agency, as applicable, and the affected cooperating agencies, after consultation with the participating agencies and the project sponsor, agree to a different completion date;
(II) the facilitating agency or lead agency, as applicable, or the affected cooperating agency provides a written justification for the modification; and
(III) in the case of a modification that would necessitate an extension of a final completion date under a permitting timetable established under subparagraph (A) to a date more than 30 days after the final completion date originally established under subparagraph (A), the facilitating or lead agency submits a request to modify the permitting timetable to the Executive Director, who shall consult with the project sponsor and make a determination on the record, based on consideration of the relevant factors described under subparagraph (B), whether to grant the facilitating or lead agency, as applicable, authority to make such modification.

(ii) Completion date

A completion date in the permitting timetable may not be modified within 30 days of the completion date.

(iii) Limitation on length of modifications

(I) In general

Except as provided in subclause (II), the total length of all modifications to a permitting timetable authorized or made under this subparagraph, other than for reasons outside the control of Federal, State, local, or tribal governments, may not extend the permitting timetable for a period of time greater than half of the amount of time from the establishment of the permitting timetable under subparagraph (A) to the last final completion date originally established under subparagraph (A).

(II) Additional extensions

The Director of the Office of Management and Budget, after consultation with the project sponsor, may permit the Executive Director to authorize additional extensions of a permitting timetable beyond the limit prescribed by subclause (I). In such a case, the Director of the Office of Management and Budget shall transmit, not later than 5 days after making a determination to permit an authorization of extension under this subclause, a report to Congress explaining why such modification is required.

Such report shall explain to Congress with specificity why the original permitting timetable and the modifications authorized by the Executive Director failed to be adequate. The lead or facilitating agency, as applicable, shall transmit to Congress, the Director of the Office of Management and Budget, and the Executive Director a supplemental report on progress toward the final completion date each year thereafter, until the permit review is completed or the project sponsor withdraws its notice or application or other request to which this subchapter applies under section 4370m–9 of this title.

(iv) Limitation on judicial review

The following shall not be subject to judicial review:

(I) A determination by the Executive Director under clause (i)(III).
(II) A determination under clause (ii)(II) by the Director of the Office of Management and Budget to permit the Executive Director to authorize extensions of a permitting timetable.
(E) Consistency with other time periods

A permitting timetable established under subparagraph (A) shall be consistent with any other relevant time periods established under Federal law and shall not prevent any cooperating or participating agency from discharging any obligation under Federal law in connection with the project.

(F) Conforming to permitting timetables

(i) In general

Each Federal agency shall conform to the completion dates set forth in the permitting timetable established under subparagraph (A), or with any completion date modified under subparagraph (D).

(ii) Failure to conform

If a Federal agency fails to conform with a completion date for agency action on a covered project or is at significant risk of failing to conform with such a completion date, the agency shall—

(I) promptly submit to the Executive Director for publication on the Dashboard an explanation of the specific reasons for failing or significantly risking failing to conform to the completion date and a proposal for an alternative completion date;

(II) in consultation with the facilitating or lead agency, as applicable, establish an alternative completion date; and

(III) each month thereafter until the agency has taken final action on the delayed authorization or review, submit to the Executive Director for posting on the Dashboard a status report describing any agency activity related to the project.

(G) Abandonment of covered project

(i) In general

If the facilitating or lead agency, as applicable, has a reasonable basis to doubt the continuing technical or financial ability of the project sponsor to construct the covered project, the facilitating or lead agency may request the project sponsor provide an updated statement regarding the ability of the project sponsor to complete the project.

(ii) Failure to respond

If the project sponsor fails to respond to a request described in clause (i) by the date that is 30 days after receiving the request, the lead or facilitating agency, as applicable, shall notify the Executive Director, who shall publish an appropriate notice on the Dashboard.

(iii) Publication to Dashboard

On publication of a notice under clause (ii), the completion dates in the permitting timetable shall be tolled and agencies shall be relieved of the obligation to comply with subparagraph (F) until such time as the project sponsor submits to the facilitating or lead agency, as applicable, an updated statement regarding the technical and financial ability of the project sponsor to construct the project.

(3) Cooperating State, local, or tribal governments

(A) State authority

If the Federal environmental review is being implemented within the boundaries of a State, the State, consistent with State law, may choose to participate in the environmental review and authorization process under this subsection and to make subject to the process all State agencies that—

(i) have jurisdiction over the covered project;

(ii) are required to conduct or issue a review, analysis, opinion, or statement for the covered project; or

(iii) are required to make a determination on issuing a permit, license, or other approval or decision for the covered project.

(B) Coordination

To the maximum extent practicable under applicable law, the facilitating or lead agency, as applicable, shall coordinate the Federal environmental review and authorization processes under this subsection with any State, local, or tribal agency responsible for conducting any separate review or authorization of the covered project to ensure timely and efficient completion of environmental reviews and authorizations.

(C) Memorandum of understanding

(i) In general

Any coordination plan between the facilitating or lead agency, as applicable, shall coordinate the Federal environmental review and authorization process pursuant to this paragraph.

(ii) Submission to Executive Director

The facilitating or lead agency, as applicable, shall submit to the Executive Director each memorandum of understanding described in clause (i).

(D) Applicability

The requirements under this subchapter shall only apply to a State or an authorization issued by a State if the State has chosen to participate in the environmental review and authorization process pursuant to this paragraph.

(d) Early consultation

The facilitating or lead agency, as applicable, shall provide an expedited process for project sponsors to confer with each cooperating and participating agency involved and, not later than 60 days after the date on which the project sponsor submits a request under this subsection, to have each such agency provide to the project sponsor information concerning—

(1) the availability of information and tools, including pre-application toolkits, to facilitate early planning efforts;

(2) key issues of concern to each agency and to the public; and

(3) issues that must be addressed before an environmental review or authorization can be completed.
§ 4370m–3. Interstate compacts
(a) In general
The consent of Congress is given for 3 or more contiguous States to enter into an interstate compact establishing regional infrastructure development agencies to facilitate authorization and review of covered projects, under State law or in the exercise of delegated permitting authority described under section 4370m–5 of this title, that will advance infrastructure development, production, and generation within the States that are parties to the compact.
(b) Regional infrastructure
For the purpose of this subchapter, a regional infrastructure development agency referred to in subsection (a) shall have the same authorities and responsibilities of a State agency.

Codification
Section was enacted as part of the Fixing America’s Surface Transportation Act, also known as the FAST Act, and not as part of the National Environmental Policy Act of 1969 which comprises this chapter.

§ 4370m–4. Coordination of required reviews
(a) Concurrent reviews
To integrate environmental reviews and authorizations, each agency shall, to the maximum extent practicable—
(1) carry out the obligations of the agency with respect to a covered project under any other applicable law concurrently, and in conjunction with, other environmental reviews and authorizations being conducted by other cooperating or participating agencies, including environmental reviews and authorizations required under NEPA, unless the agency determines that doing so would impair the ability of the agency to carry out the statutory obligations of the agency; and
(2) formulate and implement administrative, policy, and procedural mechanisms to enable the agency to ensure completion of the environmental review process in a timely, coordinated, and environmentally responsible manner.
(b) Adoption, incorporation by reference, and use of documents
(1) State environmental documents; supplemental documents
(A) Use of existing documents
(i) In general
On the request of a project sponsor, a lead agency shall consider and, as appropriate, adopt or incorporate by reference, the analysis and documentation that has been prepared for a covered project under State laws and procedures as the documentation, or part of the documentation, required to complete an environmental review for the covered project, if the analysis and documentation were, as determined by the lead agency in consultation with the Council on Environmental Quality, prepared under circumstances that allowed for opportunities for public participation and consideration of alternatives, environmental consequences, and other required analyses that are substantially equivalent to what would have been available had the documents and analysis been prepared by a Federal agency pursuant to NEPA.

(ii) Guidance by CEQ
The Council on Environmental Quality may issue guidance to carry out this subsection.

(B) NEPA obligations
An environmental document adopted under subparagraph (A) or a document that

1 So in original. No par. (2) has been enacted.
includes documentation incorporated under subparagraph (A) may serve as the documentation required for an environmental review or a supplemental environmental review required to be prepared by a lead agency under NEPA.

(C) Supplementation of State documents

If the lead agency adopts or incorporates analysis and documentation described in subparagraph (A), the lead agency shall prepare and publish a supplemental document if the lead agency determines that during the period after preparation of the analysis and documentation and before the adoption or incorporation—

(1) a significant change has been made to the covered project that is relevant for purposes of environmental review of the project; or

(2) there has been a significant circumstance or new information has emerged that is relevant to the environmental review for the covered project.

(D) Comments

If a lead agency prepares and publishes a supplemental document under subparagraph (C), the lead agency shall solicit comments from other agencies and the public on the supplemental document for a period of not more than 45 days, beginning on the date on which the supplemental document is published, unless—

(i) the lead agency, the project sponsor, and any cooperating agency agree to a longer deadline; or

(ii) the lead agency extends the deadline for good cause.

(E) Notice of outcome of environmental review

A lead agency shall issue a record of decision or finding of no significant impact, as appropriate, based on the document adopted under subparagraph (A) and any supplemental document prepared under subparagraph (C).

c) Alternatives analysis

(1) Participation

(A) In general

As early as practicable during the environmental review, but not later than the commencement of scoping for a project requiring the preparation of an environmental impact statement, the lead agency shall engage the cooperating agencies and the public to determine the range of reasonable alternatives to be considered for a covered project.

(B) Determination

The determination under subparagraph (A) shall be completed not later than the completion of scoping.

(2) Range of alternatives

(A) In general

Following participation under paragraph (1) and subject to subparagraph (B), the lead agency shall determine the range of reasonable alternatives for consideration in any document that the lead agency is responsible for preparing for the covered project.

(B) Alternatives required by law

In determining the range of alternatives under subparagraph (A), the lead agency shall include all alternatives required to be considered by law.

(3) Methodologies

(A) In general

The lead agency shall determine, in collaboration with each cooperating agency at appropriate times during the environmental review, the methodologies to be used and the level of detail required in the analysis of each alternative for a covered project.

(B) Environmental review

A cooperating agency shall use the methodologies referred to in subparagraph (A) when conducting any required environmental review, to the extent consistent with existing law.

(4) Preferred alternative

With the concurrence of the cooperating agencies with jurisdiction under Federal law and at the discretion of the lead agency, the preferred alternative for a project, after being identified, may be developed to a higher level of detail than other alternatives to facilitate the development of mitigation measures or concurrent compliance with other applicable laws if the lead agency determines that the development of the higher level of detail will not prevent—

(A) the lead agency from making an impartial decision as to whether to accept another alternative that is being considered in the environmental review; and

(B) the public from commenting on the preferred and other alternatives.

d) Environmental review comments

(1) Comments on draft environmental impact statement

For comments by an agency or the public on a draft environmental impact statement, the lead agency shall establish a comment period of not less than 45 days and not more than 60 days after the date on which a notice announcing availability of the environmental impact statement is published in the Federal Register, unless—

(A) the lead agency, the project sponsor, and any cooperating agency agree to a longer deadline; or

(B) the lead agency, in consultation with each cooperating agency, extends the deadline for good cause.

(2) Other review and comment periods

For all other review or comment periods in the environmental review process described in parts 1500 through 1508 of title 40, Code of Federal Regulations (or successor regulations), the lead agency shall establish a comment period of not more than 45 days after the date on which the materials on which comment is requested are made available, unless—

(A) the lead agency, the project sponsor, and any cooperating agency agree to a longer deadline; or
(B) the lead agency extends the deadline for good cause.

(e) Issue identification and resolution

(1) Cooperation

The lead agency and each cooperating and participating agency shall work cooperatively in accordance with this section to identify and resolve issues that could delay completion of an environmental review or an authorization required for the project under applicable law or result in the denial of any approval under applicable law.

(2) Lead agency responsibilities

(A) In general

The lead agency shall make information available to each cooperating and participating agency and project sponsor as early as practicable in the environmental review regarding the environmental, historic, and socioeconomic resources located within the project area and the general locations of the alternatives under consideration.

(B) Sources of information

The information described in subparagraph (A) may be based on existing data sources, including geographic information systems mapping.

(3) Cooperating and participating agency responsibilities

Each cooperating and participating agency shall—

(A) identify, as early as practicable, any issues of concern regarding any potential environmental impacts of the covered project, including any issues that could substantially delay or prevent an agency from completing any environmental review or authorization required for the project; and

(B) communicate any issues described in subparagraph (A) to the project sponsor.

(f) Categories of projects

The authorities granted under this section may be exercised for an individual covered project or a category of covered projects.


References in Text

NEPA, referred to in subsecs. (a)(1) and (b)(1)(A)(i), (B), means the National Environmental Policy Act of 1969, Pub. L. 91–190, Jan. 1, 1970, 83 Stat. 852, which is classified generally to this chapter. See section 4370m(16) of this title. For complete classification of section 4321 of this title and Tables.

Codification

Section was enacted as part of the Fixing America’s Surface Transportation Act, also known as the FAST Act, and not as part of the National Environmental Policy Act of 1969 which comprises this chapter.

§ 4370m–6. Litigation, judicial review, and savings provision

(a) Limitations on claims

(1) In general

Notwithstanding any other provision of law, a claim arising under Federal law seeking judicial review of any authorization issued by a Federal agency for a covered project shall be barred unless—

(A) the action is filed not later than 2 years after the date of publication in the Federal Register of the final record of decision or approval or denial of a permit, unless a shorter time is specified in the Federal law under which judicial review is allowed; and

(B) in the case of an action pertaining to an environmental review conducted under NEPA—

(i) the action is filed by a party that submitted a comment during the environmental review; and

(ii) any commenter filed a sufficiently detailed comment so as to put the lead agency on notice of the issue on which the party seeks judicial review, or the lead agency did not provide a reasonable opportunity for such a comment on that issue.

(2) New information

(A) In general

The head of a lead agency or participating agency shall consider new information received after the close of a comment period if the information satisfies the requirements under regulations implementing NEPA.

(B) Separate action

If Federal law requires the preparation of a supplemental environmental impact state-
ment or other supplemental environmental document, the preparation of such document shall be considered a separate final agency action and the deadline for filing a claim for judicial review of the agency action shall be 2 years after the date on which a notice announcing the final agency action is published in the Federal Register, unless a shorter time is specified in the Federal law under which judicial review is allowed.

(3) Rule of construction

Nothing in this subsection creates a right to judicial review or places any limit on filing a claim that a person has violated the terms of an authorization.

(b) Preliminary injunctive relief

In addition to considering any other applicable equitable factors, in any action seeking a temporary restraining order or preliminary injunction against an agency or a project sponsor in connection with review or authorization of a covered project, the court shall—

(1) consider the potential effects on public health, safety, and the environment, and the potential for significant negative effects on jobs resulting from an order or injunction; and

(2) not presume that the harms described in paragraph (1) are reparable.

(c) Judicial review

Except as provided in subsection (a), nothing in this subchapter affects the reviewability of any final Federal agency action in a court of competent jurisdiction.

(d) Savings clause

Nothing in this subchapter—

(1) supersedes, amends, or modifies any Federal statute or affects the responsibility of any Federal officer to comply with or enforce any statute; or

(2) creates a presumption that a covered project will be approved or favorably reviewed by any agency.

(e) Limitations

Nothing in this section preempts, limits, or interferes with—

(1) any practice of seeking, considering, or responding to public comment; or

(2) any power, jurisdiction, responsibility, or authority that a Federal, State, or local governmental agency, metropolitan planning organization, Indian tribe, or project sponsor has with respect to carrying out a project or any other provisions of law applicable to any project, plan, or program.


REFERENCES IN TEXT


Codification

Section was enacted as part of the Fixing America’s Surface Transportation Act, also known as the FAST Act, and not as part of the National Environmental Policy Act of 1969 which comprises this chapter.

§ 4370m–7. Reports

(a) Report to Congress

(1) In general

Not later than April 15 of each year for 10 years beginning on December 4, 2015, the Executive Director shall submit to Congress a report detailing the progress accomplished under this subchapter during the previous fiscal year.

(2) Contents

The report described in paragraph (1) shall assess the performance of each participating agency and lead agency based on the best practices described in section 4370m–1(c)(2)(B) of this title, including—

(A) agency progress in making improvements consistent with those best practices; and

(B) agency compliance with the performance schedules established under section 4370m–1(c)(1)(C) of this title.

(b) Comptroller general report

Not later than 3 years after December 4, 2015, the Comptroller General of the United States shall submit to Congress a report that describes—

(1) agency progress in making improvements consistent with the best practices issued under section 4370m–1(c)(2)(B) of this title; and

(2) agency compliance with the performance schedules established under section 4370m–1(c)(1)(C) of this title.


Codification

Section was enacted as part of the Fixing America’s Surface Transportation Act, also known as the FAST Act, and not as part of the National Environmental Policy Act of 1969 which comprises this chapter.

§ 4370m–8. Funding for governance, oversight, and processing of environmental reviews and permits

(a) In general

The heads of agencies listed in section 4370m–1(b)(2)(B) of this title, with the guidance of the Director of the Office of Management and Budget and in consultation with the Executive Director, may, after public notice and opportunity for comment, issue regulations establishing a fee structure for project proponents to reimburse the United States for reasonable costs incurred in conducting environmental reviews and authorizations for covered projects.

(b) Reasonable costs

As used in this section, the term “reasonable costs” shall include costs to implement the re-
requirements and authorities required under sections 4370m–1 and 4370m–2 of this title, including the costs to agencies and the costs of operating the Council.

(c) Fee structure

The fee structure established under subsection (a) shall—
(1) be developed in consultation with affected project proponents, industries, and other stakeholders;
(2) exclude parties for which the fee would impose an undue financial burden or is otherwise determined to be inappropriate; and
(3) be established in a manner that ensures that the aggregate amount of fees collected for a fiscal year is estimated not to exceed 20 percent of the total estimated costs for the fiscal year for the resources allocated for the conduct of the environmental reviews and authorizations covered by this subchapter, as determined by the Director of the Office of Management and Budget.

(d) Environmental Review and Permitting Improvement Fund

(1) In general

All amounts collected pursuant to this section shall be deposited into a separate fund in the Treasury of the United States to be known as the “Environmental Review Improvement Fund” (referred to in this section as the “Fund”).

(2) Availability

Amounts in the Fund shall be available to the Executive Director, without appropriation or fiscal year limitation, solely for the purposes of administering, implementing, and enforcing this subchapter, including the expenses of the Council.

(3) Transfer

The Executive Director, with the approval of the Director of the Office of Management and Budget, may transfer amounts in the Fund to other agencies to facilitate timely and efficient environmental reviews and authorizations for proposed covered projects.

(e) Effect on permitting

The regulations adopted pursuant to subsection (a) shall ensure that the use of funds accepted under subsection (d) will not impact impartial decision-making with respect to environmental reviews or authorizations, either substantively or procedurally.

(f) Transfer of appropriated funds

(1) In general

The heads of agencies listed in section 4370m–1(b)(2)(B) of this title shall have the authority to transfer, in accordance with section 1535 of title 31, funds appropriated to those agencies and not otherwise obligated to other affected Federal agencies for the purpose of implementing the provisions of this subchapter.

(2) Limitation

Appropriations under title 23 and appropriations for the civil works program of the Army Corps of Engineers shall not be available for transfer under paragraph (1).

§ 4370m–9. Application

This subchapter applies to any covered project for which—
(1) a notice is filed under section 4370m–2(a)(1) of this title; or
(2) an application or other request for a Federal authorization is pending before a Federal agency 90 days after December 4, 2015.

§ 4370m–10. GAO report

Not later than 3 years after December 4, 2015, the Comptroller General of the United States shall submit to Congress a report that includes an analysis of whether the provisions of this subchapter could be adapted to streamline the Federal permitting process for smaller projects that are not covered projects.

§ 4370m–11. Savings provision

Nothing in this subchapter amends the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.).

References in Text

Act, and not as part of the National Environmental Policy Act of 1969 which comprises this chapter.

CHAPTER 56—ENVIRONMENTAL QUALITY IMPROVEMENT

§ 4371. Congressional findings, declarations, and purposes

(a) The Congress finds—

(1) that man has caused changes in the environment;

(2) that many of these changes may affect the relationship between man and his environment; and

(3) that population increases and urban concentration contribute directly to pollution and the degradation of our environment.

(b)(1) The Congress declares that there is a national policy for the environment which provides for the enhancement of environmental quality. This policy is evidenced by statutes heretofore enacted relating to the prevention, abatement, and control of environmental pollution, water and land resources, transportation, and economic and regional development.

(2) The primary responsibility for implementing this policy rests with State and local government.

(3) The Federal Government encourages and supports implementation of this policy through appropriate regional organizations established under existing law.

(c) The purposes of this chapter are—

(1) to assure that each Federal department and agency conducting or supporting public works activities which affect the environment shall implement the policies established under existing law; and

(2) to authorize an Office of Environmental Quality, which, notwithstanding any other provision of law, shall provide the professional and administrative staff for the Council on Environmental Quality established by Public Law 91–190.


REFERENCES IN TEXT


Short Title


§ 4372. Office of Environmental Quality

(a) Establishment; Director; Deputy Director

There is established in the Executive Office of the President an office to be known as the Office of Environmental Quality (hereafter in this chapter referred to as the “Office”). The Chairman of the Council on Environmental Quality established by Public Law 91–190 shall be the Director of the Office. There shall be in the Office a Deputy Director who shall be appointed by the President, by and with the advice and consent of the Senate.

(b) Compensation of Deputy Director

The compensation of the Deputy Director shall be fixed by the President at a rate not in excess of the annual rate of compensation payable to the Deputy Director of the Office of Management and Budget.

(c) Employment of personnel, experts, and consultants; compensation

The Director is authorized to employ such officers and employees (including experts and consultants) as may be necessary to enable the Office to carry out its functions under this chapter and Public Law 91–190, except that he may employ no more than ten specialists and other experts without regard to the provisions of title 5, governing appointments in the competitive service, and pay such specialists and experts without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates, but no such specialist or expert shall be paid at a rate in excess of the maximum rate for GS–18 of the General Schedule under section 5332 of title 5.

(d) Duties and functions of Director

In carrying out his functions the Director shall assist and advise the President on policies and programs of the Federal Government affecting environmental quality by—

(1) providing the professional and administrative staff and support for the Council on Environmental Quality established by Public Law 91–190;

(2) assisting the Federal agencies and departments in appraising the effectiveness of existing and proposed facilities, programs, policies, and activities of the Federal Government, and those specific major projects designated by the President which do not require individual project authorization by Congress, which affect environmental quality;

(3) reviewing the adequacy of existing systems for monitoring and predicting environmental changes in order to achieve effective coverage and efficient use of research facilities and other resources;

(4) promoting the advancement of scientific knowledge of the effects of actions and technology on the environment and encourage development of the means to prevent or reduce adverse effects that endanger the health and well-being of man;

(5) assisting in coordinating among the Federal departments and agencies those programs

1So in original. Probably should be “encouraging”.
and activities which affect, protect, and improve environmental quality;
(6) assisting the Federal departments and agencies in the development and interrelationship of environmental quality criteria and standards established through the Federal Government;
(7) collecting, collating, analyzing, and interpreting data and information on environmental quality, ecological research, and evaluation.

(e) Authority of Director to contract
The Director is authorized to contract with public or private agencies, institutions, and organizations and with individuals without regard to section 3324(a) and (b) of title 31 and section 6101 of title 41 in carrying out his functions.


REFERENCES IN TEXT
Public Law 91–190, referred to in subs. (a), (c), and (d), is Pub. L. 91–190, Jan. 1, 1970, 83 Stat. 852, as amended, known as the National Environmental Policy Act of 1969, which is classified generally to chapter 55 (§ 4321 et seq.) of this title. For complete classification of this Act to the Code, see Short Title note set out under section 4321 of this title and Tables.

The General Schedule, referred to in subsec. (c), is set out under section 5332 of Title 5.

CODIFICATION

TRANSFER OF FUNCTIONS
Functions vested by law (including reorganization plan) in Bureau of the Budget or Director of Bureau of the Budget transferred to President by section 101 of Reorg. Plan No. 2 of 1970, eff. July 1, 1970, 35 F.R. 7599, 84 Stat. 2085, set out in Appendix to Title 5, Government Organization and Employees, Section 102 of Reorg. Plan No. 2 of 1970, redesignated Bureau of the Budget as Office of Management and Budget.

REFERENCES IN OTHER LAWS TO GS–16, 17, OR 18 PAY RATES
References in laws to the rates of pay for GS–16–17, or 18, or to maximum rates of pay under the General Schedule, to be considered references to rates payable under specified sections of Title 5, Government Organization and Employees, see section 529 [title I, § 101(c)(1)] of Pub. L. 101–509, set out in a note under section 5376 of Title 5.

§ 4373. Referral of Environmental Quality Reports to standing committees having jurisdiction
Each Environmental Quality Report required by Public Law 91–190 shall, upon transmittal to Congress, be referred to each standing committee having jurisdiction over any part of the subject matter of the Report.


REFERENCES IN TEXT

§ 4374. Authorization of appropriations
There are hereby authorized to be appropriated for the operations of the Office of Environmental Quality and the Council on Environmental Quality not to exceed the following sums for the following fiscal years which sums are in addition to those contained in Public Law 91–190:

(a) $2,125,000 for the fiscal year ending September 30, 1979.

(b) $3,000,000 for each of the fiscal years ending September 30, 1980, and September 30, 1981.

(c) $4,100,000 for the fiscal years ending September 30, 1982, 1983, and 1984.

(d) $480,000 for each of the fiscal years ending September 30, 1985 and September 30, 1986.


REFERENCES IN TEXT

AMENDMENTS
1978—Pub. L. 95–560 added cls. (a) and (b). Former cls. (a) to (d), which authorized appropriations of $2,000,000 for fiscal year ending June 30, 1976, $500,000 for transition period of July 1, 1976 to Sept. 30, 1976, $3,000,000 for fiscal year ending Sept. 30, 1977, and $3,000,000 for fiscal year ending Sept. 30, 1978, respectively, were struck out.
1976—Pub. L. 94–298 made changes in structure by designating existing provisions as cls. (a) and (b) and adding cls. (c) and (d).
1975—Pub. L. 94–52 substituted “$3,000,000 for the fiscal year ending June 30, 1976, and not to exceed $500,000 for the transition period (July 1, 1976 to September 30, 1976)” for “$1,500,000 for the fiscal year ending June 30, 1974, and $2,000,000 for the fiscal year ending June 30, 1975”.
1973—Pub. L. 93–36 substituted provisions authorizing to be appropriated for operations of the Office of Environmental Quality and the Council on Environmental Quality $1,500,000 for fiscal year ending June 30, 1974, and $2,000,000 for fiscal year ending June 30, 1975, for provisions authorizing to be appropriated not to exceed $500,000 for fiscal year ending June 30, 1970, not to exceed $350,000 for fiscal year ending June 30, 1971, not to exceed $1,250,000 for fiscal year ending June 30, 1972, and not to exceed $1,500,000 for fiscal year ending June 30, 1973.
§ 4375. Office of Environmental Quality Management Fund

(a) Establishment; financing of study contracts and Federal interagency environmental projects

There is established an Office of Environmental Quality Management Fund (hereinafter referred to as the “Fund”) to receive advance payments from other agencies or accounts that may be used solely to finance:

(1) study contracts that are jointly sponsored by the Office and one or more other Federal agencies; and

(2) Federal interagency environmental projects (including task forces) in which the Office participates.

(b) Study contract or project initiative

Any study contract or project that is to be financed under subsection (a) may be initiated only with the approval of the Director.

(c) Regulations

The Director shall promulgate regulations setting forth policies and procedures for operation of the Fund.

§ 4381. Congressional statement of findings

The Congress finds that there is general agreement that air, water, and other common environmental pollution may be hazardous to the health of individuals resident in the United States, but that despite the existence of various research papers and other technical reports on the health hazards of such pollution, there is no authoritative source of information about:

(1) the nature and gravity of these hazards;

(2) the availability of medical and other assistance available to persons affected by such pollution, especially when such pollution reaches emergency levels;

(3) the measures, other than those relating solely to abatement of the pollution, that may be taken to avoid or reduce the effects of such pollution on the health of individuals.


§ 4393. Report to Congress by President

The President shall, within nine months of October 30, 1970, transmit to the Congress a report of the study and surveys required by section 4392 of this title, including:

(1) his conclusions regarding the nature and gravity of the hazards to human health and safety created by environmental pollution;

(2) his evaluation of the medical and other assistance available to persons affected by such pollution, especially when such pollution reaches emergency levels;

(3) his assessment of the measures, other than those relating solely to abatement of the pollution, that may be taken to avoid or reduce the effects of such pollution on the health of individuals;

(4) such legislative or other recommendations as he may deem appropriate.


§ 4394. Omitted

The President shall, immediately after, to supplement that report with such new data, evaluations, or recommendations as he may deem appropriate, terminated, effective May 15, 2000, pursuant to section 3603 of Pub. L. 104–66, as amended, set out as a note under section 1113 of Title 31, Money and Finance. See, also, item 6 on page 20 of House Document No. 103–7.

§ 4395. Authorization of appropriations

There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this chapter.


CHAPTER 58—DISASTER RELIEF

SUBCHAPTER I—GENERALLY


§ 4401. Repeal of sections 4401 and 4402 effective Apr. 1, 1974.

Section, Pub. L. 93–288, title VII, § 703, formerly set out as a note under section 603 of Pub. L. 91–606, which enacted this chapter, amended section 1926 of Title 7, Agriculture, section 1706c, 1709, and 1715 of Title 12, Banks and Banking, sections...
of a major disaster and not expended on Dec. 31, 1970, may be used by the state to make payments to any person for reimbursement of expenses actually incurred by such person in the removal of debris from community areas, but not to exceed the amount that such expenses exceed the salvage value of such debris, or in otherwise carrying out the act of Sept. 30, 1960, or this chapter.

**REPORT TO CONGRESS; PROPOSALS FOR LEGISLATION**


**EXECUTIVE ORDER NO. 11526**

Ex. Ord. No. 11526, eff. Apr. 22, 1970, 35 F.R. 6659, which provided for establishment of National Council on Federal Disaster Assistance, was superseded by Ex. Ord. No. 11749, formerly set out below.

**EXECUTIVE ORDER NO. 11575**

Ex. Ord. No. 11575, eff. Dec. 31, 1970, 36 F.R. 37, which related to administration of this chapter, was superseded by Ex. Ord. No. 11749, formerly set out below.

**EXECUTIVE ORDER NO. 11749**


**SUBCHAPTER II—ADMINISTRATION OF DISASTER ASSISTANCE**


**Section 4411**


**Section 4412**


**Section 4413**


**EFFECTIVE DATE OF REPEAL**

Repeal effective Apr. 1, 1974, see section 605 of Pub. L. 93–288, formerly set out as an Effective Date note under section 5121 of this title.

**§ 4413a. Transferred**

**CODIFICATION**

Section, Pub. L. 92–383, title IV, § 406, Aug. 14, 1972, 86 Stat. 553, which related to Housing and Urban Development Disaster Assistance Fund, and which was enacted as part of the Department of Housing and Urban Development; Space, Science, Veterans’ and Certain Other Independent Agencies Appropriation Act, 1973, and not as part of the Disaster Relief Act of 1970, was transferred to section 3309 of this title.


---

241-1, 646, and 758 of Title 20, Education, sections 165, 5064, and 5078 of Title 26, Internal Revenue Code, section 1820 (now 3720) of Title 38, Veterans’ Benefits, and section 461 of former Title 40, Public Buildings, Property, and Works, repealed sections 1855 to 1855g, 1855aa, 1855aa note, 1855bb to 1855nn of this title, and amended provisions set out as notes under sections 4401 and 4434 of this title, and amended provisions set out as a note under section 1681 of Title 48, Territories and Insular Possessions, may be cited as the “Disaster Relief Act of 1970”.

**SAVINGS PROVISION**


**DELEGATION OF FUNCTIONS**


**REFERENCES TO DISASTER RELIEF ACT OF 1970**

Section 702(m), formerly section 602(m), of Pub. L. 93–288, as renumbered by Pub. L. 103–337, div. C, title XXXIV, § 4411(a)(1), (2), Oct. 5, 1994, 108 Stat. 3100, provided that: “Whenever reference is made in any provision of law (other than this Act [the Disaster Relief Act of 1974, see Short Title note set out under section 5121 of this title]), regulation rule, record, or documents of the United States to provisions of the Disaster Relief Act of 1970 (84 Stat. 1744) [see Short Title note above], repealed by this Act such reference shall be deemed to be a reference to the appropriate provision of this Act.”

**REFERENCES TO ACT OF SEPTEMBER 30, 1950**


**AVAILABILITY OF FUNDS APPROPRIATED UNDER THIS CHAPTER FOR USE UNDER CHAPTER 68**

Section 704, formerly section 604, of Pub. L. 93–288, as renumbered by Pub. L. 103–337, div. C, title XXXIV, § 4411(a)(1), (2), Oct. 5, 1994, 108 Stat. 3100, provided that: “Funds heretofore appropriated and available under Public Laws 91–606, as amended (this chapter), and 92–385 (amending section 4451 of this title and sections 633 and 636 of Title 15, Commerce and Trade, repealing section 1969 of Title 7, Agriculture, enacting provisions set out as notes under section 4201 of this title and section 636 of Title 15) shall continue to be available for the purpose of providing assistance under those Acts as well as for the purposes of this Act [see Short Title note set out under section 5121 of this title].”

**USE OF FUNDS ALLOCATED BEFORE DECEMBER 31, 1970**


Effective Date of Repeal
Repeal effective Apr. 1, 1974, see section 605 of Pub. L. 93–288, formerly set out as an Effective Date note under section 5121 of this title.


Effective Date of Repeal
Repeal effective Apr. 1, 1974, see section 605 of Pub. L. 93–288, formerly set out as an Effective Date note under section 5121 of this title.

§ 4451. Transferred
Codification


§§ 4453 to 4456. Transferred
Codification
Section 4453, Pub. L. 91–606, title II, §234, Dec. 31, 1970, 84 Stat. 1754, which related to disaster loan interest rates, was transferred to section 636b of Title 15, Commerce and Trade.

Section 4454, Pub. L. 91–606, title II, §235, Dec. 31, 1970, 84 Stat. 1754, which related to prohibition on consideration of age of applicant for disaster loans, was transferred to section 636c of Title 15.

Section 4455(a), Pub. L. 91–606, title II, §236(a), Dec. 31, 1970, 84 Stat. 1754, which related to authority of the Secretary of Agriculture to reschedule and refinance Federal loans under the Rural Electrification Administration, was transferred to section 912a of Title 7, Agriculture.

Section 4455(b), Pub. L. 91–606, title II, §236(b), Dec. 31, 1970, 84 Stat. 1754, which related to authority of the Secretary of Housing and Urban Development to reschedule and refinance Federal loans, was transferred to section 3538 of this title.

Section 4456, Pub. L. 91–606, title II, §237, Dec. 31, 1970, 84 Stat. 1754, which related to disaster aid to major sources of employment, was transferred to section 636d of Title 15, Commerce and Trade.


Section 4457, Pub. L. 91–606, title II, §238, Dec. 31, 1970, 84 Stat. 1755, related to small business disaster loans, was transferred to section 636a of Title 15, Commerce and Trade.


Effective Date of Repeal
Repeal effective Apr. 1, 1974, see section 605 of Pub. L. 93–288, formerly set out as an Effective Date note under section 5121 of this title.


Section 4482, Pub. L. 91–606, title II, §252, Dec. 31, 1970, 84 Stat. 1757, related to small business disaster loans, was transferred to section 636a of Title 15, Commerce and Trade, and subsequently repealed.


Effective Date of Repeal
Repeal effective Apr. 1, 1974, see section 605 of Pub. L. 93–288, formerly set out as an Effective Date note under section 5121 of this title.

CHAPTER 59—NATIONAL URBAN POLICY AND NEW COMMUNITY DEVELOPMENT

Sec. 4901. Congressional statement of purpose.

PART A—DEVELOPMENT OF A NATIONAL URBAN POLICY

Sec. 4902. Congressional findings and declaration of policy.


PART B—DEVELOPMENT OF NEW COMMUNITIES

Sec. 4511 to 4524. Repealed.
§ 4501. Congressional statement of purpose

It is the policy of the Congress and the purpose of this chapter to provide for the development of a national urban policy and to encourage the rational, orderly, efficient, and economic growth, development, and redevelopment of our States, metropolitan areas, cities, counties, towns, and communities in predominantly rural areas which demonstrate a special potential for accelerated growth; to encourage the prudent use and conservation of energy and our natural resources; and to encourage and support development which will assure our communities and their residents of adequate tax bases, community services, job opportunities, and good housing in well-balanced neighborhoods in socially, economically, and physically attractive living environments.


REFERENCES IN TEXT

This chapter, referred to in text, was in the original “this title”, meaning title VII of Pub. L. 91–609, Dec. 31, 1970, 84 Stat. 1791, as amended, known as the Urban Growth and New Community Development Act of 1970, which enacted this chapter, amended sections 1453, 1460, and 1492 of this title, sections 371 and 1446 of Title 12, Banks and Banking, and section 461 of former Title 40, Public Buildings, Property, and Works, and enacted provisions set out as notes under sections 1453 and 4501 of this title. For complete classification of title VII to the Code, see Short Title note set out below and Tables.

AMENDMENTS

1977—Pub. L. 95–128 substituted “national urban policy” for “national urban growth policy”, encouraged prudent use and conservation of energy, and provided for the assurance of the residents of the communities, and of good housing.

SHORT TITLE

Section 701(a) of title VII of Pub. L. 91–609, as amended by Pub. L. 95–128, title VI, § 601(a)(1), Oct. 12, 1977, 91 Stat. 1142, provided that: “This title [enacting this chapter, amending sections 1453, 1460, and 1492, of this title, sections 371 and 1446 of Title 12, Banks and Banking, and section 461 of former Title 40, Public Buildings, Property, and Works, and enacting provisions set out as notes under section 1453 of this title] may be cited as the ‘National Urban Policy and New Community Development Act of 1970.’”

PART A—DEVELOPMENT OF A NATIONAL URBAN POLICY

§ 4502. Congressional findings and declaration of policy

(a) The Congress finds that rapid changes in patterns of urban settlement, including change in population distribution and economic bases of urban areas, have created an imbalance between the Nation’s needs and resources and seriously threaten our physical and social environment, and the financial viability of our cities, and that the economic and social development of the Nation, the proper conservation of our energy and other natural resources, and the achievement of satisfactory living standards depend upon the sound, orderly, and more balanced development of all areas of the Nation.

(b) The Congress further finds that Federal programs affect the location of population, economic growth, and the character of urban development; that such programs frequently conflict and result in undesirable and costly patterns of urban development and redevelopment which adversely affect the environment and wastefully use energy and other natural resources; and that existing and future programs must be interrelated and coordinated within a system of orderly development and established priorities consistent with a national urban policy.

(c) To promote the general welfare and properly apply the resources of the Federal Government in strengthening the economic and social health of all areas of the Nation and more adequately protect the physical environment and conserve energy and other natural resources, the Congress declares that the Federal Government, consistent with the responsibilities of State and local government and the private sector, must assume responsibility for the development of a national urban policy which shall incorporate social, economic, and other appropriate factors. Such policy shall serve as a guide in making specific decisions at the national level which affect the pattern of urban development and redevelopment and shall provide a framework for development of interstate, State, and local urban policy.

(d) The Congress further declares that the national urban policy should—

1. favor patterns of urbanization and economic development and stabilization which offer a range of alternative locations and encourage the wise and balanced use of physical and human resources in metropolitan and urban regions as well as in smaller urban places which have a potential for accelerated growth;

2. foster the continued economic strength of all parts of the United States, including central cities, suburbs, smaller communities, local neighborhoods, and rural areas;

3. encourage patterns of development and redevelopment which minimize disparities among States, regions, and cities;

4. treat comprehensively the problems of poverty and employment (including the erosion of tax bases, and the need for better community services and job opportunities) which are associated with disorderly urbanization and rural decline;

5. develop means to encourage good housing for all Americans without regard to race or creed;

6. refine the role of the Federal Government in revitalizing existing communities and encouraging planned, large-scale urban and new community development;

7. strengthen the capacity of general governmental institutions to contribute to balanced urban growth and stabilization; and

8. increase coordination among Federal programs that seek to promote job opportunities and skills, decent and affordable housing, public safety, access to health care, educational...
opportunities, and fiscal soundness for urban communities and their residents.


AMENDMENTS

1992—Subsec. (d)(8). Pub. L. 102–550 added par. (8) and struck out former par. (8) which read as follows: “facilitate increased coordination in the administration of Federal programs so as to encourage desirable patterns of urban development and redevelopment, encourage the prudent use of energy and other natural resources, and protect the physical environment.”

1984—Subsec. (d)(8), Pub. L. 98–479 struck out “of” before “the physical environment”.

1977—Subsec. (a). Pub. L. 95–128, §601(b)(1), substituted “rapid changes in patterns of urban settlement, including change in population distribution and economic bases of urban areas, have created” for “the rapid growth of urban population and uneven expansion of urban development in the United States, together with a decline in farm population, slower growth in rural areas, and migration to the cities, has created” and included the threat to “social” environment and the financial viability of our cities, and conservation of “energy”.

Subsec. (b). Pub. L. 95–128, §601(b)(2), included findings respecting costly urban redevelopment and wasteful use of energy and struck out “growth” after “national urban”.

Subsec. (c). Pub. L. 95–128, §601(b)(3), included conservation of “energy”, struck out “growth” after “nation urban” in first sentence and substituted in second sentence “urban development and redevelopment” for “urban growth” and “urban policy” for “growth and stabilization policy”.

Subsec. (d). Pub. L. 95–128, §601(b)(4)–(6), struck out “growth” before “policy” in introductory text; substituted in par. (3) “encourage patterns of development and redevelopment which minimize” for “help reverse trends of migration and physical growth which reinforce”; and in par. (8) substituted “urban development and redevelopment” for “urban growth and stabilization” and “protect” for “the protection” and required the national urban policy to “encourage” prudent use of resources, including “energy”.


(a) Transmittal to Congress; contents

The President shall transmit to the Congress, not later than June 1, 1983, and not later than the first day of June of every odd-numbered year thereafter, a Report on National Urban Policy which shall contribute to the formulation of such a policy, and in addition shall include—

(1) information, statistics, and significant trends relating to the pattern of urban development for the preceding two years;

(2) a summary of significant problems facing the United States as a result of urban trends and developments affecting the well-being of urban areas;

(3) an examination of the housing and related community development problems experienced by cities undergoing a growth rate which equals or exceeds the national average;

(4) an evaluation of the progress and effectiveness of Federal efforts designed to meet such problems and to carry out the national urban policy;

(5) an assessment of the policies and structure of existing and proposed interstate planning and developments affecting such policy;

(6) a review of State, local, and private policies, plans, and programs relevant to such policy;

(7) current and foreseeable needs in the areas served by policies, plans, and programs designed to carry out such policy, and the steps being taken to meet such needs; and

(8) recommendations for programs and policies for carrying out such policy, including legislative or administrative proposals—

(A) to promote coordination among Federal programs to assist urban areas;

(B) to enhance the fiscal capacity of financially distressed urban areas;

(C) to promote job opportunities in economically distressed urban areas and to enhance the job skills of residents of such areas;

(D) to generate decent and affordable housing;

(E) to reduce racial tensions and to combat racial and ethnic violence in urban areas;

(F) to combat urban drug abuse and drug-related crime and violence;

(G) to promote the delivery of health care to low-income communities in urban areas;

(H) to expand educational opportunities in urban areas; and

(I) to achieve the goals of the national urban policy.

(b) Supplementary reports

The President may transmit from time to time to the Congress supplementary reports on urban policy which shall include such supplementary and revised recommendations as may be appropriate.

(c) Advisory board

To assist in the preparation of the National Urban Policy Report and any supplementary reports, the President may establish an advisory board, or seek the advice from time to time of temporary advisory boards, the members of whom shall be drawn from among private citizens familiar with the problems of urban areas and from among Federal officials, Governors of States, mayors, county officials, members of State and local legislative bodies, and others qualified to assist in the preparation of such reports.

(d) Referral

The National Urban Policy Report shall, when transmitted to Congress, be referred in the Senate to the Committee on Banking, Housing, and Urban Affairs, and in the House of Representatives to the Committee on Banking, Finance and Urban Affairs.


AMENDMENTS

Sections 4511 to 4524


The new communities program was liquidated and its assets and liabilities transferred pursuant to sections 1701g–5a and 1701g–5b of Title 12, Banks and Banking.


SAVINGS PROVISION

Pub. L. 98–181, title I [title IV, § 474(a)] and (e), Nov. 30, 1983, 97 Stat. 1239, provided in part that: ‘‘Section 717 of title VII [§ 42 U.S.C. 4518] shall remain in effect until completion of the transfer required in title I of the Department of Housing and Urban Development-Independent Agencies Appropriation Act, 1984 [12 U.S.C. 1701g–5a].’’ Any actions taken, prior to repeal, under the authority of sections 4511 to 4524 and 4529 to 4532 of this title to continue to be valid, with nothing in the repeal impairing the validity of any guarantees which have been made pursuant to this chapter and with such guarantees continuing to be governed by the provisions of this chapter, as it existed immediately before November 30, 1983, see section 474(e) of Pub. L. 98–181, set out in part as a note under section 3901 of this title.
§ 4525. Real property taxation

Nothing in this part shall be construed to exempt any real property that may be acquired and held by the Secretary as a result of the exercise of lien or subrogation rights from real property taxation to the same extent, according to its value, as other real property is taxed.


§ 4526. Audit by Government Accountability Office

Insofar as they relate to any guarantees, loans, or grants made pursuant to this part, the financial transactions of recipients of Federal assistance may be audited by the Government Accountability Office under such rules and regulations as may be prescribed by the Comptroller General of the United States. The representatives of the Government Accountability Office shall have access to all books, accounts, records, reports, files and all other papers, things, or property belonging to or in use by such representatives pertaining to such financial transactions and necessary to facilitate the audit.


AMENDMENTS


§ 4527. General powers of Secretary

In the performance of, and with respect to, the functions, powers, and duties vested in him by this part, the Secretary, in addition to any authority otherwise vested in him, shall—

1. have the functions, powers, and duties (including the authority to issue rules and regulations) set forth in section 1749a, except subsections (c)(2), (e)(i), (d), and (f), of title 12: Provided, That subsection (a)(1) of section 1749a of title 12 shall not apply with respect to functions, powers, and duties under section 4520 of this title;

2. have the power, notwithstanding any other provision of law, in connection with any assistance under this part, whether before or after any default, to provide by contract for the extinguishment upon default of any recompense, equitable, legal, or other right, title, or interest of the private new community developer or State land development agency in any mortgage, deed, trust, or other instrument held by or on behalf of the Secretary for the protection of the security interests of the United States; and

3. have the power to foreclose on any property or commence any action to protect or enforce any right conferred upon him by law, contract, or other agreement, and bid for and purchase at any foreclosure or other sale any property in connection with which he has provided assistance pursuant to this part. In the event of any such acquisition, the Secretary may, notwithstanding any other provision of law relating to the acquisition, handling, or disposal of real property by the United States, complete, administer, remodel and convert, dispose of, lease, and otherwise deal with, such property. Notwithstanding any other provision of law, the Secretary shall also have power to pursue to final collection by way of compromise or otherwise all claims acquired by him in connection with any security, subrogation, or other rights obtained by him in administering this part.


REFERENCES IN TEXT


Section 4530, Pub. L. 91–609, title VII, § 727(g), Dec. 31, 1970, 84 Stat. 1803, directed that the interest paid on obligations issued by State land development agencies be included as gross income for purposes of chapter 1 of title 26.


CHAPTER 60—COMPREHENSIVE ALCOHOL ABUSE AND ALCOHOLISM PREVENTION, TREATMENT, AND REHABILITATION PROGRAM

Sec. 4541. Congressional findings and declaration of purpose.

4542. Congressional declaration for utilization of programs under other Federal laws in fields of health and social services.

SUBCHAPTER I—NATIONAL INSTITUTE ON, AND INTERAGENCY COMMITTEE ON FEDERAL ACTIVITIES FOR, ALCOHOL ABUSE AND ALCOHOLISM; REPORTS AND RECOMMENDATIONS

4551 to 4553. Repealed or Transferred.

SUBCHAPTER II—ALCOHOL ABUSE AND ALCOHOLISM PREVENTION, TREATMENT, AND REHABILITATION PROGRAMS FOR GOVERNMENT AND OTHER EMPLOYEES

4561. Transferred.
§ 4541. Congressional findings and declaration of purpose

(a) The Congress finds that—

1. Alcohol is one of the most dangerous drugs and the drug most frequently abused in the United States;
2. Approximately ten million, or 7 percent, of the adults in the United States are alcoholics or problem drinkers;
3. It is estimated that alcoholism and other alcohol related problems cost the United States over $43,000,000,000 annually in lost production, medical and public assistance expenditures, police and court costs, and motor vehicle and other accidents;
4. Alcohol abuse is found with increasing frequency among persons who are multiple drug abusers and among former heroin users who are being treated in methadone maintenance programs;
5. Alcohol abuse is being discovered among growing numbers of youth;
6. Alcohol abuse and alcoholism have a substantial impact on the families of alcohol abusers and alcoholics and contributes to domestic violence;
7. Alcohol abuse and alcoholism, together with abuse of other legal and illegal drugs, present a need for prevention and intervention programs designed to reach the general population and members of high risk populations such as youth, women, the elderly, and families of alcohol abusers and alcoholics; and
8. Alcoholism is an illness requiring treatment and rehabilitation through the assistance of a broad range of community health and social services and with the cooperation of law enforcement agencies, employers, employee associations, and associations of concerned individuals.

(b) It is the policy of the United States and the purpose of this chapter to approach alcohol abuse and alcoholism from a comprehensive community care standpoint, and to meet the problems of alcohol abuse and alcoholism through—

1. Comprehensive Federal, State, and local planning for, and effective use of, Federal assistance to States, and direct Federal assistance to community-based programs to meet the urgent needs of special populations, in coordination with all other governmental and nongovernmental sources of assistance;
2. The development of methods for diverting problem drinkers from criminal justice systems into prevention and treatment programs;
3. The development and encouragement of prevention programs designed to combat the spread of alcoholism, alcohol abuse, and abuse of other legal and illegal drugs;
4. The development and encouragement of effective occupational prevention and treatment programs within government and in cooperation with the private sector; and
5. Increased Federal commitment to research into the behavioral and biomedical etiology of, the treatment of, and the mental and physical health and social and economic consequences of, alcohol abuse and alcoholism.


REFERENCES IN TEXT

This chapter, referred to in subsec. (b), was in the original "this Act", meaning Pub. L. 91–616, Dec. 31, 1970, 84 Stat. 1848, known as the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970. For complete classification of this Act to the Code, see Short Title note below and Tables.

Amendments

1980—Subsec. (a)(2). Pub. L. 96–180, §2(a), substituted current findings of number of alcoholics or problem drinkers in the country (approximately ten million or 7 percent of the adults) for 1974 findings of number of alcohol abusers and alcoholics of estimated number of ninety-five million drinkers in the Nation (minimum of nine million or 3% of the adults).

Subsec. (a)(3). Pub. L. 96–180, §2(a), substituted current findings respecting annual cost of over $43,000,000,000 for the United States for alcoholism and other related problems in lost production, motor vehicle and other accidents, and other items, for 1974 findings respecting minimum annual problem drinking costs of $15,000,000 to the national economy in lost working time and identical other items.


Subsec. (a)(8). Pub. L. 96–180, §2(b)(2), redesignated former par. (7) as (8) and enlisted cooperation of employers, employees associations, and associations of concerned individuals in treatment and rehabilitation of alcoholics.

Subsec. (b)(2). Pub. L. 96–180, §2(c)(1), struck out “and” at end.

Subsec. (b)(3) to (5). Pub. L. 96–180, §2(c)(3), added pars. (3) and (4) and redesignated former par. (3) as (5).


commitment to research into the behavioral and biomedical etiology of alcohol abuse and alcoholism and the treatment and consequences of alcohol abuse and alcoholism.

Short Title of 1980 Amendment

Pub. L. 96–180, §1(a), Jan. 2, 1980, 93 Stat. 1301, provided that: "This Act [enacting section 4594, amending this section and sections 4551 to 4553, 4561 to 4573, 4576 to 4578, 4585, 4587, and 4588 of this title, and enacting provisions set out as notes under this section and section 4562 of this title] may be cited as the 'Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act Amendments of 1979'." 

Short Title of 1976 Amendment

Pub. L. 94–371, §1, July 26, 1976, 90 Stat. 1035, provided that: "This Act [enacting this chapter and section 2688t of this title] may be cited as the 'Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act Amendments of 1974'."

Short Title

Pub. L. 91–616, §1, Dec. 31, 1970, 84 Stat. 1889, provided that: "This Act [enacting this chapter and section 2688–2 of this title and amending sections 218, 246, 2688h and 2888t of this title] may be cited as the 'Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970'." 

National Commission on Alcoholism and other Alcohol-related Problems: Establishment; Executive Secretary; Interim and Final Reports of Study; Termination; Authorization of Appropriations


There is established a Commission to be known as the National Commission on Alcoholism and Other Alcohol-Related Problems (hereinafter in this section referred to as 'the Commission'). The Commission shall be composed of—

"(A) four Members of the Senate appointed by the President of the Senate upon the recommendation of the majority and minority leaders;

"(B) four Members of the House of Representatives appointed by the Speaker of the House of Representatives upon the recommendation of the majority and minority leaders;

"(C) nine public members appointed by the President; and

"(D) not more than four nonvoting members appointed by the President from individuals employed in the administration of programs of the Federal Government which affect the prevention and treatment of alcoholism and the rehabilitation of alcoholics and alcohol abusers.

"At no time shall more than two members appointed under subparagraph (A), more than two of the members appointed under subparagraph (B), or more than five of the members appointed under subparagraph (C) be members of the same political party.

"(2)(A) The President shall designate one of the members of the Commission as Chairman, and one as Vice Chairman. Nine members of the Commission shall constitute a quorum, but a lesser number may conduct hearings. Members appointed under paragraph (1)(D) shall not be considered in determining a quorum of the Commission.

"(B) Members of the Commission shall serve without compensation, but shall be reimbursed for travel, subsistence, and other necessary expenses incurred in the performance of the duties vested in the Commission.

"(C) The Commission shall meet at the call of the Chairman or at the call of the majority of the members thereof.

"(3)(A) The Commission may appoint, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, an executive secretary to assist the Commission in carrying out its functions.

"(B) The Secretary shall provide the Commission with such additional professional and clerical staff, such information, and the services of such consultants as the Secretary determines necessary for the Commission to carry out effectively its functions.

"(C) The Commission may secure directly from any department or agency of the United States information necessary to enable it to carry out its duties under this Section. Upon request of the Chairman of the Commission, the head of such department or agency shall furnish such information to the Commission consistent with applicable laws and regulations with respect to the privacy of medical records.

"(b) The Commission shall conduct a study of alcoholism and alcohol-related problems and shall include in the study—

"(1) an assessment of unmet treatment and rehabilitation needs of alcoholics and their families;

"(2) an assessment of personnel needs in the fields of research, treatment, rehabilitation, and prevention;

"(3) an assessment of the integration and financing of alcoholism treatment and rehabilitation into health and social health care services within communities;

"(4) a study of the relationship of alcohol use to aggressive behavior and crime;

"(5) a study of the relationship of alcohol use to family violence;

"(6) a study of the relationship of alcoholism to illnesses, particularly those illnesses with a high stress component, among family members of alcoholics;

"(7) an evaluation of the effectiveness of prevention programs, including the relevance of alcohol control laws and regulations to alcoholism and alcohol-related problems;

"(8) a survey of the unmet research needs in the area of alcoholism and alcohol-related problems;

"(9) a survey of the prevalence of occupational alcoholism and alcohol abuse programs offered by Federal contractors; and

"(10) an evaluation of the needs of special and underserved population groups, including American Indians, Alaskan Natives, Native Hawaiians, Native American Pacific Islanders, youth, the elderly, women, and the handicapped and assess the adequacy of existing services to fulfill such needs.

"(c) The Commission shall submit to the President and the Congress such interim reports as it deems advisable and shall within two years after the date on which funds first become available to carry out this section submit to the President and the Congress a final report which shall contain a detailed statement of its findings and conclusions and also such recommendations for legislation and administrative actions as it deems appropriate. The Commission shall cease to exist sixty days after the final report is submitted under this subsection.

"(d) The Secretary of Health and Human Services shall be responsible for the coordination of the activities of the Commission.
"(e) There are authorized to be appropriated for the purposes of this section $1,000,000 to remain available until the expiration of the Commission."

§ 4542. Congressional declaration for utilization of programs under Federal laws in fields of health and social services

The Congress declares that, in addition to the programs under the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970 [42 U.S.C. 4541 et seq.], programs under other Federal laws which provide Federal or federally assisted research, prevention, treatment, or rehabilitation in the fields of health and social services should be appropriately utilized to help eradicate alcohol abuse and alcoholism as a major problem.

(Pub. L. 93–282, title I, §102(b), May 14, 1974, 88 Stat. 126.)

REFERENCES IN TEXT

The Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970, referred to in text, is Pub. L. 91–616, Dec. 31, 1970, 84 Stat. 1848, as amended, which is classified principally to this chapter (§4541 et seq.). For complete classification of this Act to the Code, see Short Title note set out under section 4541 of this title and Tables.

CODIFICATION

Section was not enacted as part of the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970 which comprises this chapter.

SUBCHAPTER I—NATIONAL INSTITUTE ON, AND INTERAGENCY COMMITTEE ON FEDERAL ACTIVITIES FOR, ALCOHOL ABUSE AND ALCOHOLISM; REPORTS AND RECOMMENDATIONS

§ 4551. Transferred

CODIFICATION


SUBCHAPTER II—ALCOHOL ABUSE AND ALCOHOLISM PREVENTION, TREATMENT, AND REHABILITATION PROGRAMS FOR GOVERNMENT AND OTHER EMPLOYEES

§ 4561. Transferred

CODIFICATION


SUBCHAPTER III—TECHNICAL ASSISTANCE AND FEDERAL GRANTS AND CONTRACTS

PART A—TECHNICAL ASSISTANCE

§ 4571. Transferred

CODIFICATION


PART B—IMPLEMENTATION AND PROJECT GRANTS AND CONTRACTS


§ 4577. Grants and contracts for demonstration of new and more effective drug and alcohol abuse prevention, treatment, and rehabilitation programs

(a) Projects and programs

The Secretary, acting through the Institute, may make grants to public and nonprofit private entities and may enter into contracts with public and private entities and with individuals—

1. to conduct demonstration and evaluation projects, with a high priority on prevention and early intervention projects in occupational and educational settings and on modified community living and work-care arrangements such as halfway houses, recovery homes, and supervised home care, and with particular emphasis on developing new and more effective alcohol abuse and alcoholism prevention, treatment, and rehabilitation programs,

2. to support projects of a demonstrable value in developing methods for the effective coordination of all alcoholism treatment, training, prevention, and research resources available within a health service area established under section 3001 of this title, and

3. to provide education and training, which may include additional training to enable treatment personnel to meet certification requirements of public or private accreditation or licensure, or requirements of third-party payors,

for the prevention and treatment of alcohol abuse and alcoholism and for the rehabilitation of alcohol abusers and alcoholics.

(b) Community participation

Projects and programs for which grants and contracts are made under this section shall (1) be responsive to special requirements of handicapped individuals in receiving such services; (2) whenever possible, be community based, seek in the case of prevention and treatment services to insure care of good quality in general community care facilities and under health insurance plans, and be integrated with, and provide for the active participation of, a wide range of public and nongovernmental agencies, organizations, institutions, and individuals; (3) where a substantial number of the individuals in the population served by the project or program are of limited English-speaking ability, utilize the services of outreach workers fluent in the language spoken by a predominant number of such individuals and develop a plan and make arrangements responsive to the needs of such population for providing services to the extent practicable in the language and cultural context most appropriate to such individuals, and identify an individual employed by the project or program, or who is available to the project or program on a full-time basis, who is fluent both in that language and English and whose responsibilities shall include providing guidance to the individuals of limited English speaking ability and to appropriate staff members with respect to cultural sensitivities and bridging linguistic and cultural differences; and (4) where appropriate utilize existing community resources (including community mental health centers).

(c) Application, coordination of applications in State, evaluation of projects and programs; review and recommendation by Council; criteria for approval; special consideration for underserved populations; authorization from chief executive officer required; maximum amount and duration of grants; applicant to provide proposed performance standards; drug abuse programs included

1. In administering this section, the Secretary shall require coordination of all applications for projects and programs in a State.

2. Each applicant from within a State, upon filing its application with the Secretary for a grant or contract under this section, shall submit a copy of its application for review by the State agency responsible for the administration of alcohol abuse and alcoholism prevention, treatment, and rehabilitation activities. Such State agency shall be given not more than thirty days from the date of receipt of the application to submit to the Secretary, in writing, an evaluation of the project or program set forth in the application. Such evaluation shall include comments on the relationship of the project to other projects and programs pending and approved and to any State comprehensive plan for treatment and prevention of alcohol abuse and alcoholism. The State shall furnish the applicant a copy of any such evaluation.

3. Except as provided in clause (i), each application for a grant under this section shall be submitted by the Secretary to the National Advisory Council on Alcohol Abuse and Alcoholism for its review. The Secretary may approve an application for a grant under this section only if it is recommended for approval by such Council.

4. Clause (i) shall not apply to an application for a grant under this section for a project or program for any period of 12 consecutive months for which period payments under such grant will be less than $250,000. If an application for a grant under this section for such project or program and for a period of time which includes such 12-month period has been submitted to, and approved by, the Secretary,

5. Approval of any application for a grant or contract by the Secretary, including the earmarking of financial assistance for a program or project, may be granted only if the application substantially meets a set of criteria established by the Secretary that—

6. (A) provides that the projects and programs for which assistance under this section is sought will be substantially administered by or under the supervision of the applicant;

7. (B) provides for such methods of administration as are necessary for the proper and efficient operation of such programs and projects; and

8. (C) provides for such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of and accounting for Federal funds paid to the applicant.

4. The Secretary shall encourage the submission of and give special consideration to applica-

1 See References in Text note below.
tions under this section for programs and projects aimed at underserved populations such as racial and ethnic minorities, Native Americans (including Native Hawaiians and Native American Pacific Islanders), youth, the elderly, women, handicapped individuals, public inebriates, and families of alcoholics.

(5)(A) No grant may be made under this section to a State or to any entity within the government of a State unless the grant application has been duly authorized by the chief executive officer of such State.

(B) No grant or contract may be made under this section for a period in excess of five years.

(C)(i) The amount of any grant or contract under this section may not exceed 100 per cent of the cost of carrying out the grant or contract in the first fiscal year for which the grant or contract is made under this section, 80 per cent of such cost in the second fiscal year for which the grant or contract is made under this section, 70 per cent of such cost in the third fiscal year for which the grant or contract is made under this section, and 60 per cent of such cost in each of the fourth and fifth fiscal years for which the grant or contract is made under this section.

(ii) For purposes of this subparagraph, no grant or contract shall be considered to have been made under this section for a fiscal year ending before September 30, 1981.

(6) Each applicant, upon filing its application with the Secretary for a grant or contract to provide prevention or treatment services, shall provide a proposed performance standard or standards to measure, or research protocol to determine, the effectiveness of such services.

(7) Nothing shall prevent the use of funds provided under this section for programs and projects aimed at the prevention, treatment, or rehabilitation of drug abuse as well as alcohol abuse and alcoholism.


(Pub. L. 95–83 substituted “it’s” for “his”.

1976—Subsec. (a). Pub. L. 94–371, §8(a), inserted provisions which authorized development of effective coordination of all alcoholism treatment resources available, emphasis in treatment projects of those of the population currently underserved, and, training of personnel to enable them to meet certification requirements of public and private accreditation.

(Pub. L. 94–371, §12(a), inserted provision that each grant application be submitted by the Secretary to the Council for review and could not be approved by the Secretary unless recommended for approval by the Council.


(Pub. L. 94–371, §12(b), July 26, 1976, 90 Stat. 1041, provided that: "The amendment made by subsection (a)
§ 4578. Authorizations of appropriations

For purposes of section 4577 of this title, there are authorized to be appropriated $85,000,000 for the fiscal year ending September 30, 1977, $91,000,000 for the fiscal year ending September 30, 1978, $102,500,000 for the fiscal year ending September 30, 1979, $102,500,000 for the fiscal year ending September 30, 1980, $115,000,000 for the fiscal year ending September 30, 1981, and $15,000,000 for the fiscal year ending September 30, 1982. Of the funds appropriated under this section for the fiscal year ending September 30, 1980, at least 8 percent of the funds shall be obligated for grants for projects, programs, and services to prevent (through outreach, intervention, and education) the occurrence of alcoholism and alcohol abuse; of the funds appropriated under this section for the next fiscal year at least 10 percent of the funds shall be obligated for such grants; and of the funds appropriated under this section for the fiscal year ending September 30, 1982, at least 25 percent of the funds shall be obligated for such grants.


AMENDMENTS


PART C—ADMISSION TO HOSPITALS AND OUTPATIENT FACILITIES; CONFIDENTIALITY OF RECORDS

CODIFICATION

Part consists of part C and portions of part D of title III of Pub. L. 91–616. Part B of such title enacted section 2688j–2 of this title. Part D, in addition to enacting section 4582 of this title, amended sections 246 and 2688h of this title.

§§ 4581, 4582. Transferred

CODIFICATION


SUBCHAPTER IV—RESEARCH

§§ 4585. Transferred

CODIFICATION


§§ 4586, 4587. Transferred

CODIFICATION


§§ 4587, 4588. Transferred

CODIFICATION


and alcoholism, was redesignated section 512 of the Public Health Service Act by Pub. L. 96–24, §2(b)(9), Apr. 26, 1983, 97 Stat. 179, and is classified to section 290b–2 of this title.


SUBCHAPTER V—GENERAL PROVISIONS

§ 4591. Separability

If any section, provision, or term of this chapter is adjudged invalid for any reason, such judgment shall not affect, impair, or invalidate any other section, provision, or term of this chapter, and the remaining sections, provisions, and terms shall be and remain in full force and effect.


REFERENCES IN TEXT

This chapter, referred to in text, was in the original “this Act”, meaning Pub. L. 91–616, Dec. 31, 1970, 84 Stat. 1848, known as the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970. For complete classification of this Act to the Code, see Short Title note set out under section 4541 of this title and Tables.

CODIFICATION

Pub. L. 94–371, § 7, July 26, 1976, 90 Stat. 1038, redesignated title V of Pub. L. 91–616, which was classified to subchapter IV of this chapter, as title VI without renumbering the sections therein. Section 502 of Pub. L. 91–616 was renumbered 602, as the probable intent of Congress.

§ 4592. Recordkeeping for audit

(a) Each recipient of assistance under this chapter pursuant to grants or contracts entered into under other than competitive bidding procedures shall keep such records as the Secretary shall prescribe, including records which fully disclose the amount and disposition by such recipient of the proceeds of such grant or contract, the total cost of the project or undertaking in connection with which such grant or contract is given or used, and the amount of that portion of the cost of the project or undertaking supplied by other sources, and such other records as will facilitate an effective audit.

(b) The Secretary and Comptroller General of the United States, or any of their duly authorized representatives, shall have access for the purpose of audit and examination to any books, documents, papers, and records of such recipients that are pertinent to the grants or contracts entered into under the provisions of this chapter under other than competitive bidding procedures.


REFERENCES IN TEXT

This chapter, referred to in text, was in the original “this Act”, meaning Pub. L. 91–616, Dec. 31, 1970, 84 Stat. 1848, known as the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970. For complete classification of this Act to the Code, see Short Title note set out under section 4541 of this title and Tables.

CODIFICATION

Pub. L. 94–371, § 7, July 26, 1976, 90 Stat. 1038, redesignated title V of Pub. L. 91–616, which was classified to subchapter IV of this chapter, as title VI without renumbering the sections therein. Section 502 of Pub. L. 91–616 was renumbered 602, as the probable intent of Congress.

§ 4593. Payments

Payments under this chapter may be made in advance or by way of reimbursement and in such installments as the Secretary may determine.


REFERENCES IN TEXT

This chapter, referred to in text, was in the original “this Act”, meaning Pub. L. 91–616, Dec. 31, 1970, 84 Stat. 1848, known as the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970. For complete classification of this Act to the Code, see Short Title note set out under section 4541 of this title and Tables.

CODIFICATION

Pub. L. 94–371, § 7, July 26, 1976, 90 Stat. 1038, redesignated title V of Pub. L. 91–616, which was classified to subchapter IV of this chapter, as title VI without renumbering the sections therein. Section 503 of Pub. L. 91–616 was renumbered 603, as the probable intent of Congress.

§ 4594. Contract authority in appropriation Acts

The authority of the Secretary to enter into contracts under this chapter shall be effective for any fiscal year only to such extent or in such amounts as are provided in advance by appropriation Acts.


REFERENCES IN TEXT

This chapter, referred to in text, was in the original “this Act”, meaning Pub. L. 91–616, Dec. 31, 1970, 84 Stat. 1848, known as the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment, and Rehabilitation Act of 1970. For complete classification of this Act to the Code, see Short Title note set out under section 4541 of this title and Tables.

CHAPTER 61—UNIFORM RELOCATION ASSISTANCE AND REAL PROPERTY ACQUISITION POLICIES FOR FEDERAL AND FEDERALLY ASSISTED PROGRAMS

SUBCHAPTER I—GENERAL PROVISIONS

Sec. 4601. Definitions.

4602. Effect upon property acquisition.

4603. Additional appropriations for moving costs, relocation benefits and other expenses incurred in acquisition of lands for National Park System; waiver of benefits.

4604. Certification.

4605. Displaced persons not eligible for assistance.

SUBCHAPTER II—UNIFORM RELOCATION ASSISTANCE

4621. Declaration of findings and policy.
Sec. 4622. Moving and related expenses.
4623. Replacement housing for homeowner; mortgage insurance.
4624. Replacement housing for tenants and certain others.
4625. Relocation planning, assistance coordination, and advisory services.
4626. Housing replacement by Federal agency as last resort.
4627. State required to furnish real property incident to Federal assistance (local cooperation).
4628. State acting as agent for Federal program.
4629. Public works programs and projects of District of Columbia government and Washington Metropolitan Area Transit Authority.
4630. Requirements for relocation payments and assistance of federally assisted program; assurances of availability of housing.
4631. Federal share of costs.
4632. Administration; relocation assistance in programs receiving Federal financial assistance.
4633. Duties of lead agency.
4634. Agency coordination.
4635. Planning and other preliminary expenses for additional housing.
4636. Payments not to be considered as income for revenue purposes or for eligibility for assistance under Social Security Act or other Federal law.
4637. Repealed.
4638. Transfers of surplus property.

SUBCHAPTER III—UNIFORM REAL PROPERTY ACQUISITION POLICY

§ 4651. Uniform policy on real property acquisition practices.
4652. Buildings, structures, and improvements.
4653. Expenses incidental to transfer of title to United States.
4654. Litigation expenses.
4655. Requirements for uniform land acquisition policies; payments of expenses incidental to transfer of real property to State; payment of litigation expenses in certain cases.

SUBCHAPTER I—GENERAL PROVISIONS

§ 4601. Definitions

As used in this chapter—

(1) The term "Federal agency" means any department, agency, or instrumentality in the executive branch of the Government, any wholly owned Government corporation, the Architect of the Capitol, the Federal Reserve banks and branches thereof, and any person who has the authority to acquire property by eminent domain under Federal law.

(2) The term "State" means any of the several States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, any territory or possession of the United States, the Trust Territory of the Pacific Islands, and any political subdivision thereof.

(3) The term "State agency" means any department, agency, or instrumentality of a State or of a political subdivision of a State, any department, agency, or instrumentality of 2 or more States or of 2 or more political subdivisions of a State or States, and any person who has the authority to acquire property by eminent domain under State law.

(4) The term "Federal financial assistance" means a grant, loan, or contribution provided by the United States, except any Federal guarantee or insurance, any interest reduction payment to an individual in connection with the purchase and occupancy of a residence by that individual, and any annual payment or capital loan to the District of Columbia.

(5) The term "person" means any individual, partnership, corporation, or association.

(6)(A) The term "displaced person" means, except as provided in subparagraph (B)—

(i) any person who moves from real property, or moves his personal property from real property—

(I) as a direct result of a written notice of intent to acquire or the acquisition of such real property in whole or in part for a program or project undertaken by a Federal agency or with Federal financial assistance; or

(II) on which such person is a residential tenant or conducts a small business, a farm operation, or a business defined in paragraph (7)(D), as a direct result of rehabilitation, demolition, or such other displacing activity as the lead agency may prescribe, under a program or project undertaken by a Federal agency or with Federal financial assistance in any case in which the head of the displacing agency determines that such displacement is permanent; and

(ii) solely for the purposes of sections 4622(a) and (b) and 4625 of this title, any person who moves from real property, or moves his personal property from real property—

(I) as a direct result of a written notice of intent to acquire or the acquisition of other real property, in whole or in part, on which such person conducts a business, in a farm operation, for a program or project undertaken by a Federal agency or with Federal financial assistance; or

(II) as a direct result of rehabilitation, demolition, or such other displacing activity as the lead agency may prescribe, under a program or project undertaken by a Federal agency or with Federal financial assistance where the head of the displacing agency determines that such displacement is permanent.

(B) The term "displaced person" does not include—

(i) a person who has been determined, according to criteria established by the head of the lead agency, to be either unlawful occupancy of the displacement dwelling or to have occupied such dwelling for the purpose of obtaining assistance under this chapter;

(ii) in any case in which the displacing agency acquires property for a program or project, any person (other than a person who was an occupant of such property at the time it was acquired) who occupies such property on a rental basis for a short term or a period subject to termination when the property is needed for the program or project.

(7) The term "business" means any lawful activity, excepting a farm operation, conducted primarily—
(A) for the purchase, sale, lease and rental of personal and real property, and for the manufacture, processing, or marketing of products, commodities, or any other personal property; (B) for the sale of services to the public; (C) by a nonprofit organization; or (D) solely for the purposes of section 4622 of this title, for assisting in the purchase, sale, resale, manufacture, processing, or marketing of products, commodities, personal property, or services by the erection and maintenance of an outdoor advertising display or displays, whether or not such display or displays are located on the premises on which any of the above activities are conducted.

(8) The term "farm operation" means any activity conducted solely or primarily for the production of one or more agricultural products or commodities, including timber, for sale or home use, and customarily producing such products or commodities in sufficient quantity to be capable of contributing materially to the operator's support.

(9) The term "mortgage" means such classes of liens as are commonly given to secure advances on, or the unpaid purchase price of, real property, under the laws of the State in which the real property is located, together with the cases instruments, if any, secured thereby.

(10) The term "comparable replacement dwelling" means any dwelling that is (A) decent, safe, and sanitary; (B) adequate in size to accommodate the occupants; (C) within the financial means of the displaced person; (D) functionally equivalent; (E) in an area not subject to unreasonable adverse environmental conditions; and (F) in a location generally not less desirable than the location of the displaced person's dwelling with respect to public utilities, facilities, services, and the displaced person's place of employment.

(11) The term "displacing agency" means any Federal agency carrying out a program or project, and any State, State agency, or person carrying out a program or project with Federal financial assistance, which causes a person to be a displaced person.

(12) The term "lead agency" means the Department of Transportation.

(13) The term "appraisal" means a written statement independently and impartially prepared by a qualified appraiser setting forth an opinion of defined value of an adequately described property as of a specific date, supported by the presentation and analysis of relevant market information.


REFERENCES IN TEXT

This chapter, referred to in introductory provision and par. (6)(b)(1), was in the original "this Act", meaning Pub. L. 91–646, Jan. 2, 1971, 84 Stat. 1894, known as the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out below and Tables.

AMENDMENTS

1987—Par. (1). Pub. L. 100–17, §402(a), amended par. (1) generally. Prior to amendment, par. (1) read as follows:

"The term 'Federal agency' means any department, agency, or instrumentality in the executive branch of the Government (except the National Capital Housing Authority), any wholly owned Government, agency, or instrumentality (except the District of Columbia Redevelopment Land Agency), and the Architect of the Capitol, the Federal Reserve banks and branches thereof.

Par. (3). Pub. L. 100–17, §402(b), amended par. (3) generally. Prior to amendment, par. (3) read as follows: "The term 'State agency' means the National Capital Housing Authority, the District of Columbia Redevelopment Land Agency, and any department, agency, or instrumentality of a State or of a political subdivision of a State, or any department, agency, or instrumentality of two or more States or of two or more political subdivisions of a State or States.

Par. (4). Pub. L. 100–17, §402(c), inserted "any interest reduction payment to an individual in connection with the purchase and occupancy of a residence by that individual." after "insurance".

Par. (6). Pub. L. 100–17, §402(d), amended par. (6) generally. Prior to amendment, par. (6) read as follows: "The term 'displaced person' means any person who, on or after January 2, 1971, moves from real property, or moves his personal property from real property, as a result of the acquisition of such real property, in whole or in part, or as the result of the written order of the acquiring agency to vacate real property, for a program or project undertaken by a Federal agency, or with Federal financial assistance; and only for the purposes of sections 4623(a) and (b) and 4625 of this title, as a result of the written order of the acquiring agency to vacate other real property, on which such person conducts a business or farm operation, for such program or project.

Par. (7)(D). Pub. L. 100–17, §405(f), substituted "section 4622" for "section 4622(a)".

Pars. (10) to (13). Pub. L. 100–17, §402(e), added paras. (10) to (13).

EFFECTIVE DATE OF 1987 AMENDMENT

Pub. L. 100–17, title IV, §418, Apr. 2, 1987, 101 Stat. 256, provided that: "The amendment made by section 412 of this title [amending section 4633 of this title] (to the extent such amendment prescribes authority to develop, publish, and issue regulations) shall take effect on the date of the enactment of this title [Apr. 2, 1987]. This title and the amendments made by this title [enacting section 4604 of this title, amending this section and sections 4621 to 4626, 4630, 4631, 4633, 4636, 4638, 4651, and 4655 of this title, repealing sections 4634 and 4637 of this title, and enacting provisions set out under this section] (other than the amendment made by section 412 to such extent) shall take effect on the effective date provided in such regulations but not later than 2 years after such date of enactment."

EFFECTIVE DATE

Pub. L. 91–646, title II, §221, Jan. 2, 1971, 84 Stat. 1904, provided that:

"(a) Except as provided in subsections (b) and (c) of this section, this Act and the amendments made by this Act [see Short Title note below] shall take effect on the date of its enactment [Jan. 2, 1971]."

"(b) Until July 1, 1972, sections 210 and 305 [sections 4630 and 4655 of this title] shall be applicable to a State only to the extent that such State is able under its laws to comply with such sections. After July 1, 1972, such sections [sections 4630 and 4655 of this title] shall be completely applicable to all States.

"(c) The repeal made by paragraphs (4) [repealing section 1606(b) of former Title 49, Transportation], (5) [repealing section 1460 of this title], (6) [repealing section 1415(7)(b)(iii) and (8) second sentence of this title], (8) [repealing section 3074 of this title], (9) [repealing section 3307(b), (c) of this title], (10) [repealing section 1465 of this title], (11) [repealing provisions set out as notes under sections 501 and 510 of Title 23, Highways], and (12) of section 220(a) of this title and
section 306 of title III [repealing sections 3071 to 3073 of this title, section 141 of Title 49, Transportation, repealing sections 1465 and 3071 to 3074 of this title, section 1728 of Title 42, Public Lands, and enacting provisions set out as notes under this section] may be cited as the 'Uniform Relocation Act Amendments of 1987.'

SHORT TITLE

Pub. L. 100–17, title IV, §401, Apr. 2, 1987, 101 Stat. 246, provided that: "This title [enacting section 4604 of this title, amending this section and sections 4621 to 4626, 4630, 4631, 4633, 4636, 4638, 4651, and 4655 of this title, repealing sections 4604 and 4637 of this title, and enacting provisions set out as a note under this section] may be cited as the 'Uniform Relocation Act Amendments of 1987.'"

SHORT TITLE OF 1987 AMENDMENT

Pub. L. 100–17, title IV, § 461, Apr. 2, 1987, 101 Stat. 246, provided that: "This title [enacting section 4604 of this title, amending this section and sections 4621 to 4626, 4630, 4631, 4633, 4636, 4638, 4651, and 4655 of this title, repealing sections 4604 and 4637 of this title, and enacting provisions set out as a note under this section] may be cited as the 'Uniform Relocation Act Amendments of 1987.'"

SHORT TITLE

Pub. L. 91–646, §1, Jan. 2, 1971, 84 Stat. 1849, provided: "That this Act [enacting this chapter, amending sections 141 and 301 to 307 of this title, enacting provisions set out as notes under sections 308 to 3070 of this title, section 1728 of Title 42, Public Lands, and enacting provisions set out as notes under this section and sections 4621 to 4651 of this title, and repealing provisions set out as notes under sections 501 and 510 of Title 42] may be cited as the 'Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970.'"

TERMINATION OF TRUST TERRITORY OF THE PACIFIC ISLANDS

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

WILLING SELLERS CONSIDERED DISPLACED PERSONS

Pub. L. 111–8, div. E, title I, Mar. 11, 2009, 123 Stat. 1247, provided that: "(a) In all instances where authorizations of appropriations for the acquisition of lands for the National Park System enacted prior to January 9, 1971, do not include provisions therefor, there are authorized to be appropriated such additional sums as may be necessary to provide for moving costs, relocation benefits, and other expenses incurred pursuant to the applicable provisions of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 4601 of this title and Tables.

§ 4603. Additional appropriations for moving costs, relocation benefits and other expenses incurred in acquisition of lands for National Park System; waiver of benefits

(a) In all instances where authorizations of appropriations for the acquisition of lands for the National Park System enacted prior to January 9, 1971, do not include provisions therefor, there are authorized to be appropriated such additional sums as may be necessary to provide for moving costs, relocation benefits, and other expenses incurred pursuant to the applicable provisions of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (Public Law 91–646; 84 Stat. 1894). There are also authorized to be appropriated not to exceed $8,400,000 in addition to those authorized in Public Law 92–272 (96 Stat. 120) to provide for such moving costs, relocation benefits, and other related expenses in connection with the acquisition of lands authorized by Public Law 92–272.

(b) Whenever an owner of property elects to retain a right of use and occupancy pursuant to any statute authorizing the acquisition of property for purposes of a unit of the National Park System, such owner shall be deemed to have waived any benefits under sections 4623, 4624, 4625, and 4626 of this title, and for the purposes...
of those sections such owner shall not be consid-
ered a displaced person as defined in section
4601(6) of this title.

Stat. 1448.)

REFERENCES IN TEXT

The Uniform Relocation Assistance and Real Prop-
erty Acquisition Policies Act of 1970, referred to in sub-
sec. (a), is Pub. L. 91–666, Jan. 2, 1971, 84 Stat. 1894,
which is classified principally to this chapter. For com-
plete classification of this Act to the Code, see Short
Title note set out under section 4601 of this title and
Tables.

Public Law 92–272, referred to in subsec. (a), is Pub.
L. 92–272, Apr. 11, 1972, 86 Stat. 120, which to the extent
classified to the Code, amended sections 284b, 428m,
L. 92–272, Apr. 11, 1972, 86 Stat. 120, which to the extent
section 450

cies Act of 1970 which comprises this chapter.

§ 4604. Certification

(a) Acceptance of State agency certification

Notwithstanding sections 4630 and 4655 of this
chapter, the head of a Federal agency may dis-
charge any of his responsibilities under this
chapter by accepting a certification by a State
agency that it will carry out such responsibility,
if the head of the lead agency determines that
such responsibility will be carried out in accord-
ance with State laws which will accomplish the
purpose and effect of this chapter.

(b) Promulgation of regulations; notice and com-
ment; consultation with local governments

(1) The head of the lead agency shall issue reg-
ulations to carry out this section.

(2) Repealed. Pub. L. 104–66, title I, §1121(f),

(3) Before making a determination regarding
any State law under subsection (a) of this sec-
tion, the head of the lead agency shall provide
interested parties with an opportunity for public
review and comment. In particular, the head of
the lead agency shall consult with interested
local general purpose governments within the
State on the effects of such State law on the
ability of local governments to carry out their
responsibilities under this chapter.

(c) Effect of noncompliance with certification or
with applicable law

(1) The head of a Federal agency may with-
hold his approval of any Federal financial assis-
tance to or contract or cooperative agreement with
any displacing agency found by the Federal
agency to have failed to comply with the laws
described in subsection (a) of this section.

(2) After consultation with the head of the
lead agency, the head of a Federal agency may
rescind his acceptance of any certification under
this section, in whole or in part, if the State
agency fails to comply with such certification or
with State law.

(Pub. L. 91–666, title I, §103, as added Pub. L.
amended Pub. L. 104–66, title I, §1121(f), Dec. 21,

REFERENCES IN TEXT

This chapter, referred to in subsecs. (a) and (b)(3), was
in the original “this Act”, meaning Pub. L. 91–666, Jan.
2, 1971, 84 Stat. 1894, known as the Uniform Reloca-
tion Assistance and Real Property Acquisition Policies Act
of 1970, which is classified principally to this chapter.

For complete classification of this Act to the Code, see
Short Title note set out under section 4601 of this title
and Tables.

AMENDMENTS

which read as follows: “The head of the lead agency
shall, in coordination with other Federal agencies,
monitor from time to time, and report biennially to the
Congress on, State agency implementation of this sec-
tion. A State agency shall make available any informa-
tion required for such purpose.”

EFFECTIVE DATE

Section effective on effective date provided in regula-
tions promulgated under section 4633 of this title (as
amended by section 412 of Pub. L. 100–17), but not later
than 2 years after Apr. 2, 1987, see section 418 of Pub.
L. 100–17, set out as an Effective Date of 1987 Amend-
ment note under section 4601 of this title.

§ 4605. Displaced persons not eligible for assist-
ance

(a) In general

Except as provided in subsection (c), a dis-
placed person shall not be eligible to receive re-
location payments or any other assistance under
this chapter if the displaced person is an alien
not lawfully present in the United States.

(b) Determinations of eligibility

(1) Promulgation of regulations

Not later than 1 year after November 21,
1997, after providing notice and an opportunity for public comment, the head of the lead agen-
cy shall promulgate regulations to carry out sub-
section (a).

(2) Contents of regulations

Regulations promulgated under paragraph
(1) shall—

(A) prescribe the processes, procedures,
and information that a displacing agency
must use in determining whether a displaced
person is an alien not lawfully present in the
United States;

(B) prohibit a displacing agency from dis-
criminating against any displaced person;

(C) ensure that each eligibility determina-
tion is fair and based on reliable informa-
tion; and

(D) prescribe standards for a displacing
agency to apply in making determinations
relating to exceptional and extremely un-
usual hardship under subsection (c).

(c) Exceptional and extremely unusual hardship

If a displacing agency determines by clear and
convincing evidence that a determination of the
ineligibility of a displaced person under sub-
section (a) would result in exceptional and ex-
tremely unusual hardship to an individual who
is the displaced person’s spouse, parent, or child
and who is a citizen of the United States or an
alien lawfully admitted for permanent residence in the United States, the displacing agency shall provide relocation payments and other assistance to the displaced person under this chapter if the displaced person would be eligible for the assistance but for subsection (a).

(d) Limitation on statutory construction

Nothing in this section affects any right available to a displaced person under any other provision of Federal or State law.


REFERENCES IN TEXT

This chapter, referred to in subsecs. (a) and (c), was in the original "this Act", meaning Pub. L. 91–466, Jan. 2, 1971, 84 Stat. 1894, known as the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 4601 of this title and Tables.

SUBCHAPTER II—UNIFORM RELOCATION ASSISTANCE

§ 4621. Declaration of findings and policy

(a) Findings

The Congress finds and declares that—

(1) displacement as a direct result of programs or projects undertaken by a Federal agency or with Federal financial assistance is caused by a number of activities, including rehabilitation, demolition, code enforcement, and acquisition;

(2) relocation assistance policies must provide for fair, uniform, and equitable treatment of all affected persons;

(3) the displacement of businesses often results in their closure;

(4) minimizing the adverse impact of displacement is essential to maintaining the economic and social well-being of communities; and

(5) implementation of this chapter has resulted in burdensome, inefficient, and inconsistent compliance requirements and procedures which will be improved by establishing a lead agency and allowing for State certification and implementation.

(b) Policy

This subchapter establishes a uniform policy for the fair and equitable treatment of persons displaced as a direct result of programs or projects undertaken by a Federal agency or with Federal financial assistance. The primary purpose of this subchapter is to ensure that such persons shall not suffer disproportionate injuries as a result of programs and projects designed for the benefit of the public as a whole and to minimize the hardship of displacement on such persons.

(c) Congressional intent

It is the intent of Congress that—

(1) Federal agencies shall carry out this subchapter in a manner which minimizes waste, fraud, and mismanagement and reduces unnecessary administrative costs borne by States and State agencies in providing relocation assistance;

(2) uniform procedures for the administration of relocation assistance shall, to the maximum extent feasible, assure that the unique circumstances of any displaced person are taken into account and that persons in essentially similar circumstances are accorded equal treatment under this chapter;

(3) the improvement of housing conditions of economically disadvantaged persons under this subchapter shall be undertaken, to the maximum extent feasible, in coordination with existing Federal, State, and local governmental programs for accomplishing such goals; and

(4) the policies and procedures of this chapter will be administered in a manner which is consistent with fair housing requirements and which assures all persons their rights under title VIII of the Act of April 11, 1968 (Public Law 90–284), commonly known as the Civil Rights Act of 1968 [42 U.S.C. 3601 et seq.], and title VI of the Civil Rights Act of 1964 [42 U.S.C. 2000d et seq.].


REFERENCES IN TEXT

This chapter, referred to in subsecs. (a)(5) and (c)(2), (4), was in the original "this Act", meaning Pub. L. 91–466, Jan. 2, 1971, 84 Stat. 1894, known as the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 4601 of this title and Tables. This subchapter, referred to in subsecs. (b) and (c)(1), (3), was in the original "this title", meaning title II of Pub. L. 91–466, Jan. 2, 1971, 84 Stat. 1895, which is classified principally to this subchapter. For complete classification of title II to the Code, see Tables. Title VIII of the Act of April 11, 1968 (Public Law 90–284), commonly known as the Civil Rights Act of 1968, referred to in subsec. (c)(4), is title VIII of Pub. L. 90–284, Apr. 11, 1968, 82 Stat. 281, known as the Fair Housing Act, which is classified principally to subchapter I (§3601 et seq.) of chapter 45 of this title. For complete classification of this Act to the Code, see Short Title note set out under section 3601 of this title and Tables. The Civil Rights Act of 1964, referred to in subsec. (c)(4), is Pub. L. 88–352, July 2, 1964, 78 Stat. 241. Title VI of the Civil Rights Act of 1964 is classified generally to subchapter V (§2000d et seq.) of chapter 21 of this title. For complete classification of this Act to the Code, see Short Title note set out under section 2000a of this title and Tables.

AMENDMENTS

1987—Pub. L. 100–17 substituted "Declaration of findings and policy" for "Declaration of policy" in section catchline and amended text generally. Prior to amendment, text read as follows: "The purpose of this subchapter is to establish a uniform policy for the fair and equitable treatment of persons displaced as a result of Federal and federally assisted programs in order that such persons shall not suffer disproportionate injuries as a result of programs designed for the benefit of the public as a whole."

Effective Date of 1987 Amendment

Amendment by Pub. L. 100–17 effective on effective date provided in regulations promulgated under section 4633 of this title (as amended by section 412 of Pub. L. 100–17), but not later than 2 years after Apr. 2, 1987, see section 418 of Pub. L. 100–17, set out as a note under section 4601 of this title.
Savings Provision

Pub. L. 91–646, title II, §220(b), Jan. 2, 1971, 84 Stat. 1903, provided that: “Any rights or liabilities now existing under prior Acts or portions thereof shall not be affected by the repeal of such prior Acts or portions thereof under subsection (a) of this section (repealing sections 1415(7)(b)(ii), (8) second sentence, 1465, 2473(b)(14), 3074, and 3307(b), (c) of this title, section 2680 of Title 10, Armed Forces, sections 501 to 512 of Title 23, Highways, sections 1231 to 1234 of Title 43, Public Lands, and section 1606(b) of former Title 49, Transportation, and provisions set out as notes under sections 501 and 511 of Title 23).”

§ 4622. Moving and related expenses

(a) General provision

Whenever a program or project to be undertaken by a displacing agency will result in the displacement of any person, the head of the displacing agency shall provide for the payment to the displaced person of—

(1) actual reasonable expenses in moving himself, his family, business, farm operation, or other personal property;

(2) actual direct losses of tangible personal property as a result of moving or discontinuing a business or farm operation, but not to exceed an amount equal to the reasonable expenses that would have been required to relocate such property, as determined by the head of the agency;

(3) actual reasonable expenses in searching for a replacement business or farm; and

(4) actual reasonable expenses necessary to reestablish a displaced farm, nonprofit organization, or small business at its new site, but not to exceed $25,000, as adjusted by regulation, in accordance with section 4633(d) of this title.

(b) Displacement from dwelling; election of payments: expense and dislocation allowance

Any displaced person eligible for payments under subsection (a) of this section who is displaced from a dwelling and who elects to accept the payments authorized by this subsection in lieu of the payments authorized by subsection (a) of this section may receive an expense and dislocation allowance, which shall be determined according to a schedule established by the head of the lead agency.

(c) Displacement from business or farm operation; election of payments; minimum and maximum amounts; eligibility

Any displaced person eligible for payments under subsection (a) of this section who is displaced from the person’s place of business or farm operation and who is eligible under criteria established by the head of the lead agency may elect to accept the payment authorized by this subsection in lieu of the payment authorized by subsection (a) of this section. Such payment shall consist of a fixed payment in an amount to be determined according to criteria established by the head of the lead agency, except that such payment shall not be less than $1,000 nor more than $40,000, as adjusted by regulation, in accordance with section 4633(d) of this title. A person whose sole business at the displacement dwelling is the rental of such property to others shall not qualify for a payment under this subsection.

(d) Certain utility relocation expenses

(1) Except as otherwise provided by Federal law—

(A) if a program or project (i) which is undertaken by a displacing agency, and (ii) the purpose of which is not to relocate or reconstruct any utility facility, results in the relocation of a utility facility;

(B) if the owner of the utility facility which is being relocated under such program or project has entered into, with the State or local government on whose property, easement, or right-of-way such facility is located, a franchise or similar agreement with respect to the use of such property, easement, or right-of-way; and

(C) if the relocation of such facility results in such owner incurring an extraordinary cost in connection with such relocation;

the displacing agency may, in accordance with such regulations as the head of the lead agency may issue, provide to such owner a relocation payment which may not exceed the amount of such extraordinary cost (less any increase in the value of the new utility facility above the value of the old utility facility and less any salvage value derived from the old utility facility).

(2) For purposes of this subsection, the term—

(A) “extraordinary cost in connection with a relocation” means any cost incurred by the owner of a utility facility in connection with relocation of such facility which is determined by the head of the displacing agency, under such regulations as the head of the lead agency shall issue—

(i) to be a non-routine relocation expense;

(ii) to be a cost such owner ordinarily does not include in its annual budget as an expense of operation; and

(iii) to meet such other requirements as the lead agency may prescribe in such regulations; and

(B) “utility facility” means—

(i) any electric, gas, water, steam power, or materials transmission or distribution system;

(ii) any transportation system;

(iii) any communications system (including cable television); and

(iv) any fixtures, equipment, or other property associated with the operation, maintenance, or repair of any such system;

located on property which is owned by a State or local government or over which a State or local government has an easement or right-of-way. A utility facility may be publicly, privately, or cooperatively owned.


Amendments

2012—Subsec. (a)(4). Pub. L. 112–141, §1521(a)(1), substituted “$25,000, as adjusted by regulation, in accordance with section 4633(d) of this title” for “$10,000.”

Subsec. (c). Pub. L. 112–141, §1521(a)(2), substituted “$40,000, as adjusted by regulation, in accordance with section 4633(d) of this title” for “$20,000” in second sentence.
1867—Subsec. (a). Pub. L. 100–17, § 405(a)(1), inserted introductory provisions and struck out former introductory provisions which read as follows: “Whenever the acquisition of real property for a program or project undertaken by a Federal agency in any State will result in the displacement of any person on or after January 2, 1971, the head of such agency shall make a payment to any displaced person, upon proper application as approved by such agency head, for—”


Subsec. (b), Pub. L. 100–17, § 405(b), substituted “an expense and dislocation allowance, which shall be determined according to a schedule established by the head of the lead agency” for “a moving expense allowance, determined according to a schedule established by the head of the Federal agency, not to exceed $300; and a dislocation allowance of $200”.

Subsec. (c). Pub. L. 100–17, § 405(c), amended subsec. (c) generally. Prior to amendment, subsec. (c) read as follows: “Any displaced person eligible for payments under subsection (a) of this section who is displaced from his place of business or from his farm operation and who elects to accept the payment authorized by this subsection in lieu of the payment authorized by subsection (a) of this section, may receive a fixed payment in an amount equal to the average annual net earnings of the business or farm operation, except that such payment shall be not less than $2,500 nor more than $10,000. In the case of a business no payment shall be made under this subsection unless the head of the Federal agency is satisfied that the business cannot be relocated without a substantial loss of its existing patronage, and (2) is not a part of a commercial enterprise having at least one other establishment not being acquired by the United States, which is engaged in the same or similar business. For purposes of this subsection, the term ‘average annual net earnings’ means one-half of any net earnings of the business or farm operation, before Federal, State, and local income taxes, during the two taxable years immediately preceding the taxable year in which such business or farm operation moves from the real property acquired for such project, or during such other period as the head of such agency determines to be more equitable for establishing such earnings, and includes any compensation paid by the business or farm operation to the owner, his spouse, or his dependents during such period.”

Subsec. (d). Pub. L. 100–17, § 405(d), added subsec. (d).

**Effective Date of 2012 Amendment**

Amendment by Pub. L. 112–141 effective 2 years after the date of enactment of Pub. L. 112–141, see section 1521(g) of Pub. L. 112–141, set out as a note under section 1521 of Title 23, Highways.

**Effective Date of 1987 Amendment**

Amendment by Pub. L. 100–17 effective on effective date provided in regulations promulgated under section 4625 of this title (as amended by section 412 of Pub. L. 100–17), but not later than 2 years after Apr. 2, 1987, see section 418 of Pub. L. 100–17, set out as a note under section 4625 of this title.

### §4623. Replacement housing for homeowner; mortgage insurance

(a)(1) In addition to payments otherwise authorized by this subchapter, the head of the displacing agency shall make an additional payment not in excess of $31,000, as adjusted by regulation, in accordance with 4633(d) of this title, to any displaced person who is displaced from a dwelling actually owned and occupied by such displaced person for not less than 90 days before the initiation of negotiations for the acquisition of the property. Such additional payment shall include the following elements:

(A) The amount, if any, which when added to the acquisition cost of the dwelling acquired by the displacing agency, equals the reasonable cost of a comparable replacement dwelling.

(B) The amount, if any, which will compensate such displaced person for any increased interest costs and other debt service costs which such person is required to pay for financing the acquisition of any such comparable replacement dwelling.

(C) Reasonable expenses incurred by such displaced person for evidence of title, recording fees, and other closing costs incident to the purchase of the replacement dwelling, but not including prepaid expenses.

(2) The additional payment authorized by this section shall be made only to a displaced person who purchases and occupies a decent, safe, and sanitary replacement dwelling within 1 year after the date on which such person receives final payment from the displacing agency for the acquired dwelling or the date on which the displacing agency’s obligation under section 4625(c)(3) of this title is met, whichever is later, except that the displacing agency may extend such period for good cause. If such period is extended, the payment under this section shall be based on the costs of relocating the person to a comparable replacement dwelling within 1 year of such date.

(b) The head of any Federal agency may, upon application by a mortgagee, insure any mortgage (including advances during construction) on a comparable replacement dwelling executed by a displaced person assisted under this section, which mortgage is eligible for insurance under any Federal law administered by such agency notwithstanding any requirements under such law relating to age, physical condition, or other personal characteristics of eligible mortgagees, and may make commitments for the insurance of such mortgage prior to the date of execution of the mortgage.


**AMENDMENTS**

2012—Subsec. (a)(1). Pub. L. 112–141, in first sentence, substituted “$31,000, as adjusted by regulation, in accordance with 4633(d) of this title,” for “$32,500” and “90 days before” for “‘one hundred and eighty days prior to’.

1987—Subsec. (a)(1). Pub. L. 100–17, § 406(1)–(3), substituted “displacing agency” for “Federal agency” and “$22,500” for “$15,000” in introductory provisions, and in subpar. (A) “acquired by the displacing agency” for “acquired by the Federal agency,” and substituted “‘two hundred and fifty days before’” for “‘one hundred and eighty days prior to’.

*So in original. Probably should be preceded by “section”.*
§ 4624. Replacement housing for tenants and certain others

(a) In addition to amounts otherwise authorized by this subchapter, the head of a displacing agency shall make a payment to or for any displaced person displaced from any dwelling not eligible to receive a payment under section 4623 of this title which dwelling was actually and lawfully occupied by such displaced person for not less than 90 days immediately prior to (1) the initiation of negotiations for acquisition of such dwelling, or (2) in any case in which displacement is not a direct result of acquisition, such other event as the head of the lead agency shall prescribe. Such payment shall consist of the amount necessary to enable such person to lease or rent for a period not to exceed 42 months, a comparable replacement dwelling, but not to exceed $7,200, as adjusted by regulation, in accordance with section 4633(d) of this title. At the discretion of the head of the displacing agency, a payment under this subsection may be made in periodic installments. Computation of a payment under this subsection to a low-income displaced person for a comparable replacement dwelling shall take into account such person’s income.

(b) Any person eligible for a payment under subsection (a) of this section may elect to apply such payment to a down payment on, and other incidental expenses pursuant to, the purchase of a decent, safe, and sanitary replacement dwelling. Any such person may, at the discretion of the head of the displacing agency, be eligible under this subsection for the maximum payment allowed under subsection (a).

(1) and (2).

Amendments

2012—Subsec. (a). Pub. L. 112–141, § 1521(c)(1), in second sentence, substituted “$7,200, as adjusted by regulation, in accordance with section 4633(d) of this title” for “$5,250”.

Subsec. (b). Pub. L. 112–141, § 1521(c)(2), substituted period at end of second sentence for “; except that, in the case of a displaced homeowner who has owned and occupied the displacement dwelling for at least 90 days but not more than 180 days immediately prior to the initiation of negotiations for the acquisition of such dwelling, such payment shall not exceed the payment such person would otherwise have received under section 4623(a) of this title had the person owned and occupied the displacement dwelling 180 days immediately prior to the initiation of such negotiations.”

1987—Pub. L. 100–17 amended section generally, revising and restating as subsec. (a) and (b) provisions formerly contained in introductory provisions and in pars. (1) and (2).

Effective Date of 2012 Amendment

Amendment by Pub. L. 112–141 effective 2 years after the date of enactment of Pub. L. 112–141, see section 1521(g) of Pub. L. 112–141, set out as a note under section 308 of Title 23, Highways.

Effective Date of 1987 Amendment

Amendment by Pub. L. 100–17 effective on effective date provided in regulations promulgated under section 4633 of this title (as amended by section 412 of Pub. L. 100–17), but not later than 2 years after Apr. 2, 1987, see section 418 of Pub. L. 100–17, set out as a note under section 4601 of this title.

§ 4625. Relocation planning, assistance coordination, and advisory services

(a) Planning of programs or projects undertaken by Federal agencies or with Federal financial assistance

Programs or projects undertaken by a Federal agency or with Federal financial assistance shall be planned in a manner that (1) recognizes, at an early stage in the planning of such programs or projects and before the commencement of any actions which will cause displacements, the problems associated with the displacement of individuals, families, businesses, and farm operations, and (2) provides for the resolution of such problems in order to minimize adverse impacts on displaced persons and to expedite program or project advancement and completion.

(b) Availability of advisory services

The head of any displacing agency shall ensure that the relocation assistance advisory services
described in subsection (c) of this section are made available to all persons displaced by such agency. If such agency head determines that any person occupying property immediately adjacent to the property where the displacing activity occurs is caused substantial economic injury as a result thereof, the agency head may make available to such person such advisory services.

(c) Measures, facilities, or services; description

Each relocation assistance advisory program required by subsection (b) of this section shall include such measures, facilities, or services as may be necessary or appropriate in order to—

(1) determine, and make timely recommendations on, the needs and preferences, if any, of displaced persons for relocation assistance;

(2) provide current and continuing information on the availability, sales prices, and rental charges of comparable replacement dwellings for displaced homeowners and tenants and suitable locations for businesses and farm operations;

(3) assure that a person shall not be required to move from a dwelling unless the person has had a reasonable opportunity to relocate to a comparable replacement dwelling, except in the case of—

(A) a major disaster as defined in section 5122(2) of this title;

(B) a national emergency declared by the President; or

(C) any other emergency which requires the person to move immediately from the dwelling because continued occupancy of such dwelling by such person constitutes a substantial danger to the health or safety of such person;

(4) assist a person displaced from a business or farm operation in obtaining and becoming established in a suitable replacement location;

(5) supply (A) information concerning other Federal and State programs which may be of assistance to displaced persons, and (B) technical assistance to such persons in applying for assistance under such programs; and

(6) provide other advisory services to displaced persons in order to minimize hardships to such persons in adjusting to relocation.

(d) Coordination of relocation activities with other Federal, State, or local governmental actions

The head of a displacing agency shall coordinate the relocation activities performed by such agency with other Federal, State, or local governmental actions in the community which could affect the efficient and effective delivery of relocation assistance and related services.

(e) Selection of implementation procedures

Whenever two or more Federal agencies provide financial assistance to a displacing agency other than a Federal agency, to implement functionally or geographically related activities which will result in the displacement of a person, the heads of such Federal agencies may agree that the procedures of one of such agencies shall be utilized to implement this subchapter with respect to such activities. If such agreement cannot be reached, then the head of the lead agency shall designate one of such agencies as the agency whose procedures shall be utilized to implement this subchapter with respect to such activities. Such related activities shall constitute a single program or project for purposes of this chapter.

(f) Tenants occupying property acquired for programs or projects; eligibility for advisory services

Notwithstanding section 4601(1) of this title, in any case in which a displacing agency acquires property for a program or project, any person who occupies such property on a rental basis for a short term or a period subject to termination when the property is needed for the program or project shall be eligible for advisory services to the extent determined by the displacing agency.

REFERENCES IN TEXT


AMENDMENTS

1987—Pub. L. 100–17, substituted “Relocation planning, assistance coordination, and advisory services” for “Relocation assistance advisory services” in catchline and amended text generally, revising and restating as subsecs. (a) to (f) provisions formerly contained in subsecs. (a) to (d).

EFFECTIVE DATE OF 1987 AMENDMENT

Amendment by Pub. L. 100–17 effective on effective date provided in regulations promulgated under section 4623 of this title (as amended by section 412 of Pub. L. 100–17), but not later than 2 years after Apr. 2, 1987, see section 418 of Pub. L. 100–17, set out as a note under section 4601 of this title.

§ 4626. Housing replacement by Federal agency as last resort

(a) If a program or project undertaken by a Federal agency or with Federal financial assistance cannot proceed on a timely basis because comparable replacement dwellings are not available, and the head of the displacing agency determines that such dwellings cannot otherwise be made available, the head of the displacing agency may take such action as is necessary or appropriate to provide such dwellings by use of funds authorized for such project. The head of the displacing agency may use this section to exceed the maximum amounts which may be paid under sections 4623 and 4624 of this title on a case-by-case basis for good cause as determined in accordance with such regulations as the head of the lead agency shall issue.

(b) No person shall be required to move from his dwelling on account of any program or project undertaken by a Federal agency or with Federal financial assistance, unless the head of the displacing agency is satisfied that comparable replacement housing is available to such person.
§ 4627. State required to furnish real property incident to Federal assistance (local cooperation)

Whenever real property is acquired by a State agency and furnished as a required contribution incident to a Federal program or project, the Federal agency having authority over the program or project may not accept such property unless such State agency has made all payments and provided all assistance and assurances, as are required of a State agency by sections 4630 and 4655 of this title. Such State agency shall pay the cost of such requirements in the same manner and to the same extent as the real property acquired for such project, except that in the case of any real property acquisition or displacement occurring prior to July 1, 1972, such Federal agency shall pay 100 per cent of the cost of providing such payments and assistance.


§ 4628. State acting as agent for Federal program

Whenever real property is acquired by a State agency at the request of a Federal agency for a Federal program or project, such acquisition shall, for the purposes of this chapter, be deemed an acquisition by the Federal agency having authority over such program or project.


REFERENCES IN TEXT

This chapter, referred to in text, was in the original "this Act", meaning Pub. L. 91–646, Jan. 2, 1971, 84 Stat. 1894, known as the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 4601 of this title and Tables.

Subchapter II of this chapter, referred to in section 4619, was in the original "title III of this Act", meaning title III of Pub. L. 91–646, Jan. 2, 1971, 84 Stat. 404, which enacted subchapter III of this chapter, referred to in text, and section 596 of Title 33, Navigation and Navigable Waters, and enacted provisions set out as a note under section 4651 of this title. For complete classification of title III of the Code, see Tables.

TRANSFER OF FUNCTIONS


§ 4630. Requirements for relocation payments and assistance of federally assisted program; assurances of availability of housing

Notwithstanding any other law, the head of a Federal agency shall not approve any grant to, or contract or agreement with, a displacing agency (other than a Federal agency), under which Federal financial assistance will be available to pay all or part of the cost of any program or project which will result in the displacement of any person on or after January 2, 1971, unless he receives satisfactory assurances from such displacing agency that—

(1) fair and reasonable relocation payments and assistance shall be provided to or for displaced persons, as are required to be provided by a Federal agency under sections 4622, 4623, and 4624 of this title;

(2) relocation assistance programs offering the services described in section 4625 of this title.
title shall be provided to such displaced persons;
(3) within a reasonable period of time prior to
displacement, comparable replacement dwellings will be available to displaced persons
in accordance with section 4625(c)(3) of this title.


AMENDMENTS

1987—Pub. L. 100–17 in introductory provisions substituted “displacing agency (other than a Federal agency)” for “State agency” and “assurances from such displacing agency” for “assurances from such State agency”, and in par. (3) substituted “comparable replacement dwellings” for “decent, safe, and sanitary replacement dwellings”.

EFFECTIVE DATE OF 1987 AMENDMENT
Amendment by Pub. L. 100–17 effective on effective date provided in regulations promulgated under section 4633 of this title (as amended by section 412 of Pub. L. 100–17), but not later than 2 years after Apr. 2, 1987, see section 418 of Pub. L. 100–17, set out as a note under section 4601 of this title.

EFFECTIVE DATE
Section as completely applicable to all States after July 1, 1972, but until such date applicable to a State to extent the State is able under its laws to comply with this section, see section 221(b) of Pub. L. 91–646, set out as a note under section 4601 of this title.

§ 4631. Federal share of costs
(a) Cost to displacing agency; eligibility

The cost to a displacing agency of providing payments and assistance under this subchapter and subchapter III of this chapter shall be included as part of the cost of a program or project undertaken by a Federal agency or with Federal financial assistance. A displacing agency, other than a Federal agency, shall be eligible for Federal financial assistance with respect to such payments and assistance in the same manner and to the same extent as other program or project costs.

(b) Comparable payments under other laws

No payment or assistance under this subchapter or subchapter III of this chapter shall be required to be made to any person or included as a program or project cost under this section, if such person receives a payment required by Federal, State, or local law which is determined by the head of the Federal agency to have substantially the same purpose and effect as such payment under this section.

(c) Agreements prior to January 2, 1971; advancements

Any grant to, or contract or agreement with, a State agency executed before January 2, 1971, under which Federal financial assistance is available to pay all or part of the cost of any program or project which will result in the displacement of any person on or after January 2, 1971, shall be amended to include the cost of providing payments and services under sections 4630 and 4655 of this title. If the head of a Federal agency determines that it is necessary for the expeditious completion of a program or project he may advance to the State agency the Federal share of the cost of any payments or assistance by such State agency pursuant to sections 4626, 4630, 4635, and 4655 of this title.


REFERENCES IN TEXT

Subchapter III of this chapter, referred to in subsecs. (a) and (b), was in the original “title III of this Act”, meaning title III of Pub. L. 91–646, Jan. 2, 1971, 84 Stat. 1904, which is classified principally to subchapter III of this chapter. For complete classification of title III to the Code, see Tables.

AMENDMENTS

1987—Subsec. (a). Pub. L. 100–17, §411(a), amended subsec. (a) generally. Prior to amendment, subsec. (a) read as follows: “The cost to a State agency of providing payments and assistance for a displaced person under sections 4626, 4630, 4635, and 4655 of this title, shall be included as part of the cost of a program or project for which Federal financial assistance is available to such State agency, and such State agency shall be eligible for federal financial assistance with respect to such payments and assistance in the same manner and to the same extent as other program or project costs, except that, notwithstanding any other law in the case where the Federal financial assistance is by grant or contribution the Federal agency shall pay the full amount of the first $25,000 of the cost to a State agency of providing payments and assistance for a displaced person under sections 4626, 4630, 4635, and 4655 of this title, on account of any acquisition or displacement occurring prior to July 1, 1972, and in any case where such Federal financial assistance is by loan, the Federal agency shall loan such State agency the full amount of the first $25,000 of such cost.”

Subsec. (b). Pub. L. 100–17, §411(b), amended subsec. (b) generally. Prior to amendment, subsec. (b) read as follows: “No payment or assistance under section 4630 or 4655 of this title shall be required or included as a program or project cost under this section, if the displaced person receives a payment required by the State law of eminent domain which is determined by such Federal agency head to have substantially the same purpose and effect as such payment under this section, and to be part of the cost of the program or project for which Federal financial assistance is available.”

EFFECTIVE DATE OF 1987 AMENDMENT
Amendment by Pub. L. 100–17 effective on effective date provided in regulations promulgated under section 4633 of this title (as amended by section 412 of Pub. L. 100–17), but not later than 2 years after Apr. 2, 1987, see section 418 of Pub. L. 100–17, set out as a note under section 4601 of this title.

§ 4632. Administration; relocation assistance in programs receiving Federal financial assistance

In order to prevent unnecessary expenses and duplications of functions, and to promote uniform and effective administration of relocation assistance programs for displaced persons under sections 4626, 4630, and 4633 of this title, a State agency may enter into contracts with any individual, firm, association, or corporation for services in connection with such programs, or may carry out its functions under this subchapter through any Federal or State governmental agency or instrumentality having an established organization for conducting relocation assistance programs. Such State agency shall,
in carrying out the relocation assistance activities described in section 4626 of this title, whenever practicable, utilize the services of State or local housing agencies, or other agencies having experience in the administration or conduct of similar housing assistance activities.


§ 4633. Duties of lead agency

(a) General provisions

The head of the lead agency shall—

(1) develop, publish, and issue, with the active participation of the Secretary of Housing and Urban Development and the heads of other Federal agencies responsible for funding relocation and acquisition actions, and in coordination with State and local governments, such regulations as may be necessary to carry out this chapter;

(2) provide, in consultation with the Attorney General (acting through the Commissioner of the Immigration and Naturalization Service), through training and technical assistance activities for displacing agencies, information developed with the Attorney General (acting through the Commissioner) on proper implementation of section 4605 of this title;

(3) ensure that displacing agencies implement section 4605 of this title fairly and without discrimination in accordance with section 4605(b)(2)(B) of this title;

(4) ensure that relocation assistance activities under this chapter are coordinated with low-income housing assistance programs or projects by a Federal agency or a State or State agency with Federal financial assistance;

(5) monitor, in coordination with other Federal agencies, the implementation and enforcement of this chapter and report to the Congress, as appropriate, on any major issues or problems with respect to any policy or other provision of this chapter; and

(6) perform such other duties as may be necessary to carry out this chapter.

(b) Regulations and procedures

The head of the lead agency is authorized to issue such regulations and establish such procedures as he may determine to be necessary to assure—

(1) that the payments and assistance authorized by this chapter shall be administered in a manner which is fair and reasonable and as uniform as practicable;

(2) that a displaced person who makes proper application for a payment authorized for such person by this subchapter shall be paid promptly after a move or, in hardship cases, be paid in advance;

(3) that any aggrieved person may have his application reviewed by the head of the Federal agency having authority over the applicable program or project or, in the case of a program or project receiving Federal financial assistance, by the State agency having authority over such program or project or the Federal agency having authority over such program or project if there is no such State agency;

(4) that each Federal agency that has programs or projects requiring the acquisition of real property or causing a displacement from real property subject to the provisions of this chapter shall provide to the lead agency an annual summary report that describes the activities conducted by the Federal agency.

(c) Applicability to Tennessee Valley Authority and Rural Electrification Administration

The regulations and procedures issued pursuant to this section shall apply to the Tennessee Valley Authority and the Rural Electrification Administration only with respect to relocation assistance under this subchapter and subchapter I.

(d) Adjustment of payments

The head of the lead agency may adjust, by regulation, the amounts of relocation payments provided under sections 4622(a)(4), 4622(c), 4623(a), and 4624(a) of this title if the head of the lead agency determines that cost of living, inflation, or other factors indicate that the payments should be adjusted to meet the policy objectives of this chapter.


REFERENCES IN TEXT

This chapter, referred to in subsecs. (a)(1), (4) to (6), (b)(1), (4), and (d), was in the original “this Act”, meaning Pub. L. 91–646, Jan. 2, 1971, 84 Stat. 1894, known as the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 4601 of this title and Tables.

AMENDMENTS


1997—Subsec. (a)(2) to (6). Pub. L. 105–117 added pars. (2) and (3) and redesignated former pars. (2) to (4) as (4) to (6), respectively.


1987—Pub. L. 100–17 in amending section generally, substituted “Duties of lead agency” for “Regulations and procedures” in section catchline.

Subsec. (a). Pub. L. 100–17 amended subsec. (a) generally. Prior to amendment, subsec. (a) read as follows: “In order to promote uniform and effective administration of relocation assistance and land acquisition of State or local housing agencies, or other agencies having programs or projects by Federal agencies or programs or projects by State agencies receiving Federal financial assistance, the heads of Federal agencies shall consult together on the establishment of regulations and procedures for the implementation of such programs.”

Subsec. (b). Pub. L. 100–17 amended subsec. (b) generally. Prior to amendment, subsec. (b) read as follows: “The head of each Federal agency is authorized to es-
establish such regulations and procedures as he may determine to be necessary to assure—

(1) that the payments and assistance authorized by this chapter shall be administered in a manner which is fair and reasonable, and as uniform as practicable;

(2) that a displaced person who makes proper application for a payment authorized for such person by this subchapter shall be paid promptly after a move or, in hardship cases, be paid in advance; and

(3) that any person aggrieved by a determination as to eligibility for a payment authorized by this chapter, or the amount of a payment, may have his application reviewed by the head of the Federal agency having authority over the applicable program or project, or in the case of a program or project receiving Federal financial assistance, by the head of the State agency.

Subsec. (c) Pub. L. 100–17 amended subsec. (c) generally. Prior to amendment, subsec. (c) read as follows: "The head of each Federal agency may prescribe such other regulations and procedures, consistent with the provisions of this chapter, as he deems necessary or appropriate to carry out this chapter."

**Effective Date of 2012 Amendment**

Amendment by Pub. L. 112–141 effective the date of enactment of Pub. L. 112–141, see section 1521(g) of Pub. L. 112–141, set out as a note under section 23, Highways.

**Effective Date of 1991 Amendment**

Amendment by Pub. L. 102–240 effective Dec. 18, 1991, and applicable to funds authorized to be appropriated or made available after Sept. 30, 1991, and, with certain exceptions, not applicable to funds appropriated or made available on or before Sept. 30, 1991, see section 1100 of Pub. L. 102–240, set out as a note under section 23, Highways.

**Effective Date of 1987 Amendment**

Amendment by Pub. L. 100–17 effective Apr. 2, 1987, to the extent such amendment prescribes authority to develop, publish, and issue regulations, and otherwise to take effect on effective date provided in such regulations but not later than 2 years after Apr. 2, 1987, see section 418 of Pub. L. 100–17, set out as a note under section 4601 of this title.

**Abolition of Immigration and Naturalization Service and Transfer of Functions**

For abolition of Immigration and Naturalization Service, transfer of functions, and treatment of related references, see note set out under section 1551 of Title 8, Aliens and Nationality.

**Improvement of Administration and Implementation of This Chapter**

Memorandum of the President dated February 27, 1985, 50 F.R. 8953, provided:

The purpose of this Memorandum is to improve administration and implementation of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 U.S.C. 4601 et seq.).

Specifically, I hereby direct the following actions:

1. The Presidential Memorandum of September 6, 1973 on this subject is superseded.

2. As with other Administration management improvement initiatives, a lead agency, the Department of Transportation (DOT), is designated to coordinate and monitor implementation of the Act, and consult periodically with State and local governments and other organizations and interest groups affected by administration of the Act.

3. DOT, jointly with the Department of Housing and Urban Development, shall interact with the principal executive departments and agencies affected by the Act in developing Administration policy.

4. Within 90 days of the date of this Memorandum, all affected executive departments and agencies shall propose common regulations under the Act. Within one year of the date of this Memorandum, such departments and agencies shall issue common regulations under the Act. Such regulations shall be consistent with the model policy promulgated by DOT, in consultation and coordination with other affected agencies, and published in final form in the Federal Register simultaneously with this Memorandum.

5. DOT shall report annually to the President's Council on Management Improvement, through the Office of Management and Budget, on implementation of the Act.

**§ 4634. Agency coordination**

(a) **Agency capacity**

Each Federal agency responsible for funding or carrying out relocation and acquisition activities shall have adequately trained personnel and such other resources as are necessary to manage and oversee the relocation and acquisition program of the Federal agency in accordance with this chapter.

(b) **Interagency agreements**

Not later than 1 year after July 6, 2012, each Federal agency responsible for funding relocation and acquisition activities (other than the agency serving as the lead agency) shall enter into a memorandum of understanding with the lead agency that—

(1) provides for periodic training of the personnel of the Federal agency, which in the case of a Federal agency that provides Federal financial assistance, may include personnel of any displacing agency that receives Federal financial assistance;

(2) addresses ways in which the lead agency may provide assistance and coordination to the Federal agency relating to compliance with the chapter on a program or project basis; and

(3) addresses the funding of the training, assistance, and coordination activities provided by the lead agency, in accordance with subsection (c).

(c) **Interagency payments**

(1) **In general**

For the fiscal year that begins 1 year after July 6, 2012, and each fiscal year thereafter, each Federal agency responsible for funding relocation and acquisition activities (other than the agency serving as the lead agency) shall transfer to the lead agency for the fiscal year, such funds as are necessary, but not less than $35,000, to support the training, assistance, and coordination activities of the lead agency described in subsection (b).

(2) **Included costs**

The cost to a Federal agency of providing the funds described in paragraph (1) shall be included as part of the cost of 1 or more programs or projects undertaken by the Federal agency or with Federal financial assistance that result in the displacement of persons or the acquisition of real property.


§4634. Agency coordination

(a) Agency capacity

Each Federal agency responsible for funding or carrying out relocation and acquisition activities shall have adequately trained personnel and such other resources as are necessary to manage and oversee the relocation and acquisition program of the Federal agency in accordance with this chapter.

(b) Interagency agreements

Not later than 1 year after July 6, 2012, each Federal agency responsible for funding relocation and acquisition activities (other than the agency serving as the lead agency) shall enter into a memorandum of understanding with the lead agency that—

(1) provides for periodic training of the personnel of the Federal agency, which in the case of a Federal agency that provides Federal financial assistance, may include personnel of any displacing agency that receives Federal financial assistance;

(2) addresses ways in which the lead agency may provide assistance and coordination to the Federal agency relating to compliance with the chapter on a program or project basis; and

(3) addresses the funding of the training, assistance, and coordination activities provided by the lead agency, in accordance with subsection (c).

(c) Interagency payments

(1) In general

For the fiscal year that begins 1 year after July 6, 2012, and each fiscal year thereafter, each Federal agency responsible for funding relocation and acquisition activities (other than the agency serving as the lead agency) shall transfer to the lead agency for the fiscal year, such funds as are necessary, but not less than $35,000, to support the training, assistance, and coordination activities of the lead agency described in subsection (b).

(2) Included costs

The cost to a Federal agency of providing the funds described in paragraph (1) shall be included as part of the cost of 1 or more programs or projects undertaken by the Federal agency or with Federal financial assistance that result in the displacement of persons or the acquisition of real property.

§ 4635. Planning and other preliminary expenses for additional housing

In order to encourage and facilitate the construction or rehabilitation of housing to meet the needs of displaced persons who are displaced from dwellings because of any Federal or Federal financially assisted project, the head of the Federal agency administering such project is authorized to make loans as a part of the cost of any such project, or to approve loans as a part of the cost of any such project receiving Federal financial assistance, to nonprofit, limited dividend, or cooperative organizations or to public bodies, for necessary and reasonable expenses, prior to construction, for planning and obtaining federally insured mortgage financing for the rehabilitation or construction of housing for such displaced persons. Notwithstanding the preceding sentence, or any other law, such loans shall be available for not to exceed 80 per centum of the reasonable costs expected to be incurred in planning, and in obtaining financing for, such housing, prior to the availability of such financing, including, but not limited to, preliminary surveys and analyses of market needs, preliminary site engineering, preliminary architectural fees, site acquisition, application and mortgage commitment fees, and construction loan fees and discounts. Loans to an organization established for profit shall bear interest at a market rate established by the head of such Federal agency. All other loans shall be without interest. Such Federal agency head shall require repayment of loans made under this section, under such terms and conditions as he may require, upon completion of the project or sooner, and except in the case of a loan to an organization established for profit, may cancel any part or all of a loan if he determines that a permanent loan to finance the rehabilitation or the construction of such housing cannot be obtained in an amount adequate for repayment of such loan. Upon repayment of any such loan, the Federal share of the sum repaid shall be credited to the account from which such loan was made, unless the Secretary of the Treasury determines that such account is no longer in existence, in which case such sum shall be returned to the Treasury and credited to miscellaneous receipts.


§ 4636. Payments not to be considered as income for revenue purposes or for eligibility for assistance under Social Security Act or other Federal law

No payment received under this subchapter shall be considered as income for the purposes of title 26, or for the purposes of determining the eligibility or the extent of eligibility of any person for assistance under the Social Security Act [42 U.S.C. 301 et seq.] or any other Federal law (except for any Federal law providing low-income housing assistance).


References in Text

The Social Security Act, referred to in text, is act Aug. 14, 1935, ch. 531, 49 Stat. 620, as amended, which is classified generally to chapter 7 (§301 et seq.) of this title. For complete classification of this Act to the Code, see section 1305 of this title and Tables.

Amendments

1987—Pub. L. 100–17 inserted ‘‘(except for any Federal law providing low-income housing assistance)’’ before period at end.

1986—Pub. L. 99–514 substituted ‘‘Internal Revenue Code of 1986’’ for ‘‘Internal Revenue Code of 1964’’, which for purposes of codification was translated as ‘‘title 26’’ thus requiring no change in text.

Effective Date of 1987 Amendment

Amendment by Pub. L. 100–17 effective on effective date provided in regulations promulgated under section 4633 of this title (as amended by section 412 of Pub. L. 100–17), but not later than 2 years after Apr. 2, 1987, see section 418 of Pub. L. 100–17, set out as a note under section 4601 of this title.


Effective Date of Repeal

Repeal effective on effective date provided in regulations promulgated under section 4633 of this title (as amended by section 412 of Pub. L. 100–17), but not later than 2 years after Apr. 2, 1987, see section 418 of Pub. L. 100–17, set out as an Effective Date of 1987 Amendment note under section 4601 of this title.

§ 4638. Transfers of surplus property

The Administrator of General Services is authorized to transfer to a State agency for the purpose of providing replacement housing required by this subchapter, any real property surplus to the needs of the United States within the meaning of chapters 1 to 11 of title 40 and division C (except sections 3302, 3307(e), 3501(b), 3509,
§ 6(c), Jan. 4, 2011, 124 Stat. 3854, which Act enacted Title 4601 of this title.


**Codification**

In text, “chapters 1 to 11 of title 40 and division C (except sections 3302, 3307(c), 3501(b), 3509, 3906, 4710, and 4711) of title I of title 41” substituted for “the Federal Property and Administrative Services Act of 1949, as amended” on authority of Pub. L. 100–207, title II, § 208, Jan. 4, 2001, 124 Stat. 3854, which Act enacted Title 41, Public Contracts.

**Amendments**

1987—Pub. L. 100–17 inserted “net” after “all”.

**Effective Date of 1987 Amendment**

Amendment by Pub. L. 100–17 effective on effective date provided in regulations promulgated under section 4601, as amended by Pub. L. 100–17, but not later than 2 years after Apr. 2, 1987, see section 418 of Pub. L. 100–17, set out as a note under section 4601 of this title.

**Subchapter III—Uniform Real Property Acquisition Policy**

§ 4651. Uniform policy on real property acquisition practices

In order to encourage and expedite the acquisition of real property by agreements with owners, to avoid litigation and relieve congestion in the courts, to assure consistent treatment for owners in the many Federal programs, and to promote public confidence in Federal land acquisition practices, heads of Federal agencies shall, to the greatest extent practicable, be guided by the following policies:

1. The head of a Federal agency shall make every reasonable effort to acquire expeditiously real property by negotiation.

2. Real property shall be appraised before the initiation of negotiations, and the owner or his designated representative shall be given an opportunity to accompany the appraiser during his inspection of the property, except that the head of the lead agency may prescribe a procedure to waive the appraisal in cases involving the acquisition by sale or donation of property with a low fair market value.

3. Before the initiation of negotiations for real property, the head of the Federal agency concerned shall establish an amount which he believes to be just compensation therefor and shall make a prompt offer to acquire the property for the full amount so established. In no event shall such amount be less than the agency’s approved appraisal of the fair market value of such property. Any decrease or increase in the fair market value of real property prior to the date of valuation caused by the public improvement for which such property is acquired, or by the likelihood that the property would be acquired for such improvement, other than that due to physical deterioration within the reasonable control of the owner, will be disregarded in determining the compensation for the property.

The head of the Federal agency concerned shall provide the owner of real property to be acquired with a written statement of, and summary of the basis for, the amount he established as just compensation. Where appropriate the just compensation for the real property acquired and for damages to remaining real property shall be separately stated.

4. No owner shall be required to surrender possession of real property before the head of the Federal agency concerned pays the agreed purchase price, or deposits with the court in accordance with section 3114(a) to (d) of title 40, for the benefit of the owner, an amount not less than the agency’s approved appraisal of the fair market value of such property, or the amount of the award of compensation in the condemnation proceeding for such property.

5. The construction or development of a public improvement shall be so scheduled that, to the greatest extent practicable, no person lawfully occupying real property shall be required to move from a dwelling (assuming a replacement dwelling as required by subchapter II will be available), or to move his business or farm operation, without at least ninety days’ written notice from the head of the Federal agency concerned, of the date by which such move is required.

6. If the head of a Federal agency permits an owner or tenant to occupy the real property acquired on a rental basis for a short term or for a period subject to termination by the Government on short notice, the amount of rent required shall not exceed the fair rental value of the property to a short-term occupier.

7. In no event shall the head of a Federal agency either advance the time of condemnation, or defer negotiations or condemnation and the deposit of funds in court for the use of the owner, or take any other action coercive in nature, in order to compel an agreement on the price to be paid for the property.

8. If any interest in real property is to be acquired by exercise of the power of eminent domain, the head of the Federal agency concerned shall institute formal condemnation proceedings. No Federal agency head shall intentionally make it necessary for an owner to institute legal proceedings to prove the fact of the taking of his real property.

9. If the acquisition of only a portion of a property would leave the owner with an uneconomic remnant, the head of the Federal agency concerned shall offer to acquire that remnant. For the purposes of this chapter, an uneconomic remnant is a parcel of real property in which the owner is left with an interest after the partial acquisition of the owner’s property and which the head of the Federal agency concerned has determined has little or no value or utility to the owner.

10. A person whose real property is being acquired in accordance with this subchapter may,
after the person has been fully informed of his right to receive just compensation for such property, donate such property, and part thereof, any interest therein, or any compensation paid therefor to a Federal agency, as such person shall determine.


REFERENCES IN TEXT

Subchapter II, referred to in par. (5), was in the original "title II", meaning title II of Pub. L. 91–646, Jan. 2, 1971, 84 Stat. 1896, which is classified principally to subchapter II of this chapter. For complete classification of title II to the Code, see Tables.

This chapter, referred to in par. (9), was in the original "this Act", meaning Pub. L. 91–646, Jan. 2, 1971, 84 Stat. 1894, known as the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 4601 of this title and Tables.

This subchapter, referred to in par. (10), was in the original "this title", meaning title III of Pub. L. 91–646, Jan. 2, 1971, 84 Stat. 1904, which is classified principally to title III of this Act to the Code, see Tables.

CODIFICATION


AMENDMENTS

1987—Par. (2). Pub. L. 100–17, §416(a), inserted provision respecting the waiver of appraisal in cases involving the acquisition of property with a low fair market value.

Par. (9). Pub. L. 100–17, §416(b), amended par. (9) generally. Prior to amendment, par. (9) read as follows: "If the acquisition of only part of a property would leave its owner with an uneconomic remnant, the head of the Federal agency concerned shall offer to acquire the entire property."

Par. (10). Pub. L. 100–17, §416(c), added par. (10).

EFFECTIVE DATE OF 1987 AMENDMENT

Amendment by Pub. L. 100–17 effective on effective date provided in regulations promulgated under section 4633 of this title (as amended by section 412 of Pub. L. 100–17), but not later than 2 years after Apr. 2, 1987, see section 418 of Pub. L. 100–17, set out as a note under section 4601 of this title.

SAVINGS PROVISION

Pub. L. 91–646, title III, §306, Jan. 2, 1971, 84 Stat. 1907, provided in part that: "Any rights or liabilities now existing under prior Acts or portions thereof shall not be affected by the repeal of such prior Act or portions thereof under this section [repealing sections 3071 to 3073 of this title, section 141 of Title 23, Highways, and section 596 of Title 33, Navigation and Navigable Waters]."

§ 4652. Buildings, structures, and improvements

(a) Notwithstanding any other provision of law, if the head of a Federal agency acquires any interest in real property in any State, he shall acquire at least an equal interest in all buildings, structures, or other improvements located upon the real property so acquired and which he requires to be removed from such real property or which he determines will be adversely affected by the use to which such real property will be put.

(b)(1) For the purpose of determining the just compensation to be paid for any building, structure, or other improvement required to be acquired by subsection (a) of this section, such building, structure, or other improvement shall be deemed to be a part of the real property to be acquired notwithstanding the right or obligation of a tenant, as against the owner of any other interest in the real property, to remove such building, structure, or improvement at the expiration of his term, and the fair market value which such building, structure, or improvement contributes to the fair market value of the real property to be acquired, or the fair market value of such building, structure, or improvement for removal from the real property, whichever is the greater, shall be paid to the tenant therefor.

(2) Payment under this subsection shall not result in duplication of any payments otherwise authorized by law. No such payment shall be made unless the owner of the land involved disclaims all interest in the improvements of the tenant. In consideration for any such payment, the tenant shall assign, transfer, and release to the United States all his right, title, and interest in and to such improvements. Nothing in this subsection shall be construed to deprive the tenant of any rights to reject payment under this subsection and to obtain payment for such property interests in accordance with applicable law, other than this subsection.


§ 4653. Expenses incidental to transfer of title to United States

The head of a Federal agency, as soon as practicable after the date of payment of the purchase price or the date of deposit in court of funds to satisfy the award of compensation in a condemnation proceeding to acquire real property, whichever is the earlier, shall reimburse the owner, to the extent the head of such agency deems fair and reasonable, for expenses he necessarily incurred for—

(1) recording fees, transfer taxes, and similar expenses incidental to conveying such real property to the United States;

(2) penalty costs for prepayment of any preexisting recorded mortgage entered into in good faith encumbering such real property; and

(3) the pro rata portion of real property taxes paid which are allocable to a period subsequent to the date of vesting title in the United States, or the effective date of possession of such real property by the United States, whichever is the earlier.

§ 4654. Litigation expenses

(a) Judgment for owner or abandonment of proceedings

The Federal court having jurisdiction of a proceeding instituted by a Federal agency to acquire real property by condemnation shall award the owner of any right, or title to, or interest in, such real property such sum as will in the opinion of the court reimburse such owner for his reasonable costs, disbursements, and expenses, including reasonable attorney, appraisal, and engineering fees, actually incurred because of the condemnation proceedings, if—

(1) the final judgment is that the Federal agency cannot acquire the real property by condemnation; or

(2) the proceeding is abandoned by the United States.

(b) Payment

Any award made pursuant to subsection (a) of this section shall be paid by the head of the Federal agency for whose benefit the condemnation proceedings was instituted.

(c) Claims against United States

The court rendering a judgment for the plaintiff in a proceeding brought under section 1346(a)(2) or 1491 of title 28, awarding compensation for the taking of property by a Federal agency, or the Attorney General effecting a settlement of any such proceeding, shall determine and award or allow to such plaintiff, as a part of such judgment or settlement, such sum as will in the opinion of the court or the Attorney General reimburse such plaintiff for his reasonable attorney, appraisal, and engineering fees, actually incurred because of such proceeding.


§ 4655. Requirements for uniform land acquisition policies; payments of expenses incidental to transfer of real property to State; payment of litigation expenses in certain cases

(a) Notwithstanding any other law, the head of a Federal agency shall not approve any program or project or any grant to, or contract or agreement with, an acquiring agency under which Federal financial assistance will be available to pay all or part of the cost of any program or project which will result in the acquisition of real property on and after January 2, 1971, unless he receives satisfactory assurances from such acquiring agency that—

(1) in acquiring real property it will be guided, to the greatest extent practicable under State law, by the land acquisition policies in section 4651 of this title and the provisions of section 4652 of this title, and

(2) property owners will be paid or reimbursed for necessary expenses as specified in sections 4653 and 4654 of this title.

(b) For purposes of this section, the term “acquiring agency” means—

(1) a State agency (as defined in section 4601(3) of this title) which has the authority to acquire property by eminent domain under State law, and

(2) a State agency or person which does not have such authority, to the extent provided by the head of the lead agency by regulation.


AMENDMENTS

1987—Pub. L. 100–17 designated existing provisions as subsec. (a), substituted “an acquiring agency” for “a State agency” and “such acquiring agency” for “such State agency”, and added subsec. (b).

CHAPTER 62—INTERGOVERNMENTAL PERSONNEL PROGRAM

Sec.

4701. Congressional findings and declaration of policy.

4702. Administration of authorities.

SUBCHAPTER I—DEVELOPMENT OF POLICIES AND STANDARDS

4711 to 4713. Omitted.

SUBCHAPTER II—STRENGTHENING STATE AND LOCAL PERSONNEL ADMINISTRATION

4721. Declaration of purpose.

4722. State government and statewide programs and grants.

4723. Local government programs and grants.

4724. Intergovernmental cooperation in recruiting and examining activities; potential employees, certification; payments for costs; credits to appropriation or fund for payment of expenses.

4725. Technical assistance; waiver of payments for costs; credits to appropriation or fund for payment of expenses.

4726. Coordination of Federal programs.

4727. Interstate compacts.

4728. Transfer of functions.

SUBCHAPTER III—TRAINING AND DEVELOPING STATE AND LOCAL EMPLOYEES

4741. Declaration of purpose.

4742. Admission to Federal employee training programs.

4743. Grants to State and local governments for training.

4744. Grants to other organizations.


4746. Coordination of Federal programs.

SUBCHAPTER IV—GENERAL PROVISIONS

4761. Declaration of purpose.

4762. Definitions.

4763. General administrative provisions.

4764. Reporting and recordkeeping requirements for State or local governments and other organizations.

4765. Review and audit.

4766. Distribution of grants.

4767. Termination of grants.

4788. Advisory committees; appointment; compensation and travel expenses.

4789. Authorization of appropriations.

4770. Limitations on availability of funds for cost sharing.

4771. Method of payment; installments; advances or reimbursement; adjustments.

4772. Effective date of grant provisions.
§ 4701. Congressional findings and declaration of policy

The Congress hereby finds and declares—

That effective State and local governmental institutions are essential in the maintenance and development of the Federal system in an increasingly complex and interdependent society.

That, since numerous governmental activities administered by the State and local governments are related to national purpose and are financed in part by Federal funds, a national interest exists in a high caliber of public service in State and local governments.

That the quality of public service at all levels of government can be improved by the development of systems of personnel administration consistent with such merit principles as—

(1) recruiting, selecting, and advancing employees on the basis of their relative ability, knowledge, and skills, including open consideration of qualified applicants for initial appointment;

(2) providing equitable and adequate compensation;

(3) training employees, as needed, to assure high-quality performance;

(4) retaining employees on the basis of the adequacy of their performance, correcting inadequate performance, and separating employees whose inadequate performance cannot be corrected;

(5) assuring fair treatment of applicants and employees in all aspects of personnel administration without regard to political affiliation, race, color, national origin, sex, or religious creed and with proper regard for their privacy and constitutional rights as citizens; and

(6) assuring that employees are protected against coercion for partisan political purposes and are prohibited from using their official authority for the purpose of interfering with or affecting the result of an election or a nomination for office.

That Federal financial and technical assistance to State and local governments for strengthening their personnel administration in a manner consistent with these principles is in the national interest.


§ 4702. Administration of authorities

The authorities provided by this chapter shall be administered in such manner as (1) to recognize fully the rights, powers, and responsibilities of State and local governments, and (2) to encourage innovation and allow for diversity on the part of State and local governments in the design, execution, and management of their own systems of personnel administration.


REFERENCES IN TEXT

This chapter, referred to in text, was in the original "this Act" meaning Pub. L. 91–648, Jan. 5, 1971, 84 Stat. 1909, known as the Intergovernmental Personnel Act of 1970, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 4701 of this title and Tables.

SUBCHAPTER I—DEVELOPMENT OF POLICIES AND STANDARDS

§§ 4711 to 4713. Omitted

CONCISE STATUTE

Section 4711, Pub. L. 91–648, title I, § 101, Jan. 5, 1971, 84 Stat. 1910, declared the purpose of this subchapter to provide intergovernmental cooperation in the development of policies and standards for the administration of programs authorized by this Act.

Section 4712, Pub. L. 91–648, title I, § 102, Jan. 5, 1971, 84 Stat. 1910, which provided for the establishment of an Advisory Council on Intergovernmental Personnel Policy by the President, membership, duties, compensation and travel expenses of the council and termination of the council by the President at any time after the expiration of three years following its establishment, was omitted in view of the revocation of Ex. Ord. No. 11607, July 20, 1971, 36 F.R. 13317, which established the Council, by Ex. Ord. No. 11792, June 25, 1974, 39 F.R. 23191.

Section 4713, Pub. L. 91–648, title I, § 103, Jan. 5, 1971, 84 Stat. 1910, which provided that the Council report to the President and Congress, from time to time, its recommendations and findings, was omitted in view of the abolishment of the Council.

SUBCHAPTER II—STRENGTHENING STATE AND LOCAL PERSONNEL ADMINISTRATION

§ 4721. Declaration of purpose

The purpose of this subchapter is to assist State and local governments to strengthen their staffs by improving their personnel administration.


§ 4722. State government and statewide programs and grants

(a) Amount of grants; executive certification; systems of personnel administration; innovation and diversity in design, execution, and management

The Office of Personnel Management (hereinafter referred to as the “Office”) is authorized to make grants to a State for up to 75 per centum (or, with respect to fiscal years commencing after the expiration of three years following the effective date of the grant provisions of this chapter, for up to 50 per centum) of the costs of developing and carrying out programs or projects, on the certification of the Governor of that State that the programs or projects contained within the State’s application are consistent with the applicable principles set forth in clauses (1)–(6) of the third paragraph of section 4701 of this title, to strengthen personnel administration in that State government or in local governments of that State. The authority provided by this section shall be employed in
such a manner as to encourage innovation and allow for diversity on the part of State and local governments in the design, execution, and management of their own systems of personnel administration.

(b) Application; time of making; information; terms and conditions; personnel administration improvement

An application for a grant shall be made at such time or times, and contain such information, as the Office may prescribe. The Office may make a grant under subsection (a) of this section only if the application therefor—

(1) provides for designation, by the Governor or chief executive authority, of the State office that will have primary authority and responsibility for the development and administration of the approved program or project at the State level;

(2) provides for the establishment of merit personnel administration where appropriate and the further improvement of existing systems based on merit principles;

(3) provides for specific personnel administration improvement needs of the State government and, to the extent appropriate, of the local governments in that State, including State personnel administration services for local governments;

(4) provides assurance that the making of a Federal Government grant will not result in a reduction in relevant State or local government expenditures or the substitution of Federal funds for State or local funds previously made available for these purposes; and

(5) sets forth clear and practicable actions for the improvement of particular aspects of personnel administration such as—

(A) establishment of statewide personnel systems of general or special functional coverage to meet the needs of urban, suburban, or rural governmental jurisdictions that are not able to provide sound career services, opportunities for advancement, adequate retirement and leave systems, and other career inducements to well-qualified professional, administrative, and technical personnel;

(B) making State grants to local governments to strengthen their staffs by improving their personnel administration;

(C) assessment of State and local government needs for professional, administrative, and technical manpower, and the initiation of timely and appropriate action to meet such needs;

(D) strengthening one or more major areas of personnel administration, such as recruitment and selection, training and development, and pay administration;

(E) undertaking research and demonstration projects to develop and apply better personnel administration techniques, including both projects conducted by State and local government staffs and projects conducted by colleges or universities or other appropriate nonprofit organizations under grants or contracts;

(F) strengthening the recruitment, selection, assignment, and development of handicapped persons, women, and members of disadvantaged groups whose capacities are not being utilized fully;

(G) training programs related directly to upgrading within the agency for nonprofessional employees who show promise of developing a capacity for assuming professional responsibility;

(H) achieving the most effective use of scarce professional, administrative, and technical manpower; and

(I) increasing intergovernmental cooperation in personnel administration, with respect to such matters as recruiting, examining, pay studies, training, education, personnel interchange, manpower utilization, and fringe benefits.


REFERENCES IN TEXT

For effective date of the grant provisions of this chapter, referred to in subsec. (a), as being 180 days after Jan. 5, 1971, see section 4772 of this title.

This chapter, referred to in subsec. (a), was in the original “this Act”, meaning Pub. L. 91–648, Jan. 5, 1971, 84 Stat. 1909, known as the Intergovernmental Personnel Act of 1970, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 4701 of this title and Tables.

TRANSFER OF FUNCTIONS


§ 4723. Local government programs and grants

(a) Population served; amount of grants; executive certification; State grant, conditions

The Office is authorized to make grants to a general local government, or a combination of general local governments, that serve a population of fifty thousand or more, for up to 75 per centum (or, with respect to fiscal years commencing after the expiration of three years following the effective date of the grant provisions of this chapter, for up to 50 per centum) of the costs of developing and carrying out programs or projects, on the certification of the mayor(s), or chief executive officer(s), of the general local government or combination of local governments that the programs or projects are consistent with the applicable principles set forth in clauses (1)–(6) of the third paragraph of section 4701 of this title, to strengthen the personnel administration of such governments. Such a grant may not be made—

(1) if, at the time of submission of an application, the State concerned has an approved plan which, with the agreement of the particular local government concerned, provides for
§ 4724  TITLE 42—THE PUBLIC HEALTH AND WELFARE

§ 4724. Intergovernmental cooperation in recruiting and examining activities; potential employees, certification; payments for costs; credits to appropriation or fund for payment of expenses

(a) The Office may join, on a shared-costs basis, with State and local governments in cooperative recruiting and examining activities under such procedures and regulations as may jointly be agreed upon.

(b) The Office also may, on the written request of a State or local government and under such procedures as may be jointly agreed upon, cer-
tify to such governments from appropriate Federal registers the names of potential employees. The State or local government making the request shall pay the Office for the costs, as determined by the Office, of performing the service, and such payments shall be credited to the appropriation or fund from which the expenses were or are to be paid.


§ 4725. Technical assistance; waiver of payments for costs; credits to appropriation or fund for payment of expenses

The Office may furnish technical advice and assistance, on request, to State and local government personnel administration services and technical assistance to local governments, as needed to avoid duplication and insure consistent administration of related Federal activities.


REFERENCES IN TEXT

This chapter, referred to in par. (1), was in the original “this Act”, meaning Pub. L. 91–648, Jan. 5, 1971, 84 Stat. 1909, known as the Intergovernmental Personnel Act of 1970, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 4701 of this title and Tables.

§ 4726. Coordination of Federal programs

The Office, after consultation with other agencies concerned, shall—

(1) coordinate the personnel administration support and technical assistance given to State and local governments and the support given State programs or projects to strengthen local government personnel administration, including the furnishing of needed personnel administration services and technical assistance, under authority of this chapter with any such support given under other Federal programs; and

(2) make such arrangements, including the collection, maintenance, and dissemination of data on grants for strengthening State and local government personnel administration and on grants to States for furnishing needed personnel administration services and technical assistance to local governments, as needed to avoid duplication and insure consistent administration of related Federal activities.


§ 4727. Interstate compacts

The consent of the Congress is hereby given to any two or more States to enter into compacts or other agreements, not in conflict with any law of the United States, for cooperative efforts and mutual assistance (including the establishment of appropriate agencies) in connection with the development and administration of personnel and training programs for employees and officials of State and local governments.


§ 4728. Transfer of functions

(a) Prescription of personnel standards on a merit basis

There are hereby transferred to the Office all functions, powers, and duties of—

(1) the Secretary of Agriculture under section 10(e)(2) of the Food and Nutrition Act of 2008 (7 U.S.C. 2019(e)(2));

(2) the Secretary of Labor under—

(A) the Act of June 6, 1933, as amended (29 U.S.C. 21 et seq.); and

(B) section 503(a)(1) of this title;

(3) the Secretary of Health and Human Services under—

(A) sections 2674(a)(5) and 2684(a)(6) of this title;

(B) section 3023(a)(6) of this title;

(C) sections 246(a)(2)(F) and (d)(2)(F) and 291(f)(1) of this title; and

(D) sections 1202(a)(5)(A), 1352(a)(5)(A), 1362(a)(5)(A), and 1396a(a)(4)(A) of this title; and

(4) any other department, agency, office, or officer (other than the President) under any

1 See References in Text note below.
other provision of law or regulation applicable to a program of grant-in-aid that specifically requires the establishment and maintenance of personnel standards on a merit basis with respect to the program;

insofar as the functions, powers, and duties relate to the prescription of personnel standards on a merit basis.

(b) Standards for systems of personnel administration

In accordance with regulations of the Office of Personnel Management, Federal agencies may require as a condition of participation in assistance programs, systems of personnel administration consistent with personnel standards prescribed by the Office for positions engaged in carrying out such programs. The standards shall—

(1) include the merit principles in section 4701 of this title;
(2) be prescribed in such a manner as to minimize Federal intervention in State and local personnel administration.

(c) Powers and duties of Office

The Office shall—

(1) provide consultation and technical advice and assistance to State and local governments to aid them in complying with standards prescribed by the Office under subsection (a) of this section; and
(2) advise Federal agencies administering programs of grants or financial assistance as to the application of required personnel administration standards, and recommend and coordinate the taking of such actions by the Federal agencies as the Office considers will most effectively carry out the purpose of this subchapter.

(d) Transfer of personnel, property, records, and funds; time of transfer

So much of the personnel, property, records, and unexpended balances of appropriations, allocations, and other funds of any Federal agency employed, used, held, available, or to be made available in connection with the functions, powers, and duties vested in the Office by this section as the Director of the Management and Budget shall determine shall be transferred to the Office at such time or times as the Director shall direct.

(e) Modification or superseded of personnel standards

Personnel standards prescribed by Federal agencies under laws and regulations referred to in subsection (a) of this section shall continue in effect until modified or superseded by standards prescribed by the Office under subsection (a) of this section.

(f) Systems of personnel administration; innovation and diversity in design, execution, and management

Any standards or regulations established pursuant to the provisions of this section shall be such as to encourage innovation and allow for diversity on the part of State and local governments in the design, execution, and management of their own individual systems of personnel administration.

(g) Interpretation of certain provisions; limitation

Nothing in this section or in section 4722 or 4723 of this title shall be construed to—

(1) authorize any agency or official of the Federal Government to exercise any authority, direction, or control over the selection, assignment, advancement, retention, compensation, or other personnel action with respect to any individual State or local employee;
(2) authorize the application of personnel standards on a merit basis to the teaching personnel of educational institutions or school systems;
(3) prevent participation by employees or employee organizations in the formulation of policies and procedures affecting the conditions of their employment, subject to the laws and ordinances of the State or local government concerned;
(4) require or request any State or local government employee to disclose his race, religion, or national origin, or the race, religion, or national origin, of any of his forebears;
(5) require or request any State or local government employee, or any person applying for employment as a State or local government employee, to submit to any interrogation or examination or to take any psychological test which is designed to elicit from him information concerning his personal relationship with any person connected with him by blood or marriage, or concerning his religious beliefs or practices, or concerning his attitude or conduct with respect to sexual matters; or
(6) require or request any State or local government employee to participate in any way in any activities or undertakings unless such activities or undertakings are related to the performance of official duties to which he is or may be assigned or to the development of skills, knowledge, or abilities which qualify him for the performance of such duties.

(h) Grants-in-aid; abolition of certain requirements

Effective one year after October 13, 1978, all statutory personnel requirements established as a condition of the receipt of Federal grants-in-aid by State and local governments are hereby abolished, except—

(1) requirements prescribed under laws and regulations referred to in subsection (a) of this section;
(2) requirements that generally prohibit discrimination in employment or require equal employment opportunity;
(3) sections 3141–3144, 3146, and 3147 of title 40; and
(4) chapter 15 of title 5, relating to political activities of certain State and local employees.
§ 4(a), title IV, § 4002(b)(1)(C), (2)(CC), June 18, 2008, 122 Stat. 1664, 1857, 1859.)

REFERENCES IN TEXT
Section 10(e)(2) of the Food and Nutrition Act of 2008 of 1964 (7 U.S.C. 2016(c)(2)), referred to in subsec. (a)(1), was a reference to section 10(e)(2) of the Food Stamp Act of 1964 prior to the amendment by Pub. L. 110–246 which substituted “Food and Nutrition Act of 2008” for “Food Stamp Act”.

See 2008 Amendment note below.

Section 10 of the Food Stamp Act of 1964, which was classified to section 3109 of Title 7, Agriculture, amended generally by Pub. L. 95–113, § 1301, Sept. 29, 1977, 91 Stat. 969, and the provisions formerly contained in section 2018(e)(2) were covered by section 2020(e)(6) of Title 7.

Act of June 6, 1933, as amended, referred to in subsec. (a)(2)(A), is act June 6, 1933, ch. 48, 48 Stat. 113, as amended, known as the “Wagner-Peyser Act”, which is classified generally to chapter 4B (§ 49 et seq.) of Title 29.

Title 29, Labor. For complete classification of this Act to the Code, see Short Title note set out under section 49 of Title 29 and Table.

Sections 2674(a)(6) and 2684(a)(6) of this title, referred to in subsec. (a)(3)(A), was in the original a reference to sections 134(a)(6) and 204(a)(6) of the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963. Section 134 of the Act was renumbered “133” and amended by Pub. L. 94–103, and is classified to section 6053 of this title. Provisions relating to personnel standards on a merit basis appeared in section 6063(b)(7) of this title, and were subsequently deleted in a general amendment of subsec. (b), Title II of the Act was amended generally by Pub. L. 94–63, and provisions relating to personnel standards on a merit basis appeared in section 237(a)(1)(D) of the Act, which was classified to section 2689t(a)(1)(D) of this title. Section 2689t was repealed by Pub. L. 97–35, title IX, § 902(e)(2)(B), Aug. 13, 1981, 95 Stat. 560.

Section 3023(a)(6) of this title, referred to in subsec. (a)(3)(B), was in the original a reference to section 303(a)(6) of the Older Americans Act of 1965. Section 301 of Pub. L. 95–239 amended the Older Americans Act of 1965 by striking out title III and inserting in lieu thereof title III. Provisions relating to personnel standards on a merit basis appeared in section 305(a)(2) of the Act, which was classified to section 3025(a)(2) of this title prior to the general revision and reorganization of title III by Pub. L. 96–478, § 103(b), and were subsequently deleted in a general amendment of subsec. (b), which was classified to section 3109 of this title. Effective Date of 1978 Amendment Amendment by section 4002(b)(1)(C), (2)(CC) of Pub. L. 96–454 effective Oct. 1, 2008, see section 4407 of Pub. L. 110–246, set out as an Effective Date note under section 7001 of Title 7, Agriculture.


TRANSFER OF FUNCTIONS “Office”, meaning Office of Personnel Management, substituted for “Commission”, meaning Civil Service Commission, in subsecs. (a) and (c) to (e) pursuant to Reorg. Plan No. 2 of 1978, § 102, 43 F.R. 36307, 92 Stat. 3783, set out under section 1101 of Title 5, Government Organization and Employees, which transferred functions vested by statute in Civil Service Commission and Chairman thereof to Director of Office of Personnel Management (except as otherwise specified), effective Jan. 1, 1979, as provided by section 1–102 of Ex. Ord. No. 12107, Dec. 28, 1978, 44 F.R. 1055, set out under section 1101 of Title 5.

SUBCHAPTER III—TRAINING AND DEVELOPING STATE AND LOCAL EMPLOYEES

§ 4741. Declaration of purpose
The purpose of this subchapter is to strengthen the training and development of State and local government employees and officials, particularly in professional, administrative, and technical fields.


§ 4742. Admission to Federal employee training programs
(a) State and local government officers and employees
In accordance with such conditions as may be prescribed by the head of the Federal agency...
concerned, a Federal agency may admit State and local government employees and officials to agency training programs established for Federal professional, administrative, or technical personnel.

(b) Waiver of payments for training costs

Federal agencies may waive, in whole or in part, payments from, or on behalf of, State and local governments for the costs of training provided under this section. Payments received by the Federal agency concerned for training under this section shall be credited to the appropriated fund for paying the training costs.

(c) Initial costs; reimbursement of other Federal agencies

The Office may use appropriations authorized by this chapter to pay the initial additional developmental or overhead costs that are incurred by reason of admittance of State and local government employees to Federal training courses and to reimburse other Federal agencies for such costs.


REFERENCES IN TEXT

This chapter, referred to in subsec. (c), was in the original “this Act”, meaning Pub. L. 91–648, Jan. 5, 1971, 84 Stat. 1969, as amended, known as the Intergovernmental Personnel Act of 1970, which enacted this chapter and sections 3371 to 3376 of Title 5, Government Organization and Employees, amended section 266(f) of this title, section 1304 of Title 5, repealed sections 1881 to 1888 of Title 7, Agriculture, and section 869b of Title 10, Education, and enacted provisions set out as notes under section 3371 of Title 5. For complete classification of this Act to the Code, see Short Title note set out section 4701 of this title and Tables.

TRANSFER OF FUNCTIONS


§ 4743. Grants to State and local governments for training

(a) Amount of grants; executive certification; use restrictions; uses for non-Federal share; personnel training and education programs; innovation and diversity in development and execution

If in its judgment training is not adequately provided for under grant-in-aid or other statutes, the Office is authorized to make grants to State and general local governments for up to 75 per centum (or, with respect to fiscal years commencing after the expiration of three years following the effective date of the grant provisions of this chapter, for up to 50 per centum) of the costs of developing and carrying out programs, on the certification of the Governor of that State, or the mayor or chief executive officer of the general local government, that the programs are consistent with the applicable principles set forth in clauses (1)–(6) of the third paragraph of section 4701 of this title, to train and educate their professional, administrative, and technical employees and officials. Such grants may not be used to cover costs of full-time graduate-level study, provided for in section 4745 of this title, or the costs of the construction or acquisition of training facilities. The State and local government share of the cost of developing and carrying out training and education plans and programs may include, but shall not consist solely of, the reasonable value of facilities and of supervisory and other personal services made available by such governments. The authority provided by this section shall be employed in such a manner as to encourage innovation and allow for diversity on the part of State and local governments in developing and carrying out training and education programs for their personnel.

(b) Application; time of making; information; terms and conditions; waiver; development costs

An application for a grant from a State or general local government shall be made at such time or times, and shall contain such information, as the Office may prescribe. The Office may make a grant under subsection (a) of this section, only if the application therefor meets requirements established by this subsection unless any requirement is specifically waived by the Office. Such grant to a State, or to a general local government under subsection (c) of this section, may cover the costs of developing the program covered by the application. The program covered by the application shall—

(1) provide for designation, by the Governor or chief executive authority, of the State office that will have primary authority and responsibility for the development and administration of the program at the State level;

(2) provide, to the extent feasible, for coordination with relevant training available under or supported by other Federal Government programs or grants;

(3) provide for training needs of the State government and of local governments in that State;

(4) provide, to the extent feasible, for intergovernmental cooperation in employee training matters, especially within metropolitan or regional areas; and

(5) provide assurance that the making of a Federal Government grant will not result in a reduction in relevant State or local government expenditures or the substitution of Federal funds for State or local funds previously made available for these purposes.

(c) Population served; amount of grants; executive certification; State grant, conditions; terms and conditions; waiver

A grant authorized by subsection (a) of this section may be made to a general local government, or a combination of such governments, that serve a population of fifty thousand or more, for up to 75 per centum (or, with respect to fiscal years commencing after the expiration of three years following the effective date of the
grant provisions of this chapter, for up to 50 per centum of the costs of developing and carrying out programs or projects, on the certification of the mayor(s), or chief executive officer(s), of the general local government or combination of local governments that the programs or projects are consistent with the applicable principles set forth in clauses (1)–(6) of the third paragraph of section 4701 of this title to train and educate general local government or combination of employees and officials. Such a grant may not be made—

(1) if, at the time of submission of an application, the State concerned has an approved plan which, with the agreement of the particular local government concerned, provides for strengthening one or more aspects of training in that local government, unless the local government concerned has problems which are not met by the previously approved plan and for which, with the agreement of the State government concerned with respect to those aspects of training covered in the approved plan, it is submitting an application; or

(2) after the State concerned has a statewide plan which has been developed by an appropriate State agency designated or established pursuant to State law which provides such agency with adequate authority, administrative organization, and staffing to develop and administer such a statewide plan, and to provide technical assistance and other appropriate support in carrying out the local components of the plan, and which provides procedures insuring adequate involvement of officials of affected local governments in the development and administration of such a statewide plan, unless the local government concerned has special, unique, or urgent problems which are not met by the approved statewide plan and for which it submits an application for funds to be distributed under section 4766(a) of this title.

Upon the request of a Governor or chief executive authority, a grant to a general local government or combination of such governments in that State may not be made during a period not to exceed ninety days commencing with the date provided in section 4772 of this title, or the date on which official regulations for this chapter are promulgated, whichever date is later: Provided, That the request of the Governor or chief executive authority indicates that he is developing a plan under (1) above, or during a period not to exceed one hundred and eighty days commencing with the date provided in section 4772 of this title, or the date on which official regulations for this chapter are promulgated, whichever date is later, provided the request of the Governor or chief executive authority indicates that he is developing a statewide plan under (2) above. To be approved, an application for a grant under this subsection must meet requirements similar to those established in subsection (b) of this section for State applications, unless any such requirement is specifically waived by the Office, and the requirements of subsection (d) of this section. The Office may make grants to general local governments, or combinations of such governments that serve a population of less than fifty thousand if it finds that such

grants will help meet essential needs in programs or projects of national interest and will assist general local governments experiencing special needs for personnel training and education related to such programs or projects.

(d) Gubernatorial review of application; disapproval explanation

An application to be submitted to the Office under subsection (c) of this section shall first be submitted by the general local government or combination of such governments to the Governor for review, comments, and recommendations. The Governor may refer the application to the State office designated under subsection (b)(1) of this section for review. Comments and recommendations (if any) made as a result of the review and a statement by the general local government or combination of such governments that it has considered the comments and recommendations of the Governor shall accompany the application to the Office. The application need not be accompanied by the comments and recommendations of the Governor if the general local government or combination of such governments certifies to the Office that the application has been before the Governor for review and comment for a period of sixty days without comment by the Governor. An explanation in writing shall be sent to the Governor of a State by the Office whenever the Office does not concur with recommendations of the Governor in approving any local government applications.


REFERENCES IN TEXT

This chapter, referred to in subsecs. (a) and (c), was in the original—"this Act", meaning Pub. L. 91–648, Jan. 5, 1971, 84 Stat. 1909, known as the Intergovernmental Personnel Act of 1970, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 4701 of this title and Tables.

For effective date of the grant provisions of this chapter, referred to in subsecs. (a) and (c), as being 180 days after Jan. 5, 1971, see section 4772 of this title.

TRANSFER OF FUNCTIONS


§ 4744. Grants to other organizations

(a) Amount of grants; conditions

The Office is authorized to make grants to other organizations to pay up to 75 percentum (or, with respect to fiscal years commencing after the expiration of three years following the effective date of the grant provisions of this chapter, up to 50 percentum) of the costs of providing training to professional, administrative, or technical employees and officials of State or local governments if the Office—
§ 4745. Government Service Fellowships

(a) Diverse payments

The Office is authorized to make grants to State and general local governments to support programs approved by the Office for providing Government Service Fellowships for State and local government personnel. The grants may cover—

(1) the necessary costs of the fellowship recipient’s books, travel, and transportation, and such related expenses as may be authorized by the Office:

(2) reimbursement to the State or local government for not to exceed one-fourth of the salary of each fellow during the period of the fellowship; and

(3) payment to the educational institutions involved of such amounts as the Office determines to be consistent with prevailing practices under comparable federally supported programs for each fellow, less any amount charged the fellow for tuition and nonrefundable fees and deposits.

(b) Period of fellowships; eligibility criteria

Fellowships awarded under this section may not exceed two years of full-time graduate-level study for professional, administrative, and technical employees. The regulations of the Office shall include eligibility criteria for the selection of fellowship recipients by State and local governments.

(c) Selection of fellows; continuation of salary and employment benefits; public service plans upon completion of study; outline of plans in application for grant

The State or local government concerned shall—

(1) select the individual recipients of the fellowships;

(2) during the period of the fellowship, continue the full salary of the recipient and normal employment benefits such as credit for seniority, leave accrual, retirement, and insurance; and

(3) make appropriate plans for the utilization and continuation in public service of employees completing fellowships and outline such plans in the application for the grant.

(b) "Other organization" defined

For the purpose of this section “other organization” means—

(1) a national, regional, statewide, areawide, or metropolitan organization, representing member State or local governments;

(2) an association of State or local public officials; or

(3) a nonprofit organization one of whose principal functions is to offer professional advisory, research, development, educational or related services to governments.

REFERENCES IN TEXT


TRANSFER OF FUNCTIONS

“Office”, meaning Office of Personnel Management, substituted for “Commission”, meaning Civil Service Commission, in subsecs. (a) and (b) pursuant to Reorg. Plan No. 2 of 1978, §102, 43 F.R. 36037, 92 Stat. 3783, set out under section 1101 of Title 5, Government Organization and Employees, which transferred functions vested by statute in Civil Service Commission and Chairman thereof to Director of Office of Personnel Management (except as otherwise specified), effective Jan. 1, 1979, as provided by section 1–102 of Ex. Ord. No. 12107, Dec. 28, 1978, 44 F.R. 10555, set out under section 1101 of Title 5.
REFERENCES IN TEXT

This chapter, referred to in par. (2), was in the original "this Act", meaning Pub. L. 91–648, Jan. 5, 1971, 84 Stat. 1909, known as the Intergovernmental Personnel Act of 1970, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 4701 of this title and Tables.


TRANSFER OF FUNCTIONS


SUBCHAPTER IV—GENERAL PROVISIONS

§ 4761. Declaration of purpose

The purpose of this subchapter is to provide for the general administration of subchapters I, II, III, and IV of this chapter (hereinafter referred to as "this chapter"), and to provide for the establishment of certain advisory committees.


REFERENCES IN TEXT

This subchapter, referred to in text, was in the original "this title", meaning title V of Pub. L. 91–648. See below for Amendments.

Subchapters I, II, III, and IV of this chapter, referred to in text, was in the original "titles I, II, III, and V of this Act", meaning Pub. L. 91–648, Jan. 5, 1971, 84 Stat. 1909. Titles I, II, and III of the Act are classified generally to subchapters I (§4701 et seq.), II (§4721 et seq.), and III (§4741 et seq.), respectively, of this chapter. Title V of the Act is classified principally to this subchapter. For complete classification of titles I to III and V to the Code, see Tables.

§ 4762. Definitions

For the purpose of this chapter—

(1) "Office" means the Office of Personnel Management;

(2) "Federal agency" means an executive department, military department, independent establishment, or agency in the executive branch of the Government of the United States, including Government owned or controlled corporations;

(3) "State" means a State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Trust Territory of the Pacific Islands, and a territory or possession of the United States, and includes interstate and Federal-interstate agencies but does not include the governments of the political subdivisions of a State;

(4) "local government" means a city, town, county, or other subdivision or district of a State, including agencies, instrumentalities, and authorities of any of the foregoing and any combination of such units or combination of such units and a State. A "general local government" means a city, town, county, or comparable general-purpose political subdivision of a State;

(5) Notwithstanding the population requirements of sections 4723(a) and 4743(c) of this title, a "local government" and a "general local government" also mean the recognized governing body of an Indian tribe, band, pueblo, or other organized group or community, including any Alaska Native village, as defined in the Alaska Native Claims Settlement Act (85 Stat. 688) [43 U.S.C. 1601 et seq.], which performs substantial governmental functions. The requirements of sections 4723(c) and 4743(d) of this title, relating to reviews by the Governor of a State, do not apply to grant applications from the governing body of an Indian tribe, although nothing in this chapter is intended to discourage or prohibit voluntary communication and cooperation between Indian tribes and State and local governments.


REFERENCES IN TEXT

This chapter, referred to in text, means the provisions of subchapters I, II, III, and IV of this chapter. See section 4761 of this title.

The Alaska Native Claims Settlement Act, referred to in par. (5), is Pub. L. 92–203, Dec. 18, 1971, 85 Stat. 688, as amended, which is classified generally to chapter 33 (§1601 et seq.) of Title 43, Public Lands. For complete classification of this Act to the Code, see Short Title note set out under section 1601 of Title 43 and Tables.

AMENDMENTS


EFFECTIVE DATE OF 1978 AMENDMENT


TRANSFER OF FUNCTIONS

§ 4763. General administrative provisions

(a) Administration by Office

Unless otherwise specifically provided, the Office shall administer this chapter.

(b) Advice and assistance

The Office shall furnish such advice and assistance to State and local governments as may be necessary to carry out the purposes of this chapter.

(c) Regulations and standards; contracts: modification, covenants, conditions, and provisions; utilization of other agencies

In the performance of, and with respect to, the functions, powers, and duties vested in it by this chapter, the Office may—

(1) issue such standards and regulations as may be necessary to carry out the purposes of this chapter;

(2) consent to the modification of any contract entered into pursuant to this chapter, subject to any specific limitations of this chapter;

(3) include in any contract made pursuant to this chapter such covenants, conditions, or provisions as it deems necessary to assure that the purposes of this chapter will be achieved; and

(4) utilize the services and facilities of any Federal agency, any State or local government, and any public or nonprofit agency or institution, on a reimbursable basis or otherwise, in accordance with agreements between the Office and the head thereof.

(d) Information: collection and availability; research and evaluation; administration report; coordination of Federal programs

In the performance of, and with respect to the functions, powers, and duties vested in it by this chapter, the Office—

(1) may collect information from time to time with respect to State and local government training programs and personnel administration improvement programs and projects under this chapter, and make such information available to interested groups, organizations, or agencies, public or private;

(2) may conduct such research and make such evaluation as needed for the efficient administration of this chapter;

(3) shall include in its annual report a report of the administration of this chapter; and

(4) shall make such arrangements as may be necessary to avoid duplication of programs providing for training and to insure consistent administration of the related Federal training activities, with particular regard to title I of the Higher Education Act of 1965 [20 U.S.C. 1001 et seq.].

(e) Additional authority

The provisions of this chapter are not a limitation on existing authorities under other statutes but are in addition to any such authorities, unless otherwise specifically provided in this chapter.

References in Text

This chapter, referred to in text, means the provisions of subchapters I, II, III, and IV of this chapter. See section 4761 of this title.


Transfer of Functions


§ 4764. Reporting and recordkeeping requirements for State or local governments and other organizations

(a) A State or local government office designated to administer a program or project under this chapter shall make reports and evaluations in such form, at such times, and containing such information concerning the status and application of Federal funds and the operation of the training program as the Office may require, and shall keep and make available such records as may be required by the Office for the verification of such reports and evaluations.

(b) An organization which receives a training grant under section 4744 of this title shall make reports and evaluations in such form, at such times, and containing such information concerning the status and application of Federal grant funds and the operation of the training program as the Office may require, and shall keep and make available such records as may be required by the Office for the verification of such reports and evaluations.

References in Text

This chapter, referred to in subsec. (a), means the provisions of subchapters I, II, III, and IV of this chapter. See section 4761 of this title.

Transfer of Functions

“Office”, meaning Office of Personnel Management, substituted in text for “Commission”.
178, §102, 43 F.R. 36037, 92 Stat. 3783, set out under section 1101 of Title 5, Government Organization and Employees, which transferred functions vested by statute in Civil Service Commission and Chairman thereof to Director of Office of Personnel Management (except as otherwise specified), effective Jan. 1, 1979, as provided by section 1–102 of Ex. Ord. No. 12107, Dec. 28, 1978, 44 F.R. 10555, set out under section 1101 of Title 5.

§ 4765. Review and audit

The Office, the head of the Federal agency concerned, and the Comptroller General of the United States, or any of their duly authorized representatives, shall have access, for the purpose of audit and examination, to any books, documents, papers, and records of a grant recipient that are pertinent to the grant received.


TRANSFER OF FUNCTIONS


§ 4766. Distribution of grants

(a) State and local government allocations; equitable distribution

The Office shall allocate 20 per centum of the total amount available for grants under this chapter in such manner as will most nearly provide an equitable distribution of the grants among States and between State and local governments, taking into consideration such factors as the size of the population, number of employees affected, the urgency of the programs or projects, the need for funds to carry out the purposes of this chapter, and the potential of the governmental jurisdictions concerned to use the funds most effectively.

(b) Weighted formula; minimum allocation; reallocation; “State” defined

(1) The Office shall allocate 80 per centum of the total amount available for grants under this chapter among the States on a weighted formula taking into consideration such factors as the size of population and the number of State and local government employees affected.

(2) The amount allocated for each State under paragraph (1) of this subsection shall be further allocated by the Office to meet the needs of both the State government and the local governments within the State on a weighted formula taking into consideration such factors as the number of State and local government employees and the amount of State and local government expenditures. The Office shall determine the categories of employees and expenditures to be included or excluded, as the case may be, in the number of employees and amount of expenditures. The minimum allocation for meeting needs of local governments in each State (other than the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, and the Virgin Islands) shall be 50 per centum of the amount allocated for the State under paragraph (1) of this subsection.

(3) The amount of any allocation under paragraph (2) of this subsection which the Office determines, on the basis of information available to it, will not be used to meet needs for which allocated shall be available for use to meet the needs of the State government or local governments in that State, as the case may be, on such date or dates as the Office may fix.

(4) The amount allocated for any State under paragraph (1) of this subsection which the Office determines, on the basis of information available to it, will not be used shall be available for reallocation by the Office from time to time, on such date or dates as it may fix, among other States with respect to which such a determination has not been made, in accordance with the formula set forth in paragraph (1) of this subsection, but with such amount for any of such other States being reduced to the extent it exceeds the sum the Office estimates said State needs and will be able to use; and the total of such reductions shall be similarly reallocated among the States whose proportionate amounts were not so reduced.

(5) For the purposes of this subsection, “State” means the several States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, and the Virgin Islands.

(c) Payment limitation

Notwithstanding the other provisions of this section, the total of the payments from the appropriations for any fiscal year under this chapter made with respect to programs or projects in any one State may not exceed an amount equal to 12½ per centum of such appropriation.


REFERENCES IN TEXT

This chapter, referred to in subsds. (a), (b)(1), and (c), means the provisions of subchapters I, II, III, and IV of this chapter. See section 4761 of this title.

AMENDMENTS


EFFECTIVE DATE OF 1978 AMENDMENT


TRANSFER OF FUNCTIONS

“Office”, meaning Office of Personnel Management, substituted for “Commission”, meaning Civil Service Commission, in subsds. (a) and (b), pursuant to Reorg. Plan No. 2 of 1978, §102, 43 F.R. 36037, 92 Stat. 3783, set out under section 1101 of Title 5, Government Organization and Employees, which transferred functions vested by statute in Civil Service Commission and Chairman thereof to Director of Office of Personnel Management (except as otherwise specified), effective Jan. 1, 1979, as
§ 4767. Termination of grants

Whenever the Office, after giving reasonable notice and opportunity for hearing to the State or general local government concerned, finds—

1. that a program or project has been so changed that it no longer complies with the provisions of this chapter; or

2. that in the operation of the program or project there is a failure to comply substantially with any such provision;

the Office shall notify the State or general local government of its findings and no further payments may be made to such government by the Office until it is satisfied that such noncompliance has been, or will promptly be, corrected. However, the Office may authorize the continuance of payments to those projects approved under this chapter which are not involved in the noncompliance.


REFERENCES IN TEXT

This chapter, referred to in text, means the provisions of subchapters I, II, III, and IV of this chapter. See section 4761 of this title.

TRANSFER OF FUNCTIONS


§ 4768. Advisory committees; appointment; compensation and travel expenses

(a) The Office may appoint, without regard to the provisions of title 5 governing appointments in the competitive service, such advisory committee or committees as it may determine to be necessary to facilitate the administration of this chapter.

(b) Members of advisory committees who are not regular full-time employees of the United States, while serving on the business of the committees including travel time may receive compensation at rates not exceeding the daily rate for GS–18; and while so serving away from their homes or regular places of business may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5 for individuals in the Government service employed intermittently.


REFERENCES IN TEXT

This chapter, referred to in subsec. (a), means the provisions of subchapters I, II, III, and IV of this chapter. See section 4761 of this title.

TRANSFER OF FUNCTIONS


Termination of advisory committees

Advisory committees in existence on Jan. 5, 1973, to terminate not later than the expiration of the 2-year period following Jan. 5, 1973, unless, in the case of a committee established by the President or an officer of the Federal Government, such committee is renewed by appropriate action prior to the expiration of such 2-year period, or in the case of a committee established by the Congress, its duration is otherwise provided by law. Advisory committees established after Jan. 5, 1973, to terminate not later than the expiration of the 2-year period beginning on the date of their establishment, unless, in the case of a committee established by the President or an officer of the Federal Government, such committee is renewed by appropriate action prior to the expiration of such 2-year period, or in the case of a committee established by the Congress, its duration is otherwise provided by law. See section 14 of Pub. L. 92–463, Oct. 7, 1972, 86 Stat. 776, set out in the Appendix to Title 5, Government Organization and Employees.

REFERENCES IN OTHER LAWS TO GS–16, 17, OR 18 PAY RATES

References in laws to the rates of pay for GS–16, 17, or 18, or to maximum rates of pay under the General Schedule, to be considered references to rates payable under specified sections of Title 5, Government Organization and Employees, see section 529 (title I, § 101(c)(1)) of Pub. L. 101–509, set out in a note under section 5376 of Title 5.

§ 4769. Authorization of appropriations

There are authorized to be appropriated, without fiscal year limitation, such sums as may be necessary to carry out the programs authorized by this chapter.


REFERENCES IN TEXT

This chapter, referred to in text, means the provisions of subchapters I, II, III, and IV of this chapter. See section 4761 of this title.

§ 4770. Limitations on availability of funds for cost sharing

Federal funds made available to State or local governments under other programs may not be used by the State or local government for cost-sharing purposes under grant provisions of this chapter, except that Federal funds of a program financed wholly by Federal funds may be used to pay a pro-rata share of such cost sharing. State or local government funds used for cost sharing on other federally assisted programs may not be used for cost sharing under grant provisions of this chapter.

§ 4771. Method of payment; installments; advances or reimbursement; adjustments

Payments under this chapter may be made in installments, and in advance or by way of reimbursement, as the Office may determine, with necessary adjustments on account of overpayments or underpayments.


REFERENCES IN TEXT

This chapter, referred to in text, means the provisions of subchapters I, II, III, and IV of this chapter. See section 4761 of this title.

§ 4772. Effective date of grant provisions

Grant provisions of this chapter shall become effective one hundred and eighty days following January 5, 1971.


REFERENCES IN TEXT

This chapter, referred to in text, means the provisions of subchapters I, II, III, and IV of this chapter. See section 4761 of this title.

CHAPTER 63—LEAD-BASED PAINT POISONING PREVENTION

SUBCHAPTER I—GRANTS FOR DETECTION AND TREATMENT OF LEAD-BASED PAINT POISONING

Sec. 4801. Repealed.

SUBCHAPTER II—GRANTS FOR ELIMINATION OF LEAD-BASED PAINT POISONING

4811. Repealed.

SUBCHAPTER III—FEDERAL DEMONSTRATION AND RESEARCH PROGRAM: FEDERAL HOUSING ADMINISTRATION REQUIREMENTS

4821. Development of program; consultation; nature of program; safe level of lead; report to Congress

(a) The Secretary of Housing and Urban Development, in consultation with the Secretary of Health and Human Services, shall develop and carry out a demonstration and research program to determine the nature and extent of the problem of lead based paint poisoning in the United States, particularly in urban areas, including the methods by which the lead based paint hazard can most effectively be removed from interior surfaces, porches, and exterior surfaces of residential housing to which children may be exposed.

(b) The Chairman of the Consumer Product Safety Commission shall conduct appropriate research on multiple layers of dried paint film, containing the various lead compounds commonly used, in order to ascertain the safe level of lead in residential paint products. No later than December 31, 1974, the Chairman shall submit to Congress a full and complete report of his findings and recommendations as developed pur-
suant to such programs, together with a statement of any legislation which should be enacted or any changes in existing law which should be made in order to carry out such recommendations.


AMENDMENTS


Subsec. (b). Pub. L. 93–151 required the Chairman of the Consumer Product Safety Commission to conduct research to ascertain the safe level of lead in provisions designated as subsec. (b), incorporated existing second sentence as the second sentence of the subsection, substituting requirement of submission of report by the Chairman no later than Dec. 31, 1974, for former similar requirement for submission of a report by the Secretary within one year after Jan. 13, 1971.

CHANGE OF NAME

“Secretary of Health and Human Services” substituted for “Secretary of Health, Education, and Welfare” in subsec. (a) pursuant to section 509(b) of Pub. L. 96–88, which is classified to section 3508(b) of Title 20, Education.

§ 4822. Requirements for housing receiving Federal assistance

(a) General requirements

(1) Elimination of hazards

The Secretary of Housing and Urban Development (hereafter in this section referred to as the “Secretary”) shall establish procedures to eliminate as far as practicable the hazards of lead based paint poisoning with respect to any existing housing which may present such hazards and which is covered by an application for mortgage insurance or housing assistance payments under a program administered by the Secretary or otherwise receives more than $5,000 in project-based assistance under a Federal housing program. Beginning on January 1, 1995, such procedures shall apply to all such housing that constitutes target housing, as defined in section 4851b of this title, and shall provide for appropriate measures to conduct risk assessments, inspections, interim controls, and abatement of lead-based paint hazards. At a minimum, such procedures shall require—

(A) the provision of lead hazard information pamphlets, developed pursuant to section 2068 of title 15, to purchasers and tenants;

(B) periodic risk assessments and interim controls in accordance with a schedule determined by the Secretary, the initial risk assessment of each unit constructed prior to 1960 to be conducted not later than January 1, 1996, and, for units constructed between 1960 and 1978—

(i) not less than 25 percent shall be performed by January 1, 1998;

(ii) not less than 50 percent shall be performed by January 1, 2000; and

(iii) the remainder shall be performed by January 1, 2002;

(C) inspection for the presence of lead-based paint prior to federally-funded renovation or rehabilitation that is likely to disturb painted surfaces;

(D) reduction of lead-based paint hazards in the course of rehabilitation projects receiving less than $25,000 per unit in Federal funds;

(E) abatement of lead-based paint hazards in the course of substantial rehabilitation projects receiving more than $25,000 per unit in Federal funds;

(F) where risk assessment, inspection, or reduction activities have been undertaken, the provision of notice to occupants describing the nature and scope of such activities and the actual risk assessment or inspection reports (including available information on the location of any remaining lead-based paint on a surface-by-surface basis); and

(G) such other measures as the Secretary deems appropriate.

(2) Additional measures

The Secretary may establish such other procedures as may be appropriate to carry out the purposes of this section.

(3) Disposition of federally owned housing

(A) Pre-1960 target housing

Beginning on January 1, 1995, procedures established under paragraphs (1) and (2) shall require the inspection and abatement of lead-based paint hazards in all federally owned target housing constructed prior to 1960.

(B) Target housing constructed between 1960 and 1978

Beginning on January 1, 1995, procedures established under paragraphs (1) and (2) shall require an inspection for lead-based paint and lead-based paint hazards in all federally owned target housing constructed between 1960 and 1978.

The results of such inspections shall be made available to prospective purchasers, identifying the presence of lead-based paint and lead-based paint hazards on a surface-by-surface basis. The Secretary shall have the discretion to waive the requirement of this subparagraph for housing in which a federally funded risk assessment, performed by a certified contractor, has determined no lead-based paint hazards are present.

(C) Budget authority

To the extent that subparagraphs (A) and (B) increase the cost to the Government of outstanding direct loan obligations or loan guarantee commitments, such activities shall be treated as modifications under section 661c(e) of title 2 and shall be subject to the availability of appropriations. To the extent that paragraphs (A) and (B) impose additional costs to the Resolution Trust Corporation and the Federal Deposit Insurance Corporation, its requirements shall be carried out only if appropriations are provided in advance in an appropriations Act. In the absence of appropriations sufficient to cover the costs of subparagraphs (A) and (B), these
requirements shall not apply to the affected agency or agencies.

(D) Definitions

For the purposes of this subsection, the terms “inspection”, “abatement”, “lead-based paint hazard”, “federally owned housing”, “target housing”, “risk assessment”, and “certified contractor” have the same meaning given such terms in section 4851b of this title.

(4) Definitions

For purposes of this subsection, the terms “risk assessment”, “inspection”, “interim control”, “abatement”, “reduction”, and “lead-based paint hazard” have the same meaning given such terms in section 4851b of this title.

(b) Measurement criteria

The procedures established by the Secretary under this section for the risk assessment, interim control, inspection, and abatement of lead-based paint hazards in housing covered by this section shall be based upon guidelines developed pursuant to section 4852c of this title.

(c) Inspection requirements

The Secretary shall require the inspection of all intact and nonintact interior and exterior painted surfaces of housing subject to this section for lead-based paint using an approved x-ray fluorescence analyzer, atomic absorption spectroscopy, or comparable approved sampling or testing technique. A certified inspector or laboratory shall certify in writing the precise results of the inspection. If the results equal or exceed a level of 1.0 milligrams per centimeter squared or 0.5 percent by weight, the results shall be provided to any potential purchaser or tenant of the housing. The Secretary shall periodically review and reduce the level below 1.0 milligram per centimeter squared or 0.5 percent by weight to the extent that reliable technology makes feasible the detection of a lower level and medical evidence supports the imposition of a lower level. The requirements of this subsection shall apply as provided in subsection (d).

(d) Abatement required

(1) Transitional testing and abatement in public housing receiving modernization assistance

In the case of public housing assisted with capital assistance provided under section 1437g of this title, the Secretary shall require the inspection described in subsection (c) for—

(A) a random sample of dwellings and common areas in all public housing projects assisted under such section; and

(B) each dwelling in any public housing project in which there is a dwelling determined under subparagraph (A) to have lead-based paint hazards, except that the Secretary shall not require the inspection of each dwelling if the Secretary requires the abatement of the lead-based paint hazards for the surfaces of each dwelling in the public housing project that correspond to the surfaces in the sample determined to have such hazards under subparagraph (A).

The Secretary shall require the inspection of all housing subject to this paragraph in accordance with the modernization schedule. A public housing agency may elect to test for lead-based paint using atomic absorption spectroscopy and may elect to abate lead-based paint and dust containing lead under standards more stringent than that in subsection (c), including the abatement of lead-based paint and dust which exceeds the standard of lead permitted in paints by the Consumer Product Safety Commission under this chapter, and such abatement shall qualify for capital assistance provided under section 1437g of this title. The Secretary shall require abatement of lead-based paint and lead-based paint hazards in housing in which the test results equal or exceed the standard established by or under subsection (c). Final inspection and certification after abatement shall be made by a qualified inspector, industrial hygienist, or local public health official.

(2) Abatement demonstration program

(A) Abatement demonstration program

In carrying out the requirements of this subsection with respect to single-family and multifamily properties owned by the Department of Housing and Urban Development and public housing, the Secretary shall utilize a sufficient variety of abatement methods in a sufficient number of areas and circumstances to demonstrate their relative cost-effectiveness and their applicability to various types of housing. For purposes of the demonstration, a public housing agency may elect to test for lead-based paint using atomic absorption spectroscopy and may elect to abate lead-based paint and dust containing lead under standards more stringent than that in subsection (c), including the abatement of lead-based paint and dust which exceeds the standard of lead permitted in paints by the Consumer Product Safety Commission under this chapter, and such abatement shall qualify for assistance under section 1437/1 of this title.

(B) Report

Not later than 18 months after the effective date of the regulations issued to carry out this subsection, the Secretary shall transmit to the Congress the findings and recommendations of the Secretary as a result of the demonstration program, including any recommendations of the Secretary for legislation to revise the requirements of this subsection. Based on the demonstration, the Secretary shall prepare and include in the report a comprehensive and workable plan for the cost-effective inspection and abatement of public housing in accordance with paragraph (3), including an estimate of the total cost of abatement in accordance with paragraph (3)(B). In preparing such report, the Secretary shall examine—

(i) the most reliable technology available for detecting lead-based paint, including X-ray fluorescence and atomic absorption spectroscopy;

1 See References in Text note below.
(ii) the most efficient and cost-effective methods for abatement, including removal, containment, or encapsulation of the contaminated components, procedures which minimize the generation of dust (including the high-efficiency vacuum removal of leaded dust), and procedures that provide for offsite disposal of the removed components, in compliance with all applicable regulatory standards and procedures;

(iii) safety considerations in testing, abatement, and worker protection;

(iv) the overall accuracy and reliability of laboratory testing of physical samples, x-ray fluorescence machines, and other available testing procedures;

(v) availability of qualified samplers and testers;

(vi) an estimate of the amount, characteristics, and regional distribution of housing in the United States that contains lead-based paint hazards at differing levels of contamination; and

(vii) the merits of an interim containment protocol for public housing dwellings that are determined to have lead-based paint hazards but for which comprehensive improvement assistance under section 1437f of this title is not available.

(3) Testing and abatement of other public housing

(A) Required inspection

The Secretary shall require the inspection described in subsection (c) for—

(i) a random sample of dwellings and common areas in all public housing that is not subject to paragraph (1); and

(ii) each dwelling in any public housing project in which there is a dwelling determined under clause (i) to have lead-based paint hazards, except that the Secretary shall not require the inspection of each dwelling if the Secretary requires the abatement of the lead-based paint hazards for the surfaces of each dwelling in the public housing project that correspond to the surfaces in the sample determined to have such hazards under clause (i).

(B) Schedule

The Secretary shall require the inspection of all housing subject to this paragraph prior to the expiration of 5 years after the report required to be transmitted under paragraph (2)(B). The Secretary may prioritize, within such 5-year period, inspections on the basis of vacancy, age of housing, or projected modernization or rehabilitation. The Secretary shall require abatement and final inspection and certification of such housing in accordance with the last two sentences of paragraph (1).

(4) Report required

Not later than 9 months after completion of the demonstration required by paragraph (2), the Secretary shall, based on the demonstration, prepare and transmit to the Congress, a comprehensive and workable plan, including any recommendations for changes in legislation, for the prompt and cost effective inspection and abatement of privately owned single family and multifamily housing, including housing assisted under section 1437f of this title. After the expiration of the 9-month period referred to in the preceding sentence, the Secretary may not obligate or expend any funds or otherwise carry out activities related to any other policy development and research project until the report is transmitted.

(e) Exceptions

The provisions of this section shall not apply to—

(1) housing for the elderly or persons with disabilities, or any 0-bedroom dwelling, except for any dwelling in such housing in which any child who is under age 6 resides or is expected to reside; or

(2) any project for which an application for insurance is submitted under section 1715v, 1715w, 1715z–6, or 1715z–7 of title 12.

(f) Funding

The Secretary shall carry out the provisions of this section utilizing available Federal funding sources. The Secretary shall use funds available under the Capital Fund under section 1437g of this title to carry out this section in public housing. The Secretary shall submit annually to the Congress an estimate of the funds required to carry out the provisions of this section with the reports required by paragraphs (2)(B) and (4).

(g) Interpretation of section

This section may not be construed to affect the responsibilities of the Environmental Protection Agency with respect to the protection of the public health from hazards posed by lead-based paint.
that may contain lead in any such housing in which any child who is less than 7 years of age resides or is expected to reside, and (2) assured notification (using a brochure developed after consultation with the National Institute of Building Sciences) to purchasers and tenants of such housing of the hazards of lead based paint, of the symptoms and treatment of lead based paint poisoning, and of the importance and availability of maintenance and removal techniques for eliminating such hazards, and designated former third sentence of subsec. (a) which read as follows: ‘‘Such procedures shall apply to all such housing constructed or substantially rehabilitated prior to 1978 and as a minimum provide for: (1) appropriate measures to eliminate as far as practicable lead hazards due to the presence of accessible intact, intact, and nonintact interior and exterior painted surfaces that may contain lead in any such housing in which any child who is less than 7 years of age resides or is expected to reside, and (2) assured notification (using a brochure developed after consultation with the National Institute of Building Sciences) to purchasers and tenants of such housing of the hazards of lead based paint, of the symptoms and treatment of lead based paint poisoning, and of the importance and availability of maintenance and removal techniques for eliminating such hazards.’’, and designated former second sentence of subsec. (a) which read as follows: ‘‘Such procedures shall require— and (G) for former secence of subsec. (a) which read as follows: ‘‘The Secretary shall require the inspection of all housing subject to this paragraph prior to the expiration of 5 years from the date of the publication of final regulations pursuant to this subsection. The Secretary shall prioritize, within such 5-year period, inspections on the basis of vacancy, age of housing, or projected modernization or rehabilitation.’’

Subsec. (d)(2). Pub. L. 100–628, § 1088(b)(1), substituted ‘‘Abatement demonstration program’’ for ‘‘HUD-owned properties’’ in heading.

Subsec. (d)(2)(A). Pub. L. 100–628, § 1088(b)(2), inserted ‘‘and public housing’’ after ‘‘Urban Development’’, and inserted at end ‘‘For purposes of the demonstration, a public housing agency may elect to test for lead-based paint using atomic absorption spectroscopy and may elect to abate lead-based paint and dust containing lead under standards more stringent than that in subsection (c), including the abatement of lead-based paint and dust which exceeds the standard of lead permitted in paints by the Consumer Product Safety Commission under this chapter, and such abatement shall qualify for assistance under section 1437 of this title.’’

Subsec. (d)(2)(B). Pub. L. 100–628, § 1088(b)(3), in introductory provisions, added par. (3) which read as follows: ‘‘Based on the demonstration, the Secretary shall prepare and include in the report a comprehensive and workable plan for the cost-effective inspection and abatement of public housing in accordance with paragraph (3), including an estimate of the total cost of abatement in accordance with paragraph (3)(B).’’

Subsec. (d)(2)(B)(i). Pub. L. 100–628, § 1088(c)(1), inserted ‘‘including X-ray fluorescence and atomic absorption spectroscopy’’ after ‘‘lead-based paint’’.

Subsec. (d)(2)(B)(ii). Pub. L. 100–628, § 1088(c)(2), inserted ‘‘including removal, containment, or destruction of the contaminated components, procedures which minimize the generation of dust (including the high efficiency vacuum removal of leaded dust), and procedures that provide for offsite disposal of the removed components, in compliance with all applicable regulatory standards and procedures’’ after ‘‘methods for abatement’’.


Subsec. (d)(3), (4). Pub. L. 100–628, § 1088(d), added par. (3) and redesignated former par. (3) as (4).

Subsec. (f). Pub. L. 100–628, § 1088(e), inserted at end ‘‘The Secretary shall submit annually to the Congress an estimate of the funds required to carry out the provisions of this section with the reports required by paragraphs (2)(B) and (4).’’

Subsec. (g). Pub. L. 100–628, § 1088(h), added subsec. (g).
implement amendment before such date, except to extent that such amendment provides otherwise, and with savings provision, see section 503 of Pub. L. 105–276, set out as a note under section 1437 of this title.

Effective Date
Pub. L. 93–151, §4(b), Nov. 9, 1973, 87 Stat. 566, provided that: "The amendments made by subsection (a) of this section (enacting this section) become effective upon the expiration of the 90-day period following the date of enactment of this Act (Nov. 9, 1973)."

Termination of Reporting Requirements
For termination, effective May 15, 2000, of provisions in subsec. (f) of this section relating to annual submittal to Congress of estimate of funds, see section 3003 of Pub. L. 101–144, set out as a note under section 1113 of Title 31, Money and Finance, and item 22 on page 97 of House Document No. 103–7.

Lead-Based Paint Abatement Training and Certification Requirements and Training Grants
Pub. L. 102–139, title III, Oct. 28, 1991, 105 Stat. 765, 766, which provided for regulations governing lead-based paint abatement activities to ensure that individuals engaged in such activities are properly trained, that training programs are accredited, that contractors are certified, and that laboratories engaged in testing for substances are certified, and which also provided for grants for training and education of workers who are or may be directly engaged in lead-based paint abatement activities, was omitted as superseded by section 2682(a)(1) of Title 15, Commerce and Trade, which provides that on Oct. 28, 1992, the provisions of law formerly set out in this note would cease to have any force and effect.

Lead-Based Paint Technical Guidelines; Draft Guidelines
Pub. L. 101–144, title II, Nov. 9, 1989, 103 Stat. 853, provided that: "If the Secretary of the Department of Housing and Urban Development has not issued the lead-based paint technical guidelines on reliable testing protocols, safe and effective abatement techniques, cleanup methods and acceptable post-abatement lead dust levels by April 1, 1989, the Department’s September 29, 1989, draft guidelines shall take effect and remain in force until revised by the Secretary."

Prerequisites to Implementation of Regulations Regarding Testing and Abatement of Lead-Based Paint in Public Housing
Pub. L. 100–404, title I, Aug. 19, 1988, 102 Stat. 1021, provided that: "None of the funds provided in this Act [see Tables for classification] or heretofore provided may be used to implement or enforce the regulations promulgated by the Department of Housing and Urban Development on June 6, 1988, with respect to the testing and abatement of lead-based paint in public housing until the Secretary develops comprehensive technical guidelines on reliable testing protocols, safe and effective abatement techniques, cleanup methods, and acceptable post-abatement lead dust levels."

Regulations and Consultation
Pub. L. 100–242, title V, §566(b), Feb. 5, 1988, 101 Stat. 197, as amended by Pub. L. 100–418, title V, §511(c), Aug. 22, 1988, 102 Stat. 1433; Pub. L. 100–628, title X, §108(g), Nov. 7, 1988, 102 Stat. 3282, provided that: "(1) PROPOSED REGULATIONS.—Not later than the expiration of the 60-day period following the date of the enactment of this Act [Feb. 5, 1988], the Secretary of Housing and Urban Development shall publish proposed regulations to carry out the amendments made by this section (amending this Act). The Secretary shall publish final regulations to carry out the amendments made by this section, which shall become effective not later than the expiration of the 120-day period following the date of the enactment of this Act."

(3) REQUIRED CONSULTATIONS.—Before issuing proposed regulations and in preparing reports under this section, the Secretary shall consult with—

"(A) the National Institute of Building Sciences, the Environmental Protection Agency, the National Institute of Environmental Health Sciences, the Centers for Disease Control and Prevention, the Consumer Product Safety Commission, major public housing organizations, other major housing organizations, and the National Institute of Standards and Technology with respect to the most cost-effective methods of detecting and abating lead-based paint poisoning hazards; and

"(B) public housing agencies to develop a cost-efficient plan for detecting and abating lead-based paint poisoning hazards in dwelling assisted under section 8 of the United States Housing Act of 1937 [42 U.S.C. 1437f] and dwellings in public housing assisted under such Act [42 U.S.C. 1437 et seq.]."

Subchapter IV—Prohibition Against Future Use of Lead-Based Paint

§4831. Use of lead-based paint

(a) Prohibition by Secretary of Health and Human Services in application to cooking, drinking, or eating utensils

The Secretary of Health and Human Services shall take such steps and impose such conditions as may be necessary or appropriate to prohibit the application of lead-based paint to any cooking utensil, drinking utensil, or eating utensil manufactured and distributed after January 13, 1971.

(b) Prohibition by Secretary of Housing and Urban Development of use in residential structures constructed or rehabilitated by Federal Government or with Federal assistance

The Secretary of Housing and Urban Development shall take steps and impose such conditions as may be necessary or appropriate to prohibit the use of lead-based paint in residential structures constructed or rehabilitated by the Federal Government, or with Federal assistance in any form after January 13, 1971.

(c) Prohibition by Consumer Product Safety Commission in application to toys or furniture articles

The Consumer Product Safety Commission shall take such steps and impose such conditions as may be necessary or appropriate to prohibit the application of lead-based paint to any toy or furniture article.


References in Text
January 13, 1971, referred to in subsecs. (a) and (b), was in the original "the date of enactment of this Act".

Amendments
1976—Pub. L. 94–317 amended section generally, designating existing provisions as subsec. (a), striking out "requirement of consultation with Secretary of Housing and Urban Development and provisions relating to prohibition of use of lead based paint in residential struc-
tured constructed or rehabilitated by Federal Government or with Federal assistance, and adding subsec. (b) and (c).
1973—Pub. L. 93–151 amended section generally, providing for consultation of the Secretaries, incorporating existing provisions as cl. (1), and adding cl. (2).

CHANGE OF NAME

“Secretary of Health and Human Services” substituted for “Secretary of Health, Education, and Welfare” in subsec. (a) pursuant to section 509(b) of Pub. L. 96–88, which is classified to section 3508(b) of Title 20, Education.

SUBCHAPTER V—GENERAL PROVISIONS

§ 4841. Definitions

As used in this chapter—

(1) The term “State” means the several States, the District of Columbia, the Commonwealth of Puerto Rico, and the territories and possessions of the United States.

(2) The term “units of general local government” means (A) any city, county, township, town, borough, parish, village, or other general purpose political subdivision of a State, (B) any combination of units of general local government in one or more States, (C) an Indian tribe, or (D) with respect to lead-based paint poisoning elimination activities in their urban areas, the territories and possessions of the United States.

(3)(A) Except as provided in subparagraph (B), the term “lead-based paint” means any paint containing more than five-tenths of 1 per centum lead by weight (calculated as lead metal) in the total nonvolatile content of the paint, or the equivalent measure of lead in the dried film of paint already applied, or both.

(B)(i) The Consumer Product Safety Commission shall, during the six-month period beginning on the date of the enactment of the National Health Promotion and Disease Prevention Act of 1976, determine, on the basis of available data and information and after providing opportunity for an oral hearing and considering recommendations of the Secretary of Health and Human Services (including those of the Centers for Disease Control and Prevention) and of the National Academy of Sciences, whether or not a level of lead in paint which is greater than six one-hundredths of 1 per centum but not in excess of five-tenths of 1 per centum is safe. If the Commission determines, in accordance with the preceding sentence, that another level of lead is safe, the term “lead-based paint” means, with respect to paint which is manufactured after the expiration of the twelve-month period beginning on such date of enactment, paint containing more than six one-hundredths of 1 per centum lead by weight (calculated as lead metal) in the total nonvolatile content of the paint, or the equivalent measure of lead in the dried film of paint already applied, or both.


REFERENCES IN TEXT

The National Health Promotion and Disease Prevention Act of 1976, referred to in par. (3)(B)(i), probably means Pub. L. 94–317, June 23, 1976, 90 Stat. 695, as amended, which enacted sections 300u to 300u–5 of this title, amended sections 201, 243, 247b, 247c, 264, 300f, 4801, 4831, and 4841 to 4843 of this title, and enacted provisions set out as notes under sections 201, 247b, and 247c of this title. For complete classification of this Act to the Code, see Tables.

Such date of enactment, referred to in par. (3)(B)(ii), probably means the date of approval of Pub. L. 94–317, which was June 23, 1976.

AMENDMENTS


1976—Par. (3). Pub. L. 94–317 substituted provisions redefining standards for lead in paint and procedures used to determine such standards, for provisions defining standards of lead-based paint to be paint containing more than five-tenths of 1 per centum of lead by weight prior to Dec. 31, 1974, and after such date, paint containing more than six one-hundredths of 1 per centum of lead by weight, except where the Chairman of the Consumer Product Safety Commission determined that the pre-1974 level was safe, then such level to become effective.

1973—Par. (3). Pub. L. 93–151 amended par. (3). Prior to amendment, par. (3) defined “lead-based paint” to mean any paint containing more than 1 per centum lead by weight (calculated as lead metal) in the total nonvolatile content of liquid paints or in the dried film of paint already applied.

CHANGE OF NAME

“Secretary of Health and Human Services” substituted for “Secretary of Health, Education, and Welfare” in par. (3)(B)(i) pursuant to section 509(b) of Pub. L. 96–88, which is classified to section 3508(b) of Title 20, Education.

§ 4842. Consultation by Secretary with other departments and agencies

In carrying out their respective authorities under this chapter, the Secretary of Housing and Urban Development and the Secretary of Health and Human Services shall each cooperate with and seek the advice of the heads of any other departments or agencies regarding any programs under their respective responsibilities which are related to, or would be affected by, such authority.

AMENDMENTS
1976—Pub. L. 94–317 substituted “in carrying out their respective authorities under this chapter, the Secretary of Housing and Urban Development and the Secretary of Health, Education, and Welfare shall each, for “in carrying out the authority under this chapter, the Secretary of Health, Education, and Welfare shall”.

CHANGE OF NAME
“Secretary of Health and Human Services” substituted for “Secretary of Health, Education, and Welfare” in text pursuant to section 509(b) of Pub. L. 96–88, which is classified to section 3508(b) of Title 20, Education.

§ 4843. Authorization of appropriations

(a) There are authorized to be appropriated to carry out this chapter $10,000,000 for the fiscal year 1976, $12,000,000 for the fiscal year 1977, and $14,000,000 for the fiscal year 1978.

(b) Any amounts appropriated under this section shall remain available until expended when so provided in appropriation Acts; and any amounts authorized for one fiscal year but not appropriated may be appropriated for the succeeding fiscal year.


AMENDMENTS
1976—Subsec. (a), Pub. L. 94–317, § 204(e)(1), substituted provisions authorizing appropriations for this chapter of $10,000,000 for fiscal year 1976, $12,000,000 for fiscal year 1977, and $14,000,000 for fiscal year 1978 for provisions authorizing appropriations for subchapter I of this chapter not to exceed $3,330,000 for fiscal year 1971, $6,660,000 for fiscal year 1972, and $25,000,000 for each of fiscal years 1974 and 1975.

Subsec. (b), Pub. L. 94–317, § 204(e)(1), (2), redesignated subsec. (d) as (b). Former subsec. (b), which provided authorization of appropriations for subchapter II of this chapter not to exceed $5,500,000 for fiscal year 1971, $10,000,000 for fiscal year 1972, and $35,000,000 for each of fiscal years 1974 and 1975, was struck out.

Subsec. (c), Pub. L. 94–317, § 204(e)(2), struck out subsec. (c) which provided for authorization of appropriations for subchapter III of this chapter not to exceed $1,570,000 for fiscal year 1971, $3,340,000 for fiscal year 1972, and $5,000,000 for each of fiscal years 1974 and 1975.

Subsec. (d), Pub. L. 94–317, § 204(e)(2), redesignated subsec. (d) as (b).


Subsec. (b). Pub. L. 93–151, § 7(b), provided for appropriations authorization of $35,000,000 for fiscal years 1974 and 1975 for carrying out subchapter I provisions.

Subsec. (c). Pub. L. 93–151, § 7(c), provided for appropriations authorization of $3,000,000 for fiscal years 1974 and 1975 for carrying out subchapter III provisions.

Subsec. (d). Pub. L. 93–151, § 7(d), substituted “amounts authorized for one fiscal year but not appropriated may be appropriated for the succeeding fiscal year” for “amounts authorized for the fiscal year 1971 but not appropriated may be appropriated for the fiscal year 1972”.


Section 4844. Pub. L. 91–695, title V, § 504, as added Pub. L. 93–151, § 7(e), Nov. 9, 1973, 87 Stat. 567, related to the eligibility of certain State agencies with respect to grants made under former sections 4801 and 4811 of this title.

Section 4845. Pub. L. 91–695, title V, § 505, as added Pub. L. 93–151, § 7(e), Nov. 9, 1973, 87 Stat. 568, provided for the establishment of a National Childhood Lead Based Paint Poisoning Advisory Board.

EFFECTIVE DATE OF REPEAL

§ 4846. State laws superseded, and null and void

It is hereby expressly declared that it is the intent of the Congress to supersede any and all laws of the States and units of local government insofar as they may now or hereafter provide for a requirement, prohibition, or standard relating to the lead content in paints or other similar surface-coating materials which differs from the provisions of this chapter or regulations issued pursuant to this chapter. Any law, regulation, or ordinance purporting to establish such different requirement, prohibition, or standard shall be null and void.


PRIOR PROVISIONS
A prior section 504 of Pub. L. 91–695 was classified to section 4844 of this title prior to repeal by Pub. L. 95–626.

CHAPTER 63A—RESIDENTIAL LEAD-BASED PAINT HAZARD REDUCTION

Sec.
4851. Findings.
4851a. Purposes.
4851b. Definitions.

SUBCHAPTER I—LEAD-BASED PAINT HAZARD REDUCTION

4852. Grants for lead-based paint hazard reduction in target housing.
4852a. Task force on lead-based paint hazard reduction and financing.
4852b. National consultation on lead-based paint hazard reduction.
4852c. Guidelines for lead-based paint hazard evaluation and reduction activities.
4852d. Disclosure of information concerning lead upon transfer of residential property.

SUBCHAPTER II—WORKER PROTECTION

4853. Worker protection.
4853a. Coordination between Environmental Protection Agency and Department of Labor.

SUBCHAPTER III—RESEARCH AND DEVELOPMENT

PART 1—HUD RESEARCH
4854. Research on lead exposure from other sources.
4854a. Testing technologies.
4854b. Authorization.

PART 2—GAO REPORT
4855. Federal implementation and insurance study.

SUBCHAPTER IV—REPORTS
4856. Reports of Secretary of Housing and Urban Development.
§ 4851a. Purposes

(1) low-level lead poisoning is widespread among American children, afflicting as many as 3,000,000 children under age 6, with minority and low-income communities disproportionately affected;

(2) at low levels, lead poisoning in children causes intelligence quotient deficiencies, reading and learning disabilities, impaired hearing, reduced attention span, hyperactivity, and behavior problems;

(3) pre-1980 American housing stock contains more than 3,000,000 tons of lead in the form of lead-based paint, with the vast majority of homes built before 1950 containing substantial amounts of lead-based paint;

(4) the ingestion of household dust containing lead from deteriorating or abraded lead-based paint is the most common cause of lead poisoning in children;

(5) the health and development of children living in as many as 3,800,000 American homes is endangered by chipping or peeling lead paint, or excessive amounts of lead-contaminated dust in their homes;

(6) the danger posed by lead-based paint hazards can be reduced by abating lead-based paint or by taking interim measures to prevent paint deterioration and limit children’s exposure to lead dust and chips;

(7) despite the enactment of laws in the early 1970’s requiring the Federal Government to eliminate as far as practicable lead-based paint hazards in federally owned, assisted, and insured housing, the Federal response to this national crisis remains severely limited; and

(8) the Federal Government must take a leadership role in building the infrastructure, including an informed public, State and local delivery systems, certified inspectors, contractors, and laboratories, trained workers, and available financing and insurance—necessary to ensure that the national goal of eliminating lead-based paint hazards in housing can be achieved as expeditiously as possible.


§ 4851b. Definitions

For the purposes of this chapter, the following definitions shall apply:

(1) Abatement

The term “abatement” means any set of measures designed to permanently eliminate lead-based paint hazards in accordance with standards established by appropriate Federal agencies. Such term includes—

(A) the removal of lead-based paint and lead-contaminated dust, the permanent containment or encapsulation of lead-based paint, the replacement of lead-painted surfaces or fixtures, and the removal or covering of lead contaminated soil; and

(B) all preparation, cleanup, disposal, and postabatement clearance testing activities associated with such measures.

(2) Accessible surface

The term “accessible surface” means an interior or exterior surface painted with lead-based paint that is accessible for a young child to mouth or chew.

(3) Certified contractor

The term “certified contractor” means—

(A) a contractor, inspector, or supervisor who has completed a training program certified by the appropriate Federal agency and has met any other requirements for certification or licensure established by such agency or who has been certified by any State through a program which has been found by such Federal agency to be at least as rigor-
ous as the Federal certification program; and
(B) workers or designers who have fully met training requirements established by the appropriate Federal agency.

(4) Contract for the purchase and sale of residential real property

The term “contract for the purchase and sale of residential real property” means any contract or agreement in which one party agrees to purchase an interest in real property on which there is situated 1 or more residential dwellings used or occupied, or intended to be used or occupied, in whole or in part, as the home or residence of 1 or more persons.

(5) Deteriorated paint

The term “deteriorated paint” means any interior or exterior paint that is peeling, chipping, chalking or cracking or any paint located on an interior or exterior surface or fixture that is damaged or deteriorated.

(6) Evaluation

The term “evaluation” means risk assessment, inspection, or risk assessment and inspection.

(7) Federally assisted housing

The term “federally assisted housing” means residential dwellings receiving project-based assistance under programs including—
(A) section 1715f(d)(3) or 1715e–1 of title 12;
(B) section 1 of the Housing and Urban Development Act of 1965;
(C) section 1437f of this title; or
(D) sections 1472(a), 1474, 1484, 1485, 1486 and 1490m of this title.

(8) Federally owned housing

The term “federally owned housing” means residential dwellings owned or managed by a Federal agency, or for which a Federal agency is a trustee or conservator. For the purpose of this paragraph, the term “Federal agency” includes the Department of Housing and Urban Development, the Farmers Home Administration, the Resolution Trust Corporation, the Federal Deposit Insurance Corporation, the General Services Administration, the Department of Defense, the Department of Veterans Affairs, the Department of the Interior, the Department of Transportation, and any other Federal agency.

(9) Federally supported work

The term “federally supported work” means any lead hazard evaluation or reduction activities conducted in federally owned or assisted housing or funded in whole or in part through any financial assistance program of the Department of Housing and Urban Development, the Farmers Home Administration, or the Department of Veterans Affairs.

(10) Friction surface

The term “friction surface” means an interior or exterior surface that is subject to abrasion or friction, including certain window, floor, and stair surfaces.

(11) Impact surface

The term “impact surface” means an interior or exterior surface that is subject to damage by repeated impacts, for example, certain parts of door frames.

(12) Inspection

The term “inspection” means a surface-by-surface investigation to determine the presence of lead-based paint as provided in section 4822(c) of this title and the provision of a report explaining the results of the investigation.

(13) Interim controls

The term “interim controls” means a set of measures designed to reduce temporarily human exposure or likely exposure to lead-based paint hazards, including specialized cleaning, repairs, maintenance, painting, temporary containment, ongoing monitoring of lead-based paint hazards or potential hazards, and the establishment and operation of management and resident education programs.

(14) Lead-based paint

The term “lead-based paint” means paint or other surface coatings that contain lead in excess of limits established under section 4822(c) of this title.

(15) Lead-based paint hazard

The term “lead-based paint hazard” means any condition that causes exposure to lead from lead-contaminated dust, lead-contaminated soil, lead-contaminated paint that is deteriorated or present in accessible surfaces, friction surfaces, or impact surfaces that would result in adverse human health effects as established by the appropriate Federal agency.

(16) Lead-contaminated dust

The term “lead-contaminated dust” means surface dust in residential dwellings that contains an area or mass concentration of lead in excess of levels determined by the appropriate Federal agency to pose a threat of adverse health effects in pregnant women or young children.

(17) Lead-contaminated soil

The term “lead-contaminated soil” means bare soil on residential real property that contains lead at or in excess of the levels determined to be hazardous to human health by the appropriate Federal agency.

(18) Mortgage loan

The term “mortgage loan” includes any loan (other than temporary financing such as a construction loan) that—
(A) is secured by a first lien on any interest in residential real property; and
(B) either—
(i) is insured, guaranteed, made, or assisted by the Department of Housing and Urban Development, the Department of Veterans Affairs, the Farmers Home Administration, or by any other agency of the Federal Government; or
(ii) is intended to be sold by each originating mortgage institution to any federally chartered secondary mortgage market institution.
(19) Originating mortgage institution
The term “originating mortgage institution” means a lender that provides mortgage loans.

(20) Priority housing
The term “priority housing” means target housing that qualifies as affordable housing under section 12745 of this title, including housing that receives assistance under subsection (b) or (c) of section 1437f of this title.

(21) Public housing
The term “public housing” has the same meaning given the term in section 1437a(b) of this title.

(22) Reduction
The term “reduction” means measures designed to reduce or eliminate human exposure to lead-based paint hazards through methods including interim controls and abatement.

(23) Residential dwelling
The term “residential dwelling” means—
(A) a single-family dwelling, including attached structures such as porches and stoops; or
(B) a single-family dwelling unit in a structure that contains more than 1 separate residential dwelling unit, and in which each such unit is used or occupied, or intended to be used or occupied, in whole or in part, as the home or residence of 1 or more persons.

(24) Residential real property
The term “residential real property” means real property on which there is situated 1 or more residential dwellings used or occupied, or intended to be used or occupied, in whole or in part, as the home or residence of 1 or more persons.

(25) Risk assessment
The term “risk assessment” means an on-site investigation to determine and report the existence, nature, severity and location of lead-based paint hazards in residential dwellings, including—
(A) information gathering regarding the age and history of the housing and occupancy by children under age 6;
(B) visual inspection;
(C) limited wipe sampling or other environmental sampling techniques;
(D) other activity as may be appropriate; and
(E) provision of a report explaining the results of the investigation.

(26) Secretary
The term “Secretary” means the Secretary of Housing and Urban Development.

(27) Target housing
The term “target housing” means any housing constructed prior to 1978, except housing for the elderly or persons with disabilities or any 0-bedroom dwelling (unless any child who is less than 6 years of age resides or is expected to reside in such housing). In the case of jurisdictions which banned the sale or use of lead-based paint prior to 1978, the Secretary, at the Secretary’s discretion, may designate an earlier date.

References in Text

Section 1 of the Housing and Urban Development Act of 1965, referred to in par. (7)(B), is section 1 of Pub. L. 89–117, which is set out as a Short Title of 1965 Amendment note under section 1701 of Title 12, Banks and Banking.

Amendments
2017—Par. (27). Pub. L. 115–31, § 237(b)(2), which directed substitution of “or any 0-bedroom dwelling” after “disabilities,”, was executed by making the insertion after “disabilities”:” the first place appearing to reflect the probable intent of Congress. Pub. L. 115–31, § 237(b)(2), which directed substitution of “housing” for “housing for the elderly or persons with disabilities”) or any 0-bedroom dwelling”, was executed by making the substitution for “housing for the elderly or persons with disabilities) or any 0-bedroom dwelling” to reflect the probable intent of Congress.

Subchapter I—Lead-Based Paint Hazard Reduction
§ 4852. Grants for lead-based paint hazard reduction in target housing
(a) General authority
The Secretary is authorized to provide grants to eligible applicants to evaluate and reduce lead-based paint hazards in housing that is not federally assisted housing, federally owned housing, or public housing, in accordance with the provisions of this section. Grants shall only be made under this section to provide assistance for housing which meets the following criteria—
(1) for grants made to assist rental housing, at least 50 percent of the units must be occupied by or made available to families with incomes at or below 50 percent of the area median income level and the remaining units shall be occupied or made available to families with incomes at or below 80 percent of the area median income level, and in all cases the landlord shall give priority in renting units assisted under this section, for not less than 3 years following the completion of lead abatement activities, to families with a child under the age of six years, except that buildings with five or more units may have 20 percent of the units occupied by or made available to families with incomes above 80 percent of area median income level;
(2) for grants made to assist housing owned by owner-occupants, all units assisted with grants under this section shall be the principal residence of families with income at or below 80 percent of the area median income level, and not less than 90 percent of the units assisted with grants under this section shall be occupied by a child under the age of six years or shall be units where a child under the age of six years spends a significant amount of time visiting; and
Eligible applicants

A State or unit of local government that has an approved comprehensive housing affordability strategy under section 12705 of this title is eligible to apply for a grant under this section.

Form of applications

To receive a grant under this section, a State or unit of local government shall submit an application in such form and in such manner as the Secretary shall prescribe. An application shall contain—

1. a copy of that portion of an applicant’s comprehensive housing affordability strategy required by section 12705(b)(16) of this title;
2. a description of the amount of assistance the applicant seeks under this section;
3. a description of the planned activities to be undertaken with grants under this section, including an estimate of the amount to be allocated to each activity;
4. a description of the forms of financial assistance to owners and occupants of housing that will be provided through grants under this section; and
5. such assurances as the Secretary may require regarding the applicant’s capacity to carry out the activities.

Selection criteria

The Secretary shall award grants under this section on the basis of the merit of the activities proposed to be carried out and on the basis of selection criteria, which shall include—

1. the extent to which the proposed activities will reduce the risk of lead-based paint poisoning to children under the age of 6 who reside in housing;
2. the degree of severity and extent of lead-based paint hazards in the jurisdiction to be served;
3. the ability of the applicant to leverage State, local, and private funds to supplement the grant under this section;
4. the ability of the applicant to carry out the proposed activities; and
5. such other factors as the Secretary determines appropriate to ensure that grants made available under this section are used effectively and to promote the purposes of this chapter.

Eligible activities

A grant under this section may be used to—

1. perform risk assessments and inspections in housing;
2. provide for the interim control of lead-based paint hazards in housing;
3. provide for the abatement of lead-based paint hazards in housing;
4. provide for the additional cost of reducing lead-based paint hazards in units undergoing renovation funded by other sources;
5. ensure that risk assessments, inspections, and abatements are carried out by certified contractors in accordance with section 2682 of title 15;
6. monitor the blood-lead levels of workers involved in lead hazard reduction activities funded under this section;
7. assist in the temporary relocation of families forced to vacate housing while lead hazard reduction measures are being conducted;
8. educate the public on the nature and causes of lead poisoning and measures to reduce exposure to lead, including exposure due to residential lead-based paint hazards;
9. test soil, interior surface dust, and the blood-lead levels of children under the age of 6 residing in housing after lead-based paint hazard reduction activity has been conducted, to assure that such activity does not cause excessive exposures to lead; and
10. carry out such other activities that the Secretary determines appropriate to promote the purposes of this chapter.

Forms of assistance

The applicant may provide the services described in this section through a variety of programs, including grants, loans, equity investments, revolving loan funds, loan guarantees, interest write-downs, and other forms of assistance approved by the Secretary.

Technical assistance and capacity building

(1) In general

The Secretary shall develop the capacity of eligible applicants to carry out the requirements of section 12705(b)(16) of this title and to carry out activities under this section. In fiscal years 1993 and 1994, the Secretary may make grants of up to $200,000 for the purpose of establishing State training, certification or accreditation programs that meet the requirements of section 2682 of title 15.

(2) Set-aside

Of the total amount approved in appropriation Acts under subsection (o), there shall be set aside to carry out this subsection $3,000,000 for fiscal year 1993 and $3,000,000 for fiscal year 1994.

Matching requirement

Each recipient of a grant under this section shall make contributions toward the cost of activities that receive assistance under this section in an amount not less than 10 percent of the total grant amount under this section.

Prohibition of substitution of funds

Grants under this subchapter may not be used to replace other amounts made available or designated by State or local governments for use for the purposes under this subchapter.

Limitation on use

An applicant shall ensure that not more than 10 percent of the grant will be used for administrative expenses associated with the activities funded.

Financial records

An applicant shall maintain and provide the Secretary with financial records sufficient, in the determination of the Secretary, to ensure proper accounting and disbursing of amounts received from a grant under this section.
(l) Report

An applicant under this section shall submit to the Secretary, for any fiscal year in which the applicant expends grant funds under this section, a report that—

(1) describes the use of the amounts received;
(2) states the number of risk assessments and the number of inspections conducted in residential dwellings;
(3) states the number of residential dwellings in which lead-based paint hazards have been reduced through interim controls;
(4) states the number of residential dwellings in which lead-based paint hazards have been abated; and
(5) provides any other information that the Secretary determines to be appropriate.

(m) Notice of Funding Availability

The Secretary shall publish a Notice of Funding Availability pursuant to this section not later than 120 days after funds are appropriated for such section.

(n) Relationship to other law

Effective 2 years after the date of promulgation of regulations under section 2682 of title 15, no grants for lead-based paint hazard evaluation or reduction may be awarded to a State under this section unless such State has an authorized program under section 2684 of title 15.

(o) Environmental review

(1) In general

For purposes of environmental review, decisionmaking, and action pursuant to the National Environmental Policy Act of 1969 [42 U.S.C. 4321 et seq.] and other provisions of law that further the purposes of such Act, a grant under this section shall be treated as assistance under the HOME Investment Partnership Act, established under title II of the Cranston-Gonzalez National Affordable Housing Act [42 U.S.C. 1321 et seq.], and shall be subject to the regulations promulgated by the Secretary to implement section 288 of such Act [42 U.S.C. 13838].

(2) Applicability

This subsection shall apply to—

(A) grants awarded under this section; and
(B) grants awarded to States and units of general local government for the abatement of significant lead-based paint and lead dust hazards in low- and moderate-income owner-occupied units and low-income privately owned rental units pursuant to title II of the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1992 (Public Law 102-139, 105 Stat. 736).

(p) Authorization of appropriations

For the purposes of carrying out this chapter, there are authorized to be appropriated $125,000,000 for fiscal year 1993 and $250,000,000 for fiscal year 1994.

References in Text

Section 12705(b)(16) of this title, referred to in subsec. (c)(1) and (g)(1), probably means section 12705(b)(16) relating to housing units that contain lead-based paint hazards which was redesignated section 12705(b)(17) by Pub. L. 105-276, title V, § 583(5)(B), Oct. 21, 1998, 112 Stat. 2644.

This chapter, referred to in subsecs. (d)(5), (e)(10), and (p), was in the original “‘this Act’”, meaning title X of Pub. L. 102-550, Oct. 28, 1992, 106 Stat. 3901, which enacted this chapter and amended sections 1437f, 1437aaa-1, 1437aaa-2, 1471, 4822, 5305, 12705, 12742, 12872, 12873, 12882, and 12893 of this title and sections 1703, 1704, and 1715 of Title 12, Banks and Banking.


The Cranston-Gonzalez National Affordable Housing Act, referred to in subsec. (o)(1), is Pub. L. 101-425, Nov. 28, 1990, 104 Stat. 4079, as amended. Title II of the Act, known as the HOME Investment Partnerships Act, is classified principally to subchapter I (§12721 et seq.) of chapter 38 of this title. For complete classification of this Act to the Code, see Short Title note set out under section 12701 of this title and Tables.


Amendments

1996—Subsec. (a). Pub. L. 104-134, §101(e) [title II, §217], substituted “hazards in priority housing” for “hazards in priority housing” and inserted at end “Grants shall only be made under this section to provide assistance for housing which meets the following criteria—” and pars. (1) to (3).

Subsecs. (c)(4), (d)(1), (e)(1) to (3), (7), (9). Pub. L. 104-134, §101(e) [title II, §217(a)], substituted “housing” for “priority housing”.

1994—Subsecs. (o), (p). Pub. L. 103-233 added subsec. (o) and redesignated former subsec. (o) as (p).

§4852a. Task force on lead-based paint hazard reduction and financing

(a) In general

The Secretary, in consultation with the Administrator of the Environmental Protection Agency, shall establish a task force to make recommendations on expanding resources and efforts to evaluate and reduce lead-based paint hazards in private housing.

(b) Membership

The task force shall include individuals representing the Department of Housing and Urban Development, the Farmers Home Administration, the Department of Veterans Affairs, the
Federal Home Loan Mortgage Corporation, the Federal National Mortgage Association, the Environmental Protection Agency, employee organizations in the building and construction trades industry, landlords, tenants, primary lending institutions, private mortgage insurers, single-family and multifamily real estate interests, nonprofit housing developers, property liability insurers, public housing agencies, low-income housing advocacy organizations, national, State and local lead-poisoning prevention advocates and experts, and community-based organizations located in areas with substantial rental housing.

(c) Responsibilities

The task force shall make recommendations to the Secretary and the Administrator of the Environmental Protection Agency concerning—

(1) incorporating the need to finance lead-based paint hazard reduction into underwriting standards;

(2) developing new loan products and procedures for financing lead-based paint hazard evaluation and reduction activities;

(3) adjusting appraisal guidelines to address lead safety;

(4) incorporating risk assessments or inspections for lead-based paint as a routine procedure in the origination of new residential mortgages;

(5) revising guidelines, regulations, and educational pamphlets issued by the Department of Housing and Urban Development and other Federal agencies relating to lead-based paint poisoning prevention;

(6) reducing the current uncertainties of liability related to lead-based paint in rental housing by clarifying standards of care for landlords and lenders, and by exploring the “safe harbor” concept;

(7) increasing the availability of liability insurance for owners of rental housing and certified contractors and establishing alternative systems to compensate victims of lead-based paint poisoning; and

(8) evaluating the utility and appropriateness of requiring risk assessments or inspections and notification to prospective lessees of rental housing.

(d) Compensation

The members of the task force shall not receive Federal compensation for their participation.


§ 4852c. Guidelines for lead-based paint hazard evaluation and reduction activities

Not later than 12 months after October 28, 1992, the Secretary, in consultation with the Administrator of the Environmental Protection Agency, the Secretary of Labor, and the Secretary of Health and Human Services (acting through the Director of the Centers for Disease Control), shall issue guidelines for the conduct of federally supported work involving risk assessments, inspections, interim controls, and abatement of lead-based paint hazards. Such guidelines shall be based upon criteria that measure the condition of the housing (and the presence of children under age 6 for the purposes of risk assessments) and shall not be based upon criteria that measure the health of the residents of the housing.


§ 4852d. Disclosure of information concerning lead upon transfer of residential property

(a) Lead disclosure in purchase and sale or lease of target housing

(1) Lead-based paint hazards

Not later than 2 years after October 28, 1992, the Secretary and the Administrator of the Environmental Protection Agency shall promulgate regulations under this section for the disclosure of lead-based paint hazards in target housing which is offered for sale or lease. The regulations shall require that, before the purchaser or lessee is obligated under any contract to purchase or lease the housing, the seller or lessor shall—

(A) provide the purchaser or lessee with a lead hazard information pamphlet, as prescribed by the Administrator of the Environmental Protection Agency under section 406 of the Toxic Substances Control Act [15 U.S.C. 2606];

(B) disclose to the purchaser or lessee the presence of any known lead-based paint, or any known lead-based paint hazards, in such housing and provide to the purchaser or lessee any lead hazard evaluation report available to the seller or lessor; and

(C) permit the purchaser a 10-day period (unless the parties mutually agree upon a different period of time) to conduct a risk assessment or inspection for the presence of lead-based paint hazards.

(2) Contract for purchase and sale

Regulations promulgated under this section shall provide that every contract for the pur-
chase and sale of any interest in target housing shall contain a Lead Warning Statement and a statement signed by the purchaser that the purchaser has—
(A) read the Lead Warning Statement and understands its contents;
(B) received a lead hazard information pamphlet; and
(C) had a 10-day opportunity (unless the parties mutually agreed upon a different period of time) before becoming obligated under the contract to purchase the housing to conduct a risk assessment or inspection for the presence of lead-based paint hazards.

(3) Contents of lead warning statement

The Lead Warning Statement shall contain the following text printed in large type on a separate sheet of paper attached to the contract:

“Every purchaser of any interest in residential real property on which a residential dwelling was built prior to 1978 is notified that such property may present exposure to lead from lead-based paint that may place young children at risk of developing lead poisoning. Lead poisoning in young children may produce permanent neurological damage, including learning disabilities, reduced intelligence quotient, behavioral problems, and impaired memory. Lead poisoning also poses a particular risk to pregnant women. The seller of any interest in residential real property is required to provide the buyer with any information on lead-based paint hazards from risk assessments or inspections in the seller’s possession and notify the buyer of any known lead-based paint hazards. A risk assessment or inspection for possible lead-based paint hazards is recommended prior to purchase.”

(4) Compliance assurance

Whenever a seller or lessor has entered into a contract with an agent for the purpose of selling or leasing a unit of target housing, the regulations promulgated under this section shall require the agent, on behalf of the seller or lessor, to ensure compliance with the requirements of this section.

(5)Promulgation

A suit may be brought against the Secretary of Housing and Urban Development and the Administrator of the Environmental Protection Agency under section 20 of the Toxic Substances Control Act (15 U.S.C. 2619) to compel promulgation of the regulations required under this section and the Federal district court shall have jurisdiction to order such promulgation.

(b) Penalties for violations

(1) Monetary penalty

Any person who knowingly violates any provision of this section shall be subject to civil money penalties in accordance with the provisions of section 3545 of this title.

(2) Action by Secretary

The Secretary is authorized to take such lawful action as may be necessary to enjoin any violation of this section.

(3) Civil liability

Any person who knowingly violates the provisions of this section shall be jointly and severally liable to the purchaser or lessee in an amount equal to 3 times the amount of damages incurred by such individual.

(4) Costs

In any civil action brought for damages pursuant to paragraph (3), the appropriate court may award court costs to the party commencing such action, together with reasonable attorney fees and any expert witness fees, if that party prevails.

(5) Prohibited act

It shall be a prohibited act under section 409 of the Toxic Substances Control Act [15 U.S.C. 2609] for any person to fail or refuse to comply with a provision of this section or with any rule or order issued under this section. For purposes of enforcing this section under the Toxic Substances Control Act [15 U.S.C. 2601 et seq.], the penalty for each violation applicable under section 16 of that Act [15 U.S.C. 2615] shall not be more than $10,000.

(c) Validity of contracts and liens

Nothing in this section shall affect the validity or enforceability of any sale or contract for the purchase and sale or lease of any interest in residential real property or any loan, loan agreement, mortgage, or lien made or arising in connection with a mortgage loan, nor shall anything in this section create a defect in title.

(d) Effective date

The regulations under this section shall take effect 3 years after October 28, 1992.


REFERENCES IN TEXT

The Toxic Substances Control Act, referred to in subsec. (b)(5), is Pub. L. 94–469, Oct. 11, 1976, 90 Stat. 2003, as amended, which is classified generally to chapter 53 (§2601 et seq.) of Title 15, Commerce and Trade. For complete classification of this Act to the Code, see Short Title note set out under section 2601 of Title 15 and Tables.

SUBCHAPTER II—WORKER PROTECTION

§4853. Worker protection

Not later than 180 days after October 28, 1992, the Secretary of Labor shall issue an interim final regulation regulating occupational exposure to lead in the construction industry. Such interim final regulation shall provide employment and places of employment to employees which are as safe and healthful as those which would prevail under the Department of Housing and Urban Development guidelines published at Federal Register 55, page 38973 (September 28, 1990) (Revised Chapter 8). Such interim final regulations shall take effect upon issuance (except that such regulations may include a reasonable delay in the effective date), shall have the legal effect of an Occupational Safety and Health Standard, and shall apply until a final standard becomes effective under section 655 of title 29.

§ 4853a. Coordination between Environmental Protection Agency and Department of Labor

The Secretary of Labor, in promulgating regulations under section 4853 of this title, shall consult and coordinate with the Administrator of the Environmental Protection Agency for the purpose of achieving the maximum enforcement of title IV of the Toxic Substances Control Act (15 U.S.C. 2681 et seq.) and the Occupational Safety and Health Act of 1970 (29 U.S.C. 651 et seq.) while imposing the least burdens of duplicative requirements on those subject to such title and Act and for other purposes.


REFERENCES IN TEXT


SUBCHAPTER III—RESEARCH AND DEVELOPMENT

PART I—HUD RESEARCH

§ 4854. Research on lead exposure from other sources

The Secretary, in cooperation with other Federal agencies, shall conduct research on strategies to reduce the risk of lead exposure from other sources, including exterior soil and interior lead dust in carpets, furniture, and forced air ducts.


§ 4854a. Testing technologies

The Secretary, in cooperation with other Federal agencies, shall conduct research to—

(1) develop improved methods for evaluating lead-based paint hazards in housing;

(2) develop improved methods for reducing lead-based paint hazards in housing;

(3) develop improved methods for measuring lead in paint films, dust, and soil samples;

(4) establish performance standards for various detection methods, including spot test kits;

(5) establish performance standards for lead-based paint hazard reduction methods, including the use of encapsulants;

(6) establish appropriate cleanup standards;

(7) evaluate the efficacy of interim controls in various hazard situations;

(8) evaluate the relative performance of various abatement techniques;

(9) evaluate the long-term cost-effectiveness of interim control and abatement strategies; and

(10) assess the effectiveness of hazard evaluation and reduction activities funded by this chapter.


REFERENCES IN TEXT


§ 4854b. Authorization

Of the total amount approved in appropriation Acts under section 4852(o)¹ of this title, there shall be set aside to carry out this part $5,000,000 for fiscal year 1993, and $5,000,000 for fiscal year 1994.


REFERENCES IN TEXT

Section 4852(o) of this title, referred to in text, was redesignated section 4852(p) of this title by Pub. L. 103–233, title III, §305(a)(1), Apr. 11, 1994, 108 Stat. 370.

PART II—GAO REPORT

§ 4855. Federal implementation and insurance study

(a) Federal implementation study

The Comptroller General of the United States shall assess the effectiveness of Federal enforcement and compliance with lead safety laws and regulations, including any changes needed in annual inspection procedures to identify lead-based paint hazards in units receiving assistance under subsections (b) and (c) of section 1437f of this title.

(b) Insurance study

The Comptroller General of the United States shall assess the availability of liability insurance for owners of residential housing that contains lead-based paint and persons engaged in lead-based paint hazard evaluation and reduction activities. In carrying out the assessment, the Comptroller General shall—

(1) analyze any precedents in the insurance industry for the containment and abatement of environmental hazards, such as asbestos, in federally assisted housing;

(2) provide an assessment of the recent insurance experience in the public housing lead hazard identification and reduction program; and

(3) recommend measures for increasing the availability of liability insurance to owners and contractors engaged in federally supported work.


SUBCHAPTER IV—REPORTS

§ 4856. Reports of Secretary of Housing and Urban Development

(a) Annual report

The Secretary shall transmit to the Congress an annual report that—

¹See References in Text note below.
(1) sets forth the Secretary's assessment of the progress made in implementing the various programs authorized by this chapter;
(2) summarizes the most current health and environmental studies on childhood lead poisoning, including studies that analyze the relationship between interim control and abatement activities and the incidence of lead poisoning in resident children;
(3) recommends legislative and administrative initiatives that may improve the performance by the Department of Housing and Urban Development in combating lead hazards through the expansion of lead hazard evaluation and reduction activities;
(4) describes the results of research carried out in accordance with subchapter III; and
(5) estimates the amount of Federal assistance annually expended on lead hazard evaluation and reduction activities.

(b) Biennial report

(1) In general

24 months after October 28, 1992, and at the end of every 24-month period thereafter, the Secretary shall report to the Congress on the progress of the Department of Housing and Urban Development in implementing expanded lead-based paint hazard evaluation and reduction activities.

(2) Contents

The report shall—
(A) assess the effectiveness of section 4852d of this title in making the public aware of lead-based paint hazards;
(B) estimate the extent to which lead-based paint hazard evaluation and reduction activities are being conducted in the various categories of housing;
(C) monitor and report expenditures for lead-based paint hazard evaluation and reduction for programs within the jurisdiction of the Department of Housing and Urban Development;
(D) identify the infrastructure needed to eliminate lead-based paint hazards in all housing as expeditiously as possible, including cost-effective technology, standards and regulations, trained and certified contractors, certified laboratories, liability insurance, private financing techniques, and appropriate Government subsidies;
(E) assess the extent to which the infrastructure described in subparagraph (D) exists, make recommendations to correct shortcomings, and provide estimates of the costs of measures needed to build an adequate infrastructure; and
(F) include any additional information that the Secretary deems appropriate.


References in Text


CHAPTER 64—PUBLIC SERVICE EMPLOYMENT PROGRAMS

§§ 4871 to 4883. Omitted

Codification


CHAPTER 65—NOISE CONTROL

Sec. 4901. Congressional findings and statement of policy.

4902. Definitions.

4903. Federal programs.

4904. Identification of major noise sources.

4905. Noise emission standards for products distributed in commerce.

4906. Omitted.

4907. Labeling.

4908. Imports.

4909. Prohibited acts.

4910. Enforcement.

4911. Citizen suits.

4912. Records, reports, and information.

4913. Quiet communities, research, and public information.


4915. Judicial review.

4916. Railroad noise emission standards.

4917. Motor carrier noise emission standards.

4918. Authorization of appropriations.

§ 4901. Congressional findings and statement of policy

(a) The Congress finds—
(1) that inadequately controlled noise presents a growing danger to the health and welfare of the Nation’s population, particularly in urban areas;

(2) that the major sources of noise include transportation vehicles and equipment, machinery, appliances, and other products in commerce; and

(3) that, while primary responsibility for control of noise rests with State and local governments, Federal action is essential to deal with major noise sources in commerce control of which require national uniformity of treatment.

(b) The Congress declares that it is the policy of the United States to promote an environment for all Americans free from noise that jeopardizes their health or welfare. To that end, it is the purpose of this chapter to establish a means for effective coordination of Federal research and activities in noise control, to authorize the establishment of Federal noise emission standards for products distributed in commerce, and to provide information to the public respecting the noise emission and noise reduction characteristics of such products.


SHORT TITLE OF 1976 AMENDMENT

Pub. L. 95–609, § 1, Nov. 8, 1978, 92 Stat. 3079, provided: “That this Act [amending sections 4905, 4910, 4913, 4918, 6962, 6964, 6972, 6973, 6977, and 6981 to 6984 of this title and section 1431 of former Title 49] may be cited as the ‘Quiet Communities Act of 1976.’”

SHORT TITLE

Pub. L. 92–574, § 1, Oct. 27, 1972, 86 Stat. 1234, provided that: “This Act [enacting this chapter, amending section 1431 of former Title 49, Transportation, and enacting provision set out as a note under section 1431 of former Title 49] may be cited as the ‘Noise Control Act of 1972.’”

FEDERAL COMPLIANCE WITH POLLUTION CONTROL STANDARDS

For provisions relating to the responsibility of the head of each Executive agency for compliance with applicable pollution control standards, see Ex. Ord. No. 12088, Oct. 13, 1978, 43 F.R. 47707, set out as a note under section 4321 of this title.

§ 4902. Definitions

For purposes of this chapter:

(1) the term ‘Administrator’ means the Administrator of the Environmental Protection Agency;

(2) the term ‘person’ means an individual, corporation, partnership, or association, and (except as provided in sections 4910(c) and 4911(a) of this title) includes any officer, employee, department, agency, or instrumentalities of the United States, a State, or any political subdivision of a State;

(3) the term ‘product’ means any manufactured article or goods or component thereof; except that such term does not include—

(A) any aircraft, aircraft engine, propeller, or appliance, as such terms are defined in section 40102(a) of title 49; or

(B)(i) any military weapons or equipment which are designed for combat use; (ii) any rockets or equipment which are designed for research, experimental, or developmental work to be performed by the National Aeronautics and Space Administration; or (iii) to the extent provided by regulations of the Administrator, any other machinery or equipment designed for use in experimental work done by or for the Federal Government.

(4) The term “ultimate purchaser” means the first person who in good faith purchases a product for purposes other than resale.

(5) The term “new product” means (A) a product the equitable or legal title of which has never been transferred to an ultimate purchaser, or (B) a product which is imported or offered for importation into the United States and which is manufactured after the effective date of a regulation under section 4905 or 4907 of this title which would have been applicable to such product had it been manufactured in the United States.

(6) The term “manufacturer” means any person engaged in the manufacturing or assembling of new products, or the importing of new products for resale, or who acts for, and is controlled by, any such person in connection with the distribution of such products.

(7) The term “commerce” means trade, traffic, commerce, or transportation—

(A) between a place in a State and any place outside thereof, or

(B) which affects trade, traffic, commerce, or transportation described in subparagraph (A).

(8) The term “distribute in commerce” means sell in, offer for sale in, or introduce or deliver for introduction into, commerce.

(9) The term “State” includes the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, American Samoa, Guam, and the Trust Territory of the Pacific Islands.

(10) The term “Federal agency” means an executive agency (as defined in section 105 of title 5) and includes the United States Postal Service.

(11) The term “environmental noise” means the intensity, duration, and the character of sounds from all sources.


CODIFICATION


TERMINATION OF TRUST TERRITORY OF THE PACIFIC ISLANDS

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

§ 4903. Federal programs

(a) Furtherance of Congressional policy

The Congress authorizes and directs that Federal agencies shall, to the fullest extent consist-
ent with their authority under Federal laws administered by them, carry out the programs within their control in such a manner as to further the policy declared in section 4901(b) of this title.

(b) Presidential authority to exempt activities or facilities from compliance requirements

Each department, agency, or instrumentality of the executive, legislative, and judicial branches of the Federal Government—

(1) having jurisdiction over any property or facility, or

(2) engaged in any activity resulting, or which may result, in the emission of noise, shall comply with Federal, State, interstate, and local requirements respecting control and abatement of environmental noise to the same extent that any person is subject to such requirements. The President may exempt any single activity or facility, including noise emission sources or classes thereof, of any department, agency, or instrumentality in the executive branch from compliance with any such requirement if he determines it to be in the paramount interest of the United States to do so; except that no exemption, other than for those products referred to in section 4902(3)(B) of this title, may be granted from the requirements of sections 4905, 4916, and 4917 of this title. No such exemption shall be granted due to lack of appropriation unless the President shall have specifically requested such appropriation as a part of the budgetary process and the Congress shall have failed to make available such requested appropriation. Any exemption shall be for a period not in excess of one year, but additional exemptions may be granted for periods of not to exceed one year upon the President’s making a new determination. The President shall report each January to the Congress all exemptions from the requirements of this section granted during the preceding calendar year, together with his reason for granting such exemption.

(c) Coordination of programs of Federal agencies; standards and regulations; status reports

(1) The Administrator shall coordinate the programs of all Federal agencies relating to noise research and noise control. Each Federal agency shall, upon request, furnish to the Administrator such information as he may reasonably require to determine the nature, scope, and results of the noise-research and noise-control programs of the agency.

(2) Each Federal agency shall consult with the Administrator in prescribing standards or regulations respecting noise. If at any time the Administrator has reason to believe that a standard or regulation, or any proposed standard or regulation, of any Federal agency respecting noise does not protect the public health and welfare to the extent he believes to be required and feasible, he may request such agency to review and report to him on the advisability of revising such standard or regulation to provide such protection. Any such request may be published in the Federal Register and shall be accompanied by a detailed statement of the information on which it is based. Such agency shall complete the requested review and report to the Administrator within such time as the Administrator specifies in the request, but such time specified may not be less than ninety days from the date the request was made. The report shall be published in the Federal Register and shall be accompanied by a detailed statement of the findings and conclusions of the agency respecting the revision of its standard or regulation. With respect to the Federal Aviation Administration, section 44715 of title 49 shall apply in lieu of this paragraph.

(3) On the basis of regular consultation with appropriate Federal agencies, the Administrator shall compile and publish, from time to time, a report on the status and progress of Federal activities relating to noise research and noise control. This report shall describe the noise-control programs of each Federal agency and assess the contributions of those programs to the Federal Government’s overall efforts to control noise.


Termination of Reporting Requirements

For termination, effective May 15, 2000, of provisions in subsec. (b) of this section relating to annual report to Congress, see section 3003 of Pub. L. 104–66, as amended, set out as a note under section 1113 of Title 31, Money and Finance, and Item 7 on page 28 of House Document No. 108–7.

§ 4904. Identification of major noise sources

(a) Development and publication of criteria

(1) The Administrator shall, after consultation with appropriate Federal agencies and within nine months of October 27, 1972, develop and publish criteria with respect to noise. Such criteria shall reflect the scientific knowledge most useful in indicating the kind and extent of all identifiable effects on the public health or welfare which may be expected from differing quantities and qualities of noise.

(2) The Administrator shall, after consultation with appropriate Federal agencies and within twelve months of October 27, 1972, publish information on the levels of environmental noise the attainment and maintenance of which in defined areas under various conditions are requisite to protect the public health and welfare with an adequate margin of safety.

(b) Compilation and publication of reports on noise sources and control technology

The Administrator shall, after consultation with appropriate Federal agencies, compile and publish a report or series of reports (1) identifying products (or classes of products) which in his judgment are major sources of noise, and (2) giving information on techniques for control of noise from such products, including available data on the technology, costs, and alternative methods of noise control. The first such report shall be published not later than eighteen months after October 27, 1972.
§ 4905. Noise emission standards for products distributed in commerce

(a) Proposed regulations

(1) The Administrator shall publish proposed regulations, meeting the requirements of subsection (c), for each product—

(A) which is identified (or is a part of a class identified) in any report published under section 4904(b)(1) of this title as a major source of noise,

(B) for which, in his judgment, noise emission standards are feasible, and

(C) which falls in one of the following categories:

(i) Construction equipment.

(ii) Transportation equipment (including recreational vehicles and related equipment).

(iii) Any motor or engine (including any equipment of which an engine or motor is an integral part).

(iv) Electrical or electronic equipment.

(2)(A) Initial proposed regulations under paragraph (1) shall be published not later than eighteen months after October 27, 1972, and shall apply to any product described in paragraph (1) which is identified (or is a part of a class identified) as a major source of noise in any report published under section 4904(b)(1) of this title on or before the date of publication of such initial proposed regulations.

(B) In the case of any product described in paragraph (1) which is identified (or is a part of a class identified) as a major source of noise in a report published under section 4904(b)(1) of this title after publication of the initial proposed regulations under subparagraph (A) of this paragraph, regulations under paragraph (1) for such product shall be proposed and published by the Administrator not later than eighteen months after such report is published.

(3) After proposed regulations respecting a product have been published under paragraph (2), the Administrator shall, unless in his judgment noise emission standards are not feasible for such product, prescribe regulations, meeting the requirements of subsection (c), for such product—

(A) not earlier than six months after publication of such proposed regulations, and

(B) not later than—

(i) twenty-four months after October 27, 1972, in the case of a product subject to proposed regulations published under paragraph (2)(A), or

(ii) in the case of any other product, twenty-four months after the publication of the report under section 4904(b)(1) of this title identifying it (or a class of products of which it is a part) as a major source of noise.

(b) Authority to publish regulations not otherwise required

The Administrator may publish proposed regulations, meeting the requirements of subsection (c), for any product for which he is not required by subsection (a) to prescribe regulations but for which, in his judgment, noise emission standards are feasible and are requisite to protect the public health and welfare. Not earlier than six months after the date of publication of such proposed regulations respecting such product, he may prescribe regulations, meeting the requirements of subsection (c), for such product.

(c) Contents of regulations; appropriate consideration of other standards; participation by interested persons; revision

(1) Any regulation prescribed under subsection (a) or (b) of this section (and any revision thereof) respecting a product shall include a noise emission standard which shall set limits on noise emissions from such product and shall be a standard which is in the Administrator's judgment, based on criteria published under section 4904 of this title, is requisite to protect the public health and welfare, taking into account the magnitude and conditions of use of such product (alone or in combination with other noise sources), the degree of noise reduction achievable through the application of the best available technology, and the cost of compliance. In establishing such a standard for any product, the Administrator shall give appropriate consideration to standards under other laws designed to safeguard the health and welfare of persons, including any standards under chapter 301 of title 49, the Clean Air Act [42 U.S.C. 7401 et seq.], and the Federal Water Pollution Control Act [33 U.S.C. 1251 et seq.]. Any such noise emission standards shall be a performance standard. In addition, any regulation under subsection (a) or (b) (and any revision thereof) may contain testing procedures necessary to assure compliance with the emission standard in such regulation, and may contain provisions respecting instructions of the manufacturer for the maintenance, use, or repair of the product.

(2) After publication of any proposed regulations under this section, the Administrator shall allow interested persons an opportunity to participate in rulemaking in accordance with the first sentence of section 553(c) of title 5.

(3) The Administrator may revise any regulation prescribed by him under this section by (A) publication of proposed revised regulations, and (B) the promulgation, not earlier than six months after the date of such publication, of regulations making the revision; except that a revision which makes only technical or clerical corrections in a regulation under this section may be promulgated earlier than six months after such date if the Administrator finds that such earlier promulgation is in the public interest.
(d) Warranty by manufacturer of conformity of product with regulations; transfer of cost obligation from manufacturer to dealer prohibited

(1) On and after the effective date of any regulation prescribed under subsection (a) or (b) of this section, the manufacturer of each new product to which such regulation applies shall warrant to the ultimate purchaser and each subsequent purchaser that such product is designed, built, and equipped so as to conform at the time of sale with such regulation.

(2) Any cost obligation of any dealer incurred as a result of any requirement imposed by paragraph (1) of this subsection shall be borne by the manufacturer. The transfer of any such cost obligation from a manufacturer to any dealer through franchise or other agreement is prohibited.

(3) If a manufacturer includes in any advertisement a statement respecting the cost or value of noise emission control devices or systems, such manufacturer shall set forth in such statement the cost or value attributed to such devices or systems by the Secretary of Labor, and his representatives, shall have the same access for this purpose to the books, documents, papers, and records of a manufacturer as the Comptroller General has to those of a recipient of assistance for purposes of section 311 of the Clean Air Act [42 U.S.C. 7611].

(e) State and local regulations

(1) No State or political subdivision thereof may adopt or enforce—

(A) with respect to any new product for which a regulation has been prescribed by the Administrator under this section, any law or regulation which sets a limit on noise emissions from such new product and which is not identical to such regulation of the Administrator; or

(B) with respect to any component incorporated into such new product by the manufacturer of such product, any law or regulation setting a limit on noise emissions from such component when so incorporated.

(2) Subject to sections 4916 and 4917 of this title, nothing in this section precludes or denies the right of any State or political subdivision thereof to establish and enforce controls on environmental noise (or one or more sources thereof) through the licensing, regulation, or restriction of the use, operation, or movement of any product or combination of products.

(f) Publication of notice of receipt of revision petitions and proposed revised regulations

At any time after the promulgation of regulations respecting a product under this section, a State or political subdivision thereof may petition the Administrator to revise such standard on the grounds that a more stringent standard under subsection (e) of this section is necessary to protect the public health and welfare. The Administrator shall publish notice of receipt of such petition in the Federal Register and shall within ninety days of receipt of such petition respond by (1) publication of proposed revised regulations in accordance with subsection (c)(3) of this section, or (2) publication in the Federal Register of a decision not to publish such proposed revised regulations at that time, together with a detailed explanation for such decision.


REFERENCES IN TEXT

The Clean Air Act, referred to in subsec. (c)(1), is act July 14, 1955, ch. 360, 69 Stat. 322, as amended, which is classified generally to chapter 85 (§7401 et seq.) of this title. For complete classification of this Act to the Code, see Short Title note set out under section 7401 of this title and Tables.

The Federal Water Pollution Control Act, referred to in subsection (c)(3), is act June 30, 1948, ch. 738, as amended generally by Pub. L. 92–500, §2, Oct. 18, 1972, 86 Stat. 816, which is classified generally to chapter 26 (§1251 et seq.) of Title 33, Navigation and Navigable Waters. For complete classification of this Act to the Code, see Short Title note set out under section 1251 of Title 33 and Tables.

Conformity


Amendments


§ 4906. Omitted

Conformity

Section, Pub. L. 92–574, §7(a), Oct. 27, 1972, 86 Stat. 1229, related to a study by the Administrator of the adequacy of noise controls, noise emission standards, and measures available to control such noise, the results of such study to be reported to the appropriate committees of Congress within nine months after Oct. 27, 1972.

§ 4907. Labeling

(a) Regulations

The Administrator shall by regulation designate any product (or class thereof)—

(1) which emits noise capable of adversely affecting the public health or welfare; or

(2) which is sold wholly or in part on the basis of its effectiveness in reducing noise.

(b) Manner of notice; form; methods and units of measurement

For each product (or class thereof) designated under subsection (a) the Administrator shall by regulation require that notice be given to the prospective user of the level of the noise the product emits, or of its effectiveness in reducing noise, as the case may be. Such regulations shall specify (1) whether such notice shall be affixed to the product or to the outside of its container, or to both, at the time of its sale to the ultimate purchaser or whether such notice shall be given to the prospective user in some other manner, (2) the form of the notice, and (3) the methods and units of measurement to be used. Section 4905(c)(2) of this title shall apply to the prescribing of any regulation under this section.

(c) State regulation of product labeling

This section does not prevent any State or political subdivision thereof from regulating prod-
§ 4908. Imports
The Secretary of the Treasury shall, in consultation with the Administrator, issue regulations to carry out the provisions of this chapter with respect to new products imported or offered for importation.

(Pub. L. 92-574, § 9, Oct. 27, 1972, 86 Stat. 1242.)

§ 4909. Prohibited acts
(a) Except as otherwise provided in subsection (b), the following acts or the causing thereof are prohibited:

(1) In the case of a manufacturer, to distribute in commerce any new product manufactured after the effective date of a regulation prescribed under section 4905 of this title which is applicable to such product, except in conformity with such regulation.

(2)(A) The removal or rendering inoperative by any person, other than for purposes of maintenance, repair, or replacement, of any device or element of design incorporated into any product in compliance with regulations under section 4905 of this title, prior to its sale or delivery to the ultimate purchaser or while it is in use, or (B) the use of a product after such device or element of design has been removed or rendered inoperative by any person.

(3) In the case of a manufacturer, to distribute in commerce any new product manufactured after the effective date of a regulation prescribed under section 4907(b) of this title (requiring information respecting noise) which is applicable to such product, except in conformity with such regulation.

(4) The removal by any person of any notice affixed to a product or container pursuant to regulations prescribed under section 4907(b) of this title, prior to sale of the product to the ultimate purchaser.

(5) The importation into the United States by any person of any new product in violation of a regulation prescribed under section 4908 of this title which is applicable to such product.

(6) The failure or refusal by any person to comply with any requirement of section 4910(d) or 4912(a) of this title or regulations prescribed under section 4912(a), 4916, or 4917 of this title.

(b)(1) For the purpose of research, investigations, studies, demonstrations, or training, or for reasons of national security, the Administrator may exempt for a specified period of time any product, or class thereof, from paragraphs (1), (2), (3), and (5) of subsection (a), upon such terms and conditions as he may find necessary to protect the public health or welfare.

(2) Paragraphs (1), (2), (3), and (4) of subsection (a) shall not apply with respect to any product which is manufactured solely for use outside any State and which (and the container of which) is labeled or otherwise marked to show that it is manufactured solely for use outside any State; except that such paragraphs shall apply to such product if it is in fact distributed in commerce for use in any State.

(Pub. L. 92-574, § 10, Oct. 27, 1972, 86 Stat. 1242.)

§ 4910. Enforcement
(a) Criminal penalties
(1) Any person who willfully or knowingly violates paragraph (1), (3), (5), or (6) of subsection (a) of section 4909 of this title shall be punished by a fine of not more than $25,000 per day of violation, or by imprisonment for not more than one year, or by both. If the conviction is for a violation committed after a first conviction of such person under this subsection, punishment shall be by a fine of not more than $50,000 per day of violation, or by imprisonment for not more than two years, or by both.

(2) Any person who violates paragraph (1), (3), (5), or (6) of subsection (a) of section 4909 of this title shall be subject to a civil penalty not to exceed $10,000 per day of such violation.

(b) Separate violations
For the purpose of this section, each day of violation of any paragraph of section 4909(a) of this title shall constitute a separate violation of that section.

(c) Actions to restrain violations
The district courts of the United States shall have jurisdiction of actions brought by and in the name of the United States to restrain any violations of section 4909(a) of this title.

(d) Orders issued to protect public health and welfare; notice; opportunity for hearing
(1) Whenever any person is in violation of section 4909(a) of this title, the Administrator may issue an order specifying such relief as he determines is necessary to protect the public health and welfare.

(2) Any order under this subsection shall be issued only after notice and opportunity for a hearing in accordance with section 554 of title 5.

(e) "Person" defined
The term "person," as used in this section, does not include a department, agency, or instrumentality of the United States.


AMENDMENTS
1978—Subsec. (a). Pub. L. 95-609 redesignated existing provisions as par. (1) and added par. (2).

§ 4911. Citizen suits
(a) Authority to commence suits
Except as provided in subsection (b), any person (other than the United States) may commence a civil action on his own behalf—

(1) against any person (including (A) the United States, and (B) any other governmental instrumentality or agency to the extent permitted by the eleventh amendment to the Constitution) who is alleged to be in violation of any noise control requirement (as defined in subsection (e)1), or

1So in original. Probably should be subsection "(f)".
(2) against—

(A) the Administrator of the Environmental Protection Agency where there is alleged a failure of such Administrator to perform any act or duty under this chapter which is not discretionary with such Administrator, or

(B) the Administrator of the Federal Aviation Administration where there is alleged a failure of such Administrator to perform any act or duty under section 44715 of title 49 which is not discretionary with such Administrator.

The district courts of the United States shall have jurisdiction, without regard to the amount in controversy, to restrain such person from violating such noise control requirement or to order such Administrator to perform such act or duty, as the case may be.

(b) Notice

No action may be commenced—

(1) under subsection (a)(1)—

(A) prior to sixty days after the plaintiff has given notice of the violation (i) to the Administrator of the Environmental Protection Agency (and to the Federal Aviation Administrator in the case of a violation of a noise control requirement under such section 44715 of title 49) and (ii) to any alleged violator of such requirement, or

(B) if an Administrator has commenced and is diligently prosecuting a civil action to require compliance with the noise control requirement, but in any such action in a court of the United States any person may intervene as a matter of right, or

(2) under subsection (a)(2) prior to sixty days after the plaintiff has given notice to the defendant that he will commence such action.

Notice under this subsection shall be given in such manner as the Administrator of the Environmental Protection Agency shall prescribe by regulation.

(c) Intervention

In an action under this section, the Administrator of the Environmental Protection Agency, if not a party, may intervene as a matter of right. In an action under this section respecting a noise control requirement under section 44715 of title 49, the Administrator of the Federal Aviation Administration, if not a party, may also intervene as a matter of right.

(d) Litigation costs

The court, in issuing any final order in any action brought pursuant to subsection (a) of this section, may award costs of litigation (including reasonable attorney and expert witness fees) to any party, whenever the court determines such an award is appropriate.

(e) Other common law or statutory rights of action

Nothing in this section shall restrict any right which any person (or class of persons) may have under any statute or common law to seek enforcement of any noise control requirement or to seek any other relief (including relief against an Administrator).

(f) “Noise control requirement” defined

For purposes of this section, the term “noise control requirement” means paragraph (1), (2), (3), (4), or (5) of section 4909(a) of this title, or a standard, rule, or regulation issued under section 4916 or 4917 of this title or under section 44715 of title 49.


Codification

In subsecs. (a)(2)(B), (b)(1)(A), (c), and (f), “section 44715 of title 49” substituted for “section 611 of the Federal Aviation Act of 1958” and “such section 611” on authority of Pub. L. 103–272, § 6(b), July 5, 1994, 108 Stat. 1378, the first section of which enacted subtitles II, III, and V to Title I of Title 49, Transportation.

§ 4912. Records, reports, and information

(a) Duties of manufacturers of products

Each manufacturer of a product to which regulations under section 4905 or 4907 of this title apply shall—

(1) establish and maintain such records, make such reports, provide such information, and make such tests, as the Administrator may reasonably require to enable him to determine whether such manufacturer has acted or is acting in compliance with this chapter,

(2) upon request of an officer or employee duly designated by the Administrator, permit such officer or employee at reasonable times to have access to such information and the results of such tests and to copy such records, and

(3) to the extent required by regulations of the Administrator, make products coming off the assembly line or otherwise in the hands of the manufacturer available for testing by the Administrator.

(b) Confidential information; disclosure

(1) All information obtained by the Administrator or his representatives pursuant to subsection (a) of this section, which information contains or relates to a trade secret or other matter referred to in section 1905 of title 18, shall be considered confidential for the purpose of this section, except that such information may be disclosed to other Federal officers or employees, in whose possession it shall remain confidential, or when relevant to the matter in controversy in any proceeding under this chapter.

(2) Nothing in this subsection shall authorize the withholding of information by the Administrator, or by any officers or employees under his control, from the duly authorized committees of the Congress.

(c) Violations and penalties

Any person who knowingly makes any false statement, representation, or certification in any application, record, report, plan, or other document filed or required to be maintained under this chapter or who falsifies, tampers with, or knowingly renders inaccurate any monitoring device or method required to be maintained under this chapter, shall upon conviction be punished by a fine of not more than $10,000, or by imprisonment for not more than six months, or by both.

§ 4913. Quiet communities, research, and public information

To promote the development of effective State and local noise control programs, to provide an adequate Federal noise control research program designed to meet the objectives of this chapter, and to otherwise carry out the policy of this chapter, the Administrator shall, in cooperation with other Federal agencies and through the use of grants, contracts, and direct Federal actions—

(a) develop and disseminate information and educational materials to all segments of the public on the public health and other effects of noise and the most effective means for noise control, through the use of materials for school curricula, volunteer organizations, radio and television programs, publication, and other means;

(b) conduct or finance research directly or with any public or private organization or any person on the effects, measurement, and control of noise, including but not limited to—

(1) investigation of the psychological and physiological effects of noise on humans and the effects of noise on domestic animals, wildlife, and property, and the determination of dose/response relationships suitable for use in decisionmaking, with special emphasis on the nonauditory effects of noise;

(2) investigation, development, and demonstration of noise control technology for products subject to possible regulation under sections 4905 and 4907 of this title and section 44715 of title 49;

(3) investigation, development, and demonstration of monitoring equipment and other technology especially suited for use by State and local noise control programs;

(4) investigation of the economic impact of noise on property and human activities; and

(5) investigation and demonstration of the use of economic incentives (including emission charges) in the control of noise;

(c) administer a nationwide Quiet Communities Program which shall include, but not be limited to—

(1) grants to States, local governments, and authorized regional planning agencies for the purpose of—

(A) identifying and determining the nature and extent of the noise problem within the subject jurisdiction;

(B) planning, developing, and establishing a noise control capacity in such jurisdiction, including purchasing initial equipment;

(C) developing abatement plans for areas around major transportation facilities (including airports, highways, and rail yards) and other major stationary sources of noise, and, where appropriate, for the facility or source itself; and

(D) evaluating techniques for controlling noise (including institutional arrangements) and demonstrating the best available techniques in such jurisdiction;

(2) purchase of monitoring and other equipment for loan to State and local noise control programs to meet special needs or assist in the beginning implementation of a noise control program or project;

(3) development and implementation of a quality assurance program for equipment and monitoring procedures of State and local noise control programs to help communities assure that their data collection activities are accurate;

(4) conduct of studies and demonstrations to determine the resource and personnel needs of States and local governments required for the establishment and implementation of effective noise abatement and control programs; and

(5) development of education and training materials and programs, including national and regional workshops, to support State and local noise abatement and control programs;

except that no actions, plans or programs hereunder shall be inconsistent with existing Federal authority under this chapter to regulate sources of noise in interstate commerce;

(d) develop and implement a national noise environmental assessment program to identify trends in noise exposure and response, ambient levels, and compliance data and to determine otherwise the effectiveness of noise abatement actions through the collection of physical, social, and human response data;

(e) establish regional technical assistance centers which use the capabilities of universities and private organizations to assist State and local noise control programs;

(f) provide technical assistance to State and local governments to facilitate their development and enforcement of noise control, including direct onsite assistance of agency or other personnel with technical expertise, and preparation of model State or local legislation for noise control; and

(g) provide for the maximum use in programs assisted under this section of senior citizens and persons eligible for participation in programs under the Older Americans Act [42 U.S.C. 3001 et seq.].


References in Text

The Older Americans Act, referred to in subsec. (g), probably means the Older Americans Act of 1965, Pub. L. 89–73, July 14, 1965, 79 Stat. 218, as amended, which is classified generally to chapter 35 (§3001 et seq.) of this title. For complete classification of this Act to the Code, see Short Title note set out under section 3001 of this title and Tables.

Amendments

1978—Pub. L. 95–609 completely revised and restructured existing provisions, inserting provisions relating to authorized use of grants and direct action, investigation of economic impact of noise, administration of
§ 4914. Development of low-noise-emission products

(a) Definitions

For the purpose of this section:

(1) The term “Committee” means the Low-Noise-Emission Product Advisory Committee.


(3) The term “low-noise-emission product” means any product which emits noise in amounts significantly below the levels specified in noise emission standards under regulations applicable under section 4905 of this title at the time of procurement to that type of product.

(b) Certification of products; Low-Noise-Emission Product Advisory Committee

(1) The Administrator shall determine which products qualify as low-noise-emission products in accordance with the provisions of this section.

(2) The Administrator shall certify any product—

(A) for which a certification application has been filed in accordance with paragraph (5)(A) of this subsection;

(B) which is a low-noise-emission product as determined by the Administrator; and

(C) which he determines is suitable for use as a substitute for a type of product at that time in use by agencies of the Federal Government.

(3) The Administrator may establish a Low-Noise-Emission Product Advisory Committee to assist him in determining which products qualify as low-noise-emission products for purposes of this section. The Committee shall include the Administrator or his designee, a representative of the National Institute of Standards and Technology, and representatives of such other Federal agencies and private individuals as the Administrator may deem necessary from time to time. Any member of the Committee not employed on a full-time basis by the United States may receive the daily equivalent of the annual rate of basic pay in effect for Grade GS–18 of the General Schedule for each day such member is engaged upon work of the Committee. Each member of the Committee shall be reimbursed for travel expenses, including per diem in lieu of subsistence as authorized by section 5703 of title 5 for persons in the Government service employed intermittently.

(4) Certification under this section shall be effective for a period of one year from the date of issuance.

(5)(A) Any person seeking to have a class or model of product certified under this section shall file a certification application in accordance with regulations prescribed by the Administrator.

(B) The Administrator shall publish in the Federal Register a notice of each application received.

(C) The Administrator shall make determinations for the purpose of this section in accordance with procedures prescribed by him by regulation.

(D) The Administrator shall conduct whatever investigation is necessary, including actual inspection of the product at a place designated in regulations prescribed under subparagraph (A).

(E) The Administrator shall receive and evaluate written comments and documents from interested persons in support of, or in opposition to, certification of the class or model of product under consideration.

(F) Within ninety days after the receipt of a properly filed certification application the Administrator shall determine whether such product is a low-noise-emission product for purposes of this section. If the Administrator determines that such product is a low-noise-emission product, then within one hundred and eighty days of such determination the Administrator shall reach a decision as to whether such product is a suitable substitute for any class or classes of products presently being purchased by the Federal Government for use by its agencies.

(G) Immediately upon making any determination or decision under subparagraph (F), the Administrator shall publish in the Federal Register notice of such determination or decision, including reasons therefore.

(c) Federal procurement of low-noise-emission products

(1) Certified low-noise-emission products shall be acquired by purchase or lease by the Federal Government for use by the Federal Government in lieu of other products if the Administrator of General Services determines that such certified products have procurement costs which are no more than 125 per centum of the retail price of the least expensive type of product for which they are certified substitutes.

(2) Data relied upon by the Administrator in determining that a product is a certified low-noise-emission product shall be incorporated in any contract for the procurement of such product.

(d) Product selection

The procuring agency shall be required to purchase available certified low-noise-emission products which are eligible for purchase to the extent they are available before purchasing any other products for which any low-noise-emission product is a certified substitute. In making purchasing selections between competing eligible certified low-noise-emission products, the procuring agency shall give priority to any class or model which does not require extensive periodic maintenance to retain its low-noise-emission qualities or which does not involve operating costs significantly in excess of those products for which it is a certified substitute.
(e) Waiver of statutory price limitations
For the purpose of procuring certified low-noise-emission products any statutory price limitations shall be waived.

(f) Tests of noise emissions from products purchased by Federal Government
The Administrator shall, from time to time as he deems appropriate, test the emissions of noise from certified low-noise-emission products purchased by the Federal Government. If at any time he finds that the noise-emission levels exceed the levels on which certification under this section was based, the Administrator shall give the supplier an opportunity to make necessary repairs, adjustments, or replacements. If no such repairs, adjustments, or replacements are made within a period to be set by the Administrator, he may order the supplier to show cause why the product involved should be eligible for recertification.

(g) Authorization of appropriations
There are authorized to be appropriated for paying additional amounts for products pursuant to, and for carrying out the provisions of, this section, $1,000,000 for the fiscal year ending June 30, 1973, and $2,000,000 for each of the two succeeding fiscal years, $2,200,000 for the fiscal year ending June 30, 1976, $550,000 for the transition period of July 1, 1976, through September 30, 1976, and $2,420,000 for the fiscal year ending September 30, 1977.

(h) Promulgation of procedures
The Administrator shall promulgate the procedures required to implement this section within one hundred and eighty days after October 27, 1972.


AMENDMENTS

TERMINATION OF ADVISORY COMMITTEES
Advisory committees in existence on Jan. 5, 1973, to terminate not later than the expiration of the 2-year period following Jan. 5, 1973, unless, in the case of a committee established by the President or an officer of the Federal Government, such committee is renewed by appropriate action prior to the expiration of such 2-year period, or in the case of a committee established by the Congress, its duration is otherwise provided by law. A committee established after Jan. 5, 1973, to terminate not later than the expiration of the 2-year period beginning on the date of its establishment unless in the case of a committee established by the President or an officer of the Federal Government, such committee is renewed by appropriate action prior to the end of such period, or in the case of a committee established by the Congress, its duration is otherwise provided by law. See section 14 of Pub. L. 92–463, Oct. 6, 1972, which set out in the Appendix to Title 5, Government Organization and Employees.

§ 4915. Judicial review

(a) Petition for review
A petition for review of action of the Administrator of the Environmental Protection Agency in promulgating any standard or regulation under sections 4905, 4916, or 4917 of this title or any labeling regulation under section 4907 of this title may be filed only in the United States Court of Appeals for the District of Columbia Circuit, and a petition for review of action of the Administrator of the Federal Aviation Administration in promulgating any standard or regulation under section 44715 of title 49 may be filed only in such court. Any such petition shall be filed within ninety days from the date of such promulgation, or after such date if such petition is based solely on grounds arising after such ninetieth day. Action of either Administrator with respect to which review could have been obtained under this subsection shall not be subject to judicial review in civil or criminal proceedings for enforcement.

(b) Additional evidence
If a party seeking review under this chapter applies to the court for leave to adduce additional evidence, and shows to the satisfaction of the court that the information is material and was not available at the time of the proceeding before the Administrator of such Agency or Administration (as the case may be), the court may order such additional evidence (and evidence in rebuttal thereof) to be taken before such Administrator, and to be adduced upon the hearing, in such manner and upon such terms and conditions as the court may deem proper. Such Administrator may modify his findings as to the facts, or make new findings, by reason of the additional evidence so taken, and he shall file with the court such modified or new findings, and his recommendation, if any, for the modification or setting aside of his original order, with the return of such additional evidence.

(c) Stay of agency action
With respect to relief pending review of an action by either Administrator, no stay of an agency action may be granted unless the reviewing court determines that the party seeking such stay is (1) likely to prevail on the merits in the review proceeding and (2) will suffer irreparable harm pending such proceeding.

(d) Subpenas
For the purpose of obtaining information to carry out this chapter, the Administrator of the Environmental Protection Agency may issue subpenas for the attendance and testimony of witnesses and the production of relevant papers, books, and documents, and he may administer oaths. Witnesses summoned shall be paid the
same fees and mileage that are paid witnesses in the courts of the United States. In cases of contumacy or refusal to obey a subpoena served upon any person under this subsection, the district court of the United States for any district in which such person is found or resides or transacts business, upon application by the United States and after notice to such person, shall have jurisdiction to issue an order requiring such person to appear and give testimony before the Administrator, to appear and produce papers, books, and documents before the Administrator, or both, and any failure to obey such order of the court may be punished by such court as a contempt thereof.


CODIFICATION

In subsec. (a), ‘‘section 4915 of title 49’’ substituted for ‘‘section 611 of the Federal Aviation Act of 1958’’ on authority of Pub. L. 103–272, §6(b), July 5, 1994, 108 Stat. 1378, the first section of which enacted subtitles II, III, and V to X of Title 49, Transportation.

§ 4916. Railroad noise emission standards

(a) Regulations; standards; consultation with Secretary of Transportation

(1) Within nine months after October 27, 1972, the Administrator shall publish proposed noise emission regulations for surface carriers engaged in interstate commerce by railroad. Such proposed regulations shall include noise emission standards setting such limits on noise emissions resulting from operation of the equipment and facilities of surface carriers engaged in interstate commerce by railroad which reflect the degree of noise reduction achievable through the application of the best available technology, taking into account the cost of compliance. These regulations shall be in addition to any regulations that may be proposed under section 4905 of this title.

(2) Within ninety days after the publication of such regulations as may be proposed under paragraph (1) of this subsection, and subject to the provisions of section 4915 of this title, the Administrator shall promulgate final regulations. Such regulations may be revised, from time to time, in accordance with this subsection.

(3) Any standard or regulation, or revision thereof, proposed under this subsection shall be promulgated only after consultation with the Secretary of Transportation in order to assure appropriate consideration for safety and technological availability.

(4) Any regulation or revision thereof promulgated under this subsection shall take effect after such period as the Administrator finds necessary, after consultation with the Secretary of Transportation, to permit the development and application of the requisite technology, giving appropriate consideration to the cost of compliance within such period.

(b) Regulations to insure compliance with noise emission standards

The Secretary of Transportation, after consultation with the Administrator, shall promulgate regulations to insure compliance with all standards promulgated by the Administrator under this section. The Secretary of Transportation shall carry out such regulations through the use of his powers and duties of enforcement and inspection authorized by the Safety Appliance Acts [45 U.S.C. 1 et seq.], subtitle IV of title 49, and the Department of Transportation Act.

§ 4916. Railroad noise emission standards

(a) Regulations; standards; consultation with Secretary of Transportation

(1) Within nine months after October 27, 1972, the Administrator shall publish proposed noise emission regulations for surface carriers engaged in interstate commerce by railroad. Such proposed regulations shall include noise emission standards setting such limits on noise emissions resulting from operation of the equipment and facilities of surface carriers engaged in interstate commerce by railroad which reflect the degree of noise reduction achievable through the application of the best available technology, taking into account the cost of compliance. These regulations shall be in addition to any regulations that may be proposed under section 4905 of this title.

(2) Within ninety days after the publication of such regulations as may be proposed under paragraph (1) of this subsection, and subject to the provisions of section 4915 of this title, the Administrator shall promulgate final regulations. Such regulations may be revised, from time to time, in accordance with this subsection.

(3) Any standard or regulation, or revision thereof, proposed under this subsection shall be promulgated only after consultation with the Secretary of Transportation in order to assure appropriate consideration for safety and technological availability.

(4) Any regulation or revision thereof promulgated under this subsection shall take effect after such period as the Administrator finds necessary, after consultation with the Secretary of Transportation, to permit the development and application of the requisite technology, giving appropriate consideration to the cost of compliance within such period.

(b) Regulations to insure compliance with noise emission standards

The Secretary of Transportation, after consultation with the Administrator, shall promulgate regulations to insure compliance with all standards promulgated by the Administrator under this section. The Secretary of Transportation shall carry out such regulations through the use of his powers and duties of enforcement and inspection authorized by the Safety Appliance Acts [45 U.S.C. 1 et seq.], subtitle IV of title 49, and the Department of Transportation Act. Regulations promulgated under this section shall be subject to the provisions of sections 4909, 4910, 4911, and 4915 of this title.

(c) State and local standards and controls

(1) Subject to paragraph (2) but notwithstanding any other provision of this chapter, after the effective date of a regulation under this section applicable to noise emissions resulting from the operation of any equipment or facility of a surface carrier engaged in interstate commerce by railroad, no State or political subdivision thereof may adopt or enforce any standard applicable to noise emissions resulting from the operation of the same equipment or facility of such carrier unless such standard is identical to a standard applicable to noise emissions resulting from such operation prescribed by any regulation under this section.

(2) Nothing in this section shall diminish or enhance the rights of any State or political subdivision thereof to establish and enforce standards or controls on levels of environmental noise, or to control, license, regulate, or restrict the use, operation, or movement of any product if the Administrator, after consultation with the Secretary of Transportation, determines that such standard, control, license, regulation, or restriction is necessitated by special local conditions and is not in conflict with regulations promulgated under this section.

(d) ‘‘Carrier’’ and ‘‘railroad’’ defined

The terms ‘‘carrier’’ and ‘‘railroad’’ as used in this section shall have the same meaning as the term ‘‘railroad carrier’’ has in section 20102 of title 49.


REFERENCES IN TEXT

1466, the first section of which enacted subtitle IV of Title 49, Transportation.

AMENDMENTS

1996—Subsec. (d). Pub. L. 104–287 substituted “the term ‘railroad carrier’ has in section 20102 of title 49’” for “such terms have under the first section of the Act of February 17, 1911 (45 U.S.C. 22)’”.

§ 4917. Motor carrier noise emission standards

(a) Regulations; standards; consultation with Secretary of Transportation

(1) Within nine months after October 27, 1972, the Administrator shall publish proposed noise emission regulations for motor carriers engaged in interstate commerce. Such proposed regulations shall include noise emission standards setting such limits on noise emissions resulting from operation of motor carriers engaged in interstate commerce which reflect the degree of noise reduction achievable through the application of the best available technology, taking into account the cost of compliance. These regulations shall be in addition to any regulations that may be proposed under section 4905 of this title.

(2) Within ninety days after the publication of such regulations as may be proposed under paragraph (1) of this subsection, and subject to the provisions of section 4915 of this title, the Administrator shall promulgate final regulations. Such regulations may be revised from time to time, in accordance with this subsection.

(3) Any standard or regulation, or revision thereof, proposed under this subsection shall be promulgated only after consultation with the Secretary of Transportation in order to assure appropriate consideration for safety and technological availability.

(4) Any regulation or revision thereof promulgated under this subsection shall take effect after such period as the Administrator finds necessary, after consultation with the Secretary of Transportation, to permit the development and application of the requisite technology, giving appropriate consideration to the cost of compliance within such period.

(b) Regulations to insure compliance with noise emission standards

The Secretary of Transportation, after consultation with the Administrator shall promulgate regulations to insure compliance with all standards promulgated by the Administrator under this section. The Secretary of Transportation shall carry out such regulations through the use of his powers and duties of enforcement and inspection authorized by subtitle IV of title 49 and the Department of Transportation Act. Regulations promulgated under this section shall be subject to the provisions of sections 4909, 4910, 4911, and 4915 of this title.

(c) State and local standards and controls

(1) Subject to paragraph (2) of this subsection but notwithstanding any other provision of this chapter, after the effective date of a regulation under this section applicable to noise emissions resulting from the operation of any motor carrier engaged in interstate commerce, no State or political subdivision thereof may adopt or enforce any standard applicable to the same operation of such motor carrier, unless such standard is identical to a standard applicable to noise emissions resulting from such operation prescribed by any regulation under this section.

(2) Nothing in this section shall diminish or enhance the rights of any State or political subdivision thereof to establish and enforce standards or controls on levels of environmental noise, or to control, license, regulate, or restrict the use, operation, or movement of any product if the Administrator, after consultation with the Secretary of Transportation, determines that such standard, control, license, regulation, or restriction is necessitated by special local conditions and is not in conflict with regulations promulgated under this section.

(d) “Motor carrier” defined

For purposes of this section, the term “motor carrier” includes a motor carrier and motor private carrier as those terms are defined in section 13102 of title 49.

REFERENCES IN TEXT


AMENDMENTS

1995—Subsec. (d). Pub. L. 104–88 amended subsec. (d) generally. Prior to amendment, subsec. (d) read as follows: “For purposes of this section, the term ‘motor carrier’ includes a common carrier by motor vehicle, a contract carrier by motor vehicle, and a private carrier of property by motor vehicle as those terms are defined by section 10102 of title 49.”


Effective Date of 1995 Amendment

Amendment by Pub. L. 104–88 effective Jan. 1, 1996, see section 2 of Pub. L. 104–88, set out as an Effective Date note under section 13101 of Title 49, Transportation.

§ 4918. Authorization of appropriations

There are authorized to be appropriated to carry out this chapter (other than for research and development) $15,000,000 for the fiscal year ending September 30, 1979.


Amendments

1978—Pub. L. 95–609 substituted provisions authorizing appropriations of $15,000,000 for 1979 for provisions
CHAPTER 66—DOMESTIC VOLUNTEER SERVICES

Sec. 4950. Volunteerism policy.

SUBCHAPTER I—NATIONAL VOLUNTEER ANTIPRO perty Programs

PART A—Volunteers in Service to America

4951. Congressional statement of purpose.
4952. Authority to operate VISTA program.
4953. Selection and assignment of volunteers.
4954. Terms and periods of service.
4955. Support services.
4956. Participation of program beneficiaries.
4957. Participation of younger and older persons.
4958. Limitation on funds appropriated for grants and contracts for direct cost of supporting volunteers in programs or projects.
4959. Repealed.
4960. Applications for assistance.

PART B—University Year for Vista

4971 to 4974. Repealed.

PART C—Special Volunteer Programs

4991. Congressional statement of purpose.
4992. Authority to establish and operate special volunteer and demonstration programs.
4993. Technical and financial assistance.
4994, 4995. Repealed.

SUBCHAPTER II—National Senior Service Corps

5000. Statement of purpose.

PART A—Retired and Senior Volunteer Program

5001. Grants and contracts for volunteer service projects.

PART B—Foster Grandparent Program

5011. Grants and contracts for individual service projects.
5012. Repealed.

PART C—Senior Companion Program

5013. Grants and contracts for volunteer service projects.

PART D—General Provisions

5021. Promotion of National Senior Service Corps.
5022. Payments; adjustments; advances or reimbursement; installments; conditions.
5023. Minority population participation.
5024. Use of locally generated contributions in National Senior Service Corps.
5025. Programs of national significance.
5026. Adjustments to Federal financial assistance.
5027. Multiyear grants or contracts.
5027a. Acceptance of donations.

PART E—Demonstration Programs

5028. Authority of Director.
5029a. Prohibition.

SUBCHAPTER III—National Volunteer Programs to Assist Small Businesses and Promote Volunteer Service by Persons with Business Experience

5031, 5032. Repealed.

Sec. 5041. Authority to establish and operate special program for fiscal year ending June 30, 1976, the transition period, and fiscal year ending September 30, 1977, and provisions excepting appropriations for research and development use.

5042. Repealed.

5043. Political activities.
5044. Special limitations.
5045. Repealed.
5046. Labor standards for federally assisted projects, buildings, and works.
5047. Repealed.
5048. Joint funding; single non-Federal share requirement; grant or contract requirement waiver.
5049. Prohibition of Federal control of educational institution or school system.
5050. Coordination with other programs.
5051. Performance of functions by existing departments or offices rather than new departments or offices.
5052. Suspension and termination of financial assistance; procedures; notice and hearing; emergency situations; refunding applications.
5053. Repealed.
5054. Distribution of benefits between rural and urban areas.
5056. Evaluation of programs and projects.
5057. Nondiscrimination provisions.
5058. Eligibility for other benefits.
5059. Legal expenses.
5060. Repealed.
5061. Definitions.
5062. Audit.
5063. Reduction of paperwork.
5064. Review of project renewals.
5065. Protection against improper use.

SUBCHAPTER IV—ADMINISTRATION AND COORDINATION

5081. National Volunteer Antipoverty Programs.
5082. National Senior Service Corps.
5083. Repealed.
5084. Administration and coordination.
5085. Availability of appropriations.

SUBCHAPTER V—AUTHORIZATION OF APPROPRIATIONS

5081. National Volunteer Antipoverty Programs.
5082. National Senior Service Corps.
5083. Repealed.
5084. Administration and coordination.
5085. Availability of appropriations.

§ 4950. Volunteerism policy

(a) Because of the long-standing importance of volunteerism throughout American history, it is the policy of the Congress to foster the tradition of volunteerism through greater involvement on the part of individuals of all ages and backgrounds.

(b) The purpose of this chapter is to foster and expand voluntary citizen service in communities throughout the Nation in activities designed to help the poor, the disadvantaged, the vulnerable, and the elderly. In carrying out this purpose, the Corporation for National and Community Service shall utilize to the fullest extent the programs authorized under this chapter, coordinate with other Federal, State, and local agencies, expand relationships with, and support for, the efforts of civic, community, and educational organizations, and utilize the energy, innovative spirit, experience, and skills of all Americans.
of this title, amending sections 4963, 4955, 4971, 4972, 4992, 5011, 5013, 5024, 5041 to 5044, 5047, 5052, 5056, 5059, 5061, 5062, and 5084 of this title, enacting provisions set out as notes under this section and section 5011 of this title, and amending provisions set out as a note under section 5041 of this title] may be cited as the ‘Domestic Volunteer Service Act Amendments of 1986’.

**Short Title of 1984 Amendment**
Pub. L. 98-288, § 1, May 21, 1984, 98 Stat. 189, provided: 
‘‘That this Act [enacting section 3024 of this title, amending sections 4961 to 4966, 4968, 4971, 4972, 4974, 4991 to 4993, 5001, 5011, 5013, 5041 to 5044, 5047, 5052, 5056 to 5060, 5061, 5062, 5084, 9902, and 9912 of this title, and enacting provisions set out as notes under sections 5092 and 5045 of this title] may be cited as the ‘Domestic Volunteer Service Act Amendments of 1984’.’’

**Short Title of 1979 Amendment**
Pub. L. 96-143, § 1, Dec. 13, 1979, 93 Stat. 1074, provided: 
‘‘That this Act [enacting sections 5063 and 5064 of this title, amending sections 4963, 4965, 4968, 4973, 4974, 4992, 5011, 5043, 5044, 5050, 5055, 5057, 5058, 5059, 5061, 5090, and 5092 of this title, enacting provisions set out as notes under sections 4992 and 5084 of this title, and amending provisions set out as a note under section 4955 of this title] may be cited as the ‘Domestic Volunteer Service Act Amendments of 1979’.’’

**Short Title of 1976 Amendment**
Pub. L. 94-293, § 1, May 27, 1976, 90 Stat. 525, provided: 
‘‘That this Act [enacting sections 4958 and 4993 of this title, amending sections 4974, 4992, 5011, 5042, 5045, 5081, 5083, and 5084 of this title, repealing section 5053 of this title, and enacting provision set out as a note under section 4958 of this title] may be cited as the ‘Domestic Volunteer Service Act Amendments of 1976’.’’

**Short Title**
‘‘That this Act [enacting this chapter, amending sections 5028, 5029, 5031, 5032, 5044 to 5046, 5050, 5051, 5054, 5056, 5059, 5060, 5061, 5062, and 5084 of this title, repealing sections 5091 to 5091n of this title] may be cited as the ‘Domestic Volunteer Service Act of 1993.’’

**SUBCHAPTER I—NATIONAL VOLUNTEER ANTIPoVERTY PROGRAMS**

**Part A—Volunteers in Service to America**

§ 4951. Congressional statement of purpose

This part provides for the Volunteers in Service to America (VISTA) program of full-time volunteer service, together with appropriate powers and responsibilities designed to assist in the development and coordination of such program. The purpose of this part is to strengthen and supplement efforts to eliminate and alleviate poverty and poverty-related problems in the United States by encouraging and enabling persons from all walks of life, all geographical areas, and all age groups, including low-income individuals, elderly and retired Americans, to perform meaningful and constructive volunteer service in agencies, institutions, and situations where the application of human talent and dedication may assist in the solution of poverty and poverty-related problems and secure and in-
crease opportunities for self-advancement by persons affected by such problems. In addition, the objectives of this part are to generate the commitment of private sector resources, to encourage volunteer service at the local level, to support efforts by local agencies and community organizations to achieve long-term sustainability of projects, and to strengthen local agencies and community organizations to carry out the objectives of this part.


AMENDMENTS

2009—Pub. L. 111–13 substituted in second sentence “increase opportunities for self-advancement by persons affected by such problems.” for “exploit opportunities for self-advancement by persons afflicted with such problems.” and in third sentence “at the local level, to support efforts by local agencies and community organizations to achieve long-term sustainability of projects, and to strengthen local agencies and community organizations to carry out the objectives of this part.” for “at the local level, and to strengthen local agencies and organizations to carry out the pur-

pose of this part.”

1993—Pub. L. 103–82 amended last sentence generally. Prior to amendment last sentence read as follows: “In addition the objective of this part is to generate the commitment of private sector resources and to encourage volunteer service at the local level to carry out the purposes set forth in this section.”

1984—Pub. L. 98–288, in second sentence, inserted “and alleviate” after “eliminate”, struck out “human, social, and environmental” after “poverty-related”, inserted “; all geographical areas,” after “all walks of life” and “low-income individuals,” before “elderly”, and inserted at end “In addition the objective of this part is to generate the commitment of private sector resources and to encourage volunteer service at the local level to carry out the purposes set forth in this section.”

Effective Date of 1993 Amendment


Effective Date of 1993 Amendment

Pub. L. 103–82, title III, §392, Sept. 21, 1993, 107 Stat. 917, provided that: “This subtitle (Subtitle B (§§311–392) of title III of Pub. L. 103–82, enacting sections 5028a, 5028b, and 5065 of this title, amending this section, sections 4952 to 4956, 4957, 4958, 4960 to 4973, 4992, 4993, 5000, 5001, 5011, 5021, 5024 to 5026, 5041 to 5044, 5055, 5057, 5062, 5081, 5082, and 5084 of this title, and sections 8143, 8332, 8334, 8411, and 8422 of Title 5, Government Organization and Employees, repealing sections 4974, 4994, 5012, 5047, 5060, and 5091 of this title, enacting provisions set out as notes under sections 4950 and 4952 of this title and section 8332 of Title 5, and amending provisions set out as notes under sections 4950 and 5001 of this title) shall become effective on October 1, 1993.”

§ 4952. Authority to operate VISTA program

This part shall be administered by one of the Assistant Directors appointed pursuant to section 12651e(d)(1)(A) of this title. Such Director may recruit, select, and train persons to serve in full-time volunteer programs consistent with the provisions and to carry out the purpose of this part.
nomic Development Act of 1981 [42 U.S.C. 9801 et seq.], or other similar Acts, in furtherance of the purpose of this subchapter;

(7) in strengthening, supplementing, and expanding efforts to address the problem of illiteracy throughout the United States;

(8) in assisting with the reentry and reintegration of formerly incarcerated youth and adults into society, including providing training and counseling in education, employment, and life skills;

(9) in developing and carrying out financial literacy, financial planning, budgeting, saving, and reputable credit accessibility programs in low-income communities, including those programs that educate individuals about financing home ownership and higher education;

(10) in developing and supporting before-school and after-school programs, serving children in low-income communities, that may engage participants in mentoring, tutoring, life skills and study skills programs, service-learning, physical, nutrition, and health education programs, and other activities addressing the needs of the children;

(11) in establishing and supporting community economic development initiatives, with a priority on work on such initiatives in rural areas and the other areas where such initiatives are needed most;

(12) in assisting veterans and their family members through establishing or augmenting programs that assist such persons with access to legal assistance, health care (including mental health care), employment counseling or training, education counseling or training, affordable housing, and other support services; and

(13) in addressing the health and wellness of individuals in low-income communities and individuals in underserved communities, including programs to increase access to preventive services, insurance, and health services.

(b) Recruitment and placement procedures for local and national placement of volunteers; establishment, requirements, etc.

(1) The Director shall establish placement procedures that involve sponsoring organizations and that offer opportunities for both local and national placement of volunteers for service under this part.

(2)(A) The Director shall establish and maintain within the national headquarters of the Corporation (or any successor entity of such agency) a volunteer placement office which shall be responsible for all functions related to the recruitment and placement of volunteers under this part. Such functions and activities shall be carried out in coordination or in conjunction with recruitment and placement activities carried out under the National and Community Service Act of 1990 [42 U.S.C. 12501 et seq.].

(B) Such volunteer placement office shall develop, operate, and maintain a current and comprehensive database that provides information—

(i) to individuals, with respect to specific opportunities for service as a volunteer with approved projects or programs to which no volunteer has been assigned; and

(ii) to approved projects or programs, with respect to the availability of individuals whose applications for service as a volunteer have been approved and who are awaiting an assignment with a specific project or program.

(C) The Director shall assign or hire as necessary, such additional national, regional, and State personnel to carry out the functions described in this subsection and subsection (c) as may be necessary to ensure that such functions are carried out in a timely and effective manner.

The Director shall give priority in the hiring of such additional personnel to individuals who have formerly served as volunteers under this part and to individuals who have specialized experience in the recruitment and management of volunteers.

(3) Volunteers shall be selected from among qualified individuals submitting an application for such service at such time, in such form, and containing such information as may be necessary to evaluate the suitability of each individual for such service and to determine, in accordance with paragraph (7),\(^1\) the most appropriate assignment for each such volunteer. The Director shall approve the application of each individual who applies in conformance with this subsection and who, on the basis of the information provided in the application, is determined by the Director to be qualified to serve as a volunteer under this part.

(4) The Director shall ensure that applications for service as a volunteer under this part are available to the public on request to the Corporation (including any State or regional offices of the Agency)\(^2\) and that an individual making such request is informed of the manner in which such application is required to be submitted. A completed application may be submitted by any interested individual to, and shall be accepted by, any office of the Corporation.

(5)(A) The Director shall provide for the assignment of each applicant approved as a volunteer under this part to a project or program that is, to the maximum extent practicable, consistent with the abilities, experiences, and preferences of such applicant that are set forth in the application described in paragraph (4) and the needs and preferences of projects or programs approved for the assignment of such volunteers.

(B) In carrying out subparagraph (A), the Director shall utilize the database established under paragraph (2)(B).

(C) A sponsoring organization of VISTA may recruit volunteers for service under this part. The Director shall give a locally recruited volunteer priority for placement in the sponsoring organization of VISTA that recruited such volunteer.

(D) A volunteer under this part shall not be assigned to any project or program without the express approval and consent of such project or program.

(E) If an applicant under this part who is recruited locally becomes unavailable for service prior to the commencement of service, the recipient of the project grant or contract that was designated to receive the services of such applicant may replace such applicant with another qualified applicant approved by the Director.

\(^1\) So in original. Probably should be paragraph “(5)”.

\(^2\) So in original. Probably should be “the Corporation”.

§ 4953
(F) If feasible and appropriate, low-income community volunteers shall be given the option of serving in the home communities of such volunteers in teams with nationally recruited specialist volunteers. The Director shall attempt to assign such volunteers to serve in the home or nearby communities of such volunteers and shall make national efforts to attract other individuals to serve in the VISTA program. The Director shall also, in the assignment of volunteers under this subparagraph, recognize that community volunteers shall be given the option in the local area and the individual desires of VISTA volunteers in regard to the service in various geographical areas of the United States should be taken into consideration.

(c) Public awareness and recruit activities; dissemination of information; reimbursement of costs; coordination; obligation of funds

(1) The Director, in conjunction with the personnel described in subsection (b)(2)(C), shall engage in public awareness and recruitment activities. Such activities may include—

(A) public service announcements through the Internet and related technologies, radio, television, and the print media;

(B) advertising through the Internet and related technologies, print media, direct mail, and other means;

(C) disseminating information about opportunities for service as a volunteer under this part to relevant entities including institutions of higher education and other educational institutions (including libraries), professional associations, community-base agencies, youth service and volunteer organizations, business organizations, labor unions, senior citizens organizations, State or local offices of economic development, State employment security agencies, employment offices, and other institutions and organizations from or through which potential volunteers may be recruited;

(D) disseminating such information through presentations made personally by employees of the Corporation or other designees of the Director, to students and faculty at institutions of higher education and to other entities described in subparagraph (C), including presentations made at the facilities, conventions, or other meetings of such entities;

(E) publicizing the student loan deferment and forgiveness opportunities available to VISTA volunteers under parts B and E of title IV of the Higher Education Act of 1965 [20 U.S.C. 1071 et seq., 1087aa et seq.] and including such information in all applications and recruitment materials;

(F) publicizing national service educational awards available under the National and Community Service Act of 1990 [42 U.S.C. 12501 et seq.];

(G) providing, on request, technical assistance with the recruitment of volunteers under this part to programs and projects receiving assistance under this part; and

(H) maintaining and publicizing a national toll-free telephone number through which individuals may obtain information about opportunities for service as a volunteer under this part and request and receive an application for such service.

(2) In designing and implementing the activities authorized under this section, the Director shall seek to involve individuals who have formerly served as volunteers under this part to assist in the dissemination of information concerning the program established under this part. The Director may reimburse the costs incurred by such former volunteers for such participation, including expenses incurred for travel.

(3) The Director shall consult with the Director of the Peace Corps to coordinate the recruitment and public awareness activities carried out under this subsection with those of the Peace Corps and to develop joint procedures and activities for the recruitment of volunteers to serve under this part.

(d) Provision of plans to volunteers for job advancement; coordination with private industry councils or local workforce investment boards

The Director shall provide each low-income community volunteer with an individual plan for job advancement or for transition to a situation leading to gainful employment. Whenever feasible, such efforts shall be coordinated with an appropriate local workforce development board established under section 3122 of title 29.

(e) Educational and vocational counseling for volunteers; Director to provide

The Director may provide or arrange for educational and vocational counseling of volunteers and recent former volunteers under this part to (1) encourage them to use, in the national interest, the skills and experience which they have derived from their training and service, particularly working in combating poverty as members of the helping professions, and (2) promote the development of appropriate opportunities for the use of such skills and experience, and the placement therein of such volunteers.

(f) Terms and conditions; restrictions on political activities; place of service

Except as provided in subsection (e), the assignment of volunteers under this section shall be on such terms and conditions (including restrictions on political activities that appropriately recognize the special status of volunteers living among the persons or groups served by programs to which they have been assigned) as the Director may determine, including work assignments in their own or nearby communities.

(g) Program or project submittal to Governor; commencement and termination of service

Volunteers under this part shall not be assigned to work in a program or project in any community unless the application for such program or project contains evidence of local support and has been submitted to the Governor or other chief executive officer of the State concerned. In the event of a timely request in writing, supported by a statement of reasons, by the Governor or other chief executive officer of the State concerned, the Director shall terminate a program or project or the assignment of a volunteer to a program or project not later than 30
days after the date such request is received by the Director, or at such later date as is agreed upon by the Director and such Governor or other chief executive officer.

(h) Interagency agreements

The Director is encouraged to enter into agreements with other Federal agencies to use VISTA volunteers in furtherance of program objectives that are consistent with the purposes described in section 4951 of this title.

(i) Agreements with nonprofit organizations

The Director may enter into agreements under which public and private nonprofit organizations, with sufficient financial capacity and size, pay for all or a portion of the costs of supporting the service of volunteers under this part.


References in Text


The Community Service Block Grant Act, referred to in subsec. (a)(6), probably means the Community Services Block Grant Act, which is subtitle B (§§767 et seq.) of title VI of Pub. L. 97–35, Aug. 13, 1981, 95 Stat. 511, which is classified generally to chapter 106 (§9901 et seq.) of this title. For complete classification of this Act to the Code, see Short Title note set out under section 4960 of this title and Tables.


The National and Community Service Act of 1990, referred to in subsecs. (b)(2)(A) and (c)(1)(F), is Pub. L. 101–610, Nov. 16, 1990, 104 Stat. 3127, which is classified principally to chapter 129 (§12501 et seq.) of this title. For complete classification of this Act to the Code, see Short Title note set out under section 12501 of this title and Tables.


AMENDMENTS

2014—Subsec. (d). Pub. L. 113–128 substituted “employment. Whenever feasible, such efforts shall be coordinated with an appropriate local workforce development board established under section 2122 of title 29,” for “employment. Whenever feasible, such efforts shall be coordinated with an appropriate local workforce investment board established under section 3202 of title 29.”


Subsec. (a)(2). Pub. L. 111–13, §2102(1)(B), substituted “individuals with disabilities, especially individuals with severe disabilities,” for “handicapped individuals, especially those with severe handicaps.”

Subsec. (a)(3). Pub. L. 111–13, §2102(1)(C), substituted “unemployed individuals,” for “the jobless, the hungry.”


Subsec. (a)(6). Pub. L. 111–13, §2102(1)(F)(i), which directed substitution of “Head Start Act” for “Headstart act”, was executed by making the substitution for “Headstart Act” to reflect the probable intent of Congress.


Subsec. (b)(1). Pub. L. 111–13, §2102(2)(A), substituted “placement procedures that involve sponsoring organizations and” for “placement and procedures”.

Subsec. (b)(2)(A). Pub. L. 111–13, §2102(2)(B)(i), substituted “Community Service Trust Act of 1993. Upon the transfer of the functions of the ACTION Agency to the Corporation for National and Community Service, the office established under this subparagraph shall be merged with the recruitment office of such Corporation. At no time after such transfer of functions shall more than one office responsible primarily for recruitment exist within the Corporation.”

Subsec. (b)(2)(B). Pub. L. 111–13, §2102(2)(B)(ii), substituted “database that provides” for “central information system that shall, on request, promptly provide” in introductory provisions.


Subsec. (b)(5)(B). Pub. L. 111–13, §2102(2)(C), substituted “database” for “information system”.


Subsec. (c)(1)(B). Pub. L. 111–13, §2102(3)(A)(ii), inserted “State or local offices of economic development, State employment security agencies, employment offices,” before “and other institutions”.


1991 and for each fiscal year thereafter, for the purpose of carrying out this subsection, the Director shall obligate not less than 1.5 percent of the amounts appropriated for each fiscal year under section 5081(a) of this title.”

Subsec. (d). Pub. L. 111–13, §2102(4), struck out “private industry council established under the Job Training Partnership Act or” after “coordinated with an appropriate public industry council” See 1998 Amendment note below.

Subsec. (g). Pub. L. 111–13, §2102(5), struck out “, and such Governor or other chief executive officer has not, within 45 days of the date of such submission, notified the Director in writing, supported by a statement of reasons, that such Governor or other chief executive officer disapproves such program or project” before period at end of first sentence.


Section 1986—Subsec. (d). Pub. L. 105–277, §101(f)(7), redesignated par. (5) as (4) and struck out former par. (4), which read as follows: “The Director shall, Administrator in carrying out the functions described in this subsection and subsection (c) and all subsequent amendment by Pub. L. 111–13, §2102(4).

Pub. L. 105–277, §101(f)(7), redesignated par. (5) as (4) and struck out former par. (4), which read as follows: “The Director shall establish and maintain within the national headquarters of the ACTION Agency a volunteer placement office. The office shall be headed by an Administrator or his designee, who shall be responsible for coordinating volunteer efforts described in this subsection and subsection (c) and all other functions delegated by the Director relating to the recruitment and placement of volunteers under this part.”

Subsec. (b)(5) to (7). Pub. L. 103–82, §323(b)(2), (3), redesignated pars. (5) and (7) as (4) and (6), respectively, and struck out former par. (6) which read as follows: “Completed applications received by the ACTION Agency shall be forwarded to the regional ACTION office representing the State in which such applicant resides. The regional or State employees designated in subparagraphs (C) and (D) of paragraph (2) shall assist in evaluating such applications and, to the extent feasible and appropriate, interviewing applicants.”

Subsec. (c)(1). Pub. L. 103–82, §323(c)(1)(A), (B), in introductory provisions, substituted “personnel described in subsection (b)(2)(C)” for “‘regional or State employees designated in subparagraphs (C) and (D) of subsection (b)(2)” and “such activities may include” for “such activities shall include.”

Subsec. (c)(1)(D). Pub. L. 103–82, §405(a)(4), struck out “the Corporation” for “the ACTION Agency.”

Subsec. (c)(1)(F) to (H). Pub. L. 103–82, §323(c)(1)(C), (D), added subpar. (F) and redesignated former subpars. (F) and (G) as (G) and (H), respectively.

Subsec. (c)(4) to (6). Pub. L. 103–82, §323(c)(2), (3), redesignated par. (6) as (4) and struck out former par. (4) which required Director to develop annual plan for recruitment of volunteers under this part and former par. (5) which required that at least 20 percent of volunteers under this part be between ages 18 and 27 and that at least 20 percent be 55 or older.


Subsec. (a). Pub. L. 101–204, §101(d)(2)(B), inserted introductory provisions and struck out former introductory provisions which read as follows: “The Director, upon request of Federal, State, or local agencies, or private nonprofit organizations, may assign such volunteers to work in the several States in the local communities in which the volunteers are recruited or to appropriate projects and programs, including work—.”

Subsec. (a)(5), (6). Pub. L. 101–204, §701, added par. (5) and redesignated former par. (5) as (6).

Subsec. (b). Pub. L. 101–204, §101(a), amended subsec. (b) generally. Prior to amendment subsec. (b) read as follows: “The Director shall establish, at a cost not to exceed $250,000, procedures to recruit and place individuals from all walks of life, age groups, economic levels, and geographic areas to serve as VISTA volunteers. The procedures shall include an information system to ensure that potential applicants are made aware of the broad range of VISTA volunteer opportunities and a system to identify and place qualified volunteers where their skills are most needed. The Director shall also establish procedures for national and local recruitment, media and public awareness efforts, and specialized campaigns designed to recruit recent college graduates, special skilled volunteers, and individuals 55 years of age and older. The Director, wherever feasible and appropriate, shall assign low-income community volunteers to serve in their home communities in teams with nationally recruited specialist volunteers. The Director shall make efforts to assign volunteers to serve in their home or nearby communities and shall make national efforts to attract other volunteers to serve in the VISTA program. The Director shall also, in the assign-
ment of volunteers, recognize that the community identified needs which cannot be met in the local area, and the individual desires of VISTA volunteers in regard to placement in various geographic areas of the Nation, should be taken into consideration."

Subsecs. (c) to (e). Pub. L. 101–204, §101(b), added subsec. (c) and redesignated former subsec. (c) and (d) as (d) and (e), respectively.

Subsec. (f). Pub. L. 101–204, §101(b)(1), (d)(2)(C), redesignated subsec. (e) as (f) and substituted reference to subsec. (f) for reference to subsec. (d) of this section. Former subsec. (f) redesignated (g).

Subsec. (g). Pub. L. 101–204, §101(b)(1), redesignated former subsec. (f) as (g).

1986—Subsec. (b). Pub. L. 99–551 amended subsec. (b) generally. Prior to amendment, subsec. (b) read as follows: "The Director shall make efforts to assign volunteers to serve in their home communities in teams with nationally recruited specialist volunteers. The Director shall make efforts to assign volunteers to serve in their home communities or in nearby communities and shall make national efforts to attract other volunteers to serve in the VISTA program."

1984—Subsec. (a). Pub. L. 98–288, §4(a)(1), inserted "in the local communities in which the volunteers were recruited" and inserted ", including work" in provisions before par. (1).

Subsec. (a)(2). Pub. L. 98–288, §4(a)(2), which directed substitution of a semicolon for ", under the supervision of nonprofit institutions or facilities, and", was executed by making the substitution for ", under the supervision of nonprofit institutions or facilities; and" to reflect the probable intent of Congress.


Subsec. (b). Pub. L. 98–288, §4(b), substituted "The Director shall make efforts to assign volunteers to serve in their home communities or in nearby communities and shall make national efforts to attract other volunteers to serve in the VISTA program for ",Not later than 30 days after the assignment of any such community volunteer, the Director shall insure that each such volunteer has the opportunity to serve in a program or project in any community unless the application for such program or project contains evidence of local support and for "duties or work in a program or project in any State unless such program or project", 1979—Subsec. (b). Pub. L. 96–142, §2(a), substituted "Not later than 30 days after" for "Prior to" and inserted provisions that the Director offer to provide each volunteer enrolled for a period of full-time service of not less than one year under this subchapter, and, upon the request of such volunteer, provide such volunteer with an individual and updated plan as described in the preceding two sentences":".

Subsecs. (c) and (d). Pub. L. 96–142, §2(b), inserted "in a program or project after "work" and "or project" after "program" and inserted provisions requiring notification by a Governor or other chief executive officer to the Director that such Governor or other chief executive officer has disapproved a program or project under this section and requiring the Director to terminate a program or project under this section in the event of a timely request by the Governor or other chief executive officer not later than 30 days after the date such request is received or at such date agreed upon by the Director and such Governor or other chief executive officer.

Subsec. (e). Pub. L. 96–142, §2(c), redesignated former subsec. (f) as (e).

Subsec. (f). Pub. L. 96–142, §2(b), inserted "in a program or project after "work" and "or project" after "program" and inserted provisions requiring notification by a Governor or other chief executive officer to the Director that such Governor or other chief executive officer has disapproved a program or project under this section and requiring the Director to terminate a program or project under this section in the event of a timely request by the Governor or other chief executive officer not later than 30 days after the date such request is received or at such date agreed upon by the Director and such Governor or other chief executive officer.

\section*{Effective Date of 2014 Amendment}

Amendment by Pub. L. 113–128 effective on the first day of the first full program year after July 22, 2014 (July 1, 2015), see section 506 of Pub. L. 113–128, set out as an Effective Date note under section 3101 of Title 29, Labor.

\section*{Effective Date of 2009 Amendment}


\section*{Effective Date of 1998 Amendment}


\section*{Effective Date of 1994 Amendment}

Pub. L. 103–304, §3(b)(10), Aug. 23, 1994, 108 Stat. 1568, provided that:

"(A) IN GENERAL.—Except as provided in subparagraph (B), the amendments made by this section and sections 5024, 12591, 12602, 12615, 12619, 12622, 12651d, 12653, and 12655n of this title shall take effect on the date of the enactment of this Act [Aug. 23, 1994]."

"(B) RETROACTIVE EFFECTIVE DATE.—The amendments made by paragraphs (1) and (2) [amending sections 12651d and 12655n of this title] shall take effect as of October 1, 1993."
(b) Minimum period of service; critical scarce-skill needs exception; reenrollment; limitation

(1) Volunteers serving under this part may be enrolled initially for periods of service of not less than 1 year, nor more than 2 years, except as provided in paragraph (2) or subsection (e).

(2) Volunteers serving under this part may be enrolled for periods of service of less than 1 year if the Director determines, on an individual basis, that a period of service of less than 1 year is necessary to meet a critical scarce-skill need.

(3) Volunteers serving under this part may be reenrolled for periods of service in a manner to be determined by the Director. No volunteer shall serve for more than a total of 5 years under this part.

c) Oath or affirmation

Volunteers under this part shall, upon enrollment, take the oath of office as prescribed for persons appointed to any office of honor or profit. volunteering under title 33, chapter 5, and shall swear (or affirm) that the volunteer does not advocate the overthrow of the constitutional form of government of the United States and that the volunteer is not a member of an organization that advocates the overthrow of the constitutional form of government of the United States, knowing that such organization so advocates, except that persons legally residing within a State but who are not citizens or nationals of the United States, may serve under this part without taking or subscribing to such oath, if the Director determines that the service of such persons will further the interests of the United States. Such persons shall take such alternative oath or affirmation as the Director shall deem appropriate.

d) Grievance and personal view presentation procedure; notice and hearing; information

The Director shall establish a procedure, including notice and opportunity to be heard, for volunteers under this part to present and obtain resolution of grievances and to present their views in connection with the terms and conditions of their service. The Director shall promptly provide to each volunteer in service on October 1, 1973, and to each such volunteer beginning service thereafter, information regarding such procedure and the terms and conditions of their service.

e) Summer associates

(1) Notwithstanding any other provision of this part, the Director may enroll full-time VISTA summer associates in a program for the summer months only, under such terms and conditions as the Director shall determine to be appropriate. Such individuals shall be assigned to projects that meet the criteria set forth in section 4953(a) of this title.

(2) In preparing reports relating to programs under this chapter, the Director shall report on participants, costs, and accomplishments under the summer program separately.

(3) The limitation on funds appropriated for grants and contracts, as contained in section 4958 of this title, shall not apply to the summer program.
§ 4955. Support services

(a) Stipend; limitation; volunteer leaders; pay upon completion of term; advancement of accrued stipend; beneficiary of deceased volunteer

(1)(A) The Director may provide a stipend to volunteers, while they are in training and during their assignments, enrolled for periods of service of not less than one year under this part, except that the Director may, on an individual basis, make an exception to provide a stipend to a volunteer enrolled under this part for an extended period of service not totaling one year.

(B) Such stipend shall be set at a rate that is not less than a minimum of $125 per month and not more than a maximum of $150 per month, subject to the availability of funds to provide such a maximum rate. The Director may provide a stipend set at a rate that is not more than a maximum of $250 per month in the case of persons who have served as volunteers under this part for at least 1 year and who, in accordance with standards established in such regulations as the Director shall prescribe, have been designated volunteer leaders on the basis of experience and special skills and a demonstrated leadership among volunteers.

(C) The Director shall not provide a stipend under this subsection to an individual who elects to receive a national service educational award under subtitle D of title I of the National and Community Service Act of 1990 [42 U.S.C. 12601 et seq.].

(2) Stipends shall be payable only upon completion of a period of service, except that under such circumstances as the Director shall determine, in accordance with regulations which the Director shall prescribe, the accrued stipend, or any part of the accrued stipend, may be paid to the volunteer, or, on behalf of the volunteer, to members of the volunteer’s family or others during the period of the volunteer’s service. In the event of the death of a volunteer during service, the amount of any unpaid stipend shall be paid in accordance with the provisions of section 5592 of title 5.

(b) Description of allowances and support services; determination of allowance; adjustments; methodology

(1) The Director shall also provide volunteers such living, travel (including travel to and from places of training and to and from locations to which volunteers are assigned during periods of service) and leave allowances, and such housing, supplies, equipment, subsistence, clothing, health and dental care, transportation, supervision, pre-service training and where appropriate in-service training, technical assistance, and such other support as the Director deems necessary and appropriate to carry out the purpose and provisions of this part, and shall insure that each such volunteer has available such allowances and support as will enable the volunteer to carry out the purpose and provisions of this part and to effectively perform the work to which such volunteer is assigned.

(2) The Director shall set the subsistence allowance for volunteers under paragraph (1) for each fiscal year so that—

(A) the minimum allowance is not less than an amount equal to 95 percent of such poverty line (as defined in section 9902(2) of this title) for a single individual as expected for each fiscal year; and

(B) the average subsistence allowance, excluding allowances for Hawaii, Guam, American Samoa, and Alaska, is no less than 105 percent of such poverty line.

(3) The Director shall adjust the subsistence allowances for volunteers serving in areas that have a higher cost of living than the national average to reflect such higher cost. The Director shall review such adjustments on an annual basis to ensure that the adjustments are current.

(c) Child care

(1) The Director shall—

(A) make child care available for children of each volunteer enrolled under this part who need such child care in order to participate as volunteers; or

(B) provide a child care allowance to each such volunteer who needs such assistance in order to participate as volunteers.

(2) The Corporation shall establish guidelines regarding the circumstances under which child care shall be made available under this subsection and the value of any child care allowance to be provided.

REFERENCES IN TEXT


AMENDMENTS

2009—Subsec. (a)(1)(B). Pub. L. 111–13 substituted “Such stipend shall be set at a rate that is not less than a minimum of $125 per month and not more than a maximum of $150 per month, subject to the availability of funds to provide such a maximum rate.” for “Such stipend shall not exceed $95 per month in fiscal year 1994, but shall be set at a minimum of $100 per month, and a maximum of $125 per month assuming the availability of funds to accomplish such maximum, during the service of the volunteer after October 1, 1994.” and “stipend set at a rate that is not more than a maximum of $250 per month” for “stipend of a maximum of $300 per month”.

1993—Subsec. (a)(1). Pub. L. 103–82, §325(a), designated first sentence as subpar. (A), added subpars. (B) and (C), and struck out former second sentence which read as follows: “Such stipend shall not exceed $75 per month in fiscal year 1990, $90 per month in fiscal year 1991, and $95 per month in subsequent fiscal years during the vol-
unteers's service, except that the Director may provide a stipend not to exceed $75 per month in fiscal year 1990, $80 per month in fiscal year 1991, and $85 per month in subsequent fiscal years in the case of persons who have served for at least one year and who, in accordance with standards established in regulations which the Director shall prescribe, have been designated volunteer leaders on the basis of experience and special skills and a demonstrated leadership among volunteers.'"

Subsec. (b)(3), Pub. L. 103–82, § 325(b)(1), struck out subpar. (A), struck out subpar. (B) designation before "The Director shall adjust", and inserted at end: "The Director shall review such adjustments on an annual basis to ensure that the adjustments are current.'". Prior to amendment, subpar. (A) read as follows: "The Director shall consult with regional and State offices of the ACTION Agency to make a determination of the cost of living within each State and whether there are significant local price differentials within the State.'"

Subsec. (b)(4), Pub. L. 103–82, § 325(b)(2), struck out par. (4) which read as follows: "The Director, in coordination with regional and State offices of the ACTION Agency and taking into account paragraphs (2) and (3), shall establish a method for setting subsistence allowances. The Director shall submit a report on such methods to the appropriate authorizing committees of Congress not later than 90 days after the date of enactment of the fiscal year 1990 appropriation.'"

Subsec. (c). Pub. L. 103–82, § 325(c), added subsec. (c).

1989—Subsec. (a)(1). Pub. L. 101–204, § 102(1), sub-
stituted "$75 per month in fiscal year 1990, $90 per month in fiscal year 1991, and $95 per month in subsequent fiscal years" for "$75 per month" in two places.

Subsec. (b), Pub. L. 101–204, § 102(2), designated existing provisions as par. (1), substituted "places of training and to and from locations to which volunteers are assigned during periods of service" for "places of training", and added pars. (2) to (4).

1986—Subsec. (b), Pub. L. 99–551 substituted "the Director" for "he" before "deems'."

1984—Pub. L. 98–288 substituted "establish in regulations" for "take all necessary steps to establish, in regulations he shall prescribe'."

§ 4957. Participation of younger and older persons

In carrying out this part and part C, the Director shall take necessary steps, including the development of special projects, where appropriate, to encourage the fullest participation of individuals 18 through 27 years of age, and individuals 55 years of age and older, in the various programs and activities authorized under such parts.


AMENDMENTS

1993—Pub. L. 103–82 amended section generally. Prior to amendment, section read as follows: "In carrying out this part and part C of this subchapter, the Director shall take necessary steps, including the development of special projects, where appropriate, to encourage the fullest participation of older persons and younger persons membership groups as volunteers and participant agencies in the various programs and activities authorized under such parts and, because of the high proportion of older persons within the poverty group, shall encourage the development of a variety of volunteer services to older persons, including special projects, to assure that such persons are served in proportion to their need.'"

Effective Date of 1993 Amendment


§ 4958. Limitation on funds appropriated for grants and contracts for direct cost of supporting volunteers in programs or projects

(a) Of funds appropriated for the purpose of this part under section 5081 of this title, not more than 30 percent for the fiscal year ending September 30, 1984, and for each fiscal year thereafter, may be obligated for the direct cost of supporting volunteers in programs or projects carried out pursuant to grants and contracts made under section 5042(12) of this title.

(b) No funds shall be obligated under this part pursuant to grants or contracts made after De-
November 13, 1979, for new projects for the direct cost of supporting volunteers unless the recipient of each such grant or contract has been selected through a competitive process which includes:

1. Public announcements of the availability of funds for such grants or contracts, general criteria for the selection of new recipients, and a description of the application process and the application review process; and

2. A requirement that each applicant for any such grant or contract identify, with sufficient particularity to assure that the agreements of volunteers under such grants and contracts will carry out the purpose of this part, the particular poverty or poverty-related problems on which the grant or contract will focus, and any such grant or contract shall specifically so identify such problems.


REFERENCES IN TEXT

Section 5042 of this title, referred to in subsec. (a), was repealed by Pub. L. 103–82, title II, §203(b), Sept. 21, 1993, 107 Stat. 892.

AMENDMENTS

1989—Subsec. (a). Pub. L. 101–204 substituted “30 percent” for “16 percent”.

1994—Subsec. (a), Pub. L. 98–288, §8(1), (2), substituted “June 30” for “September 30” in subsec. (b) and, in subsec. (c), substituted “16 percent” for “20 percent”.

1997—Subsec. (a), Pub. L. 96–143, §4, designated existing provisions as subsec. (a) and, in subsec. (a) as so designated, substituted “16 percent for 20 percent” for “16 percent of total cost” in subecs. (d) and (e), and struck out “During the fiscal year ending October 1, 1990” and added pars. (1) and (2). Subsec. (b), Pub. L. 96–143, §4(b), added subsec. (b).

EFFECTIVE DATE

Pub. L. 94–293, §4(c), May 27, 1976, 90 Stat. 526, provided that: “The amendments made by subsection (a) and subsection (b) of this section [enacting this section and amending section 5042 of this title] shall be effective on October 1, 1976, and shall not apply to any agreement for the assignment of volunteers entered into before such date during the period of any such agreement.”


EFFECTIVE DATE OF REPEAL

Repeal effective Oct. 1, 2009, see section 610(a) of Pub. L. 111–13, set out as an Effective Date of 2009 Amendment note under section 4950 of this title.

§ 4960. Applications for assistance

In reviewing an application for assistance under this part, the Director shall not deny such assistance to any project or program, or any public or private nonprofit organization, solely on the basis of the duration of the assistance such project, program, or organization has received under this part prior to the date of submission of the application. The Director shall grant assistance under this part on the basis of merit and to accomplish the goals of the VISTA program, and shall consider the needs and requirements of projects in existence on such date as well as potential new projects.


PRIOR PROVISIONS


AMENDMENTS

1993—Pub. L. 103–82 amended section generally, substituting present provisions for provisions which related to: in subsec. (a), duration; in subsec. (b), consideration of application; in subsec. (c), new project or program; in subsec. (d), renewal of assistance; in subsec. (e), eligibility; and in subsec. (f), notice.

EFFECTIVE DATE OF 1993 AMENDMENT


PART B—UNIVERSITY YEAR FOR VISTA


EFFECTIVE DATE OF REPEAL

Repeal effective Oct. 1, 2009, see section 610(a) of Pub. L. 111–13, set out as an Effective Date of 2009 Amendment note under section 4950 of this title.


Effective Date of Repeal
Repeal effective Oct. 1, 1993, see section 392 of Pub. L. 103–82, set out as an Effective Date of 1993 Amendment note under section 4951 of this title.

PART C—SPECIAL VOLUNTEER PROGRAMS

§ 4991. Congressional statement of purpose

This part provides for special emphasis and demonstration volunteer programs, together with appropriate powers and responsibilities designed to assist in the development and coordination of such programs. The purpose of this part is to strengthen and supplement efforts to meet a broad range of needs, particularly those related to poverty, by encouraging and enabling persons from all walks of life and from all age groups to perform meaningful and constructive volunteer service in agencies, institutions, and organizations where the application of human talent and dedication may help to meet such needs. It is the further purpose of this part to provide technical and financial assistance to encourage voluntary organizations and volunteer efforts at the national, state, and local level.


Amendments

1993—Pub. L. 103–82 amended section generally, substituting present provisions for provisions which related to: in subsec. (a), youthful offender incarceration alternatives, veterans educational opportunities, drug abusers counseling, assistance to victims of domestic violence, periods of service, and identification of segments of poverty community which could benefit from volunteer and other antipoverty efforts; in subsec. (b), assignment of volunteers, and terms and conditions; in subsec. (c), allowances, supports, services, and stipends for part-time and full-time volunteers; in subsec. (d), establishment of criteria for grants and contracts, competitive process, maximum amount, and multiple grants or contracts; and in subsec. (e), prohibition on use of funds for certain State offices.

1989—Subsec. (d)(3), (4). Pub. L. 101–204, § 301(a), added par. (3) and redesignated former par. (3) as (4).

1986—Subsec. (e). Pub. L. 100–573, § 110(k), substituted “volunteers” for “nonprofessionals”.

1984—Subsec. (b). Pub. L. 98–288, § 10(i)(4), substituted “drug abusers” for “drug addicts or abusers counseling, assistance to victims of domestic violence, periods of service, and identification of segments of poverty community which could benefit from volunteer and other antipoverty efforts; in subsec. (b), assignment of volunteers, and terms and conditions; in subsec. (c), allowances, supports, services, and stipends for part-time and full-time volunteers; in subsec. (d), establishment of criteria for grants and contracts, competitive process, maximum amount, and multiple grants or contracts; and in subsec. (e), prohibition on use of funds for certain State offices.

1979—Subsec. (a). Pub. L. 96–143, § 7(a), designated existing provisions as par. (1).

1976—Subsec. (b). Pub. L. 94–293, § 3(b)(2), substituted “drug addicts or abusers counseling, assistance to victims of domestic violence, a program designed to provide personal and group financial counseling to low-income and fixed-income individuals (utilizing volunteers with specialized or technical expertise), and a Helping Hand program” for “drug abusers counseling, assistance to victims of domestic violence, a program designed to provide personal and group financial counseling to low-income and fixed-income individuals”. Inserted provisions authorizing the Director to provide for the recruitment, selection, and training of volunteers in carrying out programs authorized by this part, and added par. (2).

1975—Subsec. (c). Pub. L. 94–293, § 7(c), added provisions permitting support payments to part-time volunteers.
enrolled for at least 20 hours of service per week for at least 26 consecutive weeks and provisions applying sections 4953(b), (d), 4954(d), and 4955(a) of this title to full-time full-year volunteers whose service is similar in character to that of VISTA volunteers.

1976—Subsec. (c). Pub. L. 94–293 inserted provision authorizing the Director to undertake and support volunteer service programs, and recruit, etc., volunteers to carry out this part.

**Effective Date of 1993 Amendment**

**Effective Date of 1986 Amendment**

**Report on Programs, Activities, Grants, and Contracts Resulting from Amendment by Section 7 of Pub. L. 96–143**
Pub. L. 96–143, §7(d), Dec. 13, 1979, 93 Stat. 1076, directed Director of ACTION Agency, not later than 18 months after funds were first made available to carry out activities under the amendments to this part made by section 7 of Pub. L. 96–143, to submit to appropriate committees of Congress a report on programs, activities, grants, and contracts so carried out.

**Executive Order No. 12034**

§ 4993. Technical and financial assistance
The Director may provide technical and financial assistance to Federal agencies, State and local governments and agencies, private nonprofit organizations, employers, and other private organizations that utilize or desire to utilize volunteers in carrying out the purpose of this part.


**Effective Date of Repeal**
Repeal effective Oct. 1, 1993, see section 392 of Pub. L. 103–82, set out as an Effective Date of 1993 Amendment note under section 4951 of this title.


**Prior Provisions**
A prior section 124 of Pub. L. 93–113 was classified to section 4994 of this title prior to repeal by Pub. L. 103–82.

**Effective Date of Repeal**
Repeal effective Oct. 1, 2009, see section 6101(a) of Pub. L. 111–13, set out as an Effective Date of 2009 Amendment note under section 4950 of this title.

**Subchapter II—National Senior Service Corps**

**Codification**

**§ 5000. Statement of purpose**
It is the purpose of this subchapter to provide—

1. opportunities for senior service to meet unmet local, State, and national needs in the areas of education, public safety, emergency and disaster preparedness, relief, and recovery, health and human needs, and the environment;

2. for the National Senior Service Corps, comprised of the Retired and Senior Volunteer Program, the Foster Grandparent Program, and the Senior Companion Program, and demonstration and other programs, to empower people 55 years of age or older to contribute to their communities through service, enhance the lives of those who serve and those whom they serve, and provide communities with valuable services;

3. opportunities for people 55 years of age or older, through the Retired and Senior Volunteer Program, to share their knowledge, experiences, abilities, and skills for the betterment of their communities and themselves;

4. opportunities for low-income people 55 years of age or older, through the Foster Grandparents Program, to have a positive impact on the lives of children in need; and

5. opportunities for low-income people 55 years of age or older, through the Senior Companion Program, to provide support services and companionship to other older individuals through volunteer service.

§ 5001. Grants and contracts for volunteer service projects

(a) Approval of projects; rules and regulations

In order to help retired individuals and working older individuals to share their experiences, abilities, and skills to improve their communities and themselves through service in their communities, the Director is authorized to make grants to State agencies (established or designated pursuant to section 3025(a)(1) of this title) or nonprofit private agencies and organizations to pay part or all of the costs for the development or operation, or both, of volunteer service projects under this section, if the Director determines, in accordance with regulations the Director shall prescribe, that—

(1) volunteers will not be reimbursed for other than transportation, meals, and other out-of-pocket expenses incident to the provision of services under this part;

(2) only individuals 55 years of age or older will be enrolled as volunteers to provide services under this part (except for administrative purposes), and such services will be performed in the community where such individuals reside or in nearby communities either (A) on publicly owned and operated facilities or projects, or (B) on local projects sponsored by private nonprofit organizations (other than political parties), other than projects involving the construction, operation, or maintenance of so much of any facility used or to be used for sectarian instruction or as a place for religious worship;

(3) the project includes such short-term training as may be necessary to make the most effective use of the skills and talents of participating volunteers and individuals, and provide for the payment of the reasonable expenses of such volunteers while undergoing such training; and

(4) the project is being designed and implemented with the advice of persons competent in the field of service to be provided, as well as persons who have expertise in the management of volunteers and the needs of older individuals.

(b) Proportion of required local contribution; exceptions

In no event shall the required proportion of the local contribution (including in-kind contributions) for a grant or contract made under this section be more than 10 per centum in the first year of assistance under this section, 20 per centum in the second such year, and 30 per centum in any subsequent such years: Provided, however, That the Director may make exceptions in cases of demonstrated need, determined (in accordance with regulations which the Director shall prescribe) on the basis of the financial capability of a particular recipient of assistance under this section, to permit a lesser local contribution proportion than any required contribution proportion established by the Director in generally applicable regulations.

(c) Conditions upon award of grant or contract

The Director shall not award any grant or contract under this part for a project in any State to any agency or organization unless, if such State has a State agency established or designated pursuant to section 3025(a)(1) of this title, such agency itself is the recipient of the award or such agency has been afforded at least forty-five days in which to review the project application and make recommendations thereon.

(d) Volunteer service as employment

Notwithstanding any other provision of law, volunteer service under this part shall not be deemed employment for any purpose which the Director finds is not fully consistent with the provisions and in furtherance of the purpose of this part.

(e) Duration of grant or contract; competitive process

(1) Beginning with fiscal year 2013 and for each fiscal year thereafter, each grant or contract awarded under this section, for such a year, shall be—

(A) awarded for a period of 3 years, with an option for a grant renewal of 3 years if the grantee meets the performances measures established under subsection (g); and

(B) awarded through a competitive process described in paragraph (2).

(2)(A) The Corporation shall promulgate regulations establishing the competitive process required under paragraph (1)(B), and make such regulations available to the public, not later than 18 months after April 21, 2009. The Corporation shall consult with the directors of programs receiving grants under this section during the development and implementation of the competitive process.

(B) The competitive process required by subparagraph (A) shall—

(i) include the use of a peer review panel, including members with expertise in senior service and aging, to review applications;
(ii) include site inspections of programs assisted under this section, as appropriate;
(iii) in the case of an applicant who has previously received a grant or contract for a program under this section, include an evaluation of the program conducted by a review team, as described in subsection (f);
(iv) ensure that—
(I) the grants or contracts awarded under this section through the competitive process for a grant or contract cycle support an aggregate number of volunteer service years for a given geographic service area that is not less than the aggregate number of volunteer service years supported under this section for such service area for the previous grant or contract cycle;
(II) the grants or contracts awarded under this section through the competitive process for a grant or contract cycle maintain a similar program distribution, as compared to the program distribution for the previous grant or contract cycle; and
(III) every effort is made to minimize the disruption to volunteers; and
(v) include the use of performance measures, outcomes, and other criteria established under subsection (g).

(f) Evaluation process

(1) Notwithstanding section 5052 of this title, and effective beginning 180 days after April 21, 2009, each grant or contract under this section that expires in fiscal year 2011, 2012, or 2013 shall be subject to an evaluation process conducted by a review team, as described in subsection (f);
(2)(A) The performance measures, outcomes, and criteria for programs assisted under this section, develop and implement the evaluation process required under paragraph (1), and make such regulations establishing the evaluation process required under paragraph (1) shall—
(A) include an assessment of the strengths and areas in need of improvement of a program assisted under this section;
(B) include an assessment of whether such program has adequately addressed population and community-wide needs;
(C) include an assessment of the efforts of such program to collaborate with other community-based organizations, units of government, and entities providing services to seniors, taking into account barriers to such collaboration that such program may encounter;
(D) include a protocol for fiscal management that shall be used to assess such program’s compliance with the program requirements for the appropriate use of Federal funds;
(E) include an assessment of whether the program is in conformity with the eligibility, outreach, enrollment, and other requirements for programs assisted under this section; and
(F) contain other measures of performance developed by the Corporation, in consultation with the review teams described in subsection (f)(4).
(2)(B) The performance measures, outcomes, and other criteria established under this subsection may be updated or modified as necessary, in consultation with directors of programs under this section, but not earlier than fiscal year 2014.
(B) For each fiscal year preceding fiscal year 2014, the Corporation may, after consulting with directors of the programs under this section, determine that a performance measure, outcome, or criterion established under this subsection is operationally problematic, and may, in consultation with such directors and after notifying the authorizing committees—
(i) eliminate the use of that performance measure, outcome or criterion; or
(ii) modify that performance measure, outcome, or criterion as necessary to render it no longer operationally problematic.
(3) In the event that a program does not meet one or more of the performance measures, outcome, or criteria established under this subsection, the Corporation shall initiate proce-
dures to terminate the program in accordance with section 5052 of this title.

(b) Training and technical assistance

The Chief Executive Officer shall develop procedures by which programs assisted under this section may receive training and technical assistance, which may include regular monitoring visits to assist programs in meeting the performance measures, outcomes, and criteria.

(i) Temporary continuation of programs that fail to meet performance measures

(1) Notwithstanding subsection (g)(3) or section 5052 of this title, the Corporation shall continue to fund a program assisted under this section that has failed to meet or exceed the performance measures, outcomes, and other criteria established under this subsection for not more than 12 months if the competitive process established under subsection (e) does not result in a successor grant or contract for such program, in order to minimize the disruption to volunteers and the disruption of services.

(2) In the case where a program is continued under paragraph (1), the Corporation shall conduct outreach regarding the availability of a grant under this section for the area served by such program and establish a new competition for awarding the successor program to the continued program. The recipient operating the continued program shall remain eligible for the new competition.

(3) The Corporation may monitor the recipient of a grant or contract supporting a program continued under paragraph (1) during this period and may provide training and technical assistance to assist such recipient in meeting the performance measures for such program.

(j) Online resource guide

The Corporation shall develop and disseminate an online resource guide for programs under this section not later than 180 days after April 21, 2009, which shall include:

1. examples of high-performing programs assisted under this section;
2. corrective actions for underperforming programs; and
3. examples of meaningful outcome-based performance measures, outcomes, and criteria that capture a program's mission and priorities.

MENDMENTS


AGING RESOURCE SPECIALISTS FOR COORDINATION OF NATIONAL OLDER ADULT VOLUNTEER PROGRAMS WITH STATE AND COMMUNITY PROGRAMS ON AGING AND NUTRITION PROGRAMS FOR ELDERLY; DESIGNATION; DUTIES; DEFINITIONS


"(1) in order to provide maximum coordination between programs carried out under title III and title VII of the Older Americans Act of 1965 (42 U.S.C. 3021 et seq.; 42 U.S.C. 3045 et seq.) and National Senior Volunteer Corps [now National Senior Service Corps] programs carried out under title II of the Domestic Volunteer Service Act of 1973 (42 U.S.C. 5001 et seq.; 42 U.S.C. 3045 et seq.) and National Senior Volunteer Corps [now National Senior Service Corps] programs carried out under title II of the Domestic Volunteer Service Act of 1973 (42 U.S.C. 5001 et seq.; 42 U.S.C. 3045 et seq.) and National Senior Volunteer Corps [now National Senior Service Corps] programs carried out under title II of the Domestic Volunteer Service Act of 1973 (42 U.S.C. 5001 et seq.; 42 U.S.C. 3045 et seq.), in order to enhance the effectiveness of the support provided to such National Senior Volunteer Corps programs by the Corporation for National and Community Service, the Chief Executive Officer of the Corporation shall designate an aging resource specialist with respect to programs carried out in each State under title II of the Domestic Volunteer Service Act of 1973 [this subchapter]."

"(2)(A) Each aging resource specialist designated under paragraph (1) shall be qualified to serve in such
shall be stationed in a State office of the Corporation.

(B) The primary responsibility of each aging resources specialist shall be—

(1) to support programs carried out under title II of the Domestic Volunteer Service Act of 1973 (this subchapter) in any State or other jurisdiction served by the State office involved; and

(2) to seek to coordinate such programs with programs carried out under title III and title VII of the Older Americans Act of 1965 [sections 3021 et seq. and 3035 et seq. of this title] in any such State or other jurisdiction.

(3) For purposes of this subsection—

(A) the term 'Corporation' means the Corporation for National and Community Service established by section 191 of the National and Community Service Act of 1990 [42 U.S.C. 12651];

(B) the term 'primary responsibility' means the devotion of more than one-half of regular working hours to the performance of duties described in paragraph (2)(B); and

(C) the term 'State' means the several States, the District of Columbia, the Virgin Islands, Puerto Rico, Guam, American Samoa, and the Trust Territory of the Pacific Islands.

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

PART B—FOSTER GRANDPARENT PROGRAM

§ 5011. Grants and contracts for individual service projects

(a) Foster Grandparent projects; amount

The Director is authorized to make grants to or contracts with public and nonprofit private agencies and organizations to pay part or all of the cost of development and operation of projects (including direct payments to individuals serving under this part) designed for the purpose of providing opportunities for low-income persons age 55 or over to provide supportive person-to-person services in health, education, welfare, and related settings to children having special or exceptional needs or circumstances identified as limiting their academic, social, or emotional development. Such services may include services by individuals serving as foster grandparents to children who are individuals with disabilities who have chronic health conditions, who are receiving care in hospitals, who are residing in homes for dependent and neglected children, or who are receiving services provided by day care centers, schools, early intervention programs under part C of the Individuals with Disabilities Education Act (20 U.S.C. 1431 et seq.), Head Start agencies under the Head Start Act [42 U.S.C. 9831 et seq.], or other programs, establishments, and institutions providing services for children having special or exceptional needs or circumstances identified as limiting their academic, social, or emotional development. Individual foster grandparents may provide person-to-person services to one or more children, depending on the needs of the project and local site. The Director may approve assistance in excess of 90 per centum of the costs of the development and operation of such projects only if the Director determines, in accordance with regulations the Director shall prescribe establishing objective criteria, that such action is required in furtherance of the purpose of this section. Provision for such assistance shall be effective as of September 19, 1972. In the case of any project with respect to which, prior to such date, a grant or contract has been made under section 304(b)(2) of this title or with respect to any project under the Foster Grandparent program in effect prior to September 17, 1969, contributions in cash or in kind from the Bureau of Indian Affairs, Department of the Interior, toward the cost of the project may be counted as part of the cost thereof which is met from non-Federal sources.

(b) Person-to-person services to children in an individual service project by public or private nonprofit agency; authority and criteria for determinations; mutual agreements between parties

(1) Any public or private nonprofit agency or organization responsible for providing person-to-person services to a child in a project carried out under subsection (a) of this section may determine—

(A) which children may receive supportive person-to-person services under such project;

(B) the period of time during which such services shall be continued in the case of each individual child; and

(C) whether it is in the best interest of the child receiving, and the particular foster grandparent providing, services in such a project, to continue the relationship between the child and the grandparent under this part after the child reaches the age of 21, if such child is an individual with a disability who was receiving such services prior to attaining the age of 21.

(2) If an assignment of a foster grandparent under this part is suspended or discontinued, the replacement of that foster grandparent shall be determined in a manner consistent with paragraph (3).

(3) Any determination made by a public or private nonprofit agency or organization under paragraphs (1) and (2) of this subsection shall be made through mutual agreement by all parties involved with respect to the provision of services to the child involved.

(c) "Child" and "children" defined

For the purposes of this section, the terms "child" and "children" mean any individual or individuals who are less than 21 years of age.

(d) Domestic Volunteer Service; allowances, stipends, and other support

The Director, in accordance with regulations the Director shall prescribe, may provide to low-income persons serving as volunteers under this part, such allowances, stipends, and other support as the Director determines are necessary to carry out the purpose of this part. Any stipend or allowance provided under this section shall not be less than $3.00 per hour, except that (1) such stipend or allowance shall not be increased as a result of an amendment made to this sentence unless the funds appropriated for carrying out this part are sufficient to maintain for the fiscal year in question a number of participants to serve under this part at least equal to the

See References in Text note below.
number of such participants serving during the preceding fiscal year, and (2) in the event that sufficient appropriations for any fiscal year are not available to increase any such stipend or allowance provided to the minimum hourly rate specified in this sentence, the Director shall increase the stipend or allowance to such amount as appropriations for such year permit consistent with clause (1) of this exception. In establishing the amount of, and the effective date for, such adjustment, the Director, in consultation with the State Commissions on National and Community Service (as established under section 12388 of this title) and the heads of the State offices established under section 12351 of this title, shall consider the effect such adjustment will have on the ability of non-federally funded volunteer programs similar to the programs under this subchapter to maintain their current level of volunteer hours.

(e) "Low-income person" and "person of low income" defined

For purposes of this part, the terms "low-income person" and "person of low income" mean—

(1) any person whose income is not more than 200 percent of the poverty line defined in section 9902(2) of this title and adjusted by the Director in the manner described in such section; and

(2) any person whose income is not more than 100 percent of such poverty line, as so adjusted and determined by the Director after taking into consideration existing poverty guidelines as appropriate to local situations.

Persons described in paragraph (2) shall be given special consideration for participation in projects under this part.

(f) Persons entitled to serve as volunteers; application of regulations to volunteers; equal treatment to all volunteers by recipients of grants; conditions of grants; use of funds; payment of costs

(1)(A) Except as provided in subparagraph (B), individuals who are not low-income persons may serve as volunteers under this part, in accordance with such regulations as the Director shall issue, if such individuals serve without receiving any allowance, stipend, or other financial support under this part except reimbursement for transportation, meals, and out-of-pocket expenses incidental to serving under this part.

(B) The regulations issued by the Director to carry out this part (other than any regulations relating to allowances, stipends, and other financial support authorized by subsection (d) to be paid under this part to low-income persons) shall apply to all volunteers under this part, without regard to whether such volunteers are eligible to receive a stipend under subsection (d).

(2)(A) Except as provided in subparagraph (B), each recipient of a grant or contract to carry out a project under this part shall give equal treatment to all volunteers who participate in such project, without regard to whether such volunteers are eligible to receive a stipend under subsection (d).

(B) An individual who is not a low-income person may not become a volunteer under this part if allowing such individual to become a volunteer under this part would prevent a low-income individual from becoming a volunteer under this part or would displace a low-income person from being such a volunteer.

(3) The Director may not take into consideration or require as a condition of receiving a grant or contract to carry out a project under this part, any applicant for such grant or contract—

(A) to accept or recruit individuals who are not low-income persons to serve as volunteers under this part; or

(B) to solicit locally generated contributions, in cash or in kind, to support such individuals.

The Director may not coerce any applicant for, or recipient of, such grant or contract to engage in conduct described in subparagraph (A) or (B).

(4) Funds appropriated to carry out this part may not be used to pay any cost, including any administrative cost, incurred in connection with volunteers under this part who do not receive a stipend under subsection (d). Such cost incurred with respect to a volunteer may be paid with—

(A) funds received by the Director as unrestricted gifts;

(B) funds received by the Director as gifts to pay such cost;

(C) funds contributed by such volunteer; or

(D) locally generated contributions in excess of the amount required to be contributed under subsection (a), in the discretion of the recipient of a grant or contract under such subsection.

References in Text

The Individuals with Disabilities Education Act, referred to in subsec. (a), is title VI of Pub. L. 97–26, Apr. 13, 1980, 94 Stat. 21, which is classified generally to subchapter III (§ 1431 et seq.) of chapter 33 of Title 20, Education. For complete classification of this Act to the Code, see section 1400 of Title 20 and Tables.
dren having special or exceptional needs or circumstances identified as limiting their academic, social, or emotional development” for “children having exceptional needs” and, in second sentence, struck out “any of a variety of” before “other programs” and substituted “children having special or exceptional needs or circumstances identified as limiting their academic, social, or emotional development” for “children with special or exceptional needs”.

Subsec. (b)(1). Pub. L. 111–13, §2144(2)(A)(1), which directed substitution of “may determine” for “shall have” and all that follows through “of the subsection” in introductory provisions, was executed by making the substitution for “shall have the exclusive authority to determine, pursuant to the provisions of paragraph (2) of this subsection” to reflect the probable intent of Congress.


Subsec. (b)(2). Pub. L. 111–13, §2144(2)(B), added par. (2) and struck out former par. (2) which read as follows: “In the event that such an agency or organization determines that it is in the best interests of a mentally retarded child receiving care from a particular foster grandparent providing services in such a project, such relationship may be continued after the child reaches the chronological age of 21: Provided, That such child was receiving such services prior to attaining the chronological age of 21. If the particular foster grandparent subject to the determination under this paragraph becomes unavailable to serve after such determination is made, the agency or organization may select another foster grandparent.”

Subsec. (d). Pub. L. 111–13, §2144(3), substituted “$3.00 per hour, except,” for “$2.45 per hour on and after October 1, 1993, and shall be adjusted once prior to December 31, 1997, to account for inflation, as determined by the Director and rounded to the nearest five cents,” for “Any stipend or allowance provided under this subsection shall not be less than $2.20 per hour until October 1, 1990, $2.35 per hour during fiscal year 1991, and $2.50 per hour on and after October 1, 1992,” and inserted sentence at end relating to consideration of effect of adjustment on non-federally funded volunteer programs.

1968—Subsec. (d). Pub. L. 100–204, §503, inserted “until October 1, 1990, $2.35 per hour during fiscal year 1991, and $2.50 per hour on and after October 1, 1992” after “$2.20 per hour” in introductory provisions, substituted “such stipend or allowance shall not be increased as a result of an amendment made” for “no increase in the stipend of allowance shall be made pursuant” in cl. (1), and substituted “the minimum hourly rate specified in this sentence” for “$2.20 per hour” in cl. (2).

Subsec. (f)(1)(C). Pub. L. 100–204, §504(1), inserted before period at end “unless such individuals have been referred previously for possible placement as volunteers under part A of this subchapter and such placement did not occur.”

Subsec. (f)(3). Pub. L. 100–204, §504(2), inserted “take into consideration or” after “may not”, inserted “or recruit” after “accept” in subpar. (A), and inserted at end “The Director may not exercise any authority for, or recipient of, such grant or contract to engage in conduct described in subparagraph (A) or (B).”

1966—Subsec. (d). Pub. L. 90–551, §7(a)(1)(A), inserted “low-income” after “may provide to”.


Subsec. (b)(2). Pub. L. 98–288, §14(c)(2), inserted at end “If the particular foster grandparent subject to the determination under this paragraph becomes unavailable to serve after such determination is made, the agency or organization may select another foster grandparent.”

Subsec. (d). Pub. L. 98–288, §14(c)(3), substituted “the Director” for “he” in two places and “$2.20” for “$2” in two places.

Subsec. (e). Pub. L. 98–288, §14(c)(4), in amending subsec. (e) generally, substituted “poverty line defined in section 9902(2) of this title and adjusted by the Director in the manner described in such section” for “poverty line set forth in section 2971d of this title” and “any person whose income is not more than 100 per centum of such poverty line, as so adjusted and determined by the Director after taking into consideration existing poverty guidelines as appropriate to local situations” for “any person considered a poor or low-income person under section 5061(4) of this title”.

1981—Subsecs. (b) to (f). Pub. L. 97–35, §608(b), struck out subsec. (b) which related to service as senior health aides and senior companions, and redesignated subsecs. (c) to (f) as (b) to (e), respectively.

1978—Subsecs. (e), (f). Pub. L. 95–478 added subsecs. (e) and (f).

1976—Subsecs. (c), (d), Pub. L. 94–283 added subsecs. (c) and (d).

1975—Subsec. (a). Pub. L. 94–135, §205(b)(1), substituted “individuals” for “volunteers” where appearing first and third places and struck out “serve as volunteers” before “to provide supportive person-to-person services”.

Subsec. (b). Pub. L. 94–135, §205(b)(2), substituted “individuals” for “volunteers”.

EFFECTIVE DATE OF 2009 AMENDMENT

EFFECTIVE DATE OF 1993 AMENDMENT
(b) Application of other laws

Subsections (d), (e), and (f) of section 5011 of this title, and such other provisions of part B as the Director determines to be necessary, shall apply to this part, except that for purposes of this part any reference in such subsections and such provisions to part B shall be deemed to be a reference to this part.

(c) Senior companion projects to assist homebound elderly

(1) The Director is authorized to make grants or contracts after subdivision (a) for senior companion projects to assist homebound elderly individuals to remain in their own homes and to enable institutionalized elderly individuals to return to home care settings.

(2)(A) The Director is authorized to recruit, subject to subparagraph (B), senior companion volunteer trainers who on the basis of experience (such as, doctors, nurses, home economists, social workers) will be used to train senior companion volunteers to participate in and monitor initial and continuing needs assessments and appropriate in-home services for senior companion volunteer recipients. The needs assessments and in-home services shall be coordinated with and supplement existing community based home health and long-term care systems. The Director may also use senior companion volunteer leaders, who on the basis of experience as volunteers, special skills, and demonstrated leadership abilities may spend time in the program (in addition to their regular assignment) to assist newer senior companion volunteers in performing their assignments and in coordinating activities of such volunteers.

(b) Senior companion volunteer trainers recruited under subparagraph (A) of this paragraph shall not be paid stipends.

AMENDMENTS

2009—Subsec. (a). Pub. L. 111–13 substituted “age 55 or older” for “aged 60 or over”.

1993—Subsec. (c)(3). Pub. L. 103–82 struck out par. (3) which required an evaluation of, and report on, impact of senior companion projects to assist homebound elderly.

1989—Subsec. (c)(1). Pub. L. 101–204 inserted “for volunteer service projects” in section catchline and amended subsec. (b) generally. Prior to amendment, subsec. (b) read as follows: “The provisions of section 5011(d) of this title and section 5011(e) of this title and such other provisions of part B as the Director determines to be necessary shall apply to the provisions of this part.”


EFFECTIVE DATE OF 2009 AMENDMENT


EFFECTIVE DATE OF 1993 AMENDMENT


EFFECTIVE DATE OF 1986 AMENDMENT


<table>
<thead>
<tr>
<th>EFFECTIVE DATE OF 1986 AMENDMENT</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>§ 5013. Grants and contracts for volunteer service projects</strong></td>
</tr>
<tr>
<td>(a) Costs of project development and operation</td>
</tr>
<tr>
<td>The Director is authorized to make grants to or contracts with public and nonprofit private agencies and organizations to pay part or all of the cost of development and operation of projects (including direct payments to individuals serving under this part in the same manner as provided in section 5011(a) of this title) designed for the purpose of providing opportunities for low-income persons age 55 or older to serve as “senior companions” to persons with exceptional needs. Senior companions may provide services designed to help older persons requiring long-term care, including services to persons receiving home health care, nursing care, home-delivered meals or other nutrition services; services designed to help persons deinstitutionalized from mental hospitals, nursing homes, and other institutions; and services designed to assist persons having developmental disabilities and other special needs for companionship.</td>
</tr>
<tr>
<td>(b) Application of other laws</td>
</tr>
<tr>
<td>Subsections (d), (e), and (f) of section 5011 of this title, and such other provisions of part B as the Director determines to be necessary, shall apply to this part, except that for purposes of this part any reference in such subsections and such provisions to part B shall be deemed to be a reference to this part.</td>
</tr>
<tr>
<td>(c) Senior companion projects to assist homebound elderly</td>
</tr>
<tr>
<td>(1) The Director is authorized to make grants or contracts after subdivision (a) for senior companion projects to assist homebound elderly individuals to remain in their own homes and to enable institutionalized elderly individuals to return to home care settings.</td>
</tr>
<tr>
<td><strong>(2)(A)</strong> The Director is authorized to recruit, subject to subparagraph (B), senior companion volunteer trainers who on the basis of experience (such as, doctors, nurses, home economists, social workers) will be used to train senior companion volunteers to participate in and monitor initial and continuing needs assessments and appropriate in-home services for senior companion volunteer recipients. The needs assessments and in-home services shall be coordinated with and supplement existing community based home health and long-term care systems. The Director may also use senior companion volunteer leaders, who on the basis of experience as volunteers, special skills, and demonstrated leadership abilities may spend time in the program (in addition to their regular assignment) to assist newer senior companion volunteers in performing their assignments and in coordinating activities of such volunteers.</td>
</tr>
<tr>
<td>(B) Senior companion volunteer trainers recruited under subparagraph (A) of this paragraph shall not be paid stipends.</td>
</tr>
</tbody>
</table>

**PART C—SENIOR COMPANION PROGRAM**


**AMENDMENTS**

2009—Subsec. (a). Pub. L. 111–13 substituted “age 55 or older” for “aged 60 or over”.

1993—Subsec. (c)(3). Pub. L. 103–82 struck out par. (3) which required an evaluation of, and report on, impact of senior companion projects to assist homebound elderly.

1989—Subsec. (c)(1). Pub. L. 101–204 inserted “for volunteer service projects” in section catchline and amended subsec. (b) generally. Prior to amendment, subsec. (b) read as follows: “The provisions of section 5011(d) of this title and section 5011(e) of this title and such other provisions of part B as the Director determines to be necessary shall apply to the provisions of this part.”


**EFFECTIVE DATE OF 2009 AMENDMENT**

PART D—GENERAL PROVISIONS

§ 5021. Promotion of National Senior Service Corps

(a)(1) In carrying out this subchapter, the Director shall consult with the Departments of Labor and Health and Human Services, and any other Federal agencies administering relevant programs with a view to achieving optimal coordination with such other programs, and shall promote the coordination of projects under this subchapter with other public or private programs or projects carried out at State and local levels. Such Federal agencies shall cooperate with the Director in disseminating information about the availability of assistance under this subchapter and in promoting the identification and interest of low-income and other older persons whose services may be utilized in projects under this subchapter.

(2) To the maximum extent practicable, the Director shall enter into agreements with—

(A) the Department of Health and Human Services to—

(i) involve retired and senior volunteers, and foster grandparents, in Head Start programs;
(ii) involve retired and senior volunteers, and senior companions, in providing services authorized by title III of the Older Americans Act of 1965 (42 U.S.C. 3021 et seq.); and
(iii) promote the recognition of such volunteers who are qualified to provide in-home services for reimbursement under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.) for providing such services;
(B) the Department of Education to promote intergenerational tutoring and mentoring for at-risk children; and
(C) the Environmental Protection Agency to support conservation efforts.

(b)(1) In carrying out this subchapter, the Director shall encourage and facilitate the efforts of private organizations to promote the programs established in parts A, B, and C and the involvement of older individuals as volunteers in such programs.

(2) The Director shall take appropriate actions to ensure that special efforts are made to publicize the programs established in parts A, B, and C, in order to facilitate recruitment efforts, to encourage greater participation of volunteers of all ages and backgrounds, living in urban or rural communities, and to emphasize the value of volunteering to the health and well-being of volunteers and the communities of such volunteers. Such actions shall include informing recipients of grants and contracts under this subchapter of all informational materials available from the Director.

(3) From funds appropriated under section 5082 of this title, the Director shall expend not less than $375,000 in each fiscal year to carry out paragraph (2).

§ 5025. Programs of national significance

(a) Program grants for national problems of local concern; minimum amounts available; scope; implementation

(1) With not less than one-third of the funds made available under subsection (d) in each fiscal year, the Director shall make grants under the programs authorized in parts A, B, and C to support programs that address national problems of local concern.

(2) An applicant for a grant under paragraph (1) shall determine whether the program to be supported by the grant is a program under part A, B, or C, and shall submit an application as required for such program.

(3) Each program for which a grant is received under this subsection shall be carried out in accordance with the requirements applicable to the program under part A, B, or C under which the program supported by such grant is to be carried out.

(4) To the maximum extent practicable, the Director shall ensure that not less than 25 percent of the funds appropriated under this section are used to award grants—

(A) to applicants for grants under this section that are not receiving assistance from the Corporation at the time of such grant award;

or

(B) to applicants from locations where no programs supported under part A, B, or C are in effect at the time of such grant award.

(5) Notwithstanding paragraph (4), if, for a fiscal year, less than 25 percent of the applicants for grants under this section are applicants described in paragraph (4), the Director may use an amount that is greater than 75 percent of the funds appropriated under this subsection to award grants to applicants that are already receiving assistance from the Corporation at the time of such grant award.

(b) Program grants for problems concerning Nation

The Director shall make grants under subsection (a) to support one or more of the following programs to address problems that concern the Nation:

(1) Programs that assist individuals with chronic and debilitating illnesses, such as acquired immune deficiency syndrome.

(2) Programs designed to decrease drug and alcohol abuse through education, prevention, treatment, and rehabilitation.

(3) Programs that work with teenage parents.

(4) Programs that establish and support mentoring programs for low-income youth, including mentoring programs that match such youth with mentors and match such youth with employment and training programs, including apprenticeship programs.

(5) Programs that provide adult and school-based literacy assistance, including literacy programs that serve youth, and adults, with limited English proficiency.

(6) Programs that provide respite care, including care for elderly individuals and for children and individuals with disabilities or chronic illnesses who are living at home.
§ 5025

(c) Eligibility of applicant; supplemental nature shall be used to supplement and not supplant implementing the proposed program for which such funds supported by such applicant and grant will be used to increase the total number cant shall demonstrate to the Director that such receive a grant under subsection (a), such appli -

(2) No funds shall be available to the Director to make grants under subsection (a) for a fiscal year unless the amounts appropriated under sub -sections (a), (b), and (c) of section 5082 of this title and available for such fiscal year to carry out parts A, B, and C (without regard to this section) are sufficient to maintain the number of projects and volunteers funded under parts A, B, and C, respectively, in the preceding fiscal year.

(e) Dissemination of information respecting grants

The Director shall widely disseminate information on grants that may be made under subsection (a) to field personnel of the Corporation and to community volunteer organizations that request such information.

AMENDMENTS

2009—Subsec. (a)(1). Pub. L. 111–13, § 2146(d)(1)(A), which directed substitution of “(9), (11), and (14)” for “(10), (12), (15), and (16)” in subpar. (B) and “(9)” for “(10)” in subpar. (C), could not be executed because the words to be stricken did not appear in par. (1).

Subsec. (a)(2). Pub. L. 111–13, § 2146(d)(1)(B), amended par. (2) generally. Prior to amendment, par. (2) read as follows: “Except as provided in paragraph (3), the Director may make such grants—

“(A) under the program authorized in part A of this subchapter, to support programs that address the national problems specified in subsection (b) of this section;

“(B) under the program authorized in part B of this subchapter, to support programs that address the national problems specified in subsection (b) of this section, other than paragraphs (10), (12), (15), and (16) of such subsection; and

“(C) under the program authorized in part C of this subchapter, to support programs that address the national problems referred to in paragraphs (1), (2), (5), (6), and (10) of subsection (b) of this section.

Subsec. (a)(4), (5). Pub. L. 111–13, § 2146(d)(1)(C), added pars. (4) and (5).


Subsec. (b)(4). Pub. L. 111–13, § 2146(d)(2)(B), added par. (4) and struck out former par. (4), which read as follows: “Programs that match volunteer mentors with youth who need guidance.”

Subsec. (b)(5). Pub. L. 111–13, § 2146(d)(2)(C), inserted “, including literacy programs that serve youth, and adults, with limited English proficiency” after “assistance”.

Subsec. (b)(6) to (9). Pub. L. 111–13, § 2146(d)(2)(D)–(F), added pars. (6) and (7), redesignated pars. (9) and (10) as under parts A, B, and C (without regard to this section) addressing the problem for which such funds are awarded unless such sums are an extension of funds previously provided under this section.

(d) Amount of funds available for grants

(1) Except as provided in paragraph (2), from the amounts appropriated under subsection (a), (b), (c), or (d) of section 5082 of this title, for each fiscal year there shall be available to the Director such sums as may be necessary to make grants under subsection (a).

(2) No funds shall be available to the Director to make grants under subsection (a) for a fiscal year unless the amounts appropriated under subsections (a), (b), and (c) of section 5082 of this title and available for such fiscal year to carry out parts A, B, and C (without regard to this section) are sufficient to maintain the number of projects and volunteers funded under parts A, B, and C, respectively, in the preceding fiscal year.

(c) Eligibility of applicant; supplemental nature of funds available

(1) In order for an applicant to be eligible to receive a grant under subsection (a), such applicant shall demonstrate to the Director that such grant will be used to increase the total number of volun -teers supported by such applicant and that such applicant has expertise applicable to implementing the proposed program for which the applicant is requesting the grant.

(2) Funds made available under subsection (d) shall be used to supplement and not supplant the number of volunteers engaged in activities under parts A, B, and C (without regard to this section) addressing the problem for which such funds are awarded unless such sums are an extension of funds previously provided under this section.
(8) and (9), respectively, and struck out former pars. (6) to (8), which read as follows:

“(6) Programs that provide respite care, including care for frail elderly individuals and for disabled or chronically ill children living at home.

“(7) Programs that provide before- and after-school activities that are sponsored by organizations, such as libraries, that serve children of working parents.

“(8) Programs that work with boarder babies.”

Subsec. (b)(10). Pub. L. 111–13, § 2146(d)(2)(F), redesignated par. (11) as (10) and added new par. (12), which read as follows:

“Programs that support criminal justice activities and juvenile justice activities.”

Subsec. (b)(11). Pub. L. 111–13, § 2146(d)(2)(H), added par. (12) and struck out former par. (11), which read as follows:

“Programs that support criminal justice activities and juvenile justice activities.”

Subsec. (b)(12). Pub. L. 111–13, § 2146(d)(2)(I), redesignated par. (13) as (12) and redesignated (14) as (13), respectively.

Subsec. (b)(13). Pub. L. 111–13, § 2146(d)(2)(J), redesignated par. (14) as (13), inserted “and that such applicant has expertise applicable to” after “shall comply with”, and struck out former par. (14), which read as follows: “Programs that support criminal justice activities and juvenile justice activities.”


Subsec. (b)(16). Pub. L. 111–13, § 2146(d)(2)(M), redesignated par. (16) as (15), redesignated (15) as (14), and inserted “and that such applicant has expertise applicable to” after “shall comply with”, and struck out former par. (16), which read as follows: “Programs that involve older volunteers working with young people in apprenticeship programs.”

Subsec. (d). Pub. L. 111–13, § 2146(d)(3), inserted “and that such applicant has expertise applicable to” after “shall comply with”, and struck out former par. (16), which read as follows: “Programs that involve older volunteers working with young people in apprenticeship programs.”

Subsec. (d)(1). Pub. L. 111–13, § 2146(d)(3), struck out “and that such applicant has expertise applicable to” after “shall comply with”, and struck out former par. (16), which read as follows: “Except as provided in paragraph (2), in each fiscal year there shall be available to the Director to make grants under subsection (a) of this section not more than—

“(A) $6,000,000 from funds appropriated under section 5082(a) of this title; and

“(B) $9,000,000 from funds appropriated under section 5082(b), (c), and (d) of this title; and

“(C) $12,000,000 from funds appropriated under section 5082(e) of this title.”

Subsec. (e). Pub. L. 113–13, § 205(a)(6), substituted “the Corporation” for “the ACTION Agency.”

\section{Effective Date of 2009 Amendment}

\section{Effective Date of 1993 Amendment}

\section{周转年年金 or contracts}

(a) Maximum period; compliance requirements where period exceeds 1 year; pro rata reductions where funding below prior fiscal year amounts

(1) Subject to paragraph (2) and the availability of funds, the Director may make a grant or enter into a contract under part A, B, or C for a period not to exceed 3 years. Each applicant who receives a grant, or enters into a contract, under such part for a period exceeding 1 year shall comply with such regulations as the Director may issue to require such applicant—

(A) to demonstrate that such applicant is in compliance with such part and with the terms and conditions of such grant or contract; and
(B) to provide information to update the application submitted to obtain such grant or contract.

(2) If the amount appropriated for any fiscal year to carry out part A, B, or C in a period during which multiyear grants or contracts are in effect under such part is less than the amount appropriated to carry out such part in the first fiscal year in such period, then the amounts payable under all such grants and contracts in effect in such period under such part shall be reduced pro rata.

(b) Documentation, etc., by applicant of meaningful administrative savings from multiyear grant or contract

The Director shall require each applicant for a multiyear grant or contract under this section, to document or describe in the application any meaningful administrative savings that will result from such multiyear grant or contract.

(c) Single-year grant or contract

If an applicant does not receive a multiyear grant or contract under this section, the Director shall consider such applicant for a single-year grant or contract.

(d) Projects for multiyear periods to be treated as single-year projects for specified purposes

If the Director approves an application for a contract or grant to carry out a project for a multiyear period as referred to in subsection (a), the Director shall ensure that such project shall be treated in the same manner as a single-year contract or grant with respect to—

(1) the overall level of funding for such project;

(2) any adjustments to Federal financial assistance that may be available under section 5026 of this title; and

(3) the renewal of funding on the expiration of the term of such contract or grant.

(E) Démonstration Programs

$5028. Authority of Director

(a) In general

The Director is authorized to make grants to or enter into contracts with public or nonprofit organizations, including organizations funded under part A, B, or C, for the purposes of demonstrating innovative activities involving older Americans as volunteers. The Director may support under this part both volunteers receiving stipends and volunteers not receiving stipends.

(b) Activities

An organization that receives a grant or enters into a contract under subsection (a) may use funds made available through the grant or contract for activities such as—

(1) linking youth groups and older American organizations in volunteer activities;

(2) involving older volunteers in programs and activities different from programs and activities supported in the community; and

(3) testing whether older American volunteer programs may contribute to new objectives or certain national priorities.


$5028a. Prohibition

The Director may not reduce the activities, projects, or volunteers funded under the other parts of this subchapter in order to support projects under this part.

(c) Prohibition on influencing passage or defeat of legislation

No funds appropriated to carry out this chapter shall be used by any program assisted under this chapter in any activity for the purpose of influencing the passage or defeat of legislation or proposals by initiative petition, except—

(1) in any case in which a legislative body, a committee of a legislative body, or a member of a legislative body requests any volunteer in, or employee of, such a program to draft, review, or testify regarding measures or to make presentations to such legislative body, committee, or member; or

(2) in connection with an authorization or appropriations measure directly affecting the operation of the program.

(d) Enforcement; rules and regulations

The Director, after consultation with the Office of Personnel Management, shall issue rules and regulations to provide for the enforcement of this section, which shall include provisions for summary suspension of assistance for no more than thirty days until notice and an opportunity to be heard can be provided or other action necessary to permit enforcement on an emergency basis.

(Section 30101(1) of title 52, and the term "Federal office" has the same meaning given such term by section 30101(3) of title 52.)

References in Text

This chapter, referred to in subsecs. (a) to (c), was in the original "this Act", meaning Pub. L. 93–113, Oct. 1, 1973, 87 Stat. 394, known as the Domestic Volunteer Service Act of 1973, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 4900 of this title and Tables.

Codification

References in subsec. (a) to “section 30101(1) of title 52” and to “section 30101(3) of title 52” were formerly references to “section 431(1) of title 2” and to “section 431(3) of title 2”, respectively, and were updated to reflect the editorial reclassification of section 431 of Title 2, The Congress, to section 30101 of Title 52, Voting and Elections. See 1980 Amendment note below.

Amendments

1993—Subsec. (a). Pub. L. 103–82, § 405(a)(7), substituted “administered by the Corporation under this chapter” for “administered by the Corporation under the Corporation under this chapter” and “of the Corporation” for “of the ACTION Agency”. Subsec. (b)(1). Pub. L. 103–82, § 363(3), added par. (1) and struck out former par. (1) which read as follows: “Programs assisted under this chapter shall not be carried on in a manner involving the use of funds, the provision of services, or the employment or assignment of personnel in a manner supporting or resulting in the identification of such programs with (A) any partisan or non-partisan political activity associated with a candidate, or contending faction or group, in an election for public or party office; (B) any activity to provide voters or prospective voters with transportation to the polls or similar assistance in connection with an such election; or (C) any voter registration activity; except that programs assisted under this chapter may make voter registration applications and nonpartisan voter registration information available to the public on the premises of such programs.

In carrying out any voter registration activity permitted under paragraph (1), an individual who is affiliated with, or employed to carry out, a program assisted under this chapter shall not—

(A) indicate a preference with respect to any candidate, political party, or election issue; or

(b) seek to influence the political or party affiliation, or voting decision, of any individual.
§ 5044. Special limitations

(a) Volunteer activities; limitation

The Director shall prescribe regulations and shall carry out the provisions of this chapter so as to assure that the service of volunteers assigned, referred, or serving pursuant to grants, contracts, or agreements made under this chapter is limited to activities which would not otherwise be performed by employed workers or other volunteers (not including participants under this chapter and the National and Community Service Act of 1990 (42 U.S.C. 12501 et seq.)), and which will not supplant the hiring of or result in the displacement of employed workers or other volunteers (not including participants under this chapter and the National and Community Service Act of 1990 (42 U.S.C. 12501 et seq.)), 1 or impair existing contracts for service.

(b) Support costs

All support, including transportation provided to volunteers under this chapter, shall be furnished at the lowest possible costs consistent with the effective operation of volunteer programs.

1 So in original.

(c) Compensation of supervising agencies or organizations

No agency or organization to which volunteers are assigned hereunder, or which operates or supervises any volunteer program hereunder, shall request or receive any compensation from such volunteers or from beneficiaries for services of volunteers supervised by such agency or organization.

(d) Labor or antilabor organization activities; funds use prohibition

No funds authorized to be appropriated herein shall be directly or indirectly utilized to finance labor or antilabor organization or related activity.

(e) Selection procedure

Persons serving as volunteers under this chapter shall provide such information concerning their qualifications, including their ability to perform their assigned tasks, and their integrity, as the Director shall prescribe and shall be subject to such procedures for selection and approval as the Director determines are necessary to carry out the purposes of this chapter. The Director may establish such special procedures for the recruitment, selection, training, and assignment of low-income residents of the area to be served by a program under this chapter who wish to become volunteers as the Director determines will further the purposes of this chapter.

(f) Government assistance; eligibility; special limitations

(1) Notwithstanding any other provision of law except as may be provided expressly in limitation of this subsection, payments to volunteers under this chapter shall not in any way reduce or eliminate the level of or eligibility for assistance or services any such volunteers may be receiving under any governmental program, except that this paragraph shall not apply in the case of such payments when the Director determines that the value of all such payments, adjusted to reflect the number of hours such volunteers are serving, is equivalent to or greater than the minimum wage then in effect under the Fair Labor Standards Act of 1938 (29 U.S.C. 201 et seq.) or the minimum wage, under the laws of the State where such volunteers are serving, whichever is the greater.

(2) Notwithstanding any other provision of law, a person enrolled for full-time service as a volunteer under subchapter I of this chapter who was otherwise entitled to receive assistance or services under any governmental program prior to such volunteer’s enrollment shall not be denied such assistance or services because of such volunteer’s failure or refusal to register for, seek, or accept employment or training during the period of such service.


References in Text

This chapter, referred to in subsecs. (a), (b), (e), and (f), was in the original “this Act”, meaning Pub. L.


**Effective Date of Repeal**


§ 5046. Labor standards for federally assisted projects, buildings, and works

All laborers and mechanics employed by contractors or subcontractors in the construction, alteration or repair, including painting and decorating of projects, buildings and works which are federally assisted under this chapter shall be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with sections 3141–3144, 3146, and 3147 of title 40. The Secretary of Labor shall have, with respect to such labor standards, the authority and functions set forth in Reorganization Plan Number 14 of 1950 (15 F.R. 3176; 64 Stat. 1257) and in section 3145 of title 40.


**References in Text**

This chapter, referred to in text, was in the original “this Act”, meaning Pub. L. 93–113, Oct. 1, 1973, 87 Stat. 394, known as the Domestic Volunteer Service Act of 1973, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 4950 of this title and Tables.

**Amendments**

2009—Subsec. (a). Pub. L. 111–13 inserted “or other volunteers (not including participants under this chapter and the National and Community Service Act of 1990 (42 U.S.C. 12501 et seq.),)” after “employed workers” in two places.

1993—Subsec. (c). Pub. L. 103–82, § 364(a), inserted “from such volunteers or from beneficiaries” after “compensation”.

Subsec. (f)(1), which read as follows: “Notwithstanding any other provision of law, the Director shall assign or delegate any substantial responsibility for carrying out programs under this chapter only to persons appointed or employed pursuant to clauses (1) and (2) of section 5042 of this title, and persons assigned or delegated such substantial responsibilities on October 1, 1973, and who are receiving compensation in accordance with provisions of law other than the applicable provisions of title 5 on such date shall, by operation of law on such date, be assigned a grade level pursuant to such latter provisions so as to fix the compensation of such persons under such authority at no less than their compensation rate on the day preceding such date.”

1986—Subsec. (c). Pub. L. 99–551 substituted “the Director” for “he” before “determines will”.

1984—Subsec. (1). Pub. L. 98–288 struck out “and except as provided in the second sentence of this subsection” after “Notwithstanding any other provision of law” and struck out “The Director may personally make exceptions to the requirements set forth in the first sentence of this subsection for persons he finds will be assigned to carrying out programs under the Peace Corps Act (22 U.S.C. 2501 et seq.) within six months after October 1, 1973.”

1983—Subsec. (c). Pub. L. 93–113, title IV, § 407, Aug. 1, 1983, as amended, provided that the repeal of this section is effective Jan. 1, 1983, and is classified to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 4950 of this title and Tables.

**Codification**


**Effective Date of Repeal**

Repeal effective Oct. 1, 1993, see section 392 of Pub. L. 103–82, set out as an Effective Date of 1993 Amendment note under section 4951 of this title.

§ 5048. Joint funding; single non-Federal share requirement; grant or contract requirement waiver

Pursuant to regulations prescribed by the President, and to the extent consistent with the
other provisions of this chapter, where funds are provided for a single project by more than one Federal agency to an agency or organization assisted under this chapter, the Federal agency principally involved may be designated to act for all in administering the funds provided, and, notwithstanding any other provision of law, in such cases, a single non-Federal share requirement may be established according to the proportion of funds advanced by each agency. When the principal agency involved is the Corporation, it may waive any grant or contract requirement (as defined by such regulations) under or pursuant to any law other than this chapter, which requirement is inconsistent with the similar requirements under or pursuant to this chapter.


REFERENCES IN TEXT

This chapter, referred to in text, was in the original "this Act", meaning Pub. L. 93–113, Oct. 1, 1973, 87 Stat. 394, known as the Domestic Volunteer Service Act of 1973, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 4950 of this title and Tables.

AMENDMENTS

1993—Pub. L. 103–82 substituted “the Corporation” for “the ACTION Agency”.

EFFECTIVE DATE OF 1993 AMENDMENT

Amendment by Pub. L. 103–82 effective Apr. 4, 1994, see section 406(b) of Pub. L. 103–82, set out as a note under section 8322 of Title 5, Government Organization and Employees.

DELEGATION OF FUNCTIONS

Authority of President under this section delegated to Director of Office of Management and Budget, see section 1 of Ex. Ord. No. 11893, eff. Dec. 31, 1975, 41 F.R. 1040, set out as a note under section 7103 of Title 31, Money and Finance.

§ 5049. Prohibition of Federal control of educational institution or school system

Nothing contained in this chapter shall be construed to authorize any department, agency, officer, or employee of the United States to exercise any direction, supervision, or control over the curriculum, program of instruction, administration, or personnel of any education institution or school system.


REFERENCES IN TEXT

This chapter, referred to in text, was in the original "this Act", meaning Pub. L. 93–113, Oct. 1, 1973, 87 Stat. 394, known as the Domestic Volunteer Service Act of 1973, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 4950 of this title and Tables.

§ 5050. Coordination with other programs

The Director shall take necessary steps to coordinate volunteer programs authorized under this chapter with one another, with community action programs, and with other related Federal, State, and local programs. The Director shall also consult with the heads of other Federal, State, and local agencies responsible for programs related to the purposes of this chapter with a view to encouraging greater use of volunteer services in those programs and establishing in connection with them systematic procedures for the recruitment, referral, or necessary preservice orientation or training of volunteers serving pursuant to this chapter. The Director, in consultation with the Director of the Office of Personnel Management and the Secretaries of Labor, Commerce, and the Treasury and officials of other appropriate departments and agencies, shall take all appropriate steps to encourage State and local governments, charitable and service organizations, and private employers (1) to take into account experience in volunteer work in the consideration of applicants for employment; and (2) to make provisions for the listing and description of volunteer work on all employment application forms.


REFERENCES IN TEXT

This chapter, referred to in text, was in the original "this Act", meaning Pub. L. 93–113, Oct. 1, 1973, 87 Stat. 394, known as the Domestic Volunteer Service Act of 1973, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 4950 of this title and Tables.

AMENDMENTS

1979—Pub. L. 96–143 inserted provisions requiring the Director in consultation with the Director of the Office of Personnel Management and the Secretaries of Labor, Commerce, and the Treasury and officials of other appropriate departments and agencies to take steps to encourage employers to review the consideration they give volunteer service in the information requested on their standard application forms.

§ 5051. Performance of functions by existing departments or offices rather than new departments or offices

In order to assure that existing Federal agencies are used to the fullest extent possible in carrying out the purposes of this chapter, no funds appropriated to carry out this chapter shall be used to establish any new department or office when the intended function is being performed by an existing department or office.


REFERENCES IN TEXT

This chapter, referred to in text, was in the original "this Act", meaning Pub. L. 93–113, Oct. 1, 1973, 87 Stat. 394, known as the Domestic Volunteer Service Act of 1973, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 4950 of this title and Tables.

§ 5052. Suspension and termination of financial assistance; procedures; notice and hearing; emergency situations; refunding applications

(a) The Director is authorized, in accordance with the provisions of this section, to suspend
further payments or to terminate payments under any contract or grant providing assistance under this chapter, whenever the Director determines there is a material failure to comply with the applicable terms and conditions of any such grant or contract. The Director shall prescribe procedures to insure that—

(1) assistance under this chapter shall not be suspended for failure to comply with applicable terms and conditions, except in emergency situations for thirty days;

(2) an application for refunding under this chapter may not be denied unless the recipient has been given (A) notice at least 75 days before the denial of such application of the possibility of such denial and the grounds for any such denial, and (B) opportunity to show cause why such action should not be taken;

(3) in any case where an application for refunding is denied for failure to comply with the terms and conditions of the grant or contract award, the recipient shall be afforded an opportunity for an informal hearing before an impartial hearing officer, who has been agreed to by the recipient and the Agency; and

(4) assistance under this chapter shall not be terminated for failure to comply with applicable terms and conditions unless the recipient has been afforded reasonable notice and opportunity for a full and fair hearing.

(b) In order to assure equal access to all recipients, such hearings or other meetings as may be necessary to fulfill the requirements of this section shall be held at locations convenient to the recipient agency.

(2) and (3), redesignated former par. (2) as (4), and added pars. (4) and (5).

 references in text

This chapter, referred to in text, was in the original "this Act", meaning Pub. L. 93–113, Oct. 1, 1973, 87 Stat. 394, known as the Domestic Volunteer Service Act of 1973, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 4950 of this title and Tables.

rural program report

Pub. L. 96–143, §16, Dec. 13, 1979, 93 Stat. 1082, provided that not later than Feb. 1, 1980, the Director of the ACTION Agency was to submit to appropriate committees of Congress a report specifying special needs and circumstances to be addressed in designing programs under Domestic Volunteer Service Act of 1973 (this chapter) for implementation in rural areas, such report to include a detailed statement of manner in which Director intended to address such needs and circumstances, together with a timetable for designing and implementing such programs.

§ 5055. Application of Federal law

(a) General rule

 Except as provided in subsections (b), (c), (d), and (e) of this section, volunteers under this chapter shall not be deemed Federal employees and shall not be subject to the provisions of laws relating to Federal officers and employees and Federal employment.

(b) Specific Federal legislation

 Individuals enrolled as volunteers for periods of full-time service, or, as the Director deems appropriate in accordance with regulations, for periods of part-time service of not less than 20 hours per week for not less than 26 consecutive weeks, under subchapter I of this chapter, with respect to such service or training, (1) for the purposes of subchapter III of chapter 73 of title 5, be deemed persons employed in the executive branch of the Federal Government, (2) for the purposes of the Internal Revenue Code of 1986 (26 U.S.C. 1 et seq.) and title II of the Social Security Act (42 U.S.C. 401 et seq.), be deemed employees of the United States, and any service performed by an individual as a volunteer (including training) shall be deemed to be performed in the employ of the United States, (3) for the purposes of the Federal Tort Claims provisions of title 28, be deemed employees of the United States, (4) for the purposes of subchapter I of chapter 61 of title 5 (relative to compensation to Federal employees for work injuries), shall be deemed civil employees of the United States within the meaning of the term “employee” as defined in section 8101 of title 5, and the provisions of that subchapter shall apply ex-
cept as follows: (A) in computing compensation benefits for disability or death, the annual rate of pay of a volunteer enrolled for a period of full-time service under such subchapter I shall be deemed to be that received under the General Schedule under section 5332 of title 5, and the annual rate of pay of a volunteer enrolled for a period of part-time service under such subchapter I shall be deemed to be such entry salary or an appropriate portion thereof as determined by the Director, and subsections (a) and (b) of section 8113 of title 5 shall apply, and (B) compensation for disability shall not begin to accrue until the day following the date on which the injured volunteer is terminated, and (5) be deemed employees of the United States for the purposes of section 5584 of title 5 (and stipends and allowances paid under this chapter shall be considered as pay for such purposes).

(c) Subsequent Government employment

Any period of service of a volunteer enrolled in a program for a period of service of at least one year under part A of subchapter I of this chapter, and any period of full-time service of a volunteer enrolled in a program for a period of service of at least one year under part B (as such part was in effect on the day before April 21, 2009) or C of subchapter I of this chapter, shall be credited in connection with subsequent employment in the same manner as a like period of civilian employment by the United States Government—

(1) for the purposes of any Act establishing a retirement system for civilian employees of any United States Government agency; and

(2) except as otherwise determined by the President, for the purposes of determining seniority, reduction in force, and layoff rights, leave entitlement, and other rights and privileges based upon length of service under the laws administered by the Office of Personnel Management, the Foreign Service Act of 1980 [22 U.S.C. 3901 et seq.], and every other Act establishing or governing terms and conditions of service of civilian employees of the United States Government: Provided, That service of a volunteer shall not be credited toward completion of any probationary or trial period or completion of any service requirement for career appointment.

(d) Competitive service

Volunteers serving in programs for periods of service of at least one year under part A of subchapter I of this chapter, and volunteers serving for such periods under title VIII of the Economic Opportunity Act of 1964, as amended (42 U.S.C. 2991-2994d), including those whose service was completed under such Act, who the Director determines, in accordance with regulations the Director shall prescribe, have successfully completed their periods of service, shall be eligible for appointment in the competitive service in the same manner as Peace Corps volunteers as prescribed in Executive Order Number 11103 (April 10, 1963).

(e) References in other laws to service under provisions relating to Volunteers in Service to America deemed references to service under subchapter I of this chapter

Notwithstanding any other provision of law, all references in any other law to persons serving as volunteers under title VIII of the Economic Opportunity Act of 1964, as amended [42 U.S.C. 2991 et seq.], shall be deemed to be references to persons serving as full-time volunteers in a program of at least one year’s duration under part A, B (as such part was in effect on the day before April 21, 2009), or C of subchapter I of this chapter.

(f) Civil actions

(1) The remedy—

(A) against the United States provided by sections 1346(b) and 2672 of title 28 or

(B) through proceedings for compensation or other benefits from the United States as provided by any other law, where the availability of such benefits precludes a remedy under section 1346(b) or 2672 of such title 28,

for damages for personal injury, including death, allegedly arising from malpractice or negligence of a physician, dentist, podiatrist, optometrist, nurse, physician assistant, expanded-function dental auxiliary, pharmacist, or paramedical (for example, medical and dental technicians, nursing assistants, and therapists) or other supporting personnel in furnishing medical care or treatment while in the exercise of such person’s duties as a volunteer enrolled under subchapter I of this chapter shall be exclusive of any other civil action or proceeding by reason of the same subject matter against such person (or such person’s estate) whose action or omission gave rise to such claim.

(2) The Attorney General of the United States shall defend any civil action or proceeding brought in any court against any person referred to in paragraph (1) of this subsection (or such person’s estate) for any such damage or injury. Any such person against whom such civil action or proceeding is brought shall deliver, within such time after date of service or knowledge of service as determined by the Attorney General, all process served upon such person or an attested true copy thereof to such person’s immediate supervisor or to whomever is designated by the Director to receive such papers, and such person shall promptly furnish copies of the pleading and process therein to the United States attorney for the district embracing the place wherein the proceeding is brought and to the Attorney General.

(3) Upon a certification by the Attorney General that the defendant was acting in the scope of such person’s volunteer assignment at the time of the incident out of which the suit arose, any such civil action or proceeding commenced in a State court shall be removed without bond at any time before trial by the Attorney General to the district court of the United States of the district and division embracing the place wherein it is pending and the proceeding deemed a tort action brought against the United States under the provisions of title 28 and all references thereto. After removal the United States shall have available all defenses to which it would
have been entitled if the action had originally been commenced against the United States. Should a district court of the United States determine on a hearing on a motion to remand held before a trial on the merits that the volunteer whose act or omission gave rise to the suit was not acting within the scope of such person's volunteer assignment, the case shall be remanded to the State court.

(4) The Attorney General may compromise or settle any claim asserted in such civil action or proceeding in the manner provided in section 2677 of title 28 and with the same effect.


REFERENCES IN TEXT


AMENDMENTS

2009—Subsec. (c)(1). Pub. L. 96–465, § 2206(h)(1), substituted “any” for “section 1092(a)(1) of title 22 and every other”.


1979—Subsec. (b), Pub. L. 96–143, § 11(a), substituted in provisions preceding cl. (1) “as volunteers for periods of full-time service, or, as the Director deems appropriate in accordance with regulations, for periods of part-time service of not less than 20 hours per week for not less than 26 consecutive weeks, under subchapter I of this chapter” for “in programs under subchapter I of this chapter for periods of service of at least one year” and in cl. (4)(A) “the annual rate of pay of a volunteer enrolled for a period of full-time service under such subchapter I shall be deemed to be that received under the entrance salary for a grade GS-7 employee, and the annual rate of pay of a volunteer enrolled for a period of part-time service under such subchapter I shall be deemed to be such entry salary or an appropriate portion thereof as determined by the Director” for “the monthly pay of a volunteer shall be deemed that received under the entrance salary for a grade GS-7 employee” and added cl. (5).


EFFECTIVE DATE OF 2009 AMENDMENT


EFFECTIVE DATE OF 1993 AMENDMENT


EFFECTIVE DATE OF 1986 AMENDMENT


EFFECTIVE DATE OF 1980 AMENDMENT

Amendment by Pub. L. 96–465 effective Feb. 15, 1981, except as otherwise provided, see section 2603 of Pub. L. 96–465, set out as an Effective Date note under section 3901 of Title 22, Foreign Relations and Intercourse.

EX. ORD. No. 11561. DELEGATION OF AUTHORITY


By virtue of the authority vested in me by section 301 of title 3 of the United States Code, and as President of the United States, the authority conferred upon the President by that portion of section 833(c)(2) of the Economic Opportunity Act of 1964 (42 U.S.C. 2994c(c)(2)) [former section 2994b(c)(2) of this title, now subsec. (c)(2) of this section] which reads “except as otherwise determined by the President” is hereby delegated as follows: (1) To the Office of Personnel Management to the extent that such authority is with respect to the laws administered by the Commission, and (2) to the Secretary of State to the extent that such authority is with respect to the Foreign Service Act of 1946, as amended (22 U.S.C. 3901 et seq.).

§ 5056. Evaluation of programs and projects

(a) General objectives; persons conducting the evaluation

The Director shall measure and evaluate the impact of all programs authorized by this chap-
ter, their effectiveness in achieving stated goals, in general, and in relation to their cost, their impact on related programs, and their structure and mechanism for delivery of services. Each program shall be evaluated at least once every three years. Evaluations shall be conducted by persons not immediately involved in the administration of the program or project evaluated. Such evaluation shall also measure and evaluate compliance with the equitable distribution requirement of section 5054 of this title.

(b) General standards; publication; reports of ensuing actions

The Director shall develop and publish general standards for evaluation of program and project effectiveness in achieving the objectives of this chapter. Reports submitted pursuant to section 5047 of this title shall describe the actions taken as a result of evaluations carried out under this section.

(c) Opinions of participants

In carrying out evaluations under this subchapter, the Director shall, whenever possible, arrange to obtain the opinions of program and project participants about the strengths and weaknesses of such programs and projects.

(d) Summaries of results; publication

The Director shall publish summaries of the results of evaluations of program and project impact and effectiveness no later than sixty days after the completion thereof.

(e) Federal property

The Director shall take the necessary action to assure that all studies, evaluations, proposals, and data produced or developed with Federal funds shall become the property of the United States.

(f) Evaluation of programs that relate to services that assist families caring for frail and disabled adult family members; evaluation of impact by volunteers on such programs; report to committees of Congress

Not later than December 31, 1988, the Director shall—

(1) evaluate the impact of Corporation programs carried out under subchapter II that relate to services that assist families caring for frail and disabled adult family members and shall include in such evaluation information on—

(A) the range and extent of service needs of, and the services provided to, family caregivers assisted by volunteers;
(B) the characteristics of volunteers and the skills, training, and supervision necessary to provide various types of volunteer assistance to family caregivers;
(C) administrative costs, including recruitment, training, and supervision costs, associated with volunteer assistance to family caregivers; and
(D) such other issues as may be relevant to provide services to assist family caregivers;
(2) evaluate the impact that volunteers who participate in programs under parts B and C of subchapter II without receiving a stipend have on such programs and shall include in such evaluation—

(A) information on administrative costs associated with such volunteers;
(B) a comparison of the quality of services provided by such volunteers and the quality of services provided by volunteers who receive a stipend under such parts, including the rate of absenteeism and turnover; and
(C) a review of the effect that participation by volunteers who do not receive such stipend have on the administration of such programs; and
(3) submit to the authorizing committees a report summarizing in detail the results of the evaluations made under paragraphs (1) and (2).

(g) Funds limitation; reduction of allotments

The Director is authorized to use such sums as are required, but not to exceed 1 per centum of the funds appropriated under this chapter, to conduct program and project evaluations (directly, or by grants or contracts) as required by this chapter. In the case of allotments from such an appropriation, the amount available for such allotments (and the amount deemed appropriate therefor) shall be reduced accordingly.

REFERENCES IN TEXT


AMENDMENTS

2009—Subsec. (a). Pub. L. 111–13, § 2153(1), struck out “(including the VISTA Literacy Corps which shall be evaluated as a separate program at least once every 3 years)" after “authorized by this chapter”.

Subsec. (f)(3). Pub. L. 111–13, § 2153(2), substituted “authorizing committees” for “Committee on Education and Labor of the House of Representatives and the Committee on Labor and Human Resources of the Senate”.


1989—Subsec. (a). Pub. L. 101–204 inserted “(including the VISTA Literacy Corps which shall be evaluated as a separate program at least once every 3 years)” after “this chapter” in first sentence.

1986—Subsec. (a). Pub. L. 99–551, § 8(a), amended subsec. (a) generally. Prior to amendment, subsec. (a) read as follows: “The Director shall biennially measure and evaluate the impact of all programs authorized by this chapter, their effectiveness in achieving stated goals in general, and in relation to their cost, their impact on related programs, and their structure and mechanisms
for delivery of services. Evaluations shall be conducted by persons not immediately involved in the administration of the program or any project of such program being evaluated. Such evaluation shall also measure and evaluate compliance with the equitable distribution requirement of section 5054 of this title.’’

Subsecs. (f), (g) Pub. L. 98–288 substituted ‘‘biennially’’ for ‘‘periodically’’ in first sentence, and substituted ‘‘or any project of such program being evaluated. Such evaluation shall also measure and evaluate compliance with the equitable distribution requirement of section 5054 of this title’’ for ‘‘or project evaluated’’.

Effective Date of 2009 Amendment

Effective Date of 1993 Amendment
Amendment by Pub. L. 103–82 effective Apr. 4, 1994, except as otherwise provided, see section 11 of Pub. L. 99–551, set out as an Effective Date note under section 4950 of this title.

§ 5057. Nondiscrimination provisions

(a) In general

(1) Basis

An individual with responsibility for the operation of a program that receives assistance under this chapter shall not discriminate against a participant in, or member of the staff of, such program on the basis of race, color, national origin, sex, age, or political affiliation of such participant or member, or on the basis of disability, if the participant or member is a qualified individual with a disability.

(2) Definition

As used in paragraph (1), the term ‘‘qualified individual with a disability’’ has the meaning given the term in section 12111(b) of this title.

(b) Federal financial assistance


(c) Religious discrimination

(1) In general

Except as provided in paragraph (2), an individual with responsibility for the operation of a program that receives assistance under this chapter shall not discriminate on the basis of religion against a participant in such program or a member of the staff of such program who is paid with funds received under this chapter.

(2) Exception

Paragraph (1) shall not apply to the employment, with assistance provided under this chapter, of any member of the staff, of a program that receives assistance under this chapter, who was employed with the organization operating the program on the date the grant under this chapter was awarded.

(d) Rules and regulations

The Director shall promulgate rules and regulations to provide for the enforcement of this section that shall include provisions for summary suspension of assistance for not more than 30 days, on an emergency basis, until notice and an opportunity to be heard can be provided.

References in Text

This chapter, referred to in subsecs. (a)(1), (b), and (c), was in the original ‘‘this Act’’, meaning Pub. L. 95–113, Oct. 1, 1973, 87 Stat. 394, known as the Domestic Volunteer Service Act of 1973, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 4950 of this title and Tables.


The Education Amendments of 1972, referred to in subsec. (b), is Pub. L. 92–318, June 23, 1972, 86 Stat. 235. Title IX of the Act, known as the Patsy Takemoto Mink Equal Opportunity in Education Act, is classified principally to chapter 38 (§ 1681 et seq.) of title 20, Education. For complete classification of title IX of the Code, see Short Title note set out under section 1681 of this title and Table 20.

The Age Discrimination Act of 1975, referred to in subsec. (b), is title III of Pub. L. 94–135, Nov. 28, 1975, 88 Stat. 728, which is classified generally to chapter 76 (§6101 et seq.) of this title. For complete classification of this Act to the Code, see Short Title note set out under section 6101 of this title and Tables.

Amendments

1993—Pub. L. 103–82 amended section generally, substituting present provisions for former provisions relating to nondiscrimination, which set forth: in subsec. (a), general rule; in subsec. (b), special rule against sex discrimination; and in subsec. (c), applicability of nondiscrimination authorities of certain statutes and requirements for regulations.

§ 5058. Eligibility for other benefits

Notwithstanding any other provision of law, no payment for supportive services or reimbursement of out-of-pocket expenses made to persons serving pursuant to subchapter II of this chapter shall be subject to any tax or charge or be treated as wages or compensation for the purposes of unemployment, temporary disability, retirement, public assistance, workers' compensation, or similar benefit payments, or minimum wage laws. This section shall become effective with respect to all payments made after October 1, 1973.


AMENDMENTS


1979—Pub. L. 96–143 substituted “subchapter II of this chapter” for “subchapters II and III of this chapter”.

§ 5059. Legal expenses

Notwithstanding any other provision of law and pursuant to regulations which the Director shall prescribe, counsel may be employed and counsel fees, court costs, bail, and other expenses incidental to the defense of volunteers may be paid in judicial or administrative proceedings to which full-time volunteers (or part-time volunteers when such proceeding arises directly out of the performance of activities pursuant to this chapter) serving under this chapter have been made parties.


REFERENCES IN TEXT

This chapter, referred to in text, was in the original “this Act”, meaning Pub. L. 93–113, Oct. 1, 1973, 87 Stat. 394, known as the Domestic Volunteer Service Act of 1973, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 4950 of this title and Tables.

AMENDMENTS

1986—Pub. L. 99–551 substituted “to this chapter)” for “to this chapter”.

1984—Pub. L. 98–288 struck out “or section 637(b)(1) of title 15” after “pursuant to this chapter”.

EFFECTIVE DATE OF 1986 AMENDMENT


EFFECTIVE DATE OF REPEAL

Repeal effective Oct. 1, 1993, see section 392 of Pub. L. 103–82, set out as an Effective Date of 1993 Amendment note under section 4951 of this title.

§ 5061. Definitions

For the purposes of this chapter—

(1) the term “Director” means the Chief Executive Officer of the Corporation for National and Community Service appointed under section 12651c of this title;

(2) the terms “United States” and “States” mean the several States, the District of Columbia, the Virgin Islands, Puerto Rico, Guam, and American Samoa, the Commonwealth of the Northern Mariana Islands, and, for the purposes of subchapter II of this chapter, the Trust Territory of the Pacific Islands;

(3) the term “nonprofit” as applied to any agency, institution, or organization means an agency, institution, or organization which is, or is owned and operated by, one or more corporations or associations no part of the net earnings of which inures, or may lawfully inure, to the benefit of any private shareholder or individual;

(4) the term “poor” or “low-income” persons, individuals, or volunteers means such individuals whose incomes fall at or below the poverty line as set forth in section 625 of the Economic Opportunity Act of 1964, as amended by Public Law 92–424 (42 U.S.C. 2971d); 2 Provided, That in determining who is “poor” or “low-income”, the Director shall take into consideration existing poverty guidelines as appropriate to local situations;

(5) the terms “public agencies or organizations” and “Federal, State, or local agencies” shall include any Indian tribe, band, nation, or other organized group or community (including any Alaskan native village or regional village corporation as defined in or established pursuant to the Alaska Native Claims Settlement Act [43 U.S.C. 1601 et seq.] which is recognized by the United States or the State in which it resides as eligible for special programs and services provided to Indians because of their status as Indians;

(6) the term “poverty line for a single individual” means such poverty line as established by the Director of the Office of Management and Budget in accordance with section 9902(2) of this title;

(7) the term “Corporation” means the Corporation for National and Community Service established under section 12651 of this title;

(8) the term “foster grandparent” means a volunteer in the Foster Grandparent Program;

(9) the term “Foster Grandparent Program” means the program established under part B of subchapter II;

10 except as provided in section 5057 of this title, the term “individual with a disability” has the meaning given the term in section 705(20)(B) of title 29;

(11) the term “Inspector General” means the Inspector General of the Corporation;

(12) the term “national senior volunteer” means a volunteer in the National Senior Service Corps;

(13) the term “National Senior Service Corps” means the programs established under parts A, B, C, and E of subchapter II;

1 See original. The word “and” probably should not appear.

2 See References in Text note below.
(14) the term “Retired and Senior Volunteer Program” means the program established under part A of subchapter II;
(15) the term “retired or senior volunteer” means a volunteer in the Retired and Senior Volunteer Program;
(16) the term “senior companion” means a volunteer in the Senior Companion Program;
(17) the term “Senior Companion Program” means the program established under part C of subchapter II;
(18) the terms “VISTA” and “Volunteers in Service to America” mean the program established under part A of subchapter I;
(19) the term “VISTA volunteer” means a volunteer in VISTA;
(20) the term “authorizing committees” means the Committee on Education and Labor and the Committee on Health, Education, Labor, and Pensions of the Senate.

References in Text

This chapter, referred to in text, was in the original ‘‘this Act’’, meaning Pub. L. 93–113, Oct. 1, 1973, 87 Stat. 394, known as the Domestic Volunteer Service Act of 1973, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 12611 of this title.

Section 625 of the Economic Opportunity Act of 1964, as amended by Public Law 92–424 (42 U.S.C. 2971d), redefined the term ‘‘poverty line’’ as defined in section 5117aa–21 of this title;’’.

Pars. (11). Pub. L. 101–204, § 607(b)(4), substituted the term ‘‘Boarder baby’’ means an infant who is abandoned, as defined in section 301’’ for ‘‘infant described in section 103’’.

AMENDMENTS


Effective Date of 2009 Amendment


Effective Date of 1993 Amendment

Amendment by sections 401 and 405(a)(10) of Pub. L. 103–82 effective Apr. 4, 1994, see section 406(b) of Pub. L. 103–82, set out as a note under section 8332 of Title 5, Government Organization and Employees.

The term ‘‘American Samoa’’.

Each recipient of Federal grants, subgrants, contracts, subcontracts, or loans entered into under this chapter other than by formal advertising, and which are otherwise authorized by this chapter, shall keep such records as the Director or the Inspector General shall prescribe, including records which fully disclose the amount and disposition by such recipient of the proceeds of such assistance, the total cost of the project or undertaking in connection with which such assistance is given or used, the amount of that portion of the cost of the project or undertaking supplied by other sources, and such other records as will facilitate an effective audit.

(b) Access to books, documents, papers, and records; limitations

The Director, the Inspector General, and the Comptroller General of the United States, or any of their duly authorized representatives, shall, until the expiration of three years after completion of the project or undertaking referred to in subsection (a) of this section, have access for the purpose of audit and examination
to any books, documents, papers, and records of such recipients which in the opinion of the Director, the Inspector General, or the Comptroller General may be related or pertinent to the grants, contracts, subcontracts, subgrants, or loans referred to in subsection (a).


REFERENCES IN TEXT
This chapter, referred to in subsection (a), was in the original “this Act”, meaning Pub. L. 93–113, Oct. 1, 1973, 87 Stat. 394, known as the Domestic Volunteer Service Act of 1973, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 4950 of this title and Tables.

§ 5063. Reduction of paperwork

In order to reduce unnecessary, duplicative, or disruptive demands for information, the Director, in consultation with other appropriate agencies and organizations, shall continually review and evaluate all requests for information made under this chapter and take such action as may be necessary to reduce the paperwork required under this chapter. The Director shall request only such information as the Director deems essential to carry out the purposes and provisions of this chapter.


REFERENCES IN TEXT
This chapter, referred to in text, was in the original “this Act”, meaning Pub. L. 93–113, Oct. 1, 1973, 87 Stat. 394, known as the Domestic Volunteer Service Act of 1973, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 4950 of this title and Tables.

§ 5064. Review of project renewals

If the executive authority of any State or local government submits to the Director, not later than 30 days before the expiration of any contract or grant to carry out any project under this chapter, a statement which objects to the renewal of such contract or grant, then the Director shall (1) review such statement and take it into account in determining whether to renew such contract or grant; and (2) submit to such executive authority a written statement of reasons regarding the Director’s determination with respect to such renewal and specifically with respect to any objection so submitted.


REFERENCES IN TEXT
This chapter, referred to in text, was in the original “this Act”, meaning Pub. L. 93–113, Oct. 1, 1973, 87 Stat. 394, known as the Domestic Volunteer Service Act of 1973, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 4950 of this title and Tables.

§ 5065. Protection against improper use

Whoever falsely—
(1) advertises or represents; or
(2) publishes or displays any sign, symbol, or advertisement, reasonably calculated to convey the impression, that an entity is affiliated with, funded by, or operating under the authority of the Corporation, VISTA, or any of the programs of the National Senior Service Corps may be enjoined under an action filed by the Attorney General, on a complaint by the Director.


AMENDMENTS
1993—Subsec. (a), Pub. L. 103–82, §369(1), inserted “or the Inspector General” after “Director”.
Subsec. (b), Pub. L. 103–82, §369(2), inserted “the Inspector General” after “Director” in two places.

EFFECTIVE DATE OF 1993 AMENDMENT

§ 5066. Provisions under the National and Community Service Act of 1990

The Corporation shall carry out this chapter in accordance with the provisions of this chapter and the relevant provisions of the National and Community Service Act of 1990 (42 U.S.C. 12501 et seq.), particularly the provisions of section 122 and subtitle F of title I of the National and Community Service Act of 1990 (42 U.S.C. 12572, 12631 et seq.) relating to the national service laws.


REFERENCES IN TEXT
This chapter, referred to in text, was in the original “this Act”, meaning Pub. L. 93–113, Oct. 1, 1973, 87 Stat. 394, known as the Domestic Volunteer Service Act of 1973, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 4950 of this title and Tables.
§ 5081. National Volunteer Antipoverty Programs

(a) Authorizations

There are authorized to be appropriated to carry out part A of subchapter I $100,000,000 for fiscal year 2010 and such sums as may be necessary for each of the fiscal years 2011 through 2014.

(b) Special volunteer programs

There are authorized to be appropriated to carry out part C of subchapter I such sums as may be necessary for each of fiscal years 2010 through 2014.

(c) Limitation

No part of the funds appropriated to carry out part A of subchapter I may be used to provide volunteers or assistance to any program or project authorized under part C of subchapter I, or under subchapter II, unless the program or project meets the antipoverty criteria of part A of subchapter I.

(d) Availability

Amounts appropriated for part A of subchapter I shall remain available for obligation until the end of the fiscal year following the fiscal year for which the amounts were appropriated.

(e) Subsistence

The minimum level of an allowance for subsistence required under section 4955(b)(2) of this title, to be provided to each volunteer under subchapter I, may not be reduced or limited in order to provide for an increase in the number of volunteer service years under part A of subchapter I.

(f) Specification of budget function

The authorizations of appropriations contained in this subsection shall be considered to be a component of budget function 500 as used by the Office of Management and Budget to cover education, training, employment, and social services, and, as such, shall be considered to be related to the programs of the Departments of Labor, Health and Human Services, and Education for budgetary purposes.

(g) Limitation

No part of the funds appropriated to carry out part A of subchapter I may be used to provide volunteers or assistance to any program or project authorized under part C of subchapter I, or under subchapter II, unless the program or project meets the antipoverty criteria of part A of subchapter I.

(h) Availability

Amounts appropriated for part A of subchapter I shall remain available for obligation until the end of the fiscal year following the fiscal year for which the amounts were appropriated.
Subsec. (d)(1)(D) to (G). Pub. L. 101–204, § 801(e), added subpars. (D) to (G).
1993—Subsec. (c). Pub. L. 100–690, § 3402(1), inserted "(other than section 4994(b) of this title)" after "of this chapter" and inserted provisions at end relating to additional authorization of appropriations for support of drug abuse prevention in fiscal years 1989 through 1991.
Subsec. (d)(1). Pub. L. 100–690, § 3402(2), substituted "subchapter I of this chapter (other than section 4994(b) of this title)" for "subchapter I of this chapter".
1989—Subsecs. (a), (b), Pub. L. 99–551 added subsecs. (a) and (b) and struck out former subsecs. (a) and (b) which read as follows:

"(a) There is authorized to be appropriated to carry out part A of subchapter I of this chapter $17,000,000 for fiscal year 1984, $20,000,000 for fiscal year 1985, and $25,000,000 for fiscal year 1986.

"(b) There is authorized to be appropriated to carry out part B of subchapter I of this chapter $1,800,000 for the fiscal year 1984 and for each of the fiscal years 1985 and 1986."

Subsec. (c). Pub. L. 99–570 inserted at end "In addition to the amounts authorized to be appropriated by the preceding sentence, there is authorized to be appropriated the aggregate sum of $5,500,000 for fiscal years 1987 and 1988 to be made available for drug abuse prevention."

Pub. L. 99–551 added subsec. (c) and struck out former subsec. (c) which read as follows: "There is authorized to be appropriated to carry out part C of subchapter I of this chapter $1,984,000 for the fiscal year 1984 and for each of the fiscal years 1985 and 1986."

Subsec. (d)(1). Pub. L. 99–551 added par. (1) and struck out former par. (1) which read as follows: "Of the amounts appropriated under this section for parts A, B, and C of subchapter I of this chapter, there shall first be available for part A of subchapter I of this chapter an amount not less than the amount necessary to provide:

"(A) 2,000 years of volunteer service in fiscal year 1984;

"(B) 2,200 years of volunteer service in fiscal year 1985; and

"(C) 2,400 years of volunteer service in fiscal year 1986."

1984—Pub. L. 98–288 designated existing provisions as subsec. (a), substituted "There is authorized to be appropriated to carry out part A of subchapter I of this chapter $17,000,000 for fiscal year 1984, $20,000,000 for fiscal year 1985, and $25,000,000 for fiscal year 1986" for "There is authorized to be appropriated to carry out subchapter I of this chapter $25,763,000 for fiscal year 1982 and $15,391,000 for fiscal year 1983. Of the amounts appropriated under this section, not less than $16,000,000 shall first be available for carrying out part A of subchapter I of this chapter for fiscal year 1982, and not less than $8,000,000 shall first be available for carrying out part A of subchapter I of this chapter for fiscal year 1983", and added subsecs. (b) to (e).


**Effective Date of 2009 Amendment**


**Effective Date of 1993 Amendment**


**Effective Date of 1986 Amendment**


**Additional Appropriations Authorization**

Additional appropriations authorization for meeting increase in stipend to volunteers under section 4955(a)(1) of this title, see section 5(b) of Pub. L. 94–130, set out as a note under section 4950 of this title.

§ 5082. National Senior Service Corps

(a) Retired and Senior Volunteer Program

There are authorized to be appropriated to carry out part A of subchapter II, $70,000,000 for fiscal year 2010, and such sums as may be necessary for each of the fiscal years 2011 through 2014.

(b) Foster Grandparent Program

There are authorized to be appropriated to carry out part B of subchapter II, $115,000,000 for fiscal year 2010, and such sums as may be necessary for each of the fiscal years 2011 through 2014.

(c) Senior Companion Program

There are authorized to be appropriated to carry out part C of subchapter II, $55,000,000 for fiscal year 2010, and such sums as may be necessary for each of the fiscal years 2011 through 2014.

(d) Demonstration programs

There are authorized to be appropriated to carry out part E of subchapter II, such sums as may be necessary for each of the fiscal years 2010 through 2014.


**AMENDMENTS**


1993—Pub. L. 103–82 amended section generally, substituting subsecs. (a) to (d) authorizing appropriations for parts A, B, C, and E of subchapter II of this chapter for fiscal years 1994 through 1996 for former subsecs. (a) to (c) authorizing appropriations for parts A, B, and C of such subchapter for fiscal years 1989 through 1993.


Subsec. (a). Pub. L. 101–204, § 804(a), inserted "not less than the amount appropriated in the previous fiscal year and not more than" after "to be appropriated", struck out provisions authorizing appropriations for fiscal years 1986 through 1988, and inserted provisions
authorizing appropriations for fiscal years 1990 through 1993.

Subsec. (b). Pub. L. 101–204, §804(b), inserted “not less than the amount appropriated in the previous fiscal year and not more than” after “to be appropriated”, struck out provisions authorizing appropriations for fiscal years 1986 through 1988, and inserted provisions authorizing appropriations for fiscal years 1990 through 1993.

Subsec. (c). Pub. L. 101–204, §804(c), inserted “not less than the amount appropriated in the previous fiscal year and not more than” after “to be appropriated”, struck out provisions authorizing appropriations for fiscal years 1986 through 1988, and inserted provisions authorizing appropriations for fiscal years 1990 through 1993.

1986—Subsec. (a). Pub. L. 99–551, §9(b), inserted “...$32,000,000 for fiscal year 1987, $33,280,000 for fiscal year 1988, and $34,610,000 for fiscal year 1989" and struck out “...$30,412,000 for fiscal year 1986, $32,000,000 for fiscal year 1987, $33,280,000 for fiscal year 1988, and $34,610,000 for fiscal year 1989" and struck out “...$32,650,000 for fiscal year 1986, $34,300,000 for fiscal year 1987, $35,700,000 for fiscal year 1988, and $37,200,000 for fiscal year 1989” and after “to be appropriated”.  

Subsec. (b). Pub. L. 99–551, §9(c), inserted “...$60,000,000 for fiscal year 1987, $62,400,000 for fiscal year 1988, and $64,900,000 for fiscal year 1989" and struck out “...$52,650,000 for fiscal year 1986, $55,000,000 for fiscal year 1987, $57,500,000 for fiscal year 1988, and $59,900,000 for fiscal year 1989" and struck out “...$55,000,000 for fiscal year 1986, $57,500,000 for fiscal year 1987, $59,900,000 for fiscal year 1988, and $62,400,000 for fiscal year 1989" and after “to be appropriated”.

Subsec. (c). Pub. L. 99–551, §9(d), inserted “...$29,740,000 for fiscal year 1986, $30,930,000 for fiscal year 1987, $32,200,000 for fiscal year 1988, and $33,400,000 for fiscal year 1989" and struck out “...$27,800,000 for fiscal year 1986, $29,740,000 for fiscal year 1987, $30,930,000 for fiscal year 1988, and $32,200,000 for fiscal year 1989" and struck out “...$27,800,000 for fiscal year 1986, $29,740,000 for fiscal year 1987, $30,930,000 for fiscal year 1988, and $32,200,000 for fiscal year 1989" and after “to be appropriated”.

1984—Subsec. (a). Pub. L. 98–298, §28(a), struck out “...$26,691,000 for fiscal year 1982 and after” after “to be appropriated”, and inserted “...$22,700,000 for fiscal year 1984, $24,300,000 for fiscal year 1985, and $31,100,000 for fiscal year 1986”.

Subsec. (b). Pub. L. 98–298, §28(b), struck out “...$49,670,000 for fiscal year 1982 and after” after “to be appropriated”, and inserted “...$54,300,000 for fiscal year 1984, $56,700,000 for fiscal year 1985, and $60,000,000 for fiscal year 1986”.

Subsec. (c). Pub. L. 98–298, §28(c), struck out “...$17,607,000 for fiscal year 1983, $27,800,000 for fiscal year 1984, $28,200,000 for fiscal year 1985, and” after “to be appropriated”.


Subsec. (b)(3). Pub. L. 95–478, §402(d)(1), added subsec. (b)(3), authorized appropriations of $25,000,000; $30,000,000; and $35,000,000 for fiscal years ending Sept. 30, 1979, through 1981.


References in Text
This chapter, referred to in subsec. (a), was in the original “this Act”, meaning Pub. L. 93–113, Oct. 1, 1973, 87 Stat. 394, known as the Domestic Volunteer Service Act of 1973, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 4950 of this title and Tables.
§ 5085

Availability of appropriations

Notwithstanding any other provision of law, unless enacted in express and specific limitation of the provisions of this section, funds appropriated for any fiscal year to carry out any program under this chapter or any predecessor authority shall remain available, in accordance with the provisions of this chapter, for obligation and expenditure until expended.


REFERENCES IN TEXT

This chapter, referred to in text, was in the original "this Act", meaning Pub. L. 93–113, Oct. 1, 1973, 87 Stat. 394, known as the Domestic Volunteer Service Act of 1973, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 4950 of this title and Tables.

SUBCHAPTER VI—YOUTHBUILD PROJECTS


Section 5091g, Pub. L. 93–113, title VII, § 708, as added Pub. L. 101–610, title II, § 211, Nov. 16, 1990, 104 Stat. 3176, directed that services and activities be carried out through arrangements or under contracts with certain entities.


Effective Date of Repeal

Subchapter repealed effective Oct. 1, 1993, see section 392 of Pub. L. 103–82, set out as an Effective Date of 1993 Amendment note under section 4951 of this title.

CHAPTER 67—CHILD ABUSE PREVENTION AND TREATMENT AND ADOPTION REFORM

SUBCHAPTER I—GENERAL PROGRAM

Sec. 5101. Office on Child Abuse and Neglect.

5102. Advisory board on child abuse and neglect.

5103. Repealed.

5104. National clearinghouse for information relating to child abuse.
§ 5101. Office on Child Abuse and Neglect

(a) Establishment

The Secretary of Health and Human Services may establish an office to be known as the Office on Child Abuse and Neglect. (b) Purpose


AMENDMENTS

1996—Pub. L. 104–235 amended section generally, substituting provisions relating to Office on Child Abuse and Neglect for provisions relating to National Center on Child Abuse and Neglect. 1989—Pub. L. 100–294 amended section generally, substituting provisions relating to establishment, appointment of Director, and other staff and resources of National Center on Child Abuse and Neglect for provisions relating to establishment, functions, grant and contract authority, staff and resource availability, and use of funds of National Center on Child Abuse and Neglect. See sections 5105 to 5106d of this title. 1986—Subsec. (b)(2), Pub. L. 99–401, 103(a)(2), added par. (2). Former par. (2) redesignated (3). Subsec. (b)(3), (4), Pub. L. 99–401, 103(a)(3), redesignated former pars. (2) and (3) as (3) and (4), respectively. Former par. (4) redesignated (6). Subsec. (b)(5), Pub. L. 99–401, 103(a)(4), added par. (5). Former par. (5) redesignated (7). Subsec. (b)(6), Pub. L. 99–401, 103(a)(5), redesignated former par. (4) as (6). Former par. (6) redesignated (8). Subsec. (b)(7), Pub. L. 99–401, 103(a)(6), redesignated former par. (5) as (7) and amended it generally, substituting “conduct research on the causes, prevention, identification, and treatment of child abuse and neglect, and on appropriate and effective investigative, administrative, and judicial procedures in cases of child abuse” for “conduct research into the causes of child abuse and neglect, and into the prevention, identification, and treatment thereof”. Former par. (7) redesignated (9). Subsec. (b)(8), (9), Pub. L. 99–401, 103(a)(7), redesignated former pars. (6) and (7) as (8) and (9), respectively. Subsec. (b)(10), Pub. L. 99–401, 103(a)(8), added par. (10). 1984—Subsec. (a), Pub. L. 98–457, § 101(a), substituted “Health and Human Services” for “Health, Education, and Welfare”. Subsec. (b)(6), Pub. L. 98–457, § 101(b), amended par. (6) generally. Prior to amendment, par. (6) read as follows: “make a complete and full study and investigation of the national incidence of child abuse and neglect, including a determination of the extent to which incidents of child abuse and neglect are increasing in number or severity; and”. Subsec. (b)(7), Pub. L. 98–457, § 101(b), amended par. (7) generally. Prior to amendment, par. (7) read as follows: “in consultation with Federal agencies serving on the Advisory Board on Child Abuse and Neglect (established by section 5105 of this title), prepare a compre-
prehensive plan for seeking to bring about maximum coordination of the goals, objectives, and activities of all agencies and organizations which have responsibilities for programs and activities related to child abuse and neglect, and submit such plan to such Advisory Board not later than twelve months after April 24, 1978.''

Subsec. (c). Pub. L. 98–457, §101(c), substituted "The functions of the Secretary under subsection (b) of this section may be carried out" for "The Secretary may carry out his functions under subsection (b) of this section."


1978—Subsec. (b). Pub. L. 95–266, §101(1), in pars. (1) and (3) inserted requirement of dissemination of annual summary and training materials, respectively, and added par. (7).

Subsec. (c). Pub. L. 95–266, §101(2), inserted provisions relating to duration and review of grants under subsection (b)(5) of this section.


Short Title of 2015 Amendment

Pub. L. 114–22, title VIII, §801, May 29, 2015, 129 Stat. 263, provided that: "This title [amending sections 5106a and 5106g of this title, enacting provisions set out as a note under section 5106a of this title, and amending provisions set out as a note under this section] may be cited as the 'Ensuring a Better Response for Victims of Child Sex Trafficking.'"

Short Title of 2010 Amendment

Pub. L. 111–320, §1, Dec. 20, 2010, 124 Stat. 3459, provided that: "This Act [amending section 110 of this title, amending sections 3796gg, 5102, 5104 to 5106, 5111 to 5116, and 14214 of this title, section 707 of this title, and enacting provisions set out as notes under this section and section 5102 of this title] may be cited as the 'CAPTA Reauthorization Act of 2010.'"

Short Title of 2008 Amendment


Short Title of 1996 Amendment

Pub. L. 104–235, §1(a), Oct. 3, 1996, 110 Stat. 3063, provided that: "This Act [enacting sections 5106i and 5116b to 5116g of this title, enacting provisions set out as notes under section 5102 of this title and enacting provisions set out as notes under section 5106 of this title] may be cited as the 'Child Abuse Prevention and Treatment Act Amendments of 1996.'"

Short Title of 1994 Amendment


Short Title of 1992 Amendment


Short Title of 1988 Amendment

Pub. L. 100–294, §1, Apr. 25, 1988, 102 Stat. 102, provided that: "This Act [amending sections 5106a to 5106h and 10413 of this title, amending provisions set out as notes under this section and section 5102 to 5106, 5113, 5115, 10402, 10409, and 10410 of this title, repealing section 10411 of this title, and enacting provisions set out as notes under this section and section 5117 of this title] may be referred to as the 'Child Abuse Prevention, Adoption, and Family Services Act of 1988.'"

Short Title of 1986 Amendment

Pub. L. 99–401, §1, Aug. 27, 1986, 100 Stat. 903, provided that: "This Act [amending subsection IV of this chapter and section 10603a of this title, amending this section and sections 290dd–3, 290ee–3, 5103, 5105, 10601, and 10603 of this title, and enacting provisions set out as notes under this section] may be cited as the 'Children's Justice and Assistance Act of 1986.'"

Pub. L. 99–401, title I, §101, Aug. 27, 1986, 100 Stat. 903, provided that: "This title [enacting section 10603a of this title, amending this section and sections 290dd–3, 290ee–3, 5103, 5105, 10601, and 10603 of this title, and enacting provisions set out as notes under this section] may be cited as the 'Children's Justice Act.'"

Short Title of 1984 Amendment

Pub. L. 98–457, §1, Oct. 9, 1984, 98 Stat. 1749, provided that: "This Act [enacting section 110 of this title, amending this section and sections 5102 to 5106, 5113, 5115, 5117, and 10401 of this title, and enacting provisions set out as notes under this section and sections 5102, 5103, and 10401 of this title] may be cited as the 'Child Abuse Amendments of 1984.'"

Short Title of 1978 Amendment

Pub. L. 95–266, §1, Apr. 24, 1978, 92 Stat. 205, provided that: "This Act [enacting subchapter II of this chapter and amending this section and sections 5102, 5103, and 10401 of this title] may be cited as the 'Child Abuse Prevention and Treatment and Adoption Reform Act of 1978.'"

REGULATIONS

Pub. L. 100–294, title IV, §401(a), Apr. 25, 1988, 102 Stat. 126, provided that: "For any rule or regulation needed to implement this Act [see Short Title of 1988 Amendment note above], the Secretary of Health and Human Services shall—

'(1) publish proposed regulations for purposes of implementing the amendments made by this Act before the expiration of the 90-day period beginning on the date of the enactment of this Act [Apr. 25, 1988];

'(2) allow not less than 45 days for public comment on such proposed regulations; and

'(3) publish final regulations for purposes of implementing the amendments made by this Act before the end of the 180-day period beginning on the date of the enactment of this Act.'"

CONSTRUCTION OF CHILD ABUSE AMENDMENTS OF 1984 WITH OTHER LAWS; SEPARABILITY


'(a) No provision of this Act or any amendment made by this Act [See Short Title of 1984 Amendment note above] is intended to affect any right or protection under section 504 of the Rehabilitation Act of 1973 [29 U.S.C. 794].

'(b) No provision of this Act or any amendment made by this Act may be so construed as to authorize the Secretary or any other governmental entity to establish standards prescribing specific medical treatments for specific conditions, except to the extent that such standards are authorized by other laws.

'(c) If the provisions of any part of this Act or any amendment made by this Act or the application thereof to any person or circumstances be held invalid, the provisions of the other parts and their application to other persons or circumstances shall not be affected there by.'"

PRESIDENTIAL COMMISSION ON CHILD AND YOUTH DEATHS

Pub. L. 100–294, title I, §106, Apr. 25, 1988, 102 Stat. 119, established a National Commission on Child and Youth Deaths to study and evaluate comprehensively Federal, State, and local public and private resources which affect children and youth deaths and to prepare and transmit to President and appropriate committees of Congress a report within 12 months after appointment of the Commission, and provided that the Commission terminates 90 days after transmitting the report.

ACQUISITION OF STATISTICAL DATA

Pub. L. 99–401, title I, §105, Aug. 27, 1986, 100 Stat. 906, which related to data acquisition by the Attorney General for 1987 and 1988 and modification of the FBI’s uniform crime reporting program, was editorially reclassified as section 41902 of Title 34, Crime Control and Law Enforcement.

CONGRESSIONAL FINDINGS


'(1) in fiscal year 2008, approximately 772,000 children were found by States to be victims of child abuse and neglect;

'(2) more children suffer neglect than any other form of maltreatment and close to 1/2 of all child maltreatment-related fatalities in fiscal year 2008 were attributed to neglect alone; and

'(B) investigations have determined that approximately 71 percent of children who were victims of maltreatment in fiscal year 2008 suffered neglect, 16 percent suffered physical abuse, 9 percent suffered sexual abuse, [sic] 7 percent suffered psychological maltreatment, 2 percent experienced medical neglect, and 9 percent were victims of other forms of maltreatment;

'(3)(A) child abuse or neglect can result in the death of a child;

'(B) in fiscal year 2008, an estimated 1,740 children were counted by child protection services to have died as a result of abuse, neglect and

'(C) in fiscal year 2008, children younger than 1 year old comprised 45 percent of child maltreatment fatalities and 72 percent of child maltreatment fatalities were younger than 4 years of age;

'(4)(A) many of these children and their families fail to receive adequate protection and treatment; and

'(B) approximately 37 percent of victims of child abuse did not receive post-investigation services in fiscal year 2008;

'(5) African-American children, American Indian children, Alaska Native children, and children of multiple races and ethnicities experience the highest rates of child abuse or neglect;

'(6) the problem of child abuse and neglect requires a comprehensive approach that—

'(A) integrates the work of social service, legal, health, mental health, domestic violence services, education, and substance abuse agencies and community-based organizations;

'(B) strengthens coordination among all levels of government, and with private agencies, civic, religious, and professional organizations, and individual volunteers;

'(C) emphasizes the need for abuse and neglect prevention, assessment, investigation, and treatment at the neighborhood level;

'(D) recognizes the need for properly trained staff with the qualifications needed, to carry out their child protection duties; and

'(E) recognizes the diversity of ethnic, cultural, and religious beliefs and traditions that may impact child rearing patterns, while not allowing the differences in those beliefs and traditions to enable abuse or neglect;

'(7) the failure to coordinate and comprehensively prevent and treat child abuse and neglect threatens the futures of thousands of children and results in a cost to the Nation of billions of dollars in tangible expenditures, as well as significant intangible costs;

'(8) all elements of American society have a shared responsibility in responding to child abuse and neglect;

'(9) substantial reductions in the prevalence and incidence of child abuse and neglect and the alleviation of its consequences are matters of the highest national priority;

'(10) national policy should strengthen families to prevent child abuse and neglect, provide support for needed services to prevent the unnecessary removal of children from families, and promote the reunification of families where appropriate;

'(11) the child protection system should be comprehensive, child-centered, family-focused, and community-based, should incorporate all appropriate measures to prevent the occurrence or recurrence of child abuse and neglect, and should promote physical and psychological recovery and social re-integration in an environment that fosters the health, safety, self-respect, and dignity of the child;

'(12) because both child maltreatment and domestic violence occur in up to 60 percent of the families in which either is present, States and communities should adopt assessments and intervention procedures aimed at enhancing the safety both of children and victims of domestic violence;
"(13) because of the limited resources available in low-income communities, Federal aid for the child protection system should be distributed with due regard to the relative financial need of the communities;

"(14) the Federal Government should assist States and communities with the fiscal, human, and technical resources necessary to develop and implement a successful and comprehensive child and family protection strategy; and

"(15) the Federal Government should provide leadership and assist communities in their child and family protection efforts by—

"(A) promoting coordinated planning among all levels of government; and

"(B) generating and sharing knowledge relevant to child and family protection, including the development of models for service delivery;

"(C) strengthening the capacity of States to assist communities;

"(D) allocating financial resources to assist States in implementing community plans; and

"(E) helping communities to carry out their child and family protection plans by promoting the competence of professional, paraprofessional, and volunteer resources; and

"(F) providing leadership to end the abuse and neglect of the nation’s children and youth.""

DEFINITIONS


"(1) the term ‘child’ means a person who has not attained the lesser of—

"(A) the age of 18; or

"(B) except in the case of sexual abuse, the age specified by the child protection law of the State in which the child resides;

"(2) the term ‘child abuse and neglect’ means, at a minimum, any recent act or failure to act on the part of a parent or caretaker, which results in death, serious physical or emotional harm, sexual abuse or exploitation (including sexual abuse as determined under section 111 [42 U.S.C. 5106g]), or an act or failure to act which presents an imminent risk of serious harm;

"(3) the term ‘child with a disability’ means a child with a disability as defined in section 602 of the Individuals with Disabilities Education Act (20 U.S.C. 1401), or an infant or toddler with a disability as defined in section 629 of such Act (20 U.S.C. 1432);

"(4) the term ‘Governor’ means the chief executive officer of a State;

"(5) the terms ‘Indian’, ‘Indian tribe’, and ‘tribal organization’ have the meanings given the terms in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 5304); and

"(6) the term ‘Secretary’ means the Secretary of Health and Human Services;

"(7) except as provided in section 106(f) [42 U.S.C. 5106(f)], the term ‘State’ means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands; and

"(8) the term ‘unaccompanied homeless youth’ means an individual who is described in paragraphs (2) and (6) of section 725 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11434a)."

§ 5102. Advisory board on child abuse and neglect

(a) Appointment

The Secretary may appoint an advisory board to make recommendations to the Secretary and to the appropriate committees of Congress concerning specific issues relating to child abuse and neglect.

(b) Solicitation of nominations

The Secretary shall publish a notice in the Federal Register soliciting nominations for the appointment of members of the advisory board under subsection (a).

(c) Composition

(i) Members shall be composed of—

(1) law (including the judiciary);

(2) psychology (including child development);

(3) social services (including child protective services);

(4) health care providers (including pediatricians);

(5) State and local government;

(6) organizations providing services to disabled persons;

(7) organizations providing services to adolescents;

(8) teachers;

(9) parent self-help organizations;

(10) parents’ groups;

(11) voluntary groups;

(12) family rights groups;

(13) children’s rights advocates; and

(14) Indian tribes or tribal organizations.

(d) Vacancies

Any vacancy in the membership of the board shall be filled in the same manner in which the original appointment was made.

(e) Election of officers

The board shall elect a chairperson and vice-chairperson at its first meeting from among the members of the board.

(f) Duties

(i) The board shall meet at least once each calendar year to make recommendations to the Secretary and the appropriate committees of Congress a report, or interim report, containing—

(1) recommendations on coordinating Federal, State, tribal, and local child abuse and neglect activities with similar activities at the Federal, State, tribal, and local level pertaining to family violence prevention;

(2) specific modifications needed in Federal, State, and tribal laws and programs to reduce the number of unfounded or unsubstantiated reports of child abuse or neglect while enhancing the ability to identify and substantiate legitimate cases of child abuse or neglect which place a child in danger; and

(3) recommendations for modifications needed to facilitate coordinated national data collection with respect to child protection and child welfare.

(ii) Members of the board may serve as consultants to the Secretary or the appropriate committees of Congress with respect to the performance of their duties under section 111 [42 U.S.C. 5106g].

(iii) The Secretary shall publish a notice in the Federal Register soliciting nominations for the appointment of members of the advisory board under subsection (a).
of the Act (as amended by section 104 of this Act) [section 5104 of this title] for the purpose of grants under section 4(c)(1) of the Act (as added by section 123(a) of this Act) [section 5103(c) of this title], and which has not met any requirement of section 4(b)(2)(K) of the Act (as added by section 122(3) of this Act) may be granted a waiver of such requirements for a period of not more than one year, if the Secretary finds that such State is making a good-faith effort to comply with such requirements."

TERMINATION OF ADVISORY BOARDS
Advisory boards established after Jan. 5, 1973, to terminate not later than the expiration of the 2-year period beginning on the date of its establishment, unless, in the case of a board established by the President or an officer of the Federal Government, such board is renewed by appropriate action prior to the end of such period, or in the case of a board established by the Congress, its duration is otherwise provided by law, see sections 3(2) and 14 of Pub. L. 92–463, Oct. 6, 1972, 86 Stat. 770, 776, set out in the Appendix to Title 5, Government Organization and Employees.

LIMITATIONS ON USE OF APPROPRIATED FUNDS

Similar provisions were contained in the following prior appropriation acts:


§5104. National clearinghouse for information relating to child abuse
(a) Establishment
The Secretary shall through the Department, or by one or more contracts of not less than 3 years duration let through a competition, establish a national clearinghouse for information relating to child abuse and neglect.

(b) Functions
The Secretary shall, through the clearinghouse established by subsection (a)—
(1) maintain, coordinate, and disseminate information on effective programs, including private and community-based programs, that have demonstrated success with respect to the prevention, assessment, identification, and
§ 5104

(2) maintain, coordinate, and disseminate information on the medical diagnosis and treatment of child abuse and neglect;

(3) maintain and disseminate information about best practices relating to differential response;

(4) maintain and disseminate information about the best practices used for achieving improvements in child protective systems;

(5) maintain and disseminate information about the requirements of section 5106a(b)(2)(B)(iii) of this title and best practices relating to the development of plans of safe care as described in such section for infants born and identified as being affected by substance abuse or withdrawal symptoms, or a Fetal Alcohol Spectrum Disorder;

(6) maintain and disseminate information relating to—

(A) the incidence of cases of child abuse and neglect in the United States;

(B) the incidence of such cases in populations determined by the Secretary under section 105(a)(1) of the Child Abuse Prevention, Adoption, and Family Services Act of 1988 (42 U.S.C. 5105 note); and

(C) the incidence of any such cases related to substance abuse;

(7) provide technical assistance upon request that may include an evaluation or identification of—

(A) various methods and procedures for the investigation, assessment, and prosecution of child physical and sexual abuse cases;

(B) ways to mitigate psychological trauma to the child victim; and

(C) effective programs carried out by the States under this subchapter and subchapter III;

(8) collect and disseminate information relating to various training resources available at the State and local level to—

(A) individuals who are engaged, or who intend to engage, in the prevention, identification, and treatment of child abuse and neglect; and

(B) appropriate State and local officials to assist in training law enforcement, legal, judicial, medical, mental health, education, child welfare, substance abuse treatment services, and domestic violence services personnel; and

(9) collect and disseminate information, in conjunction with the National Resource Centers authorized in section 10410(b) of this title, on effective programs and best practices for developing and carrying out collaboration between entities providing child protective services and entities providing domestic violence intervention.

(c) Coordination with available resources

(1) In general

In establishing a national clearinghouse as required by subsection (a), the Secretary shall—

(A) consult with other Federal agencies that operate similar clearinghouses;

(B) consult with the head of each agency involved with child abuse and neglect on the development of the components for information collection and management of such clearinghouse and on the mechanisms for the sharing of such information with other Federal agencies and clearinghouses;

(C) develop a Federal data system involving the elements under subsection (b) which, to the extent practicable, coordinates existing Federal, State, tribal, regional, and local child welfare data systems which shall include—

(i) standardized data on false, unfounded, unsubstantiated, and substantiated reports;

(ii) information on the number of deaths due to child abuse and neglect;

(iii) information about the incidence and characteristics of child abuse and neglect in circumstances in which domestic violence is present; and

(iv) information about the incidence and characteristics of child abuse and neglect in cases related to substance abuse;

(D) through a national data collection and analysis program and in consultation with appropriate State and local agencies and experts in the field, collect, compile, and make available State child abuse and neglect reporting information which, to the extent practical, shall be universal and case specific and integrated with other case-based foster care and adoption data collected by the Secretary;

(E) compile, analyze, and publish a summary of the research conducted under section 5105(a) of this title;

(F) collect and disseminate information that describes best practices being used throughout the Nation for making appropriate referrals related to, and addressing, the physical, developmental, and mental health needs of victims of child abuse or neglect; and

(G) solicit public comment on the components of such clearinghouse.

(2) Confidentiality requirement

In carrying out paragraph (1)(D), the Secretary shall ensure that methods are established and implemented to preserve the confidentiality of records relating to case specific data.

References in Text

Section 105(a)(1) of the Child Abuse Prevention, Adoption, and Family Services Act of 1988, referred to in
SECRETARY'' for ''Director'' in introductory provisions.

Heading and text generally. Prior to amendment, text

cluding the information provided by the National

Center for Child Abuse and Neglect under section

of this title;'' which was all that followed
"including" the second place it appeared.

AMENDMENTS

1984—Pub. L. 98–457, § 104(a), struck out designation
"(a)'' before "There are hereby authorized'', inserted
heading, and substituted ''Secretary'' for ''Director'' in intro-
ductionary provisions.

1988—Pub. L. 100–294 amended section generally, sub-
stituted provisions relating to national clearinghouse
for information relating to child abuse for provisions
relating to authorization of appropriations and funding
requirements for child abuse and neglect and sexual
abuse programs and projects. See section 5106h of this
title.

1984—Pub. L. 98–457, §104(a), struck out designation
"(a)'' before "There are hereby authorized'', inserted
provisions authorizing appropriations of $33,500,000
for fiscal year 1984, $40,000,000 for fiscal year 1985, and
$42,000,000 for fiscal year 1986, and substituted "this section except as provided in the
succeeding sentence. (A) not less than $3,000,000 shall be
available in each fiscal year to carry out section 5103(b) of
this title (relating to State grants), (B) not less than
$11,000,000 shall be available in each fiscal year to carry out
sections 5103(a) (relating to demonstration or serv-
ices for the States pursuant to subchapter III of this chapter and
the sharing of such information among other Federal agencies and clearinghouses for ''that is
represented on the task force''.

1989—Pub. L. 101–126, §3(b)(1), redesignated par. (1) as
(1)(A) and realigned margin.

1988—Pub. L. 100–294 amended section generally, sub-
stituting provisions relating to national clearinghouse
for information relating to child abuse for provisions
relating to authorization of appropriations and funding
requirements for child abuse and neglect and sexual
abuse programs and projects. See section 5106h of this
title.

1984—Pub. L. 98–457, §104(a), struck out designation
"(a)'' before "There are hereby authorized'', inserted
provisions authorizing appropriations of $33,500,000
for fiscal year 1984, $40,000,000 for fiscal year 1985, and
$42,000,000 for fiscal year 1986, and substituted "this section except as provided in the
succeeding sentence. (A) not less than $3,000,000 shall be
available in each fiscal year to carry out section 5103(b) of
this title (relating to State grants), (B) not less than
$11,000,000 shall be available in each fiscal year to carry out
sections 5103(a) (relating to demonstration or serv-
ices for the States pursuant to subchapter III of this chapter and
the sharing of such information among other Federal agencies and clearinghouses for ''that is
represented on the task force''.

1989—Pub. L. 101–126, §3(b)(1), redesignated par. (1) as
(1)(A) and realigned margin.

1988—Pub. L. 100–294 amended section generally, sub-
stituting provisions relating to national clearinghouse
for information relating to child abuse for provisions
relating to authorization of appropriations and funding
requirements for child abuse and neglect and sexual
abuse programs and projects. See section 5106h of this
title.

1984—Pub. L. 98–457, §104(a), struck out designation
"(a)'' before "There are hereby authorized'', inserted
provisions authorizing appropriations of $33,500,000
for fiscal year 1984, $40,000,000 for fiscal year 1985, and
$42,000,000 for fiscal year 1986, and substituted "this section except as provided in the
succeeding sentence. (A) not less than $3,000,000 shall be
available in each fiscal year to carry out section 5103(b) of
this title (relating to State grants), (B) not less than
$11,000,000 shall be available in each fiscal year to carry out
sections 5103(a) (relating to demonstration or serv-
ices for the States pursuant to subchapter III of this chapter and
the sharing of such information among other Federal agencies and clearinghouses for ''that is
represented on the task force''.

1989—Pub. L. 101–126, §3(b)(1), redesignated par. (1) as
(1)(A) and realigned margin.
Section 5105

§ 5105. Research and assistance activities

(a) Research

(1) Topics

The Secretary shall, in consultation with other Federal agencies and recognized experts in the field, carry out a continuing interdisciplinary program of research, including longitudinal research, that is designed to provide information needed to better protect children from child abuse or neglect and to improve the well-being of victims of child abuse or neglect, with at least a portion of such research being field initiated. Such research program may focus on—

(A) the nature and scope of child abuse and neglect;

(B) causes, prevention, assessment, identification, treatment, cultural and socio-economic distinctions, and the consequences of child abuse and neglect, including the effects of child abuse and neglect on a child’s development and the identification of successful early intervention services or other services that are needed;

(C) effective approaches to improving the relationship and attachment of infants and toddlers who experience child abuse or neglect with their parents or primary caregivers in circumstances where reunification is appropriate;

(D) appropriate, effective and culturally sensitive investigative, administrative, and judicial systems, including multidisciplinary, coordinated decisionmaking procedures with respect to cases of child abuse and neglect;

(E) the evaluation and dissemination of best practices, including best practices to meet the needs of special populations, consistent with the goals of achieving improvements in the child protective services systems of the States in accordance with paragraphs (1) through (14) of section 5106a(a) of this title;

(F) effective approaches to interagency collaboration between the child protection system and the juvenile justice system that improve the delivery of services and treatment, including methods for continuity of treatment plan and services as children transition between systems;

(G) effective practices and programs to improve activities such as identification, screening, medical diagnosis, forensic diagnosis, health evaluations, and services, including activities that promote collaboration between—

(i) the child protective service system; and

(ii) (I) the medical community, including providers of mental health and developmental disability services; and

(H) providers of early childhood intervention services and special education for children who have been victims of child abuse or neglect;

(I) an evaluation of the redundancies and gaps in the services in the field of child abuse and neglect prevention in order to make better use of resources;

(J) effective collaborations, between the child protective system and domestic violence service providers, that provide for the safety of children exposed to domestic violence and their nonabusing parents and that improve the investigations, interventions, delivery of services, and treatments provided for such children and families;

(K) the nature, scope, and practice of voluntary relinquishment for foster care or State guardianship of low-income children who need health services, including mental health services;

(L) the impact of child abuse and neglect on the incidence and progression of disabilities;

(M) the nature and scope of effective practices relating to differential response, including an analysis of best practices conducted by the States;

(N) child abuse and neglect issues facing Indians, Alaska Natives, and Native Hawaiians, including providing recommendations for improving the collection of child abuse and neglect data from Indian tribes and Native Hawaiian communities;
(N) the information on the national incidence of child abuse and neglect specified in clauses (i) through (x)\(^1\) of subparagraph (O); and

(O) the national incidence of child abuse and neglect, including—

(i) the extent to which incidents of child abuse and neglect are increasing or decreasing in number and severity;

(ii) the incidence of substantiated and unsubstantiated reported child abuse and neglect cases;

(iii) the number of substantiated cases that result in a judicial finding of child abuse or neglect or related criminal court convictions;

(iv) the extent to which the number of unsubstantiated, unfounded and false reported cases of child abuse or neglect have contributed to the inability of a State to respond effectively to serious cases of child abuse or neglect;

(v) the extent to which the lack of adequate resources and the lack of adequate training of individuals required by law to report suspected cases of child abuse and neglect have contributed to the inability of a State to respond effectively to serious cases of child abuse and neglect;

(vi) the number of unsubstantiated, false, or unfounded reports that have resulted in a child being placed in substitute care, and the duration of such placement;

(vii) the extent to which unsubstantiated reports return as more serious cases of child abuse or neglect;

(viii) the incidence and prevalence of physical, sexual, and emotional abuse and physical and emotional neglect in substitute care;

(ix) the incidence and prevalence of child maltreatment by a wide array of demographic characteristics such as age, sex, race, family structure, household relationship (including the living arrangement of the resident parent and family size), school enrollment and education attainment, disability, grandparents as caregivers, labor force status, work status in previous year, and income in previous year;

(x) the extent to which reports of suspected or known instances of child abuse or neglect involving a potential combination of jurisdictions, such as intrastate, interstate, Federal-State, and State-Tribal, are being screened out solely on the basis of the cross-jurisdictional complications; and

(xi) the incidence and outcomes of child abuse and neglect allegations reported within the context of divorce, custody, or other family court proceedings, and the interaction between this venue and the child protective services system.

(2) Research

The Secretary shall conduct research on the national incidence of child abuse and neglect, including the information on the national incidence on child abuse and neglect specified in clauses (i) through (xi) of paragraph (1)(O).

(3) Report

Not later than 4 years after December 20, 2010, the Secretary shall prepare and submit to the Committee on Education and the Workforce of the House of Representatives and the Committee on Health, Education, Labor and Pensions of the Senate a report that contains the results of the research conducted under paragraph (2).

(4)\(^2\) Priorities

(A) In general

The Secretary shall establish research priorities for making grants or contracts for purposes of carrying out paragraph (1).

(B) Public comment

Not later than 1 years\(^3\) after December 20, 2010, and every 2 years thereafter, the Secretary shall provide an opportunity for public comment concerning the priorities proposed under subparagraph (A) and maintain an official record of such public comment.

(4)\(^2\) Study on shaken baby syndrome

The Secretary shall conduct a study that—

(A) identifies data collected on shaken baby syndrome;

(B) determines the feasibility of collecting uniform, accurate data from all States regarding—

(i) incidence rates of shaken baby syndrome;

(ii) characteristics of perpetrators of shaken baby syndrome, including age, gender, relation to victim, access to prevention materials and resources, and history of substance abuse, domestic violence, and mental illness; and

(iii) characteristics of victims of shaken baby syndrome, including gender, date of birth, date of injury, date of death (if applicable), and short- and long-term injuries sustained.

(b) Provision of technical assistance

(1) In general

The Secretary shall provide technical assistance to State and local public and private agencies and community-based organizations, including disability organizations and persons who work with children with disabilities and providers of mental health, substance abuse treatment, and domestic violence prevention services, to assist such agencies and organizations in planning, improving, developing, and carrying out programs and activities, including replicating successful program models, relating to the prevention, assessment, identification, and treatment of child abuse and neglect.

(2) Evaluation

Such technical assistance may include an evaluation or identification of—

---

\(^1\) So in original. Probably should refer to clauses (i) through (xi).

\(^2\) So in original. There are two pars. designated “(4)”.

\(^3\) So in original. Probably should be “year”.

---
§ 5105

(c) Authority to make grants or enter into contracts

(1) In general

The functions of the Secretary under this section may be carried out either directly or through grant or contract.

(2) Duration

Grants under this section shall be made for periods of not more than 5 years.

(3) Preference for long-term studies

In making grants for purposes of conducting research under subsection (a), the Secretary shall give special consideration to applications for long-term projects.

(d) Peer review for grants

(1) Establishment of peer review process

(A) In general

To enhance the quality and usefulness of research in the field of child abuse and neglect, the Secretary shall, in consultation with experts in the field and other Federal agencies, establish a formal, rigorous, and meritorious peer review process for purposes of evaluating and reviewing applications for assistance through a grant or contract under this section and determining the relative merits of the project for which such assistance is requested.

(B) Members

In establishing the process required by subparagraph (A), the Secretary shall only appoint to the peer review panels members who—

(i) are experts in the field of child abuse and neglect or related disciplines, with appropriate expertise related to the applications to be reviewed; and

(ii) are not individuals who are officers or employees of the Administration for Children and Families.

(C) Meetings

The peer review panels shall meet as often as is necessary to facilitate the expeditious review of applications for grants and contracts under this section, but shall meet not less often than once a year.

(D) Criteria and guidelines

The Secretary shall ensure that the peer review panel utilizes scientifically valid review criteria and scoring guidelines in the review of the applications for grants and contracts.

(2) Review of applications for assistance

Each peer review panel established under paragraph (1)(A) that reviews any application for a grant shall—

(A) determine and evaluate the merit of each project described in such application;

(B) rank such application with respect to all other applications it reviews in the same priority area for the fiscal year involved, according to the relative merit of all of the projects that are described in such application and for which financial assistance is requested; and

(C) make recommendations to the Secretary concerning whether the application for the project shall be approved.

The Secretary shall award grants under this section on the basis of competitive review.

(3) Notice of approval

(A) Meritorious projects

The Secretary shall provide grants and contracts under this section from among the projects which the peer review panels established under paragraph (1)(A) have determined to have merit.

(B) Explanation

In the instance in which the Secretary approves an application for a program without having approved all applications ranked above such application (as determined under paragraph (2)(B)), the Secretary shall append to the approved application a detailed explanation of the reasons relied on for approving the application and for failing to approve each pending application that is superior in merit, as indicated on the list under paragraph (2)(B).

(c) Demonstration programs and projects

The Secretary may award grants to, and enter into contracts with, entities that are States, Indian tribes or tribal organizations, or public or private agencies or organizations (or combinations of such entities) for time-limited, demonstration projects for the following:

(1) Promotion of safe, family-friendly physical environments for visitation and exchange

The Secretary may award grants under this subsection to entities to assist such entities in
establishing and operating safe, family-friendly physical environments—

(A) for court-ordered, supervised visitation between children and abusing parents; and

(B) to facilitate the safe exchange of children for visits with noncustodial parents in cases of domestic violence.

(2) Education identification, prevention, and treatment

The Secretary may award grants under this subsection to entities for projects that provide educational identification, prevention, and treatment services in cooperation with child care and early childhood education and care providers, preschools, and elementary and secondary schools.

(3) Risk and safety assessment tools

The Secretary may award grants under this subsection to entities for projects that involve research-based strategies for risk and safety assessments relating to child abuse and neglect.

(4) Training

The Secretary may award grants under this subsection to entities for projects that involve research-based strategies for innovative training for mandated child abuse and neglect reporters.


PRIOR PROVISIONS

A prior section 104 of Pub. L. 93–247 was renumbered section 103 and is classified to section 5104 of this title.

Amendments

2010—Subsec. (a)(1). Pub. L. 111–320, §113(a)(1)(A), substituted “from child abuse or neglect to improve the well-being of victims of child abuse or neglect:” for “from abuse or neglect to improve the well-being of abused or neglected children” in introductory provisions.


Subsec. (a)(1)(C) to (N). Pub. L. 111–320, §113(a)(1)(C) to (K), substituted “‘entities that are States, Indian tribes or tribal organizations, or for ‘States or’ and ‘such entities’” for “‘States or’;”


Prior Provisions

A prior section 104 of this title was classified to section 5104 of this title.
§ 5105

The Public Health and Welfare


Subsec. (a)(2)(B). Pub. L. 108–36, § 112(a)(2), added subpar. (B) and struck out former subpar. (B) which read as follows: “In establishing research priorities as required by subparagraph (A), the Secretary shall—

(i) allow not less than 60 days for public comment on proposed priorities;

(ii) allow not less than 60 days for public comment on the number of deaths due to child abuse and neglect;”.


Subsec. (b)(1). Pub. L. 108–36, § 112(b)(1), redesignated “private agencies and community-based” for “nonprofit private agencies” and inserted “, including replicating successful program models,” after “programs and activities.”


Subsec. (a)(1). Pub. L. 104–235, § 105(a)(1)(A), in introductory provisions, substituted “. . . Title V of the Development Act of 1990. The Secretary shall utilize the information needed to better protect children from abuse or neglect and to improve the well-being of abused or neglected children, with at least a portion of such research being field-initiated. Such research program may focus on—” for “. . .”, through the Center,” after “Secretary shall”, in introductory provisions of subpar. (B).


Subsec. (a)(1)(B). Pub. L. 104–235, § 105(a)(1)(B), redesignated subpar. (A) as (B) and amended it generally.

Prior to amendment, subpar. (B) read as follows: “the causes, prevention, identification, treatment and cultural distinctions of child abuse and neglect;”. Former subpar. (B) redesignated (C).

Subsec. (a)(1)(C). Pub. L. 104–235, § 105(a)(1)(B), redesignated by (B) as (C). Former subpar. (C) redesignated (D).

Subsec. (a)(1)(D). Pub. L. 104–235, § 105(a)(1)(B), redesignated subpar. (C) as (D), struck out cl. (ii), redesignated cl. (iii) as (ii) and amended it generally, and added clss. (iii) to (ix). Prior to amendment, clss. (ii) and (iii) read as follows: “(i) the relationship of child abuse and neglect to nonpayment of child support, cultural diversity, disabilities, and various other factors; and

(ii) the incidence of substantiated reported child abuse cases that result in civil child protection proceedings, or criminal proceedings, including the number of such cases with respect to which the court makes a finding that abuse or neglect exists and the disposition of such cases.”.

Subsec. (a)(2). Pub. L. 104–235, § 105(a)(2), struck out “and demonstration” after “research”, substituted “paragraph (i)” for “paragraph (1)(A) and activities under section 5106 of this title” in subpar. (A) and struck out “and demonstration” after “research” in introductory provisions of subpar. (B).

Subsec. (b). Pub. L. 104–235, § 105(b), (c), redesignated subsec. (c) as (b)(1), inserted par. heading, struck out “. . .”, through the Center,” after “Secretary shall”, inserted “State and local” before “public and nonprofit” and “assessment,” before “identification”, added pars. (2) and (3), and struck out former subsec. (b) consisting of pars. (1) to (5) which related to publication and dissemination of information.

Subsec. (c). Pub. L. 104–235, § 105(d), redesignated subsec. (d) as (c) and in par. (2) struck out at end “The Secretary shall review each such grant at least annually, utilizing peer review mechanisms to assure the quality and progress of research conducted under such grant.”. Former subsec. (c) redesignated (b).

Subsec. (d). Pub. L. 104–235, § 105(e), redesignated subsec. (e) as (d), in par. (1)(A) substituted “in consultation with experts in the field and other Federal agencies, establish a formal, rigorous, and meritorious” for “establish a formal”, struck out “and contracts” after “for grants”, and inserted at end “The purpose of this process is to enhance the quality and usefulness of research in the field of child abuse and neglect.”. In par. (1)(B) substituted “Administration on Children and Families” for “Office of Human Development” and inserted at end “The Secretary shall ensure that the peer review panel utilizes scientifically valid review criteria and scoring guidelines for review committees.”.

Subsec. (e). Pub. L. 104–235, § 105(e), redesignated subsec. (e) as (d).


Subsec. (b)(1), Pub. L. 102–295, § 112(b), amended par. (1) generally. Prior to amendment, par. (1) read as follows: “as a part of research activities establish a national data collection and analysis program, which, to the extent practical, coordinates existing State child abuse and neglect reports and which shall include—

(A) standardized data on false, unfounded, or unsubstantiated reports; and

(B) information on the number of deaths due to child abuse and neglect.”.


Subsec. (e)(1)(B). Pub. L. 102–295, § 112(c)(1)(B), amended subpar. (B) generally. Prior to amendment, subpar. (B) read as follows: “Members of peer review panels shall be appointed by the Secretary from among individuals who are not officers or employees of the Office of Human Development Services. In making appointments to such panels, the Secretary shall include only experts in the field of child abuse and neglect.”.


Subsec. (e)(3)(A). Pub. L. 102–295, § 112(c)(3), amended subpar. (A) generally. Prior to amendment, subpar. (A) read as follows: “At the end of each application process, the Secretary shall make available upon request, no later than 14 days after the request, to the Committee on Education and Labor of the House of Representatives and the Committee on Labor and Human Resources of the Senate the list which identifies all applications reviewed by such panel and arranges such applications according to rank determined under paragraph (2) and a list of all applications funded.”.

1989—Subsecs. (a)(2)(A), (b)(3). Pub. L. 101–126, § 3(b)(3), made technical amendments to references to sections 5104, 5106, and 5106c of this title to reflect renumbering of corresponding sections of original act.

activities of the National Center on Child Abuse and Neglect for provisions relating to Advisory Board on Child Abuse and Neglect. See section 5102 of this title.

1984—Subsec. (a). Pub. L. 98–457, § 105(a), (b), struck out first sentence “The Advisory Board shall meet at least every six months.”

Pub. L. 98–457, § 105(2), which directed that subsec. (a) be amended by inserting “in order to prevent unnecessary duplication of such programs, to ensure efficient allocation of resources, and to assure that programs effectively address all aspects of the child abuse problem” after “Board” in second sentence, was executed by inserting provision after “Advisory Board” the first time that term appeared in what constituted the second sentence before a new second sentence was added by section 104(d) of Pub. L. 99–401.

1984—Subsec. (a). Pub. L. 98–457, § 105(a), (b), struck out “,” including the Office of Child Development, the Department of Education, the National Institute of Education, the National Institute of Mental Health, the National Institute of Child Health and Human Development, the Social and Rehabilitation Service, and the Health Services Administration,” before “and not less than three members”, and inserted provision that the Advisory Board may be available, at the Secretary’s request, to assist the Secretary in coordinating adoption-related activities of the Federal Government.

Subsec. (b). Pub. L. 98–457, § 105(c), redesignated subsec. (c) as (b) and struck out former subsec. (b) which required the Board to review the comprehensive plan submitted to it by the Center pursuant to section 5104(b)(7) of this title, made such changes as it deemed appropriate, and submit to the President and the Congress a final such plan not later than eighteen months after April 24, 1978.

Subsec. (a). Pub. L. 95–266, § 105(1), (2), inserted requirement for representation from the general public, and “planned,” before “administered” in two places.

Subsec. (b). Pub. L. 95–266, § 105(3), substituted provisions relating to review of the plan by the Advisory Board and submission to the President and Congress of a final plan, for provisions relating to a report by the Advisory Board on assisted programs, etc., and submission to the President and Congress.

Subsec. (c). Pub. L. 95–266, § 105(3), substituted provisions setting forth compensation and travel expense allowances for members of the Board, for provisions authorizing use of appropriated funds for required report.

CHILD ABUSE AND DISABILITY

Pub. L. 100–294, title I, § 102, Apr. 25, 1988, 102 Stat. 118, directed Director of National Center on Child Abuse and Neglect to conduct a study of incidence of child abuse among children with handicaps, including children in out-of-home placements, the relationship between child abuse and children’s handicapping conditions, and incidence of children who have developed handicapping conditions as a result of child abuse or neglect, and not later than 2 years after Apr. 25, 1986, to report to appropriate committees of Congress with respect to the study, such report to include information and data gathered, an analysis of such information and data, and recommendations on how to prevent abuse of disabled children.

CHILD ABUSE AND ALCOHOLIC FAMILIES

Pub. L. 100–294, title I, § 103, Apr. 25, 1988, 102 Stat. 118, directed Director of National Center on Child Abuse and Neglect to conduct a study of incidence of child abuse in alcoholic families and relationship between child abuse and familial alcoholism, and not later than 2 years after Apr. 25, 1988, to report to appropriate committees of Congress with respect to the study, such report to include information and data gathered, an analysis of such information and data, and recommendations on how to prevent child abuse in alcoholic families.

STUDY OF GUARDIAN-AD-LITEM

Pub. L. 100–294, title I, § 104, Apr. 25, 1988, 102 Stat. 118, directed Director of National Center on Child Abuse and Neglect to conduct a study of how individual legal representation of children in cases of child abuse or neglect has been provided in each State, and effectiveness of legal representation of children in cases of abuse or neglect through use of guardian-ad-litem and court appointed special advocates, and not later than 2 years after Apr. 25, 1988, to report to appropriate committees of Congress with respect to the study, such report to include information and data gathered, an analysis of such information and data, and recommendations on how to improve legal representation of children in cases of abuse or neglect.

HIGH RISK STUDY

Pub. L. 100–294, title I, § 105, Apr. 25, 1988, 102 Stat. 118, directed the Director of National Center on Child Abuse and Neglect to conduct a study to identify groups which have been historically underserved or unserved by programs relating to child abuse and neglect, and to report incidence of child abuse and neglect among children who are members of such groups, and not later than 2 years after Apr. 25, 1988, to report to appropriate committees of Congress with respect to the study, such report to include information and data gathered, an analysis of such information and data, and recommendations on how to better meet needs of underserved or unserved groups.

§ 5106. Grants to States, Indian tribes or tribal organizations, and public or private agencies and organizations

(a) Grants for programs and projects

The Secretary may make grants to, and enter into contracts with, entities that are States, Indian tribes or tribal organizations, or public agencies or private agencies or organizations (or combinations of such entities) for programs and projects for the following purposes:

(1) Training programs

The Secretary may award grants to public or private organizations under this subsection—

(A) for the training of professional and paraprofessional personnel in the fields of health care, medicine, law enforcement, judiciary, social work and child protection, education, child care, and other relevant fields, or individuals such as court appointed special advocates (CASAs) and guardian ad litem, who are engaged in, or intend to work in, the field of prevention, identification, and treatment of child abuse and neglect, including the links between domestic violence and child abuse and neglect;

(B) to improve the recruitment, selection, and training of volunteers serving in public and private children, youth, and family service organizations in order to prevent child abuse and neglect;

(C) for the establishment of resource centers for the purpose of providing information and training to professionals working in the field of child abuse and neglect;

(D) for training to enhance linkages among child protective service agencies and health care agencies, entities providing physical and mental health services, community resources, and developmental disability agencies, to improve screening, forensic diagnosis, and health and develop-
mental evaluations, and for partnerships between child protective service agencies and health care agencies that support the coordinated use of existing Federal, State, local, and private funding to meet the health evaluation needs of children who have been subjects of substantiated cases of child abuse or neglect;

(E) for the training of personnel in best practices to meet the unique needs of children with disabilities, including promoting interagency collaboration;

(F) for the training of personnel in best practices to promote collaboration with the families from the initial time of contact during the investigation through treatment;

(G) for the training of personnel regarding the legal duties of such personnel and their responsibilities to protect the legal rights of children and families;

(H) for the training of personnel in childhood development including the unique needs of children under age 3;

(I) for improving the training of supervisory and nonsupervisory child welfare workers;

(J) for enabling State child welfare agencies to coordinate the provision of services with State and local health care agencies, alcohol and drug abuse prevention and treatment agencies, mental health agencies, other public and private welfare agencies, and agencies that provide early intervention services to promote child safety, permanence, and family stability;

(K) for cross training for child protective service workers in research-based strategies for recognizing situations of substance abuse, domestic violence, and neglect;

(L) for developing, implementing, or operating information and education programs or training programs designed to improve the provision of services to infants or toddlers with disabilities with life-threatening conditions for—

(i) professionals and paraprofessional personnel concerned with the welfare of infants or toddlers with disabilities with life-threatening conditions, including personnel employed in child protective services programs and health care facilities; and

(ii) the parents of such infants; and

(M) for the training of personnel in best practices relating to the provision of differential response.

(2) Triage procedures

The Secretary may award grants under this subsection to public and private agencies that demonstrate innovation in responding to reports of child abuse and neglect, including programs of collaborative partnerships between the State child protective services agency, community social service agencies and family support programs, law enforcement agencies, developmental disability agencies, substance abuse treatment entities, health care entities, domestic violence prevention entities, mental health service entities, schools, churches and synagogues, and other community agencies, to allow for the establishment of a triage system that—

(A) accepts, screens, and assesses reports received to determine which such reports require an intensive intervention and which require voluntary referral to another agency, program, or project;

(B) provides, either directly or through referral, a variety of community-linked services to assist families in preventing child abuse and neglect; and

(C) provides further investigation and intensive intervention when the child's safety is in jeopardy.

(3) Mutual support programs

The Secretary may award grants to private organizations to establish or maintain a national network of mutual support, leadership, and self-help programs as a means of strengthening families in partnership with their communities.

(4) Kinship care

The Secretary may award grants to public and private entities to assist such entities in developing or implementing procedures using adult relatives as the preferred placement for children removed from their home, where such relatives are determined to be capable of providing a safe nurturing environment for the child and where such relatives comply with the State child protection standards.

(5) Linkages among child protective service agencies and public health, mental health, substance abuse, developmental disabilities, and domestic violence service agencies

The Secretary may award grants to entities that provide linkages among State or local child protective service agencies and public health, mental health, substance abuse, developmental disabilities, and domestic violence service agencies, and entities that carry out community-based programs, for the purpose of establishing linkages that are designed to ensure that a greater number of substantiated victims of child maltreatment have their physical health, mental health, and developmental needs appropriately diagnosed and treated, in accordance with all applicable Federal and State privacy laws.

(6) Collaborations between child protective service entities and domestic violence service entities

The Secretary may award grants to public or private agencies and organizations under this section to develop or expand effective collaborations between child protective service entities and domestic violence service entities to improve collaborative investigation and intervention procedures, provision for the safety of the nonabusing parent involved and children, and provision of services to children exposed to domestic violence that also support the caregiving role of the non-abusing parent.
(7) Grants to States to improve and coordinate their response to ensure the safety, permanency, and well-being of infants affected by substance use

(A) Program authorized

The Secretary is authorized to make grants to States for the purpose of assisting child welfare agencies, social services agencies, substance use disorder treatment agencies, hospitals with labor and delivery units, medical staff, public health and mental health agencies, and maternal and child health agencies to facilitate collaboration in developing, updating, implementing, and monitoring plans of safe care described in section 5106a(b)(2)(B)(iii) of this title. Section 5106h(a)(2) of this title shall not apply to the program authorized under this paragraph.

(B) Distribution of funds

(i) Reservations

Of the amounts made available to carry out subparagraph (A), the Secretary shall reserve—

(I) no more than 3 percent for the purposes described in subparagraph (G); and

(II) up to 3 percent for grants to Indian Tribes and tribal organizations to address the needs of infants born with, and identified as being affected by, substance abuse or withdrawal symptoms resulting from prenatal drug exposure or a fetal alcohol spectrum disorder and their families or caregivers, which to the extent practicable, shall be consistent with the uses of funds described under subparagraph (D)

(ii) Allotments to States and territories

The Secretary shall allot the amount made available to carry out subparagraph (A) that remains after application of clause (i) to each State that applies for such a grant, in an amount equal to the sum of—

(I) $500,000; and

(II) an amount that bears the same relationship to any funds made available to carry out subparagraph (A) and remaining after application of clause (i), as the number of live births in the State in the previous calendar year bears to the number of live births in all States in such year

(iii) Ratable reduction

If the amount made available to carry out subparagraph (A) is insufficient to satisfy the requirements of clause (ii), the Secretary shall ratably reduce each allotment to a State.

(C) Application

A State desiring a grant under this paragraph shall submit an application to the Secretary at such time and in such manner as the Secretary may require. Such application shall include—

(I) a description of—

(II) the impact of substance use disorder in such State, including with respect to the substance or class of substances with the highest incidence of abuse in the previous year in such State, including—

(aa) the prevalence of substance use disorder in such State;

(bb) the aggregate rate of births in the State of infants affected by substance abuse or withdrawal symptoms or a fetal alcohol spectrum disorder (as determined by hospitals, insurance claims, claims submitted to the State Medicaid program, or other records), if available and to the extent practicable; and

(cc) the number of infants identified, for whom a plan of safe care was developed, and for whom a referral was made for appropriate services, as reported under section 5106a(d)(18) of this title;

(II) the challenges the State faces in developing, implementing, and monitoring plans of safe care in accordance with section 5106a(b)(2)(B)(iii) of this title;

(iii) the State’s lead agency for the grant program and how that agency will coordinate with relevant State entities and programs, including the child welfare agency, the substance use disorder treatment agency, hospitals with labor and delivery units, health care providers, the public health and mental health agencies, programs funded by the Substance Abuse and Mental Health Services Administration that provide substance use disorder treatment for women, the State Medicaid program, the State agency administering the block grant program under title V of the Social Security Act (42 U.S.C. 701 et seq.), the State agency administering the programs funded under part C of the Individuals with Disabilities Education Act (20 U.S.C. 1431 et seq.), the maternal, infant, and early childhood home visiting program under section 511 of the Social Security Act (42 U.S.C. 711), the State judicial system, and other agencies, as determined by the Secretary, and Indian Tribes and tribal organizations, as appropriate, to implement the activities under this paragraph;

(IV) how the State will monitor local development and implementation of plans of safe care, in accordance with section 5106a(b)(2)(B)(iii)(II) of this title, including how the State will monitor to ensure plans of safe care address differences between substance use disorder and medically supervised substance use, including for the treatment of a substance use disorder;

(V) if applicable, how the State plans to utilize funding authorized under part E of title IV of the Social Security Act (42 U.S.C. 670 et seq.) to assist in carrying out any plan of safe care, including such funding authorized under section 471(e) of such Act (42 U.S.C. 671(e)) (as in effect on October 1, 2018) for mental
health and substance abuse prevention and treatment services and in-home parent skill-based programs and funding authorized under such section 472(j) [42 U.S.C. 672(j)] (as in effect on October 1, 2018) for children with a parent in a licensed residential family-based treatment facility for substance abuse; and

(VI) an assessment of the treatment and other services and programs available in the State to effectively carry out any plan of safe care developed, including identification of needed treatment, and other services and programs to ensure the well-being of young children and their families affected by substance use disorder, such as programs carried out under part C of the Individuals with Disabilities Education Act (20 U.S.C. 1431 et seq.) and comprehensive early childhood development services and programs such as Head Start programs;

(ii) a description of how the State plans to use funds for activities described in subparagraph (D) for the purposes of ensuring State compliance with requirements under clauses (ii) and (iii) of section 5106a(b)(2)(B) of this title; and

(iii) an assurance that the State will comply with requirements to refer a child identified as substance-exposed to early intervention services as required pursuant to a grant under part C of the Individuals with Disabilities Education Act (20 U.S.C. 1431 et seq.).

(D) Uses of funds

Funds awarded to a State under this paragraph may be used for the following activities, which may be carried out by the State directly, or through grants or subgrants, contracts, or cooperative agreements:

(i) Improving State and local systems with respect to the development and implementation of plans of safe care, which—

(I) shall include parent and caregiver engagement, as required under section 5106a(b)(2)(B)(iii)(I) of this title, regarding available treatment and service options, which may include resources available for pregnant, perinatal, and postnatal women; and

(II) may include activities such as—

(aa) developing policies, procedures, or protocols for the administration or development of evidence-based and validated screening tools for infants who may be affected by substance use withdrawal symptoms or a fetal alcohol spectrum disorder and pregnant, perinatal, and postnatal women whose infants may be affected by substance use withdrawal symptoms or a fetal alcohol spectrum disorder;

(bb) improving assessments used to determine the needs of the infant and family;

(cc) improving ongoing case management services;

(dd) improving access to treatment services, which may be prior to the pregnant woman’s delivery date; and

(ee) keeping families safely together when it is in the best interest of the child.

(ii) Developing policies, procedures, or protocols in consultation and coordination with health professionals, public and private health facilities, and substance use disorder treatment agencies to ensure that—

(I) appropriate notification to child protective services is made in a timely manner, as required under section 5106a(b)(2)(B)(i) of this title;

(II) a plan of safe care is in place, in accordance with section 5106a(b)(2)(B)(iii) of this title, before the infant is discharged from the birth or health care facility; and

(III) such health and related agency professionals are trained on how to follow such protocols and are aware of the supports that may be provided under a plan of safe care.

(iii) Training health professionals and health system leaders, child welfare workers, substance use disorder treatment agencies, and other related professionals such as home visiting agency staff and law enforcement in relevant topics including—

(I) State mandatory reporting laws established under section 5106a(b)(2)(B)(i) of this title and the referral and process requirements for notification to child protective services when child abuse or neglect reporting is not mandated;

(II) the co-occurrence of pregnancy and substance use disorder, and implications of prenatal exposure;

(III) the clinical guidance about treating substance use disorder in pregnant and postpartum women;

(IV) appropriate screening and interventions for infants affected by substance use disorder, withdrawal symptoms, or a fetal alcohol spectrum disorder and the requirements under section 5106a(b)(2)(B)(iii) of this title; and

(V) appropriate multigenerational strategies to address the mental health needs of the parent and child together.

(iv) Establishing partnerships, agreements, or memoranda of understanding between the lead agency and other entities (including health professionals, health facilities, child welfare professionals, juvenile and family court judges, substance use and mental disorder treatment programs, early childhood education programs, maternal and child health and early intervention professionals (including home visiting providers), peer-to-peer recovery programs such as parent mentoring programs, and housing agencies) to facilitate the implementation of, and compliance with, section 5106a(b)(2) of this title and clause (ii) of this subparagraph, in areas which may include—

(I) developing a comprehensive, multidisciplinary assessment and intervention process for infants, pregnant women, and
their families who are affected by substance use disorder, withdrawal symptoms, or a fetal alcohol spectrum disorder, that includes meaningful engagement with and takes into account the unique needs of each family and addresses differences between medically supervised substance use, including for the treatment of substance use disorder, and substance use disorder;

(II) ensuring that treatment approaches for serving infants, pregnant women, and perinatal and postnatal women whose infants may be affected by substance use, withdrawal symptoms, or a fetal alcohol spectrum disorder, are designed to, where appropriate, keep infants with their mothers during both inpatient and outpatient treatment; and

(III) increasing access to all evidence-based medication-assisted treatment approved by the Food and Drug Administration, behavioral therapy, and counseling services for the treatment of substance use disorders, as appropriate.

(v) Developing and updating systems of technology for improved data collection and monitoring under section 5106a(b)(2)(B)(iii) of this title, including existing electronic medical records, to measure the outcomes achieved through the plans of safe care, including monitoring systems to meet the requirements of this Act and submission of performance measures.

(E) Reporting

Each State that receives funds under this paragraph, for each year such funds are received, shall submit a report to the Secretary, disaggregated by geographic location, economic status, and major racial and ethnic groups, except that such disaggregation shall not be required if the results would reveal personally identifiable information on, with respect to infants identified under section 5106a(b)(2)(B)(ii) of this title—

(i) the number who experienced removal associated with parental substance use;

(ii) the number who experienced removal and subsequently are reunified with parents, and the length of time between such removal and reunification;

(iii) the number who are referred to community providers without a child protection case;

(iv) the number who receive services while in the care of their birth parents;

(v) the number who receive post-reunification services within 1 year after a reunification has occurred; and

(vi) the number who experienced a return to out-of-home care within 1 year after reunification.

(F) Secretary’s report to Congress

The Secretary shall submit an annual report to the Committee on Health, Education, Labor, and Pensions and the Committee on Appropriations of the Senate and the Committee on Education and the Workforce and the Committee on Appropriations of the House of Representatives that includes the information described in subparagraph (E) and recommendations or observations on the challenges, successes, and lessons derived from implementation of the grant program.

(G) Assisting States’ implementation

The Secretary shall use the amount reserved under subparagraph (B)(i)(I) to provide written guidance and technical assistance to support States in complying with and implementing this paragraph, which shall include—

(i) technical assistance, including programs of in-depth technical assistance, to additional States, territories, and Indian Tribes and tribal organizations in accordance with the substance-exposed infant initiative developed by the National Center on Substance Abuse and Child Welfare;

(ii) guidance on the requirements of this Act with respect to infants born with and identified as being affected by substance use or withdrawal symptoms or fetal alcohol spectrum disorder, as described in clauses (ii) and (iii) of section 5106a(b)(2)(B) of this title, including—

(I) enhancing States’ understanding of requirements and flexibilities under the law, including by clarifying key terms;

(II) addressing state-identified challenges with developing, implementing, and monitoring plans of safe care, including those reported under subparagraph (C)(i)(II);

(iii) disseminating best practices on implementation of plans of safe care, on such topics as differential response, collaboration and coordination, and identification and delivery of services for different populations, while recognizing needs of different populations and varying community approaches across States; and

(IV) helping States improve the long-term safety and well-being of young children and their families;

(iii) supporting State efforts to develop information technology systems to manage plans of safe care; and

(iv) preparing the Secretary’s report to Congress described in subparagraph (F).

(H) Sunset

The authority under this paragraph shall sunset on September 30, 2023.

(b) Discretionary grants

In addition to grants or contracts made under subsection (a), grants or contracts under this section may be used for the following:

(1) Respite and crisis nursery programs provided by community-based organizations under the direction and supervision of hospitals.

(2) Respite and crisis nursery programs provided by community-based organizations.

(3) Programs based within children’s hospitals or other pediatric and adolescent care facilities, that provide model approaches for
improving medical diagnosis of child abuse and neglect and for health evaluations of children for whom a report of maltreatment has been substantiated.

(4)(A) Providing hospital-based information and referral services to—
   (i) parents of children with disabilities; and
   (ii) children who have been victims of child abuse or neglect and their parents.

(B) Except as provided in subparagraph (C)(iii), services provided under a grant received under this paragraph shall be provided at the hospital involved—
   (i) upon the birth or admission of a child with disabilities; and
   (ii) upon the treatment of a child for child abuse and neglect.

(C) Services, as determined as appropriate by the grantee, provided under a grant received under this paragraph shall be hospital-based and shall consist of—
   (i) the provision of notice to parents that information relating to community services is available;
   (ii) the provision of appropriate information to parents of a child with disabilities regarding resources in the community, particularly parent training resources, that will assist such parents in caring for their child;
   (iii) the provision of appropriate information to parents of a child who has been a victim of child abuse or neglect regarding resources in the community, particularly parent training resources, that will assist such parents in caring for their child and reduce the possibility of child abuse and neglect;
   (iv) the provision of appropriate follow-up services to parents of a child described in subparagraph (B) after the child has left the hospital; and
   (v) where necessary, assistance in coordination of community services available to parents of children described in subparagraph (B).

The grantee shall assure that parental involvement described in this subparagraph is voluntary.

(D) For purposes of this paragraph, a qualified grantee is an acute care hospital that—
   (i) is in a combination with—
      (I) a health-care provider organization;
      (II) a child welfare organization;
      (III) a disability organization; and
      (IV) a State child protection agency;
   (ii) submits an application for a grant under this paragraph;
   (iii) maintains an office in the hospital involved for purposes of providing services under such grant;
   (iv) provides assurances to the Secretary that in the conduct of the project the confidentiality of medical, social, and personal information concerning any person described in subparagraph (A) or (B) shall be maintained, and shall be disclosed only to qualified persons providing required services described in subparagraph (C) for purposes relating to conduct of the project; and
   (v) assumes legal responsibility for carrying out the terms and conditions of the grant.

(E) In awarding grants under this paragraph, the Secretary shall—
   (i) give priority under this section for two grants under this paragraph, provided that one grant shall be made to provide services in an urban setting and one grant shall be made to provide services in a rural setting; and
   (ii) encourage qualified grantees to combine the amounts received under the grant with other funds available to such grantees.

(5) Such other innovative programs and projects that show promise of preventing and treating cases of child abuse and neglect as the Secretary may approve.

(c) Evaluation

In making grants for projects under this section, the Secretary shall require all such projects to be evaluated for their effectiveness. Funding for such evaluations shall be provided either as a stated percentage of a demonstration grant or as a separate grant or contract entered into by the Secretary for the purpose of evaluating a particular demonstration project or group of projects. In the case of an evaluation performed by the recipient of a grant, the Secretary shall make available technical assistance for the evaluation, where needed, including the use of a rigorous application of scientific evaluation techniques.
PRIOR PROVISIONS

A prior section 105 of Pub. L. 93–247 was renumbered section 104 and is classified to section 5105 of this title.

AMENDMENTS


Subsec. (a). Pub. L. 111–320, § 114(2)(A), substituted “entities that are States, Indian tribes or tribal organizations, or” for “States, and” and “such entities” for “such agencies or organizations” in introductory provisions.


Subsec. (a)(1)(D). Pub. L. 111–320, § 114(2)(B)(iv) to (vi), substituted “enhances linkage among” for “support the enhancement of linkages between”, “entities providing physical and mental health services, community resources, and developmental disability agencies, to improve screening, forensic diagnosis, and health and developmental evaluations, and for partnerships” for “including physical and mental health services, to improve forensic diagnosis and health evaluations and for innovative partnerships”, and “support the coordinated use of” for “offer creative approaches to using”.

Subsec. (a)(1)(E) to (J), added subpars. (i) to (xi), added subpars. (E), (H), and (M), redesignated former subpars. (E) to (J) as (F), (G), and (I) to (L), respectively, in subpar. (J), substituted “other public and private welfare agencies, and agencies that provide early intervention services” for “and other public and private welfare agencies”, and, in subpar. (L), substituted “infants or toddlers with disabilities” for “disabled infants” in two places.


Subsec. (a)(4). Pub. L. 111–320, § 114(2)(E), (F), struck out subpar. (A) designation and heading “In general and struck out “in not more than 10 States” after “public and private entities”.

Subsec. (a)(5). Pub. L. 111–320, § 114(2)(G), in heading, substituted “among” for “between and substance abuse, developmental disabilities, and domestic violence service for” and “and developmental disabilities” and, in text, substituted “among” for “between”, “mental health, substance abuse, developmental disabilities, and domestic violence service agencies, and entities that carry out community-based programs, for” for “mental health, and developmental disabilities agencies, for,” and “and” for “help assure”.


Subsec. (b)(4)(A)(ii). Pub. L. 111–320, § 114(3)(A), substituted “victims of child abuse or neglect” for “neglected or abused”.


Subsec. (b)(4)(C)(ii). Pub. L. 111–320, § 114(3)(B), substituted “has been a victim of child abuse or neglect” for “has been neglected or abused” and “possibility of child abuse and neglect” for “possibility of abuse or neglect”.

Subsec. (b)(4)(D). Pub. L. 111–320, § 114(3)(D), substituted “grantee is an” for “grantee is a” in introductory provisions.

2006—Pub. L. 109–36, § 5106, substituted “Grants to States and public or private agencies and organizations” for “Grants to public agencies and nonprofit pri- vate organizations for demonstration projects and programs” as section catchline.


Subsec. (a)(1)(A). Pub. L. 108–36, § 113(a)(3)(B), substituted “law enforcement, judiciary, social work and child protection, education, and other relevant fields, or individuals such as court appointed special advocates (CASA’s) and guardian ad litem,” for “law, education, social work, and other relevant fields”.

Subsec. (a)(1)(B). Pub. L. 108–36, § 113(a)(3)(C), substituted “children, youth and family service organizations in order to prevent child abuse and neglect;” for “nonprofit children, youth and family service organizations in order to prevent child abuse and neglect through collaborative analysis of current recruitment, selection, and training programs and development of model programs for dissemination and replication nationally; and”.


Subsec. (a)(3). Pub. L. 108–36, § 113(a)(6), substituted “organizations” for “nonprofit organizations (such as Parents Anonymous)”.


Subsec. (a)(4). Pub. L. 108–36, § 113(a)(7), added par. heading and struck out former heading “Other innovative programs and projects”, redesignated subpar. (B) as (A), substituted “In general” for “Kinship care” in subpar. heading, and struck out “nonprofit” before “entities” and former subpars. (A) and (C), which related, respectively, to general issues of awarding grants and grants to promote safe, family-friendly physical environments for visitation and exchange.

Pub. L. 108–36, § 113(a)(8), redesignated par. (3) as (4). Former par. (4) redesignated (5).


Subsec. (b)(1) to (3). Pub. L. 108–36, § 113(b)(2)–(4), added par. (3), redesignated former pars. (2) and (3) as (1) and (2), respectively, and struck out former par. (1) which read as follows: “Projects which provide educational identification, prevention, and treatment services in cooperation with preschool and elementary and secondary schools.”


Subsec. (c). Pub. L. 108–36, § 113(c), struck out “demonstration” before “projects” in first sentence, inserted “or contract” after “or as a separate grant” in second sentence, and inserted at end “the case of an evaluation performed by the recipient of a grant, the Secretary shall make available technical assistance for the evaluation, where needed, including the use of a rigorous application of scientific evaluation techniques.”


Subsec. (a). Pub. L. 104–235, § 106(2), amended heading and text of subsec. (a) generally. Prior to amendment, text consisted of pars. (1) and (2) which related to general authority of Secretary to make grants and enter into contracts for demonstration or service programs and projects and to evaluate the effectiveness of those demonstration projects.

Subsec. (b). Pub. L. 104–235, § 106(3), (4), redesignated subsec. (c) as (b) and pars. (3) to (7) thereof as (1) to (5), respectively, struck out former pars. (1) and (2) which
§ 5106a

related to training programs and other innovative programs, respectively, and struck out heading and text of former subsec. (b). Text read as follows: “The Secretary shall, directly or through grants or contracts with public or private nonprofit organizations under this section, provide for the establishment of resource centers—

(1) serving defined geographic areas;

(2) staffed by multidisciplinary teams of personnel trained in the prevention, identification, and treatment of child abuse and neglect; and

(3) providing advice and consultation to individuals, agencies, and organizations which request such services.

Subsec. (c). Pub. L. 104–235, § 106(6), added subsec. (c). Former subsec. (c) redesignated (b).


1988—Pub. L. 100–294 substituted “among programs” for “between programs”.

CHANGE OF NAME

Committee on Education and the Workforce of House of Representatives changed to Committee on Education and Labor of House of Representatives by House Resolution No. 6, One Hundred Sixteenth Congress, Jan. 9, 2019.

§ 5106a. Grants to States for child abuse or neglect prevention and treatment programs

(a) Development and operation grants

The Secretary shall make grants to the States from allotments made under subsection (f) for each State that applies for a grant under this section, for purposes of assisting the States in improving the child protective services system of each such State in—

(1) the intake, assessment, screening, and investigation of reports of child abuse or neglect;

(2)(A) creating and improving the use of multidisciplinary teams and interagency, intra-agency, interstate, and intrastate protocols to enhance investigations; and

(B) improving legal preparation and representation, including—

(i) procedures for appealing and responding to appeals of substantiated reports of child abuse or neglect; and

(ii) provisions for the appointment of an individual appointed to represent a child in judicial proceedings;

(3) case management, including ongoing case monitoring, and delivery of services and treatment provided to children and their families;

(4) enhancing the general child protective system by developing, improving, and implementing risk and safety assessment tools and protocols, including the use of differential response;

(5) developing and updating systems of technology that support the program and track reports of child abuse and neglect from intake through final disposition and allow interstate and intrastate information exchange;

(6) developing, strengthening, and facilitating training including—

(A) training regarding research-based strategies, including the use of differential response, to promote collaboration with the families;

(B) training regarding the legal duties of such individuals;

(C) personal safety training for case workers; and

(D) training in early childhood, child, and adolescent development;

(7) improving the skills, qualifications, and availability of individuals providing services to children and families; and the supervisors of such individuals, through the child protection system, including improvements in the recruitment and retention of caseworkers;

(8) developing, facilitating the use of, and implementing research-based strategies and training protocols for individuals mandated to report child abuse and neglect;

(9) developing, implementing, or operating programs to assist in obtaining or coordinating necessary services for families of disabled infants with life-threatening conditions, including—

(A) existing social and health services;

(B) financial assistance;

(C) services necessary to facilitate adoptive placement of any such infants who have been relinquished for adoption; and

(D) the use of differential response in preventing child abuse and neglect;

(10) developing and delivering information to improve public education relating to the role and responsibilities of the child protection system and the nature and basis for reporting suspected incidents of child abuse and neglect, including the use of differential response;

(11) developing and enhancing the capacity of community-based programs to integrate shared leadership strategies between parents and professionals to prevent and treat child abuse and neglect at the neighborhood level;

(12) supporting and enhancing interagency collaboration between the child protection system and the juvenile justice system for improved delivery of services and treatment, including methods for continuity of treatment plan and services as children transition between systems;

(13) supporting and enhancing interagency collaboration among public health agencies, agencies in the child protective service system, and agencies carrying out private community-based programs—

(A) to provide child abuse and neglect prevention and treatment services (including linkages with education systems), and the use of differential response; and
(B) to address the health needs, including mental health needs, of children identified as victims of child abuse or neglect;\(^1\) including supporting prompt, comprehensive health and developmental evaluations for children who are the subject of substantiated child maltreatment reports; or

(14) developing and implementing procedures for collaboration among child protective services, domestic violence services, and other agencies in—

(A) investigations, interventions, and the delivery of services and treatment provided to children and families, including the use of differential response, where appropriate; and

(B) the provision of services that assist children exposed to domestic violence, and that also support the caregiving role of their nonabusing parents.

(b) Eligibility requirements

(1) State plan

(A) In general

To be eligible to receive a grant under this section, a State shall submit to the Secretary a State plan that specifies the areas of the child protective services system described in subsection (a) that the State will address with amounts received under the grant.

(B) Duration of plan

Each State plan shall—

(i) remain in effect for the duration of the State's participation under this section; and

(ii) be periodically reviewed and revised as necessary by the State to reflect changes in the State's strategies and programs under this section.

(C) Additional information

The State shall provide notice to the Secretary—

(i) of any substantive changes, including any change to State law or regulations, relating to the prevention of child abuse and neglect that may affect the eligibility of the State under this section; and

(ii) of any significant changes in how funds provided under this section are used to support activities described in this section, which may differ from the activities described in the current State application.

(2) Contents

A State plan submitted under paragraph (1) shall contain a description of the activities that the State will carry out using amounts received under the grant to achieve the objectives of this subchapter, including—

(A) an assurance that the State plan, to the maximum extent practicable, is coordinated with the State plan under part B of title IV of the Social Security Act (42 U.S.C. 620 et seq.) relating to child welfare services and family preservation and family support services;

(B) an assurance in the form of a certification by the Governor of the State that the State has in effect and is enforcing a State law, or has in effect and is operating a statewide program, relating to child abuse and neglect that includes—

(i) provisions or procedures for an individual to report known and suspected instances of child abuse and neglect, including a State law for mandatory reporting by individuals required to report such instances;

(ii) policies and procedures (including appropriate referrals to child protection service systems and for other appropriate services) to address the needs of infants born with and identified as being affected by substance abuse or withdrawal symptoms resulting from prenatal drug exposure, or a Fetal Alcohol Spectrum Disorder, including a requirement that health care providers involved in the delivery or care of such infants notify the child protective services system of the occurrence of such condition in such infants, except that such notification shall not be construed to—

(I) establish a definition under Federal law of what constitutes child abuse or neglect; or

(II) require prosecution for any illegal action;

(iii) the development of a plan of safe care for the infant born and identified as being affected by substance abuse or withdrawal symptoms, or a Fetal Alcohol Spectrum Disorder to ensure the safety and well-being of such infant following release from the care of health care providers, including through—

(I) addressing the health and substance use disorder treatment needs of the infant and affected family or caregiver; and

(II) the development and implementation by the State of monitoring systems regarding the implementation of such plans to determine whether and in what manner local entities are providing, in accordance with State requirements, referrals to and delivery of appropriate services for the infant and affected family or caregiver;

(iv) procedures for the immediate screening, risk and safety assessment, and prompt investigation of such reports; (v) triage procedures, including the use of differential response, for the appropriate referral of a child not at risk of imminent harm to a community organization or voluntary preventive service;

(vi) procedures for immediate steps to be taken to ensure and protect the safety of a victim of child abuse or neglect and of any other child under the same care who may also be in danger of child abuse or neglect and ensuring their placement in a safe environment;

(vii) provisions for immunity from civil or criminal liability under State and local laws and regulations for individuals making good faith reports of suspected or

\(^1\) So in original.
§ 5106a

Pursuant to a good faith report of child port, investigation, or legal intervention known instances of child abuse or neglect; or consultations, in connection with a re-
made and maintained pursuant to the pur-
poses of this subchapter and subchapter III shall only be made available to—
(I) individuals who are the subject of the report;
(II) Federal, State, or local government
entities, or any agent of such enti-
ties, as described in clause (ix);
(III) child abuse citizen review panels;
(IV) child fatality review panels;
(V) a grand jury or court, upon a find-
ing that information in the record is nec-
essary for the determination of an issue before the court or grand jury; and
(VI) other entities or classes of individ-
uals statutorily authorized by the State to receive such information pursuant to a legitimate State purpose;
(ix) provisions to require a State to dis-
close confidential information to any Fed-
eral, State, or local government entity, or any agent of such entity, that has a need
for such information in order to carry out
its responsibilities under law to protect
children from child abuse and neglect;
(x) provisions which allow for public disclosure of the findings or information
about the case of child abuse or neglect
which has resulted in a child fatality or
near fatality;
(xi) the cooperation of State law enforce-
ment officials, court of competent juris-
diction, and appropriate State agencies
providing human services in the investiga-
tion, assessment, prosecution, and treat-
ment of child abuse and neglect;
(xii) provisions requiring, and procedures
in place that facilitate the prompt ex-
pugement of any records that are acces-
sible to the general public or are used for
purposes of employment or other back-
ground checks in cases determined to be unsubstantiated or false, except that noth-
ing in this section shall prevent State
child protective services agencies from
keeping information on unsubstantiated
reports in their casework files to assist in
future risk and safety assessment;
(xiii) provisions and procedures requiring
that in every case involving a victim of
child abuse or neglect which results in a
judicial proceeding, a guardian ad litem, who has received training appropriate to
the role, including training in early child-
hood, child, and adolescent development, and who may be an attorney or a court ap-
pointed special advocate who has received
training appropriate to that role (or both),
shall be appointed to represent the child in
such proceedings—
(x) to obtain first-hand, a clear under-
standing of the situation and needs of
the child; and
(II) to make recommendations to the
court concerning the best interests of
the child;
(xiv) the establishment of citizen review panels in accordance with subsection (c);
(xv) provisions, procedures, and mecha-
isms—
(I) for the expedited termination of par-
rental rights in the case of any infant de-
termined to be abandoned under State
law; and
(II) by which individuals who disagree
with an official finding of child abuse or
neglect can appeal such finding;
(xvi) provisions, procedures, and mecha-
isms that assure that the State does not
require reunification of a surviving child
with a parent who has been found by a
court of competent jurisdiction:
(I) to have committed murder (which
would have been an offense under section
1111(a) of title 18 if the offense had oc-
curred in the special maritime or terri-
torial jurisdiction of the United States)
of another child of such parent;
(II) to have committed voluntary man-
slaughter (which would have been an of-
fense under section 1122(a) of title 18 if
the offense had occurred in the special
maritime or territorial jurisdiction of the
United States) of another child of such
parent;
(III) to have aided or abetted, at-
tempted, conspired, or solicited to com-
mit such murder or voluntary man-
slaughter;
(IV) to have committed a felony as-
sault that results in the serious bodily
injury to the surviving child or another
child of such parent;
(V) to have committed sexual abuse
against the surviving child or another
child of such parent; or
(VI) to be required to register with a
sex offender registry under section
20913(a) of title 34;
(xvii) an assurance that, upon the imple-
mentation by the State of the provisions,
procedures, and mechanisms under clause
(xvi), conviction of any one of the felonies
listed in clause (xvi) constitute grounds
under State law for the termination of pa-
rental rights of the convicted parent as to
the surviving children (although case-by-
case determinations of whether or not to
seek termination of parental rights shall be
within the sole discretion of the State); and
(xviii) provisions and procedures to re-
quire that a representative of the child
protective services agency shall, at the
initial time of contact with the individual
subject to a child abuse or neglect inves-
tigation, advise the individual of the com-
plaints or allegations made against the in-
dividual, in a manner that is consistent
with laws protecting the rights of the in-
formant;
(xix) provisions addressing the training of representatives of the child protective services system regarding the legal duties of the representatives, which may consist of various methods of informing such representatives of such duties, in order to protect the legal rights and safety of children and families from the initial time of contact during investigation through treatment;

(xx) provisions and procedures for improving the training, retention, and supervision of caseworkers;

(xxii) provisions and procedures for referral of a child under the age of 3 who is involved in a substantiated case of child abuse or neglect to early intervention services funded under part C of the Individuals with Disabilities Education Act (20 U.S.C. 1431 et seq.);

(xxii) provisions and procedures for requiring criminal background record checks that meet the requirements of section 471(a)(20) of the Social Security Act (42 U.S.C. 671(a)(20)) for prospective foster and adoptive parents and other adult relatives and non-relatives residing in the household;

(xxiii) provisions for systems of technology that support the State child protective service system described in subsection (a) and track reports of child abuse and neglect from intake through final disposition;

(xxiv) provisions and procedures requiring identification and assessment of all reports involving children known or suspected to be victims of sex trafficking (as defined in section 7102(10) of title 22); and

(xxv) provisions and procedures for training child protective services workers about identifying, assessing, and providing comprehensive services for children who are sex trafficking victims, including efforts to coordinate with State law enforcement, juvenile justice, and social service agencies such as runaway and homeless youth shelters to serve this population;

(C) an assurance that the State has in place procedures for responding to the reporting of medical neglect (including instances of withholding of medically indicated treatment from infants with disabilities who have life-threatening conditions), procedures or programs, or both (within the State child protective services system), to provide for—

(i) coordination and consultation with individuals designated by and within appropriate health-care facilities;

(ii) prompt notification by individuals designated by and within appropriate health-care facilities of cases of suspected medical neglect (including instances of withholding of medically indicated treatment from infants with disabilities who have life-threatening conditions); and

(iii) authority, under State law, for the State child protective services system to pursue any legal remedies, including the authority to initiate legal proceedings in a court of competent jurisdiction, as may be necessary to prevent the withholding of medically indicated treatment from infants with disabilities who have life-threatening conditions;

(D) a description of—

(i) the services to be provided under the grant to individuals, families, or communities, either directly or through referrals aimed at preventing the occurrence of child abuse and neglect;

(ii) the training to be provided under the grant to support direct line and supervisory personnel in report taking, screening, assessment, decision making, and referral for investigating suspected instances of child abuse and neglect;

(iii) the training to be provided under the grant for individuals who are required to report suspected cases of child abuse and neglect;

(iv) policies and procedures encouraging the appropriate involvement of families in decisionmaking pertaining to children who experienced child abuse or neglect;

(v) policies and procedures that promote and enhance appropriate collaboration among child protective service agencies, domestic violence service agencies, substance abuse treatment agencies, and other agencies in investigations, interventions, and the delivery of services and treatment provided to children and families affected by child abuse or neglect, including children exposed to domestic violence, where appropriate; and

(vi) policies and procedures regarding the use of differential response, as applicable;

(E) an assurance or certification that the programs or projects relating to child abuse and neglect carried out under part B of title IV of the Social Security Act [42 U.S.C. 620 et seq.] comply with the requirements set forth in paragraph (1) and this paragraph;

(F) an assurance or certification that programs and training conducted under this subchapter address the unique needs of unaccompanied homeless youth, including access to enrollment and support services and that such youth are eligible for under parts B and E of title IV of the Social Security Act [42 U.S.C. 620 et seq., 670 et seq.] and meet the requirements of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11301 et seq.); and

(G) an assurance that the State, in developing the State plan described in paragraph (1), has collaborated with community-based prevention agencies and with families affected by child abuse or neglect.

Nothing in subparagraph (B) shall be construed to limit the State's flexibility to determine State policies relating to public access to court proceedings to determine child abuse and neglect, except that such policies shall, at a minimum, ensure the safety and well-being of the child, parents, and families.

\*See References in Text note below.
§ 5106a

(3) Limitation

With regard to clauses (vi) and (vii) of paragraph (2)(B), nothing in this section shall be construed as restricting the ability of a State to refuse to disclose identifying information concerning the individual initiating a report or complaint alleging suspected instances of child abuse or neglect, except that the State may not refuse such a disclosure where a court orders such disclosure after such court has reviewed, in camera, the record of the State related to the report or complaint and has found it has reason to believe that the reporter knowingly made a false report.

(4) Definitions

For purposes of this subsection—

(A) the term "near fatality" means an act that, as certified by a physician, places the child in serious or critical condition; and

(B) the term "serious bodily injury" means bodily injury which involves substantial risk of death, extreme physical pain, protracted and obvious disfigurement, or protracted loss or impairment of the function of a bodily member, organ, or mental faculty.

(c) Citizen review panels

(1) Establishment

(A) In general

Except as provided in subparagraph (B), each State to which a grant is made under this section shall establish not less than 3 citizen review panels.

(B) Exceptions

(i) Establishment of panels by States receiving minimum allotment

A State that receives the minimum allotment of $175,000 under section 5116b(b)(1)(A) of this title for a fiscal year shall establish not less than 1 citizen review panel.

(ii) Designation of existing entities

A State may designate as panels for purposes of this subsection one or more existing entities established under State or Federal law, such as child fatality panels or foster care review panels, if such entities have the capacity to satisfy the requirements of paragraph (4) and the State ensures that such entities will satisfy such requirements.

(2) Membership

Each panel established pursuant to paragraph (1) shall be composed of volunteer members who are broadly representative of the community in which such panel is established, including members who have expertise in the prevention and treatment of child abuse and neglect, and may include adult former victims of child abuse or neglect.

(3) Meetings

Each panel established pursuant to paragraph (1) shall meet not less than once every 3 months.

(4) Functions

(A) In general

Each panel established pursuant to paragraph (1) shall, by examining the policies, procedures, and practices of State and local agencies and where appropriate, specific cases, evaluate the extent to which State and local child protection system agencies are effectively discharging their child protection responsibilities in accordance with—

(i) the State plan under subsection (b);

(ii) the child protection standards set forth in subsection (b); and

(iii) any other criteria that the panel considers important to ensure the protection of children, including—

(I) a review of the extent to which the State and local child protective services system is coordinated with the foster care and adoption programs established under part E of title IV of the Social Security Act (42 U.S.C. 670 et seq.); and

(B) a review of child fatalities and near fatalities (as defined in subsection (b)(4)).

(B) Confidentiality

(i) In general

The members and staff of a panel established under paragraph (1)—

(I) shall not disclose to any person or government official any identifying information about any specific child protection case with respect to which the panel is provided information; and

(II) shall not make public other information unless authorized by State statute.

(ii) Civil sanctions

Each State that establishes a panel pursuant to paragraph (1) shall establish civil sanctions for a violation of clause (i).

(C) Public outreach

Each panel shall provide for public outreach and comment in order to assess the impact of current procedures and practices upon children and families in the community and in order to meet its obligations under subparagraph (A).

(5) State assistance

Each State that establishes a panel pursuant to paragraph (1)—

(A) shall provide the panel access to information on cases that the panel desires to review if such information is necessary for the panel to carry out its functions under paragraph (4); and

(B) shall provide the panel, upon its request, staff assistance for the performance of the duties of the panel.

(6) Reports

Each panel established under paragraph (1) shall prepare and make available to the State and the public, on an annual basis, a report containing a summary of the activities of the panel and recommendations to improve the child protection services system at the State and local levels. Not later than 6 months after the date on which a report is submitted by the panel to the State, the appropriate State agency shall submit a written response to State and local child protection systems and
the citizen review panel that describes whether or how the State will incorporate the recommendations of such panel (where appropriate) to make measurable progress in improving the State and local child protective system.

(d) Annual State data reports

Each State to which a grant is made under this section shall annually work with the Secretary to provide, to the maximum extent practicable, a report that includes the following:

(1) The number of children who were reported to the State during the year as victims of child abuse or neglect.

(2) Of the number of children described in paragraph (1), the number with respect to whom such reports were—
   (A) substantiated;
   (B) unsubstantiated; or
   (C) determined to be false.

(3) Of the number of children described in paragraph (2)—
   (A) the number that did not receive services during the year under the State program funded under this section or an equivalent State program;
   (B) the number that received services during the year under the State program funded under this section or an equivalent State program; and
   (C) the number that were removed from their families during the year by disposition of the case.

(4) The number of families that received preventive services, including use of differential response, from the State during the year.

(5) The number of deaths in the State during the year resulting from child abuse or neglect.

(6) Of the number of children described in paragraph (5), the number of such children who were in foster care.

(7)(A) The number of child protective service personnel responsible for the—
   (i) intake of reports filed in the previous year;
   (ii) screening of such reports;
   (iii) assessment of such reports; and
   (iv) investigation of such reports.

   (B) The average caseload for the workers described in subparagraph (A).

(8) The agency response time with respect to each such report with respect to initial investigation of reports of child abuse or neglect.

(9) The response time with respect to the provision of services to families and children where an allegation of child abuse or neglect has been made.

(10) For child protective service personnel responsible for intake, screening, assessment, and investigation of child abuse and neglect reports in the State—
   (A) information on the education, qualifications, and training requirements established by the State for child protective service professionals, including for entry and advancement in the profession, including advancement to supervisory positions;
   (B) data on the education, qualifications, and training of such personnel;
   (C) demographic information of the child protective service personnel; and
   (D) information on caseload or workload requirements for such personnel, including requirements for average number and maximum number of cases per child protective service worker and supervisor.

(11) The number of children reunited with their families or receiving family preservation services that, within five years, result in subsequent substantiated reports of child abuse or neglect, including the death of the child.

(12) The number of children for whom individuals were appointed by the court to represent the best interests of such children and the average number of out of court contacts between such individuals and children.

(13) The annual report containing the summary of the activities of the citizen review panels of the State required by subsection (c)(6).

(14) The number of children under the care of the State child protection system who are transferred into the custody of the State juvenile justice system.

(15) The number of children referred to a child protective services system under subsection (b)(2)(B)(ii).

(16) The number of children determined to be eligible for referral, and the number of children referred, under subsection (b)(2)(B)(xxi), to agencies providing early intervention services under part C of the Individuals with Disabilities Education Act (20 U.S.C. 1431 et seq.).

(17) The number of children determined to be victims described in subsection (b)(2)(B)(xxiv).

(18) The number of infants—
   (A) identified under subsection (b)(2)(B)(ii);
   (B) for whom a plan of safe care was developed under subsection (b)(2)(B)(iii); and
   (C) for whom a referral was made for appropriate services, including services for the affected family or caregiver, under subsection (b)(2)(B)(ii).

(e) Annual report by Secretary

Within 6 months after receiving the State reports under subsection (d), the Secretary shall prepare a report based on information provided by the States for the fiscal year under such subsection and shall make the report and such information available to the Congress and the national clearinghouse for information relating to child abuse and neglect.

(f) Allotments

(1) Definitions

In this subsection:

(A) Fiscal year 2009 grant funds

The term “fiscal year 2009 grant funds” means the amount appropriated under section 5106h of this title for fiscal year 2009, and not reserved under section 5106h(a)(2) of this title.

(B) Grant funds

The term “grant funds” means the amount appropriated under section 5106h of this title for a fiscal year and not reserved under section 5106h(a)(2) of this title.
(C) State
The term “State” means each of the several States, the District of Columbia, and the Commonwealth of Puerto Rico.

(D) Territory
The term “territory” means Guam, American Samoa, the United States Virgin Islands, and the Commonwealth of the Northern Mariana Islands.

(2) In general
Except as otherwise provided in this section, the Secretary shall make allotments to each State and territory that applies for a grant under this section in an amount equal to the sum of—
(A) $50,000; and
(B) an amount that bears the same relationship to any grant funds remaining after all such States and territories have received $50,000, as the number of children under the age of 18 in the State or territory bears to the number of such children in all States and territories that apply for such a grant.

(3) Allotments for decreased appropriation years
In the case where the grant funds for a fiscal year are less than the fiscal year 2009 grant funds, the Secretary shall ratably reduce each of the allotments under paragraph (2) for such fiscal year.

(4) Allotments for increased appropriation years
(A) Minimum allotments to States for increased appropriations years
In any fiscal year for which the grant funds exceed the fiscal year 2009 grant funds by more than $1,000,000, the Secretary shall adjust the allotments under paragraph (2), as necessary, such that no State that applies for a grant under this section receives an allotment in an amount that is less than—
(i) $100,000, for a fiscal year in which the grant funds exceed the fiscal year 2009 grant funds by more than $1,000,000 but less than $2,000,000;
(ii) $125,000, for a fiscal year in which the grant funds exceed the fiscal year 2009 grant funds by at least $2,000,000 but less than $3,000,000; and
(iii) $150,000, for a fiscal year in which the grant funds exceed the fiscal year 2009 grant funds by at least $3,000,000.
(B) Allotment adjustment
In the case of a fiscal year for which subparagraph (A) applies and the grant funds are insufficient to satisfy the requirements of such subparagraph (A), paragraph (2), and paragraph (5), the Secretary shall, subject to paragraph (5), ratably reduce the allotment of each State for which the allotment under paragraph (2) is an amount that exceeds the applicable minimum under subparagraph (A), as necessary to ensure that each State receives the applicable minimum allotment under subparagraph (A).

(5) Hold harmless
Notwithstanding paragraphs (2) and (4), except as provided in paragraph (3), no State or territory shall receive a grant under this section in an amount that is less than the amount such State or territory received under this section for fiscal year 2009.
Page 5769

TITe 42—THE PUBLIC HEALTH AND WELFARE § 5106a


2015—Subsec. (b)(2)(B), (xxv, xxi). Pub. L. 114–22, § 802(b)(2), added, redesignated subpar. (B) as (C), and inserted "subparagraph (B)" for "subparagraph (A)" in concluding provisions.

Subsec. (a). Pub. L. 111–320, § 115(b)(1), substituted "subparagraph (B) and struck out former par. (1) which related to requirements that the State will carry out using amounts received under the grant to achieve the objectives of this subchapter, including—" for "subparagraph (B) and struck out former par. (1) which related to requirements that the State will carry out using amounts received under the grant to achieve the objectives of this subchapter, including—".

Subsec. (a)(2)(A). Pub. L. 111–320, § 115(c)(2)(A), redesignated subpar. (A) as (B) and, in introductory provisions, substituted "Governor" for "chief executive officer" and "statewide" for "Statewide".


Subsec. (a)(3)(B). Pub. L. 111–320, § 115(c)(2)(C)(vii), substituted "child abuse or neglect" for "danger of child abuse or neglect" for "the abused or neglected child" and "danger of child abuse or neglect" for "danger of abuse or neglect".

Subsec. (a)(4). Pub. L. 111–320, § 115(c)(2)(C)(viii), added cl. (x) generally. Prior to amendment, cl. (i) read as follows: "provisions or procedures for the reporting of known and suspected instances of child abuse and neglect;".

Subsec. (b)(2)(B)(ii). Pub. L. 111–320, § 115(c)(2)(C)(ix), redesignated subpar. (B) as (C), substituted "infants with disabilities who have" for "disabled infants with" after "procedures;".


Subsec. (b)(2)(B)(ii). Pub. L. 111–320, § 115(c)(2)(C)(xi), substituted "a victim of child abuse or neglect" for "an abused or neglected child" and inserted "including training in early childhood, child, and adolescent development," after "to the role;".


Subsec. (b)(2)(E). Pub. L. 111–320, § 115(c)(2)(A), (F)(I), redesignated subpar. (D) as (E) and inserted “(42 U.S.C. 621 et seq.),” which was translated as “(42 U.S.C. 620 et seq.) after “part B of title IV of the Social Security Act”.”

Subsec. (b)(2)(F), (G). Pub. L. 111–320, § 115(c)(2)(F)(I), (G), added subpars. (F) and (G).


Subsec. (c)(2). Pub. L. 111–320, § 115(d)(1), inserted “and may include adult former victims of child abuse or neglect” before period at end.


Subsec. (d)(1). Pub. L. 111–320, § 115(e)(1), substituted “as victims of child abuse or neglect” for “as abused or neglected”.


Subsec. (d)(7). Pub. L. 111–320, § 115(e)(3), added par. (7) and struck out former par. (7) which read as follows: “The number of child protective services workers responsible for the intake and screening of reports filed in the previous year.”

Subsec. (d)(9). Pub. L. 111–320, § 115(e)(4), substituted “child abuse or neglect” for “abuse or neglect”.

Subsec. (d)(10). Pub. L. 111–320, § 115(e)(5), added par. (10) and struck out former par. (10) which read as follows: “The number of child protective services workers responsible for intake, assessment, and investigation of child abuse and neglect reports relative to the number of reports investigated in the previous year.”

Subsec. (d)(11). Pub. L. 111–320, § 115(e)(6), substituted “or neglect” for “and neglect”.


Subsec. (e). Pub. L. 111–320, § 115(f), inserted “and neglect” before period at end.


2003—Subsec. (a)(3). Pub. L. 108–36, § 114(b)(1)(B)(i), redesignated cls. (iii) and (iv) as (vi) and (vii), respectively. Former cls. (v) redesignated (viii).

Subsec. (a)(5). Pub. L. 108–36, § 114(b)(1)(B)(i), redesignated cls. (viii) as (v) and struck out former cls. (v) which read as follows: “in the absence of any substantive changes; and” for “of any substantive changes, and”.

Subsec. (a)(6). Pub. L. 108–36, § 114(b)(1)(B)(ii), redesignated cl. (v) as (vi) and inserted “Secretary—” for “Secretary”, “(i) of any substantive changes, and” for “of any substantive changes, and”.


Subsec. (a)(8). Pub. L. 108–36, § 114(b)(1)(B)(iv), struck out former par. (8) which related to procedures, and protocols, automation systems that support the program and track reports of child abuse and neglect from intake through final disposition and information referral systems.


Subsec. (a)(10). Pub. L. 108–36, § 114(b)(1)(B)(vi), struck out “to be effective not later than 2 years after October 3, 1996” before “guardian ad litem,” and “who has received training appropriate to that role” after “advocate”.

Subsec. (a)(11). Pub. L. 108–36, § 114(b)(1)(B)(vii), inserted “who has received training appropriate to the role, and” after “guardian ad litem,” and “who has received training appropriate to that role” after “advocate”.

Subsec. (a)(12). Pub. L. 108–36, § 114(b)(1)(B)(viii), substituted “as described in clause (ix)” for “having for such information in order to carry out its responsibilities under law to protect children from abuse and neglect.”


Subsec. (b)(2)(A)(x) to (xxii). Pub. L. 108–36, § 114(b)(1)(B)(iii), redesignated cl. (vi) as (x) to (xii), respectively. Former cl. (x) to (xii) redesignated (xv) to (xxv), respectively.


levels. Not later than 6 months after the date on which a report is submitted by the panel to the State, the appropriate State agency shall submit a written response to the State and local child protection systems and the citizen review panel that describes whether or how the State will incorporate the recommendations of such panel (where appropriate) to make measurable progress in improving the State and local child protective system.

Subsec. (d)(13), (14). Pub. L. 108–36, §114(d), added pars. (13) and (14).

1996—Pub. L. 104–225 reenacted section catchline without change and amended text generally, revising and restating subsecs. (a) and (b), substituting provisions relating to citizen review panels for provisions relating to State program plan in subsec. (c), provisions relating to annual State data reports for provisions relating to waivers in subsec. (d), provisions relating to annual report by Secretary for provisions relating to reauthorization of funds in case of failure to obligate in subsec. (e), and striking out subsecs. (f) and (g) which related to child welfare services and compliance and education grants, respectively.

1992—Subsec. (a). Pub. L. 102–295, §114(a), amended subsec. (a) generally. Prior to amendment, subsec. (a) read as follows: ‘‘The Secretary, through the Center, is authorized to make grants to the States for purposes of assisting the States in developing, strengthening, and carrying out child abuse and neglect prevention and treatment programs.’’

Subsec. (b)(4). Pub. L. 102–586 added par. (4) generally. Prior to amendment, par. (4) read as follows: ‘‘provide for methods to preserve the confidentiality of all records in order to protect the rights of the child and of the child’s parents or guardians’’.


Former subsec. (c) redesignated (d).

Subsec. (d). Pub. L. 102–295, §114(b)(1), redesignated subc. (c) as (d). Former subsec. (d) redesignated (e).

Subsec. (d)(1). Pub. L. 102–295, §114(c), which directed the amendment of subsec. (d) by substituting ‘‘sub-(a)’’ for ‘‘sub-(a)’’ of this subsection in provisions preceding subparagraph (A), was executed by making the substitution the second place that phrase appeared in introductory provisions of par. (1) of subsec. (d) to reflect the probable intent of Congress. Subsecs. (e) to (g). Pub. L. 102–295, §114(b)(1), redesignated subc. (d) as (f) and subc. (e) to (g), respectively.

Effective Date of 2016 Amendment
Pub. L. 114–198, title V, §503(c)(2), July 22, 2016, 130 Stat. 730, provided that the amendment made by section 503(c)(2) is effective on May 29, 2017.

Effective Date of 2015 Amendment
Pub. L. 114–22, title VIII, §802(a), May 29, 2015, 129 Stat. 283, provided that: ‘‘The amendments to the Child Abuse Prevention and Treatment Act (42 U.S.C. 5101 et seq.) made by this section [amending this section and section 5106c of this title and provisions set out as a note under section 5101 of this title] shall take effect 2 years after the date of the enactment of this Act [May 29, 2015].’’

Effective Date of 1992 Amendment

Construction of 2016 Amendment
Pub. L. 114–198, title V, §503(e), July 22, 2016, 130 Stat. 731, provided that: ‘‘Nothing in this section [enacting title 501 of this title, amending this section and section 5104 of this title, and enacting provisions set out as a note above], or the amendments made by this section, shall be construed to authorize the Secretary of Health and Human Services or any other officer of the Federal Government to add new requirements to section 106(b) of the Child Abuse Prevention and Treatment Act (42 U.S.C. 5106a(b)), as amended by this section.’’

Report

Congressional Findings

(1) circumstances surrounding the death of a young boy named Adam Mann in New York City prompted a shocking documentary focusing on the inability of child protection services to protect suffering children;

(2) the documentary described in paragraph (1) showed the serious need for systemic changes in our child welfare protection system;

(3) thorough, coordinated, and comprehensive investigation will, it is hoped, lead to the prevention of abuse, neglect, or death in the future;

(4) an undue burden is placed on investigation due to strict Federal and State laws and regulations regarding confidentiality;

(5) while the Congress recognizes the importance of maintaining the confidentiality of records pertaining to child abuse, neglect, and death, often the purpose of confidentiality laws is defeated when they have the effect of protecting those responsible;

(6) comprehensive and coordinated interagency communication needs to be established, with adequate provisions to protect against the public disclosure of any detrimental information need to be established [sic];

(7) certain States, including Georgia, North Carolina, California, Missouri, Arizona, Minnesota, Oklahoma, and Oregon, have taken steps to establish by statute interagency, multidisciplinary fatality review teams to fully investigate incidents of death believed to be caused by child abuse or neglect;

(8) teams such as those described in paragraph (7) should be established in every State, and their scope of review should be expanded to include egregious instances of child abuse and neglect before the child in question dies; and

(9) teams such as those described in paragraph (7) will increase the accountability of child protection services.’’

§5106a–1. Repealed


§ 5106c. Grants to States for programs relating to investigation and prosecution of child abuse and neglect cases

(a) Grants to States

The Secretary, in consultation with the Attorney General, is authorized to make grants to the States for the purpose of assisting States in developing, establishing, and operating programs designed to improve—

(1) the assessment and investigation of suspected child abuse and neglect cases, including cases of suspected child sexual abuse and exploitation, in a manner that limits additional trauma to the child and the child’s family;
(2) the assessment and investigation of cases of suspected child abuse-related fatalities and suspected child neglect-related fatalities;
(3) the investigation and prosecution of cases of child abuse and neglect, including child sexual abuse and exploitation; and
(4) the assessment and investigation of cases involving children with disabilities or serious health-related problems who are suspected victims of child abuse or neglect.

(b) Eligibility requirements

In order for a State to qualify for assistance under this section, such State shall—

(1) fulfill the requirements of section 5106a(b) of this title;
(2) establish a task force as provided in subsection (c);
(3) fulfill the requirements of subsection (d);
(4) submit annually an application to the Secretary at such time and containing such information and assurances as the Secretary considers necessary, including an assurance that the State will—
   (A) make such reports to the Secretary as may reasonably be required; and
   (B) maintain and provide access to records relating to activities under subsections (a) and (b); and
(5) submit annually to the Secretary a report on the manner in which assistance received under this program was expended throughout the State, with particular attention focused on the areas described in paragraphs (1) through (3) of subsection (a).

(c) State task forces

(1) General rule

Except as provided in paragraph (2), a State requesting assistance under this section shall establish or designate, and maintain, a State multidisciplinary task force on children’s justice (hereinafter referred to as “State task force”) composed of professionals with knowledge and experience relating to the criminal justice system and issues of child physical abuse, child neglect, child sexual abuse and exploitation, and child maltreatment related fatalities. The State task force shall include—

(A) individuals representing the law enforcement community;
(B) judges and attorneys involved in both civil and criminal court proceedings related to child abuse and neglect (including individuals involved with the defense as well as the prosecution of such cases);
(C) child advocates, including both attorneys for children and, where such programs are in operation, court appointed special advocates;
(D) health and mental health professionals;
(E) individuals representing child protective service agencies;
(F) individuals experienced in working with children with disabilities;
(G) parents;
(H) representatives of parents’ groups;
(I) adult former victims of child abuse or neglect; and
(J) individuals experienced in working with homeless children and youths (as defined in section 11434a of this title).

(2) Existing task force

As determined by the Secretary, a State commission or task force established after January 1, 1983, with substantially comparable membership and functions, may be considered the State task force for purposes of this subsection.

(d) State task force study

Before a State receives assistance under this section, and at three year intervals thereafter, the State task force shall comprehensively—

(1) review and evaluate State investigative, administrative and both civil and criminal judicial handling of cases of child abuse and neglect, including child sexual abuse and exploitation, as well as cases involving suspected child maltreatment related fatalities and cases involving a potential combination of jurisdictions, such as intrastate, interstate, Federal-State, and State-Tribal; and
(2) make policy and training recommendations in each of the categories described in subsection (e).

The task force may make such other comments and recommendations as are considered relevant and useful.

(e) Adoption of State task force recommendations

(1) General rule

Subject to the provisions of paragraph (2), before a State receives assistance under this section, a State shall adopt recommendations of the State task force in each of the following categories—

(A) investigative, administrative, and judicial handling of cases of child abuse and neglect, including child sexual abuse and exploitation, as well as cases involving suspected child maltreatment related fatalities and cases involving a potential combination of jurisdictions, such as intrastate, interstate, Federal-State, and State-Tribal, in a
manner which reduces the additional trauma to the child victim and the victim's family and which also ensures procedural fairness to the accused;

(B) experimental, model, and demonstration programs for testing innovative approaches and techniques which may improve the prompt and successful resolution of civil and criminal court proceedings or enhance the effectiveness of judicial and administrative action in child abuse and neglect cases, particularly child sexual abuse and exploitation cases, including the enhancement of performance of court-appointed attorneys and guardians ad litem for children, and which also ensure procedural fairness to the accused; and

(C) reform of State laws, ordinances, regulations, protocols, and procedures to provide comprehensive protection for children, which may include those children involved in reports of child abuse or neglect with a potential combination of jurisdictions, such as intrastate, interstate, Federal-State, and State-Tribal, from child abuse and neglect, including child sexual abuse and exploitation, while ensuring fairness to all affected persons.

(2) Exemption

As determined by the Secretary, a State shall be considered to be in fulfillment of the requirements of this subsection if—

(A) the State adopts an alternative to the recommendations of the State task force, which carries out the purpose of this section, in each of the categories under paragraph (1) for which the State task force's recommendations are not adopted; or

(B) the State is making substantial progress toward adopting recommendations of the State task force or a comparable alternative to such recommendations.

(f) Funds available

For grants under this section, the Secretary shall use the amount authorized by section 20104 of title 34.


PRIOR PROVISIONS

A prior section 107 of Pub. L. 93-247 was renumbered section 106 and is classified to section 5106a of this title.

AMENDMENTS

2010—Subsec. (a)(1), (2). Pub. L. 111-320, §116(1)(A), added pars. (1) and (2) and struck out former pars. (1) and (2) which read as follows:

“(1) the handling of child abuse and neglect cases, particularly cases of child sexual abuse and exploitation, in a manner which limits additional trauma to the child victim;

“(2) the handling of cases of suspected child abuse or neglect related fatalities”;

Subsec. (a)(3). Pub. L. 111-320, §116(1)(B), substituted “including” for “particularly”.

Subsec. (a)(4). Pub. L. 111-320, §116(1)(C), substituted “the assessment and investigation” for “the handling” and “suspected victims of child abuse” for “victims of abuse”.

Subsec. (b)(1). Pub. L. 111-320, §116(2), added technical amendment to reference in original act which appears in text as reference to section 5106(a) of this title.


Subsec. (e)(1)(B), Pub. L. 111-320, §116(5)(B), inserted a comma after “model” and substituted “improve the prompt and successful resolution of civil and criminal court proceedings or enhance the effectiveness of judicial and administrative action in child abuse and neglect cases, particularly child sexual abuse and exploitation cases, including the enhancement of performance of court-appointed attorneys and guardians ad litem for children” for “improve the rate of successful prosecution or enhance the effectiveness of judicial and administrative action in child abuse cases, particularly child sexual abuse cases”.

Subsec. (e)(1)(C). Pub. L. 111-320, §116(5)(C), inserted a comma after “protocols” and “which may include those children involved in reports of child abuse or neglect with a potential combination of jurisdictions, such as intrastate, interstate, Federal-State, and State-Tribal,” after “protection for children” and substituted “from child abuse and neglect” for “from abuse” and “including” for “particularly.”


1996—Subsec. (a). Pub. L. 104-235, §113(a)(2)(A), substituted “The Secretary, in consultation” for “The Secretary, acting through the Center and in consultation” in introductory provisions.

Subsec. (b)(1). Pub. L. 104-235, §113(a)(2)(B), substituted “section” for “sections”.


Subsec. (a). Pub. L. 102-295, §116(a)(2), added pars. (1) to (3) and struck out former pars. (1) and (2) which read as follows:

“(1) the handling of child abuse cases, particularly cases of child sexual abuse, in a manner which limits additional trauma to the child victim; and

“(2) the investigation and prosecution of cases of child abuse, particularly child sexual abuse.”

Subsec. (b)(1). Pub. L. 102-295, §116(a)(3)(A), substituted “sections 5106a(b) of this title” for “sections 5106a(b) and 5106a(e) of this title or receive a waiver under section 5106a(c) of this title”.


Subsec. (c)(1). Pub. L. 102-295, §116(a)(4), inserted “maintain” after “designate” and substituted “child physical abuse, child neglect, child sexual abuse and exploitation, and child maltreatment related fatalities” for “child abuse”; in subpar. (B), substituted “judges and attorneys involved in both civil and criminal court proceedings related to child abuse and neglect” for “judicial and legal offi-
§ 5106d. Miscellaneous requirements relating to assistance

(a) Construction of facilities

(1) Restriction on use of funds

Assistance provided under this subchapter and subchapter III may not be used for construction of facilities.

(2) Lease, rental, or repair

The Secretary may authorize the use of funds received under this subchapter and subchapter III—

(A) where adequate facilities are not otherwise available, for the lease or rental of facilities; or

(B) for the repair or minor remodeling or alteration of existing facilities.

(b) Geographical distribution

The Secretary shall establish criteria designed to achieve equitable distribution of assistance under this subchapter and subchapter III among the States, among geographic areas of the Nation, and among rural and urban areas of the Nation. To the extent possible, the Secretary shall ensure that the citizens of each State receive assistance from at least one project under this subchapter and subchapter III.

(c) Limitation

No funds appropriated for any grant or contract pursuant to authorizations made in this subchapter and subchapter III may be used for any purpose other than that for which such funds were authorized to be appropriated.

(d) Sense of Congress

It is the sense of Congress that the Secretary should encourage all States and public and private entities that receive assistance under this subchapter to—

(1) ensure that children and families with limited English proficiency who participate in programs under this subchapter are provided with materials and services through such programs in an appropriate language other than English; and

(2) ensure that individuals with disabilities who participate in programs under this subchapter are provided with materials and services through such programs that are appropriate to their disabilities.

(e) Annual report

A State that receives funds under section 5106a(a) of this title shall annually prepare and submit to the Secretary a report describing the manner in which funds provided under this subchapter and subchapter III, alone or in combination with other Federal funds, were used to address the purposes and achieve the objectives of section 5106a of this title.

PRIOR PROVISIONS

A prior section 108 of Pub. L. 93–247 was classified to section 5106b of this title prior to repeal by Pub. L. 104–235.

AMENDMENTS

2010—Subsec. (d). Pub. L. 111–320 amended subsec. (d) generally. Prior to amendment, text read as follows: “It is the sense of Congress that the Secretary should encourage all States and public and private agencies or organizations that receive assistance under this subchapter to ensure that children and families with limited English proficiency who participate in programs under this subchapter are provided materials and services under such programs in an appropriate language other than English.”

2003—Subsecs. (d), (e). Pub. L. 108–36 added subsecs. (d) and (e).

1996—Subsecs. (c), (d). Pub. L. 104–235 redesignated subsec. (d) as (c) and struck out heading and text of former subsec. (c). Text read as follows: “The Secretary, in consultation with the task force and the board, shall ensure that a majority share of assistance under this subchapter and subchapters III and V of this chapter is available for discretionary research and demonstration grants.”

§ 5106e. Coordination of child abuse and neglect programs

The Secretary shall prescribe regulations and make such arrangements as may be necessary or
§ 5106f. Reports

(a) Coordination efforts

Not later than 1 year after December 20, 2010, the Secretary shall submit to the Committee on Education and Labor of the House of Representatives and the Committee on Health, Education, Labor, and Pensions of the Senate a report on efforts to coordinate the objectives and activities of agencies and organizations that are responsible for programs and activities related to child abuse and neglect. Not later than 3 years after December 20, 2010, the Secretary shall submit to those committees a second report on such efforts during the 3-year period following December 20, 2010. Not later than 5 years after December 20, 2010, the Secretary shall submit to those committees a third report on such efforts during the 5-year period following December 20, 2010.

(b) Effectiveness of State programs and technical assistance

Not later than 2 years after December 20, 2010, and every 2 years thereafter, the Secretary shall submit to the Committee on Education and Labor of the House of Representatives and the Committee on Health, Education, Labor, and Pensions of the Senate a report evaluating the effectiveness of programs receiving assistance under section 5106a of this title in achieving the objectives of section 5106a of this title.

(c) Study and report relating to citizen review panels

(1) In general

The Secretary shall conduct a study to determine the effectiveness of citizen review panels, established under section 5106a(c) of this title, in achieving the stated function of such panels under section 5106a(c)(4)(A) of this title of—

(A) examining the policies, procedures, and practices of State and local child protection agencies; and

(B) evaluating the extent to which such State and local child protection agencies are fulfilling their child protection responsibilities, as described in clauses (i) through (iii) of section 5106a(c)(4)(A) of this title.

(2) Content of study

The study described in paragraph (1) shall be completed in a manner suited to the unique design of citizen review panels, including consideration of the variability among the panels within and between States. The study shall include the following:

(A) Data describing the membership, organizational structure, operation, and administration of all citizen review panels and the total number of such panels in each State.

(B) A detailed summary of the extent to which collaboration and information-sharing occurs between citizen review panels and State child protective services agencies or any other entities or State agencies. The summary shall include a description of the outcomes that result from collaboration and information sharing.

(C) Evidence of the adherence and responsiveness to the reporting requirements under section 5106a(c)(6) of this title by citizen review panels and States.

(d) Study and report relating to immunity from prosecution for professional consultation in suspected and known instances of child abuse and neglect

(1) Study

The Secretary shall complete a study, in consultation with experts in the provision of healthcare, law enforcement, education, and local child welfare administration, that examines how provisions for immunity from prosecution under State and local laws and regulations facilitate and inhibit individuals cooperating, consulting, or assisting in making good faith reports, including mandatory reports, of suspected or known instances of child abuse or neglect.

(2) Report

Not later than 1 year after December 20, 2010, the Secretary shall submit to the Committee on Health, Education, Labor, and Pensions of the Senate and the Committee on Education and Labor of the House of Representatives a report that contains the results of the study conducted under paragraph (1).
AMENDMENTS
2010—Subsec. (a). Pub. L. 111–320, § 118(a), added subsec. (a) and struck out former subsec. (a) which required the Secretary to submit to the appropriate committees of Congress a report on efforts to coordinate the objectives and activities of agencies and organizations which are responsible for programs and activities related to child abuse and neglect.

Subsec. (b). Pub. L. 111–320, § 118(a), added subsec. (b) and struck out former subsec. (b). Prior to amendment, text read as follows: “Not later than two years after the first fiscal year for which funds are obligated under section 10003 of this title, the Secretary shall submit to the appropriate committees of Congress a report evaluating the effectiveness of assisted programs in achieving the objectives of section 5106c of this title.

Subsec. (c). Pub. L. 111–320, § 118(b), amended subsec. (c) generally. Prior to amendment, text read as follows: “(1) Study.—The Secretary shall conduct a study by random sample of the effectiveness of the citizen review panels established under section 5106a(c) of this title.

(2) Report.—Not later than 3 years after June 25, 2000, the Secretary shall submit to the Committee on Education and the Workforce of the House of Representatives and the Committee on Health, Education, Labor, and Pensions of the Senate a report that contains the results of the study conducted under paragraph (1).”


1996—Subsec. (b). Pub. L. 104–235 substituted “effectiveness of assisted programs in achieving the objectives of section 5106c of this title” for “effectiveness of—

“(1) assisted programs in achieving the objectives of section 5106c of this title; and

“(2) the technical assistance provided under section 5106b of this title”.

1989—Subsec. (b). Pub. L. 101–126, § 3(b)(6), made technical amendments to references to sections 5106b and 5106c of this title to reflect renumbering of corresponding sections of original act.

§ 5106f-1. Report concerning voluntary reporting system

Not later than April 30, 1993, and annually thereafter, the Secretary of Health and Human Services, acting through the Director of the National Center on Child Abuse and Neglect, shall prepare and submit to the appropriate committees of Congress a report concerning the measures being taken to assist States in implementing a voluntary reporting system for child abuse and neglect. Such reports shall contain information concerning the extent to which the child abuse and neglect reporting systems developed by the States are coordinated with the automated foster care and adoption reporting system required under section 679 of this title.


CODIFICATION

Section was enacted as part of the Child Abuse, Domestic Violence, Adoption and Family Services Act of 1992, and not as part of title I of the Child Abuse Prevention and Treatment Act which comprises this subchapter.

§ 5106f. Definitions

(a) Definitions

For purposes of this subchapter—

(1) the term “Alaska Native” has the meaning given the term “Native” in section 1602 of title 43;

(2) the term “infant or toddler with a disability” has the meaning given the term in section 1432 of title 20;

(3) the term “Native Hawaiian” has the meaning given the term in section 7517 of title 20;

(4) the term “sexual abuse” includes—

(A) the employment, use, persuasion, inducement, enticement, or coercion of any child to engage in, or assist any other person to engage in, any sexually explicit conduct or simulation of such conduct for the purpose of producing a visual depiction of such conduct; or

(B) the rape, and in cases of caretaker or inter-familial relationships, statutory rape, molestation, prostitution, or other form of sexual exploitation of children, or incest with children; and

(5) the term “withholding of medically indicated treatment” means the failure to respond to the infant’s life-threatening conditions by providing treatment (including appropriate nutrition, hydration, and medication) which, in the treating physician’s or physicians’ reasonable medical judgment, will be most likely to be effective in ameliorating or correcting all such conditions, except that the term does not include the failure to provide treatment (other than appropriate nutrition, hydration, or medication) to an infant when, in the treating physician’s or physicians’ reasonable medical judgment—

(A) the infant is chronically and irreversibly comatose;

(B) the provision of such treatment would—

(i) merely prolong dying;

(ii) not be effective in ameliorating or correcting all of the infant’s life-threatening conditions; or

(iii) otherwise be futile in terms of the survival of the infant; or

(C) the provision of such treatment would be virtually futile in terms of the survival of the infant and the treatment itself under such circumstances would be inhumane.

(b) Special rule

(1) In general

For purposes of section 3(2)(A) and subsection (a)(4), a child shall be considered a victim of “child abuse and neglect” and of “sexual abuse” if the child is identified, by a State or local agency employee of the State or locality involved, as being a victim of sex trafficking (as defined in paragraph (10) of section 7102 of title 22) or a victim of severe forms of trafficking in persons described in paragraph (9)(A) of that section.

2010—Subsec. (a)(2)(D). Pub. L. 111–320, § 118(a), added subsec. (D) and struck out former subsec. (D) which required the Secretary to conduct a study by random sample of the effectiveness of the citizen review panels established under section 5106a(c) of this title really.

(a) In general

(1) General authorization

There are authorized to be appropriated to carry out this subchapter $120,000,000 for fiscal year 2010 and such sums as may be necessary for each of the fiscal years 2011 through 2015.

(2) Discretionary activities

(A) In general

Of the amounts appropriated for a fiscal year under paragraph (1), the Secretary shall make available 30 percent of such amounts to fund discretionary activities under this subchapter.
(B) Demonstration projects

Of the amounts made available for a fiscal year under subparagraph (A), the Secretary shall make available not more than 40 percent of such amounts to carry out section 5105 of this title.

(b) Availability of funds without fiscal year limitation

The Secretary shall ensure that funds appropriated pursuant to authorizations in this subchapter shall remain available until expended for the purposes for which they were appropriated.


PRIOR PROVISIONS

A prior section 112 of Pub. L. 93–247 was renumbered section 110 and is classified to section 5106i of this title.

AMENDMENTS


2003—Subsec. (a)(1). Pub. L. 108–36, §117(a), amended heading and text of par. (1) generally. Prior to amendment, text read as follows: “There are authorized to be appropriated to carry out this subchapter, $100,000,000 for fiscal year 1997, and such sums as may be necessary for each of the fiscal years 1993 through 1995.

1996—Subsec. (a). Pub. L. 104–235 amended heading and text of subsec. (a) generally. Prior to amendment, text read as follows: “(1) AUTHORIZATION.—There are authorized to be appropriated to carry out this subchapter, section 5106a(f) of this title, for fiscal year 1997, and such sums as may be necessary for each of the fiscal years 1993 through 1995.

(2) ALLOCATIONS.—

(A) Of the amounts appropriated under paragraph (1) for a fiscal year, $5,000,000 shall be available for the purpose of making additional grants to the States to carry out the provisions of section 5106a(g) of this title.

(B) Of the amounts appropriated under paragraph (1) for a fiscal year and available after compliance with subparagraph (A)—

(i) 35 percent shall be available for activities under sections 5104, 5105, and 5106 of this title; and

(ii) 65 percent of such amounts shall be made available in each such fiscal year for activities under sections 5106a and 5106b of this title.”

1992—Subsec. (a). Pub. L. 102–295 amended subsec. (a) generally. Prior to amendment, subsec. (a) read as follows: “There are authorized to be appropriated for purposes of carrying out this subchapter $8,000,000 for fiscal year 1988, and such sums as may be necessary for fiscal years 1989, 1990, and 1991. Of the funds appropriated for any fiscal year under this section, except as provided in the preceding sentence (1)(A) $41,000,000 shall be available for activities under sections 5104, 5105, and 5106 of this title, and (B) $9,000,000 shall be available in each fiscal year for activities under sections 5106a(a) and 5106b of this title, giving special consideration to continued funding of child abuse and neglect programs or projects (previously funded by the Department of Health and Human Services) of national or regional scope and demonstrated effectiveness, (2) $5,000,000 shall be available in each such year for grants and contracts under section 5106a(a) of this title, for identification, treatment, and prevention of sexual abuse, and (3) $5,000,000 shall be available in each such year for the purpose of making additional grants to the States to carry out the provisions of section 5106a(c) of this title. With respect to any fiscal year in which the total amount appropriated under this section is less than $30,000,000, no less than $20,000,000 of the funds appropriated in such fiscal year shall be available as provided in clause (1) in the preceding sentence and of the remainder, one-half shall be available as provided for in clause (2) and one-half as provided for in clause (3) in the preceding sentence.”

1989—Pub. L. 101–128, §3(b)(8), made technical amendments to references to this subchapter and to sections 5104, 5105, 5106, 5106a, and 5106b of this title to reflect the insertion of title designations and renumbering of corresponding sections in original act.

EFFECTIVE DATE OF 1992 AMENDMENT

Pub. L. 102–295, title I, §117(b), May 28, 1992, 106 Stat. 197, provided that: “Paragraph (2) of section 114(a) [(2) U.S.C. 5106h(a)(2)], as amended by subsection (a), shall become effective on October 1 of the first fiscal year for which $30,000,000 or more would be available under subsection (a)(2)(B) of such section 114 (if such subsection were in effect), and until such fiscal year, the second and third sentences of section 114(a) [see 1992 Amendment note above] (as in effect prior to the amendment made by such subsection (a)) shall continue in effect.”

§5106i. Rule of construction

(a) In general

Nothing in this subchapter and subchapter III shall be construed—

(1) as establishing a Federal requirement that a parent or legal guardian provide a child any medical service or treatment against the religious beliefs of the parent or legal guardian; and

(2) to require that a State find, or to prohibit a State from finding, child abuse or neglect in cases in which a parent or legal guardian relies solely or partially upon spiritual means rather than medical treatment, in accordance with the religious beliefs of the parent or legal guardian.

(b) State requirement

Notwithstanding subsection (a), a State shall, at a minimum, have in place authority under State law to permit the child protective services system of the State to pursue any legal remedies, including the authority to initiate legal proceedings in a court of competent jurisdiction, to provide medical care or treatment for a child when such care or treatment is necessary to prevent or remedy serious harm to the child, or to prevent the withholding of medically indicated treatment from children with life threatening conditions. Except with respect to the withholding of medically indicated treatments from disabled infants with life threatening conditions, case by case determinations concerning the exercise of the authority of this subsection shall be within the sole discretion of the State.

§ 5107. Discretionary programs; authorization of appropriations

(a)(1) The Secretary of Health and Human Services, either directly, through grants to States and public and private, nonprofit organizations and agencies, or through jointly financed cooperative arrangements with States, public agencies, and other agencies and organizations, is authorized to provide for activities of national significance related to child abuse prevention and treatment and adoption reform, including operation of a national center to collect and disseminate information regarding child abuse and neglect, and operation of a national adoption information exchange system to facilitate the adoptive placement of children.

(2) The Secretary, in carrying out the provisions of this subsection, shall provide for the continued operation of the National Center on Child Abuse and Neglect in accordance with section 5101(a) of this title for each of the fiscal years 1982 and 1983.

(3) If the Secretary determines, in fiscal year 1982 or 1983, to carry out any of the activities described in section 5101(b) of this title, the Secretary shall carry out such activities through the National Center on Child Abuse and Neglect.

(b) There is authorized to be appropriated to carry out this section $12,000,000 for each of the fiscal years 1982 and 1983. Of the amounts appropriated under this subsection for any fiscal year, not less than $2,000,000 shall be available to carry out title II of the Child Abuse Prevention and Treatment and Adoption Reform Act of 1978 (42 U.S.C. 5111 et seq.).


REFERENCES IN TEXT


CODIFICATION

Section was enacted as part of the Omnibus Budget Reconciliation Act of 1981, and not as part of title I of the Child Abuse Prevention and Treatment Act which comprises this subchapter.

§ 5108. Monitoring and oversight

The Secretary shall conduct monitoring to ensure that each State that receives a grant under section 5106a of this title is in compliance with the requirements of section 5106a(b) of this title, which—

(1) shall—

(A) be in addition to the review of the State plan upon its submission under section 5106a(b)(1)(A) of this title; and

(B) include monitoring of State policies and procedures required under clauses (ii) and (iii) of section 5106a(b)(2)(B) of this title; and

(2) may include—

(A) a comparison of activities carried out by the State to comply with the requirements of section 5106a(b) of this title with the State plan most recently approved under section 629b of this title;

(B) a review of information available on the website of the State relating to its compliance with the requirements of section 5106a(b) of this title;

(C) site visits, as may be necessary to carry out such monitoring; and

(D) a review of information available in the State's Annual Progress and Services Report most recently submitted under section 1357.16 of title 45, Code of Federal Regulations (or successor regulations).


SUBCHAPTER II—ADOPTION OPPORTUNITIES

§ 5111. Congressional findings and declaration of purpose

(a) Findings

Congress finds that—

(1) on the last day of fiscal year 2009, some 424,000 children were living in temporary foster family homes or other foster care settings;

(2) most children in foster care are victims of child abuse or neglect by their biological parents and their entry into foster care brought them the additional trauma of separation from their homes and often their communities;

(3) on average, children entering foster care have more physical and mental health needs than do children in the general population, and some require intensive services because the children entering foster care—

(A) were born to mothers who did not receive prenatal care;

(B) were born with life-threatening conditions or disabilities;

(C) were born addicted to alcohol or other drugs; or

(D) have HIV/AIDS;

(4) each year, thousands of children in foster care, regardless of their age, the size of the sibling group they are a part of, their racial or ethnic status, their medical condition, or any physical, mental or emotional disability they may have, are in need of placement with permanent, loving, adoptive families;

(5)(A) States have made important strides in increasing the number of children who are placed in permanent homes with adoptive parents and in reducing the length of time children wait for such a placement; and

(B) many thousands of children, however, still remain in institutions or foster homes solely because of legal and other barriers to such a placement;
§5111  TITLE 42—THE PUBLIC HEALTH AND WELFARE

(6)(A) on the last day of fiscal year 2009, there were 115,000 children waiting for adoption;

(B) children waiting for adoption have had parental rights of all living parents terminated or the children have a permanency goal of adoption;

(C)(i) the average age of children adopted with public child welfare agency involvement during fiscal year 2009 was a little more than 6 years; and

(ii) the average age of children waiting for adoption on the last day of that fiscal year was a little more than 8 years of age and more than 30,000 of those children were 12 years of age or older; and

(D)(i) 25 percent of the children adopted with public child welfare agency involvement during fiscal year 2009 were African-American; and

(ii) 30 percent of the children waiting for adoption on the last day of fiscal year 2009 were African-American;

(7) adoption may be the best alternative for assuring the healthy development of children placed in foster care;

(8) there are qualified persons seeking to adopt such children who are unable to do so because of barriers to their placement and adoption; and

(9) in order both to enhance the stability of and love in the home environments of such children and to avoid wasteful expenditures of public funds, such children—

(A) should not have medically indicated treatment withheld from them; or

(B) be maintained in foster care or institutions when adoption is appropriate and families can be found for such children.

(b) Purpose

It is the purpose of this subchapter to facilitate the elimination of barriers, including geographic barriers, to adoption and to provide permanent and loving home environments for children who would benefit from adoption, particularly older children, minority children, and children with special needs, including disabled infants with life-threatening conditions, by providing a mechanism to—

(1) promote quality standards for adoption services, pre-placement, post-placement, and post-legal adoption counseling, and standards to protect the rights of children in need of adoption;

(2) maintain an Internet-based national adoption information exchange system to—

(A) bring together children who would benefit from adoption and qualified prospective adoptive parents who are seeking such children;

(B) conduct national recruitment efforts in order to reach prospective parents for children awaiting adoption; and

(C) connect placement agencies, prospective adoptive parents, and adoptive parents to resources designed to reduce barriers to adoption, support adoptive families, and ensure permanency; and

(3) demonstrate expeditious ways to free children for adoption for whom it has been determined that adoption is the appropriate plan.


AMENDMENTS

2010—Subsec. (a). Pub. L. 111–320, §301(a)(1), added subsec. (a) and struck out former subsec. (a) which related to findings on children in institutions or foster homes.


Subsec. (b)(2). Pub. L. 111–320, §301(a)(2)(B), added par. (2) and struck out former par. (2) which read as follows: "maintain an Internet-based national adoption information exchange system to bring together children who would benefit from adoption and qualified prospective adoptive parents who are seeking such children, and conduct national recruitment efforts in order to reach prospective parents for children awaiting adoption; and"

2003—Subsec. (a)(1) to (3). Pub. L. 108–36, §201(1)(A), added paras. (1) to (3) and struck out former paras. (1) to (3) which read as follows:

"(1) the number of children in substitute care increased by nearly 61 percent between 1986 and 1994, as our Nation’s foster care population included more than 452,000 as of June 1994;

"(2) increasingly children entering foster care have complex problems which require intensive services;

"(3) an increasing number of infants are born to mothers who did not receive prenatal care, are born addicted to alcohol and other drugs, and exposed to infection with the etiologic agent for the human immunodeficiency virus, are medically fragile, and technology dependent;"

Subsec. (a)(4). Pub. L. 108–36, §201(1)(A), (D), redesignated par. (5) as (4) and struck out former par. (4) which read as follows: "the welfare of thousands of children in institutions and foster homes and disabled infants with life-threatening conditions may be in serious jeopardy and some such children are in need of placement in permanent, adoptive homes;"


Subsec. (a)(6). Pub. L. 108–36, §201(1)(B), (D), redesignated par. (6) as (5) and struck out former par. (6) which read as follows: "the majority of such children are of school age, members of sibling groups or disabled;"


Subsec. (a)(7)(A). Pub. L. 108–36, §201(1)(C), added subpar. (A) and struck out former subpar. (A) which read as follows: "currently, 40,000 children are free for adoption and awaiting placement;"

Subsec. (a)(8) to (10). Pub. L. 108–36, §201(1)(D), redesignated paras. (8) to (10) as (6) to (8), respectively.


Subsec. (b)(2). Pub. L. 108–36, §201(2)(B), substituted "an Internet-based national" for "a national".


Subsec. (a)(5). Pub. L. 104–235, §211(1)(B), substituted "legal" for "local".

Subsec. (a)(7). Pub. L. 104–235, §211(1)(C), amended par. (7) generally. Prior to amendment, par. (7) read as follows: "currently one-half of children free for adoption and awaiting placement are minorities;".

Subsec. (b). Pub. L. 104–235, §211(1)(C), added subpar. (C) and struck out former subpar. (C) which read as follows: "currently one-half of children free for adoption and awaiting placement are minorities;".
Subsec. (b), Pub. L. 104–235, §211(2), substituted “conditions, by providing a mechanism to—” for “conditions, by—”

“(I) promoting model adoption legislation and procedures in the States and territories of the United States in order to eliminate jurisdictional and legal obstacles to adoption; and

“(II) providing a mechanism for the Department of Health and Human Services to—”
redesignated subparas. (A) to (C) of former par. (2) as pars. (1) to (3), respectively, and realigned margins.

1992—Pub. L. 102–295 amended section generally, designating existing provisions as subsecs. (a) and (b), inserting findings relating to the number of children in substitute care, foster care, children with complex problems which require intensive services, infants born without prenatal care, addicted to alcohol or other drugs, or exposed to infection with the etiologic agent for human immunodeficiency virus, and percentage of children awaiting adoption who are minorities, inserting as purposes of this subchapter to provide a mechanism to recruit prospective parents for children awaiting adoption and to demonstrate expeditious ways to free children for adoption, and striking out as a purpose to provide a mechanism to coordinate with Federal departments and agencies to provide national adoption and foster care information data-gathering and analysis system.

1984—Pub. L. 98–457, §201(a), in provisions before par. (1), inserted “the welfare of thousands of children in institutions and foster homes and disabled infants with life-threatening conditions may be in serious jeopardy and that some such children are in need of placement in permanent, adoptive homes, that” and substituted “should not have medically indicated treatment withheld from them, nor be maintained in foster care” for “should not be maintained in foster care” and “children with special needs, including disabled infants with life-threatening conditions, by” for “children with special needs by”.

Par. (2). Pub. L. 98–457, §201(b)(2), amended par. (2) generally. Prior to amendmt., par. (2) read as follows: “(A) study and consider how to improve procedures and policies to facilitate the timely and permanent adoptions of children across State and county jurisdictions; and

“(B) examine, at a minimum, interjurisdictional adoption issues—

“(i) concerning the recruitment of prospective adoptive families from other States and counties;

“(ii) concerning the procedures to grant reciprocity to prospective adoptive family home studies from other States and counties;

“(iii) arising from a review of the comity and full faith and credit provided to adoption decrees and termination of parental rights orders from other States; and

“(iv) concerning the procedures related to the administration and implementation of the Interstate Compact on the Placement of Children.”

2012 Pub. L. 112–193, §21, effective not later than 1 year after the date of the enactment of this Act [Nov. 19, 1997], the Comptroller General shall submit to the appropriate committees of the Congress a report that includes—

“(A) the results of the study conducted under paragraph (1); and

“(B) recommendations on how to improve procedures to facilitate the interjurisdictional adoption of children, including interstate and intercounty adoptions, so that children will be assured timely and permanent placements.”


§ 5113. Information and services

(a) In general

The Secretary shall establish in the Department of Health and Human Services an appropriate administrative arrangement to provide a centralized focus for planning and coordinating of all departmental activities affecting adoption and foster care and for carrying out the provisions of this subchapter. The Secretary shall make available such consultant services, on-site technical assistance and personnel, together with appropriate administrative expenses, including salaries and travel costs, as are necessary for carrying out such purposes, including services to facilitate the adoption of older children, minority children, and children with special needs, particularly infants and toddlers with disabilities who have life-threatening conditions, and services to families considering adoption of children with special needs.

(b) Required activities

In connection with carrying out the provisions of this subchapter, the Secretary shall—

(1) conduct (directly or by grant to or contract with public or private agencies or organizations) an education and training program on adoption, and prepare, publish, and disseminate (directly or by grant to or contract with public or private agencies and organizations) to all interested parties, public and private agencies and organizations (including, but not limited to, hospitals, health care and family planning clinics, and social services agencies), and governmental bodies, information and education and training materials regarding adoption, adoption assistance programs, and post-adoption services;

(2) conduct, directly or by grant or contract with public or private organizations, ongoing, extensive recruitment efforts on a national level, including efforts to promote the adoption of older children, minority children, and children with special needs, develop national public awareness efforts to unite children in need of adoption with appropriate adoptive parents, and establish a coordinated referral system of recruited families with appropriate State or regional adoption resources to ensure that families are served in a timely fashion;

(3) notwithstanding any other provision of law, provide (directly or by grant to or contract with public or private agencies or organizations) for (A) the operation of a national adoption information exchange system (in-
§ 5113

Title 42—The Public Health and Welfare

§ 5113

including only such information as is necessary to facilitate the adoptive placement of children, utilizing computers and data processing methods to assist in the location of children who would benefit by adoption and in the placement in adoptive homes of children awaiting adoption; and (B) the coordination of such system with similar State and regional systems;

(4) provide (directly or by grant to or contract with public or private agencies or organizations, including adoptive family groups and minority groups) for the provision of technical assistance in the planning, improving, developing, and carrying out of programs and activities relating to adoption, and to promote professional leadership training of minorities in the adoption field;

(5) encourage involvement of corporations and small businesses in supporting adoption as a positive family-strengthening option, including the establishment of adoption benefit programs for employees who adopt children;

(6) support the placement of children in kinship care arrangements, pre-adoptive, or adoptive homes;

(7) increase the effective use of public or private agencies (including community-based and other organizations) by States, or sectarian institutions, for the recruitment of potential adoptive and foster families and to provide assistance in the placement of children for adoption, including assisting in efforts to work with organizations that promote the placement of older children, minority children, and children with special needs;

(8) consult with other appropriate Federal departments and agencies in order to promote maximum coordination of the services and benefits provided under programs carried out by such departments and agencies with those carried out by the Secretary, and provide for the coordination of such aspects of all programs within the Department of Health and Human Services relating to adoption;

(9) maintain (directly or by grant to or contract with public or private agencies or organizations) a National Resource Center for Special Needs Adoption to—

(A) promote professional leadership development of minorities in the adoption field;

(B) provide training and technical assistance to service providers and State agencies to improve professional competency in the field of adoption and the adoption of children with special needs;

(C) facilitate the development of inter-disciplinary approaches to meet the needs of children who are waiting for adoption and the needs of adoptive families; and

(D) identify best practices to reduce adoption disruption and termination;

(10) provide (directly or by grant to or contract with States, local government entities, tribal child welfare agencies, public or private licensed child welfare or adoption agencies or adoptive family groups and community-based organizations with experience in working with minority populations) for the provision of programs aimed at increasing the number of minority children (who are in foster care and have the goal of adoption) placed in adoptive families, with a special emphasis on recruitment of minority families—

(A) which may include such activities as—

(i) outreach, public education, or media campaigns to inform the public of the needs and numbers of such children;

(ii) recruitment of prospective adoptive families for such children, including developing and using procedures to notify family and relatives when a child enters the child welfare system;

(iii) expediting, where appropriate, the legal availability of such children;

(iv) expediting, where appropriate, the agency assessment of prospective adoptive families identified for such children;

(v) formation of prospective adoptive family support groups;

(vi) training of personnel of—

(I) public agencies;

(II) private child welfare and adoption agencies that are licensed by the State; and

(III) adoptive parents organizations and community-based organizations with experience in working with minority populations;

(vii) education and training of prospective adoptive or adoptive parents;

(viii) use of volunteers and adoptive parent groups; and

(ix) any other activities determined by the Secretary to further the purposes of this subchapter; and

(B) shall be subject to the condition that such grants or contracts may be renewed if documentation is provided to the Secretary demonstrating that appropriate and sufficient placements of such children have occurred during the previous funding period; and

(11) provide (directly or by grant to or contract with States, local government entities, or public or private licensed child welfare or adoption agencies) for the implementation of programs that are intended to increase the number of older children (who are in foster care and with the goal of adoption) placed in adoptive families, with a special emphasis on child-specific recruitment strategies, including—

(A) outreach, public education, or media campaigns to inform the public of the needs and numbers of older youth available for adoption;

(B) training of personnel in the special needs of older youth and the successful strategies of child-focused, child-specific recruitment efforts; and

(C) recruitment of prospective families for such children.

(c) Services for families adopting special needs children

(1) In general

The Secretary shall provide (directly or by grant to or contract with States, local government entities, public or private licensed child welfare or adoption agencies or adoptive fam-
lily groups) for the provision of post legal adoption services for families who have adopted special needs children.

(2) Services

Services provided under grants made under this subsection shall supplement, not supplant, services from any other funds available for the same general purposes, including—

(A) individual counseling;
(B) group counseling;
(C) family counseling;
(D) case management;
(E) training public agency adoption personnel, personnel of private, child welfare and adoption agencies licensed by the State to provide adoption services, mental health services professionals, and other support personnel to provide services under this subsection;
(F) assistance to adoptive parent organizations;
(G) assistance to support groups for adoptive parents, adopted children, and siblings of adopted children;
(H) day treatment; and
(I) respite care.

(d) Improving placement rate of children in foster care

(1) In general

The Secretary shall make grants for improving State efforts to increase the placement of foster care children legally free for adoption, according to a pre-established plan and goals for improvement.

(2) Applications; technical and other assistance

(A) Applications

Each State entering into an agreement under this subsection shall submit an application to the Secretary that describes the manner in which the State will use funds during the 3 fiscal years subsequent to the date of the application to accomplish the purposes of this section. Such application shall be in a form and manner determined to be appropriate by the Secretary, consistent with the purpose of this subchapter. Each application shall contain information that—

(i) describes how the State plans to improve the placement rate of children in permanent homes;
(ii) describes the methods the State, prior to submitting the application, has used to improve the placement of older children, minority children, and children with special needs, who are legally free for adoption;
(iii) describes the evaluation the State plans to conduct, to identify the effectiveness of programs and methods of placement under this subsection, and submit to the Secretary; and
(iv) describes how the State plans to coordinate activities under this subsection with relevant activities under section 673 of title 42.

(B) Technical and other assistance

The Secretary shall provide, directly or by grant to or contract with public or private agencies or organizations—

(i) technical assistance and resource and referral information to assist State or local governments with termination of parental rights issues, in recruiting and retaining adoptive families, in the successful placement of older children, minority children, and children with special needs, and in the provision of pre- and post-placement services, including post-legal adoption services; and
(ii) other assistance to help State and local governments replicate successful adoption-related projects from other areas in the United States.

(C) Evaluation

The Secretary shall compile the results of evaluations submitted by States (described in subparagraph (A)(iii)) and submit a report containing the compiled results to the appropriate committees of Congress.

(3) Payments

(A) In general

Payments under this subsection shall begin during fiscal year 1989. Payments under this section during any fiscal year shall not exceed $1,000,000. No payment may be made under this subsection unless an amount in excess of $5,000,000 is appropriated for such fiscal year under section 5115(a) of this title.

(B) Reversion of unused funds

Any payment made to a State under this subsection which is not used by such State for the purpose provided in paragraph (1) during the fiscal year payment is made shall revert to the Secretary on October 1st of the next fiscal year and shall be used to carry out the purposes of this subchapter.

(e) Elimination of barriers to adoptions across jurisdictional boundaries

(1) In general

The Secretary shall award grants to, or enter into contracts with, States, local government entities, public or private child welfare or adoption agencies, adoption exchanges, or adoption family groups to carry out initiatives to improve efforts to eliminate barriers to placing children for adoption across jurisdictional boundaries.

(2) Services to supplement not supplant

Services provided under grants made under this subsection shall supplement, not supplant, services provided using any other funds made available for the same general purposes including—

(A) developing a uniform homestudy standard and protocol for acceptance of homestudies between States and jurisdictions;
(B) developing models of financing cross-jurisdictional placements;
(C) expanding the capacity of all adoption exchanges to serve increasing numbers of children;
(D) developing training materials and training social workers on preparing and moving children across State lines; and
(E) developing and supporting initiative models for networking among agencies, adoption exchanges, and parent support groups across jurisdictional boundaries.


AMENDMENTS

2010—Subsec. (a). Pub. L. 111–320, § 301(b)(1), substituted “older children, minority children, and children with special needs, particularly infants and toddlers with disabilities who have life-threatening conditions, and services to families considering adoption of children with special needs.” for “children with special needs and particularly of disabled infants with life-threatening conditions and services to couples considering adoption of children with special needs.”

Subsec. (b)(11). Pub. L. 111–320, § 301(b)(1), added cls. (vi), (vii), and (viii) and inserted cls. (v), (vi), and (viii) after cls. (vii) and (viii).


manner in which activities were carried out under this subchapter, and such reports shall be made available to the public.

Subsec. (b)(1), (2). Pub. L. 102–295, § 403(2)(A), (B), added par. (2), redesignated former par. (2) as (1), and struck out former par. (1) which read as follows: ‘‘(1) provide (after consultation with other appropriate Federal departments and agencies, including the Bureau of the Census and appropriate State and local agencies) for the establishment and operation of a Federal adoption and foster care data-gathering and analysis system;’’.

Subsec. (b)(2). Pub. L. 95–109, § 5114, inserted ‘‘, and to promote professional leadership training of minorities in the adoption field’’.

Subsec. (b)(8), (9). Pub. L. 102–295, § 403(2)(D), added par. (8) and redesignated former par. (8) as (9).


Subsecs. (c), (d). Pub. L. 100–194, § 202(b), (c), added subsecs. (c) and (d).

1984—Subsec. (a). Pub. L. 98–457, § 203(a), (b)(1), substituted ‘‘Health and Human Services’’ for ‘‘Health, Education, and Welfare’’ and inserted provision requiring the Secretary to make available services to facilitate the adoption of children with special needs and particularly of disabled infants with life-threatening conditions and services to couples considering adopting of children with special needs.

Subsec. (b). Pub. L. 98–457, § 203(c)(1), substituted ‘‘this subchapter’’ for ‘‘subsection (a) of this section’’ in provisions preceding par. (1).

Subsec. (b)(1). Pub. L. 98–457, § 203(c)(2), substituted ‘‘provide (after consultation with other appropriate Federal departments and agencies, including the Bureau of the Census and appropriate State and local agencies) for the establishment and operation of a Federal adoption and foster care data-gathering and analysis system;’’ for ‘‘provisions shall include: (i) a system for providing services to States and, to the extent feasible, to local public officials responsible for administering child welfare programs, private persons involved in the delivery of child welfare services, representatives of tribal governments and tribal courts, judges, and academic experts;’’.

Subsec. (b)(8). Pub. L. 100–294, § 202(a), added par. (8).

§ 5114. Study and report of unlicensed or unregulated adoption placements

(a) In general

The Secretary shall provide for a study (the results of which shall be reported to the appropriate committees of the Congress not later than eighteen months after June 25, 2003) designed to determine—

(1) the nature, scope, and effects of the interstate (and, to the extent feasible, intrastate) placement of children in adoptive homes (not including the homes of stepparents or relatives of the child in question) by persons or agencies;¹

(2) how interstate placements are being financed across State lines;

(3) recommendations on best practice models for both interstate and intrastate adoptions; and

(4) how State policies in defining special needs children differentiate or group similar categories of children.

(b) Dynamics of successful adoption

The Secretary shall conduct research (directly or by contract with, public or private nonprofit research agencies or organizations) about adoption outcomes and the factors affecting those outcomes. The Secretary shall submit a report containing the results of such research to the appropriate committees of the Congress not later than the date that is 36 months after June 25, 2003.

¹So in original. The period probably should be a semicolon.
(c) Interjurisdictional adoption

Not later than 1 year after June 25, 2003, the Secretary shall submit to the appropriate committees of the Congress a report that contains recommendations for an action plan to facilitate the interjurisdictional adoption of foster children.


AMENDMENTS

2003—Pub. L. 108–36 designated existing provisions as subsec. (a), inserted subsec. heading and par. (1) designation, substituted “June 25, 2003” for “April 24, 1978” and “to determine”—for “to determine”, struck out “which are not licensed by or subject to regulation by any governmental entity” after “by persons or agencies”, and added pars. (2) to (4) and subsecs. (b) and (c).

§ 5115. Authorization of appropriations

(a) There are authorized to be appropriated $40,000,000 for fiscal year 2010 and such sums as may be necessary for each of the fiscal years 2011 through 2015 to carry out programs and activities authorized under this subchapter.

(b) Not less than 30 percent and not more than 50 percent of the funds appropriated under subsection (a) shall be allocated for activities under subsubsections (b)(10) and (c) of section 5113 of this title.

(c) The Secretary shall ensure that funds appropriated pursuant to authorizations in this subchapter shall remain available until expended for the purposes for which they were appropriated.


REFERENCES IN TEXT

This subchapter, referred to in subsec. (a), was in the original “this subtitle”, and was translated as reading “this title”, meaning title II of Pub. L. 95–266, to reflect the probable intent of Congress, because Pub. L. 95–266 does not contain subtitles.

AMENDMENTS


Subsecs. (b), (c). Pub. L. 111–320, § 301(c)(2), (3), added subsec. (b) and redesignated former subsec. (b) as (c).

2003—Subsec. (a). Pub. L. 108–36 amended subsec. (a) generally. Prior to amendment, subsec. (a) read as follows: “There are authorized to be appropriated $3,000,000 for the fiscal year 1988 and such sums as may be necessary for each of the fiscal years 1989, 1990, and 1991 to carry out this subchapter.”

1992—Subsec. (a). Pub. L. 102–295, § 404(1), added subsec. (a) which read as follows: “There are hereby authorized to be appropriated $6,000,000 for the fiscal year 1988, and such sums as may be necessary for each of the fiscal years 1989, 1990, and 1991 to carry out this subchapter.”


SUBCHAPTER III—COMMUNITY-BASED GRANTS FOR THE PREVENTION OF CHILD ABUSE AND NEGLECT

CODIFICATION

Subchapter is comprised of title II of the Child Abuse Prevention and Treatment Act, Pub. L. 95–247, Title I of that Act is classified to subchapter I (§5101 et seq.) of this chapter.


§ 5116. Purpose and authority

(a) Purpose

It is the purpose of this subchapter—
(1) to support community-based efforts to develop, operate, expand, enhance, and coordinate initiatives, programs, and activities to prevent child abuse and neglect and to support the coordination of resources and activities, to better strengthen and support families to reduce the likelihood of child abuse and neglect; and

(2) to foster an understanding, appreciation, and knowledge of diverse populations in order to be effective in preventing and treating child abuse and neglect.

(b) Authority

The Secretary shall make grants under this subchapter on a formula basis to the entity designated by the State as the lead entity (referred to in this subchapter as the “lead entity”) under section 5116a(1) of this title for the purpose of—

(1) developing, operating, expanding, and enhancing community-based and prevention-focused programs and activities designed to strengthen and support families to prevent child abuse and neglect that are accessible, effective, culturally appropriate, and build upon existing strengths that—

(A) offer assistance to families;

(B) provide early, comprehensive support for parents;

(C) promote the development of parenting skills, especially in young parents and parents with very young children;

(D) increase family stability;

(E) improve family access to other formal and informal resources and opportunities for assistance available within communities, including access to such resources and opportunities for unaccompanied homeless youth;

(F) support the additional needs of families with children with disabilities through respite care and other services;

(G) demonstrate a commitment to involving parents in the planning and program implementation of the lead agency and entities carrying out local programs funded under this title, including involvement of parents of children with disabilities, parents who are individuals with disabilities, racial and ethnic minorities, and members of other underrepresented or underserved groups; and

(H) provide referrals to early health and developmental services;

(2) fostering the development of a continuum of preventive services for children and families, including unaccompanied homeless youth, through State and community-based collaborations and partnerships both public and private;

(3) financing the start-up, maintenance, expansion, or redesign of specific community-based child abuse and neglect prevention programs (such as respite care services, child abuse and neglect prevention activities, disability services, mental health services, substance abuse treatment services, domestic violence services, housing services, transportation, adult education, home visiting, and other similar services) identified by the inventory and description of current services required under section 5116d(3) of this title as an unmet need, and integrated with the network of community-based child abuse and neglect prevention programs to the extent practicable given funding levels and community priorities;

(4) maximizing funding through leveraging of funds for the financing, planning, community mobilization, collaboration, assessment, information and referral, startup, training and technical assistance, information management and reporting, reporting and evaluation costs for establishing, operating, or expanding community-based and prevention-focused programs and activities designed to strengthen and support families to prevent child abuse and neglect; and

(5) financing public information activities that focus on the healthy and positive development of parents and children and the promotion of child abuse and neglect prevention activities.


References in Text

Section 5116d(3) of this title, referred to in subsec. (b)(3), was in the original “section 206(a)(3)” and was translated as meaning section 206(3) of Pub. L. 93–247 to reflect the probable intent of Congress and the redesignation of section 205 as 204 by Pub. L. 111–320, title I, §141, Dec. 20, 2010, 124 Stat. 3482, and because section 204 does not contain subsection (E).

Prior Provisions


Amendments

2010—Subsec. (a)(1). Pub. L. 111–320, §132(1), added par. (1) and struck out former par. (1) which read as follows: “to support community-based efforts to develop, operate, expand, enhance, and, where appropriate to network, initiatives aimed at the prevention of child abuse and neglect, and to support networks of coordinated resources and activities to better strengthen and support families to reduce the likelihood of child abuse and neglect; and”.


Subsec. (b)(1). Pub. L. 111–320, §132(2)(B)(i), in introductory provisions, inserted a comma after “expanding” and struck out “(through networks where appropriate)” after “child abuse and neglect”.

Subsec. (b)(1)(E). Pub. L. 111–320, §132(2)(B)(ii), inserted “; including access to such resources and opportunities for unaccompanied homeless youth” before semicolon at end.

Subsec. (b)(1)(G). Pub. L. 111–320, §132(2)(B)(iii), added subpar. (G) and struck out former subpar. (G) which
read as follows: “demonstrate a commitment to meaningful parent leadership, including among parents of children with disabilities, parents with disabilities, racial and ethnic minorities, and members of other underrepresented or underserved groups; and”.

Subsec. (b)(2). Pub. L. 111–320, §132(2)(C), inserted “...including unaccompanied homeless youth,” after “children and families”.

Subsec. (b)(3). Pub. L. 111–320, §132(2)(D), substituted “specific community-based child abuse and neglect prevention program services” for “specific family resource and support program services”, inserted “substance abuse treatment services, domestic violence services,” after “mental health services,”, and substituted “the network of community-based child abuse and neglect prevention programs” for “the network of community-based family resource and support program”.

Subsec. (b)(4). Pub. L. 111–320, §132(2)(E), inserted “...and reporting” after “information management” and struck out comma after “prevention-focused” and “(through networks where appropriate)” after “child abuse and neglect”.

2005—Subsec. (a)(1). Pub. L. 108–36, §121(a), amended par. (1) generally. Prior to amendment, par. (1) read as follows: “to support State efforts to develop, operate, expand and enhance a network of community-based, prevention-focused, family resource and support programs that coordinate resources among existing education, vocational rehabilitation, disability, respite care, health, mental health, job readiness, self-sufficiency, child and family development, community action, Head Start, child care, child abuse and neglect prevention, juvenile justice, domestic violence prevention and intervention, housing, and other human service organizations within the State; and”.

Subsec. (b)(1). Pub. L. 108–36, §121(b)(1)(A), in introductory provisions, substituted “community-based and prevention-focused programs and activities designed to strengthen and support families to prevent child abuse and neglect (through networks where appropriate) that are accessible, effective, culturally appropriate, and build upon existing strengths that” for “Statewide networks of community-based, prevention-focused, family resource and support programs that”.

Subsec. (b)(1)(G), (H), Pub. L. 108–36, §121(b)(1)(B), (C), added subpars. (G) and (H) and struck out former subpar. (G) which read as follows: “decrease the risk of homelessness;”.

Subsec. (b)(4). Pub. L. 108–36, §121(b)(2), inserted “...through leveraging of funds” after “maximizing fund” and substituted “...community-based and prevention-focused” for “...a Statewide network of community-based, prevention-focused” and “...and activities designed to strengthen and support families to prevent child abuse and neglect (through networks where appropriate)” for “...family resource and support program”.

§5116a. Eligibility

A State shall be eligible for a grant under this subchapter for a fiscal year if—

(A) the Governor of the State has designated a lead entity to administer funds under this subchapter for the purposes identified under the authority of this subchapter, including to develop, implement, operate, enhance, or expand community-based and prevention-focused, programs and activities designed to strengthen and support families to prevent child abuse and neglect;

(B) such lead entity is an existing public, quasi-public, or nonprofit private entity (which may be an entity that has not been established pursuant to State legislation, executive order, or any other written authority of the State) that exists to strengthen and support families to prevent child abuse and neglect with a demonstrated ability to work with other State and community-based agencies to provide training and technical assistance, and that has the capacity and commitment to ensure the meaningful involvement of parents who are consumers and who can provide leadership in the planning, implementation, and evaluation of programs and policy decisions of the applicant agency in accomplishing the desired outcomes for such efforts; and

(C) in determining which entity to designate for purposes identified under subparagraph (A), the Governor should give priority consideration equally to a trust fund advisory board of the State or to an existing entity that leverages Federal, State, and private funds for a broad range of child abuse and neglect prevention activities and family resource programs, and that is directed by an interdisciplinary, public-private structure, including participants from communities; and

(D) in the case of a State that has designated a State trust fund advisory board for purposes of administering funds under this subchapter (as such subchapter was in effect on October 3, 1996) and in which one or more entities that leverage Federal, State, and private funds (as described in subparagraph (C)) exist, the Governor shall designate the lead entity only after full consideration of the capacity and expertise of all entities desiring to be designated for purposes identified under subparagraph (A);

(2) the Governor of the State provides assurances that the lead entity will provide or will be responsible for providing—

(A) community-based and prevention-focused programs and activities designed to strengthen and support families to prevent child abuse and neglect composed of local, collaborative, public-private partnerships directed by interdisciplinary structures with balanced representation from private and public sector members, parents, adult former victims of child abuse or neglect, and public and private nonprofit service providers and individuals and organizations experienced in working in partnership with families with children with disabilities;

(B) direction through an interdisciplinary, collaborative, public-private structure with balanced representation from private and public sector members, parents, adult former victims of child abuse or neglect, and public and private nonprofit sector service providers, and parents with disabilities; and

(C) direction and oversight through identified goals and objectives, clear lines of communication and accountability, the provision of leveraged or combined funding from Federal, State, and private sources, centralized assessment and planning activities, the provision of training and technical assistance, and reporting and evaluation functions; and

(3) the Governor of the State provides assurances that the lead entity—

(A) has a demonstrated commitment to parental participation in the development, operation, and oversight of the community-based and prevention-focused programs and
activities designed to strengthen and support families to prevent child abuse and neglect;

(B) has a demonstrated ability to work with State and community-based public and private nonprofit organizations to develop a continuum of preventive, family centered, comprehensive services for children and families through the community-based and prevention-focused programs and activities designed to strengthen and support families to prevent child abuse and neglect;

(C) has the capacity to provide operational support (both financial and programmatic) training, technical assistance, and evaluation assistance, to community-based and prevention-focused programs and activities designed to strengthen and support families to prevent child abuse and neglect, through innovative, interagency funding and interdisciplinary service delivery mechanisms; and

(D) will integrate its efforts with individuals and organizations experienced in working in partnership with families with children with disabilities, parents with disabilities, and with the child abuse and neglect prevention activities of the State, and demonstrate a financial commitment to those activities.


PRIOR PROVISIONS


AMENDMENTS

2010—Par. (1). Pub. L. 111–320, § 133(1), (2), substituted “Governor” for “chief executive officer” wherever appearing, and, in subpar. (A), inserted a comma after “enhanced” and struck out “(through networks where appropriate)” after “child abuse and neglect”.

Par. (2). Pub. L. 111–320, § 133(2)–(4), in introductory provisions, substituted “Governor” for “chief executive officer”, in subpar. (A), struck out “(through networks where appropriate)” after “child abuse and neglect”, in subpars. (A) and (B), inserted “adult former victims of child abuse or neglect,” after “parents,”, and in subpar. (C), inserted a comma after “State”.

Par. (3). Pub. L. 111–320, § 133(2), (3), in introductory provisions, substituted “Governor” for “chief executive officer”, and, in subpars. (A) to (C), struck out “(through networks where appropriate)” after “child abuse and neglect”.

2003—Par. (1)(A). Pub. L. 108–36, § 122(1)(A), substituted “community-based and prevention-focused programs and activities designed to strengthen and support families to prevent child abuse and neglect (through networks where appropriate)”, for “‘a network of community-based family resource and support programs’”.

Par. (2)(A). Pub. L. 108–36, § 122(2)(A), substituted “community-based and prevention-focused programs and activities designed to strengthen and support families to prevent child abuse and neglect (through networks where appropriate)” for “‘a network of community-based family resource and support programs’.”


Par. (3)(A). Pub. L. 108–36, § 122(3)(A), substituted “community-based and prevention-focused programs and activities designed to strengthen and support families to prevent child abuse and neglect (through networks where appropriate)” for “‘Statewide network of community-based, prevention-focused, family resource and support programs’”.

Par. (3)(B). Pub. L. 108–36, § 122(3)(B), substituted “community-based and prevention-focused programs and activities designed to strengthen and support families to prevent child abuse and neglect (through networks where appropriate)” for “‘Statewide network of community-based, prevention-focused, family resource and support programs’”.

Par. (3)(C). Pub. L. 108–36, § 122(3)(C), substituted “training, technical assistance, and evaluation assistance, to community-based and prevention-focused programs and activities designed to strengthen and support families to prevent child abuse and neglect (through networks where appropriate)” for “‘Statewide network of community-based, prevention-focused, family resource and support programs’”.


§ 5116b. Amount of grant

(a) Reservation

The Secretary shall reserve 1 percent of the amount appropriated under section 5116i of this title for a fiscal year to make allotments to Indian tribes and tribal organizations and migrant programs.

(b) Remaining amounts

(1) In general

The Secretary shall allot the amount appropriated under section 5116i of this title for a fiscal year and remaining after the reservation under subsection (a) among the States as follows:

(A) 70 percent

70 percent of such amount appropriated shall be allotted among the States by allotting to each State an amount that bears the same proportion to such amount appropriated as the number of children under the age of 18 residing in the State bears to the total number of children under the age of 18 residing in all States (except that no State shall receive less than $175,000 under this subparagraph).

(B) 30 percent

30 percent of such amount appropriated shall be allotted among the States by allot-
tional grant to each State an amount that bears the
same proportion to such amount appropriated as the amount of private, State or other non-Federal funds leveraged and directed through the currently designated State lead entity in the preceding fiscal year bears to the aggregate of the amounts leveraged by all States from private, State, or other non-Federal sources and directed through the current lead entity of such States in the preceding fiscal year.

(2) Additional requirement

The Secretary shall provide allotments under paragraph (1) to the State lead entity.

c) Allocation

Funds allotted to a State under this section—

(1) shall be for a 3-year period; and

(2) shall be provided by the Secretary to the State on an annual basis, as described in subsection (b).


REFERENCES IN TEXT

Section 5116i of this title, referred to in subsecs. (a) and (b)(1), was in the original “section 210”, and was translated as meaning section 209 of Pub. L. 93–247, to reflect the probable intent of Congress and the redesignation of section 210 as 209 by Pub. L. 111–320, title I, § 141, Dec. 20, 2010, 124 Stat. 3462.

PRIOR PROVISIONS


§ 5116d. Application

A grant may not be made to a State under this subchapter unless an application therefor is submitted by the State to the Secretary and such application contains the types of information specified by the Secretary as essential to carrying out the provisions of section 5116a of this title, including—

(1) a description of the lead entity that will be responsible for the administration of funds provided under this subchapter and the oversight of programs funded through the community-based and prevention-focused programs and activities designed to strengthen and support families to prevent child abuse and neglect which meets the requirements of section 5116a of this title;

(2) a description of how the community-based and prevention-focused programs and activities designed to strengthen and support families to prevent child abuse and neglect will operate, including how community-based child abuse and neglect prevention programs funded by public and private, nonprofit organizations will be integrated into a developing continuum of family centered, holistic, preventive services for children and families;

(3) a description of the inventory of current unmet needs and current community-based and prevention-focused programs and activities to prevent child abuse and neglect, and other family resource services operating in the State;

(4) a budget for the development, operation, and expansion of the community-based and prevention-focused programs and activities designed to strengthen and support families to prevent child abuse and neglect which verifies that the State will expend in non-Federal funds an amount equal to not less than 20 percent of the amount received under this subchapter (in cash, not in-kind) for activities under this subchapter;

(5) an assurance that funds received under this subchapter will supplement, not supplant, other State and local public funds designated for the start up, maintenance, expansion, and redesign of community-based and prevention-focused programs and activities designed to strengthen and support families to prevent child abuse and neglect;

(6) a description of the State’s capacity to ensure the meaningful involvement of parents who are consumers, of family advocates, and of adult former victims of child abuse or neglect, who can provide leadership in the planning, implementation, and evaluation of the programs and policy decisions of the applicant agency in accomplishing the desired outcomes for such efforts;

(7) a description of the criteria that the entity will use to develop, or select and fund, community-based and prevention-focused programs and activities designed to strengthen and support families to prevent child abuse and neglect as part of network development, expansion, or enhancement;

(8) a description of outreach activities that the entity and the community-based and prevention-focused programs designed to
strengthen and support families to prevent child abuse and neglect will undertake to maximize the participation of racial and ethnic minorities, children and adults with disabilities, homeless families and those at risk of homelessness, unaccompanied homeless youth, and members of other underserved or underrepresented groups;

(9) a plan for providing operational support, training, and technical assistance to community-based and prevention-focused programs and activities designed to strengthen and support families to prevent child abuse and neglect for development, operation, expansion and enhancement activities;

(10) a description of how the applicant entity’s activities and those of the network and its members (where appropriate) will be evaluated;

(11) a description of the actions that the applicant entity will take to advocate systemic changes in State policies, practices, procedures, and regulations to improve the delivery of community-based and prevention-focused programs and activities designed to strengthen and support families to prevent child abuse and neglect services to children and families; and

(12) an assurance that the applicant entity will provide the Secretary with reports at such time and containing such information as the Secretary may require.


Prior provisions


Another prior section 204 of Pub. L. 93-247 was classified to section 5116c of this title prior to the general amendment of this subchapter by Pub. L. 103-252, §401(a).

Amendments

2010—Par. (1). Pub. L. 111-320, §135(2), struck out “(through networks where appropriate)” after “child abuse and neglect”.

Par. (2). Pub. L. 111-320, §135(1), struck out “(through networks where appropriate)” after “child abuse and neglect”.

Par. (3). Pub. L. 111-320, §135(3), struck out “including how community-based child abuse and neglect prevention” for “and how community-based child abuse and neglect prevention”.

Par. (4). Pub. L. 111-320, §135(4), substituted “a description of the State’s” for “an assurance that the State has the” and “consumers,” of family advocates and of adult former victims of child abuse or neglect,” for “consumers and.”


Par. (8). Pub. L. 111-320, §135(6), struck out “and activities after” “prevention-focused programs” and inserted “unaccompanied homeless youth,” after “homelessness.”

Par. (9). Pub. L. 111-320, §135(7), inserted a comma after “training”.

Par. (11). Pub. L. 111-320, §135(8), inserted a comma after “procedures”.

2003—Par. (1). Pub. L. 108-36, §125(1), substituted “community-based and prevention-focused programs and activities designed to strengthen and support families to prevent child abuse and neglect (through networks where appropriate)” for “Statewide network of community-based, prevention-focused, family resource and support programs”.

Par. (2). Pub. L. 108-36, §125(2), substituted “community-based and prevention-focused programs and activities designed to strengthen and support families to prevent child abuse and neglect (through networks where appropriate)” for “network of community-based, prevention-focused, family resource and support programs” and struck out “, including those funded by programs consolidated under this subchapter and subchapter I of this chapter,” before “will be integrated”.

Par. (3). Pub. L. 108-36, §125(3), added par. (3) and struck out former par. (3) which read as follows: “an assurance that an inventory of current family resource programs, respite care, child abuse and neglect prevention activities, and other family resource services operating in the State, and a description of current unmet needs, will be provided.”

Par. (4). Pub. L. 108-36, §125(4), substituted “community-based and prevention-focused programs and activities designed to strengthen and support families to prevent child abuse and neglect” for “State’s network of community-based, prevention-focused, family resource and support programs”.

Par. (5). Pub. L. 108-36, §125(5), inserted “start up, maintenance, expansion, and redesign of community-based and prevention-focused programs and activities designed to strengthen and support families to prevent child abuse and neglect” for “Statewide network of community-based, prevention-focused, family resource and support programs”.

Par. (7). Pub. L. 108-36, §125(6), substituted “community-based and prevention-focused programs and activities designed to strengthen and support families to prevent child abuse and neglect” for “individual community-based, prevention-focused, family resource and support programs”.

Par. (8). Pub. L. 108-36, §125(7), substituted “community-based and prevention-focused programs and activities designed to strengthen and support families to prevent child abuse and neglect” for “community-based, prevention-focused, family resource and support programs”.

Par. (9). Pub. L. 108-36, §125(8), substituted “community-based and prevention-focused programs and activities designed to strengthen and support families to prevent child abuse and neglect” for “community-based, prevention-focused, family resource and support programs”.

Par. (10). Pub. L. 108-36, §125(9), inserted “(where appropriate)” after “members”.

Par. (11). Pub. L. 108-36, §125(10), substituted “community-based and prevention-focused programs and activities designed to strengthen and support families to prevent child abuse and neglect” for “prevention-focused, family resource and support programs”.


§5116e. Local program requirements

(a) In general

Grants made under this subchapter shall be used to develop, implement, operate, expand,
and enhance community-based, and prevention-focused programs and activities designed to strengthen and support families to prevent child abuse and neglect that—

(1) assess community assets and needs through a planning process that involves parents, local public agencies, local nonprofit organizations, and private sector representatives in meaningful roles;

(2) develop a comprehensive strategy to provide a continuum of preventive, family-centered services to children and families, especially to young parents, to parents with young children, and to parents who are adult former victims of domestic violence or child abuse or neglect, through public-private partnerships;

(3)(A) provide for core child abuse and neglect prevention services, which may be provided directly by the local recipient of the grant funds or through grants or agreements with other local agencies, such as—

(i) parent education, mutual support and self help, and parent leadership services;

(ii) respite care services;

(iii) outreach and followup services, which may include voluntary home visiting services; and

(iv) community and social service referrals; and

(B) provide access to optional services, including—

(i) referral to and counseling for adoption services for individuals interested in adopting a child or relinquishing their child for adoption;

(ii) child care, early childhood education and care, and intervention services;

(iii) referral to services and supports to meet the additional needs of families with children with disabilities and parents who are individuals with disabilities;

(iv) referral to job readiness services;

(v) referral to educational services, such as academic tutoring, literacy training, and General Educational Degree services;

(vi) self-sufficiency and life management skills training;

(vii) community referral services, including early developmental screening of children;

(viii) peer counseling; and

(ix) domestic violence service programs that provide services and treatment to children and their non-abusing caregivers.

(4) develop leadership roles for the meaningful involvement of parents in the development, operation, evaluation, and oversight of the programs and services;

(5) provide leadership in mobilizing local public and private resources to support the provision of needed child abuse and neglect prevention program services; and

(6) participate with other community-based and prevention-focused programs and activities designed to strengthen and support families to prevent child abuse and neglect in the development, operation, and expansion of networks where appropriate.

(b) Priority

In awarding local grants under this subchapter, a lead entity shall give priority to effective community-based programs serving low-income communities and those serving young parents or parents with young children, including community-based child abuse and neglect prevention programs.1


Prior Provisions


A prior section 206 of Pub. L. 93–247 was renumbered section 204 and is classified to section 5116d of this title.

Another prior section 206 of Pub. L. 93–247 was classified to section 5116d of this title prior to the general amendment of this subchapter by Pub. L. 103–252, § 401(a).

Amendments


Subsec. (a)(2). Pub. L. 111–320, § 136(a)(3), substituted “a comprehensive strategy to provide” for “a strategy to provide, over time,” “family-centered” for “family centered”, and “to parents with young children,” for “and parents with young children.”

Subsec. (a)(3). Pub. L. 111–320, § 136(a)(4)(A), struck out introductory provisions which read as follows: “provide—”.

Subsec. (a)(3)(A). Pub. L. 111–320, § 136(a)(4)(A), added subpar. (A) and struck out former subpar. (A) which read as follows: “(A) core family resource and support services such as—”

“(i) parent education, mutual support and self help, and leadership services;”

“(ii) outreach services;”

“(iii) community and social service referrals; and

“(iv) follow-up services;”.

Subsec. (a)(3)(B). Pub. L. 111–320, § 136(a)(4)(B), redesignated subpar. (C) as (B), inserted “provide” before “access”, and struck out former subpar. (B) which read as follows: “other core services, which must be provided or arranged for through contracts or agreements with other local agencies, including voluntary home visiting and all forms of respite care services to the extent practicable; and”.


1 So in original.
Subsec. (a)(5). Pub. L. 111–320, § 136(a)(5), substituted “child abuse and neglect prevention program” for “family resource and support program”.
Subsec. (b). Pub. L. 111–320, § 136(b), substituted “low-income” for “low income” and “child abuse and neglect prevention programs.” for “family resource and support programs”.
2005—Subsec. (a). Pub. L. 108–36, § 126(1), substituted “and prevention-focused programs and activities designed to strengthen and support families to prevent child abuse and neglect” for “prevention-focused, family resource and support programs” in introductory provisions.
Subsec. (a)(6). Pub. L. 108–36, § 126(3), added par. (6) and struck out former par. (6) which read as follows: “participate with other community-based, prevention-focused, family resource and support program grantees in the development, operation and expansion of the Statewide network.”

§ 5116f. Performance measures

A State receiving a grant under this subchapter, through reports provided to the Secretary—
(1) shall demonstrate the effective development, operation, and expansion of community-based and prevention-focused programs and activities designed to strengthen and support families to prevent child abuse and neglect that meets the requirements of this subchapter;
(2) shall supply an inventory and description of the services provided to families by local programs that meet identified community needs, including core and optional services as described in section 5116a of this title which description shall specify whether those services are supported by research;
(3) shall demonstrate that they will address unmet needs identified by the inventory and description of current services required under section 5116d(3) of this title;
(4) shall describe the number of families served, including families with children with disabilities, and parents with disabilities, and the involvement of a diverse representation of families in the design, operation, and evaluation of community-based and prevention-focused programs and activities designed to strengthen and support families to prevent child abuse and neglect, and in the design, operation, and evaluation of the networks of such community-based and prevention-focused programs;
(5) shall demonstrate a high level of satisfaction among families who have used the services of the community-based and prevention-focused programs and activities designed to strengthen and support families to prevent child abuse and neglect;
(6) shall demonstrate the establishment or maintenance of innovative funding mechanisms, at the State or community level, that blend Federal, State, local, and private funds, and innovative, interdisciplinary service delivery mechanisms, for the development, operation, expansion, and enhancement of the community-based and prevention-focused programs and activities designed to strengthen and support families to prevent child abuse and neglect;
(7) shall describe the results of evaluation, or the outcomes of monitoring, conducted under the State program to demonstrate the effectiveness of activities conducted under this subchapter in meeting the purposes of the program; and
(8) shall demonstrate an implementation plan to ensure the continued leadership of parents in the on-going planning, implementation, and evaluation of such community-based and prevention-focused programs and activities designed to strengthen and support families to prevent child abuse and neglect.


Prior Provisions


A prior section 206 of Pub. L. 93–247 was renumbered section 205 and is classified to section 5116e of this title.

Another prior section 206 of Pub. L. 93–247 was classified to section 5116c of this title prior to the general amendment of this subchapter by Pub. L. 103–252, § 401(a).

Amendments

Par. (2). Pub. L. 111–320, § 137(2), inserted “which description shall specify whether those services are supported by research” after “section 5116a of this title”.
Par. (3). Pub. L. 111–320, § 137(3)(A), which directed making of a technical amendment in par. (4) to a reference in the original act which appears in text as a reference to section 5116d(3) of this title, was executed by making the technical amendment to such reference to reflect the probable intent of Congress.
Par. (4). Pub. L. 111–320, § 137(3)(B), which directed amendment of par. (4) by inserting a comma after “operation”, was executed by making the insertion after “operation” the second place appearing to reflect the probable intent of Congress.
Par. (6). Pub. L. 111–320, § 137(4), inserted a comma after “local” and after “expansion”.
Par. (7). Pub. L. 111–320, § 137(5), substituted “the results of evaluation, or the outcomes of monitoring, conducted under the State program to demonstrate the effectiveness of activities conducted under this subchapter in meeting the purposes of the program; and” for “the results of a peer review process conducted under the State program; and”.
2003—Par. (1). Pub. L. 108–36, § 127(1), substituted “community-based and prevention-focused programs and activities designed to strengthen and support families to prevent child abuse and neglect” for “a State-wide network of community-based, prevention-focused, family resource and support programs”.
Par. (3). Pub. L. 108–36, § 127(2), added par. (3) and struck out former par. (3) which read as follows: “shall demonstrate the establishment of new respite care and other specific new family resources services, and the expansion of existing services, to address unmet needs
identified by the inventory and description of current services required under section 5116(d)(3) of this title.”.

Par. (4). Pub. L. 108–36, §127(5), inserted “and parents with disabilities,” after “children with disabilities,” and substituted “evaluation of community-based and prevention-focused programs and activities designed to strengthen and support families to prevent child abuse and neglect,” and in the design, operation and evaluation of the networks of such community-based and prevention-focused programs” for “evaluation of the Statewide network of community-based, prevention-focused, family resource and support programs”.

Par. (5). Pub. L. 108–36, §127(4), substituted “and prevention-focused programs and activities designed to strengthen and support families to prevent child abuse and neglect” for “prevention-focused, family resource and support programs”.

Par. (6). Pub. L. 108–36, §127(5), substituted “community-based and prevention-focused programs and activities designed to strengthen and support families to prevent child abuse and neglect” for “Statewide network of community-based, prevention-focused, family resource and support programs”.

Par. (8). Pub. L. 108–36, §127(6), substituted “community-based and prevention-focused programs and activities designed to strengthen and support families to prevent child abuse and neglect” for “community-based, prevention-focused, family resource and support programs”.

§ 5116g. National network for community-based family resource programs

The Secretary may allocate such sums as may be necessary from the amount provided under the State allotment to support the activities of the lead entity in the State—

(1) to create, operate, and maintain a peer review process;

(2) to create, operate, and maintain an information clearinghouse;

(3) to fund a yearly symposium on State system change efforts that result from the operation of the community-based and prevention-focused programs and activities designed to strengthen and support families to prevent child abuse and neglect;

(4) to create, operate, and maintain a computerized communication system between lead entities; and

(5) to fund State-to-State technical assistance through bi-annual conferences.


Prior Provisions


A prior section 207 of Pub. L. 93–247 was renumbered section 206 and is classified to section 5116f of this title.

Another prior section 207 of Pub. L. 93–247 was classified to section 5116f of this title prior to the general amendment of this subchapter by Pub. L. 103–252, §401(a).

Amendments


2003—Par. (3). Pub. L. 108–36 substituted “community-based and prevention-focused programs and activities designed to strengthen and support families to prevent child abuse and neglect” for “Statewide networks of community-based, prevention-focused, family resource and support programs”.

§ 5116h. Definitions

For purposes of this subchapter:

(1) Community referral services

The term “community referral services” means services provided under contract or through interagency agreements to assist families in obtaining needed information, mutual support and community resources, including respite care services, health and mental health services, employability development and job training, and other social services, including early developmental screening of children, through help lines or other methods.

(2) Community-based and prevention-focused programs and activities to prevent child abuse and neglect

The term “community-based and prevention-focused programs and activities designed to strengthen and support families to prevent child abuse and neglect” includes organizations such as family resource programs, family support programs, voluntary home visiting programs, respite care programs, parenting education, mutual support programs, and other community programs or networks of such programs that provide activities that are designed to prevent or respond to child abuse and neglect.

(3) Respite care services

The term “respite care services” means short-term care services, including the services of crisis nurseries, provided in the temporary absence of the regular caregiver (parent, other relative, foster parent, adoptive parent, or guardian) to children who—

(A) are in danger of child abuse or neglect;

(B) have experienced child abuse or neglect; or

(C) have disabilities or chronic or terminal illnesses.

Such services shall be provided within or outside the home of the child, be short-term care (ranging from a few hours to a few weeks of time, per year), and be intended to enable the family to stay together and to keep the child living in the home and community of the child.


Prior Provisions

A prior section 208 of Pub. L. 93–247 was renumbered section 207 and is classified to section 5116g of this title.

Another prior section 208 of Pub. L. 93–247 was classified to section 5116f of this title prior to the general amendment of this subchapter by Pub. L. 103–252, §401(a).
amendment of this subchapter by Pub. L. 103–252, §401(a).

AMENDMENTS
2010—Par. (1). Pub. L. 111–320, §139(1), (2), redesignated par. (2) as (1) and struck out former par. (1). Prior to amendment, text of par. (1) read as follows: ‘‘The term ‘children with disabilities’ has the same meaning given the term ‘child with a disability’ in section 1401(3) or ‘infant or toddler with a disability’ in section 1432(5) of title 20.’’

Par. (2). Pub. L. 111–320, §139(2), redesignated par. (3) as (2). Former par. (2) redesignated (1).

Par. (3). Pub. L. 111–320, §139(2), (3)(A), redesignated par. (5) as (3) and inserted ‘‘, including the services of crisis nurseries,’’ after ‘‘short term care services’’ in introductory provisions. Former par. (3) redesignated (2).

Par. (3)(A), (B). Pub. L. 111–320, §139(3)(B), substituted ‘‘child abuse or neglect’’ for ‘‘abuse or neglect’’.

Par. (3)(B). Pub. L. 111–320, §139(3)(C), substituted ‘‘have disabilities or chronic or terminal illnesses.’’ for ‘‘have disabilities, chronic, or terminal illnesses.’’


2003—Par. (1). Pub. L. 108–36, §129(a), substituted ‘‘the term ‘child with a disability’ in section 1401(3) or ‘infant or toddler with a disability’ in section 1432(5) of title 20’’ for ‘‘given such term in section 1401(3) of title 20’’.

Pars. (3), (4). Pub. L. 108–36, §129(b), added par. (3) and struck out former pars. (3) and (4), which related, respectively, to family resource and support programs and outreach services.

DEFINITIONS
For definitions of terms used in this section, see section 3 of Pub. L. 91–247, set out as a note under section 5101 of this title.

§ 5116I. Authorization of appropriations

There are authorized to be appropriated to carry out this subchapter $80,000,000 for fiscal year 2010 and such sums as may be necessary for each of the fiscal years 2011 through 2015.


PRIOR PROVISIONS
A prior section 209 of Pub. L. 93–247 was renumbered section 208 and is classified to section 5116h of this title.

AMENDMENTS
2010—Pub. L. 111–320, §140, substituted ‘‘2010’’ for ‘‘2004’’ and ‘‘2011 through 2015’’ for ‘‘2005 through 2008’’. 2003—Pub. L. 108–36 amended section catchline and text generally. Prior to amendment, text read as follows: ‘‘There are authorized to be appropriated to carry out this subchapter, $66,000,000 for fiscal year 1997 and such sums as may be necessary for each of the fiscal years 1998 through 2001.’’

SUBCHAPTER IV—TEMPORARY CHILD CARE FOR CHILDREN WITH DISABILITIES AND CRISIS NURSERIES


Section 5117b. Pub. L. 99–401, title II, §204, Aug. 27, 1986, 100 Stat. 907, related to crisis nurseries for children who are abused and neglected, at high risk of abuse and neglect, or who are in families receiving child protective services.


EFFECTIVE DATE

SHORT TITLE

SUBCHAPTER IV–A—ABANDONED INFANTS ASSISTANCE

CONCILIATION
This subchapter was comprised generally of Pub. L. 100–505, Oct. 18, 1988, 102 Stat. 2533, and was formerly set out as a note under section 670 of this title prior to its transfer to this subchapter and subsequent repeal by Pub. L. 115–271.


Sections 5117aa–21 and 5117aa–22 comprised part B of this subchapter ‘‘General Provisions’’.

SUBCHAPTER V—CERTAIN PREVENTIVE SERVICES REGARDING CHILDREN OF HOMELESS FAMILIES OR FAMILIES AT RISK OF HOMELESSNESS


Section 5119, Pub. L. 93–247, title III, §302, as added Pub. L. 101–645, title VI, §661(b), Nov. 29, 1990, 104 Stat. 4759, related to joint training of appropriate service personnel with respect to certain subjects and additional authorized activities for which a grantee may expend grant funds.


Section 5121, Pub. L. 93–247, title III, §304, as added Pub. L. 101–645, title VI, §661(b), Nov. 29, 1990, 104 Stat. 4759, related to joint training of appropriate service personnel with respect to certain subjects and additional authorized activities for which a grantee may expend grant funds.


SUBCHAPTER VI—CHILD ABUSE CRIME INFORMATION AND BACKGROUND CHECKS

§ 5119. Transferred

CODIFICATION

Section 5119 was editorially reclassified as section 4011 of Title 34, Crime Control and Law Enforcement.

§ 5119a. Transferred

CODIFICATION

Section 5119a was editorially reclassified as section 4012 of Title 34, Crime Control and Law Enforcement.

§ 5119b. Transferred

CODIFICATION

Section 5119b was editorially reclassified as section 4013 of Title 34, Crime Control and Law Enforcement.

§ 5119c. Transferred

CODIFICATION

Section 5119c was editorially reclassified as section 4014 of Title 34, Crime Control and Law Enforcement.

CHAPTER 68—DISASTER RELIEF

SUBCHAPTER I—FINDINGS, DECLARATIONS, AND DEFINITIONS

Sec. 5121. Congressional findings and declarations.
5186. Emergency public transportation.
5187. Fire management assistance.
5188. Timber sale contracts.
5189. Simplified procedure.
5189a. Appeals of assistance decisions.
5189b. Date of eligibility; expenses incurred before date of disaster.
5189c. Transportation assistance to individuals and households.
5189d. Case management services.
5189e. Essential service providers.
5189f. Public assistance program alternative procedures.
5189g. Unified Federal review.
5189h. Agency accountability.

SUBCHAPTER IV—A—EMERGENCY ASSISTANCE PROGRAMS

5191. Procedure for declaration.
5192. Federal emergency assistance.
5193. Amount of assistance.

SUBCHAPTER IV—B—EMERGENCY PREPAREDNESS

5195. Declaration of policy.
5195a. Definitions.
5195b. Administration of subchapter.
5195c. Critical infrastructures protection.

PART A—POWERS AND DUTIES

5196. Detailed functions of administration.
5196a. Mutual aid pacts between States and neighboring countries.
5196b. Contributions for personnel and administrative expenses.
5196c. Grants for construction of emergency operations centers.
5196d. Use of funds to prepare for and respond to hazards.
5196e. Radiological Emergency Preparedness Fund.
5196f. Disaster-related information services.
5196g. Guidance and training by FEMA on coordination of emergency response plans.

PART B—GENERAL PROVISIONS

5197. Administrative authority.
5197a. Security regulations.
5197b. Use of existing facilities.
5197c. Annual report to Congress.
5197d. Applicability of subchapter.
5197e. Authorization of appropriations and transfers of funds.
5197g. Federal Bureau of Investigation.
5197h. Minority emergency preparedness demonstration program.

SUBCHAPTER V—MISCELLANEOUS

5202. Excess disaster assistance payments as budgetary emergency requirements.
5203. Insular areas disaster survival and recovery; definitions.
5204. Authorization of appropriations for insular areas.
5204a. Technical assistance for insular areas.
5205. Disaster grant closeout procedures.
5205a. Certain recoupment prohibited.
5206. Buy American.
5207. Firearms policies.
5208. Repealed.

SUBCHAPTER I—FINDINGS, DECLARATIONS, AND DEFINITIONS

§ 5121. Congressional findings and declarations

(a) The Congress hereby finds and declares that—

1 because disasters often cause loss of life, human suffering, loss of income, and property loss and damage; and
2 because disasters often disrupt the normal functioning of governments and communities, and adversely affect individuals and families with great severity;

special measures, designed to assist the efforts of the affected States in expediting the rendering of aid, assistance, and emergency services, and the reconstruction and rehabilitation of devastated areas, are necessary.

(b) It is the intent of the Congress, by this chapter, to provide an orderly and continuing means of assistance by the Federal Government to State and local governments in carrying out their responsibilities to alleviate the suffering and damage which result from such disasters by—

1 revising and broadening the scope of existing disaster relief programs;
2 encouraging the development of comprehensive disaster preparedness and assistance plans, programs, capabilities, and organizations by the States and by local governments;
3 achieving greater coordination and responsiveness of disaster preparedness and relief programs;
4 encouraging individuals, States, and local governments to protect themselves by obtaining insurance coverage to supplement or replace governmental assistance;
5 encouraging hazard mitigation measures to reduce losses from disasters, including development of land use and construction regulations; and
6 providing Federal assistance programs for both public and private losses sustained in disasters.


REFERENCES IN TEXT

This chapter, referred to in subsec. (b), was in the original “this Act”, meaning Pub. L. 93–288, May 22, 1974, 88 Stat. 143. For complete classification of this Act to the Code, see Short Title note set out below and Tables.

AMENDMENTS

1988—Subsec. (b)(7). Pub. L. 100–707 struck out par. (7) expressing Congressional intent to provide disaster assistance through a long-range economic recovery program for major disaster areas.

EFFECTIVE DATE OF 2018 AMENDMENT


“(a) APPLICABILITY FOR STAFFORD ACT.—Except as otherwise expressly provided, the amendments in this division [see section 1201 of Pub. L. 115–254, set out as a Short Title of 2018 Amendment note below] to the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.) apply to each major disaster and emergency declared by the President on or after August 1, 2017, under the Robert T. Stafford Disaster Relief and Emergency Assistance Act.

“(b) DIVISION APPLICABILITY.—Except as otherwise expressly provided, the authorities provided under this di-

1 So in original. Probably should be followed by a period.
vision [div. D (§§1201–1246) of Pub. L. 115–254] to apply to each major disaster and emergency declared by the President under the Robert T. Stafford Disaster Relief and Emergency Assistance Act on or after January 1, 2016.”

**Effective Date**


**Short Title of 2018 Amendment**

Pub. L. 115–254, div. D, §1201, Oct. 5, 2018, 132 Stat. 3438, provided that: “This division [div. D (§§1201–1246) of Pub. L. 115–254, enacting sections 5189a, 5189f, 5189g, and 5205a of this title, and section 748a of Title 6, Domestic Security, amending sections 3149, 5122, 5133, 5149, 5155, 5165, 5170a to 5170c, 5172, 5174, 5187, 5189a, 5189g, and 5205 of this title, and section 721 of Title 6, and amending provisions set out as a note under section 5172 of this title] may be cited as the ‘Disaster Recovery Reform Act of 2018’.”

**Short Title of 2017 Amendment**

Pub. L. 115–87, §1, Nov. 21, 2017, 131 Stat. 1277, provided that: “This Act [enacting provisions set out as a note under this section] may be cited as the ‘FEMA Accountability, Modernization and Transparency Act of 2017’.”

**Short Title of 2016 Amendment**

Pub. L. 114–326, §1, Dec. 16, 2016, 130 Stat. 1968, provided that: “This Act [enacting section 5165 of this title, amending section 8101 of Title 5, Government Organization and Employees, and section 4303 of Title 38, Veterans’ Benefits, and enacting and amending provisions set out as notes under sections 761 and 762 of Title 6, enacting provisions set out as notes under this section and sections 5122, 5133, 5155, 5170, 5170c, 5172, 5174, 5178, 5187, 5189g, 5205 of this title, and section 721 of Title 6, and amending provisions set out as a note under section 5172 of this title] may be cited as the ‘Disaster Recovery Reform Act of 2016’.”

**Short Title of 2015 Amendment**

Pub. L. 114–111, §1, Dec. 18, 2015, 129 Stat. 2240, provided that: “This Act [amending section 5202 of this title and enacting provisions set out as notes under sections 4601 and 5170c of this title] may be cited as the ‘Hazard Mitigation and Relocation Assistance Act of 1995’.”

**Short Title of 2018 Amendment**

Pub. L. 110–707, title I, §101(a), Nov. 23, 1988, 102 Stat. 4689, provided that: “This Act [enacting sections 5141, 5153 to 5157, 5159 to 5164, 5170 to 5172, 5174, 5178, 5189 to 5189b, and 5191 to 5193 of this title, amending this section, sections 1362a, 3090, 3231, 3222, 3539, 4003, 4013, 5122, 5131, 5143, 5144, 5147 to 5152, 5151, 5173, 5176, 5177, 5179 to 5188, 5201, 7704, and 9601 of this title, sections 1421, 1427, 1427a, 1461, 1661, 1964, and 2014 of Title 7, Agriculture, sections 1706c, 1706d, 1712, Banks and Banking, section 636 of Title 15, Commerce and Trade, sections 1536 and 3505 of Title 16, Conservation, sections 241–1 and 646 of Title 20, Education, section 125 of Title 22, Highways, sections 165, 5064, and 5708 of Title 26, Internal Revenue Code, section 701n of Title 33, Navigation and Navigable Waters, and section 1820 [now 3720] of Title 38, Veterans’ Benefits, repealing sections 5142, 5145, 5146, 5175, and 5202 of this title and former sections 5141, 5153 to 5157, 5159 to 5164, 5170 to 5172, 5174, 5178, and 5189 of this title, enacting provisions set out as notes under this section and sections 3231, 5152, and 5201 of this title, amending provisions set out as notes under this section and section 1681 of Title 44, Territories and Insular Possessions, and repealing provisions set out as notes under this section and former section 5178 of this title] may be cited as ‘The Disaster Relief and Emergency Assistance Amendments of 1988’.”

**Short Title of 2018 Amendment**

Pub. L. 96–568, §1, Dec. 23, 1980, 94 Stat. 3334, provided: “That this Act (amending section 5202 of this title) may be cited as the ‘Disaster Relief Act Amendments of 1980’.”

**Short Title**

section 461 of former Title 40, Public Buildings, Property, and Works, repealing sections 4401, 4402, 4411 to 4413, 4414 to 4420, 4431 to 4436, 4557 to 4562, 4481 to 4485 of this title, enacting provisions set out as notes under this section, sections 4401 and 5178 of this title, and section 1294 of former Title 31, and amending provisions set out as a note under section 1681 of Title 48, Territorial and Insular Possessions) may be cited as the ‘‘Robert T. Stafford Disaster Relief and Emergency Assistance Act.’’

TRANSFER OF FUNCTIONS

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

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

DELEGATION OF FUNCTIONS

Functions of the President under the Disaster Relief Acts of 1970 and 1974, with certain exceptions, were delegated to the Secretary of Homeland Security, see sections 4–201 and 4–203 of Ex. Ord. No. 12148, July 20, 1979, 44 F.R. 43239, as amended, set out as a note under sections 4–201 and 4–203 of Ex. Ord. No. 12148, July 20, 1979, 44 F.R. 43239, as amended, set out as a note under section 542 of Title 6.

REFERENCES TO DISASTER RELIEF ACT OF 1974

Pub. L. 100–707, title I, §102(b), Nov. 23, 1988, 102 Stat. 4689, provided that: ‘‘Whenever any reference is made in any law (other than this Act [see Tables for classification]), regulation, document, rule, record, or other paper of the United States to a section or provision of the Disaster Relief Act of 1974 (former short title of Pub. L. 93–288), such reference shall be deemed to refer to such section or provision of the Robert T. Stafford Disaster Relief and Emergency Assistance Act [Pub. L. 93–288, see Short Title note above].’’

REFERENCES TO DISASTER RELIEF ACT OF 1970

Pub. L. 93–288, title VII, §702(m), formerly title VI, §602(m), May 22, 1974, 88 Stat. 194, as renumbered by Pub. L. 103–337, div. C, title XXXXIV, §3411(a)(1), (2), Oct. 5, 1994, 108 Stat. 3100, provided that: ‘‘Whenever reference is made in any provision of law (other than this Act [see Short Title note above]), regulation, rule, record, or documents of the United States to provisions of the Disaster Relief Act of 1970 (84 Stat. 1744), repealed by this Act such reference shall be deemed to be a reference to the appropriate provision of this Act.’’

REQUIREMENTS FOR GRANT SYSTEMS MODERNIZATION

Pub. L. 115–87, §2, Nov. 21, 2017, 131 Stat. 1277, provided that:

‘‘(a) IN GENERAL.—The Administrator of the Federal Emergency Management Agency shall ensure the ongoing modernization of the grant systems for the administration of assistance under the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.) includes the following:

‘‘(1) An online interface, including online assistance, for applicants to complete application forms, submit materials, and access the status of applications.

‘‘(2) Mechanisms to eliminate duplication of benefits.

‘‘(3) If appropriate, enable the sharing of information among agencies and with State, local, and tribal governments, to eliminate the need to file multiple applications and speed disaster recovery.

‘‘(4) Any additional tools the Administrator determines will improve the implementation of this section.

‘‘(b) IMPLEMENTATION.—To the extent practicable, the Administrator shall deliver the system capabilities described in subsection (a) in increments or iterations as working components for applicant use.’’

REPORT ON STATE MANAGEMENT OF SMALL DISASTERS INITIATIVE

Pub. L. 106–390, title II, §208, Oct. 30, 2000, 114 Stat. 1571, provided that: ‘‘Not later than 3 years after the date of the enactment of this Act (Oct. 30, 2000), the President shall submit to Congress a report describing the results of the State Management of Small Disasters Initiative, including—

‘‘(1) identification of any administrative or financial benefits of the initiative; and

‘‘(2) recommendations concerning the conditions, if any, under which States should be allowed the option to administer parts of the assistance program under section 406 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5172).’’

STUDY REGARDING COST REDUCTION

Pub. L. 106–390, title II, §209, Oct. 30, 2000, 114 Stat. 1571, as amended by Pub. L. 109–139, §3, Dec. 22, 2005, 119 Stat. 2649, provided that: ‘‘Not later than September 30, 2007, the Director of the Congressional Budget Office shall complete a study estimating the reduction in Federal disaster assistance that has resulted and is likely to result from the enactment of this Act [see Short Title of 2000 Amendment note above].’’

STUDY OF PARTICIPATION BY INDIAN TRIBES IN EMERGENCY MANAGEMENT


NATIONAL DROUGHT POLICY


RECOMMENDATIONS CONCERNING IMPROVEMENT OF RELATIONSHIPS AMONG DISASTER MANAGEMENT OFFICIALS

Pub. L. 100–707, title I, §110, Nov. 21, 1988, 102 Stat. 4710, provided that not later than 1 year after Nov. 23, 1988, the President was to recommend to the Congress proposals to improve the operational and fiscal relationships that exist among Federal, State, and local major disaster and emergency management officials, including provisions which would decrease the amount of time for processing requests for major disaster and emergency declarations and providing Federal assistance for major disasters and emergencies, provide for more effective utilization of State and local resources in relief efforts, and improve the timeliness of reimbursement.

DECLARED DISASTERS AND EMERGENCIES NOT AFFECTED

Pub. L. 100–707, title I, §112, Nov. 21, 1988, 102 Stat. 4711, provided that: ‘‘This title [see Short Title of 1988 Amendment note above] shall not affect the administration of assistance for a major disaster or emergency declared by the President before the date of the enactment of this Act [Nov. 23, 1988].’’

EXECUTIVE ORDER NO. 11749

Ex. Ord. No. 11749, Dec. 10, 1973, 38 F.R. 34177, which related to consolidation of functions assigned to Sec-
Section 5122 Definitions

As used in this chapter—

(1) "Emergency."—"Emergency" means any occasion or instance for which, in the determination of the President, Federal assistance is needed to supplement State and local efforts and capabilities to save lives and to protect property and public health and safety, or to lessen or avert the threat of a catastrophe in any part of the United States.

(2) "Major disaster."—"Major disaster" means any natural catastrophe (including any hurricane, tornado, storm, high water, wind-driven water, tidal wave, tsunami, earthquake, volcanic eruption, landslide, mudslide, snowstorm, or drought), or, regardless of cause, any fire, flood, or explosion, in any part of the United States, which in the determination of the President causes damage of sufficient severity and magnitude to warrant major disaster assistance under this chapter to supplement the efforts and available resources of States, local governments, and disaster relief organizations in alleviating the damage, loss, hardship, or suffering caused thereby.

(3) "United States."—"United States" means the fifty States, the District of Columbia, Puerto Rico, the Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands.

(4) "State."—"State" means any State of the United States, the District of Columbia, Puerto Rico, the Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands.

(5) "Governor."—"Governor" means the chief executive of any State.

(6) "Indian tribal government."—The term "Indian tribal government" means the governing body of any Indian or Alaska Native tribe, band, nation, pueblo, village, or community that the Secretary of the Interior acknowledges to exist as an Indian tribe under the Federally Recognized Indian Tribe List Act of 1994 (25 U.S.C. 479a et seq.).

(7) "Individual with a disability."—The term "individual with a disability" means an individual with a disability as defined in section 12102(2) of this title.

(8) "Local government."—The term "local government" means—

(A) a county, municipality, city, town, township, local public authority, school district, special district, intrastate district, council of governments (regardless of whether the council of governments is incorporated as a nonprofit corporation under State law), regional or interstate government entity, or agency or instrumentality of a local government;

(B) an Indian tribe or authorized tribal organization, or Alaska Native village or organization, that is not an Indian tribal government as defined in paragraph (6); and

(C) a rural community, unincorporated town or village, or other public entity, for which an application for assistance is made by a State or political subdivision of a State.

(9) "Federal agency."—The term "Federal agency" means any department, independent establishment, Government corporation, or other agency of the executive branch of the Federal Government, including the United States Postal Service, but shall not include the American National Red Cross.

(10) "Public facility."—"Public facility" means the following facilities owned by a State or local government:

(A) Any flood control, navigation, irrigation, reclamation, public power, sewage treatment and collection, water supply and distribution, watershed development, or airport facility.

(B) Any non-Federal-aid street, road, or highway.

(C) Any other public building, structure, or system, including those used for educational, recreational, or cultural purposes.

(D) Any park.

(11) "Private nonprofit facility."—

(A) "In general."—The term "private nonprofit facility" means private nonprofit educational (without regard to the religious character of the facility), center-based childcare, utility, irrigation, emergency, medical, habilitational, and temporary or permanent custodial care facilities (including those for the aged and disabled) and facilities on Indian reservations, as defined by the President.

(B) Additional facilities.—In addition to the facilities described in subparagraph (A), the term "private nonprofit facility" includes any private nonprofit facility that provides essential social services to the general public (including museums, zoos, performing arts facilities, community arts centers, community

---

1 See References in Text note below.
centers, libraries, homeless shelters, senior citizen centers, rehabilitation facilities, shelter workshops, food banks, broadcasting facilities, houses of worship, and facilities that provide health and safety services of a governmental nature, as defined by the President. No house of worship may be excluded from this definition because leadership or membership in the organization operating the house of worship is limited to persons who share a religious faith or practice.

(12) CHIEF EXECUTIVE.—The term "Chief Executive" means the person who is the Chief, Chairman, Governor, President, or similar executive official of an Indian tribal government.


REFERENCES IN TEXT

This chapter, referred to in introductory provisions and par. (2), was in the original "this Act", meaning Pub. L. 93–288, May 22, 1974, 88 Stat. 143. For complete classification of this Act to the Code, see Short Title note set out under section 5101 of Title 25 and Tables.

AMENDMENTS

2018—Par. (11). Pub. L. 115–123 amended subpar. (B) generally by substituting a second subpar. (A) and a subpar. (B) for former subpar. (B). Prior to amendment, subpar. (B) read as follows: "In addition to the facilities described in subparagraph (A), the term "private nonprofit facility" includes any private nonprofit facility that provides essential services of a governmental nature to the general public (including museums, zoos, performing arts facilities, community arts centers, libraries, homeless shelters, senior citizen centers, rehabilitation facilities, shelter workshops, broadcasting facilities, and facilities that provide health and safety services of a governmental nature), as defined by the President."

Par. (11)(A). Pub. L. 115–254, §1238(b)(2), struck out first subpar. (A) which read as follows: "The term 'private nonprofit facility' means private nonprofit educational, utility, irrigation, emergency, medical, rehabilita-


Par. (7). Pub. L. 113–2, §1110(c)(2), redesignated par. (6) as (7). Former par. (7) redesignated (8).

Par. (7)(B). Pub. L. 113–2, §1110(c)(1), substituted " that is not an Indian tribal government as defined in paragraph (6);" and " and" for " and". Par. (8) to (11). Pub. L. 113–2, §1110(c)(2), redesignated pars. (7) to (10) as (8) to (11), respectively.


2006—Pars. (6) to (8). Pub. L. 109–295, §688(b), added par. (6) and redesignated former pars. (6) and (7) as (7) and (8), respectively. Former par. (8) redesignated (10).


Prior to amendment, text read as follows: "Private nonprofit facility' means private nonprofit educational, utility, irrigation, emergency, medical, rehabilita-

2000—Par. (3). Pub. L. 106–390, §302(1), substituted "and the Commonwealth of the Northern Mariana Islands" for "the Northern Mariana Islands, and the Trust Territory of the Pacific Islands".

Par. (4). Pub. L. 106–390, §302(1), substituted "and the Commonwealth of the Northern Mariana Islands" for "the Northern Mariana Islands, or the Trust Territory of the Pacific Islands".

Par. (6). Pub. L. 106–390, §302(2), added par. (6) and struck out former par. (6) which read as follows: "Local government' means (A) any county, city, village, town, district, or other political subdivision of any State, any Indian tribe or authorized tribal organi-


1988—Par. (1). Pub. L. 100–707, §103(b), inserted heading and amended text generally. Prior to amendment, text read as follows: "Emergency' means any hurricane, tornado, storm, flood, high water, wind-driven water, tidal wave, tsunami, earthquake, volcanic eruption, landslide, mudslide, snowstorm, drought, fire, explosion, or other catastrophe in any part of the United States which requires Federal emergency assistance to supplement State and local efforts to save lives and protect property, public health and safety or to avert or lessen the threat of a disaster."

Par. (2). Pub. L. 100–707, §103(c), inserted heading and amended text generally. Prior to amendment, text read as follows: "Major disaster' means any hurricane, tornado, storm, flood, high water, wind-driven water, tidal wave, tsunami, earthquake, volcanic eruption, landslide, mudslide, snowstorm, drought, fire, explosion, or other catastrophe in any part of the United States which, in the determination of the President, causes damage of sufficient severity and magnitude to warrant major disaster assistance under this chapter, above and beyond emergency services by the Federal Government, to supplement the efforts and available resources of States, local governments, and disaster relief organiza-

EFFECTIVE DATE OF 2018 AMENDMENT

Pub. L. 115–254, div. D, §1238(c), Oct. 5, 2018, 132 Stat. 3466, provided that: "The amendment made by sub-
section (b)(1) [amending this section] shall apply to any major disaster or emergency declared by the President under section 401 or 501, respectively, of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5170, 5191) on or after the date of enactment of this Act [Oct. 5, 2018].”

Amendment by Pub. L. 115–254 applicable to each major disaster and emergency declared by the President on or after Aug. 1, 2017, and authorities provided under div. D of Pub. L. 115–254 applicable to each major disaster and emergency declared by the President on or after Jan. 1, 2016, except as otherwise provided, see section 1202 of Pub. L. 115–254, set out as a note under section 5121 of this title.

Pub. L. 115–123, div. B, title VI, §20604(c), Feb. 9, 2018, 132 Stat. 98, provided that: “This section [amending this section and section 5122 of this title] and the amendments made by this section shall apply—

(1) to the provision of assistance in response to a major disaster or emergency declared on or after August 23, 2017; or

(2) with respect to—

(A) any application for assistance that, as of the date of enactment of this Act [Feb. 9, 2018], is pending before Federal Emergency Management Agency; and

(B) any application for assistance that has been denied, where a challenge to that denial is not yet finally resolved as of the date of enactment of this Act.”

REGULATIONS

Pub. L. 113–2, div. B, §1110(e), Jan. 29, 2013, 127 Stat. 49, provided that:

“(1) ISSUANCE.—The President shall issue regulations to carry out the amendments made by this section [enacting section 5123 of this title and amending this section and sections 5170 and 5191 of this title].

“(2) FACTORS.—In issuing the regulations, the President shall consider the unique conditions that affect the general welfare of Indian tribal governments.”

LOCAL GOVERNMENT

Pub. L. 100–707, title I, §103(e), Nov. 23, 1988, 102 Stat. 4690, provided that:

“(1) IN GENERAL.—The term ‘local government’ is deemed to have the same meaning in the Disaster Relief and Emergency Assistance Act [Pub. L. 93–288, see Short Title note set out under section 5121 of this title], as amended by this Act [see Short Title of 1988 Amendment note set out under section 5121 of this title], as that term had on October 1, 1988, under section 1026(a) of the Disaster Relief Act of 1974 [par. (6) of this section] and regulations implementing the Disaster Relief Act of 1974.

“(2) TERMINATION OF EFFECTIVENESS.—Paragraph (1) shall not be effective on and after the 90th day after the President transmits to the Committee on Public Works and Transportation of the House of Representatives and to the Committee on Environment and Public Works of the Senate a report which includes an interpretation of the term ‘local government’ for purposes of the Disaster Relief and Emergency Assistance Act, as amended by this Act.”


DEFINITIONS


“(1) ADMINISTRATOR.—The term ‘Administrator’ means the Administrator of the Federal Emergency Management Agency.

“(2) AGENCY.—The term ‘Agency’ means the Federal Emergency Management Agency.

“(3) STATE.—The term ‘State’ has the meaning given that term in section 102 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5122).”

§ 5123. References

Except as otherwise specifically provided, any reference in this chapter to “State and local”, “State or local”, “State, and local”, “State, or local”, or “State, local” (including plurals) with respect to governments or officials and any reference to a “local government” in sections 5172(d)(3) and 5184 of this title is deemed to refer also to Indian tribal governments and officials, as appropriate.


REFERENCES IN TEXT

This chapter, referred to in text, was in the original “this Act”, meaning Pub. L. 93–288, May 22, 1974, 88 Stat. 143. For complete classification of this Act to the Code, see Short Title note set out under section 5121 of this title and Tables.

SUBCHAPTER II—DISASTER PREPAREDNESS AND MITIGATION ASSISTANCE

§ 5131. Federal and State disaster preparedness programs

(a) Utilization of services of other agencies

The President is authorized to establish a program of disaster preparedness that utilizes services of all appropriate agencies and includes—

(1) preparation of disaster preparedness plans for mitigation, warning, emergency operations, rehabilitation, and recovery;

(2) training and exercises;

(3) postdisaster critiques and evaluations;

(4) annual review of programs;

(5) coordination of Federal, State, and local preparedness programs;

(6) application of science and technology;

(7) research.

(b) Technical assistance for the development of plans and programs

The President shall provide technical assistance to the States in developing comprehensive plans and practicable programs for preparation against disasters, including hazard reduction, avoidance, and mitigation; for assistance to individuals, businesses, and State and local governments following such disasters; and for recovery of damaged or destroyed public and private facilities.

(c) Grants to States for development of plans and programs

Upon application by a State, the President is authorized to make grants, not to exceed in the aggregate to such State $250,000, for the development of plans, programs, and capabilities for disaster preparedness and prevention. Such grants shall be applied for within one year from May 22, 1974. Any State desiring financial assistance under this section shall designate or create an agency to plan and administer such a disaster preparedness program, and shall, through such agency, submit a State plan to the President, which shall—
Federal agencies are prepared to issue warnings § 5132. Disaster warnings

(b) Technical assistance to State and local governments for effective disaster warning is provided. except that no such grant shall exceed $50,000 per annum to any State.


AMENDMENTS
1994—Subsec. (c). Pub. L. 103–337 substituted “section 5196(c) of this title” for “section 2281(c) of title 50, Appendix.”.

§ 5133. Predisaster hazard mitigation

(a) Definition of small impoverished community

In this section, the term “small impoverished community” means a community of 3,000 or fewer individuals that is economically disadvantaged, as determined by the State in which the community is located and based on criteria established by the President.

(b) Establishment of program

The President may establish a program to provide technical and financial assistance to States and local governments to assist in the implementation of predisaster hazard mitigation measures that are cost-effective and are designed to reduce injuries, loss of life, and damage and destruction of property, including damage to critical services and facilities under the jurisdiction of the States or local governments.

(c) Approval by President

If the President determines that a State or local government has identified natural disaster hazards in areas under its jurisdiction and has demonstrated the ability to form effective public-private natural disaster hazard mitigation partnerships, the President, using amounts in the National Public Infrastructure Predisaster Mitigation Fund established under subsection (i) (referred to in this section as the “Fund”), may provide technical and financial assistance to the State or local government to be used in accordance with subsection (e).

(d) State recommendations

(1) In general

(A) Recommendations

The Governor of each State may recommend to the President not fewer than five local governments to receive assistance under this section.

(B) Deadline for submission

The recommendations under subparagraph (A) shall be submitted to the President not later than October 1, 2001, and each October 1st thereafter or such later date in the year as the President may establish.

(C) Criteria

In making recommendations under subparagraph (A), a Governor shall consider the criteria specified in subsection (g).

(2) Use

(A) In general

Except as provided in subparagraph (B), in providing assistance to local governments under this section, the President shall select from local governments recommended by the Governors under this subsection.

(B) Extraordinary circumstances

In providing assistance to local governments under this section, the President may select a local government that has not been recommended by a Governor under this sub-
section if the President determines that extraordinary circumstances justify the selection and that making the selection will further the purpose of this section.

(3) Effect of failure to nominate

If a Governor of a State fails to submit recommendations under this subsection in a timely manner, the President may select, subject to the criteria specified in subsection (g), any local governments of the State to receive assistance under this section.

(e) Uses of technical and financial assistance

(1) In general

Technical and financial assistance provided under this section—

(A) shall be used by States and local governments principally to implement predisaster hazard mitigation measures that are cost-effective and are described in proposals approved by the President under this section; and

(B) may be used—

(i) to support effective public-private natural disaster hazard mitigation partnerships;

(ii) to improve the assessment of a community’s vulnerability to natural hazards;

(iii) to establish hazard mitigation priorities, and an appropriate hazard mitigation plan, for a community; or

(iv) to establish and carry out enforcement activities and implement the latest published editions of relevant consensus-based codes, specifications, and standards that incorporate the latest hazard-resistant designs and establish minimum acceptable criteria for the design, construction, and maintenance of residential structures and facilities that may be eligible for assistance under this chapter for the purpose of protecting the health, safety, and general welfare of the buildings’ users against disasters.

(2) Dissemination

A State or local government may use not more than 10 percent of the financial assistance received by the State or local government under this section for the purpose of disseminating information regarding cost-effective mitigation technologies.

(f) Allocation of funds

(1) In general

The President shall award financial assistance under this section on a competitive basis for mitigation activities that are cost effective and in accordance with the criteria in subsection (g).

(2) Minimum and maximum amounts

In providing financial assistance under this section, the President shall ensure that the amount of financial assistance made available to a State (including amounts made available to local governments of the State) for a fiscal year—

(A) is not less than the lesser of—

(i) $575,000; or

(ii) the amount that is equal to 1 percent of the total funds appropriated to carry out this section for the fiscal year; and

(B) does not exceed the amount that is equal to 15 percent of the total funds appropriated to carry out this section for the fiscal year.

(3) Redistribution of unobligated amounts

The President may—

(A) withdraw amounts of financial assistance made available to a State (including amounts made available to local governments of a State) under this subsection that remain unobligated by the end of the third fiscal year after the fiscal year for which the amounts were allocated; and

(B) in the fiscal year following a fiscal year in which amounts were withdrawn under subparagraph (A), add the amounts to any other amounts available to be awarded on a competitive basis pursuant to paragraph (1).

(g) Criteria for assistance awards

In determining whether to provide technical and financial assistance to a State or local government under this section, the President shall provide financial assistance only in States that have received a major disaster declaration in the previous 7 years, or to any Indian tribal government located partially or entirely within the boundaries of such States, and take into account—

(1) the extent and nature of the hazards to be mitigated;

(2) the degree of commitment of the State or local government to reduce damages from future natural disasters;

(3) the degree of commitment by the State or local government to support ongoing non-Federal support for the hazard mitigation measures to be carried out using the technical and financial assistance;

(4) the extent to which the hazard mitigation measures to be carried out using the technical and financial assistance contribute to the mitigation goals and priorities established by the State;

(5) the extent to which the technical and financial assistance is consistent with other assistance provided under this chapter;

(6) the extent to which prioritized, cost-effective mitigation activities that produce meaningful and definable outcomes are clearly identified;

(7) if the State or local government has submitted a mitigation plan under section 5165 of this title, the extent to which the activities identified under paragraph (6) are consistent with the mitigation plan;

(8) the opportunity to fund activities that maximize net benefits to society;

(9) the extent to which assistance will fund mitigation activities in small impoverished communities;

(10) the extent to which the State, local, Indian tribal, or territorial government has facilitated the adoption and enforcement of the latest published editions of relevant consensus-based codes, specifications, and standards, including amendments made by State, local, Indian tribal, or territorial governments during the adoption process that incorporate the latest hazard-resistant designs and establish...
criteria for the design, construction, and maintenance of residential structures and facilities that may be eligible for assistance under this chapter for the purpose of protecting the health, safety, and general welfare of the buildings’ users against disasters;

(ii) the extent to which the assistance will fund activities that increase the level of resiliency; and

(iii) such other criteria as the President establishes in consultation with State and local governments.

(h) Federal share

(1) In general

Financial assistance provided under this section may contribute up to 75 percent of the total cost of mitigation activities approved by the President.

(2) Small impoverished communities

Notwithstanding paragraph (1), the President may contribute up to 90 percent of the total cost of a mitigation activity carried out in a small impoverished community.

(i) National public infrastructure predisaster mitigation assistance

(1) In general

The President may set aside from the Disaster Relief Fund, with respect to each major disaster, an amount equal to 6 percent of the estimated aggregate amount of the grants to be made pursuant to sections 5170b, 5172, 5173, 5174, 5177, 5183, and 5189f of this title for the major disaster in order to provide technical and financial assistance under this section and such set aside shall be deemed to be related to activities carried out pursuant to major disasters under this chapter.

(2) Estimated aggregate amount

Not later than 180 days after each major disaster declaration pursuant to this chapter, the estimated aggregate amount of grants for purposes of paragraph (1) shall be determined by the President and such estimated amount need not be reduced, increased, or changed due to variations in estimates.

(3) No reduction in amounts

The amount set aside pursuant to paragraph (1) shall not reduce the amounts otherwise made available for sections 5170b, 5172, 5173, 5174, and 5187b of this title for the major disaster under this chapter.

(j) Multihazard advisory maps

(1) Definition of multihazard advisory map

In this subsection, the term “multihazard advisory map” means a map on which hazard data concerning each type of natural disaster is identified simultaneously for the purpose of showing areas of hazard overlap.

(2) Development of maps

In consultation with States, local governments, and appropriate Federal agencies, the President shall develop multihazard advisory maps for areas, in not fewer than five States, that are subject to commonly recurring natural hazards (including flooding, hurricanes and severe winds, and seismic events).

(k) Report on Federal and State administration

Not later than 18 months after October 30, 2000, the President, in consultation with State and local governments, shall submit to Congress a report evaluating efforts to implement this section and recommending a process for transferring greater authority and responsibility for administering the assistance program established under this section to capable States.

(l) Prohibition on earmarks

(1) Definition

In this subsection, the term “congressionally directed spending” means a statutory provision or report language included primarily at the request of a Senator or a Member, Delegate or Resident Commissioner of the House of Representatives providing, authorizing, or recommending a specific amount of discretionary budget authority, credit authority, or other spending authority for a contract, loan, loan guarantee, grant, loan authority, or other expenditure with or to an entity, or targeted to a specific State, locality, or Congressional district, other than through a statutory or administrative formula-driven or competitive award process.

(2) Prohibition

None of the funds appropriated or otherwise made available to carry out this section may be used for congressionally directed spending.

(m) Latest published editions

For purposes of subsections (e)(1)(B)(iv) and (g)(10), the term “latest published editions” means, with respect to relevant consensus-based codes, specifications, and standards, the 2 most recently published editions.

AMENDMENT OF SECTION


REFERENCES IN TEXT

This chapter, referred to in subsecs. (e)(1)(B), (g)(5), (10), and (l), was in the original “this Act”, meaning Pub. L. 93–288, May 22, 1974, 88 Stat. 143. For complete classification of this Act to the Code, see Short Title note set out under section 5121 of this title. See Amendment note below.

AMENDMENTS


Subsec. (f)(1). Pub. L. 115–254, §1234(a)(3)(A), inserted “for mitigation activities that are cost effective” after “competitive basis”.


Subsec. (g). Pub. L. 115–254, §1234(a)(4)(A), in introductory provisions, inserted “provide financial assistance only in States that have received a major disaster declaration in the previous 7 years, or to any Indian tribal government located partially or entirely within the boundaries of such States,” and after “the President shall”.

Subsec. (g)(10) to (12). Pub. L. 115–254, §1234(a)(4)(B)(1), added para. (10) and (11) and redesignated former par. (10) as (12).


Subsec. (j) to (l). Pub. L. 115–254, §1234(a)(6), (7), redesignated subsecs. (k), (l), and (n) as (j), (k), and (l), respectively, and struck out former subsec. (i) which related to limitation on total amount of financial assistance.

Subsec. (m). Pub. L. 115–254, §1234(d), struck out subsec. (m) which defined the term “last published editions” for subsecs. (e)(1)(B)(iv) and (g)(10).

Pub. L. 115–254, §1234(a)(6), (b), added subsec. (m) and struck out former subsec. (m) which related to authorization of appropriations.


Amendment of Pub. L. 115–254 applicable to each major disaster and emergency declared by the President on or after Aug. 1, 2017, and authorities provided under div. D of Pub. L. 115–254 applicable to each major disaster and emergency declared by the President on or after Jan. 1, 2016, except as otherwise provided, see section 1202 of Pub. L. 115–254, set out as a note under section 5122 of this title.

Pub. L. 115–254, div. D, §1234(b), Oct. 5, 2018, 132 Stat. 3462, provided that: “The amendments made to section 203 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5133) by paragraphs (3) and (5) of subsection (a) shall apply to funds appropriated on or after the date of enactment of this Act [Oct. 5, 2018].”

Pub. L. 115–254, div. D, §1234(d), Oct. 5, 2018, 132 Stat. 3463, provided that the amendment made by section 1234(d) is effective on the date that is 5 years after Oct. 5, 2018.

FINDINGS

Pub. L. 111–351–351, §2, Jan. 4, 2011, 124 Stat. 3863, provided that: “Congress finds the following:

(1) The predisaster hazard mitigation program has been successful and cost-effective. Funding from the predisaster hazard mitigation program has successfully reduced loss of life, personal injuries, damage to and destruction of property, and disruption of communities from disasters.

(2) The predisaster hazard mitigation program has saved Federal taxpayers from spending significant sums on disaster recovery and relief that would have been otherwise incurred had communities not successfully applied mitigation techniques.

(3) A 2007 Congressional Budget Office report found that the predis disaster hazard mitigation program reduced losses by roughly $3 (measured in 2007 dollars) for each dollar invested in mitigation under the predisaster hazard mitigation program. Moreover, the Congressional Budget Office found that projects funded under the predisaster hazard mitigation program could lower the need for post-disaster assistance from the Federal Government so that the predisaster hazard mitigation investment in the Federal Government would actually save taxpayer funds.

(4) A 2005 report by the Multihazard Mitigation Council showed substantial benefits and cost savings from the hazard mitigation programs of the Federal Emergency Management Agency generally. Looking at a range of hazard mitigation programs of the Federal Emergency Management Agency, the study found that, on average, $1 invested by the Federal Emergency Management Agency in hazard mitigation provided the Nation with roughly $4 in benefits. Moreover, the report projected that the mitigation grants awarded between 1993 and 2003 would save more than 220 lives and prevent nearly 4,700 injuries over approximately 50 years.

(5) Given the substantial savings generated from the predisaster hazard mitigation program in the years following the provision of assistance under the program, increasing funds appropriated for the program would be a wise investment.”

FINDINGS AND PURPOSE


“(a) FINDINGS.—Congress finds that—

(1) natural disasters, including earthquakes, tsunamis, tornadoes, hurricanes, flooding, and wildfires, pose great danger to human life and to property throughout the United States;

(2) greater emphasis needs to be placed on—

(A) identifying and assessing the risks to States and local governments (including Indian tribes) from natural disasters;
“(B) implementing adequate measures to reduce losses from natural disasters; and
“(C) ensuring that the critical services and facilities of communities will continue to function after a natural disaster;
“(3) expenditures for postdisaster assistance are increasing without commensurate reductions in the likelihood of future losses from natural disasters;
“(4) in the expenditure of Federal funds under the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.), high priority should be given to mitigation of hazards at the local level; and
“(5) with a unified effort of economic incentives, awareness and education, technical assistance, and demonstrated Federal support, States and local governments (including Indian tribes) will be able to—
“(A) form effective community-based partnerships for hazard mitigation purposes;
“(B) implement effective hazard mitigation measures that reduce the potential damage from natural disasters;
“(C) ensure continued functionality of critical services;
“(D) leverage additional non-Federal resources in meeting natural disaster resistance goals; and
“(E) make commitments to long-term hazard mitigation efforts to be applied to new and existing structures.

“(b) PURPOSE.—The purpose of this title [enacting this section and sections 5134, 5165 and 5165a of this title, amending section 5170c of this title, and repealing § 5141, Pub. L. 93–288, title III, § 301, May 22, 1974, 88 Stat. 146, set out procedure for determination of existence of emergency or major disaster, prior to repeal by Pub. L. 93–288, title III, § 301, as added Pub. L. 100–707, title I, § 105(a)(2), Nov. 23, 1988, 102 Stat. 4691.] is to establish a national disaster hazard mitigation program—
“(1) to reduce the loss of life and property, human suffering, economic disruption, and disaster assistance costs resulting from natural disasters; and
“(2) to provide a source of predisaster hazard mitigation funding that will assist States and local governments (including Indian tribes) in implementing effective hazard mitigation measures that are designed to ensure the continued functionality of critical services and facilities after a natural disaster.”

§ 5134. Interagency task force

(a) In general
The President shall establish a Federal interagency task force for the purpose of coordinating the implementation of predisaster hazard mitigation programs administered by the Federal Government.

(b) Chairperson
The Administrator of the Federal Emergency Management Agency shall serve as the chairperson of the task force.

(c) Membership
The membership of the task force shall include representatives of—
(1) relevant Federal agencies;
(2) State and local government organizations (including Indian tribes); and
(3) the American Red Cross.


Prior Provisions


§ 5143. Coordinating officers

(a) Appointment of Federal coordinating officer
Immediately upon his declaration of a major disaster or emergency, the President shall appoint a Federal coordinating officer to operate in the affected area.

(b) Functions of Federal coordinating officer
In order to effectuate the purposes of this chapter, the Federal coordinating officer, within the affected area, shall—
(1) make an initial appraisal of the types of relief most urgently needed;
(2) establish such field offices as he deems necessary and as are authorized by the President;
(3) coordinate the administration of relief, including activities of the State and local governments, the American National Red Cross, the Salvation Army, the Mennonite Disaster Service, and other relief or disaster assistance organizations, which agree to operate under his advice or direction, except that nothing contained in this chapter shall limit or in any way affect the responsibilities of the American National Red Cross under chapter 3001 of title 36; and
(4) take such other action, consistent with authority delegated to him by the President, and consistent with the provisions of this chapter, as he may deem necessary to assist local citizens and public officials in promptly obtaining assistance to which they are entitled.

(c) State coordinating officer

When the President determines assistance under this chapter is necessary, he shall request that the Governor of the affected State designate a State coordinating officer for the purpose of coordinating State and local disaster assistance efforts with those of the Federal Government.

(d) Single Federal coordinating officer for multi-state area

Where the area affected by a major disaster or emergency includes parts of more than 1 State, the President, at the discretion of the President, may appoint a single Federal coordinating officer for the entire affected area, and may appoint such deputy Federal coordinating officers to assist the Federal coordinating officer as the President determines appropriate.

(2) Emergency response teams

The President shall form emergency response teams.

(a) Attorney General

The Attorney General, at the discretion of the Attorney General, may request of the President, the head of any Federal agency, or the head of any Agency, the discharge, as he may deem advisable, of the duty of any person, or any persons, in his or her or their department or agency, or any other person or persons, in the executive, judicial, or legislative departments of any State, or in the executive departments of the District of Columbia, the Commonwealth of Puerto Rico, or the Virgin Islands, to perform any duty under this Act.

(b) Governor of any State

The Governor of any State, at the discretion of the Governor, may appoint a State coordinating officer for the purpose of coordinating State and local disaster assistance efforts with those of the Federal Government.

(c) Single Federal coordinating officer for multi-state area

Where the area affected by a major disaster or emergency includes parts of more than 1 State, the President, at the discretion of the President, may appoint a single Federal coordinating officer for the entire affected area, and may appoint such deputy Federal coordinating officers to assist the Federal coordinating officer as the President determines appropriate.

(2) Emergency response teams

The President shall ensure that the Federal emergency response teams consist of adequate numbers of properly planned, organized, equipped, trained, and exercised personnel to achieve the established target capability levels. Each emergency response team shall work in coordination with State and local officials and onsite personnel associated with a particular incident.

(4) Readiness reporting

The Administrator shall evaluate team readiness on a regular basis and report team readiness levels in the report required under section 752(a) of title 6.

References to Text

This chapter, referred to in subsec. (a), was in the original “this Act”, meaning Pub. L. 93–368, May 22, 1974, 88 Stat. 143, as amended. For complete classification of this Act to the Code, see Short Title note set out under section 5121 of this title and Tables.

Codification


Prior Provisions

A prior section 302 of Pub. L. 93–228 was classified to section 5142 of this title prior to repeal by Pub. L. 100–707.

Amendments


§ 5147. Reimbursement of Federal agencies

Federal agencies may be reimbursed for expenditures under this chapter from funds appropriated for the purposes of this chapter. Any funds received by Federal agencies as reimbursement for services or supplies furnished under the authority of this chapter shall be deposited to the credit of the appropriation or appropriations currently available for such services or supplies. (Pub. L. 93–288, title III, §304, formerly §307, May 22, 1974, 88 Stat. 149; renumbered §304, Pub. L. 100–707, title I, §105(d), Nov. 23, 1988, 102 Stat. 4691.)

REFERENCES IN TEXT

This chapter, referred to in text, was in the original “this Act”, meaning Pub. L. 93–288, May 22, 1974, 88 Stat. 143. For complete classification of this Act to the Code, see Short Title note set out under section 5121 of this title and Tables.

PRIOR PROVISIONS

A prior section 304 of Pub. L. 93–288 was renumbered section 303 by Pub. L. 100–707 and is classified to section 5144 of this title.

§ 5148. Nonliability of Federal Government

The Federal Government shall not be liable for any claim based upon the exercise or performance of or the failure to exercise or perform a discretionary function or duty on the part of a Federal agency or an employee of the Federal Government in carrying out the provisions of this chapter. (Pub. L. 93–288, title III, §305, formerly §308, May 22, 1974, 88 Stat. 149; renumbered §305, Pub. L. 100–707, title I, §105(d), Nov. 23, 1988, 102 Stat. 4691.)

REFERENCES IN TEXT

This chapter, referred to in text, was in the original “this Act”, meaning Pub. L. 93–288, May 22, 1974, 88 Stat. 143. For complete classification of this Act to the Code, see Short Title note set out under section 5121 of this title and Tables.

PRIOR PROVISIONS

A prior section 305 of Pub. L. 93–288 was classified to section 5145 of this title prior to repeal by Pub. L. 100–707.

§ 5149. Performance of services

(a) Utilization of services or facilities of State and local governments

In carrying out the purposes of this chapter, any Federal agency is authorized to accept and utilize the services or facilities of any State or local government, or of any agency, office, or employee thereof, with the consent of such government.

(b) Appointment of temporary personnel, experts, and consultants; acquisition, rental, or hire of equipment, services, materials and supplies

In performing any services under this chapter, any Federal agency is authorized—

(1) to appoint and fix the compensation of such temporary personnel as may be necessary, without regard to the provisions of title 5 governing appointments in competitive service;

(2) to employ experts and consultants in accordance with the provisions of section 3109 of such title, without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates; and

(3) to incur obligations on behalf of the United States by contract or otherwise for the acquisition, rental, or hire of equipment, services, materials, and supplies for shipping, drayage, travel, and communications, and for the supervision and administration of such activities. Such obligations, including obligations arising out of the temporary employment of additional personnel, may be incurred by an agency in such amount as may be made available to it by the President.

(c) Appointment of temporary personnel in the Federal Emergency Management Agency

The Administrator of the Federal Emergency Management Agency is authorized to appoint temporary personnel, after serving continuously for 3 years, to positions in the Federal Emergency Management Agency in the same manner that competitive service employees with competitive status are considered for transfer, reassignment, or promotion to such positions. An individual appointed under this subsection shall become a career-conditional employee, unless the employee has already completed the service requirements for career tenure. (Pub. L. 93–288, title III, §306, formerly §309, May 22, 1974, 88 Stat. 149; renumbered §306, Pub. L. 100–707, title I, §105(d), Nov. 23, 1988, 102 Stat. 4691; amended Pub. L. 115–254, div. D, §1222, Oct. 5, 2018, 132 Stat. 3454.)

REFERENCES IN TEXT

This chapter, referred to in text, was in the original “this Act”, meaning Pub. L. 93–288, May 22, 1974, 88 Stat. 143. For complete classification of this Act to the Code, see Short Title note set out under section 5121 of this title and Tables.

PRIOR PROVISIONS

A prior section 306 of Pub. L. 93–288 was classified to section 5146 of this title prior to repeal by Pub. L. 100–707.

AMENDMENTS


Amendment by Pub. L. 115–254 applicable to each major disaster and emergency declared by the President on or after Aug. 1, 2017, and authorities provided under div. D of Pub. L. 115–254 applicable to each major disaster and emergency declared by the President on or after Jan. 1, 2016, except as otherwise provided, see section 1202 of Pub. L. 115–254, set out as a note under section 5121 of this title.
§ 5150. Use of local firms and individuals

(a) Contracts or agreements with private entities

(1) In general

In the expenditure of Federal funds for debris clearance, distribution of supplies, reconstruction, and other major disaster or emergency assistance activities which may be carried out by contract or agreement with private organizations, firms, or individuals, preference shall be given, to the extent feasible and practicable, to those organizations, firms, and individuals residing or doing business primarily in the area affected by such major disaster or emergency.

(2) Construction

This subsection shall not be considered to restrict the use of Department of Defense resources under this chapter in the provision of assistance in a major disaster.

(3) Specific geographic area

In carrying out this section, a contract or agreement may be set aside for award based on a specific geographic area.

(b) Implementation

(1) Contracts not to entities in area

Any expenditure of Federal funds for debris clearance, distribution of supplies, reconstruction, and other major disaster or emergency assistance activities which may be carried out by contract or agreement with private organizations, firms, or individuals, not awarded to an organization, firm, or individual residing or doing business primarily in the area affected by such major disaster shall be justified in writing in the contract file.

(2) Transition

Following the declaration of an emergency or major disaster, an agency performing response, relief, and reconstruction activities shall transition work performed under contracts in effect on the date on which the President declares the emergency or major disaster to organizations, firms, and individuals residing or doing business primarily in any area affected by the major disaster or emergency, unless the head of such agency determines that it is not feasible or practicable to do so.

(3) Formulation of requirements

The head of a Federal agency, as feasible and practicable, shall formulate appropriate requirements to facilitate compliance with this section.

(c) Prior contracts

Nothing in this section shall be construed to require any Federal agency to breach or renegotiate any contract in effect before the occurrence of a major disaster or emergency.

§ 5150. Use of local firms and individuals

(1) Prior contracts

In the expenditure of Federal funds for debris clearance, distribution of supplies, reconstruction, and other major disaster or emergency assistance activities which may be carried out by contract or agreement with private organizations, firms, or individuals, preference shall be given, to the extent feasible and practicable, to those organizations, firms, and individuals residing or doing business primarily in the area affected by such major disaster or emergency.

(2) Construction

This subsection shall not be considered to restrict the use of Department of Defense resources under this chapter in the provision of assistance in a major disaster.

(3) Specific geographic area

In carrying out this section, a contract or agreement may be set aside for award based on a specific geographic area.

(b) Implementation

(1) Contracts not to entities in area

Any expenditure of Federal funds for debris clearance, distribution of supplies, reconstruction, and other major disaster or emergency assistance activities which may be carried out by contract or agreement with private organizations, firms, or individuals, not awarded to an organization, firm, or individual residing or doing business primarily in the area affected by such major disaster shall be justified in writing in the contract file.

(2) Transition

Following the declaration of an emergency or major disaster, an agency performing response, relief, and reconstruction activities shall transition work performed under contracts in effect on the date on which the President declares the emergency or major disaster to organizations, firms, and individuals residing or doing business primarily in any area affected by the major disaster or emergency, unless the head of such agency determines that it is not feasible or practicable to do so.

(3) Formulation of requirements

The head of a Federal agency, as feasible and practicable, shall formulate appropriate requirements to facilitate compliance with this section.

(c) Prior contracts

Nothing in this section shall be construed to require any Federal agency to breach or renegotiate any contract in effect before the occurrence of a major disaster or emergency.

§ 5150. Use of local firms and individuals

(a) Contracts or agreements with private entities

(1) In general

In the expenditure of Federal funds for debris clearance, distribution of supplies, reconstruction, and other major disaster or emergency assistance activities which may be carried out by contract or agreement with private organizations, firms, or individuals, preference shall be given, to the extent feasible and practicable, to those organizations, firms, and individuals residing or doing business primarily in the area affected by such major disaster or emergency.

(2) Construction

This subsection shall not be considered to restrict the use of Department of Defense resources under this chapter in the provision of assistance in a major disaster.

(3) Specific geographic area

In carrying out this section, a contract or agreement may be set aside for award based on a specific geographic area.

(b) Implementation

(1) Contracts not to entities in area

Any expenditure of Federal funds for debris clearance, distribution of supplies, reconstruction, and other major disaster or emergency assistance activities which may be carried out by contract or agreement with private organizations, firms, or individuals, not awarded to an organization, firm, or individual residing or doing business primarily in the area affected by such major disaster shall be justified in writing in the contract file.

(2) Transition

Following the declaration of an emergency or major disaster, an agency performing response, relief, and reconstruction activities shall transition work performed under contracts in effect on the date on which the President declares the emergency or major disaster to organizations, firms, and individuals residing or doing business primarily in any area affected by the major disaster or emergency, unless the head of such agency determines that it is not feasible or practicable to do so.

(3) Formulation of requirements

The head of a Federal agency, as feasible and practicable, shall formulate appropriate requirements to facilitate compliance with this section.

(c) Prior contracts

Nothing in this section shall be construed to require any Federal agency to breach or renegotiate any contract in effect before the occurrence of a major disaster or emergency.

(1) Prior contracts

In the expenditure of Federal funds for debris clearance, distribution of supplies, reconstruction, and other major disaster or emergency assistance activities which may be carried out by contract or agreement with private organizations, firms, or individuals, preference shall be given, to the extent feasible and practicable, to those organizations, firms, and individuals residing or doing business primarily in the area affected by such major disaster or emergency.

(2) Construction

This subsection shall not be considered to restrict the use of Department of Defense resources under this chapter in the provision of assistance in a major disaster.

(3) Specific geographic area

In carrying out this section, a contract or agreement may be set aside for award based on a specific geographic area.

(b) Implementation

(1) Contracts not to entities in area

Any expenditure of Federal funds for debris clearance, distribution of supplies, reconstruction, and other major disaster or emergency assistance activities which may be carried out by contract or agreement with private organizations, firms, or individuals, not awarded to an organization, firm, or individual residing or doing business primarily in the area affected by such major disaster shall be justified in writing in the contract file.

(2) Transition

Following the declaration of an emergency or major disaster, an agency performing response, relief, and reconstruction activities shall transition work performed under contracts in effect on the date on which the President declares the emergency or major disaster to organizations, firms, and individuals residing or doing business primarily in any area affected by the major disaster or emergency, unless the head of such agency determines that it is not feasible or practicable to do so.

(3) Formulation of requirements

The head of a Federal agency, as feasible and practicable, shall formulate appropriate requirements to facilitate compliance with this section.

(c) Prior contracts

Nothing in this section shall be construed to require any Federal agency to breach or renegotiate any contract in effect before the occurrence of a major disaster or emergency.
§ 5152. Use and coordination of relief organizations

(a) In providing relief and assistance under this chapter, the President may utilize, with their consent, the personnel and facilities of the American National Red Cross, the Salvation Army, the Mennonite Disaster Service, long-term recovery groups, domestic hunger relief, and other relief, or disaster assistance organizations, in the distribution of medicine, food, supplies, or other items, and in the restoration, re habilitation, or reconstruction of community services housing and essential facilities, when ever the President finds that such utilization is necessary.

(b) The President is authorized to enter into agreements with the American National Red Cross, the Salvation Army, the Mennonite Disaster Service, long-term recovery groups, domestic hunger relief, and other relief, or disaster assistance organizations under which the disaster relief activities of such organizations may be coordinated by the Federal coordinating officer whenever such organizations are engaged in providing relief during and after a major disaster or emergency. Any such agreement shall include provisions assuring that use of Federal facilities, supplies, and services will be in compliance with regulations prohibiting duplication of benefits and guaranteeing nondiscrimination promulgated by the President under this chapter, and such other regulation as the President may require.


REFERENCES IN TEXT

This chapter, referred to in text, was in the original "this Act", meaning Pub. L. 93–288, May 22, 1974, 88 Stat. 143. For complete classification of this Act to the Code, see Short Title note set out under section 5121 of this title and Tables.

PRIOR PROVISIONS

A prior section 309 of Pub. L. 93–288 was renumbered section 306 by Pub. L. 100–707 and is classified to section 5149 of this title.

AMENDMENTS

2018—Subsecs. (a), (b). Pub. L. 115–254 substituted "long-term recovery groups, domestic hunger relief, and other relief, or" for "and other relief or".

EFFECTIVE DATE OF 2018 AMENDMENT

Amendment by Pub. L. 115–254 applicable to each major disaster and emergency declared by the President on or after Aug. 1, 2017, and authorities provided under div. D of Pub. L. 115–254 applicable to each major disaster and emergency declared by the President on or after Jan. 1, 2016, except as otherwise provided, see section 1202 of Pub. L. 115–254, set out as a note under section 5121 of this title.

§ 5153. Priority to certain applications for public facility and public housing assistance

(a) Priority

In the processing of applications for assistance, priority and immediate consideration shall be given by the head of the appropriate Federal agency, during such period as the President shall prescribe, to applications from public bodies situated in areas affected by major disasters under the following Acts:

(1) The United States Housing Act of 1937 [42 U.S.C. 1437 et seq.] for the provision of low-income housing;

(2) Sections 3502 to 3505 of title 40 for assistance in public works planning;

(3) The Community Development Block Grant Program under title I of the Housing and Community Development Act of 1974 [42 U.S.C. 5301 et seq.];

(4) Section 1926 of title 7.


(6) Subtitle IV of title 40.

(7) The Federal Water Pollution Control Act [33 U.S.C. 1251 et seq.].

(b) Obligation of certain discretionary funds

In the obligation of discretionary funds or funds which are not allocated among the States or political subdivisions of a State, the Secretary of Housing and Urban Development and the Secretary of Commerce shall give priority to applications for projects for major disaster areas.

(Pub. L. 93–288, title III, §310, as added Pub. L. 100–707, title I, §105(g), Nov. 23, 1988, 102 Stat. 4691.)

REFERENCES IN TEXT


The Federal Water Pollution Control Act, referred to in subsec. (a)(7), is act June 30, 1948, ch. 758, as amended generally by Pub. L. 92–500, §2, Oct. 18, 1972, 86 Stat. 816, which is classified generally to chapter 26 (§1251 et seq.) of Title 33, Navigation and Navigable Waters. For complete classification of this Act to the Code, see Short Title note set out under section 1251 of this title and Tables.

CONCIPATION


PRIOR PROVISIONS

§ 5154. Insurance

(a) Applicants for replacement of damaged facilities

(1) Compliance with certain regulations

An applicant for assistance under section 5172 of this title (relating to repair, restoration, and replacement of damaged facilities), section 5189 of this title (relating to simplified procedure), or section 3149(c)(2) of this title shall comply with regulations prescribed by the President to assure that, with respect to any property to be replaced, restored, repaired, or constructed with such assistance, such types and extent of insurance will be obtained and maintained as may be reasonably available, adequate, and necessary, to protect against future loss to such property.

(2) Determination

In making a determination with respect to availability, adequacy, and necessity under paragraph (1), the President shall not require greater types and extent of insurance than are certified to him as reasonable by the appropriate State insurance commissioner responsible for regulation of such insurance.

(b) Maintenance of insurance

No applicant for assistance under section 5172 of this title (relating to repair, restoration, and replacement of damaged facilities), section 5189 of this title (relating to simplified procedure), or section 3149(c)(2) of this title may receive such assistance for any property or part thereof for which the applicant has previously received assistance under this chapter unless all insurance required pursuant to this section has been obtained and maintained with respect to such property. The requirements of this subsection may not be waived under section 5141 of this title.

(c) State acting as self-insurer

A State may elect to act as a self-insurer with respect to any or all of the facilities owned by the State. Such an election, if declared in writing at the time of acceptance of assistance under section 5172 or 5189 of this title or section 3149(c)(2) of this title or subsequently and accompanied by a plan for self-insurance which is satisfactory to the President, shall be deemed compliance with subsection (a). No such self-insurer may receive assistance under section 5172 or 5189 of this title for any property or part thereof for which it has previously received assistance under this chapter, to the extent that insurance for such property or part thereof would have been reasonably available.

(b) Transfer of property

(1) Duty to notify

In the event of the transfer of any property described in paragraph (3), the transferor shall, not later than the date on which such transfer occurs, notify the transferee in writing of the requirements to—

(A) obtain flood insurance in accordance with applicable Federal law with respect to such property, if the property is not so insured as of the date on which the property is transferred; and

(B) maintain flood insurance in accordance with applicable Federal law with respect to such property.

Such written notification shall be contained in documents evidencing the transfer of ownership of the property.

(2) Failure to notify

If a transferor described in paragraph (1) fails to make a notification in accordance with such paragraph and, subsequent to the transfer of the property—

(A) the transferee fails to obtain or maintain flood insurance in accordance with applicable Federal law with respect to the property,

(B) the property is damaged by a flood disaster, and

(C) Federal disaster relief assistance is provided for the repair, replacement, or restoration of the property as a result of such damage,

the transferor shall be required to reimburse the Federal Government in an amount equal...
to the amount of the Federal disaster relief assistance provided with respect to the property.

(3) Property described

For purposes of paragraph (1), a property is described in this paragraph if it is personal, commercial, or residential property for which Federal disaster relief assistance made available in a flood disaster area has been provided, prior to the date on which the property is transferred, for repair, replacement, or restoration of the property, if such assistance was conditioned upon obtaining flood insurance in accordance with applicable Federal law with respect to such property.

(c) Omitted

(d) "Flood disaster area" defined

For purposes of this section, the term "flood disaster area" means an area with respect to which—

(1) the Secretary of Agriculture finds, or has found, to have been substantially affected by a natural disaster in the United States pursuant to section 1961(a) of title 7; or

(2) the President declares, or has declared, the existence of a major disaster or emergency pursuant to section 5121 et seq., as a result of flood conditions existing in or affecting that area.

(e) Effective date

This section and the amendments made by this section shall apply to disasters declared after September 23, 1994.

(2) the President declares, or has declared, the existence of a major disaster or emergency pursuant to the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.), as a result of flood conditions existing in or affecting that area.

REFERENCES IN TEXT

The Robert T. Stafford Disaster Relief and Emergency Assistance Act, referred to in subsec. (d)(2), is Pub. L. 93–288, May 22, 1974, 88 Stat. 143, as amended, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 5121 of this title and Tables.

The amendments made by this section, referred to in subsec. (e), means the amendments made by section 582(c) of Pub. L. 103–325, which amended section 4012a of this title. See Codification note below.

CODIFICATION

Section is comprised of section 582 of Pub. L. 103–325. Subsec. (c) of section 582 of Pub. L. 103–325 amended section 4012a of this title.

Section was enacted as part of the National Flood Insurance Reform Act of 1994 and as part of the Riegle Community Development and Regulatory Improvement Act of 1994, and not as part of the Robert T. Stafford Disaster Relief and Emergency Assistance Act which comprises this chapter.

§ 5155. Duplication of benefits

(a) General prohibition

The President, in consultation with the head of each Federal agency administering any program providing financial assistance to persons, business concerns, or other entities suffering losses as a result of a major disaster or emergency, shall assure that no such person, business concern, or other entity will receive such assistance with respect to any part of such loss as to which he has received financial assistance under any other program or from insurance or any other source.

(b) Special rules

(1) Limitation

This section shall not prohibit the provision of Federal assistance to a person who is or may be entitled to receive benefits for the same purposes from another source if such person has not received such other benefits by the time of application for Federal assistance and if such person agrees to repay all duplicative assistance to the agency providing the Federal assistance.

(2) Procedures

The President shall establish such procedures as the President considers necessary to ensure uniformity in preventing duplication of benefits.

(3) Effect of partial benefits

Receipt of partial benefits for a major disaster or emergency shall not preclude provision of additional Federal assistance for any part of a loss or need for which benefits have not been provided.

(4) Waiver of general prohibition

(A) In general

The President may waive the general prohibition provided in subsection (a) upon request of a Governor on behalf of the State or on behalf of a person, business concern, or any other entity suffering losses as a result of a major disaster or emergency, if the President finds such waiver is in the public interest and will not result in waste, fraud, or abuse. In making this decision, the President may consider the following:

(i) The recommendations of the Administrator of the Federal Emergency Management Agency made in consultation with the Federal agency or agencies administering the duplicative program.

(ii) If a waiver is granted, the assistance to be funded is cost effective.

(iii) Equity and good conscience.

(iv) Other matters of public policy considered appropriate by the President.

(B) Grant or denial of waiver

A request under subparagraph (A) shall be granted or denied not later than 45 days after submission of such request.

(C) Prohibition on determination that loan is a duplication

Notwithstanding subsection (c), in carrying out subparagraph (A), the President may not determine that a loan is a duplication of assistance, provided that all Federal assistance is used toward a loss suffered as a result of the major disaster or emergency.

(c) Recovery of duplicative benefits

A person receiving Federal assistance for a major disaster or emergency shall be liable to the United States to the extent that such assistance duplicates benefits available to the person for the same purpose from another source.
agency which provided the duplicative assistance shall collect such duplicative assistance from the recipient in accordance with chapter 37 of title 31, relating to debt collection, when the head of such agency considers it to be in the best interest of the Federal Government.

(d) Assistance not income

Federal major disaster and emergency assistance provided to individuals and families under this chapter, and comparable disaster assistance provided by States, local governments, and disaster assistance organizations, shall not be considered as income or a resource when determining eligibility for or benefit levels under federally funded income assistance or resource-tested benefit programs.


AMENDMENT OF SECTION


REFERENCES IN TEXT

This chapter, referred to in text, was in the original “this Act”, meaning Pub. L. 93–288, May 22, 1974, 88 Stat. 143. For complete classification of this Act to the Code, see Short Title note set out under section 5121 of this title.

PRIOR PROVISIONS


A prior section 312 of Pub. L. 93–288 was renumbered section 309 by Pub. L. 100–707 and is classified to section 5152 of this title.

AMENDMENTS


EFFECTIVE DATE OF 2018 AMENDMENT

Amendment by Pub. L. 115–254 applicable to each major disaster and emergency declared by the President on or after Aug. 1, 2017, and authorities provided under div. D of Pub. L. 115–254 applicable to each major disaster and emergency declared by the President on or after Jan. 1, 2016, except as otherwise provided, see section 1292 of Pub. L. 115–254, set out as a note under section 5121 of this title.

Pub. L. 115–254, div. D, § 1210(a)(3), Oct. 5, 2018, 132 Stat. 3443, provided that: “The amendment made by paragraph (1) [amending this section] shall apply to any major disaster or emergency declared by the President under section 401 or 501, respectively, of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5170, 5191) between January 1, 2016, and December 31, 2021.”


LIMITATION

Pub. L. 115–254, div. D, § 1210(a)(2), Oct. 5, 2018, 132 Stat. 3443, provided that: “This subsection [amending this section], including the amendment made by paragraph (1), shall not be construed to apply to section 406 or 408 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5172, 5174).”

§ 5156. Standards and reviews

The President shall establish comprehensive standards which shall be used to assess the efficiency and effectiveness of Federal major disaster and emergency assistance programs administered under this chapter. The President shall conduct annual reviews of the activities of Federal agencies and State and local governments in major disaster and emergency preparedness and in providing major disaster and emergency assistance in order to assure maximum coordination and effectiveness of such programs and consistency in policies for reimbursement of States under this chapter.


REFERENCES IN TEXT

This chapter, referred to in text, was in the original “this Act”, meaning Pub. L. 93–288, May 22, 1974, 88 Stat. 143. For complete classification of this Act to the Code, see Short Title note set out under section 5121 of this title and Table.

PRIOR PROVISIONS


A prior section 313 of Pub. L. 93–288 was classified to section 5153 of this title prior to repeal by Pub. L. 100–707.

§ 5157. Penalties

(a) Misuse of funds

Any person who knowingly misapplies the proceeds of a loan or other cash benefit obtained under this chapter shall be fined an amount equal to one and one-half times the misapplied amount of the proceeds or cash benefit.

(b) Civil enforcement

Whenever it appears that any person has violated or is about to violate any provision of this chapter, including any civil penalty imposed under this chapter, the Attorney General may bring a civil action for such relief as may be appropriate. Such action may be brought in an appropriate United States district court.

(c) Referral to Attorney General

The President shall expeditiously refer to the Attorney General for appropriate action any evidence developed in the performance of functions under this chapter that may warrant consideration for criminal prosecution.

(d) Civil penalty

Any individual who knowingly violates any order or regulation issued under this chapter shall be subject to a civil penalty of not more than $5,000 for each violation.


REFERENCES IN TEXT

This chapter, referred to in text, was in the original “this Act”, meaning Pub. L. 93–288, May 22, 1974, 88 Stat. 143. For complete classification of this Act to the Code, see Short Title note set out under section 5121 of this title and Table.
Stat. 143. For complete classification of this Act to the Code, see Short Title note set out under section 5121 of this title and Tables.

PRIOR PROVISIONS


A prior section 314 of Pub. L. 93–288 was classified to section 5154 of this title prior to repeal by Pub. L. 100–707.

§ 5158. Availability of materials

The President is authorized, at the request of the Governor of an affected State, to provide for a survey of construction materials needed in the area affected by a major disaster on an emergency basis for housing repairs, replacement housing, public facilities repairs and replacement, farming operations, and business enterprises and to take appropriate action to assure the availability and fair distribution of needed materials, including, where possible, the allocation of such materials for a period of not more than one hundred and eighty days after such major disaster. Any allocation program shall be implemented by the President to the extent possible, by working with and through those companies which traditionally supply construction materials in the affected area. For the purposes of this section “construction materials” shall include building materials and materials required for repairing housing, replacement housing, public facilities repairs and replacement, and for normal farm and business operations.


PRIOR PROVISIONS

A prior section 315 of Pub. L. 93–288 was classified to section 5155 of this title prior to repeal by Pub. L. 100–707.

§ 5159. Protection of environment

An action which is taken or assistance which is provided pursuant to section 5170a, 5170b, 5172, 5173, or 5192 of this title, including such assistance provided pursuant to the procedures provided for in section 5189 of this title, which has the effect of restoring a facility substantially to its condition prior to the disaster or emergency, shall not be deemed a major Federal action significantly affecting the quality of the human environment within the meaning of the National Environmental Policy Act of 1969 (83 Stat. 852) [42 U.S.C. 4321 et seq.]. Nothing in this section shall alter or affect the applicability of the National Environmental Policy Act of 1969 to other Federal actions taken under this chapter or under any other provisions of law.


REFERENCES IN TEXT


This chapter, referred to in text, was in the original “this Act”, meaning Pub. L. 93–288, May 22, 1974, 88 Stat. 143. For complete classification of this Act to the Code, see Short Title note set out under section 5121 of this title and Tables.

PRIOR PROVISIONS

A prior section 316 of Pub. L. 93–288 was classified to section 5156 of this title prior to repeal by Pub. L. 100–707.

§ 5160. Recovery of assistance

(a) Party liable

Any person who intentionally causes a condition for which Federal assistance is provided under this chapter or under any other Federal law as a result of a declaration of a major disaster or emergency under this chapter shall be liable to the United States for the reasonable costs incurred by the United States in responding to such disaster or emergency to the extent that such costs are attributable to the intentional act or omission of such person which caused such condition. Such action for reasonable costs shall be brought in an appropriate United States district court.

(b) Rendering of care

A person shall not be liable under this section for costs incurred by the United States as a result of actions taken or omitted by such person in the course of rendering care or assistance in response to a major disaster or emergency.


REFERENCES IN TEXT

This chapter, referred to in subsec. (a), was in the original “this Act”, meaning Pub. L. 93–288, May 22, 1974, 88 Stat. 143. For complete classification of this Act to the Code, see Short Title note set out under section 5121 of this title and Tables.

PRIOR PROVISIONS

A prior section 317 of Pub. L. 93–288 was classified to section 5157 of this title prior to repeal by Pub. L. 100–707.

§ 5161. Audits and investigations

(a) In general

Subject to the provisions of chapter 75 of title 31, relating to requirements for single audits, the President shall conduct audits and investigations as necessary to assure compliance with this chapter, and in connection therewith may question such persons as may be necessary to carry out such audits and investigations.

(b) Access to records

For purposes of audits and investigations under this section, the President and Comptroller General may inspect any books, documents, papers, and records of any person relating to any activity undertaken or funded under this chapter.

(c) State and local audits

The President may require audits by State and local governments in connection with assistance
under this chapter when necessary to assure compliance with this chapter or related regulations.


REFERENCES IN TEXT
This chapter, referred to in text, was in the original ‘‘this Act’’, meaning Pub. L. 93–288, May 22, 1974, 88 Stat. 143. For complete classification of this Act to the Code, see Short Title note set out under section 5121 of this title and Tables.

PRIOR PROVISIONS
A prior section 318 of Pub. L. 93–288 was renumbered section 315 by Pub. L. 100–707 and is classified to section 5158 of this title.

§ 5161a. Audit of contracts
Notwithstanding any other provision of law, the Administrator of the Federal Emergency Management Agency shall not reimburse a State or local government, an Indian tribal government (as defined in section 5122 of this title), or the owner or operator of a private nonprofit facility (as defined in section 5122 of this title) for any activities made pursuant to a contract entered into after August 1, 2017, that prohibits the Administrator or the Comptroller General of the United States from auditing or otherwise reviewing all aspects relating to the contract.


CODIFICATION
Section was enacted as part of the Disaster Recovery Reform Act of 2018 and as part of the FAA Reauthorization Act of 2018, and not as part of the Robert T. Stafford Disaster Relief and Emergency Assistance Act which comprises this chapter.

EFFECTIVE DATE
Authorities provided under div. D of Pub. L. 115–254, which enacted this section, applicable to each major disaster and emergency declared by the President under Pub. L. 93–288 on or after Jan. 1, 2016, except as otherwise provided, see section 1202(b) of Pub. L. 115–254, set out in an Effective Date of 2018 Amendment note under section 5121 of this title.

DEFINITIONS
For definitions of ‘‘Administrator’’ and ‘‘State’’ as used in this section, see section 1303 of Pub. L. 115–254, set out as a note under section 5122 of this title.

§ 5162. Advance of non-Federal share
(a) In general
The President may lend or advance to an eligible applicant or a State the portion of assistance for which the State is responsible under the cost-sharing provisions of this chapter in any case in which—

(1) the State is unable to assume its financial responsibility under such cost-sharing provisions—

(A) with respect to concurrent, multiple major disasters in a jurisdiction, or

(B) after incurring extraordinary costs as a result of a particular disaster; and

(2) the damages caused by such disasters or disaster are so overwhelming and severe that it is not possible for the applicant or the State to assume immediately their financial responsibility under this chapter.

(b) Terms of loans and advances
(1) In general
Any loan or advance under this section shall be repaid to the United States.

(2) Interest
Loans and advances under this section shall bear interest at a rate determined by the Secretary of the Treasury, taking into consideration the current market yields on outstanding marketable obligations of the United States with remaining periods to maturity comparable to the reimbursement period of the loan or advance.

(c) Regulations
The President shall issue regulations describing the terms and conditions under which any loan or advance authorized by this section may be made.


REFERENCES IN TEXT
This chapter, referred to in subsec. (a), was in the original ‘‘this Act’’, meaning Pub. L. 93–288, May 22, 1974, 88 Stat. 143. For complete classification of this Act to the Code, see Short Title note set out under section 5121 of this title and Tables.

§ 5163. Limitation on use of sliding scales
No geographic area shall be precluded from receiving assistance under this chapter solely by virtue of an arithmetic formula or sliding scale based on income or population.


REFERENCES IN TEXT
This chapter, referred to in text, was in the original ‘‘this Act’’, meaning Pub. L. 93–288, May 22, 1974, 88 Stat. 143. For complete classification of this Act to the Code, see Short Title note set out under section 5121 of this title and Tables.

§ 5164. Rules and regulations
The President may prescribe such rules and regulations as may be necessary and proper to carry out the provisions of this chapter, and may exercise, either directly or through such Federal agency as the President may designate, any power or authority conferred to the President by this chapter.


REFERENCES IN TEXT
This chapter, referred to in text, was in the original ‘‘this Act’’, meaning Pub. L. 93–288, May 22, 1974, 88 Stat. 143. For complete classification of this Act to the Code, see Short Title note set out under section 5121 of this title and Tables.

§ 5165. Mitigation planning
(a) Requirement of mitigation plan
As a condition of receipt of an increased Federal share for hazard mitigation measures under
subsection (e), a State, local, or tribal government shall develop and submit for approval to the President a mitigation plan that outlines processes for identifying the natural hazards, risks, and vulnerabilities of the area under the jurisdiction of the government.

(b) Local and tribal plans

Each mitigation plan developed by a local or tribal government shall—

(1) describe actions to mitigate hazards, risks, and vulnerabilities identified under the plan; and

(2) establish a strategy to implement those actions.

(c) State plans

The State process of development of a mitigation plan under this section shall—

(1) identify the natural hazards, risks, and vulnerabilities of areas in the State;

(2) support development of local mitigation plans;

(3) provide for technical assistance to local and tribal governments for mitigation planning; and

(4) identify and prioritize mitigation actions that the State will support, as resources become available.

(d) Funding

(1) In general

Federal contributions under section 5170c of this title may be used to fund the development and updating of mitigation plans under this section.

(2) Maximum Federal contribution

With respect to any mitigation plan, a State, local, or tribal government may use an amount of Federal contributions under section 5170c of this title not to exceed 7 percent of the amount of such contributions available to the government as of a date determined by the President.

(e) Increased Federal share for hazard mitigation measures

(1) In general

If, at the time of the declaration of a major disaster or event under section 5187 of this title, a State has in effect an approved mitigation plan under this section, the President may increase to 20 percent, with respect to the major disaster or event under section 5187 of this title, the maximum percentage specified in the last sentence of section 5170c(a) of this title.

(2) Factors for consideration

In determining whether to increase the maximum percentage under paragraph (1), the President shall consider whether the State has established—

(A) eligibility criteria for property acquisition and other types of mitigation measures;

(B) requirements for cost effectiveness that are related to the eligibility criteria;

(C) a system of priorities that is related to the eligibility criteria; and

(D) a process by which an assessment of the effectiveness of a mitigation action may be carried out after the mitigation action is complete.

$5165b. Management costs

(a) Definition of management cost

In this section, the term "management cost" includes any indirect cost, any direct administrative cost, and any other administrative expense associated with a specific project under a major disaster, emergency, or disaster preparedness or mitigation activity or measure.

(b) Establishment of management cost rates

(1) In general

Notwithstanding any other provision of law (including any administrative rule or guidance), the President shall by regulation implement management cost rates, for grantees and subgrantees, that shall be used to determine contributions under this chapter for management costs.
§ 5165c

TITLE 42—THE PUBLIC HEALTH AND WELFARE

Page 5818

(2) Specific management costs

The Administrator of the Federal Emergency Management Agency shall provide the following percentage rates, in addition to the eligible project costs, to cover direct and indirect costs of administering the following programs:

(A) Hazard mitigation

A grantee under section 5170c of this title may be reimbursed not more than 15 percent of the total amount of the grant award under such section of which not more than 10 percent may be used by the grantee and 5 percent by the subgrantee for such costs.

(B) Public assistance

A grantee under sections 5170b, 5172, 5173, and 5192 of this title may be reimbursed not more than 12 percent of the total award amount under such sections, of which not more than 7 percent may be used by the grantee and 5 percent by the subgrantee for such costs.

c) Review

The President shall review the management cost rates established under subsection (b) not later than 3 years after the date of establishment of the rates and periodically thereafter.


REFERENCES IN TEXT

This chapter, referred to in subsec. (b)(1), was in the original “this Act”, meaning Pub. L. 93–288, May 22, 1974, 88 Stat. 143. For complete classification of this Act to the Code, see Short Title note set out under section 5121 of this title and Tables.

AMENDMENTS

2018—Subsec. (a). Pub. L. 115–254, § 1215(1), substituted “any direct administrative cost, and any other administrative expense associated with” for “any administrative expense, and any other expense not directly chargeable to”.

Subsec. (b). Pub. L. 115–254, § 1215(2), designated existing provisions as par. (1), inserted heading, substituted “implement” for “establish”, and added par. (2).

EFFECTIVE DATE OF 2018 AMENDMENT

Amendment by Pub. L. 115–254 applicable to each major disaster and emergency declared by the President on or after Aug. 1, 2017, and authorities provided under div. D of Pub. L. 115–254 applicable to each major disaster and emergency declared by the President on or after Jan. 1, 2016, except as otherwise provided, see section 1202 of Pub. L. 115–254, set out as a note under section 5121 of this title.

EFFECTIVE DATE

Pub. L. 93–288, title II, § 202(b), Oct. 30, 2000, 114 Stat. 1560, provided that:

“(1) In general.—Subject to paragraph (2), subsections (a) and (b) of section 324 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5165b(a), (b) as added by subsection (a)) shall apply to major disasters declared under that Act (42 U.S.C. 5121 et seq.) on or after the date of the enactment of this Act [Oct. 30, 2000].

“(2) Interim authority.—Until the date on which the President establishes the management cost rates under section 324 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (as added by subsection (a)), section 406(f) of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5172(f)) (as in effect on the day before the date of the enactment of this Act) shall be used to establish management cost rates.”

§ 5165c. Public notice, comment, and consultation requirements

(a) Public notice and comment concerning new or modified policies

(1) In general

The President shall provide for public notice and opportunity for comment before adopting any new or modified policy that—

(A) governs implementation of the public assistance program administered by the Federal Emergency Management Agency under this chapter; and

(B) could result in a significant reduction of assistance under the program.

(2) Application

Any policy adopted under paragraph (1) shall apply only to a major disaster or emergency declared on or after the date on which the policy is adopted.

(b) Consultation concerning interim policies

(1) In general

Before adopting any interim policy under the public assistance program to address specific conditions that relate to a major disaster or emergency that has been declared under this chapter, the President, to the maximum extent practicable, shall solicit the views and recommendations of grantees and subgrantees with respect to the major disaster or emergency concerning the potential interim policy, if the interim policy is likely—

(A) to result in a significant reduction of assistance to applicants for the assistance with respect to the major disaster or emergency; or

(B) to change the terms of a written agreement to which the Federal Government is a party concerning the declaration of the major disaster or emergency.

(2) No legal right of action

Nothing in this subsection confers a legal right of action on any party.

c) Public access

The President shall promote public access to policies governing the implementation of the public assistance program.


REFERENCES IN TEXT

This chapter, referred to in subsecs. (a)(1)(A) and (b)(1), was in the original “this Act”, meaning Pub. L. 93–288, May 22, 1974, 88 Stat. 143. For complete classification of this Act to the Code, see Short Title note set out under section 5121 of this title and Tables.

TRANSFER OF FUNCTIONS

For transfer of all functions, personnel, assets, components, authorities, grant programs, and liabilities of the Federal Emergency Management Agency, including the functions of the Under Secretary for Federal Emer-
§ 5165d. Designation of Small State and Rural Advocate

(a) In general
The President shall designate in the Federal Emergency Management Agency a Small State and Rural Advocate.

(b) Responsibilities
The Small State and Rural Advocate shall be an advocate for the fair treatment of small States and rural communities in the provision of assistance under this chapter.

(c) Duties
The Small State and Rural Advocate shall—
(1) participate in the disaster declaration process under section 5170 of this title and the emergency declaration process under section 5191 of this title, to ensure that the needs of rural communities are being addressed;
(2) assist small population States in the preparation of requests for major disaster or emergency declarations; and
(3) conduct such other activities as the Administrator of the Federal Emergency Management Agency considers appropriate.

§ 5165e. Integrated plan for administrative cost reduction

(a) In general
Not later than 365 days after February 29, 2016, the Administrator shall—
(1) develop and implement an integrated plan to control and reduce administrative costs for major disasters, which shall include—
(A) steps the Agency will take to reduce administrative costs;
(B) milestones needed for accomplishing the reduction of administrative costs;
(C) strategic goals for the average annual percentage of administrative costs of major disasters for each fiscal year;
(D) the assignment of clear roles and responsibilities, including the designation of officials responsible for monitoring and measuring performance; and
(E) a timetable for implementation;
(2) compare the costs and benefits of tracking the administrative cost data for major disasters by the public assistance, individual assistance, hazard mitigation, and mission assignment programs, and if feasible, track this information; and
(3) clarify Agency guidance and minimum documentation requirements for a direct administrative cost claimed by a grantee or subgrantee of a public assistance grant program.

(b) Congressional update
Not later than 90 days after February 29, 2016, the Administrator shall brief the Committee on Homeland Security and Governmental Affairs of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives on the plan required to be developed under subsection (a)(1).

(c) Updates
If the Administrator modifies the plan or the timetable under subsection (a), the Administrator shall submit to the Committee on Homeland Security and Governmental Affairs of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives a report notifying Congress of the modification, which shall include the details of the modification.

Amendments
2011—Subsec. (c)(3). Pub. L. 111–146 substituted “Administrator” for “Director”.

Construction

References in Text
This chapter, referred to in subsec. (b), was in the original “this Act”, meaning Pub. L. 93–288, May 22, 1974, 88 Stat. 143. For complete classification of this Act to the Code, see Short Title note set out under section 5171 of this title and Tables.

Codification
Section was enacted as part of the Directing Dollars to Disaster Relief Act of 2015, and not as part of the Robert T. Stafford Disaster Relief and Emergency Assistance Act which comprises this chapter.

Reporting Requirement
Pub. L. 114–132, § 4, Feb. 29, 2016, 130 Stat. 294, provided that:
“(a) ANNUAL REPORT.—Not later than November 30 of each year for 7 years beginning on the date of enactment of this Act (Feb. 29, 2016), the Administrator shall submit to Committee on Homeland Security and Governmental Affairs of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives a report on the development and implementation of the integrated plan required under section 3 ([42 U.S.C. 5165e]) for the previous fiscal year.

“(b) REPORT UPDATES.—
“(1) THREE YEAR UPDATE.—Not later than 3 years after the date on which the Administrator submits a report under subsection (a), the Administrator shall submit an updated report for the previous 3-fiscal-year period.

“(2) FIVE YEAR UPDATE.—Not later than 5 years after the date on which the Administrator submits a report under subsection (a), the Administrator shall submit an updated report for the previous 5-fiscal-year period.

“(c) CONTENTS OF REPORTS.—Each report required under subsections (a) and (b) shall contain, at a minimum—
§ 5165f. National Urban Search and Rescue Response System

(a) Definitions

In this section, the following definitions shall apply:

(1) Administrator
The term “Administrator” means the Administrator of the Federal Emergency Management Agency.

(2) Agency
The term “Agency” means the Federal Emergency Management Agency.

(3) Hazard
The term “hazard” has the meaning given in the term in section 5195a of this title.

(4) Nonemployee System member
The term “nonemployee System member” means a System member not employed by a sponsoring agency or participating agency.

(5) Participating agency
The term “participating agency” means a State or local government, nonprofit organization, or private organization that has executed an agreement with a sponsoring agency to participate in the System.

(6) Sponsoring agency
The term “sponsoring agency” means a State or local government that is the sponsor of a task force designated by the Administrator to participate in the System.

(7) System
The term “System” means the National Urban Search and Rescue Response System to be administered under this section.

(b) General authority
Subject to the requirements of this section, the Administrator shall continue to administer the emergency response system known as the National Urban Search and Rescue Response System.

(c) Functions
In administering the System, the Administrator shall provide for a national network of standardized search and rescue resources to assist States and local governments in responding to hazards.

(d) Task forces

(1) Designation
The Administrator shall designate task forces to participate in the System. The Administrator shall determine the criteria for such participation.

(2) Sponsoring agencies
Each task force shall have a sponsoring agency. The Administrator shall enter into an agreement with the sponsoring agency with respect to the participation of each task force in the System.
(3) Composition
(A) Participating agencies
A task force may include, at the discretion of the sponsoring agency, one or more participating agencies. The sponsoring agency shall enter into an agreement with each participating agency with respect to the participation of the participating agency on the task force.

(B) Other individuals
A task force may also include, at the discretion of the sponsoring agency, other individuals not otherwise associated with the sponsoring agency or a participating agency. The sponsoring agency of a task force may enter into a separate agreement with each such individual with respect to the participation of the individual on the task force.

(e) Management and technical teams
The Administrator shall maintain such management teams and other technical teams as the Administrator determines are necessary to administer the System.

(f) Appointment of System members into Federal service
(1) In general
The Administrator may appoint a System member into Federal service for a period of service to provide for the participation of the System member in exercises, preincident staging, major disaster and emergency response activities, and training events sponsored or sanctioned by the Administrator.

(2) Nonapplicability of certain civil service laws
The Administrator may make appointments under paragraph (1) without regard to the provisions of title 5 governing appointments in the competitive service.

(3) Relationship to other authorities
The authority of the Administrator to make appointments under this subsection shall not affect any other authority of the Administrator under this chapter.

(4) Limitation
A System member who is appointed into Federal service under paragraph (1) shall not be considered an employee of the United States for purposes other than those specifically set forth in this section.

(g) Compensation
(1) Pay of System members
Subject to such terms and conditions as the Administrator may impose by regulation, the Administrator shall make payments to the sponsoring agency of a task force—
(A) to reimburse each employer of a System member on the task force for compensation paid by the employer to the System member for any period during which the System member is appointed into Federal service under subsection (f)(1); and
(B) to make payments directly to a nonemployee System member on the task force for any period during which the nonemployee System member is appointed into Federal service under subsection (f)(1).

(2) Reimbursement for employees filling positions of System members
(A) In general
Subject to such terms and conditions as the Administrator may impose by regulation, the Administrator shall make payments to the sponsoring agency of a task force to be used to reimburse each employer of a System member on the task force for compensation paid by the employer to an employee filling a position normally filled by the System member for any period during which the System member is appointed into Federal service under subsection (f)(1).

(B) Limitation
Costs incurred by an employer shall be eligible for reimbursement under subparagraph (A) only to the extent that the costs are in excess of the costs that would have been incurred by the employer had the System member not been appointed into Federal service under subsection (f)(1).

(3) Method of payment
A System member shall not be entitled to pay directly from the Agency for a period during which the System member is appointed into Federal Service under subsection (f)(1).

(h) Personal injury, illness, disability, or death
(1) In general
A System member who is appointed into Federal service under subsection (f)(1) and who suffers personal injury, illness, disability, or death as a result of a personal injury sustained while acting in the scope of such appointment, shall, for the purposes of subchapter I of chapter 81 of title 5, be treated as though the member were an employee (as defined by section 8101 of that title) who had sustained the injury or death that is the reason for the benefits, or

(B) Deadline
A System member or dependent shall—
(i) receive benefits under such subchapter; or
(ii) receive benefits from the State or local government.

(B) Deadline
A System member or dependent shall make an election of benefits under subparagraph (A) not later than 1 year after the date of the personal injury, illness, disability, or death that is the reason for the benefits, or until such later date as the Secretary of Labor may allow for reasonable cause shown.
(C) Effect of election

An election of benefits made under this paragraph is irrevocable unless otherwise provided by law.

(3) Reimbursement for State or local benefits

Subject to such terms and conditions as the Administrator may impose by regulation, if a System member or dependent elects to receive benefits from a State or local government under paragraph (2)(A), the Administrator shall reimburse the State or local government for the value of the benefits.

(4) Public safety officer claims

Nothing in this subsection shall be construed to bar any claim by, or with respect to, any System member who is a public safety officer, as defined in section 1204 of title I of the Omnibus Crime Control and Safe Streets Act of 1968 [34 U.S.C. 10284], for any benefits authorized under part L of title I of that Act (42 U.S.C. 3796 et seq.).

(i) Liability

A System member appointed into Federal service under subsection (f)(1), while acting within the scope of the appointment, shall be considered to be an employee of the Federal Government under section 1346(b) of title 28 and chapter 171 of that title, relating to tort claims procedure.

(j) Employment and reemployment rights

With respect to a System member who is not a regular full-time employee of a sponsoring agency or participating agency, the following terms and conditions apply:

(1) Service

Service as a System member shall be considered to be “service in the uniformed services” for purposes of chapter 43 of title 38 relating to employment and reemployment rights of individuals who have performed service in the uniformed services (regardless of whether the individual receives compensation for such participation). All rights and obligations of such persons and procedures for assistance, enforcement, and investigation shall be as provided for in such chapter.

(2) Preclusion

Preclusion of giving notice of service by necessity of appointment under this section shall be considered to be preclusion by “military necessity” for purposes of section 4312(b) of title 38 pertaining to giving notice of absence from a position of employment. A determination of such necessity shall be made by the Administrator and shall not be subject to judicial review.

(k) Licenses and permits

If a System member holds a valid license, certificate, or other permit issued by any State or other governmental jurisdiction evidencing the member’s qualifications in any professional, mechanical, or other skill or type of assistance required by the System, the System member is deemed to be performing a Federal activity when rendering aid involving such skill or assistance during a period of appointment into Federal service under subsection (f)(1).

(l) Preparedness cooperative agreements

Subject to the availability of appropriations for such purpose, the Administrator shall enter into an annual preparedness cooperative agreement with each sponsoring agency. Amounts made available to a sponsoring agency under such a preparedness cooperative agreement shall be for the following purposes:

(1) Training and exercises, including training and exercises with other Federal, State, and local government response entities.

(2) Acquisition and maintenance of equipment, including interoperable communications and personal protective equipment.

(3) Medical monitoring required for responder safety and health in anticipation of and following a major disaster, emergency, or other hazard, as determined by the Administrator.

(m) Response cooperative agreements

The Administrator shall enter into a response cooperative agreement with each sponsoring agency, as appropriate, under which the Administrator agrees to reimburse the sponsoring agency for costs incurred by the sponsoring agency in responding to a major disaster or emergency.

(n) Obligations

The Administrator may incur all necessary obligations consistent with this section in order to ensure the effectiveness of the System.

(o) Equipment maintenance and replacement

Not later than 180 days after December 16, 2016, the Administrator shall submit to the appropriate congressional committees (as defined in section 101 of title 6) a report on the development of a plan, including implementation steps and timeframes, to finance, maintain, and replace System equipment.

(p) Federal employees

Nothing in this section shall be construed to mean that a task force may not include Federal employees. In the case of a Federal employee detailed to a task force, the sponsoring agency shall enter into an agreement with the relevant employing Federal agency.

References in Text


1 See References in Text note below.
§ 5165g. National veterinary emergency teams

(a) In general

The Administrator of the Federal Emergency Management Agency may establish one or more national veterinary emergency teams at accredited colleges of veterinary medicine.

(b) Responsibilities

A national veterinary emergency team shall—

(1) deploy with a team of the National Urban Search and Rescue Response System to assist with—

(A) veterinary care of canine search teams;
(B) locating and treating companion animals, service animals, livestock, and other animals; and
(C) surveillance and treatment of zoonotic diseases;

(2) recruit, train, and certify veterinary professionals, including veterinary students, in accordance with an established set of plans and standard operating guidelines to carry out the duties associated with planning for and responding to major disasters and emergencies as described in paragraph (1);

(3) assist State governments, Indian tribal governments, local governments, and nonprofit organizations in developing emergency management and evacuation plans that account for the care and rescue of animals and in improving local readiness for providing veterinary medical response during an emergency or major disaster; and

(4) coordinate with the Department of Homeland Security, the Department of Health and Human Services, the Department of Agriculture, State, local, and Indian tribal governments (including departments of animal and human health), veterinary and health care professionals, and volunteers.


CODIFICATION

Section was enacted as part of the Disaster Recovery Reform Act of 2018 and as part of the FAA Reauthorization Act of 2018, and not as part of the Robert T. Stafford Disaster Relief and Emergency Assistance Act which comprises this chapter.

EFFECTIVE DATE

 Authorities provided under div. D of Pub. L. 115–254, which enacted this section, applicable to each major disaster and emergency declared by the President under Pub. L. 93–288 on or after Jan. 1, 2016, except as otherwise provided, see section 1202(b) of Pub. L. 115–254, set out in an Effective Date of 2018 Amendment note under section 5121 of this title.

DEFINITIONS

For definition of “State” as used in this section, see section 1203 of Pub. L. 115–254, set out as a note under section 5122 of this title.

SUBCHAPTER IV—MAJOR DISASTER ASSISTANCE PROGRAMS

§ 5170. Procedure for declaration

(a) In general

All requests for a declaration by the President that a major disaster exists shall be made by the Governor of the affected State. Such a request shall be based on a finding that the disaster is of such severity and magnitude that effective response is beyond the capabilities of the State and the affected local governments and that Federal assistance is necessary. As part of such request, and as a prerequisite to major disaster assistance under this chapter, the Governor shall take appropriate response action under State law and direct execution of the State’s emergency plan. The Governor shall furnish information on the nature and amount of State and local resources which have been or will be committed to alleviating the results of the disaster, and shall certify that, for the current disaster, State and local government obligations and expenditures (of which State commitments must be a significant proportion) will comply with all applicable cost-sharing requirements of this chapter. Based on the request of a Governor under this section, the President may declare under this chapter that a major disaster or emergency exists.

(b) Indian tribal government requests

(1) In general

The Chief Executive of an affected Indian tribal government may submit a request for a declaration by the President that a major disaster exists consistent with the requirements of subsection (a).

(2) References

In implementing assistance authorized by the President under this chapter in response to a request of the Chief Executive of an affected Indian tribal government for a major disaster declaration, any reference in this subchapter or subchapter III (except sections 5153 and 5165 of this title) to a State or the Governor of a State is deemed to refer to an affected Indian tribal government or the Chief Executive of an affected Indian tribal government, as appropriate.

(3) Savings provision

Nothing in this subsection shall prohibit an Indian tribal government from receiving assistance under this subchapter through a declaration made by the President at the request of a State under subsection (a) if the President does not make a declaration under this subsection for the same incident.

(c) Cost share adjustments for Indian tribal governments

(1) In general

In providing assistance to an Indian tribal government under this subchapter, the President may waive or adjust any payment of a non-Federal contribution with respect to the assistance if—

(A) the President has the authority to waive or adjust the payment under another provision of this subchapter; and
(B) the President determines that the waiver or adjustment is necessary and appropriate.

(2) Criteria for making determinations

The President shall establish criteria for making determinations under paragraph (1)(B).
References in Text

This chapter, referred to in subsecs. (a) and (b)(2), was in the original "this Act," meaning Pub. L. 93–288, May 22, 1974, 88 Stat. 143. For complete classification of this Act to the Code, see Short Title note set out under section 5121 of this title and Table.

Prior Provisions

A prior section 401 of Pub. L. 93–288 was renumbered section 405 by Pub. L. 100–707 and is classified to section 5171 of this title.

Amendments

2013—Pub. L. 113–2 designated existing provisions as subsec. (a), inserted heading, and added subsecs. (b) and (c).

Local Impact


"(a) In General.—In making recommendations to the President regarding a major disaster declaration, the Administrator of the Federal Emergency Management Agency shall give greater consideration to severe local impact or recent multiple disasters. Further, the Administrator shall make corresponding adjustments to the [Federal Emergency Management] Agency’s policies and regulations regarding such consideration. Not later than 1 year after the date of enactment of this section [Oct. 5, 2018], the Administrator shall report to the [Federal Emergency Management] Agency's offices in a State in which such assistance or Federal support was provided, to the [Federal Emergency Management] Agency in cooperation with representatives of State, tribal, and local emergency management agencies, shall review, update, and revise through rulemaking the factors considered under section 206.48 of title 44, Code of Federal Regulations (including section 206.48(b)(2) of such title relating to trauma and the specific conditions or losses that contribute to trauma), to measure the severity, magnitude, and impact of a disaster.”

§ 5170a. General Federal Assistance

In any major disaster, the President may—

(1) direct any Federal agency, with or without reimbursement, to utilize its authorities and the resources granted to it under Federal law (including personnel, equipment, supplies, facilities, and managerial, technical, and advisory services) in support of State and local assistance response or recovery efforts, including precautionary evacuations and recovery;

(2) coordinate all disaster relief assistance (including voluntary assistance) provided by Federal agencies, private organizations, and State and local governments, including precautionary evacuations and recovery;

(3) provide technical and advisory assistance to affected State and local governments for—

(A) the performance of essential community services;

(B) issuance of warnings of risks and hazards;

(C) public health and safety information, including dissemination of such information;

(D) provision of health and safety measures;

(E) management, control, and reduction of immediate threats to public health and safety;

and

(F) recovery activities, including disaster impact assessments and planning;

(4) assist State and local governments in the distribution of medicine, food, and other consumable supplies, and emergency assistance;

(5) provide assistance to State and local governments for building code and floodplain management ordinance administration and enforcement. Including inspections for substantial damage compliance; and

(6) provide accelerated Federal assistance and Federal support where necessary to save lives, prevent human suffering, or mitigate severe damage, which may be provided in the absence of a specific request and in which case the President—

(A) shall, to the fullest extent practicable, promptly notify and coordinate with officials in a State in which such assistance or support is provided; and

(B) shall not, in notifying and coordinating with a State under subparagraph (A), delay or impede the rapid deployment, use, and distribution of critical resources to victims of a major disaster.
Federal agencies may on the direction of the President, provide assistance essential to meeting immediate threats to life and property resulting from a major disaster, as follows:

(1) **Federal resources, generally**

Utilizing, lending, or donating to State and local governments Federal equipment, supplies, facilities, personnel, and other resources, other than the extension of credit, for use or distribution by such governments in accordance with the purposes of this chapter.

(2) **Medicine, food, and other consumables**

Distributing or rendering through State and local governments, the American National Red Cross, the Salvation Army, the Mennonite Disaster Service, and other relief and disaster assistance organizations medicine durable medical equipment, food, and other consumable supplies, and other services and assistance to disaster victims.

(3) **Work and services to save lives and protect property**

Performing on public or private lands or waters any work or services essential to saving lives and protecting property or public health and safety, including—

(A) debris removal;

(B) search and rescue, emergency medical care, emergency mass care, emergency shelter, and provision of food, water, medicine durable medical equipment, and other essential needs, including movement of supplies or persons;

(C) clearance of roads and construction of temporary bridges necessary to the perform-

ance of emergency tasks and essential community services;

(D) provision of temporary facilities for schools and other essential community services;

(E) demolition of unsafe structures which endanger the public;

(F) warning of further risks and hazards;

(G) dissemination of public information and assistance regarding health and safety measures;

(H) provision of technical advice to State and local governments on disaster management and control;

(I) reduction of immediate threats to life, property, and public health and safety; and

(J) provision of rescue, care, shelter, and essential needs—

(i) to individuals with household pets and service animals; and

(ii) to such pets and animals.

(4) **Contributions**

Making contributions to State or local governments or owners or operators of private nonprofit facilities for the purpose of carrying out the provisions of this subsection.

(5) **Utilization of DOD resources**

(1) **General rule**

During the immediate aftermath of an incident which may ultimately qualify for assistance under this subchapter or subchapter IV-A of this chapter, the Governor of the State in which such incident occurred may request the President to direct the Secretary of Defense to utilize the resources of the Department of Defense for the purpose of performing on public and private lands any emergency work which is made necessary by such incident and which is essential for the preservation of life and property. If the President determines that such work is essential for the preservation of life and property, the President shall grant such request to the extent the President determines practicable. Such emergency work may only be carried out for a period not to exceed 10 days.

(2) **Rules applicable to debris removal**

Any removal of debris and wreckage carried out under this subsection shall be subject to section 5173(b) of this title, relating to unconditional authorization and indemnification for debris removal.

(3) **Expenditures out of disaster relief funds**

The cost of any assistance provided pursuant to this subsection shall be reimbursed out of funds made available to carry out this chapter.

(4) **Federal share**

The Federal share of assistance under this subsection shall be not less than 75 percent.

(5) **Guidelines**

Not later than 180 days after November 23, 1988, the President shall issue guidelines for
§ 5170c. Hazard mitigation

(a) In general

The President may contribute up to 75 percent of the cost of hazard mitigation measures which the President has determined are cost effective and which substantially reduce the risk of, or increase resilience to, future damage, loss, or suffering in any area affected by a major disaster, or any area affected by a fire for which assistance was provided under section 5187 of this title. Such measures shall be identified following the evaluation of natural hazards under section 5165 of this title and shall be subject to approval by the President. Subject to section 5165 of this title, the total of contributions under this section for a major disaster or event under section 5187 of this title shall not exceed 15 percent for amounts not more than $2,000,000,000, 10 percent for amounts of more than $2,000,000,000 and not more than $10,000,000,000, and 7.5 percent on amounts of more than $10,000,000,000 and not more than $35,333,000,000 of the estimated aggregate amount of grants to be made (less any associated administrative costs) under this chapter with respect to the major disaster or event under section 5187 of this title.

(b) Property acquisition and relocation assistance

(1) General authority

In providing hazard mitigation assistance under this section in connection with flooding, the Administrator of the Federal Emergency Management Agency may provide property acquisition and relocation assistance for projects that meet the requirements of paragraph (2).
(2) Terms and conditions

An acquisition or relocation project shall be eligible to receive assistance pursuant to paragraph (1) only if—

(A) the applicant for the assistance is otherwise eligible to receive assistance under the hazard mitigation grant program established under subsection (a); and

(B) on or after December 3, 1993, the applicant for the assistance enters into an agreement with the Administrator that provides assurances that—

(i) any property acquired, accepted, or from which a structure will be removed pursuant to the project will be dedicated and maintained in perpetuity for a use that is compatible with open space, recreational, or wetlands management practices;

(ii) no new structure will be erected on property acquired, accepted or from which a structure was removed under the acquisition or relocation program other than—

(I) a public facility that is open on all sides and functionally related to a designated open space;

(II) a rest room; or

(III) a structure that the Administrator approves in writing before the commencement of the construction of the structure; and

(iii) after receipt of the assistance, with respect to any property acquired, accepted or from which a structure was removed under the acquisition or relocation program—

(I) a public facility that is open on all sides and functionally related to a designated open space;

(II) a rest room; or

(III) a structure that the Administrator approves in writing before the commencement of the construction of the structure; and

(3) Statutory construction

Nothing in this subsection is intended to alter or otherwise affect an agreement for an acquisition or relocation project carried out pursuant to this section that was in effect on the day before December 3, 1993.

(c) Program administration by States

(1) In general

A State desiring to administer the hazard mitigation grant program established by this section with respect to hazard mitigation assistance in the State may submit to the President an application for the delegation of the authority to administer the program.

(2) Criteria

The President, in consultation and coordination with States and local governments, shall establish criteria for the approval of applications submitted under paragraph (1). Until such time as the Administrator promulgates regulations to implement this paragraph, the Administrator may waive notice and comment rulemaking, if the Administrator determines doing so is necessary to expeditiously implement this section, and may carry out this section as a pilot program. The criteria shall include, at a minimum—

(A) the demonstrated ability of the State to manage the grant program under this section;

(B) there being in effect an approved mitigation plan under section 5165 of this title; and

(C) a demonstrated commitment to mitigation activities.

(3) Approval

The President shall approve an application submitted under paragraph (1) that meets the criteria established under paragraph (2).

(4) Withdrawal of approval

If, after approving an application of a State submitted under paragraph (1), the President determines that the State is not administering the hazard mitigation grant program established by this section in a manner satisfactory to the President, the President shall withdraw the approval.

(5) Audits

The President shall provide for periodic audits of the hazard mitigation grant programs administered by States under this subsection.

(d) Streamlined procedures

(1) In general

For the purpose of providing assistance under this section, the President shall ensure that—

(A) adequate resources are devoted to ensure that applicable environmental reviews under the National Environmental Policy Act of 1969 [42 U.S.C. 4321 et seq.] and historic preservation reviews under the National Historic Preservation Act are completed on an expeditious basis; and

(B) the shortest existing applicable process under the National Environmental Policy Act of 1969 [42 U.S.C. 4321 et seq.] and the National Historic Preservation Act is utilized.

(2) Authority for other expedited procedures

The President may utilize expedited procedures in addition to those required under paragraph (1) for the purpose of providing assistance under this section, such as procedures under the Prototype Programmatic Agreement of the Federal Emergency Management Agency, for the consideration of multiple structures as a group and for an analysis of the cost-effectiveness and fulfillment of cost-share requirements for proposed hazard mitigation measures.

(e) Advance assistance

The President may provide not more than 25 percent of the amount of the estimated cost of hazard mitigation measures to a State grantee eligible for a grant under this section before eligible costs are incurred.

(f) Use of assistance

Recipients of hazard mitigation assistance provided under this section and section 5133 of this title may use the assistance to conduct ac-

1 See References in Text note below.
activities to help reduce the risk of future damage, hardship, loss, or suffering in any area affected by a wildfire or windstorm, such as—
(1) reseeding ground cover with quick-growing or native species;
(2) mulching with straw or chipped wood;
(3) constructing straw, rock, or log dams in small tributaries to prevent flooding;
(4) placing logs and other erosion barriers to catch sediment on hill slopes;
(5) installing debris traps to modify road and trail drainage mechanisms;
(6) modifying or removing culverts to allow drainage to flow freely;
(7) adding drainage ditches and constructing emergency spillways to keep roads and bridges from washing out during floods;
(8) planting grass to prevent the spread of noxious weeds;
(9) installing warning signs;
(10) establishing defensible space measures;
(11) reducing hazardous fuels;
(12) mitigating windstorm damage, including replacing or installing electrical transmission or distribution utility pole structures with poles that are resilient to extreme wind and combined ice and wind loadings for the basic wind speeds and ice conditions associated with the relevant location;
(13) removing standing burned trees; and
(14) replacing water systems that have been burned and have caused contamination.

(g) **Use of assistance for earthquake hazards**

Recipients of hazard mitigation assistance provided under this section and section 5133 of this title may use the assistance to conduct activities to help reduce the risk of future damage, hardship, loss, or suffering in any area affected by earthquake hazards, including—

(1) improvements to regional seismic networks in support of building a capability for earthquake early warning;
(2) improvements to geodetic networks in support of building a capability for earthquake early warning; and

(3) improvements to seismometers, Global Positioning System receivers, and associated infrastructure in support of building a capability for earthquake early warning.


**REFERENCES IN TEXT**

This chapter, referred to in subsec. (a), was in the original “this Act”, meaning Pub. L. 93–288, May 22, 1974, 88 Stat. 143. For complete classification of this Act to the Code, see Short Title note set out under section 5121 of this title and Tables.


The National Historic Preservation Act, referred to in subsec. (d)(1), is Pub. L. 89–665, Oct. 15, 1966, 80 Stat. 915, which was classified generally to subchapter II (§470 et seq.) of chapter 1A of Title 16, Conservation. The Act, except for section 1, was repealed and restated in division A (§3001 et seq.) of subtitle III of Title 54, National Park Service and Related Programs, by Pub. L. 113–267, §§3, 7, Dec. 19, 2014, 128 Stat. 3094, 3272. For complete classification of this Act to the Code, see Tables. For disposition of former sections of Title 16, see Disposition Table preceding section 100101 of Title 54.

**PRIOR PROVISIONS**

A prior section 404 of Pub. L. 93–288 was classified to section 5174 of this title prior to repeal by Pub. L. 100–707.

**AMENDMENTS**

2018—Subsec. (a). Pub. L. 115–254, §120(b)(1), inserted “, or any area affected by a fire for which assistance was provided under section 5187 of this title” after “affected by a major disaster” in first sentence as inserted by Pub. L. 115–254, and inserted event under section 5187 of this title after “major disaster” in two places in third sentence.

2006—Subsec. (a). Pub. L. 115–254, §1125(a), substituted “The President may contribute up to 75 percent of the cost of hazard mitigation measures which the President has determined are cost-effective and which substantially reduce the risk of, or increase resilience to, future damage, hardship, loss, or suffering in any area affected by a major disaster,” for “The President may contribute up to 75 percent of the cost of hazard mitigation measures which the President has determined are cost-effective and which substantially reduce the risk of future damage, hardship, loss, or suffering in any area affected by a major disaster.”

2003—Subsec. (a). Pub. L. 113–2, §1104(b), inserted “Until such time as the Administrator promulgates regulations to implement this paragraph, the Administrator may waive notice and comment rulemaking, if the Administrator determines doing so is necessary to expediently implement this section, and may carry out this section as a pilot program if after “applications submitted under paragraph (1)” in introductory provisions.

2001—Subsec. (a). Pub. L. 113–2, §1104(a), added subsec. (d) and (e).

2013—Subsec. (c)(2). Pub. L. 113–2, §1104(b), inserted “Until such time as the Administrator promulgates regulations to implement this paragraph, the Administrator may waive notice and comment rulemaking, if the Administrator determines doing so is necessary to expediently implement this section, and may carry out this section as a pilot program if after “applications submitted under paragraph (1)” in introductory provisions.


2006—Subsec. (a). Pub. L. 110–259, in last sentence, substituted “15 percent for amounts not more than $2,000,000,000, 10 percent for amounts of more than $2,000,000,000 and not more than $10,000,000,000, and 7.5 percent on amounts of more than $10,000,000,000 and not more than $35,333,000,000” for “7.5 percent.”


2000—Subsec. (a). Pub. L. 106–390, §104(c)(1), substituted “section 5165” for “section 5176” in second sentence and “Subject to section 5165 of this title, the total” for “The total” in third sentence.

1993—Pub. L. 103–181 designated existing provisions as subsec. (a), inserted heading, substituted “75 percent” for “50 percent” in first sentence, substituted “15 percent of the estimated aggregate amount of grants to be made (less any associated administrative costs) under this chapter with respect to the major disaster” for “10 percent of the estimated aggregate amounts of grants to be made under section 5172 of this title with respect to such major disaster” in last sentence, and added subsec. (b).
Amendment by Pub. L. 115–254 applicable to each major disaster and emergency declared by the President on or after Aug. 1, 2017, and authorities provided under div. D of Pub. L. 115–254 applicable to each major disaster and emergency declared by the President on or after Jan. 1, 2016, except as otherwise provided, see section 1202 of Pub. L. 115–254, set out as a note under section 5121 of this title.

**Effective Date of 2013 Amendment**

Pub. L. 113–2, div. B, §110(c), Jan. 29, 2013, 127 Stat. 43, provided that: "The amendments made by this section [amending this section] shall apply to—

"(1) any major disaster or emergency declared under the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.) on or after the date of enactment of this division [Jan. 29, 2013]; and

"(2) a major disaster or emergency declared under the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.) on or after the date of enactment of this division [Jan. 29, 2013], for which the period for processing requests for assistance has not ended as of the date of enactment of this division."
§ 5171. Federal facilities

(a) Repair, reconstruction, restoration, or replacement of United States facilities

The President may authorize any Federal agency to repair, reconstruct, restore, or replace any facility owned by the United States and under the jurisdiction of such agency which is damaged or destroyed by any major disaster if he determines that such repair, reconstruction, restoration, or replacement is of such importance and urgency that it cannot reasonably be deferred pending the enactment of specific authorizing legislation or the making of an appropriation for such purposes, or the obtaining of congressional committee approval.

(b) Availability of funds appropriated to agency for repair, reconstruction, restoration, or replacement of agency facilities

In order to carry out the provisions of this section, such repair, reconstruction, restoration, or replacement may be begun notwithstanding a lack or an insufficiency of funds appropriated for such purpose, where such lack or insufficiency can be remedied by the transfer, in accordance with law, of funds appropriated to that agency for another purpose.

(c) Steps for mitigation of hazards

In implementing this section, Federal agencies shall evaluate the natural hazards to which these facilities are exposed and shall take appropriate action to mitigate such hazards, including safe land-use and construction practices, in accordance with standards prescribed by the President.


PRIOR PROVISIONS
A prior section 405 of Pub. L. 93–288 was classified to section 5175 of this title prior to repeal by Pub. L. 100–707.

§ 5172. Repair, restoration, and replacement of damaged facilities

(a) Contributions

(1) In general

The President may make contributions—

(A) to a State or local government for the repair, restoration, reconstruction, or replacement of a public facility damaged or destroyed by a major disaster and for associated expenses incurred by the government; and

(B) subject to paragraph (3), to a person that owns or operates a private nonprofit facility damaged or destroyed by a major disaster for the repair, restoration, reconstruction, or replacement of the facility and for associated expenses incurred by the person.

(2) Associated expenses

For the purposes of this section, associated expenses shall include—

(A) the costs of mobilizing and employing the National Guard for performance of eligible work;

(B) the costs of using prison labor to perform eligible work, including wages actually paid, transportation to a worksite, and extraordinary costs of guards, food, and lodging;

(C) base and overtime wages for the employees and extra hires of a State, local government, or person described in paragraph (1) that perform eligible work, plus fringe benefits on such wages to the extent that such benefits were being paid before the major disaster; and

(D) base and overtime wages for extra hires to facilitate the implementation and enforcement of adopted building codes for a period of not more than 180 days after the major disaster is declared.

(3) Conditions for assistance to private nonprofit facilities

(A) In general

The President may make contributions to a private nonprofit facility under paragraph (1)(B) only if—

(i) the facility provides critical services (as defined by the President) in the event of a major disaster; or

(ii) the owner or operator of the facility—

(I) has applied for a disaster loan under section 636(b) of title 15; and

(II)(aa) has been determined to be ineligible for such a loan; or

(bb) has obtained such a loan in the maximum amount for which the Small Business Administration determines the facility is eligible.

(B) Definition of critical services

In this paragraph, the term "critical services" includes power, water (including water provided by an irrigation organization or facility), sewer, wastewater treatment, communications (including broadcast and telecommunications), education, and emergency medical care.

(C) Religious facilities

A church, synagogue, mosque, temple, or other house of worship, educational facility, or any other private nonprofit facility, shall be eligible for contributions under paragraph (1)(B), without regard to the religious character of the facility or the primary religious use of the facility. No house of worship, educational facility, or any other private nonprofit facility may be excluded from receiving contributions under paragraph (1)(B) because leadership or membership in the organization operating the house of worship is limited to persons who share a religious faith or practice.

(4) Notification to Congress

Before making any contribution under this section in an amount greater than $20,000,000, the President shall notify—

(A) the Committee on Environment and Public Works of the Senate;

(B) the Committee on Transportation and Infrastructure of the House of Representatives;
(C) the Committee on Appropriations of the Senate; and
(D) the Committee on Appropriations of the House of Representatives.

(b) Federal share
   (1) Minimum Federal share
      Except as provided in paragraph (2), the Federal share of assistance under this section shall be not less than 75 percent of the eligible cost of repair, restoration, reconstruction, or replacement carried out under this section.

   (2) Reduced Federal share
      The President shall promulgate regulations to reduce the Federal share of assistance under this section to not less than 25 percent in the case of the repair, restoration, reconstruction, or replacement of any eligible public facility or private nonprofit facility following an event associated with a major disaster—
      (A) that has been damaged, on more than one occasion within the preceding 10-year period, by the same type of event; and
      (B) the owner of which has failed to implement appropriate mitigation measures to address the hazard that caused the damage to the facility.

   (3) Increased Federal share
      (A) Incentive measures
         The President may provide incentives to a State or Tribal government to invest in measures that increase readiness for, and resilience from, a major disaster by recognizing such investments through a sliding scale that increases the minimum Federal share to 85 percent. Such measures may include—
         (i) the adoption of a mitigation plan approved under section 5165 of this title;
         (ii) investments in disaster relief, insurance, and emergency management programs;
         (iii) encouraging the adoption and enforcement of the latest published editions of relevant consensus-based codes, specifications, and standards that incorporate the latest hazard-resistant designs and establish minimum acceptable criteria for the design, construction, and maintenance of residential structures and facilities that may be eligible for assistance under this chapter for the purpose of protecting the health, safety, and general welfare of the buildings’ users against disasters;
         (iv) facilitating participation in the community rating system; and
         (v) funding mitigation projects or granting tax incentives for projects that reduce risk.

      (B) Comprehensive guidance
         Not later than 1 year after February 9, 2018, the President, acting through the Administrator, shall issue comprehensive guidance to State and Tribal governments regarding the measures and investments, weighted appropriately based on actuarial assessments of eligible actions, that will be recognized for the purpose of increasing the Federal share under this section. Guidance shall ensure that the agency’s review of eligible measures and investments does not unduly delay determining the appropriate Federal cost share.

   (C) Report
      One year after the issuance of the guidance required by subparagraph (B), the Administrator shall submit to the Committee on Transportation and Infrastructure of the House of Representatives and the Committee on Homeland Security and Governmental Affairs of the Senate a report regarding the analysis of the Federal cost shares paid under this section.

   (D) Savings clause
      Nothing in this paragraph prevents the President from increasing the Federal cost share above 85 percent.

(e) Large in-lieu contributions
   (1) For public facilities
      (A) In general
         In any case in which a State or local government determines that the public welfare would not best be served by repairing, restoring, reconstructing, or replacing any public facility owned or controlled by the State or local government, the State or local government may elect to receive, in lieu of a contribution under subsection (a)(1)(A), a contribution in an amount equal to the Federal share of the Federal estimate of the cost of repairing, restoring, reconstructing, or replacing the facility and of management expenses.

      (B) Use of funds
         Funds contributed to a State or local government under this paragraph may be used—
         (i) to repair, restore, or expand other selected public facilities;
         (ii) to construct new facilities; or
         (iii) to fund hazard mitigation measures that the State or local government determines to be necessary to meet a need for governmental services and functions in the area affected by the major disaster.

      (C) Limitations
         Funds made available to a State or local government under this paragraph may not be used for—
         (i) any public facility located in a regulatory floodway (as defined in section 59.1 of title 44, Code of Federal Regulations (or a successor regulation)); or
         (ii) any uninsured public facility located in a special flood hazard area identified by the Administrator of the Federal Emergency Management Agency under the National Flood Insurance Act of 1968 (42 U.S.C. 4001 et seq.).

   (2) For private nonprofit facilities
      (A) In general
         In any case in which a person that owns or operates a private nonprofit facility determines that the public welfare would not best be served by repairing, restoring, reconstructing, or replacing the facility, the per-
§ 5172

(1) Reduction of Federal assistance

If a public facility or private nonprofit facility located in a special flood hazard area identified for more than 1 year by the Administrator pursuant to the National Flood Insurance Act of 1968 (42 U.S.C. 4001 et seq.) is damaged or destroyed, after the 180th day following November 23, 1968, by flooding in a major disaster and such facility is not covered on the date of such flooding by flood insurance, the Federal assistance which would otherwise be available under this section with respect to repairing, restoring, reconstructing, or replacing the facility and of management expenses shall be reduced in accordance with paragraph (2). This section shall not apply to more than one building of a multi-structure educational, campus, for any major disaster or emergency declared on or after January 1, 2016, through December 31, 2018. (b) Flood insurance

(2) Amount of reduction

The amount of a reduction in Federal assistance under this section with respect to a facility shall be the lesser of—

(A) the value of such facility on the date of the flood damage or destruction, or

(B) the maximum amount of insurance proceeds which would have been payable with respect to such facility if such facility had been covered by flood insurance under the National Flood Insurance Act of 1968 on such date.

(c) Eligible cost

(1) Determination

(A) In general

For the purposes of this section, for disasters declared on or after August 1, 2017, or a disaster in which a cost estimate has not yet been finalized for a project, or for any project for which the finalized cost estimate is on appeal, the President shall estimate the eligible cost of repairing, restoring, reconstructing, or replacing a public facility or private nonprofit facility—

(i) on the basis of the design of the facility as the facility existed immediately before the major disaster;

(ii) in conformity with the latest published editions of relevant consensus-based codes, specifications, and standards that incorporate the latest hazard-resistant designs and establish minimum acceptable criteria for the design, construction, and maintenance of residential structures and facilities that may be eligible for assistance under this chapter for the purposes of protecting the health, safety, and general welfare of a facility’s users against disasters (including floodplain management and hazard mitigation criteria required by the President or under the Coastal Barrier Resources Act (16 U.S.C. 3501 et seq.)); and

(iii) in a manner that allows the facility to meet the definition of resilient developed pursuant to this subsection.

(B) Cost estimation procedures

(i) In general

Subject to paragraph (2), the President shall use the cost estimation procedures established under paragraph (3) to determine the eligible cost under this subsection.

(ii) Applicability

The procedures specified in this paragraph and paragraph (2) shall apply only to projects the eligible cost of which is equal to or greater than the amount specified in section 5180 of this title.

(C) Contributions

Contributions for the eligible cost made under this section may be provided on an actual cost basis or on cost-estimation procedures.
(2) Modification of eligible cost

(A) Actual cost greater than ceiling percentage of estimated cost

In any case in which the actual cost of repairing, restoring, reconstructing, or replacing a facility under this section is greater than the ceiling percentage established under paragraph (3) of the cost estimated under paragraph (1), the President may determine that the eligible cost includes a portion of the actual cost of the repair, restoration, reconstruction, or replacement that exceeds the cost estimated under paragraph (1).

(B) Actual cost less than estimated cost

(i) Greater than or equal to floor percentage of estimated cost

In any case in which the actual cost of repairing, restoring, reconstructing, or replacing a facility under this section is less than 100 percent of the cost estimated under paragraph (1), but is greater than or equal to the floor percentage established under paragraph (3) of the cost estimated under paragraph (1), the State or local government or person receiving funds under this section shall use the excess funds to carry out cost-effective activities that reduce the risk of future damage, hardship, or suffering from a major disaster.

(ii) Less than floor percentage of estimated cost

In any case in which the actual cost of repairing, restoring, reconstructing, or replacing a facility under this section is less than the floor percentage established under paragraph (3) of the cost estimated under paragraph (1), the State or local government or person receiving assistance under this section shall reimburse the President in the amount of the difference.

(C) No effect on appeals process

Nothing in this paragraph affects any right of appeal under section 5189a of this title.

(3) Expert panel

(A) Establishment

Not later than 18 months after October 30, 2000, the President, acting through the Administrator of the Federal Emergency Management Agency, shall establish an expert panel, which shall include representatives from the construction industry and State and local government.

(B) Duties

The expert panel shall develop recommendations concerning—

(i) procedures for estimating the cost of repairing, restoring, reconstructing, or replacing a facility consistent with industry practices; and

(ii) the ceiling and floor percentages referred to in paragraph (2).

(C) Regulations

Taking into account the recommendations of the expert panel under subparagraph (B), the President shall promulgate regulations that establish—

(i) cost estimation procedures described in subparagraph (B)(1); and

(ii) the ceiling and floor percentages referred to in paragraph (3).

(D) Review by President

Not later than 2 years after the date of promulgation of regulations under subparagraph (C) and periodically thereafter, the President shall review the cost estimation procedures and the ceiling and floor percentages established under this paragraph.

(E) Report to Congress

Not later than 1 year after the date of promulgation of regulations under subparagraph (C), 3 years after that date, and at the end of each 2-year period thereafter, the expert panel shall submit to Congress a report on the appropriateness of the cost estimation procedures.

(4) Special rule

In any case in which the facility being repaired, restored, reconstructed, or replaced under this section was under construction on the date of the major disaster, the cost of repairing, restoring, reconstructing, or replacing the facility shall include, for the purposes of this section, only those costs that, under the contract for the construction, are the owner's responsibility and not the contractor's responsibility.

(5) New rules

(A) In general

Not later than 18 months after October 5, 2018, the President, acting through the Administrator of the Federal Emergency Management Agency, and in consultation with the heads of relevant Federal departments and agencies, shall issue a final rulemaking that defines the terms “resilient” and “resiliency” for purposes of this subsection.

(B) Interim guidance

Not later than 60 days after October 5, 2018, the Administrator shall issue interim guidance to implement this subsection. Such interim guidance shall expire 18 months after October 5, 2018, or upon issuance of final regulations pursuant to subparagraph (A), whichever occurs first.

(C) Guidance

Not later than 90 days after the date on which the Administrator issues the final rulemaking under this paragraph, the Administrator shall issue any necessary guidance related to the rulemaking.

(D) Report

Not later than 2 years after October 5, 2018, the Administrator shall submit to Congress a report summarizing the regulations and guidance issued pursuant to this paragraph.

This chapter, referred to in subsecs. (b)(3)(A)(i) and (e)(1)(A)(i), was in the original “this Act”, meaning Pub. L. 93–288, May 22, 1974, 88 Stat. 143. For complete classification of this Act to the Code, see Short Title note set out under section 5321 of this title and Tables.


PRIOR PROVISIONS


A prior section 406 of Pub. L. 93–288 was renumbered section 409 by Pub. L. 100–707 and is classified to section 5176 of this title.

AMENDMENTS


Subsec. (c)(1)(A). Pub. L. 115–254, §1207(a)(1), struck out “90 percent of” before “the Federal share”.


Subsec. (d)(1). Pub. L. 115–254, §1207(b), inserted at end “This section shall not apply to more than one building of a multi-structure educational, law enforcement, correctional, fire, or mental health or medical campus, for any major disaster or emergency declared by the Secretary under section 5170 or 5191, respectively, of this title on or after January 1, 2016, through December 31, 2018.”

Subsec. (e)(1)(A). Pub. L. 115–254, §1205(b)(1), inserted “for disasters declared on or after August 1, 2017, or a disaster in which a cost estimate has not yet been finalized for a project, or for any project for which the final cost estimate is on appeal” after “under this section,” in introductory provisions.


Subsec. (e)(1)(A)(ii). Pub. L. 115–254, §1235(b)(3), substituted “the latest published editions of relevant consensus-based codes, specifications, and standards that incorporate the latest hazard-resistant designs and establish minimum acceptable criteria for the design, construction, and maintenance of residential structures and facilities that may be eligible for assistance under this chapter for the purposes of protecting the health, safety, and general welfare of a facility’s users against disasters” for “codes, specifications, and standards” and “(16 U.S.C. 3501 et seq.);” and for “(16 U.S.C. 3501 et seq.) applicable at the time at which the disaster occurred.”


Subsec. (c)(1)(B) to (D). Pub. L. 109–347, §109(2), (3), respectively, and struck out former subpar. (B). Prior to amendment, text of subpar. (B) read as follows: “In any case in which (1) a State or local government determines that the public welfare would not best be served by repairing, restoring, reconstructing, or replacing any public facility owned or controlled by the State or local government because soil instability in the disaster area makes repair, restoration, reconstruction, or replacement infeasible, the State or local government may elect to receive, in lieu of a contribution under subsection (a)(1)(A) of this section, a contribution in an amount equal to 90 percent of the Federal share of the Federal estimate of the cost of repairing, restoring, reconstructing, or replacing the facility and of management expenses.”

2000—Subsec. (a). Pub. L. 106–390, §206(a), added subsec. (a) and struck out heading and text of former subsec. (a). Text read as follows: “The President may make contributions—

“(1) to a State or local government for the repair, restoration, reconstruction, or replacement of a public facility which is damaged or destroyed by a major disaster and for associated expenses incurred by such government; and

“(2) to a person who owns or operates a private nonprofit facility damaged or destroyed by a major disaster for the repair, restoration, reconstruction, or replacement of such facility and for associated expenses incurred by such person.”

Subsec. (b). Pub. L. 106–390, §206(b), added subsec. (b) and struck out heading and text of former subsec. (b). Text read as follows: “The Federal share of assistance under this section shall be not less than—

“(1) 75 percent of the net eligible cost of repair, restoration, reconstruction, or replacement carried out under this section;

“(2) 100 percent of associated expenses described in subsections (f)(1) and (f)(2) of this section; and

“(3) 75 percent of associated expenses described in subsections (f)(3), (f)(4), and (f)(5) of this section.”

Subsec. (c). Pub. L. 106–390, §205(c), added subsec. (c) and struck out heading and text of former subsec. (c) which provided that, upon a determination by the public welfare would not be best served by repairing, restoring, reconstructing, or replacing either a public facility or a private nonprofit facility, an election could be made to receive, in lieu of a contribution under subsec. (a), a contribution of not to exceed 90 percent of the Federal share of the Federal estimate of the cost of repairing, restoring, reconstructing, or replacing the facility and of associated expenses described in subsections (f)(3), (f)(4), and (f)(5) of this section.”

Subsec. (d). Pub. L. 106–390, §205(d), added subsec. (d) and struck out heading and text of former subsec. (d). Text read as follows:

“(1) GENERAL RULE.—For purposes of this section, the cost of repairing, restoring, reconstructing, or replacing a public facility or private nonprofit facility on the basis of the design of such facility as it existed imme-
disaster or emergency declared on or after Aug. 23, 2017, as of Feb. 9, 2018, is pending before Federal Emergency denigration is not yet finally resolved as of Feb. 9, 2018, see under section 5122 of this title.

Under div. D of Pub. L. 115–254 applicable to each major disaster on or after Aug. 1, 2017, and authorities provided that section take effect on the date of the enactment of this Act.

والبلاغ (1)) takes effect on the date on which the cost esti-

mation 5121 of this title.

The Administrator of the Federal Emergency Management Agency renders the cost of such repair, restoration, reconstruction, or replacement.

(2) SPECIAL RULE.—In any case in which the facility being repaired, restored, reconstructed, or replaced under this section was under construction on the date of the major disaster, the cost of repairing, restoring, reconstructing, or replacing such facility shall include, for purposes of this section, only those costs which, under the contract for such construction, are the owner's responsibility and not the contractor's responsibility.

Subsec. (f). Pub. L. 106–390, §205(f), struck out subsec. (f) which set out various associated expenses, including necessary and extraordinary costs, and costs of using the National Guard and prison labor.

Effective Date of 2018 Amendment
Amendment by Pub. L. 115–254 applicable to each major disaster and emergency declared by the President on or after Aug. 1, 2017, and authorities provided under div. D of Pub. L. 115–254 applicable to each major disaster and emergency declared by the President on or after Jan. 1, 2016, except as otherwise provided, see section 1292 of Pub. L. 115–254, set out as a note under section 5212 of this title.

Amendment by section 2090A(b) of Pub. L. 115–123 applicable to provision of assistance in response to major disaster or emergency declared on or after Aug. 23, 2017, or, with respect to any application for assistance that, as of Feb. 9, 2018, is pending before Federal Emergency Management Agency, and any application for assistance that has been denied, where a challenge to that denial is not yet finally resolved as of Feb. 9, 2018, see section 2090A(c) of Pub. L. 115–123, set out as a note under section 5122 of this title.

Effective Date of 2000 Amendment

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

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

GUIDANCE ON INUNDATED AND SUBMERGED ROADS

[For definition of "State" as used in section 1228 of Pub. L. 115–254, set out above, see section 1203 of Pub. L. 115–254, set out as a note under section 5122 of this title.]

GUIDANCE AND RECOMMENDATIONS

‘‘(a) GUIDANCE.—The Administrator [of the Federal Emergency Management Agency] shall provide guidance and recommendations to a common interest community that provides essential services of a governmental nature on actions that a common interest community may take in order to be eligible to receive reimbursement from a subcommittee that receives funds from the [Federal Emergency Management Agency] for certain activities performed after an event that results in a major disaster declared by the President under section 501 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5170).

(b) RECOMMENDATIONS.—Not later than 90 days after the date of enactment of this Act (Oct. 5, 2018), the Administrator shall provide to the Committee on Transportation and Infrastructure of the House of Representatives and the Committee on Homeland Security and Governmental Affairs of the Senate a legislative proposal on how to provide eligibility for disaster assistance with respect to common areas of condominiums and housing cooperatives.

(c) EFFECTIVE DATE.—This section shall be effective on the date of enactment of this Act.’’

POST-DISASTER BUILDING SAFETY ASSESSMENT

(a) BUILDING SAFETY ASSESSMENT TEAM.—
(1) IN GENERAL.—The Administrator [of the Federal Emergency Management Agency] shall coordinate with State and local governments and organizations representing design professionals, such as architects and engineers, to develop guidance, including best practices, for post-disaster building safety assessment of buildings by licensed architects and engineers to ensure the design professionals properly analyze the structural integrity and livability of buildings and structures.

(b) NATIONAL INCIDENT MANAGEMENT SYSTEM.—The Administrator shall establish a National Incident Management System Resource Management component to ensure the functions of post-disaster building safety assessment, such as those performed by design professionals are accurately resource typed within the National Incident Management System.

(c) EFFECTIVE DATE.—This section shall be effective on the date of enactment of this Act.’’

[For definition of "State" as used in section 1241 of Pub. L. 115–254, set out above, see section 1203 of Pub. L. 115–254, set out as a note under section 5122 of this title.]

REVIEW OF ASSISTANCE FOR DAMAGED UNDERGROUND WATER INFRASTRUCTURE
§ 5173  TITLE 42—THE PUBLIC HEALTH AND WELFARE

(a) Definition of Public Assistance Grant Program.—The term ‘public assistance grant program’ means the public assistance grant program authorized under sections 403, 406, 407, 428, and 502(a) of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5170b, 5172, 5173, 5189f, 5192(a)).

(b) Review and Briefing.—Not later than 60 days after the date of enactment of this Act [Oct. 5, 2018], the Administrator of the Federal Emergency Management Agency shall—

(1) conduct a review of the assessment and eligibility process under the public assistance grant program with respect to assistance provided for damaged underground water infrastructure as a result of a major disaster declared under section 401 of such Act (42 U.S.C. 5170), including wildfires, and shall include the extent to which local technical memoranda, prepared by a local unit of government in consultation with the relevant State or Federal agencies, identified damaged underground water infrastructure that should be eligible for the public assistance grant program; and

(2) provide to the Committee on Homeland Security and Governmental Affairs of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives a briefing on the review conducted under paragraph (1).

(c) Report and Recommendations.—The Administrator shall—

(1) not later than 180 days after the date of enactment of this Act, issue a report on the review conducted under subsection (b)(1); and

(2) not later than 180 days after the date on which the Administrator issues the report required under paragraph (1), initiate a rulemaking, if appropriate, to address any recommendations contained in the report.

For definition of ‘State’ as used in section 1245 of Pub. L. 93–288, set out above, see section 1203 of Pub. L. 115–254, set out as a note under section 5122 of this title.

§ 5173. Debris removal

(a) Presidential authority

The President, whenever he determines it to be in the public interest, is authorized—

(1) through the use of Federal departments, agencies, and instrumentalities, to clear debris and wreckage resulting from a major disaster from publicly and privately owned lands and waters; and

(2) to make grants to any State or local government or owner or operator of a private nonprofit facility for the purpose of removing debris or wreckage resulting from a major disaster from publicly or privately owned lands and waters.

(b) Authorization by State or local government; indemnification agreement

No authority under this section shall be exercised unless the affected State or local government shall first arrange an unconditional authorization for removal of such debris or wreckage from public and private property, and, in the case of removal of debris or wreckage from private property, shall first agree to indemnify the Federal Government against any claim arising from such removal.

(c) Rules relating to large lots

The President shall issue rules which provide for recognition of differences existing among urban, suburban, and rural lands in implementation of this section so as to facilitate adequate removal of debris and wreckage from large lots.

(d) Federal share

The Federal share of assistance under this section shall be not less than 75 percent of the eligible cost of debris and wreckage removal carried out under this section.

(e) Expedited payments

(1) Grant assistance

In making a grant under subsection (a)(2), the President shall provide not less than 50 percent of the President’s initial estimate of the Federal share of assistance as an initial payment in accordance with paragraph (2).

(2) Date of payment

Not later than 60 days after the date of the estimate described in paragraph (1) and not later than 90 days after the date on which the State or local government or owner or operator of a private nonprofit facility applies for assistance under this section, an initial payment described in paragraph (1) shall be paid.

§ 5174. Federal assistance to individuals and households

(a) In general

(1) Provision of assistance

In accordance with this section, the President, in consultation with the Governor of a State, may provide financial assistance, and, if necessary, direct services, to individuals and households in the State who, as a direct result of a major disaster, have necessary expenses and serious needs in cases in which the individuals and households are unable to meet such expenses or needs through other means.

(2) Relationship to other assistance

Under paragraph (1), an individual or household shall not be denied assistance under paragraph (1), (3), or (4) of subsection (c) solely on the basis that the individual or household has not applied for or received any loan or other financial assistance from the Small Business Administration or any other Federal agency.

(b) Housing assistance

(1) Eligibility

The President may provide financial or other assistance under this section to individuals and households to respond to the disaster-related housing needs of individuals and households who are displaced from their
predisaster primary residences or whose predisaster primary residences are rendered uninhabitable, or with respect to individuals with disabilities, rendered inaccessible or uninhabitable, as a result of damage caused by a major disaster.

(2) Determination of appropriate types of assistance

(A) In general

The President shall determine appropriate types of housing assistance to be provided under this section to individuals and households described in subsection (a)(1) based on considerations of cost effectiveness, convenience to the individuals and households, and such other factors as the President may consider appropriate.

(B) Multiple types of assistance

One or more types of housing assistance may be made available under this section, based on the suitability and availability of the types of assistance, to meet the needs of individuals and households in the particular disaster situation.

(c) Types of housing assistance

(1) Temporary housing

(A) Financial assistance

(i) In general

The President may provide financial assistance to individuals or households to rent alternate housing accommodations, existing rental units, manufactured housing, recreational vehicles, or other readily fabricated dwellings. Such assistance may include the payment of the cost of utilities, excluding telephone service.

(ii) Amount

The amount of assistance under clause (i) shall be based on the fair market rent for the accommodation provided plus the cost of any transportation, utility hook-ups, security deposits, or unit installation not provided directly by the President.

(B) Direct assistance

(i) In general

The President may provide temporary housing units, acquired by purchase or lease, directly to individuals or households who, because of a lack of available housing resources, would be unable to make use of the assistance provided under subparagraph (A).

(ii) Lease and repair of rental units for temporary housing

(I) In general

The President, to the extent the President determines it would be a cost-effective alternative to other temporary housing options, may—

(aa) enter into lease agreements with owners of multifamily rental property impacted by a major disaster or located in areas covered by a major disaster declaration to house individuals and households eligible for assistance under this section; and

(bb) make repairs or improvements to properties under such lease agreements, to the extent necessary to serve as safe and adequate temporary housing.

(II) Improvements or repairs

Under the terms of any lease agreement for property entered into under this subsection, the value of the improvements or repairs shall be deducted from the value of the lease agreement.

(iii) Period of assistance

The President may not provide direct assistance under clause (i) with respect to a major disaster after the end of the 18-month period beginning on the date of the declaration of the major disaster by the President, except that the President may extend that period if the President determines that due to extraordinary circumstances an extension would be in the public interest.

(iv) Collection of rental charges

After the end of the 18-month period referred to in clause (iii), the President may charge fair market rent for each temporary housing unit provided.

(2) Repairs

(A) In general

The President may provide financial assistance for—

(i) the repair of owner-occupied private residences, utilities, and residential infrastructure (such as a private access route) damaged by a major disaster to a safe and sanitary living or functioning condition; and

(ii) eligible hazard mitigation measures that reduce the likelihood of future damage to such residences, utilities, or infrastructure.

(B) Relationship to other assistance

A recipient of assistance provided under this paragraph shall not be required to show that the assistance can be met through other means, except insurance proceeds.

(3) Replacement

(A) In general

The President may provide financial assistance for the replacement of owner-occupied private residences damaged by a major disaster.

(B) Applicability of flood insurance requirement

With respect to assistance provided under this paragraph, the President may not waive any provision of Federal law requiring the purchase of flood insurance as a condition of the receipt of Federal disaster assistance.

(4) Permanent housing construction

The President may provide financial assistance or direct assistance to individuals or households to construct permanent or semipermanent housing in insular areas outside the continental United States and in other locations in cases in which—
§ 5174  TITLE 42—THE PUBLIC HEALTH AND WELFARE  Page 5838

(A) no alternative housing resources are available; and

(B) the types of temporary housing assistance described in paragraph (1) are unavailable, infeasible, or not cost-effective.

(d) Terms and conditions relating to housing assistance

(1) Sites

(A) In general

Any readily fabricated dwelling provided under this section shall, whenever practicable, be located on a site that—

(i) is complete with utilities;

(ii) meets the physical accessibility requirements for individuals with disabilities; and

(iii) is provided by the State or local government, by the owner of the site, or by the occupant who was displaced by the major disaster.

(B) Sites provided by the President

A readily fabricated dwelling may be located on a site provided by the President if the President determines that such a site would be more economical or accessible.

(2) Disposal of units

(A) Sale to occupants

(i) In general

Notwithstanding any other provision of law, a temporary housing unit purchased under this section by the President for the purpose of housing disaster victims may be sold directly to the individual or household who is occupying the unit if the individual or household lacks permanent housing.

(ii) Sale price

A sale of a temporary housing unit under clause (i) shall be at a price that is fair and equitable.

(iii) Deposit of proceeds

Notwithstanding any other provision of law, the proceeds of a sale under clause (i) shall be deposited in the appropriate Disaster Relief Fund account.

(iv) Hazard and flood insurance

A sale of a temporary housing unit under clause (i) shall be made on the condition that the individual or household purchasing the housing unit agrees to obtain and maintain hazard and flood insurance on the housing unit.

(v) Use of GSA services

The President may use the services of the General Services Administration to accomplish a sale under clause (i).

(B) Other methods of disposal

If not disposed of under subparagraph (A), a temporary housing unit purchased under this section by the President for the purpose of housing disaster victims—

(i) may be sold to any person; or

(ii) may be sold, transferred, donated, or otherwise made available directly to a State or other governmental entity or to a voluntary organization for the sole purpose of providing temporary housing to disaster victims in major disasters and emergencies if, as a condition of the sale, transfer, or donation, the State, other governmental agency, or voluntary organization agrees—

(I) to comply with the nondiscrimination provisions of section 5151 of this title; and

(II) to obtain and maintain hazard and flood insurance on the housing unit.

(e) Financial assistance to address other needs

(1) Medical, dental, child care, and funeral expenses

The President, in consultation with the Governor of a State, may provide financial assistance under this section to an individual or household described in paragraph (1) to address personal property, transportation, and other necessary expenses or serious needs resulting from the major disaster.

(2) Personal property, transportation, and other expenses

The President, in consultation with the Governor of a State, may provide financial assistance under this section to an individual or household described in paragraph (1) to address personal property, transportation, and other necessary expenses or serious needs resulting from the major disaster.

(f) State role

(1) State- or Indian tribal government-administered assistance and other needs assistance

(A) Grant to State

Subject to subsection (g), a Governor may request a grant from the President to provide assistance to individuals and households in the State under subsections (c)(1)(B), (c)(4), and (e) if the President and the State or Indian tribal government comply, as determined by the Administrator, with paragraph (3).

(B) Administrative costs

A State that receives a grant under subparagraph (A) may expend not more than 5 percent of the amount of the grant for the administrative costs of providing assistance to individuals and households in the State under subsections (c)(1)(B), (c)(4), and (e).

(2) Access to records

In providing assistance to individuals and households under this section, the President shall provide for the substantial and ongoing involvement of the States in which the individuals and households are located, including by providing to the States access to the electronic records of individuals and households receiving assistance under this section in order for the States to make available any additional State and local assistance to the individuals and households.

(3) Requirements

(A) Application

A State or Indian tribal government desiring to provide assistance under subsection
(c)(1)(B), (c)(4), or (e) shall submit to the President an application for a grant to provide financial assistance under the program.

(B) Criteria

The President, in consultation and coordination with State and Indian tribal governments, shall establish criteria for the approval of applications submitted under subparagraph (A). The criteria shall include, at a minimum—

(i) a requirement that the State or Indian tribal government submit a housing strategy under subparagraph (C);
(ii) the demonstrated ability of the State or Indian tribal government to manage the program under this section;
(iii) there being in effect a plan approved by the President as to how the State or Indian tribal government will comply with applicable Federal laws and regulations and how the State or Indian tribal government will provide assistance under its plan;
(iv) a requirement that the State or Indian tribal government comply with rules and regulations established pursuant to subsection (j); and
(v) a requirement that the President, or the designee of the President, comply with subsection (i).

(C) Requirement of housing strategy

(i) In general

A State or Indian tribal government submitting an application under this paragraph shall have an approved housing strategy, which shall be developed and submitted to the President for approval.

(ii) Requirements

The housing strategy required under clause (i) shall—

(I) outline the approach of the State in working with Federal partners, Indian tribal governments, local communities, nongovernmental organizations, and individual disaster survivors to meet disaster-related sheltering and housing needs; and
(II) include the establishment of an activation plan for a State Disaster Housing Task Force, as outlined in the National Disaster Housing Strategy, to bring together State, tribal, local, Federal, nongovernmental, and private sector expertise to evaluate housing requirements, consider potential solutions, recognize special needs populations, and propose recommendations.

(D) Quality assurance

Before approving an application submitted under this section, the President, or the designee of the President, shall institute adequate policies, procedures, and internal controls to prevent waste, fraud, abuse, and program mismanagement for this program and for programs under subsections (c)(1)(B), (c)(4), and (e). The President shall monitor and conduct quality assurance activities on a State or Indian tribal government’s implementation of programs under subsections (c)(1)(B), (c)(4), and (e). If, after approving an application of a State or Indian tribal government submitted under this paragraph, the President determines that the State or Indian tribal government is not administering the program established by this section in a manner satisfactory to the President, the President shall withdraw the approval.

(E) Audits

The Inspector General of the Department of Homeland Security shall provide for periodic audits of the programs administered by States and Indian tribal governments under this subsection.

(F) Applicable laws

All Federal laws applicable to the management, administration, or contracting of the programs by the Federal Emergency Management Agency under this section shall be applicable to the management, administration, or contracting by a non-Federal entity under this section.

(G) Report on effectiveness

Not later than 18 months after October 5, 2018, the Inspector General of the Department of Homeland Security shall submit a report to the Committee on Homeland Security and Governmental Affairs of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives on the State or Indian tribal government’s role to provide assistance under this section. The report shall contain an assessment of the effectiveness of the State or Indian tribal government’s role in providing assistance under this section, including—

(i) whether the State or Indian tribal government’s role helped to improve the general speed of disaster recovery;
(ii) whether the State or Indian tribal government providing assistance under this section had the capacity to administer this section; and
(iii) recommendations for changes to improve the program if the State or Indian tribal government’s role to administer the programs should be continued.

(H) Report on incentives

Not later than 12 months after October 5, 2018, the Administrator of the Federal Emergency Management Agency shall submit a report to the Committee on Homeland Security and Governmental Affairs of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives on a potential incentive structure for awards made under this section to encourage participation by eligible States and Indian tribal governments. In developing this report, the Administrator of the Federal Emergency Management Agency shall consult with State, local, and Indian tribal entities to gain their input on any such incentive structure to encourage participation and shall include this information in the report. This report should address, among other options, potential adjustments to the
§ 5174

TITLE 42—THE PUBLIC HEALTH AND WELFARE
Page 5840

cost-share requirement and management costs to State and Indian tribal governments.

(I) Prohibition
The President may not condition the provision of Federal assistance under this chapter on a State or Indian tribal government requesting a grant under this section.

(J) Miscellaneous
(i) Notice and comment
The Administrator of the Federal Emergency Management Agency may waive notice and comment rulemaking with respect to rules to carry out this section, if the Administrator determines doing so is necessary to expeditiously implement this section, and may carry out this section as a pilot program until such regulations are promulgated.

(ii) Final rule
Not later than 2 years after October 5, 2018, the Administrator of the Federal Emergency Management Agency shall issue final regulations to implement this subsection as amended by the Disaster Recovery Reform Act of 2018.

(iii) Waiver and expiration
The authority under clause (i) and any pilot program implemented pursuant to such clause shall expire 2 years after October 5, 2018, or upon issuance of final regulations pursuant to clause (ii), whichever occurs sooner.

(g) Cost sharing
(1) Federal share
Except as provided in paragraph (2), the Federal share of the costs eligible to be paid using assistance provided under this section shall be 75 percent.

(2) Financial assistance to address other needs
In the case of financial assistance provided under subsection (e)—
(A) the Federal share shall be 75 percent; and
(B) the non-Federal share shall be paid from funds made available by the State.

(h) Maximum amount of assistance
(1) In general
No individual or household shall receive financial assistance greater than $25,000 under this section with respect to a single major disaster, excluding financial assistance to rent alternate housing accommodations under subsection (c)(1)(A)(i) and financial assistance to address other needs under subsection (e).

(2) Other needs assistance
The maximum financial assistance any individual or household may receive under subsection (e) shall be equivalent to the amount set forth in paragraph (1) with respect to a single major disaster.

(3) Adjustment of limit
The limit established under paragraphs (1) and (2) shall be adjusted annually to reflect changes in the Consumer Price Index for All Urban Consumers published by the Department of Labor.

(4) Exclusion of necessary expenses for individuals with disabilities
(A) In general
The maximum amount of assistance established under paragraph (1) shall exclude expenses to repair or replace damaged accessibility-related improvements under paragraphs (2), (3), and (4) of subsection (c) for individuals with disabilities.

(B) Other needs assistance
The maximum amount of assistance established under paragraph (2) shall exclude expenses to repair or replace accessibility-related personal property under subsection (e)(2) for individuals with disabilities.

(i) Verification measures
In carrying out this section, the President shall develop a system, including an electronic database, that shall allow the President, or the designee of the President, to—
(1) verify the identity and address of recipients of assistance under this section to provide reasonable assurance that payments are made only to an individual or household that is eligible for such assistance;
(2) minimize the risk of making duplicative payments or payments for fraudulent claims under this section;
(3) collect any duplicate payment on a claim under this section, or reduce the amount of subsequent payments to offset the amount of any such duplicate payment;
(4) provide instructions to recipients of assistance under this section regarding the proper use of any such assistance, regardless of how such assistance is distributed; and
(5) conduct an expedited and simplified review and appeal process for an individual or household whose application for assistance under this section is denied.

(j) Rules and regulations
The President shall prescribe rules and regulations to carry out this section, including criteria, standards, and procedures for determining eligibility for assistance.

References in Text
PROR VISIONS

A prior section 518 of Pub. L. 93-288 was classified to section 5178 of this title and to a note set out under section 5178 of this title prior to repeal by Pub. L. 100-707.

AMENDMENTS

2018—Subsec. (c)(1)(B)(ii)(I). Pub. L. 115-254, § 1213(b), amended item (aa) generally. Prior to amendment, item (aa) read as follows: “enter into lease agreements with owners of multifamily rental property located in areas covered by a major disaster declaration to house individuals and households eligible for assistance under this section; and”.


Subsec. (f)(1)(A). Pub. L. 115-254, § 1212(a)(1)(B), struck out “financial” before “assistance” and substituted “subsections (c)(1)(B), (c)(4), and (e) if the President and the State or Indian tribal government comply, as determined by the Administrator, with paragraph (3)” for “subsection (e)”.

Subsec. (f)(1)(B). Pub. L. 115-254, § 1211(a)(1)(C), struck out “financial” before “assistance” and substituted “subsections (c)(1)(B), (c)(4), and (e)” for “subsection (e)”.


Subsec. (h)(1). Pub. L. 115-254, § 1212(1), inserted “, excluding financial assistance to rent alternate housing accommodations under subsection (c)(1)(A)(i) and financial assistance to address other needs under subsection (e)” after “disaster”.

Subsec. (h)(2). (3). Pub. L. 115-254, § 1212(2)-(4), added par. (2), redesignated former par. (2) as (3), and, in par. (3), substituted “paragraphs (1) and (2)” for “paragraph (1)”.


2013—Subsec. (c)(1)(B)(ii) to (iv). Pub. L. 113-2, § 1103, added cl. (ii), redesignated former cls. (i) and (ii) as (ii) and (iii) respectively, and, in cl. (iv), substituted “clause (ii) for “clause (ii)”.


2006—Subsec. (b)(1). Pub. L. 109-295, § 688(c)(1), inserted “, with respect to individuals with disabilities, rendered inaccessible or uninhabitable,” after “uninhabitable”.

Subsec. (c)(1)(A)(i). Pub. L. 109-295, § 689(d)(1), inserted at end “Such assistance may include the payment of the cost of utilities, excluding telephone service.”


Subsec. (c)(2)(C). Pub. L. 109-295, § 686(1), struck out subpar. (C) which read as follows: “The amount of assistance provided to a household under this paragraph shall not exceed $5,000, as adjusted annually to reflect changes in the Consumer Price Index for All Urban Consumers published by the Department of Labor.”

Subsec. (c)(3)(B), (C). Pub. L. 109-295, § 686(2), redesignated subpar. (C) as (B) and struck out former subpar. (B) which read as follows: “The amount of assistance provided to a household under this paragraph shall not exceed $10,000, as adjusted annually to reflect changes in the Consumer Price Index for All Urban Consumers published by the Department of Labor.”


Subsecs. (i), (j). Pub. L. 109-295, § 686(c), added subsec. (i) and redesignated former subsec. (i) as (j).

2000—Pub. L. 106-390 amended section catchline and text generally. Prior to amendment, text provided for temporary housing assistance through provision of temporary housing, temporary mortgage and rental payment assistance, expenditures to repair or restore owner-occupied private residential structures made uninhabitable by a major disaster which are capable of being restored quickly, and transfer of temporary housing to occupants or to States, local governments, and voluntary organizations, required notification to applicants for assistance, and set out location factors to be given consideration in the provision of assistance.

EFFECTIVE DATE OF 2018 AMENDMENT

Amendment by Pub. L. 115-254 applicable to each major disaster and emergency declared by the President on or after Aug. 1, 2017, and authorities provided under div. D of Pub. L. 115-254 applicable to each major disaster and emergency declared by the President on or after Jan. 1, 2016, except as otherwise provided, see section 1202 of Pub. L. 115-254, set out as a note under section 5121 of this title.

EFFECTIVE DATE OF 2000 AMENDMENT

Pub. L. 106-390, title II, § 206(d), Oct. 30, 2000, 114 Stat. 1571, provided that: “The amendments made by this section (amending this section and section 5192 of this title and redesignating section 5178 of this title) take effect 18 months after the date of the enactment of this Act [Oct. 30, 2000].”

REIMBURSEMENT

Pub. L. 115-254, div. D, § 1211(b), Oct. 5, 2018, 132 Stat. 3447, provided that: “The Federal Emergency Management Agency (FEMA) shall reimburse State and local units of government (for requests received within a period of 3 years after the declaration of a major disaster under section 401 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5170)) upon determination that a locally implemented housing solution, implemented by State or local units of government—

“(1) costs 50 percent of comparable FEMA solution or whatever the locally implemented solution costs, whichever is lower;”

“(2) complies with local housing regulations and ordinances; and

“(3) the housing solution was implemented within 90 days of the disaster.”

[For definition of “State” as used in section 1211(b) of Pub. L. 115-254, set out above, see section 1203 of Pub. L. 115-254, set out as a note under section 5122 of this title.]

§ 5174a. Flexibility

(a) Waiver authority

(1) Definition

In this subsection, the term “covered assistance” means assistance provided—

(A) under section 5174 of this title; and

(B) in relation to a major disaster or emergency declared by the President under section 5170 or 5191, respectively, of this title on or after October 28, 2012.

(2) Authority

Notwithstanding section 3716(e) of title 31, the Administrator—

(A) subject to subparagraph (B), may waive a debt owed to the United States related to covered assistance provided to an individual or household if—

(i) the covered assistance was distributed based on an error by the Agency;

(ii) there was no fault on behalf of the debtor; and
§ 5174b. Critical document fee waiver

(1) In general
Notwithstanding section 214 of title 22 or any other provision of law, the President, in consultation with the Governor of a State, may provide a waiver under this subsection to an individual or household described in section 5174(e)(1) of this title for the following document replacement fees:

(A) The passport application fee for individuals who lost their United States passport in a major disaster within the preceding three calendar years.

(B) The file search fee for a United States passport.

(C) The Application for Waiver of Passport and/or Visa form (Form I-193) fee.

(D) The Permanent Resident Card replacement form (Form I-90) filing fee.

(E) The Declaration of Intention form (Form N-300) filing fee.

(F) The Naturalization/Citizenship Document replacement form (Form N-565) filing fee.

(G) The Employment Authorization form (Form I-765) filing fee.

(H) The biometric service fee.

(2) Exemption from form requirement
The authority of the President to waive fees under subparagraphs (C) through (H) of para-
(1) applies regardless of whether the individual or household qualifies for a Form I-912 Request for Fee Waiver, or any successor there-to.

(3) Exemption from assistance maximum

The assistance limit in section 5174(h) of this title shall not apply to any fee waived under this subsection.

(4) Report

Not later than 365 days after October 5, 2018, the Administrator and the head of any other agency given critical document fee waiver authority under this subsection shall submit a report to the Committee on Homeland Security and Governmental Affairs of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives on the costs associated with providing critical document fee waivers as described in paragraph (1).


CODIFICATION

Section was enacted as part of the Disaster Recovery Reform Act of 2018 and as part of the FAA Reauthorization Act of 2018, and not as part of the Robert T. Stafford Disaster Relief and Emergency Assistance Act which comprises this chapter.

Section is comprised of subsec. (a) of section 1238 of Pub. L. 115–254. Subsecs. (b) and (c) of section 1238 of Pub. L. 115–254 amended section 5122 of this title and enacted provisions set out as a note under that section.

EFFECTIVE DATE

 Authorities provided under div. D of Pub. L. 115–254, which enacted this section, applicable to each major disaster and emergency declared by the President under Pub. L. 93–288 on or after Jan. 1, 2016, except as otherwise provided, see section 1202(b) of Pub. L. 115–254, set out in an Effective Date of 2018 Amendment note under section 5121 of this title.

DEFINITIONS

For definitions of terms used in this section, see section 1203 of Pub. L. 115–254, which enacted this section, applicable to each major disaster and emergency declared by the President under Pub. L. 93–288 on or after Jan. 1, 2016, except as otherwise provided, see section 1202(b) of Pub. L. 115–254, set out in an Effective Date of 2018 Amendment note under section 5121 of this title.


A prior section 409 of Pub. L. 93–288 was renumbered section 412 by Pub. L. 100–707 and is classified to section 5179 of this title.

§ 5177. Unemployment assistance

(a) Benefit assistance

The President is authorized to provide to any individual unemployed as a result of a major disaster such benefit assistance as he deems appropriate while such individual is unemployed for the weeks of such unemployment with respect to which the individual is not entitled to any other unemployment compensation (as that term is defined in section 85(b) of title 26) or waiting period credit. Such assistance as the President shall provide shall be available to an individual as long as the individual's unemployment caused by the major disaster continues or until the individual is reemployed in a suitable position, but no longer than 26 weeks after the major disaster is declared. Such assistance for a week of unemployment shall not exceed the maximum weekly amount authorized under the unemployment compensation law of the State in which the disaster occurred. The President is directed to provide such assistance through agreements with States which, in his judgment, have an adequate system for administering such assistance through existing State agencies.

(b) Reemployment assistance

(1) State assistance

A State shall provide, without reimbursement from any funds provided under this chapter, reemployment assistance services under any other law administered by the State to individuals receiving benefits under this section.

(2) Federal assistance

The President may provide reemployment assistance services under other laws to individuals who are unemployed as a result of a major disaster and who reside in a State which does not provide such services.


REFERENCES IN TEXT

This chapter, referred to in subsec. (b)(1), was in the original “‘this Act’”, meaning Pub. L. 93–288, May 22, 1974, 88 Stat. 143. For complete classification of this Act to the Code, see Short Title note set out under section 5121 of this title and Tables.

PRIOR PROVISIONS

A prior section 410 of Pub. L. 93–288 was renumbered section 413 by Pub. L. 100–707 and is classified to section 5180 of this title.
§ 5177a Emergency grants to assist low-income migrant and seasonal farmworkers

(a) In general

The Secretary of Agriculture may make grants to public agencies or private organizations with tax exempt status under section 501(c)(3) of title 26, that have experience in providing emergency services to low-income migrant and seasonal farmworkers where the Secretary determines that a local, State or national emergency or disaster has caused low-income migrant or seasonal farmworkers to lose income, to be unable to work, or to stay home or return home in anticipation of work shortages. Emergency services to be provided with assistance received under this section may include such types of assistance as the Secretary of Agriculture determines to be necessary and appropriate.

(b) "Low-income migrant or seasonal farmworker" defined

For the purposes of this section, the term "low-income migrant or seasonal farmworker" means an individual—

(1) who has, during any consecutive 12 month period within the preceding 24 month period, performed farm work for wages;

(2) who has received not less than one-half of such individual's total income, or been employed at least one-half of total work time in farm work; and

(3) whose annual family income within the 12 month period referred to in paragraph (1) does not exceed the higher of the poverty level or 70 percent of the lower living standard income level.

(c) Authorization of appropriations

There are authorized to be appropriated such sums as may be necessary to carry out this section.


CODIFICATION

Section was enacted as part of the Food, Agriculture, Conservation, and Trade Act of 1990, and not as part of the Robert T. Stafford Disaster Relief and Emergency Assistance Act which comprises this chapter.


EFFECTIVE DATE OF REPEAL

Repeal effective 18 months after Oct. 30, 2000, see section 206(d) of Pub. L. 106–390, set out as an Effective Date of 2000 Amendment note under section 5174 of this title.

PRIOR PROVISIONS


A prior section 411 of Pub. L. 93–288 was renumbered section 414 by Pub. L. 100–707 and is classified to section 5181 of this title.

§ 5179. Benefits and distribution

(a) Persons eligible; terms and conditions

Whenever the President determines that, as a result of a major disaster, low-income households are unable to purchase adequate amounts of nutritious food, he is authorized, under such terms and conditions as he may prescribe, to distribute through the Secretary of Agriculture or other appropriate agencies benefit allotments to such households pursuant to the provisions of the Food and Nutrition Act of 2008 of 1964 1 (P.L. 91–671; 84 Stat. 2048) [7 U.S.C. 2011 et seq.] and to make surplus commodities available pursuant to the provisions of this chapter.

(b) Duration of assistance; factors considered

The President, through the Secretary of Agriculture or other appropriate agencies, is authorized to continue to make such benefit allotments and surplus commodities available to such households for so long as he determines necessary, taking into consideration such factors as he deems appropriate, including the consequences of the major disaster on the earning power of the households, to which assistance is made available under this section.

(c) Food and Nutrition Act provisions unaffected

Nothing in this section shall be construed as amending or otherwise changing the provisions of the Food and Nutrition Act of 2008 of 1964 1 [7 U.S.C. 2011 et seq.] except as they relate to the availability of supplemental nutrition assistance program benefits in an area affected by a major disaster.


1 So in original. See 2008 Amendment note below.
REFERENCES IN TEXT
The Food and Nutrition Act of 2008, referred to in subsections (a) and (c), is Pub. L. 110–234, Aug. 13, 2008, 122 Stat. 1375, which is classified generally to chapter 7 (§1701 et seq.) of Title 7, Agriculture. For complete classification of this Act to the Code, see Short Title note set out under section 1701 of Title 7 and Tables.

This chapter, referred to in subsection (a), was in the original “this Act”, meaning Pub. L. 93–288, May 22, 1974, 88 Stat. 143. For complete classification of this Act to the Code, see Short Title note set out under section 1421 of this title and Tables.

Codification

Prior Provisions
A prior section 412 of Pub. L. 93–288 was renumbered section 415 by Pub. L. 100–707 and is classified to section 5182 of this title.

Amendments

Pub. L. 110–246, §4002(b)(1)(C), (2)(D), substituted “Food and Nutrition Act of 2008” for “Food Stamp Act” in subsec. (a) and (c).

Subsec. (a), (b), Pub. L. 110–246, §4115(c)(1)(A)(i), (B)(v), substituted “benefit” for “coupon”.

Subsec. (c), Pub. L. 110–246, §4002(b)(1)(E), (2)(D), substituted “supplemental nutrition assistance program benefits” for “food stamps”.

Effective Date of 2008 Amendment


Delegation of Functions
Secretary of Agriculture designated and empowered to exercise, without approval, ratification, or other action of President, all authority vested in President by this section concerning food coupons (benefits) and distribution, see section 3 of Ex. Ord. No. 11756, as amended, set out as a note under section 715 of Title 7, Agriculture.

§5180. Food commodities

(a) Emergency mass feeding

The President is authorized and directed to assure that adequate stocks of food will be ready and conveniently available for emergency mass feeding or distribution in any area of the United States which suffers a major disaster or emergency.

(b) Funds for purchase of food commodities

The Secretary of Agriculture shall utilize funds appropriated under section 612c of title 7, to purchase food commodities necessary to provide adequate supplies for use in any area of the United States in the event of a major disaster or emergency in such area.


Prior Provisions
A prior section 413 of Pub. L. 93–288 was renumbered section 418 by Pub. L. 100–707 and is classified to section 5184 of this title.

§5181. Relocation assistance

Notwithstanding any other provision of law, no person otherwise eligible for any kind of replacement housing payment under the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (P.L. 91–646) (42 U.S.C. 4601 et seq.) shall be denied such eligibility as a result of his being unable, because of a major disaster as determined by the President, to meet the occupancy requirements set by such Act.


References in Text

Prior Provisions
A prior section 414(a), (b) of Pub. L. 93–288 was renumbered section 417(a), (b) by Pub. L. 100–707 and is classified to section 5184 of this title.

§5182. Legal services

Whenever the President determines that low-income individuals are unable to secure legal services adequate to meet their needs as a consequence of a major disaster, consistent with the goals of the programs authorized by this chapter, the President shall assure that such programs are conducted with the advice and assistance of appropriate Federal agencies and State and local bar associations.


References in Text
This chapter, referred to in text, was in the original “this Act”, meaning Pub. L. 93–288, May 22, 1974, 88 Stat. 143. For complete classification of this Act to the Code, see Short Title note set out under section 1421 of this title and Tables.

Prior Provisions
A prior section 415 of Pub. L. 93–288 was renumbered section 418 by Pub. L. 100–707 and is classified to section 5185 of this title.

§5183. Crisis counseling assistance and training

The President is authorized to provide professional counseling services, including financial assistance to State or local agencies or private mental health organizations to provide such services or training of disaster workers, to victims of major disasters in order to relieve men-
§ 5184. Community disaster loans

(a) In general

The President is authorized to make loans to any local government which may suffer a substantial loss of tax and other revenues as a result of a major disaster, and has demonstrated a need for financial assistance in order to perform its governmental functions.

(b) Amount

The amount of any such loan shall be based on need, shall not exceed—

(1) 25 percent of the annual operating budget of that local government for the fiscal year in which the major disaster occurs, and shall not exceed $5,000,000; or

(2) if the loss of tax and other revenues of the local government as a result of the major disaster is at least 75 percent of the annual operating budget of that local government for the fiscal year in which the major disaster occurs, 50 percent of the annual operating budget of that local government for the fiscal year in which the major disaster occurs, and shall not exceed $5,000,000.

c) Repayment

(1) Cancellation

Repayment of all or any part of such loan to the extent that revenues of the local government during the three full fiscal year period following the major disaster are insufficient to meet the operating budget of the local government, including additional disaster-related expenses of a municipal operation character shall be cancelled.

(2) Condition on continuing eligibility

A local government shall not be eligible for further assistance under this section during any period in which the local government is in arrears with respect to a required repayment of a loan under this section.

d) Effect on other assistance

Any loans made under this section shall not reduce or otherwise affect any grants or other assistance under this chapter.

PRIOR PROVISIONS

A prior section 416 of Pub. L. 93–288 was renumbered section 419 by Pub. L. 100–707 and is classified to section 5186 of this title.

AMENDMENTS

1988—Pub. L. 100–707 struck out “(through the National Institute of Mental Health)” after “authorized”.

佣金


42 U.S.C.

Community health problems caused or aggravated by such major disaster or its aftermath.


AMENDMENTS

2006—Subsec. (b). Pub. L. 109–347 substituted “exceed—” for “exceed 25 per centum” and “; or” for period at end and added par. (2).

2000—Pub. L. 106–390, § 207(1)–(3), designated first sentence of subsec. (a) as subsec. (a) and inserted subsec. heading, designated second sentence of subsec. (a) as subsec. (b) and inserted subsec. heading, and designated third sentence of subsec. (a) as subsec. (c)(1) and inserted subsec. and par. headings. Former subsec. (b) redesignated (d).

Subsec. (b). Pub. L. 106–390, § 207(5), substituted “shall not exceed” for “and shall not exceed” and inserted before period at end “; and shall not exceed $5,000,000”.

Subsec. (c)(2). Pub. L. 106–390, § 207(6), added par. (2).

Subsec. (d). Pub. L. 106–390, § 207(4), redesignated subsec. (b) as (d) and inserted subsec. heading.

Community emergency drought relief


SEC. 101. (a) Upon the application of any State, political subdivision of a State, Indian tribe, or public or private nonprofit organization, the Secretary of Commerce is authorized to make grants and loans to applicants in drought impacted areas for projects that implement short-term actions to augment community water supplies where there are severe problems due to water shortages. Such assistance may be for the improvement, expansion, or construction of water supplies, and purchase and transportation of water, which in the opinion of the Secretary of Commerce will make a substantial contribution to the relief of an existing or threatened drought condition in a designated area.

(b) The Secretary of Commerce may designate any area in the United States as an emergency drought impact area if he or she finds that a major and continuing adverse drought condition exists and is expected to continue, and such condition is causing significant hardships on the affected areas.

(c) Eligible applicants shall be those States or political subdivisions of States with a population of ten thousand or more, Indian tribes, or public or private nonprofit organizations within areas designated pursuant to subsection (b) of this section.

(d) Projects assisted under this Act shall be only those with respect to which assurances can be given to the satisfaction of the Secretary of Commerce that the work can be completed by April 30, 1978, or within such extended time as the Secretary may approve in exceptional circumstances.

SEC. 102. Grants hereunder shall be in an amount not to exceed 50 per centum of allowable project costs. Loans shall be for a term not to exceed 40 years at a per annum interest rate of 5 per centum and shall be on such terms and conditions as the Secretary of Commerce shall determine. In determining the amount of a grant assistance for any project, the Secretary of Commerce may take into consideration such factors as are established by regulation and are consistent with the purposes of this Act.

REFERENCES IN TEXT

This chapter, referred to in subsec. (d), was in the original “this Act”, meaning Pub. L. 93–288, May 22, 1974, 88 Stat. 143. For complete classification of this Act to the Code, see Short Title note set out under section 5121 of this title and Tables.
§ 5186. Emergency public transportation

The President is authorized to provide temporary public transportation service in an area affected by a major disaster to meet emergency needs and to provide transportation to governmental offices, supply centers, stores, post offices, schools, major employment centers, and such other places as may be necessary in order to enable the community to resume its normal pattern of life as soon as possible.


PRIOR PROVISIONS

A prior section 419 of Pub. L. 93–288 was renumbered section 421 by Pub. L. 100–707 and is classified to section 5189 of this title prior to repeal by Pub. L. 100–707.

§ 5187. Fire management assistance

(a) In general

The President is authorized to provide assistance, including grants, equipment, supplies, and personnel, to any State or local government for the mitigation, management, and control of any fire on public or private forest land or grassland that threatens such destruction as would constitute a major disaster.

(b) Coordination with State and tribal departments of forestry

In providing assistance under this section, the President shall coordinate with State and tribal departments of forestry.

(c) Essential assistance

In providing assistance under this section, the President may use the authority provided under section 5170b of this title.

(d) Hazard mitigation assistance

Whether or not a major disaster is declared, the President may provide hazard mitigation assistance in accordance with section 5170c of this title in any area affected by a fire for which assistance was provided under this section.

(e) Rules and regulations

The President shall prescribe such rules and regulations as are necessary to carry out this section.


AMENDMENTS

2018—Subsec. (d). Pub. L. 115–254 added subsec. (d) and redesignated former subsec. (d) as (e).

2000—Pub. L. 106–390 amended section catchline and text generally. Prior to amendment, text read as follows: “The President is authorized to provide assistance, including grants, equipment, supplies, and personnel, to any State for the suppression of any fire on publicly or privately owned forest or grassland which threatens such destruction as would constitute a major disaster.”

EFFECTIVE DATE OF 2018 AMENDMENT

Amendment by Pub. L. 115–254 applicable to each major disaster and emergency declared by the President on or after Aug. 1, 2017, and authorities provided under div. D of Pub. L. 115–254 applicable to each major disaster and emergency declared by the President on or after Jan. 1, 2016, except as otherwise provided, see section 1202 of Pub. L. 115–254, set out as a note under section 5121 of this title.

EFFECTIVE DATE OF 2000 AMENDMENT

Pub. L. 106–390, title III, § 303(b), Oct. 30, 2000, 114 Stat. 1573, provided that: “The amendment made by subsection (a) [amending this section] takes effect 1 year after the date of the enactment of this Act (Oct. 30, 2000).”

REPORTING REQUIREMENT

Pub. L. 115–254, div. D, § 1204(c), Oct. 5, 2018, 132 Stat. 3439, provided that: ‘‘Not later than 1 year after the date of enactment of this Act (Oct. 5, 2018) and annually thereafter, the Administrator [of the Federal Emergency Management Agency] shall submit to the
§ 5188. Timber sale contracts

(a) Cost-sharing arrangement

Where an existing timber sale contract between the Secretary of Agriculture or the Secretary of the Interior and a timber purchaser does not provide relief from major physical change not due to negligence of the purchaser prior to approval of construction of any section of specified road or of any other specified development facility and, as a result of a major disaster, a major physical change results in additional construction work in connection with such road or facility by such purchaser with an estimated cost, as determined by the appropriate Secretary, (1) of more than $1,000 for sales under one million board feet, (2) of more than $1 per thousand board feet for sales of one to three million board feet, or (3) of more than $3,000 for sales over three million board feet, such increased construction cost shall be borne by the United States.

(b) Cancellation of authority

If the appropriate Secretary determines that damages are so great that restoration, reconstruction, or construction is not practical under the cost-sharing arrangement authorized by subsection (a) of this section, he may cancel a contract entered into by his Department notwithstanding contrary provisions therein.

(c) Public notice of sale

The Secretary of Agriculture is authorized to reduce to seven days the minimum period of advance public notice required by section 476 of title 16, in connection with the sale of timber from national forests, whenever the Secretary determines that (1) the sale of such timber will assist in the construction of any area of a State damaged by a major disaster, (2) the sale of such timber will assist in sustaining the economy of such area, or (3) the sale of such timber is necessary to salvage the value of timber damaged in such major disaster or to protect undamaged timber.

(d) State grants for removal of damaged timber; reimbursement of expenses limited to salvage value of removed timber

The President, when he determines it to be in the public interest, is authorized to make grants to any State or local government for the purpose of removing from privately owned lands timber damaged as a result of a major disaster, and such State or local government is authorized upon application, to make payments out of such grants to any person for reimbursement of expenses actually incurred by such person in the removal of damaged timber, not to exceed the amount that such expenses exceed the salvage value of such timber.

See References in Text note below.

§ 5189. Simplified procedure

(a) In general

If the Federal estimate of the cost of—

(1) repairing, restoring, reconstructing, or replacing under section 5172 of this title any damaged or destroyed public facility or private nonprofit facility;

(2) emergency assistance under section 5170b or 5192 of this title, or

(3) debris removed under section 5173 of this title,

is less than $35,000 (or, if the Administrator has established a threshold under subsection (b), the amount established under subsection (b)), the President (on application of the State or local government or the owner or operator of the private nonprofit facility) may make the contribution to such State or local government or owner or operator under section 5170b, 5172, 5173, or 5192 of this title, as the case may be, on the basis of such Federal estimate. Such $35,000 amount or, if applicable, the amount established under subsection (b), shall be adjusted annually to reflect changes in the Consumer Price Index for All Urban Consumers published by the Department of Labor.

(b) Threshold

(1) Report

Not later than 1 year after January 29, 2013, the President, acting through the Administrator of the Federal Emergency Management Agency (in this section referred to as the “Administrator”), shall—

(A) complete an analysis to determine whether an increase in the threshold for eligibility under subsection (a) is appropriate, which shall include consideration of cost-effectiveness, speed of recovery, capacity of grantees, past performance, and accountability measures; and

(B) submit to the Committee on Transportation and Infrastructure of the House of Representatives and the Committee on Homeland Security and Governmental Affairs of the Senate a report regarding the analysis conducted under subparagraph (A).

(2) Amount

After the Administrator submits the report required under paragraph (1), the President shall direct the Administrator to—

(A) immediately establish a threshold for eligibility under this section in an appropriate amount, without regard to chapter 5 of title 5; and

(B) adjust the threshold annually to reflect changes in the Consumer Price Index.
for all Urban Consumers published by the Department of Labor.

(3) Review

Not later than 3 years after the date on which the Administrator establishes a threshold under paragraph (2), and every 3 years thereafter, the President, acting through the Administrator, shall review the threshold for eligibility under this section.


PRIOR PROVISIONS


AMENDMENTS

2013—Subsec. (a). Pub. L. 113–2, §1107(3), which directed insertion of “or, if applicable, the amount established under subsection (b),” after “$35,000 amount” the second place appearing, was executed by making the insertion after “$35,000 amount” the only place that phrase appeared, to reflect the probable intent of Congress.

Pub. L. 113–2, §1107(1), (2), designated existing provisions as subsec. (a), inserted heading, and inserted “or, if the Administrator has established a threshold under subsection (b), the amount established under subsection (b)” after “less than $35,000” in concluding provisions.


§ 5189a. Appeals of assistance decisions

(a) Right of appeal

Any decision regarding eligibility for, from, or amount of assistance under this subchapter may be appealed within 60 days after the date on which the applicant for such assistance is notified of the award or denial of award of such assistance.

(b) Period for decision

A decision regarding an appeal under subsection (a) shall be rendered within 90 days after the date on which the Federal official designated to administer such appeals receives notice of such appeal.

(c) Rules

The President shall issue rules which provide for the fair and impartial consideration of appeals under this section.

(d) Right of arbitration

(1) In general

Notwithstanding this section, an applicant for assistance under this subchapter may request arbitration to dispute the eligibility for assistance or repayment of assistance provided for a dispute of more than $500,000 for any disaster that occurred after January 1, 2016. Such arbitration shall be conducted by the Civilian Board of Contract Appeals and the decision of such Board shall be binding.

(2) Review

The Civilian Board of Contract Appeals shall consider from the applicant all original and additional documentation, testimony, or other such evidence supporting the applicant’s position at any time during arbitration.

(3) Rural areas

For an applicant for assistance in a rural area under this subchapter, the assistance amount eligible for arbitration pursuant to this subsection shall be $100,000.

(4) Rural area defined

For the purposes of this subsection, the term “rural area” means an area with a population of less than 200,000 outside an urbanized area.

(5) Eligibility

To participate in arbitration under this subsection, an applicant—

(A) shall submit the dispute to the arbitration process established under the authority granted under section 601 of Public Law 111–5; and

(B) may submit a request for arbitration after the completion of the first appeal under subsection (a) at any time before the Administrator of the Federal Emergency Management Agency has issued a final agency determination or 180 days after the Administrator’s receipt of the appeal if the Administrator has not provided the applicant with a final determination on the appeal.

The applicant’s request shall contain documentation from the administrative record for the first appeal and may contain additional documentation supporting the applicant’s position.


REFERENCES IN TEXT


AMENDMENTS


EFFECTIVE DATE OF 2018 AMENDMENT

Amendment by Pub. L. 115–254 applicable to each major disaster and emergency declared by the President on or after Aug. 1, 2017, and authorities provided under div. D of Pub. L. 115–254 applicable to each major disaster and emergency declared by the President on or after Jan. 1, 2016, except as otherwise provided, see section 1202 of Pub. L. 115–254, set out as a note under section 5121 of this title.

DISPUTE RESOLUTION PILOT PROGRAM


“(a) DEFINITIONS.—In this section, the following definitions apply:

“(1) ADMINISTRATOR.—The term ‘Administrator’ means the Administrator of the Federal Emergency Management Agency.

“(2) ELIGIBLE ASSISTANCE.—The term ‘eligible assistance’ means assistance—

“(A) under section 403, 406, or 407 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5170b, 5172, 5173); and

“(B) for which the legitimate amount in dispute is not less than $1,000,000, which sum the Administrator shall adjust annually to reflect changes in
the Consumer Price Index for all Urban Consumers published by the Department of Labor;

“(C) for which the applicant has a non-Federal share; and

“(D) for which the applicant has received a decision on a first appeal.

(b) PROCEDURES. —

“(1) IN GENERAL.—Not later than 180 days after the date of enactment of this section [Jan. 29, 2013], and in order to facilitate an efficient recovery from major disaster, the Administrator shall establish procedures under which an applicant may request the use of alternative dispute resolution, including arbitration by an independent review panel, to resolve disputes relating to eligible assistance.

“(2) BINDING EFFECT.—A decision by an independent review panel under this section shall be binding upon the parties to the dispute.

“(3) CONSIDERATIONS.—The procedures established under this section shall—

“(A) allow a party of a dispute relating to eligible assistance to request an independent review panel for the review:

“(B) require a party requesting an independent review panel as described in subparagraph (A) to agree to forgo rights to any further appeal of the dispute relating to any eligible assistance;

“(C) require that the sponsor of an independent review panel for any alternative dispute resolution under this section be—

“(i) an individual or entity unaffiliated with the dispute (which may include a Federal agency, an administrative law judge, or a reemployed annuitant who was an employee of the Federal Government) selected by the Administrator; and

“(ii) responsible for identifying and maintaining an adequate number of independent experts qualified to review and resolve disputes under this section;

“(D) require an independent review panel to—

“(i) resolve any remaining disputed issue in accordance with all applicable laws, regulations, and Agency interpretations of those laws through its published policies and guidance;

“(ii) consider only evidence contained in the administrative record, as it existed at the time at which the Agency made its initial decision;

“(iii) only set aside a decision of the Agency found to be arbitrary, capricious, an abuse of discretion, or otherwise not in accordance with law; and

“(iv) in the case of a finding of material fact adverse to the claimant made on first appeal, only set aside or reverse such finding if the finding is clearly erroneous;

“(E) require an independent review panel to expeditiously issue a written decision for any alternative dispute resolution under this section; and

“(F) direct that if an independent review panel for any alternative dispute resolution under this section determines that the basis upon which a party submits a request for alternative dispute resolution is frivolous, the independent review panel shall direct the party to pay the reasonable costs to the Federal Emergency Management Agency relating to the review by the independent review panel. Any funds received by the Federal Emergency Management Agency under the authority of this section shall be deposited to the credit of the appropriation or appropriations available for the eligible assistance in dispute on the date on which the funds are received.

“(c) SUNSET.—A request for review by an independent review panel under this section may not be made after December 31, 2015.

§ 5189b. Date of eligibility; expenses incurred before date of disaster

Eligibility for Federal assistance under this subchapter shall begin on the date of the occurrence of the event which results in a declaration by the President that a major disaster exists; except that reasonable expenses which are incurred in anticipation of and immediately preceding such event may be eligible for Federal assistance under this chapter.


§ 5189c. Transportation assistance to individuals and households

The President may provide transportation assistance to relocate individuals displaced from their predisaster primary residences as a result of an incident declared under this chapter or otherwise transported from their predisaster primary residences under section 5170(b)(3) or 5192 of this title, to and from alternative locations for short or long-term accommodation or to return an individual or household to their predisaster primary residence or alternative location, as determined necessary by the President.


§ 5189d. Case management services

The President may provide case management services, including financial assistance, to State or local government agencies or qualified private organizations to provide such services, to victims of major disasters to identify and address unmet needs.


§ 5189e. Essential service providers

(a) Definition

In this section, the term “essential service provider” means an entity that—

1(A) provides

(i) wireline or mobile telephone service, Internet access service, radio or television broadcasting, cable service, or direct broadcast satellite service;

(ii) electrical power;

(iii) natural gas;

(iv) water and sewer services; or

(v) any other essential service, as determined by the President; or

(B) is a tower owner or operator;
(2) is—
  (A) a municipal entity;
  (B) a nonprofit entity; or
  (C) a private, for profit entity; and

(3) is contributing to efforts to respond to an emergency or major disaster.

(b) Authorization for accessibility

Unless exceptional circumstances apply, in an emergency or major disaster, the head of a Federal agency, to the greatest extent practicable, shall not—

(1) deny or impede access to the disaster site to an essential service provider whose access is necessary to restore and repair an essential service; or

(2) impede the restoration or repair of the services described in subsection (a)(1).

(c) Implementation

In implementing this section, the head of a Federal agency shall follow all applicable Federal laws, regulations, and policies.

(d) Participation

Participation in the alternative procedures adopted under this section shall be at the election of a State, tribal or local government, or owner or operator of a private nonprofit facility consistent with procedures determined by the Administrator.

(e) Minimum procedures

The alternative procedures adopted under this section shall include the following:

(1) For repair, restoration, and replacement of damaged facilities under section 5172 of this title—
  (A) making grants on the basis of fixed estimates, if the State, tribal or local government, or owner or operator of the private nonprofit facility agrees to be responsible for any actual costs that exceed the estimate;
  (B) providing an option for a State, tribal or local government, or owner or operator of a private nonprofit facility to elect to receive an in-lieu contribution, without reduction, on the basis of estimates of—
    (i) the cost of repair, restoration, reconstruction, or replacement of a public facility owned or controlled by the State, tribal or local government or owner or operator of a private nonprofit facility; and
    (ii) management expenses;
  (C) consolidating, to the extent determined appropriate by the Administrator, the facilities of a State, tribal or local government, or owner or operator of a private nonprofit facility as a single project based upon the estimates adopted under the procedures; and
  (D) if the actual costs of a project completed under the procedures are less than the estimated costs thereof, the Administrator may permit a grantee or subgrantee to use all or part of the excess funds for—
    (i) cost-effective activities that reduce the risk of future damage, hardship, or suffering from a major disaster; and
    (ii) other activities to improve future Public Assistance operations or planning;

(2) expediting the provision of such assistance to a State, tribal or local government, or owner or operator of a private nonprofit facility; and

(3) providing financial incentives and disincentives for a State, tribal or local government, or owner or operator of a private nonprofit facility for the timely and cost-effective completion of projects with such assistance.
§ 5189f

(f) Waiver authority

The Administrator may—

(1) waive notice and comment rulemaking, if the Administrator determines the waiver is necessary to expeditiously implement this section; and

(2) carry out the alternative procedures under this section as a pilot program.

(g) Overtime payments

The guidelines for reimbursement for costs under subsection (e)(2)(D) shall ensure that no State or local government is denied reimbursement for overtime payments that are required pursuant to the Fair Labor Standards Act of 1938 (29 U.S.C. 201 et seq.).

(h) Report

(1) In general

The report shall contain an assessment of the effectiveness of the alternative procedures, including—

(A) whether the alternative procedures helped to improve the general speed of disaster recovery;

(B) the accuracy of the estimates relied upon;

(C) whether the financial incentives and disincentives were effective;

(D) whether the alternative procedures were cost effective;

(E) whether the independent expert panel described in subsection (e)(1)(E) was effective; and

(F) recommendations for whether the alternative procedures should be continued and any recommendations for changes to the alternative procedures.

(2) Contents

The report shall contain an assessment of the effectiveness of the alternative procedures.

The report shall contain an assessment of the effectiveness of the alternative procedures, including—

(A) whether the alternative procedures helped to improve the general speed of disaster recovery;

(B) the accuracy of the estimates relied upon;

(C) whether the financial incentives and disincentives were effective;

(D) whether the alternative procedures were cost effective;

(E) whether the independent expert panel described in subsection (e)(1)(E) was effective; and

(F) recommendations for whether the alternative procedures should be continued and any recommendations for changes to the alternative procedures.

References in Text

The date of enactment of this Act, referred to in subsec. (a), probably means the date of enactment of Pub. L. 113–2, which enacted this section and was approved Jan. 29, 2013.

This chapter, referred to in subsec. (d)(2), was in the original ‘‘this Act’’, meaning Pub. L. 93–288, May 22, 1974, 88 Stat. 143. For complete classification of this Act to the Code, see Short Title note set out under section 5121 of this title and Tables.

Amendments

Effective Date of 2018 Amendment

Amendment by Pub. L. 115–254 applicable to each major disaster and emergency declared by the President on or after Aug. 1, 2017, and authorities provided under div. D of Pub. L. 115–254 applicable to each major disaster and emergency declared by the President on or after Jan. 1, 2016, except as otherwise provided, see section 1202 of Pub. L. 115–254, set out as a note under section 5121 of this title.

§ 5189g. Unified Federal review

(a) In general

Not later than 18 months after January 29, 2013, and in consultation with the Council on Environmental Quality and the Advisory Council on Historic Preservation, the President shall establish an expedited and unified interagency review process to ensure compliance with environmental and historic requirements under Federal law relating to disaster recovery projects, in order to expedite the recovery process, consistent with applicable law.

(b) Contents

The review process established under this section shall include mechanisms to expeditiously address delays that may occur during the recovery from a major disaster and be updated, as appropriate, consistent with applicable law.


Unified Federal Environmental and Historic Preservation Review


“(a) REVIEW AND ANALYSIS.—Not later than 180 days after the date of enactment of this Act [Oct. 5, 2018], the Administrator [of the Federal Emergency Management Agency] shall review the Unified Federal Environmental and Historic Preservation review process established pursuant to section 429 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5189g), and submit a report to the Committee on Transportation and Infrastructure of the House of Representatives and the Committee on Homeland Security and Governmental Affairs of the Senate that includes the following:

“(1) An analysis of whether and how the unified process has expedited the interagency review process to ensure compliance with the environmental and historic requirements under Federal law relating to disaster recovery projects.

“(2) A survey and analysis of categorical exclusions used by other Federal agencies that may be applicable to any activity related to a major disaster or emergency declared by the President under section 401 or 501, respectively, of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5170, 5191).

“(3) Recommendations on any further actions, including any legislative proposals, needed to expedite and streamline the review process.

“(b) REGULATIONS.—After completing the review, survey, and analyses under subsection (a), but not later than 2 years after the date of enactment of this Act, and after providing notice and opportunity for public comment, the Administrator shall issue regulations to implement any regulatory recommendations, including any categorical exclusions identified under subsection (a), to the extent that the categorical exclusions meet the criteria for a categorical exclusion under section 1508.4 of title 40, Code of Federal Regulations, and section II of DHS Instruction Manual 023–01–001–01.”

§ 5189h. Agency accountability

(a) Public assistance

Not later than 5 days after an award of a public assistance grant is made under section 5172 of this title that is in excess of $1,000,000, the Administrator of the Federal Emergency Management Agency shall publish on the website of the Federal Emergency Management Agency the specifics of each such grant award, including—

(1) identifying the Federal Emergency Management Agency Region;

(2) the disaster or emergency declaration number;

(3) the State, county, and applicant name;

(4) if the applicant is a private nonprofit organization;

(5) the damage category code;

(6) the amount of the Federal share obligated; and

(7) the date of the award.

(b) Mission assignments

(1) In general

Not later than 5 days after the issuance of a mission assignment or mission assignment task order, the Administrator of the Federal Emergency Management Agency shall publish on the website of the Federal Emergency Management Agency any mission assignment or mission assignment task order to another Federal department or agency regarding a major disaster in excess of $1,000,000, including—

(A) the name of the impacted State or Indian Tribe;

(B) the disaster declaration for such State or Indian Tribe;

(C) the assigned agency;

(D) the assistance requested;

(E) a description of the disaster;

(F) the total cost estimate;

(G) the amount obligated;

(H) the State or Indian tribal government cost share, if applicable;

(I) the authority under which the mission assignment or mission assignment task order was directed; and

(J) if applicable, the date a State or Indian Tribe requested the mission assignment.

(2) Recording changes

Not later than 10 days after the last day of each month until a mission assignment or mission assignment task order described in paragraph (1) is completed and closed out, the Administrator of the Federal Emergency Management Agency shall update any changes to the total cost estimate and the amount obligated.

(c) Disaster relief monthly report

Not later than 10 days after the first day of each month, the Administrator of the Federal Emergency Management Agency shall publish on the website of the Federal Emergency Management Agency reports, including a specific description of the methodology and the source data used in developing such reports, including—

(1) an estimate of the amounts for the fiscal year covered by the President’s most recent budget pursuant to section 1105(a) of title 31 including—
(A) the unobligated balance of funds to be carried over from the prior fiscal year to the budget year;
(B) the unobligated balance of funds to be carried over from the budget year to the budget year plus 1;
(C) the amount of obligations for noncatastrophic events for the budget year;
(D) the amount of obligations for the budget year for catastrophic events delineated by event and by State;
(E) the total amount that has been previously obligated or will be required for catastrophic events delineated by event and by State for all prior years, the current fiscal year, the budget year, and each fiscal year thereafter;
(F) the amount of previously obligated funds that will be recovered for the budget year;
(G) the amount that will be required for obligations for emergencies, as described in section 5122(1) of this title, major disasters, as described in section 5122(2) of this title, fire management assistance grants, as described in section 5187 of this title, surge activities, and disaster readiness and support activities; and
(H) the amount required for activities not covered under section 901(b)(2)(D)(iii) of title 2; and

(2) an estimate or actual amounts, if available, of the following for the current fiscal year, which shall be submitted not later than the fifth day of each month, published by the Administrator of the Federal Emergency Management Agency on the website of the Federal Emergency Management Agency not later than the fifth day of each month:

(A) A summary of the amount of appropriations made available by source, the transfers executed, the previously allocated funds recovered, and the commitments, allocations, and obligations made.
(B) A table of disaster relief activity delineated by month, including—
   (i) the beginning and ending balances;
   (ii) the total obligations to include amounts obligated for fire assistance, emergencies, surge, and disaster support activities;
   (iii) the obligations for catastrophic events delineated by event and by State;
   (iv) the amount of previously obligated funds that are recovered.

(C) A summary of allocations, obligations, and expenditures for catastrophic events delineated by event.
(D) The cost of the following categories of spending:
   (i) Public assistance.
   (ii) Individual assistance.
   (iii) Mitigation.
   (iv) Administrative.
   (v) Operations.
   (vi) Any other relevant category (including emergency measures and disaster resources) delineated by disaster.
(E) The date on which funds appropriated will be exhausted.

(d) Contracts

(1) Information

Not later than 10 days after the first day of each month, the Administrator of the Federal Emergency Management Agency shall publish on the website of the Federal Emergency Management Agency the specifics of each contract in excess of $1,000,000 that the Federal Emergency Management Agency enters into, including—

(A) the name of the party;
(B) the date the contract was awarded;
(C) the amount and scope of the contract;
(D) if the contract was awarded through a competitive bidding process;
(E) if no competitive bidding process was used, the reason why competitive bidding was not used; and
(F) the authority used to bypass the competitive bidding process.

The information shall be delineated by disaster, if applicable, and specify the damage category code, if applicable.

(2) Report

Not later than 10 days after the last day of the fiscal year, the Administrator of the Federal Emergency Management Agency shall provide a report to the appropriate committees of Congress summarizing the following information for the preceding fiscal year:

(A) The number of contracts awarded without competitive bidding;
(B) The reasons why a competitive bidding process was not used.
(C) The total amount of contracts awarded with no competitive bidding.
(D) The damage category codes, if applicable, for contracts awarded without competitive bidding.

(e) Collection of public assistance recipient and subrecipient contracts

(1) In general

Not later than 180 days after October 5, 2018, the Administrator of the Federal Emergency Management Agency shall initiate and maintain an effort to collect and store information, prior to the project closeout phase on any contract entered into by a public assistance recipient or subrecipient that through the base award, available options, or any subsequent modifications has an estimated value of more than $1,000,000 and is funded through section 5165b, 5170b, 5170c, 5172, 5173, 5189f, or 5192 of this title, including—

(A) the disaster number, project worksheet number, and the category of work associated with each contract;
(B) the name of each party;
(C) the date the contract was awarded;
(D) the amount of the contract;
(E) the scope of the contract;
(F) the period of performance for the contract; and
(G) whether the contract was awarded through a competitive bidding process.

(2) Availability of information collected

The Administrator of the Federal Emergency Management Agency shall make the in-
(c) Indian tribal government requests

(1) In general

The Chief Executive of an affected Indian tribal government may submit a request for a declaration by the President that an emergency exists consistent with the requirements of subsection (a).

(2) References

In implementing assistance authorized by the President under this subchapter in response to a request of the Chief Executive of an affected Indian tribal government for an emergency declaration, any reference in this subchapter or subchapter III (except sections 5153 and 5165d of this title) to a State or the Governor of a State is deemed to refer to an affected Indian tribal government or the Chief Executive of an affected Indian tribal government, as appropriate.

(3) Savings provision

Nothing in this subsection shall prohibit an Indian tribal government from receiving assistance under this subchapter through a declaration made by the President at the request of a State under subsection (a) if the President does not make a declaration under this subsection for the same incident.


REFERENCES IN TEXT

This chapter, referred to in subsec. (a), was in the original ‘‘this Act’’, meaning Pub. L. 93–288, as added Pub. L. 88–141, Oct. 5, 1974, 88 Stat. 143, as amended. For complete classification of this Act to the Code, see Short Title note set out under section 5121 of this title.

PRIOR PROVISIONS


AMENDMENTS


§ 5192. Federal emergency assistance

(a) Specified

In any emergency, the President may—

(1) direct any Federal agency, with or without reimbursement, to utilize its authorities and the resources granted to it under Federal law (including personnel, equipment, supplies, facilities, and managerial, technical and advisory services) in support of State and local emergency assistance efforts to save lives, protect property and public health and safety, and lessen or avert the threat of a catastrophe, including precautionary evacuations;

(2) coordinate all disaster relief assistance (including voluntary assistance) provided by Federal agencies, private organizations, and State and local governments;

(3) provide technical and advisory assistance to affected State and local governments for—

(A) the performance of essential community services;

(B) issuance of warnings of risks or hazards;
(C) public health and safety information, including dissemination of such information;
(D) provision of health and safety measures; and
(E) management, control, and reduction of immediate threats to public health and safety;
(4) provide emergency assistance through Federal agencies;
(5) remove debris in accordance with the terms and conditions of section 5173 of this title;
(6) provide assistance in accordance with section 5174 of this title;
(7) assist State and local governments in the distribution of medicine, food, and other consumable supplies, and emergency assistance; and
(8) provide accelerated Federal assistance and Federal support where necessary to save lives, prevent human suffering, or mitigate severe damage, which may be provided in the absence of a specific request and in which case the President—
(A) shall, to the fullest extent practicable, promptly notify and coordinate with a State in which such assistance or support is provided; and
(B) shall not, in notifying and coordinating with a State under subparagraph (A), delay or impede the rapid deployment, use, and distribution of critical resources to victims of an emergency.

(b) General
Whenever the Federal assistance provided under subsection (a) with respect to an emergency is inadequate, the President may also provide assistance with respect to efforts to save lives, protect property and public health and safety, and lessen or avert the threat of a catastrophe, including precautionary evacuations.

c) Guidelines
The President shall promulgate and maintain guidelines to assist Governors in requesting the declaration of an emergency in advance of a natural or man-made disaster (including for the purpose of seeking assistance with special needs and other evacuation efforts) under this section by defining the types of assistance available to affected States and the circumstances under which such requests are likely to be approved.


AMENDMENTS

§ 5193. Amount of assistance

(a) Federal share

The Federal share for assistance provided under this subchapter shall be equal to not less than 75 percent of the eligible costs.

(b) Limit on amount of assistance

(1) In general

Except as provided in paragraph (2), total assistance provided under this subchapter for a single emergency shall not exceed $5,000,000.

(2) Additional assistance

The limitation described in paragraph (1) may be exceeded when the President determines that—
(A) continued emergency assistance is immediately required;
(B) there is a continuing and immediate risk to lives, property, public health or safety; and
(C) necessary assistance will not otherwise be provided on a timely basis.

(3) Report

Whenever the limitation described in paragraph (1) is exceeded, the President shall report to the Congress on the nature and extent of emergency assistance requirements and shall propose additional legislation if necessary.


SUBCHAPTER IV–B—EMERGENCY PREPAREDNESS

§ 5195. Declaration of policy

The purpose of this subchapter is to provide a system of emergency preparedness for the protection of life and property in the United States from hazards and to vest responsibility for emergency preparedness jointly in the Federal Government and the States and their political subdivisions. The Congress recognizes that the organizational structure established jointly by the Federal Government and the States and their political subdivisions for emergency preparedness purposes can be effectively utilized to provide relief and assistance to people in areas of the United States struck by a hazard. The Federal Government shall provide necessary direction, coordination, and guidance, and shall provide necessary assistance, as authorized in this subchapter so that a comprehensive emergency preparedness system exists for all hazards.


PRIOR PROVISIONS

Provisions similar to those in this section were contained in section 2251 of the former Appendix to Title

TRANSFER OF FUNCTIONS

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

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

MULTIHAZARD PREPAREDNESS AND MITIGATION


"(1) The Administrator of the Federal Emergency Management Agency (hereinafter referred to as the 'Director') is authorized and directed to:

(a) initiate, within one year after the date of enactment of this Act, a systematic study of the objectives of developing and defining a multihazard research, planning, and implementation process within the Agency;

(b) develop, within one year after the date of enactment of this Act, a systematic process for preparing a multihazard mitigation agenda for the Nation; and

(c) submit to Congress within one hundred and eighty days after the date of enactment of this Act a report on the status of the Agency's emergency information and communication systems which will include:

(1) a report on the status of the Agency's emergency information and communication systems; and

(2) the potential for using communication and remote sensing satellites as part of the Agency's emergency information and communication system; and

(3) the type of system to be developed, if needed, including the relationship of the proposed system to the existing and emerging information and communication systems in other Federal agencies; and

(4) a program of multihazard research, planning, and mitigation in coordination with those studies and evaluations authorized in paragraphs (1) through (5), as well as other related studies, planning, and mitigation deemed necessary by the Director;

(5) conduct a program of emergency first response programs so as to better train and prepare emergency personnel to meet emergencies outside of their primary field of service; and

(6) conduct a program of planning, preparedness, and mitigation related to the multiple direct and indirect hazards resulting from the occurrence of large earthquakes.

'SEC. 302. (a) For the fiscal year ending September 30, 1981, there are authorized to be appropriated to the Director $1,000,000 to carry out paragraphs (1) through (5) of section 301 and such sums as may be necessary to carry out paragraph (6) of such section.

(b) For the fiscal year ending September 30, 1982, there are authorized to be appropriated to the Director—

(1) $4,939,000 to carry out section 301, which amount shall include—

(A) not less than $700,000 to carry out the purposes of paragraphs (1) through (6) of such section;

(B) such sums as may be necessary, but in any case not less than $939,000, for use by the United States Fire Administration in carrying out paragraph (7) of such section; and

(C) not less than $1,535,000 to carry out paragraph (6) of such section with respect to the large California earthquakes which were identified by the National Security Council's Ad Hoc Committee on Assessment of Consequences and Preparations for a Major California Earthquake; and

(2) such further sums as may be necessary for adjustments required by law in salaries, pay, retirement, and employee benefits incurred in the conduct of activities for which funds are authorized by paragraph (1) of this subsection.

(c) For the fiscal year ending September 30, 1983, there are authorized to be appropriated to the Director:

(1) $2,774,000 to carry out section 301, which amount shall include—

(A) not less than $300,000 to carry out the purposes of paragraphs (1) through (6) of such section;

(B) such sums as may be necessary, but in any case not less than $939,000, for use by the United States Fire Administration in carrying out paragraph (7) of such section; and

(C) not less than $1,535,000 to carry out paragraph (6) of such section with respect to the large California earthquakes which were identified by the National Security Council's Ad Hoc Committee on Assessment of Consequences and Preparations for a Major California Earthquake and with respect to
other high seismic risk areas in the United States; and

"(2) such further sums as may be necessary for ad-

justments required by law in salaries, pay, retire-

ment, and employee benefits incurred in the conduct

of activities for which funds are authorized by para-

graph (1) of this subsection."

REORGANIZATION PLAN NO. 1 OF 1958

Eff. July 1, 1958, 23 F.R. 4991, 72 Stat. 1799, as amended


Prepared by the President and transmitted to the Senate and House of Representatives in Congress assembled, April 21, 1958, pursuant to the provisions of the Reorganization Act of 1949, approved June 20, 1949, as amended (see 5 U.S.C. 901 et seq.).

CIVILIAN MOBILIZATION

SECTION 1. TRANSFER OF FUNCTIONS TO THE PRESIDENT

(a) There are hereby transferred to the President of the United States all functions vested by law (including reorganization plan) in the following: The Office of Defense Mobilization, the Director of the Office of Defense Mobilization, the Federal Civil Defense Administration, and the Federal Civil Defense Administrator.

(b) The President may from time to time delegate any of the functions transferred to him by subsection (a) of this section to any officer, agency, or employee of the executive branch of the Government, and may authorize such officer, agency, or employee to redelegate any of such functions delegated to him.

SEC. 2. OFFICE OF EMERGENCY PREPAREDNESS

[The Office of Emergency Preparedness including the offices of Director and Deputy Director, and all offices of Assistant Director, were abolished by Reorg. Plan No. 1 of 1973, §3(a)(1), eff. July 1, 1973, 38 F.R. 9579, 87 Stat. 1089, set out below.]

SEC. 3. REGIONAL DIRECTORS

[All offices of Regional Director of the Office of Emergency Preparedness were abolished by Reorg. Plan No. 1 of 1973, §3(a)(1), eff. July 1, 1973, 38 F.R. 9579, 87 Stat. 1089, set out below.]

SEC. 4. MEMBERSHIP ON NATIONAL SECURITY COUNCIL

[The functions of the Director of the Office of Emergency Preparedness as a member of the National Security Council were abolished by Reorg. Plan No. 1 of 1973, §3(a)(2), eff. July 1, 1973, 38 F.R. 9579, 87 Stat. 1089, set out below.]

SEC. 5. CIVIL DEFENSE ADVISORY COUNCIL

[The Civil Defense Advisory Council, together with its functions, was abolished by Reorg. Plan No. 1 of 1973, §3(a)(1), eff. July 1, 1973, 38 F.R. 9579, 87 Stat. 1089, set out below.]

SEC. 6. ABOLITIONS

The offices of Federal Civil Defense Administrator and Deputy Administrator provided for in section 101 of the Federal Civil Defense Act (former 50 U.S.C. App. 2271) and the offices of the Director of the Office of Defense Mobilization and Deputy Director of the Office of Defense Mobilization provided for in section 1 of Reorganization Plan Numbered 3 of 1953 (67 Stat. 634) are hereby abolished. The Director of the Office of Emergency Preparedness shall make such provisions as may be necessary in order to wind up any outstanding affairs of the offices abolished by this section which are not otherwise provided for in this reorganization plan.


SEC. 7. RECORDS, PROPERTY, PERSONNEL, AND FUNDS

(a) The records, property, personnel, and unexpended balances, available or to be made available, of appropriations, allocations, and other funds of the Office of Defense Mobilization and of the Federal Civil Defense Administration shall, upon the taking effect of the provisions of this reorganization plan, become records, property, personnel, and unexpended balances of the Office of Emergency Preparedness.

(b) Records, property, personnel, and unexpended balances, available or to be made available, of appropriations, allocations, and other funds of any agency (including the Office of Emergency Preparedness), relating to functions vested in or delegated to or assigned to the Office of Defense Mobilization or the Federal Civil Defense Administration immediately prior to the taking effect of the provisions of this reorganization plan, may be transferred from time to time to any other agency of the Government by the Director of the Bureau of the Budget under authority of this subsection for use, subject to the provisions of the Reorganization Act of 1949, as amended, in connection with any of the said functions authorized at time of transfer under this subsection to be performed by the transferee agency.

(c) Such further measures and dispositions as the Director of the Bureau of the Budget shall determine to be necessary in connection with the provisions of subsections (a) and (b) of this section shall be carried out in such manner as he shall direct and by such agencies as he shall designate. [As amended Pub. L. 90–608, ch. IV, §402, Oct. 21, 1968, 82 Stat. 1194.]

SEC. 8. INTERIM PROVISIONS

The President may authorize any person who immediately prior to the effective date of this reorganization plan holds an office abolished by section 6 hereof to hold any office established by section 2 of this reorganization plan until the latter office is filled pursuant to the said section 2 or by recess appointment, as the case may be, but in no event for any period extending more than 120 days after the said effective date.

SEC. 9. EFFECTIVE DATE

The provisions of this reorganization plan shall take effect at the time determined under the provisions of section 6(a) of the Reorganization Act of 1949, as amended, or on July 1, 1958, whichever is later.

MESSAGE OF THE PRESIDENT

To the Congress of the United States:

I transmit herewith Reorganization Plan No. 1 of 1958, prepared in accordance with the Reorganization Act of 1949, as amended, and on July 1, 1958, whichever is later.

The principal effects of the organization plan are—
First, it transfers to the President the functions vested by law in the Federal Civil Defense Administration and those so vested in the Office of Defense Mobilization. The result is to establish a single pattern with respect to the vesting of defense mobilization and civil defense functions. At the present time disparity exists in that civil defense functions are vested in the President to a limited degree while a major part of the functions administered by the Office of Defense Mobilization are vested by law in the President and delegated by him to that Office. Under the plan, the broad program responsibilities for coordinating and conducting the interrelated defense mobilization and civil defense functions will be vested in the President for appropriate delegation as the rapidly changing character of the nonmilitary preparedness program warrants.

Second, the reorganization plan consolidates the Office of Defense Mobilization and the Federal Civil Defense Administration to form a new Office of Defense and Civilian Mobilization in the Executive Office of the President. I have concluded that, in many instances, the interests and activities of the Office of Defense Mobilization and the Federal Civil Defense Administration overlap to such a degree that it is not possible to work out a satisfactory division of those activities and interests between the two agencies. I have also concluded that a single civilian mobilization agency of appropriate stature and authority is needed and that such an agency will ensue from the consolidation and from the granting of suitable authority to that agency for directing and coordinating the preparedness activities of the Federal departments and agencies and for providing unified guidance and assistance to the State and local governments.

Third, the reorganization plan transfers the membership of the Director of the Office of Defense Mobilization on the National Security Council to the Director of the Office of Defense and Civilian Mobilization and also transfers the Civil Defense Advisory Council to the Office of Defense and Civilian Mobilization. Initially, the Office of Defense and Civilian Mobilization will perform the civil defense and defense mobilization functions now performed by the Office of Defense Mobilization and the Federal Civil Defense Administration. One of its first tasks will be to advise me with respect to the actions to be taken to clarify and expand the roles of the Federal departments and agencies in carrying out nonmilitary defense preparedness functions. After such actions are taken, the direction and coordination of the civil defense and defense mobilization activities assigned to the departments and agencies will comprise a principal remaining responsibility of the Office of Defense and Civilian Mobilization.

I have found and hereby declare that each reorganization included in Reorganization Plan No. 1 of 1958 is necessary to accomplish one or more of the purposes set forth in section 2(a) of the Reorganization Act of 1949, as amended. I have also found and hereby declare that it is necessary to include in the accompanying reorganization plan, by reason of reorganizations made thereby, provisions for the appointment and compensation of new officers specified in sections 2 and 3 of the plan. The rates of compensation fixed for these officers are, respectively those which I have found to prevail in respect of comparable officers in the executive branch of the Government.

The taking effect of the reorganizations included in Reorganization Plan No. 1 of 1958 will immediately reduce the number of Federal agencies by one and, by providing sounder organizational arrangements for the administration of the affected functions, should promote the increased economy and effectiveness of the Federal expenditures concerned. It is, however, impracticable to itemize at this time the reduction of expenditures which it is probable will be brought about by such taking effect. I urge that the Congress allow the reorganization plan to become effective.

Dwight D. Eisenhower.
MESSAGE OF THE PRESIDENT

To the Congress of the United States:

On January 5 I announced a three-part program to streamline the executive branch of the Federal Government by concentrating responsibility in the President's immediate staff and more in the hands of the departments and agencies. This program should significantly improve the services of the Government. I believe these reforms have become so urgently necessary that I intend, with the cooperation of the Congress, to pursue them with all of the resources of my office during the coming year.

The first part of this program is a renewed drive to achieve passage of my legislative proposals to overhaul the Cabinet departments. Secondly, I have appointed three Cabinet Secretaries as Counsellors to the President with coordinating responsibilities in the broad areas of human resources, natural resources, and community development, and five Assistants to the President with special responsibilities in the areas of domestic affairs, economic affairs, foreign affairs, executive management, and operations of the White House.

The third part of this program is a sharp reduction in the overall size of the Executive Office of the President and a reorientation of that office back to its original mission as a staff for top-level policy formation and monitoring of policy execution in broad functional areas. The Executive Office of the President should no longer be encumbered with the task of managing or administering programs which can be run more effectively by the departments and agencies. I have therefore concluded that a number of specialized operational and program functions should be shifted out of the Executive Office into the line departments and agencies of the Government. Reorganization Plan No. 1 of 1973, transmitted herewith, would effect such changes with respect to emergency preparedness functions and scientific and technological affairs.

STREAMLINING THE FEDERAL SCIENCE ESTABLISHMENT

When the National Science Foundation was established by an act of the Congress in 1950, its statutory responsibilities included evaluation of the Government's scientific research programs and development of basic science policy. In the late 1950's, however, with the effectiveness of the U.S. science effort under serious scrutiny as a result of Sputnik, the post of Science Adviser to the President was established. The White House became increasingly involved in the evaluation and coordination of research and development programs and in science policy matters, and that involvement was institutionalized in 1962 when a reorganization plan established the Office of Science and Technology within the Executive Office of the President, through transfer of authorities formerly vested in the National Science Foundation.

With advice and assistance from OST during the past decade; the scientific and technological capability of the Government has been markedly strengthened. This administration is firmly committed to a sustained, broadbased national effort in science and technology, as I made plain last year in the first special message on the subject ever sent by a President to the Congress. The research and development capability of the various executive departments and agencies, civilian as well as defense, has been upgraded. The National Science Foundation has broadened from its earlier concentration on basic research support to take on a significant role in applied research as well. It has matured in its ability to play a coordinating and evaluative role within the Government and between the public and private sectors.

I have therefore concluded that it is timely and appropriate to transfer to the Director of the National Science Foundation all functions presently vested in the Office of Science and Technology, and to abolish that office. Reorganization Plan No. 1 would effect these changes.

The multi-disciplinary staff resources of the Foundation will provide analytic capabilities for performance of the transferred functions. In addition, the Director of the Foundation will be able to draw on expertise from all of the Federal agencies, as well as from outside the Government, for assistance in carrying out his new responsibilities.

It is also my intention, after the transfer of responsibilities is effected, to ask Dr. H. Guyford Stever, the current Director of the Foundation, to take on the additional post of Science Adviser. In this capacity he would advise and assist the White House, Office of Management and Budget, Domestic Council, and other entities within the Executive Office of the President on matters where scientific and technological expertise is called for, and would act as the President's representative in selected cooperative programs in international scientific affairs, including chairing such joint bodies as the U.S.–U.S.S.R. Joint Commission on Scientific and Technical Cooperation.

In the case of national security, the Department of Defense has strong capabilities for assessing weapons needs and for undertaking new weapons development, and the President will continue to draw primarily on this source for advice regarding military technology.

The President in special situations also may seek independent studies or assessments concerning military technology from within or outside the Federal establishment, using the machinery of the National Security Council for this purpose, as well as the Science Adviser when appropriate.

In one special area of technology—space and aeronautics—a coordinating council has existed within the Executive Office of the President since 1960. This body, the National Aeronautics and Space Council, met a major need during the evolution of our nation's space program. Vice President Agnew has served with distinction as its chairman for the past four years. At my request, beginning in 1969, the Vice President also chaired a special Space Task Group charged with developing strategy alternatives for a balanced U.S. space program in the coming years.

As a result of this work, basic policy issues in the United States space effort have been resolved, and the necessary interagency relationships have been established. I have therefore concluded, with the Vice President's concurrence, that the Council can be discontinued. Needed policy coordination can now be achieved through the resources of the executive departments and agencies, such as the National Aeronautics and Space Administration, augmented by some of the former Council staff. Accordingly, my reorganization plan proposes the abolition of the National Aeronautics and Space Council.

A NEW APPROACH TO EMERGENCY PREPAREDNESS

The organization within the Executive Office of the President which has been known in recent years as the Office of Emergency Preparedness dates back, through its numerous predecessor agencies, more than 20 years. It has performed valuable functions in developing plans for emergency preparedness, in administering Federal disaster relief, and in overseeing and assisting the agencies in this area.

OEP's work as a coordinating and supervisory authority in this field has in fact been so effective—particularly under the leadership of General George A. Lincoln, its director for the past four years, who retired earlier this month after an exceptional military and public service career—that the line departments and agencies which in the past have shared in the performance of the various preparedness functions now possess the capability to assume full responsibility for those functions. In the interest of efficiency and economy, we can now further streamline the Executive Office of the President by formally relocating those responsibilities and closing the Office of Emergency Preparedness.

I propose to accomplish this reform in two steps. First, Reorganization Plan No. 1 would transfer to the
President all functions previously vested by law in the Office or its Director, except the Director’s role as a member of the National Security Council, which would be abolished; and it would abolish the Office of Emergency Preparedness.

The functions to be transferred to the President from OEP are largely incidental to emergency authorities already vested in him. They include functions under the Disaster Relief Act of 1970 (42 U.S.C. 4601 et seq.); the function of determining whether a major disaster has occurred within the meaning of (1) Section 7 of the Act of September 30, 1952, as amended, 20 U.S.C. 241-1, or (2) Section 762(a) of the Higher Education Act of 1965, as added by Section 161(a) of the Education Amendments of 1972, Public Law 92-318, 86 Stat. 298 at 299 (relating to the furnishing by the Commissioner of Education of disaster relief assistance for educational purposes) (20 U.S.C. 1132d–1); and functions under Section 232 of the Trade Expansion Act of 1962, as amended (19 U.S.C. 1802), with respect to the conduct of investigations to determine the effects on national security of the importation of certain articles.

The Civil Defense Advisory Council within OEP would also be abolished by this plan, as changes in domestic and international conditions since its establishment in 1950 have now obviated the need for a standing council of this type. Should advice of the kind the Council has provided be required again in the future, State and local officials and experts in the field can be consulted on an ad hoc basis.

Second, as soon as the plan became effective, I would delegate OEP’s former functions as follows:

All OEP responsibilities having to do with preparedness for and relief of civil emergencies and disasters would be transferred to the Department of Housing and Urban Development. This would provide greater field capabilities for coordination of Federal disaster assistance with that provided by States and local communities, and would be in keeping with the objective of creating a broad, new Department of Community Development.

OEP’s responsibilities for measures to ensure the continuity of civil government operations in the event of major military attack would be reassigned to the General Services Administration, as would responsibility for resource mobilization including the management of national security stockpiles, with policy guidance in both cases to be provided by the National Security Council, and with economic considerations relating to changes in stockpile levels to be coordinated by the Council on Economic Policy.

Investigations of imports which might threaten the national security—assigned to OEP by Section 232 of the Trade Expansion Act of 1962 (19 U.S.C. 1802)—would be reassigned to the Treasury Department, whose other trade studies give it a readymade capability in this field; the National Security Council would maintain its supervisory role over strategic imports.

Those disaster relief authorities which have been reserved to the President in the past, such as the authority to declare major disasters, will continue to be exercised by him under these new arrangements. In emergency situations calling for rapid interagency coordination, the Federal response will be coordinated by the Executive Office of the President under the general supervision of the Assistant to the President in charge of executive management.

The Oil Policy Committee will continue to function as in the past, unaffected by this reorganization, except that I will designate the Deputy Secretary of the Treasury as chairman in place of the Director of OEP. The committee will operate under the general supervision of the Assistant to the President in charge of economic affairs.

DECLARATIONS

After investigation, I have found that each action included in the accompanying plan is necessary to accomplish one or more of the purposes set forth in Section 901(a) of title 5 of the United States Code. In particular, the plan is responsive to the intention of the Congress as expressed in Section 901(a)(1), “to promote better execution of the laws, more effective management of the executive branch and of its agencies and functions, and expeditious administration of the public business;” and in Section 901(a)(3), “to increase the efficiency of the Government to the fullest extent practicable;” and in Section 901(a)(5), “to reduce the number of agencies by consolidating those having similar functions under a single head, and to abolish such agencies or their functions may not be necessary for the efficient conduct of the Government.”

While it is not practicable to specify all of the expenditure reductions and other economies which will result from the actions proposed, personnel and budget savings from abolition of the National Aeronautics and Space Council and the Office of Science and Technology alone will exceed $2 million annually, and additional savings should result from a reduction of Executive Pay Schedule positions now associated with other transferred and delegated functions.

The plan has as its one logically consistent subject matter the streamlining of the Executive Office of the President and the disposition of major responsibilities currently conducted in the Executive Office of the President, which can better be performed elsewhere or abolished.

The functions which would be abolished by this plan, and the statutory authorities for each, are:

(1) the functions of the Director of the Office of Emergency Preparedness with respect to being a member of the National Security Council (Sec. 101, National Security Act of 1947, as amended, 50 U.S.C. 402 [now 50 U.S.C. 3021]); and Sec. 4, Reorganization Plan No. 1 of 1958);

(2) the functions of the Civil Defense Advisory Council (Sec. 102(a) Federal Civil Defense Act of 1950; [former] 50 U.S.C. App. 2272(a)); and

(3) the functions of the National Aeronautics and Space Council (Sec. 201, National Aeronautics and Space Act of 1958; 42 U.S.C. 2471).

The proposed reorganization is a necessary part of the restructuring of the Executive Office of the President. It would provide through the Director of the National Science Foundation a strong focus for Federal efforts to encourage the development and application of science and technology to meet national needs. It would mean better preparedness for and swifter response to civil emergencies, and more reliable precautions against threats of national security. It would mean better preparedness for and swifter response to civil emergencies, and more reliable precautions against threats of national security.

I am confident that this reorganization plan would significantly increase the overall efficiency and effectiveness of the Federal Government. I urge the Congress to allow it to become effective.
§ 5195

EXECUTIVE ORDER NO. 10346


EXECUTIVE ORDER NO. 10529


EXECUTIVE ORDER NO. 10611

Ex. Ord. No. 10611, May 11, 1955, 20 F.R. 3245, which related to establishment of the Civil Defense Coordinating Board, was revoked by section 7(7) of Ex. Ord. No. 10773.

EXECUTIVE ORDER NO. 10773


EXECUTIVE ORDER NO. 10902

Ex. Ord. No. 10902, Jan. 9, 1961, 26 F.R. 217, which related to the issuance of emergency preparedness orders, was superseded by Ex. Ord. No. 11051, Sept. 27, 1962, 27 F.R. 9683, see below.

EXECUTIVE ORDER NO. 10952


EXECUTIVE ORDER NO. 10958


EXECUTIVE ORDER NO. 10997


EXECUTIVE ORDER NO. 10998

Ex. Ord. No. 10998, Feb. 16, 1962, 27 F.R. 1524, which related to assignment of emergency preparedness functions to Secretary of Agriculture, was revoked by Ex. Ord. No. 11490, Oct. 28, 1969, 34 F.R. 17567, see below.

EXECUTIVE ORDER NO. 10999


EXECUTIVE ORDER NO. 11000

Ex. Ord. No. 11000, Feb. 16, 1962, 27 F.R. 1532, which related to assignment of emergency preparedness functions to Secretary of Labor, was revoked by Ex. Ord. No. 11490, Oct. 28, 1969, 34 F.R. 17567, see below.
tions to Federal Communications Commission, was revoked by Ex. Ord. No. 11490, Oct. 28, 1969, 34 F.R. 17567, see below.

**Executive Order No. 11093**

**Executive Order No. 11094**

**Executive Order No. 11095**

**Executive Order No. 11426**

**Executive Order No. 11490**

**Executive Order No. 11522**

**Executive Order No. 11725**

**Executive Order No. 11726**
Ex. Ord. No. 11726, Nov. 7, 1973, 38 F.R. 30991, which related to the assignment of emergency preparedness functions to the Department of the Treasury, was superseded by Ex. Ord. No. 11921, June 11, 1976, 41 F.R. 24294.


**SECTION I. TRANSFERS OR REASSIGNMENTS.**

1–1. **Transfer or Reassignment of Existing Functions.**

1–101. All functions vested in the President that have been delegated or assigned to the Defense Civil Preparedness Agency, Department of Defense, are transferred or reassigned to the Secretary of Homeland Security.

1–102. All functions vested in the President that have been delegated or assigned to the Federal Disaster Assistance Administration, Department of Housing and Urban Development, are transferred or reassigned to the Secretary of Homeland Security, including any of those functions redelegated or reassigned to the Department of Commerce with respect to assistance to communities in the development of readiness plans for severe weather-related emergencies.

1–103. All functions vested in the President that have been delegated or assigned to the Federal Preparedness Agency, General Services Administration, are transferred or reassigned to the Secretary of Homeland Security.

1–104. All functions vested in the President by the Earthquake Hazards Reduction Act of 1977 (42 U.S.C. 7701 et seq.), including those functions performed by the Office of Science and Technology Policy, are delegated, transferred, or reassigned to the Secretary of Homeland Security.

**SECTION 2. TRANSFER OR REASSIGNMENT OF RESOURCES.**

2–1. **Transfer or Reassignment of Resources.**

2–101. The records, property, personnel and positions, and unexpended balances of appropriations, available or to be made available, which relate to the functions transferred, reassigned, or redelegated by this Order are hereby transferred to the Secretary of Homeland Security.

2–102. The Director of the Office of Management and Budget shall make such determinations, issue such orders, and take all actions necessary or appropriate to effectuate the transfers or reassignments provided by this Order, including the transfer of funds, records, property, and personnel.

The President shall periodically review and evaluate the civil defense and civil
emergency functions of the Executive agencies. In order to improve the efficiency and effectiveness of those functions, the Secretary of Homeland Security shall recommend to the President alternative methods of providing Federal planning, management, mitigation, and assistance.

2-103. The Secretary of Homeland Security shall be responsible for the coordination of efforts to promote dam safety, for the coordination of natural and nuclear disaster warning systems, and for the coordination of preparedness and planning to reduce the consequences of terrorist incidents.

2-104. The Secretary of Homeland Security shall represent the President in working with State and local governments, the private sector, and volunteer organizations to stimulate vigorous participation in civil emergency preparedness, mitigation, response, and recovery programs.

2-105. The Secretary of Homeland Security shall provide an annual report to the President for subsequent transmittal to the Congress on the functions of the Department of Homeland Security. The report shall assess the current overall state of effectiveness of Federal civil defense and civil emergency functions, organizations, resources, and systems and recommend measures to be taken to improve planning, management, assistance, and relief by all levels of government, the private sector, and volunteer organizations.

2-2. Implementation.

2-201. In executing the functions under this Order, the Secretary of Homeland Security shall develop policies which provide that all civil defense and civil emergency functions, resources, and systems of Executive agencies are:

(a) founded on the use of existing organizations, resources, and systems to the maximum extent practicable;

(b) integrated effectively with organizations, resources, and programs of State and local governments, the private sector and volunteer organizations; and

(c) developed, tested and utilized to prepare for, mitigate, and recover from the effects on the population of all forms of emergencies.

2-202. Assignments of civil emergency functions shall, whenever possible, be based on extensions (under emergency conditions) of the regular missions of the Executive agencies.

2-203. For purposes of this Order, "civil emergency" means any accidental, natural, man-caused, or wartime emergency or threat thereof, which causes, or may cause substantial injury or harm to the population or substantial damage to or loss of property.

2-204. In order that civil defense planning continues to be fully compatible with the Nation's overall strategic policy, and in order to maintain an effective link between strategic nuclear planning and nuclear attack preparedness planning, the development of civil defense policies and programs by the Secretary of Homeland Security shall be subject to oversight by the Secretary of Defense and the National Security Council.

2-205. To the extent authorized by law and within available resources, the Secretary of Defense shall provide the Secretary of Homeland Security with support for civil defense programs in the areas of program development and administration, technical support, research, communications, transportation, intelligence, and emergency operations.

2-206. All Executive agencies shall cooperate with and assist the Secretary of Homeland Security in the performance of his functions.


2-301. The functions which have been transferred, reassigned, or redelegated by Section 1 of this Order are recodified and revised as set forth in this Order at Section 4, and as provided by the amendments made by Section 5 to the provisions of other Orders.

2-302. Notwithstanding the revocations, revisions, codifications, and amendments made by this Order, the Secretary of Homeland Security may continue to perform the functions transferred to him by Section 1 of this Order, except where they may otherwise be inconsistent with the provisions of this Order.

[^1]: The Federal Emergency Management Agency (FEMA) was established in 1979 to succeed the Federal Emergency Administration, which itself had been established in 1958.

[^2]: The National Security Act of 1947 established the National Security Council (NSC), which plays a central role in coordinating national security policies.

[^3]: The Federal Civil Defense Act of 1950 was a key piece of legislation that set the stage for the development of the civil defense program.

[^4]: The Federal Civil Defense Administration was replaced by the Office of Emergency Preparedness in 1958, which in turn was succeeded by the Office of Civil and Defense Mobilization in 1961.

[^5]: The National Defense Act of 1950 established the President's authority over the armed forces and defense agencies.

[^6]: The Office of Emergency Preparedness was later renamed the Office of Economic Opportunity (OEO) in 1965.


[^8]: The National Security Act of 1947 established the National Security Council (NSC), which plays a central role in coordinating national security policies.

[^9]: The Federal Civil Defense Act of 1950 was a key piece of legislation that set the stage for the development of the civil defense program.

[^10]: The Federal Civil Defense Administration was replaced by the Office of Emergency Preparedness in 1958, which in turn was succeeded by the Office of Civil and Defense Mobilization in 1961.

[^11]: The National Defense Act of 1950 established the President's authority over the armed forces and defense agencies.

[^12]: The Office of Emergency Preparedness was later renamed the Office of Economic Opportunity (OEO) in 1965.

4–202. The functions (related to grants for damages resulting from hurricane and tropical storm Agnes) vested in the President by Section 4 of Public Law 92–354 (86 Stat. 556) are hereby delegated to the Secretary of Homeland Security.

Section 5(c) 4–203. The functions vested in the President by the Robert T. Stafford Disaster Relief and Emergency Assistance Act, as amended (42 U.S.C. 5121 et seq.), except those functions vested in the President by Section 401 (relating to the declaration of major disasters and emergencies) (42 U.S.C. 5170), Section 501 (relating to the declaration of emergencies) (42 U.S.C. 5191), Section 405 (relating to the repair, reconstruction, restoration, or replacement of Federal facilities) (42 U.S.C. 5171), and Section 412 (relating to food coupons) and distribution (42 U.S.C. 5179), are hereby delegated to the Secretary of Homeland Security.

4–204. The functions vested in the President by the Earthquake Hazards Reduction Act of 1977, as amended (42 U.S.C. 7701 et seq.), are delegated to the Secretary of Homeland Security.

4–205. Effective July 30, 1979, the functions vested in the President by Section 4(h) of the Commodity Credit Corporation Charter Act, as amended (15 U.S.C. 714h(b)), are hereby delegated to the Secretary of Homeland Security.

4–206. Effective July 30, 1979, the functions vested in the President by Section 204(f) of the Federal Property and Administrative Services Act of 1949, as amended (40 U.S.C. 574(d)), are hereby delegated to the Secretary of Homeland Security.


SEC. 5. OTHER EXECUTIVE ORDERS

5–1. Revocations.


5–102. Sections 1 and 2 of Executive Order No. 10296, as amended, entitled "Providing for the Performance of Certain Defense Housing and Community Facilities and Service Functions", are revoked.

5–103. Executive Order No. 10494, as amended, relating to the disposition of remaining functions, is revoked.

5–104. Executive Order No. 10529, as amended, relating to federal employee participation in State and local civil defense programs, is revoked.

5–105. Section 3 of Executive Order No. 10601, as amended, which concerns the Commodity Set Aside, is revoked.

5–106. Executive Order No. 10634, as amended, relating to loans for facilities destroyed or damaged by a major disaster, is revoked.

5–107. Section 4(d)(2) of Executive Order No. 10990, as amended, which concerns foreign currencies made available to make purchases for the supplemental stockpile, is revoked.

5–108. Executive Order No. 10992, as amended, entitled "Assigning Civil Defense Responsibilities to the Secretary of Defense and Others", is revoked.

5–109. Executive Order No. 11051, as amended, relating to responsibilities of the Office of Emergency Preparedness, is revoked.

5–110. Executive Order No. 11145, as amended, relating to the Health Resources Advisory Committee, is revoked.

5–111. Executive Order No. 11795, as amended, entitled "Delegating Disaster Relief Functions Pursuant to the Disaster Relief Act of 1974", is revoked, except for Section 3 thereof.


5–113. Executive Order No. 11749, as amended, entitled "Consolidating Disaster Relief Functions Assigned to the Secretary of Housing and Urban Development" is revoked.

5–2. Amendments.

5–201. Executive Order No. 10421, as amended, relating to physical security of defense facilities (formerly set out under 50 U.S.C. 404, which was reclassified and renumbered as 50 U.S.C. 3042) is further amended by (a) substituting the "Director of the Federal Emergency Management Agency" for "Director of the Office of Emergency Planning" in Sections 3(a), 1(c), and 6(b); and, (b) substituting "Federal Emergency Management Agency" for "Office of Emergency Planning" in Sections 6(b) and 7(b).

5–202. Executive Order No. 10460, as amended (former 50 U.S.C. App. 2153 note), is further amended by (a) substituting "Director of the Federal Emergency Management Agency" for "Director of the Office of Emergency Planning" in Sections 101(a), 101(b), 201(a), 201(b), 301, 304, 305, 306, 310(b), 311(b), 312, 313, 401(b), 401(e), and 605; and, (b) substituting "Director of the Federal Emergency Management Agency" for "Administrator of General Services" in Sections 305, 501, and 610.

5–203. Section 3(d) of Executive Order No. 10582, as amended (41 U.S.C. 8303 note), which relates to determinations under the Buy American Act is amended by deleting "Director of the Office of Emergency Planning" and substituting therefor "Director of the Federal Emergency Management Agency".


5–205. Executive Order No. 11179, as amended, concerning the National Defense Executive Reserve (former 50 U.S.C. App. 2153 note), is further amended by deleting "Director of the Office of Emergency Planning" and substituting therefor "Director of the Federal Emergency Management Agency".

5–206. Executive Order No. 11191, as amended, concerning energy policy and conservation (42 U.S.C. 6201 note), is further amended by deleting "Administrator of General Services" and substituting therefore "Director of the Federal Emergency Management Agency".

5–207. Section 2(d) of Executive Order No. 11888 entitled "Floodplain Management" (42 U.S.C. 4321 note) is amended by deleting "Federal Insurance Administration" and substituting therefor "Director of the Federal Emergency Management Agency".


5–209. Section 1–201 of [former] Executive Order No. 12050 is amended by adding "The Director of the Federal Emergency Management Agency" after "The Administrator, National Aeronautics and Space Administration" and by deleting "Director, Federal Preparedness Agency and to the" from the parentheses after "The Administrator of General Services".


5–211. Section 1–102 of Executive Order No. 11983 of September 27, 1978 [42 U.S.C. 7101 note] is amended by adding in alphabetical order "(q) the Director of the Federal Emergency Management Agency".

5–212. Section 9.11(b) of Civil Service Rule IX (5 CFR Part 9) [former 5 U.S.C. 3301 note] is amended by deleting "the Defense Civil Preparedness Agency and".


5–214. Executive Order No. 11990, as amended [see note above] is further amended as follows:

(a) Delete the last sentence of Section 102(a) and substitute therefor the following: "The activities under-
WHEREAS the Congress has directed the development of such national security emergency preparedness plans and has provided funds for the accomplishment thereof.

NOW, THEREFORE, by virtue of the authority vested in me as President by the Constitution and laws of the United States of America, and pursuant to Reorganization Plan No. 1 of 1958 (72 Stat. 1790) (set out above), the National Security Act of 1947, as amended (50 U.S.C. 3001 et seq.), the Defense Production Act of 1950, as amended [see 50 U.S.C. 4001], and the Federal Civil Defense Act, as amended, it is hereby ordered that the responsibilities of the Federal departments and agencies in national security emergencies shall be as follows:

PART 1—PRELIMINARY


(a) The policy of the United States is to have sufficient capabilities at all levels of government to meet essential defense and civilian needs during any national security emergency. A national security emergency is any occurrence, including natural disaster, military policies, technological emergencies, or other emergencies, that seriously degrades or seriously threatens the national security of the United States. Policy for national security emergency preparedness shall be established by the President. Pursuant to the President’s direction, the National Security Council shall be responsible for developing and administering such policy, except that the Homeland Security Council shall be responsible for administering such policy with respect to terrorist threats and attacks within the United States.

All national security emergency preparedness activities shall be consistent with the Constitution and laws of the United States and with preservation of the constitutional government of the United States.

(b) Effective national security emergency preparedness planning requires: identification of functions that would have to be performed during such an emergency; development of plans for performing these functions; and development of the capability to execute those plans.

SEC. 102. Purpose.

(a) The purpose of this Order is to assign national security emergency preparedness responsibilities to Federal departments and agencies. These assignments are based, whenever possible, on extensions of the regular missions of the departments and agencies.

(b) This Order does not constitute authority to implement the plans prepared pursuant to this Order. Plans so developed may be executed only in the event that authority for such execution is authorized by law.

SEC. 103. Scope.

(a) This Order addresses national security emergency preparedness functions and activities. As used in this Order, preparedness functions and activities include, as appropriate, policies, plans, procedures, and readiness measures that enhance the ability of the United States Government to mobilize for, respond to, and recover from a national security emergency.

(b) This Order does not apply to those natural disasters, technological emergencies, or other emergencies, the alleviation of which is normally the responsibility of individuals, the private sector, volunteer organizations, State and local governments, and Federal departments and agencies unless such situations also constitute a national security emergency.

(c) This Order does not require the provision of information concerning, or evaluation of, military policies, plans, programs, or states of military readiness.

(d) This Order does not apply to national security emergency preparedness telecommunications functions and responsibilities that are otherwise assigned by Executive Order 12472 (formerly set out above).

(a) The National Security Council is the principal forum for consideration of national security emergency preparedness policy, except that the Homeland Security Council is the principal forum for consideration of policy relating to terrorist threats and attacks within the United States.

(b) The National Security Council and the Homeland Security Council shall arrange for Executive branch liaison with, and assistance to, the Congress and the Federal judiciary on national security-emergency preparedness matters.

(c) The Secretary of Homeland Security shall serve as an advisor to the National Security Council and the Homeland Security Council on issues of national security emergency preparedness, including mobilization preparedness, civil defense, continuity of government, technological disasters, and other issues, as appropriate. Pursuant to such procedures for the organization and management of the National Security Council and Homeland Security Council processes as the President may establish, the Secretary of Homeland Security also shall assist in the implementation of and management of those processes as the President may establish. The Secretary of Homeland Security also shall assist in the implementation of national security emergency preparedness policy by coordinating with the other Federal departments and agencies and with State and local governments, and by providing periodic reports to the National Security Council and the Homeland Security Council on implementation of national security emergency preparedness policy.

(d) National security emergency preparedness functions that are shared by more than one agency shall be coordinated by the head of the Federal department or agency having primary responsibility and shall be supported by the heads of other departments and agencies having related responsibilities.

(e) There shall be a national security emergency exercise program that shall be supported by the heads of all appropriate Federal departments and agencies.

(f) Plans and procedures will be designed and developed to provide maximum flexibility to the President for his implementation of emergency actions.

S.C. 105. Interagency Coordination.

(a) All appropriate Cabinet members and agency heads shall be consulted regarding national security emergency preparedness programs and policy issues. Each department and agency shall support interagency coordination to improve preparedness and response to a national security emergency and shall maintain decentralized capabilities wherever feasible and appropriate.

(b) Each Federal department and agency shall work within the framework established by, and cooperate with those organizations assigned responsibility in, Executive Order No. 12472 [formerly set out above], to ensure adequate national security emergency preparedness telecommunications in support of the functions and activities addressed by this Order.

PART 2—GENERAL PROVISIONS

S.C. 201. General. The head of each Federal department and agency, as appropriate, shall:

(1) Be prepared to respond adequately to all national security emergencies, including those that are international in scope, and those that may occur within any region of the Nation;

(2) Consider national security emergency preparedness factors in the conduct of his or her regular functions, particularly those functions essential in time of emergency. Emergency plans and programs, and an appropriate state of readiness, including organizational infrastructure, shall be developed as an integral part of the continuing activities of each Federal department and agency;

(3) Appoint a senior policy official as Emergency Coordinator, responsible for developing and maintaining a multiagency, national security emergency plan for the department or agency to include objectives, programs, and budgetary requirements;

(4) Design preparedness measures to permit a rapid and effective transition from routine to emergency operations, and to make effective use of the period following the receipt of initial indication of a probable national security emergency. This will include:

(a) Development of a system of emergency actions that defines alternatives, processes, and issues to be considered during various stages of national security emergencies;

(b) Identification of actions that could be taken in the early stages of a national security emergency or pending national security emergency to mitigate the impact of or reduce significantly the lead times associated with full emergency action implementation;

(5) Base national security emergency preparedness measures on the use of existing authorities, organizations, resources, and systems to the maximum extent practicable;

(6) Identify areas where additional legal authorities may be needed to assist management and, consistent with applicable Executive orders, take appropriate measures toward acquiring those authorities;

(7) Make policy recommendations to the National Security Council and the Homeland Security Council regarding national security emergency preparedness activities and functions of the Federal Government;

(8) Coordinate with State and local government agencies and other organizations, including private sector organizations, when appropriate. Federal plans should include appropriate involvement of and reliance upon private sector organizations in the response to national security emergencies;

(9) Assist State, local, and private sector entities in developing plans for mitigating the effects of national security emergencies and for providing services that are essential to a national response;

(10) Cooperate, to the extent appropriate, in compiling, evaluating, and exchanging relevant data related to all aspects of national security emergency preparedness;

(11) Develop programs regarding congressional relations and public information that could be used during national security emergencies;

(12) Ensure a capability to provide, during a national security emergency, information concerning Acts of Congress, presidential proclamations, Executive orders, regulations, and notices of other actions to the Archivist of the United States, for publication in the Federal Register, or to each agency designated to maintain the Federal Register in an emergency;

(13) Develop and conduct training and education programs that incorporate emergency preparedness and civil defense information necessary to ensure an effective national response;

(14) Ensure that plans consider the consequences for essential services provided by State and local governments, and by the private sector, if the flow of Federal funds is interrupted;

(15) Consult and coordinate with the Secretary of Homeland Security to ensure that those activities and plans are consistent with current Presidential guidelines and policies.

S.C. 202. Continuity of Government. The head of each Federal department and agency shall ensure the continuity of essential functions in any national security emergency by providing for: succession to office and emergency delegation of authority in accordance with applicable law; safeguarding of essential resources, facilities, and records; and establishment of emergency operating capabilities.

S.C. 203. Resource Management. The head of each Federal department and agency, as appropriate within assigned areas of responsibility, shall:

(1) Develop plans and programs to mobilize personnel (including reservist programs), equipment, facilities, and other resources;

(2) Assess essential emergency requirements and plan for the possible use of alternative resources to meet essential demands during and following national security emergencies;
§ 5195  TITLE 42—THE PUBLIC HEALTH AND WELFARE  Page 5868

(3) Prepare plans and procedures to share between and among the responsible agencies resources such as energy, equipment, food, land, materials, minerals, spare supplies, transportation, water, and workforce needed to carry out assigned responsibilities and other essential functions, and cooperate with other agencies in developing programs to ensure availability of such resources in a national security emergency;

(4) Develop plans to set priorities and allocate resources among civilian and military claimants;

(5) Identify occupations and skills for which there may be a critical need in the event of a national security emergency.

SISC. 204. Protection of Essential Resources and Facilities. The head of each Federal department and agency, within assigned areas of responsibility, shall:

(1) Identify facilities and resources, both government and private, essential to the national defense and national welfare, and assess their vulnerabilities and develop strategies, plans, and programs to provide for the security of such facilities and resources, and to avoid or minimize disruptions of essential services during any national security emergency;

(2) Participate in interagency activities to assess the relative importance of various facilities and resources to essential military and civilian needs and to integrate preparedness and response strategies and procedures;

(3) Maintain a capability to assess promptly the effect of attack and other disruptions during national security emergencies.

SISC. 205. Federal Benefit, Insurance, and Loan Programs. The head of each Federal department and agency that administers a loan, insurance, or benefit program that relies upon the Federal Government payment system shall coordinate with the Secretary of the Treasury in developing plans for the continuation or restoration, to the extent feasible, of such programs in national security emergencies.

SISC. 206. Research. The Director of the Office of Science and Technology Policy and the heads of Federal departments and agencies having significant research and development programs shall advise the National Security Council and the Homeland Security Council of scientific and technological developments that should be considered in national security emergency preparedness planning.

SISC. 207. Redelegation. The head of each Federal department and agency is hereby authorized, to the extent otherwise permitted by law, to delegate the functions assigned by this Order, and to authorize successive redelegations to organizations, officers, or employees within that department or agency.

SISC. 208. Transfer of Functions. Recommendations for interagency transfer of any emergency preparedness function assigned under this Order or for assignment of any new emergency preparedness function shall be coordinated with all affected Federal departments and agencies before submission to the National Security Council or the Homeland Security Council.

SISC. 209. Retention of Existing Authority. Nothing in this Order shall be deemed to derogate from assignments of functions to any Federal department or agency or officer thereof made by law.

PART 3—DEPARTMENT OF AGRICULTURE

SISC. 301. Lead Responsibilities. In addition to the applicable responsibilities covered in Parts 1 and 2, the Secretary of Agriculture shall:

(1) Develop plans to provide for the continuation of agriculture production, food processing, storage, and distribution through the wholesale level in national security emergencies, and to provide for the domestic distribution of feed, seed, fertilizer, and farm equipment to agricultural producers;

(2) Develop plans to provide food and agricultural products to meet international responsibilities in national security emergencies;

(3) Develop plans and procedures for administration and use of Commodity Credit Corporation inventories of food and fiber resources in national security emergencies;

(4) Develop plans for the use of resources under the jurisdiction of the Secretary of Agriculture and, in cooperation with the Secretaries of Commerce, Defense, and the Interior, the Board of Directors of the Tennessee Valley Authority, and the heads of other government agencies, plan for the national security emergency management, production, and processing of forest products;

(5) Develop, in coordination with the Secretary of Defense, plans and programs for water, livestock, and critical agricultural materials.

SISC. 302. Support Responsibility. The Secretary of Agriculture shall assist the Secretary of Defense in formulating and carrying out plans for stockpiling strategic and critical agricultural materials.

PART 4—DEPARTMENT OF COMMERCE

SISC. 401. Lead Responsibilities. In addition to the applicable responsibilities covered in Parts 1 and 2, the Secretary of Commerce shall:

(1) Develop control systems for priorities, allocation, production, and distribution of materials and other resources that will be available to support both national defense and essential civilian programs in a national security emergency;

(2) In cooperation with the Secretary of Defense and other departments and agencies, identify those industrial products and facilities that are essential to mobilization readiness, national defense, or post-attack survival and recovery;

(3) (Revoked by Ex. Ord. No. 13603, § 803(a), Mar. 16, 2012, 77 F.R. 16660.)

(4) Develop plans for providing emergency assistance to the private sector through direct or participation loans for the financing of production facilities and equipment.

(5) In cooperation with the Secretaries of State, Defense, Transportation, and the Treasury, prepare plans to regulate and control exports and imports in national security emergencies;

(6) Provide for the collection and reporting of census information on human and economic resources, and
maintain a capability to conduct emergency surveys to provide information on the status of these resources as required for national security purposes;

(6) Develop overall plans and programs to ensure that the fishing industry continues to produce and process essential protein in national security emergencies;

(9) Develop plans to provide meteorological, hydrological, oceanographic, and aerospace marine data to the Department of Energy as appropriate, to prepare for the use of such materials.

(10) In coordination with the Secretary of Commerce, the National Aeronautics and Space Administration, and the Federal Emergency Management Agency, plans and systems to ensure that the Nation's human resources are available to meet essential military and civilian needs in national security emergencies;

(10) Develop national security emergency operational procedures, and coordinate with the Secretary of Defense and other Federal departments and agencies, for the transition of stockpile to actual production capability, taking into account the potential effects of national security emergencies on actual production capability, taking into account the potential effects of national security emergencies.

PART 5—DEPARTMENT OF DEFENSE

SEC. 501. Lead Responsibilities. In addition to the applicable responsibilities covered in Parts 1 and 2, the Secretary of Defense shall:

(1) Assist the Secretary of Defense in formulating and carrying out plans for stockpiling strategic and critical materials;

(2) Support the Secretary of Agriculture in planning for the national security management, production, and processing of forest and fishery products;

(3) Assist, in consultation with the Secretaries of State and Defense, the Secretary of the Treasury in the formulation and execution of economic measures affecting other nations.

(4) Support Responsibilities. The Secretary of Commerce shall:

(1) Assist the Secretary of Defense in formulating and carrying out plans for stockpiling strategic and critical materials;

(2) In coordination with the Secretary of Commerce, develop, with industry, government, and the private sector, the capabilities for the rapid increase of defense production to include industrial resources required for that production;

(3) Develop and maintain, in cooperation with the heads of other departments and agencies, overall plans for the management, control, and allocation of all usable waters from all sources within the jurisdiction of the United States. This includes:

(a) Coordination of national security emergency water resource planning at the national, regional, State, and local levels;

(b) Development of plans to assure emergency provision of water from public works projects under the jurisdiction of the Secretary of the Army to public water supply utilities and critical defense production facilities during national security emergencies;

(c) Development of plans to assure emergency operation of waterways and harbors; and

(d) Development of plans to assure the provision of potable water;

(7) In consultation with the Secretaries of State and Energy, the Secretary of Homeland Security, and others, as required, develop plans and capabilities for identifying, analyzing, mitigating, and responding to hazards related to nuclear weapons, materials, and devices; and maintain liaison, as appropriate, with the Secretary of Energy and the Members of the Nuclear Regulatory Commission to ensure the continuity of nuclear weapons production and the appropriate allocation of scarce resources, including the recapitulation of special nuclear materials from Nuclear Regulatory Commission licensees when appropriate;

(8) Coordinate with the Administrator of the National Aeronautics and Space Administration [sic] to provide meteorological, hydrological, oceanographic, and aerospace marine data and services to the Federal, State, and local agencies, as appropriate;

(10) In coordination with the Secretary of the Army, the Secretary of Homeland Security, represent the United States in industry-related international (NATO and allied) civil emergency preparedness planning and related activities.

SEC. 502. Support Responsibilities. The Secretary of Commerce shall:

(1) Assist the Secretary of Defense in formulating and carrying out plans for stockpiling strategic and critical materials;

(2) Support the Secretary of Agriculture in planning for the national security management, production, and processing of forest and fishery products;

(3) Assist, in consultation with the Secretaries of State and Defense, the Secretary of the Treasury in the formulation and execution of economic measures affecting other nations.

(4) Support Responsibilities. The Secretary of Commerce shall:

(1) Assist the Secretary of Defense in formulating and carrying out plans for stockpiling strategic and critical materials;

(2) In coordination with the Secretary of Commerce, develop, with industry, government, and the private sector, the capabilities for the rapid increase of defense production to include industrial resources required for that production;

(3) Develop and maintain, in cooperation with the heads of other departments and agencies, overall plans for the management, control, and allocation of all usable waters from all sources within the jurisdiction of the United States. This includes:

(a) Coordination of national security emergency water resource planning at the national, regional, State, and local levels;

(b) Development of plans to assure emergency provision of water from public works projects under the jurisdiction of the Secretary of the Army to public water supply utilities and critical defense production facilities during national security emergencies;

(c) Development of plans to assure emergency operation of waterways and harbors; and

(d) Development of plans to assure the provision of potable water;

(7) In consultation with the Secretaries of State and Energy, the Secretary of Homeland Security, and others, as required, develop plans and capabilities for identifying, analyzing, mitigating, and responding to hazards related to nuclear weapons, materials, and devices; and maintain liaison, as appropriate, with the Secretary of Energy and the Members of the Nuclear Regulatory Commission to ensure the continuity of nuclear weapons production and the appropriate allocation of scarce resources, including the recapitulation of special nuclear materials from Nuclear Regulatory Commission licensees when appropriate;

(8) Coordinate with the Administrator of the National Aeronautics and Space Administration [sic] to provide meteorological, hydrological, oceanographic, and aerospace marine data and services to the Federal, State, and local agencies, as appropriate;

(10) In coordination with the Secretary of the Army, the Secretary of Homeland Security, represent the United States in industry-related international (NATO and allied) civil emergency preparedness planning and related activities.

(4) Support Responsibilities. The Secretary of Commerce shall:

(1) Assist the Secretary of Defense in formulating and carrying out plans for stockpiling strategic and critical materials;

(2) In coordination with the Secretary of Commerce, develop, with industry, government, and the private sector, the capabilities for the rapid increase of defense production to include industrial resources required for that production;

(3) Develop and maintain, in cooperation with the heads of other departments and agencies, overall plans for the management, control, and allocation of all usable waters from all sources within the jurisdiction of the United States. This includes:

(a) Coordination of national security emergency water resource planning at the national, regional, State, and local levels;

(b) Development of plans to assure emergency provision of water from public works projects under the jurisdiction of the Secretary of the Army to public water supply utilities and critical defense production facilities during national security emergencies;

(c) Development of plans to assure emergency operation of waterways and harbors; and

(d) Development of plans to assure the provision of potable water;

(7) In consultation with the Secretaries of State and Energy, the Secretary of Homeland Security, and others, as required, develop plans and capabilities for identifying, analyzing, mitigating, and responding to hazards related to nuclear weapons, materials, and devices; and maintain liaison, as appropriate, with the Secretary of Energy and the Members of the Nuclear Regulatory Commission to ensure the continuity of nuclear weapons production and the appropriate allocation of scarce resources, including the recapitulation of special nuclear materials from Nuclear Regulatory Commission licensees when appropriate;

(8) Coordinate with the Administrator of the National Aeronautics and Space Administration [sic] to provide meteorological, hydrological, oceanographic, and aerospace marine data and services to the Federal, State, and local agencies, as appropriate;

(10) In coordination with the Secretary of the Army, the Secretary of Homeland Security, represent the United States in industry-related international (NATO and allied) civil emergency preparedness planning and related activities.

(5) Support Responsibilities. The Secretary of Commerce shall:

(1) Assist the Secretary of Defense in formulating and carrying out plans for stockpiling strategic and critical materials;

(2) In coordination with the Secretary of Commerce, develop, with industry, government, and the private sector, the capabilities for the rapid increase of defense production to include industrial resources required for that production;

(3) Develop and maintain, in cooperation with the heads of other departments and agencies, overall plans for the management, control, and allocation of all usable waters from all sources within the jurisdiction of the United States. This includes:

(a) Coordination of national security emergency water resource planning at the national, regional, State, and local levels;

(b) Development of plans to assure emergency provision of water from public works projects under the jurisdiction of the Secretary of the Army to public water supply utilities and critical defense production facilities during national security emergencies;

(c) Development of plans to assure emergency operation of waterways and harbors; and

(d) Development of plans to assure the provision of potable water;

(7) In consultation with the Secretaries of State and Energy, the Secretary of Homeland Security, and others, as required, develop plans and capabilities for identifying, analyzing, mitigating, and responding to hazards related to nuclear weapons, materials, and devices; and maintain liaison, as appropriate, with the Secretary of Energy and the Members of the Nuclear Regulatory Commission to ensure the continuity of nuclear weapons production and the appropriate allocation of scarce resources, including the recapitulation of special nuclear materials from Nuclear Regulatory Commission licensees when appropriate;
propriate, in planning for the protection, evacuation, and repatriation of United States citizens in threatened areas overseas;

(5) Support the Secretary of Housing and Urban Development and the heads of other agencies, as appropriate, in the development of plans to restore community facilities;

(6) Support the Secretary of Energy in international liaison activities pertaining to nuclear materials facilities;

(7) In consultation with the Secretaries of State and Commerce, assist the Secretary of the Treasury in the formulation and execution of economic measures that affect other nations;

(8) In consultation with the Secretaries of State and the heads of other Federal departments and agencies as appropriate in the formulation and implementation of foreign policy, and the negotiation of contingency and post-emergency plans, intergovernmental agreements, and arrangements with allies and friendly nations, which affect national security;

(9) Coordinate with the Secretary of Homeland Security the development of plans for mutual civil-military support during national security emergencies;

(10) Develop plans to support the Secretary of Labor in providing education and training to overcome shortages of critical skills.

PART 6—DEPARTMENT OF EDUCATION

Succ. 601. Lead Responsibilities. In addition to the applicable responsibilities covered in Parts 1 and 2, the Secretary of Education shall:

(1) Assist school systems in developing their plans to provide for the earliest possible resumption of activities following national security emergencies;

(2) Develop plans to provide assistance, including efforts to meet shortages of critical educational personnel, to local educational agencies;

(3) Develop plans, in coordination with the Secretary of Homeland Security, for dissemination of emergency preparedness instructional material through educational institutions and the media during national security emergencies.

Succ. 602. Support Responsibilities. The Secretary of Education shall:

(1) Develop plans to support the Secretary of Labor in providing education and training to overcome shortages of critical skills;

(2) Support the Secretary of Health and Human Services in the development of human services educational and training materials, including self-help program materials for use by human service organizations and professional schools.

PART 7—DEPARTMENT OF ENERGY

Succ. 701. Lead Responsibilities. In addition to the applicable responsibilities covered in Parts 1 and 2, the Secretary of Energy shall:

(1) Conduct national security emergency preparedness planning, including capabilities development, and administer operational programs for all energy resources, including:

(a) Providing information, in cooperation with Federal, State, and energy industry officials, on energy supply and demand conditions and on the requirements for and the availability of materials and services critical to energy supply systems;

(b) In coordination with appropriate departments and agencies and in consultations with the energy industry, develop implementation plans and operational systems for priorities and allocation of all energy resource requirements for national defense and essential civilian needs to assure national security emergency preparedness support;

(c) Developing, in consultation with the Board of Directors of the Tennessee Valley Authority, plans necessary for the integration of its power system into the national supply system;

(d) Identify energy facilities essential to the mobilization, deployment, and sustainment of resources to support the national security and national welfare, and develop energy supply and demand strategies to ensure continued provision of minimum essential services in national security emergencies;

(3) In coordination with the Secretary of Defense, ensure continuity of nuclear weapons production consistent with national security requirements;

(4) Assure the security of nuclear materials, nuclear weapons, or devices in the custody of the Department of Energy, as well as the security of all other Department of Energy programs and facilities;

(5) In consultation with the Secretaries of State and Defense and the Secretary of Homeland Security, conduct appropriate international liaison activities pertaining to matters within the jurisdiction of the Department of Energy;

(6) In consultation with the Secretaries of State, Defense, and Homeland Security, the Members of the Nuclear Regulatory Commission, and others, as required, develop plans and capabilities for identification, analysis, damage assessment, and mitigation of hazards from nuclear weapons, materials, and devices;

(7) Coordinate with the Secretary of Transportation in the planning and management of transportation resources involved in the bulk movement of energy;

(8) At the request of or with the concurrence of the Nuclear Regulatory Commission and in consultation with the Secretary of Defense, recapture special nuclear materials from Nuclear Regulatory Commission licensees where necessary to assure the use, preservation, or safeguarding of such material for the common defense and security;

(9) Develop national security emergency operational procedures for the control, utilization, acquisition, leasing, assignment, and priority of occupancy of real property within the jurisdiction of the Department of Energy;

(10) Manage all emergency planning and response activities pertaining to Department of Energy nuclear facilities.

Succ. 702. Support Responsibilities. The Secretary of Energy shall:

(1) Provide advice and assistance, in coordination with appropriate agencies, to Federal, State, and local officials and private sector organizations to assess the radiological impact associated with national security emergencies;

(2) Coordinate with the Secretaries of Defense and the Interior regarding the operation of hydroelectric projects to assure maximum energy output;

(3) Support the Secretary of Housing and Urban Development and the heads of other agencies, as appropriate, in the development of plans to restore community facilities;

(4) Coordinate with the Secretary of Agriculture regarding the emergency preparedness of the rural electric supply systems throughout the Nation and the assignment of emergency preparedness responsibilities to the Rural Electrification Administration.

PART 8—DEPARTMENT OF HEALTH AND HUMAN SERVICES

Succ. 801. Lead Responsibilities. In addition to the applicable responsibilities covered in Parts 1 and 2, the Secretary of Health and Human Services shall:

(1) Develop national plans and programs to mobilize the health industry and health resources for the provision of health, mental health, and medical services in national security emergencies;

(2) Promote the development of State and local plans and programs for provision of health, mental health, and medical services in national security emergencies;

(3) Develop national plans to set priorities and allocate health, mental health, and medical services' resources among civilian and military claimants;

(4) Develop health and medical survival information programs and a nationwide program to train health and mental health professionals and paraprofessionals in special knowledge and skills that would be useful in national security emergencies;

(5) Develop programs to reduce or eliminate adverse health and mental health effects produced by hazardous
agents (biological, chemical, or radiological), and, in coordination with appropriate Federal agencies, develop programs to minimize property and environmental damage associated with national security emergencies;

(6) Develop guidelines that will assure reasonable and prudent standards of purity and/or safety in the manufacture and distribution of food, drugs, biological products, medical devices, food additives, and radiological products in national security emergencies;

(7) Develop national plans for assisting State and local governments in rehabilitation of persons injured or disabled during national security emergencies;

(8) Develop plans and procedures to assist State and local governments in the provision of emergency human services, including lodging, feeding, clothing, registration and inquiry, social services, family reunification and mortuary services and interment;

(9) Develop, in coordination with the Secretary of Education, human services educational and training materials for use by human service organizations and professional schools; and develop and distribute, in coordination with the Secretary of Homeland Security, civil defense information relative to emergency human services;

(10) Develop plans and procedures, in coordination with the heads of Federal departments and agencies, for assistance to United States citizens or others evacuated from overseas areas.

SEC. 802. Support Responsibility. The Secretary of Health and Human Services shall support the Secretary of Agriculture in the development of plans related to national security emergency agricultural health services.

PART 9—DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

SEC. 901. Lead Responsibilities. In addition to the applicable responsibilities covered in Parts 1 and 2, the Secretary of Housing and Urban Development shall:

(1) Develop plans for provision and management of housing in national security emergencies, including:

(a) Providing temporary housing using Federal financing and other arrangements;

(b) Providing for radiation protection by encouraging voluntary construction of shelters and voluntary use of cost-efficient design and construction techniques to maximize population protection;

(2) Develop plans, in cooperation with the heads of other Federal departments and agencies and State and local governments, to restore community facilities, including electrical power, potable water, and sewage disposal facilities, damaged in national security emergencies;

PART 10—DEPARTMENT OF THE INTERIOR

SEC. 1001. Lead Responsibilities. In addition to the applicable responsibilities covered in Parts 1 and 2, the Secretary of the Interior shall:

(1) Develop programs and encourage the exploration, development, and mining of strategic and critical and other nonfuel minerals for national security emergency purposes;

(2) Provide guidance to mining industries in the development of plans and programs to ensure continuity of production during national security emergencies;

(3) Develop and implement plans for the management, control, allocation, and use of public land under the jurisdiction of the Department of the Interior in national security emergencies and coordinate land emergency planning at the Federal, State, and local levels.

SEC. 1002. Support Responsibilities. The Secretary of the Interior shall:

(1) Assist the Secretary of Defense in formulating and carrying out plans for stockpiling strategic and critical minerals;

(2) Cooperate with the Secretary of Commerce in the identification and evaluation of facilities essential for national security emergencies;

(3) Support the Secretary of Agriculture in planning for the national security management, production, and processing of forest products.

PART 11—DEPARTMENT OF JUSTICE

SEC. 1101. Lead Responsibilities. In addition to the applicable responsibilities covered in Parts 1 and 2, the Attorney General of the United States shall:

(1) Provide legal advice to the President and the heads of Federal departments and agencies and their successors regarding national security emergency powers, plans, and authorities;

(2) Coordinate Federal Government domestic law enforcement activities related to national security emergency preparedness, including Federal law enforcement liaison with, and assistance to, State and local governments;

(3) Coordinate contingency planning for national security emergency law enforcement activities that are beyond the capabilities of State and local agencies;

(4) Develop national security emergency plans for regulation of immigration, regulation of nationals of enemy countries, and plans to implement laws for the control of persons entering or leaving the United States;

(5) Develop plans and procedures for the custody and protection of prisoners and the use of Federal penal and correctional institutions and resources during national security emergencies;

(6) Provide information and assistance to the Federal Judicial branch and the Federal Legislative branch concerning law enforcement, continuity of government, and the exercise of legal authority during national security emergencies;

(7) Develop intergovernmental and interagency law enforcement plans and counterterrorism programs to interdict and respond to terrorism incidents in the United States that may result in a national security emergency or that occur during such an emergency;

(8) Develop intergovernmental and interagency law enforcement plans to respond to civil disturbances that may result in a national security emergency or that occur during such an emergency.

SEC. 1102. Support Responsibilities. The Attorney General of the United States shall:

(1) Assist the heads of Federal departments and agencies, State and local governments, and the private sector in the development of plans to physically protect essential resources and facilities;

(2) Support the Secretaries of State and the Treasury in plans for the protection of international organizations and foreign diplomatic, consular, and other official personnel, property, and other assets within the jurisdiction of the United States;

(3) Support the Secretary of the Treasury in developing plans to control the movement of property entering and leaving the United States;

(4) Support the heads of other Federal departments and agencies and State and local governments in developing programs and plans for identifying fatalities and reuniting families in national security emergencies;

(5) Support the intelligence community in the planning of its counterintelligence and counterterrorism programs.

PART 12—DEPARTMENT OF LABOR

SEC. 1201. Lead Responsibilities. In addition to the applicable responsibilities covered in Parts 1 and 2, the Secretary of Labor shall:

(1) Develop plans and issue guidance to ensure effective use of civilian workforce resources during national security emergencies. Such plans shall include, but not necessarily be limited to:

(a) Priorities and allocations, recruitment, referral, training, employment stabilization including appeals procedures, use assessment, and determination of critical skill categories; and

(b) Programs for increasing the availability of critical workforce skills and occupations;
(2) In consultation with the Secretary of the Treasury, develop plans and procedures for wage, salary, and benefit costs stabilization during national security emergencies;

(3) Develop plans and procedures for protecting and providing incentives for the civilian labor force during national security emergencies;

(4) In consultation with other appropriate government agencies and private entities, develop plans and procedures for effective labor-management relations during national security emergencies;

(5) Assist the Attorney General of the United States for the reduction of vulnerability, maintenance, restoration, and operation of privately owned railroads, motor carriers, inland waterway transportation systems, and public storage facilities and services in national security emergencies.

PART 15—DEPARTMENT OF THE TREASURY

§ 1502. Support Responsibilities. The Secretary of the Treasury shall:

(1) Develop plans to provide for the smooth transition of the Coast Guard as a service to the Department of the Navy during national security emergencies. These plans shall be compatible with the Department of Defense planning systems, especially in the areas of port security and military readiness;

(2) Coordinate with State and local highway agencies in the management of all Federal, State, city, local, and other highways, roads, streets, bridges, tunnels, and public construction of merchant ships for military and civil use;

(3) Develop plans for emergency management and control of the National Airspace System, including provisions for the reduction of vulnerability, maintenance, restoration, and operation of privately owned railroads, motor carriers, inland waterway transportation systems, and public storage facilities and services in national security emergencies;

(4) Develop the Interstate Commerce Commission's development of plans and preparedness programs for the reduction of vulnerability, maintenance, restoration, and operation of privately owned railroads, motor carriers, inland waterway transportation systems, and public storage facilities and services in national security emergencies.

PART 16—DEPARTMENT OF JUSTICE

§ 1602. Support Responsibilities. The Attorney General of the United States shall:

(1) Support the Secretary of Energy in international nuclear materials facilitation and integration of United States policy regarding the formulation and implementation of civil defense emergency resources and plans for the control of persons entering or leaving the United States.

(2) Support the Director of Selective Service for the institution of civil defense industries during national security emergencies;

(3) Support planning by the Secretary of Defense and the private sector for the provision of human resources to critical defense industries during national security emergencies;

(4) Support planning by the Secretary of the Treasury for the provision of human resources to meet essential civil and military transportation needs in national security emergencies.

§ 1702. Support Responsibilities. The Secretary of Labor shall:

(1) Provide overall foreign policy coordination in the formulation and execution of continuity of government and other national security emergency preparedness activities that affect foreign relations;

(2) Assist the heads of other appropriate Federal departments and agencies, including, but not limited to:

(a) Formulation and implementation of foreign policy and negotiation regarding contingency and post-emergency plans, intergovernmental agreements, and arrangements with United States' allies;

(b) Formulation, negotiation, and execution of policy affecting the relationships of the United States with neutral states;

(c) Formulation and execution of political strategy toward hostile or enemy states;

(d) Conduct of mutual assistance activities;

(e) Provision of foreign assistance, including continuous supervision and general direction of authorized economic and military assistance programs;

(f) Protection of international organizations and foreign diplomatic, consular, and other official personnel and property, or other assets, in the United States, in coordination with the Attorney General and the Secretary of State;

(h) Formulation of policies and provisions for assistance to displaced persons and refugees abroad;

(i) Reports of and advising on conditions overseas that bear upon national security emergencies.

§ 1802. Support Responsibilities. The Director of Selective Service shall:

(1) Support planning by the Secretary of Defense and the private sector for the provision of human resources to critical defense industries during national security emergencies; and

(2) Support planning by the Secretary of the Treasury for the institution of civil defense industries during national security emergencies.

PART 17—SUPPORT RESPONSIBILITIES FOR THE INSTITUTION OF CIVIL DEFENSE INDUSTRIES DURING NATIONAL SECURITY EMERGENCIES

§ 1702. Support Responsibilities. The Secretary of Labor shall:

(1) Provide overall foreign policy coordination in the formulation and execution of continuity of government and other national security emergency preparedness activities that affect foreign relations;

(2) Assist the heads of other appropriate Federal departments and agencies, including, but not limited to:

(a) Formulation and implementation of foreign policy and negotiation regarding contingency and post-emergency plans, intergovernmental agreements, and arrangements with United States' allies;

(b) Formulation, negotiation, and execution of policy affecting the relationships of the United States with neutral states;

(c) Formulation and execution of political strategy toward hostile or enemy states;

(d) Conduct of mutual assistance activities;

(e) Provision of foreign assistance, including continuous supervision and general direction of authorized economic and military assistance programs;

(f) Protection of international organizations and foreign diplomatic, consular, and other official personnel and property, or other assets, in the United States, in coordination with the Attorney General and the Secretary of State;

(h) Formulation of policies and provisions for assistance to displaced persons and refugees abroad;

(i) Reports of and advising on conditions overseas that bear upon national security emergencies.

§ 1802. Support Responsibilities. The Director of Selective Service shall:

(1) Support planning by the Secretary of Defense and the private sector for the provision of human resources to critical defense industries during national security emergencies; and

(2) Support planning by the Secretary of the Treasury for the institution of civil defense industries during national security emergencies.

PART 18—SUPPORT RESPONSIBILITIES FOR THE FORMULATION OF NATIONAL SECURITY EMERGENCY PLANS

§ 1802. Support Responsibilities. The Secretary of Transportation shall:

(1) Provide overall foreign policy coordination in the formulation and execution of continuity of government and other national security emergency preparedness activities that affect foreign relations;

(2) Assist the heads of other appropriate Federal departments and agencies, including, but not limited to:

(a) Formulation and implementation of foreign policy and negotiation regarding contingency and post-emergency plans, intergovernmental agreements, and arrangements with United States' allies;

(b) Formulation, negotiation, and execution of policy affecting the relationships of the United States with neutral states;

(c) Formulation and execution of political strategy toward hostile or enemy states;

(d) Conduct of mutual assistance activities;

(e) Provision of foreign assistance, including continuous supervision and general direction of authorized economic and military assistance programs;

(f) Protection of international organizations and foreign diplomatic, consular, and other official personnel and property, or other assets, in the United States, in coordination with the Attorney General and the Secretary of State;

(h) Formulation of policies and provisions for assistance to displaced persons and refugees abroad;

(i) Reports of and advising on conditions overseas that bear upon national security emergencies.

§ 1902. Support Responsibilities. The Secretary of Transportation shall:

(1) Provide overall foreign policy coordination in the formulation and execution of continuity of government and other national security emergency preparedness activities that affect foreign relations;

(2) Assist the heads of other appropriate Federal departments and agencies, including, but not limited to:

(a) Formulation and implementation of foreign policy and negotiation regarding contingency and post-emergency plans, intergovernmental agreements, and arrangements with United States' allies;

(b) Formulation, negotiation, and execution of policy affecting the relationships of the United States with neutral states;

(c) Formulation and execution of political strategy toward hostile or enemy states;

(d) Conduct of mutual assistance activities;

(e) Provision of foreign assistance, including continuous supervision and general direction of authorized economic and military assistance programs;

(f) Protection of international organizations and foreign diplomatic, consular, and other official personnel and property, or other assets, in the United States, in coordination with the Attorney General and the Secretary of State;

(h) Formulation of policies and provisions for assistance to displaced persons and refugees abroad;

(i) Reports of and advising on conditions overseas that bear upon national security emergencies.
emergencies; emphasize measures to minimize inflation and disruptions; and, minimize reliance on direct controls of the monetary, credit, and financial systems. The plans will include provisions for:

(a) Increasing capabilities to minimize economic dislocations by carrying out appropriate fiscal, monetary, and regulatory policies and reducing susceptibility to minimized economic pressures;

(b) Providing the Federal Government with efficient and equitable financing sources and payment mechanisms;

(c) Providing fiscal authorities with adequate legal authority to meet resource requirements;

(d) Developing, in consultation with the Board of Governors of the Federal Reserve System, and in cooperation with the Board of Directors of the Federal Deposit Insurance Corporation, the Federal Home Loan Bank Board, the National Credit Union Administration Board, the Farm Credit Administration Board and other financial institutions, plans for the continued or resumed operation and liquidity of banks, savings and loans, credit unions, and farm credit institutions, measures for the reestablishment of evidence of assets or liabilities, and provisions for currency withdrawals and deposit insurance;

(2) Provide for the protection of United States financial resources including currency and coin production and redemption facilities, Federal check disbursement facilities, and precious monetary metals;

(3) Provide for the preservation of, and facilitate emergency operations of, public and private financial institution systems, and provide for their restoration during or after national security emergencies;

(4) Provide, in coordination with the Secretary of State, for participation in bilateral and multilateral financial arrangements with foreign governments;

(5) Maintain the Federal Government accounting and financial reporting system in national security emergencies;

(6) Develop plans to protect the President, the Vice President, other officers in the order of presidential succession, and other persons designated by the President;

(7) Develop plans for restoration of the economy following an attack; for the development of emergency monetary, credit, and Federal benefit payment programs of those Federal departments and agencies that have responsibilities dependent on the policies or capabilities of the Department of the Treasury; and for the implementation of national policy on sharing war losses;

(8) Develop plans for initiating tax changes, waiving regulations, and, in conjunction with the Secretary of Commerce or other guaranteeing agency, granting or guaranteeing loans for the expansion of industrial capacity, the development of technological processes, or the production or acquisition of essential materials;

(9) Develop plans, in coordination with the heads of other appropriate Federal departments and agencies, to acquire emergency imports, make foreign barter arrangements, or otherwise provide for essential material from foreign sources using, as appropriate, the resources of the Export-Import Bank or resources available to the Bank;

(10) Develop plans for encouraging capital inflow and discouraging the flight of capital from the United States and, in coordination with the Secretary of State, for the seizure and administration of assets of enemy aliens during national security emergencies;

(11) Develop plans, in consultation with the heads of appropriate Federal departments and agencies, to regulate financial and commercial transactions with other countries;

(12) Develop plans, in coordination with the Secretary of Commerce and the Attorney General of the United States, to control the movement of property entering or leaving the United States;

(13) Develop plans, in cooperation and consult with the Chairman of the Securities and Exchange Commission, the Chairman of the Federal Reserve Board, the Chairman of the Commodity Futures Trading Commission in the development of emergency financial control plans and regulations for trading of stocks and commodities, and in the development of plans for the maintenance and restoration of stable and orderly markets;

(14) Develop plans, in coordination with the Secretary of State, for the formulation and execution of economic measures with respect to other nations in national security emergencies.

Sect. 1502. Support Responsibilities. The Secretary of the Treasury shall:

(1) Cooperate with the Attorney General of the United States on law enforcement activities, including the control of people entering and leaving the United States;

(2) Support the Secretary of Labor in developing plans and procedures for wage, salary, and benefit costs stabilization;

(3) Support the Secretary of State in plans for the protection of international organizations and foreign diplomatic, consular, and other official personnel and property or other assets in the United States.

PART 16—ENVIRONMENTAL PROTECTION AGENCY

Sect. 1601. Lead Responsibilities. In addition to the applicable responsibilities covered in Parts 1 and 2, the Administrator of the Environmental Protection Agency shall:

(1) Develop Federal plans and foster development of State and local plans designed to prevent or minimize the ecological impact of hazardous agents (biological, chemical, or radiological) introduced into the environment in national security emergencies;

(2) Develop, for national security emergencies, guidance on acceptable emergency levels of nuclear radiation, assist in determining acceptable emergency levels of biological agents, and help to provide detection and identification of chemical agents;

(3) Develop, in coordination with the Secretary of Defense, plans to assure the provision of potable water supplies to meet community needs under national security emergency conditions, including claimancy for materials and equipment for public water systems.

Sect. 1602. Support Responsibilities. The Administrator of the Environmental Protection Agency shall:

(1) Assist the heads of other Federal agencies that are responsible for developing plans for the detection, reporting, assessment, protection against, and reduction of effects of hazardous agents introduced into the environment;

(2) Advise the heads of Federal departments and agencies regarding procedures for assuring compliance with environmental restrictions and for expeditious review of requests for essential waivers.

PART 17—DEPARTMENT OF HOMELAND SECURITY

Sect. 1701. Lead Responsibilities. In addition to the applicable responsibilities covered in Parts 1 and 2, the Secretary of Homeland Security shall:

(1) Coordinate and support the initiation, development, and implementation of national security emergency preparedness programs and plans among Federal departments and agencies;

(2) Coordinate the development and implementation of plans for the operation and continuity of essential domestic emergency functions of the Federal Government during national security emergencies;

(3) Coordinate the development of plans, in cooperation with the Secretary of Defense, for mutual civil-military support during national security emergencies;

(4) Guide and assist State and local governments and private sector organizations in achieving preparedness for national security emergencies, including development of plans and procedures for assuring continuity of government, and support planning for prompt and coordinated Federal assistance to States and localities in responding to national security emergencies;

(5) Provide the President, on a periodic assessment of Federal, State, and local capabilities to respond to national security emergencies;
(6) Coordinate the implementation of policies and programs for efficient mobilization of Federal, State, local, and private sector resources in response to national security emergencies;

(7) Develop and coordinate with all appropriate agencies civil defense programs to enhance Federal, State, local, and private sector capabilities for national security emergencies for the prevention, response to, and recovery from potential attacks and emerging threats to United States national security;

(8) Develop and support public information, education and training programs to assist Federal, State, local government and private sector entities in planning for and implementing national security emergencies programs;

(9) Coordinate among the heads of Federal, State, and local agencies the planning, conduct, and evaluation of national security emergency exercises;

(10) With the assistance of the heads of other appropriate Federal departments and agencies, develop and maintain capabilities to assess actual attack damage and residual recovery capabilities as well as capabilities to estimate the effects of potential attacks on the Nation;

(11) Provide guidance to the heads of Federal departments and agencies on the appropriate use of defense production authorities, including resource claimancy, in order to improve the capability of industry and infrastructure systems to meet national security emergency needs;

(12) Assist the Secretary of State in coordinating the formulation and implementation of United States policy for NATO and other allied civil defense emergency planning, including the provision of:

(a) advice and assistance to the departments and agencies in alliance civil emergency planning matters;

(b) support to the United States Mission to NATO in the conduct of day-to-day civil emergency planning activities; and

(c) support facilities for NATO Civil Wartime Agency in cooperation with the Departments of Agriculture, Commerce, Energy, State, and Transportation.

Scc. 1702. Support Responsibilities. The Secretary of Homeland Security shall:

(1) Support the heads of other Federal departments and agencies in preparing plans and programs to discharge their national security emergency preparedness responsibilities, including, but not limited to, such programs as mobilization preparedness, continuity of government planning, and continuity of industry and infrastructure functions essential to national security;

(2) Support the Secretary of Energy, the Secretary of Defense, and the Members of the National Regulatory Commission in developing plans and capabilities for identifying, analyzing, mitigating, and responding to emergencies related to nuclear weapons, materials, and devices, including mobile and fixed nuclear facilities, by providing, inter alia, off-site coordination;

(3) Support the Administrator of General Services in efforts to promote a government-wide program with respect to Federal buildings and installations to minimize the effects of attack and establish shelter management organizations.

PART 18—GENERAL SERVICES ADMINISTRATION

Scc. 1801. Lead Responsibilities. In addition to the applicable responsibilities covered in Parts 1 and 2, the Administrator of General Services shall:

(1) Develop national security emergency operational plans and procedures for the use of public utility services (other than telecommunications services) by Federal departments and agencies, except for Department of Energy-operated facilities;

(2) Develop plans and operating procedures of government-wide supply programs to meet the requirements of Federal departments and agencies during national security emergencies;

(3) Develop plans and operating procedures for the use, in national security emergencies, of excess and surplus real and personal property by Federal, State, and local governmental entities;

(4) Develop plans, in coordination with the Secretary of Homeland Security, with respect to Federal buildings and installations, to minimize the effects of attack and establish shelter management organizations;

Scc. 1802. Support Responsibilities. The Administrator of General Services shall develop plans to assist Federal departments and agencies in operation and maintenance of essential automated information processing facilities during national security emergencies: [ ]

PART 19—NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

Scc. 1901. Lead Responsibility. In addition to the applicable responsibilities covered in Parts 1 and 2, the Administrator of the National Aeronautics and Space Administration shall coordinate with the Secretary of Defense to prepare for the use, maintenance, and development of technologically advanced aerospace and aeronautical-related systems, equipment, and methodologies applicable to national security emergencies.

Scc. 2001. Lead Responsibilities. In addition to the applicable responsibilities covered in Parts 1 and 2, the Archivist of the United States shall:

(1) Develop procedures for publication during national security emergencies of the Federal Register for as broad public dissemination as is practicable of presidential proclamations and Executive orders, Federal administrative regulations, Federal emergency notices and actions, and Acts of Congress;

(2) Develop emergency procedures for providing instructions and advice on the handling and preservation of records critical to the operation of the Federal Government in national security emergencies;

PART 21—NUCLEAR REGULATORY COMMISSION

Scc. 2101. Lead Responsibilities. In addition to the applicable responsibilities covered in Parts 1 and 2, the Members of the Nuclear Regulatory Commission shall:

(1) Promote the development and maintenance of national security emergency preparedness programs through security and safeguards programs by licensed facilities and activities;

(2) Develop plans to suspend any licenses granted by the Commission; to order the operations of any facility licensed under Section 103 or 104; Atomic Energy Act of 1954, as amended (42 U.S.C. 2133 or 2134); to order the entry into any plant or facility in order to recapture special nuclear material as determined under Subsection (3) below; and operate such facilities;

(3) Recapture or authorize recapture of special nuclear materials from licensees where necessary to assure the use, preservation, or safeguarding of such materials for the common defense and security, as determined by the Commission or as requested by the Secretary of Energy.

Scc. 2102. Support Responsibilities. The Members of the Nuclear Regulatory Commission shall:

(1) Assist the Secretary of Energy in assessing damage to Commission-licensed facilities, identifying usable facilities, and estimating the time and actions necessary to reoccupy the facilities;

(2) Provide advice and technical assistance to Federal, State, and local officials and private sector orga-
organizations regarding radiation hazards and protective actions in national security emergencies.

PART 22—OFFICE OF PERSONNEL MANAGEMENT
SEC. 2201. Lead Responsibilities. In addition to the applicable responsibilities covered in Parts 1 and 2, the Director of the Office of Personnel Management shall:

(1) Develop plans to administer the Federal civilian personnel system in national security emergencies, including plans and procedures for the rapid mobilization and reduction of an emergency Federal workforce;

(2) Develop national security emergency work force policies for Federal civilian personnel;

(3) Develop plans to accommodate the surge of Federal personnel security background and pre-employment investigations during national security emergencies.

SEC. 2202. Support Responsibilities. The Director of the Office of Personnel Management shall:

(1) Assist the heads of other Federal departments and agencies with personnel management and staffing in national security emergencies, including facilitating transfers between agencies of employees with critical skills;

(2) In consultation with the Secretary of Defense and the Director of Selective Service, develop plans and procedures for a system to control any conscription of Federal civilian employees during national security emergencies.

PART 23—SELECTIVE SERVICE SYSTEM
SEC. 2301. Lead Responsibilities. In addition to the applicable responsibilities covered in Parts 1 and 2, the Director of Selective Service shall:

(1) Develop plans to provide by induction, as authorized by law, personnel that would be required by the armed forces during national security emergencies;

(2) Develop plans for implementing an alternative service program.

PART 24—TENNESSEE VALLEY AUTHORITY
SEC. 2401. Lead Responsibility. In addition to the applicable responsibilities covered in Parts 1 and 2, the Board of Directors of the Tennessee Valley Authority shall develop plans and maintain river control operations for the prevention or control of floods affecting the Tennessee River System during national security emergencies.

SEC. 2402. Support Responsibilities. The Board of Directors of the Tennessee Valley Authority shall:

(1) Assist the Secretary of Energy in the development of plans for the integration of the Tennessee Valley Authority power system into nationwide national security emergency programs;

(2) Assist the Secretaries of Defense, Interior, and Transportation and the Chairman of the Interstate Commerce Commission in the development of plans for operation and maintenance of inland waterway transportation in the Tennessee River System during national security emergencies.

PART 25—UNITED STATES INFORMATION AGENCY
SEC. 2501. Lead Responsibilities. In addition to the applicable responsibilities covered in Parts 1 and 2, the Director of the United States Information Agency shall:

(1) Plan for the implementation of information programs to promote an understanding abroad of the status of national security emergencies within the United States;

(2) In coordination with the Secretary of State’s exercise of telecommunications functions affecting United States diplomatic missions and consular offices overseas, maintain the capability to provide television and simultaneous direct radio broadcasting in major languages to all areas of the world, and the capability to provide wireless file to all United States embassies during national security emergencies.

SEC. 2502. Support Responsibility. The Director of the United States Information Agency shall assist the heads of other Federal departments and agencies in planning for the use of media resources and foreign public information programs during national security emergencies.

PART 26—UNITED STATES POSTAL SERVICE
SEC. 2601. Lead Responsibility. In addition to the applicable responsibilities covered in Parts 1 and 2, the Postmaster General shall prepare plans and programs to provide essential postal services during national security emergencies.

SEC. 2602. Support Responsibilities. The Postmaster General shall:

(1) Develop plans to assist the Attorney General of the United States in the registration of nationals of enemy countries residing in the United States;

(2) Develop plans to assist the Secretary of Health and Human Services in registering displaced persons and families;

(3) Develop plans to assist the heads of other Federal departments and agencies in locating and leasing privately owned property for Federal use during national security emergencies.

PART 27—VETERANS’ ADMINISTRATION
SEC. 2701. Lead Responsibilities. In addition to the applicable responsibilities covered in Parts 1 and 2, the Administrator of Veterans’ Affairs shall:

(1) Develop plans for provision of emergency health care services to veteran beneficiaries in Veterans’ Administration medical facilities, to active duty military personnel and, as resources permit, to civilians in communities affected by national security emergencies;

(2) Develop plans for mortuary services for eligible veterans, and advise on methods for interment of the dead during national security emergencies.

SEC. 2702. Support Responsibilities. The Administrator of Veterans’ Affairs shall:

(1) Assist the Secretary of Health and Human Services in developing national plans to mobilize the health care industry and medical resources during national security emergencies;

(2) Assist the Secretary of Health and Human Services in developing national plans to set priorities and allocate medical resources among civilian and military claimants.

PART 28—OFFICE OF MANAGEMENT AND BUDGET
SEC. 2801. In addition to the applicable responsibilities covered in Parts 1 and 2, the Director of the Office of Management and Budget shall prepare plans and programs to maintain its functions during national security emergencies. In connection with these functions, the Director of the Office of Management and Budget shall:

(1) Develop plans to ensure the preparation, clearance, and coordination of proposed Executive orders and proclamations;

(2) Prepare plans to ensure the preparation, supervision, and control of the budget and the formulation of the fiscal program of the Government;

(3) Develop plans to coordinate and communicate Executive branch views to the Congress regarding legislation and testimony by Executive branch officials;

(4) Develop plans for keeping the President informed of the activities of government agencies, continuing the Office of Management and Budget’s management functions, and maintaining presidential supervision and direction with respect to legislation and regulations in national security emergencies.
(b) In carrying out any of its responsibilities under this Order, DHS:

(1) shall work actively with the licensee, and, before relying upon its resources or those of any other Department or agency within the Executive branch, shall make maximum feasible use of the licensee’s resources; and

(2) shall take care not to supplant State and local governments except to the extent necessary to compensate for the nonparticipation or inadequate participation of those governments, and only as a last resort after appropriate consultation with the Governors and responsible local officials in the affected area regarding State and local participation;

(3) is authorized, to the extent permitted by law, to enter into interagency Memoranda of Understanding, providing for utilization of the resources of other Executive branch Departments and agencies and for delegation to other Executive branch Departments and agencies of any of the functions and duties assigned to DHS under this Order; however, any such Memorandum of Understanding shall be subject to approval by the Director of the Office of Management and Budget ("OMB") and published in final form in the Federal Register; and

(4) shall assume for purposes of Sections 3 and 4 of this Order that, in the event of an actual radiological emergency or disaster, State and local authorities would contribute their full resources and exercise their authorities in accordance with their duties to protect the public from harm and would act generally in conformity with the licensee’s radiological emergency preparedness plan.

(c) The Director of OMB shall resolve any issue concerning the obligation of Federal funds arising from the implementation of this Order. In resolving an issue under this Subsection, the Director of OMB shall ensure:

(1) that DHS has utilized to the maximum extent possible the resources of the licensee and State and local governments before it relies upon its appropriated and lawfully available resources or those of any Department or agency in the Executive branch;

(2) that DHS shall use its existing resources to coordinate and manage, rather than duplicate, other available resources;

(3) that implementation of this Order is accomplished with an economy of resources; and

(4) that full reimbursement to the Federal Government is provided, to the extent permitted by law.

§ 5195

TITLE 42—THE PUBLIC HEALTH AND WELFARE

PART 29—GENERAL

SEC. 2901. Executive Order Nos. 10421 and 11490, as amended, are hereby revoked. This Order shall be effective immediately.

[Responsibilities assigned to specific Federal officials pursuant to Ex. Ord. No. 12656, set out above, that are substantially the same as any responsibility assigned to, or function transferred to, the Secretary of Homeland Security pursuant to the Homeland Security Act of 2002, 6 U.S.C. 101 et seq., or intended or required to be carried out by an agency or an agency component transferred to the Department of Homeland Security by section 42 of Ex. Ord. No. 13286, Feb. 28, 2003, 68 F.R. 10626, set out as a note under section 111 of Title 6, Domestic Security.]
Sect. 4. Evaluation of Plans. (a) DHS shall consider and evaluate all plans developed under the authority of this Order as though drafted and submitted by a State or local government.

(b) DHS shall take all actions necessary to carry out the evaluation referred to in the preceding Subsection and to permit the NRC to conduct its evaluation of radiological emergency preparedness plans including, but not limited to, planning, participating in, and evaluating exercises, drills, and tests, on a timely basis, as necessary to satisfy NRC requirements for demonstrations of off-site radiological emergency preparedness.

Sect. 5. Response to a Radiological Emergency. (a) In the event of an actual radiological emergency or disaster, DHS shall take all steps necessary to ensure the implementation of the plans developed under this Order and shall coordinate the actions of other Federal agencies to achieve the maximum effectiveness of Federal efforts in responding to the emergency.

(b) DHS shall coordinate Federal response activities to ensure that adequate resources are directed, when an initial response is needed, to activities hindered by the absence or inadequacy of advance State and local commitments. DHS shall also coordinate with State and local governmental authorities and turn over response functions as appropriate when State and local governments exercise their authority.

(c) Immediately upon the effective date of this Order, DHS shall assume any necessary command-and-control function, or delegate such function to another Federal agency, in the event that no competent State and local authority is available to perform such function.

(d) In any instance in which Federal personnel may be called upon to fill a command-and-control function during a radiological emergency, in addition to any other powers it may have, DHS or its designee is authorized to accept volunteer assistance from utility employees and other nongovernmental personnel for any purpose necessary to implement the emergency response plan and facilitate off-site emergency response.

Sect. 6. Implementation of Order. (a) DHS shall issue interim and final directives and procedures implementing this Order as expeditiously as is feasible and in any event shall issue interim directives and procedures not more than 90 days following the effective date of this Order and shall issue final directives and procedures not more than 180 days following the effective date of this Order.

(b) Immediately upon the effective date of this Order, DHS shall review, and initiate necessary revisions of, all DHS regulations, directives, and guidance to conform them to the terms and policies of this Order.

(c) Immediately upon the effective date of this Order, DHS shall review, and initiate necessary renegotiations of, all interagency agreements to which DHS is a party, so as to conform them to the terms and policies of this Order. This directive shall include, but not be limited to, the Federal Radiological Emergency Response Plan (50 Fed. Reg. 65642 (November 8, 1985)).

(d) To the extent permitted by law, DHS is directed to obtain full reimbursement, either jointly or severally, for services performed by DHS or other Federal agencies pursuant to this Order from any affected nonparticipating or inadmissibly acting State or local government.

Sect. 7. Amendments. This Executive Order amends Executive Order Nos. 11490 (34 Fed. Reg. 17567 (October 28, 1969)) [see note above], 12248 (44 Fed. Reg. 43229 (July 30, 1979) [set out above], and 12241 (45 Fed. Reg. 64879 (September 29, 1980)), and the same are hereby superseded to the extent that they are inconsistent with this Order.

Sect. 8. Judicial Review. This Order is intended only to improve the internal management of the Executive branch, and is not intended to create any right or benefit, substantive or procedural, enforceable at law by a party against the United States, its agencies, its officers, or any person.

Sect. 9. Effective Date. This Order shall be effective November 18, 1988.
ments that control critical infrastructures (“cyber threats”). Because many of these critical infrastructures are owned and operated by the private sector, it is essential that the government and private sector work together to develop a strategy for protecting them and assuring their continued operation.

NOW, THEREFORE, by the authority vested in me as President by the Constitution and the laws of the United States of America, it is hereby ordered as follows:

SECTION 1. Establishment. There is hereby established the President’s Commission on Critical Infrastructure Protection (“Commission”).

(a) Chair. A qualified individual from outside the Federal Government shall be designated by the President from among the members to serve as Chair of the Commission. The Commission Chair shall be employed on a full-time basis.

(b) Members. The head of each of the following executive branch departments and agencies shall nominate not more than two full-time members of the Commission:

(i) Department of the Treasury;
(ii) Department of Justice;
(iii) Department of Defense;
(iv) Department of Commerce;
(v) Department of Transportation;
(vi) Department of Energy;
(vii) Central Intelligence Agency;
(viii) Federal Emergency Management Agency;
(ix) Federal Bureau of Investigation;
(x) National Security Agency.

One of the nominees of each agency may be an individual from outside the Federal Government who shall be employed by the agency on a full-time basis. Each nominee must be approved by the Steering Committee.

Sect. 2. The Principals Committee. The Commission shall report to the President through a Principals Committee (“Principals Committee”), which shall review any reports or recommendations before submission to the President. The Principals Committee shall comprise:

(i) Secretary of the Treasury;
(ii) Secretary of Defense;
(iii) Attorney General;
(iv) Secretary of Commerce;
(v) Secretary of Transportation;
(vi) Secretary of Energy;
(vii) Director of Central Intelligence;
(viii) Director of the Office of Management and Budget;
(ix) Director of the Federal Emergency Management Agency;
(x) Assistant to the President for National Security Affairs;
(xi) Assistant to the Vice President for National Security Affairs;
(xii) Assistant to the President for Economic Policy and Director of the National Economic Council; and
(xiii) Assistant to the President and Director of the Office of Science and Technology Policy.

Sect. 3. The Steering Committee of the President’s Commission on Critical Infrastructure Protection. A Steering Committee (“Steering Committee”) shall oversee the work of the Commission on behalf of the Principals Committee. The Steering Committee shall comprise five members. Four of the members shall be appointed by the President, and the fifth member shall be the Chair of the Commission. Two of the members of the Committee shall be employees of the Executive Office of the President. The Steering Committee will receive regular reports on the progress of the Commission’s work and approve the submission of reports to the Principals Committee.

Sect. 4. Mission. The Commission shall: (a) within 30 days of this order, produce a statement of its mission objectives, which will elaborate the general objectives set forth in this order, and a detailed schedule for addressing each mission objective, for approval by the Steering Committee;

(b) identify and consult with: (i) elements of the public and private sectors that conduct, support, or contribute to infrastructure assurance; (ii) owners and operators of the critical infrastructures, and (iii) other elements of the public and private sectors, including the Congress, that have an interest in critical infrastructure assurance issues and that may have differing perspectives on these issues,

(c) assess the scope and nature of the vulnerabilities of, and threats to, critical infrastructures;

(d) determine what legal and policy issues are raised by efforts to protect critical infrastructures and assess how these issues should be addressed;

(e) recommend a comprehensive national policy and implementation strategy for protecting critical infrastructures from physical and cyber threats and assuring their continued operation;

(f) propose any statutory or regulatory changes necessary to effect its recommendations; and

(g) produce reports and recommendations to the Steering Committee as they become available; it shall not limit itself to producing one final report.

Sect. 5. (Revoked by Ex. Ord. No. 13138, § 3(c), Sept. 30, 1999, 64 F.R. 53880.)

Sect. 6. Administration. (a) All executive departments and agencies shall cooperate with the Commission and provide such assistance, information, and advice to the Commission as it may request, to the extent permitted by law.

(b) The Commission and the Advisory Committee may hold open and closed hearings, conduct inquiries, and establish subcommittees, as necessary.

(c) Members of the Advisory Committee shall serve without compensation for their work on the Advisory Committee. While engaged in the work of the Advisory Committee, members may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by law for persons serving intermittently in the government service.

(d) To the extent permitted by law, and subject to the availability of appropriations, the Department of Defense shall provide the Commission and the Advisory Committee with administrative services, staff, other support services, and such funds as may be necessary for the performance of its functions and shall reimburse the executive branch components that provide representatives to the Commission for the compensation of those representatives.

(e) In order to augment the expertise of the Commission, the Department of Defense may, at the Commission’s request, contract for the services of nongovernmental consultants who may prepare analyses, reports, background papers, and other materials for consideration by the Commission. In addition, at the Commission’s request, executive departments and agencies shall request that existing Federal advisory committees consider and provide advice on issues of critical infrastructure protection, to the extent permitted by law.

(f) The Commission shall terminate 1 year and 90 days from the date of this order, unless extended by the President prior to that date. The Principals Committee, the Steering Committee, and the Advisory Committee shall terminate no later than September 30, 1998, and, upon submission of the Commission’s report, shall review the report and prepare appropriate recommendations to the President.

(g) The person who served as Chair of the Commission may continue to be a member of the Steering Committee after termination of the Commission.

Sect. 7. Review of Commission’s Report. (a) Upon the termination of the Commission as set out in section 6(f) of this order, certain of the Commission’s staff may be retained no later than September 30, 1998, solely to assist the Principals, Steering, and Advisory Committees in reviewing the Commission’s report and preparing recommendations to the President. They shall act under the direction of the Steering Committee or its designee.

The Department of Defense shall continue to provide funding and administrative support for the retained Commission staff.
(b) Pursuant to [former] Executive Order 12988, I hereby designate the Executive Secretary of the National Security Council to exercise the authority to classify information originally as "Top Secret" with respect to the work of the Commission staff, the Principals Committee, the Steering Committee, the Advisory Committee, and the Infrastructure Protection Task Force.

SIC. 8. Interim Coordinating Mission. (a) While the Commission is conducting its analysis and until the President has an opportunity to consider and act on its recommendations, there is a need to increase coordination of existing infrastructure protection efforts in order to better address, and prevent, crises that would have a debilitating regional or national impact. There is hereby established an Infrastructure Protection Task Force ("IPTF") within the Department of Justice, chaired by the Federal Bureau of Investigation, to undertake this interim coordinating mission.

(b) The IPTF will not supplant any existing programs or organizations.

(c) The Steering Committee shall oversee the work of the IPTF.

(d) The IPTF shall include at least one full-time member each from the Federal Bureau of Investigation, the Department of Defense, and the National Security Agency. It shall also receive part-time assistance from other executive branch departments and agencies. Members shall be designated by their departments or agencies on the basis of their expertise in the protection of critical infrastructures. IPTF members' compensation shall be paid by their parent agency or department.

(e) The IPTF's function is to identify and coordinate existing expertise, inside and outside of the Federal Government, to:

(i) provide, or facilitate and coordinate the provision of expert guidance to critical infrastructures to detect, prevent, halt, or confine an attack and to recover and restore service;

(ii) issue threat and warning notices in the event of, expert guidance to critical infrastructures to detect, prevent, halt, or confine an attack and to recover and restore service;

(iii) provide training and education on methods of reducing vulnerabilities and responding to attacks on critical infrastructures;

(iv) conduct after-action analysis to determine possible future threats, targets, or methods of attack; and

(v) coordinate with the pertinent law enforcement authorities during or after an attack to facilitate any resulting criminal investigation.

(f) All executive departments and agencies shall cooperate with the IPTF and provide such assistance, information, and advice as the IPTF may request, to the extent permitted by law.

(g) All executive departments and agencies shall share with the IPTF information about threats and warning of attacks, and about actual attacks on critical infrastructures, to the extent permitted by law.

(h) The IPTF shall terminate no later than 180 days after the termination of the Commission, unless extended by the President prior to that date.

SIC. 9. General. (a) This order is not intended to change any existing statutes or Executive orders.

(b) This order is not intended to create any right, benefit, trust, or responsibility, substantive or procedural, enforceable at law or equity by a party against the United States, its agencies, its officers, or any person.

WILLIAM J. CLINTON.

EX. ORD. No. 13130, July 14, 1999, 64 F.R. 38535, which established the National Infrastructure Assurance Council, was revoked by Ex. Ord. No. 13231, §18(e)(iii), Oct. 16, 2001, 66 F.R. 53070, set out as a note under section 121 of Title 6, Domestic Security.

EX. ORD. No. 13151. GLOBAL DISASTER INFORMATION NETWORK

EX. ORD. No. 13151, Apr. 27, 2000, 65 F.R. 25619, as amended by Ex. Ord. No. 13284, §5, Jan. 23, 2003, 68 F.R. 4073, provided:

By the authority vested in me as President by the Constitution and the laws of the United States of America, and in order to establish a Global Disaster Information Network to use information technology more effectively to reduce loss of life and property from natural and man-made disasters, it is hereby ordered as follows:

SECTION 1. Policy. (a) It is the policy of this Administration to use information technology more effectively to coordinate the Federal Government's collection and dissemination of information to appropriate response agencies and State governments to prepare for and respond to natural and man-made disasters (disasters). As a result of changing population demographics in our coastal, rural, and urban areas over the past decades, the loss of life and property (losses) from disasters has nearly doubled. One of the ways the Federal Government can reduce these losses is to use technology more effectively to coordinate its collection and dissemination (hereafter referred to collectively as "provision") of information which can be used in both planning for and recovering from disasters. While many agencies provide disaster-related information, they may not always provide it in a coordinated manner. To improve the provision of disaster-related information, the agencies shall, as set out in this order, use information technology to coordinate the Federal Government's provision of information to prepare for, respond to, and recover from domestic disasters.

(b) It is also the policy of this Administration to use information technology and existing channels of disaster assistance to improve the Federal Government's provision of information that could be helpful to foreign governments preparing for or responding to foreign disasters. Currently, the United States Government provides disaster-related information to foreign governments and relief organizations on humanitarian grounds at the request of foreign governments and where appropriate. This information is supplied by Federal agencies on an ad hoc basis. To increase the effectiveness of our response to foreign disasters, the administration shall, where appropriate, use information technology to coordinate the Federal Government's provision of disaster-related information to foreign governments.

(c) To carry out the policies in this order, there is established the Global Disaster Information Network (Network). The Network is defined as the coordinated effort by Federal agencies to develop a strategy and to use existing technical infrastructure, to the extent permitted by law and subject to the availability of appropriations and under the guidance of the Interagency Coordinating Committee and the Committee Support Office, to make more effective use of information technology to assist our Government, and foreign governments where appropriate, by providing disaster-related information to prepare for and respond to disasters.

SIC. 2. Establishment. (a) There is established an Interagency Coordinating Committee (Committee) to provide leadership and oversight for the development of the Network. The Office of the Vice President, the Department of Commerce, the National Oceanic and Atmospheric Administration, and the Department of State, respectively, shall designate a representative to serve as Co-chairpersons of the Committee. The Committee membership comprises representatives from the following departments and agencies:

(1) Department of State;
§ 5195

TITILE 42—THE PUBLIC HEALTH AND WELFARE

Page 5880

(b) Intelligence activities, as determined by the Director of the Central Intelligence Agency, as well as national security-related activities of the Department of Defense and of the Department of Energy, are exempt from compliance with this order.

SIRC. 5. Tribal Governments. This order does not impose any requirements on tribal governments.

SIRC. 6. Judicial Review. This order does not create any right or benefit, substantive or procedural, enforceable by law, by a party against the United States, its officers, its employees, or any other person.

Ex. Ord. No. 13407. PUBLIC ALERT AND WARNING SYSTEM

Ex. Ord. No. 13407, June 26, 2006, 71 F.R. 36975, provided:

By the authority vested in me as President by the Constitution and the laws of the United States of America, including the Robert T. Stafford Disaster Relief and Emergency Assistance Act, as amended (42 U.S.C. 5121 et seq.), and the Homeland Security Act of 2002, as amended (6 U.S.C. 101 et seq.), it is hereby ordered as follows:

SIRC. 1. Policy. It is the policy of the United States to have an effective, reliable, integrated, flexible, and comprehensive system to alert and warn the American people in situations of war, terrorist attack, natural disaster, or other hazards to public safety and well-being (public alert and warning system), taking appropriate account of the functions, capabilities, and needs of the private sector and of all levels of government in our Federal system, and to ensure that under all conditions the President can communicate with the American people.

SIRC. 2. Functions of the Secretary of Homeland Security. (a) To implement the policy set forth in section 1 of this order, the Secretary of Homeland Security shall:

(i) inventory, evaluate, and assess the capabilities and integration with the public alert and warning system of Federal, State, territorial, tribal, and local public alert and warning resources;

(ii) establish or adopt, as appropriate, common alerting and warning protocols, standards, terminology, and operating procedures for the public alert and warning system to enable interoperability and the secure delivery of coordinated messages to the American people through as many communication pathways as practicable, taking account of Federal Communications Commission rules as provided by law;

(iii) ensure the capability to adapt the distribution and content of communications on the basis of geographic location, risks, or personal user preferences, as appropriate;

(iv) include in the public alert and warning system the capability to alert and warn all Americans, including those with disabilities and those without an understanding of the English language;

(v) through cooperation with the owners and operators of communication facilities, maintain, protect, and, if necessary, restore communications facilities and capabilities necessary for the public alert and warning system;

(vi) ensure the conduct of training, tests, and exercises for the public alert and warning system;

(vii) ensure the conduct of public education efforts so that State, territorial, tribal, and local governments, the private sector, and the American people understand the functions of the public alert and warning system and how to access, use, and respond to information from the public alert and warning system;

(viii) consult, coordinate, and cooperate with the private sector, including communications media organizations, and Federal, State, territorial, tribal, and local governmental authorities, including emergency response providers, as appropriate;

(IX) administer the Emergency Alert System (EAS) as a critical component of the public alert and warning system; and

(x) ensure that under all conditions the President of the United States can alert and warn the American people.

SIRC. 3. Responsibilities. (a) The Committee shall:

(1) serve as the United States Government’s single entity for all matters, both national and international, pertaining to the development and establishment of the Network;

(2) provide leadership and high-level coordination of Network activities;

(3) provide guidance for the development of Network strategies, goals, objectives, policies, and legislation;

(4) represent and advocate Network goals, objectives, and processes to their respective agencies and departments;

(5) provide manpower and material support for Network development activities;

(6) develop, delegate, and monitor interagency opportunities and ideas supporting the development of the Network; and

(7) provide reports, through the Co-chairpersons of the Committee, to the President as requested or at least annually.

(b) There is established a Committee Support Office (Support Office) to assist the Committee by developing plans and projects that would further the creation of the Network. The Support Office shall, at the request of the Co-chairpersons of the Committee, carry out tasks taken on by the Committee.

(c) The National Oceanic and Atmospheric Administration shall provide funding and administrative support for the Committee and the Support Office. To the extent permitted by law, agencies may provide support to the Committee and the Support Office to assist them in their work.

(d) (1) The Committee shall:

(i) inventory, evaluate, and assess the capabilities and integration with the public alert and warning system of Federal, State, territorial, tribal, and local public alert and warning resources;

(ii) establish or adopt, as appropriate, common alerting and warning protocols, standards, terminology, and operating procedures for the public alert and warning system to enable interoperability and the secure delivery of coordinated messages to the American people through as many communication pathways as practicable, taking account of Federal Communications Commission rules as provided by law;

(iii) ensure the capability to adapt the distribution and content of communications on the basis of geographic location, risks, or personal user preferences, as appropriate;

(iv) include in the public alert and warning system the capability to alert and warn all Americans, including those with disabilities and those without an understanding of the English language;

(v) through cooperation with the owners and operators of communication facilities, maintain, protect, and, if necessary, restore communications facilities and capabilities necessary for the public alert and warning system;

(vi) ensure the conduct of training, tests, and exercises for the public alert and warning system;

(vii) ensure the conduct of public education efforts so that State, territorial, tribal, and local governments, the private sector, and the American people understand the functions of the public alert and warning system and how to access, use, and respond to information from the public alert and warning system;

(viii) consult, coordinate, and cooperate with the private sector, including communications media organizations, and Federal, State, territorial, tribal, and local governmental authorities, including emergency response providers, as appropriate;

(ix) administer the Emergency Alert System (EAS) as a critical component of the public alert and warning system; and

(x) ensure that under all conditions the President of the United States can alert and warn the American people.

SIRC. 4. Implementation. (a) The Committee, with the assistance of the Support Office, shall address national and international issues associated with the development of the Network within the context of:

(1) promoting the United States as an example and leader in the development and dissemination of disaster information, both domestically and abroad, and, to this end, seeking cooperation with foreign governments and international organizations;

(2) striving to include all appropriate stakeholders in the development of the Network; and

(3) facilitating the creation of a framework that involves public and private stakeholders in a partnership for sustained operations of the Network.
in performing the functions set forth in subsection (a) of this section, the Secretary of Homeland Security shall coordinate with the Secretary of Commerce and the heads of other departments and agencies of the executive branch (agencies), and other officers of the United States, as appropriate, and the Federal Communications Commission.

(c) The Secretary of Homeland Security may issue guidance to implement this order.

8.3. Duties of Heads of Departments and Agencies.

(a) The heads of agencies shall provide such assistance and information as the Secretary of Homeland Security may request to implement this order.

(b) In addition to performing the duties specified under subsection (a) of this section:

(i) the Secretary of Commerce shall make available to the Secretary of Homeland Security, to assist in implementing this order, the capabilities and expertise of the Department of Commerce relating to standards, technology, telecommunications, dissemination systems, and weather;

(ii) the Secretary of Defense shall provide to the Secretary of Homeland Security, to assist in implementing this order, the capabilities and information specified in Executive Order 12472 of April 3, 1984, as amended, and subject to the availability of appropriations; and

(iii) the Federal Communications Commission shall, as provided by law, adopt rules to ensure that communications systems have the capacity to transmit alerts and warnings to the public as part of the public alert and warning system.

(c) The Secretary of Homeland Security shall ensure that communications systems have the capacity to transmit alerts and warnings to the public as part of the public alert and warning system and, to the extent possible, as provided by law, adopt rules to ensure that communications systems have the capacity to transmit alerts and warnings to the public as part of the public alert and warning system.

8.4. Reports on Implementation.

Not later than 90 days after the date of the order, the Secretary of Homeland Security shall submit to the President, through the Assistant to the President for Homeland Security and Counterterrorism, a plan for the implementation of this order, and shall thereafter submit reports from time to time, and not less often than once each year, on such implementation, together with any recommendations the Secretary finds appropriate.

8.5. Amendment, Revocation, and Transition.

(a) [Amended Ex. Ord. No. 12472, formerly set out above.]

(b) Not later than 120 days after the date of this order, the Secretary of Homeland Security, after consultation with the Assistant to the President for Homeland Security and Counterterrorism, shall issue guidance, under section 2(c) of this order, on the development and maintenance of national alert and warning systems.

(c) The Secretary of Homeland Security shall ensure an orderly and effective transition, without loss of capability, from alert and warning systems available as of the date of this order to the public alert and warning system for which this order provides.


(a) This order shall be implemented in a manner consistent with:

(i) applicable law and presidential guidance, including Executive Order 12472 of April 3, 1984, as amended, and subject to the availability of appropriations; and

(ii) the authorities of agencies, or heads of agencies, vested by law.

(b) This order shall not be construed to impair or otherwise affect the functions of the Director of the Office of Management and Budget relating to budget, administrative, and legislative proposals.

(c) This order is not intended to, and does not, create any right or benefit, substantive or procedural, enforceable at law or in equity by a party against the United States, its agencies, instrumentalities, or entities, its officers, employees, or agents, or any other person.
§ 5195

Title 42—The Public Health and Welfare
quency assignments, including the authority to amend, modify, or revoke such assignments, in those parts of the electromagnetic spectrum assigned to the Federal Government; and

(f) administer a system of radio spectrum priorities for those spectrum-dependent telecommunications resources belonging to and operated by the Federal Government, and certify such priorities, including the resolution of conflicts in or among such radio spectrum priorities during a crisis or emergency.

Sec. 5.4. The Administrator of General Services shall provide and maintain a common Federal acquisition approach that allows for the efficient centralized purchasing of equipment and services that meet NS/EP communications requirements. Nothing in this section shall be construed to impair or otherwise affect the procurement authorities granted by law to an agency or the head thereof.

Sec. 5.5. With respect to the Intelligence Community, the DNI, after consultation with the heads of affected agencies, may issue such policy directives and guidance as the DNI deems necessary to implement this order. Procedures or other guidance issued by the heads of elements of the Intelligence Community shall be in accordance with such policy directives or guidelines issued by the DNI.

Sec. 5.6. The Federal Communications Commission performs such functions as are required by law, including: (a) with respect to all entities licensed or regulated by the Federal Communications Commission; the extension, discontinuance, or reduction of common carrier facilities or services; the control of common carrier rates, charges, practices, and classifications; the construction, authorization, activation, deactivation, or closing of radio stations, services, and facilities; the assignment of radio frequencies to Federal Communications Commission licensees; the investigation of violations of pertinent law; and the assessment of communications service provider emergency needs and resources; and

(b) supporting the continuous operation and restoration of critical communications systems and services by assisting the Secretary of Homeland Security with infrastructure damage assessment and restoration, and by providing the Secretary of Homeland Security with information collected by the Federal Communications Commission on communications infrastructure, service outages, and restoration, as appropriate.

Sec. 6. General Agency Responsibilities. All agencies, to the extent consistent with their respective missions, shall: (a) determine the scope of their NS/EP communications requirements, and provide information regarding such requirements to the Executive Committee;

(b) prepare policies, plans, and procedures concerning communications facilities, services, or equipment under their management or operational control to maximize their capability to respond to the NS/EP needs of the Federal Government;

(c) propose initiatives, where possible, that may benefit multiple agencies or other Federal entities;

(d) administer programs that support broad NS/EP communications goals and policies;

(e) submit reports annually, or as otherwise requested, to the Executive Committee, regarding agency NS/EP communications activities;

(f) devise internal acquisition strategies in support of the centralized acquisition approach provided by the General Services Administration pursuant to section 5.4 of this order; and

(g) provide the Secretary of Homeland Security with timely reporting on NS/EP communications status to inform the common operating picture required under 6 U.S.C. 321(d).

§ 5195a. Definitions

(a) Definitions

For purposes of this subchapter only:

(1) Hazard

The term “hazard” means an emergency or disaster resulting from—

(A) a natural disaster; or

(B) an accidental or man-caused event.

(2) Natural disaster

The term “natural disaster” means any hurricane, tornado, storm, flood, high water, wind-driven water, tidal wave, tsunami, earthquake, volcanic eruption, landslide, mudslide, snowstorm, drought, fire, or other catastrophe in any part of the United States which causes, or which may cause, substantial damage or injury to civilian property or persons.

(3) Emergency preparedness

The term “emergency preparedness” means all those activities and measures designed or undertaken to prepare for or minimize the effects of a hazard upon the civilian population, to deal with the immediate emergency conditions which would be created by the hazard, and to effectuate emergency repairs to, or the emergency restoration of, vital utilities and facilities destroyed or damaged by the hazard. Such term includes the following:

(A) Measures to be undertaken in preparation for anticipated hazards (including the establishment of appropriate organizations, operational plans, and supporting agreements, the recruitment and training of personnel, the conduct of research, the procurement and stockpiling of necessary materials and supplies, the provision of suitable warning systems, the construction or preparation of shelters, shelter areas, and control centers, and, when appropriate, the non-military evacuation of the civilian population).

(B) Measures to be undertaken during a hazard (including the enforcement of passive defense regulations prescribed by duly established military or civil authorities, the evacuation of personnel to shelter areas, the control of traffic and panic, and the control and use of lighting and civil communications).

(C) Measures to be undertaken following a hazard (including activities for fire fighting, rescue, emergency medical, health and sanitation services, monitoring for specific dangers of special weapons, unexploded bomb re-
connaissance, essential debris clearance, emergency welfare measures, and immediately essential emergency repair or restoration of damaged vital facilities).

(4) Organizational equipment

The term "organizational equipment" means equipment determined by the Administrator to be necessary to an emergency preparedness organization, as distinguished from personal equipment, and of such a type or nature as to require it to be financed in whole or in part by the Federal Government. Such term does not include those items which the local community normally uses in combating local disasters, except when required in unusual quantities dictated by the requirements of the emergency preparedness plans.

(5) Materials

The term "materials" includes raw materials, supplies, medicines, equipment, component parts and technical information and processes necessary for emergency preparedness.

(6) Facilities

The term "facilities", except as otherwise provided in this subchapter, includes buildings, shelters, utilities, and land.

(7) Administrator

The term "Administrator" means the Administrator of the Federal Emergency Management Agency.

(8) Neighboring countries

The term "neighboring countries" includes Canada and Mexico.

(9) United States and States

The terms "United States" and "States" includes the several States, the District of Columbia, and territories and possessions of the United States.

(10) State

The term "State" includes interstate emergency preparedness authorities established under section 5196(h) of this title.

(b) Cross reference

The terms "national defense" and "defense," as used in the Defense Production Act of 1950 (50 U.S.C. App. 2061 et seq.), includes emergency preparedness activities conducted pursuant to this subchapter.


REFERENCES IN TEXT

The Defense Production Act of 1950, referred to in subsec. (b), is act Sept. 8, 1950, ch. 932, 64 Stat. 798, which was classified to section 2061 et seq. of the former Appendix to Title 50, War and National Defense, prior to editorial reclassification and renumbering as chapter 55 (§4501 et seq.) of Title 50. For complete classification of this Act to the Code, see Tables.

§ 5195c. Critical infrastructures protection

(a) Short title

This section may be cited as the "Critical Infrastructures Protection Act of 2001".

(b) Findings

Congress makes the following findings:

(1) The information revolution has transformed the conduct of business and the oper-
(d) Establishment of national competence for critical infrastructure protection

(1) Support of critical infrastructure protection and continuity by National Infrastructure Simulation and Analysis Center

There shall be established the National Infrastructure Simulation and Analysis Center (NISAC) to serve as a source of national competence to address critical infrastructure protection and continuity through support for activities related to counterterrorism, threat assessment, and risk mitigation.

(2) Particular support

The support provided under paragraph (1) shall include the following:

(A) Modeling, simulation, and analysis of the systems comprising critical infrastructures, including cyber infrastructure, telecommunications infrastructure, and physical infrastructure, in order to enhance understanding of the large-scale complexity of such systems and to facilitate modification of such systems to mitigate the threats to such systems and to critical infrastructures generally.

(B) Acquisition from State and local governments and the private sector of data necessary to create and maintain models of such systems and of critical infrastructures generally.

(C) Utilization of modeling, simulation, and analysis under subparagraph (A) to provide education and training to policymakers on matters relating to—

(i) the analysis conducted under that subparagraph;

(ii) the implications of unintended or unintentional disturbances to critical infrastructures; and

(iii) responses to incidents or crises involving critical infrastructures, including the continuity of government and private sector activities through and after such incidents or crises.

(D) Utilization of modeling, simulation, and analysis under subparagraph (A) to provide recommendations to policymakers, and to departments and agencies of the Federal Government and private sector persons and entities upon request, regarding means of enhancing the stability of, and preserving, critical infrastructures.

(3) Recipient of certain support

Modeling, simulation, and analysis provided under this subsection shall be provided, in particular, to relevant Federal, State, and local entities responsible for critical infrastructure protection and policy.

(e) Critical infrastructure defined

In this section, the term “critical infrastructure” means systems and assets, whether physical or virtual, so vital to the United States that the incapacity or destruction of such systems and assets would have a debilitating impact on security, national economic security, national public health or safety, or any combination of those matters.

(f) Authorization of appropriations

There is hereby authorized for the Department of Defense for fiscal year 2002, $20,000,000 for the Defense Threat Reduction Agency for activities of the National Infrastructure Simulation and Analysis Center under this section in that fiscal year.


Codification

Section was enacted as the Critical Infrastructures Protection Act of 2001 and also as part of the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001 or USA PATRIOT Act, and not as part of the Robert T. Stafford Disaster Relief and Emergency Assistance Act which comprises this chapter.

Transfer of Functions

For transfer of functions, personnel, assets, and liabilities of the National Infrastructure Simulation and Analysis Center of the Department of Energy, including the functions of the Secretary of Energy relating thereto, to the Secretary of Homeland Security, and for treatment of related references, see sections 121(e)(4), 551(d), 552(d), and 567 of Title 6, Domestic Security, and the Department of Homeland Security Reorganization Plan of November 25, 2002, as modified, set out as a note under section 542 of Title 6.
§ 5196. Detailed functions of administration

(a) In general

In order to carry out the policy described in section 5195 of this title, the Administrator shall have the authorities provided in this section.

(b) Federal emergency response plans and programs

The Administrator may prepare Federal response plans and programs for the emergency preparedness of the United States and sponsor and direct such plans and programs. To prepare such plans and programs and coordinate such plans and programs with State efforts, the Administrator may request such reports on State plans and operations for emergency preparedness as may be necessary to keep the President, Congress, and the States apprised of the status of emergency preparedness in the United States.

(c) Delegation of emergency preparedness responsibilities

With the approval of the President, the Administrator may delegate to other departments and agencies of the Federal Government appropriate emergency preparedness responsibilities and review and coordinate the emergency preparedness activities of the departments and agencies with each other and with the activities of the States and neighboring countries.

(d) Communications and warnings

The Administrator may make appropriate provision for necessary emergency preparedness communications and for dissemination of warnings to the civilian population of a hazard.

(e) Emergency preparedness measures

The Administrator may study and develop emergency preparedness measures designed to afford adequate protection of life and property, including—

1. research and studies as to the best methods of treating the effects of hazards;
2. developing shelter designs and materials for protective covering or construction;
3. developing equipment or facilities and effecting the standardization thereof to meet emergency preparedness requirements; and
4. plans that take into account the needs of individuals with pets and service animals prior to, during, and following a major disaster or emergency.

(f) Training programs

1. The Administrator may—
   A. conduct or arrange, by contract or otherwise, for training programs for the instruction of emergency preparedness officials and other persons in the organization, operation, and techniques of emergency preparedness;
   B. conduct or operate schools or including the payment of travel expenses, in accordance with subchapter I of chapter 57 of title 5 and the Standardized Government Travel Regulations, and per diem allowances, in lieu of subsistence for trainees in attendance or the furnishing of subsistence and quarters for trainees and instructors on terms prescribed by the Administrator; and
   C. provide instructors and training aids as necessary.

2. The terms prescribed by the Administrator for the payment of travel expenses and per diem allowances authorized by this subsection shall include a provision that such payment shall not exceed one-half of the total cost of such expenses.

3. The Administrator may lease real property required for the purpose of carrying out this subsection, but may not acquire fee title to property unless specifically authorized by law.

(g) Public dissemination of emergency preparedness information

The Administrator may publicly disseminate appropriate emergency preparedness information by all appropriate means.

(h) Emergency preparedness compacts

1. The Administrator shall establish a program supporting the development of emergency preparedness compacts for acts of terrorism, disasters, and emergencies throughout the Nation, by—
   A. identifying and cataloging existing emergency preparedness compacts for acts of terrorism, disasters, and emergencies at the State and local levels of government;
   B. disseminating to State and local governments examples of best practices in the development of emergency preparedness compacts and models of existing emergency preparedness compacts, including agreements involving interstate jurisdictions; and
   C. completing an inventory of Federal response capabilities for acts of terrorism, disasters, and emergencies, making such inventory available to appropriate Federal, State, and local government officials, and ensuring that such inventory is as current and accurate as practicable.

2. The Administrator may—
   A. assist and encourage the States to negotiate and enter into interstate emergency preparedness compacts;
   B. review the terms and conditions of such proposed compacts in order to assist, to the extent feasible, in obtaining uniformity between such compacts and consistency with Federal emergency response plans and programs;
   C. assist and coordinate the activities under such compacts; and
   D. aid and assist in encouraging reciprocal emergency preparedness legislation by the States which will permit the furnishing of mutual aid for emergency preparedness purposes in the event of a hazard which cannot be adequately met or controlled by a State or political subdivision thereof threatened with or experiencing a hazard.

3. A copy of each interstate emergency preparedness compact shall be transmitted promptly to the Senate and the House of Representatives. The consent of Congress is deemed to be granted to each such compact upon the expiration of the 60-day period beginning on the date on which the compact is transmitted to Congress.
(4) Nothing in this subsection shall be construed as preventing Congress from disapproving, or withdrawing at any time its consent to, any interstate emergency preparedness compact.

(i) Materials and facilities

(1) The Administrator may procure by condemnation or otherwise, construct, lease, transport, store, maintain, renovate or distribute materials and facilities for emergency preparedness, with the right to take immediate possession thereof.

(2) Facilities acquired by purchase, donation, or other means of transfer may be occupied, used, and improved for the purposes of this subchapter before the approval of title by the Attorney General as required by sections 3111 and 3112 of title 40.

(3) The Administrator may lease real property required for the purpose of carrying out the provisions of this subsection, but shall not acquire fee title to property unless specifically authorized by law.

(4) The Administrator may procure and maintain under this subsection radiological, chemical, bacteriological, and biological agent monitoring and decontamination devices and distribute such devices by loan or grant to the States for emergency preparedness purposes, under such terms and conditions as the Administrator shall prescribe.

(j) Financial contributions

(1) The Administrator may make financial contributions, on the basis of programs or projects approved by the Administrator, to the States for emergency preparedness purposes, including the procurement, construction, leasing, or renovating of materials and facilities. Such contributions shall be made on such terms or conditions as the Administrator shall prescribe, including the method of purchase, the quantity, quality, or specifications of the materials or facilities, and such other factors or care or treatment to assure the uniformity, availability, and good condition of such materials or facilities.

(2) The Administrator may make financial contributions, on the basis of programs or projects approved by the Administrator, to the States and local authorities for animal emergency preparedness purposes, including the procurement, construction, leasing, or renovating of emergency shelter facilities and materials that will accommodate people with pets and service animals.

(3) No contribution may be made under this subsection for the procurement of land or for the purchase of personal equipment for State or local emergency preparedness workers.

(4) The amounts authorized to be contributed by the Administrator to each State for organizational equipment shall be equally matched by such State from any source it determines is consistent with its laws.

(5) Financial contributions to the States for shelters and other protective facilities shall be determined by taking into account the amount of funds appropriated or available to the Administrator for such facilities in each fiscal year and apportioning such funds among the States in the ratio which the urban population of the critical target areas (as determined by the Administrator) in each State, at the time of the determination, bears to the total urban population of the critical target areas of all of the States.

(6) The amounts authorized to be contributed by the Administrator to each State for such shelters and protective facilities shall be equally matched by such State from any source it determines is consistent with its laws and, if not matched within a reasonable time, the Administrator may reallocate such amounts to other States under the formula described in paragraph (4). The value of any land contributed by any State under this subsection shall be excluded from the computation of the State share under this subsection.

(7) The amounts paid to any State under this subsection shall be expended solely in carrying out the purposes set forth herein and in accordance with State emergency preparedness programs or projects approved by the Administrator. The Administrator shall make no contribution toward the cost of any program or project for the procurement, construction, or leasing of any facility which (A) is intended for use, in whole or in part, for any purpose other than emergency preparedness, and (B) is of such kind that upon completion it will, in the judgment of the Administrator, be capable of producing sufficient revenue to provide reasonable assurance of the retirement or repayment of such cost; except that (subject to the preceding provisions of this subsection) the Administrator may make a contribution to any State toward that portion of the cost of the construction, reconstruction, or enlargement of any facility which the Administrator determines to be directly attributable to the incorporation in such facility of any feature of construction or design not necessary for the principal intended purpose thereof but which is, in the judgment of the Administrator necessary for the use of such facility for emergency preparedness purposes.

(8) The Administrator shall submit to Congress a report, at least annually, regarding all contributions made pursuant to this subsection.

(9) All laborers and mechanics employed by contractors or subcontractors in the performance of construction work financed with assistance of any contribution of Federal funds made by the Administrator under this subsection shall be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with sections 3141–3144, 3146, and 3147 of title 40. Every such employee shall receive compensation at a rate not less than one and a half times the basic rate of pay of the employee for all hours worked in any workweek in excess of eight hours in any workday or 40 hours in the workweek, as the case may be. The Administrator shall make no contribution of Federal funds without first obtaining adequate assurance that these labor standards will be maintained upon the construction work. The Secretary of Labor shall have, with respect to the labor standards described in this subsection, the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (5 U.S.C. App.) and section 3145 of title 40.

1 See References in Text note below.
(k) Sale or disposal of certain materials and facilities

The Administrator may arrange for the sale or disposal of materials and facilities found by the Administrator to be unnecessary or unsuitable for emergency preparedness purposes in the same manner as provided for excess property under chapters 1 to 11 of title 40 and division C (except sections 3302, 3307(e), 3501(b), 3509, 3906, 4710, and 4711) of subtitle I of title 41. Any funds received as proceeds from the sale or other disposition of such materials and facilities shall be deposited into the Treasury as miscellaneous receipts.


REFERENCES IN TEXT


CODIFICATION


PRIOR PROVISIONS

Provisions similar to those in this section were contained in section 2281 of the former Appendix to Title 50, War and National Defense, prior to repeal by Pub. L. 106–337, § 3412(a).

AMENDMENTS


Subsec. (j)(2) to (9). Pub. L. 109–308, § 3(2), added par. (2) and redesignated former par. (2) as (3) to (9), respectively.

2004—Subsec. (h). Pub. L. 108–458 substituted “Emergency preparedness compacts” for “Interstate emergency preparedness compacts” in subsec. heading, added (1), redesignated former par. (1) to (3) as (2) to (4), respectively, and realigned margins of par. (2), as redesignated.

1995—Subsec. (i)(3) to (5). Pub. L. 104–66 redesignated pars. (4) and (5) as (3) and (4), respectively, and struck out former par. (3) which read as follows: “The Director shall submit to Congress a report, at least annually, describing all property acquisitions made pursuant to this subsection.”

TRANSFER OF FUNCTIONS

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

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

NATIONAL CAPITAL REGION MUTUAL AID


“(a) Definitions.—In this section:

“(1) Authorized representative of the Federal government.—The term ‘authorized representative of the Federal Government’ means any individual or individuals designated by the President with respect to the executive branch, the Chief Justice with respect to the Federal judiciary, or the President of the Senate and Speaker of the House of Representatives with respect to Congress, or their designees, to request assistance under a mutual aid agreement for an emergency or public service event.

“(2) Chief operating officer.—The term ‘chief operating officer’ means the official designated by law to declare an emergency in and for the locality of that chief operating officer.

“(3) Emergency.—The term ‘emergency’ means a major disaster or emergency declared by the President, or a state of emergency declared by the mayor of the District of Columbia, the Governor of the State of Maryland or the Commonwealth of Virginia, or the declaration of a local emergency by the chief operating officer of a locality, or their designees, that triggers mutual aid under the terms of a mutual aid agreement.

“(4) Employer.—The term ‘employer’ means the employees of the party who are committed in a mutual aid agreement to prepare for or who respond to an emergency or public service event.

“(5) Locality.—The term ‘locality’ means a county, city, town, or other governmental agency, governmental authority, or governmental institution with the power to sue or be sued in its own name, within the National Capital Region.

“(6) Mutual aid agreement.—The term ‘mutual aid agreement’ means an agreement, authorized under subsection (b), for the provision of police, fire, rescue and other public safety and health or medical services to any party to the agreement during a public service event, an emergency, or pre-planned training event.

“(7) National Capital Region or Region.—The term ‘National Capital Region’ or ‘Region’ means the area defined under section 2674(f)(2) of title 10, United States Code, and those counties with a border abutting that area and any municipalities therein.

“(8) Party.—The term ‘party’ means the State of Maryland, the Commonwealth of Virginia, the District of Columbia, and any of the localities duly executing a Mutual Aid Agreement under this section.
“(9) PUBLIC SERVICE EVENT.—The term ‘public service event’—

"(A) means any undeclared emergency, incident or situation in preparation for or response to which the mayor of the District of Columbia, an authorized representative of the Federal Government, the Governor of the State of Maryland, the Governor of the Commonwealth of Virginia, or the chief operating officer of a locality in the National Capital Region, or their designees, requests or provides assistance under a Mutual Aid Agreement within the National Capital Region; and

"(B) includes Presidential inaugurals, public gatherings, demonstrations and protests, and law enforcement, fire, rescue, emergency health and medical services, transportation, communications, public works and engineering, mass care, and other support that require human resources, equipment, facilities or services supplemental to or greater than the requesting jurisdiction can provide.

"(10) STATE.—The term ‘State’ means the State of Maryland, the Commonwealth of Virginia, or the District of Columbia.

"(11) TRAINING.—The term ‘training’ means emergency and public service event-related exercises, testing, or other activities using equipment and personnel to simulate performance of any aspect of the giving or receiving of aid by National Capital Region jurisdictions during emergencies or public service events, such actions occurring outside actual emergency or public service event periods.

"(12) MUTUAL AID AUTHORIZED.—

"(1) IN GENERAL.—The mayor of the District of Columbia, any authorized representative of the Federal Government, the Governor of the State of Maryland, the Governor of the Commonwealth of Virginia, or the chief operating officer of a locality, or their designees, acting within his or her jurisdictional purview, may, in accordance with State law, enter into, request or provide assistance under mutual aid agreements with localities for—

"(A) law enforcement, fire, rescue, emergency health and medical services, transportation, communications, public works and engineering, mass care, and resource support in an emergency or public service event;

"(B) preparing for, mitigating, managing, responding to or recovering from any emergency or public service event; and

"(C) training for any of the activities described under subparagraphs (A) and (B).

"(2) FACILITATING LOCALITIES.—The State of Maryland and the Commonwealth of Virginia are encouraged to facilitate the ability of localities to enter into interstate mutual aid agreements in the National Capital Region under this section.

"(3) APPLICATION AND EFFECT.—This section—

"(A) does not apply to law enforcement security operations at special events of national significance under section 3056(e) of title 18, United States Code, or other law enforcement functions of the United States Secret Service;

"(B) does not diminish any authorities, express or implied, of Federal agencies to enter into mutual aid agreements in furtherance of their Federal missions; and

"(C) does not—

"(i) preclude any party from entering into supplementary Mutual Aid Agreements with fewer than all the parties, or with another party; or

"(ii) affect any other agreement in effect before the date of enactment of this Act (Dec. 17, 2004) among the States and localities, including the Emergency Management Assistance Compact.

"(4) RIGHTS DESCRIBED.—Other than as described in this section, the rights and responsibilities of the parties to a mutual aid agreement entered into under this section shall be as described in the mutual aid agreement.

"(5) DISTRICT OF COLUMBIA.—

"(1) IN GENERAL.—The District of Columbia may purchase liability and indemnification insurance or become self insured against claims arising under a mutual aid agreement authorized under this section.

"(2) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as may be necessary to carry out paragraph (1).

"(3) LIABILITY AND ACTIONS.—

"(1) IN GENERAL.—Any responding party or its officers, employees, or agents rendering aid or failing to render aid to the District of Columbia, the Federal Government, the State of Maryland, the Commonwealth of Virginia, or a locality, under a mutual aid agreement authorized under this section, and any party or its officers, employees, or agents engaged in training activities with another party under such a mutual aid agreement, shall be liable on account of any act or omission of its officers, employees, or agents while so engaged or on account of the maintenance or use of any related equipment, facilities, or supplies, but only to the extent permitted under the laws and procedures of the State of the party rendering aid.

"(2) ACTIONS.—Any action brought against a party or its officers, employees, or agents on account of an act or omission in the rendering of aid to the District of Columbia, the Federal Government, the State of Maryland, the Commonwealth of Virginia, or a locality, under a mutual aid agreement authorized under this section, and any party or its officers, employees, or agents while so engaged or on account of the maintenance or use of any related equipment, facilities, or supplies shall be brought only on the terms of the law of any State other than its own for providing for the punishment of crimes, and not to any extent prohibited by the laws of the party or its officers, employees, or agents.

"(3) IMMUNITIES.—This section shall not abrogate any other immunities from liability that any party has under any other Federal or State law.

"(e) WORKERS’ COMPENSATION.—

"(1) COMPENSATION.—Each party shall provide for the payment of compensation and death benefits to injured members of the emergency forces of that party and representatives of deceased members of such forces if such members sustain injuries or are killed while rendering aid to the District of Columbia, the Federal Government, the State of Maryland, the Commonwealth of Virginia, or a locality, under a mutual aid agreement, or engaged in training activities under a mutual aid agreement, in the same manner and on the same terms as if the injury or death were sustained within their own jurisdiction.

"(2) OTHER STATE LAW.—No party shall be liable under the law of any State other than its own for providing for the payment of compensation and death benefits to injured members of the emergency forces of that party and representatives of deceased members of such forces if such members sustain injuries or are killed while rendering aid to the District of Columbia, the Federal Government, the State of Maryland, the Commonwealth of Virginia, or a locality, under a mutual aid agreement or engaged in training activities under a mutual aid agreement.

"(f) LICENSES AND PERMITS.—If any person holds a license, certificate, or other permit issued by any responding party evidencing the meeting of qualifications for professional, mechanical, or other skills and assistance is requested by a receiving jurisdiction, such person will be deemed licensed, certified, or permitted by the receiving jurisdiction to render aid involving such skill to meet a public service event, emergency or training for any such event.

PILOT PROGRAM TO STUDY DESIGN AND CONSTRUCTION OF BUILDINGS TO MINIMIZE EFFECTS OF NUCLEAR EXPLOSIONS

§ 5196a. Contributions for personnel and administrative expenses

(a) General authority

To further assist in carrying out the purposes of this subchapter, the Administrator may make financial contributions to the States (including interstate emergency preparedness authorities established pursuant to section 5196(h) of this title) for necessary and essential State and local emergency preparedness personnel and administrative expenses, on the basis of approved plans (which shall be consistent with the Federal emergency response plans for emergency preparedness) for the emergency preparedness of the States. The financial contributions to the States under this section may not exceed one-half of the total cost of such necessary and essential State and local emergency preparedness personnel and administrative expenses.

(b) Plan requirements

A plan submitted under this section shall—

(1) provide, pursuant to State law, that the plan shall be in effect in all political subdivisions of the State and be mandatory on them and be administered or supervised by a single State agency;

(2) provide that the State shall share the financial assistance with that provided by the Federal Government under this section from any source determined by it to be consistent with State law;

(3) provide for the development of State and local emergency preparedness operational plans, including a catastrophic incident annex, pursuant to standards approved by the Administrator;

(4) provide for the employment of a full-time emergency preparedness director, or deputy director, by the State;

(5) provide that the State shall make such reports in such form and content as the Administrator may require;

(6) make available to duly authorized representatives of the Administrator and the Comptroller General, books, records, and papers necessary to conduct audits for the purposes of this section; and

(7) include a plan for providing information to the public in a coordinated manner.

(c) Catastrophic incident annex

(1) Consistency

A catastrophic incident annex submitted under subsection (b)(3) shall be—

(A) modeled after the catastrophic incident annex of the National Response Plan; and

(B) consistent with the national preparedness goal established under section 743 of title 6, the National Incident Management System, the National Response Plan, and other related plans and strategies.

(2) Consultation

In developing a catastrophic incident annex submitted under subsection (b)(3), a State shall consult with and seek appropriate comments from local governments, emergency response providers, locally governed multijurisdictional councils of government, and regional planning commissions.

(d) Terms and conditions

The Administrator shall establish such other terms and conditions as the Administrator considers necessary and proper to carry out this section.

(e) Application of other provisions

In carrying out this section, the provisions of section 1 of 5196(h) and 5197(h) of this title shall apply.

(f) Allocation of funds

For each fiscal year concerned, the Administrator shall allocate to each State, in accordance with regulations and the total sum appropriated under this subchapter, amounts to be made available to the States for the purposes of this section. Regulations governing allocations to the States under this subsection shall give due regard to (1) the criticality of the areas which may be affected by hazards with respect to the development of the total emergency preparedness readiness of the United States, (2) the relative state of development of emergency preparedness readiness of the State, (3) population, and (4) such other factors as the Administrator considers necessary and proper to carry out this section.

1 So in original. Probably should be “sections”. 
shall prescribe. The Administrator may reallocate the excess of any allocation not used by a State in a plan submitted under this section. Amounts paid to any State or political subdivision under this section shall be expended solely for the purposes set forth in this section.

(g) Standards for State and local emergency preparedness operational plans

In approving standards for State and local emergency preparedness operational plans pursuant to subsection (b)(3), the Administrator shall ensure that such plans take into account the needs of individuals with household pets and service animals prior to, during, and following a major disaster or emergency.

(h) Submission of plan

If a State fails to submit a plan for approval as required by this section within 60 days after the Administrator notifies the States of the allocations under this section, the Administrator may reallocate such funds, or portions thereof, among the other States in such amounts as, in the judgment of the Administrator, will best assure the adequate development of the emergency preparedness capability of the United States.

(2) Annual reports

The Administrator shall report annually to the Congress all contributions made pursuant to this section.

The Administrator shall report annually to the Congress all contributions made pursuant to this section.

Prior Provisions

Provisions similar to those in this section were contained in section 2254 of the former Appendix to Title 50, War and National Defense, prior to repeal by Pub. L. 103–337, § 3421(a).

Amendments


§ 5196c. Grants for construction of emergency operations centers

(a) Grants

The Administrator of the Federal Emergency Management Agency may make grants to States under this subchapter for equipping, upgrading, and constructing State and local emergency operations centers.

(b) Federal share

Notwithstanding any other provision of this subchapter, the Federal share of the cost of an activity carried out using amounts from grants made under this section shall not exceed 75 percent.

Prior Provisions

Provisions similar to those in this section were contained in section 2256 of the former Appendix to Title 50, War and National Defense, prior to repeal by Pub. L. 103–337, § 3412(a).

Amendments

2007—Pub. L. 110–53 amended section generally. Prior to amendment, text read as follows: “Notwithstanding any other provision of this subchapter, funds appropriated to carry out this subchapter may not be used for the purpose of constructing emergency operating centers (or similar facilities) in any State unless such State matches in an equal amount the amount made available to such State under this subchapter for such purpose.”

Non-Federal cost share

Funds made available to the States under this subchapter may be used by the States for the
purposes of preparing for hazards and providing emergency assistance in response to hazards. Regulations prescribed to carry out this section shall authorize the use of emergency preparedness personnel, materials, and facilities supported in whole or in part through contributions under this subchapter for emergency preparedness activities and measures related to hazards.


PRIOR PROVISIONS

Provisions similar to those in this section were contained in section 2289 of the former Appendix to Title 50, War and National Defense, prior to repeal by Pub. L. 103–337, § 3412(a).

§ 5196e. Radiological Emergency Preparedness Fund

There is hereby established in the Treasury a Radiological Emergency Preparedness Fund, which shall be available under the Atomic Energy Act of 1954 [42 U.S.C. 2011 et seq.], as amended, and Executive Order 12657, for offsite radiological emergency planning, preparedness, and response. Beginning in fiscal year 1999 and thereafter, the Administrator of the Federal Emergency Management Agency (FEMA) shall promulgate through rulemaking fees to be assessed and collected, applicable to persons subject to FEMA's radiological emergency preparedness regulations. The aggregate charges assessed pursuant to this section during fiscal year 1999 shall not be less than 100 percent of the amounts anticipated by FEMA necessary for its radiological emergency preparedness program for such fiscal year. The methodology for assessment and collection of fees shall be fair and equitable; and shall reflect costs of providing such services, including administrative costs of collecting such fees. Fees received pursuant to this section shall be deposited in the Fund as offsetting collections and will become available for authorized purposes on October 1, 1999, and remain available until expended.


REFERENCES IN TEXT


§ 5196f. Disaster related information services

(a) In general

Consistent with section 5151(a) of this title, the Administrator of Federal Emergency Management Agency shall—

(1) identify, in coordination with State and local governments, population groups with limited English proficiency and take into account such groups in planning for an emergency or major disaster;

(2) ensure that information made available to individuals affected by a major disaster or emergency is made available in formats that can be understood by—

(A) population groups identified under paragraph (1); and

(B) individuals with disabilities or other special needs; and

(3) develop and maintain an informational clearinghouse of model language assistance programs and best practices for State and local governments in providing services related to a major disaster or emergency.

(b) Group size

For purposes of subsection (a), the Administrator of Federal Emergency Management Agency shall define the size of a population group.


AMENDMENTS

2011—Pub. L. 111–351 substituted “Administrator” for “Director” in subsecs. (a) and (b).

1 So in original. The word “the” probably should appear before “Federal.”
§ 5196g. Guidance and training by FEMA on coordination of emergency response plans

(a) Training requirement

The Administrator, in coordination with other relevant agencies, shall provide guidance and training on an annual basis to State, local, and Indian tribal governments, first responders, and facilities that store hazardous materials on coordination of emergency response plans in the event of a major disaster or emergency, including severe weather events. The guidance and training shall include the following:

(1) Providing a list of equipment required in the event a hazardous substance is released into the environment.

(2) Outlining the health risks associated with exposure to hazardous substances to improve treatment response.

(3) Publishing best practices for mitigating further danger to communities from hazardous substances.

(b) Implementation

The requirement of subsection (a) shall be implemented not later than 180 days after October 5, 2018.


§ 5197. Administrative authority

(a) In general

For the purpose of carrying out the powers and duties assigned to the Administrator under this subchapter, the Administrator may exercise the administrative authorities provided under this section.

(b) Advisory personnel

(1) The Administrator may employ not more than 100 part-time or temporary advisory personnel (including not to exceed 25 subjects of the United Kingdom or citizens of Canada) as the Administrator considers to be necessary in carrying out the provisions of this subchapter.

(2) Persons holding other offices or positions under the United States for which they receive compensation, while serving as advisory personnel, shall receive no additional compensation for such service. Other part-time or temporary advisory personnel so employed may serve without compensation or may receive compensation at a rate not to exceed $180 for each day of service, plus authorized subsistence and travel, as determined by the Administrator.

(c) Services of other agency personnel and volunteers

The Administrator may—

(1) use the services of Federal agencies and, with the consent of any State or local government, accept and use the services of State and local agencies;

(2) establish and use such regional and other offices as may be necessary; and

(3) use such voluntary and uncompensated services by individuals or organizations as may from time to time be needed.

(d) Gifts

Notwithstanding any other provision of law, the Administrator may accept gifts of supplies, equipment, and facilities and may use or distribute such gifts for emergency preparedness purposes in accordance with the provisions of this subchapter.

(e) Reimbursement

The Administrator may reimburse any Federal agency for any of its expenditures or for compensation of its personnel and use or consumption of its materials and facilities under this subchapter to the extent funds are available.

(f) Printing

The Administrator may purchase such printing, binding, and blank-book work from public, commercial, or private printing establishments or binderies as the Administrator considers necessary upon orders placed by the Director of the Government Publishing Office or upon waivers issued in accordance with section 504 of title 44.

(g) Rules and regulations

The Administrator may prescribe such rules and regulations as may be necessary and proper to carry out any of the provisions of this subchapter and perform any of the powers and duties provided by this subchapter. The Administrator may perform any of the powers and duties provided by this subchapter through or with the aid of such officials of the Federal Emergency Management Agency as the Administrator may designate.

(h) Failure to expend contributions correctly

(1) When, after reasonable notice and opportunity for hearing to the State or other person involved, the Administrator finds that there is a failure to expend funds in accordance with the regulations, terms, and conditions established under this subchapter for approved emergency preparedness plans, programs, or projects, the Administrator may notify such State or person that further payments will not be made to the State or person from appropriations under this subchapter (or from funds otherwise available for the purposes of this subchapter for any approved plan, program, or project with respect to which there is such failure to comply) until the Administrator finds that there will no longer be any such failure.

(2) Until so satisfied, the Administrator shall either withhold the payment of any financial contribution to such State or person or limit payments to those programs or projects with respect to which there is substantial compliance with the regulations, terms, and conditions governing plans, programs, or projects hereunder.

(3) As used in this subsection, the term “person” means the political subdivision of any

Prior Provisions

Provisions similar to those in this section were contained in section 2253 of the former Appendix to Title 50, War and National Defense, prior to repeal by Pub. L. 103–337, § 3412(a).

Amendments


Change of Name


Transfer of Functions

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

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

§ 5197a. Security regulations

(a) Establishment

The Administrator shall establish such security requirements and safeguards, including restrictions with respect to access to information and property as the Administrator considers necessary.

(b) Limitations on employee access to information

No employee of the Federal Emergency Management Agency shall be permitted to have access to information or property with respect to which access restrictions have been established under this section, until it shall have been determined that no information is contained in the files of the Federal Bureau of Investigation or any other investigative agency of the Government indicating that such employee is of questionable loyalty or reliability for security purposes, or if any such information is so disclosed, until the Federal Bureau of Investigation shall have conducted a full field investigation concerning such person and a report thereon shall have been evaluated in writing by the Administrator.

(c) National security positions

No employee of the Federal Emergency Management Agency shall occupy any position determined by the Administrator to be of critical importance from the standpoint of national security until a full field investigation concerning such employee shall have been conducted by the Director of the Office of Personnel Management and a report thereon shall have been evaluated in writing by the Administrator of the Federal Emergency Management Agency.

In the event such full field investigation by the Director of the Office of Personnel Management develops any data reflecting that such applicant for a position of critical importance is of questionable loyalty or reliability for security purposes, or if the Administrator of the Federal Emergency Management Agency for any other reason considers it to be advisable, such investigation shall be discontinued and a report thereon shall be referred to the Administrator of the Federal Emergency Management Agency for evaluation in writing.

(d) Employee oaths

Each Federal employee of the Federal Emergency Management Agency acting under the authority of this subchapter, except the subjects of the United Kingdom and citizens of Canada specified in section 5197(b) of this title, shall execute the loyalty oath or appointment affidavits prescribed by the Director of the Office of Personnel Management.

Each person other than a Federal employee who is appointed to serve in a State or local organization for emergency preparedness shall before entering upon duties, take an oath in writing before a person authorized to administer oaths, which oath shall be substantially as follows:

“I, do solemnly swear (or affirm) that I will support and defend the Constitution of the United States against all enemies, foreign and domestic; that I will bear true faith and allegiance to the same; that I take this obligation freely, without any mental reservation or purpose of evasion; and that I will well and faithfully discharge the duties upon which I am about to enter.

“And I do further swear (or affirm) that I do not advocate, nor am I a member or an affiliate of any organization, group, or combination of persons that advocates the overthrow of the Government of the United States by force or violence; and that during such time as I am a member of (name of emergency preparedness organization), I will not advocate nor become a member or an affiliate of any organization, group, or combination of persons that advocates the overthrow of the Government of the United States by force or violence.”

After appointment and qualification for office, the director of emergency preparedness of any State, and any subordinate emergency prepared-
ness officer within such State designated by the director in writing, shall be qualified to administer any such oath within such State under such regulations as the director shall prescribe. Any person who shall be found guilty of having falsely taken such oath shall be punished as provided in section 1621 of title 18.


PRIOR PROVISIONS

Provisions similar to those in this section were contained in section 2255 of the former Appendix to Title 50, War and National Defense, prior to repeal by Pub. L. 103–337, § 3412(a).

AMENDMENTS


Subsec. (c). Pub. L. 111–351 substituted “determined by the Administrator” for “determined by the Director”, “writing by the Administrator” for “writing by the Director”, “or if the Administrator” for “or if the Director”, “referred to the Administrator” for “referred to the Director”, “Thereafter, the Administrator” for “Thereafter, the Director”, and “furnished to the Administrator” for “furnished to the Director”.

TRANSFER OF FUNCTIONS

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

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

§ 5197d. Applicability of subchapter

The provisions of this subchapter shall be applicable to the United States, its States, Territories and possessions, and the District of Columbia, and their political subdivisions.
§ 5197e. Authorization of appropriations and transfers of funds

(a) Authorization of appropriations

There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this subchapter.

(b) Transfer authority

Funds made available for the purposes of this subchapter may be allocated or transferred for any of the purposes of this subchapter, with the approval of the Director of the Office of Management and Budget, to any agency or government corporation designated to assist in carrying out this subchapter. Each such allocation or transfer shall be reported in full detail to the Congress within 30 days after such allocation or transfer.

§ 5197f. Relation to Atomic Energy Act of 1954

Nothing in this subchapter shall be construed to alter or modify the provisions of the Atomic Energy Act of 1954 (42 U.S.C. 2011 et seq.).

§ 5197g. Federal Bureau of Investigation

Nothing in this subchapter shall be construed to authorize investigations of espionage, sabotage, or subversive acts by any persons other than personnel of the Federal Bureau of Investigation.
(4) implement a joint project with a minority serving institution, including a part B institution (as defined in section 1061(2) of title 20), an institution described in subparagraph (A), (B), or (C) of section 1063b(e)(1) of title 20, and a Hispanic-serving institution (as defined in section 1101a(a)(5) of title 20).

(e) Application and review procedure

To be eligible to receive a grant, contract, or cooperative agreement under this section, an organization must submit an application to the Administrator at such time, in such manner, and accompanied by such information as the Administrator may reasonably require. The Administrator shall establish a procedure by which to accept such applications.

(f) Authorization of appropriation

There is authorized to be appropriated to carry out this section $1,500,000 for fiscal year 2002 and such funds as may be necessary for fiscal years 2003 through 2007. Such sums shall remain available until expended.


REFERENCES IN TEXT

Section 632(p) of title 15, referred to in subsec. (c), was redesignated section 651a(b) of Title 15, Commerce and Trade, by Pub. L. 115–91, div. A, title XVII, §1701(a)(2), Dec. 12, 2017, 131 Stat. 1795.

Subparagraph (A), (B), or (C) of section 1063b(e)(1) of title 20, referred to in subsec. (d)(8), was in the original “subparagraph (A), (B), or (C) of section 328 of that Act (20 U.S.C. 1063b(e)(1)(A), (B), or (C))”, which was translated as reading “subparagraph (A), (B), or (C) of section 328(e)(1) of that Act (20 U.S.C. 1063b(e)(1)(A), (B), or (C))”, to reflect the probable intent of Congress.

AMENDMENTS


TRANSFER OF FUNCTIONS

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

For transfer of functions, personnel, assets, and liabilities of the Federal Emergency Management Agency, including the functions of the Director of the Federal Emergency Management Agency relating thereto, to the Secretary of Homeland Security, and for treatment of related references, see former section 315(1) and sections 551(d), 552(d), and 557 of Title 6, Domestic Security, and the Department of Homeland Security Reorganization Plan of November 25, 2002, as modified, set out as a note under section 542 of Title 6.

SUBCHAPTER V—MISCELLANEOUS

§ 5201. Rules and regulations

(a)(1) The President may prescribe such rules and regulations as may be necessary and proper to carry out any of the provisions of this chapter, and he may exercise any power or authority conferred on him by any section of this chapter either directly or through such Federal agency or agencies as he may designate.

(2) DEADLINE FOR PAYMENT OF ASSISTANCE.—

Rules and regulations authorized by paragraph (1) shall provide that payment of any assistance under this chapter to a State shall be completed within 60 days after the date of approval of such assistance.

(b) In furtherance of the purposes of this chapter, the President or his delegate may accept and use bequests, gifts, or donations of service, money, or property, real, personal, or mixed, tangible, or intangible. All sums received under this subsection shall be deposited in a separate fund on the books of the Treasury and shall be available for expenditure upon the certification of the President or his delegate. At the request of the President or his delegate, the Secretary of the Treasury may invest and reinvest excess monies in the fund. Such investments shall be in public debt securities with maturities suitable for the needs of the fund and shall bear interest at rates determined by the Secretary of the Treasury, taking into consideration current market yields on outstanding marketable obligations of the United States of comparable maturities. The interest on such investments shall be credited to, and form a part of, the fund.


REFERENCES IN TEXT

This chapter, referred to in text, was in the original “this Act”, meaning Pub. L. 93–288, May 22, 1974, 88 Stat. 163; Pub. L. 96–446, provided that: “Regulations necessary to carry out this Act to the Code, see Short Title note set out under this Act.”

AMENDMENTS

1988—Subsec. (a). Pub. L. 100–707 designated existing provision as par. (1) and added par. (2).

1980—Pub. L. 96–446 designated existing provisions as subsec. (a) and added subsec. (b).

DEADLINE FOR ISSUANCE OF REGULATIONS

Pub. L. 100–707, title I, §113, Nov. 23, 1988, 102 Stat. 4711, provided that: “Regulations necessary to carry out this title and the amendments made by this title [see Short Title of 1988 Amendment note set out under section 5121 of this title] shall be issued no later than the 180th day following the date of the enactment of this Act [Nov. 23, 1988].’’

of law, all amounts appropriated for disaster assistance payments under the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.) that are in excess of either the historical annual average obligation of $320,000,000, or the amount submitted in the President’s initial budget request, whichever is lower, shall be considered as “emergency requirements” pursuant to section 901(b)(2)(D)\(^1\) of title 2, and such amounts shall on and after December 12, 1991, be so designated.


REFERENCES IN TEXT

The Robert T. Stafford Disaster Relief and Emergency Assistance Act, referred to in text, is Pub. L. 93–288, May 22, 1974, 88 Stat. 143, as amended, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 5121 of this title and Tables.

\(^1\)See References in Text note below.

§ 5204. Insular areas disaster survival and recovery; definitions

As used in sections 5204 to 5204c of this title—

(1) the term “insular area” means any of the following: American Samoa, the Federated States of Micronesia, Guam, the Marshall Islands, the Northern Mariana Islands, the Trust Territory of the Pacific Islands, and the Virgin Islands;

(2) the term “disaster” means a declaration of a major disaster by the President after September 1, 1989, pursuant to section 5170 of this title; and

(3) the term “Secretary” means the Secretary of the Interior.


REFERENCES IN TEXT

Sections 5204 to 5204c of this title, referred to in text, was in the original “this title”, meaning title II of Pub. L. 102–247, Feb. 24, 1992, 106 Stat. 37, which enacted sections 5204 to 5204c of this title and amended section 5222 of this title.

CODIFICATION

Section was enacted as part of the Omnibus Insular Areas Act of 1992, and not as part of the Robert T. Stafford Disaster Relief and Emergency Assistance Act which comprises this chapter.

§ 5204a. Authorization of appropriations for insular areas

There are hereby authorized to be appropriated to the Secretary such sums as may be necessary to—

(1) reconstruct essential public facilities damaged by disasters in the insular areas that occurred prior to February 24, 1992; and

(2) enhance the survivability of essential public facilities in the event of disasters in the insular areas, except that with respect to the disaster declared by the President in the case of Hurricane Hugo, September 1989, amounts for any fiscal year shall not exceed 25 percent of the estimated aggregate amount of grants to be made under sections 5170b and 5172 of this title for such disaster. Such sums shall remain available until expended.


CODIFICATION

Section was enacted as part of the Omnibus Insular Areas Act of 1992, and not as part of the Robert T. Stafford Disaster Relief and Emergency Assistance Act which comprises this chapter.

§ 5204b. Technical assistance for insular areas

(a) Upon the declaration by the President of a disaster in an insular area, the President, acting through the Administrator of the Federal Emergency Management Agency, shall assess, in cooperation with the Secretary and chief executive of such insular area, the capability of the insular government to respond to the disaster, including the capability to assess damage; coordinate activities with Federal agencies, particularly the Federal Emergency Management Agency; develop recovery plans, including recommendations for enhancing the survivability of essential infrastructure; negotiate and manage reconstruction contracts; and prevent the misuse of funds. If the President finds that the insular government lacks any of these or other capabilities essential to the recovery effort, then the President shall provide technical assistance to the insular area which the President deems necessary for the recovery effort.

(b) One year following the declaration by the President of a disaster in an insular area, the Secretary, in consultation with the Administrator of the Federal Emergency Management Agency, shall submit to the Senate Committee on Energy and Natural Resources and the House Committee on Natural Resources a report on the status of the recovery effort, including an audit of Federal funds expended in the recovery effort and recommendations on how to improve public health and safety, survivability of infrastructure, recovery efforts, and effective use of funds in the event of future disasters.


CODIFICATION

Section was enacted as part of the Omnibus Insular Areas Act of 1992, and not as part of the Robert T. Staf-
ford Disaster Relief and Emergency Assistance Act which comprises this chapter.

AMENDMENTS

1994—Subsec. (b). Pub. L. 103–437 substituted “House Committee on Natural Resources” for “House Committee on Interior and Insular Affairs”.

CHANGE OF NAME

“Administrator of the Federal Emergency Management Agency” substituted for “Director of the Federal Emergency Management Agency” in subsecs. (a) and (b) on authority of section 612(c) of Pub. L. 106–256, set out as a note under section 313 of Title 6, Domestic Security. Any reference to the Administrator of the Federal Emergency Management Agency in title VI of Pub. L. 106–256 or an amendment by title VI to be considered to refer and apply to the Director of the Federal Emergency Management Agency until Mar. 31, 2007, see section 612(f)(2) of Pub. L. 106–256, set out as a note under section 313 of Title 6.

TRANSFER OF FUNCTIONS

For transfer of all functions, personnel, assets, component authorities, grant programs, and liabilities of the Federal Emergency Management Agency, including the functions of the Under Secretary for Federal Emergency Management relating thereto, to the Federal Emergency Management Agency, see section 515(a)(1) of Title 6, Domestic Security.

For transfer of functions, personnel, assets, and liabilities of the Federal Emergency Management Agency, including the functions of the Director of the Federal Emergency Management Agency relating thereto, to the Secretary of Homeland Security, and for treatment of related references, see former section 313(1) and sections 531(d), 662(d), and 357 of Title 6, Domestic Security, and the Department of Homeland Security Reorganization Plan of November 25, 2002, as modified, set out as a note under section 542 of Title 6.

§ 5204c. Hazard mitigation for insular areas

The total of contributions under the last sentence of section 5170c of this title for the insular areas shall not exceed 10 percent of the estimated aggregate amount of grants to be made under sections 5170b, 5172, 5173, 5174, and 5178 of this title for any disaster. Provided, That the payment was authorized by an approved agreement specifying the costs; (2) the costs were reasonable; and (3) the purpose of the grant was accomplished.

§ 5205. Disaster grant closeout procedures

(a) Statute of limitations

(1) In general

Notwithstanding section 3716(c) of title 31 and except as provided in paragraph (2), no administrative action to recover any payment made to a State or local government for disaster or emergency assistance under this chapter shall be initiated in any forum after the date that is 3 years after the date of transmission of the final expenditure report for project completion as certified by the grantee.

(2) Fraud exception

The limitation under paragraph (1) shall apply unless there is evidence of civil or criminal fraud.

(b) Rebuttal of presumption of record maintenance

(1) In general

In any dispute arising under this section after the date that is 3 years after the date of transmission of the final expenditure report for project completion as certified by the grantee, there shall be a presumption that accounting records were maintained that adequately identify the source and application of funds provided for financially assisted activities.

(2) Affirmative evidence

The presumption described in paragraph (1) may be rebutted only on production of affirmative evidence that the State or local government did not maintain documentation described in that paragraph.

(3) Inability to produce documentation

The inability of the Federal, State, or local government to produce source documentation supporting expenditure reports later than 3 years after the date of transmission of the final expenditure report for project completion as certified by the grantee shall not constitute evidence to rebut the presumption described in paragraph (1).

(4) Right of access

The period during which the Federal, State, or local government has the right to access source documentation shall not be limited to the required 3-year retention period referred to in paragraph (3), but shall last as long as the records are maintained.

(c) Binding nature of grant requirements

A State or local government shall not be liable for reimbursement or any other penalty for any payment made under this chapter if—

(1) the payment was authorized by an approved agreement specifying the costs;
(2) the costs were reasonable; and
(3) the purpose of the grant was accomplished.

(d) Facilitating closeout

(1) Incentives

The Administrator of the Federal Emergency Management Agency may develop incentives and penalties that encourage State, local, or Indian tribal governments to close out expenditures and activities on a timely basis related to disaster or emergency assistance.

(2) Agency requirements

The Federal Emergency Management Agency shall, consistent with applicable regula-
tions and required procedures, meet its responsibilities to improve closeout practices and reduce the time to close disaster program awards.


REFERENCES IN TEXT

This chapter, referred to in subsecs. (a)(1) and (c), was, in the original “this Act”, meaning Pub. L. 93–288, May 22, 1974, 88 Stat. 148.

AMENDMENTS

2018—Subsec. (a)(1). Pub. L. 115–254, §1216(c)(1)(A), substituted “Notwithstanding section 3716(e) of title 31 and except” for “Except” and “report for project completion as certified by the grantee” for “report for the disaster or emergency”.

Subsec. (b)(1). Pub. L. 115–254, §1216(c)(1)(B)(i), substituted “report for project completion as certified by the grantee” for “report for the disaster or emergency”.

Subsec. (b)(3). Pub. L. 115–254, §1216(c)(1)(B)(ii), inserted “for project completion as certified by the grantee” after “final expenditure report”.


§5205a. Certain recoupment prohibited

(a) In general

Notwithstanding any other provision of law, the Agency shall deem any covered disaster assistance to have been properly procured, provided, and utilized, and shall restore any funding of covered disaster assistance previously provided but subsequently withdrawn or deobligated.

(b) Covered disaster assistance defined

In this section, the term “covered disaster assistance” means—

(1) provided to a local government pursuant to section 5170b, 5172, or 5173 of this title; and

(2) with respect to which the inspector general of the Department of Homeland Security has determined, after an audit, that—

(A) the Agency deployed to the local government a Technical Assistance Contractor to review field operations, provide eligibility advice, and assist with day-to-day decisions; and

(B) the Technical Assistance Contractor provided inaccurate information to the local government; and

(c) Effective date

This section shall be effective on October 5, 2018.


§5206. Buy American

(a) Compliance with chapter 83 of title 41

No funds authorized to be appropriated under this Act or any amendment made by this Act may be expended by an entity unless the entity, in expending the funds, complies with chapter 83 of title 41.

(b) Debarment of persons convicted of fraudulent use of “Made in America” labels

(1) In general

If the Administrator of the Federal Emergency Management Agency determines that a person has been convicted of intentionally affixing a label bearing a “Made in America” inscription to any product sold in or shipped to the United States that is not made in America, the Administrator shall determine, not later than 90 days after determining that the person has been so convicted, whether the person should be debarred from contracting under the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.).

(2) Definition of debar

In this subsection, the term “debar” has the meaning given the term in section 2393(c) of title 10.


REFERENCES IN TEXT


The Robert T. Stafford Disaster Relief and Emergency Assistance Act, referred to in subsec. (b)(1), is Pub. L. 93–288, May 22, 1974, 88 Stat. 143, as amended, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 5121 of this title and Tables.

CODIFICATION

Section was enacted as part of the Disaster Recovery Reform Act of 2018 and as part of the FAA Reauthorization Act of 2018, and not as part of the Robert T. Stafford Disaster Relief and Emergency Assistance Act which comprises this chapter.
Section was enacted as part of the Disaster Mitigation Act of 2000, and not as part of the Robert T. Stafford Disaster Relief and Emergency Assistance Act which comprises this chapter.

CHANGE OF NAME


TRANSFER OF FUNCTIONS

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

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

§ 5207. Firearms policies

(a) Prohibition on confiscation of firearms

No officer or employee of the United States (including any member of the uniformed services), or person operating pursuant to or under color of Federal law, or receiving Federal funds, or under control of any Federal official, or providing services to such an officer, employee, or other person, while acting in support of relief from a major disaster or emergency, may—

(1) temporarily or permanently seize, or authorize seizure of, any firearm the possession of which is not prohibited under Federal, State, or local law, other than for forfeiture in compliance with Federal law or as evidence in a criminal investigation;

(2) require registration of any firearm for which registration is not required by Federal, State, or local law;

(3) prohibit possession of any firearm, or promulgate any rule, regulation, or order prohibiting possession of any firearm, in any place or by any person where such possession is not otherwise prohibited by Federal, State, or local law; or

(4) prohibit the carrying of firearms by any person otherwise authorized to carry firearms under Federal, State, or local law, solely because such person is operating under the direction, control, or supervision of a Federal agency in support of relief from the major disaster or emergency.

(b) Limitation

Nothing in this section shall be construed to prohibit any person in subsection (a) from requiring the temporary surrender of a firearm as a condition for entry into any mode of transportation used for rescue or evacuation during a major disaster or emergency, provided that such temporarily surrendered firearm is returned at the completion of such rescue or evacuation.

(c) Private rights of action

(1) In general

Any individual aggrieved by a violation of this section may seek relief in an action at law, suit in equity, or other proper proceeding for redress against any person who subjects such individual, or causes such individual to be subjected, to the deprivation of any of the rights, privileges, or immunities secured by this section.

(2) Remedies

In addition to any existing remedy in law or equity, under any law, an individual aggrieved by the seizure or confiscation of a firearm in violation of this section may bring an action for return of such firearm in the United States district court in the district in which that individual resides or in which such firearm may be found.

(3) Attorney fees

In any action or proceeding to enforce this section, the court shall award the prevailing party, other than the United States, a reasonable attorney’s fee as part of the costs.


CHAPTER 69—COMMUNITY DEVELOPMENT

Sec. 5301. Congressional findings and declaration of purpose.

5302. General provisions.

5303. Grants to States, units of general local government and Indian tribes; authorizations.

5304. Statement of activities and review.

5305. Activities eligible for assistance.

5306. Allocation and distribution of funds.

5307. Special purpose grants.

5308. Guarantee and commitment to guarantee loans for acquisition of property.

5309. Nondiscrimination in programs and activities.

5310. Labor standards; rate of wages; exceptions; enforcement powers.

5311. Remedies for noncompliance with community development requirements.

5312. Use of grants for settlement of outstanding urban renewal loans of units of general local government.

5313. Reporting requirements.

5313a. Duplication of benefits.

5314. Consultation by Secretary with other Federal departments, etc.

5315. Interstate agreements or compacts; purposes.

5316. Transition provisions.

5317. Liquidation of superseded or inactive programs.

5318. Urban development action grants.

5318a. John Heinz Neighborhood Development Program.
§ 5301. Congressional findings and declaration of purpose

(a) Critical social, economic, and environmental problems facing Nation's urban communities

The Congress finds and declares that the Nation's cities, towns, and smaller urban communities face critical social, economic, and environmental problems arising in significant measure from—

1. The growth of population in metropolitan and other urban areas, and the concentration of persons of lower income in central cities;

2. Inadequate public and private investment and reinvestment in housing and other physical facilities, and related public and social services, resulting in the growth and persistence of urban slums and blight and the marked deterioration of the quality of the urban environment; and

3. Increasing energy costs which have seriously undermined the quality and overall effectiveness of local community and housing development activities.

(b) Establishment and maintenance of viable urban communities; systematic and sustained action by Federal, State, and local governments; expansion of and continuity in Federal assistance; increased private investment; streamlining programs and improvement of functioning of agencies; action to address consequences of scarce fuel supplies

The Congress further finds and declares that the future welfare of the Nation and the well-being of its citizens depend on the establishment and maintenance of viable urban communities as social, economic, and political entities, and require—

1. Systematic and sustained action by Federal, State, and local governments to eliminate blight, to conserve and renew older urban areas, to improve the living environment of low- and moderate-income families, and to develop new centers of population growth and economic activity;

2. Substantial expansion of and greater continuity in the scope and level of Federal assistance, together with increased private investment in support of community development activities;

3. Continuing effort at all levels of government to streamline programs and improve the functioning of agencies responsible for planning, implementing, and evaluating community development efforts; and

4. Concerted action by Federal, State, and local governments to address the economic and social hardships borne by communities as a consequence of scarce fuel supplies.

(c) Decent housing, suitable living environment, and economic opportunities for persons of low and moderate income; community development activities which may be supported by Federal assistance

The primary objective of this chapter and of the community development program of each grantee under this chapter is the development of viable urban communities, by providing decent housing and a suitable living environment and expanding economic opportunities, principally for persons of low and moderate income. Consistent with this primary objective, not less than 70 percent of the aggregate of the Federal assistance provided to States and units of general local government under section 5306 of this title and, if applicable, the funds received as a result of a guarantee or a grant under section 5308 of this title, shall be used for the support of activities that benefit persons of low and moderate income, and the Federal assistance provided in this chapter is for the support of community development activities which are directed toward the following specific objectives—

1. The elimination of slums and blight and the prevention of blighting influences and the deterioration of property and neighborhood and community facilities of importance to the welfare of the community, principally persons of low and moderate income;

2. The elimination of conditions which are detrimental to health, safety, and public welfare, through code enforcement, demolition, interim rehabilitation assistance, and related activities;

3. The conservation and expansion of the Nation's housing stock in order to provide a decent home and a suitable living environment for all persons, but principally those of low and moderate income;

4. The expansion and improvement of the quantity and quality of community services, principally for persons of low and moderate income, which are essential for sound community development and for the development of viable urban communities;

5. A more rational utilization of land and other natural resources and the better arrangement of residential, commercial, industrial, recreational, and other needed activity centers;

6. The reduction of the isolation of income groups within communities and geographical areas and the promotion of an increase in the diversity and vitality of neighborhoods through the spatial deconcentration of housing opportunities for persons of lower income and the revitalization of deteriorating or deteriorated neighborhoods;

7. The restoration and preservation of properties of special value for historic, architectural, or esthetic reasons;

8. The alleviation of physical and economic distress through the stimulation of private investment and community revitalization in areas with population outmigration or a stagnating or declining tax base;

9. The conservation of the Nation's scarce energy resources, improvement of energy efficiency, and the provision of alternative and renewable energy sources of supply.
It is the intent of Congress that the Federal assistance made available under this chapter not be utilized to reduce substantially the amount of local financial support for community development activities below the level of such support prior to the availability of such assistance.

(1) Consolidation of complex and overlapping Federal assistance programs into consistent system of Federal aid

It is also the purpose of this chapter to further the development of a national urban growth policy by consolidating a number of complex and overlapping programs of financial assistance to communities of varying sizes and needs into a consistent system of Federal aid which—

(1) provides assistance on an annual basis, with maximum certainty and minimum delay, upon which communities can rely in their planning;

(2) encourages community development activities which are consistent with comprehensive local and areawide development planning;

(3) furthers achievement of the national housing goal of a decent home and a suitable living environment for every American family; and

(4) fosters the undertaking of housing and community development activities in a coordinated and mutually supportive manner by Federal agencies and programs, as well as by communities.

References in Text

This chapter, referred to in subsecs. (c) and (d), was in the original ‘‘this title’’, meaning title I of Pub. L. 93–383, Aug. 22, 1974, 88 Stat. 633, which is classified principally to this chapter. For complete classification of title I to the Code, see Tables.

Amendments

1994—Subsec. (c). Pub. L. 103–233 inserted ‘‘or a grant’’ after ‘‘grant’’ in second sentence.


1975—Subsec. (d)(4). Pub. L. 94–135, § 101(b), provided that the development activities be undertaken by Federal agencies and programs as well as by communities.

Effective Date of 1994 Amendment

Pub. L. 103–233, title II, § 209, Apr. 11, 1994, 108 Stat. 366, provided that: ‘‘The amendments made by this title [enacting sections 5321 and 12840 of this title and amending this section and sections 5301, 5305, 5308, 5318, 12704, 12747, 12744, 12750, 12833, 12838, and 12893 of this title] shall apply with respect to any amounts made available to carry out title II of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12721 et seq.) after the date of the enactment of this Act [Apr. 11, 1994] and any amounts made available to carry out such title before such date of enactment that remain uncommitted on such date. The Secretary shall issue any regulations necessary to carry out the amendments made by this title not later than the expiration of the 65-day period beginning on the date of the enactment of this Act.’’

Effective Date of 1992 Amendment

Pub. L. 102–550, § 2, Oct. 28, 1992, 106 Stat. 3681, provided that: ‘‘The provisions of this Act [see Tables for classification] and the amendments made by this Act shall take effect and shall apply upon the date of the enactment of this Act [Oct. 28, 1992], unless such provisions or amendments specifically provide for effectiveness or applicability upon another date certain.’’

Effective Date of 1990 Amendment

Amendment by section 913(a) of Pub. L. 101–625 applicable to amounts approved in any appropriation Act under section 5303 of this title for fiscal year 1990 and each fiscal year thereafter, see section 913(f) of Pub. L. 101–625, set out as a note under section 5306 of this title.

Effective Date of 1983 Amendment

Amendment by Pub. L. 98–181 applicable only to funds available for fiscal year 1984 and thereafter, see section 110(b) of Pub. L. 98–181, as amended, set out as a note under section 5316 of this title.

Effective Date of 1977 Amendment

Pub. L. 95–128, title I, § 114, Oct. 12, 1977, 91 Stat. 1128, provided that: ‘‘The amendments made by this title [enacting section 5318 of this title, amending this section, sections 1452b, 5302 to 5308, and 5313 of this title, and section 461 of former Title 40, Public Buildings, Property, and Works, and enacting provisions set out as a note under section 5313 of this title] shall become effective October 1, 1977.’’

Short Title of 2003 Amendment


Short Title of 1992 Amendment

Pub. L. 102–550, § 1(a), Oct. 28, 1992, 106 Stat. 3681, provided that: ‘‘This Act [amending this section and sections 5301, 5305, 5308, 5318, 12704, 12747, 12744, 12750, 12833, 12838, and 12893 of this title] may be cited as the ‘Housing and Community Development Act of 1992’.’’

Short Title of 1988 Amendment

Pub. L. 100–242, § 1(a), Feb. 5, 1988, 101 Stat. 1815, provided that: ‘‘This Act [see Tables for classification] may be cited as the ‘Housing and Community Development Act of 1987’.’’
§ 5301

TITLE 42—THE PUBLIC HEALTH AND WELFARE
SHORT TITLE OF 1986 AMENDMENT

101, provided that: ‘‘This title [amending sections 1437b,
1437g, 1452b, 1483, 1485, 1487, 1490, 1490c, 4026, 4056, 4101,
5302, and 5308 of this title, and sections 1703, 1715h, 1715l,
1715z, 1715z–9, 1715z–10, 1715z–14, 1748h–1, 1748h–2, 1749bb,
1749aaa, 1749bbb, and 2811 of Title 12, Banks and Banking, enacting provisions set out as notes under section
5308 of this title, and amending provisions set out as a
note under section 1701q of Title 12] may be cited as the
‘Housing and Community Development Reconciliation
Amendments of 1985’.’’
SHORT TITLE OF 1984 AMENDMENT
Pub. L. 98–479, § 1, Oct. 17, 1984, 98 Stat. 2218, provided:
‘‘That this Act [amending sections 1437a, 1437b, 1437d,
1437f, 1437h, 1437l, 1437o, 1438 to 1440, 1452, 1455, 1456, 1471,
1472, 1480, 1481, 1483, 1485, 1487, 1490, 1490a to 1490c, 1493,
2414, 3337, 3535, 3541, 3936, 3938, 4016, 4017, 4101, 4105, 4124,
4502, 5302, 5304 to 5306, 5308, 5312, 5317, 5318, 5403, 6863,
8004, 8010, and 8107 of this title, sections 1425a, 1457,
1701c, 1701h, 1701q, 1701s, 1701x, 1701z–2, 1701z–13, 1702,
1705, 1706e, 1709, 1713, 1715d, 1715h, 1715l, 1715n, 1715y,
1715z, 1715z–1, 1715z–1a, 1715z–5 to 1715z–9, 1717, 1719, 1721,
1723a, 1723g, 1723h, 1732, 1735f–5, 1735f–9, 1749, 1749a, 1749c,
1749aaa, 1749aaa–3, 1749bbb–8, 1749bbb–13, 1749bbb–17,
1750c, 1757, 2706, 2709, 3612, and 3618 of Title 12, Banks
and Banking, and sections 1635 and 1715 of Title 15,
Commerce and Trade, enacting provisions set out as
notes under sections 1472 and 5305 of this title and sections 1715b, 1732 and 3618 of Title 12, and amending provisions set out as notes under sections 602, 5316, and
5318 of this title and section 1701z–6 of Title 12] may be
cited as the ‘Housing and Community Development
Technical Amendments Act of 1984’.’’
SHORT TITLE OF 1981 AMENDMENT
provided that: ‘‘This subtitle [subtitle A (§§ 300–371) of
title III of Pub. L. 97–35, enacting sections 1437j–1,
1437n, and 4028 of this title and sections 1701z–14, 1735f–9,
1735f–10, 2294a, and 3701 to 3717 of Title 12, Banks and
Banking, amending sections 1436a, 1437 to 1437d, 1437f,
1437g, 1437i, 1437j, 1437l, 1439, 1452b, 1483, 1485, 1487, 1490a,
1490c, 4017, 4026, 4056, 4081, 4127, 4518, 5302 to 5313, 5316,
5318, 5320, and 8107 of this title and sections 1701s,
1701j–2, 1701q, 1701x, 1701z–1, 1701z–14, 1703, 1706e, 1709–1,
1713, 1715e, 1715h, 1715k, 1715l, 1715n, 1715v, 1715y, 1715z,
1715z–1, 1715z–1a, 1715z–1b, 1715z–7, 1715z–9, 1715z–10, 1720,
1721, 1735c, 1748h–1, 1748h–2, 1749bb, 1749aaa, 1749bbb, and
1749bbb–3 of Title 12, repealing sections 8121 to 8124 of
this title and section 461 of former Title 40, Public
Buildings, Property, and Works, enacting provisions set
out as notes under 1436a, 1437a, 1437f, 4028, 5304, 5305,
5306, 5318 of this title and sections 1703, 1720, and 3701 of
Title 12, and repealing provisions set out as notes under
section 8121 of this title and section 1701s of Title 12]
may be cited as the ‘Housing and Community Development Amendments of 1981’.’’
SHORT TITLE OF 1980 AMENDMENT
Pub. L. 96–399, § 1, Oct. 8, 1980, 94 Stat. 1614, provided:
‘‘That this Act [enacting sections 1436a, 1436b, 1437l,
1437m, 1490j and 5320 of this title, sections 1735f–8 and
2809 to 2811 of Title 12, Banks and Banking, and sections
3601 to 3616 of Title 15, Commerce and Trade, amending
this section, sections 1437c, 1437d, 1437f, 1437g, 1437k,
1439, 1441c, 1452b, 1471, 1472, 1480, 1483 to 1487, 1490a, 1490c
to 1490e, 3535, 4127, 5302 to 5308, 5316 to 5318, 5401 to 5404,
5406 to 5416, 5419, 5421 to 5423, 5425, 6833, 6835, 8004, 8102,
8105, 8107, and 8124 of this title, sections 86a, 1425a, 1454,
1701q, 1701s, 1701u, 1701z–1, 1701z–11, 1703, 1706e, 1707, 1709,
1709–1, 1713, 1715d, 1715e, 1715h, 1715k, 1715l to 1715n,
1715u to 1715w, 1715y to 1715z–1, 1715z–1a, 1715z–5 to
1715z–7, 1715z–9, 1715z–10, 1717, 1720, 1721, 1723e, 1735c,
1735f–7a, 1748h–1, 1748h–2, 1749bb, 1749aaa and 2803 of
Title 12 and sections 461 and 484b of former Title 40,
Public Buildings, Property and Works, repealing section 2809 of Title 12, enacting provisions set out as

Page 5904

notes under sections 1472, 3535, 5302, 5313, 5401, 5424 and
8106 of this title, sections 86a, 1701z–6, 1703, 1715d, 1715z,
1717, 1723a, 1723e and 3305 of Title 12, section 3601 of
Title 15, and section 461 of former Title 40, and amending provisions set out as notes under section 5401 of this
title and sections 86a, 1701z–6, 1723e, and 1735f–4 of Title
12] may be cited as the ‘Housing and Community Development Act of 1980’.’’
SHORT TITLE OF 1979 AMENDMENT
Pub. L. 96–153, § 1, Dec. 21, 1979, 93 Stat. 1101, provided:
‘‘That this Act [enacting section 1735f–7 of Title 12,
Banks and Banking, section 1719a of Title 15, Commerce
and Trade, and section 1437k of this title, amending
section 5315 of Title 5, Government Organization and
Employees, sections 90, 1426, 1431, 1451, 1452, 1455, 1464,
1701q, 1701s, 1701z–1, 1701z–11, 1703, 1706e, 1709, 1709–1,
1713, 1715e, 1715h, 1715k, 1715l, 1715m, 1715v, 1715y, 1715z,
1715z–1, 1715z–1a, 1715z–6, 1715z–7, 1715z–9, 1715z–10, 1717,
1728, 1735c, 1748h–1, 1748h–2, 1749bb, 1749aaa, 1749bbb,
1757, 1787, and 1821 of Title 12, sections 1701, 1702, 1703,
1708, 1709, 1711, 1715, and 1717 of Title 15, section 461 of
former Title 40, Public Buildings, Property, and Works,
and sections 1437a, 1437c, 1437d, 1437f, 1437g, 1439, 1452b,
1471, 1472, 1474, 1479, 1480, 1483, 1484, 1485, 1486, 1487, 1490a,
1490c, 3533a, 3541, 4026, 4056, 4127, 5302, 5303, 5304, 5306,
5318, 5419, 8107, 8123, 8124, and 8146 of this title, and enacting provisions set out as notes under sections 1701,
1701q, 1701s, 1703, 1709, 1723e, and 1728 of Title 12, section
1701 of Title 15, and sections 1437a, 1437f, and 5304 of this
title] may be cited as the ‘Housing and Community Development Amendments of 1979’.’’
SHORT TITLE OF 1978 AMENDMENT
that: ‘‘This Act [enacting sections 3541, 5319, 8001 to
8010, 8101 to 8107, 8121 to 8124, and 8141 to 8146 of this
title and sections 1701z–9 to 1701z–13, 1715z–1a, 1715z–1b,
1735f–6, of Title 12, Banks and Banking, amending sections 1437a, 1437c, 1437e, 1437f, 1437g, 1441c, 1452b, 1476,
1480, 1483 to 1487, 1490a, 1490c, 1490e, 3371, 3535, 4026, 4056,
4127, 4521, 5304, 5305, 5307, 5318 and 5425, of this title, sections 1454, 1701j–2, 1701q, 1701z–1, 1703, 1706e, 1709, 1709–1,
1713, 1715h, 1715l, 1715n, 1715y, 1715z, 1715z–1, 1715z–5,
1715z–6, 1715z–9, 1715z–10, 1715z–11, 1715w, 1717, 1720, 1735c,
1748h–1, 1748h–2, 1749bb, 1749aaa, 1749bbb, and 1749bbb–3
of Title 12, section 1702 of Title 15, Commerce and
Trade, and sections 461 and 484b of former Title 40, Public Buildings, Property, and Works, and enacting provisions set out as notes under sections 1437c, 1437f, 1441,
1476, 1480, 5313, 8001, 8101, 8121, and 8141 of this title
and sections 1454, 1701z–6, 1701z–9, 1709, 1715z–1, and
1723e of Title 12] may be cited as the ‘Housing and Community Development Amendments of 1978’.’’
SHORT TITLE OF 1977 AMENDMENT
Section 1 of Pub. L. 95–128 provided that: ‘‘This Act
[enacting sections 3540 and 5318 of this title and sections 2901 to 2905 of Title 12, Banks and Banking,
amending this section, sections 1437c, 1437f, 1437g, 1439,
1452b, 1471, 1472, 1476, 1479, 1483 to 1485, 1487, 1490a, 1490c,
1490h, 3533, 4003, 4013, 4026, 4056, 4103 to 4106, 4127, 4501 to
4503, 4521, 5302 to 5308, 5313, 5403, and 5409 of this title,
sections 355, 1430, 1454, 1464, 1701q, 1701x, 1701z–1, 1703,
1706e, 1709, 1709–1, 1715h, 1715k to 1715m, 1715w, 1715y,
1715z, 1715z–1, 1715z–3, 1715z–7, 1715z–9, 1715z–10, 1717,
1723a, 1723e, 1748h–1, 1748h–2, 1749bb, and 1749aaa of Title
12, and section 461 of former Title 40, Public Buildings,
Property, and Works, and enacting provisions set out
as notes under this section, sections 1421b, 1437d, 1490h,
4501, and 5313 of this title, and sections 1715z–1, 1723e of
Title 12] may be cited as the ‘Housing and Community
Development Act of 1977’.’’
SHORT TITLE
Pub. L. 93–383, § 1, Aug. 22, 1974, 88 Stat. 633, provided:
‘‘That this Act [enacting this chapter, sections 1701j–2,
1701l–1, 1701z–5, 1701z–6, 1706e, 1715z–9 to 1715z–11, and
1735f–3 to 1735f–5 of Title 12, Banks and Banking, sec-


tion 803a of Title 20, Education, and sections 1437 to 1437l, 1438 to 1490e to 1490g, 4104a, and 5401 to 5426 of this title, amending sections 5315 and 5316 of Title 5, Government Organization and Employees, sections 24, 37l, 1431, 1436, 1454, 1464, 1701q, 1701u, 1701x, 1702s-3, 1703, 1709, 1709-1, 1713, 1715e, 1715h, 175kk to 1751s, 1715v, 1715w, 1715y, 1715z-1, 1715z-3, 1715z-6, 1715z-7, 1717, 1718, 1718s, 1720a, 1720ba, 17468-1, 17468-2, 17468b, 17468h, 17468aa-4, 17468aa-5, 1757, 1759, 1761b, 1761d, 1763, 1772, 1782, 1786, and 1788 of Title 12, sections 1701 to 1703 of Title 15, Commerce and Trade, sections 601, 602, and 606 of Title 29, section 711 of former Title 31, Money and Finan-
cence, sections 460 and 461 of former Title 40, Public
Buildings, Property, and Works, sections 1441a, 1441c,
14520, 1453, 1471, 1472, 1474, 1476 to 1478, 1483, 1485,
1487, 1490, 1490a, 1490c, 1490d, 1536, 3311, 3533, 3604 to 3606, 3631,
4014, 4512, 4514 to 4516, 4519, and 4532 of this title, and
sections 1602 and 1602a of former Title 49, Transport-
nance, sections 460 and 461 of former Title 40, Public
Buildings, Property, and Works, sections 1441a, 1441c,
14520, 1453, 1471, 1472, 1474, 1476 to 1478, 1483, 1485,
1487, 1490, 1490a, 1490c, 1490d, 1536, 3311, 3533, 3604 to 3606, 3631,
4014, 4512, 4514 to 4516, 4519, and 4532 of this title, and
sections 1602 and 1602a of former Title 40, Transporta-
tion, repealing sections 1411d and 1455a of this title, and
enacting provisions set out as notes under this sec-

PILOT PROGRAM TO HELP INDIVIDUALS IN RECOVERY FROM A SUBSTANCE USE DISORDER BECOME STABLY HOUSED

(a) AUTHORIZATION OF APPROPRIATIONS.—There is au-

1. AUTHORIZATION OF APPROPRIATIONS.—There is au-

(b) ADMINISTRATIVE COSTS.—Any State that receives

2. ADMINISTRATIVE COSTS.—Any State that receives

3. DISTRIBUTION.—Amounts appropriated or other-

4. RULES OF CONSTRUCTION.—

5. PROGRAM ELIGIBILITY CRITERIA.—

6. AUTHORITY TO WAIVE OR SPECIFY ALTERNATIVE

7. TECHNICAL ASSISTANCE.—

8. STATE.—For purposes of this section the term ‘State’ includes any State as defined in section 162 of the Housing and Community Development Act of 1974 (42 U.S.C. 5302 et seq.) and the District of Columbia.

ADDITIONAL ASSISTANCE FOR NEIGHBORHOOD STABILIZATION PROGRAM

(a) IN GENERAL.—Effective October 1, 2010, out of funds in the Treasury not otherwise appropriated, there is hereby made available to the Secretary of Housing and Urban Development $1,000,000,000, and the Sec-

(b) USE OF FUNDS.—

(c) USE OF FUNDS.—

(d) USE OF FUNDS.—

(e) USE OF FUNDS.—

(f) USE OF FUNDS.—

(g) USE OF FUNDS.—

(h) USE OF FUNDS.—

(i) USE OF FUNDS.—

(j) USE OF FUNDS.—
same provisions applicable under the second undesignated paragraph under the heading ‘Community Planning and Development—Community Development Fund’ in title XII of division A of the American Recovery and Reinvestment Act of 2009 (Public Law 111–5; 123 Stat. 217) to amounts made available under such second undesignated paragraph, except as follows:

(1) Notwithstanding the matter of such second undesignated paragraph that precedes the first proviso, amounts made available by this section shall remain available until expended.

(2) The 3rd, 4th, 5th, 6th, 7th, and 15th provisos of such second undesignated paragraph shall not apply to amounts made available by this section.

(3) Amounts made available by this section shall be allocated based on a funding formula for such amounts established by the Secretary in accordance with section 2301(b) of the Housing and Economic Recovery Act of 2008 [Pub. L. 110–289] (42 U.S.C. 5301 note), except that—

(A) notwithstanding paragraph (2) of such section 2301(b), the formula shall be established not later than 30 days after the date of the enactment of this Act [July 21, 2010];

(B) notwithstanding such section 2301(b), each State shall receive, at a minimum, not less than 0.5 percent of funds made available under this section;

(C) the Secretary may establish a minimum grant amount for direct allocations to units of general local government located within a State, which shall not exceed $1,000,000;

(D) each State and local government receiving grant amounts shall establish procedures to create preferences for the development of affordable rental housing for properties assisted with amounts made available by this section; and

(E) the Secretary may use not more than 2 percent of the funds made available under this section for technical assistance to grantees.

(4) Paragraph (1) of section 2301(c) of the Housing and Economic Recovery Act of 2008 shall not apply to amounts made available by this section for technical assistance to grantees.

(5) The fourth proviso from the end of such second undesignated paragraph shall be applied to amounts made available by this section by substituting ‘2013’ for ‘2012’.

(6) Notwithstanding section 2301(a) of the Housing and Economic Recovery Act of 2008, the term ‘State’ means any State, as defined in section 102 of the Housing and Community Development Act of 1974 (42 U.S.C. 5302), and the District of Columbia, for purposes of this section and this title [title XIV of Pub. L. 110–289, see Short Title of 2010 Amendment note set out under section 1601 of Title 15, Commerce and Trade], as applied to amounts made available by this section.

(7)(A) None of the amounts made available by this section shall be distributed to—

(i) any organization which has been convicted for a violation under Federal law relating to an election for Federal office; or

(ii) any organization which employs applicable individuals.

(B) In this paragraph, the term ‘applicable individual’ means an individual who—

(I) is—

(a) employed by the organization in a permanent or temporary capacity;

(b) contracted or retained by the organization; or

(c) acting on behalf of, or with the express or apparent authority of, the organization; and

(II) has been convicted for a violation under Federal law relating to an election for Federal office.

(C) Notwithstanding the matter of such second undesignated paragraph, to the maximum extent feasible, provide for the hiring of employees who reside in the vicinity, as such term is defined by the Secretary, of projects funded under this section or contract with small businesses that are owned and operated by persons residing in the vicinity of such projects.

(b) ADDITIONAL AMENDMENTS.—


(2) NOTICE OF FORECLOSURE.—For any amounts made available under this section, division B, title III of the Housing and Economic Recovery Act of 2008 (42 U.S.C. 5301 [note]), or under the heading ‘Community Planning and Development—Community Development Fund’ in title XII of division A of the American Recovery and Reinvestment Act of 2009 (Public Law 111–5; 123 Stat. 217), the date of a notice of foreclosure shall be deemed to be the date on which complete title to a property is transferred to a successor entity or person as a result of an order of a court or pursuant to provisions in a mortgage, deed of trust, or security deed.

ACQUISITION OF TENANT-OCUPIED FORECLOSED DWELLING OR RESIDENTIAL REAL PROPERTY

Pub. L. 111–5, div. A, title XII, Feb. 17, 2009, 123 Stat. 218, provided in part: ‘‘In the case of an acquisition of a foreclosed upon dwelling or residential real property acquired after the date of enactment [probably means the date of enactment of Pub. L. 111–5, Feb. 17, 2009] with any amounts made available under this heading [Community Development Fund] or under division B, title III of the Housing and Economic Recovery Act of 2008 (Public Law 110–289) [set out below], the initial successor in interest in such property pursuant to the foreclosure shall assume such interest subject to: (1) the provision by such successor in interest of a notice to vacate to any bona fide tenant at least 90 days before the effective date of such notice; and (2) the rights of any bona fide tenant, as of the date of such notice of foreclosure: (A) under any bona fide lease entered into before the notice of foreclosure to occupy the premises until the end of the remaining term of the lease, except that a successor in interest may terminate a lease effective on the date of sale of the unit to a purchaser who will occupy the unit as a primary residence, subject to the receipt by the tenant of the 90-day notice under this paragraph; or (B) without a lease or with a lease terminable at will at will under State law, subject to the receipt by the tenant of the 90-day notice under this paragraph, except that nothing in this paragraph shall affect the requirements for termination of any Federal- or State-subsidized tenancy or of any State or local law that provides longer time periods or other additional protections for tenants: Provided further, That, for purposes of this paragraph, a lease or tenancy shall be considered bona fide only if: (1) the mortgagor under the contract is not the tenant; (2) the lease or tenancy was the result of an arms-length transaction; and (3) the lease or tenancy requires the receipt of rent that is not substantially less than fair market rent for the property: Provided further, That the recipient of any grant or loan from amounts made available under this heading or, after the date of enactment, under division B, title III of the Housing and Economic Recovery Act of 2008 (Public Law 110–289) may not refuse to lease a dwelling unit in housing assisted with such loan or grant to a holder of a voucher or certificate of eligibility under section 8 of the United States Housing Act of 1937 (42 U.S.C. 1437f) because of the status of the prospective tenant as such a holder: Provided further, That in the case of any qualified foreclosed housing for which funds made available under this heading or, after
the date of enactment, under division B, title III of the Housing and Economic Recovery Act of 2008 (Public Law 110–289) are used and in which a recipient of assistance under section 8(o) of the United States Housing Act of 1937 resides at the time of foreclosure, the initial successor in interest shall be subject to the lease and to the housing assistance payments contract for the occupied unit: Provided further, That vacating the property prior to sale shall not constitute good cause for termination of the tenancy unless the property is unmarketable while occupied or unless the owner or subsequent purchaser desires the unit for personal or family use: Provided further, That if a public housing agency is unable to make payments under the contract to the immediate successor in interest after foreclosures, due to (1) an action or inaction by the successor in interest, including the rejection of payments or the failure of the successor to maintain the unit in compliance with section 8(o)(8) of the United States Housing Act of 1937 (42 U.S.C.1437f) or (2) an inability to identify the successor, the agency may use funds that would have been used to pay the rental amount on behalf of the family—(i) to pay for utilities that are the responsibility of the owner under the lease or applicable law, after taking reasonable steps to notify the owner that it intends to make payments to a utility provider in lieu of payments to the owner, except prior notification shall not be required in any case in which the unit will be or has been rendered uninhabitable due to the termination or threat of termination of service, in which case the public housing agency shall notify the owner within a reasonable time after making such payment; or (ii) for the family’s reasonable moving costs, including security deposit costs: Provided further, That this paragraph shall not preempt any Federal, State or local law that provides more protections for tenants.\n
EMERGENCY ASSISTANCE FOR THE REDEVELOPMENT OF ABANDONED AND FORECLOSED HOMES\n
Pub. L. 111–5, div. A, title XII, Feb. 17, 2009, 123 Stat. 218, provided in part: “That the recipient of any grant or loan from amounts made available under this heading [Community Development Fund] or, after the date of enactment under division B, title III of the Housing and Economic Recovery Act of 2008 (Pub. L. 110–289, set out below), may not refuse to lease a dwelling unit in housing with such loan or grant to a participant under section 8 of the United States Housing Act of 1937 (42 U.S.C.1437f) because of the status of the prospective tenant as such a participant”.


SEC. 2301. EMERGENCY ASSISTANCE FOR THE REDEVELOPMENT OF ABANDONED AND FORECLOSED HOMES.

(a) DIRECT APPROPRIATIONS.—There are appropriated out of any money in the Treasury not otherwise appropriated for the fiscal year 2008, $4,000,000,000, to remain available until expended, for assistance to States and units of general local government (as such terms are defined in section 102 of the Housing and Community Development Act of 1974 (42 U.S.C. 5302)) for the redevelopment of abandoned and foreclosed upon homes and residential properties.

(b) ALLOCATION OF APPROPRIATED AMOUNTS.—

(1) IN GENERAL.—The amounts appropriated or otherwise made available to States and units of general local government under this section shall be allocated on a funding formula established by the Secretary of Housing and Urban Development (in this title referred to as the ‘Secretary’).

(2) FORMULA TO BE DEvised SWIFTLY.—The funding formula required under paragraph (1) shall be established not later than 60 days after the date of enactment of this section [July 30, 2008].

(3) CRITERIA.—The funding formula required under paragraph (1) shall ensure that any amounts appropriated or otherwise made available under this section are allocated to States and units of general local government with the greatest need, as such need is determined in the discretion of the Secretary based on:

(A) the number and percentage of home foreclosures in each State or unit of general local government;

(B) the number and percentage of homes financed by a subprime mortgage related loan in each State or unit of general local government; and

(C) the number and percentage of homes in default or delinquency in each State or unit of general local government.

(4) DISTRIBUTION.—Amounts appropriated or otherwise made available under this section shall be distributed according to the funding formula established by the Secretary under paragraph (1) not later than 30 days after the establishment of such formula.

(c) USE OF FUNDS.—

(1) IN GENERAL.—Any State or unit of general local government that receives amounts pursuant to this section shall, not later than 18 months after the receipt of such amounts, use such amounts to purchase and redevelop abandoned and foreclosed homes and residential properties.

(2) PRIORITY.—Any State or unit of general local government that receives amounts pursuant to this section shall in distributing such amounts give prior- ity emphasis and consideration to those metropolitan areas, metropolitan cities, urban areas, rural areas, low- and moderate-income areas, and other areas with the greatest need, including those—

(A) with the greatest percentage of home foreclosures;

(B) with the highest percentage of homes financed by a subprime mortgage related loan; and

(C) identified by the State or unit of general local government as likely to face a significant rise in the rate of home foreclosures.

(3) EXCEPTION FOR CERTAIN STATES.—Each State that has received the minimum allocation of amounts pursuant to the requirement under section 2925 may, to the extent such State has fulfilled the requirements of paragraph (2), distribute any remaining amounts to areas with homeowners at risk of foreclosure or in foreclosure without regard to the percentage of home foreclosures in such areas.

(d) ELIGIBLE USES.—Amounts made available under this section may be used to—

(A) establish financing mechanisms for purchase and redevelopment of foreclosed upon homes and residential properties, including such mechanisms as soft seconds, loan loss reserves, and shared-equity loans for low- and moderate-income homebuyers;

(B) purchase and rehabilitate homes and residential properties that have been abandoned or foreclosed upon, in order to sell, rent, or redevelop such homes and properties;

(C) establish and operate land banks for homes and residential properties that have been foreclosed upon;

(D) demolish blighted structures; and

(E) redevelop demolished or vacant properties.

(4) LIMITATIONS.—

(1) ON PURCHASES.—Any purchase of a foreclosed upon home or residential property under this section shall be at a discount from the current market appraisal value of the home or property, taking into account its current condition, and such discount shall ensure that purchasers are paying below-market value for the home or property.

(2) REHABILITATION.—Any rehabilitation of a foreclosed-upon home or residential property under this section shall be to the extent necessary to comply with applicable laws, codes, and other requirements relating to housing safety, quality, and habitability.
in order to sell, rent, or redevelop such homes and properties. Rehabilitation may include improvements to increase the energy efficiency or conservation of such homes and properties or provide a renewable energy source or sources for such homes and properties.

“(3) SALE OF HOMES.—If an abandoned or foreclosed upon home or residential property is purchased, redeveloped, or otherwise sold to an individual as a primary residence, then such sale shall be in an amount equal to or less than the cost to acquire and redevelop or rehabilitate such home or property up to a decent, safe, and habitable condition.

“(e) RULES OF CONSTRUCTION.—

“(1) IN GENERAL.—Except as otherwise provided by this section, amounts appropriated, revenues generated, or amounts otherwise made available to States and units of general local government under this section shall be treated as though such funds were community development block grant funds under title I of the Housing and Community Development Act of 1974 (42 U.S.C. 5301 et seq.).

“(2) NO MATCH.—No matching funds shall be required in order for a State or unit of general local government to receive any amounts under this section.

“(f) AUTHORITY TO SPECIFY ALTERNATIVE REQUIREMENTS.—

“(1) IN GENERAL.—In administering any amounts appropriated or otherwise made available under this section, the Secretary may specify alternative requirements to any provision under title I of the Housing and Community Development Act of 1974 (42 U.S.C. 5301 et seq.) (except for those related to fair housing, nondiscrimination, labor standards, and the environment) in accordance with the terms of this section and for the sole purpose of expediting the use of such funds.

“(2) NOTICE.—The Secretary shall provide written notice of its intent to exercise the authority to specify alternative requirements under paragraph (1) to the Committee on Banking, Housing and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives not later than 10 business days before such exercise of authority is to occur.

“(3) LOW AND MODERATE INCOME REQUIREMENT.—

“(A) IN GENERAL.—Notwithstanding the authority of the Secretary under paragraph (1)—

“(1) all of the funds appropriated or otherwise made available under this section shall be used with respect to individuals and families whose income does not exceed 120 percent of area median income; and

“(2) not less than 25 percent of the funds appropriated or otherwise made available under this section shall be used to house individuals or families whose incomes do not exceed 50 percent of area median income.

“(B) RECURRENT REQUIREMENT.—The Secretary shall, by rule or order, ensure, to the maximum extent practicable and for the longest feasible term, that the sale, rental, or redevelopment of abandoned and foreclosed upon homes and residential properties under this section remain affordable to individuals or families described in subparagraph (A).

“(g) PERIODIC AUDITS.—In consultation with the Secretary of Housing and Urban Development, the Comptroller General of the United States shall conduct periodic audits to ensure that funds appropriated, made available, or otherwise distributed under this section are being used in a manner consistent with the criteria provided in this section.

“SEC. 2302. NATIONWIDE DISTRIBUTION OF RESOURCES.

“Notwithstanding any other provision of this Act [see Short Title of 2008 Amendment note set out under section 1701 of Title 12] or the amendments made by this Act, each State shall receive not less than 0.5 percent of funds made available under section 2301 (relating to emergency assistance for the redevelopment of abandoned and foreclosed homes).

“SEC. 2303. LIMITATION ON USE OF FUNDS WITH RESPECT TO EMINENT DOMAIN.

“No State or unit of general local government may use any amounts received pursuant to section 2301 to fund any project that seeks to use the power of eminent domain, unless eminent domain is employed only for a public use: Provided, That for purposes of this section, public use shall not be construed to include economic development that primarily benefits private entities.

“SEC. 2304. LIMITATION ON DISTRIBUTION OF FUNDS.

“(a) IN GENERAL.—None of the funds made available under this title or title IV [122 Stat. 2854] shall be distributed to—

“(1) an organization which has been indicted for a violation under Federal law relating to an election for Federal office; or

“(2) an organization which employs applicable individuals.

“(b) APPLICABLE INDIVIDUALS DEFINED.—In this section, the term ‘applicable individual’ means an individual who—

“(1) is—

“(A) employed by the organization in a permanent or temporary capacity;

“(B) contracted or retained by the organization; or

“(C) acting on behalf of, or with the express or apparent authority of, the organization; and

“(2) has been indicted for a violation under Federal law relating to an election for Federal office.

“SEC. 2305. COUNSELING INTERMEDIARIES.

“Notwithstanding any other provision of this Act [see Short Title of 2008 Amendment note set out under section 1701 of Title 12], the amount appropriated under section 2301(a) of this Act shall be $39,920,000,000 and the amount appropriated under section 2401 of this Act [122 Stat. 2854] shall be $180,000,000: Provided, That of the amount appropriated under section 2401 of this Act pursuant to this section, not less than 15 percent shall be provided to counseling organizations that target counseling services regarding loss mitigation to minority and low-income homeowners or provide such services in neighborhoods with high concentrations of minority and low-income homeowners: Provided further, That of amounts appropriated under such section 2401 $30,000,000 shall be used by the Neighborhood Reinvestment Corporation (referred to in this section as the ‘NRC’) to make grants to counseling intermediaries approved by the Department of Housing and Urban Development or the NRC to hire attorneys to assist homeowners who have legal issues directly related to the homeowner’s foreclosure, delinquency or short sale. Such attorneys shall be capable of assisting homeowners of owner-occupied homes with mortgages in default, in danger of default, or subject to or at risk of foreclosure and who have legal issues that cannot be handled by counselors already employed by such intermediaries: Provided further, That of the amounts provided for in the prior provisos the NRC shall give priority consideration to counseling intermediaries and legal organizations that (1) provide legal assistance in the 100 metropolitan statistical areas (as defined by the Director of the Office of Management and Budget) with the highest home foreclosure rates, and (2) have the capacity to begin using the financial assistance within 90 days after receipt of the assistance: Provided further, That no funds provided under this Act shall be used to provide, obtain, or arrange on behalf of a homeowner, legal representation involving or for the purposes of civil litigation: Provided further, That the NRC, in awarding counseling grants under section 2401 of this Act, may consider, where appropriate, whether an entity has implemented a written plan for providing in-person counseling and for making contact, including
personal contact, with defaulted mortgagors, for the purpose of providing counseling or providing information available about counseling.

[Pub. L. 111–208, § 1407(b)(1)(A), which directed amendment of section 2301(c)(3)(A)(ii) of Pub. L. 110–289, set out above, by striking out “for the purchase and redevelopment of abandoned and foreclosed upon homes or residential properties that will be used”, was executed by striking out “for the purchase and redevelopment of abandoned or foreclosed upon homes or residential properties that will be used” before “to house”, to reflect the probable intent of Congress.] [Pub. L. 111–22, div. A, title I, § 105(b), May 20, 2009, 123 Stat. 1638, provided that: “The amendment made by subsection (a) [amending section 2301 of Pub. L. 110–289, set out above] shall take effect as if enacted on the date of enactment of the Foreclosure Prevention Act of 2008 (Public Law 110–289) [July 30, 2008].”]

INCOME ELIGIBILITY FOR HOME AND CDBG PROGRAMS


“(a) IN GENERAL.—The Secretary of Housing and Urban Development shall, for not less than 10 jurisdictions that are metropolitan cities or urban counties for purposes of title I of the Housing and Community Development Act of 1974 [42 U.S.C. 5301 et seq.], grant exceptions not later than 90 days after the date of the enactment of this Act [Oct. 21, 1998] for such jurisdictions that provide that—

“(1) for purposes of the HOME investment partnership program under title II of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12721 et seq.), the limitation based on percentage of median income that is applicable under section 10410(a), 214(1)(A), or 215(a)(1)(A) [42 U.S.C. 12704(10), 1274(1)(A), 12745(a)(1)(A)] for any area of the jurisdiction shall be the numerical percentage that is specified in such section; and

“(2) for purposes of the community development block grant program under title I of the Housing and Community Development Act of 1974 [42 U.S.C. 5301 et seq.], the limitation based on percentage of median income that is applicable pursuant to section 102(a)(20) [42 U.S.C. 5302(a)(20)] for any area within the State or unit of general local government shall be the numerical percentage that is specified in subparagraph (A) of such section.

“(b) EFFECTIVE DATE.—This section shall take effect on the date of the enactment of this Act [Oct. 21, 1998].

FINDINGS AND PURPOSE

Pub. L. 100–242, § 2, Feb. 5, 1988, 101 Stat. 1819, provided that:

“(a) FINDINGS.—The Congress finds that—

“(1) for the past 50 years, the Federal Government has taken the leading role in enabling the people of this Nation to be the best housed in the world, and recent reductions in Federal assistance have contributed to a deepening housing crisis for low- and moderate-income families;

“(2) the efforts of the Federal Government have included a system of specialized lending institutions, favorable tax policies, construction assistance, mortgage insurance, loan guarantees, secondary markets, and interest and rental subsidies, that have enabled people to rent or buy affordable, decent, safe, and sanitary housing; and

“(3) the tragedy of homelessness in urban and suburban communities across the Nation, involving a record number of people, dramatically demonstrates the lack of affordable residential shelter, and people living on the economic margins of our society (lower income families, the elderly, the working poor, and the deinstitutionalized) have few available alternatives for shelter.

“(b) PURPOSE.—The purpose of this Act [see Short Title of 1988 Amendment note above], therefore, is—

“(1) to reaffirm the principle that decent and affordable shelter is a basic necessity, and the general welfare of the Nation and the health and living standards of its people require the addition of new housing units to remedy a serious shortage of housing units for all Americans, particularly for persons of low and moderate income;

“(2) to make the distribution of direct and indirect housing assistance more equitable by providing Federal assistance for the less affluent people of the Nation;

“(3) to provide needed housing assistance for homeless people and for persons of low and moderate income who lack affordable, decent, safe, and sanitary housing; and

“(4) to reform existing programs to ensure that such assistance is delivered in the most efficient manner possible.”

BUDGET COMPLIANCE

Pub. L. 100–242, § 3, Feb. 5, 1988, 101 Stat. 1819, provided that:

“(a) IN GENERAL.—This Act and the amendments made by this Act [see Short Title of 1988 Amendment note above] may not be construed to provide for new budget authority, budget outlays, or new entitlement authority, for fiscal year 1988 in excess of the appropriate aggregate levels established by the concurrent resolution on the budget for such fiscal year for the programs authorized by this Act and the amendments made by this Act.

“(b) DEFINITIONS.—For purposes of this section, the terms ‘budget authority’, ‘budget outlays’, ‘concurrence resolution on the budget’, and ‘entitlement authority’ have the meanings given such terms in section 3 of the Congressional Budget Act of 1974 (2 U.S.C. 622).”

CREDIT LIMITATION

Pub. L. 100–242, § 4, Feb. 5, 1988, 101 Stat. 1819, provided that: “Any new credit authority (as defined in section 3 of the Congressional Budget Act of 1974 (2 U.S.C. 622)) which is provided by this Act [see Short Title of 1988 Amendment note above], or by an amendment made by this Act, shall be effective only to such extent or in such amounts as are provided in appropriation Acts.”

LIMITATION ON SPENDING AUTHORITY

Pub. L. 100–242, § 5, Feb. 5, 1988, 101 Stat. 1820, provided that: “Any new spending authority (as defined in section 401(c) of the Congressional Budget Act of 1974 [2 U.S.C. 651(c)]) which is provided by this Act, or by an amendment made by this Act [see Short Title of 1988 Amendment note above], shall be effective only to such extent or in such amounts as are provided in appropriation Acts.”

LIMITATION ON WITHHOLDING OR CONDITIONING OF ASSISTANCE


EX. OR. NO. 13853. ESTABLISHING THE WHITE HOUSE OPPORTUNITY AND REVITALIZATION COUNCIL

Ex. Or. No. 13853, Dec. 12, 2018, 83 F.R. 65071, provided:
SECTION 1. Purpose. Fifty-two million Americans live in economically distressed communities. Despite the growing national economy, these communities are plagued by high poverty rates, falling schools, and a scarcity of jobs. In December 2017, I signed into law a bill originally introduced as the Tax Cuts and Jobs Act (Act) [title I of Pub. L. 115–97, see Tables for classification], which established a historic new Federal tax incentive that promotes long-term equity investments in low-income communities designated as “qualified opportunity zones” by the Governors of States or territories. In order to further facilitate such investment, my Administration will implement reforms that streamline existing regulations, protect taxpayers by minimizing administrative costs and burdens that discourage public and private investment in urban and economically distressed communities, including qualified opportunity zones; (a) assess the actions each agency can take under existing authorities to prioritize or focus Federal investments and programs on urban and economically distressed communities, including qualified opportunity zones; (b) assess the actions each agency can take under existing authorities to minimize all regulatory and administrative costs and burdens that discourage public and private investment in urban and economically distressed communities, including qualified opportunity zones; (c) regularly consult with officials from State, local, and tribal governments and individuals from the private sector to solicit feedback on how best to stimulate the economic development of urban and economically distressed areas, including qualified opportunity zones; (d) coordinate Federal interagency efforts to help ensure that private and public stakeholders—such as investors, business owners; institutions of higher education (including Historically Black Colleges and Universities, as defined by 50 U.S.C. 3224(g)(2), and tribally controlled colleges and universities, as defined by 25 U.S.C. 1801(a)(4)); K-12 education providers; early care and education providers; human services agencies; State, local, and tribal leaders; public housing agencies; non-profit organizations; and economic development organizations—can successfully develop strategies for economic growth and revitalization; (e) recommend policies that would: (i) reduce and streamline regulatory and administrative burdens, including burdens on applicants applying for multiple Federal assistance awards; (ii) help community-based applicants, including recipients of investments from qualified opportunity funds, identify and apply for relevant Federal resources; and (iii) make it easier for recipients to receive and manage multiple types of public and private investments, including by aligning certain program requirements; (f) evaluate the following: (i) whether and how agencies can prioritize support for urban and economically distressed areas, including qualified opportunity zones, in their grants, financing, and other assistance; (ii) appropriate methods for Federal cooperation with and support for States, localities, and tribes that are innovatively and strategically facilitating economic growth and inclusion in urban and economically distressed communities, including qualified opportunity zones, consistent with preserving State, local, and tribal control; (iii) whether and how to develop an integrated web-based tool through which entrepreneurs, investors, and other stakeholders can see the full range of applicable Federal financing programs and incentives available to projects located in urban and economically distressed areas, including qualified opportunity zones; (iv) whether and how to consider urban and economically distressed areas, including qualified opportunity zones, as possible locations for Federal buildings, through consultation with the General Services Administration; (v) whether and how Federal technical assistance, planning, financing tools, and implementation strategies can be coordinated across agencies to assist communities in addressing economic problems, engaging in comprehensive planning, and advancing regional collaboration; and (vi) what data, metrics, and methodologies can be used to measure the effectiveness of public and private investments in urban and economically distressed communities, including qualified opportunity zones.

SIRC. 4. Reports. The Assistant to the President for Domestic Policy shall, on behalf of the Council, be responsible for submitting to the President:

(a) Within 90 days of the date of this order [Dec. 12, 2018], a detailed work plan for how, and by when, the...
Council will accomplish the goals detailed in section 3 of this order;
(b) Within 210 days of the date of this order, a list of recommended changes to Federal statutes, regulations, policies, and programs that would encourage public and private investment in urban and economically distressed communities, including qualified opportunity zones;
(c) Within 1 year of the date of this order, a list of recommended changes to Federal statutes, regulations, policies, and programs that would help State, local, and tribal governments to better identify, use, and administer Federal resources in urban and economically distressed communities, including qualified opportunity zones;
(d) Within 1 year of the date of this order, a list of best practices that could be integrated into public and private investments in urban and economically distressed communities, including qualified opportunity zones, in order to increase economic growth, encourage new business formation, and revitalize communities; and
(e) Any subsequent reports that the President may request or that the Council may deem appropriate.
Sic. 5. Amendments to Executive Order 13845. [Amended Ex. Ord. No. 13845, set out as a note under section 3101 of Title 29, Labor.]
Sic. 6. General Provisions. (a) The heads of agencies shall assist and provide information to the Council, consistent with applicable law, as may be necessary for the Council to carry out its functions.
(b) The heads of agencies shall consider the reports and recommendations of the Council in carrying out their responsibilities related to urban and economically distressed communities.
(c) The Council shall terminate on January 21, 2021, unless extended by the President.
(d) Nothing in this order shall be construed to impair or otherwise affect:
(i) the authority granted by law to an executive department, agency, or the head thereof; or
(ii) the functions of the Director of the Office of Management and Budget relating to budgetary, administrative, or legislative proposals.
(e) This order shall be implemented consistent with applicable law and subject to the availability of appropriations.
(f) This order is not intended to, and does not, create any right or benefit, substantive or procedural, enforceable at law or in equity by any party against the United States, its departments, agencies, or entities, its officers, employees, or agents, or any other person.

§ 5302. General provisions

(a) Definitions

As used in this chapter—
(1) The term ‘‘unit of general local government’’ means any city, county, town, township, parish, village, or other general purpose political subdivision of a State; Guam, the Northern Mariana Islands, the Virgin Islands, and American Samoa, or a general purpose political subdivision thereof; a combination of such political subdivisions that, except as provided in section 5306(d)(4) of this title, is recognized by the Secretary; and the District of Columbia. Such term also includes a State or a local public body or agency (as defined in section 4512 of this title), community association, or other entity, which is approved by the Secretary for the purpose of providing public facilities or services to a new community as part of a program meeting the eligibility

*See References in Text note below.
any fiscal year beginning after September 30, 2007, the cities of Alton and Granite City, Illinois, shall be considered metropolitan cities for purposes of this chapter.

(5) The term "city" means (A) any unit of general local government which is classified as a municipality by the United States Bureau of the Census or (B) any other unit of general local government which is a town or township and which, in the determination of the Secretary, (i) possesses powers and performs functions comparable to those associated with municipalities, (ii) is closely settled, and (iii) contains within its boundaries no incorporated places as defined by the United States Bureau of the Census which have not entered into cooperation agreements with such town or township to undertake or to assist in the undertaking of essential community development and housing assistance activities.

(6)(A) The term "urban county" means any county within a metropolitan area which—

(i) is authorized under State law to undertake essential community development and housing assistance activities in its unincorporated areas, if any, which are not units of general local government; and

(ii) either—

(I) has a population of 200,000 or more (excluding the population of metropolitan cities therein) and has a combined population of 100,000 or more (excluding the population of metropolitan cities therein) in such unincorporated areas and in its included units of general local government (and in the case of counties having a combined population of less than 200,000, the areas and units of general local government must include the areas and units of general local government which in the aggregate have the preponderance of the persons of low and moderate income who reside in the county) (a) in which it has authority to undertake essential community development and housing assistance activities and which do not elect to have their population excluded, or (b) with which it has entered into cooperation agreements to undertake or to assist in the undertaking of essential community development and housing assistance activities; or

(II) has a population in excess of 100,000, a population density of at least 5,000 persons per square mile, and contains within its boundaries no incorporated places as defined by the United States Bureau of the Census.

(B) Any county that was classified as an urban county for at least 2 years pursuant to subparagraph (A), (C), or (D) shall remain classified as an urban county, unless it fails to qualify as an urban county pursuant to subparagraph (A) by reason of the election of any unit of general local government included in such county to have its population excluded under subparagraph (A) or not to renew a cooperation agreement under clause (ii)(I)(b) of such subparagraph.

(C) Notwithstanding the combined population amount set forth in clause (ii) of subparagraph (A), a county shall also qualify as an urban county for purposes of assistance under section 5306 of this title if such county—

(i) complies with all other requirements set forth in the first sentence;

(ii) has, according to the most recent available decennial census data, a combined population between 190,000 and 199,999, inclusive (excluding the population of metropolitan cities therein) in all its unincorporated areas that are not units of general local government and in all units of general local government located within such county;

(iii) had a population growth rate of not less than 15 percent during the most recent 10-year period measured by applicable censuses; and

(iv) has submitted data satisfactory to the Secretary that it has a combined population of not less than 200,000 (excluding the population of metropolitan cities therein) in all its unincorporated areas that are not units of general local government and in all units of general local government located within such county.

(D) Such term also includes a county that—

(i) has a combined population in excess of 175,000, has more than 50 percent of the housing units of the area unsewered, and has an aquifer that was designated before March 1, 1987, a sole source aquifer by the Environmental Protection Agency;

(ii) has taken steps, which include at least one public referendum, to consolidate substantial public services with an adjoining metropolitan city, and in the opinion of the Secretary, has consolidated these services with the city in an effort that is expected to result in the unification of the two governments within 6 years of February 5, 1988;

(iii) had a population between 180,000 and 200,000 on October 1, 1987, was eligible for assistance under section 5318 of this title because of such classification, and has entered into cooperation agreements with a metropolitan city that received assistance under section 5306 of this title because of such classification, and has elected under paragraph (4) to have its population included with the population of the county for purposes of qualifying as an urban county; except that to qualify as an urban county under this clause (i) the county must have a combined population of not less than 195,000, (II) more than 15 percent of the residents of the county shall be 60 years of age or older (according to the most recent decennial census data), (III) not less than 20 percent of the total personal income in the county shall be from pensions, social security, disability, and other transfer programs, and (IV) not less than 40 percent of the land within the county shall be publicly owned and not subject to property tax levies;

(iv)(I) has a population of 176,000 or more (including the population of metropolitan cities therein), (II) before January 1, 1975, was designated by the Secretary of Defense pursuant to section 608 of the Military Construction Authorization Act, 1975 (Public
Law 93–552; 88 Stat. 1763), as a Trident Defense Impact Area, and (III) has located therein not less than 1 unit of general local government that was classified as a metropolitan city and (a) for which county each such unit of general local government therein has relinquished its classification as a metropolitan city under the 6th sentence of paragraph (4), or (b) that has entered into cooperative agreements with each metropolitan city therein to undertake or to assist in the undertaking of essential community development and housing assistance activities;

(vi) has entered into a local cooperation agreement with a metropolitan city that received assistance under section 5306 of this title because of such classification, and has elected under paragraph (4) to have its population included with the population of the county for the purposes of qualifying as an urban county, except that to qualify as an urban county under this clause, the county must—

(I) have a combined population of not less than 210,000, excluding any metropolitan city located in the county that is not relinquishing its metropolitan city classification, according to the 1990 decennial census of the Bureau of the Census of the Department of Commerce;

(II) including any metropolitan cities located in the county, have had a decrease in population of 10,061 from 1992 to 1994, according to the estimates of the Bureau of the Census of the Department of Commerce; and

(III) have had a Federal naval installation that was more than 100 years old closed by action of the Base Closure and Realignment Commission appointed for 1993 under the Base Closure and Realignment Act of 1990, directly resulting in a loss of employment by more than 7,000 Federal Government civilian employees and more than 15,000 active duty military personnel, which naval installation was located within one mile of an enterprise community designated by the Secretary pursuant to section 1391 of title 26, which enterprise community has a population of not less than 20,000, according to the 1990 decennial census of the Bureau of the Census of the Department of Commerce;

(vii)(I) has consolidated its government with one or more municipal governments, such that within the county boundaries there are no unincorporated areas; (II) has a population of not less than 650,000; (III) for more than 10 years, has been classified as a metropolitan city for purposes of allocating and distributing funds under section 5306 of this title; and (IV) as of October 27, 2000, has over 90 percent of the county’s population within the jurisdiction of the consolidated government; or

(viii) notwithstanding any other provision of this section, any county that was classified as an urban county pursuant to subparagraph (A) for fiscal year 1999, at the option of the county, may hereafter remain classified as an urban county for purposes of this Act.

(E) Any county classified as an urban county pursuant to subparagraph (A), (B), or (C) of this paragraph, and that no longer qualifies as an urban county under such subparagraph in a fiscal year beginning after fiscal year 1989, shall retain its classification as an urban county for such fiscal year and the succeeding fiscal year, except that in such succeeding fiscal year (i) the amount that an urban county shall be 50 percent of the amount calculated under section 5306(b) of this title; and (ii) the remaining 50 percent shall be added to the amount allocated under section 5306(d) of this title to the State in which the urban county is located and the urban county shall be eligible in such succeeding fiscal year to receive a distribution from the State allocation under section 5306(d) of this title as increased by this sentence.

(7) The term `nonentitlement area' means an area which is not a metropolitan city or part of an urban county and does not include Indian tribes.

(8) The term `population' means total resident population based on data compiled by the United States Bureau of the Census and referable to the same point or period in time.

(9) The term `extent of poverty' means the number of persons whose incomes are below the poverty level. Poverty levels shall be determined by the Secretary pursuant to criteria provided by the Office of Management and Budget, taking into account and making adjustments, if feasible and appropriate and in the sole discretion of the Secretary, for regional or area variations in income and cost of living, and shall be based on data referable to the same point or period in time.

(10) The term `extent of housing overcrowding' means the number of housing units with 1.01 or more persons per room based on data compiled by the United States Bureau of the Census and referable to the same point or period in time.

(11) The term `age of housing' means the number of existing housing units constructed in 1939 or earlier based on data compiled by the United States Bureau of the Census and referable to the same point or period in time.

(12) The term `extent of growth lag' means the number of persons who would have been residents in a metropolitan city or urban county, in excess of the current population of such metropolitan city or urban county, if such metropolitan city or urban county had had a population growth rate between 1960 and the date of the most recent population count referable to the same point or period in time equal to the population growth rate for such period of all metropolitan cities. Where the boundaries for a metropolitan city or urban county used for the 1980 census have changed as a result of annexation, the current population used to compute extent of growth lag shall be adjusted by multiplying the current population by the ratio of the population
based on the 1980 census within the boundaries used for the 1980 census to the population based on the 1980 census within the current boundaries.

(13) The term “housing stock” means the number of existing housing units based on data compiled by the United States Bureau of the Census and referable to the same period of time.

(14) The term “adjustment factor” means the ratio between the age of housing in the metropolitan city or urban county multiplied times the ratio of the age of housing in all metropolitan areas and the housing stock in all metropolitan areas.

(15) The term “predicted age of housing” means the arithmetic product of the housing stock in the metropolitan city or urban county multiplied times the predicted age of housing in such city or county.

(16) The term “adjusted age of housing” means the arithmetic product of the age of housing in the metropolitan city or urban county multiplied times the adjustment factor.

(17) The term “Indian tribe” means any Indian tribe, band, group, and nation, including Alaska Indians, Aleuts, and Eskimos, and any Alaskan Native Village, of the United States, which is considered an eligible recipient under the Indian Self-Determination and Education Assistance Act (Public Law 93–638) [25 U.S.C. 5301 et seq.] or was considered an eligible recipient under chapter 67 of title 31 prior to the repeal of such chapter.

(18) The term “Federal grant-in-aid program” means a program of Federal financial assistance other than loans and other than the assistance provided by this chapter.

(19) The term “Secretary” means the Secretary of Housing and Urban Development.

(20)(A) The terms “persons of low and moderate income” and “low- and moderate-income persons” mean families and individuals whose incomes do not exceed 80 percent of the median income of the area involved, as determined by the Secretary with adjustments for smaller and larger families. The term “persons of low income” means families and individuals whose incomes do not exceed 50 percent of the median income of the area involved, as determined by the Secretary with adjustments for smaller and larger families. The term “persons of moderate income” means families and individuals whose incomes exceed 50 percent, but do not exceed 80 percent, of the median income of the area involved, as determined by the Secretary with adjustments for smaller and larger families.

(b) Basis and modification of definitions

Where appropriate, the definitions in subsection (a) shall be based, with respect to any fiscal year, on the most recent data compiled by the United States Bureau of the Census and the latest published reports of the Office of Management and Budget available ninety days prior to the beginning of such fiscal year. The Secretary may by regulation change or otherwise modify the meaning of the terms defined in subsection (a) in order to reflect any technical change or modification thereof made subsequent to such date by the United States Bureau of the Census or the Office of Management and Budget.

(c) Designation of public agencies

One or more public agencies, including existing local public agencies, may be designated by the chief executive officer of a State or a unit of general local government to undertake activities assisted under this chapter.

(d) Local governments, inclusion in urban county population

With respect to program years beginning with the program year for which grants are made available from amounts appropriated for fiscal year 1982 under section 5303 of this title, the population of any unit of general local government which is included in that of an urban county as provided in subparagraph (A)(i) or (D) of subsection (a)(6) shall be included in the population of such urban county for three program years beginning with the program year in which its population was first so included and shall not otherwise be eligible for a grant under section 5306 of this title as a separate entity, unless the urban county does not receive a grant for any year during such three-year period.

(e) Exclusion of local governments from urban county population; notification of election

Any county seeking qualification as an urban county, including any urban county seeking to continue such qualification, shall notify, as provided in this subsection, each unit of general local government, which is included therein and is eligible to elect to have its population excluded from that of an urban county under subsection (a)(6)(A)(i)(I)(a), of its opportunity to make such an election. Such notification shall, at a time and in a manner prescribed by the Sec-


The Indian Self-Determination and Education Assistance Act, referred to in subsec. (a)(7), is Pub. L. 93–368, June 18, 1974, 88 Stat. 254, which is classified principally to chapter 46 (§5301 et seq.) of Title 25, Indians. For complete classification of this Act to the Code, see Short Title note set out under section 5301 of Title 25 and Tables.


AMENDMENTS

2007—Subsec. (a)(4). Pub. L. 110–161 inserted at end "Notwithstanding any other provision of this paragraph, with respect to any fiscal year beginning after September 30, 2007, the cities of Alton and Granite City, Illinois, shall be considered metropolitan cities for purposes of this chapter:"

2003—Subsec. (a)(1). Pub. L. 108–186, §501(b), in first sentence, inserted "and" after "Secretary," and struck out ";" and the Trust Territory of the Pacific Islands" for "with certain exceptions which were omitted from the Classification Act of 1968, which was classified principally to chapter 46 (§5301 et seq.) of Title 25, Indians. For complete classification of this Act to the Code, see Short Title note set out under section 5301 of Title 25 and Tables.


REFERENCES IN TEXT

This chapter, referred to in subsecs. (a) and (c), was in the original "this title": meaning title I of Pub. L. 93–383, Aug. 22, 1974, 88 Stat. 633, which is classified principally to this chapter. For complete classification of title I to the Code, see Tables.


Title IV of the Housing and Urban Development Act of 1968, which was classified principally to chapter 46 (§3901 et seq.) of this title, was repealed, with certain exceptions which were omitted from the Code, by Pub. L. 98–181, title I [title IV, §474(e)], Nov. 30, 1983, 97 Stat. 1239.

For complete classification of this Act to the Code, see Short Title of 1968 Amendment note set out under section 1701 of Title 12, Banks and Banking, and Tables.
fiscal year 1983 or any subsequent fiscal year shall re-
tain such qualification for purposes of receiving such assistance through September 30, 1989,'', struck out ""fiscal year 1986 or 1987'' in last sentence and in last sentence struck out ""the first or second sentence of'' before ""this paragraph'' and ""under such first or second sentence'' after ""qualifi-
cation as a metropolitan city''.

Subsec. (a)(6)(B). Pub. L. 101–625, § 903(b), amended subpar. (B) generally. Prior to amendment, subpar. (B) read as follows: ""In order to permit an orderly transition during any fiscal year 1988 or 1989, or for such longer period covered by a cooperation agreement entered into during fiscal year 1984, except that the provisions of this subparagraph shall not apply with respect to any county losing its classification as an urban county by reason of the election of any unit of general local government included in such county to have its population excluded under clause (ii)(I)(a) of subparagraph (A) or to not renew a cooperation agreement under clause (ii)(I)(b) of such subparagraph.”


Subsec. (a)(12). Pub. L. 101–507 and Pub. L. 101–625, § 904(a), amended par. (12) identically, inserting at end ""Where the boundaries for a metropolitan city or urban county used for the 1980 census have been adjusted to reflect annexation, the current population used to compute extent of growth lag shall be adjusted by multiplying the current population by the ratio of the population based on the 1980 census within the boundaries used for the 1980 census to the population based on the 1980 census within the current boundaries.”

riod at end ""and does not include Indian tribes''.

1988—Subsec. (a)(4). Pub. L. 100–628, § 1081(a)(1), substi-
tuted ""a decrease in population’’ for ““the population data of the 1980 decennial census’’ and inserted ““or any subsequent fiscal year’’ after ““1983’’ in second sentence.

Pub. L. 100–628, § 1081(a)(2), directed that subsec. (a)(4) of this section as similarly amended first by Pub. L. 100–232 [see 1987 Amendment note below] and later by section 503(a)(2) of Pub. L. 100–242 [see below] is amended as if the amendment by Pub. L. 100–242 had not been enacted.


Pub. L. 100–242, § 503(a)(3), inserted at end “Any city classified as a metropolitan city pursuant to the first or second sentence of this paragraph, and that no longer qualifies as a metropolitan city under such first or second sentence in a fiscal year beginning after fiscal year 1989, shall retain its classification as a metropolitan city for such fiscal year and the succeeding fiscal year, except that in such succeeding fiscal year (A) the amount of the grant to such city shall be 50 percent of the amount calculated under section 5306(b) of this title; and (B) the remaining 50 percent shall be added to the amount allocated under section 5306(d) of this title to the State in which the city is located and the city shall be eligible in such succeeding fiscal year to receive a distribution from the State allocation under section 5306(d) of this title as increased by this sentence.”

Subsec. (a)(6). Pub. L. 100–628, § 1081(b), substituted a semicolon for last comma in cls. (i) and (ii)(I) of subpar. (A).

Pub. L. 100–242, § 503(b), amended par. (6) generally. Prior to amendment, par. (6) read as follows: “The term ‘urban county’ means any county within a metropoli-
tan area which (A) is authorized under State law to un-
dertake essential community development and housing assistance activities in its unincorporated areas, if any, and local government or which do not elect to have their population excluded or (B) has a combined population of two hundred thousand or more (excluding the population of metropolitan cities therein) in such unincorporated areas and (1) is included units of general local government, which has in such county to have its population excluded under clause (ii)(I)(a) or (ii)(I)(b) of such sentence. Notwithstanding the combined population amount set forth in clause (B) of the first sentence, a county shall also qualify as an urban county for purposes of assistance under section 5306 of this title if such county (A) complies with all other requirements set forth in the first sentence; (B) has, according to the most recent available decennial census data, a combined population between 190,000 and 199,999, inclusive, (excluding the population of metropolitan cities therein) in all of its unincorporated areas that are not units of general local government and in all units of general local government located within such county; (C) had a population growth rate of not less than 15 percent during the most recent 10-year period measured by applicable censuses; and (D) has submitted data satisfactory to the Sec-
rency that it has a combined population of not less than 200,000 (excluding the population of metropolitan cities therein) in all its unincorporated areas that are not units of general local government and in all units of general local government located within such county.’’

Subsec. (d). Pub. L. 100–628, § 1082(a)(1), substituted ""subparagraph (A)(i) or (D) of subsection (a)(6)’’ for ""subsection (a)(6)(B)’’.

Pub. L. 100–242, § 503(c), struck out at end ““During any such three-year period, the population of any unit of general local government which is not included in that of the urban county for the first year shall not be eligible for such inclusion in the second or third year, unless the population included in that of the urban county for fiscal years 1984, 1985, and 1986 is included in the population used to determine the boundaries for a metropolitan city or urban county for the first year and is less than one thousand persons per square mile, and contains within its boundaries no incorporated places as defined by the United States Bureau of Census. In order to permit an orderly transition of each county losing its classification as an urban county by reason of a decrease in population, any county classified as or deemed to be an urban county under this paragraph for purposes of receiving assistance under any section of this chapter for fiscal year 1983 or 1984 shall retain such qualification for purposes of receiving such assistance through September 30, 1989, or for such longer period covered by a cooperation agreement entered into during fiscal year 1984, except that the provisions of this subparagraph shall not apply with respect to any county losing its classification as an urban county by reason of the election of any unit of general local government included in such county to have its population excluded under clause (ii)(I)(a) of subparagraph (A) or to not renew a cooperation agreement under clause (ii)(I)(b) of such subparagraph.”


1987—Subsec. (a)(4). Pub. L. 100–202 inserted third senten-
case and struck out former third sentence which read as follows: ““Any unit of general local government that becomes eligible to be classified as a metropolitan city for fiscal year 1984 or 1985 may, upon submission of written notification to the Secretary, defer its classification as a metropolitan city for all purposes under this chapter for fiscal years 1984, 1985, and 1986 if such unit of general local government elects to have its population used to determine the boundaries for a metropolitan city or urban county for such fiscal year included in an urban county under subsection (d) of this section.”’’


Pub. L. 100–77 inserted “or 1984”.


Pub. L. 98–181, § 102(a), substituted provision authorizing retention of classification as metropolitan cities through fiscal year 1985 of any cities classified as deemed to be such for purposes of assistance for fiscal year 1983 for provision that any city which had been classified as a metropolitan city under this paragraph because the population of such city exceeded fifty thousand would be so classified only if the de novo city indicated that the population of such city was less than fifty thousand or until September 30, 1983, whichever was later, and inserted provision permitting any unit of general local government which become eligible to be classified as metropolitan cities for fiscal years 1984 and 1985 while their population is included in an urban county for such fiscal year to defer such classification through fiscal year 1986 if such unit of general local government continues to have its population included in such urban county under subsec. (d) of this section.

Subsec. (a)(6). Pub. L. 98–181, § 102(b), substituted provision permitting retention of classification as urban counties through fiscal year 1985 of any counties classified or deemed to be such for purposes of assistance under this chapter for fiscal year 1983, and allowing a county to qualify as an urban county upon meeting certain conditions despite failing to meet the requirements of cl. (B) of the first sentence for provision that any urban county qualifying as such in fiscal year 1981 which did not meet the population requirements of cl. (B) of the first sentence would be considered to meet such requirements through Sept. 30, 1983, and would not be subject to subsec. (d) of this section through such date.


Subsec. (a)(20), (21). Pub. L. 98–181, § 102(c), added pars. (20) and (21).


Pub. L. 98–181, § 102(c), struck out provisions that no data from the 1980 Decennial Census, except those relating to population and poverty, would be taken into account for purposes of sections 5306 and 5318 of this title and that no revision to the criteria for establishing a metropolitan area or defining a central city of such an area published after January 1, 1983, would be taken into account for purposes of this chapter, except that any area or city which would be classified as a metropolitan area or central city of such an area by reason of such a classification in the 1980 Decennial Census, except those relating to population and poverty, would be taken into account for purposes of sections 5306 and 5318 of this title and that no revision to the criteria for establishing a metropolitan area or defining a central city of such an area published after January 1, 1983, would be taken into account for purposes of this chapter, except that any area or city which would be classified as a metropolitan area or central city of such an area by reason of such a classification in the 1980 Decennial Census, except those relating to population and poverty, would be taken into account for purposes of sections 5306 and 5318 of this title and that no revision to the criteria for establishing a metropolitan area or defining a central city of such an area published after January 1, 1983, would be taken into account for purposes of this chapter, except that any area or city which would be classified as a metropolitan area or central city of such an area by reason of such a classification in the 1980 Decennial Census, except those relating to population and poverty, would be taken into account for purposes of sections 5306 and 5318 of this title and that no revision to the criteria for establishing a metropolitan area or defining a central city of such an area published after January 1, 1983, would be taken into account for purposes of sections 5306 and 5318 of this title and that no revision to the criteria for establishing a metropolitan area or defining a central city of such an area published after January 1, 1983.
§ 5303  TITLE 42—THE PUBLIC HEALTH AND WELFARE  Page 5918


1981—Subsec. (a). Pub. L. 97–35, §309(a), 310, in par. (4) inserted applicability of Sept. 30, 1962, date to provisions, in par. (6) inserted provisions relating to urban county qualifying in fiscal year 1981, added par. (7), struck out pars. (18) and (19), which defined "program period" and "Community Development Program", respectively, and redesignated former pars. (7) to (17) and (20) as (8) to (18) and (19), respectively.

Subsec. (c). Pub. L. 97–35, §309(b), substituted "activities assisted under this chapter" for "a Community Development Program in whole or in part".

Subsec. (d). Pub. L. 97–35, §309(c), substituted provisions relating to nonreceipt of a grant, for provisions relating to disapproval or withdrawal of an application, and struck out "(a)(1)" after "§5301".


Subsec. (b). Pub. L. 96–399, §§101(a), 111(a), inserted provisions relating to prohibition of use, in fiscal years 1981 to 1983, of data from the 1980 Decennial Census, except those relating to population and poverty, for purposes of section 5318 and 5306, and prohibition on revision to criteria for establishment of a metropolitan area or definition of a central city, except for those newly qualifying, and substituted "Department of Commerce" for "Office of Management and Budget", wherever appearing.

Subsec. (d). Pub. L. 96–399, §101(b)(1), substituted provisions relating to inclusion of the population of any unit of general local government in the population of such urban county for three program years, such unit to be ineligible for a grant under section 5306 as a separate entity, and prohibiting eligibility for second and third years if not included for the first year, for provisions relating to notification of units of general local government of their opportunity to exclude their populations from such urban county, and inclusion in such urban county unless election is held by notification.


Subsec. (a)(4). Pub. L. 95–128, §102(a)(2), clarified term "metropolitan city" to continue the classification of any city classified as a metropolitan city under cl. (B) as a "special city" until the decennial census indicates the population of such city is less than fifty thousand.

Subsec. (a)(5). Pub. L. 95–128, §102(a)(3), limited the meaning of "city" to a town or township without any incorporated places within its boundaries which have entered into cooperation agreements with such town or township to undertake or to assist in the undertaking of essential community development and housing assistance activities.


Subsec. (a)(10) to (20). Pub. L. 95–128, §102(a)(5), (6), added pars. (10) to (16) and redesignated former pars. (10) to (13) as (17) to (20).


Effective Date of 1990 Amendments

Pub. L. 101–625, title IX, §904(b), Nov. 28, 1990, 104 Stat. 4387, provided that: "The amendments made by this subsection [amending this section] shall apply with respect to assistance under section 106 [sec. 5306 of this title] that is made after the date of the enactment of this Act [Nov. 28, 1990] and to each allocation thereafter."

Pub. L. 101–507, title II, Nov. 5, 1990, 104 Stat. 1370, provided in part that: "The amendment made by this paragraph [amending this section] shall apply to the first allocation of assistance under section 106 [sec. 5306 of this title] that is made after the date of the enactment of this Act [Nov. 5, 1990] and to each allocation thereafter."

Effective Date of 1989 Amendment

Amendment by Pub. L. 101–235 applicable to amounts approved in any appropriation Act under section 5303 of this title for fiscal year 1990 and each fiscal year thereafter, see section 703(e) of Pub. L. 101–235, as amended, set out as a note under section 5306 of this title.

Effective Date of 1986 Amendment


Effective Date of 1983 Amendment

Amendment by Pub. L. 98–181 applicable only to funds available for fiscal year 1984 and thereafter, see section 110(b) of Pub. L. 98–181, as amended, set out as a note under section 5316 of this title.

Effective Date of 1981 Amendment


Effective Date of 1980 Amendment


Effective Date of 1977 Amendment


Regulations

Pub. L. 108–186, title V, §501(g), Dec. 16, 2003, 117 Stat. 2698, provided that: "The Secretary of Housing and Urban Development shall issue regulations to carry out the amendments made by this section [amending this section and sections 5304, 5306, and 5307 of this title], which shall take effect not later than the expiration of the 90-day period beginning on the date of the enactment of this Act [Dec. 16, 2003]."

§ 5303. Grants to States, units of general local government and Indian tribes; authorizations

The Secretary is authorized to make grants to States, units of general local government, and Indian tribes to carry out activities in accordance with the provisions of this chapter. For purposes of assistance under section 5306 of this title, there are authorized to be appropriated $2,000,000,000 for fiscal year 1993 and $4,168,000,000 for fiscal year 1994. Sums authorized pursuant to this section shall remain available until expended.

REFERENCES IN TEXT
This chapter, referred to in text, was in the original "this title", meaning title I of Pub. L. 93–383, Aug. 22, 1974, 88 Stat. 633, which is classified principally to this title. For complete classification of title I to the Code, see Tables.

AMENDMENTS
1992—Pub. L. 102–550 substituted provisions authorizing appropriations of $1,000,000,000 for fiscal year 1993 and $1,000,000,000 for fiscal year 1994 for provisions authorizing appropriations of $3,137,000,000 for fiscal year 1993 and $3,272,000,000 for fiscal year 1992, and struck out provisions requiring Secretary to make available, to extent approved in appropriation Acts (1) not less than $3,000,000 in each of fiscal years 1991 and 1992 for assistance to economically disadvantaged and minority students participating in community development work study programs and enrolled in full-time programs in community and economic development, community planning, or community management, (2) not less than $5,000,000 for each of fiscal years 1991 and 1992 for historically black colleges, (3) not less than $7,000,000 for each of fiscal years 1991 and 1992 for Guam, the Virgin Islands, American Samoa, the Northern Mariana Islands, and the Trust Territory of the Pacific Islands, and (4) not less than $500,000 in fiscal year 1991 to demonstrate feasibility of database system and computer mapping tool for compliance, programming, and evaluation of community development block grants.

1990—Pub. L. 101–625 substituted provisions authorizing appropriations for purposes of assistance under section 5306 of this title of $3,137,000,000 for fiscal years 1991 and 1992, and struck out provisions mandating certain minimum allotments of such appropriations as specified in pars. (1) to (4) for provisions authorizing appropriations for the purposes of assistance under sections 5306 and 5307 of this title of $3,000,000,000 for fiscal year 1988, and $3,000,000,000 for fiscal year 1989.

1988—Pub. L. 100–242 amended second sentence generally, substituting "$3,000,000,000 for fiscal year 1988" for "$1,000,000,000 for fiscal year 1988" and "$3,000,000,000 for fiscal year 1989" for "$1,000,000,000 for fiscal year 1989".

1986—Pub. L. 98–181 substituted provisions authorizing appropriations for purposes of assistance under sections 5306 and 5307 of this title of $3,000,000,000 for fiscal years 1984, 1985, and 1986, for provisions which had authorized appropriations of not to exceed $1,950,000,000 for each of fiscal years 1984, 1985, and 1986, for provisions which had authorized appropriations of not to exceed $4,166,000,000 for each of fiscal years 1984, 1985, and 1986.

1981—Pub. L. 97–97 specified that for purposes of this title, primarily urban renewal projects assisted under the Housing Act of 1949, units of general local government which require supplemental assistance which cannot be provided for "to units of general local government having urgent community development needs which cannot be met" and inserted provision respecting requirement of prior appropriation of a minimum amount.

1977—Pub. L. 94–375, added subsec. (c) and redesignated existing subsecs. (c) and (d) as (d) and (e), respectively.

1976—Subsec. (a)(2). Pub. L. 94–375 inserted "and 200,000,000 for the fiscal year 1977, not more than 50 per centum of which amount may be used under such section," after "1976".
§ 5304. Statement of activities and review

(a) Statement of objectives and projected use of funds by grantee prerequisite to receipt of grant; publication of proposals by grantees; notice and comment; citizen participation plan

(1) Prior to the receipt in any fiscal year of a grant under section 5306(b) of this title by any metropolitan city or urban county, under section 5306(d) of this title by any State, under section 5306(d)(2)(B) of this title by any unit of general local government, or under section 5306(a)(3) of this title by any insular area, the grantee shall have prepared a final statement of community development objectives and projected use of funds and shall have provided the Secretary with the certifications required in this paragraph for the preparation and submission of such statement. In preparing the final statement, the grantee shall consider any such comments and views and may, if deemed appropriate by the grantee, modify the proposed statement. The final statement shall be made available to the public, and a copy shall be furnished to the Secretary together with the certifications required under subsection (b) and, where appropriate, subsection (c). Any final statement of activities may be modified or amended from time to time by the grantee in accordance with the same procedures required in this paragraph for the preparation and submission of such statement.

(3) A grant under section 5306 of this title may be made only if the grantee certifies that it is following a detailed citizen participation plan which—

(A) provides for and encourages citizen participation, with particular emphasis on participation by persons of low and moderate income who are residents of slum and blight areas and of areas in which section 106 [42 U.S.C. 5306] funds are proposed to be used, and in the case of a grantee described in section 5306(a) of this title, provides for participation of residents in low and moderate income neighborhoods as defined by the local jurisdiction;

(B) provides citizens with reasonable and timely access to local meetings, information, and records relating to the actual use of funds, as required by regulations of the Secretary, and relating to the actual use of funds under this chapter;

(C) provides for technical assistance to groups representative of persons of low and moderate income that request such assistance in developing proposals with the level and type of assistance to be determined by the grantee;

(D) provides for public hearings to obtain citizen views and to respond to proposals and questions at all stages of the community development program, including at least the development of needs, the review of proposed activities, and review of program performance, which hearings shall be held after adequate notice, at times and locations convenient to potential or actual beneficiaries, and with accommodation for the handicapped;

(E) provides for a timely written answer to written complaints and grievances, within 15 working days where practicable; and

mit comments on the proposed statement and on the community development performance of the grantee;

(C) hold one or more public hearings to obtain the views of citizens on community development and housing needs;

(D) provide citizens or, as appropriate, units of general local government with reasonable access to records regarding the past use of funds received under section 5306 of this title by the grantee; and

(E) provide citizens or, as appropriate, units of general local government with reasonable notice of, and opportunity to comment on, any substantial change proposed to be made in the use of funds received under section 5306 of this title from one eligible activity to another or in the method of distribution of such funds.
(F) identifies how the needs of non-English speaking residents will be met in the case of public hearings where a significant number of non-English speaking residents can be reasonably expected to participate.

This paragraph may not be construed to restrict the responsibility or authority of the grantee for the development and execution of its community development program.

(b) Certification of enumerated criteria by grantee to Secretary

Any grant under section 5306 of this title shall be made only if the grantee certifies to the satisfaction of the Secretary that—

(1) the grantee is in full compliance with the requirements of subsection (a)(2)(A), (B), and (C) and has made the final statement available to the public;

(2) the grant will be conducted and administered in conformity with the Civil Rights Act of 1964 [42 U.S.C. 2000a et seq.] and the Fair Housing Act [42 U.S.C. 3601 et seq.], and the grantee will affirmatively further fair housing;

(3) the projected use of funds has been developed so as to give maximum feasible priority to activities which will benefit low- and moderate-income families or aid in the prevention or elimination of slums or blight, and the projected use of funds may also include activities which the grantee certifies are designed to meet other community development needs having a particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community where other financial resources are not available to meet such needs, except that (A) the aggregate use of funds received under section 5306 of this title and, if applicable, as a result of a guarantee or a grant under section 5308 of this title, during a period specified by the grantee of not more than 3 years, shall principally benefit persons of low and moderate income in a manner that ensures that not less than 70 percent of such funds are used for activities that benefit such persons during such period; and (B) a grantee that borders on the Great Lakes and that experiences significant adverse financial and physical effects due to lakefront erosion or flooding may include in the projected use of funds activities that are clearly designed to alleviate the threat posed, and rectify the damage caused, by such erosion or flooding if such activities will principally benefit persons of low and moderate income and the grantee certifies that such activities are necessary to meet other needs having a particular urgency;

(4) it has developed a community development plan pursuant to subsection (m), for the period specified by the grantee under paragraph (3), that identifies community development needs and specifies both short- and long-term community development objectives that have been developed in accordance with the primary objective and requirements of this chapter;

(5) the grantee will not attempt to recover any capital costs of public improvements assisted in whole or part under section 5306 of this title or with amounts resulting from a guarantee under section 5308 of this title by assessing any amount against properties owned and occupied by persons of low and moderate income, including any fee charged or assessment made as a condition of obtaining access to such public improvements, unless (A) funds received under section 5306 of this title are used to pay the proportion of such fee or assessment that relates to the capital costs of such public improvements that are financed from revenue sources other than under this chapter; or (B) for purposes of assessing any amount against properties owned and occupied by persons of moderate income, the grantee certifies to the Secretary that it lacks sufficient funds received under section 5306 of this title to comply with the requirements of subparagraph (A); and

(6) the grantee will comply with the other provisions of this chapter and with other applicable laws.

(c) Special certifications required for certain grants

A grant may be made under section 5306(b) of this title only if the unit of general local government certifies that it is following—

(1) a current housing affordability strategy which has been approved by the Secretary in accordance with section 12703 of this title, or

(2) a housing assistance plan which was approved by the Secretary during the 180-day period beginning on November 28, 1990, or during such longer period as may be prescribed by the Secretary in any case for good cause.

(d) Residential antidisplacement and relocation assistance plan; certification of adherence; contents

(1) A grant under section 5306 or 5318 of this title may be made only if the grantee certifies that it is following a residential antidisplacement and relocation assistance plan. A grantee receiving a grant under section 5306 or 5318 of this title shall so certify to the Secretary. A unit of general local government receiving amounts from a State under section 5306(d) of this title shall so certify to the State, and a unit of general local government receiving amounts from the Secretary under section 5306(d) of this title shall so certify to the Secretary.

(2) The residential antidisplacement and relocation assistance plan shall in connection with a development project assisted under section 5306 or 5318 of this title—

(A) in the event of such displacement, provide that—

(i) governmental agencies or private developers shall provide within the same community comparable replacement dwellings for the same number of occupants as could have been housed in the occupied and vacant occupiable low and moderate income dwelling units demolished or converted to a use other than for housing for low and moderate income persons, and provide that such replacement housing may include existing housing assisted with project based assistance provided under section 1437f of this title;

(ii) such comparable replacement dwellings shall be designed to remain affordable
to persons of low and moderate income for 10 years from the time of initial occupancy;

(iii) relocation benefits shall be provided for all low or moderate income persons who occupied housing demolished or converted to a use other than for low or moderate income housing, including reimbursement for actual and reasonable moving expenses, security deposits, credit checks, and other moving-related expenses, including any interim living costs; and in the case of displaced persons of low and moderate income, provide either—

(1) compensation sufficient to ensure that, for a 5-year period, the displaced families shall not bear, after relocation, a ratio of shelter costs to income that exceeds 30 percent; or

(II) if elected by a family, a lump-sum payment equal to the capitalized value of the benefits available under subclause (I) to permit the household to secure participation in a housing cooperative or mutual housing association; and

(iv) persons displaced shall be relocated into comparable replacement housing that is—

(I) decent, safe, and sanitary;

(II) adequate in size to accommodate the occupants;

(III) functionally equivalent; and

(IV) in an area not subject to unreasonably adverse environmental conditions;

(B) provide that persons displaced shall have the right to elect, as an alternative to the benefits under this subsection, to receive benefits under the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 U.S.C. 4601 et seq.) if such persons determine that it is in their best interest to do so; and

(C) provide that where a claim for assistance under subparagraph (A)(iv) is denied by a grantee, the claimant may appeal to the Secretary in the case of a grant under section 5306 or 5318 of this title or to the appropriate State official in the case of a grant under section 5306(d) of this title, and that the decision of the Secretary or the State official shall be final unless a court determines the decision was arbitrary and capricious.

(3) Paragraphs (2)(A)(i) and (2)(A)(ii) shall not apply in any case in which the Secretary finds, on the basis of objective data, that there is available in the area an adequate supply of habitable affordable housing for low and moderate income persons. A determination under this paragraph is final and nonreviewable.

(e) Submission of performance and evaluation report by grantee to Secretary; contents; availability for citizen comment; annual review and audit by Secretary of program implementation; adjustments in amount of annual grants

Each grantee shall submit to the Secretary, at a time determined by the Secretary, a performance and evaluation report concerning the use of funds made available under section 5306 of this title, together with an assessment by the grantee of the relationship of such use to the objectives identified in the grantee's statement under subsection (a) and to the requirements of subsection (b)(3). Such report shall also be made available to the citizens in each grantee's jurisdiction in sufficient time to permit such citizens to comment on such grantee's performance, and in such manner and at such times as the grantee may determine. The grantee's report shall indicate its programmatic accomplishments, the nature of and reasons for changes in the grantee's program objectives, indications of how the grantee would change its programs as a result of its experiences, and an evaluation of the extent to which its funds were used for activities that benefited low- and moderate-income persons. The report shall include a summary of any comments received by the grantee from citizens in its jurisdiction respecting its program. The Secretary shall encourage and assist national associations of grantees eligible under section 5306(d)(2)(B) of this title, national associations of States, and national associations of units of general local government in nonentitlement areas to develop and recommend to the Secretary, within one year after November 30, 1983, uniform recordkeeping, performance reporting, and evaluation reporting, and auditing requirements for such grantees, States, and units of general local government, respectively. Based on the Secretary's approval of these recommendations, the Secretary shall establish such requirements for use by such grantees, States, and units of general local government.

The Secretary shall, at least on an annual basis, make such reviews and audits as may be necessary or appropriate to determine—

(1) in the case of grants made under subsection (a)(3), (b), or (d)(2)(B) of section 5306 of this title, whether the grantee has carried out its activities and, where applicable, its housing assistance plan in a timely manner and in conformance to the method of distribution described in its statement, whether the grantee has satisfied the applicable performance criteria described in paragraph (1) of this subsection.

(2) in the case of grants to States made under section 5306(d) of this title, whether the State has distributed funds to units of general local government in a timely manner and in conformance to the method of distribution described in its statement, whether the State has carried out its certifications in compliance with the requirements of this chapter and other applicable laws, and whether the grantee has a continuing capacity to carry out those activities in a timely manner; and

The Secretary may make appropriate adjustments in the amount of the annual grants in accordance with the Secretary's findings under this subsection. With respect to assistance made available to units of general local government under section 5306(d) of this title, the Secretary may adjust, reduce, or withdraw such assistance, or take other action as appropriate in ac-
cordance with the Secretary’s reviews and audits under this subsection, except that funds already expended on eligible activities under this chapter shall not be recaptured or deducted from future assistance to such units of general local government.

(f) Audit of grantees by Government Accountability Office; access to books, accounts, records, etc., by representatives of Government Accountability Office

Insofar as they relate to funds provided under this chapter, the financial transactions of recipients of such funds may be audited by the Government Accountability Office under such rules and regulations as may be prescribed by the Comptroller General of the United States. The representatives of the Government Accountability Office shall have access to all books, accounts, records, reports, files, and other papers, things, or property belonging to or in use by such recipients pertaining to such financial transactions and necessary to facilitate the audit.

(g) Environmental protection measures applicable for release of funds to applicants for projects; issuance of regulations by Secretary subsequent to consultation with Council on Environmental Quality; request and certification to Secretary for approval of release of funds; form, contents and effect of certification

(1) In order to assure that the policies of the National Environmental Policy Act of 1969 [42 U.S.C. 4321 et seq.] and other provisions of law which further the purposes of such Act (as specified in regulations issued by the Secretary) are most effectively implemented in connection with the expenditure of funds under this chapter, and to assure to the public undiminished protection of the environment, the Secretary, in lieu of the environmental protection procedures otherwise applicable, may under regulations provide for the release of funds for particular projects to recipients of assistance under this chapter who assume all of the responsibilities for environmental review, decisionmaking, and action pursuant to such Act, and other provisions of law as the regulations of the Secretary specify insofar as those responsibilities relate to the releases of funds for projects to be carried out pursuant thereto which are covered by such certification.

(2) The Secretary shall approve the release of funds for rehabilitation projects subject to the procedures authorized by this subsection only if, at least fifteen days prior to such approval and prior to any commitment of funds to such projects other than for purposes authorized by section 5305(a)(12) of this title or for environmental studies, the recipient of assistance under this chapter has submitted to the Secretary a request for such release accompanied by a certification which meets the requirements of paragraph (3). The Secretary’s approval of any such certification shall be deemed to satisfy his responsibilities under the National Environmental Policy Act of 1969 [42 U.S.C. 4321 et seq.] and such other provisions of law as the regulations of the Secretary specify insofar as those responsibilities relate to the releases of funds for projects to be carried out pursuant thereto which are covered by such certification.

(3) A certification under the procedures authorized by this subsection shall—

(A) be in a form acceptable to the Secretary,

(B) be executed by the chief executive officer or other officer of the recipient of assistance under this chapter qualified under regulations of the Secretary,

(C) specify that the recipient of assistance under this chapter has fully carried out its responsibilities as described under paragraph (1) of this subsection, and

(D) specify that the certifying officer (i) consents to assume the status of a responsible Federal official under the National Environmental Policy Act of 1969 [42 U.S.C. 4321 et seq.] and each provision of law specified in regulations issued by the Secretary insofar as the provisions of such Act or other such provision of law apply pursuant to paragraph (1) of this subsection, and (ii) is authorized and consents on behalf of the recipient of assistance under this chapter and himself to accept the jurisdiction of the Federal courts for the purpose of enforcement of his responsibilities as such an official.

(4) In the case of grants made to States pursuant to section 5306(d) of this title, the State shall perform those actions of the Secretary described in paragraph (2) and the performance of such actions shall be deemed to satisfy the Secretary’s responsibilities referred to in the second sentence of such paragraph.

(h) Payments; revolving loan fund: establishment in private financial institution for rehabilitation activities; standards for payments: criteria

(1) Units of general local government receiving assistance under this chapter may receive funds, in one payment, in an amount not to exceed the total amount designated in the grant (or, in the case of a unit of general local government receiving a distribution from a State pursuant to section 5306(d) of this title, not to exceed the total amount of such distribution) for use in establishing a revolving loan fund which is to be established in a private financial institution and which is to be used to finance rehabilitation activities assisted under this chapter. Rehabilitation activities authorized under this section shall begin within 45 days after receipt of such payment and substantial disbursements from such fund must begin within 180 days after receipt of such payment.

(2) The Secretary shall establish standards for such cash payments which will insure that the deposits result in appropriate benefits in support of the recipient’s rehabilitation program. These standards shall be designed to assure that the benefits to be derived from the local program include, at a minimum, one or more of the following elements, or such other criteria as determined by the Secretary—

(A) leverage of community development block grant funds so that participating financial institutions commit private funds for loans in the rehabilitation program in
§ 5304

TITLE 42—THE PUBLIC HEALTH AND WELFARE

Page 5924

amounts substantially in excess of deposit of community development funds;

(B) commitment of private funds for rehabilitation loans at below-market interest rates or with repayment periods lengthened or at higher risk than would normally be taken;

(C) provision of administrative services in support of the rehabilitation program by the participating lending institutions; and

(D) interest earned on such cash deposits shall be used in a manner which supports the community rehabilitation program.

(i) Metropolitan city as part of urban county

In any case in which a metropolitan city is located, in whole or in part, within an urban county, the Secretary may, upon the joint request of such city and county, approve the inclusion of the metropolitan city as part of the urban county for purposes of submitting a statement under this subsection and carrying out activities under this chapter.

(j) Retention of program income; condition of distribution

Notwithstanding any other provision of law, any unit of general local government may retain any program income that is realized from any grant made by the Secretary, or any amount distributed by a State, under section 5306 of this title if (1) such income was realized after the initial disbursement of the funds received by such unit of general local government under such section; and (2) such unit of general local government has agreed that it will utilize the program income for eligible community development activities in accordance with the provisions of this title; except that such State to fund additional eligible community development activities, except that such State shall waive such condition to the extent that such income is applied to continue the activity from which such income was derived.

(k) Provision of benefits to displaced persons

Each grantee shall provide for reasonable benefits to any person involuntarily and permanently displaced as a result of the use of assistance received under this chapter to acquire or substantially rehabilitate property.

(l) Protection of individuals engaging in nonviolent civil rights demonstrations

No funds authorized to be appropriated under section 5303 of this title may be obligated or expended to any unit of general local government that—

(1) fails to adopt and enforce a policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in nonviolent civil rights demonstrations; or

(2) fails to adopt and enforce a policy of enforcing applicable State and local laws against physically barring entrance to or exit from a facility or location which is the subject of such nonviolent civil rights demonstration within its jurisdiction.

(m) Community development plans

(1) In general

Prior to the receipt in any fiscal year of a grant from the Secretary under subsection (a)(2), (b), (d)(1), or (d)(2)(B) of section 5306 of this title, each recipient shall have prepared and submitted in accordance with this subsection and in such standardized form as the Secretary shall, by regulation, prescribe a description of its priority nonhousing community development needs eligible for assistance under this chapter.

(2) Local governments

In the case of a recipient that is a unit of general local government other than an insular area—

(A) prior to the submission required by paragraph (1), the recipient shall, to the extent practicable, notify adjacent units of general local government and solicit the views of citizens on priority nonhousing community development needs; and

(B) the description required under paragraph (1) shall be submitted to the Secretary, the State, and any other unit of general local government within which the recipient is located, in such standardized form as the Secretary shall, by regulation, prescribe.

(3) States

In the case of a recipient that is a State, the description required by paragraph (1)—

(A) shall include only the needs within the State that affect more than one unit of general local government and involve activities typically funded by such States under this chapter; and

(B) shall be submitted to the Secretary in such standard form as the Secretary, by regulation, shall prescribe.

(4) Effect of submission

A submission under this subsection shall not be binding with respect to the use or distribution of amounts received under section 5306 of this title.


REFERENCES IN TEXT

This chapter, referred to in text, was originally "this title", meaning title I of Pub. L. 93–383, Aug. 22, 1974, 88 Stat. 633, which is classified principally to this chapter. For complete classification of title I to the Code, see Tables.


The Fair Housing Act, referred to in subsec. (b)(2), is title VIII of Pub. L. 90–924, Apr. 11, 1968, 82 Stat. 1, which is classified principally to subchapter I (§1901 et seq.) of chapter 45 of this title. For complete classification of this Act to the Code, see Short Title note set out under section 1901 of this title and Tables.


AMENDMENTS


2003—Subsec. (a)(1). Pub. L. 108–186, §501(c)(1), in first sentence, struck out "or" after "State," and inserted "or under section 5306(a)(3) of this title by any insular area, after "government," and, in second sentence, substituted a comma for "and in the case of" before "units" and inserted "and insular areas receiving grants pursuant to section 5306(a)(3) of this title," after "government," and, in second sentence, struck out "or" after "State," and inserted "or under section 5306(a)(3) of this title.".


Subsec. (b)(4). Pub. L. 102–550, §812(b), inserted "pur- suant to subsection (m)" after "plan" and struck out "and housing" before "needs and."

Subsec. (j). Pub. L. 102–550, §804, in first sentence, struck out "while the unit of general local government is participating in a community development program under this chapter" after "has agreed that" and inserted before period at end "; except that the Secretary may, by regulation, exclude from consideration as program income any amounts determined to be so small that compliance with this subsection creates an unreasonable administrative burden on the unit of general local government."

Subsec. (l). (m). Pub. L. 102–550, §812(a), redesignated subsec. (l), relating to community development plans, as (m) and amended it generally, substituting present provisions for provisions requiring recipients to have submitted a description of its nonhousing community development needs and strategies for meeting those needs, providing for special requirements for such plans where the recipient was a State or a unit of general local government, and providing that a submission of a plan would not be binding with respect to the use or any distribution of amounts received under section 5306 of this title.

1990—Subsec. (b)(3). Pub. L. 101–625, §902(b), substituted "70 percent" for "60 percent."

Subsec. (c). Pub. L. 101–625, §905, amended subsec. (c) generally, substituting present provisions for provisions authorizing grants under section 5306(b) of this title only if the unit of local government certified that it followed a current housing assistance plan approved by the Secretary which (1) accurately surveyed the condition of the housing stock in the community, (2) specified a realistic annual goal for the number of dwelling units or persons of low and moderate income to be assisted, (3) indicated the general locations of proposed low and moderate income housing, and (4) specified activities that would be undertaken annually to minimize displacement and preserve or expand the availability of low and moderate income housing, and which required the establishment of dates and manner for the submission of housing assistance plans.


Pub. L. 101–625, §906, added subsec. (i) relating to protection of individuals engaging in nonviolent civil rights demonstrations.

1988—Subsec. (a)(1). Pub. L. 100–242, §508, struck out at end "In all cases, beginning in fiscal year 1984, the statement required in this subsection shall include a description of the use of funds made available under section 5306 of this title in fiscal year 1982 and thereafter (or, beginning in fiscal year 1985, such use since preparation of the last statement prepared pursuant to this subsection) together with an assessment of the relationship of such use to the community development objectives identified in the statement prepared pursuant to this subsection for such previous fiscal years and to the requirements of subsection (b)(3) of this section."


Subsec. (b)(3). Pub. L. 100–242, §506, designated provision after "except that" as cl. (A) and added cl. (B). Pub. L. 100–242, §502(c), substituted "80" for "51".


Subsec. (c)(1)(C). Pub. L. 100–242, §507(b), substituted "persons of low and moderate income" for "lower income persons" and "low-income persons".


Subsec. (d)(1). Pub. L. 100–628, §1085(f), amended third sentence generally. Prior to amendment, third sentence read as follows: "A grantee receiving a grant under section 5306(d) of this title shall so certify to the State."

Subsec. (d)(2)(A)(i)(II). Pub. L. 100–628, §1083(b), inserted "and after "mutual housing association;"."

Subsec. (e) to (k). Pub. L. 100–242, §508(a)(1), redesignated subsec. (d) to (j) as (e) to (k), respectively.


Subsec. (b)(5)(B). Pub. L. 98–479, §101(b)(3), substituted "moderate" for "low and moderate income who are not persons of very low" before "income, the grantee cer-
scription of the use of funds made available under section 5306 of this title in fiscal year 1982 and thereafter (or, beginning with fiscal year 1985, such use since preparatory to the last statement made pursuant to this subsection) together with an assessment of the relationship of such use to the community development objectives identified in the statement prepared pursuant to this subsection for previous fiscal years and to the requirements of subsection (b)(3) of this section.

Subsec. (a)(2). Pub. L. 98–181, §104(h)(1), in provisions preceding subpar. (A) substituted "shall in a timely manner" for "shall".

Pub. L. 98–181, §104(b)(6), inserted at end "Any final statement of activities may be modified or amended from time to time by the grantee in accordance with the same procedures required in this paragraph for the preparation and submission of such statement."

Subsec. (a)(2)(A). Pub. L. 98–181, §104(b)(2), substituted "citizens" or, as appropriate, units of general local government for "citizens", and inserted ", including the estimated amount proposed to be used for relocation activities that will benefit persons of low and moderate income and the plans of the grantee for minimizing displacement of persons as a result of activities assisted with such funds and to assist persons actually displaced as a result of such activities".


Subsec. (b)(2). Pub. L. 98–181, §104(c)(1), inserted requirement that the grantee affirmatively further fair housing.

Subsec. (b)(3). Pub. L. 98–181, §101(b), inserted provision that the aggregate use of funds received under section 5306 of this title and, if applicable, as a result of a guarantee under section 5308 of this title, during a period specified by the grantee of not more than 3 years, shall principally benefit persons of low and moderate income in a manner that ensures that not less than 51 percent of such funds are used for activities that benefit such persons during such period.

Subsec. (c)(1)(A). Pub. L. 98–181, §104(c)(2)(4), added paras. (4) and (5) and redesignated former par. (4) as (6).

Subsec. (c)(1)(A). Pub. L. 98–181, §104(d), inserted "(including the number of vacant and abandoned dwelling units)".

Subsec. (d). Pub. L. 98–181, §104(e), in provisions preceding par. (1), substituted "performance and evaluation report" for "performance report"; substituted "subsection (a) and to the requirements of subsection (b)(3)" for "subsection (a)"; and inserted provision requiring that the report be made available for citizen comment prior to submission, that the report summarize such comments and indicate programmatic accomplishments, changes in programs and objectives, and an evaluation of the extent to which funds were used to benefit low- and moderate-income persons, and requiring the Secretary to establish uniform recordkeeping, performance and evaluation reporting, and requirements for grantees, States, and local governments, based on the Secretary's approval of recommendations made by such grantees and State and local governments.

Subsec. (g)(1). Pub. L. 98–181, §104(f), inserted "and substantial disbursements from such fund must begin within 180 days after receipt of such payment".

Subsecs. (l), (j). Pub. L. 98–181, §104(g), added subsecs. (l) and (j).

1981—Subsec. (a). Pub. L. 97–35, §302(b), substituted provisions relating to statement of objectives and projected use of funds by grantee, publication of proposals by grantee, and procedures applicable for provisions relating to contents and statements required in application.

Subsec. (b). Pub. L. 97–35, §302(b), substituted provisions relating to certifications of enumerated criteria by grantee to Secretary for provisions relating to additional requirements for application, certifications to Secretary, and waiver of requirements for application.

Subsec. (c). Pub. L. 97–35, §302(b), substituted provisions relating to certifications by the unit of general local government respecting enumerated grants for provisions relating to approval of applications.

Subsec. (d). Pub. L. 97–35, §302(c)(1), substituted provisions relating to performance and assessment reports by grantee to the Secretary concerning use of funds under section 5306 of this title, and reviews, audits and adjustments by the Secretary, for provisions relating to performance and assessment reports by grantee to the Secretary concerning activities carried out under this chapter, and reviews, audits, and adjustments by Secretary.

Subsec. (e). Pub. L. 97–35, §302(d), redesignated subsec. (g) as (e). Former subsec. (e), which related to review and comment on application by areawide agency under procedures established by President, was struck out.

Subsec. (f). Pub. L. 97–35, §302(d), (e), redesignated subsec. (f) as (e), in par. (1) substituted "recipients of assistance under this chapter" for "applicants", in par. (2) "recipient of assistance under this chapter" for "applicant" and "the releases of funds" for "the applications and releases of funds" and in par. (3)(B) to (D) inserted "recipient of assistance under this chapter" for "recipient", and added par. (4). Former subsec. (f), which related to approval date of application and adjustment of grant subsequent to approval of application, was struck out.

Subsec. (g). Pub. L. 97–35, §302(d), (f), redesignated subsec. (i) as (g), in par. (1) substituted provision relating to units of general local government as recipients for provision relating to recipients of funds and in par. (2) struck out provision relating to review and approval of agreements. Former subsec. (g) redesignated (e).

Subsec. (h). Pub. L. 97–35, §§302(d), 309(d), redesignated subsec. (j) as (h) and substituted provisions relating to submission of a statement and carrying out activities for provisions relating to program planning, meeting application requirements, and program implementation. Former subsec. (h) redesignated (f).

Subsecs. (i), (j). Pub. L. 97–35, §302(d), redesignated subsecs. (i) and (j) as (g) and (h), respectively.

1980—Subsec. (a). Pub. L. 96–399, §104(b), inserted provision following par. (6) relating to discretionary inclusion in program summary comparative information with respect to applicant's energy conservation and renewable energy resource needs and objectives.

Subsec. (a)(2). Pub. L. 96–399, §105(a), in cl. (B) substituted "activities, and objectives, including activities for "inclusive activities", struck out "and objectives" after "moderate-income persons", and in cl. (C) inserted provisions respecting activities on the involuntary displacement of low- and moderate-income persons.

Subsec. (c). Pub. L. 96–399, §111(c)(1), substituted "5306(b)" for "5306(a)".

Subsec. (d). Pub. L. 96–399, §§109, 111(c)(2), substituted "Each" for "Prior to the beginning of fiscal year 1977 and each fiscal year thereafter", inserted provision relating to the annual submission of the performance report, prior to the beginning of each fiscal year, and less frequently for a grantee receiving a grant not funding a comprehensive development program, inserted provisions respecting determinations by the Secretary in the case of a grant for which a report is submitted less frequently than annually in accordance with the second sentence of this paragraph, and substituted "5306(c)" for "5306(d)(2)" and "5306(e)" for "5306(f)(1)(B)".

Subsec. (e). Pub. L. 96–399, §111(c)(2), substituted "5306(c)" for "5306(d)(2)" and "5306(e)" for "5306(f)(1)(B)".


Subsec. (b)(3). Pub. L. 96–153, §103(c), struck out cl. (A) and redesignated cls. (B) and (C) as (A) and (B), respectively.

Subsec. (h)(1). Pub. L. 96–153, §103(g)(1), substituted "Act of 1969 and other provisions of law which further
Subsec. (b)(3). Pub. L. 95–128, §104(c), added cl. (B), struck out former cl. "(B) the application relates to the first community development activity to be carried out in any such locality with assistance under this chapter", redesignated cl. (D) as (C) and struck out former cl. "(C) the assistance requested is for a single development activity under this chapter of a type eligible for assistance under title VIII of the Housing Act of 1961 or title VII of the Housing and Urban Development Act of 1965".

Subsec. (c)(3). Pub. L. 95–128, §104(d), inserted "...with specific regard to the primary purposes of principally benefitting persons of low- and moderate-income or aiding in the prevention or elimination of slums or blight or meeting other community development needs having a particular urgency," before "...or other applicable law".

Subsec. (d). Pub. L. 95–128, §104(e), inserted requirement for inclusion of citizen comments in the performance reports and Secretary's consideration of the comments and inserted provision for adjustment of grants under section 5306(d)(2) and (f)(1)(B) of this title without recapture of expended funds or deduction from future grants.

Subsec. (e). Pub. L. 95–128, §104(f), inserted provisions respecting State participation in selection process for funding the grants.

Subsec. (i). Pub. L. 95–128, §104(g), added subsec. (i).

**Effective Date of 1994 Amendment**

Amendment by Pub. L. 103–233 applicable with respect to any amounts made available to carry out subchapter II of chapter 130 of this title not later than one day after the date of enactment of Pub. L. 103–233, that is, not later than end of 45-day period beginning on that date, set out as an Effective Date note under this section.

**Effective Date of 1988 Amendment**

Amendment by Pub. L. 100–242, title V, §509(b), Feb. 5, 1988, 101 Stat. 1929, provided that: "The amendment made by subsection (a) [amending this section] shall take effect on October 1, 1988."

**Effective Date of 1983 Amendment**

Amendment by Pub. L. 98–181 applicable only to funds available for fiscal year 1984 and thereafter, set out as an Effective Date note under this section.

**Effective Date of 1981 Amendment**

Amendment by sections 302(b), (d)–(f) and 309(d) of Pub. L. 97–35 effective Oct. 1, 1981, set out as an Effective Date note under section 3701 of Title 12, Banks and Banking.

**Effective Date of 1978 Amendment**

Amendment by Pub. L. 95–557 effective Oct. 1, 1978, see section 104 of Pub. L. 95–557, set out as an Effective Date note under this section.

**Effective Date of 1977 Amendment**

Amendment by Pub. L. 95–128 effective Oct. 1, 1977, set out as an Effective Date note under section 1709 of Title 12, Banks and Banking.

**Computerized Database of Community Development Needs**

Pub. L. 102–550, title VIII, §832, Oct. 28, 1992, 106 Stat. 3858, provided that: "(a) Establishment of Demonstration Program.—Not later than the expiration of the 1-year period be-
ginning on the date appropriations for the purposes of this section are made available, the Secretary of Housing and Urban Development (hereafter in this section referred to as the 'Secretary') shall establish and implement a demonstration program to determine the feasibility of assisting States and units of general local government to develop methods, utilizing contemporary computer technology, to—

"(1) monitor, inventory, and maintain current listings of the community development needs of the States and units of general local government; and

"(2) coordinate strategies within States (especially among various units of general local government) for meeting such needs.

"(b) INTEGREGATED DATABASE SYSTEM AND COMPUTER MAPPING TOOL—

"(1) DEVELOPMENT AND PURPOSE—In carrying out the program under this section, the Secretary shall provide for the development of an integrated database system and computer mapping tool designed to efficiently (A) collect, store, process, and retrieve information relating to priority nonhousing community development needs within States, and (B) coordinate strategies for meeting such needs. The integrated database system and computer mapping tool shall be designed in a manner to coordinate and facilitate the preparation of community development plans under section 104(m)(1) of the Housing and Community Development Act of 1974 (42 U.S.C. 5304(m)(1)) and to process any information necessary for such plans.

"(2) AVAILABILITY TO STATES—The Secretary shall make the integrated database system and computer mapping tool developed pursuant to this subsection available to States without charge.

"(c) COORDINATION WITH EXISTING TECHNOLOGY—The Secretary shall, to the extent practicable, utilize existing technologies and coordinate such activities with existing data systems to prevent duplication.

"(d) TECHNICAL ASSISTANCE—Under the program under this section, the Secretary shall provide consultation and advice to States and units of general local government regarding the capabilities and advantages of the integrated database system and computer mapping tool developed pursuant to subsection (b) and assistance in installing and using the database system and mapping tool.

"(e) GRANTS.—

"(1) AUTHORITY AND PURPOSE—The Secretary shall, to the extent amounts are made available under appropriation Acts pursuant to subsection (g), make grants to States for capital costs relating to installation and use of the integrated database system and computer mapping tool developed pursuant to subsection (b).

"(2) LIMITATIONS.—The Secretary may not make more than one grant under this subsection to any single State.

"(f) APPLICATION AND SELECTION.—The Secretary shall provide for the form and manner of applications for grants under this subsection. The Secretary shall establish criteria for the selection of States which have submitted applications to receive grants under this section and shall select recipients according to such criteria, which shall give priority to States having, on a long-term basis (as determined by the Secretary), levels of unemployment above the national average level.

"(g) STATE COORDINATION OF LOCAL NEEDS.—Each State that receives a grant under subsection (d) shall annually submit to the Secretary a report containing a summary of the priority nonhousing community development needs within the State.

"(h) REPORTS BY SECRETARY.—The Secretary shall annually submit to the Committees on Banking, Finance and Urban Affairs [now Committee on Financial Services] of the House of Representatives and Banking, Housing, and Urban Affairs of the Senate, a report containing a summary of the information submitted for the year by States pursuant to subsection (e), which shall describe the priority nonhousing community development needs within such States.

"(g) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated for each of the fiscal years 1993 and 1994, $10,000,000 to carry out the program established under this section.

AUTHORITY TO PROVIDE LUMP-SUM PAYMENTS TO REVOLVING LOAN FUNDS

Pub. L. 101–625, title IX, §909, Nov. 28, 1990, 104 Stat. 4389, provided that:

"(a) IN GENERAL.—Notwithstanding any other provision of law, units of general local government receiving assistance under title I of the Housing and Community Development Act of 1974 (42 U.S.C. 5301 et seq.) may receive funds in one payment for use in establishing or supplementing revolving loan funds in the manner provided under section 104(h) of such Act (42 U.S.C. 5304(h)).

"(b) APPLICABILITY.—This section shall apply to funds approved in appropriations Acts for use under title I of the Housing and Community Development Act of 1974 for fiscal year 1992 and any fiscal year thereafter."

REVOLVING LOAN FUNDS


"That after September 30, 1991, notwithstanding section 909 of the Cranston-Gonzalez National Affordable Housing Act (Public Law 101–625) [set out above], no funds provided or heretofore provided in this or any other appropriations Act shall be used to establish or supplement a revolving fund under section 104(h) of the Housing and Community Development Act of 1974 (42 U.S.C. 5304(h)), as amended."

Similar provisions were contained in the following prior appropriation acts:


REPORT TO CONGRESS CONCERNING CONVERSION OF RENTAL HOUSING TO CONDOMINIUM OR COOPERATIVE OWNERSHIP

Pub. L. 96–153, title I, §109(b), Dec. 21, 1979, 93 Stat. 1185, directed Secretary of Housing and Urban Development, not later than six months after Dec. 12, 1979, to submit a report to Congress concerning conversion of rental housing to condominium or cooperative ownership, which report was to include an estimate of number of such conversions which have occurred since 1970, a projection of number of such conversions estimated to occur during period 1980 through 1985, an assessment of impact that such conversions have had or are likely to have on availability of housing to lower income persons, an assessment of extent to which such conversions are concentrated in certain areas or types of areas of country, and an assessment of factors contributing to increase in such conversions, and which report was also to include recommendations concerning alternative means to minimize the adverse impact that such conversions may have on lower income persons.

FLOODPLAIN MANAGEMENT

For provisions relating to reduction of risk of flood loss, minimization of impact of floods on human safety, health and welfare, and management of floodplains, see Ex. Ord. No. 11988, May 24, 1977, 42 F.R. 26951, set out as a note under section 4321 of this title.

PROTECTION OF WETLANDS

For provisions relating to protection of wetlands, see Ex. Ord. No. 11989, May 24, 1977, 42 F.R. 26961, set out as a note under section 4321 of this title.

§ 5305. Activities eligible for assistance

(a) Enumeration of eligible activities

Activities assisted under this chapter may include only—
(1) the acquisition of real property (including air rights, water rights, and other interests therein) which is (A) blighted, deteriorated, deteriorating, undeveloped, or inappropriately developed from the standpoint of sound community development and growth; (B) appropriate for rehabilitation or conservation activities; (C) appropriate for the preservation or restoration of historic sites, the beautification of urban land, the conservation of open spaces, natural resources, and scenic areas, the provision of recreational opportunities, or the guidance of urban development; (D) to be used for the provision of public works, facilities, and improvements eligible for assistance under this chapter; or (E) to be used for other public purposes;

(2) the acquisition, construction, reconstruction, or installation (including design features and improvements with respect to such construction, reconstruction, or installation that promote energy efficiency) of public works, facilities (except for buildings for the general conduct of government), and site or other improvements;

(3) code enforcement in deteriorated or deteriorating areas in which such enforcement, together with public or private improvements or services to be provided, may be expected to arrest the decline of the area;

(4) clearance, demolition, removal, reconstruction, and rehabilitation (including rehabilitation which promotes energy efficiency) of buildings and improvements (including interim assistance, and financing public or private acquisition for reconstruction or rehabilitation, of privately owned properties, and including the renovation of closed school buildings);

(5) special projects directed to the removal of material and architectural barriers which restrict the mobility and accessibility of elderly and handicapped persons;

(6) payments to housing owners for losses of rental income incurred in holding for temporary periods housing units to be utilized for the relocation of individuals and families displaced by activities under this chapter;

(7) disposition (through sale, lease, donation, or otherwise) of any real property acquired pursuant to this chapter or its retention for public purposes;

(8) provision of public services, including but not limited to those concerned with employment, crime prevention, child care, health, drug abuse, education, energy conservation, welfare or recreation needs, if such services have not been provided by the unit of general local government (through funds raised by such unit, or received by such unit from the State in which it is located) during any part of the twelve-month period immediately preceding the date of submission of the statement with respect to which funds are to be made available under this chapter, and which are to be used for such services, unless the Secretary finds that the discontinuation of such services was the result of events not within the control of the unit of general local government, except that not more than 15 per centum of the amount of any assistance to a unit of general local government (or in the case of nonentitled communities not more than 15 per centum statewide) under this chapter including program income may be used for activities under this paragraph unless such unit of general local government used more than 15 percent of the assistance received under this chapter for fiscal year 1982 or fiscal year 1983 for such activities (excluding any assistance received pursuant to Public Law 98–8), in which case such unit of general local government may use not more than the percentage or amount of such assistance used for such activities for such fiscal year, whichever method of calculation yields the higher amount, except that of any amount of assistance under this chapter (including program income) in each of fiscal years 1993 through 2003 to the City of Los Angeles and County of Los Angeles, each such unit of general government may use not more than 25 percent in each such fiscal year for activities under this paragraph, and except that of any amount of assistance under this chapter (including program income) in each of fiscal years 1999, 2000, and 2001, to the City of Miami, such city may use not more than 25 percent in each fiscal year for activities under this paragraph;

(9) payment of the non-Federal share required in connection with a Federal grant-in-aid program undertaken as part of activities assisted under this chapter;

(10) payment of the cost of completing a project funded under title I of the Housing Act of 1949 [42 U.S.C. 1450 et seq.];

(11) relocation payments and assistance for displaced individuals, families, businesses, organizations, and farm operations, when determined by the grantee to be appropriate;

(12) activities necessary (A) to develop a comprehensive community development plan, and (B) to develop a policy-planning-management capacity so that the recipient of assistance under this chapter may more rationally and effectively (i) determine its needs, (ii) set long-term goals and short-term objectives, (iii) devise programs and activities to meet these goals and objectives, (iv) evaluate the progress of such programs in accomplishing these goals and objectives, and (v) carry out management, coordination, and monitoring of activities necessary for effective planning implementation;

(13) payment of reasonable administrative costs related to establishing and administering federally approved enterprise zones and payment of reasonable administrative costs and carrying charges related to (A) administering the HOME program under title II of the Cranston-Gonzalez National Affordable Housing Act [42 U.S.C. 12721 et seq.]; and (B) the planning and execution of community development and housing activities, including the provision of information and resources to residents of areas in which community development and housing activities are to be concentrated with respect to the planning and execution of such activities, and including the carrying out of activities as described in sec-
§ 5305

See References in Text note below.

1

tion 701(e) of the Housing Act of 1954 on August 12, 1981;

(14) provision of assistance including loans (both interim and long-term) and grants for activities which are carried out by public or private nonprofit entities, including (A) acquisition of real property; (B) acquisition, construction, reconstruction, rehabilitation, or installation of (i) public facilities (except for buildings for the general conduct of government), site improvements, and utilities, and (ii) commercial or industrial buildings or structures and other commercial or industrial real property improvements; and (C) planning;

(15) assistance to neighborhood-based nonprofit organizations, local development corporations, nonprofit organizations serving the development needs of the communities in entitlement areas, or entities organized under section 681(d) of title 15 to carry out a neighborhood revitalization or community economic development or energy conservation project in furtherance of the objectives of section 5301(c) of this title, and assistance to neighborhood-based nonprofit organizations, or other private or public nonprofit organizations, for the purpose of assisting, as part of neighborhood revitalization or other community development, the development of shared housing opportunities (other than by construction of new facilities) in which elderly families (as defined in section 1437a(b)(3) of this title) benefit as a result of living in a dwelling in which the facilities are shared with others in a manner that effectively and efficiently meets the housing needs of the residents and thereby reduces their cost of housing;

(16) activities necessary to the development of energy use strategies related to a recipient's development goals, to assure that those goals are achieved with maximum energy efficiency, including items such as—

(A) an analysis of the manner in, and the extent to, which energy conservation objectives will be integrated into local government operations, purchasing and service delivery, capital improvements budgeting, waste management, district heating and cooling, land use planning and zoning, and traffic control, parking, and public transportation functions; and

(B) a statement of the actions the recipient will take to foster energy conservation and the use of renewable energy resources in the private sector, including the enactment and enforcement of local codes and ordinances to encourage or mandate energy conservation or use of renewable energy resources, financial and other assistance to be provided (principally for the benefit of low- and moderate-income persons) to make energy conserving improvements to residential structures, and any other proposed energy conservation activities;

(17) provision of assistance to private, for-profit entities, when the assistance is appropriate to carry out an economic development project (that shall minimize, to the extent practicable, displacement of existing businesses and jobs in neighborhoods) that—

(A) creates or retains jobs for low- and moderate-income persons;

(B) prevents or eliminates slums and blight;

(C) meets urgent needs;

(D) creates or retains businesses owned by community residents;

(E) assists businesses that provide goods or services needed by, and affordable to, low- and moderate-income residents; or

(F) provides technical assistance to promote any of the activities under subparagraphs (A) through (E);

(18) the rehabilitation or development of housing assisted under section 1437o of this title;

(19) provision of technical assistance to public or nonprofit entities to increase the capacity of such entities to carry out eligible neighborhood revitalization or economic development activities, which assistance shall not be considered a planning cost as defined in paragraph (12) or administrative cost as defined in paragraph (13);

(20) housing services, such as housing counseling in connection with tenant-based rental assistance and affordable housing projects assisted under title II of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12721 et seq.), energy auditing, preparation of work specifications, loan processing, inspections, tenant selection, management of tenant-based rental assistance, and other services related to assisting owners, tenants, contractors, and other entities, participating or seeking to participate in housing activities assisted under title II of the Cranston-Gonzalez National Affordable Housing Act;

(21) provision of assistance by recipients under this chapter to institutions of higher education having a demonstrated capacity to carry out eligible activities under this subsection for carrying out such activities;

(22) provision of assistance to public and private organizations, agencies, and other entities (including nonprofit and for-profit entities) to enable such entities to facilitate economic development by—

(A) providing credit (including providing direct loans and loan guarantees, establishing revolving loan funds, and facilitating peer lending programs) for the establishment, stabilization, and expansion of microenterprises;

(B) providing technical assistance, advice, and business support services (including assistance, advice, and support relating to developing business plans, securing funding, conducting marketing, and otherwise engaging in microenterprise activities) to owners of microenterprises and persons developing microenterprises; and

(C) providing general support (such as peer support programs and counseling) to owners of microenterprises and persons developing microenterprises;

(23) activities necessary to make essential repairs and to pay operating expenses nec-
necessary to maintain the habitability of housing units acquired through tax foreclosure proceedings in order to prevent abandonment and deterioration of such housing in primarily low- and moderate-income neighborhoods;

(24) provision of direct assistance to facilitate and expand homeownership among persons of low and moderate income (except that such assistance shall not be considered a public service for purposes of paragraph (8)) by using such assistance to—

(A) subside interest rates and mortgage principal amounts for low- and moderate-income homebuyers;

(B) finance the acquisition by low- and moderate-income homebuyers of housing that is occupied by the homebuyers;

(C) acquire guarantees for mortgage financing obtained by low- and moderate-income homebuyers from private lenders (except that amounts received under this chapter may not be used by subchapter to directly guarantee such mortgage financing and grantees under this chapter may not directly provide such guarantees);

(D) provide up to 50 percent of any downpayment required from low- or moderate-income homebuyer; or

(E) pay reasonable closing costs (normally associated with the purchase of a home) incurred by a low- or moderate-income homebuyer;

(25) the construction or improvement of tornado-safe shelters for residents of manufactured housing, and the provision of assistance (including loans and grants) to non-profit and for-profit entities (including owners of manufactured housing parks) for such construction or improvement, except that—

(A) a shelter assisted with amounts provided pursuant to this paragraph may be located only in a neighborhood (including a manufactured housing park) that—

(i) contains not less than 20 manufactured housing units that are within such proximity to the shelter that the shelter is available to the residents of such units in the event of a tornado;

(ii) consists predominantly of persons of low and moderate income; and

(iii) is located within a State in which a tornado has occurred during the fiscal year for which the amounts to be used under this paragraph were made available or any of the 3 preceding fiscal years, as determined by the Secretary after consultation with the Administrator of the Federal Emergency Management Agency;

(B) such a shelter shall comply with standards for construction and safety as the Secretary, after consultation with the Administrator of the Federal Emergency Management Agency, shall provide to protect against tornadoes;

(C) such a shelter shall be of a size sufficient to accommodate, at a single time, all occupants of manufactured housing units located within the neighborhood in which the shelter is located; and

(D) amounts may not be used for a shelter as provided under this paragraph unless there is located, within the neighborhood in which the shelter is located (or, in the case of a shelter located in a manufactured housing park, within 1,500 feet of such park), a warning siren that is operated in accordance with such local, regional, or national disaster warning programs or systems as the Secretary, after consultation with the Administrator of the Federal Emergency Management Agency, considers appropriate to ensure adequate notice of occupants of manufactured housing located in such neighborhood or park of a tornado; and

(26) lead-based paint hazard evaluation and reduction, as defined in section 4851b of this title.

(b) Reimbursement of Secretary for administrative services connected with rehabilitation of properties

Upon the request of the recipient of assistance under this chapter, the Secretary may agree to perform administrative services on a reimbursable basis on behalf of such recipient in connection with loans or grants for the rehabilitation of properties as authorized under subsection (a)(4).

(c) Activities benefiting persons of low and moderate income

(1) In any case in which an assisted activity described in paragraph (14) or (17) of subsection (a) is identified as principally benefiting persons of low and moderate income, such activity shall—

(A) be carried out in a neighborhood consisting predominantly of persons of low and moderate income and provide services for such persons; or

(B) involve facilities designed for use predominantly by persons of low and moderate income; or

(C) involve employment of persons, a majority of whom are persons of low and moderate income.

(2)(A) In any case in which an assisted activity described in subsection (a) is designed to serve an area generally and is clearly designed to meet identified needs of persons of low and moderate income in such area, such activity shall be considered to principally benefit persons of low and moderate income if—

(i) not less than 51 percent of the residents of such area are persons of low and moderate income; (ii) in any metropolitan city or urban county, the area served by such activity is within the highest quartile of all areas within the jurisdiction of such city or county in terms of the degree of concentration of persons of low and moderate income; or (iii) the assistance for such activity is limited to paying assessments (including any charge made as a condition of obtaining access) levied against properties owned and occupied by persons of low and moderate income to recover the capital cost for a public improvement.

(B) The requirements of subparagraph (A) do not prevent the use of assistance under this chapter for the development, establishment, and operation for not to exceed 2 years after its establishment of a uniform emergency telephone number system if the Secretary determines that—
(i) such system will contribute substantially to the safety of the residents of the area served by such system;
(ii) not less than 51 percent of the use of the system will be by persons of low and moderate income; and
(iii) other Federal funds received by the grantee are not available for the development, establishment, and operation of such system due to the insufficiency of the amount of such funds, the restrictions on the use of such funds, or the prior commitment of such funds for other purposes by the grantee.

The percentage of the cost of the development, establishment, and operation of such a system that may be paid from assistance under this chapter and that is considered to benefit low and moderate income persons is the percentage of the population to be served that is made up of persons of low and moderate income.

(3) Any assisted activity under this chapter that involves the acquisition or rehabilitation of property to provide housing shall be considered to benefit persons of low and moderate income only to the extent such housing will, upon completion, be occupied by such persons.

(4) For the purposes of subsection (c)(1)(C)—
(A) if an employee resides in, or the assisted activity through which he or she is employed, is located in a census tract that meets the Federal enterprise zone eligibility criteria, the employee shall be presumed to be a person of low- or moderate-income; or
(B) if an employee resides in a census tract where not less than 70 percent of the residents have incomes at or below 80 percent of the area median, the employee shall be presumed to be a person of low or moderate income.

(d) Training program

The Secretary shall implement, using funds recaptured pursuant to section 5318(e) of this title, an on-going education and training program for employees of the Department, especially officers and employees of area and other field offices of the Department, who are responsible for monitoring and administering activities pursuant to paragraphs (14), (15), and (17) of subsection (a) for the purpose of ensuring that (A) such personnel possess a thorough understanding of such activities; and (B) regulations and guidelines are implemented in a consistent fashion.

(e) Guidelines for evaluating and selecting economic development projects

(1) Establishment

The Secretary shall establish, by regulation, guidelines to assist grant recipients under this chapter to evaluate and select activities described in subsection (a)(14), (15), and (17) for assistance with grant amounts. The Secretary shall not base a determination of eligibility of the use of funds under this chapter for such assistance solely on the basis that the recipient fails to achieve one or more of the guidelines' objectives as stated in paragraph (2).

(2) Project costs and financial requirements

The guidelines established under this subsection shall include the following objectives:

(A) The project costs of such activities are reasonable.
(B) To the extent practicable, reasonable financial support has been committed for such activities from non-Federal sources prior to disbursement of Federal funds.
(C) To the extent practicable, any grant amounts to be provided for such activities do not substantially reduce the amount of non-Federal financial support for the activity.
(D) Such activities are financially feasible.
(E) To the extent practicable, such activities provide not more than a reasonable return on investment to the owner.
(F) To the extent practicable, grant amounts used for the costs of such activities are disbursed on a pro rata basis with amounts from other sources.

(3) Public benefit

The guidelines established under this subsection shall provide that the public benefit provided by the activity is appropriate relative to the amount of assistance provided with grant amounts under this chapter.

(f) Assistance to for-profit entities

In any case in which an activity described in paragraph (17) of subsection (a) is provided assistance such assistance shall not be limited to activities for which no other forms of assistance are available or could not be accomplished but for that assistance.

(g) Microenterprise and small business program requirements

In developing program requirements and providing assistance pursuant to paragraph (17) of subsection (a) to a microenterprise or small business, the Secretary shall—

(1) take into account the special needs and limitations arising from the size of the entity; and
(2) not consider training, technical assistance, or other support services costs provided to small businesses or microenterprises or to grantees and subgrantees to develop the capacity to provide such assistance, as a planning cost pursuant to subsection (a)(12) or an administrative cost pursuant to subsection (a)(13).

(h) Prohibition on use of assistance for employment relocation activities

Notwithstanding any other provision of law, no amount from a grant under section 5306 of this title made in fiscal year 1999 or any succeeding fiscal year may be used to assist directly in the relocation of any industrial or commercial plant, facility, or operation, from 1 area to another area, if the relocation is likely to result in a significant loss of employment in the labor market area from which the relocation occurs.

REFERENCES IN TEXT

This chapter, referred to in subsecs. (a), (b), (c)(2), (3), and (e)(1), (3), was in the original “this title,” meaning title I of Pub. L. 89-435, Aug. 22, 1974, 88 Stat. 633, which is classified principally to this chapter. For complete classification of title I to the Code, see Tables.


The Housing Act of 1949, referred to in subsec. (a)(10), is act July 15, 1949, ch. 338, 63 Stat. 413, Title I of the Housing Act of 1949, which was classified generally to subchapter II (§1450 et seq.) of chapter 8A of this title, and was omitted from the Code pursuant to section 5316 of this title which terminated authority to make grants for activities under this paragraph; “acquisition for rehabilitation, and rehabilitation”.


Section 5316 of this title, referred to in subsec. (a)(8), was repealed by Pub. L. 101-625, title II, §290(b), Nov. 28, 1990, 104 Stat. 4128.

Codification

In subsec. (a)(13), “August 12, 1981” substituted for “the date prior to the date of enactment of the Housing and Community Development Amendments of 1981”.

Amendments

or under title II of the Cranston-Gonzalez National Affordable Housing Act''
paragraph shall be subject to any limitation on administrative expenses imposed by any law''.
of Pub. L. 93–383, classified to subsec. (a)(24) of this section, as added by section 907(b)(1) of the Cranston-Gonzalez National Affordable Housing Act [Pub. L. 101–625], shall continue to be effective after September 30, 1996, notwithstanding section 907(b)(2) of such Act [set out below]."


nomic development activities related to Brownfields projects in conjunction with the appropriate environmental regulatory agencies, as if such activities were eligible under section 105(a) of such Act [42 U.S.C. 5305(a)]."

Similar provisions were contained in the following prior appropriation act:


GAO STUDY OF USE OF GRANTS FOR ECONOMIC DEVELOPMENT PROJECTS

Pub. L. 102–550, title VIII, §806(c), Oct. 28, 1992, 106 Stat. 3847, directed Comptroller General to conduct a study of use of grant amounts under this chapter for activities described in paragraphs (14), (15), and (17) of subsec. (a) of this section, including an evaluation of whether the activities for which such amounts are being used under such paragraphs further the goals and objectives of such program, as established in section 5301 of this title, and directed Comptroller General to submit a report to Congress regarding the findings of the study and recommendations not later than the expiration of the 18-month period beginning on Oct. 28, 1992.

ENHANCING JOB QUALITY: REPORT TO CONGRESS

Pub. L. 102–550, title VIII, §806(d), Oct. 28, 1992, 106 Stat. 3847, directed Comptroller General, not later than 1 year after Oct. 28, 1992, to submit to Congress a report on types and quality of jobs created or retained through assistance provided pursuant to this chapter and the extent to which projects and activities assisted under this chapter enhance the upward mobility and future earning capacity of low- and moderate-income persons who are benefited by such projects and activities.

REPORT TO CONGRESS ON EFFECTIVENESS OF ASSISTANCE IN PROMOTING DEVELOPMENT OF MICROENTERPRISES

Pub. L. 102–550, title VIII, §807(c)(4), Oct. 28, 1992, 106 Stat. 3849, directed Secretary, not later than 18 months after Oct. 28, 1992, to submit to Congress a report on effectiveness of assistance provided through this chapter in promoting development of microenterprises, including a review of any statutory or regulatory provision that impedes development of microenterprises.

COMMUNITY INVESTMENT CORPORATION DEMONSTRATION

Pub. L. 102–550, title VIII, §853, Oct. 28, 1992, 106 Stat. 3859, provided for establishment of a demonstration program to develop ways to improve access to capital for initiatives which would benefit specific targeted geographic areas and to test new models for bringing credit and investment capital to low-income persons in targeted geographic areas, using depository institution holding companies and eligible local nonprofit organizations selected by Secretary of Housing and Urban Development to provide capital assistance, grants, and training under direction of an advisory board. Funds for the program were authorized for fiscal years 1993 and 1994 to remain available until expended.

WAIVERS OF LIMITATION ON AMOUNT OF FUNDS WHICH MAY BE USED IN FISCAL YEARS 1982, 1983, AND 1984 FOR PUBLIC SERVICE ACTIVITIES

Pub. L. 97–35, title III, §303(b), Aug. 13, 1981, 95 Stat. 398, as amended Pub. L. 98–181, title I [title I, §105(b)(3)], Nov. 30, 1983, 97 Stat. 1164, authorized Secretary, in fiscal years 1982 and 1983, to waive the limitation on amount of funds which could be used for public services activities under subsec. (a)(8) of this section, in the case of a unit of general local government which, during fiscal year 1981, allocated more than 10 percent of the funds received under this chapter for such activities.
§ 5306. Allocation and distribution of funds

(a) Amounts allocated to Indian tribes, discretionary fund, and metropolitan cities and urban counties; limitations on amount of annual grants

(1) For each fiscal year, of the amount approved in appropriation Acts under section 5303 of this title for grants for such fiscal year (excluding the amounts provided for use in accordance with section 5307 of this title), the Secretary shall reserve for grants to Indian tribes 1 percent of the amount appropriated under such section. The Secretary shall provide for distribution of amounts under this paragraph to Indian tribes on the basis of a competition conducted pursuant to specific criteria for the selection of Indian tribes to receive such amounts. The criteria shall be contained in a regulation promulgated by the Secretary after notice and public comment. Notwithstanding any other provision of this Act, such grants to Indian tribes shall not be subject to the requirements of this Act, such grants to Indian tribes shall not be subject to the requirements of this Act.

(2) The Secretary shall determine the amount to be allocated to each urban county, which shall be the greater of an amount that bears the same ratio to the allocation for all metropolitan areas as either—

(A) the average of the ratios between—
   (i) the population of that urban county and the population of all metropolitan areas; and
   (ii) the extent of poverty in that urban county and the extent of poverty in all metropolitan areas; and
   (iii) the age of housing in that urban county and the age of housing in all metropolitan areas.

(b) Computation of amount allocated to metropolitan cities and urban counties

(1) The Secretary shall determine the amount to be allocated to each metropolitan city which shall be the greater of an amount that bears the same ratio to the allocation for all metropolitan areas as either—

(A) the average of the ratios between—
   (i) the population of that city and the population of all metropolitan areas; and
   (ii) the extent of poverty in that city and the extent of poverty in all metropolitan areas; and
   (iii) the extent of housing overcrowding in that city and the extent of housing overcrowding in all metropolitan areas; or

(B) the average of the ratios between—
   (i) the extent of growth lag in that city and the extent of growth lag in all metropolitan cities; and
   (ii) the extent of poverty in that city and the extent of poverty in all metropolitan areas; and
   (iii) the age of housing in that city and the age of housing in all metropolitan areas.

(2) The Secretary shall determine the amount to be allocated to each urban county, which shall be the greater of an amount that bears the same ratio to the allocation for all metropolitan areas as either—

(A) the average of the ratios between—
   (i) the population of that urban county and the population of all metropolitan areas; and
   (ii) the extent of poverty in that urban county and the extent of poverty in all metropolitan areas; and
   (iii) the age of housing overcrowding in that urban county and the extent of housing overcrowding in all metropolitan areas; or

(B) the average of the ratios between—
   (i) the extent of growth lag in that urban county and the extent of growth lag in all metropolitan cities and urban counties; and
   (ii) the extent of poverty in that urban county and the extent of poverty in all metropolitan areas; and
   (iii) the age of housing in that urban county and the age of housing in all metropolitan areas.

(3) In determining the average of ratios under paragraphs (1)(A) and (2)(A), the ratio involving the extent of poverty shall be counted twice, and each of the other ratios shall be counted once; and in determining the average of ratios under paragraphs (1)(B) and (2)(B), the ratio involving the extent of growth lag shall be counted once, the ratio involving the extent of poverty shall be counted one and one-half times, and the ratio involving the age of housing shall be counted two and one-half times.

(4) In computing amounts or exclusions under this section with respect to any urban county, there shall be excluded units of general local government located in the county the populations of which are not counted in determining the eligibility of the urban county to receive a grant under this subsection, except that there shall be included any independent city (as defined by the Bureau of the Census) which—

(A) is not part of any county;
(B) is not eligible for a grant pursuant to subsection (b)(1);
(C) is contiguous to the urban county;
(D) has entered into cooperation agreements with the urban county which provide that the urban county is to undertake or to assist in the undertaking of essential community development and housing assistance activities with respect to such independent city; and
(E) is not included as a part of any other unit of general local government for purposes of this section.
Any independent city which is included in any fiscal year for purposes of computing amounts pursuant to the preceding sentence shall not be eligible to receive assistance under subsection (d) with respect to such fiscal year.

(3) In computing amounts under this section with respect to any urban county, there shall be included all of the area of any unit of local government which is part of, but is not located entirely within the boundaries of, such urban county if the part of such unit of local government which is within the boundaries of such urban county would otherwise be included in computing the amount for such urban county under this section, and if the part of such unit of local government which is not within the boundaries of such urban county is not included as a part of any other unit of local government for the purpose of this section. Any amount received by such urban county under this section may be used with respect to the part of such unit of local government which is outside the boundaries of such urban county.

(6) (A) Where data are available, the amount determined under paragraph (1) for a metropolitan city that has been formed by the consolidation of one or more metropolitan cities with an urban county shall be equal to the sum of the amounts that would have been determined under paragraph (1) for the metropolitan city or cities and the balance of the consolidated government, if such consolidation had not occurred. This paragraph shall apply only to any consolidation that—

(i) included all metropolitan cities that received grants under this section for the fiscal year preceding such consolidation and that were located within the urban county;

(ii) included the entire urban county that received a grant under this section for the fiscal year preceding such consolidation; and

(iii) took place on or after January 1, 1983.

(B) The population growth rate of all metropolitan cities referred to in section 5302(a)(12) of this title shall be based on the population of (i) metropolitan cities other than consolidated governments the grant for which is determined under this paragraph; and (ii) cities that were metropolitan cities before their incorporation into consolidated governments. For purposes of calculating the entitlement share for the balance of the consolidated government under this paragraph, the entire balance shall be considered to have been an urban county.

(c) Reallocation of undistributed funds within same metropolitan area as original allocation; amount and calculation of reallocation grant; disaster relief

(1) Except as provided in paragraphs (2) and (4), any amounts allocated to a metropolitan city or an urban county pursuant to the preceding provisions of this section which are not received by the city or county for a fiscal year because of failure to meet the requirements of subsection (a), (b), (c), or (d) of section 5304 of this title, or which become available as a result of actions under section 5304(e) or 5311 of this title, shall be reallocated in the succeeding fiscal year to the other metropolitan cities and urban counties in the same metropolitan area which certify to the satisfaction of the Secretary that they would be adversely affected by the loss of such amounts from the metropolitan area. The amount of the share of funds reallocated under this paragraph for any metropolitan city or urban county shall be the same ratio to the total of such reallocated funds in the metropolitan area as the amount of funds awarded to the city or county for the fiscal year in which the reallocated funds become available bears to the total amount of funds awarded to all metropolitan cities and urban counties in the same metropolitan area for that fiscal year, except that—

(A) in determining the amounts awarded to cities or counties for purposes of calculating shares pursuant to this sentence, there shall be excluded from the award of any city or county any amounts which become available as a result of actions against such city or county under section 5311 of this title;

(B) in reallocating amounts resulting from an action under section 5304(e) of this title or section 5311 of this title, a city or county against whom any such action was taken in a fiscal year shall be excluded from a calculation of share for purposes of reallocating, in the succeeding year, the amounts becoming available as a result of such action; and

(C) in no event may the share of reallocated funds for any metropolitan city or urban county exceed 25 per centum of the amount awarded to the city or county under subsection (b) for the fiscal year in which the reallocated funds under this paragraph become available.

Any amounts allocated under subsection (b) which become available for reallocation and for which no metropolitan city or urban county qualifies under this paragraph shall be added to amounts available for allocation under such subsection (b) in the succeeding fiscal year.

(2) Notwithstanding any other provision of this chapter, the Secretary shall make grants from amounts authorized for use under subsection (b) by the Department of Housing and Urban Development—Independent Agencies Appropriation Act, 1981, in accordance with the provisions of this chapter which governed grants with respect to such amounts, as such provisions existed prior to October 1, 1981, except that any such amounts which are not obligated before January 1, 1982, shall be reallocated in accordance with paragraph (1).

(3) Notwithstanding the provisions of paragraph (1), the Secretary may upon request transfer responsibility to any metropolitan city for the administration of any amounts received, but not obligated, by the urban county in which such city is located if (A) such city was an included unit of general local government in such county prior to the qualification of such city as a metropolitan city; (B) such amounts were designated and received by such county for use in such city prior to the qualification of such city as a metropolitan city; and (C) such city and county agree to such transfer of responsibility for the administration of such amounts.

(4)(A) Notwithstanding paragraph (1), in the event of a major disaster declared by the President under the Robert T. Stafford Disaster Relief and Emergency Assistance Act [42 U.S.C. 5121 et seq.], the Secretary shall make available,
to metropolitan cities and urban counties located or partially located in the areas affected by the disaster, any amounts that become available as a result of actions under section 5304(e) or 5311 of this title.

(B) In using any amounts that become available as a result of actions under section 5304(e) or 5311 of this title, the Secretary shall give priority to providing emergency assistance under this paragraph.

(C) The Secretary may provide assistance to any metropolitan city or urban county under this paragraph only to the extent necessary to meet emergency community development needs, as the Secretary shall determine (subject to subparagraph (D)), of the city or county resulting from the disaster that are not met with amounts otherwise provided under this chapter, the Robert T. Stafford Disaster Relief and Emergency Assistance Act [42 U.S.C. 5121 et seq.], and other sources of assistance.

(D) Amounts provided to metropolitan cities and urban counties under this paragraph may be used only for eligible activities under section 5305 of this title, and in implementing this section, the Secretary shall evaluate the natural hazards to which any permanent replacement housing is exposed and shall take appropriate action to mitigate such hazards.

(E) The Secretary shall provide for applications (or amended applications and statements under section 5304 of this title) for assistance under this paragraph.

(F) A metropolitan city or urban county eligible for assistance under this paragraph may receive such assistance only in each of the fiscal years ending during the 3-year period beginning on the date of the declaration of the disaster by the President.

(G) This paragraph may not be construed to require the Secretary to reserve any amounts that become available as a result of actions under section 5304(e) or 5311 of this title for assistance under this paragraph if, when such amounts are to be reallocated under paragraph (1), no metropolitan city or urban county qualifies for assistance under this paragraph.

(d) Allocation among States for nonentitlement areas: amount and calculation of grants; distributions made pursuant to prior provisions; certifications required by Governor enumerated; responsibility for administration and administrative expenses; reallocation; certifications required by units of general local government in nonentitlement areas; applicability of this chapter and other law

(1) Of the amount approved in an appropriation Act under section 5303 of this title that remains after allocations pursuant to paragraphs (1), (2), and (3) of subsection (a), 30 per centum shall be allocated among the States for use in nonentitlement areas. The allocation for each State shall be the greater of an amount that bears the same ratio to the allocation for such areas of all States available under this paragraph as the average of the ratios between—

(i) the population of the nonentitlement areas in that State and the population of the nonentitlement areas of all States;

(ii) the extent of poverty in the nonentitlement areas in that State and the extent of poverty in the nonentitlement areas of all States; and

(iii) the extent of housing overcrowding in the nonentitlement areas in that State and the extent of housing overcrowding in the nonentitlement areas of all States; or

(B) the average of the ratios between—

(i) the age of housing in the nonentitlement areas in that State and the age of housing in the nonentitlement areas of all States;

(ii) the extent of poverty in the nonentitlement areas in that State and the extent of poverty in the nonentitlement areas of all States; and

(iii) the population of the nonentitlement areas in that State and the population of the nonentitlement areas of all States.

In determining the average of the ratios under subparagraph (A) the ratio involving the extent of poverty shall be counted twice and each of the other ratios shall be counted once; and in determining the average of the ratios under subparagraph (B), the ratio involving the age of housing shall be counted two and one-half times, the ratio involving the extent of poverty shall be counted one and one-half times, and the ratio involving population shall be counted once. The Secretary shall, in order to compensate for the discrepancy between the total of the amounts to be allocated under this paragraph and the total of the amounts available under such paragraph, make a pro rata reduction of each amount allocated to the nonentitlement areas in each State under such paragraph so that the nonentitlement areas in each State will receive an amount which represents the same percentage of the total amount available under such paragraph as the percentage which the nonentitlement areas of the same State would have received under such paragraph if the total amount available under such paragraph had equaled the total amount which was allocated under such paragraph.

(2)(A) Amounts allocated under paragraph (1) shall be distributed to units of general local government located in nonentitlement areas of the State to carry out activities in accordance with the provisions of this chapter—

(i) by a State that has elected, in such manner and at such time as the Secretary shall prescribe, to distribute such amounts, consistent with the statement submitted under section 5304(a) of this title; or

(ii) by the Secretary, in any case described in subparagraph (B), for use by units of general local government in accordance with paragraph (3)(B).

Any election to distribute funds made after the close of fiscal year 1981 is permanent and final. Notwithstanding any provision of this chapter, the Secretary shall make grants from amounts authorized for use in nonentitlement areas by the Department of Housing and Urban Development—Independent Agencies Appropriation Act, 1981, in accordance with the provisions of this chapter which governed grants with respect to such amounts, as such provisions existed prior
to October 1, 1981. Any amounts under the preceding sentence (except amounts for which pre-
applications have been approved by the Secre-
tary prior to October 1, 1981, and which have
been obligated by January 1, 1982) which are or
become available for obligation in the State after fiscal year
1981 shall be available for distribution in the
State in which the grants from such amounts
were made, by the State or by the Secretary,
whichever is distributing the State allocation in
the fiscal year in which such amounts are or be-
come available.

(B) The Secretary shall distribute amounts al-
located under paragraph (1) if the State has not
elected to distribute such amounts.

(C) To receive and distribute amounts allo-
cated under paragraph (1), the State must cer-
ify that it, with respect to units of general
local government in nonentitlement areas—
(i) engages or will engage in planning for
community development activities;

(ii) provides or will provide technical assist-
tance to units of general local government in
connection with community development pro-
grams;

(iii) will not refuse to distribute such am-
ounts to any unit of general local govern-
ment on the basis of the particular eligible ac-
tivity selected by such unit of general local
government to meet its community develop-
ment needs, except that this clause may not
be considered to prevent a State from estab-
lishing priorities in distributing such amounts
on the basis of the activities selected; and

(iv) has consulted with local elected officials
from among units of general local government
located in nonentitlement areas of that State
in determining the method of distribution of
funds required by subparagraph (A).

(D) To receive and distribute amounts allo-
cated under paragraph (1), the State shall cer-
tify that each unit of general local government
to be distributed funds will be required to iden-
tify its community development and housing
needs, including the needs of low and moderate
income persons, and the activities to be un-
taken to meet such needs.

(3)(A) If the State receives and distributes
such amounts, it shall be responsible for the ad-
ministration of funds so distributed. The State
shall pay from its own resources all administra-
tive expenses incurred by the State in carrying
out its responsibilities under this chapter or sec-
tion 1437o(e)(1)\(^1\) of this title, except that from
the amounts received for distribution in non-
entitlement areas, the State may deduct an
amount to cover such expenses and its adminis-
trative expenses under section 1706e\(^2\) of title 12
not to exceed the sum of $100,000 plus 50 percent
of any such expenses under this chapter in ex-
cess of $100,000. Amounts deducted in excess of
$100,000 shall not, subject to paragraph (6), ex-
ceed 3 percent of the amount so received.

(B) If the Secretary distributes such amounts,
the distribution shall be made in accordance
with determinations of the Secretary pursuant
to statements submitted and the other require-
ments of section 5304 of this title (other than

---

\(^1\) See References in Text note below.
tion of obtaining access to such public improvements, unless (i) funds received under this section are used to pay the proportion of such fee or assessment that relates to the capital costs of such public improvements that are financed from revenue sources other than under this chapter; or (ii) for purposes of assessing any amount against properties owned and occupied by persons of moderate income, the grantee certifies to the Secretary or such State, as the case may be, that it lacks sufficient funds received under this section to comply with the requirements of clause (i).

(8) Any activities conducted with amounts received by a unit of general local government under this subsection shall be subject to the applicable provisions of this chapter and other Federal law in the same manner and to the same extent as activities conducted with amounts received by a unit of general local government under subsection (a).

(e) Qualification or submission dates, and finality and conclusiveness of computations and determinations

The Secretary may fix such qualification or submission dates as he determines are necessary to permit the computations and determinations required by this section to be made in a timely manner, and all such computations and determinations shall be final and conclusive.

(f) Pro rata adjustment of entitlement amounts

If the total amount available for distribution in any fiscal year to metropolitan cities and urban counties under this section is insufficient to provide the amounts to which metropolitan cities and urban counties would be entitled under subsection (b), and funds are not otherwise appropriated to meet the deficiency, the Secretary shall meet the deficiency through a pro rata reduction of all amounts determined under subsection (b). If the total amount available for distribution in any fiscal year to metropolitan cities and urban counties under this section exceeds the amounts to which metropolitan cities and urban counties would be entitled under subsection (b), the Secretary shall distribute the excess through a pro rata increase of all amounts determined under subsection (b).

References in Text


This chapter, referred to in subsecs. (c)(2), (4)(C) and (d)(2)(A), is Pub. L. 96–526, Dec. 15, 1980, 94 Stat. 3041. For complete classification of this Act to the Code, see Tables.


The Robert T. Stafford Disaster Relief and Emergency Assistance Act, referred to in subsec. (c)(4)(A), (C), is Pub. L. 93–288, May 22, 1974, 88 Stat. 143, which is classified principally to chapter 68 (§5121 et seq.) of this title. For complete classification of this Act to the Code, see Short Title note set out under section 5121 of this title and Tables.

This subparagraph, referred to in subsec. (d)(1), probably should be a reference to this paragraph, meaning par. (1) of subsec. (d) of this section.

Section 1437o of this title and section 1706e of title 12, referred to in subsec. (d)(3)(A), was repealed by Pub. L. 101–625, title II, §1209(b), Nov. 29, 1990, 104 Stat. 4128.


The Fair Housing Act, referred to in subsec. (d)(7)(B), is title VIII of Pub. L. 90–284, Apr. 11, 1968, 82 Stat. 81, which is classified principally to subchapter I (§3601 et seq.) of chapter 45 of this title. For complete classification of this Act to the Code, see Short Title note set out under section 3601 of this title and Tables.

Amendments

2004—Subsec. (d)(3)(A). Pub. L. 108–199, §423(1), substituted "shall not, subject to paragraph (6), exceed 3 percent" for "shall not exceed 2 percent".

Subsec. (d)(5). Pub. L. 108–199, §423(2), redesignated par. (5), relating to prohibition of distributions to units of general local government without certifications, as (7).

Pub. L. 108–199, §423(2), substituted "subject to paragraph (6), not to exceed 3 percent" for "not to exceed 1 percent" in par. (5), relating to State deductions for technical assistance.


Subsec. (d)(7). (8). Pub. L. 108–199, §423(3), redesignated par. (5), relating to prohibition of distributions to units of general local government without certifications, and (6) as pars. (7) and (8), respectively.


Pub. L. 108–186, §501(d)(2), inserted "under paragraph (1) and after reserving such amounts for insular areas under paragraph (2)" after "tribes".

Pub. L. 108–186, §501(d)(3), substituted “paragraphs (1) and (2)” for “paragraphs (1) and (2)”.


Subsec. (d)(1). Pub. L. 108–186, §501(e), substituted “paragraphs (1) and (2)” for “paragraphs (1) and (2)” in first sentence.

1992—Subsec. (d)(1). Pub. L. 102–550, §1204(i), in first sentence, substituted “that remains after allocations pursuant to paragraphs (1) and (2) of subsection (a)” for “for grants in any year (excluding the amounts provided for use in accordance with subsection (a)(1) and (2) of this section)”.


1990—Subsec. (a). Pub. L. 101–625, §913(b)(1), added subsec. (a) and struck out former subsec. (a) which read as follows: “Of the amount approved in an appropriation Act under section 5303 of this title for grants in any year (excluding the amounts provided for use in accordance with section 5307 of this title), 70 per centum shall be allocated by the authorized, each metropolitan city and urban county and Indian tribes. Except as otherwise specifically authorized, such allocation pursuant to subsection (b)(7) of this section.”

Subsec. (b)(1), (2). Pub. L. 101–625, §913(b)(2), substituted “The” for “After taking into account the set-aside for Indian tribes under paragraph (7), the” in introductory provisions of pars. (1) and (2).

Subsec. (b)(7). Pub. L. 101–625, §913(b)(1)(A), struck out par. (7), which read as follows: “(A) For each fiscal year, the Secretary shall reserve for grants to Indian tribes, from amounts approved in appropriation Acts under section 5303 of this title, not more than 1 percent of the amounts appropriated under such section.”

Subsec. (c)(1). Pub. L. 101–625, §933(1), substituted “paragraphs (2) and (4)” for “paragraph (2)” in introductory provisions.


Subsec. (d)(1). Pub. L. 101–625, §913(b)(3), substituted “paragraphs (1) and (2) of this section” for “paragraph 5307 of this title and section 5318 of this title” in introductory provisions.

1989—Subsec. (a). Pub. L. 101–235, §702(b)(1), inserted “and Indian tribes” after “urban counties” in first sentence and inserted “Indian tribes shall receive grants from such allocation pursuant to subsection (b)(7) of this section” before period at end of second sentence.

Subsec. (b)(1). Pub. L. 101–235, §702(b)(2), substituted “After taking into account the set-aside for Indian tribes under paragraph (7), the” for “The”.

Subsec. (b)(2). Pub. L. 101–235, §702(b)(3), substituted “After taking into account the set-aside for Indian tribes under paragraph (7), the” for “The”.


1988—Subsec. (c)(1). Pub. L. 100–623, §1082(b), substituted “subsection (a), (b), (c), or (d) of section 5304” for “section 5304(a), (b), or (c)” in introductory provisions and substituted “section 5304(d)” for “section 5304(d)” in introductory provisions and in subpar. (B).

Subsec. (d)(2)(C). Pub. L. 100–242, §512(1), substituted “the Governor must certify that it” for “the Governor must certify that the State”.

Subsec. (d)(2)(D). Pub. L. 100–242, §512(2), substituted the “the State” for “the Governor of each State”.

Subsec. (d)(3)(A). Pub. L. 100–242, §517(b)(1), inserted “its administrative expenses under section 1906 of title 12” after first reference to “such expenses”, and inserted “this chapter” after second reference to “such expenses”.

Pub. L. 100–242, §513, substituted “$100,000” for “$102,000” after “the sum of”.

Subsec. (d)(3)(C). Pub. L. 100–623, §1082(c), substituted “subsection (a), (b), or (d) of section 5304” for “subsection (a) or (b) of section 5304”.


1983—Subsec. (b)(6). Pub. L. 98–181, §106(a), substituted “a city or county against whom any such action was taken in a fiscal year shall be excluded from a calculation of share for purposes of reallocating in the succeeding year,” for “the city or county against whom any such action was taken shall be excluded from the calculation of shares for purposes of reallocating”.


Subsec. (d)(2)(A). Pub. L. 98–181, §106(d)(1), substituted “a State that has elected, in such manner and at such time as the Secretary shall prescribe” for “provisions prescribing cl. (C)” and inserted, following cl. (i), “Any election to distribute funds made after the close of fiscal year 1984 is permanent and final.”

Subsec. (d)(2)(B). Pub. L. 98–181, §106(d)(2), substituted provisions requiring the Secretary to distribute amounts allocated under par. (1) if the State has not elected to distribute such amounts, for provisions which required the Secretary to distribute such amounts where the State had elected, in such manner and before such time as prescribed by the Governor, to distribute such amounts, or the State had failed to submit the certifications described in subpar. (C).

Subsec. (d)(2)(C)(iii). Pub. L. 98–181, §106(e), amended cl. (iii) generally, substituting provisions requiring certification by the Governor that the State will not refuse to distribute funds or any local government unit on the basis of the particular activity selected to meet its community development needs, except that a State may establish priorities in distributing such amounts, for provisions requiring the Governor to certify that the State would provide funds for community development activities in an amount of at least 10 percent of the amounts allocated for use in the State pursuant to par. (1).

Subsec. (d)(3)(A). Pub. L. 98–181, §106(g), substituted provisions that the State may deduct an amount to cover such expenses not to exceed the sum of $102,000 plus 20 per cent of any such expenses in excess of $100,000, and that the amounts deducted in excess of $100,000 shall not exceed 2 per cent of the amount so received, for provisions that the State could deduct an amount not to exceed 50 per cent of the costs incurred by the State in carrying out such responsibilities, and that amounts so deducted could not exceed 2 per cent of the amount so received.

Subsec. (d)(3)(C). Pub. L. 98–181, §106(h), amended subpar. (C) generally, substituting provisions requiring that amounts which are to be reallocated because of failure to meet requirements of section 5304(a), (b) of this title or because of action under section 5304(d) or 5311 of this title be added to amounts allocated to all States for the succeeding fiscal year for provisions that amounts reallocated because of action under section 5304(d) of this title were to be added to amounts available for distribution in the State in the same fiscal year, in the case of actions against units of general local government, or to amounts available for distribution in the succeeding fiscal year, in the case of action against the State, and struck out provision for distribution of such funds by either the State or the Secretary and adding subpar. (D).


Subsec. (f). Pub. L. 98–181, §106(j), amended subsec. (f) generally, substituting provisions for pro rata reduction of all amounts determined under subsec. (b) in the event of a deficiency for provisions for reduction of all basic grant entitlement funds provided pursuant to this section in the event of a deficiency, and inserted provision for distribution of excess amounts.

1981—Subsec. (a). Pub. L. 97–33, §304(a), substituted provisions relating to amounts allocated to metropolitan areas and urban counties and limitations on amount of annual grants for provisions relating to amounts allocated to metropolitan areas, annual grants for metropolitan cities and urban counties, and limitations.

Subsec. (b)(4). Pub. L. 97–35, §309(h), substituted provision respecting assistance under subsec. (d) of this section for provision respecting grants under subsec. (c) or (e) of this section.

Subsec. (c). Pub. L. 97–35, §304(b), (c), redesignated subsec. (d) as (c) and substituted provisions relating to reallocation of undistributed funds within same metropolitan area as original area by the Secretary, for provisions relating to reallocation of amounts allocated to metropolitan cities, urban counties, and metropolitan areas for urban counties, metropolitan cities, etc. Former subsec. (c), which related to additional allocations of amount allocated to metropolitan areas and added amounts for grants for metropolitan cities, urban counties, specified units of general local government, and States, was struck out.

Subsec. (d). Pub. L. 97–35, §304(b), (d), (e), redesignated subsec. (e) as (d) and substituted provisions relating to allocation among nonentitlement areas, amount and calculation of grants, distributions, certifications, etc., for provisions relating to amounts allocated to units of general local government of metropolitan areas, calculations, multiyear commitments, annual grants, reallocation of amounts to nonmetropolitan areas of other States, and review by Secretary. Former subsec. (d) redesignated (c).

Subsec. (e). Pub. L. 97–35, §304(b), redesignated subsec. (f) as (e). Former subsec. (e) redesignated (d).

Subsecs. (f), (g). Pub. L. 97–35, §304(b), (f), redesignated subsec. (g) as (f) and substituted “all basic grant entitlement amounts” for “(1) all basic grant entitlement amounts, and (2) funds available under subsection (c) of this section (including amounts provided for use under section 5303(a)(2) of this title)” and subsection (e) of this section.

1980—Subsec. (a). Pub. L. 96–399, §111(e), substituted “subsection (d) of this section” for “subsections (c) and (e) of this section”, struck out “aggregate” after “allocation in an”, “the greater of” after “not exceeding”, and “or its hold-harmless amount computed pursuant to subsection (g) of this section” after “subsection (b) of this section”.

Subsec. (b)(4). Pub. L. 96–399, §103, substituted the populations of which are not counted in determining the eligibility of the urban county to receive a grant under this subsection, except that there shall be included any independent city (as defined by the Bureau of the Census) which—“(A) which are entitled to hold-harmless grants pursuant to subsection (h) of this section, or “(B) the populations of which are not counted in determining the eligibility of the urban county to receive a grant under this subsection”, and added subpars. (A) to (E) and provision following subpar. (E).

Subsec. (c). Pub. L. 96–399, §111(d), (f), redesignated former subsec. (d) as (c) and struck out in par. (1) “allocated by the Secretary, first, for grants to metropolitan cities, urban counties, and other units of general local government within metropolitan areas to meet their hold-harmless needs as determined under sub-sections (g) and (h), and second, in accordance with the provisions of paragraph (2)” after “section 5303(a)(2)” of this title, struck out “(2) Any portion of such amounts which remains after applying the provision of paragraph (1) shall be” before “utilized by the Secretary”, redesignated former par. (3) as (2) and in par. (2) as so redesignated, substituted “paragraph (1)” for “paragraph (2)” wherever appearing, struck out “in determining whether to make such a commitment to a unit of general local government, the Secretary shall give special consideration to those communities presently carrying out comprehensive community development programs which are subject to the provisions of subsection (b)(2), before making new commitments,” after “availability of appropriations.”, and substituted “and Indian tribes” for “Indian tribes, and units of general local government which are entitled to hold-harmless grants pursuant to subsection (h) of this section”. Former subsec. (c), relating to adjustment of amounts for metropolitan cities and urban counties, was struck out.

Subsec. (d). Pub. L. 96–399, §§111(d), 112, redesignated former subsec. (e) as (d) and inserted provisions relating to preferences for units of general local government in the same metropolitan area. Former subsec. (d) redesignated (c).

Subsec. (e). Pub. L. 96–399, §111(d), (g), redesignated former subsec. (f) as (e) and in par. (1) struck out “allocated by the Secretary—(A) first, for grants to units of general local government outside of metropolitan areas to meet their hold-harmless needs as determined under subsection (h); and (B) second, any portion of such amount which remains after applying the provisions of subparagraph (A) shall be” after “20 per cent shall be”, redesignated former cls. (1)(B)(i) and (ii) as (1)(A) and (B), respectively, redesignated former subcls. (1)(B)(i)(I) to (III) and (1)(B)(ii)(I) to (III) as (1)(A)(I) to (III) and (1)(B)(I)(I) to (III), respectively, substituted “paragraph (A)” for “clause (i) of subparagraph (B)” and “paragraph (B)” for “(ii)” of subparagraph (B), and redesignated former subsec. (f) as (d).

Subsec. (g). Pub. L. 96–399, §112, 111(d), redesignated subsec. (m) as (g) and substituted “any fiscal year” for “fiscal year 1978, fiscal year 1979, or fiscal year 1980”, struck out “and hold–harmless” after “all basic grant in two places, and substituted “subsection (e)” for “subsection (d)”, and substituted “subsection (f)(1)(B)” for “subsection (f)(1)(A)”.

Subsec. (h). Pub. L. 96–399, §111(d), struck out subsec. (h) which related to hold–harmless grants to units of general local government not metropolitan cities or urban counties.

Subsec. (i). Pub. L. 96–399, §111(d), struck out subsec. (i) which related to percentages excluded from data in computation of hold–harmless grants for units of general local government.


Subsec. (k). Pub. L. 96–399, §111(d), struck out subsec. (j) which related to waiver of eligibility by units of general local government for hold–harmless grants.

Subsec. (l). Pub. L. 96–399, §111(d), redesignated subsec. (m) as (l).

Subsec. (m). Pub. L. 96–153, §103(d), added par. (5).


1977—Subsec. (a). Pub. L. 95–128, §106(a), substituted in second sentence reference to pars. “(1) or (2)” for pars. “(1) or (3)” of subsec. (b) of this section.

Subsec. (b)(1). Pub. L. 95–128, §106(b), added par. (1), and struck out former par. (1) provisions stating that “The Secretary shall determine the amount to be allocated to all metropolitan areas which shall be an amount that bears the same ratio to the allocation for all metropolitan areas as the average of the ratios between—

(A) the population of all metropolitan cities and the population of all metropolitan areas;

(B) the extent of poverty in all metropolitan cities and the extent of poverty in all metropolitan areas; and

(C) the extent of housing overcrowding in all metropolitan cities and the extent of housing overcrowding in all metropolitan areas.”, now incorporated in this paragraph.

Subsec. (b)(2). Pub. L. 95–128, §106(b), added par. (2) and struck out former par. (2) provisions declaring that “From the amount allocated to all metropolitan cities the Secretary shall determine for each metropolitan city a basic grant amount which shall equal an amount that bears the same ratio to the allocation for all metropolitan cities as the average of the ratios between—

(A) the population of that city and the population of all metropolitan cities;

(B) the extent of poverty in that city and the extent of poverty in all metropolitan cities; and

(C) the extent of housing overcrowding in that city and the extent of housing overcrowding in all metropolitan cities.”, now incorporated in subsec. (b)(1) of this section.

Subsec. (b)(3). Pub. L. 95–128, §106(b), added par. (3) and struck out former par. (3) provisions for determination of basic grant amount of each urban county, now covered in subsec. (b)(2) of this section and formerly providing that “The Secretary shall determine the basic grant amount of each urban county by—

sec. calculating the total amount that would have been allocated to metropolitan cities and urban counties together under paragraph (1) of this subsection if data pertaining to the population, extent of poverty, and extent of housing overcrowding in all urban counties were included in the numerator of each of the fractions described in such paragraph; and

(B) determining for each county the amount which bears the same ratio to the total amount calculated under subparagraph (A) of this paragraph as the average of the ratios between—

(i) the population of that urban county and the population of all metropolitan cities and urban counties;

(ii) the extent of poverty in that urban county and the extent of poverty in all metropolitan cities and urban counties; and

(iii) the extent of housing overcrowding in that urban county and the extent of housing overcrowding in all metropolitan cities and urban counties.”

Subsec. (b)(4). Pub. L. 95–128, §106(b), (c), struck out par. “(4) in determining the average of ratios under paragraphs (1), (2), and (3), the ratio involving the extent of poverty shall be counted twice.”, now incorporated in par. (3), redesignated par. (5) as (4), and substituted “are entitled to” for “receive”.

Subsec. (c). Pub. L. 95–128, §106(d), in first sentence, substituted “With respect to funds approved for distribution to a metropolitan city or county under this section during fiscal years 1975, 1976, and 1977” for “During the first three years for which funds are approved for distribution to a metropolitan city or county under this section” and inserted “only for such funds approved for distribution in fiscal years 1975, 1976, and 1977” after “adjusted”.

Subsec. (d). Pub. L. 95–128, §106(e), incorporated existing introductory text and provisions of former par. (1) in provisions now designated par. (1); added par. (2), incorporating provisions of former par. (2) respecting additional allocations by the Secretary “for grants to units of general local government (other than metropolitan cities and urban counties) and States for use in metropolitan areas, allocating for each such metropolitan area an amount which bears the same ratio to the allocation for all metropolitan areas available under this paragraph as the average of the ratios between—

(A) the population of that metropolitan area and the population of all metropolitan areas, and

(B) the extent of poverty in that metropolitan area and the extent of poverty in all metropolitan areas, and

(C) the extent of housing overcrowding in that metropolitan area and the extent of housing overcrowding in all metropolitan areas.” and declaring that “In determining the average of ratios under paragraph (2), the ratio involving the extent of poverty shall be counted twice”; struck out end clause providing that “in computing amounts under such paragraph there shall be excluded any metropolitan cities, urban counties, and units of general local government which receive hold–harmless grants pursuant to subsection (b) of this section during fiscal years 1975, 1976, and 1977” after “adjusted”.

Subsec. (e). Pub. L. 95–128, §106(f), in first sentence, substituted “within a reasonable time” for “during such program period” and struck out “during the same period” after “shall be reallocated”. Subsec. (f)(1). Pub. L. 95–128, §106(g)(1), inserted in subpar. (B) “any portion of such amount which remains after applying the provisions of subparagraph (A) shall be utilized by the Secretary after “second,” and “the greater of” before “an amount”, reenacted existing provisions in cl. (1); added cl. (i); inserted provision respecting determination of average of ratios under cl. (1) of subparagraph (B) and provision for pro rata reduction, to compensate for the discrepancy between the total of the amounts to be allocated under subpar. (B) and the total of the amounts available under such subparagraph, of each amount allocated to the nonmetropolitan areas in each State under such subparagraph, and struck out end clause providing that in computing amounts under such subparagraph, (B) there shall be excluded units of general local government which receive hold–harmless grants pursuant to subsection (b) of this section, now constituting end sentence of subsec. (f)(2) of this section.
Effective Date of 1977 Amendment

Regulations
Pub. L. 101–235, title VII, §702(d), Dec. 15, 1989, 103 Stat. 2057, provided that: “The Secretary shall issue any regulations necessary to carry out this section and the amendments made by this section [amending this section and section 5302 of this title and enacting provisions set out as notes above] in a manner and by such time to provide for the effectiveness of such regulations with respect to amounts appropriated for fiscal year 1991 under section 103 of the Housing and Community Development Act of 1974 [section 5303 of this title].”

Transitional Provisions

“(a) Any amounts appropriated for any fiscal year before fiscal year 1982 in a Department of Housing and Urban Development—Independent Agencies Appropriations Act, as amended by any provision of this Act [subsec. (a)(1) of this section] (as amended by any provision of this Act [subsec. (a)(1) of this section] (as amended by any provision of this Act [subsec. (a)(1) of this section] (as amended by any provision of this Act [subsec. (a)(1) of this section] (as amended by any provision of this Act [subsec. (a)(1) of this section] (as amended by any provision of this Act [subsec. (a)(1) of this section]))], before October 1, 1981, shall remain available for use as provided by such Act [subsec. (c) of this section];

“(2) funds authorized for use after October 1, 1981, shall be available for use as provided by such Act [subsec. (a)(1) of this section]; and

“(3) funds authorized for use after October 1, 1981, shall be available for use as provided by such Act [subsec. (a)(1) of this section].”

CDBG Assistance for United States-Mexico Border Region


“(a) SET-ASIDE FOR COLONIAS.—The States of Arizona, California, New Mexico, and Texas shall each make available, for activities designed to meet the needs of the residents of colonias in the State relating to water, sewage, and housing, the following percentage of the amount allocated for the State under section 106(d) of the Housing and Community Development Act of 1974 (42 U.S.C. 5306(d)):

“(1) FIRST FISCAL YEAR.—For the first fiscal year to which this section applies, 10 percent.

“(2) SUCCEEDING FISCAL YEARS.—For each of the succeeding fiscal years to which this section applies, a
§ 5307. Special purpose grants

(a) Set-aside

(1) In general

For each fiscal year (except as otherwise provided in this paragraph), of the total amount provided in appropriation Acts under section 5303 of this title for the fiscal year, $60,000,000 shall be set aside for grants under subsection (b) for such year for the following purposes:

(A) $6,500,000 shall be available for grants under subsection (b)(3);

(B) $6,000,000 shall be available for grants under subsection (b)(5);

(C) $6,000,000 shall be available in fiscal year 1993 for grants under subsection (b)(7);

(D) $3,000,000 shall be available for grants under subsection (c);

(E) such sums as may be necessary shall be available for grants under paragraphs (2), (4), and (6) of subsection (b);

(F) $2,000,000 shall be available in fiscal year 1993 for a grant to the City of Bridgeport, Connecticut, subject to the approval of sufficient amounts in an appropriation Act and to binding commitments made by the City of Bridgeport and the State of Connecticut that the city and State, respectively, will supplement such amount with $2,000,000 of additional funds; and

(G) $7,500,000 shall be available to carry out the Community Outreach Partnership Act of 1992.

(2) Treatment of grants

Any grants made under this section shall be in addition to any other grants that may be made under this chapter to the same entities for the same purposes.

(b) Permissible uses of funds

From amounts set aside under subsection (a), the Secretary is authorized to make grants—

(1) to States and units of general local government for the purpose of allocating amounts to any such State or unit of general local government that is determined by the Secretary to have received insufficient amounts in an appropriation Act and to binding commitments made by the City of Bridgeport and the State of Connecticut that the city and State, respectively, will supplement such amount with $2,000,000 of additional funds; and

(2) to historically Black colleges;

(3) to States, units of general local government, Indian tribes, or areawide planning organizations for the purpose of providing technical assistance in planning, developing, and administering assistance under this chapter and section 1706(e) of title 12; to groups designated by such governmental units to assist them in carrying out assistance under this chapter; to qualified groups for the purpose of assisting more than one such governmental unit to carry out assistance under this chapter; the Secretary may also provide technical assistance, directly or through contracts, to such governmental units and groups; for purposes of this paragraph the term ‘technical assistance’ means the facilitating of skills

 See References in Text note below.
and knowledge in planning, developing, and administering activities under this chapter in entities that may need but do not possess such skills and knowledge, and includes assessing programs and activities under this chapter; except that any recipient of a grant under this paragraph that provides technical assistance pursuant to this paragraph shall provide for the notification of the availability of such assistance and shall have specific criteria for selection of recipients of such assistance that are published and publicly available;

(4) to States and units of general local government and institutions of higher education having a demonstrated capacity to carry out eligible activities under this chapter, except that the Secretary may make a grant under this paragraph only to a State or unit of general local government that jointly, with an institution of higher education, has prepared and submitted to the Secretary an application for such grant, as the Secretary shall by regulation require;

(5) to units of general local government in nonentitlement areas for planning community development work, which may include any eligible activities under section 5305 of this title, required—

(A) by the proposed or actual establishment, realignment, or closure of a military installation;

(B) by the cancellation or termination of a Department of Defense contract or the failure to proceed with an approved major weapon system program, or

(C) by a publicly announced planned major reduction in Department of Defense spending that would directly and adversely affect a unit of general local government and will result in the loss of 1,000 or more full-time Department of Defense and contractor employee positions over a 5-year period in the unit of general local government and the surrounding area, or

if the Secretary (in consultation with the Secretary of Defense) determines that an action described in subparagraph (A), (B), or (C) is likely to have a direct and significant adverse consequence on the unit of general local government; and

(6) for the purposes of rebuilding and revitalizing distressed areas of the Los Angeles metropolitan area.

c) Assistance to economically disadvantaged and minority students participating in community development work study programs

Of the amount set aside for use under subsection (b) in any fiscal year, the Secretary shall, make grants to institutions of higher education, either directly or through areawide planning organizations or States, for the purpose of providing assistance to economically disadvantaged and minority students who participate in community development work study programs and are enrolled in full-time graduate or undergraduate programs in community and economic development, community planning, or community management.

d) Continued availability of unused funds

Amounts set aside for use under subsection (b) in any fiscal year but not used in that year shall remain available for use in subsequent fiscal years in accordance with the provisions of that subsection.

e) Satisfactory assurances required, special assurances required of Indian tribes

(1) Except as provided in paragraph (2), no grant may be made under this section or section 5318 of this title and no assistance may be made available under section 1437 of this title unless the grantee provides satisfactory assurances that its program will be conducted and administered in conformity with the Civil Rights Act of 1964 [42 U.S.C. 2000a et seq.] and the Fair Housing Act [42 U.S.C. 3601 et seq.].

(2) No grant may be made to an Indian tribe under this section, section 5306(a)(1) of this title, or section 5318 of this title unless the applicant provides satisfactory assurances that its program will be conducted and administered in conformity with title II of Public Law 90–284 [25 U.S.C. 1901 et seq.]. The Secretary may waive, in connection with grants to Indian tribes, the provisions of section 5309 of this title and section 5310 of this title.

(3) The Secretary may accept a certification from the grantee or applicant that it has complied with the requirements of paragraph (1) or (2), as appropriate.

f) Criteria for selection of recipients

Any grant made under this section shall be made pursuant to criteria for selection of recipients of such grants that the Secretary shall by regulation establish and which the Secretary shall publish together with any notification of availability of amounts under this section.


References in Text

Paras (2), (3), (4), (6), and (7) of subsection (b) of this section, referred to in subsec. (a)(1)(A) to (C) and (E), were redesignated as paragraphs (1), (2), (3), (5), and (6), respectively, of subsection (b) by Pub. L. 108–186, title V, §501(f)(2)(B), Dec. 16, 2003, 117 Stat. 2697.


*See in original. The comma probably should not appear.

* See References in Text note below.
This chapter, referred to in subsecs. (a)(2) and (b)(3), (4), was in the original "this title", meaning title I of Pub. L. 93–383, Aug. 22, 1974, 88 Stat. 633, which is classified principally to this chapter. For complete classification of title I to the Code, see Tables.


Public Law 90–284, Apr. 11, 1968, 82 Stat. 73, known as the Civil Rights Act of 1968, Title II of Pub. L. 90–284 is classified generally to subchapter I of chapter 15 of Title 25, Indians. For complete classification of this Act to the Code, see Short Title note set out under section 3601 of this title and Tables.

AMENDMENTS

2003—Subsec. (a)(1). Pub. L. 108–186, § 501(f)(1), redesignated subpars. (B) to (H) as (A) to (G), respectively, and struck out former subsec. (B) of this section. For complete classification of this Act to the Code, see Short Title note set out under section 3601 of this title and Tables.

Public Law 90–284, Apr. 11, 1968, 82 Stat. 73, known as the Civil Rights Act of 1968, Title II of Pub. L. 90–284 is classified generally to subchapter I of chapter 15 of Title 25, Indians. For complete classification of this Act to the Code, see Short Title note set out under section 3601 of this title and Tables.


Subsec. (a)(1)(H). Pub. L. 106–569, § 102(2)(j), (3), redesignated subpars. (I) and (J) as (H) and struck out former subpar. (H) which read as follows: "$15,000,000 shall be available for grants under this section."; and

Subsec. (b). Pub. L. 106–186, § 501(f)(2), redesignated pars. (2) to (7) as (1) to (6), respectively, and struck out former par. (1) which read as follows: "in Guam, the Virgin Islands, American Samoa, the Northern Mariana Islands, and the Trust Territory of the Pacific Islands;".

1992—Subsec. (a)(1). Pub. L. 102–550, § 801(1), added heading and subsec. (a) and struck out former subsec. (a) which read as follows: "Of the total amount provided for in title VII of the Housing and Urban Development Act of 1968 and which were the subject of an application or preapplication under such title prior to January 14, 1975."


Subsec. (b)(4). Pub. L. 101–235, § 105(b)(5), struck out "and" to States and units of general local government for implementing special projects otherwise authorized under this chapter; and" after "to carry out assistance under this chapter;"; and substituted "for purposes of this paragraph the term ‘technical assistance’ means the facilitating of skills and knowledge in planning, developing, and administering activities under this chapter in entities that may need but do not possess such skills and knowledge, and includes assessing programs and activities under this chapter; except that any recipient of a grant under this paragraph that provides technical assistance pursuant to this paragraph shall provide for the notification of the availability of such assistance and shall have specific criteria for selection of recipients of such assistance that are published and publicly available;" for "and" after "such governmental units and groups;".


1988—Subsec. (a). Pub. L. 100–242, § 522(b), inserted sentence at end making $5,000,000 of grant moneys available for the Park Central New Community Project.

Pub. L. 100–242, § 501(b)(1), amended first sentence generally. Prior to amendment, first sentence read as follows: "Of the total amount approved in appropriation Acts under section 5303 of this title for each of the fiscal years 1984, 1985, and 1986, not more than $68,200,000 for each such fiscal year may be set aside in a special discretionary fund for grants under subsection (b) of this section."; and


Subsecs. (c) to (e). Pub. L. 100–242, § 501(b)(2), added subsec. (c) and redesignated former subsecs. (c) and (d) as (3) and (e), respectively.

1983—Subsec. (a). Pub. L. 98–181, § 107(a), substituted provisions permitting not more than $68,200,000 for each of fiscal years 1984, 1985, and 1986 to be set aside in a special discretionary fund for grants under subsection (b) of this section, for provisions permitting not more than $60,000,000 to be set aside for each of fiscal years 1982 and 1983 in such a fund.

Subsec. (b)(4). Pub. L. 98–181, § 107(b), amended par. (4) generally, inserting provisions authorizing the Secretary to provide assistance to groups designated by certain enumerated governmental units to assist in carrying out this chapter, to qualified groups for the purpose of assisting more than one such governmental unit and to provide technical assistance, directly or through contracts, to such governmental units and groups.

Subsec. (b)(5). Pub. L. 98–181, § 107(c), added par. (5).


Subsec. (d)(3). Pub. L. 98–181, § 302(b)(2), inserted "or" before "applicant."

Subsec. (b). Pub. L. 97–35 substituted provisions relating to permissible uses of funds for provisions relating to limitations on amounts reserved for emergency disaster needs.

Subsec. (c). Pub. L. 97–35 substituted provisions relating to amounts set aside for use under subsec. (b) of this section for provisions relating to amounts set aside and reserved in the special fund under subsec. (b) of this section.

Subsec. (d). Pub. L. 97–35 substituted provisions relating to assurances required for provisions relating to Indian tribal eligibility for grant as dependent upon conformity of program with prescribed constitutional rights and habeas corpus.

1980—Subsec. (a). Pub. L. 96–399, §107, substituted “approved in appropriation Acts under section 5303(a)(1) of this title for each of the fiscal years 1981, 1982, and 1983, not more than $104,000,000 for fiscal year 1981, not more than $104,000,000 for fiscal year 1982, and not more than $107,000,000 for fiscal year 1983” for “of authority to enter into contracts approved in appropriation Acts under section 5303(a)(1) of this title for each of the fiscal years 1975, 1976, 1977, 1978, 1979, and 1980, an amount equal to 3 per centum thereof shall”.

Subsec. (b). Pub. L. 96–399, §117(b), inserted “under this chapter” after “Indian tribe”.

1979—Subsec. (a)(8). Pub. L. 95–557 substituted “The Secretary may also provide, directly or through contracts, technical assistance under this paragraph to such governmental units, or to a group designated by such a governmental unit for the purpose of assisting that governmental unit to carry out its Community Development Program” for “The Secretary may also provide such technical assistance under this paragraph directly or through contracts”.


Subsec. (a)(5), Pub. L. 95–128, §107(3), provided for grants to Indian tribes.

Subsec. (a)(7), (8). Pub. L. 95–128, §107(4), added pars. (7) and (8).

Subsec. (b). Pub. L. 95–128, §107(5), substituted “13 per centum” for “one-fourth”.


1976—Subsec. (a)(1). Pub. L. 94–375 added new Community Development Program assisted under title X of the National Housing Act as within the authority of the Secretary to make grants from the special discretionary fund.

Effective Date of 1990 Amendment
Amendment by section 913(c) of Pub. L. 101–625 applicable to amounts approved in any appropriation Act under section 5303 of this title for fiscal year 1990 and each fiscal year thereafter, see section 913(f) of Pub. L. 101–625, set out as a note under section 5306 of this title.

Effective Date of 1989 Amendment
Amendment by Pub. L. 101–230, title I, §105(d), Dec. 15, 1988, 102 Stat. 3855, directed Secretary to carry out a 5-year demonstration program to determine feasibility of facilitating partnerships between institutions of higher education and communities to solve urban problems through research, outreach, and exchange of information, established program of grants to public and private nonprofit institutions of higher education to assist in establishing or carrying out such activities and to establish and operate Community Outreach Partnership Centers which were to focus on problems associated with housing, economic development, neighborhood revitalization, infrastructure, health care, job training, education, crime prevention, planning, community organizing, and other areas deemed appropriate by the Secretary, further provided for establishment of national advisory council to assist Secretary in these areas and a national clearinghouse to disseminate information resulting from these activities, and further provided for appropriations for the demonstration program as well as for an annual report to Congress by the Secretary.

§5308. Guarantee and commitment to guarantee loans for acquisition of property
(a) Authority of Secretary; issuance of obligations by eligible public entities or designated public agencies; form, denomination, maturity, and conditions of notes or other obligations; percentage allocation requirements
The Secretary is authorized, upon such terms and conditions as the Secretary may prescribe, to guarantee and make commitments to guaran-
(d) Repayment contract; security; pledge by State

(1) To assure the repayment of notes or other obligations and charges incurred under this section and as a condition for receiving such guarantees, the Secretary shall require the issuer to—

(A) enter into a contract, in a form acceptable to the Secretary, for repayment of notes or other obligations guaranteed hereunder;

(B) pledge any grant for which the issuer may become eligible under this chapter; and

(C) furnish, at the discretion of the Secretary, such other security as may be deemed appropriate by the Secretary in making such guarantees, including increments in local tax receipts generated by the activities assisted under this chapter or dispositions proceeds from the sale of land or rehabilitated property.

(2) To assist in assuring the repayment of notes or other obligations and charges incurred under this section by any unit of general local government in a nonentitlement area in the State.

(e) Pledged grants for repayments

The Secretary is authorized, notwithstanding any other provision of this chapter, to pledge any grants pledged pursuant to paragraphs (1)(B) and (2) of subsection (d) to any repayments due the United States as a result of such guarantees.

(f) Full faith and credit of United States pledged for payment; conclusiveness and validity of guarantee

The full faith and credit of the United States is pledged to the payment of all guarantees made under this section. Any such guarantee made by the Secretary shall be conclusive evidence of the eligibility of the obligations for such guarantee with respect to principal and interest, and the validity of any such guarantee so made shall be incontestable in the hands of a holder of the guaranteed obligations.

(g) Issuance of obligations by Secretary to Secretary of the Treasury to satisfy authorized guarantee obligations; establishment of maturities and rates of interest and purchase of obligations by Secretary of the Treasury

The Secretary may issue obligations to the Secretary of the Treasury in an amount out-

---

1 See References in Text note below.
standing at any one time sufficient to enable
the Secretary to carry out his obligations under
 guarantees authorized by this section. The obli-
gations issued under this subsection shall have
such maturities and bear such rate or rates of
interest as shall be determined by the Secretary
of the Treasury. The Secretary of the Treasury
is authorized and directed to purchase any obli-
gations of the Secretary issued under this sec-
tion, and for such purposes is authorized to use
as a public debt transaction the proceeds from
the sale of any securities issued under chapter 31
of title 31, and the purposes for which such se-
curities may be issued under such chapter are ex-
tended to include the purchases of the Secre-
tary’s obligations hereunder.

(h) Federal taxation of guaranteed obligations;
grants to borrowing entity or agency of tax-
able obligations for net interest costs, etc.;
 limitation on amount of grant; assistance to
issuer in hardship cases

Obligations guaranteed under this section
shall be subject to Federal taxation as provided
in subsection (i). The Secretary is authorized to
make, and to contract to make, grants, in such
amounts as may be approved in appropriations
Acts, to or on behalf of the issuing eligible pub-
lic entity or public agency to cover not to ex-
cede 30 per centum of the net interest cost (in-
cluding such servicing, underwriting, or other
costs as may be specified in regulations of the
Secretary) to the borrowing entity or agency of
such obligations. The Secretary may also, to the
extent approved in appropriation Acts, assist
the issuer of such obligations in covering any
interest amount due under the note or other obli-
gation, if the Secretary determines that the issuer
is unable to pay the amount because of circum-
stances of extreme hardship beyond the control of
the issuer.

(i) Omitted

(j) Inclusion within gross income for purpose of
 chapter 1 of title 26 of interest paid on tax-
able obligations

With respect to any obligation issued by an eli-
gible public entity or designated agency which
is guaranteed pursuant to this section, the in-
 terest paid on such obligation shall be included
in gross income for the purpose of chapter 1 of
title 26.

(k) Outstanding obligations; limitation; monitor-
ing use of guarantees under this section

(1) The total amount of outstanding obliga-
tions guaranteed on a cumulative basis by the
Secretary pursuant to subsection (a) shall not at
any time exceed $4,500,000,000 or such higher
amount as may be authorized to be appropriated
for sections 5306 and 5307 of this title for any fis-
tal year.

(2) The Secretary shall monitor the use of
guarantees under this section by eligible public
entities. If the Secretary finds that 50 percent of
the aggregate guarantee authority has been
committed, the Secretary may—

(A) impose limitations on the amount of
 guarantees any one entity may receive in any
fiscal year of $35,000,000 for units of general
local government receiving grants under sec-
tion 5306(b) of this title and $7,000,000 for units
of general local government receiving grants
under section 5306(d) of this title; or

(B) request the enactment of legislation in-
creasing the aggregate limitation on guaran-
tees under this section.

(f) Purchase of guaranteed obligations by Fed-
eral Financing Bank

Notes or other obligations guaranteed under
this section may not be purchased by the Fed-
eral Financing Bank.

(m) Limitation on imposition of fee or charge

No fee or charge may be imposed by the Sec-
retary or any other Federal agency on or with
respect to a guarantee made by the Secretary
under this section after February 5, 1988.

(n) State assistance in submission of applications

Any State that has elected under section
5306(d)(2)(A) of this title to distribute funds to
units of general local government in nonentitle-
ment areas may assist such units in the submis-
sion of applications for guarantees under this
section.

(o) “Eligible public entity” defined

For purposes of this section, the term “eligi-
bile public entity” means any unit of general
local government, including units of general
local government in nonentitlement areas.

(p) Training and information activities relating
to home guarantee program

(1) The Secretary, in cooperation with eligible
public entities, shall carry out training and in-
formation activities with respect to the guaran-
tee program under this section. Such activities
shall commence not later than 1 year after No-
ember 28, 1990.3

(2) The Secretary may use amounts set aside
under section 5307 of this title to carry out this
subsection.

(q) Economic development grants

(1) Authorization

The Secretary may make grants in connec-
tion with notes or other obligations guaran-
teed under this section to eligible public enti-
ties for the purpose of improving the security
of loans guaranteed under this section or im-
proving the viability of projects financed with
loans guaranteed under this section.

(2) Eligible activities

Assistance under this subsection may be
used only for the purposes of and in conjunc-
tion with projects and activities assisted
under subsection (a).

(3) Applications

Applications for assistance under this sub-
section may be submitted only by eligible pub-
lic entities, and shall be in the form and in ac-
cordance with the procedures established by the
Secretary. Eligible public entities may

2So in original. Probably should be “an”.

3See Codification note below.
apply for grants only in conjunction with requests for guarantees under subsection (a).

(4) Selection criteria

The Secretary shall establish criteria for awarding assistance under this subsection. Such criteria shall include—
(A) the extent of need for such assistance;
(B) the level of distress in the community to be served and in the jurisdiction applying for assistance;
(C) the quality of the plan proposed and the capacity or potential capacity of the applicant to successfully carry out the plan; and
(D) such other factors as the Secretary determines to be appropriate.

(r) Guarantee of obligations backed by loans

(1) Authority

The Secretary may, upon such terms and conditions as the Secretary considers appropriate, guarantee the timely payment of the principal of and interest on such trust certificates or other obligations as may—
(A) be offered by the Secretary or by any other offeror approved for purposes of this subsection by the Secretary; and
(B) be based on and backed by a trust or pool composed of notes or other obligations guaranteed or eligible for guarantee by the Secretary under this section.

(2) Full faith and credit

To the same extent as provided in subsection (f), the full faith and credit of the United States is pledged to the payment of all amounts that may be required to be paid under any guarantee made by the Secretary under this subsection.

(3) Subrogation

If the Secretary pays a claim under a guarantee made under this section, the Secretary shall be subrogated for all the rights of the holder of the guaranteed certificate or obligation with respect to such certificate or obligation.

(4) Effect of laws

No State or local law, and no Federal law, shall preclude or limit the exercise by the Secretary of—
(A) the power to contract with respect to public offerings and other sales of notes, trust certificates, and other obligations guaranteed under this section upon such terms and conditions as the Secretary deems appropriate;
(B) the right to enforce any such contract by any means deemed appropriate by the Secretary; and
(C) any ownership rights of the Secretary, as applicable, in notes, certificates, or other obligations guaranteed under this section, or constituting the trust or pool against which trust certificates, or other obligations guaranteed under this section, are offered.


References in Text


Title VI of the Housing Community Development Act of 1987, referred to in subsec. (a)(4), is title VI of Pub. L. 100–242, Feb. 5, 1988, 101 Stat. 1951, which was set out as a note under section 1715 of Title 12, Banks and Banking, and was repealed by Pub. L. 101–625, title II, §309(b), Nov. 28, 1990, 104 Stat. 4128.

Section 916 of the Cranston-Gonzalez National Affordable Housing Act, referred to in subsec. (a)(6), is section 916 of Pub. L. 101–625, which is set out as a note under section 5306 of this title.

This chapter, referred to in subsec. (c) to (e), was in the original “this title”, meaning title I of Pub. L. 93–383, Aug. 22, 1974, 88 Stat. 633, which is classified principally to this chapter. For complete classification of title I to the Code, see Tables.

Amendments

1996—Subsec. (k)(1). Pub. L. 104–120 substituted "$4,500,000,000" for "$3,500,000,000".


1992—Subsec. (a). Pub. L. 102–550 amended fifth sentence generally. Prior to amendment, fifth sentence read as follows: “Notwithstanding any other provision of law and subject only to the absence of qualified applicants or proposed activities and to the authority provided in this section, to the extent approved or provided in appropriation Acts, the Secretary shall enter into commitments to guarantee notes and obligations under this section with an aggregate principal amount of $300,000,000 during fiscal year 1991 and $300,000,000 during fiscal year 1992.”

1990—Subsec. (a). Pub. L. 101–625, §910(c)(1), inserted at end “Of the amount approved in any appropriation Act for guarantees under this section in any fiscal year, the Secretary shall allocate 70 percent for guarantees for metropolitan cities, urban counties, and Indian tribes and 30 percent for guarantees for units of general local government in nonentitlement areas. The Secretary may waive the percentage requirements of the preceding sentence in any fiscal year only to the extent that there is an absence of qualified applicants or proposed activities from metropolitan cities, urban...
 counties, and Indian tribes or units of general local government in nonmetropolitan areas."

Pub. L. 101–625, §910(c), inserted "The Secretary may not make a guarantee under this section on the basis of the proposed repayment period for the note or other obligation, unless the period is more than 20 years or the Secretary determines that the period causes the guarantee to constitute an unacceptable financial risk."

Pub. L. 101–625, §910(b)(2), substituted a semicolon for ";" or before "(3)" and added cl. (4).

Pub. L. 101–625, §910(b)(1)(A), substituted "eligible public entity" and "eligible public entities" for "unit of general local government" and "units of general local government", respectively, wherever appearing.

Pub. L. 101–625, §901(b), amended last sentence generally. Prior to amendment, last sentence read as follows: "Notwithstanding any other provision of law and subject only to the absence of qualified applicants or proposed activities, to the authority provided in this section, and to any funding limitation approved in appropriation Acts, the Secretary shall enter into commitments to guarantee notes and obligations under this section with an aggregate principal amount of $150,000,000 during fiscal year 1988, and $153,000,000 during fiscal year 1989."

Pub. L. 101–625, §910(d), inserted "(excluding any amount defeased under the contract entered into under subsection (d)(1)(A))" after "this section", substituted "5" for "three", and inserted reference to section 5307 of this title.

Pub. L. 101–625, §910(b)(4)(A), designated existing provisions as par. (1), redesignated former pars. (1) to (3) as subsps. (A) to (C), respectively, and added par. (2).

Pub. L. 101–625, §910(b)(4)(B), substituted "paragraphs (1) and (2) of subsection (d)" for "subparagraph (2)".

Pub. L. 101–625, §910(f), inserted at end "The Secretary may also, to the extent approved in appropriation Acts, assist the issuer of a note or other obligation guaranteed under this section in the payment of all or a portion of the principal and interest amount due under the note or other obligation, if the Secretary determines that the issuer is unable to pay the amount because of circumstances of extreme hardship beyond the control of the issuer."

Pub. L. 101–625, §910(b)(1), substituted "entity or agency" for "unit or agency" and "eligible public entity" for "unit of general local government".

Pub. L. 101–625, §910(b)(1)(A), substituted "eligible public entity" for "unit of general local government".

Pub. L. 101–625, §910(e)(2), designated existing provisions as par. (1) and added par. (2).


Pub. L. 101–625, §910(g), added subsec. (p).

Pub. L. 100–242, §514(c), in first sentence inserted cl. (1) designation and added cls. (2) and (3).

Pub. L. 100–242, §514(a), in last sentence struck out "during fiscal year 1984" after "commitment" and substituted "$150,000,000 during fiscal year 1988, and $153,000,000 during fiscal year 1989" for "$225,000,000."

Pub. L. 100–242, §514(b), added subsec. (m).


1984—Subsec. (g). Pub. L. 98–479, §209(2), substituted "chapter 31 of title 31" for "the Second Liberty Bond Act, as now or hereafter in force" and "such chapter" for "such Act."

Subsec. (h). Pub. L. 98–479, §204(k)(1), substituted "subsection (j)" for "subsection (g)".

1983—Subsec. (a). Pub. L. 98–181 inserted provision that a guarantee under this section may be used to assist a grantee in obtaining financing only if the grantee has made efforts to obtain such financing without the use of such guarantee and cannot complete such financing.

Consistent with the timely execution of the program plans without such guarantee, and substituted provisions requiring the Secretary to enter into commitments during fiscal year 1984 to guarantee notes and obligations under this section with an aggregate principal amount of $225,000,000, notwithstanding any other provision of law and subject only to the absence of qualified applicants or proposed activities, for provisions prohibiting the Secretary from entering into commitments during fiscal year 1981 to guarantee notes and obligations under this section with an aggregate principal amount in excess of $300,000,000.

1981—Subsec. (d)(2). Pub. L. 97–35 struck out "approved or" after "grant".

1980—Subsec. (a). Pub. L. 96–399, §108(1), (2), inserted provision respecting amounts as provided in appropriation Acts, and provision relating to limitation of $225,000,000 the amount the Secretary is authorized to guarantee during fiscal year 1981.

Subsec. (j). Pub. L. 96–399, §108(3), struck out "Notwithstanding any other provision of this section" before "The total amount."

1977—Subsec. (a). Pub. L. 95–128, §108(1), (3), reenacted substantially existing provisions and struck out "or annually" after "acquisition of", included rehabilitation of real property owned by the unit of general local government, inserted provision respecting form, denominations, maturities, and conditions of notes or other obligations to be guaranteed, and struck out other parenthetical text "to serve or be used in carrying out activities which are eligible for assistance under section 5305 of this title, and are identified in the application for assistance under section 5304 of this title", and with respect to which grants have been or are to be made under section 5303 of this title, but no such guarantee shall be issued in behalf of any agency designed to benefit, in or by the flotation of any issue, a private individual or corporation."

Subsec. (b). Pub. L. 95–128, §108(1), (3), added subsec. (b) and struck out prior provisions respecting: reservation and withholding of prescribed amount for purpose of paying guaranteed obligations, subject to being increased because of any unanticipated, major reduction in the estimated disposition proceeds; pledge of full faith and credit of unit of general local government to the Secretary for repayment of any amount required to be paid by the United States pursuant to any guarantee; and pledge of repayment of proceeds of grants in event of failure of repayment as hereinafore provided.

Subsecs. (c) to (e). Pub. L. 95–128, §108(5), added subsecs. (c) to (e). Former subsecs. (c) to (e) redesignated (f) to (h).

Subsecs. (f), (g). Pub. L. 95–128, §108(2), redesignated former subsecs. (c) to (d) as (f) and (g).

Subsec. (h). Pub. L. 95–128, §108(2), (4), (5), redesignated former subsec. (e) as (h) and substituted in first sentence "subsequent" for "subparagraph (g)" and substituted in first sentence "shall" for "may, at the option of the issuing unit of general local government or designated agency,"; and in second sentence "The Secretary is authorized to make, and to contract to make, grants, in such amounts as may be approved in appropriation Acts," for "the event that taxable obligations are issued and guaranteed, the Secretary is authorized to make, and to contract to make, grants."

Subsec. (j). Pub. L. 95–128, §108(2), (6), redesignated former subsec. (g) as (j) and substituted "is guaranteed pursuant to" for "such unit or agency has elected to issue as a taxable obligation pursuant to subsection (e) of".


**Effective Date of 1996 Amendment**

Amendment by Pub. L. 104–120 to be construed to have become effective Oct. 1, 1995, see section 13(a) of Pub. L. 104–120, set out as an Effective and Termination Dates of 1996 Amendments note under section 1437d of this title.

**Effective Date of 1994 Amendment**

Amendment by Pub. L. 103–233 applicable with respect to any amounts made available to carry out sub-
chapter II (§12721 et seq.) of chapter 130 of this title after Apr. 11, 1994, and any amounts made available to carry out that subchapter before that date that remain uncommitted on that date, with Secretary to issue any regulations necessary to carry out such amendment not later than end of 45-day period beginning on that date, see section 209 of Pub. L. 101-233, set out as a note under section 5301 of this title.

**Effective Date of 1986 Amendment**

Pub. L. 99-272, title III, §3002(b), Apr. 7, 1986, 100 Stat. 102, provided that: "The amendment made by subsection (a) [amending this section] shall take effect on July 1, 1986."

**Effective Date of 1983 Amendment**

Amendment by Pub. L. 98-181 applicable only to funds available for fiscal year 1984 and thereafter, see section 5313 of this title, the Secretary of Housing and Urban Development shall make by this section [amending this section and section 4392, provided that: "To carry out the amendments made by this section shall take effect on July 1, 1986."

**Effective Date of 1981 Amendment**


**Effective Date of 1977 Amendment**


**Regulations**

Pub. L. 101-625, title IX, §910(f), Nov. 28, 1990, 104 Stat. 4392, provided that: "To carry out the amendments made by this section [amending this section and section 5313 of this title], the Secretary of Housing and Urban Development shall—

(1) issue proposed regulations not later than 90 days after the date of the enactment of this Act [Nov. 28, 1990]; and

(2) issue final regulations not later than 180 days after the date of the enactment of this Act."

**Community Development Loan Guarantees**

Pub. L. 101-625, title IX, §910(a), Nov. 28, 1990, 104 Stat. 4389, provided that: "(A) The purposes of the amendments made by this section [amending this section and section 5313 of this title] are—

(A) to reaffirm the commitment of the Federal Government to assist local governments in their efforts in stimulating economic and community development activities needed to combat severe economic distress and to help in promoting economic development activities needed to aid in economic recovery; and

(B) to promote revitalization and development projects undertaken by local governments that primarily benefit persons of low and moderate income, the elimination of slums and blight, and to meet urgent community needs, with special priority for projects located in areas designated as enterprise zones by the Federal Government or by any State."

(2) Objectives.—In order to further the purpose described in paragraph (1), activities undertaken pursuant to the amendments made by this section shall be directed toward meeting the objectives set forth in sections 101(c) and 104(b)(3) of the Housing and Community Development Act of 1974 (42 U.S.C. 5301(c) and 5304(b)(3)) and the additional objectives of—

(A) encouraging local governments to establish public-private partnerships;

(B) preserving housing affordable for persons of low and moderate income; and

(C) creating permanent employment opportunities, primarily for persons of low and moderate income."

**Administrative Actions for Provision of Private Sector Financing of Guaranteed Loans**

Pub. L. 99-272, title III, §3002(c), Apr. 7, 1986, 100 Stat. 102, provided that: "The Secretary of Housing and Urban Development shall take such administrative actions as are necessary to provide by the effective date of subsection (a) [July 1, 1986] private sector financing of loans guaranteed under section 108 of the Housing and Community Development Act of 1974 [this section]."

§ 5309. Nondiscrimination in programs and activities

(a) Prohibited conduct

No person in the United States shall on the ground of race, color, national origin, religion, or sex be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded in whole or in part with funds made available under this chapter. Any prohibition against discrimination on the basis of age under the Age Discrimination Act of 1975 [42 U.S.C. 6101 et seq.] or with respect to an otherwise qualified handicapped individual as provided in section 794 of title 29 shall also apply to any such program or activity.

(b) Compliance procedures available to Secretary

Whenever the Secretary determines that a State or unit of general local government which is a recipient of assistance under this chapter has failed to comply with subsection (a) or (e) or an applicable regulation, he shall notify the Governor of such State or the chief executive officer of such unit of local government of the noncompliance and shall request the Governor or the chief executive officer to secure compliance. If within a reasonable period of time, not to exceed sixty days, the Governor or the chief executive officer fails or refuses to secure compliance, the Secretary is authorized to (1) refer the matter to the Attorney General with a recommendation that an appropriate civil action be instituted; (2) exercise the powers and functions provided by title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d); (3) exercise the powers and functions provided for in section 5311(a) of this title; or (4) take such other action as may be provided by law.

(c) Civil action by Attorney General

When a matter is referred to the Attorney General pursuant to subsection (b), or whenever he has reason to believe that a State government or unit of general local government is engaged in a pattern or practice in violation of the provisions of this section, the Attorney General may bring a civil action in any appropriate United States district court for such relief as may be appropriate, including injunctive relief.

(d) Waiver of race discrimination prohibitions regarding assistance to Hawaiian Home Lands

The provisions of this section and section 5304(b)(2) of this title which relate to discrimination on the basis of race shall not apply to the provision of assistance by grantees under this chapter to the Hawaiian Home Lands.
(e) Equal access

(1) Definition

In this subsection, the term “youth organization” means an organization described under part B of subtitle II of title 36 that is intended to serve individuals under the age of 21 years.

(2) In general

No State or unit of general local government that has a designated open forum, limited public forum, or nonpublic forum and that is a recipient of assistance under this chapter shall deny equal access or a fair opportunity to meet to, or discriminate against, any youth organization, including the Boy Scouts of America or any group officially affiliated with the Boy Scouts of America, that wishes to conduct a meeting or otherwise participate in that designated open forum, limited public forum, or nonpublic forum.


REFERENCES IN TEXT

This chapter, referred to in subsecs. (a), (b), (d), and (e)(2), was in the original “this title”, meaning title I of Pub. L. 93–383, Aug. 22, 1974, 88 Stat. 633, which is classified principally to this chapter. For complete classification of title I to the Code, see Tables.

The Age Discrimination Act of 1975, referred to in subsec. (a), is title III of Pub. L. 94–135, Nov. 28, 1975, 89 Stat. 728, which is classified generally to chapter 76 (§6101 et seq.) of this title. For complete classification of this Act to the Code, see Short Title note set out under section 6101 of this title and Tables.


AMENDMENTS

2006—Subsec. (b). Pub. L. 109–163, §1058(d)(1), inserted “or (e)” after “subsection (a)” in first sentence.


EFFECTIVE DATE OF 1990 AMENDMENT

Pub. L. 101–625, title IX, §912(b), Nov. 28, 1990, 104 Stat. 4392, provided that: “The amendment made by subsection (a) [amending this section] shall apply with respect to conduct relating to discrimination occurring after the date of the enactment of this Act [Nov. 28, 1990].”

EFFECTIVE DATE OF 1981 AMENDMENT


RECONCILIATION OF DUPLICATE ENACTMENTS


§5310. Labor standards; rate of wages; exceptions; enforcement powers

(a) All laborers and mechanics employed by contractors or subcontractors in the performance of construction work financed in whole or in part with assistance received under this chapter shall be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with sections 3141–3144, 3146, and 3147 of title 40: Provided, That this section shall apply to the rehabilitation of residential property only if such property contains not less than 8 units. The Secretary of Labor shall have, with respect to such labor standards, the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176; 64 Stat. 1267) and section 3145 of title 40.

(b) Subsection (a) shall not apply to any individual that—

(1) performs services for which the individual volunteered;

(2)(A) does not receive compensation for such services; or

(B) is paid expenses, reasonable benefits, or a nominal fee for such services; and

(3) is not otherwise employed at any time in the construction work.


REFERENCES IN TEXT

This chapter, referred to in subsec. (a), was in the original “this title”, meaning title I of Pub. L. 93–383, Aug. 22, 1974, 88 Stat. 633, which is classified principally to this chapter. For complete classification of title I to the Code, see Tables.

Reorganization Plan Numbered 14 of 1950, referred to in subsec. (a), was set out in the Appendix to Title 5, Government Organization and Employees.

CODIFICATION


AMENDMENTS

1990—Pub. L. 101–625 designated existing provisions as subsec. (a) and added subsec. (b).

1988—Pub. L. 100–242, which directed the substitution of "contains not less than 8 units" for "is designed for residential use of eight or more families", was executed by making the substitution for "is designed for residential use of eight or more families" as the probable intent of Congress.

1981—Pub. L. 97–35 substituted "assistance" for "grants".

Effective Date of 1990 Amendment

Amendment by Pub. L. 101–625 applicable to any volunteer services provided before, on, or after Nov. 28, 1990, except that such amendment may not be construed to require repayment of any wages paid before Nov. 28, 1990, for services provided before such date, see section 6505(d) of Pub. L. 101–625, set out as a note under section 1237 of this title.

Effective Date of 1981 Amendment


§ 5311. Remedies for noncompliance with community development requirements

(a) Notice and hearing; termination, reduction, or limitation of payments by Secretary

If the Secretary finds after reasonable notice and opportunity for hearing that a recipient of assistance under this chapter has failed to comply substantially with any provision of this chapter, the Secretary, until he is satisfied that there is no longer any such failure to comply, shall—

(1) terminate payments to the recipient under this chapter, or

(2) reduce payments to the recipient under this chapter by an amount equal to the amount of such payments which were not expended in accordance with this chapter, or

(3) limit the availability of payments under this chapter to programs, projects, or activities not affected by such failure to comply.

(b) Referral of matters to Attorney General; institution of civil action by Attorney General

(1) In lieu of, or in addition to, any action authorized by subsection (a), the Secretary may, if he has reason to believe that a recipient has failed to comply substantially with any provision of this chapter, refer the matter to the Attorney General of the United States with a recommendation that an appropriate civil action be instituted.

(2) Upon such a referral the Attorney General may bring a civil action in any United States district court having venue thereof for such relief as may be appropriate, including an action to recover the amount of the assistance furnished under this chapter which was not expended in accordance with it, or for mandatory or injunctive relief.

(c) Petition for review of action of Secretary in Court of Appeals; filing of record of proceedings in court by Secretary; affirmance, etc., of findings of Secretary; exclusiveness of jurisdiction of court; review by Supreme Court on writ of certiorari or certification

(1) Any recipient which receives notice under subsection (a) of the termination, reduction, or limitation of payments under this chapter may, within sixty days after receiving such notice, file with the United States Court of Appeals for the circuit in which such State is located, or in the United States Court of Appeals for the District of Columbia, a petition for review of the Secretary’s action. The petitioner shall forthwith transmit copies of the petition to the Secretary and the Attorney General of the United States, who shall represent the Secretary in the litigation.

(2) The Secretary shall file in the court record of the proceeding on which he based his action, as provided in section 2112 of title 28. No objection to the action of the Secretary shall be considered by the court unless such objection has been urged before the Secretary.

(3) The court shall have jurisdiction to affirm or modify the action of the Secretary or to set it aside in whole or in part. The findings of fact by the Secretary, if supported by substantial evidence on the record considered as a whole, shall be conclusive. The court may order additional evidence to be taken by the Secretary, and to be made part of the record. The Secretary may modify his findings of fact, or make new findings, by reason of the new evidence so taken and filed with the court, and he shall also file such modified or new findings, which findings with respect to questions of fact shall be conclusive if supported by substantial evidence on the record considered as a whole, and shall also file his recommendation, if any, for the modification or setting aside of his original action.

(4) Upon the filing of the record with the court, the jurisdiction of the court shall be exclusive and its judgment shall be final, except that such judgment shall be subject to review by the Supreme Court of the United States upon writ of certiorari or certification as provided in section 1254 of title 28.


References in Text

This chapter, referred to in subsecs. (a) to (c)(1), was in the original "this title", meaning title I of Pub. L. 93–383, Aug. 22, 1974, 88 Stat. 633, which is classified principally to this chapter. For complete classification of title I of the Code, see Tables.

§ 5312. Use of grants for settlement of outstanding urban renewal loans of units of general local government

(a) Limitation on amounts; prerequisites

The Secretary is authorized, notwithstanding any other provision of this chapter, to apply a portion of the grants, not to exceed 20 per centum thereof without the request of the recipient, made or to be made under section 5303 of this title in any fiscal year pursuant to an allocation under section 5306 of this title to any unit.
of general local government toward payment of the principal of, and accrued interest on, any temporary loan made in connection with urban renewal projects under title I of the Housing Act of 1949 (42 U.S.C. 1450 et seq.) being carried out within the jurisdiction of such unit of general local government if—

(1) the Secretary determines, after consultation with the local public agency carrying out the project and the chief executive of such unit of general local government, that the project cannot be completed without additional capital grants, or

(2) the local public agency carrying out the project submits to the Secretary an appropriation for which is concurrently in the governing body of such unit of general local government.

In determining the amounts to be applied to the payment of temporary loans, the Secretary shall make an accounting for each project taking into consideration the costs incurred or to be incurred, the estimated proceeds upon any sale or disposition of property, and the capital grants approved for the project.

(b) Approval by Secretary of financial settlement of urban renewal project

Upon application by any local public agency carrying out an urban renewal project under title I of the Housing Act of 1949 (42 U.S.C. 1450 et seq.), which application is approved by the governing body of the unit of general local government in which the project is located, the Secretary may approve a financial settlement of such project if he finds that a surplus of capital grant funds after full repayment of temporary loan indebtedness will result and may authorize the unit of general local government to use such surplus funds, without deduction or offset, in accordance with the provisions of this chapter.

Effective Date of 1981 Amendment


§ 5313. Reporting requirements

(a) Not later than 180 days after the close of each fiscal year in which assistance under this chapter is furnished, the Secretary shall submit to the Congress a report which shall contain—

(1) a description of the progress made in accomplishing the objectives of this chapter;

(2) a summary of the use of such funds during the preceding fiscal year;

(3) with respect to the action grants authorized under section 5318 of this title, a listing of each unit of general local government receiving funds and the amount of such grants, as well as a brief summary of the projects funded for each such unit, the extent of financial participation by other public or private entities, and the impact on employment and economic activity of such projects during the previous fiscal year; and

(4) a description of the activities carried out under section 5308 of this title.

(b) The Secretary is authorized to require recipients of assistance under this chapter to submit to him such reports and other information as he may deem necessary in order for the Secretary to make the report required by subsection (a).

References in Text


References in Text


Amendments


Effective Date of 1981 Amendment


Effective Date of 1977 Amendment

Amendment by Pub. L. 95-128 effective Oct. 1, 1977, see section 114 of Pub. L. 95-128, set out as a note under section 3701 of Title 12, Banks and Banking.

STUDY REGARDING AVAILABILITY OF HOUSING PROXIMATE TO PLACES OF EMPLOYMENT

Pub. L. 101-625, title IX, §1919, Nov. 28, 1990, 104 Stat. 4401, directed Secretary of Housing and Urban Development to conduct a study regarding availability of housing within reasonable proximity of places of employment and to submit a report not later than expiration of 1-year period beginning on Nov. 29, 1990, to appropriate committees of Congress containing results and conclusions of such study, as well as proposed state-
§ 5313a. Duplication of benefits

The Secretary shall establish procedures to prevent recipients from receiving any duplication of benefits and report annually to the Committees on Appropriations with regard to all steps taken to prevent fraud and abuse of funds made available under this heading including duplication of benefits.


References in Text


(b) Final date in fiscal year for submission of application for grant; establishment by Secretary

In the case of funds available for any fiscal year, the Secretary shall not consider any statement under section 5306(a) of this title, unless such statement is submitted on or prior to such date as the Secretary shall establish as the final date for submission of statements for that year.


REFERENCES IN TEXT

The Demonstration Cities and Metropolitan Development Act of 1966, referred to in subsec. (a), is Pub. L. 89–754, Nov. 3, 1966, 80 Stat. 1256, as amended. Title I of the Act was classified principally to subchapter I (§3301 et seq.) of chapter 41 of this title, and was omitted from the Code pursuant to this section which terminated authority to make grants or loans, under such title I after Jan. 1, 1975. For complete classification of this Act to the Code, see Short Title note under section 1701 of Title 12, Banks and Banking.

The Housing Act of 1949, referred to in subsec. (a), is act July 15, 1949, ch. 338, 63 Stat. 413, as amended. Title I of the Housing Act of 1949 was classified generally to subchapter II (§1450 et seq.) of chapter 8A of this title, which terminated authority to make grants or loans under such title I after Jan. 1, 1975. For complete classification of this Act to the Code, see Short Title note set out under section 1701 of this title and Tables.

The Housing Act of 1969, referred to in subsec. (a), is act July 15, 1969, ch. 338, 83 Stat. 413, as amended. Title I of the Housing Act of 1969 was classified generally to subchapter II (§1450 et seq.) of chapter 8A of this title, which terminated authority to make grants or loans under such title I after Jan. 1, 1975. For complete classification of this Act to the Code, see Short Title note set out under section 1701 of this title and Tables.

Sections 702 and 703 of the Housing and Urban Development Act of 1965 [42 U.S.C. 3102, 3103], referred to in subsec. (a), were omitted from the Code pursuant to this section which terminated authority to make grants or loans under those sections after Jan. 1, 1975.

The Housing Amendments of 1965, referred to in subsec. (a), is act Aug. 11, 1965, ch. 783, 69 Stat. 645, as amended. Title II of the Housing Amendments of 1965 was classified generally to chapter 8B (§1491 et seq.) of this title, and was omitted from the Code pursuant to this section which terminated authority to make grants or loans under such title II after Jan. 1, 1975. For complete classification of this Act to the Code, see Short Title note set out under section 1701 of this title, Banks and Banking, and Tables.

The Housing Act of 1961, referred to in subsec. (a), is Pub. L. 87–70, June 30, 1961, 87 Stat. 149, as amended. Title VII of the Housing Act of 1961 was classified generally to chapter 8C (§1500 et seq.) of this title, and was omitted from the Code pursuant to this section which terminated authority to make grants or loans under such title VII after Jan. 1, 1975. For complete classification of this Act to the Code, see Short Title note set out under section 1701 of Title 12, Banks and Banking, and Tables.

Codification

Subsecs. (c), (d), and (e) of section 116 of Pub. L. 93–383 were omitted from this section. Subsec. (c) amended section 1452(b) of this title, subsec. (d) amended section 3311(b) and (c) of this title, and subsec. (e) amended section 1452(b) and (h) of this title.

AMENDMENTS

1983—Subsec. (b). Pub. L. 98–181 substituted “prior to such date” for “prior to such date (in that fiscal year)”, and “for that year” for “in that year”.

1981—Subsec. (b), Pub. L. 97–35 substituted provisions relating to submission of required statement for programs relating to submission of required application.

1980—Subsec. (b), Pub. L. 96–399, §111(h), redesignated subsec. (g) as (b) and struck out “or from a unit of general local government for a grant pursuant to section 5306(h) of this title” after “section 5306(a) of this title”.

Former subsec. (b), relating to deductions from grants for fiscal year 1975, was struck out.


Subsec. (g). Pub. L. 96–399, §111(h)(1), redesignated subsec. (g) as (b).


Effective Date of 1983 Amendment


Effective Date of 1981 Amendment


§5317. Liquidation of superseded or inactive programs

The Secretary is authorized to transfer the assets and liabilities of any program which is superseded or inactive by reason of this chapter to the revolving fund for liquidating programs established pursuant to title II of the Independent Offices Appropriation Act, 1955 (Public Law 83–428; 68 Stat. 272, 295) [12 U.S.C. 1701g–5].


REFERENCES IN TEXT

This chapter, referred to in text, was in the original “this title”, meaning title I of Pub. L. 93–383, Aug. 22, 1974, 88 Stat. 633, which is classified principally to this chapter. For complete classification of title I to the Code, see Tables.

AMENDMENTS


§5318. Urban development action grants

(a) Authorization; purpose; amount

The Secretary is authorized to make urban development action grants to cities and urban counties which are experiencing severe economic distress to help stimulate economic development activity needed to aid in economic recovery. There are authorized to be appro-
priated to carry out this section $225,000,000 for fiscal year 1988, and $225,000,000 for fiscal year 1989. Any amount appropriated under this subsection shall remain available until expended.

(b) Eligibility of cities and urban counties; criteria and standards; regulations

(1) Urban development action grants shall be made only to cities and urban counties which have, in the determination of the Secretary, demonstrated results in providing housing for low- and moderate-income persons and inproviding equal opportunity in housing and employment for low- and moderate-income persons and members of minority groups. The Secretary shall issue regulations establishing criteria in accordance with the preceding sentence and setting forth minimum standards for determining the level of economic distress of cities and urban counties for eligibility for such grants. These standards shall take into account factors such as the age of housing; the extent of poverty; the extent of population lag; growth of per capita income; and the extent of unemployment, job lag, or surplus labor. Any city that has a population of less than 50,000 persons and is not the central city of a metropolitan area, and that was eligible for fiscal year 1983 under this paragraph for assistance under this section, shall continue to be eligible for such assistance until the Secretary revises the standards for eligibility for such cities under this paragraph and includes the extent of unemployment, job lag, or labor surplus as a standard of distress for such cities. The Secretary shall make such revision as soon as practicable following November 30, 1983.

(2) A city or urban county which fails to meet the minimum standards established pursuant to paragraph (1) shall be eligible for assistance under this section if it meets the requirements of the first sentence of such paragraph and—

(A) in the case of a city with a population of fifty thousand persons or more or an urban county, contains an area (i) composed of one or more contiguous census tracts, enumeration districts, neighborhood statistics areas, or block groups, as defined by the United States Bureau of the Census, having at least a population of ten thousand persons or 10 per centum of the median income of the city or urban county; (ii) in which at least 70 per centum of the residents have incomes below 80 per centum of the median income of the city or urban county; and (iii) in which at least 30 per centum of the residents have incomes below the national poverty level; or

(B) in the case of a city with a population of less than fifty thousand persons, contains an area (i) composed of one or more contiguous census tracts, enumeration districts, neighborhood statistics areas, or block groups or other areas defined by the United States Bureau of the Census or for which data certified by the United States Bureau of the Census are available having at least a population of two thousand five hundred persons or 10 per centum of the population of the city, whichever is greater; (ii) in which at least 70 per centum of the residents have incomes below 80 per centum of the median income of the city; and (iii) in which at least 30 per centum of the residents have incomes below the national poverty level.

(c) Applications; documentation of eligibility; proposed plan; assurance of notice and comment; assurance of consideration on historical landmarks

Applications for assistance under this section shall—

(1) in the case of an application for a grant under subsection (b)(2), include documentation of grant eligibility in accordance with the standards described in that subsection;

(2) set forth the activities for which assistance is sought, including (A) an estimate of the costs and general location of the activities; (B) a summary of the public and private resources which are expected to be made available in connection with the activities, including how the activities will take advantage of unique opportunities to attract private investment; and (C) an analysis of the economic benefits which the activities are expected to produce;

(3) contain a certification satisfactory to the Secretary that the applicant, prior to submission of its application, (A) has held public hearings to obtain the views of citizens, particularly residents of the area in which the proposed activities are to be carried out; (B) has analyzed the impact of these proposed activities on the residents, particularly those of low and moderate income, of the residential neighborhood, and on the neighborhood in which they are to be carried out; and (C) has made available the analysis described in clause (B) to any interested person or organization residing or located in the neighborhood in which the proposed activities are to be carried out; and

(4) contain a certification satisfactory to the Secretary that the applicant, prior to submission of its application, (A) has identified all properties, if any, which are included on the National Register of Historic Places and which, as determined by the applicant, will be affected by the project for which the application is made; (B) has identified all other properties, if any, which will be affected by such project and which, as determined by the applicant, may meet the criteria established by the Secretary of the Interior for inclusion on such Register; (C) has determined the effect, as determined by the applicant, of the project on the properties identified pursuant to clauses (A) and (B); and (D) will comply with the requirements of section 5320 of this title.

(d) Mandatory selection criteria; award of points; distribution of funds; number of competitions per year; use of distress conditions data by urban counties

(1) Except in the case of a city or urban county eligible under subsection (b)(2), the Secretary
shall establish selection criteria for a national competition for grants under this section which must include—

(A) the comparative degree of economic distress among applicants, as measured (in the case of a metropolitan city or urban county) by the differences in the extent of growth lag, the extent of poverty, and the adjusted age of housing in the metropolitan city or urban county;

(B) other factors determined to be relevant by the Secretary in assessing the comparative degree of economic deterioration in cities and urban counties;

(C) the following other criteria:

(i) the extent to which the grant will stimulate economic recovery by leveraging private investment;

(ii) the number of permanent jobs to be created and their relation to the amount of grant funds requested;

(iii) the proportion of permanent jobs accessible to lower income persons and minorities, including persons who are unemployed;

(iv) the extent to which the project will retain jobs that will be lost without the provision of a grant under this section;

(v) the extent to which the project will relieve the most pressing employment or residential needs of the applicant by—

(A) reemploying workers in a skill that has recently suffered a sharp increase in unemployment locally;

(B) retraining recently unemployed residents in new skills;

(C) providing training to increase the local pool of skilled labor; or

(D) producing decent housing for low- and moderate-income persons under this clause only if such application proposes that (a) not less than 51 percent of all funds available for the project shall be used for dwelling units and related facilities; and (b) not less than 30 percent of all funds used for dwelling units and related facilities shall be used for dwelling units to be occupied by persons of low and moderate income, or not less than 20 percent of all dwelling units made available to occupancy using such funds shall be occupied by persons of low and moderate income, whichever results in the occupancy of more dwelling units by persons of low and moderate income;

(vi) the impact of the proposed activities on the fiscal base of the city or urban county and its relation to the amount of grant funds requested;

(vii) the extent to which State or local Government funding or special economic incentives have been committed; and

(viii) the extent to which the project will have a substantial impact on physical and economic development of the city or urban county, the proposed activities are likely to be accomplished in a timely fashion with the grant amount available, and the city or urban county has demonstrated performance in housing and community development programs; and

(D) additional consideration for projects with the following characteristics:

(i) projects to be located within a city or urban county which did not receive a preliminary grant approval under this section during the 12-month period preceding the date on which applications are required to be submitted for the grant competition involved; and

(ii) twice the amount of the additional consideration provided under clause (i) for projects to be located in cities or urban counties which did not receive a preliminary grant approval during the 24-month period preceding the date on which applications under this section are required to be submitted for the grant competition involved.

If a city or urban county has submitted and has pending more than one application, the additional consideration provided by subparagraph (D) of the preceding sentence shall be available only to the project in such city or urban county which received the highest number of points under subparagraph (C) of such sentence.

(2) For the purpose of making grants with respect to areas described in subsection (b)(2), the Secretary shall establish selection criteria, which must include (A) factors determined to be relevant by the Secretary in assessing the comparative degree of economic deterioration among eligible areas, and (B) such other criteria as the Secretary may determine, including at a minimum the criteria listed in paragraph (1)(C) of this subsection.

(3) The Secretary shall award points to each application as follows:

(A) not more than 35 points on the basis of the criteria referred to in paragraph (1)(A);

(B) not more than 35 points on the basis of the criteria referred to in paragraph (1)(B);

(C) not more than 33 points on the basis of the criteria referred to in paragraph (1)(C); and

(D)(i) 1 additional point on the basis of the criterion referred to in paragraph (1)(D)(i); or

(ii) 2 additional points on the basis of the criterion referred to in paragraph (1)(D)(ii).

(4) The Secretary shall distribute grant funds under this section so that to the extent practicable during each funding cycle—

(A) 65 percent of the funds is first made available utilizing all of the criteria set forth in paragraph (1); and

(B) 35 percent of the funds is then made available solely on the basis of the factors referred to in subparagraphs (C) and (D) of paragraph (1).

(5)(A) Within 30 days of the start of each fiscal year, the Secretary shall announce the number of competitions for grants to be held in that fiscal year. The number of competitions shall be not less than two nor more than three.
(B) Each competition for grants described in any clause of subparagraph (A) shall be for an amount equal to the sum of—

(i) approximately the amount of the funds available for such grants for the fiscal year divided by the number of competitions for those funds;

(ii) any funds available for such grants in any previous competition that are not awarded; and

(iii) any funds available for such grants in any previous competition that are recaptured.

(C) Notwithstanding any other provision of this section, in each competition for grants under this section, no city or urban county may be awarded a grant or grants in an amount in excess of $10,000,000 until all cities and urban counties which submitted fundable applications have been awarded a grant. If funds are available for additional grants after each city and urban county submitting a fundable application is awarded one or more grants under the preceding sentence, then additional grants shall be made so that each city or urban county that has submitted multiple applications is awarded one additional grant in order of ranking, with no single city or urban county receiving more than one grant approval in any subsequent series of grant determinations within the same competition.

(D) All grants under this section, including grants to cities and urban counties described in subsection (b)(2), shall be awarded in accordance with subparagraph (C) so that all grants under this section are made in order of ranking.

(e) Limitations on power of Secretary to approve grants; waiver

The Secretary may not approve any grant to a city or urban county eligible under subsection (b)(2) unless—

(1) the grant will be used in connection with a project located in an area described in subsection (b)(2), except that the Secretary may waive this requirement where the Secretary determines (A) that there is no suitable site for the project within that area, (B) the project will be located directly adjacent to that area, and (C) the project will contribute substantially to the economic development of that area;

(2) the city or urban county has demonstrated to the satisfaction of the Secretary that basic services supplied by the city or urban county to the area described in subsection (b)(2) are at least equivalent, as measured by per capita expenditures, to those supplied to other areas within the city or urban county which are similar in population size and physical characteristics and which have median incomes above the median income for the city or urban county;

(3) the grant will be used in connection with a project which will directly benefit the low- and moderate-income families and individuals residing in the area described in subsection (b)(2); and

(4) the city or urban county makes available, from its own funds or from funds received from the State or under any Federal program which permits the use of financial assistance to meet the non-Federal share requirements of Federal grant-in-aid programs, an amount equal to 20 per centum of the grant to be available under this section to be used in carrying out the activities described in the application.

(f) Permissibility of consistent but unenumerated activities; report on use of repaid grant funds for economic development activities

Activities assisted under this section may include such activities, in addition to those authorized under section 5305(a) of this title, as the Secretary determines to be consistent with the purposes of this section. In any case in which the project proposes the repayment to the applicant of the grant funds, such funds shall be made available by the applicant for economic development activities that are eligible activities under this section or section 5305 of this title. The applicant shall annually provide the Secretary with a statement of the projected receipt and use of repaid grant funds during the next year together with a report acceptable to the Secretary on the use of such funds during the most recent preceding full fiscal year of the applicant.

(g) Annual review and audit; adjustments, withdrawals and reduction permitted

The Secretary shall, at least on an annual basis, make reviews and audits of recipients of grants under this section as necessary to determine the progress made in carrying out activities substantially in accordance with approved plans and timetables. The Secretary may adjust, reduce, or withdraw grant funds, or take other action as appropriate in accordance with the findings of these reviews and audits, except that funds already expended on eligible activities under this chapter shall not be recaptured or deducted from future grants made to the recipient.

(h) Limitations on grants for industrial or commercial relocations or expansions; appeal of denial or cancellation of assistance; grants to adversely affected individuals

(1) Speculative projects

No assistance may be provided under this section for projects intended to facilitate the relocation of industrial or commercial plants or facilities from one area to another, unless the Secretary finds that the relocation does not significantly and adversely affect the unemployment or economic base of the area from which the industrial or commercial plant or facility is to be relocated. The provisions of this paragraph shall apply only to projects that do not have identified intended occupants.

(2) Projects with identified intended occupants

No assistance may be provided or utilized under this section for any project with identified intended occupants that is likely to facilitate—

(A) a relocation of any operation of an industrial or commercial plant or facility or other business establishment—

(i) from any city, urban county, or identifiable community described in subsection (p), that is eligible for assistance under this section; and
(ii) to the city, urban county, or identifiable community described in subsection (p), in which the project is located; or

(B) an expansion of any such operation that results in a reduction of any such operation in any city, county, or community described in subparagraph (A)(i).

(3) Significant and adverse effect

The restrictions established in paragraph (2) shall not apply if the Secretary determines that the relocation or expansion does not significantly and adversely affect the employment or economic base of the city, county, or community from which the relocation or expansion occurs.

(4) Appeal of adverse determination

Following notice of intent to withhold, deny, or cancel assistance under paragraph (1) or (2), the Secretary shall provide a period of not less than 90 days in which the applicant can appeal to the Secretary the withholding, denial, or cancellation of assistance. Notwithstanding any other provision of this section, nothing in this section or in any legislative history related to the enactment of this section may be construed to permit an inference or conclusion that the policy of the Congress in the urban development action grant program is to facilitate the relocation of businesses from one area to another.

(5) Assistance for individuals adversely affected by prohibited relocations

(A) Any amount withdrawn by, recaptured by, or paid to the Secretary due to a violation (or a settlement of an alleged violation) of this subsection (or of any regulation issued or contractual provision entered into to carry out this subsection) by a project with identified intended occupants shall be made available by the Secretary as a grant to the city, county, or community described in subsection (p), from which the operation of an industrial or commercial plant or facility or other business establishment relocated or in which the operation was reduced.

(B)(i) Any amount made available under this paragraph shall be used by the grantee to assist individuals who were employed by the operation involved prior to the relocation or reduction and whose employment or terms of employment were adversely affected by the relocation or reduction. The assistance shall include job training, job retraining, and job placement.

(ii) If any amount made available to a grantee under this paragraph is more than is required to provide assistance under clause (i), the grantee shall use the excess amount to carry out community development activities eligible under section 5305(a) of this title.

(C)(i) The provisions of this paragraph shall be applicable to any amount withdrawn by, recaptured by, or paid to the Secretary under this section, including any amount withdrawn, recaptured, or paid before the effective date of this paragraph.

(ii) Grants may be made under this paragraph only to the extent of amounts provided in appropriation Acts.

(6) Definition

For purposes of this subsection, the term “operation” includes any plant, equipment, facility, position, employment opportunity, production capacity, or product line.

(7) Regulations

Not later than 60 days after February 5, 1988, the Secretary shall issue such regulations as may be necessary to carry out the provisions of this subsection. Such regulations shall include specific criteria to be used by the Secretary in determining whether there is a significant and adverse effect under paragraph (3).

(i) Minimum percentage of funds to be allocated to certain noncentral cities; application by consortia of cities of less than 50,000 population

Not less than 25 per centum of the funds made available for grants under this section shall be used for cities with populations of less than fifty thousand persons which are not central cities of a metropolitan statistical area. The Secretary shall encourage cooperation by geographically proximate cities of less than 50,000 population by permitting consortia of such cities, which may also include county governments that are not urban counties, to apply for grants on behalf of a city that is otherwise eligible for assistance under this section. Any grants awarded to such consortia shall be administered in compliance with eligibility requirements applicable to individual cities.

(j) Grant contingent on factors related to non-Federal funds

A grant may be made under this section only where the Secretary determines that there is a strong probability that (1) the non-Federal investment in the project would not be made without the grant, and (2) the grant would not substitute for non-Federal funds which are otherwise available to the project.

(k) Duty of Secretary to minimize amount

In making grants under this section, the Secretary shall take such steps as the Secretary deems appropriate to assure that the amount of the grant provided is the least necessary to make the project feasible.

(l) Power of Secretary to waive requirement that town or township be closely settled

For purposes of this section, the Secretary may reduce or waive the requirement in section 5302(a)(5)(B)(ii) of this title that a town or township be closely settled.

(m) Notice to State historic preservation officer and Secretary of the Interior required with regard to affected landmark property; opportunity for comment

In the case of any application which identifies any property in accordance with subsection (c)(4)(B), the Secretary may not commit funds with respect to an approved application unless the applicant has certified to the Secretary that the appropriate State historic preservation officer and the Secretary of the Interior have been provided an opportunity to take action in accordance with the provisions of section 5320(b) of this title.
(n) Territories, tribes, and certain Hawaiian counties included in term “city”

(1) For the purposes of this section, the term “city” includes Guam, American Samoa, the Northern Mariana Islands, the Virgin Islands, and Indian tribes. Such term also includes the counties of Kauai, Maui and Hawaii in the State of Hawaii.

(2) The Secretary may not approve a grant to an Indian tribe under this section unless the tribe (A) is located on a reservation, or on former Indian reservations in Oklahoma as determined by the Secretary of the Interior, or in an urban area, and (B) was an eligible recipient under chapter 67 of title 31 prior to the repeal of such chapter.

(o) Special provisions for years after 1983

If no amounts are set aside under, or amounts are precluded from being appropriated for this section for fiscal years after fiscal year 1983, any amount which is or becomes available for use under this section after fiscal year 1983 shall be added to amounts appropriated under section 5303 of this title, except that amounts available to the Secretary for use under this subsection as of October 1, 1993, and amounts released to the Secretary pursuant to subsection (t) may be used to provide grants under section 5308(q) of this title.

(p) Unincorporated portions of urban counties

An unincorporated portion of an urban county that is approved by the Secretary as an identifiable community for purposes of this section is eligible for a grant under subsection (b)(2) if such portion meets the eligibility requirements contained in the first sentence of subsection (b)(1) and the requirements of subsection (b)(2)(B) (applied to the population of the portion of the urban county) and if it otherwise complies with the provisions of this section.

(q) Technical assistance grants

Of the amounts appropriated for purposes of this section for any fiscal year, not more than $2,500,000 may be used by the Secretary to make technical assistance grants to States or their agencies, municipal technical advisory services operated by universities, or State associations of counties or municipalities, to enable such entities to assist units of general local government described in subsection (i) in developing, applying for assistance for, and implementing programs eligible for assistance under this section.

(r) Nondiscrimination by Secretary against type of activity or applicant

In utilizing the discretion of the Secretary when providing assistance and applying selection criteria under this section, the Secretary may not discriminate against applications on the basis of (1) the type of activity involved, whether such activity is primarily housing, industrial, or commercial; or (2) the type of applicant, whether such applicant is a city or urban county.

(s) Maximum grant amount for fiscal years 1988 and 1989

For fiscal years 1988 and 1989, the maximum grant amount for any project under this section is $10,000,000.

(t) UDAG retention program

If a grant or a portion of a grant under this section remains unexpended upon the issuance of a notice implementing this subsection, the grantee may enter into an agreement, as provided under this subsection, with the Secretary to receive a percentage of the grant amount and relinquish all claims to the balance of the grant within 90 days of the issuance of notice implementing this subsection (or such later date as the Secretary may approve). The Secretary shall not recapture any funds obligated pursuant to this section during a period beginning on April 11, 1994, until 90 days after the issuance of a notice implementing this subsection. A grantee may receive as a grant under this subsection—

(1) 33 percent of such unexpended amounts if—

(A) the grantee agrees to expend not less than one-half of the amount received for activities authorized pursuant to section 5308(q) of this title and to expend such funds in conjunction with a loan guarantee made under section 5308 of this title at least equal to twice the amount of the funds received; and

(B) the remainder of the amount received is used for economic development activities eligible under this chapter; and

(2) 25 percent of such unexpended amounts if—

(A) the grantee agrees to expend such funds for economic development activities eligible under this chapter; and

(B) except when waived by the Secretary in the case of a severely distressed jurisdiction, not more than one-half of the costs of such activities are derived from such unexpended amount.

So in original.
This chapter, referred to in subsecs. (g) and (t)(1)(B)(i), (2)(A), was in the original "this title", meaning title I of Pub. L. 93-383, Aug. 22, 1974, 88 Stat. 633, which is classified principally to this chapter. For complete classification of title I to the Code, see Tables.

For effective date of this paragraph, referred to in subsec. (h)(6)(C)(i), see section 516(b) of Pub. L. 100-242, set out as an Effective Date of 1988 Amendment note below.


Codification

AMENDMENTS
1994—Subsec. (o). Pub. L. 102-233, §232(b), inserted before period at end "except that amounts available to the Secretary for use under this subsection as of Oct. 1, 1993, and amounts released to the Secretary pursuant to subsection (t) may be used to provide grants under section 5306(a) of this title."


1988—Subsec. (a), Pub. L. 100-242, §501(c), substituted this section "$225,000,000 for fiscal year 1988, and $225,000,000 for fiscal year 1989. Any amount appropriated under this subsection shall remain available until expended." for "Of the total amount approved in appropriation Acts under section 5303 of this title for each of the fiscal years 1982 and 1983, not more than $500,000,000 shall be available for each of the fiscal years 1982 and 1983 for grants under this section. There are authorized to be appropriated to carry out the provisions of this section not to exceed $440,000,000 for each of the fiscal years 1984, 1985, and 1986, and any amount appropriated under this sentence shall remain available until expended.".

Subsec. (d)(1), Pub. L. 100-242, §515(a), inserted dash before "(A)", indented subpars. (A) and (B), struck out "the primary criterion," in subpar. (A) and "and" at end of subpar. (B), added subpars. (C) and (D), and struck out former subpar. (C) which read as follows: "at least the following other criteria: demonstrated performance of the city or urban county in housing and community development programs; the extent to which the grant will stimulate economic recovery by leveraging private investment; the number of permanent jobs to be created and their relation to the amount of grant funds requested; the proportion of permanent jobs accessible to lower income persons and minorities, including persons who are unemployed; the impact of the proposed activities on the fiscal base of the city or urban county and its relation to the amount of grant funds requested; the extent to which State or local government funding or special economic incentives have been committed; and the feasibility of accomplishing the proposed activities in a timely fashion within the grant amount available."

Subsec. (d)(3) to (5), Pub. L. 100-242, §515(b), added pars. 3 to 5.

Subsec. (d)(5)(C), (D), Pub. L. 100-404 added subpars. (C) and (D).
Subsec. (c)(6). Pub. L. 95–557, §103(c), added subsec. (l) and (m).
Subsec. (e). Pub. L. 95–557, §103(h), inserted “impact of the proposed urban development action program on the residents, particularly those of low and moderate income, of the residential neighborhood, and on the neighborhood, in which the program is to be located” after “objectives of this chapter”.

EFFECTIVE DATE OF 1994 AMENDMENT
Amendment by Pub. L. 103–233 applicable with respect to any amounts made available to carry out subchapter II (§12721 et seq.) of chapter 130 of this title after Apr. 11, 1994, and any amounts made available to carry out such subchapter before that date that remain uncommitted on that date, with Secretary to issue any regulations necessary to carry out such amendment not later than end of 45-day period beginning on that date, see section 209 of Pub. L. 103–233, set out as a note under section 5301 of this title.

EFFECTIVE DATE OF 1988 AMENDMENT
Pub. L. 100–242, title V, §515(f), (g), Feb. 5, 1988, 101 Stat. 1934, provided that:
“(f) REGULATIONS.—The Secretary of Housing and Urban Development shall issue such regulations as may be necessary to carry out the amendments made by this section [amending this section]. Such regulations shall be published for comment in the Federal Register not later than 60 days after the date of enactment of this Act [Feb. 5, 1988]. The provisions of section 119(d)(1)(D), section 119(d)(3), and section 119(d)(4) of the Housing and Community Development Act of 1974 [subsec. (d)(1)(D), (3), (4) of this section], shall take effect on the date of enactment of this Act.
“(g) APPLICABILITY.—
“(1) IN GENERAL.—The amendments made by this section [amending this section] shall be applicable to the making of urban development action grants that have not received the preliminary approval of the Secretary of Housing and Urban Development before the date on which final regulations issued by the Secretary under subsection (f) become effective. For the fiscal year in which the amendments made by this section become applicable, such amendments shall only apply with respect to the aggregate amount awarded for such grants on or after such effective date.

“(2) SUNSET OF URBAN COUNTY COMPETITION RULE.—Effective October 1, 1988, section 119(d)(6) of the Housing and Community Development Act of 1974 [subsec. (d)(6) of this section] is repealed.
Pub. L. 100–242, title V, §516(b), Feb. 5, 1988, 101 Stat. 1936, provided that: “Except as otherwise provided in section 119(h)(5) of the Housing and Community Development Act of 1974 [subsec. (h)(5) of this section] (as added by subsection (a)), the amendments made by this section [amending this section] shall be applicable to urban development action grants that have not received the preliminary approval of the Secretary of Housing and Urban Development before the date of the enactment of this Act [Feb. 5, 1988].”

EFFECTIVE DATE OF 1986 AMENDMENTS

EFFECTIVE DATE OF 1981 AMENDMENT
Pub. L. 97–35, title III, §308(c), Aug. 13, 1981, 95 Stat. 396, provided that: “The amendments made by subsections (a) and (b) [amending this section and section 5320 of this title] shall become effective on the effective date of regulations implementing such subsections. As soon as practicable, but not later than January 1, 1982, the Secretary shall issue such final rules and regulations as the Secretary determines are necessary to carry out such subsections.”

EFFECTIVE DATE OF 1978 AMENDMENT

EFFECTIVE DATE
Section effective Oct. 1, 1977, see section 114 of Pub. L. 95–128, set out as an Effective Date of 1977 Amendment note under section 5301 of this title.

IMPLEMENTATION OF URBAN DEVELOPMENT ACTION GRANT RETENTION PROGRAM
Pub. L. 103–233, title II, §233(c)(2), Apr. 11, 1994, 108 Stat. 368, provided that: “Not later than 10 days after the date of enactment of this Act [Apr. 11, 1994], the Secretary shall, by notice published in the Federal Register, which shall take effect upon publication, establish such requirements as may be necessary to implement the amendments made by this subsection [amending this section].”

NEW TOWNS DEMONSTRATION PROGRAM FOR EMERGENCY RELIEF OF LOS ANGELES
“SEC. 1101. AUTHORITY.
“(a) REQUIREMENT.—The Secretary may make assistance available under this title only in connection with,
and according to the provisions of a new town plan developed and established by a governing board under section 1107 and approved under subsection (d) of this section. In developing such plans, the governing board shall consult with representatives of the units of general local government within whose boundaries are located any portion of the new town demonstration area for the demonstration program to be carried out under such plan.

"(b) ELIGIBLE NEW TOWN DEMONSTRATION AREAS.—A new town plan under this section shall provide for carrying out a new town development demonstration providing assistance available under this title within a new town demonstration area, which shall be a geographic area defined in the new town plan—

"(1) that is one of pervasive poverty, unemployment, and general distress;

"(2) that has an unemployment rate of not less than 1.5 times the national unemployment rate for the 2 years preceding approval of the new town plan;

"(3) that has a poverty rate of not less than 20 percent during such 2-year period;

"(4) for which not less than 70 percent of the households in the area have incomes below 80 percent of the median income of households of the unit of general local government in which they are located;

"(5) that has a shortage of adequate jobs for residents; and

"(6) that is located—

"(A) in or near the City or County of Los Angeles, in the State of California; and

"(B) within an area for which the President, pursuant to title IV or V of the Robert T. Stafford Disaster Relief and Emergency Assistance Act [42 U.S.C. 5170 et seq., 5191 et seq.], declared that a major disaster or emergency existed for purposes of such Act [42 U.S.C. 5121 et seq.], as a result of the civil disturbances involving acts of violence occurring on or after April 29, 1992, and before May 6, 1992.

"(c) CONTENTS.—Each new town plan shall include the following information:

"(1) GOVERNING BOARD.—A description of the members and purposes of the governing board that developed the plan, the manner in which members of the governing board were selected, and the businesses, agencies, interests, and community ties of each member of the governing board.

"(2) NEW TOWN DEMONSTRATION AREA.—A definition and description of the new town demonstration area for the new town development demonstration to be assisted under this title.

"(3) TARGET COMMUNITY.—A description of the economic, social, racial, and ethnic characteristics of the population of the neighborhood or area in which the new town demonstration area is located.

"(4) AGREEMENTS.—Agreements that the governing board will carry out the new town demonstration program in accordance with the requirements of this title.

"(5) HOUSING UNITS.—A description of the number, size, location, cost, style, and characteristics of rental and homeownership housing units to be developed under the new town demonstration program, any financing for developing such housing, and the amount of assistance necessary under section 1105 for developing the housing under the program.

"(6) JOBS.—A description of the number, types, and duration of any new jobs that will be created in the new town demonstration area and surrounding areas as a result of the demonstration program, and of any job training activities and apprenticeship programs to be made available in conjunction with the program.

"(7) SOCIAL SERVICES.—A description of the social and supportive services to be made available under the demonstration program to residents of housing assisted under the demonstration program pursuant to section 1109(d) and to residents of the new town demonstration area.

"(8) SUPPLEMENTAL RESOURCES.—A description of any funds, assistance, in-kind contributions, and other resources to be made available in connection with the demonstration program, including the sources and amounts of any private capital resources and non-Federal funds required under section 1109(h).

"(9) CONTRACTORS AND DEVELOPERS.—A listing of the contractors and developers who potentially will carry out any construction and rehabilitation work for development of housing under the demonstration program and the expected costs involved in hiring such contractors and developers.

"(10) FINANCING FOR HOMEBUYERS.—A description of any mortgage lenders who have indicated that they will make financing available to families purchasing housing developed under the demonstration program through mortgages eligible for insurance under section 1104 and proposed terms of such mortgages.

"(11) COMMITMENTS.—A description of any commitments entered into for making any of the resources described in paragraphs (6) through (8) available in connection with the demonstration program.

"(12) PERIODIC REVIEW AND APPROVAL.—For a plan to be eligible for assistance available under this title, the chief executive officer of all units of general local government to whom the new town plan is submitted shall approve the plan at a public meeting after the plan has been made publicly available for a period of not less than 30 days. A governing board may resubmit for approval any plan returned by any such chief executive officer after the governing board, and such chief executive officer may, upon returning the plan indicate any modifications necessary for approval. A new town plan may not be approved unless such chief executive officer determines that the membership of the governing board submitting the plan is constituted in accordance with section 1107 and the governing board is capable of carrying out the plan.

"(13) AMENDMENT.—An approved new town plan for the demonstration program developed by the governing board may be amended by the board by obtaining approval of the amendment in the manner provided under this subsection for approval of plans. If the chief executive officer of the unit of general local government does not approve or return the amended plan within 30 days of submission, the amended plan shall be considered to be approved for purposes of this subsection.

"SEC. 1103. NEW TOWN DEVELOPMENT DEMONSTRATION PROGRAM REQUIREMENTS.

"(a) IN GENERAL.—Each of the 2 new town development demonstration programs selected for assistance under this title section 1102 shall be carried out, by the governing board submitting the new town plan for the demonstration program, in accordance with such plan (and any approved amendments of such plans) and shall be subject to the requirements under this section.
§ 5318  TITLE 42—THE PUBLIC HEALTH AND WELFARE  Page 5968

(b) LOCAL PARTICIPATION.—With respect to any activities carried out under the demonstration program, the program shall give preference in awarding contracts, purchasing materials, acquiring services, and obtaining assistance or training, to contractors, businesses, developers, professionals, and other establishments located or having offices within the new town demonstration area.

(c) HOUSING.—

(1) NUMBER OF UNITS.—The demonstration program shall construct or renovate not less than 1,500 dwelling units in the new town demonstration area, of which not less than 60 percent shall be units available for purchase by the occupant.

(2) AFFORDABILITY.—Units of varying sizes and costs shall be designed and developed under the demonstration program so that the program provides housing affordable to families of varying incomes not exceeding 115 percent of the median income for the area in which the new town demonstration area is located, including very low- and low-income families (as such terms are defined in section 3(b) of the United States Housing Act of 1937 (42 U.S.C. 1437a(b))).

(3) HOMEOWNERSHIP UNITS.—Dwelling units developed under the demonstration program for purchase by the occupant shall initially be sold at prices affordable to families eligible to purchase such units. Such units shall be available for purchase only by families having incomes not exceeding the amount specified in paragraph (2). The demonstration shall develop 2-, 3-, and 4-bedroom units for purchase.

(4) RENTAL UNITS.—Dwelling units developed under the demonstration program that are to be available for rental shall include family-type units and single bedroom and efficiency units designed for elderly occupants. Such units shall be available for occupancy only by families who (upon initial occupancy) have incomes of (A) less than 60 percent of the median income for the area, or (B) less than $20,000. Occupant families shall pay not more than 30 percent of the family income for rent.

(d) SOCIAL SERVICES.—The demonstration program shall provide for appropriate social and supportive services to be made available to residents of housing assisted under the demonstration program and to other residents of the new town demonstration area, which may include rental and homeownership counseling, child care, job placement, educational programs, recreational and health care facilities and programs, and other appropriate services.

(e) JOB CREATION AND TRAINING.—The demonstration program shall provide, to the extent practicable, that activities in connection with the demonstration program, including development of housing under subsection (c) and community development activities assisted under section 1106, shall employ and provide job training opportunities for residents of the housing assisted under the demonstration program and other residents of the new town demonstration area.

(f) FINANCING.—The demonstration program shall provide for coordination with banks, credit unions, and other mortgage lenders to make financing available to purchasers of units developed under the demonstration program through mortgages eligible for insurance under section 1104, and shall give preference to such mortgage lenders who have offices located within or near the new town demonstration area.

(g) SUPPORT FACILITIES.—The demonstration program shall encourage, facilitate, and provide for development of appropriate support facilities to serve residents in the housing developed under the program, including infrastructure and commercial facilities.

(h) NON-FEDERAL FUNDS.—The governing board carrying out the demonstration program shall ensure that not less than 25 percent of the total amounts used to carry out the demonstration program is provided from non-Federal sources, including very low- and low-income families, any salary paid to staff to carry out the demonstration program, the value of any donated building, and the value of any lease on a building.

SEC. 1104. FEDERAL MORTGAGE INSURANCE.

(a) IN GENERAL.—Pursuant to title II and section 251 of the National Housing Act (12 U.S.C. 1707 et seq., 1715z–16), the Secretary shall (to the extent authority is available pursuant to subsection (d)) insure mortgages under this section involving properties upon which are located dwelling units described in section 1103(b)(3) of this Act that are developed under the new town demonstration programs carried out pursuant to this title.

(b) MORTGAGE TERMS.—Mortgages insured under this section shall—

(1) provide for periodic adjustments in the effective rate of interest charged, which—

(A) for the first 5 years of the mortgage, shall be an annual rate of not more than 7 percent; and

(B) after the expiration of such 5-year period, may increase on an annual basis, but—

(i) shall be limited, with respect to any single interest rate increase, to not more than a 10-percent increase in the annual percentage rate; and

(ii) may not be increased at any time to a rate greater than the rate necessary at such time to fully amortize the outstanding loan balance over the term of the mortgage.

(2) have a maturity of 35 years from the date of the beginning of the amortization of the mortgage.

(c) BOARD APPROVAL.—The Secretary may provide insurance under this section for a mortgage only if the governing board for the demonstration program for the new town demonstration area in which the property subject to the mortgage is located has indicated to the Secretary its approval of the mortgage in connection with the demonstration program.

(d) INSURANCE AUTHORITY.—To the extent provided in appropriation Acts, the Secretary shall use any authority provided pursuant to section 551(b) of the National Housing Act (12 U.S.C. 1735f(b)) to enter into commitments to insure loans and mortgages under this section in fiscal years 1993 and 1994 with an aggregate principal amount not exceeding such sums as may be necessary to carry out the demonstration under this title. Mortgages insured under this section shall not be considered for purposes of the aggregate limitation on the number of mortgages insured under section 251 of the National Housing Act (12 U.S.C. 1715z–16) specified in subsection (c) of such section.

SEC. 1105. SECONDARY SOFT MORTGAGE FINANCING FOR HOUSING.

(a) IN GENERAL.—The Secretary shall, to the extent amounts are provided in appropriation Acts under subsection (e), provide assistance under this section through the governing boards carrying out the new town demonstration programs under this section to assist in the development of housing under the program.

(b) USE.—Any assistance provided under this section shall be used only for costs in planning, developing, constructing, and rehabilitating housing under the demonstration program available for rental or purchase by the occupant. The governing board shall determine, according to the new town plan for the demonstration program, the allocation of amounts of assistance provided under this section.

(c) AMOUNT.—The Secretary may not provide assistance under this section for the development of housing under a demonstration program in an amount exceeding $50,000 per dwelling unit assisted.

(d) SECOND MORTGAGE.—

(1) IN GENERAL.—Assistance under this section shall be repaid in accordance with this subsection. Repayment of the amount of any assistance provided with respect to—

(A) any building containing rental units, or

(B) any dwelling unit available for purchase by the occupant that is developed under a demonstration program, shall be secured by a second mortgage held by the Secretary on the property involved.
"(2) Terms.—During the period ending upon repayment of the assistance as provided in this subsection, any building containing rental units that is provided assistance under this section shall be used as rental housing subject to the requirements of section 1103(c)(4). During the period ending upon repayment of the assistance as provided in this subsection, any dwelling unit made available for purchase by the occupant that is provided assistance under this section may be sold only to a family having an income not exceeding the amount specified in section 1103(c)(2).

"(3) Interest.—Any assistance provided under this section for a building or dwelling unit shall bear interest at a rate equal to the rate for the most recently marketable obligations issued by the United States Treasury have terms of 10 years. The interest on such assistance shall be required to be repaid only upon sale of the building.

"(4) Discounted Repayment.—The assistance provided under this section to units of general local government to address vital unmet needs and to promote the creation of jobs and economic development in connection with the new town demonstration programs carried out under this title shall be designed to remain affordable to persons of low- and moderate-income, and provide for purposes of assessing any amount against properties owned and occupied by persons of moderate income, the grantee certifies to the Secretary that it lacks sufficient funds received under this section to comply with the requirements of subparagraph (A); and

"(5) the unit of general local government will comply with the other provisions of this title and with other applicable laws.

"(d) Antidisplacement and Relocation Plan.—

"(1) CONTENTS.—The residential antidisplacement and relocation assistance plan required to be submitted to the on behalf of the units of general local government to address vital unmet needs and to promote the creation of jobs and economic development in connection with the new town demonstration programs carried out under this title shall be designed to remain affordable to persons of low- and moderate-income, and provide for purposes of assessing any amount against properties owned and occupied by persons of moderate income, the grantee certifies to the Secretary that it lacks sufficient funds received under this section to comply with the requirements of subparagraph (A); and

"(5) the unit of general local government will comply with the other provisions of this title and with other applicable laws.

"(ii) such comparable replacement dwellings shall be designed to remain affordable to persons of low- and moderate-income, and provide for purposes of assessing any amount against properties owned and occupied by persons of moderate income, the grantee certifies to the Secretary that it lacks sufficient funds received under this section to comply with the requirements of subparagraph (A); and

"(5) the unit of general local government will comply with the other provisions of this title and with other applicable laws.

"(1) compensation sufficient to ensure that, for a 5-year period, the displaced families shall not bear, after relocation, a ratio of shelter costs to income that exceeds 30 percent; or

"(2) adequate in size to accommodate the occupants;

"(3) housed in a manner that gives maximum feasible priority to actual and reasonable moving expenses, security deposits, credit checks, and other moving-related expenses, including any interm living costs; and in the case of displaced persons of low- and moderate-income, provide either—

"(i) decent, safe, and sanitary;

"(ii) in an area not subject to unreasonable adverse environmental conditions; and

"(iii) functionally equivalent; and

"(4) aged, availability, or capacity to meet community development needs that have been delayed because of the lack of fiscal resources of the unit of general local government or which are designed to address conditions that pose a serious and immediate threat to the health or welfare of the community;

"(2) the project use of funds has been developed in a manner that gives maximum feasible priority to activities which are designed to meet community development needs that have been delayed because of the lack of fiscal resources of the unit of general local government or which are designed to address conditions that pose a serious and immediate threat to the health or welfare of the community;

"(3) any project use of funds for public services will benefit primarily low- and moderate-income families;

"(4) the unit of general local government will not attempt to recover any capital costs of public improvements assisted in whole or part under this section by assessing any amount against properties owned and occupied by persons of low- and moderate-income, including any fee charged or assessment made as a condition of obtaining access to such public improvements, unless—

(A) funds received under this section are used to pay the proportion of such fee or assessment that relates to the capital costs of such public improvements that are financed from revenue sources other than under this section; or

(B) for purposes of assessing any amount against properties owned and occupied by persons of moderate income, the grantee certifies to the Secretary that it lacks sufficient funds received under this section to comply with the requirements of subparagraph (A); and

(C) the decision was arbitrary and capricious.

"(C) where a claim for assistance under subsection (b)(3) shall, in connection with activities assisted under this section—

"(A) provide that, in the event of such displacement—

"(i) governmental agencies or private developers shall provide, within the same community, comparable replacement dwellings for the same number of occupants as could have been housed in the occupied and vacant occupable low- and moderate-income dwelling units demolished or converted to a use other than for housing for low- and moderate-income persons, and provide that such replacement housing may include existing housing assisted with project based assistance provided under section 8 of the United States Housing Act of 1937 [42 U.S.C. 1437f];

"(ii) such comparable replacement dwellings shall be designed to remain affordable to persons of low- and moderate-income, and provide for purposes of assessing any amount against properties owned and occupied by persons of moderate income, the grantee certifies to the Secretary that it lacks sufficient funds received under this section to comply with the requirements of subparagraph (A); and

"(5) the unit of general local government will comply with the other provisions of this title and with other applicable laws.

"(d) Antidisplacement and Relocation Plan.—

"(1) CONTENTS.—The residential antidisplacement and relocation assistance plan required to be submitted to the on behalf of the units of general local government to address vital unmet needs and to promote the creation of jobs and economic development in connection with the new town demonstration programs carried out under this title shall be designed to remain affordable to persons of low- and moderate-income, and provide for purposes of assessing any amount against properties owned and occupied by persons of moderate income, the grantee certifies to the Secretary that it lacks sufficient funds received under this section to comply with the requirements of subparagraph (A); and

"(5) the unit of general local government will comply with the other provisions of this title and with other applicable laws.

"(ii) such comparable replacement dwellings shall be designed to remain affordable to persons of low- and moderate-income, and provide for purposes of assessing any amount against properties owned and occupied by persons of moderate income, the grantee certifies to the Secretary that it lacks sufficient funds received under this section to comply with the requirements of subparagraph (A); and

"(5) the unit of general local government will comply with the other provisions of this title and with other applicable laws.

"(1) compensation sufficient to ensure that, for a 5-year period, the displaced families shall not bear, after relocation, a ratio of shelter costs to income that exceeds 30 percent; or

"(2) adequate in size to accommodate the occupants;

"(3) housed in a manner that gives maximum feasible priority to actual and reasonable moving expenses, security deposits, credit checks, and other moving-related expenses, including any interm living costs; and in the case of displaced persons of low- and moderate-income, provide either—

"(i) decent, safe, and sanitary;

"(ii) in an area not subject to unreasonable adverse environmental conditions; and

"(iii) functionally equivalent; and

"(4) aged, availability, or capacity to meet community development needs that have been delayed because of the lack of fiscal resources of the unit of general local government or which are designed to address conditions that pose a serious and immediate threat to the health or welfare of the community;

"(2) the project use of funds has been developed in a manner that gives maximum feasible priority to activities which are designed to meet community development needs that have been delayed because of the lack of fiscal resources of the unit of general local government or which are designed to address conditions that pose a serious and immediate threat to the health or welfare of the community;

"(3) any project use of funds for public services will benefit primarily low- and moderate-income families;

"(4) the unit of general local government will not attempt to recover any capital costs of public improvements assisted in whole or part under this section by assessing any amount against properties owned and occupied by persons of low- and moderate-income, including any fee charged or assessment made as a condition of obtaining access to such public improvements, unless—

(A) funds received under this section are used to pay the proportion of such fee or assessment that relates to the capital costs of such public improvements that are financed from revenue sources other than under this section; or

(B) for purposes of assessing any amount against properties owned and occupied by persons of moderate income, the grantee certifies to the Secretary that it lacks sufficient funds received under this section to comply with the requirements of subparagraph (A); and

(C) the decision was arbitrary and capricious.

"(2) Exception.—Paragraphs (1)(A)(i) and (1)(A)(ii) shall not apply in any case in which the Secretary
finds, on the basis of objective data, that there is available in the area an adequate supply of habitable affordable housing for low- and moderate-income persons. A determination under this paragraph shall be final and nonreviewable.

“(e) ELIGIBLE ACTIVITIES.—Activities assisted with amounts provided under this section may include only the following activities:

“(1) ACQUISITION OF REAL PROPERTY.—The acquisition of real property (including air rights, water rights, and other interests therein) that is located within the new town demonstration area and is

“(A) blighted, deteriorated, undeveloped, or inappropriately developed from the standpoint of sound community development and growth;

“(B) appropriate for rehabilitation activities;

“(C) appropriate for the preservation or restoration of historic sites, the beautification of urban land, the conservation of open spaces, natural resources, and scenic areas, the provision of recreational opportunities, or the guidance of urban development;

“(D) to be used for the provision of public works, facilities, and improvements eligible for assistance under this section;

“(E) to be used as a facility for coordinating and providing activities and services for high risk youth (as such term is defined in section 509A [now 517] of the Public Health Service Act [former 42 U.S.C. 296b–5h];) or

“(F) to be used for other public purposes.

“(2) CONSTRUCTION OF PUBLIC WORKS AND FACILITIES.—The acquisition, construction, rehabilitation, or installation of public works or public facilities within the new town demonstration area, including buildings for the general conduct of government and facilities for coordinating and providing activities and services for high risk youth (as such term is defined in section 509A [now 517] of the Public Health Service Act).

“(3) CLEARANCE AND REHABILITATION OF BUILDINGS.—The clearance, removal, and rehabilitation of buildings and improvements located within the new town demonstration area, including interim assistance, assistance for facilities for coordinating and providing activities and services for high risk youth (as such term is defined in section 509A [now 517] of the Public Health Service Act), and assistance to privately owned buildings and improvements.

“(4) PROVISION OF PUBLIC SERVICES AND HOUSING.—

“(A) PUBLIC SERVICES.—The provision of public services within the new town demonstration area that are concerned with job training and retraining, health care and education, crime prevention, drug abuse treatment and rehabilitation, child care, education, and recreation, which may include the provision of public health and public safety vehicles.

“(B) HOUSING ACTIVITIES.—The acquisition and rehabilitation of housing for low- and moderate-income families within the new town demonstration area, except that any grantee that uses amounts received under this section for housing activities under this subparagraph shall make not less than 15 percent of the amount used for such housing activities available only for community housing development organizations and nonprofit organizations (as such terms are defined in section 104 of the Cranston-Gonzalez National Affordable Housing Act [42 U.S.C. 12703]) for such activities;

“(C) LIMITATION.—Not more than 25 percent of the amount of any assistance provided under this section (including program income) to any unit of general local government may be used for activities under this paragraph.

“(5) RELOCATION ASSISTANCE.—Relocation payments and assistance for individuals, families, business, and organizations that are displaced as a result of activities assisted under this title.

“(6) PAYMENT OF ADMINISTRATIVE EXPENSES.—Payment of reasonable administrative costs associated with activities assisted under this section and any expenses of developing the new town plan under section 1102.

“(f) ALLOCATION OF ASSISTANCE.—The Secretary may not provide more than 50 percent of any amounts appropriated under this section in connection with any one of the 2 new town demonstration programs carried out under this title.

“(g) OTHER REQUIREMENTS.—The provisions of subsections (f), (g), and (h) of section 104, subsections (c) and (d) of section 105, section 107, 108, 109, and 110 of the bill, H.R. 4073, 102d Congress (as reported on March 14, 1992 [May 14, 1992, H. Rept. No. 102–524], by the Committee on Banking, Finance and Urban Affairs of the House of Representatives), shall apply to grantees receiving assistance under this section.

“(h) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated for fiscal years 1993 and 1994 such sums as may be necessary for assistance under this section.

“SEC. 1107. GOVERNING BOARDS.

“(a) PURPOSE.—For purposes of this title, a governing board shall be a board organized for the purpose of developing a new town plan under this title and carrying out a new town development demonstration under this title.

“(b) MEMBERSHIP.—Each governing board shall consist of not less than 10 members, who shall include—

“(1) residents of the area in which the new town demonstration area under the plan developed by the board is located;

“(2) owners of business in such area;

“(3) leaders or participants in community groups in such area; and

“(4) representatives of financial institutions located or having offices in such area.

“(c) ORGANIZATION.—A governing board may organize itself and conduct business in the manner that the board determines is appropriate to carry out the new town development demonstration under this title.

“SEC. 1108. REPORTS.

“Each governing board carrying out a new town development demonstration under this title shall submit to the Congress a copy of the new town plan of the governing board, upon the approval of that plan under section 1102(d).

“SEC. 1109. DEFINITIONS.

“For purposes of this title:

“(1) DEMONSTRATION PROGRAM.—The terms ‘demonstration program’ and ‘program’ mean a new town development demonstration program receiving assistance under this title, which is carried out within a new town demonstration area by a governing board.

“(2) GOVERNING BOARD.—The term ‘governing board’ means a board established under section 1107.

“(3) NEW TOWN DEMONSTRATION AREA.—The term ‘new town demonstration area’ means the area defined in a new town plan in which the new town development demonstration under the plan is to be carried out.

“(4) NEW TOWN PLAN.—The terms ‘new town plan’ and ‘plan’ mean a plan under section 1102 developed by a governing board.

“(5) UNIT OF GENERAL LOCAL GOVERNMENT.—The term ‘unit of general local government’ means any city, county, town, township, parish, village, or other general purpose political subdivision of the State of California.

REPORTS OF COMPTROLLER GENERAL
Pub. L. 100–242, title V, §515(e), Feb. 5, 1988, 101 Stat. 1933, which required the Comptroller General of the United States to triennially prepare and submit to Congress a comprehensive report evaluating the eligibility standards and selection criteria applicable under this section, terminated, effective May 15, 2000, pursuant to section 3003 of Pub. L. 101–466, as amended, set out as a note under section 1113 of Title 31, Money and Finance.
See, also, item 14 on page 9 of House Document No. 103-7.

NEIGHBORHOOD DEVELOPMENT DEMONSTRATION

Pub. L. 98–181, title I [title I, §123], Nov. 30, 1983, 97 Stat. 1172, which provided for a demonstration program to determine the feasibility of supporting eligible neighborhood development activities by providing Federal matching funds to eligible neighborhood development organizations, was transferred to section 5318a of this title.

§5318a. John Heinz Neighborhood Development Program

(a) Definitions

For the purposes of this section:

(1) The term “eligible neighborhood development activity” means—
   (A) creating permanent jobs in the neighborhood;
   (B) establishing or expanding businesses within the neighborhood;
   (C) developing, rehabilitating, or managing neighborhood housing stock;
   (D) developing delivery mechanisms for essential services that have lasting benefit to the neighborhood; or
   (E) planning, promoting, or financing voluntary neighborhood improvement efforts.

(2) The term “eligible neighborhood development organization” means—
   (A)(i) an entity organized as a private, voluntary, nonprofit corporation under the laws of the State in which it operates;
   (ii) an organization that is responsible to residents of its neighborhood through a governing body, not less than 51 percent of the members of which are residents of the area served;
   (iii) an organization that has conducted business for at least one year prior to the date of application for participation;
   (iv) an organization that operates within an area that—
      (I) meets the requirements for Federal assistance under section 5318 of this title;
      (II) is designated as an enterprise zone under Federal law;
      (III) is designated as an enterprise zone under State law and recognized by the Secretary for purposes of this section as a State enterprise zone; or
      (IV) is a qualified distressed community within the meaning of section 1834a(b)(1) of title 12; and
   (v) an organization that conducts one or more eligible neighborhood development activities that have as their primary beneficiaries low- and moderate-income persons, as defined in section 5302(a)(1) of this title; or
   (B) any facility that provides small entrepreneurial business with affordable shared support services and business development services and meets the requirements of subparagraph (A).

(3) The term “neighborhood development funding organization” means—
   (A) a depository institution the accounts of which are insured pursuant to the Federal Deposit Insurance Act [12 U.S.C. 1811 et seq.] or the Federal Credit Union Act [12 U.S.C. 1751 et seq.], and any subsidiary (as such term is defined in section 3(w) of the Federal Deposit Insurance Act [12 U.S.C. 1813(w)]) thereof;
   (B) a depository institution holding company and any subsidiary thereof (as such term is defined in section 3(w) of the Federal Deposit Insurance Act [12 U.S.C. 1813(w)]); or
   (C) a company at least 75 percent of the common stock of which is owned by one or more insured depository institutions or depository institution holding companies.

(4) The term “Secretary” means the Secretary of Housing and Urban Development.

(b) Duties of Secretary

(1) The Secretary shall carry out, in accordance with this section, a program to support eligible neighborhood development activities by providing Federal matching funds to eligible neighborhood development organizations on the basis of the monetary support such organizations have received from individuals, businesses, and nonprofit or other organizations in their neighborhoods, and from neighborhood development funding organizations, prior to receiving assistance under this section.

(2) The Secretary shall accept applications from eligible neighborhood development organizations for participation in the program. Eligible organizations may participate in more than one year of the program, but shall be required to submit a new application and to compete in the selection process for each program year. For fiscal year 1993 and thereafter, not more than 50 percent of the grants may be for multiyear awards.

(3) From the pool of eligible neighborhood development organizations submitting applications for participation in a given program year, the Secretary shall select participating organizations in an appropriate number through a competitive selection process. To be selected, an applicant shall—
   (A) have demonstrated measurable achievements in one or more of the activities specified in subsection (a)(1);
   (B) specify a business plan for accomplishing one or more of the activities specified in subsection (a)(1);
   (C) specify a strategy for achieving greater long term private sector support, especially in cooperation with a neighborhood development funding organization, except that an eligible neighborhood development organization shall be deemed to have the full benefit of the cooperation of a neighborhood development funding organization if the eligible neighborhood development organization—
      (i) is located in an area described in subsection (a)(2)(A)(iv) that does not contain a neighborhood development funding organization;
      (ii) demonstrates to the satisfaction of the Secretary that it has been unable to obtain the cooperation of any neighborhood development funding organization in such area despite having made a good faith effort to obtain such cooperation; and
§ 5318a

TITLE 42—THE PUBLIC HEALTH AND WELFARE

Page 5972

(D) specify a strategy for increasing the capacity of the organization.

c) Criteria for awarding grants

The Secretary shall award grants under this section among the eligible neighborhood development organizations submitting applications for such grants on the basis of—

(1) the degree of economic distress of the neighborhood involved;

(2) the extent to which the proposed activities will benefit persons of low and moderate income;

(3) the extent of neighborhood participation in the proposed activities, as indicated by the proportion of the households and businesses in the neighborhood involved that are members of the eligible neighborhood development organization involved and by the extent of participation in the proposed activities by a neighborhood development funding organization that has a branch or office in the neighborhood, except that an eligible neighborhood development organization shall be deemed to have the full benefit of the participation of a neighborhood development funding organization if the eligible neighborhood development organization—

(A) is located in an neighborhood that does not contain a branch or office of a neighborhood development funding organization; or

(B) demonstrates to the satisfaction of the Secretary that it has been unable to obtain the participation of any neighborhood development funding organization that has a branch or office in the neighborhood despite having made a good faith effort to obtain such participation; and

(4) the extent of voluntary contributions available for the purpose of subsection (e)(4), except that the Secretary shall waive the requirement of this subparagraph in the case of an application submitted by a small eligible neighborhood development organization, an application involving activities in a very low-income neighborhood, or an application that is especially meritorious.

d) Consultation with informal working group

The Secretary shall consult with an informal working group representative of eligible neighborhood organizations with respect to the implementation and evaluation of the program established in this section.

e) Matching funds for participating organizations

(1) The Secretary shall assign each participating organization a defined program year, during which time voluntary contributions from individuals, businesses, and nonprofit or other organizations in the neighborhood, and from neighborhood development funding organizations, shall be eligible for matching.

(2) Subject to paragraph (3), at the end of each three-month period occurring during the program year, the Secretary shall pay to each participating neighborhood development organization the product of—

(A) the aggregate amount of voluntary contributions that such organization certifies to the satisfaction of the Secretary it received during such three-month period; and

(B) the matching ratio established for such test neighborhoods under paragraph (4).

(3) The Secretary shall pay not more than $50,000 under this section to any participating neighborhood development organization during a single program year, except that, if appropriations for this section exceed $3,000,000, the Secretary may pay not more than $75,000 to any participating neighborhood development organization.

(4) For purposes of paragraph (2), the Secretary shall, for each participating organization, determine an appropriate ratio by which monetary contributions made to participating neighborhood development organizations will be matched by Federal funds. The highest such ratios shall be established for neighborhoods having the smallest number of households or the greatest degree of economic distress.

(f) Authorization

(5) The Secretary shall insure that—

(A) grants and other forms of assistance may be made available under this section only if the application contains a certification by the unit of general local government within which the neighborhood to be assisted is located that such assistance is not inconsistent with the comprehensive housing affordability strategy of such unit approved under section 12705 of this title or the statement of community development activities and community development plans of the unit submitted under section 5304(m) of this title, except that the failure of a unit of general local government to respond to a request for a certification within thirty days after the request is made shall be deemed to be a certification; and

(B) eligible neighborhood development activities comply with all applicable provisions of the Civil Rights Act of 1964 [42 U.S.C. 2000a et seq.].

(6) To carry out this section, the Secretary—

(A) may issue regulations as necessary;

(B) shall utilize, to the fullest extent practicable, relevant research previously conducted by Federal agencies, State and local governments, and private organizations and persons;

(C) shall disseminate information about the kinds of activities, forms of organizations, and fund-raising mechanisms associated with successful programs; and

(D) may use not more than 5 per centum of the funds appropriated for administrative or other expenses in connection with the program.

(f) Authorization

Of the amounts made available for assistance under section 5303 of this title, $1,000,000 for fiscal year 1993 (in addition to other amounts provided for such fiscal year) and $3,000,000 for fiscal year 1994 shall be available to carry out this section.

g) Short title

This section may be cited as the “John Heinz Neighborhood Development Act”.

1 So in original. Probably should be “a”.
II to IX (§ 2000a et seq.) of chapter 21 of this title. For amended, which is classified principally to subchapters and Tables. 


this Act to the Code, see section 1751 of Title 12 and (§ 1751 et seq.) of Title 12. For complete classification of (a)(3)(A), is act June 26, 1934, ch. 750, 48 Stat. 1216, as amended, which is classified generally to chapter 14 chapter.

Community Development Act of 1974 which comprises this and not as part of title I of the Housing and Commu -

Development Act and also as part of the Housing and International Recovery and Financial Stability Act; and also as part of the Housing and 12 (§ 1811 et seq.) of Title 12, Banks and Banking. For complete classification of this Act to the Code, see section 1751 of Title 12 and Tables.


CODIFICATION

Section was enacted as the John Heinz Neighborhood Development Act and also as part of the Housing and Urban-Rural Recovery Act of 1983, the Domestic Housing and International Recovery and Financial Stability Act, and the Supplemental Appropriations Act, 1984, and not as part of title I of the Housing and Community Development Act of 1974 which comprises this chapter.

Section was formerly set out as a note under section 5318 of this title.

AMENDMENTS


Subsec. (c)(3). Pub. L. 102–550, § 832(b)(3), inserted before semi- colon “and by the extent of participation in the proposed activities by a neighborhood development funding organization that has a branch or office in the neighborhood, except that an eligible neighborhood development organization shall be deemed to have the full benefit of the participation of a neighborhood development funding organization if the eligible neighborhood development organization— ‘’ and subsps. (A) and (B).”


Subsec. (e)(3). Pub. L. 102–550, § 832(b)(4), inserted before period “‘except that, if appropriations for this section exceed $3,000,000, the Secretary may pay not more than $75,000 to any participating neighborhood development organization’”.

Subsec. (e)(5)(A). Pub. L. 102–550, § 832(c), substituted “comprehensive housing affordability strategy of such unit approved under section 12705 of this title or the statement of community development activities and community development plans of the unit submitted under section 5304(m) of this title;” for “‘housing and community development plans of such unit’”.


Subsec. (e)(6)(D). Pub. L. 102–550, § 832(b)(5)(B)–(D), redesignated subpar. (E) as (D), substituted “‘program’ for “demonstration”, and struck out former subpar. (D) which read as follows: ‘shall undertake any other activity the Secretary deems necessary to carry out this section, which shall include an evaluation and report to Congress on the demonstration and may include the performance of research, planning, and administration, either directly, or when in the Secretary’s judgment such activity will be carried out more effectively, more rapidly, or at less cost, by contract or grant; and’.

Subsec. (f). Pub. L. 102–550, § 832(b)(6), added subsec. (f) and struck out former subsec. (f) which read as follows: ‘The Secretary shall submit to the Congress— (1) not later than three months after the end of each fiscal year in which payments are made under this section, an interim report containing a summary of the activities carried out under this section during such fiscal year and any preliminary findings or conclusions drawn from the demonstration program; and (2) not later than March 15 of the year after the end of the last fiscal year in which such payments are made, a final report containing a summary of all activities carried out under this section, the evaluation required in subsection (e)(6)(D) of this section and any findings, conclusions, or recommendations for legislation drawn from the demonstration program.”

Subsec. (g). Pub. L. 102–550, § 832(a), amended subsec. (g) generally. Prior to amendment, subsec. (g) read as follows: ‘To the extent provided in the appropriations Acts, of the amounts made available for assistance under section 5303 of this title, $2,000,000 for fiscal year 1991 and $2,000,000 for fiscal year 1992 shall be available to carry out this section.”

§ 5319. Community participation in programs

No community shall be barred from participating in this chapter solely on the basis of population, except as expressly authorized by statute.


REFERENCES IN TEXT

This chapter, referred to in text, was in the original "this title", meaning title I of Pub. L. 93-383, Aug. 22, 1974, 88 Stat. 633, which is classified principally to this chapter. For complete classification of title I to the Code, see Tables.

§ 5320. Historic preservation requirements

(a) Regulations

With respect to applications for assistance under section 5318 of this title, the Secretary of the Interior, after consulting with the Secretary, shall prescribe and implement regulations concerning projects funded under section 5318 of this title and their relationship with division A of subtitle III and chapter 3125 of title 54.

(b) Actions by State historic preservation officer and Secretary of the Interior

In prescribing and implementing such regulations with respect to applications submitted under section 5318 of this title which identify any property pursuant to subsection (c)(4)(B) of such section, the Secretary of the Interior shall provide at least that—

(1) the appropriate State historic preservation officer (as determined in accordance with regulations prescribed by the Secretary of the Interior) shall, not later than 45 days after receiving information from the applicant relating to the identification of properties which will be affected by the project for which the application is made and which may meet the criteria established by the Secretary of the Interior for inclusion on the National Register of Historic Places (together with documentation relating to such inclusion), submit his or her comments, together with such other information considered necessary by the officer, to the applicant concerning such properties; and

(2) the Secretary of the Interior shall, not later than 45 days after receiving from the applicant the information described in paragraph (1) and the comments submitted to the applicant in accordance with paragraph (1), make a determination as to whether any of the properties affected by the project for which the application is made is eligible for inclusion on the National Register of Historic Places.

(c) Regulations by Advisory Council on Historic Preservation providing for expeditious action

The Advisory Council on Historic Preservation shall prescribe regulations providing for expeditious action by the Council in making its comments under section 306108 of title 54 in the case of properties which are included on, or eligible for inclusion on, the National Register of Historic Places and which are affected by a project for which an application is made under section 5318 of this title.


REFERENCES IN TEXT


AMENDMENTS

2014—Subsec. (a). Pub. L. 113-287, §5(k)(4)(A), amended subsec. (a) generally. Prior to amendment, text read as follows: "With respect to applications for assistance under section 5318 of this title, the Secretary of the Interior, after consulting with the Secretary, shall prescribe and implement regulations concerning projects funded under section 5318 of this title and their relationship with—

(1) An Act to establish a program for the preservation of additional historic properties throughout the Nation, and for other purposes', approved October 14, 1966, as amended; and

(2) An Act to provide for the preservation of historical and archaeological data (including relics and specimens) which might otherwise be lost as a result of the construction of a dam', approved June 27, 1960, as amended."

Subsec. (c). Pub. L. 113-287, §5(k)(4)(B), substituted "section 306108 of title 54" for "section 106 of the Act referred to in subsection (a)(1)".


EFFECTIVE DATE OF 1981 AMENDMENT

Amendment by Pub. L. 97-35 effective on effective date of regulations implementing such amendments, see section 308(c) of Pub. L. 97-35, set out as a note under section 5318 of this title.

§ 5321. Suspension of requirements for disaster areas

For funds designated under this chapter by a recipient to address the damage in an area for which the President has declared a disaster
under title IV of the Robert T. Stafford Disaster Relief and Emergency Assistance Act [42 U.S.C. 5170 et seq.], the Secretary may suspend all requirements for purposes of assistance under section 5306 of this title for that area, except for those related to public notice of funding availability, nondiscrimination, fair housing, labor standards, environmental standards, and requirements that activities benefit persons of low- and moderate-income.


REFERENCES IN TEXT

This chapter, referred to in text, was in the original “this title”, meaning title I of Pub. L. 93–383, Aug. 22, 1974, 88 Stat. 633, which is classified principally to this chapter. For complete classification of title I to the Code, see Tables.


EFFECTIVE DATE

Section applicable with respect to any amounts made available to carry out subchapter II (§12721 et seq.) of chapter 101 of this title after Apr. 11, 1994, and any amounts made available to carry out that subchapter before that date that remain uncommitted on that date, with Secretary to issue any regulations necessary to carry out this section not later than end of 45-day period beginning on that date, see section 209 of Pub. L. 103–233, set out as an Effective Date of 1994 Amendment note under section 5301 of this title.

§ 5322. Funds made available for administrative costs without regard to particular disaster appropriation

Amounts made available for administrative costs for activities authorized under title I of the Housing and Community Development Act of 1974 (42 U.S.C. 5301 et seq.) related to disaster relief, long-term recovery, restoration of infrastructure and housing, economic revitalization, and mitigation in the most impacted and distressed areas under this Act or any future Act, and amounts previously provided under section 420 of division L of Public Law 114–113, section 145 of division C of Public Law 114–223, section 192 of division C of Public Law 114–223 (as added by section 101(3) of division A of Public Law 114–254), section 421 of division K of Public Law 115–31, and the heading “Department of Housing and Urban Development—Community Planning and Development—Community Development Fund” of division B of Public Law 115–56, Public Law 115–254, shall be available for eligible administrative costs of the grantee related to any disaster relief funding identified in this section without regard to the particular disaster appropriation from which such funds originated.


REFERENCES IN TEXT

The Housing and Community Development Act of 1974, referred to in text, is Pub. L. 93–383, Aug. 22, 1974, 88 Stat. 633. Title I of the Act is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 5301 of this title and Tables.


CODIFICATION

Section was enacted as part of the Additional Supplemental Appropriations for Disaster Relief Act, 2019, and not as part of title I of the Housing and Community Development Act of 1974 which comprises this chapter.

CHAPTER 70—MANUFACTURED HOME CONSTRUCTION AND SAFETY STANDARDS

Sec.

5401. Findings and purposes.

5402. Definitions.

5403. Construction and safety standards.

5404. Manufactured home installation.

5405. Judicial review of orders establishing standards; petition; additional evidence before Secretary; certified copy of transcript.

5406. Submission of cost or other information by manufacturer.

5407. Research, testing, development, and training by Secretary.

5408. Cooperation by Secretary with public and private agencies.

5409. Prohibited acts; exemptions.

5410. Civil and criminal penalties.

5411. Injunctive relief.

5412. Noncompliance with standards or defective nature of manufactured home; administrative or judicial determination; repurchase by manufacturer or repair by distributor or retailer; reimbursement of expenses, etc., by manufacturer; injunctive relief against manufacturer for failure to comply; jurisdiction and venue; damages; period of limitation.

5413. Inspections and investigations for promulgation or enforcement of standards or execution of other duties.

5414. Notification and correction of defects by manufacturer.
§ 5401. Findings and purposes

(a) Findings

Congress finds that—

(1) manufactured housing plays a vital role in meeting the housing needs of the Nation; and

(2) manufactured homes provide a significant resource for affordable homeownership and rental housing accessible to all Americans.

(b) Purposes

The purposes of this chapter are—

(1) to protect the quality, durability, safety, and affordability of manufactured homes;

(2) to facilitate the availability of affordable manufactured homes and to increase homeownership for all Americans;

(3) to provide for the establishment of practical, uniform, and, to the extent possible, performance-based Federal construction standards for manufactured homes;

(4) to encourage innovative and cost-effective construction techniques for manufactured homes;

(5) to protect residents of manufactured homes with respect to personal injuries and the amount of insurance costs and property damages in manufactured housing, consistent with the other purposes of this section;

(6) to establish a balanced consensus process for the development, revision, and interpretation of Federal construction and safety standards for manufactured homes and regulations for the enforcement of such standards;

(7) to ensure uniform and effective enforcement of Federal construction and safety standards for manufactured homes; and

(8) to ensure that the public interest is in, and need for, affordable manufactured housing is duly considered in all determinations relating to the Federal standards and their enforcement.

(§ 5415. Certification by manufacturer of conformity of manufactured home with standards; form and placement of certification.

(§ 5416. Consumer’s manual; contents.

(§ 5417. Effect upon antitrust laws.

(§ 5418. Use of services, research and testing facilities of public agencies and independent laboratories.

(§ 5419. Authority to collect fee.

(§ 5420. Failure to report violations; penalties.

(§ 5421. Prohibition on waiver of rights.

(§ 5422. State enforcement.

(§ 5423. Grants to States.

(§ 5424. Rules and regulations.

(§ 5425. Repealed.

(§ 5426. Authorization of appropriations.

§ 5402. Definitions

As used in this chapter, the term—

(1) “manufactured home construction” means all activities relating to the assembly and deaths and the amount of insurance costs and property damage resulting from manufactured home accidents and to improve the quality and durability of manufactured homes. Therefore, the Congress determines that it is necessary to establish Federal construction and safety standards for manufactured homes and to authorize manufactured home safety research and development."


Effective Date of 2000 Amendment

Pub. L. 106–569, title VI, § 612, Dec. 27, 2000, 114 Stat. 3012, provided that: “The amendments made by this title [see Short Title of 2000 Amendment note below] shall take effect on the date of the enactment of this Act [Dec. 27, 2000], except that the amendments shall have no effect on any order or interpretative bulletin that is issued under the National Manufactured Housing Construction and Safety Standards Act of 1974 (42 U.S.C. 5401 et seq.) and published as a proposed rule pursuant to section 503 of title 5, United States Code, on or before that date of the enactment.”

Effective Date


Short Title of 2000 Amendment

Pub. L. 106–569, title VI, § 601(a), Dec. 27, 2000, 114 Stat. 2997, provided that: “This title [amending this section and sections 5402 to 5404, 5406, 5407, 5409, 5412 to 5415, 5419, 5422, and 5426 of this title, repealing section 5425 of this title, and enacting and amending provisions set out as notes under this section] may be cited as the ‘Manufactured Housing Improvement Act of 2000.’”

Short Title


Savings Provisions

Pub. L. 106–569, title VI, § 613, Dec. 27, 2000, 114 Stat. 3012, provided that:

“(a) Standards and Regulations.—The Federal manufactured home construction and safety standards (as such term is defined in section 603 of the National Manufactured Housing Construction and Safety Standards Act of 1974 (42 U.S.C. 5402)) and all regulations pertaining thereto in effect on the day before the date of the enactment of this Act [Dec. 27, 2000] shall apply until the effective date of a standard or regulation modifying or superseding the existing standard or regulation that is promulgated under subsection (a) or (b) of section 604 of the National Manufactured Housing Construction and Safety Standards Act of 1974, as amended by this title (42 U.S.C. 5469(a), (b)).

“(b) Contracts.—Any contract awarded pursuant to a Request for Proposal issued before the date of the enactment of this Act [Dec. 27, 2000] shall remain in effect until the earlier of—

“(1) the expiration of the 2-year period beginning on the date of the enactment of this Act; or

“(2) the expiration of the contract term.”

§ 5402. Definitions

As used in this chapter, the term—

(1) “manufactured home construction” means all activities relating to the assembly
and manufacture of a manufactured home including but not limited to those relating to durability, quality, and safety;

(2) “retailer” means any person engaged in the sale, leasing, or distribution of new manufactured homes primarily to persons who in good faith purchase or lease a manufactured home for purposes other than resale;

(3) “defect” includes any defect in the performance, construction, components, or material of a manufactured home that renders the home or any part thereof not fit for the ordinary use for which it was intended;

(4) “distributor” means any person engaged in the sale and distribution of manufactured homes for resale;

(5) “manufacturer” means any person engaged in manufacturing or assembling manufactured homes, including any person engaged in importing manufactured homes for resale;

(6) “manufactured home” means a structure, transportable in one or more sections, which, in the traveling mode, is eight body feet or more in width or forty body feet or more in length, or, when erected on site, is three hundred twenty or more square feet, and which is built on a permanent chassis and designed to be used as a dwelling with or without a permanent foundation when connected to the required utilities, and includes the plumbing, heating, air-conditioning, and electrical systems contained therein; except that such term shall include any structure which meets all the requirements of this paragraph except the size requirements and with respect to which the manufacturer voluntarily files a certification required by the Secretary and complies with the standards established under this chapter; and except that such term shall not include any self-propelled recreational vehicle;

(7) “Federal manufactured home construction and safety standard” means a reasonable standard for the construction, design, and performance of a manufactured home which meets the needs of the public including the need for quality, durability, and safety;

(8) “manufactured home safety” means the performance of a manufactured home in such a manner that the public is protected against any unreasonable risk of the occurrence of accidents due to the design or construction of such manufactured home, or any unreasonable risk of death or injury to the user or to the public if such accidents do occur;

(9) “imminent safety hazard” means an imminent and unreasonable risk of death or severe personal injury;

(10) “purchaser” means the first person purchasing a manufactured home in good faith for purposes other than resale;

(11) “Secretary” means the Secretary of Housing and Urban Development;

(12) “State” includes each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, the Virgin Islands, the Canal Zone, and American Samoa;

(13) “United States district courts” means the Federal district courts of the United States and the United States courts of the Commonwealth of Puerto Rico, Guam, the Virgin Islands, the Canal Zone, and American Samoa;

(14) “administering organization” means the recognized, voluntary, private sector, consensus standards body with specific experience in developing model residential building codes and standards involving all disciplines regarding construction and safety that administers the consensus standards through a development process;

(15) “consensus committee” means the committee established under section 5403(a)(3) of this title;

(16) “consensus standards development process” means the process by which additions, revisions, and interpretations to the Federal manufactured home construction and safety standards and enforcement regulations shall be developed and recommended to the Secretary by the consensus committee;

(17) “primary inspection agency” means a State agency or private organization that has been approved by the Secretary to act as a design approval primary inspection agency or a production inspection primary inspection agency, or both;

(18) “design approval primary inspection agency” means a State agency or private organization that has been approved by the Secretary to evaluate and either approve or disapprove manufactured home designs and quality control procedures;

(19) “Installation standards” means reasonable specifications for the installation of a manufactured home, at the place of occupancy, to ensure proper siting, the joining of all sections of the home, and the installation of stabilization, support, or anchoring systems;

(20) “monitoring” means the process of periodic review of the primary inspection agencies, by the Secretary or by a State agency under an approved State plan pursuant to section 5422 of this title, in accordance with regulations promulgated under this chapter, giving due consideration to the recommendations of the consensus committee under section 5403(b) of this title, which process shall be for the purpose of ensuring that the primary inspection agencies are discharging their duties under this chapter; and

(21) “production inspection primary inspection agency” means a State agency or private organization that has been approved by the Secretary to evaluate the ability of manufactured home manufacturing plants to comply with production quality control procedures and with the Federal manufactured home construction and safety standards promulgated hereunder, including the inspection of homes in the plant.


REFERENCES IN TEXT
For definition of Canal Zone, referred to in pars. (12) and (13), see section 3602(b) of Title 22, Foreign Relations and Intercourse.
§ 5403 CONSTRUCTION AND SAFETY STANDARDS

(a) Establishment

(1) Authority

The Secretary shall establish, by order, appropriate Federal manufactured home construction and safety standards, each of which—

(A) shall—

(i) be reasonable and practical; and
(ii) meet high standards of protection and interpretation of the purposes of this chapter; and

(iii) be performance-based and objectively stated, unless clearly inappropriate; and

(B) except as provided in subsection (b), shall be established in accordance with the consensus standards development process.

(2) Consensus standards and regulatory development process

(A) Initial agreement

Not later than 180 days after December 27, 2000, the Secretary shall enter into a contract with an administering organization. The contractual agreement shall—

(i) terminate on the date on which a contract is entered into under subparagraph (B); and

(ii) require the administering organization to—

(I) recommend the initial members of the consensus committee under paragraph (3);

(II) administer the consensus standards development process until the termination of that agreement; and

(III) administer the consensus development and interpretation process for procedural and enforcement regulations and regulations specifying the permissible scope and conduct of monitoring until the termination of that agreement.

(B) Competitively procured contract

Upon the expiration of the 4-year period beginning on the date on which all members of the consensus committee are appointed under paragraph (3), the Secretary shall, using competitive procedures (as such term is defined in section 132 of title 41), enter into a competitively awarded contract with an administering organization. The administering organization shall administer the consensus process for the development and interpretation of the Federal standards, the procedural and enforcement regulations, and regulations specifying the permissible scope and conduct of monitoring, in accordance with this chapter.

(C) Performance review

The Secretary—

(i) shall periodically review the performance of the administering organization; and

(ii) may replace the administering organization with another qualified technical or building code organization, pursuant to competitive procedures, if the Secretary determines in writing that the administering organization is not fulfilling the terms of the agreement or contract to which the administering organization is subject or upon the expiration of the agreement or contract.

(3) Consensus committee

(A) Purpose

There is established a committee to be known as the “consensus committee”, which shall, in accordance with this chapter—

(i) provide periodic recommendations to the Secretary to adopt, revise, and interpret the Federal manufactured housing construction and safety standards in accordance with this subsection;
(ii) provide periodic recommendations to the Secretary to adopt, revise, and interpret the procedural and enforcement regulations, including regulations specifying the permissible scope and conduct of monitoring in accordance with subsection (b); (iii) be organized and carry out its business in a manner that guarantees a fair opportunity for the expression and consideration of various positions and for public participation; and (iv) be deemed to be an advisory committee not composed of Federal employees.

(B) Membership

The consensus committee shall be composed of—

(i) twenty-one voting members appointed by the Secretary, after consideration of the recommendations of the administering organization, from among individuals who are qualified by background and experience to participate in the work of the consensus committee; and (ii) one nonvoting member appointed by the Secretary to represent the Secretary on the consensus committee.

(C) Disapproval

The Secretary shall state, in writing, the reasons for failing to appoint any individual recommended under paragraph (2)(A)(ii)(I).

(D) Selection procedures and requirements

Each member of the consensus committee shall be appointed in accordance with selection procedures, which shall be based on the procedures for consensus committees promulgated by the American National Standards Institute (or successor organization), except that the American National Standards Institute interest categories shall be modified for purposes of this paragraph to ensure equal representation on the consensus committee of the following interest categories:

(i) Producers

Seven producers or retailers of manufactured housing.

(ii) Users

Seven persons representing consumer interests, such as consumer organizations, recognized consumer leaders, and owners who are residents of manufactured homes.

(iii) General interest and public officials

Seven general interest and public official members.

(E) Balancing of interests

(i) In general

In order to achieve a proper balance of interests on the consensus committee, the Secretary, in appointing the members of the consensus committee—

(I) shall ensure that all directly and materially affected interests have the opportunity for fair and equitable participation without dominance by any single interest; and (II) may reject the appointment of any one or more individuals in order to ensure that there is not dominance by any single interest.

(ii) Dominance defined

In this subparagraph, the term “dominance” means a position or exercise of dominant authority, leadership, or influence by reason of superior leverage, strength, or representation.

(F) Additional qualifications

(i) Financial independence

No individual appointed under subparagraph (D)(ii) shall have, and three of the individuals appointed under subparagraph (D)(iii) shall not have—

(I) a significant financial interest in any segment of the manufactured housing industry; or (II) a significant relationship to any person engaged in the manufactured housing industry.

(ii) Post-employment ban

Each individual described in clause (i) shall be subject to a ban disallowing compensation from the manufactured housing industry during the period of, and during the 1-year following, the membership of the individual on the consensus committee.

(G) Meetings

(i) Notice; open to public

The consensus committee shall provide advance notice of each meeting of the consensus committee to the Secretary and cause to be published in the Federal Register advance notice of each such meeting. All meetings of the consensus committee shall be open to the public.

(ii) Reimbursement

Members of the consensus committee in attendance at meetings of the consensus committee shall be reimbursed for their actual expenses as authorized by section 5703 of title 5 for persons employed intermittently in Government service.

(H) Administration

The consensus committee and the administering organization shall—

(i) operate in conformance with the procedures established by the American National Standards Institute for the development and coordination of American National Standards; and (ii) apply to the American National Standards Institute and take such other actions as may be necessary to obtain accreditation from the American National Standards Institute.

(I) Staff and technical support

The administering organization shall, upon the request of the consensus committee—

(i) provide reasonable staff resources to the consensus committee; and (ii) furnish technical support in a timely manner to any of the interest categories described in subparagraph (D) represented on the consensus committee, if—
§ 5403

(4) Revisions of standards

(A) In general

Beginning on the date on which all members of the consensus committee are appointed under paragraph (3), the consensus committee shall, not less than once during each 2-year period—

(i) consider revisions to the Federal manufactured home construction and safety standards; and

(ii) submit proposed revised standards, if approved in a vote of the consensus committee by two-thirds of the members, to the Secretary in the form of a proposed rule, including an economic analysis.

(B) Publication of proposed revised standards

(i) Publication by the Secretary

The consensus committee shall provide a proposed revised standard under subparagraph (A)(i) to the Secretary who shall, not later than 30 days after receipt, cause such proposed revised standard to be published in the Federal Register for notice and comment in accordance with section 553 of title 5. Unless clause (ii) applies, the Secretary shall provide an opportunity for public comment on such proposed revised standard in accordance with such section 553 and any such comments shall be submitted directly to the consensus committee, without delay.

(ii) Publication of rejected proposed revised standards

If the Secretary rejects the proposed revised standard, the Secretary shall cause to be published in the Federal Register the rejected proposed revised standard, the reasons for rejection, and any recommended modifications set forth.

(C) Procedures

If the Secretary—

(i) adopts a standard recommended by the consensus committee, the Secretary shall—

(I) issue a final order without further rulemaking; and

(II) cause the final order to be published in the Federal Register;

(ii) determines that any standard should be rejected, the Secretary shall—

(I) reject the standard; and

(II) cause to be published in the Federal Register a notice to that effect, together with the reason or reasons for rejecting the proposed standard; or

(iii) determines that a standard recommended by the consensus committee should be modified, the Secretary shall—

(I) cause to be published in the Federal Register the proposed modified standard, together with an explanation of the reason or reasons for the determination of the Secretary; and

(II) provide an opportunity for public comment in accordance with section 553 of title 5.

(D) Final order

Any final standard under this paragraph shall become effective pursuant to subsection (C).

(5) Review by the Secretary

(A) In general

The Secretary shall either adopt, modify, or reject a standard, as submitted by the consensus committee under paragraph (4)(A).

(B) Timing

Not later than 12 months after the date on which a standard is submitted to the Secretary by the consensus committee, the Secretary shall take action regarding such standard under subparagraph (C).

(C) Procedures

If the Secretary—

(i) adopts a standard recommended by the consensus committee, which the Secretary shall, not later than 30 calendar days after receipt, cause to be published in the Federal Register a notice of the recommended revisions of the consensus committee to the standards, a notice of the submission of the recommended revisions to the Secretary, and a description of the circumstances under which the proposed revised standards could become effective.

(ii) Publication of rejected proposed revised standards

If the Secretary rejects the proposed revised standard, the Secretary shall cause to be published in the Federal Register the rejected proposed revised standard, the reasons for rejection, and any recommended modifications set forth.

(6) Failure to act

If the Secretary fails to take final action under paragraph (5) and to cause notice of the action to be published in the Federal Register before the expiration of the 12-month period...
beginning on the date on which the proposed revised standard is submitted to the Secretary under paragraph (4)(A)—

(A) the Secretary shall appear in person before the appropriate housing and appropriations subcommittees and committees of the House of Representatives and the Senate (referred to in this paragraph as the “committees”) on a date or dates to be specified by the committees, but in no event later than 30 days after the expiration of that 12-month period, and shall state before the committees the reasons for failing to take final action as required under paragraph (5); and

(B) if the Secretary does not appear in person as required under subparagraph (A), the Secretary shall thereafter, and until such time as the Secretary does appear as required under subparagraph (A), be prohibited from expending any funds collected under authority of this title in an amount greater than that collected and expended in the fiscal year immediately preceding December 27, 2000, indexed for inflation as determined by the Congressional Budget Office.

(b) Other orders

(1) Regulations

The Secretary may issue procedural and enforcement regulations and revisions to existing regulations as necessary to implement the provisions of this chapter. The consensus committee may submit to the Secretary proposed procedural and enforcement regulations and recommendations for the revision of such regulations.

(2) Interpretative bulletins

The Secretary may issue interpretative bulletins to clarify the meaning of any Federal manufactured home construction and safety standard or procedural and enforcement regulation. The consensus committee may submit to the Secretary proposed interpretative bulletins to clarify the meaning of any Federal manufactured home construction and safety standard or procedural and enforcement regulation.

(3) Review by consensus committee

Before issuing a procedural or enforcement regulation or an interpretative bulletin—

(A) the Secretary shall—

(i) submit the proposed procedural or enforcement regulation or interpretative bulletin to the consensus committee; and

(ii) provide the consensus committee with a period of 120 days to submit written comments to the Secretary on the proposed procedural or enforcement regulation or the interpretative bulletin; and

(B) if the Secretary rejects any significant comment provided by the consensus committee under subparagraph (A), the Secretary shall provide a written explanation of the reasons for the rejection to the consensus committee; and

(C) following compliance with subparagraphs (A) and (B), the Secretary shall—

(i) cause the proposed regulation or interpretative bulletin and the consensus committee’s written comments, along with the Secretary’s response thereto, to be published in the Federal Register; and

(ii) provide an opportunity for public comment in accordance with section 553 of title 5;

(4) Required action

Not later than 120 days after the date on which the Secretary receives a proposed regulation or interpretative bulletin submitted by the consensus committee, the Secretary shall—

(A) approve the proposal and cause the proposed regulation or interpretative bulletin to be published for public comment in accordance with section 553 of title 5; or

(B) reject the proposed regulation or interpretative bulletin and—

(i) provide to the consensus committee a written explanation of the reasons for rejection; and

(ii) cause to be published in the Federal Register the rejected proposed regulation or interpretive bulletin, the reasons for rejection, and any recommended modifications set forth.

(5) Authority to act and emergency

If the Secretary determines, in writing, that such action is necessary to address an issue on which the Secretary determines that the consensus committee has not made a timely recommendation following a request by the Secretary, or in order to respond to an emergency that jeopardizes the public health or safety, the Secretary may issue an order that is not developed under the procedures set forth in subsection (a) or in this subsection, if the Secretary—

(A) provides to the consensus committee a written description and sets forth the reasons why action is necessary and all supporting documentation; and

(B) issues the order after notice and an opportunity for public comment in accordance with section 553 of title 5, and causes the order to be published in the Federal Register.

(6) Changes

Any statement of policies, practices, or procedures relating to construction and safety standards, regulations, inspections, monitoring, or other enforcement activities that constitutes a statement of general or particular applicability to implement, interpret, or prescribe law or policy by the Secretary is subject to subsection (a) or this subsection. Any change adopted in violation of subsection (a) or this subsection is void.

(7) Transition

Until the date on which the consensus committee is appointed pursuant to subsection (a)(3), the Secretary may issue proposed orders, pursuant to notice and comment in accordance with section 553 of title 5 that are not developed under the procedures set forth in this section for new and revised standards.

(c) Effective date of orders establishing standards

Each order establishing a Federal manufactured home construction and safety standard
§ 5403

The Federal Secretary, in establishing standards or regulations under this chapter, shall:

(a) Establish standards or regulations under this chapter with respect to any manufactured home covered, any standard regarding the construction or safety applicable to the same aspect of performance of such manufactured home which is not identical to the Federal manufactured home construction and safety standard. Federal preemption under this subsection shall be broadly and liberally construed to ensure that disparate State or local requirements or standards do not affect the uniformity and comprehensiveness of the standards promulgated under this section nor the Federal superintendence of the manufactured housing industry as established by this chapter. Subject to section 5404 of this title, there is reserved to each State the right to establish standards for the stabilizing and support systems of manufactured homes sited within that State, and for the foundations on which manufactured homes sited within that State are installed, and the right to enforce compliance with such standards, except that such standards shall be consistent with the purposes of this chapter and shall be consistent with the design of the manufacturer.

(b) Considerations in establishing and interpreting standards and regulations

The consensus committee, in recommending standards, regulations, and interpretations, and the Secretary, in establishing standards or regulations or issuing interpretations under this section, shall:

1. (1) The Federal manufactured home construction and safety standards established under this chapter is in effect, no State or political subdivision of a State shall have any authority either to establish, or to continue in effect, with respect to any manufactured home covered, any standard regarding the construction or safety applicable to the same aspect of performance of such manufactured home which is not identical to the Federal manufactured home construction and safety standard. Federal preemption under this subsection shall be broadly and liberally construed to ensure that disparate State or local requirements or standards do not affect the uniformity and comprehensiveness of the standards promulgated under this section nor the Federal superintendence of the manufactured housing industry as established by this chapter. Subject to section 5404 of this title, there is reserved to each State the right to establish standards for the stabilizing and support systems of manufactured homes sited within that State, and for the foundations on which manufactured homes sited within that State are installed, and the right to enforce compliance with such standards, except that such standards shall be consistent with the purposes of this chapter and shall be consistent with the design of the manufacturer.

2. (a) (1) The Federal manufactured home construction and safety standards established under this chapter is in effect, no State or political subdivision of a State shall have any authority either to establish, or to continue in effect, with respect to any manufactured home covered, any standard regarding the construction or safety applicable to the same aspect of performance of such manufactured home which is not identical to the Federal manufactured home construction and safety standard. Federal preemption under this subsection shall be broadly and liberally construed to ensure that disparate State or local requirements or standards do not affect the uniformity and comprehensiveness of the standards promulgated under this section nor the Federal superintendence of the manufactured housing industry as established by this chapter. Subject to section 5404 of this title, there is reserved to each State the right to establish standards for the stabilizing and support systems of manufactured homes sited within that State, and for the foundations on which manufactured homes sited within that State are installed, and the right to enforce compliance with such standards, except that such standards shall be consistent with the purposes of this chapter and shall be consistent with the design of the manufacturer.

3. (b) The energy conservation standards established under this subsection shall be broadly and liberally construed to ensure that disparate State or local requirements or standards do not affect the uniformity and comprehensiveness of the standards promulgated under this section nor the Federal superintendence of the manufactured housing industry as established by this chapter.

4. (c) The Secretary shall consult with the National Manufactured Home Advisory Council and the National Commission on Manufactured Housing in establishing the new standard. The new performance standard developed shall ensure the durability of hardboard sidings for at least a normal life of a mortgage with minimum maintenance required. Not later than 180 days from October 28, 1992, the Secretary shall update the standards for hardboard siding.

5. (d) The Secretary shall develop a new standard for hardboard panel siding on manufactured housing taking into account durability, longevity, consumer’s costs for maintenance and any other relevant information pursuant to subsection (e). The Secretary shall consult with the National Manufactured Home Advisory Council and the National Commission on Manufactured Housing in establishing the new standard. The new performance standard developed shall ensure the durability of hardboard sidings for at least a normal life of a mortgage with minimum maintenance required. Not later than 180 days from October 28, 1992, the Secretary shall update the standards for hardboard siding.

(e) The Secretary shall consult with the National Manufactured Home Advisory Council and the National Commission on Manufactured Housing in establishing the new standard. The new performance standard developed shall ensure the durability of hardboard sidings for at least a normal life of a mortgage with minimum maintenance required. Not later than 180 days from October 28, 1992, the Secretary shall update the standards for hardboard siding.

(f) The Secretary shall consult with the National Manufactured Home Advisory Council and the National Commission on Manufactured Housing in establishing the new standard. The new performance standard developed shall ensure the durability of hardboard sidings for at least a normal life of a mortgage with minimum maintenance required. Not later than 180 days from October 28, 1992, the Secretary shall update the standards for hardboard siding.

(g) Subject to section 5404 of this title, there is reserved to each State the right to establish standards for the stabilizing and support systems of manufactured homes sited within that State, and for the foundations on which manufactured homes sited within that State are installed, and the right to enforce compliance with such standards, except that such standards shall be consistent with the purposes of this chapter and shall be consistent with the design of the manufacturer.

(h) The Secretary shall develop a new standard for hardboard panel siding on manufactured housing taking into account durability, longevity, consumer’s costs for maintenance and any other relevant information pursuant to subsection (e). The Secretary shall consult with the National Manufactured Home Advisory Council and the National Commission on Manufactured Housing in establishing the new standard. The new performance standard developed shall ensure the durability of hardboard sidings for at least a normal life of a mortgage with minimum maintenance required. Not later than 180 days from October 28, 1992, the Secretary shall update the standards for hardboard siding.

(ii) The Secretary shall exclude from the coverage of this chapter any structure which the manufacturer certifies, in a form prescribed by the Secretary, to be:

1. (a) designed only for erection or installation on a site-built permanent foundation;
2. (b) not designed to be moved once so erected or installed;
3. (c) designed and manufactured to comply with a nationally recognized model building code or an equivalent local code, or with a State or local modular building code recognized as generally equivalent to building codes for site-built housing, or with minimum property standards adopted by the Secretary pursuant to section II of the National Housing Act (12 U.S.C. 1707 et seq.); and
4. (d) to the manufacturer’s knowledge is not intended to be used other than on a site-built permanent foundation.

(h) New performance standards for hardboard siding

The Secretary shall develop a new standard for hardboard panel siding on manufactured housing taking into account durability, longevity, consumer’s costs for maintenance and any other relevant information pursuant to subsection (e). The Secretary shall consult with the National Manufactured Home Advisory Council and the National Commission on Manufactured Housing in establishing the new standard. The new performance standard developed shall ensure the durability of hardboard sidings for at least a normal life of a mortgage with minimum maintenance required. Not later than 180 days from October 28, 1992, the Secretary shall update the standards for hardboard siding.

(i) The Secretary shall exclude from the coverage of this chapter any structure which the manufacturer certifies, in a form prescribed by the Secretary, to be:

1. (a) designed only for erection or installation on a site-built permanent foundation;
2. (b) not designed to be moved once so erected or installed;
3. (c) designed and manufactured to comply with a nationally recognized model building code or an equivalent local code, or with a State or local modular building code recognized as generally equivalent to building codes for site-built housing, or with minimum property standards adopted by the Secretary pursuant to section II of the National Housing Act (12 U.S.C. 1707 et seq.); and
4. (d) to the manufacturer’s knowledge is not intended to be used other than on a site-built permanent foundation.

(/) References in Text

The National Housing Act, referred to in subsec.

(f)(3), is act June 27, 1934, ch. 847, 48 Stat. 1246, as amended. Title II of the National Housing Act is classified principally to subchapter II (§ 1707 et seq.) of chapter 13 of Title 12, Banks and Banking. For complete classification of this Act to the Code, see section 1701 of Title 12 and Tables.
§ 5404. Manufactured home installation

(a) Provision of installation design and instructions

A manufacturer shall provide with each manufactured home, design and instructions for the installation of the manufactured home that have been approved by a design approval primary inspection agency. After establishment of model standards under subsection (b)(2), a design approval primary inspection agency may not give such approval unless a design and instruction provides equal or greater protection than the protection provided under such model standards.

(b) Model manufactured home installation standards

(1) Proposed model standards

Not later than 18 months after the date on which the initial appointments of all the members of the consensus committee are completed, the consensus committee shall develop and submit to the Secretary proposed model manufactured home installation standards, which shall, to the maximum extent practicable, taking into account the factors described in section 5403(e) of this title, be consistent with—

(A) the manufactured home designs that have been approved by a design approval primary inspection agency; and

(B) the designs and instructions for the installation of manufactured homes provided by manufacturers under subsection (a).

(2) Establishment of model standards

Not later than 12 months after receiving the proposed model standards submitted under

Amendment by Pub. L. 106–569 effective Dec. 27, 2000, except that amendment has no effect on any order or interpretative bulletin issued under this chapter and published as a proposed rule pursuant to 5 U.S.C. 553 on or before Dec. 27, 2000, see section 612 of Pub. L. 106–569, set out as a note under section 5401 of this title.

Effective Date

Section effective upon the expiration of 180 days following Aug. 22, 1974, see section 627 of Pub. L. 93–383, set out as a note under section 5401 of this title.

EXCEPTION TO FEDERAL PREEMPTION FOR THERMAL INSULATION AND ENERGY EFFICIENCY STANDARDS

Pub. L. 102–486, title I, §194(c), Oct. 24, 1992, 106 Stat. 2792, provided that: "If the Secretary of Housing and Urban Development has not issued, within 1 year after the date of the enactment of this Act [Oct. 24, 1992], final regulations pursuant to section 604 of the National Manufactured Housing Construction and Safety Standards Act of 1974 (42 U.S.C. 5403) that establish thermal insulation and energy efficiency standards for manufactured housing that take effect before January 1, 1995, then States may establish thermal insulation and energy efficiency standards for manufactured housing if such standards are at least as stringent as thermal performance standards for manufactured housing contained in the Second Public Review Draft of BSR/ASHRAE 90.2P entitled ‘Energy Efficient Design of Low-Rise Residential Buildings’ and all public reviews of Independent Substantive Changes to such document that have been approved on or before the date of the enactment of this Act."
paragraph (1), the Secretary shall develop and establish model manufactured home installation standards, which shall, to the maximum extent practicable, taking into account the factors described in section 5403(e) of this title, be consistent with—

(A) the manufactured home designs that have been approved by a design approval primary inspection agency; and

(B) the designs and instructions for the installation of manufactured homes provided by manufacturers under subsection (a).

(3) Factors for consideration

(A) Consensus committee

In developing the proposed model standards under paragraph (1), the consensus committee shall consider the factors described in section 5403(e) of this title.

(B) Secretary

In developing and establishing the model standards under paragraph (2), the Secretary shall consider the factors described in section 5403(e) of this title.

(4) Issuance

The model manufactured home installation standards shall be issued after notice and an opportunity for public comment in accordance with section 553 of title 5.

(c) Manufactured home installation programs

(1) Protection of manufactured housing residents during initial period

During the 5-year period beginning on December 27, 2000, no State or manufacturer may establish or implement any installation standards that, in the determination of the Secretary, provide less protection to the residents of manufactured homes than the protection provided by the installation standards in effect with respect to the State or manufacturer, as applicable, on December 27, 2000.

(2) Installation standards

(A) Establishment of installation program

Not later than the expiration of the 5-year period described in paragraph (1), the Secretary shall establish an installation program that meets the requirements of paragraph (3) for the enforcement of installation standards in each State described in subparagraph (B) of this paragraph.

(B) Implementation of installation program

Beginning on the expiration of the 5-year period described in paragraph (1), the Secretary shall implement the installation program established under subparagraph (A) in each State that does not have an installation program established by State law that meets the requirements of paragraph (3).

(C) Contracting out of implementation

In carrying out subparagraph (B), the Secretary may contract with an appropriate agent to implement the installation program established under that subparagraph, except that such agent shall not be a person or entity other than a government, nor an affiliate or subsidiary of such a person or entity, that has entered into a contract with the Secretary to implement any other regulatory program under this chapter.

(3) Requirements

An installation program meets the requirements of this paragraph if it is a program regulating the installation of manufactured homes that includes—

(A) installation standards that, in the determination of the Secretary, provide protection to the residents of manufactured homes that equals or exceeds the protection provided to those residents by—

(i) the model manufactured home installation standards established by the Secretary under subsection (b)(2); or

(ii) the designs and instructions provided by manufacturers under subsection (a), if the Secretary determines that such designs and instructions provide protection to the residents of manufactured homes that equals or exceeds the protection provided by the model manufactured home installation standards established by the Secretary under subsection (b)(2);

(B) the training and licensing of manufactured home installers; and

(C) inspection of the installation of manufactured homes.

Effect of amendment


Effective date of 2000 amendment

Amendment by Pub. L. 106–569 effective Dec. 27, 2000, except that amendment has no effect on any order or interpretative bulletin issued under this chapter and published as a proposed rule pursuant to 5 U.S.C. 553 on or before Dec. 27, 2000, see section 612 of Pub. L. 106–569, set out as a note under section 5401 of this title.

§ 5405. Judicial review of orders establishing standards; petition; additional evidence before Secretary; certified copy of transcript

(a)(1) In a case of actual controversy as to the validity of any order under section 5403 of this title, any person who may be adversely affected by such order when it is effective may at any time prior to the sixty-first day after such order is issued file a petition with the United States court of appeals for the circuit wherein such person resides or has his principal place of business, for judicial review of such order. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Secretary or other officer designated by him for that purpose. The
Secretary thereupon shall file in the court the record of the proceedings on which the Secretary based his order, as provided in section 2112 of title 28.

(2) If the petitioner applies to the court for leave to adduce additional evidence, and shows to the satisfaction of the court that such additional evidence is material and that there were reasonable grounds for the failure to adduce such evidence in the proceeding before the Secretary, the court may order such additional evidence (and evidence in rebuttal thereof) to be taken before the Secretary, and to be adduced upon the hearing, in such manner and upon such terms and conditions as to the court may seem proper. The Secretary may modify his findings as to the facts, or make new findings, by reason of the additional evidence so taken, and he shall file such modified or new findings, and his recommendation, if any, for the modification or setting aside of his original order, with the return of such additional evidence.

(3) Upon the filing of the petition referred to in paragraph (1) of this subsection, the court shall have jurisdiction to review the order in accordance with the provisions of sections 701 through 706 of title 5, and to grant appropriate relief.

(4) The judgment of the court affirming or setting aside, in whole or in part, any such order of the Secretary shall be final, subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28.

(5) Any action instituted under this subsection shall survive, notwithstanding any change in the person occupying the office of Secretary or any vacancy in such office.

(6) The remedies provided for in this subsection shall be in addition to and not in substitution for any other remedies provided by law.

(b) Conditions upon availability to public of submitted information

Such information shall be available to the public unless the manufacturer establishes that it contains a trade secret or that disclosure of any portion of such information would put the manufacturer at a substantial competitive disadvantage. Notice of the availability of such information shall be published promptly in the Federal Register. If the Secretary determines that any portion of such information contains a trade secret or that the disclosure of any portion of such information would put the manufacturer at a substantial competitive disadvantage, such portion may be disclosed to the public only in such manner as to preserve the confidentiality of such trade secret or in such combined or summary form so as not to disclose the identity of any individual manufacturer, except that any such information may be disclosed to other officers or employees concerned with carrying out this chapter or when relevant in any proceeding under this chapter. Nothing in this subsection shall authorize the withholding of information by the Secretary or any officer or employee under his control from the duly authorized committees of the Congress.

(c) “Cost information” defined

For purposes of this section, “cost information” means information with respect to alleged cost increases resulting from action by the Secretary, in such a form as to permit the public, the consensus committee, and the Secretary to make an informed judgment on the validity of the manufacturer’s statements. Such term includes both the manufacturer’s cost and the cost to retail purchasers.

(d) Power of Secretary to obtain or require submission of information under other provisions unaffected

Nothing in this section shall be construed to restrict the authority of the Secretary to obtain or require submission of information under any other provision of this chapter.

(2) If the petitioner applies to the court for leave to adduce additional evidence, and shows to the satisfaction of the court that such additional evidence is material and that there were reasonable grounds for the failure to adduce such evidence in the proceeding before the Secretary, the court may order such additional evidence (and evidence in rebuttal thereof) to be taken before the Secretary, and to be adduced upon the hearing, in such manner and upon such terms and conditions as to the court may seem proper. The Secretary may modify his findings as to the facts, or make new findings, by reason of the additional evidence so taken, and he shall file such modified or new findings, and his recommendation, if any, for the modification or setting aside of his original order, with the return of such additional evidence.

(3) Upon the filing of the petition referred to in paragraph (1) of this subsection, the court shall have jurisdiction to review the order in accordance with the provisions of sections 701 through 706 of title 5, and to grant appropriate relief.

(4) The judgment of the court affirming or setting aside, in whole or in part, any such order of the Secretary shall be final, subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28.

(5) Any action instituted under this subsection shall survive, notwithstanding any change in the person occupying the office of Secretary or any vacancy in such office.

(6) The remedies provided for in this subsection shall be in addition to and not in substitution for any other remedies provided by law.

(b) Conditions upon availability to public of submitted information

Such information shall be available to the public unless the manufacturer establishes that it contains a trade secret or that disclosure of any portion of such information would put the manufacturer at a substantial competitive disadvantage. Notice of the availability of such information shall be published promptly in the Federal Register. If the Secretary determines that any portion of such information contains a trade secret or that the disclosure of any portion of such information would put the manufacturer at a substantial competitive disadvantage, such portion may be disclosed to the public only in such manner as to preserve the confidentiality of such trade secret or in such combined or summary form so as not to disclose the identity of any individual manufacturer, except that any such information may be disclosed to other officers or employees concerned with carrying out this chapter or when relevant in any proceeding under this chapter. Nothing in this subsection shall authorize the withholding of information by the Secretary or any officer or employee under his control from the duly authorized committees of the Congress.

(c) “Cost information” defined

For purposes of this section, “cost information” means information with respect to alleged cost increases resulting from action by the Secretary, in such a form as to permit the public, the consensus committee, and the Secretary to make an informed judgment on the validity of the manufacturer’s statements. Such term includes both the manufacturer’s cost and the cost to retail purchasers.

(d) Power of Secretary to obtain or require submission of information under other provisions unaffected

Nothing in this section shall be construed to restrict the authority of the Secretary to obtain or require submission of information under any other provision of this chapter.
§ 5407  TITLE 42—THE PUBLIC HEALTH AND WELFARE  Page 5986

Subsec. (d), Pub. L. 106–569, §606(3), redesignated subsec. (e) as (d), Former subsec. (d) redesignated (c).
Pub. L. 106–569, §606(2), inserted "", the consensus committee," after ""permit the public"":

§5407. Research, testing, development, and training by Secretary

(a) Scope
The Secretary shall conduct research, testing, development, and training necessary to carry out the purposes of this chapter, including, but not limited to—

(1) collecting data from any source for the purpose of determining the relationship between manufactured home performance characteristics and (A) accidents involving manufactured homes, and (B) the occurrence of death, personal injury, or damage resulting from such accidents;

(2) procuring (by negotiation or otherwise) experimental and other manufactured homes for research and testing purposes;

(3) selling or otherwise disposing of test manufactured homes and reimbursing the proceeds of such sale or disposal into the current appropriation available for the purpose of carrying out this chapter;

(4) encouraging the government-sponsored housing entities to actively develop and implement secondary market securitization programs for the FHA manufactured home loans and those of other loan programs, as appropriate, thereby promoting the availability of affordable manufactured homes to increase homeownership for all people in the United States; and

(5) reviewing the programs for FHA manufactured home loans and developing any changes to such programs to promote the affordability of manufactured homes, including changes in loan terms, amortization periods, regulations, and procedures.

(b) Contracts and grants with States, interstate agencies, and independent institutions
The Secretary is authorized to conduct research, testing, development, and training as authorized to be carried out by subsection (a) of this section by contracting for or making grants for the conduct of such research, testing, development, and training to States, interstate agencies, and independent institutions.

(c) Definitions
For purposes of this section, the following definitions shall apply:

(1) Government-sponsored housing entities

(2) FHA manufactured home loan
The term "FHA manufactured home loan" means a loan that—

(A) is insured under title I of the National Housing Act [12 U.S.C. 1702 et seq.] and is made for the purpose of financing alterations, repairs, or improvements on or in connection with an existing manufactured home, the purchase of a manufactured home, the purchase of a manufactured home and a lot on which to place the home, or the purchase only of a lot on which to place a manufactured home; or

(B) is otherwise insured under the National Housing Act [12 U.S.C. 1701 et seq.] and made for or in connection with a manufactured home.

References to "mobile homes", wherever appearing in subsec. (c)(2), is act June 27, 1934, ch. 847, 48 Stat. 1246, as amended, which is classified principally to chapter 13 (1701 et seq.) of Title 12, Banks and Banking; Title I of the Act is classified generally to subchapter I (1702 et seq.) of chapter 13 of Title 12. For complete classification of this Act to the Code, see section 1701 of Title 12 and Tables.

Codification

Amendments
2000—Subsec. (a)(4), (5). Pub. L. 106–569, §607(a), added pars. (4) and (5).


Effective Date of 2000 Amendment
Amendment by Pub. L. 106–569 effective Dec. 27, 2000, except that amendment has no effect on any order or interpretative bulletin issued under this chapter and published as a proposed rule pursuant to 5 U.S.C. 553 on or before Dec. 27, 2000, see section 612 of Pub. L. 106–569, set out as a note under section 5401 of this title.

Effective Date
Section effective upon the expiration of 180 days following Aug. 22, 1974, see section 627 of Pub. L. 93–383, set out as a note under section 5401 of this title.
§ 5408. Cooperation by Secretary with public and private agencies

The Secretary is authorized to advise, assist, and cooperate with other Federal agencies and with State and other interested public and private agencies, in the planning and development of—

(1) manufactured home construction and safety standards; and
(2) methods for inspecting and testing to determine compliance with manufactured home standards.


AMENDMENTS

§ 5409. Prohibited acts; exemptions

(a) No person shall—

(1) make use of any means of transportation or communication affecting interstate or foreign commerce or the mails to manufacture for sale, lease, sell, offer for sale or lease, or introduce or deliver, or import into the United States, any manufactured home which is manufactured on or after the effective date of any applicable Federal manufactured home construction and safety standard under this chapter and which does not comply with such standard, except as provided in subsection (b), where such manufacture, lease, sale, offer for sale or lease, introduction, delivery, or importation affects commerce;
(2) fail or refuse to permit access to or copying of records, or fail to make reports or provide information, or fail or refuse to permit entry or inspection, as required under section 5413 of this title;
(3) fail to furnish notification of any defect as required by section 5414 of this title;
(4) fail to issue a certification required by section 5415 of this title, or issue a certification to the effect that a manufactured home conforms to all applicable Federal manufactured home construction and safety standards, if such person in the exercise of due care has reason to know that such certification is false or misleading in a material respect;
(5) fail to comply with a final order issued by the Secretary under this chapter;
(6) issue a certification pursuant to subsection (h) of section 5403 of this title, if such person in the exercise of due care has reason to know that such certification is false or misleading in a material respect; or
(7) after the expiration of the period specified in section 5404(c)(2)(B) of this title, fail to comply with the requirements for the installation program required by section 5404 of this title in any State that has not adopted and implemented a State installation program.

(b)(1) Paragraph (1) of subsection (a) shall not apply to the sale, the offer for sale, or the introduction or delivery for introduction in interstate commerce of any manufactured home after the first purchase of it in good faith for purposes other than resale.

(2) For purposes of section 5410 of this title, paragraph (1) of subsection (a) shall not apply to any person who establishes that he did not have reason to know in the exercise of due care that such manufactured home is not in conformity with applicable Federal manufactured home construction and safety standards, or to any person who, prior to such first purchase, holds a certificate issued by the manufacturer or importer of such manufactured home to the effect that such manufactured home conforms to all applicable Federal manufactured home construction and safety standards, unless such person knows that such manufactured home does not so conform.

(3) A manufactured home offered for importation in violation of paragraph (1) of subsection (a) shall be refused admission into the United States under joint regulations issued by the Secretary of the Treasury and the Secretary, except that the Secretary of the Treasury and the Secretary may, by such regulations, provide for authorizing the importation of such manufactured home into the United States upon such terms and conditions (including the furnishing of a bond) as may appear to them appropriate to insure that any such manufactured home will be brought into conformity with any applicable Federal manufactured home construction or safety standard prescribed under this chapter, or will be exported from, or forfeited to, the United States.

(4) The Secretary of the Treasury and the Secretary may, by joint regulations, permit the importation of any manufactured home after the first purchase of it in good faith for purposes other than resale.

(5) Paragraph (1) of subsection (a) shall not apply in the case of a manufactured home intended solely for export, and so labeled or tagged on the manufactured home itself and on the outside of the container, if any, in which it is to be exported.

(c) Compliance with any Federal manufactured home construction or safety standard issued under this chapter does not exempt any person from any liability under common law.


AMENDMENTS

EFFECTIVE DATE OF 2000 AMENDMENT
Amendment by Pub. L. 106–569 effective Dec. 27, 2000, except that amendment has no effect on any order or interpretative bulletin issued under this chapter and published as a proposed rule pursuant to 5 U.S.C. 553 on or before Dec. 27, 2000, see section 612 of Pub. L. 106–569, set out as a note under section 5401 of this title.
§ 5410  TITLE 42—THE PUBLIC HEALTH AND WELFARE

Section effective upon the expiration of 180 days following Aug. 22, 1974, see section 627 of Pub. L. 93–383, set out as a note under section 5401 of this title.

§ 5410. Civil and criminal penalties

(a) Whoever violates any provision of section 5409 of this title, or any regulation or final order issued thereunder, shall be liable to the United States for a civil penalty of not to exceed $1,000 for each such violation. Each violation of a provision of section 5409 of this title, or any regulation or order issued thereunder shall constitute, a separate violation with respect to each manufactured home or with respect to each failure or refusal to allow or perform an act required thereby, except that the maximum civil penalty may not exceed $1,000,000 for any related series of violations occurring within one year from the date of the first violation.

(b) An individual or a director, officer, or agent of a corporation who knowingly and willfully violates section 5409 of this title in a manner which threatens the health or safety of any purchaser shall be fined not more than $1,000 or imprisoned not more than one year, or both.


AMENDMENTS


Effective Date

Section effective upon the expiration of 180 days following Aug. 22, 1974, see section 627 of Pub. L. 93–383, set out as a note under section 5401 of this title.

§ 5411. Injunctive relief

(a) Jurisdiction; petition of United States attorney or Attorney General; notice by Secretary to affected persons to present views

The United States district courts shall have jurisdiction, for cause shown and subject to the provisions of rule 65(a) and (b) of the Federal Rules of Civil Procedure, to restrain violations of this chapter, or to restrain the sale, offer for sale, or the importation into the United States, of any manufactured home which is determined, prior to the first purchase of such manufactured home in good faith for purposes other than resale, not to conform to applicable Federal manufactured home construction and safety standards prescribed pursuant to this chapter or to contain a defect which constitutes an imminent safety hazard, upon petition by the appropriate United States attorney or the Attorney General on behalf of the United States. Whenever practicable, the Secretary shall give notice to any person against whom an action for injunctive relief is contemplated and afford him an opportunity to present his views and the failure to give such notice and afford such opportunity shall not preclude the granting of appropriate relief.

(b) Criminal contempt proceedings; conduct of trial

In any proceeding for criminal contempt for violation of an injunction or restraining order issued under this section, which violation also constitutes a violation of this chapter, trial shall be by the court or, upon demand of the accused, by a jury. Such trial shall be conducted in accordance with the practice and procedure applicable in the case of proceedings subject to the provisions of rule 42(b) of the Federal Rules of Criminal Procedure.

(c) Venue

Actions under subsection (a) of this section and section 5410 of this title may be brought in the district wherein any act or transaction constituting the violation occurred, or in the district wherein the defendant is found or is an inhabitant or transacts business, and process in such cases may be served in any other district of which the defendant is an inhabitant or wherever the defendant may be found.

(d) Subpoenas

In any action brought by the United States under subsection (a) of this section or section 5410 of this title, subpoenas by the United States for witnesses who are required to attend at United States district court may run into any other district.

(e) Designation by manufacturer of agent for service of administrative and judicial processes, etc.; filing and amendment of designation; failure to make designation

It shall be the duty of every manufacturer offering a manufactured home for importation into the United States to designate in writing an agent upon whom service of all administrative and judicial processes, notices, orders, decisions, and requirements may be made for and on behalf of such manufacturer, and to file such designation with the Secretary, which designation may from time to time be changed by like writing, similarly filed. Service of all administrative and judicial processes, notices, orders, decisions, and requirements may be made upon such manufacturer by service upon such designated agent at his office or usual place of residence with like effect as if made personally upon such manufacturer, and in default of such designation of such agent, service of process or any notice, order, requirement, or decision in any proceeding before the Secretary or in any judicial proceeding pursuant to this chapter may be made by mailing such process, notice, order, requirement, or decision to the Secretary by registered or certified mail.


REFERENCES IN TEXT

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

Rule 42 of the Federal Rules of Criminal Procedure, referred to in subsec. (b), is set out in the Appendix to Title 18, Crimes and Criminal Procedure.

AMENDMENTS

§ 5412. Noncompliance with standards or defective nature of manufactured home; administrative or judicial determination; repurchase by manufacturer or repair by distributor or retailer; reimbursement of expenses, etc., by manufacturer; injunctive relief against manufacturer for failure to comply; jurisdiction and venue; damages; period of limitation

(a) If the Secretary or a court of appropriate jurisdiction determines that any manufactured home does not conform to applicable Federal manufactured home construction and safety standards, or that it contains a defect which constitutes an imminent safety hazard, after the sale of such manufactured home by a manufacturer to a distributor or a retailer and prior to the sale of such manufactured home by such distributor or retailer to a purchaser—

(1) the manufacturer shall immediately repurchase such manufactured home from such distributor or retailer at the price paid by such distributor or retailer, plus all transportation charges involved and a reasonable reimbursement of not less than 1 per centum per month of such price paid prorated from the date of receipt by certified mail of notice of such nonconformance to the date of repurchase by the manufacturer; or

(2) the manufacturer, at his own expense, shall immediately furnish the purchasing distributor or retailer the required conforming part or parts or equipment for installation by the distributor or retailer on or in such manufactured home, and for the installation involved the manufacturer shall reimburse such distributor or retailer for the reasonable value of such installation plus a reasonable reimbursement of not less than 1 per centum per month of the manufacturer’s or distributor’s selling price paid prorated from the date of receipt by certified mail of notice of such nonconformance to the date such vehicle is brought into conformance with applicable Federal standards, so long as the distributor or retailer proceeds with reasonable diligence with the installation after the required part or equipment is received.

The value of such reasonable reimbursements as specified in paragraphs (1) and (2) of this subsection shall be fixed by mutual agreement of the parties, or, failing such agreement, by the court pursuant to the provisions of subsection (b).

(b) If any manufacturer fails to comply with the requirements of subsection (a), then the distributor or retailer, as the case may be, to whom such manufactured home has been sold may bring an action seeking a court injunction compelling compliance with such requirements on the part of such manufacturer. Such action may be brought in any district court in the United States in the district in which such manufacturer resides, or is found, or has an agent, without regard to the amount in controversy, and the person bringing the action shall also be entitled to recover any damage sustained by him, as well as all court costs plus reasonable attorneys’ fees. Any action brought pursuant to this section shall be forever barred unless commenced within three years after the cause of action shall have accrued.

(§ 5412. Noncompliance with standards or defective nature of manufactured home; administrative or judicial determination; repurchase by manufacturer or repair by distributor or retailer; reimbursement of expenses, etc., by manufacturer; injunctive relief against manufacturer for failure to comply; jurisdiction and venue; damages; period of limitation)


§ 5413. Inspections and investigations for promulgation or enforcement of standards or execution of other duties

(a) Authority of Secretary; results furnished to Attorney General and Secretary of the Treasury for appropriate action

The Secretary is authorized to conduct such inspections and investigations as may be necessary to promulgate or enforce Federal manufactured home construction and safety standards established under this chapter or otherwise to carry out his duties under this chapter. He shall furnish the Attorney General and, when appropriate, the Secretary of the Treasury any information obtained indicating noncompliance with such standards for appropriate action.

(b) Designation by Secretary of persons to enter and inspect factories, etc.; presentation of credentials; reasonableness and scope of inspection

(1) For purposes of enforcement of this chapter, persons duly designated by the Secretary, upon presenting appropriate credentials to the owner, operator, or agent in charge, are authorized—

(A) to enter, at reasonable times and without advance notice, any factory, warehouse, or establishment in which manufactured homes are manufactured, stored, or held, for sale; and

(B) to inspect, at reasonable times and within reasonable limits and in a reasonable manner, any such factory, warehouse, or establishment, and to inspect such books, papers, records, and documents as are set forth in subsection (c). Each such inspection shall be commenced and completed with reasonable promptness.

(2) The Secretary is authorized to contract with State and local governments and private...
inspection organizations to carry out his functions under this subsection.

(c) Powers of Secretary

For the purpose of carrying out the provisions of this chapter, the Secretary is authorized—

(1) to hold such hearings, take such testimony, sit and act at such times and places, administer such oaths, and require, by subpoena or otherwise, the attendance and testimony of such witnesses and the production of such books, papers, correspondence, memorandums, contracts, agreements, or other records, as the Secretary or such officer or employee deems advisable. Witnesses summoned pursuant to this subsection shall be paid the same fees and mileage that are paid witnesses in the courts of the United States;

(2) to examine and copy any documentary evidence of any person having materials or information relevant to any function of the Secretary under this chapter;

(3) to require, by general or special orders, any person to file, in such form as the Secretary may prescribe, reports or answers in writing to specific questions relating to any function of the Secretary under this chapter. Such reports and answers shall be made under oath or otherwise, and shall be filed with the Secretary within such reasonable period as the Secretary may prescribe;

(4) to request from any Federal agency any information he deems necessary to carry out his functions under this chapter, and each such agency is authorized and directed to cooperate with the Secretary and to furnish such information upon request made by the Secretary, and the head of any Federal agency is authorized to detail, on a reimbursable basis, any personnel of such agency to assist in carrying out the duties of the Secretary under this chapter; and

(5) to make available to the public any information which may indicate the existence of a defect which relates to manufactured home construction or safety or of the failure of a manufactured home to comply with applicable manufactured home construction and safety standards. The Secretary shall disclose so much of other information obtained under this subsection to the public as he determines will assist in carrying out this chapter; but he shall not (under the authority of this sentence) make available or disclosure to the public any information which contains or relates to a trade secret or any information the disclosure of which would put the person furnishing such information at a substantial competitive disadvantage, unless he determines that it is necessary to carry out the purpose of this chapter.

(d) Refusal to obey subpoena or order of Secretary; order of compliance by district court; failure to obey order of compliance punishable as contempt

Any of the district courts of the United States within the jurisdiction of which an inquiry is carried on may, in the case of contumacy or refusal to obey a subpoena or order of the Secretary issued under paragraph (1) or paragraph (3) of subsection (c) of this section, issue an order requiring compliance therewith; and any failure to obey such order of the court may be punished by such court as a contempt thereof.

(e) Submission by manufacturer of building plans for manufactured homes; certification by manufacturer of conformity of building plans to standards

Each manufacturer of manufactured homes shall submit the building plans for every model of manufactured homes to the Secretary or his designee for the purpose of inspection under this section. The manufacturer must certify that each such building plan meets the Federal construction and safety standards in force at that time before the model involved is produced.

(f) Records, reports and information from manufacturers, distributors and retailers of manufactured homes; inspection and examination of relevant books, papers, records and documents by designated person

Each manufacturer, distributor, and retailer of manufactured homes shall establish and maintain such records, make such reports, and provide such information as the Secretary may reasonably require to enable him to determine whether such manufacturer, distributor, or retailer has acted or is acting in compliance with this chapter and Federal construction and safety standards prescribed pursuant to this chapter and shall, upon request of a person duly designated by the Secretary, permit such person to inspect appropriate books, papers, records, and documents relevant to determining whether such manufacturer, distributor, or retailer has acted or is acting in compliance with this chapter and Federal construction and safety standards prescribed pursuant to this chapter.

(g) Performance and technical data from manufacturer; persons required to receive notification of data

Each manufacturer of manufactured homes shall provide to the Secretary such performance data and other technical data related to performance and safety as may be required to carry out the purposes of this chapter. These shall include records of tests and test results which the Secretary may require to be performed. The Secretary is authorized to require the manufacturer to give notification of such performance and technical data to—

(1) each prospective purchaser of a manufactured home before its first sale for purposes other than resale, at each location where any such manufacturer’s manufactured homes are offered for sale by a person with whom such manufacturer has a contractual, proprietary, or other legal relationship and in a manner determined by the Secretary to be appropriate, which may include, but is not limited to, printed matter (A) available for retention by such prospective purchaser, and (B) sent by mail to such prospective purchaser upon his request; and

(2) the first person who purchases a manufactured home for purposes other than resale, at the time of such purchase or in printed matter placed in the manufactured home.
§ 5414. Notification and correction of defects by manufacturer

(a) Notice to purchaser within reasonable time after discovery of defect

Every manufacturer of manufactured homes shall furnish notification of any defect in any manufactured home produced by such manufacturer which he determines, in good faith, to constitute an imminent safety hazard to the purchaser of such manufactured home, within a reasonable time after such manufacturer has discovered such defect.

(b) Notification by mail

The notification required by subsection (a) shall be accomplished—

1. by mail to the first purchaser (not including any retailer or distributor of such manufacturer) of the manufactured home containing the defect, to any subsequent purchaser to whom any warranty on such manufactured home has been transferred;
2. by mail to any other person who is a registered owner of such manufactured home and whose name and address has been ascertained pursuant to procedures established under subsection (f); and
3. by mail or other more expeditious means to the retailer or retailers of such manufacturer to whom such manufactured home was delivered.

(c) Form and requisites of notification

The notification required by subsection (a) shall contain a clear description of such defect or failure to comply, an evaluation of the risk to manufactured home occupants' safety reasonably related to such defect, and a statement of the measures needed to repair the defect. The notification shall also inform the owner whether the defect is a construction or safety defect which the manufacturer will have corrected at no cost to the owner of the manufactured home under subsection (g) or otherwise, or is a defect which must be corrected at the expense of the owner.

(d) Copy to Secretary of all notices, bulletins, and communications sent by manufacturer to retailers and purchasers concerning defects; disclosure to public by Secretary

Every manufacturer of manufactured homes shall furnish to the Secretary a true or representative copy of all notices, bulletins, and other communications to the retailers of such manufacturer or purchasers of manufactured homes of such manufacturer regarding any defect in any such manufactured home produced by such manufacturer. The Secretary shall disclose to the public so much of the information contained in such notices or other information obtained under section 5413 of this title as he deems will assist in carrying out the purposes of this chapter, but he shall not disclose any information which contains or relates to a trade secret, or which, if disclosed, would put such manufacturer at a substantial competitive disadvantage, unless he determines that it is necessary to carry out the purposes of this chapter.

(e) Notice by Secretary to manufacturers of non-compliance with standards or defective nature of manufactured home; contents of notice; presentation by manufacturer of views; notice to purchasers of defects

If the Secretary determines that any manufactured home—
1. does not comply with an applicable Federal manufactured home construction and safety standard prescribed pursuant to section 5403 of this title; or
2. contains a defect which constitutes an imminent safety hazard,
then he shall immediately notify the manufacturer of such manufactured home of such defect.
or failure to comply. The notice shall contain the findings of the Secretary and shall include all information upon which the findings are based. The Secretary shall afford such manufacturer an opportunity to present his views and evidence in support thereof, to establish that there is no failure of compliance. If after such presentation by the manufacturer the Secretary determines that such manufactured home does not comply with applicable Federal manufactured home construction or safety standards, or contains a defect which constitutes an imminent safety hazard, the Secretary shall direct the manufacturer to furnish the notification specified in subsections (a) and (b) of this section.

(f) Maintenance by manufacturers of record of names and addresses of first purchasers of manufactured homes; procedures for ascertaining names and addresses of subsequent purchasers; establishment and reasonableness of procedures for maintaining records

Every manufacturer of manufactured homes shall maintain a record of the name and address of the first purchaser of each manufactured home (for purposes other than resale), and, to the maximum extent feasible, shall maintain procedures for ascertaining the name and address of any subsequent purchaser thereof and shall maintain a record of names and addresses so ascertained. Such records shall be kept for each home produced by a manufacturer. The Secretary may establish by order procedures to be followed by manufacturers in establishing and maintaining such records, including procedures to be followed by distributors and retailers to assist manufacturers to secure the information required by this subsection. Such procedures shall be reasonable for the particular type of manufactured home for which they are prescribed.

(g) Correction of defects by manufacturer; conditions; procedures; contract or legal rights of purchasers or other persons unaffected

A manufacturer required to furnish notification of a defect under subsection (a) or (e) shall also bring the manufactured home into compliance with applicable standards and correct the defect or have the defect corrected within a reasonable period of time at no expense to the owner, but only if—

(1) the defect presents an unreasonable risk of injury or death to occupants of the affected manufactured home or homes;

(2) the defect can be related to an error in design or assembly of the manufactured home by the manufacturer.

The Secretary may direct the manufacturer to make such corrections after providing an opportunity for oral and written presentation of views by interested persons. Nothing in this section shall limit the rights of the purchaser or any other person under any contract or applicable law.

(h) Submission to Secretary by manufacturer of plan for notifying owners of defects and repair of defects; approval of manufacturer’s remedy plan; effectuation and implementation of remedy plan

The manufacturer shall submit his plan for notifying owners of the defect and for repairing such defect (if required under subsection (g)) to the Secretary for his approval before implementing such plan. Whenever a manufacturer is required under subsection (g) to correct a defect, the Secretary shall approve with or without modification, after consultation with the manufacturer of the manufactured home involved, such manufacturer’s remedy plan including the date when, and the method by which, the notification and remedy required pursuant to this section shall be effectuated. Such date shall be the earliest practicable one but shall not be more than sixty days after the date of discovery or determination of the defect or failure to comply, unless the Secretary grants an extension of such period for good cause shown and publishes a notice of such extension in the Federal Register. Such manufacturer is bound to implement such remedy plan as approved by the Secretary.

(i) Defective or inadequately repaired manufactured homes; replacement with new or equivalent home or refund of purchase price

Where a defect or failure to comply in a manufactured home cannot be adequately repaired within sixty days from the date of discovery or determination of the defect, the Secretary may require that the manufactured home be replaced with a new or equivalent home without charge, or that the purchase price be refunded in full, less a reasonable allowance for depreciation based on actual use if the home has been in the possession of the owner for more than one year.

Codification

References to “mobile homes”, wherever appearing in text, changed to “manufactured homes” in view of the amendment of title VI of the Housing and Community Development Act of 1974 (this chapter) by section 308(c)(4) of Pub. L. 96–399 requiring the substitution of “manufactured home” for “mobile home” wherever appearing in title VI of the Housing and Community Development Act of 1974, and section 339B(c) of Pub. L. 97–35 (set out as a note under section 1703 of Title 12, Banks and Banking) providing that the terms “mobile home” and “manufactured home” shall be deemed to include the terms “mobile homes” and “manufactured homes”, respectively.

Amendments


Subsec. (b)(2). Pub. L. 106–569, § 603(b)(3)(B), substituted “retailer or retailers” for “dealer or dealers”.

Subsecs. (d), (f). Pub. L. 106–569, § 603(b)(3)(C), substituted “retailers” for “dealers”.

1980—Subsec. (a) to (i). Pub. L. 96–399 substituted “manufactured home” for “mobile home” wherever appearing.

2999.
Effective Date of 2000 Amendment

Amendment by Pub. L. 106–569 effective Dec. 27, 2000, except that amendment has no effect on any order or interpretative bulletin issued under this chapter and published as a proposed rule pursuant to 5 U.S.C. 553 on or before Dec. 27, 2000, see section 612 of Pub. L. 106–569, set out as a note under section 5410 of this title.

Effective Date

Section effective upon the expiration of 180 days following Aug. 22, 1974, see section 627 of Pub. L. 93–383, set out as a note under section 5410 of this title.

§ 5415. Certification by manufacturer of conformity of manufactured home with standards; form and placement of certification

Every manufacturer of manufactured homes shall furnish to the distributor or retailer at the time of delivery of each such manufactured home produced by such manufacturer certification that such manufactured home conforms to all applicable Federal construction and safety standards. Such certification shall be in the form of a label or tag permanently affixed to each such manufactured home.


Codification

References to “mobile homes”, wherever appearing in text, changed to “manufactured homes” in view of the amendment of title VI of the Housing and Community Development Act of 1974 (this chapter) by section 308(c)(4) of Pub. L. 96–399 requiring the substitution of “manufactured home” for “mobile home” wherever appearing in title VI of the Housing and Community Development Act of 1974, and section 339B(c) of Pub. L. 97–35 (set out as a note under section 1705 of Title 12, Banks and Banking) providing that the terms “mobile home” and “manufactured home” shall be deemed to include the terms “mobile homes” and “manufactured homes”, respectively.

Amendments

1980—Pub. L. 96–399 substituted “manufactured home” for “mobile home”.

Effective Date

Section effective upon the expiration of 180 days following Aug. 22, 1974, see section 627 of Pub. L. 93–383, set out as a note under section 5410 of this title.

§ 5417. Effect upon antitrust laws

Nothing contained in this chapter shall be deemed to exempt from the antitrust laws of the United States any conduct that would otherwise be unlawful under such laws, or to prohibit under the antitrust laws of the United States any conduct that would be lawful under such laws. As used in this section, the term “antitrust laws” includes, but is not limited to, the Sherman Act of July 2, 1890, as amended; the Act of October 14, 1914, as amended; the Federal Trade Commission Act (15 U.S.C. 41 et seq.); and sections 73 and 74 of the Act of August 27, 1894, as amended.


References in Text

Act of July 2, 1890, as amended, referred to in text, is act July 2, 1890, ch. 617, 26 Stat. 209, as amended, known as the Sherman Act, which is classified to sections 1 to 7 of Title 15, Commerce and Trade. For complete classification of this Act to the Code, see Short Title note set out under section 1 of Title 15 and Tables.

Act of October 14, 1914, as amended, referred to in text, is act Oct. 15, 1914, ch. 323, 38 Stat. 730, as amended, known as the Clayton Act which is classified generally to sections 12, 13, 14 to 19, 21, and 22 to 27 of Title 15, and sections 52 and 53 of Title 29, Labor. For further details and complete classification of this Act to the Code, see References in Text note set out under section 12 of Title 15 and Tables.

The Federal Trade Commission Act, referred to in text, is act Sept. 26, 1914, ch. 311, 38 Stat. 717, as amended, which is classified generally to subchapter I (§ 41 et seq.) of chapter 2 of Title 15. For complete classification of this Act to the Code, see section 58 of Title 15 and Tables.

Sections 73 and 74 of the Act of August 27, 1894, referred to in text, are classified to sections 8 and 9 of Title 15.

Effective Date

Section effective upon the expiration of 180 days following Aug. 22, 1974, see section 627 of Pub. L. 93–383, set out as a note under section 5410 of this title.
§ 5418. Use of services, research and testing facilities of public agencies and independent laboratories

The Secretary, in exercising the authority under this chapter, shall utilize the services, research and testing facilities of public agencies and independent testing laboratories to the maximum extent practicable in order to avoid duplication.


Effective Date

Section effective upon the expiration of 180 days following Aug. 22, 1974, see section 627 of Pub. L. 93–383, § 5419. Authority to collect fee

(a) In general

In carrying out inspections under this chapter, in developing standards and regulations pursuant to section 5403 of this title, and in facilitating the acceptance of the affordability and availability of manufactured housing within the Department, the Secretary may—

(1) establish and collect from manufactured home manufacturers a reasonable fee, as may be necessary to offset the expenses incurred by the Secretary in connection with carrying out the responsibilities of the Secretary under this chapter, including—

(A) conducting inspections and monitoring;

(B) providing funding to States for the administration and implementation of approved State plans under section 5422 of this title, including reasonable funding for cooperative educational and training programs designed to facilitate uniform enforcement under this chapter, which funds may be paid directly to the States or may be paid or provided to any person or entity designated to receive and disburse such funds by cooperative agreements among participating States, provided that such person or entity is not otherwise an agent of the Secretary under this chapter;

(C) providing the funding for a noncareer administrator within the Department to administer the manufactured housing program;

(D) providing the funding for salaries and expenses of employees of the Department to carry out the manufactured housing program;

(E) administering the consensus committee as set forth in section 5403 of this title;

(F) facilitating the acceptance of the quality, durability, safety, and affordability of manufactured housing within the Department; and

(G) the administration and enforcement of the installation standards authorized by section 5404 of this title in States in which the Secretary is required to implement such a program after the expiration of the 5-year period set forth in section 5422(g)(2) of this title; and

(2) subject to subsection (e), use amounts from any fee collected under paragraph (1) of this subsection to pay expenses referred to in that paragraph, which shall be exempt and separate from any limitations on the Department regarding full-time equivalent positions and travel.

(b) Contractors

In using amounts from any fee collected under this section, the Secretary shall ensure that separate and independent contractors are retained to carry out monitoring and inspection work and any other work that may be delegated to a contractor under this chapter.

(c) Prohibited use

No amount from any fee collected under this section may be used for any purpose or activity not specifically authorized by this chapter, unless such activity was already engaged in by the Secretary prior to December 27, 2000.

(d) Modification

Beginning on December 27, 2000, the amount of any fee collected under this section may only be modified—

(1) as specifically authorized in advance in an annual appropriations Act; and

(2) pursuant to rulemaking in accordance with section 553 of title 5.

(e) Appropriation and deposit of fees

(1) In general

There is established in the Treasury of the United States a fund to be known as the “Manufactured Housing Fees Trust Fund” for deposit of amounts from any fee collected under this section. Such amounts shall be held in trust for use only as provided in this chapter.

(2) Appropriation

Amounts from any fee collected under this section shall be available for expenditure only to the extent approved in advance in an annual appropriations Act. Any change in the expenditure of such amounts shall be specifically authorized in advance in an annual appropriations Act.

(3) Payments to States

On and after the effective date of the Manufactured Housing Improvement Act of 2000, the Secretary shall continue to fund the States having approved State plans in the amounts which are not less than the allocated amounts, based on the fee distribution system in effect on the day before such effective date.


References in Text

For the effective date of the Manufactured Housing Improvement Act of 2000, referred to in subsec. (e)(3).
see section 612 of Pub. L. 106–569, set out as an Effective Date of 2000 Amendment note under section 5401 of this title.

**Amendments**

2000—Pub. L. 106–569 amended section catchline and text generally. Prior to amendment, text read as follows: ‘‘In carrying out the inspections required under this chapter, the Secretary may establish and impose on manufactured home manufacturers, distributors, and dealers such reasonable fees as may be necessary to offset the expenses incurred by him in conducting such inspections, and the Secretary may use any fees so collected to pay expenses incurred in connection with such inspections, except that this section shall not apply in any State which has in effect a State plan under section 5422 of this title.’’

1980—Pub. L. 96–399 substituted ‘‘manufactured home’’ for ‘‘mobile home’’. Pub. L. 96–183 substituted ‘‘conducting such inspections, and the Secretary may use any fees so collected to pay expenses incurred in connection with such inspections, except’’ for ‘‘conducting such inspections, except’’.

**Effective Date of 2000 Amendment**

Amendment by Pub. L. 106–569 effective Dec. 27, 2000, except that amendment has no effect on any order or interpretative bulletin issued under this chapter and published as a proposed rule pursuant to 5 U.S.C. 553 on or before Dec. 27, 2000, see section 612 of Pub. L. 106–569, set out as a note under section 5401 of this title.

**Effective Date**

Section effective upon the expiration of 180 days following Aug. 22, 1974, see section 627 of Pub. L. 93–383, set out as a note under section 5401 of this title.

**Final Rulemaking on Manufactured Housing Payments**


**Manufactured Housing**

Pub. L. 107–18, § 1, July 5, 2001, 115 Stat. 152, provided that:

‘‘(a) Availability of Fees.—Notwithstanding section 620(e)(2) of the National Manufactured Housing Construction and Safety Standards Act of 1974 (42 U.S.C. 5419(e)(2)), any fees collected under that Act, including any fees collected before the date of enactment of the American Homeownership and Economic Opportunity Act of 2000 (12 U.S.C. 1701 note) [Dec. 27, 2000] and remaining unobligated on the date of enactment of this Act (July 5, 2001), shall be available for expenditure to offset the expenses incurred by the Secretary under the National Manufactured Housing Construction and Safety Standards Act of 1974 (42 U.S.C. 5401 et seq.), otherwise in accordance with section 620 of that Act.

‘‘(b) Duration.—The authority for the use of fees provided for in subsection (a) shall remain in effect during the period beginning in fiscal year 2001 and ending on the effective date of the first appropriations Act referred to in section 620(e)(2) of the National Manufactured Housing Construction and Safety Standards Act of 1974 (42 U.S.C. 5419(e)(2)) that is enacted with respect to a fiscal year after fiscal year 2001.’’

**§ 5420. Failure to report violations; penalties**

Any person, other than an officer or employee of the United States, or a person exercising inspection functions under a State plan pursuant to section 5422 of this title, who knowingly and willfully fails to report a violation of any construction or safety standard established under section 5403 of this title may be fined up to $1,000 or imprisoned for up to one year, or both.


**Effective Date**

Section effective upon the expiration of 180 days following Aug. 22, 1974, see section 627 of Pub. L. 93–383, set out as a note under section 5401 of this title.

**§ 5421. Prohibition on waiver of rights**

The rights afforded manufactured home purchasers under this chapter may not be waived, and any provision of a contract or agreement entered into after August 22, 1974, to the contrary shall be void.


**Amendments**

1980—Pub. L. 96–399 substituted ‘‘manufactured home’’ for ‘‘mobile home’’.

**Effective Date**

Section effective upon the expiration of 180 days following Aug. 22, 1974, see section 627 of Pub. L. 93–383, set out as a note under section 5401 of this title.

**§ 5422. State enforcement**

(a) Jurisdiction of State agency or court under State law

Nothing in this chapter shall prevent any State agency or court from asserting jurisdiction under State law over any manufactured home construction or safety issue with respect to which no Federal manufactured home construction and safety standard has been established pursuant to the provisions of section 5403 of this title.

(b) Assumption of responsibility for enforcement of Federal standards; submission of enforcement plan to Secretary

Any State which, at any time, desires to assume responsibility for enforcement of manufactured home safety and construction standards relating to any issue with respect to which a Federal standard has been established under section 5403 of this title, shall submit to the Secretary a State plan for enforcement of such standards.

(c) Criteria for approval of State plan by Secretary

The Secretary shall approve the plan submitted by a State under subsection (b), or any modification thereof, if such plan in his judgment—

(1) designates a State agency or agencies as the agency or agencies responsible for administering the plan throughout the State;

(2) provides for the enforcement of manufactured home safety and construction standards promulgated under section 5403 of this title;

(3) provides for a right of entry and inspection of all factories, warehouses, or establishments in such State in which manufactured homes are manufactured and for the review of plans, in a manner which is identical to that provided in section 5413 of this title;
(4) provides for the imposition of the civil and criminal penalties under section 5410 of this title;

(5) provides for the notification and correction procedures under section 5414 of this title;

(6) provides for the payment of inspection fees by manufacturers in amounts adequate to cover the costs of inspections;

(7) contains satisfactory assurances that the State agency or agencies have or will have the legal authority and qualified personnel necessary for the enforcement of such standards;

(8) gives satisfactory assurances that such State will devote adequate funds to the administration and enforcement of such standards;

(9) requires manufacturers, distributors, and retailers in such State to make reports to the Secretary in the same manner and to the same extent as if the State plan were not in effect;

(10) provides that the State agency or agencies will make such reports to the Secretary in such form and containing such information as the Secretary shall from time to time require;

(11) with respect to any State plan submitted on or after the expiration of the 5-year period beginning on December 27, 2000, provides for an installation program established by State law that meets the requirements of section 5404(c)(3) of this title;

(12) with respect to any State plan submitted on or after the expiration of the 5-year period beginning on December 27, 2000, provides for a dispute resolution program for the timely resolution of disputes between manufacturers, retailers, and installers of manufactured homes regarding responsibility, and for the correction or repair of defects in manufactured homes that are reported during the 1-year period beginning on the date of installation; and

(13) complies with such other requirements as the Secretary may by regulation prescribe for the enforcement of this chapter.

(d) Notice and hearing prior to rejection by Secretary of State plan

If the Secretary rejects a plan submitted under subsection (b), he shall afford the State submitting the plan due notice and opportunity for a hearing before so doing.

(e) Discretionary enforcement by Secretary of standards in State having approved plan

After the Secretary approves a State plan submitted under subsection (b), he may, but shall not be required to, exercise his authority under this chapter with respect to enforcement of manufactured home construction and safety standards in the State involved.

(f) Annual evaluation by Secretary of execution of State plan; basis of evaluation; submission of evaluation and data to Congress; determination by Secretary of improper administration, etc., of State plan; procedure; effect of determination

The Secretary shall, on the basis of reports submitted by the designated State agency and his own inspections, make a continuing evaluation of the manner in which each State having a plan approved under this section is carrying out such plan. Such evaluation shall be made by the Secretary at least annually for each State, and the results of such evaluation and the inspection reports on which it is based shall be promptly submitted to the appropriate committees of the Congress. Whenever the Secretary finds, after affording due notice and opportunity for a hearing, that in the administration of the State plan there is a failure to comply substantially with any provision of the State plan or that the State plan has become inadequate, he shall notify the State agency or agencies of his withdrawal of approval of such plan. Upon receipt of such notice by such State agency or agencies such plan shall cease to be in effect, but the State may retain jurisdiction in any case commenced before the withdrawal of the plan in order to enforce manufactured home standards under the plan whenever the issues involved do not relate to the reasons for the withdrawal of the plan.

(g) Enforcement of dispute resolution standards

(1) Establishment of dispute resolution program

Not later than the expiration of the 5-year period beginning on December 27, 2000, the Secretary shall establish a dispute resolution program that meets the requirements of subsection (c)(12) for dispute resolution in each State described in paragraph (2) of this subsection. The order establishing the dispute resolution program shall be issued after notice and opportunity for public comment in accordance with section 553 of title 5.

(2) Implementation of dispute resolution program

Beginning on the expiration of the 5-year period described in paragraph (1), the Secretary shall implement the dispute resolution program established under paragraph (1) in each State that has not established a dispute resolution program that meets the requirements of subsection (c)(12).

(3) Contracting out of implementation

In carrying out paragraph (2), the Secretary may contract with an appropriate agent to implement the dispute resolution program established under paragraph (2), except that such agent shall not be a person or entity other than a government, nor an affiliate or subsidiary of such a person or entity, that has entered into a contract with the Secretary to implement any other regulatory program under this chapter.

(CODIFICATION

Reference to “mobile homes”, appearing in subsec. (c)(3), changed to “manufactured homes” in view of the amendment of title VI of the Housing and Community Development Act of 1974 (this chapter) by section 306(c)(4) of Pub. L. 96–399 requiring the substitution of “manufactured home” for “mobile home” wherever appearing in title VI of the Housing and Community De-
development Act of 1974, and section 338B(c) of Pub. L. 97–35 (set out as a note under section 1703 of Title 12, Banks and Banking) providing that the terms "mobile home" and "manufactured home" shall be deemed to include the terms "mobile homes" and "manufactured homes", respectively.

**AMENDMENTS**

2000—Subsec. (c)(9), Pub. L. 106–569, § 603(b)(5), substituted “retailers” for “dealers”.


Subsec. (c)(12), Pub. L. 106–569, § 610(1), added par. (12).

Subsec. (c)(13), Pub. L. 106–569, § 605(b)(2), redesignated par. (11) as (13).

Subsec. (g), Pub. L. 106–569, § 610(2), added subsec. (g).

1980—Subsecs. (a), (b), (c)(2), (e), (f), Pub. L. 96–399 substituted “manufactured home” for “mobile home” wherever appearing.

**Effective Date of 2000 Amendment**

Amendment by Pub. L. 106–569 effective Dec. 27, 2000, except that amendment has no effect on any order or interpretative bulletin issued under this chapter and published as a proposed rule pursuant to 5 U.S.C. 553 on or before Dec. 27, 2000, see section 612 of Pub. L. 106–569, set out as a note under section 5401 of this title.

**Effective Date**

Section effective upon the expiration of 180 days following Aug. 22, 1974, see section 627 of Pub. L. 93–383, set out as a note under section 5401 of this title.

§ 5423. Grants to States

(a) **Purpose**

The Secretary is authorized to make grants to the States which have designated a State agency under section 5422 of this title to assist the States which have designated a State agency for receipt of any grant made by the Secretary under this section.

(b) **Designation by Governor of State agency for receipt of grant**

The Governor of each State shall designate the appropriate State agency for receipt of any grant made by the Secretary under this section.

(c) **Submission of application by State agency to Secretary; review by Secretary**

Any State agency designated by the Governor of a State desiring a grant under this section shall submit an application therefor to the Secretary. The Secretary shall review and either accept or reject such application.

(d) **Amount of Federal share; equality of distribution of funds**

The Federal share for each State grant under subsection (a) of this section may not exceed 90 per centum of the total cost to the State in identifying its needs and developing its plan. In the event the Federal share for all States under such subsection is not the same, the differences among the States shall be established on the basis of objective criteria.

(Effective Date)

Section effective upon the expiration of 180 days following Aug. 22, 1974, see section 627 of Pub. L. 93–383, set out as a note under section 5401 of this title.

§ 5424. Rules and regulations

The Secretary is authorized to issue, amend, and revoke such rules and regulations as he deems necessary to carry out this chapter.


**Effective Date**

Section effective upon the expiration of 180 days following Aug. 22, 1974, see section 627 of Pub. L. 93–383, set out as a note under section 5401 of this title.

**Regulations and Procedures With Regard to Manufactured Homes**

Pub. L. 96–399, title III, § 308(c)(7), Oct. 8, 1980, 94 Stat. 1641, provided that: “In adopting regulations and procedures in accordance with this subsection [see Tables for classification] the Secretary of Housing and Urban Development shall have discretion to take actions in a manner which he deems necessary to insure that the public is fully aware of the distinctions between the various types of factory-built housing.”


**Effective Date of Repeal**

Repeal effective Dec. 27, 2000, except that repeal has no effect on any order or interpretative bulletin issued under this chapter and published as a proposed rule pursuant to 5 U.S.C. 553 on or before Dec. 27, 2000, see section 612 of Pub. L. 106–569, set out as an Effective Date of 2000 Amendment note under section 5401 of this title.

§ 5426. Authorization of appropriations

There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this chapter.


**Prior Provisions**

A prior section 626 of Pub. L. 93–383 was classified to section 5425 of this title, prior to repeal by Pub. L. 106–569.

**Effective Date**

Section effective upon the expiration of 180 days following Aug. 22, 1974, see section 627 of Pub. L. 93–383, set out as a note under section 5401 of this title.

**Chapter 71—Solar Energy**

**Subchapter I—Heating and Cooling**

Sec. 5501. Congressional findings and declaration of policy.

5502. Definitions.

5503. Development and demonstration of solar heating systems for use in residential dwellings.
§ 5501 Congressional findings and declaration of policy

(a) The Congress hereby finds that—
(1) the current imbalance between supply and demand for fuels and energy is likely to persist for some time;
(2) the early demonstration of the feasibility of using solar energy for the heating and cooling of buildings could help to relieve the demand upon present fuel and energy supplies;
(3) the technologies for solar heating are close to the point of commercial application in the United States;
(4) the technologies for combined solar heating and cooling still require research, development, testing and demonstration, but no insoluble technical problem is now foreseen in achieving commercial use of such technologies;
(5) the early development and export of viable solar heating equipment and combined solar heating and cooling equipment, consistent with the established preeminence of the United States in the field of high technology products, can make a valuable contribution to our balance of trade;
(6) the widespread use of solar energy in place of conventional methods for the heating and cooling of buildings would have a significantly beneficial effect upon the environment;
(7) the mass production and use of solar heating and cooling equipment will help to eliminate the dependence of the United States upon foreign energy sources and promote the national defense;
(8) the widespread introduction of low-cost solar energy will be beneficial to consumers in a period of rapidly rising fuel cost;
(9) innovation and creativity in the development of solar heating and combined solar heating and cooling components and systems can be fostered through encouraging direct contact between the manufacturers of such systems and the architects, engineers, and contractors.

SUBCHAPTER III—SOLAR PHOTOVOLTAIC ENERGY RESEARCH, DEVELOPMENT AND DEMONSTRATION

§ 5581. Congressional findings and declaration of policy.

§ 5582. Definitions.

§ 5583. Establishment and promotion of research, development, and demonstration programs.
opera, contractors, and other persons interested in installing such systems in buildings;

(10) evaluation of the performance and reliability of solar heating and combined solar heating and cooling technologies can be expedited by testing under carefully controlled conditions; and

(11) commercial application of solar heating and combined solar heating and cooling technologies can be expedited by early commercial demonstration under practical conditions.

(b) It is therefore declared to be the policy of the United States and the purpose of this subchapter to provide for the demonstration within a three-year period of the practical use of solar heating technology, and to provide for the development and demonstration within a five-year period of the practical use of combined solar heating and cooling technology.


SHORT TITLE OF 1978 AMENDMENT


SHORT TITLE


§ 5502. Definitions

For purposes of this subchapter—

(1) the term ‘‘solar heating’’, with respect to any building, means the use of solar energy to meet such portion of the total heating needs of such building (including hot water), or such portion of the needs of such building for hot water (where its remaining heating needs are met by other methods), as may be required under performance criteria prescribed by the Secretary of Housing and Urban Development utilizing the services of the Director of the National Institute of Standards and Technology, and in consultation with the Secretary of Energy, and the Administrator of the National Aeronautics and Space Administration;

(2) the terms ‘‘solar heating and cooling’’ and ‘‘combined solar heating and cooling’’, with respect to any building, mean the use of solar energy to provide both such portion of the total heating needs of such building (including hot water) and such portion of the total cooling needs of such building, or such portion of the needs of such building for hot water (where its remaining heating needs are met by other methods) and such portion of the total cooling needs of a building, as may be required under performance criteria prescribed by the Secretary of Housing and Urban Development utilizing the services of the Director of the National Institute of Standards and Technology, and in consultation with the Secretary of Energy, and the Administrator of the National Aeronautics and Space Administration, and such term includes cooling by means of nocturnal heat radiation, by evaporation, or by other methods of meeting peakload energy requirements at nonpeakload times;

(3) the term ‘‘residential dwellings’’ includes previously occupied and new single family and multifamily dwellings, mobile homes, and publicly assisted housing owned by a private sponsor or a State or local housing authority not covered by section 5515 of this title;

(4) the term ‘‘Administrator’’ means the Administrator of the National Aeronautics and Space Administration;

(5) the term ‘‘Secretary’’ means the Secretary of Housing and Urban Development; and

(6) Omitted.


CONCIPATION

Par. (6) of this section, which defined the term ‘‘Director’’ as meaning the Director of the National Science Foundation, was omitted because of the transfer of functions from the National Science Foundation to the Secretary of Energy and the substitution of ‘‘Secretary of Energy’’ for ‘‘Director’’ wherever appearing in this subchapter. See Transfer of Functions note set out below.

AMENDMENTS


TRANSFER OF FUNCTIONS

‘‘Secretary of Energy’’ substituted for ‘‘Director of the National Science Foundation’’ in pars. (1) and (2) pursuant to sections 104(f) and 301(h) of Pub. L. 93–438, which are classified to sections 5814(f) and 5871(h) of this title and which transferred functions of National Science Foundation relating to or utilized in connection with solar heating and cooling development to Administrator of Energy Research and Development Administration, and pursuant to sections 301(a), 703, and 707 of Pub. L. 95–91, which are classified to sections 7351(a), 7293, and 7297 of this title and which terminated Energy Research and Development Administration and transferred its functions and functions of Administrator thereof (with certain exceptions) to Secretary of Energy.

§ 5503. Development and demonstration of solar heating systems for use in residential dwellings

(a) Functions of Administrator and Secretary

The Administrator and the Secretary shall promptly initiate and carry out a program, as provided in this section, for the development and demonstration of solar heating systems (including collectors, controls, and thermal storage) for use in residential dwellings.

(b) Time for determination, prescription and publishing of interim performance criteria; selection of designs for suitable dwellings

(1) Within 120 days after September 3, 1974, the Secretary, utilizing the services of the Director of the National Institute of Standards and Tech-
nology and in consultation with the Administrator and the Secretary of Energy, shall determine, prescribe, and publish—

(A) interim performance criteria for solar heating components and systems to be used in residential dwellings, and

(B) interim performance criteria (relating to suitability for solar heating) for such dwellings themselves,

taking into account in each instance climatic variations existing between different geographic areas.

(2) As soon as possible after the publication of the performance criteria prescribed under paragraph (1), the Secretary, in consultation with the Director of the National Institute of Standards and Technology and the Administrator, will select on the basis of open competition a number of designs for various types of residential dwellings suitable for and adapted to the installation of solar heating systems meeting the performance criteria prescribed under paragraph (1)(A).

c) Contracts and grants for development of heating systems for commercial production and residential use; contracts for procurement of heating systems and components

The Administrator, in accordance with the applicable provisions of subchapter II of chapter 201 of title 51 and under program guidelines established jointly by the Administrator and the Secretary, shall, after consultation with the Secretary—

(1) enter into such contracts and grants as may be necessary or appropriate for the development (for commercial production and residential use) of solar heating systems meeting the performance criteria prescribed under subsection (b)(1)(A) (including any further planning and design which may be required to conform with the specifications set forth in such criteria); and

(2) enter into contracts with a number of persons or firms for the procurement of solar heating components and systems meeting such performance criteria (including adequate numbers of spare and replacement parts for such systems).

d) Installation of heating systems; operation during demonstration period; title and ownership of dwellings and systems; agreement of owner to observe and monitor system for five years; reports by owner

The Secretary shall (1) arrange for the installation of solar heating systems procured by the Administrator under subsection (c)(2) in a substantial number of residential dwellings and coordinate their activities under this section to constitute a realistic and effective demonstration in support of the objectives of this subchapter.

(e) Installation of heating systems by Secretary of Defense in dwellings located on Federal or federally administered property

The Secretary of Defense shall arrange for the installation of solar heating systems procured by the Administrator under subsection (c)(2) in a substantial number of residential dwellings which are located on Federal or federally administered property where the performance and operation of such systems can be regularly and effectively observed and monitored by designated Federal personnel.

(f) Coordination of activities to assure a realistic and effective demonstration

The Secretary and the Secretary of Defense, and officials responsible for administering Federal or federally administered property, shall coordinate their activities under this section to assure that solar heating systems are installed in a substantial number of residential dwellings and in a sufficient number of different geographic areas under varying climatic conditions to constitute a realistic and effective demonstration in support of the objectives of this subchapter.

Amendments


Transfer of Functions

“Secretary of Energy” substituted for “Director”, meaning Director of National Science Foundation, in subsec. (b)(1) pursuant to sections 104(f) and 301(h) of Pub. L. 93–409, which are classified to sections 5814(f) and 5871(h) of Title 51, National and Commercial Space Programs.

Codification


The Secretary and the Secretary of Defense, shall, after consultation with the Administrator and the Secretary, prescribe, observe and publish—

(A) interim performance criteria for solar heating components and systems to be used in residential dwellings, and

(B) interim performance criteria (relating to suitability for solar heating) for such dwellings themselves,
§ 5504. Development and demonstration of combined solar heating and cooling systems for use in residential dwellings

(a) Functions of Administrator and Secretary

The Administrator and the Secretary shall promptly initiate and carry out a program, as provided in this section, for the development and demonstration of combined solar heating and cooling systems (including collectors, controls, and thermal storage) for use in residential dwellings.

(b) Time for determination, prescription and publishing of interim performance criteria; selection of designs for suitable dwellings

(1) As soon as possible after September 3, 1974, the Secretary, utilizing the services of the Director of the National Institute of Standards and Technology and in consultation with the Administrator, shall determine, prescribe, and publish—

(A) interim performance criteria for combined solar heating and cooling components and systems to be used in residential dwellings, and

(B) interim performance criteria (relating to suitability for solar heating and cooling) for such dwellings themselves, taking into account in each instance climatic variations existing between different geographic areas.

(2) As soon as possible after the publication of the performance criteria prescribed under paragraph (1) (and if possible before the completion of the research and development provided for in subsection (c)), the Secretary, in consultation with the Director of the National Institute of Standards and Technology and the Administrator, will select on the basis of open competition a number of designs for various types of residential dwellings suitable for and adapted to the installation of combined solar heating and cooling systems meeting the performance criteria prescribed under paragraph (1)(A).

(c) Program of research, development and testing to provide additional technological resources for development and commercial application of combined systems

During the period immediately following the publication of performance criteria under subsection (b)(1), the Administrator, in coordination with the Secretary of Energy, shall undertake and conduct with respect to solar heating and cooling a program of research, development, and testing designed to provide the additional technological resources necessary for the development and commercial application of combined solar heating and cooling systems as contemplated by the program under this section.

(d) Contracts and grants for development of combined systems for commercial production and residential use; contracts for procurement of combined systems

The Administrator, in accordance with the applicable provisions of subchapter II of chapter 201 of title 51 and under program guidelines established jointly by the Administrator and the Secretary, and at the earliest possible time during or immediately after the period specified in subsection (c), shall, after consultation with the Secretary—

(1) enter into such contracts and grants as may be necessary or appropriate for the development (for commercial production and residential use) of combined solar heating and cooling systems meeting the performance criteria prescribed under subsection (b)(1)(A) (including any further planning and design which may be required to conform with the specifications set forth in such criteria or to reflect the results of the activities conducted under subsection (c)); and

(2) enter into contracts with a number of persons or firms for the procurement of combined solar heating and cooling systems meeting such performance criteria (including adequate numbers of spare and replacement parts for such systems).

(e) Installation of combined systems; operation during demonstration period; title and ownership of dwellings and systems; agreement of owner to observe and monitor system; reports by owner

The Secretary shall (1) arrange for the installation of combined solar heating and cooling systems procured by the Administrator under subsection (d)(2) in a substantial number of residential dwellings and (2) provide for the satisfactory operation of such installations during the demonstration period. Title to and ownership of any dwellings constructed hereunder and of combined solar heating and cooling systems installed hereunder may be conveyed to purchasers or owners of such dwellings under terms and conditions prescribed by the Secretary, including an express agreement that any such purchaser or owner shall, in such manner and form and on such terms and conditions as the Secretary may prescribe, observe and monitor (or permit the Secretary to observe and monitor) the performance and operation of such system for a period of five years, and that such purchaser or owner (including any subsequent owner and occupant of the property who also makes such an agreement) shall regularly furnish the Secretary with such reports thereon as the agreement may require.

(f) Installation of combined systems by Secretary of Defense in dwellings located on Federal or federally administered property

The Secretary of Defense shall arrange for the installation of combined solar heating and cooling systems procured by the Administrator under subsection (d)(2) in a substantial number of residential dwellings which are located on Federal or federally administered property where the performance and operation of such systems can be regularly and effectively observed and monitored by designated Federal personnel.

(g) Coordination of activities to assure a realistic and effective demonstration

The Secretary and the Secretary of Defense, and officials responsible for administering Federal or federally administered property, shall coordinate their activities under this section to assure that combined solar heating and cooling systems are installed in a substantial number of
residential dwellings and in a sufficient number of geographic areas under varying climatic conditions to constitute a realistic and effective demonstration in support of the objectives of this subchapter.


CODIFICATION
In subsec. (d), “subchapter II of chapter 201 of title 51” substituted for “title II of the National Aeronautics and Space Act of 1958” on authority of Pub. L. 111–314, 51” substituted for “title II of the National Aeronautics and Commercial Space Programs.”

AMENDMENTS

TRANSFER OF FUNCTIONS
“Secretary of Energy” substituted for “Director”, meaning Director of National Science Foundation, in subsecs. (b)(1) and (c) pursuant to sections 104(f) and 301(h) of Pub. L. 93–438, which are classified to sections 5814(f) and 5871(h) of this title and which transferred functions of National Science Foundation relating to or utilized in connection with solar heating and cooling development to Administrator of Energy Research and Development Administration, and pursuant to sections 301(a), 703, and 707 of Pub. L. 95–91, which are classified to sections 7151(a), 7293, and 7297 of this title and which terminated Energy Research and Development Administration, and pursuant to sections 301(a), 703, and 707 of Pub. L. 95–91, which are classified to sections 7151(a), 7293, and 7297 of this title and which terminated Energy Research and Development Administration and transferred its functions and functions of Administrator thereof with (certain exceptions) to Secretary of Energy.


§ 5505. Omitted
CODIFICATION
Section, Pub. L. 93–409, § 7, Sept. 3, 1974, 88 Stat. 1073, authorized and directed Administrator and Secretary to prepare a comprehensive plan for conduct of development and demonstration activities under section 5503 and 5504, such plan to be transmitted to President and Congress within 120 days after Sept. 3, 1974.

§ 5506. Test procedures and definitive performance criteria for solar heating and combined solar heating and cooling components and systems and suitable dwellings; determination, consultation and publication in Federal Register
As soon as feasible, and utilizing data available from the demonstration programs under sections 5503 and 5504 of this title, the Secretary, utilizing the services of the Director of the National Institute of Standards and Technology and in consultation with the Administrator and the Secretary of Energy shall determine, prescribe, and publish in the Federal Register in accordance with the applicable provisions regarding rulemaking prescribed by section 553 of title 5,
§ 5508. Program of applied research by Secretary of Energy for improvement and development of heating systems for commercial application; transmission of results to Secretary and Administrator

(a) The Secretary of Energy shall conduct a program of applied research relevant to (1) the improvement of solar heating components and systems and (2) the development and commercial application of combined solar heating and cooling components and systems as contemplated by the programs under this subchapter.

(b) The Secretary of Energy shall apprise the Secretary and the Administrator on a continuing basis of the results of the programs being conducted in accordance with subsection (a), and the Secretary and the Administrator shall insure that such results, where appropriate, are incorporated into the development and demonstration programs established by this subchapter.


Transfer of Functions

“Secretary of Energy” substituted in text for “Director”, meaning Director of National Science Foundation, pursuant to sections 104(f) and 301(h) of Pub. L. 93–458, which are classified to sections 5814(f) and 5871(h) of this title and which transferred functions of National Science Foundation relating to or utilized in connection with solar heating and cooling development to Administrator of Energy Research and Development Administration, and pursuant to sections 301(a), 703, and 707 of Pub. L. 95–91, which are classified to sections 7151(a), 7293, and 7297 of this title and which terminated Energy Research and Development Administration and transferred its functions and functions of Administrator thereof (with certain exceptions) to Secretary of Energy.

§ 5509. Supervision of systems and programs by Secretary

(a) Monitoring of performance; collection and evaluation of data; studies and investigation; reports to Congress

The Secretary, utilizing the services of the Director of the National Institute of Standards and Technology and in coordination with such other Government agencies as may be appropriate, shall—

(1) monitor the performance and operation of solar heating and combined solar heating and cooling systems installed in residential dwellings under this subchapter;

(2) collect and evaluate data and information on the performance and operation of solar heating and combined solar heating and cooling systems installed in residential dwellings under this subchapter; and

(3) from time to time, carrying out such studies and investigations and take such other actions, including the submission of special reports to the Congress when appropriate, as may be necessary to assure that the programs for which the Secretary is responsible under this subchapter effectively carry out the policy of this subchapter.

(b) Cooperation with scientific, technical, and professional societies and industry representatives in development of performance criteria and test procedures

In the development of the performance criteria and test procedures required under sections 5503, 5504, and 5506 of this title, the Secretary shall work closely with the appropriate scientific, technical, and professional societies and industry representatives to insure the best possible use of available expertise in this area.

(c) Continued liaison with building and related industries and scientific and technical communities

The Secretary shall also maintain continuing liaison with the building industry and related industries and interests, and with the scientific and technical community during and after the period of the programs carried out under this subchapter, in order to assure that the projected benefits of such programs are and will continue to be realized.


Amendments


§ 5510. Dissemination of information to promote practical use of solar heating and cooling technologies

(a) Coordination by Secretary with other Federal agencies in dissemination to Federal, State, and local authorities, etc.

The Secretary shall take all possible steps to assure that full and complete information with respect to the demonstrations and other activities conducted under this subchapter is made...
available to Federal, State, and local authorities, the building industry and related segments of the economy, the scientific and technical community, and the public at large, both during and after the close of the programs under this subchapter, with the objective of promoting and facilitating to the maximum extent feasible the early and widespread practical use of solar energy for the heating and cooling of buildings throughout the United States. In accordance with regulations prescribed under section 5514 of this title such information shall be disseminated throughout the United States. In accordance with regulations prescribed under section 5514 of this title, the Secretary shall provide retrieval and dissemination services to cover the solar heating and cooling information described under paragraph (2) for—

(A) Federal, State, and local government organizations that are active in the area of energy resources (and their contractors);
(B) universities, colleges, and other nonprofit organizations; and
(C) private persons, upon request, in appropriate cases.

(d) Annual reports to President and Congress by officers and agencies; contents; special annual report by Secretary

Each Federal officer and agency having functions under this subchapter shall include in his or its annual report to the President and the Congress a full and complete description of his or its activities (current and projected) under this subchapter, along with his or its recommendations for legislative, administrative, or other action to improve the programs under this subchapter or to achieve the objectives of this subchapter more promptly and effectively. In addition, the Secretary shall submit annually to the President and the Congress a special report summarizing in appropriate detail all of the activities (current and projected) of the various Federal officers and agencies having functions under this subchapter, with the objective of presenting a comprehensive overall view of such programs.

AMENDMENTS


EFFECTIVE DATE OF 1999 AMENDMENT

Amendment by Pub. L. 106–113 effective 4 months after Nov. 29, 1999, see section 1000(a)(9) [title IV, §4731].
§ 5511a. Solar Assistance Financing Entity

(a) Establishment

The Secretary of Housing and Urban Development shall establish within the Department of...
§ 5512  TITLE 42—THE PUBLIC HEALTH AND WELFARE

Housing and Urban Development the Solar Assistance Financing Entity (in this section referred to as the “Entity”).

(b) Purpose

The purpose of the Entity shall be to assist in financing solar and renewable energy capital investments and projects for eligible buildings under subsection (c).

(c) Eligible buildings

The Entity may provide assistance under this section only for the following buildings:

(1) Single family housing

Any building consisting of 1 to 4 dwelling units that has a system for heating or cooling, or both.

(2) Multifamily housing

Any building consisting of more than 4 dwelling units that has a system for heating or cooling, or both.

(3) Commercial buildings

Any building used primarily to carry on a business (including any nonprofit business) that is not used primarily for the manufacture or production of raw materials, products, or agricultural commodities.

(4) Schools, hospitals, and agricultural buildings

Any school, any hospital, and any building used exclusively in connection with the harvesting, storage, or drying of agricultural commodities.

(5) Other buildings

Any other building of a type that the Entity considers appropriate.

(d) Financing options

Assistance provided under this section by the Entity may be provided only for programs for financing solar and renewable energy capital investments and projects, which may include programs for making loans, making grants, reducing the principal obligations of loans, prepayment of interest on loans, purchase and sale of loans and advances of credit, providing loan guarantees, providing loan downpayment assistance, and providing rebates and other incentives for the purchase and installation of solar and renewable energy measures.

(e) Authority to leverage other funds

The Entity may encourage or require programs receiving assistance under this section to supplement the assistance received under this section with amounts from other public and private sources, and, in making assistance under this section available, may give preference to programs that leverage amounts from such other sources.

(f) Provision of assistance

The Entity shall provide assistance under this section through State agencies responsible for developing State energy conservation plans pursuant to section 6322 of this title, or any other entity or agency authorized to specifically carry out the purposes of this section.

(g) Regulations

Not later than the expiration of the 12-month period beginning on October 28, 1992, the Secretary of Housing and Urban Development, in consultation with the Secretary of Energy, shall issue any regulations necessary to carry out this section, which shall ensure maximum flexibility in utilizing amounts made available under this section.

(h) Authorization of appropriations

There are authorized to be appropriated to carry out this section $10,000,000 for fiscal year 1993 and $10,420,000 for fiscal year 1994. Such sums are to be available until expended.


CODIFICATION

Section was enacted as part of the Housing and Community Development Act of 1992, and not as part of the Solar Heating and Cooling Demonstration Act of 1974 which comprises this subchapter.

Section is comprised of section 912 of Pub. L. 102–550. Subsec. (i) of section 912 of Pub. L. 102–550 repealed sections 1723g and 1723h and chapter 37 (§3601 et seq.) of Title 12, Banks and Banking.

§ 5512. Small business concerns’ opportunities to participate in programs

In carrying out their functions under this subchapter, all Federal officers and agencies shall take steps to assure that small business concerns will have realistic and adequate opportunities to participate in the programs under this subchapter to the maximum extent possible.


§ 5513. Priorities and criteria of demonstration programs

The Secretary shall set priorities as far as possible consistent with the intent and operation of this subchapter in accordance with the following criteria:

(a) The residential dwellings and other buildings which will be part of the demonstration programs referred to in sections 5503, 5504, and 5507 of this title shall be located in a sufficient number of different geographic areas in the United States to assure a realistic and effective demonstration of the solar heating systems and combined solar heating and cooling systems involved, and of the dwellings and other buildings themselves, in both rural and urban locations and under climatic conditions which vary as much as possible.

(b) Consideration shall be given to projected costs of commercial production and maintenance of the solar heating systems and combined solar heating and cooling systems utilized in the demonstration programs.

(c) Encouragement should be given in the conduct of programs under this subchapter to those projects in which funds, appropriated by any State or political subdivision thereof for the purpose of sharing costs with the Federal Government for the purchase and installation of solar heating or combined solar heating and cooling components and systems, are committed before or after September 3, 1974.


§ 5514. Regulations

The Administrator and the Secretary in consultation with the Director of the National In-
stitute of Standards and Technology, the Secretary of Energy, the Administrator of the General Services Administration, the Secretary of Defense, and other appropriate officers and agencies, shall prescribe such regulations as may be necessary or appropriate to carry out this subchapter promptly and efficiently. Each such officer or agency, in consultation with the Administrator and the Secretary, may prescribe such regulations as may be necessary or appropriate to carry out his or its particular functions under this subchapter promptly and efficiently.


AMENDMENTS

TRANSFER OF FUNCTIONS

“Secretary of Energy” substituted in text for “Director”, meaning Director of the National Science Foundation, pursuant to sections 194(f) and 301(b) of Pub. L. 93–438, which are classified to sections 5814(f) and 5871(b) of this title and which transferred functions of National Science Foundation relating to or utilized in connection with solar heating and cooling development to Administrator of Energy Research and Development Administration, and pursuant to sections 301(a), 703, and 707 of Pub. L. 95–91, which are classified to sections 7151(a), 7285, and 7297 of this title and which terminated Energy Research and Development Administration and transferred its functions and functions of Administrator thereof (with certain exceptions) to Secretary of Energy.

§ 5515. Use of publicly assisted housing by Secretary in demonstrations

The Secretary shall make appropriate use of publicly assisted housing and particularly low-rent housing assisted under the United States Housing Act of 1937 [42 U.S.C. 1437 et seq.] in demonstrating solar heating systems and combined solar heating and cooling systems under this subchapter.


REFERENCES IN TEXT
The United States Housing Act of 1937, referred to in text, is act Sept. 1, 1937, ch. 396, as revised generally by Pub. L. 93–393, title II, §201(a), Aug. 22, 1974, 88 Stat. 653, which is classified generally to chapter 8 (§1437 et seq.) of this title. For complete classification of this Act to the Code, see Short Title note set out under section 1437 of this title and Tables.

§ 5516. Transfer of functions

Within sixty days after the effective date of the law creating the Energy Research and Development Administration or any other law creating a permanent Federal organization or agency having jurisdiction over the energy research and development functions of the United States (or within sixty days after September 3, 1974, if the effective date of such law occurs prior to the enactment of this subchapter), the energy research and development functions vested in the National Aeronautics and Space Administration and the National Science Foundation under this subchapter and any funds which may have been appropriated pursuant to section 5517 of this title, to the extent necessary or appropriate, may, in accordance with regulations prescribed by the Office of Management and Budget, be transferred to andvested in the Energy Research and Development Administration or such other organization or agency.


TRANSFER OF FUNCTIONS

Energy Research and Development Administration terminated and functions vested by law in Administrator thereof transferred to Secretary of Energy (unless otherwise specifically provided) by sections 7151(a) and 7285 of this title. Functions of National Science Foundation relating to or utilized in connection with solar heating and cooling development transferred to Administrator of Energy Research and Development Administration by section 5814(f) of this title.

§ 5517. Authorization of appropriations

(a) Appropriations to National Aeronautics and Space Administration

There is hereby authorized to be appropriated to the National Aeronautics and Space Administration for the fiscal year ending June 30, 1975, $5,000,000, to remain available until expended, to carry out the functions vested in the Administrator by this subchapter.

(b) Appropriations to Department of Housing and Urban Development

There is hereby authorized to be appropriated to the Department of Housing and Urban Development for the fiscal year ending June 30, 1975, $5,000,000, to remain available until expended. Any sums so appropriated shall be available (1) to carry out the functions vested in the Secretary of Housing and Urban Development by this subchapter, and (2) for transfer to the Department of Defense, the National Institute of Standards and Technology, and the General Services Administration to enable them to carry out their respective functions under this subchapter.

(c) Appropriations for programs under this subchapter

There is hereby authorized to be appropriated for the fiscal years ending June 30, 1976, 1977, 1978, and 1979, $50,000,000 in the aggregate to carry out the programs established by this subchapter.


AMENDMENTS

SUBCHAPTER II—RESEARCH, DEVELOPMENT, AND DEMONSTRATION

§ 5551. Congressional declaration of findings and policy

(a) The Congress hereby finds that—
§ 5552. Definitions

For the purposes of this subchapter—

(1) the term “solar energy” means energy which has recently originated in the Sun, including direct and indirect solar radiation and intermediate solar energy forms such as wind, sea thermal gradients, products of photosynthetic processes, organic wastes, and others;

(2) the term “byproducts” includes, with respect to any solar energy technology or process, any solar energy products (including energy forms) other than those associated with or constituting the primary product of such technology or process;

(3) the term “insolation” means the rate at which solar energy is received at the surface of the Earth;

(4) the term “Project” means the Solar Energy Coordination and Management Project; and

(5) the term “Chairman” means the Chairman of the Project.


§ 5553. Solar Energy Coordination and Management Project

(a) Establishment

There is hereby established the Solar Energy Coordination and Management Project.

(b) Membership; chairman; compensation

(1) The Project shall be composed of six members as follows:

(A) an Assistant Director of the National Science Foundation;

(B) an Assistant Secretary of Housing and Urban Development;

(C) a member of the Federal Power Commission;

(D) an Associate Administrator of the National Aeronautics and Space Administration;

(E) the General Manager of the Atomic Energy Commission; and

(F) a member to be designated by the President.

(2) The President shall designate one member of the Project to serve as Chairman of the Project.

(3) If the individual designated under paragraph (1)(F) is an officer or employee of the Federal Government, he shall receive no additional pay on account of his service as a member of the Project. If such individual is not an officer or employee of the Federal Government, he shall be entitled to receive the daily equivalent of the annual rate of basic pay in effect for level IV of the Executive Schedule (5 U.S.C. 5315) for each day (including traveltime) during which he is engaged in the actual performance of duties vested in the Project.

(c) Responsibilities

The Project shall have overall responsibility for the provision of effective management and coordination with respect to a national solar energy research, development, and demonstration program, including—

(1) the determination and evaluation of the resource base, including its temporal and geographic characteristics;

(2) research and development on solar energy technologies; and

(3) the demonstration of appropriate solar energy technologies.

(d) Cooperation with other Federal agencies; assignment of other Federal agency personnel to Project

(1) The Project shall carry out its responsibilities under this section in cooperation with the following Federal agencies:

(A) the National Science Foundation, the responsibilities of which shall include research;
(B) the National Aeronautics and Space Administration, the responsibilities of which shall include the provision of management capability and the development of technologies;

(C) the Atomic Energy Commission, the responsibilities of which shall include the development of technologies;

(D) the Department of Housing and Urban Development, the responsibilities of which shall include fostering the utilization of solar energy for the heating and cooling of buildings, pursuant to subchapter I of this chapter; and

(E) the Federal Power Commission, the responsibilities of which shall include fostering the utilization of solar energy for the generation of electricity and for the production of synthetic fuels.

(2) Upon request of the Chairman, the head of any such agency is authorized to detail or assign, on a reimbursable basis or otherwise, any of the personnel of such agency to the Project to assist it in carrying out its responsibilities under this subchapter.

(e) Establishment or approval of program or project; operation and administration of program or project

The Project shall have exclusive authority with respect to the establishment or approval of programs or projects initiated under this subchapter, but the agency involved in any particular program or project shall be responsible for the operation and administration of such program or project.

(f) Authorization of National Aeronautics and Space Administration to undertake and carry out assigned programs

The National Aeronautics and Space Administration is authorized to undertake and carry out those programs assigned to it by the Project.


Transfer of Functions

Federal Power Commission terminated and its functions, personnel, property, funds, etc., transferred to Secretary of Energy (except for certain functions which were transferred to Federal Energy Regulatory Commission) by sections 7151(b), 7171(a), 7172(a), 7291, and 7293 of this title.

For transfer of functions of Federal Power Commission, with certain reservations, to chairman of such Commission, see Reorg. Plan No. 9 of 1950, §§ 1, 2, eff. May 24, 1950, 15 F.R. 3175, 64 Stat. 1265, set out in the Appendix to Title 5, Government Organization and Employees.

Atomic Energy Commission abolished and functions transferred by sections 5814 and 5841 of this title. See also Transfer of Functions notes set out under those sections.

Functions of National Science Foundation relating to or utilized in connection with solar heating and cooling development transferred to Administrator of Energy Research and Development Administration by section 5814(f) of this title. Energy Research and Development Administration terminated and functions vested by law in Administrator thereof transferred to Secretary of Energy (unless otherwise specifically provided) by sections 7151(a) and 7293 this title.

§ 5554. Solar energy resource determination and assessment program; objectives; implementation

(a) The Chairman shall initiate a solar energy resource determination and assessment program with the objective of making a regional and national appraisal of all solar energy resources, including data on insolation, wind, sea thermal gradients, and potentials for photosynthetic conversion. The program shall emphasize identification of promising areas for commercial exploitation and development. The specific goals shall include—

1. the development of better methods for predicting the availability of all solar energy resources, over long time periods and by geographic location;

2. the development of advanced meteorological, oceanographic, and other instruments, methodology, and procedures necessary to measure the quality and quantity of all solar resources on periodic bases;

3. the development of activities, arrangements, and procedures for the collection, evaluation, and dissemination of information and data relating to solar energy resource assessment.

(b) The Chairman, acting through the National Aeronautics and Space Administration, the National Oceanic and Atmospheric Administration, and other appropriate agencies, shall—

1. develop and carry out a general plan for inventorying all forms of solar energy resources associated with Federal lands and (where consistent with property rights) non-Federal lands;

2. conduct regional surveys based upon such general plan, using innovative meteorological, oceanographic, and space-related techniques, in sufficient numbers to lead to a national inventory of solar energy resources in the United States;

3. publish and make available maps, reports, and other documents developed from such surveys to encourage and facilitate the commercial development of solar energy resources; and

4. make such recommendations for legislation as may appear to be necessary to establish policies for solar resources involving Federal lands and waters, consistent with known inventories of various resource types, with the state of technologies for solar energy development, and with evaluation of the environmental impacts of such development.


§ 5555. Research and development program

(a) Purpose

The Chairman shall initiate a research and development program for the purpose of resolving the major technical problems inhibiting commercial utilization of solar energy in the United States.

(b) Implementation

In connection with or as a part of such program, the Chairman shall—

1. conduct, encourage, and promote scientific research and studies to develop effec-
demonstrative and economical processes and equipment for the purpose of utilizing solar energy in an acceptable manner for beneficial uses;

(2) carry out systems, economic, social, and environmental studies to provide a basis for research, development, and demonstration planning and phasing; and

(3) perform or cause to be performed technology assessments relevant to the utilization of solar energy.

(c) **Scope**

The specific solar energy technologies to be addressed or dealt with in the program shall include:

(1) direct solar heat as a source for industrial processes, including the utilization of low-level heat for process and other industrial purposes;

(2) thermal energy conversion, and other methods, for the generation of electricity and the production of chemical fuels;

(3) the conversion of cellulose and other organic materials (including wastes) to useful energy or fuels;

(4) photovoltaic and other direct conversion processes;

(5) sea thermal gradient conversion;

(6) windpower conversion; and

(7) solar heating and cooling of housing and of commercial and public buildings; and

(8) energy storage.


§ 5556. **Solar energy demonstration facilities program**

(a) **Authorization for design and construction of facilities; objectives**

The Chairman is authorized to initiate a program to design and construct, in specific solar energy technologies (including, but not limited to, those listed in section 5555(c) of this title, facilities or powerplants of sufficient size to demonstrate the technical and economic feasibility of utilizing the various forms of solar energy. The specific goals of such programs shall include—

(1) production of electricity from a number of powerplants, on the order of one to ten megawatts each;

(2) production of synthetic fuels in commercial quantities;

(3) large-scale utilization of solar energy in the form of direct heat;

(4) utilization of thermal and all other by-products of the solar facilities;

(5) design and development of hybrid systems involving the concomitant utilization of solar and other energy sources; and

(6) the continuous operation of such plants and facilities for a period of time.

(b) **Criteria for determination to proceed from development program to demonstration**

For each of the technologies for which a successful and appropriate development program is completed, the Chairman shall make a determination to proceed to demonstration based on criteria including, but not necessarily limited to, the following:

(1) the technological feasibility of the project;

(2) the costs and benefits of the project, as determined by an economic assessment;

(3) the immediate and the potential uses of the solar energy utilized in the project;

(4) long-term national need for the technology;

(5) environmental impact;

(6) potential for technology transfer to other applications; and

(7) the nature and extent of Federal participation, if any, in the project.

(c) **Establishment of one or more projects utilizing each form of solar energy**

In carrying out his responsibilities under this section, the Chairman, acting through the appropriate Federal agencies, may provide for the establishment of one or more demonstration projects utilizing each form of solar energy, which shall include, as appropriate, the specific research, development, pilot plant construction and operation, demonstration plant construction and operation, and other facilities and activities which may be necessary to show commercial viability of the specific solar technology.

(d) **Investigation and agreements for cooperative development of demonstration facilities**

The Chairman, acting through the appropriate Federal agencies, is authorized to investigate and enter into agreements for the cooperative development of facilities to demonstrate solar technologies. The responsible Federal agency may consider—

(1) cooperative agreements with non-Federal entities for construction of facilities and equipment to demonstrate solar energy technologies; and

(2) cooperative agreements with other Federal agencies for the construction of facilities and equipment and operation of facilities to produce energy for direct Federal utilization.

(e) **Construction and operation of demonstration projects without cooperative agreements**

The Chairman, acting through appropriate Federal agencies is authorized to construct and operate demonstration projects without entering into cooperative agreements with respect to such projects, if the Chairman finds that—

(1) the nature of the resource, the geographical location, the scale and engineering design of the facilities, the techniques of production, or any other significant factor of the specific demonstration project offers opportunities to make important contributions to the general knowledge of solar resources, the techniques of its development, or public confidence in the technology; and

(2) there is no opportunity for cooperative agreements with any non-Federal entity willing and able to cooperate in the demonstration project under subsection (d)(1), and there is no opportunity for cooperative agreements with other Federal agencies under subsection (d)(2).
(f) Additional appropriations for projects exceeding maximum amount
If the estimate of the Federal investment with respect to construction and operation costs of any demonstration project proposed to be established under this section exceeds $20,000,000, no amount may be appropriated for such project except as specifically authorized by legislation hereafter enacted by the Congress.

(g) Disposition of Federal property interests, electricity, synthetic fuels, and other byproducts upon completion of project
(1) At the conclusion of any demonstration project established under this section, or as soon thereafter as may be practicable, the responsible Federal agencies shall, by sale, lease, or otherwise, dispose of all Federal property interests which they have acquired pursuant to this section in accordance with existing law and the terms of the cooperative agreements involved.

(2) The agency involved shall, under appropriate agreements or other arrangements, provide for the disposition of electricity, synthetic fuels, and other byproducts of the project administered by such agency.


§ 5556a. Solar photovoltaic energy systems studies and acquisitions by Secretary of Energy; scope, contents, and submission dates for reports; acquisition authority and requirements; authorization of appropriations
(a) The Secretary of Energy shall—
(1) initiate and conduct an “application and system design study”, cooperatively with appropriate Federal agencies, to determine the potential for the use of solar photovoltaic systems at specific Federal installations; and this study shall—
(A) include an analysis of those sites that are currently cost-effective for solar photovoltaic energy systems, using life-cycle costing techniques, as well as those which would be cost-effective at expected future market prices;
(B) identify potential sites and uses of solar photovoltaic energy systems at the following agencies as well as any others which the Secretary of Energy deems necessary:
(i) the Department of Defense;
(ii) the Department of Transportation (including the United States Coast Guard, the Federal Aviation Administration, and the Federal Highway Administration);
(iii) the Department of Commerce;
(iv) the Department of Agriculture; and
(v) the Department of the Interior;
(C) provide a preliminary report to Congress within nine months following February 25, 1978; and
(D) include the presentation of a detailed plan for the implementation of solar photovoltaic energy systems for power generation at specific sites in Federal Government agencies to Congress within twelve months following February 25, 1978;
(2) initiate and conduct a study of the options available to the Federal Government to provide for the adequate growth of the solar photovoltaic industry and to include such possible incentives as government funding, loan guarantees, tax incentives, the operation of pilot plants or production lines and other incentives deemed worthy of consideration by the Secretary of Energy. A preliminary report shall be submitted to Congress within six months following February 25, 1978;
(3) initiate and conduct a study involving the prospects for applications of solar photovoltaic energy systems for power generation in foreign countries, particularly lesser developed countries, and the potential for the exportation of these energy systems. This study shall involve the cooperation of the Department of State and the Department of Commerce, as well as other Federal agencies which the Secretary of Energy deems appropriate. A final report shall be submitted to the Congress, as well as a preliminary report within twelve months of February 25, 1978; and
(4) be authorized to acquire up to an additional 4.0 megawatts (peak) of solar photovoltaic energy systems. The sum of $13,000,000 is hereby authorized to be appropriated (in addition to any other amounts authorized by this Act to be appropriated) for the fiscal year ending September 30, 1978, and for delivery in the following twelve months. Such sums shall remain available until expended. The solar photovoltaic energy systems acquired shall be available for use for power generation by Federal agencies, provided that no procurement takes place until their application on Federal sites is determined to be life cycle cost effective.

(b) For technology development, particularly for engineering design and development of the manufacturing process of solar photovoltaic energy systems (primarily for the implementation of automated processes and other cost reducing production technologies), the sum of $6,000,000 is hereby authorized by this Act to be appropriated for the fiscal year ending September 30, 1978.


REFERENCES IN TEXT

CODIFICATION
Section was enacted as part of the Department of Energy Act of 1978—Civilian Applications, and not as part of the Solar Energy Research, Development, and Demonstration Act of 1974 which comprises this subchapter.

TRANSFER OF FUNCTIONS
For transfer of authorities, functions, personnel, and assets of the Coast Guard, including the authorities and functions of the Secretary of Transportation relating thereto, to the Department of Homeland Security, and for treatment of related references, see sections 468(b), 551(d), 552(d), and 557 of Title 6, Domestic Security, and the Department of Homeland Security Reor-
§ 5557. Solar Energy Information Data Bank

(a) Establishment; utilization of other Federal agencies; information and data to be compiled; retrieval and dissemination services; utilization of existing scientific and technical information

(1) In carrying out his functions under this subchapter the Chairman, utilizing the capabilities of the National Science Foundation, the National Aeronautics and Space Administration, the Department of Commerce, the Atomic Energy Commission, and other appropriate Federal agencies to the maximum extent possible, shall establish and operate a Solar Energy Information Data Bank (hereinafter in this subsection referred to as the "bank") for the purpose of collecting, reviewing, processing, and disseminating information and data in all of the solar energy technologies referred to in section 5556(c) of this title in a timely and accurate manner in support of the objectives of this subchapter.

(2) Information and data compiled in the bank shall include—

(A) technical information (including reports, journal articles, dissertations, monographs, and project descriptions) on solar energy research, development, and applications;

(B) similar technical information on the design, construction, and maintenance of equipment utilizing solar energy;

(C) general information on solar energy applications to be disseminated for popular consumption;

(D) physical and chemical properties of materials required for solar energy activities and equipment; and

(E) engineering performance data on equipment and devices utilizing solar energy.

(3) In accordance with regulations prescribed under section 5561 of this title, the Chairman shall provide retrieval and dissemination services with respect to the information described under paragraph (2) for—

(A) Federal, State, and local government organizations that are active in the area of energy resources (and their contractors);

(B) universities and colleges in their related research and consulting activities; and

(C) the private sector upon request in appropriate cases.

(4) In carrying out his functions under this subsection, the Chairman shall utilize, when feasible, the existing data base of scientific and technical information in Federal agencies, adding to such data base any information described in paragraph (2) which does not already reside in such base. He shall coordinate or merge this data bank with other Federal energy information data banks as necessary to assure efficient and effective operation.

(b) Studies and research to promote consumer acceptance and utilization of solar energy technologies

In carrying out his functions under this subchapter the Chairman shall perform or cause to be performed studies and research on incentives to promote broader utilization and consumer acceptance of solar energy technologies.

(c) Coordination of solar energy technology utilization programs

The Chairman shall enter into such arrangements and take such other steps as may be necessary or appropriate to provide for the effective coordination of solar energy technology utilization with all other technology utilization programs within the Federal Government.

§ 5558. Scientific and technical education programs

The Chairman, acting through the National Science Foundation, is authorized and directed to support programs of education in the sciences and engineering to provide the necessary trained personnel to perform the solar energy research, development, and demonstration activities required under this subchapter. Such support may include fellowships, traineeships, technical training programs, technologist training programs, and summer institute programs.

§ 5559. Solar Energy Research Institute; establishment; functions; location

(a) There is established a Solar Energy Research Institute, which shall perform such research, development, and related functions as the Chairman may determine to be necessary or appropriate in connection with the Project’s activities under this subchapter or to be otherwise in furtherance of the purpose and objectives of this subchapter.

(b) The Institute may be located (as designated by the Chairman) at a new or existing...
Federal laboratory (including a non-Federal laboratory performing functions under a contract entered into with the Project or with any of the agencies represented in the Project as well as a laboratory whose personnel are Federal employees).


§ 5560. International cooperation in solar energy research and programs of education

(a) The Chairman, in furtherance of the objectives of this subchapter, is authorized to cooperate and participate jointly with other nations, especially those with agreements for scientific cooperation with the United States, in the following activities:

1. interinstitutional, bilateral, or multilateral research projects in the field of solar energy; and

2. agreements and programs which will facilitate the exchange of information and data relating to solar energy resource assessment and solar energy technologies.

(b) The National Science Foundation is authorized to encourage, to the maximum extent practicable and consistent with the other objectives of this subchapter, international participation and cooperation in the development and maintenance of programs of education to carry out the policy set forth in section 5558 of this title.


Transfer of Functions

Functions of National Science Foundation relating to or utilized in connection with solar heating and cooling development transferred to Administrator of Energy Research and Development Administration by section 5814(f) of this title. Energy Research and Development Administration terminated and functions vested by law in Administrator thereof transferred to Secretary of Energy (unless otherwise specifically provided) by sections 7261(a) and 7293 of this title.


§ 5561. Regulations

The Chairman, in consultation with heads of the Federal agencies having functions under this subchapter and with other appropriate officers and agencies, shall prescribe such regulations as may be necessary or appropriate to carry out this subchapter promptly and efficiently. Each such officer or agency, in consultation with the Chairman, may prescribe such regulations as may be necessary or appropriate to carry out his or its particular functions under this subchapter promptly and efficiently.


§ 5562. Summary in annual report

A summary of all actions taken under the provisions of this subchapter and action planned for the ensuing year shall be included in the annual report required by section 7267 of this title for provision requiring the Chairman to report annually to the President and Congress on all action taken, action planned, and a projection, to the extent practical, of activities and funding requirements for the ensuing five years.

§ 5563. Project information to Congressional committees

Notwithstanding any other provision of law, the Chairman (or the head of any agency which assumes the functions of the Project pursuant to section 5565 of this title) shall keep the appropriate committees of the House of Representatives and the Senate fully and currently informed with respect to all activities under this subchapter.


§ 5564. Comprehensive program definition; preparation; utilization of and consultation with other agencies; transmittal to the President and Congress; time of transmittal

(a) The Chairman is authorized and directed to prepare a comprehensive program definition of an integrated effort and commitment for effectively developing solar energy resources. The Chairman, in preparing such program definition, shall utilize and consult with the appropriate Federal agencies, State and local government agencies, and private organizations.

(b) The Chairman shall transmit such comprehensive program definition to the President and to each House of the Congress. An interim report shall be transmitted not later than March 1, 1975. The comprehensive program definition shall be transmitted as soon as possible thereafter, but in any case not later than June 30, 1975.


§ 5565. Transfer of functions

Within sixty days after the effective date of the law creating a permanent Federal organization or agency having jurisdiction over the energy research and development functions of the United States (or within sixty days after October 26, 1974, if the effective date of such law occurs prior to October 26, 1974), all of the authorities of the Project and all of the research and development functions (and other functions except those related to scientific and technical education) vested in Federal agencies under this subchapter along with related records, documents, personnel, obligations, and other items, to the extent necessary or appropriate, shall, in accordance with regulations prescribed by the Office of Management and Budget, be transferred to and vested in such organization or agency.


§ 5566. Authorization of appropriations

To carry out the provisions of this subchapter, there are authorized to be appropriated—

1. for the fiscal year ending June 30, 1976, $75,000,000;

2. for subsequent fiscal years, only such sums as the Congress hereafter may authorize by law;
(3) such amounts as may be authorized for the construction of demonstrations pursuant to section 5556(f) of this title; and

(4) to the National Science Foundation for the fiscal year ending June 30, 1975, not to exceed $2,000,000 to be made available for use in the preparation of the comprehensive program definition under section 5564 of this title.


SUBCHAPTER III—SOLAR PHOTOVOLTAIC ENERGY RESEARCH, DEVELOPMENT AND DEMONSTRATION

§ 5581. Congressional findings and declaration of policy

(a) The Congress hereby finds that—

(1) the United States of America is faced with a finite and diminishing resource base of native fossil fuels, and as a consequence must develop as quickly as possible a diversified, pluralistic national energy capability and posture;

(2) the current imbalance between supply and demand for fuels and energy in the United States is likely to grow for many years;

(3) the early demonstration of the feasibility of using solar photovoltaic energy systems for the generation of electricity could help to relieve the demand on existing fuel and energy supplies;

(4) the national security and economic well-being of the United States is endangered by its dependence on imported energy supplies which are subject to resource limitations, artificial pricing mechanisms which do not accurately reflect supply and demand relationships, and supply interruptions;

(5) the early development and widespread utilization of photovoltaic energy systems could significantly expand the domestic energy resource base of the United States, thereby lessening its dependence on foreign supplies;

(6) the establishment of sizable markets for photovoltaic energy systems will justify private investment in plant and equipment necessary to realize the economies of scale, and will result in significant reductions in the unit costs of these systems;

(7) the use of solar photovoltaic energy systems for certain limited applications has already proved feasible;

(8) there appear to be no insoluble technical obstacles to the widespread commercial use of solar photovoltaic energy technologies;

(9) an aggressive research and development program should solve existing technical problems of solar photovoltaic systems; and, supported by an assured and growing market for photovoltaic systems during the next decade, should maximize the future contribution of solar photovoltaic energy to this Nation’s future energy production;

(10) it is the proper and appropriate role of the Federal Government to undertake research, development, and demonstration programs in solar photovoltaic energy technologies and to supplement and assist private industry and other entities and thereby the general public, so as to hasten the general commercial use of such technologies;

(11) the high cost of imported energy sources impairs the economic growth of many nations which lack sizable domestic energy supplies or are unable to develop these resources;

(12) photovoltaic energy systems are economically competitive with conventional energy resources for a wide variety of applications in many foreign nations at the present time, and will find additional applications with continued cost reductions;

(13) the early development and export of solar photovoltaic energy systems, consistent with the established preeminence of the United States in the field of high technology products, can make a valuable contribution to the well-being of the people of other nations and to this Nation’s balance of trade;

(14) the widespread use of solar photovoltaic energy systems to supplement and replace conventional methods for the generation of electricity would have a beneficial effect upon the environment;

(15) to increase the potential application of solar photovoltaic energy systems in remote locations, and to minimize the need for backup systems depending on fossil fuel, programs leading to the development of inexpensive and reliable systems for the storage of electricity should be pursued as part of any solar photovoltaic energy research, development, and demonstration program;

(16) evaluation of the performance and reliability of solar photovoltaic energy technologies can be expedited by testing of prototypes under carefully controlled conditions;

(17) commercial application of solar photovoltaic energy technologies can be expedited by early commercial demonstration under practical conditions;

(18) photovoltaic energy systems are currently adaptable on a life cycle, cost-justified basis for certain of the energy needs of the Federal Government, and will find additional applications as continued refinements improve performance and reduce unit costs;

(19) the Federal Government can stimulate innovation and economic efficiency in the production of photovoltaic energy systems through the development and implementation of policies to promote diversity and maximum competition between firms engaged in the research, manufacture, installation, and/or maintenance of these systems;

(20) innovation and creativity in the development of solar photovoltaic energy components and systems can be fostered through encouraging direct contact between the manufacturers of such systems and the architects, engineers, developers, contractors, and other persons interested in utilizing such systems; and

(21) it is contemplated that the ten-year program established by this subchapter will require the expenditure of $1,500,000,000 by the Federal Government.

(b) It is therefore declared to be the policy of the United States and the purpose of this subchapter to establish during the next decade an aggressive research, development, and dem-
onstration program involving solar photovoltaic energy systems and in the long term, to have as an objective the production of electricity from photovoltaic systems cost competitive with utility-generated electricity from conventional sources. Further, it is declared to be the policy of the United States and the purpose of this subchapter that the objectives of this research, development, and demonstration program are—

(1) to double the production of solar photovoltaic energy systems each year during the decade starting with fiscal year 1979, measured by the peak generating capacity of the systems produced, so as to reach a total annual United States production of solar photovoltaic energy systems of approximately two million peak kilowatts, and a total cumulative production of such systems of approximately four million peak kilowatts by fiscal year 1988;

(2) to reduce the average cost of installed solar photovoltaic energy systems to $1 per peak watt by fiscal year 1988; and

(3) to stimulate the purchase by private buyers of at least 90 per centum of all solar photovoltaic energy systems produced in the United States during fiscal year 1986.


Short Title
For short title of this subchapter as the “Solar Photovoltaic Energy Research, Development, and Demonstration Act of 1978”, see section 1 of Pub. L. 95–590, set out as a note under section 5501 of this title.

§ 5582. Definitions
For purposes of this subchapter—

(1) a “solar photovoltaic energy system” is a system of components which generates electricity from incident sunlight by means of the photovoltaic effect, and which shall include all components, including energy storage devices where appropriate, necessary to provide electricity for individual, industrial, agricultural, or governmental use;

(2) the term “solar photovoltaic energy system” may be used interchangeably with the term “photovoltaic system”;

(3) a “hybrid solar photovoltaic energy system” is a system of components that generates electricity from incident sunlight by means of the photovoltaic effect and, in conjunction with electronic and, if appropriate, optical, thermal and storage devices, provides electricity, as well as heat and/or light for individual, commercial, industrial, agricultural, or governmental use;

(4) “photovoltaic effect” refers to the physical phenomenon exhibited under certain circumstances by some materials in which a portion of the light energy striking the material is directly converted to electrical energy;

(5) “facility” means any building, agricultural, commercial or industrial complex or other device constructively employing photovoltaic systems; and

(6) “Secretary” means the Secretary of Energy.


§ 5583. Establishment and promotion of research, development, and demonstration programs
The Secretary is directed to establish immediately and carry forth such research, development, and demonstration programs as may be necessary to meet the objectives of this subchapter as set forth in section 5581(b) of this title, and as a part of any such program shall—

(a) conduct, and promote the coordination and acceleration of, research, development, and demonstrations relating to solar photovoltaic energy systems and components thereof, and

(b) conduct, and promote the coordination and acceleration of, research, development, and demonstrations for systems and components to be used in applications that are dependent for their energy on solar photovoltaic energy systems.


§ 5584. Federal assistance application procedures; selection of applicants; agreements; financial assistance; observation and monitoring of photovoltaic systems; reports; projects and activities
(a) In carrying out the provisions of section 5583 of this title, the Secretary is authorized—

(1) to establish procedures whereby any public or private entity wishing to install solar photovoltaic components and systems in any new or existing facility may apply for Federal assistance in purchasing and installing, in such facility, photovoltaic components or systems;

(2) to select, as soon as he deems it feasible, a number of the applicants under paragraph (1) and enter into agreements with them for the design, purchase, fabrication, testing, installation, and demonstration of photovoltaic components and systems. Such selection shall be based on the need to obtain scientific, technological, and economic information from a variety of such systems under a variety of circumstances and conditions; and

(3) to arrange, as part of any agreement entered into under paragraph (2), to provide up to 75 per centum of the purchase and installation costs of photovoltaic components or systems, taking into account relevant considerations involving the relative stage of consumer and industry interest and development at the time of the financial assistance action. Such arrangements shall be contingent upon terms and conditions prescribed by the Secretary, including an express agreement that the entity with whom the agreement is entered into shall, in such manner and form and on such terms and conditions as the Secretary may prescribe, observe and monitor (or permit the Secretary or his agents to observe and monitor) the performance and operation of such system for a period of five years, and that such entity (including any subsequent owner of the property) shall regularly furnish the Secretary with such reports thereon as the agreement may require.

(b) The Secretary shall, as he deems appropriate, undertake any projects or activities (in-
§ 5585. Contracts, grants and arrangements

(a) Selection of photovoltaic components and systems, design concepts, and designs

The Secretary is authorized to select on the basis of open competitions:

(1) a number of readily available photovoltaic components and systems;

(2) a number of design concepts for various types of applications which demonstrate adaptability to the utilization of photovoltaic components and systems; and

(3) a number of designs for applications selected under paragraph (2), so that each design includes specific provisions for the utilization of solar photovoltaic components and systems selected under paragraph (1).

(b) Commercial production and utilization of photovoltaic components and systems; selection of components and systems compatible with chosen design concepts; procurement of components and systems

The Secretary, in accordance with the applicable provisions of sections 5906, 5907, and 5908 of this title and with such program guidelines as the Secretary may establish, shall—

(1) enter into such contracts and grants as may be necessary or appropriate for the development for commercial production and utilization of photovoltaic components and systems, including any further planning and design which may be required to conform with the specifications set forth in any applicable criteria;

(2) select, as being compatible with the design concepts chosen under subsection (a)(2) of this section, a reasonable number of photovoltaic components and systems; and

(3) enter into contracts with a number of persons or firms for the procurement of photovoltaic components and systems, including adequate numbers of spare and replacement parts for such systems.

(c) Design integration; demonstration of prototype photovoltaic systems; utilization of systems in existing facilities; terms and conditions upon transfer of facilities and systems

The Secretary is authorized to award contracts for the design integration between the application concepts and the photovoltaic systems procured by the Secretary under subsection (b)(3), and for the demonstration of prototype solar photovoltaic systems, and, when appropriate, for the utilization of such systems in existing facilities. Title to such systems installed hereunder may be conveyed to purchasers of such facilities under terms and conditions prescribed by the Secretary, including an express agreement that any such purchaser shall, in such manner and form and on such terms and conditions as the Secretary may prescribe, observe and monitor (or permit the Secretary to observe and monitor) the performance and operation of such systems for a period of five years, and that such purchaser (including any subsequent owner) shall regularly furnish the Secretary with such reports thereon as the agreement may require.

(d) Arrangements with Federal agencies for demonstration of systems in Federal buildings and facilities

The Secretary, in consultation with the Administrator of General Services or the Secretary of Defense or both (as may be appropriate) shall enter into arrangements concurrently with the conduct of the programs under this section and section 5586 of this title, to carry out such projects and activities (including demonstration projects), with respect to Federal buildings and facilities, as may be appropriate for the demonstration of photovoltaic systems suitable and effective for use in such applications.

(e) Projects and activities

The Secretary shall, as he deems appropriate, undertake any projects or activities (including demonstration projects) to further the attainment of the objectives of this section.

§ 5586. Test procedures and performance criteria

(a) Testing program

The Secretary shall conduct a testing program for photovoltaic systems to assist in the development and demonstration of prototype photovoltaic systems, including collectors, control power conditioning, and energy storage systems.

(b) Establishment and use of performance criteria

Data obtained from the testing program under subsection (a) shall be evaluated and used in establishing performance criteria. These performance criteria shall be used in the demonstration program described in sections 5583, 5584, and 5585 of this title.

(c) Determination and publication in Federal Register

The Secretary shall determine, prescribe, and publish in the Federal Register, at a time which he determines to be feasible and justified—

(1) performance criteria for photovoltaic components and systems to be used in appropriate applications, and procedures whereby manufacturers of photovoltaic components and systems shall have their products tested in order to provide certification that such products conform to the performance criteria established under this paragraph; and

(2) revised performance criteria for photovoltaic components and systems to be used in appropriate applications, and procedures whereby manufacturers of photovoltaic components and systems shall have their products tested in order to provide certification that such products conform to the performance criteria established under this paragraph.
criteria may be annually revised by the Secretary, as he deems appropriate.

(d) Performance criteria applicable to photovoltaic component or system procured or installed by Federal Government or with Federal assistance

Any photovoltaic component or system procured or installed by the Federal Government or procured or installed with Federal assistance under section 5584 or section 5585 of this title shall meet appropriate performance criteria prescribed under this section, if such performance criteria have been prescribed.


CODIFICATION

Section 5584 of this title, referred to in subsec. (d), was in the original "section (5) or section (a) Monitoring of photovoltaic systems; collection and evaluation of data; studies, investigations, and reports"

The Secretary, in coordination with such Government agencies as may be appropriate, shall—

(1) monitor the performance and operation of photovoltaic systems installed under this subchapter;

(2) collect and evaluate data and information on the performance and operation of photovoltaic systems installed under this subchapter; and

(3) from time to time carry out such studies and investigations and take such other actions, including the submission of special reports to the Congress when appropriate, as may be necessary to assure that the programs for which the Secretary is responsible under this subchapter effectively carry out the policy of this subchapter.

(b) Assistance from scientific, technical, and professional societies and industry representatives

In the development of the performance criteria and test procedures required under section 5586 of this title, the Secretary shall work closely with the appropriate scientific, technical, and professional societies and industry representatives in order to assure the best possible use of available expertise in this area.

(c) Liaison with industries, interests, and scientific and technical community

The Secretary shall also maintain continuing liaison with related industries and interests, and with the scientific and technical community, during and after the period of the programs carried out under this subchapter, in order to assure that the projected benefits of such programs are and will continue to be realized.


§ 5588. Solar Photovoltaic Energy Advisory Committee

(a) Establishment; duties

There is hereby established a Solar Photovoltaic Energy Advisory Committee, which shall study and advise the Secretary on—

(1) the scope and pace of research and development with respect to solar photovoltaic energy systems;

(2) the need for and timing of solar photovoltaic energy systems demonstration projects;

(3) the need for change in any research, development, or demonstration program established under this subchapter; and

(4) the economic, technological, and environmental consequences of the use of solar photovoltaic energy systems.

(b) Membership; chairman

The Committee shall be composed of thirteen members, including eleven members appointed by the Secretary from industrial organizations, academic institutions, professional societies or institutions, and other sources as he sees fit, and two members of the public appointed by the President. The Chairman of the Committee shall be elected from among the members thereof.

(c) Cooperation from executive departments, agencies, and instrumentalities

The heads of the departments, agencies, and instrumentalities of the executive branch of the Federal Government shall cooperate with the Committee in carrying out the requirements of this section, and shall furnish to the Committee such information as the Committee deems necessary to carry out this section.

(d) Application of section 7234 of this title

Section 7234 of this title shall be applicable to the Committee, except as inconsistent with this section.


TERMINATION OF ADVISORY COMMITTEES

Advisory committees established after Jan. 5, 1973, to terminate not later than the expiration of the 2-year period beginning on the date of their establishment, unless, in the case of a committee established by the President or an officer of the Federal Government, such committee is renewed by appropriate action prior to the expiration of such 2-year period, or in the case of a committee established by the Congress, its duration is otherwise provided for by law. See section 14 of Pub. L. 92–463, Oct. 6, 1972, 86 Stat. 776, set out in the Appendix to Title 5, Government Organization and Employees.

§ 5589. Promotion and facilitation of practical use of photovoltaic energy

(a) Dissemination of information; trade secret exemption

The Secretary shall take all possible steps to assure that full and complete information with respect to the demonstrations and other activities conducted under this subchapter is made available to Federal, State, and local authorities, relevant segments of the economy, the scientific and technical community, and the public at large, both during and after the close of the programs under this subchapter, with the objective of promoting and facilitating to the maximum extent feasible the early and widespread practical use of photovoltaic energy throughout the United States. Any trade secret or other proprietary information shall be exempted from such mandatory disclosure, as otherwise speci-
§ 5590

The Secretary shall—

(1) study the effect of the widespread utilization of photovoltaic systems on the existing electric utility system at varying levels of photovoltaic contribution to the system;

(2) study and investigate the effect of utility rate structures, building codes, zoning ordinances, and other laws, codes, ordinances, and practices upon the practical use of photovoltaic systems;

(3) determine the extent to which such laws, codes, ordinances, and practices should be changed to permit or facilitate such use and the methods by which any such changes may best be accomplished; and

(4) determine the necessity of a program of incentives to accelerate the commercial application of photovoltaic technologies.

(c) Policy recommendations to President and Congress

The Secretary is authorized and directed, within one year of November 4, 1978, to make recommendations to the President and to the Congress for Federal policies relating to barriers to the early and widespread utilization of photovoltaic systems in order to realize the goals set forth in section 5581 of this title. These recommendations shall include but not be limited to—

(1) the potential for integration of electricity derived from photovoltaic energy systems into the existing national grid system, including the potential of photovoltaic-generated electricity to meet the peak-load energy needs of electric utilities, load management and reliability implications of the utilization of photovoltaic electricity by utilities, the implications of utility ownership of photovoltaic components leased to others primarily for decentralized applications, the impacts of utility use of electricity derived from photovoltaic energy systems on utility rate structures, and the potential for reducing or obviating the need for energy storage components for photovoltaic energy systems through utility interface;

(2) the extent of competition between firms currently engaged in the fabrication and installation of photovoltaics components and systems as it affects the character and growth potential of the American photovoltaics industry, and the likelihood that small photovoltaic firms will have reasonable opportunities to compete and participate in the various programs authorized by this subchapter;

(3) the need to identify legal alternatives to ensure access to direct sunlight for photovoltaic energy systems, the appropriate methods of encouraging the adoption of such alternatives, and the implications of widespread utilization of photovoltaic energy systems for land use and urban development;

(4) the availability of private capital at reasonable interest rates for individuals, businesses and others desiring to establish commercial enterprises to manufacture, market, install, and/or, maintain photovoltaic components and systems, or purchase and install such systems for private, industrial, agricultural, commercial or other uses;

(5) the need for industry-wide warranty and reliability standards for photovoltaic energy components and systems for private sector applications, and, if appropriate, the mechanisms for establishing such standards; and

(6) the attainability of the goals specified in section 5581(b) of this title, and any modification of such goals which the Secretary proposes for consideration by Congress, with supporting analyses.

(d) Consultation with government agencies, industry representatives, and scientific and technical community; coordination and merger of studies and reports

In carrying out his functions under this section, the Secretary shall consult with the appropriate government agencies, industry representatives, and members of the scientific and technical community having expertise and interest in this area. The Secretary also shall ensure that any study or report prepared pursuant to this section is fully coordinated with and responsive of any analyses or reports prepared pursuant to the requirements in section 5556a of this title, and in the President’s Solar Energy Domestic Policy Review. The Secretary, as appropriate, may merge any continuing or on-going studies under section 5556a of this title or the Domestic Policy Review with those required by this section or avoid any unnecessary duplication of effort or funding. The separate report requirements of section 5556a of this title and this section, however, shall remain in force.


§ 5590. Submittal to Congressional committees of plan for demonstrating applications of photovoltaic systems and facilitating use in other nations; encouragement of international participation and cooperation; coordination and consistency of plan and international activities with similar activities and programs

(a) Within one year after November 4, 1978, the Secretary, in consultation with the Secretary of State, the Administrator of the Agency for International Development, the Director of the Export-Import Bank and other appropriate Federal officials, shall submit to the House Committee on Science and Technology and the Senate Committee on Energy and Natural Resources a plan for demonstrating applications of solar photovoltaic energy systems and facilitating their widespread use in other nations, especially those with agreements for scientific cooperation with the United States.

(b) The Secretary is authorized to encourage, to the maximum extent practicable, international participation and cooperation in the development and maintenance of programs established under this plan. The Secretary, in consultation and cooperation with the Federal officials specified in subsection (a), shall insure to the maximum extent possible that the plan submitted under subsection (a) and any other international activities under this section are con-
sistent with and reflective of any similar activities or requirements under any other Federal statute, specifically including any of the several programs under other agencies and Departments involving United States international cooperation and assistance in nonnuclear energy technology, and will not duplicate activities under such programs. The plan required in subsection (a) shall specifically identify all such programs and statutes and describe how the activities under this section will be consistent with such programs, will be coordinated with them, and will avoid duplication of activities under such programs.


Amendments

1993—Subsec. (a). Pub. L. 103–82 struck out “the Director of ACTION,” after “International Development.”.

Change of Name

Committee on Science and Technology of House of Representatives changed to Committee on Science, Space, and Technology of House of Representatives by House Resolution No. 5, One Hundred Twelfth Congress, Jan. 5, 2011.

Effective Date of 1993 Amendment

Amendment by Pub. L. 103–82 effective Apr. 4, 1994, see section 406(b) of Pub. L. 103–82, set out as a note under section 8332 of Title 5, Government Organization and Employees.

§ 5591. Participation of small business concerns

In carrying out his functions under this subchapter, the Secretary shall take steps to assure that small-business concerns will have realistic and adequate opportunities to participate in the programs under this subchapter to the maximum extent practicable, and the Secretary is directed to set aside at least 10 per centum of the funds authorized and appropriated for the programs under this subchapter to the maximum extent practicable, and the Secretary is directed to set aside at least 10 per centum of the funds authorized and appropriated for the participation of small business concerns.


§ 5592. Priorities

The Secretary shall set priorities, as far as possible consistent with the intent and operation of this subchapter, in accordance with the following criteria:

(1) The applications utilizing photovoltaic systems which will be part of the research, development, and demonstration program and testing and demonstration programs referred to in sections 5583, 5584, 5585, and 5586 of this title shall be located in a sufficient number of different geographic areas in the United States to assure a realistic and effective demonstration of the use of photovoltaic systems and of the applications themselves, in both rural and urban locations and under climatic conditions which vary as much as possible.

(2) The projected costs of commercial production and maintenance of the photovoltaic systems utilized in the testing and demonstration programs established under this subchapter should be taken into account.

(3) Encouragement should be given in the conduct of programs under this subchapter to those projects in which funds are appropriated by any State or political subdivision thereof for the purpose of sharing costs with the Federal Government for the purchase and installation of photovoltaic components and systems.


§ 5593. Construction with National Energy Conservation Policy Act

Nothing in this subchapter shall be construed to negate, duplicate, or otherwise affect the provisions of part C subchapter III of chapter 91 of this title, and such part C shall be exempted fully from the provisions of this subchapter and any regulations, guidelines, or criteria pursuant thereto.


References in Text

Part C (§6271 et seq.) of subchapter III of chapter 91 of this title, referred to in text, was in the original “title V (Federal Initiatives), part 4 (Federal Photovoltaic Utilization), National Energy Conservation Policy Act, H.R. 5037, 95th Congress, if and when that Act becomes enacted by the Ninety-fifth Congress.”. H.R. 5037 was enacted as Pub. L. 95–619, Nov. 9, 1978, 92 Stat. 3206, and is classified principally to chapter 91 (§8301 et seq.) of this title. For complete classification of this Act to the Code, see Short Title note set out under section 8301 of this title and Tables.

§ 5594. Authorization of appropriations

There is hereby authorized to be appropriated to the Secretary, for the fiscal year ending September 30, 1979, $125,000,000, inclusive of any funds otherwise authorized for photovoltaic programs, (1) to carry out the functions vested in the Secretary by this subchapter, (2) to carry out the functions in fiscal year 1979, vested in the Secretary by part C of subchapter III of chapter 91 of this title, and (3) for transfer to such other agencies of the Federal Government as may be required to enable them to carry out their respective functions under this subchapter. Funds appropriated pursuant to this section shall remain available until expended: Provided, That any contract or agreement entered into pursuant to this subchapter shall be effective only to such extent or in such amounts as are provided in advance in appropriation Acts. Authorizations of appropriations for fiscal years after fiscal year 1979 shall be contained in the annual authorization for the Department of Energy, except for those funds authorized for fiscal years 1980 and 1981 contained in part C of subchapter III of chapter 91 of this title.


References in Text

Part C (§6271 et seq.) of subchapter III of chapter 91 of this title, referred to in text, was in the original “part 4 of title V of H.R. 5037, 95th Congress, if enacted by the 95th Congress.”. H.R. 5037 was enacted as Pub. L. 95–619, Nov. 9, 1978, 92 Stat. 3206, and is classified principally to chapter 91 (§6201 et seq.) of this title. For complete classification of this Act to the Code, see Short Title note set out under section 6201 of this title and Tables.
§ 5617. Transferred

Codification
Section 5617 was editorially reclassified as section 11117 of Title 34, Crime Control and Law Enforcement.

Use of Court Orders To Place Juveniles in Secure Facilities, Jails and Lockups for Adults; Investigation and Report
Pub. L. 100–690, title VII, § 7295, Nov. 18, 1988, 102 Stat. 4462, directed Comptroller General of the United States, not later than 180 days after Nov. 18, 1988, to conduct an investigation of extent to which valid court orders and court orders other than valid court orders, used in the 5-year period ending on Dec. 31, 1988, to place juveniles in secure detention facilities, in secure correctional facilities, and in jails and lockups for adults, and submit, not later than 3 years after Nov. 18, 1988, a report to certain congressional committees of results of investigation.


part B—Federal Assistance for State and Local Programs

§ 5631. Transferred

Codification
Section 5631 was editorially reclassified as section 11131 of Title 34, Crime Control and Law Enforcement.

§ 5632. Transferred

Codification
Section 5632 was editorially reclassified as section 11132 of Title 34, Crime Control and Law Enforcement.

§ 5633. Transferred

Codification
Section 5633 was editorially reclassified as section 11133 of Title 34, Crime Control and Law Enforcement.

Costs and Implications of Removal of Juveniles From Adults in Jails; Report to Congress
Pub. L. 96–509, § 17, Dec. 8, 1980, 94 Stat. 2761, provided that the Administrator of the Office of Juvenile Justice and Delinquency Prevention, not later than 18 months after Dec. 8, 1980, submit a report to the Congress relating to the cost and implications of any requirement added to the Juvenile Justice and Delinquency Prevention Act of 1974 which would mandate the removal of juveniles from adults in jails and lockups, such report to include an estimate of the costs likely to be incurred by the States, an analysis of the experience of States which required the removal of juveniles from adults in jails and lockups, an analysis of possible adverse ramifications which might result from such requirement of removal, and recommendations for such legislative or administrative action as the Administrator considers appropriate.


Section 5636, Pub. L. 93–415, title II, § 226, Sept. 7, 1974, 88 Stat. 1124, provided for proceedings by Administrator in the case of noncompliance of program or activity with this subchapter.


Effective Date of Repeal
Repeal effective Oct. 1, 1988, see section 7296(a) of Pub. L. 100–690, set out as an Effective Date of 1988 Amendment note under section 11101 of Title 34, Crime Control and Law Enforcement.

PART C—Juvenile Delinquency Prevention Block Grant Program

§ 5651. Transferred

Codification
Section 5651 was editorially reclassified as section 11141 of Title 34, Crime Control and Law Enforcement.

Prior Provisions

§ 5652. Transferred

Codification
Section 5652 was editorially reclassified as section 11142 of Title 34, Crime Control and Law Enforcement.

Prior Provisions

§ 5653. Transferred

Codification
Section 5653 was editorially reclassified as section 11143 of Title 34, Crime Control and Law Enforcement.

Prior Provisions
§ 5654. Transferred

CODIFICATION

Section 5654 was editorially reclassified as section 1114 of Title 34, Crime Control and Law Enforcement.

PRIOR PROVISIONS


§ 5655. Transferred

CODIFICATION

Section 5655 was editorially reclassified as section 1116 of Title 34, Crime Control and Law Enforcement.

PRIOR PROVISIONS


§ 5656. Transferred

CODIFICATION

Section 5656 was editorially reclassified as section 1116 of Title 34, Crime Control and Law Enforcement.

PRIOR PROVISIONS


A prior section 245 of Pub. L. 93–415 was classified to section 5659 of this title prior to repeal by Pub. L. 107–273.

Another prior section 245 of Pub. L. 93–415 was classified to section 5656 of this title prior to repeal by Pub. L. 107–273.

§ 5657. Transferred

CODIFICATION

Section 5657 was editorially reclassified as section 1116 of Title 34, Crime Control and Law Enforcement.

PRIOR PROVISIONS


$5671. Transferred  
CODIFICATION  
Section 5671 was editorially reclassified as section 11181 of Title 34, Crime Control and Law Enforcement.

$5672. Transferred  
CODIFICATION  
Section 5672 was editorially reclassified as section 11182 of Title 34, Crime Control and Law Enforcement.

$5673. Transferred  
CODIFICATION  
Section 5673 was editorially reclassified as section 11183 of Title 34, Crime Control and Law Enforcement.

$5674. Transferred  
CODIFICATION  
Section 5674 was editorially reclassified as section 11184 of Title 34, Crime Control and Law Enforcement.

$5675. Transferred  
CODIFICATION  
Section 5675 was editorially reclassified as section 11185 of Title 34, Crime Control and Law Enforcement.

$5676. Transferred  
CODIFICATION  
Section 5676 was editorially reclassified as section 11186 of Title 34, Crime Control and Law Enforcement.

$5677. Transferred  
CODIFICATION  
Section 5677 was editorially reclassified as section 11187 of Title 34, Crime Control and Law Enforcement.

$5678. Transferred  
CODIFICATION  
Section 5678 was editorially reclassified as section 11188 of Title 34, Crime Control and Law Enforcement.

$5679. Transferred  
CODIFICATION  
Section 5679 was editorially reclassified as section 11189 of Title 34, Crime Control and Law Enforcement.

$5680. Transferred  
CODIFICATION  
Section 5680 was editorially reclassified as section 11190 of Title 34, Crime Control and Law Enforcement.

$5681. Transferred  
CODIFICATION  
Section 5681 was editorially reclassified as section 11191 of Title 34, Crime Control and Law Enforcement.

SUBCHAPTER III—RUNAWAY AND HOMELESS YOUTH

§5701. Transferred  
CODIFICATION  
Section 5701 was editorially reclassified as section 11201 of Title 34, Crime Control and Law Enforcement.

REPORT ON PROMISING STRATEGIES TO END YOUTH HOMELESSNESS


§5702. Transferred  
CODIFICATION  
Section 5702 was editorially reclassified as section 11202 of Title 34, Crime Control and Law Enforcement.

PART A—BASIC CENTER GRANT PROGRAM

§5711. Transferred  
CODIFICATION  
Section 5711 was editorially reclassified as section 11211 of Title 34, Crime Control and Law Enforcement.

§5712. Transferred  
CODIFICATION  
Section 5712 was editorially reclassified as section 11212 of Title 34, Crime Control and Law Enforcement.


Section 5712a, Pub. L. 93-415, title III, §313, as added Pub. L. 100-690, title VII, §7275(b), Nov. 18, 1988, 102 Stat. 4457, related to grants for a national communication system to assist runaway and homeless youth.

Section 5712b, Pub. L. 93-415, title III, §314, as added Pub. L. 100-690, title VII, §7276, Nov. 18, 1988, 102 Stat. 4457, related to grants for technical assistance and training to public and private entities for establishment and operation of runaway and homeless youth centers.

Section 5712c, Pub. L. 93-415, title III, §315, as added Pub. L. 100-690, title VII, §7277, Nov. 18, 1988, 102 Stat. 4457, related to authority of the Secretary to make grants for research, demonstration, and service projects.


A prior section 316 of Pub. L. 93-415 was renumbered section 313 of Pub. L. 93-415 and is classified to section 11213 of Title 34, Crime Control and Law Enforcement.

Another prior section 316 of Pub. L. 93-415 was renumbered section 327 of Pub. L. 93-415 and is classified to section 11272 of Title 34, Crime Control and Law Enforcement.

Another prior section 316 of Pub. L. 93-415 was renumbered section 382 of Pub. L. 93-415 and is classified to section 11274 of Title 34, Crime Control and Law Enforcement.

§5713. Transferred  
CODIFICATION  
Section 5713 was editorially reclassified as section 11213 of Title 34, Crime Control and Law Enforcement.
§ 5714. Transferred
CODIFICATION
Section 5714 was editorially reclassified as section 11214 of Title 34, Crime Control and Law Enforcement.

PART B—TRANSITIONAL LIVING GRANT PROGRAM

§ 5714–1. Transferred
CODIFICATION
Section 5714–1 was editorially reclassified as section 11221 of Title 34, Crime Control and Law Enforcement.

STUDY OF HOUSING SERVICES AND STRATEGIES
Pub. L. 108–96, title I, § 119, Oct. 10, 2003, 117 Stat. 1170, provided that the Secretary of Health and Human Services was to conduct a study of programs funded under part B of the Runaway and Homeless Youth Act (42 U.S.C. 5714–1 et seq.) to report on long-term housing outcomes for youth after exiting the program.

§ 5714–2. Transferred
CODIFICATION
Section 5714–2 was editorially reclassified as section 11222 of Title 34, Crime Control and Law Enforcement.

PART C—NATIONAL COMMUNICATIONS SYSTEM

§ 5714–11. Transferred
CODIFICATION
Section 5714–11 was editorially reclassified as section 11231 of Title 34, Crime Control and Law Enforcement.

PART D—COORDINATING, TRAINING, RESEARCH, AND OTHER ACTIVITIES

§ 5714–21. Transferred
CODIFICATION
Section 5714–21 was editorially reclassified as section 11241 of Title 34, Crime Control and Law Enforcement.

§ 5714–22. Transferred
CODIFICATION
Section 5714–22 was editorially reclassified as section 11242 of Title 34, Crime Control and Law Enforcement.

§ 5714–23. Transferred
CODIFICATION
Section 5714–23 was editorially reclassified as section 11243 of Title 34, Crime Control and Law Enforcement.

§ 5714–24. Transferred
CODIFICATION
Section 5714–24 was editorially reclassified as section 11244 of Title 34, Crime Control and Law Enforcement.

§ 5714–25. Transferred
CODIFICATION
Section 5714–25 was editorially reclassified as section 11245 of Title 34, Crime Control and Law Enforcement.

PART E—SEXUAL ABUSE PREVENTION PROGRAM

§ 5714–41. Transferred
CODIFICATION
Section 5714–41 was editorially reclassified as section 11261 of Title 34, Crime Control and Law Enforcement.

PART F—GENERAL PROVISIONS

§ 5714a. Transferred
CODIFICATION
Section 5714a was editorially reclassified as section 11271 of Title 34, Crime Control and Law Enforcement.

§ 5714b. Transferred
CODIFICATION
Section 5714b was editorially reclassified as section 11272 of Title 34, Crime Control and Law Enforcement.

§ 5715. Transferred
CODIFICATION
Section 5715 was editorially reclassified as section 11273 of Title 34, Crime Control and Law Enforcement.

§ 5716. Transferred
CODIFICATION
Section 5716 was editorially reclassified as section 11274 of Title 34, Crime Control and Law Enforcement.

§ 5731. Transferred
CODIFICATION
Section 5731 was editorially reclassified as section 11275 of Title 34, Crime Control and Law Enforcement.

§ 5731a. Transferred
CODIFICATION
Section 5731a was editorially reclassified as section 11276 of Title 34, Crime Control and Law Enforcement.

§ 5732. Transferred
CODIFICATION
Section 5732 was editorially reclassified as section 11277 of Title 34, Crime Control and Law Enforcement.

PRIOR PROVISIONS


§ 5732–1. Transferred
CODIFICATION
Section 5732–1 was editorially reclassified as section 11278 of Title 34, Crime Control and Law Enforcement.

§ 5732a. Transferred
CODIFICATION
Section 5732a was editorially reclassified as section 11279 of Title 34, Crime Control and Law Enforcement.


Section, Pub. L. 93–415, title III, §365, as added Pub. L. 100–690, title VII, §7279, Nov. 18, 1988, 102 Stat. 4458, related to Secretary’s obligation to coordinate activities of health agencies with activities of entities eligible to receive grants.


§ 5751. Transferred

Section 5751 was editorially reclassified as section 12280 of Title 34, Crime Control and Law Enforcement.

§ 5752. Transferred

Section 5752 was editorially reclassified as section 12281 of Title 34, Crime Control and Law Enforcement.

§ 5771. Transferred

Section 5771 was editorially reclassified as section 11291 of Title 34, Crime Control and Law Enforcement.

§ 5772. Transferred

Section 5772 was editorially reclassified as section 11292 of Title 34, Crime Control and Law Enforcement.

§ 5773. Transferred

Section 5773 was editorially reclassified as section 11293 of Title 34, Crime Control and Law Enforcement.

§ 5774. Transferred

Section 5774 was editorially reclassified as section 11294 of Title 34, Crime Control and Law Enforcement.

§ 5775. Transferred

Section 5775 was editorially reclassified as section 11295 of Title 34, Crime Control and Law Enforcement.

§ 5776. Transferred

Section 5776 was editorially reclassified as section 11296 of Title 34, Crime Control and Law Enforcement.
§ 5791. Transferred
CODIFICATION
Section 5791 was editorially reclassified as section 20501 of Title 34, Crime Control and Law Enforcement.

§ 5791a. Transferred
CODIFICATION
Section 5791a was editorially reclassified as section 20502 of Title 34, Crime Control and Law Enforcement.

§ 5791b. Transferred
CODIFICATION
Section 5791b was editorially reclassified as section 20503 of Title 34, Crime Control and Law Enforcement.

§ 5791c. Transferred
CODIFICATION
Section 5791c was editorially reclassified as section 20504 of Title 34, Crime Control and Law Enforcement.

§ 5791d. Transferred
CODIFICATION
Section 5791d was editorially reclassified as section 20505 of Title 34, Crime Control and Law Enforcement.

PART B—MISSING CHILDREN PROCEDURES IN PUBLIC BUILDINGS

CODIFICATION
Part was enacted as part of the Code Adam Act of 2003 and also as part of the Prosecutorial Remedies and Other Tools to end the Exploitation of Children Today Act of 2003, also known as the PROTECT Act, and not as part of the Juvenile Justice and Delinquency Prevention Act of 1974 which comprises this chapter.

§ 5792. Transferred
CODIFICATION

§ 5792a. Transferred
CODIFICATION

CHAPTER 73—DEVELOPMENT OF ENERGY SOURCES

Sec. 5801. Congressional declaration of policy and purpose.

SUBCHAPTER I—ENERGY RESEARCH AND DEVELOPMENT ADMINISTRATION

§ 5811. Establishment of Energy Research and Development Administration.
§ 5812. Officers of Administration.
§ 5813. Responsibilities of Administrator.
§ 5814. Abolition and transfer.
§ 5815. Administrative provisions.
§ 5816. Personnel and services.
§ 5816a. Repealed.
§ 5817. Powers of Administrator.
§ 5817a. Employee-suggested research projects; approval; funding; reports.
§ 5818. Repealed.
§ 5820. Coordination with environmental efforts.

SUBCHAPTER II—NUCLEAR REGULATORY COMMISSION; NUCLEAR WHISTLEBLOWER PROTECTION

§ 5841. Establishment and transfers.
§ 5842. Licensing and related regulatory functions respecting selected Administration facilities.
§ 5843. Office of Nuclear Reactor Regulation.
§ 5844. Office of Nuclear Safety and Safeguards.
§ 5845. Office of Nuclear Regulatory Research.
§ 5846. Compliance with safety regulations.
§ 5847. Nuclear energy center site survey.
§ 5848. Abnormal occurrence reports.
§ 5849. Other officers.
§ 5850. Unresolved safety issues plan.
§ 5851. Employee protection.
§ 5852. Availability of funds.
§ 5853. Limitation on legal fee reimbursement.
§ 5854. Notification and reports by Chairman.

SUBCHAPTER III—MISCELLANEOUS AND TRANSITIONAL PROVISIONS

§ 5871. Transitional provisions.
§ 5872. Transfer of personnel.
§ 5873. Director of Office of Management and Budget; power to make dispositions.
§ 5874. Definitions.
§ 5875. Authorization of appropriations.
§ 5876. Comptroller General audit.
§ 5877. Reports to President for submission to Congress.
§ 5878. Information to Congressional committees.
§ 5878a. Funding and encouragement of small business; information for inclusion in report.
§ 5879. Transfer of funds.

SUBCHAPTER IV—SEX DISCRIMINATION

§ 5891. Sex discrimination prohibited.
§ 5811  TITLE 42—THE PUBLIC HEALTH AND WELFARE  Page 6028

assure the coordinated and effective development of all energy sources, it is necessary to establish an Energy Research and Development Administration to bring together and direct Federal activities relating to research and development on the various sources of energy, to increase the efficiency and reliability in the use of energy, and to carry out the performance of other functions, including but not limited to the Atomic Energy Commission’s military and production activities and its general basic research activities. In establishing an Energy Research and Development Administration to achieve these objectives, the Congress intends that all possible sources of energy be developed consistent with warranted priorities.

(c) Separation of licensing and regulatory functions of Atomic Energy Commission

The Congress finds that it is in the public interest that the licensing and related regulatory functions of the Atomic Energy Commission be separated from the performance of the other functions of the Commission, and that this separation be effected in an orderly manner, pursuant to this chapter, assuring adequacy of technical and other resources necessary for the performance of each.

(d) Small business participation

The Congress declares that it is in the public interest and the policy of Congress that small business concerns be given a reasonable opportunity to participate, insofar as is possible, fairly and equitably in grants, contracts, purchases, and other Federal activities relating to research, development, and demonstration of sources of energy efficiency, and utilization and conservation of energy. In carrying out this policy, to the extent practicable, the Administrator shall consult with the Administrator of the Small Business Administration.

(e) Priorities

Determination of priorities which are warranted should be based on such considerations as power-related values of an energy source, preservation of material resources, reduction of pollutants, export market potential (including reduction of imports), among others. On such a basis, energy sources warranting priority might include, but not be limited to, the various methods of utilizing solar energy.


REFERENCES IN TEXT

This chapter, referred to in subsec. (c), was in the original “this Act”, meaning Pub. L. 93–438, Oct. 11, 1974, 88 Stat. 1233, as amended, which enacted this chapter, amended sections 5313 to 5316 of Title 5, Government Organization and Employees, repealed sections 2031 and 2032 of this title, and enacted provisions set out as notes below. For complete classification of this Act to the Code, see Short Title note below and Tables.

Effective Date; Interim Appointments

Pub. L. 93–438, title III, § 312, Oct. 11, 1974, 88 Stat. 1233, provided that:

“(a) This Act [see Short Title note below] shall take effect one hundred and twenty days after the date of its enactment [Oct. 11, 1974], or on such earlier date as the President may prescribe and publish in the Federal Register [prescribed as Jan. 19, 1975, by Ex. Ord. No. 11834, formerly set out below] except that any of the officers provided for in title I of this Act [subchapter I of this chapter] may be nominated and appointed, as provided by this Act, at any time after the date of enactment of this Act. Funds available to any department or agency (or any official or component thereof), any functions of which are transferred to the Administrator and the Commission by this Act, may, with the approval of the President, be used to pay the compensation and expenses of any officer appointed pursuant to this subsection until such time as funds for that purpose are otherwise available.

“(b) In the event that any officer required by this Act to be appointed by and with the advice and consent of the Senate shall not have entered upon office on the effective date of this Act, to act in such office until the office is filled as provided in this Act. While so acting, such persons shall receive compensation at the rates provided by this Act for the respective offices in which they act.”

SHORT TITLE

Pub. L. 93–438, § 1, Oct. 11, 1974, 88 Stat. 1233, provided that: “This Act [enacting this chapter, repealing sections 2031 and 2032 of this title, amending sections 5313 to 5316 of Title 5, Government Organization and Employees, and enacting provisions set out as notes under this section] may be cited as the ‘Energy Reorganization Act of 1974’.”

SEPARABILITY

Pub. L. 93–438, title III, § 311, Oct. 11, 1974, 88 Stat. 1233, provided that: “If any provision of this Act [See Short Title note above], or the application thereof to any person or circumstance, is held invalid, the remainder of this chapter, and the application of such provision to other persons or circumstances, shall not be affected thereby.”

TRANSFER OF FUNCTIONS

Energy Research and Development Administration terminated and functions vested by law in Administrator thereof transferred to Secretary of Energy (unless otherwise specifically provided) by sections 7151(a) and 7283 of this title.

EXECUTIVE ORDER No. 11834

Ex. Ord. No. 11834, eff. Jan. 15, 1975, 40 F.R. 2971, which prescribed Jan. 19, 1975, as the effective date of this chapter, was revoked by Ex. Ord. No. 12553, Feb. 25, 1986, 51 F.R. 7237.

SUBCHAPTER I—ENERGY RESEARCH AND DEVELOPMENT ADMINISTRATION

§ 5811. Establishment of Energy Research and Development Administration

There is hereby established an independent executive agency to be known as the Energy Research and Development Administration (hereinafter in this chapter referred to as the “Administration”).


REFERENCES IN TEXT

This chapter, referred to in text, was in the original “this Act”, meaning Pub. L. 93–438, Oct. 11, 1974, 88 Stat. 1233, as amended, which enacted this chapter, amended sections 2031 and 2032 of this title, and enacted provisions set out as
notes under section 5801 of this title. For complete classification of this Act to the Code, see Short Title note set out under section 5801 of this title and Tables.

§ 5812. Officers of Administration

(a) Administrator; appointment

There shall be at the head of the Administration an Administrator of Energy Research and Development (hereinafter in this chapter referred to as the “Administrator”), who shall be appointed from civilian life by the President by and with the advice and consent of the Senate. A person may not be appointed as Administrator within two years after release from active duty as a commissioned officer of a regular component of an Armed Force. The Administration shall be administered under the supervision and direction of the Administrator, who shall be responsible for the efficient and coordinated management of the Administration.

(b) Deputy Administrator

There shall be in the Administration a Deputy Administrator, who shall be appointed by the President, by and with the advice and consent of the Senate.

(c) Qualifications of Administrator and Deputy Administrator

The President shall appoint the Administrator and Deputy Administrator from among individuals who, by reason of their general background and experience are specially qualified to manage a full range of energy research and development programs.

(d) Assistant Administrators; number; appointment; qualifications

There shall be in the Administration six Assistant Administrators, one of whom shall be responsible for fossil energy, another for nuclear energy, another for environment and safety, another for conservation, another for solar, geothermal, and advanced energy systems, and another for national security. The Assistant Administrators shall be appointed by the President, by and with the advice and consent of the Senate. The President shall appoint each Assistant Administrator from among individuals who, by reason of general background and experience, are specially qualified to manage the energy technology area assigned to such Assistant Administrator.

(e) General Counsel

There shall be in the Administration a General Counsel who shall be appointed by the Administrator and who shall serve at the pleasure of and be removable by the Administrator.

(f) Additional officers

There shall be in the Administration not more than eight additional officers appointed by the Administrator. The positions of such officers shall be considered career positions and be subject to section 2201(d) of this title.

(g) Director of Military Application; functions; qualifications; compensation

The Division of Military Application transferred to and established in the Administration by section 5814(d) of this title shall be under the direction of a Director of Military Application, who shall be appointed by the Administrator and who shall serve at the pleasure of and be removable by the Administrator and shall be an active commissioned officer of the Armed Forces serving in general or flag officer rank or grade. The functions, qualifications, and compensation of the Director of Military Application shall be the same as those provided under the Atomic Energy Act of 1954, as amended.

(h) Allocation of functions; responsibility for international cooperation

Officers appointed pursuant to this section shall perform such functions as the Administrator shall specify from time to time. The Administrator shall delegate to one such officer the special responsibility for international cooperation in all energy and related environmental research and development.

(i) Order of succession

The Deputy Administrator (or in the absence or disability of the Deputy Administrator, or in the event of a vacancy in the office of the Deputy Administrator, an Assistant Administrator, the General Counsel or such other official, determined according to such order as the Administrator shall prescribe) shall act for and perform the functions of the Administrator during any absence or disability of the Administrator or in the event of a vacancy in the office of the Administrator.

References in Text

This chapter, referred to in subsec. (a), was in the original “this Act”, meaning Pub. L. 89–438, Oct. 11, 1974, 88 Stat. 1238, known as the Energy Reorganization Act of 1974, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 5801 of this title and Tables.


Transfer of Functions

Energy Research and Development Administration terminated and functions vested by law in Administrator thereof transferred to Secretary of Energy (unless otherwise specifically provided) by sections 7151(a) and 7283 of this title.

Division of Military Application transferred to Department of Energy by former section 7158(b) of this title with that organizational unit to be deemed an organizational unit established by chapter 84 (§8411 et seq.) of this title.

§ 5813. Responsibilities of Administrator

The responsibilities of the Administrator shall include, but not be limited to—
§ 5814

(1) exercising central responsibility for policy planning, coordination, support, and management of research and development programs respecting all energy sources, including assessing the requirements for research and development in regard to various energy sources in relation to near-term and long-range needs, policy planning in regard to meeting those requirements, undertaking programs for the optimal development of the various forms of energy sources, managing such programs, and disseminating information resulting therefrom;

(2) encouraging and conducting research and development, including demonstration of commercial feasibility and practical applications of the extraction, conversion, storage, transmission, and utilization phases related to the development and use of energy from fossil, nuclear, solar, geothermal, and other energy sources;

(3) engaging in and supporting environmental, biomedical, physical, and safety research related to the development of energy sources and utilization technologies;

(4) taking into account the existence, progress, and results of other public and private research and development activities, including those activities of the Federal Energy Administration relating to the development of energy resources using currently available technology in promoting increased utilization of energy resources, relevant to the Administration’s mission in formulating its own research and development programs;

(5) participating in and supporting cooperative research and development projects which may involve contributions by public or private persons or agencies, of financial or other resources to the performance of the work;

(6) developing, collecting, distributing, and making available for distribution, scientific and technical information concerning the manufacture or development of energy and its efficient extraction, conversion, transmission, and utilization;

(7) creating and encouraging the development of general information to the public on all energy conservation technologies and energy sources as they become available for general use, and the Administrator, in conjunction with the Administrator of the Federal Energy Administration shall, to the extent practicable, disseminate such information through the use of mass communications;

(8) encouraging and conducting research and development in energy conservation, which shall be directed toward the goals of reducing total energy consumption to the maximum extent practicable, and toward maximum possible improvement in the efficiency of energy use. Development of new and improved conservation measures shall be conducted with the goal of the most expeditious possible application of these measures;

(9) encouraging and participating in international cooperation in energy and related environmental research and development;

(10) helping to assure an adequate supply of manpower for the accomplishment of energy research and development programs, by sponsoring and assisting in education and training activities in institutions of higher education, vocational schools, and other institutions, and by assuring the collection, analysis, and dissemination of necessary manpower supply and demand data;

(11) encouraging and conducting research and development in clean and renewable energy sources.


AMENDMENTS

1992—Pars. (7) to (12). Pub. L. 102–486 redesignated pars. (8) to (12) as (7) to (11), respectively, and struck out former par. (7) which read as follows: “establishing, in accordance with the National Energy Extension Service Act, an Energy Extension Service to provide technical assistance, instruction, and practical demonstrations on energy conservation measures and alternative energy systems to individuals, businesses, and State and local government officials;”.

1977—Pars. (7) to (12). Pub. L. 95–38 added par. (7) and redesignated former pars. (7) to (11) as (8) to (12), respectively.

TRANSFER OF FUNCTIONS

Energy Research and Development Administration and Federal Energy Administration terminated and functions vested by law in their respective Administrators transferred to Secretary of Energy (unless otherwise specifically provided) by sections 715(a) and 7293 of this title.

§ 5814. Abolition and transfers

(a) Abolition of Atomic Energy Commission

The Atomic Energy Commission is hereby abolished. Sections 2031 and 2032 of this title are repealed.

(b) Transfer or lapse of functions of Atomic Energy Commission

All other functions of the Commission, the Chairman and members of the Commission, and the officers and components of the Commission are hereby transferred or allowed to lapse pursuant to the provisions of this chapter.

(c) Functions of Atomic Energy Commission transferred to Administrator

There are hereby transferred to and vested in the Administrator all functions of the Atomic Energy Commission, the Chairman and members of the Commission, and the officers and components of the Commission, except as otherwise provided in this chapter.

(d) Transfer of General Advisory Committee, Patent Compensation Board, and Divisions of Military Application and Naval Reactors to Administration

The General Advisory Committee established pursuant to section 20361 of this title, the Patent Compensation Board established pursuant to section 2187 of this title, and the Divisions of Military Application and Naval Reactors established pursuant to section 2035 of this title, are transferred to the Energy Research and Development Administration and the functions of the

1 See References in Text note below.
Commission with respect thereto, and with respect to relations with the Military Liaison Committee established by section 2037 of this title, are transferred to the Administrator.

(e) Transfer to Administrator of certain functions of Secretary of the Interior and Department of the Interior; study of potential energy application of helium; report to President and Congress

There are hereby transferred to and vested in the Administrator such functions of the Secretary of the Interior, the Department of the Interior, and officers and components of such department—

(1) as relate to or are utilized by the Office of Coal Research established pursuant to the Act of July 1, 1960 (74 Stat. 336; 30 U.S.C. 661–669);

(2) as relate to or are utilized in connection with fossil fuel energy research and development programs and related activities conducted by the United States Bureau of Mines “energy centers” and synthane plant to provide greater efficiency in the extraction, processing, and utilization of energy resources for the purpose of conserving those resources, developing alternative energy resources, such as oil and gas secondary and tertiary recovery, oil shale and synthetic fuels, improving methods of managing energy-related wastes and pollutants, and providing technical guidance needed to establish and administer national energy policies; and

(3) as relate to or are utilized for underground electric power transmission research.

The Administrator shall conduct a study of the potential energy applications of helium and, within six months from October 11, 1974, report to the President and Congress his recommendations concerning the management of the Federal helium programs, as they relate to energy.

(f) Transfer to Administrator of certain functions of National Science Foundation

There are hereby transferred to and vested in the Administrator such functions of the National Science Foundation as relate to or are utilized in connection with—

(1) solar heating and cooling development; and

(2) geothermal power development.

(g) Transfer to Administrator of certain functions of Environmental Protection Agency

There are hereby transferred to and vested in the Administrator such functions of the Environmental Protection Agency and the officers and components thereof as relate to or are utilized in connection with research, development, and demonstration, but not assessment or monitoring for regulatory purposes, of alternative automotive power systems.

(h) Exercise of authority necessary or appropriate to perform transferred functions and carry out transferred programs

To the extent necessary or appropriate to perform functions and carry out programs transferred by this chapter, the Administrator and Commission may exercise, in relation to the functions so transferred, any authority or part thereof available by law, including appropriation Acts, to the official or agency from which such functions were transferred.

(i) Utilization of technical and management capabilities of other executive agencies; assignment of specific programs or projects in energy research and development

In the exercise of his responsibilities under section 5813 of this title, the Administrator shall utilize, with their consent, to the fullest extent he determines advisable the technical and management capabilities of other executive agencies having facilities, personnel, or other resources which can assist or advantageously be expanded to assist in carrying out such responsibilities.

The Administrator shall consult with the head of each agency with respect to such facilities, personnel, or other resources, and may assign, with their consent, specific programs or projects in energy research and development as appropriate. In making such assignments under this subsection, the head of each such agency shall insure that—

(1) such assignments shall be in addition to and not detract from the basic mission responsibilities of the agency, and

(2) such assignments shall be carried out under such guidance as the Administrator deems appropriate.


REFERENCES IN TEXT

This chapter, referred to in subsecs. (b), (c), and (h), was in the original “this Act”, meaning Pub. L. 93–438, Oct. 11, 1974, 88 Stat. 1233, as amended, which enacted this chapter, amended sections 5313 to 5316 of Title 5, Government Organization and Employees, repealed sections 2931 and 2932 of this title, and enacted provisions set out as notes under section 5801 of this title. For complete classification of this Act to the Code, see Short Title note set out under section 5801 of this title and Tables.


CHANGE OF NAME


TRANSFER OF FUNCTIONS

GENERAL

Energy Research and Development Administration terminated and functions vested by law in Administrator thereof transferred to Secretary of Energy (unless otherwise specifically provided) by sections 7151(a) and 7233 of this title.

Division of Naval Reactors and Division of Military Applications, both established under section 2033 of this title, and functions of Energy Research and Develop-
ment Administration with respect to Military Liaison Committee, established by section 2037 of this title, referred to in subsec. (d), transferred to Department of Energy under or with respect to authorities formerly exercised by Bureau of Mines, but limited to research and development relating to increased efficiency of production technology of solid fuel minerals, transferred to, and vested in, Secretary of the Interior, by section 100 of Pub. L. 97–257, 96 Stat. 841, set out as a note under section 7152 of this title.

Functions vested in, or delegated to, Secretary of Energy under section 7158 of this title, with such organizational units to be deemed organizational units established by chapter 84 (§ 7101 et seq.) of this title.

Functions of Secretary of the Interior, Department of the Interior, and officers and components of Department of the Interior exercised by Bureau of Mines relating to fuel supply and demand analysis and data gathering, research and development relating to intake and consequences of solid fuel mining, and coal preparation and utilization referred to in subsec. (e), transferred to Secretary of Energy by section 7152(d) of this title.

**DISTRIBUTION OF AUTHORITIES UNDER ATOMIC ENERGY ACT OF 1954**

The legislative history of Pub. L. 93–438 (which is classified principally to this chapter) was comprised in part by Senate Report No. 93–980 and House Report No. 93–707. Senate Report No. 93–980 (similar provisions appear in House Report No. 93–707) contained the following analysis showing the distribution by Pub. L. 93–438 of separately and jointly applicable authorities under the Atomic Energy Act of 1954 (42 U.S.C. 2011 et seq.):

I. **The following provisions of the Atomic Energy Act of 1954, as heretofore amended, apply only to ERDA [Energy Research and Development Administration]**

- Subsection 31h. [42 U.S.C. 2051(h)] (certain grants and contributions).
- Subsection 33. [42 U.S.C. 2053] (‘‘Research for Others’’); provided that the NSLC retains authority to contract out for research as it deems necessary to exercise its licensing and related regulatory functions.
- Chapter 5 (sections 41–44) 42 U.S.C. 2061–2064) (‘‘Production of Special Nuclear Material’’).
- Sections 53c, 55d, and 56f, [42 U.S.C. 2073(c), (d), (f)] (distributing special nuclear material).
- Subsection 54 [42 U.S.C. 2074] (‘‘Foreign Distribution of Special Nuclear Material’’).
- Section 56 [42 U.S.C. 2076] (‘‘Guaranteed Purchase Prices’’).
- Section 58 [42 U.S.C. 2078] (‘‘Review’’).
- Subsection 63c. [42 U.S.C. 2093(c)] (charges for distributing source material).
- Section 64 [42 U.S.C. 2094] (‘‘Foreign Distribution of Source Material’’).
- Section 91 [42 U.S.C. 2121] (‘‘Authority’’).
- Subsection 142 [42 U.S.C. 2162] (‘‘Classification and Declaration of Restricted Data’’).
- Subsection 143 [42 U.S.C. 2163] (‘‘Department of Defense Participation’’).
- Subsections 144a; 144b; and 144c, [42 U.S.C. 2164(a)-(c)] (international cooperation).
- Subsection 154 [42 U.S.C. 2184] (‘‘Injunctions’’).
- Subsections 161a; 161m; 161r; 161u; and 161v, [42 U.S.C. 2201(e), (m), (r), (t), (v)] (general provisions).

II. **The following provisions of the Atomic Energy Act of 1954, as heretofore amended, apply only to NSLC [Nuclear Regulatory Commission as enacted]**

- Subsection 53b. [42 U.S.C. 2073(b)] (minimum criteria for licenses).
- Subsection 62 [42 U.S.C. 2092] (‘‘License for Transfers Required’’).
- Subsection 63b. [42 U.S.C. 2093(b)] (minimum criteria for licenses).
- Section 69 [42 U.S.C. 2099] (‘‘Prohibition’’).
- Section 101 [42 U.S.C. 2131] (‘‘License Required’’).
- Section 102 [42 U.S.C. 2132] (‘‘Utilization and Production Facilities for Industrial or Commercial Purposes’’).
- Section 103 [42 U.S.C. 2133] (‘‘Commercial Licenses’’).
- Section 104 [42 U.S.C. 2134] (‘‘Medical Therapy and Research and Development’’).
- Subsection 105c [42 U.S.C. 2135(c)] (licensing antitrust review).
- Section 106 [42 U.S.C. 2136] (‘‘Classes of Facilities’’).
- Section 107 [42 U.S.C. 2137] (‘‘Operators’’ Licenses’’).
- Section 109 [42 U.S.C. 2138] (‘‘Component Parts of Facilities’’).
- Subsection 151h. [42 U.S.C. 2201(h)] (licensing activities).
- Subsection 161w. [42 U.S.C. 2201(w)] (licensing charges).
- Subsection 182 [42 U.S.C. 2232] (‘‘License Applications’’).
- Section 183 [42 U.S.C. 2233] (‘‘Terms of License’’).
- Subsection 184 [42 U.S.C. 2234] (‘‘Inalienability of Licenses’’).
- Subsection 185 [42 U.S.C. 2235] (‘‘Construction Permits’’).
- Subsections 186a and 186b, [42 U.S.C. 2236(a), (b)] (license revocation).
- Section 187 [42 U.S.C. 2237] (‘‘Modification of License’’).
- Section 190 [42 U.S.C. 2240] (‘‘Licensee Incident Reports’’).
- Section 191 [42 U.S.C. 2241] (‘‘Atomic Safety and Licensing Board’’).
- Section 192 [42 U.S.C. 2242] (‘‘Temporary Operating License’’).
- Section 274 [42 U.S.C. 2221] (‘‘Cooperation with States’’).

III. **The following provisions of the Atomic Energy Act of 1954, as heretofore amended, generally apply, respectively, to the functions of the Administrator [Energy Research and Development Administration] and to NSLC [Nuclear Regulatory Commission as enacted]**

- Chapter 1 (sections 1–3) 42 U.S.C. 2011–2013) (‘‘Declaration, Findings and Purpose’’); provided that all references to encouraging, promoting, utilizing, developing, and participating in atomic energy or the atomic industry shall not be applicable to the NSLC.
- Chapter 2 (section 11) 42 U.S.C. 2014) (‘‘Definitions’’); provided that (i) the determinations and criteria in § 2014(j) (extraordinary nuclear occurrences) shall be the responsibility of the Administrator only in regard to activities and matters not covered by the licensing and related regulatory facets of Chapter 170 of the Atomic Energy Act, as amended, 42 U.S.C. 2210 and (ii) the determinations in v. (production facility), z. (source material), aa. (special nuclear material), and cc. (utilization facility) 42 U.S.C. 2035(a), (b), (aa), (ccc) shall be the responsibility of the Administrator only in regard to facilities and materials not subject to licensing and related regulatory control by NSLC.
- Chapter 3 (sections 21–29) 42 U.S.C. 2031–2039) (‘‘Organization’’); except (i) as provided for in this bill, (ii) the inspection Division established by subsection 25c, [42 U.S.C. 2035(c)] will be transferred to NSLC and the ERDA Administrator also will provide for the discharge
of the inspection function under subsection 25c. in ERDA, (iii) in regard to section 29 [42 U.S.C. 2039] ("Advisory Committee on Reactor Safeguards"), it is intended that the ACRS be transferred to NSLC but that the ACRS also be made available to ERDA as the Administrator may request to perform such of the activities contemplated by section 29 as relate to functions transferred to the Administrator.

Subsections 31a; 31c; and 31d. [42 U.S.C. 2051(a), (c), (d)] (research assistance), and Section 32 [42 U.S.C. 2052] ("Research By the Commission"). Section 51 [42 U.S.C. 2071]; provided, that the respective determinations shall be made as indicated in Chapter 2 above.

Subsection 53a. [42 U.S.C. 2073(a)]; provided, that subsections (ii) and (iii) of said subsection (distributing and making available special nuclear material) shall apply only to ERDA, and subsection (i) (licenses) shall apply only to NSLC.

Section 54 [42 U.S.C. 2074] ("Acquisition").

Section 56 [42 U.S.C. 2076] ("Prohibition").

Section 61 [42 U.S.C. 2091] ("Source Material"); provided, that the authority to distribute shall apply only to ERDA and the authority to license shall apply only to NSLC.

Subsection 63a. (source material) [42 U.S.C. 2093(a)]; provided, that the authority to license shall apply only to NSLC.

Section 65 [42 U.S.C. 2095] ("Reporting").

Section 66 [42 U.S.C. 2096] ("Acquisition").

Section 68 [42 U.S.C. 2098] ("Public and Acquired Lands").

Section 81 [42 U.S.C. 2111] ("Domestic Distribution"); and Section 82 [42 U.S.C. 2112] ("Foreign Distribution of Byproduct Material"); provided, that the authority to distribute shall apply only to ERDA and the authority to license shall apply only to NSLC.

Section 92 [42 U.S.C. 2122] ("Prohibition").

Subsections 103a. and 103b. [42 U.S.C. 2135(a), (b)] (Antitrust provisions and reporting).

Section 108 [42 U.S.C. 2138] ("War or National Emergency").

Section 110 [42 U.S.C. 2140] ("Exclusions"); it should be noted that subsection 110a. is amended by section 202 of the bill [42 U.S.C. 5842].

Chapter 11 [(sections 121–125) 42 U.S.C. 2151–2154, 2153 note] ("International Activities"); provided, that except for licensing and regulatory aspects, the implementation of these provisions shall be the responsibility of ERDA.

Section 141 [42 U.S.C. 2161] ("Restrictions"); except that only the Administrator shall establish the basic standards and procedures for the safeguarding of the national defense and security.


Subsection 156a and 156b. [42 U.S.C. 2181(a), (b)] (certain inventions and discoveries).

Section 152 [42 U.S.C. 2182] ("Inventions Made or Conceived During Commission Contracts").

Section 155 [42 U.S.C. 2185] ("Prior Art").


Section 158 [42 U.S.C. 2188] ("Monopolistic Use of Patents").

Section 159 [42 U.S.C. 2189] ("Federally Financed Research").

Section 160 [42 U.S.C. 2190] ("Saving Clause").

Subsections 161a, 161b, 161c, 161d, 161e, and 161f. [42 U.S.C. 2201(a)–(d), (f), (g)] (general authority).

Subsection 161i. and 161j. [42 U.S.C. 2201(i), (j)] (certain regulations or orders and dispositions); provided, that the Administrator shall establish the basic standards and procedures respecting the national security.

Subsections 161k. [42 U.S.C. 2201(k)] (firearms); 161n. [42 U.S.C. 2201(n)] (delegations); provided that no functions delegated to officers of NSLC shall include functions relating to the development of atomic energy or the atomic industry; 161o. (reports and records); 161p. (rules and regulations), 161q. (succession of authority) [42 U.S.C. 2201(o)–(q)].

Section 162 [42 U.S.C. 2202] ("Contracts").

Section 163 [42 U.S.C. 2203] ("Advisory Committees").


Section 166 [42 U.S.C. 2206] ("Comptroller General Audit"); it should be noted that section 305 of the bill [(section 306 as passed) 42 U.S.C. 5876] also makes this section applicable to ERDA's contracts for non-nuclear activities.

Section 168 [42 U.S.C. 2208] ("Payments in Lieu of Taxes").

Section 169 [42 U.S.C. 2209] ("No Subsidy").

Section 170 [42 U.S.C. 2210] ("Indemnification and Limitation of Liability").

Chapter 17 [(sections 201–207) 42 U.S.C. 2251–2257] ("Joint Committee on Atomic Energy").

Chapter 18 [(sections 221–234) 42 U.S.C. 2271–2282] ("Enforcement"); except for Section 223 [42 U.S.C. 2282] ("Civil Monetary Penalties for Violation of Licensing Requirements") which is applicable only to NSLC.

Section 241 [42 U.S.C. 2285] ("Transfer of Property").

Section 253 [42 U.S.C. 2286] ("Report to the Congress").

Section 261 [42 U.S.C. 2287] ("Proprieties").

Section 271 [42 U.S.C. 2288] ("Agency Jurisdiction").


Termination of Advisory Committees

Advisory committees in existence on Jan. 5, 1973, to terminate not later than the expiration of the 2-year period following Jan. 5, 1973, unless, in the case of a committee established by the President or an officer of the Federal Government, such committee is renewed by appropriate action prior to the expiration of such 2-year period, or in the case of a committee established by the Congress, its duration is otherwise provided by law. Advisory committees established after Jan. 5, 1973, to terminate not later than the expiration of the 2-year period beginning on the date of their establishment, unless, in the case of a committee established by the President or an officer of the Federal Government, such committee is renewed by appropriate action prior to the expiration of such 2-year period, or in the case of a committee established by the Congress, its duration is otherwise provided by law. See section 14 of Pub. L. 92–463, Oct. 6, 1972, 86 Stat. 776, set out in the Appendix to Title 5, Government Organization and Employees.

§ 5815. Administrative provisions

(a) Rules and regulations

The Administrator is authorized to prescribe such policies, standards, criteria, procedures, rules, and regulations as he may deem to be necessary or appropriate to perform functions now or hereafter vested in him.

(b) Policy planning and evaluation

The Administrator shall engage in such policy planning, and perform such program evaluation analyses and other studies, as may be necessary
to promote the efficient and coordinated administration of the Administration and properly assess progress toward the achievement of its missions.

(c) Delegation of functions

Except as otherwise expressly provided by law, the Administrator may delegate any of his functions to such officers and employees of the Administration as he may designate, and may authorize such successive redelegations of such functions as he may deem to be necessary or appropriate.

(d) Organization

Except as provided in sections 5812 and 5814(d) of this title, the Administrator may organize the Administration as he may deem to be necessary or appropriate.

(e) Field offices

The Administrator is authorized to establish, maintain, alter, or discontinue such State, regional, district, local, or other field offices as he may deem to be necessary or appropriate to perform functions now or hereafter vested in him.

(f) Seal

The Administrator shall cause a seal of office to be made for the Administration of such device as he shall approve, and judicial notice shall be taken of such seal.

(g) Working capital fund

The Administrator is authorized to establish a working capital fund, to be available without fiscal year limitation, for expenses necessary for the maintenance and operation of such common administrative services as he shall find to be desirable in the interests of economy and efficiency. There shall be transferred to the fund the stocks of supplies, equipment, assets other than real property, liabilities, and unpaid obligations relating to the services which he determines will be performed through the fund. Appropriations to the fund, in such amounts as may be necessary to provide additional working capital, are authorized. The working capital fund shall recover, from the appropriations and funds for which services are performed, either in advance or by way of reimbursement, amounts which will approximate the costs incurred, including the accrual or annual leave and the depreciation of equipment. The fund shall also be credited with receipts from the sale or exchange of its property, and receipts in payment for loss or damage to property owned by the fund.

(h) Information from other agencies

Each department, agency, and instrumentality of the executive branch of the Government is authorized to furnish to the Administrator, upon his request, any information or other data which the Administrator deems necessary to carry out his duties under this subchapter.

(28 U.S.C. 1771.)

Transfer of Functions

Energy Research and Development Administration terminated and functions vested by law in Administrator thereof transferred to Secretary of Energy (unless otherwise specifically provided) by sections 7151(a) and 7293 of this title.

§ 5816. Personnel and services

(a) Appointment and compensation of officers and employees

The Administrator is authorized to select, appoint, employ, and fix the compensation of such officers and employees, including attorneys, pursuant to section 2301(d) of this title as are necessary to perform the functions now or hereafter vested in him and to prescribe their functions.

(b) Employment of experts and consultants

The Administrator is authorized to obtain services as provided by section 3109 of title 5.

(c) Participation of military personnel

The Administrator is authorized to provide for participation of military personnel in the performance of his functions. Members of the Army, the Navy, the Air Force, or the Marine Corps may be detailed for service in the Administration by the appropriate military Secretary, pursuant to cooperative agreements with the Secretary, for service in the Administration in positions other than a position the occupant of which must be approved by and with the advice and consent of the Senate.

(d) Status of military personnel unaffected

Appoint, detail, or assignment to, acceptance of, and service in, any appointive or other position in the Administration under this section shall in no way affect the status, office, rank, or grade which such officers or enlisted men may occupy or hold, or any emolument, perquisite, right, privilege, or benefit incident to or arising out of any such status, office, rank, or grade. A member so appointed, detailed, or assigned shall not be subject to direction or control by his Armed Force, or any officer thereof, directly or indirectly, with respect to the responsibilities exercised in the position to which appointed, detailed, or assigned.

(e) Transportation and per diem expenses

The Administrator is authorized to pay transportation expenses, and per diem in lieu of subsistence expenses, in accordance with chapter 57 of title 5 for travel between places of recruitment and duty, and while at places of duty, of persons appointed for emergency, temporary, or seasonal services in the field service of the Administration.

(f) Personnel of other agencies

The Administrator is authorized to utilize, on a reimbursable basis, the services of any personnel made available by any department, agency, or instrumentality, including any independent agency of the Government.

(g) Advisory boards

The Administrator is authorized to establish advisory boards, in accordance with the provisions of the Federal Advisory Committee Act (Public Law 92–463), to advise with and make recommendations to the Administrator on legislation, policies, administration, research, and other matters.

(h) Employment of noncitizens

The Administrator is authorized to employ persons who are not citizens of the United
States in expert, scientific, technical, or professional capacities whenever he deems it in the public interest.


REFERENCES IN TEXT

The Federal Advisory Committee Act, referred to in subsec. (g), is Pub. L. 92–463, Oct. 6, 1972, 86 Stat. 770, as amended, which is set out in the Appendix to Title 5, Government Organization and Employees.

TRANSFER OF FUNCTIONS

Energy Research and Development Administration terminated and functions vested by law in Administrator thereof transferred to Secretary of Energy (unless otherwise specifically provided) by sections 7151(a) and 7293 of this title.

TERMINATION OF ADVISORY BOARDS

Advisory boards established after Jan. 5, 1973, to terminate not later than the expiration of the 2-year period beginning on the date of their establishment, unless in the case of a board established by the President or an officer of the Federal Government, such board is renewed by appropriate action prior to the expiration of such 2-year period, or in the case of a board established by the Congress, its duration is otherwise provided for by law. See sections 3(2) and 14 of Pub. L. 92–463, Oct. 6, 1972, 86 Stat. 770, 776, set out in the Appendix to Title 5, Government Organization and Employees.


EFFECTIVE DATE OF REPEAL

For effective date and applicability of repeal, see section 463 of Pub. L. 194–106, set out as an Effective Date of 1996 Amendment note under section 3202 of Title 10, Armed Forces.

§ 5817. Powers of Administrator

(a) Research and development

The Administrator is authorized to exercise his powers in such manners as to insure the continued conduct of research and development and related activities in areas or fields deemed by the Administrator to be pertinent to the acquisition of an expanded fund of scientific, technical, and practical knowledge in energy matters. To this end, the Administrator is authorized to make arrangements (including contracts, agreements, and loans) for the conduct of research and development activities with private or public institutions or persons, including participation in joint or cooperative projects of a research, developmental, or experimental nature; to make payments for services or supplies; and to advance or repay sums which do or will bear all or a part of such cost, or to refund excess sums when necessary; except that such payments may be credited to a service or working capital fund otherwise established by law, and used under the law governing

(b) Facilities and real property

Except for public buildings as defined in chapter 33 of title 40, and with respect to leased space subject to the provisions of Reorganization Plan Numbered 16 of 1950, the Administrator is authorized to acquire (by purchase, lease, condemnation, or otherwise), construct, improve, repair, operate, and maintain facilities and real property as the Administrator deems to be necessary in and outside of the District of Columbia. Such authority shall apply only to facilities required for the maintenance and operation of laboratories, research and testing sites and facilities, quarters, and related accommodations for employees and dependents of employees of the Administration, and such other special-purpose real property as the Administrator deems to be necessary in and outside the District of Columbia. Title to any property or interest therein, real, personal, or mixed, acquired pursuant to this section, shall be in the United States.

(c) Services for employees at remote locations

(1) The Administrator is authorized to provide, construct, or maintain, as necessary and when not otherwise available, the following for employees and their dependents stationed at remote locations:

(A) Emergency medical services and supplies.

(B) Food and other subsistence supplies.

(C) Messing facilities.

(D) Audiovisual equipment, accessories, and supplies for recreation and training.

(E) Reimbursement for food, clothing, medicine, and other supplies furnished by such employees in emergencies for the temporary relief of distressed persons.

(F) Living and working quarters and facilities.

(G) Transportation for school-age dependents of employees to the nearest appropriate educational facilities.

(2) The furnishing of medical treatment under subparagraph (A) of paragraph (1) and the furnishing of services and supplies under paragraphs (B) and (C) of paragraph (1) shall be at prices reflecting reasonable value as determined by the Administrator.

(3) Proceeds from reimbursements under this section shall be deposited in the Treasury and may be withdrawn by the Administrator to pay directly the cost of such work or services, to repay or make advances to appropriations or funds which do or will bear all or a part of such cost, or to refund excess sums when necessary; except that such payments may be credited to a service or working capital fund otherwise established by law, and used under the law governing
such funds, if the fund is available for use by the Administrator for performing the work or services for which payment is received.

(d) Acquisition of copyrights and patents

The Administrator is authorized to acquire any of the following described rights if the property acquired thereby is for use in, or is useful to, the performance of functions vested in him:

1. Copyrights, patents, and applications for patents, designs, processes, specifications, and data.
2. Licenses under copyrights, patents, and applications for patents.
3. Releases, before suit is brought, for past infringement of patents or copyrights.

(e) Dissemination of information

Subject to the provisions of chapter 12 of the Atomic Energy Act of 1954, as amended (42 U.S.C. 2161-2166), and other applicable law, the Administrator shall disseminate scientific, technical, and practical information acquired pursuant to this subchapter through information programs and other appropriate means, and shall encourage the dissemination of scientific, technical, and practical information relating to energy so as to enlarge the fund of such information and to provide that free interchange of ideas and criticism which is essential to scientific and industrial progress and public understanding.

(f) Gifts and bequests

The Administrator is authorized to accept, hold, administer, and utilize gifts, and bequests of property, both real and personal, for the purpose of aiding or facilitating the work of the Administrator. Gifts and bequests of money and proceeds from sales of other property received as gifts or bequests shall be deposited in the Treasury and shall be disbursed upon the order of the Administrator. For the purposes of Federal income, estate, and gift taxes, property accepted under this section shall be considered as a gift or bequest to the United States.


REFERENCES IN TEXT

This chapter, referred to in subsec. (a), was in the original ‘‘this Act’’, meaning Pub. L. 93–438, Oct. 11, 1974, 88 Stat. 1233, known as the Energy Reorganization Act of 1974, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 5801 of this title and Tables.

The Atomic Energy Act of 1954, referred to in subsecs. (a) and (e), is act Aug. 1, 1946, ch. 724, as added by act Aug. 30, 1954, ch. 1073, § 1, 68 Stat. 919, which is classified principally to chapter 23 (§ 2301 et seq.) of this title. Chapters 4 and 12 of the Atomic Energy Act of 1954, as classified generally to subchapters III (§ 2301 et seq.) and XI (§ 2161 et seq.), respectively, of division A of chapter 23 of this title. For complete classification of this Act to the Code, see Short Title note set out under section 2301 of this title and Tables.

The effective date of this chapter, referred to in subsec. (a), refers to the effective date of Pub. L. 93–438. See section 312 of Pub. L. 93–438, set out as an Effective Date; Interim Appointments note under section 5801 of this title.

Reorganization Plan Numbered 18 of 1950, referred to in subsec. (b), is Reorg. Plan No. 18 of 1950, eff. July 1, 1950, 15 F.R. 3177, 64 Stat. 1270, which is set out in the Appendix to Title 5, Government Organization and Employees.

CODIFICATION


TRANSFER OF FUNCTIONS

Energy Research and Development Administration transferred to Secretary of Energy (unless otherwise specifically provided) by sections 7151(a) and 7293 of this title.

AIR TRANSPORTATION OF PLUTONIUM; EXEMPT SHIPMENT OF PLUTONIUM


‘‘SEC. 501. The Energy Research and Development Administration shall not ship plutonium in any form by aircraft whether exports, imports, or domestic shipment: Provided, That any exempt shipments of plutonium, as defined by section 502, are not subject to this restriction. This restriction shall be in force until the Energy Research and Development Administration has certified to the Joint Committee on Atomic Energy of the Congress that a safe container has been developed and tested which will not rupture under crash and blast testing equivalent to the crash and explosion of a high-flying aircraft.

‘‘SEC. 502. For the purposes of this title, the term ‘exempt shipments of plutonium’ shall include the following:

‘‘(1) Plutonium shipments in any form designed for medical application.

‘‘(2) Plutonium shipments which pursuant to rules promulgated by the Administrator of the Energy Research and Development Administration are determined to be made for purposes of national security, public health and safety, or emergency maintenance operations.

‘‘(3) Shipments of small amounts of plutonium deemed by the Administrator of the Energy Research and Development Administration to require rapid shipment by air in order to preserve the chemical, physical, or isotopic properties of the transported item or material.’’

§ 5817a. Employee-suggested research projects; approval; funding; reports

(a) Any Government-owned contractor operated laboratory, energy research center, or other laboratory performing functions under contract to the Administration may, with the approval of the Administrator, use a reasonable amount of its operating budget for the funding of employee-suggested research projects up to the pilot stage of development. It shall be a condition of any such approval that the director of the laboratory or center involved form an internal review mechanism for determining which employee-suggested projects merit funding in a given fiscal year; and any such project may be funded in one or more succeeding years if the review process indicates that it merits such funding.

(b) Each director of a laboratory or center specified in subsection (a) of this section shall submit an annual report to the Administrator on projects being funded under this section; and on completion of each such project shall submit a report to the Technical Information Center of
the Administration for inclusion in its data base.


Codification
Section was not enacted as part of the Energy Reorganization Act of 1974 which comprises this chapter.

Transfer of Functions
Energy Research and Development Administration terminated and functions vested by law in Administrator thereof transferred to Secretary of Energy (unless otherwise specifically provided) by sections 7151(a) and 7263 of this title.


Executive Order No. 11814

§ 5819. Report to Congress on future reorganization
(a) The President shall transmit to the Congress as promptly as possible, but not later than June 30, 1975, such additional recommendations as he deems advisable for organization of energy and related functions in the Federal Government, including, but not limited to, whether or not there shall be established (1) a Department of Energy and Natural Resources, (2) an Energy Policy Council, and (3) a consolidation in whole or in part of regulatory functions concerning energy.
(b) This report shall replace and serve the purposes of the report required by section 774(a)(4) of title 15.


References in Text

§ 5820. Coordination with environmental efforts
The Administrator is authorized to establish programs to utilize research and development performed by other Federal agencies to minimize the adverse environmental effects of energy projects. The Administrator of the Environmental Protection Agency, as well as other affected agencies and departments, shall cooperate fully with the Administrator in establishing and maintaining such programs, and in establishing appropriate interagency agreements to develop cooperative programs and to avoid unnecessary duplication.

1 See References in Text note below.

Transfer of Functions
Energy Research and Development Administration terminated and functions vested by law in Administrator thereof transferred to Secretary of Energy (unless otherwise specifically provided) by sections 7151(a) and 7263 of this title.

Research Applied to National Needs; Coordination of Energy Research and Development Activities
Pub. L. 94–471, § 2(e)(3), Oct. 11, 1976, 90 Stat. 2053, provided that: “In the conduct of the energy research and development activities under the ‘Research Applied to National Needs’ category, the National Science Foundation shall coordinate all new energy research project awards with the Administrator of the Energy Research and Development Administration or his designee.”

Similar provisions were contained in Pub. L. 94–86, § 5, Aug. 9, 1975, 89 Stat. 430.

§ 5821. Annual authorization Acts
(a) General requirements; applicability to appropriations
All appropriations made to the Energy Research and Development Administration or the Administrator shall, except as otherwise provided by law, be subject to annual authorization in accordance with section 2017 of this title, section 5915 of this title, and section 5875 of this title. The provisions of this section shall apply with respect to appropriations made pursuant to the Act providing such authorization (hereinafter in this section referred to as ‘‘annual authorization Acts’’).

(b) Requirements and limitations respecting funds appropriated for operating expenses
(1) Funds appropriated pursuant to an annual authorization Act for ‘‘Operating expenses’’ may be used for—
(A) the construction or acquisition of any facilities, or major items of equipment, which may be required at locations other than installations of the Administration, for the performance of research, development, and demonstration activities, and
(B) grants to any organization for purchase or construction of research facilities.

No such funds shall be used under this subsection for the acquisition of land. Fee title to all such facilities and items of equipment shall be vested in the United States, unless the Administrator or his designee determines in writing that the research, development, and demonstration authorized by such Act would best be implemented by permitting fee title or any other property interest to be vested in an entity other than the United States; but before approving the vesting of such title or interest in such entity, the Administrator shall (i) transmit such determination, together with all pertinent data, to the Committee on Science, Space, and Technology of the House of Representatives and the Committee on Energy and Natural Resources of the Senate and (ii) wait a period of thirty calendar days (not including any day in which either House of Congress is not in session because of adjournment of more than three calendar days to a day certain), unless prior to the expiration of such period each such committee has
transmitted to the Administrator written notice to the effect that such committee has no objection to the proposed action.

(2) No funds shall be used under paragraph (1) for any facility or major item of equipment, including collateral equipment, if the estimated cost to the Federal Government exceeds $5,000,000 in the case of such a facility or $2,000,000 in the case of such an item of equipment, unless such facility or item has been previously authorized by the appropriate committees of the House of Representatives and the Senate, or the Administrator—

(A) transmit to the appropriate committees of the House of Representatives and the Senate a report on such facility or item showing its nature, purpose, and estimated cost, and

(B) waits a period of thirty calendar days (not including any day in which either House of Congress is not in session because of adjournment of more than three calendar days to a day certain), unless prior to the expiration of such period each such committee has transmitted to the Administrator written notice to the effect that such committee has no objection to the proposed action.

(c) Additional requirements and limitations respecting funds appropriated for operating expenses

(1) Not to exceed 1 per centum of all funds appropriated pursuant to any annual authorization Act for “Operating expenses” may be used by the Administrator to construct, expand, or modify laboratories and other facilities, including the acquisition of land, at any location under the control of the Administrator, if the Administrator determines that (A) such action would be necessary because of changes in the national programs authorized to be funded by such Act or because of new scientific or engineering developments, and (B) deferral of such action until the enactment of the next authorization Act would be inconsistent with the policies established by Congress for the Administration.

(d) Requirements respecting amounts appropriated in annual appropriation Act for use in programs in excess of amount actually authorized for use in program not presented to, or requested of Congress; reduction in aggregate amount available for categories of coal, etc., from sums appropriated

(1) Except as otherwise provided in the authorization Act involved—

(A) no amount appropriated pursuant to any annual authorization Act may be used for any program in excess of the amount actually authorized for that particular program by such Act, and

(B) no amount appropriated pursuant to any annual authorization Act may be used for any program which has not been presented to, or requested of the Congress, unless (i) a period of thirty calendar days (not including any day in which either House of Congress is not in session because of adjournment of more than three calendar days to a day certain) has passed after the receipt by the appropriate committees of the House of Representatives and the Senate of notice given by the Administrator containing a full and complete statement of the action proposed to be taken and the facts and circumstances relied upon in support of such proposed action, or (ii) each such committee before the expiration of such period has transmitted to the Administrator written notice to the effect that such committee has no objection to the proposed action.

(2) Notwithstanding any other provision of this section or the authorization Act involved, the aggregate amount available for use within the categories of coal, petroleum and natural gas, oil shale, solar, geothermal, nuclear energy (non-weapons), environment and safety, and conservation from sums appropriated pursuant to an annual authorization Act may not, as a result of reprogramming, be decreased by more than 10 per centum of the total of the sums appropriated pursuant to such Act for those categories.

(e) Requirements and limitations respecting merger of amounts appropriated for operating expenses or for plant and capital equipment

Subject to the applicable requirements and limitations of this section and the authorization Act involved, when so specified in an appropriation Act, amounts appropriated pursuant to any annual authorization Act for “Operating expenses” or for “Plant and capital equipment” may be merged with any other amounts appropriated for like purposes pursuant to any other Act authorizing appropriations for the Administration: Provided, That no such amounts appropriated for “Plant and capital equipment” may be merged with amounts appropriated for “Operating expenses”.

(f) Availability until expended of amounts appropriated for operating expenses or for plant and capital equipment

When so specified in an appropriation Act, amounts appropriated pursuant to any annual authorization Act for “Operating expenses” or for “Plant and capital equipment” may remain available until expended.
(g) Performance of construction design services by Administrator

The Administrator is authorized to perform construction design services for any administration construction project whenever (1) such construction project has been included in a proposed authorization bill transmitted to the Congress by the Administrator, and (2) the Administration determines that the project is of such urgency in order to meet the needs of national defense or protection of life and property or health and safety that construction of the project should be initiated promptly upon enactment of legislation appropriating funds for its construction.

(b) Retention and use for operating expenses, and availability until expended, of moneys received by Administration; exceptions

When so specified in appropriation Acts, any moneys received by the Administration may be retained and used for operating expenses, and may remain available until expended, notwithstanding the provisions of section 3302(b) of title 31; except that—

(1) this subsection shall not apply with respect to sums received from disposal of property under the Atomic Energy Community Act of 1955 [42 U.S.C. 2301 et seq.] or the Strategic and Critical Materials Stockpiling Act, as amended [30 U.S.C. 98 et seq.], or with respect to fees received for tests or investigations under the Act of May 16, 1910, as amended (30 U.S.C. 7); and

(2) revenues received by the Administration from the enrichment of uranium shall (when so specified by the Congress) be retained and used for the specific purpose of offsetting costs incurred by the Administration in providing uranium enrichment service activities.

(i) Requirements respecting transfers of sums appropriated for operating expenses to other Government agencies; merger of transferred sums

When so specified in an appropriation Act, transfers of sums from the “Operating expenses appropriation made pursuant to an annual authorization Act may be made to other agencies of the Government for the performance of the work for which the appropriation is made, and in such cases the sums so transferred may be merged with the appropriations to which they are transferred.


REFERENCES IN TEXT

The Atomic Energy Community Act of 1955, referred to in subsec. (h)(1), is act Aug. 4, 1945, ch. 545, 59 Stat. 547, as amended, which is classified principally to chapter 24 (§2301 et seq.) of this title. For complete classification of this Act to the Code, see section 98 of Title 50 and Tables.

Act of May 16, 1910, as amended, referred to in subsec. (h)(1), is act May 16, 1910, ch. 240, 36 Stat. 359, as amended, which enacted sections 1, 3, and 5 to 7 of Title 30, Mineral Lands and Mining. For complete classification of this Act to the Code, see Tables.

COMPARISON


PRIOR PROVISIONS

Provisions similar to those in subsec. (g) of this section were contained in the following appropriation authorization acts, formerly classified to section 2017a–1 of this title.


AMENDMENTS

1994—Subsec. (b)(1). Pub. L. 103–437 substituted “Committee on Science, Space, and Technology” for “Committee on Science and Technology”.

NONAPPLICABILITY OF TITLE II OF PUB. L. 95–238 TO ANY AUTHORIZATION OR APPROPRIATION FOR MILITARY APPLICATION OF NUCLEAR ENERGY, ETC.; DEFINITIONS


“(a) Nothing in this title [enacting this section and sections 5556a and 5919 of this title, amending sections 2391, 2394, 5905, 5906, and 5914 of this title, and enacting provisions set out as notes under section 7256 of this title and section 2429 of Title 22, Foreign Relations and Intercourse] shall apply with respect to any authorization or appropriation for any military application of nuclear energy for research and development in support of the Armed Forces or for the common defense and security of the United States.


“(2) The term ‘research and development’ as used in this section, is defined by section 11 x, of the Atomic Energy Act of 1954, as amended (Public Law 83–703, as amended; 42 U.S.C. 2121, 2122).

“(3) The term ‘common defense and security’ means the common defense and security of the United States as used in the Atomic Energy Act of 1954, as amended (Public Law 83–703, as amended) [section 2011 et seq. of this title].”

SUBCHAPTER II—NUCLEAR REGULATORY COMMISSION; NUCLEAR WHISTLEBLOWER PROTECTION

§5841. Establishment and transfers

(a) Composition; Chairman; Acting Chairman; quorum; official spokesman; seal; functions of Chairman and Commission

(1) There is established an independent regulatory commission to be known as the Nuclear
Regulatory Commission which shall be composed of five members, each of whom shall be a citizen of the United States. The President shall designate one member of the Commission as Chairman thereof to serve as such during the pleasure of the President. The Chairman may from time to time designate any other member of the Commission as Acting Chairman to act in the place and stead of the Chairman during his absence. The Chairman (or the Acting Chairman in the absence of the Chairman) shall preside at all meetings of the Commission and a quorum for the transaction of business shall consist of at least three members present. Each member of the Commission, including the Chairman, shall have equal responsibility and authority in all decisions and actions of the Commission, shall have full access to all information relating to the performance of his duties or responsibilities, and shall have one vote. Action of the Commission shall be determined by a majority vote of the members present. The Chairman (or Acting Chairman in the absence of the Chairman) shall be the official spokesman of the Commission in its relations with the Congress, Government agencies, persons, or the public, and, on behalf of the Commission, shall see to the faithful execution of the policies and decisions of the Commission, and shall report thereon to the Commission from time to time or as the Commission may direct. The Commission shall have an official seal which shall be judicially noticed.

(2) The Chairman of the Commission shall be the principal executive officer of the Commission, and he shall exercise all of the executive and administrative functions of the Commission, including functions of the Commission with respect to (a) the appointment and supervision of personnel employed under the Commission (other than personnel employed regularly and full time in the immediate offices of commissioners other than the Chairman, and except as otherwise provided in this chapter), (b) the distribution of business among such personnel and among administrative units of the Commission, and (c) the use and expenditure of funds.

(3) In carrying out any of his functions under the provisions of this section the Chairman shall be governed by general policies of the Commission and by such regulatory decisions, findings, and determinations as the Commission may by law be authorized to make.

(4) The appointment by the Chairman of the heads of major administrative units under the Commission shall be subject to the approval of the Commission.

(5) There are hereby reserved to the Commission its functions with respect to revising budget estimates and with respect to determining upon the distribution of appropriated funds according to major programs and purposes.

(b) Appointment of members

(1) Members of the Commission shall be appointed by the President, by and with the advice and consent of the Senate. Appointments of members pursuant to this subsection shall be made in such a manner that not more than three members of the Commission shall be members of the same political party.

(c) Term of office

Each member shall serve for a term of five years, each such term to commence on July 1, except that of the five members first appointed to the Commission, one shall serve for one year, one for two years, one for three years, one for four years, and one for five years, to be designated by the President at the time of appointment; and except that any member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed, shall be appointed for the remainder of such term. For the purpose of determining the expiration date of the terms of office of the five members first appointed to the Nuclear Regulatory Commission, each such term shall be deemed to have begun July 1, 1975.

(d) Submission of appointments to Senate

Such initial appointments shall be submitted to the Senate within sixty days of October 11, 1974. Any individual who is serving as a member of the Atomic Energy Commission on October 11, 1974, and who may be appointed by the President to the Commission, shall be appointed for a term designated by the President, but which term shall terminate not later than the end of his present term as a member of the Atomic Energy Commission, without regard to the requirements of subsection (b)(2) of this section. Any subsequent appointment of such individuals shall be subject to the provisions of this section.

(e) Removal of members; prohibition against engagement in business or other employment

Any member of the Commission may be removed by the President for inefficiency, neglect of duty, or malfeasance in office. No member of the Commission shall engage in any business, vocation, or employment other than that of serving as a member of the Commission.

(f) Transfer of licensing and regulatory functions of Atomic Energy Commission

There are hereby transferred to the Commission all the licensing and related regulatory functions of the Atomic Energy Commission, the Chairman and members of the Commission, the General Counsel, and other officers and components of the Commission—which functions officers, components, and personnel are excepted from the transfer to the Administrator by section 5814(c) of this title.

(g) Additional transfers

In addition to other functions and personnel transferred to the Commission, there are also transferred to the Commission—

(1) the functions of the Atomic Safety and Licensing Board Panel and the Atomic Safety and Licensing Appeal Board;

(2) such personnel as the Director of the Office of Management and Budget determines are necessary for exercising responsibilities under section 5845 of this title, relating to, research, for the purpose of confirmatory assessment relating to licensing and other regulation under the provisions of the Atomic Energy Act of 1954, as amended [42 U.S.C. 2011 et seq.], and of this chapter.

This chapter, referred to in subsecs. (a)(2) and (g)(2), was in the original “the Energy Reorganization Act of 1974”, and “this Act”, respectively, meaning Pub. L. 93–353, Oct. 11, 1974, 88 Stat. 1223, as amended, which enacted this chapter, amended sections 5313 to 5316 of Title 5, Government Organization and Employees, repealed sections 2031 and 2032 of this title, and enacted provisions set out as notes under section 5801 of this title. For complete classification of this Act to the Code, see Short Title note set out under section 2011 of this title and Tables.


AMENDMENTS


1975—Subsec. (h), added subsec. (h). (1) Subsec. (a), Pub. L. 94–79, § 201, designated existing provisions as par. (1) and added pars. (2) to (5).


REFERENCES IN TEXT

This chapter, referred to in subsecs. (a)(2) and (g)(2), was in the original “the Energy Reorganization Act of 1974”, and “this Act”, respectively, meaning Pub. L. 93–353, Oct. 11, 1974, 88 Stat. 1223, as amended, which enacted this chapter, amended sections 5313 to 5316 of Title 5, Government Organization and Employees, repealed sections 2031 and 2032 of this title, and enacted provisions set out as notes under section 5801 of this title. For complete classification of this Act to the Code, see Short Title note set out under section 2011 of this title and Tables.


AMENDMENTS

1986—Subsec. (h). Pub. L. 99–386 struck out subsec. (h) which related to quarterly reports on compliance with equal employment requirements for grades GS–11 or above.

1979—Subsec. (a)(1) and (2). Pub. L. 95–125 added subsec. (a)(1) and (2).

1977—Subsec. (a). Pub. L. 94–79, § 201, redesignated existing provisions as par. (1) and added pars. (2) to (5).

Subsec. (a)(201), redesignated existing provisions as par. (201) and added par. (203). Provided that:

(a) in general.—Notwithstanding any other provision of law, no form of plutonium may be transported by aircraft through the air space of the United States from a foreign nation to a foreign nation unless the Nuclear Regulatory Commission has certified to Congress that the container in which such plutonium is transported is safe, as determined in accordance with subsection (b), the second undesignated paragraph under section 201 of Public Law 94–79 (89 Stat. 413; 42 U.S.C. 5841 note), and all other applicable laws.

(b) Responsibilities of the Nuclear Regulatory Commission.—

(1) Determination of safety.—The Nuclear Regulatory Commission shall determine whether the container referred to in subsection (a) is safe for use in the transportation of plutonium by aircraft and transmit to Congress a certification for the purposes of such subsection in the case of each container determined to be safe.

(2) Testing.—In order to make a determination with respect to a container under paragraph (1), the Nuclear Regulatory Commission shall conduct an actual transportation from maximum cruising altitude of a full-scale sample of such container loaded with test materials; and

(3) limitations.—The Nuclear Regulatory Commission may not certify under this section that a container is safe for use in the transportation of plutonium by aircraft if the container ruptured or released its contents during testing conducted in accordance with paragraph (2).

(4) Evaluation.—The Nuclear Regulatory Commission shall conduct an actual transportation of a container ruptured or released its contents during testing in accordance with paragraph (2).

(5) Costs.—All costs incurred by the Nuclear Regulatory Commission associated with the testing program required by this section, and administrative costs related thereto, shall be reimbursed to the Nuclear Regulatory Commission by any foreign coun-
try receiving plutonium shipped through United States airspace in containers specified by the Commission.”

**Resident Inspector Program; Implementation and Acceleration of Assignment of Personnel; Study of Existing and Alternate Programs for Improving Quality Assurance and Control; Pilot Programs To Review and Evaluate Alternative Programs; Scope of Pilot Program; Report to Congress; Contents**

Pub. L. 97–415, §13, Jan. 4, 1983, 96 Stat. 2074, provided that:

“(a) The Nuclear Regulatory Commission is authorized and directed to implement and accelerate the resident inspector program so as to assure the assignment of at least one resident inspector by the end of fiscal year 1982 at each site at which a commercial nuclear powerplant is under construction and construction is more than 15 percent complete. At each such site at which construction is not more than 15 percent complete, the Commission shall provide that such inspection personnel as the Commission deems appropriate shall be physically present at the site at such times following issuance of the construction permit as may be necessary in the judgment of the Commission.

“(b) The Commission shall conduct a study of existing and alternate programs for improving quality assurance and quality control in the construction of commercial nuclear powerplants. In conducting the study, the Commission shall obtain the comments of the public, licensees of nuclear powerplants, the Advisory Committee on Reactor Safeguards, and organizations comprised of professionals having expertise in appropriate fields. The study shall include an analysis of the following:

“(1) providing a basis for quality assurance and quality control, inspection, and enforcement actions through the adoption of an approach which is more prescriptive than that currently in practice for defining principal architectural and engineering criteria for the construction of commercial nuclear powerplants;

“(2) conditioning the issuance of construction permits for commercial nuclear powerplants on a demonstration by the licensee that the licensee is capable of independently managing the effective performance of all quality assurance and quality control responsibilities for the powerplant;

“(3) evaluations, inspections, or audits of commercial nuclear powerplant construction by organizations comprised of professionals having expertise in appropriate fields which evaluations, inspections, or audits are more effective than those under current practice;

“(4) improvement of the Commission’s organization, methods, and programs for quality assurance development, review, and inspection; and

“(5) conditioning the issuance of construction permits for commercial nuclear powerplants on the permittee entering into contracts or other arrangements with an independent inspector to audit the quality assurance program to verify quality assurance performance.

For purposes of paragraph (5), the term ‘independent inspector’ means a person or other entity having no responsibility for the design or construction of the plant involved. The study shall also include an analysis of quality assurance and quality control programs at representative sites at which such programs are operating satisfactorily and an assessment of the reasons therefore.

“(c) For purposes of—

“(1) determining the best means of assuring that commercial nuclear powerplants are constructed in accordance with the applicable safety requirements in effect pursuant to the Atomic Energy Act of 1954 (42 U.S.C. 2011 et seq.); and

“(2) assessing the feasibility and benefits of the various means listed in subsection (b), the Commission shall undertake a pilot program to review and evaluate programs that include one or more of the alternative concepts identified in subsection (b) for the purposes of assessing the feasibility and benefits of their implementation. The pilot program shall include programs that use independent inspectors for assigning quality assurance responsibilities of the licensee for the construction of commercial nuclear powerplants, as described in paragraph (5) of subsection (b). The pilot program shall include at least three sites at which commercial nuclear powerplants are under construction. The Commission shall select at least one site at which quality assurance and quality control programs have operated satisfactorily, and at least two sites with remedial programs underway at which major construction, quality assurance, or quality control deficiencies (or any combination thereof) have been identified in the past. The Commission may require any changes in existing quality assurance and quality control organizations and relationships that may be necessary at the selected sites to implement the pilot program.

“(d) Not later than fifteen months after the date of the enactment of this Act [Jan. 4, 1983], the Commission shall complete the study required under subsection (b) and submit to the United States Senate and House of Representatives a report setting forth the results of the study. The report shall include a brief summary of the information received from the public and from other persons referred to in subparagraph (b) and a statement of the Commission’s response to the significant comments received. The report shall also set forth an analysis of the results of the pilot program required under subsection (c). The report shall be accompanied by the recommendations of the Commission, including any legislative recommendations, and a description of any administrative actions that the Commission has undertaken or intends to undertake, for improving quality assurance and quality control programs that are applicable during the construction of nuclear powerplants.”

**Transportation of Nuclear Waste With Potential for Significant Public Health and Safety Hazards; Regulations for Notice to Governor**

Pub. L. 96–295, title III, §301, June 30, 1980, 94 Stat. 789, directed Nuclear Regulatory Commission, within 90 days of June 30, 1980, to promulgate regulations providing for timely notification to the Governor of any State prior to the transport of nuclear waste, including spent nuclear fuel, to, through, or across the boundaries of such State, and provided that such notification requirement would not apply to nuclear waste in such quantities and of such types as the Commission specifically determined did not pose a potentially significant hazard to the health and safety of the public.

**Review of Selection and Training of Members of Atomic Safety and Licensing Boards; Report to Congress**

Pub. L. 95–601, §7, Nov. 6, 1978, 92 Stat. 2950, directed Commission to undertake a comprehensive review of the existing process for selection and training of members of the Atomic Safety and Licensing Boards, report to Congress on findings of such review by Jan. 1, 1979, and revise such selection and training process as appropriate, based on such findings.

**Plutonium Shipments Restrictions**

Pub. L. 94–74, title II, §201, Aug. 9, 1975, 89 Stat. 413, provided in part that: “The Nuclear Regulatory Commission shall not license any shipments by air transport of plutonium in any form, whether exports, imports or domestic shipments: Provided, however, That any plutonium in any form contained in a medical device designed for individual human application is not subject to this restriction. This restriction shall be in force until the Nuclear Regulatory Commission has certified to the Joint Committee on Atomic Energy of the Congress that a safe container has been developed and tested which will not rupture under blast-testing equivalent to the crash and explosion of a high-flying aircraft.”
REORGANIZATION PLAN NO. 1 OF 1980

42 F.R. 40561, 94 Stat. 3385

Prepared by the President and submitted to the Senate and the House of Representatives in Congress assembled March 27, 1980, pursuant to the provisions of Chapter 9 of Title 5 of the United States Code.

NUCLEAR REGULATORY COMMISSION

SECTION 1. (a) Those functions of the Nuclear Regulatory Commission, hereinafter referred to as the ‘‘Commission’’, concerned with:

(1) policy formulation;
(2) rulemaking, as defined in section 553 of Title 5 of the United States Code, except that those matters set forth in 55(a)(2) and (b) which do not pertain to policy formulation orders or adjudications shall be reserved to the Chairman of the Commission;
(3) orders and adjudications, as defined in section 553 (b) and (7) of Title 5 of the United States Code; shall remain vested in the Commission. The Commission may determine by majority vote, in an area of doubt, whether any matter, action, question or area of inquiry pertains to one of these functions. The performance of any portion of these functions may be delegated by the Commission to a member of the Commission, including the Chairman of the Nuclear Regulatory Commission, hereinafter referred to as the ‘‘Chairman’’, and to the staff through the Chairman.

(b) With respect to the following officers or successor officers duly established by statute or by the Commission, the Chairman shall initiate the appointment, subject to the approval of the Commission; and the Chairman or a member of the Commission may initiate an action for removal, subject to the approval of the Commission:

(i) Executive Director for Operations;
(ii) General Counsel;
(iii) Secretary of the Commission;
(iv) Director of the Office of Policy Evaluation;
(v) Director of the Office of Inspector and Auditor;
(vi) Chairman, Vice Chairman, Executive Secretary, and Members of the Atomic Safety and Licensing Board Panel;
(vii) Chairman, Vice Chairman and Members of the Atomic Safety and Licensing Appeal Panel.

(2) With respect to the following officers or successor officers duly established by statute or by the Commission, the Chairman, after consultation with the Executive Director for Operations, shall initiate the appointment, subject to the approval of the Commission, and the Chairman or a member of the Commission may initiate an action for removal, subject to the approval of the Commission:

(i) Director of Nuclear Reactor Regulation;
(ii) Director of Nuclear Material Safety and Safeguards;
(iii) Director of Nuclear Regulatory Research;
(iv) Director of Inspection and Enforcement;
(v) Director of Standards Development.

(3) The Chairman or a member of the Commission shall initiate the appointment of the Members of the Advisory Committee on Reactor Safeguards, subject to the approval of the Commission. The provisions for appointment of the Chairman of the Advisory Committee on Reactor Safeguards and the term of the members shall not be affected by the provisions of this Reorganization Plan.

(4) The Commission shall delegate the function of appointing, removing and supervising the staff of the following offices or successor offices to the respective heads of such offices: General Counsel, Secretary of the Commission, Office of Policy Evaluation, Office of Inspector and Auditor. The Commission shall delegate the functions of appointing, removing and supervising the staff of the following panels and committees to the respective Chairman thereof: Atomic Safety and Li-
any of the other members of the Commission. Such authority may also be delegated or redelegated, in whole or in part, to the staff of the Commission.

(c) In this section, this subsection, or any other member of the Commission delegated authority under subsection (b), shall conform to the policy guidelines of the Commission. To the maximum extent possible under the emergency conditions, the Chairman or other member of the Commission delegated authority under subsection (b), shall inform the Commission of actions taken relative to the emergency.

(d) Following the conclusion of the emergency, the Chairman, or the member of the Commission delegated the emergency functions under subsection (b), shall render a complete and timely report to the Commission on the actions taken during the emergency.

SEC. 4. (a) The Chairman may make such delegations and provide for such reporting as the Chairman deems necessary, subject to provisions of law and this Reorganization Plan. Any officer or employee under the Commission may communicate directly to the Commission, or to any member of the Commission, whenever in the view of such officer or employee a critical problem or public health and safety or common defense and security is not being properly addressed.

(b) The Executive Director for Operations shall report for all directors to the Chairman.

(c) The function of the Directors of Nuclear Reactor Regulations, Nuclear Material Safety and Safeguards, and Nuclear Regulatory Research of reporting directly to the Commission is hereby transferred so that such officers report to the Executive Director for Operations. The function of receiving such reports is hereby transferred from the Commission to the Executive Director for Operations.

(d) The heads of the Commission level offices or successor offices, of General Counsel, Secretary to the Commission, Office of Policy Evaluation, Office of Inspector and Auditor, the Atomic Safety and Licensing Board Panel and Appeal Panel, and Advisory Committee on Reactor Safeguards shall continue to report directly to the Commission and the Commission shall continue to receive such reports.

SEC. 5. The provisions of this Reorganization Plan shall take effect October 1, 1980, or at such earlier time or times as the President shall specify, but no sooner than the earliest time allowable under Section 906 of Title 5 of the United States Code.

MESSAGE OF THE PRESIDENT

To the Congress of the United States:

I am submitting herewith to the Congress Reorganization Plan No. 1 of 1980, under authority vested in me by the Reorganization Act of 1977 (Chapter 9 of Title 5 of the United States Code). The Plan is designed to strengthen management of the Nuclear Regulatory Commission in order to foster safety in all of the agency’s activities.

The need for more effective management of the Nuclear Regulatory Commission has been amply demonstrated over the past year. The accident at Three Mile Island one year ago revealed serious shortcomings in the agency’s ability to respond effectively during a crisis. The lessons learned from that accident go beyond crisis management, however. They provide the impetus for improving the effectiveness of all aspects of the government regulation of nuclear energy.

In my statement of December 7, 1979, I responded to the recommendations of my Commission on the Accident at Three Mile Island and set forth steps now being taken to address those recommendations. I stated that I would send to Congress a Reorganization Plan to strengthen the Nuclear Regulatory Commission’s ability to regulate nuclear safety. I am submitting that Plan today.

The Plan clarifies the duties of the Chairman as principal executive officer. In addition to directing the day-to-day operations of the agency, the Chairman would take charge of the Commission’s response to nuclear emergencies and, as principal executive officer, would be guided by Commission policy and subject to Commission oversight.

MANAGEMENT PROBLEMS

Intensive investigations undertaken since the Three Mile Island accident have revealed management problems at the Nuclear Regulatory Commission. These problems must be rectified if the Commission is to be a strong and effective safety regulator.

—My Commission, called the Kemeny Commission after its Chairman, Dr. John Kemeny, concluded that the underlying problem at Three Mile Island stemmed not from deficient equipment but rather from compounded human failures. This included the inability of the Nuclear Regulatory Commission to pursue its safety mission effectively in view of its existing management policies and practices. The Kemeny Commission reported a lack of “closure” in the system to ensure that safety issues are raised, analyzed and resolved. Many Commission members also concluded that the Nuclear Regulatory Commission relies too heavily on licensing, and pays insufficient attention to ensuring the safety of plants once they are in operation.

—During the course of its investigation, the Kemeny Commission found serious managerial problems at the top of the Nuclear Regulatory Commission. It noted that the Commissioners and the Chairman are unclear as to their respective roles. Uncertain, diffuse leadership of this kind leads to highly compartmentalized offices that operate with little or no effective guidance and little coordination.

—A recently completed independent study authorized and funded by the Nuclear Regulatory Commission itself also found serious fault with the Commission’s management and called for a major organizational overhaul. The report states that there is no authoritative manager but, instead, five equally responsible Commissioners who deal individually with office directors who, in turn, head their own “independent fiefdoms.”

—Likewise, a recent report of the General Accounting Office notes the failure of the Nuclear Regulatory Commission to define either the authority of the Chairman or that of the Executive Director for Operations. The staff lacks policy guidance and top management leadership to set priorities and resolve safety issues. There are unreasonable delays in developing policies to guide the licensing and enforcement activities of the agency.

The central theme in all three of these studies is the failure of the Nuclear Regulatory Commission to provide unified leadership and consistent direction of the agency’s activities. The present statutes contain conflicting and ambiguous provisions for managing the agency. Important corrective actions cannot or will not be taken by the Commission until the laws are changed. Failure to do so constitutes a continuing nuclear safety hazard.

The proposed Reorganization Plan would improve the effectiveness of the Nuclear Regulatory Commission by giving the Chairman the powers he needs to ensure efficient and coherent management in a manner that preserves, in fact enhances, the commission form of organization.

COMMISSION

Under the proposed Plan, the Commission would continue to be responsible for policy formulation, rulemaking and adjudication as functions which should have collegial deliberation. In addition, the Commission would review and approve proposals by the Chairman concerning key management actions such as personnel decisions affecting top positions which directly support Commission functions, the annual budget, and major staff reorganizations. In carrying out its role, the Commission would work at several Commission-level offices as well as the licensing board, the appeal panel, and the Advisory Commit-
tee on Reactor Safeguards. The Plan would not alter the present arrangement whereby the Commission, acting on majority vote, represents the ultimate authority of the Nuclear Regulatory Commission and sets the framework within which the Chairman is to operate.

CHAIRMAN

Under the Plan, the Chairman would act as the principal executive officer and spokesman for the Commission. To accomplish this, those functions of the Nuclear Regulatory Commission not retained by the Commission would be vested in the Chairman, who is currently coequal with the Commissioners in all decisions and actions. The Chairman would be authorized to make appointments, on his own authority, to all positions not specified for Commission approval and would be responsible to the Commission for assuring staff support by the operating offices in meeting the needs of the Commission. The Executive Director for Operations would report directly to and receive his authority from the Chairman. Heads of operating offices would also report to the Chairman or, by delegation, to the Executive Director for Operations. Office heads would also be authorized to communicate directly with members of the Commission whenever an office head believed critical safety issues were not being addressed.

EMERGENCY MANAGEMENT

The Nuclear Regulatory Commission’s ability to respond decisively and responsibly to any nuclear emergency must be fully ensured in advance. Experience has shown that the Commission as a whole cannot deal expeditiously with emergencies or communicate in a clear, unified voice to civil authorities or to the public. But present law prevents the Commission from delegating its emergency authority to one of its members. The Plan would correct this situation by specifically authorizing the Chairman to act for the Commission in an emergency. In order to ensure flexibility, the Chairman would be permitted to delegate his authority to deal with a particular emergency to any other Commissioner. Plans for dealing with various contingencies would be approved by the Commission in advance. The Commission would also receive a report from the Chairman or his designee describing the management of the emergency once it was over.

ACTIONS NOT INCLUDED IN THIS PLAN

Not included in this Plan are two actions that I support in principle but that need not or cannot be accomplished by means of a Reorganization Plan. First the Commission, as part of its implementation of this reorganization, can and should establish an internal entity to help oversee the performance of the agency as it operates under the Chairman’s direction. This action does not require a Reorganization Plan. Second, I have consistently favored funding among regulatory proceedings. This is particularly important in the case of nuclear safety regulation. I therefore encourage the Commission to include consideration of intervenor funding as part of its review and upgrading of the licensing process, as called for by the Kemeny Committee. The Plan provides that a Commission member, as well as the Chairman, can initiate an appointment to the Advisory Committee on Reactor Safeguards, the Nuclear Regulatory Research, and the Director of Standards Development. Each of these positions contributes to nuclear safety regulation, and each performs functions that help determine the policy and performance of the agency.

NO ADDED COSTS

This proposed realignment and clarification of responsibilities would not result in an increase or decrease of expenditures. But placing management responsibilities in the Chairman would result in greater attention to developing and implementing nuclear safety policies and to strict enforcement of the terms of licenses granted by the Commission.

Each of the provisions of this proposed reorganization would also accomplish one or more of the purposes set forth in 5 U.S.C. 901. No provisions would be abolished by the Plan; rather they would be consolidated or reorganized in order to improve management, delivery of services, execution of the law, and overall operational efficiency and effectiveness of the Commission.

By Executive Order No. 12202, dated March 18, 1980 [42 U.S.C. 5841 note], I established a Nuclear Safety Oversight Committee to advise me of progress being made by the Nuclear Regulatory Commission, the nuclear industry, and others in improving nuclear safety. I am confident that the present Reorganization Plan, together with the other steps that have been or are being taken by this Administration and by others, will greatly advance the goal of nuclear safety. It would permit the Commission and the American people to hold one individual—the Chairman—accountable for implementation of the Commission’s policies through effective management of the Commission’s staff. For management and administrative details, the Commission could then concentrate on the purpose for which that collegial body was created—to deliberate on the formulation of policy and rules to govern nuclear safety and to decide or oversee disposition of individual cases.

JIMMY CARTER.

THE WHITE HOUSE, March 27, 1980.

MESSAGE OF THE PRESIDENT

To the Congress of the United States:

I herewith transmit the following amendments to Reorganization Plan No. 1 of 1980, which I sent to the Congress on March 27, 1980. The amendments to Reorganization Plan No. 1 are consistent with my original intent of strengthening the management of the Nuclear Regulatory Commission in order to improve safety in all of the agency’s activities, while preserving the advantages of the Commission form. The amendments reinforce the purpose of the Plan in two respects. First, the amended Plan gives the Commission a greater role in selection of key program officers of the agency by adding four positions to the list of appointments initiated by the Chairman for the Commission’s advice and consent. These are the Executive Director for Operations, the Director of Standards Development, the Director of Nuclear Regulatory Research, and the Director of Standards Development. Each of these positions contributes to nuclear safety regulation, and each performs functions that help determine the policy and performance of the agency.

The Advisory Committee on Reactor Safeguards advises the Commission as a whole. Since its members serve renewable 4-year terms, another amendment provides that a Commission member, as well as the Chairman, can initiate an appointment to the Advisory Committee on Reactor Safeguards for approval by the Commission. As a means to ensure that the flow of information to the Commission will not be restricted, the Plan has been amended to make explicit that the Chairman, and the Executive Director for Operations, through the Executive Director, shall keep the Commission fully and currently informed.

The second general purpose of the amendments is to provide for more effective management of the agency by making more explicit the responsibilities of the Chairman and the Executive Director for Operations acting under his direction. As amended, the Plan charges the Chairman with planning for the development of policy for consideration and approval by the Commission. In the past, this responsibility has not been clearly fixed and has consequently been neglected. The amended Plan continues to make clear that the Executive Director for Operations reports to the Chairman. An amendment, however, requires the Chairman to delegate to the Executive Director for Operations the authority to appoint the staff and the day-to-day administration of the agency. Under this arrangement, the Chairman retains responsibility for the delegated functions but will be better able to handle his other leadership tasks.

In summary, the amendments I am transmitting to Reorganization Plan No. 1 of 1980, based on review and
hearing conducted by the Congress and on continued consultations, will help establish a more accountable management structure for the Nuclear Regulatory Commission as it pursues its statutory objective of ensuring safety in the use of nuclear power.

**The White House, May 5, 1980.**

**EXECUTIVE ORDER NO. 11902**


**§ 5842. Licensing and related regulatory functions respecting selected Administration facilities**

Notwithstanding the exclusions provided for in section 110a. (42 U.S.C. 2140(a)) or any other provisions of the Atomic Energy Act of 1954, as amended (42 U.S.C. 2071 et seq.), the Nuclear Regulatory Commission shall, except as otherwise specifically provided by section 110b. of the Atomic Energy Act of 1954, as amended (42 U.S.C. 2140(b)), or other law, have licensing and related regulatory authority pursuant to chapters 6, 7, 8, and 10 of the Atomic Energy Act of 1954, as amended (42 U.S.C. 2071 et seq., 2091 et seq., 2111 et seq., 2131 et seq.), as to the following facilities of the Administration:

1. Demonstration Liquid Metal Fast Breeder reactors when operated as part of the power generation facilities of an electric utility system, or when operated in any other manner for the purpose of demonstrating the suitability for commercial application of such a reactor.

2. Other demonstration nuclear reactors—except those in existence on the effective date of this chapter—when operated as part of the power generation facilities of an electric utility system, or when operated in any other manner for the purpose of demonstrating the suitability for commercial application of such a reactor.

3. Facilities used primarily for the receipt and storage of high-level radioactive wastes resulting from activities licensed under such Act.

4. Retrievable Surface Storage Facilities and other facilities authorized for the express purpose of subsequent long-term storage of high-level radioactive waste generated by the Administration, which are not used for, or are part of, research and development activities.

5. Any facility under a contract with and for the account of the Department of Energy that is utilized for the express purpose of fabricating mixed plutonium-uranium oxide nuclear reactor fuel for use in a commercial nuclear reactor licensed under such Act, other than any such facility that is utilized for research, development, demonstration, testing, or analysis purposes.

**REFERENCES IN TEXT**


**The effective date of this chapter, referred to in par. (2), refers to the effective date of Pub. L. 95–438. See section 312 of Pub. L. 95–438, set out as an Effective Date; Interim Appointments note under section 5801 of this title.**

**AMENDMENTS**


**TRANSFER OF FUNCTIONS**

For transfer of certain functions from Nuclear Regulatory Commission to Chairman thereof, see Reorg. Plan No. 1 of 1980, 45 F.R. 40561, 94 Stat. 3585, set out as a note under section 5841 of this title.

**AVAILABILITY OF FUNDS FOR LICENSING BY NRC**


**APPLICABILITY OF OCCUPATIONAL SAFETY AND HEALTH REQUIREMENTS TO ACTIVITIES UNDER LICENSE**


**VERBAL COMMUNICATIONS BETWEEN COMMISSION HEADQUARTERS AND REGIONAL OFFICES AND LICENSED UTILIZATION FACILITIES**

Pub. L. 96–295, title III, §305(a), June 30, 1980, 94 Stat. 790, provided that: “As expeditiously as practicable, the Nuclear Regulatory Commission shall establish a mechanism for instantaneous and uninterrupted verbal communication between each utilization facility licensed to operate under section 103 or section 104 b. of the Atomic Energy Act of 1954 (section 2131 or 2134(b) of this title) on the date of enactment of this Act (June 30, 1980), or thereafter, and

“(1) Commission headquarters, and

“(2) the appropriate Commission regional office.”

**STUDY OF EXTENSION OF LICENSING AND REGULATORY AUTHORITY OF COMMISSION; REPORT TO CONGRESS**

Pub. L. 95–601, §12, Nov. 6, 1978, 92 Stat. 2953, directed Commission, in cooperation with Department of Energy, to conduct a study of extending the Commission’s licensing or regulatory authority to include categories of existing and future Federal radioactive waste storage and disposal activities not presently subject to such authority, and on or before Mar. 1, 1979, to submit a report to Congress containing results of study, which report was to include a complete listing and inventory of all radioactive waste storage and disposal activities being conducted or planned by Federal agencies.

**§ 5843. Office of Nuclear Reactor Regulation**

(a) Establishment; appointment of Director

There is hereby established in the Commission an Office of Nuclear Reactor Regulation under
the direction of a Director of Nuclear Reactor Regulation, who shall be appointed by the Commission, who may report directly to the Commission, as provided in section 5849 of this title, and who shall serve at the pleasure of and be removable by the Commission.

(b) Functions of Director

Subject to the provisions of this chapter, the Director of Nuclear Reactor Regulation shall perform such functions as the Commission shall delegate including:

(1) Principal licensing and regulation involving all facilities, and materials licensed under the Atomic Energy Act of 1954, as amended [42 U.S.C. 2011 et seq.], associated with the construction and operation of nuclear reactors licensed under the Atomic Energy Act of 1954, as amended;

(2) Review the safety and safeguards of all such facilities, materials, and activities, and such review functions shall include, but not be limited to—
   (A) monitoring, testing and recommending upgrading of systems designed to prevent substantial health or safety hazards; and
   (B) evaluating methods of transporting special nuclear and other nuclear materials and of transporting and storing high-level radioactive wastes to prevent radiation hazards to employees and the general public.

(3) Recommend research necessary for the discharge of the functions of the Commission.

(c) Responsibility for safe operation of facilities

Nothing in this section shall be construed to limit in any way the functions of the Administration relating to the safe operation of all facilities resulting from all activities within the jurisdiction of the Administration pursuant to this chapter.


REFERENCES IN TEXT

This chapter, referred to in subsecs. (b) and (c), was in the original "this Act", meaning Pub. L. 93–438, Oct. 11, 1974, 88 Stat. 1233, known as the Energy Reorganization Act of 1974, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 5801 of this title and Tables.


TRANSFER OF FUNCTIONS

For transfer of certain functions from Nuclear Regulatory Commission to Chairman thereof, see Reorg. Plan No. 1 of 1960, 45 F.R. 40661, 94 Stat. 3585, set out as a note under section 5841 of this title.

§ 5844. Office of Nuclear Safety and Safeguards

(a) Establishment; appointment of Director

There is hereby established in the Commission an Office of Nuclear Material Safety and Safeguards under the direction of a Director of Nuclear Material Safety and Safeguards, who shall be appointed by the Commission, who may report directly to the Commission as provided in section 5849 of this title, and who shall serve at the pleasure of and be removable by the Commission.

(b) Functions of Director

Subject to the provisions of this chapter, the Director of Nuclear Material Safety and Safeguards shall perform such functions as the Commission shall delegate including:

(1) Principal licensing and regulation involving all facilities and materials, licensed under the Atomic Energy Act of 1954, as amended [42 U.S.C. 2011 et seq.], associated with the processing, transport, and handling of nuclear materials, including the provision and maintenance of safeguards against threats, thefts, and sabotage of such licensed facilities, and materials.

(2) Review safety and safeguards of all such facilities and materials licensed under the Atomic Energy Act of 1954, as amended, and such review shall include, but not be limited to—
   (A) monitoring, testing, and recommending upgrading of internal accounting systems for special nuclear and other nuclear materials licensed under the Atomic Energy Act of 1954, as amended;
   (B) developing, in consultation and coordination with the Administration, continuity plans for dealing with threats, thefts, and sabotage relating to special nuclear materials, high-level radioactive wastes and nuclear facilities resulting from all activities licensed under the Atomic Energy Act of 1954, as amended;
   (C) assessing the need for, and the feasibility of, establishing a security agency within the office for the performance of the safeguards functions, and a report with recommendations on this matter shall be prepared within one year of the effective date of this chapter and promptly transmitted to the Congress by the Commission.

(3) Recommending research to enable the Commission to more effectively perform its functions.

(c) Responsibility for safeguarding special nuclear materials; high-level radioactive wastes and nuclear facilities

Nothing in this section shall be construed to limit in any way the functions of the Administration relating to the safeguarding of special nuclear materials, high-level radioactive wastes and nuclear facilities resulting from all activities within the jurisdiction of the Administration pursuant to this chapter.


REFERENCES IN TEXT

This chapter, referred to in subsecs. (b) and (c), was in the original "this Act", meaning Pub. L. 93–438, Oct. 11, 1974, 88 Stat. 1233, known as the Energy Reorganization Act of 1974, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 5801 of this title and Tables.

The Atomic Energy Act of 1954, referred to in subsec. (b)(1), (2), is act Aug. 1, 1946, ch. 724, as added by act
§ 5845. Office of Nuclear Regulatory Research

(a) Establishment; appointment of Director

There is hereby established in the Commission an Office of Nuclear Regulatory Research under the direction of a Director of Nuclear Regulatory Research, who shall be appointed by the Commission, who may report directly to the Commission as provided in section 5849 of this title, and who shall serve at the pleasure of and be removable by the Commission.

(b) Functions of Director

Subject to the provisions of this chapter, the Director of Nuclear Regulatory Research shall perform such functions as the Commission shall delegate including:

(1) Developing recommendations for research deemed necessary for performance by the Commission of its licensing and related regulatory functions.

(2) Engaging in or contracting for research which the Commission deems necessary for the performance of its licensing and related regulatory functions.

(c) Cooperation of Federal agencies

The Administrator of the Administration and the head of every other Federal agency shall—

(1) cooperate with respect to the establishment of priorities for the furnishing of such research services as requested by the Commission for the conduct of its functions;

(2) furnish to the Commission, on a reimbursable basis, through their own facilities or by contract or other arrangement, such research services as the Commission deems necessary and requests for the performance of its functions; and

(3) consult and cooperate with the Commission on research and development matters of mutual interest and provide such information and physical access to its facilities as will assist the Commission in acquiring the expertise necessary to perform its licensing and related regulatory functions.

(d) Responsibility for safety of activities

Nothing in subsections (a) and (b) of this section shall be construed to limit in any way the functions of the Administration relating to the safety of activities within the jurisdiction of the Administration.

(e) Information and research services

Each Federal agency, subject to the provisions of existing law, shall cooperate with the Commission and provide such information and research services, on a reimbursable basis, as it may have or be reasonably able to acquire.

(f) Improved safety systems research

The Commission shall develop a long-term plan for projects for the development of new or improved safety systems for nuclear power plants.

(1) Developing recommendations for research which the Commission deems necessary for the performance of its licensing and related regulatory functions.

(2) Engaging in or contracting for research which the Commission deems necessary for the performance of its licensing and related regulatory functions.

(3) Consult and cooperate with the Commission on research and development matters of mutual interest and provide such information and physical access to its facilities as will assist the Commission in acquiring the expertise necessary to perform its licensing and related regulatory functions.

(f) Improved safety systems research

The Commission shall develop a long-term plan for projects for the development of new or improved safety systems for nuclear power plants.

(1) Developing recommendations for research which the Commission deems necessary for the performance of its licensing and related regulatory functions.

(2) Engaging in or contracting for research which the Commission deems necessary for the performance of its licensing and related regulatory functions.

(3) Consult and cooperate with the Commission on research and development matters of mutual interest and provide such information and physical access to its facilities as will assist the Commission in acquiring the expertise necessary to perform its licensing and related regulatory functions.

§ 5846. Compliance with safety regulations

(a) Notification to Commission of noncompliance

Any individual director, or responsible officer of a firm constructing, owning, operating, or supplying the components of any facility or activity which is licensed or otherwise regulated pursuant to the Atomic Energy Act of 1954, as amended, or any applicable regulation, order, or license of the Commission relating to substantial safety hazards, or

shall immediately notify the Commission of such failure to comply, or of such defect, unless such person has actual knowledge that the Commission has been adequately informed of such defect or failure to comply.

(b) Penalty for failure to notify

Any person who knowingly and consciously fails to provide the notice required by subsection (a) of this section shall be subject to a civil penalty in an amount equal to the amount provided by section 234 of the Atomic Energy Act of 1954, as amended.

(c) Posting of requirements

The requirements of this section shall be prominently posted on the premises of any facility licensed or otherwise regulated pursuant to the Atomic Energy Act of 1954, as amended.
(d) Inspection and enforcement

The Commission is authorized to conduct such reasonable inspections and other enforcement activities as needed to insure compliance with the provisions of this section.


REFERENCES IN TEXT

The Atomic Energy Act of 1954, referred to in subsecs. (a) and (c), is act Aug. 1, 1946, ch. 724, as added by act Aug. 30, 1954, ch. 1073, §1, 68 Stat. 919, which is classified principally to chapter 23 (§2011 et seq.) of this title. For complete classification of this Act to the Code, see Short Title note set out under section 2011 of this title and Tables.

This chapter, referred to in subsec. (a), was in the original "this Act", meaning Pub. L. 93–438, Oct. 11, 1974, 88 Stat. 1233, known as the Energy Reorganization Act of 1974, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 5801 of this title and Tables.

TRANSFER OF FUNCTIONS

For transfer of certain functions from Nuclear Regulatory Commission to Chairman thereof, see Reorg. Plan No. 1 of 1980, 45 F.R. 40561, 94 Stat. 3585, set out as a note under section 5841 of this title.

§ 5847. Nuclear energy center site survey

(a)(1)¹ The Commission is authorized and directed to make or cause to be made under its direction, a national survey, which shall include consideration of each of the existing or future electric reliability regions, or other appropriate regional areas, to locate and identify possible nuclear energy center sites. This survey shall be conducted in cooperation with other interested Federal, State, and local agencies, and the views of interested persons, including electric utilities, citizens' groups, and others, shall be solicited and considered.

(2) For purposes of this section, the term "nuclear energy center site" means any site, including a site not restricted to land, large enough to support utility operations or other elements of the total nuclear fuel cycle, or both including, if appropriate, nuclear fuel reprocessing facilities, nuclear fuel fabrication plants, retrievable nuclear waste storage facilities, and uranium² enrichment facilities.

(3) The survey shall include—

(a) a regional evaluation of natural resources, including land, air, and water resources, available for use in connection with nuclear energy center sites; estimates of future electric power requirements that can be served by each nuclear energy center site; an assessment of the economic impact of each nuclear energy site; and consideration of any other relevant factors, including but not limited to population distribution, proximity to electric load centers and to other elements of the fuel cycle, transmission line rights-of-way, and the availability of other fuel resources;

(b) an evaluation of the environmental impact likely to result from construction and operation of such nuclear energy centers, includ-

¹ So in original. No subsec. (b) has been enacted.
² So in original. Probably should be "uranium".

This chapter, referred to in text, was in the original "this Act," meaning Pub. L. 93–438, Oct. 11, 1974, 88 Stat. 1233, known as the Energy Reorganization Act of 1974, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 5801 of this title and Tables.

(93x677)ch. 1073, § 1, 68 Stat. 919, which is classified principally to chapter 23 (§ 2011 et seq.) of this title. For complete classification of this Act to the Code, see Short Title note set out under section 2011 of this title and Tables.

(93x701)AMENDMENTS

1995—Pub. L. 104–68 substituted "an annual report listing for the previous fiscal year" for "each quarter a report listing for that period" in first sentence.

TERMINATION OF REPORTING REQUIREMENTS

For termination, effective May 15, 2000, of provisions of law requiring submittal to Congress of any annual, semiannual, or other regular periodic report listed in House Document No. 103–7 (in which the 9th item on page 186 identifies a reporting provision which, as subsequently amended, is contained in this section), see section 3003 of Pub. L. 104–68, set out as a note under section 1113 of Title 31, Money and Finance.

TRANSFER OF FUNCTIONS

For transfer of certain functions from Nuclear Regulatory Commission to Chairman thereof, see Reorg. Plan No. 1 of 1980, 45 F.R. 40561, 94 Stat. 3855, set out as a note under section 5841 of this title.

PRESIDENT'S COMMISSION ON THE ACCIDENT AT THREE MILE ISLAND; SUBPENA POWER

Pub. L. 96–12, May 23, 1979, 93 Stat. 26, which authorized the President's Commission on the Accident at Three Mile Island, as established by Ex. Ord. No. 12130, Apr. 11, 1979, 44 F.R. 22027, formerly set out below, to issue subpoenas requiring the attendance and testimony of witnesses and the produce of any evidence from the Nuclear Regulatory Commission or any person which related to the accident at Three Mile Island, and to issue orders for the inspection of the Three Mile Island nuclear power plant, with refusal to obey a subpoena or inspection order punishable by contempt of court.

EXECUTIVE ORDER NO. 12130

Ex. Ord. No. 12130, Apr. 11, 1979, 44 F.R. 22027, which established the President's Commission on the Accident at Three Mile Island and provided for its functions, administration, final report, and termination, was revoked by section 1–103(h) of Ex. Ord. No. 12258, Apr. 11, 1979, 44 F.R. 22027, formerly set out below, to issue subpoenas requiring the attendance and testimony of witnesses and the produce of any evidence from the Nuclear Regulatory Commission or any person which related to the accident at Three Mile Island, and to issue orders for the inspection of the Three Mile Island nuclear power plant, with refusal to obey a subpoena or inspection order punishable by contempt of court.

EXECUTIVE ORDER NO. 12202

Ex. Ord. No. 12202, Mar. 18, 1980, 45 F.R. 17939, as amended by Ex. Ord. No. 12240, Sept. 26, 1980, 45 F.R. 64545, which established the Nuclear Safety Oversight Committee and provided for its membership, functions, etc., was revoked by Ex. Ord. No. 12262, formerly set out as a note under section 14 of the Appendix to Title 5, Government Organization and Employees.

EXECUTIVE ORDER NO. 12208

Ex. Ord. No. 12281, Apr. 11, 1979, 44 F.R. 22027, formerly set out below, to issue subpoenas requiring the attendance and testimony of witnesses and the produce of any evidence from the Nuclear Regulatory Commission or any person which related to the accident at Three Mile Island, and to issue orders for the inspection of the Three Mile Island nuclear power plant, with refusal to obey a subpoena or inspection order punishable by contempt of court.

§ 5849. Other officers

(a) Executive Director

The Commission shall appoint an Executive Director for Operations, who shall serve at the

pleasure of and be removable by the Commission.

(b) Functions of Executive Director

The Executive Director shall perform such functions as the Commission may direct, except that the Executive Director shall not limit the authority of the director of any component organization provided in this chapter to communicate with or report directly to the Commission when such director of a component organization deems it necessary to carry out his responsibilities. Notwithstanding the preceding sentence, each such director shall keep the Executive Director fully and currently informed concerning the content of all such direct communications with the Commission.

(c) Equal employment opportunity report

The Executive Director shall report to the Commission at semi-annual public meetings on the problems, progress, and status of the Commission’s equal employment opportunity efforts.

(d) Annual status report

The Executive Director shall prepare and forward to the Commission an annual report (for the fiscal year 1978 and each succeeding fiscal year) on the status of the Commission’s programs concerning domestic safeguards matters including an assessment of the effectiveness and adequacy of safeguards at facilities and activities licensed by the Commission. The Commission shall forward to the Congress a report under this section prior to February 1, 1979, as a separate document, and prior to February 1 of each succeeding year as a separate chapter of the Commission’s annual report (required under section 5877(c) of this title) following the fiscal year to which such report applies.

(e) Additional officers

There shall be in the Commission not more than five additional officers appointed by the Commission. The positions of such officers shall be considered career positions and be subject to section 2201(d) of this title.


REFERENCES IN TEXT

This chapter, referred to in subsec. (b), was in the original “this Act,” meaning Pub. L. 93–438, Oct. 11, 1974, 88 Stat. 1248, known as the Energy Reorganization Act of 1974, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 5801 of this title and Tables.

AMENDMENTS

1978—Subsec. (b). Pub. L. 95–601, § 4(a), inserted provision requiring component organization directors to keep the Executive Director informed as to communications with the Commission.

Subsec. (c). Pub. L. 95–601, § 4(b), added subsec. (c). Former subsec. (c) redesignated (e).


Subsec. (e). Pub. L. 95–601, § 4(b), redesignated former subsec. (c) as (e).

TRANSFER OF FUNCTIONS

For transfer of certain functions from Nuclear Regulatory Commission to Chairman thereof, see Reorg. Plan No. 1 of 1980, 45 F.R. 40561, 94 Stat. 3585, set out as a note under section 5841 of this title.

§ 5850. Unresolved safety issues plan

The Commission shall develop a plan providing for the specification and analysis of unresolved safety issues relating to nuclear reactors and shall take such action as may be necessary to implement corrective measures with respect to such issues. Such plan shall be submitted to the Congress on or before January 1, 1978 and progress reports shall be included in the annual report of the Commission thereafter.


PRIOR PROVISIONS

Another section 210 of Pub. L. 93–438 was renumbered section 211 and is classified to section 5851 of this title.

TRANSFER OF FUNCTIONS

For transfer of certain functions from Nuclear Regulatory Commission to Chairman thereof, see Reorg. Plan No. 1 of 1980, 45 F.R. 40561, 94 Stat. 3585, set out as a note under section 5841 of this title.

§ 5851. Employee protection

(a) Discrimination against employee

(1) No employer may discharge any employee or otherwise discriminate against any employee with respect to his compensation, terms, conditions, or privileges of employment because the employee (or any person acting pursuant to a request of the employee)—

(A) notified his employer of an alleged violation of this chapter or the Atomic Energy Act of 1954 (42 U.S.C. 2011 et seq.);

(B) refused to engage in any practice made unlawful by this chapter or the Atomic Energy Act of 1954, if the employee has identified the alleged illegality to the employer;

(C) testified before Congress or at any Federal or State proceeding regarding any provision (or proposed provision) of this chapter or the Atomic Energy Act of 1954;

(D) commenced, caused to be commenced, or is about to commence or cause to be commenced a proceeding under this chapter or the Atomic Energy Act of 1954, as amended, or a proceeding for the administration or enforcement of any requirement imposed under this chapter or the Atomic Energy Act of 1954, as amended;

(E) testified or is about to testify in any such proceeding or;

(F) assisted or participated or is about to assist or participate in any manner in such a proceeding or in any other manner in such a proceeding or in any other action to carry out the purposes of this chapter or the Atomic Energy Act of 1954, as amended.

(2) For purposes of this section, the term “employer” includes—

(A) a licensee of the Commission or of an agreement State under section 274 of the Atomic Energy Act of 1954 (42 U.S.C. 2021); (B) an applicant for a license from the Commission or such an agreement State;

(C) a contractor or subcontractor of such a licensee or applicant;

(D) a contractor or subcontractor of the Department of Energy that is indemnified by the Department under section 170 d. of the Atomic Energy Act of 1954 (42 U.S.C. 2210(d)), but such term shall not include any contractor or subcontractor covered by Executive Order No. 12344;

(E) a contractor or subcontractor of the Commission;

(F) the Commission; and

(G) the Department of Energy.

(b) Complaint, filing and notification

(1) Any employee who believes that he has been discharged or otherwise discriminated against by any person in violation of subsection (a) may, within 180 days after such violation occurs, file (or have any person file on his behalf) a complaint with the Secretary of Labor (in this section referred to as the “Secretary”) alleging such discharge or discrimination. Upon receipt of such a complaint, the Secretary shall notify the person named in the complaint of the filing of the complaint, the Commission, and the Department of Energy.

(2)(A) Upon receipt of a complaint filed under paragraph (1), the Secretary shall conduct an investigation of the violation alleged in the complaint. Within thirty days of the receipt of such complaint, the Secretary shall complete such investigation and shall notify in writing the complainant (and any person acting in his behalf) and the person alleged to have committed such violation of the results of the investigation conducted pursuant to this subparagraph. Within ninety days of the receipt of such complaint the Secretary shall, unless the proceeding on the complaint is terminated by the Secretary on the basis of a settlement entered into by the Secretary and the person alleged to have committed such violation, issue an order either providing the relief prescribed by subparagraph (B) or denying the complaint. An order of the Secretary shall be made on the record after notice and opportunity for public hearing. Upon the conclusion of such hearing and the issuance of a recommended decision that the complaint has merit, the Secretary shall issue a preliminary order providing the relief prescribed in subparagraph (B), but may not order compensatory damages pending a final order. The Secretary may not enter into a settlement terminating a proceeding on a complaint without the participation and consent of the complainant.

(B) If, in response to a complaint filed under paragraph (1), the Secretary determines that a violation of subsection (a) has occurred, the Secretary shall order the person who committed such violation to (i) take affirmative action to abate the violation, and (ii) reinstate the complainant to his former position together with the compensation (including back pay), terms, conditions, and privileges of his employment, and the Secretary may order such person to pro-
vide compensatory damages to the complainant. If an order is issued under this paragraph, the Secretary, at the request of the complainant shall assess against the person against whom the order is issued a sum equal to the aggregate amount of all costs and expenses (including attorneys’ and expert witness fees) reasonably incurred, as determined by the Secretary, by the complainant for, or in connection with, the bringing of the complaint upon which the order was issued.

(3)(A) The Secretary shall dismiss a complaint filed under paragraph (1), and shall not conduct the investigation required under paragraph (2), unless the complainant has made a prima facie showing that any behavior described in subparagraphs (A) through (F) of subsection (a)(1) was a contributing factor in the unfavorable personnel action alleged in the complaint.

(B) Notwithstanding a finding by the Secretary that the complainant has made the showing required by subparagraph (A), no investigation required under paragraph (2) shall be conducted if the employer demonstrates, by clear and convincing evidence, that it would have taken the same unfavorable personnel action in the absence of such behavior.

(C) The Secretary may determine that a violation of subsection (a) has occurred only if the complainant has demonstrated that any behavior described in subparagraphs (A) through (F) of subsection (a)(1) was a contributing factor in the unfavorable personnel action alleged in the complaint.

(D) Relief may not be ordered under paragraph (2) if the employer demonstrates by clear and convincing evidence that it would have taken the same unfavorable personnel action in the absence of such behavior.

(4) If the Secretary has not issued a final decision within 1 year after the filing of a complaint under paragraph (1), and there is no showing that such delay is due to the bad faith of the person seeking relief under this paragraph, such person may bring an action at law or equity for de novo review in the appropriate district court of the United States, which shall have jurisdiction over such an action without regard to the amount in controversy.

(c) Review

(1) Any person adversely affected or aggrieved by an order issued under subsection (b) may obtain review of the order in the United States court of appeals for the circuit in which the violation, with respect to which the order was issued, allegedly occurred. The petition for review must be filed within sixty days from the issuance of the Secretary’s order. Review shall conform to chapter 7 of title 5. The commencement of proceedings under this subparagraph shall not, unless ordered by the court, operate as a stay of the Secretary’s order.

(2) A determination by the Secretary under this section (b)(1) of this section arising from such allegation; or

(A) the filing of a complaint under subsection (b)(1) of this section arising from such allegation; or

(B) any investigation by the Secretary, or other action, under this section in response to such complaint.

(d) Jurisdiction

Whenever a person has failed to comply with an order issued under subsection (b)(2), the Secretary may file a civil action in the United States district court for the district in which the violation was found to occur to enforce such order. In actions brought under this subsection, the district courts shall have jurisdiction to grant all appropriate relief including, but not limited to, injunctive relief, compensatory, and exemplary damages.

(e) Commencement of action

(1) Any person on whose behalf an order was issued under paragraph (2) of subsection (b) may commence a civil action against the person to whom such order was issued to require compliance with such order. The appropriate United States district court shall have jurisdiction, without regard to the amount in controversy or the citizenship of the parties, to enforce such order.

(2) The court, in issuing any final order under this subsection, may award costs of litigation (including reasonable attorney and expert witness fees) to any party whenever the court determines such award is appropriate.

(f) Enforcement

Any nondiscretionary duty imposed by this section shall be enforceable in a mandamus proceeding brought under section 1361 of title 28.

(g) Deliberate violations

Subsection (a) shall not apply with respect to any employee who, acting without direction from his or her employer (or the employer’s agent), deliberately causes a violation of any requirement of this chapter or of the Atomic Energy Act of 1954, as amended [42 U.S.C. 2011 et seq.].

(h) Nonpreemption

This section may not be construed to expand, diminish, or otherwise affect any right otherwise available to an employee under Federal or State law to redress the employee’s discharge or other discriminatory action taken by the employer against the employee.

(i) Posting requirement

The provisions of this section shall be prominently posted in any place of employment to which this section applies.

(j) Investigation of allegations

(1) The Commission or the Department of Energy shall not delay taking appropriate action with respect to an allegation of a substantial safety hazard on the basis of—

(A) the filing of a complaint under subsection (b)(1) of this section arising from such allegation; or

(B) any investigation by the Secretary, or other action, under this section in response to such complaint.

(2) A determination by the Secretary under this section that a violation of subsection (a) has not occurred shall not be considered by the Commission or the Department of Energy in its determination of whether a substantial safety hazard exists.

REFERENCES IN TEXT

This chapter, referred to in subsecs. (a)(1) and (g), was originally the "Atomic Energy Act of 1954, which is classified principally to chapter 93 of title 42, The Public Health and Welfare." For complete classification of this Act to the Code, see Short Title note set out under section 5801 of this title and Tables.

The Atomic Energy Act of 1954, referred to in subsecs. (a)(1) and (g), is act Aug. 1, 1946, ch. 724, as added by act Aug. 30, 1954, ch. 1073, § 1, 68 Stat. 919, which is classified principally to chapter 23 (§ 2011 et seq.) of this title.

The Atomic Energy Act of 1974, which is classified principally to this Act, see Short Title note set out under section 5801 of this title and Tables.


eFFECTIVE DATE OF 1992 AMENDMENT


eFFECTIVE DATE OF 1996 AMENDMENT

Pub. L. 104–208, except for section 663(c)(2)(D), apply to the exercise of authority provided by section 663 of that Act with respect to employees who voluntarily separate from October 7, 1998, through December 31, 2000. All of the requirements in section 663 of Public Law 104–208, except for section 663(c)(2)(D), apply to the exercise of authority under this section.


eFFECTIVE DATE OF 1998 AMENDMENT

Notwithstanding section 663(c)(2)(D) of Public Law 104–208, and to facilitate targeted workforce downsizing and restructuring, the Chairman of the Nuclear Regulatory Commission may use funds appropriated in this Act to exercise the authority provided by section 663 of that Act with respect to employees who voluntarily separate from October 7, 1998, through December 31, 2000. All of the requirements in section 663 of Public Law 104–208, except for section 663(c)(2)(D), apply to the exercise of authority under this section.


eFFECTIVE DATE OF 1999 AMENDMENT

Notwithstanding section 663(c)(2)(D) of Public Law 104–208, and to facilitate targeted workforce downsizing and restructuring, the Chairman of the Nuclear Regulatory Commission may use funds appropriated in this Act to exercise the authority provided by section 663 of that Act with respect to employees who voluntarily separate from October 7, 1998, through December 31, 2000. All of the requirements in section 663 of Public Law 104–208, except for section 663(c)(2)(D), apply to the exercise of authority under this section.

§ 5852. Availability of funds

(a) Appropriations for salaries and expenses; additional purposes

Funds appropriated for "Nuclear Regulatory Commission—Salaries and Expenses" shall be available to the Commission for the following additional purposes:

(1) Employment of aliens.

(2) Services authorized by section 3109 of title 5.

(3) Publication and dissemination of atomic information.

(4) Purchase, repair, and cleaning of uniforms.

(5) Reimbursements to the General Services Administration for security guard services.

(6) Hire of passenger motor vehicles and aircraft.

(7) Transfers of funds to other agencies of the Federal Government for the performance of the work for which such funds are appropriated, and such transferred funds may be merged with the appropriations to which they are transferred.

(b) Appropriations for Office of Inspector General; additional purposes

Funds appropriated for "Nuclear Regulatory Commission—Office of Inspector General" shall be available to the Office for the additional purposes described in paragraphs (2) and (7) of subsection (a).

(c) Use of program funds for salaries and expenses

Moneys received by the Commission for the cooperative nuclear research program, services rendered to State governments, foreign governments, and international organizations, and the material and information access authorization programs, including criminal history checks under section 2108 of this title may be retained and used for salaries and expenses associated with those activities, notwithstanding section 3302 of title 31, and shall remain available until expended.

(d) Use of funds to provide voluntary separation incentive payments

For transfer of certain functions from Nuclear Regulatory Commission to Chairman thereof, see Reorg. Plan No. 1 of 1980, 45 F.R. 40561, 94 Stat. 3585, set out as a note under section 5841 of this title.

REFERENCES IN TEXT

§ 5853. Limitation on legal fee reimbursement

The Department of Energy shall not, except as required under a contract entered into before August 8, 2005, reimburse any contractor or subcontractor of the Department for any legal fees or expenses incurred with respect to a complaint subsequent to—

(1) an adverse determination on the merits with respect to such complaint against the contractor or subcontractor by the Director of the Department of Energy’s Office of Hearings and Appeals pursuant to part 708 of title 10, Code of Federal Regulations, or by a Department of Labor Administrative Law Judge pursuant to section 5851 of this title; or

(2) an adverse final judgment by any State or Federal court with respect to such complaint against the contractor or subcontractor for wrongful termination or retaliation due to the making of disclosures protected under chapter 12 of title 5, section 5851 of this title, or any comparable State law,

unless the adverse determination or final judgment is reversed upon further administrative or judicial review.


§ 5854. Notification and reports by Chairman

The Chairman of the Nuclear Regulatory Commission shall notify the other members of the Commission, the Committees on Appropriations of the House of Representatives and the Senate, the Committee on Energy and Commerce of the House of Representatives, and the Committee on Environment and Public Works of the Senate, not later than 1 day after the Chairman begins performing functions under the authority of section 3 of Reorganization Plan No. 1 of 1980, or after a member of the Commission who is delegated emergency functions under subsection (b) of that section begins performing those functions. Such notification shall include an explanation of the circumstances warranting the exercise of such authority. The Chairman shall report to the Committees, not less frequently than once each week, on the actions taken by the Chairman, or a delegated member of the Commission, under such authority, until the authority is relinquished. The Chairman shall notify the Committees not later than 1 day after such authority is relinquished. The Chairman shall submit the report required by section 3(d) of the Reorganization Plan No. 1 of 1980 to the Committees not later than 1 day after it was submitted to the Commission. This section shall be in effect in fiscal year 2015 and each subsequent fiscal year.


REFERENCES IN TEXT

Reorganization Plan No. 1 of 1980, referred to in text, is set out as a note under section 5841 of this title.

§ 5871. Transitional provisions

(a) Lapse of agency or other body from which functions or programs have been transferred and positions or offices therein

Except as otherwise provided in this chapter, whenever all of the functions or programs of an agency, or other body, or any component thereof, affected by this chapter, have been transferred from that agency, or other body, or any component thereof by this chapter, the agency, or other body, or component thereof shall lapse. If an agency, or other body, or any component thereof, lapses pursuant to the preceding sentence, each position and office therein which was expressly authorized by law, or the incumbency of which was authorized to receive compensation at the rate prescribed for an office or position at level II, III, IV, or V of the Executive Schedule (5 U.S.C. 5313–5316), shall lapse.

(b) Continuation of orders, determinations, rules, etc.

All orders, determinations, rules, regulations, permits, contracts, certificates, licenses, and privileges—

(1) which have been issued, made, granted, or allowed to become effective by the President, any Federal department or agency or official thereof, or by a court of competent jurisdiction, in the performance of functions which are transferred under this chapter, and

(2) an adverse determination on the merits with respect to such complaint against the contractor or subcontractor by the Director of the Department of Energy’s Office of Hearings and Appeals pursuant to part 708 of title 10, Code of Federal Regulations, or by a Department of Labor Administrative Law Judge pursuant to section 5851 of this title; or

(2) an adverse final judgment by any State or Federal court with respect to such complaint against the contractor or subcontractor for wrongful termination or retaliation due to the making of disclosures protected under chapter 12 of title 5, section 5851 of this title, or any comparable State law,

unless the adverse determination or final judgment is reversed upon further administrative or judicial review.

(2) which are in effect at the time this chapter takes effect, shall continue in effect according to their terms until modified, terminated, superseded, set aside, or revoked by the President, the Administrator, the Commission, or other authorized officials, a court of competent jurisdiction, or by operation of law.

(c) Effect of chapter on proceedings pending before Atomic Energy Commission or other department or agency

The provisions of this chapter shall not affect any proceeding pending, at the time this section takes effect, before the Atomic Energy Commission or any department or agency (or component thereof) functions of which are transferred by this chapter; but such proceedings, to the extent that they relate to functions so transferred, shall be continued. Orders shall be issued in such proceedings, appeals shall be taken therefrom, and payments shall be made pursuant to such orders, as if this chapter had not been enacted; and orders issued in any such proceedings shall continue in effect until modified, terminated, superseded, or revoked by a duly authorized official, by a court of competent jurisdiction, or by operation of law. Nothing in this subsection shall be deemed to prohibit the discontinuance or modification of any such proceeding under the same terms and conditions and to the same extent that such proceeding could have been discontinued if this chapter had not been enacted.

(d) Effect of chapter on suits commenced prior to effective date

Except as provided in subsection (f)—

(1) the provisions of this chapter shall not affect suits commenced prior to the date this chapter takes effect, and

(2) in all such suits proceedings shall be had, appeals taken, and judgments rendered, in the same manner and effect as if this chapter had not been enacted.

(e) Abatement of suits, actions, or other proceedings by or against officer, department, or agency

No suit, action, or other proceeding commenced by or against any officer in his official capacity as an officer of any department or agency, functions of which are transferred by this chapter, shall abate by reason of the enactment of this chapter. No cause of action by or against any department or agency, functions of which are transferred by this chapter, or by or against any officer thereof in his official capacity shall abate by reason of the enactment of this chapter. Causes of actions, suits, actions, or other proceedings may be asserted by or against the United States or such official as may be appropriate and, in any litigation pending when this section takes effect, the court may at any time, on its own motion or that of any party, enter any order which will give effect to the provisions of this section.

(f) Continuation of suits; substitution of parties

If, before the date on which this chapter takes effect, any department or agency, or officer thereof in his official capacity, is a party to a suit, and under this chapter any function of such department, agency, or officer is transferred to the Administrator or Commission, or any other official, then such suit shall be continued as if this chapter had not been enacted, with the Administrator or Commission, or other official, as the case may be, substituted.

(g) Judicial review of orders and actions in performance of transferred functions; statutory requirements relating to notices, hearings, action upon record, or administrative review

Final orders and actions of any official or component in the performance of functions transferred by this chapter shall be subject to judicial review to the same extent and in the same manner as if such orders or actions had been made or taken by the officer, department, agency, or instrumentality in the performance of such functions immediately preceding the effective date of this chapter. Any statutory requirements relating to notices, hearings, action upon the record, or administrative review that apply to any function transferred by this chapter shall apply to the performance of those functions by the Administrator or Commission, or any officer or component.

(h) References in other laws to department, agency, officer, or office whose functions have been transferred deemed reference to Administration, Administrator, or Commission

With respect to any functions transferred by this chapter and performed after the effective date of this chapter, reference in any other law to any department or agency, or any officer or office, the functions of which are so transferred, shall be deemed to refer to the Administration, the Administrator or Commission, or other office or official in which this chapter vests such functions.

(i) Limitation, curtailment, etc., of presidential functions or authority

Nothing contained in this chapter shall be construed to limit, curtail, abolish, or terminate any function of the President which he had immediately before the effective date of this chapter; or to limit, curtail, abolish, or terminate his authority to perform such function; or to limit, curtail, abolish, or terminate his authority to delegate, redelegate, or terminate any delegation of functions.

(j) References in chapter to provision of law deemed to include references thereto as amended or supplemented

Any reference in this chapter to any provision of law shall be deemed to include, as appropriate, references thereto as now or hereafter amended or supplemented.

(k) Functions conferred by chapter deemed in addition to and not substitution for functions existing before effective date

Except as may be otherwise expressly provided in this chapter, all functions expressly conferred by this chapter shall be in addition to and not in substitution for functions existing immediately before the effective date of this chapter and transferred by this chapter.

This chapter, referred to in text, was in the original "this Act", meaning Pub. L. 93–438, Oct. 11, 1974, 88 Stat. 1233, as amended, which enacted this chapter, amended sections 5313 to 5316 of Title 5, Government Organization and Employees, repealed sections 2021 and 2032 of this title, and enacted provisions set out as notes under section 5801 of this title. For complete classification of this Act to the Code, see Short Title note set out under section 5801 of this title and Tables. References to "at the time this chapter takes effect" in subsec. (b)(2), "the date this chapter takes effect" in subsec. (d)(1), "date on which this chapter takes effect" in subsec. (f), and "the effective date of this chapter" in subsecs. (g), (h), (i), and (k), refer to the effective date of Pub. L. 93–438. See section 312 of Pub. L. 93–438, set out as an Effective Date; Interim Appointments note under section 5801 of this title.

**TRANSFER OF FUNCTIONS**

For transfer of certain functions from Nuclear Regulatory Commission to Chairman thereof, see Reorg. Plan No. 1 of 1980, 45 F.R. 40661, 94 Stat. 3585, set out as a note under section 5841 of this title.

Energy Research and Development Administration terminated and functions vested by law in Administrator thereof transferred to Secretary of Energy (unless otherwise specifically provided) by sections 7151(a) and 7263 of this title.

§ 5872. Transfer of personnel

(a) Provisions of law applicable

Except as provided in the next sentence, the personnel employed in connection with, and the personnel positions, assets, liabilities, contracts, property, records, and unexpended balances of appropriations, authorizations, allocations, and other funds employed, held, used, arising from, available to or to be made available in connection with the functions and programs transferred by this chapter, are, subject to section 1531 of title 31, correspondingly transferred for appropriate allocation. Personnel positions expressly created by law, personnel occupying those positions on the effective date of this chapter, and personnel authorized to receive compensation at the rate prescribed for offices and positions at levels II, III, IV, or V of the Executive Schedule (5 U.S.C. 5313–5316) on the effective date of this chapter shall be subject to the provisions of subsection (c) of this section and section 5871 of this title.

(b) Prohibition against separation or reduction in grade or compensation for one year after transfer

Except as provided in subsection (c), transfer of nontemporary personnel pursuant to this chapter shall not cause any such employee to be separated or reduced in grade or compensation for one year after such transfer.

(c) Compensation in new position at not less than rate provided for previous position

Any person who, on the effective date of this chapter, held a position compensated in accordance with the Executive Schedule prescribed in section 5311 of title 5, and who, without a break in service, is appointed in the Administration to a position having duties comparable to those performed immediately preceding his appointment shall continue to be compensated in his new position at not less than the rate provided for his previous position.


**REFERENCES IN TEXT**

This chapter, referred to in text, was in the original "this Act", meaning Pub. L. 93–438, Oct. 11, 1974, 88 Stat. 1233, known as the Energy Reorganization Act of 1974, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 5801 of this title and Tables.

The effective date of this chapter, referred to in subsecs. (a) and (c), refers to the effective date of Pub. L. 93–438. See section 312 of Pub. L. 93–438, set out as an Effective Date; Interim Appointments note under section 5801 of this title.

**CODIFICATION**


**TRANSFER OF FUNCTIONS**

Energy Research and Development Administration terminated and functions vested by law in Administrator thereof transferred to Secretary of Energy (unless otherwise specifically provided) by sections 7151(a) and 7263 of this title.

§ 5873. Director of Office of Management and Budget; power to make dispositions

The Director of the Office of Management and Budget is authorized to make such additional incidental dispositions of personnel, personnel positions, assets, liabilities, contracts, property, records, and unexpended balances of appropriations, authorizations, allocations, and other funds held, used, arising from, available to or to be made available in connection with functions transferred by this chapter, as he may deem necessary or appropriate to accomplish the intent and purpose of this chapter.


**REFERENCES IN TEXT**

This chapter, referred to in text, was in the original "this Act", meaning Pub. L. 93–438, Oct. 11, 1974, 88 Stat. 1233, known as the Energy Reorganization Act of 1974, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 5801 of this title and Tables.

**§ 5874. Definitions**

As used in this chapter—

(1) any reference to "function" or "functions" shall be deemed to include references to duty, obligation, power, authority, responsibility, right, privilege, and activity, or the plural thereof, as the case may be; and

(2) any reference to "perform" or "performance", when used in relation to functions, shall be deemed to include the exercise of power, authority, rights, and privileges.


**REFERENCES IN TEXT**

This chapter, referred to in text, was in the original "this Act", meaning Pub. L. 93–438, Oct. 11, 1974, 88 Stat. 1233, known as the Energy Reorganization Act of 1974, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 5801 of this title and Tables.
§ 5875. Authorization of appropriations

(a) Except as otherwise provided by law, appropriations made under this chapter shall be subject to annual authorization.

(b) Authorization of appropriations to the Commission shall reflect the need for effective licensing and other regulation of the nuclear power industry in relation to the growth of such industry.


REFERENCES IN TEXT

This chapter, referred to in subsec. (a), was in the original “‘this Act’, meaning Pub. L. 93–438, Oct. 11, 1974, 88 Stat. 1233, known as the Energy Reorganization Act of 1974, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 5801 of this title and Tables.

§ 5876. Comptroller General audit

(a) Section 166 of the Atomic Energy Act of 1954, as amended [42 U.S.C. 2206], shall be deemed to be applicable, respectively, to the nuclear and nonnuclear activities under subchapter I and to the activities under subchapter II.

(b) The Comptroller General of the United States shall audit, review, and evaluate the implementation of the provisions of subchapter II of this chapter by the Nuclear Safety and Licensing Commission not later than sixty months after the effective date of this chapter, the Comptroller General shall prepare and submit to the Congress a report on his audit, which shall contain, but not be limited to—

1. an evaluation of the effectiveness of the licensing and related regulatory activities of the Commission and the operations of the Office of Nuclear Safety Research and the Bureau of Nuclear Materials Security;
2. an evaluation of the effect of such Commission activities on the efficiency, effectiveness, and safety with which the activities licensed under the Atomic Energy Act of 1954, as amended [42 U.S.C. 2011 et seq.], are carried out;
3. recommendations concerning any legislation he deems necessary, and the reasons therefor, for improving the implementation of subchapter II.


REFERENCES IN TEXT

The effective date of this chapter, referred to in subsec. (b), is the effective date of Pub. L. 93–438. See section 312 of Pub. L. 93–438, set out as an Effective Date: Interim Appointments note under section 5801 of this title.

§ 5877. Reports to President for submission to Congress

(a) Report by Administrator on activities of Administration

The Administrator shall, as soon as practicable after the end of each fiscal year, make a report to the President for submission to the Congress on the activities of the Administration during the preceding fiscal year. Such report shall include a statement of the short-range and long-range goals, priorities, and plans of the Administration together with an assessment of the progress made toward the attainment of those objectives and toward the more effective and efficient management of the Administration and the coordination of its functions.

(b) Review of desirability and feasibility of transferring functions of Administrator respecting military application and restricted data to Department of Defense or other Federal agencies; report by Administrator

During the first year of operation of the Administration, the Administrator, in collaboration with the Secretary of Defense, shall conduct a thorough review of the desirability and feasibility of transferring to the Department of Defense or other Federal agencies the functions of the Administrator respecting military application and restricted data, and within one year after the Administrator first takes office the Administrator shall make a report to the President, for submission to the Congress, setting forth his comprehensive analysis, the principal alternatives, and the specific recommendations of the Administrator and the Secretary of Defense.

(c) Report by Commission on activities of Commission

The Commission shall, as soon as practicable after the end of each fiscal year, make a report to the President for submission to the Congress on the activities of the Commission during the preceding fiscal year. Such report shall include a clear statement of the short-range and long-range goals, priorities, and plans of the Commission as they relate to the benefits, costs, and risks of commercial nuclear power. Such report shall also include a clear description of the Commission’s activities and findings in the following areas—

1. insuring the safe design of nuclear powerplants and other licensed facilities;
2. investigating abnormal occurrences and defects in nuclear powerplants and other licensed facilities;
3. safeguarding special nuclear materials at all stages of the nuclear fuel cycle;
(4) investigating suspected, attempted, or actual thefts of special nuclear materials in the licensed sector and developing contingency plans for dealing with such incidents;

(5) insuring the safe, permanent disposal of high-level radioactive wastes through the licensing of nuclear activities and facilities;

(6) protecting the public against the hazards of low-level radioactive emissions from licensed nuclear activities and facilities.


TERMINATION OF REPORTING REQUIREMENTS

For termination, effective May 15, 2000, of provisions in subsec. (c) of this section relating to submission of annual report to Congress, see section 3003 of Pub. L. 104–66, as amended, set out as a note under section 1113 of Title 31, Money and Finance, and the 10th item on page 186 of House Document No. 103–7.

TRANSFER OF FUNCTIONS

For transfer of certain functions from Nuclear Regulatory Commission to Chairman thereof, see Reorg. Plan No. 1 of 1980, 45 F.R. 40661, 94 Stat. 3585, set out as a note under section 5841 of this title.

Energy Research and Development Administration terminated and functions vested by law in Administrator thereof transferred to Secretary of Energy (unless otherwise specifically provided) by sections 7151(a) and 7269 of this title.

DESCRIPTION IN REPORT RESPECTING DECONTAMINATION, ETC., COLLABORATIVE EFFORTS AT THREE MILE ISLAND UNIT 2

Pub. L. 97–415, §10(c), Jan. 4, 1983, 96 Stat. 2071, provided that: ‘‘The Nuclear Regulatory Commission shall include in its annual report to the Congress under section 307(c) of the Energy Reorganization Act of 1974 (42 U.S.C. 8877(c)) as a separate chapter a description of the collaborative efforts undertaken, or proposed to be undertaken, by the Commission and the Department of Energy with respect to the decontamination, cleanup, repair, or rehabilitation of facilities at Three Mile Island Unit 2.''

§ 5878. Information to Congressional committees

The Administrator shall keep the appropriate congressional committees fully and currently informed with respect to all of the Administration's activities.


TRANSFER OF FUNCTIONS

Energy Research and Development Administration terminated and functions vested by law in Administrator thereof transferred to Secretary of Energy (unless otherwise specifically provided) by sections 7151(a) and 7269 of this title.

§ 5878a. Funding and encouragement of small business; information for inclusion in report

The Secretary of Energy shall, include, in the report required by section 204(b) of the Department of Energy Act of 1978—Civilian Applications (42 U.S.C. 7256, note; 92 Stat. 60), information detailing the extent to which small business and nonprofit organizations are being funded by the nonnuclear research, development, and demonstration programs of the Secretary of Energy, and the extent to which small business involvement pursuant to section 5801(d) of this title is being encouraged by the Secretary of Energy.


REFERENCES IN TEXT

Section 204(b) of the Department of Energy Act 1978—Civilian Applications (42 U.S.C. 7256, note; 92 Stat. 60), referred to in text, is section 204(b) of Pub. L. 95–238, title II, Feb. 25, 1978, 92 Stat. 59, as amended which is set out as a note under section 7269 of this title.

COMPARISON

Section was not enacted as a part of the Energy Reorganization Act of 1974 which comprises this chapter.

AMENDMENTS

1980—Pub. L. 96–470 substituted ‘‘include, in the report required by section 204(b) of the Department of Energy Act of 1978—Civilian Applications, information’’ for ‘‘by June 30, 1976, and by the end of each fiscal year thereafter, submit a report to the Committee on Science and Technology of the House of Representatives and the Committee on Interior and Insular Affairs of the Senate’’ and ‘‘Secretary of Energy’’ for ‘‘Administrator’’ wherever appearing.

§ 5879. Transfer of funds

The Administrator, when authorized in an appropriation Act, may, in any fiscal year, transfer funds from one appropriation to another within the Administration; except, that no appropriation shall be either increased or decreased pursuant to this section by an amount greater than 5 per centum of the appropriation for such fiscal year.


TRANSFER OF FUNCTIONS

Energy Research and Development Administration terminated and functions vested by law in Administrator thereof transferred to Secretary of Energy (unless otherwise specifically provided) by sections 7151(a) and 7269 of this title.

SUBCHAPTER IV—SEX DISCRIMINATION

§ 5891. Sex discrimination prohibited

No person shall on the ground of sex be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity carried on or receiving Federal assistance under any subchapter of this chapter. This provision will be enforced through agency provisions and rules similar to those already established, with respect to racial and other discrimination, under title VI of the Civil Rights Act of 1964 [42 U.S.C. 2000d et seq.]. However, this remedy is not exclusive and will not prejudice or cut off any other legal remedies available to a discriminatee.


REFERENCES IN TEXT

Any subchapter of this chapter, referred to in text, was in the original ‘‘any title of this Act’’, meaning

1 So in original. The comma probably should not appear.
The Congress hereby finds that—

(a) The Nation is suffering from a shortage of environmentally acceptable forms of energy.

(b) Compounding this energy shortage is our past and present failure to formulate a comprehensive and aggressive research and development program designed to make available to American consumers our large domestic energy reserves including fossil fuels, nuclear fuels, geothermal resources, solar energy, and other forms of energy. This failure is partially because the unconventional energy technologies have not been judged to be economically competitive with traditional energy technologies.

(c) The urgency of the Nation’s energy challenge will require commitments similar to those undertaken in the Manhattan and Apollo projects; it will require that the Nation undertake a research, development, and demonstration program in nonnuclear energy technologies with a total Federal investment which may reach or exceed $20,000,000,000 over the next decade.

(d) In undertaking such program, full advantage must be taken of the existing technical and managerial expertise in the various energy fields within Federal agencies and particularly in the private sector.

(e) The Nation’s future energy needs can be met if a national commitment is made now to dedicate the necessary financial resources, to enlist our scientific and technological capabilities, and to accord the proper priority to developing new nonnuclear energy options to serve national needs, conserve vital resources, and protect the environment.


§ 5902. Congressional declaration of policy and purpose; implementation and administration of program by Secretary of Energy

(a) It is the policy of the Congress to develop on an urgent basis the technological capabilities to support the broadest range of energy policy options through conservation and use of domestic resources by socially and environmentally acceptable means.

(b) (1) The Congress declares the purpose of this chapter to be to establish and vigorously dedicate the necessary financial resources, to support the broadest range of energy policy options through conservation and use of domestic energy resources including fossil fuels, nuclear fuels, geothermal resources, solar energy, and other forms of energy. This failure is partially because the unconventional energy technologies have not been judged to be economically competitive with traditional energy technologies.

(2) In carrying out this program, the Secretary shall be governed by the terms of this chapter and other applicable provisions of law with respect to all nonnuclear aspects of the research, development, and demonstration program; and the policies and provisions of the Atomic Energy Act of 1954 [42 U.S.C. 2011 et seq.], and other provisions of law shall continue to apply to the nuclear research, development, and demonstration program.

(c) In implementing and conducting the research, development, and demonstration programs pursuant to this chapter, the Secretary shall incorporate programs in specific nonnuclear technologies previously enacted into law, including those established by the Solar Heating and Cooling Demonstration Act of 1974 (Public Law 93–409) [42 U.S.C. 5501 et seq.], the Geothermal Energy Research, Development, and Demonstration Act of 1974 (Public Law 93–410) [30 U.S.C. 1101 et seq.], and the Solar Energy Re-
search, Development, and Demonstration Act of 1974 (Public Law 93–473) [42 U.S.C. 5551 et seq.].


REFERENCES IN TEXT


AMENDMENTS


Subsec. (b)(2). Pub. L. 109–58, §1009(b)(2)(B), substituted “Secretary” for “Administrator of the Energy Research and Development Administration (hereinafter in this chapter referred to as the ‘Administrator’)”.

Subsec. (b)(3). Pub. L. 109–58, §1009(b)(2)(C), substituted “Secretary” for “Administrator” and inserted “Demonstration” after “Cooling”.

§ 5903. Duties and authorities of the Secretary

The Secretary shall—

(a) review the current status of nonnuclear energy resources and current nonnuclear energy research and development activities, including research and development being conducted by Federal and non-Federal entities;

(b) formulate and carry out a comprehensive Federal nonnuclear energy research, development, and demonstration program which will expeditiously advance the policies established by this chapter and other relevant legislation establishing programs in specific energy technologies;

(c) utilize the funds authorized pursuant to this chapter to advance energy research and development by initiating and maintaining, through fund transfers, grants, or contracts, energy research, development and demonstration programs or activities utilizing the facilities, capabilities, expertise, and experience of Federal agencies, national laboratories, universities, nonprofit organizations, industrial entities, and other non-Federal entities which are appropriate to each type of research, development, and demonstration activity;

(d) establish procedures for periodic consultation with representatives of science, industry, environmental organizations, consumers, and other groups who have special expertise in the areas of energy research, development, and technology; and

(e) initiate programs to design, construct, and operate energy facilities of sufficient size to demonstrate the technical and economic feasibility of utilizing various forms of nonnuclear energy.


AMENDMENTS

2005—Pub. L. 109–58 added section catchline, struck out former catchline, and substituted “Secretary” for “Administrator” in introductory provisions.

CLASSIFICATION OF RECIPIENTS OF AWARDS, CONTRACTS, OR OTHER FINANCIAL ARRANGEMENTS; REPORTING REQUIREMENTS

Pub. L. 95–39, title I, §111, June 3, 1977, 91 Stat. 186, provided that:

“(a) The Administrator [now Secretary of Energy] shall classify each recipient of any award, contract, or other financial arrangement in any nonnuclear research, development, or demonstration category as—

“(1) a Federal agency,

“(2) a non-Federal governmental entity,

“(3) a profitmaking enterprise (indicating whether or not it is a small business concern),

“(4) a nonprofit enterprise other than an educational institution, or

“(5) a nonprofit educational institution.

“(b) The information required by subsection (a), along with the dollar amount of each award, contract, or other financial arrangement made, shall be included as an appendix to the annual report required by section 15(a) of the Federal Nonnuclear Energy Research and Development Act of 1974 (former 42 U.S.C. 5914): Provided, That small purchases or contracts of less than $10,000, which are excepted from the requirements of advertising by section 252(c)(3) of [former] title 41, United States Code, shall be exempt from the reporting requirements of this section.”

§ 5903a. Nonduplication of programs, projects, and research facilities

The Secretary shall coordinate nonnuclear programs of the Department of Energy with the heads of relevant Federal agencies in order to minimize unnecessary duplication of programs, projects, and research facilities.


CODIFICATION

Section was not enacted as a part of the Federal Nonnuclear Energy Research and Development Act of 1974 which comprises this chapter.

TRANSFER OF FUNCTIONS

“Secretary”, meaning Secretary of Energy, substituted in text for “Administrator”, meaning Administrator of Energy Research and Development Administration, and “Department of Energy” substituted in text for “Administration” pursuant to sections 301(a), 703, and 707 of Pub. L. 95–91, which are classified to sections 715(a), 7293, and 7297 of this title and which terminated Energy Research and Development Administration and transferred its functions and functions of
§ 5903b. Environmental and safety research, development, and demonstration program

The Secretary shall conduct an environmental and safety research, development, and demonstration program related to fossil fuels.


CODIFICATION

Section was not enacted as a part of the Federal Nonnuclear Energy Research and Development Act of 1974 which comprises this chapter.

TRANSFER OF FUNCTIONS

“Secretary”, meaning Secretary of Energy, substituted in text for “Administrator”, meaning Administrator of Energy Research and Development Administration, pursuant to sections 301(a), 703, and 707 of Pub. L. 95–91, which are classified to sections 7291, 7293, and 7297 of this title and which terminated Energy Research and Development Administration and transferred its functions and functions of Administrator thereof (with certain exceptions) to Secretary of Energy.

§ 5903c. Moneys received by Secretary from fossil energy activity: payment into Treasury; reports to House and Senate Committees

All moneys received by the Secretary from any fossil energy activity shall be paid into the Treasury to the credit of miscellaneous receipts, except that on December 1 of each year the Secretary shall provide to the Committee on Science, Space, and Technology of the House of Representatives and the Committee on Energy and Natural Resources of the Senate a report of all such receipts for the preceding fiscal year, including, but not limited to, the amount and source of such revenues and the program and subprogram activity generating such revenues.


CODIFICATION

Section was not enacted as part of the Federal Nonnuclear Energy Research and Development Act of 1974 which comprises this chapter.

AMENDMENTS

1994—Pub. L. 103–437 substituted “Committee on Science, Space, and Technology” for “Committee on Science and Technology”.

TRANSFER OF FUNCTIONS

“Secretary”, meaning Secretary of Energy, substituted in text for “Administrator”, meaning Administrator of Energy Research and Development Administration, pursuant to sections 301(a), 703, and 707 of Pub. L. 95–91, which are classified to sections 7291(a), 7293, and 7297 of this title and which terminated Energy Research and Development Administration and transferred its functions and functions of Administrator thereof (with certain exceptions) to Secretary of Energy.

§ 5903d. Clean coal technology projects: proposals, implementation, funding, etc.

Within 60 days following December 19, 1985, the Secretary of Energy shall, pursuant to the Federal Nonnuclear Energy Research and Development Act of 1974 (42 U.S.C. 5901, et seq.), issue a general request for proposals for clean coal technology projects for which the Secretary of Energy upon review may provide financial assistance awards. Proposals for clean coal technology projects under this section shall be submitted to the Department of Energy within 60 days after issuance of the general request for proposals. The Secretary of Energy shall make any project selections no later than August 1, 1986: Provided, That the Secretary may vest fee title or other property interests acquired under cost-shared clean coal technology agreements in any entity, including the United States: Provided further, That the Secretary shall not finance more than 50 per centum of the total costs of a project as estimated by the Secretary as of the date of award of financial assistance: Provided further, That cost-sharing by project sponsors is required in each of the design, construction, and operating phases proposed to be included in a project: Provided further, That financial assistance for costs in excess of those estimated as of the date of award of original financial assistance may not be provided in excess of the proportion of costs borne by the Government in the original agreement and only up to 25 per centum of the original financial assistance: Provided further, That revenues or royalties from prospective operation of projects beyond the time considered in the award of financial assistance, or proceeds from prospective sale of the assets of the project, or revenues or royalties from replication of technology in future projects or plants are not cost-sharing for the purposes of this appropriation: Provided further, That other appropriated Federal funds are not cost-sharing for the purposes of this appropriation: Provided further, That existing facilities, equipment, and supplies, or previously expended research or development funds are not cost-sharing for the purposes of this appropriation, except as amortized, depreciated, or expensed in normal business practice.


REFERENCES IN TEXT


CODIFICATION

Section was not enacted as part of the Federal Nonnuclear Energy Research and Development Act of 1974 which comprises this chapter.

PROVISIONS RELATING TO PROJECTS USING CLEAN COAL TECHNOLOGIES

Provisions relating to projects using clean coal technologies were contained in the following appropriations acts:

§ 5904. Research, development, and demonstration program governing principles

(a) The Congress authorizes and directs that the comprehensive program in research, development, and demonstration required by this chapter shall be designed and executed according to the following principles:

(1) Energy conservation shall be a primary consideration in the design and implementation of the Federal nonnuclear energy program. For the purposes of this chapter, energy conservation means both improvement in efficiency of energy production and use, and reduction in energy waste.

(2) The environmental and social consequences of a proposed program shall be analyzed and considered in evaluating its potential.

(3) Any program for the development of a technology which may require significant consumptive use of water after the technology has reached the stage of commercial application shall include thorough consideration of the impacts of such technology and use on water resources pursuant to the provisions of section 5912 of this title.

(4) Heavy emphasis shall be given to those technologies which utilize renewable or essentially inexhaustible energy sources.

(5) The potential for production of net energy by the proposed technology at the stage of commercial application shall be analyzed and considered in evaluating proposals.

(b) The Congress further directs that the execution of the comprehensive research, development, and demonstration program shall conform to the following principles:

(1) Research and development of nonnuclear energy sources shall be pursued in such a way as to facilitate the commercial availability of adequate supplies of energy to all regions of the United States.

(2) In determining the appropriateness of Federal involvement in any particular research and development undertaking, the Secretary shall give consideration to the extent to which the proposed undertaking satisfies criteria including, but not limited to, the following:

(A) The urgency of public need for the potential results of the research, development, or demonstration effort is high, and it is unlikely that similar results would be achieved in a timely manner in the absence of Federal assistance.

(B) The potential opportunities for non-Federal interests to recapture the investment in the undertaking through the normal commercial utilization of proprietary knowledge appear inadequate to encourage timely results.

(C) The extent of the problems treated and the objectives sought by the undertaking are national or widespread in their significance.

(D) There are limited opportunities to induce non-Federal support of the undertaking through regulatory actions, end use controls, tax and price incentives, public education, or other alternatives to direct Federal financial assistance.

(E) The degree of risk of loss of investment inherent in the research is high, and the availability or risk capital to the non-Federal entities which might otherwise engage in the field of the research is inadequate for the timely development of the technology.

(F) The magnitude of the investment appears to exceed the financial capabilities of potential non-Federal participants in the research to support effective efforts.

§ 5905. Comprehensive planning and programming

(a) Pursuant to the authority and directions of this chapter and the Energy Reorganization Act of 1974 (Public Law 93–438) [42 U.S.C. 5801 et seq.], the Department of Energy Organization Act (42 U.S.C. 7101 et seq.), and titles XX through XXIII of the Energy Policy Act of 1992 [42 U.S.C. 13401 et seq., 13451 et seq., 13501 et seq., 13521 et seq.], the Secretary, in consultation with the Advisory Board established under section 2302 of the Energy Policy Act of 1992 [42 U.S.C. 13522], shall transmit to the Congress, on or before June 30, 1975, a comprehensive plan for energy research, development, and demonstration. This plan shall be appropriately revised annually as provided in section 5914(a) of this title. Such plan shall be designed to achieve—

(1) solutions to immediate and short-term (the period up to 5 years after submission of the plan or its annual revision) energy supply system and associated environmental problems;

(2) solutions to middle-term (the period from 5 years to 10 years after submission of the plan...
or its annual revision) energy supply system and associated environmental problems; and
(3) solutions to long-term (the period beyond 10 years after submission of the plan or its annual revision) energy supply system and associated environmental problems.

(b)(1) Based on the comprehensive energy research, development, and demonstration plan developed under subsection (a), the Secretary, in consultation with the Advisory Board established under section 2302 of the Energy Policy Act of 1992 [42 U.S.C. 13522], shall develop and transmit to the Congress, on or before June 30, 1975, a comprehensive nonnuclear energy research, development, and demonstration program to implement the nonnuclear research, development, and demonstration aspects of the comprehensive plan. Such program shall be updated and transmitted to the Congress annually as part of the report required under section 5914 of this title.

(2) This program shall be designed to achieve solutions to the energy supply and associated environmental problems in the immediate and short-term, middle-term, and long-term time intervals described in subsection (a)(1) through (3).

In formulating the nonnuclear aspects of this program, the Secretary, in consultation with the Advisory Board established under section 2302 of the Energy Policy Act of 1992 [42 U.S.C. 13522], shall evaluate the economic, environmental, and technological merits of each aspect of the program.

(3) The Secretary shall assign program elements and activities in specific nonnuclear energy technologies, to the short-term, middle-term, and long-term time intervals, and shall present full and complete justification for these assignments and the degree of emphasis for each. These program elements and activities shall include, but not be limited to, research, development, and demonstrations designed—

(A) to advance energy conservation technologies, including but not limited to—
(i) productive use of waste, including garbage, sewage, agricultural wastes, and industrial waste heat;
(ii) reuse and recycling of materials and consumer products;
(iii) improvements in automobile design for increased efficiency and lowered emissions, including investigation of the full range of alternatives to the internal combustion engine and systems of efficient public transportation; and
(iv) advanced urban and architectural design to promote efficient energy use in the residential and commercial sectors, improvements in home design and insulation technologies, small thermal storage units and increased efficiency in electrical appliances and lighting fixtures;
(B) to accelerate the commercial demonstration of technologies for producing substitutes for natural gas, including coal gasification: Provided, That the Secretary shall invite and consider proposals from potential participants based upon Federal assistance and participation in the form of a joint Federal-industry corporation, and recommendations pursuant to this clause shall be accompanied by a report on the viability of using this form of Federal assistance or participation;
(C) to accelerate the commercial demonstration of technologies for producing substitutes for synthetic fuels such as hydrogen and methanol; and
(D) to demonstrate new and improved methods for the extraction of petroleum resources, including secondary and tertiary recovery of crude oil;
(E) to demonstrate the economics and commercial viability of solar energy for residential and commercial energy supply applications in accordance with the program authorized by the Solar Heating and Cooling Demonstration Act of 1974 (Public Law 93–409) [30 U.S.C. 5501 et seq.];
(F) to accelerate the commercial demonstration of environmental control systems for energy technologies developed pursuant to this chapter;
(G) to demonstrate the production of synfuel from oil shale by all promising technologies including in situ technologies;
(H) to demonstrate new and improved methods for increased efficiency and lowered emissions, including investigation of the full range of alternatives to the internal combustion engine and systems of efficient public transportation; and
(I) to investigate the technical and economic feasibility of tidal power for supplying electrical energy;
(J) to commercially demonstrate advanced solar energy technologies in accordance with the Solar Energy Research, Development, and Demonstration Act of 1974 (Public Law 93–473) [42 U.S.C. 5551 et seq.];
(M) to determine the economics and commercial viability of the production of synthetic fuels such as hydrogen and methanol;
(N) to commercially demonstrate the use of fuel cells for central station electric power generation;
(O) to determine the economics and commercial viability of in situ coal gasification;
(P) to improve techniques for the management of existing energy systems by means of quality control; application of systems analysis, communications, and computer tech
niques; and public information with the objective of improving the reliability and efficiency of energy supplies and encourage the conservation of energy resources;

(Q) to improve methods for the prevention and cleanup of marine oil spills;

(R) to implement the Renewable Energy and Energy Efficiency Technology Competitiveness Act of 1989 (42 U.S.C. 12001 et seq.); and

(S) to implement titles XX through XXIII of the Energy Policy Act of 1992 [42 U.S.C. 15401 et seq., 15451 et seq., 15501 et seq., 15521 et seq.].

(c) Based upon the comprehensive plan developed under subsection (a), the Secretary, in consultation with the Advisory Board established under section 2302 of the Energy Policy Act of 1992 [42 U.S.C. 15322], shall develop and transmit to the Congress, on or before September 1, 1978, a comprehensive environment and safety program to insure the full consideration and evaluation of all environmental, health, and safety impacts of each element, program, or initiative contained in the nuclear and nonnuclear energy research, development, and demonstration plans. Such program shall be updated and transmitted annually as part of the report required under section 5914(a) of this title.


REFERENCES IN TEXT

The Energy Reorganization Act of 1974, referred to in subsec. (a), is Pub. L. 93–438, Oct. 11, 1974, 88 Stat. 1233, as amended, which is classified principally to chapter 73 (§5901 et seq.) of this title. For complete classification of this Act to the Code, see Short Title note set out in subsec. (a), which is classified principally to chapter 125 (§12001 et seq.) of this title. For complete classification of this Act to the Code, see Short Title note set out under section 12001 of this title and Tables.

THE SOLAR HEATING AND COOLING ACT OF 1978

2005—Subsec. (b)(3). Pub. L. 109–58 substituted "Secretary" for "Administrator" in introductory provisions and subpars. (D) and (E) and inserted "Demonstration" after "Cooling" in subpar. (I) and "Energy" after "Solar" in subpar. (L).


Subsec. (a)(1). Pub. L. 102–486, § 2303(a)(1)(B), substituted "(the period up to 5 years after submission of the plan or its annual revision)" for "(to the early 1980's)".

Subsec. (a)(2). Pub. L. 102–486, § 2303(a)(1)(C), substituted "(the period from 5 years to 10 years after submission of the plan or its annual revision)" for "(to beyond 2000)."

Subsec. (a)(3). Pub. L. 102–486, § 2303(a)(1)(D), substituted "(the period beyond 10 years after submission of the plan or its annual revision)" for "(beyond 2000)."

Subsec. (b)(1). Pub. L. 102–486, § 2303(a)(2)(B), inserted at end "Such program shall be updated and transmitted to the Congress annually as part of the report required under section 5914 of this title."
eral assistance and participation which may include but are not limited to—

(1) joint Federal-industry experimental, demonstration, or commercial corporations consistent with the provisions of subsection (b) of this section;

(2) contractual arrangements with non-Federal participants including corporations, consortia, universities, governmental entities and nonprofit institutions;

(3) contracts for the construction and operation of federally owned facilities;

(4) Federal purchases or guaranteed price of the products of demonstration plants or activities consistent with the provisions of subsection (c) of this section;

(5) Federal loans to non-Federal entities conducting demonstrations of new technologies;

(6) incentives, including financial awards, to individual inventors, such incentives to be designed to encourage the participation of a large number of such inventors; and

(7) Federal loan guarantees and commitments therefor as provided in section 5919 of this title.

(b) Proposed joint Federal-industry corporations; operational guidelines; powers, duties, and functions; composition; scope of Federal assistance and participation; specific authorization

Joint Federal-industry corporations proposed for congressional authorization pursuant to this chapter shall be subject to the provisions of section 5908 of this title and shall conform to the following guidelines except as otherwise authorized by Congress:

(1) Each such corporation may design, construct, operate, and maintain one or more experimental, demonstration, or commercial-size facilities, or other operations which will ascertain the technical, environmental, and economic feasibility of a particular energy technology. In carrying out this function, the corporation shall be empowered, either directly or by contract, to utilize commercially available technologies, perform tests, or design, construct, and operate pilot plants, as may be necessary for the design of the full-scale facility.

(2) Each corporation shall have—

(A) a Board of nine directors consisting of individuals who are citizens of the United States, of whom one shall be elected annually by the Board to serve as Chairman. The Board shall be empowered to adopt and amend bylaws. Five members of the Board shall be appointed by the President of the United States, by and with the advice and consent of the Senate, and four members of the Board shall be appointed by the President on the basis of recommendations received by him from any non-Federal entity or entities entering into contractual arrangements to participate in the corporation;

(B) a President and such other officers and employees as may be named and appointed by the Board (with the rates of compensation of all officers and employees being fixed by the Board); and

(C) the usual powers conferred upon corporations by the laws of the District of Columbia.

(3) An appropriate time interval, not to exceed 12 years, shall be established for the term of Federal participation in the corporation, at the expiration of which the Board of Directors shall take such action as may be necessary to dissolve the corporation or otherwise terminate Federal participation and financial interests. In carrying out such action, the Board of Directors shall dispose of all physical facilities of the corporation in such manner and subject to such terms and conditions as the Board determines are in the public interest and consistent with existing law; and a share of the appraised value of the corporate assets proportional to the Federal participation in the corporation, including the proceeds from the disposition of such facilities, on the date of its dissolution, after satisfaction of all its legal obligations, shall be made available to the United States and deposited in the Treasury of the United States as miscellaneous receipts. All patent rights of the corporation shall, on such date of dissolution, be vested in the Secretary: Provided, That Federal participation may be terminated prior to the time established in the authorizing Act upon recommendation of the Board of Directors.

(4) Any commercially valuable product produced by demonstration facilities shall be disposed of in such manner and under such terms and conditions as the corporation shall prescribe. All revenues received by the corporation from the sale of such products shall be available to the corporation for use by it in defraying expenses incurred in connection with carrying out its functions to which this chapter applies.

(5) The estimated Federal share of the construction, operation, and maintenance cost over the life of each corporation shall be determined in order to facilitate a single congressional authorization of the full amount at the time of establishment of the corporation.

(6) The Federal share of the cost of each such corporation shall reflect (A) the technical and economic risk of the venture, (B) the probability of any financial return to the non-Federal participants arising from the venture, (C) the financial capability of the potential non-Federal participants, and (D) such other factors as the Secretary may set forth in proposing the corporation: Provided, That in no instance shall the Federal share exceed 90 percent of the cost.

(7) No such corporation shall be established unless previously authorized by specific legislation enacted by the Congress.

(c) Proposed competitive systems of price supports for demonstration facilities; guidelines

Competitive systems of price supports proposed for congressional authorization pursuant to this chapter shall conform to the following guidelines:

(1) The Secretary shall determine the types and capacities of the desired full-scale, com-

1 See Codification note below.
mmercial-size facility or other operation which would demonstrate the technical, environmental, and economic feasibility of a particular nonnuclear energy technology.

The Secretary may award planning grants for the purpose of financing a study of the full cycle economic and environmental costs associated with the demonstration facility selected pursuant to paragraph (1) of this subsection. Such planning grants may be awarded to Federal and non-Federal entities including, but not limited to, industrial entities, universities, and nonprofit organizations. Such planning grants may also be used by the grantee to prepare a detailed and comprehensive bid to construct the demonstration facility.

(3) Following the completion of the studies pursuant to the planning grants awarded under paragraph (2) of this subsection regarding each such potential price supported demonstration facility for which the Secretary intends to request congressional authorization, he shall invite bids from all interested parties to determine the minimum amount of Federal price support needed to construct the demonstration facility. The Secretary may designate one or more competing entities, each to construct one commercial demonstration facility. Such designation shall be made on the basis of those entities, (A) commitment to construct the demonstration facility at the minimum level of Federal price supports, (B) detailed plan of environmental protection, and (C) proposed design and operation of the demonstration facility.

(4) The construction plans and actual construction of the demonstration facility, together with all related facilities, shall be monitored by the Environmental Protection Agency. If additional environmental requirements are imposed by the Secretary after the designation of the successful bidders and if such additional environmental requirements result in additional costs, the Secretary is authorized to renegotiate the support price to cover such additional costs.

(5) The estimated amount of the Federal price support for a facility’s product over the life of such facility shall be determined by the Secretary to facilitate a single congressional authorization of the full amount of such support at the time of the designation of the successful bidders.

(6) No price support program shall be implemented unless previously authorized by specific legislation enacted by the Congress.

(d) Support for joint university-industry research efforts

Nothing in this section shall preclude Federal participation in, and support for, joint university-industry nonnuclear energy research efforts.


Codification

Section 5919 of this title, referred to in subsec. (a)(7), was in the original “section 19” and has been ed-


Amendments


Subsec. (a)(4). Pub. L. 109–58, § 1009(b)(5)(B), substituted “of this section” for “of the section”.

Subsecs. (b), (c), Pub. L. 109–58, § 1009(b)(5)(A), substituted “Secretary” for “Administrator” wherever appearing.

1986—Subsec. (b)(7). Pub. L. 99–386 struck out subpar. (A) which related to submission of a report by Secretary to House and Senate prior to establishment of any joint Federal-industry corporation pursuant to this chapter, setting forth in detail consistency of establishment of corporation with this section and section 5904 of this title, and proposed purpose and activities of corporation, and struck out subpar. (B) designation.


Nonapplicability of Title II of Pub. L. 95–238 to Any Authorization or Appropriation for Military Application of Nuclear Energy, Etc.; Definitions

Nonapplicability of provisions of title II of Pub. L. 95–238 with respect to any authorization or appropriation for any military application of nuclear energy, etc., see section 209 of Pub. L. 95–238, set out as a note under section 5821 of this title.

Price-Support Program To Demonstrate Municipal Solid Waste Reprocessing for Production of Fuels and Energy Intensive Products

Pub. L. 95–39, title I, § 107, June 3, 1977, 91 Stat. 185, authorized Administrator, subject to the appropriation of funds pursuant to section 101(7)(I) of Pub. L. 95–39, to establish and implement, under subsection (a)(4) of this section and in accordance with subsection (c) of this section, a price-support program to demonstrate municipal solid waste reprocessing for production of fuels and energy intensive products, with Administrator, prior to entering into any contract for such demonstration, to submit to Congress a full and complete report on the proposed commercial demonstration facility and the necessary project demonstration guarantees, and provided that such contract could not be finalized prior to the expiration of ninety calendar days (not including any day on which either House of Congress was not in session because of an adjournment of more than three calendar days to a day certain) from the date on which such report was received.

§ 5907. Demonstration projects

(a) Scope of authority of Secretary

The Secretary is authorized to—

(1) identify opportunities to accelerate the commercial applications of new energy technologies, and provide Federal assistance for or participation in demonstration projects (including pilot plants demonstrating technological advances and field demonstrations of new methods and procedures, and demonstrations of prototype commercial applications for the exploration, development, production, transportation, conversion, and utilization of energy resources); and

(2) enter into cooperative agreements with non-Federal entities to demonstrate the tech-
Criteria applicable in reviewing potential projects

In reviewing potential projects, the Secretary shall consider criteria including but not limited to—

1. The anticipated, research, development, and application objectives to be achieved by the activities or facilities proposed;
2. The economic, environmental, and societal significance which a successful demonstration may have for the national fuels and energy system;
3. The relationship of the proposal to the criteria of priority set forth in section 5904(b)(2) of this title;
4. The availability of non-Federal participants to construct and operate the facilities or perform the activities associated with the proposal and to contribute to the financing of the proposal;
5. The total estimated cost including the Federal investment and the probable time schedule;
6. The proposed participants and the proposed financial contributions of the Federal Government and of the non-Federal participants; and
7. The proposed cooperative arrangements, agreements among the participants, and form of management of the activities.

Federal and non-Federal share of costs

1. A financial award under this section may be made only to the extent of the Federal share of the estimated total design and construction costs, plus operation and maintenance costs.
2. For the purposes of this chapter the non-Federal share may be in any form, including, but not limited to, lands or interests therein needed for the project or personal property or services, the value of which shall be determined by the Secretary.

Regulations

1. The Administrator of the Energy Research and Development Administration shall, within six months of December 31, 1974, promulgate regulations establishing procedures for submission of proposals to the Energy Research and Development Administration for the purposes of this chapter. Such regulations shall establish a procedure for selection of proposals which—
   A. Provides that projects will be carried out under such conditions and varying circumstances as will assist in solving energy extraction, transportation, conversion, conservation, and end-use problems of various areas and regions, under representative geological, geographic, and environmental conditions; and
   B. Provides time schedules for submission of, and action on, proposal requests for the purposes of implementing the goals and objectives of this chapter.
2. Such regulations also shall specify the types and form of the information, data, and support documentation that are to be contained in proposals for each form of Federal assistance or participation set forth in section 5906(a) of this title: Provided, That such proposals to the extent possible shall include, but not be limited to—
   A. Specification of the technology;
   B. Description of prior pilot plant operating experience with the technology;
   C. Preliminary design of the demonstration plant;
   D. Time tables containing proposed construction and operation plans;
   E. Budget-type estimates of construction and operating costs;
   F. Description and proof of title to land for proposed site, natural resources, electricity and water supply and logistical information related to access to raw materials to construct and operate the plant and to dispose of salable products produced from the plant;
   G. Analysis of the environmental impact of the proposed plant and plans for disposal of wastes resulting from the operation of the plant;
   H. Plans for commercial use of the technology if the demonstration is successful;
   I. Plans for continued use of the plant if the demonstration is successful; and
   J. Plans for dismantling of the plant if the demonstration is unsuccessful or otherwise abandoned.
3. The Secretary shall from time to time review and, as appropriate, modify and repromulgate regulations issued pursuant to this section.

Amount of estimate of Federal investment requiring Congressional authorization for appropriation

If the estimate of the Federal investment with respect to construction costs of any demonstration project proposed to be established under this section exceeds $50,000,000, no amount may be appropriated for such project except as specifically authorized by legislation hereafter enacted by the Congress.

Amount of estimated Federal contribution; necessity for report

If the total estimated amount of the Federal contribution to the construction cost of a demonstration project does not exceed $50,000,000, the Secretary is authorized to proceed with the negotiation of agreements and implementation of the proposal subject to the availability of funds under the authorization of appropriations pursuant to section 5915 of this title: Provided, That if such Federal contribution to the construction cost is estimated to exceed $25,000,000 the Secretary shall provide a full and comprehensive report on the proposed demonstration project to the appropriate committees of the Congress and no funds may be expended for any agreement under the authority granted by this section prior to the expiration of sixty calendar days (not including any day on which either House of Congress is not in session because of an adjournment of more than three calendar days to a day certain) from the date on which the Secretary’s report on the proposed project is received by the Congress. Such reports shall contain an analysis of the extent to which the proposed demonstration satisfies the criteria specified in subsection (b) of this section.

AMENDMENTS

2005—Subsecs. (a), (b), (c)(2). Pub. L. 109–58, §1009(b)(6)(A), substituted “Secretary” for “Administrator” in introductory provisions of subsecs. (a) and (b) and in par. (2) of subsec. (c).


Subsec. (f). Pub. L. 109–58, §1009(b)(6)(C), substituted “Secretary” for “Administrator” in two places and “Secretary’s” for “Administrator’s”.

TRANSFER OF FUNCTIONS

The Energy Research and Development Administration, referred to in subsec. (d)(1), was terminated and all of its functions and the functions of its Administrator were transferred (with certain exceptions) to the Secretary of Energy. See sections 301(a), 703, and 707 of Pub. L. 95–91, which are classified to sections 7151(a), 7293, and 7297 of this title.

REPORT TO CONGRESS ON ENVIRONMENTAL, MONITORING, ASSESSMENT, AND CONTROL EFFORTS REQUIRED FOR DEMONSTRATION PROJECTS; SUBMISSION TO CONGRESS BY DECEMBER 3, 1977

Pub. L. 95–39, title I, §113, June 3, 1977, 91 Stat. 187, directed Administrator of Energy Research and Development Administration, in consultation with Administrator of Environmental Protection Agency, to submit a report to Congress six months after June 3, 1977, on the environmental monitoring, assessment, and control efforts, relating to environment, safety, and health, which are required to successfully demonstrate any project which is subject to subsecs. (e) and (f) of this section and is authorized by this Act or any prior Act.

§ 5907a. Small grant program

(a) Establishment

There shall be established within the Department of Energy a program for appropriate technology under the direction of the Secretary. The Secretary shall develop and implement a program of small grants for the purpose of encouraging development and demonstration projects described in subsection (c) of this section.

(b) Limitation

The aggregate amount of financial support made available to any participant in such program, including affiliates, under this section shall not exceed $50,000 during any two-year period.

(c) Systems and technologies to be developed and demonstrated

Funds made available under this section shall be used to provide, for a coordinated and expanded effort for the development and demonstration of, and the dissemination of information with respect to, energy-related systems and supporting technologies appropriate to—

1. the needs of local communities and the enhancement of community self-reliance through the use of available resources;

2. the use of renewable resources and the conservation of nonrenewable resources;

3. the use of existing technologies applied to novel situations and uses;

4. applications which are energy-conserving, environmentally sound, small scale, durable and low cost; and

5. applications which demonstrate simplicity of installation, operation and maintenance.

(d) Eligible participants; simplified application procedures; report to Secretary; allocation criteria; guidelines

(1) Grants, agreements or contracts under this section may be made to individuals, local nonprofit organizations and institutions, State and local agencies, Indian tribes and small businesses. The Secretary shall develop simplified procedures with respect to application for support under this section.

(2) Each grant, agreement or contract under this section shall be governed by the provisions of section 9 of the Federal Nonnuclear Energy Research and Development Act of 1974 [42 U.S.C. 5908] and shall contain effective provisions under which the Secretary shall receive a full written report of activities supported in whole or in part by funds made available by the Secretary; and

(3) In determining the allocation of funds among applicants for support under this section the Secretary may take into consideration:

(A) the potential for energy savings or energy production;

(B) the type of fuel saved or produced;

(C) the potential impact on local or regional energy or environmental problems; and

(D) such other criteria as the Secretary finds necessary to achieve the purposes of this Act or the purposes of the Federal Nonnuclear Energy Research and Development Act of 1974 [42 U.S.C. 5901 et seq.].

Guidelines implementing this section shall be promulgated with full opportunity for public comment.

(e) Reports to Congress

The Secretary shall—

(1) prepare and submit no later than October 1, 1977, a detailed report on plans for implementation, including the timing of implementation, of the provisions of this section to the Committee on Energy and Natural Resources of the Senate and the Committee on Science and Technology of the House of Representatives and shall keep such committees fully and currently informed concerning the development of such plans; and

(2) include as a part of the annual report required by section 15(a)(1) 1 of the Federal Nonnuclear Energy Research and Development Act of 1974 beginning in 1977, a full and complete report on the program under this section.


REFERENCES IN TEXT


1 See References in Text note below.
amended sections 5813, 5818, and 5912 of this title, and
enacted provisions set out as notes under sections 5906, 5907, 5914, and 7001 of this title. For complete classification
of this Act to the Code, see Tables.

The Federal Nonnuclear Energy Research and Devel-
opment Act of 1974, referred to in subsec. (d)(3)(D), is
which is classified generally to this chapter (§ 5901 et seq.). For complete classification of this Act to the
Code, see Short Title note set out under section 5901 of
this title and Tables.

Section 15 of the Federal Nonnuclear Energy Re-
search and Development Act of 1974, referred to in sub-
sec. (e)(2), was classified to section 5914 of this title and
was omitted from the Code.

Codification

Section was not enacting part of the Federal Non-
nuclear Energy Research and Development Act of 1974
which comprises this chapter.

Change of Name

Committee on Science and Technology of House of
Representatives changed to Committee on Science,
Space, and Technology of House of Representatives by
House Resolution No. 5, One Hundred Twelfth Congress,

Transfer of Functions

“Secretary”, meaning Secretary of Energy, sub-
stituted for “Administrator”, “Administration”, and
“Assistant Administrator for Conservation and Devel-
opment”, meaning Energy Research and Development
Administration and Administrator thereof. In subsecs.
(a), (d), and (e) and “Department of Energy” sub-
stituted for “Administration” in subsec. (a) pursuant
to sections 361(a), 703, and 707 of Pub. L. 89–91, which
are classified to sections 7151(a), 7293, and 7297 of this
title and which terminated Energy Research and Devel-
opment Administration and transferred its functions and
functions of Administrator thereof (with certain
exceptions) to Secretary of Energy.

§ 5908. Patents and inventions

(a) Vesting of title to invention and issuance of
patents to United States; prerequisites

Whenever any invention is made or conceived
in the course of or under any contract of the De-
partment, other than nuclear energy research,
development, and demonstration pursuant to the
Atomic Energy Act of 1954 (42 U.S.C. 2011 et seq.) and the Secretary determines that—

(1) the person who made the invention was
employed or assigned to perform research, de-
velopment, or demonstration work and the in-
vention is related to the work he was
employed or assigned to perform, or that it was
within the scope of his employment duties,
whether or not it was made during working
hours, or with a contribution by the Govern-
ment of the use of Government facilities,
equipment, materials, allocated funds, infor-
mation proprietary to the Government, or
services of Government employees during
working hours; or

(2) the person who made the invention was
not employed or assigned to perform research,
development, or demonstration work, but the
invention is nevertheless related to the con-
tract or to the work or duties he was employed or
assigned to perform, and was made during
working hours, or with a contribution from
the Government of the sort referred to in
clause (1), 1

1 So in original. Probably should be a comma.

title to such invention shall vest in the United
States, and if patents on such invention are is-
}
§ 5908

THE PUBLIC HEALTH AND WELFARE

Page 6070

(5) the purpose and nature of the contract, including the intended use of the results developed thereunder;

(6) the extent to which the contractor has made or will make substantial investment of financial resources or technology developed at the contractor's private expense which will directly benefit the work to be performed under the contract;

(7) the extent to which the field of technology to be funded under the contract has been developed at the contractor's private expense;

(8) the extent to which the Government intends to further develop to the point of commercial utilization the results of the contract effort;

(9) the extent to which the contract objectives are concerned with the public health, public safety, or public welfare;

(10) the likely effect of the waiver on competition and market concentration; and

(11) in the case of a nonprofit educational institution, the extent to which such institution has a technology transfer capability and program, approved by the Secretary as being consistent with the applicable policies of this section.

(e) Considerations applicable to identified invention for waiver determination by Secretary

In determining whether a waiver to the contractor or inventor or rights to an identified invention will best serve the interests of the United States and the general public, the Secretary will take into account considerations paragraphs (4) through (11) of subsection (d) as applied to the invention and—

(1) the extent to which such waiver is a reasonable and necessary incentive to call forth private risk capital for the development and commercialization of the invention; and

(2) the extent to which the plans, intentions, and ability of the contractor or inventor will obtain expeditious commercialization of such invention.

(f) Rights subject to reservation where title to invention vested in United States

Whenever title to an invention is vested in the United States, there may be reserved to the contractor or inventor—

(1) a revocable or irrevocable nonexclusive, paid-up license for the practice of the invention throughout the world; and

(2) the rights to such invention in any foreign country where the United States has elected not to secure patent rights and the contractor elects to do so, subject to the rights set forth in paragraphs (2), (3), (6), and (7) of subsection (h): Provided, That when specifically requested by the Department and three years after issuance of such a patent, the contractor shall submit the report specified in subsection (h)(1) of this section.

(g) to (i) Repealed. Pub. L. 96–517, § 7(c), Dec. 12, 1980, 94 Stat. 3027

(j) Small business status of applicant for waiver or licenses

The Secretary shall, in granting waivers or licenses, consider the small business status of the applicant.

(k) Protection of invention, etc., rights by Secretary

The Secretary is authorized to take all suitable and necessary steps to protect any invention or discovery to which the United States holds title, and to require that contractors or persons who acquire rights to inventions under this section protect such inventions.

(l) Department as defense agency of United States for purpose of maintaining secrecy of inventions

The Department shall be considered a defense agency of the United States for the purpose of chapter 17 of title 35.

(m) Definitions

As used in this section—

(1) the term “person” means any individual, partnership, corporation, association, institution, or other entity;

(2) the term “contract” means any contract, grant, agreement, understanding, or other arrangement, which includes research, development, or demonstration work, and includes any assignment, substitution of parties, or subcontract executed or entered into thereafter;

(3) the term “made”, when used in relation to any invention, means the conception or first actual reduction to practice of such invention;

(4) the term “invention” means inventions or discoveries, whether patented or unpatented; and

(5) the term “contractor” means any person having a contract with or on behalf of the Department.

(n) Report concerning applicability of existing patent policies to energy programs; time for submission to President and appropriate congressional committees

Within twelve months after December 31, 1974, the Secretary with the participation of the Attorney General, the Secretary of Commerce, and other officials as the President may designate, shall submit to the President and the appropriate congressional committees a report concerning the applicability of existing patent policies affecting the programs under this chapter, along with his recommendations for amendments or additions to the statutory patent policy, including his recommendations on mandatory licensing, which he deems advisable for carrying out the purposes of this chapter.


REFERENCES IN TEXT


AMENDMENTS

Section 83 of Title 35, Patents, as amended...
§ 5912. Water resource assessments
(a) Assessments by Water Resources Council of water resource requirements and water supply availability for nonnuclear energy technologies; preparation requirements

The Water Resources Council shall undertake assessments of water resource requirements and water supply availability for any nonnuclear energy technology and any probable combinations of technologies which are the subject of Federal research and development efforts authorized by this chapter, and the commercial development of which could have significant impacts on water resources. In the preparation of its assessment, the Council shall—

(1) utilize to the maximum extent practicable data on water supply and demand available in the files of member agencies of the Council;
(2) collect and compile any additional data it deems necessary for complete and accurate assessments;
(3) give full consideration to the constraints upon availability imposed by treaty, compact, court decree, State water laws, and water rights granted pursuant to State and Federal law;
(4) assess the effects of development of such technology on water quality;
(5) include estimates of cost associated with production and management of the required water supply, and the cost of disposal of waste water generated by the proposed facility or process;
(6) assess the environmental, social, and economic impact of any change in use of currently utilized water resource that may be required by the proposed facility or process; and
(7) consult with the Council on Environmental Quality.
(b) Request by Secretary that Water Resources Council prepare assessment of availability of adequate water resources for proposed demonstration projects; report; publication

For any proposed demonstration project which may involve a significant impact on water resources, the Secretary shall, as a precondition of Federal assistance to that project, request the Water Resources Council to prepare an assessment of water requirements and availability for such project. A report on the assessment shall be published in the Federal Register for public review thirty days prior to the expenditure of Federal funds on the demonstration.
(c) Assessment by Water Resources Council of availability of adequate water resources as precondition for Federal assistance for commercial application of nonnuclear energy technologies

For any proposed Federal assistance for commercial application of energy technologies pursuant to this chapter, the Water Resources Council shall, as a precondition of such Federal assistance, provide to the Secretary an assessment of the availability of adequate water resources for such commercial application and an evaluation of the environmental, social, and economic impacts of the dedication of water to such uses.
(d) Publication of reports of assessments and evaluations by Water Resources Council in Federal Register; public review and comments

Reports of assessments and evaluations prepared by the Council pursuant to subsections (a) and (c) shall be published in the Federal Register and at least ninety days shall be provided for public review and comment. Comments received shall accompany the reports when they are submitted to the Secretary and shall be available to the public.
(e) Inclusion of survey and analysis of regional and national water resource availability in biennial assessment by Water Resources Council

The Council shall include a broad survey and analysis of regional and national water resource availability for energy development in the biennial assessment required by section 1962a-1(a) of this title.
(f) Secretary as member of Water Resources Council

The Secretary shall, upon enactment of this subsection, be a member of the Council.

Amendments
2005—Subsecs. (b) to (d), (f). Pub. L. 109–58 substituted “Secretary” for “Administrator”.
Subsec. (b). Pub. L. 95–39, §110(2), substituted “the Administrator shall, as a precondition of Federal assistance to that project, request the Water Resources Council to prepare an assessment of water requirements and availability for such project” for “the Administrator shall, as a precondition of Federal assistance to that project, prepare or have prepared an assessment of the availability of adequate water resources”.

Transfer of Functions

§ 5913. Evaluation by National Institute of Standards and Technology of energy-related inventions prior to awarding of grants by Secretary; promulgation of regulations

The National Institute of Standards and Technology shall give particular attention to the evaluation of all promising energy-related inventions, particularly those submitted by individual inventors and small companies for the purpose of obtaining direct grants from the Secretary. The National Institute of Standards and
Technology is authorized to promulgate regulations in the furtherance of this section.


AMENDMENTS


TRANSFER OF FUNCTIONS

“Secretary”, meaning Secretary of Energy, substituted in text for “Administrator”, meaning Administrator of Energy Research and Development Administration, pursuant to sections 301(a), 703, and 707 of Pub. L. 95–91, which are classified to sections 7151(a), 7293, and 7297 of this title and which terminated Energy Research and Development Administration and transferred its functions and functions of Administrator thereof (with certain exceptions) to Secretary of Energy.

§ 5914. Omitted

CODIFICATION

Section, Pub. L. 93–577, §15, Dec. 31, 1974, 88 Stat. 1894; Pub. L. 95–91, title III, §301(a), title VII, §§703, 707, Aug. 4, 1977, 91 Stat. 577, 606, 607; Pub. L. 95–238, title II, §206(b), Feb. 25, 1978, 92 Stat. 61, which required the Secretary to submit annually to Congress a report de tailing the activities carried out pursuant to this chapter during the preceding fiscal year, a detailed description of the comprehensive plan for nuclear and non nuclear energy research, development, and demonstration then in effect under section 5903(a) of this title, a detailed description of the comprehensive plan for nuclear and non nuclear energy research, development, and demonstration then in effect under section 5903(a) of this title, a detailed description of the comprehensive nonnuclear research, development, and demonstration program then in effect under section 5906(b) of this title, and a detailed description of the environmental and safety research, development, and demonstration activities carried out and in progress and which provided that those reports would satisfy the reporting requirements of section 5877(a) of this title insofar as is concerned activities, goals, priorities, and plans of the Secretary pertaining to nonnuclear energy, terminated, effective May 15, 2000, pursuant to section 3003 of Pub. L. 101–66, set out as a note under section 1113 of Title 31, Money and Finance. See, also, the 20th item on page 86 of House Document No. 103–7.

§ 5915. Authorization of appropriations

There may be appropriated to the Secretary to carry out the purposes of this chapter such sums as may be authorized in annual appropriation Acts.


AMENDMENTS

2005—Pub. L. 100–58, in section catchline, substituted “Authorization of appropriations” for “Appropriation authorization”, and in text, substituted “There may be appropriated to the Secretary” for “(a) There may be appropriated to the Administrator’ and struck out subsec. (b) and (c), which related to amounts to be made available to the Council on Environmental Quality and the Water Resources Council and amounts which might be appropriated for demonstration projects.

ALTERNATIVE FUELS PRODUCTION; ENERGY SECURITY RESERVE FUND


“In order to expedite the domestic development and production of alternative fuels and to reduce dependence on foreign supplies of energy resources by establishing such domestic production at maximum levels as soon as practicable, there is hereby established in the Treasury of the United States a special fund to be designated the ‘Energy Security Reserve’, to which is appropriated $19,000,000,000, to remain available until expended. Provided, That these funds shall be available for obligation only to stimulate domestic commercial production of alternative fuels and only to the extent provided in advance in appropriations Acts. Provided further, That of these funds $1,500,000,000 shall be available immediately to the Secretary of Energy to carry out the provisions of the Federal Nonnuclear Energy Research and Development Act of 1974, as amended (42 U.S.C. 5901 et seq.), to remain available until expended, for the purchase or production by way of purchase commitments or price guarantees of alternative fuels. Provided further, That the Secretary shall immediately begin the contract process for purchases of, or commitments to purchase, or to resell alternative fuels to the extent of appropriations provided herein. Provided further, That of these funds an additional $708,000,000 shall be available immediately to the Secretary of Energy, to remain available until expended, to support preliminary alternative fuels commercialization activities under the Federal Nonnuclear Energy Research and Development Act of 1974, as amended, of which (1) not to exceed $100,000,000 shall be available for project development feasibility studies, such individual awards not to exceed $1,000,000; Provided, That the Secretary may require repayment of such funds where studies determine that such project proposals have economic or technical feasibility; (2) not to exceed $100,000,000 shall be available for cooperative agreements with non-Federal entities, such individual agreements not to exceed $25,000,000 to support commercial scale development of alternative fuel facilities; (3) not to exceed $500,000,000 shall be available for a reserve to cover any defaults from loan guarantees issued to finance the construction of alternative fuels production facilities as authorized by the Federal Nonnuclear Energy Research and Development Act of 1974, as amended; Provided, That the indebtedness guaranteed or committed to be guaranteed under this appropriation shall not exceed the aggregate of $1,500,000,000; and (4) not to exceed $8,000,000 shall be available for program management.

“This Act [Pub. L. 96–126] shall be deemed to satisfy the requirements for congressional action pursuant to sections 7(c) and 19 of said Act [section 5906(c) and former section 5919 of this title] with respect to any purchase commitment, price guarantee, or loan guarantee for which funds appropriated hereby are utilized or obligated.

“For the purposes of this appropriation the term ‘alternative fuels’, means gaseous, liquid, or solid fuels and chemical feedstocks derived from coal, shale, sand, lignite, peat, biomass, solid waste, unconventional natural gas, and other minerals or organic materials other than crude oil or any derivative thereof.

“Within ninety days following enactment of this Act [Nov. 27, 1979], the Secretary of Energy in his sole discretion shall issue a solicitation for applications which shall include criteria for project development feasibility studies described in this account.

“Loan guarantees for oil shale facilities issued under this appropriation may be used to finance construction of full-sized commercial facilities without regard to the proviso in section 19(b)(1) of said Act [former section 5919(b)(1) of this title] requiring the prior demonstration of a modular facility.

“In any case in which the Government, under the provisions of this appropriation, accepts delivery of and does not resell any alternative fuels, such fuels shall be used by an appropriate Federal agency. Such Federal agency shall pay the market price, as determined by the Secretary, for such fuels from sums appropriated to such Federal agency for the purchase of...
funds. The Secretary shall pay the contractor, from sums appropriated herein, the contract price for such funds.

"All amounts received by the Secretary under this appropriation, including fees, any other monies, property, or assets derived by the Secretary from operations under this appropriation shall be deposited in the reserve.

"All payments for obligations and appropriate expenses (including reimbursements to other Government accounts), pursuant to operations of the Secretary under this appropriation shall be paid from the reserve subject to appropriations.

"For the establishment in the Treasury of the United States of a special fund to be designated the 'Solar and Conservation Reserve', $1,000,000,000 to remain available until expended:

"The funds available under this appropriation shall be deposited in the reserve. The Secretary may acquire proprietary and trade secrets or (2) other proprietary information of such person, the Secretary shall not disclose such information and disclosure thereof shall be punishable under section 1905 of title 18: Provided further, That the Secretary shall, upon request, provide such information to (A) any delegate of the Secretary for the purpose of carrying out this chapter, and (B) the Attorney General, the Secretary of Agriculture, the Secretary of the Interior, the Federal Trade Commission, the Environmental Protection Agency, the Federal Energy Regulatory Commission, the Government Accountability Office, other Federal agencies, when necessary to carry out their duties and responsibilities under this chapter and other statutes, but such agencies and agency heads shall not release such information to the public. This section is not authority to withhold information from Congress or any committee of Congress upon request of the chairman or ranking minority member.

§ 5915a. Expiration of initial authorization to construct fossil energy demonstration plants

Notwithstanding any other applicable provision of law, the initial authorization in this Act or any other Act heretofore or hereafter enacted to construct, pursuant to section 5907 of this title, any fossil energy demonstration plant shall expire at the end of the three full fiscal years following the date of enactment of such authorization, unless (1) funds to construct each such plant are appropriated or otherwise provided pursuant to applicable law prior thereto, or (2) such authorization period is extended by specific Act of Congress hereafter enacted.


Amendments

2005—Pub. L. 109–58, § 1009(b)(11)(A)–(C), (D)(ii), (E), substituted "Secretary shall" for "Administrator shall" wherever appearing, "research, development, and demonstration" for "Administrator's research, development, and demonstration", "Secretary determines" for "Administrator determines", "the Secretary may acquire" for "he may acquire", "Secretary by" for "Administrator by", "Secretary directly" for "Administrator directly", "Secretary for" for "Administrator for", "the Federal Energy Regulatory Commission" for "the Federal Power Commission", and "Government Accountability Office" for "General Accounting Office", struck out "the Federal Energy Administration", after "the Federal Trade Commission," and inserted "or ranking minority member" before period at end. Pub. L. 109–58, § 1009(b)(11)(D)(i), which directed the substitution of "section 1905 of title 18" for "section 1905 or title 18", could not be executed because "section 1905 or title 18" does not appear in text.

§ 5916. Central source of nonnuclear energy information

The Secretary shall promptly establish, develop, acquire, and maintain a central source of information on all energy resources and technology in furtherance of the research, development, and demonstration mission carried out directly or indirectly under this chapter. When the Secretary determines that such information is needed to carry out the purposes of this chapter, the Secretary may acquire proprietary and other information (a) by purchase through negotiation or by donation from any person, or (b) from another Federal agency. The information maintained by the Secretary shall be made available to the public, subject to the provisions of section 592 of title 18, and to other Government agencies in a manner that will facilitate its dissemination: Provided, That upon a showing satisfactory to the Secretary by any person that any information, or portion thereof, obtained under this section by the Secretary directly or indirectly from such person, would, if made public, divulge (1) trade secrets or (2) other proprietary information of such person, the Secretary shall not disclose such information and disclosure thereof shall be punishable under section 1905 of title 18.


EFFECTIVE DATE OF REPEAL

For effective date and applicability of repeal, see section 4401 of Pub. L. 104–106, set out as an Effective Date of 1996 Amendment note under section 2302 of Title 10, Armed Forces.


SHORT TITLE OF 1996 AMENDMENT

Pub. L. 104–183, §1, Aug. 6, 1996, 110 Stat. 1694, provided that: ‘‘This Act [amending sections 6030, 6065, 6066, and 6083 of this title] may be cited as the ‘Developmental Disabilities Assistance and Bill of Rights Act Amendments of 1996’.’’

SHORT TITLE OF 1994 AMENDMENT

Pub. L. 103–230, §1(a), Apr. 6, 1994, 108 Stat. 284, provided that: ‘‘This Act [enacting sections 6025a, 6065, and 6066 of this title, amending this section and sections 6001, 6003, 6005 to 6009, 6021, 6022, 6024, 6025, 6026, 6027, 6029, 6030, 6041 to 6043, 6061 to 6064, and 6083 of this title, repealing sections 6002, 6004, 6023, and 6028 of this title, enacting provisions set out as a note under section 6025 of this title, and amending provisions set out as a note under this section] may be cited as the ‘Developmental Disabilities Assistance and Bill of Rights Act Amendments of 1994.’’

SHORT TITLE OF 1990 AMENDMENT

Pub. L. 101–496, §1, Oct. 31, 1990, 104 Stat. 1191, provided that: ‘‘This Act [amending this section and sections 6001, 6002, 6006 to 6009, 6021, 6022, 6024, 6025, 6030, 6061 to 6064, and 6083 of this title] may be cited as the ‘Developmental Disabilities Assistance and Bill of Rights Act of 1990.’’

SHORT TITLE OF 1987 AMENDMENT

Pub. L. 100–146, §1, Oct. 29, 1987, 101 Stat. 840, provided that: ‘‘This Act [amending this section and sections 6001, 6006, 6021 to 6025, 6027, 6030, 6043, 6061 to 6064, and 6081 to 6083 of this title, and enacting provisions set out as a note above] may be cited as the ‘Developmental Disabilities Assistance and Bill of Rights Act Amendments of 1987.’’

SHORT TITLE OF 1984 AMENDMENT


SHORT TITLE OF 1975 AMENDMENT

Pub. L. 94–103, §1, Oct. 4, 1975, 89 Stat. 486, provided that: ‘‘This Act [see Codification note set out above] may be cited as the ‘Developmentally Disabled Assistance and Bill of Rights Act’.‘

SHORT TITLE

Pub. L. 88–164, §1, Oct. 31, 1963, 77 Stat. 272, as amended, provided that: ‘‘This Act [enacting this chapter and subchapter III (§2699 et seq.) of chapter 31 of this title, and enacting provisions set out as notes under this section and section 2689 of this title] may be cited as the

Page 6075 TITLE 42—THE PUBLIC HEALTH AND WELFARE §§6000, 6001


‘Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963’.


Prior sections 6010 to 6012 were omitted in the general amendment of this chapter by Pub. L. 98–287.


SUBCHAPTER II—FEDERAL ASSISTANCE TO STATE DEVELOPMENTAL DISABILITIES COUNCILS


A prior section 121 of Pub. L. 88–164, title I, as added by Pub. L. 94–103, title I, § 105, Apr. 6, 1984, 98 Stat. 296, required the Secretary to establish an advisory committee to make recommendations to the Secretary concerning programs, plans, and policies related to the developmentally disabled.

§ 6102. Prohibition of discrimination

Pursuant to regulations prescribed under section 6103 of this title, and except as provided by section 6103(b) and section 6103(c) of this title, no person in the United States shall, on the basis of age, be excluded from participation in, or be denied the benefits of, or be subjected to discrimination under, any program or activity receiving Federal financial assistance.


§ 6103. Regulations

(a) Publication in Federal Register of proposed general regulations, final general regulations, and anti-discrimination regulations; effective date

(1) Not later than one year after the transmission of the report required by section 6106(b) of this title, or two and one-half years after November 28, 1975, whichever occurs first, the Secretary of Health and Human Services shall publish in the Federal Register proposed general regulations to carry out the provisions of section 6102 of this title.

(2)(A) The Secretary shall not publish such proposed general regulations until the expiration of a period comprised of—

(i) the forty-five day period specified in section 6106(e) of this title; and

(ii) an additional forty-five day period, immediately following the period described in clause (i), during which any committee of the Congress having jurisdiction over the subject matter involved may conduct hearings with respect to the report which the Commission is required to transmit under section 6106(d) of this title, and with respect to the comments and recommendations submitted by Federal departments and agencies under section 6106(e) of this title.

(B) The forty-five day period specified in subparagraph (A)(ii) shall include only days during which both Houses of the Congress are in session.

(3) Not later than ninety days after the Secretary publishes proposed regulations under paragraph (1), the Secretary shall publish in the Federal Register final general regulations to carry out the provisions of section 6102 of this title, after taking into consideration any comments received by the Secretary with respect to the regulations proposed under paragraph (1).

(4) Not later than ninety days after the Secretary publishes final general regulations under paragraph (a)(3), the head of each Federal department or agency which extends Federal financial assistance to any program or activity by way of grant, entitlement, loan, or contract other than a contract of insurance or guaranty, shall transmit to the Secretary and publish in the Federal Register proposed regulations to carry out the provisions of section 6102 of this title and to provide appropriate investigative, conciliation, and enforcement procedures. Such regulations shall be consistent with the final general regulations issued by the Secretary, and shall not become effective until approved by the Secretary.

(5) Notwithstanding any other provision of this section, no regulations issued pursuant to this section shall be effective before July 1, 1979.

(b) Nonviolate actions; program or activity exemption

(1) It shall not be a violation of any provision of this chapter, or of any regulation issued under this chapter, for any person to take any action otherwise prohibited by the provisions of section 6102 of this title if, in the program or activity involved—

(A) such action reasonably takes into account age as a factor necessary to the normal operation or the achievement of any statutory objective of such program or activity; or

(B) the differentiation made by such action is based upon reasonable factors other than age.

(2) The provisions of this chapter shall not apply to any program or activity established under authority of any law which (A) provides any benefits or assistance to persons based upon the age of such persons; or (B) establishes criteria for participation in age-related terms or describes intended beneficiaries or target groups in such terms.

(c) Employment practices and labor-management joint apprenticeship training program exemptions; Age Discrimination in Employment Act unaffected

(1) Nothing in this chapter shall be construed to authorize action under this chapter by any Federal department or agency with respect to any employment practice of any employer, employment agency, or labor organization, or with respect to any labor-management joint apprenticeship training program.

(2) Nothing in this chapter shall be construed to amend or modify the Age Discrimination in Employment Act of 1967 (29 U.S.C. 621–634), as amended, or to affect the rights or responsibilities of any person or party pursuant to such Act.


REFERENCES IN TEXT

§ 6104  TITLE 42—THE PUBLIC HEALTH AND WELFARE

amended, which is classified generally to chapter 14 (§621 et seq.) of Title 29, Labor. For complete classification
of this Act to the Code, see Short Title note set out under section 621 of Title 29 and Tables.

AMENDMENTS

1998—Subsec. (c)(1). Pub. L. 105–277 substituted “Nothing” for “Except with respect to any program or
activity receiving Federal financial assistance for public service employment under the Job Training Part-
nership Act, nothing”.

that the regulations shall not become effective until
approved by the Secretary.

Subsec. (a)(5). Pub. L. 95–478, § 401(b)(2), substituted
“July 1, 1979” for “January 1, 1979”.

CHANGE OF NAME

“Secretary of Health and Human Services” sub-
stituted for “Secretary of Health, Education, and Wel-
fare” in subsec. (a)(1) pursuant to section 509(b) of Pub.
L. 96–88, which is classified to section 3508(b) of Title 20,
Education.

EFFECTIVE DATE OF 1978 AMENDMENT

Amendment by Pub. L. 95–478 effective at the close of
Sept. 30, 1978, see section 504 of Pub. L. 95–478, set out
as a note under section 3001 of this title.

§ 6104. Enforcement

(a) Methods of achieving compliance with regu-
lations

The head of any Federal department or agency
who prescribes regulations under section 6103 of
this title may seek to achieve compliance with
any such regulation—

(1) by terminating, or refusing to grant or to
continue, assistance under the program or ac-
tivity involved to any recipient with respect
to whom there has been an express finding on
the record, after reasonable notice and oppor-
tunity for hearing, of a failure to comply with
any such regulation; or

(2) by any other means authorized by law.

(b) Limitations on termination of, or on refusal
to grant or to continue, assistance; disburse-
ment of withheld funds to achiever agencies

Any termination of, or refusal to grant or to
continue, assistance under subsection (a)(1) shall be limited to the particular political en-
tity or other recipient with respect to which a
finding has been made under subsection (a)(1).
Any such termination or refusal shall be limited in its effect to the particular program or activ-
ity, or part of such program or activity, with re-
spect to which such finding has been made. No
such termination or refusal shall be based in
whole or in part on any finding with respect to
any program or activity which does not receive
Federal financial assistance. Whenever the head of
any Federal department or agency who pre-
scribes regulations under section 6103 of this
title withholds funds pursuant to subsection (a),
he may, in accordance with regulations he shall
prescribe, disburse the funds so withheld di-
rectly to any public or nonprofit private organi-
zation or agency, or State or political subdivi-
sion thereof, which demonstrates the ability to
achieve the goals of the Federal statute author-
izing the program or activity while complying
with regulations issued under section 6103 of this
title.

(c) Advice as to failure to comply with regula-
tion; determination that compliance cannot be
secured by voluntary means

No action may be taken under subsection (a) un-
til the head of the Federal department or
agency involved has advised the appropriate per-
motion of the failure to comply with the regula-
tion involved and has determined that compliance
cannot be secured by voluntary means.

(d) Report to Congressional committees

In the case of any action taken under sub-
section (a), the head of the Federal department
or agency involved shall transmit a written re-
port of the circumstances and grounds of such
action to the committees of the House of Rep-
resentatives and the Senate having legisla-
tive jurisdiction over the program or activity in-
volved. No such action shall take effect until
thirty days after the transmission of any such
report.

(e) Injunctions; notice of violations; costs; condi-
tions for actions

(1) When any interested person brings an ac-
tion in any United States district court for the
district in which the defendant is found or trans-
acts business to enjoin a violation of this Act by
any program or activity receiving Federal finan-
cial assistance, such interested person shall give
notice by registered mail not less than 30 days
prior to the commencement of that action to the
Secretary of Health and Human Services, the
Attorney General of the United States, and
the person against whom the action is directed.

Such interested person may elect, by a demand
for such relief in his complaint, to recover rea-
sonable attorney’s fees, in which case the court
shall award the costs of suit, including a reason-
able attorney’s fee, to the prevailing plaintiff.

(2) The notice referred to in paragraph (1) shall
state the nature of the alleged violation, the re-
 lief to be requested, the court in which the ac-
tion will be brought, and whether or not attor-
ney’s fees are being demanded in the event that
the plaintiff prevails. No action described in
paragraph (1) shall be brought (A) if at the time
the action is brought the same alleged violation
by the same defendant is the subject of a pend-
ing action in any court of the United States; or
(B) if administrative remedies have not been ex-
hausted.

(f) Exhaustion of administrative remedies

With respect to actions brought for relief
based on an alleged violation of the provisions of
this chapter, administrative remedies shall be
deemed exhausted upon the expiration of 180
days from the filing of an administrative com-
plaint during which time the Federal depart-
ment or agency makes no finding with regard to
the complaint, or upon the day that the Federal
department or agency issues a finding in favor
of the recipient of financial assistance, which-
ever occurs first.

(Pub. L. 94–135, title III, § 305, Nov. 28, 1975, 89
Stat. 730; Pub. L. 95–478, title IV, § 401(c), (d),
title V, § 509(b), Oct. 17, 1979, 93 Stat. 695.)

REFERENCES IN TEXT

This Act, referred to in subsec. (e)(1), probably means
Pub. L. 94–135, Nov. 28, 1975, 89 Stat. 713, as amended,
§ 6105. Judicial review

(a) Provisions of other laws

Any action by any Federal department or agency under section 6104 of this title shall be subject to such judicial review as may otherwise be provided by law for similar action taken by any such department or agency on other grounds.

(b) Provisions of chapter 7 of title 5; reviewable agency discretion

In the case of any action by any Federal department or agency under section 6104 of this title which is not otherwise subject to judicial review, any person aggrieved (including any State or political subdivision thereof and any agency of either) may obtain judicial review of such action in accordance with the provisions of chapter 7 of title 5. For purposes of this subsection, any such action shall not be considered committed to unreviewable agency discretion within the meaning of section 701(a)(2) of such title.


§ 6106. Study of discrimination based on age

(a) Study by Commission on Civil Rights

The Commission on Civil Rights shall (1) undertake a study of unreasonable discrimination based on age in programs and activities receiving Federal financial assistance; and (2) identify with particularity any such federally assisted program or activity in which there is found evidence of persons who are otherwise qualified being, on the basis of age, excluded from participation in, denied the benefits of, or subjected to discrimination under such program or activity.

(b) Public hearings

As part of the study required by this section, the Commission shall conduct public hearings to elicit the views of interested parties, including Federal departments and agencies, on issues relating to age discrimination in programs and activities receiving Federal financial assistance, and particularly with respect to the reasonableness of distinguishing, on the basis of age, among potential participants in, or beneficiaries of, specific federally assisted programs.

(c) Publication of results of analyses, research and studies by independent experts; services of voluntary or uncompensated personnel

The Commission is authorized to obtain, through grant or contract, analyses, research and studies by independent experts of issues relating to age discrimination and to publish the results thereof. For purposes of the study required by this section, the Commission may accept and utilize the services of voluntary or uncompensated personnel, without regard to the provisions of section 105(b) of the Civil Rights Act of 1957 (42 U.S.C. 1975d(b)).

(d) Report to President and Congress; copies to affected Federal departments and agencies; information and technical assistance

Not later than two years after November 28, 1975, the Commission shall transmit a report of its findings and its recommendations for statutory changes (if any) and administrative action, including suggested general regulations, to the Congress and to the President and shall provide a copy of its report to the head of each Federal department and agency with respect to which the Commission makes findings or recommendations. The Commission is authorized to provide, upon request, information and technical assistance regarding its findings and recommendations to Congress, to the President, and to the heads of Federal departments and agencies for a ninety-day period following the transmittal of its report.

(e) Comments and recommendations of Federal departments and agencies; submission to President and Congressional committees

Not later than forty-five working days after receiving a copy of the report required by subsection (d), each Federal department or agency with respect to which the Commission makes findings or recommendations shall submit its comments and recommendations regarding such report to the President and to the Committee on Labor and Human Resources of the Senate and the Committee on Education and Labor of the House of Representatives.

(f) Cooperation of Federal departments and agencies with Commission

The head of each Federal department or agency shall cooperate in all respects with the Commission with respect to the study required by subsection (a), and shall provide to the Commission such data, reports, and documents in connection with the subject matter of such study as the Commission may request.

(g) Authorization of appropriations

There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this section.

§ 6106a

TITeLE 42—THE PUBLIC HEALTH AND WELFARE

Page 6082

REFERENCES IN TEXT

Section 105(b) of the Civil Rights Act of 1957, referred to in subsec. (c), is in section 105(b) of Pub. L. 85–315, pt. 1, Sept. 9, 1957, 71 Stat. 636, which was classified to section 1975(b) of this title and was omitted from the Code. For further details, see Codification note set out preceding section 1975 of this title. Similar provisions are contained in section 4(c) of the Civil Rights Commission Act of 1963, Pub. L. 89–183, Nov. 30, 1963, 77 Stat. 564, as amended, which is classified to section 1975(b)(c) of this title.

AMENDMENTS

1979—Subsec. (c), Pub. L. 95–65 substituted “two years” for “eighteen months” and authorized the Commission to provide information and technical assistance regarding its findings and recommendations to Congress, the President, and heads of Federal departments and agencies for a ninety-day period following the transmittal of its report.

CHANGE OF NAME

Committee on Labor and Human Resources of Senate changed to Committee on Health, Education, Labor, and Pensions of Senate by Senate Resolution No. 20, One Hundred Sixth Congress, Jan. 19, 1999. Previously, Committee on Human Resources of Senate changed to Committee on Labor and Human Resources of Senate effective Mar. 7, 1979, by Senate Resolution No. 30, 96th Congress. See Rule XXV of Standing Rules of Senate, as amended by Senate Resolution No. 4 (popularly cited as the “Committee System Reorganization Amendments of 1977”), approved Feb. 4, 1977.

§ 6106a. Reports to the Secretary and Congress

(a) Not later than December 31 of each year (beginning in 1979), the head of each Federal department or agency shall submit to the Secretary of Health and Human Services a report (1) describing in detail the steps taken during the preceding fiscal year by such department or agency to carry out the provisions of section 6102 of this title; and (2) containing specific data about program participants or beneficiaries, by age, sufficient to permit analysis of how well the department or agency is carrying out the provisions of section 6102 of this title.

(b) Not later than March 31 of each year (beginning in 1980), the Secretary of Health and Human Services shall compile the reports made pursuant to subsection (a) and shall submit them to the Congress, together with an evaluation of the performance of each department or agency with respect to carrying out the provisions of section 6102 of this title.


PRIOR PROVISIONS

A prior section 308 of Pub. L. 94–135 was renumbered section 309 and is classified to section 6107 of this title.

CHANGE OF NAME

“Secretary of Health and Human Services” substituted for “Secretary of Health, Education, and Welfare” pursuant to section 509(b) of Pub. L. 96–88, which is classified to section 1975(b) of Title 20, Education.
CHAPTER 77—ENERGY CONSERVATION

Sec. 6201. Congressional statement of purpose.
6202. Definitions.

SUBCHAPTER I—DOMESTIC SUPPLY AVAILABILITY

PART A—DOMESTIC SUPPLY
6211, 6212. Repealed.
6212a. Oil exports, safety valve, and maritime security.
6213. Certain lease bidding arrangements prohibited.
6214. Repealed.
6215. Major fuel burning stationary source.
6216. Annual Home Heating Readiness Reports.
6217. Scientific inventory of oil and gas reserves.

PART B—STRATEGIC PETROLEUM RESERVE
6231. Congressional finding and declaration of policy.
6232. Definitions.
6233. Repealed.
6234. Strategic Petroleum Reserve.
6235 to 6238. Repealed.
6239. Development, operation, and maintenance of the Reserve.
6240. Petroleum products for storage, transport, or exchange.

Sec. 6241. Drawdown and sale of petroleum products.
6242. Coordination with import quota system.
6243. Records and accounts.
6244. Repealed.
6245. Annual report.
6246. Authorization of appropriations.
6247. SPR Petroleum Account.
6247a. Use of underutilized facilities.
6247b. Purchase of oil from marginal wells.

PART C—AUTHORITY TO CONTRACT FOR PETROLEUM PRODUCT NOT OWNED BY UNITED STATES
6249. Contracting for petroleum product and facilities.
6249a. Implementation.
6249b. Repealed.
6249c. Contracts for which implementing legislation is needed.

PART D—NORTHEAST HOME HEATING OIL RESERVE
6250. Establishment.
6250a. Authority.
6250b. Conditions for release; plan.
6250c. Northeast Home Heating Oil Reserve Account.
6250d. Exemptions.
6250e. Repealed.
6250f. Limit on amount of petroleum distillate.

PART E—EXPIRATION
6251. Repealed.

SUBCHAPTER II—STANDBY ENERGY AUTHORITIES

PART A—GENERAL EMERGENCY AUTHORITIES
6261 to 6264. Repealed.

PART B—AUTHORITIES WITH RESPECT TO INTERNATIONAL ENERGY PROGRAM
6271. International oil allocations.
6272. International voluntary agreements.
6273. Advisory committees.
6275. Relationship between standby emergency authorities and international energy program.
6276. Domestic renewable energy industry and related service industries.

PART C—SUMMER FILL AND FUEL BUDGETING PROGRAMS
6283. Summer fill and fuel budgeting programs.

PART D—EXPIRATION
6285. Repealed.

SUBCHAPTER III—IMPROVING ENERGY EFFICIENCY

PART A—ENERGY CONSERVATION PROGRAM FOR CONSUMER PRODUCTS OTHER THAN AUTOMOBILES
6291. Definitions.
6292. Coverage.
6293. Test procedures.
6294. Labeling.
6294a. Energy Star program.
6294b. WaterSense program.
6295. Energy conservation standards.
6296. Requirements of manufacturers.
6297. Effect on other law.
6298. Rules.
6299. Authority to obtain information.
6300. Exports.
6301. Imports.
6302. Prohibited acts.
6303. Enforcement.
6304. Injunctive enforcement.
§ 6201  TITLE 42—THE PUBLIC HEALTH AND WELFARE

The purposes of this chapter are—

(1) to grant specific authority to the President to fulfill obligations of the United States under the international energy program;

(2) to provide for the creation of a Strategic Petroleum Reserve capable of reducing the impact of severe energy supply interruptions;


(4) to conserve energy supplies through energy conservation programs, and, where necessary, the regulation of certain energy uses;

(5) to provide for improved energy efficiency of motor vehicles, major appliances, and certain other consumer products;


(7) to provide a means for verification of energy data to assure the reliability of energy data; and

(8) to conserve water by improving the water efficiency of certain plumbing products and appliances.
REFERENCES IN TEXT


AMENDMENTS

2000—Par. (1). Pub. L. 106–469, §102(1), struck out "standing" after "grant specific" and "subject to congressional review, to impose rationing, to reduce demand for energy through the implementation of energy conservation plans," and after "the President".

Par. (3). Pub. L. 106–469, §102(2), struck out par. (3) which read as follows: "to increase the supply of fossil fuels in the United States, through price incentives and production requirements;"

Par. (6). Pub. L. 106–469, §102(3), struck out par. (6) which read as follows: "to reduce the demand for petroleum products and natural gas through programs designed to provide greater availability and use of this Nation's abundant coal resources;"


SHORT TITLE OF 2018 AMENDMENT

Pub. L. 115–115, §1, Jan. 12, 2018, 131 Stat. 2280, provided that: "This Act [amending sections 6291, 6294, 6295, 6311, and 6313 of this title] may be cited as the 'Economics Improvement Act of 2017'."

SHORT TITLE OF 2017 AMENDMENT

Pub. L. 115–78, §1, Nov. 2, 2017, 131 Stat. 1256, provided that: "This Act [amending section 6295 of this title] may be cited as the 'Power and Security Systems (PASS) Act'."

SHORT TITLE OF 2014 AMENDMENT

Pub. L. 113–263, §1, Dec. 18, 2014, 128 Stat. 2937, provided that: "This Act [amending section 6295 of this title] may be cited as the 'E.P.S. Service Parts Act of 2014'."


SHORT TITLE OF 2012 AMENDMENT

Pub. L. 112–210, §1, Dec. 18, 2012, 126 Stat. 1514, provided that: "This Act [amending section 6351 of this title, amending sections 6291, 6294, 6296, 6297, 6311, 6313, 6314, 6316, and 6253 of this title, and enacting provisions set out as notes under sections 6291 and 6295 of this title] may be cited as the 'American Energy Manufacturing Technical Corrections Act'."

SHORT TITLE OF 2000 AMENDMENT

Pub. L. 106–469, §1, Nov. 9, 2000, 114 Stat. 2029, provided that: "This Act [see Tables for classification] may be cited as the 'Energy Act of 2000'."

Pub. L. 106–469, title I, §101, Nov. 9, 2000, 114 Stat. 2029, provided that: "This title [amending this section and sections 6291, 6292, 6294, 6296 to 6241, 6243 to 6247, 6249, 6249a, 6251, 6276 and 6285 of this title, repealing sections 6211, 6214, 6231, 6235 to 6238, 6241, 6249b, 6261 to 6264, 6261 and 6262 of this title, and repealing provisions set out as notes under section 6311 of Title 50, War and National Defense] may be cited as the 'Energy Policy and Conservation Act Amendments of 2000'."

SHORT TITLE OF 1998 AMENDMENT

Pub. L. 105–388, §1, Nov. 13, 1998, 112 Stat. 3477, provided that: "This Act [enacting section 13220 of this title, amending sections 2296a, 2296a–2, 2297g–1, 6241, 6291, 6292, 6294, 6295, 6306, 6315, 6322, 6323, 6371, 6371c, 6371f, 6371l, 6372c, 6372h, 6374, 6381, 6422, 6802, 6827, 6821, 6831, 6835, 6829, 6827, 6827c, and 13212 of this title and section 3503 of Title 25, Indians, enacting provisions set out as notes under section 6241 of this title, and amending and repealing provisions set out as notes under section 4511 of Title 50, War and National Defense] may be cited as the 'Energy Conservation Reauthorization Act of 1998'."

SHORT TITLE OF 1994 AMENDMENT


SHORT TITLE OF 1990 AMENDMENT


SHORT TITLE OF 1988 AMENDMENT


Pub. L. 100–357, §1, June 28, 1988, 102 Stat. 671, provided that: "This Act [amending sections 6291 to 6295 and 6297 of this title] may be referred to as the 'National Appliance Energy Conservation Amendments of 1988'."

SHORT TITLE OF 1987 AMENDMENT

Pub. L. 100–12, §1, Mar. 17, 1987, 101 Stat. 103, provided that: "This Act [amending sections 6291 to 6297, 6299, 6302, 6303, 6305, 6306, 6308, and 6309 of this title] may be referred to as the 'National Appliance Energy Conservation Act of 1987'."

SHORT TITLE OF 1985 AMENDMENT

Pub. L. 99–58, §1, July 2, 1985, 99 Stat. 102, provided that: "This Act [amending sections 6251, 6294, 6295, and 7277 of this title, amending sections 6239, 6246, 6241, 6247, and 6272 of this title, repealing section 6421 of this title, enacting provisions set out as notes under section 7277 of this title, and amending provisions set out as a note below] may be referred to as the 'Energy Policy and Conservation Act Amendments of 1985'"
under section 4511 of Title 50, War and National Defense] may be cited as the 'Energy and Conservation Amendments Act of 1985'.”

SHORT TITLE OF 1984 AMENDMENT


SHORT TITLE OF 1982 AMENDMENT


SHORT TITLE OF 1981 AMENDMENT


SHORT TITLE

Pub. L. 94–163, §1, Dec. 22, 1975, 89 Stat. 871, provided in part: “That this Act [enacting this chapter and sections 757 to 796 and 2001 to 2012 of Title 15, Commerce and Trade, amending sections 783, 754, 755, 792, 796, and 1901 of Title 15, and section 4511 of Title 50, War and National Defense, enacting provisions set out as notes under this section, sections 783 and 796 of Title 15, and section 4511 of Title 50, and repealing provisions formerly set out as a note under section 1904 of Title 12, Banks and Banking] may be cited as the ‘Energy Policy and Conservation Act.’”

NATIONAL OILHEAT RESEARCH ALLIANCE


“SEC. 701. SHORT TITLE.

‘This title may be cited as the ‘National Oilheat Research Alliance Act of 2000’.

‘SEC. 702. FINDINGS.

‘Congress finds that—

“(1) oilheat fuel is an important commodity relied on by approximately 30,000,000 Americans as an efficient and economical energy source for commercial and residential space and hot water heating;

“(2) oilheat fuel equipment operates at efficiencies among the highest of any space heating energy source, reducing fuel costs and making oilheat fuel an economical means of space heating;

“(3) the production, distribution, and marketing of oilheat fuel and oilheat fuel equipment plays a significant role in the economy of the United States, accounting for approximately $12,900,000,000 in expenditures annually and employing millions of Americans in all aspects of the oilheat fuel industry;

“(4) only very limited Federal resources have been made available for oilheat fuel research, development, safety, training, and education efforts, to the detriment of both the oilheat fuel industry and its 30,000,000 consumers;

“(5) the cooperative development, self-financing, and implementation of a coordinated national oilheat fuel industry program of research and development, training, and consumer education is necessary and important for the welfare of the oilheat fuel industry, the general economy of the United States, and the millions of Americans that rely on oilheat fuel for commercial and residential space and hot water heating;

“(6) consumers of oilheat fuel fuel [sic] are provided service by thousands of small businesses that are unable to individually develop training programs to facilitate the entry of new and qualified workers into the oilheat fuel fuel [sic] industry;

“(7) small businesses and trained employees are in an ideal position—

“(A) to provide information to consumers about the benefits of improved efficiency; and

“(B) to encourage consumers to value efficiency in energy choices and assist individuals in conserving energy;

“(8) additional research is necessary—

“(A) to improve oilheat fuel fuel [sic] equipment; and

“(B) to develop domestic renewable resources that can be used to safely and affordably heat homes;

“(9) since there are no Federal resources available to assist the oilheat fuel fuel [sic] industry, it is necessary and appropriate to develop a self-funded program dedicated—

“(A) to improving efficiency in customer homes; and

“(B) to assist individuals to gain employment in the oilheat fuel fuel [sic] industry; and

“(C) to develop domestic renewable resources;

“(10) both consumers of oilheat fuel fuel [sic] and retailers would benefit from the self-funded program; and

“(11) the oilheat fuel fuel [sic] industry is committed to providing appropriate funding necessary to carry out the purposes of this title without passing additional costs on to residential consumers.

“SEC. 703. DEFINITIONS.

“In this title:

“(1) ALLIANCE.—The term ‘Alliance’ means a national oilheat fuel research alliance established under section 704.

“(2) CONSUMER EDUCATION.—The term ‘consumer education’ means the provision of information to assist consumers and other persons in making evaluations and decisions regarding oilheat fuel and other nonindustrial commercial or residential space or hot water heating fuels.

“(3) COST-EFFECTIVE.—The term ‘cost-effective’, with respect to a program or activity carried out under section 707(f)(4), means that the program or activity meets a total resource cost test under which—

“(A) the net present value of the economic benefits over the life of the program or activity, including avoided supply and delivery costs and deferred or avoided investments; is greater than

“(B) the net present value of the economic costs over the life of the program or activity, including program costs and incremental costs borne by the energy consumer;

“(4) EXCHANGE.—The term ‘exchange’ means an agreement that—

“(A) entitles each party or its customers to receive oilheat fuel from the other party; and

“(B) requires only an insubstantial portion of the volumes involved in the exchange to be settled in cash or property other than the oilheat fuel.

“(5) INDUSTRY TRADE ASSOCIATION.—The term ‘industry trade association’ means an organization described in paragraph (3) or (6) of section 501(c) of the Internal Revenue Code of 1986 [26 U.S.C. 501(c)(3), (6)] that is exempt from taxation under section 501(a) of that Code and is organized for the purpose of representing the oilheat fuel industry.

“(6) NO. 1 DISTILLATE.—The term ‘No. 1 distillate’ means fuel oil classified as No. 1 distillate

“(7) NO. 2 DYED DISTILLATE.—The term ‘No. 2 dyed distillate’ means fuel oil classified as No. 2 distillate

{(distillate}
by the American Society for Testing and Materials that is indelibly dyed in accordance with regulations prescribed by the Secretary of the Treasury under section 4082(a)(2) of the Internal Revenue Code of 1986 (26 U.S.C. 4082(a)(2)).

"8) OILHEAT FUEL.—The term 'oilheat fuel' means fuel that—

"(a) is—

"(i) No. 1 distillate;

"(ii) No. 2 dyed distillate;

"(iii) a liquid blended with No. 1 distillate or No. 2 dyed distillate; or

"(iv) a biobased liquid; and

"(b) is used as a fuel for nonindustrial commercial or residential space or hot water heating.

"9) OILHEAT FUEL INDUSTRY.—

"(a) IN GENERAL.—The term 'oilheat fuel industry' means—

"(i) persons in the production, transportation, or sale of oilheat fuel; and

"(ii) persons engaged in the manufacture or distribution of oilheat fuel utilization equipment.

"(b) EXCLUSION.—The term 'oilheat fuel industry' does not include ultimate consumers of oilheat fuel.

"(c) PUBLIC MEMBER.—The term 'public member' means a member of the Alliance described in section 705(c)(1)(F).

"(d) QUALIFIED INDUSTRY ORGANIZATION.—The term 'qualified industry organization' means the National Association for Oilheat Research and Education or a successor organization.

"(e) QUALIFIED STATE ASSOCIATION.—The term 'qualified State association' means the industry trade association or other organization that the qualified industry organization or the Alliance determines best represents retail marketers in a State.

"(f) RETAIL MARKETER.—The term 'retail marketer' means a person engaged primarily in the sale of oilheat fuel to ultimate consumers.

"(g) SECRETARY.—The term 'Secretary' means the Secretary of Energy.

"(h) WHOLESALE DISTRIBUTOR.—The term 'wholesale distributor' means a person that—

"(1)(i) produces No. 1 distillate or No. 2 dyed distillate;

"(ii) imports No. 1 distillate or No. 2 dyed distillate; or

"(iii) transports No. 1 distillate or No. 2 dyed distillate across State boundaries or among local marketing areas; and

"(2) sells the distillate to another person that does not produce, import, or transport No. 1 distillate or No. 2 dyed distillate across State boundaries or among local marketing areas.

"(i) TERMINATION OR SUSPENSION.—

"(1) IN GENERAL.—On the initiative of the Alliance or on petition to the Alliance by retail marketers and wholesale distributors representing 25 percent of the volume of oilheat fuel or weighted No. 1 distillate and No. 2 dyed distillate in each class, the Alliance shall, at its own expense, hold a referendum, to be conducted by an independent auditing firm selected by the Alliance, to determine whether the oilheat fuel industry favors termination or suspension of the Alliance.

"(2) VOLUME PERCENTAGES REQUIRED TO TERMINATE OR SUSPEND.—The Alliance, if established, shall reimburse the qualified industry organization for the cost of accounting and documentation for the referendum.

"(3) TERMINATION BY A STATE.—A State may elect to participate in the referendum by notifying the Alliance that 50 percent of the oilheat fuel volume in the State has voted in a referendum to withdraw.

"(4) CALCULATION OF OILHEAT FUEL SALES.—For the purposes of this section and section 705, the volume of oilheat fuel sold annually in a State shall be determined on the basis of information provided by the Energy Information Administration with respect to a calendar year or other representative period.

"SEC. 704. REFERENDA.

"(a) CREATION OF PROGRAM.—

"(1) IN GENERAL.—The oilheat fuel industry, through the qualified industry organization, may conduct, at its own expense, a referendum among retail marketers and wholesale distributors for the establishment of a national oilheat fuel research alliance.

"(2) REIMBURSEMENT OF COST.—The Alliance, if established, shall reimburse the qualified industry organization for the cost of accounting and documentation for the referendum.

"(3) CONDUCT.—A referendum under paragraph (1) shall be conducted by an independent auditing firm.

"(4) VOTING RIGHTS.—

"(A) RETAIL MARKETERS.—Voting rights of retail marketers in a referendum under paragraph (1) shall be based on the volume of oilheat fuel sold in a State by each retail marketer in the calendar year previous to the year in which the referendum is conducted or in another representative period.

"(B) WHOLESALE DISTRIBUTORS.—Voting rights of wholesale distributors in a referendum under paragraph (1) shall be based on the volume of No. 1 distillate and No. 2 dyed distillate sold in a State by each wholesale distributor in the calendar year previous to the year in which the referendum is conducted or in another representative period, weighted by the ratio of the total volume of No. 1 distillate and No. 2 dyed distillate sold for nonindustrial commercial and residential space and hot water heating in the State to the total volume of No. 1 distillate and No. 2 dyed distillate sold in that State.

"(5) ESTABLISHMENT BY APPROVAL OF TWO-THIRDS.—

"(A) IN GENERAL.—Subject to subparagraph (B), on approval of persons representing two-thirds of the total volume of oilheat fuel voted in the retail marketer class and two-thirds of the total weighted volume of No. 1 distillate and No. 2 dyed distillate voted in the wholesale distributor class, the Alliance shall be established and shall be authorized to levy assessments under section 707.

"(B) REQUIREMENT OF MAJORITY OF RETAIL MARKETERS.—Except as provided in subsection (b), the oilheat fuel industry in a State shall not participate in the Alliance if less than 50 percent of the retail marketer vote in the State.

"(6) CERTIFICATION OF VOLUMES.—Each person voting in the referendum shall certify to the independent auditing firm the volume of oilheat fuel, No. 1 distillate, or No. 2 dyed distillate represented by the vote of the person.

"(7) NOTIFICATION.—Not later than 90 days after the date of the enactment of this title [Nov. 9, 2000], a qualified State association may notify the qualified industry organization in writing that a referendum under paragraph (1) will not be conducted in the State.

"(b) SUBSEQUENT STATE PARTICIPATION.—The oilheat fuel industry in a State that has not participated initially in the Alliance may subsequently elect to participate by conducting a referendum under subsection (a).

"(c) TERMINATION OR SUSPENSION.—

"(1) IN GENERAL.—On the initiative of the Alliance or on petition to the Alliance by retail marketers and wholesale distributors representing 25 percent of the volume of oilheat fuel or weighted No. 1 distillate and No. 2 dyed distillate in each class, the Alliance shall, at its own expense, hold a referendum, to be conducted by an independent auditing firm selected by the Alliance, to determine whether the oilheat fuel industry favors termination or suspension of the Alliance.

"(2) VOLUME PERCENTAGES REQUIRED TO TERMINATE OR SUSPEND.—The Alliance, if established, shall reimburse the qualified industry organization for the cost of accounting and documentation for the referendum.

"(3) TERMINATION BY A STATE.—A State may elect to terminate participation by notifying the Alliance that 50 percent of the oilheat fuel volume in the State has voted in a referendum to withdraw.

"(4) CALCULATION OF OILHEAT FUEL SALES.—For the purposes of this section and section 705, the volume of oilheat fuel sold annually in a State shall be determined on the basis of information provided by the Energy Information Administration with respect to a calendar year or other representative period.

"SEC. 705. MEMBERSHIP.

"(a) SELECTION.—

"(1) LIST.—

"(A) IN GENERAL.—The Alliance shall provide to the Secretary a list of qualified nominees for membership in the Alliance.

"(B) REQUIREMENT.—Except as provided in subsection (c)(1)(C), members of the Alliance shall be
representatives of the oilheat fuel industry in a State, selected from a list of nominees submitted by the qualified State association in the State.

(2) Vacancies.—A vacancy in the Alliance shall be filled in the same manner as the original selection.

(3) Secretarial Action.—

(a) In General.—The Secretary shall have 60 days to review nominees provided under paragraph (1).

(b) Failure to Act.—If the Secretary takes no action during the 60-day period described in subparagraph (A), the nominees shall be considered to be members of the Alliance.

(c) Number of Members.—

(1) In General.—The Alliance shall be composed of the following members:

(A) 1 member representing each State participating in the Alliance.

(B) 5 representatives of wholesale distributors, of whom 1 shall be selected by each of the qualified State associations of the 5 States with the highest volume of annual oilheat fuel sales.

(C) 5 additional representatives of retail marketers.

(D) 21 representatives of wholesale distributors.

(E) 6 public members, who shall be representatives of significant users of oilheat fuel, the oilheat fuel research community, State energy officials, or other groups with expertise in oilheat fuel, including consumer and low-income advocacy groups.

(2) Full-Time Owners or Employees.—Other than the public members, Alliance members shall be full-time owners or employees of members of the oilheat fuel industry, except that members described in subparagraphs (C), (D), and (E) of paragraph (1) may be employees of an industry trade association.

(3) Compensation.—Alliance members shall receive no compensation for their service, nor shall Alliance members be reimbursed for expenses relating to their service, except that public members, on request, may be reimbursed for reasonable expenses directly related to participation in meetings of the Alliance.

(e) Terms.—

(1) In General.—Subject to paragraph (4), a member of the Alliance shall serve a term of 3 years, except that a member filling an unexpired term may serve a total of 7 consecutive years.

(2) Term Limit.—A member may serve not more than two full consecutive terms.

(3) Former Members.—A former member of the Alliance may be returned to the Alliance if the member has not been a member for a period of 2 years.

(4) Initial Appointments.—Initial appointments to the Alliance shall be for terms of 1, 2, and 3 years, as determined by the qualified industry organization, staggered to provide for the subsequent selection of one-third of the members each year.

SEC. 706. FUNCTIONS.

(a) In General.—

(1) Programs, Projects; Contracts and Other Agreements.—The Alliance—

(A) shall develop programs and projects and enter into contracts or other agreements with other persons and entities for implementing this title, including programs—

(i) to enhance consumer and employee safety and training;

(ii) to provide for research, development, and demonstration of clean and efficient oilheat fuel utilization equipment; and

(iii) for consumer education; and

(B) may provide for the payment of the costs of carrying out subparagraph (A) with assessments collected under section 707.

(2) Coordination.—The Alliance shall coordinate its activities with industry trade associations and other persons as appropriate to provide efficient delivery of services and to avoid unnecessary duplication of activities.

(3) Activities.—

(a) Exclusions.—Activities under clause (i) or (ii) of paragraph (1)(A) shall not include advertising, promotions, or consumer surveys in support of advertising or promotions.

(b) Research, Development, and Demonstration Activities.—

(1) In General.—Research, development, and demonstration activities under paragraph (1)(A) shall include—

(I) all activities incidental to research, development, and demonstration of clean and efficient oilheat fuel utilization equipment, including research to develop renewable fuels and to examine the compatibility of different renewable fuels with oilheat fuel utilization equipment, with priority given to research on the development and use of advanced biofuels; and

(II) the obtaining of patents, including payment of attorney’s fees for making and perfecting a patent application.

(ii) Excluded Activities.—Research, development, and demonstration activities under paragraph (1)(A) shall not include research, development, and demonstration of oilheat fuel utilization equipment with respect to which technically feasible and commercially feasible operations have been verified, except that funds may be provided for improvements to existing equipment until the technical feasibility and commercial feasibility of the operation of those improvements have been verified.

(c) Administration.—In the development of programs and projects, the Alliance shall give priority to issues relating to—

(1) research, development, and demonstration;

(2) safety;

(3) consumer education; and

(4) training.

(d) Advisory Committees.—The Alliance may establish advisory committees consisting of persons other than Alliance members.

(e) Voting.—Each member of the Alliance shall have one vote in matters before the Alliance.

(f) Administrative Expenses.—

(1) In General.—The administrative expenses of operating the Alliance (not including costs incurred in the collection of assessments under section 707) plus amounts paid under paragraph (2) shall not exceed 7 percent of the amount of assessments collected in any calendar year that are permitted to be obligated in that calendar year.

(2) Reimbursement of the Secretary.—

(A) In General.—The Alliance shall annually reimburse the Secretary for costs incurred by the Federal Government relating to the Alliance.
“(B) Limitation.—Reimbursement under subparagraph (A) for any calendar year shall not exceed the amount that the Secretary determines is twice the average annual salary of one employee of the Department of Energy.

“(c) Budget.—

“(1) Publication of Proposed Budget.—Not later than August 1, 2014, and every 2 years thereafter, the Alliance shall, in consultation with the Secretary, develop and publish for public review and comment a proposed biennial budget for the next 2 calendar years, including the probable operating and planning costs of all programs, projects, and contracts and other agreements.

“(2) Submission to the Secretary and Congress.—After review and comment under paragraph (1), the Alliance shall submit the proposed budget to the Secretary and Congress.

“(3) Recommendations by the Secretary.—The Secretary may recommend for inclusion in the budget programs and activities that the Secretary considers appropriate.

“(d) Implementation.—

“(1) In general.—The Alliance shall not implement a proposed budget until the expiration of 60 days after submitting the proposed budget to the Secretary.

“(2) Recommendations for Changes by Secretary.—

“(i) In general.—The Secretary may recommend to the Alliance changes to the budget programs and activities that the Secretary considers appropriate.

“(ii) Response by Alliance.—Not later than 30 days after the receipt of any recommendations made under clause (i), the Alliance shall submit to the Secretary a final budget for the next 2 calendar years that incorporates or includes a description of the response of the Alliance to any changes recommended under clause (i).

“(e) Records; Audits.—

“(1) Records.—The Alliance shall—

“(A) keep records that clearly reflect all of the acts and transactions of the Alliance; and

“(B) make the records available to the public.

“(2) Audits.—

“(A) In general.—The records of the Alliance (including fee assessment reports and applications for refunds under section 707(b)(4)) shall be audited by a certified public accountant at least once each year and at such other times as the Alliance may designate.

“(B) Availability of Audit Reports.—Copies of each audit report shall be provided to the Secretary, the members of the Alliance, and the qualified industry organization, and, on request, to other members of the oilheat fuel industry.

“(f) Policies and Procedures.—

“(1) In general.—The Alliance shall establish policies and procedures for auditing compliance with this title.

“(2) Conformity with GAAP.—The policies and procedures established under clause (1) shall conform with generally accepted accounting principles.

“(g) Public Access to Alliance Proceedings.—

“(1) Public Notice.—The Alliance shall give at least 30 days’ public notice of each meeting of the Alliance.

“(2) Minutes Open to the Public.—Each meeting of the Alliance shall be open to the public.

“(3) Minutes.—The minutes of each meeting of the Alliance shall be made available to and readily accessible by the public.

“(h) Annual Report.—Each year the Alliance shall prepare and make publicly available a report that—

“(1) includes a description of all programs, projects, and contracts and other agreements by the Alliance during the previous year and those planned for the current year; and

“(2) details the allocation of Alliance resources for each such program and project.

“(h) Collection Rules.—

“(1) Collection at Point of Sale.—The assessment shall be collected at the point of sale of No. 1 distillate and No. 2 dyed distillate by a wholesale distributor to a person other than a wholesale distributor, including a sale made pursuant to an exchange.

“(2) Responsibility for Payment.—A wholesale distributor—

“(A) shall be responsible for payment of an assessment to the Alliance on a quarterly basis; and

“(B) shall provide to the Alliance certification of the volume of fuel sold.

“(3) No Ownership Interest.—A person that has no ownership interest in No. 1 distillate or No. 2 dyed distillate shall not be responsible for payment of an assessment under this section.

“(4) Failure to Receive Payment.—

“(A) Refund.—A wholesale distributor that does not receive payments from a purchaser for No. 1 distillate or No. 2 dyed distillate within 1 year of the date of sale may apply for a refund from the Alliance of the assessment paid.

“(B) Amount.—The amount of a refund shall not exceed the amount of the assessment levied on the No. 1 distillate or No. 2 dyed distillate for which payment was not received.

“(5) Importation After Point of Sale.—The owner of No. 1 distillate or No. 2 dyed distillate imported after the point of sale—

“(A) shall be responsible for payment of the assessment to the Alliance at the point at which the product enters the United States; and

“(B) shall provide to the Alliance certification of the volume of fuel imported.

“(6) Late Payment Charge.—The Alliance may establish a late payment charge and rate of interest to be imposed on any person who fails to remit or pay to the Alliance any amount due under this title.

“(7) Alternative Collection Rules.—The Alliance may establish, or approve a request of the oilheat fuel industry in a State for, an alternative means of collecting the assessment if another means is determined to be more efficient or more effective.

“(8) Prohibition on Pass Through.—None of the assessments collected under this title may be passed through or otherwise required to be paid by residential consumers of oilheat fuel.

“(c) Sale for Use Other Than as Oilheat Fuel.—No. 1 distillate and No. 2 dyed distillate sold for uses other than as oilheat fuel are excluded from the assessment.

“(d) Investment of Funds.—Pending disbursement under a program, project or contract or other agreement the Alliance may invest funds collected through assessments, and any other funds received by the Alliance, only—

“(1) in obligations of the United States or any agency of the United States;

“(2) in general obligations of any State or any political subdivision of a State;

“(3) in any interest-bearing account or certificate of deposit of a bank that is a member of the Federal Reserve System; or

“(4) in obligations fully guaranteed as to principal and interest by the United States.

“(e) State, Local, and Regional Programs.—

“(1) Coordination.—The Alliance shall establish a program coordinating the operation of the Alliance with the operator of any similar State, local, or regional program created under State law (including a regulation), or similar entity.

“(2) Funds Made Available to Qualified State Associations.—

“(A) In general.—
§ 6201

TITLE 42—THE PUBLIC HEALTH AND WELFARE

Page 6090

“(i) Base Amount.—The Alliance shall make available to the qualified State association of each State an amount equal to 15 percent of the amount of assessments collected in the State that are permitted to be obligated.

“(ii) Additional Amount.—

“(I) In General.—A qualified State association may request from the Alliance to provide to the association any portion of the remaining 85 percent of the amount of assessments collected in the State that are permitted to be obligated.

“(II) Request Requirements.—A request under this clause shall—

“(aa) specify the amount of funds requested;

“(bb) describe in detail the specific uses for which the requested funds are sought;

“(cc) include a commitment to comply with this title in using the requested funds; and

“(dd) be made publicly available.

“(III) Direct Benefit.—The Alliance shall not provide any funds in response to a request under this clause unless the Alliance determines that the funds will be used to directly benefit the oilheat fuel industry.

“(IV) Monitoring; Terms, Conditions, and Reporting Requirements.—The Alliance shall—

“(aa) monitor the use of funds provided under this clause; and

“(bb) impose whatever terms, conditions, and reporting requirements that the Alliance considers necessary to ensure compliance with this title.

“(B) Separate Accounts.—As a condition of receipt of funds made available to a qualified State association under this title, the qualified State association shall deposit the funds in an account that is separate from other funds of the qualified State association.

“(C) Use of Assessments.—

“(I) In General.—Notwithstanding any other provision of this title, the Secretary and the Alliance shall ensure that assessments collected and permitted to be obligated for each calendar year under this title are allocated and used in accordance with this subsection.

“(II) Research, Development, and Demonstration.—

“(A) In General.—The Alliance shall ensure that not less than 30 percent of the assessments collected and permitted to be obligated for each calendar year under this title are used by qualified State associations or the Alliance to carry out research programs and activities under this title.

“(B) Report.—

“(i) In General.—No later than 1 year after the date of enactment of this subsection [Feb. 7, 2014], the Alliance shall prepare a report on the use of biofuels in oilheat fuel utilization equipment.

“(ii) Contents.—The report required under clause (i) shall—

“(I) provide information on the environmental benefits, economic benefits, and any technical limitations on the use of biofuels in oilheat fuel utilization equipment; and

“(II) describe market acceptance of the fuel, and information on State and local governments that are encouraging the use of biofuels in oilheat fuel utilization equipment.

“(C) Copies.—The Alliance shall submit a copy of the report required under clause (i) to—

“(I) Congress;

“(II) the Governor of each State, and other appropriate State leaders, in which the Alliance is operating; and

“(III) the Administrator of the Environmental Protection Agency.

“(D) Consumer Education Materials.—The Alliance, in conjunction with an institution or organization engaged in biofuels research, shall develop consumer education materials describing the benefits of using biofuels as or in oilheat fuel based on the technical information developed in the report required under subparagraph (D) and other information generally available.

“(E) Cost Sharing.—

“(A) In General.—In carrying out a research, development, demonstration, or commercial application program or activity that is commenced after the date of enactment of this subsection, the Alliance shall require cost-sharing in accordance with this section.

“(B) Research and Development.—

“(I) In General.—Except as provided in clauses (ii) and (iii), the Alliance shall require that not less than 20 percent of the cost of a research or development program or activity described in subparagraph (A) to be provided by a source other than the Alliance.

“(II) Exclusion.—Clause (i) shall not apply to a research or development program or activity described in subparagraph (A) that is of a basic or fundamental nature, as determined by the Alliance.

“(III) Reduction.—The Alliance may reduce or eliminate the requirement of clause (i) for a research and development program or activity of an applied nature if the Alliance determines that the reduction is necessary and appropriate.

“(C) Demonstration and Commercial Application.—The Alliance shall require that not less than 50 percent of the cost of a demonstration or commercial application program or activity described in subparagraph (A) to be provided by a source other than the Alliance.

“(D) Heating Oil Efficiency and Upgrade Programs.—

“(A) In General.—The Alliance shall ensure that not less than 15 percent of the assessments collected and permitted to be obligated for each calendar year under this title are used by qualified State associations or the Alliance to carry out programs to assist consumers—

“(I) to make cost-effective upgrades to more fuel efficient heating systems or to otherwise make cost-effective modifications to an existing heating system to improve the efficiency of the system;

“(II) to improve energy efficiency or reduce energy consumption through cost-effective energy efficiency programs for consumers; or

“(III) to improve the safe operation of a heating system.

“(B) Plan.—The Alliance shall, to the maximum extent practicable, coordinate, develop, and implement the programs and activities of the Alliance in conjunction with existing State energy efficiency program administrators.

“(C) Administration.—

“(I) In General.—In carrying out this paragraph, the Alliance shall, to the maximum extent practicable, ensure that heating system conversion assistance is coordinated with, and developed after consultation with, persons or organizations responsible for administering—

“(i) the low-income home energy assistance program established under the Low-Income Home Energy Assistance Act of 1981 (42 U.S.C. 6821 et seq.); and

“(ii) the Weatherization Assistance Program for Low-Income Persons established under part...
A of title IV of the Energy Conservation and Production Act (42 U.S.C. 6861 et seq.); or

(III) other energy efficiency programs administered by the State or other parties in the State.

(II) DISTRIBUTION OF FUNDS.—The Alliance shall ensure that funds distributed to carry out this paragraph are—

(I) distributed equally to States based on the proportional contributions of the States through collected assessments;

(II) used to supplement (and not supplant) State or alternative sources of funding for energy efficiency programs; and

(III) used only to carry out this paragraph.

(5) CONSUMER EDUCATION, SAFETY, AND TRAINING.—The Alliance shall ensure that not more than 30 percent of the assessments collected and permitted to be obligated for each calendar year under this title are used for—

(A) to conduct consumer education activities relating to oilheat fuel, including providing information to consumers on—

(i) energy conservation strategies;

(ii) safety;

(iii) new technologies that reduce consumption or improve safety and comfort;

(iv) the use of biofuels blends; and

(v) Federal, State, and local programs designed to assist oilheat fuel consumers;

(B) to conduct worker safety and training activities relating to oilheat fuel, including energy efficiency training (including classes to obtain Building Performance Institute or Residential Energy Services Network certification);

(C) to carry out other activities recommended by the Secretary; or

(D) to the maximum extent practicable, a data collection process established, in collaboration with the Secretary or other appropriate Federal agencies, to track equipment, service, and related safety issues and to develop measures to improve safety.

(6) ADMINISTRATIVE COSTS.—

(A) IN GENERAL.—The Alliance shall ensure that not more than 5 percent of the assessments collected and permitted to be obligated for each calendar year under this title are used for—

(I) administrative costs; or

(II) indirect costs incurred in carrying out paragraphs (1) through (5).

(B) ADMINISTRATION.—Activities under this section shall be documented pursuant to a transparent process and procedures developed in coordination with the Secretary.

(7) REPORTS.—

(A) ANNUAL REPORTS.—

(I) IN GENERAL.—Each qualified State association or the Alliance shall prepare an annual report describing its development and administration of this section, and yearly expenditures under this section.

(II) CONTENTS.—Each report required under clause (i) shall include a description of the use of proceeds under this section, including a description of—

(I) advancements made in energy-efficient heating systems and biofuel heating oil blends; and

(II) heating system upgrades and modifications and energy efficiency programs funded under this section.

(III) VERIFICATION.—

(I) IN GENERAL.—The Alliance shall ensure that an independent third-party reviews each report described in clause (i) and verifies the accuracy of the report.

(II) COUNCILS.—If a State has a stakeholder efficiency oversight council, the council shall be the entity that reviews and verifies the report.

(B) REPORTS ON HEATING OIL EFFICIENCY AND UPGRADE PROGRAM.—At least once every 3 years, the Alliance shall prepare a detailed report describing the consumer savings, cost-effectiveness of, and the lifetime and annual energy savings achieved by heating system upgrades and modifications and energy efficiency programs funded under paragraph (4).

(C) AVAILABILITY.—Each report, and any subsequent changes to the report, described in this paragraph shall be made publically available, with notice of availability provided to the Secretary, and posted on the website of the Alliance.

(SEC. 708. LIMITATION ON OBLIGATION OF FUNDS. (a) IN GENERAL.—In each calendar year of the covered period, the Alliance may not obligate an amount greater than the sum of—

(1) 75 percent of the amount of assessments estimated to be collected under section 707 in that calendar year;

(2) 75 percent of the amount of assessments actually collected under section 707 in the most recent calendar year for which an audit report has been submitted under section 706(f)(2)(B) as of the beginning of the calendar year for which the amount that may be obligated is being determined, less the estimate made pursuant to paragraph (1) for that most recent calendar year; and

(3) amounts permitted in preceding calendar years to be obligated pursuant to this subsection that have not been obligated.

(b) EXCESS AMOUNTS DEPOSITED IN ESCROW ACCOUNT.—Assessments collected under section 707 in excess of the amount permitted to be obligated under subsection (a) in a calendar year shall be deposited in an escrow account for the duration of the covered period.

(c) TREATMENT OF AMOUNTS IN ESCROW ACCOUNT.—

(I) IN GENERAL.—During the covered period, the Alliance may not obligate, expend, or borrow against amounts required under subsection (b) to be deposited in the escrow account.

(II) INTEREST.—Any interest earned on amounts described in paragraph (1) shall be—

(A) deposited in the escrow account; and

(B) unavailable for obligation for the duration of the covered period.

(d) RELEASE OF AMOUNTS IN ESCROW ACCOUNT.—Beginning on October 1, 2022, the Alliance may withdraw and obligate any amount in the escrow account.

(SEC. 709. COMPLIANCE. (a) IN GENERAL.—The Alliance may bring a civil action in United States district court to compel payment of an assessment under section 707.

(b) COSTS.—A successful action for compliance under this section may also require payment by the defendant of the costs incurred by the Alliance in bringing the action.

(SEC. 710. LOBBYING RESTRICTIONS. (a) IN GENERAL.—No funds derived from assessments under section 707 collected by the Alliance shall be used to influence legislation or elections or to lobby, except that the Alliance may use such funds to formulate and submit to the Secretary recommendations for amendments to this title or other laws that would further the purposes of this title.

(b) ASSESSMENTS.—

(I) IN GENERAL.—Subject to paragraph (2), no funds derived from assessments collected by the Alliance under section 707 shall be used, directly or indirectly, to influence Federal, State, or local legislation or elections, or the manner of administering a law.

(2) INFORMATION.—The Alliance may use funds described in paragraph (1) to provide information re-
quested by a Member of Congress, or an official of any Federal, State, or local agency, in the course of the official business of the Member or official.

SEC. 711. DISCLOSURE.

"(a) consumer education activity undertaken with funds provided by the Alliance shall include a statement that the activities were supported, in whole or in part, by the Alliance.

SEC. 712. VIOLATIONS.

"(a) PROHIBITION.—It shall be unlawful for any person to conduct a consumer education activity, undertaken with funds derived from assessments collected by the Alliance under section 707, that includes—

"(1) a reference to a private brand name; or

"(2) a false or unwarranted claim on behalf of oilheat fuel or related products; or

"(3) a reference with respect to the attributes or use of any competing product.

"(b) COMPLAINTS.—

"(1) IN GENERAL.—A public utility that is aggrieved by a complaint in subsection (a) may file a complaint with the Alliance.

"(2) TRANSMITTAL TO QUALIFIED STATE ASSOCIATION.—A complaint shall be transmitted concurrently to any qualified State association undertaking the consumer education activity with respect to which the complaint is made.

"(3) CESSION OF ACTIVITIES.—On receipt of a complaint under this subsection, the Alliance, and any qualified State association undertaking the consumer education activity with respect to which the complaint is made, shall cease that consumer education activity until—

"(A) the complaint is withdrawn; or

"(B) a court determines that the conduct of the activity complained of does not constitute a violation of subsection (a).

"(c) RESOLUTION BY PARTIES.—

"(1) IN GENERAL.—Not later than 10 days after a complaint is filed and transmitted under subsection (b), the complaining party, the Alliance, and any qualified State association undertaking the consumer education activity with respect to which the complaint is made shall meet to attempt to resolve the complaint.

"(2) WITHDRAWAL OF COMPLAINT.—If the issues in dispute are resolved in those discussions, the complaining party shall withdraw its complaint.

"(d) JUDICIAL REVIEW.—

"(1) IN GENERAL.—A public utility filing a complaint under this subsection, the Alliance, a qualified State association undertaking the consumer education activity with respect to which a complaint under this section is made, or any person aggrieved by a violation of subsection (a) may seek appropriate relief in United States district court.

"(2) RELIEF.—A public utility filing a complaint under this section shall be entitled to temporary and injunctive relief enjoining the consumer education activity with respect to which a complaint under this section is made until—

"(A) the complaint is withdrawn; or

"(B) the court has determined that the consumer education activity complained of does not constitute a violation of subsection (a).

"(e) ATTORNEY'S FEES.—

"(1) MERITIOUS CASE.—In a case in Federal court in which the court grants a public utility injunctive relief under subsection (d), the public utility shall be entitled to recover an attorney's fee from the Alliance and any qualified State association undertaking the consumer education activity with respect to which a complaint under this section is made.

"(2) NONMERITIOUS CASE.—In any case under subsection (d) in which the court determines a complaint under subsection (b) to be frivolous and without merit, the prevailing party shall be entitled to recover an attorney's fee.

"(f) SAVINGS CLAUSE.—Nothing in this section shall limit causes of action brought under any other law.
and with due regard to the program activities of the Executive agencies, provide policy guidance governing the application of energy conservation and efficiency standards in the Federal procurement process in accord with section 381(a)(1) of the Energy Policy and Conservation Act (89 Stat. 939, 42 U.S.C. 6361(a)(1)).


(b) The Secretary of Energy shall prepare, with the assistance of the heads of appropriate agencies, for the President's consideration, the annual reports provided by section 381(c) of the Energy Policy and Conservation Act (89 Stat. 939, 42 U.S.C. 6361(c)).

Snc 5. The Secretary of State is hereby delegated the authority vested in the President by Section 252(c)(1)(A)(ii) of the Energy Policy and Conservation Act (89 Stat. 985, 42 U.S.C. 6272(c)(1)(A)(ii)).

Snc 6. The Secretary of Energy is designated and empowered to perform without approval, ratification, or other action by the President, the functions vested in the President by:

(a) Section 251 of the Energy Policy and Conservation Act (89 Stat. 894, 42 U.S.C. 6271), except the making of the findings provided by subparagraph (b)(1)(B) thereof; however, in performing these functions, the Secretary shall consult with the Secretary of Commerce with respect to the international allocation of petroleum products which are within the territorial jurisdiction of the United States; and provided that the Secretary of Commerce shall promulgate rules, pursuant to the procedures established by the Export Administration Act of 1969, as amended (former 50 U.S.C. App. 2401 et seq.), to authorize the export of petroleum and related products, as may be necessary for implementation of the obligations of the United States under the International Energy Program, and in accordance with the rules promulgated under Section 251 of the Energy Policy and Conservation Act by the Secretary pursuant to this subsection.

(b) Section 252(c) of the Energy Policy and Conservation Act (89 Stat. 898, 42 U.S.C. 6273);

(c) Section 254(a) of the Energy Policy and Conservation Act (89 Stat. 899, 42 U.S.C. 6274(a)), including the reports under section 254(a)(3)(B); provided that, the authority under section 254(a) may be exercised only after consultation with the Secretary of State.

(d) Section 254(b) of the Energy Policy and Conservation Act (89 Stat. 900, 42 U.S.C. 6274(b)); provided that, in determining whether the transmittal of data would prejudice competition or violate the antitrust laws, the Secretary shall consult with the Attorney General, and in determining whether the transmittal of data would be inconsistent with national security interests, he shall consult with the Secretary of State and the heads of other Executive agencies as he deems appropriate;

(e) Section 523(a)(2)(A) of the Energy Policy and Conservation Act (89 Stat. 902, 42 U.S.C. 6393(a)(2)(A)), but only to the extent applicable to other functions delegated or assigned by this Order to the Secretary of Energy.


Snc 9. All orders, regulations, circulars or other directives issued and all other action taken prior to the date of this order that would be valid under the authority delegated by this Order, are hereby confirmed and ratified and shall be deemed to have been issued under this order.

Snc 10. (a)(1) The Secretary of Energy, hereinafter referred to as the Secretary, shall develop, with the concurrence of the Director of the Office of Management and Budget, and in consultation with the Secretary of Defense, the Secretary of Housing and Urban Development, the Administrator of Veterans' Affairs, and the Administrators of the General Services and such other Executive agencies as he deems appropriate, the ten-year plan for energy conservation with respect to Government buildings, as provided by section 201 of the Energy Policy and Conservation Act (42 U.S.C. 6361(a)(2)).

(2) The goals established in subsection (b) shall apply to the following categories of Federally-owned buildings: (i) energy conservation and efficiency standards in the Federal procurement process in accord with section 6261, the energy conservation and rationing contingency plans prescribed under sections 202 and 203 of the Energy Policy and Conservation Act (89 Stat. 892, 42 U.S.C. 6262 and 6263).

(b) The Secretary shall establish requirements and procedures, which shall be observed by each agency, unless a waiver is granted by the Secretary, designed to ensure that each agency to the maximum extent practicable aims to achieve the following goals:

(1) For the total of all Federally-owned existing buildings the goal shall be a reduction of 20 percent in the average annual energy use per gross square foot of floor area in 1986 from the average energy use per gross square foot of floor area in 1975. This goal applies to all buildings for which construction was or design specifications were completed prior to the date of promulgation of the guidelines pursuant to subsection (d) of this Section.

(c) For the total of all Federally-owned new buildings the goal shall be a reduction of 45 percent in the average annual energy use per gross square foot of floor area in 1986 from the average annual energy use per gross square foot of floor area in 1975. This goal shall apply to all new buildings for which design specifications are completed after the date of promulgation of the guidelines pursuant to subsection (d) of this Section.

(d) The Secretary with the concurrence of the Director of the Office of Management and Budget, in consultation with the heads of the Executive agencies specified in subsection (a) and the Director of the National Bureau of Standards, shall establish, for purposes of developing the ten-year plan, a practical and effective method for estimating and comparing life cycle capital and operating costs for Federal buildings, including residential, commercial, and industrial type categories. Such method shall be consistent with the Office of Management and Budget Circular No. A-94, and shall be adopted and used by all agencies in developing their plans pursuant to subsection (e), annual reports pursuant to subsection (f), and budget estimates pursuant to subsection (g). For purposes of this paragraph, the term “life cycle cost” means the total costs of owning, operating, and maintaining a building over its economic life, including its fuel and energy costs, determined on the basis of a systematic evaluation and comparison of alternative building systems. References to National Bureau of Standards deemed to refer to National Institute of Standards and Technology pursuant to section 515(c) of Pub. L. 100–418, set out as a change of Name note under 15 U.S.C. 271.

(e) Not later than November 1, 1977, the Secretary, with the concurrence of the Director of the Office of Management and Budget, and after consultation with the Administrator of General Services and the heads of the Executive agencies specified in subsection (a) shall issue guidelines for the plans to be submitted pursuant to subsection (e).

(e)(1) The head of each Executive agency that maintains any existing building or will maintain any new building shall submit no later than six months after the issuance of guidelines pursuant to subsection (d), to the Secretary a ten-year plan designed to meet the goals in subsection (b) for the total of existing or new Federal buildings maintained by that agency. Such ten-year plans shall only consider improvements that are cost-effective consistent with the criteria es-
established by the Director of the Office of Management and Budget (OMB Circular A–94) and the method established pursuant to subsection (c) of this Section. The plan submitted shall specify appropriate energy-saving initiatives and shall estimate the expected improvements by fiscal year in terms of specific accomplishments—energy savings and cost savings—together with the estimated costs of achieving the savings.

(2) The plans submitted shall, to the maximum extent practicable, include the results of preliminary energy audits of all existing buildings with over 30,000 gross square feet of space owned and maintained by Executive agencies. Further, the second annual report submitted pursuant to subsection (a) of this Section shall, to the maximum extent practicable, include the results of preliminary energy audits of all existing buildings with more than 5,000 but not more than 30,000 gross square feet of space. The purpose of such preliminary energy audits shall be to identify the type, size, energy use level and major energy using systems of existing Federal buildings.

(3) The Secretary shall evaluate agency plans relative to the guidelines established pursuant to subsection (d) for such plans and relative to the cost estimating method established pursuant to subsection (c). Plans determined to be deficient by the Secretary shall be returned to the submitting agency head for revision and resubmission within 60 days.

(4) The head of any Executive agency submitting a plan, should he disagree with the Secretary's determination with respect to that plan, may appeal to the Director of the Office of Management and Budget for resolution of the disagreement.

(5) The head of each agency submitting a plan or revised plan determined not deficient by the Secretary or, on appeal, by the Director of the Office of Management and Budget, shall implement the plan in accord with approved budget estimates.

(g)(1) Each Executive agency shall submit to the Secretary an overall plan for conserving fuel and energy in all of the agency. This overall plan shall be in addition to and include any ten-year plan for energy conservation in Government buildings submitted in accord with Subsection (e).

(ii) July 1 of each year, each Executive agency shall submit to the Secretary on progress made toward achieving the goals established in the overall plan required by paragraph (1) of this subsection. The annual report shall include quantitative measures and accomplishment with respect to energy saving actions taken, the cost of these actions, the energy saved, the costs saved, and other benefits realized.

(3) The Secretary shall prepare a consolidated annual report on Federal government progress toward achieving the goals, including aggregate quantitative measures of accomplishment as well as suggested revisions to the ten-year plan, and submit the report to the President by August 15 of each year.

(h) Each agency required to submit a plan shall submit to the Director of the Office of Management and Budget with the agency's annual budget submission, and in accordance with procedures and requirements that the Director shall establish, estimates for implementation of the agency's plan. The Director of the Office of Management and Budget shall consult with the Secretary about the agency budget estimates.

(i) Each agency shall program its proposed energy conservation improvements of buildings so as to give the highest priority to the most cost-effective projects.

(j) No agency of the Federal government may enter into a lease or a commitment to lease a building the construction of which has not commenced by the effective date of this Order unless the building will likely meet or exceed the general goal set forth in subsection (b)(2).

(k) The provisions of this Section do not apply to housing units repossessed by the Federal Government.

EXECUTIVE ORDER NO. 12759

EXECUTIVE ORDER NO. 12902
Ex. Ord. No. 12902, Mar. 8, 1994, 59 F.R. 11463, which directed executive agencies to implement programs to reduce energy consumption, increase energy efficiency, and conserve water, was revoked by Ex. Ord. No. 13123, §604, June 3, 1999, 64 F.R. 30859, formerly set out as a note under section 8231 of this title.

§ 6202. Definitions

As used in this chapter:

(1) The term "Secretary" means the Secretary of Energy.

(2) The term "person" includes (A) any individual, (B) any corporation, company, association, firm, partnership, society, trust, joint venture, or joint stock company, and (C) the government and any agency of the United States or any State or political subdivision thereof.

(3) The term "petroleum product" means crude oil, residual fuel oil, or any refined petroleum product (including any natural liquid and any natural gas liquid product).

(4) The term "State" means a State, the District of Columbia, Puerto Rico, the Trust Territory of the Pacific Islands, or any territory or possession of the United States.

(5) The term "United States" when used in the geographical sense means all of the States and the Outer Continental Shelf.

(6) The term "Outer Continental Shelf" has the same meaning as such term has under section 1331 of title 43.

(7) The term "international energy program" means the Agreement on an International Energy Program, signed by the United States on November 18, 1974, including (A) the annex entitled "Emergency Reserves", (B) any amendment to such Agreement which includes another nation as a party to such Agreement, and (C) any technical or clerical amendment to such Agreement.

(8) The term "severe energy supply interruption" means a national energy supply shortage which the President determines—

(A) is, or is likely to be, of significant scope and duration, and of an emergency nature;

(B) may cause major adverse impact on national safety or the national economy; and

(C) occurs, or is likely to result, from (i) an interruption in the supply of imported petroleum products, (ii) an interruption in the supply of domestic petroleum products, or (iii) sabotage, an act of terrorism, or an act of God.

(9) The term "antitrust laws" includes—

(A) the Act entitled "An Act to protect trade and commerce against unlawful restraints and monopolies", approved July 2, 1890 (15 U.S.C. 1, et seq.);

(B) the Act entitled "An Act to supplement existing laws against unlawful restraints and monopolies, and for other purposes", approved October 15, 1914 (15 U.S.C. 12, et seq.);
The Federal Trade Commission Act (15 U.S.C. 41, et seq.); sections 73 and 74 of the Act entitled "An Act to reduce taxation, to provide revenue for the Government, and for other purpose," approved August 27, 1894 (15 U.S.C. 8 and 9); and

The term "Federal land" means all lands owned or controlled by the United States, including the Outer Continental Shelf, and any land in which the United States has reserved mineral interests, except lands—
(A) held in trust for Indians or Alaska Natives,
(B) owned by Indians or Alaska Natives with Federal restrictions on the title,
(C) within any area of the National Park System, the National Wildlife Refuge System, the National Wilderness Preservation System, the National System of Trails, or the Wild and Scenic Rivers System, or
(D) within military reservations.

References in Text
This chapter, referred to in introductory clause, was in the original "this Act", meaning Pub. L. 94-163, Dec. 22, 1975, 89 Stat. 871, as amended, known as the Energy Policy and Conservation Act. For complete classification of this Act to the Code, see Short Title note set out preceding section 1681 of Title 48, Territories and Insular Possessions.


Section, Pub. L. 94-163, title I, §103(1), Nov. 9, 2000, 114 Stat. 2029

References in Text

Section, Pub. L. 94-163, title I, §103(1), Nov. 9, 2000, 114 Stat. 2029

Amendments

Part A—Domestic Supply

Subchapter I—Domestic Supply

Availability

(a) Omitted

(b) National policy on oil export restriction

Notwithstanding any other provision of law, except as provided in subsections (c) and (d), to promote the efficient exploration, production, storage, supply, marketing, pricing, and regulation of energy resources, including fossil fuels, no official of the Federal Government shall impose or enforce any restriction on the export of crude oil.

(c) Savings clause

Nothing in this section limits the authority of the President under the Constitution, the International Emergency Economic Powers Act (50 U.S.C. 1701 et seq.) or regulations issued under that Act (other than section 754.2 of title 15, Code of Federal Regulations), the National Emergencies Act (50 U.S.C. 1601 et seq.), or part B of title II of the Energy Policy and Conservation Act (42 U.S.C. 6271 et seq.), the Trading With the Enemy Act (50 U.S.C. App. 1 et seq.), or any other provision of law that imposes sanctions on a foreign person or foreign government (including any provision of law that prohibits or restricts United States persons from engaging in a transaction with a sanctioned person or government), including a foreign government that is designated as a state sponsor of terrorism, to prohibit exports.

(d) Exceptions and presidential authority

(1) In general

The President may impose export licensing requirements or other restrictions on the ex-
port of crude oil from the United States for a period of not more than 1 year, if—
   (A) the President declares a national emergency and formally notices the declaration of a national emergency in the Federal Register;
   (B) the export licensing requirements or other restrictions on the export of crude oil from the United States under this subsection apply to 1 or more countries, persons, or organizations in the context of sanctions or trade restrictions imposed by the United States for reasons of national security by the Executive authority of the President or by Congress; or
   (C) the Secretary of Commerce, in consultation with the Secretary of Energy, finds and reports to the President that—
      (i) the export of crude oil pursuant to this Act has caused sustained material oil supply shortages or sustained oil prices significantly above world market levels that are directly attributable to the export of crude oil produced in the United States; and
      (ii) those supply shortages or price increases have caused or are likely to cause sustained material adverse employment effects in the United States.

(2) Renewal

Any requirement or restriction imposed pursuant to subparagraph (A) of paragraph (1) may be renewed for 1 or more additional periods of not more than 1 year each.


REFERENCES IN TEXT


The National Emergencies Act, referred to in subsec. (d), is Pub. L. 95–224, Sept. 14, 1976, 90 Stat. 1255, which is classified generally to chapter 34 (§1601 et seq.) of Title 50 and Tables.

The Trading With the Enemy Act, referred to in subsec. (e), is title II of Pub. L. 95–223, Dec. 28, 1977, 91 Stat. 1626, which is classified generally to chapter 35 (§1701 et seq.) of Title 50, War and National Defense. For complete classification of this Act to the Code, see Title 50 and Tables.


The Secretary of the Interior shall, not later than 30 days after December 22, 1975, prescribe and make effective a rule which prohibits the bidding for any right to develop crude oil, natural gas, and natural gas liquids on any lands located on the Outer Continental Shelf by any person if more than one major oil company, or a major oil company and any affiliate of a major oil company, has or have a significant ownership interest in such person. Such rule shall define affiliate relationships and significant ownership interests.

(b) Definitions

As used in this section:

(1) The term "major oil company" means any person who, individually or together with any other person with respect to which such person has an affiliate relationship or significant ownership interest, produced during a prior 6-month period specified by the Secretary, an average daily volume of 1,600,000 barrels of crude oil, natural gas liquids equivalents, and natural gas equivalents.

(2) One barrel of natural gas equivalent equals 5,626 cubic feet of natural gas measured at 14.73 pounds per square inch (MSL) and 60 degrees Fahrenheit.

(3) One barrel of natural gas liquids equivalent equals 1,454 barrels of natural gas liquids at 60 degrees Fahrenheit.

(c) Exemptions

The Secretary may, in his discretion, consider a request from any person described in subsection (a) of this section for an exemption from the prohibition of this section. In considering any such request, the Secretary may exempt bidding for leases in any area only if the Secretary finds, on the record after opportunity for an agency hearing, that—

(1) such lands have extremely high cost exploration or development problems; and

(2) exploration and development will not occur on such lands unless such exemption is granted.

Findings of the Secretary under this subsection shall be final, and shall not be invalidated unless found to be arbitrary or capricious.

(d) Unitization of producing fields

This section shall not be construed to prohibit the unitization of producing fields to increase production or maximize ultimate recovery of oil or natural gas, or both.

(e) Report to Congress covering extension of restrictions on joint bidding

The Secretary shall study and report to the Congress, not later than 6 months after December 22, 1975, with respect to the feasibility and
desirability of extending the prohibition on joint bidding to—
(1) bidding for any right to develop crude oil, natural gas, and natural gas liquids on Federal lands other than those located on the Outer Continental Shelf; and
(2) bidding for any right to develop coal and oil shale on such lands.

AMENDMENTS
1978—Subsec. (c) Pub. L. 95–372 substituted “in his discretion, consider a request from any person described in subsection (a) of this section for an exemption from the prohibition of this section” for “by amendment to the rule, exempt bidding for leases for lands located in frontier or other areas determined by the Secretary to be extremely high risk lands or to present unusually high cost exploration, or development, problems” in existing provisions and inserted provisions setting out the requisite finding of the Secretary and making arbitrariness and capriciousness of the Secretary’s findings the only bases for invalidation of those findings.

TRANSFER OF FUNCTIONS
Functions of Secretary of the Interior to promulgate regulations under this chapter relating to fostering of competition for Federal leases and to implementation of alternative bidding systems authorized for award of Federal leases transferred to Secretary of Energy by section 7152(b) of this title. Section 7152(b) of this title repealed by Pub. L. 97–100, title II, §201, Dec. 23, 1981, 95 Stat. 1407, and functions of Secretary of Energy returned to Secretary of the Interior. See House Report No. 97–315, pp. 25, 26, Nov. 5, 1981.


§ 6215. Major fuel burning stationary source
(a) Restrictions on issuance of orders or rules by Governor pursuant to section 7425 of this title
No Governor of a State may issue any order or rule pursuant to section 7425 of this title to any major fuel burning stationary source (or class or category thereof)—
(1) prohibiting such source from using fuels other than locally or regionally available coal or coal derivatives, or
(2) requiring such source to enter into a contract (or contracts) for supplies of locally or regionally available coal or coal derivatives.

(b) Petition to President
(1) The Governor of any State may petition the President to exercise the President’s authorities pursuant to section 7425 of this title with respect to any major fuel burning stationary source located in such State.
(2) Any petition under paragraph (1) shall include documentation which could support a finding that significant local or regional economic disruption or unemployment would result from use by such source of—
(A) coal or coal derivatives other than locally or regionally available coal,
(B) petroleum products,
(C) natural gas, or
(D) any combination of fuels referred to in subparagraphs (A) through (C), to comply with the requirements of a State implementation plan pursuant to section 7410 of this title.

(c) Action to be taken by President
Within 90 days after the submission of a Governor’s petition under subsection (b), the President shall either issue an order or rule pursuant to section 7425 of this title or deny such petition, stating in writing his reasons for such denial. In making his determination to issue such an order or rule pursuant to this subsection, the President must find that such order or rule would—
(1) be consistent with section 7425 of this title;
(2) result in no significant increase in the consumption of energy;
(3) not subject the ultimate consumer to significantly higher energy costs; and
(4) not violate any contractual relationship between such source and any supplier or transporter of fuel to such source.

(d) Effect on authority of President to allocate coal or coal derivatives
Nothing in subsection (a) or (b) of this section shall affect the authority of the President or the Secretary of the Department of Energy to allocate coal or coal derivatives under any provision of law.

(e) Definitions
The terms “major fuel burning stationary source (or class or category thereof)” and “locally or regionally available coal or coal derivatives” shall have the meanings assigned to them for the purposes of section 7425 of this title.

AMENDMENTS

§ 6216. Annual Home Heating Readiness Reports
(a) In general
On or before September 1 of each year, the Secretary, acting through the Administrator of the Energy Information Agency, shall submit to Congress a Home Heating Readiness Report on the readiness of the natural gas, heating oil and propane industries to supply fuel under various weather conditions including rapid decreases in temperature.

(b) Contents
The Home Heating Readiness Report shall include—
(1) estimates of the consumption, expenditures, and average price per gallon of heating oil and propane and thousand cubic feet of natural gas for the upcoming period of October through March for various weather conditions, with special attention to extreme weather, and various regions of the country;
(2) an evaluation of—
§ 6217

(A) global and regional crude oil and refined product supplies; (B) the adequacy and utilization of refinery capacity; (C) the adequacy, utilization, and distribution of regional refined product storage capacity; (D) weather conditions; (E) the refined product transportation system; (F) market inefficiencies; and (G) any other factor affecting the functional capability of the heating oil industry and propane industry that has the potential to affect national or regional supplies and prices;

(3) recommendations on steps that the Federal, State, and local governments can take to prevent or alleviate the impact of sharp and sustained increases in the price of natural gas, heating oil, and propane; and

(4) recommendations on steps that companies engaged in the production, refining, storage, transportation of heating oil or propane, or any other activity related to the heating oil industry or propane industry, can take to prevent or alleviate the impact of sharp and sustained increases in the price of heating oil and propane.

(c) Information requests

The Secretary may request information necessary to prepare the Home Heating Readiness Report from companies described in subsection (b)(4).


§ 6217. Scientific inventory of oil and gas reserves

(a) In general

The Secretary of the Interior, in consultation with the Secretaries of Agriculture and Energy, shall conduct an inventory of all onshore Federal lands. The inventory shall identify—

(1) the United States Geological Survey estimates of the oil and gas resources underlying these lands;

(2) the extent and nature of any restrictions or impediments to the development of the resources, including—

(A) impediments to the timely granting of leases;

(B) post-lease restrictions, impediments, or delays on development for conditions of approval, applications for permits to drill, or processing of environmental permits; and

(C) permits or restrictions associated with transporting the resources for entry into commerce; and

(3) the quantity of resources not produced or introduced into commerce because of the restrictions.

(b) Regular update

Once completed, the USGS resource estimates and the surface availability data as provided in subsection (a)(2) shall be regularly updated and made publicly available.

(c) Inventory

The inventory shall be provided to the Committee on Resources of the House of Representatives and to the Committee on Energy and Natural Resources of the Senate within 2 years after November 9, 2000.

(d) Assessments

Using the inventory, the Secretary of Energy shall make periodic assessments of economically recoverable resources accounting for a range of parameters such as current costs, commodity prices, technology, and regulations.

of this Act to the Code, see Short Title note set out under section 6201 of this title and Tables.

AMENDMENTS

2000—Subsec. (b). Pub. L. 106–469 amended subsec. (b) generally. Prior to amendment, subsec. (b) read as follows: “It is hereby declared to be the policy of the United States to provide for the creation of a Strategic Petroleum Reserve for the storage of up to 1 billion barrels of petroleum products, but not less than 150 million barrels of petroleum products by the end of the 3-year period which begins on December 22, 1973, for the purpose of reducing the impact of disruptions in supplies of petroleum products or to carry out obligations of the United States under the international energy program. It is further declared to be the policy of the United States to provide for the creation of an Early Storage Reserve, as part of the Reserve, for the purpose of providing limited protection from the impact of near-term disruptions in supplies of petroleum products or to carry out obligations of the United States under the international energy program.”

STUDY OF A STRATEGIC ETHANOL RESERVE

“(a) The Secretary of Agriculture shall conduct a study of the cost effectiveness, the economic benefits, and the feasibility of establishing, maintaining, and utilizing a Strategic Ethanol Reserve relative to the existing Strategic Petroleum Reserve.

“(b) The study shall be completed within one year after the enactment of this section (Dec. 23, 1985) and shall include, among other considerations—

“(1) the benefits and losses related to the U.S. economy, farm income, employment, government commodity programs, and the trade deficit of utilizing a Strategic Ethanol Reserve, as opposed to the Strategic Petroleum Reserve; and

“(2) the savings from storing ethanol as opposed to storing the amount of CCC-held grain necessary to produce the ethanol.

“(c) If the study shows that the Strategic Ethanol Reserve is cost effective, beneficial to the U.S. economy, and feasible in comparison with the Strategic Petroleum Reserve, the Secretary of Agriculture may establish, maintain, and utilize a Strategic Ethanol Reserve.”

ADDITIONAL CONGRESSIONAL FINDINGS

“(1) the Strategic Petroleum Reserve should be considered a national security asset; and

“(2) enlarging the capacity and filling of the Strategic Petroleum Reserve should be accelerated (to the extent technically and economically practicable) to take advantage of any increased availability of crude oil in the world market from time to time.”

§ 6232. Definitions
As used in this part and part C:


(2) The term “importer” means any person who owns, operates, or controls the operation of any refinery.


(8) The term “related facility” means any facility or geological formation which is capable of storing significant quantities of petroleum products.

(11) The term “Strategic Petroleum Reserve” means petroleum products stored in storage facilities pursuant to this part.

AMENDMENTS

2000—Par. (1). Pub. L. 106–469, §103(5)(A), struck out par. (1) which read as follows: “The term ‘Early Storage Reserve’ means that portion of the Strategic Petroleum Reserve which consists of petroleum products stored pursuant to section 6235 of this title.”

Par. (3). Pub. L. 106–469, §103(5)(A), struck out par. (3) which read as follows: “The term ‘Industrial Petroleum Reserve’ means that portion of the Strategic Petroleum Reserve which consists of petroleum products owned by importers or refiners and acquired, stored, or maintained pursuant to section 6236 of this title.”

Par. (7). Pub. L. 106–469, §103(5)(A), struck out par. (7) which read as follows: “The term ‘Regional Petroleum Reserve’ means that portion of the Strategic Petroleum Reserve which consists of petroleum products stored pursuant to section 6237 of this title.”

Par. (11). Pub. L. 106–469, §103(5)(B), struck out “; such term includes the Industrial Petroleum Reserve, the Early Storage Reserve, and the Regional Petroleum Reserve” before period at end.

1990—Pub. L. 101–383 inserted “and part C” after “this part”.


§ 6234. Strategic Petroleum Reserve

(a) Establishment

A Strategic Petroleum Reserve for the storage of up to 1 billion barrels of petroleum products shall be created pursuant to this part.

(b) Authority of Secretary

The Secretary, in accordance with this part, shall exercise authority over the development, operation, and maintenance of the Reserve.
(c) to (e) Repealed. Pub. L. 106–469, title I, §103(7)(C), Nov. 9, 2000, 114 Stat. 2030

(f) Purpose of drawdown and distribution; requests for funds for storage

(1) The drawdown and distribution of petroleum products from the Strategic Petroleum Reserve is authorized only under section 6241 of this title, and drawdown and distribution of petroleum products for purposes other than those described in section 6241 of this title shall be prohibited.

(2) In the Secretary’s annual budget submission, the Secretary shall request funds for acquisition, transportation, and injection of petroleum products for storage in the Reserve. If no requests for funds are made, the Secretary shall provide a written explanation of the reason therefore.

(3) The Secretary may—

(a) acquire storage and related facilities;
(b) construct, purchase, lease, or otherwise acquire storage and related facilities;
(c) use, lease, maintain, sell or otherwise dispose of land or interests in land, or of storage facilities, or other interests in land, together with the levels of crude oil to be stored, plan objectives, and plan provisions.

AMENDMENTS

2000—Subsec. (a). Pub. L. 106–469, §103(7)(A), amended subsec. (a) generally. Prior to amendment, subsec. (a) provided for the creation of a Strategic Petroleum Reserve of up to 1 billion barrels of petroleum products and required that the Reserve contain not less than 150 million barrels of petroleum products by the end of the 3-year period beginning on Dec. 22, 1975, and that the President take action to enlarge the Reserve to 1,000,000,000 barrels as rapidly as possible beginning Oct. 24, 1992.

(b). Pub. L. 106–469, §103(7)(B), amended subsec. (b) generally. Prior to amendment, subsec. (b) read as follows: “The Secretary, not later than December 15, 1976, shall prepare and transmit to the Congress, in accordance with section 6221 of this title, a Strategic Petroleum Reserve Plan. Such Plan shall comply with the provisions of this section and shall detail the Secretary’s proposals for designing, constructing, and filling the storage and related facilities of the Reserve.”

Subsecs. (c) to (e). Pub. L. 106–469, §103(7)(C), struck out subsecs. (c) to (e) which related to the levels of crude oil to be stored, plan objectives, and plan provisions.


1976—Subsecs. (b), (d), Pub. L. 95–619 substituted “Secretary” and “Secretary’s” for “Administrator” and “Administrator’s”, respectively, meaning Administrator of the Federal Energy Administration, wherever appearing.

STRATEGIC PETROLEUM RESERVE DRAWDOWN PLAN

Pub. L. 97–229, §4(c), Aug. 3, 1982, 96 Stat. 252, provided that: “On or before December 1, 1982, the President shall transmit to the Congress a drawdown plan for the Strategic Petroleum Reserve consistent with the requirements of section 154 of the Energy Policy and Conservation Act [this section]. Such plan shall be transmitted to the Congress as an amendment to the Strategic Petroleum Reserve Plan. Such amendment shall take effect on the date it is transmitted to the Congress and shall not be subject to section 159(e) of such Act [section 6228(e) of this title] related to Congressional review. Subsequent amendments to such plan shall be in accordance with subsections (d) and (e) of such section 159.”


§ 6239. Development, operation, and maintenance of the Reserve

(a) to (e) Repealed. Pub. L. 106–469, title I, §103(13)(A), Nov. 9, 2000, 114 Stat. 2030

(f) Powers of Secretary to develop and operate the Strategic Petroleum Reserve

In order to develop, operate, or maintain the Strategic Petroleum Reserve, the Secretary may—

(1) issue rules, regulations, or orders;
(2) acquire by purchase, condemnation, or otherwise, land or interests in land for the location of storage and related facilities;
(3) construct, purchase, lease, or otherwise acquire storage and related facilities;
(4) use, lease, maintain, sell or otherwise dispose of land or interests in land, or of storage and related facilities acquired under this part, under such terms and conditions as the Secretary considers necessary or appropriate;
(5) acquire, subject to the provisions of section 6240 of this title, by purchase, exchange, or otherwise, petroleum products for storage in the Strategic Petroleum Reserve;
(6) store petroleum products in storage facilities owned and controlled by the United States or in storage facilities owned by others if those facilities are subject to audit by the United States;
(7) execute any contracts necessary to develop, operate, or maintain the Strategic Petroleum Reserve;
(8) bring an action, when the Secretary considers it necessary, in any court having jurisdiction over the proceedings, to acquire by condemnation any real or personal property, including facilities, temporary use of facilities, or other interests in land, together with any personal property located on or used with the land.

(g) Acquisition of property by negotiation as prerequisite to condemnation

Before any condemnation proceedings are instituted, an effort shall be made to acquire the property involved by negotiation, unless, the effort to acquire such property by negotiation would, in the judgement of the Secretary be futile or so time-consuming as to unreasonably delay the development of the Strategic Petroleum Reserve, because of (1) reasonable doubt as
to the identity of the owners, (2) the large number of persons with whom it would be necessary to negotiate, or (3) other reasons.


(j) Expansion beyond 700,000,000 barrels

If the Secretary determines expansion beyond 700,000,000 barrels of petroleum product inventory is appropriate, the Secretary shall submit a plan for expansion to the Congress.

(k) Exemption from subtitle IV of title 49

A storage or related facility of the Strategic Petroleum Reserve owned by or leased to the United States is not subject to the Interstate Commerce Act.

(l) Rulemaking during drawdown and sale

During a drawdown and sale of Strategic Petroleum Reserve petroleum products, the Secretary may issue implementing rules, regulations, or orders in accordance with section 553 of title 5, without regard to rulemaking requirements in section 6393 of this title, and section 7191 of this title.


REFERENCES IN TEXT

The Interstate Commerce Act, referred to in subsec. (k), is act Feb. 4, 1887, ch. 104, 24 Stat. 379, as amended, which was classified generally to chapters 1, 8, 12, 13, and 19 (§§1 et seq., 301 et seq., 901 et seq., 1901 et seq., and 1231 et seq., respectively) of former Title 49, Transportation. The Act was repealed (subject to an exception) by Pub. L. 95–473, §4(b), Oct. 17, 1978, 92 Stat. 1466, the first section of which enacted subtitle IV (§10101 et seq.) of Title 49. Section 4(c) of Pub. L. 95–473 excepted from repeal those provisions of the Interstate Commerce Act that vested functions in the Interstate Commerce Commission, or the chairman or members of the Commission, related to transportation of oil by pipeline and that were transferred to the Secretary of Energy and the Federal Energy Regulatory Commission by sections 7155 and 7172(b) of this title.

AMENDMENTS


Subsecs. (a) to (e). Pub. L. 106–469, §103(13)(A), struck out subsecs. (a) to (e) which related to congressional review and effective date of the Strategic Petroleum Reserve Plan, preparation and transmittal to Congress of proposals for designing, constructing, and filling facilities and of Plan amendments, and 60-day waiting period for effectiveness of amendments.

Subsec. (f). Pub. L. 106–469, §103(13)(B), amended subsec. (f) generally. Prior to amendment, subsec. (f) set out powers of the Secretary to implement the Strategic Petroleum Reserve Plan, the Early Storage Reserve Plan, proposals for designing, constructing, and filling facilities, amendments to the Plans, and the storage of petroleum products in interim storage facilities.

Subsec. (g). Pub. L. 106–469, §103(13)(C), substituted "development" for "implementation" and struck out "Plan" after "Strategic Petroleum Reserve".

Subsecs. (h), (i). Pub. L. 106–469, §103(13)(D), struck out subsecs. (h) and (i) which related to use of interim storage facilities and environmental considerations for existing facilities, and report to Congress on results of negotiations for enlargement of Strategic Petroleum Reserve to one billion barrels.

Subsec. (j). Pub. L. 106–469, §103(13)(E), amended subsec. (j) generally. Prior to amendment, subsec. (j) read as follows: "No later than 24 months after September 15, 1990, the Secretary shall amend the Strategic Petroleum Reserve Plan to prescribe plans for completion of storage of one billion barrels of petroleum product in the Reserve. Such amendment shall comply with the provisions of this section and shall detail the Secretary's plans for the design, construction, leasing or other acquisition, and fill of storage and related facilities of the Reserve to achieve such one billion barrels of storage. Such amendment shall not be subject to the congressional review procedures contained in section 6421 of this title. In assessing alternatives in the development of such plans, the Secretary shall consider leasing privately owned storage facilities."

Subsec. (k). Pub. L. 106–469, §103(13)(F), amended subsec. (k) generally. Prior to amendment, subsec. (k) read as follows: "Notwithstanding subsection (d) of this section, during any period in which the Distribution Plan is being implemented, the Secretary may amend the plan and promulgate rules, regulations, or orders to implement such amendments in accordance with section 6393 of this title, without regard to the requirements of section 553 of title 5 and section 7191 of this title. Such amendments shall be transmitted to the Congress together with a statement explaining the need for such amendments."


1985—Subsec. (e). Pub. L. 99–58 amended subsec. (e) generally, substituting provisions directing that amendments transmitted pursuant to subsec. (d) of this section not become effective until 60 days after transmittal except in the case of enumerated presidential determinations for provisions which had formerly empowered Congress to disapprove of transmitted proposals and amendments in accordance with the procedures specified in section 6421 of this title.


1978—Subsecs. (a)(1), (c), (d), (e)(1), (f)(1), (g). Pub. L. 95–619 substituted "Secretary" for "Administrator", meaning Administrator of the Federal Energy Administration, wherever appearing.

ENERGY SECURITY AND INFRASTRUCTURE MODERNIZATION FUND

Pub. L. 114–74, title IV, §404, Nov. 2, 2015, 129 Stat. 590, provided that:

"(a) ESTABLISHMENT.—There is hereby established in the Treasury of the United States a fund to be known as the Energy Security and Infrastructure Modernization Fund (referred to in this section as the "Fund"), consisting of—

"(1) collections deposited in the Fund under subsection (c); and

"(2) amounts otherwise appropriated to the Fund.

"(b) PURPOSE.—The purpose of the Fund is to provide for the construction, maintenance, repair, and replacement of Strategic Petroleum Reserve facilities.

"(c) COLLECTION AND DEPOSIT OF SALE PROCEEDS IN FUND.—

"(1) DRAWDOWN AND SALE.—Notwithstanding section 161 of the Energy Policy and Conservation Act (42 U.S.C. 6211), to the extent provided in advance appropriation Acts, the Secretary of Energy shall draw down and sell crude oil from the Strategic Petroleum Reserve in amounts as authorized under subsection (e), except as provided in paragraph (2). Amounts received for a sale under this paragraph shall be deposited into the Fund during the fiscal year in which the
§ 6240. Petroleum products for storage, transport, or exchange.

(a) Eligibility of petroleum products

The Secretary may acquire, place in storage, transport, or exchange petroleum products acquired by purchase or exchange.

(b) Objectives in determining manner of acquisition

The Secretary shall, to the greatest extent practicable, acquire petroleum products for the Reserve in a manner consonant with the following objectives:

1. Minimization of the cost of the Reserve;
3. Minimization of the Nation's vulnerability to a severe energy supply interruption;
4. Minimization of the impact of such acquisition upon supply levels and market forces; and
5. Encouragement of competition in the petroleum industry.

(c) Procedures

The Secretary shall develop, with public notice and opportunity for comment, procedures consistent with the objectives of this section to acquire petroleum for the Reserve. Such procedures shall take into account the need to—

1. Maximize overall domestic supply of crude oil (including quantities stored in private sector inventories);
2. Avoid incurring excessive cost or appreciably affecting the price of petroleum products to consumers;
3. Minimize the costs to the Department of the Interior and the Department of Energy in acquiring such petroleum products (including foregone revenues to the Treasury when petroleum products for the Reserve are obtained through the royalty-in-kind program);
4. Protect national security;
5. Avoid adversely affecting current and future prices, supplies, and inventories of oil; and
6. Address other factors that the Secretary determines to be appropriate.

(d), (e) Repealed. Pub. L. 106–469, title I, §103(14)(D), Nov. 9, 2000, 114 Stat. 2031

(f) Predrawdown diversion

If the Secretary finds that a severe energy supply interruption may be imminent, the Secretary may suspend the acquisition of petroleum product for, and the injection of petroleum product into, the Reserve and may sell any petroleum product acquired for and in transit to, but not injected into, the Reserve.

(g) Repealed. Pub. L. 106–469, title I, §103(14)(D), Nov. 9, 2000, 114 Stat. 2031

(h) Purchase from stripper well properties

1. If the President finds that declines in the production of oil from domestic resources pose a threat to national energy security, the President may direct the Secretary to acquire oil from domestic production of stripper well properties for storage in the Strategic Petroleum Reserve. Except as provided in paragraph (2), the Secretary may set such terms and conditions as he deems necessary for such acquisition.
2. Crude oil purchased by the Secretary pursuant to this subsection shall be by competitive bid. The price paid by the Secretary—
   (A) shall take into account the cost of production including costs of reservoir and well maintenance; and
   (B) shall not exceed the price that would have been paid if the Secretary had acquired petroleum products of a similar quality on the open market under competitive bid procedures without regard to the source of the petroleum products.

AMENDMENTS

2013—Subsec. (a). Pub. L. 113–67 amended subsec. (a) generally. Prior to amendment, text read as follows: “The Secretary may acquire, place in storage, transport, or exchange—

"(1) crude oil produced from Federal lands

"(2) crude oil which the United States is entitled to receive in kind as royalties from production on Federal lands; and

"(3) petroleum products acquired by purchase, exchange, or otherwise.”


2001—Subsec. (a), (c). Pub. L. 107–59 substituted “35,000 barrels per day in addition to any petroleum” for “at least 35,000 barrels per day in addition to any petroleum”.


2005—Subsec. (a). Pub. L. 113–67 substituted “500,000,000 barrels” for “750,000,000 barrels”.


1984—Subsec. (c)(3). Pub. L. 99–272, § 7102(b)(3), substiuted “500,000,000 barrels” for “750,000,000 barrels”.


Subsec. (e)(3), (4), Pub. L. 99–58, §102(b)(3), (4), redesignated par. (4) as (3). Former par. (3), which related to application of section 6222 of this title for purposes of purposes of paragraphs (1) and (2), was struck out.

1982—Subsec. (c), Pub. L. 97–229, §4(a)(1), substituted provisions directing the President to fill the Strategic Petroleum Reserve with petroleum products at a level sufficient to assure an increase at an annual rate of at least the minimum required fill rate, 300,000 barrels per day, until the quantity of petroleum products stored is at least 500,000,000 barrels, allowing for a lower minimum required fill rate of 220,000 barrels per day if the President finds that compliance with the 300,000 barrels per day rate would not be in the national interest, specifying the effective period of such a Presidential finding, authorizing a higher minimum required rate than the 220,000 barrels per day if funds are available in any fiscal year after fiscal year 1982, making the Imposition Control Act of 1974 applicable to funds available under section 6247(b) and (e) of this title, and providing that, after the Strategic Petroleum Reserve reaches 500,000,000 barrels, the President shall seek to fill the Reserve at an annual rate of at least 300,000 barrels per day of petroleum products until the Reserve reaches 750,000,000 barrels for provisions directing the President to seek to fill the Strategic Petroleum Reserve with crude oil at a level sufficient to assure that crude oil in storage will be increased at an average annual rate of at least 300,000 barrels per day until the Reserve is at least 750,000,000 barrels.

Subsec. (e)(4), Pub. L. 97–229, §4(b)(2)(C), substituted "petroleum product" for "crude oil".

1981—Subsec. (c). Pub. L. 97–35 substituted provisions respecting fill operation at a rate of 300,000 barrels per day for provisions respecting fill operation at a rate of 100,000 barrels per day.


Effective Date of 1982 Amendment

Effective Date of 1961 Amendment
Pub. L. 97–35, title X, §1038, Aug. 13, 1981, 95 Stat. 621, provided that: "The provisions of this title [enacting sections 6247, 8341, and 8484 of this title, amending this section and sections 6245, 6246, 6331 to 6833, 6835, 6837 to 6839, 6832, 6841, 6842, and 6885 of this title, repealing section 6834, enacting provisions set out as notes under sections 6201, 6202, 6207, 6214, 6215, 6247, 7270, and 8341 of this title, section 3620 of Title 12, Banks and Banking, and section 719 of Title 15, Commerce and Trade] shall take effect on the date of enactment of this Act [Aug. 13, 1981]."

Effective Date of 1980 Amendment
Pub. L. 96–294, title VIII, §801(b), June 30, 1980, 94 Stat. 775, provided that: "The amendment made by subsection (a) [amending this section] shall take effect on the date of the enactment of this Act [June 30, 1980], and shall apply with respect to the entirety of fiscal year 1981 (and each fiscal year thereafter)."

Pub. L. 96–294, title VIII, §802(b), June 30, 1980, 94 Stat. 776, provided that: "The amendments made by subsection (a) [amending this section] shall take effect October 1, 1980."

Filling Strategic Petroleum Reserve to Capacity
Pub. L. 109–58, title III, §801(e)(1), Aug. 8, 2005, 119 Stat. 684, provided that: "The Secretary of Energy shall, as expeditiously as practicable, without incurring excessive cost or appreciably affecting the price of petroleum products to consumers, acquire petroleum in quantities sufficient to fill the Strategic Petroleum Reserve to the 1,000,000,000-barrel capacity authorized under section 154(a) of the Energy Policy and Conservation Act (42 U.S.C. 6234(a)), in accordance with the sections 159 and 160 of that Act (42 U.S.C. 6239, 6240)."

Procedures for Acquisition of Petroleum for Reserve

"(B) Review of Requests for Deferrals of Scheduled Deliveries.—The procedures developed under section 160(c) of the Energy Policy and Conservation Act (42 U.S.C. 6240(c)), as added by subparagraph (A), shall include procedures and include the review of requests for the deferrals of scheduled deliveries.

"(C) Deadlines.—The Secretary of Energy shall—

"(i) propose the procedures required under the amendment made by subparagraph (A) [amending this section] not later than 120 days after the date of enactment of this Act [Aug. 8, 2005];

"(ii) promulgate the procedures not later than 180 days after the date of enactment of this Act; and

"(iii) comply with the procedures in acquiring petroleum for the Reserve effective beginning on the date that is 180 days after the date of enactment of this Act."

Suspension of Test Program Requirements During Fiscal Year 1994

Study and Report on Oil Leasing and Other Arrangements To Fill SPR to One Billion Barrels
Pub. L. 101–46, §2, June 30, 1989, 103 Stat. 132, directed Secretary of Energy to conduct a study on potential financial arrangements, including long-term leasing of crude oil and storage facilities, that could be used to provide additional, alternative means of financing the filling of the Strategic Petroleum Reserve to one billion barrels and directed Secretary to submit a interim report to Committee on Energy and Natural Resources of Senate and Committee on Energy and Commerce of House of Representatives no later than Oct. 15, 1989, and no later than Feb. 1, 1990, to transmit to such committees a copy of the preliminary written solicitations for proposed alternative financial arrangements to be used in filling the Strategic Petroleum Reserve to one billion barrels and a final report containing findings and conclusions together with a draft of legislative changes necessary to authorize the most significant alternative financial arrangements.

Exchange of Agricultural Products for Crude Oil to Be Delivered to Strategic Petroleum Reserve
Pub. L. 99–190, §101(d) [title II], Dec. 19, 1985, 99 Stat. 1224, 1225, provided that: "Notwithstanding any other provision of law, the Secretary of Agriculture, at the request of the Secretary of Energy, may exchange agricultural products owned by the Commodity Credit Corporation for crude oil to be delivered to the Strategic Petroleum Reserve: Provided, That the Secretary of Energy shall approve the quantity, quality, delivery method, scheduling, market value and other aspects of the exchange of such agricultural products: Provided further, That if the volume of agricultural products to be exchanged has a value in excess of the market value of the crude oil acquired by such exchange, then the Secretary of Agriculture shall require as part of the terms and conditions of the exchange that the party or entity providing such crude oil shall agree to purchase, within six months following the exchange, current crop commodities or value-added food products from United States producers or processors in an amount equal to at least one-half the difference between the value of the..."
commodities received in exchange and the market value of the crude oil acquired for the Strategic Petroleum Reserve."

ALLOCATION TO STRATEGIC PETROLEUM RESERVE OF LOWER TIER CRUDE OIL AND FEDERAL ROYALTY OIL; PROCEDURES APPLICABLE. AUTHORITIES, ETC.

Pub. L. 96-294, title VIII, § 805, June 30, 1980, 94 Stat. 777, provided that:

"(a)(1) In order to carry out the requirement of the amendment made by section 801 of this Act [amending this section and enacting provision set out as a note above] and to carry out the policies and objectives established in sections 151 and 160(b)(1) of the Energy Policy and Conservation Act (42 U.S.C. 6251 and 6280(b)(1)) the President shall, within 60 days after the date of the enactment of this Act [June 30, 1980], promulgate and make effective an amendment to the provisions of the regulation under section 4(a) of the Emergency Petroleum Allocation Act of 1973 [15 U.S.C. 759(a)] relating to entitlements, which has the same effect as allocating lower tier crude oil to the Government for storage in the Strategic Petroleum Reserve. Such amendment shall not apply with respect to crude oil purchased after September 30, 1981, for storage in such reserve.

"(2) The authority provided by this subsection shall be in addition to, and shall not be deemed to limit, any other authority available to the President under the Emergency Petroleum Allocation Act of 1973 [15 U.S.C. 751 et seq.] or any other law.

"(b) The President or his delegate may promulgate and make effective rules or orders to implement this subsection without regard to the requirements of section 501 of the Department of Energy Organization Act [42 U.S.C. 7191] or any other law or regulation specifying procedural requirements.

"(c) In addition to the requirement under subsection (a), the President may direct that—

"(1) all or any portion of Federal royalty oil be placed in storage in the Reserve,

"(2) all or any portion of Federal royalty oil be exchanged, directly or indirectly, for other crude oil for storage in the Reserve, or

"(3) all or any portion of the proceeds from the sales of Federal royalty oil be transferred to the account established under subsection (c) for use for the purchase of crude oil for the Reserve, as provided in subsection (c).

"(c)(1) Any proceeds—

"(A) from the sale of entitlements received by the Government under the amendment to the regulation made under subsection (a), and

"(B) to the extent provided in subsection (b), from the sale of Federal royalty oil, shall be deposited in a special account which the Secretary of the Treasury shall establish on the books of the Treasury of the United States.

"(B) Subject to the provisions of any Act enacted pursuant to section 660 of the Department of Energy Organization Act [42 U.S.C. 7270], such account shall be available (except as provided in subparagraph (B)) for use by the Secretary of Energy, without fiscal year limitation, for the purchase of crude oil for the Strategic Petroleum Reserve, to the extent provided in advance in appropriation Acts.

"(B) Amounts in such account attributable to the proceeds from the sale of entitlements under the amendment to the regulation under subsection (a) are hereby appropriated for fiscal year 1981 for acquisition of crude oil for the Strategic Petroleum Reserve pursuant to subsection (a).

"(d) For purposes of this section—

"(1) the terms 'entitlements', 'crude oil', and 'allocation' shall have the same meaning as those terms have as used in the Emergency Petroleum Allocation Act of 1973 [15 U.S.C. 751 et seq.] and the regulation thereunder;

"(2) the term 'lower tier crude oil' means crude oil which is subject to the price ceiling established under section 212.73 of title 10, Code of Federal Regulations;

"(3) the term 'Federal royalty oil' means crude oil which the United States is entitled to receive in kind as royalties from production on Federal land (as such term is defined in section 212.73 of the Energy Policy and Conservation Act [42 U.S.C. 6262(10)]); and

"(4) the term 'proceeds from the sale of Federal royalty oil' means that portion of the amounts deposited into the Treasury of the United States from the sale of Federal royalty oil which is not otherwise required to be disposed of (other than as miscellaneous receipts) pursuant to (A) the provisions of section 35 of the Act of February 25, 1920, as amended (41 Stat. 450; 30 U.S.C. 191), commonly known as the Mineral Lands Leasing Act, or (B) the provisions of any other law.''

RATE OF FILL OF STRATEGIC PETROLEUM RESERVE

Ex. Ord. No. 12231, Strategic Petroleum Reserve

Ex. Ord. No. 12231, Aug. 4, 1980, 45 F.R. 21393, provided: By the authority vested in me as President of the United States of America by Title VIII of the Energy Security Act (Public Law 96-294) [title VIII of Pub. L. 96-294, which amended this section and section 7430 of Title 10, Armed Forces, and enacted provisions set out as a note above] and by Section 301 of Title 3 of the United States Code, and in order to meet the goals and requirements for the strategic petroleum reserve, it is hereby ordered as follows: 1-101. The functions vested in the President by Section 166(c) of the Energy Policy and Conservation Act, as amended, are delegated to the Secretary of Energy (42 U.S.C. 6206(c); see Section 801 of the Energy Security Act).

1-102. The functions vested in the President by Section 7430(k) of Title 10 of the United States Code are delegated to the Secretary of Energy (see Section 804(b) of the Energy Security Act).

1-103. The functions vested in the President by Section 805(a) of the Energy Security Act [section 805(a) of Pub. L. 96-294, set out as a note above] are, consistent with Section 2 of Executive Order No. 11790, as amended (set out as a note under section 761 of Title 15, Commerce and Trade), delegated to the Secretary of Energy.

JIMMY CARTER.

§ 6241. Drawdown and sale of petroleum products

(a) Power of Secretary

The Secretary may drawdown and sell petroleum products in the Reserve only in accordance with the provisions of this section.

(b), (c) Repealed. Pub. L. 106-469, title I, § 103(15)(C), Nov. 9, 2000, 114 Stat. 2031

(d) Presidential finding prerequisite to drawdown and sale

(1) Drawdown and sale of petroleum products from the Strategic Petroleum Reserve may not
be made unless the President has found drawdown and sale are required by a severe energy supply interruption or by obligations of the United States under the international energy program.

(2) For purposes of this section, in addition to the circumstances set forth in section 6202(8) of this title, a severe energy supply interruption shall be deemed to exist if the President determines that—

(A) an emergency situation exists and there is a significant reduction in supply which is of significant scope and duration;

(B) a severe increase in the price of petroleum products has resulted from such emergency situation; and

(C) such price increase is likely to cause a major adverse impact on the national economy.

(e) Sales procedures

(1) The Secretary shall sell petroleum products withdrawn from the Strategic Petroleum Reserve at public sale to the highest qualified bidder in the amounts, for the period, and after a notice of sale considered appropriate by the Secretary, and without regard to Federal, State, or local regulations controlling sales of petroleum products.

(2) The Secretary may cancel in whole or in part any offer to sell petroleum products as part of any drawdown and sale under this section.


(g) Directive to carry out test drawdown and sale

(1) The Secretary shall conduct a continuing evaluation of the drawdown and sales procedures. In the conduct of an evaluation, the Secretary is authorized to carry out a test drawdown and sale or exchange of petroleum products from the Reserve. Such a test drawdown and sale or exchange may not exceed 5,000,000 barrels of petroleum products.


(h) Prevention or reduction of adverse impact of severe domestic energy supply interruptions

(1) If the President finds that—

(A) a circumstance, other than those described in subsection (d), exists that constitutes, or is likely to become, a domestic or international energy supply shortage of significant scope or duration;

(B) action taken under this subsection would assist directly and significantly in preventing or reducing the adverse impact of such shortage;

(C) the Secretary has found that action taken under this subsection will not impair the ability of the United States to carry out obligations of the United States under the international energy program; and

(D) the Secretary of Defense has found that action taken under this subsection will not impair national security,

then the Secretary may, subject to the limitations of paragraph (2), draw down and sell petroleum products from the Strategic Petroleum Reserve.

(2) Petroleum products from the Reserve may not be drawn down under this subsection—

(A) in excess of an aggregate of 30,000,000 barrels with respect to each such shortage;

(B) for more than 60 days with respect to each such shortage;

(C) if there are fewer than 340,000,000 barrels of petroleum product stored in the Reserve; or

(D) below the level of an aggregate of 340,000,000 barrels of petroleum product stored in the Reserve.

(3) During any period in which there is a drawdown and sale of the Reserve in effect under this subsection, the Secretary shall transmit a monthly report to the Congress containing an account of the drawdown and sale of petroleum products under this subsection and an assessment of its effect.
§ 6241

(4) In no case may the drawdown under this subsection be extended beyond 60 days with respect to any domestic energy supply shortage.

(i) Exchange of withdrawn products

Notwithstanding any other law, the President may permit any petroleum products withdrawn from the Strategic Petroleum Reserve in accordance with this section to be sold and delivered for refining or exchange outside of the United States, in connection with an arrangement for the delivery of refined petroleum products to the United States.

(j) Purchases from Strategic Petroleum Reserve by entities in insular areas of United States and Freely Associated States

(1) Definitions

In this subsection:

(A) Binding offer

The term “binding offer” means a bid submitted by the State of Hawaii for an assured award of a specific quantity of petroleum product, with a price to be calculated pursuant to paragraph (2) of this subsection, that obligates the offeror to take title to the petroleum product without further negotiation or recourse to withdraw the offer.

(B) Category of petroleum product

The term “category of petroleum product” means a master line item within a notice of sale.

(C) Eligible entity

The term “eligible entity” means an entity that owns or controls a refinery that is located within the State of Hawaii.

(D) Full tanker load

The term “full tanker load” means a tanker of approximately 700,000 barrels of capacity, or such lesser tanker capacity as may be designated by the State of Hawaii.

(E) Insular area

The term “insular area” means the Commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands, the United States Virgin Islands, Guam, American Samoa, the Freely Associated States of the Republic of the Marshall Islands, the Federated States of Micronesia, and the Republic of Palau.

(F) Offering

The term “offering” means a solicitation for bids for a quantity or quantities of petroleum product from the Strategic Petroleum Reserve as specified in the notice of sale.

(G) Notice of sale

The term “notice of sale” means the document that announces—

(i) the sale of Strategic Petroleum Reserve products;

(ii) the quantity, characteristics, and location of the petroleum product being sold;

(iii) the delivery period for the sale; and

(iv) the procedures for submitting offers.

(2) In general

In the case of an offering of a quantity of petroleum product during a drawdown of the Strategic Petroleum Reserve—

(A) the State of Hawaii, in addition to having the opportunity to submit a competitive bid, may—

(i) submit a binding offer, and shall on submission of the offer, be entitled to purchase a category of a petroleum product specified in a notice of sale at a price equal to the volumetrically weighted average of the successful bids made for the remaining quantity of the petroleum product within the category that is the subject of the offering; and

(ii) submit one or more alternative offers, for other categories of the petroleum product, that will be binding if no price competitive contract is awarded for the category of petroleum product on which a binding offer is submitted under clause (i); and

(B) at the request of the Governor of the State of Hawaii, a petroleum product purchased by the State of Hawaii at a competitive sale or through a binding offer shall have first preference in scheduling for lifting.

(3) Limitation on quantity

(A) In general

In administering this subsection, in the case of each offering, the Secretary may impose the limitation described in subparagraph (B) or (C) that results in the purchase of the lesser quantity of petroleum product.

(B) Portion of quantity of previous imports

The Secretary may limit the quantity of a petroleum product that the State of Hawaii may purchase through a binding offer at any offering to 1/12 of the total quantity of imports of the petroleum product brought into the State during the previous year (or other period determined by the Secretary to be representative).

(C) Percentage of offering

The Secretary may limit the quantity that may be purchased through binding offers at any offering to 3 percent of the offering.

(4) Adjustments

(A) In general

Notwithstanding any limitation imposed under paragraph (3), in administering this subsection, in the case of each offering, the Secretary shall, at the request of the Governor of the State of Hawaii, or an eligible entity certified under paragraph (7), adjust the quantity to be sold to the State of Hawaii in accordance with this paragraph.

(B) Upward adjustment

The Secretary shall adjust upward to the next whole number increment of a full tanker load if the quantity to be sold is—

(i) less than 1 full tanker load; or

(ii) greater than or equal to 50 percent of a full tanker load more than a whole number increment of a full tanker load.

(C) Downward adjustment

The Secretary shall adjust downward to the next whole number increment of a full
tanker load if the quantity to be sold is less than 50 percent of a full tanker load more than a whole number increment of a full tanker load.

(5) Delivery to other locations

The State of Hawaii may enter into an exchange or a processing agreement that requires delivery to other locations, if a petroleum product of similar value or quantity is delivered to the State of Hawaii.

(6) Standard sales provisions

Except as otherwise provided in this chapter, the Secretary may require the State of Hawaii to comply with the standard sales provisions applicable to purchasers of petroleum products at competitive sales.

(7) Eligible entities

(A) In general

Subject to subparagraphs (B) and (C) and notwithstanding any other provision of this paragraph, if the Governor of the State of Hawaii certifies to the Secretary that the State has entered into an agreement with an eligible entity to carry out this chapter, the eligible entity may act on behalf of the State of Hawaii to carry out this subsection.

(B) Limitation

The Governor of the State of Hawaii shall not certify more than one eligible entity under this paragraph for each notice of sale.

(C) Barred company

If the Secretary has notified the Governor of the State of Hawaii that a company has been barred from bidding (either prior to, or at the time that a notice of sale is issued), the Governor shall not certify the company under this paragraph.

(8) Supplies of petroleum products

At the request of the Governor of an insular area, the Secretary shall, for a period not to exceed 180 days following a drawdown of the Strategic Petroleum Reserve, assist the insular area or the President of a Freely Associated State in its efforts to maintain adequate supplies of petroleum products from traditional and nontraditional suppliers.

REFERENCES IN TEXT


AMENDMENTS

2018—Subsec. (h)(1)(C), (D). Pub. L. 115-123, §30204(c)(1), added subpar. (C) and redesignated former subpar. (C) as (D).

Subsec. (h)(2)(C), (D). Pub. L. 115-141 substituted “340,000,000” for “350,000,000”.

Pub. L. 115-123, §30204(c)(2), substituted “350,000,000” for “450,000,000”.

2016—Subsec. (h)(2)(C), (D). Pub. L. 114-255 substituted “450,000,000” for “500,000,000”.

2015—Subsec. (g)(6). Pub. L. 114-74 added par. (8) and struck out former par. (8) which read as follows: “The Secretary shall transmit to both Houses of the Congress a detailed explanation of the test carried out under this subsection. Such explanation may be a part of any report made to the President and the Congress under section 6245 of this title.”


Subsec. (a). Pub. L. 113-235, §103(15)(B), substituted “drawdown and sell petroleum products in” for “drawdown and distribute”.

Subsec. (b). Pub. L. 113-235, §103(15)(C), struck out subsec. (b) which read as follows: “Except as provided in subsections (c), (f), and (g) of this section, no drawdown and distribution of the Reserve may be made except in accordance with the provisions of the Distribution Plan contained in the Strategic Petroleum Reserve Plan which has taken effect pursuant to section 629(a) of this title.”

Subsec. (c). Pub. L. 113-235, §103(15)(D), struck out subsec. (c) which read as follows: “Drawdown and distribution of the Early Storage Reserve may be made in accordance with the provisions of the Distribution Plan contained in the Early Storage Reserve Plan until the Strategic Petroleum Reserve Plan has taken effect pursuant to section 629(a) of this title.”

Subsec. (d)(1). Pub. L. 106-469, §103(15)(E), amended par. (1) generally. Prior to amendment, par. (1) read as follows: “Neither the Distribution Plan contained in the Strategic Petroleum Reserve Plan nor the Distribution Plan contained in the Early Storage Reserve Plan may be implemented, and no drawdown and distribution of the Reserve or the Early Storage Reserve may be made, unless the President has found that implementation of either such Distribution Plan is required by a severe energy supply interruption or by obligations of the United States under the international energy program.”

Subsec. (e). Pub. L. 106-469, §103(15)(F), amended subsec. (e) generally. Prior to amendment, subsec. (e) read as follows: “The Secretary may, by rule, provide for the allocation of any petroleum product withdrawn from the Strategic Petroleum Reserve in amounts specified in (or determined in a manner prescribed by) and at prices specified in (or determined in a manner prescribed by) such rules. Such price levels and allocation procedures shall be consistent with the attainment, to the maximum extent practicable, of the objectives specified in section 753(b)(1) of title 15.”

Subsec. (f). Pub. L. 106-469, §103(15)(G), struck out subsec. (f) which read as follows: “The Secretary may permit any importer or refiner who owns any petroleum products stored in the Industrial Petroleum Reserve pursuant to section 6256 of this title to remove or otherwise dispose of such products upon such terms and conditions as the Secretary may prescribe.”

Subsec. (g)(1). Pub. L. 106-469, §103(15)(H), amended par. (1) generally. Prior to amendment, par. (1) read as follows: “The Secretary shall conduct a continuing evaluation of the Distribution Plan. In the conduct of such evaluation, the Secretary is authorized to carry out test drawdown and distribution of crude oil from the Reserve. If any such test drawdown includes the sale or exchange of crude oil, then the aggregate quantity of crude oil withdrawn from the Reserve may not
exceed 5,000,000 barrels during any such test drawdown or distribution.

Subsec. (g)(2). Pub. L. 106–469, §103(15)(F)(i), struck out par. (2) which read as follows: “The Secretary shall carry out such drawdown and distribution in accordance with the Distribution Plan and implementing regulations and contract provisions, modified as the Secretary considers appropriate, taking into consideration the artificialities of a test and the absence of a severe energy supply interruption. To meet the requirements of subsections (d) and (e) of section 6299 of this title, the Secretary shall transmit an any such modification of the Plan, along with explanatory and supporting material, to both Houses of the Congress no later than 15 calendar days prior to the offering of any crude oil for sale under this subsection.”

Subsec. (g)(4). Pub. L. 106–469, §103(15)(F)(iii), substituted “95 percent” for “90 percent”.

Subsec. (g)(5). Pub. L. 106–469, §103(15)(F)(iv), substituted “test” for “drawdown and distribution”.

Subsec. (g)(6). Pub. L. 106–469, §103(15)(F)(v), amended par. (6) generally. Prior to amendment, par. (6) read as follows:

“(6) The minimum required fill rate in effect for any fiscal year shall be reduced by the amount of any crude oil drawdown from the Reserve under this subsection during such fiscal year.

“(B) In the case of a sale of any crude oil under this subsection, the Secretary shall, to the extent funds are available for the Program Account as a result of such sale, acquire crude oil for the Reserve within the 12-month period beginning after the completion of the sale. Such acquisition shall be in addition to any acquisition of crude oil for the Reserve required as part of a fill rate established by any other provision of law.”


1990—Subsec. (g)(1). Pub. L. 101–385, §8, amended par. (1) generally. Prior to amendment, par. (1) read as follows: “In order to evaluate the implementation of the Distribution Plan, the Secretary shall, commencing within 180 days after July 2, 1985, carry out a test drawdown and distribution under this subsection through the sale or exchange of approximately 1,100,000 barrels of crude oil from the Reserve. The requirement of this paragraph shall not apply if the President determines, within the 180-day period described in the preceding sentence, that implementation of the Distribution Plan is required by a severe energy supply interruption or by obligations of the United States under the international energy program.”


1985—Subsec. (b). Pub. L. 99–58, §103(b)(2), inserted reference to subsec. (g) of this section.


**Effective Date of 1998 Amendment**

Pub. L. 106–388, §§6(c), Nov. 13, 1998, 112 Stat. 3484, provided that: “The amendment made by subsection (a) [amending this section] takes effect on the earlier of—

(1) the date that is 180 days after the date of enactment of this Act [Nov. 13, 1998]; or

(2) the date that final regulations are issued under subsection (b) [set out as a note below].”

**Regulations**

Pub. L. 106–388, §§9(b), Nov. 13, 1998, 112 Stat. 3484, provided that:

“(1) IN GENERAL.—The Secretary of Energy shall issue such regulations as are necessary to carry out the amendment made by subsection (a) [amending this section].

“(2) ADMINISTRATIVE PROCEDURE.—Regulations issued to carry out the amendment made by subsection (a) shall not be subject to—

“A. section 523 of the Energy Policy and Conservation Act (42 U.S.C. 6393); or


**Strategic Petroleum Reserve Drawdown and Sale**

Provisions related to drawdown and sale from the Strategic Petroleum Reserve were contained in the following acts:


**§ 6242. Coordination with import quota system**

No quantitative restriction on the importation of any petroleum product into the United States imposed by law shall apply to volumes of any such petroleum product imported into the United States for storage in the Reserve.


**§ 6243. Records and accounts**

(a) Preparation and maintenance

The Secretary may require any person to prepare and maintain such records or accounts as the Secretary, by rule, determines necessary to carry out the purposes of this part.

(b) Audit of operations of storage facility

The Secretary may audit the operations of any storage facility in which any petroleum product is stored or required to be stored pursuant to the provisions of this part.

(c) Access to and inspection of records or accounts and storage facilities

The Secretary may require access to, and the right to inspect and examine, at reasonable times, (1) any records or accounts required to be prepared or maintained pursuant to subsection (a) and (2) any storage facilities subject to audit.
by the United States under the authority of this part.


**AMENDMENTS**


§ 6245. Annual report

The Secretary shall report annually to the President and the Congress on actions taken to implement this part. This report shall include—

1. The status of the physical capacity of the Reserve and the type and quantity of petroleum products in the Reserve;
2. An estimate of the schedule and cost to complete planned equipment upgrade or capital investment in the Reserve, including upgrades and investments carried out as part of operational maintenance or extension of life activities;
3. An identification of any life-limiting conditions or operational problems at any Reserve facility, and proposed remedial actions including an estimate of the schedule and cost of implementing those remedial actions;
4. A description of current withdrawal and distribution rates and capabilities, and an identification of any operational or other limitations on those rates and capabilities;
5. A listing of petroleum product acquisitions made in the preceding year and planned in the following year, including quantity, price, and type of petroleum;
6. A summary of the actions taken to develop, operate, and maintain the Reserve;
7. A summary of the financial status and financial transactions of the Strategic Petroleum Reserve and Strategic Petroleum Reserve Accounts for the year;
8. A summary of expenses for the year, and the number of Federal and contractor employees;
9. The status of contracts for development, operation, maintenance, distribution, and other activities related to the implementation of this part;
10. A summary of foreign oil storage agreements and their implementation status;
11. Any recommendations for supplemental legislation or policy or operational changes the Secretary considers necessary or appropriate to implement this part.


**AMENDMENTS**

2000—Pub. L. 106–469 amended section generally. Prior to amendment, section required the Secretary to report to the President and to Congress, not later than one year after the transmittal of the Strategic Petroleum Reserve Plan to the Congress and each year thereafter, on all actions taken to implement this part.

1995—Pub. L. 104–66 struck out subsec. (a) designation before “The Secretary shall”; and struck out subsec. (b) which directed Secretary to report to Congress on activities undertaken with respect to Strategic Petroleum Reserve under the amendments made by Strategic Petroleum Reserve Amendments Act of 1981.


1981—Pub. L. 97–35 designated existing provisions as subsec. (a) and added subsec. (b).


**EFFECTIVE DATE OF 1981 AMENDMENT**


**REPORTS TO CONGRESS ON PETROLEUM SUPPLY INTERRUPTIONS**


“(a) IMPACT ANALYSIS.—(1) The Secretary of Energy shall analyze the impact on the domestic economy and on consumers in the United States of reliance on market allocation and pricing during any substantial reduction in the amount of petroleum products available to the United States. In making such analysis, the Secretary of Energy may consult with the Secretary of the Treasury, the Secretary of Agriculture, the Director of the Office of Management and Budget, and the heads of other appropriate Federal agencies. Such analysis shall—

(A) examine the equity and efficiency of such reliance,
(B) distinguish between the impacts of such reliance on various categories of business (including small business and agriculture) and on households of different income levels,
(C) specify the nature and administration of monetary and fiscal policies that would be followed including emergency tax cuts, emergency block grants, and emergency supplements to income maintenance programs, and
(D) describe the likely impact on the distribution of petroleum products of State and local laws and regulations (including emergency authorities) affecting the distribution of petroleum products.

Such analysis shall include projections of the effect of the petroleum supply reduction on the price of motor gasoline, home heating oil, and diesel fuel, and on Federal tax revenues, Federal royalty receipts, and State and local tax revenues.

(2) Within one year after the date of the enactment of this Act [Aug. 3, 1982], the Secretary of Energy shall submit a report to the Congress and the President containing the analysis required by this subsection, including a detailed step-by-step description of the procedures by which the policies specified in paragraph (1)(C) would be accomplished in an emergency, along with such recommendations as the Secretary of Energy deems appropriate.

“(b) STRATEGIC PETROLEUM RESERVE DRAWDOWN AND DISTRIBUTION REPORT.—The President shall prepare and transmit to the Congress, at the time he transmits the drawdown plan pursuant to section 4(c) [section 4(c) of Pub. L. 97–229, set out as a note under 42 U.S.C. 6234], a report containing—
“(1) a description of the foreseeable situations (including selective and general embargoes, sabotage, war, act of God, or accident) which could result in a severe energy supply interruption or obligations of the United States arising under the international energy program necessitating distributions from the Strategic Petroleum Reserve, and

“(2) a description of the strategy or alternative strategies of distribution which could reasonably be used to respond to each situation described under paragraph (1), together with the theory and justifications underlying such strategy.

The description of each strategy under paragraph (2) shall include an explanation of the methods which would likely be used to determine the price and distribution of petroleum products from the Reserve in any such distribution, and an explanation of the disposition of revenues arising from sales of any such petroleum products under the strategy.

“(c) Regional Reserve Report.—The President or his delegate shall submit to the Congress no later than December 31, 1982, a report regarding the actions taken to comply with the provisions of section 157 of the Energy Policy and Conservation Act (42 U.S.C. 6237). Such report shall include an analysis of the economic benefits and costs of establishing Regional Petroleum Reserves, including—

“(1) an assessment of the ability to transport petroleum products to refiners, distributors, and end users within the regions specified in section 157(a) of such Act;

“(2) the comparative costs of creating and operating Regional Petroleum Reserves for such regions as compared to the costs of continuing current plans for the Strategic Petroleum Reserve; and

“(3) a list of potential sites for Regional Petroleum Reserves.

“(d) Strategic Alcohol Fuel Reserve Report.—The Secretary of Energy shall, in consultation with the Secretary of Agriculture, prepare and transmit to the Congress no later than December 31, 1982, a study of the potential for establishing a Strategic Alcohol Fuel Reserve.

“(e) Meaning of Terms.—As used in this section, the terms ‘international energy program’, ‘petroleum product’, ‘Reserve’, ‘severe energy supply interruption’, and ‘Strategic Petroleum Reserve’ have the meanings given such terms in sections 3 and 152 of the Energy Policy and Conservation Act (42 U.S.C. 6202 and 6232).”

§6246. Authorization of appropriations

There are authorized to be appropriated to the Secretary such sums as are necessary to carry out this part and part D, to remain available until expended.


Prior Provisions


§6247. SPR Petroleum Account

(a) Establishment

The Secretary of the Treasury shall establish in the Treasury of the United States an account to be known as the “SPR Petroleum Account” (hereinafter in this section referred to as the “Account”).

(b) Obligation of funds for acquisition, transportation, and injection of petroleum products into SPR

Amounts in the Account may be obligated by the Secretary of Energy for the acquisition, transportation, and injection of petroleum products into the Strategic Petroleum Reserve, for test sales of petroleum products from the Reserve, and for the drawdown, sale, and delivery of petroleum products from the Reserve—


(2) in the case of any fiscal year, subject to section 7270 of this title, in such aggregate amounts as may be appropriated in advance in appropriation Acts; and

(3) in the case of any fiscal year, notwithstanding section 7270 of this title, in an aggregate amount equal to the aggregate amount of the receipts to the United States from the sale of petroleum products in any drawdown and distribution of the Strategic Petroleum Reserve under section 6241 of this title, including a drawdown and distribution carried out under subsection (g) of such section, or from the sale of petroleum products under section 6240(f) of this title.

Funds available to the Secretary of Energy for obligation under this subsection may remain available without fiscal year limitation.

(c) Provision and deposit of funds

The Secretary of the Treasury shall provide and deposit into the Account such sums as may be necessary to meet obligations of the Secretary of Energy under subsection (b).

(d) Off-budgeting procedures

The Account, the deposits and withdrawals from the Account, and the transactions, receipts, obligations, outlays associated with such deposits and withdrawals (including petroleum product purchases and related transactions), and receipts to the United States from the sale of petroleum products in any drawdown and distribution of the Strategic Petroleum Reserve under section 6241 of this title, including a drawdown and distribution carried out under subsection (g) of such section, and from the sale of petroleum products under section 6240(f) of this title—

(1) shall not be included in the totals of the budget of the United States Government and shall be exempt from any general limitation imposed by statute on expenditures and net lending (budget outlays) of the United States; and

(2) shall not be deemed to be budget authority, spending authority, budget outlays, or Federal revenues for purposes of title III of Public Law 93–344, as amended (2 U.S.C. 631 et seq.).

§ 6247a. Use of underutilized facilities

(a) Authority

Notwithstanding any other provision of this subchapter, the Secretary, by lease or otherwise, for any term and under such other conditions as the Secretary considers necessary or appropriate, may store in underutilized Strategic Petroleum Reserve facilities petroleum product1 owned by a foreign government or its representative. Petroleum products stored under this section are not part of the Strategic Petroleum Reserve and may be exported without license from the United States.

(b) Protection of facilities

All agreements entered into pursuant to subsection (a) shall contain provisions providing for fees to fully compensate the United States for all related costs of storage and removals of petroleum products (including the proportionate cost of replacement facilities necessitated as a result of any withdrawals) incurred by the United States on behalf of the foreign government or its representative.

(c) Access to stored oil

The Secretary shall ensure that agreements to store petroleum products for foreign governments or their representatives do not impair the ability of the United States to withdraw, distribute, or sell petroleum products from the Strategic Petroleum Reserve in response to an energy emergency or to the obligations of the United States under the Agreement on an International Energy Program.

(d) Availability of funds

Funds collected through the leasing of Strategic Petroleum Reserve facilities authorized by subsection (a) after September 30, 2007, shall be used by the Secretary of Energy without further appropriation for the purchase of petroleum products for the Strategic Petroleum Reserve.


References in Text

This subchapter, referred to in subsec. (a), was in the original “this title”, meaning title I of Pub. L. 94–163, 98 Stat. 1881.

1 So in original. Probably should be “products”.

References in Text


References in Text

This subchapter, referred to in subsec. (d)(2), is Pub. L. 94–163, title I, §168, Aug. 13, 1981, 95 Stat. 213, provided that: “The provisions of section 167(d) of such Act, as added by subsection (a) of this section [subsec. (d) of this section], shall apply with respect to the outlays associated with unbalanced balances of appropriations made available and obligated as of the end of fiscal year 1981 for the acquisition, transportation, and injection of petroleum products for the Strategic Petroleum Reserve to the same extent and manner as such provisions apply with respect to withdrawals from the SPR Petroleum Account.”
§6247b. Purchase of oil from marginal wells

(a) In general

From amounts authorized under section 6246 of this title, in any case in which the price of oil decreases to an amount less than $15.00 per barrel (an amount equal to the annual average well head price per barrel for all domestic crude oil), adjusted for inflation, the Secretary may purchase oil from a marginal well at $15.00 per barrel, adjusted for inflation.

(b) Definition of marginal well

The term “marginal well” has the same meaning as the definition of “stripper well property” in section 613A(c)(6)(E) of title 26.

§6249. Contracting for petroleum product and facilities

(a) In general

Subject to the other provisions of this part, the Secretary may contract—

(1) for storage, in otherwise unused Strategic Petroleum Reserve facilities, of petroleum product not owned by the United States; and

(2) for storage, in storage facilities other than those of the Reserve, of petroleum product either owned or not owned by the United States.

(b) Conditions

(1) Petroleum product stored pursuant to such a contract shall, until the expiration, termination, or other conclusion of the contract, be a part of the Reserve and subject to the Secretary’s authority under part B.

(2) The Secretary may enter into a contract for storage of petroleum product under subsection (a) only if—

(A) the Secretary determines that entering into one or more contracts under such subsection would achieve benefits comparable to the acquisition of an equivalent amount of petroleum product, or an equivalent volume of storage capacity, for the Reserve under part B, and

(ii) that, because of budgetary constraints, the acquisition of an equivalent amount of petroleum product or volume of storage space for the Reserve cannot be accomplished under part B; and

(B) the Secretary notifies each House of the Congress of the determination and identifies or the location, type, and ownership of storage and related facilities proposed to be included, or the volume, type, and ownership of petroleum products proposed to be stored, in the Reserve, and an estimate of the proposed benefits.

(3) A contract entered into under subsection (a) shall not limit the discretion of the President or the Secretary to conduct a drawdown and sale of petroleum products from the Reserve.

(4) A contract entered into under subsection (a) shall include a provision that the obligation of the United States to make payments under the contract in any fiscal year is subject to the availability of appropriations.

(c) Charge for storage

The Secretary may store petroleum product pursuant to a contract entered into under subsection (a)(1) with or without charge or may pay a fee for its storage.

(d) Duration

Contracts entered into under subsection (a) may be of such duration as the Secretary considers necessary or appropriate.

(e) Binding arbitration

The Secretary may agree to binding arbitration of disputes under any contract entered into under subsection (a).

(f)Availability of funds

The Secretary may utilize such funds as are available in the SPR Petroleum Account to carry out the activities described in subsection (a), and may obligate and expend such funds to carry out such activities, in advance of the receipt of petroleum products.

Amendments

2000—Subsec. (b)(2)(B). Pub. L. 106–469, §103(20)(A), amended subpar. (B) generally. Prior to amendment, subpar. (B) read as follows: “the Secretary notifies each House of the Congress of such determination and includes in such notification the same information required under section 6239(e) of this title with regard to storage and related facilities proposed to be included, or petroleum product proposed to be stored, in the Reserve.”


§6249a. Implementation

(a), (b) Repealed. Pub. L. 106–469, title I, §103(21), Nov. 9, 2000, 114 Stat. 2033

(c) Legal status regarding other law

Petroleum product and facilities contracted for under this part have the same status as petroleum product and facilities owned by the United States for all purposes associated with the exercise of the laws of any State or political subdivision thereof.

(d) Return of product

At such time as the petroleum product contracted for under this part is withdrawn from
the Reserve upon the expiration, termination, or other conclusion of the contract, such petroleum product (or the equivalent quantity of petroleum product withdrawn from the Reserve pursuant to the contract) shall be deemed, for purposes of determining the extent to which such product is thereafter subject to any Federal, State, or local law or regulation, not to have left the place where such petroleum product was located at the time it was originally committed to a contract under this part.


AMENDMENTS

2000—Subsecs. (a), (b). Pub. L. 106–469 struck out subsecs. (a) and (b) which read as follows:

“(a) AMENDMENT TO PLAN NOT REQUIRED.—An amendment of the Strategic Petroleum Reserve Plan is not required for any action taken under this part.

“(b) FILL RATE REQUIREMENT.—For purposes of section 6249(b) of this title, any petroleum product stored in the Reserve under this part that is removed from the Reserve at the expiration, termination, or other conclusion of the agreement shall be considered to be part of the Reserve until the beginning of the fiscal year following the fiscal year in which the petroleum product was removed.”


§6249c. Contracts for which implementing legislation is needed

(a) In general

(1) In the case of contracts entered into under this part, and amendments to such contracts, for which implementing legislation will be needed, the Secretary may transmit an implementing bill to both Houses of the Congress.

(2) In the Senate, any such bill shall be considered in accordance with the provisions of this section.

(3) For purposes of this section—

(A) the term “implementing bill” means a bill introduced in either House of Congress with respect to one or more contracts or amendments to contracts submitted to the House of Representatives and the Senate under this section and which contains—

(i) a provision approving such contracts or amendments, or both; and

(ii) legislative provisions that are necessary or appropriate for the implementation of such contracts or amendments, or both; and

(B) the term “implementing revenue bill” means an implementing bill which contains one or more revenue measures by reason of which it must originate in the House of Representatives.

(b) Consultation

The Secretary shall consult, at the earliest possible time and on a continuing basis, with each committee of the House and the Senate that has jurisdiction over all matters expected to be affected by legislation needed to implement any such contract.

(c) Effective date

Each contract and each amendment to a contract for which an implementing bill is necessary may become effective only if—

(1) the Secretary, not less than 30 days before the day on which such contract is entered into, notifies the House of Representatives and the Senate of the intention to enter into such a contract and promptly thereafter publishes notice of such intention in the Federal Register;

(2) after entering into the contract, the Secretary transmits a report to the House of Representatives and to the Senate containing a copy of the final text of such contract together with—

(A) the implementing bill, and an explanation of how the implementing bill changes or affects existing law; and

(B) a statement of the reasons why the contract serves the interests of the United States and why the implementing bill is required or appropriate to implement the contract; and

(3) the implementing bill is enacted into law.

(d) Rules of Senate

Subsections (e) through (h) are enacted by the Congress—

(1) as an exercise of the rulemaking power of the Senate, and as such they are deemed a part of the rules of the Senate but applicable only with respect to the procedure to be followed in the Senate in the case of implementing bills and implementing revenue bills described in subsection (a), and they supersede other rules only to the extent that they are inconsistent therewith; and

(2) with full recognition of the constitutional right of the Senate to change the rules (so far as relating to the procedures of the Senate) at any time, in the same manner and to the same extent as in the case of any other rule of the Senate.

(e) Introduction and referral in Senate

(1) On the day on which an implementing bill is transmitted to the Senate under this section, the implementing bill shall be introduced (by request) in the Senate by the majority leader of the Senate, for himself or herself and the minority leader of the Senate, or by Members of the Senate designated by the majority leader and minority leader of the Senate.

(2) If the Senate is not in session on the day on which such an agreement is submitted, the implementing bill shall be introduced in the Senate, as provided in the first paragraph (1), on the first day thereafter on which the Senate is in session.

(3) Such bills shall be referred by the presiding officer of the Senate to the appropriate committee, or, in the case of a bill containing provisions within the jurisdiction of two or more committees, jointly to such committees for con-

1So in original. The word “the” probably should not appear.
consideration of those provisions within their respective jurisdictions.

(f) Consideration of amendments to implementing bill prohibited in Senate

(1) No amendments to an implementing bill shall be in order in the Senate, and it shall not be in order in the Senate to consider an implementing bill that originated in the House if such bill passed the House containing any amendment to the introduced bill.

(2) No motion to suspend the application of this subsection shall be in order in the Senate; nor shall it be in order in the Senate for the Presiding Officer to entertain a request to suspend the application of this subsection by unanimous consent.

(g) Discharge in Senate

(1) Except as provided in paragraph (3), if the committee or committees of the Senate to which an implementing bill has been referred have not reported it at the close of the 30th day after its introduction, such committee or committees shall be automatically discharged from further consideration of the bill, and it shall be placed on the appropriate calendar.

(2) A vote on final passage of the bill shall be taken in the Senate on or before the close of the 15th day after such bill is reported by the committee or committees to which it was referred or after such committee or committees have been discharged from further consideration of the bill.

(3) The provisions of paragraphs (1) and (2) shall not apply in the Senate to an implementing revenue bill. An implementing revenue bill received from the House shall be subject to subsection (f)(1), referred to the appropriate committee or committees of the Senate. If such committee or committees have not reported such bill at the close of the 15th day after such bill is receipt by the Senate, such committee or committees shall be automatically discharged from further consideration of such bill and it shall be placed on the calendar. A vote on final passage of such bill shall be taken in the Senate on or before the close of the 15th day after such bill is reported by the committee or committees of the Senate to which it was referred, or after such committee or committees have been discharged from further consideration of such bill.

(4) For purposes of this subsection, in computing a number of days in the Senate, there shall be excluded any day on which the Senate is not in session.

(h) Floor consideration in Senate

(1) A motion in the Senate to proceed to the consideration of an implementing bill shall be privileged and not debatable. An amendment to the motion shall not be in order, nor shall it be in order to reconsider the vote by which the motion is agreed to or disagreed to.

(2) Debate in the Senate on an implementing bill, and all debatable motions and appeals in connection therewith, shall be limited to not more than one hour to be equally divided between, and controlled by, the mover and the manager of the bill, except that in the event the manager of the bill in favor of this motion or appeal, the time in opposition thereto shall be controlled by the minority leader or his designee. Such leaders, or either of them, may, from time under their control on the passage of an implementing bill, allot additional time to any Senator during the consideration of any debatable motion or appeal.

(3) Debate in the Senate on any debatable motion or appeal in connection with an implementing bill shall be limited to not more than one hour to be equally divided between, and controlled by, the mover and the manager of the bill, except that in the event the manager of the bill in favor of this motion or appeal, the time in opposition thereto shall be controlled by the minority leader or his designee. Such leaders, or either of them, may, from time under their control on the passage of an implementing bill, allot additional time to any Senator during the consideration of any debatable motion or appeal.

(4) A motion in the Senate to further limit debate is not debatable. A motion to recommit an implementing bill is not in order.


PART D—NORTHEAST HOME HEATING OIL RESERVE

PRIOR PROVISIONS

A prior part D, consisting of section 6251 of this title, was redesignated part E of this subchapter, prior to repeal by Pub. L. 109–58.

§ 6250. Establishment

(a) Notwithstanding any other provision of this chapter, the Secretary may establish, maintain, and operate in the Northeast a Northeast Home Heating Oil Reserve. A Reserve established under this part is not a component of the Strategic Petroleum Reserve established under part B of this subchapter. A Reserve established under this part shall contain no more than 2 million barrels of petroleum distillate.

(b) For the purposes of this part—


(2) the term “petroleum distillate” includes heating oil and diesel fuel; and

(3) the term “Reserve” means the Northeast Home Heating Oil Reserve established under this part.


REFERENCES IN TEXT

This chapter, referred to in subsec. (a), was in the original “this Act”, meaning Pub. L. 94–163, Dec. 22, 1975, 89 Stat. 761, as amended, known as the Energy Policy and Conservation Act. For complete classification of this Act to the Code, see Short Title note set out under section 6201 of this title and Tables.

PRIOR PROVISIONS

A prior section 181 of Pub. L. 94–163 was renumbered section 191 and was classified to section 6251 of this title, prior to repeal by Pub. L. 109–58.

§ 6250a. Authority

To the extent necessary or appropriate to carry out this part, the Secretary may—

(1) purchase, contract for, lease, or otherwise acquire, in whole or in part, storage and related facilities, and storage services;

(2) use, lease, maintain, sell, or otherwise dispose of storage and related facilities acquired under this part;
§ 6250b. Conditions for release; plan

(a) Finding

The Secretary may sell products from the Reserve only upon a finding by the President that there is a severe energy supply interruption. Such a finding may be made only if he determines that—

(1) a dislocation in the heating oil market has resulted from such interruption; or

(2) a circumstance, other than that described in paragraph (1), exists that constitutes a regional supply shortage of significant scope and duration that action taken under this section would assist directly and significantly in reducing the adverse impact of such shortage.

(b) Definition

For purposes of this section a “dislocation in the heating oil market” shall be deemed to occur only when—

(1) The price differential between crude oil, as reflected in an industry daily publication such as “Platt’s Oilgram Price Report” or “Oil Daily” and No. 2 heating oil, as reported in the Energy Information Administration’s retail price data for the Northeast, increases by more than 60 percent over its 5-year rolling average for the months of mid-October through March (considered as a heating season average), and continues for 7 consecutive days; and

(2) The price differential continues to increase during the most recent week for which price information is available.

(c) Continuing evaluation

The Secretary shall conduct a continuing evaluation of the residential price data supplied by the Energy Information Administration for the Northeast and data on crude oil prices from published sources.

(d) Release of petroleum distillate

After consultation with the heating oil industry, the Secretary shall determine procedures governing the release of petroleum distillate from the Reserve. The procedures shall provide that—

(1) the Secretary may—

(A) sell petroleum distillate from the Reserve through a competitive process, or

(B) enter into exchange agreements for the petroleum distillate that results in the Secretary receiving a greater volume of petroleum distillate as repayment than the volume provided to the acquirer;

(2) in all such sales or exchanges, the Secretary shall receive revenue or its equivalent in petroleum distillate that provides the Department with fair market value. At no time may the oil be sold or exchanged resulting in a loss of revenue or value to the United States; and

(3) the Secretary shall only sell or dispose of the oil in the Reserve to entities customarily engaged in the sale and distribution of petroleum distillate.

(e) Plan

Within 45 days of November 9, 2000, the Secretary shall transmit to the President and, if the President approves, to the Congress a plan describing—

(1) the acquisition of storage and related facilities or storage services for the Reserve, including the potential use of storage facilities not currently in use;

(2) the acquisition of petroleum distillate for storage in the Reserve;

(3) the anticipated methods of disposition of petroleum distillate from the Reserve;

(4) the estimated costs of establishment, maintenance, and operation of the Reserve;

(5) efforts the Department will take to minimize any potential need for future drawdowns and ensure that distributors and importers are not discouraged from maintaining and increasing supplies to the Northeast; and

(6) actions to ensure quality of the petroleum distillate in the Reserve.

Amendments

2005—Subsec. (b)(1). Pub. L. 109–58 substituted “by more than 60 percent over its 5-year rolling average for the months of mid-October through March (considered as a heating season average)” for “by more than 60 percent over its 5 year rolling average for the months of mid-October through March”.

§ 6250c. Northeast Home Heating Oil Reserve Account

(a) Establishment

Upon a decision of the Secretary of Energy to establish a Reserve under this part, the Secretary of the Treasury shall establish in the Treasury of the United States an account known as the “Northeast Home Heating Oil Reserve Account” (referred to in this section as the “Account”).

(b) Deposits

The Secretary of the Treasury shall deposit in the Account any amounts appropriated to the Account and any receipts from the sale, exchange, or other disposition of petroleum distillate from the Reserve.

(c) Obligation of amounts

The Secretary of Energy may obligate amounts in the Account to carry out activities
under this part without the need for further appropriation, and amounts available to the Secretary of Energy for obligation under this section shall remain available without fiscal year limitation.


§6250d. Exemptions

An action taken under this part is not subject to the rulemaking requirements of section 6393 of this title, section 7191 of this title, or section 553 of title 5.


§6250f. Limit on amount of petroleum distillate

Notwithstanding section 6250 of this title, for fiscal year 2012 and hereafter, the [Northeast Home Heating Oil] Reserve shall contain no more than 1 million barrels of petroleum distillate.


Codification

Section was enacted as part of the Energy and Water Development and Related Agencies Appropriations Act, 2012, and also as part of the Consolidated Appropriations Act, 2012, and not as part of the Energy Policy and Conservation Act which comprises this chapter.

PART E—EXPIRATION


SUBCHAPTER II—STANDBY ENERGY AUTHORITIES

PART A—GENERAL EMERGENCY AUTHORITIES


Section 6264, Pub. L. 94–163, title II, §204, as added Pub. L. 99–58, title I, §104(b), July 2, 1985, 99 Stat. 104, provided that except as provided in section 6263(f) of this title, authority to carry out the provisions of section 6261 to 6264 of this title and any rule, regulation, or order issued pursuant to such sections expired at midnight, June 30, 1985.

PART B—AUTHORITIES WITH RESPECT TO INTERNATIONAL ENERGY PROGRAM

§6271. International oil allocations

(a) Authority of President to prescribe rules for implementation of obligations of United States relating to international allocation of petroleum products; amounts of allocation and prices; petroleum products subject to rule; term of rule

The President may, by rule, require that persons engaged in producing, transporting, refining, distributing, or storing petroleum products, take such action as he determines to be necessary or appropriate for implementation of the obligations of the United States under chapters III and IV of the international energy program insofar as such obligations relate to the international allocation of petroleum products. Allocation under such rule shall be in such amounts and at such prices as are specified in (or determined in a manner prescribed by) such rule. Such rule may apply to any petroleum product owned or controlled by any person described in the first sentence of this subsection who is subject to the jurisdiction of the United States, including any petroleum product destined, directly or indirectly, for import into the United States or any foreign country, or produced in the United States. Subject to subsection (b)(2), such a rule shall remain in effect until amended or rescinded by the President.

(b) Prerequisites to rule taking effect; time rule may be put into effect or remain in effect

(1) No rule under subsection (a) may take effect unless the President—

(A) has transmitted such rule to the Congress;

(B) has found that putting such rule into effect is required in order to fulfill obligations of the United States under the international energy program; and

(C) has transmitted such finding to the Congress, together with a statement of the effective date and manner for exercise of such rule.

(2) No rule under subsection (b) may be put into effect or remain in effect after the expira-
tion of 12 months after the date such rule was transmitted to Congress under paragraph (1)(A).

(c) Consistency of rule with attainment of objectives specified in section 753(b)(1) of title 15; limitation on authority of officers or agencies of United States

(1) Any rule under this section shall be consistent with the attainment, to the maximum extent practicable, of the objectives specified in section 753(b)(1) of title 15.

(2) No officer or agency of the United States shall have any authority, other than authority under this section, to require that petroleum products be allocated to other countries for the purpose of implementation of the obligations of the United States under the international energy program.

(d) Nonapplicability of export restrictions under other laws

Neither section 6212 of this title nor section 185(u) of title 30 shall preclude the allocation and export, to other countries in accordance with this section, of petroleum products produced in the United States.

(e) Prerequisites for effectiveness of rule

No rule under this section may be put into effect unless—

(1) an international energy supply emergency, as defined in the first sentence of section 6272(k)(1) of this title, is in effect; and

(2) the allocation of available oil referred to in chapter III of the international energy program has been activated pursuant to chapter IV of such program.


§ 6272. International voluntary agreements

(a) Exclusiveness of section's requirements

Effective 90 days after December 22, 1975, the requirements of this section shall be the sole procedures applicable to—

(1) the development or carrying out of voluntary agreements and plans of action to implement the international emergency response provisions, and

(2) the availability of immunity from the antitrust laws with respect to the development or carrying out of such voluntary agreements and plans of action.

(b) Prescription by Secretary of standards and procedures for developing and carrying out voluntary agreements and plans of action

The Secretary, with the approval of the Attorney General, after each of them has consulted with the Federal Trade Commission and the Secretary of State, shall prescribe, by rule, standards and procedures by which persons engaged in the business of producing, transporting, refining, distributing, or storing petroleum products may develop and carry out voluntary agreements, and plans of action, which are required to implement the international emergency response provisions.

(c) Requirements for standards and procedures

The standards and procedures prescribed under subsection (b) shall include the following requirements:

(1)(A)(i) Except as provided in clause (ii) or (iii) of this subparagraph, meetings held to develop or carry out a voluntary agreement or plan of action under this subsection shall permit attendance by representatives of committees of Congress and interested persons, including all interested segments of the petroleum industry, consumers, and the public; shall be preceded by timely and adequate notice with identification of the agenda of such meeting to the Attorney General, the Federal Trade Commission, committees of Congress, and (except during an international energy supply emergency with respect to meetings to carry out a voluntary agreement or to develop or carry out a plan of action) the public; and shall be initiated and chaired by a regular full-time Federal employee.

(ii) Meetings of bodies created by the International Energy Agency established by the international energy program need not be open to interested persons and need not be initiated and chaired by a regular full-time Federal employee.

(iii) The President, in consultation with the Secretary, the Secretary of State, and the Attorney General, may determine that a meeting held to carry out a voluntary agreement or to develop or carry out a plan of action shall not be open to interested persons or that attendance by interested persons may be limited, if the President finds that a wider disclosure would be detrimental to the foreign policy interests of the United States.

(B) No meetings may be held to develop or carry out a voluntary agreement or plan of action under this section unless a regular full-time Federal employee is present.

(2) Interested persons permitted to attend such a meeting shall be afforded an opportunity to present, in writing and orally, data, views, and arguments at such meetings, subject to any reasonable limitations with respect to the manner of presentation of data, views, and arguments as the Secretary may impose.

(3) A full and complete record, and where practicable a verbatim transcript, shall be kept of any meeting held, and a full and complete record shall be kept of any communication (other than in a meeting) made, between or among participants or potential partici-
pents, to develop, or carry out a voluntary agreement or a plan of action under this section. Such record or transcript shall be deposited, together with any agreement resulting therefrom, with the Secretary, and shall be available to the Attorney General and the Federal Trade Commission. Such records or transcripts shall be available for public inspection and copying in accordance with section 552 of title 5; except that (A) matter may not be withheld from disclosure under section 552(b) of such title on grounds other than the grounds specified in section 552(b)(1), (b)(3), or so much of (b)(4) as relates to trade secrets; and (B) in the exercise of authority under section 552(b)(1), the President shall consult with the Secretary of State, the Secretary, and the Attorney General with respect to questions relating to the foreign policy interests of the United States.

(4) No provision of this section may be exercised so as to prevent representatives of committees of Congress from attending meetings to which this section applies, or from having access to any transcripts, records, and agreements kept or made under this section. Such access to any transcript that is required to be kept for any meeting shall be provided as soon as practicable (but not later than 14 days) after that meeting.

do Participation of Attorney General and Federal Trade Commission in development and carrying out of voluntary agreements and plans of action

(1) The Attorney General and the Federal Trade Commission shall participate from the beginning in the development, and when practicable, in the carrying out of voluntary agreements and plans of action authorized under this section. Each may propose any alternative which would avoid or overcome, to the greatest extent practicable, possible anticompetitive effects while achieving substantially the purposes of this part. A voluntary agreement or plan of action under this section may not be carried out unless approved by the Attorney General, after consultation with the Federal Trade Commission. Prior to the expiration of the period determined under paragraph (2), the Federal Trade Commission shall transmit to the Attorney General its views as to whether such an agreement or plan of action should be approved, and shall publish such views in the Federal Register. The Attorney General, in consultation with the Federal Trade Commission, the Secretary of State, and the Secretary, shall have the right to review, amend, modify, disapprove, or revoke, on his own motion or upon the request of the Federal Trade Commission or any interested person, any voluntary agreement or plan of action at any time, and, if revoked, thereby withdraw prospectively any immunity which may be conferred by subsection (f) or (j).

(2) Any voluntary agreement or plan of action entered into pursuant to this section shall be submitted in writing to the Attorney General and the Federal Trade Commission 20 days before being implemented; except that during an international energy supply emergency, the Secretary, subject to approval of the Attorney General, may reduce such 20-day period. Any such agreement or plan of action shall be available for public inspection and copying, except that a plan of action shall be so available only to the extent to which records or transcripts are so available as provided in the last sentence of subsection (c)3. Any action taken pursuant to such voluntary agreement or plan of action shall be reported to the Attorney General and the Federal Trade Commission pursuant to such regulations as shall be prescribed under paragraphs (3) and (4) of subsection (e).

(3) A plan of action may not be approved by the Attorney General under this subsection unless such plan (A) describes the types of substantive actions which may be taken under the plan, and (B) is as specific in its description of proposed substantive actions as is reasonable in light of circumstances known at the time of approval.

(e) Monitoring of development and carrying out of voluntary agreements and plans of action by Attorney General and Federal Trade Commission

(1) The Attorney General and the Federal Trade Commission shall monitor the development and carrying out of voluntary agreements and plans of action authorized under this section in order to promote competition and to prevent anticompetitive practices and effects, while achieving substantially the purposes of this part.

(2) In addition to any requirement specified under subsections (b) and (c) of this section and in order to carry out the purposes of this section, the Attorney General, in consultation with the Federal Trade Commission and the Secretary, may promulgate rules concerning the maintenance of necessary and appropriate records related to the development and carrying out of voluntary agreements and plans of action authorized pursuant to this section.

(3) Persons developing or carrying out voluntary agreements and plans of action authorized pursuant to this section shall maintain such records as are required by rules promulgated under paragraph (2). The Attorney General and the Federal Trade Commission shall have access to and the right to copy such records at reasonable times and upon reasonable notice.

(4) The Attorney General and the Federal Trade Commission may each prescribe such rules as may be necessary or appropriate to carry out their respective responsibilities under this section. They may both utilize for such purposes and for purposes of enforcement any powers conferred upon the Federal Trade Commission or the Department of Justice, or both, by the antitrust laws or the Antitrust Civil Process Act [15 U.S.C. 1311 et seq.]; and wherever any such law refers to “the purposes of this Act” or like terms, the reference shall be understood to include this section.

(f) Defense to civil or criminal antitrust actions

(1) There shall be available as a defense to any civil or criminal action brought under the antitrust laws (or any similar State law) in respect to actions taken to develop or carry out a voluntary agreement or plan of action by persons engaged in the business of producing, transport-
ing, refining, distributing, or storing petroleum products (provided that such actions were not taken for the purpose of injuring competition) that—

(A) such actions were taken—

(i) in the course of developing a voluntary agreement or plan of action pursuant to this section, or

(ii) to carry out a voluntary agreement or plan of action authorized and approved in accordance with this section, and

(B) such persons complied with the requirements of this section and the rules promulgated hereunder.

(2) Except in the case of actions taken to develop a voluntary agreement or plan of action, the defense provided in this subsection shall be available only if the person asserting the defense demonstrates that the actions were specified in, or within the reasonable contemplation of, an approved voluntary agreement or plan of action.

(3) Persons interposing the defense provided by this subsection shall have the burden of proof, except that the burden shall be on the person against whom the defense is asserted with respect to whether the actions were taken for the purpose of injuring competition.

(g) Acts or practices occurring prior to date of enactment of chapter or subsequent to its expiration or repeal

No provision of this section shall be construed as granting immunity for, or as limiting or in any way affecting any remedy or penalty which may result from any legal action or proceeding arising from, any act or practice which occurred prior to the date of enactment of this chapter or subsequent to its expiration or repeal.

(h) Applicability of Defense Production Act of 1950

Section 4558 of title 50 shall not apply to any agreement or action undertaken for the purpose of developing or carrying out—

(1) the international energy program; or

(2) any allocation, price control, or similar program with respect to petroleum products unless allocation is required by chapters III and IV of the international energy program during an international energy supply emergency.

(i) Reports by Attorney General and Federal Trade Commission to Congress and President

The Attorney General and the Federal Trade Commission shall each submit to the Congress and to the President, at such intervals as are appropriate based on significant developments and issues, reports on the impact on competition and on small business of actions authorized by this section.

(j) Defense in breach of contract actions

In any action in any Federal or State court for breach of contract, there shall be available as a defense that the alleged breach of contract was caused predominantly by action taken during an international energy supply emergency to carry out a voluntary agreement or plan of action authorized and approved in accordance with this section.

(k) Definitions

As used in this section and section 6274 of this title:

(1) The term "international energy supply emergency" means any period (A) beginning on any date which the President determines allocation of petroleum products to nations participating in the international energy program is required by chapters III and IV of such program, and (B) ending on a date on which he determines that such allocation is no longer required. Such a period may not exceed 90 days, but the President may establish one or more additional 90-day periods by making anew the determination under subparagraph (A) of the preceding sentence. Any determination respecting the beginning or end of any such period shall be published in the Federal Register.

(2) The term "international emergency response provisions" means—

(A) the provisions of the international energy program which relate to international allocation of petroleum products and to the information system provided in the program; and

(B) the emergency response measures adopted by the Governing Board of the International Energy Agency (including the July 11, 1984, decision by the Governing Board on "Stocks and Supply Disruptions") for—

(i) the coordinated drawdown of stocks of petroleum products held or controlled by governments; and

(ii) complementary actions taken by governments during an existing or impending international oil supply disruption.

(l) Applicability of antitrust defense

The antitrust defense under subsection (f) shall not extend to the international allocation of petroleum products unless allocation is required by chapters III and IV of the international energy program during an international energy supply emergency.

(m) Limitation on new plans of action

(1) With respect to any plan of action approved by the Attorney General after July 2, 1985—

(A) the defenses under subsection (f) and (j) shall be applicable to Type 1 activities (as that term is defined in the International Energy Agency Emergency Management Manual, dated December 1982) only if—

(i) the coordinated drawdown of stocks of petroleum products held or controlled by governments; and

(ii) the international energy program which relate to international allocation of petroleum products; and

(B) such defenses shall not be applicable to Type 1 activities if there has been enacted, in accordance with subsection (n), a joint resolution of disapproval pursuant to subsection (n); and

(2) The Secretary may withdraw the plan of action at any time prior to adoption of a joint resolution described in subsection (n)(3) by either House of Congress.

(3) For the purpose of this subsection—

(A) continuity of session is broken only by an adjournment of the Congress sine die at the end of the second session of Congress; and
(B) the days on which either House is not in session because of an adjournment of more than three days to a day certain are excluded in the computation of the calendar-day period involved.

(n) Joint resolution of disapproval

(1)(A) The application of defenses under subsections (f) and (j) for Type 1 activities with respect to any plan of action transmitted to Congress as described in subsection (m)(1)(A)(i) shall be disapproved if a joint resolution of disapproval has been enacted into law during the 90-day period of continuous session after which such transmission was received by the Congress. For the purpose of this subsection, the term "joint resolution" means only a joint resolution of either House of the Congress as described in paragraph (3).

(B) After receipt by the Congress of such plan of action, a joint resolution of disapproval may be introduced in either House of the Congress. Upon introduction in the Senate, the joint resolution shall be referred to the Senate immediately to the Committee on Energy and Natural Resources of the Senate.

(2) This subsection is enacted by the Congress—

(A) as an exercise of the rulemaking power of the Senate and as such it is deemed a part of the rules of the Senate, but applicable only with respect to the procedure to be followed in the Senate in the case of resolutions described by paragraph (3); it supersedes other rules only to the extent that is inconsistent therewith; and

(B) with full recognition of the constitutional right of the Senate to change the rules (so far as relating to the procedure of the Senate) at any time, in the same manner and to the same extent as in the case of any other rule of the Senate.

(3) The joint resolution disapproving the transmission under subsection (m) shall read as follows after the resolving clause: "That the Congress of the United States disapproves the availability of the defenses pursuant to section 252(f) and (j) of the Energy Policy and Conservation Act with respect to Type 1 activities under the plan of action submitted to the Congress by the Secretary of Energy on ...", the blank space therein being filled with the date and year of receipt by the Congress of the plan of action transmitted as described in subsection (m).

(4)(A) If the Committee on Energy and Natural Resources of the Senate has not reported a joint resolution referred to it under this subsection at the end of 20 calendar days of continuous session after its referral, it shall be in order to move either to discharge the committee from further consideration of such resolution or to discharge the committee from further consideration of any other joint resolution which has been referred to the committee with respect to such plan of action.

(B) A motion to discharge shall be highly privileged (except that it may not be made after the Committee on Energy and Natural Resources has reported a joint resolution with respect to the plan of action), and debate thereon shall be limited to not more than one hour, to be divided equally between those favoring and those opposing the joint resolution. An amendment to the motion shall not be in order, and it shall not be in order to move to reconsider the vote by which the motion was agreed to or disagreed to.

(C) If the motion to discharge is agreed to or disagreed to, the motion may not be renewed, nor may another motion to discharge the committee be made with respect to any other joint resolution with respect to the same transmission.

(5)(A) When the Committee on Energy and Natural Resources of the Senate has reported or has been discharged from further consideration of a joint resolution, it shall be in order at any time thereafter within the 90-day period following receipt by the Congress of the plan of action (even though a previous motion to the same effect has been disapproved) to move to proceed to the consideration of such joint resolution. The motion shall be highly privileged and shall not be debatable. An amendment to the motion shall not be in order, and it shall not be in order to move to reconsider a vote by which the motion was agreed to or disagreed to.

(B) Debate on the joint resolution shall be limited to not more than 10 hours and final action on the joint resolution shall occur immediately following conclusion of such debate. A motion further to limit debate shall not be debatable. A motion to recommit such a joint resolution shall not be in order, and it shall not be in order to move to reconsider the vote by which such a joint resolution was agreed to or disagreed to.

(6)(A) Motions to postpone made with respect to the discharge from committee or consideration of a joint resolution, shall be decided without debate.

(B) Appeals from the decision of the Chair relating to the application of rules of the Senate to the procedures relating to a joint resolution shall be decided without debate.


REFERENCES IN TEXT

The Antitrust Civil Process Act, referred to in subsec. (e)(4), is Pub. L. 67–566, Sept. 19, 1962, title VI, § 548, which is classified principally to chapter 34 (§ 1311 et seq.) of Title 15. For complete classification of that Act to the Code, see Short Title note set out under section 1311 of Title 15 and Tables.

The date of enactment of this chapter, referred to in subsec. (g), means the date of enactment of Pub. L. 94–163, which was approved Dec. 22, 1975.

This chapter, referred to in subsec. (b)(2), was in the original "this Act", meaning Pub. L. 94–163, Dec. 22, 1975, 89 Stat. 871, known as the Energy Policy and Conservation Act. For complete classification of this Act...
to the Code, see Short Title note set out under section 6201 of this title and Tables.

Section 252(f) and (j) of the Energy Policy and Conservation Act, referred to in subsection (m)(3), is classified to subsecs. (f) and (j) of this section.

AMENDMENTS
1998—Subsecs. (a)(1), (b), Pub. L. 105–177, §14(A), substituted "international emergency response provisions" for "allocation and information provisions of the international energy program".

Subsec. (c)(3), Pub. L. 105–177, §14(B), substituted "circumstances known at the time of approval" for "known circumstances".

Subsec. (e)(2), Pub. L. 105–177, §14(C), substituted "may" for "shall".

Subsec. (f)(2), Pub. L. 105–177, §14(D), inserted "voluntary agreement or" after "approved".

Subsec. (h) generally. Prior to amendment, subsec. (h) read as follows: "Upon the expiration of the 90-day period which begins on December 22, 1975, the provisions of sections 708 and 708A (other than 708A(o) which begins on December 22, 1975, the provisions of which are generally. Prior to amendment, subsec. (h) read as follows: "The term 'allocation and information provisions of the international energy program' means the provisions of the international energy program which relate to international allocation of petroleum products and to the information system provided in such program.".

Subsec. (l), Pub. L. 105–177, §14(G), amended subsec. (l) generally. Prior to amendment, subsec. (l) read as follows: "The authority granted by this section shall apply only to the development or carrying out of voluntary agreements and plans of action to implement chapters III, IV, and V of the international energy program.".

1985—Subsec. (i). Pub. L. 104–66 substituted "as at such intervals as are appropriate based on significant developments and issues, reports" for "as at least once every 6 months, a report".

Subsec. (d)(1), Pub. L. 99–58, §104(c)(4), substituted "subsection (f) or (j)" for "subsection (f) or (k)".

Subsecs. (j) to (l), Pub. L. 99–58, §104(c)(2), redesignated subsecs. (k) to (m) as (j) to (l). Former subsec. (j), which provided that the authority granted by this section would terminate at midnight, June 30, 1985, was struck out.

Subsecs. (m), (n), Pub. L. 99–58, §105, added subsecs. (m) and (n). Former subsec. (m) redesignated (l).


1982—Subsec. (j), Pub. L. 97–229, §2(a), substituted "at midnight December 31, 1983" for "for August 1, 1982".


Pub. L. 97–190 substituted "July 1, 1982" for "June 1, 1982".

Pub. L. 97–163 substituted "June 1, 1982" for "April 1, 1982".

Subsec. (m), Pub. L. 97–229, §2(b)(2), added subsec. (m).


1979—Subsec. (c)(4), Pub. L. 96–133, §2, inserted provisions respecting access to transcripts.

Subsec. (j), Pub. L. 96–133, §1, substituted "March 15, 1981" for "November 30, 1979".

Pub. L. 96–94 substituted "November 30" for "October 31".


STUDY AND REPORT ON ENERGY POLICY COOPERATION BETWEEN UNITED STATES AND OTHER WESTERN HEMISPHERE COUNTRIES

Pub. L. 100–373, §2, July 19, 1988, 102 Stat. 878, directed Secretary of Energy, in consultation with Secretary of State and Secretary of Commerce, to conduct a study to determine how best to enhance cooperation between United States and other countries of Western Hemisphere with respect to energy policy including stable supplies of, and stable prices for, energy, with Secretary of Energy to report results of such study to Congress, propose a comprehensive international energy policy for United States designed to enhance cooperation between United States and other countries of the Western Hemisphere, and recommend such action as Secretary deemed necessary to establish and implement such policy.

REPORT OF IMPLEMENTATION ACTIVITIES UNDER INTERNATIONAL VOLUNTARY AGREEMENTS

Pub. L. 96–132, §3, Nov. 30, 1979, 93 Stat. 1053, directed Secretary of Energy, in consultation with Secretary of State, Attorney General, and Chairman of Federal Trade Commission, to prepare and submit to appropriate committees of Congress, a report concerning actions taken by them to carry out provisions of this section, which report was to examine and discuss extent to which all, or part, of any meeting held in accordance with subsec. (c) of this section to carry out a voluntary agreement or to develop or carry out a plan of action should be open to interested persons in furtherance of provisions of subsec. (c)(1)(A) of this section, policies and procedures followed by appropriate Federal agencies in reviewing and making public or withholding from the public all, or part, of any transcript of any meeting held to develop or carry out a voluntary agreement or plan of action under this section and in permitting persons, other than citizens of United States, to review such transcripts prior to any public disclosure thereof, extent to which classification of all, or part, of such transcripts should be carried out by one agency, adequacy of actions by responsible Federal agencies in withholding that standards and procedures required by this section are fully implemented and enforced, including monitoring of program concerning any anticompetitive effects, and number of personnel, and amount of funds, assigned by each such agency to carry out such standards and procedures, actions taken, or to be taken, to improve reporting of energy supply data under international energy program and to reconcile such reporting with similar reporting that is conducted by Department of Energy, actions taken, or planned, to improve reporting required by subsec. (i) of this section, and other actions under subsec. (i) of this section and to transmit such report to such committees within 120 days after Nov. 30, 1979, and to make such report available to the public.

CLASSIFICATION OF CERTAIN INFORMATION AND MATERIAL

For provisions relating to the classification of certain information and material obtained from advisory bodies created to implement the International Energy Program, see Ex. Ord. No. 11922, eff. Apr. 4, 1976, 41 F.R. 32691, set out as a note under section 3161 of Title 50, War and National Defense.
§ 6273. Advisory committees

(a) Authority of Secretary to establish; applicability of section 17 of Federal Energy Administration Act of 1974; chairman; inclusion of representatives of public; public meetings; notice of meeting to Attorney General and Federal Trade Commission; attendance and participation of their representatives

To achieve the purposes of the international energy program with respect to international allocation of petroleum products and the information system provided in such program, the Secretary may provide for the establishment of such advisory committees as he determines are necessary. In addition to the requirements specified in this section, such advisory committees shall be subject to the provisions of section 17 of the Federal Energy Administration Act of 1974 [15 U.S.C. 776] (whether or not such Act [15 U.S.C. 761 et seq.] or any of its provisions expire or terminate before June 30, 1985); shall be chaired by a regular full-time Federal employee; and shall include representatives of the public. The meetings of such committees shall be open to the public. The Attorney General and the Federal Trade Commission shall have adequate advance notice of any meeting and may have an official representative attend and participate in any such meeting.

(b) Transcript of meetings

A verbatim transcript shall be kept of such advisory committee meetings, and shall be deposited with the Attorney General and the Federal Trade Commission. Such transcript shall be made available for public inspection and copying in accordance with section 552 of title 5, except that matter may not be withheld from disclosure under section 552(b) of such title on grounds other than the grounds specified in section 552(b)(1), (b)(3), and so much of (b)(4) as relates to trade secrets, or pursuant to a determination under subsection (c).

(c) Suspension of application of certain requirements by President

The President, after consultation with the Secretary of State, the Federal Trade Commission, the Attorney General, and the Secretary, may suspend the application of—

(1) sections 10 and 11 of the Federal Advisory Committee Act,
(2) subsections (b) and (c) of section 171 of the Federal Energy Administration Act of 1974,
(3) the requirement under subsection (a) of this section that meetings be open to the public, and
(4) the second sentence of subsection (b);

if the President determines with respect to a particular meeting, (A) that such suspension is essential to the developing or carrying out of the international energy program, (B) that such suspension relates solely to the purpose of international allocation of petroleum products and the information system provided in such program, and (C) that the meeting deals with matters described in section 552(b)(1) of title 5. Such determination by the President shall be in writing, shall set forth a detailed explanation of reasons justifying the granting of such suspension, and shall be published in the Federal Register at a reasonable time prior to the effective date of any such suspension.


REFERENCES IN TEXT

The Federal Energy Administration Act of 1974, referred to in subsec. (a), to Pub. L. 93–275, May 7, 1974, 88 Stat. 96, as amended, which is classified generally to chapter 16B (§ 761 et seq.) of Title 15, Commerce and Trade. For complete classification of this Act to the Code, see Short Title note set out under section 761 of Title 15 and Tables.

Sections 10 and 11 of the Federal Advisory Committee Act, referred to in subsec. (c)(1), are sections 10 and 11 of Pub. L. 92–463, which are set out in the Appendix to Title 5, Government Organization and Employees.


AMENDMENTS


CLASSIFICATION OF CERTAIN INFORMATION AND MATERIAL

For provisions relating to the classification of certain information and material obtained from advisory bodies created to implement the International Energy Program, see Ex. Ord. No. 11932, eff. Aug. 4, 1976, 41 F.R. 32691, set out as a note under section 3161 of Title 50, War and National Defense.

TERMINATION OF ADVISORY COMMITTEES

Advisory committees established after Jan. 5, 1973, to terminate not later than the expiration of the 2-year period beginning on the date of their establishment unless in the case of a committee established by the President or an officer of the Federal Government, such committee is renewed by appropriate action prior to the end of such 2-year period, or in the case of a committee established by the Congress, its duration is otherwise provided by law. See section 14 of Pub. L. 92–463, Oct. 6, 1972, 86 Stat. 776, set out in the Appendix to Title 5, Government Organization and Employees.

§ 6274. Exchange of information with International Energy Agency

(a) Submission of information by Secretary to Secretary of State; transmittal to Agency; aggregation and reporting of geological or geophysical information, trade secrets, or commercial or financial information; availability of such information during international energy supply emergency; certification by President that Agency has adopted security measures; review of compliance of other nations with program; petition to President for changes in procedure

(1) Except as provided in subsections (b) and (c), the Secretary, after consultation with the Attorney General, may provide to the Secretary of State, and the Secretary of State may transmit to the International Energy Agency established by the international energy program, the

---

1 See References in Text note below.
information and data related to the energy industry certified by the Secretary of State as required to be submitted under the international energy program.

(2)(A) Except as provided in subparagraph (B) of this paragraph, any such information or data which is geological or geophysical information or a trade secret or commercial or financial information to which section 552(b)(9) or (b)(4) of title 5 applies shall, prior to such transmittal, be aggregated, accumulated, or otherwise reported in such manner as to avoid, to the fullest extent feasible, identification of any person from whom the United States obtained such information or data, and in the case of geological or geophysical information, a competitive disadvantage to such person.

(B)(i) Notwithstanding subparagraph (A) of this paragraph, during an international energy supply emergency, any such information or data with respect to the international allocation of petroleum products may be made available to the International Energy Agency is otherwise authorized to be made available to such Agency by paragraph (1) of this subsection.

(ii) Subparagraph (A) shall not apply to information described in subparagraph (A) (other than geological or geophysical information) if the President certifies, after opportunity for presentation of views by interested persons, that the International Energy Agency has adopted and is implementing security measures which assure that such information will not be disclosed by such Agency or its employees to any person or foreign country without having been aggregated, accumulated, or otherwise reported in such manner as to avoid identification of any person from whom the United States obtained such information or data.

(3)(A) Within 90 days after December 22, 1975, and periodically thereafter, the President shall review the operation of this section and shall determine whether other signatory nations to the international energy program are transmitting information and data to the International Energy Agency in substantial compliance with such program. If the President determines that other nations are not so complying, paragraph (2)(B)(ii) shall not apply until he determines other nations are so complying.

(B) Any person who believes he has been or will be damaged by the transmittal of information or data pursuant to this section shall have the right to petition the President and to request changes in procedures which will protect such person from any competitive damage.

(b) Halting transmittal of information that would prejudice competition, violate antitrust laws, or be inconsistent with security interests

If the President determines that the transmittal of data or information pursuant to the authority of this section would prejudice competition, violate the antitrust laws, or be inconsistent with United States national security interests, he may require that such data or information not be transmitted.

(c) Information protected by statute

Information and data the confidentiality of which is protected by statute shall not be provided by the Secretary to the Secretary of State under subsection (a) of this section for transmittal to the International Energy Agency, unless the Secretary has obtained the specific concurrence of the head of any department or agency which has the primary statutory authority for the collection, gathering, or obtaining of such information and data. In making a determination to concur in providing such information and data, the head of any department or agency which has the primary statutory authority for the collection, gathering, or obtaining of such information and data shall consider the purposes for which such information and data were collected, gathered, and obtained, the confidentiality provisions of such statutory authority, and the international obligations of the United States under the international energy program with respect to the transmittal of such information and data to an international organization or foreign country.

(d) Continuation of authority to collect data under Energy Supply and Environmental Coordination Act and Federal Energy Administration Act of 1974

For the purposes of carrying out the obligations of the United States under the international energy program, the authority to collect data granted by sections 11 and 13 of the Energy Supply and Environmental Coordination Act [15 U.S.C. 796] and the Federal Energy Administration Act of 1974 [15 U.S.C. 772], respectively, shall continue in full force and effect without regard to the provisions of such Acts relating to their expiration.

(e) Limitation on disclosure contained in other laws

The authority under this section to transmit information shall be subject to any limitations on disclosure contained in other laws, except that such authority may be exercised without regard to—

(1) section 11(d) of the Energy Supply and Environmental Coordination Act of 1974 [15 U.S.C. 796(d)];

(2) section 14(b) of the Federal Energy Administration Act of 1974 [15 U.S.C. 773(b)];

(3) section 121 of the Export Administration Act of 1979;

(4) section 9 of title 13;

(5) section 176a of title 15; and

(6) section 1905 of title 18.


REFERENCES IN TEXT

The provisions of such Acts relating to their expiration, referred to in subsec. (d), means section 11(g) of Pub. L. 93–319, June 22, 1974, 88 Stat. 246, the Energy Supply and Environmental Coordination Act, which enacted section 796(g) of Title 15, and section 30 of Pub. L. 93–275, May 7, 1974, 88 Stat. 97, the Federal Energy Administration Act of 1974, which is set out as a note under section 761 of Title 15.

Section 12 of the Export Administration Act of 1979, referred to in subsec. (e)(3), was classified to section 4614 of Title 50, War and National Defense, prior to re-

1 See References in Text note below.
AMENDMENTS
1979—Subsec. (e)(3), Pub. L. 96–72 substituted “12” for “7” and “1979” for “1969”.
1978—Subsecs. (a)(1), (c), Pub. L. 95–619 substituted “Secretary” for “Administrator” meaning Administrator of the Federal Energy Administration, wherever appearing.

EFFECTIVE DATE OF 1979 AMENDMENT
Amendment by Pub. L. 96–72 effective upon the expiration of the Export Administration Act of 1969, which terminated on Sept. 30, 1979, or upon any prior date which the Congress by concurrent resolution or the President by proclamation designated, see Pub. L. 96–72, §19(a), Sept. 29, 1979, 93 Stat. 535, which was classified to section 4621 of Title 50, War and National Defense, prior to repeal by Pub. L. 115–232, div. A, title XVII, §1766(a), Aug. 13, 2018, 132 Stat. 2232.

§ 6275. Relationship between standby emergency authorities and international energy program

The purpose of the Congress in enacting this subchapter is to provide standby energy emergency authority to deal with energy shortage conditions and to minimize economic dislocations and adverse impacts on employment. While the authorities contained in this subchapter may, to the extent authorized by this subchapter, be used to carry out obligations incurred by the United States in connection with the International Energy Program, this subchapter shall not be construed in any way as advice and consent, ratification, endorsement, or other form of congressional approval of the specific terms of such program.


§ 6276. Domestic renewable energy industry and related service industries

(a) Purpose

It is the purpose of this section to implement the responsibilities of the United States under chapter VII of the international energy program with respect to development of alternative energy by facilitating the overall abilities of the domestic renewable energy industry and related service industries to create new markets.

(b) Evaluation; report to Congress

(1) Before the later of—

(A) 6 months after July 18, 1984, and

(B) May 31, 1985,

the Secretary of Commerce shall conduct an evaluation regarding the domestic renewable energy industry and related service industries and submit a report of his findings to the Congress.

(2) Such evaluation shall include—

(A) an assessment of the technical and commercial status of the domestic renewable energy industry and related service industries in domestic and foreign markets;

(B) an assessment of the Federal Government’s activities affecting commerce in the domestic renewable energy industry and related service industries and in consolidating and coordinating such activities within the Federal Government; and

(C) an assessment of the aspects of the domestic renewable energy industry and related service industries in which improvements must be made to increase the international commercialization of such industry.

(c) Program for enhancing commerce in renewable energy technologies; funding

(1) On the basis of the evaluation under subsection (b), the Secretary of Commerce shall, consistent with existing law, establish a program for enhancing commerce in renewable energy technologies and consolidating or coordinating existing activities for such purpose.

(2) Such program shall provide for—

(A) the broadening of the participation by the domestic renewable energy industry and related service industries in such activities;

(B) the promotion of the domestic renewable energy industry and related service industries on a worldwide basis;

(C) the participation by the Federal Government and the domestic renewable energy industry and related service industries in international standard-setting activities; and

(D) the establishment of an information program under which—

(i) technical information about the domestic renewable energy industry and related service industries shall be provided to appropriate public and private officials engaged in commerce, and to potential end users, including other industry sectors in foreign countries such as health care, rural development, communications, and refrigeration, and others, and

(ii) marketing information about export and export financing opportunities shall be available to the domestic renewable energy industry and related service industries.

(3) Necessary funds required for carrying out such program shall be requested in connection with fiscal years beginning after September 30, 1984.

(d) Interagency working group

(1) Establishment

(A) There shall be established an interagency working group that, in consultation with the representative industry groups and relevant agency heads, shall make recommendations to coordinate the actions and programs of the Federal Government affecting exports of renewable energy and energy efficiency products and services. The Interagency working group shall establish a program to inform foreign countries of the benefits of policies that would increase energy efficiency or would allow facilities that use renewable energy to compete effectively with producers of energy from nonrenewable sources.

(B) There shall be established an Interagency Working Subgroup on Renewable Energy and an Interagency Working Subgroup on Energy Efficiency that shall, in consultation with representative industry groups, nonprofit organizations, and relevant Federal agencies, make recommendations to coordinate the actions and programs of the Federal Government to promote the export of domestic renewable energy and energy efficiency products and services, respectively.
(C) The Secretary of Energy, or the Secretary’s designee, shall chair the interagency working group and each subgroup established under this paragraph. The Administrator of the Agency for International Development and the Secretary of Commerce, or their designees, shall be members of both subgroups established under this paragraph. The Secretary shall provide staff for carrying out the functions of the interagency working group and each subgroup established under this paragraph. The heads of appropriate agencies may detail such personnel and may furnish such services to such group and subgroups, with or without reimbursement, as may be necessary to carry out their functions.

(2) Duties of the interagency working subgroups

(A) The interagency working subgroups established under paragraph (1)(B), through the member agencies of the interagency working group, shall promote the development and application in foreign countries of renewable energy and energy efficiency products and services, respectively, that—

(i) reduce dependence on unreliable sources of energy by encouraging the use of sustainable biomass, wind, small-scale hydroelectric, solar, geothermal, and other renewable energy and energy efficiency products and services; and

(ii) use hybrid fossil-renewable energy systems.

(B) In addition, the interagency working subgroups shall explore mechanisms for assisting domestic firms, particularly small businesses, with the export of their renewable energy and energy efficiency products and services and with the identification of potential projects.

(3) Training and assistance

The interagency working subgroups shall encourage the member agencies of the interagency working group to—

(A) provide technical training and education for international development personnel and local users in their own country;

(B) provide financial and technical assistance to nonprofit institutions that support the marketing and export efforts of domestic companies that provide renewable energy and energy efficiency products and services;

(C) develop environmentally sustainable renewable energy and energy efficiency projects in foreign countries;

(D) provide technical assistance and training materials to loan officers of the World Bank, international lending institutions, commercial and energy attaches at embassies of the United States and other appropriate personnel in order to provide information about renewable energy and energy efficiency products and services to foreign governments or other potential project sponsors;

(E) support, through financial incentives, private sector efforts to commercialize and export renewable energy and energy efficiency products and services; and

(F) augment budgets for trade and development programs in order to support pre-feasibility or feasibility studies for projects that utilize renewable energy and energy efficiency products and services.

(4) Study of export promotion practices

The interagency working group shall conduct a study of subsidies, incentives, and policies that foreign countries use to promote exports of their own renewable energy and energy efficiency technologies and products. Such study shall also identify foreign trade barriers to the import of renewable energy and energy efficiency technologies and products produced in the United States. The interagency working group shall report to the appropriate committees of the House of Representatives and the Senate the results of such study within 18 months after October 24, 1992.

(e) Omitted

(f) Functions of interagency working group; plan to increase United States exports of renewable energy and energy efficiency technologies

(1) The interagency working group shall—

(A) establish, in consultation with representatives of affected industries, a plan to increase United States exports of renewable energy and energy efficiency technologies, and include in such plan recommended guidelines for agencies that are represented on the working group with respect to the financing of, or other actions they can take within their programs to promote, exports of such renewable energy and energy efficiency technologies;

(B) develop, in consultation with representatives of affected industries, recommended administrative guidelines for Federal export loan programs to simplify application by firms seeking export assistance for renewable energy and energy efficiency technologies from agencies implementing such programs; and

(C) recommend specific renewable energy and energy efficiency technology markets for primary emphasis by Federal export loan programs, development programs, and private sector assistance programs.

(2) The interagency working group shall include a description of the plan established under paragraph (1)(A) in no later than the second report submitted under subsection (e), and shall include in subsequent reports a description of any modifications to such plan and of the progress in implementing the plan.


(h) Authorization of appropriations

There are authorized to be appropriated such sums as may be necessary to implement this part, to remain available until expended.

(1) The Secretary of Energy shall conduct a study of subsidies, incentives, and policies that foreign countries use to promote exports of their own renewable energy and energy efficiency technologies and products. Such study shall also identify foreign trade barriers to the import of renewable energy and energy efficiency technologies and products produced in the United States. The interagency working group shall report to the appropriate committees of the House of Representatives and the Senate the results of such study within 18 months after October 24, 1992.

See References in Text note below.

REFERENCES IN TEXT
Subsection (e) of this section, referred to in subsec. (f)(2), was omitted from the Code.

CODIFICATION
Subsec. (e) of this section, which required the interagency working group established under subsec. (d) of this section to annually report to Congress, describing the actions of the agency represented by a member of the working group taken during the previous fiscal year to achieve the purposes of such working group and of this section and describing the exports of renewable energy technology that have occurred as a result of such agency actions, terminated, effective May 15, 2000, pursuant to section 3003 of Pub. L. 104–66, as amended, set out as a note under section 1113 of Title 31, Money and Finance. See, also, the 6th item on page 175 of House Document No. 103–7.

AMENDMENTS
2003—Subsec. (h). Pub. L. 108–7 amended subsec. (h) generally. Prior to amendment, subsec. (h) read as follows:

There are authorized to be appropriated to the Secretary for purposes of carrying out the programs under subsections (d) and (e) of this section $10,000,000, to be divided equitably between the interagency working groups based on program requirements, for each of the fiscal years 1993 and 1994, and such sums as may be necessary for fiscal year 1995 to carry out the purposes of this subtitle. There are authorized to be appropriated for fiscal year 1996 such sums as may be necessary to carry out this part. There are authorized to be appropriated for fiscal years 2000 through 2003, such sums as may be necessary for fiscal year 1997 such sums as may be necessary to carry out this part.

2000—Subsec. (h). Pub. L. 106–469 inserted at end "There are authorized to be appropriated for fiscal years 2000 through 2003, such sums as may be necessary for fiscal year 1997 such sums as may be necessary to carry out this part."

1996—Subsec. (h). Pub. L. 104–306 inserted at end "There are authorized to be appropriated for fiscal year 1997 such sums as may be necessary to carry out this part."

1992—Subsec. (d). Pub. L. 102–486, §1207(a), amended subsec. (d) generally. Prior to amendment, subsec. (d) read as follows:

(1) There shall be established an interagency working group which, in consultation with the representative industry groups and relevant agency heads, shall make recommendations to coordinate the actions and programs of the Federal Government affecting commerce in renewable energy products and related services. The Secretary of Energy shall be the chairman of such group. The heads of appropriate agencies may detail such personnel and may furnish such services to such working group, with or without reimbursement, as may be necessary to carry out its functions.

(2) The interagency group shall establish a program to inform other countries of the benefits of policies that would allow small facilities which produce renewable energy to compete effectively with producers of energy from nonrenewable sources.


Subsec. (g). Pub. L. 102–486, §1207(c), struck out subsec. (g) which read as follows: "For purposes of this section, the term 'renewable energy' includes energy efficiency to the extent it is a part of a renewable energy system or technology."

Subsec. (h). Pub. L. 102–486, §1207(d), amended subsec. (h) generally. Prior to amendment, subsec. (h) read as follows: "There are authorized to be appropriated to the Secretary for activities of the interagency working group established under subsection (d) of this section not to exceed—

"(1) $3,000,000 for fiscal year 1991;

"(2) $3,300,000 for fiscal year 1992; and

"(3) $3,600,000 for fiscal year 1993.


Subsec. (d). Pub. L. 101–218, §7(c), designated existing provisions as par. (1) and added par. (2).

Subsecs. (e) to (h). Pub. L. 101–218, §7(c), added subsecs. (e) to (h).

EFFECTIVE DATE
Pub. L. 98–370, §3, July 18, 1984, 98 Stat. 1212, provided that: "The amendments made by this Act [enacting this section and a provision set out as a note under section 6201 of this title] shall take effect on the date of the enactment of this Act [July 18, 1984]."

PART C—SUMMER FILL AND FUEL BUDGETING PROGRAMS

CODIFICATION

PRIOR PROVISIONS
A prior part C, consisting of sections 6281 and 6282, was repealed by Pub. L. 109–469, title I, §104(3), Nov. 9, 2000, 114 Stat. 2033.


§6283. Summer fill and fuel budgeting programs

(a) Definitions
In this section:

(1) Budget contract

The term "budget contract" means a contract between a retailer and a consumer under which the heating expenses of the consumer are spread evenly over a period of months.

(2) Fixed-price contract

The term "fixed-price contract" means a contract between a retailer and a consumer under which the retailer charges the consumer a set price for propane, kerosene, or heating oil without regard to market price fluctuations.

(3) Price cap contract

The term "price cap contract" means a contract between a retailer and a consumer under which the retailer charges the consumer a set price for propane, kerosene, or heating oil, but the cost of the propane, kerosene, or heating oil may exceed a maximum amount stated in the contract.

(b) Assistance
At the request of the chief executive officer of a State, the Secretary shall provide information, technical assistance, and funding—
(1) to develop education and outreach programs to encourage consumers to fill their storage facilities for propane, kerosene, and heating oil during the summer months; and

(2) to promote the use of budget contracts, price cap contracts, fixed-price contracts, and other advantageous financial arrangements, to avoid severe seasonal price increases for and supply shortages of those products.

(c) Preference

In implementing this section, the Secretary shall give preference to States that contribute public funds or leverage private funds to develop State summer fill and fuel budgeting programs.

(d) Authorization of appropriations

There are authorized to be appropriated to carry out this section—

(1) $25,000,000 for fiscal year 2001; and

(2) such sums as are necessary for each fiscal year thereafter.

AMENDMENTS

2005—Subsec. (e). Pub. L. 109–58 struck out heading and text of subsec. (e). Text read as follows: “Section 6285 of this title does not apply to this section.”

PART D—EXPIRATION


SUBCHAPTER III—IMPROVING ENERGY EFFICIENCY

PART A—ENERGY CONSERVATION PROGRAM FOR CONSUMER PRODUCTS OTHER THAN AUTOMOBILES

CODIFICATION

This part was, in the original, designated part B and has been redesignated as part A for purposes of codification.

§ 6291. Definitions

For purposes of this part:

(1) The term “consumer product” means any article (other than an automobile, as defined in section 32901(a)(3) of title 49) of a type—

(A) which in operation consumes, or is designed to consume, energy or, with respect to price cap contracts, fixed-price contracts, and urinals, water; and

(B) which, to any significant extent, is distributed in commerce for personal use or consumption by individuals;

without regard to whether such article of such type is in fact distributed in commerce for personal use or consumption by an individual, except that such term includes fluorescent lamp ballasts, general service fluorescent lamps, incandescents, and other advantageous financial arrangements, to avoid severe seasonal price increases for and supply shortages of those products.

(2) The term “covered product” means a consumer product of a type specified in section 6292 of this title.

(3) The term “energy” means electricity, or fossil fuels. The Secretary may, by rule, include other fuels within the meaning of the term “energy” if he determines that such inclusion is necessary or appropriate to carry out the purposes of this chapter.

(4) The term “energy use” means the quantity of energy directly consumed by a consumer product at point of use, determined in accordance with test procedures under section 6293 of this title.

(5) The term “energy efficiency” means the ratio of the useful output of services from a consumer product to the energy use of such product, determined in accordance with test procedures under section 6293 of this title.

(6) The term “energy conservation standard” means—

(A) a performance standard which prescribes a minimum level of energy efficiency or a maximum quantity of energy use, or, in the case of showerheads, faucets, water closets, and urinals, water use, for a covered product, determined in accordance with test procedures prescribed under section 6293 of this title; or

(B) a design requirement for the products specified in paragraphs (6), (7), (8), (10), (15), (16), (17), and (20) of section 6292(a) of this title; and

includes any other requirements which the Secretary may prescribe under section 6295(r) of this title.

(7) The term “estimated annual operating cost” means the aggregate retail cost of the energy which is likely to be consumed annually, and, in the case of showerheads, faucets, water closets, and urinals, the aggregate retail cost of water and wastewater treatment services likely to be incurred annually, in representative use of a consumer product, determined in accordance with section 6293 of this title.

(8) The term “measure of energy consumption” means energy use, energy efficiency, estimated annual operating cost, or other measure of energy consumption.

(9) The term “class of covered products” means a group of covered products, the functions or intended uses of which are similar (as determined by the Secretary).

(10) The term “manufacturer” means to manufacture, produce, assemble or import.

(11) The terms “import” and “importation” mean to import into the customs territory of the United States.

(12) The term “manufacturer” means any person who manufactures a consumer product.

(13) The term “retailer” means a person to whom a consumer product is delivered or sold,
if such delivery or sale is for purposes of sale or distribution in commerce to purchasers who buy such product for purposes other than resale.

(14) The term “distributor” means a person (other than a manufacturer or retailer) to whom a consumer product is delivered or sold for purposes of distribution in commerce.

(15) (A) The term “private labeler” means an owner of a brand or trademark on the label of a consumer product which bears a private label.

(B) A consumer product bears a private label if (i) such product (or its container) is labeled with the brand or trademark of a person other than a manufacturer of such product, (ii) the person with whose brand or trademark such product (or container) is labeled has authorized or caused such product to be so labeled, and (iii) the brand or trademark of a manufacturer of such product does not appear on such label.

(16) The terms “to distribute in commerce” and “distribution in commerce” mean to sell in commerce, to import, to introduce or deliver for introduction into commerce, or to hold for sale or distribution after introduction into commerce.

(17) The term “commerce” means trade, traffic, commerce, or transportation—

(A) between a place in a State and any place outside thereof, or

(B) which affects trade, traffic, commerce, or transportation described in subparagraph (A).


(19) The term “AV” is the adjusted volume for refrigerators, refrigerator-freezers, and freezers, as defined in the applicable test procedure prescribed under section 6293 of this title.

(20) The term “annual fuel utilization efficiency” means the efficiency descriptor for furnaces and boilers, determined using test procedures prescribed under section 6293 of this title and based on the assumption that all—

(A) weatherized warm air furnaces or boilers are located out-of-doors;

(B) warm air furnaces which are not weatherized are located indoors and all combustion and ventilation air is admitted through grills or ducts from the outdoors and does not communicate with air in the conditioned space; and

(C) boilers which are not weatherized are located within the heated space.

(21) The term “central air conditioner” means a product, other than a packaged terminal air conditioner, which—

(A) is powered by single phase electric current;

(B) is air-cooled;

(C) is rated below 65,000 Btu per hour;

(D) is not contained within the same cabinet as a furnace the rated capacity of which is above 225,000 Btu per hour; and

(E) is a heat pump or a cooling only unit.

(22) The term “efficiency descriptor” means the ratio of the useful output to the total energy input, determined using the test procedures prescribed under section 6293 of this title and expressed for the following products in the following terms:

(A) For furnaces and direct heating equipment, annual fuel utilization efficiency.

(B) For room air conditioners, energy efficiency ratio.

(C) For central air conditioning and central air conditioning heat pumps, seasonal energy efficiency ratio.

(D) For water heaters, energy factor.

(E) For pool heaters, thermal efficiency.

(23) The term “furnace” means a product which utilizes only single-phase electric current, or single-phase electric current or direct current in conjunction with natural gas, propane, or home heating oil, and which—

(A) is designed to be the principal heating source for the living space of a residence;

(B) is not contained within the same cabinet with a central air conditioner whose rated cooling capacity is above 65,000 Btu per hour;

(C) is an electric central furnace, electric boiler, forced-air central furnace, gravity central furnace, or low pressure steam or hot water boiler; and

(D) has a heat input rate of less than 300,000 Btu per hour for electric boilers and low pressure steam or hot water boilers and less than 225,000 Btu per hour for forced-air central furnaces, gravity central furnaces, and electric central furnaces.

(24) The terms “heat pump” or “reverse cycle” mean a product, other than a packaged terminal heat pump, which—

(A) consists of one or more assemblies;

(B) is powered by single phase electric current;

(C) is rated below 65,000 Btu per hour;

(D) utilizes an indoor conditioning coil, compressors, and refrigerant-to-outdoor-air heat exchanger to provide air heating; and

(E) may also provide air cooling, dehumidifying, humidifying circulating, and air cleaning.

(25) The term “pool heater” means an appliance designed for heating nonpotable water contained at atmospheric pressure, including heating water in swimming pools, spas, hot tubs and similar applications.

(26) The term “thermal efficiency of pool heaters” means a measure of the heat in the water delivered at the heater outlet divided by the heat input of the pool heater as measured under test conditions specified in section 2.8.1 of the American National Standard for Gas Fired Pool Heaters, Z21.56–1986, or as may be prescribed by the Secretary.

(27) The term “water heater” means a product which utilizes oil, gas, or electricity to heat potable water for use outside the heater upon demand, including—

(A) storage type units which heat and store water at a thermostatically controlled temperature, including gas storage water heaters with an input of 75,000 Btu per hour or less, oil storage water heaters with an input of 105,000 Btu per hour or less, and
§ 6291

means a device which is used to start and operate fluorescent lamps by providing a starting voltage and current and limiting the current during normal operation.

(B) The term "ANSI standard" means a standard developed by a committee accredited by the American National Standards Institute.

(C) The term "ballast efficacy factor" means the relative light output divided by the power input of a fluorescent lamp ballast, as measured under test conditions specified in ANSI standard C82.2–1984, or as may be prescribed by the Secretary.

(D)(i) The term "F40T12 lamp" means a nominal 40 watt tubular fluorescent lamp which is 48 inches in length and one-and-a-half inches in diameter, and conforms to ANSI standard C78.81–2003 (Data Sheet 7881–ANSI–1010–1).

(ii) The term "F96T12 lamp" means a nominal 75 watt tubular fluorescent lamp which is 96 inches in length and one-and-a-half inches in diameter, and conforms to ANSI standard C78.81–2003 (Data Sheet 7881–ANSI–3006–1).

(E) The term "input current" means the root-mean-square (RMS) current in amperes delivered to a fluorescent lamp ballast.

(F) The term "luminaire" means a complete lighting unit consisting of a fluorescent lamp or lamps, together with parts designed to distribute the light, to position and protect such lamps, and to connect such lamps to the power supply through the ballast.

(G) The term "ballast input voltage" means the rated input voltage of a fluorescent lamp ballast.

(H) The term "nominal lamp watts" means the wattage at which a fluorescent lamp is designed to operate.

(I) The term "power factor" means the power input divided by the product of ballast input voltage and input current of a fluorescent lamp ballast, as measured under test conditions specified in ANSI standard C82.2–1984, or as may be prescribed by the Secretary.

(J) The term "power input" means the power consumption in watts of a ballast and fluorescent lamp or lamps, as determined in accordance with the test procedures specified in ANSI standard C82.2–1984, or as may be prescribed by the Secretary.

(K) The term "relative light output" means the light output delivered through the use of a ballast divided by the light output delivered through the use of a reference ballast, expressed as a percent, as determined in accordance with the test procedures specified in ANSI standard C82.2–1984, or as may be prescribed by the Secretary.

(L) The term "residential building" means a structure or portion of a structure which provides facilities or shelter for human residency, except that such term does not include any multifamily residential structure of more than three stories above grade.

(M) The term "F34T12 lamp" (also known as a "F40T12/ES lamp") means a nominal 34 watt tubular fluorescent lamp that is 48 inches in length and 1½ inches in diameter, and conforms to ANSI standard C78.81–2003 (Data Sheet 7881–ANSI–3006–1).

(N) The term "F96T12/ES lamp" means a nominal 60 watt tubular fluorescent lamp that is 96 inches in length and 1½ inches in diameter, and conforms to ANSI standard C78.81–2003 (Data Sheet 7881–ANSI–3006–1).

(O) The term "replacement ballast" means a ballast that—

(i) is designed for use to replace an existing ballast in a previously installed luminaire;

(ii) is marked "FOR REPLACEMENT USE ONLY";

(iii) is shipped by the manufacturer in packages containing not more than 10 ballasts; and

(iv) has output leads that when fully extended are a total length that is less than the length of the lamp with which the ballast is intended to be operated.

30(A) Except as provided in subparagraph (E), the term "fluorescent lamp" means a low pressure mercury electric-discharge source in which a fluorescing coating transforms some of the ultraviolet energy generated by the mercury discharge into light, including only the following:

(i) Any straight-shaped lamp (commonly referred to as 4-foot medium bi-pin lamps) with medium bi-pin bases of nominal overall length of 48 inches and rated wattage of 28 or more.

(ii) Any U-shaped lamp (commonly referred to as 2-foot U-shaped lamps) with medium bi-pin bases of nominal overall length.
between 22 and 25 inches and rated wattage of 28 or more.

(iii) Any rapid start lamp (commonly referred to as 8-foot high output lamps) with recessed double contact bases of nominal overall length of 96 inches and rated wattage of 32 or more, as defined in ANSI C78.3-1976 (R1984) and related supplements.

(iv) Any instant start lamp (commonly referred to as 8-foot slimline lamps) with single pin bases of nominal overall length of 96 inches and rated wattage of 32 or more, as defined in ANSI C78.3-1976 (R1984) and related supplement ANSI C78.3a–1985.

(B) The term “general service fluorescent lamp” means fluorescent lamps which can be used to satisfy the majority of fluorescent applications, but does not include any lamp designed and marketed for the following nongeneral lighting applications:

(i) Fluorescent lamps designed to promote plant growth.

(ii) Fluorescent lamps specifically designed for cold temperature installations.

(iii) Colored fluorescent lamps.

(iv) Impact-resistant fluorescent lamps.

(v) Reflectorized or aperture lamps.

(vi) Fluorescent lamps designed for use in reprographic equipment.

(vii) Lamps primarily designed to produce radiation in the ultra-violet region of the spectrum.

(viii) Lamps with a color rendering index of 87 or greater.

(C) Except as provided in subparagraph (E), the term “incandescent lamp” means a lamp in which light is produced by a filament heated to incandescence by an electric current, including only the following:

(i) Any lamp (commonly referred to as lower wattage nonreflector general service lamps, including any tungsten-halogen lamp) that has a rated wattage between 30 and 199 watts, has an E26 medium screw base, has a rated voltage or voltage range that lies at least partially within 115 and 130 volts, and is not a reflector lamp.

(ii) Any lamp (commonly referred to as a reflector lamp) which is not colored or designed for rough or vibration service applications, that contains an inner reflective coating on the outer bulb to direct the light, an R, PAR, ER, BR, BPAR, or similar bulb shapes with E26 medium screw bases, a rated voltage or voltage range that lies at least partially within 115 and 130 volts, and a diameter which exceeds 2.25 inches, and has a wattage that is 40 watts or higher.

(iii) Any general service incandescent lamp (commonly referred to as a high- or higher-wattage lamp) that has a wattage above 199 watts (above 205 watts for a high wattage reflector lamp).

(D) GENERAL SERVICE INCANDESCENT LAMP.—

(i) In general.—The term “general service incandescent lamp” means a standard incandescent or halogen type lamp that—

(I) is intended for general service applications;

(II) has a medium screw base;

(III) has a lumen range of not less than 310 lumens and not more than 2,600 lumens or, in the case of a modified spectrum lamp, not less than 232 lumens and not more than 1,950 lumens; and

(IV) is capable of being operated at a voltage range at least partially within 110 and 130 volts.

(ii) Exclusions.—The term “general service incandescent lamp” does not include the following incandescent lamps:

(I) An appliance lamp.

(II) A black light lamp.

(III) A bug lamp.

(IV) A colored lamp.

(V) An infrared lamp.

(VI) A left-hand thread lamp.

(VII) A marine lamp.

(VIII) A marine signal service lamp.

(IX) A mine service lamp.

(X) A plant light lamp.

(XI) A reflector lamp.

(XII) A rough service lamp.

(XIII) A shatter-resistant lamp (including a shatter-proof lamp and a shatter-protected lamp).

(XIV) A sign service lamp.

(XV) A silver bowl lamp.

(XVI) A showcase lamp.

(XVII) A 3-way incandescent lamp.

(XVIII) A traffic signal lamp.

(XIX) A vibration service lamp.

(XX) A G shape lamp (as defined in ANSI C78.20–2003 and C79.1–2002) and any lamp (as defined in ANSI C79.1–2002) with a diameter of 5 inches or more.

(XXI) A T shape lamp (as defined in ANSI C78.20–2003 and C79.1–2002) and that uses not more than 40 watts or has a length of more than 10 inches.

(XXII) A B, BA, CA, F, G16–1/2, G–25, G30, S, or M–14 lamp (as defined in ANSI C79.1–2002 and ANSI C78.20–2003) of 40 watts or less.

(E) The terms “fluorescent lamp” and “incandescent lamp” do not include any lamp excluded by the Secretary, by rule, as a result of a determination that standards for such lamp would not result in significant energy savings because such lamp is designed for special applications or has special characteristics not available in reasonably substitutable lamp types.

(F) The term “incandescent reflector lamp” means a lamp described in subparagraph (C)(i).

(G) The term “average lamp efficacy” means the lamp efficacy readings taken over a statistically significant period of manufacture with the readings averaged over that period.

(H) The term “base” means the portion of the lamp which connects with the socket as described in ANSI C81.61–1990.

(I) The term “bulb shape” means the shape of lamp, especially the glass bulb with designations for bulb shapes found in ANSI C79.1–1980 (R1984).
(J) The term "color rendering index" or "CRI" means the measure of the degree of color shift objects undergo when illuminated by a light source as compared with the color of those same objects when illuminated by a reference source of comparable color temperature.

(K) The term "correlated color temperature" means the absolute temperature of a blackbody whose chromaticity most nearly resembles that of the light source.

(L) The term "IES" means the Illuminating Engineering Society of North America.

(M) The term "lamp efficacy" means the lumen output of a lamp divided by its wattage, expressed in lumens per watt (LPW).

(N) The term "lamp type" means all lamps designated as having the same electrical and lighting characteristics and made by one manufacturer.

(O) The term "lamp wattage" means the total electrical power consumed by a lamp in watts, after the initial seasoning period referenced in the appropriate IES standard test procedure and including, for fluorescent, arc watts plus cathode watts.

(P) The terms "life" and "lifetime" mean length of operating time of a statistically large group of lamps between first use and failure of 50 percent of the group in accordance with test procedures described in the IES Lighting Handbook-Reference Volume.

(Q) The term "lumen output" means total luminous flux (power) of a lamp in lumens, as measured in accordance with applicable IES standards as determined by the Secretary.

(R) The term "tungsten-halogen lamp" means a gas-filled tungsten filament incandescent lamp containing a certain proportion of halogens in an inert gas.

(S) (i) The term "medium base compact fluorescent lamp" means an integrally ballasted fluorescent lamp with a medium screw base and a rated input voltage of 115 to 130 volts and which is designed as a direct replacement for a general service incandescent lamp.

(ii) The term "medium base compact fluorescent lamp" does not include—

(I) any lamp that is—

(aa) specifically designed to be used for special purpose applications; and

(bb) unlikely to be used in general purpose applications, such as the applications described in subparagraph (D); or

(II) any lamp not described in subparagraph (D) that is excluded by the Secretary, by rule, because the lamp is—

(aa) designed for special applications; and

(bb) unlikely to be used in general purpose applications.

(T) APPLIANCE LAMP.—The term "appliance lamp" means any lamp that—

(i) is specifically designed to operate in a household appliance and has a maximum wattage of 40 watts, including an oven lamp, refrigerator lamp, and vacuum cleaner lamp; and

(ii) when sold at retail, is designated and marketed for the intended application, with—

(I) the designation on the lamp packaging; and

(II) marketing materials that identify the lamp as being for appliance use.

(U) CANDELABRA BASE INCANDESCENT LAMP.—The term "candelabra base incandescent lamp" means a lamp that uses candelabra screw base as described in ANSI C81.61–2006, Specifications for Electric Bases, common designations E11 and E12.

(V) INTERMEDIATE BASE INCANDESCENT LAMP.—The term "intermediate base incandescent lamp" means a lamp that uses an intermediate screw base as described in ANSI C81.61–2006, Specifications for Electric Bases, common designation E17.

(W) MODIFIED SPECTRUM.—The term "modified spectrum" means, with respect to an incandescent lamp, an incandescent lamp that—

(i) is not a colored incandescent lamp; and

(ii) when operated at the rated voltage and wattage of the incandescent lamp—

(I) has a color point with (x,y) chromaticity coordinates on the Commission Internationale de l’Eclairage (C.I.E.) 1931 chromaticity diagram that lies below the black-body locus; and

(II) has a color point with (x,y) chromaticity coordinates on the C.I.E. 1931 chromaticity diagram that lies at least 4 MacAdam steps (as referenced in IESNA LM16) distant from the color point of a clear lamp with the same filament and bulb shape, operated at the same rated voltage and wattage.

(X) ROUGH SERVICE LAMP.—The term "rough service lamp" means a lamp that—

(i) has a minimum of 5 supports with filament configurations that are C–7A, C–11, C–17, and C–22 as listed in Figure 6–12 of the 9th edition of the IESNA Lighting handbook, or similar configurations where lead wires are not counted as supports; and

(ii) is designated and marketed specifically for "rough service" applications, with—

(I) the designation appearing on the lamp packaging; and

(II) marketing materials that identify the lamp as being for rough service.

(Y) 3-WAY INCANDESCENT LAMP.—The term "3-way incandescent lamp" includes an incandescent lamp that—

(i) employs 2 filaments, operated separately and in combination, to provide 3 light levels; and

(ii) is designated on the lamp packaging and marketing materials as being a 3-way incandescent lamp.

(Z) SHATTER-RESISTANT LAMP, SHATTER-PROOF LAMP, OR SHATTER-PROTECTED LAMP.—The terms "shatter-resistant lamp", "shatter-proof lamp", and "shatter-protected lamp" mean a lamp that—

(i) has a coating or equivalent technology that is compliant with NSF/ANSI 51 and is designed to contain the glass if the glass envelope of the lamp is broken; and

(ii) is designated and marketed for the intended application, with—
(AA) VIBRATION SERVICE LAMP.—The term “vibration service lamp” means a lamp that—
(i) has filament configurations that are C-5, C-7A, or C-9, as listed in Figure 6-12 of the 9th Edition of the IESNA Lighting Handbook or similar configurations;
(ii) has a maximum wattage of 60 watts;
(iii) is sold at retail in packages of 2 lamps or less; and
(iv) is designated and marketed specifically for vibration service or vibration-resistant applications, with—
(I) the designation appearing on the lamp packaging; and
(II) marketing materials that identify the lamp as being vibration service only.

(BB) GENERAL SERVICE LAMP.—
(i) IN GENERAL.—The term “general service lamp” includes—
(I) general service incandescent lamps;
(II) compact fluorescent lamps;
(III) general service light-emitting diode (LED) lamps; and
(IV) any other lamps that the Secretary determines are used to satisfy lighting applications traditionally served by general service incandescent lamps.

(ii) EXCLUSIONS.—The term “general service lamp” does not include—
(I) any lighting application or bulb shape described in any of subclauses (I) through (XXII) of subparagraph (D)(ii); or
(II) any general service fluorescent lamp or incandescent reflector lamp.

(CC) LIGHT-EMITTING DIODE; LED.—
(i) IN GENERAL.—The terms “light-emitting diode” and “LED” means a p-n junction solid state device the radiated output of which is a function of the physical construction, material used, and exciting current of the device.

(ii) OUTPUT.—The output of a light-emitting diode may be in—
(I) the infrared region;
(II) the visible region; or
(III) the ultraviolet region.

(DD) ORGANIC LIGHT-EMITTING DIODE; OLED.—The terms “organic light-emitting diode” and “OLED” mean a thin-film light-emitting device that typically consists of a series of organic layers between 2 electrical contacts (electrodes).

(EE) COLORED INCANDESCENT LAMP.—The term “colored incandescent lamp” means an incandescent lamp designated and marketed as a colored lamp that has—
(i) a color rendering index of less than 50, as determined according to the test method given in C.I.E. publication 13.3–1995; or
(ii) a correlated color temperature of less than 2,500K, or greater than 4,600K, where correlated temperature is computed according to the Journal of Optical Society of America, Vol. 58, pages 1528–1595 (1986).

(FF) BATTERY CHARGER.—The term “battery charger” means a device that charges batteries for consumer products, including battery chargers embedded in other consumer products.

(GG) SHOWERHEAD.—The term “showerhead” means any showerhead (including a handheld showerhead), except a safety showerhead.

(HH) DEHUMIDIFIER.—The term “dehumidifier” means a self-contained, electrically operated, and mechanically encased assembly consisting of—
(A) a refrigerated surface (evaporator) that condenses moisture from the atmosphere;
(B) a refrigerating system, including an electric motor;
(C) an air-circulating fan; and
(D) means for collecting or disposing of the condensate.
(35)(A) The term “distribution transformer” means a transformer that—
   (i) has an input voltage of 34.5 kilovolts or less;
   (ii) has an output voltage of 600 volts or less; and
   (iii) is rated for operation at a frequency of 60 Hertz.

(B) The term “distribution transformer” does not include—
   (i) a transformer with multiple voltage taps, the highest of which equals at least 20 percent more than the lowest;
   (ii) a transformer that is designed to be used in a special purpose application and is unlikely to be used in general purpose applications, such as a drive transformer, rectifier transformer, auto-transformer, Uninterruptible Power System transformer, impedance transformer, regulating transformer, sealed and nonventilating transformer, machine tool transformer, welding transformer, grounding transformer, or testing transformer; or
   (iii) any transformer not listed in clause (ii) that is excluded by the Secretary by rule because—
      (I) the transformer is designed for a special application;
      (II) the transformer is unlikely to be used in general purpose applications; and
      (III) the application of standards to the transformer would not result in significant energy savings.

(36) EXTERNAL POWER SUPPLY.—
   (A) EXTERNAL POWER SUPPLY.—
      (i) IN GENERAL.—The term “external power supply” means an external power supply circuit that is used to convert household electric current into DC current or lower-voltage AC current to operate a consumer product.
      (ii) EXCLUSION.—The term “external power supply” does not include a power supply circuit, driver, or device that is designed exclusively to be connected to, and power—
         (I) light-emitting diodes providing illumination;
         (II) organic light-emitting diodes providing illumination; or
         (III) ceiling fans using direct current motors.

   (B) ACTIVE MODE.—The term “active mode” means the mode of operation when an external power supply is connected to the main electricity supply and the output is connected to a load.

   (C) CLASS A EXTERNAL POWER SUPPLY.—
      (i) IN GENERAL.—The term “class A external power supply” means a device that—
         (I) is designed to convert line voltage AC input into lower voltage AC or DC output;
         (II) is able to convert to only 1 AC or DC output voltage at a time;
         (III) is sold with, or intended to be used with, a separate end-use product that constitutes the primary load;
         (IV) is contained in a separate physical enclosure from the end-use product;
         (V) is connected to the end-use product via a removable or hard-wired male/female electrical connection, cable, cord, or other wiring; and
         (VI) has nameplate output power that is less than or equal to 250 watts.

      (ii) EXCLUSIONS.—The term “class A external power supply” does not include any device that—
         (I) requires Federal Food and Drug Administration listing and approval as a medical device in accordance with section 360c of title 21; or
         (II) powers the charger of a detachable battery pack or charges the battery of a product that is fully or primarily motor operated.

   (D) NO-LOAD MODE.—The term “no-load mode” means the mode of operation when an external power supply is connected to the main electricity supply and the output is not connected to a load.

(37) The term “illuminated exit sign” means a sign that—
   (A) is designed to be permanently fixed in place to identify an exit; and
   (B) consists of an electrically powered integral light source that—
      (i) illuminates the legend “EXIT” and any directional indicators; and
      (ii) provides contrast between the legend, any directional indicators, and the background.

(38) The term “low-voltage dry-type distribution transformer” means a distribution transformer that—
   (A) has an input voltage of 600 volts or less;
   (B) is air-cooled; and
   (C) does not use oil as a coolant.

(39) The term “pedestrian module” means a light signal used to convey movement information to pedestrians.

(40) The term “refrigerated bottled or canned beverage vending machine” means a commercial refrigerator that cools bottled or canned beverages and dispenses the bottled or canned beverages on payment.

(41) The term “standby mode” means the lowest power consumption mode, as established on an individual product basis by the Secretary, that—
   (A) cannot be switched off or influenced by the user; and
   (B) may persist for an indefinite time when an appliance is—
      (i) connected to the main electricity supply; and
      (ii) used in accordance with the instructions of the manufacturer.

(42) The term “torchiere” means a portable electric lamp with a reflector bowl that directs light upward to give indirect illumination.

(43) The term “traffic signal module” means a standard 8-inch (200mm) or 12-inch (300mm) traffic signal indication that—
§ 6291

(A) consists of a light source, a lens, and all other parts necessary for operation; and
(B) communicates movement messages to drivers through red, amber, and green colors.

(44) The term “transformer” means a device consisting of 2 or more coils of insulated wire that transfers alternating current by electromagnetic induction from 1 coil to another to change the original voltage or current value.

(45)(A) The term “unit heater” means a self-contained fan-type heater designed to be installed within the heated space.
(B) The term “unit heater” does not include a warm air furnace.

(46) HIGH INTENSITY DISCHARGE LAMP.—
(A) In general.—The term “high intensity discharge lamp” means an electric-discharge lamp in which—
(i) the light-producing arc is stabilized by the arc tube wall temperature; and
(ii) the arc tube wall loading is in excess of 3 Watts/cm².
(B) Inclusions.—The term “high intensity discharge lamp” includes mercury vapor, metal halide, and high-pressure sodium lamps described in subparagraph (A).

(47) MERCURY VAPOR LAMP.—
(A) In general.—The term “mercury vapor lamp” means a high intensity discharge lamp in which the major portion of the light is produced by radiation from mercury typically operating at a partial vapor pressure in excess of 100,000 Pa (approximately 1 atm).

(B) Inclusions.—The term “mercury vapor lamp” includes clear, phosphor-coated, and self-ballasted screw base lamps described in subparagraph (A).

(48) MERCURY VAPOR LAMP BALLAST.—The term “mercury vapor lamp ballast” means a device that is designed and marketed to start and operate mercury vapor lamps intended for general illumination by providing the necessary voltage and current.

(49) The term “ceiling fan” means a nonportable device that is suspended from a ceiling for circulating air via the rotation of fan blades.

(50) The term “ceiling fan light kit” means a reflector lamp that has—
(A) integral, such that the equipment is attached to the ceiling fan prior to the time of retail sale; or
(B) attachable, such that at the time of retail sale the equipment is not physically attached to the ceiling fan, but may be included inside the ceiling fan at the time of sale or sold separately for subsequent attachment to the fan.


(52) DETACHABLE BATTERY.—The term “detachable battery” means a battery that is—
(A) contained in a separate enclosure from the product; and
(B) intended to be removed or disconnected from the product for recharging.

(53) SPECIALITY APPLICATION MERCURY VAPOR LAMP BALLAST.—The term “speciality application mercury vapor lamp ballast” means a mercury vapor lamp ballast that—
(A) is designed and marketed for operation of mercury vapor lamps used in quality inspection, industrial processing, or scientific use, including fluorescent microscopy and ultraviolet curing; and
(B) in the case of a specialty application mercury vapor lamp ballast, the label of which—
(i) provides that the specialty application mercury vapor lamp ballast is “For specialty applications only, not for general illumination”; and
(ii) specifies the specific applications for which the ballast is designed.

(54) BPAR INCANDESCENT REFLECTOR LAMP.—The term “BPAR incandescent reflector lamp” means a reflector lamp as shown in figure C78.1–278 on page 32 of ANSI C78.1–2003.

(55) BR INCANDESCENT REFLECTOR LAMP; BR30; BR40.—
(A) BR INCANDESCENT REFLECTOR LAMP.—
The term “BR incandescent reflector lamp” means a reflector lamp that has—
(i) a bulged section below the major diameter of the bulb and above the approximate baseline of the bulb, as shown in figure 1 (RB) on page 7 of ANSI C79.1–1994, incorporated by reference in section 430.22 of title 10, Code of Federal Regulations (as in effect on December 19, 2007); and
(ii) a finished size and shape shown in ANSI C78.21–1989, including the referenced reflective characteristics in part 7 of ANSI C78.21–1989, incorporated by reference in section 430.22 of title 10, Code of Federal Regulations (as in effect on December 19, 2007).

(B) BR30.—The term “BR30” means a BR incandescent reflector lamp with a diameter of 30/8ths of an inch.
(C) BR40.—The term “BR40” means a BR incandescent reflector lamp with a diameter of 40/8ths of an inch.

(56) ER INCANDESCENT REFLECTOR LAMP; ER30; ER40.—
(A) ER INCANDESCENT REFLECTOR LAMP.—
The term “ER incandescent reflector lamp” means a reflector lamp that has—
(i) an elliptical section below the major diameter of the bulb and above the approximate baseline of the bulb, as shown in figure 1 (RE) on page 7 of ANSI C79.1–1994, incorporated by reference in section 430.22 of title 10, Code of Federal Regulations (as in effect on December 19, 2007); and
(ii) a finished size and shape shown in ANSI C78.21–1989, incorporated by reference in section 430.22 of title 10, Code of Federal Regulations (as in effect on December 19, 2007).

(B) ER30.—The term “ER30” means an ER incandescent reflector lamp with a diameter of 30/8ths of an inch.
(C) ER40.—The term “ER40” means an ER incandescent reflector lamp with a diameter of 40/8ths of an inch.

(57) R20 INCANDESCENT REFLECTOR LAMP.—The term ‘‘R20 incandescent reflector lamp’’ means a reflector lamp that has a face diameter of approximately 2.5 inches, as shown in figure 1(R) on page 7 of ANSI C79.1–1994.

(58) BALLAST.—The term “ballast” means a device used with an electric discharge lamp to obtain necessary circuit conditions (voltage, current, and waveform) for starting and operating.

(59) BALLAST EFFICIENCY.—
(A) In General.—The term “ballast efficiency” means, in the case of a high intensity discharge fixture, the efficiency of a lamp and ballast combination, expressed as a percentage, and calculated in accordance with the following formula: Efficiency = P_{out}/P_{in},

(B) EFFICIENCY FORMULA.—For the purpose of subparagraph (A)—
(i) P_{out} shall equal the measured operating lamp wattage;
(ii) P_{in} shall equal the measured operating input wattage;
(iii) the lamp, and the capacitor when the capacitor is provided, shall constitute a nominal system in accordance with the ANSI Standard C82.6–2005 using a wattmeter with accuracy specified in section 4.3 of ANSI Standard C82.6–2005; and
(iv) for ballasts with a frequency of 60 Hz, P_{in} and P_{out} shall be measured after lamps have been stabilized according to section 4.4 of ANSI Standard C82.6–2005 using a wattmeter with accuracy specified in section 4.5 of ANSI Standard C82.6–2005; and
(v) for ballasts with a frequency greater than 60 Hz, P_{in} and P_{out} shall have a basic accuracy of +/-0.5 percent at the higher of—
(I) 3 times the output operating frequency of the ballast; or
(II) 2 kHz for ballast with a frequency greater than 60 Hz.

(C) MODIFICATION.—The Secretary may, by rule, modify the definition of “ballast efficiency” if the Secretary determines that the modification is necessary or appropriate to carry out the purposes of this chapter.

(60) ELECTRONIC BALLAST.—The term “electronic ballast” means a device that uses semiconductors as the primary means to control lamp starting and operation.

(61) GENERAL LIGHTING APPLICATION.—The term “general lighting application” means lighting that provides an interior or exterior area with overall illumination.

(62) METAL HALIDE BALLAST.—The term “metal halide ballast” means a ballast used to start and operate metal halide lamps.

(63) METAL HALIDE LAMP.—The term “metal halide lamp” means a high intensity discharge lamp in which the major portion of the light is produced by radiation of metal halides and their products of dissociation, possibly in combination with metallic vapors.

(64) METAL HALIDE LAMP FIXTURE.—The term “metal halide lamp fixture” means a light fixture for general lighting applications designed to be operated with a metal halide lamp and a ballast for a metal halide lamp.

(65) PROBE-START METAL HALIDE BALLAST.—The term “probe-start metal halide ballast” means a ballast that—
(A) starts a probe-start metal halide lamp that contains a third starting electrode (probe) in the arc tube; and
(B) does not generally contain an igniter but instead starts lamps with high ballast open circuit voltage.

(66) PULSE-START METAL HALIDE BALLAST.—
(A) In General.—The term “pulse-start metal halide ballast” means an electronic or electromagnetic ballast that starts a pulse-start metal halide lamp with high voltage pulses.

(B) STARTING PROCESS.—For the purpose of subparagraph (A)—
(i) lamps shall be started by first providing a high voltage pulse for ionization of the gas to produce a glow discharge; and
(ii) to complete the starting process, power shall be provided by the ballast to sustain the discharge through the glow-to-arc transition.


REFERENCES IN TEXT
This chapter, referred to in pars. (3) and (59)(C), was in the original “this Act”, meaning Pub. L. 94–163, Dec. 22, 1975, 89 Stat. 917, known as the Energy Policy and Conservation Act. For complete classification of this Act to the Code, see Short Title note set out under section 6201 of this title and Tables.

AMENDMENTS
Par. (30)(A). Pub. L. 115–115, §2(a), substituted “External power supply” for “In general” in heading, designated existing provisions as cls. (i) and inserted heading, and added cls. (ii).
2012—Par. (30)(C)(ii). Pub. L. 112–210, §10(a)(10), inserted a period after “40 watts or higher”.
Par. (30)(D)(i)(III). Pub. L. 112–210, §10(a)(6), inserted before the semicolon “or, in the case of a modified spectrum lamp, not less than 232 lumens and not more than 1,950 lumens”.
Par. (30)(T)(i). Pub. L. 112–210, §10(a)(7)(A), substituted “and” for “and” after “household appliance” and struck out “and is sold at retail,” after “40 watts,”.
Par. (30)(T)(ii). Pub. L. 112–210, §10(a)(7)(B), inserted “when sold at retail,” before “is designated”.
Par. (30)(C)(ii). Pub. L. 110–140, §322(a)(1), substituted “ER, BR, PAR, or similar bulb shapes” for “or similar bulb shapes (excluding ER or BR)”, “2.25 inches” for “2.75 inches”, and “has a rated wattage that is 40 watts or higher” for “is either—

(1) a lower(watt) wattage reflector lamp which has a rated wattage between 40 and 205 watts; or

(2) a higher(watt) wattage reflector lamp which has a rated wattage above 205 watts.”

Par. (30)(D). Pub. L. 110–140, §323(a)(1)(A), added subpar. (D) and struck out former subpar. (D) which defined “general service incandescent lamp”.


Par. (36). Pub. L. 110–140, §301(a)(1), inserted par. heading, designated existing provisions as subpar. (A), inserted “after ‘size’ in par. heading, and added subpars. (B) to (D).

Par. (46) to (48). Pub. L. 110–140, §316(c)(1)(A), added pars. (46) to (48) and struck out former pars. (46) to (48), which defined “high intensity discharge lamp”, “mercury vapor lamp”, and “mercury vapor lamp ballast”, respectively.


Par. (54) to (57). Pub. L. 110–140, §322(a)(2), added pars. (54) to (57).


Effective Date of 2012 Amendment

Effective Date of 2007 Amendment

Amendment by Pub. L. 110–140 effective on the date that is 1 day after Dec. 19, 2007, see section 1601 of Pub. L. 110–140, set out as an Effective Date note under section 1623 of Title 2, The Congress.

$6292. Coverage (a) In general
The following consumer products, excluding those consumer products designed solely for use in recreational vehicles and other mobile equipment, are covered products:

(1) Refrigerators, refrigerator-freezers, and freezers which can be operated by alternating current electricity, excluding—

(A) any type designed to be used without doors; and

(B) any type which does not include a compressor and condenser unit as an integral part of the cabinet assembly.

(2) Room air conditioners.

(3) Central air conditioners and central air conditioning heat pumps.

(4) Water heaters.

(5) Furnaces.

(6) Dishwashers.

(7) Clothes washers.

(8) Clothes dryers.

(9) Direct heating equipment.

(10) Kitchen ranges and ovens.

(11) Pool heaters.

(12) Television sets.

(13) Fluorescent lamp ballasts.

(14) General service fluorescent lamps, general service incandescent lamps, and incandescent reflector lamps.

(15) Showerheads, except safety shower head.
(16) Faucets.
(17) Water closets.
(18) Urinals.
(19) Metal halide lamp fixtures.
(20) Any other type of consumer product which the Secretary classifies as a covered product under subsection (b).

(b) Special classification of consumer product

(1) The Secretary may classify a type of consumer product as a covered product if he determines that—

(A) classifying products of such type as covered products is necessary or appropriate to carry out the purposes of this chapter, and

(B) average annual per-household energy use by products of such type is likely to exceed 100 kilowatt-hours (or its Btu equivalent) per year.

(2) For purposes of this subsection:

(A) The term “average annual per-household energy use with respect to a type of product” means the estimated aggregate annual energy use (in kilowatt-hours or the Btu equivalent) of consumer products of such type which are used by households in the United States, divided by the number of such households which use products of such type.

(B) The Btu equivalent of one kilowatt-hour is 3,412 British thermal units.

(C) The term “household” shall be defined under rules of the Secretary.

(14) Any other type of consumer product if it is one of the following types (or is designed to perform a function which is the principal function of any of the following types):

(1) Refrigerators and refrigerator-freezers.
(2) Freezers.
(3) Dishwashers.
(4) Clothes dryers.
(5) Water heaters.
(6) Room air conditioners.
(7) Home heating equipment, not including furnaces.
(8) Television sets.
(9) Kitchen ranges and ovens.
(10) Clothes washers and dehumidifiers.
(11) Central air conditioners.
(12) Furnaces.
(13) Any other type of consumer product which the Secretary classifies as a covered product under subsection (b) of this section.

Amendments


Effective Date of 2007 Amendment
Amendment by Pub. L. 110–140 effective on the date that is 1 day after Dec. 19, 2007, see section 1601 of Pub. L. 110–140, set out as an Effective Date note under section 1624 of Title 2, The Congress.

ENERGY EFFICIENCY LABELING FOR WINDOWS AND WINDOW SYSTEMS

“(a) IN GENERAL.—(1) The Secretary shall, after consulting with the National Fenestration Rating Council, industry representatives, and other appropriate organizations, provide financial assistance to support a voluntary national window rating program that will develop energy ratings and labels for windows and window systems.

“(2) Such rating program shall include—

“(A) specifications for testing procedures and labels that will enable window buyers to make more informed purchasing decisions about the energy efficiency of windows and window systems; and

“(B) information (which may be disseminated through catalogs, trade publications, labels, or other mechanisms) that will allow window buyers to assess the energy consumption and potential cost savings of alternative window products.

“(3) Such rating program shall be developed by the National Fenestration Rating Council according to commonly accepted procedures for the development of national testing procedures and labeling programs.

“(b) MONITORING.—The Secretary shall monitor and evaluate the efforts of the National Fenestration Rating Council and, not later than one year after the date of the enactment of this Act (Oct. 24, 1992), make a determination as to whether the program developed by the Council is consistent with the objectives of subsection (a).

“(c) ALTERNATIVE SYSTEM.—(1) If the Secretary makes a determination under subsection (b) that a voluntary national window rating program consistent with the objectives of subsection (a) has not been developed, the Secretary shall, after consultation with the National Institute of Standards and Technology, develop, not later than two years after such determination, test procedures under section 323 of the Energy Policy and Conservation Act (42 U.S.C. 6293) for windows and window systems.

“(2) Not later than one year after the Secretary develops test procedures under paragraph (1), the Federal Trade Commission (hereafter in this section referred to as the ‘Commission’) shall prescribe labeling rules under such section 323 of such Act (42 U.S.C. 6294) for those windows and window systems for which the Secretary has prescribed test procedures under paragraph (1) except that, with respect to any type of window or window system (or class thereof), the Secretary may determine that such labeling is not technologically feasible or economically justified or is not likely to assist consumers in making purchasing decisions.

“(3) For purposes of sections 323, 324, and 327 of such Act (42 U.S.C. 6293, 6294, 6297), each product for which...
the Secretary has established test procedures or labeling rules pursuant to this subsection shall be considered a new covered product under section 322 of such Act (42 U.S.C. 6292) to the extent necessary to carry out this subsection.

“(4) For purposes of section 327(a) of such Act, the term ‘this part’ includes this subsection to the extent necessary to carry out this subsection.”

ENERGY EFFICIENCY INFORMATION FOR COMMERCIAL OFFICE EQUIPMENT


“(a) IN GENERAL.—(1) The Secretary shall, after consulting with the Computer and Business Equipment Manufacturers Association and other interested organizations, provide financial and technical assistance to support a voluntary national testing and information program for those types of commercial office equipment for which there is a potential for significant energy savings as a result of such program.

“(2) Such program shall—

“(A) consist with the objectives of paragraph (1), determine the commercial office equipment to be covered under such program;

“(B) include specifications for testing procedures that will enable purchasers of such commercial office equipment to make more informed decisions about the energy efficiency and costs of alternative products; and

“(C) include information, which may be disseminated through catalogs, trade publications, labels, or other mechanisms, that will allow consumers to assess the energy consumption and potential cost savings of alternative products.

“(3) Such program shall be developed by an appropriate organization (composed of interested parties) according to commonly accepted procedures for the development of national testing procedures and labeling programs.

“(b) MONITORING.—The Secretary shall monitor and evaluate the efforts to develop the program described in subsection (a) and, not later than three years after the date of the enactment of this Act [Oct. 24, 1992], shall make a determination as to whether such program is consistent with the objectives of subsection (a).

“(c) ALTERNATIVE SYSTEM.—(1) If the Secretary makes a determination under subsection (b) that a voluntary national testing and information program for commercial office equipment consistent with the objectives of subsection (a) has not been developed, the Secretary shall, after consultation with the National Institute of Standards and Technology, develop, not later than two years after such determination, test procedures under section 323 of the Energy Policy and Conservation Act (42 U.S.C. 6293) for such commercial office equipment.

“(2) Not later than one year after the Secretary develops test procedures under paragraph (1), the Federal Trade Commission (hereafter in this section referred to as the ‘Commission’) shall prescribe labeling rules under section 324 of such Act (42 U.S.C. 6294) for commercial office equipment for which the Secretary has prescribed test procedures under paragraph (1) except that, with respect to any type of commercial office equipment (or class thereof), the Secretary may determine that such labeling is not technologically feasible or economically justified or is not likely to assist consumers in making purchasing decisions.

“(3) For purposes of sections 323, 324, and 327 of such Act (42 U.S.C. 6293, 6294, 6297), each product for which the Secretary has established test procedures or labeling rules pursuant to this subsection shall be considered a new covered product under section 322 of such Act (42 U.S.C. 6292) to the extent necessary to carry out this subsection.

“(4) For purposes of section 327(a) of such Act, the term ‘this part’ includes this subsection to the extent necessary to carry out this subsection.”

ENERGY EFFICIENCY INFORMATION FOR LUMINAIRES


“(a) IN GENERAL.—(1) The Secretary shall, after consulting with the National Electric Manufacturers Association, the American Lighting Association, and other interested organizations, provide financial and technical assistance to support a voluntary national testing and information program for those types of luminaires that are widely used and for which there is a potential for significant energy savings as a result of such program.

“(2) Such program shall—

“(A) consist with the objectives of paragraph (1), determine the luminaires to be covered under such program;

“(B) include specifications for testing procedures that will enable purchasers of such luminaires to make more informed decisions about the energy efficiency and costs of alternative products; and

“(C) include information, which may be disseminated through catalogs, trade publications, labels, or other mechanisms, that will allow consumers to assess the energy consumption and potential cost savings of alternative products.

“(3) Such program shall be developed by an appropriate organization (composed of interested parties) according to commonly accepted procedures for the development of national testing procedures and labeling programs.

“(b) MONITORING.—The Secretary shall monitor and evaluate the efforts to develop the program described in subsection (a) and, not later than three years after the date of the enactment of this Act [Oct. 24, 1992], shall make a determination as to whether the program developed is consistent with the objectives of subsection (a).

“(c) ALTERNATIVE SYSTEM.—(1) If the Secretary makes a determination under subsection (b) that a voluntary national testing and information program for luminaires consistent with the objectives of subsection (a) has not been developed, the Secretary shall, after consultation with the National Institute of Standards and Technology, develop, not later than two years after such determination, test procedures under section 323 of the Energy Policy and Conservation Act (42 U.S.C. 6293) for such luminaires.

“(2) Not later than one year after the Secretary develops test procedures under paragraph (1), the Federal Trade Commission (hereafter in this section referred to as the ‘Commission’) shall prescribe labeling rules under section 324 of such Act (42 U.S.C. 6294) for those luminaires for which the Secretary has prescribed test procedures under paragraph (1) except that, with respect to any type of luminaire (or class thereof), the Secretary may determine that such labeling is not technologically feasible or economically justified or is not likely to assist consumers in making purchasing decisions.

“(3) For purposes of sections 323, 324, and 327 of such Act (42 U.S.C. 6293, 6294, 6297), each product for which the Secretary has established test procedures or labeling rules pursuant to this subsection shall be considered a new covered product under section 322 of such Act (42 U.S.C. 6292) to the extent necessary to carry out this subsection.

“(4) For purposes of section 327(a) of such Act, the term ‘this part’ includes this subsection to the extent necessary to carry out this subsection.”

REPORT ON POTENTIAL OF COOPERATIVE ADVANCED APPLIANCE DEVELOPMENT


“(a) IN GENERAL.—Not later than 18 months after the date of the enactment of this Act [Oct. 24, 1992], the Secretary shall, in consultation with the Administrator of the Environmental Protection Agency, utilities, and appliance manufacturers, prepare and submit
§ 6293 Test procedures

(a) General rule

All test procedures and related determinations prescribed or made by the Secretary with respect to any covered product (or class thereof) which are in effect on March 17, 1987, shall remain in effect until the Secretary amends such test procedures and related determinations under subsection (b).

(b) Amended and new procedures

(1) Test procedures.—At least once every 7 years, the Secretary shall review test procedures for all covered products and—

(i) amend test procedures with respect to any covered product, if the Secretary determines that amended test procedures would more accurately or fully comply with the requirements of paragraph (3); or

(ii) publish notice in the Federal Register of any determination not to amend a test procedure.

(2) The Secretary may, in accordance with the requirements of this subsection, prescribe test procedures for any consumer product classified as a covered product under section 6292(b) of this title.

(3) The Secretary shall direct the National Institute of Standards and Technology to assist in developing new or amended test procedures.

(2) If the Secretary determines, on his own behalf or in response to a petition by any interested person, that a test procedure should be prescribed or amended, the Secretary shall promptly publish in the Federal Register proposed test procedures and afford interested persons an opportunity to present oral and written data, views, and arguments with respect to such procedures. The comment period shall not be less than 60 days and may be extended for good cause shown to not more than 270 days. In prescribing or amending a test procedure, the Secretary shall take into account such information as the Secretary determines to be relevant to such procedure, including technological developments relating to energy use or energy efficiency of the type (or class) of covered products involved.

(3) Any test procedures prescribed or amended under this section shall be reasonably designed to produce test results which measure energy efficiency, energy use, water use (in the case of showerheads, faucets, water closets and urinals), or estimated annual operating cost of a covered product during a representative average use cycle or period of use, as determined by the Secretary, and shall not be unduly burdensome to conduct.

(4) If the test procedure is a procedure for determining estimated annual operating costs, such procedure shall provide that such costs shall be calculated from measurements of energy use or, in the case of showerheads, faucets, water closets, or urinals, water use in a representative average use cycle or period of use, as determined by the Secretary, and from representative average unit costs of the energy needed to operate such product during such cycle, or in the case of showerheads, faucets, water closets, or urinals, representative average unit costs of water and wastewater treatment service resulting from the operation of such products during such cycle. The Secretary shall provide information to manufacturers with respect to representative average unit costs of energy, water, and wastewater treatment.

(5) With respect to fluorescent lamp ballasts manufactured on or after January 1, 1990, and to which standards are applicable under section 6295 of this title, the Secretary shall prescribe test procedures that are in accord with ANSI standard C92.2-1984 or other test procedures determined appropriate by the Secretary.

(6) With respect to fluorescent lamps and incandescent reflector lamps to which standards...
are applicable under subsection (i) of section 6295 of this title, the Secretary shall prescribe test procedures, to be carried out by accredited test laboratories, that take into consideration the applicable IES or ANSI standard.

(7) Test procedures for showers and faucets to which standards are applicable under subsection (j) of section 6295 of this title shall be the test procedures specified in ASME A112.18.1M–1989 for such products.

(8) (A) Test procedures for showerheads and urinals to which standards are applicable under subsection (k) of section 6295 of this title shall be the test procedures specified in ASME A112.19.6–1990 for such products.

(9) Test procedures for illuminated exit signs shall be based on the test method used under version 2.0 of the Energy Star program of the Environmental Protection Agency for illuminated exit signs.

(10) (A) Test procedures for distribution transformers and low voltage dry-type distribution transformers shall be based on the “Standard Test Method for Measuring the Energy Consumption of Distribution Transformers” prescribed by the National Electrical Manufacturers Association (NEMA TP 2-1998).

(B) The Secretary may review and revise the test procedures established under subparagraph (A).

(C) For purposes of section 6317(a) of this title, the test procedures established under subparagraph (A) shall be considered to be the testing requirements prescribed by the Secretary under section 6317(a)(1) of this title for distribution transformers for which the Secretary makes a determination that energy conservation standards would—

(i) be technologically feasible and economically justified; and

(ii) result in significant energy savings.

(11) Test procedures for traffic signal modules and pedestrian modules shall be based on the test method used under the Energy Star program of the Environmental Protection Agency for traffic signal modules, as in effect on August 8, 2005.

(12)(A) Test procedures for medium base compact fluorescent lamps shall be based on the test methods for compact fluorescent lamps used under the August 9, 2001 version of the Energy Star program of the Environmental Protection Agency and the Department of Energy.

(B) Except as provided in subparagraph (C), medium base compact fluorescent lamps shall meet all test requirements for regulated parameters of section 6295(c)(1) of this title.

(C) Notwithstanding subparagraph (B), if manufacturers document engineering predictions and analysis that support expected attainment of lumen maintenance at 40 percent of rated life and lamp lifetime, medium base compact fluorescent lamps may be marketed before completion of the testing of lamp life and lumen maintenance at 40 percent of rated life.

(13) Test procedures for dehumidifiers shall be based on the test criteria used under the Energy Star Program Requirements for Dehumidifiers developed by the Environmental Protection Agency, as in effect on August 8, 2005, unless revised by the Secretary pursuant to this section.

(14) The test procedure for measuring flow rate for commercial pre rinse spray valves shall be based on American Society for Testing and Materials Standard F2324, entitled “Standard Test Method for Pre-Rinse Spray Valves”.

(15) The test procedure for refrigerated bottled or canned beverage vending machines shall be based on American National Standards Institute/American Society of Heating, Refrigerating and Air-Conditioning Engineers Standard 32.1–2004, entitled “Methods of Testing for Rating Vending Machines for Bottled, Canned or Other Sealed Beverages”.


(ii) Test procedures for ceiling fan light kits shall be based on the test procedures referenced in the Energy Star specifications for Residential Light Fixtures and Compact Fluorescent Light Bulbs, as in effect on August 8, 2005.

(B) The Secretary may review and revise the test procedures established under subparagraph (A).

(17) CLASS A EXTERNAL POWER SUPPLIES.—Test procedures for class A external power supplies shall be based on the “Test Method for Calculating the Energy-Efficiency of Single-Voltage External AC–DC and AC–AC Power Supplies” published by the Environmental Protection Agency on August 11, 2004, except that the test voltage specified in section 4(d) of that test method shall be only 115 volts, 60 Hz.

(18) METAL HALIDE LAMP BALLASTS.—Test procedures for metal halide lamp ballasts shall be based on ANSI Standard C82.6–2005, entitled “Ballasts for High Intensity Discharge Lamps—Method of Measurement”.

(c) Restriction on certain representations

(1) No manufacturer, distributor, retailer, or private labeler may make any representation—

(A) in writing (including a representation on a label); or

(B) in any broadcast advertisement, with respect to the energy use or efficiency or, in the case of showerheads, faucets, water closets, and urinals, water use of a covered product to which a test procedure is applicable under

1 So in original. Probably should be section “6295(bb)"
subsection (a) or the cost of energy consumed by such product, unless such product has been tested in accordance with such test procedure and such representation fairly discloses the results of such testing.

(2) Effective 180 days after an amended or new test procedure applicable to a covered product is prescribed or established under subsection (b), no manufacturer, distributor, retailer, or private labeler may make any representation—

(A) in writing (including a representation on a label); or

(B) in any broadcast advertisement, with respect to energy use or efficiency or, in the case of water use, water closets, and urinals, water use of such product or cost of energy consumed by such product, unless such product has been tested in accordance with such amended or new test procedures and such representation fairly discloses the results of such testing.

(3) On the petition of any manufacturer, distributor, retailer, or private labeler, filed not later than the 60th day before the expiration of the period involved, the 180-day period referred to in paragraph (2) may be extended by the Secretary with respect to the petitioner (but in no event for more than an additional 180 days) if the Secretary determines that the requirements of paragraph (2) would impose an undue hardship on such petitioner.

(d) Case in which test procedure is not required

(1) The Secretary is not required to publish and prescribe test procedures for a covered product (or class thereof) if the Secretary determines, by rule, that test procedures cannot be developed which meet the requirements of subsection (b)(3) and publishes such determination in the Federal Register, together with the reasons therefor.

(2) For purposes of section 6297 of this title, a determination under paragraph (1) with respect to any covered product or class shall have the same effect as would a standard prescribed for a covered product (or class).

(e) Amendment of standard

(1) In the case of any amended test procedure which is prescribed pursuant to this section, the Secretary shall determine, in the rulemaking carried out with respect to prescribing such procedure, to what extent, if any, the proposed test procedure would alter the measured energy efficiency, measured energy use, or measured water use of any covered product as determined under the existing test procedure.

(2) If the Secretary determines that the amended test procedure will alter the measured efficiency or measured use, the Secretary shall amend the applicable energy conservation standard during the rulemaking carried out with respect to such test procedure. In determining the amended energy conservation standard, the Secretary shall measure, pursuant to the amended test procedure, the energy efficiency and water use of a representative sample of covered products that minimally comply with the existing standard. The average of such energy efficiency, energy use, or water use levels determined under the amended test procedure shall constitute the amended energy conservation standard for the applicable covered products.

(3) Models of covered products in use before the date on which the amended energy conservation standard becomes effective (or revisions of such models that come into use after such date and have the same energy efficiency, energy use, or water use characteristics) that comply with the energy conservation standard applicable to such covered products on the day before such date shall be deemed to comply with the amended energy conservation standard.

(4) The Secretary’s authority to amend energy conservation standards under this subsection shall not affect the Secretary’s obligation to issue final rules as described in section 6295 of this title.

(f) Additional consumer and commercial products

(1) Not later than 2 years after August 8, 2005, the Secretary shall prescribe testing requirements for refrigerated bottled or canned beverage vending machines.

(2) To the maximum extent practicable, the testing requirements prescribed under paragraph (1) shall be based on existing test procedures used in industry.

(2007—Subsec. (b)(1). Pub. L. 110–140, § 302(a), which directed amendment of subsec. (b)(1) by striking “(1)” and all that followed through the “end of the paragraph” and inserting a new par. (1) designation and heading and subpar. (A), was executed by substituting the new par. (1) designation and heading and subpar. (A) for “(1)(A) The Secretary may amend test procedures with respect to any covered product if the Secretary determines that amended test procedures would more accurately or fully comply with the requirements of paragraph (3).” to reflect the probable intent of Congress.


Subsec. (b)(4). Pub. L. 102–486, § 123(d)(1)(B), in first sentence inserted “or, in the case of showerheads, faucets, water closets, or urinals, water use” after “energy use,” and “, or in the case of showerheads, faucets, water closets, or urinals, representative average unit costs of water and wastewater treatment service resulting from the operation of such products during such cycle” after “such cycle”, and in second sentence inserted “water, and wastewater treatment” before period at end.

Subsec. (b)(6) to (8). Pub. L. 102–486, § 123(d)(1)(C), added pars. (6) to (8).
§ 6294. Labeling

(a) In general

(1) The Commission shall prescribe labeling rules under this section applicable to all covered products of each of the types specified in paragraphs (1), (2), (4), (6), and (8) through (12) of section 6292(a) of this title, except to the extent that, with respect to any such type (or class thereof), the Commission determines under the second sentence of subsection (b)(5) that labeling in accordance with this section is not technologically or economically feasible.

(2)(A) The Commission shall prescribe labeling rules under this section applicable to all covered products of each of the types specified in paragraphs (3), (5), and (7) of section 6292(a) of this title, except to the extent that with respect to any such type (or class thereof), the Commission determines under the second sentence of subsection (b)(5) that labeling in accordance with this section is not technologically or economically feasible or is not likely to assist consumers in making purchasing decisions.

(B) The Commission shall prescribe labeling rules under this section applicable to the covered product specified in paragraph (13) of section 6292(a) of this title and to which standards are applicable under section 6295 of this title.

Such rules shall provide that the labeling of any fluorescent lamp ballast manufactured on or after January 1, 1989, will indicate conspicuously, in a manner prescribed by the Commission under subsection (b) by July 1, 1989, a capital letter “E” printed within a circle on the ballast and on the packaging of the ballast or of the luminaire into which the ballast has been incorporated.

(C) Metal halide lamp fixtures.—

(i) In general.—The Commission shall issue labeling rules under this section applicable to the covered product specified in section 6292(a)(19) of this title and to which standards are applicable under section 6296 of this title.

(ii) Labeling.—The rules shall provide that the labeling of any metal halide lamp fixture manufactured on or after the later of January 1, 2009, or the date that is 270 days after December 19, 2007, shall indicate conspicuously, in a manner prescribed by the Commission under subsection (b) by July 1, 2008, a capital letter “E” printed within a circle on the packaging of the fixture, and on the ballast contained in the fixture.

(D)(i) Not later than 18 months after October 24, 1992, the Commission shall prescribe labeling rules under this section applicable to the general service fluorescent lamps, medium base compact fluorescent lamps, and general service incandescent lamps manufactured after the 12-month period beginning on the date of the publication of such rule shall indicate conspicuously on the packaging of the lamp, in a manner prescribed by the Commission under subsection (b), such information as the Commission deems necessary to enable consumers to select the most energy efficient lamps which meet their requirements. Labeling information for incandescent lamps shall be based on performance when operated at 120 volts input, regardless of the rated lamp voltage.

(ii) If the Secretary determines that compliance with the standards specified in section 6295(i) of this title for any lamp will result in the discontinuance of the manufacture of such lamp, the Commission may exempt such lamp
from the labeling rules prescribed under clause (i).

(iii) Rulemaking to Consider Effectiveness of Lamp Labeling.—

(I) In General.—Not later than 1 year after December 19, 2007, the Commission shall initiate a rulemaking to consider—

(aa) the effectiveness of current lamp labeling for power levels or watts, light output or lumens, and lamp lifetime; and

(bb) alternative labeling approaches that will help consumers to understand new high-efficiency lamp products and to base the purchase decisions of the consumers on the most appropriate source that meets the requirements of the consumers for lighting level, light quality, lamp lifetime, and total lifecycle cost.

(II) Completion.—The Commission shall—

(aa) complete the rulemaking not later than the date that is 30 months after December 19, 2007; and

(bb) consider reopening the rulemaking not later than 180 days before the effective dates of the standards for general service incandescent lamps established under section 6295(i)(1)(A) of this title, if the Commission determines that further labeling changes are needed to help consumers understand lamp alternatives.

(E)(1) Not later than one year after October 24, 1992, the Commission shall prescribe labeling rules under this section for showerheads and faucets to which standards are applicable under subsection (i) of section 6295 of this title. Such rules shall provide that the labeling of any showerhead or faucet manufactured after the 12-month period beginning on the date of the publication of such rule shall be consistent with the marking and labeling requirements of ASME A112.18.1M–1989, except that each showerhead and flow restricting or controlling spout-end device shall bear a permanent legible marking indicating the flow rate, expressed in gallons per minute (gpm) or gallons per cycle (gpc), and the flow rate value shall be the actual flow rate or the maximum flow rate specified by the standards established in subsection (k) of section 6295 of this title.

(ii) If the marking and labeling requirements of ASME A112.19.2M–1990 are revised at any time and approved by ANSI, the Commission shall amend the labeling rules established pursuant to clause (i) to be consistent with such revised ASME/ANSI requirements unless such requirements are inconsistent with the purposes of this chapter or the requirement specified in clause (i) requiring each fixture and flushometer valve to bear a permanent legible marking indicating the water use of such fixture or flushometer valve.

(iii) Any labeling rules prescribed under this subparagraph before January 1, 1997, shall provide that, with respect to any gravity tank-type white 2-piece toilet which has a water use greater than 1.6 gallons per flush (gpf), any printed matter distributed or displayed in connection with such product (including packaging and point of sale material, catalog material, and print advertising) shall include, in a conspicuous manner, the words “For Commercial Use Only.”

(G)(1) Not later than 90 days after August 8, 2005, the Commission shall initiate a rulemaking to consider—

(I) the effectiveness of the consumer products labeling program in assisting consumers in making purchasing decisions and improving energy efficiency; and

(II) changes to the labeling rules (including categorical labeling) that would improve the effectiveness of consumer product labels.

(ii) Not later than 2 years after August 8, 2005, the Commission shall complete the rulemaking initiated under clause (i).

(H)(1) Not later than 18 months after August 8, 2005, the Commission shall issue by rule, in accordance with this section, labeling requirements for the electricity used by ceiling fans to circulate air in a room.

(ii) The rule issued under clause (i) shall apply to products manufactured after the later of—

(I) January 1, 2009; or

(II) the date that is 60 days after the final rule is issued.

(I) Labeling Requirements.—

(i) In General.—Subject to clauses (ii) through (iv), not later than 18 months after the date of issuance of applicable Department of Energy testing procedures, the Commission, in consultation with the Secretary and the Administrator of the Environmental Protection Agency (acting through the Energy Star program), shall, by regulation, prescribe labeling or other disclosure requirements for the energy use of—

(I) televisions;

(II) personal computers;

(III) cable or satellite set-top boxes; and

(IV) stand-alone digital video recorder boxes; and
(V) personal computer monitors.

(ii) Alternate testing procedures.—In the absence of applicable testing procedures described in clause (i) for products described in subparagraphs (I) through (V) of that clause, the Commission may, by regulation, prescribe labeling or other disclosure requirements for a consumer product category described in clause (i) if the Commission—

(I) identifies adequate non-Department of Energy testing procedures for those products; and

(II) determines that labeling of, or other disclosures relating to, those products is likely to assist consumers in making purchasing decisions.

(iii) Deadline and requirements for labeling.—

(I) Deadline.—Not later than 18 months after the date of promulgation of any requirements under clause (i) or (ii), the Commission shall require labeling of, or other disclosure requirements for, electronic products described in clause (i).

(II) Requirements.—The requirements prescribed under clause (i) or (ii) may include specific requirements for each electronic product to be labeled with respect to the placement, size, and content of Energy Guide labels.

(iv) Determination of feasibility.—Clause (i) or (ii) shall not apply in any case in which the Commission determines that labeling in accordance with this subsection—

(I) is not technologically or economically feasible; or

(II) is not likely to assist consumers in making purchasing decisions.

(3) The Commission may prescribe a labeling rule under this section applicable to covered products of a type specified in paragraph (20) of section 6292(a) of this title (or class thereof) if—

(A) the Commission or the Secretary has made a determination with respect to such type (or class thereof) that labeling in accordance with this section will assist purchasers in making purchasing decisions,

(B) the Secretary has prescribed test procedures under section 6293(b)(1)(B) of this title for such type (or class thereof), and

(C) the Commission determines with respect to such type (or class thereof) that application of labeling rules under this section to such type (or class thereof) is economically and technologically feasible.

(4) Any determination under this subsection shall be published in the Federal Register.

(5) For covered products described in subsections (u) through (ff) of section 6295 of this title, a test procedure has been prescribed under section 6293 of this title, the Secretary or the Commission, as appropriate, may prescribe, by rule, under this section labeling requirements for the products.

(B) In the case of products to which TP-1 standards under section 6295(y) of this title apply, labeling requirements shall be based on the “Standard for the Labeling of Distribution Transformer Efficiency” prescribed by the National Electrical Manufacturers Association (NEMA TP–3) as in effect on August 8, 2005.

(C) In the case of dehumidifiers covered under section 6295(dd) of this title, the Commission shall not require an “Energy Guide” label.

(6) Authority to include additional product categories.—The Commission may, by regulation, require labeling or other disclosures in accordance with this subsection for any consumer product not specified in this subsection or section 6292 of this title if the Commission determines that labeling for the product is likely to assist consumers in making purchasing decisions.

(b) Rules in effect; new rules

(1)(A) Any labeling rule in effect on March 17, 1987, shall remain in effect until amended, by rule, by the Commission.

(B) After March 17, 1987, and not later than 30 days after the date on which a proposed test procedure applicable to a covered product of any of the types specified in paragraphs (1) through (13), and paragraphs (15) through (20) of section 6292(a) of this title (or class thereof) is prescribed under section 6293(b) of this title, the Commission shall publish a proposed labeling rule applicable to such type (or class thereof).

(2) The Commission shall afford interested persons an opportunity to present written or oral data, views, and comments with respect to the proposed labeling rules published under paragraph (1). The period for such presentations shall not be less than 45 days.

(3) Not earlier than 45 days nor later than 60 days after the date on which test procedures are prescribed under section 6293(b) of this title with respect to covered products of any type (or class thereof) specified in paragraphs (1) through (12) of section 6292(a) of this title, the Commission shall prescribe labeling rules with respect to covered products of such type (or class thereof). Not earlier than 45 days after the date on which test procedures are prescribed under section 6293(b) of this title with respect to covered products of a type specified in paragraph (20) of section 6292(a) of this title, the Commission may prescribe labeling rules with respect to covered products of such type (or class thereof).

(4) A labeling rule prescribed under paragraph (3) shall take effect not later than 3 months after the date of prescription of such rule, except that such rules may take effect not later than 6 months after such date of prescription if the Commission determines that such extension is necessary to allow persons subject to such rules adequate time to come into compliance with such rules.

(5) The Commission may delay the publication of a proposed labeling rule, or the prescription of a labeling rule, beyond the dates specified in paragraph (1) or (3), if it determines that it cannot publish proposed labeling rules or prescribe labeling rules which meet the requirements of this section on or prior to the date specified in the applicable paragraph and publishes such determination in the Federal Register, together with the reasons therefor. In any such case, it shall publish proposed labeling rules or prescribe labeling rules for covered products of such type
(or class thereof) as soon as practicable unless it determines (A) that labeling in accordance with this section is not economically or technically feasible, or (B) in the case of a type specified in paragraphs (3), (5), and (7) of section 6292(a) of this title, that labeling in accordance with this section is not likely to assist consumers in purchasing decisions. Any such determination shall be published in the Federal Register, together with the reasons therefor. This paragraph shall not apply to the prescription of a labeling rule with respect to covered products of a type specified in paragraph (20) of section 6292(a) of this title.

(c) Content of label

(1) Subject to paragraph (6), a rule prescribed under this section shall require that each covered product in the type or class of covered products to which the rule applies bear a label which discloses—

(A) the estimated annual operating cost of such product (determined in accordance with test procedures prescribed under section 6293 of this title), except that if—

(i) the Secretary determines that disclosure of estimated annual operating cost is not technologically feasible, or

(ii) the Commission determines that such disclosure is not likely to assist consumers in making purchasing decisions or is not economically feasible,

the Commission shall require disclosure of a different useful measure of energy consumption (determined in accordance with test procedures prescribed under section 6293 of this title); and

(B) information respecting the range of estimated annual operating costs for covered products to which the rule applies; except that if the Commission requires disclosure under subparagraph (A) of a measure of energy consumption different from estimated annual operating cost, then the label shall disclose the range of such measure of energy consumption of covered products to which such rule applies.

(2) A rule under this section shall include the following:

(A) A description of the type or class of covered products to which such rule applies,

(B) Subject to paragraph (6), information respecting the range of estimated annual operating costs or other useful measure of energy consumption (determined in such manner as the rule may prescribe) for such type or class of covered products,

(C) A description of the test procedures under section 6293 of this title used in determining the estimated annual operating costs or other measure of energy consumption of the type or class of covered products,

(D) A prototype label and directions for displaying such label.

(3) A rule under this section shall require that the label be displayed in a manner that the Commission determines is likely to assist consumers in making purchasing decisions and is appropriate to carry out this part. The Commission may permit a tag to be used in lieu of a label in any case in which the Commission finds that a tag will carry out the purposes for which the label was intended.

(4) A rule under this section applicable to a covered product may require disclosure, in any printed matter displayed or distributed at the point of sale of such product, of any information which may be required under this section to be disclosed on the label of such product. Requirements under this paragraph shall not apply to any broadcast advertisement or any advertisement in any newspaper, magazine, or other periodical.

(5) The Commission may require that a manufacturer of a covered product to which a rule under this section applies—

(A) include on the label,

(B) separately attach to the product, or

(C) ship with the product,

additional information relating to energy consumption, including instructions for the maintenance, use, or repair of the covered product, if the Commission determines that such additional information would assist consumers in making purchasing decisions or in using such product, and that such requirement would not be unduly burdensome to manufacturers.

(6) The Commission may delay the effective date of the requirement specified in paragraph (1)(B) of this subsection applicable to a type or class of covered product, insofar as it requires the disclosure on the label of information respecting range of a measure of energy consumption, for not more than 12 months after the date on which the rule under this section is first applicable to such type or class, if the Commission determines that such information will not be available within an adequate period of time before such date.

(7) Paragraphs (1), (2), (3), (5), and (6) of this subsection shall not apply to the covered product specified in paragraphs (13), (14), (15), (16), (17), and (18) of section 6292(a) of this title.

(8) If a manufacturer of a covered product specified in paragraph (15) or (17) of section 6292(a) of this title elects to provide a label for such covered product conveying the estimated annual operating cost of such product or the range of estimated annual operating costs for the type or class of such product—

(A) such estimated cost or range of costs shall be determined in accordance with test procedures prescribed under section 6293 of this title;

(B) the format of such label shall be in accordance with a format prescribed by the Commission; and

(C) such label shall be displayed in a manner, prescribed by the Commission, to be likely to assist consumers in making purchasing decisions and appropriate to carry out the purposes of this chapter.

(9) DISCRETIONARY APPLICATION.—The Commission may apply paragraphs (1), (2), (3), (5), and (6) of this subsection to the labeling of any product covered by paragraph (2)(I) or (6) of this section.

(d) Effective date

A rule under this section (or an amendment thereto) shall not apply to any covered product
the manufacture of which was completed prior to the effective date of such rule or amendment, as the case may be.

(e) Study of certain products

The Secretary, in consultation with the Commission, shall study consumer products for which labeling rules under this section have not been proposed, in order to determine (1) the aggregate energy consumption of such products, and (2) whether the imposition of labeling requirements under this section would be feasible and useful to consumers in making purchasing decisions. The Secretary shall include the results of such study in the annual report under section 6308 of this title.

(f) Consultation

The Secretary and the Commission shall consult with each other on a continuing basis as may be necessary or appropriate to carry out their respective responsibilities under this part. Before the Commission makes any determination under subsection (a)(1), it shall obtain the views of the Secretary and shall take such views into account in making such determination.

(g) Other authority of the Commission

Until such time as labeling rules under this section take effect with respect to a type or class of covered product, this section shall not affect any authority of the Commission under the Federal Trade Commission Act [15 U.S.C. 41 et seq.] to require labeling with respect to energy consumption of such type or class of covered product.


REFERENCES IN TEXT

This chapter, referred to in subsecs. (a)(2)(E)(ii)\(^{1}\), (F)(ii)\(^{1}\) and (c)(8)(B)(C), was in the original “this Act”, meaning Pub. L. 94–163, Dec. 22, 1975, 89 Stat. 971, as amended, known as the Energy Policy and Conservation Act. For complete classification of this Act to the Code, see Short Title note set out under section 6201 of this title and Tables.

The Federal Trade Commission Act, referred to in subsec. (g), is act Sept. 26, 1914, ch. 311, 38 Stat. 717, as amended, which is classified generally to subchapter I (§41 et seq.) of chapter 2 of Title 15, Commerce and Trade. For complete classification of this Act to the Code, see section 58 of Title 15 and Tables.

AMENDMENTS

2018—Pub. L. 115–115 substituted “(20) of section 6292(a)” for “(19) of section 6292(a)” wherever appearing.


Subsec. (a)(2)(D) to (H). Pub. L. 110–140, §324(d)(1), redesignated subpars. (C) to (G) as (D) to (H), respectively.


2005—Subsec. (a)(2)(F). (G). Pub. L. 109–58, §137(a), added subpars. (G) and (H).


1987—Subsec. (a)(2). Pub. L. 100–12, §11(a)(1)(A), substituted “paragraphs (1), (2), (4), (6), and (8) through (12)” for “paragraphs (1) through (9)”.

Subsec. (a)(3). Pub. L. 100–12, §11(a)(1)(B), substituted “paragraphs (3), (5), and (7)” for “paragraphs (10) through (13)”.

Subsec. (a)(8). Pub. L. 100–357, §2(d)(2), designated existing provision as subpar. (A) and added subpar. (B).


1988—Subsec. (a)(2). Pub. L. 100–12, §11(a)(1)(A), substituted “paragraphs (1), (2), (4), (6), and (8) through (12)” for “paragraphs (1) through (9)”.

Subsec. (a)(2). Pub. L. 100–12, §11(a)(1)(B), substituted “paragraphs (3), (5), and (7)” for “paragraphs (10) through (13)”.


Subsec. (a)(3). Pub. L. 100–12, §11(a)(1)(C)(ii), added subpar. (A) and struck out former subpar. (A) which read as follows: “the Commission or the Secretary has made a determination with respect to such type or class thereof under section 6295(a)(3)(B) of this title,”.


Subsec. (b)(1). Pub. L. 100–12, §11(a)(1)(D), added par. (1) and struck out former par. (1) which read as follows: “Not later than 30 days after the date on which a proposed test procedure applicable to a covered product of any of the types specified in paragraphs (1) through (14) of section 6292(a) of this title (or class thereof) is published under section 6295(a) of this title, the Commission shall publish a proposed labeling rule applicable to such type or class thereof.”

Subsec. (b)(3). Pub. L. 100–12, §11(a)(1)(E), substituted “section 6295(b)” for “section 6293” in two places, “(12)” for “(13)”, and “(13)” for “(14)”.

Subsec. (b)(5). Pub. L. 100–12, §11(a)(1)(F), substituted “(3), (5), and (7)” for “(10) through (13)” and “(13)” for “(14)”.


Pub. L. 100–12, §11(a)(1)(G), struck out “or (2)” after “subsection (a)(1)”.

to reduce energy consumption, improve energy security, and reduce pollution through voluntary labeling of, or other forms of communication about, products and buildings that meet the highest energy conservation standards.

(b) Division of responsibilities

Responsibilities under the program shall be divided between the Department of Energy and the Environmental Protection Agency in accordance with the terms of applicable agreements between those agencies.

c) Duties

The Administrator and the Secretary shall—

(1) promote Energy Star compliant technologies as the preferred technologies in the marketplace for—

(A) achieving energy efficiency; and

(B) reducing pollution;

(2) work to enhance public awareness of the Energy Star label, including by providing special outreach to small businesses;

(3) preserve the integrity of the Energy Star label;

(4) regularly update Energy Star product criteria for product categories;

(5) solicit comments from interested parties prior to establishing or revising an Energy Star product category, specification, or criterion (or prior to effective dates for any such product category, specification, or criterion);

(6) on adoption of a new or revised product category, specification, or criterion, provide reasonable notice to interested parties of any changes (including effective dates) in product categories, specifications, or criteria, along with—

(A) an explanation of the changes; and

(B) as appropriate, responses to comments submitted by interested parties; and

(7) provide appropriate lead time (which shall be 270 days, unless the Agency or Department specifies otherwise) prior to the applicable effective date for a new or a significant revision to a product category, specification, or criterion, taking into account the timing requirements of the manufacturing, product marketing, and distribution process for the specific product addressed.

d) Deadlines

The Secretary shall establish new qualifying levels—

(1) not later than January 1, 2006, for clothes washers and dishwashers, effective beginning January 1, 2007; and

(2) not later than January 1, 2008, for clothes washers, effective beginning July 1, 2009.

Amendments


Effective Date of 2007 Amendment

Amendment by Pub. L. 110–140 effective on the date that is 1 day after Dec. 19, 2007, see section 1601 of Pub. L. 110–140, set out as an Effective Date note under section 1623 of Title 2, The Congress.
§ 6294b. WaterSense program

(a) Establishment of WaterSense program

(1) In general

There is established within the Environmental Protection Agency a voluntary program, to be known as the WaterSense program, to identify and promote water-efficient products, buildings, landscapes, facilities, processes, and services in order to, through voluntary labeling of, or other forms of communications regarding, such products, buildings, landscapes, facilities, processes, and services while meeting strict performance criteria, sensibly—

(A) reduce water use;
(B) reduce the strain on public water systems, community water systems, and wastewater and stormwater infrastructure;
(C) conserve energy used to pump, heat, transport, and treat water; and
(D) preserve water resources for future generations.

(2) Inclusions

Categories of products, buildings, landscapes, facilities, processes, and services that may be included under the program include—

(A) irrigation technologies and services;
(B) point-of-use water treatment devices;
(C) plumbing products;
(D) water reuse and recycling technologies;
(E) landscaping and gardening products, including moisture control or water enhancing technologies;
(F) xeriscaping and other landscape conversions that reduce water use;
(G) whole house humidifiers; and
(H) water-efficient buildings or facilities.

(b) Duties

The Administrator of the Environmental Protection Agency, in coordination with the Secretary of Energy as appropriate, shall—

(1) establish—

(A) a WaterSense label to be used for products, buildings, landscapes, facilities, processes, and services meeting the certification criteria established pursuant to this section; and
(B) the procedure, including the methods and means, and criteria by which products, buildings, landscapes, facilities, processes, and services may be certified to display the WaterSense label;

(2) enhance public awareness regarding the WaterSense label through outreach and public education;

(3) preserve the integrity of the WaterSense label by—

(A) establishing and maintaining feasible performance criteria so that products, buildings, landscapes, facilities, processes, and services certified to display the WaterSense label perform as well or better than less water-efficient counterparts;
(B) overseeing WaterSense certifications made by third parties, which shall be independent third-party product certification bodies accredited by an accreditation entity domiciled in the United States;
(C) using testing protocols, from the appropriate, applicable, and relevant consensus standards, for the purpose of determining compliance with performance criteria; and
(D) auditing the use of the WaterSense label in the marketplace and preventing cases of misuse;

(4) not more frequently than every 6 years after adoption or major revision of any WaterSense performance criteria, review and, if appropriate, revise the performance criteria to achieve additional water savings;

(5) in revising any WaterSense criteria—

(A) provide reasonable notice to interested parties and the public of any changes, including effective dates, and an explanation of the changes;
(B) solicit comments from interested parties and the public prior to any changes;
(C) as appropriate, respond to comments submitted by interested parties and the public; and
(D) provide an appropriate transition time prior to the applicable effective date of any changes, taking into account the timing necessary for the manufacture, marketing, training, and distribution of the specific product, building, landscape, process, or service category being addressed; and

(6) not later than December 31, 2019, consider for review and revise, if necessary, any WaterSense performance criteria adopted before January 1, 2012.

(c) Transparency

The Administrator of the Environmental Protection Agency shall, to the extent practicable and not less than annually, estimate and make available to the public the relative water and energy savings attributable to the use of WaterSense-labeled products, buildings, landscapes, facilities, processes, and services.

(d) Distinction of authorities

In setting or maintaining specifications and criteria for Energy Star pursuant to section 6294a of this title, and WaterSense under this section, the Secretary of Energy and the Administrator of the Environmental Protection Agency shall coordinate to prevent duplicative or conflicting requirements among the respective programs.

(e) No warranty

A WaterSense label shall not create any express or implied warranty.

(f) Methods for establishing performance criteria

In establishing performance criteria for products, buildings, landscapes, facilities, processes, or services pursuant to this section, the Administrator of the Environmental Protection Agency shall use technical specifications and testing protocols established by voluntary consensus standards organizations relevant to specific products, buildings, landscapes, facilities, processes, or services, as appropriate.

(g) Definition of feasible

The term “feasible” means feasible with the use of the best technology, techniques, and
other means that the Administrator of the Environmental Protection Agency finds, after examination for efficacy under field conditions and not solely under laboratory conditions, are available (taking cost into consideration).


§ 6295. Energy conservation standards

(a) Purposes

The purposes of this section are to—

(1) provide Federal energy conservation standards applicable to covered products; and

(2) authorize the Secretary to prescribe amended or new energy conservation standards for each type (or class) of covered product.

(b) Standards for refrigerators, refrigerator-freezers, and freezers

(1) The following is the maximum energy use allowed in kilowatt hours per year for the following products (other than those described in paragraph (2)) manufactured on or after January 1, 1990:

<table>
<thead>
<tr>
<th>Product Description</th>
<th>Energy Use (kWh/yr)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Refrigerators and Refrigerator-Freezers—automatic defrost</td>
<td>16.3 AV+316</td>
</tr>
<tr>
<td>Refrigerator-Freezers—partial automatic defrost</td>
<td>21.8 AV+429</td>
</tr>
<tr>
<td>Top mounted freezer without ice</td>
<td>23.5 AV+471</td>
</tr>
<tr>
<td>Side mounted freezer without ice</td>
<td>27.7 AV+488</td>
</tr>
<tr>
<td>Bottom mounted freezer without ice</td>
<td>27.7 AV+488</td>
</tr>
<tr>
<td>Top mounted freezer with through the door ice service</td>
<td>26.4 AV+535</td>
</tr>
<tr>
<td>Side mounted freezer with through the door ice</td>
<td>30.9 AV+547</td>
</tr>
<tr>
<td>Upright Freezers with:</td>
<td></td>
</tr>
<tr>
<td>Manual defrost</td>
<td>10.9 AV+422</td>
</tr>
<tr>
<td>Automatic defrost</td>
<td>16.0 AV+623</td>
</tr>
<tr>
<td>Chest Freezers and all other freezers</td>
<td>14.8 AV+223</td>
</tr>
</tbody>
</table>

(2) The standards described in paragraph (1) do not apply to refrigerators and refrigerator-freezers with total refrigerated volume exceeding 39 cubic feet or freezers with total refrigerated volume exceeding 30 cubic feet.

(3)(A)(i) The Secretary shall publish a proposed rule, no later than July 1, 1988, to determine if the standards established by paragraph (1) should be amended. The Secretary shall publish a final rule no later than July 1, 1989, which shall contain such amendment, if any, and provide that the amendment shall apply to products manufactured on or after January 1, 1993. If such a final rule is not published before January 1, 1993, any amendment of such standards shall apply to products manufactured on or after January 1, 1995. Nothing in this subsection provides any justification or defense for a failure by the Secretary to comply with the nondiscretionary duty to publish final rules by the dates stated in this paragraph.

(ii) If the Secretary does not publish a final rule before January 1, 1990, relating to the revision of the energy conservation standards for refrigerators, refrigerator-freezers and freezers, the regulations which established standards for such products and were promulgated by the California Energy Commission on December 14, 1984, to be effective January 1, 1992 (or any amendments to such standards that are not more stringent than the standards in the original regulations), shall apply in California to such products, effective beginning January 1, 1993, and shall not be preempted after such effective date by any energy conservation standard established in this section or prescribed, on or after January 1, 1990, under this section.

(II) If the Secretary does not publish a final rule before January 1, 1992, relating to the revision of the energy conservation standards for refrigerators, refrigerator-freezers and freezers, State regulations which apply to such products manufactured on or after January 1, 1995, shall apply to such products until the effective date of a rule issued under this section with respect to such products.

(B) After the publication of a final rule under subparagraph (A), the Secretary shall publish a final rule no later than five years after the date of publication of the previous final rule. The Secretary shall determine in such rule whether to amend the standards in effect for the products described in paragraph (1).

(C) Any amendment prescribed under subparagraph (B) shall apply to products manufactured after a date which is five years after—

(i) the effective date of the previous amendment; or

(ii) if the previous final rule did not amend the standards, the earliest date by which the previous amendment could have been effective;

except that in no case may any amended standard apply to products manufactured within three years after publication of the final rule establishing such amended standard.

(4) REFRIGERATORS AND FREEZERS MANUFACTURED ON OR AFTER JANUARY 1, 2014.

(A) IN GENERAL.—Not later than December 31, 2010, the Secretary shall publish a final rule determining whether to amend the standards in effect for refrigerators, refrigerator-freezers, and freezers manufactured on or after January 1, 2014.

(B) AMENDED STANDARDS.—The final rule shall contain any amended standards.

(c) Standards for room air conditioners

(1) The energy efficiency ratio of room air conditioners shall be not less than the following for products manufactured on or after January 1, 1990:

<table>
<thead>
<tr>
<th>Product Class</th>
<th>Ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>Without Reverse Cycle and With Louvered Sides:</td>
<td></td>
</tr>
<tr>
<td>Less than 6,000 Btu</td>
<td>8.0</td>
</tr>
<tr>
<td>6,000 to 7,999 Btu</td>
<td>8.5</td>
</tr>
<tr>
<td>8,000 to 13,999 Btu</td>
<td>9.0</td>
</tr>
<tr>
<td>14,000 to 19,999 Btu</td>
<td>8.8</td>
</tr>
<tr>
<td>20,000 and more Btu</td>
<td>8.2</td>
</tr>
<tr>
<td>Without Reverse Cycle and Without Louvered Sides:</td>
<td></td>
</tr>
<tr>
<td>Less than 6,000 Btu</td>
<td>8.0</td>
</tr>
<tr>
<td>6,000 to 7,999 Btu</td>
<td>8.5</td>
</tr>
<tr>
<td>8,000 to 13,999 Btu</td>
<td>8.5</td>
</tr>
<tr>
<td>14,000 to 19,999 Btu</td>
<td>8.5</td>
</tr>
</tbody>
</table>
(2)(A) The Secretary shall publish a final rule no later than January 1, 1992, to determine if the standards established under paragraph (1) should be amended. Such rule shall contain such amendment, if any, and provide that the amendment shall apply to products manufactured on or after January 1, 1995.

(B) After January 1, 1992, the Secretary shall publish a final rule no later than five years after the date of publication of a previous final rule. The Secretary shall determine in such rule whether to amend the standards in effect for room air conditioners.

(C) Any amendment prescribed under subparagraph (B) shall apply to products manufactured after a date which is five years after—

(i) the effective date of the previous amendment; or

(ii) if the previous final rule did not amend the standards, the earliest date by which a previous amendment could have been effective;

except that in no case may any amended standard apply to products manufactured within three years after publication of the final rule establishing such amended standard.

(d) Standards for central air conditioners and heat pumps

(1) The seasonal energy efficiency ratio of central air conditioners and central air conditioning heat pumps shall be not less than the following:

(A) Split Systems: 10.0 for products manufactured on or after January 1, 1992.


(2) The heating seasonal performance factor of central air conditioning heat pumps shall be not less than the following:


(B) Single Package Systems: 6.6 for products manufactured on or after January 1, 1993.

(3)(A) The Secretary shall publish a final rule no later than January 1, 1994, to determine whether the standards established under paragraph (1) should be amended. Such rule shall contain such amendment, if any, and provide that the amendment shall apply to products manufactured on or after January 1, 1999. The Secretary shall publish a final rule no later than January 1, 1994, to determine whether the standards established under paragraph (2) shall be amended. Such rule shall contain such amendment, if any, and provide that the amendment shall apply to products manufactured on or after January 1, 2002.

(B) The Secretary shall publish a final rule after January 1, 1994, and no later than January 1, 2001, to determine whether the standards in effect for central air conditioners and central air conditioning heat pumps should be amended. Such rule shall provide that any amendment shall apply to products manufactured on or after January 1, 2006.

(4) Standards for through-the-wall central air conditioners, through-the-wall central air conditioning heat pumps, and small duct, high velocity systems.

(A) Definitions.—In this paragraph:

(i) small duct, high velocity system.—The term “small duct, high velocity system” means a heating and cooling product that contains a blower and indoor coil combination that—

(I) is designed for, and produces, at least 1,200 inches of external static pressure when operated at the certified air volume rate of 220–350 CFM per rated ton of cooling; and

(II) when applied in the field, uses high velocity room outlets generally greater than 1,000 fpm that have less than 6.0 square inches of free area.

(ii) through-the-wall central air conditioner; through-the-wall central air conditioning heat pump.—The terms “through-the-wall central air conditioner” and “through-the-wall central air conditioning heat pump” mean a central air conditioner or heat pump, respectively, that is designed to be installed totally or partially within a fixed-size opening in an exterior wall, and—

(I) is not weatherized;

(II) is clearly and permanently marked for installation only through an exterior wall;

(III) has a rated cooling capacity no greater than 30,000 Btu/hr;

(IV) exchanges all of its outdoor air across a single surface of the equipment cabinet; and

(V) has a combined outdoor air exchange area of less than 800 square inches (split systems) or less than 1,210 square inches (single packaged systems) as measured on the surface area described in subclause (IV).

(iii) Revision.—The Secretary may revise the definitions contained in this subparagraph through publication of a final rule.

(B) Small-duct high-velocity systems.

(i) Seasonal energy efficiency ratio.—The seasonal energy efficiency ratio for small-duct high-velocity systems shall be not less than—

(I) 11.00 for products manufactured on or after January 23, 2006; and

(II) 12.00 for products manufactured on or after January 1, 2015.

(ii) Heating seasonal performance factor.—The heating seasonal performance factor for small-duct high-velocity systems shall be not less than—

(I) 6.8 for products manufactured on or after January 23, 2006; and

(II) 7.2 for products manufactured on or after January 1, 2015.

(C) Subsequent rulemakings.—The Secretary shall conduct subsequent rulemakings for through-the-wall central air conditioners, through-the-wall central air conditioning heat pumps, and small duct, high velocity systems as part of any rulemaking under this section used to review or revise standards for other central air conditioners and heat pumps.
(e) Standards for water heaters; pool heaters; direct heating equipment

(1) The energy factor of water heaters shall be not less than the following for products manufactured on or after January 1, 1990:

(A) Gas Water Heater: \(0.62 - 0.0019 \times \text{Rated Storage Volume in gallons}\)

(B) Oil Water Heater: \(0.59 - 0.0019 \times \text{Rated Storage Volume in gallons}\)

(C) Electric Water Heater: \(0.95 - 0.00132 \times \text{Rated Storage Volume in gallons}\)

(2) The thermal efficiency of pool heaters manufactured on or after January 1, 1990, shall not be less than the following:

Wall

<table>
<thead>
<tr>
<th>Volume in gallons</th>
<th>Efficiency</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fan type</td>
<td></td>
</tr>
<tr>
<td>Up to 42,000 Btu/hour</td>
<td>73% AFUE</td>
</tr>
<tr>
<td>Over 42,000 Btu/hour</td>
<td>74% AFUE</td>
</tr>
<tr>
<td>Gravity type</td>
<td></td>
</tr>
<tr>
<td>Up to 10,000 Btu/hour</td>
<td>59% AFUE</td>
</tr>
<tr>
<td>Over 10,000 Btu/hour up to 12,000 Btu/hour</td>
<td>60% AFUE</td>
</tr>
<tr>
<td>Over 12,000 Btu/hour up to 15,000 Btu/hour</td>
<td>61% AFUE</td>
</tr>
<tr>
<td>Over 15,000 Btu/hour up to 19,000 Btu/hour</td>
<td>62% AFUE</td>
</tr>
<tr>
<td>Over 19,000 Btu/hour up to 27,000 Btu/hour</td>
<td>63% AFUE</td>
</tr>
<tr>
<td>Over 27,000 Btu/hour up to 46,000 Btu/hour</td>
<td>64% AFUE</td>
</tr>
<tr>
<td>Over 46,000 Btu/hour</td>
<td>65% AFUE</td>
</tr>
</tbody>
</table>

Floor

<table>
<thead>
<tr>
<th>Volume in gallons</th>
<th>Efficiency</th>
</tr>
</thead>
<tbody>
<tr>
<td>Up to 37,000 Btu/hour</td>
<td>56% AFUE</td>
</tr>
<tr>
<td>Over 37,000 Btu/hour</td>
<td>57% AFUE</td>
</tr>
</tbody>
</table>

Room

<table>
<thead>
<tr>
<th>Volume in gallons</th>
<th>Efficiency</th>
</tr>
</thead>
<tbody>
<tr>
<td>Up to 18,000 Btu/hour</td>
<td>57% AFUE</td>
</tr>
<tr>
<td>Over 18,000 Btu/hour up to 20,000 Btu/hour</td>
<td>58% AFUE</td>
</tr>
<tr>
<td>Over 20,000 Btu/hour up to 27,000 Btu/hour</td>
<td>63% AFUE</td>
</tr>
<tr>
<td>Over 27,000 Btu/hour up to 46,000 Btu/hour</td>
<td>64% AFUE</td>
</tr>
<tr>
<td>Over 46,000 Btu/hour</td>
<td>65% AFUE</td>
</tr>
</tbody>
</table>

4(A) The Secretary shall publish final rules no later than January 1, 1992, to determine whether the standards established by paragraph (1), (2), or (3) for water heaters, pool heaters, and direct heating equipment should be amended. Such rule shall provide that any amendment shall apply to products manufactured on or after January 1, 1995.

(B) The Secretary shall publish a final rule no later than January 1, 2000, to determine whether standards in effect for such products should be amended. Such rule shall provide that any such amendment shall apply to products manufactured on or after January 1, 2005.

(5) Uniform Efficiency Descriptor for Covered Water Heaters.—

(A) Definitions.—In this paragraph:

(I) Covered Water Heater.—The term “covered water heater” means—

(I) a water heater; and

(II) a storage water heater, instantaneous water heater, and unfired hot water storage tank (as defined in section 6311 of this title).

(ii) Final Rule.—The term “final rule” means the final rule published under this paragraph.

(B) Publication of Final Rule.—Not later than 1 year after December 18, 2012, the Secretary shall publish a final rule that establishes a uniform efficiency descriptor and accompanying test methods for covered water heaters.

(C) Purpose.—The purpose of the final rule shall be to replace with a uniform efficiency descriptor—

(i) the energy factor descriptor for water heaters established under this subsection; and

(ii) the thermal efficiency and standby loss descriptors for storage water heaters, instantaneous water heaters, and unfired water storage tanks established under section 6313(a)(5) of this title.

(D) Effect of Final Rule.—

(i) In General.—Notwithstanding any other provision of this subchapter, effective beginning on the effective date of the final rule, the efficiency standard for covered water heaters shall be denominated according to the efficiency descriptor established by the final rule.

(ii) Effective Date.—The final rule shall take effect 1 year after the date of publication of the final rule under subparagraph (B).

(E) Conversion Factor.—

(i) In General.—The Secretary shall develop a mathematical conversion factor for converting the measurement of efficiency for covered water heaters from the test procedures in effect on December 18, 2012, to the new energy descriptor established under the final rule.

(ii) Application.—The conversion factor shall apply to models of covered water heaters affected by the final rule and tested prior to the effective date of the final rule.

(iii) Effect on Efficiency Requirements.—The conversion factor shall not affect the minimum efficiency requirements for covered water heaters otherwise established under this subchapter.

(iv) Use.—During the period described in clause (v), a manufacturer may apply the conversion factor established by the Secretary to rerate existing models of covered water heaters that are in existence prior to the effective date of the rule described in clause (v)(II) to comply with the new efficiency descriptor.

(v) Period.—Clause (iv) shall apply during the period—

(I) beginning on the date of publication of the conversion factor in the Federal Register; and

(II) ending on the later of 1 year after the date of publication of the conversion factor, or December 31, 2015.

(F) Exclusions.—The final rule may exclude a specific category of covered water heaters from the uniform efficiency descriptor established under this paragraph if the Secretary determines that the category of water heaters—
(i) does not have a residential use and can be clearly described in the final rule; and
(ii) are effective rated using the thermal efficiency and standby loss descriptors applied (as of December 18, 2012) to the category under section 631(a)(5) of this title.

(G) OPTIONS.—The descriptor set by the final rule may be—
(i) a revised version of the energy factor descriptor in use as of December 18, 2012;
(ii) the thermal efficiency and standby loss descriptors in use as of that date;
(iii) a revised version of the thermal efficiency and standby loss descriptors;
(iv) a hybrid of descriptors; or
(v) a new approach.

(H) APPLICATION.—The efficiency descriptor and accompanying test method established under the final rule shall apply, to the maximum extent practicable, to all water heating technologies in use as of December 18, 2012, and to future water heating technologies.

(I) PARTICIPATION.—The Secretary shall invite interested stakeholders to participate in the rulemaking process used to establish the final rule.

(J) TESTING OF ALTERNATIVE DESCRIPTORS.—In establishing the final rule, the Secretary shall contract with the National Institute of Standards and Technology, as necessary, to conduct testing and simulation of alternative descriptors identified for consideration.

(K) EXISTING COVERED WATER HEATERS.—A covered water heater shall be considered to comply with the final rule on and after the effective date of the final rule and with any revised labeling requirements established by the Federal Trade Commission to carry out the rulemaking process used to establish the final rule.

(i) was manufactured prior to the effective date of the final rule; and
(ii) complied with the efficiency standards and labeling requirements in effect prior to the final rule.

(6) ADDITIONAL STANDARDS FOR GRID-ENABLED WATER HEATERS.—

(A) DEFINITIONS.—In this paragraph:
(i) ACTIVATION LOCK.—The term “activation lock” means a control mechanism (either a physical device directly on the water heater or a control system integrated into the water heater) that is locked by default and contains a physical, software, or digital communication that must be activated with an activation key to enable the product to operate at its designed specifications and capabilities and without which activation the product will not provide adequate hot water unless enrolled in such a program and activated by your utility company or another program operator.

(ii) GRID-ENABLED WATER HEATER.—The term “grid-enabled water heater” means an electric resistance water heater that—
(I) has a rated storage tank volume of more than 75 gallons;
(II) is manufactured on or after April 16, 2015;
(III) has—

(aa) an energy factor of not less than 1.061 minus the product obtained by multiplying—
(AA) the rated storage volume of the tank, expressed in gallons; and
(BB) 0.00168; or

(bb) an equivalent alternative standard prescribed by the Secretary and developed pursuant to paragraph (5)(B);

(iv) is equipped at the point of manufacture with an activation lock; and

(V) bears a permanent label applied by the manufacturer that—

(aa) is made of material not adversely affected by water;

(bb) is attached by means of non-water-soluble adhesive; and

(cc) advises purchasers and end-users of the intended and appropriate use of the product with the following notice printed in 16.5 point Arial Narrow Bold font:

“IMPORTANT INFORMATION: This water heater is intended only for use as part of an electric thermal storage or demand response program. It will not provide adequate hot water unless enrolled in such a program and activated by your utility company or another program operator. Confirm the availability of a program in your local area before purchasing or installing this product.”

(B) REQUIREMENT.—The manufacturer or private labeler shall provide the activation key for a grid-enabled water heater only to a utility or other company that operates an electric thermal storage or demand response program that uses such a grid-enabled water heater.

(C) REPORTS.—

(i) MANUFACTURERS.—The Secretary shall require each manufacturer of grid-enabled water heaters to report to the Secretary annually the quantity of grid-enabled water heaters that the manufacturer ships each year.

(ii) OPERATORS.—The Secretary shall require utilities and other demand response and thermal storage program operators to report annually the quantity of grid-enabled water heaters activated for their programs using forms of the Energy Information Agency or using such other mechanism that the Secretary determines appropriate after an opportunity for notice and comment.

(iii) CONFIDENTIALITY REQUIREMENTS.—The Secretary shall publish an analysis of the data collected under subparagraph (C) to assess the extent to which shipped products are put into use in demand response and thermal storage programs.

(D) PUBLICATION OF INFORMATION.—

(i) IN GENERAL.—In 2017 and 2019, the Secretary shall publish an analysis of the data collected under subparagraph (C) to assess the extent to which shipped products are put into use in demand response and thermal storage programs.

(ii) PREVENTION OF PRODUCT DIVERSION.—If the Secretary determines that sales of grid-enabled water heaters exceed by 15 percent or greater the quantity of such products activated for use in demand response and ther-
mal storage programs annually, the Secretary shall, after opportunity for notice and comment, establish procedures to prevent product diversion for non-program purposes.

(E) Compliance.—
(i) In general.—Subparagraphs (A) through (D) shall remain in effect until the Secretary determines under this section that—
(1) grid-enabled water heaters do not require a separate efficiency requirement; or
(2) sales of grid-enabled water heaters exceed by 15 percent or greater the quantity of such products activated for use in demand response and thermal storage programs annually and procedures to prevent product diversion for non-program purposes would not be adequate to prevent such product diversion.

(ii) Effective date.—If the Secretary exercises the authority described in clause (i) or amends the efficiency requirement for grid-enabled water heaters, that action will take effect on the date described in subsection (m)(4)(A)(ii).

(iii) Consideration.—In carrying out this section with respect to electric water heaters, the Secretary shall consider the impact on thermal storage and demand response programs, including any impact on energy savings, electric bills, peak load reduction, electric reliability, integration of renewable resources, and the environment.

(iv) Requirements.—In carrying out this paragraph, the Secretary shall require that grid-enabled water heaters be equipped with communication capability to enable the grid-enabled water heaters to participate in ancillary services programs if the Secretary determines that the technology is available, practical, and cost-effective.

(f) Standards for furnaces and boilers

(1) Furnaces (other than furnaces designed solely for installation in mobile homes) manufactured on or after January 1, 1992, shall have an annual fuel utilization efficiency of not less than 75 percent; and

(A) boilers (other than gas steam boilers) shall have an annual fuel utilization efficiency of not less than 80 percent and gas steam boilers shall have an annual fuel utilization efficiency of not less than 75 percent; and

(B) the Secretary shall prescribe a final rule not later than January 1, 1989, establishing an energy conservation standard—

(i) which is for furnaces (other than furnaces designed solely for installation in mobile homes) having an input of less than 45,000 BTU per hour and manufactured on or after January 1, 1992;

(ii) which provides that the annual fuel utilization efficiency of such furnaces shall be a specific percent which is not less than 71 percent and not more than 76 percent; and

(iii) which the Secretary determines is not likely to result in a significant shift from gas heating to electric resistance heating with respect to either residential construction or furnace replacement.

(2) Furnaces which are designed solely for installation in mobile homes and which are manufactured on or after September 1, 1990, shall have an annual fuel utilization efficiency of not less than 75 percent.

(3) Boilers.—

(A) In general.—Subject to subparagraphs (B) and (C), boilers manufactured on or after September 1, 2012, shall meet the following requirements:

<table>
<thead>
<tr>
<th>Boiler Type</th>
<th>Minimum Annual Fuel Utilization Efficiency</th>
<th>Design Requirements</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gas Hot Water</td>
<td>82%</td>
<td>No Constant Burning Pilot, Automatic Means for Adjusting Water Temperature</td>
</tr>
<tr>
<td>Oil Hot Water</td>
<td>84%</td>
<td>Automatic Means for Adjusting Temperature</td>
</tr>
<tr>
<td>Oil Steam</td>
<td>82%</td>
<td>None</td>
</tr>
<tr>
<td>Electric Hot Water</td>
<td>None</td>
<td>Automatic Means for Adjusting Temperature</td>
</tr>
<tr>
<td>Electric Steam</td>
<td>None</td>
<td>None</td>
</tr>
</tbody>
</table>

(B) Automatic Means for Adjusting Water Temperature.—

(i) In general.—The manufacturer shall equip each gas, oil, and electric hot water boiler (other than a boiler equipped with a tankless domestic water heating coil) with automatic means for adjusting the temperature of the water supplied by the boiler to ensure that an incremental change in inferred heat load produces a corresponding incremental change in the temperature of water supplied.

(ii) Single input rate.—For a boiler that fires at 1 input rate, the requirements of this subparagraph may be satisfied by providing an automatic means that allows the burner or heating element to fire only when the means has determined that the inferred heat load cannot be met by the residual heat of the water in the system.

(iii) No inferred heat load.—When there is no inferred heat load with respect to a hot water boiler, the automatic means described in clauses (i) and (ii) shall limit the temperature of the water in the boiler to not more than 140 degrees Fahrenheit.

(iv) Operation.—A boiler described in clause (i) or (ii) shall be operable only when the automatic means described in clauses (i), (ii), and (iii) is installed.

(C) Exception.—A boiler that is manufactured to operate without any need for electricity or any electric connection, electric gauges, electric pumps, electric wires, or elec-
tric devices shall not be required to meet the requirements of this paragraph.

(4)(A) The Secretary shall publish a final rule no later than January 1, 1992, to determine whether the standards established by paragraph (2) for mobile home furnaces should be amended. Such rule shall provide that any amendment shall apply to products manufactured on or after January 1, 1994.

(B) The Secretary shall publish a final rule no later than January 1, 1994, to determine whether the standards established by this subsection for furnaces (including mobile home furnaces) should be amended. Such rule shall provide that any amendment shall apply to products manufactured on or after January 1, 2002.

(C) After January 1, 1997, and before January 1, 2007, the Secretary shall publish a final rule to determine whether standards in effect for such products should be amended. Such rule shall contain such amendment, if any, and provide that any amendment shall apply to products manufactured on or after January 1, 2012.

(D) Notwithstanding any other provision of this chapter, if the requirements of subsection (c) are met, not later than December 31, 2013, the Secretary shall consider and prescribe energy conservation standards or energy use standards for electricity used for purposes of circulating air through duct work.

(g) Standards for dishwashers; clothes washers; clothes dryers; fluorescent lamp ballasts

(1) Dishwashers manufactured on or after January 1, 1988, shall be equipped with an option to dry without heat.

(2) All rinse cycles of clothes washers shall include an unheated water option, but may have a heated water rinse option, for products manufactured on or after January 1, 1988.

(3) Gas clothes dryers shall not be equipped with a constant burning pilot for products manufactured on or after January 1, 1988.

(4)(A) The Secretary shall publish final rules no later than January 1, 1990, to determine if the standards established under this subsection for products described in paragraphs (1), (2), and (3) should be amended. Such rules shall provide that any amendment shall apply to products the manufacture of which is completed on or after January 1, 1990.

(B) After January 1, 1990, the Secretary shall publish a final rule no later than five years after the date of publication of the previous final rule. The Secretary shall determine in such rule whether to amend the standards in effect for such products.

(C) Any such amendment shall apply to products manufactured after a date which is five years after—

(i) the effective date of the previous amendment; or

(ii) if the previous final rule did not amend the standard, the earliest date by which a previous amendment could have been in effect, except that in no case may any amended standard apply to products manufactured within three years after publication of the final rule establishing such standard.

(5) Except as provided in paragraph (6), each fluorescent lamp ballast—

(A)(i) manufactured on or after January 1, 1990;

(ii) sold by the manufacturer on or after April 1, 1990; or

(iii) incorporated into a luminaire by a luminaire manufacturer on or after April 1, 1993; and

(B) designed—

(i) to operate at nominal input voltages of 120 or 277 volts;

(ii) to operate with an input current frequency of 60 Hertz; and

(iii) for use in connection with an F40T12, F96T12, or F96T12HO lamps;

shall have a power factor of 0.90 or greater and shall have a ballast efficacy factor not less than the following:

<table>
<thead>
<tr>
<th>Application for Operation of Ballast</th>
<th>Ballast Input Voltage</th>
<th>Total Nominal Lamp Watts</th>
<th>Ballast Efficacy Factor</th>
</tr>
</thead>
<tbody>
<tr>
<td>one F40T12 lamp</td>
<td>120</td>
<td>40</td>
<td>1.805</td>
</tr>
<tr>
<td>two F40T12 lamps</td>
<td>277</td>
<td>40</td>
<td>1.805</td>
</tr>
<tr>
<td>two F60T12 lamps</td>
<td>120</td>
<td>80</td>
<td>1.600</td>
</tr>
<tr>
<td>two F96T12 lamps</td>
<td>277</td>
<td>80</td>
<td>1.600</td>
</tr>
<tr>
<td>two F96T12HO lamps</td>
<td>120</td>
<td>150</td>
<td>0.570</td>
</tr>
<tr>
<td>two F96T12HO lamps</td>
<td>277</td>
<td>150</td>
<td>0.570</td>
</tr>
</tbody>
</table>

(6) The standards described in paragraph (5) do not apply to (A) a ballast which is designed for dimming or for use in ambient temperatures of 0° F or less, or (B) a ballast which has a power factor of less than 0.90 and is designed and labeled for use only in commercial building applications.

(7)(A) The Secretary shall publish a final rule no later than January 1, 1992, to determine if the standards established under paragraph (5) should be amended, including whether such standards should be amended so that they would be applicable to ballasts described in paragraph (6) and other fluorescent lamp ballasts. Such rule shall contain such amendment, if any, and provide that the amendment shall apply to products manufactured on or after January 1, 1995.

(B) After January 1, 1992, the Secretary shall publish a final rule no later than five years after the date of publication of a previous final rule. The Secretary shall determine in such rule whether to amend the standards in effect for fluorescent lamp ballasts, including whether such standards should be amended so that they would be applicable to additional fluorescent lamp ballasts.

(C) Any amendment prescribed under subparagraph (B) shall apply to products manufactured after a date which is five years after—

(i) the effective date of the previous amendment; or

(ii) if the previous final rule did not amend the standards, the earliest date by which a previous amendment could have been effective.

except that in no case may any amended standard apply to products manufactured within three years after publication of the final rule establishing such amended standard.
(8)(A) Each fluorescent lamp ballast (other than replacement ballasts or ballasts described in subparagraph (C))—
   (i)(I) manufactured on or after July 1, 2009;
   (II) sold by the manufacturer on or after October 1, 2009; or
   (III) incorporated into a luminaire by a luminaire manufacturer on or after July 1, 2010; and
   (ii) designed—
   (I) to operate at nominal input voltages of 120 or 277 volts;
   (II) to operate with an input current frequency of 60 Hertz; and
   (III) for use in connection with F34T12 lamps, F96T12/ES lamps, or F96T12HO/ES lamps;

shall have a power factor of 0.90 or greater and shall have a ballast efficacy factor of not less than the following:

<table>
<thead>
<tr>
<th>Application for operation of</th>
<th>Ballast nominal input voltage</th>
<th>Total nominal lamp watts</th>
<th>Ballast efficacy factor</th>
</tr>
</thead>
<tbody>
<tr>
<td>One F34T12 lamp</td>
<td>120/277</td>
<td>68</td>
<td>1.35</td>
</tr>
<tr>
<td>Two F34T12 lamps</td>
<td>120/277</td>
<td>75</td>
<td>1.30</td>
</tr>
<tr>
<td>Two F96T12/ES lamps</td>
<td>120/277</td>
<td>120</td>
<td>0.77</td>
</tr>
<tr>
<td>Two F96T12HO/ES lamps</td>
<td>120/277</td>
<td>190</td>
<td>0.42</td>
</tr>
</tbody>
</table>

shall exceed the following lamp efficacy and CRI standards:

(h) Standards for kitchen ranges and ovens

(1) Gas kitchen ranges and ovens having an electrical supply cord shall not be equipped with a constant burning pilot for products manufactured on or after January 1, 1990.

(2)(A) The Secretary shall publish a final rule no later than January 1, 1992, to determine if the standards established for kitchen ranges and ovens in this subsection should be amended. Such rule shall contain such amendment, if any, and provide that the amendment shall apply to products manufactured on or after January 1, 1995.

(B) The Secretary shall publish a final rule no later than January 1, 1997, to determine whether standards in effect for such products should be amended. Such rule shall apply to products manufactured on or after January 1, 2000.

(i) General service fluorescent lamps, general service incandescent lamps, intermediate base incandescent lamps, candelabra base incandescent lamps, and incandescent reflector lamps

(1) Standards.—

(A) Definition of effective date.—In this paragraph (other than subparagraph (D)), the term “effective date” means, with respect to each type of lamp specified in a table contained in subparagraph (B), the last day of the period of months corresponding to that type of lamp (as specified in the table) that follows October 24, 1992.

(B) Minimum standards.—Each of the following general service fluorescent lamps and incandescent reflector lamps manufactured after the effective date specified in the tables contained in this paragraph shall meet or exceed the following lamp efficacy and CRI standards:

### FLUORESCENT LAMPS

<table>
<thead>
<tr>
<th>Lamp Type</th>
<th>Nominal Lamp Wattage</th>
<th>Minimum Efficacy (LPW)</th>
<th>Minimum Average CRI</th>
<th>Effective Date (Period of Months)</th>
</tr>
</thead>
<tbody>
<tr>
<td>4-foot medium bi-pin</td>
<td>&gt;35 W</td>
<td>69</td>
<td>75.0</td>
<td>36</td>
</tr>
<tr>
<td>2-foot U-shaped</td>
<td>≤35 W</td>
<td>45</td>
<td>75.0</td>
<td>36</td>
</tr>
<tr>
<td>3-foot T12</td>
<td>&gt;35 W</td>
<td>69</td>
<td>68.0</td>
<td>36</td>
</tr>
</tbody>
</table>
§ 6295 FLUORESCENT LAMPS—Continued

<table>
<thead>
<tr>
<th>Lamp Type</th>
<th>Nominal Lamp Wattage</th>
<th>Minimum CRI</th>
<th>Minimum Average Lamp Efficacy (LPW)</th>
<th>Effective Date (Period of Months)</th>
</tr>
</thead>
<tbody>
<tr>
<td>8-foot slimline</td>
<td>≤35 W</td>
<td>45</td>
<td>64.0</td>
<td>36</td>
</tr>
<tr>
<td></td>
<td>65 W</td>
<td>69</td>
<td>80.0</td>
<td>18</td>
</tr>
<tr>
<td></td>
<td>≤65 W</td>
<td>45</td>
<td>80.0</td>
<td>18</td>
</tr>
<tr>
<td></td>
<td>&gt;100 W</td>
<td>69</td>
<td>80.0</td>
<td>18</td>
</tr>
<tr>
<td></td>
<td>≤100 W</td>
<td>45</td>
<td>80.0</td>
<td>18</td>
</tr>
</tbody>
</table>

(C) Exemptions.—The standards specified in subparagraph (B) shall not apply to the following types of incandescent reflector lamps:

(i) Lamps rated at 50 watts or less that are ER30, BR30, BR40, or ER40 lamps.
(ii) Lamps rated at 65 watts that are BR30, BR40, or ER40 lamps.
(iii) R20 incandescent reflector lamps rated 45 watts or less.

(D) Effective Dates.—

(i) ER, BR, and BPAR lamps.—The standards specified in subparagraph (B) shall apply with respect to ER incandescent reflector lamps, BR incandescent reflector lamps, BPAR incandescent reflector lamps, and similar bulb shapes on and after January 1, 2008.
(ii) Lamps between 2.25-2.75 inches in diameter.—The standards specified in subparagraph (B) shall apply with respect to incandescent reflector lamps with a diameter of more than 2.25 inches, but not more than 2.75 inches, on and after the later of January 1, 2008, or the date that is 180 days after December 19, 2007.

(2) Notwithstanding section 6302(a)(5) of this title and section 6302(b) of this title, it shall not be unlawful for a manufacturer to sell a lamp which is in compliance with the law at the time such lamp was manufactured.

(3) Not less than 36 months after October 24, 1992, the Secretary shall initiate a rulemaking procedure and shall publish a final rule not later than the end of the 54-month period beginning on October 24, 1992, to determine if the standards established under paragraph (1) should be amended. Such rule shall contain such amendment, if any, and provide that the amendment shall apply to products manufactured on or after the 36-month period beginning on the date such final rule is published.

(4) Not less than eight years after October 24, 1992, the Secretary shall initiate a rulemaking procedure and shall publish a final rule not later than nine years and six months after October 24, 1992, to determine if the standards in effect for fluorescent lamps and incandescent lamps should be amended. Such rule shall contain such amendment, if any, and provide that the amendment shall apply to products manufactured on or after the 36-month period beginning on the date such final rule is published.

(5) Not later than the end of the 24-month period beginning on the date labeling requirements under section 6294(a)(2)(C) of this title become effective, the Secretary shall initiate a rulemaking procedure to determine if the standards in effect for fluorescent lamps and incandescent lamps should be amended so that they would be applicable to additional general service fluorescent lamps and shall publish, not later than 18 months after initiating such rulemaking, a final rule including such amended standards, if any. Such rule shall provide that the amendment shall apply to products manufactured after a date which is 36 months after the date such rule is published.

(6) Standards for general service lamps.—

(A) Rulemaking before January 1, 2014.—

(i) In general.—Not later than January 1, 2014, the Secretary shall initiate a rulemaking procedure to determine whether—

(I) standards in effect for general service lamps should be amended to establish more stringent standards than the standards specified in paragraph (1)(A); and

(II) the exemptions for certain incandescent lamps should be maintained or discontinued based, in part, on exempted lamp sales collected by the Secretary from manufacturers.

(ii) Scope.—The rulemaking—

(I) shall not be limited to incandescent lamp technologies; and

(II) shall include consideration of a minimum standard of 45 lumens per watt for general service lamps.

(III) Amended Standards.—If the Secretary determines that the standards in effect for general service incandescent lamps should be amended, the Secretary shall publish a final rule not later than January 1, 2017, with an effective date that is not earlier than 3 years after the date on which the final rule is published.

(iv) Phased-in Effective Dates.—The Secretary shall consider phased-in effective dates under this subparagraph after considering—

(I) the impact of any amendment on manufacturers, retiring and repurposing existing equipment, stranded investments,

2See References in Text note below.

3So in original. The word "lamps" probably should appear after "fluorescent".
labor contracts, workers, and raw materials; and
(II) the time needed to work with retailers and lighting designers to revise sales and marketing strategies.

(v) BACKSTOP REQUIREMENT.—If the Secretary fails to complete a rulemaking in accordance with clauses (i) through (iv) or if the final rule does not produce savings that are greater than or equal to the savings from a minimum efficacy standard of 45 lumens per watt, effective beginning January 1, 2020, the Secretary shall prohibit the sale of any general service lamp that does not meet a minimum efficacy standard of 45 lumens per watt.

(vi) STATE PREEMPTION.—Neither section 6297(b) of this title nor any other provision of law shall preclude California or Nevada from adopting, effective beginning on or after January 1, 2018—

(I) a final rule adopted by the Secretary in accordance with clauses (i) through (iv);

(II) if a final rule described in subclause (I) has not been adopted, the backstop requirement under clause (v); or

(III) in the case of California, if a final rule described in subclause (I) has not been adopted, any California regulations relating to these covered products adopted pursuant to State statute in effect as of December 19, 2007.

(B) RULEMAKING BEFORE JANUARY 1, 2020.—

(i) IN GENERAL.—Not later than January 1, 2020, the Secretary shall initiate a rulemaking procedure to determine whether—

(I) standards in effect for general service incandescent lamps should be amended to reflect lumen ranges with more stringent maximum wattage than the standards specified in paragraph (1)(A); and

(II) the exemptions for certain incandescent lamps should be maintained or discontinued based, in part, on exempted lamp sales data collected by the Secretary from manufacturers.

(ii) SCOPE.—The rulemaking shall not be limited to incandescent lamp technologies.

(iii) AMENDED STANDARDS.—If the Secretary determines that the standards in effect for general service incandescent lamps should be amended, the Secretary shall publish a final rule not later than January 1, 2022, with an effective date that is not earlier than 3 years after the date on which the final rule is published.

(iv) PHASED-IN EFFECTIVE DATES.—The Secretary shall consider phased-in effective dates under this subparagraph after considering—

(I) the impact of any amendment on manufacturers, retiring and repurposing existing equipment, stranded investments, labor contracts, workers, and raw materials; and

(II) the time needed to work with retailers and lighting designers to revise sales and marketing strategies.

(7)(A) With respect to any lamp to which standards are applicable under this subsection or any lamp specified in section 6317 of this title, the Secretary shall inform any Federal entity proposing actions which would adversely impact the energy consumption or energy efficiency of such lamp of the energy conservation consequences of such action. It shall be the responsibility of such Federal entity to carefully consider the Secretary’s comments.

(B) NOTWITHSTANDING SUBSECTION (N)(1), THE SECRETARY SHALL NOT BE PROHIBITED FROM AMENDING ANY STANDARD, BY RULE, TO PERMIT INCREASED ENERGY USE OR TO DECREASE THE MINIMUM REQUIRED ENERGY EFFICIENCY OF ANY LAMP TO WHICH STANDARDS ARE APPLICABLE UNDER THIS SUBSECTION IF SUCH ACTION IS WARRANTED AS A RESULT OF OTHER FEDERAL ACTION (INCLUDING RESTRICTIONS ON MATERIALS OR PROCESSES) WHICH WOULD HAVE THE EFFECT OF EITHER INCREASING THE ENERGY USE OR DECREASING THE ENERGY EFFICIENCY OF SUCH PRODUCT.

(8) NOT LATER THAN THE DATE ON WHICH STANDARDS ESTABLISHED PURSUANT TO THIS SUBSECTION BECOME EFFECTIVE, OR, WITH RESPECT TO HIGH-INTENSITY DISCHARGE LAMPS COVERED UNDER SECTION 6317 OF THIS TITLE, THE EFFECTIVE DATE OF STANDARDS ESTABLISHED PURSUANT TO SUCH SECTION, EACH MANUFACTURER OF A PRODUCT TO WHICH SUCH STANDARDS ARE APPLICABLE SHALL FILE WITH THE SECRETARY A LABORATORY REPORT CERTIFYING COMPLIANCE WITH THE APPLICABLE STANDARD FOR EACH LAMP TYPE. SUCH REPORT SHALL INCLUD THE LUMEN OUTPUT AND WATTAGE CONSUMPTION FOR EACH LAMP TYPE AS AN AVERAGE OF MEASUREMENTS TAKEN OVER THE PRECEDING 12-MONTH PERIOD. WITH RESPECT TO LAMP TYPES WHICH ARE NOT MANUFACTURED DURING THE 12-MONTH PERIOD PRECEDING THE DATE SUCH STANDARDS BECOME EFFECTIVE, SUCH REPORT SHALL BE FILED WITH THE SECRETARY NOT LATER THAN THE DATE WHICH IS 12 MONTHS AFTER THE DATE MANUFACTURING IS COMMENCED AND SHALL INCLUDE THE LUMEN OUTPUT AND WATTAGE CONSUMPTION FOR EACH LAMP TYPE AS AN AVERAGE OF MEASUREMENTS TAKEN DURING SUCH 12-MONTH PERIOD.

(j) STANDARDS FOR SHOWERHEADS AND FAUCETS

(1) The maximum water use allowed for any showerhead manufactured after January 1, 1994, is 2.5 gallons per minute when measured at a flowing water pressure of 80 pounds per square inch. Any such showerhead shall also meet the requirements of ASME/ANSI A112.18.1M–1989, 7.4.3(a).

(2) The maximum water use allowed for any of the following faucets manufactured after January 1, 1994, when measured at a flowing water pressure of 80 pounds per square inch, is as follows:

- Lavatory faucets ............................ 2.5 gallons per minute
- Lavatory replacement aerators ........... 2.5 gallons per minute
- Kitchen faucets .............................. 2.5 gallons per minute
- Kitchen replacement aerators .......... 2.5 gallons per minute
- Metering faucets ............................ 0.25 gallons per minute

(3)(A) If the maximum flow rate requirements or the design requirements of ASME/ANSI Standard A112.18.1M–1989 are amended to improve the efficiency of water use of any type or class of showerhead or faucet and are approved by ANSI, the Secretary shall, not later than 12 months after the date of such amendment, publish a final rule establishing an amended uniform national standard for that product at the
level specified in the amended ASME/ANSI Standard A112.18.1M and providing that such standard shall apply to products manufactured after a date which is 12 months after the publication of such rule, unless the Secretary determines, by rule published in the Federal Register, that adoption of a uniform national standard at the level specified in such amended ASME/ANSI Standard A112.18.1M—

(i) is not technologically feasible and economically justified under subsection (o);
(ii) is not consistent with the maintenance of public health and safety; or
(iii) is not consistent with the purposes of this chapter.

(B)(i) As part of the rulemaking conducted under subparagraph (A), the Secretary shall also determine if adoption of a uniform national standard for any type or class of showerhead or faucet more stringent than such amended ASME/ANSI Standard A112.18.1M—

(I) would result in additional conservation of energy or water;
(II) would be technologically feasible and economically justified under subsection (o); and
(III) would be consistent with the maintenance of public health and safety.

(ii) If the Secretary makes an affirmative determination under clause (i), the final rule published under subparagraph (A) shall waive the provisions of section 6297(c) of this title with respect to any State regulation concerning the water use or water efficiency of such type or class of showerhead or faucet if such State regulation—

(I) is more stringent than amended ASME/ANSI Standard A112.18.1M for such type or class of showerhead or faucet and the standard in effect for such product on the day before the date on which a final rule is published under subparagraph (A); and
(II) is applicable to any sale or installation of all products in such type or class of showerhead or faucet.

(C) If, after any period of five consecutive years, the maximum flow rate requirements of the ASME/ANSI standard for showerheads are not amended to improve the efficiency of water use of such products, or after any such period such requirements for faucets are not amended to improve the efficiency of water use of such products, the Secretary shall, not later than six months after the end of such five-year period, publish a final rule waiving the provisions of section 6297(c) of this title with respect to any State regulation concerning the water use or water efficiency of such type or class of showerhead or faucet if such State regulation—

(i) is more stringent than the standards in effect for such type or class of showerhead or faucet; and
(ii) is applicable to any sale or installation of all products in such type or class of showerhead or faucet.

(k) Standards for water closets and urinals

(1)(A) Except as provided in subparagraph (B), the maximum water use allowed in gallons per flush for any of the following water closets manufactured after January 1, 1994, is the following:

Gravity tank-type toilets .............................. 1.6 gpf.
Flushometer tank toilets ................................ 1.6 gpf.
Electromechanical hydraulic toilets ................. 1.6 gpf.
Blowout toilets ........................................ 3.5 gpf.

(B) The maximum water use allowed for any gravity tank-type white 2-piece toilet which bears an adhesive label conspicuous upon installation consisting of the words “Commercial Use Only” manufactured after January 1, 1994, and before January 1, 1997, is 3.5 gallons per flush.

(C) The maximum water use allowed for flushometer valve toilets, other than blowout toilets, manufactured after January 1, 1997, is 1.6 gallons per flush.

(2) The maximum water use allowed for any urinal manufactured after January 1, 1994, is 1.0 gallon per flush.

(3)(A) If the maximum flush volume requirements of ASME Standard A112.19.6–1990 are amended to improve the efficiency of water use of any low consumption water closet or low consumption urinal and are approved by ANSI, the Secretary shall, not later than 12 months after the date of such amendment, publish a final rule establishing an amended uniform national standard for that product at the level specified in amended ASME/ANSI Standard A112.19.6 and providing that such standard shall apply to products manufactured after a date which is one year after the publication of such rule, unless the Secretary determines, by rule published in the Federal Register, that adoption of a uniform national standard at the level specified in such amended ASME/ANSI Standard A112.19.6—

(I) is not technologically feasible and economically justified under subsection (o);
(ii) is not consistent with the maintenance of public health and safety; or
(iii) is not consistent with the purposes of this chapter.

(B)(i) As part of the rulemaking conducted under subparagraph (A), the Secretary shall also determine if adoption of a uniform national standard for any type or class of low consumption water closet or low consumption urinal more stringent than such amended ASME/ANSI Standard A112.19.6 for such product—

(I) would result in additional conservation of energy or water;
(II) would be technologically feasible and economically justified under subsection (o); and
(III) would be consistent with the maintenance of public health and safety.

(ii) If the Secretary makes an affirmative determination under clause (i), the final rule published under subparagraph (A) shall waive the provisions of section 6297(c) of this title with respect to any State regulation concerning the water use or water efficiency of such type or class of low consumption water closet or low consumption urinal if such State regulation—

(I) is more stringent than amended ASME/ANSI Standard A112.19.6 for such type or class of low consumption water closet or low consumption urinal and are approved by ANSI, the Secretary shall, not later than 12 months after the date of such amendment, publish a final rule waiving the provisions of section 6297(c) of this title with respect to any State regulation concerning the water use or water efficiency of such type or class of low consumption water closet or low consumption urinal if such State regulation—

(I) is more stringent than the standards in effect for such type or class of low consumption water closet or low consumption urinal and are approved by ANSI, the Secretary shall, not later than 12 months after the date on which a final rule is published under subparagraph (A); and
(II) is applicable to any sale or installation of all products in such type or class of low consumption water closet or low consumption urinal; and
(III) is not inconsistent with the purposes of this chapter.
sumption water closet or low consumption urinal.

(C) If, after any period of five consecutive years, the maximum flush volume requirements of the ASME/ANSI standard for low consumption water closets are not amended to improve the efficiency of water use of such products, or after any such period such requirements for low consumption urinals are not amended to improve the efficiency of water use of such products, the Secretary shall, not later than six months after the end of such five-year period, publish a final rule waiving the provisions of section 6297(c) of this title with respect to any water efficiency of such type or class of water closet or urinal if such State regulation—

(i) is more stringent than the standards in effect for such type or class of water closet or urinal; and

(ii) is applicable to any sale or installation of all products in such type or class of water closet or urinal.

(I) Standards for other covered products

(1) The Secretary may prescribe an energy conservation standard for any type (or class) of covered products of a type specified in paragraph (20) of section 6292(a) of this title if the requirements of subsections (o) and (p) are met and the Secretary determines that—

(A) the average per household energy use within the United States by products of such type (or class) exceeded 150 kilowatt-hours (or its Btu equivalent) for any 12-month period ending before such determination; 

(B) the aggregate household energy use within the United States by products of such type (or class) exceeded 4,200,000,000 kilowatt-hours (or its Btu equivalent) for any such 12-month period;

(C) substantial improvement in the energy efficiency of products of such type (or class) is technologically feasible; and

(D) the application of a labeling rule under section 6294 of this title to such type (or class) is not likely to be sufficient to induce manufacturers to produce, and consumers and other persons to purchase, covered products of such type (or class) which achieve the maximum energy efficiency which is technologically feasible and economically justified.

(2) Any new or amended standard for covered products of a type specified in paragraph (20) of section 6292(a) of this title shall not apply to products manufactured within five years after the publication of a final rule establishing such standard.

(3) The Secretary may, in accordance with subsections (o) and (p), prescribe an energy conservation standard for television sets. Any such standard may not become effective with respect to products manufactured before January 1, 1992.

(4) ENERGY EFFICIENCY STANDARDS FOR CERTAIN LAMPS.—

(A) IN GENERAL.—The Secretary shall prescribe an energy efficiency standard for rough service lamps, vibration service lamps, 3-way incandescent lamps, 2,601–3,300 lumen general service incandescent lamps, and shatter-resistant lamps in accordance with this paragraph.

(B) BENCHMARKS.—Not later than 1 year after December 19, 2007, the Secretary, in consultation with the National Electrical Manufacturers Association, shall—

(i) collect actual data for United States unit sales for each of calendar years 1990 through 2006 for each of the 5 types of lamps described in subparagraph (A) to determine the historical growth rate of the type of lamp; and

(ii) construct a model for each type of lamp based on coincident economic indicators that closely match the historical annual growth rate of the type of lamp to provide a neutral comparison benchmark to model future unit sales after calendar year 2006.

(C) ACTUAL SALES DATA.—

(i) IN GENERAL.—Effective for each of calendar years 2010 through 2025, the Secretary, in consultation with the National Electrical Manufacturers Association, shall—

(I) collect actual United States unit sales data for each of 5 types of lamps described in subparagraph (A); and

(II) not later than 90 days after the end of each calendar year, compare the lamp sales in that year with the sales predicted by the comparison benchmark for each of the 5 types of lamps described in subparagraph (A).

(ii) CONTINUATION OF TRACKING.—

(I) DETERMINATION.—Not later than January 1, 2023, the Secretary shall determine if actual sales data should be tracked for the lamp types described in subparagraph (A) after calendar year 2025.

(II) CONTINUATION.—If the Secretary finds that the market share for a lamp type described in subparagraph (A) could significantly erode the market share for general service lamps, the Secretary shall continue to track the actual sales data for the lamp type.

(D) ROUGH SERVICE LAMPS.—

(i) IN GENERAL.—Effective beginning with the first year that the reported annual sales rate for rough service lamps demonstrates actual unit sales of rough service lamps that achieve levels that are at least 100 percent higher than modeled unit sales for that same year, the Secretary shall—

(I) not later than 90 days after the end of the previous calendar year, issue a finding that the index has been exceeded; and

(II) not later than the date that is 1 year after the end of the previous calendar year, complete an accelerated rulemaking to establish an energy conservation standard for rough service lamps.

(ii) BACKSTOP REQUIREMENT.—If the Secretary fails to complete an accelerated rulemaking in accordance with clause (i)(II), effective beginning 1 year after the date of the issuance of the finding under clause (i)(I), the Secretary shall require rough service lamps to—

(I) have a shatter-proof coating or equivalent technology that is compliant with
NSF/ANSI 51 and is designed to contain the glass if the glass envelope of the lamp is broken and to provide effective containment over the life of the lamp; (II) have a maximum 40-watt limitation; and (III) be sold at retail only in a package containing 1 lamp.

(E) VIBRATION SERVICE LAMPS.—
(i) IN GENERAL.—Effective beginning with the first year that the reported annual sales rate for vibration service lamps demonstrates actual unit sales of vibration service lamps that achieve levels that are at least 100 percent higher than modeled unit sales for that same year, the Secretary shall—
(I) not later than 90 days after the end of the previous calendar year, issue a finding that the index has been exceeded; and (II) not later than the date that is 1 year after the end of the previous calendar year, complete an accelerated rulemaking to establish an energy conservation standard for vibration service lamps.
(ii) BACKSTOP REQUIREMENT.—If the Secretary fails to complete an accelerated rulemaking in accordance with clause (i)(II), effective beginning 1 year after the date of issuance of the finding under clause (i)(I), the Secretary shall require vibration service lamps to—
(I) have a maximum 40-watt limitation; and (II) be sold at retail only in a package containing 1 lamp.

(F) 3-WAY INCANDESCENT LAMPS.—
(i) IN GENERAL.—Effective beginning with the first year that the reported annual sales rate for 3-way incandescent lamps demonstrates actual unit sales of 3-way incandescent lamps that are at least 100 percent higher than modeled unit sales for that same year, the Secretary shall—
(I) not later than 90 days after the end of the previous calendar year, issue a finding that the index has been exceeded; and (II) not later than the date that is 1 year after the end of the previous calendar year, complete an accelerated rulemaking to establish an energy conservation standard for 3-way incandescent lamps.
(ii) BACKSTOP REQUIREMENT.—If the Secretary fails to complete an accelerated rulemaking in accordance with clause (i)(II), effective beginning 1 year after the date of issuance of the finding under clause (i)(I), the Secretary shall require—
(I) a maximum wattage limitation of 40 watts on shatter-resistant lamps; and (II) a requirement that those lamps be sold at retail only in a package containing 1 lamp.

(I) RULEMAKINGS BEFORE JANUARY 1, 2025.—
(i) IN GENERAL.—Except as provided in clause (ii), if the Secretary issues a final rule prior to January 1, 2025, establishing an energy conservation standard for any of the 5 types of lamps for which data collection is required under any of subparagraphs (D) through (G), the requirement to collect and model data for that type of lamp shall terminate unless, as part of the rulemaking, the Secretary determines that continued tracking is necessary.
(ii) BACKSTOP REQUIREMENT.—If the Secretary imposes a backstop requirement as a result of a failure to complete an accelerated rulemaking in accordance with clause (i)(II) of any of subparagraphs (D) through (G), the requirement to collect and model data for the applicable type of lamp shall continue for an additional 2 years after the effective date of the backstop requirement.

(m) Amendment of standards

(1) In general
Not later than 6 years after issuance of any final rule establishing or amending a standard,
as required for a product under this part, the Secretary shall publish—

(A) a notice of the determination of the Secretary that standards for the product do not need to be amended, based on the criteria established under subsection (n)(2); or

(B) a notice of proposed rulemaking including new proposed standards based on the criteria established under subsection (o)(2). If the Secretary publishes a notice under subparagraph (A), the Secretary shall—

(A) publish a notice stating that the analysis of the Department is publicly available; and

(B) provide an opportunity for written comment.

(3) Amendment of standard; new determination

(A) Amendment of standard

Not later than 2 years after a notice is issued under paragraph (1)(B), the Secretary shall publish a final rule amending the standard for the product.

(B) New determination

Not later than 3 years after a determination under paragraph (1)(A), the Secretary shall make a new determination and publication under subparagraph (A) or (B) of paragraph (1).

(4) Application to products

(A) In general

Except as provided in subparagraph (B), an amendment prescribed under this subsection shall apply to—

(i) with respect to refrigerators, refrigerator-freezers, freezers, room air conditioners, dishwashers, clothes washers, clothes dryers, fluorescent lamp ballasts, and kitchen ranges and ovens, such a product that is manufactured after the date that is 3 years after publication of the final rule establishing an applicable standard; and

(ii) with respect to central air conditioners, heat pumps, water heaters, pool heaters, direct heating equipment, and furnaces, such a product that is manufactured after the date that is 5 years after publication of the final rule establishing an applicable standard.

(B) Other new standards

A manufacturer shall not be required to apply new standards to a product with respect to which other new standards have been required during the prior 6-year period.

(5) Reports

The Secretary shall promptly submit to the Committee on Energy and Commerce of the House of Representatives and the Committee on Energy and Natural Resources of the Senate—

(A) a progress report every 180 days on compliance with this section, including a specific plan to remedy any failures to comply with deadlines for action established under this section; and

(B) all required reports to the Court or to any party to the Consent Decree in State of New York v Bodman, Consolidated Civil Actions No. 05 Civ. 7807 and No. 05 Civ. 7808.

(n) Petition for amended standard

(1) With respect to each covered product described in paragraphs (1) through (11), and in paragraphs (13) and (14) of section 6292(a) of this title, any person may petition the Secretary to conduct a rulemaking to determine for a covered product if the standards contained either in the last final rule required under subsections (b) through (i) of this section or in a final rule published under this section should be amended.

(2) The Secretary shall grant a petition if he finds that it contains evidence which, assuming no other evidence were considered, provides an adequate basis for amending the standards under the following criteria—

(A) amended standards will result in significant conservation of energy; and

(B) amended standards are technologically feasible; and

(C) amended standards are cost effective as described in subsection (o)(2)(B)(i)(I).

The grant of a petition by the Secretary under this subsection creates no presumption with respect to the Secretary’s determination of any of the criteria in a rulemaking under this section.

(3) Notice of decision.—Not later than 180 days after the date of receiving a petition, the Secretary shall publish in the Federal Register a notice of, and explanation for, the decision of the Secretary to grant or deny the petition.

(4) New or amended standards.—Not later than 3 years after the date of granting a petition for new or amended standards, the Secretary shall publish in the Federal Register—

(A) a final rule that contains the new or amended standards; or

(B) a determination that no new or amended standards are necessary.

(5) An amendment prescribed under this subsection shall apply to products manufactured after a date which is 5 years after—

(A) the effective date of the previous amendment pursuant to this part; or

(B) if the previous final rule published under this part did not amend the standard, the earliest date by which a previous amendment could have been in effect, except that in no case may an amended standard apply to products manufactured within 3 years (for refrigerators, refrigerator-freezers, freezers, room air conditioners, dishwashers, clothes washers, clothes dryers, fluorescent lamp ballasts, general service fluorescent lamps, incandescent reflector lamps, and kitchen ranges and ovens) or 5 years (for central air conditioners and heat pumps, water heaters, pool heaters, direct heating equipment and furnaces) after publication of the final rule establishing a standard.

(o) Criteria for prescribing new or amended standards

(1) The Secretary may not prescribe any amended standard which increases the maxi-
mum allowable energy use, or, in the case of showerheads, faucets, water closets, or urinals, water use, or decreases the minimum required energy efficiency, of a covered product.

(2)(A) Any new or amended energy conservation standard prescribed by the Secretary under this section for any type (or class) of covered product shall be designed to achieve the maximum improvement in energy efficiency, or, in the case of showerheads, faucets, water closets, or urinals, water efficiency, which the Secretary determines is technologically feasible and economically justified.

(B)(i) In determining whether a standard is economically justified, the Secretary shall, after receiving views and comments furnished with respect to the proposed standard, determine whether the benefits of the standard exceed its burdens by, to the greatest extent practicable, considering—

(I) the economic impact of the standard on the manufacturers and on the consumers of the products subject to such standard;

(II) the savings in operating costs throughout the estimated average life of the covered product in the type (or class) compared to any increase in the price of, or in the initial charges for, or maintenance expenses of, the covered products which are likely to result from the imposition of the standard;

(III) the total projected amount of energy, or as applicable, water, savings likely to result directly from the imposition of the standard;

(IV) any lessening of the utility or the performance of the covered products likely to result from the imposition of the standard;

(V) the impact of any lessening of competition, as determined in writing by the Attorney General, that is likely to result from the imposition of the standard;

(VI) the need for national energy and water conservation; and

(VII) other factors the Secretary considers relevant.

(ii) For purposes of clause (i)(V), the Attorney General shall make a determination of the impact if any, of any lessening of competition likely to result from such standard and shall transmit such determination, not later than 60 days after the publication of a proposed rule prescribing or amending an energy conservation standard, in writing to the Secretary, together with an analysis of the nature and extent of such impact. Any such determination and analysis shall be published by the Secretary in the Federal Register.

(iii) If the Secretary finds that the additional cost to the consumer of purchasing a product complying with an energy conservation standard level will be less than three times the value of the energy, and as applicable, water, savings during the first year that the consumer will receive as a result of the standard, as calculated under the applicable test procedure, there shall be a rebuttable presumption that such standard level is economically justified. A determination by the Secretary that such criterion is not met shall not be taken into consideration in the Secretary’s determination of whether a standard is economically justified.

(3) The Secretary may not prescribe an amended or new standard under this section for a type (or class) of covered product if—

(A) for products other than dishwashers, clothes washers, clothes dryers, and kitchen ranges and ovens, a test procedure has not been prescribed pursuant to section 6293 of this title with respect to that type (or class) of product; or

(B) the Secretary determines, by rule, that the establishment of such standard will not result in significant conservation of energy or, in the case of showerheads, faucets, water closets, or urinals, water, or that the establishment of such standard is not technologically feasible or economically justified.

For purposes of section 6297 of this title, a determination under subparagraph (B) with respect to any type (or class) of covered products shall have the same effect as would a standard prescribed for such type (or class).

(4) The Secretary may not prescribe an amended or new standard under this section if the Secretary finds (and publishes such finding) that interested persons have established by a preponderance of the evidence that the standard is likely to result in the unavailability in the United States in any covered product type (or class) of performance characteristics (including reliability), features, sizes, capacities, and volumes that are substantially the same as those generally available in the United States at the time of the Secretary’s finding. The failure of some types (or classes) to meet this criterion shall not affect the Secretary’s determination of whether to prescribe a standard for other types (or classes).

(5) The Secretary may set more than 1 energy conservation standard for products that serve more than 1 major function by setting 1 energy conservation standard for each major function.

(6) Regional standards for furnaces, central air conditioners, and heat pumps. —

(A) In general. — In any rulemaking to establish a new or amended standard, the Secretary may consider the establishment of separate standards by geographic region for furnaces (except boilers), central air conditioners, and heat pumps.

(B) National and regional standards. —

(i) National standard. — If the Secretary establishes a regional standard for a product, the Secretary shall establish a base national standard for the product.

(ii) Regional standards. — If the Secretary establishes a regional standard for a product, the Secretary may establish more restrictive standards for the product by geographic region as follows:

(I) For furnaces, the Secretary may establish 1 additional standard that is applicable in a geographic region defined by the Secretary.

(II) For any cooling product, the Secretary may establish 1 or 2 additional standards that are applicable in 1 or 2 geographic regions as may be defined by the Secretary.

(C) Boundaries of geographic regions. —

(i) In general. — Subject to clause (ii), the boundaries of additional geographic regions
established by the Secretary under this paragraph shall include only contiguous States.

(ii) ALASKA AND HAWAII.—The States of Alaska and Hawaii may be included under this paragraph in a geographic region that the States are not contiguous to.

(iii) INDIVIDUAL STATES.—Individual States shall be placed only into a single region under this paragraph.

(D) PREREQUISITES.—In establishing additional regional standards under this paragraph, the Secretary shall—

(i) establish additional regional standards only if the Secretary determines that—

(I) the establishment of additional regional standards will produce significant energy savings in comparison to establishing only a single national standard; and

(II) the additional regional standards are economically justified under this paragraph; and

(ii) consider the impact of the additional regional standards on consumers, manufacturers, and other market participants, including product distributors, dealers, contractors, and installers.

(E) APPLICATION; EFFECTIVE DATE.—

(i) BASE NATIONAL STANDARD.—Any base national standard established for a product under this paragraph shall—

(I) be the minimum standard for the product; and

(II) apply to all products manufactured or imported into the United States on and after the effective date for the standard.

(ii) REGIONAL STANDARDS.—Any additional and more restrictive regional standard established for a product under this paragraph shall apply to any such product installed on or after the effective date of the standard in States in which the Secretary has designated the standard to apply.

(F) CONTINUATION OF REGIONAL STANDARDS.—

(i) IN GENERAL.—In any subsequent rulemaking for any product for which a regional standard has been previously established, the Secretary shall determine whether to continue the establishment of separate regional standards for the product.

(ii) REGIONAL STANDARD NO LONGER APPROPRIATE.—Except as provided in clause (iii), if the Secretary determines that regional standards are no longer appropriate for a product, beginning on the effective date of the amended standard for the product—

(I) there shall be 1 base national standard for the product with Federal enforcement; and

(II) State authority for enforcing a regional standard for the product shall terminate.

(iii) REGIONAL STANDARD APPROPRIATE BUT STANDARD OR REGION CHANGED.—

(I) STATE NO LONGER CONTAINED IN REGION.—Subject to subclause (III), if a State is no longer contained in a region in which a regional standard that is more stringent than the base national standard applies, the authority of the State to enforce the regional standard shall terminate.

(II) STANDARD OR REGION REVISED SO THAT EXISTING REGIONAL STANDARD EQUALS BASE NATIONAL STANDARD.—If the Secretary revises a base national standard for a product or the geographic definition of a region so that an existing regional standard for a State is equal to the revised base national standard—

(aa) the authority of the State to enforce the regional standard shall terminate on the effective date of the revised base national standard; and

(bb) the State shall be subject to the revised base national standard.

(III) STANDARD OR REGION REVISED SO THAT EXISTING REGIONAL STANDARD EQUALS BASE NATIONAL STANDARD.—If the Secretary revises a base national standard for a product or the geographic definition of a region so that the standard for a State is lower than the previously approved regional standard, the State may continue to enforce the previously approved standard level.

(iv) WAIVER OF FEDERAL PREEMPTION.—Nothing in this paragraph diminishes the authority of a State to enforce a State regulation for which a waiver of Federal preemption has been granted under section 6297(d) of this title.

(G) ENFORCEMENT.—

(i) BASE NATIONAL STANDARD.—

(I) IN GENERAL.—The Secretary shall enforce any base national standard.

(II) TRADE ASSOCIATION CERTIFICATION PROGRAMS.—In enforcing the base national standard, the Secretary shall use, to the maximum extent practicable, national standard nationally recognized certification programs of trade associations.

(ii) REGIONAL STANDARDS.—

(I) ENFORCEMENT PLAN.—Not later than 90 days after the date of the issuance of a final rule that establishes a regional standard, the Secretary shall initiate a rulemaking to develop and implement an effective enforcement plan for regional standards for the products that are covered by the final rule.

(II) RESPONSIBLE ENTITIES.—Any rules regarding enforcement of a regional standard shall clearly specify which entities are legally responsible for compliance with the standards and for making any required information or labeling disclosures.

(III) FINAL RULE.—Not later than 15 months after the date of the issuance of a final rule that establishes a regional standard for a product, the Secretary shall promulgate a final rule covering enforcement of regional standards for the product.

(IV) INCORPORATION BY STATES AND LOCALITIES.—A State or locality may incorporate any Federal regional standard into State or local building codes or State appliance standards.
(V) STATE ENFORCEMENT.—A State agency may seek enforcement of a Federal regional standard in a Federal court of competent jurisdiction.

(H) INFORMATION DISCLOSURE.—
   (i) IN GENERAL.—Not later than 90 days after the date of the publication of a final rule that establishes a regional standard for a product, the Federal Trade Commission shall undertake a rulemaking to determine the appropriate 1 or more methods for disclosing information so that consumers, distributors, contractors, and installers can easily determine whether a specific piece of equipment that is installed in a specific building is in conformance with the regional standard that applies to the building.

   (ii) OTHER METHODS.—A method of disclosing information under clause (i) may include—
      (I) modifications to the Energy Guide label; or
      (II) other methods that make it easy for consumers and installers to use and understand at the point of installation.

   (iii) COMPLETION OF RULEMAKING.—The rulemaking shall be completed not later 15 months after the date of the publication of a final rule that establishes a regional standard for a product.

(p) Procedure for prescribing new or amended standards

Any new or amended energy conservation standard shall be prescribed in accordance with the following procedure:

(1) A proposed rule which prescribes an amended or new energy conservation standard or prescribes no amendment or no new standard for a type (or class) of covered products shall be published in the Federal Register. In prescribing any such proposed rule with respect to a standard, the Secretary shall determine the maximum improvement in energy efficiency or maximum reduction in energy use that is technologically feasible for each type (or class) of covered products. If such standard is not designed to achieve such efficiency or use, the Secretary shall state in the proposed rule the reasons for not achieving such improvement.

(2) After the publication of such proposed rule making, the Secretary shall, in accordance with section 6306 of this title, afford interested persons an opportunity, during a period of not less than 60 days, to present oral and written comments (including an opportunity to question those who make such presentations, as provided in such section) on matters relating to such proposed rule, including—
   (A) whether the standard to be prescribed is economically justified (taking into account those factors which the Secretary must consider under subsection (a)(2)) or will result in the effects described in subsection (a)(4);
   (B) whether the standard will achieve the maximum improvement in energy efficiency which is technologically feasible;
   (C) if the standard will not achieve such improvement, whether the reasons for not achieving such improvement are adequate; and
   (D) whether such rule should prescribe a level of energy use or efficiency which is higher or lower than that which would otherwise apply in the case of any group of products within the type (or class) that will be subject to such standard.

(3) A final rule prescribing an amended or new energy conservation standard or prescribing no amended or new standard for a type (or class) of covered products shall be published as soon as is practicable, but not less than 90 days, after publication of the proposed rule in the Federal Register.

(4) DIRECT FINAL RULES.—
   (A) IN GENERAL.—On receipt of a statement that is submitted jointly by interested persons that are fairly representative of relevant points of view (including representatives of manufacturers of covered products, States, and efficiency advocates), as determined by the Secretary, and contains recommendations with respect to an energy or water conservation standard—
      (i) if the Secretary determines that the recommended standard contained in the statement is in accordance with subsection (a) or section 6313(a)(6)(B) of this title, as applicable, the Secretary may issue a final rule that establishes an energy or water conservation standard and is published simultaneously with a notice of proposed rulemaking that proposes a new or amended energy or water conservation standard that is identical to the standard established in the final rule to establish the recommended standard (referred to in this paragraph as a “direct final rule”); or
      (ii) if the Secretary determines that a direct final rule cannot be issued based on the statement, the Secretary shall publish a notice of the determination, together with an explanation of the reasons for the determination.
   (B) PUBLIC COMMENT.—The Secretary shall solicit public comment for a period of at least 110 days with respect to each direct final rule issued by the Secretary under subparagraph (A)(i).

   (C) WITHDRAWAL OF DIRECT FINAL RULES.—
      (i) IN GENERAL.—Not later than 120 days after the date on which a direct final rule is published in the Federal Register, the Secretary shall withdraw the direct final rule if—
         (I) the Secretary receives 1 or more adverse public comments relating to the direct final rule under subparagraph (B)(1) or any alternative joint recommendation; and
         (II) based on the rulemaking record relating to the direct final rule, the Secretary determines that such adverse public comments or alternative joint recommendation may provide a reasonable basis for withdrawing the direct final rule.

5So in original. Probably should be “subparagraph (A)(i)”.
rule under subsection (o), section 6313(a)(6)(B) of this title, or any other applicable law.

(ii) ACTION ON WITHDRAWAL.—On withdrawal of a direct final rule under clause (i), the Secretary shall—

(I) proceed with the notice of proposed rulemaking published simultaneously with the direct final rule as described in subparagraph (A)(i); and

(II) publish in the Federal Register the reasons why the direct final rule was withdrawn.

(iii) TREATMENT OF WITHDRAWN DIRECT FINAL RULES.—A direct final rule that is withdrawn under clause (i) shall not be considered to be a final rule for purposes of subsection (o).

(D) EFFECT OF PARAGRAPH.—Nothing in this paragraph authorizes the Secretary to issue a direct final rule based solely on receipt of more than 1 statement containing recommended standards relating to the direct final rule.

(q) Special rule for certain types or classes of products

(1) A rule prescribing an energy conservation standard for a type (or class) of covered products shall specify a level of energy use or efficiency higher or lower than that which applies (or would apply) for such type (or class) for any group of covered products which have the same function or intended use, if the Secretary determines that such higher or lower level was justified.

(A) consume a different kind of energy from that consumed by other covered products within such group;

(B) have a capacity or other performance-related feature which other products within such type (or class) do not have and such feature justifies a higher or lower standard from that which applies (or will apply) to other products within such type (or class).

In making a determination under this paragraph concerning whether a performance-related feature justifies the establishment of a higher or lower standard, the Secretary shall consider such factors as the utility to the consumer of such a feature, and such other factors as the Secretary deems appropriate.

(2) Any rule prescribing a higher or lower level of energy use or efficiency under paragraph (1) shall include an explanation of the basis on which such higher or lower level was established.

(r) Inclusion in standards of test procedures and other requirements

Any new or amended energy conservation standard prescribed under this section shall include, where applicable, test procedures prescribed in accordance with section 6293 of this title and may include any requirement which the Secretary determines is necessary to assure that each covered product to which such standard applies meets the required minimum level of energy efficiency or maximum quantity of energy use specified in such standard.

(s) Determination of compliance with standards

Compliance with, and performance under, the energy conservation standards (except for design standards authorized by this part) established in, or prescribed under, this section shall be determined using the test procedures and corresponding compliance criteria prescribed under section 6293 of this title.

(t) Small manufacturer exemption

(1) Subject to paragraph (2), the Secretary may, on application of any manufacturer, exempt such manufacturer from all or part of the requirements of any energy conservation standard established in or prescribed under this section for any period not longer than the 24-month period beginning on the date such rule becomes effective, if the Secretary finds that the annual gross revenues of such manufacturer from all its operations (including the manufacture and sale of covered products) does not exceed $8,000,000 for the 12-month period preceding the date of the application. In making such finding with respect to any manufacturer, the Secretary shall take into account the annual gross revenues of any other person who controls, is controlled by, or is under common control with, such manufacturer.

(2) The Secretary may not exercise the authority granted under paragraph (1) with respect to any type (or class) of covered product subject to an energy conservation standard under this section unless the Secretary makes a finding, after obtaining the written views of the Attorney General, that a failure to allow an exemption under paragraph (1) would likely result in a lessening of competition.

(u) Battery charger and external power supply electric energy consumption

(1)(A) Not later than 18 months after August 8, 2005, the Secretary shall, after providing notice and an opportunity for comment, prescribe, by rule, definitions and test procedures for the power use of battery chargers and external power supplies.

(B) In establishing the test procedures under subparagraph (A), the Secretary shall—

(i) consider existing definitions and test procedures used for measuring energy consumption in standby mode and other modes; and

(ii) assess the current and projected future market for battery chargers and external power supplies.

(C) The assessment under subparagraph (B)(ii) shall include—

(i) estimates of the significance of potential energy savings from technical improvements to battery chargers and external power supplies; and

(ii) suggested product classes for energy conservation standards.

(D) Not later than 18 months after August 8, 2005, the Secretary shall hold a scoping workshop to discuss and receive comments on plans for developing energy conservation standards for energy use for battery chargers and external power supplies.

(E) EXTERNAL POWER SUPPLIES AND BATTERY CHARGERS.—
(i) ENERGY CONSERVATION STANDARDS.—

(I) EXTERNAL POWER SUPPLIES.—Not later than 2 years after August 8, 2005, the Secretary shall issue a final rule that determines whether energy conservation standards shall be issued for external power supplies or classes of external power supplies.

(II) BATTERY CHARGERS.—Not later than July 1, 2011, the Secretary shall issue a final rule that prescribes energy conservation standards for battery chargers or classes of battery chargers or determine that no energy conservation standard is technically feasible and economically justified.

(ii) For each product class, any energy conservation standards issued under clause (i) shall be set at the lowest level of energy use that—

(I) meets the criteria and procedures of subsections (o), (p), (q), (r), (s), and (t); and

(II) would result in significant overall annual energy savings, considering standby mode and other operating modes.

(2) The Secretary and the Administrator shall collaborate and develop programs (including programs under section 6294a of this title and other voluntary industry agreements or codes of conduct) that are designed to reduce standby mode energy use.

(3) EFFICIENCY STANDARDS FOR CLASS A EXTERNAL POWER SUPPLIES.—

(A) IN GENERAL.—Subject to subparagraphs (B) through (E), a class A external power supply manufactured on or after the later of July 1, 2008, or December 19, 2007, shall meet the following standards:

<table>
<thead>
<tr>
<th>Active Mode</th>
<th>Required Efficiency (decimal equivalent of a percentage)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nameplate Output</td>
<td></td>
</tr>
<tr>
<td>Less than 1 watt</td>
<td>0.5 times the Nameplate Output</td>
</tr>
<tr>
<td>From 1 watt to no more than 51 watts</td>
<td>The sum of 0.09 times the Natural Logarithm of the Nameplate Output and 0.5</td>
</tr>
<tr>
<td>Greater than 51 watts</td>
<td>0.85</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>No-Load Mode</th>
<th>Maximum Consumption</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nameplate Output</td>
<td></td>
</tr>
<tr>
<td>Not more than 250 watts</td>
<td>0.5 watts</td>
</tr>
</tbody>
</table>

(B) NONCOVERED SUPPLIES.—A class A external power supply shall not be subject to subparagraph (A) if the class A external power supply is—

(i) manufactured during the period beginning on July 1, 2008, and ending on June 30, 2015; and

(ii) made available by the manufacturer as a service part or a spare part for an end-use product—

(I) that constitutes the primary load; and

(II) was manufactured before July 1, 2008.

(C) MARKING.—Any class A external power supply manufactured on or after the later of July 1, 2008 or December 19, 2007, shall be clearly and permanently marked in accordance with the External Power Supply International Efficiency Marking Protocol, as referenced in the “Energy Star Program Requirements for Single Voltage External AC–DC and AC–AC Power Supplies, version 1.1” published by the Environmental Protection Agency.

(D) AMENDMENT OF STANDARDS.—

(i) FINAL RULE BY JULY 1, 2011.—

(I) IN GENERAL.—Not later than July 1, 2011, the Secretary shall publish a final rule to determine whether the standards established under subparagraph (A) should be amended.

(II) ADMINISTRATION.—The final rule shall—

(aa) contain any amended standards; and

(bb) apply to products manufactured on or after July 1, 2013.

(ii) FINAL RULE BY JULY 1, 2023.—

(I) IN GENERAL.—Not later than July 1, 2021 the Secretary shall publish a final rule to determine whether the standards then in effect should be amended.

(II) ADMINISTRATION.—The final rule shall—

(aa) contain any amended standards; and

(bb) apply to products manufactured on or after July 1, 2023.

(E) NONAPPLICATION OF NO-LOAD MODE ENERGY EFFICIENCY STANDARDS TO EXTERNAL POWER SUPPLIES FOR CERTAIN SECURITY OR LIFE SAFETY ALARMS OR SURVEILLANCE SYSTEMS.—

(I) DEFINITION OF SECURITY OR LIFE SAFETY ALARM OR SURVEILLANCE SYSTEM.—In this subparagraph:

(I) IN GENERAL.—The term “security or life safety alarm or surveillance system” means equipment designed and marketed to perform any of the following functions (on a continuous basis):

(aa) Monitor, detect, record, or provide notification of intrusion or access to real property or physical assets or notification of threats to life safety.

(bb) Deter or control access to real property or physical assets, or prevent the unauthorized removal of physical assets.

(cc) Monitor, detect, record, or provide notification of fire, gas, smoke, flooding, or other physical threats to real property, physical assets, or life safety.

(II) EXCLUSION.—The term “security or life safety alarm or surveillance system” does not include any product with a principal function other than life safety, security, or surveillance that—

(aa) is designed and marketed with a built-in alarm or theft-deterrent feature; or

(bb) does not operate necessarily and continuously in active mode.

(ii) NONAPPLICATION OF NO-LOAD MODE REQUIREMENTS.—The No-Load Mode energy efficiency standards established by this paragraph shall not apply to an external power supply...
supply manufactured before the effective date of the amendment under subparagraph (D)(ii) that—

(I) is an AC-to-AC external power supply;
(II) has a nameplate output of 20 watts or more;
(III) is certified to the Secretary as being designed to be connected to a security or life safety alarm or surveillance system component; and
(IV) on establishment within the External Power Supply International Efficiency Marking Protocol, as referenced in the “Energy Star Program Requirements for Single Voltage External Ac–Dc and Ac–Ac Power Supplies”, published by the Environmental Protection Agency, of a distinguishing mark for products described in this clause, is permanently marked with the distinguishing mark.

(iii) ADMINISTRATION.—In carrying out this subparagraph, the Secretary shall—
(I) require, with appropriate safeguard for the protection of confidential business information, the submission of unit shipment data on an annual basis; and
(II) restrict the eligibility of external power supplies for the exemption provided under this subparagraph on a finding that a substantial number of the external power supplies are being marketed to or installed in applications other than security or life safety alarm or surveillance systems.

(iv) TREATMENT IN RULE.—In the rule under subparagraph (D)(ii) and subsequent amendments the Secretary may treat some or all external power supplies designed to be connected to a security or life safety alarm or surveillance system as a separate product class or may extend the nonapplication under clause (i).

(4) END-USE PRODUCTS.—An energy conservation standard for external power supplies shall not constitute an energy conservation standard for the separate end-use product to which the external power supply is connected.

(5) EXEMPT SUPPLIES.—
(A) FEBRUARY 10, 2014, RULE.—
(I) IN GENERAL.—An external power supply shall not be subject to the final rule entitled “Energy Conservation Program: Energy Conservation Standards for External Power Supplies”, published at 79 Fed. Reg. 7845 (February 10, 2014), if the external power supply—
(I) is manufactured during the period beginning on February 10, 2016, and ending on February 10, 2020;
(II) is marked in accordance with the External Power Supply International Efficiency Marking Protocol, as in effect on February 10, 2016;
(III) meets, where applicable, the standards under paragraph (3)(A), and has been certified to the Secretary as meeting International Efficiency Level IV or higher of the External Power Supply International Efficiency Marking Protocol, as in effect on February 10, 2016; and
(IV) is made available by the manufacturer as a service part or a spare part for an end-use product that—
(aa) constitutes the primary load; and
(bb) was manufactured before February 10, 2016.

(ii) REPORTING.—The Secretary may require manufacturers of products exempted pursuant to clause (i) to report annual total units shipped as service and spare parts that fall below International Efficiency Level VI.

(iii) LIMITATION OF EXEMPTION.—The Secretary may issue a rule, after providing public notice and opportunity for public comment, to limit the applicability of the exemption established under clause (i) if the Secretary determines that the exemption is resulting in a significant reduction of the energy savings that would otherwise result from the final rule described in such clause.

(B) AMENDED STANDARDS.—
(I) IN GENERAL.—The Secretary may exempt an external power supply from any amended standard under this subsection if the external power supply—
(I) is manufactured within four years of the compliance date of the amended standard;
(II) complies with applicable marking requirements adopted by the Secretary prior to the amendment;
(III) meets the standards that were in effect prior to the amendment; and
(IV) is made available by the manufacturer as a service part or a spare part for an end-use product that—
(aa) constitutes the primary load; and
(bb) was manufactured before the compliance date of the amended standard.

(ii) REPORTING.—The Secretary may require manufacturers of a product exempted pursuant to clause (i) to report annual total units shipped as service and spare parts that do not meet the amended standard.

(v) Refrigerated beverage vending machines

(1) Not later than 4 years after August 8, 2005, the Secretary shall prescribe, by rule, energy conservation standards for refrigerated bottle or canned beverage vending machines.

(2) In establishing energy conservation standards under this subsection, the Secretary shall use the criteria and procedures prescribed under subsections (o) and (p).

(3) Any energy conservation standard prescribed under this subsection shall apply to products manufactured 3 years after the date of publication of a final rule establishing the energy conservation standard.

(w) Illuminated exit signs

An illuminated exit sign manufactured on or after January 1, 2006, shall meet the version 2.0 Energy Star Program performance requirements for illuminated exit signs prescribed by the Environmental Protection Agency.

(x) Torchiere

A torchiere manufactured on or after January 1, 2006—
(1) shall consume not more than 190 watts of power; and
(2) shall not be capable of operating with lamps that total more than 190 watts.

(y) Low voltage dry-type distribution transformers

The efficiency of a low voltage dry-type distribution transformer manufactured on or after January 1, 2007, shall be the Class I Efficiency Levels for distribution transformers specified in table 4–2 of the “Guide for Determining Energy Efficiency for Distribution Transformers” published by the National Electrical Manufacturers Association (NEMA TP–1–2003).

(x) Traffic signal modules and pedestrian modules

Any traffic signal module or pedestrian module manufactured on or after January 1, 2006, shall—

(1) meet the performance requirements used under the Energy Star Program of the Environmental Protection Agency for traffic signals, as in effect on August 8, 2005; and

(2) be installed with compatible, electrically connected signal control interface devices and conflict monitoring systems.

(aa) Unit heaters

A unit heater manufactured on or after the date that is 3 years after August 8, 2005, shall—

(1) be equipped with an intermittent ignition device; and

(2) have power venting or an automatic flue damper.

(bb) Medium base compact fluorescent lamps

(1) A bare lamp and covered lamp (no reflector) medium base compact fluorescent lamp manufactured on or after January 1, 2006, shall meet the following requirements prescribed by the August 9, 2001, version of the Energy Star Program Requirements for Compact Fluorescent Lamps, Energy Star Eligibility Criteria, Energy-Efficiency Specification issued by the Environmental Protection Agency and Department of Energy:

(A) Minimum initial efficacy.
(B) Lumen maintenance at 1000 hours.
(C) Lumen maintenance at 40 percent of rated life.
(D) Rapid cycle stress test.
(E) Lamp life.

(2) The Secretary may, by rule, establish requirements for color quality (CRI), power factor, operating frequency, and maximum allowable flow rate of not more than 1.6 gallons per minute, except for:

(A) All ceiling fans manufactured on or after January 1, 2007;

(B) The screw-based lamps required under subparagraph (A) shall—

(i) meet the Energy Star Program Requirements for Compact Fluorescent Lamps, version 3.6, issued by the Department of Energy;

(ii) use light sources other than compact fluorescent lamps that have lumens per watt performance at least equivalent to comparably configured compact fluorescent lamps meeting the Energy Star Program Requirements described in clause (i);

(iii) be packaged with screw-based lamps to fill all screw base sockets.

(B) The Secretary may define the exceptions described in clause (iv) in greater detail, but shall not substantially expand the exceptions.

(2)(A) Ceiling fan light kits with medium screw base sockets manufactured on or after January 1, 2007, shall be packaged with screw-based lamps to fill all screw base sockets.

(B) The screw-based lamps required under subparagraph (A) shall—

(i) meet the Energy Star Program Requirements for Compact Fluorescent Lamps, version 3.6, issued by the Department of Energy; or

(ii) use light sources other than compact fluorescent lamps that have lumens per watt performance at least equivalent to comparably configured compact fluorescent lamps meeting the Energy Star Program Requirements described in clause (i).

(3) Ceiling fan light kits with pin-based sockets for fluorescent lamps manufactured on or after January 1, 2007 shall—

(A) meet the Energy Star Program Requirements for Residential Light Fixtures version
§ 6295

4.0 issued by the Environmental Protection Agency; and

(B) be packaged with lamps to fill all sockets.

(4)(A) By January 1, 2007, the Secretary shall consider and issue requirements for any ceiling fan lighting kits other than those covered in paragraphs (2) and (3), including candelabra screw base sockets.

(B) The requirements issued under subparagraph (A) shall be effective for products manufactured 2 years after the date of the final rule.

(C) If the Secretary fails to issue a final rule by the date specified in subparagraph (A), any type of ceiling fan lighting kit described in subparagraph (A) that is manufactured after January 1, 2009—

(i) shall not be capable of operating with lamps that total more than 190 watts; and

(ii) shall be packaged with lamps to fill all sockets.

(5)(A) After January 1, 2010, the Secretary may consider, and issue, if the requirements of subsections (o) and (p) are met, amended energy efficiency standards for ceiling fan light kits.

(B) Any amended standards issued under subparagraph (A) shall apply to products manufactured not earlier than 2 years after the date of publication of the final rule establishing the amended standard.

(6)(A) Notwithstanding any other provision of this chapter, the Secretary may consider, and issue, if the requirements of subsections (o) and (p) are met, energy efficiency or energy use standards for electricity used by ceiling fans to circulate air in a room.

(B) In issuing the standards under subparagraph (A), the Secretary shall consider—

(i) exempting, or setting different standards for certain product classes for which the primary standards are not technically feasible or economically justified; and

(ii) establishing separate exempted product classes for highly decorative fans for which air movement performance is a secondary design feature.

(7) Section 6297 of this title shall apply to the products covered in paragraphs (1) through (4) beginning on August 8, 2005, except that any State or local labeling requirement for ceiling fans prescribed or enacted before August 8, 2005, shall not be preempted until the labeling requirements applicable to ceiling fans established under section 6294 of this title take effect.

(gg) Standby mode energy use

(1) Definitions

(A) In general

Unless the Secretary determines otherwise pursuant to subparagraph (B), in this subsection:

(i) Active mode

The term “active mode” means the condition in which an energy-using product—

(I) is connected to a main power source; and

(II) is not providing any standby or active mode function.

(ii) Standby mode

The term “standby mode” means the condition in which an energy-using product—

(I) is connected to a main power source; and

(II) offers 1 or more of the following user-oriented or protective functions:

(aa) To facilitate the activation or deactivation of other functions (including active mode) by remote switch (including remote control), internal sensor, or timer.

(bb) Continuous functions, including information or status displays (including clocks) or sensor-based functions.

(B) Amended definitions

The Secretary may, by rule, amend the definitions under subparagraph (A), taking into consideration the most current versions of Standards 62301 and 62087 of the International Electrotechnical Commission.

(2) Test procedures

(A) In general

Test procedures for all covered products shall be amended pursuant to section 6293 of this title to include standby mode and off mode energy consumption, taking into consideration the most current versions of Standards 62301 and 62087 of the International Electrotechnical Commission, with such energy consumption integrated into the overall energy efficiency, energy consumption, or other energy descriptor for each covered product, unless the Secretary determines that—

(i) the current test procedures for a covered product already fully account for and incorporate the standby mode and off mode energy consumption of the covered product; or

(ii) such an integrated test procedure is technically infeasible for a particular covered product, in which case the Secretary shall prescribe a separate standby mode and off mode energy use test procedure for the covered product, if technically feasible.

(B) Deadlines

The test procedure amendments required by subparagraph (A) shall be prescribed in a final rule no later than the following dates:

(i) December 31, 2008, for battery chargers and external power supplies.

(ii) March 31, 2009, for clothes dryers, room air conditioners, and fluorescent lamp ballasts.

(iii) June 30, 2009, for residential clothes washers.

(iv) September 30, 2009, for residential furnaces and boilers.

(v) March 31, 2010, for residential water heaters, direct heating equipment, and pool heaters.
(vi) March 31, 2011, for residential dishwashers, ranges and ovens, microwave ovens, and dehumidifiers.

(C) Prior product standards

The test procedure amendments adopted pursuant to subparagraph (B) shall not be used to determine compliance with product standards established prior to the adoption of the amended test procedures.

(3) Incorporation into standard

(A) In general

Subject to subparagraph (B), based on the test procedures required under paragraph (2), any final rule establishing or revising a standard for a covered product, adopted after July 1, 2010, shall incorporate standby mode and off mode energy use into a single amended or new standard, pursuant to subsection (o), if feasible.

(B) Separate standards

If not feasible, the Secretary shall prescribe within the final rule a separate standard for standby mode and off mode energy consumption, if justified under subsection (o).

(hh) Metal halide lamp fixtures

(1) Standards

(A) In general

Subject to subparagraphs (B) and (C), metal halide lamp fixtures designed to be operated with lamps rated greater than or equal to 150 watts but less than or equal to 500 watts shall contain—

(i) a pulse-start metal halide ballast with a minimum ballast efficiency of 88 percent;

(ii) a magnetic probe-start ballast with a minimum ballast efficiency of 94 percent; or

(iii) a nonpulse-start electronic ballast with—

(I) a minimum ballast efficiency of 92 percent for wattages greater than 250 watts; and

(II) a minimum ballast efficiency of 90 percent for wattages less than or equal to 250 watts.

(B) Exclusions

The standards established under subparagraph (A) shall not apply to—

(i) fixtures with regulated lag ballasts;

(ii) fixtures that use electronic ballasts that operate at 480 volts; or

(iii) fixtures that—

(I) are rated only for 150 watt lamps;

(II) are rated for use in wet locations, as specified by the National Electrical Code 2002, section 410.4(A); and

(III) contain a ballast that is rated to operate at ambient air temperatures above 50°C, as specified by UL 1029-2001.

(C) Application

The standards established under subparagraph (A) shall apply to metal halide lamp fixtures manufactured on or after the later of—

(i) January 1, 2009; or

(ii) the date that is 270 days after December 19, 2007.

(2) Final rule by January 1, 2012

(A) In general

Not later than January 1, 2012, the Secretary shall publish a final rule to determine whether the standards established under paragraph (1) should be amended.

(B) Administration

The final rule shall—

(i) contain any amended standard; and

(ii) apply to products manufactured on or after January 1, 2015.

(3) Final rule by January 1, 2019

(A) In general

Not later than January 1, 2019, the Secretary shall publish a final rule to determine whether the standards then in effect should be amended.

(B) Administration

The final rule shall—

(i) contain any amended standards; and

(ii) apply to products manufactured after January 1, 2022.

(4) Design and performance requirements

Notwithstanding any other provision of law, any standard established pursuant to this subsection may contain both design and performance requirements.

(ii) Application date

Section 6297 of this title applies—

(1) to products for which energy conservation standards are to be established under subsection (l), (u), or (v) beginning on the date on which a final rule is issued by the Secretary, except that any State or local standard prescribed or enacted for the product before the date on which the final rule is issued shall not be preempted until the energy conservation standard established under subsection (l), (u), or (v) for the product takes effect; and

(2) to products for which energy conservation standards are established under subsections (w) through (hh) on August 8, 2005, except that any State or local standard prescribed or enacted before August 8, 2005, shall not be preempted until the energy conservation standards established under subsections (w) through (hh) take effect.

to the Code, see Short Title note set out under section (j)(3)(A)(iii), (k)(3)(A)(iii), and (ff)(6)(A), was in the 1975, 89 Stat. 871, known as the Energy Policy and Conservation Act. For complete classification of this Act to the Code, see Short Title note set out under section 2031 of this title and Tables.

Subcap. (C) of section 291a(e)(2) of this title, referred to in subsec. (i)(5), was redesignated (D) and a new subpar. (C) was added by Pub. L. 110–140, title III, § 324(d), Dec. 19, 2007, 121 Stat. 1593.

Subsection (i), referred to in subsec. (j)(4)(F)(1)(i), was amended by Pub. L. 110–140, title III, § 322(b), Dec. 19, 2007, 121 Stat. 1688, by striking out par. (1) and adding a new par. (1), and as so amended, subsec. (1)(1)(A) does not relate to maximum wattage requirements. However, provisions similar to those contained in former subpar. (1)(1)(A) are now contained in subsec. (i)(1)(B). See 2007 Amendment notes below.

AMENDMENTS

2018—Subsec. (i)(1), (2). Pub. L. 115–115 substituted “paragraph (20)’’ for “paragraph (19)’’.


Subsec. (g)(8)(C)(ii). Pub. L. 112–210, § 10(b)(1), inserted “external power supplies” in two places, and added subcl. (I) and (II).

Subsec. (u)(2) to (5). Pub. L. 112–210, § 307(2), redesignated par. (4) as (3), respectively, and struck out former par. (1) which read as follows: “(A) shall publish an advance notice of proposed rulemaking which specifies the type (or class) of covered products to which the rulemaking pertains.”

“(B) shall invite interested persons to submit, within 60 days after the date of publication of such advance notice, written presentations of data, views, and arguments in response to such notice; and

“(C) may identify proposed or amended standards that may be prescribed.”


Pub. L. 110–140, § 307(2), redesignated par. (4) as (3).


Subsec. (u)(2) to (5). Pub. L. 110–140, § 310(1), redesignated pars. (5) and (6) as (2) and (3), respectively, and struck out former pars. (2) to (4) which related to revision of test procedures and energy conservation standards with respect to covered products that were major sources of standby mode energy consumption, prohibition against proposal of a standard unless applicable test procedures had been issued, and applicability of standard to products manufactured or imported beginning 3 years after the date of issuance, respectively.


Pub. L. 110–140, § 301(c), added par. (6).


Subsec. (v)(1) to (4). Pub. L. 110–140, § 316(d)(1)(B), (C), redesignated pars. (2) to (4) as (1) to (3), respectively,
and struck out former par. (1) which read as follows: "Not later than 1 year after August 8, 2005, the Secretary shall prescribe, by rule, test procedures and energy conservation standards for ceiling fans and ceiling fan light kits. If the Secretary sets such standards, the Secretary shall consider exempting or setting different standards for certain product classes for which the primary standards are not technically feasible or economically justified, and establishing separate or exempted product classes for highly decorative fans for which air movement performance is a secondary design feature."

Subsec. (cc)(2). Pub. L. 110–140, §311(a)(1), added par. (2) and struck out former par. (2) which directed the Secretary to publish a final rule not later than Oct. 1, 2009, which would determine whether standards established under par. (1) were to be amended, and directed that such rule was to contain any amendment by the Secretary and be applicable to products manufactured on or after Oct. 1, 2012, and further directed that, if the Secretary did not publish such an amendment, dehumidifiers manufactured on or after Oct. 1, 2012, would have an Energy Factor that would meet or exceed values provided in a table of product capacities and minimum Energy Factors.

Subsec. (ee). Pub. L. 110–140, §136(c)(2), inserted "(other than specialty application mercury vapor lamp ballasts)" before "shall".

Subsec. (ff)(1)(A)(III), (IV). Pub. L. 110–140, §316(d)(2)(A), redesignated cl. (iv) as (iii), inserted "fans sold for "outdoor" uses" in subcl. (II), and struck out former cl. (iii) which read as follows: "Adjustable speed controls (either more than 1 speed or variable speed)."


Subsec. (ff)(4)(C)(ii). Pub. L. 110–140, §316(d)(2)(B)(i)(ii) added cl. (ii) and struck out former cl. (ii) which read as follows: "shall include the lamps described in clause (i) in the ceiling fan lighting kits."

Subsec. (ff)(6)(B) to (D). Pub. L. 110–140, §316(d)(2)(C), redesignated subpars. (C) and (D) as clis. (i) and (ii), respectively, of subpar. (B).

Subsec. (ff)(7). Pub. L. 110–140, §316(d)(2)(D), substituted "established under section 6294" for "established under section 6297".


Subsec. (ii). Pub. L. 110–140, §130(2), (4), redesignated subsec. (gg) as (hh) and substituted "(gg)" for "(ff)" in two places in par. (2).

Subsec. (ii). Pub. L. 110–140, §324(a)(1), (3), redesignated subsec. (hh) as (ii) and substituted "(hh)" for "(gg)" in two places in par. (2).


Subsec. (g)(6)(B). Pub. L. 109–58, §135(c)(2)(A), inserted "and labeled" after "designed".


1992—Subsecs. (i) to (k). Pub. L. 102–486, §123(f)(2), added subsecs. (i) to (k). Former subsecs. (i) to (k) redesignated (i) to (n), respectively.

Subsec. (l)(1). Pub. L. 102–486, §123(f)(3), substituted "paragraph (19)" for "paragraph (14)" and "subsections (o) and (p)" for "subsections (l) and (m)".


Subsec. (l)(3). Pub. L. 102–486, §123(f)(3)(B), substituted "(o) and (p)" for "(i) and (m)".

Subsec. (m). Pub. L. 102–486, §123(f)(1), (4), redesignated subsec. (j) as (m) and substituted "(i)" for "(h)" in introductory provisions.

Former subsec. (m) redesignated (p).


Subsec. (n)(1). Pub. L. 102–486, §123(f)(5)(A), substituted "and in paragraphs (13) and (14)" for "and in paragraph (13)" and "subsections (b) through (i)" for "subsections (b) through (h)".


Subsecs. (q) to (t). Pub. L. 102–486, §123(f)(1), redesignated subsecs. (n) to (q) as (q) to (t), respectively.


Subsec. (g)(5) to (7). Pub. L. 100–357, §2(e)(1)(B), added Pars. (5) to (7).

Subsec. (1)(1), (2). Pub. L. 100–357, §2(e)(2)(B), substituted "(14)" for "(15)".

Subsec. (j)(B). Pub. L. 100–357, §2(e)(4)(A), inserted "fluorescent lamp ballasts;" after "clothes dryers," and substituted "heating for" "heating".

Subsec. (k)(1). Pub. L. 100–357, §2(e)(4)(B)(1), inserted ", and in paragraph (13)" after "(11)".


1987—Pub. L. 100–12 amended section generally, revising and restating as subsecs. (a) to (q) provisions formerly contained in subsecs. (a) to (j).

1978—Pub. L. 95–619 substituted provi-isions authorizing Secretary to prescribe an energy efficiency standard for each type of covered product specified in section 6292(a)(1) to (13) of this title, authorizing such prescription for any type of covered product specified in section 6292(a)(14) of this title where certain conditions are found to exist, and requiring publication of a list of those types of covered products considered subject to prescribed standards in the Federal Register not later than two years after Nov. 9, 1978, for provisions requiring the Administrator, meaning the Adminis- trator of the Federal Energy Administration, to di- rect the National Bureau of Standards to develop an energy efficiency improvement target for each type of covered product listed in section 6292(a)(1) to (13) of this title, requiring prescription of such a target by the Admin- istrator not later than ninety days after Aug. 14,
1976, requiring such targets to be designed to exceed by 1980 by at least twenty percent the aggregate energy efficiency of the covered products as manufactured in 1972. Requiring similar energy efficiency targets be prescribed for covered products specified in section 6292(a)(11) to (13) of this title not later than one year after Aug. 14, 1976, authorizing the Administrator to modify periodically any established targets, requiring the manufacturers of any covered products to submit reports as requested by the Administrator to help in establishing and reaching such targets, authorizing the Administrator to commence proceedings in certain situations to prescribe initial or revised targets, specifying when improvements of energy efficiency are economically justified, and authorizing the Attorney General to determine any negative effects on competition so as to make certain improvements economically unjustified.

Subsec. (b). Pub. L. 95–619 substituted provisions specifying preconditions for prescription of a standard for a type or class of covered products for provisions specifying the procedure to be followed in prescribing energy efficiency standards.

Subsec. (c). Pub. L. 95–619 substituted provisions requiring energy efficiency standards for each type of covered products be designed to achieve the maximum improvement in energy efficiency which the Secretary determines feasible and justified and requiring such standards be phased in over a period not to exceed five years for provisions relating to the prescription of test procedures and the requirements necessary to meet minimum energy efficiency levels.

Subsec. (d). Pub. L. 95–619 substituted provisions relating to a determination by the Secretary of the economic justification of any particular energy efficiency standard and a determination by the Attorney General of the impact on competition of any proposed standard for provisions relating to labeling rules.

Subsecs. (e) to (j). Pub. L. 95–619 added subsecs. (e) to (j).

1976—Subsec. (a)(1)(A). Pub. L. 94–385, § 161(a), transferred authority to determine energy targets from the Administrator to the National Bureau of Standards and substituted 90 days after August 14, 1976, for 180 days after December 22, 1975, for the promulgation of rules by the Administrator.

Subsec. (a)(2). Pub. L. 94–385, § 161(b), transferred authority to determine energy targets from the Administrator to the National Bureau of Standards and substituted one year after August 14, 1976, for one year after December 22, 1975, for the promulgation of rules by the Administrator.

**Effective Date of 2012 Amendment**


Pub. L. 112–210, § 10(b)(2), Dec. 18, 2012, 126 Stat. 1525, provided that: ‘‘This subsection [amending this section and sections 6291 and 6292 of this title]—

(2) to assist manufacturers of general service lamps in the manufacturing of general service lamps that, at a minimum, achieve the wattage requirements imposed as a result of the amendments made by subsection (a) [amending this section and sections 6291 and 6292 of this title].

‘‘(2) Authorization of Appropriations.—There are authorized to be appropriated to carry out this subsection $18,000,000 for each of fiscal years 2008 through 2013.

‘‘(3) Termination of Authority.—The program under this subsection shall terminate on September 30, 2015.’’

§ 6296. Requirements of manufacturers

(a) In general

Each manufacturer of a covered product to which a rule under section 6294 of this title applies shall provide a label which meets, and is displayed in accordance with, the requirements of such rule. If such manufacturer or any distributor, retailer, or private labeler of such product advertises such product in a catalog from which it may be purchased, such catalog shall contain all information required to be displayed on the label, except as otherwise provided by rule of the Commission. The preceding sentence shall not require that a catalog contain information respecting a covered product if the distribution of such catalog commenced before the effective date of the labeling rule under section 6294 of this title applicable to such product.

(b) Notification

(1) Each manufacturer of a covered product to which a rule under section 6294 of this title applies shall notify the Secretary or the Commission—

(A) not later than 60 days after the date such rule takes effect, of the models in current production (and starting serial numbers of those models) to which such rule applies; and

(B) prior to commencement of production, of all models subsequently produced (and starting serial numbers of those models) to which such rule applies.

(2) If requested by the Secretary or Commission, the manufacturer of a covered product to which a rule under section 6294 of this title applies shall provide, within 30 days of the date of the request, the data from which the information included on the label and required by the rule was derived. Data shall be kept on file by the manufacturer for a period specified in the rule.

(3) When requested—

(A) by the Secretary for purposes of ascertaining whether a product subject to a standard established in or prescribed under section 6295 of this title is in compliance with that standard, or

(B) by the Commission for purposes of ascertaining whether the information set out on a label of a product, as required under section 6294 of this title, is accurate,

each manufacturer of such a product shall supply at his expense a reasonable number of such covered products to any laboratory designated by the Secretary or the Commission, as the case
may be. Any reasonable charge levied by the laboratory for such testing shall be borne by the United States, if and to the extent provided in appropriation Acts.

(4) Each manufacturer of a covered product to which a rule under section 6294 of this title applies shall annually, at a time specified by the Commission, supply to the Commission relevant data respecting energy consumption or water use developed in accordance with the test procedures applicable to such product under section 6293 of this title.

(5) A rule under section 6293, 6294, or 6295 of this title may require the manufacturer or his agent to permit a representative designated by the Commission or the Secretary to observe any testing required by this part and inspect the results of such testing.

(c) Deadline

Each manufacturer shall use labels reflecting the range data required to be disclosed under section 6294(c)(1)(B) of this title after the expiration of 60 days following the date of publication of any revised table of ranges unless the rule under section 6294 of this title provides for a later date. The Commission may not require labels be changed to reflect revised tables of ranges more often than annually.

(d) Information requirements

(1) For purposes of carrying out this part, the Secretary may require, under this part or other provision of law administered by the Secretary, each manufacturer of a covered product to submit information or reports to the Secretary with respect to energy efficiency, energy use, or, in the case of showerheads, faucets, water closets, and urinals, water use of such covered product and the economic impact of any proposed energy conservation standard, as the Secretary determines may be necessary to establish and revise test procedures, labeling rules, and energy efficiency standards for such products and to insure compliance with the requirements of this part. Prior to amendment, text read as follows: “For purposes of carrying out this part, the Secretary may require, under authority otherwise available to him under this part or other provisions of law administered by him, each manufacturer of covered products to submit such information or reports of any kind or nature directly to the Secretary with respect to energy efficiency of such covered products, and with respect to the economic impact of any proposed energy efficiency standard, as the Secretary determines may be necessary to establish and revise test procedures, labeling rules, and energy efficiency standards for such products and to insure compliance with the requirements of this part. The provisions of section 796(d) of title 15 shall apply with respect to information obtained under this subsection to the same extent and in the same manner as it applies with respect to energy information obtained under section 796 of title 15.”

Subsec. (d)(1). Pub. L. 95–619, § 425(d)(2), inserted requirement that manufacturers of covered products give notice to the Secretary of models affected by rules promulgated under section 6294 of this title and expanded the notice requirement itself to include models manufactured more than sixty days after the date a particular rule takes effect.

Subsec. (d)(2). Pub. L. 95–619, § 425(d)(3), authorized Secretary to request submission of covered products for purposes of ascertaining whether a particular product complies with standards under section 6296 of this title and also authorized Secretary to designate testing laboratories for the submitted products.


§ 6297. Effect on other law

(a) Preemption of testing and labeling requirements

(1) Effective on March 17, 1987, this part supersedes any State regulation insofar as such State regulation provides at any time for the disclosure of information with respect to any measure of energy consumption or water use of any covered product if—

(A) such State regulation requires testing or the use of any measure of energy consumption, water use, or energy descriptor in any manner other than that provided under section 6293 of this title; or

(B) such State regulation requires disclosure of information with respect to the energy use, energy efficiency, or water use of any covered product other than information required under section 6294 of this title.

(2) For purposes of this section, the following definitions apply:

(A) The term “State regulation” means a law, regulation, or other requirement of a State or its political subdivisions. With re-
§ 6297

Effective date of an energy conservation standard—

(b) General rule of preemption for energy conservation standards before Federal standard becomes effective for product

Effective on March 17, 1987, and ending on the effective date of an energy conservation standard established under section 6295 of this title for any covered product, no State regulation, or revision thereof, concerning the energy efficiency, energy use, or water use of the covered product shall be effective with respect to such covered product, unless the State regulation or revision—

(1) was prescribed or enacted before January 8, 1987, and is applicable to products before January 3, 1988, or in the case of any portion of any regulation which establishes requirements for fluorescent lamp ballasts, was prescribed or enacted before June 28, 1988, or in the case of any portion of any regulation which establishes requirements for fluorescent or incandescent lamps, flow rate requirements for showerheads or faucets, or water use requirements for water closets or urinals, was prescribed or enacted before October 24, 1992; or

(B) in the case of any portion of any regulation that establishes requirements for general service incandescent lamps, intermediate base incandescent lamps, or candelabra base lamps, was enacted or adopted by the State of California or Nevada before December 4, 2007, except that—

(i) the regulation adopted by the California Energy Commission with an effective date of January 1, 2008, shall only be effective until the effective date of the Federal standard for the applicable lamp category under subparagraphs (A), (B), and (C) of section 6295(i)(1) of this title; and

(ii) the States of California and Nevada may, at any time, modify or adopt a State standard for general service lamps to conform with Federal standards with effective dates no earlier than 12 months prior to the Federal effective dates prescribed under subparagraphs (A), (B), and (C) of section 6295(i)(1) of this title, at which time any prior regulations adopted by the State of California or Nevada shall no longer be effective.

(2) is a State procurement regulation described in subsection (e);

(3) is a regulation described in subsection (f)(1) or is prescribed or enacted in a building code for new construction described in subsection (f)(2);

(4) is a regulation prohibiting the use in pool heaters of a constant burning pilot, or is a regulation (or portion thereof) regulating fluorescent lamp ballasts other than those to which paragraph (5) of section 6295(g) of this title is applicable, or is a regulation (or portion thereof) regulating fluorescent or incandescent lamps other than those to which section 6295(j) of this title is applicable, or is a regulation (or portion thereof) regulating showerheads or faucets other than those to which section 6295(j) of this title is applicable or regulating lavatory faucets (other than metering faucets) for installation in public places, or is a regulation (or portion thereof) regulating water closets or urinals other than those to which section 6295(k) of this title is applicable;

(5) is a regulation described in subsection (d)(5)(B) for which a waiver has been granted under subsection (d);

(6) is a regulation effective on or after January 1, 1992, concerning the energy efficiency or energy use of television sets; or

(7) is a regulation (or portion thereof) concerning the water efficiency or water use of low consumption flushometer valve water closets.

(c) General rule of preemption for energy conservation standards when Federal standard becomes effective for product

Except as provided in section 6295(b)(3)(A)(i) of this title, subparagraphs (B) and (C) of section 6295(j)(3) of this title, and subparagraphs (B) and (C) of section 6295(k)(3) of this title and effective on the effective date of an energy conservation standard established in or prescribed under section 6295 of this title for any covered product, no State regulation concerning the energy efficiency, energy use, or water use of such covered product shall be effective with respect to such product unless the regulation—

(1) is a regulation described in paragraph (2) or (4) of subsection (b), except that a State regulation (or portion thereof) regulating fluorescent lamp ballasts other than those to which paragraph (5) of section 6295(g) of this title is applicable shall be effective only until the effective date of a standard that is prescribed by the Secretary under paragraph (7) of such section and is applicable to such ballasts, except that a State regulation (or portion thereof) regulating fluorescent or incandescent lamps other than those for which section 6295(i) of this title is applicable shall be effective only until the effective date of a standard that is prescribed by the Secretary and is applicable to such lamps;

(2) is a regulation which has been granted a waiver under subsection (d);

(3) is in a building code for new construction described in subsection (f)(3);

(4) is a regulation concerning the water use of lavatory faucets adopted by the State of New York or the State of Georgia before October 24, 1992;

(5) is a regulation concerning the water use of lavatory or kitchen faucets adopted by the State of Rhode Island prior to October 24, 1992;

(6) is a regulation (or portion thereof) concerning the water efficiency or water use of gravity tank-type low consumption water closets for installation in public places, except
that such a regulation shall be effective only until January 1, 1997; or

(7)(A) is a regulation concerning standards for commercial prerinse spray valves adopted by the California Energy Commission before January 1, 2005; or

(B) is an amendment to a regulation described in subparagraph (A) that was developed to align California regulations with changes in American Society for Testing and Materials Standard F2324;

(8)(A) is a regulation concerning standards for pedestrian modules adopted by the California Energy Commission before January 1, 2005; or

(B) is an amendment to a regulation described in subparagraph (A) that was developed to align California regulations with changes in Institute for Transportation Engineers standards, entitled "Performance Specifications: Pedestrian Traffic Control Signal Indicators"; and

(9) is a regulation concerning metal halide lamp fixtures adopted by the California Energy Commission on or before January 1, 2011, except that—

(A) if the Secretary fails to issue a final rule within 180 days after the deadlines for rulemakings in section 6295(hh) of this title, notwithstanding any other provision of this section, preemption shall not apply to a regulation concerning metal halide lamp fixtures adopted by the California Energy Commission—

(i) on or before July 1, 2015, if the Secretary fails to meet the deadline specified in section 6295(hh)(2) of this title; or

(ii) on or before July 1, 2022, if the Secretary fails to meet the deadline specified in section 6295(hh)(3) of this title.

(d) Waiver of Federal preemption

(1)(A) Any State or river basin commission with a State regulation which provides for an energy conservation standard or other requirement with respect to energy use, energy efficiency, or water use for any type (or class) of covered product for which there is a Federal energy conservation standard or requirement with respect to water use of a covered product, within the context of the water supply and groundwater management plan, water quality program, and comprehensive plan (if any) of the State or river basin commission for improving, developing, or conserving a waterway affected by water supply development.

The factors described in clause (ii) shall be evaluated within the context of the State's energy plan and forecast, and, with respect to a State regulation for which a petition has been submitted to the Secretary which provides for any energy conservation standard or requirement with respect to water use of a covered product, within the context of the water supply and groundwater management plan, water quality program, and comprehensive plan (if any) of the State or river basin commission for improving, developing, or conserving a waterway affected by water supply development.

(2) The Secretary shall give notice of any petition filed under paragraph (1)(A) and afford interested persons a reasonable opportunity to make written comments, including rebuttal comments, thereon. The Secretary shall, within the 6-month period beginning on the date on which any such petition is filed, deny such petition or prescribe the requested rule, except that the Secretary may publish a notice in the Federal Register extending such period to a date certain but no longer than one year after the date on which the petition was filed. Such notice shall include the reasons for delay. In the case of any denial of a petition under this subsection, the Secretary shall publish in the Federal Register notice of, and the reasons for, such denial.

(3) The Secretary may not prescribe a rule under this subsection if the Secretary finds (and publishes such finding) that interested persons have established, by a preponderance of the evidence, that such State regulation will significantly burden manufacturing, marketing, distribution, sale, or servicing of the covered product on a national basis. In determining whether to make such finding, the Secretary shall evaluate all relevant factors, including—

(A) the extent to which the State regulation will increase manufacturing or distribution costs of manufacturers, distributors, and others;

(B) the extent to which the State regulation will disadvantage smaller manufacturers, distributors, or dealers or lessen competition in the sale of the covered product in the State;

(C) the extent to which the State regulation would cause a burden to manufacturers to redesign and produce the covered product type (or class), taking into consideration the extent to which the regulation would result in a reduction—

(i) in the current models, or in the projected availability of models, that could be shipped on the effective date of the regulation to the State and within the United States; or

(ii) in the current or projected sales volume of the covered product type (or class) in the State and the United States; and

(lings resulting from the State regulation make such regulation preferable or necessary when measured against the costs, benefits, burdens, and reliability of alternative approaches to energy or water savings or production, including reliance on reasonably predictable market-induced improvements in efficiency of all products subject to the State regulation. The factors described in clause (ii) shall be evaluated within the context of the State's energy plan and forecast, and, with respect to a State regulation for which a petition has been submitted to the Secretary which provides for any energy conservation standard or requirement with respect to water use of a covered product, within the context of the water supply and groundwater management plan, water quality program, and comprehensive plan (if any) of the State or river basin commission for improving, developing, or conserving a waterway affected by water supply development.
§ 6297

sult in the unavailability in the State of any
under this subsection if the Secretary finds (and
except that the failure of some classes (or types)
while the States at the time of the Secretary's finding,
tially the same as those generally available in
sizes, capacities, and volumes that are substan-
characteristics (including reliability), features,
ences, that the State regulation is likely to re-
have established, by a preponderance of the evi-
dency, that the State regulation is likely to re-
result in the unavailability in the State of any
covered product type (or class) of performance
have established, by a preponderance of the evi-
dence, that the State regulation is likely to re-
result in the unavailability in the State of any

(4) The Secretary may not prescribe a rule
under this subsection if the Secretary finds (and
publishes such finding) that interested persons
have established, by a preponderance of the evi-
dence, that the State regulation is likely to re-
result in the unavailability in the State of any
covered product type (or class) of performance
characteristics (including reliability), features,
(3), and (4), except that the burden
shall be on the petitioner to show by a pre-
ponderance of the evidence that the rule re-
ceived by the State under paragraph (1) should
be withdrawn as a result of the amendment to
the Federal standard. If the Secretary deter-
mines that the petitioner has shown that the
rule issued by the State should be so withdrawn,
the Secretary shall withdraw it.

(e) Exception for certain State procurement
standards

Any State regulation which sets forth procure-
ment standards for a State (or political subdi-
ision thereof) shall not be superseded by the pro-
visions of this part if such standards are more
stringent than the corresponding Federal energy
conservation standards.

(f) Exception for certain building code require-
ments

(1) A regulation or other requirement enacted
or prescribed before January 8, 1987, that is con-
tained in a State or local building code for new
construction concerning the energy efficiency or
energy use of a covered product is not super-
ceded by this part until the effective date of the
energy conservation standard established in or
prescribed under section 6295 of this title for
such covered product.

(2) A regulation or other requirement, or revi-
sion thereof, enacted or prescribed on or after
January 8, 1987, that is contained in a State or
local building code for new construction concerning the energy efficiency or energy use of a
covered product is not superseded by this part
until the effective date of the energy conserva-
tion standard established in or prescribed under
section 6295 of this title for such covered product.

(iii) there exists within the State an energy
emergency condition or, if the State regula-
tion provides for an energy conservation
standard or other requirement with respect
to the water use of a covered product for
which there is a Federal energy conservation
standard under subsection (j) or (k) of sec-
tion 6295 of this title, a water emergency
condition, which—

(I) imperils the health, safety, and wel-
fare of its residents because of the inabil-
ity of the State or utilities within the
State to provide adequate quantities of gas
or electric energy or, in the case of a water
emergency condition, water or wastewater
treatment, to its residents at less than
prohibitive costs; and

(II) cannot be substantially alleviated by
the importation of energy or, in the case of
a water emergency condition, by the im-
portation of water, or by the use of inter-
connection agreements; and

(ii) the State regulation is necessary to al-
leviate substantially such condition.

(6) In any case in which a State is issued a rule
under paragraph (1) with respect to a covered
product and subsequently a Federal energy con-
servation standard concerning such product is
amended pursuant to section 6295 of this title,
any person subject to such State regulation may
file a petition with the Secretary requesting the
Secretary to withdraw the rule issued under
paragraph (1) with respect to such product in
such State. The Secretary shall consider such
petition in accordance with the requirements of
paragraphs (1), (3), and (4), except that the bur-
den shall be on the petitioner to show by a pre-
ponderance of the evidence that the rule re-
ceived by the State under paragraph (1) should
be withdrawn as a result of the amendment to
the Federal standard. If the Secretary deter-
mines that the petitioner has shown that the
rule issued by the State should be so withdrawn,
the Secretary shall withdraw it.

(A) The code permits a builder to meet an
energy conservation standard for a covered product
by selecting items whose com-
bined energy efficiencies meet the objective.

(B) The code does not require that the cov-
ered product have an energy efficiency exceed-
ing the applicable energy conservation standard established in or prescribed under section 6295 of this title, except that the required efficiency may exceed such standard up to the level required by a regulation of that State for which the Secretary has issued a rule granting a waiver under subsection (d).

(C) The credit to the energy consumption or conservation objective allowed by the code for installing covered products having energy efficiencies exceeding such energy conservation standard established in or prescribed under section 6295 of this title or the efficiency level required in a State regulation referred to in subparagraph (B) is on a one-for-one equivalent energy use or equivalent cost basis.

(D) If the code uses one or more baseline building designs against which all submitted building designs are to be evaluated and such baseline building designs contain a covered product subject to an energy conservation standard established in or prescribed under section 6295 of this title, the baseline building designs are based on the efficiency level for such covered product which meets but does not exceed such standard or the efficiency level required by a regulation of that State for which the Secretary has issued a rule granting a waiver under subsection (d).

(E) If the code sets forth one or more optional combinations of items which meet the energy conservation or conservation objective, for every combination which includes a covered product the efficiency of which exceeds either standard or level referred to in subparagraph (D), there also shall be at least one combination which includes such covered product the efficiency of which does not exceed such standard or level by more than 5 percent, except that at least one combination shall include such covered product the efficiency of which meets but does not exceed such standard.

(F) The energy consumption or conservation objective is specified in terms of an estimated total consumption of energy (which may be calculated from energy loss- or gain-based codes) utilizing an equivalent amount of energy (which may be specified in units of energy or its equivalent cost).

(G) The estimated energy use of any covered product permitted or required in the code, or used in calculating the objective, is determined using the applicable test procedures prescribed under section 6293 of this title, except that the State may permit the estimated energy use calculation to be adjusted to reflect the conditions of the areas where the code is being applied if such adjustment is based on the use of the applicable test procedures prescribed under section 6293 of this title or other technically accurate documented procedure.

(4)(A) Subject to subparagraph (B), a State or local government is not required to submit a petition to the Secretary in order to enforce or approve building code or to establish that the code meets the conditions set forth in this subsection.

(B) If a building code requires the installation of covered products with efficiencies exceeding both the applicable Federal standard established in or prescribed under section 6295 of this title and the applicable standard of such State, if any, that has been granted a waiver under subsection (d), such requirement of the building code shall not be applicable unless the Secretary has granted a waiver for such requirement under subsection (d).

(g) No warranty

Any disclosure with respect to energy use, energy efficiency, or estimated annual operating cost which is required to be made under the provisions of this part shall not create an express or implied warranty under State or Federal law that such energy efficiency will be achieved or that such energy use or estimated annual operating cost will not be exceeded under conditions of actual use.


AMENDMENTS

2012—Subsec. (b)(1)(B). Pub. L. 112–210 inserted “and” after the semicolon in cl. (i), substituted a period for “...” and “;” in cl. (ii), and struck out cl. (iii) which read as follows: “all other States may, at any time, modify or adopt a State standard for general service lamps to conform with Federal standards and effective dates.”.

2007—Subsec. (b)(1). Pub. L. 110–140, §323(d), designated existing provisions as subpar. (A) and added subpar. (B).


2005—Subsec. (c)(7), (8). Pub. L. 109–58 added pars. (7) and (8).

1992—Subsec. (a)(1). Pub. L. 102–486, §123(h)(1)(A)–(C), in introductory provisions inserted “or water use” after “energy consumption”, in par. (A) inserted “.. water use, after “energy consumption”, and in par. (B) substituted “.. energy efficiency, or water use” for “.. energy efficiency”.

Subsec. (a)(2). Pub. L. 102–486, §123(h)(1)(D), amended par. (2) generally. Prior to amendment, par. (2) read as follows: “For purposes of this section, the term ‘State regulation’ means a law, regulation, or other requirement of a State or its political subdivisions.”.

Subsec. (b). Pub. L. 102–486, §123(h)(2)(A), substituted “.. energy use, or water use of the covered product” for “.. energy use of the covered product”.

Subsec. (b)(1). Pub. L. 102–486, §123(b)(2)(B), inserted before semicolon at end “..” or in the case of any portion of any regulation which establishes requirements for fluorescent or incandescent lamps, flow rate requirements for showerheads or faucets, or water use requirements for water closets or urinals, was prescribed or enacted before October 24, 1992.”.

Subsec. (b)(4). Pub. L. 102–486, §123(b)(2)(C), inserted before semicolon at end “..” or is a regulation (or portion thereof) regulating fluorescent or incandescent lamps other than those to which section 6295(i) of this title is applicable, or is a regulation (or portion thereof) regulating showerheads or faucets other than those to which section 6295(j) of this title is applicable or regulating lavatory faucets (other than metering faucets) for installation in public places, or is a regulation (or portion thereof) regulating water closets or urinals other than those to which section 6295(k) of this title is applicable”. 

Subsec. (c). Pub. L. 102–486, § 123(h)(3)(A), inserted paragraphs (B) and (C) of section 6295(k)(3) of this title, and subparagraphs (B) and (C) of section 6295(k)(3) of this title after “section 6295(b)(3)(A)(ii) of this title” and substituted “energy, use, or water use” for “or energy use”.

Subsec. (c)(1). Pub. L. 102–486, § 123(h)(3)(B) inserted before semicolon at end, “except that a State regulation (or portion thereof) regulating fluorescent or incandescent lamps other than those for which section 6295(i) of this title is applicable shall be effective only until the effective date of a standard that is prescribed by the Secretary and is applicable to such lamps”.


Subsec. (d)(1)(A). Pub. L. 102–486, § 123(h)(4)(A), inserted “or river basin commission” after “Any State” and substituted “energy efficiency, or water use” for “or energy efficiency”.

Subsec. (d)(1)(B). Pub. L. 102–486, § 123(h)(4)(B), substituted “State or river basin commission has” for “State has” and inserted “or water” after “energy”.

Subsec. (d)(1)(C). Pub. L. 102–486, § 123(h)(4)(C), in introductory provisions and cl. (i) inserted “or water use” wherever appearing and in closing provisions inserted before period at end “. and, with respect to a State regulation for which a petition has been submitted to the Secretary which provides for any energy conservation standard or requirement with respect to water use of a covered product, within the context of the water supply and groundwater management plan, water quality program, and comprehensive plan (if any) of the State or river basin commission for improving, developing, or conserving a waterway affected by water supply development”.

Subsec. (d)(5)(B)(i). Pub. L. 102–486, § 123(h)(5), added cl. (i) and struck out former cl. (i) which read as follows: “an energy emergency condition exists within the State which—

"(i) imperils the health, safety, and welfare of its residents because of the inability of the State or utilities within the State to provide adequate quantities of gas or electric energy to its residents at less than prohibitive costs; and

"(ii) cannot be substantially alleviated by the importation of energy or the use of interconnection agreements; and”.

1987—Subsec. (b)(1). Pub. L. 100–137, § 2(h)(1), inserted before semicolon “, or in the case of any portion of any regulation which establishes requirements for fluorescent lamp ballasts, was prescribed or enacted before June 28, 1987”.

Subsec. (b)(4). Pub. L. 100–137, § 2(h)(2), inserted before semicolon “, or is a regulation (or portion thereof) regulating fluorescent lamp ballasts other than those to which paragraph (5) of section 6295(g) of this title is applicable”.

Subsec. (c)(1). Pub. L. 100–137, § 2(h)(3), inserted before semicolon “, except that a State regulation (or portion thereof) regulating fluorescent lamp ballasts other than those to which paragraph (5) of section 6295(g) of this title is applicable shall be effective only until the effective date of a standard that is prescribed by the Secretary under paragraph (7) of such section and is applicable to such ballasts”.

1987—Pub. L. 100–12 amended section generally, revising and restating as subsecs. (a) to (g) provisions formerly contained in subsecs. (a) to (e).

1978—Subsec. (a)(2). Pub. L. 95–619, § 424(b), substituted “other requirement” for “similar requirement”.

Subsec. (b). Pub. L. 95–619, § 424(a), in par. (1) substituted provisions vesting power to prescribe rules superseding State energy efficiency regulations in the Secretary for provisions vesting such power in the Administrator of the Federal Energy Administration and provided that persons subject to such State regulations were to petition the Secretary for relief therefrom rather than the Administrator, in par. (2) inserted provisions authorizing the superseding of any State regulation prescribed after Jan. 1, 1978 respecting energy use of any type of covered product and authorizing the filing of a petition by the State for exemption from any such supersede, and struck out provision that a State regulation containing a more stringent energy efficiency standard than the corresponding Federal standard would not be superseded, and added pars. (3) to (5).


effective date of 2012 amendment


effective date of 2007 amendment

Amendment by Pub. L. 110–140 effective on the date that is 1 day after Dec. 19, 2007, see section 1601 of Pub. L. 110–140, set out as an Effective Date note under section 1824 of Title 2, The Congress.

§ 6298. Rules

The Commission and the Secretary may each issue such rules as each deems necessary to carry out the provisions of this part.


amendments


§ 6299. Authority to obtain information

(a) In general

For purposes of carrying out this part, the Commission and the Secretary may each sign and issue subpoenas for the attendance and testimony of witnesses and the production of relevant books, records, papers, and other documents, and may each administer oaths. Witnesses summoned under the provisions of this section shall be paid the same fees and mileage as are paid to witnesses in the courts of the United States. In case of contumacy by, or refusal to obey a subpoena served, upon any persons subject to this part, the Secretary or the Commission and the Secretary may each seek an order from the district court of the United States for any district in which such person is found or resides or transacts business requiring such person to appear and give testimony, or to appear and produce documents. Failure to obey any such order is punishable by such court as a contempt thereof.

(b) Confidentiality

Any information submitted by any person to the Secretary or the Commission under this part shall not be considered energy information as defined by section 796(e)(1) of title 15 for purposes of any verification examination authorized to be conducted by the Comptroller General under section 6381 of this title.


amendments

1987—Pub. L. 100–12 inserted headings for subsecs. (a) and (b).
§ 6300. Exports

This part shall not apply to any covered product if (1) such covered product is manufactured, sold, or held for sale for export from the United States (or such product was imported for export), unless such product is in fact distributed in commerce for use in the United States, and (2) such covered product when distributed in commerce, or any container in which it is enclosed when so distributed, bears a stamp or label stating that such covered product is intended for export.


§ 6301. Imports

Any covered product offered for importation in violation of section 6302 of this title shall be refused admission into the customs territory of the United States under rules issued by the Secretary of the Treasury, except that the Secretary of the Treasury may, by such rules, authorize the importation of such covered product upon such terms and conditions (including the furnishing of a bond) as may appear to him appropriate to ensure that such covered product will not violate section 6302 of this title, or will be exported or abandoned to the United States. The Secretary of the Treasury shall prescribe rules under this section not later than 180 days after December 22, 1975.


§ 6302. Prohibited acts

(a) In general

It shall be unlawful—

(1) for any manufacturer or private labeler to distribute in commerce any new covered product to which a rule under section 6294 of this title applies, unless such covered product is labeled in accordance with such rule;

(2) for any manufacturer, distributor, retailer, or private labeler to remove from and new covered product or render illegible any label required to be provided with such product under a rule under section 6294 of this title;

(3) for any manufacturer to fail to permit access to, or copying of, records required to be supplied under this part, or fail to make reports or provide other information required to be supplied under this part;

(4) for any person to fail to comply with an applicable requirement of section 6296(a), (b)(2), (b)(3), or (b)(5) of this title;

(5) for any manufacturer or private labeler to distribute in commerce any new covered product which is not in conformity with an applicable energy conservation standard established in or prescribed under this part, except to the extent that the new covered product is covered by a regional standard that is more stringent than the base national standard;

(6) for any manufacturer or private labeler to knowingly sell a product to a distributor, contractor, or dealer with knowledge that the entity routinely violates any regional standard applicable to the product;

(7) for any manufacturer, distributor, retailer, or private labeler to distribute in commerce an adapter that—

(A) is designed to allow an incandescent lamp that does not have a medium screw base to be installed into a fixture or lampholder with a medium screw base socket; and

(B) is capable of being operated at a voltage range at least partially within 110 and 130 volts; or

(8) for any person—

(A) to activate an activation lock for a grid-enabled water heater with knowledge that such water heater is not used as part of an electric thermal storage or demand response program;

(B) to distribute an activation key for a grid-enabled water heater with knowledge that such activation key will be used to activate a grid-enabled water heater that is not used as part of an electric thermal storage or demand response program;

(C) to otherwise enable a grid-enabled water heater to operate at its designed specification and capabilities with knowledge that such water heater is not used as part of an electric thermal storage or demand response program; or

(D) to knowingly remove or render illegible the label of a grid-enabled water heater described in section 6295(e)(6)(A)(ii)(V) of this title.

(b) "New covered product" defined

For purposes of this section, the term "new covered product" means a covered product the title of which has not passed to a purchaser who buys such product for purposes other than (1) reselling such product, or (2) leasing such product for a period in excess of one year.


AMENDMENTS

2015—Subsec. (a)(6) to (8). Pub. L. 114–11 redesignated par. (6) relating to prohibition of distribution in commerce of certain adapters as (7) and added par. (8).

2007—Subsec. (a)(4). Pub. L. 110–140, § 321(e)(1), which directed the striking out of "or" after semicolon at end, could not be executed after amendment by Pub. L. 110–140, § 306(b)(1), See below.

Pub. L. 110–140, § 306(b)(1), struck out "or" after semicolon at end.

Subsec. (a)(5). Pub. L. 110–140, § 321(e)(2), which directed substitution of "; or" for period at end, could not be executed after amendment by Pub. L. 110–140, § 306(b)(2). See below.

Pub. L. 110–140, § 306(b)(2), substituted "part, except to the extent that the new covered product is covered by a regional standard that is more stringent than the base national standard; or" for "part."


Pub. L. 110–140, § 306(b)(3), added par. (6) relating to sale of a product to a distributor, contractor, or dealer...
§ 6303. Enforcement

(a) In general

Except as provided in subsection (c), any person who knowingly violates any provision of section 6302 of this title shall be subject to a civil penalty of not more than $100 for each violation. Such penalties shall be assessed by the Commission, except that penalties for violations of section 6302 (a) (3) of this title which relate to requirements prescribed by the Secretary, violations of section 6302 (a) (4) of this title which relate to requests of the Secretary under section 6296 (b) (2) of this title, or violations of paragraph (5), (6), (7), or (8) of section 6302(a) of this title shall be assessed by the Secretary. Civil penalties assessed under this part may be compounded by the agency or officer authorized to assess the penalty, taking into account the nature and degree of the violation and the impact of the penalty upon a particular respondent. Each violation of paragraph (1), (2), (5), (6), (7), or (8) of section 6302(a) of this title shall constitute a separate violation with respect to each covered product, and each day of violation of section 6302(a) (3) or (4) of this title shall constitute a separate violation.

(b) "Knowingly" defined

As used in subsection (a), the term "knowingly" means (1) the having of actual knowledge, or (2) the presumed having of knowledge deemed to be possessed by a reasonable man who acts in the circumstances, including knowledge obtainable upon the exercise of due care.

c) Special rule

It shall be an unfair or deceptive act or practice in or affecting commerce (within the meaning of section 45(a)(1) of title 15) for any person to violate section 6293(c) of this title, except to the extent that such violation is prohibited under the provisions of section 6302(a)(1) of this title, in which case such provisions shall apply.

d) Procedure for assessing penalty

(1) Before issuing an order assessing a civil penalty against any person under this section, the Secretary shall provide to such person notice of the proposed penalty. Such notice shall inform such person of his opportunity to elect in writing within 30 days after the date of receipt of such notice to have the procedures of paragraph (3) (in lieu of those of paragraph (2)) apply with respect to such assessment.

(2)(A) Unless an election is made within 30 calendar days after receipt of notice under paragraph (1) to have paragraph (3) apply with respect to such penalty, the Secretary shall assess the penalty, by order, after a determination of violation has been made on the record after an opportunity for an agency hearing pursuant to section 554 of title 5 before an administrative law judge appointed under section 3105 of such title. Such assessment order shall include the administrative law judge’s findings and the basis for such assessment.

(B) Any person against whom a penalty is assessed under this paragraph may, within 60 calendar days after the date of the order of the Secretary assessing such penalty, institute an action in the United States court of appeals for the appropriate judicial circuit for judicial review of such order in accordance with chapter 7 of title 5. The court shall have jurisdiction to enter a judgment affirming, modifying, or setting aside in whole or in part, the order of the Secretary, or the court may remand the proceeding to the Secretary for such further action as the court may direct.

(3)(A) In the case of any civil penalty with respect to which the procedures of this paragraph have been elected, the Secretary shall promptly assess such penalty, by order, after the date of the receipt of the notice under paragraph (1) of the proposed penalty.

(B) If the civil penalty has not been paid within 60 calendar days after the assessment order has been made under subparagraph (A), the Secretary shall institute an action in the appropriate district court of the United States for an order affirming the assessment of the civil penalty. The court shall have authority to review de novo the law and the facts involved, and shall have jurisdiction to enter a judgment enforcing, modifying, and enforcing as so modified, or setting aside in whole or in part, such assessment.

(C) Any election to have this paragraph apply may not be revoked except with the consent of the Secretary.

(4) If any person fails to pay an assessment of a civil penalty after it has become a final and unappealable order under paragraph (2), or after the appropriate district court has entered final judgment in favor of the Secretary under paragraph (3), the Secretary shall institute an action to recover the amount of such penalty in any appropriate district court of the United States. In such action, the validity and appropriateness of such final assessment order or judgment shall not be subject to review.

(5)(A) Notwithstanding the provisions of title 28 or section 712(c) of this title, the Secretary shall be represented by the general counsel of the Department of Energy (or any attorney or attorneys within the Department of Energy designated by the Secretary) who shall supervise, conduct, and argue any civil litigation to which such action, the validity and appropriateness of such final assessment order or judgment shall not be subject to review.

(B) Any related collection action under paragraph (4) in a court of the United States or in any other court, except the Supreme Court. However, the Secretary or the general counsel shall consult with the Attorney General concerning such litigation, and the Attorney General shall provide, on request, such assistance in the conduct of such litigation as may be appropriate.
(B) Subject to the provisions of section 7192(c) of this title, the Secretary shall be represented by the Attorney General, or the Solicitor General, as appropriate, in actions under this subsection, except to the extent provided in subparagraph (A) of this paragraph.

(C) Section 7172(d) of this title shall not apply with respect to the functions of the Secretary under this subsection.

(6) For purposes of applying the preceding provisions of this subsection in the case of the assessment of a penalty by the Commission for a violation of paragraphs (1) and (2) of section 6302 of this title, references in such provisions to "Secretary" and "Department of Energy" shall be considered to be references to the "Commission".


AMENDMENTS

2015—Pub. L. 114–11 substituted "paragraph (5), (6), (7), or (8) of section 6302(a)" for "section 6302(a)(5)" and "paragraph (1), (2), (5), (6), (7), or (8) of section 6302(a)" for "paragraph (1), (2), or (5) of section 6302(a)."

1978—Pub. L. 95–619 substituted "section 6295 of this title or an adapter prohibited under section 6302(a)(6) of this title may also be brought by the attorney general of a State in the name of the State." for "Secretary", meaning Administrator of the Federal Energy Administration, wherever appearing.

Effective Date of 2007 Amendment

Amendment by Pub. L. 110–140 effective on the date that is 1 day after Dec. 19, 2007, see section 1601 of Pub. L. 110–140, set out as an Effective Date note under section 1824 of Title 2, The Congress.

§ 6305. Citizen suits

(a) Civil actions; jurisdiction

Except as otherwise provided in subsection (b), any person may commence a civil action against—

(1) any manufacturer or private labeler who is alleged to be in violation of any provision of this part or any rule under this part;

(2) any Federal agency which has a responsibility under this part where there is an alleged failure of such agency to perform any act or duty under this part which is not discretionary; or

(3) the Secretary in any case in which there is an alleged failure of the Secretary to comply with a nondiscretionary duty to issue a proposed or final rule according to the schedules set forth in section 6295 of this title.

The United States district courts shall have jurisdiction to enforce any violation of section 6302(a)(4) of this title which relates to requirements prescribed by the Secretary, any violation of section 6302(a)(3) of this title which relates to requests of the Secretary under section 6296(b)(2) of this title, or any violation of paragraph (5), (6), (7), or (8) of section 6302(a) of this title shall be brought by the Administrator. Any such action to restrain any person from distributing in commerce any covered product that does not comply with the applicable standard established under section 6256(l) of this title or an adapter prohibited under section 6302(a)(7) of this title may also be brought by the attorney general of a State in the name of the State. Any such action may be brought in any United States district court for a district wherein any act, omission, or transaction constituting the violation occurred, or in such court for the district wherein the defendant is found or transacts business. In any action under this section, process may be served on a defendant in any other district in which the defendant resides or may be found.


AMENDMENTS

2007—Pub. L. 110–140 inserted after second sentence "Any such action to restrain any person from distributing in commerce a general service incandescent lamp that does not comply with the applicable standard established under section 6295(l) of this title or an adapter prohibited under section 6302(a)(6) of this title may also be brought by the attorney general of a State in the name of the State." for "Secretary", meaning Administrator of the Federal Energy Administration, wherever appearing.

Effective Date of 2007 Amendment

Amendment by Pub. L. 110–140 effective on the date that is 1 day after Dec. 19, 2007, see section 1601 of Pub. L. 110–140, set out as an Effective Date note under section 1824 of Title 2, The Congress.

§ 6304. Injunctive enforcement

The United States district courts shall have jurisdiction to restrain (1) any violation of section 6302 of this title and (2) any person from distributing in commerce any covered product that does not comply with an applicable rule under section 6294 or 6295 of this title. Any such action shall be brought by the Commission, except that any such action to restrain any violation of section 6302(a)(4) of this title which relates to requirements prescribed by the Secretary, any violation of section 6302(a)(3) of this title which relates to requests of the Secretary under section 6296(b)(2) of this title, or any violation of paragraph (5), (6), (7), or (8) of section 6302(a) of this title shall be brought by the Secretary. Any such action to restrain any person from distributing in commerce a general service incandescent lamp that does not comply with the applicable standard established under section 6256(l) of this title or an adapter prohibited under section 6302(a)(7) of this title may also be brought by the attorney general of a State in the name of the State. Any such action may be brought in any United States district court for a district wherein any act, omission, or transaction constituting the violation occurred, or in such court for the district wherein the defendant is found or transacts business. In any action
§ 6306. Administrative procedure and judicial review

(a) Procedure for prescription of rules

(1) In addition to the requirements of section 553 of title 5, rules prescribed under section 6293, 6294, 6295, 6297, or 6298 of this title shall afford interested persons an opportunity to present written and oral data, views, and arguments with respect to any proposed rule.

(2) In the case of a rule prescribed under section 6295 of this title, the Secretary shall, by means of conferences or other informal procedures, afford any interested person an opportunity to question—

(A) other interested persons who have made oral presentations; and

(B) employees of the United States who have made written or oral presentations with respect to disputed issues of material fact.

Such opportunity shall be afforded to the extent the Secretary determines that questioning pursuant to such procedures is likely to result in a more timely and effective resolution of such issues.

(3) A transcript shall be kept of any oral presentations made under this subsection.

(b) Petition by persons adversely affected by rules; effect on other laws

(1) Any person who will be adversely affected by a rule prescribed under section 6293, 6294, or 6295 of this title may, at any time within 60 days after the date on which such rule is prescribed, file a petition with the United States court of appeals for the circuit in which such person resides or has his principal place of business, for judicial review of such rule. A copy of the petition shall be transmitted by the clerk of the court to the agency which prescribed the rule. Such agency shall file in the court the written submissions to, and transcript of, the proceedings on which the rule was based, as provided in section 2112 of title 28.

(2) Upon the filing of the petition referred to in paragraph (1), the court shall have jurisdiction to review the rule in accordance with chapter 7 of title 5 and to grant appropriate relief as provided in such chapter. No rule under section 6293, 6294, or 6295 of this title may be affirmed unless supported by substantial evidence.

(3) The judgment of the court affirming or setting aside, in whole or in part, any such rule shall be final, subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28.

(4) The remedies provided for in this subsection shall be in addition to, and not in substitution for, any other remedies provided by law.

(5) The procedures applicable under this part shall not—

(A) be considered to be modified or affected by any other provision of law unless such other provision specifically amends this part (or provisions of law cited herein); or

(B) be considered to be superseded by any other provision of law unless such other provision does so in specific terms by referring to this part and declaring that such provision supersedes, in whole or in part, the procedures of this part.
(c) Jurisdiction

Jurisdiction is vested in the Federal district courts of the United States over actions brought by—

(1) any adversely affected person to determine whether a State or local government is complying with the requirements of this part; and

(2) any person who files a petition under section 6295(n) of this title which is denied by the Secretary.

(1976—Subsec. (a). Pub. L. 95–619, §§ 425(g)(1)–(3), 691(b)(2), struck out par. designation “(1)” before “Rules” and substituted reference to section “6295(a)” for “6295(a)(1), (2), or (3)” in first sentence; redesignated subpars. (A) and (B) and cl.s. (1) and (1) of subpar. (B) as pars. (1) and (2) and subpars. (A) and (B) of par. (2), respectively; struck out “paragraph (1), (2), or (3)” before “section 6295(a)” in par. (2) as so redesignated; directed the substitution of “par. (1)” for “subparagraph (A)” in par. (2)(B) as so redesignated, which was executed to par. (2)(A) as so redesignated to reflect the probable intent of Congress; substituted “Secretary” for “Administrator”, meaning Administrator of the Federal Energy Administration, wherever appearing.

Par. (2), which provided that subsecs. (c) and (d) of section 57a of title 15 shall apply to rules under section 6295 of this title (other than subsecs. (a), (2), and (3)) to the same extent that such subsecs. apply to rules under section 57a(a)(1)(B) of title 15, was struck out to reflect the probable intent of Congress in view of the amendment by Pub. L. 95–619, § 425(g)(1), which struck out designation “(1)” after subsection (a) designation, in view of the amendment by Pub. L. 95–619, § 425(g)(4), (5), substituted “section 6295(a)” for “section 6295” as redesignated, and in view of the amendment by Pub. L. 95–619, § 425, to section 6295(a) of this title, which struck out pars. (3) to (5) therefrom.

Subsec. (b). Pub. L. 95–619, § 425(g)(4), (5), substituted “section 6295(a)” for “section 6295” in pars. (1) and (2) and struck out former par. (5) which related to the application of section 57a(e) of title 15 to rules under section 6295 of this title.


$6307. Consumer education

(a) In general

The Secretary shall, in close cooperation and coordination with the Commission and appropriate industry trade associations and industry members, including retailers, and interested consumer and environmental organizations, carry out a program to educate consumers and other persons with respect to—

(1) the significance of estimated annual operating costs;

(2) the way in which comparative shopping, including comparisons of estimated annual operating costs, can save energy for the Nation and money for consumers; and

(3) such other matters as the Secretary determines may encourage the conservation of energy in the use of consumer products.

Such steps to educate consumers may include publications, audiovisual presentations, demonstrations, and the sponsorship of national and regional conferences involving manufacturers, distributors, retailers, and consumers, and State, local, and Federal Government representatives. Nothing in this section may be construed to require the compilation of lists which compare the estimated annual operating costs of consumer products by model or manufacturer’s name.
(b) State and local incentive programs

(1) The Secretary shall, not later than one year after October 24, 1992, issue recommendations to the States for establishing State and local incentive programs designed to encourage the acceleration of voluntary replacement, by consumers, of existing showerheads, faucets, water closets, and urinals with those products that meet the standards established for such products pursuant to subsections (j) and (k) of section 6295 of this title.

(2) In developing such recommendations, the Secretary shall consult with the heads of other federal agencies, including the Administrator of the Environmental Protection Agency; State officials; manufacturers, suppliers, and installers of plumbing products; and other interested parties.

(c) HVAC maintenance

(1) To ensure that installed air conditioning and heating systems operate at maximum rated efficiency levels, the Secretary shall, not later than 180 days after August 8, 2005, carry out a program to educate homeowners and small business owners concerning the energy savings from properly conducted maintenance of air conditioning, heating, and ventilating systems.

(2) The Secretary shall carry out the program under paragraph (1), on a cost-shared basis, in cooperation with the Administrator of the Environmental Protection Agency and any other entities that the Secretary determines to be appropriate, including industry trade associations, industry members, and energy efficiency organizations.

(d) Small business education and assistance

(1) The Administrator of the Small Business Administration, in consultation with the Secretary and the Administrator of the Environmental Protection Agency, shall develop and coordinate a Government-wide program, building on the Energy Star for Small Business Program, to assist small businesses in—

(A) becoming more energy efficient;

(B) understanding the cost savings from improved energy efficiency;

(C) understanding and accessing Federal procurement opportunities with regard to Energy Star technologies and products; and

(D) identifying financing options for energy efficiency upgrades.

(2) The Secretary, the Administrator of the Environmental Protection Agency, and the Administrator of the Small Business Administration shall—

(A) make program information available to small business concerns directly through the district offices and resource partners of the Small Business Administration, including small business development centers, women’s business centers, and the Service Corps of Retired Executives (SCORE), and through other Federal agencies, including the Federal Emergency Management Agency and the Department of Agriculture; and

(B) coordinate assistance with the Secretary of Commerce for manufacturing-related efforts, including the Manufacturing Extension Partnership Program.

(3) The Secretary, on a cost shared basis in cooperation with the Administrator of the Environmental Protection Agency, shall provide to the Small Business Administration all advertising, marketing, and other written materials necessary for the dissemination of information under paragraph (2).

(4) The Secretary, the Administrator of the Environmental Protection Agency, and the Administrator of the Small Business Administration, as part of the outreach to small businesses concerned under the Energy Star Program for Small Business Program, may enter into cooperative agreements with qualified resources partners (including the National Center for Appropriate Technology) to establish, maintain, and promote a Small Business Energy Clearinghouse (in this subsection referred to as the “Clearinghouse”).

(5) The Secretary, the Administrator of the Environmental Protection Agency, and the Administrator of the Small Business Administration shall ensure that the Clearinghouse provides a centralized resource where small business concerns may access, telephonically and electronically, technical information and advice to help increase energy efficiency and reduce energy costs.

(6) There are authorized to be appropriated such sums as are necessary to carry out this subsection, to remain available until expended.


AMENDMENTS

2005—Subsecs. (c), (d). Pub. L. 109–58 added subsecs. (c) and (d).


TRANSFER OF FUNCTIONS

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

§ 6308. Annual report

The Secretary shall report to the Congress and the President either (1) as part of his annual report, or (2) in a separate report submitted annually, on the progress of the program undertaken pursuant to this part and on the energy savings impact of this part. Each such report shall specify the actions undertaken by the Secretary in carrying out this part during the period covered by such report, and those actions which the Secretary was required to take under this part during such period but which were not taken, together with the reasons therefor. Nothing in this section provides a defense or justification for a
§ 6309. Authorization of appropriations

(a) Authorizations for Secretary

There are authorized to be appropriated to the Secretary not more than the following amounts to carry out his responsibilities under this part—

(1) $1,700,000 for fiscal year 1976;
(2) $1,500,000 for fiscal year 1977;
(3) $3,300,000 for fiscal year 1978; and
(4) $10,000,000 for fiscal year 1979.

Amounts authorized for such purposes under paragraph (3) shall be in addition to amounts otherwise authorized and appropriated for such purposes.

(b) Authorizations for Commission

There are authorized to be appropriated to the Commission not more than the following amounts to carry out its responsibilities under this part—

(1) $650,000 for fiscal year 1976;
(2) $700,000 for fiscal year 1977; and
(3) $2,000,000 for fiscal year 1979.

(c) Other authorizations

There are authorized to be appropriated to the Secretary to be allocated not more than the following amounts—

(1) $1,100,000 for fiscal year 1976;
(2) $2,500,000 for fiscal year 1977; and
(3) $1,800,000 for fiscal year 1978.

Such amounts shall, and any amounts authorized to be appropriated under subsection (a) may be allocated by the Secretary to the National Institute of Standards and Technology.

(1978—Subsec. (a). Pub. L. 95–619, §§ 426(a), 691(b)(2), substituted “Secretary” for “Administrator”, meaning Administrator of the Federal Energy Administration, in text preceding par. (1), “$3,300,000” for “$1,500,000” in par. (3), added par. (4), and provided that amounts authorized under par. (3) would be in addition to amounts otherwise authorized and appropriated.

§ 6311. Definitions

For purposes of this part—

(1) The term “covered equipment” means one of the following types of industrial equipment:

(A) Electric motors and pumps.
(B) Small commercial package air conditioning and heating equipment.
(C) Large commercial package air conditioning and heating equipment.
(D) Very large commercial package air conditioning and heating equipment.
(E) Commercial refrigerators, freezers, and refrigerator-freezers.
(F) Automatic commercial ice makers.
(G) Walk-in coolers and walk-in freezers.
(H) Commercial clothes washers.
(I) Packaged terminal air-conditioning and packaged terminal heat pumps.
(J) Warm air furnaces and packaged boilers.
(K) Storage water heaters, instantaneous water heaters, and unfired hot water storage tanks.
(L) Any other type of industrial equipment which the Secretary classifies as covered equipment under section 6312(b) of this title.

(2)(A) The term “industrial equipment” means any article of equipment referred to in subparagraph (B) of a type—

(i) which in operation consumes, or is designed to consume, energy;
(ii) which, to any significant extent, is distributed in commerce for industrial or commercial use; and

(iii) which is not a “covered product” as defined in section 6291(a)(2) of this title, other than a component of a covered product with respect to which there is in effect a determination under section 6312(c) of this title;

without regard to whether such article is in fact distributed in commerce for industrial or commercial use.

(B) The types of equipment referred to in this subparagraph (in addition to electric motors and pumps, commercial package air conditioning and heating equipment, commercial refrigerators, freezers, and refrigerator-freez-
ers, automatic commercial ice makers, commercial clothes washers, packaged terminal air-conditioners, packaged terminal heat pumps, warm air furnaces, packaged boilers, storage water heaters, instantaneous water heaters, and unfired hot water storage tanks) are as follows:

(i) compressors;
(ii) fans;
(iii) blowers;
(iv) refrigeration equipment;
(v) electric lights and lighting power supply circuits;
(vi) electrolytic equipment;
(vii) electric arc equipment;
(viii) steam boilers;
(ix) ovens;
(x) kilns;
(xi) evaporators;
(xii) dryers; and
(xiii) other motors.

(3) The term “energy efficiency” means the ratio of the useful output of services from an article of industrial equipment to the energy use by such article, determined in accordance with test procedures under section 6314 of this title.

(4) The term “energy use” means the quantity of energy directly consumed by an article of industrial equipment at the point of use, determined in accordance with test procedures established under section 6314 of this title.

(5) The term “manufacturer” means any person who manufactures industrial equipment.

(6) The term “label” may include any printed matter determined appropriate by the Secretary.

(7) The terms “energy”, “manufacture”, “import”, “importation”, “consumer product”, “distribute in commerce”, “distribution in commerce”, and “commerce” have the same meaning as is given such terms in section 6291 of this title.

(B) The term “holding temperature application” means a commercial refrigerator with doors that, when fully loaded with 12 ounce beverage cans at 90 degrees F, can cool those beverages to an average stable temperature of 38 degrees F in 12 hours or less.

(E) The term “remote condensing unit” means a factory-made assembly of refrigerating components designed to compress and liquefy a specific refrigerant that is remotely located from the refrigerated equipment and consists of one or more refrigerant compressors, condenser condensers, condenser fans and motors, and factory supplied accessories.

(F) The term “self-contained condensing unit” means a factory-made assembly of refrigerating components designed to compress and liquefy a specific refrigerant that is an integral part of the refrigerated equipment and consists of one or more refrigerant compressors, condenser condensers, condenser fans and motors, and factory supplied accessories.

(A) The term “commercial package air conditioning and heating equipment” means air-cooled, water-cooled, evaporatively-cooled, or water source (not including ground water source) electrically operated, unitary central air conditioners and central air conditioning heat pumps for commercial application.

(B) The term “small commercial package air conditioning and heating equipment” means commercial package air conditioning and heating equipment that is rated below 135,000 Btu per hour (cooling capacity).

(C) The term “large commercial package air conditioning and heating equipment” means commercial package air conditioning and heating equipment that is rated—

(i) at or above 135,000 Btu per hour; and
(ii) below 240,000 Btu per hour (cooling capacity).

(D) The term “very large commercial package air conditioning and heating equipment” means commercial package air conditioning and heating equipment that is rated—

(i) at or above 240,000 Btu per hour; and
(ii) below 760,000 Btu per hour (cooling capacity).

(A) The term “commercial refrigerator, freezer, and refrigerator-freezer” means refrigeration equipment that—
tion warm air furnace/electric air conditioning units but does not include unit heaters and duct furnaces.

(B) The term “packaged boiler” means a boiler that is shipped complete with heating equipment, mechanical draft equipment, and automatic controls; usually shipped in one or more sections.

(12)(A) The term “storage water heater” means a water heater that heats and stores water within the appliance at a thermally controlled temperature for delivery on demand. Such term does not include units with an input rating of 4000 Btu per hour or more per gallon of stored water.

(B) The term “instantaneous water heater” means a water heater that has an input rating of at least 4000 Btu per hour per gallon of stored water.

(C) The term “unfired hot water storage tank” means a tank used to store water that is heated externally.

(13) ELECTRIC MOTOR.—

(A) GENERAL PURPOSE ELECTRIC MOTOR (SUBTYPE I).—The term “general purpose electric motor (subtype I)” means any motor that meets the definition of “General Purpose” as established in the final rule issued by the Department of Energy entitled “Energy Efficiency Program for Certain Commercial and Industrial Equipment: Test Procedures, Labeling, and Certification Requirements for Electric Motors” (10 CFR 431), as in effect on December 19, 2007.

(B) GENERAL PURPOSE ELECTRIC MOTOR (SUBTYPE II).—The term “general purpose electric motor (subtype II)” means motors incorporating the design elements of a general purpose electric motor (subtype I) that are configured as 1 of the following:

(i) A U-Frame Motor.
(ii) A Design C Motor.
(iii) A close-coupled pump motor.
(iv) A Footless motor.
(v) A vertical solid shaft normal thrust motor (as tested in a horizontal configuration).
(vi) An 8-pole motor (900 rpm).
(vii) A poly-phase motor with voltage of not more than 600 volts (other than 230 or 460 volts).1

(C) The term “definite purpose motor” means any motor designed in standard ratings with standard operating characteristics or standard mechanical construction for use under service conditions other than usual or for use on a particular type of application and which cannot be used in most general purpose applications.

(D) The term “special purpose motor” means any motor, other than a general purpose or definite purpose motor, which has special operating characteristics or special mechanical construction, or both, designed for a particular application.

(E) The term “open motor” means a motor having ventilating openings which permit passage of external cooling air over and around the windings of the machine.

1 So in original. A closing parenthesis probably should follow “volts.”
housing common areas and coin laundries; or

(ii) other commercial applications.

(22) The term "harvest rate" means the amount of ice (at 32 degrees F) in pounds produced per 24 hours.

(22) SINGLE PACKAGE VERTICAL AIR CONDITIONER.—The term "single package vertical air conditioner" means air-cooled commercial package air conditioning and heating equipment that—

(A) is factory-assembled as a single package that—

(i) has major components that are arranged vertically;

(ii) is an encased combination of cooling and optional heating components; and

(iii) is intended for exterior mounting on, adjacent interior to, or through an outside wall;

(B) is powered by a single- or 3-phase current;

(C) may contain 1 or more separate indoor grilles, outdoor louvers, various ventilation options, indoor free air discharges, ductwork, well plenum, or sleeves; and

(D) has heating components that may include electrical resistance, steam, hot water, or gas, but may not include reverse cycle refrigeration as a heating means.

(23) SINGLE PACKAGE VERTICAL HEAT PUMP.—The term "single package vertical heat pump" means a single package vertical air conditioner that—

(A) uses reverse cycle refrigeration as its primary heat source; and

(B) may include secondary supplemental heating by means of electrical resistance, steam, hot water, or gas.

(24) SINGLE PACKAGE VERTICAL AIR CONDITIONER.—The term "single package vertical air conditioner” means air-cooled commercial package air conditioning and heating equipment that—

(A) is factory-assembled as a single package that—

(i) has major components that are arranged vertically;

(ii) is an encased combination of cooling and optional heating components; and

(iii) is intended for exterior mounting on, adjacent interior to, or through an outside wall;

(B) is powered by a single- or 3-phase current;

(C) may contain 1 or more separate indoor grilles, outdoor louvers, various ventilation options, indoor free air discharges, ductwork, well plenum, or sleeves; and

(D) has heating components that may include electrical resistance, steam, hot water, or gas, but may not include reverse cycle refrigeration as a heating means.

(23) Single Package Vertical Heat Pump.—The term ‘single package vertical heat pump’ means a single package vertical air conditioner that—

(A) uses reverse cycle refrigeration as its primary heat source; and

(B) may include secondary supplemental heating by means of electrical resistance, steam, hot water, or gas.

AMENDMENTS


2007—Par. (1)(G) to (L). Pub. L. 110–140, § 312(a)(1), added subpar. (G) and redesignated former subpars. (G) to (K) as (H) to (L), respectively.

Par. (3). Pub. L. 110–140, § 313(a), inserted par. heading, added subpars. (A) and (B), redesignated former subpars. (B) to (H) as (C) to (J), respectively, and struck out former subpar. (A) which read as follows: ‘‘The term ‘electric motor’ means any motor which is a general purpose T-frame, single-speed, foot-mounting, polyphase squirrel-cage induction motor of the National Electrical Manufacturers Association, Design A and B, continuous rated, operating on 230/460 volts and constant 60 Hertz line power as defined in NEMA Standards Publication MG1–1987.”

Par. (20). (21). Pub. L. 110–110, § 312(a)(2), (3), added par. (20) and redesignated former par. (20) as (21).

Former par. (21) redesignated (22) relating to harvest rate.

Pub. L. 110–140, § 314(a), added par. (22) relating to single package vertical air conditioner.

Pub. L. 110–140, § 312(a)(2), redesignated par. (21) as (22) relating to harvest rate.

Pub. L. 110–140, § 314(a), added par. (23).

2005—Par. (1)(D) to (K). Pub. L. 109–58, § 136(a)(1), added subpars. (D) to (G) and redesignated former subpars. (D) to (G) as (H) to (K), respectively.


Pars. (8), (9). Pub. L. 109–58, § 136(a)(3), added pars. (8) and (9) and struck out former pars. (8) and (9) which read as follows:

‘‘(8) The term ‘small commercial package air conditioning and heating equipment’ means air-cooled, water-cooled, evaporatively-cooled, or water source (not including ground water source) electrically operated, unitary central air conditioners and central air conditioning heat pumps for commercial application which are rated below 155,000 Btu per hour (cooling capacity).’’

‘‘(9) The term ‘large commercial package air conditioning and heating equipment’ means air-cooled, water-cooled, evaporatively-cooled, or water source (not including ground water source) electrically operated, unitary central air conditioners and central air conditioning heat pumps for commercial application which are rated at or above 155,000 Btu per hour and below 240,000 Btu per hour (cooling capacity).’’


1992—Par. (1)(B) to (G). Pub. L. 102–486, § 122(a)(1), added subpars. (B) to (F) and redesignated former subpar. (B) as (G).

Par. (2)(B). Pub. L. 102–486, § 122(a)(2), in introductory provisions, substituted ‘‘pumps, small and large commercial package air conditioning and heating equipment, packaged terminal air-conditioners, packaged terminal heat pumps, warm air furnaces, packaged boilers, storage water heaters, instantaneous water heaters, and unfired hot water storage tanks’’ for ‘‘pumps’’; redesignated cls. (vi) to (x) and (xii) to (xiv) as cls. (v) to (ix) and (x) to (xii), respectively, and struck out former cls. (v) and (xii) which read ‘‘air conditioning equipment,’’ and ‘‘furnaces,’’ respectively.

Par. (3). Pub. L. 102–486, § 122(f)(1), substituted ‘‘The’’ for ‘‘(3) the’’.


Effective Date of 2007 Amendment

Amendment by Pub. L. 110–140 effective on the date that is 1 day after Dec. 19, 2007, see section 1824 of Title 2, The Congress.

§ 6312. Purposes and coverage

(a) Congressional statement of purpose

It is the purpose of this part to improve the efficiency of electric motors and pumps and certain other industrial equipment in order to conserve the energy resources of the Nation.

(b) Inclusion of industrial equipment as covered equipment

The Secretary may, by rule, include a type of industrial equipment as covered equipment if he determines that to do so is necessary to carry out the purposes of this part.
(c) Inclusion of component parts of consumer products as industrial equipment

The Secretary may, by rule, include as industrial equipment articles which are component parts of consumer products, if he determines that:

(1) such articles are, to a significant extent, distributed in commerce other than as component parts for consumer products; and

(2) such articles meet the requirements of section 6311(2)(A) of this title (other than clauses (ii) and (iii)).


§ 6313. Standards

(a) Small, large, and very large commercial package air conditioning and heating equipment, packaged terminal air conditioners and heat pumps, warm-air furnaces, packaged boilers, storage water heaters, instantaneous water heaters, and unfired hot water storage tanks

(1) Each small commercial package air conditioning and heating equipment (including single package vertical air conditioners and single package vertical heat pumps) manufactured on or after January 1, 1994, shall meet the following standard levels:

(A) The minimum seasonal energy efficiency ratio of air-cooled three-phase electric central air conditioners and central air conditioning heat pumps less than 65,000 Btu per hour (cooling capacity), split systems, shall be 10.0.

(B) The minimum seasonal energy efficiency ratio of air-cooled three-phase electric central air conditioners and central air conditioning heat pumps less than 65,000 Btu per hour (cooling capacity), single package, shall be 9.7.

(C) The minimum energy efficiency ratio of air-cooled central air conditioners and central air conditioning heat pumps at or above 65,000 Btu per hour (cooling capacity) and less than 135,000 Btu per hour (cooling capacity) shall be 8.9 (at a standard rating of 95 degrees F db).

(D) The minimum heating seasonal performance factor of air-cooled three-phase electric central air conditioning heat pumps at or above 65,000 Btu per hour (cooling capacity), split systems, shall be 6.8.

(E) The minimum heating seasonal performance factor of air-cooled three-phase electric central air conditioning heat pumps less than 65,000 Btu per hour (cooling capacity), single package, shall be 6.6.

(F) The minimum coefficient of performance in the heating mode of air-cooled central air conditioning heat pumps at or above 65,000 Btu per hour (cooling capacity) and less than 135,000 Btu per hour (cooling capacity) shall be 3.0 (at a high temperature rating of 47 degrees F db). If a unit has a capacity of less than 7,000 Btu per hour, then 7,000 Btu per hour shall be used in the calculation. If a unit has a capacity of greater than 15,000 Btu per hour, then 15,000 Btu per hour shall be used in the calculation.

(G) The minimum energy efficiency ratio of water- and evaporatively-cooled central air conditioners and central air conditioning heat pumps at or above 135,000 Btu per hour (cooling capacity) shall be 9.6 (according to ARI Standard 360–86).

(2) Each large commercial package air conditioning and heating equipment (including single package vertical air conditioners and single package vertical heat pumps) manufactured on or after January 1, 1995, but before January 1, 2010, shall meet the following standard levels:

(A) The minimum energy efficiency ratio of air-cooled central air conditioners and central air conditioning heat pumps at or above 135,000 Btu per hour (cooling capacity) and less than 240,000 Btu per hour (cooling capacity) shall be 8.5 (at a standard rating of 95 degrees F db).

(B) The minimum coefficient of performance in the heating mode of air-cooled central air conditioning heat pumps at or above 135,000 Btu per hour (cooling capacity) shall be 2.9.

(C) The minimum energy efficiency ratio of water- and evaporatively-cooled central air conditioners and central air conditioning heat pumps at or above 240,000 Btu per hour (cooling capacity) shall be 7.9 (at a standard rating of 95 degrees F db).

(3) Each packaged terminal air conditioner and packaged terminal heat pump manufactured on or after January 1, 1994, shall meet the following standard levels:

(A) The minimum energy efficiency ratio (EER) of packaged terminal air conditioners and packaged terminal heat pumps in the cooling mode shall be 10.0 — (0.16 x Capacity [in thousands of Btu per hour at a standard rating of 95 degrees F db, outdoor temperature]). If a unit has a capacity of less than 7,000 Btu per hour, then 7,000 Btu per hour shall be used in the calculation. If a unit has a capacity of greater than 15,000 Btu per hour, then 15,000 Btu per hour shall be used in the calculation.

(B) The minimum coefficient of performance (COP) of packaged terminal heat pumps in the heating mode shall be 1.3 + (0.16 x the minimum cooling EER as specified in subparagraph (A)) (at a standard rating of 47 degrees F db).

(4) Each warm air furnace and packaged boiler manufactured on or after January 1, 1994, shall meet the following standard levels:

(A) The minimum thermal efficiency at the maximum rated capacity of gas-fired warm-air furnaces with capacity of 225,000 Btu per hour or more shall be 80 percent.
§6313

Title 42—The Public Health and Welfare

(B) The minimum thermal efficiency at the maximum rated capacity of oil-fired warm-air furnaces with capacity of 225,000 Btu per hour or more shall be 81 percent.

(C) The minimum combustion efficiency at the maximum rated capacity of gas-fired packaged boilers with capacity of 300,000 Btu per hour or more shall be 80 percent.

(D) The minimum combustion efficiency at the maximum rated capacity of oil-fired packaged boilers with capacity of 300,000 Btu per hour or more shall be 83 percent.

(5) Each storage water heater, instantaneous water heater, and unfired water storage tank manufactured on or after January 1, 1994, shall meet the following standard levels:

(A) Except as provided in subparagraph (G), the maximum standby loss, in percent per hour, of electric storage water heaters shall be 0.30 + (27/Measured Storage Volume [in gallons]).

(B) Except as provided in subparagraph (G), the maximum standby loss, in percent per hour, of gas- and oil-fired storage water heaters with input ratings of 155,000 Btu per hour or less shall be 1.30 + (114/Measured Storage Volume [in gallons]). The minimum thermal efficiency of such units shall be 78 percent.

(C) Except as provided in subparagraph (G), the maximum standby loss, in percent per hour, of gas- and oil-fired storage water heaters with input ratings of more than 155,000 Btu per hour shall be 1.30 + (95/Measured Storage Volume [in gallons]). The minimum thermal efficiency of such units shall be 78 percent.

(D) The minimum thermal efficiency of instantaneous water heaters with a storage volume of less than 10 gallons shall be 80 percent.

(E) Except as provided in subparagraph (G), the minimum thermal efficiency of instantaneous water heaters with a storage volume of 10 gallons or more shall be 77 percent. The maximum standby loss, in percent/hour of such units shall be 2.30 + (67/Measured Storage Volume [in gallons]).

(F) Except as provided in subparagraph (G), the maximum heat loss of unfired hot water storage tanks shall be 6.5 Btu per hour per square foot of tank surface area.

(G) Storage water heaters and hot water storage tanks having more than 140 gallons of storage capacity need not meet the standby loss or heat loss requirements specified in subparagraphs (A) through (C) and subparagraphs (E) and (F) if the tank surface area is thermally insulated to R–12.5 and if a standing pilot light is not used.

(6) Amended Energy Efficiency Standards.—

(A) In general.—

(i) Analysis of Potential Energy Savings.—If ASHRAE/IES Standard 90.1 is amended with respect to the standard levels or design requirements applicable under that standard to any small commercial package air conditioning and heating equipment, large commercial package air conditioning and heating equipment, very large commercial package air conditioning and heating equipment, packaged terminal air conditioners, packaged terminal heat pumps, warm-air furnaces, packaged boilers, storage water heaters, instantaneous water heaters, or unfired hot water storage tanks, not later than 180 days after the amendment of the standard, the Secretary shall publish in the Federal Register for public comment an analysis of the energy savings potential of amended energy efficiency standards.

(ii) More Stringent Standard for Products.—

(I) In general.—Except as provided in subparagraph (i), not later than 18 months after the date of publication of the amendment to the ASHRAE/IES Standard 90.1 for a product described in clause (i), the Secretary shall establish an amended uniform national standard for the product at the minimum level specified in the amended ASHRAE/IES Standard 90.1.

(ii) More Stringent Standard.—Subclause (I) shall not apply if the Secretary determines, by rule published in the Federal Register, and supported by clear and convincing evidence, that adoption of a uniform national standard more stringent than the amended ASHRAE/IES Standard 90.1 for the product would result in significant additional conservation of energy and is technologically feasible and economically justified.

(B) Rule.—

(i) In general.—If the Secretary makes a determination described in subparagraph (A)(i)(II) for a product described in subparagraph (A)(i), not later than 30 months after the date of publication of the amendment to the ASHRAE/IES Standard 90.1 for the product, the Secretary shall issue the rule establishing the amended standard.

(ii) Factors.—In determining whether a standard is economically justified for the purposes of subparagraph (A)(i)(II), the Secretary shall, after receiving views and comments furnished with respect to the proposed standard, determine whether the benefits of the standard exceed the burden of the proposed standard by, to the maximum extent practicable, considering—

(I) the economic impact of the standard on the manufacturers and on the consumers of the products subject to the standard;

(II) the savings in operating costs throughout the estimated average life of the product in the type (or class) compared to any increase in the price of, or in the initial charges for, or maintenance expenses of, the products that are likely to result from the imposition of the standard;

(III) the total projected quantity of energy savings likely to result directly from the imposition of the standard;

(IV) any lessening of the utility or the performance of the products likely to result from the imposition of the standard;

(V) the impact of any lessening of competition, as determined in writing by the Attorney General, that is likely to result from the imposition of the standard;

(VI) the need for national energy conservation; and

(VII) other factors the Secretary considers relevant.
(iii) Administration.—
   (I) Energy use and efficiency.—The Secretary may not prescribe any amended standard under this paragraph that increases the maximum allowable energy use, or decreases the minimum required energy efficiency, of a covered product.
   (II) Unavailability.—
      (aa) In general.—The Secretary may not prescribe an amended standard under this subparagraph if the Secretary finds (and publishes the finding) that interested persons have established by a preponderance of the evidence that a standard is likely to result in the unavailability in the United States in any product type (or class) of performance characteristics (including reliability, features, sizes, capacities, and volumes) that are substantially the same as those generally available in the United States at the time of the finding of the Secretary.
      (bb) Other types or classes.—The failure of some types (or classes) to meet the criterion established under this subparagraph shall not affect the determination of the Secretary on whether to prescribe a standard for the other types or classes.
   (C) Amendment of standard.—
      (i) In general.—Every 6 years, the Secretary shall conduct an evaluation of each class of covered equipment and shall publish—
         (I) a notice of the determination of the Secretary that standards for the product do not need to be amended, based on the criteria established under subparagraph (A); or
         (II) a notice of proposed rulemaking including new proposed standards based on the criteria and procedures established under subparagraph (B).
      (ii) Notice.—If the Secretary publishes a notice under clause (i), the Secretary shall—
         (I) publish a notice stating that the analysis of the Department is publicly available; and
         (II) provide an opportunity for written comment.
   (iii) Amendment of standard; new determination.—
      (I) Amendment of standard.—Not later than 2 years after a notice is issued under clause (i)(II), the Secretary shall publish a final rule amending the standard for the product.
      (II) New determination.—Not later than 3 years after a determination under clause (i)(I), the Secretary shall make a new determination and publication under subclause (I) or (II) of clause (i).
   (iv) Application to products.—Notwithstanding subparagraph (D), an amendment prescribed under this subparagraph shall apply to products manufactured after a date that is the later of—
      (I) the date that is 3 years after publication of the final rule establishing a new standard; or
      (II) the date that is 6 years after the effective date of the current standard for a covered product.
   (v) Consideration of prices and operating patterns.—If the Secretary is considering revised standards for air-cooled 3-phase central air conditioners and central air conditioning heat pumps with less than 65,000 Btu per hour (cooling capacity), the Secretary shall use commercial energy prices and operating patterns in all analyses conducted by the Secretary.
   (vi) For any covered equipment as to which more than 6 years has elapsed since the issuance of the most recent final rule establishing or amending a standard for the product as of December 18, 2012, the first notice required under clause (i) shall be published by December 31, 2013.
   (D) A standard amended by the Secretary under this paragraph shall become effective for products manufactured—
      (i) with respect to small commercial package air conditioning and heating equipment, packaged terminal air conditioners, packaged terminal heat pumps, warm-air furnaces, packaged boilers, storage water heaters, instantaneous water heaters, and unfired hot water storage tanks, on or after a date which is two years after the effective date of the applicable minimum energy efficiency requirement in the amended ASHRAE/IES standard referred to in subparagraph (A); and
      (ii) with respect to large commercial package air conditioning and heating equipment and very large commercial package air conditioning and heating equipment, on or after a date which is three years after the effective date of the applicable minimum energy efficiency requirement in the amended ASHRAE/IES standard referred to in subparagraph (A); except that an energy conservation standard amended by the Secretary pursuant to a rule under subparagraph (B) shall become effective for products manufactured on or after a date which is four years after the date such rule is published in the Federal Register.
   (7) Small commercial package air conditioning and heating equipment (other than single package vertical air conditioners and single package vertical heat pumps) shall meet the following standards:
      (A) For equipment manufactured on or after January 1, 2010, the minimum energy efficiency ratio of air-cooled central air conditioners at or above 65,000 Btu per hour (cooling capacity) and less than 135,000 Btu per hour (cooling capacity) shall be—
         (i) 11.2 for equipment with no heating or electric resistance heating; and
         (ii) 11.0 for equipment with all other heating system types that are integrated into the equipment (at a standard rating of 95 degrees F (db)).
      (B) For equipment manufactured on or after January 1, 2010, the minimum energy effi-
§ 6313

January 1, 2010, shall meet the following standards:

(A) The minimum energy efficiency ratio of air-cooled central air conditioning heat pumps at or above 65,000 Btu per hour (cooling capacity) and less than 135,000 Btu per hour (cooling capacity) shall be—

(i) 11.0 for equipment with no heating or electric resistance heating; and

(ii) 10.8 for equipment with all other heating system types that are integrated into the equipment (at a standard rating of 95 degrees F db).

(B) The minimum energy efficiency ratio of single package vertical air conditioners and single package vertical heat pumps manufactured on or after January 1, 2010, shall meet the following standards:

(i) 9.5 for equipment with no heating or electric resistance heating; and

(ii) 9.3 for equipment with all other heating system types that are integrated into the equipment (at a standard rating of 95 degrees F db).

(C) The minimum coefficient of performance in the heating mode of air-cooled central air conditioning heat pumps at or above 135,000 Btu per hour (cooling capacity) and less than 240,000 Btu per hour (cooling capacity) shall be 3.2 (at a high temperature rating of 47 degrees F db).

(D) For equipment manufactured on or after January 1, 2010, the minimum coefficient of performance in the heating mode of air-cooled central air conditioning heat pumps at or above 65,000 Btu per hour (cooling capacity) and less than 135,000 Btu per hour (cooling capacity) shall be 3.3 (at a high temperature rating of 47 degrees F db).

(E) The minimum seasonal energy efficiency ratio of air-cooled 3-phase electric central air conditioners and central air conditioning heat pumps less than 65,000 Btu per hour (cooling capacity), single package, shall be 13.0;

(ii) The minimum seasonal energy efficiency ratio of air-cooled 3-phase electric central air conditioners and central air conditioning heat pumps less than 65,000 Btu per hour (cooling capacity), single package, shall be 13.0;

(iii) The minimum heating seasonal performance factor of air-cooled 3-phase electric central air conditioning heat pumps less than 65,000 Btu per hour (cooling capacity), single package, shall be 7.7; and

(iv) The minimum heating seasonal performance factor of air-cooled 3-phase electric central air conditioning heat pumps less than 65,000 Btu per hour (cooling capacity), single package, shall be 7.7.

(F) The minimum energy efficiency ratio of air-cooled central air conditioning heat pumps at or above 240,000 Btu per hour (cooling capacity) and less than 760,000 Btu per hour (cooling capacity) shall be—

(i) 10.0 for equipment with no heating or electric resistance heating; and

(ii) 9.8 for equipment with all other heating system types that are integrated into the equipment (at a standard rating of 95 degrees F db).

(G) The minimum energy efficiency ratio of air-cooled central air conditioner heat pumps at or above 240,000 Btu per hour (cooling capacity) and less than 760,000 Btu per hour (cooling capacity) shall be—

(i) 9.5 for equipment with no heating or electric resistance heating; and

(ii) 9.3 for equipment with all other heating system types that are integrated into the equipment (at a standard rating of 95 degrees F db).

(H) The minimum energy efficiency ratio of air-cooled central air conditioner heat pumps at or above 760,000 Btu per hour (cooling capacity) shall be—

(i) 10.0 for equipment with no heating or electric resistance heating; and

(ii) 9.8 for equipment with all other heating system types that are integrated into the equipment (at a standard rating of 95 degrees F db).

(I) The minimum seasonal energy efficiency ratio of single package vertical air conditioners less than 65,000 Btu per hour (cooling capacity), 3-phase, shall be 9.0.

(J) The minimum seasonal energy efficiency ratio of single package vertical air conditioners less than 65,000 Btu per hour (cooling capacity), single-phase, shall be 8.9.

(K) The minimum energy efficiency ratio of single package vertical air conditioners at or above 135,000 Btu per hour (cooling capacity) but less than 240,000 Btu per hour (cooling capacity), 3-phase, shall be 8.9.

(L) The minimum energy efficiency ratio of single package vertical air conditioners at or above 135,000 Btu per hour (cooling capacity) but less than 240,000 Btu per hour (cooling capacity), single-phase, shall be 7.7.

(M) The minimum energy efficiency ratio of single package vertical heat pumps less
than 65,000 Btu per hour (cooling capacity), single-phase, shall be 9.0 and the minimum coefficient of performance in the heating mode shall be 3.0.

(vi) The minimum energy efficiency ratio of single package vertical heat pumps less than 65,000 Btu per hour (cooling capacity), 3-phase, shall be 9.0 and the minimum coefficient of performance in the heating mode shall be 3.0.

(vii) The minimum energy efficiency ratio of single package vertical heat pumps at or above 65,000 Btu per hour (cooling capacity) but less than 135,000 Btu per hour (cooling capacity), shall be 8.9 and the minimum coefficient of performance in the heating mode shall be 3.0.

(viii) The minimum energy efficiency ratio of single package vertical heat pumps at or above 135,000 Btu per hour (cooling capacity) but less than 240,000 Btu per hour (cooling capacity), shall be 8.6 and the minimum coefficient of performance in the heating mode shall be 2.9.

(B) REVIEW.—Not later than 3 years after December 19, 2007, the Secretary shall review the most recently published ASHRAE/IES Standard 90.1 with respect to single package vertical air conditioners and single package vertical heat pumps in accordance with the procedures established under paragraph (6).

(b) Electric motors

(1) Except for definite purpose motors, special purpose motors, and those motors exempted by the Secretary under paragraph (2), each electric motor manufactured (alone or as a component of another piece of equipment) after the 3-year period beginning on October 24, 1992, or in the case of an electric motor which requires listing after the 3-year period beginning on December 19, 2007, shall have a nominal full load efficiency of not less than as defined in NEMA MG–1 (2006) Table 12–12.

(2) Electric motors.—

(A) General purpose electric motors (subtype I).—Except as provided in subparagraph (B), each general purpose electric motor (subtype I) with a power rating of 1 horsepower or greater, but not greater than 200 horsepower, manufactured (alone or as a component of another piece of equipment) after the 3-year period beginning on December 19, 2007, shall have a nominal full load efficiency that is not less than as defined in NEMA MG–1 (2006) Table 12–11.

(B) Fire pump motors.—Each fire pump motor manufactured (alone or as a component of another piece of equipment) after the 3-year period beginning on December 19, 2007, shall have nominal full load efficiency that is not less than as defined in NEMA MG–1 (2006) Table 12–11.

(C) General purpose electric motors (subtype II).—Each general purpose electric motor (subtype II) with a power rating of 1 horsepower or greater, but not greater than 200 horsepower, manufactured (alone or as a component of another piece of equipment) after the 3-year period beginning on December 19, 2007, shall have a nominal full load efficiency that is not less than as defined in NEMA MG–1 (2006) Table 12–11.

(D) NEMA Design B, general purpose electric motors.—Each NEMA Design B, general purpose electric motor with a power rating of more than 200 horsepower, but not greater than 500 horsepower, manufactured (alone or as a component of another piece of equipment) after the 3-year period beginning on December 19, 2007, shall have a nominal full load efficiency that is not less than as defined in NEMA MG–1 (2006) Table 12–11.

(3)(A) The Secretary may, by rule, provide that the standards specified in paragraph (1) shall not apply to certain types or classes of electric motors if—

(i) compliance with such standards would not result in significant energy savings because such motors cannot be used in most general purpose applications or are very unlikely to be used in most general purpose applications; and

(ii) standards for such motors would not be technologically feasible or economically justified.

(B) Not later than one year after October 24, 1992, a manufacturer seeking an exemption under this paragraph with respect to a type or class of electric motor developed on or before October 24, 1992, shall submit a petition to the Secretary requesting such exemption. Such petition shall include evidence that the type or class of motor meets the criteria for exemption specified in subparagraph (A).
(C) Not later than two years after October 24, 1992, the Secretary shall rule on each petition for exemption submitted pursuant to subparagraph (B). In making such ruling, the Secretary shall afford an opportunity for public comment.

(D) Manufacturers of types or classes of motors developed after October 24, 1992, to which standards under paragraph (1) would be applicable may petition the Secretary for exemptions from compliance with such standards based on the criteria specified in subparagraph (A).

(4)(A) The Secretary shall publish a final rule no later than the end of the 24-month period beginning on the effective date of the standards established under paragraph (1) to determine if such standards should be amended. Such rule shall provide that any amendment shall apply to electric motors manufactured on or after a date which is five years after the effective date of the standards established under paragraph (1).

(B) The Secretary shall publish a final rule no later than 24 months after the effective date of the previous final rule to determine whether to amend the standards in effect for such product. Any such amendment shall apply to electric motors manufactured after a date which is five years after—

(i) the effective date of the previous amendment; or

(ii) if the previous final rule did not amend the standards, the earliest date by which a previous amendment could have been effective.

(c) Commercial refrigerators, freezers, and refrigerator-freezers

(1) In this subsection:

(A) The term “AV” means the adjusted volume ($\text{ft}^3$) (defined as $1.63 \times$ frozen temperature compartment volume ($\text{ft}^3$) + chilled temperature compartment volume ($\text{ft}^3$)) with compartment volumes measured in accordance with the Association of Home Appliance Manufacturers Standard HRF1-1979.

(B) The term “V” means the chilled or frozen compartment volume ($\text{ft}^3$) (as defined in the Association of Home Appliance Manufacturers Standard HRF1-1979).

(C) The term “service over the counter, self-contained, medium temperature commercial refrigerator” or “(SOC–SC–M)” means a medium temperature commercial refrigerator—

(i) with a self-contained condensing unit and equipped with sliding or hinged doors in the back intended for use by sales personnel, and with glass or other transparent material in the front for displaying merchandise; and

(ii) that has a height not greater than 66 inches and is intended to serve as a counter for transactions between sales personnel and customers.

(D) The term “TDA” means the total display area ($\text{ft}^2$) of the refrigerated case, as defined in AHRI Standard 1200.

(E) Other terms have such meanings as may be established by the Secretary, based on industry-accepted definitions and practice.

(2) Each commercial refrigerator, freezer, and refrigerator-freezer with a self-contained condensing unit designed for holding temperature applications manufactured on or after January 1, 2010, shall have a daily energy consumption (in kilowatt hours per day) that does not exceed the following:

- Refrigerators with solid doors ........... 0.10 V + 2.04
- Refrigerators with transparent doors 0.12 V + 3.34
- Freezers with solid doors ................. 0.40 V + 1.38
- Freezers with transparent doors ...... 0.75 V + 1.19

Refrigerator/freezers with solid 0.27 AV – 0.71 doors the greater of.

or 0.70.

(3) Each commercial refrigerator with a self-contained condensing unit designed for pull-down temperature applications and transparent doors manufactured on or after January 1, 2010, shall have a daily energy consumption (in kilowatt hours per day) of not more than 0.126 V + 3.51.

(4)(A) Each SOC–SC–M manufactured on or after January 1, 2012, shall have a total daily energy consumption (in kilowatt hours per day) of not more than $0.6 \times TDA + 1.0$.

(B) Not later than 3 years after December 18, 2012, the Secretary shall—

(i) determine whether the standard established under subparagraph (A) should be amended; and

(ii) if the Secretary determines that such standard should be amended, issue a final rule establishing an amended standard.

(C) If the Secretary issues a final rule pursuant to subparagraph (B) establishing an amended standard, the final rule shall provide that the amended standard shall apply to products manufactured on or after the date that is—

(i) 3 years after the date on which the final amended standard is published; or

(ii) if the Secretary determines, by rule, that 3 years is inadequate, not later than 5 years after the date on which the final rule is published.

(5)(A) Not later than January 1, 2009, the Secretary shall issue, by rule, standard levels for ice-cream freezers, self-contained commercial refrigerators, freezers, and refrigerator-freezers without doors, and remote condensing commercial refrigerators, freezers, and refrigerator-freezers, with the standard levels effective for equipment manufactured on or after January 1, 2012.

(B) The Secretary may issue, by rule, standard levels for other types of commercial refrigerators, freezers, and refrigerator-freezers not covered by paragraph (2)(A) with the standard levels effective for equipment manufactured 3 or more years after the date on which the final rule is published.

(6)(A) Not later than January 1, 2013, the Secretary shall issue a final rule to determine whether the standards established under this subsection should be amended.

(B) Not later than 3 years after the effective date of any amended standards under subparagraph (A) or the publication of a final rule determining that the standards should not be amended, the Secretary shall issue a final rule to determine whether the standards established under this subsection or the amended standards, as applicable, should be amended.

(C) If the Secretary issues a final rule under subparagraph (A) or (B) establishing amended standards for commercial refrigerators, freezers, and refrigerator-freezers manufactured on or after January 1, 2010, they shall have a daily energy consumption (in kilowatt hours per day) that does not exceed the following:

- Refrigerators with solid doors ........... 0.10 V + 2.04
- Refrigerators with transparent doors 0.12 V + 3.34
- Freezers with solid doors ................. 0.40 V + 1.38
- Freezers with transparent doors ...... 0.75 V + 1.19

Refrigerator/freezers with solid 0.27 AV – 0.71 doors the greater of.

or 0.70.
standards, the final rule shall provide that the amended standards apply to products manufactured on or after the date that is—
(i) 3 years after the date on which the final amended standard is published; or
(ii) if the Secretary determines, by rule, that 3 years is inadequate, not later than 5 years after the date on which the final rule is published.

(d) Automatic commercial ice makers

(1) Each automatic commercial ice maker that produces cube type ice with capacities between 50 and 2300 pounds per 24-hour period when tested according to the test standard established in section 6314(a)(7) of this title and is manufactured on or after January 1, 2010, shall meet the following standard levels:

<table>
<thead>
<tr>
<th>Equipment Type</th>
<th>Type of Cooling</th>
<th>Harvest Rate (lbs ice/24 hours)</th>
<th>Maximum Energy Use (kWh/100 lbs Ice)</th>
<th>Maximum Condenser Water Use (gal/100 lbs Ice)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ice Making Head</td>
<td>Water</td>
<td>&lt;500</td>
<td>7.90–0.0055H</td>
<td>200–0.022H</td>
</tr>
<tr>
<td></td>
<td></td>
<td>≥500 and &lt;1436</td>
<td>5.58–0.0011H</td>
<td>200–0.022H</td>
</tr>
<tr>
<td></td>
<td></td>
<td>≥1436</td>
<td>4.0</td>
<td>200–0.022H</td>
</tr>
<tr>
<td>Ice Making Head</td>
<td>Air</td>
<td>&lt;450</td>
<td>10.26–0.0086H</td>
<td>Not Applicable</td>
</tr>
<tr>
<td></td>
<td></td>
<td>≥450</td>
<td>6.89–0.0011H</td>
<td>Not Applicable</td>
</tr>
<tr>
<td>Remote Condensing (but not remote compressor)</td>
<td>Air</td>
<td>&lt;1000</td>
<td>8.85–0.0038H</td>
<td>Not Applicable</td>
</tr>
<tr>
<td></td>
<td></td>
<td>≥1000</td>
<td>5.10</td>
<td>Not Applicable</td>
</tr>
<tr>
<td>Remote Condensing and Remote Compressor</td>
<td>Air</td>
<td>&lt;934</td>
<td>8.85–0.0038H</td>
<td>Not Applicable</td>
</tr>
<tr>
<td></td>
<td></td>
<td>≥934</td>
<td>5.3</td>
<td>Not Applicable</td>
</tr>
<tr>
<td>Self Contained</td>
<td>Water</td>
<td>&lt;200</td>
<td>11.40–0.019H</td>
<td>191–0.0315H</td>
</tr>
<tr>
<td></td>
<td></td>
<td>≥200</td>
<td>7.60</td>
<td>191–0.0315H</td>
</tr>
<tr>
<td>Self Contained</td>
<td>Air</td>
<td>&lt;175</td>
<td>18.0–0.0469H</td>
<td>Not Applicable</td>
</tr>
<tr>
<td></td>
<td></td>
<td>≥175</td>
<td>9.80</td>
<td>Not Applicable</td>
</tr>
</tbody>
</table>

H = Harvest rate in pounds per 24 hours.
Water use is for the condenser only and does not include potable water used to make ice.

(2)(A) The Secretary may issue, by rule, standard levels for types of automatic commercial ice makers that are not covered by paragraph (1).

(B) The standards established under subparagraph (A) shall apply to products manufactured on or after the date that is—
(i) 3 years after the date on which the rule is published under subparagraph (A); or
(ii) if the Secretary determines, by rule, that 3 years is inadequate, not later than 5 years after the date on which the final rule is published.

(3)(A) Not later than January 1, 2015, with respect to the standards established under paragraph (1), and, with respect to the standards established under paragraph (2), not later than 5 years after the date on which the standards take effect, the Secretary shall issue a final rule to determine whether amending the applicable standards is technologically feasible and economically justified.

(B) Not later than 5 years after the effective date of any amended standards under subparagraph (A) or the publication of a final rule determining that amending the standards is not technologically feasible or economically justified, the Secretary shall issue a final rule to determine whether amending the standards established under paragraph (1) or the amended standards, as applicable, is technologically feasible or economically justified.

(C) If the Secretary issues a final rule under subparagraph (A) or (B) establishing amended standards, the final rule shall provide that the amended standards apply to products manufactured on or after the date that is—
(i) 3 years after the date on which the final amended standard is published; or
(ii) if the Secretary determines, by rule, that 3 years is inadequate, not later than 5 years after the date on which the final amended standard is published.

(4) A final rule issued under paragraph (2) or (3) shall establish standards at the maximum level that is technically feasible and economically justified, as provided in subsections (o) and (p) of section 6295 of this title.

(e) Commercial clothes washers

(1) Each commercial clothes washer manufactured on or after January 1, 2007, shall have—
(A) a Modified Energy Factor of at least 1.26; and
(B) a Water Factor of not more than 9.5.

(2)(A)(i) Not later than January 1, 2010, the Secretary shall publish a final rule to determine whether the standards established under paragraph (1) should be amended.
§ 6313  

(2) Electronically commutated motors

(A) In general

The requirements of paragraph (1)(E)(i) for electronically commutated motors shall take effect January 1, 2009, unless, prior to that date, the Secretary determines that such motors are only available from 1 manufacturer.

(B) Other types of motors

In carrying out paragraph (1)(E)(i) and subparagraph (A), the Secretary may allow other types of motors if the Secretary determines that, on average, those other motors use no more energy in evaporator fan applications than electronically commutated motors.

(C) Maximum energy consumption level

The Secretary shall establish the maximum energy consumption level under subparagraph (B) not later than January 1, 2010.

(3) Additional specifications

Each walk-in cooler or walk-in freezer with transparent reach-in doors manufactured on or after January 1, 2009, shall also meet the following specifications:

(A) Transparent reach-in doors for walk-in freezers and windows in walk-in freezer doors shall be of triple-pane glass with either heat-reflective treated glass or gas fill.

(B) Transparent reach-in doors for walk-in coolers and windows in walk-in cooler doors shall be—

(i) double-pane glass with heat-reflective treated glass and gas fill; or

(ii) triple-pane glass with either heat-reflective treated glass or gas fill.

(C) If the appliance has an antisweat heater without antisweat heat controls, the appliance shall have a total door rail, glass, and frame heater power draw of not more than 7.1 watts per square foot of door opening (for freezers) and 3.0 watts per square foot of door opening (for coolers). The appliance shall have a total door rail, glass, and frame heater power draw of not more than 7.1 watts per square foot of door opening (for freezers) and 3.0 watts per square foot of door opening (for coolers).

(D) If the appliance has an antisweat heater with antisweat heat controls, and the total door rail, glass, and frame heater power draw is technologically feasible and economically justified.

(4) Performance-based standards

(A) In general

Not later than January 1, 2012, the Secretary shall publish performance-based standards for walk-in coolers and walk-in freezers that achieve the maximum improvement in energy that the Secretary determines is technologically feasible and economically justified.

(B) Application

(i) In general

Except as provided in clause (ii), the standards shall apply to products described in subparagraph (A) that are manufactured beginning on the date that is 3 years after the final rule is published.

(ii) Delayed effective date

If the Secretary determines, by rule, that a 3-year period is inadequate, the Secretary may establish an effective date for products manufactured beginning on the date that is not more than 5 years after the date of publication of a final rule for the products.
(5) Amendment of standards

(A) In general

Not later than January 1, 2020, the Secretary shall publish a final rule to determine if the standards established under paragraph (4) should be amended.

(B) Application

(i) In general

Except as provided in clause (ii), the rule shall provide that the standards shall apply to products manufactured beginning on the date that is 3 years after the final rule is published.

(ii) Delayed effective date

If the Secretary determines, by rule, that a 3-year period is inadequate, the Secretary may establish an effective date for products manufactured beginning on the date that is not more than 5 years after the date of publication of a final rule for the products.

(6) Innovative component technologies

Subparagraph (C) of paragraph (1) shall not apply to a walk-in cooler or walk-in freezer component if the component manufacturer has demonstrated to the satisfaction of the Secretary that the component reduces energy consumption at least as much as if such subparagraph were to apply. In support of any demonstration under this paragraph, a manufacturer shall provide to the Secretary all data and technical information necessary to fully evaluate its application.

(g) Lighting power supply circuits

If the Secretary, acting pursuant to section 6312(b) of this title, includes as covered equipment solid state lighting power supply circuits, drivers, or devices described in section 6291(36)(A)(ii) of this title, the Secretary may prescribe under this part, not earlier than 1 year after the date on which a test procedure has been prescribed, an energy conservation standard for such equipment.


REFERENCES IN TEXT

Paragraph (2), referred to in subsec. (b)(1), probably means par. (3), formerly par. (2), of subsec. (b) of this section, which was redesignated by Pub. L. 110–140, §313(b)(1)(A).

AMENDMENTS

2012—Subsec. (a)(6)(A)(ii). Pub. L. 112–210, §5(b)(1), inserted “the standard levels or design requirements applicable under that standard to” before “any small commercial”.


Subsec. (a)(6)(C)(i). Pub. L. 112–210, §5(b)(2)(A), in introductory provisions, substituted “Every 6 years,” for “Not later than 6 years after issuance of any final rule establishing or amending a standard, as required for a product under this part,” and inserted “conduct an evaluation of each class of covered equipment and shall” after “the Secretary shall”.


Pub. L. 112–210, §5(b)(2)(B), added cl. (vi) relating to notices for covered equipment for which more than 6 years has elapsed since the issuance of the most recent final rule establishing or amending a standard for the product.

Subsec. (c)(1)(C) to (E). Pub. L. 112–210, §4(1), added subpars. (C) and (D) and redesignated former subpar. (C) as (E).

Subsec. (c)(2)(A) to (6). Pub. L. 112–210, §4(2), added par. (4) and redesignated former pars. (4) and (5) as (5) and (6), respectively.


2007—Subsec. (a)(1). Pub. L. 110–140, §313(b)(1)(A), (B) which related to, in subpar. (A), establishment of amended uniform national standards for certain air conditioning and heating equipment and products if ASHRAE110 Standard 90.1 had been amended and, if such standard had not been amended, initiation of a rulemaking to determine whether a more stringent standard would result in additional energy conserva-
§ 6314. Test procedures

(a) Prescription by Secretary; requirements

(1) TEST PROCEDURES.—

(A)1 Amendment.—At least once every 7 years, the Secretary shall conduct an evaluation of each class of covered equipment and—

(i) if the Secretary determines that amended test procedures would more accurately or fully comply with the requirements of paragraphs (2) and (3), shall prescribe test procedures for the class in accordance with this section; or

(ii) shall publish notice in the Federal Register of any determination not to amend a test procedure.

(2) Test procedures prescribed in accordance with this section shall be reasonably designed to produce test results which reflect energy efficiency, energy use, and estimated operating costs of a type of industrial equipment (or class thereof) during a representative average use cycle (as determined by the Secretary), and shall not be unduly burdensome to conduct.

(3) If the test procedure is a procedure for determining estimated annual operating costs, such procedure shall provide that such costs shall be calculated from measurements of energy use in a representative average-use cycle (as determined by the Secretary), and from representative average unit costs of the energy needed to operate such equipment during such cycle. The Secretary shall provide information to manufacturers of covered equipment respecting representative average unit costs of energy.

(4)(A) With respect to small commercial package air conditioning and heating equipment, large commercial package air conditioning and heating equipment, very large commercial package air conditioning and heating equipment, and large commercial package terminal heat pumps, warm-air furnaces, packaged boilers, storage water heaters, instantaneous water heaters, and unfired hot water storage tanks to which standards are applicable under section 6313 of this title, the test procedures shall be those generally accepted industry testing procedures or rating procedures developed or recognized by the Air-Conditioning, Heating, and Refrigeration Institute or by the American Society of Heating, Refrigerating and Air Conditioning Engineers, as referenced in ASHRAE/IES Standard 90.1 and in effect on June 30, 1992.

(B) If such an industry test procedure or rating procedure for small commercial package air conditioning and heating equipment, large commercial package air conditioning and heating equipment, very large commercial package air conditioning and heating equipment, packaged terminal air conditioners, packaged terminal heat pumps, warm-air furnaces, packaged boilers, storage water heaters, instantaneous water heaters, or unfired hot water storage tanks is amended, the Secretary shall amend the test procedure for the product as necessary to be consistent with the amended industry test procedure or rating procedure unless the Secretary determines, by rule, published in the Federal Register as an Effective Date note under section 1824 of Title 2, The Congress.

1 So in original. No subpar. (b) has been enacted.
Register and supported by clear and convincing evidence, that to do so would not meet the requirements for test procedures described in paragraphs (2) and (3) of this subsection.

(C) If the Secretary prescribes a rule containing such a determination, the rule may establish an amended test procedure for such product that meets the requirements of paragraphs (2) and (3) of this subsection. In establishing any amended test procedure under this subparagraph or subparagraph (B), the Secretary shall follow the procedures and meet the requirements specified in section 6293(e) of this title.

(5)(A) With respect to electric motors to which standards are applicable under section 6313 of this title, the test procedures shall be the test procedures specified in NEMA Standards Publication MG1–1987 and IEEE Standard 112 Test Method B for motor efficiency, as in effect on October 24, 1992.

(B) If the test procedure requirements of NEMA Standards Publication MG–1987 and IEEE Standard 112 Test Method B for motor efficiency are amended, the Secretary shall amend the test procedures established by subparagraph (A) to conform to such amended test procedure requirements unless the Secretary determines, by rule, published in the Federal Register and supported by clear and convincing evidence, that to do so would not meet the requirements for test procedures described in paragraphs (2) and (3) of this subsection.

(C) If the Secretary prescribes a rule containing such a determination, the rule may establish amended test procedures for such electric motors that meets the requirements of paragraphs (2) and (3) of this subsection. In establishing any amended test procedure under this subparagraph or subparagraph (B), the Secretary shall follow the procedures and meet the requirements specified in section 6293(e) of this title.

(6)(A)(1) In the case of commercial refrigerators, freezers, and refrigerator-freezers, the test procedures shall be—

(I) the test procedures determined by the Secretary to be generally accepted industry testing procedures; or

(II) rating procedures developed or recognized by the ASHRAE or by the American National Standards Institute.

(ii) In the case of self-contained refrigerators, freezers, and refrigerator-freezers to which standards are applicable under paragraphs (2) and (3) of section 6313(c) of this title, the initial test procedures shall be the ASHRAE 117 test procedure that is in effect on January 1, 2005.

(B)(1)2 In the case of commercial refrigerators, freezers, and refrigerator-freezers with doors covered by the standards adopted in February 2002, by the California Energy Commission, the rating temperatures shall be the integrated average temperature of 38 degrees F (± 2 degrees F) for refrigerator compartments and 6 degrees F (± 2 degrees F) for freezer compartments.

(C) The Secretary shall issue a rule in accordance with paragraphs (2) and (3) to establish the appropriate rating temperatures for the other products for which standards will be established under section 6313(c)(4)3 of this title.

(D) In establishing the appropriate test temperatures under this subparagraph, the Secretary shall follow the procedures and meet the requirements under section 6293(e) of this title.

(E)(i) Not later than 180 days after the publication of the new ASHRAE 117 test procedure or the ASHRAE 117 test procedure for commercial refrigerators, freezers, and refrigerator-freezers is amended, the Secretary shall, by rule, amend the test procedure for the product as necessary to ensure that the test procedure is consistent with the amended ASHRAE 117 test procedure, unless the Secretary makes a determination, by rule, and supported by clear and convincing evidence, that to do so would not meet the requirements for test procedures under paragraphs (2) and (3).

(ii) If the Secretary determines that 180 days is an insufficient period during which to review and adopt the amended test procedure or rating procedure under clause (i), the Secretary shall publish a notice in the Federal Register stating the intent of the Secretary to wait not longer than 1 additional year before putting into effect an amended test procedure or rating procedure.

(F)(i) If a new test procedure other than the ASHRAE 117 test procedure is approved by the American National Standards Institute, the Secretary shall, by rule—

(I) review the relative strengths and weaknesses of the new test procedure relative to the ASHRAE 117 test procedure; and

(II) based on that review, adopt one new test procedure for use in the standards program.

(ii) If a new test procedure is adopted under clause (i)—

(I) section 6293(e) of this title shall apply; and

(II) subparagraph (B) shall apply to the adopted test procedure.

(7)(A) In the case of automatic commercial ice makers, the test procedures shall be the test procedures specified in Air-Conditioning, Heating, and Refrigeration Institute Standard 810–2003, as in effect on January 1, 2005.

(B)(i) If Air-Conditioning, Heating, and Refrigeration Institute Standard 810–2003 is amended, the Secretary shall amend the test procedures established in subparagraph (A) as necessary to be consistent with the amended Air-Conditioning, Heating, and Refrigeration Institute Standard, unless the Secretary determines, by rule, published in the Federal Register and supported by clear and convincing evidence, that to do so would not meet the requirements for test procedures under paragraphs (2) and (3).

(ii) If the Secretary issues a rule under clause (i) containing a determination described in clause (ii), the rule may establish an amended test procedure for the product that meets the requirements of paragraphs (2) and (3).

(C) The Secretary shall comply with section 6293(e) of this title in establishing any amended test procedure under this paragraph.

(8) With respect to commercial clothes washers, the test procedures shall be the same as the test procedures established by the Secretary for residential clothes washers under section 6295(g) of this title.

(9) WALK-IN COOLERS AND WALK-IN FREEZERS.—
under this section, the Secretary shall—

(b) Publication in Federal Register; presentment developments relating to the energy efficiency as he deems relevant, including technological and, on the basis of such reevaluation, shall de -

after), conduct a reevaluation of such procedure under this section (and from time to time there -

after the date of prescribing a test procedure

retary shall take into account such information ed. In conducting such reevaluation, the Sec -

(Underline)

(b) Publication in Federal Register; presentment of oral and written data, views, and arguments by interested persons

Before prescribing any final test procedures under this section, the Secretary shall—

(1) publish proposed test procedures in the Federal Register; and

(2) afford interested persons an opportunity (of not less than 45 days’ duration) to present oral and written data, views, and arguments on the proposed test procedures.

(c) Reevaluations

(1) The Secretary shall, not later than 3 years after the date of prescribing a test procedure under this section (and from time to time thereafter), conduct a reevaluation of such procedure and, on the basis of such reevaluation, shall de -

termine if such test procedure should be amended. In conducting such reevaluation, the Sec -

retary shall take into account such information as he deems relevant, including technological developments relating to the energy efficiency of the type (or class) of covered equipment involved.

(2) If the Secretary determines under para -

graph (1) that a test procedure should be amended, he shall promptly publish in the Federal Register proposed test procedures incorporating such amendments and afford interested persons an opportunity to present oral and written data, views, and arguments. Such comment period shall not be less than 45 days’ duration.

(d) Prohibited representations

(1) Effective 180 days (or, in the case of small commercial package air conditioning and heating equipment, large commercial package air conditioning and heating equipment, very large commercial package air conditioning and heating equipment, commercial refrigerators, freez -

ers, and refrigerator-freezers, automatic commercial ice makers, commercial clothes wash -

ers, packaged terminal air conditioners, pack -

aged terminal heat pumps, warm-air furnaces, packaged boilers, storage water heaters, instan -

taneous water heaters, and unfired hot water storage tanks, 360 days) after a test procedure rule applicable to any covered equipment is pre -

scribed under this section, no manufacturer, distrib -

utor, retailer, or private labeler may make any representation—

(A) in writing (including any representation on a label), or

(B) in any broadcast advertisement, respecting the energy consumption of such equipment or cost of energy consumed by such equipment, unless such equipment has been test -

ed in accordance with such test procedure and such representation fairly discloses the results of such testing.

(2) On the petition of any manufacturer, distrib -

utor, retailer, or private labeler, filed not later than the 60th day before the expiration of the period involved, the 180-day period referred to in paragraph (1) may be extended by the Sec -

retary with respect to the petitioner (but in no event for more than an additional 180 days) if he finds that the requirements of paragraph (1) would impose on such petitioner an undue hardships (as determined by the Secretary).

(e) Assistance by National Institute of Standards and Technology

The Secretary may direct the National Insti -

tute of Standards and Technology to provide such assistance as the Secretary deems nec -

essary to carry out his responsibilities under this part, including the development of test pro -

cedures.

References in Text

Section 6313(c)(4) of this title, referred to in subsec. (a)(6)(C), was redesignated section 6313(c)(5) of this title by Pub. L. 112–210, §42, Dec. 12, 2012, 126 Stat. 1517.

Amendments


Subsec. (a)(4)(A), (7). Pub. L. 112–210, §10(c)(2), substi -


2007—Subsec. (a). Pub. L. 110–140, §302(b), as amended by Pub. L. 112–210, §10(a)(2), inserted subsec. heading, added par. (1), and struck out former par. (1) which read as follows: “The Secretary may conduct an evaluation of a class of covered equipment and may prescribe test procedures for such class in accordance with the provi -

sions of this section.”

Subsec. (a)(9). Pub. L. 110–140, §312(c), added par. (9).


equipment, commercial refrigerators, freezers, and refrigerator-freezers, automatic commercial ice makers, commercial clothes washers,” after “large commercial package air conditioning and heating equipment,” in introductory provisions.

1992—Subsec. (a)(1). Pub. L. 102–486, §122(b)(1)(A), added par. (1) and struck out former par. (1) which read as follows: “If the Secretary has conducted an evaluation of a class of covered equipment under section 6313 of this title, he may prescribe test procedures for such class in accordance with the following provisions of this section.”


Subsecs. (c), (d). Pub. L. 102–486, §122(f)(2), redesignated subsec. (d), relating to reevaluations, as (c).

Subsec. (d)(1). Pub. L. 102–486, §122(b)(2), inserted “or, in the case of small commercial package air conditioning and heating equipment, large commercial package air conditioning and heating equipment, packaged terminal air conditioners, packaged terminal air conditioners, packaged terminal heat pumps, warm-air furnaces, packaged boilers, storage water heaters, instantaneous water heaters, and unfired hot water storage tanks, 360 days” after “180 days”.


§6314. Labeling

(a) Prescription by Secretary

If the Secretary has prescribed test procedures under section 6314 of this title for any class of covered equipment, he shall prescribe a labeling rule applicable to such class of covered equipment in accordance with the following provisions of this section.

(b) Disclosure of energy efficiency of articles of covered equipment

A labeling rule prescribed in accordance with this section shall require that each article of covered equipment which is in the type (or class) of industrial equipment to which such rule applies, discloses by label, the energy efficiency of such article, determined in accordance with test procedures under section 6314 of this title. Such rule may also require that such disclosure include the estimated operating costs and energy use, determined in accordance with test procedures under section 6314 of this title.

(c) Inclusion of requirements

A rule prescribed in accordance with this section shall include such requirements as the Secretary determines are likely to assist purchasers in making purchasing decisions, including—

(1) requirements and directions for display of any label,
(2) requirements for including on any label, or separately attaching to, or shipping with, the covered equipment, such additional information relating to energy efficiency, energy use, and other measures of energy consumption, including instructions for the maintenance, use, or repair of the covered equipment, as the Secretary determines necessary to provide adequate information to purchasers, and
(3) requirements that printed matter which is displayed or distributed at the point of sale of such equipment shall disclose such information as may be required under this section to be disclosed on the label of such equipment.

(d) Labeling rules applicable to electric motors

Subject to subsection (b), not later than 12 months after the Secretary establishes test procedures for electric motors under section 6314 of this title, the Secretary shall prescribe labeling rules under this section applicable to electric motors taking into consideration NEMA Standards Publication MG1–1987. Such rules shall provide that the labeling of any electric motor manufactured after the 12-month period beginning on the date the Secretary prescribes such labeling rules, shall—

(1) indicate the energy efficiency of the motor on the permanent nameplate attached to such motor;
(2) prominently display the energy efficiency of the motor in equipment catalogs and other material used to market the equipment; and
(3) include such other markings as the Secretary determines necessary solely to facilitate enforcement of the standards established for electric motors under section 6313 of this title.

(e) Labeling rules for air conditioning and heating equipment

Subject to subsection (b), not later than 12 months after the Secretary establishes test procedures for small commercial package air conditioning and heating equipment, large commercial package air conditioning and heating equipment, very large commercial package air conditioning and heating equipment, commercial refrigerators, freezers, and refrigerator-freezers, automatic commercial ice makers, commercial clothes washers, walk-in coolers and walk-in freezers, packaged terminal air conditioners, packaged terminal heat pumps, warm-air furnaces, packaged boilers, storage water heaters, instantaneous water heaters, and unfired hot water storage tanks under section 6314 of this title, the Secretary shall prescribe labeling rules under this section for such equipment. Such rules shall provide that the labeling of any small commercial package air conditioning and heating equipment, large commercial package air conditioning and heating equipment, very large commercial package air conditioning and heating equipment, commercial refrigerators, freezers, and refrigerator-freezers, automatic commercial ice makers, commercial clothes washers, walk-in coolers and walk-in freezers, packaged terminal air conditioner, packaged terminal heat pump, warm-air furnace, packaged boiler, storage water heater, instantaneous water heater, and unfired hot water storage tank manufactured after the 12-month period beginning on the date the Secretary prescribes such rules shall—

(1) indicate the energy efficiency of the equipment on the permanent nameplate at-
tached to such equipment or other nearby permanent marking;
(2) prominently display the energy efficiency of the equipment in new equipment catalogs used by the manufacturer to advertise the equipment; and
(3) include such other markings as the Secretary determines necessary solely to facilitate enforcement of the standards established for such equipment under section 6313 of this title.

(f) Consultation with Federal Trade Commission
Before prescribing any labeling rules for a type (or class) of covered equipment, the Secretary shall consult with, and obtain the written views of, the Federal Trade Commission with respect to such rules. The Federal Trade Commission shall promptly provide such written views upon the request of the Secretary.

(g) Publication in Federal Register; presentment of oral and written data, views, and arguments of interested persons
(1) Before prescribing any labeling rules under this section, the Secretary shall—
(A) publish proposed labeling rules in the Federal Register, and
(B) afford interested persons an opportunity (of not less than 45 days’ duration) to present oral and written data, views, and arguments on the proposed rules.
(2) A labeling rule prescribed under this section shall take effect not later than 6 months after such date of prescription if the Secretary determines that such extension is necessary to allow persons subject to such rules adequate time to come into compliance with such rules.

(h) Restrictions on Secretary’s authority to promulgate rules
The Secretary shall not promulgate labeling rules for any class of industrial equipment unless he has determined that—
(1) labeling in accordance with this section is technologically and economically feasible with respect to such class;
(2) significant energy savings will likely result from such labeling; and
(3) labeling in accordance with this section is likely to assist consumers in making purchasing decisions.

(i) Tests for accuracy of information contained on labels
When requested by the Secretary, any manufacturer of industrial equipment to which a rule under this section applies shall supply at his own expense a reasonable number of articles of such covered equipment to any laboratory or testing facility designated by the Secretary, or permit representatives of such laboratory or facility to test such equipment at the site where it is located, for purposes of ascertaining whether the information set out on the label, or otherwise required to be disclosed, as required under this section, is accurate. Any reasonable charge levied by the laboratory or facility for such testing shall be borne by the United States, if and to the extent provided in appropriations Acts.

(j) Products completed prior to effective date of rules
A labeling rule under this section shall not apply to any article of covered equipment the manufacture of which was completed before the effective date of such rule.

(k) Labeling authority under Federal Trade Commission Act
Until such time as labeling rules under this section take effect with respect to a type (or class) of covered equipment, this section shall not affect any authority of the Commission under the Federal Trade Commission Act [15 U.S.C. 41 et seq.] to require labeling with respect to energy consumption of such type (or class) of covered equipment.


REFERENCES IN TEXT
The Federal Trade Commission Act, referred to in subsec. (k), is act Sept. 26, 1914, ch. 311, 38 Stat. 717, as amended, which is classified generally to subchapter I of chapter 2 of Title 15, Commerce and Trade. For complete classification of this Act to the Code, see section 58 of Title 15 and Tables.

AMENDMENTS
Subsec. (c). Pub. L. 102–486, §122(c)(2), substituted “shall include” for “may include”.
Subsecs. (d) to (k). Pub. L. 102–486, §122(c)(3), (4), added subsecs. (d) and (e) and redesignated former subsecs. (d) to (i) as (f) to (k), respectively.

EFFECTIVE DATE OF 2007 AMENDMENT
Amendment by Pub. L. 110–140 effective on the date that is 1 day after Dec. 19, 2007, see section 1601 of Pub. L. 110–140, set out as an Effective Date note under section 1824 of Title 2, The Congress.

§6316. Administration, penalties, enforcement, and preemption

(a) The provisions of section 6296(a), (b), and (d) of this title, the provisions of subsections (f) through (s) of section 6295 of this title, and section 1 through 6297 through 6306 of this title shall apply with respect to this part (other than the equipment specified in subparagraphs (B), (C), (D), (I), (J), and (K) of section 6311(1) of this title) to the same extent and in the same manner as they

1So in original. Probably should be “sections”.

1
apply in part A. In applying such provisions for the purposes of this part—

(1) references to sections 6293, 6294, and 6295 of this title shall be considered as references to sections 6314, 6315, and 6313 of this title, respectively;

(2) references to “this part” shall be treated as referring to part A-1;

(3) the term “equipment” shall be substituted for the term “product”;

(4) the term “Secretary” shall be substituted for “Commission” each place it appears (other than in section 6303(c) of title);

(5) section 6297(a) of this title shall be applied, in the case of electric motors, as if the National Appliance Energy Conservation Act of 1987 was the Energy Policy Act of 1992;

(6) section 6297(b)(1) of this title shall be applied as if electric motors were fluorescent lamp ballasts and as if the National Appliance Energy Conservation Amendments of 1988 were the Energy Policy Act of 1992;

(7) section 6297(b)(4) of this title shall be applied as if electric motors were fluorescent lamp ballasts and as if paragraph (5) of section 6295(g) of this title were section 6313 of this title;

(8) notwithstanding any other provision of law, a regulation or other requirement adopted by a State or subdivision of a State contained in a State or local building code for new construction concerning the energy efficiency or energy use of an electric motor covered under this part is not superseded by the standards for such electric motor established or prescribed under section 6313(b) of this title if such regulation or requirement is identical to the standards established or prescribed under such section;

(9) in the case of commercial clothes washers, section 6297(b)(1) of this title shall be applied as if the National Appliance Energy Conservation Act of 1987 was the Energy Policy Act of 2005; and

(10) section 6297 of this title shall apply with respect to the equipment described in section 6311(1)(L) of this title beginning on the date on which a final rule establishing an energy conservation standard is issued by the Secretary, except that any State or local standard prescribed or enacted for the equipment before the date on which the final rule is issued shall not be preempted until the energy conservation standard established by the Secretary for the equipment takes effect.

(b) The provisions of section 6295(p)(4) of this title, section 6296(a), (b), and (d) of this title, section 6297(a) of this title, and sections 6296 through 6306 of this title shall apply with respect to the equipment specified in subparagraphs (B), (C), (D), (I), (J), and (K) of section 6311(1) of this title to the same extent and in the same manner as they apply in part A. In applying such provisions for the purposes of such equipment, paragraphs (1), (2), (3), and (4) of subsection (a) shall apply.

(2) A standard prescribed or established under section 6313(a) of this title shall, beginning on the effective date of such standard, supersede any State or local regulation concerning the energy efficiency or energy use of a product for which a standard is prescribed or established pursuant to such section.

(B) Notwithstanding subparagraph (A), a standard prescribed or established under section 6313(a) of this title shall not supersede a standard for such a product contained in a State or local building code for new construction if—

(i) the standard in the building code does not require that the energy efficiency of such product exceed the applicable minimum energy efficiency requirement in amended ASHRAE/IES Standard 90.1; and

(ii) the standard in the building code does not take effect prior to the effective date of the applicable minimum energy efficiency requirement in amended ASHRAE/IES Standard 90.1.

(C) Notwithstanding subparagraph (A), a standard prescribed or established under section 6313(a) of this title shall not supersede the standards established by the State of California set forth in Table C-6, California Code of Regulations, Title 24, Part 2, Chapter 2–53, for water-source heat pumps below 135,000 Btu per hour (cooling capacity) that become effective on January 1, 1993.

(D) Notwithstanding subparagraph (A), a standard prescribed or established under section 6313(a) of this title shall not supersede a State regulation which has been granted a waiver by the Secretary. The Secretary may grant a waiver pursuant to the terms, conditions, criteria, procedures, and other requirements specified in section 6297(d) of this title.

(e) With respect to any electric motor to which standards are applicable under section 6313(b) of this title, the Secretary shall require manufacturers to certify, through an independent testing or certification program nationally recognized in the United States, that such motor meets the applicable standard.

(d)(1) Except as provided in paragraphs (2) and (3), section 6297 of this title shall apply with respect to very large commercial package air conditioning and heating equipment to the same extent and in the same manner as section 6297 of this title applies under part A on August 8, 2005.

(2) Any State or local standard issued before August 8, 2005, shall not be preempted until the standards established under section 6313(a)(9) of this title take effect on January 1, 2010.

(e)(1)(A) Subsections (a), (b), and (d) of section 6296 of this title, subsections (m) through (s) of section 6295 of this title, and sections 6298 through 6306 of this title shall apply with respect to commercial refrigerators, freezers, and refrigerator-freezers to the same extent and in the same manner as those provisions apply under part A.

(B) In applying those provisions to commercial refrigerators, freezers, and refrigerator-freezers for which standards are established under paragraphs (2) and (3) of section 6313(c) of this title to the same extent and in the same manner as those provisions apply under part A on August 8, 2005, except that any State or local standard issued before August 8, 2005,
shall not be preempted until the standards established under paragraphs (2) and (3) of section 6313(c) of this title take effect.

(B) In applying section 6297 of this title in accordance with subparagraph (A), paragraphs (1), (2), and (3) of subsection (a) shall apply.

(3)(A) Section 6297 of this title shall apply to commercial refrigerators, freezers, and refrigerator-freezers for which standards are established under section 6313(c)(4) of this title to the same extent and in the same manner as the provisions apply under part A on the date of publication of the final rule by the Secretary, except that any State or local standard issued before the date of publication of the final rule by the Secretary shall not be preempted until the standards take effect.

(B) In applying section 6297 of this title in accordance with subparagraph (A), paragraphs (1), (2), and (3) of subsection (a) shall apply.

(4)(A) If the Secretary does not issue a final rule for a specific type of commercial refrigerator, freezer, or refrigerator-freezer within the timeframe specified in section 6313(c)(3) of this title, subsections (b) and (c) of section 6297 of this title shall not apply to that specific type of refrigerator, freezer, or refrigerator-freezer for the period beginning on the date that is 2 years after the scheduled date for a final rule and ending on the date on which the Secretary publishes a final rule covering the specific type of refrigerator, freezer, or refrigerator-freezer.

(B) Any State or local standard issued before the date of publication of the final rule shall not be preempted until the final rule takes effect.

(5)(A) In the case of any commercial refrigerator, freezer, or refrigerator-freezer to which standards are applicable under paragraphs (2) and (3) of section 6313(c) of this title, the Secretary shall require manufacturers to certify, through an independent, nationally recognized testing or certification program, that the commercial refrigerator, freezer, or refrigerator-freezer meets the applicable standard.

(B) The Secretary shall, to the maximum extent practicable, encourage the establishment of at least 2 independent testing and certification programs.

(C) As part of certification, information on equipment energy use and interior volume shall be made available to the Secretary.

(f)(1)(A) Except as provided in clause (ii), section 6297 of this title shall apply to automatic commercial ice makers for which standards have been established under section 6313(d)(1) of this title to the same extent and in the same manner as the section applies under part A on August 8, 2005.

(ii) Any State standard issued before August 8, 2005, shall not be preempted until the standards established under section 6313(d)(1) of this title take effect.

(2)(A) Except as provided in clause (ii), section 6297 of this title shall apply to automatic commercial ice makers for which standards have been established under section 6313(d)(2) of this title to the same extent and in the same manner as the section applies under part A on the date of publication of the final rule by the Secretary.

(ii) Any State standard issued before the date of publication of the final rule by the Secretary shall not be preempted until the standards established under section 6313(d)(2) of this title take effect.

(3)(A) If the Secretary does not issue a final rule for a specific type of automatic commercial ice maker within the timeframe specified in section 6313(d) of this title, subsections (b) and (c) of section 6297 of this title shall no longer apply to the specific type of automatic commercial ice maker.

(B) Any State standard issued before the date of publication of the final rule shall not be preempted until the standards established in the final rule take effect.

(4)(A) The Secretary shall monitor whether manufacturers are reducing harvest rates below tested values for the purpose of bringing non-complying equipment into compliance.

(B) If the Secretary finds that there has been a substantial amount of manipulation with respect to harvest rates under subparagraph (A), the Secretary shall take steps to minimize the manipulation, such as requiring harvest rates to be within 5 percent of tested values.

(g)(1)(A) If the Secretary does not issue a final rule for commercial clothes washers within the timeframe specified in section 6313(e)(2) of this title, subsections (b) and (c) of section 6297 of this title shall not apply to commercial clothes washers for the period beginning on the date after the scheduled date for a final rule and ending on the date on which the Secretary publishes a final rule covering commercial clothes washers.

(B) Any State or local standard issued before the date on which the Secretary publishes a final rule shall not be preempted until the standards established under section 6313(e)(2) of this title take effect.

(2) The Secretary shall undertake an educational program to inform owners of laundromats, multifamily housing, and other sites where commercial clothes washers are located about the new standard, including impacts on washer purchase costs and options for recovering those costs through coin collection services.

(h) WALK-IN COOLERS AND WALK-IN FREEZERS.—

(1) COVERED TYPES.—

(A) RELATIONSHIP TO OTHER LAW.—

(i) IN GENERAL.—Except as otherwise provided in this subsection, section 6297 of this title shall apply to walk-in coolers and walk-in freezers for which standards have been established under paragraphs (1), (2), and (3) of section 6313(f) of this title to the same extent and in the same manner as the section applies under part A on December 19, 2007.

(ii) STATE STANDARDS.—Any State standard prescribed before December 19, 2007,
shall not be preempted until the standards established under paragraphs (1) and (2) of section 6313(f) of this title take effect.

(B) Administration.—In applying section 6297 of this title to equipment under subparagraph (A), paragraphs (1), (2), and (3) of subsection (a) shall apply.

(2) Final rule not timely.—

(A) In general.—If the Secretary does not issue a final rule for a specific type of walk-in cooler or walk-in freezer within the time-frame established under paragraph (4) or (5) of section 6313(f) of this title, subsections (b) and (c) of section 6297 of this title shall no longer apply to the specific type of walk-in cooler or walk-in freezer during the period—

(i) beginning on the day after the scheduled date for a final rule; and

(ii) ending on the date on which the Secretary publishes a final rule covering the specific type of walk-in cooler or walk-in freezer.

(B) State standards.—Any State standard issued before the publication of the final rule shall not be preempted until the standards established in the final rule take effect.

(3) California.—Any standard issued in the State of California before January 1, 2011, under title 20 of the California Code of Regulations, that refers to walk-in coolers and walk-in freezers, for which standards have been established under paragraphs (1), (2), and (3) of section 6313(f) of this title, shall not be preempted until the standards established under section 6313(f)(4) of this title take effect.


REFERENCES IN TEXT


Section 6313(c)(4) and (c)(6) of this title, referred to in subsec. (e)(3)(A) and (4)(A), were redesignated section 6313(c)(5) and (c)(6) of this title, respectively, by Pub. L. 112–210, §4(2), Dec. 18, 2012, 126 Stat. 1617.

AMENDMENTS


Subsec. (a). Pub. L. 112–210, §10(a)(5)(A), substituted “subparagraphs (B), (C), (D), (I), (J), and (K)” for “subparagraphs (B) through (G)” in introductory provisions.


Subsec. (b)(1). Pub. L. 112–210, §10(a)(5)(A), substituted “subparagraphs (B), (C), (D), (I), (J), and (K)” for “subparagraphs (B) through (G)”.


2007—Subsec. (a). Pub. L. 110–140, §312(e)(1), substituted “subparagraphs (B) through (G)” for “subparagraphs (B), (C), (D), (E), and (F)” in introductory provisions.

Subsec. (b)(1). Pub. L. 110–140, §§308(b), 312(e)(1), inserted “section 6296(p)(5) of this title,” after “The provisions of” and substituted “subparagraphs (B) through (G)” for “subparagraphs (B), (C), (D), (E), and (F)”.


Subsec. (b)(1). Pub. L. 109–58, §136(h)(2), substituted “part A” for “part B”, which for purposes of codification had been translated as “part A” thus requiring no change in text.

Subsecs. (d) to (g). Pub. L. 109–58, §136(h)(3), added subsecs. (d) to (g).


Subsec. (a). Pub. L. 102–486, §122(e)(1)(A), inserted “‘other than the equipment specified in subparagraphs (B), (C), (D), (E), and (F) of section 6311(l) of this title’” after “‘to this part’ and substituted ‘‘ the provisions of subsections (l) through (s) of section 6296 of this title, and section 6297’” for “‘and sections 6298’”.

Subsec. (a)(1). Pub. L. 102–486, §122(e)(1)(B), substituted ‘‘6294, and 6295 of this title’’ for ‘‘6294 of this title’’ and substituted ‘‘6314, 6315, and 6313 of this title, respectively’’ for ‘‘6314 and 6315 of this title, respectively’’.


Subsec. (b). (c). Pub. L. 102–486, §122(e)(2), added subsecs. (b) and (c).

EFFECTIVE DATE OF 2012 AMENDMENT


EFFECTIVE DATE OF 2007 AMENDMENT

Amendment by Pub. L. 110–140 effective on the date that is 1 day after Dec. 19, 2007, see section 1601 of Pub. L. 110–140, set out as an Effective Date note under section 1824 of Title 2, The Congress.

§6317. Energy conservation standards for high-intensity discharge lamps, distribution transformers, and small electric motors

(a) High-intensity discharge lamps and distribution transformers

(1) The Secretary shall, within 30 months after October 24, 1992, prescribe testing requirements for those high-intensity discharge lamps and distribution transformers for which the Secretary makes a determination that energy con-
servation standards would be technologically feasible and economically justified, and would result in significant energy savings.

(2) The Secretary shall, within 18 months after the date on which testing requirements are prescribed by the Secretary pursuant to paragraph (1), prescribe, by rule, energy conservation standards for those high-intensity discharge lamps and distribution transformers for which the Secretary prescribed testing requirements under paragraph (1).

(3) Any standard prescribed under paragraph (2) with respect to high-intensity discharge lamps shall apply to such lamps manufactured 36 months after the date such rule is published.

(b) Small electric motors

(1) The Secretary shall, within 30 months after October 24, 1992, prescribe testing requirements for those small electric motors for which the Secretary makes a determination that energy conservation standards would be technologically feasible and economically justified, and would result in significant energy savings.

(2) The Secretary shall, within 18 months after the date on which testing requirements are prescribed by the Secretary pursuant to paragraph (1), prescribe, by rule, energy conservation standards for those small electric motors for which the Secretary prescribed testing requirements under paragraph (1).

(3) Any standard prescribed under paragraph (2) shall apply to small electric motors manufactured 60 months after the date such rule is published or, in the case of small electric motors which require listing or certification by a nationally recognized testing laboratory, 84 months after such date. Such standards shall not apply to any small electric motor which is a component of a covered product under section 6292(a) of this title or a covered equipment under section 6311 of this title.

(c) Consideration of criteria under other law

In establishing any standard under this section, the Secretary shall take into consideration the criteria contained in section 6295(m) of this title.

(d) Prescription of labeling requirements by Secretary

The Secretary shall, within six months after the date on which energy conservation standards are prescribed by the Secretary for high-intensity discharge lamps and distribution transformers pursuant to subsection (a)(2) and small electric motors pursuant to subsection (b)(2), prescribe labeling requirements for such lamps, transformers, and small electric motors.

(e) Compliance by manufacturers with labeling requirements

Beginning on the date which occurs six months after the date on which a labeling rule is prescribed, by rule, under subsection (d), each manufacturer of a product to which such a rule applies shall provide a label which meets, and is displayed in accordance with, the requirements of such rule.

(f) New covered products; distribution of non-conforming products prohibited; construction with other law

(1) After the date on which a manufacturer must provide a label for a product pursuant to subsection (e)—

(A) each such product shall be considered, for purposes of paragraphs (1) and (2) of section 6302(a) of this title, a new covered product to which a rule under section 6294 of this title applies; and

(B) it shall be unlawful for any manufacturer or private labeler to distribute in commerce any new product for which an energy conservation standard is prescribed under subsection (a)(2) or (b)(2) which is not in conformity with the applicable energy conservation standard.

(2) For purposes of section 6303(a) of this title, paragraph (1) of this subsection shall be considered to be a part of section 6302 of this title.


AMENDMENTS


STUDY OF UTILITY DISTRIBUTION TRANSFORMERS: REPORT TO CONGRESS

Pub. L. 102–486, title I, §124(c), Oct. 24, 1992, 106 Stat. 2632, provided that: "The Secretary shall evaluate the practicability, cost-effectiveness, and potential energy savings of replacing, or upgrading components of, existing utility distribution transformers during routine maintenance and, not later than 18 months after the date of the enactment of this Act (Oct. 24, 1992), report the findings of such evaluation to the Congress with recommendations on how such energy savings, if any, could be achieved."

PART B—STATE ENERGY CONSERVATION PLANS

CODIFICATION


§ 6321. Congressional findings and declaration of purpose

(a) The Congress finds that—

(1) the development and implementation by States of laws, policies, programs, and procedures to conserve and to improve efficiency in the use of energy will have an immediate and substantial effect in reducing the rate of growth of energy demand and in minimizing the adverse social, economic, political, and environmental impacts of increasing energy consumption;

(2) the development and implementation of energy conservation programs by States will most efficiently and effectively minimize any adverse economic or employment impacts of changing patterns of energy use and meet
local economic, climatic, geographic, and other unique conditions and requirements of each State; and

(3) the Federal Government has a responsibility to foster and promote comprehensive energy conservation programs and practices by establishing guidelines for such programs and providing overall coordination, technical assistance, and financial support for specific State initiatives in energy conservation.

(b) It is the purpose of this part to promote the conservation of energy and reduce the rate of growth of energy demand by authorizing the Secretary to establish procedures and guidelines for the development and implementation of specific State energy conservation programs and to provide Federal financial and technical assistance to States in support of such programs.


AMENDMENTS

REPORT ON COORDINATION OF ENERGY CONSERVATION PROGRAMS
Pub. L. 95–619, title VI, § 623, Nov. 9, 1978, 92 Stat. 3283, provided that not later than 6 months after Nov. 9, 1978, the Secretary of Energy submit a report on the coordination of Federal energy conservation programs involving State and local government.

§ 6322. State energy conservation plans

(a) Feasibility reports

The Secretary shall, by rule, within 60 days after December 22, 1975, prescribe guidelines for the preparation of a State energy conservation feasibility report. The Secretary shall invite the Governor of each State to submit, within 3 months after the effective date of such guidelines, such a report. Such report shall include—

(1) an assessment of the feasibility of establishing a State energy conservation goal, which goal shall consist of a reduction, as a result of the implementation of the State energy conservation plan described in this section, of 5 percent or more in the total amount of energy consumed in such State in the year 1980 from the projected energy consumption for such State in the year 1980, and

(2) a proposal by such State for the development of a State energy conservation plan to achieve such goal.

(b) Guidelines

The Secretary shall, by rule, within 6 months after December 22, 1975, prescribe guidelines with respect to measures required to be included in, and guidelines for the development, modification, and funding of, State energy conservation plans. The Secretary shall invite the Governor of each State to submit, within 5 months after the effective date of such guidelines, a report. Such report shall include—

(1) a proposed State energy conservation plan designed to result in scheduled progress toward, and achievement of, the State energy conservation goal of such State; and

(2) a detailed description of the requirements, including the estimated cost of implementation and the estimated energy savings, associated with each functional category of energy conservation included in the State energy conservation plan.

(c) Mandatory features of plans

Each proposed State energy conservation plan to be eligible for Federal assistance under this part shall include—

(1) mandatory lighting efficiency standards for public buildings (except public buildings owned or leased by the United States);

(2) programs to promote the availability and use of carpools, vanpools, and public transportation (except that no Federal funds provided under this part shall be used for subsidizing fares for public transportation);

(3) mandatory standards and policies relating to energy efficiency to govern the procurement practices of such State and its political subdivisions;

(4) mandatory thermal efficiency standards and insulation requirements for new and renovated buildings (except buildings owned or leased by the United States);

(5) a traffic law or regulation which, to the maximum extent practicable consistent with safety, permits the operator of a motor vehicle to turn such vehicle right at a red stop light after stopping; and to turn such vehicle left from a one-way street onto a one-way street at a red light after stopping; and

(6) procedures for ensuring effective coordination among various local, State, and Federal energy conservation programs within the State, including any program administered within the Office of Technical and Financial Assistance of the Department of Energy and the Low Income Home Energy Assistance Program administered by the Department of Health and Human Services.

(d) Optional features of plans

Each proposed State energy conservation plan may include—

(1) restrictions governing the hours and conditions of operation of public buildings (except buildings owned or leased by the United States);

(2) restrictions on the use of decorative or nonessential lighting;

(3) programs to increase transportation energy efficiency, including programs to accelerate the use of alternative transportation fuels for State government vehicles, fleet vehicles, taxis, mass transit, and privately owned vehicles;

(4) programs of public education to promote energy conservation;

(5) programs for financing energy efficiency and renewable energy capital investments, projects, and programs—

(A) which may include loan programs and performance contracting programs for leveraging of additional public and private sector funds, and programs which allow rebates, grants, or other incentives for the purchase and installation of energy efficiency and renewable energy measures; or

(B) in addition to or in lieu of programs described in subparagraph (A), which may be
used in connection with public or nonprofit buildings owned and operated by a State, a political subdivision of a State or an agency or instrumentality of a State, or an organization exempt from taxation under section 501(c)(3) of title 26;

(6) programs for encouraging and for carrying out energy audits with respect to buildings and industrial facilities (including industrial processes) within the State;

(7) programs to promote the adoption of integrated energy plans which provide for—

(A) periodic evaluation of a State’s energy needs, available energy resources (including greater energy efficiency), and energy costs; and

(B) utilization of adequate and reliable energy supplies, including greater energy efficiency, that meet applicable safety, environmental, and policy requirements at the lowest cost;

(8) programs to promote energy efficiency in residential housing, such as—

(A) programs for development and promotion of energy efficiency rating systems for newly constructed housing and existing housing so that consumers can compare the energy efficiency of different housing; and

(B) programs for the adoption of incentives for builders, utilities, and mortgage lenders to build, service, or finance energy efficient housing;

(9) programs to identify unfair or deceptive acts or practices which relate to the implementation of energy efficiency measures and new energy technologies and to educate consumers concerning such acts or practices;

(10) programs to modify patterns of energy consumption so as to reduce peak demands for energy and improve the efficiency of energy supply systems, including electricity supply systems;

(11) programs to promote energy efficiency as an integral component of economic development planning conducted by State, local, or other governmental entities or by energy utilities;

(12) in accordance with subsection (f)(2), programs to implement the Energy Technology Commercialization Services Program;

(13) programs (enlisting appropriate trade and professional organizations in the development and financing of such programs) to provide training and education (including, if appropriate, training workshops, practice manuals, and testing for each area of energy efficiency technology) to building designers and contractors involved in building design and construction or in the sale, installation, and maintenance of energy systems and equipment to promote building energy efficiency improvements;

(14) programs for the development of building retrofit standards and regulations, including retrofit ordinances enforced at the time of the sale of a building;

(15) support for prefeasibility and feasibility studies for projects that utilize renewable energy and energy efficiency resource technologies in order to facilitate access to capital and credit for such projects;

(16) programs to facilitate and encourage the voluntary use of renewable energy technologies for eligible participants in Federal agency programs, including the Rural Electrification Administration and the Farmers Home Administration; and

(17) any other appropriate method or programs to conserve and to promote efficiency in the use of energy.

(e) Standby plans

The Governor of any State may submit to the Secretary a State energy conservation plan which is a standby energy conservation plan to significantly reduce energy demand by regulating the public and private consumption of energy during a severe energy supply interruption, which plan may be separately eligible for Federal assistance under this part without regard to subsections (c) and (d) of this section.

(f) Energy Technology Commercialization Services Program

(1) The purposes of this subsection are to—

(A) strengthen State outreach programs to aid small and start-up businesses;

(B) foster a broader application of engineering principles and techniques to energy technology products, manufacturing, and commercial production by small and start-up businesses; and

(C) foster greater assistance to small and start-up businesses in dealing with the Federal Government on energy technology related matters.

(2) The programs to implement the functions of the Energy Technology Commercialization Services Program, as provided for by subsection (d)(12), shall—

(A) aid small and start-up businesses in discovering useful and practical information relating to manufacturing and commercial production techniques and costs associated with new energy technologies;

(B) encourage the application of such information in order to solve energy technology product development and manufacturing problems;

(C) establish an Energy Technology Commercialization Services Program affiliated with an existing entity in each State;

(D) coordinate engineers and manufacturers to aid small and start-up businesses in solving specific technical problems and improving the cost effectiveness of methods for manufacturing new energy technologies;

(E) assist small and start-up businesses in preparing the technical portions of proposals seeking financial assistance for new energy technology commercialization; and

(F) facilitate contract research between university faculty and students and small start-up businesses, in order to improve energy technology product development and independent quality control testing.

(3) Each State energy technology commercialization services program shall develop and maintain a data base of engineering and scientific experts in energy technologies and prod-
uct commercialization interested in participating in the service. Such data base shall, at a minimum, include faculty of institutions of higher education, retired manufacturing experts, and national laboratory personnel.

(4) The services provided by the energy technology commercialization services programs established under this subsection shall be available to any small or start-up business. Such service programs shall charge fees which are affordable to a party eligible for assistance, which shall be determined by examining factors, including the following: (A) the costs of the services received; (B) the need of the recipient for the services; and (C) the ability of the recipient to pay for the services.

(5) For the purposes of this subsection, the term—

(A) “institution of higher education” has the same meaning as such term is defined in section 1001 of title 20;

(B) “small business” means a private firm that does not exceed the numerical size standard promulgated by the Small Business Administration under section 632(a) of title 15 for the Small Business Administration under section 1532(a) of title 15 for the years 2005 and 2006, and includes the following: (A) the costs of the services received; (B) the need of the recipient for the services; and (C) the ability of the recipient to pay for the services.

(g) Review of plans

The Secretary shall, at least once every 3 years, invite the Governor of each State to review and, if necessary, revise the energy conservation plan of such State submitted under subsection (b) or (e). Such reviews should consider the energy conservation plans of other States within the region, and identify opportunities and actions carried out in pursuit of common energy conservation goals.


AMENDMENTS


Subsec. (d)(5)(A). Pub. L. 105–244 substituted “section 1001” for “section 1114(a)”.

1992—Subsec. (c)(5). Pub. L. 102–486, § 141(c)(1), substituted “and to turn such vehicle left from a one-way street onto a one-way street at a red light after stopping and” for “and”.

Subsec. (d)(13) to (17). Pub. L. 102–486, § 141(b), added pars. (13) to (16) and redesignated former par. (13) as (17).


Subsec. (d)(3). Pub. L. 101–440, § 4(a)(1), added par. (3) and struck out former par. (3) which read as follows: “transportation controls.”

Subsec. (d)(5) to (13). Pub. L. 101–440, § 4(a)(3), added pars. (5) to (13) and struck out former par. (5) which read as follows: “any other appropriate method or programs to conserve and to improve efficiency in the use of energy.”


1978—Subsecs. (a), (b), (e). Pub. L. 95–619 substituted “Secretary” for “Administrator”, meaning Administrator of the Federal Energy Administration, wherever appearing.

EFFECTIVE DATE OF 1998 AMENDMENT


EFFECTIVE DATE OF 1992 AMENDMENT


STUDY REGARDING IMPACT OF PERMITTING RIGHT AND LIFT TURNS ON RED LIGHTS


“(1) IN GENERAL.—The Administrator of the National Highway Traffic Safety Administration, in consultation with State agencies with jurisdiction over traffic safety issues, shall conduct a study on the safety impact of the requirement specified in section 362(c)(5) of the Energy Policy and Conservation Act (42 U.S.C. 6232(c)(5)), particularly with respect to the impact on pedestrian safety.

“(2) REPORT.—The Administrator shall report the findings of the study conducted under paragraph (1) to the Congress and the Secretary not later than 2 years after the date of the enactment of this Act [Oct. 24, 1992].”

§ 6323. Federal assistance to States

(a) Information, technical assistance, and assistance in preparation of reports and development, implementation, or modification of energy conservation plan

Upon request of the Governor of any State, the Secretary shall provide, subject to the availability of personnel and funds, information and technical assistance, including model State laws and proposed regulations relating to energy conservation, and other assistance in—

(1) the preparation of the reports described in section 6322 of this title, and

(2) the development, implementation, or modification of an energy conservation plan of such State submitted under section 6322(b) or (e) of this title.

(b) Financial assistance to assist State in development, implementation, or modification of energy conservation plan; submission of plan to and approval of Secretary; considerations governing approval; amount of assistance

(1) The Secretary may grant Federal financial assistance pursuant to this section for the purpose of assisting such State in the development of any such energy conservation plan or in the implementation or modification of a State energy conservation plan or part thereof which has been submitted to and approved by the Secretary pursuant to this part.

(2) In determining whether to approve a State energy conservation plan submitted under section 6322(b) or (e) of this title, the Secretary—

(A) shall take into account the impact of local economic, climatic, geographic, and
other unique conditions and requirements of such State on the opportunity to conserve and to improve efficiency in the use of energy in such State; and

(B) may extend the period of time during which a State energy conservation feasibility report or State energy conservation plan may be submitted if the Secretary determines that participation by the State submitting such report or plan is likely to result in significant progress toward achieving the purposes of this chapter.

No such plan shall be disapproved without notice and an opportunity to present views.

(3) In determining the amount of Federal financial assistance to be provided to any State under this subsection, the Secretary shall consider—

(A) the contribution to energy conservation which can reasonably be expected,

(B) the number of people affected by such plan, and

(C) the consistency of such plan with the purposes of this chapter, and such other factors as the Secretary deems appropriate.

(c) Records

Each recipient of Federal financial assistance under subsection (b) shall keep such records as the Secretary shall require, including records which fully disclose the amount and disposition by each recipient of the proceeds of such assistance, the total cost of the plan, program, projects, measures, or systems not supplied by the Secretary, and such other records as the Secretary determines necessary to facilitate an effective audit and performance evaluation. The Secretary and Comptroller General of the United States, or any of their duly authorized representatives, shall have access for the purpose of audit and examination, at reasonable times and under reasonable conditions, to any pertinent books, documents, papers, and records of any recipient of Federal assistance under this part.

(d) Assistance as supplementing and not supplanting State and local funds

Each State receiving Federal financial assistance pursuant to this section shall provide reasonable assurance to the Secretary that it has established policies and procedures designed to assure that Federal financial assistance under this part and under part E of this subchapter will be used to supplement, and not to supplant, State and local funds, and to the extent practicable, to increase the amount of such funds that otherwise would be available, in the absence of such Federal financial assistance, for those programs set forth in the State energy conservation plan approved pursuant to subsection (b).

(e) Energy emergency planning program as prerequisite to assistance

(1) Effective October 1, 1991, to be eligible for Federal financial assistance pursuant to this section, a State shall submit to the Secretary, as a supplement to its energy conservation plan, an energy emergency planning program for an energy supply disruption, as designed by the State consistent with applicable Federal and State law. The contingency plan provided for by the program shall include an implementation strategy or strategies (including regional coordination) for dealing with energy emergencies. The submission of such plan shall be for informational purposes only and without any requirement of approval by the Secretary.

(2) Federal financial assistance made available under this part to a State may be used to develop and conduct the energy emergency planning program requirement referred to in paragraph (1).

(f) State buildings energy efficiency improvements incentive fund

If the Secretary determines that a State has demonstrated a commitment to improving the energy efficiency of buildings within such State, the Secretary may, beginning in fiscal year 1994, provide up to $1,000,000 to such State for deposit into a revolving fund established by such State for the purpose of financing energy efficiency improvements in State and local government buildings. In making such determination the Secretary shall consider whether—

(1) such State, or a majority of the units of local government with jurisdiction over building energy codes within such State, has adopted building energy codes for energy efficiency in new buildings that are at least as stringent as American Society of Heating, Refrigerating, and Air-Conditioning Engineers Standard 90.1–1989 (with respect to commercial buildings) and Council of American Building Officials Model Energy Code, 1992 (with respect to residential buildings);

(2) such State has established a program, including a revolving fund, to finance energy efficiency improvement projects in State and local government facilities and buildings; and

(3) such State has obtained funding from non-Federal sources, including but not limited to, oil overcharge funds, State or local government appropriations, or utility contributions (including rebates) equal to or greater than three times the amount provided by the Secretary under this subsection for deposit into such revolving fund.


RELEVANT IN TEXT

This chapter, referred to in subsec. (b)(2)(B), (3)(C), was in the original “‘this Act’”, meaning Pub. L. 94–163, Dec. 22, 1975, 89 Stat. 871, as amended, known as the Energy Policy and Conservation Act. For complete classification of this Act to the Code, see Short Title note set out under section 6201 of this title and Tables.

AMENDMENTS


1990—Subsecs. (d), (e). Pub. L. 101–440 added subsecs. (d) and (e).

1976—Subsec. (b)(2). Pub. L. 94–385, §432(b), inserted provision requiring notice and opportunity to present views prior to disapproval of plans.

Subsec. (c). Pub. L. 94–385, §432(c), inserted references to plan, measures, or systems wherever appearing and required that examinations be at reasonable times and under reasonable conditions.

§6323a. Matching State contributions

For the base State Energy Conservation Program (part D of the Energy Policy and Conservation Act, sections 361 through 366 [42 U.S.C. 6321–6326]), each State will hereafter match in cash or in kind not less than 20 percent of the Federal contribution.

(Pub. L. 98–473, title I, §101(c) [title II], Oct. 12, 1984, 98 Stat. 1837, 1861.)

REFERENCES IN TEXT


CODIFICATION

Section was enacted as part of the Department of the Interior and Related Agencies Appropriations Act, 1985, as enacted by Pub. L. 94–405, §432(c), and not as part of the Energy Policy and Conservation Act, as amended, is classified generally to this chapter.

PRIOR PROVISIONS

Provisions similar to those in this section were contained in the following prior appropriation act:


§6324. State energy efficiency goals

Each State energy conservation plan with respect to which assistance is made available under this part on or after August 8, 2005, shall contain a goal, consisting of an improvement of 25 percent or more in the efficiency of use of energy in the State concerned in calendar year 2012 as compared to calendar year 1990, and may contain interim goals.


AMENDMENTS

2005—Pub. L. 109–58 reenacted section catchline without change and amended text generally. Prior to amendment, text read as follows: “Each State energy conservation plan with respect to which assistance is made available under this part on or after October 1, 1991, shall contain a goal, consisting of an improvement of 10 percent or more in the efficiency of use of energy in the State concerned in the calendar year 2000 as compared to the calendar year 1990, and may contain interim goals.”

1990—Pub. L. 101–440 amended section generally. Prior to amendment, section read as follows: “Upon the basis of the reports submitted pursuant to this part and such other information as is available, the Secretary shall, at the earliest practicable date, set an energy conservation goal for each State for 1980 and may set interim goals. Such goals or goals shall consist of the maximum reduction in the consumption of energy during any year as a result of the implementation of the State energy conservation plan described in section 6322(b) of this title which is consistent with technological feasibility, financial resources, and economic objectives, by comparison with the projected energy consumption for such State in such year. The Secretary shall specify the assumptions used in the determination of the projected energy consumption in each State, taking into account population trends, economic growth, and the effects of national energy conservation programs.”


§6325. General provisions

(a) Rules

The Secretary may prescribe such rules as may be necessary or appropriate to carry out his authority under this part.

(b) Departmental consultation

In carrying out the provisions of sections 6322 and 6324 of this title and subsection (a) of section 6323 of this title, the Secretary shall consult with appropriate departments and Federal agencies.

(c) Annual report

The Secretary shall, as part of the report required under section 7267 of this title, report to the President and the Congress, and shall furnish copies of such report to the Governor of each State, on the operation of the program under this part. Such report shall include an estimate of the energy conservation achieved, the degree of State participation and achievement, a description of innovative conservation programs undertaken by individual States, and the recommendations of the Secretary, if any, for additional legislation.

(d) Duty of Federal Trade Commission to prevent unfair or deceptive practices or acts relating to implementation of energy measures

The Federal Trade Commission shall (1) cooperate with and assist State agencies which have primary responsibilities for the protection of consumers in activities aimed at preventing unfair or deceptive acts or practices affecting commerce which relate to the implementation of measures likely to conserve, or improve efficiency in the use of, energy, including energy conservation measures and renewable-resource energy measures, and (2) undertake its own program, pursuant to the Federal Trade Commission Act [15 U.S.C. 41 et seq.], to prevent unfair or deceptive acts or practices affecting commerce which relate to the implementation of any such measures.

(e) List of energy measures eligible for financial assistance; designation of types and requirements of energy audits

Within 90 days after August 14, 1976, the Secretary shall—

1. develop, by rule after consultation with the Secretary of Housing and Urban Development, and publish a list of energy conservation measures and renewable-resource energy measures which are eligible (on a national or regional basis) for financial assistance pursuant to section 1701z–8 of title 12 or section 6881 of this title;

2. designate, by rule, the types of, and requirements for, energy audits.
(f) Authorization of appropriations
For the purpose of carrying out this part, there are authorized to be appropriated $125,000,000 for each of fiscal years 2007 through 2012.

(g) State Energy Advisory Board
(1)(A) There is hereby established within the Department of Energy a State Energy Advisory Board (hereafter in this subsection referred to as the “Board”) which shall consist of at least 18 and not more than 21 members appointed by the Secretary as soon as practicable but no later than September 30, 1991. At least eight of the members of the Board shall be persons who serve as directors of the State agency, or a division of such agency, responsible for developing State energy conservation plans pursuant to section 6322 of this title. At least four members shall be directors of State or local low income weatherization assistance programs. Other members shall be appointed from persons who have experience in energy efficiency or renewable energy programs from the private sector, consumer interest groups, utilities, public utility commissions, educational institutions, financial institutions, local government energy programs, or research institutions. A majority of the members of the Board shall be State employees. (B)(i) Except as provided in clause (ii), the members of the Board shall serve a term of three years. (ii) Of the members first appointed to the Board, one-third shall serve a term of one year, one-third shall serve a term of two years, and the remainder shall serve a term of three years, as specified by the Secretary.

(2) The Board shall— (A) make recommendations to the Assistant Secretary for Conservation and Renewable Energy within the Department of Energy with respect to— (i) the energy efficiency goals and objectives of the programs carried out under this part, part E of this subchapter, and under parts A and B of title IV of the Energy Conservation and Production Act [42 U.S.C. 6861 et seq.]; and (ii) programmatic and administrative policies designed to strengthen and improve the programs referred to in clause (i), including actions that should be considered to encourage non-Federal resources (including private resources) to supplement Federal financial assistance; (B) serve as a liaison between the States and such Department on energy efficiency and renewable energy resource programs; and (C) encourage transfer of the results of research and development activities carried out by the Federal Government with respect to energy efficiency and renewable energy resource technologies.

(3) The Secretary shall designate one of the members of the Board to serve as its chairman and one to serve as its vice-chairman. The chairmen and vice-chairman shall serve in those offices no longer than two years.

(4) The Secretary shall provide the Board with such reasonable services and facilities as may be necessary for the performance of its functions.

(5) The Board shall be nonpartisan.

(6) The Board may adopt administrative rules and procedures and may elect one of its members secretary of the Board.

(7) Consistent with Federal regulations, the Secretary shall reimburse members of the Board for expenses (including travel expenses) necessarily incurred by them in the performance of their duties.

(8) The Board shall meet at least twice a year and shall submit an annual report to the Secretary and the Congress on the activities carried out by the Board in the previous fiscal year, including an accounting of the expenses reimbursed under paragraph (7) with respect to the year for which the report is made and any recommendations it may have for administrative or legislative changes concerning the matters referred to in subparagraphs (A), (B), and (C) of paragraph (2).

(9) The Board shall continue until terminated by law.


REFERENCES IN TEXT
The Federal Trade Commission Act, referred to in subsec. (d), is act Sept. 26, 1914, ch. 311, 38 Stat. 717, as amended, which is classified generally to subchapter I (§41 et seq.) of chapter 2 of Title 15, Commerce and Trade. For complete classification of this Act to the Code, see section 58 of Title 15 and Tables.


AMENDMENTS
2007—Subsec. (f). Pub. L. 110–140 substituted “$125,000,000 for each of fiscal years 2007 through 2012 for “$100,000,000 for each of the fiscal years 2006 and 2007 and $125,000,000 for fiscal year 2008” for “for fiscal years 1999 through 2003 such sums as may be necessary”. 2005—Subsec. (f). Pub. L. 110–58 substituted “$100,000,000 for each of the fiscal years 2006 and 2007 and $125,000,000 for fiscal year 2008” for “for fiscal years 1999 through 2003 such sums as may be necessary”. 1998—Subsec. (f). Pub. L. 105–388 amended subsec. (f) generally. Prior to amendment, subsec. (f) read as follows: “(f) Except as provided in paragraph (2), for the purpose of carrying out this part, there are authorized to be appropriated not to exceed $25,000,000 for fiscal year 1991, $35,000,000 for fiscal year 1992, and $45,000,000 for fiscal year 1993. “(2) For the purposes of carrying out section 6323(f) of this title, there is authorized to be appropriated for fiscal year 1994 and each fiscal year thereafter such sums as may be necessary, to remain available until expended.” 1995—Subsec. (c). Pub. L. 104–66 substituted “, as part of the report required under section 7267 of this title, report” for “report annually” in first sentence.
§ 6326. Definitions

As used in this part—

(1) The term “appliance” means any article, such as a room air-conditioner, refrigerator-freezer, or dishwasher, which the Secretary classifies as an appliance for purposes of this part.

(2) The term “building” means any structure which includes provision for a heating or cooling system, or both, or for a hot water system.

(3) The term “energy audit” means any process which identifies and specifies the energy and cost savings which are likely to be realized through the purchase and installation of particular energy conservation measures or renewable-resource energy measures and which—

(A) is carried out in accordance with rules of the Secretary; and

(B) imposes—

(i) no direct costs, with respect to individuals who are occupants of dwelling units in any State having a supplemental State energy conservation plan approved under section 6327 of this title, and

(ii) only reasonable costs, as determined by the Secretary, with respect to any person not described in clause (i).

Rules referred to in subparagraph (A) may include minimum qualifications for, and provisions with respect to conflicts of interest of, persons carrying out such energy audits.

(4) The term “energy conservation measure” means a measure which modifies any building, building system, energy consuming device as associated with the building, or industrial plant, the construction of which has been completed prior to May 1, 1989, if such measure has been determined by means of an energy audit or by the Secretary, by rule under section 6325(e)(1) of this title, to be likely to maintain or improve the efficiency of energy use and to reduce energy costs (as calculated on the basis of energy costs reasonably projected over time, as determined by the Secretary) in an amount sufficient to enable a person to recover the total cost of purchasing and installing such measure (without regard to any tax benefit or Federal financial assistance applicable thereto) within the period of—

(A) the useful life of the modification involved, as determined by the Secretary, or

(B) 15 years after the purchase and installation of such measure, whichever is less. Such term does not include—

(i) the purchase or installation of any appliance, (ii) any conversion from one fuel or source of energy to another which is of a type which the Secretary, by rule, determines is ineligible on the basis that such type of conversion is inconsistent with national policy with respect to energy conservation or reduction of imports of fuels, or (iii) any measure, or type of measure, which the Secretary determines does not have as its primary purpose an improvement in efficiency of energy use.

(5) The term “industrial plant” means any fixed equipment or facility which is used in connection with, or as part of, any process or system for industrial production or output.

(6) The term “renewable-resource energy measure” means a measure which modifies any building or industrial plant, the construction of which has been completed prior to August 14, 1976, if such measure has been determined by means of an energy audit or by the Secretary, by rule under section 6325(e)(1) of this title, to—

(A) involve changing, in whole or in part, the fuel or source of the energy used to meet the requirements of such building or plant from a depletable source of energy; and

(B) be likely to reduce energy costs (as calculated on the basis of energy costs reasonably projected over time, as determined by the Secretary) in an amount sufficient to enable a person to recover the total cost of purchasing and installing such measure (without regard to any tax benefit or Federal financial assistance applicable thereto) within the period of—

(i) the useful life of the modification involved, as determined by the Secretary, or

(ii) 25 years after the purchase and installation of such measure, whichever is less. Such term does not include the purchase or installation of any appliance.
(7) The term “public building” means any building which is open to the public during normal business hours.

(8) The term “transportation controls” means any plan, procedure, method, or arrangement, or any system of incentives, disincentives, restrictions, and requirements, which is designed to reduce the amount of energy consumed in transportation, except that the term does not include rationing of gasoline or diesel fuel.


REFERENCES IN TEXT


AMENDMENTS

1990—Par. (4). Pub. L. 101–440 substituted “building, building system, energy consuming device associated with the building, or industrial” for “building or industrial”. May 1, 1989, and “main building” for “building or industrial”. July 22, 1982, Pub. L. 97–54, title V, § 501, substituted “August 14, 1976”, and “maintain or improve the efficiency” for “improve the efficiency”. 1978—Pars. (1), (3)(A), (B)(i), (4), (A), (6), (B), (B)(i). Pub. L. 95–619 substituted “Secretary” for “Administrator of the Federal Energy Administration, wherever appearing. 1976—Pub. L. 94–385 redesignated former pars. (1) and (2) as (7) and (8), respectively, and added pars. (1) to (6).


PART C—INDUSTRIAL ENERGY EFFICIENCY

CODIFICATION

This part was, in the original, designated part E and has been changed to part C for purposes of codification.

PRIOR PROVISIONS

A prior part C, consisting of sections 6341 to 6346, related to voluntary industrial energy conservation, prior to repeal by Pub. L. 99–569, title III, § 3101(b), Oct. 21, 1986, 100 Stat. 1888. This prior part C, which in the original Act had been designated part D and subsequently redesignated part E by Pub. L. 95–619, title IV, § 441(a), Nov. 9, 1978, 92 Stat. 3288, was designated part C of this subchapter for purposes of codification.

§ 6341. Definitions

In this part:

(1) Administrator

The term “Administrator” means the Administrator of the Environmental Protection Agency.

(2) Combined heat and power

The term “combined heat and power system” means a facility that—

(A) simultaneously and efficiently produces useful thermal energy and electricity; and

(B) recovers not less than 60 percent of the energy value in the fuel (on a higher-heat-value basis) in the form of useful thermal energy and electricity.

(3) Net excess power

The term “net excess power” means, for any facility, recoverable waste energy recovered in the form of electricity in quantities exceeding the total consumption of electricity at the specific time of generation on the site at which the facility is located.

(4) Project

The term “project” means a recoverable waste energy project or a combined heat and power system project.

(5) Recoverable waste energy

The term “recoverable waste energy” means waste energy from which electricity or useful thermal energy may be recovered through modification of an existing facility or addition of a new facility.

(6) Registry

The term “Registry” means the Registry of Recoverable Waste Energy Sources established under section 6342(d) of this title.

(7) Useful thermal energy

The term “useful thermal energy” means energy—

(A) in the form of direct heat, steam, hot water, or other thermal form that is used in production and beneficial measures for heating, cooling, humidity control, process use, or other valid thermal end-use energy requirements; and

(B) which fuel or electricity would otherwise be consumed.

(8) Waste energy

The term “waste energy” means—

(A) exhaust heat or flared gas from any industrial process;

(B) waste gas or industrial tail gas that would otherwise be flared, incinerated, or vented;

(C) a pressure drop in any gas, excluding any pressure drop to a condenser that subsequently vents the resulting heat; and

(D) such other forms of waste energy as the Administrator may determine.

(9) Other terms

The terms “electric utility”, “nonregulated electric utility”, “State regulated electric utility”, and other terms have the meanings given those terms in title I of the Public Utility Regulatory Policies Act of 1978 (16 U.S.C. 2601 et seq.).


REFERENCES IN TEXT

PRIORITY PROVISIONS


EFFECTIVE DATE

Section effective on the date that is 1 day after Dec. 19, 2007, see section 1601 of Pub. L. 110–140, set out as a note under section 1824 of Title 2, The Congress.

EX. ORD. No. 13624, ACCELERATING INVESTMENT IN INDUSTRIAL ENERGY EFFICIENCY


By the authority vested in me as President by the Constitution and the laws of the United States of America, and in order to promote American manufacturing by helping to facilitate investments in energy efficiency at industrial facilities, it is hereby ordered as follows:

SECTION 1. Policy. The industrial sector accounts for over 30 percent of all energy consumed in the United States, and, for many manufacturers, energy costs affect overall competitiveness. While our manufacturing facilities have made progress in becoming more energy efficient over the past several decades, there is an opportunity to accelerate and expand these efforts with investments to reduce energy use through more efficient manufacturing processes and facilities and the expanded use of combined heat and power (CHP). Instead of burning fuel in an on-site boiler to produce thermal energy and also purchasing electricity from the grid, a manufacturing facility can use a CHP system to provide both types of energy in one energy-efficient step. Accelerating these investments in our Nation's factories can improve the competitiveness of United States manufacturing, lower energy costs, free up future capital for businesses to invest, reduce air pollution, and create jobs.

Despite these benefits, independent studies have pointed to under-investment in industrial energy efficiency and CHP as a result of numerous barriers. The Federal Government has limited but important authorities to overcome these barriers, and our efforts to support investment in industrial energy efficiency and CHP should involve coordinated engagement with a broad set of stakeholders, including States, manufacturers, utilities, and others. By working with all stakeholders to address these barriers, we have an opportunity to save industrial users tens of billions of dollars in energy costs over the next decade.

There is no one-size-fits-all solution for our manufacturers, so it is imperative that we support these investments through a variety of approaches, including encouraging private sector investment by setting goals and highlighting the benefits of investment, improving coordination at the Federal level, partnering with and supporting States, and identifying investment models beneficial to the multiple stakeholders involved.

To formalize and support the close interagency coordination that is required to accelerate greater investment in industrial energy efficiency and CHP, this order directs certain executive departments and agencies to convene national and regional stakeholders to identify, develop, and encourage the adoption of investment models and State best practice policies for industrial energy efficiency and CHP; provide technical assistance to States and manufacturers to encourage investment in industrial energy efficiency and CHP; provide public information on the benefits of investment in industrial energy efficiency and CHP; and use existing Federal authorities, programs, and policies to support investment in industrial energy efficiency and CHP.

SEC. 2. Encouraging Investment in Industrial Efficiency.

The Departments of Energy, Commerce, and Agriculture, and the Environmental Protection Agency, in coordination with the National Economic Council, the Domestic Policy Council, the Council on Environmental Quality, and the Office of Science and Technology Policy, shall coordinate policies to encourage investment in industrial efficiency in order to reduce costs for industrial users, improve U.S. competitiveness, create jobs, and reduce harmful air pollution. In doing so, they shall engage States, industrial companies, utility companies, and other stakeholders to accelerate this investment. Specifically, these agencies shall, as appropriate and consistent with applicable law:

(a) coordinate and strongly encourage efforts to achieve a national goal of deploying 40 gigawatts of new, cost-effective industrial CHP in the United States by the end of 2020;

(b) convene stakeholders, through a series of public workshops, to develop and encourage the use of best practice State policies and investment models that address the multiple barriers to investment in industrial energy efficiency and CHP;

(c) utilize their respective relevant authorities and resources to encourage investment in industrial energy efficiency and CHP, such as by:

(i) providing assistance to States on accounting for the potential emission reduction benefits of the energy efficiency policies when developing State Implementation Plans (SIPs) to achieve national ambient air quality standards;

(ii) providing incentives for the deployment of CHP and other types of clean energy, such as set-asides under emissions allowance trading program state implementation plans, grants, and loans;

(iii) employing output-based approaches as compliance options in power and industrial sector regulations, as appropriate, to recognize the emissions benefits of highly efficient energy generation technologies like CHP; and

(iv) seeking to expand participation in and create additional tools to support the Better Buildings, Better Plants program at the Department of Energy, which is working with companies to help them achieve a goal of reducing energy intensity by 25 percent over 10 years, as well as utilizing existing partnership programs to support energy efficiency and CHP;

(d) support and encourage efforts to accelerate investment in industrial energy efficiency and CHP by:

(i) providing general guidance, technical analysis and information, and financial analysis on the value of investment in industrial energy efficiency and CHP to States, utilities, and owners and operators of industrial facilities;

(ii) improving the usefulness of Federal data collection and analysis; and

(iii) assisting States in developing and implementing State-specific best practice policies that can accelerate investment in industrial energy efficiency and CHP.

In implementing this section, these agencies should consult with the Federal Energy Regulatory Commission, as appropriate.


(a) Nothing in this order shall be construed to impair or otherwise affect:

(i) the authority granted by law to an executive department, agency, or the head thereof; or

(ii) the functions of the Director of the Office of Management and Budget relating to budgetary, administrative, or legislative proposals.

(b) This order shall be implemented consistent with applicable law and subject to the availability of appropriations.

(c) This order is not intended to, and does not, create any right or benefit, substantive or procedural, enforceable at law or in equity by any party against the United States, its departments, agencies, or entities, its officers, employees, or agents, or any other person.

Barack Obama.
§ 6342 Survey and Registry

(a) Recoverable waste energy inventory program

(1) In general

The Administrator, in cooperation with the Secretary and State energy offices, shall establish a recoverable waste energy inventory program.

(2) Survey

The program shall include—

(A) an ongoing survey of all major industrial and large commercial combustion sources in the United States (as defined by the Administrator) and the sites at which the sources are located; and

(B) a review of each source for the quantity and quality of waste energy produced at the source.

(b) Criteria

(1) In general

Not later than 270 days after December 19, 2007, the Administrator shall publish a rule for establishing criteria for including sites in the Registry.

(2) Inclusions

The criteria shall include—

(A) a requirement that, to be included in the Registry, a project at the site shall be determined to be economically feasible by virtue of offering a payback of invested costs not later than 5 years after the date of first full project operation (including incentives offered under this part);

(B) standards to ensure that projects proposed for inclusion in the Registry are not developed or used for the primary purpose of making sales of excess electric power under the regulatory provisions of this part; and

(C) procedures for contesting the listing of any source or site on the Registry by any State, utility, or other interested person.

(c) Technical support

On the request of the owner or operator of a source or site included in the Registry, the Secretary shall—

(1) provide to owners or operators of combustion sources technical support; and

(2) offer partial funding (in an amount equal to not more than one-half of total costs) for feasibility studies to confirm whether or not investment in recovery of waste energy or combined heat and power at a source would offer a payback period of 5 years or less.

(d) Registry

(1) Establishment

(A) In general

Not later than 1 year after December 19, 2007, the Administrator shall establish a Registry of Recoverable Waste Energy Sources, and sites on which the sources are located, that meet the criteria established under subsection (b).

(B) Updates; availability

The Administrator shall—

(i) update the Registry on a regular basis; and

(ii) make the Registry available to the public on the website of the Environmental Protection Agency.

(C) Contesting listing

Any State, electric utility, or other interested person may contest the listing of any source or site by submitting a petition to the Administrator.

(2) Contents

(A) In general

The Administrator shall register and include in the Registry all sites meeting the criteria established under subsection (b).

(B) Quantity of recoverable waste energy

The Administrator shall—

(i) calculate the total quantities of potentially recoverable waste energy from sources at the sites, nationally and by State; and

(ii) make public—

(I) the total quantities described in clause (i); and

(II) information on the criteria pollutant and greenhouse gas emissions savings that might be achieved with recovery of the waste energy from all sources and sites listed on the Registry.

(3) Availability of information

(A) In general

The Administrator shall notify owners or operators of recoverable waste energy sources and sites listed on the Registry prior to publishing the listing.

(B) Detailed quantitative information

(i) In general

Except as provided in clause (ii), the owner or operator of a source at a site may elect to have detailed quantitative information concerning the site not made public by notifying the Administrator of the election.

(ii) Limited availability

The information shall be made available to—

(I) the applicable State energy office; and

(II) any utility requested to support recovery of waste energy from the source pursuant to the incentives provided under section 6344 of this title.

(iii) State totals

Information concerning the site shall be included in the total quantity of recoverable waste energy for a State unless there are fewer than 3 sites in the State.

(4) Removal of projects from registry

(A) In general

Subject to subparagraph (B), as a project achieves successful recovery of waste energy, the Administrator shall—

(i) remove the related sites or sources from the Registry; and

(ii) designate the removed projects as eligible for incentives under section 6344 of this title.
(B) Limitation

No project shall be removed from the Registry without the consent of the owner or operator of the project if—

(i) the owner or operator has submitted a petition under section 6344 of this title; and

(ii) the petition has not been acted on or denied.

(5) Ineligibility of certain sources

The Administrator shall not list any source constructed after December 19, 2007, on the Registry if the Administrator determines that the source—

(A) was developed for the primary purpose of making sales of excess electric power under the regulatory provisions of this part; or

(B) does not capture at least 60 percent of the total energy value of the fuels used (on a higher-heating-value basis) in the form of useful thermal energy, electricity, mechanical energy, chemical output, or any combination thereof.

(e) Self-certification

(1) In general

Subject to any procedures that are established by the Administrator, an owner, operator, or third-party developer of a recoverable waste energy project that qualifies under standards established by the Administrator may self-certify the sites or sources of the owner, operator, or developer to the Administrator for inclusion in the Registry.

(2) Review and approval

To prevent a fraudulent listing, a site or source shall be included on the Registry only if the Administrator reviews and approves the self-certification.

(f) New facilities

As a new energy-consuming industrial facility is developed after December 19, 2007, to the extent the facility may constitute a site with recoverable waste energy that may qualify for inclusion on the Registry, the Administrator may elect to include the facility on the Registry, at the request of the owner, operator, or developer of the facility, on a conditional basis with the site to be removed from the Registry if the development ceases or the site fails to qualify for listing under this part.

(g) Optimum means of recovery

For each site listed in the Registry, at the request of the owner or operator of the site, the Administrator shall offer, in cooperation with Clean Energy Application Centers operated by the Secretary of Energy, suggestions for optimum means of recovery of value from waste energy stream in the form of electricity, useful thermal energy, or other energy-related products.

(h) Revision

Each annual report of a State under section 8258(a) of title 42 shall include the results of the survey for the State under this section.

(i) Authorization of appropriations

There are authorized to be appropriated to—

(1) the Administrator to create and maintain the Registry and services authorized by this section, $1,000,000 for each of fiscal years 2008 through 2012; and

(2) the Secretary—

(A) to assist site or source owners and operators in determining the feasibility of projects authorized by this section, $2,000,000 for each of fiscal years 2008 through 2012; and

(B) to provide funding for State energy office functions under this section, $5,000,000.


PRIOR PROVISIONS


EFFECTIVE DATE

Section effective on the date that is 1 day after Dec. 19, 2007, see section 1601 of Pub. L. 110–140, set out as a note under section 1624 of Title 2, The Congress.

§ 6343. Waste energy recovery incentive grant program

(a) Establishment

The Secretary shall establish in the Department of Energy a waste energy recovery incentive grant program to provide incentive grants to—

(1) owners and operators of projects that successfully produce electricity or incremental useful thermal energy from waste energy recovery;

(2) utilities purchasing or distributing the electricity; and

(3) States that have achieved 80 percent or more of recoverable waste heat recovery opportunities.

(b) Grants to projects and utilities

(1) In general

The Secretary shall make grants under this section—

(A) to the owners or operators of waste energy recovery projects; and

(B) in the case of excess power purchased or transmitted by a electric utility, to the utility.

(2) Proof

Grants may only be made under this section on receipt of proof of waste energy recovery or excess electricity generation, or both, from the project in a form prescribed by the Secretary.

(3) Excess electric energy

(A) In general

In the case of waste energy recovery, a grant under this section shall be made at the rate of $10 per megawatt hour of documented electricity produced from recoverable waste energy (or by prevention of waste energy in the case of a new facility) by the project
during the first 3 calendar years of production, beginning on or after December 19, 2007.  

(B) Utilities 
If the project produces net excess power and an electric utility purchases or transmits the excess power, 50 percent of so much of the grant as is attributable to the net excess power shall be paid to the electric utility purchasing or transporting the net excess power. 

(4) Useful thermal energy 
In the case of waste energy recovery that produces useful thermal energy that is used for a purpose different from that for which the project is principally designed, a grant under this section shall be made to the owner or operator of the waste energy recovery project at the rate of $10 for each 3,412,000 Btus of the excess thermal energy used for the different purpose. 

(c) Grants to States 
In the case of any State that has achieved 80 percent or more of waste heat recovery opportunities identified by the Secretary under this part, the Administrator shall make a 1-time grant to the State in an amount of not more than $1,000 per megawatt of waste-heat capacity recovered (or a thermal equivalent) to support State-level programs to identify and achieve additional energy efficiency. 

(d) Eligibility 
The Secretary shall— 
(1) establish rules and guidelines to establish eligibility for grants under subsection (b); 
(2) publicize the availability of the grant program known to owners or operators of recoverable waste energy sources and sites listed on the Registry; and 
(3) award grants under the program on the basis of the merits of each project in recovering or preventing waste energy throughout the United States on an impartial, objective, and not unduly discriminatory basis. 

(e) Limitation 
The Secretary shall not award grants to any person for a combined heat and power project or a waste heat recovery project that qualifies for specific Federal tax incentives for combined heat and power or for waste heat recovery. 

(f) Authorization of appropriations 
There are authorized to be appropriated to the Secretary— 
(1) to make grants to projects and utilities under subsection (b)— 
   (A) $100,000,000 for fiscal year 2008 and $200,000,000 for each of fiscal years 2009 through 2012; and 
   (B) such additional amounts for fiscal year 2008 and each fiscal year thereafter as may be necessary for administration of the waste energy recovery incentive grant program; and 
(2) to make grants to States under subsection (b), $10,000,000 for each of fiscal years 2008 through 2012, to remain available until expended. 

operator to up to 3 separate locations on the system of the utility for direct sale by the owner or operator to third parties at those locations.

(3) Transport over private transmission lines

The State and the electric utility shall permit, and shall waive or modify such laws as would otherwise prohibit, the construction and operation of private electric wires constructed, owned, and operated by the project owner or operator, to transport the power to up to 3 purchasers within a 3-mile radius of the project, allowing the wires to use or cross public rights-of-way, without subjecting the project to regulation as a public utility, and according the wires the same treatment for safety, zoning, land use, and other legal privileges as apply or would apply to the wires of the utility, except that—

(A) there shall be no grant of any power of eminent domain to take or cross private property for the wires; and

(B) the wires shall be physically segregated and not interconnected with any portion of the system of the utility, except on the customer side of the revenue meter of the utility and in a manner that precludes any possible export of the electricity onto the utility system, or disruption of the system.

(4) Agreed on alternatives

The utility and the owner or operator of the project may reach agreement on any alternate arrangement and payments or rates associated with the arrangement that is mutually satisfactory and in accord with State law.

(d) Rate conditions and criteria

(1) Definitions

In this subsection:

(A) Per unit distribution costs

The term “per unit distribution costs” means (in kilowatt hours) the quotient obtained by dividing—

(i) the depreciated book-value distribution system costs of a utility; by

(ii) the volume of utility electricity sales or transmission during the previous year at the distribution level.

(B) Per unit distribution margin

The term “per unit distribution margin” means—

(i) in the case of a State-regulated electric utility, a per-unit gross pretax profit equal to the product obtained by multiplying—

(I) the State-approved percentage rate of return for the utility for distribution system assets; by

(II) the per unit distribution costs; and

(ii) in the case of a nonregulated utility, a per unit contribution to net revenues determined multiplying—

(I) the percentage (but not less than 10 percent) obtained by dividing—

(aa) the amount of any net revenue payment or contribution to the owners or subscribers of the nonregulated utility during the prior year; by

(bb) the gross revenues of the utility during the prior year to obtain a percentage; by

(II) the per unit distribution costs.

(C) Per unit transmission costs

The term “per unit transmission costs” means the total cost of those transmission services purchased or provided by a utility on a per-kilowatt-hour basis as included in the retail rate of the utility.

(2) Options

The options described in paragraphs (1) and (2) in subsection (c) shall be offered under purchase and transport rate conditions that reflect the rate components defined under paragraph (1) as applicable under the circumstances described in paragraph (3).

(3) Applicable rates

(A) Rates applicable to sale of net excess power

(i) In general

Sales made by a project owner or operator of a facility under the option described in subsection (c)(1) shall be paid for on a per kilowatt hour basis that shall equal the full undiscounted retail rate paid to the utility for power purchased by the facility minus per unit distribution costs, that applies to the type of utility purchasing the power.

(ii) Voltages exceeding 25 kilovolts

If the net excess power is made available for resale by the utility, the purchase price shall further be reduced by per unit transmission costs.

(B) Rates applicable to transport by utility for direct sale to third parties

(i) In general

Transportation by utilities of power on behalf of the owner or operator of a project under the option described in subsection (c)(2) shall incur a transportation rate that shall equal the per unit distribution costs and per unit distribution margin, that applies to the type of utility transporting the power.

(ii) Voltages exceeding 25 kilovolts

If the net excess power is made available for transportation at voltages that must be transformed to or from voltages exceeding 25 kilovolts to be available for resale by the utility, the purchase price shall further be reduced by per unit transmission costs.

(iii) States with competitive retail markets for electricity

In a State with a competitive retail market for electricity, the applicable transportation rate for similar transportation shall be applied in lieu of any rate calculated under this paragraph.
§ 6345

(4) Limitations

(A) In general

Any rate established for sale or transportation under this section shall—

(i) be modified over time with changes in the underlying costs or rates of the electric utility; and

(ii) reflect the same time-sensitivity and billing periods as are established in the retail sales or transportation rates offered by the utility.

(B) Limitation

No utility shall be required to purchase or transport a quantity of net excess power under this section that exceeds the available capacity of the wires, meter, or other equipment of the electric utility serving the site unless the owner or operator of the project agrees to pay necessary and reasonable upgrade costs.

(e) Procedural requirements for consideration and determination

(1) Public notice and hearing

(A) In general

The consideration referred to in subsection (a) shall be made after public notice and hearing.

(B) Administration

The determination referred to in subsection (a) shall be—

(i) in writing;

(ii) based on findings included in the determination and on the evidence presented at the hearing; and

(iii) available to the public.

(2) Intervention by Administrator

The Administrator may intervene as a matter of right in a proceeding conducted under this section—

(A) to calculate—

(i) the energy and emissions likely to be saved by electing to adopt 1 or more of the options; and

(ii) the costs and benefits to ratepayers and the utility; and

(B) to advocate for the waste-energy recovery opportunity.

(3) Procedures

(A) In general

Except as otherwise provided in paragraphs (1) and (2), the procedures for the consideration and determination referred to in subsection (a) shall be the procedures established by the State regulatory authority or the nonregulated electric utility.

(B) Multiple projects

If there is more than 1 project seeking consideration simultaneously in connection with the same utility, the proceeding may encompass all such projects, if full attention is paid to individual circumstances and merits and an individual judgment is reached with respect to each project.

(f) Implementation

(1) In general

The State regulatory authority (with respect to each electric utility for which the authority has ratemaking authority) or nonregulated electric utility may, to the extent consistent with otherwise applicable State law—

(A) implement the standard determined under this section; or

(B) decline to implement any such standard.

(2) Nonimplementation of standard

(A) In general

If a State regulatory authority (with respect to each electric utility for which the authority has ratemaking authority) or nonregulated electric utility declines to implement any standard established by this section, the authority or nonregulated electric utility shall state in writing the reasons for declining to implement the standard.

(B) Availability to public

The statement of reasons shall be available to the public.

(C) Annual report

The Administrator shall include in an annual report submitted to Congress a description of the lost opportunities for waste-heat recovery from the project described in subparagraph (A), specifically identifying the utility and stating the quantity of lost energy and emissions savings calculated.

(D) New petition

If a State regulatory authority (with respect to each electric utility for which the authority has ratemaking authority) or nonregulated electric utility declines to implement the standard established by this section, the project sponsor may submit a new petition under this section with respect to the project at any time after the date that is 2 years after the date on which the State regulatory authority or nonregulated utility declined to implement the standard.


Prior Provisions


Effective Date

Section effective on the date that is 1 day after Dec. 19, 2007, see section 1601 of Pub. L. 110–140, set out as a note under section 1824 of Title 2, The Congress.

§ 6345. Clean Energy Application Centers

(a) Renaming

(1) In general

The Combined Heat and Power Application Centers of the Department of Energy are re-
designated as Clean Energy Application Centers.

(2) References
Any reference in any law, rule, regulation, or publication to a Combined Heat and Power Application Center shall be treated as a reference to a Clean Energy Application Center.

(b) Relocation
(1) In general
In order to better coordinate efforts with the separate Industrial Assessment Centers and to ensure that the energy efficiency and, when applicable, the renewable nature of deploying mature clean energy technology is fully accounted for, the Secretary shall relocate the administration of the Clean Energy Application Centers to the Office of Energy Efficiency and Renewable Energy within the Department of Energy.

(2) Office of Electricity Delivery and Energy Reliability
The Office of Electricity Delivery and Energy Reliability shall—
(A) continue to perform work on the role of technology described in paragraph (1) in support of the grid and the reliability and security of the technology; and
(B) shall assist the Clean Energy Application Centers in the work of the Centers with regard to the grid and with electric utilities.

(c) Grants
(1) In general
The Secretary shall make grants to universities, research centers, and other appropriate institutions to ensure the continued operations and effectiveness of 8 Regional Clean Energy Application Centers in each of the following regions (as designated for such purposes as of December 19, 2007):
(A) Gulf Coast.
(B) Intermountain.
(C) Mid-Atlantic.
(D) Midwest.
(E) Northeast.
(F) Northwest.
(G) Pacific.
(H) Southeast.

(2) Establishment of goals and compliance
In making grants under this subsection, the Secretary shall ensure that sufficient goals are established and met by each Center throughout the program duration concerning outreach and technology deployment.

(d) Activities
(1) In general
Each Clean Energy Application Center shall—
(A) operate a program to encourage deployment of clean energy technologies through education and outreach to building and industrial professionals;1 and other individuals and organizations with an interest in efficient energy use; and
(B) provide project specific support to building and industrial professionals through assessments and advisory activities.

(2) Types of activities
Funds made available under this section may be used—
(A) to develop and distribute informational materials on clean energy technologies, including continuation of the 8 websites in existence on December 19, 2007;
(B) to develop and conduct target market workshops, seminars, Internet programs, and other activities to educate end users, regulators, and stakeholders in a manner that leads to the deployment of clean energy technologies;
(C) to provide or coordinate onsite assessments for sites and enterprises that may consider deployment of clean energy technology;
(D) to perform market research to identify high profile candidates for clean energy deployment;
(E) to provide consulting support to sites considering deployment of clean energy technologies;
(F) to assist organizations developing clean energy technologies to overcome barriers to deployment; and
(G) to assist companies and organizations with performance evaluations of any clean energy technology implemented.

(e) Duration
(1) In general
A grant awarded under this section shall be for a period of 5 years.2

(2) Annual evaluations
Each grant shall be evaluated annually for the continuation of the grant based on the activities and results of the grant.

(f) Authorization
There is authorized to be appropriated to carry out this section $10,000,000 for each of fiscal years 2008 through 2012.


PRIOR PROVISIONS

EFFECTIVE DATE
Section effective on the date that is 1 day after Dec. 19, 2007, see section 1601 of Pub. L. 110–140, set out as a note under section 1824 of Title 2, The Congress.


1So in original. The semicolon probably should not appear.
2So in original. Probably should be followed by a period.
§ 6347. Omitted

CODIFICATION
Section, Pub. L. 96–294, title V, § 591, June 30, 1980, 94 Stat. 761, authorized appropriations to Secretary of Energy of $40,000,000 for each of fiscal years ending Sept. 30, 1981 and 1982, for industrial energy conservation demonstration projects designed to substantially increase productivity in industry. Section was enacted as part of the Energy Security Act and not as part of the Energy Policy and Conservation Act which comprises this chapter.

§ 6348. Energy efficiency in industrial facilities

(a) Grant program

(1) In general

The Secretary shall make grants to industry associations to support programs to improve energy efficiency in industry. In order to be eligible for a grant under this subsection, an industry association shall establish a voluntary energy efficiency improvement target program.

(2) Awarding of grants

The Secretary shall request project proposals and provide annual grants on a competitive basis. In evaluating grant proposals under this subsection, the Secretary shall consider—

(A) potential energy savings;
(B) potential environmental benefits;
(C) the degree of cost sharing;
(D) the degree to which new and innovative technologies will be encouraged;
(E) the level of industry involvement;
(F) estimated project cost-effectiveness; and
(G) the degree to which progress toward the energy improvement targets can be monitored.

(3) Eligible projects

Projects eligible for grants under this subsection may include the following:

(A) Workshops.
(B) Training seminars.
(C) Handbooks.
(D) Newsletters.
(E) Data bases.
(F) Other activities approved by the Secretary.

(4) Limitation on cost sharing

Grants provided under this subsection shall not exceed $250,000 and each grant shall not exceed 75 percent of the total cost of the project for which the grant is made.

(5) Authorization

There are authorized to be appropriated such sums as are necessary to carry out this subsection.

(b) Award program

The Secretary shall establish an annual award program to recognize those industry associations or individual industrial companies that have significantly improved their energy efficiency.

(c) Report on industrial reporting and voluntary targets

Not later than one year after October 24, 1992, the Secretary shall, in consultation with affected industries, evaluate and report to the Congress regarding the establishment of Federally mandated energy efficiency reporting requirements and voluntary energy efficiency improvement targets for energy intensive industries. Such report shall include an evaluation of the costs and benefits of such reporting requirements and voluntary energy efficiency improvement targets, and recommendations regarding the role of such activities in improving energy efficiency in energy intensive industries.


CODIFICATION
Section was enacted as part of the Energy Policy Act of 1992 and not as part of the Energy Policy and Conservation Act which comprises this chapter.

§ 6349. Process-oriented industrial energy efficiency

(a) Definitions

For the purposes of this section—

(1) the term “covered industry” means the food and food products industry, lumber and wood products industry, petroleum and coal products industry, and all other manufacturing industries specified in Standard Industrial Classification Codes 20 through 39 (or successor classification codes);

(2) the term “process-oriented industrial assessment” means—

(A) the identification of opportunities in the production process (from the introduction of materials to final packaging of the product for shipping) for—

(i) improving energy efficiency;
(ii) reducing environmental impact; and
(iii) designing technological improvements to increase competitiveness and achieve cost-effective product quality enhancement;

(B) the identification of opportunities for improving the energy efficiency of lighting, heating, ventilation, air conditioning, and the associated building envelope; and

(C) the identification of cost-effective opportunities for using renewable energy technology in the production process and in the systems described in subparagraph (B); and

(3) the term “utility” means any person, State agency (including any municipality), or Federal agency, which sells electric or gas energy to retail customers.

(b) Grant program

(1) Use of funds

The Secretary shall, to the extent funds are made available for such purpose, make grants to States which, consistent with State law, shall be used for the following purposes:

(A) To promote, through appropriate institutions such as universities, nonprofit organizations, State and local government entities, technical centers, utilities, and trade organizations, the use of energy-efficient technologies in covered industries.

(B) To establish programs to train individuals (on an industry-by-industry basis) in
conducting process-oriented industrial assessments and to encourage the use of such trained assessors.

(C) To assist utilities in developing, testing, and evaluating energy efficiency programs and technologies for industrial customers in covered industries.

(2) Consultation
States receiving grants under this subsection shall consult with utilities and representatives of affected industries, as appropriate, in determining the most effective use of such funds consistent with the requirements of paragraph (1).

(3) Eligibility criteria
Not later than 1 year after October 24, 1992, the Secretary shall establish eligibility criteria for grants made pursuant to this subsection. Such criteria shall require a State applying for a grant to demonstrate that such State—

(A) pursuant to section 2621(a) of title 16, has considered and made a determination regarding the implementation of the standards specified in paragraphs (7) and (8) of section 2621(d) of title 16 (with respect to integrated resources planning and investments in conservation and demand management); and

(B) by legislation or regulation—

(i) allows utilities to recover the costs prudently incurred in providing process-oriented industrial assessments; and

(ii) encourages utilities to provide to covered industries—

(I) process-oriented industrial assessments; and

(II) financial incentives for implementing energy efficiency improvements.

(4) Allocation of funds
Grants made pursuant to this subsection shall be allocated each fiscal year among States meeting the criteria specified in paragraph (3) who have submitted applications 60 days before the first day of such fiscal year. Such allocation shall be made in accordance with a formula to be prescribed by the Secretary based on each State's share of value added in industry (as determined by the Census of Manufacturers) as a percentage of the value added by all such States.

(5) Renewal of grants
A grant under this subsection may continue to be renewed after 2 consecutive fiscal years during which a State receives a grant under this subsection, subject to the availability of funds if—

(A) the Secretary determines that the funds made available to the State during the previous 2 years were used in a manner required under paragraph (1); and

(B) such State demonstrates, in a manner prescribed by the Secretary, utility participation in programs established pursuant to this subsection.

(6) Coordination with other Federal programs
In carrying out the functions described in paragraph (1), States shall, to the extent practicable, coordinate such functions with activities and programs conducted by the Energy Analysis and Diagnostic Centers of the Department of Energy and the Manufacturing Technology Centers of the National Institute of Standards and Technology.

(c) Other Federal assistance

(1) Assessment criteria
Not later than 2 years after October 24, 1992, the Secretary shall, by contract with non-profit organizations with expertise in process-oriented industrial energy efficiency technologies, establish and, as appropriate, update criteria for conducting process-oriented industrial assessments on an industry-by-industry basis. Such criteria shall be made available to State and local government, public utility commissions, utilities, representatives of affected process-oriented industries, and other interested parties.

(2) Directory
The Secretary shall establish a nationwide directory of organizations offering industrial energy efficiency assessments, technologies, and services consistent with the purposes of this section. Such directory shall be made available to State governments, public utility commissions, utilities, industry representatives, and other interested parties.

(3) Award program
The Secretary shall establish an annual award program to recognize utilities operating outstanding or innovative industrial energy efficiency technology assistance programs.

(4) Meetings
In order to further the purposes of this section, the Secretary shall convene annual meetings of parties interested in process-oriented industrial assessments, including representatives of State government, public utility commissions, utilities, and affected process-oriented industries.

(d) Authorization of appropriations
There are authorized to be appropriated such sums as may be necessary to carry out the purposes of this section.

(1) Assessment criteria
Not later than 2 years after October 24, 1992, the Secretary shall, by contract with non-profit organizations with expertise in process-oriented industrial energy efficiency technologies, establish and, as appropriate, update criteria for conducting process-oriented industrial assessments on an industry-by-industry basis. Such criteria shall be made available to State and local government, public utility commissions, utilities, representatives of affected process-oriented industries, and other interested parties.

(2) Directory
The Secretary shall establish a nationwide directory of organizations offering industrial energy efficiency assessments, technologies, and services consistent with the purposes of this section. Such directory shall be made available to State governments, public utility commissions, utilities, industry representatives, and other interested parties.

(3) Award program
The Secretary shall establish an annual award program to recognize utilities operating outstanding or innovative industrial energy efficiency technology assistance programs.

(d) Authorization of appropriations
There are authorized to be appropriated such sums as may be necessary to carry out the purposes of this section.

§ 6350. Industrial insulation and audit guidelines

(a) Voluntary guidelines for energy efficiency auditing and insulating
Not later than 18 months after October 24, 1992, the Secretary, after consultation with util-
ities, major industrial energy consumers, and representatives of the insulation industry, shall establish voluntary guidelines for—

(1) the conduct of energy efficiency audits of industrial facilities to identify cost-effective opportunities to increase energy efficiency; and

(2) the installation of insulation to achieve cost-effective increases in energy efficiency in industrial facilities.

(b) Educational and technical assistance

The Secretary shall conduct a program of educational and technical assistance to promote the use of the voluntary guidelines established under subsection (a).


CODIFICATION

Section was enacted as part of the Energy Policy and Conservation Act which comprises this chapter.

AMENDMENTS

1992—Subsec. (c). Pub. L. 105–362 struck out heading and text of subsec. (c). Text read as follows: "Not later than 2 years after October 24, 1995, and biennially thereafter, as part of the report required under section 6349(d) of this title, the Secretary shall report to the Congress on activities conducted pursuant to this section, including—

"(1) a review of the status of industrial energy auditing procedures; and

"(2) an evaluation of the effectiveness of the guidelines established under subsection (a) of this section and the responsiveness of the industrial sector to such guidelines.""


§6351. Coordination of research and development of energy efficient technologies for industry

(a) In general

As part of the research and development activities of the Industrial Technologies Program of the Department of Energy, the Secretary of Energy (referred to in this section as the "Secretary") shall establish, as appropriate, collaborative research and development partnerships with other programs within the Office of Energy Efficiency and Renewable Energy (including the Building Technologies Program), the Office of Electricity Delivery and Energy Reliability, and the Office of Science that—

(1) leverage the research and development expertise of those programs to promote early stage energy efficiency technology development;

(2) support the use of innovative manufacturing processes and applied research for development, demonstration, and commercialization of new technologies and processes to improve efficiency (including improvements in efficient use of water), reduce emissions, reduce industrial waste, and improve industrial cost-competitiveness; and

(3) apply the knowledge and expertise of the Industrial Technologies Program to help achieve the program goals of the other programs.

(b) Reports

Not later than 2 years after December 18, 2012, and biennially thereafter, the Secretary shall submit to Congress a report that describes actions taken to carry out subsection (a) and the results of those actions.


CODIFICATION

Section was enacted as part of the American Energy Manufacturing Technical Corrections Act, and not as part of the Energy Policy and Conservation Act which comprises this chapter.

PART D—OTHER FEDERAL ENERGY CONSERVATION MEASURES

CODIFICATION

This part, originally designated part E and subsequently redesignated part F by Pub. L. 95–619, title IV, §441(a), Nov. 9, 1978, 92 Stat. 3267, was changed to part D for purposes of codification.

§6361. Federal energy conservation programs

(a) Establishment and coordination of Federal agency actions

(1) The President shall, to the extent of his authority under other law, establish or coordinate Federal agency actions to develop mandatory standards with respect to energy conservation and energy efficiency to govern the procurement policies and decisions of the Federal Government and all Federal agencies, and shall take such steps as are necessary to cause such standards to be implemented.

(2) The President shall develop and, to the extent of his authority under other law, implement a 10-year plan for energy conservation with respect to buildings owned or leased by an agency of the United States. Such plan shall include mandatory lighting efficiency standards, mandatory thermal efficiency standards and insulation requirements, restrictions on hours of operation, thermostat controls, and other conditions of operation, and plans for replacing or retrofitting to meet such standards.

(b) Public education programs

(1) The Secretary shall establish and carry out a responsible public education program—

(A) to encourage energy conservation and energy efficiency; or

(B) to promote van pooling and carpooling arrangements.

(2) For purposes of this subsection:

(A) The term "van" means any automobile which the Secretary determines is manufactured primarily for use in the transportation of not less than 8 individuals and not more than 15 individuals.

(B) The term "van pooling arrangement" means an arrangement for the transportation of employees between their residences or other designated locations and their place of employment on a nonprofit basis in which the operating costs of such arrangement are paid for by the employees utilizing such arrangement.
(c) Omitted

(d) Applicability of plan to Executive agencies

The plan developed by the President pursuant to subsection (a)(2) shall be applicable to Executive agencies as defined in section 105 of title 5 and to the United States Postal Service.

(e) Authorization of appropriations

In addition to funds authorized in any other law, there is authorized to be appropriated to the President for fiscal year 1978 not to exceed $25,000,000, and for fiscal year 1979 not to exceed $50,000,000, to carry out the purposes of subsection (a)(2).


CODIFICATION

Subsec. (c) of this section, which required the Secretary to include in the report required under section 8258(b) of this title the steps taken under subsections (a) and (b) of this section, terminated, effective May 15, 2000, pursuant to section 3003 of Pub. L. 106–65, as amended, set out as a note under section 1113 of Title 31, Money and Finance. See, also, the 13th item on page 19 and the 3rd item on page 138 of House Document No. 103–7.

AMENDMENTS

1988—Subsec. (c). Pub. L. 100–615 amended subsec. (c) generally. Prior to amendment, subsec. (c) read as follows: "The President shall submit to the Congress an annual report concerning all steps taken under subsections (a) and (b) of this section."


Subsecs. (d), (e), Pub. L. 95–619, § 501, added subsecs. (d) and (e).

TRANSFER OF FUNCTIONS

Functions vested in Secretary [formerly Administrator of Federal Energy Administration] under subsec. (b)(1)(B) of this section transferred to Secretary of Transportation by section 7159 of this title. Ex. Ord. No. 12191. FEDERAL FACILITY RIDESHARING PROGRAM Ex. Ord. No. 12191, Feb. 1, 1980, 45 F.R. 7997, provided: By the authority vested in me as President by the Constitution and statutes of the United States of America, and in order to increase ridesharing as a means to conserve petroleum, reduce congestion, improve air quality, and provide an economical way for Federal employees to commute to work, it is hereby ordered as follows:

1–1. Responsibilities of Executive Agencies

1–101. Executive agencies shall promote the use of ridesharing (carpools, vanpools, privately leased buses, public transportation, and other multi-occupancy modes of travel) by personnel working at Federal facilities. Agency actions pursuant to this Order shall be consistent with Circular A–118 issued by the Office of Management and Budget.

1–102. Agencies shall establish an annual ridesharing goal tailored to each facility, and expressed as a percentage of fulltime personnel working at that facility who use ridesharing in the commute between home and work. Agencies that share facilities or that are within easy walking distance of one another should coordinate their efforts to develop and implement ridesharing opportunities.

1–103. Agencies shall designate, in accordance with OMB Circular A–118, an employee transportation coordinator. Agencies that share facilities may designate a single transportation coordinator. The coordinator shall assist employees in forming carpools or vanpools (employee-owned or leased) and facilitate employee participation in ridesharing matching programs. The coordinator shall publicize within the facility the availability of public transportation. The coordinator shall also communicate employee needs for new or improved transportation service to the appropriate local public transit authorities or other organizations furnishing multi-passenger modes of travel.

1–104. Agencies shall report to the Administrator of General Services, hereinafter referred to as the Administrator, the goals established, the means developed to achieve those goals, and the progress achieved. These reports shall be in such form and frequency as the Administrator may require.

1–2. Responsibilities of the Administrator of General Services

1–201. The Administrator shall issue such regulations as are necessary to implement this Order.

1–202. The Administrator may exempt small, remotely located Federal facilities from the requirements of Sections 1–102, 1–103, and 1–104 on his own initiative or upon request of the agency. An exemption shall be granted in whole or in part when, in the judgment of the Administrator, the requirements of those Sections would not yield significant ridesharing benefits.

1–203. The Administrator shall, in consultation with the Secretary of Transportation, periodically provide agencies with guidelines, instructions, and other practical aids for establishing, implementing, and improving their ridesharing programs.

1–204. The Administrator shall assist in coordinating the ridesharing activities of the agencies with the efforts of the Department of Energy, under the Federal Energy Management Program and in the development of an emergency energy conservation plan for the Federal government.

1–205. The Administrator shall take into consideration the advice of the Environmental Protection Agency under the Clean Air Act, as amended [42 U.S.C. 7401 et seq.] in performing his responsibilities under this Order.

1–206. The Administrator shall, in consultation with the Secretary of Transportation, report annually to the President on the performance of the agencies in implementing the policies and actions contained in this Order. The report shall include (a) an assessment of each agency’s performance, including the reasonableness of its goals and the adequacy of its efforts, (b) a comparison of private sector and State and local government ridesharing efforts with those of the Federal government, and (c) recommendations for additional actions necessary to remove barriers or to provide additional incentives to encourage more ridesharing by personnel at Federal facilities.

JIMMY CARTER.

§ 6362. Energy conservation policies and practices

(a) “Agency” defined

In this section, “agency” means—

(1) the Department of Transportation with respect to part A of subtitle VII of title 49, United States Code;

(2) the Interstate Commerce Commission;

(3) the Federal Maritime Commission; and

(4) the Federal Power Commission.

(b) Statement of probable impact of major regulatory action on energy efficiency

Except as provided in subsection (c), each of the agencies specified in subsection (a) shall,
§ 6363. Federal actions with respect to recycled oil

(a) Purpose
The purposes of this section are—
(1) to encourage the recycling of used oil;
(2) to promote the use of recycled oil;
(3) to reduce consumption of new oil by promoting increased utilization of recycled oil; and
(4) to reduce environmental hazards and wasteful practices associated with the disposal of used oil.

(b) Definitions
As used in this section:
(1) the term “used oil” means any oil which has been refined from crude oil, has been used, and as a result of such use has been contaminated by physical or chemical impurities.
(2) The term “recycled oil” means—
(A) used oil from which physical and chemical contaminants acquired through use have been removed by re-refining or other processing, or
(B) any blend of oil, consisting of such re-refined or otherwise processed used oil and new oil or additives, with respect to which the manufacturer has determined, pursuant to the rule prescribed under subsection (d)(1)(A)(i), is substantially equivalent to new oil for a particular end use.
(3) The term “new oil” means any oil which has been refined from crude oil and has not been used, and which may or may not contain additives. Such term does not include used oil or recycled oil.
(4) The term “manufacturer” means any person who re-refines or otherwise processes used oil to remove physical or chemical impurities acquired through use or who blends such re-refined or otherwise processed used oil with new oil or additives.

(c) Test procedures for determining substantial equivalency of recycled oil and new oil
As soon as practicable after December 22, 1975, the National Institute of Standards and Technology shall develop test procedures for the determination of substantial equivalency of re-refined or otherwise processed used oil or blend of oil, consisting of such re-refined or otherwise processed used oil and new oil or additives, with new oil for a particular end use. As soon as practicable after development of such test procedures, the National Institute of Standards and Technology shall report such procedures to the Commission.

(d) Promulgation of rules prescribing test procedures and labeling standards
(1)(A) Within 90 days after the date on which the Commission receives the report under subsection (c), the Commission shall, by rule, prescribe—
(i) test procedures for the determination of substantial equivalency of re-refined or otherwise processed used oil or blend of oil, consisting of such re-refined or otherwise processed used oil and new oil or additives, with new oil distributed for a particular end use; and
(ii) labeling standards applicable to containers of recycled oil in order to carry out the purposes of this section.

(B) Such labeling standards shall permit any container of recycled oil to bear a label indicating any particular end use for which a determination of substantial equivalency has been made pursuant to subparagraph (A)(i).
(2) Not later than the expiration of such 90-day period, the Administrator of the Environmental Protection Agency shall, by rule, prescribe labeling standards applicable to containers of new oil, used oil, and recycled oil relating to the proper disposal of such oils after use. Such standards shall be designed to reduce, to the maximum extent practicable, environmental hazards and wasteful practices associated with the disposal of such oils after use.

(e) Labeling standards
Beginning on the effective date of the standards prescribed pursuant to subsection (d)(1)(A)—
(1) no rule or order of the Commission, other than the rules required to be prescribed pursuant to subsection (d)(1)(A), and no law, regulation, or order of any State or political subdivision thereof may apply, or remain applicable, to any container of recycled oil, if such law, regulation, rule, or order requires any container of recycled oil, which container bears a
label in accordance with the terms of the rules prescribed under subsection (d)(1)(A), to bear any label with respect to the comparative characteristics of such recycled oil with new oil which is not identical to that permitted by the rule respecting labeling standards prescribed under subsection (d)(1)(A)(i); and

(2) no rule or order of the Commission may require any container of recycled oil to also bear a label containing any term, phrase, or description which connotes less than substantial equivalency of such recycled oil with new oil.

(f) Conformity of acts of Federal officials to Commission rules

After the effective date of the rules required to be prescribed under subsection (d)(1)(A), all Federal officials shall act within their authority to carry out the purposes of this section, including—

(1) revising procurement policies to encourage procurement of recycled oil for military and nonmilitary Federal uses whenever such recycled oil is available at prices competitive with new oil procured for the same end use; and

(2) educating persons employed by Federal and State governments and private sectors of the economy of the merits of recycled oil, the need for its use in order to reduce the drain on the Nation’s oil reserves, and proper disposal of used oil to avoid waste of such oil and to minimize environmental hazards associated with improper disposal.


AMENDMENTS


APPLICATION OF LABELING STANDARDS

Pub. L. 96–463, § 4(c), Oct. 15, 1980, 94 Stat. 2056, provided: “Before the effective date of the labeling standards required to be prescribed under section 383(d)(1)(A) of the Energy Policy and Conservation Act [subsec. (d)(1)(A) of this section], no requirement of any rule or order of the Federal Trade Commission may apply, or remain applicable, to any container of recycled oil (as defined in section 383(b) of such Act [subsec. (b) of this section]) if such requirement provides that the container must bear any label referring to the fact that it has been derived from previously used oil. Nothing in this subsection [this note] shall be construed to affect any labeling requirement applicable to recycled oil under any authority of law to the extent such requirement relates to fitness for intended use or any other performance characteristic of such oil or to any characteristic of such oil other than that referred to in the preceding sentence.”

§ 6364. Operation of battery recharging stations in parking areas used by Federal employees

(1) Authorization

(A) In general

The Administrator of General Services may install, construct, operate, and maintain on a reimbursable basis a battery recharging station (or allow, on a reimbursable basis, the use of a 120-volt electrical receptacle for battery recharging) in a parking area that is in the custody, control, or administrative jurisdiction of the General Services Administration for the use of only privately owned vehicles of employees of the General Services Administration, tenant Federal agencies, and others who are authorized to park in such area to the extent such use by only privately owned vehicles does not interfere with or impede access to the equipment by Federal fleet vehicles.

(B) Areas under other Federal agencies

The Administrator of General Services, with respect to subparagraph (A) or (B), may carry out such subparagraph through a contract with a vendor, under such terms and conditions (including terms relating to the allocation between the Federal agency and the vendor of the costs of carrying out the contract) as the Administrator or the head of the Federal agency, as the case may be, and the vendor may agree to.

(2) Imposition of fees to cover costs

(A) Fees

The Administrator of General Services, with respect to subparagraph (A) or (B), may charge fees to the individuals who use the battery recharging station in such amount as is necessary to ensure that the respective agency recovers all of the costs such agency incurs in installing, constructing, operating, and maintaining the station.

(B) Deposit and availability of fees

Any fees collected by the Administrator of General Services or the Federal agency, as the case may be, under this paragraph shall be—

(i) deposited monthly in the Treasury to the credit of the respective agency’s appropriations account for the operations of the building where the battery recharging station is located; and

(ii) available for obligation without further appropriation during—

(I) the fiscal year collected; and

(II) the fiscal year following the fiscal year collected.

(3) No effect on existing programs for House and Senate

Nothing in this subsection affects the installation, construction, operation, or maintenance of battery recharging stations by the Architect of the Capitol—
§ 6371. Definitions

For the purposes of this part—

(1) The term “building” means any structure the construction of which was completed on or before May 1, 1989, which includes a heating or cooling system, or both;

(2) The term “energy conservation measure” means an installation or modification of an installation in a building which is primarily intended to maintain or reduce energy consumption and reduce energy costs or allow the use of an alternative energy source, including, but not limited to—

(A) insulation of the building structure and systems within the building;

(B) storm windows and doors, multiglazed windows and doors, heat absorbing or heat reflective glazed and coated windows and door systems, additional glazing, reductions in glass area, and other window and door system modifications;

(C) automatic energy control systems and load management systems;

(D) equipment required to operate variable steam, hydraulic, and ventilating systems adjusted by automatic energy control systems;

(E) solar space heating or cooling systems, solar electric generating systems, or any combination thereof;

(F) solar water heating systems;

(G) furnace or utility plant and distribution system modifications including—

(i) replacement burners, furnaces, boilers, or any combination thereof, which substantially increases the energy efficiency of the heating system,

(ii) devices for modifying flue openings which will increase the energy efficiency of the heating system,

(iii) electrical or mechanical furnace ignition systems which replace standing gas pilot lights, and

(iv) utility plant system conversion measures including conversion of existing oil- and gas-fired boiler installations to alternative energy sources, including coal;

(H) caulking and weatherstripping;

(I) replacement or modification of lighting fixtures which replacement or modification increases the energy efficiency of the lighting system without increasing the overall illumination of a facility (unless such increase in illumination is necessary to conform to any applicable State or local building code or, if no such code applies, the increase is considered appropriate by the Secretary);

(J) energy recovery systems;

(K) cogeneration systems which produce steam or forms of energy such as heat, as well as electricity for use primarily within a building or a complex of buildings owned by a school or hospital and which meet such fuel efficiency requirements as the Secretary may by rule prescribe.

(A) under section 2171 of title 2, relating to employees of the House of Representatives and individuals authorized to park in any parking area under the jurisdiction of the House of Representatives on the Capitol Grounds; or

(B) under section 2170 of title 2, relating to employees of the Senate and individuals authorized to park in any parking area under the jurisdiction of the Senate on the Capitol Grounds.

(4) No effect on similar authorities

Nothing in this subsection—

(A) repeals or limits any existing authorities of a Federal agency to install, construct, operate, or maintain battery recharging stations; or

(B) requires a Federal agency to seek reimbursement for the costs of installing or constructing a battery recharging station—

(i) that has been installed or constructed prior to December 4, 2015;

(ii) that is installed or constructed for Federal fleet vehicles, but that receives incidental use to recharge privately owned vehicles; or

(iii) that is otherwise installed or constructed pursuant to appropriations for that purpose.

(5) Annual report to Congress

Not later than 2 years after December 4, 2015, and annually thereafter for 10 years, the Administrator of General Services shall submit to the Committee on Environment and Public Works of the Senate a report describing—

(A) the number of battery recharging stations installed by the Administrator on the Administrator’s own initiative under this subsection;

(B) requests from other Federal agencies to install battery recharging stations; and

(C) the status and disposition of requests from other Federal agencies.

(6) Federal agency defined

In this subsection, the term “Federal agency” has the meaning given the term “Executive agency” in section 105 of title 5 and includes—

(A) the United States Postal Service;

(B) the Executive Office of the President;

(C) the military departments (as defined in section 102 of title 5); and

(D) the judicial branch.

(7) Effective date

This subsection shall apply with respect to fiscal year 2016 and each succeeding fiscal year.


Codification

Section was enacted as part of the Fixing America’s Surface Transportation Act, also known as the FAST Act, and not as part of the Energy Policy and Conservation Act which comprises this chapter.

Effective Date

Section effective Oct. 1, 2015, see section 1903 of Pub. L. 114–94, set out as an Effective Date of 2015 Amendment note under section 5313 of Title 5, Government Organization and Employees.
(L) such other measures as the Secretary identifies by rule for purposes of this part; and
(M) such other measures as a grant applicant shows will save a substantial amount of energy and as are identified in an energy audit prescribed pursuant to section 6325(c)(2) of this title.

(3) The term “hospital” means a public or nonprofit institution which is—
(A) a general hospital, tuberculosis hospital, or any other type of hospital, other than a hospital furnishing primarily domiciliary care; and
(B) duly authorized to provide hospital services under the laws of the State in which it is situated.

(4) The term “hospital facilities” means buildings housing a hospital and related facilities, including laboratories, outpatient departments, nurses’ home and training facilities and central service facilities operated in connection with a hospital, and also includes buildings housing education or training facilities for health professionals personnel operated as an integral part of a hospital.

(5) The term “public or nonprofit institution” means an institution owned and operated by—
(A) a State, a political subdivision of a State or an agency or instrumentality of either; or
(B) an organization exempt from income tax under section 501(c)(3) of title 26.

(6) The term “school” means a public or nonprofit institution which—
(A) provides, and is legally authorized to provide, elementary education or secondary education, or both, on a day or residential basis;
(B)(i) provides, and is legally authorized to provide a program of education beyond secondary education, on a day or residential basis;
   (ii) admits as students only persons having a certificate of graduation from a school providing secondary education, or the recognized equivalent of such certificate;
   (iii) is accredited by a nationally recognized accrediting agency or association; and
   (iv) provides an educational program for which it awards a bachelor’s degree or higher degree or provides not less than a two-year program which is acceptable for full credit toward such a degree at any institution which meets the requirements of clauses (i), (ii), and (iii) and which provides such a program;
(C) provides not less than a one-year program of training to prepare students for gainful employment in a recognized occupation and which meets the provisions of clauses (i), (ii), and (iii) of subparagraph (B); or
(D) is a local educational agency.

(7) The term “local education agency” means a public board of education or other public authority or a nonprofit institution legally constituted within, or otherwise recognized by, a State for either administrative control or direction of, or to perform administrative services for, a group of schools within a State.

(8) The term “school facilities” means buildings housing classrooms, laboratories, dormitories, administrative facilities, athletic facilities, or related facilities operated in connection with a school.

(9) The term “State” means, in addition to the several States of the Union, the District of Columbia, Puerto Rico, Guam, American Samoa, the Northern Mariana Islands, and the Virgin Islands.

(10) The term “State energy agency” means the State agency responsible for developing State energy conservation plans pursuant to section 6322 of this title, or, if no such agency exists, a State agency designated by the Governor of such State to prepare and submit a State plan under section 6371c of this title.

(11) The term “State school facilities agency” means an existing agency which is broadly representative of public institutions of higher education, nonprofit institutions of higher education, public elementary and secondary schools, nonprofit elementary and secondary schools, public vocational education institutions, nonprofit vocational education institutions, and the interests of handicapped persons, in a State or, if no such agency exists, an agency which is designated by the Governor of such State which conforms to the requirements of this paragraph.

(12) The term “State hospital facilities agency” means an existing agency which is broadly representative of public institutions of higher education, nonprofit institutions of higher education, public elementary and secondary schools, nonprofit elementary and secondary schools, public vocational education institutions, nonprofit vocational education institutions, and the interests of handicapped persons, in a State which conforms to the requirements of this paragraph.

(13) The term “energy audit” means a determination of the energy consumption characteristics of a building which—
(A) identifies the type, size, and rate of energy consumption of such building and the major energy using systems of such building;
(B) determines appropriate energy conservation maintenance and operating procedures; and
(C) indicates the need, if any, for the acquisition and installation of energy conservation measures.

(14) The term “preliminary energy audit” means a determination of the energy consumption characteristics of a building, including the size, type, rate of energy consumption and major energy using systems of such building.

(15) The term “energy conservation project” means—
(A) an undertaking to acquire and to install one or more energy conservation measures in school or hospital facilities and
(B) technical assistance in connection with any such undertaking and technical assistance as described in paragraph (17)(A).

(16) The term “energy conservation project costs” includes only costs incurred in the design, acquisition, construction, and installation of energy conservation measures and technical assistance costs.

(17) The term “technical assistance” means assistance, under rules promulgated by the Secretary, to States, schools, and hospitals—
(A) to conduct specialized studies identifying and specifying energy savings or energy cost savings that are likely to be realized as a
result of (i) modification of maintenance and operating procedures in a building, or (ii) the acquisition and installation of one or more specified energy conservation measures in such building, or (iii) both, and

(b) the planning or administration of specific remodeling, renovation, repair, replacement, or insulation projects related to the installation of energy conservation measures in such building.

(18) The term “technical assistance costs” means costs incurred for the use of existing personnel or the temporary employment of other qualified personnel (or both such types of personnel) necessary for providing technical assistance.

(19) The term “energy conservation maintenance and operating procedure” means modification or modifications in the maintenance and operations of a building, and any installations therein, which are designed to reduce energy consumption in such building and which require no significant expenditure of funds.

(20) The term “Secretary” means the Secretary of Energy or his designee.

(21) The term “Governor” means the chief executive officer of a State or his designee.

(22) The term “Secretary” means the Secretary of Energy or his designee.

(23) The term “Governor” means the chief executive officer of a State or his designee.

AMENDMENTS


(b) State plans for implementation of energy conservation projects in schools and hospitals

The Secretary shall, by rule, not later than 90 days after November 9, 1978, prescribe guidelines for the conduct of preliminary energy audits, including a description of the type, number, and distribution of preliminary energy audits of school and hospital facilities that will provide a reasonably accurate evaluation of the energy conservation needs of all such facilities in each State, and

(2) prescribe guidelines for the conduct of energy audits.

The Secretary shall, by rule, not later than 90 days after November 9, 1978, prescribe guidelines for State plans for the implementation of energy conservation projects in schools and hospitals. The guidelines shall include—

(1) a description of the factors which the Secretary of Energy agency may consider in determining which energy conservation projects will be given priority in making grants pursuant to this part, including such factors as cost, energy conservation, energy savings, and energy conservation goals,

(2) a description of the suggested criteria to be used in establishing a State program to identify persons qualified to implement energy conservation projects, and

(3) a description of the types of energy conservation measures deemed appropriate for each region of the Nation.

(c) Revisions

Guidelines prescribed under this section may be revised from time to time after notice and opportunity for comment.

(d) Determination of severe hardship class for schools and hospitals

The Secretary shall, by rule prescribe criteria for determining schools and hospitals which are in a class of severe hardship. Such criteria shall
take into account climate, fuel costs, fuel availability, ability to provide the non-Federal share of the costs, and such other factors that he deems appropriate.


§ 6371b. Preliminary energy audits and energy audits

(a) Application by Governor

The Governor of any State may apply to the Secretary at such time as the Secretary may specify after promulgation of guidelines under section 6371a(a) of this title for grants to conduct preliminary energy audits and energy audits of school facilities and hospital facilities in such State under this part.

(b) Grants for conduct of preliminary energy audits

Upon application under subsection (a) the Secretary may make grants to States for purposes of conducting preliminary energy audits of school facilities and hospital facilities under this part in accordance with the guidelines prescribed by the Secretary. If a State does not conduct preliminary energy audits within two years after November 9, 1978, the Secretary may conduct such audits within such State.

(c) Grants for conduct of energy audits

Upon application under subsection (a) the Secretary may make grants to States for purposes of conducting energy audits of school facilities and hospital facilities under this part in accordance with the guidelines prescribed under section 6371a(a)(2) of this title.

(d) Audits conducted prior to grant of financial assistance

If a State without the use of financial assistance under this section, conducts preliminary energy audits or energy audits which comply with the guidelines prescribed by the Secretary or which are approved by the Secretary the funds allocated for purposes of this section shall be added to the funds available for energy conservation projects for such State and shall be in addition to amounts otherwise available for such purposes.

(e) Restriction on use of funds; grant covering total cost of energy audits

(1) Except as provided in paragraph (2), amounts made available under this section (together with any other amounts made available from other Federal sources) may not be used to pay more than 50 percent of the costs of any preliminary energy audit or any energy audit.

(2) Upon the request of the Governor, the Secretary may make grants to a State for up to 100 percent of the costs of any preliminary energy audits and energy audits, subject to the requirements of section 6371g(a)(3) of this title.


§ 6371c. State plans

(a) Invitation to State energy agency to submit plan; contents

The Secretary shall invite the State energy agency of each State to submit, within 90 days after the effective date of the guidelines prescribed pursuant to section 6371a of this title, or such longer period as the Secretary may, for good cause, allow, a State plan under this section for such State. Such plan shall include—

(1) the results of preliminary energy audits conducted in accordance with the guidelines prescribed under section 6371a(a)(1) of this title, and an estimate of the energy savings that may result from the modification of maintenance and operating procedures and installation of energy conservation measures in the schools and hospitals in such State;

(2) a recommendation as to the types of energy conservation projects considered appropriate for schools and hospitals in such State, together with an estimate of the costs of carrying out such projects in each year for which funds are appropriated;

(3) a program for identifying persons qualified to carry out energy conservation projects;

(4) procedures to insure that funds will be allocated among eligible applicants for energy conservation projects within such State, including procedures—

(A) to insure that funds will be allocated on the basis of relative need taking into account such factors as cost, energy consumption and energy savings, and

(B) to insure that equitable consideration is given to all eligible public or nonprofit institutions regardless of size and type of ownership;

(5) a statement of the extent to which, and by which methods, such State will encourage utilization of solar space heating, cooling, and electric systems and solar water heating systems where appropriate;

(6) procedures to assure that all assistance under this part in such State will be expended in compliance with the requirements of an approved State plan for such State, and in compliance with the requirements of this part;

(7) procedures to insure implementation of energy conserving maintenance and operating procedures in those facilities for which projects are proposed; and

(8) policies and procedures designed to assure that financial assistance provided under this part in such State will be used to supplement, and not to supplant, State, local, or other funds.

(b) Approval of plans

The Secretary shall review and approve or disapprove each State plan not later than 60 days after receipt by the Secretary. If such plan meets the requirements of subsection (a), the Secretary shall approve the plan. If a State plan submitted within the 90-day period specified in subsection (a) has not been disapproved within the 60-day period following its receipt by the Secretary, such plan shall be treated as approved by the Secretary. A State energy agency may submit a new or amended plan at any time.
§ 6371d  TITLE 42—THE PUBLIC HEALTH AND WELFARE  Page 6234

Applications for financial assistance

(a) Limitation on number of applications by States, schools, and hospitals; submittal to State energy agency

Applications of States, schools, and hospitals for financial assistance under this part for energy conservation projects shall be made not more than once for any fiscal year. Schools and hospitals applying for such financial assistance shall submit their applications to the State energy agency and the State energy agency shall make a single submittal to the Secretary, containing all applications which comply with the State plan.

(b) Required information

Applications for financial assistance under this part for energy conservation projects shall contain, or shall be accompanied by, such information as the Secretary may reasonably require, including the results of energy audits which comply with guidelines under this part. The annual submittal to the Secretary by the State energy agency under subsection (a) shall include a listing and description of energy conservation projects proposed to be funded within the State during the fiscal year for which such application is made, and such information concerning expected expenditures as the Secretary may, by rule, require.

(c) Conditions for financial assistance; applications consistent with related State programs and health plans

(1) The Secretary may not provide financial assistance to States, schools, or hospitals for energy conservation projects unless the application for a grant for such project is submitted through, or approved by the appropriate State hospital facilities agency or State school facilities agency, respectively, and determined by the State energy agency to comply with the State plan.

(2) Applications of States, schools, and hospitals and State plans pursuant to this part shall be consistent with—

(A) related State programs for educational facilities in such State, and

(B) State health plans under section 300m–21 of this title, and shall be coordinated through the review mechanisms required under section 300m–21 of this title and section 1320a–1 of this title.

(d) Compliance required for approval; reasons for disapproval; resubmittal; amendment

The Secretary shall approve such applications submitted by a State energy agency as he determines to be in compliance with this section and with the requirements of the applicable State plan approved under section 6371c of this title. The Secretary shall state the reasons for his disapproval in the case of any application which he disapproves. Any application not approved by the Secretary may be resubmitted by the applicant at any time in the same manner as the original application and the Secretary shall approve such resubmitted application as he determines to be in compliance with this section and the requirements of the State plan. Amendments of an application shall, except as the Secretary may otherwise provide, be subject to approval in the same manner as the original application. All or any portion of an application under this section may be disapproved to the extent that funds are not available under this part to carry out such application or portion.

(e) Suspension of further assistance for failure to comply

Whenever the Secretary, after reasonable notice and opportunity for hearing to any State, school, or hospital receiving assistance under this part, finds that there has been a failure to comply substantially with the provisions set forth in the application approved under this section, the Secretary shall notify the State, school, or hospital that further assistance will not be made available to such State, school or hospital under this part until he is satisfied that there is no longer any such failure to comply. Until he is so satisfied no further assistance shall be made to such State, school, or hospital under this part.

1 See References in Text note below.
§ 6371e. Grants for project costs and technical assistance

(a) Authorization of Secretary; project costs

The Secretary may make grants to schools and hospitals for carrying out energy conservation projects the applications for which have been approved under section 6371d of this title.

(b) Restrictions on use of funds

(1) Except as provided in paragraph (2), amounts made available for purposes of this section (together with any amounts available for such purposes from other Federal sources) may not be used to pay more than 50 percent of the costs of any energy conservation project. The non-Federal share of the costs of any such energy conservation project may be provided by using programs of innovative financing for energy conservation projects (including, but not limited to, loan programs and performance contracting), even if, pursuant to such financing, clear title to the equipment does not pass to the school or hospital until after the grant is completed.

(2) Amounts made available for purposes of this section (together with any amounts available for such purposes from other Federal sources) may be used to pay not to exceed 90 percent of the costs of an energy conservation project if the Secretary determines that a project meets the hardship criteria of section 6371a(d) of this title. Grants made under this paragraph shall be from the funds provided under section 6371g(a)(2) of this title.

(c) Allocation requirements

Grants made under this section in any State in any year shall be made in accordance with the requirements contained in section 6371g of this title.

(d) Technical assistance costs

(1) The Secretary may make grants to States for paying technical assistance costs. Schools in any State shall not be allocated less than 30 percent of the funds for energy conservation projects within such State and hospitals in any State shall not be allocated less than 30 percent of such funds.

(2) A State may utilize up to 100 percent of the funds provided by the Secretary under this part for any fiscal year for program and technical assistance and up to 50 percent of such funds for marketing and other costs associated with leveraging of non-Federal funds for carrying out this part and may administer a continuous and consecutive application and award procedure for providing program and technical assistance under this part in accordance with regulations that the Secretary shall establish, if the State—

(A) has adopted a State plan in accordance with section 6371c of this title, the administration of which is in accordance with applicable regulations; and

(B) certifies to the Secretary that not more than 15 percent of the aggregate amount of Federal and non-Federal funds used by the State to provide program and technical assistance, implement energy conservation measures, and otherwise carry out a program pursuant to this part for the fiscal year concerned will be expended for program and technical assistance and for marketing and other costs associated with leveraging of non-Federal funds for such program.

(1) Except as otherwise provided in subsection (b), the Secretary shall allocate 90 percent of the amounts made available under section 6371f(b) of this title in any year for purposes of making energy conservation project grants pursuant to section 6371e of this title as follows:

(A) Eighty percent of amounts made available under section 6371f(b) of this title shall be allocated among the States in accordance with a formula to be prescribed, by rule, by

1 See References in Text note below.
the Secretary, taking into account population and climate of each State, and such other factors as the Secretary may deem appropriate.

(b) Ten percent of amounts made available under section 6371f(b) of this title shall be allocated among the States in such manner as the Secretary determines by rule after taking into account the availability and cost of fuel or other energy used in, and the amount of fuel or other energy consumed by, schools and hospitals in the States, and such other factors as he deems appropriate.

(2) The Secretary shall allocate 10 percent of the amounts made available under section 6371f(b) of this title in any year for purposes of making grants as provided under section 6371e(b)(2) of this title in excess of the 50 percent limitation contained in section 6371e(b)(1) of this title.

(3) In the case of any State which received for any fiscal year an amount which exceeded 5 percent of the cost of any energy audit as provided in section 6371b(e)(2) of this title, the aggregate amount allocated to such State under this subsection for such fiscal year (determined after applying paragraphs (1) and (2)) shall be reduced by an amount equal to such excess. The amount of such reduction shall be reallocated to the States for such fiscal year as provided in this subsection except that for purposes of such reallocation, the State which received such excess shall not be eligible for any portion of such reallocation.

(b) Restrictions on allocations to States

The total amount allocated to any State under subsection (a) in any year shall not exceed 10 percent of the total amount allocated to all the States in such year under such subsection (a). Except for the District of Columbia, Puerto Rico, Guam, American Samoa, the Northern Mariana Islands, and the Virgin Islands, not less than 0.5 percent of such total allocation to all States for that year shall be allocated in such year for the total of grants to States and to States for that year shall be allocated in such year for the total of grants to States and to schools and hospitals in each State which has an approved State plan under this part.

(c) Prescription of rules governing allocations among States with regard to energy audits

Not later than 60 days after November 9, 1978, the Secretary shall prescribe rules governing the allocation among the States of funds for grants for preliminary energy audits and energy audits. Such rules shall take into account the population and climate of such States and such other factors as he may deem appropriate.

(d) Prescription of rules limiting allocations to States for administrative expenses

The Secretary shall prescribe rules limiting the amount of funds allocated to a State which may be expended for administrative expenses by such State.

(e) Reallocations

Funds allocated for projects in any States for a fiscal year under this section but not obligated in such fiscal year shall be available for reallocation under subsection (a) of this section in the subsequent fiscal year.


1989—Subsec. (b). Pub. L. 96–470 substituted “include in his annual report a detailed description” for “include in his annual report a description” and “Such description” for “Such report”.

§ 6371h–1. Energy sustainability and efficiency grants and loans for institutions

(a) Definitions

In this section:

(1) Combined heat and power

The term “combined heat and power” means the generation of electric energy and heat in a single, integrated system, with an overall thermal efficiency of 60 percent or greater on a higher-heating-value basis.

(2) District energy systems

The term “district energy systems” means systems providing thermal energy from a renewable energy source, thermal energy source, or highly efficient technology to more than 1 building or fixed energy-consuming use from 1 or more thermal-energy production facilities through pipes or other means to provide space heating, space conditioning, hot water, steam, compression, process energy, or other end uses for that energy.

(3) Energy sustainability

The term “energy sustainability” includes using a renewable energy source, thermal energy source, or a highly efficient technology for transportation, electricity generation, heating, cooling, lighting, or other energy services in fixed installations.
(4) Institution of higher education
The term “institution of higher education” has the meaning given the term in section 15801 of this title.

(5) Institutional entity
The term “institutional entity” means an institution of higher education, a public school district, a local government, a municipal utility, or a designee of 1 of those entities.

(6) Renewable energy source
The term “renewable energy source” has the meaning given the term in section 918c of title 7.

(7) Sustainable energy infrastructure
The term “sustainable energy infrastructure” means—
(A) facilities for production of energy from renewable energy sources, thermal energy sources, or highly efficient technologies, including combined heat and power or other waste heat use; and
(B) district energy systems.

(8) Thermal energy source
The term “thermal energy source” means—
(A) a natural source of cooling or heating from lake or ocean water; and
(B) recovery of useful energy that would otherwise be wasted from ongoing energy uses.

(b) Technical assistance grants
(1) In general
Subject to the availability of appropriated funds, the Secretary shall implement a program of information dissemination and technical assistance to institutional entities to assist the institutional entities in identifying, evaluating, designing, and implementing sustainable energy infrastructure projects in energy sustainability.

(2) Assistance
The Secretary shall support institutional entities in—
(A) identification of opportunities for sustainable energy infrastructure;
(B) understanding the technical and economic characteristics of sustainable energy infrastructure;
(C) utility interconnection and negotiation of power and fuel contracts;
(D) understanding financing alternatives;
(E) permitting and siting issues;
(F) obtaining case studies of similar and successful sustainable energy infrastructure systems; and
(G) reviewing and obtaining computer software for assessment, design, and operation and maintenance of sustainable energy infrastructure systems.

(3) Eligible costs for technical assistance grants
On receipt of an application of an institutional entity, the Secretary may make grants to the institutional entity to fund a portion of the cost of—
(A) feasibility studies to assess the potential for implementation or improvement of sustainable energy infrastructure;
(B) analysis and implementation of strategies to overcome barriers to project implementation, including financial, contracting, siting, and permitting barriers; and
(C) detailed engineering of sustainable energy infrastructure.

(c) Grants for energy efficiency improvement and energy sustainability
(1) Grants
(A) In general
The Secretary shall award grants to institutional entities to carry out projects to improve energy efficiency on the grounds and facilities of the institutional entity.

(B) Requirement
To the extent that applications have been submitted, grants under subparagraph (A) shall include not less than 1 grant each year to an institution of higher education in each State.

(C) Minimum funding
Not less than 50 percent of the total funding for all grants under this subsection shall be awarded in grants to institutions of higher education.

(2) Criteria
Evaluation of projects for grant funding shall be based on criteria established by the Secretary, including criteria relating to—
(A) improvement in energy efficiency;
(B) reduction in greenhouse gas emissions and other air emissions, including criteria air pollutants and ozone-depleting refrigerants;
(C) increased use of renewable energy sources or thermal energy sources;
(D) reduction in consumption of fossil fuels;
(E) active student participation; and
(F) need for funding assistance.

(3) Condition
As a condition of receiving a grant under this subsection, an institutional entity shall agree—
(A) to implement a public awareness campaign concerning the project in the community in which the institutional entity is located; and
(B) to submit to the Secretary, and make available to the public, reports on any efficiency improvements, energy cost savings, and environmental benefits achieved as part of a project carried out under paragraph (1), including quantification of the results relative to the criteria described under paragraph (2).

(d) Grants for innovation in energy sustainability
(1) Grants
(A) In general
The Secretary shall award grants to institutional entities to engage in innovative energy sustainability projects.

(B) Requirement
To the extent that applications have been submitted, grants under subparagraph (A)
shall include not less than 2 grants each year to institutions of higher education in each State.

(C) Minimum funding

Not less than 50 percent of the total funding for all grants under this subsection shall be awarded in grants to institutions of higher education.

(2) Innovation projects

An innovation project carried out with a grant under this subsection shall—

(A) involve—

(i) an innovative technology that is not yet commercially available; or

(ii) available technology in an innovative application that maximizes energy efficiency and sustainability;

(B) have the greatest potential for testing or demonstrating new technologies or processes; and

(C) to the extent undertaken by an institution of higher education, ensure active student participation in the project, including the planning, implementation, evaluation, and other phases of projects.

(3) Condition

As a condition of receiving a grant under this subsection, an institutional entity shall agree to submit to the Secretary, and make available to the public, reports that describe the results of the projects carried out using grant funds.

(e) Allocation to institutions of higher education with small endowments

(1) In general

Of the total amount of grants provided to institutions of higher education for a fiscal year under this section, the Secretary shall provide not less than 50 percent of the amount to institutions of higher education that have an endowment of not more than $100,000,000.

(2) Requirement

To the extent that applications have been submitted, at least 50 percent of the amount described in paragraph (1) shall be provided to institutions of higher education that have an endowment of not more than $50,000,000.

(f) Grant amounts

(1) In general

If the Secretary determines that cost sharing is appropriate, the amounts of grants provided under this section shall be limited as provided in this subsection.

(2) Technical assistance grants

In the case of grants for technical assistance under subsection (b), grant funds shall be available for not more than—

(A) an amount equal to the lesser of—

(i) $50,000; or

(ii) 75 percent of the cost of feasibility studies to assess the potential for implementation or improvement of sustainable energy infrastructure;

(B) an amount equal to the lesser of—

(i) $90,000; or

(ii) 60 percent of the cost of guidance on overcoming barriers to project implementation, including financial, contracting, siting, and permitting barriers; and

(C) an amount equal to the lesser of—

(i) $250,000; or

(ii) 40 percent of the cost of detailed engineering and design of sustainable energy infrastructure.

(3) Grants for efficiency improvement and energy sustainability

In the case of grants for efficiency improvement and energy sustainability under subsection (c), grant funds shall be available for not more than an amount equal to the lesser of—

(A) $1,000,000; or

(B) 60 percent of the total cost.

(4) Grants for innovation in energy sustainability

In the case of grants for innovation in energy sustainability under subsection (d), grant funds shall be available for not more than an amount equal to the lesser of—

(A) $500,000; or

(B) 75 percent of the total cost.

(g) Loans for energy efficiency improvement and energy sustainability

(1) In general

Subject to the availability of appropriated funds, the Secretary shall provide loans to institutional entities for the purpose of implementing energy efficiency improvements and sustainable energy infrastructure.

(2) Terms and conditions

(A) In general

Except as otherwise provided in this paragraph, loans made under this subsection shall be on such terms and conditions as the Secretary may prescribe.

(B) Maturity

The final maturity of loans made within a period shall be the lesser of, as determined by the Secretary—

(i) 20 years; or

(ii) 90 percent of the useful life of the principal physical asset to be financed by the loan.

(C) Default

No loan made under this subsection may be subordinated to another debt contracted by the institutional entity or to any other claims against the institutional entity in the case of default.

(D) Benchmark interest rate

(i) In general

Loans under this subsection shall be at an interest rate that is set by reference to a benchmark interest rate (yield) on marketable Treasury securities with a similar maturity to the direct loans being made.

(ii) Minimum

The minimum interest rate of loans under this subsection shall be at the inter-
est rate of the benchmark financial instrument.

(iii) New loans

The minimum interest rate of new loans shall be adjusted each quarter to take account of changes in the interest rate of the benchmark financial instrument.

(E) Credit risk

The Secretary shall—

(i) prescribe explicit standards for use in periodically assessing the credit risk of making direct loans under this subsection; and

(ii) find that there is a reasonable assurance of repayment before making a loan.

(F) Advance budget authority required

New direct loans may not be obligated under this subsection except to the extent that appropriations of budget authority to cover the costs of the new direct loans are made in advance, as required by section 661c of title 2.

(3) Criteria

Evaluation of projects for potential loan funding shall be based on criteria established by the Secretary, including criteria relating to—

(A) improvement in energy efficiency;
(B) reduction in greenhouse gas emissions and other air emissions, including criteria for air pollutants and ozone-depleting refrigerants;
(C) increased use of renewable electric energy sources or renewable thermal energy sources;
(D) reduction in consumption of fossil fuels; and
(E) need for funding assistance, including consideration of the size of endowment or other financial resources available to the institutional entity.

(4) Labor standards

(A) In general

All laborers and mechanics employed by contractors or subcontractors in the performance of construction, repair, or alteration work funded in whole or in part under this section shall be paid wages at rates not less than those prevailing on projects of a character similar in the locality as determined by the Secretary of Labor in accordance with sections 3141 through 3144, 3146, and 3147 of title 40. The Secretary shall not approve any such funding without first obtaining adequate assurance that required labor standards will be maintained upon the construction work.

(B) Authority and functions

The Secretary of Labor shall have, with respect to the labor standards specified in paragraph (1), the authority and functions set forth in Reorganization Plan Number 14 of 1950 (15 Fed. Reg. 3176; 64 Stat. 1267) and section 3145 of title 40.

(h) Program procedures

Not later than 180 days after December 19, 2007, the Secretary shall establish procedures for the solicitation and evaluation of potential projects for grant and loan funding and administration of the grant and loan programs.

(i) Authorization

There is authorized to be appropriated for the cost of grants authorized in subsections (b), (c), and (d) $250,000,000 for each of fiscal years 2009 through 2013, of which not more than 5 percent may be used for administrative expenses.

(2) Loans

There is authorized to be appropriated for the initial cost of direct loans authorized in subsection (g) $500,000,000 for each of fiscal years 2009 through 2013, of which not more than 5 percent may be used for administrative expenses.


References in Text

Reorganization Plan Number 14 of 1950, referred to in subsec. (g)(4)(B), is set out in the Appendix to Title 5, Government Organization and Employees.

Effective Date

Section effective on the date that is 1 day after Dec. 19, 2007, see section 1601 of Pub. L. 110–140, set out as a note under section 1824 of Title 2, The Congress.

§6371i. Records

Each recipient of assistance under this part shall keep such records, provide such reports, and furnish such access to books and records as the Secretary may by rule prescribe.


Amendments


§6371j. Application of sections 3141–3144, 3146, and 3147 of title 40

No grant for a project (other than so much of a grant as is used for a preliminary energy audit, energy audit, or technical assistance or a grant the total project cost of which is $5,000 or less, excluding costs for a preliminary energy audit, energy audit, or technical assistance) shall be made under this part or part 1 unless the Secretary finds that all laborers and mechanics employed by contractors or subcontractors in the performance of work on any construction utilizing such grants will be paid at rates not less than those prevailing on similar construction in the locality, as determined by the Secretary of Labor in accordance with sections 3141 through 3144, 3146, and 3147 of title 40; and the Secretary of Labor shall have with respect to the labor standards specified in this section the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176; 5 U.S.C. Appendix) and section 3145 of title 40.

REFERENCES IN TEXT
This part, referred to in text, means part 2 (§§310–312) of title III of Pub. L. 95–619, Nov. 9, 1978, 92 Stat. 3248, as amended, which enacted sections 6371 and 6372 to 6373 of this title and enacted provisions set out as a note under section 6372 of this title. For complete classification of this part to the Code, see Tables.

Part 1, referred to in text, means part 1 (§§301–304) of title III of Pub. L. 95–619, Nov. 9, 1978, 92 Stat. 3256, as amended, which enacted sections 300k–2 and 300n–1 of this title, and enacted provisions set out as notes under sections 6371 of this title. For complete classification of this part to the Code, see Tables.

Reorganization Plan Numbered 14 of 1950, referred to in text, is set out in the Appendix to Title 5, Government Organization and Employees.

CODIFICATION


This part, referred to in text, means part 2 (§§310–312) of title III of Pub. L. 95–619, Nov. 9, 1978, 92 Stat. 3248, as amended, which enacted sections 6371 and 6372 of this title and enacted provisions set out as a note under section 6372 of this title. For complete classification of this part to the Code, see Tables.

For purposes of this part—

(1) The terms “hospital”, “State”, “school”, “Governor”, “State energy agency”, “energy conservation measure”, “energy conservation maintenance and operating procedure”, “preliminary energy audit”, “technical assistance costs”, “energy audit” and “Secretary” have the meanings provided in section 6371 of this title.

(2) The term “unit of local government” means the government of a county, municipality, or township, which is a unit of general purpose government below the State (determined on the basis of the same principles as are used by the Bureau of the Census for general statistical purposes) and the District of Columbia. Such term also means the recognized governing body of an Indian tribe (as defined in section 6862 of this title) which governing body performs substantial governmental functions.

(3) The term “building” has the meaning provided in section 6371 of this title except that for purposes of this part such term includes only buildings which are owned and primarily occupied by offices or agencies of a unit of local government or by a public care institution and does not include any building intended for seasonal use or any building utilized primarily by a school or hospital.

(4) The term “public care institution” means a public or nonprofit institution which owns—

(A) a facility for long term care, a rehabilitation facility, or a public health center, as described in section 300s–3 of this title, or

(B) a residential child care center.

(5) The term “public or nonprofit institution” means an institution owned and operated by—

(A) a State, a political subdivision of a State or an agency or instrumentality of either, or

(B) an organization exempt from income tax under section 501(c)(3) or 501(c)(4) of title 26.

(6) The term “technical assistance program costs” means the costs of carrying out a technical assistance program.

(7) The term “technical assistance” means assistance under rules, promulgated by the Secretary, to States, units of local government and public care institutions—

(A) to conduct specialized studies identifying and specifying energy savings and related cost savings that are likely to be realized as a result of (i) modification or maintenance and operating procedures in a building, (ii) the acquisition and installation of one or more specified energy conservation measures in such building or (iii) both, or

(B) the planning or administration of such specialized studies.


AMENDMENTS


SEPARABILITY

For separability of provisions of title III of Pub. L. 95–619, see section 302(c) of Pub. L. 95–619, set out as a note under section 6371 of this title.

CONGRESSIONAL STATEMENT OF FINDINGS AND PURPOSES

Pub. L. 95–619, title III, §§310, 9, Nov. 9, 1978, 92 Stat. 3248, provided that:

“(a) FINDINGS.—The Congress finds that—

“(1) the Nation’s nonrenewable energy resources are being rapidly depleted;

“(2) buildings owned by units of local government and public care institutions are major consumers of energy, and such units and institutions have been especially burdened by rising energy prices and fuel shortages;

“(3) substantial energy conservation can be achieved in buildings owned by units of local government and public care institutions through the implementation of energy conservation maintenance and operating procedures; and

“(4) units of local government and public care institutions in many instances need financial assistance in order to conduct energy audits and to identify energy conservation maintenance and operating procedures and to evaluate the potential benefits of acquiring and installing energy conservation measures.

“(b) PURPOSE.—It is the purpose of this part [part 2 (§§310–312) of title III of Pub. L. 95–619, enacting sections 6371 and 6372 of this title] to authorize grants to States and units of local government and
public care institutions to assist them in conducting preliminary energy audits and energy audits in identifying and implementing energy conservation maintenance and operating procedures and in evaluating energy conservation measures to reduce the energy use and anticipated energy costs of buildings owned by units of local government and public care institutions."

§ 6372a. Guidelines

(a) Energy audits

The Secretary shall, by rule, not later than sixty days after November 9, 1978—

(1) prescribe guidelines for the conduct of the preliminary energy audits for buildings owned by units of local government and public care institutions, including a description of the type, number and distribution of preliminary energy audits of such buildings that will provide a reasonably accurate evaluation of the energy conservation needs of all such buildings in each State, and

(2) prescribe guidelines for the conduct of energy audits.

(b) Implementation of technical assistance programs

The Secretary shall, by rule, not later than 90 days after November 9, 1978, prescribe guidelines for State plans for the implementation of technical assistance programs for buildings owned by units of local government and public care institutions. The guidelines shall include—

(1) a description of the factors to be considered in determining which technical assistance programs will be given priority in making grants pursuant to this part, including such factors as cost, energy consumption, energy savings, and energy conservation goals;

(2) a description of the suggested criteria to be used in establishing a State program to identify persons qualified to undertake technical assistance work; and

(3) a description of the types of energy conservation measures deemed appropriate for each region of the Nation.

(c) Revisions

Guidelines prescribed under this part may be revised from time to time after notice and opportunity for comment.

(d) Grants for conduct of preliminary energy audits

Upon application under subsection (a), the Secretary may make grants to States to assist in conducting preliminary energy audits under this part for buildings owned by units of local government and public care institutions. Such audits shall be conducted in accordance with the guidelines prescribed under section 6372a(a)(1) of this title.

(e) Application by Governor, unit of local government or public care institution

The Governor of any State, unit of local government or public care institution may apply to the Secretary at such time as the Secretary may specify after promulgation of the guidelines under section 6372a(a) of this title for grants to conduct energy audits of buildings owned by units of local government and public care institutions in such State under this part.

(f) Grants for conduct of energy audits

Upon application under subsection (c) the Secretary may make grants to States, units of local government, and public care institutions for purposes of conducting energy audits of facilities under this part in accordance with the guidelines prescribed under section 6372a(a)(2) of this title.

(g) Audits conducted prior to grant of financial assistance

If a State, unit of local government, or public care institution, without the use of financial assistance under this section, conducts preliminary energy audits or energy audits which comply with the guidelines prescribed by the Secretary or which are approved by the Secretary, the funds allocated for purposes of conducting energy audits of facilities under this section shall be added to the funds available for technical assistance programs for such State, and shall be in addition to amounts otherwise available for such purpose.

(h) Restriction on use of funds

Amounts made available under this section (together with any other amounts made available from other Federal sources) may not be used to pay more than 50 percent of the costs of any preliminary energy audit or energy audit.

§ 6372c. State plans

(a) The Secretary shall invite the State energy agency of each State to submit, within 90 days after the effective date of the guidelines prescribed pursuant to section 6372a of this title, or such longer period as the Secretary may, for good cause, allow, a proposed State plan under this section for such State. Such plan shall include—

(1) the results of preliminary energy audits conducted in accordance with the guidelines prescribed pursuant to section 6372a(a)(1) of this title, and an estimate of the energy savings that may result from the modification of maintenance and operating procedures in buildings owned by units of local government and public care institutions;
§ 6372d. Applications for grants for technical assistance

(a) Limitation on number of applications by units of local government and public care institutions; submittal to State energy agency

Applications of units of local government and public care institutions for grants for technical assistance under this part shall be made not more than once for any fiscal year. Such applications shall be submitted to the State energy agency and the State energy agency shall make a single submittal to the Secretary containing all applications which comply with the State plan.

(b) Required information

Applications for grants for technical assistance under this part shall contain or be accompanied by, such information as the Secretary may reasonably require, including the results of energy audits which comply with guidelines under this part. The annual submittal to the Secretary by the State energy agency under subsection (a) shall include a listing and description of technical assistance proposed to be funded under this part within the State during the fiscal year for which such application is made, and such information concerning expenditures as the Secretary may, by rule, require.

(c) Compliance required for approval; reasons for disapproval; resubmittal; amendment

The Secretary shall approve such applications submitted by a State energy agency as he determines to be in compliance with this section and the requirements of the applicable State plan approved under section 6372c of this title. The Secretary shall state the reasons for his disapproval in the case of any application which he disapproves. Any application not approved by the Secretary may be resubmitted by the applicant at any time in the same manner as the original application and the Secretary shall approve such resubmitted application as he determines to be in compliance with this section and the requirements of the applicable State plan. Amendments of an application shall, except as the Secretary may otherwise provide be subject to approval in the same manner as the original application. All or any portions of an application under this section may be disapproved to the extent that funds are not available under this part.

(d) Suspension of further assistance for failure to comply

Whenever the Secretary after reasonable notice and opportunity for hearing to any unit of local government or public care institution receiving assistance under this part, finds that there has been a failure to comply substantially with the provisions set forth in the application approved under this section, the Secretary shall notify the unit of local government or public care institution that further assistance will not be made available to such unit of local government or public care institution under this part until he is satisfied that there is no longer any failure to comply. Until he is so satisfied, no further assistance shall be made to such unit of local government or public care institution under this part.
§ 6372d. Administration; detailed description in annual report

(a) The Secretary may prescribe such rules as may be necessary in order to carry out the provisions of this part.

(b) The Secretary shall include in his annual report a detailed description of the actions taken under this part in the preceding fiscal year and the actions planned to be taken in the subsequent fiscal year. Such description shall show the allocations made (including the allocations made to each State) and include information on the technical assistance carried out with funds allocated, and an estimate of the energy savings, if any, achieved.


AMENDMENTS
1998—Subsec. (b). Pub. L. 105–388 struck out comma after “Secretary shall”.
1980—Subsec. (b). Pub. L. 96–470 substituted “include in his annual report a detailed description” for “within one year after November 9, 1978, and annually thereafter while funds are available under this part, submit to the Congress a detailed report” and “Such description” for “Such report”.

§ 6372i. Records

Each recipient of assistance under this part shall keep such records, provide such reports, and furnish such access to books and records as the Secretary may by rule prescribe.


PART G—OFF-HIGHWAY MOTOR VEHICLES

Codification

This part was, in the original, designated part I and has been changed to part G for purposes of codification.

§ 6373. Off-highway motor vehicles

Not later than 1 year after November 9, 1978, the Secretary of Transportation shall complete a study of the energy conservation potential of recreational motor vehicles, including, but not limited to, aircraft and motor boats which are designed for recreational use, and shall submit a

report to the President and to the Congress containing the results of such study.


PART H—ENCOURAGING USE OF ALTERNATIVE FUELS

CODIFICATION

This part was, in the original, designated part J and has been changed to part H for purposes of codification.

§ 6374. Alternative fuel use by light duty Federal vehicles

(a) Department of Energy program

(1) Beginning in the fiscal year ending September 30, 1990, the Secretary shall ensure, with the cooperation of other appropriate agencies and consistent with other Federal law, that the maximum number practicable of the vehicles acquired annually for use by the Federal Government shall be alternative fueled vehicles. In no event shall the number of such vehicles acquired be less than the number required under section 13212 of this title.

(2) In any determination of whether the acquisition of a vehicle is practicable under paragraph (1), the initial cost of such vehicle to the United States shall not be considered as a factor unless the initial cost of such vehicle exceeds the initial cost of a comparable gasoline or diesel fueled vehicle by at least 5 percent.

(3)(A) To the extent practicable, the Secretary shall acquire both dedicated and dual fueled vehicles, and shall ensure that each type of alternative fueled vehicle is used by the Federal Government.

(B) Vehicles acquired under this section shall be acquired from original equipment manufacturers. If such vehicles are not available from original equipment manufacturers, vehicles converted to use alternative fuels may be acquired if, after conversion, the original equipment manufacturer's warranty continues to apply to such vehicles, pursuant to an agreement between the original equipment manufacturer and the person performing the conversion. This subparagraph shall not apply to vehicles acquired by the United States Postal Service pursuant to a contract entered into by the United States Postal Service before October 24, 1992, and which terminates on or before December 31, 1997.

(C) Alternative fueled vehicles, other than those described in subparagraph (B), may be acquired solely for the purposes of studies under subsection (b), whether or not original equipment manufacturer warranties still apply.

(D) In deciding which types of alternative fueled vehicles to acquire in implementing this part, the Secretary shall consider as a factor—

(i) which types of vehicles yield the greatest reduction in pollutants emitted per dollar spent; and

(ii) the source of the fuel to supply the vehicles, giving preference to vehicles that operate on alternative fuels derived from domestic sources.

(E)(1) Dual fueled vehicles acquired pursuant to this section shall be operated on alternative fuels unless the Secretary determines that an agency qualifies for a waiver of such requirement for vehicles operated by the agency in a particular geographic area in which—

(I) the alternative fuel otherwise required to be used in the vehicle is not reasonably available to retail purchasers of the fuel, as certified to the Secretary by the head of the agency; or

(II) the cost of the alternative fuel otherwise required to be used in the vehicle is unreasonably more expensive compared to gasoline, as certified to the Secretary by the head of the agency.

(ii) The Secretary shall monitor compliance with this subparagraph by all such fleets and shall report annually to Congress on the extent to which the requirements of this subparagraph are being achieved. The report shall include information on annual reductions achieved from the use of petroleum-based fuels and the problems, if any, encountered in acquiring alternative fuels.

(F) At least 50 percent of the alternative fuels used in vehicles acquired pursuant to this section shall be derived from domestic feedstocks, except to the extent inconsistent with the multilateral trade agreements (as defined in section 3501(4) of title 19). The Secretary shall issue regulations to implement this requirement. For purposes of this subparagraph, the term “domestic” has the meaning given such term in section 12211(7) of this title.

(G) Except to the extent inconsistent with the multilateral trade agreements (as defined in section 3501(4) of title 19), vehicles acquired under this section shall be motor vehicles manufactured in the United States or Canada.

(4) Acquisitions of vehicles under this section shall, to the extent practicable, be coordinated with acquisitions of alternative fueled vehicles by State and local governments.

(b) Studies

(1)(A) The Secretary, in cooperation with the Environmental Protection Agency and the National Highway Traffic Safety Administration, shall conduct a study of a representative sample of alternative fueled vehicles in Federal fleets, which shall at a minimum address—

(i) the performance of such vehicles, including performance in cold weather and at high altitude;

(ii) the fuel economy, safety, and emissions of such vehicles; and

(iii) a comparison of the operation and maintenance costs of such vehicles to the operation and maintenance costs of other passenger automobiles and light duty trucks.

(B) The Secretary shall provide a report on the results of the study conducted under subparagraph (A) to the Committees on Commerce, Science, and Transportation and Governmental Affairs of the Senate, and the Committee on Energy and Commerce of the House of Representatives, within one year after the first such vehicles are acquired.

(2)(A) The Secretary and the Administrator of the General Services Administration shall conduct a study of the advisability, feasibility, and
timing of the disposal of vehicles acquired under subsection (a) and any problems of such disposal. Such study shall take into account existing laws governing the sale of Government vehicles and shall specifically focus on when to sell such vehicles and what price to charge, without compromising studies of the use of such vehicles authorized under this part.

(b) The Secretary and the Administrator of the General Services Administration shall report the results of the study conducted under subparagraph (A) to the Committees on Commerce, Science, and Transportation and Governmental Affairs of the Senate, and the Committee on Energy and Commerce of the House of Representatives, within 12 months after funds are appropriated for carrying out this section.

(3) Studies undertaken under this subsection shall be coordinated with relevant testing activities of the Environmental Protection Agency and the Department of Transportation.

(c) Availability to public
To the extent practicable, at locations where vehicles acquired under subsection (a) are supplied with alternative fuels, such fuels shall be offered for sale to the public. The head of the Federal agency responsible for such a location shall consider whether such sale is practicable, taking into account, among other factors—

(1) whether alternative fuel is commercially available for vehicles in the vicinity of such location;

(2) security and safety considerations;

(3) whether such sale is in accordance with applicable local, State, and Federal law;

(4) the ease with which the public can access such location; and

(5) the cost to the United States of such sale.

(d) Federal agency use of demonstration vehicles

(1) Upon the request of the head of any agency of the Federal Government, the Secretary shall ensure that such Federal agency be provided with vehicles acquired under subsection (a) to the maximum extent practicable.

(2)(A) Funds appropriated under this section for the acquisition of vehicles under subsection (a) shall be applicable only to the portion of the cost of vehicles acquired under subsection (a) which exceeds the cost of comparable gasoline or diesel fueled vehicles.

(B) To the extent that appropriations are available for such purposes, the Secretary shall ensure that the cost to any Federal agency receiving a vehicle under paragraph (1) shall not exceed the cost to such agency of a comparable gasoline or diesel fueled vehicle.

(3) Only one-half of the vehicles acquired under this section by an agency of the Federal Government shall be counted against any limitation on the number of vehicles which may be acquired by such agency.

(4) Any Federal agency receiving a vehicle under paragraph (1) shall cooperate with studies undertaken by the Secretary under subsection (b).

(e) Detail of personnel

Upon the request of the Secretary, the head of any Federal agency may detail, on a reimbursable basis, any of the personnel of such agency to the Department of Energy to assist the Secretary in carrying out the Secretary's duties under this section.

(f) Exemptions

(1) Vehicles acquired under this section shall not be counted in any calculation of the average fuel economy of the fleet of passenger automobiles acquired in a fiscal year by the United States.

(2) The incremental cost of vehicles acquired under this section over the cost of comparable gasoline or diesel fueled vehicles shall not be applied to any calculation with respect to a limitation under law on the maximum cost of individual vehicles which may be acquired by the United States.

(g) Definitions

For purposes of this part—

(1) the term "acquired" means leased for a period of sixty continuous days or more, or purchased;

(2) the term "alternative fuel" means methanol, denatured ethanol, and other alcohols; mixtures containing 85 percent or more (or such other percentage, but not less than 70 percent, as determined by the Secretary, by rule, to provide for requirements relating to cold start, safety, or vehicle functions) by volume of methanol, denatured ethanol, and other alcohols with gasoline or other fuels; natural gas; liquefied petroleum gas; hydrogen; coal-derived liquid fuels; fuels (other than alcohol) derived from biological materials; electricity (including electricity from solar energy); and any other fuel the Secretary determines, by rule, is substantially not petroleum and would yield substantial energy security benefits and substantial environmental benefits;

(3) the term "alternative fueled vehicle" means a dedicated vehicle or a dual fueled vehicle;

(4) the term "dedicated vehicle" means—

(A) a dedicated automobile, as such term is defined in section 32901(a)(7) 1 of title 49; or

(B) a motor vehicle, other than an automobile, that operates solely on alternative fuel;

(5) the term "dual fueled vehicle" means—

(A) dual fueled automobile, as such term is defined in section 32901(a)(8) 1 of title 49; or

(B) a motor vehicle, other than an automobile, that is capable of operating on alternative fuel and is capable of operating on gasoline or diesel fuel; and

(6) the term "heavy duty vehicle" means a vehicle of greater than 8,500 pounds gross vehicle weight rating.

(h) Funding

(1) For the purposes of this section, there are authorized to be appropriated such sums as may be necessary for fiscal years 1993 through 1996, to remain available until expended.

(2) The Secretary is authorized to obligate amounts to be expended under this section which may be acquired by the United States.

1 See References in Text note below.
be effective for any fiscal year only to such extent or in such amounts as are provided in advance by appropriation Acts.


REFERENCES IN TEXT

Paragraphs (7) and (8) of section 32901(a) of title 49, referred to in subsec. (g)(4)(A), (5)(A), were redesignated (8) and (9), respectively, and a new par. (7) was enacted by Pub. L. 106–149, title I, § 189(a)(2), (3), Dec. 19, 2007, 121 Stat. 1501.

CODIFICATION


AMENDMENTS

2005—Subsec. (a)(3)(E). Pub. L. 109–38 amended subpar. (E) generally. Prior to amendment, subpar. (E) read as follows: “(E) Prior to amendment, par. (E) read as follows: “(E) Dual fueled vehicles acquired pursuant to this section shall be operated on alternative fuels unless the Secretary determines that operation on such alternative fuels is not feasible.”

1999—Subsec. (a)(3)(F), (G). Pub. L. 106–36 substituted “multilateral trade agreements (as defined in section 3501(4) of title 19)” for “General Agreement on Tariffs and Trade”.


1995—Subsec. (b)(1)(B). Pub. L. 104–66, § 1052(e), struck out before period at end “and annually thereafter”.

Subsec. (b)(3) to (5). Pub. L. 104–66, § 1053(a), redesignated par. (5) as (3) and struck out former par. (3) which directed Secretary to conduct study of heavy duty vehicles acquired under Department of Energy program and report results to Congress and par. (4) which directed Secretary to conduct study of advisability of heavy duty vehicle disposal and report results to Congress.

1992—Subsec. (a)(1). Pub. L. 102–486, § 302(a)(1), substituted “vehicles” for “passenger automobiles and light duty trucks” before “acquired annually for use” and “alternative fueled vehicles. In no event shall the number of such vehicles acquired be less than the number required under section 13212 of this title.” for “alcohol powered vehicles, dual energy vehicles, natural gas powered vehicles, or natural gas dual energy vehicles.”

Subsec. (a)(5). Pub. L. 102–486, § 302(a)(2), amended par. (3) generally. Prior to amendment, par. (3) read as follows: “The Secretary shall, to the extent practicable and consistent with this part, ensure that the number of dual energy vehicles acquired under this subsection is at least as great as the number of alcohol powered vehicles acquired under this subsection, and that the number of dual energy vehicles acquired under this subsection is at least as great as the number of natural gas powered vehicles acquired under this subsection. To the extent practicable, both vehicles capable of operating on alcohol and vehicles capable of operating on natural gas shall be acquired in carrying out this subsection, and such vehicles shall be supplied by original equipment manufacturers.”


Subsec. (b)(1)(A). Pub. L. 102–486, § 309, substituted “a representative sample of alternative fueled vehicles for Federal fleets” for “the vehicles acquired under subsection (a) of this section”.

Subsec. (b)(3) to (5). Pub. L. 102–486, § 302(a)(4), added pars. (3) to (5).

Subsec. (c). Pub. L. 102–486, § 302(a)(5), in introductory provisions substituted “alternative fuels, such fuels” for “alcohol or natural gas, alcohol or natural gas” and in par. (1) substituted “alternative fuel” for “alcohol or natural gas”.

Subsec. (d)(2)(B). Pub. L. 102–486, § 302(a)(6), substituted “To the extent that appropriations are available for such purposes, the Secretary’’ for “The Secretary’’.

Subsec. (g)(2) to (6). Pub. L. 102–486, § 302(a)(7), added pars. (2) to (6) and struck out former pars. (2) to (6) which read as follows: “(2) the term ‘alcohol’ means a mixture containing 85 percent or more by volume methanol, ethanol, or other alcohols, in any combination; “(3) the term alcohol powered vehicle’ means a vehicle designed to operate exclusively on alcohol; “(4) the term ‘dual energy vehicle’ means a vehicle which is capable of operating on alcohol and on gasoline or diesel fuel; “(5) the term ‘natural gas dual energy vehicle’ means a vehicle which is capable of operating on natural gas and on gasoline or diesel fuel; and “(6) the term ‘natural gas powered vehicle’ means a vehicle designed to operate exclusively on natural gas.”

Subsec. (i)(1). Pub. L. 102–486, § 302(a)(8), amended par. (1) generally. Prior to amendment, par. (1) read as follows: “For the purposes of this section, there are authorized to be appropriated for the fiscal year ending September 30, 1990, $5,000,000, for the fiscal year ending September 30, 1991, $3,000,000, for the fiscal year ending September 30, 1992, $2,000,000, and for the fiscal year ending September 30, 1993, $2,000,000.”

CHANGE OF NAME

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


TERMINATION DATE

Pub. L. 100–494, § 4(b), Oct. 14, 1988, 102 Stat. 2448, which provided that this section and the amendments made by this section (enacting this part) were to cease to be effective after Sept. 30, 1997, was repealed by Pub. L. 102–486, title III, § 302(b), Oct. 24, 1992, 106 Stat. 2671.

FINDINGS

Pub. L. 100–494, § 2, Oct. 14, 1988, 102 Stat. 2441, provided that: “The Congress finds and declares that—“(1) the achievement of long-term energy security for the United States is essential to the health of the national economy, the well-being of our citizens, and the maintenance of national security; “(2) the displacement of energy derived from imported oil with alternative fuels will help to achieve energy security and improve air quality; “}
“(3) transportation uses account for more than 60 percent of the oil consumption of the Nation;
“(4) the Nation’s security, economic, and environment interests require that the Federal Government should assist clean-burning, nonpetroleum transportation fuels to reach a threshold level of commercial application and consumer acceptability at which they can successfully compete with petroleum-based fuels;
“(5) methanol, ethanol, and natural gas are proven transportation fuels that burn more cleanly and efficiently than gasoline and diesel fuel;
“(6) the production and use as transportation fuels of ethanol, methanol made from natural gas or biomass, and compressed natural gas have been estimated in some studies to be significantly greater than the amount released with a comparable quantity of petroleum-based fuel;
“(7) the amount of carbon dioxide released with methanol from a coal-to-methanol industry using currently available technologies has been estimated in some studies to be significantly greater than the amount released with a comparable quantity of petroleum-based fuel;
“(8) there exists evidence that manmade pollution—the release of carbon dioxide, chlorofluorocarbons, methane, and other trace gases into the atmosphere—may be producing a long term and substantial increase in the average temperature on Earth, a phenomenon known as global warming through the greenhouse effect; and
“(9) ongoing pollution and deforestation may be contributing now to an irreversible process producing unacceptable global climate changes; necessary actions must be identified and implemented in time to protect the climate, including the development of technologies to control increased carbon dioxide emissions that result with methanol from a coal-to-methanol industry.”

PURPOSE
Pub. L. 100–494, § 3, Oct. 14, 1988, 102 Stat. 2442, provided that: “The purpose of this Act [see Short Title of Title Note] is to encourage—
“(1) the development and widespread use of methanol, ethanol, and natural gas as transportation fuels by consumers; and
“(2) the production of methanol, ethanol, and natural gas powered motor vehicles.”

USE OF NONSTANDARD FUELS
Pub. L. 100–494, § 5, Oct. 14, 1988, 102 Stat. 2448, provided that: “No guaranty or warranty with respect to any passenger automobile or light-duty truck acquired by the United States after October 1, 1989, shall be voided or reduced in effect by reason of the operation of such vehicle with any fuel for which a currently effective waiver, which includes a limitation regarding Reid vapor pressure with respect to such fuel, has been issued by the Administrator of the Environmental Protection Agency under section 211(f) of the Clean Air Act (42 U.S.C. 7545(f)).”

§ 6374a. Alternative fuels truck commercial application program

(a) Establishment
The Secretary, in cooperation with manufacturers of heavy duty engines and with other Federal agencies, shall establish a commercial application program to study the use of alternative fuels in heavy duty trucks and, if appropriate, other heavy duty applications.

(b) Funding
(1) There are authorized to be appropriated to the Secretary for carrying out this section such sums as may be necessary for fiscal years 1993 through 1995, to remain available until expended.
(2) The authority of the Secretary to obligate amounts to be expended under this section shall be effective for any fiscal year only to such extent or in such amounts as are provided in advance by appropriation Acts.


AMENDMENTS
1992—Subsec. (a). Pub. L. 102–486, § 401(a), substituted “alternative fuels” for “alcohol and natural gas”. Subsec. (b)(1). Pub. L. 102–486, § 401(b), amended par. (1) generally. Prior to amendment, par. (1) read as follows: “There are authorized to be appropriated for the period encompassing the fiscal years ending September 30, 1990, September 30, 1991, and September 30, 1992, a total of $2,000,000 for alcohol powered vehicles and dual energy vehicles, and a total of $2,000,000 for natural gas powered vehicles and natural gas dual energy vehicles, to carry out the purposes of this section.”

§ 6374b. Alternative fuels bus program

(a) Testing
The Secretary, in cooperation with the Administrator of the Environmental Protection Agency and the Administrator of the National Highway Traffic Safety Administration, shall, beginning in the fiscal year ending September 30, 1990, assist State and local government agencies in the testing in urban settings of buses capable of operating on alternative fuels for the emissions levels, durability, safety, and fuel economy of such buses, comparing the different types with each other and with diesel powered buses, as such buses will be required to operate under Federal safety and environmental standards applicable to such buses for the model year 1991. To the extent practicable, testing assisted under this section shall apply to each of the various types of alternative fuel buses.

(b) Funding
There are authorized to be appropriated for the period encompassing the fiscal years ending September 30, 1990, September 30, 1991, and September 30, 1992, a total of $2,000,000 to carry out the purposes of this section.

(c) “Bus” defined
For purposes of this section, the term “bus” means a vehicle which is designed to transport 30 individuals or more.


AMENDMENTS
1992—Subsec. (a). Pub. L. 102–486 substituted “alternative fuels” for “alcohol and buses capable of operating on natural gas” and “each of the various types of alternative fuel buses” for “both buses capable of operating on alcohol and buses capable of operating on natural gas”.

§ 6374c. Omitted

CODIFICATION

§ 6374d. Studies and reports

(a) Methanol study

(1) The Secretary shall study methanol plants, including the costs and practicability of such plants, that are—
   (A) capable of utilizing current domestic supplies of unutilized natural gas;
   (B) relocatable; or
   (C) suitable for natural gas to methanol conversion by natural gas distribution companies.

(2) For purposes of this subsection, the term “unutilized natural gas” means gas that is available in small remote fields and cannot be economically transported to natural gas pipelines, or gas the quality of which is so poor that extensive and uneconomic pretreatment is required prior to its introduction into the natural gas distribution system.

(3) The Secretary shall submit a report under this subsection to the Committees on Commerce, Science, and Transportation and Governmental Affairs of the Senate, and the Committee on Energy and Commerce of the House of Representatives, no later than September 30, 1990.

(b) Omitted

(c) Public participation

Adequate opportunity shall be provided for public comment on the reports required by this section before they are submitted to the Congress, and a summary of such comments shall be attached to such reports.


REFERENCES IN TEXT

This part, referred to in subsec. (b)(1)(A), was in the original “the Alternative Motor Fuels Act of 1988”, Pub. L. 100–149, Oct. 14, 1988, 102 Stat. 2441, which is classified principally to this part. For complete classification of this Act to the Code, see Short Title of 1988 Act note set out under section 6201 of this title and Tables.

CODIFICATION

Subsec. (b) of this section, which required the Administrator of the Environmental Protection Agency to submit biennially to Congress a report which includes a comprehensive analysis of the environmental impacts associated with the production and use of alternative motor vehicle fuels under this part and an extended forecast of the environmental effects of such production and use, terminated, effective May 15, 2000, pursuant to section 3003 of Pub. L. 104–14, set out as a note preceding section 21 of Title 2, The Congress. Committee on Commerce of House of Representatives changed to Committee on Energy and Commerce of House of Representatives, and jurisdiction over matters relating to securities and exchanges and insurance generally transferred to Committee on Financial Services of House of Representatives by House Resolution No. 5, One Hundred Seventh Congress, Jan. 3, 2001.

§ 6374e. Federal fleet conservation requirements

(a) Mandatory reduction in petroleum consumption

(1) In general

Not later than 18 months after December 19, 2007, the Secretary shall issue regulations for Federal fleets subject to section 6374 of this title to require that, beginning in fiscal year 2010, each Federal agency shall reduce petroleum consumption and increase alternative fuel consumption each year by an amount necessary to meet the goals described in paragraph (2).

(2) Goals

The goals of the requirements under paragraph (1) are that not later than October 1, 2015, and for each year thereafter, each Federal agency shall achieve at least a 20 percent reduction in annual petroleum consumption and a 10 percent increase in annual alternative fuel consumption, as calculated from the baseline established by the Secretary for fiscal year 2005.

(3) Milestones

The Secretary shall include in the regulations described in paragraph (1)—

(A) interim numeric milestones to assess annual agency progress towards accomplishing the goals described in that paragraph; and

(B) a requirement that agencies annually report on progress towards meeting each of the milestones and the 2015 goals.

(b) Plan

(1) Requirement

(A) In general

The regulations under subsection (a) shall require each Federal agency to develop a plan, and implement the measures specified in the plan by dates specified in the plan, to meet the required petroleum reduction levels and the alternative fuel consumption increases, including the milestones specified by the Secretary.

(B) Inclusions

The plan shall—

(i) identify the specific measures the agency will use to meet the requirements of subsection (a)(2); and

(ii) quantify the reductions in petroleum consumption or increases in alternative fuel consumption projected to be achieved by each measure each year.
(2) Measures
The plan may allow an agency to meet the required petroleum reduction level through—
(A) the use of alternative fuels;
(B) the acquisition of vehicles with higher fuel economy, including hybrid vehicles, neighborhood electric vehicles, electric vehicles, and plug-in hybrid vehicles if the vehicles are commercially available;
(C) the substitution of cars for light trucks;
(D) an increase in vehicle load factors;
(E) a decrease in vehicle miles traveled;
(F) a decrease in fleet size; and
(G) other measures.


For the purposes of this subchapter—
(1) the term “verification examination” means an examination of such books, records, papers, or other documents of a person or company as the Comptroller General determines necessary and appropriate to assess the accuracy, reliability, and adequacy of the energy information, or financial information, referred to in subsection (a).
(2) The term “energy information” has the same meaning as such term has in section 796(e)(1) of title 15.
(3) The term “person” has the same meaning as such term has in section 796(e)(2) of title 15.
(4) The term “vertically integrated petroleum company” means any person which itself, or through a person which is controlled by, controls, or is under common control with such person, is engaged in the production, refining, and marketing of petroleum products.


REFERENCES IN TEXT
This subchapter, referred to in subsec. (c), was in the original “this title”, meaning title V of Pub. L. 94–163, Dec. 22, 1975, 89 Stat. 956, which is classified principally to this subchapter. For complete classification of title V to the Code, see Tables.

AMENDMENTS

TRANSFER OF FUNCTIONS
“Secretary, the Department of the Interior, or the Federal Energy Regulatory Commission” and “Secretary” substituted for “Federal Energy Administration, the Department of the Interior, or the Federal Power Commission” and “Administration”, respectively, in subsec. (a)(1), and “Federal Energy Regulatory Commission, or the Secretary” substituted for “Federal Power Commission, or the Federal Energy Administration (or the Administrator)” in subsec. (b) pursuant to sections 301, 402, 703, and 707 of Pub. L. 95–91, which are classified to sections 7151, 7172, 7203, and 7207 of this title and which terminated Federal Energy Administration and transferred its functions to Federal Energy Regulatory Commission and Secretary of Energy.

§ 6382. Powers and duties of Comptroller General

(a) Subpenas; discovery and inspection; oaths; search
For the purpose of carrying out his authority under section 6381 of this title—
(1) the Comptroller General may—
(A) sign and issue subpenas for the attendance and testimony of witnesses and the pro-
§ 6383  TITLE 42—THE PUBLIC HEALTH AND WELFARE

duction of books, records, papers, and other documents;
(B) require any person, by general or special order, to submit answers in writing to interrogatories, to submit books, records, papers, or other documents, or to submit any other information or reports, and such answers or other submissions shall be made within such reasonable period, and under oath or otherwise, as the Comptroller General may determine; and
(C) administer oaths.

(2) the Comptroller General, or any officer or employee duly designated by the Comptroller General, upon presenting appropriate credentials and a written notice from the Comptroller General to the owner, operator, or agent in charge, may—
(A) enter, at reasonable times, any business premise or facility; and
(B) inspect, at reasonable times and in a reasonable manner, any such premise or facility, inventory and sample any stock of energy resources therein, and examine and copy books, records, papers, or other documents, relating to any energy information, or any financial information in the case of a vertically integrated petroleum company,

(b) Information in possession of Federal agencies

The Comptroller General shall have access to any energy information within the possession of any Federal agency (other than the Internal Revenue Service) as is necessary to carry out his authority under this section.

(c) Transmission of examination results to Federal agencies

(1) Except as provided in subsections (d) and (e), the Comptroller General shall transmit a copy of the results of any verification examination conducted under section 6381 of this title to the Federal agency to which energy information was furnished.

(2) Any report made pursuant to paragraph (1) shall include the Comptroller General’s findings with respect to the accuracy, reliability, and adequacy of the energy information which was the subject of such examination.

(d) Report to Congressional committees

If the verification examination was conducted at the request of any committee of the Congress, the Comptroller General shall report his findings as to the accuracy, reliability, or adequacy of the energy information which was the subject of such examination, or financial information in the case of a vertically integrated petroleum company, directly to such committee of the Congress and any such information obtained and such report shall be deemed the property of such committee and may not be disclosed except in accordance with the rules of the committee and the rules of the House of Representatives or the Senate and as permitted by law.

(e) Disclosure of geological or geophysical information

(1) Any information obtained by the Comptroller General or any officer or employee of the Government Accountability Office pursuant to the exercise of responsibilities or authorities under this section which relates to geological or geophysical information, or any estimate or interpretation thereof, the disclosure of which would result in significant competitive disadvantage or significant loss to the owner thereof shall not be disclosed except to a committee of Congress. Any such information so furnished to a committee of the Congress shall be deemed the property of such committee and may not be disclosed except in accordance with the rules of the committee and the rules of the House of Representatives or the Senate and as permitted by law.

(2) Any person who knowingly discloses information in violation of paragraph (1) shall be subject to the penalties specified in section 754(a)(3)(B) and (4) of title 15.

See References in Text note below.

AMENDMENTS


1996—Subsec. (f). Pub. L. 104–316 struck out subsec. (f) which read as follows: “The Comptroller General shall prepare and submit to the Congress an annual report with respect to the exercise of its authorities under this part, which report shall specifically identify any deficiencies in energy information or financial information reviewed by the Comptroller General and include a discussion of action taken by the person or company so examined, if any, to correct any such deficiencies.”

§ 6383. Accounting practices

(a) Development by Securities and Exchange Commission; time of taking effect

For purposes of developing a reliable energy data base related to the production of crude oil and natural gas, the Securities and Exchange Commission shall take such steps as may be necessary to assure the development and observance of accounting practices to be followed in the preparation of accounts by persons engaged, in whole or in part, in the production of crude oil or natural gas in the United States. Such practices shall be developed not later than 24 months after December 22, 1975, and shall take effect with respect to the fiscal year of each such person which begins 3 months after the date on which such practices are prescribed or made effective under the authority of subsection (b)(2).

1 See References in Text note below.
In carrying out its responsibilities under subsection (a), the Securities and Exchange Commission shall—

(1) consult with the Secretary, the Government Accountability Office, and the Federal Energy Regulatory Commission with respect to accounting practices to be developed under subsection (a), and

(2) have authority to prescribe rules applicable to persons engaged in the production of crude oil or natural gas, or make effective by recognition, or by other appropriate means indicating a determination to rely on, accounting practices developed by the Financial Accounting Standards Board, if the Securities and Exchange Commission is assured that such practice will be observed by persons engaged in the production of crude oil or natural gas to the same extent as would result if the Securities and Exchange Commission had prescribed such practices by rule.

The Securities and Exchange Commission shall afford interested persons an opportunity to submit written comments with respect to whether it should exercise its discretion to recognize or otherwise rely on such accounting practice in lieu of prescribing such practices by rule and may extend the 24-month period referred to in subsection (a) as it determines may be necessary to facilitate the compilation of such data base.

(A) disclosure of reserves and operating activities, both domestic and foreign, to facilitate evaluation of financial effort and result; and

(B) classification of financial information by function to facilitate correlation with reserve and operating statistics, both domestic and foreign.

(3) Such other information, projections, and relationships of collected data as shall be necessary to facilitate the compilation of such data base.

(MENDMENTS


TRANSFER OF FUNCTIONS

“Secretary” and “Federal Energy Regulatory Commission” substituted for “Federal Energy Administration” and “Federal Power Commission”, respectively, in subsec. (b)(1) pursuant to sections 301, 402, 703, and 707 of Pub. L. 95–91, which are classified to sections 7151, 7172, 7293, and 7297 of this title and which terminated Federal Energy Administration and transferred its functions (with certain exceptions) to Secretary of Energy and terminated Federal Power Commission and transferred its functions to Federal Energy Regulatory Commission and Secretary of Energy.

§ 6384. Enforcement

(a) Civil penalties

Any person who violates any general or special order of the Comptroller General issued under section 6382(a)(1) of this title may be assessed a civil penalty not to exceed $10,000 for each violation. Each day of failure to comply with such an order shall be deemed a separate violation. Such penalty shall be assessed by the Comptroller General and collected in a civil action brought by the Comptroller General and collected in a civil action brought by the Comptroller General through any attorney employed by the Government Accountability Office or any other attorney designated by the Comptroller General, or, upon request of the Comptroller General, the Attorney General. A person shall not be liable with respect to any period during which the effectiveness of the order with respect to such person was stayed.

(b) Jurisdiction; process

Any action to enjoin or set aside an order issued under section 6382(a)(1) of this title may be brought only before the United States Court of Appeals for the District of Columbia. Any action to collect a civil penalty for violation of any general or special order may be brought only in the United States District Court for the District of Columbia. In any action brought
under subsection (a) to collect a civil penalty, process may be served in any judicial district of the United States.

(c) Securing compliance with subpoena

Upon petition by the Comptroller General through any attorney employed by the Government Accountability Office or designated by the Comptroller General, or, upon request of the Comptroller General, the Attorney General, any United States district court within the jurisdiction of which any inquiry under this part is carried on, in the case of refusal to obey a subpoena of the Comptroller General issued under this part, issue an order requiring compliance therewith; and any failure to obey the order of the court may be treated by the court as a contempt thereof.


AMENDMENTS

2004—Subsecs. (a), (c), Pub. L. 108–271 substituted ‘‘Government Accountability Office’’ for ‘‘General Accounting Office’’.

§ 6385. Petroleum product information

The President or his delegate shall, pursuant to authority otherwise available to the President or his delegate under any other provision of law, collect information on the pricing, supply, and distribution of petroleum products by product category at the wholesale and retail levels, on a State-by-State basis, which was collected as of September 1, 1981, by the Energy Information Administration.


PART B—GENERAL PROVISIONS

§ 6391. Prohibited actions

(a) Unreasonable classifications and differentiations

Action taken under the authorities to which this section applies, resulting in the allocation of petroleum products or electrical energy among classes of users or resulting in restrictions on use of petroleum products and electrical energy shall not be based upon unreasonable classifications of, or unreasonable differentiations between, classes of users. In making any such allocation the President, or any agency of the United States to which such authority is delegated, shall give consideration to the need to foster reciprocal and nondiscriminatory treatment by foreign countries of United States citizens engaged in commerce in those countries.

(b) Unfairly disproportionate share of burdens between segments of business community

To the maximum extent practicable, any restriction under authorities to which this section applies on the use of energy shall be designed to be carried out in such manner so as to be fair and to create a reasonable distribution of the burden of such restriction on all sectors of the economy, without imposing an unfairly disproportionate share of such burden on any specific class of industry, business, or commercial enterprise, or on any individual segment thereof. In prescribing any such restriction, due consideration shall be given to the needs of commercial, retail, and service establishments whose normal function is to supply goods or services of an essential convenience nature during times of day other than conventional daytime working hours.

(c) Authorities to which section applies

This section applies to actions under any of the following authorities:

1. Title I and II of this Act (other than any provision of such titles which amends another law).

2. This title.


REFERENCES IN TEXT

Title I of this Act, referred to in subsec. (c)(1), is title I of Pub. L. 94–163, Dec. 22, 1975, 89 Stat. 875, which is classified principally to subchapter I (§6211 et seq.) of this chapter. For complete classification of title I to the Code, see Tables.

Title II of this Act, referred to in subsec. (c)(1), is title II of Pub. L. 94–163, Dec. 22, 1975, 89 Stat. 890, which is classified generally to subchapter II (§6271 et seq.) of this chapter. For complete classification of title II to the Code, see Tables.

This title, referred to in subsec. (c)(2), is title V of Pub. L. 94–163, Dec. 22, 1975, 89 Stat. 966, which is classified principally to this subchapter. For complete classification of title V to the Code, see Tables.

The Emergency Petroleum Allocation Act of 1973, referred to in subsec. (c)(3), is Pub. L. 93–159, Nov. 27, 1973, 87 Stat. 628, which was classified generally to chapter 16A (§751 et seq.) of Title 15, Commerce and Trade, and was omitted from the Code pursuant to section 780g of Title 15, which provided for the expiration of the President’s authority under that chapter on Sept. 30, 1981.


EFFECTIVE DATE OF REPEAL

For effective date and applicability of repeal, see section 4401 of Pub. L. 104–106, set out as an Effective Date of 1996 Amendment note under section 2302 of Title 10, Armed Forces.

§ 6393. Administrative procedure and judicial review

(a)(1) Subject to paragraphs (2), (3), and (4) of this subsection, the provisions of subchapter II of chapter 5 of title 5 shall apply to any rule, regulation, or order having the applicability and effect of a rule as defined in section 551(4) of title 5 issued under title I (other than section 103 thereof) and title II of this Act, or this

1 See References in Text note below.

2 See References in Text note below.
title 1 (other than any provision of such titles which amends another law).

(2)(A) Notice of any proposed rule, regulation, or order described in paragraph (1) which is substantive and of general applicability shall be given by publication of such proposed rule, regulation, or order in the Federal Register. In each case, a minimum of 30 days following the date of such publication and prior to the effective date of the rule shall be provided for opportunity to comment; except that the 30-day period for opportunity to comment prior to the effective date of the rule may be—

(i) reduced to no less than 10 days if the President finds that strict compliance would seriously impair the operation of the program to which such rule, regulation, or order relates and such findings are set out in such rule, regulation, or order, or

(ii) waived entirely, if the President finds that such waiver is necessary to act expeditiously during an emergency affecting the national security of the United States.

(B) Public notice of any rule, regulation, or order which is substantive and of general applicability which is promulgated by officers of a State or political subdivision thereof or to State or local boards which have been delegated authority pursuant to title I or II of this Act or this title (other than any provision of such title 2 which amends 3 another law shall, to the maximum extent practicable, be achieved by publication of such rules, regulations, or orders in a sufficient number of newspapers of general circulation calculated to receive widest practicable notice.

(3) In addition to the requirements of paragraph (2) and to the maximum extent practicable, an opportunity for oral presentation of data, views, and arguments shall be afforded and such opportunity shall be afforded prior to the effective date of such rule, regulation, or order, but in all cases such opportunity shall be afforded no later than 45 days, and no later than 10 days (in the case of a waiver of the entire comment period under paragraph (2) (ii)), after such date. A transcript shall be made of any oral presentation.

(4) Any officer or agency authorized to issue rules, regulations, or orders described in paragraph (1) shall provide for the making of such adjustments, consistent with the other purposes of this Act as may be necessary to prevent special hardship, inequity, or an unfair distribution of burdens and shall in rules prescribed by it establish procedures which are available to any person for the purpose of seeking an interpretation, modification, or rescission of, or an exception to or exemption from, such rules, regulations and orders. If such person is aggrieved or adversely affected by the denial of a request for such action under the preceding sentence, he may request a review of such denial by the officer or agency and may obtain judicial review in accordance with subsection (b) or other applicable law when such denial becomes final. The officer or agency shall, by rule, establish appropriate procedures, including a hearing where deemed advisable, for considering such requests for action under this paragraph.

(b) The procedures for judicial review established by section 211 of the Economic Stabilization Act of 1970 shall apply to proceedings to which subsection (a) applies, as if such proceedings took place under such Act. Such procedures for judicial review shall apply notwithstanding the expiration of the Economic Stabilization Act of 1970.

(c) Any agency authorized to issue any rule, regulation, or order described in subsection (a)(1) shall, upon written request of any person, which request is filed after any grant or denial of a request for exception or exemption from any such rule, regulation, or order, furnish such person, within 30 days after the date on which such request is filed, with a written opinion setting forth applicable facts and the legal basis in support of such grant or denial.


REFERENCES IN TEXT


This title, referred to in subsec. (a)(1), (2)(B), is title V of Pub. L. 94–163, Dec. 22, 1975, 89 Stat. 956, which is classified principally to this subchapter. For complete classification of title V to the Code, see Tables.


§ 6394. Prohibited acts

It shall be unlawful for any person—

(1) to violate any provision of title I or title II of this Act or this title 1 (other than any provision of such titles which amends another law),

(2) to violate any rule, regulation, or order issued pursuant to any such provision or any provision of section 383 of this Act [42 U.S.C. 6363]; or

(3) to fail to comply with any provision prescribed in, or pursuant to, an energy conservation contingency plan which is in effect.


REFERENCES IN TEXT

Title I of this Act, referred to in par. (1), is title I of Pub. L. 94–163, Dec. 22, 1975, 89 Stat. 873, which is classified principally to subchapter I (§ 6211 et seq.) of this chapter. For complete classification of title I to the Code, see Tables.

Title II of this Act, referred to in par. (1), is title II of Pub. L. 94–163, Dec. 22, 1975, 89 Stat. 890, which is

1 So in original. The closing parenthesis probably should follow "another law".

2 So in original. Probably should be "amends".

3 So in original. Probably should be "amends".

4 See References in Text note below.
§ 6395. Enforcement

(a) Civil penalty

Whoever violates section 6394 of this title shall be subject to a civil penalty of not more than $5,000 for each violation.

(b) Penalty for willful violation

Whoever willfully violates section 6394 of this title shall be fined not more than $10,000 for each violation.

(c) Penalty for violation after having been subjected to civil penalty for prior violation

Any person who knowingly and willfully violates section 6394 of this title with respect to the offer of sale, offer of sale, or distribution in commerce of a product or commodity after having been subjected to a civil penalty for a prior violation of section 6394 of this title with respect to the sale, offer of sale, or distribution in commerce of such product or commodity shall be fined not more than $50,000 or imprisoned not more than 6 months, or both.

(d) Injunction action by Attorney General

Whenever it appears to any officer or agency of the United States in whom is vested, or to whom is delegated, authority under this chapter that any person has engaged, is engaged, or is about to engage in acts or practices constituting a violation of section 6394 of this title, such officer or agency may request the Attorney General to bring an action in an appropriate district court of the United States to enjoin such acts or practices, and upon a proper showing a temporary restraining order or a preliminary or permanent injunction shall be granted without regard to the amount in controversy, for apprehension of the United States in whom is vested, or to whom is delegated, authority under this chapter.

(e) Private right of action

(1) Any person suffering legal wrong because of any act or practice arising out of any violation of any provision of this chapter described in paragraph (2), may bring an action in an appropriate district court of the United States without regard to the amount in controversy, for appropriate relief, including an action for a declaratory judgment or writ of injunction. Nothing in this subsection shall authorize any person to comply with any rule, regulation, or order described in section 6394 of this title.

(2) The provisions of this chapter referred to in paragraph (1) are as follows:

(A) Section 6262 of this title (relating to energy conservation plans).
(B) Section 6271 of this title (relating to international oil allocation).
(C) Section 6272 of this title (relating to international voluntary agreements).
(D) Section 6273 of this title (relating to advisory committees).

(E) Section 6274 of this title (relating to international exchange of information).
(F) Section 6391 of this title (relating to prohibition on certain actions).

References in Text

This chapter, referred to in subsecs. (d) and (e), was in the original “this Act”, meaning Pub. L. 94–163, Dec. 22, 1975, 89 Stat. 875, which is classified principally to subchapter I (§ 6211 et seq.) of this chapter. For complete classification of title II to the Code, see Tables.

§ 6396. State laws or programs

No State law or State program in effect on December 22, 1975, or which may become effective thereafter, shall be superseded by any provision of title I or II of this Act (other than any provision of such title which amends another law) or any rule, regulation, or order thereunder, except insofar as such State law or State program is in conflict with such provision, rule, regulation, or order.

References in Text

Title I of this Act, referred to in par. (1), is title I of Pub. L. 94–163, Dec. 22, 1975, 89 Stat. 875, which is classified principally to subchapter I (§ 6211 et seq.) of this chapter. For complete classification of title I to the Code, see Tables.

Title II of this Act, referred to in par. (1), is title II of Pub. L. 94–163, Dec. 22, 1975, 89 Stat. 880, which is classified generally to subchapter II (§ 6271 et seq.) of this chapter. For complete classification of title II to the Code, see Tables.


§ 6398. Authorization of appropriations

Any authorization of appropriations in this Act, or in any amendment to any other law made by this Act, for the fiscal year 1976 shall be deemed to include an additional authorization of appropriations for the period beginning July 1, 1976, and ending September 30, 1976, in amounts which equal one-fourth of any amount authorized for fiscal year 1976, unless appropriations for the same purpose are specifically authorized in a law hereinafter enacted.

References in Text

This Act, referred to in text, means Pub. L. 94–163, Dec. 22, 1975, 89 Stat. 871, as amended, known as the Energy Policy and Conservation Act, which is classified principally to this chapter (§ 6201 et seq.). For complete classification of this Act to the Code, see Short Title note set out under section 6201 of this title and Tables.

§ 6399. Intrastate natural gas

No provision of this chapter shall permit the imposition of any price controls on, or require

1 See References in Text note below.
any allocation of, natural gas not subject to the jurisdiction of the Secretary or the Federal Energy Regulatory Commission.


REFERENCES IN TEXT

This chapter, referred to in text, was in the original ‘‘this Act’’, meaning Pub. L. 94–163, Dec. 22, 1975, 89 Stat. 871, as amended, known as the Energy Policy and Conservation Act. For complete classification of this Act to the Code, see Short Title note set out under section 6201 of this title and Tables.

TRANSFER OF FUNCTIONS

‘‘Secretary or the Federal Energy Regulatory Commission’’ substituted for ‘‘Federal Power Commission’’ pursuant to sections 301(a), 402, 703, and 707 of Pub. L. 90–91, which are classified to sections 7131(a), 7172, 7293, and 7297 of this title and which terminated Federal Power Commission and transferred its functions to Federal Energy Regulatory Commission and Secretary of Energy.

§ 6400. Limitation on loan guarantees

Loan guarantees and obligation guarantees under this Act or any amendment to another law made by this Act may not be issued in violation of any limitation in appropriations or other Acts, with respect to the amounts of outstanding obligatory authority.


REFERENCES IN TEXT

This Act, referred to in text, means Pub. L. 94–163, Dec. 22, 1975, 89 Stat. 871, as amended, known as the Energy Policy and Conservation Act, which is classified principally to this chapter (§6201 et seq.). For complete classification of this Act to the Code, see Short Title note set out under section 6201 of this title and Tables.


PART C—CONGRESSIONAL REVIEW

§ 6421. Procedure for Congressional review

(a) ‘‘Energy action’’ defined

For purposes of this section, the term ‘‘energy action’’ means any matter required to be transmitted, or submitted to the Congress in accordance with the procedures of this section.

(b) Transmittal of energy action to Congress

The President shall transmit any energy action (bearing an identification number) to both Houses of Congress on the same day. If both Houses are not in session on the day any energy action is received by the appropriate officers of each House, for purposes of this section such energy action shall be deemed to have been transmitted on the first succeeding day on which both Houses are in session.

(c) Effective date of energy action

(1) Except as provided in paragraph (2) of this subsection, if energy action is transmitted to the Houses of Congress, such action shall take effect at the end of the first period of 15 calendar days of continuous session of Congress after the date on which such action is transmitted to such Houses, unless between the date of transmittal and the end of such 15-day period, either House passes a resolution stating in substance that such House does not favor such action.

(2) An energy action described in paragraph (1) may take effect prior to the expiration of the 15-calendar-day period after the date on which such action is transmitted, if each House of Congress approves a resolution affirmatively stating in substance that such House does not object to such action.

(d) Computation of period

For the purpose of subsection (c) of this section—

(1) continuity of session is broken only by an adjournment of Congress sine die; and

(2) the days on which either House is not in session because of an adjournment of more than 3 days to a day certain are excluded in the computation of the 15-calendar-day period.

(e) Provision in energy action for later effective date

Under provisions contained in an energy action, a provision of such an action may take effect on a date later than the date on which such action otherwise takes effect pursuant to the provisions of this section.

(f) Resolutions with respect to energy action

(1) This subsection is enacted by Congress—

(A) as an exercise of the rulemaking power of the Senate and the House of Representatives, respectively, and as such it is deemed a part of the rules of each House, respectively, but applicable only with respect to the procedure to be followed in that House in the case of resolutions described by paragraph (2) of this subsection; and it supersedes other rules only to the extent that it is inconsistent therewith; and

(B) with full recognition of the constitutional right of either House to change the rules (so far as relating to the procedure of that House) at any time, in the same manner and to the same extent as in the case of any other rule of the House.

(2) For purposes of this subsection, the term ‘‘resolution’’ means only a resolution of either House of Congress described in subparagraph (A) or (B) of this paragraph.

(A) A resolution the matter after the resolving clause of which is as follows: ‘‘That the (B) A resolution the matter after the resolving clause of which is as follows: ‘‘That the
§ 6422  TITLE 42—THE PUBLIC HEALTH AND WELFARE  Page 6256

... does not favor the energy action numbered, the first blank space therein being filled with the name of the resolving House and the other blank spaces therein being appropriately filled; but does not include a resolution which specifies more than one energy action.

(3) A resolution once introduced with respect to an energy action shall immediately be referred to a committee (and all resolutions with respect to the same plan shall be referred to the same committee) by the President of the Senate or the Speaker of the House of Representatives, as the case may be.

(4)(A) If the committee to which a resolution with respect to an energy action has been referred has not reported it at the end of 5 calendar days after its referral, it shall be in order to move either to discharge the committee from further consideration of such resolution or to discharge the committee from further consideration of any other resolution with respect to such energy action which has been referred to the committee.

(B) A motion to discharge may be made only by an individual favoring the resolution, shall be highly privileged (except that it may not be made after the committee has reported a resolution with respect to the same energy action), and debate thereon shall be limited to not more than one hour, to be divided equally between those favoring and those opposing the resolution. An amendment to the motion shall not be in order, and it shall not be in order to move to reconsider the vote by which the motion was adopted or disagreed to.

(C) If the motion to discharge is agreed to or disagreed to, the motion may not be renewed, nor may another motion to discharge the committee be made with respect to any other resolution with respect to the same energy action.

(5)(A) When the committee has reported, or has been discharged from further consideration of, a resolution, it shall be at any time thereafter in order (even though a previous motion to the same effect has been disagreed to) to move to proceed to the consideration of the resolution. The motion shall be highly privileged and shall not be debatable. An amendment to the motion shall not be in order, and it shall not be in order to move to reconsider the vote by which the motion was agreed to or disagreed to.

(B) Debate on the resolution referred to in subparagraph (A) of this paragraph shall be limited to not more than 10 hours, which shall be divided equally between those favoring and those opposing such resolution. A motion further to limit debate shall not be debatable. An amendment to, or motion to recommit, the resolution shall not be in order, and it shall not be in order to move to reconsider the vote by which such resolution was agreed to or disagreed to; except that it shall be in order—

(i) to offer an amendment in the nature of a substitute, consisting of the text of a resolution described in paragraph (2)(B) of this subsection with respect to an energy action, for a resolution described in paragraph (2)(A) of this subsection with respect to the same such action, or

(ii) to offer an amendment in the nature of a substitute, consisting of the text of a resolution described in paragraph (2)(B) of this subsection with respect to an energy action, for a resolution described in paragraph (2)(A) of this subsection with respect to the same such action.

The amendments described in clauses (i) and (ii) of this subparagraph shall not be amendable.

(6)(A) Motions to postpone, made with respect to the discharge from committee, or the consideration of a resolution and motions to proceed to the consideration of other business, shall be decided without debate.

(B) Appeals from the decision of the Chair relating to the application of the rules of the Senate or the House of Representatives, as the case may be, to the procedure relating to a resolution shall be decided without debate.

(7) Notwithstanding any of the provisions of this subsection, if a House has approved a resolution with respect to an energy action, then it shall not be in order to consider in that House any other resolution with respect to the same such action.


§ 6422. Expedited procedure for Congressional consideration of certain authorities

(a) Contingency plan identification number; transmittal of plan to Congress

Any contingency plan transmitted to the Congress pursuant to section 6261(a)(1) of this title shall bear an identification number and shall be transmitted to both Houses of Congress on the same day and to each House while it is in session.

(b) Necessity of Congressional resolution within certain period for plan to be considered approved

(1) No such energy conservation contingency plan may be considered approved for purposes of section 6261(b) of this title unless between the date of transmittal and the end of the first period of 60 calendar days of continuous session of Congress after the date on which such action is transmitted to such House, each House of Congress passes a resolution described in subsection (d)(2)(A).

(2)(A) Subject to subparagraph (B), any such rationing contingency plan shall be considered approved for purposes of section 6261(d) of this title only if such plan is not disapproved by a resolution described in subsection (d)(2)(B)(i) which passes each House of the Congress during the 30-calendar-day period of continuous session after the plan is transmitted to such Houses and which thereafter becomes law.

(B) A rationing contingency plan may be considered approved prior to the expiration of the 30-calendar-day period after such plan is transmitted if a resolution described in subsection (d)(2)(B)(i) is passed by each House of the Congress and thereafter becomes law.

(c) Computation of period

For the purpose of subsection (b) of this section—

1See References in Text note below.
(1) continuity of session is broken only by an adjournment of Congress sine die; and

(2) the days on which either House is not in session because of an adjournment of more than 3 days to a day certain are excluded in the computation of the calendar-day period involved.

(d) Resolution with respect to contingency plan

(1) This subsection is enacted by Congress—

(A) as an exercise of the rulemaking power of the Senate and the House of Representatives, respectively, and as such it is deemed a part of the rules of each House, respectively, but applicable only with respect to the procedure to be followed in that House in the case of resolutions described by paragraph (2) of this subsection; and it supersedes other rules only to the extent that it is inconsistent therewith; and

(B) with full recognition of the constitutional right of either House to change the rules (so far as relating to the procedure of that House) at any time, in the same manner and to the same extent as in the case of any other rule of the House.

(2)(A) For purposes of applying this section with respect to any energy conservation contingency plan, the term “resolution” means only a resolution of either House of Congress the matter after the resolving clauses of which is as follows: “That the Congress of the United States disapproves the energy conservation contingency plan numbered____ submitted to the Congress on____, 19____,” the first blank space therein being filled with the name of the resolving House and the other blank spaces being appropriately filled; but does not include a resolution which specifies more than one energy conservation contingency plan.

(B) For purposes of applying this subsection with respect to any rationing contingency plan (other than pursuant to section 6261(d)(2)(B) of this title), the term “resolution” means only a joint resolution described in clause (i) or (ii) of this subparagraph with respect to such plan.

(i) A joint resolution of either House of the Congress (I) which is entitled: “Joint resolution relating to a rationing contingency plan.”; (II) which does not contain a preamble, and (III) the matter after the resolving clause of which is: “That the Congress of the United States disapproves the rationing contingency plan transmitted to the Congress on____, 19____,” the blank spaces therein appropriately filled.

(ii) A joint resolution of either House of the Congress (I) which is entitled: “Joint resolution relating to a rationing contingency plan.”; (II) which does not contain a preamble, and (III) the matter after the resolving clause of which is: “That the Congress of the United States does not object to the rationing contingency plan transmitted to the Congress on____, 19____,” the blank spaces therein appropriately filled.

(3) A resolution once introduced with respect to a contingency plan shall immediately be referred to a committee (and all resolutions with respect to the same contingency plan shall be referred to the same committee) by the President of the Senate or the Speaker of the House of Representatives, as the case may be.

(4)(A) If the committee to which a resolution with respect to a contingency plan has been referred has not reported it at the end of 20 calendar days after its referral in the case of any energy conservation contingency plan or at the end of 10 calendar days after its referral in the case of any rationing contingency plan, it shall be in order to move either to discharge the committee from further consideration of such resolution or to discharge the committee from further consideration of any other resolution with respect to such contingency plan which has been referred to the committee.

(B) A motion to discharge may be made only by an individual favoring the resolution, shall be highly privileged (except that it may not be made after the committee has reported a resolution with respect to the same contingency plan), and debate thereon shall be limited to not more than 1 hour, to be divided equally between those favoring and those opposing the resolution. Except to the extent provided in paragraph (7)(A), an amendment to the motion shall not be in order, and it shall not be in order to move to reconsider the vote by which the motion was agreed to or disagreed to.

(C) If the motion to discharge is agreed to or disagreed to, the motion may not be renewed, nor may another motion to discharge the committee be made with respect to any other resolution with respect to the same contingency plan.

(5)(A) When the committee has reported, or has been discharged from further consideration of, a resolution, it shall be at any time thereafter in order (even though a previous motion to the same effect has been disagreed to) to move to proceed to the consideration of the resolution. The motion shall be highly privileged and shall not be debatable. An amendment to the motion shall not be in order, and it shall not be in order to move to reconsider the vote by which the motion was agreed to or disagreed to.

(B) Debate on the resolution referred to in subparagraph (A) of this paragraph shall be limited to not more than 10 hours, which shall be divided equally between those favoring and those opposing such resolution. A motion further to limit debate shall not be debatable. Except to the extent provided in paragraph (7)(B), an amendment to, or motion to recommit the resolution shall not be in order, and it shall not be in order to move to reconsider the vote by which such resolution was agreed to or disagreed to.

(6)(A) Motions to postpone, made with respect to the discharge from committee, or the consideration of a resolution and motions to proceed to the consideration of other business, shall be decided without debate.

(B) Appeals from the decision of the Chair relating to the application of the rules of the Senate or the House of Representatives, as the case may be, to the procedures relating to a resolution shall be decided without debate.

(7) With respect to any rationing contingency plan—

(A) In the consideration of any motion to discharge any committee from further consid-
eration of any resolution on any such plan, it shall be in order after debate allowed for under paragraph (4)(B) to offer an amendment in the nature of a substitute for such motion—

(i) consisting of a motion to discharge such committee from further consideration of a resolution described in paragraph (2)(B)(i) with respect to any rationing contingency plan, if the discharge motion sought to be amended relates to a resolution described in paragraph (2)(B)(ii) with respect to the same such plan, or

(ii) consisting of a motion to discharge such committee from further consideration of a resolution described in paragraph (2)(B)(ii) with respect to any rationing contingency plan, if the discharge motion sought to be amended relates to a resolution described in paragraph (2)(B)(i) with respect to the same such plan.

An amendment described in this subparagraph shall not be amendable. Debate on such an amendment shall be limited to not more than 1 hour, which shall be divided equally between those favoring and those opposing the amendment.

(B) In the consideration of any resolution on any such plan which has been reported by a committee, it shall be in order at any time during the debate allowed for under paragraph (5)(B) to offer an amendment in the nature of a substitute for such resolution—

(i) consisting of the text of a resolution described in paragraph (2)(B)(i) with respect to any rationing contingency plan, if the resolution sought to be amended is a resolution described in paragraph (2)(B)(ii) with respect to the same such plan, or

(ii) consisting of the text of a resolution described in paragraph (2)(B)(ii) with respect to any rationing contingency plan, if the resolution sought to be amended is a resolution described in paragraph (2)(B)(i) with respect to the same such plan.

An amendment described in this subparagraph shall not be amendable. Debate on such an amendment shall be limited to not more than 1 hour, which shall be divided equally between those favoring and those opposing the amendment.

(C) If one House receives from the other House a resolution with respect to a rationing contingency plan, then the following procedure applies:

(i) the resolution of the other House with respect to such plan shall not be referred to a committee;

(ii) in the case of a resolution of the first House with respect to such plan—

(I) the procedure with respect to that or other resolutions of such House with respect to such plan shall be the same as if no resolution from the other House with respect to such plan had been received; but

(II) on any vote on final passage of a resolution of the first House with respect to such plan a resolution from the other House with respect to such plan which has the same effect shall be automatically substituted for the resolution of the first House.

(D) Notwithstanding any of the preceding provisions of this subsection, if a House has approved a resolution with respect to a rationing contingency plan, then it shall not be in order to consider in that House any other resolution under this section with respect to the approval of such plan.


REFERENCES IN TEXT

Section 6261 of this title, referred to in subssecs. (a), (b)(1), (2)(A), and (d)(2)(B), was repealed by Pub. L. 106–469, title I, §104(1), Nov. 9, 2000, 114 Stat. 2033.

AMENDMENTS


1979—Subsec. (b). Pub. L. 96–102, §§103(b)(2)(A), 105(b)(6), designated existing provisions as par. (1) and substituted "No such energy conservation contingency plan" for "No such contingency plan", "section 6261(b)" for "section 6261(a)(2)", and "subsection (d)(2)(A)" for "subsection (d)(2)".

Subsec. (c)(2). Pub. L. 96–102, §103(b)(2)(B), substituted "calendar-day period involved" for "30-calendar-day period".

Subsec. (d)(2). Pub. L. 96–102, §§103(b)(2)(C), 105(a)(4), designated existing provisions as subpar. (A), substituted "For purposes of applying this section with respect to any energy conservation contingency plan" for "For purposes of this subsection" and "energy conservation contingency plan" for "contingency plan" in two places, and added subpar. (B).

Subsec. (d)(4)(A). Pub. L. 96–102, §103(b)(2)(D), inserted "in the case of any energy conservation contingency plan or at the end of 10 calendar days after its referral in the case of any rationing contingency plan" after "after its referral".


Subsec. (d)(5)(B). Pub. L. 96–102, §103(b)(2)(F), substituted "Except to the extent provided in paragraph (7)(B), an amendment" for "An amendment".


EFFECTIVE DATE OF 1979 AMENDMENT

Amendment by Pub. L. 96–102 effective Nov. 5, 1979, see section 302 of Pub. L. 96–102, set out as an Effective Date note under section 6501 of this title.

CHAPTER 78—NATIONAL PETROLEUM RESERVE IN ALASKA

Sec. 6501. "Petroleum" defined.

6502. Designation of National Petroleum Reserve in Alaska; reservation of lands; disposition and conveyance of mineral materials, lands, etc., preexisting property rights.

6503. Transfer of jurisdiction, duties, property, etc., to Secretary of the Interior from Secretary of the Navy.

6504. Administration of reserve.

6505. Executive department responsibility for studies to determine procedures used in development, production, transportation, and distribution of petroleum resources in reserve; reports to Congress by President; establishment of task force by Secretary of the Interior; purposes; membership; report and recommendations to Congress by Secretary; contents.

6506. Applicability of antitrust provisions; plans and proposals submitted to Congress to contain report by Attorney General on impact of plans and proposals on competition.
§ 6501. "Petroleum" defined

As used in this chapter, the term "petroleum" includes crude oil, gases (including natural gas), naphtha, gasoline, and other related hydrocarbons, oil shale, and the products of any such resources.


SHORT TITLE

Pub. L. 94–258, §1, Apr. 5, 1976, 90 Stat. 303, provided: "That this Act (enacting this chapter and section 7429 of Title 10, Armed Forces, and amending section 6244 of this title and sections 7421 to 7436 and 7438 of Title 10) may be cited as the 'Naval Petroleum Reserves Production Act of 1976.'"

§ 6502. Designation of National Petroleum Reserve in Alaska; reservation of lands; disposition and conveyance of mineral materials, lands, etc., preexisting property rights

The area known as Naval Petroleum Reserve Numbered 4, Alaska, established by Executive order of the President, dated February 27, 1923, except for tract Numbered 1 as described in Public Land Order 2344, dated April 24, 1961, shall be transferred to and administered by the Secretary of the Interior in accordance with the provisions of this Act. Effective on the date of transfer all lands within such area shall be redesignated as the "National Petroleum Reserve in Alaska" (hereinafter in this chapter referred to as the "reserve"). Subject to valid existing rights, all lands within the exterior boundaries of such reserve are hereby reserved and withdrawn from all forms of entry and disposition under the public land laws, including the mining and mineral leasing laws, and all other Acts; but the Secretary is authorized to (1) make dispositions of mineral materials pursuant to the Act of July 31, 1947 (61 Stat. 681), as amended (30 U.S.C. 601 et seq.), for appropriate use by Alaska Natives and the North Slope Borough, (2) make such dispositions of mineral materials and grant such rights-of-way, licenses, and permits as may be necessary to carry out his responsibilities under this Act, (3) convey the surface of lands properly selected on or before December 18, 1975, by Native village corporations pursuant to the Alaska Native Claims Settlement Act [43 U.S.C. 1601 et seq.], and (4) grant such rights-of-way to the North Slope Borough, under the provisions of title V of the Federal Land Policy and Management Act of 1976 [43 U.S.C. 1761 et seq.] or section 28 of the Mineral Leasing Act, as amended (30 U.S.C. 185), as may be necessary to permit the North Slope Borough to provide energy supplies to the villages on the North Slope.


REFERENCES IN TEXT

This Act, referred to in text, is Pub. L. 94–258, Apr. 5, 1976, 90 Stat. 303, known as the Naval Petroleum Reserves Production Act of 1976, which enacted this chapter and section 7429 of Title 10, Armed Forces, and amended section 6244 of this title and sections 7421 to 7436 and 7438 of Title 10. For complete classification of this Act to the Code, see Short Note set out under section 6501 of this title and Tables.

Act of July 31, 1947 (61 Stat. 681), as amended, referred to in text, popularly known as the Materials Act of 1947, is classified generally to subchapter I (§601 et seq.) of chapter 15 of Title 30. For complete classification of this Act to the Code, see Short Title note set out under section 601 of Title 30 and Tables.

The Alaska Native Claims Settlement Act, referred to in text, is Pub. L. 92–203, Dec. 18, 1971, 85 Stat. 688, which is classified generally to chapter 33 (§1601 et seq.) of Title 43, Public Lands. For complete classification of this Act to the Code, see Short Title note set out under section 1601 of Title 43 and Tables.


AMENDMENTS

1984—Pub. L. 98–366 inserted "and the North Slope Borough" after "Alaska Natives" struck out "and after "responsibilities under this Act," and inserted "., and (4) grant rights-of-way to the North Slope Borough, under the provisions of title V of the Federal Land Policy and Management Act of 1976 or section 28 of the Mineral Leasing Act, as amended, as may be necessary to permit the North Slope Borough to provide energy supplies to the villages on the North Slope".

§ 6503. Transfer of jurisdiction, duties, property, etc., to Secretary of the Interior from Secretary of Navy

(a) Transfer of jurisdiction over reserve; date of transfer

Jurisdiction over the reserve shall be transferred by the Secretary of the Navy to the Secretary of the Interior on June 1, 1977.

(b) Protection of environmental, fish and wildlife, and historical or scenic values; promulgation of rules and regulations

With respect to any activities related to the protection of environmental, fish and wildlife, and historical or scenic values, the Secretary of the Interior shall assume all responsibilities as of April 5, 1976. As soon as possible, but not later than the effective date of transfer, the Secretary of the Interior may promulgate such rules and regulations as he deems necessary and appropriate for the protection of such values within the reserve.

(c) Contract responsibilities and functions

The Secretary of the Interior shall, upon the effective date of the transfer of the reserve, assume the responsibilities and functions of the Secretary of the Navy under any contracts which may be in effect with respect to activities within the reserve.
§ 6504. Administration of reserve

(a) Conduct of exploration within designated areas to protect surface values

Any exploration within the Utukok River, the Teshekpuk Lake areas, and other areas designated by the Secretary of the Interior containing any significant subsistence, recreational, fish and wildlife, or historical or scenic value, shall be conducted in a manner which will assure the maximum protection of such surface values to the extent consistent with the requirements of this Act for the exploration of the reserve.

(b) Continuation of ongoing petroleum exploration program by Secretary of Navy prior to date of transfer of jurisdiction; duties of Secretary of Navy prior to transfer date

The Secretary of the Navy shall continue the ongoing petroleum exploration program within the reserve until the date of the transfer of jurisdiction specified in section 6503(a) of this title. Prior to the date of such transfer of jurisdiction the Secretary of the Navy shall—

(1) cooperate fully with the Secretary of the Interior providing him access to such facilities and such information as he may request to facilitate the transfer of jurisdiction;

(2) provide to the Committee on Energy and Natural Resources of the House of Representatives copies of any reports, plans, or contracts pertaining to the reserve that are required to be submitted to the Committees on Armed Services of the Senate and the House of Representatives; and

(3) cooperate and consult with the Secretary of the Interior before executing any new contract or amendment to any existing contract pertaining to the reserve and allow him a reasonable opportunity to comment on such contract or amendment, as the case may be.

(c) Commencement of petroleum exploration by Secretary of the Interior as of date of transfer of jurisdiction; powers and duties of Secretary of the Interior in conduct of exploration

The Secretary of the Interior shall commence further petroleum exploration of the reserve as of the date of transfer of jurisdiction specified in section 6503(a) of this title. In conducting this exploration effort, the Secretary of the Interior—

(1) is authorized to enter into contracts for the exploration of the reserve, except that no such contract may be entered into until at least thirty days after the Secretary of the Interior has provided the Attorney General with a copy of the proposed contract and such other information as may be appropriate to determine legal sufficiency and possible violations under, or inconsistencies with, the antitrust laws. If, within such thirty day period, the Attorney General advises the Secretary of the Interior that any such contract would unduly restrict competition or be inconsistent with the antitrust laws, then the Secretary of the Interior may not execute that contract;

(2) shall submit to the Committee on Energy and Natural Resources of the Senate and the Committee on Natural Resources of the House of Representatives any new plans or substantial amendments to ongoing plans for the exploration of the reserve. All such plans or amendments submitted to such committees pursuant to this section shall contain a report by the Attorney General of the United States with respect to the anticipated effects of such plans or amendments on competition. Such plans or amendments shall not be implemented until sixty days after they have been submitted to such committees; and

(3) shall report annually to the Committee on Energy and Natural Resources of the Senate and the Committee on Natural Resources of the House of Representatives on the progress of, and future plans for, exploration of the reserve.


REFERENCES IN TEXT

This Act, referred to in subsec. (a), is Pub. L. 94–258, Apr. 5, 1976, 90 Stat. 303, known as the Naval Petroleum Reserves Production Act of 1976, which enacted this chapter and section 7420 of Title 10, Armed Forces, and amended section 6244 of this title and sections 7421 to 7436 and 7438 of Title 10. For complete classification of this Act to the Code, see Short Note set out under section 6501 of this title and Tables.

AMENDMENTS

2005—Pub. L. 109–58 redesignated subsecs. (b) to (d) as (a) to (c), respectively, and struck out former subsec. (a) which read as follows: “Except as provided in subsection (e) of this section, production of petroleum from the reserve is prohibited and no development lead-
ing to production of petroleum from the reserve shall be undertaken until authorized by an Act of Congress."  

1994—Subsecs. (c)(2), (d)(2), (3). Pub. L. 103–437 substituted "Committee on Energy and Natural Resources of the Senate and the Committee on Natural Resources of the House" for "Committees on Interior and Insular Affairs of the Senate and the House". Pub. L. 98–366 struck out subsec. (e) which read as follows: "Until the reserve is transferred to the jurisdiction of the Secretary of the Interior, the Secretary of the Navy is authorized to develop and continue operation of the South Barrow gas field, or such other fields as may be necessary, to supply gas at reasonable and equitable rates to the native village of Barrow, and other communities and installations at or near Point Barrow, Alaska. After such transfer, the Secretary of the Interior shall take such actions as may be necessary to continue such service to such village, communities, installations, and agencies at reasonable and equitable rates."

Effective Date of 1984 Amendment

§6505. Executive department responsibility for studies to determine procedures used in development, production, transportation, and distribution of petroleum resources in reserve; reports to Congress by President; establishment of task force by Secretary of the Interior; purposes; membership; report and recommendations to Congress by Secretary; contents

(a) Omitted

(b)(1) The President shall direct such Executive departments and/or agencies as he may deem appropriate to conduct a study, in consultation with representatives of the State of Alaska, to determine the best overall procedures to be used in the development, production, transportation, and distribution of petroleum resources in the reserve. Such study shall include, but shall not be limited to, a consideration of—

(A) the alternative procedures for accomplishing the development, production, transportation, and distribution of the petroleum resources from the reserve, and

(B) the economic and environmental consequences of such alternative procedures.

(2) The President shall make semiannual progress reports on the implementation of this subsection to the Committees on Interior and Insular Affairs of the Senate and the House of Representatives beginning not later than six months after April 5, 1976, and shall, not later than one year after the transfer of jurisdiction of the reserve, and annually thereafter, report any findings or conclusions developed as a result of such study together with appropriate supporting data and such recommendations as he deems desirable. The study shall be completed and submitted to such committees, together with recommended procedures and any proposed legislation necessary to implement such procedures not later than January 1, 1980.

(c)(1) The Secretary of the Interior shall establish a task force to conduct a study to determine the values of, and best uses for, the lands contained in the reserve, taking into consideration (A) the natives who live or depend upon such lands, (B) the scenic, historical, recreational, fish and wildlife, and wilderness values, (C) mineral potential, and (D) other values of such lands.

(2) Such task force shall be composed of representatives from the government of Alaska, the Arctic slope native community, and such offices and bureaus of the Department of the Interior as the Secretary of the Interior deems appropriate, including, but not limited to, the Bureau of Land Management, the United States Fish and Wildlife Service, the United States Geological Survey, and the United States Bureau of Mines.

(3) The Secretary of the Interior shall submit a report, together with the concurring or dissenting views, if any, of any non-Federal representatives of the task force, of the results of such study to the Committees on Interior and Insular Affairs of the Senate and the House of Representatives within three years after April 5, 1976, and shall include in such report his recommendations with respect to the value, best use, and appropriate designation of the lands referred to in paragraph (1).

Codification

Change of Name
"United States Bureau of Mines" substituted for "Bureau of Mines" in subsec. (c)(2) pursuant to section 1 of Title 30, Mineral Lands and Mining. For provisions relating to closure and transfer of functions of the United States Bureau of Mines, see note set out under section 1 of Title 30, Mineral Lands and Mining.

Committee on Interior and Insular Affairs of Senate abolished and replaced by Committee on Energy and Natural Resources of Senate, effective Feb. 11, 1977. See Rule XXV of Standing Rules of Senate, as amended by Senate Resolution No. 4 (popularly cited as the "Committee System Reorganization Amendments of 1977"), approved Feb. 4, 1977.

Committee on Interior and Insular Affairs of the House of Representatives changed to Committee on Natural Resources of the House of Representatives on Jan. 5, 1993, by House Resolution No. 5, One Hundred Third Congress.

§6506. Applicability of antitrust provisions; plans and proposals submitted to Congress to contain report by Attorney General on impact of plans and proposals on competition

Unless otherwise provided by Act of Congress, whenever development leading to production of petroleum is authorized, the provisions of subsections (g), (h), and (i) of section 6730 of title 10 shall be deemed applicable to the Secretary of the Interior with respect to rules and regulations, plans of development and amendments thereto, and contracts and operating agreements. All plans and proposals submitted to the Congress under this chapter or pursuant to legislation authorizing development leading to production shall contain a report by the Attorney General of the United States on the anticipated effects upon competition of such plans and proposals.
Geological structures

Stat. 629).

§ 6506a. Competitive leasing of oil and gas

(a) In general

The Secretary shall conduct an expeditious program of competitive leasing of oil and gas in the Reserve in accordance with this Act.

(b) Mitigation of adverse effects

Activities undertaken pursuant to this Act shall include or provide for such conditions, restrictions, and prohibitions as the Secretary deems necessary or appropriate to mitigate reasonably foreseeable and significantly adverse effects on the surface resources of the National Petroleum Reserve in Alaska.

(c) Land use planning; BLM wilderness study

The provisions of section 1712 and section 1782 of title 43 shall not be applicable to the Reserve.

(d) First lease sale

The first lease sale shall be conducted within twenty months of December 12, 1980: Provided, That the first lease sale shall be conducted only after publication of a final environmental impact statement if such is deemed necessary under the provisions of the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.).

(e) Withdrawals

The withdrawals established by section 6502 of this title are rescinded for the purposes of the oil and gas leasing program authorized under this section.

(f) Bidding systems

Bidding systems used in lease sales shall be based on bidding systems included in section 205(a)(1)(A) through (H) of the Outer Continental Shelf Lands Act Amendments of 1978 (92 Stat. 629).

(g) Geological structures

Lease tracts may encompass identified geological structures.

(h) Size of lease tracts

The size of lease tracts may be up to sixty thousand acres, as determined by the Secretary.

(i) Terms

(1) In general

Each lease shall be issued for an initial period of not more than 10 years, and shall be extended for so long thereafter as oil or gas is produced from the lease in paying quantities, or oil or gas is capable of being produced in paying quantities, or drilling or reworking operations, as approved by the Secretary, are conducted on the leased land.

(2) Renewal of leases with discoveries

At the end of the primary term of a lease the Secretary shall renew for an additional 10-year term a lease that does not meet the requirements of paragraph (1) if the lessee submits to the Secretary an application for renewal not later than 60 days before the expiration of the primary lease and pays the Secretary a renewal fee of $100 per acre of leased land, and—

(A) the lessee provides evidence, and the Secretary agrees that, the lessee has diligently pursued exploration that warrants continuation with the intent of continued exploration or future potential development of the leased land; or

(B) all or part of the lease—

(i) is part of a unit agreement covering a lease described in subparagraph (A); and

(ii) has not been previously contracted out of the unit.

(4) Applicability

This subsection applies to a lease that is in effect on or after August 8, 2005.

(5) Expiration for failure to produce

Notwithstanding any other provision of this Act, if no oil or gas is produced from a lease within 30 years after the date of the issuance of the lease the lease shall expire.

(6) Termination

No lease issued under this section covering lands capable of producing oil or gas in paying quantities shall expire because the lessee fails to produce the same due to circumstances beyond the control of the lessee.

(j) Unit agreements

(1) In general

For the purpose of conservation of the natural resources of all or part of any oil or gas pool, field, reservoir, or like area, lessees (including representatives) of the pool, field, reservoir, or like area may unite with each other, or jointly or separately with others, in collectively adopting and operating under a unit agreement for all or part of the pool, field, reservoir, or like area (whether or not any other part of the oil or gas pool, field, reservoir, or like area is already subject to any cooperative or unit plan of development or operation), if the Secretary determines the action to be necessary or advisable in the public interest. In
determining the public interest, the Secretary should consider, among other things, the extent to which the unit agreement will minimize the impact to surface resources of the leases and will facilitate consolidation of facilities.

(2) Consultation

In making a determination under paragraph (1), the Secretary shall consult with and provide opportunities for participation by the State of Alaska or a Regional Corporation (as defined in section 1602 of title 43) with respect to the creation or expansion of units that include acreage in which the State of Alaska or the Regional Corporation has an interest in the mineral estate.

(3) Production allocation methodology

(A) The Secretary may use a production allocation methodology for each participating area within a unit that includes solely Federal land in the Reserve.

(B) The Secretary shall use a production allocation methodology for each participating area within a unit that includes Federal land in the Reserve and non-Federal land based on the characteristics of each specific oil or gas pool, field, reservoir, or like area to take into account reservoir heterogeneity and area variation in reservoir producibility across diverse leasehold interests. The implementation of the foregoing production allocation methodology shall be controlled by agreement among the affected lessors and lessees.

(4) Benefit of operations

Drilling, production, and well reworking operations performed in accordance with a unit agreement shall be deemed to be performed for the benefit of all leases that are subject in whole or in part to such unit agreement.

(5) Pooling

If separate tracts cannot be independently developed and operated in conformity with an established well spacing or development program, any lease, or a portion thereof, may be pooled with other lands, whether or not owned by the United States, under a communitization or drilling agreement providing for an apportionment of production or royalties among the separate tracts of land comprising the drilling or spacing unit when determined by the Secretary of the Interior (in consultation with the owners of the other land) to be in the public interest, and operations or production pursuant to such an agreement shall be deemed to be operations or production as to each such lease committed to the agreement.

(k) Exploration incentives

(1) In general

(A) Waiver, suspension, or reduction

To encourage the greatest ultimate recovery of oil or gas or in the interest of conservation, the Secretary may waive, suspend, or reduce the rental fees or minimum royalty, or reduce the royalty on an entire leasehold (including on any lease operated pursuant to a unit agreement), whenever (after consultation with the State of Alaska and the North Slope Borough of Alaska and the concurrence of any Regional Corporation for leases that include land that was made available for acquisition by the Regional Corporation under the provisions of section 1431(o) of the Alaska National Interest Lands Conservation Act in the judgment of the Secretary it is necessary to do so to promote development, or whenever in the judgment of the Secretary the leases cannot be successfully operated under the terms provided therein.

(B) Applicability

This paragraph applies to a lease that is in effect on or after August 8, 2005.

(2) Suspension of operations and production

The Secretary may direct or assent to the suspension of operations and production on any lease or unit.

(3) Suspension of payments

If the Secretary, in the interest of conservation, shall direct or assent to the suspension of operations and production on any lease or unit, any payment of acreage rental or minimum royalty prescribed by such lease or unit likewise shall be suspended during the period of suspension of operations and production, and the term of such lease shall be extended by adding any such suspension period to the lease.

(l) Receipts

All receipts from sales, rentals, bonuses, and royalties on leases issued pursuant to this section shall be paid into the Treasury of the United States: Provided, That 50 percent thereof shall be paid by the Secretary of the Treasury semiannually, as soon thereafter as practicable after March 30 and September 30 each year, to the State of Alaska for: (1) planning; (2) construction, maintenance, and operation of essential public facilities; and (3) other necessary provisions of public service: Provided further. That in the allocation of such funds, the State shall give priority to use by subdivisions of the State most directly or severely impacted by development of oil and gas leased under this Act.

(m) Explorations

Any agency of the United States and any person authorized by the Secretary may conduct geological and geophysical explorations in the National Petroleum Reserve in Alaska which do not interfere with operations under any contract maintained or granted previously. Any information acquired in such explorations shall be subject to the conditions of 43 U.S.C. 1352(a)(1)(A).

(n) Environmental impact statements

(1) Judicial review

Any action seeking judicial review of the adequacy of any program or site-specific environmental impact statement under section 102 of the National Environmental Policy Act of 1969 (42 U.S.C. 4332) concerning oil and gas leasing in the National Petroleum Reserve—Alaska shall be barred unless brought in the appropriate District Court within 60 days after notice of the availability of such statement is published in the Federal Register.
§ 6506a

(2) Initial lease sales

The detailed environmental studies and assessments that have been conducted on the exploration program and the comprehensive land-use studies carried out in response to sections 6505(b) and (c) of this title shall be deemed to have fulfilled the requirements of section 102(2)(c) of the National Environmental Policy Act (Public Law 91–190) [42 U.S.C. 4332(2)(C)], with regard to the first two oil and gas lease sales in the National Petroleum Reserve-Alaska: Provided, That not more than a total of 2,000,000 acres may be leased in these two sales: Provided further. That any exploration or production undertaken pursuant to this section shall be in accordance with section 6504(a) of this title.

(o) Regulations

As soon as practicable after August 8, 2005, the Secretary shall issue regulations to implement this section.

(p) Waiver of administration for conveyed lands

(1) In general

Notwithstanding section 1613(g) of title 43—

(A) the Secretary of the Interior shall waive administration of any oil and gas lease to the extent that the lease covers any land in the Reserve in which all of the subsurface estate is conveyed to the Arctic Slope Regional Corporation (referred to in this subsection as the “Corporation”);

(B)(i) in a case in which a conveyance of a subsurface estate described in subparagraph (A) does not include all of the land covered by the oil and gas lease, the person that owns the subsurface estate in any particular portion of the land covered by the lease shall be entitled to all of the revenues reserved under the lease as to that portion, including, without limitation, all the royalty payable with respect to oil or gas produced from or allocated to that portion;

(ii) in a case described in clause (i), the Secretary of the Interior shall—

(I) segregate the lease into 2 leases, 1 of which shall cover only the subsurface estate conveyed to the Corporation; and

(II) waive administration of the lease that covers the subsurface estate conveyed to the Corporation; and

(iii) the segregating of the lease described in clause (ii)(I) has no effect on the obligations of the lessee under either of the resulting leases, including obligations relating to operations, production, or other circumstances (other than payment of rentals or royalties); and

(C) nothing in this subsection limits the authority of the Secretary of the Interior to manage the federally-owned surface estate within the Reserve.

Amendments

2005—Pub. L. 109–58 amended section catchline and revised and restructured text into subsecs. (a) to (p). Amendments by Pub. L. 109–58, §347(b)(2) to (7), were executed by disregarding the second set of closed quotation marks in each such paragraph to reflect the probable intent of Congress. Prior to amendment, text related to competitive leasing of oil and gas and consisted of four undesignated pars.

1997—Pub. L. 105–83, in first par., substituted cls. (8) to (11) and two concluding provisos for “(8) each lease shall be issued for an initial period of up to ten years, and shall be extended for so long thereafter as oil or gas is produced from the lease in paying quantities, or for drilling or reworking operations, as approved by the Secretary, are conducted thereon; and (9) all receipts from sales, rentals, bonuses, and royalties on leases issued pursuant to this Act shall be paid by the Secretary of the Treasury semianually, as soon as practicable after March 30 and September 30 each year, to the State of Alaska for (a) planning, (b) construction, maintenance, and operation of essential public facilities, and (c) other necessary provisions of public service: Provided further. That in...
the allocation of such funds, the State shall give priority to use by subdivisions of the State most directly or severely impacted by development of oil and gas leased under this Act.”

1984—Pub. L. 98–620 struck out provision in third par. that required that any proceeding on such action be assigned for hearing at the earliest possible date and be expedited by the Court.

Effective Date of 1984 Amendment
Amendment by Pub. L. 98–620 not applicable to cases pending on Nov. 8, 1984, see section 403 of Pub. L. 98–620, set out as an Effective Date note under section 1657 of Title 28, Judiciary and Judicial Procedure.

§ 6507. Authorization of appropriations; Federal financial assistance for increased municipal services and facilities in communities located on or near reserve resulting from authorized exploration and study activities

(a) There are authorized to be appropriated to the Department of the Interior such sums as may be necessary to carry out the provisions of this chapter.

(b) If the Secretary of the Interior determines that there is an immediate and substantial increase in the need for municipal services and facilities in communities located on or near the reserve as a direct result of the exploration and study activities authorized by this chapter and that an unfair and excessive financial burden will be incurred by such communities as a result of the increased need for such services and facilities, then he is authorized to assist such communities in meeting the costs of providing increased municipal services and facilities. The Secretary of the Interior shall carry out the provisions of this section through existing Federal programs and he shall consult with the heads of the departments or agencies of the Federal Government concerned with the type of services and facilities for which financial assistance is being made available.


§ 6508. Transferred

Codification

CHAPTER 79—SCIENCE AND TECHNOLOGY POLICY, ORGANIZATION AND PRIORITIES

SUBCHAPTER I—NATIONAL SCIENCE, ENGINEERING, AND TECHNOLOGY POLICY AND PRIORITIES

Sec. 6601. Congressional findings; priority goals.
6602. Congressional declaration of policy.
6603. Sense of Congress on innovation acceleration research.
6604. Interagency working group on research regulation.

SUBCHAPTER II—OFFICE OF SCIENCE AND TECHNOLOGY POLICY

6611. Establishment of Office.
pating and resolving critical and emerging international, national, and local problems, in strengthening the Nation's international economic position, and in furthering its foreign policy objectives;

(4) Federal funding for science and technology represents an investment in the future which is indispensable to sustained national progress and human betterment, and there should be a continuing national investment in science, engineering, and technology which is commensurate with national needs and opportunities and the prevalent economic situation;

(5) the manpower pool of scientists, engineers, and technicians, constitutes an invaluable national resource which should be utilized to the fullest extent possible; and

(6) the Nation's capabilities for technology assessment and for technological planning and policy formulation must be strengthened at both Federal and State levels.

(b) As a consequence, the Congress finds and declares that science and technology should contribute to the following priority goals without being limited thereto:

(1) fostering leadership in the quest for international peace and progress toward human freedom, dignity, and well-being by enlarging the contributions of American scientists and engineers to the knowledge of man and his universe, by making discoveries of basic science widely available at home and abroad, and by utilizing technology in support of United States national and foreign policy goals;

(2) increasing the efficient use of essential materials and products, and generally contributing to economic opportunity, stability, and appropriate growth;

(3) assuring an adequate supply of food, materials, and energy for the Nation's needs;

(4) contributing to the national security;

(5) improving the quality of health care available to all residents of the United States; 

(6) preserving, fostering, and restoring a healthful and esthetic natural environment;

(7) providing for the protection of the oceans and coastal zones, and the polar regions, and the efficient utilization of their resources;

(8) strengthening the economy and promoting full employment through useful scientific and technological innovations;

(9) increasing the quality of educational opportunities available to all residents of the United States;

(10) promoting the conservation and efficient utilization of the Nation's natural and human resources;

(11) improving the Nation's housing, transportation, and communication systems, and assuring the provision of effective public services throughout urban, suburban, and rural areas;

(12) eliminating air and water pollution, and unnecessary, unhealthful, or ineffective drugs and food additives; and

(13) advancing the exploration and peaceful uses of outer space.

"(C) identify and assess existing mechanisms for protection of federally funded research and development;

"(D) develop and periodically update unclassified recommendations for policy guidance to assist Federal science agencies and grantees in defending against threats to federally funded research and development and the integrity of the United States scientific enterprise that—

"(i) includes—

"(I) descriptions of known and potential threats to federally funded research and development and the integrity of the United States scientific enterprise;

"(II) common definitions and terminology for categorization of research and technologies that are protected;

"(III) identified areas of research or technology that might require additional protection;

"(IV) recommendations for how control mechanisms can be utilized to protect federally funded research and development from foreign interference, cyber attacks, theft, or espionage, including any recommendations for updates to existing control mechanisms;

"(V) recommendations for best practices for Federal science agencies, universities, and grantees to defend against threats to federally funded research and development, including coordination and harmonization of any relevant reporting requirements that Federal science agencies implement for grantees, and by providing such best practices with grantees and universities at the time of awarding such grants or entering into research contracts;

"(VI) a remediation plan for grantees and universities to mitigate the risks regarding such threats before research grants or contracts are cancelled because of such threats;

"(VII) recommendations for providing opportunities and facilities for academic researchers to perform controlled and classified research in support of Federal missions;

"(VIII) assessments of potential consequences that any proposed practices would have on international collaboration and United States leadership in science and technology; and

"(IX) a classified addendum as necessary to further inform Federal science agency decision-making; and

"(ii) accounts for the range of needs across different sectors of the United States science and technology enterprise.

"(4) Policy Guidance.—Not later than 270 days after the date of the enactment of this Act (Dec. 20, 2019), the Director of the Office of Science and Technology Policy, in consultation with the working group established under paragraph (1), shall—

"(A) develop and issue policy guidance to Federal science agencies with more than $100,000,000 in extramural research in fiscal year 2018 to protect against threats to federally funded research and the United States science enterprise, including foreign interference, cyber attacks, theft, or espionage; and

"(B) encourage consistency in the policies developed by Federal science agencies with more than $100,000,000 in extramural research in fiscal year 2018, as appropriate, and factoring in the potential range of applications across different areas of science and technology.

"(5) Coordination with National Academies Roundtable.—The Director of the Office of Science and Technology Policy shall coordinate with the Academies to ensure that at least one member of the interagency working group is also a member of the roundtable under subsection (b).

"(6) Interim Report.—Not later than six months after the date of enactment of this Act, the Director of the Office of Science and Technology Policy shall provide a report to the relevant committees that includes the inventory required under paragraph (3)(D), and an update on progress toward developing the policy guidance required under paragraphs (3)(E) and (4), as well as any additional activities undertaken by the working group in that time.

"(7) Biennial Reporting.—Two years after the date of enactment of this Act, and at least every two years thereafter, the Director of the Office of Science and Technology Policy shall provide a summary report to the relevant committees on the activities of the working group and the most current version of the policy guidance required under paragraph (4).

"(8) Termination.—The working group established or designated under paragraph (1) shall terminate on the date that is ten years after the date on which such working group is established or designated.

"(b) National Academies Science, Technology and Security Roundtable.—

"(1) In General.—The National Science Foundation, the Department of Energy, and the Department of Defense, and any other agencies as determined by the Director of the Office of Science and Technology Policy, shall enter into a joint agreement with the Academies to create a new 'National Science, Technology, and Security Roundtable' (hereinafter in this subsection referred to as the 'roundtable').

"(2) Participants.—The roundtable shall include senior representatives and practitioners from Federal science, intelligence, and national security agencies, law enforcement, as well as key stakeholders in the United States scientific enterprise including institutions of higher education, Federal research laboratories, industry, and non-profit research organizations.

"(3) Purpose.—The purpose of the roundtable is to facilitate among participants—

"(A) exploration of critical issues related to protecting United States national and economic security while ensuring the open exchange of ideas and international talent required for scientific progress and American leadership in science and technology; and

"(B) identification and consideration of security threats and risks involving federally funded research and development, including foreign interference, cyber attacks, theft, or espionage;

"(C) identification and development of effective approaches for communicating the threats and risks identified in subparagraph (b) to the academic and scientific community, including through the sharing of unclassified data and relevant case studies;

"(D) sharing of best practices for addressing and mitigating the threats and risks identified in subparagraph (b); and

"(E) examination of potential near- and long-term responses by the Government and the academic and scientific community to mitigate and address the risks associated with foreign threats.

"(4) Report and Briefing.—The joint agreement under paragraph (1) shall specify that—

"(A) the roundtable shall periodically organize workshops and issue publicly available reports on the topics described in paragraph (b) and the activities of the roundtable;

"(B) not later than March 1, 2020, the Academies shall provide a briefing to the relevant committees on the progress and activities of the roundtable; and

"(C) the Academies shall issue a final report on its activities to the relevant committees before the end of fiscal year 2021.

"(5) Termination.—The roundtable shall terminate on September 30, 2024.
“(c) Definitions.—In this section:

“(1) The term ‘Academies’ means the National Academies of Science, Engineering and Medicine.

“(2) The term ‘Federal science agency’ means any Federal agency with at least $100,000,000 in basic and applied research obligations in fiscal year 2018.

“(3) The term ‘grantee’ means an entity that is—

“(A) a recipient of a subrecipient of a Federal grant or cooperative agreement; and

“(B) an institution of higher education or a non-profit organization.

“(4) The term ‘relevant committees’ means—

“(A) the Committee on Science, Space, and Technology of the House of Representatives;

“(B) the Committee on Commerce, Science, and Transportation of the Senate;

“(C) the Committee on Armed Services of the House of Representatives;

“(D) the Committee on Armed Services of the Senate; and

“(E) the Committee on Homeland Security and Governmental Affairs of the Senate.”

Physical Sciences Coordination


“(a) High-Energy Physics.—

“(1) IN GENERAL.—The Physical Science Subcommittee of the National Aeronautics Science and Technology Council (referred to in this section as ‘Subcommittee’) shall continue to coordinate Federal efforts related to high-energy physics research to maximize the efficiency and effectiveness of United States investment in high-energy physics.

“(2) Purposes.—The purposes of the Subcommittee include—

“(A) to advise and assist the Committee on Science and the National Science and Technology Council on United States policies, procedures, and plans in the physical sciences, including high-energy physics; and

“(B) to identify emerging opportunities, stimulate international cooperation, and foster the development of the physical sciences in the United States, including—

“(i) in high-energy physics research, including related underground science and engineering research; and

“(ii) in physical infrastructure and facilities;

“(iii) in information and analysis; and

“(iv) in coordination activities.

“(3) Responsibilities.—In regard to coordinating Federal efforts related to high-energy physics research, the Subcommittee shall, taking into account the findings and recommendations of relevant advisory committees—

“(A) provide recommendations on planning for construction and stewardship of large facilities pertaining in high-energy physics;

“(B) provide recommendations on research coordination and collaboration among the programs and activities of Federal agencies related to underground science, neutrino research, dark energy, and dark matter research;

“(C) establish goals and priorities for high-energy physics, related underground science, and research and development that will strengthen United States competitiveness in high-energy physics;

“(D) propose methods for engagement with international, Federal, and State agencies and Federal laboratories not represented on the National Science and Technology Council to identify and reduce regulatory, logistical, and fiscal barriers that inhibit United States leadership in high-energy physics and related underground science; and

“(E) develop, and update as necessary, a strategic plan to guide Federal programs and activities in support of high-energy physics research, including—

“(i) the efforts taken in support of paragraph (2) since the last strategic plan; and

“(ii) an evaluation of the current research needs for maintaining United States leadership in high-energy physics; and

“(iii) an identification of future priorities in the area of high-energy physics.

“(b) Radiation Biology.—

“(1) IN GENERAL.—The Subcommittee shall continue to coordinate Federal efforts related to radiation biology research to maximize the efficiency and effectiveness of United States investment in radiation biology.

“(2) Responsibilities for Radiation Biology.—In regard to coordinating Federal efforts related to radiation biology research, the Subcommittee shall—

“(A) advise and assist the National Science and Technology Council on policies and initiatives in radiation biology, including enhancing scientific knowledge of the effects of low dose radiation on biological systems to improve radiation risk management methods;

“(B) identify opportunities to stimulate international cooperation and leverage research and knowledge from sources outside of the United States;

“(C) ensure coordination between the Department of Energy, the Department of Defense, and the Department of Homeland Security; and

“(D) formulate overall scientific goals for the future of low-dose radiation research in the United States.

“(c) Fusion Energy Sciences.—

“(1) IN GENERAL.—The Subcommittee shall continue to coordinate Federal efforts related to fusion energy research to maximize the efficiency and effectiveness of United States investment in fusion energy sciences.

“(2) Responsibilities for Fusion Energy Sciences.—In regard to coordinating Federal efforts related to fusion energy sciences, the Subcommittee shall—

“(A) advise and assist the National Science and Technology Council on policies and initiatives in fusion energy sciences, including enhancing scientific knowledge of fusion energy science, plasma physics, and related materials sciences;

“(B) identify opportunities to stimulate international cooperation and leverage research and knowledge from sources outside of the United States, including—

“(i) the ITER project;

“(ii) an evaluation of the current research needs for maintaining United States leadership in fusion energy physics; and

“(iii) an identification of future priorities in fusion energy physics research;

“(C) ensure coordination between the Department of Energy, the Department of Defense, and the Department of Homeland Security; and

“(D) formulate overall scientific goals for the future of fusion energy sciences and plasma physics.”

Ex. Ord. No. 12039. Transfer of Certain Science and Technology Policy Functions


By virtue of the authority vested in me by the Constitution and laws of the United States of America, including Section 7 of Reorganization Plan No. 1 of 1977 (42 FR 56101 (October 21, 1977)) [set out in Appendix of Title 5, Government Organization and Employees], Section 301 of Title 3 of the United States Code, and Section 202 of the Budget and Accounting Procedures Act of 1950 (31 U.S.C. 581c) [31 U.S.C. 1531], and as President of the United States of America, in order to provide for...
the transfer of certain science and technology functions, it is hereby ordered as follows:

SECTION 1. (a) The transfer, provided by Section 5A of Reorganization Plan No. 1 of 1977 (42 FR 5613) [set out in Appendix of Title 5, Government Organization and Employees], of certain functions under the National Science and Technology Policy, Organization, and Priorities Act of 1976, hereinafter referred to as the Act (42 Stat. 459, 42 U.S.C. 6601 et seq.), from the Office of Science and Technology Policy and its Director to the Director of the National Science Foundation is hereby effective.

(b) The abolition of the Intergovernmental Science, Engineering, and Technology Advisory Panel, the President’s Committee on Science and Technology, and the Federal Coordinating Council for Science, Engineering, and Technology (established in accordance with Titles II, III, and IV of the Act) [sections 6611 et seq., 6631 et seq., and 6651 of this title] and the transfer of their functions (Sections 205(b)(1), 303(a) and (b)(1), and 401 of the Act, 42 U.S.C. 6614(b)(1), 6633 (a) and (b)(1), and 6651(e)) to the President of the United States of America, provided by Section 5A of Reorganization Plan No. 1 of 1977 [set out in Appendix of Title 5, Government Organization and Employees], are hereby effective.

Sic. 2. (a) The intergovernmental science, engineering, and technology functions under Section 205(b)(1) of the Act (42 U.S.C. 6614(b)(1)), which were transferred to the President (see Section 1(b) of this Order), are delegated to the Director of the Office of Science and Technology Policy: Except that, the responsibility for fostering any policies to facilitate the transfer and utilization of research and development results is delegated to the Director of the Office of Management and Budget.

(b) The functions vested by subsection (a) of this Section in the Director of the Office of Management and Budget shall be performed in accord with the Director’s responsibilities under the Intergovernmental Cooperation Act of 1968 (82 Stat. 1098, 42 U.S.C. 4201 et seq.) [31 U.S.C. 6501 et seq.]. The Director of the Office of Science and Technology Policy shall advise the Director of the Office of Management and Budget with respect to the needs of State, regional, and local governments which may be assisted by the utilization of science, engineering, and technology research and development results.

(c) The functions vested by subsection (a) of this Section in the Director of the Office of Science and Technology Policy shall be performed in concert with the Director of the Office of Management and Budget and with others as designated by the President.


Sic. 3. The Federal science, engineering, and technology functions under Section 303 (a) and (b)(1) of the Act (42 U.S.C. 6633 (a) and (b)(1)), which were transferred to the President (see Section 1(b) of this Order), are delegated to the Director of the Office of Science and Technology Policy: Except that, those functions concerned with reorganization, including Federal-State liaison, are delegated to the Director of the Office of Management and Budget, who shall be provided advice and assistance thereon by the Director of the Office of Science and Technology Policy.

Sic. 4. The science, engineering, and technology and related activities functions under Section 401(e) of the Act (42 U.S.C. 6651(e)), which were transferred to the President (see Section 1(b) of this Order), are delegated to the Director of the Office of Science and Technology Policy.

Sic. 5. There is hereby established the Federal Coordinating Council for Science, Engineering, and Technology. The Council shall be composed of the Director of the Office of Science and Technology Policy, who shall be Chairman, and representatives of such other Executive agencies designated by the Chairman. The head of an agency so designated shall designate an appropriate individual to serve on the Council. The Council shall advise and assist the Director of the Office of Science and Technology Policy in the performance of those functions delegated under Section 4 of this Order.

Sic. 6. The records, property, personnel, and unexpended balances of appropriations, available or to be made available, which relate to the functions transferred, reassigned, or delegated by this Order are hereby transferred to the Director of the Office of Management and Budget, the Director of the Office of Science and Technology Policy, or the Director of the National Science Foundation, as appropriate.

Sic. 7. The Director of the Office of Management and Budget shall make such determinations, issue such orders, and take all actions necessary or appropriate to effectuate the transfers or reassignments provided by this Order, including the transfer of funds, records, property, and personnel.

Sic. 8. This Order shall be effective on February 26, 1978.

EXECUTIVE ORDER NO. 12700


Ex. Ord. No. 12861, Nov. 23, 1993, 58 F.R. 62491; Ex. Ord. No. 13284, § 1, Jan. 23, 2003, 68 F.R. 4076, provided: By the authority vested in me as President by the Constitution and the laws of the United States of America, including section 301 of title 3, United States Code, it is hereby ordered as follows:

SECTION 1. Establishment. There is established the National Science and Technology Council ("the Council").

Sic. 2. Membership. The Council shall comprise the:

(a) President, who shall serve as Chairman of the Council;
(b) Vice President;
(c) Secretary of Commerce;
(d) Secretary of Defense;
(e) Secretary of Energy;
(f) Secretary of Health and Human Services;
(g) Secretary of State;
(h) Secretary of the Interior;
(i) Secretary of Homeland Security;
(j) Administrator, National Aeronautics and Space Administration;
(k) Director, National Science Foundation;
(l) Director, Office of Management and Budget;
(m) Administrator, Environmental Protection Agency;
(n) Assistant to the President for Science and Technology;
(o) National Security Adviser;
(p) Assistant to the President for Economic Policy;
(q) Assistant to the President for Domestic Policy; and
(r) Such other officials of executive departments and agencies as the President may, from time to time, designate.

Sic. 3. Meetings of the Council. The President or, upon his direction, the Assistant to the President for Science and Technology ("the Assistant"), may convene meetings of the Council. The President shall preside over the meetings of the Council, provided that in his ab-
sence the Vice President, and in his absence the Assistant. 

Sec. 4. Functions. (a) The principal functions of the Council, to the extent permitted by law: (1) to coordinate the science and technology policy-making process; (2) to ensure science and technology policy decisions and programs are consistent with the President's stated policies; (3) to help integrate the President's science and technology policy agenda across the Federal Government; (4) to ensure science and technology are considered in development and implementation of Federal policies and programs; and (5) to further international cooperation in science and technology. The Assistant may take such actions, including drafting a Charter, as may be necessary or appropriate to implement such functions.

(b) All executive departments and agencies, whether or not represented on the Council, shall coordinate science and technology policy through the Council and shall share information on research and development budget requests with the Council.

(c) The Council shall develop for submission to the Director of the Office of Management and Budget recommendations on research and development budgets that reflect national goals. In addition, the Council shall provide advice to the Director of the Office of Management and Budget concerning the agencies' research and development budget submissions.

(d) The Assistant will, when appropriate, work in conjunction with the Assistant to the President for Economic Policy, the Assistant to the President for Domestic Policy, the Director of the Office of Management and Budget, and the National Security Adviser.

Sec. 5. Administration. (a) The Council will oversee the duties of the Federal Coordinating Council for Science, Engineering, and Technology, the National Space Council, and the National Critical Materials Council.

(b) The Council may function through established or ad hoc committees, task forces, or interagency groups.

c) The extent practicable and permitted by law, executive departments and agencies shall make resources, including, but not limited to, personnel, office support, and printing, available to the Council as requested by the Assistant.

d) All executive departments and agencies shall cooperate with the Council and provide such assistance, information, and advice to the Council as the Council may request, to the extent permitted by law.

Executive Order No. 12862
Ex. Ord. No. 12862, Nov. 23, 1993, 58 F.R. 62493, as amended by Ex. Ord. No. 12907, Apr. 14, 1994, 59 F.R. 18291, which established the President's Committee of Advisors on Science and Technology; and the National Security Adviser, was revoked by Ex. Ord. No. 13226, §4(c), Sept. 30, 2001, 66 F.R. 50524, formerly set out below.

Executive Order No. 12975

Executive Order No. 13226

Extension of Term of President's Council of Advisors on Science and Technology

Previous extensions of term of President's Council of Advisors on Science and Technology were contained in the following prior Executive Orders:


Executive Order No. 13237
Ex. Ord. No. 13237, Nov. 28, 2001, 66 F.R. 59651, which created the President's Council on Bioethics, was superseded by Ex. Ord. No. 13521, §6(a), Nov. 24, 2009, 74 F.R. 62672, set out below.

Extension of Term of President's Council on Bioethics

Previous extensions of term of President's Council on Bioethics were contained in the following prior Executive Orders:


Ex. Ord. No. 13521, Establishing the President's Council on Bioethics
Ex. Ord. No. 13521, Nov. 24, 2009, 74 F.R. 62671, provided:

By the authority vested in me as President by the Constitution and the laws of the United States of America, it is hereby ordered as follows:

Section 1. Establishment. There is established within the Department of Health and Human Services the President's Commission for the Study of Bioethical Issues (Commission).

Sec. 2. Mission. (a) The Commission shall advise the President on bioethical issues that may emerge as a consequence of advances in biomedicine and related areas of science and technology. The Commission shall pursue its work with the goal of identifying and promoting policies and practices that ensure scientific research, healthcare delivery, and technological innovation are conducted in an ethically responsible manner. To achieve this goal, the Commission shall:

(i) identify and examine specific bioethical, legal, and social issues related to the potential impacts of advances in biomedical and behavioral research, healthcare delivery, or other areas of science and technology;

(ii) recommend any legal, regulatory, or policy actions it deems appropriate to address these issues; and

(iii) critically examine diverse perspectives and explore possibilities for useful international collaboration on these issues.

(b) In support of its mission, the Commission may examine issues linked to specific technologies, including but not limited to the creation of stem cells by novel means; intellectual property issues involving genetic sequencing, biomarkers, and other screening tests used for risk assessment; and the application of neuro- and robotic sciences. It may also examine broader issues not linked to specific technologies, including but not limited to the protection of human research participants; scientific integrity and conflicts of interest in research; and the intersection of science and human rights.

(c) The Commission shall not be responsible for the review and approval of specific projects.

(d) The Commission may accept suggestions of issues for consideration from executive departments and
agencies and the public as it deems appropriate in support of its mission.

(e) In establishing priorities for its activities, the Commission shall consider, among other things, the significance of particular issues; the need for legal, regulatory, and policy guidance with respect to such issues; the connection of the issues to the goal of Federal advancement of science and technology; and the availability of other appropriate entities or fora for deliberating on the issues.

(f) The Commission is authorized to conduct original empirical and conceptual research, commission papers and studies, hold hearings, and establish committees and subcommittees, as necessary. The Commission is authorized to develop reports or other materials.

Sec. 3. Membership.

(a) The Commission shall be an expert panel composed of not more than 13 members appointed by the President, drawn from the fields of bioethics, science, medicine, technology, engineering, law, philosophy, theology, or other areas of the humanities or social sciences, at least one and not more than three of whom may be bioethicists or scientists drawn from the executive branch, as designated by the President.

(b) The President shall designate a Chair and Vice Chair from among the members of the Commission. The Chair shall convene and preside at meetings of the Commission, determine its agenda, and direct its work. The Vice Chair shall perform the duties of the Chair in the absence of disability of the Chair and shall perform such other functions as the Chair may from time to time assign.

(c) Members shall serve for a term of 2 years and shall be eligible for reappointment. Members may continue to serve after the expiration of their terms until the appointment of a successor.

Sec. 4. Administration.

(a) The Department of Health and Human Services shall provide funding and administrative support for the Commission to the extent permitted by law and within existing appropriations.

(b) All executive departments and agencies and all entities within the Executive Office of the President shall provide information and assistance to the Commission as the Chair may request for purposes of carrying out the Commission’s functions, to the extent permitted by law.

(c) The Commission shall have a staff headed by an Executive Director, who shall be appointed by the Secretary of Health and Human Services in consultation with the Chair and Vice Chair.

(d) Members of the Commission shall serve without compensation, but shall be allowed travel expenses, including per diem in lieu of subsistence, as authorized by law for persons serving intermittently in Government service (5 U.S.C. 5701–5707), consistent with the availability of funds.

Sec. 5. Termination. The Commission shall terminate 2 years after the date of this order unless extended by the President.

Sec. 6. General Provisions.

(a) This order supersedes Executive Order 13237 of November 28, 2001.

(b) Insofar as the Federal Advisory Committee Act, as amended (5 U.S.C. App.), may apply to the Commission, any functions of the President under that Act, except that of reporting to the Congress, shall be performed by the Secretary of Health and Human Services in accordance with the guidelines that have been issued by the Administrator of General Services.

(c) Nothing in this order shall be construed to impair or otherwise affect:

(i) authority granted by law to an executive department, agency, or the head thereof, or

(ii) functions of the Director of the Office of Management and Budget relating to budgetary, administrative, or legislative proposals.

This order shall be implemented consistent with applicable law and subject to the availability of appropriations.

(e) This order is not intended to, and does not, create any right or benefit, substantive or procedural, enforceable at law or in equity by any party against the United States, its departments, agencies, or entities, its officers, employees, or agents, or any other person.

Barack Obama.

EXTENSION OF TERM OF PRESIDENTIAL COMMISSION FOR THE STUDY OF BIOETHICAL ISSUES


Previous extensions of term of Presidential Commission for the Study of Bioethical Issues were contained in the following prior Executive Orders:


EXECUTIVE ORDER NO. 13539


EXTENSION OF TERM OF PRESIDENT’S COUNCIL OF ADVISORS ON SCIENCE AND TECHNOLOGY

Term of President’s Council of Advisors on Science and Technology extended until Sept. 30, 2021, by Ex. Ord. No. 13889, Sept. 27, 2019, 84 F.R. 52743, set out as a note under section 14 of the Federal Advisory Committee Act in the Appendix to Title 5, Government Organization and Employees.

Previous extensions of term of President’s Council of Advisors on Science and Technology were contained in the following prior Executive Orders:


Ex. Ord. No. 13859, Feb. 11, 2019, 84 F.R. 3967, provided: By the authority vested in me as President by the Constitution and the laws of the United States of America, it is hereby ordered as follows:

SECTION 1. Policy and Principles. Artificial Intelligence (AI) promises to drive growth of the United States economy, enhance our economic and national security, and improve our quality of life. The United States is the world leader in AI research and development (R&D) and deployment. Continued American leadership in AI is of paramount importance to maintaining the economic and national security of the United States and to shaping the global evolution of AI in a manner consistent with our Nation’s values, policies, and priorities. The Federal Government plays an important role in facilitating AI R&D, promoting the trust of the American people in the development and deployment of AI-related technologies, training a workforce capable of using AI in their occupations, and protecting the American AI technology base from attempted acquisition by strategic competitors and adversarial nations.

Maintaining American leadership in AI requires a concerted effort to promote advancements in technology and innovation, while protecting American technology, economic and national security, civil liberties, privacy, and American values and enhancing international and
industry collaboration with foreign partners and allies. It is the policy of the United States Government to sustain and enhance the scientific, technological, and economic leadership position of the United States in AI R&D and deployment through a coordinated Federal Government strategy, the American AI Initiative (Initiative), guided by five principles:

(a) The United States must drive technological breakthroughs in AI across the Federal Government, industry, and academia in order to promote scientific discovery, economic competitiveness, and national security.

(b) The United States must drive development of appropriate technical standards and reduce barriers to the safe testing and deployment of AI technologies in order to enable the creation of new AI-related industries and the adoption of AI by today’s industries.

(c) The United States must train current and future generations of American workers with the skills to develop and apply AI technologies to prepare them for today’s economy and jobs of the future.

(d) The United States must foster public trust and confidence in AI technologies and protect civil liberties, privacy, and American values in their application in order to fully realize the potential of AI technologies for the American people.

(e) The United States must promote an international environment that supports American AI research and innovation and open markets for American AI industries, while protecting our technological advantage in AI and protecting our critical AI technologies from acquisition by strategic competitors and adversarial nations.

Sect. 2. Objectives. Artificial Intelligence will affect the missions of nearly all executive departments and agencies (agencies). Agencies determined to be implementing agencies pursuant to section 3 of this order shall pursue six strategic objectives in furtherance of both promoting and protecting American advancements in AI:

(a) Promote sustained investment in AI R&D in collaboration with industry, academia, international partners and allies, and other non-Federal entities to generate technological breakthroughs in AI and related technologies that will enable the rapid transition those breakthroughs into capabilities that contribute to our economic and national security.

(b) Enhance access to high-quality and fully traceable Federal data, models, and computing resources to increase the value of such resources for AI R&D, while maintaining safety, security, privacy, and confidentiality protections consistent with applicable laws and policies.

(c) Reduce barriers to the use of AI technologies to promote their innovative application while protecting American technology, economic and national security, civil liberties, privacy, and values.

(d) Ensure that technical standards minimize vulnerability to attacks from malicious actors and reflect Federal priorities for innovation, public trust, and public confidence in systems that use AI technologies; and develop international standards to promote and protect those priorities.

(e) Train the next generation of American AI researchers and users through apprenticeships; skills programs; and education in science, technology, engineering, and mathematics (STEM), with an emphasis on computer science, to ensure that American workers, including Federal workers, are capable of taking full advantage of the opportunities of AI.

(f) Develop and implement an action plan, in accordance with the National Security Presidential Memorandum of February 11, 2019 (Protecting the United States Advantage in Artificial Intelligence and Related Critical Technologies) (the NSPM) to protect the advantage of the United States in AI and technology critical to United States economic and national security interests against strategic competitors and foreign adversaries.

Sect. 3. Roles and Responsibilities. The Initiative shall be coordinated through the National Science and Technology Council (NSTC) Select Committee on Artificial Intelligence (Select Committee). Actions shall be implemented by agencies that conduct foundational AI R&D, develop and deploy applications of AI technologies, provide educational grants, and regulate and provide guidance for applications of AI technologies, as determined by the co-chairs of the NSTC Select Committee (implementing agencies).

Sect. 4. Federal Investment in AI Research and Development.

(a) Heads of implementing agencies that also perform or fund R&D (AI R&D agencies), shall consider AI as an agency R&D priority, as appropriate to their respective agencies’ missions, consistent with applicable law and in accordance with the Office of Management and Budget (OMB) and the Office of Science and Technology Policy (OSTP) R&D priorities memoranda. Heads of such agencies shall take this priority into account when developing budget proposals and planning for the use of funds in Fiscal Year 2020 and in future years. Heads of these agencies shall also consider appropriate administrative actions to increase focus on AI for 2019.

(b) Heads of AI R&D agencies shall budget an amount for AI R&D that is appropriate for this prioritization.

(i) Following the submission of the President’s Budget request to the Congress, heads of such agencies shall communicate plans for achieving this priority to the OMB Director and the OSTP Director each fiscal year through the Networking and Information Technology Research and Development (NITRD) Program.

(ii) Within 90 days of the enactment of appropriations for their respective agencies, heads of such agencies shall identify each year, consistent with applicable law, the programs to which the AI R&D priority will apply and estimate the total amount of such funds that will be spent on each such program. This information shall be communicated to the OMB Director and OSTP Director each fiscal year through the NITRD Program.

(c) To the extent appropriate and consistent with applicable law, heads of AI R&D agencies shall explore opportunities for collaboration with non-Federal entities, including: the private sector; academia; non-profit organizations; State, local, tribal, and territorial governments; and foreign partners and allies, so all collaborators can benefit from each other’s investment and expertise in AI R&D.

Sect. 5. Data and Computing Resources for AI Research and Development.

(a) Heads of all agencies shall review their Federal data and models to identify opportunities to increase access and use by the greater non-Federal AI research community in a manner that benefits that community, while protecting safety, security, privacy, and confidentiality. Specifically, agencies shall improve data access and quality of AI data and models based on the AI research community’s user feedback.

(i) Within 90 days of the date of this order [Feb. 11, 2019], the OMB Director shall publish a notice in the Federal Register inviting the public to identify additional requests for access or quality improvements for Federal data and models that would improve AI R&D and testing. Additionally, within 90 days of the date of this order, OMB, in conjunction with the Select Committee, shall investigate barriers to access or quality limitations of Federal data and models that impede AI R&D and testing. Collectively, these actions by OMB will help to identify datasets that will facilitate non-Federal AI R&D and testing.

(ii) Within 120 days of the date of this order, OMB, including through its interagency councils and the Select Committee, shall update implementation guidance for Enterprise Data Inventories and Source Code Inventories to support development and accessibility in AI R&D.

(iii) Within 180 days of the date of this order, and in accordance with the implementation of the Cross-Agency Priority Goal: Leveraging Federal Data as a Strategic Asset, from the March 2018 President’s Management Agenda, agencies shall consider methods of improving
the quality, usability, and appropriate access to priority data identified by the AI research community. Agencies shall also identify any associated resource implications.

(iv) In identifying data and models for consideration for increased public access, agencies, in coordination with the Senior Agency Officials for Privacy established pursuant to Executive Order 13706 of February 26, 2016 (Establishment of the Federal Privacy Council) [82 U.S.C. 2000ee–2 note], the heads of Federal statistical entities, Federal program managers, and other relevant personnel shall identify and remove barriers to, or requirements associated with, increased access to and use of such data and models, including:

(A) privacy and civil liberty protections for individuals who may be affected by increased access and use, as well as confidentiality protections for individuals and other data providers;

(B) safety and security concerns, including those related to the association or compilation of data and models;

(C) data documentation and formatting, including the need for interoperable and machine-readable data formats;

(D) changes necessary to ensure appropriate data and system governance; and

(E) any other relevant considerations.

(v) In accordance with the President’s Management Agenda and the Cross-Agency Priority Goal: Leveraging Data as a Strategic Asset, agencies shall identify opportunities to use new technologies and best practices to increase access to and usability of open data and models, and explore appropriate controls on access to sensitive or restricted data and models, consistent with applicable laws and policies, privacy and confidentiality protections, and civil liberty protections.

(b) The Secretaries of Defense, Commerce, Health and Human Services, and Energy, the Administrator of the National Aeronautics and Space Administration, and the Director of the National Science Foundation shall, to the extent appropriate and consistent with applicable law, prioritize the allocation of high-performance computing resources for AI-related applications through:

(i) increased assignment of discretionary allocation of resources and resource reserves; or

(ii) any other appropriate mechanisms.

(c) Within 180 days of the date of this order, the Select Committee, in coordination with the General Services Administration (GSA), shall submit a report to the President making recommendations on better enabling the use of cloud computing resources for federally funded AI R&D.

(d) The Select Committee shall provide technical expertise to the American Technology Council on matters regarding AI and the modernization of Federal technology, data, and the delivery of digital services, as appropriate.


(a) Within 180 days of the date of this order, the OMB Director, in coordination with the OSTP Director, the Director of the Domestic Policy Council, and the Director of the National Economic Council, and in consultation with any other relevant agencies and key stakeholders as the OMB Director shall determine, shall issue a memorandum to the heads of all agencies that shall:

(i) inform the development of regulatory and non-regulatory approaches by such agencies regarding technologies and industrial sectors that are either empowered or enabled by AI, and that advance American innovation while upholding civil liberties, privacy, and American values; and

(ii) consider ways to reduce barriers to the use of AI technologies in order to promote their innovative application while protecting civil liberties, privacy, American values, and United States economic and national security.

(b) To help ensure public trust in the development and implementation of AI applications, OMB shall issue a draft version of the memorandum for public comment before it is finalized.

(c) Within 180 days of the date of the memorandum described in subsection (a) of this section, the heads of implementing agencies that also have regulatory authorities shall review their authorities relevant to applications of AI and shall submit to OMB plans to achieve consistency with the memorandum.

(d) Within 180 days of the date of this order, the Secretary of Commerce, through the Director of the National Institute of Standards and Technology (NIST), shall issue a plan for Federal engagement in the development of technical standards and related tools in support of reliable, robust, and trustworthy systems that use AI technologies. NIST shall lead the development of this plan with participation from relevant agencies as the Secretary of Commerce shall determine.

(i) Consistent with OMB Circular A–119, this plan shall include:

(A) Federal priority needs for standardization of AI systems development and deployment;

(B) identification of standards development entities in which Federal agencies should seek membership with the goal of establishing or supporting United States technical leadership roles; and

(C) opportunities for and challenges to United States leadership in standardization related to AI technologies.

(ii) This plan shall be developed in consultation with the Select Committee, as needed, and in consultation with the private sector, academia, non-governmental entities, and other stakeholders, as appropriate.

§ 7. AI and the American Workforce.

(a) Heads of implementing agencies that also provide educational grants shall, to the extent consistent with applicable law, consider AI as a priority area within existing Federal fellowship and service programs.

(i) Eligible programs for prioritization shall give preference to American citizens, to the extent permitted by law, and shall include:

(A) high school, undergraduate, and graduate fellowship; alternative education; and training programs;

(B) programs to recognize and fund early-career university faculty who conduct AI R&D, including through Presidential awards and recognitions;

(C) scholarship for service programs;

(D) direct commissioning programs of the United States Armed Forces; and

(E) programs that support the development of instructional programs and curricula that encourage the integration of AI technologies into courses in order to facilitate personalized and adaptive learning experiences for formal and informal education and training.

(ii) Agencies shall annually communicate plans for achieving this prioritization to the co-chairs of the Select Committee.

(b) Within 90 days of the date of this order, the Select Committee shall provide recommendations to the NSTC Committee on STEM Education regarding AI-related educational and workforce development considerations that focus on American citizens.

(c) The Select Committee shall provide technical expertise to the National Council for the American Worker on matters regarding AI and the American workforce, as appropriate.


(a) As directed by the NSPM, the Assistant to the President for National Security Affairs, in coordination with the OSTP Director and the recipients of the NSPM, shall organize the development of an action plan to protect the United States advantage in AI and AI technology critical to United States economic and national security interests against strategic competitors and adversarial nations.

(b) The action plan shall be provided to the President within 120 days of the date of this order, and may be classified in full or in part, as appropriate.
(c) Upon approval by the President, the action plan shall be implemented by all agencies who are recipients of the NSPM, for all AI-related activities, including those conducted pursuant to this order.

SIC. 9. Definitions. As used in this order:

(a) the term “artificial intelligence” means the full extent of Federal investments in AI, to include: R&D of core AI techniques and technologies; AI prototype systems; application and adaptation of AI techniques; architectural and systems support for AI; and cyberinfrastructure, data sets, and standards for AI; and

(b) the term “open data” shall, in accordance with OMB Circular A–130 and memorandum M–13–13, mean “publicly available data structured in a way that enables the data to be fully discoverable and usable by end users.”


(a) Nothing in this order shall be construed to impair any right or benefit, substantive or procedural, enforceable at law or in equity by any party against the United States of America, and in order to establish an advisory council on science and technology, it is hereby ordered as follows:

SECTION 1. Purpose. In every age of our Nation’s history, American ingenuity has driven technological progress and the promise of the American Dream. Scientific advancement has improved the lives of our citizens, created jobs and better futures for American workers, and kept the American people safe at home and abroad. American thinkers, inventors, and entrepreneurs, empowered by free-market capitalism and driven by bold ideas, have created an ecosystem of innovation that is the envy of the world, making our Nation prosperous and strong.

Since World War II, our Nation’s greatest scientists and engineers have advised the Federal Government, guided the United States through the atomic age, the space race, and the digital revolution. Emerging technologies like artificial intelligence and quantum information science are now on the horizon, and how we address their development will determine whether they give rise to new American industries or challenge American values. With American leadership facing fierce global competition, today more than ever our Nation is in need of new approaches for unleashing the creativity of our research enterprise and empowering private sector innovation to ensure American technological dominance.

Through collaborative partnerships across the American science and technology enterprise, which includes an unmatched constellation of public and private educational institutions, research laboratories, corporations, and foundations, the United States can usher extraordinary new technologies into homes, hospitals, and highways across the world. These technologies would have American values at their core. By strengthening the ties that connect the private sector, industry, and academia, my Administration will champion a new era of American research and innovation, which will give rise to new discoveries that create the industries of the future.

SIC. 2. Establishment. The President’s Council of Advisors on Science and Technology (PCAST) is hereby established. The PCAST shall be composed of the Director of the Office of Science and Technology Policy (the "Director"), and not more than 16 additional members appointed by the President. These additional members shall include distinguished individuals from sectors outside of the Federal Government. They shall have diverse perspectives and expertise in science, technology, and innovation. The Director shall serve as the Chair of the PCAST.

SIC. 3. Functions. (a) The PCAST shall advise the President on matters involving science, technology, and innovation. The Council shall also provide the President with scientific and technical information that is needed to inform public policy relating to the American economy, the American worker, national and homeland security, and other topics. The PCAST shall meet regularly and shall:

(i) respond to requests from the President or the Director for information, analysis, evaluation, or advice;

(ii) solicit information and ideas from a broad range of stakeholders on contemporary topics of critical importance to the Nation in order to inform policy making. Stakeholders include the research community, the private sector, universities, national laboratories, State and local governments, and non-profit organizations;

(iii) serve as the advisory committee identified in subsection 101(b) of the High-Performance Computing Act of 1991 (Public Law 102–194), as amended (15 U.S.C. 5511(b)). In performing the functions of such advisory committee, the PCAST shall be known as the President’s Innovation and Technology Advisory Committee; and

(iv) serve as the advisory panel identified in section 4 of the 21st Century Nanotechnology Research and Development Act (Public Law 108–153), as amended (15 U.S.C. 7505). In performing the functions of such advisory committee, the PCAST shall be known as the National Nanotechnology Advisory Panel.

(b) The PCAST shall provide advice to the National Science and Technology Council in response to requests from that Council.

SIC. 4. Administration. (a) The heads of executive departments and agencies shall, to the extent permitted by law, provide the PCAST with information concerning scientific and technological matters when requested by the PCAST Chair.

(b) In consultation with the Director, the PCAST may create standing subcommittees and ad hoc groups, including technical advisory groups to assist the PCAST and provide preliminary information to the PCAST.

(c) The Director may request that members of the PCAST, its standing subcommittees, or ad hoc groups who do not hold a current clearance for access to classified information, receive security clearance and access determinations pursuant to Executive Order 12968 of August 2, 1995 (Access to Classified Information) (50 U.S.C. 3161 note), as amended, or any successor order.

(d) The Department of Energy shall provide such funding and administrative and technical support as the PCAST may require.

(e) Members of the PCAST shall serve without any compensation for their work on the PCAST, but may receive travel expenses, including per diem in lieu of subsistence, as authorized by law for persons serving intermittently in the government service (5 U.S.C. 5701–5707).

SIC. 5. Termination. The PCAST shall terminate 2 years from the date of this order (Oct. 22, 2019) unless extended by the President.

SIC. 6. General Provisions. (a) Insofar as the Federal Advisory Committee Act, as amended (5 U.S.C. App. 1), may apply to the PCAST, any functions of the President under the FACA, except that of reporting to the Congress, shall be performed by the Secretary of
Energy in accordance with the guidelines and procedures established by the Administrator of General Services.

Nothing in this order shall be construed to impair or otherwise affect:

(i) the authority granted by law to an executive department or agency, or the head thereof; or

(ii) any function of the Director of the Office of Management and Budget relating to budgetary, administrative, or legislative proposals.

This order shall be implemented consistent with applicable law and subject to the availability of appropriations.

This order is not intended to, and does not, create any right or benefit, substantive or procedural, enforceable at law or in equity by any party against the Federal Government.

It is hereby revoked.

DONALD J. TRUMP.

STRENGTHENED PROTECTIONS FOR HUMAN SUBJECTS OF CLASSIFIED RESEARCH

Memorandum of President of the United States, Mar. 27, 1997, 62 F.R. 26369, provided:

I have worked hard to restore trust and ensure openness in our government. This memorandum will further our progress toward these goals by strengthening the Federal Government’s protections for human subjects of classified research.

In January 1994, I established the Advisory Committee on Radiation Experiments (the “Advisory Committee”) to examine reports that the government had sponsored and conducted unethical human radiation experiments during the Cold War (see Ex. Ord. No. 12891, set out as a note under section 2210 of this title). I directed the Advisory Committee to uncover the truth, recommend steps to right past wrongs, and propose ways to prevent unethical human research from occurring in the future. In its October 1995 final report, the Advisory Committee recommended, among other things, that the government modify its policy governing classified research on human subjects (“Recommendations for Balancing National Security Interests and the Rights of the Public,” Recommendation 15, Final Report, Advisory Committee on Human Radiation Experiments). This memorandum sets forth policy changes in response to those recommendations.

The Advisory Committee acknowledged that it is in the Nation’s interest to continue to allow the government to conduct classified research involving human subjects where such research serves important national security interests. The Advisory Committee found, however, that classified human subjects research should be a “rare event” and that the “subjects of such research, as well as the interests of the public in openness in science and in government, deserve special protections.” The Advisory Committee was concerned about “exceptions to informed consent requirements and the absence of any special review and approval process for human research that is to be classified.” The Advisory Committee recommended that in all classified research projects the agency conducting or sponsoring the research meet the following requirements:

- obtain informed consent from all human subjects;
- inform subjects of the identity of the sponsoring agency;
- inform subjects that the project involves classified research;
- obtain approval by an “independent panel of non-governmental experts and citizens representing, all with the necessary security clearances” that reviews scientific merit, risk-benefit tradeoffs, and ensures subjects have enough information to make informed decisions to give valid consent; and
- maintain permanent records of the panel’s deliberations and consent procedures.

This memorandum implements these recommendations with some modifications. For classified research, it prohibits waiver of informed consent and requires researchers to disclose that the project is classified. For all but minimal risk studies, it requires researchers to inform subjects of the sponsoring agency. It also requires permanent recordkeeping.

The memorandum also responds to the Advisory Committee’s call for a special review process for classified human subjects research. It requires that institutional review boards for secret projects include a non-governmental member, and establishes an appeals process so that any member of a review board who believes a project should not go forward can appeal the boards’ decision to approve it.

Finally, this memorandum sets forth additional steps to ensure that classified human research is rare. It requires the heads of Federal agencies to disclose annually the number of secret human research projects undertaken by their agency. It also prohibits any agency from conducting secret human research without first promulgating a final rule applying the Federal Policy for the Protection of Human Subjects, as modified in this memorandum, to the agency.

These steps, set forth in detail below, will preserve the government’s ability to conduct any necessary classified research involving human subjects while ensuring adequate protection of research participants.

1. Modifications to the Federal Policy for the Protection of Human Subjects as it Affects Classified Research.

All agencies that may conduct or support classified research that is subject to the 1991 Federal Policy for the Protection of Human Subjects (“Common Rule”) (56 Fed. Reg. 28010–28018) shall promptly jointly publish in the Federal Register the following proposed revisions to the Common Rule as it affects classified research. The Office for Protection from Research Risks in the Department of Health and Human Services shall be the lead agency and, in consultation with the Office of Management and Budget, shall coordinate the joint rulemaking.

(a) The agencies shall jointly propose to prohibit waiver of informed consent for classified research.

(b) The agencies shall jointly propose to prohibit the use of expedited review procedures under the Common Rule for classified research.

(c) The joint proposal should request comment on whether all research exemptions under the Common Rule should be maintained for classified research.

(d) The agencies shall jointly propose to require that in classified research involving human subjects, two additional elements of information be provided to potential subjects when consent is sought from subjects:

(i) the identity of the sponsoring Federal agency. Exceptions are allowed if the head of the sponsoring agency determines that providing this information could compromise intelligence sources or methods and that the research involves no more than minimal risk to subjects. The determination about sources and methods is to be made in consultation with the Director of Central Intelligence and the Secretary of National Security Affairs. The determination about risk is to be made in consultation with the Director of
the White House Office of Science and Technology Policy.

(ii) a statement that the project is “classified” and an explanation of what classified means.

(e) The agencies shall jointly propose to modify the institutional review board (“IRB”) approval process for classified human subjects research as follows:

(i) The Common Rule currently requires that each IRB “include at least one member who is not otherwise affiliated with the institution and who is not part of the immediate family of a person who is affiliated with the institution.” For classified research, the agencies shall define “not otherwise affiliated with the institution,” as a nongovernmental member with the appropriate security clearance.

(ii) IRBs for classified research shall determine whether potential subjects need access to classified information to make a valid informed consent decision.

(iii) IRBs for classified research shall determine whether potential subjects need access to classified information to make a valid informed consent decision. Agencies shall, within 1 year, after considering any comments, promulgate final rules on the protection of human subjects of classified research.

3. Agency Head Approval of Classified Research Projects. Agencies may not conduct any classified human research project subject to the Common Rule unless the agency head has personally approved the specific project.

4. Annual Public Disclosure of the Number of Classified Research Projects. Each agency head shall inform the Director of OSTP by September 30 of each year of the number of classified research projects involving human subjects underway on that date, the number completed in the previous 12-month period, and the number of human subjects in each project. The Director of OSTP shall report the total number of classified research projects and participating subjects to the President and shall then report to the congressional armed services and intelligence committees and further shall publish the numbers in the Federal Register.

5. Definitions. For purposes of this memorandum, the terms “research” and “human subject” shall have the meaning set forth in the Common Rule. “Classified human research” means research involving “classified information” as defined in [former] Executive Order 12958.

6. No Classified Human Research Without Common Rule. Beginning one year after the date of this memorandum, no agency shall conduct or support classified human research without having proposed and promulgated the Common Rule, including the changes set forth in this memorandum and any subsequent amendments.

7. Judicial Review. This memorandum is not intended to create any right or benefit, substantive or procedural, enforceable at law by a party against the United States, its agencies, its officers, or any other persons.

8. The Secretary of Health and Human Services shall publish this memorandum in the Federal Register.

WILLIAM J. CLINTON.

§ 6602. Congressional declaration of policy

(a) Principles

In view of the foregoing, the Congress declares that the United States shall adhere to a national policy for science and technology which includes the following principles:

1. The continuing development and implementation of strategies for determining and achieving the appropriate scope, level, direction, and extent of scientific and technological efforts based upon a continuous appraisal of the role of science and technology in achieving goals and formulating policies of the United States, and reflecting the views of State and local governments and representative public groups.

2. The enlistment of science and technology to foster a healthy economy in which the directions of growth and innovation are compatible with the prudent and frugal use of resources and with the preservation of a benign environment.

3. The conduct of science and technology operations so as to serve domestic needs while promoting foreign policy objectives.

4. The recruitment, education, training, retraining, and beneficial use of adequate numbers of scientists, engineers, and technologists, and the promotion by the Federal Government of the effective and efficient utilization in the national interest of the Nation’s human resources in science, engineering, and technology.

5. The development and maintenance of a solid base for science and technology in the United States, including: (A) strong participation of and cooperative relationships with State and local governments and the private sector; (B) the maintenance and strengthening of diversified scientific and technological capabilities in government, industry, and the universities, and the encouragement of independent initiatives based on such capabilities, together with elimination of needless barriers to scientific and technological innovation; (C) effective management and dissemination of scientific and technological information; (D) establishment of essential scientific, technical and industrial standards and measurement and test methods; and (E) promotion of increased public understanding of science and technology.

6. The recognition that, as changing circumstances require periodic revision and adaptation of this subchapter, the Federal Government is responsible for identifying and interpreting the changes in those circumstances as they occur, and for effecting subsequent changes in this subchapter as appropriate.

(b) Implementation

To implement the policy enunciated in subsection (a) of this section, the Congress declares that:

1. The Federal Government should maintain central policy planning elements in the executive branch which assist Federal agencies in (A) identifying public problems and objectives, (B) mobilizing scientific and technological resources for essential national programs, (C) securing appropriate funding for programs so identified, (D) anticipating future concerns to which science and technology can contribute and devising strategies for the conduct of science and technology for such purposes, (E)
reviewing systematically Federal science policy and programs and recommending legislative amendment thereof when needed. Such elements should include an advisory mechanism within the Executive Office of the President so that the Chief Executive may have available independent, expert judgment and assistance on policy matters which require accurate assessments of the complex scientific and technological features involved.

(1) Federal procurement policy should encourage the use of science and technology to foster frugal use of materials, energy, and appropriate funds to assure quality environment; and to enhance product performance.

(2) Explicit criteria, including cost-benefit principles where practicable, should be developed to identify the kinds of applied research and technology programs that are appropriate for Federal funding support and to determine the extent of such support. Particular attention should be given to scientific and technological problems and opportunities offering promise of social advantage that are so long range, geographically widespread, or economically diffused that the Federal Government constitutes the appropriate source for undertaking their support.

(3) Federal promotion of science and technology should emphasize quality of research, recognize the singular importance of stability in scientific and technological institutions, and for urgent tasks, seek to assure timeliness of results. With particular reference to Federal support for basic research, funds should be allocated to encourage education in needed disciplines, to provide a base of scientific knowledge from which future essential technological development can be launched, and to add to the cultural heritage of the Nation.

(4) Federal patent policies should be developed, based on uniform principles, which have as their objective the preservation of incentives for technological innovation and the application of procedures which will continue to assure the full use of beneficial technology to serve the public.

(5) Closer relationships should be encouraged among practitioners of different scientific and technological disciplines, including the physical, social, and biomedical fields.

(6) Federal departments, agencies, and instrumentalities should assure the full use of the contributions of science and technology to support State and local government goals.

(e) Procedures

The Congress declares that, in order to expedite and facilitate the implementation of the policy enunciated in subsection (a) of this section, the following coordinate procedures are of paramount importance:

(1) Federal procurement policy should encourage the use of science and technology to foster frugal use of materials, energy, and appropriate funds; to assure quality environment; and to enhance product performance.

(2) Explicit criteria, including cost-benefit principles where practicable, should be developed to identify the kinds of applied research and technology programs that are appropriate for Federal funding support and to determine the extent of such support. Particular attention should be given to scientific and technological problems and opportunities offering promise of social advantage that are so long range, geographically widespread, or economically diffused that the Federal Government constitutes the appropriate source for undertaking their support.

(3) Federal promotion of science and technology should emphasize quality of research, recognize the singular importance of stability in scientific and technological institutions, and for urgent tasks, seek to assure timeliness of results. With particular reference to Federal support for basic research, funds should be allocated to encourage education in needed disciplines, to provide a base of scientific knowledge from which future essential technological development can be launched, and to add to the cultural heritage of the Nation.

(4) Federal patent policies should be developed, based on uniform principles, which have as their objective the preservation of incentives for technological innovation and the application of procedures which will continue to assure the full use of beneficial technology to serve the public.

(5) Closer relationships should be encouraged among practitioners of different scientific and technological disciplines, including the physical, social, and biomedical fields.

(6) Federal departments, agencies, and instrumentalities should assure the full use of the contributions of science and technology to support State and local government goals.

(7) The full use of the contributions of science and technology to support State and local government goals should be encouraged.

(8) Formal recognition should be accorded those persons whose scientific and technological achievements have contributed significantly to the national welfare.

(9) The Federal Government should support applied scientific research, when appropriate, in proportion to the probability of its usefulness, insofar as this probability can be determined; but while maximizing the beneficial consequences of technology, the Government should act to minimize foreseeable injurious consequences.

(10) Federal departments, agencies, and instrumentalities should establish procedures to insure among them the systematic interchange of scientific data and technological findings developed under their programs.

§ 6603. Sense of Congress on innovation acceleration research

(a) Sense of Congress on support and promotion of innovation in the United States

It is the sense of Congress that each Federal research agency should strive to support and promote innovation in the United States through high-risk, high-reward basic research projects that—

(1) meet fundamental technological or scientific challenges;
(2) involve multidisciplinary work; and
(3) involve a high degree of novelty.

(b) Sense of Congress on setting annual funding goals for basic research

It is the sense of Congress that each Executive agency that funds research in science, technology, engineering, or mathematics should set a goal of allocating an appropriate percentage of the annual basic research budget of such agency to funding high-risk, high-reward basic research projects described in subsection (a).

(c) Definitions

In this section:

(1) Basic research

The term “basic research” has the meaning given such term in the Office of Management and Budget Circular No. A–11.

(2) Executive agency

The term “Executive agency” has the meaning given such term in section 105 of title 5.

§ 6604. Interagency working group on research regulation

(a) Short title

This section may be cited as the “Research and Development Efficiency Act”.

(b) Findings

Congress makes the following findings:

(1) Scientific and technological advancement have been the largest drivers of economic growth in the last 50 years, with the Federal Government being the largest investor in basic research.
(2) Substantial and increasing administrative burdens and costs in Federal research administration, particularly in the higher education sector where most federally funded research is performed, are eroding funds available to carry out basic scientific research.
(3) Federally funded grants are increasingly competitive, with the Foundation funding only approximately 1 in every 5 grant proposals.
(4) Progress has been made over the last decade in streamlining the pre-award grant application process through the Federal Government’s Grants.gov website.
(5) Post-award administrative costs have increased as Federal research agencies have continued to impose agency-unique compliance and reporting requirements on researchers and research institutions.
(6) Researchers spend as much as 42 percent of their time complying with Federal regulations, including administrative tasks such as applying for grants or meeting reporting requirements.

(c) Sense of Congress

It is the sense of Congress that—

(1) administrative burdens faced by researchers may be reducing the return on investment of federally funded research and development; and
(2) it is a matter of critical importance to United States competitiveness that administrative costs of federally funded research be streamlined so that a higher proportion of federal funding is applied to direct research activities.

(d) Establishment

The Director of the Office of Management and Budget, in coordination with the Office of Science and Technology Policy, shall establish an interagency working group (referred to in this section as the “Working Group”) for the purpose of reducing administrative burdens on federally funded researchers while protecting the public interest through the transparency of and accountability for federally funded activities.

(e) Responsibilities

(1) In general

The Working Group shall—

(A) regularly review relevant, administration-related regulations imposed on federally funded researchers;
(B) recommend those regulations or processes that may be eliminated, streamlined, or otherwise improved for the purpose described in subsection (d);
(C) recommend ways to minimize the regulatory burden on United States institutions of higher education performing federally funded research while maintaining accountability for federal funding; and
(D) recommend ways to identify and update specific regulations to refocus on performance-based goals rather than on process while achieving the outcome described in subparagraph (C).

(2) Grant review

(A) In general

The Working Group shall—

(i) conduct a comprehensive review of Federal science agency grant proposal documents; and
(ii) develop, to the extent practicable, a simplified, uniform grant format to be used by all Federal science agencies.
(B) Considerations
In developing the uniform grant format, the Working Group shall consider whether to implement—
(i) procedures for preliminary project proposals in advance of peer review selection;
(ii) increased use of “Just-In-Time” procedures for documentation that does not bear directly on the scientific merit of a proposal;
(iii) simplified initial budget proposals in advance of peer review selection; and
(iv) detailed budget proposals for applicants that peer review selection identifies as likely to be funded.

(3) Centralized researcher profile database
(A) Establishment
The Working Group shall establish, to the extent practicable, a secure, centralized database for investigator biosketches, curriculum vitae, licenses, lists of publications, and other documents considered relevant by the Working Group.

(B) Considerations
In establishing the centralized profile database under subparagraph (A), the Working Group shall consider incorporating existing investigator databases.

(C) Grant proposals
To the extent practicable, all grant proposals shall utilize the centralized investigator profile database established under subparagraph (A).

(D) Requirements
Each investigator shall—
(i) be responsible for ensuring the investigator’s profile is current and accurate; and
(ii) be assigned a unique identifier linked to the database and accessible to all Federal funding agencies.

(4) Centralized assurances repository
The Working Group shall—
(A) establish a central repository for all of the assurances required for Federal research grants; and
(B) provide guidance to institutions of higher education and Federal science agencies on the use of the centralized assurances repository.

(5) Comprehensive review
(A) In general
The Working Group shall—
(i) conduct a comprehensive review of the mandated progress reports for federally funded research; and
(ii) develop a strategy to simplify investigator progress reports.

(B) Considerations
In developing the strategy, the Working Group shall consider limiting progress reports to performance outcomes.

(f) Consultation
In carrying out its responsibilities under subsection (e)(1), the Working Group shall consult with academic researchers outside the Federal Government, including—
(1) federally funded researchers;
(2) non-federally funded researchers;
(3) institutions of higher education and their representative associations;
(4) scientific and engineering disciplinary societies and associations;
(5) nonprofit research institutions;
(6) industry, including small businesses;
(7) federally funded research and development centers; and
(8) members of the public with a stake in ensuring effectiveness, efficiency, and accountability in the performance of scientific research.

(g) Reports
Not later than 1 year after January 6, 2017, and annually thereafter for 3 years, the Working Group shall submit to the appropriate committees of Congress a report on its responsibilities under this section, including a discussion of the considerations described in paragraphs (2)(B), (3)(B), and (5)(B) of subsection (e) and recommendations made under subsection (e)(1).


CODIFICATION
Section was enacted as the Research and Development Efficiency Act and also as part of the American Innovation and Competitiveness Act, and not as part of the National Science and Technology Policy, Organization, and Priorities Act of 1976 which comprises this chapter.

DEFINITIONS
For definitions of terms used in this section, see section 2 of Pub. L. 114–329, set out as a note under section 1862s of this title.

SUBCHAPTER II—OFFICE OF SCIENCE AND TECHNOLOGY POLICY

§ 6611. Establishment of Office
There is established in the Executive Office of the President an Office of Science and Technology Policy (hereinafter referred to in this subchapter as the “Office”).


SHORT TITLE
For short title of this subchapter as the “Presidential Science and Technology Advisory Organization Act of 1976”, see section 201 of Pub. L. 94–282, set out as a Short Title note under section 6601 of this title.

HIGH-RESOLUTION INFORMATION SYSTEM ADVISORY BOARD
Pub. L. 102–245, title V, § 501, Feb. 14, 1992, 106 Stat. 22, authorized the Director of the Office of Science and Technology Policy to establish within that office a High-Resolution Information Systems Advisory Board to monitor and, as appropriate, foster the development and competitiveness of United States-based high-resolution information systems industries, further provided that “high-resolution information systems” means equipment and techniques required to create, store, recover, and play back high-resolution images and accompanying sound, further provided for functions of the Board, including provision of guidance and advice.
§ 6612. Director; Associate Directors

(a) In general

There shall be at the head of the Office a Director who shall be appointed by the President, by and with the advice and consent of the Senate, and who shall be compensated at the rate provided for level II of the Executive Schedule in section 5313 of title 5.

(b) Associate Directors

The President is authorized to appoint not more than four Associate Directors, by and with the advice and consent of the Senate, who shall be compensated at the rate provided for level III of the Executive Schedule in section 5314 of such title. Associate Directors shall perform such functions as the Director may prescribe.

c) Chief Technology Officer

Subject to subsection (b), the President is authorized to designate 1 of the Associate Directors under that subsection as a United States Chief Technology Officer.


AMENDMENTS

2017—Pub. L. 114–329, § 604(b)(1), designated first sentence of existing provisions as subsec. (a) and second and third sentences of existing provisions as subsec. (b) and inserted headings.


§ 6613. Functions of the Director

(a) The primary function of the Director is to provide, within the Executive Office of the President, advice on the scientific, engineering, and technological aspects of issues that require attention at the highest levels of Government.

(b) In addition to such other functions and activities as the President may assign, the Director shall—

(1) advise the President of scientific and technological considerations involved in areas of national concern including, but not limited to, the economy, national security, homeland security, health, foreign relations, the environment, and the technological recovery and use of resources;

(2) evaluate the scale, quality, and effectiveness of the Federal effort in science and technology and advise on appropriate actions;

(3) advise the President on scientific and technological considerations with regard to Federal budgets, assist the Office of Management and Budget with an annual review and analysis of funding proposed for research and development in budgets of all Federal agencies, and aid the Office of Management and Budget and the agencies throughout the budget development process; and

(4) assist the President in providing general leadership and coordination of the research and development programs of the Federal Government.


AMENDMENTS


Effective Date of 2002 Amendment

Amendment by Pub. L. 107–296 effective 60 days after Nov. 25, 2002, see section 4 of Pub. L. 107–296, set out as an Effective Date note under section 101 of Title 6, Domestic Security.

§ 6614. Policy planning; analysis; advice; establishment of advisory panel

(a) The Office shall serve as a source of scientific and technological analysis and judgment for the President with respect to major policies, plans, and programs of the Federal Government. In carrying out the provisions of this section, the Director shall—

(1) seek to define coherent approaches for applying science and technology to critical and emerging national and international problems and for promoting coordination of the scientific and technological responsibilities and programs of the Federal departments and agencies in the resolution of such problems;

(2) assist and advise the President in the preparation of the Science and Technology Report, in accordance with section 6618 of this title;

(3) gather timely and authoritative information concerning significant developments and trends in science, technology, and in national priorities, both current and prospective, to analyze and interpret such information for the purpose of determining whether such developments and trends are likely to affect achievement of the priority goals of the Nation as set forth in section 6601(b) of this title;

(4) encourage the development and maintenance of an adequate data base for human resources in science, engineering, and technology, including the development of appropriate models to forecast future manpower requirements, and assess the impact of major governmental and public programs on human resources and their utilization;

(5) initiate studies and analyses, including systems analyses and technology assessments, of alternatives available for the resolution of critical and emerging national and international problems amendable to the contributions of science and technology and, to the extent possible, determine and compare probable costs, benefits, and impacts of such alternatives;

(6) advise the President on the extent to which the various scientific and technological programs, policies, and activities of the Federal Government are likely to affect the achievement of the priority goals of the Nation as set forth in section 6601(b) of this title;

1 See References in Text note below.
receive compensation at a rate not to exceed the daily rate prescribed for GS–18 of the General Schedule under section 5332 of title 5, including traveltime, and, while so serving away from his home or regular place of business, he may be allowed travel expenses, including per diem in lieu of subsistence in the same manner as the expenses authorized by section 5703(b) of title 5 for persons in government service employed intermittently.


REFERENCES IN TEXT

Section 5703 of title 5, referred to in subsec. (b)(4), was amended generally by Pub. L. 94–22, § 4, May 19, 1973, 89 Stat. 85, and, as so amended, does not contain a subsec. (b).

AMENDMENTS

TRANSFER OF FUNCTIONS
Functions vested in Office of Science and Technology Policy and Director thereof pursuant to subsec. (a)(2) of this section and sections 6615 and 6618 of this title transferred to Director of National Science Foundation by section 5A of Reorg. Plan No. 1 of 1977, set out in the Appendix to Title 5, Government Organization and Employees, effective Feb. 26, 1978, as provided by section 1(a) of Ex. Ord. No. 12039, Feb. 24, 1978, 43 F.R. 8095, set out under section 6601 of this title.

ABOLITION OF INTERGOVERNMENTAL SCIENCE, ENGINEERING, AND TECHNOLOGY ADVISORY PANEL; TRANSFER OF FUNCTIONS
The Intergovernmental Science, Engineering, and Technology Advisory Panel, established pursuant to this section, was abolished and its functions transferred to the President by Reorg. Plan No. 1 of 1977, § 5A, 42 F.R. 56161, 91 Stat. 1634, set out in the Appendix to Title 5, effective Feb. 26, 1978, as provided by section 1(b) of Ex. Ord. No. 12039, Feb. 24, 1978, 43 F.R. 8095, set out under section 6601 of this title.

REFERENCES IN OTHER LAWS TO GS–16, 17, OR 18 PAY RATES
References in laws to the rates of pay for GS–16, 17, or 18, or to maximum rates of pay under the General Schedule, to be considered references to rates payable under specified sections of Title 5, Government Organization and Employees, see section 529 (title I, § 104(c)(1)) of Pub. L. 101–509, set out in a note under section 5376 of Title 5.

COMPREHENSIVE ACCOUNTABILITY STUDY FOR FEDERALLY-FUNDED RESEARCH

“(a) STUDY.—The Director of the Office of Science and Technology Policy, in consultation with the Director of the Office of Management and Budget, may enter into an agreement with the National Academy of Sciences for the Academy to conduct a comprehensive study to develop methods for evaluating federally-funded research and development programs. This study shall:

(1) recommend processes to determine an acceptable level of success for federally-funded research and development programs by—

2See References in Text note below.
§ 6615. Science and technology report and outlook

(a) Contents of report

Notwithstanding the provisions of Reorganization Plan Number 1 of 1977, the Director shall render to the President for submission to the Congress no later than January 15 of each odd numbered year, a science and technology report and outlook (hereinafter referred to as the "report") which shall be prepared under the guidance of the Office and with the cooperation of the Director of the National Science Foundation, with appropriate assistance from other Federal departments and agencies as the Office or the Director of the National Science Foundation deems necessary. The report shall include—

(1) a statement of the President’s current policy for the maintenance of the Nation’s leadership in science and technology;

(2) a review of developments of national significance in science and technology that have occurred since the previous such report;

(3) a description of major Federal decisions and actions related to science and technology that have occurred since the previous such report;

(4) a discussion of currently important national issues in which scientific or technical considerations are of major significance;

(5) a forecast of emerging issues of national significance resulting from, or identified through, scientific research or in which scientific or technical considerations are of major importance; and

(6) a discussion of opportunities for, and constraints on, the use of new and existing scientific and technological information, capabilities, and resources, including manpower resources, to make significant contributions to the achievement of Federal program objectives and national goals.

(b) Printing; availability to public

The Office shall assure that the report, in the form approved by the President, is printed and made available as a public document.

References in Text

Reorganization Plan Number 1 of 1977, referred to in subsec. (a), is Reorg. Plan No. 1 of 1977, 42 F.R. 56101, 91 Stat. 1633, which is set out in the Appendix to Title 5, Government Organization and Employees.

Prior Provisions


**AMENDMENTS**

1982—Pub. L. 97–375 substituted provisions requiring the President to submit to Congress in odd numbered years a science and technology report and outlook for provisions which required the Office of Science and Technology Policy to create a five-year science and technology outlook, dealing with current and emerging problems and with opportunities for and constraints on new and existing capabilities, to be revised annually, composed with the consultation of officials of departments and agencies having related programs and responsibilities, and with officials of the Office of Management and Budget and other appropriate elements of the Executive Office of the President.

**TERMINATION OF REPORTING REQUIREMENTS**

For termination, effective May 15, 2000, of provisions in subsec. (a) of this section relating to submission of biennial report to Congress, see section 3003 of Pub. L. 104–66, as amended, set out as a note under section 31 of Title 31, Money and Finance, and the 16th item on page 42 of House Document No. 103–7.

§6616. Additional functions of Director

(a) Service as Chairman of Federal Coordinating Council for Science, Engineering, and Technology and as member of Domestic Council

The Director shall, in addition to the other duties and functions set forth in this subchapter—

(1) serve as Chairman of the Federal Coordinating Council for Science, Engineering, and Technology established under subchapter IV; and

(2) serve as a member of the Domestic Council.

(b) Advice to National Security Council

For the purpose of assuring the optimum contribution of science and technology to the national security, the Director, at the request of the National Security Council, shall advise the National Security Council in such matters concerning science and technology as relate to national security.

(c) Officers and employees; services; contracts; payments

In carrying out his functions under this chapter, the Director is authorized to—

(1) appoint such officers and employees as he may deem necessary to perform the functions now or hereafter vested in him and to prescribe their duties;

(2) obtain services as authorized by section 3309 of title 5 at rates not to exceed the rate prescribed for grade GS–16 of the General Schedule by section 5332 of title 5; and

(3) enter into contracts and other arrangements for studies, analyses, and other services with public agencies and with private persons, organizations, or institutions, and make such payments as he deems necessary to carry out the provisions of this chapter without legal consideration, without performance bonds, and without regard to section 6101 of title 41.


**CODIFICATION**


**ABOLITION OF THE FEDERAL COORDINATING COUNCIL FOR SCIENCE, ENGINEERING, AND TECHNOLOGY; TRANSFER OF FUNCTIONS**

See note set out under section 6651 of this title.

**REFERENCES IN OTHER LAWS TO GS–16, 17, OR 18 PAY RATES**

References in laws to the rates of pay for GS–16, 17, or 18, or to maximum rates of pay under the General Schedule, to be considered references to rates payable under specified sections of Title 5, Government Organization and Employees, see section 529 (title I, §101(c)(1)) of Pub. L. 101–509, set out in a note under section 5376 of Title 5.

§6617. Coordination with other organizations

(a) Consultation and cooperation with Federal departments and agencies; utilization of consultants; establishment of advisory panels; consultation with State and local agencies, professional groups, and representatives of industry, etc.; hearings; utilization of services, personnel, equipment, etc., of public and private agencies and organizations, and individuals

In exercising his functions under this chapter, the Director shall—

(1) work in close consultation and cooperation with the Domestic Council, the National Security Council, the Office of Homeland Security, the Council on Environmental Quality, the Council of Economic Advisers, the Office of Management and Budget, the National Science Board, and the Federal departments and agencies;

(2) utilize the services of consultants, establish such advisory panels, and, to the extent practicable, consult with State and local governmental agencies, with appropriate professional groups, and with such representatives of industry, the universities, agriculture, labor, consumers, conservation organizations, and such other public interest groups, organizations, and individuals as he deems advisable;

(3) hold such hearings in various parts of the Nation as he deems necessary, to determine the views of the agencies, groups, and organizations referred to in paragraph (2) of this subsection and of the general public, concerning national needs and trends in science and technology; and

(4) utilize with their consent to the fullest extent possible the services, personnel, equipment, facilities, and information (including statistical information) of public and private agencies and organizations, and individuals, in order to avoid duplication of effort and expense, and may transfer funds made available pursuant to this chapter to other Federal agencies as reimbursement for the utilization of such personnel, services, facilities, equipment, and information.

(b) Information from Executive departments, agencies, and instrumentalities

Each department, agency, and instrumentality of the Executive Branch of the Government, including any independent agency, is authorized
§ 6618. Major science and technology proposals

The Director shall identify and provide an annual report to Congress on each major multinational science and technology project, in which the United States is not a participant, which has a total estimated cost greater than $1,000,000,000.


§ 6619. National coordination of research infrastructure

(a) Identification and prioritization of deficiencies in Federal research facilities

Each year the Director of the Office of Science and Technology Policy shall, through the National Science and Technology Council, identify and prioritize the deficiencies in research facilities and major instrumentation located at Federal laboratories and national user facilities at academic institutions that are widely accessible for use by researchers in the United States. In prioritizing such deficiencies, the Director shall consider research needs in areas relevant to the specific mission requirements of Federal agencies.

(b) Planning for acquisition, refurbishment, and maintenance of research facilities and major instrumentation

The Director shall, through the National Science and Technology Council, coordinate the planning by Federal agencies for the acquisition, refurbishment, and maintenance of research facilities and major instrumentation to address the deficiencies identified under subsection (a).

(c) Report

The Director shall submit to Congress each year, together with documents submitted to Congress in support of the budget of the President for the fiscal year beginning in such year (as submitted pursuant to section 1105 of title 31), a report, current as of the fiscal year ending in the year before such report is submitted, setting forth the following:

(1) A description of the deficiencies in research infrastructure identified in accordance with subsection (a).

(2) A list of projects and budget proposals of Federal research facilities, set forth by agency, for major instrumentation acquisitions that are included in the budget proposal of the President.

(3) An explanation of how the projects and instrumentation acquisitions described in paragraph (2) relate to the deficiencies and priorities identified pursuant to subsection (a).


§ 6620. Release of scientific research results

(a) Principles

Not later than 90 days after August 9, 2007, the Director of the Office of Science and Technology Policy, in consultation with the Director of the Office of Management and Budget and the heads of all Federal civilian agencies that conduct scientific research, shall develop and issue an overarching set of principles to ensure the communication and open exchange of data and results to other agencies, policymakers, and the public of research conducted by a scientist employed by a Federal civilian agency to prevent the intentional or unintentional suppression or distortion of such research findings. The principles shall encourage the open exchange of data and results of research undertaken by a scientist employed by such an agency and shall be consistent with existing Federal laws, including chapter 18 of title 35 (commonly known as the “Bayh-Dole Act”). The principles shall also take into consideration the policies of peer-reviewed scientific journals in which Federal scientists may currently publish results.

(b) Implementation

Not later than 180 days after August 9, 2007, the Director of the Office of Science and Technology Policy shall ensure that all civilian Federal agencies that conduct scientific research develop specific policies and procedures regarding the public release of data and results of research conducted by a scientist employed by such an agency consistent with the principles.

EMENDMENTS


Effective Date of 2002 Amendment

Amendment by Pub. L. 107–296 effective 60 days after Nov. 25, 2002, see section 4 of Pub. L. 107–296, set out as an Effective Date note under section 101 of Title 6, Domestic Security.

§ 6618. Major science and technology proposals

The Director shall identify and provide an annual report to Congress on each major multinational science and technology project, in which the United States is not a participant, which has a total estimated cost greater than $1,000,000,000.


Prior Provisions


§ 6619. National coordination of research infrastructure

(a) Identification and prioritization of deficiencies in Federal research facilities

Each year the Director of the Office of Science and Technology Policy shall, through the National Science and Technology Council, identify and prioritize the deficiencies in research facilities and major instrumentation located at Federal laboratories and national user facilities at academic institutions that are widely accessible for use by researchers in the United States. In prioritizing such deficiencies, the Director shall consider research needs in areas relevant to the specific mission requirements of Federal agencies.

(b) Planning for acquisition, refurbishment, and maintenance of research facilities and major instrumentation

The Director shall, through the National Science and Technology Council, coordinate the planning by Federal agencies for the acquisition, refurbishment, and maintenance of research facilities and major instrumentation to address the deficiencies identified under subsection (a).
established under subsection (a). Such policies and procedures shall—

(1) specifically address what is and what is not permitted or recommended under such policies and procedures;

(2) be specifically designed for each such agency;

(3) be applied uniformly throughout each such agency; and

(4) be widely communicated and readily accessible to all employees of each such agency and the public.


CODIFICATION

Section was enacted as part of the America COMPETES Act, also known as the America Creating Opportunities to Meaningfully Promote Excellence in Technology, Education, and Science Act, and not as part of the National Science and Technology Policy, Organization, and Priorities Act of 1976 which comprises this chapter.

§ 6621. Coordination of Federal STEM education

(a) Establishment

The Director shall establish a committee under the National Science and Technology Council, including the Office of Management and Budget, with the responsibility to coordinate Federal programs and activities in support of STEM education, including at the National Science Foundation, the Department of Energy, the National Aeronautics and Space Administration, the National Oceanic and Atmospheric Administration, the Department of Education, and all other Federal agencies that have programs and activities in support of STEM education.

(b) Responsibilities

The committee established under subsection (a) shall—

(1) coordinate the STEM education activities and programs of the Federal agencies;

(2) coordinate STEM education activities and programs with the Office of Management and Budget;

(3) encourage the teaching of innovation and entrepreneurship as part of STEM education activities;

(4) review STEM education activities and programs to ensure they are not duplicative of similar efforts within the Federal government;

(5) develop, implement through the participating agencies, and update once every 5 years a 5-year STEM education strategic plan, which shall—

(A) specify and prioritize annual and long-term objectives;

(B) specify the common metrics that will be used to assess progress toward achieving the objectives;

(C) describe the approaches that will be taken by each participating agency to assess the effectiveness of its STEM education programs and activities; and

(D) with respect to subparagraph (A), describe the role of each agency in supporting programs and activities designed to achieve the objectives;

(6) establish, periodically update, and maintain an inventory of federally sponsored STEM education programs and activities, including documentation of assessments of the effectiveness of such programs and activities and rates of participation by women, underrepresented minorities, and persons in rural areas in such programs and activities;

(7) collaborate with the STEM Education Advisory Panel established under section 303 of the American Innovation and Competitiveness Act and other outside stakeholders to ensure the engagement of the STEM education community;

(8) review the measures used by a Federal agency to evaluate its STEM education activities and programs;

(9) request and review feedback from States on how the States are utilizing Federal STEM education programs and activities; and

(10) recommend the reform, termination, or consolidation of Federal STEM education programs and activities, taking into consideration the recommendations of the STEM Education Advisory Panel.

(c) Responsibilities of OSTP

The Director shall encourage and monitor the efforts of the participating agencies to ensure that the strategic plan under subsection (b)(5) is developed and executed effectively and that the objectives of the strategic plan are met.

(d) Reports

The Director shall transmit a report annually to Congress at the time of the President’s budget request describing the plan required under subsection (b)(5). The annual report shall include—

(1) a description of the STEM education programs and activities for the previous and current fiscal years, and the proposed programs and activities under the President’s budget request, of each participating Federal agency;

(2) the levels of funding for each participating Federal agency for the programs and activities described under paragraph (1) for the previous fiscal year and under the President’s budget request;

(3) an evaluation of the levels of duplication and fragmentation of the programs and activities described under paragraph (1);

(4) except for the initial annual report, a description of the progress made in carrying out the implementation plan, including a description of the outcome of any program assessments completed in the previous year, and any changes made to that plan since the previous annual report;

(5) a description of how the participating Federal agencies will disseminate information about federally supported resources for STEM education practitioners, including teacher professional development programs, to States and to STEM education practitioners, including to teachers and administrators in schools that meet the criteria described in subsection (c)(1)(A) and (B) of section 7381j of this title;

(6) a description of all consolidations and terminations of Federal STEM education programs and activities implemented in the previous fiscal year, including an explanation for the consolidations and terminations;

1So in original. Probably should be “policies”.

(6) establish, periodically update, and maintain an inventory of federally sponsored STEM education programs and activities, including documentation of assessments of the effectiveness of such programs and activities and rates of participation by women, underrepresented minorities, and persons in rural areas in such programs and activities;
(7) recommendations for reforms, consolidations, and terminations of STEM education programs or activities in the upcoming fiscal year; and

(8) a description of any significant new STEM education public-private partnerships.


REFERENCES IN TEXT

Section 303 of the America Innovation and Competitiveness Act, referred to in subsec. (b)(7), is section 303 of Pub. L. 114–329, which is set out as a note under this section.

CODIFICATION

Section was enacted as part of the America COMPETES Reauthorization Act of 2010, also known as the America Creating Opportunities to Meaningfully Promote Excellence in Technology, Education, and Science Reauthorization Act of 2010, and not as part of the National Science and Technology Policy, Organization, and Priorities Act of 1976 which comprises this chapter.

AMENDMENTS

2017—Subsec. (b)(7) to (10). Pub. L. 114–329, §304(a), added pars. (7) to (10).

Subsec. (c), Pub. L. 114–329, §304(b)(2), redesignated subsec. (b) relating to responsibilities of OSTP as (c). Former subsec. (c) redesignated (d).

Subsec. (d), Pub. L. 114–329, §304(b)(1), redesignated subsec. (c) as (d) and substituted “Reports” for “Report” in heading.


STEM EDUCATION ADVISORY PANEL

Pub. L. 114–329, title III, §303, Jan. 6, 2017, 130 Stat. 3004, provided that:

“(a) ESTABLISHMENT.—Not later than 180 days after the date of enactment of this Act [Jan. 6, 2017], the Director of the Foundation, Secretary of Education, Administrator of the National Aeronautics and Space Administration, and Administrator of the National Oceanic and Atmospheric Administration shall jointly establish an advisory panel (referred to in this section as the ‘STEM Education Advisory Panel’) to advise the Committee on STEM Education of the National Science and Technology Council (referred to in this section as CoSTEM) on matters relating to STEM education.

“(b) MEMBERS.—

“. (1) IN GENERAL.—The STEM Education Advisory Panel shall be composed of not less than 11 members.

“. (2) APPOINTMENT.—

“. (A) IN GENERAL.—Subject to subparagraph (B), the Director of the Foundation, in consultation with the Secretary of Education and the heads of the Federal science agencies, shall appoint the members of the STEM Education Advisory Panel.

“. (B) CONSIDERATION.—In selecting individuals to appoint under subparagraph (A), the Director of the Foundation shall seek and give consideration to recommendations from Congress, industry, the scientific community, including the National Academy of Sciences, scientific professional societies, academia, State and local governments, organizations representing individuals identified in section 33 or section 34 of the Science and Engineering Equal Opportunities Act (42 U.S.C. 1885a, 1885b), and such other organizations as the Director considers appropriate.

“(C) QUALIFICATIONS.—Members shall—

“. (i) primarily be individuals from academic institutions, nonprofit organizations, and industry, including in-school, out-of-school, and informal education practitioners; and

“(ii) be individuals who are qualified to provide advice and information on STEM education research, development, training, implementation, interventions, professional development, or workforce needs or concerns.

“(c) RESPONSIBILITIES.—

“. (1) IN GENERAL.—The STEM Education Advisory Panel shall—

“. (A) advise CoSTEM;

“. (B) periodically assess CoSTEM’s progress in carrying out its responsibilities under section 101(b) of the America COMPETES Reauthorization Act of 2010 (42 U.S.C. 6621(b)); and

“. (C) help identify any need or opportunity to update the strategic plan under section 101(b) of that Act.

“. (2) CONSIDERATIONS.—In its advisory role, the STEM Education Advisory Panel shall consider—

“. (A) the management, coordination, and implementation of STEM education programs and activities across the Federal Government;

“. (B) the appropriateness of criteria used by Federal agencies to evaluate the effectiveness of Federal STEM education programs and activities;

“. (C) whether societal and workforce concerns are adequately addressed by current Federal STEM education programs and activities;

“. (D) how Federal agencies can incentivize institutions of higher education to improve retention of STEM students;

“. (E) ways to leverage private and nonprofit STEM investments and encourage public-private partnerships to strengthen STEM education and help build the STEM workforce pipeline;

“. (F) ways to incorporate workforce needs into Federal STEM education programs and activities, particularly for specific employment fields of national interest and employment fields experiencing high unemployment rates;

“. (G) ways to better vertically and horizontally integrate Federal STEM education programs and activities from pre-kindergarten through graduate study and the workforce, and from in-school to out-of-school in order to improve transitions for students moving through the STEM education and workforce pipelines;

“. (H) the extent to which Federal STEM education programs and activities are contributing to recruitment and retention of individuals identified in sections 33 and 34 of the Science and Engineering Equal Opportunities Act (42 U.S.C. 1885a, 1885b) in the STEM education and workforce pipelines; and

“. (I) ways to encourage geographic diversity in the STEM education and the workforce pipelines.

“(3) RECOMMENDATIONS.—The STEM Education Advisory Panel shall make recommendations to improve Federal STEM education programs and activities based on each assessment under paragraph (1)(B).

“(d) FUNDING.—The Director of the Foundation, the Secretary of Education, the Administrator of the National Aeronautics and Space Administration, and the Administrator of the National Oceanic and Atmospheric Administration shall jointly make funds available on an annual basis to support the activities of the STEM Education Advisory Panel.

“(e) REPORTS.—Not later than 1 year after the date of enactment of this Act [Jan. 6, 2017], and after each assessment under subsection (c)(1)(B), the STEM Education Advisory Panel shall submit to the appropriate committees of Congress a report on its assessment under that subsection and its recommendations under subsection (c)(3).

“(f) TRAVEL EXPENSES OF NON-FEDERAL MEMBERS.—

“. (1) IN GENERAL.—Non-Federal members of the STEM Education Advisory Panel, while attending meetings of the panel or while otherwise serving at the request of a co-chairperson away from their homes or regular places of business, may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5702 of title 5, United

Statute 33 and 34 of the Science and Engineering Equal Opportunities Act (42 U.S.C. 1885a, 1885b) in the STEM education and workforce pipelines; and

“(1) IN GENERAL.—The STEM Education Advisory Panel shall—

“(A) advise CoSTEM;

“(B) periodically assess CoSTEM’s progress in carrying out its responsibilities under section 101(b) of the America COMPETES Reauthorization Act of 2010 (42 U.S.C. 6621(b)); and

“(C) help identify any need or opportunity to update the strategic plan under section 101(b) of that Act.

“(2) CONSIDERATIONS.—In its advisory role, the STEM Education Advisory Panel shall consider—

“(A) the management, coordination, and implementation of STEM education programs and activities across the Federal Government;

“(B) the appropriateness of criteria used by Federal agencies to evaluate the effectiveness of Federal STEM education programs and activities;

“(C) whether societal and workforce concerns are adequately addressed by current Federal STEM education programs and activities;

“(D) how Federal agencies can incentivize institutions of higher education to improve retention of STEM students;

“(E) ways to leverage private and nonprofit STEM investments and encourage public-private partnerships to strengthen STEM education and help build the STEM workforce pipeline;

“(F) ways to incorporate workforce needs into Federal STEM education programs and activities, particularly for specific employment fields of national interest and employment fields experiencing high unemployment rates;

“(G) ways to better vertically and horizontally integrate Federal STEM education programs and activities from pre-kindergarten through graduate study and the workforce, and from in-school to out-of-school in order to improve transitions for students moving through the STEM education and workforce pipelines;

“(H) the extent to which Federal STEM education programs and activities are contributing to recruitment and retention of individuals identified in sections 33 and 34 of the Science and Engineering Equal Opportunities Act (42 U.S.C. 1885a, 1885b) in the STEM education and workforce pipelines; and

“(I) ways to encourage geographic diversity in the STEM education and the workforce pipelines.

“(3) RECOMMENDATIONS.—The STEM Education Advisory Panel shall make recommendations to improve Federal STEM education programs and activities based on each assessment under paragraph (1)(B).

“(d) FUNDING.—The Director of the Foundation, the Secretary of Education, the Administrator of the National Aeronautics and Space Administration, and the Administrator of the National Oceanic and Atmospheric Administration shall jointly make funds available on an annual basis to support the activities of the STEM Education Advisory Panel.

“(e) REPORTS.—Not later than 1 year after the date of enactment of this Act [Jan. 6, 2017], and after each assessment under subsection (c)(1)(B), the STEM Education Advisory Panel shall submit to the appropriate committees of Congress a report on its assessment under that subsection and its recommendations under subsection (c)(3).

“(f) TRAVEL EXPENSES OF NON-FEDERAL MEMBERS.—

“(1) IN GENERAL.—Non-Federal members of the STEM Education Advisory Panel, while attending meetings of the panel or while otherwise serving at the request of a co-chairperson away from their homes or regular places of business, may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5702 of title 5, United
Protection Agency, the term ‘STEM education’ means Standards and Technology, and the Environmental Space Administration, the National Oceanic and Administration, the National Aeronautics and that: ‘For purposes of carrying out STEM education in the subjects of science, technology, engineering, and mathematics, including computer science.’

odefinitions

§ 6622. Coordination of advanced manufacturing research and development
(a) Interagency Committee
The Director shall establish or designate a Committee on Technology under the National Science and Technology Council. The Committee shall be responsible for coordinating Federal programs and activities in advanced manufacturing research and development. In furtherance of the Committee’s work, the Committee shall consult with the National Economic Council.

(b) Responsibilities of Committee
The Committee shall—
(1) coordinate the advanced manufacturing research and development programs and activities of the Federal agencies;
(2) establish goals and priorities for advanced manufacturing research and development that will strengthen United States manufacturing;
(3) work with industry organizations, Federal agencies, and Federally Funded Research and Development Centers not represented on the Committee, to identify and reduce regulatory, logistical, and fiscal barriers within the Federal government and State governments that inhibit United States manufacturing;
(4) facilitate the transfer of intellectual property and technology based on federally supported university research into commercialization and manufacturing;
(5) identify technological, market, or business challenges that may best be addressed by public-private partnerships, and are likely to attract both participation and primary funding from industry;
(6) encourage the formation of public-private partnerships to respond to those challenges for transition to United States manufacturing; and
(7) develop and update a national strategic plan for advanced manufacturing in accordance with subsection (c).

(c) National strategic plan for advanced manufacturing
(1) In general
The President shall submit to Congress, and publish on an Internet website that is accessible to the public, the strategic plan developed under paragraph (2).

(2) Development
The Committee shall develop, and update as required under paragraph (4), in coordination with the National Economic Council, a strategic plan to improve Government coordination and provide long-term guidance for Federal programs and activities in support of United States manufacturing competitiveness, including advanced manufacturing research and development.

(3) Contents
The strategic plan described in paragraph (2) shall—
(A) specify and prioritize near-term and long-term objectives, including research and development objectives, the anticipated time frame for achieving the objectives, and the metrics for use in assessing progress toward the objectives;
(B) describe the progress made in achieving the objectives from prior strategic plans, including a discussion of why specific objectives were not met;
(C) specify the role, including the programs and activities, of each relevant Federal agency in meeting the objectives of the strategic plan;
(D) describe how the Federal agencies and Federally funded research and development centers supporting advanced manufacturing research and development will foster the transfer of research and development results into new manufacturing technologies and United States-based manufacturing of new products and processes for the benefit of society to ensure national, energy, and economic security;
(E) describe how such Federal agencies and centers will strengthen all levels of manufacturing education and training programs to ensure an adequate, well-trained workforce;
(F) describe how such Federal agencies and centers will assist small and medium-sized manufacturers in developing and implementing new products and processes;
(G) analyze factors that impact innovation and competitiveness for United States advanced manufacturing, including—
(i) technology transfer and commercialization activities;
(ii) the adequacy of the national security industrial base;
(iii) the capabilities of the domestic manufacturing workforce;
(iv) export opportunities and trade policies;
(v) financing, investment, and taxation policies and practices;
(vi) emerging technologies and markets;
(vii) advanced manufacturing research and development undertaken by competing nations; and
(viii) the capabilities of the manufacturing workforce of competing nations; and

(H) elicit and consider the recommendations of a wide range of stakeholders, including representatives from diverse manufacturing companies, academia, and other relevant organizations and institutions.

(4) Updates

Not later than May 1, 2018, and not less frequently than once every 4 years thereafter, the President shall submit to Congress, and publish on an Internet website that is accessible to the public, an update of the strategic plan submitted under paragraph (1). Such updates shall be developed in accordance with the procedures set forth under this subsection.

(5) Requirement to consider strategy in the budget

In preparing the budget for a fiscal year under section 1105(a) of title 31, the President shall include information regarding the consistency of the budget with the goals and recommendations included in the strategic plan developed under this subsection applying to that fiscal year.

(6) AMP steering committee input

The Advanced Manufacturing Partnership Steering Committee of the President’s Council of Advisors on Science and Technology shall provide input, perspective, and recommendations to assist in the development and updates of the strategic plan under this subsection.

§ 6623. Interagency public access committee

(a) Establishment

The Director shall establish a working group under the National Science and Technology Council with the responsibility to coordinate Federal science agency research and policies related to the dissemination and long-term stewardship of the results of unclassified research, including digital data and peer-reviewed scholarly publications, supported wholly, or in part, by funding from the Federal science agencies.

(b) Responsibilities

The working group shall—

(1) identify the specific objectives and public interests that need to be addressed by any policies coordinated under (a);

(2) take into account inherent variability among Federal science agencies and scientific disciplines in the nature of research, types of data, and dissemination models;

(3) coordinate the development or designation of standards for research data, the structure of full text and metadata, navigation tools, and other applications to maximize interoperability across Federal science agencies, across science and engineering disciplines, and between research data and scholarly publications, taking into account existing consensus standards, including international standards;

(4) coordinate Federal science agency programs and activities that support research and education on tools and systems required to ensure preservation and stewardship of all forms of digital research data, including scholarly publications;

(5) work with international science and technology counterparts to maximize interoperability between United States based unclassified research databases and international databases and repositories;

(6) solicit input and recommendations from, and collaborate with, non-Federal stakeholders, including the public, universities, non-profit and for-profit publishers, libraries, federally funded and non federally funded research scientists, and other organizations and institutions with a stake in long-term preservation and access to the results of federally funded research;

(7) establish priorities for coordinating the development of any Federal science agency

\[1\] So in original. Probably should be “non-federally.”
policies related to public access to the results of federally funded research to maximize the benefits of such policies with respect to their potential economic or other impact on the science and engineering enterprise and the stakeholders thereof;

(8) take into consideration the distinction between scholarly publications and digital data;

(9) take into consideration the role that scientific publishers play in the peer review process in ensuring the integrity of the record of scientific research, including the investments and added value that they make; and

(10) examine Federal agency practices and procedures for providing research reports to the agencies charged with locating and preserving unclassified research.

(c) Patent or copyright law

Nothing in this section shall be construed to undermine any right under the provisions of title 17 or 35.

(d) Application with existing law

Nothing defined in section (b) shall be construed to affect existing law with respect to Federal science agencies’ policies related to public access.

(e) Report to Congress

Not later than 1 year after January 4, 2011, the Director shall transmit a report to Congress describing—

(1) the specific objectives and public interest identified under (b)(1);

(2) any priorities established under subsection (b)(7);

(3) the impact the policies described under (a) have had on the science and engineering enterprise and the stakeholders, including the financial impact on research budgets;

(4) the status of any Federal science agency policies related to public access to the results of federally funded research; and

(5) how any policies developed or being developed by Federal science agencies, as described in subsection (a), incorporate input from the non-Federal stakeholders described in subsection (b)(6).

(f) Federal science agency defined

For the purposes of this section, the term “Federal science agency” means any Federal agency with an annual extramural research expenditure of over $100,000,000.


§ 6624. Federal scientific collections

(a) Management of scientific collections

The Office of Science and Technology Policy shall develop policies for the management and use of Federal scientific collections to improve the quality, organization, access, including online access, and long-term preservation of such collections for the benefit of the scientific enterprise. In developing those policies the Office of Science and Technology Policy shall consult, as appropriate, with—

(1) Federal agencies with such collections; and

(2) representatives of other organizations, institutions, and other entities not a part of the Federal Government that have a stake in the preservation, maintenance, and accessibility of such collections, including State and local government agencies, institutions of higher education, museums, and other entities engaged in the acquisition, holding, management, or use of scientific collections.

(b) Clearinghouse

The Office of Science and Technology Policy, in consultation with relevant Federal agencies, shall ensure the development of an online clearinghouse for information on the contents of and access to Federal scientific collections.

(c) Disposal of collections

The policies developed under subsection (a) shall—

(1) require that, before disposing of a scientific collection, a Federal agency shall—

(A) conduct a review of the research value of the collection; and

(B) consult with researchers who have used the collection, and other potentially interested parties, concerning—

(i) the collection’s value for research purposes; and

(ii) possible additional educational uses for the collection; and

(2) include procedures for Federal agencies to transfer scientific collections they no longer need to researchers at institutions or other entities qualified to manage the collections.

(d) Cost projections

The Office of Science and Technology Policy, in consultation with relevant Federal agencies, shall develop a common set of methodologies to be used by Federal agencies for the assessment and projection of costs associated with the management and preservation of their scientific collections.

(e) Scientific collection defined

In this section, the term “scientific collection” means a set of physical specimens, living or inanimate, created for the purpose of supporting science and serving as a long-term research asset, rather than for their market value as collectibles or their historical, artistic, or cultural significance, and, as appropriate and feasible, the associated specimen data and materials.

§ 6625. Coordination of international science and technology partnerships

(a) Short title
This section may be cited as the "International Science and Technology Cooperation Act of 2016".

(b) Establishment
The Director of the Office of Science and Technology Policy shall establish a body under the National Science and Technology Council with the responsibility to identify and coordinate international science and technology cooperation that can strengthen the United States science and technology enterprise, improve economic and national security, and support United States foreign policy goals.

(c) NSTC body leadership
The body established under subsection (b) shall be co-chaired by senior level officials from the Office of Science and Technology Policy and the Department of State.

(d) Responsibilities
The body established under subsection (b) shall—
(1) plan and coordinate interagency international science and technology cooperative research and training activities and partnerships supported or managed by Federal agencies;
(2) work with other National Science and Technology Council committees to help plan and coordinate the international component of national science and technology priorities;
(3) establish Federal priorities and policies for aligning, as appropriate, international science and technology cooperative research and training activities and partnerships supported or managed by Federal agencies with the foreign policy goals of the United States;
(4) identify opportunities for new international science and technology cooperative research and training partnerships that advance both the science and technology and the foreign policy priorities of the United States;
(5) in carrying out paragraph (4), solicit input and recommendations from non-Federal science and technology stakeholders, including institutions of higher education, scientific and professional societies, industry, and other relevant organizations and institutions; and
(6) identify broad issues that influence the ability of United States scientists and engineers to collaborate with foreign counterparts, including barriers to collaboration and access to scientific information.

(e) Report to Congress
The Director of the Office of Science and Technology Policy shall submit to the Committee on Commerce, Science, and Transportation and the Committee on Foreign Relations of the Senate and the Committee on Science, Space, and Technology and the Committee on Foreign Affairs of the House of Representatives a report that lists and describes the details of all foreign travel by Office of Science and Technology Policy staff and detailees.

(f) Website
The Director shall make each report available to the public on the Office of Science and Technology Policy website.

(g) Termination
The body established under subsection (b) shall terminate on the date that is 10 years after January 6, 2017.

(h) Additional reports to Congress
The Director of the Office of Science and Technology Policy shall submit, not later than 60 days after January 6, 2017, and annually thereafter, to the Committee on Commerce, Science, and Transportation and the Committee on Foreign Relations of the Senate and the Committee on Science, Space, and Technology and the Committee on Foreign Affairs of the House of Representatives a report that lists and describes the details of all foreign travel by Office of Science and Technology Policy staff and detailees.

§ 6626. Working group on inclusion in STEM fields

(a) Establishment
The Office of Science and Technology Policy, in collaboration with Federal departments and agencies, shall establish an interagency working group to compile and summarize available research and best practices on how to promote diversity and inclusion in STEM fields and examine whether barriers exist to promoting diversity and inclusion within Federal agencies employing scientists and engineers.

(b) Responsibilities
The working group shall be responsible for reviewing and assessing research, best practices, and policies across Federal science agencies related to the inclusion of individuals identified in sections 1885a and 1885b of this title in the Federal STEM workforce, including available research and best practices on how to promote diversity and inclusion in STEM fields, including—
(1) policies providing flexibility for scientists and engineers that are also caregivers, particularly on the timing of research grants;
(2) policies to address the proper handling of claims of sexual harassment;
(3) policies to minimize the effects of implicit bias and other systemic factors in hiring, promotion, evaluation and the workplace in general; and

(4) other evidence-based strategies that the working group considers effective for promoting diversity and inclusion in the STEM fields.

(c) Stakeholder input

In carrying out the responsibilities under section (b), the working group shall solicit and consider input and recommendations from non-Federal stakeholders, including—

(1) the Council of Advisors on Science and Technology;

(2) federally funded and non-federally funded researchers, institutions of higher education, scientific disciplinary societies, and associations;

(3) nonprofit research institutions;

(4) industry, including small businesses;

(5) federally funded research and development centers;

(6) non-governmental organizations; and

(7) such other members of the public interested in promoting a diverse and inclusive Federal STEM workforce.

(d) Public reports

Not later than 1 year after January 6, 2017, and periodically thereafter, the working group shall publish a report on the review and assessment under subsection (b), including a summary of available research and best practices, any recommendations for Federal actions to promote a diverse and inclusive Federal STEM workforce, and updates on the implementation of previous recommendations for Federal actions.

(e) Termination

The interagency working group established under subsection (a) shall terminate on the date that is 10 years after the date that it is established.


CODIFICATION

Section was enacted as part of the American Innovation and Competitiveness Act, and not as part of the National Science and Technology Policy, Organization, and Priorities Act of 1976 which comprises this chapter.

DEFINITIONS

For definitions of terms used in this section, see section 2 of Pub. L. 114–329, set out as a note under section 1862a of this title.

SUBCHAPTER III—PRESIDENT’S COMMITTEE ON SCIENCE AND TECHNOLOGY

§6631. Establishment of Committee

The President shall establish within the Executive Office of the President a President’s Committee on Science and Technology (hereinafter referred to as the “Committee”).


ABOLITION OF PRESIDENT’S COMMITTEE ON SCIENCE AND TECHNOLOGY; TRANSFER OF FUNCTIONS

The President’s Committee on Science and Technology, established pursuant to this subchapter, was abolished and its functions transferred to the President, by Reorg. Plan No. 1 of 1977, §5A, 42 F.R. 56101, 91 Stat. 1634, set out in the Appendix to Title 5, Government Organization and Employees, effective Feb. 26, 1978, as provided by section 1(b) of Ex. Ord. No. 12039, Feb. 24, 1978, 43 F.R. 8095, set out under section 6601 of this title.

§6632. Membership of Committee

(a) Composition; appointment

The Committee shall consist of—

(1) the Director of the Office of Science and Technology Policy established under subchapter II of this chapter; and

(2) not less than eight nor more than fourteen other members appointed by the President not more than sixty days after the Director has assumed office (as provided in section 6612 of this title).

(b) Qualifications

Members of the Committee appointed by the President pursuant to subsection (a)(2) of this section shall—

(1) be qualified and distinguished in one or more of the following areas: science, engineering, technology, information dissemination, education, management, labor, or public affairs; and

(2) be capable of critically assessing the policies, priorities, programs, and activities of the Nation, with respect to the findings, policies, and purposes set forth in subchapter I; and

(3) shall collectively constitute a balanced composition with respect to (A) fields of science and engineering, (B) academic, industrial, and government experience, and (C) business, labor, consumer, and public interest points of view.

(c) Chairman; Vice Chairman

The President shall appoint one member of the Committee to serve as Chairman and another member to serve as Vice Chairman for such periods as the President may determine.

(d) Compensation

Each member of the Committee who is not an officer of the Federal Government shall, while serving on business of the Committee, be entitled to receive compensation at a rate not to exceed the daily rate prescribed for GS–18 of the General Schedule under section 5332 of title 5, including traveltime, and while so serving away from his home or regular place of business he may be allowed travel expenses, including per diem in lieu of subsistence, in the same manner as the expenses authorized by section 5703(b) of title 5 for persons in Government service employed intermittently.


REFERENCES IN TEXT

Section 5703 of title 5, referred to in subsec. (d), was amended generally by Pub. L. 94–22, §4, May 19, 1975, 89 Stat. 95, and, as so amended, does not contain a subsec. (b).

ABOLITION OF PRESIDENT’S COMMITTEE ON SCIENCE AND TECHNOLOGY; TRANSFER OF FUNCTIONS

See note set out under section 6631 of this title.

1See References in Text note below.
§ 6633. Federal science, engineering, and technology survey; reports

(a) The Committee shall survey, examine, and analyze the overall context of the Federal science, engineering, and technology effort including missions, goals, personnel, funding, organization, facilities, and activities in general, taking adequate account of the interests of individuals and groups that may be affected by Federal scientific, engineering, and technical programs, including, as appropriate, consultation with such individuals and groups. In carrying out its functions under this section, the Committee shall, among other things, consider needs for—

(1) organizational reform, including institutional realignment designed to place Federal agencies whose missions are primarily or solely devoted to scientific and technological research and development, and those agencies primarily or solely concerned with fuels, energy, and materials, within a single cabinet-level department;

(2) improvements in existing systems for handling scientific and technical information on a Government-wide basis, including consideration of the appropriate role to be played by the private sector in the dissemination of such information;

(3) improved technology assessment in the executive branch of the Federal Government;

(4) improved methods for effecting technology innovation, transfer, and use;

(5) stimulating more effective Federal-State and Federal-industry liaison and cooperation in science and technology, including the formation of Federal-State mechanisms for the mutual pursuit of this goal;

(6) reduction and simplification of Federal regulations and administrative practices and procedures which may have the effect of retarding technological innovation or opportunities for its utilization;

(7) a broader base for support of basic research;

(8) ways of strengthening the Nation’s academic institutions’ capabilities for research and education in science and technology;

(9) ways and means of effectively integrating scientific and technological factors into our national and international policies;

(10) technology designed to meet community and individual needs;

(11) maintenance of adequate scientific and technological manpower with regard to both quality and quantity;

(12) improved systems for planning and analysis of the Federal science and technology programs; and

(13) long-range study, analysis, and planning in regard to the application of science and technology to major national problems or concerns.

(b)(1) Within twelve months from the time the Committee is activated in accordance with section 6632(a) of this title, the Committee shall issue an interim report of its activities and operations to date. Not more than twenty-four months from the time the Committee is activated, the Committee shall submit a final report of its activities, findings, conclusions, and recommendations, including such supporting data and material as may be necessary, to the President.

(2) The President, within sixty days of receipt thereof, shall transmit each such report to each House of Congress together with such comments, observations, and recommendations thereon as he deems appropriate.


§ 6634. Continuation of Committee

(a) Ninety days after submission of the final report prepared under section 6633 of this title, the Committee shall cease to exist, unless the President, before the expiration of the ninety-day period, makes a determination that it is advantageous for the Committee to continue in being.

(b) If the President determines that it is advantageous for the Committee to continue in being, (1) the Committee shall exercise such functions as are prescribed by the President; and (2) the members of the Committee shall serve at the pleasure of the President.


§ 6635. Staff and consultant support

(a) In the performance of its functions under sections 6633 and 6634 of this title, the Committee is authorized—

(1) to select, appoint, employ, and fix the compensation of such specialists and other experts as may be necessary for the carrying out of its duties and functions, and to select, appoint, and employ, subject to the civil service laws, such other officers and employees as may be necessary for carrying out its duties and functions; and

(2) to provide for participation of such civilian and military personnel as may be detailed to the Committee pursuant to subsection (b) of this section for carrying out the functions of the Committee.

(b) Upon request of the Committee, the head of any Federal department, agency, or instrumentality is authorized (1) to furnish to the Committee such information as may be necessary for carrying out its functions and as may be available to or procurable by such department, agen-
cy, or instrumentality, and (2) to detail to temporary duty with the Committee on a reimbursable basis such personnel within his administrative jurisdiction as it may need or believe to be useful for carrying out its functions. Each such detail shall be without loss of seniority, pay, or other employee status, to civilian employees so detailed, and without loss of status, rank, office, or grade, or of any emolument, perquisite, right, privilege, or benefit incident thereto to military personnel so detailed. Each such detail shall be made pursuant to an agreement between the Chairman and the head of the relevant department, agency, or instrumentality, and shall be in accordance with the provisions of subchapter III of chapter 33, title 5.


ABOLITION OF PRESIDENT’S COMMITTEE ON SCIENCE AND TECHNOLOGY; TRANSFER OF FUNCTIONS

See note set out under section 6631 of this title.

SUBCHAPTER IV—FEDERAL COORDINATING COUNCIL FOR SCIENCE, ENGINEERING, AND TECHNOLOGY

§ 6651. Establishment, membership, and functions of Council

(a) Designation

There is established the Federal Coordinating Council for Science, Engineering, and Technology (hereinafter referred to as the “Council”).

(b) Composition

The Council shall be composed of the Director of the Office of Science and Technology Policy and one representative of each of the following Federal agencies: Department of Agriculture, Department of Commerce, Department of Defense, Department of Health and Human Services, Department of Housing and Urban Development, Department of the Interior, Department of State, Department of Transportation, Department of Veterans Affairs, National Aeronautics and Space Administration, National Science Foundation, Environmental Protection Agency, and Department of Energy. Each such representative shall be an official of policy rank designated by the head of the Federal agency concerned.

(c) Chairman

The Director of the Office of Science and Technology Policy shall serve as Chairman of the Council. The Chairman may designate another member of the Council to act temporarily in the Chairman’s absence as Chairman.

(d) Participation of unnamed Federal agencies in meetings; invitations to attend meetings

The Chairman may (1) request the head of any Federal agency not named in subsection (b) of this section to designate a representative to participate in meetings or parts of meetings of the Council concerned with matters of substantial interest to such agency, and (2) invite other persons to attend meetings of the Council.

(e) Consideration of problems and developments affecting more than one Federal agency; recommendations

The Council shall consider problems and developments in the fields of science, engineering, and technology and related activities affecting more than one Federal agency, and shall recommend policies and other measures designed to—

(1) provide more effective planning and administration of Federal scientific, engineering, and technological programs,
(2) identify research needs including areas requiring additional emphasis,
(3) achieve more effective utilization of the scientific, engineering, and technological resources and facilities of Federal agencies, including the elimination of unwarranted duplication, and
(4) further international cooperation in science, engineering, and technology.

(f) Other advisory duties

The Council shall perform such other related advisory duties as shall be assigned by the President or by the Chairman.

(g) Assistance to Council by agency represented thereon

For the purpose of carrying out the provisions of this section, each Federal agency represented on the Council shall furnish necessary assistance to the Council. Such assistance may include—

(1) detailing employees to the Council to perform such functions, consistent with the purposes of this section, as the Chairman may assign to them, and
(2) undertaking, upon request of the Chairman, such special studies for the Council as come within the functions herein assigned.

(h) Establishment of subcommittees and panels

For the purpose of conducting studies and making reports as directed by the Chairman, standing subcommittees and panels of the Council may be established.


AMENDMENTS

1996—Subsec. (h). Pub. L. 104–127 struck out after first sentence “Among such standing subcommittees and panels of the Council shall be the Subcommittee on Food, Agricultural, and Forestry Research. This subcommittee shall review Federal research and development programs relevant to domestic and world food and fiber production and distribution, promote planning and coordination of this research in the Federal Government, and recommend policies and other measures concerning the food and agricultural sciences for the consideration of the Council. The subcommittee shall include, but not be limited to, representatives of each of the following departments or agencies: the Department of Agriculture, the Department of State, the Department of Defense, the Department of the Interior, the Department of Commerce, the Department of Health and Human Services, the National Science Foundation, the National Oceanic and Atmospheric Administration, the National Aeronautics and Space Administration, the Office of Science and Technology Policy, and the Energy Research and Development Administration.”
the Department of Health and Human Services, the National Oceanic and Atmospheric Administration, the Department of Energy, the National Science Foundation, the Environmental Protection Agency, and the Tennessee Valley Authority. The principal representative of the Department of Agriculture shall serve as the chairman of the subcommittee.\(^1\)

1981—Subsec. (b), Pub. L. 97–98 substituted “Department of Veterans Affairs” for “Veterans’ Administration”.

1976; 1977—Subsec. (b), Pub. L. 94–282 substituted “Department of Veterans Affairs” for “Veterans’ Administration”.


1977—Subsec. (b), Pub. L. 95–113 inserted provisions relating to Subcommittee on Food and Renewable Resources.

**Effective Date of 1961 Amendment**


**Effective Date of 1977 Amendment**


**Transfer of Functions**

“Department of Energy” substituted for “Energy Research and Development Administration” in subsec. (b) pursuant to sections 301(a), 703, and 707 of Pub. L. 95–91, which are classified to sections 7151(a), 7293, and 7297 of this title and which terminated Energy Research and Development Administration and transferred its functions (with certain exceptions) to Secretary of Energy.

**Abolition of Federal Coordinating Council for Science, Engineering, and Technology; Transfer of Functions**

The Federal Coordinating Council for Science, Engineering, and Technology, established pursuant to this section, was abolished and its functions transferred to the President by Reorg. Plan No. 1 of 1977, § 5A, 42 F.R. 19777, as effective Dec. 31, 2000, and that the Panel ceased to be effective Dec. 31, 2000, and that the National Critical Technologies Panel established by this subchapter terminated on that date.

**Sections 6681 to 6685. Omitted**

**Codification**

Sections 6681 to 6685 were omitted pursuant to section 6685 which provided that sections 6681 to 6685 ceased to be effective Dec. 31, 2000, and that the National Critical Technologies Panel established by this subchapter terminated on that date.

**§ 6686. Science and Technology Policy Institute**

(a) Establishment

There shall be established a federally funded research and development center to be known as the “Science and Technology Policy Institute” (hereinafter in this section referred to as the “Institute”).

(b) Incorporation

The Institute shall be—

(1) administered as a separate entity by an organization currently managing another federally funded research and development center; or

(2) incorporated as a nonprofit membership corporation.

(c) Duties

The duties of the Institute shall include the following:

(1) The assembly of timely and authoritative information regarding significant developments and trends in science and technology research and development in the United States and abroad, including information relating to the technologies identified in the most recent biennial report submitted to Congress by the President pursuant to section 6683(d)\(^1\) of this title and developing and maintaining relevant informational and analytical tools.

(2) Analysis and interpretation of the information referred to in paragraph (1) with particular attention to the scope and content of

\(^1\) See References in Text note below.
the Federal science and technology research and development portfolio as it affects interagency and national issues.

(3) Initiation of studies and analysis of alternatives available for ensuring the long-term strength of the United States in the development and application of science and technology, including appropriate roles for the Federal Government, State governments, private industry, and institutions of higher education in the development and application of science and technology.

(4) Provision, upon the request of the Director of the Office of Science and Technology Policy, of technical support and assistance—
(A) to the committees and panels of the President’s Council of Advisers on Science and Technology that provide advice to the Executive branch on science and technology policy; and
(B) to the interagency committees and panels of the Federal Government concerned with science and technology.

(d) Consultation on Institute activities

In carrying out the duties referred to in subsection (c), personnel of the Institute shall—
(1) consult widely with representatives from private industry, institutions of higher education, and nonprofit institutions; and
(2) to the maximum extent practicable, incorporate information and perspectives derived from such consultations in carrying out such duties.

(e) Annual reports

The Institute shall submit to the President an annual report on the activities of the Institute under this section. Each report shall be in accordance with requirements prescribed by the President.

(f) Sponsorship

(1) The Director of the National Science Foundation shall be the sponsor of the Institute.

(2) The Director of the National Science Foundation, in consultation with the Director of Office of Science and Technology Policy, shall enter into a sponsoring agreement with respect to the Institute. The sponsoring agreement shall require that the Institute carry out such functions as the Director of Office of Science and Technology Policy may specify, consistent with the duties referred to in subsection (c). The sponsoring agreement shall be consistent with the general requirements prescribed for such a sponsoring agreement by the Administrator for Federal Procurement Policy.


REFERENCES IN TEXT

Section 6683 of this title, referred to in subsection (c)(1), was omitted from the Code.
§ 6687  TITLE 42—THE PUBLIC HEALTH AND WELFARE  Page 6296

Subsec. (f)(2). Pub. L. 105–207, § 208(a)(4), which directed the substitution of “Director of Office of Science and Technology Policy” for “Chairman of Committee” each place appearing, was executed by making the substitution for “Chairman of the committee” in two places to reflect the probable intent of Congress.

Pub. L. 105–207, § 208(a)(7), substituted “subsection (c)” for “subsection (d)”.
1993—Subsec. (c). Pub. L. 103–160 amended heading and text of subsec. (c) generally. Prior to amendment, text consisted of pars. (1) to (4) relating to the composition, designation of chairman, terms of service, and meetings of the Operating Committee.
1991—Pub. L. 102–190 amended section generally, substituting present provisions for provisions establishing “Critical Technologies Institute” and providing for incorporation, Board of Trustees, duties of Institute, sponsorship of Institute, deadline for certain actions, and funding.
Subsec. (g)(1). Pub. L. 102–25, § 704(a)(5)(A), substituted “appropriated pursuant to this Act” for “available for the Department of Defense” and struck out “in the first fiscal year in which the Institute begins operations” after “activities of the Institute”.
Subsec. (g)(2). Pub. L. 102–25, § 704(a)(5)(B), struck out “for each fiscal year after the fiscal year referred to in paragraph (1)” after “for the Institute”.

Effective Date of 1991 Amendments
“(3) The sponsoring agreement required by subsection (g) of section 822 of Public Law 101–510 [subsec. (g) of this section], as amended by paragraph (1), shall be entered into not later than February 15, 1992.”
Amendment by Pub. L. 102–25 applicable as if included in enactment of Pub. L. 101–510, see section 704(e) of Pub. L. 102–25, set out as a note under section 12321 of Title 10, Armed Forces.

Authorization of Appropriations
Pub. L. 102–190, title VIII, §§ 822(d)(2), Dec. 5, 1991, 105 Stat. 1435, provided that: “There is authorized to be appropriated for each fiscal year after fiscal year 1991 for this Institute such sums as may be necessary for the operation of the Institute.”

References to Critical Technologies Institute
Pub. L. 105–207, title II, § 208(b), July 29, 1998, 112 Stat. 878, provided that: “All references in Federal law or regulations to the Critical Technologies Institute shall be considered to be references to the Science and Technology Policy Institute.”

§ 6687. Critical technology strategies
(a) Requirement for critical technology strategies
(1) The President shall develop and revise as needed a multiyear strategy for federally supported research and development for each critical technology designated by the President. In designing critical technology strategies for the purpose of this section, the President shall begin with the national critical technologies listed in a biennial report on national critical technologies submitted to Congress by the President pursuant to section 6683(d) of this title. A critical technology strategy may cover more than one critical technology.
(2) The President shall assign responsibilities and develop procedures for conducting executive branch activities to carry out this section.
(3) During the development of a critical technology strategy, the President shall provide for the following:
(A) The development of goals and objectives for the appropriate Federal role in the development of the critical technology or technologies that the President expects to be covered by the strategy.
(B) Close consultation with appropriate representatives of United States industries, members of industry associations, representatives of labor organizations in the United States, members of professional and technical societies in the United States and other persons who are qualified to provide advice and assistance in the development of such critical technology or technologies.
(C) The development of an organizational structure within the Federal Government that is appropriate for coordinating, managing, and reviewing the Federal Government’s role in the implementation of the strategy, including allocating roles among Federal departments and agencies.
(D) The development of policies and procedures for synergistic government, industrial, and university participation in the implementation of the strategy.
(E) The development of Federal budget estimates for research and development regarding the critical technology or technologies covered by the strategy for the first five fiscal years covered by that strategy.

(b) Report
Not later than February 15 of each year, beginning in 1993, the President shall submit to Congress an annual report describing the implementation of subsection (a). The annual report shall include the following:
(1) For each critical technology designated by the President for the purpose of subsection (a), a description of the progress made in implementing subsection (a) during the fiscal year preceding the fiscal year in which the report is submitted.
(2) A description of each proposed program, if any, for further implementing subsection (a) with respect to a critical technology through the date for the submission of the next annual report.
(3) A copy of each strategy, if any, completed or revised pursuant to subsection (a) during the fiscal year covered by the report.

References in Text
Section 6683 of this title, referred to in subsec. (a)(1), was omitted from the Code.

Codification
Section was enacted as part of the National Defense Authorization Act for Fiscal Years 1992 and 1993, and

1See References in Text note below.
not as part of the National Science and Technology Policy, Organization, and Priorities Act of 1976 which comprises this chapter.

CHAPTER 80—PUBLIC WORKS EMPLOYMENT

SUBCHAPTER I—LOCAL PUBLIC WORKS

§ 6701. Definitions

As used in this subchapter, the term—

(1) “Secretary” means the Secretary of Commerce, acting through the Economic Development Administration.

(2) “State” includes the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, and the Trust Territory of the Pacific Islands.

(3) “Local government” means any city, town, parish, or other political subdivision of a State, and any Indian tribe.

(4) “Public works project” includes a project for the transportation and provision of water to a drought-stricken area.

§ 6703. Grants supplementing Federal contributions under other Federal laws; Federal share

In addition to the grants otherwise authorized by this chapter, the Secretary is authorized to make a grant for the purpose of increasing the Federal contribution to a public works project for which Federal financial assistance is authorized under provisions of law other than this chapter. Any grant made for a public works project under this section shall be in such amount as may be necessary to make the Federal share of the cost of such project 100 percent. No grant shall be made for a project under this section unless the Federal financial assistance for such project authorized under provisions of law other than this chapter is immediately available for such project and construction of such project has not yet been initiated because of lack of funding for the non-Federal share.


§ 6704. Grants providing State or local contributions required under State or local law

In addition to the grants otherwise authorized by this chapter, the Secretary is authorized to make a grant for the purpose of providing all or any portion of the required State or local share of the cost of any public works project for which financial assistance is authorized under any provision of State or local law requiring such contribution. Any grant made for a public works project under this section shall be made in such amount as may be necessary to provide the requested State or local share of the cost of such project. A grant shall be made under this section for either the State or local share of the cost of the project, but not both shares. No grant shall be made for a project under this section unless the share of the financial assistance for such project (other than the share with respect to which a grant is requested under this section) is immediately available for such project and construction of such project has not yet been initiated.


§ 6705. Limitations on use of grants

(a) Projects relating to natural watercourse or canals

No grant shall be made under section 6702, 6703, or 6704 of this title for any project having as its principal purpose the channelization, damming, diversion, or dredging of any natural watercourse, or the construction or enlargement of any canal (other than a canal or raceway designated for maintenance as an historic site) and having as its permanent effect the channelization, damming, diversion, or dredging of such watercourse or construction or enlargement of any canal (other than a canal or raceway designated for maintenance as an historic site).

(b) Acquisition of interest in real property

No part of any grant made under section 6702, 6703, or 6704 of this title shall be used for the acquisition of any interest in real property.

(c) Maintenance costs

Nothing in this chapter shall be construed to authorize the payment of maintenance costs in connection with any projects constructed (in whole or in part) with Federal financial assistance under this chapter.

(d) Commencement of on-site labor within 90 days of project approval as prerequisite

Grants made by the Secretary under this chapter shall be made only for projects for which the applicant gives satisfactory assurances, in such manner and form as may be required by the Secretary and in accordance with such terms and conditions as the Secretary may prescribe, that, if funds are available, on-site labor can begin within ninety days of project approval.

(e) Performance of projects by State or local governments prohibited; competitive bidding; illegal aliens

(1) No part of the construction (including demolition and other site preparation activities), renovation, repair, or other improvement of any public works project for which a grant is made under this chapter after May 13, 1977, shall be performed directly by any department, agency, or instrumentality of any State or local government. Construction of each such project shall be performed by contract awarded by competitive bidding, unless the Secretary shall affirmatively find that, under the circumstances relating to such project, some other method is in the public interest. Contracts for the construction of each project shall be awarded only on the basis of the lowest responsive bid submitted by a bidder meeting established criteria of responsibility. No requirement or obligation shall be imposed as a condition precedent to the award of a contract to such bidder for a project, or to the Secretary’s concurrence in the award of a contract to such bidder, unless such requirement or obligation is otherwise lawful and is specifically set forth in the advertised specifications.

(2) No grant shall be made under this chapter for any local public works project unless the State or local government applying for such grant submits with its application a certification acceptable to the Secretary that no contract will be awarded in connection with such project to any bidder who will employ on such project any alien in the United States in violation of the Immigration and Nationality Act [8 U.S.C. 1101 et seq.] or any other law, convention, or treaty of the United States relating to the immigration, exclusion, deportation, or expulsion of aliens.

(f) Use of products made in United States; minority business enterprises

(1)(A) Notwithstanding any other provision of law, no grant shall be made under this chapter for any local public works project unless only such unmanufactured articles, materials, and supplies as have been mined or produced in the United States, and only such manufactured articles, materials, and supplies as have been manufactured in the United States substantially all from articles, materials, and supplies mined, produced, or manufactured, as the case may be, in the United States, will be used in such project.

(1A) Notwithstanding any other provision of law, no grant shall be made under this chapter for any local public works project unless only such unmanufactured articles, materials, and supplies as have been mined or produced in the United States, and only such manufactured articles, materials, and supplies as have been manufactured in the United States substantially all from articles, materials, and supplies mined, produced, or manufactured, as the case may be, in the United States, will be used in such project.
(B) Subparagraph (A) of this paragraph shall not apply in any case where the Secretary determines it to be inconsistent with the public interest, or the cost to be unreasonable, or if articles, materials, or supplies of the class or kind to be used are produced in sufficient and reasonably available commercial quantities and of a satisfactory quality.

(2) Except to the extent that the Secretary determines otherwise, no grant shall be made under this chapter for any local public works project unless the applicant gives satisfactory assurance to the Secretary that at least 10 per centum of the amount of each grant shall be expended for minority business enterprises. For purposes of this paragraph, the term “minority business enterprise” means a business at least 50 per centum of which is owned by minority group members or, in case of a publicly owned business, at least 51 per centum of the stock of which is owned by minority group members. For the purposes of the preceding sentence, minority group members are citizens of the United States who are Asian American, Native Hawaiian, Pacific Islanders, African American, Hispanic, Native American, or Alaska Natives.

(g) Accessibility standards for handicapped and elderly

No grant shall be made under this chapter for any project for which the applicant does not give assurance satisfactory to the Secretary that the project will be designed and constructed in accordance with the standards for accessibility for public buildings and facilities to the handicapped and elderly under the Act entitled “An Act to insure that certain buildings financed with Federal funds are so designed and constructed as to be accessible to the physically handicapped”, approved August 12, 1968 (42 U.S.C. 4151 et seq.). The Architectural and Transportation Barriers Compliance Board established by the Rehabilitation Act of 1973 (P.L. 93–112) (29 U.S.C. 701 et seq.) is authorized to insure that any construction and renovation done pursuant to any grant made under this chapter complies with the accessibility standards for public buildings and facilities issued under the Act of August 12, 1968.

The Immigration and Nationality Act, referred to in subsec. (e)(2), is act June 27, 1952, ch. 477, 66 Stat. 163, as amended, which is classified principally to chapter 51 (§4151 et seq.) of this title. For complete classification of this Act to the Code, see Short Title note set out under section 4151 of this title and Tables.


**AMENDMENTS**


1977—Subsecs. (e) to (g). Pub. L. 95–28 added subsecs. (e) to (g).

§ 6706. Implementing rules, regulations, and procedures; criteria; employment of disabled and Vietnam-era veterans; determination of applications for grants

The Secretary shall, not later than thirty days after July 22, 1976, prescribe those rules, regulations, and procedures (including application forms) necessary to carry out this chapter. Such rules, regulations, and procedures shall assure that adequate consideration is given to the relative needs of various sections of the country. The Secretary shall consider among other factors (1) the severity and duration of unemployment in proposed project areas, (2) the income levels and extent of underemployment in proposed project area, and (3) the extent to which proposed projects will contribute to the reduction of unemployment. The Secretary, in consultation with the Secretary of Labor, and consistent with existing applicable collective bargaining agreements and practices, shall promulgate regulations to assure special consideration to the employment in projects under this chapter of qualified disabled veterans (as defined in section 4211(1) of title 38) and qualified Vietnam-era veterans (as defined in section 4211(2) of such title 38). The Secretary shall make a final determination with respect to each application for a grant submitted to him under this chapter not later than the sixthtieth day after the date he receives such application. Failure to make such final determination within such period shall be deemed to be an approval by the Secretary of the grant requested. For purposes of this section, in considering the extent of unemployment or underemployment, the Secretary shall consider the amount of unemployment or underemployment in the construction and construction-related industries.

The Immigration and Nationality Act, referred to in subsec. (e)(2), is act June 27, 1952, ch. 477, 66 Stat. 163, as amended, which is classified principally to chapter 51 (§4151 et seq.) of Title 8, Alien and Nationality. For complete classification of this Act to the Code, see Short Title note set out under section 1101 of Title 8 and Tables.

Act of August 12, 1968, entitled “An Act to insure that certain buildings financed with Federal funds are so designed and constructed as to be accessible to the physically handicapped”, referred to in subsec. (g), is Pub. L. 90–480, Aug. 12, 1968, 82 Stat. 718, as amended,

1 So in original. Probably should be “buildings”.
§ 6707. Priority and amounts of projects

(a) Allocation of appropriated funds; Indian tribes and Alaska Native villages; prior applications; unemployment ratio; limits on grants for any one State; territories

The Secretary shall allocate funds appropriated after May 13, 1977, under section 6710 of this title as follows:

(1) 2½ per centum of such funds shall be set aside and shall be expended only for grants for public works projects under this chapter to Indian tribes and Alaska Native villages. None of the remainder of such funds shall be expended for such grants to such tribes and villages.

(2) After the set aside required by paragraph (1) of this subsection, $70,000,000 shall be set aside and expended only for grants for any public works project the application for a grant for which was made under this chapter after July 22, 1976, and before December 24, 1976, and which application was not received, was not considered, or was rejected solely because of an error by an officer or employee of the United States. Any allocation made to an applicant pursuant to regulation shall be reduced by the amount of any grant made to such applicant under this paragraph.

(3) After the set asides required by paragraphs (1) and (2) of this subsection, 65 per centum of such funds shall be allocated among the States on the basis of the ratio that the number of unemployed persons in each State bears to the total number of unemployed persons in all the States and 35 per centum of such funds shall be allocated among those States with an average unemployment rate for the preceding twelve-month period in excess of 6½ per centum on the basis of the relative severity of unemployment in each such State, except that (A) no State shall be allocated less than three-quarters of one per centum or more than 12½ per centum of such funds for local public works projects within such State, except that in the case of Guam, the Virgin Islands, American Samoa, and the Trust Territory of the Pacific Islands, not less than one-half of one per centum in the aggregate shall be granted for such projects in all four of these jurisdictions, and (B) no State whose unemployment data was converted for the first time in 1976 to the benchmark data of the current population survey annual average compiled by the Bureau of Labor Statistics shall receive a percentage of such funds less than the percentage of funds allocated to such State under this chapter from funds appropriated to carry out this chapter prior to May 13, 1977.

(b) Local government projects; energy conservation; endorsement of project by general purpose local government; projects requested by school districts

(1) In making grants under this chapter, the Secretary shall give priority and preference to public works projects of local governments.

(2) In making grants for projects for construction, renovation, repair, or other improvement of buildings, the Secretary shall also give consideration as between such building projects to those projects which will result in conserving energy, including, but not limited to, projects to redesign and retrofit existing public facilities for energy conservation purposes, and projects using alternative energy systems.

(3) In making grants under this chapter, the Secretary shall also give priority and preference to any public works project requested by a State or by a special purpose unit of local government which is endorsed by a general purpose local government within such State.

(4) A project requested by a school district shall be accorded the full priority and preference to public works projects of local governments provided in paragraph (1).

(c) Unemployment rates; priority; States receiving minimum allocations

In making grants under this chapter, if for the twelve most recent consecutive months, the national unemployment rate is equal to or exceeds 6½ per centum, the Secretary shall (1) expedite and give priority to applications submitted by States or local governments having unemployment rates for the twelve most recent consecutive months in excess of the national unemployment rate and (2) shall give priority thereafter to applications submitted by States or local governments having unemployment rates for the twelve most recent consecutive months in excess of 6½ per centum, but less than the national unemployment rate. Information regarding unemployment rates may be furnished either by the Federal Government, or by States or local governments, provided the Secretary determines that the unemployment rates furnished by States or local governments are accurate, and shall provide assistance to States or local governments in the calculation of such rates to insure validity and standardization. The Secretary may waive the application of the first sentence of this subsection to any State which receives a minimum allocation pursuant to paragraph (2) of subsection (a) of this section.

(d) Priorities for projects in State or localities with two or more projects

Whenever a State or local government submits applications for grants under this chapter for two or more projects, such State or local government shall submit as part of such applications its priority for each such project.

(e) Community or neighborhood basis of unemployment rates

The unemployment rate of a local government, for the purposes of this chapter, and upon request of the applicant, be based upon the unemployment rate of any community or neighborhood (defined without regard to political or other subdivisions or boundaries) within the ju-
risdiction of such local government, except that any grant made to a local government based upon the unemployment rate of a community or neighborhood within its jurisdiction must be for a project to be constructed in such community or neighborhood.


(g) Criteria for requests

States and local governments making application under this chapter should (1) relate their specific requests to existing approved plans and programs of a local community development or regional development nature so as to avoid harmful or costly inconsistencies or contradictions; and (2) where feasible, make requests which, although capable of early initiation, will promote or advance longer range plans and programs.

(h) Applications not submitted on or before December 23, 1976; grants prohibited; exceptions

(1) Except as provided in paragraph (2) of this subsection, the Secretary shall not consider or approve or make a grant for any project for which any application was not submitted for a grant under this chapter on or before December 23, 1976.

(2) The Secretary may receive applications for grants for projects under this chapter—

(A) from the Trust Territory of the Pacific Islands;

(B) from Indian tribes and Alaska Native villages;

(C) from any applicant to use any allocation which may be made pursuant to regulation, to the extent necessary to expend such allocation, if a sufficient number of applications were not submitted on or before December 23, 1976, to use such allocation.

(i) Substitution of projects to alleviate drought or other emergency or disaster-related conditions or damage

The Secretary may allow any applicant which has received a grant for a project under this chapter to substitute one or more projects for such project if in the judgment of the Secretary (1) the Federal cost in the aggregate of such substituted project or projects does not exceed such grant, (2) such substituted project or projects comply with section 6705(d) of this title, and (3) such substituted project or projects will in fact aid in alleviating drought or other emergency or disaster-related conditions or damage. Section 6705(a) of this title shall not apply to projects substituted under this subsection.

(j) Private nonprofit health care or rehabilitation facilities

Notwithstanding subsection (h)(1) of this section, grants may be made from appropriations made under section 6710 of this title after September 30, 1977, to States or local governments for projects for the construction, renovation, repair, or other improvements of health care or rehabilitation facilities owned and operated by private nonprofit entities.


AMENDMENTS

1977—Subsec. (a). Pub. L. 95–28, §105, added par. (1) and introductory provisions preceding par. (1), par. (2), and, in par. (3), introductory provisions preceding cl. (A) and cl. (B), designated existing provisions as cl. (A) of par. (3) and, in such cl. (A) so designated, inserted reference to Trust Territory of the Pacific Islands and substituted “three-quarters of one percentum” for “one-half of one percentum” and “of such funds” for “of all amounts appropriated to carry out this subchapter”.

Subsec. (b). Pub. L. 95–28, §106, designated existing provisions as par. (1) and added pars. (2) to (4).

Subsec. (c). Pub. L. 95–28, §107(a), (b), substituted “twelve most recent consecutive months” for “three most recent consecutive months” and authorized the Secretary to waive the application of the first sentence of the subsection to any State which receives a minimum allocation pursuant to subsec. (a)(3) of this section.

Subsec. (d). Pub. L. 95–28, §107(c), (d), substituted provisions directing State or local governments that submit two or more projects to submit as part of their applications the priorities assigned to each project for provisions directing that seventy percentum of all amounts appropriated to carry out this chapter be granted for public works projects submitted by State or local governments given priority under clause (1) of the first sentence of subsec. (c) of this section, with the remaining thirty percentum available for public works projects submitted by State or local governments in other classifications of priority.

Subsec. (e). Pub. L. 95–28, §107(d), substituted “to be constructed in such community or neighborhood” for “of direct benefit to, or provide employment for, unemployed persons who are residents of that community or neighborhood”.

Subsec. (f). Pub. L. 95–28, §107(e), struck out subsec. (f) which directed that, in determining the unemployment rate of a local government for purposes of this section, the unemployment in those adjoining areas from which the labor force for such project might be drawn were to be taken into consideration.

Subsecs. (h) to (j). Pub. L. 95–28, §107(f), added subsecs. (h) to (j).

TERMINATION OF TRUST TERRITORY OF THE PACIFIC ISLANDS

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

§6708. Wage standards for laborers and mechanics; enforcement

All laborers and mechanics employed on projects assisted by the Secretary under this chapter shall be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with sections 3141-3144, 3146, and 3147 of title 40. The Secretary shall not extend any financial assistance under this chapter for such project without first obtaining adequate assurance that these labor standards will be maintained upon the construction work. The Secretary of Labor shall have, with respect to the labor standards specified in this provision, the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176; 64 Stat. 1267), and section 3145 of title 40.

§ 6709. Sex discrimination; prohibition; enforcement

No person shall on the ground of sex be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any project receiving Federal grant assistance under this chapter, including any supplemental grant made under this chapter. This provision will be enforced through agency provisions and rules similar to those already established, with respect to racial and other discrimination under title VI of the Civil Rights Act of 1964 [42 U.S.C. 2000d et seq.]. However, this remedy is not exclusive and will not prejudice or cut off any other legal remedies available to a discriminatee.


References in Text


§ 6710. Authorization of appropriations

There is authorized to be appropriated not to exceed $6,000,000,000 for the period ending December 31, 1978, to carry out this chapter.


Amendments

1977—Pub. L. 95–28 substituted “All laborers and mechanics employed” for “All laborers and mechanics employed by contractors or subcontractors”.

§ 6721. Congressional findings of fact and declaration of policy

The Congress finds—

1. that State and local governments represent a significant segment of the national economy whose economic health is essential to national economic prosperity;

2. that present national economic problems have imposed considerable hardships on State and local governments;

3. that those governments, because of their own fiscal difficulties, are being forced to take budget-related actions which tend to undermine Federal Government efforts to stimulate the economy;

4. that efforts to stimulate the economy through reductions in Federal Government tax obligations are weakened when State and local governments are forced to increase taxes;

5. that the net effect of Federal Government efforts to reduce unemployment through public service jobs is substantially limited if State and local governments use federally financed public service employees to replace regular employees that they have been forced to lay off;

6. that efforts to stimulate the construction industry and reduce unemployment are substantially undermined when State and local governments are forced to cancel or delay the construction of essential capital projects; and

7. that efforts by the Federal Government to stimulate the economic recovery will be substantially enhanced by a program of emergency Federal Government assistance to State and local governments to help prevent those governments from taking budget-related actions which undermine the Federal Government efforts to stimulate economic recovery.


§ 6722. Financial assistance

(a) Payments to State and local governments

The Secretary of the Treasury (hereafter in this subchapter referred to as the “Secretary”) shall, in accordance with the provisions of this subchapter, make payments to States and to local governments to coordinate budget-related actions by such governments with Federal Government efforts to stimulate economic recovery.

(b) Authorization of appropriations

Subject to the provisions of subsections (c) and (d), there are authorized to be appropriated for each of the five succeeding calendar quarters (beginning with the calendar quarter which begins on July 1, 1977) for the purpose of payments under this subchapter—

1. $125,000,000, plus

2. $30,000,000 multiplied by the number of whole one-tenth percentage points by which the rate of seasonally adjusted national unemployment for the most recent calendar quarter which ended three months before the beginning of such quarter exceeded 6 per centum.

(c) Aggregate authorization

In no case shall the aggregate amount authorized to be appropriated under the provisions of
subsection (b) for the five successive calendar quarters beginning with the calendar quarter which begins July 1, 1977, exceed $2,250,000,000.

(d) Termination

No amount is authorized to be appropriated under the provisions of subsection (b) for any calendar quarter if—

(1) the average rate of national unemployment during the most recent calendar quarter which ended three months before the beginning of such calendar quarter did not exceed 6 percent, or

(2) the rate of national unemployment for the last month of the most recent calendar quarter which ended three months before the beginning of such calendar quarter did not exceed 6 percent.


AMENDMENTS

1977—Subsec. (b). Pub. L. 95–30, § 602(a), substituted “July 1, 1977” for “July 1, 1976” in introductory provisions preceding par. (1) and in par. (2) substituted “$30,000,000 multiplied by the number of whole one-tenth” for “$62,500,000 multiplied by the number of one-half” and “such quarter exceeded 6 per centum” for “such calendar quarter exceeded 6 per cent.”

Subsec. (c). Pub. L. 95–30, § 602(b), substituted “five successive calendar quarters beginning with the calendar quarter which begins July 1, 1977, exceed $2,250,000,000” for “five calendar quarters beginning with the calendar quarter which begins July 1, 1976, exceed $1,250,000,000”.

1976—Subsec. (d)(1). Pub. L. 94–447 substituted “6 per cent, or” for “6 percent, or”.

§ 6723. Allocation of amounts

(a) Reservations for eligible States and units of local government

(1) The Secretary shall reserve one-third of the amounts appropriated pursuant to authorization under section 6722 of this title for each calendar quarter for the purpose of making payments to eligible State governments under subsection (b). (2) The Secretary shall reserve two-thirds of such amounts for the purpose of making payments to eligible units of local government under subsection (c).

(b) State allocation; percentage; definitions

(1) The Secretary shall allocate from amounts reserved under subsection (a)(1) an amount for the purpose of making payments to each State equal to the total amount reserved under subsection (a)(1) for the calendar quarter multiplied by the applicable State percentage.

(2) For purposes of this subsection, the applicable State percentage is equal to the quotient resulting from the division of the product of—

(A) the State excess unemployment percentage, multiplied by

(B) the State revenue sharing amount by the sum of such products for all the States.

(3) For the purposes of this section—

(A) the term “State” means each State of the United States;

(B) the State excess unemployment percentage is equal to the difference resulting from

1 See References in Text note below.
(D) the term "local government" means the government of a county, municipality, township, or other unit of government below the State which—

(i) is a unit of general government (determined on the basis of the same principles as are used by the Bureau of the Census for general statistical purposes), and

(ii) performs substantial governmental functions. Such term includes the District of Columbia and also includes the recognized governing body of an Indian tribe or Alaskan Native village which performs substantial governmental functions. Such term does not include the government of a township area unless such government performs substantial governmental functions.

(4) If the amount which would be allocated to any unit of local government under this subsection is less than $100, then no amount shall be allocated for such unit of local government under this subsection. (Pub. L. 94–369, § 203, July 22, 1976, 90 Stat. 1003; Pub. L. 94–447, title II, § 201(2), (3), Oct. 1, 1976, 90 Stat. 1498; Pub. L. 95–30, title VI, § 603(a)–(h), May 23, 1977, 91 Stat. 165, 166.)

REFERENCES IN TEXT

Chapter 67 of title 31, including sections 6701 and 6705 to 6712, referred to in subsecs. (b)(3)(D) and (c)(3)(C), was repealed by Pub. L. 99–272, title XIV, § 1400A(a)(1), Apr. 7, 1986, 100 Stat. 327. See, also, Codification note below.

CODIFICATION

In subsecs. (b)(3)(D) and (c)(3)(C), "sections 6705–6707(a) of title 31" substituted for "section 107 of the State and Local Fiscal Assistance Act of 1972 [31 U.S.C. 1226]", "sections 6701(a)(5), (7), (b)–(d), and 6708–6712 of title 31" substituted for "section 108 of the State and Local Fiscal Assistance Act of 1972 [31 U.S.C. 1227]", and "section 670(a)(1) of title 31" substituted for "section 141(h) of such Act [31 U.S.C. 1261(h)]", respectively, on authority of Pub. L. 97–258, § 4(b), Sept. 13, 1982, 96 Stat. 1075, the first section of which enacted Title 31, Money and Finance. See, also, References in Text note above.

AMENDMENTS

1977—Subsec. (b)(3)(D). Pub. L. 95–30, § 603(a), substituted "for the most recently completed entitlement period, as defined under section 1261(b) of title 31" for "for the one-year period beginning on July 1, 1975". Subsec. (c)(1). Pub. L. 95–30, § 603(b), substituted "paragraph (4)" for "paragraphs (3) and (5)". Subsec. (c)(3). Pub. L. 95–30, § 603(c)–(h), struck out par. (3) which set out special rules for local governments other than identifiable local governments, redesignated par. (4) as (3), substituted "determined or assigned" for "determined" in subpar. (B), substituted provisions covering local governments for which the Secretary of Labor cannot determine a local unemployment rate for provisions covering local governments treated as one local government in subpar. (3), substituted "in such manner as the Secretary prescribes by rule, a statement of assurances. Such rules shall be prescribed by the Secretary not later than ninety days after July 22, 1976. The Secretary may not require any State or local government to file more than one such statement during each fiscal year. Each such statement shall contain—

(1) an assurance that payments made under this subchapter to the State or local government will be used for the maintenance, to the extent practical, of levels of public employment and of basic services customarily provided to persons in that State or in the area under the jurisdiction of that unit of local government which is consistent with the provisions of section 6724 of this title;

(2) an assurance that the State or unit of local government will—

(A) use fiscal, accounting, and audit procedures which conform to guidelines established therefor by the Secretary (after consultation with the Comptroller General of the United States), and

(B) provide to the Secretary (and to the Comptroller General of the United States), on reasonable notice, access to, and the right to examine, such books, documents, papers, or records as the Secretary may rea-
(a)(1) No person in the United States shall, on the ground of race, color, national origin, or sex, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity of a State government or unit of local government, which government or unit receives funds made available under this subchapter. Any prohibition against discrimination on the basis of local government shall also apply to any such program or activity. The Age Discrimination Act of 1975, referred to in subsec. (a)(1), is title III of Pub. L. 94–135, Nov. 28, 1975, 89 Stat. 728, as amended, which is classified generally to chapter 76 (§ 6101 et seq.) of this title. For complete classification of this Act to the Code, see Short Title note set out under section 6101 of this title and Tables.

The Civil Rights Act of 1964, referred to in subsec. (a)(1), is Pub. L. 88–352, July 2, 1964, 78 Stat. 241, as amended, which is classified principally to subchapter I (§ 3601 et seq.) of chapter 45 of title 42, known as the Fair Housing Act, is classified principally to subchapter I (§ 3601 et seq.) of chapter 21 of this title. For complete classification of this Act to the Code, see Short Title note set out under section 2000a of this title and Tables.

"section 122(a) of such Act," and "section 122 of such Act"—Pub. L. 96–272, title XIV, § 14001(a)(1), Apr. 7, 1986, 100 Stat. 327. See, also, Codification note below.

CODIFICATION

In subsec. (b), "sections 6701(a)(2), (3), 6716–6720, 6721, and 6723(f) of title 31" substituted for "sections 122, 124, and 125 of the State and Local Fiscal Assistance Act of 1972 (31 U.S.C. 1242, 1244, 1245)"—"section 6716(a)(c) of title 31" substituted for "section 122(a) of such Act" and also for "subsection (a) of section 122 of such Act"—"section 6716(d), 6720, and 6723(d) of title 31" substituted for "sections 122(g) and (h) and 124(c) of such Act (31 U.S.C. 1232(g), (h), 1244(c))", and "chapter 67 of title 31" substituted for "that Act (31 U.S.C. 1221 et seq.)", respectively, on authority of Pub. L. 97–158, § 4(b), Sept. 13, 1982, 96 Stat. 1067, the first section of which enacted Title 31, Money and Finance. See, also, References in Text note above.

AMENDMENTS

1977—Pub. L. 95–30 amended section generally, inserting reference to discriminatory practices prohibited by the Age Discrimination Act of 1975 and the Rehabilitation
§ 6728. Wage standards for laborers and mechanics; enforcement

All laborers and mechanics employed by contractors on all construction projects funded in whole or in part by payments under this subchapter shall be paid wages at rates not less than those prevailing on similar projects in the locality as determined by the Secretary of Labor in accordance with sections 3141–3144, 3146, and 3147 of title 40. The Secretary of Labor shall have, with respect to the labor standards specified in this section, the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 and section 3145 of title 40.


REFERENCES IN TEXT
Reorganization Plan Numbered 14 of 1950, referred to in text, is set out in the Appendix to Title 5, Government Organization and Employees.

CODIFICATION

§ 6729. Reports to Secretary by States and local governments; contents

Each State and unit of local government which receives a payment under the provisions of this subchapter shall report to the Secretary any increase or decrease in any tax which it imposes and any substantial reduction in the number of individuals it employs or in services which such State or local government provides. Each State which receives a payment under the provisions of this subchapter shall report to the Secretary any decrease in the amount of financial assistance which the State provides to the units of local governments during the twelve-month period which ends on the last day of the calendar quarter immediately preceding July 22, 1976, together with an explanation of the reasons for such decrease. Such reports shall be made as soon as it is practical and, in any case, not more than six months after the date on which the decision to impose such tax increase or decrease, such reductions in employment or services, or such decrease in State financial assistance is made public.


§ 6730. Payments

(a) Time and amount

From the amount allocated for State and local governments under section 6723 of this title, the Secretary shall pay not later than five days after the beginning of each quarter to each State and to each local government which has filed a statement of assurances under section 6725 of this title, an amount equal to the amount allocated to such State or local government under section 6723 of this title.

(b) Adjustments

Payments under this subchapter may be made with necessary adjustments on account of overpayments or underpayments.

(c) Termination

No amount shall be paid to any State or local government under the provisions of this section for any calendar quarter if—

(1) the average rate of unemployment within the jurisdiction of such State or local government during the most recent calendar quarter which ended three months before the beginning of such calendar quarter was less than 4.5 percent, or

(2) the rate of unemployment within the jurisdiction of such government for the last month of the most recent calendar quarter which ended three months before the beginning of such calendar quarter did not exceed 4.5 percent.


AMENDMENTS
1976—Subsec. (c)(1). Pub. L. 94–447 substituted “4.5 percent, or “ for “4.5 percent, and “.

§ 6731. Economization by State and local governments; statement of assurances, etc., required

Each State or unit of local government which receives payments under this subchapter shall provide assurances in writing to the Secretary, at such time and in such manner and form as the Secretary may prescribe by rule, that it has made substantial economies in its operations and that payments under this subchapter are necessary to maintain essential services without weakening Federal Government efforts to stimulate the economy through reductions in Federal tax obligations.


§ 6732. Withholding of payments for failure to comply with statement of assurances; procedures applicable

Whenever the Secretary, after affording reasonable notice and an opportunity for a hearing to any State or unit of local government, finds that there has been a failure to comply substantially with any assurance set forth in the statement of assurances of that State or units of local government filed under section 6725 of this title, the Secretary shall notify that State or unit of local government that further payments or underpayments will not be made under this subchapter until he is satisfied that there is no longer any such failure to comply. Until he is so satisfied, no further payments shall be made under this subchapter.


§ 6734. Administration; rules; authorization of appropriations

(a) The Secretary is authorized to prescribe, after consultation with the Secretary of Labor, such rules as may be necessary for the purpose of carrying out his functions under this subchapter. Such rules should be prescribed by the Secretary not later than ninety days of July 22, 1976.

(b) There are authorized to be appropriated such sums as may be necessary for the administration of this subchapter.


§ 6735. Program studies and recommendations; evaluation; countercyclical study

(a) The Comptroller General of the United States shall conduct an investigation of the impact which emergency support grants have on the operations of State and local governments and on the national economy. Before and during the course of such investigation the Comptroller General shall consult with and coordinate his activities with the Congressional Budget Office and the Advisory Commission on Intergovernmental Relations. The Comptroller General shall report the results of such investigation to the Congress within one year after July 22, 1976, together with an evaluation of the macroeconomic effect of the program established under this subchapter and any recommendations for improving the effectiveness of similar programs. All officers and employees of the United States shall make available all information, reports, data, and any other material necessary to carry out the provisions of this subchapter to the Comptroller General upon a reasonable request.

(b) The Congressional Budget Office and the Advisory Commission on Intergovernmental Relations shall conduct a study to determine the most effective means by which the Federal Government can stabilize the national economy during periods of rapid economic growth and high inflation through programs directed toward State and local governments. Such study shall include a comparison of the effectiveness of alternative factors for triggering and measuring the extent of the fiscal coordination problem addressed by this program, and the effect of the recession on State and local expenditures. Before and during the course of such study, the Congressional Budget Office and the Advisory Commission shall consult with and coordinate their activities with the Comptroller General of the United States. The Congressional Budget Office and the Advisory Commission shall report the results of such study to Congress within two years after July 22, 1976. Such study shall include the opinions of the Comptroller General with respect to such study.

(c) The Secretary shall, in consultation with the Secretary of Commerce, conduct an investigation of—

(1) the extent to which allocations of funds provided under this chapter might be more precisely related to true economic conditions by the use of data on aggregate declines in private real wages and salaries;

(2) the extent to which other factors, such as relative tax effort, should also be made part of the allocation system provided by this chapter; and

(3) the availability and reliability of data concerning Puerto Rico, Guam, the Virgin Islands, American Samoa, and the Trust Territory of the Pacific Islands, and the extent to which such territories may properly be made part of the regular allocation system applicable to the several States.

The results of such investigation shall be submitted to the Congress not later than March 1, 1978, in order that such results may be available during congressional consideration of any extension of this chapter beyond the fiscal year ending September 30, 1978.


AMENDMENTS


TERMINATION OF TRUST TERRITORY OF THE PACIFIC ISLANDS

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

§ 6736. Authorization of appropriations for Puerto Rico, Guam, American Samoa, and Virgin Islands

(a) Authorizations for five calendar quarters beginning July 1, 1977

There is hereby authorized to be appropriated for each of the five succeeding calendar quarters (beginning with the calendar quarter which begins on July 1, 1977) for the purpose of making payments under this subchapter to Puerto Rico, Guam, American Samoa, and the Virgin Islands, an amount equal to 1 percent of the amount authorized for each such quarter under section 6722(b) of this title.

(b) Allocations

(1) The Secretary shall allocate from the amount authorized under subsection (a) an amount for the purpose of making payments to such governments equal to the total authorized for the calendar quarter multiplied by the applicable territorial percentage.

(2) For the purposes of this subsection, the applicable territorial percentage is equal to the quotient resulting from the division of the territorial population by the sum of the territorial population for all territories.

(3) For purposes of this section—

(A) The term “territory” means Puerto Rico, Guam, American Samoa, and the Virgin Islands.

(B) The term “territorial population” means the most recent population for each territory as determined by the Bureau of Census.
(C) The provisions of sections 6723(c)(4), 6724, 6725, 6726, 6727, 6728, 6729, 6730, 6731, 6732, and 6733 of this title shall apply to the funds authorized under this section.

(c) Payments to local governments

The governments of the territories are authorized to make payments to local governments within their jurisdiction from sums received under this section as they deem appropriate.


CHAPTER 81—ENERGY CONSERVATION AND RESOURCE RENEWAL

SUBCHAPTER I—ELECTRIC UTILITY RATE DESIGN INITIATIVES

Sec. 6801. Congressional findings and purpose.

6802. Definitions.

6803. Development of electric utility rate design proposals by Secretary; contents; submission to Congress; supporting analysis.

6804. Funding, administrative, and judicial authorities of Secretary.

6805. Grants for State consumer protection offices by Secretary.

6806. Statement in annual report.

6807. State utility regulatory assistance.

6807a. Energy efficiency grants to State regulatory authorities.

6808. Authorization of appropriations.

SUBCHAPTER II—ENERGY CONSERVATION STANDARDS FOR NEW BUILDINGS

6831. Congressional findings and purpose.

6832. Definitions.

6833. Updating State building energy efficiency codes.

6834. Federal building energy efficiency standards.

6835. Federal compliance.

6836. Support for voluntary building energy codes.

6837. Omitted.

6838 to 6840. Repealed.

SUBCHAPTER III—ENERGY CONSERVATION AND RENEWABLE-RESOURCE ASSISTANCE FOR EXISTING BUILDINGS

6851. Congressional findings and purpose.

PART A—WEATHERIZATION ASSISTANCE FOR LOW-INCOME PERSONS

6861. Congressional findings and purpose.

6862. Definitions.

6863. Weatherization program.

6864. Financial assistance.

6864a. Private sector investments.

6864b. Technical transfer grants.

6865. Limitations on financial assistance.

6866. Monitoring and evaluation of funded projects; technical assistance; limitation on assistance.

6867. Administration of projects receiving financial assistance.

6868. Approval of application or amendment for financial assistance; administrative procedures applicable.

1 See References in Text note below.
§ 6802. Definitions

As used in this subchapter:

(1) The term “Secretary” means the Secretary of Energy.

(2) The term “electric utility” means any person, State agency, or Federal agency which sells electric energy.

(3) The term “Federal agency” means any agency or instrumentality of the United States.

(4) The term “State agency” means a State, political subdivision thereof, or any agency or instrumentality of either.

(5) The term “State utility regulatory commission” means any State agency or Federal agency which has authority to fix, modify, approve, or disapprove rates for the sale of electric energy by any electric utility (other than by such agency).

(6) The term “State” means any State, the District of Columbia, Puerto Rico, and any territory or possession of the United States.

(7) The term “utility regulatory commission” means any State agency or Federal agency which has the authority to fix, modify, approve, or disapprove rates for the sale of electric energy by any electric utility (other than by such agency).

(8) The term “Secretary” means the Secretary of Energy.

(b) The proposals prepared under subsection (a) shall be transmitted to each House of Congress not later than 6 months after August 14, 1976, for review and for such further action as the Congress may direct by law. Such proposals shall be accompanied by an analysis of—

(1) the projected savings (if any) in consumption of petroleum products, natural gas, electric energy, and other energy resources,

(2) the reduction (if any) in the need for new electrical generating capacity, and of the demand for capital by the electric utility industry, and

(3) changes (if any) in the cost of electric energy to consumers,

which are likely to result from the implementation nationally of each of the proposals transmitted under this subsection.

§ 6804. Funding, administrative, and judicial authorities of Secretary

The Secretary may—

(1) fund (A) demonstration projects to improve electric utility load management procedures and (B) regulatory rate reform initiatives,

(2) on request of a State, a utility regulatory commission, or of any participant in any proceeding before a State utility regulatory commission which relates to electric utility rates or rate design, intervene and participate in such proceeding, and

(3) on request of any State, utility regulatory commission, or of any participant in any proceeding in which the Secretary intervened or participated under paragraph (2), intervene and participate in such action.

§ 6805. Grants for State consumer protection offices by Secretary

(a) Establishment, operation, and purpose; qualifications for funds

The Secretary may make grants to States, or otherwise as provided in subsection (c), under this section to provide for the establishment and operation of offices of consumer services to assist consumers in their presentations before utility regulatory commissions. Any assistance provided under this section shall be provided only for an office of consumer services which is operated independently of any such utility regulatory commission and which is empowered to—
§ 6806  TITLE 42—THE PUBLIC HEALTH AND WELFARE  Page 6310

(1) make general factual assessments of the impact of proposed rate changes and other proposed regulatory actions upon all affected consumers;

(2) assist consumers in the presentation of their positions before utility regulatory commissions; and

(3) advocate, on its own behalf, a position which it determines represents the position most advantageous to consumers, taking into account developments in rate design reform.

(b) Grants subject to State assurances on funds

Grants pursuant to subsection (a) of this section shall be made only to States which furnish such assurances as the Secretary may require that funds made available under such section will be in addition to, and not in substitution for, funds made available to offices of consumer services from other sources.

(c) Offices established by Tennessee Valley Authority

Assistance may be provided under this section to an office of consumer services established by the Tennessee Valley Authority, if such office is operated independently of the Tennessee Valley Authority.


AMENDMENTS


§ 6806. Statement in annual report

The Secretary shall include in each annual report submitted under section 7267 of this title a statement with respect to activities conducted under this subchapter and recommendations as to the need for and types of further Federal legislation.


AMENDMENTS

1980—Pub. L. 96–470 substituted “The Secretary shall include in each annual report submitted under section 7267 of this title a statement” for “Not later than the last day in December in each year, the Secretary shall transmit to the Congress a report”.


§ 6807. State utility regulatory assistance

(a) Grants to State utility regulatory commissions and nonregulated electric utilities


(b) Unnecessary requirements prohibited

Any requirements established by the Secretary with respect to grants under this section may be only such requirements as are necessary to assure that such grants are expended solely to carry out duties and responsibilities referred to in subsection (a) or such as are otherwise required by law.

(c) Application for grant

No grant may be made under this section unless an application for such grant is submitted to the Secretary in such form and manner as the Secretary may require. The Secretary may not approve an application of a State utility regulatory commission or nonregulated electric utility unless such commission or nonregulated electric utility assures the Secretary that funds made available under this section will be in addition to, and not in substitution for, funds made available to such commission or nonregulated electric utility from other governmental sources.

(d) Apportionment of funds

The funds appropriated for purposes of this section shall be apportioned among the States in such manner that grants made under this section in each State shall not exceed the lesser of—

(1) the amount determined by dividing equally among all States the total amount available under this section for such grants, or

(2) the amount which the Secretary is authorized to provide pursuant to subsections (b) and (c) of this section for such State.


REFERENCES IN TEXT

The Public Utility Regulatory Policies Act of 1978, referred to in subsec. (a), is Pub. L. 95–617, Nov. 9, 1978, 92 Stat. 3117, as amended. Title I of such Act is classified principally to chapter 46 (§ 2601 et seq.) of Title 16, Conservation, and title III of such Act is classified generally to chapter 59 (§ 3201 et seq.) of Title 15, Commerce and Trade. For complete classification of this Act to the Code, see Short Title note set out under section 2601 of Title 15 and Tables.

AMENDMENTS

1980—Pub. L. 96–470 substituted provisions relating to grants to State utility regulatory commissions and nonregulated electric utilities for provisions authorizing appropriations to carry out this subchapter.

§ 6807a. Energy efficiency grants to State regulatory authorities

(a) Energy efficiency grants

The Secretary is authorized in accordance with the provisions of this section to provide grants to State regulatory authorities in an amount not to exceed $250,000 per authority, for purposes of encouraging demand-side management including energy conservation, energy efficiency and load management techniques and for meeting the requirements of paragraphs (3) and (4) of section 2621(d) of title 16 and as a means of meeting gas supply needs and to meet the requirements of paragraphs (3) and (4) of section 3203(b) of title 15. Such grants may be uti-
lized by a State regulatory authority to provide financial assistance to nonprofit subgrantees of the Department of Energy’s Weatherization Assistance Program in order to facilitate participation by such subgrantees in proceedings of such regulatory authority to examine energy conservation, energy efficiency, or other demand-side management programs.

(b) Plan

A State regulatory authority wishing to receive a grant under this section shall submit a plan to the Secretary that specifies the actions such authority proposes to take that would achieve the purposes of this section.

(c) Secretarial action

(1) In determining whether, and in what amount, to provide a grant to a State regulatory authority under this section the Secretary shall consider, in addition to other appropriate factors, the actions proposed by the State regulatory authority to achieve the purposes of this section and to consider implementation of the ratemaking standards established in—

(A) paragraphs (5), (8) and (9) of section 2621(d) of title 16; or

(B) paragraphs (3) and (4) of section 3203(b) of title 15.

(2) Such actions—

(A) shall include procedures to facilitate the participation of grantees and nonprofit subgrantees of the Department of Energy’s Weatherization Assistance Program in proceedings of such regulatory authorities examining demand-side management programs; and

(B) shall provide for coverage of the cost of such grantee and subgrantees’ participation in such proceedings.

(d) Recordkeeping

Each State regulatory authority that receives a grant under this section shall keep such records as the Secretary shall require.

(e) “State regulatory authority” defined

For purposes of this section, the term “State regulatory authority” shall have the same meaning as provided by section 2602 of title 16 in the case of electric utilities, and such term shall have the same meaning as provided by section 3202 of title 15 in the case of gas utilities, except that in the case of any State without a statewide ratemaking authority, such term shall mean the State energy office.

(f) Authorization

There are authorized to be appropriated $5,000,000 for each of the fiscal years 1994, 1995 and 1996 to carry out the purposes of this section.


CODIFICATION

Section was enacted as part of the Energy Policy Act of 1992, and not as part of the Energy Conservation and Production Act which comprises this chapter.

§ 6808. Authorization of appropriations

There are authorized to be appropriated—

(1) not to exceed $10,000,000 for each of the fiscal years 1979 and 1980 to carry out section 6805 of this title (relating to State utility regulatory assistance);

(2) not to exceed $10,000,000 for each of the fiscal years 1979 and 1980 to carry out section 6805 of this title (relating to State offices of consumer services); and

(3) not to exceed $8,000,000 for the fiscal year 1979, and $10,000,000 for the fiscal year 1980 to carry out section 6804(1)(B) of this title (relating to innovative rate structures).


SUBCHAPTER II—ENERGY CONSERVATION STANDARDS FOR NEW BUILDINGS

§ 6831. Congressional findings and purpose

(a) The Congress finds that—

(1) large amounts of fuel and energy are consumed unnecessarily each year in heating, cooling, ventilating, and providing domestic hot water for newly constructed residential and commercial buildings because such buildings lack adequate energy conservation features;

(2) Federal voluntary performance standards for newly constructed buildings can prevent such waste of energy, which the Nation can no longer afford in view of its current and anticipated energy shortage;

(3) the failure to provide adequate energy conservation measures in newly constructed buildings increases long-term operating costs that may affect adversely the repayment of, and security for, loans made, insured, or guaranteed by Federal agencies or made by federally insured or regulated instrumentalities; and

(4) State and local building codes or similar controls can provide an existing means by which to assure, in coordination with other building requirements and with a minimum of Federal interference in State and local transactions, that newly constructed buildings contain adequate energy conservation features.

(b) The purposes of this subchapter, therefore, are to—

(1) redirect Federal policies and practices to assure that reasonable energy conservation features will be incorporated into new commercial and residential buildings receiving Federal financial assistance;

(2) provide for the development and implementation, as soon as practicable, of voluntary performance standards for new residential and commercial buildings which are designed to achieve the maximum practicable improvements in energy efficiency and increases in the use of nondepletable sources of energy; and

(3) encourage States and local governments to adopt and enforce such standards through their existing building codes and other construction control mechanisms, or to apply them through a special approval process.


AMENDMENTS


1978—Pub. L. 95–617 struck out “and” before “section 2621(d) of title 16; or” and struck out “paragraphs” before “(9) of section 2621(d) of title 16” in (b)(2).
§ 6832. Definitions

As used in this subchapter:

(1) Omitted

(2) The term "building" means any structure to be constructed which includes provision for a heating or cooling system, or both, or for a hot water system.

(3) The term "building code" means a legal instrument which is in effect in a State or unit of general purpose local government, the provisions of which must be adhered to if a building is to be considered to be in conformance with law and suitable for occupancy and use.

(4) The term "commercial building" means any building other than a residential building, including any building developed for industrial or public purposes.


(6) The term "Federal building" means any building to be leased by, or for the use of, any Federal agency. Such term shall include buildings built for the purpose of being leased by a Federal agency, and privatized military housing.

(7) The term "Federal financial assistance" means (A) any form of loan, grant, guarantee, insurance, payment, rebate, subsidy, or any other form of direct or indirect Federal assistance (other than general or special revenue sharing or formula grants made to States) approved by any Federal officer or agency; or (B) any loan made or purchased by any bank, savings and loan association, or similar institution subject to regulation by the Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation, the Comptroller of the Currency, the Federal Home Loan Bank Board, the Federal Savings and Loan Insurance Corporation, or the National Credit Union Administration.

(8) The term "National Institute of Building Sciences" means the institute established by section 1701j–2 of title 12.

(9) The term "residential building" means any structure which is constructed and developed for residential occupancy.

(10) The term "Secretary" means the Secretary of Energy.

(11) The term "State" includes each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, and any territory and possession of the United States.

(12) The term "unit of general purpose local government" means any city, county, town, municipality, or other political subdivision of a State (or any combination thereof), which has a building code or similar authority over a particular geographic area.

(13) The term "Federal building energy standards" means energy consumption objectives to be met without specification of the methods, materials, or equipment to be employed in achieving those objectives, but including statements of the requirements, criteria, and evaluation methods to be used, and any necessary commentary.

(14) The term "voluntary building energy code" means a building energy code developed and updated through a consensus process among interested persons, such as that used by the Council of American Building Officials; the American Society of Heating, Refrigerating, and Air-Conditioning Engineers; or other appropriate organizations.

(15) The term "CABO" means the Council of American Building Officials.

(16) The term "ASHRAE" means the American Society of Heating, Refrigerating, and Air-Conditioning Engineers.

Codification

Par. (1) of this section which read "The term 'Administrator' means the Administrator of the Federal Energy Administration; except that after such Administration ceases to exist, such term means any officer of the United States designated by the President for purposes of this subchapter" has been omitted in view of the termination of the Federal Energy Administration and the transfer of its functions and the functions of the Administrator thereof (with certain exceptions) to the Secretary of Energy pursuant to sections 301(a), 703, and 707 of Pub. L. 95–91, which are classified to sections 7151(a), 7293, and 7297 of this title and the fact that the term "Secretary" is defined for the purposes of this subchapter by par. (10) of this section. In this subchapter, "Secretary of Energy" has been substituted for "Administrator" wherever appearing.

Amendments

2007—Par. (6). Pub. L. 110–140 struck out "which is not legally subject to State or local building codes or similar requirements" after "any Federal agency" and inserted at end "Such term shall include buildings built for the purpose of being leased by a Federal agency, and privatized military housing."

1992—Pars. (9) to (16) redesignated pars. (10) to (13) as (9) to (12), respectively, added pars. (13) to (16), and struck out former par. (9) which read as follows: "The term 'voluntary performance standards' means an energy consumption goal or goals to be met without specification of the methods, materials, and processes to be employed in achieving that goal or goals, but including statements of the requirements, criteria, and evaluation methods to be used, and any necessary commentary."


§ 6833. Updating State building energy efficiency codes

(a) Consideration and determination respecting residential building energy codes

(1) Not later than 2 years after October 24, 1992, each State shall certify to the Secretary that it has reviewed the provisions of its residential building code regarding energy efficiency and made a determination as to whether it is appropriate for such State to revise such residential building code provisions to meet or exceed CABO Model Energy Code, 1992.

(2) The determination referred to in paragraph (1) shall be—

(A) made after public notice and hearing;

(B) in writing;

(C) based upon findings included in such determination and upon the evidence presented at the hearing; and

(D) available to the public.

(3) Each State may, to the extent consistent with otherwise applicable State law, revise the provisions of its residential building code regarding energy efficiency to meet or exceed CABO Model Energy Code, 1992, or may decline to make such revisions.

(4) If a State makes a determination under paragraph (1) that it is not appropriate for such State to revise its residential building code, such State shall submit to the Secretary, in writing, the reasons for such determination, and such statement shall be available to the public.

(B)(A) Whenever CABO Model Energy Code, 1992,1 (or any successor of such code) is revised, the Secretary shall permit extensions of the deadlines for the certification requirements under subsections (a) and (b) if a State can demonstrate that it has made a good faith effort to comply with such requirements and that it has made significant progress in doing so.

(c) Extensions

The Secretary shall permit extensions of the deadlines for the certification requirements under subsections (a) and (b) if a State can demonstrate that it has made a good faith effort to comply with such requirements and that it has made significant progress in doing so.

(d) Technical assistance

The Secretary shall provide technical assistance to States to implement the requirements of this section, and to improve and implement State residential and commercial building energy efficiency codes or to otherwise promote the design and construction of energy efficient buildings.

(e) Availability of incentive funding

(1) The Secretary shall provide incentive funding to States to implement the requirements of this section, and to improve and implement State residential and commercial building energy efficiency codes, including increasing and verifying compliance with such codes. In determining whether, and in what amount, to provide incentive funding under this subsection, the

---

1 So in original. The comma probably should not appear.
Secretary shall consider the actions proposed by the State to implement the requirements of this section, to improve and implement residential and commercial building energy efficiency codes, and to promote building energy efficiency through the use of such codes.

(2) Additional funding shall be provided under this subsection for implementation of a plan to achieve and document at least a 90 percent rate of compliance with residential and commercial building energy efficiency codes, based on energy performance—

(A) to a State that has adopted and is implementing, on a statewide basis—

(i) a residential building energy efficiency code that meets or exceeds the requirements of the 2004 International Energy Conservation Code, or any succeeding version of that code that has received an affirmative determination from the Secretary under subsection (a)(5)(A); and

(ii) a commercial building energy efficiency code that meets or exceeds the requirements of the ASHRAE Standard 90.1–2004, or any succeeding version of that standard that has received an affirmative determination from the Secretary under subsection (b)(2)(A); or

(B) in a State in which there is no statewide energy code either for residential buildings or for commercial buildings, to a local government that has adopted and is implementing residential and commercial building energy efficiency codes, as described in subparagraph (A).

(3) Of the amounts made available under this subsection, the Secretary may use $500,000 for each fiscal year to train State and local officials to implement codes described in paragraph (2).

(A) There are authorized to be appropriated to carry out this subsection—

(i) $25,000,000 for each of fiscal years 2006 through 2010; and

(ii) such sums as are necessary for fiscal year 2011 and each fiscal year thereafter.

(B) Funding provided to States under paragraph (2) for each fiscal year shall not exceed one-half of the excess of funding under this subsection over $5,000,000 for the fiscal year.

§6834. Federal building energy efficiency standards

(a) In general

(1) Not later than 2 years after October 24, 1992, the Secretary, after consulting with appropriate Federal agencies, CABO, ASHRAE, the National Association of Home Builders, the Illuminating Engineering Society, the American Institute of Architects, the National Conference of the States on Building Codes and Standards, and other appropriate persons, shall establish, by rule, Federal building energy standards that require in new Federal buildings those energy efficiency measures that are technologically feasible and economically justified. Such standards shall become effective no later than 1 year after such rule is issued.

(2) The standards established under paragraph (1) shall—

(A) contain energy saving and renewable energy specifications that meet or exceed the energy saving and renewable energy specifications of the 2004 International Energy Conservation Code (in the case of residential buildings) or ASHRAE Standard 90.1–2004 (in the case of commercial buildings); and

(B) to the extent practicable, use the same format as the appropriate voluntary building energy code; and

(C) consider, in consultation with the Environmental Protection Agency and other Federal agencies, and where appropriate contain, measures with regard to radon and other indoor air pollutants.

(3)(A) Not later than 1 year after August 8, 2005, the Secretary shall establish, by rule, revised Federal building energy efficiency performance standards that require that—

(i) if life-cycle cost-effective for new Federal buildings—

(I) the buildings be designed to achieve energy consumption levels that are at least 30 percent below the levels established in the version of the ASHRAE Standard or the International Energy Conservation Code, as appropriate, that is in effect as of August 8, 2005; and

(II) sustainable design principles are applied to the siting, design, and construction of all new and replacement buildings;

(ii) if water is used to achieve energy efficiency, water conservation technologies shall be applied to the extent that the technologies are life-cycle cost-effective; and

(iii) if lifecycle cost-effective, as compared to other reasonably available technologies, not less than 30 percent of the hot water demand for each new Federal building or Federal building undergoing a major renovation be met through the installation and use of solar hot water heaters.

(B) Not later than 1 year after the date of approval of each subsequent revision of the ASHRAE Standard or the International Energy
Conservation Code, as appropriate, the Secretary shall determine, based on the cost-effectiveness of the requirements under the amendment, whether the revised standards established under this paragraph should be updated to reflect the amendment.

(C) In the budget request of the Federal agency for each fiscal year and each report submitted by the Federal agency under section 8258(a) of this title, the head of each Federal agency shall include—

(i) a list of all new Federal buildings owned, operated, or controlled by the Federal agency; and

(ii) a statement specifying whether the Federal buildings meet or exceed the revised standards established under this paragraph.

(D) Not later than 1 year after December 19, 2007, the Secretary shall establish, by rule, revised Federal building energy efficiency performance standards that require that:

(i) For new Federal buildings and Federal buildings undergoing major renovations, with respect to which the Administrator of General Services is required to transmit a prospectus to Congress under section 3307 of title 40, in the case of public buildings (as defined in section 3301 of title 40), or of at least $2,500,000 in costs adjusted annually for inflation for other buildings:

(I) The buildings shall be designed so that—

(aa) efficient and sustainable use of water, energy, and other natural resources;

(bb) use of renewable energy sources;

(cc) improved indoor environmental quality through enhanced indoor air quality, thermal comfort, acoustics, day lighting, pollutant source control, and use of low-emission materials and building system controls; and

(dd) such other criteria as the Secretary determines to be appropriate; and

(ii) national recognition within the building industry.

(ii) In establishing criteria for identifying major renovations that are subject to the requirements of this subparagraph, the Secretary shall take into account the scope, degree, and types of renovations that are likely to provide significant opportunities for substantial improvements in energy efficiency.

(iii) In identifying the green building certification system and level, the Secretary shall take into consideration—

(I) the ability and availability of assessors and auditors to independently verify the criteria and measurement of metrics at the scale necessary to implement this subparagraph;

(II) the ability of the applicable certification organization to collect and reflect public comment;

(III) the ability of the standard to be developed and revised through a consensus-based process;

(IV) an evaluation of the robustness of the criteria for a high-performance green building, which shall give credit for promoting—

(aa) efficient and sustainable use of water, energy, and other natural resources;

(bb) use of renewable energy sources;

(cc) improved indoor environmental quality through enhanced indoor air quality, thermal comfort, acoustics, day lighting, pollutant source control, and use of low-emission materials and building system controls; and

(dd) such other criteria as the Secretary determines to be appropriate; and

(V) national recognition within the building industry.

(iv) At least once every 5 years, and in accordance with section 17092 of this title, the Administrator of General Services shall con-
duct a study to evaluate and compare available third-party green building certification systems and levels, taking into account the criteria listed in clause (iii).

(v) The Secretary may by rule allow Federal agencies to develop internal certification processes, using certified professionals, in lieu of certification by the certification entity identified under clause (i)(III). The Secretary shall include in any such rule guidelines to ensure that the certification process results in buildings meeting the applicable certification system and level identified under clause (i)(III). An agency employing an internal certification process must continue to obtain external certification by the certification entity identified under clause (i)(III) for at least 5 percent of the total number of buildings certified annually by the agency.

(vi) With respect to privatized military housing, the Secretary of Defense, after consultation with the Secretary may, through rulemaking, develop alternative criteria to those established by subclauses (i) and (III) of clause (i) that achieve an equivalent result in terms of energy savings, sustainable design, and green building performance.

(vii) In addition to any use of water conservation technologies otherwise required by this section, water conservation technologies shall be applied to the extent that the technologies are life-cycle cost-effective.

(b) Omitted

(c) Periodic review

The Secretary shall periodically, but not less than once every 5 years, review the Federal building energy standards established under this section and shall, if significant energy savings would result, upgrade such standards to include all new energy efficiency and renewable energy measures that are technologically feasible and economically justified.

(d) Interim standards

Interim energy performance standards for new Federal buildings issued by the Secretary under this subchapter as it existed before October 24, 1992, shall remain in effect until the standards established under subsection (a) become effective.


Codification

Subsec. (b) of this section, which required the Secretary to identify and describe, in the annual report required under section 6837 of this title, the basis for any substantive difference between the Federal building energy standards established under this section and the appropriate voluntary building energy code, was omitted because of termination of the annual report. See Codification note set out under section 6837 of this title.

Prior Provisions


Amendments


Effective Date of 2007 Amendment

Amendment by Pub. L. 110–140 effective on the date that is 1 day after Dec. 19, 2007, see section 1601 of Pub. L. 110–140, set out as an Effective Date note under section 1824 of Title 2, The Congress.

Revision of Federal Acquisition Regulation; Issuance of Guidance

Pub. L. 110–140, title IV, § 433(c), (d), Dec. 19, 2007, 121 Stat. 1614, provided that:

“(c) Revision of Federal Acquisition Regulation.—Not later than 2 years after the date of the enactment of this Act [Dec. 19, 2007], the Federal Acquisition Regulation shall be revised to require Federal officers and employees to comply with this section [amending this section and section 6832 of this title] and the amendments made by this section in the acquisition, construction, or major renovation of any facility. The members of the Federal Acquisition Regulatory Council (established under section 25 of the Office of Federal Procurement Policy Act [(former) 41 U.S.C. 421] [see 41 U.S.C. 1902]) shall consult with the Federal Director and the Commercial Director before promulgating regulations to carry out this subsection.

“(d) Guidance.—Not later than 90 days after the date of promulgation of the revised regulations under subsection (c), the Administrator for Federal Procurement Policy shall issue guidance to all Federal procurement executives providing direction and instructions to renegotiate the design of proposed facilities and major renovations for existing facilities to incorporate improvements that are consistent with this section.”

[For definitions of “Federal Director” and “Commercial Director” as used in section 433(c) of Pub. L. 110–140, set out above, see section 17061 of this title.]
§ 6836. Support for voluntary building energy codes

(a) In general

Not later than 1 year after October 24, 1992, the Secretary, after consulting with the Secretary of Housing and Urban Development, the Secretary of Veterans Affairs, other appropriate Federal agencies, CABO, ASHRAE, the National Conference of States on Building Codes and Standards, and any other appropriate building code and standards organization, shall support the upgrading of voluntary building energy codes for new residential and commercial buildings. Such support shall include—

(1) a compilation of data and other information regarding building energy efficiency standards and codes in the possession of the Federal Government, State and local governments, and industry organizations;

(2) assistance in improving the technical basis for such standards and codes;

(3) assistance in determining the cost-effectiveness of the energy efficiency measures included in such standards and codes; and

(4) assistance in identifying appropriate measures with regard to radon and other indoor air pollutants.

(b) Review

The Secretary shall periodically review the technical and economic basis of voluntary building energy codes and, based upon ongoing research activities—

(1) recommend amendments to such codes including measures with regard to radon and other indoor air pollutants;

(2) seek adoption of all technologically feasible and economically justified energy efficiency measures; and

(3) otherwise participate in any industry process for review and modification of such codes.


PRIOR PROVISIONS


§ 6837. Omitted

CODIFICATION


SUBCHAPTER III—ENERGY CONSERVATION AND RENEWABLE-RESOURCE ASSISTANCE FOR EXISTING BUILDINGS

§ 6851. Congressional findings and purpose

(a) The Congress finds that—

(1) the fastest, most cost-effective, and most environmentally sound way to prevent future energy shortages in the United States, while reducing the Nation’s dependence on imported energy supplies, is to encourage and facilitate, through major programs, the implementation of energy conservation and renewable-resource energy measures with respect to dwelling units, nonresidential buildings, and industrial plants;

(2) current efforts to encourage and facilitate such measures are inadequate as a consequence of—

(A) a lack of adequate and available financing for such measures, particularly with respect to individual consumers and owners of small businesses;

(B) a shortage of reliable and impartial information and advisory services pertaining to practicable energy conservation measures and renewable-resource energy measures and the cost savings that are likely if they are implemented in such units, buildings, and plants; and

(C) the absence of organized programs which, if they existed, would enable consumers, especially individuals and owners of small businesses, to undertake such measures easily and with confidence in their economic value;

(3) major programs of financial incentives and assistance for energy conservation measures and renewable-resource energy measures in dwelling units, nonresidential buildings, and industrial plants would—
(A) significantly reduce the Nation's demand for energy and the need for petroleum imports;
(B) cushion the adverse impact of the high price of energy supplies on consumers, particularly elderly and handicapped low-income persons who cannot afford to make the modifications necessary to reduce their residential energy use; and
(C) increase, directly and indirectly, job opportunities and national economic output;

(4) the primary responsibility for the implementation of such major programs should be lodged with the governments of the States; the diversity of conditions among the various States and regions of the Nation is sufficiently great that a wholly federally administered program would not be as effective as one which is tailored to meet local requirements and to respond to local opportunities; the State should be allowed flexibility within which to fashion such programs, subject to general Federal guidelines and monitoring sufficient to protect the financial investments of consumers and the financial interest of the United States and to insure that the measures undertaken in fact result in significant energy and cost savings which would probably not otherwise occur;

(5) to the extent that direct Federal administration is more economical and efficient, direct Federal financial incentives and assistance should be extended through existing and proven Federal programs rather than through new programs that would necessitate new and separate administrative bureaucracies; and

(6) such programs should be designed and administered to supplement, and not to supplant or in any other way conflict with, State energy conservation programs under part C of title III of the Energy Policy and Conservation Act [42 U.S.C. 6321 et seq.]; the emergency energy conservation program carried out by community action agencies pursuant to section 2809(a)(12) of this title; and other forms of assistance and encouragement for energy conservation.

(b) It is, therefore, the purpose of this subchapter to encourage and facilitate the implementation of energy conservation measures and renewable-resource energy measures in dwelling units; and technical assistance, to develop and supplement other Federal programs serving such low-income persons, reduce their total residential energy expenditures, and improve their health and safety, especially low-income persons who are particularly vulnerable such as the elderly, the handicapped, and children.


This subchapter, referred to in subsec. (b), was in the original ‘‘this title,’’ meaning title IV of Pub. L. 94–385, known as the Energy Conservation in Existing Buildings Act of 1976, which enacted this subchapter, section 6327 of this title, and section 1701b–8 of Title 12, Banks and Banking, amended sections 6323, 6325, and 6326 of this title, and enacted provisions set out as a note under section 6801 of this title. For complete classification of this Act to the Code, see Short Title note set out under section 6801 of this title and Tables.

§6861. Congressional findings and purpose

(a) The Congress finds that—

1  See References in Text note below.

(1) a fast, cost-effective, and environmentally sound way to prevent future energy shortages in the United States while reducing the Nation’s dependence on imported energy supplies, is to encourage and facilitate, through major programs, the implementation of energy conservation and renewable-resource energy measures with respect to dwelling units;

(2) existing efforts to encourage and facilitate such measures are inadequate because—

(A) many dwellings owned or occupied by low-income persons are energy inefficient;

(B) low-income persons can least afford to make the modifications necessary to provide for efficient energy equipment in such dwellings and otherwise to improve the energy efficiency of such dwellings;

(3) weatherization of such dwellings would lower shelter costs in dwellings owned or occupied by low-income persons as well as save energy and reduce future energy capacity requirements; and

(4) States, through Community Action Agencies established under the Economic Opportunity Act of 1964 [42 U.S.C. 2701 et seq.] and units of general purpose local government, should be encouraged, with Federal financial and technical assistance, to develop and support coordinated weatherization programs designed to alleviate the adverse effects of energy costs on such low-income persons, to supplement other Federal programs serving such low-income persons, and to increase energy efficiency.

(b) It is, therefore, the purpose of this part to develop and implement a weatherization assistance program to increase the energy efficiency of dwellings owned or occupied by low-income persons, reduce their total residential energy expenditures, and improve their health and safety, especially low-income persons who are particularly vulnerable such as the elderly, the handicapped, and children.

REFERENCES IN TEXT


AMENDMENTS

1990—Pub. L. 101–440 amended section generally. Prior to amendment, section read as follows:

"(a) The Congress finds that—

"(1) dwellings owned or occupied by low-income persons frequently are inadequately insulated;

"(2) low-income persons, particularly elderly and handicapped low-income persons, can least afford to make the modifications necessary to provide for adequate insulation in such dwellings and to otherwise reduce residential energy use;

"(3) weatherization of such dwellings would lower utility expenses for such low-income owners or occupants as well as save thousands of barrels per day of needed fuel; and

"(4) States, through community action agencies established under the Economic Opportunity Act of 1964 and units of general purpose local government, should be encouraged, with Federal financial and technical assistance, to develop and support coordinated weatherization programs designed to ameliorate the adverse effects of high energy costs on such low-income persons, to supplement other Federal programs serving such persons, and to conserve energy.

"(b) It is, therefore, the purpose of this part to develop and implement a supplementary weatherization assistance program to assist in achieving a prescribed level of insulation in the dwellings of low-income persons, particularly elderly and handicapped low-income persons, in order both to aid those persons least able to afford higher utility costs and to conserve needed energy."

§ 6862. Definitions

As used in this part:

(1) The term "Secretary" means the Secretary of Energy.

(2) The term "Director" means the Director of the Community Services Administration.

(3) The term "elderly" means any individual who is 60 years of age or older.

(4) The term "Governor" means the chief executive officer of a State (including the Mayor of the District of Columbia).

(5) The term "handicapped person" means any individual (A) who is an individual with a disability as defined in section 102 of title 29, (B) who is under a disability as defined in section 1614(a)(3)(A) or 223(d)(1) of the Social Security Act (42 U.S.C. 1382c(a)(3)(A), 423(d)(1)) or in section 102(7) of the Developmental Disabilities Services and Facilities Construction Act (42 U.S.C. 6001(7)), or (C) who is receiving benefits under chapter 11 or 15 of title 38.

(6) The terms "Indian", "Indian tribe", and "tribal organization" have the meanings prescribed for such terms by section 3002 of this title.

(7) The term "low-income" means that income in relation to family size which (A) is at or below 200 percent of the poverty level determined in accordance with criteria established by the Secretary of Health and Human Services and the Director of the Office of Management and Budget, except that the Secretary may establish a higher level if the Secretary, after consulting with the Secretary of Agriculture and the Director of the Community Services Administration, determines that such a higher level is necessary to carry out the purposes of this part and is consistent with the eligibility criteria established for the weatherization program under section 2809(a)(12) of this title, (B) is the basis on which cash assistance payments have been paid during the preceding 12-month period under titles IV and XVI of the Social Security Act (42 U.S.C. 601 et seq., 1381 et seq.) or applicable State or local law, or (C) if a State elects, is the basis for eligibility for assistance under the Low-Income Home Energy Assistance Act of 1981 (42 U.S.C. 8621), provided that such basis is at least 200 percent of the poverty level determined in accordance with criteria established by the Secretary of the Department of Health and Human Services.

STATE.—The term "State" means—

(A) a State;

(B) the District of Columbia;

(C) the Commonwealth of Puerto Rico; and

(D) any other territory or possession of the United States.

The term "weatherization materials" means—

(A) caulking and weatherstripping of doors and windows;

(B) furnace efficiency modifications, including, but not limited to—

(i) replacement burners, furnaces, or boilers or any combination thereof;

(ii) devices for minimizing energy loss through heating system, chimney, or venting devices; and

(iii) electrical or mechanical furnace ignition systems which replace standing gas pilot lights;

(C) clock thermostats;

(D) ceiling, attic, wall, floor, and duct insulation;

(E) water heater insulation;

(F) storm windows and doors, multiglazed windows and doors, heat-absorbing or heat-reflective window and door materials;

(G) cooling efficiency modifications, including, but not limited to, replacement air-conditioners, ventilation equipment, screening, window films, and shading devices;

(H) solar thermal water heaters;

(I) wood-heating appliances; and

(J) such other insulating or energy conserving devices or technologies as the Secretary may determine, after consulting with the Secretary of Housing and Urban Development, the Secretary of Agriculture, and the Director, of the Community Services Administration.


References in Text


Amendments


2007—Par. (4). Pub. L. 110–140 added par. (8) and struck out former par. (8) which read as follows: “The term ‘State’ means each of the States and the District of Columbia.”

2006—Par. (6). Pub. L. 109–365 struck out “paragraphs (4), (5), and (6), respectively, of” before “section 3002 of this title”.


1992—Par. (9)(G). Pub. L. 102–486 substituted “modifying flue openings which will increase the energy efficiency of the heating system,” for “designed to substantially increase the energy efficiency of the heating system”.


Par. (7)(A). Pub. L. 95–619, § 231(b)(2), substituted a specific listing of items to be considered weatherization materials for purposes of this part for a general statement of the sort of materials that could be considered as such.

Effective Date of 2007 Amendment

Amendment by Pub. L. 110–140 effective on the date that is 1 day after Dec. 19, 2007, see section 182 of Pub. L. 110–140, set out as an Effective Date note under section 1824 of Title 2, The Congress.

Use of Appropriations

Pub. L. 113–76, div. D, title III, § 306, Jan. 17, 2014, 128 Stat. 175, provided that: “None of the funds made available by this [Act] [div D. of Pub. L. 113–76, see Tables for classification] or any subsequent Act for fiscal year 2014 or any fiscal year hereafter may be used to pay the salaries of Department of Energy employees to carry out the amendments made by section 107 of division A of the American Recovery and Reinvestment Act of 2009 [Pub. L. 111–5, amending this section and sections 6855 and 6866 of this title].”

Community Services Administration


§ 6863. Weatherization program

(a) Development and conduct of program by Secretary; grants to States and Indian tribal organizations

The Secretary shall develop and conduct, in accordance with the purpose and provisions of this part, a weatherization program. In developing and conducting such program, the Secretary may, in accordance with this part and regulations promulgated under this part, make grants (1) to States, and (2) in accordance with the provisions of subsection (d), to Indian tribal organizations to serve Native Americans. Such grants shall be made for the purpose of providing financial assistance with regard to projects designed to provide for the weatherization of dwelling units, particularly those where elderly or handicapped low-income persons reside, occupied by low-income families.

(b) Consultation by Secretary with other Federal departments and agencies on development and publication in Federal Register of proposed regulations; required regulatory provisions; standards and procedures; rental units

(1) The Secretary, after consultation with the Director, the Secretary of Housing and Urban
Development, the Secretary of Health and Human Services, the Secretary of Labor, and the heads of such other Federal departments and agencies as the Secretary deems appropriate, shall develop and publish in the Federal Register for public comment, not later than 60 days after August 14, 1976, proposed regulations to carry out the provisions of this part. The Secretary shall take into consideration comments submitted regarding such proposed regulations and shall promulgate and publish final regulations for such purpose not later than 90 days after August 14, 1976. The development of regulations under this part shall be fully coordinated with the Director.

(2) The regulations promulgated pursuant to this section shall include provisions—

(A) prescribing, in coordination with the Secretary of Housing and Urban Development, the Secretary of Health and Human Services, and the Director of the National Institute of Standards and Technology in the Department of Commerce, for use in various climatic, structural, and human need settings, standards for weatherization materials, energy conservation techniques, and balance combinations thereof, which are designed to achieve a balance of a healthy dwelling environment and maximum practicable energy conservation;

(B) that provide guidance to the States in the implementation of this part, including guidance designed to ensure that a State establishes (i) procedures that provide protection under paragraph (5) to tenants paying for energy as a portion of their rent, and (ii) a process for monitoring compliance with its obligations pursuant to this part; and

(C) that secure the Federal investment made under this part and address the issues of eviction from and sale of property receiving weatherization materials under this part.

(3) The Secretary, in coordination with the Secretaries and Director described in paragraph (2)(A) and with the Director of the Community Services Administration and the Secretary of Agriculture, shall develop and publish in the Federal Register for public comment, not later than 60 days after November 9, 1978, proposed amendments to the regulations prescribed under paragraph (1). Such amendments shall provide that the standards described in paragraph (2)(A) shall include a set of procedures to be applied to each dwelling unit to determine the optimum set of cost-effective measures, within the cost guidelines set for the program, to be installed in such dwelling unit. Such standards shall, in order to achieve such optimum savings of energy, take into consideration the following factors—

(A) the cost of the weatherization material;

(B) variation in climate; and

(C) the value of energy saved by the application of the weatherization material.

Such standards shall be utilized by the Secretary in carrying out this part, the Secretary of Agriculture in carrying out the weatherization program under section 1474(c) of this title, and the Director of the Community Services Administration in carrying out weatherization pro-

grams under section 222(a)(12) of the Economic Opportunity Act of 1964 [42 U.S.C. 2809(a)(12)]. The Secretary shall take into consideration comments submitted regarding such proposed amendment and shall promulgate and publish final amended regulations not later than 120 days after November 9, 1978.

(4) In carrying out paragraphs (2)(A) and (3), the Secretary shall establish the standards and procedures described in such paragraphs so that weatherization efforts being carried out under this part and under programs described in the fourth sentence of paragraph (3) will accomplish uniform results among the States in any area with a similar climatic condition.

(5) In any case in which a dwelling consists of a rental unit or rental units, the State, in the implementation of this part, shall ensure that—

(A) the benefits of weatherization assistance in connection with such rental units, including units where the tenants pay for their energy through their rent, will accrue primarily to the low-income tenants residing in such units;

(B) for a reasonable period of time after weatherization work has been completed on a dwelling containing a unit occupied by an eligible household, the tenants in that unit (including households paying for their energy through their rent) will not be subjected to rent increases unless those increases are demonstrably related to matters other than the weatherization work performed;

(C) the enforcement of subparagraph (B) is provided through procedures established by the State by which tenants may file complaints and owners, in response to such complaints, shall demonstrate that the rent increase concerned is related to matters other than the weatherization work performed; and

(D) no undue or excessive enhancement will occur to the value of such dwelling units.

(6) As a condition of having assistance provided under this part with respect to multifamily buildings, a State may require financial participation from the owners of such buildings.

(c) Failure of State to submit application; alternate application by any unit of general purpose local government or community action agency; submission of amended application by State

If a State does not, within 90 days after the date on which final regulations are promulgated under this section, submit an application to the Secretary which meets the requirements set forth in section 6864 of this title, any unit of general purpose local government of sufficient size (as determined by the Secretary), or a community action agency carrying out programs under title II of the Economic Opportunity Act of 1964 [42 U.S.C. 2781 et seq.], may, in lieu of such State, submit an application (meeting such requirements and subject to all other provisions of this part) for carrying out projects under this part within the geographical area which is subject to the jurisdiction of such government or is served by such agency. A State may, in accordance with regulations promulgated under this part, submit an amended application.
§ 6863

DIRECT GRANTS TO INDIAN TRIBES

(d) Direct grants to low-income members of Indian tribal organizations or alternate service organizations; application for funds

(1) Reservation of amounts

(A) In general

Subject to subparagraph (B) and notwithstanding any other provision of this part, the Secretary shall reserve from amounts that would otherwise be allocated to a State under this part not less than 100 percent, but not more than 150 percent, of an amount which bears the same proportion to the allocation of that State for the applicable fiscal year as the population of all low-income members of the applicable Indian tribe bears to the population of all low-income individuals in that State.

(B) Restrictions

Subparagraph (A) shall apply only if—

(i) the tribal organization serving the low-income members of the applicable Indian tribe requests that the Secretary make a grant directly; and

(ii) the Secretary determines that the low-income members of the applicable Indian tribe would be equally or better served by making a grant directly than by a grant made to the State in which the low-income members reside.

(C) Presumption

If the tribal organization requesting the grant is a tribally designated housing entity (as defined in section 4103 of title 25) that has operated without material audit exceptions (or without any material audit exceptions that were not corrected within a 3-year period), the Secretary shall presume that the low-income members of the applicable Indian tribe would be equally or better served by making a grant directly to the tribal organization than by a grant made to the State in which the low-income members reside.

(2) Administration

The amounts reserved by the Secretary under this subsection shall be granted to the tribal organization serving the low-income members of the Indian tribe, or, where there is no tribal organization, to such other entity as the Secretary determines has the capacity to provide services pursuant to this part.

(3) Application

In order for a tribal organization or other entity to be eligible for a grant for a fiscal year under this subsection, it shall submit to the Secretary an application meeting the requirements set forth in section 6864 of this title.

(e) Transfer of funds

Notwithstanding any other provision of law, the Secretary may transfer to the Director sums appropriated under this part to be utilized in order to carry out programs, under section 222(a)(12) of the Economic Opportunity Act of 1964 [42 U.S.C. 2809(a)(12)], which further the purpose of this part.


REFERENCES IN TEXT


AMENDMENTS

2018—Subsec. (d)(1). Pub. L. 115–325, § 203(1), added par. (1) and struck out former par. (1) which related to conditions for reserving funds for direct grants to provide assistance to low-income members of Indian tribes.

Subsec. (d)(2). Pub. L. 115–325, § 203(2), inserted heading, substituted “The amounts” for “The sums”, “low-income members of the Indian tribe” for “individuals for whom such a determination has been made”, and “as the Secretary determines” for “as he determines”, and struck out “on the basis of his determination” before “under this subsection”.


1990—Subsec. (b)(2)(B), (C). Pub. L. 101–140, § 7(b)(1), added subpars. (B) and (C) and struck out former subpar. (B) which read as follows: “(designed to insure that (i) the benefits of weatherization assistance in connection with leased dwelling units will accrue primarily to low-income tenants; (ii) the rents on such dwelling units will not be raised because of any increase in the value thereof due solely to weatherization assistance provided under this part; and (iii) no undue or excessive enhancement will occur to the value of such dwelling units.”

Subsec. (b)(5), (6). Pub. L. 101–140, § 7(b)(2), added pars. (5) and (6).


Subsec. (c). Pub. L. 96–294, §§ 573(b), 577(2), substituted “Secretary” for “Administrator” wherever appearing, and struck out provisions relating to determinations respecting inapplicability of allocation requirement and priority for an applicable community action agency.

Subsec. (d), (e). Pub. L. 96–294, § 577(2), substituted “Secretary” for “Administrator” wherever appearing.

1978—Subsec. (a). Pub. L. 95–619, § 231(a)(2), substituted “occupied by low-income families” for “in which the head of the household is a low-income person”.


EFFECTIVE DATE OF 1993 AMENDMENT

Amendment by Pub. L. 103–82 effective Apr. 4, 1994, see section 406(b) of Pub. L. 103–82, set out as a note
under section 4332 of Title 5, Government Organization and Employees.

**Weatherization Assistance Grants Cost Sharing**


Provisions of Pub. L. 106–113, div. B, §1000(a)(1) [title II], Nov. 29, 1999, 113 Stat. 1555, 1501A–180, which provided that sums appropriated for weatherization assistance grants were to be contingent on a cost share of 25 percent by each participating State or other qualified participant, were repealed by Pub. L. 106–469, title VI, §601(a), Nov. 9, 2000, 114 Stat. 2040.

**Community Services Administration**


§ 6864. Financial assistance

(a) Annual application; contents; allocation to States

The Secretary shall provide financial assistance, from sums appropriated for any fiscal year under this part, only upon annual application. Each such application shall describe the estimated number and characteristics of the low-income persons and the number of dwelling units to be assisted and the criteria and methods to be used by the applicant in providing weatherization assistance to such persons. The application shall also contain such other information (including information needed for evaluation purposes) and assurances as may be required in the regulations promulgated pursuant to section 6863 of this title and to carry out this section. The Secretary shall allocate financial assistance to each State on the basis of the relative need for weatherization assistance among low-income persons throughout the States, taking into account the following factors:

(A) The number of dwelling units to be weatherized.

(B) The climatic conditions in the State respecting energy conservation, which may include consideration of annual degree days.

(C) The type of weatherization work to be done in the various settings.

(D) Such other factors as the Secretary may determine necessary, such as the cost of heating and cooling, in order to carry out the purpose and provisions of this part.

(b) Requirements for assistance

The Secretary shall not provide financial assistance under this part unless the applicant has provided reasonable assurances that it has:

1. established a policy advisory council which (A) has special qualifications and sensitivity with respect to solving the problems of low-income persons (including the weatherization and energy-conservation problems of such persons), (B) is broadly representative of organizations and agencies which are providing services to such persons in the State or geographical area in question, and (C) is responsible for advising the responsible official or agency administering the allocation of financial assistance in such State or area with respect to the development and implementation of such weatherization assistance program;

2. established priorities to govern the provision of weatherization assistance to low-income persons, including methods to provide priority to elderly and handicapped low-income persons, and such priority as the applicant determines is appropriate for single-family or other high-energy-consuming dwelling units;

3. established policies and procedures designed to assure that financial assistance provided under this part will be used to supplement, and not to supplant, State or local funds, and, to the extent practicable, to increase the amounts of such funds that would be made available in the absence of Federal funds for carrying out the purpose of this part, including plans and procedures (A) for securing, to the maximum extent practicable, the services of volunteers and training participants and public service employment workers, pursuant to title I of the Workforce Innovation and Opportunity Act (29 U.S.C. 3111 et seq.), to work under the supervision of qualified supervisors and foremen, (B) for using Federal financial assistance under this part to increase the portion of low-income weatherization assistance that the State obtains from non-Federal sources, including private sources, and (C) for complying with the limitations set forth in section 6865 of this title; and

4. selected on the basis of public comment received during a public hearing conducted pursuant to section 6865(b)(1) of this title, and other appropriate findings, community action agencies or other public or nonprofit entities to undertake the weatherization activities authorized by this subchapter: Provided, Such selection shall be based on the agency’s experience and performance in weatherization housing renovation activities, experience in assisting low-income persons in the area to be served, and the capacity to undertake a timely and effective weatherization program: Provided further, That in making such selection preference shall be given to any community action agency or other public or nonprofit entity which has, or is currently administering, an effective program under this subchapter or under title II of the Economic Opportunity Act of 1964 (42 U.S.C. 2781 et seq.).

(c) Annual update of data used in allocating funds

Effective with fiscal year 1991, and annually thereafter, the Secretary shall update the population, eligible households, climatic, residential energy use, and all other data used in allocating the funds under this part among the States pursuant to subsection (a).


REFERENCES IN TEXT


AMENDMENTS

2014—Subsec. (b)(3). Pub. L. 113–128 substituted “section to the maximum extent practicable, the services of volunteers and training participants and public service employment workers, pursuant to title I of the Workforce Innovation and Opportunity Act” for “securing, to the maximum extent practicable, the services of volunteers and training participants and public service employment workers, pursuant to title I of the Workforce Investment Act of 1998”.

1990—Subsec. (b)(3). Pub. L. 101–507, §101(f) [title VIII, §405(f)(29)], struck out “‘the Job Training Partnership Act’ or” after “pursuant to”.

(b) Use of funds

Financial assistance provided under this section may be used for—

(1) the negotiation of such partnerships, agreements and other arrangements;
(2) the presentation of arguments before State or local agencies;
(3) expert advice on the development of such partnerships, agreements, and other arrangements; or
(4) other activities reasonably associated with the development and initial implementation of such arrangements.

(c) Conditions

(1) Financial assistance provided under this section to entities other than States shall, to the extent practicable, coincide with the timing of financial assistance provided to such entities under section 6863 or section 6864 of this title.
(2) Not less than 80 percent of amounts provided under this section shall be provided to entities other than States.
(3) A recipient of financial assistance under this section shall have up to three years to complete projects undertaken with such assistance.

$6864a. Technical transfer grants

(a) In general

The Secretary may, to the extent funds are made available, provide financial assistance to entities receiving funding from the Federal Government or from a State through a weatherization assistance program under section 6863 or section 6864 of this title for—

(1) evaluating technical and management measures which increase program and/or private entity performance in weatherizing low-income housing;
(2) producing technical information for use by persons involved in weatherizing low-income housing;
(3) exchanging information; and
(4) conducting training programs for persons involved in weatherizing low-income housing.

(b) Conditions

(1) Not less than 50 percent of amounts provided under this section shall be awarded to entities other than States.
(2) A recipient of financial assistance under this section may contract with nonprofit entities to carry out all or part of the activities for which such financial assistance is provided.

$6864a. Private sector investments

(a) In general

The Secretary shall, to the extent funds are made available for such purpose, provide financial assistance to entities receiving funding from the Federal Government or from a State through a weatherization assistance program under section 6863 or section 6864 of this title for the development and initial implementation of partnerships, agreements, or other arrangements with utilities, private sector interests, or other institutions, under which non-Federal financial assistance would be made available to support programs which install energy efficiency improvements in low-income housing.
§ 6865. Limitations on financial assistance

(a) Purchase of materials and administration of projects

(1) Not more than an amount equal to 10 percent of any grant made by the Secretary under this part may be used for administrative purposes in carrying out duties under this part, except that not more than one-half of such amount may be used by any State for such purposes, and a State may provide in the plan adopted pursuant to subsection (b) for recipients of grants of less than $350,000 to use up to an additional 5 percent of such grant for administration if the State has determined that such recipient requires such additional amount to implement effectively the administrative requirements established by the Secretary pursuant to this part.

(2) The Secretary shall establish energy audit procedures and techniques which (i) meet standards established by the Secretary after consultation with the State Energy Advisory Board established under section 6325(g) of this title, (ii) establish priorities for selection of weatherization measures based on their cost and contribution to energy efficiency, (iii) measure the energy requirement of individual dwellings and the rate of return of the total conservation investment in a dwelling, and (iv) account for interaction among energy efficiency measures.

(b) Allocation, termination or discontinuance by Secretary

The Secretary shall insure that financial assistance provided under this part will—

(1) be allocated within the State or area in accordance with a published State or area plan, which is adopted by such State after notice and a public hearing, describing the proposed funding distributions and recipients;

(2) be allocated, pursuant to such State or area plan, to community action agencies carrying out programs under title II of the Economic Opportunity Act of 1964 [42 U.S.C. 2781 et seq.] or to other appropriate and qualified public or nonprofit entities in such State or area so that—

(A) funds will be allocated on the basis of the relative need for weatherization assistance among the low-income persons within such State or area, taking into account appropriate climatic and energy conservation factors; and

(B) due consideration will be given to the results of periodic evaluations of the projects carried out under this part in light of available information regarding the current and anticipated energy and weatherization needs of low-income persons within the State; and

(3) be terminated or discontinued during the application period only in accordance with policies and procedures consistent with the policies and procedures set forth in section 6866 of this title.

(c) Limitations on expenditures; exceptions; annual adjustments

(1) Except as provided in paragraphs (3) and (4), the expenditure of financial assistance provided under this part for labor, weatherization materials, and related matters shall not exceed an average of $6,500 per dwelling unit weatherized in that State. Labor, weatherization materials, and related matter includes, but is not limited to—

(A) the appropriate portion of the cost of tools and equipment used to install weatherization materials for a dwelling unit;

(B) the cost of transporting labor, tools, and materials to a dwelling unit;

(C) the cost of having onsite supervisory personnel;

(D) the cost of making incidental repairs to a dwelling unit if such repairs are necessary to make the installation of weatherization materials effective; and

(E) the cost of making heating and cooling modifications, including replacement.

(2) Dwelling units partially weatherized under this part or under other Federal programs during the period September 30, 1975, through September 30, 1994, may receive further financial assistance for weatherization under this part.

(3) Beginning with fiscal year 2000, the dwelling unit averages provided in paragraphs (1) and (4) shall be adjusted annually by increasing the average amount by an amount equal to—

(A) the average amount for the previous fiscal year, multiplied by

(B) the lesser of (i) the percentage increase in the Consumer Price Index (all items, United States city average) for the most recent calendar year completed before the beginning of the fiscal year for which the determination is being made, or (ii) three percent.

(4) The expenditure of financial assistance provided under this part for labor, weatherization materials, and related matters for a renewable energy system shall not exceed an average of $3,000 per dwelling unit.

(5)(A) The Secretary shall by regulations—

(i) establish the criteria which are to be used in prescribing performance and quality standards under paragraph (6)(A)(ii) or in specifying any form of renewable energy under paragraph (6)(A)(i)(I); and

(ii) establish a procedure under which a manufacturer of an item may request the Secretary to certify that the item will be treated, for purposes of this paragraph, as a renewable energy system.

(B) The Secretary shall make a final determination with respect to any request filed under subparagraph (A)(ii) within 1 year after the filing of the request, together with any information required to be filed with such request under subparagraph (A)(ii).

(C) Each month the Secretary shall publish a report of any request under subparagraph (A)(ii) which has been denied during the preceding month and the reasons for the denial.

(D) The Secretary shall not specify any form of renewable energy under paragraph (6)(A)(i)(I) unless the Secretary determines that—

(i) there will be a reduction in oil or natural gas consumption as a result of such specification;

1 So in original. The comma probably should be a semicolon.

2 So in original. Probably should be followed by a period.
(ii) such specification will not result in an increased use of any item which is known to be, or reasonably suspected to be, environmentally hazardous or a threat to public health or safety; and

(3) available Federal subsidies do not make such specification unnecessary or inappropriate (in the light of the most advantageous allocation of economic resources).

(6) In this subsection—

(A) the term “renewable energy system” means a system which—

(i) when installed in connection with a dwelling, transmits or uses—

(I) solar energy, energy derived from the geothermal deposits, energy derived from biomass, or any other form of renewable energy which the Secretary specifies by regulations, for the purpose of heating or cooling such dwelling or providing hot water or electricity for use within such dwelling; or

(II) wind energy for nonbusiness residential purposes;

(ii) meets the performance and quality standards (if any) which have been prescribed by the Secretary by regulations;

(iii) in the case of a combustion rated system, has a thermal efficiency rating of at least 75 percent; and

(iv) in the case of a solar system, has a thermal efficiency rating of at least 15 percent; and

(B) the term “biomass” means any organic matter that is available on a renewable or recurring basis, including agricultural crops and trees, wood and wood wastes and residues, plants (including aquatic plants), grasses, residues, fibers, and animal wastes, municipal wastes, and other waste materials.

d) Supplementary financial assistance to States

Beginning with fiscal year 1992, the Secretary may allocate funds appropriated pursuant to section 6872(b)\(^3\) of this title to provide supplementary financial assistance to those States which the Secretary determines have achieved the best performance during the previous fiscal year in achieving the purposes of this part. In making this determination, the Secretary shall—

(1) consult with the State Energy Advisory Board established under section 6325(g) of this title; and

(2) give priority to those States which, during such previous fiscal year, obtained a significant portion of income from non-Federal sources for their weatherization programs or increased significantly the portion of low-income weatherization assistance that the State obtained from non-Federal sources.

e) Supplementary financial assistance to grant recipients

(1)(A) Beginning with fiscal year 1992, the Secretary may allocate, from funds appropriated pursuant to section 6872(b)\(^3\) of this title, among the States an equal amount for each State not to exceed $100,000 per State. Each State shall make available amounts received under this subsection to provide supplementary financial assistance to recipients of grants under this part that have achieved the best performance during the previous fiscal year in advancing the purposes of this part.

(B) None of the funds made available under this subsection may be used by any State for administrative purposes.

(2) The Secretary shall, after consulting with the State Energy Advisory Board referred to in subsection (d)(1), prescribe guidelines to be used by each State in making available supplementary financial assistance under this section, with a priority being given to subgrantees that, by law or through administrative or other executive action, provided non-Federal resources (including private resources) to supplement Federal financial assistance under this part during the previous fiscal year.

\(^3\)See References in Text note below.
Pub. L. 106–469, §601(b)(2)(B), which directed amendment of par. (2) by substituting “establish” for “approve a State’s application to waive the 40 percent requirement established in paragraph (1) if the State includes in its plan”, was executed by making the substitution for “approve a State’s application to waive the 40-percent requirement established in paragraph (1) if the State includes in its plan”, to reflect the probable intent of Congress.

Pub. L. 106–469, §601(b)(2)(A), struck out “(A)” before “The Secretary shall approve”.

Subsec. (c)(1). Pub. L. 106–469, §601(b)(3)(A), (B), in introductory provisions, substituted “paragraph (3)” for “paragraphs (3) and (4)” and “$32,500” for “$1,500”.


Subsec. (c)(3). Pub. L. 106–469, §601(b)(4), in introductory provisions, substituted “2000, the $2,500 per dwelling unit limitation” and “average amount” for “limitation amount”, in subpar. (A), substituted “average” for “limitation”, and in subpar. (B), inserted “the” after “beginning” of.

Subsec. (c)(4). Pub. L. 106–469, §601(b)(5), struck out par. (4), which required the Secretary, upon State application, to establish a separate average per dwelling unit limitation for dwelling units in the State.

1990—Subsec. (a). Pub. L. 101–140, §7(d), substituted “(1) Except as provided in paragraph (2) an average” for “An average”, inserted before period at end “, and a State may provide in the plan adopted pursuant to subsection (b) for recipients of grants of less than $350,000 to use up to an additional 5 percent of such grant for administration if the State has determined that such recipient requires such additional amount to implement effectively the administrative requirements established by the Secretary pursuant to this part”, and added par. (2).

Subsec. (c)(3). Pub. L. 101–140, §7(e)(1), substituted “Except as provided in paragraphs (3) and (4), the expenditure” for “The expenditure”.

Subsec. (c)(4)(D). Pub. L. 101–140, §7(e)(2), added par. (3) and (4).


Pub. L. 101–140, §7(f), struck out subsec. (d) which established a performance fund to provide financial assistance to those States the Secretary determined to have demonstrated the best performance during the previous fiscal year in providing weatherization assistance.


1984—Subsec. (a). Pub. L. 98–558, §403(1), substituted provisions that an average of at least forty percent of the funds provided shall be spent for weatherization for former provisions which directed the Secretary to use funds to the maximum extent practicable.

Subsec. (c). Pub. L. 98–558, §403(2), in amending subsec. (c), generally, substituted provisions that expenditures shall not exceed an average of $1,600 per dwelling unit for former provisions which provided for a $300 per dwelling unit limit in par. (1), struck out “not to exceed $150” after “the cost” in par. (1)(D), substituted provisions that dwelling units partially weatherized between certain dates could receive further financial assistance under this part for former provisions that $800 more than $1,600 to cover the costs of paying persons who would install the weatherization materials and, to the maximum extent practicable, who would otherwise be able to participate as training participants and public service employment workers pursuant to the Comprehensive Employment and Training Act of 1973.

Subsec. (d). Pub. L. 98–558, §403(3), substituted provisions limiting amounts used for administrative purposes in any grant made by the Secretary under this part for provisions limiting amounts used for administrative purposes in any grant made pursuant to section 6863(a) of this title and any allocations under this section.

Subsec. (c). Pub. L. 96–294, §§572(1), 575, inserted in provision preceding subpar. (A) reference to par. (3) and in subpar. (D) substituted “$150” for “$100”.

Subsec. (c)(2). Pub. L. 96–294, §577(2), substituted “Secretary” for “Administrator” wherever appearing.


1978—Subsec. (a). Pub. L. 95–619, §231(c)(1), authorized expenditure of allocations under this part for costs related to weatherization of a dwelling unit allocated in subsec. (c) of this section and substituted an administrative expenses limitation of five percent of any allocation under this section for a similar limitation of ten percent of any such allocation.

Subsec. (c). Pub. L. 95–619, §231(c)(2), included expenditure of financial assistance provided under this section for costs related to procurement and installation of weatherization materials in dwelling units in the maximum amount available per dwelling unit and increased such maximum amount to $800 per unit.

§6866. Monitoring and evaluation of funded projects; technical assistance; limitation on assistance

The Secretary, in coordination with the Director, shall monitor and evaluate the operation of projects receiving financial assistance under this part through methods provided for in section 6867(a) of this title, through onsite inspections, or through other means, in order to assure the effective provision of weatherization assistance for the dwelling units of low-income persons. The Secretary shall also carry out periodic evaluations of the program authorized by this part and projects receiving financial assistance under this part. The Secretary may provide technical assistance to any such project, directly and through persons and entities with a demonstrated capacity in developing and implementing appropriate technology for enhancing the effectiveness of the provision of weatherization assistance to the dwelling units of low-income persons, utilizing in any fiscal year not to exceed 20 percent of the sums appropriated for such year under this part.

(Pub. L. 94–385, title IV, §416, Aug. 14, 1976, 90 Stat. 1156; Pub. L. 96–294, title V, §577(2), June 1980—Subsec. (a). Pub. L. 96–294, §§571, 577(2), substituted “Secretary” for “Administrator” and provisions limiting amounts used for administrative purposes in any grant made by the Secretary under this part for provisions limiting amounts used for administrative purposes in any grant made pursuant to section 6863(a) of this title and any allocations under this section.

Subsec. (b). Pub. L. 96–294, §§573(a), 577(2), substituted in provision preceding par. (1) “Secretary” for “Administrator”, redesignated former par. (2)(C) as (B), and struck out former par. (2)(B), which related to funds allocated for carrying out weatherization projects under this part in the geographical area served by the emergency program.

Subsec. (c)(1). Pub. L. 96–294, §§572(1), 575, inserted in provision preceding subpar. (A) reference to par. (3) and in subpar. (D) substituted “$150” for “$100”.

Subsec. (c)(2). Pub. L. 96–294, §577(2), substituted “Secretary” for “Administrator” wherever appearing.


1978—Subsec. (a). Pub. L. 95–619, §231(c)(1), authorized expenditure of allocations under this part for costs related to weatherization of a dwelling unit allocated in subsec. (c) of this section and substituted an administrative expenses limitation of five percent of any allocation under this section for a similar limitation of ten percent of any such allocation.

Subsec. (c). Pub. L. 95–619, §231(c)(2), included expenditure of financial assistance provided under this section for costs related to procurement and installation of weatherization materials in dwelling units in the maximum amount available per dwelling unit and increased such maximum amount to $800 per unit.


§6866. Monitoring and evaluation of funded projects; technical assistance; limitation on assistance

The Secretary, in coordination with the Director, shall monitor and evaluate the operation of projects receiving financial assistance under this part through methods provided for in section 6867(a) of this title, through onsite inspections, or through other means, in order to assure the effective provision of weatherization assistance for the dwelling units of low-income persons. The Secretary shall also carry out periodic evaluations of the program authorized by this part and projects receiving financial assistance under this part. The Secretary may provide technical assistance to any such project, directly and through persons and entities with a demonstrated capacity in developing and implementing appropriate technology for enhancing the effectiveness of the provision of weatherization assistance to the dwelling units of low-income persons, utilizing in any fiscal year not to exceed 20 percent of the sums appropriated for such year under this part.
the Secretary, after reasonable notice and an opportunity for a public hearing, finds that there is a failure to comply substantially with the provisions of this part or regulations promulgated under this part, he shall notify the agency or institution involved and other interested parties that such State (or unit of general purpose local government or agency, as appropriate) will no longer be eligible to participate in the program under this part until the Secretary is satisfied that there is no longer any such failure to comply. (b) Reasonable notice under this section shall include a written notice of intention to act adversely (including a statement of the reasons therefor) and a reasonable period of time within which to submit corrective amendments to the application, or to propose corrective action.

§ 6868. Approval of application or amendment for financial assistance

(a) The Secretary shall not finally disapprove any application submitted under this part, or any amendment thereto, without first affording the State (or unit of general purpose local government or community action agency under section 6863(c) of this title, as appropriate) in question, as well as other interested parties, reasonable notice and an opportunity for a public hearing. The Secretary may consolidate into a single hearing the consideration of more than one such application for a particular fiscal year to carry out projects within a particular State. Whenever the Secretary, after reasonable notice and an opportunity for a public hearing, finds that there is a failure to comply substantially with the provisions of this part or regulations promulgated under this part, he shall notify the agency or institution involved and other interested parties that such State (or unit of general purpose local government or agency, as appropriate) will no longer be eligible to participate in the program under this part until the Secretary is satisfied that there is no longer any such failure to comply. (b) Reasonable notice under this section shall include a written notice of intention to act adversely (including a statement of the reasons therefor) and a reasonable period of time within which to submit corrective amendments to the application, or to propose corrective action.

(b) Conclusion of findings of Secretary; remand; modified findings by Secretary; certification of record

The findings of fact by the Secretary, if supported by substantial evidence, shall be conclusive if supported by substantial evidence. The court may, for good cause shown, remand the case to the Secretary to take further evidence, and the Secretary may thereupon make new or modified findings of fact and may modify his previous action. The Secretary shall certify to the court the record of any such further proceedings. Such new or modified findings of fact shall likewise be conclusive if supported by substantial evidence.

(c) Power of court to affirm or set aside action of Secretary; appeal to Supreme Court

The court shall have jurisdiction to affirm the action of the Secretary or to set it aside, in whole or in part. The judgment of the court shall be subject to review by the Supreme Court of the United States upon certiorari or certification, as provided in section 1254 of title 28.

(b) Conclusion of findings of Secretary; remand; modified findings by Secretary; certification of record

The findings of fact by the Secretary, if supported by substantial evidence, shall be conclusive if supported by substantial evidence. The court may, for good cause shown, remand the case to the Secretary to take further evidence, and the Secretary may thereupon make new or modified findings of fact and may modify his previous action. The Secretary shall certify to the court the record of any such further proceedings. Such new or modified findings of fact shall likewise be conclusive if supported by substantial evidence.

(c) Power of court to affirm or set aside action of Secretary; appeal to Supreme Court

The court shall have jurisdiction to affirm the action of the Secretary or to set it aside, in whole or in part. The judgment of the court shall be subject to review by the Supreme Court of the United States upon certiorari or certification, as provided in section 1254 of title 28.
§ 6870. Prohibition against discrimination; notification to funded project of violation; penalties for failure to comply

(a) No person in the United States shall, on the ground of race, color, national origin, or sex, or on the ground of any other factor specified in any Federal law prohibiting discrimination, be excluded from participation in, or denied the benefits of, or be subjected to discrimination under any program, project, or activity supported in whole or in part with financial assistance under this part.

(b) Whenever the Secretary determines that a recipient of financial assistance under this part has failed to comply with subsection (a) or any applicable regulation, he shall notify the recipient thereof in order to secure compliance. If, within a reasonable period of time thereafter, such recipient fails to comply, the Secretary shall—

1. refer the matter to the Attorney General with a recommendation that an appropriate civil action be instituted;
2. exercise the power and functions provided by title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d et seq.) and any other applicable Federal nondiscrimination law; or
3. take such other action as may be authorized by law.


REFERENCES IN TEXT


§ 6872. Authorization of appropriations

For the purpose of carrying out the weatherization program under this part, there are authorized to be appropriated—

1. (1) $750,000,000 for fiscal year 2006;
2. (2) $900,000,000 for fiscal year 2007;
3. (3) $1,050,000,000 for fiscal year 2010;
4. (4) $1,200,000,000 for fiscal year 2011; and
5. (5) $1,400,000,000 for fiscal year 2012.1


AMENDMENTS

1960—Pub. L. 88–352 struck out “through 1979” after “and annually thereafter” and inserted at end “Such report shall include information and data furnished by each State on the average costs incurred in weatherization of individual dwelling units, the average size of the dwellings being weatherized, and the average income of households receiving assistance under this part.”

1960—Pub. L. 96–294 substituted “Secretary” for “Administrator”.

§ 6873. Annual report by Secretary and Director to President and Congress on weatherization program

The Secretary and (with respect to the operation and effectiveness of activities carried out through community action agencies) the Director shall each submit, on or before March 31, 1977, and annually thereafter, a report to the Congress and the President describing the weatherization assistance program carried out under this part or any other provision of law, including the results of the periodic evaluations and monitoring activities required by section 6866 of this title. Such report shall include information and data furnished by each State on the average costs incurred in weatherization of individual dwelling units, the average size of the dwellings being weatherized, and the average income of households receiving assistance under this part.


AMENDMENTS

1960—Pub. L. 88–352 substituted “Secretary” for “Administrator”.

1990—Pub. L. 101–440 struck out “through 1979” after “and annually thereafter” and inserted at end “Such report shall include information and data furnished by each State on the average costs incurred in weatherization of individual dwelling units, the average size of the dwellings being weatherized, and the average income of households receiving assistance under this part.”

1960—Pub. L. 96–294 substituted “Secretary” for “Administrator”.

1990—Pub. L. 101–440 struck out “through 1979” after “and annually thereafter” and inserted at end “Such report shall include information and data furnished by each State on the average costs incurred in weatherization of individual dwelling units, the average size of the dwellings being weatherized, and the average income of households receiving assistance under this part.”

1960—Pub. L. 96–294 substituted “Secretary” for “Administrator”.

1990—Pub. L. 101–440 struck out “through 1979” after “and annually thereafter” and inserted at end “Such report shall include information and data furnished by each State on the average costs incurred in weatherization of individual dwelling units, the average size of the dwellings being weatherized, and the average income of households receiving assistance under this part.”

1960—Pub. L. 96–294 substituted “Secretary” for “Administrator”.

1990—Pub. L. 101–440 struck out “through 1979” after “and annually thereafter” and inserted at end “Such report shall include information and data furnished by each State on the average costs incurred in weatherization of individual dwelling units, the average size of the dwellings being weatherized, and the average income of households receiving assistance under this part.”
ergy conservation for fiscal year 1984, not less than $190,000,000 was authorized to be appropriated to carry out the weatherization program under this part, and subsequent provisions authorizing the appropriation of such sums as may be necessary for fiscal year 1985 to carry out the weatherization program for provisions that had authorized the appropriations of $55,000,000 for the fiscal year ending on Sept. 30, 1977, $130,000,000 for the fiscal year ending on Sept. 30, 1978, $200,000,000 for the fiscal year ending on Sept. 30, 1979, $200,000,000 for the fiscal year ending on Sept. 30, 1980, and $200,000,000 for the fiscal year ending on Sept. 30, 1981.

1980—Pub. L. 96–294 inserted provisions authorizing to be appropriated $200,000,000 for fiscal year ending on Sept. 30, 1981, such sums to remain available until expired.

1979—Pub. L. 95–619 substituted an appropriations authorization of not to exceed $130,000,000 for fiscal year ending Sept. 30, 1978, $200,000,000 for fiscal year ending Sept. 30, 1977, $130,000,000 for fiscal year ending Sept. 30, 1976, and $55,000,000 for the fiscal year ending on Sept. 30, 1975, for the fiscal year ending on Sept. 30, 1976.

1978—Pub. L. 95–619 substituted an appropriations authorization of not to exceed $130,000,000 for fiscal year ending Sept. 30, 1978, $200,000,000 for fiscal year ending Sept. 30, 1977, $130,000,000 for fiscal year ending Sept. 30, 1976, and $55,000,000 for the fiscal year ending on Sept. 30, 1975.

Effective Date of 2007 Amendment
Amendment by Pub. L. 110–140 effective on the date that is 1 day after Dec. 19, 2007, see section 1601 of Pub. L. 110–140, set out as an Effective Date note under section 1824 of Title 2, The Congress.

Sustainable Energy Resources for Consumers Grants
Pub. L. 110–140, title IV, § 411(b), Dec. 19, 2007, 121 Stat. 1600, provided that:

“(1) IN GENERAL.—The Secretary of Energy may make funding available to local weatherization agencies for projects and activities to reduce energy costs of consumers served, and the Secretary shall give priority to projects and activities that—

(A) have the capacity to carry out the activities prescribed in this section in a manner that is consistent with providing opportunities for individuals with low income to develop the skills and knowledge needed to carry out such activities;

(B) are designed to provide experiences and opportunities for individuals with low income to participate in such projects and activities;

(C) will benefit individuals with low income who are not served by similar programs in the area;

DIC. Title I of the Act is classified generally to chapter III of this title and Tables.

The Community Service Senior Opportunities Act, referred to in text, is title IV of Pub. L. 94–385, title II of the Act is classified generally to subchapter II (§ 6876 et seq.) of chapter II of this title and Tables.


REACTIONS IN TEXT

§ 6873. Availability of labor

(1) First, the Secretary of Energy (in consultation with the Director of the Community Services Administration, the Secretary of Agriculture, and the Secretary of Labor) shall determine the number of individuals needed to supply sufficient labor to carry out such weatherization programs in the various areas of the country.

(2) After the determination in paragraph (1) is made, the Secretary of Labor shall identify the areas in the country in which there is an insufficient number of such volunteers and training participants and public service employment workers.

(3) After such areas are identified, the Secretary of Labor shall take steps to assure that such weatherization programs are supported to the maximum extent practicable in such areas by such volunteers and training participants and public service employment workers.

References in Text


The Existing Community Service Senior Opportunities Act of 1976, referred to in text, is title IV of Pub. L. 94–385, as amended. Part A of the Existing Community Service Senior Opportunities Act of 1976 is classified generally to subchapter II (§ 6861 et seq.) of chapter II of this title and Tables.

1 See references to Text note below.
Amendments

2014—Pub. L. 113–128 substituted “a sufficient number of volunteers and training participants and public service employment workers, assisted pursuant to title I of the Workforce Innovation and Opportunity Act and the Community Service Senior Opportunities Act” for “a sufficient number of volunteers and training participants and public service employment workers, assisted pursuant to title I of the Workforce Investment Act of 1998 and the Older American Community Service Employment Act”.

1998—Pub. L. 105–277, §101(f) [title VIII, §405(h)(30)], struck out “the Job Training Partnership Act or” after “assisted pursuant to”.

Effective Date of 2014 Amendment
Amendment by Pub. L. 113–128 effective on the first day of the first full program year after July 22, 2014 (July 1, 2015), see section 506 of Pub. L. 113–128, set out as an Effective Date note under section 5301 of Title 29, Labor.

Effective Date of 1998 Amendment

Community Services Administration

Part B—Energy Conservation and Renewable-Resource Obligation Guarantees

Codification
This part was, in the original, designated part D and has been redesignated part B for purposes of codification.

§6881. Energy resource and renewable-resource obligation guarantee program

(a) Authorization; requirements for guarantees and commitments to guarantee; procedures

(1) The Secretary may, in accordance with this section and such rules as he shall prescribe after consultation with the Secretary of the Treasury, guarantee and issue commitments to guarantee the payment of the outstanding principal amount of any loan, note, bond, or other obligation evidencing indebtedness, if—

(A) such obligation is entered into or issued by any person or by any State, political subdivision of a State, or agency and instrumentality of either a State or political subdivision thereof; and

(B) the purpose of entering into or issuing such obligation is the financing of any energy conservation measure or renewable-resource energy measure which is to be installed or otherwise implemented in any building or industrial plant owned or operated by the person or State, political subdivision of a State, or agency or instrumentality of either a State or political subdivision thereof, (i) which enters into or issues such obligation, or (ii) to which such measure is leased.

(2) No guarantee or commitment to guarantee may be issued under this subsection with respect to any obligation—

(A) which is a general obligation of a State; or

(B) which is entered into or issued for the purpose of financing any energy conservation measure or renewable-resource energy measure which is to be installed or otherwise implemented in a residential building containing 2 or fewer dwelling units.

(3) Before prescribing rules pursuant to this subsection, the Secretary shall consult with the Administrator of the Small Business Administration in order to formulate procedures which would assist small business concerns in obtaining guarantees and commitments to guarantee under this section.

(b) Preconditions for issuance of guarantees and commitments to guarantee

No obligation may be guaranteed, and no commitment to guarantee an obligation may be issued, under subsection (a), unless the Secretary finds that the measure which is to be financed by such obligation—

(1) has been identified by an energy audit to be an energy conservation measure or a renewable-resource energy measure; or

(2) is included on a list of energy conservation measures and renewable-resource energy measures which the Secretary publishes under section 6325(e)(1) of this title.

Before issuing a guarantee under subsection (a), the Secretary may require that an energy audit be conducted with respect to an energy conservation measure or a renewable-resource energy measure which is on a list described in paragraph (2) and which is to be financed by the obligation to be guaranteed under this section. The amount of any obligation which may be guaranteed under subsection (a) may include the cost of an energy audit.

(c) Limitations on availability of guarantees; term of guarantees; aggregate outstanding principal amount of obligations of one borrower

(1) The Secretary shall limit the availability of a guarantee otherwise authorized by subsection (a) to obligations entered into by or issued by borrowers who can demonstrate that fi-
nancing is not otherwise available on reasonable terms and conditions to allow the measure to be financed.

(2) No obligation may be guaranteed by the Secretary under subsection (a) unless the Secretary finds—

(A) there is a reasonable prospect for the repayment of such obligation; and

(B) in the case of an obligation issued by a person, such obligation constitutes a general obligation of such person for such guarantee.

(3) The term of any guarantee issued under subsection (a) may not exceed 25 years.

(4) The aggregate outstanding principal amount which may be guaranteed under subsection (a) at any one time with respect to obligations entered into or issued by any borrower may not exceed $5,000,000.

(d) Limitations on original principal amount guaranteed; revocation of guarantees and commitments to guarantee; conclusiveness of guarantee

The original principal amount guaranteed under subsection (a) may not exceed 90 percent of the cost of the energy conservation measure or the renewable-resource energy measure financed by the obligation guaranteed under such subsection; except that such amount may not exceed 25 percent of the fair market value of the building or industrial plant being modified by such energy conservation measure or renewable-resource energy measure. No guarantee issued, and no commitment to guarantee, which is issued under subsection (a) shall be terminated, canceled, or otherwise revoked except in accordance with reasonable terms and conditions prescribed by the Secretary, after consultation with the Secretary of the Treasury, and contained in the written guarantee or commitment to guarantee. The full faith and credit of the United States is pledged to the payment of all guarantees made under subsection (a). Any such guarantee made by the Secretary shall be conclusive evidence of the eligibility of the obligation involved for such guarantee, and the validity of any guarantee so made shall be incontestable in the hands of a holder of the guaranteed obligation except for fraud or material misrepresentation on the part of such holder.

(e) Information and assurances required prior to guarantees and commitments to guarantee; maintenance and availability of records; fees to borrowers; exceptions

(1) No guarantee and no commitment to guarantee may be issued under subsection (a) unless the Secretary obtains any information reasonably requested and such assurances as are in his judgment (after consultation with the Secretary of the Treasury) reasonable to protect the interests of the United States and to assure that such guarantee or commitment to guarantee is consistent with and will further the purpose of this subchapter. The Secretary shall require that records be kept and made available to the Secretary or the Comptroller General, or any of their duly authorized representatives, in such detail and form as are determined necessary to facilitate (A) an effective financial audit of the energy conservation measure or renewable-resource energy measure investment involved, and (B) an adequate evaluation of the effectiveness of this section. The Secretary and the Comptroller General, or any of their duly authorized representatives, shall have access to pertinent books, documents, papers, and records of the recipient of Federal assistance under this section.

(2) The Secretary may collect a fee from any borrower with respect to whose obligation a guarantee or commitment to guarantee is issued under subsection (a); except that the Secretary may waive any such fee with respect to any such borrower or class of borrowers. Fees shall be designed to recover the estimated administrative expenses incurred under this part; except that the total of the fees charged any such borrower may not exceed (A) one percent of the amount of the guarantee, or (B) one-half percent of the amount of the commitment to guarantee, whichever is greater. Any amount collected under this paragraph shall be deposited in the miscellaneous receipts of the Treasury.

(f) Default in payment of principal due under guaranteed obligation; procedures applicable

(1) If there is a default by the obligor in any payment of principal due under an obligation guaranteed under subsection (a), and if such default continues for 30 days, the holder of such obligation or his agent has the right to demand payment by the Secretary of the unpaid principal of such obligation, consistent with the terms of the guarantee of such obligation. Such payment may be demanded within such period as may be specified in the guarantee or related agreements, which period shall expire not later than 90 days from the date of such default. If demand occurs within such specified period, then not later than 60 days from the date of such demand, the Secretary shall pay to such holder the unpaid principal of such obligation, consistent with the terms of the guarantee of such obligation; except that (A) the Secretary shall not be required to make any such payment if he finds, prior to the expiration of the 60-day period beginning on the date on which the demand is made, that there was no default by the obligor in the payment of principal or that such default has been remedied, and (B) no such holder shall receive payment or be entitled to retain payment in a total amount which together with any other recovery (including any recovery based upon any security interest) exceeds the actual loss of principal by such holder.

(2) If the Secretary makes payment to a holder under paragraph (1), the Secretary shall thereupon—

(A) have all of the rights granted to him by law or agreement with the obligor; and

(B) be subrogated to all of the rights which were granted such holder, by law, assignment, or security agreement applicable to the guaranteed obligation.

(3) The Secretary may, in his discretion, take possession of, complete, recondition, reconstruct, renovate, repair, maintain, operate, remove, charter, rent, sell, or otherwise dispose of any property or other interests obtained by him pursuant to this subsection. The terms of any such sale or other disposition shall be as approved by the Secretary.
(g) Limitation on aggregate outstanding principal amount of obligations guaranteed; time limitation on guarantees and commitments to guarantee; authorization of appropriations

(1) The aggregate outstanding principal amount of obligations which may be guaranteed under this section may not at any one time exceed $2,000,000,000. No guarantee or commitment to guarantee may be issued under subsection (a) after September 30, 1979.

(2) There is authorized to be appropriated for the payment of amounts to be paid under subsection (f), not to exceed $80,000,000. Any amount appropriated pursuant to this paragraph shall remain available until expended.

(3) There is authorized to be appropriated to carry out the provisions of this part, including administrative costs, but not for the payment of amounts to be paid under subsection (f)—

(A) for the fiscal year ending September 30, 1977, not to exceed $1,836,000; and

(B) for the fiscal year ending September 30, 1978, not to exceed $4,950,000.

(h) Wages paid laborers and mechanics; labor standards

All laborers and mechanics employed in construction, alteration, or repair which is financed by an obligation guaranteed under subsection (a) shall be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with sections 3141–3144, 3146, and 3147 of title 40. The Secretary shall not guarantee any obligations under subsection (a) without first obtaining adequate assurance that these labor standards will be maintained during such construction, alteration, or repair. The Secretary of Labor shall, with respect to the labor standards in this subsection, have the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 and section 3145 of title 40.

(i) Definitions

As used in this part:

(1) The term "Secretary" means the Secretary of Energy.

(2) The term "Comptroller General" means the Comptroller General of the United States.

(3) The terms "energy audit", "energy conservation measure", "renewable-resource energy measure", "building", and "industrial plant" have the meanings prescribed for such terms in section 6326 of this title.


References in Text

This subchapter, referred to in subsec. (e)(1), was in the original “this title”, meaning title IV of Pub. L. 94–385, known as the Energy Conservation in Existing Buildings Act of 1976, which enacted this subchapter, section 6327 of this title, and section 1701z–8 of Title 12, Banks and Banking, amended sections 6323, 6325, and 6326 of this title, and enacted provisions set out as a note under section 6801 of this title. For complete classification of this Act to the Code, see Short Title note set out under section 6801 of this title and Tables. Reorganization Plan Numbered 14 of 1950, referred to in subsec. (h), is set out in the Appendix to Title 5, Government Organization and Employees.

Codification


In subsec. (i)(1), ‘‘The term ‘Secretary’ means the Secretary of Energy’’ substituted for ‘‘The term ‘Administrator’ means the Administrator of the Federal Energy Administration; except that after such Administration ceases to exist, such term means any officer of the United States designated by the President for purposes of this part’’ in view of termination of Federal Energy Administration and transfer of its functions and functions of Administrator thereof (with certain exceptions) to Secretary of Energy pursuant to sections 301(a), 703, and 707 of Pub. L. 95–91, which are classified to sections 7151(a), 7293, and 7297 of this title.

Amendments

1996—Subsecs. (d), (e)(1). Pub. L. 104–316 struck out ‘‘and the Comptroller General’’ after ‘‘Secretary of the Treasury’’.


Transfer of Functions

‘‘Secretary’’, meaning Secretary of Energy, substituted for ‘‘Administrator’’, meaning Administrator of Federal Energy Administration, in subsecs. (a) to (f) and (h) pursuant to sections 301(a), 703, and 707 of Pub. L. 95–91, which are classified to sections 7151(a), 7293, and 7297 of this title and which terminated Federal Energy Administration and transferred its functions and functions of Administrator thereof (with certain exceptions) to Secretary of Energy.

Part C—Miscellaneous Provisions

Codification

This part was, in the original, designated Part E and has been redesignated Part C for purposes of codification.

§ 6891. Exchange of energy information among the States

The Secretary of Energy shall (through conferences, publications, and other appropriate means) encourage and facilitate the exchange of information among the States with respect to
energy conservation and increased use of non-depletable energy sources.


TRANSFER OF FUNCTIONS

“Secretary of Energy” substituted in text for “Administrator”, meaning Administrator of Federal Energy Administration, pursuant to sections 301(a), 703, and 707 of Pub. L. 95–91, which are classified to sections 7151(a), 7293, and 7297 of this title and the fact that the term “Secretary” is defined for the purposes of this subchapter or by amendments made by this subchapter, and any amendments to other statutes made by this subchapter. The provisions of section 771 of title 15 (relating to access by the Comptroller and any amendments to other statutes made by Congress on the activities of the Secretary of Energy or of recipients of Federal funds) shall apply to data which relate to such activities.

§ 6892. Annual report to Congress by Comptroller General

(a) Requirements; access to information

For each fiscal year ending before October 1, 1979, the Comptroller General shall report to the Congress on the activities of the Secretary of Energy and the Secretary under this subchapter and any amendments to other statutes made by this subchapter. The provisions of section 771 of title 15, relating to access to books, documents, papers, statistics, data, records, and information in the possession of the Secretary of Energy or of recipients of Federal funds, shall apply to data which relate to such activities.

(b) Contents of report

Each report submitted by the Comptroller General under subsection (a) shall include—

(1) an accounting, by State, of expenditures of Federal funds under each program authorized by this subchapter or by amendments made by this subchapter;

(2) an estimate of the energy savings which have resulted thereby;

(3) a thorough evaluation of the effectiveness of the programs authorized by this subchapter or by amendments made by this subchapter in achieving the energy conservation or renewable resource potential available in the sectors and regions affected by such programs;

(4) a review of the extent and effectiveness of compliance monitoring of programs established by this subchapter or by amendments made by this subchapter and any evidence as to the occurrence of fraud with respect to such programs; and

(5) the recommendations of the Comptroller General with respect to (A) improvements in the administration of programs authorized by this subchapter or by amendments made by this subchapter, and (B) additional legislation, if any, which is needed to achieve the purposes of this subchapter.

(c) Definitions

As used in this part:

(1) Omitted

(2) The term “Comptroller General” means the Comptroller General of the United States.

(3) The term “Secretary” means the Secretary of Housing and Urban Development.


REFERENCES IN TEXT

This subchapter, referred to in subsecs. (a), and (b)(1), (3), (4), (5), was in the original “this title”, meaning title IV of Pub. L. 94–385 which enacted this subchapter, section 6207 of this title, and section 1922–8 of Title 12, Banks and Banking, amended sections 6233, 6235, and 6326 of this title, and enacted provisions set out as a note under section 6801 of this title.

CODIFICATION

Subsec. (c)(1) of this section which read “The term ‘Administrator’ means the administrator of the Federal Energy Administration; except that after such Administration ceases to exist, such term means any officer of the United States designated by the President for purposes of this part” has been omitted in view of termination of Federal Energy Administration and transfer of its functions and functions of Administrator thereof (with certain exceptions) to Secretary of Energy.

TRANSFER OF FUNCTIONS

“Secretary of Energy” substituted for “Administrator”, meaning Administrator of Federal Energy Administration, in subsec. (a) pursuant to sections 301(a), 703, and 707 of Pub. L. 95–91, which are classified to sections 7151(a), 7293, and 7297 of this title and the fact that the term “Secretary” is defined for the purposes of this subchapter by par. (3) of this section. In this part, “Secretary of Energy” has been substituted for “Administrator” wherever it appears.

CHAPTER 82—SOLID WASTE DISPOSAL

SUBCHAPTER I—GENERAL PROVISIONS

Sec. 6901. Congressional findings.

6901a. Congressional findings: used oil recycling.

6902. Objectives and national policy.

6903. Definitions.

6904. Governmental cooperation.

6905. Application of chapter and integration with other Acts.

6906. Financial disclosure.

6907. Solid waste management information and guidelines.

6908. Small town environmental planning.

6908a. Agreements with Indian tribes.

SUBCHAPTER II—OFFICE OF SOLID WASTE; AUTHORITIES OF THE ADMINISTRATOR

6911. Office of Solid Waste and Interagency Coordinating Committee.

6911a. Assistant Administrator of Environmental Protection Agency; appointment, etc.

6912. Authorities of Administrator.


6914. Grants for discarded tire disposal.

6914a. Labeling of lubricating oil.

6914b. Degradable plastic ring carriers; definitions.

6914c–1. Regulation of plastic ring carriers.

6915. Annual report.

6916. General authorization.


SUBCHAPTER III—HAZARDOUS WASTE MANAGEMENT

6921. Identification and listing of hazardous waste.

6922. Standards applicable to generators of hazardous waste.

6923. Standards applicable to transporters of hazardous waste.

6924. Standards applicable to owners and operators of hazardous waste treatment, storage, and disposal facilities.
Sec.
6925. Permits for treatment, storage, or disposal of hazardous waste.
6926. Authorized State hazardous waste programs.
6927. Inspections.
6928. Federal enforcement.
6929. Retention of State authority.
6930. Effective date.
6931. Authorization of assistance to States.
6932. Transferred.
6933. Hazardous waste site inventory.
6934. Monitoring, analysis, and testing.
6935. Restrictions on recycled oil.
6936. Expansion during interim status.
6937. Inventory of Federal agency hazardous waste facilities.
6938. Export of hazardous wastes.
6939a. Exposure information and health assessments.
6939b. Interim control of hazardous waste injection.
6939c. Mixed waste inventory reports and plan.
6939d. Public vessels.
6939e. Federally owned treatment works.
6939f. Long-term storage.
6939g. Hazardous waste electronic manifest system.

SUBCHAPTER IV—STATE OR REGIONAL SOLID WASTE PLANS
6941. Objectives of subchapter.
6941a. Energy and materials conservation and recovery; Congressional findings.
6942. Federal guidelines for plans.
6943. Requirements for approval of plans.
6944. Criteria for sanitary landfills; sanitary landfills required for all disposal.
6945. Upgrading of open dumps.
6946. Procedure for development and implementation of State plan.
6947. Approval of State plan; Federal assistance.
6948. Federal assistance.
6949. Rural communities assistance.
6949a. A adequacy of certain guidelines and criteria.

SUBCHAPTER V—DUTIES OF SECRETARY OF COMMERCE IN RESOURCE AND RECOVERY
6951. Functions.
6954. Technology promotion.
6955. Marketing policies, establishment; nondiscrimination requirement.
6956. Authorization of appropriations.

SUBCHAPTER VI—FEDERAL RESPONSIBILITIES
6961. Application of Federal, State, and local law to Federal facilities.
6962. Federal procurement.
6963. Cooperation with Environmental Protection Agency.
6964. Applicability of solid waste disposal guidelines to Executive agencies.
6965. Chief Financial Officer report.
6966. Increased use of recovered mineral component in federally funded projects involving procurement of cement or concrete.
6966a. Increased use of recovered mineral component in federally funded projects involving procurement of cement or concrete.
6966b. Use of granular mine tailings.

SUBCHAPTER VII—MISCELLANEOUS PROVISIONS
6971. Employee protection.
6972. Citizen suits.
6973. Imminent hazard.
6974. Petition for regulations; public participation.
6975. Separability.
6976. Judicial review.
6977. Grants or contracts for training projects.
6978. Payments.
6979. Labor standards.
6979a. Transferred.
6979b. Law enforcement authority.

SUBCHAPTER VIII—RESEARCH, DEVELOPMENT, DEMONSTRATION, AND INFORMATION
6981. Research, demonstration, training, and other activities.
6982. Special studies; plans for research, development, and demonstrations.
6983. Coordination, collection, and dissemination of information.
6984. Full-scale demonstration facilities.
6985. Special study and demonstration projects on recovery of useful energy and materials.
6986. Grants for resource recovery systems and improved solid waste disposal facilities.
6987. Authorization of appropriations.

SUBCHAPTER IX—REGULATION OF UNDERGROUND STORAGE TANKS
6991. Definitions and exemptions.
6991a. Notification.
6991b. Release detection, prevention, and correction regulations.
6991c. Approval of State programs.
6991d. Inspections, monitoring, testing, and corrective action.
6991e. Federal enforcement.
6991f. Federal facilities.
6991g. State authority.
6991h. Study of underground storage tanks.
6991i. Operator training.
6991j. Use of funds for release prevention and compliance.
6991k. Delivery prohibition.
6991l. Tanks on tribal lands.
6991m. Authorization of appropriations.

SUBCHAPTER X—DEMONSTRATION MEDICAL WASTE TRACKING PROGRAM
6992. Scope of demonstration program for medical waste.
6992a. Listing of medical wastes.
6992b. Tracking of medical waste.
6992c. Inspections.
6992d. Enforcement.
6992e. Federal facilities.
6992f. Relationship to State law.
6992g. Repealed.
6992h. Health impacts report.
6992i. General provisions.
6992j. Effective date.
6992k. Authorization of appropriations.

SUBCHAPTER I—GENERAL PROVISIONS
§ 6901. Congressional findings
(a) Solid waste

The Congress finds with respect to solid waste—
(1) that the continuing technological progress and improvement in methods of manufacture, packaging, and marketing of consumer products has resulted in an ever-mounting increase, and in a change in the characteristics, of the mass material discarded by the purchaser of such products;
(2) that the economic and population growth of our Nation, and the improvements in the standard of living enjoyed by our population, have required increased industrial production to meet our needs, and have made necessary the demolition of old buildings, the construc-
tion of new buildings, and the provision of highways and other avenues of transportation, which, together with related industrial, commercial, and agricultural operations, have resulted in a rising tide of scrap, discarded, and waste materials;

(3) that the continuing concentration of our population in expanding metropolitan and other urban areas has presented these communities with serious financial, management, intergovernmental, and technical problems in the disposal of solid wastes resulting from the industrial, commercial, domestic, and other activities carried on in such areas;

(4) that while the collection and disposal of solid wastes should continue to be primarily the function of State, regional, and local agencies, the problems of waste disposal as set forth above have become a matter national in scope and in concern and necessitate Federal action through financial and technical assistance and leadership in the development, demonstration, and application of new and improved methods and processes to reduce the amount of waste and unsalvageable materials and to provide for proper and economical solid waste disposal practices.

(b) Environment and health

The Congress finds with respect to the environment and health, that—

(1) although land is too valuable a national resource to be needlessly polluted by discarded materials, most solid waste is disposed of on land in open dumps and sanitary landfills;

(2) disposal of solid waste and hazardous waste in on or on the land without careful planning and management can present a danger to human health and the environment;

(3) as a result of the Clean Air Act [42 U.S.C. 7401 et seq.], the Water Pollution Control Act [33 U.S.C. 1251 et seq.], and other Federal and State laws respecting public health and the environment, greater amounts of solid waste (in the form of sludge and other pollution treatment residues) have been created. Similarly, inadequate and environmentally unsound practices for the disposal or use of solid waste have created greater amounts of air and water pollution and other problems for the environment and for health;

(4) open dumping is particularly harmful to health, contaminates drinking water from underground and surface supplies, and pollutes the air and the land;

(5) the placement of inadequate controls on hazardous waste management will result in substantial risks to human health and the environment;

(6) if hazardous waste management is improperly performed in the first instance, corrective action is likely to be expensive, complex, and time consuming;

(7) certain classes of land disposal facilities are not capable of assuring long-term containment of certain hazardous wastes, and to avoid substantial risk to human health and the environment, reliance on land disposal should be minimized or eliminated, and land disposal, particularly landfill and surface impoundment, should be the least favored method for managing hazardous wastes; and

(8) alternatives to existing methods of land disposal must be developed since many of the cities in the United States will be running out of suitable solid waste disposal sites within five years unless immediate action is taken.

(c) Materials

The Congress finds with respect to materials, that—

(1) millions of tons of recoverable material which could be used are needlessly buried each year;

(2) methods are available to separate usable materials from solid waste; and

(3) the recovery and conservation of such materials can reduce the dependence of the United States on foreign resources and reduce the deficit in its balance of payments.

(d) Energy

The Congress finds with respect to energy, that—

(1) solid waste represents a potential source of solid fuel, oil, or gas that can be converted into energy;

(2) the need exists to develop alternative energy sources for public and private consumption in order to reduce our dependence on such sources as petroleum products, natural gas, nuclear and hydroelectric generation; and

(3) technology exists to produce usable energy from solid waste.
§ 6902

AMENDMENTS

1984—Subsec. (b)(5) to (8). Pub. L. 98–616 added paras. (5) to (7), struck out former par. (5) providing that "hazardous waste presents, in addition to the problems associated with non-hazardous solid waste, special dangers to health and requires a greater degree of regulation than does non-hazardous solid waste; and", redesignated former par. (6) as (8), and substituted a period for the semicolon at end of section. Pub. L. 95–609 substituted "solid waste" for "solid-waste".

SHORT TITLE OF 2012 AMENDMENT

Pub. L. 112–190, § 1, Oct. 5, 2012, 126 Stat. 1342, provided that: "This Act [enacting section 6939g of this title] may be cited as the 'Hazardous and Solid Waste Amendments of 2012'".

SHORT TITLE OF 2005 AMENDMENT

Pub. L. 109–58, title XV, § 1521, Aug. 8, 2005, 119 Stat. 1092, provided that: "This Act [enacting sections 6901a, 6914a and 6932 of title] may be cited as the 'Hazardous and Solid Waste Electronic Manifest Establishment Act'".

SHORT TITLE OF 1996 AMENDMENT

Pub. L. 104–119, § 1, Mar. 26, 1996, 110 Stat. 830, provided that: "This Act [enacting sections 6921, 6924, 6925, 6947, and 6949a of this title and enacting provisions set out as notes under section 6949a of this title] may be cited as the 'Land Disposal Program Flexibility Act of 1996'".

SHORT TITLE OF 1992 AMENDMENT

Pub. L. 102–386, title I, § 101, Oct. 6, 1992, 106 Stat. 1505, provided that: "This Act [enacting sections 6908, 6909c to 6938e, and 6965 of this title, amending sections 6903, 6924, 6927, and 6961 of this title, and enacting provisions set out as notes under sections 6903c and 6961 of this title] may be cited as the 'Federal Facility Compliance Act of 1992'".

SHORT TITLE OF 1988 AMENDMENT

Pub. L. 100–582, § 1, Nov. 1, 1988, 102 Stat. 2850, provided that: "This Act [enacting sections 6922, 6992 of this title and section 3063 of Title 18, Crimes and Criminal Procedure, and amending section 6903 of this title] may be cited as the 'Medical Waste Tracking Act of 1988'".

SHORT TITLE OF 1984 AMENDMENT

Pub. L. 98–416, § 1, Nov. 8, 1984, 98 Stat. 2221, provided that: "This Act [enacting sections 6917, 6939 to 695a, 699a, 699fa, 699fb, and 699i to 699l of this title, amending this section and sections 6902, 6905, 6912, 6915, 6916, 6922 to 6933, 6935, 6941 to 6945, 6948, 6958, 6962, 6972, 6973, 6976, 6982, and 6984 of this title and enacting and repealing provisions set out as notes under sections 6905, 6921 and 6926 of this title] may be cited as 'The Hazardous and Solid Waste Amendments of 1984'".

SHORT TITLE OF 1980 AMENDMENTS

Pub. L. 96–482, § 1, Oct. 21, 1980, 94 Stat. 2334, provided that: "This Act [enacting sections 6902, 6903, 6904, 6905, and 6906 of this title, amending sections 6903, 6904, 6911, 6912, 6916, 6921, 6922, 6924, 6925, 6927 to 6931, 6941 to 6943, 6945, 6946, 6948, 6949, 6952, 6953, 6962, 6963, 6964, 6965, 6971, 6973, 6974, 6975, 6976, 6979, and 6982 of this title; and enacting and repealing provisions set out as notes under section 6981 of this title] may be cited as the 'Used Oil Recycling Act of 1980'".

SHORT TITLE OF 1976 AMENDMENT

Pub. L. 94–580, § 1, Oct. 21, 1976, 90 Stat. 2795, provided that: "This Act [enacting this chapter and provisions set out as notes under this section and section 6961 of this title] may be cited as the 'Resource Conservation and Recovery Act of 1976'".

SHORT TITLE

Pub. L. 89–272, title II, § 1001, as added by Pub. L. 94–580, § 2, Oct. 21, 1976, 90 Stat. 2795, provided that: "This title (hereinafter in this title referred to as 'this Act'), together with the following table of contents, may be cited as the 'Solid Waste Disposal Act' " (table of contents omitted).

FEDERAL COMPLIANCE WITH POLLUTION CONTROL STANDARDS

For provisions relating to the responsibility of the head of each Executive agency for compliance with applicable pollution control standards, see Ex. Ord. No. 12088, Oct. 13, 1978, 43 F.R. 47707, set out as a note under section 4321 of this title.

NATIONAL COMMISSION ON MATERIALS POLICY

Pub. L. 91–512, title II, §§ 201–206, Oct. 26, 1970, 84 Stat. 1234, known as the "National Materials Policy Act of 1970", provided for the establishment of the National Commission on Materials Policy to make a full investigation and study for the purpose of developing a national materials policy to utilize present resources and technology more efficiently and to anticipate the future materials requirements of the Nation and the world, the Commission to submit to the President and Congress a report on its findings and recommendations no later than June 30, 1973, ninety days after the submission of which it should cease to exist.

§ 6901a. Congressional findings: used oil recycling

The Congress finds and declares that—

(1) used oil is a valuable source of increasingly scarce energy and materials;

(2) technology exists to re-refine, reprocess, reclaim, and otherwise recycle used oil;

(3) used oil constitutes a threat to public health and the environment when reused or disposed of improperly; and

that, therefore, it is in the national interest to recycle used oil in a manner which does not constitute a threat to public health and the environment and which conserves energy and materials.


CONFORMATION

Section was enacted as part of the Used Oil Recycling Act of 1980, and not as part of the Solid Waste Disposal Act which comprises this chapter.

§ 6902. Objectives and national policy

(a) Objectives

The objectives of this chapter are to promote the protection of health and the environment and to conserve valuable material and energy resources by—

(1) providing technical and financial assistance to State and local governments and interstate agencies for the development of solid waste management plans (including resource recovery and resource conservation

(2) encouraging the recycling and reuse of used oil and by-products of used oil;

(3) providing measures to control air, water, and land pollution from the generation, storage, transportation, recycling, reuse and disposal of used oil and by-products of used oil; and

(4) providing appropriate incentives to States and local governments to develop and implement environmentally sound recycling and reprocessing programs for used oil.
§ 6903

systems) which will promote improved solid waste management techniques (including more effective organizational arrangements), new and improved methods of collection, separation, and recovery of solid waste, and the environmentally safe disposal of nonrecoverable residues;

(2) providing training grants in occupations involving the design, operation, and maintenance of solid waste disposal systems;

(3) prohibiting future open dumping on the land and requiring the conversion of existing open dumps to facilities which do not pose a danger to the environment or to health;

(4) assuring that hazardous waste management practices are conducted in a manner which protects human health and the environment;

(5) requiring that hazardous waste be properly managed in the first instance thereby reducing the need for corrective action at a future date;

(6) minimizing the generation of hazardous waste and the land disposal of hazardous waste by encouraging process substitution, materials recovery, properly conducted recycling and reuse, and treatment;

(7) establishing a viable Federal-State partnership to carry out the purposes of this chapter and insuring that the Administrator will, in carrying out the provisions of subchapter III of this chapter, give a high priority to assisting and cooperating with States in obtaining full authorization of State programs under subchapter III;

(8) providing for the promulgation of guidelines for solid waste collection, transport, separation, recovery, and disposal practices and systems;

(9) promoting a national research and development program for improved solid waste management and resource conservation techniques, more effective organizational arrangements, and new and improved methods of collection, separation, and recovery, and recycling of solid wastes and environmentally safe disposal of nonrecoverable residues;

(10) promoting the demonstration, construction, and application of solid waste management, resource recovery, and resource conservation systems which preserve and enhance the quality of air, water, and land resources; and

(11) establishing a cooperative effort among the Federal, State, and local governments and private enterprise in order to recover valuable materials and energy from solid waste.

(b) National policy

The Congress hereby declares it to be the national policy of the United States that, wherever feasible, the generation of hazardous waste is to be reduced or eliminated as expeditiously as possible. Waste that is nevertheless generated should be treated, stored, or disposed of so as to minimize the present and future threat to human health and the environment.


Prior Provisions

Provisions similar to those in this section were contained in section 3251 of this title, prior to the general amendment of the Solid Waste Disposal Act by Pub. L. 94–580.

Amendments


Subsec. (a)(4) to (11). Pub. L. 98–616, §101(b)(2), struck out par. (4) which provided for regulating the treatment, storage, transportation, and disposal of hazardous wastes which have adverse effects on health and the environment, added pars. (4) to (7), and redesignated former pars. (5) to (8) as (8) to (11), respectively.


§ 6903. Definitions

As used in this chapter:

(1) The term “Administrator” means the Administrator of the Environmental Protection Agency.

(2) The term “construction,” with respect to any project of construction under this chapter, means (A) the erection or building of new structures and acquisition of lands or interests therein, or the acquisition, replacement, expansion, remodeling, alteration, modernization, or extension of existing structures, and (B) the acquisition and installation of initial equipment of, or required in connection with, new or newly acquired structures or the expanded, remodeled, altered, modernized or extended part of existing structures (including trucks and other motor vehicles, and tractors, cranes, and other machinery) necessary for the proper utilization and operation of the facility after completion of the project; and includes preliminary planning to determine the economic and engineering feasibility and the public health and safety aspects of the project, the engineering, architectural, legal, fiscal, and economic investigations and studies, and any surveys, designs, plans, working drawings, specifications, and other action necessary for the carrying out of the project, and (C) the inspection and supervision of the process of carrying out the project to completion.

(2A) The term “demonstration” means the initial exhibition of a new technology process or practice or a significantly new combination or use of technologies, processes or practices, subsequent to the development stage, for the purpose of proving technological feasibility and cost effectiveness.

(3) The term “disposal” means the discharge, deposit, injection, dumping, spilling, leaking, or placing of any solid waste or hazardous waste into or on any land or into any waters, including ground waters, or the placement of any solid waste or hazardous waste or any constituent thereof may enter the environment or be emitted into the air or discharged into any waters, including ground waters.


(5) The term “hazardous waste” means a solid waste, or combination of solid wastes, which be-
cause of its quantity, concentration, or physical, chemical, or infectious characteristics may—

(A) cause, or significantly contribute to an increase in mortality or an increase in serious irreversible, or incapacitating reversible, illness; or

(B) pose a substantial present or potential hazard to human health or the environment when improperly treated, stored, transported, or disposed of, or otherwise managed.

(6) The term “hazardous waste generation” means the act or process of producing hazardous waste.

(7) The term “hazardous waste management” means the systematic control of the collection, source separation, storage, transportation, processing, treatment, recovery, and disposal of hazardous wastes.

(8) For purposes of Federal financial assistance (other than rural communities assistance), the term “implementation” does not include the acquisition, leasing, construction, or modification of facilities or equipment or the acquisition, leasing, or improvement of land.

(9) The term “intermunicipal agency” means an agency established by two or more municipalities with responsibility for planning or administration of solid waste.

(10) The term “interstate agency” means an agency of two or more States, or an agency established by two or more States, with authority to provide for the management of solid wastes and serving two or more municipalities located in different States.

(11) The term “long-term contract” means, when used in relation to solid waste supply, a contract of sufficient duration to assure the viability of a resource recovery facility (to the extent that such viability depends upon solid waste supply).

(12) The term “manifest” means the form used for identifying the quantity, composition, and the origin, routing, and destination of hazardous waste during its transportation from the point of generation to the point of disposal, treatment, or storage.

(13) The term “municipality” (A) means a city, town, borough, county, parish, district, or other public body created by or pursuant to State law, with responsibility for the planning or administration of solid waste management, or an Indian tribe or authorized tribal organization or Alaska Native village or organization, and (B) includes any rural community or unincorporated town or village or any other public entity for which an application for assistance is made by a State or political subdivision thereof.

(14) The term “open dump” means any facility or site where solid waste is disposed of which is not a sanitary landfill which meets the criteria promulgated under section 6944 of this title and which is not a facility for disposal of hazardous waste.

(15) The term “person” means an individual, trust, firm, joint stock company, corporation (including a government corporation), partnership, association, State, municipality, commission, political subdivision of a State, or any interstate body and shall include each department, agency, and instrumentality of the United States.

(16) The term “procurement item” means any device, good, substance, material, product, or other item which is the subject of any purchase, barter, or other exchange made to procure such item.

(17) The term “procuring agency” means any Federal agency, or any State agency or agency of a political subdivision of a State which is using appropriated Federal funds for such procurement, or any person contracting with any such agency with respect to work performed under such contract.

(18) The term “recoverable” refers to the capability and likelihood of being recovered from solid waste for a commercial or industrial use.

(19) The term “recovered material” means waste material and byproducts which have been recovered or diverted from solid waste, but such term does not include those materials and byproducts generated from, and commonly reused within, an original manufacturing process.

(20) The term “recovered resources” means material or energy recovered from solid waste.

(21) The term “resource conservation” means reduction of the amounts of solid waste that are generated, reduction of overall resource consumption, and utilization of recovered resources.

(22) The term “resource recovery” means the recovery of material or energy from solid waste.

(23) The term “resource recovery system” means a solid waste management system which provides for collection, separation, recycling, and recovery of solid wastes, including disposal of nonrecoverable waste residues.

(24) The term “resource recovery facility” means any facility at which solid waste is processed for the purpose of extracting, converting to energy, or otherwise separating and preparing solid waste for reuse.

(25) The term “regional authority” means the authority established or designated under section 6946 of this title.

(26) The term “sanitary landfill” means a facility for the disposal of solid waste which meets the criteria published under section 6944 of this title.

(26A) The term “sludge” means any solid, semisolid or liquid waste generated from a municipal, commercial, or industrial wastewater treatment plant, water supply treatment plant, or air pollution control facility or any other such waste having similar characteristics and effects.

(27) The term “solid waste” means any garbage, refuse, sludge from a waste treatment plant, water supply treatment plant, or air pollution control facility or other discarded material, including solid, liquid, semisolid, or contained gaseous material resulting from industrial, commercial, mining, and agricultural operations, and from community activities, but does not include solid or dissolved material in domestic sewage, or solid or dissolved materials in irrigation return flows or industrial discharges which are point sources subject to permits under section 1342 of title 33, or source, special nuclear, or byproduct material as defined by the Atomic Energy Act of 1954, as amended (68 Stat. 923) [42 U.S.C. 2011 et seq.].
(28) The term “solid waste management” means the systematic administration of activities which provide for the collection, source separation, storage, transportation, transfer, processing, treatment, and disposal of solid waste.

(29) The term “solid waste management facility” includes—
(A) any resource recovery system or component thereof,
(B) any system, program, or facility for resource conservation, and
(C) any facility for the collection, source separation, storage, transportation, transfer, processing, treatment or disposal of solid wastes, including hazardous wastes, whether such facility is associated with facilities generating such wastes or otherwise.

(30) The terms “solid waste planning”, “solid waste management”, and “comprehensive planning” include planning or management respecting resource recovery and resource conservation.

(31) The term “State” means any of the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands.

(32) The term “State authority” means the agency established or designated under section 6947 of this title.

(33) The term “storage”, when used in connection with hazardous waste, means the containment of hazardous waste, either on a temporary basis or for a period of years, in such a manner as not to constitute disposal of such hazardous waste.

(34) The term “treatment”, when used in connection with hazardous waste, means any method, technique, or process, including neutralization, designed to change the physical, chemical, or biological character or composition of any hazardous waste so as to neutralize such waste or so as to render such waste nonhazardous, safer for transport, amenable for recovery, amenable for storage, or reduced in volume. Such term includes any activity or processing designed to change the physical form or chemical composition of hazardous waste so as to render it nonhazardous.

(35) The term “virgin material” means a raw material, including previously unused copper, aluminum, lead, zinc, iron, or other metal or metal ore, any undeveloped resource that is, or with new technology will become, a source of raw materials.

(36) The term “used oil” means any oil which has been—
(A) refined from crude oil,
(B) used, and
(C) as a result of such use, contaminated by physical or chemical impurities.

(37) The term “recycled oil” means any used oil which is reused, following its original use, for any purpose (including the purpose for which the oil was originally used). Such term includes oil which is re-refined, reclaimed, burned, or reprocessed.

(38) The term “lubricating oil” means the fraction of crude oil which is sold for purposes of reducing friction in any industrial or mechanical device. Such term includes re-refined oil.

(39) The term “re-refined oil” means used oil from which the physical and chemical contaminants acquired through previous use have been removed through a refining process.

(40) Except as otherwise provided in this paragraph, the term “medical waste” means any solid waste which is generated in the diagnosis, treatment, or immunization of human beings or animals, in research pertaining thereto, or in the production or testing of biologicals. Such term does not include any hazardous waste identified or listed under subchapter III or any household waste as defined in regulations under subchapter III.

(41) The term “mixed waste” means waste that contains both hazardous waste and source, special nuclear, or by-product material subject to the Atomic Energy Act of 1954 (42 U.S.C. 2011 et seq.).
transfer, processing, treatment or disposal” for “the
treatment”.

CHANGE OF NAME

“Government Publishing Office” substituted for
“Government Printing Office” in par. (4) on authority
of section 1501(b) of Pub. L. 113–235, set out as a note
preceding section 301 of Title 44, Public Printing and
Documents.

TRANSFER OF FUNCTIONS

Enforcement functions of Administrator or other offi-
cial of Environmental Protection Agency related to
compliance with resource conservation and recovery
permits used under this chapter with respect to pre-
construction, construction, and initial operation of
transportation system for Canadian and Alaskan natu-
ral gas transferred to Federal Inspector, Office of Fed-
eral Inspector for the Alaska Natural Gas Transpor-
tation System, until first anniversary of date of initial
operation of Alaska Natural Gas Transportation Sys-
tem, see Reorg. Plan No. 1 of 1977, eff. July 1, 1979,
§§152(a), 212(a), 11 F.R. 23663, 33666, 93 Stat. 1373, 1376,
set out in the Appendix to Title 5, Government Organi-
zation and Employees. Office of Federal Inspector for
the Alaska Natural Gas Transportation System abol-
ished and functions and authority vested in Inspector
transferred to Secretary of Energy by section 3012(b) of
Pub. L. 102–486, set out as an Abolition of Office of Fed-
eral Coordinator for Alaska Natural Gas Transpor-
tation Projects by section 723k(f) of Title 15.

§ 6904. Governmental cooperation

(a) Interstate cooperation

The provisions of this chapter to be carried out by States may be carried out by interstate agencies and provisions applicable to States may apply to interstate regions where such agencies and regions have been established by the respective States and approved by the Ad-
ministrator. In any such case, action required to
be taken by the Governor of a State, respecting
regional designation shall be required to be taken by the Governor of each of the respective States with respect to so much of the interstate region as is within the jurisdiction of that State.

(b) Consent of Congress to compacts

The consent of the Congress is hereby given to
the management of solid waste or hazard-
ous waste (or both) and the enforcement of
their respective laws relating thereto, and

(1) cooperative effort and mutual assistance
for-

(2) the establishment of such agencies, joint
or otherwise, as they may deem desirable for
making effective such agreements or comp-
acts.

No such agreement or compact shall be binding
or obligatory upon any State a party thereto un-
less it is agreed upon by all parties to the agree-
ment and until it has been approved by the Ad-
imistrator and the Congress.

(Pub. L. 89–272, title II, §1005, as added Pub. L.

TRANSFER OF FUNCTIONS

For transfer of certain enforcement functions of Ad-
ministrator or other official of Environmental Protec-
tion Agency under this chapter to Federal Inspector,
Office of Federal Inspector for the Alaska Natural Gas
Transportation System, and subsequent transfer to
Secretary of Energy, then to Federal Coordinator for
Alaska Natural Gas Transportation Projects, see note
set out under section 6903 of this title.

§ 6905. Application of chapter and integration
with other Acts

(a) Application of chapter

Nothing in this chapter shall be construed to apply to (or to authorize any State, interstate, or local authority to regulate) any activity or substance which is subject to the Federal Water Pollution Control Act [33 U.S.C. 1251 et seq.], the Safe Drinking Water Act [42 U.S.C. 300f et seq.], the Marine Protection, Research and San-
tuaries Act of 1972 [16 U.S.C. 1431 et seq., 1447 et
seq., 33 U.S.C. 1401 et seq., 2801 et seq.], or the Atomic Energy Act of 1954 [42 U.S.C. 2011 et seq.] except to the extent that such application (or regulation) is not inconsistent with the require-
ments of such Acts.

(b) Integration with other Acts

(1) The Administrator shall integrate all pro-
visions of this chapter for purposes of admin-
istration and enforcement and shall avoid duplica-
tion, to the maximum extent practicable, with
the appropriate provisions of the Clean Air Act
[42 U.S.C. 7401 et seq.], the Federal Water Pollu-
ton Control Act [33 U.S.C. 1251 et seq.], the Fed-
erald Insecticide, Fungicide, and Rodenticide Act
[7 U.S.C. 136 et seq.], the Safe Drinking Water Act
[42 U.S.C. 300f et seq.], the Marine Protec-
tion, Research and Sanctuaries Act of 1972 [16
seq., 2801 et seq.], and such other Acts of Con-
gress as grant regulatory authority to the Ad-
ministrator. Such integration shall be effected
only to the extent that it can be done in a man-
ner consistent with the goals and policies ex-
pressed in this chapter and in the other acts re-
ferred to in this subsection.

(2) (A) As promptly as practicable after November 8, 1984, the Administrator shall submit a report describing—

(i) the current data and information avail-
able on emissions of polychlorinated dibenzo-
p-dioxins from resource recovery facilities
burning municipal solid waste;

(ii) any significant risks to human health
posed by these emissions; and

(iii) operating practices appropriate for con-
trolling these emissions.

(B) Based on the report under subparagraph
(A) and on any future information on such emis-
sions, the Administrator may publish advisories
or guidelines regarding the control of dioxin
emissions from such facilities. Nothing in this
paragraph shall be construed to preempt or
otherwise affect the authority of the Adminis-
trator to promulgate any regulations under the
Clean Air Act [42 U.S.C. 7401 et seq.] regarding
emissions of polychlorinated dibenzo-p-dioxins.

(3) Notwithstanding any other provisions of
law, in developing solid waste plans, it is the in-
tention of this chapter that in determining the
size of a waste-to-energy facility, adequate pro-
visions shall be given to the present and reason-
ably anticipated future needs, including those
needs created by thorough implementation of section 692(c) of this title, of the recycling and resource recovery interests within the area encompassed by the solid waste plan.

(c) Integration with the Surface Mining Control and Reclamation Act of 1977

(1) No later than 90 days after October 21, 1980, the Administrator shall review any regulations applicable to the treatment, storage, or disposal of any coal mining wastes or overburden promulgated by the Secretary of the Interior under the Surface Mining and Reclamation Act of 1977 [30 U.S.C. 1201 et seq.]. If the Administrator determines that any requirement of final regulations promulgated under any section of subchapter III relating to mining wastes or overburden is not adequately addressed in such regulations promulgated by the Secretary, the Administrator shall promptly transmit such determination, together with suggested revisions and supporting documentation, to the Secretary.

(2) The Secretary of the Interior shall have exclusive responsibility for carrying out any requirement of subchapter III of this chapter with respect to coal mining wastes or overburden for which a surface coal mining and reclamation permit is issued or approved under the Surface Mining Control and Reclamation Act of 1977 [30 U.S.C. 1201 et seq.]. The Secretary shall, with the concurrence of the Administrator, promulgate such regulations as may be necessary to carry out the purposes of this subsection and shall integrate such regulations with regulations promulgated under the Surface Mining Control and Reclamation Act of 1977. (Pub. L. 98–272, title II, §1006, as added Pub. L. 94–580, §2, Oct. 21, 1976, 90 Stat. 2992; amended Pub. L. 96–482, §3, Oct. 21, 1980, 94 Stat. 3334; Pub. L. 98–416, title I, §102, title V, §501(f)(2), Nov. 8, 1984, 98 Stat. 3225, 3276.)

REFERENCES IN TEXT

The Federal Water Pollution Control Act, referred to in subsecs. (a) and (b), is act June 30, 1948, ch. 958, as amended generally by Pub. L. 92–500, §2, Oct. 18, 1972, 86 Stat. 816, which is classified generally to chapter 26 (§1251 et seq.) of Title 33, Navigation and Navigable Waters. For complete classification of this Act to the Code, see Short Title note set out under section 1251 of Title 33 and Tables.


The Clean Air Act, referred to in subsec. (b)(1), (2)(B), is act July 14, 1955, ch. 369, 69 Stat. 322, as amended, which is classified generally to chapter 85 (§7401 et seq.) of this title. For complete classification of this Act to the Code, see Short Title note set out under section 7401 of this title and Tables.


The Surface Mining Control and Reclamation Act of 1977, referred to in subsec. (c), is Pub. L. 95–87, Aug. 3, 1977, 91 Stat. 445, as amended, which is classified generally to subchapter V (§1301 et seq.) of Title 30, Mineral Lands and Mining. For complete classification of this Act to the Code, see Short Title note set out under section 1301 of Title 30 and Tables.

PRIOR PROVISIONS

Provisions similar to those in this section were contained in section 3257 of this title, prior to the general amendment of the Solid Waste Disposal Act by Pub. L. 94–580.

AMENDMENTS

1984—Subsec. (b)(1), (2). Pub. L. 98–616, §102, designated existing provisions as par. (1) and added par. (2).


TRANSFER OF FUNCTIONS

For transfer of certain enforcement functions of Administrator or other official of Environmental Protection Agency under this chapter to Federal Inspector, Office of Federal Inspector for the Alaska Natural Gas Transportation System, and subsequent transfer to Secretary of Energy, then to Federal Coordinator for Alaska Natural Gas Transportation Projects, see note set out under section 6903 of this title.

URANIUM MILL TAILINGS


§ 6906. Financial disclosure

(a) Statement

Each officer or employee of the Administrator who—

(1) performs any function or duty under this chapter; and

(2) has any known financial interest in any person who applies for or receives financial assistance under this chapter shall, beginning on February 1, 1977, annually file with the Administrator a written statement concerning all such interests held by such officer or employee during the preceding calendar year. Such statement shall be available to the public.

(b) Action by Administrator

The Administrator shall—

(1) act within ninety days after October 21, 1976—

(A) to define the term “known financial interest” for purposes of subsection (a) of this section; and
(B) to establish the methods by which the requirement to file written statements specified in subsection (a) of this section will be monitored and enforced, including appropriate provision for the filing by such officers and employees of such statements and the review by the Administrator of such statements; and

(2) report to the Congress on June 1, 1978, and of each succeeding calendar year with respect to such disclosures and the actions taken in regard thereto during the preceding calendar year.

c) Exemption

In the rules prescribed under subsection (b) of this section, the Administrator may identify specific positions within the Environmental Protection Agency which are of a nonpolicy-making nature and provide that officers or employees occupying such positions shall be exempt from the requirements of this section.

d) Penalty

Any officer or employee who is subject to, and knowingly violates, this section shall be fined not more than $2,500 or imprisoned not more than one year, or both.


TERMINATION OF REPORTING REQUIREMENTS

For termination, effective May 15, 2000, of reporting provisions in subsec. (b)(2) of this section, see section 3003 of Pub. L. 104–66, as amended, set out as a note under section 6907 of this title.

TRANSFER OF FUNCTIONS

For transfer of certain enforcement functions of Administrator or other official of Environmental Protection Agency under this chapter to Federal Inspector, Office of Federal Inspector for the Alaska Natural Gas Transportation System, and subsequent transfer to Secretary of Energy, then to Federal Coordinator for Alaska Natural Gas Transportation Projects, see note set out under section 6903 of this title.

§ 6907. Solid waste management information and guidelines

(a) Guidelines

Within one year of October 21, 1976, and from time to time thereafter, the Administrator shall, in cooperation with appropriate Federal, State, municipal, and intermunicipal agencies, and in consultation with other interested persons, and after public hearings, develop and publish suggested guidelines for solid waste management. Such suggested guidelines shall—

(1) provide a technical and economic description of the level of performance that can be attained by various available solid waste management practices (including operating practices) which provide for the protection of public health and the environment;

(2) not later than two years after October 21, 1976, describe levels of performance, including appropriate methods and degrees of control, that provide at a minimum for (A) protection of public health and welfare; (B) protection of the quality of ground waters and surface waters from leachates; (C) protection of the quality of surface waters from runoff through compliance with effluent limitations under the Federal Water Pollution Control Act, as amended; (33 U.S.C. 1251 et seq.); (D) protection of ambient air quality through compliance with new source performance standards or requirements of air quality implementation plans under the Clean Air Act, as amended; (42 U.S.C. 7401 et seq.); (E) disease and vector control; (F) safety; and (G) aesthetics; and

(3) provide minimum criteria to be used by the States to define those solid waste management practices which constitute the open dumping of solid waste or hazardous waste and are to be prohibited under subchapter IV of this chapter.

Where appropriate, such suggested guidelines also shall include minimum information for use in deciding the adequate location, design, and construction of facilities associated with solid waste management practices, including the consideration of regional, geographic, demographic, and climatic factors.

(b) Notice

The Administrator shall notify the Committee on Environment and Public Works of the Senate and the Committee on Energy and Commerce of the House of Representatives a reasonable time before publishing any suggested guidelines or proposed regulations under this chapter of the content of such proposed suggested guidelines or proposed regulations under this chapter.


REFERENCES IN TEXT

The Federal Water Pollution Control Act, referred to in subsec. (a)(2), is act May 31, 1948, ch. 798, which is classified generally to chapter 26 (§1251 et seq.) of Title 33, Navigation and Navigable Waters. For complete classification of this Act to the Code, see Short Title note set out under section 1251 of Title 33 and Tables.

The Clean Air Act, as amended, referred to in subsec. (a)(2), is act July 14, 1955, ch. 360, 69 Stat. 322, as amended, which is classified generally to chapter 65 (§7401 et seq.) of this title. For complete classification of this Act to the Code, see Short Title note set out under section 7411 of this title and Tables.

PRIOR PROVISIONS

Provisions similar to those in this section were contained in section 3254c of this title, prior to the general amendment of the Solid Waste Disposal Act by Pub. L. 94–580.

AMENDMENTS


1979—Subsec. (a)(3). Pub. L. 95–609, §7(c), substituted “subchapter IV of this chapter” for “title IV of this Act”.

Subsec. (b). Pub. L. 95–609, §7(d), struck out “pursuant to this section” after “any suggested guidelines” and inserted “or proposed regulations under this chapter” after “suggested guidelines” in two places.
§ 6908. Small town environmental planning

(a) Establishment

The Administrator of the Environmental Protection Agency (hereafter referred to as the “Administrator”) shall establish a program to assist small communities in planning and financing environmental facilities. The program shall be known as the “Small Town Environmental Planning Program”.

(b) Small Town Environmental Planning Task Force

(1) The Administrator shall establish a Small Town Environmental Planning Task Force which shall be composed of representatives of small towns from different areas of the United States, Federal and State governmental agencies, and public interest groups. The Administrator shall terminate the Task Force not later than 2 years after the establishment of the Task Force.

(2) The Task Force shall—

(A) identify regulations developed pursuant to Federal environmental laws which pose significant compliance problems for small towns;

(B) identify means to improve the working relationship between the Environmental Protection Agency (hereafter referred to as the Agency) and small towns;

(C) review proposed regulations for the protection of the environmental and public health and suggest revisions that could improve the ability of small towns to comply with such regulations;

(D) identify means to promote regionalization of environmental treatment systems and infrastructure serving small towns to improve the economic condition of such systems and infrastructure; and

(E) provide such other assistance to the Administrator as the Administrator deems appropriate.

(c) Identification of environmental requirements

(1) Not later than 6 months after October 6, 1992, the Administrator shall publish a list of requirements under Federal environmental and public health statutes (and the regulations developed pursuant to such statutes) applicable to small towns. Not less than annually, the Administrator shall make such additions and deletions to and from the list as the Administrator deems appropriate.

(2) The Administrator shall, as part of the Small Town Environmental Planning Program under this section, implement a program to notify small communities of the regulations identified under paragraph (1) and of future regulations and requirements through methods that the Administrator determines to be effective to provide information to the greatest number of small communities, including any of the following:

(A) Newspapers and other periodicals.

(B) Other news media.

(C) Trade, municipal, and other associations that the Administrator determines to be appropriate.

(D) Direct mail.

(d) Small Town Ombudsman

The Administrator shall establish and staff an Office of the Small Town Ombudsman. The Office shall provide assistance to small towns in connection with the Small Town Environmental Planning Program and other business with the Agency. Each regional office shall identify a small town contact. The Small Town Ombudsman and the regional contacts also may assist larger communities, but only if first priority is given to providing assistance to small towns.

(e) Multi-media permits

(1) The Administrator shall conduct a study of establishing a multi-media permitting program for small towns. Such evaluation shall include an analysis of—

(A) environmental benefits and liabilities of a multi-media permitting program;

(B) the potential of using such a program to coordinate a small town’s environmental and public health activities; and

(C) the legal barriers, if any, to the establishment of such a program.

(2) Within 3 years after October 6, 1992, the Administrator shall report to Congress on the results of the evaluation performed in accordance with paragraph (1). Included in this report shall be a description of the activities conducted pursuant to subsections (a) through (d).

(f) “Small town” defined

For purposes of this section, the term “small town” means an incorporated or unincorporated community (as defined by the Administrator) with a population of less than 2,500 individuals.

(g) Authorization

There is authorized to be appropriated the sum of $500,000 to implement this section.


Codification

Section was enacted as part of the Federal Facility Compliance Act of 1992, and not as part of the Solid Waste Disposal Act which comprises this chapter.

§ 6908a. Agreements with Indian tribes

On and after October 21, 1998, the Administrator is authorized to enter into assistance agreements with Indian tribes.
agreements with Federally1 recognized Indian tribes on such terms and conditions as the Administrator deems appropriate for the development and implementation of programs to manage hazardous waste, and underground storage tanks.


Codification

Section was enacted as part of the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1999, and not as part of the Solid Waste Disposal Act which comprises this chapter.

SUBCHAPTER II—OFFICE OF SOLID WASTE; AUTHORITIES OF THE ADMINISTRATOR

§ 6911. Office of Solid Waste and Interagency Coordinating Committee

(a) Office of Solid Waste

The Administrator shall establish within the Environmental Protection Agency an Office of Solid Waste (hereinafter referred to as the "Office") to be headed by an Assistant Administrator of the Environmental Protection Agency. The duties and responsibilities (other than duties and responsibilities relating to research and development) of the Administrator under this chapter (as modified by applicable reorganization plans) shall be carried out through the Office.

(b) Interagency Coordinating Committee

(1) There is hereby established an Interagency Coordinating Committee on Federal Resource Conservation and Recovery Activities which shall have the responsibility for coordinating all activities dealing with resource conservation and recovery from solid waste carried out by the Environmental Protection Agency, the Department of Energy, the Department of Commerce, and all other Federal agencies which conduct such activities pursuant to this chapter or any other Act. For purposes of this subsection, the term "resource conservation and recovery activities" shall include, but not be limited to, all research, development and demonstration projects on resource conservation or energy, or material, recovery from solid waste, and all technical or financial assistance for State or local planning for, or implementation of, projects related to resource conservation or energy or material, recovery from solid waste. The Committee shall be chaired by the Administrator of the Environmental Protection Agency or such person as the Administrator may designate. Members of the Committee shall include representatives of the Department of Energy, the Department of Commerce, the Department of the Treasury, and each other Federal agency which the Administrator determines to have programs or responsibilities affecting resource conservation or recovery.

(2) The Interagency Coordinating Committee shall include oversight of the implementation of

(A) the May 1979 Memorandum of Understanding on Energy Recovery from Municipal

Solid Waste between the Environmental Protection Agency and the Department of Energy;


(C) any subsequent agreements between these agencies or other Federal agencies which address Federal resource recovery or conservation activities.


References in Text


Codification

Subsection (b)(3) of this section, which required the Interagency Coordinating Committee to submit to Congress on March 1 of each year, a five-year action plan for Federal resource conservation or recovery activities, terminated, effective May 15, 2000, pursuant to section 308 of Pub. L. 104–66, as amended, set out as a note under section 1113 of Title 31, Money and Finance. See also, the 2nd item on page 175 of House Document No. 103–7.

Amendments


Pub. L. 96–482 designated existing provisions as subsec. (a) and added subsec. (b).

Effective Date of 1980 Amendment

Pub. L. 96–510, title III, § 307(c), Dec. 11, 1980, 94 Stat. 2810, provided that: "The amendment made by subsection (a) [amending this section] shall become effective ninety days after the date of the enactment of this Act [Dec. 11, 1980]."

Transfer of Functions

For transfer of certain enforcement functions of Administrator or other official of Environmental Protection Agency under this chapter to Federal Inspector, Office of Federal Inspector for the Alaska Natural Gas Transportation System, and subsequent transfer to Secretary of Energy, then to Federal Coordinator for Alaska Natural Gas Transportation Projects, see note set out under section 6060 of this title.

§ 6911a. Assistant Administrator of Environmental Protection Agency; appointment, etc.

The Assistant Administrator of the Environmental Protection Agency appointed to head the Office of Solid Waste shall be in addition to the five Assistant Administrators of the Environmental Protection Agency provided for in section 1(d) of Reorganization Plan Numbered 3 of 1970 and the additional Assistant Administrator provided for by the Toxic Substances Control Act (15 U.S.C. 2601 et seq.), shall be appointed by the President by and with the advice and consent of the Senate.


1 So in original. Probably should not be capitalized.
§ 6912. Authorities of Administrator

(a) Authorities

In carrying out this chapter, the Administrator is authorized to—

(1) prescribe, in consultation with Federal, State, and regional authorities, such regulations as are necessary to carry out his functions under this chapter;

(2) consult with or exchange information with other Federal agencies undertaking research, development, demonstration projects, studies, or investigations relating to solid waste;

(3) provide technical and financial assistance to States or regional agencies in the development and implementation of solid waste plans and hazardous waste management programs;

(4) consult with representatives of science, industry, agriculture, labor, environmental protection and consumer organizations, and other groups, as he deems advisable;

(5) utilize the information, facilities, personnel, and other resources of Federal agencies, including the National Institute of Standards and Technology and the National Bureau of the Census, on a reimbursable basis, to perform research and analyses and conduct studies and investigations related to resource recovery and conservation and to otherwise carry out the Administrator’s functions under this chapter; and

(6) to delegate to the Secretary of Transportation the performance of any inspection or enforcement function under this chapter relating to the transportation of hazardous waste where such delegation would avoid unnecessary duplication of activity and would carry out the objectives of this chapter and of chapter 51 of title 49.

(b) Revision of regulations

Each regulation promulgated under this chapter shall be reviewed and, where necessary, revised not less frequently than every three years.

(c) Criminal investigations

In carrying out the provisions of this chapter, the Administrator, and duly-designated agents and employees of the Environmental Protection Agency, are authorized to initiate and conduct investigations under the criminal provisions of this chapter, and to refer the results of these investigations to the Attorney General for prosecution in appropriate cases.


§ 6913. Resource Recovery and Conservation Panels

The Administrator shall provide teams of personnel, including Federal, State, and local employees or contractors (hereinafter referred to as “Resource Conservation and Recovery Panels”) to provide Federal agencies, States and local governments upon request with technical assistance on solid waste management, resource recovery, and resource conservation. Such teams shall include technical, marketing, financial, and institutional specialists, and the services of such teams shall be provided without charge to States or local governments.


§ 6914. Grants for discarded tire disposal

(a) Grants

The Administrator shall make available grants equal to 5 percent of the purchase price...
§ 6914b. Degradable plastic ring carriers; definitions

As used in this title—

(1) the term “regulated item” means any plastic ring carrier device that contains at least one hole greater than 1/16 inches in diameter which is made, used, or designed for the purpose of packaging, transporting, or carrying multipackaged cans or bottles, and which is of a size, shape, design, or type capable, when discarded, of becoming entangled with fish or wildlife; and

(2) the term “naturally degradable material” means a material which, when discarded, will be reduced to environmentally benign subunits under the action of normal environmental forces, such as, among others, biological decomposition, photodegradation, or hydrolysis.


§ 6914b–1. Regulation of plastic ring carriers

Not later than 24 months after October 28, 1988 (unless the Administrator of the Environmental Protection Agency determines that it is not feasible or that the byproducts of degradable regulated items present a greater threat to the environment than nondegradable regulated items), the Administrator of the Environmental Protection Agency shall require, by regulation, that the Secretary of Energy, then to Federal Coordinator for the Alaska Natural Gas Transportation System, and subsequent transfer to the Office of Federal Inspector for the Alaska Natural Gas Transportation System, and any regulated item intended for use in the United States shall be made of naturally degradable material which, when discarded, decomposes within a period established by such regulation. The period within which decomposition must occur after being discarded shall be the shortest period of time consistent with the intended use of the item and the physical integrity required for such use. Such regulation shall allow a reasonable time for affected parties to come into compliance, including the use of existing inventories.


§ 6915. Annual report

The Administrator shall transmit to the Congress and the President, not later than ninety days after the end of each fiscal year, a comprehensive and detailed report on all activities of the Office during the preceding fiscal year. Each such report shall include—

(1) a statement of specific and detailed objectives for the activities and programs conducted and assisted under this chapter;

(2) statements of the Administrator’s conclusions as to the effectiveness of such activities and programs in meeting the stated objec-
(a) General administration

There are authorized to be appropriated to the Administrator for the purpose of carrying out the provisions of this chapter, $35,000,000 for the fiscal year ending September 30, 1977, $38,000,000 for the fiscal year ending September 30, 1978, $42,000,000 for the fiscal year ending September 30, 1979, $70,000,000 for the fiscal year ending September 30, 1980, $80,000,000 for the fiscal year ending September 30, 1981, $90,000,000 for the fiscal year ending September 30, 1982, $70,000,000 for the fiscal year ending September 30, 1983, $80,000,000 for the fiscal year ending September 30, 1984, $80,000,000 for the fiscal year ending September 30, 1985, $80,000,000 for the fiscal year ending September 30, 1986, and $80,000,000 for the fiscal year ending September 30, 1988.

(b) Resource Recovery and Conservation Panels

Not less than 20 percent of the amount appropriated under subsection (a), or $5,000,000 per fiscal year, whichever is less, shall be used only for purposes of Resource Recovery and Conservation Panels established under section 6913 of this title (including travel expenses incurred by such panels in carrying out their functions under this chapter).

(c) Hazardous waste

Not less than 30 percent of the amount appropriated under subsection (a) shall be used only for purposes of carrying out subchapter III of this chapter (relating to hazardous waste) other than section 6931 of this title.

(d) State and local support

Not less than 25 percent of the total amount appropriated under this chapter, up to the amount authorized in section 6948(a)(1) of this title, shall be used only for purposes of support to State, regional, local, and interstate agencies in accordance with subchapter IV of this chapter other than section 6948(a)(2) or 6949 of this title.

(e) Criminal investigators

There is authorized to be appropriated to the Administrator $3,246,000 for the fiscal year 1985, $2,408,300 for the fiscal year 1986, $2,529,000 for the fiscal year 1987, and $2,529,000 for the fiscal year 1988 to be used—

(1) for additional officers or employees of the Environmental Protection Agency authorized by the Administrator to conduct criminal investigations (to investigate, or supervise the investigation of, any activity for which a criminal penalty is provided) under this chapter; and

(2) for support costs for such additional officers or employees.

(f) Underground storage tanks

(1) There are authorized to be appropriated to the Administrator for the purpose of carrying out the provisions of subchapter IX (relating to regulation of underground storage tanks), $10,000,000 for each of the fiscal years 1985 through 1988.

(2) There is authorized to be appropriated $25,000,000 for each of the fiscal years 1985 through 1988 to be used to make grants to the States for purposes of assisting the States in the development and implementation of approved State underground storage tank release detection, prevention, and correction programs under subchapter IX.

§ 6916. General authorization

(a) General administration

There are authorized to be appropriated to the Administrator for the purpose of carrying out the provisions of this chapter, $35,000,000 for the fiscal year ending September 30, 1977, $38,000,000 for the fiscal year ending September 30, 1978, $42,000,000 for the fiscal year ending September 30, 1979, $70,000,000 for the fiscal year ending September 30, 1980, $80,000,000 for the fiscal year ending September 30, 1981, $90,000,000 for the fiscal year ending September 30, 1982, $70,000,000 for the fiscal year ending September 30, 1983, $80,000,000 for the fiscal year ending September 30, 1984, $80,000,000 for the fiscal year ending September 30, 1985, $80,000,000 for the fiscal year ending September 30, 1986, $80,000,000 for the fiscal year ending September 30, 1987, and $80,000,000 for the fiscal year 1988.

(b) Resource Recovery and Conservation Panels

Not less than 20 percent of the amount appropriated under subsection (a), or $5,000,000 per fiscal year, whichever is less, shall be used only for purposes of Resource Recovery and Conservation Panels established under section 6913 of this title (including travel expenses incurred by such
Subsec. (b). Pub. L. 96–482, §6(a), inserted “, or $5,000,000 per fiscal year, whichever is less,” after “subsection (a)”.

**TRANSFER OF FUNCTIONS**

For transfer of certain enforcement functions of Administrator or other official of Environmental Protection Agency under this chapter to Federal Inspector, Office of Federal Inspector for the Alaska Natural Gas Transportation System, and subsequent transfer to Secretary of Energy, then to Federal Coordinator for Alaska Natural Gas Transportation Projects, see note set out under section 6903 of this title.

§ 6917. Office of Ombudsman

(a) Establishment; functions

The Administrator shall establish an Office of Ombudsman, to be directed by an Ombudsman. It shall be the function of the Office of Ombudsman to receive individual complaints, grievances, requests for information submitted by any person with respect to any program or requirement under this chapter.

(b) Authority to render assistance

The Ombudsman shall render assistance with respect to the complaints, grievances, and requests submitted to the Office of Ombudsman, and shall make appropriate recommendations to the Administrator.

(c) Effect on procedures for grievances, appeals, or administrative matters

The establishment of the Office of Ombudsman shall not affect any procedures for grievances, appeals, or administrative matters in any other provision of this chapter, any other provision of law, or any Federal regulation.

(d) Termination

The Office of the Ombudsman shall cease to exist 4 years after November 8, 1984.


**SUBCHAPTER III—HAZARDOUS WASTE MANAGEMENT**

§ 6921. Identification and listing of hazardous waste

(a) Criteria for identification or listing

Not later than eighteen months after October 21, 1976, the Administrator shall, after notice and opportunity for public hearing, and after consultation with appropriate Federal and State agencies, develop and promulgate criteria for identifying the characteristics of hazardous waste, and for listing hazardous waste, which should be subject to the provisions of this subchapter, taking into account toxicity, persistence, and degradability in nature, potential for accumulation in tissue, and other related factors such as flammability, corrosiveness, and other hazardous characteristics. Such criteria shall be revised from time to time as may be appropriate.

(b) Identification and listing

(1) Not later than eighteen months after October 21, 1976, and after notice and opportunity for public hearing, the Administrator shall promulgate regulations identifying the characteristics of hazardous waste, and listing particular hazardous wastes (within the meaning of section 6903(5) of this title), which shall be subject to the provisions of this subchapter. Such regulations shall be based on the criteria promulgated under subsection (a) and shall be revised from time to time thereafter as may be appropriate. The Administrator, in cooperation with the Agency for Toxic Substances and Disease Registry and the National Toxicology Program, shall also identify or list those hazardous wastes which shall be subject to the provisions of this subchapter solely because of the presence in such wastes of certain constituents (such as identified carcinogens, mutagens, or teratogens)\(^1\) at levels in excess of levels which endanger human health.

(2)(A) Notwithstanding the provisions of paragraph (1) of this subsection, drilling fluids, produced waters, and other wastes associated with the exploration, development, or production of crude oil or natural gas or geothermal energy shall be subject only to existing State or Federal regulatory programs in lieu of this subchapter until at least 24 months after October 21, 1980, and after promulgation of the regulations in accordance with subparagraphs (B) and (C) of this paragraph. It is the sense of the Congress that such State or Federal programs should include, for waste disposal sites which are to be closed, provisions requiring at least the following:

(i) The identification through surveying, platting, or other measure, together with recordation of such information on the public record, so as to assure that the location where such wastes are disposed of can be located in the future; except however, that no such surveying, platting, or other measure identifying the location of a disposal site for drilling fluids and associated wastes shall be required if the distance from the disposal site to the surveyed or platted location to the associated well is less than two hundred linear feet; and

(ii) A chemical and physical analysis of a produced water and a composition of a drilling fluid suspected to contain a hazardous material, with such information to be acquired prior to closure and to be placed on the public record.

(B) Not later than six months after completion and submission of the study required by section 6982(m) of this title, the Administrator shall, after public hearings and opportunity for comment, determine either to promulgate regulations under this subchapter for drilling fluids, produced waters, and other wastes associated with the exploration, development, or production of crude oil or natural gas or geothermal energy or that such regulations are unwarranted. The Administrator shall publish his decision in the Federal Register accompanied by an explanation and justification of the reasons for it. In making the decision under this paragraph, the Administrator shall utilize the information developed or accumulated pursuant to the study required under section 6982(m) of this title.

\(^1\)So in original. Probably should be “teratogens”.
(C) The Administrator shall transmit his decision, along with any regulations, if necessary, to both Houses of Congress. Such regulations shall take effect only when authorized by Act of Congress.

(3)(A) Notwithstanding the provisions of paragraph (1) of this subsection, each waste listed below shall, except as provided in subparagraph (B) of this paragraph, be subject only to regulation under other applicable provisions of Federal or State law in lieu of this subchapter until at least six months after the date of submission of the applicable study required to be conducted under subsection (f), (n), (o), or (p) of section 6982 of this title and after promulgation of regulations in accordance with subparagraph (C) of this paragraph:

(i) Fly ash waste, bottom ash waste, slag waste, and flue gas emission control waste generated primarily from the combustion of coal or other fossil fuels.

(ii) Solid waste from the extraction, beneficiation, and processing of ores and minerals, including phosphate rock and overburden from the mining of uranium ore.

(iii) Cement kiln dust waste.

(B)(i) Owners and operators of disposal sites for wastes listed in subparagraph (A) may be required by the Administrator, through regulations prescribed under authority of section 6912 of this title, to:

(I) as to disposal sites for such wastes which are to be closed, to identify the locations of such sites through surveying, platting, or other measures, together with recordation of such information on the public record, to assure that the locations where such wastes are disposed of are known and can be located in the future, and

(II) to provide chemical and physical analysis and composition of such wastes, based on available information, to be placed on the public record.

(ii)(I) In conducting any study under subsection (f), (n), (o), or (p), of section 6982 of this title, any officer, employee, or authorized representative of the Environmental Protection Agency, duly designated by the Administrator, is authorized, at reasonable times and as reasonably necessary for the purposes of such study, to enter any establishment where any waste subject to such study is generated, stored, treated, disposed of, or transported from; to inspect, take samples, and conduct monitoring and testing; and to have access to and copy records relating to such waste. Each such inspection shall be commenced and completed with reasonable promptness. If the officer, employee, or authorized representative obtains any samples prior to leaving the premises, he shall give to the owner, operator, or agent in charge a receipt describing the sample obtained and if requested a portion of each such sample equal in volume or weight to the portion retained. If any analysis is made of such samples, or monitoring and testing performed, a copy of the results shall be furnished promptly to the owner, operator, or agent in charge.

(II) Any records, reports, or information obtained from any person under subclause (I) shall be available to the public, except that upon a showing satisfactory to the Administrator by any person that records, reports, or information, or particular part thereof, to which the Administrator has access under this subparagraph is made public, would divulge information entitled to protection under section 1905 of title 18, the Administrator shall consider such information or particular portion thereof confidential in accordance with the purposes of that section, except that such record, report, document, or information may be disclosed to other officers, employees, or authorized representatives of the United States concerned with carrying out this chapter. Any person not subject to the provisions of section 1905 of title 18 who knowingly and willfully divulges or discloses any information entitled to protection under this subparagraph shall, upon conviction, be subject to a fine of not more than $5,000 or to imprisonment not to exceed one year, or both.

(iii) The Administrator may prescribe regulations, under the authority of this chapter, to prevent radiation exposure which presents an unreasonable risk to human health from the use in construction or land reclamation (with or without revegetation) of (I) solid waste from the extraction, beneficiation, and processing of phosphate rock or (II) overburden from the mining of uranium ore.

(iv) Whenever on the basis of any information the Administrator determines that any person is in violation of any requirement of this subparagraph, the Administrator shall give notice to the violator of his failure to comply with such requirement. If such violation extends beyond the thirtieth day after the Administrator's notification, the Administrator may issue an order requiring compliance within a specified time period or the Administrator may commence a civil action in the United States district court in the district in which the violation occurred for appropriate relief, including a temporary or permanent injunction.

(C) Not later than six months after the date of submission of the applicable study required to be conducted under subsection (f), (n), (o), or (p), of section 6982 of this title, the Administrator shall, after public hearings and opportunity for comment, either determine to promulgate regulations under this subchapter for each waste listed in subparagraph (A) of this paragraph or determine that such regulations are unwarranted. The Administrator shall publish his determination, which shall be based on information developed or accumulated pursuant to such study, public hearings, and comment, in the Federal Register accompanied by an explanation and justification of the reasons for it.

(c) Petition by State Governor

At any time after the date eighteen months after October 21, 1976, the Governor of any State may petition the Administrator to identify or list a material as a hazardous waste. The Administrator shall act upon such petition within ninety days following his receipt thereof and shall notify the Governor of such action. If the Administrator denies such petition because of financial considerations, in providing such notice to the Governor he shall include a statement concerning such considerations.
(d) Small quantity generator waste  

(1) By March 31, 1986, the Administrator shall promulgate standards under sections 6922, 6923, and 6924 of this title for hazardous waste generated by a generator in a total quantity of hazardous waste greater than one hundred kilograms but less than one thousand kilograms during a calendar month.  

(2) The standards referred to in paragraph (1), including standards applicable to the legitimate use, reuse, recycling, and reclamation of such wastes, may vary from the standards applicable to hazardous waste generated by larger quantity generators, but such standards shall be sufficient to protect human health and the environment.  

(3) Not later than two hundred and seventy days after November 8, 1984, any hazardous waste which is part of a total quantity generated by a generator generating greater than one hundred kilograms but less than one thousand kilograms during one calendar month and which is shipped off the premises on which such waste is generated shall be accompanied by a copy of the Environmental Protection Agency Uniform Hazardous Waste Manifest form signed by the generator. This form shall contain the following information:  

(A) the name and address of the generator of the waste;  

(B) the United States Department of Transportation description of the waste, including the proper shipping name, hazard class, and identification number (UN/NA), if applicable;  

(C) the number and type of containers;  

(D) the quantity of waste being transported; and  

(E) the name and address of the facility designated to receive the waste.  

If subparagraph (B) is not applicable, in lieu of the description referred to in such subparagraph (B), the form shall contain the Environmental Protection Agency identification number, or a generic description of the waste, or a description of the waste by hazardous waste characteristic. Additional requirements related to the manifest form shall apply only if determined necessary by the Administrator to protect human health and the environment.  

(4) The Administrator's responsibility under this subchapter to protect human health and the environment may require the promulgation of standards under this subchapter for hazardous wastes which are generated by any generator who does not generate more than one hundred kilograms of hazardous waste in a calendar month.  

(5) Until the effective date of standards required to be promulgated under paragraph (1), any hazardous waste identified or listed under this section generated by any generator during any calendar month in a total quantity greater than one hundred kilograms but less than one thousand kilograms, which is not treated, stored, or disposed of at a hazardous waste treatment, storage, or disposal facility with a permit under section 6925 of this title, shall be disposed of only in a facility which is permitted, licensed, or registered by a State to manage municipal or industrial solid waste.  

(6) Standards promulgated as provided in paragraph (1) shall, at a minimum, require that all treatment, storage, or disposal of hazardous wastes generated by generators referred to in paragraph (1) shall occur at a facility with interim status or a permit under this subchapter, except that onsite storage of hazardous waste generated by a generator generating a total quantity of hazardous waste greater than one hundred kilograms, but less than one thousand kilograms during a calendar month, may occur without the requirement of a permit for up to one hundred and eighty days. Such onsite storage may occur without the requirement of a permit for not more than six thousand kilograms for up to two hundred and seventy days if such generator must ship or haul such waste over two hundred miles.  

(7) (A) Nothing in this subsection shall be construed to affect or impair the validity of regulations promulgated by the Secretary of Transportation pursuant to chapter 51 of title 49.  

(B) Nothing in this subsection shall be construed to affect, modify, or render invalid any requirements in regulations promulgated prior to January 1, 1983 applicable to any acutely hazardous waste identified or listed under this section which is generated by any generator during any calendar month in a total quantity less than one thousand kilograms.  

(8) Effective March 31, 1986, unless the Administrator promulgates standards as provided in paragraph (1) of this subsection prior to such date, hazardous waste generated by any generator in a total quantity greater than one hundred kilograms but less than one thousand kilograms during a calendar month shall be subject to the following requirements until the standards referred to in paragraph (1) of this subsection have become effective:  

(A) the notice requirements of paragraph (3) of this subsection shall apply and in addition, the information provided in the form shall include the name of the waste transporters and the name and address of the facility designated to receive the waste;  

(B) except in the case of the onsite storage referred to in paragraph (6) of this subsection, the treatment, storage, or disposal of such waste shall occur at a facility with interim status or a permit under this subchapter;  

(C) generators of such waste shall file manifest exception reports as required of generators producing greater amounts of hazardous waste per month except that such reports shall be filed by January 31, for any waste shipment occurring in the last half of the preceding calendar year, and by July 31, for any waste shipment occurring in the first half of the calendar year; and  

(D) generators of such waste shall retain for three years a copy of the manifest signed by the designated facility that has received the waste.  

Nothing in this paragraph shall be construed as a determination of the standards appropriate under paragraph (1).  

(9) The last sentence of section 6930(b) of this title shall not apply to regulations promulgated under this subsection.
§ 6921

Specified wastes

(1) Not later than 6 months after November 8, 1984, the Administrator shall, where appropriate, list under subsection (b)(1), additional wastes containing chlorinated dioxins or chlorinated-dibenzo-furans. Not later than one year after November 8, 1984, the Administrator shall, where appropriate, list under subsection (b)(1) wastes containing remaining halogenated dioxins and halogenated-dibenzo-furans.

(2) Not later than fifteen months after November 8, 1984, the Administrator shall make a determination of whether or not to list under subsection (b)(1) the following wastes: Chlorinated Aliphatics, Dioxin, Dimethyl Hydrazine, TDI (toluene diisocyanate), Carbamates, Bromacil, Linuron, Organobromines, solvents, refining wastes, chlorinated aromatics, dyes and pigments, inorganic chemical industry wastes, lithium batteries, coke byproducts, paint production wastes, and coal slurry pipeline effluent.

Delisting procedures

(1) When evaluating a petition to exclude a waste generated at a particular facility from listing under this section, the Administrator shall consider factors (including additional constituents) other than those for which the waste was listed if the Administrator has a reasonable basis to believe that such additional factors could cause the waste to be a hazardous waste. The Administrator shall provide notice and opportunity for comment on these additional factors before granting or denying such petition.

(2)(A) To the maximum extent practicable the Administrator shall publish in the Federal Register a proposal to grant or deny a petition referred to in paragraph (1) within twelve months after receiving a complete application to exclude a waste generated at a particular facility from being regulated as a hazardous waste and shall grant or deny such a petition within twenty-four months after receiving a complete application.

(B) The temporary granting of such a petition prior to November 8, 1984, without the opportunity for public comment and the full consideration of such comments shall not continue for more than twenty-four months after November 8, 1984. If a final decision to grant or deny such a petition has not been promulgated after notice and opportunity for public comment within the time limit prescribed by the preceding sentence, any such temporary granting of such petition shall cease to be in effect.

EP toxicity

Not later than twenty-eight months after November 8, 1984, the Administrator shall examine the deficiencies of the extraction procedure toxicity characteristic as a predictor of the leaching potential of wastes and make changes in the extraction procedure toxicity characteristic, including changes in the leaching media, as are necessary to insure that it accurately predicts the leaching potential of wastes which pose a threat to human health and the environment when mismanaged.

Additional characteristics

Not later than two years after November 8, 1984, the Administrator shall promulgate regulations under this section identifying additional characteristics of hazardous waste, including measures or indicators of toxicity.

Clarity of household waste exclusion

A resource recovery facility recovering energy from the mass burning of municipal solid waste shall not be deemed to be treating, storing, disposing of, or otherwise managing hazardous wastes for the purposes of regulation under this subchapter, if—

(1) such facility—
   (A) receives and burns only—
      (i) household waste (from single and multiple dwellings, hotels, motels, and other residential sources), and
      (ii) solid waste from commercial or industrial sources that does not contain hazardous waste identified or listed under this section, and
   (B) does not accept hazardous wastes identified or listed under this section.

(2) the owner or operator of such facility has established contractual requirements or other appropriate notification or inspection procedures to assure that hazardous wastes are not received at or burned in such facility.

Methamphetamine production

Not later than every 24 months, the Administrator shall submit to the Committee on Energy and Commerce of the House of Representatives and the Committee on Environment and Public Works of the Senate a report setting forth information collected by the Administrator from law enforcement agencies, States, and other relevant stakeholders that identifies the byproducts of the methamphetamine production process and whether the Administrator considers each of the byproducts to be a hazardous waste pursuant to this section and relevant regulations.

Codification


Amendments


1996—Subsec. (d)(5). Pub. L. 104–119 made technical amendment to reference in original act which appears in text as reference to this section.

1984—Subsec. (b)(1). Pub. L. 98–616, § 222(b), inserted at end "The Administrator, in cooperation with the Agency for Toxic Substances and Disease Registry and the National Toxicology Program, shall also identify or list those hazardous wastes which shall be subject to the provisions of this subchapter solely because of the presence in such wastes of certain constituents (such as identified carcinogens, mutagens, or teratogens) [sic] at levels in excess of levels which endanger human health."

Methamphetamine production

Not later than every 24 months, the Administrator shall submit to the Committee on Energy and Commerce of the House of Representatives and the Committee on Environment and Public Works of the Senate a report setting forth information collected by the Administrator from law enforcement agencies, States, and other relevant stakeholders that identifies the byproducts of the methamphetamine production process and whether the Administrator considers each of the byproducts to be a hazardous waste pursuant to this section and relevant regulations.

Codification


Amendments


1996—Subsec. (d)(5). Pub. L. 104–119 made technical amendment to reference in original act which appears in text as reference to this section.

1984—Subsec. (b)(1). Pub. L. 98–616, § 222(b), inserted at end "The Administrator, in cooperation with the Agency for Toxic Substances and Disease Registry and the National Toxicology Program, shall also identify or list those hazardous wastes which shall be subject to the provisions of this subchapter solely because of the presence in such wastes of certain constituents (such as identified carcinogens, mutagens, or teratogens) [sic] at levels in excess of levels which endanger human health."
Subsec. (d), Pub. L. 98–616, §221(a), added subsec. (d).
Subsecs. (e) to (h), Pub. L. 98–616, §222(a), added subsecs. (e) to (h).
Subsec. (i), Pub. L. 98–616, §223(a), added subsec. (i).
1980—Subsec. (b), Pub. L. 96–482 designated existing provisions as par. (1) and added pars. (2) and (3).

REGULATION

Pub. L. 99–499, directed Administrator of Environmental Protection Agency to cause to be studied the existing management and disposal system for the Alaska Natural Gas Transportation Projects, see note set out under section 6903 of this title.

ASH MANAGEMENT AND DISPOSAL

Pub. L. 101–549, title III, §306, Nov. 8, 1990, 104 Stat. 2584, provided that “Unless the Administrator of the Environmental Protection Agency promulgates regulations under subtitle C of the Solid Waste Disposal Act (42 U.S.C. 6921 et seq.) addressing the extraction of wastes from landfills as part of the process of recovering methane from such landfills, the owner and operator of equipment used to recover methane from a landfill shall not be deemed to be managing, generating, transporting, storing, or disposing of hazardous or liquid wastes within the meaning of that subtitle. If the aqueous or hydrocarbon phase of the condensate or any other waste material removed from the gas recovered from the landfill meets any of the characteristics identified under section 3001 of subtitle C of the Solid Waste Disposal Act [42 U.S.C. 6921], the preceding sentence shall not apply and such condensate phase or other waste material shall be deemed a hazardous waste under that subtitle, and shall be regulated accordingly.”

TRANSFER OF FUNCTIONS

For transfer of certain enforcement functions of Administrator or other official of Environmental Protection Agency under this chapter to Federal Inspector, Office of Federal Inspector for the Alaska Natural Gas Transportation System, and subsequent transfer to Secretary of Energy, then to Federal Coordinator for Alaska Natural Gas Transportation Projects, see note set out under section 6903 of this title.

ASH MANAGEMENT AND DISPOSAL

Pub. L. 101–549, title III, §306, Nov. 15, 1990, 104 Stat. 2584, provided that for 2 years after Nov. 15, 1990, ash from solid waste incineration units burning municipal waste would not be regulated by the Administrator of the Environmental Protection Agency pursuant to this section.

SMALL QUANTITY GENERATOR WASTE; INFORM AND EDUCATE; WASTE GENERATORS

Pub. L. 98–616, title II, §221(b), Nov. 8, 1984, 98 Stat. 3249, directed Administrator of Environmental Protection Agency to undertake activities to inform and educate waste generators of their responsibilities under subsec. (d) of this section during the period within thirty months after Nov. 8, 1984, to help assure compliance.

STUDY OF EXISTING MANIFEST SYSTEM FOR HAZARDOUS WASTES AS APPLICABLE TO SMALL QUANTITY GENERATORS; SUBMITTAL TO CONGRESS

Pub. L. 98–616, title II, §221(d), Nov. 8, 1984, 98 Stat. 3250, directed Administrator of Environmental Protection Agency to cause to be studied the existing manifest system for hazardous wastes as it applies to small quantity generators and recommend whether the current system should be retained or whether a new system should be introduced, such study to include an analysis of the cost versus the benefits of the system studied as well as an analysis of the ease of retrieving and collating information and identifying a given substance, with any new proposal to include a list of those standards that are necessary to protect human health and the environment, and with such study to be submitted to Congress not later than Apr. 1, 1987.

ADMINISTRATIVE BURDENS; SMALL QUANTITY GENERATORS; RETENTION OF CURRENT SYSTEM; REPORT TO CONGRESS

Pub. L. 98–616, title II, §221(e), Nov. 8, 1984, 98 Stat. 3250, directed Administrator of Environmental Protection Agency, in consultation with Secretary of Education, the States, and appropriate educational associations, to conduct a comprehensive study of problems associated with accumulation, storage, and disposal of hazardous wastes from educational institutions, such study to include an investigation of feasibility and availability of environmentally sound methods for treatment, storage, or disposal of hazardous waste from such institutions, taking into account the types and quantities of such waste which are generated by these institutions, and the non-profit nature of these institutions, and directed Administrator to submit a report to Congress containing the findings of the study not later than Apr. 1, 1987.

§6922. Standards applicable to generators of hazardous waste

(a) In general

Not later than eighteen months after October 21, 1976, and after notice and opportunity for public hearings and after consultation with appropriate Federal and State agencies, the Administrator shall promulgate regulations establishing such standards, applicable to generators of hazardous waste identified or listed under this subchapter, as may be necessary to protect human health and the environment. Such standards shall establish requirements respecting—

(1) recordkeeping practices that accurately identify the quantities of such hazardous waste generated, the constituents thereof which are significant in quantity or in potential harm to human health or the environment, and the disposition of such wastes;

(2) labeling practices for any containers used for the storage, transport, or disposal of such hazardous waste such as will identify accurately such waste;

(3) use of appropriate containers for such hazardous waste;

(4) furnishing of information on the general chemical composition of such hazardous waste to persons transporting, treating, storing, or disposing of such wastes;

(5) use of a manifest system and any other reasonable means necessary to assure that all such hazardous waste generated is designated for treatment, storage, or disposal in, and arrives at, treatment, storage, or disposal facilities (other than facilities on the premises of institutions, or other designated facilities) in accordance with regulations, applicable to generators of such waste, promulgated by the Administrator, after consultation with appropriate Federal and State agencies.
where the waste is generated) for which a permit has been issued as provided in this subchapter, or pursuant to title I of the Marine Protection, Research, and Sanctuaries Act of 1972, as amended. Title I of the Marine Protection, Research, and Sanctuaries Act of 1972, Pub. L. 95–609, §1(f)(1), inserted provision relating to title I of the Marine Protection, Research, and Sanctuaries Act.

(b) Waste minimization

Effective September 1, 1985, the manifest required by subsection (a)(5) shall contain a certification by the generator that—

(1) the generator of the hazardous waste has a program in place to reduce the volume or quantity and toxicity of such waste to the degree determined by the generator to be economically practicable; and

(2) the proposed method of treatment, storage, or disposal is that practicable method currently available to the generator which minimizes the present and future threat to human health and the environment.

References in Text


Amendments


1980—Par. (5). Pub. L. 96–482 inserted “and any other reasonable means necessary” and “, and arrives at,” after “use of a manifest system” and “disposal in,” respectively.


Transfer of Functions

For transfer of certain enforcement functions of Administrator or other official of Environmental Protection Agency under this chapter to Federal Inspector, Office of Federal Inspector for the Alaska Natural Gas Transportation System, and subsequent transfer to Secretary of Energy, see note set out under section 6903 of this title.

§ 6923. Standards applicable to transporters of hazardous waste

(a) Standards

Not later than eighteen months after October 21, 1976, and after opportunity for public hearings, the Administrator, after consultation with the Secretary of Transportation and the States, shall promulgate regulations establishing such standards, applicable to transporters of hazardous waste identified or listed under this subchapter, as may be necessary to protect human health and the environment. Such standards shall include but need not be limited to requirements respecting—

(1) recordkeeping concerning such hazardous waste transported, and their source and delivery points;

(2) transportation of such waste only if properly labeled;

(3) compliance with the manifest system referred to in section 6922(f)1 of this title; and

(4) transportation of all such hazardous waste only to the hazardous waste treatment, storage, or disposal facilities which the shipper designates on the manifest form to be a facility holding a permit issued under this subchapter, or pursuant to title I of the Marine Protection, Research, and Sanctuaries Act.

(b) Coordination with regulations of Secretary of Transportation

In case of any hazardous waste identified or listed under this subchapter which is subject to chapter 51 of title 49, the regulations promulgated by the Administrator under this section shall be consistent with the requirements of such Act and the regulations thereunder. The Administrator is authorized to make recommendations to the Secretary of Transportation respecting the regulations of such hazardous waste under the Hazardous Materials Transportation Act and for addition of materials to be covered by such Act.

(c) Fuel from hazardous waste

Not later than two years after November 8, 1984, and after opportunity for public hearing, the Administrator shall promulgate regulations

1 See References in Text note below.
establishing standards, applicable to transport-
er of fuel produced (1) from any hazardous
waste identified or listed under section 6921 of
this title, or (2) from any hazardous waste iden-
tified or listed under section 6921 of this title
and any other material, as may be necessary to
protect human health and the environment.
Such standards may include any of the require-
ments set forth in paragraphs (1) through (4)
of subsection (a) as may be appropriate.


REFERENCES IN TEXT

CODIFICATION

AMENDMENTS
Subsec. (b). Pub. L. 95–609, §7(g)(2), substituted “Administrator under this section” for “Administrator under this subchapter”.

TRANSFER OF FUNCTIONS
For transfer of certain enforcement functions of Administrator or other official of Environmental Protection Agency under this chapter to Federal Inspector, Office of Federal Inspector for the Alaska Natural Gas Transportation Projects, and subsequent transfer to Secretary of Energy, then to Federal Coordinator for Alaska Natural Gas Transportation Projects, see note set out under section 6903 of this title.

§6924. Standards applicable to owners and operators of hazardous waste treatment, storage, and disposal facilities

(a) In general
Not later than eighteen months after October 21, 1976, and after opportunity for public hearings and after consultation with appropriate Federal and State agencies, the Administrator shall promulgate regulations establishing such performance standards, applicable to owners and operators of facilities for the treatment, stor-
age, or disposal of hazardous waste identified or listed under this subchapter, as may be nec-
necessary to protect human health and the environment. In establishing such standards the Admin-
istrator shall, where appropriate, distinguish in such standards between requirements appropriate for new facilities and for facilities in exis-
tence on the date of promulgation of such regu-
lations. Such standards shall include, but need not be limited to, requirements respecting—

(1) maintaining records of all hazardous wastes identified or listed under this chapter which is treated, stored, or disposed of, as the case may be, and the manner in which such wastes were treated, stored, or disposed of;

(2) satisfactory reporting, monitoring, and inspection and compliance with the manifest system referred to in section 6922(5) of this title;

(3) treatment, storage, or disposal of all such waste received by the facility pursuant to such operating methods, techniques, and practices as may be satisfactory to the Administrator;

(4) the location, design, and construction of such hazardous waste treatment, disposal, or storage facilities;

(5) contingency plans for effective action to minimize unanticipated damage from any treatment, storage, or disposal of any such hazardous waste;

(6) the maintenance of operation of such fa-
cilities and requiring such additional qualifications as to ownership, continuity of opera-
tion, training for personnel, and financial responsibility (including financial responsibility for corrective action) as may be necessary or desirable; and

(7) compliance with the requirements of sec-
tion 6925 of this title respecting permits for treatment, storage, or disposal.

No private entity shall be precluded by reason of criteria established under paragraph (6) from the ownership or operation of facilities providing hazardous waste treatment, storage, or disposal services where such entity can provide assurances of financial responsibility and continuity of operation consistent with the degree and duration of risks associated with the treatment, storage, or disposal of specified hazardous waste.

(b) Salt dome formations, salt bed formations, underground mines and caves

(1) Effective on November 8, 1984, the placement of any noncontainersized or bulk liquid hazardous waste in any salt dome formation, salt bed formation, underground mine, or cave is prohibited until such time as—

(A) the Administrator has determined, after notice and opportunity for hearings on the record in the affected areas, that such placement is protective of human health and the environment;

(B) the Administrator has promulgated performance and permitting standards for such facilities under this subchapter, and;

(C) a permit has been issued under section 6925(c) of this title for the facility concerned.

(2) Effective on November 8, 1984, the placement of any hazardous waste other than a haz-
ardous waste referred to in paragraph (1) in a salt dome formation, salt bed formation, under-
ground mine, or cave is prohibited until such

1 See References in Text note below.
time as a permit has been issued under section 6925(c) of this title for the facility concerned.

(3) No determination made by the Administrator under subsection (d), (e), or (g) of this section regarding any hazardous waste to which such subsection (d), (e), or (g) applies shall affect the prohibition contained in paragraph (1) or (2) of this subsection.

(4) Nothing in this subsection shall apply to the Department of Energy Waste Isolation Project in New Mexico.

(c) Liquids in landfills

(1) Effective 6 months after November 8, 1984, the placement of bulk or noncontainerized liquid hazardous waste or free liquids contained in hazardous waste (whether or not absorbents have been added) in any landfill is prohibited. Prior to such date the requirements (as in effect on April 30, 1983) promulgated under this section by the Administrator regarding liquid hazardous waste shall remain in force and effect to the extent such requirements are applicable to the placement of bulk or noncontainerized liquid hazardous waste, or free liquids contained in hazardous waste, in landfills.

(2) Not later than fifteen months after November 8, 1984, the Administrator shall promulgate final regulations which—

(A) minimize the disposal of containerized liquid hazardous waste in landfills, and

(B) minimize the presence of free liquids in containerized hazardous waste to be disposed of in landfills.

Such regulations shall also prohibit the disposal in landfills of liquids that have been absorbed in materials that biodegrade or that release liquids when compressed as might occur during routine landfill operations. Prior to the date on which such final regulations take effect, the requirements (as in effect on April 30, 1983) promulgated under this section by the Administrator shall remain in force and effect to the extent such requirements are applicable to the disposal of containerized liquid hazardous waste, or free liquids contained in hazardous waste, in landfills.

(3) Effective twelve months after November 8, 1984, the placement of any liquid which is not a hazardous waste in a landfill for which a permit is required under section 6925(e) of this title or which is operating pursuant to interim status granted under section 6925(e) of this title is prohibited unless the owner or operator of such landfill demonstrates to the Administrator or the Administrator determines, that—

(A) the only reasonably available alternative to the placement in such landfill is placement in a landfill or unlined surface impoundment, whether or not permitted under section 6925(c) of this title or which is operating pursuant to interim status under section 6925(e) of this title, which contains, or may reasonably be anticipated to contain, hazardous waste; and

(B) placement in such owner or operator’s landfill will not present a risk of contamination of any underground source of drinking water.

As used in subparagraph (B), the term “underground source of drinking water” has the same meaning as provided in regulations under the Safe Drinking Water Act (title XIV of the Public Health Service Act) [42 U.S.C. 300f et seq.].

(d) Prohibitions on land disposal of specified wastes

(1) Effective 32 months after November 8, 1984 (except as provided in subsection (f) with respect to underground injection into deep injection wells), the land disposal of the hazardous wastes referred to in paragraph (2) is prohibited unless the Administrator determines the prohibition on one or more methods of land disposal of such waste is not required in order to protect human health and the environment for as long as the waste remains hazardous, taking into account—

(A) the long-term uncertainties associated with land disposal,

(B) the goal of managing hazardous waste in an appropriate manner in the first instance, and

(C) the persistence, toxicity, mobility, and propensity to bioaccumulate of such hazardous wastes and their hazardous constituents.

For the purposes of this paragraph, a method of land disposal may not be determined to be protective of human health and the environment for a hazardous waste referred to in paragraph (2) (other than a hazardous waste which has complied with the pretreatment regulations promulgated under subsection (m)), unless, upon application by an interested person, it has been demonstrated to the Administrator, to a reasonable degree of certainty, that there will be no migration of hazardous constituents from the disposal unit or injection zone for as long as the wastes remain hazardous.

(2) Paragraph (1) applies to the following hazardous wastes and their hazardous constituents.

(A) Liquid hazardous wastes, including free liquids associated with any solid or sludge, containing free cyanides at concentrations greater than or equal to 1,000 mg/l.

(B) Liquid hazardous wastes, including free liquids associated with any solid or sludge, containing the following metals (or elements) or compounds of these metals (or elements) at concentrations greater than or equal to those specified below:

(i) arsenic and/or compounds (as As) 500 mg/l;

(ii) cadmium and/or compounds (as Cd) 100 mg/l;

(iii) chromium (VI and/or compounds (as Cr VI)) 500 mg/l;

(iv) lead and/or compounds (as Pb) 500 mg/l;

(v) mercury and/or compounds (as Hg) 20 mg/l;

(vi) nickel and/or compounds (as Ni) 134 mg/l;

(vii) selenium and/or compounds (as Se) 100 mg/l; and

(viii) thallium and/or compounds (as Th) 130 mg/l.
(C) Liquid hazardous waste having a pH less than or equal to two (2.0).

(D) Liquid hazardous wastes containing polychlorinated biphenyls at concentrations greater than or equal to 50 ppm.

(E) Hazardous wastes containing halogenated organic compounds in total concentration greater than or equal to 1,000 mg/kg.

When necessary to protect human health and the environment, the Administrator shall substitute more stringent concentration levels than the levels specified in subparagraphs (A) through (E).

(3) During the period ending forty-eight months after November 8, 1984, this subsection shall not apply to any disposal of contaminated soil or debris resulting from a response action taken under section 9604 or 9606 of this title or a corrective action required under this subchapter.

(e) Solvents and dioxins

(1) Effective twenty-four months after November 8, 1984 (except as provided in subsection (f) with respect to underground injection into deep injection wells), the land disposal of the hazardous wastes referred to in paragraph (2) is prohibited unless the Administrator determines the prohibition of one or more methods of land disposal of such waste is not required in order to protect human health and the environment for as long as the waste remains hazardous, taking into account the factors referred to in subparagraphs (A) through (E).

(2) The hazardous wastes to which the prohibition under paragraph (1) applies are as follows—

(A) dioxin-containing hazardous wastes numbered F020, F021, F022, and F023 (as referred to in the proposed rule published by the Administrator in the Federal Register for April 4, 1983), and

(B) those hazardous wastes numbered F001, F002, F003, F004, and F005 in regulations promulgated by the Administrator under section 6921 of this title (40 C.F.R. 261.31 (July 1, 1983)), as those regulations are in effect on July 1, 1983.

(3) During the period ending forty-eight months after November 8, 1984, this subsection shall not apply to any disposal of contaminated soil or debris resulting from a response action taken under section 9604 or 9606 of this title or a corrective action required under this subchapter.

(f) Disposal into deep injection wells; specified subsection (d) wastes; solvents and dioxins

(1) Not later than forty-five months after November 8, 1984, the Administrator shall complete a review of the disposal of all hazardous wastes referred to in paragraph (2) of subsection (d) and in paragraph (2) of subsection (e) by underground injection into deep injection wells.

(2) Within forty-five months after November 8, 1984, the Administrator shall make a determination regarding the disposal by underground injection into deep injection wells of the hazardous wastes referred to in paragraph (2) of subsection (d) and the hazardous wastes referred to in paragraph (2) of subsection (e).

3

(g) Additional land disposal prohibition determinations

(1) Not later than twenty-four months after November 8, 1984, the Administrator shall submit a schedule to Congress for—

(A) reviewing all hazardous wastes listed (as of November 8, 1984) under section 6921 of this title other than those wastes which are referred to in subsection (d) or (e); and

(B) taking action under paragraph (5) of this subsection with respect to each such hazardous waste.

(2) The Administrator shall base the schedule on a ranking of such listed wastes considering their intrinsic hazard and their volume such that decisions regarding the land disposal of high volume hazardous wastes with high intrinsic hazard shall, to the maximum extent possible, be made by the date forty-five months after November 8, 1984. Decisions regarding low volume hazardous wastes with lower intrinsic hazard shall be made by the date sixty-six months after November 8, 1984.

(3) The preparation and submission of the schedule under this subsection shall not be subject to the Paperwork Reduction Act of 1980.\(^\text{3}\) No hearing on the record shall be required for pur-
§ 6924

TITLe 42—THE PUBLIC HEALTH AND WELFARe

Page 6358

poses of preparation or submission of the schedule. The schedule shall not be subject to judicial review.

(4) The schedule under this subsection shall require that the Administrator shall promulgate regulations in accordance with paragraph (5) or make a determination under paragraph (5)—

(A) for at least one-third of all hazardous wastes referred to in paragraph (1) by the date forty-five months after November 8, 1984;

(B) for at least two-thirds of all such listed wastes by the date fifty-five months after November 8, 1984; and

(C) for all such listed wastes and for all hazardous wastes identified under section 6921 of this title by the date sixty-six months after November 8, 1984.

In the case of any hazardous waste identified or listed under section 6921 of this title after November 8, 1984, the Administrator shall determine whether such waste shall be prohibited from one or more methods of land disposal in accordance with paragraph (5) within six months after the date of such identification or listing.

(5) Not later than the date specified in the schedule published under this subsection, the Administrator shall promulgate final regulations prohibiting one or more methods of land disposal of the hazardous wastes listed on such schedule except for methods of land disposal which the Administrator determines will be protective of human health and the environment for as long as the waste remains hazardous, taking into account the factors referred to in subparagraphs (A) through (C) of subsection (d)(1). For the purposes of this paragraph, a method of land disposal may not be determined to be protective of human health and the environment (except with respect to a hazardous waste which has complied with the pretreatment regulations promulgated under subsection (m)) unless, upon application by an interested person, it has been demonstrated to the Administrator, to a reasonable degree of certainty, that there will be no migration of hazardous constituents from the disposal unit or injection zone for as long as the wastes remain hazardous.

(6)(A) If the Administrator fails (by the date forty-five months after November 8, 1984) to promulgate regulations or make a determination under paragraph (5) for any hazardous waste which is included in the first one-third of the schedule published under this subsection, such hazardous waste may be disposed of in a landfill or surface impoundment only if—

(i) such facility is in compliance with the requirements of subsection (o) which are applicable to new facilities (relating to minimum technological requirements); and

(ii) prior to such disposal, the generator has certified to the Administrator that such generator has investigated the availability of treatment currently available to the generator.

The prohibition contained in this subparagraph shall continue to apply until the Administrator promulgates regulations or makes a determination under paragraph (5) for the waste concerned.

(B) If the Administrator fails (by the date fifty-five months after November 8, 1984) to promulgate regulations or make a determination under paragraph (5) for any hazardous waste which is included in the first two-thirds of the schedule published under this subsection, such hazardous waste may be disposed of in a landfill or surface impoundment only if—

(i) such facility is in compliance with the requirements of subsection (o) which are applicable to new facilities (relating to minimum technological requirements); and

(ii) prior to such disposal, the generator has certified to the Administrator that such generator has investigated the availability of treatment currently available to the generator.

The prohibition contained in this subparagraph shall continue to apply until the Administrator promulgates regulations or makes a determination under paragraph (5) for the waste concerned.

(C) If the Administrator fails to promulgate regulations, or make a determination under paragraph (5) for any hazardous waste referred to in paragraph (1) within 66 months after November 8, 1984, such hazardous waste shall be prohibited from land disposal.

(7) Solid waste identified as hazardous based solely on one or more characteristics shall not be subject to this subsection, any prohibitions under subsection (d), (e), or (f), or any requirement promulgated under subsection (m) (other than any applicable specific methods of treatment, as provided in paragraph (8)) if the waste—

(A) is treated in a treatment system that subsequently discharges to waters of the United States pursuant to a permit issued under section 1342 of title 33, treated for the purposes of the pretreatment requirements of section 1317 of title 33, or treated in a zero discharge system that, prior to any permanent land disposal, engages in treatment that is equivalent to treatment required under section 1342 of title 33 for discharges to waters of the United States, as determined by the Administrator; and

(B) no longer exhibits a hazardous characteristic prior to management in any land-based solid waste management unit.

(8) Solid waste that otherwise qualifies under paragraph (7) shall nevertheless be required to meet any applicable specific methods of treatment specified for such waste by the Administrator under subsection (m), including those specified in the rule promulgated by the Administrator June 1, 1990, prior to management in a land-based unit as part of a treatment system specified in paragraph (7)(A). No solid waste may qualify under paragraph (7) that would generate toxic gases, vapors, or fumes due to the presence of cyanide when exposed to pH conditions between 2.0 and 12.5.

(9) Solid waste identified as hazardous based on one or more characteristics alone shall not
be subject to this subsection, any prohibitions under subsection (d), (e), (f), or (g), or any requirement promulgated under subsection (m) if the waste no longer exhibits a hazardous characteristic at the point of injection in any Class I injection well permitted under section 300h-1 of this title.

(10) Not later than five years after March 26, 1996, the Administrator shall complete a study of hazardous waste managed pursuant to paragraph (7) or (9) to characterize the risks to human health or the environment associated with such management. In conducting this study, the Administrator shall evaluate the extent to which risks are adequately addressed under existing State or Federal programs and whether unaddressed risks could be better addressed under such laws or programs. Upon receipt of additional information or upon completion of such study and as necessary to protect human health and the environment, the Administrator may impose additional requirements under existing Federal laws, including subsection (m)(1), or rely on other State or Federal programs or authorities to address such risks. In promulgating any treatment standards pursuant to subsection (m)(1) under the previous sentence, the Administrator shall take into account the extent to which treatment is occurring in land-based units as part of a treatment system specified in paragraph (7)(A).

(11) Nothing in paragraph (7) or (9) shall be interpreted or applied to restrict any inspection or enforcement authority under the provisions of this chapter.

(h) Variance from land disposal prohibitions

(1) A prohibition in regulations under subsection (d), (e), (f), or (g) shall be effective immediately upon promulgation.

(2) The Administrator may establish an effective date different from the effective date which would otherwise apply under subsection (d), (e), (f), or (g) with respect to a specific hazardous waste which is subject to a prohibition under subsection (d), (e), (f), or (g) or under regulations under subsection (d), (e), (f), or (g) of this section. Any such other effective date shall be established on the basis of the earliest date on which adequate alternative treatment, recovery, or disposal capacity which protects human health and the environment will be available. Any such other effective date shall in no event be later than 2 years after the effective date of the prohibition which would otherwise apply under subsection (d), (e), (f), or (g).

(3) The Administrator, after notice and opportunity for comment and after consultation with appropriate State agencies in all affected States, may on a case-by-case basis grant an extension of the effective date which would otherwise apply under subsection (d), (e), (f), or (g) or under paragraph (2) for up to one year, where the applicant demonstrates that there is a binding contractual commitment to construct or otherwise provide such alternative capacity but due to circumstances beyond the control of such applicant such alternative capacity cannot reasonably be made available by such effective date. Such extension shall be renewable once for no more than one additional year.

(4) Whenever another effective date (hereinafter referred to as a “variance”) is established under paragraph (2), or an extension is granted under paragraph (3), with respect to any hazardous waste, during the period for which such variance or extension is in effect, such hazardous waste may be disposed of in a landfill or surface impoundment only if such facility is in compliance with the requirements of subsection (o).

(i) Publication of determination

If the Administrator determines that a method of land disposal will be protective of human health and the environment, he shall promptly publish in the Federal Register notice of such determination, together with an explanation of the basis for such determination.

(j) Storage of hazardous waste prohibited from land disposal

In the case of any hazardous waste which is prohibited from one or more methods of land disposal under this section (or under regulations promulgated by the Administrator under any provision of this section) the storage of such hazardous waste is prohibited unless such storage is solely for the purpose of the accumulation of such quantities of hazardous waste as are necessary to facilitate proper recovery, treatment or disposal.

(k) “Land disposal” defined

For the purposes of this section, the term “land disposal”, when used with respect to a specified hazardous waste, shall be deemed to include, but not be limited to, any placement of hazardous waste identified solely on the basis of ignitability, for dust suppression or road treatment is prohibited.

(m) Treatment standards for wastes subject to land disposal prohibition

(1) Simultaneously with the promulgation of regulations under subsection (d), (e), (f), or (g) prohibiting one or more methods of land disposal of a particular hazardous waste, and as appropriate thereafter, the Administrator shall, after notice and an opportunity for hearings and after consultation with appropriate Federal and State agencies, promulgate regulations specifying those levels or methods of treatment, if any, which substantially diminish the toxicity of the waste or substantially reduce the likelihood of migration of hazardous constituents from the waste so that short-term and long-term threats to human health and the environment are minimized.

(2) If such hazardous waste has been treated to the level or by a method specified in regulations promulgated under this subsection, such waste or residue thereof shall not be subject to any prohibition promulgated under subsection (d), (e), (f), or (g) and may be disposed of in a land
disposal facility which meets the requirements of this subchapter. Any regulation promulgated under this subsection for a particular hazardous waste shall become effective on the same date as any applicable prohibition promulgated under subsection (d), (e), (f), or (g).

(n) Air emissions

Not later than thirty months after November 8, 1984, the Administrator shall promulgate such regulations for the monitoring and control of air emissions at hazardous waste treatment, storage, and disposal facilities, including but not limited to open tanks, surface impoundments, and landfills, as may be necessary to protect human health and the environment.

(o) Minimum technological requirements

(1) The regulations under subsection (a) of this section shall be revised from time to time to take into account improvements in the technology of control and measurement. At a minimum, such regulations shall require, and a permit issued pursuant to section 6925(c) of this title after November 8, 1984, by the Administrator or a State shall require—

(A) for each new landfill or surface impoundment, each new landfill or surface impoundment unit at an existing facility, each replacement of an existing landfill or surface impoundment unit, and each lateral expansion of an existing landfill or surface impoundment unit, for which an application for a final determination regarding issuance of a permit under section 6925(c) of this title is received after November 8, 1984—

(i) the installation of two or more liners and a leachate collection system above (in the case of a landfill) and between such liners;

(ii) ground water monitoring; and

(B) for each incinerator which receives a permit under section 6925(c) of this title after November 8, 1984, the attainment of the minimum destruction and removal efficiency required by regulations in effect on June 24, 1982.

The requirements of this paragraph shall apply with respect to all waste received after the issuance of the permit.

(2) Paragraph (1)(A)(i) shall not apply if the owner or operator demonstrates to the Administrator, and the Administrator finds for such landfill or surface impoundment, that alternative design and operating practices, together with location characteristics, will prevent the migration of any hazardous constituents into the ground water or surface water at least as effectively as such liners and leachate collection systems.

(3) The double-liner requirement set forth in paragraph (1)(A)(i) may be waived by the Administrator for any monofill, if—

(A) such monofill contains only hazardous wastes from foundry furnace emission controls or metal casting molding sand;

(B) such wastes do not contain constituents which would render the wastes hazardous for reasons other than the Extraction Procedure ("EP") toxicity characteristics set forth in regulations under this subchapter, and

(C) such monofill meets the same requirements as are applicable in the case of a waiver under section 6925(j)(2) or (4) of this title.

(4)(A) Not later than thirty months after November 8, 1984, the Administrator shall promulgate standards requiring that new landfill units, surface impoundment units, waste piles, underground tanks and land treatment units for the storage, treatment, or disposal of hazardous waste identified or listed under section 6921 of this title shall be required to utilize approved leak detection systems.

(B) For the purposes of subparagraph (A)—

(i) the term "approved leak detection system" means a system or technology which the Administrator finds to be capable of detecting leaks of hazardous constituents at the earliest practicable time; and

(ii) the term "new units" means units on which construction commences after the date of promulgation of regulations under this paragraph.

(5)(A) The Administrator shall promulgate regulations or issue guidance documents implementing the requirements of paragraph (1)(A) within two years after November 8, 1984.

(B) Until the effective date of such regulations or guidance documents, the requirement for the installation of two or more liners may be satisfied by the installation of a top liner designed, operated, and constructed of materials to prevent the migration of any constituent into such liner during the period such facility remains in operation (including any post-closure monitoring period), and a lower liner designed, operated and constructed to prevent the migration of any constituent through such liner during such period. For the purpose of the preceding sentence, a lower liner shall be deemed to satisfy such requirement if it is constructed of at least a 3-foot thick layer of recompacted clay or other natural material with a permeability of no more than $1 \times 10^{-7}$ centimeter per second.

(6) Any permit under section 6925 of this title which is issued for a landfill located within the State of Alabama shall require the installation of two or more liners and a leachate collection system above and between such liners, notwithstanding any other provision of this chapter.

(7) In addition to the requirements set forth in this subsection, the regulations referred to in paragraph (1) shall specify criteria for the acceptable location of new and existing treatment, storage, or disposal facilities as necessary to protect human health and the environment. Within 18 months after November 8, 1984, the Administrator shall publish guidance criteria identifying areas of vulnerable hydrogeology.

(p) Ground water monitoring

The standards under this section concerning ground water monitoring which are applicable to surface impoundments, waste piles, land treatment units, and landfills shall apply to such a facility whether or not—

(1) the facility is located above the seasonal high water table;

(2) two liners and a leachate collection system have been installed at the facility; or

(3) the owner or operator inspects the liner (or liners) which has been installed at the facility.

*So in original. Probably should be followed by a comma.
This subsection shall not be construed to affect other exemptions or waivers from such standards provided in regulations in effect on November 8, 1984, or as may be provided in revisions to those regulations, to the extent consistent with this subsection. The Administrator is authorized on a case-by-case basis to exempt from ground water monitoring requirements under this section (including subsection (o)) any engineered structure which the Administrator finds does not receive or contain liquid waste (nor waste containing free liquids), is designed and operated to exclude liquid from precipitation or other runoff, utilizes multiple leak detection systems within the outer layer of containment, and provides for continuing operation and maintenance of these leak detection systems during the operating period, closure, and the period required for post-closure monitoring and for which the Administrator concludes on the basis of such findings that there is a reasonable certainty hazardous constituents will not migrate beyond the outer layer of containment prior to the end of the period required for post-closure monitoring.

(q) Hazardous waste used as fuel

(1) Not later than two years after November 8, 1984, and after notice and opportunity for public hearing, the Administrator shall promulgate regulations establishing such—

(A) standards applicable to the owners and operators of facilities which produce a fuel—

(i) from any hazardous waste identified or listed under section 6921 of this title, or

(ii) from any hazardous waste identified or listed under section 6921 of this title and any other material;

(B) standards applicable to the owners and operators of facilities which burn, for purposes of energy recovery, any fuel produced as provided in subparagraph (A) or any fuel which otherwise contains any hazardous waste identified or listed under section 6921 of this title; and

(C) standards applicable to any person who distributes or markets any fuel which is produced as provided in subparagraph (A) or any fuel which otherwise contains any hazardous waste identified or listed under section 6921 of this title;

as may be necessary to protect human health and the environment. Such standards may include any of the requirements set forth in paragraphs (1) through (7) of subsection (a) as may be appropriate. Nothing in this subsection shall be construed to affect or impair the provisions of section 6921(b)(3) of this title. For purposes of this subsection, the term “hazardous waste listed under section 6921 of this title” includes any commercial chemical product which is listed under section 6921 of this title and which, in lieu of its original intended use, is (i) produced for use as (or as a component of) a fuel, (ii) distributed for use as a fuel, or (iii) burned as a fuel.

(2)(A) This subsection, subsection (r), and subsection (s) shall not apply to petroleum refinery wastes containing oil which are converted into petroleum coke at the same facility at which such wastes were generated, unless the resulting coke product would exceed one or more characteristics by which a substance would be identified as a hazardous waste under section 6921 of this title.

(B) The Administrator may exempt from the requirements of this subsection, subsection (r), or subsection (s) facilities which burn de minimis quantities of hazardous waste as fuel, as defined by the Administrator, if the wastes are burned at the same facility at which such wastes are generated; the waste is burned to recover useful energy, as determined by the Administrator, and operated at a destruction and removal efficiency sufficient such that protection of human health and environment is assured.

(C)(i) After November 8, 1984, and until standards are promulgated and in effect under paragraph (2) of this subsection, no fuel which contains any hazardous waste may be burned in any cement kiln which is located within the boundaries of any incorporated municipality with a population greater than five hundred thousand (based on the most recent census statistics) unless such kiln fully complies with regulations (as in effect on November 8, 1984) under this subchapter which are applicable to incinerators.

(ii) Any person who knowingly violates the prohibition contained in clause (i) shall be deemed to have violated section 6924(d)(2) of this title.

(r) Labeling

(1) Notwithstanding any other provision of law, until such time as the Administrator promulgates standards under subsection (q) specifically superseding this requirement, it shall be unlawful for any person who is required to file a notification in accordance with paragraph (1) or (3) of section 6930 of this title to distribute or market any fuel which is produced from any hazardous waste identified or listed under section 6921 of this title, or any fuel which otherwise contains any hazardous waste identified or listed under section 6921 of this title if the invoice or the bill of sale fails—

(A) to bear the following statement: “WARNING: THIS FUEL CONTAINS HAZARDOUS WASTES”, and

(B) to list the hazardous wastes contained therein.

Beginning ninety days after November 8, 1984, such statement shall be located in a conspicuous place on every such invoice or bill of sale and shall appear in conspicuous and legible type in contrast by typography, layout, or color with other printed matter on the invoice or bill of sale.

(2) Unless the Administrator determines otherwise as may be necessary to protect human health and the environment, this subsection shall not apply to fuels produced from petroleum refining waste containing oil if—

(A) such materials are generated and reinserted onsite into the refining process;

(B) contaminants are removed; and

(C) such refining waste containing oil is converted along with normal process streams into
petroleum-derived fuel products at a facility at which crude oil is refined into petroleum products and which is classified as a number SIC 2911 facility under the Office of Management and Budget Standard Industrial Classification Manual.

(3) Unless the Administrator determines otherwise as may be necessary to protect human health and the environment, this subsection shall not apply to fuels produced from oily materials, resulting from normal petroleum refining, production and transportation practices, if (A) contaminants are removed; and (B) such oily materials are converted along with normal process streams into petroleum-derived fuel products at a facility at which crude oil is refined into petroleum products and which is classified as a number SIC 2911 facility under the Office of Management and Budget Standard Industrial Classification Manual.

(s) Recordkeeping

Not later than fifteen months after November 8, 1984, the Administrator shall promulgate regulations requiring that any person who is required to file a notification in accordance with subparagraph (1), (2), or (3), of section 6930(a) of this title shall maintain such records regarding fuel blending, distribution, or use as may be necessary to protect human health and the environment.

(t) Financial responsibility provisions

(1) Financial responsibility required by subsection (a) of this section may be established in accordance with regulations promulgated by the Administrator by any one, or any combination, of the following: insurance, guarantee, surety bond, letter of credit, or qualification as a self-insurer. In promulgating requirements under this section, the Administrator is authorized to specify policy or other contractual terms, conditions, or defenses which are necessary or are unacceptable in establishing such evidence of financial responsibility in order to effectuate the purposes of this chapter.

(2) In any case where the owner or operator is insolvent at the time of judgment, any claim arising from conduct for which evidence of financial responsibility must be provided under this section may be asserted directly against the guarantor for bad faith either in negotiating or in failing to negotiate the settlement of any claim. Nothing in this subsection shall be construed to limit any other State or Federal statutory, contractual or common law liability of a guarantor to its owner or operator including, but not limited to, the liability of such guarantor for bad faith either in negotiating or in failing to negotiate the settlement of any claim. Nothing in this subsection shall be construed to diminish the liability of any person under section 9607 or 9611 of this title or other applicable law.

(u) Continuing releases at permitted facilities

Standards promulgated under this section shall require, and a permit issued after November 8, 1984, by the Administrator or a State shall require, corrective action for all releases of hazardous waste or constituents from any solid waste management unit at a treatment, storage, or disposal facility seeking a permit under this subchapter, regardless of the time at which waste was placed in such unit. Permits issued under section 6929 of this title shall contain schedules of compliance for such corrective action (where such corrective action cannot be completed prior to issuance of the permit) and assurances of financial responsibility for completing such corrective action.

(v) Corrective action beyond facility boundary

As promptly as practicable after November 8, 1984, the Administrator shall amend the standards under this section regarding corrective action required at facilities for the treatment, storage, or disposal of hazardous waste listed or identified under section 6921 of this title to require that corrective action be taken beyond the facility boundary where necessary to protect human health and the environment unless the owner or operator of the facility concerned demonstrates to the satisfaction of the Administrator that, despite the owner or operator's best efforts, the owner or operator was unable to obtain the necessary permission to undertake such action. Such regulations shall take effect immediately upon promulgation, notwithstanding section 6930(b) of this title, and shall apply to—

(1) all facilities operating under permits issued under subsection (c), and

(2) all landfills, surface impoundments, and waste pile units (including any new units, replacements of existing units, or lateral expansions of existing units) which receive hazardous waste after July 26, 1982.

Pending promulgation of such regulations, the Administrator shall issue corrective action orders for facilities referred to in paragraphs (1) and (2), on a case-by-case basis, consistent with the purposes of this subsection.

(w) Underground tanks

Not later than March 1, 1985, the Administrator shall promulgate final permitting standards under this section for underground tanks that cannot be entered for inspection. Within forty-eight months after November 8, 1984, such standards shall be modified, if necessary, to cover at a minimum all requirements and standards described in section 6991b of this title.
(x) Mining and other special wastes

If (1) solid waste from the extraction, beneficiation or processing of ores and minerals, including phosphate rock and overburden from the mining of uranium, (2) fly ash waste, bottom ash waste, slag waste, and flue gas emission control waste generated primarily from the combustion of fossil fuels, or (3) cement kiln dust waste, is subject to regulation under this subchapter, the Administrator is authorized to modify the requirements of subsections (c), (d), (e), (f), (g), (h), and (u) and section 6925(j) of this title, in the case of landfills or surface impoundments receiving such solid waste, to take into account the special characteristics of such wastes, the practical difficulties associated with implementation of such requirements, and site-specific characteristics, including but not limited to the climate, geology, hydrology and soil chemistry at the site, so long as such modified requirements assure protection of human health and the environment.

(y) Munitions

(1) Not later than 6 months after October 6, 1992, the Administrator shall propose, after consulting with the Secretary of Defense and appropriate State officials, regulations identifying when military munitions become hazardous waste for purposes of this subchapter and providing for the safe transportation and storage of such waste. Not later than 24 months after October 6, 1992, and after notice and opportunity for comment, the Administrator shall promulgate such regulations. Any such regulations shall assure protection of human health and the environment.

(2) For purposes of this subsection, the term “military munitions” includes chemical and conventional munitions.

REFERENCES IN TEXT

Section 6922(5) of this title, referred to in subsection (a)(2), was redesignated section 6922(a)(5) of this title, by Pub. L. 96–616, title II, §224(a)(1), Nov. 8, 1984, 98 Stat. 3233.

The Safe Drinking Water Act, referred to in subsection (c)(3), is title XIV of act July 1, 1944, as amended, which is classified generally to chapter 6A of this title (§1201 et seq.).

such facility has begun, file an application for a permit pursuant to this section authorizing such facility to incinerate hazardous waste identified or listed under this subchapter.

(b) Requirements of permit application

Each application for a permit under this section shall contain such information as may be required under regulations promulgated by the Administrator, including information respecting—

(1) estimates with respect to the composition, quantities, and concentrations of any hazardous waste identified or listed under this subchapter, or combinations of any such hazardous waste and any other solid waste, proposed to be disposed of, treated, transported, or stored, and the time, frequency, or rate of which such waste is proposed to be disposed of, treated, transported, or stored; and

(2) the site at which such hazardous waste or the products of treatment of such hazardous waste will be disposed of, treated, transported to, or stored.

(c) Permit issuance

(1) Upon a determination by the Administrator (or a State, if applicable), of compliance by a facility for which a permit is applied for under this section with the requirements of this section and section 6924 of this title, the Administrator (or the State) shall issue a permit for such facilities. In the event permit applicants propose modification of their facilities, or in the event the Administrator (or the State) determines that modifications are necessary to conform to the requirements under this section and section 6924 of this title, the permit shall specify the time allowed to complete the modifications.

(2)(A)(i) Not later than the date four years after November 8, 1984, in the case of each application for a land disposal facility which was submitted before such date, the Administrator shall issue a final permit pursuant to such application or issue a final denial of such application.

(ii) Not later than the date five years after November 8, 1984, in the case of each application for a permit under this subsection for an incinerator facility which was submitted before such date, the Administrator shall issue a final permit pursuant to such application or issue a final denial of such application.

(B) Not later than the date eight years after November 8, 1984, in the case of each application for a permit under this subsection for any facility (other than a facility referred to in subparagraph (A)) which was submitted before such date, the Administrator shall issue a final permit pursuant to such application or issue a final denial of such application.

(C) The time periods specified in this paragraph shall apply in the case of any State which is administering an authorized hazardous waste program under section 6926 of this title. Interim status under subsection (e) shall terminate for each facility referred to in subparagraph (A)(ii) or (B) on the expiration of the five- or eight-year period referred to in subparagraph (A) or (B), whichever is applicable, unless the owner or operator of the facility applies for a final determination regarding the issuance of a permit under this subsection within—

(i) two years after November 8, 1984 (in the case of a facility referred to in subparagraph (A)(ii)), or

(ii) four years after November 8, 1984 (in the case of a facility referred to in subparagraph (B)).

(3) Any permit under this section shall be for a fixed term, not to exceed 10 years in the case of any land disposal facility, storage facility, or incinerator or other treatment facility. Each permit for a land disposal facility shall be reviewed five years after date of issuance or reissuance and shall be modified as necessary to assure that the facility continues to comply with the currently applicable requirements of this section and section 6924 of this title. Nothing in this subsection shall preclude the Administrator from reviewing and modifying a permit at any time during its term. Review of any application for a permit renewal shall consider improvements in the state of control and measurement technology as well as changes in applicable regulations. Each permit issued under this section shall contain such terms and conditions as the Administrator (or the State) determines necessary to protect human health and the environment.

(d) Permit revocation

Upon a determination by the Administrator (or by a State, in the case of a State having an authorized hazardous waste program under section 6926 of this title) of noncompliance by a facility having a permit under this chapter with the requirements of this section or section 6924 of this title, the Administrator (or State, in the case of a State having an authorized hazardous waste program under section 6926 of this title) shall revoke such permit.

(e) Interim status

(1) Any person who—

(A) owns or operates a facility required to have a permit under this section which facility—

(i) was in existence on November 19, 1980, or

(ii) is in existence on the effective date of statutory or regulatory changes under this chapter that render the facility subject to the requirement to have a permit under this section,

(B) has complied with the requirements of section 6930(a) of this title, and

(C) has made an application for a permit under this section,

shall be treated as having been issued such permit until such time as final administrative disposition of such application is made, unless the Administrator or other plaintiff proves that final administrative disposition of such application has not been made because of the failure of the applicant to furnish information reasonably required or requested in order to process the application. This paragraph shall not apply to any facility which has been previously denied a permit under this section or if authority to operate the facility under this section has been previously terminated.

(2) In the case of each land disposal facility which has been granted interim status under
this subsection before November 8, 1984, interim status shall terminate on the date twelve months after November 8, 1984, unless the owner or operator of such facility—
(A) applies for a final determination regarding the issuance of a permit under subsection (c) for such facility before the date twelve months after November 8, 1984; and
(B) certifies that such facility is in compliance with all applicable groundwater monitoring and financial responsibility requirements.

(3) In the case of each land disposal facility which is in existence on the effective date of statutory or regulatory changes under this chapter, the facility subject to the requirement to have a permit under this section and which is granted interim status under this subsection, interim status shall terminate on the date twelve months after the date on which the facility first becomes subject to such permit requirement unless the owner or operator of such facility—
(A) applies for a final determination regarding the issuance of a permit under subsection (c) for such facility before the date twelve months after the date on which the facility first becomes subject to such permit requirement; and
(B) certifies that such facility is in compliance with all applicable groundwater monitoring and financial responsibility requirements.

(f) Coal mining wastes and reclamation permits
Notwithstanding subsection (a) through (e) of this section, any surface coal mining and reclamation permit covering any coal mining wastes or overburden which has been issued or applied for under the Surface Mining Control and Reclamation Act of 1977 [30 U.S.C. 1201 et seq.] shall be deemed to be a permit issued pursuant to this section with respect to the treatment, storage, or disposal of such wastes or overburden. Regulations promulgated by the Administrator under this subchapter shall not be applicable to treatment, storage, or disposal of coal mining wastes and overburden which are covered by such a permit.

(g) Research, development, and demonstration permits
(1) The Administrator may issue a research, development, and demonstration permit for any hazardous waste treatment facility which proposes to utilize an innovative and experimental hazardous waste treatment technology or process for which permit standards for such experimental activity have not been promulgated under this subchapter. Any such permit shall include such terms and conditions as the Administrator deems necessary regarding testing and financial responsibility,1 closure, and remedial action, and such requirements as the Administrator deems necessary regarding testing and providing of information to the Administrator with respect to the operation of the facility.

The Administrator may apply the criteria set forth in this paragraph in establishing the conditions of each permit without separate establishment of regulations implementing such criteria.

(2) For the purpose of expediting review and issuance of permits under this subsection, the Administrator may, consistent with the protection of human health and the environment, modify or waive permit application and permit issuance requirements established in the Administrator's general permit regulations except that there may be no modification or waiver of regulations regarding financial responsibility (including insurance) or of procedures established under section 6974(b)(2) of this title regarding public participation.

(3) The Administrator may order an immediate termination of all operations at the facility at any time he determines that termination is necessary to protect human health and the environment.

(4) Any permit issued under this subsection may be renewed not more than three times. Each such renewal shall be for a period of not more than 1 year.

(h) Waste minimization
Effective September 1, 1985, it shall be a condition of any permit issued under this section for the treatment, storage or disposal of hazardous waste on the premises where such waste was generated that the permittee certify, no less often than annually, that—
(1) the generator of the hazardous waste has a program in place to reduce the volume or quantity and toxicity of such waste to the degree determined by the generator to be economically practicable; and
(2) the proposed method of treatment, storage, or disposal is that practicable method currently available to the generator which minimizes the present and future threat to human health and the environment.

(i) Interim status facilities receiving wastes after July 26, 1982
The standards concerning ground water monitoring, unsaturated zone monitoring, and corrective action, which are applicable under section 6924 of this title to new landfills, surface impoundments, land treatment units, and waste-pile units required to be permitted under subsection (c) shall also apply to any landfill, surface impoundment, land treatment unit, or waste-pile unit qualifying for the authorization

---
1So in original. Probably should be “responsibility”.
to operate under subsection (e) which receives hazardous waste after July 26, 1982.

(j) Interim status surface impoundments

(1) Except as provided in paragraph (2), (3), or (4), each surface impoundment in existence on November 8, 1984, and qualifying for the authorization to operate under subsection (e) of this section shall not receive, store, or treat hazardous waste after the date four years after November 8, 1984, unless such surface impoundment is in compliance with the requirements of section 6924(o)(1)(A) of this title which would apply to such impoundment if it were new.

(2) Paragraph (1) of this subsection shall not apply to any surface impoundment which (A) has at least one liner, for which there is no evidence that such liner is leaking; (B) is located more than one-quarter mile from an underground source of drinking water; and (C) is in compliance with generally applicable ground water monitoring requirements for facilities with permits under subsection (c) of this section.

(3) Paragraph (1) of this subsection shall not apply to any surface impoundment which (A) contains treated waste water during the secondary or subsequent phases of an aggressive biological treatment facility subject to a permit issued under section 1342 of title 33 (or which holds such treated waste water after treatment and prior to discharge); (B) is in compliance with generally applicable ground water monitoring requirements for facilities with permits under subsection (c) of this section; and (C)(i) is part of a facility in compliance with section 1311(b)(2) of title 33, or (ii) in the case of a facility for which no effluent guidelines required under section 1314(b)(2) of title 33 are in effect and no permit under section 1342(a)(1) of title 33 implementing section 1311(b)(2) of title 33 has been issued, is part of a facility in compliance with a permit under section 1342 of title 33, which is achieving significant degradation of toxic pollutants and hazardous constituents contained in the untreated waste stream and which has identified those toxic pollutants and hazardous constituents in the untreated waste stream to the appropriate permitting authority.

(4) The Administrator (or the State, in the case of a State with an authorized program), after notice and opportunity for comment, may modify the requirements of paragraph (1) for any surface impoundment if the owner or operator demonstrates that such surface impoundment is located, designed and operated so as to assure that there will be no migration of any hazardous constituent into ground water or surface water at any future time. The Administrator (or the State) shall take into account locational criteria established under section 6924(o)(7) of this title.

(5) The owner or operator of any surface impoundment potentially subject to paragraph (1) who has reason to believe that on the basis of paragraph (2), (3), or (4) such surface impoundment is not required to comply with the requirements of paragraph (1), shall apply to the Administrator (or the State, in the case of a State with an authorized program) not later than twenty-four months after November 8, 1984, for a determination of the applicability of paragraph (1) (in the case of paragraph (2) or (3)) or for a modification of the requirements of paragraph (1) (in the case of paragraph (4)), with respect to such surface impoundment. Such owner or operator shall provide, with such application, evidence pertinent to such decision, including:

(A) an application for a final determination regarding the issuance of a permit under subsection (c) of this section for such facility, if not previously submitted;

(B) evidence as to compliance with all applicable ground water monitoring requirements and the information and analysis from such monitoring;

(C) all reasonably ascertainable evidence as to whether such surface impoundment is leaking; and

(D) in the case of applications under paragraphs (2) or (3), a certification by a registered professional engineer with academic training and experience in ground water hydrology that:

(i) under paragraph (2), the liner of such surface impoundment is designed, constructed, and operated in accordance with applicable requirements, such surface impoundment is more than one-quarter mile from an underground source of drinking water and there is no evidence such liner is leaking; or

(ii) under paragraph (3), based on analysis of those toxic pollutants and hazardous constituents that are likely to be present in the untreated waste stream, such impoundment satisfies the conditions of paragraph (3).

In the case of any surface impoundment for which the owner or operator fails to apply under this paragraph within the time provided by this paragraph or paragraph (6), such surface impoundment shall comply with paragraph (1) notwithstanding paragraphs (2), (3), or (4). Within twelve months after receipt of such application and evidence and not later than thirty-six months after November 8, 1984, and after notice and opportunity to comment, the Administrator (or, if appropriate, the State) shall advise such owner or operator on the applicability of paragraph (1) to such surface impoundment or as to whether and how the requirements of paragraph (1) shall be modified and applied to such surface impoundment.

(6)(A) In any case in which a surface impoundment becomes subject to paragraph (1) after November 8, 1984, due to the promulgation of additional listings or characteristics for the identification of hazardous waste under section 6921 of this title, the period for compliance in paragraph (1) shall be four years after the date of such promulgation, and the period for demonstration under paragraph (4) and for submission of evidence under paragraph (5) shall be not later than twenty-four months after the date of such promulgation.

(B) In any case in which a surface impoundment is initially determined to be excluded from

---

3So in original. Probably should be “constituent”.

4So in original. Probably should be “constituent”.
the requirements of paragraph (1) but due to a change in condition (including the existence of a leak) no longer satisfies the provisions of paragraph (2), (3), or (4) and therefore becomes subject to paragraph (1), the period for compliance in paragraph (1) shall be two years after the date of discovery of such change of condition, or in the case of a surface impoundment excluded under paragraph (3) three years after such date of discovery.

(7)(A) The Administrator shall study and report to the Congress on the number, range of size, construction, likelihood of hazardous constituents migrating into ground water, and potential threat to human health and the environment of existing surface impoundments excluded by paragraph (2) from the requirements of paragraph (1). Such report shall address the need, feasibility, and estimated costs of subjecting such existing surface impoundments to the requirements of paragraph (1).

(B) In the case of any existing surface impoundment or class of surface impoundments from which the Administrator (or the State, in the case of a State with an authorized program) determines hazardous constituents are likely to migrate into ground water, the Administrator (or if appropriate, the State) is authorized to impose such requirements as may be necessary to protect human health and the environment, including the requirements of section 6924(o) of this title which would apply to such impoundments if they were new.

(C) In the case of any surface impoundment excluded by paragraph (3) from the requirements of paragraph (1) which is subsequently determined to be leaking, the Administrator (or, if appropriate, the State) shall require compliance with paragraph (1), unless the Administrator (or, if appropriate, the State) determines that such compliance is not necessary to protect human health and the environment.

(8) In the case of any surface impoundment in which the liners and leak detection system have been installed pursuant to the requirements of paragraph (1) and in good faith compliance with section 6924(o) of this title and the Administrator’s regulations and guidance documents governing liners and leak detection systems, no liner or leak detection system which is different from that which was so installed pursuant to paragraph (1) shall be required for such unit by the Administrator when issuing the first permit under this section to such facility. Nothing in this paragraph shall preclude the Administrator from requiring installation of a new liner when the Administrator has reason to believe that any liner installed pursuant to the requirements of this subsection is leaking.

(9) In the case of any surface impoundment which has been excluded by paragraph (2) on the basis of a liner meeting the definition under paragraph (12)(A)(ii), at the closure of such impoundment the Administrator shall require the owner or operator of such impoundment to remove or decontaminate all waste residues, all contaminated liner material, and contaminated soil to the extent practicable. If all contaminated soil is not removed or decontaminated, the owner or operator of such impoundment shall be required to comply with appropriate post-closure requirements, including but not limited to ground water monitoring and corrective action.

(10) Any incremental cost attributable to the requirements of this subsection or section 6924(o) of this title shall not be considered by the Administrator (or the State, in the case of a State with an authorized program under section 1342 of title 33)—

(A) in establishing effluent limitations and standards under section 1311, 1314, 1316, 1317, or 1342 of title 33 based on effluent limitations guidelines and standards promulgated any time before twelve months after November 8, 1984; or

(B) in establishing any other effluent limitations to carry out the provisions of section 1311, 1317, or 1342 of title 33 on or before October 1, 1986.

(11)(A) If the Administrator allows a hazardous waste which is prohibited from one or more methods of land disposal under subsection (d), (e), or (g) of section 6924 of this title (or under regulations promulgated by the Administrator under such subsections) to be placed in a surface impoundment (which is operating pursuant to interim status) for storage or treatment, such impoundment shall meet the requirements that are applicable to new surface impoundments under section 6924(o)(1) of this title, unless such impoundment meets the requirements of paragraph (2) or (4).

(B) In the case of any hazardous waste which is prohibited from one or more methods of land disposal under subsection (d), (e), or (g) of section 6924 of this title (or under regulations promulgated by the Administrator under such subsection) the placement or maintenance of such hazardous waste in a surface impoundment for treatment is prohibited as of the effective date of such prohibition unless the treatment residues which are hazardous are, at a minimum, removed for subsequent management within one year of the entry of the waste into the surface impoundment.

(12)(A) For the purposes of paragraph (2)(A) of this subsection, the term “liner” means—

(i) a liner designed, constructed, installed, and operated to prevent hazardous waste from passing into the liner at any time during the active life of the facility;

(ii) a liner designed, constructed, installed, and operated to prevent hazardous waste from migrating beyond the liner to adjacent subsurface soil, ground water, or surface water at any time during the active life of the facility.

(B) For the purposes of this subsection, the term “aggressive biological treatment facility” means a system of surface impoundments in which the initial impoundment of the secondary treatment segment of the facility utilizes intense mechanical aeration to enhance biological activity to degrade waste water pollutants and

(i) the hydraulic retention time in such initial impoundment is no longer than 5 days under normal operating conditions, on an annual average basis;

(ii) the hydraulic retention time in such initial impoundment is no longer than thirty days under normal operating conditions, on an
annual average basis: *Provided*, that the sludge in such impoundment does not constitute a hazardous waste as identified by the extraction procedure toxicity characteristic in effect on November 8, 1984; or if such system utilizes activated sludge treatment in the first portion of secondary treatment.

(C) For the purposes of this subsection, the term "underground source or drinking water" has the same meaning as provided in regulations under the Safe Drinking Water Act (title XIV of the Public Health Service Act (42 U.S.C. 300f et seq.)).

(13) The Administrator may modify the requirements of paragraph (1) in the case of a surface impoundment for which the owner or operator, prior to October 1, 1984, has entered into, and is in compliance with, a consent order, decree, or agreement with the Administrator or a State with an authorized program mandating corrective action with respect to such surface impoundment that provides a degree of protection of human health and the environment which is at a minimum equivalent to that provided by paragraph (1).


REFERENCES IN TEXT


The Safe Drinking Water Act, referred to in subsec. (*j*)(12)(C), is title XIV of act July 1, 1944, as added Dec. 16, 1974, Pub. L. 93–523, §2(a), 88 Stat. 1660, as amended, which is classified generally to subchapter XII (§300f et seq.) of chapter 6A of this title. For complete classification of this Act to the Code see Short Title note set out under section 1201 of this title and Tables.

AMENDMENTS


1984—Subsec. (a). Pub. L. 98–616, §211, substituted “an existing facility or planning to construct a new” for “a”, “inserted “and the construction of any new facility for the treatment, storage, or disposal of any such hazardous waste”, and inserted at end “No permit shall be required under this section in order to construct a facility if such facility is constructed pursuant to an approval issued by the Administrator under section 2005(e) of title 15 for the incineration of polychlorinated (sic) biphenyls and any person owning or operating such a facility may, at any time after operation or construction of such facility has begun, file an application for a permit pursuant to this section authorizing such facility to incinerate hazardous waste identified or listed under this subchapter.”

Subsec. (c)(1), (2), Pub. L. 98–616, §213(c), designated existing provisions as par. (1) and added par. (2).

*See in original. Probably should be “of”.*
vide adequate enforcement of compliance with the requirements of this subchapter. In author-
izing a State program, the Administrator may base his findings on the Federal program in ef-
fect one year prior to submission of a State’s appli-
cation or in effect on January 26, 1983, whichever is later.

(c) Interim authorization

(1) Any State which has in existence a hazard-
ous waste program pursuant to State law before the date ninety days after the date of promulga-
tion of regulations under sections 6922, 6923, 6924, and 6925 of this title, may submit to the Admin-
istrator evidence of such existing program and may request a temporary authorization to carry out such program under this subchapter. The Administrator shall, if the evidence submitted shows the existing State program to be substan-
tially equivalent to the Federal program under this subsection,
grant an interim authorization to the State to carry out such program in lieu of the Federal program pursuant to this sub-
chapter for a period ending no later than January 31, 1986.

(2) The Administrator shall, by rule, establish a date for the expiration of interim authoriza-
tion under this subsection.

(3) Pending interim or final authorization of a State program for any State which reflects the amendments made by the Hazardous and Solid Waste Amendments of 1984, the State may enter into an agreement with the Administrator under which the State may assist in the administra-
tion of the requirements and prohibitions which take effect pursuant to such Amendments.

(4) In the case of a State permit program for any State which is authorized under subsection (b) or under this subsection, until such program is amended to reflect the amendments made by the Hazardous and Solid Waste Amendments of 1984 and such program amendments receive inter-
im or final authorization, the Administrator shall have the authority in such State to issue or deny permits or those portions of permits af-
forded by the requirements and prohibitions estab-
lished by the Hazardous and Solid Waste Amendments of 1984. The Administrator shall coordinate with States the procedures for issuing such permits.

(d) Effect of State permit

Any action taken by a State under a hazard-
ous waste program authorized under this section shall have the same force and effect as action taken by the Administrator under this sub-
chapter.

(e) Withdrawal of authorization

Whenever the Administrator determines after public hearing that a State is not administering and enforcing a program authorized under this section in accordance with requirements of this section, he shall so notify the State and, if ap-
propriate corrective action is not taken within a reasonable time, not to exceed ninety days, the Administrator shall withdraw authorization of such program and establish a Federal program pursuant to this subchapter. The Administrator shall not withdraw authorization of any such program unless he shall first have notified the State, and made public, in writing, the reasons for such withdrawal.

(f) Availability of information

No State program may be authorized by the Administrator under this section unless—

(1) such program provides for the public availability of information obtained by the State regarding facilities and sites for the treatment, storage, and disposal of hazardous waste; and

(2) such information is available to the pub-
lic in substantially the same manner, and to the same degree, as would be the case if the Administrator was carrying out the provisions of this subchapter in such State.

(g) Amendments made by 1984 act

(1) Any requirement or prohibition which is applicable to the generation, transportation, treatment, storage, or disposal of hazardous waste and which is imposed under this sub-
chapter pursuant to the amendments made by the Hazardous and Solid Waste Amendments of 1984 shall take effect in each State having an in-
terim or finally authorized State program on the same date as such requirement takes effect in other States. The Administrator shall carry out such requirement directly in each such State unless the State program is finally au-
thorized (or is granted interim authorization as provided in paragraph (2)) with respect to such requirement.

(2) Any State which, before November 8, 1984, has an existing hazardous waste program which has been granted interim or final authorization under this section may submit to the Admin-
istrator evidence that such existing program contains (or has been amended to include) any re-
quirement which is substantially equivalent to a requirement referred to in paragraph (1) and may request interim authorization to carry out that requirement under this subchapter. The Ad-
ministrator shall, if the evidence submitted shows the State requirement to be substantially equal to the requirement referred to in paragraph (1), grant an interim authorization to the State to carry out such requirement in lieu of direct administration in the State by the Ad-
ministrator of such requirement.

(h) State programs for used oil

In the case of used oil which is not listed or identified under this subchapter as a hazardous waste but which is regulated under section 6935 of this title, the provisions of this section re-
garding State programs shall apply in the same manner and to the same extent as such provi-
sions apply to hazardous waste identified or list-
ed under this subchapter.


References in Text
Section 6935(d)(1) of this title, referred to in subsec. (b), was in the original a reference to section 3012(d)(1) of Pub. L. 89–272, which was renumbered section 3014(d)(1) of Pub. L. 89–272 by Pub. L. 98–616 and is classified to section 6935(d)(1) of this title.
The Hazardous and Solid Waste Amendments of 1984, referred to in subsecs. (c)(3), (4), and (g), is Pub. L. 98–616, Nov. 8, 1984, 98 Stat. 3221, which amended this chapter. For complete classification of this Act to the Code, see Short Title of 1984 Amendment note set out under section 6901 of this title and Tables.

AMENDMENTS

1984—Subsec. (b). Pub. L. 98–616, §§ 225, 214(b)(2), inserted “(and to enforce permits deemed to have been issued under section 6926(d)(1) of this title)”, and inserted provision at end that in authorizing a State program, the Administrator may base his findings on the Federal program in effect one year prior to submission of a State’s application or in effect on January 26, 1983, whichever is later.

Subsec. (c)(1). Pub. L. 98–616, § 227(1), (2), designated existing provisions as par. (1) and substituted “period ending no later than January 31, 1986” for “twenty-four month period beginning on the date six months after the date of promulgation of regulations under sections 6922 through 6925 of this title”.

Subsec. (c)(2) to (4). Pub. L. 98–616, § 227(3), added pars. (2) to (4).
Subsec. (g). Pub. L. 98–616, § 228, added subsec. (g).
1978—Subsec. (c). Pub. L. 95–609 substituted “of” for “required for” wherever appearing and “may submit” for “submit”.

EFFECTIVE DATE OF 1984 AMENDMENT

Pub. L. 98–616, title II, § 226(b), Nov. 8, 1984, 98 Stat. 3254, provided that: “The amendment made by subsection (a) [enacting subsec. (f) of this section] shall apply with respect to State programs authorized under section 3006 [this section] before, on, or after the date of enactment of the Hazardous and Solid Waste Amendments of 1984 [Nov. 8, 1984].”

TRANSFER OF FUNCTIONS

For transfer of certain enforcement functions of Administrator or other official of Environmental Protection Agency under this chapter to Federal Inspector, Office of Federal Inspector for the Alaska Natural Gas Transportation System, and subsequent transfer to Secretary of Energy, then to Federal Coordinator for Alaska Natural Gas Transportation Projects, see note set out under section 6903 of this title.

§ 6927. Inspections

(a) Access entry

For purposes of developing or assisting in the development of any regulation or enforcing the provisions of this chapter, any person who generates, stores, treats, transports, disposes of, or otherwise handles or has handled hazardous wastes shall, upon request of any officer, employee or representative of the Environmental Protection Agency, duly designated by the Administrator, or upon request of any duly designated officer, employee or representative of a State having an authorized hazardous waste program, furnish information relating to such wastes and permit such person at all reasonable times to have access to, and to copy all records relating to such wastes. For the purposes of developing or assisting in the development of any regulation or enforcing the provisions of this chapter, such officers, employees or representatives are authorized—

(1) to enter at reasonable times any establishment or other place where hazardous wastes are or have been generated, stored, treated, disposed of, or transported from;

(2) to inspect and obtain samples from any person of any such wastes and samples of any containers or labeling for such wastes.

Each such inspection shall be commenced and completed with reasonable promptness. If the officer, employee or representative obtains any samples, prior to leaving the premises, he shall give to the owner, operator, or agent in charge a receipt describing the sample obtained and if requested a portion of each such sample equal in volume or weight to the portion retained. If any analysis is made of such samples, a copy of the results of such analysis shall be furnished promptly to the owner, operator, or agent in charge.

(b) Availability to public

(1) Any records, reports, or information (including records, reports, or information obtained by representatives of the Environmental Protection Agency) obtained from any person under this section shall be available to the public, except that upon a showing satisfactory to the Administrator (or the State, as the case may be) by any person that records, reports, or information, or particular part thereof, to which the Administrator (or the State, as the case may be) or any officer, employee or representative thereof has access under this section if made public, would divulge information entitled to protection under section 1905 of title 18, such information or particular portion thereof shall be considered confidential in accordance with the purposes of that section, except that such record, report, document, or information may be disclosed to other officers, employees, or authorized representatives of the United States concerned with carrying out this chapter, or when relevant in any proceeding under this chapter.

(2) Any person not subject to the provisions of section 1905 of title 18 who knowingly and willfully divulges or discloses any information entitled to protection under this section shall, upon conviction, be subject to a fine of not more than $5,000 or to imprisonment not to exceed one year, or both.

(3) In submitting data under this chapter, a person required to provide such data may—

(A) designate the data which such person believes is entitled to protection under this subsection, and

(B) submit such designated data separately from other data submitted under this chapter.

A designation under this paragraph shall be made in writing and in such manner as the Administrator may prescribe.

(4) Notwithstanding any limitation contained in this section or any other provision of law, all information reported to, or otherwise obtained by, the Administrator (or any representative of the Administrator) under this chapter shall be made available, upon written request of any duly authorized committee of the Congress, to such committee.

(c) Federal facility inspections

The Administrator shall undertake on an annual basis a thorough inspection of each facility for the treatment, storage, or disposal of hazardous waste which is owned or operated by a department, agency, or instrumentality of the
United States to enforce its compliance with this subchapter and the regulations promulgated thereunder. Any State with an authorized hazardous waste program also may conduct an inspection of any such facility for purposes of enforcing the facility’s compliance with the State hazardous waste program. The records of such inspections shall be available to the public as provided in subsection (b). The department, agency, or instrumentality owning or operating each such facility shall reimburse the Environmental Protection Agency for the costs of the inspection of the facility. With respect to the first inspection of each such facility occurring after October 6, 1992, the Administrator shall conduct a comprehensive ground water monitoring evaluation at the facility, unless such an evaluation was conducted during the 12-month period preceding October 6, 1992.

(d) State-operated facilities

The Administrator shall annually undertake a thorough inspection of every facility for the treatment, storage, or disposal of hazardous waste which is operated by a State or local government for which a permit is required under section 6925 of this title. The records of such inspection shall be available to the public as provided in subsection (b).

(e) Mandatory inspections

(1) The Administrator (or the State in the case of a State having an authorized hazardous waste program under this subchapter) shall commence a program to thoroughly inspect every facility for the treatment, storage, or disposal of hazardous waste for which a permit is required under section 6925 of this title no less often than every two years as to its compliance with this subchapter (and the regulations promulgated under this subchapter). Such inspections shall commence not later than twelve months after November 8, 1984. The Administrator shall, after notice and opportunity for public comment, promulgate regulations governing the minimum frequency and manner of such inspections, including the manner in which records of such inspections shall be maintained and the manner in which reports of such inspections shall be filed. The Administrator may distinguish between classes and categories of facilities commensurate with the risks posed by each class or category.

(2) Not later than six months after November 8, 1984, the Administrator shall submit to the Congress a report on the potential for inspections of hazardous waste treatment, storage, or disposal facilities by nongovernmental inspectors as a supplement to inspections conducted by officers, employees, or representatives of the Environmental Protection Agency or States having authorized hazardous waste programs or operating under a cooperative agreement with the Administrator. Such report shall be prepared in cooperation with the States, insurance companies offering environmental impairment insurance, independent companies providing inspection services, and other such groups as appropriate. Such report shall contain recommendations on provisions and requirements for a program of private inspections to supplement governmental inspections.

Amendments

1992—Subsec. (c). Pub. L. 102–386 in first sentence substituted “The Administrator shall undertake” for “Beginning twelve months after November 8, 1984, the Administrator shall, or in the case of a State with an authorized hazardous waste program the State may, undertake” and “department, agency, or instrumentality of the United States” for “Federal agency”, inserted after first sentence “Any State with an authorized hazardous waste program also may conduct an inspection of any such facility for purposes of enforcing the facility’s compliance with the State hazardous waste program.”, and inserted at end “The department, agency, or instrumentality owning or operating each such facility shall reimburse the Environmental Protection Agency for the costs of the inspection of the facility. With respect to the first inspection of each such facility occurring after October 6, 1992, the Administrator shall conduct a comprehensive ground water monitoring evaluation at the facility, unless such an evaluation was conducted during the 12-month period preceding October 6, 1992.”


1980—Subsec. (a). Pub. L. 96–482, § 12(a), substituted “chapter” for “subchapter”, “any officer, employee or representative” for “any officer or employee”, “duly designated officer, employee or representative” for “duly designated officer, employee or representative”, “such officers, employees or representatives” for “such officers or employees”, “furnish information relating to such wastes and permit” for “furnish or permit”, “officer, employee or representative obtains” for “officer or employee obtains”, struck out “and after “otherwise handles” and “have been” after “where hazardous wastes are”.

Subsec. (b)(1). Pub. L. 96–482, § 12(b)(1)–(3), designated existing provisions as par. (1), inserted “or any officer, employee or representative thereof” before “has access under this section” and substituted “such information or particular portion thereof shall be considered for” “the Administrator (or the State, as the case may be) shall consider such information or portion thereof”. Pub. L. 96–482, § 12(b)(4), as modified by Pub. L. 98–616, § 502(a), inserted “including records, reports, or information obtained by representatives of the Environmental Protection Agency” after “information”.

Subsec. (b)(2) to (4). Pub. L. 96–482, § 12(b)(3), added pars. (2) to (4).

1978—Subsec. (a)(1). Pub. L. 95–609 substituted “disposed of, or transported from” for “or disposed of”.

Transfer of Functions

For transfer of certain enforcement functions of Administrator or other official of Environmental Protection Agency under this chapter to Federal Inspector, Office of Federal Inspector for the Alaska Natural Gas Transportation System, and subsequent transfer to Secretary of Energy, then to Federal Coordinator for Alaska Natural Gas Transportation Projects, see note set out under section 6905 of this title.
§ 6928. Federal enforcement

(a) Compliance orders

(1) Except as provided in paragraph (2), whenever on the basis of any information the Administrator determines that any person has violated or is in violation of any requirement of this subchapter, the Administrator may issue an order assessing a civil penalty for any past or current violation, requiring compliance immediately or within a specified time period, or both, or the Administrator may commence a civil action in the United States district court in the district in which the violation occurred for appropriate relief, including a temporary or permanent injunction.

(2) In the case of a violation of any requirement of this subchapter where such violation occurs in a State which is authorized to carry out the hazardous waste program under section 6926 of this title, the Administrator shall give notice to the State in which such violation has occurred prior to issuing an order or commencing a civil action under this section.

(3) Any order issued pursuant to this subsection may include a suspension or revocation of any permit issued by the Administrator or a State under this subchapter and shall state with reasonable specificity the nature of the violation. Any penalty assessed in the order shall not exceed $25,000 per day of noncompliance for each violation of a requirement of this subchapter. In assessing such a penalty, the Administrator shall take into account the seriousness of the violation and any good faith efforts to comply with applicable requirements.

(b) Public hearing

Any order issued under this section shall become final unless, no later than thirty days after the order is served, the person or persons named therein request a public hearing. Upon such request the Administrator shall promptly conduct a public hearing. In connection with any proceeding under this section the Administrator may issue subpoenas for the attendance and testimony of witnesses and the production of relevant papers, books, and documents, and may promulgate rules for discovery procedures.

(c) Violation of compliance orders

If a violator fails to take corrective action within the time specified in a compliance order, the Administrator may assess a civil penalty of not more than $25,000 for each day of continued noncompliance with the order and the Administrator may suspend or revoke any permit issued to the violator (whether issued by the Administrator or the State).

(d) Criminal penalties

Any person who—

(1) knowingly transports or causes to be transported any hazardous waste identified or listed under this subchapter to a facility which does not have a permit under this subchapter; or pursuant to title I of the Marine Protection, Research, and Sanctuaries Act (86 Stat. 1052) [33 U.S.C. 1411 et seq.]; or

(A) without a permit under this subchapter or pursuant to title I of the Marine Protection, Research, and Sanctuaries Act (86 Stat. 1052) [33 U.S.C. 1411 et seq.]; or

(B) in knowing violation of any material condition or requirement of such permit; or

(C) in knowing violation of any material condition or requirement of any applicable interim status regulations or standards;

(2) knowingly omits material information or makes any false material statement or representation in any application, label, manifest, record, report, permit, or other document filed, maintained, or used for purposes of compliance with regulations promulgated by the Administrator (or by a State in the case of an authorized State program) under this subchapter;

(3) knowingly generates, stores, treats, transports, disposes of, exports, or otherwise handles any hazardous waste or any used oil not identified or listed as a hazardous waste under this subchapter (whether such activity took place before or takes place after November 8, 1984) and who knowingly destroys, alters, conceals, or fails to file any record, application, manifest, report, or other document required to be maintained or filed for purposes of compliance with regulations promulgated by the Administrator (or by a State in the case of an authorized State program) under this subchapter;

(4) knowingly transports without a manifest, or causes to be transported without a manifest, any hazardous waste or any used oil not identified or listed as a hazardous waste under this subchapter required by regulations promulgated under this subchapter (or by a State in the case of a State program authorized under this subchapter) to be accompanied by a manifest;

(5) knowingly transports a hazardous waste identified or listed under this subchapter (A) without the consent of the receiving country or, (B) where there exists an international agreement between the United States and the government of the receiving country establishing notice, export, and enforcement procedures for the transportation, treatment, storage, and disposal of hazardous wastes, in a manner which is not in conformance with such agreement; or

(6) knowingly exports a hazardous waste identified or listed under this subchapter (A) without the consent of the receiving country or, (B) where there exists an international agreement between the United States and the government of the receiving country establishing notice, export, and enforcement procedures for the transportation, treatment, storage, and disposal of hazardous wastes, in a manner which is not in conformance with such agreement; or

(7) knowingly stores, treats, transports, or causes to be transported, disposes of, or otherwise handles any used oil not identified or listed as a hazardous waste under this subchapter—

(A) in knowing violation of any material condition or requirement of a permit under this subchapter; or

(B) in knowing violation of any material condition or requirement of any applicable regulations or standards under this chapter;

shall, upon conviction, be subject to a fine of not more than $50,000 for each day of violation, or imprisonment not to exceed two years (five years in the case of a violation of paragraph (1) or (2)), or both. If the conviction is for a violation committed after a first conviction of such person under this paragraph, the maximum pun-
ishment under the respective paragraph shall be doubled with respect to both fine and imprisonment.

(e) Knowing endangerment

Any person who knowingly transports, treats, stores, disposes of, or exports any hazardous waste identified or listed under this subchapter or used oil not identified or listed as a hazardous waste under this subchapter in violation of paragraph (1), (2), (3), (4), (5), (6), or (7) of section 6925(e) of this title, shall, upon conviction of violating this subsection, be subject to a fine of not more than $250,000 or imprisonment for not more than fifteen years, or both. A defendant that is an organization shall, upon conviction of violating this subsection, be subject to a fine of not more than $1,000,000.

(f) Special rules

For the purposes of subsection (e)—

(1) A person’s state of mind is knowing with respect to—

(A) his conduct, if he is aware of the nature of his conduct;
(B) an existing circumstance, if he is aware or believes that the circumstance exists; or
(C) a result of his conduct, if he is aware or believes that his conduct is substantially certain to cause danger of death or serious bodily injury.

(2) In determining whether a defendant who is a natural person knew that his conduct placed another person in imminent danger of death or serious bodily injury—

(A) the person is responsible only for actual awareness or actual belief that he possessed; and
(B) knowledge possessed by a person other than the defendant but not by the defendant himself may not be attributed to the defendant.

Provided, That in proving the defendant’s possession of actual knowledge, circumstantial evidence may be used, including evidence that the defendant took affirmative steps to shield himself from relevant information.

(3) It is an affirmative defense to a prosecution that the conduct charged was consented to by the person endangered and that the danger and conduct charged were reasonably foreseeable hazards of—

(A) an occupation, a business, or a profession; or
(B) medical treatment or medical or scientific experimentation conducted by professionally approved methods and such other person had been made aware of the risks involved prior to giving consent.

The defendant may establish an affirmative defense under this subsection by a preponderance of the evidence.

(4) All general defenses, affirmative defenses, and bars to prosecution that may apply with respect to other Federal criminal offenses may apply under subsection (e) and shall be determined by the courts of the United States according to the principles of common law as they may be interpreted in the light of reason and experience. Concepts of justification and excuse applicable under this section may be developed in the light of reason and experience.

(5) The term “organization” means a legal entity, other than a government, established, or organized for any purpose, and such term includes a corporation, company, association, firm, partnership, joint stock company, foundation, institution, trust, society, union, or any other association of persons.

(6) The term “serious bodily injury” means—

(A) bodily injury which involves a substantial risk of death;
(B) unconsciousness;
(C) extreme physical pain;
(D) protracted and obvious disfigurement; or
(E) protracted loss or impairment of the function of a bodily member, organ, or mental faculty.

(g) Civil penalty

Any person who violates any requirement of this subchapter shall be liable to the United States for a civil penalty in an amount not to exceed $25,000 for each such violation. Each day of such violation shall, for purposes of this subsection, constitute a separate violation.

(h) Interim status corrective action orders

(1) Whenever on the basis of any information the Administrator determines that there is or has been a release of hazardous waste into the environment from a facility authorized to operate under section 6925(e) of this title, the Administrator may issue an order requiring corrective action or such other response measure as he deems necessary to protect human health or the environment or the Administrator may commence a civil action in the United States district court in the district in which the facility is located for appropriate relief, including a temporary or permanent injunction.

(2) Any order issued under this subsection may include a suspension or revocation of authorization to operate under section 6925(e) of this title, shall state with reasonable specificity the nature of the required corrective action or other response measure, and shall specify a time for compliance. If any person named in an order fails to comply with the order, the Administrator may assess, and such person shall be liable to the United States for, a civil penalty in an amount not to exceed $25,000 for each day of noncompliance with the order.

References in Text

amended. Title I of the Marine Protection, Research, and Sanctuaries Act of 1972 is classified generally to subchapter I (§1411 et seq.) of chapter 27 of Title 33, Navigation and Navigable Waters. For complete classification of this Act to the Code, see Short Title note set out under section 1401 of Title 33 and Tables.

AMENDMENTS

1986—Subsec. (d)(4). Pub. L. 99–499, § 205(b)(1), inserted “or any used oil not identified or listed as a hazardous waste under this subchapter”.

Subsec. (d)(5). Pub. L. 99–499, § 205(b)(1), (2), inserted “or any used oil not identified or listed as a hazardous waste under this subchapter” and struck out “; or” and struck out “having obtained” before “a permit under”.

Subsec. (d)(6). Pub. L. 99–499, § 205(b)(3), inserted at end “; or”.


Subsec. (e). Pub. L. 99–499, § 205(b)(5), inserted “or used oil not identified or listed as a hazardous waste under this subchapter” and substituted “(5), (6), or (7)” for “(5), (6)”.

1984—Subsec. (a)(1). Pub. L. 98–616, § 403(d)(1), in amending par. (1) generally, expanded authority of Administrator by empowering him to determine that a person “has violated” a requirement of this subchapter, and to assess a civil penalty for a past or current violation.

Subsec. (a)(3). Pub. L. 98–616, § 403(d)(2), in amending par. (3) generally, substituted provision that any order issued pursuant to this subsection may include a suspension or revocation of any permit issued by the Administrator or any State under this subchapter and shall state with reasonable specificity the nature of the violation, and provision that any penalty assessed in the order shall not exceed $25,000 per day of noncompliance for each violation of a requirement of this subchapter, and that in assessing such a penalty, the Administrator take into account the seriousness of the violation and any good faith efforts to comply with applicable requirements, or that if such violation fails to take corrective action within the time specified in the order, he shall be liable for a civil penalty of not more than $25,000 for each day of continued noncompliance and the Administrator may suspend or revoke any permit issued to the violator, whether issued by the Administrator or the State.

Subsec. (b). Pub. L. 98–616, § 233(b), inserted “issued under this section”.

Subsec. (c). Pub. L. 98–616, § 403(d)(3), substituted provisions relating to penalties for violation of compliance orders for former provisions which set forth requirements for compliance orders.

Subsec. (d). Pub. L. 98–616, § 232(a)(3), amended closing provisions generally. Prior to amendment, closing provisions read as follows: “shall, upon conviction, be subject to a fine of not more than $25,000 ($50,000 in the case of a violation of paragraph (1) or (2)) for each day of violation, or to imprisonment not to exceed one year (two years in the case of a violation of paragraph (1) or (2)), or both. If the conviction is for a violation committed after a first conviction of such person under this paragraph, punishment shall be by a fine of not more than $50,000 per day of violation, or by imprisonment for not more than two years, or by both.”

Subsec. (d)(1). Pub. L. 98–616, § 232(a)(1), inserted “or causes to be transported” and substituted “this subchapter” for “section 6925 of this title” (or section 6926 of this title in case of a State program)”.


Subsec. (d)(2)(A). Pub. L. 98–616, § 232(a)(2)(B), (c), substituted “this subchapter” for “section 6925 of this title (or section 6926 of this title in case of a State program)” and struck out “having obtained” before “a permit under”.


Subsec. (d)(3) to (5). Pub. L. 98–616, § 232(a)(3), in amending pars. (3) and (4) generally, expanded par. (3) by providing criminal penalties for one who knowingly omits material information from documents required to be filed, maintained or used under this subchapter, or providing criminal penalties for one who knowingly fails to file required material under this subchapter, and added par. (5).


Subsec. (e). Pub. L. 98–616, § 232(b), in amending subsec. (e) generally, struck out provisions referring to violations of interim status standards and omission of material information from permit applications, struck out provision requiring proof of “unjustifiable and excusable disregard for human life” or “extreme indifference to human life” for conviction under this subchapter, and inserted provision increasing maximum prison sentence to fifteen years for violation of subsec. (d)(1) through (6) of this section by one who knowingly places another person in imminent danger of death or serious bodily injury, replacing former provision calling for maximum imprisonment of two years, or five years in cases evidencing extreme indifference to human life.


1980—Subsec. (a)(1). Pub. L. 96–482, § 13(1), (2), struck out “the Administrator shall give notice to the violator of his failure to comply with such requirement. If such violation extends beyond the thirteenth day after the Administrator’s notification before ‘the Administrator may issue’ and substituted ‘compliance immediately or within a specified time period’ for ‘compliance within a specified time period’.

Subsec. (a)(2). Pub. L. 96–482, § 13(2), struck out “thirty days” after “violation has occurred”.

Subsec. (b). Pub. L. 96–482, § 13(3), substituted “order shall become final unless, no later than thirty days after the order is served” for “order or any suspension or revocation of a permit shall become final unless, no later than thirty days after the order or notice of the suspension or revocation is served”.


Subsec. (d). Pub. L. 96–482, § 13(5), in par. (2), designated existing provisions as subpar. (A) and added subpar. (B), in par. (3), inserted provision requiring the statement or representation to be material, added par. (4), and in provisions following par. (4), inserted provision authorizing a fine of $50,000 and a two year imprisonment for violation of par. (1) or (2).

Subsec. (e) to (g). Pub. L. 96–482, § 13(6), added subsec. (e) to (g).


TRANSFER OF FUNCTIONS

For transfer of certain enforcement functions of Administrator or other official of Environmental Protection Agency under this chapter to Federal Inspector, Office of Federal Inspector for the Alaska Natural Gas Transportation System, and subsequent transfer to Secretary of Energy, then to Federal Coordinator for Alaska Natural Gas Transportation Projects, see note set out under section 6903 of this title.

§ 6929. Retention of State authority

Upon the effective date of regulations under this subchapter no State or political subdivision may impose any requirements less stringent than those authorized under this subchapter respecting the same matters as governed by such regulations, except that if application of a regulation with respect to any matter under this subchapter is postponed or enjoined by the action of any court, no State or political subdivi-
sion shall be prohibited from acting with respect to the same aspect of such matter until such time as such regulation takes effect. Nothing in this chapter shall be construed to prohibit any State or political subdivision thereof from imposing any requirements, including those for site selection, which are more stringent than those imposed by such regulations. Nothing in this chapter (or in any regulation adopted under this chapter) shall be construed to prohibit any State from requiring that the State be provided with a copy of each manifest used in connection with hazardous waste which is generated within that State or transported to a treatment, storage, or disposal facility within that State.


AMENDMENTS
1984—Pub. L. 98—616 inserted “Nothing in this chapter (or in any regulation adopted under this chapter) shall be construed to prohibit any State from requiring that the State be provided with a copy of each manifest used in connection with hazardous waste which is generated within that State or transported to a treatment, storage, or disposal facility within that State.”

1980—Pub. L. 96—482 prohibited construction of this chapter as barring a State from imposing more stringent requirements than provided in Federal regulations.

§ 6930. Effective date
(a) Preliminary notification
Not later than ninety days after promulgation of regulations under section 6921 of this title identifying by its characteristics or listing any substance as hazardous waste subject to this subchapter, any person generating or transporting such substance or owning or operating a facility for treatment, storage, or disposal of such substance shall file with the Administrator (or with States having authorized hazardous waste permit programs under section 6926 of this title) a notification stating the location and general description of such activity and the identified or listed hazardous wastes handled by such person. Not later than fifteen months after November 8, 1984—

(1) the owner or operator of any facility which produces a fuel (A) from any hazardous waste identified or listed under section 6921 of this title, (B) from such hazardous waste identified or listed under section 6921 of this title and any other material, (C) from used oil, or (D) from used oil and any other material;

(2) the owner or operator of any facility (other than a single- or two-family residence) which burns for purposes of energy recovery any fuel produced as provided in paragraph (1) or any fuel which otherwise contains used oil or any hazardous waste identified or listed under section 6921 of this title; and

(3) any person who distributes or markets fuel which is produced as provided in paragraph (1) or any fuel which otherwise contains used oil or any hazardous waste identified or listed under section 6921 of this title.

§ 6930.

§ 6930. Effective date
(a) Preliminary notification
Not later than ninety days after promulgation of regulations under section 6921 of this title identifying by its characteristics or listing any substance as hazardous waste subject to this subchapter, the Administrator may require any person referred to in the preceding provisions to file with the Administrator (or with States having authorized hazardous waste permit programs under section 6926 of this title) a notification stating the location and general description of such activity and the identified or listed hazardous wastes handled by such person. Not later than fifteen months after November 8, 1984—

(1) the owner or operator of any facility which produces a fuel (A) from any hazardous waste identified or listed under section 6921 of this title, (B) from such hazardous waste identified or listed under section 6921 of this title and any other material, (C) from used oil, or (D) from used oil and any other material;

(2) the owner or operator of any facility (other than a single- or two-family residence) which burns for purposes of energy recovery any fuel produced as provided in paragraph (1) or any fuel which otherwise contains used oil or any hazardous waste identified or listed under section 6921 of this title; and

(3) any person who distributes or markets fuel which is produced as provided in paragraph (1) or any fuel which otherwise contains used oil or any hazardous waste identified or listed under section 6921 of this title.

(b) Effective date of regulation
The regulations under this subchapter respecting requirements applicable to the generation, transportation, treatment, storage, or disposal of hazardous waste (including requirements respecting permits for such treatment, storage, or disposal) shall take effect on the date six months after the date of promulgation thereof (or six months after the date of revision in the case of any regulation which is revised after the date required for promulgation thereof). At the time a regulation is promulgated, the Administrator may provide for a shorter period prior to the effective date, or an immediate effective date for:

(1) a regulation with which the Administrator finds the regulated community does not need six months to come into compliance; or

(2) a regulation which responds to an emergency situation; or

(3) other good cause found and published with the regulation.


1So in original. Probably should be followed by a semicolon.
§ 6931. Authorization of assistance to States

(a) Authorization of appropriations

There is authorized to be appropriated $25,000,000 for each of the fiscal years 1978 and 1979 $20,000,000 for fiscal year 1980, $35,000,000 for fiscal year 1981, $40,000,000 for the fiscal year 1982, $35,000,000 for the fiscal year 1985, $55,000,000 for the fiscal year 1986, $60,000,000 for the fiscal year 1987, and $60,000,000 for the fiscal year 1988 to be used to make grants to the States for purposes of assisting the States in the development and implementation of authorized State hazardous waste programs.

(b) Allocation

Amounts authorized to be appropriated under subsection (a) shall be allocated among the States on the basis of regulations promulgated by the Administrator, after consultation with the States, which take into account, the extent to which hazardous waste is generated, transported, treated, stored, and disposed of within such State, the extent of exposure of human beings and the environment within such State to such waste, and such other factors as the Administrator deems appropriate.

(c) Activities included

State hazardous waste programs for which grants may be made under subsection (a) may include (but shall not be limited to) planning for hazardous waste treatment, storage and disposal facilities, and the development and execution of programs to protect health and the environment from inactive facilities which may contain hazardous waste.

So in original. Probably should be followed by a comma.

AMENDMENTS

1984—Subsec. (a). Pub. L. 98–616, § 204(a), inserted provisions after first sentence relating to burning and blending of hazardous wastes and substituted “the preceding provisions” for “the preceding sentence” in three places.

Subsec. (b). Pub. L. 98–616, § 234, inserted provision that at the time a regulation is promulgated, the Administrator may provide for a shorter period prior to the effective date, or an immediate effective date for a regulation with which the Administrator finds the regulated community does not need six months to come into compliance, a regulation which responds to an emergency situation, or other good cause found and published with the regulation.

1980—Subsec. (a). Pub. L. 96–482 struck out “or revision” after “after promulgation or revision of regulations” and inserted provision for filing of notification when revising any regulation identifying additional characteristics of hazardous waste or listing any additional substance as hazardous waste subject to this subchapter.

TRANSFER OF FUNCTIONS

For transfer of certain enforcement functions of Administrator or other official of Environmental Protection Agency under this chapter to Federal Inspector, Office of Federal Inspector for the Alaska Natural Gas Transportation System, and subsequent transfer to Secretary of Energy, then to Federal Coordinator for Alaska Natural Gas Transportation Projects, see note set out under section 6903 of this title.

§ 6932. Transferred

CODIFICATION


§ 6933. Hazardous waste site inventory

(a) State inventory programs

Each State shall, as expeditiously as practicable, undertake a continuing program to compile, publish, and submit to the Administrator an inventory describing the location of each site within such State at which hazardous waste has at any time been stored or disposed of. Such inventory shall contain—

(1) a description of the location of the sites at which any such storage or disposal has taken place before the date on which permits are required under section 6925 of this title for such storage or disposal;

(2) such information relating to the amount, nature, and toxicity of the hazardous waste at each such site as may be practicable to obtain and as may be necessary to determine the extent of any health hazard which may be associated with such site;

(3) the name and address, or corporate headquarters of, the owner of each such site, determined as of the date of preparation of the inventory;

(4) an identification of the types or techniques of waste treatment or disposal which have been used at each such site; and

(5) information concerning the current status of the site, including information respecting whether or not hazardous waste is currently being treated or disposed of at such site (and if not, the date on which such activity ceased) and information respecting the nature of any other activity currently carried out at such site.

For purposes of assisting the States in compiling information under this section, the Adminis-
trator shall make available to each State undertaking a program under this section such information as is available to him concerning the items specified in paragraphs (1) through (5) with respect to the sites within such State, including such information as the Administrator is able to obtain from other agencies or departments of the United States and from surveys and studies carried out by any committee or subcommittee of the Congress. Any State may exercise the authority of section 6927 of this title for purposes of this section in the same manner and to the same extent as provided in such section in the case of States having an authorized hazardous waste program, and any State may by order require any person to submit such information as may be necessary to compile the data referred to in paragraphs (1) through (5).

(b) Environmental Protection Agency program

If the Administrator determines that any State program under subsection (a) is not adequately providing information respecting the sites in such State referred to in subsection (a), the Administrator shall notify the State. If within ninety days following such notification, the State program has not been revised or amended in such manner as will adequately provide such information, the Administrator shall carry out the inventory program in such State. In any such case—

(1) the Administrator shall have the authorities provided with respect to State programs under subsection (a);

(2) the funds allocated under subsection (c) for grants to States under this section may be used by the Administrator for carrying out such program in such State; and

(3) no further expenditure may be made for grants to such State under this section until such time as the Administrator determines that such State is carrying out, or will carry out, an inventory program which meets the requirements of this section.

(c) Grants

(1) Upon receipt of an application submitted by any State to carry out a program under this section, the Administrator may make grants to the States for purposes of carrying out such a program. Grants under this section shall be allocated among the several States by the Administrator based upon such regulations as he prescribes to carry out the purposes of this section. The Administrator may make grants to any State which has conducted an inventory program which effectively carried out the purposes of this section before October 21, 1980, to reimburse such State for all, or any portion of, the costs incurred by such State in conducting such program.

(2) There are authorized to be appropriated to carry out this section $25,000,000 for each of the fiscal years 1985 through 1988.

(d) No impediment to immediate remedial action

Nothing in this section shall be construed to provide that the Administrator or any State should, pending completion of the inventory required under this section, postpone undertaking any enforcement or remedial action with respect to any site at which hazardous waste has been treated, stored, or disposed of.


CONCLUSION


AMENDMENTS

1984—Subsec. (c)(2). Pub. L. 98–616 substituted "$25,000,000 for each of the fiscal years 1985 through 1988" for "$20,000,000".

TRANSFER OF FUNCTIONS

For transfer of certain enforcement functions of Administrator or other official of Environmental Protection Agency under this chapter to Federal Inspector, Office of Federal Inspector for the Alaska Natural Gas Transportation System, and subsequent transfer to Secretary of Energy, then to Federal Coordinator for Alaska Natural Gas Transportation Projects, see note set out under section 6903 of this title.

§ 6934. Monitoring, analysis, and testing

(a) Authority of Administrator

If the Administrator determines, upon receipt of any information, that—

(1) the presence of any hazardous waste at a facility or site at which hazardous waste is, or has been, stored, treated, or disposed of, or

(2) the release of any such waste from such facility or site

may present a substantial hazard to human health or the environment, he may issue an order requiring the owner or operator of such facility or site to conduct such monitoring, testing, analysis, and reporting with respect to such facility or site as the Administrator deems reasonable to ascertain the nature and extent of such hazard.

(b) Previous owners and operators

In the case of any facility or site not in operation at the time a determination is made under subsection (a) with respect to the facility or site, if the Administrator finds that the owner of such facility or site could not reasonably be expected to have actual knowledge of the presence of hazardous waste at such facility or site and of its potential for release, he may issue an order requiring the most recent previous owner or operator of such facility or site who could reasonably be expected to have such actual knowledge to carry out the actions referred to in subsection (a).

(c) Proposal

An order under subsection (a) or (b) shall require the person to whom such order is issued to submit to the Administrator within 30 days from the issuance of such order a proposal for carrying out the required monitoring, testing, analysis, and reporting. The Administrator may, after providing such person with an opportunity to confer with the Administrator respecting such proposal, require such person to carry out such monitoring, testing, analysis, and reporting in accordance with such proposal, and such modi-
Section 6935. Restrictions on recycled oil

(a) In general

Not later than one year after October 15, 1980, the Administrator shall promulgate regulations establishing such performance standards and other requirements as may be necessary to protect the public health and the environment from hazards associated with recycled oil. In developing such regulations, the Administrator shall conduct an analysis of the economic impact of the regulations on the oil recycling industry. The Administrator shall ensure that such regulations do not discourage the recovery or recycling of used oil, consistent with the protection of human health and the environment.

(b) Identification or listing of used oil as hazardous waste

Not later than twelve months after November 8, 1984, the Administrator shall propose whether to list or identify used automobile and truck crankcase oil as hazardous waste under section 6921 of this title. Not later than twenty-four months after November 8, 1984, the Administrator shall make a final determination whether to list or identify used automobile and truck crankcase oil and other used oil as hazardous wastes under section 6921 of this title.

(c) Used oil which is recycled

(1) With respect to generators and transporters of used oil identified or listed as a hazardous waste under section 6921 of this title, the standards promulgated under section 6922(d), 6922, and 6923 of this title shall not apply to such used oil if such used oil is recycled.

(2)(A) In the case of used oil which is exempt under paragraph (1), not later than twenty-four months after November 8, 1984, the Administrator shall promulgate such standards under this subsection regarding the generation and transportation of used oil which is recycled as may be necessary to protect human health and the environment. In promulgating such regulations with respect to generators, the Administrator shall take into account the effect of such regulations on environmentally acceptable types of used oil recycling and the effect of such regulations on small quantity generators and generators which are small businesses (as defined by the Administrator).

(B) The regulations promulgated under this subsection shall provide that no generator of used oil which is exempt under paragraph (1) from the standards promulgated under section 6922(d), 6922, and 6923 of this title shall be subject to any manifest requirement or any associated recordkeeping and reporting requirement with respect to such used oil if such generator—

(i) enters into an agreement or other arrangement (including an agreement or arrangement with an independent transporter or with an agent of the recycler) for delivery of such used oil to a recycling facility which has a permit under section 6925(c) of this title (or for which a valid permit is deemed to be in effect under subsection (d)), or

(ii) recycles such used oil at one or more facilities of the generator which has such a permit under section 6925(c) of this title (or for which a valid permit is deemed to have been issued under subsection (d) of this section);

(iii) such used oil is not mixed by the generator with other types of hazardous wastes; and

(iv) the generator maintains such records concerning the generation, transportation, and recycling of such used oil as the Administrator determines to be necessary to carry out such regulations and to protect human health and the environment.

So in original. Probably should be ‘sections’. 
agreements or other arrangements for delivery of such used oil to any recycling facility referred to in clause (i)(I), as the Administrator deems necessary to protect human health and the environment.

(3) The regulations under this subsection regarding the transportation of used oil which is exempt from the standards promulgated under section 6924(d), 6922, and 6923 of this title under paragraph (1) shall require the transporters of such used oil to deliver such used oil to a facility which has a valid permit under section 6925 of this title or which is deemed to have a valid permit under subsection (d) of this section. The Administrator may also establish other standards for such transporters as may be necessary to protect human health and the environment.

(d) Permits

(1) The owner or operator of a facility which recycles used oil which is exempt under subsection (c)(1), shall be deemed to have a permit under this subsection for all such treatment or recycling (and any associated tank or container storage) if such owner and operator comply with standards promulgated by the Administrator under section 6924 of this title; except that the Administrator may require such owners and operators to obtain an individual permit under section 6925(c) of this title if he determines that an individual permit is necessary to protect human health and the environment.

(2) Notwithstanding any other provision of law, any generator who recycles used oil which is exempt under subsection (c)(1) shall not be required to obtain a permit under section 6925(c) of this title with respect to such used oil until the Administrator has promulgated standards under section 6924 of this title regarding the recycling of such used oil.

(3) The regulations under this subsection requiring the Administrator to issue a permit under section 6925(c) of this title shall be subject to the requirements of section 6924(a) of this title relating to minimum technological requirements, with respect to each new unit, replacement of an existing unit, or lateral expansion of an existing unit that is within the waste management area identified in the permit application submitted under this section, and with respect to waste received beginning six months after November 8, 1984.

(b) Landfills and surface impoundments

(1) The owner or operator of a landfill or surface impoundment qualifying for the authorization to operate under section 6925(e) of this title shall be subject to the requirements of section 6924(o) of this title (relating to minimum technological requirements), with respect to each new unit, replacement of an existing unit, or lateral expansion of an existing unit that is within the waste management area identified in the permit application submitted under this section, and with respect to waste received beginning six months after November 8, 1984.

(2) The owner or operator of each unit referred to in paragraph (1) shall notify the Administrator (or the State, if appropriate) at least sixty days prior to receiving waste. The Administrator (or the State) shall require the filer, within six months of receiving the notice submitted by the owner or operator, to file an application for a final determination regarding the issuance of a permit for each facility submitting such notice.

(3) In the case of any unit in which the liner and leachate collection system has been installed pursuant to the requirements of this section and in good faith compliance with the Administrator’s regulations and guidance documents governing liners and leachate collection systems, no liner or leachate collection system which is different from that which was so installed pursuant to this section shall be required for such unit by the Administrator when issuing the first permit under section 6925 of this title to such facility, except that the Administrator shall not be precluded from requiring installation of a new liner when the Administrator has reason to believe that any liner installed pursuant to the requirements of this section is leaking. The Administrator may, under section 6924 of this title, amend the requirements for liners and leachate collection systems required under this section as may be necessary to provide additional protection for human health and the environment.

§ 6936. Expansion during interim status

(a) Waste piles

The owner or operator of a waste pile qualifying for the authorization to operate under section 6925(e) of this title shall be subject to the same requirements for liners and leachate collection systems or equivalent protection provided in regulations promulgated by the Administrator under section 6924 of this title before October 1, 1982, or revised under section 6924(o) of this title (relating to minimum technological requirements), for new facilities receiving individual permits under subsection (c) of section 6925 of this title, with respect to each new unit, replacement of an existing unit, or lateral expansion of an existing unit that is within the waste management area identified in the permit application submitted under section 6925 of this title, and with respect to waste received beginning six months after November 8, 1984.

(b) Landfills and surface impoundments

(1) The owner or operator of a landfill or surface impoundment qualifying for the authorization to operate under section 6925(e) of this title shall be subject to the requirements of section 6924(o) of this title (relating to minimum technological requirements), with respect to each new unit, replacement of an existing unit, or lateral expansion of an existing unit that is within the waste management area identified in the permit application submitted under this section, and with respect to waste received beginning six months after November 8, 1984.

(2) The owner or operator of each unit referred to in paragraph (1) shall notify the Administrator (or the State, if appropriate) at least sixty days prior to receiving waste. The Administrator (or the State) shall require the filer, within six months of receiving the notice submitted by the owner or operator, to file an application for a final determination regarding the issuance of a permit for each facility submitting such notice.

(3) In the case of any unit in which the liner and leachate collection system has been installed pursuant to the requirements of this section and in good faith compliance with the Administrator’s regulations and guidance documents governing liners and leachate collection systems, no liner or leachate collection system which is different from that which was so installed pursuant to this section shall be required for such unit by the Administrator when issuing the first permit under section 6925 of this title to such facility, except that the Administrator shall not be precluded from requiring installation of a new liner when the Administrator has reason to believe that any liner installed pursuant to the requirements of this section is leaking. The Administrator may, under section 6924 of this title, amend the requirements for liners and leachate collection systems required under this section as may be necessary to provide additional protection for human health and the environment.

§ 6937. Inventory of Federal agency hazardous waste facilities

(a) Program requirement; submission; availability; contents

Each Federal agency shall undertake a continuing program to compile, publish, and submit
to the Administrator (and to the State in the case of sites in States having an authorized hazardous waste program) an inventory of each site which the Federal agency owns or operates or has owned or operated at which hazardous waste is stored, treated, or disposed of or has been disposed of at any time. The inventory shall be submitted every two years beginning January 31, 1986. Such inventory shall be available to the public as provided in section 6927(b) of this title. Information previously submitted by a Federal agency under section 9603 of this title, or under section 6925 or 6930 of this title, or under this section need not be resubmitted except that the agency shall update any previous submission to reflect the latest available data and information. The inventory shall include each of the following:

1. A description of the location of each site at which any such treatment, storage, or disposal has taken place before the date on which permits are required under section 6925 of this title for such storage, treatment, or disposal, and where hazardous waste has been disposed, a description of hydrogeology of the site and the location of withdrawal wells and surface water within one mile of the site.

2. Such information relating to the amount, nature, and toxicity of the hazardous waste in each site as may be necessary to determine the extent of any health hazard which may be associated with any site.

3. Information on the known nature and extent of environmental contamination at each site, including a description of the monitoring data obtained.

4. Information concerning the current status of the site, including information respecting whether or not hazardous waste is currently being treated, stored, or disposed of at such site (and if not, the date on which such activity ceased) and information respecting the nature of any other activity currently carried out at such site.

5. A list of sites at which hazardous waste has been disposed and environmental monitoring data has not been obtained, and the reasons for the lack of monitoring data at each site.

6. A description of response actions undertaken or contemplated at contaminated sites.

7. An identification of the types of techniques of waste treatment, storage, or disposal which have been used at each site.

8. The name and address and responsible Federal agency for each site, determined as of the date of preparation of the inventory.

(b) Environmental Protection Agency program

If the Administrator determines that any Federal agency under subsection (a) is not adequately providing information respecting the sites referred to in subsection (a), the Administrator shall notify the chief official of such agency. If within ninety days following such notification, the Federal agency has not undertaken a program to adequately provide such information, the Administrator shall carry out the inventory program for such agency.


§ 6938. Export of hazardous wastes

(a) In general

Beginning twenty-four months after November 8, 1984, no person shall export any hazardous waste identified or listed under this subchapter unless:

1. (A) such person has provided the notification required in subsection (c) of this section, and

2. (B) the government of the receiving country has consented to accept such hazardous waste, and

3. (C) a copy of the receiving country’s written consent is attached to the manifest accompanying each waste shipment, and

4. (D) the shipment conforms with the terms of the consent of the government of the receiving country required pursuant to subsection (e), or

(b) Regulations

Not later than twelve months after November 8, 1984, the Administrator shall promulgate the regulations necessary to implement this section. Such regulations shall become effective one hundred and eighty days after promulgation.

(c) Notification

Any person who intends to export a hazardous waste identified or listed under this subchapter beginning twelve months after November 8, 1984, shall, before such hazardous waste is scheduled to leave the United States, provide notification to the Administrator. Such notification shall contain the following information:

1. (1)(A) the name and address of the exporter;

2. (2) the types and estimated quantities of hazardous waste to be exported;

3. (3) the estimated frequency or rate at which such waste is to be exported; and the period of time over which such waste is to be exported;

4. (4) the ports of entry;

5. (5) a description of the manner in which such hazardous waste will be transported to and treated, stored, or disposed in the receiving country; and

6. (6) the name and address of the ultimate treatment, storage, or disposal facility.

(d) Procedures for requesting consent of receiving country

Within thirty days of the Administrator’s receipt of a complete notification under this section, the Secretary of State, acting on behalf of the Administrator, shall—

1. (1) forward a copy of the notification to the government of the receiving country;

2. (2) advise the government that United States law prohibits the export of hazardous waste unless the receiving country consents to accept the hazardous waste;

3. (3) request the government to provide the Secretary with a written consent or objection to the terms of the notification; and

4. (4) forward to the government of the receiving country a description of the Federal regulations which would apply to the treatment,
storage, and disposal of the hazardous waste in the United States.

(e) Conveyance of written consent to exporter

Within thirty days of receipt by the Secretary of State of the receiving country's written consent or objection (or any subsequent communication withdrawing a prior consent or objection), the Administrator shall forward such a consent, objection, or other communication to the exporter.

(f) International agreements

Where there exists an international agreement between the United States and the government of the receiving country establishing notice, export, and enforcement procedures for the transportation, treatment, storage, and disposal of hazardous wastes, only the requirements of subsections (a)(2) and (g) shall apply.

(g) Reports

After November 8, 1984, any person who exports any hazardous waste identified or listed under section 6921 of this title shall file with the Administrator no later than March 1 of each year, a report summarizing the types, quantities, frequency, and ultimate destination of all such hazardous waste exported during the previous calendar year.

(h) Other standards

Nothing in this section shall preclude the Administrator from establishing other standards for the export of hazardous wastes under section 6922 of this title or section 6923 of this title.


§ 6939a. Exposure information and health assessments

(a) Exposure information

Beginning on the date nine months after November 8, 1984, each application for a final determination regarding a permit under section 6925(c) of this title for a landfill or surface impoundment shall be accompanied by information reasonably ascertainable by the owner or operator on the potential for the public to be exposed to hazardous wastes or hazardous constituents through releases related to the unit. At a minimum, such information must address:

(1) reasonably foreseeable potential releases from both normal operations and accidents at the unit, including releases associated with transportation to or from the unit;
(2) the potential pathways of human exposure to hazardous wastes or constituents resulting from the releases described under paragraph (1); and
(3) the potential magnitude and nature of the human exposure resulting from such releases.

The owner or operator of a landfill or surface impoundment for which an application for such a final determination under section 6925(c) of this title has been submitted prior to November 8, 1984, shall submit the information required by this subsection to the Administrator (or the State, in the case of a State with an authorized program) no later than the date nine months after November 8, 1984.

(b) Health assessments

(1) The Administrator (or the State, in the case of a State with an authorized program) shall make the information required by subsection (a), together with other relevant information, available to the Agency for Toxic Substances and Disease Registry established by section 9604(h)(1) of this title.
(2) Whenever in the judgment of the Administrator, or the State (in the case of a State with an authorized program), a landfill or a surface impoundment poses a substantial potential risk to human health, due to the existence of releases of hazardous constituents, the magnitude of contamination with hazardous constituents which may be the result of a release, or the magnitude of the population exposed to such release or contamination, the Administrator or the State (with the concurrence of the Administrator) may request the Administrator of the Agency for Toxic Substances and Disease Registry to conduct a health assessment in connection with such facility and take other appropriate action with respect to such risks as authorized by section 9604(b) and (i) of this title. If funds are provided in connection with such request the Administrator of such Agency shall conduct such health assessment.

(c) Members of the public

Any member of the public may submit evidence of releases of or exposure to hazardous constituents from such a facility, or as to the risks or health effects associated with such releases or exposure, to the Administrator of the Agency for Toxic Substances and Disease Registry, the Administrator, or the State (in the case of a State with an authorized program).

(d) Priority

In determining the order in which to conduct health assessments under this subsection, the Administrator of the Agency for Toxic Substances and Disease Registry shall give priority to those facilities or sites at which there is documented evidence of release of hazardous constituents, at which the potential risk to human health appears highest, and for which in the judgment of the Administrator of such Agency existing health assessment data is inadequate to assess the potential risk to human health as provided in subsection (f).

(e) Periodic reports

The Administrator of such Agency shall issue periodic reports which include the results of all the assessments carried out under this section. Such assessments or other activities shall be reported after appropriate peer review.

(f) “Health assessments” defined

For the purposes of this section, the term “health assessments” shall include preliminary assessments of the potential risk to human health posed by individual sites and facilities subject to this section, based on such factors as the nature and extent of contamination, the existence of potential for pathways of human exposure (including ground or surface water contamination, air emissions, and food chain contamination), the size and potential susceptibility of the community within the likely pathways of exposure, the comparison of expected human exposure levels to the short-term and long-term health effects associated with identified contaminants and any available recommended exposure or tolerance limits for such contaminants, and the comparison of existing morbidity and mortality data on diseases that may be associated with the observed levels of exposure. The assessment shall include an evaluation of the risks to the potentially affected population from all sources of such contaminants, including known point or nonpoint sources other than the site or facility in question. A purpose of such preliminary assessments shall be to help determine whether full-scale health or epidemiological studies and medical evaluations of exposed populations shall be undertaken.

(g) Cost recovery

In any case in which a health assessment performed under this section discloses the exposure of a population to the release of a hazardous substance, the costs of such health assessment may be recovered as a cost of response under section 9607 of this title from persons causing or contributing to such release of such hazardous substance or, in the case of multiple releases contributing to such exposure, to all such release.


§ 6939b. Interim control of hazardous waste injection

(a) Underground source of drinking water

No hazardous waste may be disposed of by underground injection—

(1) into a formation which contains (within one-quarter mile of the well used for such underground injection) an underground source of drinking water; or

(2) above such a formation.

The prohibitions established under this section shall take effect 6 months after November 8, 1984, except in the case of any State in which identical or more stringent prohibitions are in effect before such date under the Safe Drinking Water Act [42 U.S.C. 300f et seq.].

(b) Actions under Comprehensive Environmental Response, Compensation, and Liability Act

Subsection (a) shall not apply to the injection of contaminated ground water into the aquifer from which it was withdrawn, if—

(1) such injection is—

(A) a response action taken under section 9004 or 9006 of this title, or

(B) part of corrective action required under this chapter;

intended to clean up such contamination;

(2) such contaminated ground water is treated to substantially reduce hazardous constituents prior to such injection; and

(3) such response action or corrective action will, upon completion, be sufficient to protect human health and the environment.

(c) Enforcement

In addition to enforcement under the provisions of this chapter, the prohibitions established under paragraphs (1) and (2) of subsection (a) shall be enforceable under the Safe Drinking Water Act [42 U.S.C. 300f et seq.] in any State—

(1) which has adopted identical or more stringent prohibitions under part C of the Safe Drinking Water Act.

1So in original. Probably should be followed by a comma.
Drinking Water Act [42 U.S.C. 300h et seq.] and which has assumed primary enforcement responsibility under that Act for enforcement of such prohibitions; or

(2) in which the Administrator has adopted identical or more stringent prohibitions under the Safe Drinking Water Act [42 U.S.C. 300f et seq.] and is exercising primary enforcement responsibility under that Act for enforcement of such prohibitions.

(d) Definitions

The terms “primary enforcement responsibility”, “underground source of drinking water”, “formation” and “well” have the same meanings as provided in regulations of the Administrator under the Safe Drinking Water Act [42 U.S.C. 300f et seq.]. The term “Safe Drinking Water Act” means title XIV of the Public Health Service Act.


REFERENCES IN TEXT

Title XIV of the Public Health Service Act, referred to in subsec. (d), is title XIV of act July 1, 1944, as added Dec. 16, 1974, Pub. L. 93–523, § 2(a), 88 Stat. 1660, as amended, known as the Safe Drinking Water Act, which is classified generally to subchapter XII (§300f et seq.) of chapter 6A of this title. Part C of the Act is classified generally to part C (§300h et seq.) of subchapter XII of chapter 6A of this title. For complete classification of this Act to the Code, see Short Title Note set out under section 201 of this title and Tables.

Codification

Section was formerly classified to section 6979a of this title, prior to renumbering by Pub. L. 99–339.

Amendments

1986—Subsec. (c). Pub. L. 99–339, § 201(c)(1), substituted “enforcement under the provisions of this chapter” for “enforcement under sections 6972 and 6973 of this title”.

§ 6939c. Mixed waste inventory reports and plan

(a) Mixed waste inventory reports

(1) Requirement

Not later than 180 days after October 6, 1992, the Secretary of Energy shall submit to the Administrator and to the Governor of each State in which the Department of Energy stores or generates mixed wastes the following reports:

(A) A report containing a national inventory of all such mixed wastes, regardless of the time they were generated, on a State-by-State basis.

(B) A report containing a national inventory of mixed waste treatment capacities and technologies.

(2) Inventory of wastes

The report required by paragraph (1)(A) shall include the following:

(A) A description of each type of mixed waste at each Department of Energy facility in each State, including, at a minimum, the name of the waste stream.

(B) The amount of each type of mixed waste currently stored at each Department of Energy facility in each State, set forth separately by mixed waste that is subject to the land disposal prohibition requirements of section 6924 of this title and mixed waste that is not subject to such prohibition requirements.

(C) An estimate of the amount of each type of mixed waste the Department expects to generate in the next 5 years at each Department of Energy facility in each State.

(D) A description of any waste minimization actions the Department has implemented at each Department of Energy facility in each State.

(E) The EPA hazardous waste code for each type of mixed waste containing waste that has been characterized at each Department of Energy facility in each State.

(F) An inventory of each type of waste that has not been characterized by sampling and analysis at each Department of Energy facility in each State.

(G) The basis for the Department’s determination of the applicable hazardous waste code for each type of mixed waste at each Department of Energy facility and a description of whether the determination is based on sampling and analysis conducted on the waste or on the basis of process knowledge.

(H) A description of the source of each type of mixed waste at each Department of Energy facility in each State.

(I) The land disposal prohibition treatment technology or technologies specified for the hazardous waste component of each type of mixed waste at each Department of Energy facility in each State.

(J) A statement of whether and how the radionuclide content of the waste alters or affects use of the technologies described in subparagraph (I).

(3) Inventory of treatment capacities and technologies

The report required by paragraph (1)(B) shall include the following:

(A) An estimate of the available treatment capacity for each waste described in the report required by paragraph (1)(A) for which treatment technologies exist.

(B) A description, including the capacity, number and location, of each treatment unit considered in calculating the estimate under subparagraph (A).

(C) A description, including the capacity, number and location, of any existing treatment unit that was not considered in calculating the estimate under subparagraph (A) but that could, alone or in conjunction with other treatment units, be used to treat any of the wastes described in the report required by paragraph (1)(A) to meet the requirements of regulations promulgated pursuant to section 6944 of this title.

(D) For each unit listed in subparagraph (C), a statement of the reasons why the unit was not considered in calculating the estimate under subparagraph (A).
§ 6939c  TITLE 42—THE PUBLIC HEALTH AND WELFARE

(E) A description, including the capacity, number, location, and estimated date of availability, of each treatment unit currently proposed to increase the treatment capacities estimated under subparagraph (A).

(F) For each waste described in the report required by paragraph (1)(A) for which the Department has determined no treatment technology exists, information sufficient to support such determination and a description of the technological approaches the Department anticipates will need to be developed to treat the waste.

(4) Comments and revisions
Not later than 90 days after the date of the submission of the reports by the Secretary of Energy under paragraph (1), the Administrator and each State which received the reports shall submit any comments they may have concerning the reports to the Department of Energy. The Secretary of Energy shall consider and publish the comments prior to publication of the final report.

(5) Requests for additional information
Nothing in this subsection limits or restricts the authority of States or the Administrator to request additional information from the Secretary of Energy.

(b) Plan for development of treatment capacities and technologies

(1) Plan requirement
(A)(i) For each facility at which the Department of Energy generates or stores mixed wastes, except any facility subject to a permit, agreement, or order described in clause (ii), the Secretary of Energy shall develop and submit, as provided in paragraph (2), a plan for developing treatment capacities and technologies to treat all of the facility’s mixed wastes, regardless of the time they were generated, to the standards promulgated pursuant to section 6924(m) of this title.

(ii) Clause (i) shall not apply with respect to any facility subject to any permit establishing a schedule for treatment of such wastes, or any existing agreement or administrative or judicial order governing the treatment of such wastes, to which the State is a party.

(B) Each plan shall contain the following:

(i) For mixed wastes for which treatment technologies exist, a schedule for submitting all applicable permit applications, entering into contracts, initiating construction, conducting systems testing, commencing operations, and processing backlogged and currently generated mixed wastes.

(ii) For mixed wastes for which no treatment technologies exist, a schedule for identifying and developing such technologies, identifying the funding requirements for the identification and development of such technologies, submitting treatability study exemptions, and submitting research and development permit applications.

(iii) For all cases where the Department proposes radionuclide separation of mixed wastes, or materials derived from mixed wastes, it shall provide an estimate of the volume of waste generated by each case of radionuclide separation, the volume of waste that would exist or be generated without radionuclide separation, the estimated costs of waste treatment and disposal if radionuclide separation is used compared to the estimated costs if it is not used, and the assumptions underlying such waste volume and cost estimates.

(C) A plan required under this subsection may provide for centralized, regional, or on-site treatment of mixed wastes, or any combination thereof.

(2) Review and approval of plan

(A) For each facility that is located in a State (i) with authority under State law to prohibit land disposal of mixed waste until the waste has been treated and (ii) with both authority under State law to regulate the hazardous components of mixed waste and authorization from the Environmental Protection Agency under section 6926 of this title to regulate the hazardous components of mixed waste, the Secretary of Energy shall submit the plan required under paragraph (1) to the appropriate State regulatory officials for their review and approval, modification, or disapproval. In reviewing the plan, the State shall consider the need for regional treatment facilities. The State shall consult with the Administrator and any other State in which a facility affected by the plan is located and consider public comments in making its determination on the plan. The State shall approve, approve with modifications, or disapprove the plan within 6 months after receipt of the plan.

(B) For each facility located in a State that does not have the authority described in subparagraph (A), the Secretary shall submit the plan required under paragraph (1) to the Administrator of the Environmental Protection Agency for review and approval, modification, or disapproval. A copy of the plan also shall be provided by the Secretary to the State in which such facility is located. In reviewing the plan, the Administrator shall consider the need for regional treatment facilities. The Administrator shall consult with the State or States in which any facility affected by the plan is located and consider public comments in making a determination on the plan. The Administrator shall approve, approve with modifications, or disapprove the plan within 6 months after receipt of the plan.

(C) Upon the approval of a plan under this paragraph by the Administrator or a State, the Administrator shall issue an order under section 6928(a) of this title, or the State shall issue an order under appropriate State authority, requiring compliance with the approved plan.

(3) Public participation
Upon submission of a plan by the Secretary of Energy to the Administrator or a State, and before approval of the plan by the Administrator or a State, the Administrator or State shall publish a notice of the availability of the submitted plan and make such submitted plan available to the public on request.
(4) Revisions of plan

If any revisions of an approved plan are proposed by the Secretary of Energy or required by the Administrator or a State, the provisions of paragraphs (2) and (3) shall apply to the revisions in the same manner as they apply to the original plan.

(5) Waiver of plan requirement

(A) A State may waive the requirement for the Secretary of Energy to develop and submit a plan under this subsection for a facility located in the State if the State (i) enters into an agreement with the Secretary of Energy that addresses compliance at that facility with section 6924(j) of this title with respect to mixed waste, and (ii) issues an order requiring compliance with such agreement and which is in effect.

(B) Any violation of an agreement or order referred to in subparagraph (A) is subject to the waiver of sovereign immunity contained in section 6961(a) of this title.

(c) Schedule and progress reports

(1) Schedule

Not later than 6 months after October 6, 1992, the Secretary of Energy shall publish in the Federal Register a schedule for submitting the plans required under subsection (b).

(2) Progress reports

(A) Not later than the deadlines specified in subparagraph (B), the Secretary of Energy shall submit to the Committee on Environment and Public Works of the Senate and the Committee on Energy and Commerce of the House of Representatives a progress report containing the following:

(i) An identification, by facility, of the plans that have been submitted to States or the Administrator of the Environmental Protection Agency pursuant to subsection (b).

(ii) The status of State and Environmental Protection Agency review and approval of each such plan.

(iii) The number of orders requiring compliance with such plans that are in effect.

(iv) For the first 2 reports required under this paragraph, an identification of the plans required under such subsection (b) that the Secretary expects to submit in the 12-month period following submission of the report.

(B) The Secretary of Energy shall submit a report under subparagraph (A) not later than 12 months after October 6, 1992, 24 months after October 6, 1992, and 36 months after October 6, 1992.

§ 6939d. Public vessels

(a) Waste generated on public vessels

Any hazardous waste generated on a public vessel shall not be subject to the storage, manifest, inspection, or recordkeeping requirements of this chapter until such waste is transferred to a shore facility, unless—

(1) the waste is stored on the public vessel for more than 90 days after the public vessel is placed in reserve or is otherwise no longer in service; or

(2) the waste is transferred to another public vessel within the territorial waters of the United States and is stored on such vessel or another public vessel for more than 90 days after the date of transfer.

(b) Computation of storage period

For purposes of subsection (a), the 90-day period begins on the earlier of—

(1) the date on which the public vessel on which the waste was generated is placed in reserve or is otherwise no longer in service; or

(2) the date on which the waste is transferred from the public vessel on which the
§ 6939e  TITLE 42—THE PUBLIC HEALTH AND WELFARE

waste was generated to another public vessel within the territorial waters of the United States;

and continues, without interruption, as long as the waste is stored on the original public vessel (if in reserve or not in service) or another public vessel.

(c) Definitions

For purposes of this section:

(1) The term “public vessel” means a vessel owned or bareboat chartered and operated by the United States, or by a foreign nation, except when the vessel is engaged in commerce.

(2) The terms “in reserve” and “in service” have the meanings applicable to those terms under section 8663 and sections 8674 through 8678 of title 10 and regulations prescribed under those sections.

(d) Relationship to other law

Nothing in this section shall be construed as altering or otherwise affecting the provisions of section 8681 of title 10.

(2) The terms “in reserve” and “in service” have the meanings applicable to those terms under section 8663 and sections 8674 through 8678 of title 10 and regulations prescribed under those sections.

Ammendments

2018—Subsec. (c)(2). Pub. L. 115–232, § 809(n)(2)(A), substituted “section 8663 and sections 8674 through 8678 of title 10” for “section 7293 and sections 7304 through 7308 of title 10”.


Effective Date of 2018 Amendment

Amendment by Pub. L. 115–232 effective Feb. 1, 2019, with provision for the coordination of amendments and special rule for certain redesignations, see section 800 of Pub. L. 115–232, set out as a note preceding section 3001 of Title 10, Armed Forces.

§ 6939e. Federally owned treatment works

(a) In general

For purposes of section 6903(27) of this title, the phrase “but does not include solid or dissolved material in domestic sewage” shall apply to any solid or dissolved material introduced by a source into a federally owned treatment works if—

(1) such solid or dissolved material is subject to a pretreatment standard under section 1317 of title 33, and the source is in compliance with such standard;

(2) for a solid or dissolved material for which a pretreatment standard has not been promulgated pursuant to section 1317 of title 33, the Administrator has promulgated a schedule for establishing such a pretreatment standard which would be applicable to such solid or dissolved material not later than 7 years after October 6, 1992, such standard is promulgated on or before the date established in the schedule, and after the effective date of such standard the source is in compliance with such standard;

(3) such solid or dissolved material is not covered by paragraph (1) or (2) and is not prohibited from land disposal under subsections 1

(d), (e), (f), or (g) of section 6924 of this title because such material has been treated in accordance with section 6924(m) of this title; or

(4) notwithstanding paragraphs (1), (2), or (3), such solid or dissolved material is generated by a household or person which generates less than 100 kilograms of hazardous waste per month unless such solid or dissolved material would otherwise be an acutely hazardous waste and subject to standards, regulations, or other requirements under this chapter notwithstanding the quantity generated.

(b) Prohibition

It is unlawful to introduce into a federally owned treatment works any pollutant that is a hazardous waste.

(c) Enforcement

(1) Actions taken to enforce this section shall not require closure of a treatment works if the hazardous waste is removed or decontaminated and such removal or decontamination is adequate, in the discretion of the Administrator or, in the case of an authorized State, of the State, to protect human health and the environment.

(2) Nothing in this subsection shall be construed to prevent the Administrator or an authorized State from ordering the closure of a treatment works if the Administrator or State determines such closure is necessary for protection of human health and the environment.

(3) Nothing in this subsection shall be construed to affect any other enforcement authorities available to the Administrator or a State under this subchapter.

(d) “Federally owned treatment works” defined

For purposes of this section, the term “federally owned treatment works” means a facility that is owned and operated by a department, agency, or instrumentality of the Federal Government treating wastewater, a majority of which is domestic sewage, prior to discharge in accordance with a permit issued under section 1342 of title 33.

(e) Savings clause

Nothing in this section shall be construed as affecting any agreement, permit, or administrative or judicial order, or any condition or requirement contained in such an agreement, permit, or order, that is in existence on October 6, 1992, and that requires corrective action or closure at a federally owned treatment works or solid waste management unit or facility related to such a treatment works.

(2) The term “federally owned treatment works” means a facility or facilities of the Department of Energy, which shall not include the Y–12 National Security Complex or any other portion or facility of the Oak Ridge Reservation of the Department of

1So in original. Probably should be singular.
Energy, for the purpose of long-term management and storage of elemental mercury generated within the United States.

(2) **Operation of facility**

Not later than January 1, 2019, the facility designated in paragraph (1) shall be operational and shall accept custody, for the purpose of long-term management and storage, of elemental mercury generated within the United States and delivered to such facility.

(b) **Fees**

(1) **In general**

(A) **Assessment and collection**

After consultation with persons who are likely to deliver elemental mercury to a designated facility for long-term management and storage under the program prescribed in subsection (a), and with other interested persons, the Secretary shall assess and collect a fee at the time of delivery for providing such management and storage, based on the pro rata cost of long-term management and storage of elemental mercury delivered to the facility.

(B) **Amount**

The amount of the fees described in subparagraph (A)—

(i) shall be made publicly available not later than October 1, 2009;

(ii) may be adjusted annually;

(iii) shall be set in an amount sufficient to cover the costs described in paragraph (2), subject to clause (iv); and

(iv) for generators temporarily accumulating elemental mercury in a facility subject to subparagraphs (B) and (D) of subsection (g)(2) if the facility designated in subsection (a) is not operational by January 1, 2019, shall be adjusted to subtract the cost of the temporary accumulation during the period in which the facility designated under subsection (a) is not operational.

(C) **Conveyance of title and permitting**

If the facility designated in subsection (a) is not operational by January 1, 2020, the Secretary—

(i) shall immediately accept the conveyance of title to all elemental mercury that has accumulated in facilities in accordance with subsection (g)(2)(D), before January 1, 2020, and deliver the accumulated mercury to the facility designated under subsection (a) on the date on which the facility becomes operational;

(ii) shall pay any applicable Federal permitting costs, including the costs for permits issued under section 3005(c) of the Solid Waste Disposal Act (42 U.S.C. 6925(c)); and

(iii) shall store, or pay the cost of storage of, until the time at which a facility designated in subsection (a) is operational, accumulated mercury to which the Secretary has title under this subparagraph in a facility that has been issued a permit under section 3005(c) of the Solid Waste Disposal Act (42 U.S.C. 6925(c)).

(2) **Costs**

The costs referred to in paragraph (1)(B)(iii) are the costs to the Department of Energy of providing such management and storage, including facility operation and maintenance, security, monitoring, reporting, personnel, administration, inspections, training, fire suppression, closure, and other costs required for compliance with applicable law. Such costs shall not include costs associated with land acquisition or permitting of a designated facility under the Solid Waste Disposal Act [42 U.S.C. 6901 et seq.] or other applicable law. Building design and building construction costs shall only be included to the extent that the Secretary finds that the management and storage of elemental mercury accepted under the program under this section cannot be accomplished without construction of a new building or buildings.

(c) **Report**

Not later than 60 days after the end of each Federal fiscal year, the Secretary shall transmit to the Committee on Energy and Commerce of the House of Representatives and the Committee on Environment and Public Works of the Senate a report on all of the costs incurred in the previous fiscal year associated with the long-term management and storage of elemental mercury. Such report shall set forth separately the costs associated with activities taken under this section.

(d) **Management standards for a facility**

(1) **Guidance**

Not later than October 1, 2009, the Secretary, after consultation with the Administrator of the Environmental Protection Agency and all appropriate State agencies in affected States, shall make available, including to potential users of the long-term management and storage program established under subsection (a), guidance that establishes procedures and standards for the receipt, management, and long-term storage of elemental mercury at a designated facility or facilities, including requirements to ensure appropriate use of flasks or other suitable shipping containers. Such procedures and standards shall be protective of human health and the environment and shall ensure that the elemental mercury is stored in a safe, secure, and effective manner. In addition to such procedures and standards, elemental mercury managed and stored under this section at a designated facility shall be subject to the requirements of the Solid Waste Disposal Act [42 U.S.C. 6901 et seq.], including the requirements of subtitle C of that Act [42 U.S.C. 6921 et seq.], except as provided in subsection (g)(2) of this section. A designated facility is authorized to operate under interim status pursuant to section 3005(e) of the Solid Waste Disposal Act [42 U.S.C. 6925(e)] until a final decision on a permit application is made pursuant to section 3005(c) of the Solid Waste Disposal Act [42 U.S.C. 6925(c)]. Not later than January 1, 2020, the Administrator of the Environmental Protection Agency (or an authorized State) shall issue a final decision on the permit application.
§ 6939f

(2) Training

The Secretary shall conduct operational training and emergency training for all staff that have responsibilities related to elemental mercury management, transfer, storage, monitoring, or response.

(3) Equipment

The Secretary shall ensure that each designated facility has all equipment necessary for routine operations, emergencies, monitoring, checking inventory, loading, and storing elemental mercury at the facility.

(4) Fire detection and suppression systems

The Secretary shall—

(A) ensure the installation of fire detection systems at each designated facility, including smoke detectors and heat detectors; and

(B) ensure the installation of a permanent fire suppression system, unless the Secretary determines that a permanent fire suppression system is not necessary to protect human health and the environment.

(e) Indemnification of persons delivering elemental mercury

(1) In general

(A) Except as provided in subparagraph (B) and subject to paragraph (2), the Secretary shall hold harmless, defend, and indemnify in full any person who delivers elemental mercury to a designated facility under the program established under subsection (a) from and against any suit, claim, demand or action, liability, judgment, cost, or other fee arising out of any claim for personal injury or property damage (including death, illness, or loss of or damage to property or economic loss) that results from, or is in any manner predicated upon, the release or threatened release of elemental mercury as a result of acts or omissions occurring after such mercury is delivered to a designated facility described in subsection (a), unless the person contributed to the release or threatened release.

(B) To the extent that a person described in subparagraph (A) contributed to any such release or threatened release, subparagraph (A) shall not apply.

(2) Conditions

No indemnification may be afforded under this subsection unless the person seeking indemnification—

(A) notifies the Secretary in writing within 30 days after receiving written notice of the claim for which indemnification is sought;

(B) furnishes to the Secretary copies of pertinent papers the person receives;

(C) furnishes evidence or proof of any claim, loss, or damage covered by this subsection; and

(D) provides, upon request by the Secretary, access to the records and personnel of the person for purposes of defending or settling the claim or action.

(3) Authority of Secretary

(A) In any case in which the Secretary determines that the Department of Energy may be required to make indemnification payments to a person under this subsection for any suit, claim, demand or action, liability, judgment, cost, or other fee arising out of any claim for personal injury or property damage referred to in paragraph (1)(A), the Secretary may settle or defend, on behalf of that person, the claim for personal injury or property damage.

(B) In any case described in subparagraph (A), if the person to whom the Department of Energy may be required to make indemnification payments does not allow the Secretary to settle or defend the claim, the person may not be afforded indemnification with respect to that claim under this subsection.

(f) Terms, conditions, and procedures

The Secretary is authorized to establish such terms, conditions, and procedures as are necessary to carry out this section.

(g) Effect on other law

(1) In general

Except as provided in paragraph (2), nothing in this section changes or affects any Federal, State, or local law or the obligation of any person to comply with such law.

(2) Exception

(A) Elemental mercury that the Secretary is storing on a long-term basis shall not be subject to the storage prohibition of section 3004(j) of the Solid Waste Disposal Act (42 U.S.C. 6924(j)). For the purposes of section 3004(j) of the Solid Waste Disposal Act, a generator accumulating elemental mercury designated for a facility designated by the Secretary under subsection (a) for 90 days or less shall be deemed to be accumulating the mercury to facilitate proper treatment, recovery, or disposal.

(B) Elemental mercury may be stored at a facility with respect to which any permit has been issued under section 3005(c) of the Solid Waste Disposal Act (42 U.S.C. 6925(c)), and shall not be subject to the storage prohibition of section 3004(j) of the Solid Waste Disposal Act (42 U.S.C. 6924(j)) if—

(i) the Secretary is unable to accept the mercury at a facility designated by the Secretary under subsection (a) for reasons beyond the control of the owner or operator of the permitted facility;

(ii) the owner or operator of the permitted facility certifies in writing to the Secretary that it will ship the mercury to the designated facility when the Secretary is able to accept the mercury; and

(iii) the owner or operator of the permitted facility certifies in writing to the Secretary that it will not sell, or otherwise place into commerce, the mercury.

(C) Subparagraph (B) shall not apply to mercury with respect to which the owner or operator of the permitted facility fails to comply with a certification provided under clause (ii) or (iii) of that subparagraph.

(D) A generator producing elemental mercury incidentally from the beneficiation or processing of ore or related pollution control activities may accumulate the mercury pro-
duced onsite that is destined for a facility designated by the Secretary under subsection (a) for more than 90 days without a permit issued under section 3005(c) of the Solid Waste Disposal Act (42 U.S.C. 6925(c)), and shall not be subject to the storage prohibition of section 3004(j) of that Act (42 U.S.C. 6924(j)), if—

(i) the Secretary is unable to accept the mercury at a facility designated by the Secretary under subsection (a) for reasons beyond the control of the generator;

(ii) the generator certifies in writing to the Secretary that the generator will ship the mercury to a designated facility when the Secretary is able to accept the mercury; and

(iii) the generator certifies in writing to the Secretary that the generator is storing only mercury that has produced or recovered onsite and will not sell, or otherwise place into commerce, the mercury; and

(iv) the generator has obtained an identification number under section 262.12 of title 40, Code of Federal Regulations, and complies with the requirements described in paragraphs (1) through (4) of section 262.34(a) of title 40, Code of Federal Regulations (as in effect on the date of enactment of this sub-paragraph).

(E) MANAGEMENT STANDARDS FOR TEMPORARY STORAGE.—Not later than January 1, 2017, the Secretary, after consultation with the Administrator of the Environmental Protection Agency and State agencies in affected States, shall develop and make available guidance that establishes procedures and standards for the management and short-term storage of elemental mercury at a generator covered under subparagraph (D), including requirements to ensure appropriate use of flasks or other suitable containers. Such procedures and standards shall be protective of health and the environment and shall ensure that the elemental mercury is stored in a safe, secure, and effective manner. A generator may accumulate mercury in accordance with subparagraph (D) immediately upon enactment of this sub-paragraph, and notwithstanding that guidance called for by this paragraph has not been developed or made available.

(h) Study

Not later than July 1, 2014, the Secretary shall transmit to the Congress the results of a study, conducted in consultation with the Administrator of the Environmental Protection Agency, that—

(1) determines the impact of the long-term storage program under this section on mercury recycling; and

(2) includes proposals, if necessary, to mitigate any negative impact identified under paragraph (1).

(Pub. L. 110-114, § 10(c), (d), June 22, 2016, 130 Stat. 480.)

REFERENCES IN TEXT


AMENDMENTS


Subsec. (b)(1)(A). Pub. L. 114–182, § 10(c)(2)(A)(ii), designated first sentence of par. (1) as subpar. (A) and inserted heading. Former subpar. (A) redesignated cl. (i) of subpar. (B).

Subsec. (b)(2)(B). Pub. L. 114–182, § 10(c)(2)(A)(ii), (iii), (iv), designated second sentence of par. (1) as subpar. (B), inserted heading, substituted “The amount of the fees described in subparagraph (A)” for “The amount of such fees” in introductory provisions, redesignated former subpars. (A) to (C) of par. (1) as cls. (i) to (iii), respectively, of subpar. (B) and realigned margins, substituted “publicly available not later than October 1, 2018” for “publicly available not later than October 1, 2012” in cl. (i) and “, subject to clause (iv); and” for period at end of cl. (iii), and added cl. (iv).


Subsec. (g)(2)(C). Pub. L. 114–182, § 10(c)(3)(A), (B), redesignated concluding provisions of subpar. (B) as (C), substituted “Subparagraph (B) for “This subparagraph”, and inserted “of that subparagraph” before period at end.

Subsec. (g)(2)(D). Pub. L. 114–182, § 10(c)(3)(C), added subpars. (D) and (E).

CODIFICATION

Section was enacted as part of the Mercury Export Ban Act of 2008, and not as part of the Solid Waste Disposal Act which comprises this chapter.

DEPOSIT OF FEES


§ 6939g. Hazardous waste electronic manifest system

(a) Definitions

In this section:

(1) Board

The term “Board” means the Hazardous Waste Electronic Manifest System Advisory Board established under subsection (f).

(2) Fund

The term “Fund” means the Hazardous Waste Electronic Manifest System Fund established by subsection (d).

(3) Person

The term “person” includes an individual, corporation (including a Government corporation), company, association, firm, partnership, society, joint stock company, trust, municipality, commission, Federal agency, State, po-
§ 6939g

Title 42—The Public Health and Welfare

(4) System

The term “system” means the hazardous waste electronic manifest system established under subsection (b).

(5) User

The term “user” means a hazardous waste generator, a hazardous waste transporter, an owner or operator of a hazardous waste treatment, storage, recycling, or disposal facility, or any other person that—

(A) required to use a manifest to comply with any Federal or State requirement to track the shipment, transportation, and receipt of hazardous waste or other material that is shipped from the site of generation to an off-site facility for treatment, storage, disposal, or recycling; and

(B)(i) elects to use the system to complete and transmit an electronic manifest format; or

(ii) submits to the system for data processing purposes a paper copy of the manifest (or data from such a paper copy), in accordance with such regulations as the Administrator may promulgate to require such a submission.

(b) Establishment

Not later than 3 years after October 5, 2012, the Administrator shall establish a hazardous waste electronic manifest system that may be used by any user.

(c) User fees

(1) In general

In accordance with paragraph (4), the Administrator may impose on users such reasonable service fees as the Administrator determines to be necessary to pay costs incurred in developing, operating, maintaining, and upgrading the system, including any costs incurred in collecting and processing data from any paper manifest submitted to the system after the date on which the system enters operation.

(2) Collection of fees

The Administrator shall—

(A) collect the fees described in paragraph (1) from the users in advance of, or as reimbursement for, the provision by the Administrator of system-related services; and

(B) deposit the fees in the Fund.

(3) Fee structure

(A) In general

The Administrator, in consultation with information technology vendors, shall determine through the contract award process described in subsection (e) the fee structure that is necessary to recover the full cost to the Administrator of providing system-related services, including—

(i) contractor costs relating to—

(I) materials and supplies;

(II) contracting and consulting;

(III) overhead;

(IV) information technology (including costs of hardware, software, and related services); and

(V) information management;

(VI) collection of service fees;

(VII) reporting and accounting; and

(VIII) project management; and

(ii) costs of employment of direct and indirect Government personnel dedicated to establishing, managing, and maintaining the system.

(B) Adjustments in fee amount

(i) In general

The Administrator, in consultation with the Board, shall increase or decrease the amount of a service fee determined under the fee structure described in subparagraph (A) to a level that will—

(I) result in the collection of an aggregate amount for deposit in the Fund that is sufficient and not more than reasonably necessary to cover current and projected system-related costs (including any necessary system upgrades); and

(II) minimize, to the maximum extent practicable, the accumulation of unused amounts in the Fund.

(ii) Exception for initial period of operation

The requirement described in clause (i)(II) shall not apply to any additional fees that accumulate in the Fund, in an amount that does not exceed $2,000,000, during the 3-year period beginning on the date on which the system enters operation.

(iii) Timing of adjustments

Adjustments to service fees described in clause (i) shall be made—

(I) initially, at the time at which initial development costs of the system have been recovered by the Administrator such that the service fee may be reduced to reflect the elimination of the system development component of the fee; and

(II) periodically thereafter, upon receipt and acceptance of the findings of any annual accounting or auditing report under subsection (d)(3), if the report discloses a significant disparity for a fiscal year between the funds collected from service fees under this subsection for the fiscal year and expenditures made for the fiscal year to provide system-related services.

(4) Crediting and availability of fees

Fees authorized under this section shall be collected and available for obligation only to the extent and in the amount provided in advance in appropriations Acts.

(d) Hazardous Waste Electronic Manifest System Fund

(1) Establishment

There is established in the Treasury of the United States a revolving fund, to be known as the “Hazardous Waste Electronic Manifest System Fund”, consisting of such amounts as are deposited in the Fund under subsection (c)(2) of this section.
(2) Expenditures from Fund

(A) In general

Only to the extent provided in advance in appropriations Acts, on request by the Administrator, the Secretary of the Treasury shall transfer from the Fund to the Administrator amounts appropriated to pay costs incurred in developing, operating, maintaining, and upgrading the system under subsection (c).

(B) Use of funds by Administrator

Fees collected by the Administrator and deposited in the Fund under this section shall be available to the Administrator subject to appropriations Acts for use in accordance with this section without fiscal year limitation.

(C) Oversight of funds

The Administrator shall carry out all necessary measures to ensure that amounts in the Fund are used only to carry out the goals of establishing, operating, maintaining, upgrading, managing, supporting, and overseeing the system.

(3) Accounting and auditing

(A) Accounting

For each 2-fiscal-year period, the Administrator shall prepare and submit to the Committee on Environment and Public Works and the Committee on Appropriations of the Senate and the Committee on Energy and Commerce and the Committee on Appropriations of the House of Representatives a report that includes—

(i) an accounting of the fees paid to the Administrator under subsection (c) and disbursed from the Fund for the period covered by the report, as reflected by financial statements provided in accordance with—

(I) the Chief Financial Officers Act of 1990 (Public Law 101–576; 104 Stat. 2838) and amendments made by that Act; and

(II) the Government Management Reform Act of 1994 (Public Law 103–356; 108 Stat. 3410) and amendments made by that Act; and

(ii) an accounting describing actual expenditures from the Fund for the period covered by the report for costs described in subsection (c)(1).

(B) Auditing

(i) In general

For the purpose of section 3515(c) of title 31, the Fund shall be considered a component of an Executive agency.

(ii) Components of audit

The annual audit required in accordance with sections 3515(b) and 3521 of title 31 of the financial statements of activities carried out using amounts from the Fund shall include an analysis of—

(I) the fees collected and disbursed under this section;

(II) the reasonableness of the fee structure in place as of the date of the audit to meet current and projected costs of the system;

(III) the level of use of the system by users; and

(IV) the success to date of the system in operating on a self-sustaining basis and improving the efficiency of tracking waste shipments and transmitting waste shipment data.

(iii) Federal responsibility

The Inspector General of the Environmental Protection Agency shall—

(I) conduct the annual audit described in clause (ii); and

(II) submit to the Administrator a report that describes the findings and recommendations of the Inspector General resulting from the audit.

(e) Contracts

(1) Authority to enter into contracts funded by service fees

After consultation with the Secretary of Transportation, the Administrator may enter into 1 or more information technology contracts with entities determined to be appropriate by the Administrator (referred to in this subsection as “contractors”) for the provision of system-related services.

(2) Term of contract

A contract awarded under this subsection shall have a term of not more than 10 years.

(3) Achievement of goals

The Administrator shall ensure, to the maximum extent practicable, that a contract awarded under this subsection—

(A) is performance-based;

(B) identifies objective outcomes; and

(C) contains performance standards that may be used to measure achievement and goals to evaluate the success of a contractor in performing under the contract and the right of the contractor to payment for services under the contract, taking into consideration that a primary measure of successful performance shall be the development of a hazardous waste electronic manifest system that—

(i) meets the needs of the user community (including States that rely on data contained in manifests);

(ii) attracts sufficient user participation and service fee revenues to ensure the viability of the system;

(iii) decreases the administrative burden on the user community; and

(iv) provides the waste receipt data applicable to the biennial reports required by section 6922(a)(6) of this title.

(4) Payment structure

Each contract awarded under this subsection shall include a provision that specifies—

(A) the service fee structure of the contractor that will form the basis for payments to the contractor; and

(B) the fixed-share ratio of monthly service fee revenues from which the Administrator shall reimburse the contractor for
§ 6939g

(f) Hazardous Waste Electronic Manifest System Advisory Board

(1) Establishment

Not later than 3 years after October 5, 2012, the Administrator shall establish a board to be known as the “Hazardous Waste Electronic Manifest System Advisory Board”.

(2) Composition

The Board shall be composed of 9 members, of which—

(A) 1 member shall be the Administrator (or a designee), who shall serve as Chairperson of the Board; and

(B) 8 members shall be individuals appointed by the Administrator—

(i) at least 2 of whom shall have expertise in information technology;

(ii) at least 3 of whom shall have experience in using or represent users of the manifest system to track the transportation of hazardous waste under this subchapter (or an equivalent State program); and

(iii) at least 3 of whom shall be a State representative responsible for processing those manifests.

(3) Duties

The Board shall meet annually to discuss, evaluate the effectiveness of, and provide recommendations to the Administrator relating to, the system.

(g) Regulations

(1) Promulgation

(A) In general

Not later than 1 year after October 5, 2012, after consultation with the Secretary of Transportation, the Administrator shall promulgate regulations to carry out this section.

(B) Inclusions

The regulations promulgated pursuant to subparagraph (A) may include such requirements as the Administrator determines to be necessary to facilitate the transition from the use of paper manifests to the use of electronic manifests, or to accommodate the processing of data from paper manifests in the electronic manifest system, including a requirement that users of paper manifests submit to the system copies of the paper manifests for data processing purposes.

(C) Requirements

The regulations promulgated pursuant to subparagraph (A) shall ensure that each electronic manifest provides, to the same extent as paper manifests under applicable Federal and State law, for—

(i) the ability to track and maintain legal accountability of—

(I) the person that certifies that the information provided in the manifest is accurately described; and

(II) the person that acknowledges receipt of the manifest;

(ii) if the manifest is electronically submitted, State authority to access paper printout copies of the manifest from the system; and

(iii) access to all publicly available information contained in the manifest.

(2) Effective date of regulations

Any regulation promulgated by the Administrator under paragraph (1) and in accordance with section 6923 of this title relating to electronic manifesting of hazardous waste shall take effect in each State as of the effective date specified in the regulation.

(3) Administration

The Administrator shall carry out regulations promulgated under this subsection in each State unless the State program is fully authorized to carry out such regulations in lieu of the Administrator.

(h) Requirement of compliance with respect to certain States

In any case in which the State in which waste is generated, or the State in which waste will be transported to a designated facility, requires that the waste be tracked through a hazardous waste manifest, the designated facility that receives the waste shall, regardless of the State in which the facility is located—

(1) complete the facility portion of the applicable manifest;

(2) sign and date the facility certification; and

(3) submit to the system a final copy of the manifest for data processing purposes.

(i) Authorization for start-up activities

There are authorized to be appropriated $2,000,000 for each of fiscal years 2013 through 2015 for start-up activities to carry out this section, to be offset by collection of user fees under subsection (c) such that all such appropriated funds are offset by fees as provided in subsection (c).


REFERENCES IN TEXT

The objectives of this subchapter are to assist in developing and encouraging methods for the disposal of solid waste which are environmentally sound and which maximize the utilization of valuable resources including energy and materials which are recoverable from solid waste and to encourage resource conservation. Such objectives are to be accomplished through Federal technical and financial assistance to States or regional authorities for comprehensive planning pursuant to Federal guidelines designed to foster cooperation among Federal, State, and local governments and private industry. In developing such comprehensive plans, it is the intention of this chapter that in determining the size of the waste-to-energy facility, adequate provision shall be given to the present and reasonably anticipated future needs, including those needs created by thorough implementation of section 6962(h) of this title, of the recycling and resource recovery interest within the area encompassed by the planning process.


Prior Provisions

Provisions similar to those in this section were contained in section 3254 of this title, prior to the general amendment of the Solid Waste Disposal Act by Pub. L. 94–580.

Amendments

1984—Pub. L. 98–616, §501(f)(1), inserted “, including those needs created by thorough implementation of section 6962(h) of this title,”. Pub. L. 98–616, §301(a), inserted at end “In developing such comprehensive plans, it is the intention of this chapter that in determining the size of the waste-to-energy facility, adequate provision shall be given to the present and reasonably anticipated future needs of the recycling and resource recovery interest within the area encompassed by the planning process.”

1980—Pub. L. 96–482 included as an objective in the disposal of solid waste the utilization of energy and materials recoverable from solid waste.

§ 6941a. Energy and materials conservation and recovery; Congressional findings

The Congress finds that—

(1) significant savings could be realized by conserving materials in order to reduce the volume or quantity of material which ultimately becomes waste;

(2) solid waste contains valuable energy and material resources which can be recovered and used thereby conserving increasingly scarce and expensive fossil fuels and virgin materials;

(3) the recovery of energy and materials from municipal waste, and the conservation of energy and materials contributing to such waste streams, can have the effect of reducing the volume of the municipal waste stream and the burden of disposing of increasing volumes of solid waste;

(4) the technology to conserve resources exists and is commercially feasible to apply;

(5) the technology to recover energy and materials from solid waste is of demonstrated commercial feasibility; and

(6) various communities throughout the nation have different needs and different potentials for conserving resources and for utilizing techniques for the recovery of energy and materials from waste, and Federal assistance in planning and implementing such energy and materials conservation and recovery programs should be available to all such communities on an equitable basis in relation to their needs and potential.


Codification

Section was enacted as part of the Solid Waste Disposal Act Amendments of 1980, and not as part of the Solid Waste Disposal Act which comprises this chapter.

§ 6942. Federal guidelines for plans

(a) Guidelines for identification of regions

For purposes of encouraging and facilitating the development of regional planning for solid waste management, the Administrator, within one hundred and eighty days after October 21, 1976, and after consultation with appropriate Federal, State, and local authorities, shall by regulation publish guidelines for the identification of those areas which have common solid waste management problems and are appropriate units for planning regional solid waste management services. Such guidelines shall consider—

(1) the size and location of areas which should be included, and

(2) the volume of solid waste which should be included, and

(3) the available means of coordinating regional planning with other related regional planning and for coordination of such regional planning into the State plan.

(b) Guidelines for State plans

Not later than eighteen months after October 21, 1976, and after notice and hearing, the Administrator shall, after consultation with appropriate Federal, State, and local authorities, promulgate regulations containing guidelines to assist in the development and implementation of State solid waste management plans (hereinafter in this chapter referred to as “State plans”). The guidelines shall contain methods for achieving the objectives specified in section 6941 of this title. Such guidelines shall be reviewed from time to time, but not less frequently than every three years, and revised as may be appropriate.

(c) Considerations for State plan guidelines

The guidelines promulgated under subsection (b) shall consider—
§ 6943. Requirements for approval of plans

(a) Minimum requirements

In order to be approved under section 6947 of this title, each State plan must comply with the following minimum requirements—

(1) The plan shall identify (in accordance with section 6946(b) of this title) (A) the responsibilities of State, local, and regional authorities in the implementation of the State plan, (B) the distribution of Federal funds to the authorities responsible for development and implementation of the State plan, and (C) the means for coordinating regional planning and implementation under the State plan.

(2) The plan shall, in accordance with sections 6944(b) and 6945(a) of this title, prohibit the establishment of new open dumps within the State, and contain requirements that all solid waste (including solid waste originating in other States, but not including hazardous waste) shall be (A) utilized for resource recovery or (B) disposed of in sanitary landfills (within the meaning of section 6944(a) of this title) or otherwise disposed of in an environmentally sound manner.

(3) The plan shall provide for the closing or upgrading of all existing open dumps within the State pursuant to the requirements of section 6945 of this title.

(4) The plan shall provide for the establishment of such State regulatory powers as may be necessary to implement the plan.

(5) The plan shall provide that no State or local government within the State shall be prohibited under State or local law from negotiating and entering into long-term contracts for the supply of solid waste to resource recovery facilities, from entering into long-term contracts for the operation of such facilities, or from securing long-term markets for material and energy recovered from such facilities or for conserving materials or energy by reducing the volume of waste.

(6) The plan shall provide for such resource conservation or recovery and for the disposal of solid waste in sanitary landfills or any combination of practices so as may be necessary to use or dispose of such waste in a manner that is environmentally sound.

(b) Discretionary plan provisions relating to recycled oil

Any State plan submitted under this subchapter may include, at the option of the State, provisions to carry out each of the following:

(1) Encouragement, to the maximum extent feasible and consistent with the protection of the public health and the environment, of the use of recycled oil in all appropriate areas of State and local government.

(2) Encouragement of persons contracting with the State to use recycled oil to the maximum extent feasible, consistent with protection of the public health and the environment.

(3) Informing the public of the uses of recycled oil.

(4) Establishment and implementation of a program (including any necessary licensing of persons and including the use, where appropriate, of manifests) to assure that used oil is collected, transported, treated, stored, reused, and disposed of, in a manner which does not present a hazard to the public health or the environment.

Any plan submitted under this chapter before October 15, 1980, may be amended, at the option of the State, at any time after such date to include any provision referred to in this subsection.

(c) Energy and materials conservation and recovery feasibility planning and assistance

(1) A State which has a plan approved under this subchapter or which has submitted a plan...
for such approval shall be eligible for assistance under section 6948(a)(3) of this title if the Administrator determines that under such plan the State will—

(A) analyze and determine the economic and technical feasibility of facilities and programs to conserve resources which contribute to the waste stream or to recover energy and materials from municipal waste;

(B) analyze the legal, institutional, and economic impediments to the development of systems and facilities for conservation of energy or materials which contribute to the waste stream or for the recovery of energy and materials from municipal waste and make recommendations to appropriate governmental authorities for overcoming such impediments;

(C) assist municipalities within the State in developing plans, programs, and projects to conserve resources or recover energy and materials from municipal waste; and

(D) coordinate the resource conservation and recovery planning under subparagraph (C).

(2) The analysis referred to in paragraph (1)(A) shall include—

(A) the evaluation of, and establishment of priorities among, market opportunities for industrial and commercial users of all types (including public utilities and industrial parks) to utilize energy and materials recovered from municipal waste;

(B) comparisons of the relative costs of energy recovered from municipal waste in relation to the costs of energy derived from fossil fuels and other sources;

(C) studies of the transportation and storage problems and other problems associated with the development of energy and materials recovery technology, including curbside source separation;

(D) the evaluation and establishment of priorities among ways of conserving energy or materials which contribute to the waste stream;

(E) comparison of the relative total costs between conserving resources and disposing of or recovering such waste; and

(F) studies of impediments to resource conservation or recovery, including business practices, transportation requirements, or storage difficulties.

Such studies and analyses shall also include studies of other sources of solid waste from which energy and materials may be recovered or minimized.

(d) Size of waste-to-energy facilities

Notwithstanding any of the above requirements, it is the intention of this chapter and the planning process developed pursuant to this chapter that in determining the size of the waste-to-energy facility, adequate provision shall be given to the present and reasonably anticipated future needs of the recycling and resource recovery interest within the area encompassed by the planning process.


CODIFICATION

Another section 5(b) of Pub. L. 96-463 amended section 6948 of this title.

AMENDMENTS

1984—Subsecs. (b), (c). Pub. L. 98-616, §502(b), redesignated the subsec. (b) entitled energy and materials conservation and recovery feasibility planning and assistance, as subsec. (c).


Subsec. (a)(2). Pub. L. 96-482, §18(a), substituted reference to sections 6944(b) and 6945(a) of this title for reference to section 6945(c) of this title.

Subsec. (a)(5). Pub. L. 96-482, §§18(b), 32(d)(1), substituted “State or local government” for “local government” and required State plan recognition of right to enter into long-term contracts for operation of resource recovery facilities and to secure long-term contracts for materials conservation and recovery services and to negotiate long-term contracts and to negotiate and enter into such contracts for conserving materials and energy by reducing the volume of waste.

Subsec. (b). Pub. L. 96-482, §5(b), added subsec. (b) relating to discretionary plan provisions for recovered oil.

Pub. L. 96-482, §32(d)(2), added subsec. (b) relating to energy and materials conservation and recovery feasibility planning and assistance.

§ 6944. Criteria for sanitary landfills; sanitary landfills required for all disposal

(a) Criteria for sanitary landfills

Not later than one year after October 21, 1976, after consultation with the States, and after notice and public hearings, the Administrator shall promulgate regulations containing criteria for determining which facilities shall be classified as sanitary landfills and which shall be classified as open dumps within the meaning of this chapter. At a minimum, such criteria shall provide that a facility may be classified as a sanitary landfill and not an open dump only if there is no reasonable probability of adverse effects on health or the environment from disposal of solid waste at such facility. Such regulations may provide for the classification of the types of sanitary landfills.

(b) Disposal required to be in sanitary landfills, etc.

For purposes of complying with section 6943(2) of this title each State plan shall prohibit the establishment of open dumps and contain a requirement that disposal of all solid waste within the State shall be in compliance with such section 6943(2) of this title.

(c) Effective date

The prohibition contained in subsection (b) shall take effect on the date six months after the date of promulgation of regulations under subsection (a).


1 See References in Text note below.
§ 6945

Upgrading of open dumps

(a) Closing or upgrading of existing open dumps

Upon promulgation of criteria under section 6907(a)(3) of this title, any solid waste management practice or disposal of solid waste or hazardous waste which constitutes the open dumping of solid waste or hazardous waste is prohibited, except in the case of any practice or disposal of solid waste under a timetable or schedule for compliance established under this section. The prohibition contained in the preceding sentence shall be enforceable under section 6972 of this title against persons engaged in the act of open dumping. For purposes of complying with section 6943(a)(2) and 6943(a)(3) of this title, each State plan shall contain a requirement that all existing disposal facilities or sites for solid waste in such State which are open dumps listed in the inventory under subsection (b) shall comply with such measures as may be promulgated by the Administrator to eliminate health hazards and minimize potential health hazards. Each such plan shall establish, for any entity which demonstrates that it has considered other public or private alternatives for solid waste management to comply with the prohibition on open dumping and is unable to utilize such alternatives to so comply, a timetable or schedule for compliance for such practice or disposal of solid waste which specifies a schedule of remedial measures, including an enforceable sequence of actions or operations, leading to compliance with the prohibition on open dumping of solid waste within a reasonable time (not to exceed 5 years from the date of publication of criteria under section 6907(a)(3) of this title).

(b) Inventory

To assist the States in complying with section 6943(a)(3) of this title, not later than one year after promulgation of regulations under section 6944 of this title, the Administrator, with the cooperation of the Bureau of the Census shall publish an inventory of all disposal facilities or sites in the United States which are open dumps within the meaning of this chapter.

(c) Control of hazardous disposal

(1)Not later than 36 months after November 8, 1984, each State shall adopt and implement a permit program or other system of prior approval and conditions to assure that each solid waste management facility within such State which may receive hazardous household waste or hazardous waste due to the provision of section 6921(d) of this title for small quantity generators (otherwise not subject to the requirement for a permit under section 6925 of this title) will comply with the applicable criteria promulgated under section 6944(a) and 6907(a)(3) of this title.

(2) Not later than eighteen months after the promulgation of revised criteria under subsection (1), the Administrator shall determine whether each State has developed an adequate program under this chapter. The Administrator may make such a determination in conjunction with approval, or partial approval of a State plan under section 6947 of this title.

(d) State programs for control of coal combustion residuals

(1) Approval by Administrator

(A) In general

Each State may submit to the Administrator, in such form as the Administrator may establish, evidence of a permit program or other system of prior approval and conditions under State law for regulation by the State of coal combustion residuals units that are located in the State. Each such program submitted shall be deemed to include criteria promulgated by the Administrator for each of those States.

(B) In lieu of regulation of coal combustion residuals units in the State by—

(1) application of part 257 of title 40, Code of Federal Regulations (or successor regulations promulgated pursuant to sections 6907(a)(3) and 6944(a) of this title); or

1 So in original. Probably should be “section”.

2 So in original. Probably should be “of”. 11
(ii) implementation by the Administrator of a permit program under paragraph (2)(B).

(B) Requirement

Not later than 180 days after the date on which a State submits the evidence described in subparagraph (A), the Administrator, after public notice and an opportunity for public comment, shall approve, in whole or in part, a permit program or other system of prior approval and conditions submitted under subparagraph (A) if the Administrator determines that the program or other system requires each coal combustion residuals unit located in the State to achieve compliance with—

(i) the applicable criteria for coal combustion residuals units under part 257 of title 40, Code of Federal Regulations (or successor regulations promulgated pursuant to sections 6907(a)(3) and 6944(a) of this title); or

(ii) such other State criteria that the Administrator, after consultation with the State, determines to be at least as protective as the criteria described in clause (i).

(C) Permit requirements

The Administrator shall approve under subparagraph (B)(ii) a State permit program or other system of prior approval and conditions that allows a State to include technical standards for individual permits or conditions of approval that differ from the criteria under part 257 of title 40, Code of Federal Regulations (or successor regulations promulgated pursuant to sections 6907(a)(3) and 6944(a) of this title) if, based on site-specific conditions, the Administrator determines that the technical standards established pursuant to a State permit program or other system are at least as protective as the criteria under that part.

(D) Program review and notification

(1) Program review

The Administrator shall review a State permit program or other system of prior approval and conditions that is approved under subparagraph (B),—

(I) from time to time, as the Administrator determines necessary, but not less frequently than once every 12 years;

(II) not later than 3 years after the date on which the Administrator revises the applicable criteria for coal combustion residuals units under part 257 of title 40, Code of Federal Regulations (or successor regulations promulgated pursuant to sections 6907(a)(3) and 6944(a) of this title); and

(III) not later than 1 year after the date of a significant release (as defined by the Administrator), that was not authorized at the time the release occurred, from a coal combustion residuals unit located in the State.

(2) Nonparticipating states

(A) Definition of nonparticipating State

In this paragraph, the term “nonparticipating State” means a State—

(i) for which the Administrator has not approved a State permit program or other system of prior approval and conditions under paragraph (1)(B); and

(ii) the Governor of which has not submitted to the Administrator for approval evidence to operate a State permit program or other system of prior approval and conditions under paragraph (1)(A);
(iii) the Governor of which provides notice to the Administrator that, not fewer than 90 days after the date on which the Governor provides the notice to the Administrator, the State will relinquish an approval under paragraph (1)(B) to operate a permit program or other system of prior approval and conditions; or

(iv) for which the Administrator has withdrawn approval for a permit program or other system of prior approval and conditions under paragraph (1)(B).

(B) Implementation of permit program

In the case of a nonparticipating State and subject to the availability of appropriations specifically provided in an appropriations Act to carry out a program in a nonparticipating State, the Administrator shall implement a permit program to require each coal combustion residuals unit located in the nonparticipating State to achieve compliance with applicable criteria established by the Administrator under part 257 of title 40, Code of Federal Regulations (or successor regulations promulgated pursuant to sections 6907(a)(3) and 6944(a) of this title), shall apply to each coal combustion residuals unit in a State unless—

(A) a permit under a State permit program or other system of prior approval and conditions approved by the Administrator under paragraph (1)(B) is in effect for the coal combustion residuals unit; or

(B) a permit issued by the Administrator in a State in which the Administrator is implementing a permit program under paragraph (2)(B) is in effect for the coal combustion residuals unit.

(4) Prohibition on open dumping

(A) In general

The Administrator may use the authority provided by sections 6927 and 6928 of this title to enforce the prohibition on open dumping under subsection (a) with respect to a coal combustion residuals unit—

(i) in a nonparticipating State (as defined in paragraph (2)); and

(ii) located in a State that is approved to operate a permit program or other system of prior approval and conditions under paragraph (1)(B), in accordance with subparagraph (B) of this paragraph.

(B) Federal enforcement in an approved State

(i) In general

In the case of a coal combustion residuals unit located in a State that is approved to operate a permit program or other system of prior approval and conditions under paragraph (1)(B), the Administrator may commence an administrative or judicial enforcement action under section 6928 of this title if—

(I) the State requests that the Administrator provide assistance in the performance of an enforcement action; or

(II) after consideration of any other administrative or judicial enforcement action involving the coal combustion residuals unit, the Administrator determines that an enforcement action is likely to be necessary to ensure that the coal combustion residuals unit is operating in accordance with the criteria established under the permit program or other system of prior approval and conditions.

(ii) Notification

In the case of an enforcement action by the Administrator under clause (I)(II), before issuing an order or commencing a civil action, the Administrator shall notify the State in which the coal combustion residuals unit is located.

(iii) Annual report to Congress

(I) In general

Subject to subclause (II), not later than December 31, 2017, and December 31 of each year thereafter, the Administrator shall submit to the Committee on Environment and Public Works of the Senate and the Committee on Energy and Commerce of the House of Representatives a report that describes any enforcement action commenced under clause (i), including a description of the basis for the enforcement action.

(II) Applicability

Subclause (I) shall not apply for any calendar year during which the Administrator does not commence an enforcement action under clause (I).

(5) Indian country

The Administrator shall establish and carry out a permit program, in accordance with this subsection, for coal combustion residuals units in Indian country (as defined in section 1151 of title 18) to require each coal combustion residuals unit located in Indian country to achieve compliance with the applicable criteria established by the Administrator under part 257 of title 40, Code of Federal Regulations (or successor regulations promulgated pursuant to sections 6907(a)(3) and 6944(a) of this title).

(6) Treatment of coal combustion residuals units

A coal combustion residuals unit shall be considered to be a sanitary landfill for purposes of this chapter, including subsection (a), only if the coal combustion residuals unit is operating in accordance with—

(A) the requirements of a permit issued by—

(i) the State in accordance with a program or system approved under paragraph (1)(B); or

(ii) the Administrator pursuant to paragraph (2)(B) or paragraph (5); or

(B) the applicable criteria for coal combustion residuals units under part 257 of title 40,
Code of Federal Regulations (or successor regulations promulgated pursuant to sections 6907(a)(3) and 6944(a) of this title).

(7) Effect of subsection

Nothing in this subsection affects any authority, regulatory determination, other law, or legal obligation in effect on the day before December 16, 2016.


CODIFICATION

Another section 19(b) of Pub. L. 96–482 amended section 6946 of this title.

AMENDMENTS


1984—Subsec. (a), Pub. L. 98–616, § 403(c), inserted after final sentence “The prohibition contained in the preceding sentence shall be enforceable under section 6972 of this title against persons engaged in the act of open dumping.”

(Pub. L. 98–616, § 502(c), inserted a closing parenthesis before the period at end.

Subsec. (c), Pub. L. 98–616, § 502(c), added subsec. (c).

1981—Subsec. (a). Pub. L. 96–482, § 19(a), (b), struck out subsec. (a) which defined “open dump”, which is covered in section 6903(14) of this title, redesignated subsec. (c) as (a) and substituted “Upon promulgation of criteria under section 6907(a)(3) of this title, any” for “Any”, “section 6943(a)(2) and 6943(a)(3) of this title” for “section 6943(2) of this title”, and “criteria under section 6907(a)(3) of this title” for “the inventory under subsection (b)’.”

Amendment by section 19(b)(1) of Pub. L. 96–482, directing that following reference to “4003(2)”, which had been editorially translated as section 6943(2) of this title, the phrase “and 4003(3)” be inserted, was executed by translating “4003(2) and 4003(3)” as section 6943(a)(2) and 6943(a)(3) of this title, in view of the designation of the existing provisions of section 6943 of this title as subsec. (a) of section 6943 of this title by section 5(b) of Pub. L. 96–463 and also by section 32(d)(2) of Pub. L. 96–482.

Subsec. (b), Pub. L. 96–482, § 19(b)(2), inserted introductory phrase “To assist the States in complying with section 6943(a)(3) of this title”. Amendment referring to section “4003(3)” was executed by translating “4003(3)” as section 6943(a)(3) of this title, in view of the designation of the existing provisions of section 6943 of this title as subsec. (a) of section 6943 of this title by section 5(b) of Pub. L. 96–463 and also by section 32(d)(2) of Pub. L. 96–482.

Subsec. (c), Pub. L. 96–482, § 19(a), redesignated subsec. (c) as (a).

TRANSFER OF FUNCTIONS

For transfer of certain enforcement functions of Administrator or other official of Environmental Protection Agency under this chapter to Federal Inspector, Office of Federal Inspector for the Alaska Natural Gas Transportation System, and subsequent transfer to Secretary of Energy, then to Federal Coordinator for Alaska Natural Gas Transportation Projects, see note set out under section 6920 of this title.

§ 6946. Procedure for development and implementation of State plan

(a) Identification of regions

Within one hundred and eighty days after publication of guidelines under section 6942(a) of this title (relating to identification of regions), the Governor of each State, after consultation with local elected officials, shall promulgate regulations based on such guidelines identifying the boundaries of each area within the State which, as a result of urban concentrations, geographic conditions, markets, and other factors, is appropriate for carrying out regional solid waste management. Such regulations may be modified from time to time (identifying additional or different regions) pursuant to such guidelines.

(b) Identification of State and local agencies and responsibilities

(1) Within one hundred and eighty days after the Governor promulgates regulations under subsection (a), for purposes of facilitating the development and implementation of a State plan which will meet the minimum requirements of section 6943 of this title, the State, together with appropriate elected officials of general purpose units of local government, shall jointly (A) identify an agency to develop the State plan and identify one or more agencies to implement such plan, and (B) identify which solid waste management activities will, under such State plan, be planned for and carried out by the State and which such management activities will, under such State plan, be planned for and carried out by a regional or local authority or a combination of regional or local and State authorities. If a multi-functional regional agency authorized by State law to conduct solid waste planning and management (the members of which are appointed by the Governor) is in existence on October 21, 1976, the Governor shall identify such authority for purposes of carrying out within such region clause (A) of this paragraph. Where feasible, designation of the agency for the affected area designated under section 1288 of title 33 shall be considered. A State agency identified under this paragraph shall be established or designated by the Governor of such State. Local or regional agencies identified under this paragraph shall be composed of individuals at least a majority of whom are elected local officials.

(2) If planning and implementation agencies are not identified and designated or established as required under paragraph (1) for any affected area, the governor shall, before the date two hundred and seventy days after promulgation of regulations under subsection (a), establish or designate a State agency to develop and implement the State plan for such area.

(c) Interstate regions

(1) In the case of any region which, pursuant to the guidelines published by the Administrator under section 6942(a) of this title (relating to identification of regions), would be located in two or more States, the Governors of the respective States, after consultation with local elected officials, shall consult, cooperate, and enter into agreements identifying the boundaries of such region pursuant to subsection (a).

(2) Within one hundred and eighty days after an interstate region is identified by agreement under paragraph (1), appropriate elected officials of general purpose units of local government within such region shall jointly establish or design-
§6947. Approval of State plan; Federal assistance

(a) Plan approval

The Administrator shall, within six months after a State plan has been submitted for approval, approve or disapprove the plan. The Administrator shall approve a plan if he determines that—

(1) it meets the requirements of paragraphs (1), (2), (3), and (5) of section 6943(a) of this title; and

(2) it contains provision for revision of such plan, after notice and public hearing, whenever the Administrator, by regulation, determines that—

(A) that revised regulations respecting minimum requirements have been promulgated under paragraphs (1), (2), (3), and (5) of section 6943(a) of this title with which the State plan is not in compliance;

(B) that information has become available which demonstrates the inadequacy of the plan to effectuate the purposes of this subchapter; or

(C) that such revision is otherwise necessary.

The Administrator shall review approved plans from time to time and if he determines that revision or corrections are necessary to bring such plan into compliance with the minimum requirements promulgated under section 6943 of this title (including new or revised requirements), he shall, after notice and opportunity for public hearing, withdraw his approval of such plan. Such withdrawal of approval shall cease to be effective upon the Administrator's determination that such complies with such minimum requirements.

(b) Eligibility of States for Federal financial assistance

(1) The Administrator shall approve a State application for financial assistance under this subchapter, and make grants to such State, if such State and local and regional authorities within such State have complied with the requirements of section 6946 of this title within the period required under such section and if such State has a State plan which has been approved by the Administrator under this subchapter.

(2) The Administrator shall approve a State application for financial assistance under this subchapter, and make grants to such State, for fiscal years 1978 and 1979 if the Administrator determines that the State plan continues to be eligible for approval under subsection (a) and is being implemented by the State.

(3) Upon withdrawal of approval of a State plan under subsection (a), the Administrator shall withhold Federal financial and technical assistance under this subchapter (other than such technical assistance as may be necessary to assist in obtaining the reinstatement of approval) until such time as such approval is reinstated.

(c) Existing activities

Nothing in this subchapter shall be construed to prevent or affect any activities respecting solid waste planning or management which are carried out by State, regional, or local authorities unless such activities are inconsistent with a State plan approved by the Administrator under this subchapter.

Amendments

1996—Subsec. (a)(1), (2)(A). Pub. L. 104–119 substituted "section 6943(a) of this title" for "section 6943 of this title".


Transfer of Functions

For transfer of certain enforcement functions of Administrator or other official of Environmental Protection Agency under this chapter to Federal Inspector, Office of Federal Inspector for the Alaska Natural Gas Transportation System, and subsequent transfer to Secretary of Energy, then to Federal Coordinator for Alaska Natural Gas Transportation Projects, see note set out under section 6903 of this title.
§ 6948. Federal assistance

(a) Authorization of Federal financial assistance

(1) There are authorized to be appropriated $30,000,000 for fiscal year 1978, $40,000,000 for fiscal year 1979, $20,000,000 for fiscal year 1980, $15,000,000 for fiscal year 1981, $20,000,000 for the fiscal year 1982, and $10,000,000 for each of the fiscal years 1983 through 1988 for purposes of financial assistance to States and local, regional, and interstate authorities for the development and implementation of plans approved by the Administrator under this subchapter (other than the provisions of such plans referred to in section 6943(b)) of this title, relating to feasibility planning for municipal waste energy and materials conservation and recovery.

(2)(A) The Administrator is authorized to provide financial assistance to States, counties, municipalities, and intermunicipal agencies and State and local public solid waste management authorities for implementation of programs to provide solid waste management, resource recovery, and resource conservation services and hazardous waste management. Such assistance shall include assistance for facility planning and feasibility studies; expert consultation; surveys and analyses of market needs; marketing of recovered resources; technology assessments; legal expenses; construction feasibility studies; source separation projects; and fiscal or economic investigations or studies; but such assistance shall not include any other element of construction, or any acquisition of land or interest in land, or any subsidy for the price of recovered resources. Agencies assisted under this subsection shall consider existing solid waste management and hazardous waste management services and facilities as well as facilities proposed for construction.

(B) An applicant for financial assistance under this paragraph must agree to comply with requirements of section 6945 of this title and subchapter III of this chapter and apply applicable solid waste management practices, methods, and levels of control consistent with any guidelines published pursuant to section 6907 of this title. Assistance under this paragraph shall be available only for programs certified by the State to be consistent with any applicable State or areawide solid waste management plan or program. Applicants for technical and financial assistance under this section shall not preclude or foreclose consideration of programs for the recovery of recyclable materials through source separation or other resource recovery techniques.

(C) There are authorized to be appropriated $15,000,000 for each of the fiscal years 1978 and 1979 for purposes of this section. There are authorized to be appropriated $10,000,000 for fiscal year 1980, $10,000,000 for fiscal year 1981, $10,000,000 for fiscal year 1982, and $10,000,000 for each of the fiscal years 1983 through 1988 for purposes of this paragraph.

(D) There are authorized—

(i) to be made available $15,000,000 out of funds appropriated for fiscal year 1985, and

(ii) to be appropriated for each of the fiscal years 1986 through 1988, $20,000,000.

for grants to States (and where appropriate to regional, local, and interstate agencies) to implement programs requiring compliance by solid waste management facilities with the criteria promulgated under section 6944(a) of this title and section 6907(a)(3) of this title and with the provisions of section 6943 of this title. To the extent practicable, such programs shall require such compliance not later than thirty-six months after November 8, 1984.

(3)(A) There is authorized to be appropriated for the fiscal year beginning October 1, 1981, and for each fiscal year thereafter before October 1, 1986, $4,000,000 for purposes of making grants to States to carry out section 6943(b) of this title. No amount may be appropriated for such purposes for the fiscal year beginning on October 1, 1986, or for any fiscal year thereafter.

(B) Assistance provided by the Administrator under this paragraph shall be used only for the purposes specified in section 6943(b) of this title. Such assistance may not be used for purposes of land acquisition, final facility design, equipment purchase, construction, startup or operation activities.

(C) Where appropriate, any State receiving assistance under this paragraph may make all or any part of such assistance available to municipalities within the State to carry out the activities specified in section 6943(b)(1)(A) and (B) of this title.

(b) State allotment

The sums appropriated in any fiscal year under subsection (a)(1) shall be allotted by the Administrator among all States, in the ratio that the population in each State bears to the population in all of the States, except that no State shall receive less than one-half of 1 per centum of the sums so allotted in any fiscal year. No State shall receive any grant under this section during any fiscal year when its expenditures of non-Federal funds for other than non-recurrent expenditures for solid waste management control programs will be less than its expenditures were for such programs during fiscal year 1975, except that such funds may be reduced by an amount equal to their proportionate share of any general reduction of State spending ordered by the Governor or legislature of such State. No State shall receive any grant for solid waste management programs unless the Administrator is satisfied that such grant will be so used as to supplement and, to the extent practicable, increase the level of State, local, regional, or other non-Federal funds that would in the absence of such grant be made available for the maintenance of such programs.

(c) Distribution of Federal financial assistance within the State

The Federal assistance allotted to the States under subsection (b) shall be allocated by the State receiving such funds to State, local, regional, and interstate authorities carrying out planning and implementation of the State plan.

Footnotes:
1 See References in Text note below.
2 So in original. Probably should be “through”.
3 So in original. Probably should be followed by a comma.
Such allocation shall be based upon the responsibilities of the respective parties as determined pursuant to section 6946(b) of this title.

(d) Technical assistance

(1) The Administrator may provide technical assistance to State and local governments for purposes of developing and implementing State plans. Technical assistance respecting resource recovery and conservation may be provided through resource recovery and conservation panels, established in the Environmental Protection Agency under subchapter II, to assist the State and local governments with respect to particular resource recovery and conservation projects under consideration and to evaluate their effect on the State plan.

(2) In carrying out this subsection, the Administrator may, upon request, provide technical assistance to States to assist in the removal or modification of legal, institutional, economic, and other impediments to the recycling of used oil. Such impediments may include laws, regulations, and policies, including State procurement policies, which are not favorable to the recycling of used oil.

(3) In carrying out this subsection, the Administrator is authorized to provide technical assistance to States, municipalities, regional authorities, and intermunicipal agencies upon request, to assist in the removal or modification of legal, institutional, and economic impediments which have the effect of impeding the development of systems and facilities to recovery energy and materials from municipal waste or to conserve energy or materials which contribute to the waste stream. Such impediments may include—

(A) laws, regulations, and policies, including State and local procurement policies, which are not favorable to resource conservation and recovery policies, systems, and facilities;

(B) impediments to the financing of facilities to conserve or recover energy and materials from municipal waste through the exercise of State and local authority to issue revenue bonds and the use of State and local credit assistance; and

(C) impediments to institutional arrangements necessary to undertake projects for the conservation or recovery of energy and materials from municipal waste, including the creation of special districts, authorities, or corporations where necessary having the power to secure the supply of waste of a project, to conserve resources, to implement the project, and to undertake related activities.

(e) Special communities

(1) The Administrator, in cooperation with State and local officials, shall identify local governments within the United States (A) having a solid waste disposal facility (i) which is owned by the unit of local government, (ii) for which an order has been issued by the State to cease receiving solid waste for treatment, storage, or disposal, and (iii) which is subject to a State-approved end-use plan, and (B) which are located over an aquifer which is the source of drinking water for any person or public water system and which has serious environmental problems resulting from the disposal of such solid waste, including possible methane migration.

(2) There is authorized to be appropriated to the Administrator $2,500,000 for the fiscal year 1980 and $1,500,000 for each of the fiscal years 1981 and 1982 to make grants to be used for containment and stabilization of solid waste located at the disposal sites referred to in paragraph (1). Not more than one community in any State shall be eligible for grants under this paragraph and not more than one project in any State shall be eligible for such grants. No unit of local government shall be eligible for grants under this paragraph with respect to any site which exceeds 65 acres in size.

(f) Assistance to States for discretionary program for recycled oil

(1) The Administrator may make grants to States, which have a State plan approved under section 6947 of this title, or which have submitted a State plan for approval under such section, if such plan includes the discretionary provisions described in section 6943(b) of this title. Grants under this subsection shall be for purposes of assisting the State in carrying out such discretionary provisions. No grant under this subsection may be used for construction or for the acquisition of land or equipment.

(2) Grants under this subsection shall be allotted among the States in the same manner as provided in the first sentence of subsection (b).

(3) No grant may be made under this subsection unless an application therefor is submitted to, and approved by, the Administrator. The application shall be in such form, be submitted in such manner, and contain such information as the Administrator may require.

(4) For purposes of making grants under this subsection, there are authorized to be appropriated $5,000,000 for fiscal year 1982, $5,000,000 for fiscal year 1983, and $5,000,000 for each of the fiscal years 1984 through 1986.

(g) Assistance to municipalities for energy and materials conservation and recovery planning activities

(1) The Administrator is authorized to make grants to municipalities, regional authorities, and intermunicipal agencies to carry out activities described in subparagraphs (A) and (B) of section 6943(b)(1) of this title. Such grants may be made only pursuant to an application submitted to the Administrator by the municipality which application has been approved by the State and determined by the State to be consistent with any State plan approved or submitted under this subchapter or any other appropriate planning carried out by the State.

(2) There is authorized to be appropriated for the fiscal year beginning October 1, 1981, and for each fiscal year thereafter before October 1, 1986, $5,000,000 for purposes of making grants to municipalities under this subsection. No amount may be appropriated for such purposes for the fiscal year beginning on October 1, 1986, or for any fiscal year thereafter.

(3) Assistance provided by the Administrator under this subsection shall be used only for the purposes specified in paragraph (1). Such assistance may not be used for purposes of land acquisition, final facility design, equipment purchase, construction, startup or operation activities.

REFERENCES IN TEXT

Section 6943(b) of this title, referred to in subsecs. (a)(1), (3) and (g)(1), was redesignated section 6943(c) of this title by Pub. L. 98–616, title V, §502(h), Nov. 8, 1984, 98 Stat. 3277.

MODIFICATION

Section 2(d)–(g) of Pub. L. 98–616, cited as a credit to this section, appears to contain typographical error in that the text of subsec. (f)(1) of section 2007 of the Solid Waste Disposal Act (as added by section 2(d) of Pub. L. 98–616) is also shown as the text of subsec. “(f)(1)” of such section 2. Subsec. (f) of section 2, as set out in the Conference Report (H. Rept. 99–1135) to accompany H.R. 2867 (which became Pub. L. 98–405), reads:

“'(f)(1) Section 4008(e)(2) of the Solid Waste Disposal Act (relating to special communities) is amended by striking out '$1,500,000 for each of the fiscal years 1981 and 1982' and substituting '$5,000,000 for each of the fiscal years 1981 and 1982, and $500,000 for each of the fiscal years 1983 through 1985.'”

Another section 5(b) of Pub. L. 96–462 amended section 6943 of this title.

AMENDMENTS


Subsec. (d)(2), (3). Pub. L. 98–616, §502(d), redesignated second par. (2), relating to recovery of energy and materials from municipal waste, as par. (3).

Subsec. (f). Pub. L. 98–616, §502(e), redesignated second subsec. (f), relating to assistance to municipalities for energy and materials conservation and recovery planning activities, as subsec. (g).


Subsec. (f). Pub. L. 98–616, §502(e), redesignated second subsec. (f), relating to assistance to municipalities for energy and materials conservation and recovery planning activities, as subsec. (g).

1980—Subsec. (a)(1). Pub. L. 98–462, §31(c), authorized appropriations of $20,000,000, $15,000,000, and $20,000,000 for fiscal years, 1980, 1981, and 1982, respectively, and substituted provision making appropriation available for financial assistance to States, and local, regional, and interstate authorities for development and implementation of plans approved by the Administrator, except plans referred to in section 6943(b) of this title, relating to feasibility planning for municipal waste energy and materials conservation and recovery for provision making appropriations available to State for development and implementation of State plans.

Subsec. (a)(2)(B). Pub. L. 98–462, §32(e)(1), provided that applicants for technical and financial assistance shall not preclude or foreclose consideration of programs for recovery of recyclable materials through source separation or other resource recovery techniques.


Subsec. (d)(2). Pub. L. 98–463, §6, added par. (2) authorizing the Administrator to provide technical assistance to States to assist in the removal or modification of legal, institutional, and economic impediments to the recycling of used oil.

Pub. L. 98–462, §32(f), added par. (2) authorizing the Administrator to provide technical assistance to States, municipalities, regional authorities, and interstate authorities to assist in the removal or modification of legal, institutional, and economic impediments which have the effect of impeding the development of systems and facilities to recover energy and materials from municipal waste.

Subsec. (e)(1). Pub. L. 98–462, §20(1)–(5), substituted in provision preceding cl. (A) “identify local governments” for “identify communities”, struck out cl. (A), which required the Administrator to identify populations of less than twenty-five thousand persons, redesignated cl. (B) and (C) as (A) and (B), respectively, in cl. (A) as so redesignated, substituted “a solid waste disposal facility (i) which is owned by the unit of local government, (ii) for which an order has been issued by the State to cease receiving solid waste for treatment, storage, or disposal, and (iii) which is subject to a State-approved end-use recreation plan” for “solid waste disposal facilities in which more than 75 percent of the solid waste of is from areas outside the jurisdiction of the communities” in cl. (B) as so redesignated, substituted “which are located over an aquifer which is the source of drinking water for any person or public water system and which has” for “which have” and inserted “including possible methane migration” after “such solid waste”.

Subsec. (e)(2). Pub. L. 98–462, §20(6)–(8), substituted appropriations authorization of $2,500,000; $1,500,000; and $1,500,000 for fiscal years 1980, 1981, and 1982, for prior authorization of $2,500,000 for fiscal years 1978 and 1979, substituted provision for grants for “containment and stabilization of solid waste located at the disposal sites referred to in paragraph (1)’ for such grants for “the conversion, improvement, or consolidation of existing solid waste disposal facilities, or for the construction of new solid waste disposal facilities, or for both, within communities identified under paragraph (1)’, and prohibited grants to units of local government when site exceeds 65 acres in size.

Subsec. (e)(3). Pub. L. 98–462, §20(9), struck out par. (3) which required that grants to States be made only when the projects are consistent with applicable and approved State plan and will assist in carrying out such plan.

Subsec. (f). Pub. L. 98–463, §5(b), added subsec. (f) relating to assistance to States for discretionary program for recycled oil.

Pub. L. 98–462, §32(e)(3), added subsec. (f) relating to assistance to municipalities for energy and materials conservation and recovery planning activities.

TRANSFER OF FUNCTIONS

For transfer of certain enforcement functions of Administrator or other official of Environmental Protection Agency under this chapter to Federal Inspector, Office of Federal Inspector for the Alaska Natural Gas Transportation System, and subsequent transfer to Secretary of Energy, then to Federal Coordinator for Alaska Natural Gas Transportation Projects, see note set out under section 6903 of this title.

§6949. Rural communities assistance

(a) In general

The Administrator shall make grants to States to provide assistance to municipalities with a population of five thousand or less, or counties with a population of ten thousand or less or less than twenty persons per square mile and not within a metropolitan area, for solid waste management facilities (including equipment) necessary to meet the requirements of...
section 6945 of this title or restrictions on open burning or other requirements arising under the Clean Air Act [42 U.S.C. 7401 et seq.] or the Federal Water Pollution Control Act [33 U.S.C. 1251 et seq.]. Such assistance shall only be available—

(1) to any municipality or county which could not feasibly be included in a solid waste management system or facility serving an urbanized, multijurisdictional area because of its distance from such systems;

(2) where existing or planned solid waste management services or facilities are unavailable or insufficient to comply with the requirements of section 6945 of this title; and

(3) for systems which are certified by the State to be consistent with any plans or programs established under any State or areawide planning process.

(b) Allotment

The Administrator shall allot the sums appropriated to carry out this section in any fiscal year among the States in accordance with regulations promulgated by him on the basis of the average of the ratio which the population of rural areas of all the States, the ratio which the population of counties in each State having less than twenty persons per square mile bears to the total population of such counties in all the States, and the ratio which the population of such low-density counties in each State having 33 per centum or more of all families with incomes not in excess of 125 per centum of the poverty level bears to the total population of such counties in all the States.

(c) Limit

The amount of any grant under this section shall not exceed 75 per centum of the costs of the project. No assistance under this section shall be available for the acquisition of land or interests in land.

(d) Authorization of appropriations

There are authorized to be appropriated $25,000,000 for each of the fiscal years 1978 and 1979 to carry out this section. There are authorized to be appropriated $10,000,000 for the fiscal year 1980 and $15,000,000 for each of the fiscal years 1981 and 1982 to carry out this section.

(e) Additional appropriations

(1) In general

There are authorized to be appropriated to carry out this section for the Denali Commission to provide assistance to municipalities in the State of Alaska $1,500,000 for each of fiscal years 2008 through 2012.

(2) Administration

For the purpose of carrying out this section, the Denali Commission shall—

(A) be considered a State; and

(B) comply with all other requirements and limitations of this section.

(2) Administrative Services

(b) Report

Not later than thirty-six months after November 8, 1984, the Administrator shall submit a report to the Congress setting forth the results of

REFERENCES IN TEXT

The Clean Air Act, referred to in subsec. (a), is Act July 14, 1955, ch. 309, 69 Stat. 880, as amended, which is classified generally to chapter 85 (§7401 et seq.) of this title. For complete classification of this Act to the Code, see Short Title note set out under section 7401 of this title and Tables.


CODIFICATION


AMENDMENTS


1990—Subsec. (d). Pub. L. 96–482 authorized appropriation of $10,000,000, $15,000,000, and $15,000,000 for fiscal years 1980, 1981, 1982, respectively.

EFFECTIVE DATE OF 2008 AMENDMENT

Amendment of this section and repeal of Pub. L. 110–234 were effective May 22, 2008, the date of enactment of Pub. L. 110–234, see section 4 of Pub. L. 110–246, set out as an Effective Date note under section 6701 of Title 7, Agriculture.

TRANSFER OF FUNCTIONS

For transfer of certain enforcement functions of Administrator or other official of Environmental Protection Agency under this chapter to Federal Inspector, Office of Federal Inspector for the Alaska Natural Gas Transportation Projects, see note set out under section 6903 of this title.

§ 6949a. Adequacy of certain guidelines and criteria

(a) Study

The Administrator shall conduct a study of the extent to which the guidelines and criteria under this chapter (other than guidelines and criteria for facilities to which subchapter III applies) which are applicable to solid waste management and disposal facilities, including, but not limited to landfills and surface impoundments, are adequate to protect human health and the environment from ground water contamination. Such study shall include a detailed assessment of the degree to which the criteria under section 6907(a) of this title and the criteria under section 6944 of this title regarding monitoring, prevention of contamination, and remedial action are adequate to protect ground water and shall also include recommendation with respect to any additional enforcement authorities which the Administrator, in consultation with the Attorney General, deems necessary for such purposes.

(b) Report

Not later than thirty-six months after November 8, 1984, the Administrator shall submit a report to the Congress setting forth the results of
the study required under this section, together with any recommendations made by the Administrator on the basis of such study.

(c) Revisions of guidelines and criteria
(1) In general

Not later than March 31, 1988, the Administrator shall promulgate revisions of the criteria promulgated under paragraph (1) of section 6944(a) of this title and under section 6907(a)(3) of this title for facilities that may receive hazardous household wastes or hazardous wastes from small quantity generators under section 6221(d) of this title. The criteria shall be those necessary to protect human health and the environment and may take into account the practicable capability of such facilities. At a minimum such revisions for facilities potentially receiving such wastes should require ground water monitoring as necessary to detect contamination, establish criteria for the acceptable location of new or existing facilities, and provide for corrective action as appropriate.

(2) Additional revisions

Subject to paragraph (3), the requirements of the criteria described in paragraph (1) relating to ground water monitoring shall not apply to an owner or operator of a new municipal solid waste landfill unit, an existing municipal solid waste landfill unit, or a lateral expansion of a municipal solid waste landfill unit, that disposes of less than 20 tons of municipal solid waste daily, based on an annual average, if—

(A) there is no evidence of ground water contamination from the municipal solid waste landfill unit or expansion; and

(B) the municipal solid waste landfill unit or expansion serves—

(i) a community that experiences an annual interruption of at least 3 consecutive months of surface transportation that prevents access to a regional waste management facility; or

(ii) a community that has no practicable waste management alternative and the landfill unit is located in an area that annually receives less than or equal to 25 inches of precipitation.

(3) Protection of ground water resources

(A) Monitoring requirement

A State may require ground water monitoring of a solid waste landfill unit that would otherwise be exempt under paragraph (2) if necessary to protect ground water resources and ensure compliance with a State ground water protection plan, where applicable.

(B) Methods

If a State requires ground water monitoring of a solid waste landfill unit under subparagraph (A), the State may allow the use of a method other than the use of ground water monitoring wells to detect a release of contamination from the unit.

(C) Corrective action

If a State finds a release from a solid waste landfill unit, the State shall require corrective action as appropriate.

(4) No-migration exemption

(A) In general

Ground water monitoring requirements may be suspended by the Director of an approved State for a landfill operator if the operator demonstrates that there is no potential for migration of hazardous constituents from the unit to the uppermost aquifer during the active life of the unit and the post-closure care period.

(B) Certification

A demonstration under subparagraph (A) shall be certified by a qualified ground-water scientist and approved by the Director of an approved State.

(C) Guidance

Not later than 6 months after March 26, 1996, the Administrator shall issue a guidance document to facilitate small community use of the no migration exemption under this paragraph.

(5) Alaska Native villages

Upon certification by the Governor of the State of Alaska that application of the requirements described in paragraph (1) to a solid waste landfill unit of a Native village (as defined in section 1602 of title 43) or unit that is located in or near a small, remote Alaska village would be infeasible, or would not be cost-effective, or is otherwise inappropriate because of the remote location of the unit, the State may exempt the unit from some or all of those requirements. This paragraph shall apply only to solid waste landfill units that dispose of less than 20 tons of municipal solid waste daily, based on an annual average.

(6) Further revisions of guidelines and criteria

Recognizing the unique circumstances of small communities, the Administrator shall, not later than two years after March 26, 1996, promulgate revisions to the guidelines and criteria promulgated under this subchapter to provide additional flexibility to approved States to allow landfills that receive 20 tons or less of municipal solid waste per day, based on an annual average, to use alternative frequencies of daily cover application, frequencies of methane gas monitoring, infiltration layers for final cover, and means for demonstrating financial assurance: Provided. That such alternative requirements take into account climatic and hydrogeologic conditions and are protective of human health and environment.


AMENDMENTS
1996—Subsec. (c). Pub. L. 104–119 designated existing provisions as par. (1), inserted heading, and added pars. (2) to (6).

RESTATEMENT OF REGULATORY EXEMPTION
Pub. L. 104–119, §3(b), Mar. 26, 1996, 110 Stat. 833, provided that: “It is the intent of section 4010(c)(2) of the
Solid Waste Disposal Act (42 U.S.C. 6941a(c)(2)), as added by subsection (a), to immediately reinstate subpart E of part 258 of title 40, Code of Federal Regulations, as added by the final rule published at 56 Federal Register 50766 on October 9, 1991.

SUBCHAPTER V—DUTIES OF SECRETARY OF COMMERCE IN RESOURCE AND RECOVERY

§ 6951. Functions

The Secretary of Commerce shall encourage greater commercialization of proven resource recovery technology by providing—

(1) accurate specifications for recovered materials;
(2) stimulation of development of markets for recovered materials;
(3) promotion of proven technology; and
(4) a forum for the exchange of technical and economic data relating to resource recovery facilities.


§ 6952. Development of specifications for secondary materials

The Secretary of Commerce, acting through the National Institute of Standards and Technology, and in conjunction with national standards-setting organizations in resource recovery, shall, after public hearings, and not later than two years after September 1, 1979, publish guidelines for the development of specifications for the classification of materials recovered from waste which were destined for disposal. The specifications shall pertain to the physical and chemical properties and characteristics of such materials with regard to their use in replacing virgin materials in various industrial, commercial, and governmental uses. In establishing such guidelines the Secretary shall also, to the extent feasible, provide such information as may be necessary to assist Federal agencies with procurement of items containing recovered materials. The Secretary shall continue to cooperate with national standards-setting organizations, as may be necessary, to encourage the publication, promulgation and updating of standards for recovered materials and for the use of recovered materials in various industrial, commercial, and governmental uses.


AMENDMENTS

§ 6953. Development of markets for recovered materials

The Secretary of Commerce shall within two years after September 1, 1979, take such actions as may be necessary to—

(1) identify the geographical location of existing or potential markets for recovered materials;
(2) identify the economic and technical barriers to the use of recovered materials; and
(3) encourage the development of new uses for recovered materials.


AMENDMENTS

§ 6954. Technology promotion

The Secretary of Commerce is authorized to evaluate the commercial feasibility of resource recovery facilities and to publish the results of such evaluation, and to develop a data base for purposes of assisting persons in choosing such a system.


§ 6955. Marketing policies, establishment; non-discrimination requirement

In establishing any policies which may affect the development of new markets for recovered materials and in making any determination concerning whether or not to impose monitoring or other controls on any marketing or transfer of recovered materials, the Secretary of Commerce may consider whether to establish the same or similar policies or impose the same or similar monitoring or other controls on virgin materials.


§ 6956. Authorization of appropriations

There are authorized to be appropriated to the Secretary of Commerce $5,000,000 for each of fiscal years 1980 through 1988 to carry out the purposes of this subchapter.


AMENDMENTS

SUBCHAPTER VI—FEDERAL RESPONSIBILITIES

§ 6961. Application of Federal, State, and local law to Federal facilities

(a) In general

Each department, agency, and instrumental-ity of the executive, legislative, and judicial branches of the Federal Government (1) having jurisdiction over any solid waste management facility or disposal site, or (2) engaged in any activity resulting, or which may result, in the disposal or management of solid waste or hazard-
ous waste shall be subject to, and comply with, all Federal, State, interstate, and local requirements, both substantive and procedural (including any requirement for permits or reporting or any provisions for injunctive relief and such sanctions as may be imposed by a court or force such relief), respecting control and abatement of solid waste or hazardous waste disposal and management in the same manner, and to the same extent, as any person is subject to such requirements, including the payment of reasonable service charges. The Federal, State, interstate, and local substantive and procedural requirements referred to in this subsection include, but are not limited to, all administrative orders and all civil and administrative penalties and fines, regardless of whether such penalties or fines are punitive or coercive in nature or are imposed for isolated, intermittent, or continuing violations. The United States hereby expressly waives any immunity otherwise applicable to the United States with respect to any such substantive or procedural requirement (including, but not limited to, any injunctive relief, administrative order or civil or administrative penalty or fine referred to in the preceding sentence, or reasonable service charge). The reasonable service charges referred to in this subsection include, but are not limited to, fees or charges assessed in connection with the processing and issuance of permits, renewal of permits, amendments to permits, review of plans, studies, and other documents, and inspection and monitoring of facilities, as well as any other nondiscriminatory charges that are assessed in connection with a Federal, State, interstate, or local solid waste or hazardous waste regulatory program. Neither the United States, nor any agent, employee, or officer thereof, shall be immune or exempt from any process or sanction of any State or Federal Court with respect to the enforcement of any such injunctive relief. No agent, employee, or officer of the United States shall be personally liable for any civil penalty under any Federal, State, interstate, or local solid or hazardous waste law with respect to any act or omission within the scope of official duties of the agent, employee, or officer. Any agent, employee, or officer of the United States shall be subject to any criminal sanction (including, but not limited to, any fine or imprisonment) under any Federal or State solid or hazardous waste law, but no department, agency, or instrumentality of the executive, legislative, or judicial branch of the Federal Government shall be subject to any such sanction. The President may exempt any solid waste management facility of any department, agency, or instrumentality in the executive branch from compliance with such a requirement if he determines it to be in the paramount interest of the United States to do so. No such exemption shall be granted due to lack of appropriation unless the President shall have specifically requested such appropriation as a part of the budgetary process and the Congress shall have failed to make available such requested appropriation. Any exemption shall be for a period not to exceed one year upon the President's making a new determination. The President shall report each January to the Congress all exemptions from the requirements of this section granted during the preceding calendar year, together with his reason for granting each such exemption.

(b) Administrative enforcement actions

(1) The Administrator may commence an administrative enforcement action against any department, agency, or instrumentality of the executive, legislative, or judicial branch of the Federal Government pursuant to the enforcement authorities contained in this chapter. The Administrator shall initiate an administrative enforcement action against such a department, agency, or instrumentality in the same manner and under the same circumstances as an action would be initiated against another person. Any voluntary resolution or settlement of such an action shall be set forth in a consent order.

(2) No administrative order issued to such a department, agency, or instrumentality shall become final until such department, agency, or instrumentality has had the opportunity to confer with the Administrator.

(c) Limitation on State use of funds collected from Federal Government

Unless a State law in effect on October 6, 1992, or a State constitution requires the funds to be used in a different manner, all funds collected by a State from the Federal Government from penalties and fines imposed for violation of any substantive or procedural requirement referred to in subsection (a) shall be used by the State only for projects designed to improve or protect the environment or to defray the costs of environmental protection or enforcement.


AMENDMENTS

1992—Pub. L. 102–386 designated existing provisions as subsec. (a), inserted heading, inserted in first sentence “and management” before “in the same manner”, inserted second to fourth, sixth, and seventh sentences specifying Federal, State, interstate, and local substantive and procedural requirements, waiving sovereign immunity, determining reasonable service charges, and providing no agent, employee, or officer of the United States be personally liable for a civil penalty for an act or omission within the scope of official duties but be subject to criminal sanction, with no department, agency, or instrumentality of the executive, legislative, or judicial branch subject to such sanction, and added subsecs. (b) and (c).


EFFECTIVE DATE OF 1992 AMENDMENT

Pub. L. 102–386, title I, § 102(c), Oct. 6, 1992, 106 Stat. 1506, provided that:

“(1) In general.—Except as otherwise provided in paragraphs (2) and (3), the amendments made by subsection (a) (amending this section) shall take effect upon the date of the enactment of this Act [Oct. 6, 1992].

“(2) Delayed effective date for certain mixed waste.—Until the date that is 3 years after the date of the enactment of this Act, the waiver of sovereign immunity contained in section 6001(a) of the Solid Waste
Disposal Act [subsec. (a) of this section] with respect to civil, criminal, and administrative penalties and fines (as added by the amendments made by subsection (a)) shall apply to departments, agencies, and instrumentalities of the executive branch of the Federal Government for violations of section 3004(j) of the Solid Waste Disposal Act (42 U.S.C. 6939c(j)) involving storage of mixed waste that is not subject to an existing agreement, permit, or administrative or judicial order, so long as such waste is managed in compliance with all other applicable requirements.

(b) Effective date for certain mixed waste.—(A) Except as provided in subparagraph (B), after the date that is 3 years after the date of the enactment of this Act, the waiver of sovereign immunity contained in section 6001(a) of the Solid Waste Disposal Act with respect to civil, criminal, and administrative penalties and fines (as added by the amendments made by subsection (a)) shall apply to departments, agencies, and instrumentalities of the executive branch of the Federal Government for violations of section 3004(h) of the Solid Waste Disposal Act involving storage of mixed waste.

(B) With respect to the Department of Energy, the waiver of sovereign immunity referred to in subparagraph (A) shall not apply after the date that is 3 years after the date of the enactment of this Act for violations of section 3004(h) of such Act involving storage of mixed waste, so long as the Department of Energy is in compliance with both—

(i) a plan that has been submitted and approved pursuant to section 3021(b) of the Solid Waste Disposal Act (42 U.S.C. 6939e(b)) and which is in effect; and

(ii) an order requiring compliance with such plan which has been issued pursuant to such section 3021(b) and which is in effect.

§ 6962. Federal Procurement

(a) Application of section

Except as provided in subsection (b), a procuring agency shall comply with the requirements set forth in this section and any regulations issued under this section, with respect to any purchase or acquisition of a procurement item where the purchase price of the item exceeds $10,000 or where the quantity of such items or of functionally equivalent items purchased or acquired in the course of the preceding fiscal year was $10,000 or more.

(b) Procurement subject to other law

Any procurement, by any procuring agency, which is subject to regulations of the Administrator under section 6964 of this title (as promulgated before October 21, 1976, under comparable provisions of prior law) shall not be subject to the requirements of this section to the extent that such requirements are inconsistent with such regulations.

(c) Requirements

(1) After the date specified in applicable guidelines prepared pursuant to subsection (e) of this section, each procuring agency which procures any items designated in such guidelines shall procure such items composed of the highest percentage of recovered materials practicable (and in the case of paper, the highest percentage of recovered paper practicable) and which created a Federal procurement item.

(2) Agencies that generate heat, mechanical, or electrical energy from fossil fuel in systems

Executive Order No. 13101

Ex. Ord. No. 13101, Sept. 14, 1998, 63 F.R. 49643, which directed Executive agencies to incorporate waste prevention and recycling policies in their daily operations and created a Steering Committee, a Federal Environmental Executive, a Task Force, and Agency Environmental Executive positions responsible for ensuring the implementation of this order, was revoked by Ex. Ord. No. 13101, § 901, Sept. 14, 1998, 63 F.R. 49651, formerly set out below.

Executive Order No. 12873

that have the technical capability of using energy or fuels derived from solid waste as a primary or supplementary fuel shall use such capability to the maximum extent practicable.

(3)(A) After the date specified in any applicable guidelines prepared pursuant to subsection (e) of this section, contracting officers shall require that vendors:

(i) certify that the percentage of recovered materials to be used in the performance of the contract will be at least the amount required by applicable specifications or other contractual requirements and

(ii) estimate the percentage of the total material utilized for the performance of the contract which is recovered materials.

(B) Clause (ii) of subparagraph (A) applies only to a contract in an amount greater than $100,000.

(d) Specifications

All Federal agencies that have the responsibility for drafting or reviewing specifications for procurement items procured by Federal agencies shall—

(1) as expeditiously as possible but in any event no later than eighteen months after November 8, 1984, eliminate from such specifications—

(A) any exclusion of recovered materials and

(B) any requirement that items be manufactured from virgin materials; and

(2) within one year after the date of publication of applicable guidelines under subsection (e), or as otherwise specified in such guidelines, assure that such specifications require the use of recovered materials to the maximum extent possible without jeopardizing the intended end use of the item.

(e) Guidelines

The Administrator, after consultation with the Administrator of General Services, the Secretary of Commerce (acting through the National Institute of Standards and Technology), and the Director of the Government Publishing Office, shall prepare, and from time to time revise, guidelines for the use of procuring agencies in complying with the requirements of this section. Such guidelines shall—

(1) designate those items which are or can be produced with recovered materials and whose procurement by procuring agencies will carry out the objectives of this section, and in the case of paper, provide for maximizing the use of post consumer recovered materials referred to in subsection (b)(1); and

(2) set forth recommended practices with respect to the procurement of recovered materials and items containing such materials and with respect to certification by vendors of the percentage of recovered materials used, and shall provide information as to the availability, relative price, and performance of such materials and items and where appropriate shall recommend the level of recovered material to be contained in the procured product. The Administrator shall prepare final guidelines for paper within one hundred and eighty days after November 8, 1984, and for three additional product categories (including tires) by October 1, 1985. In making the designation under paragraph (1), the Administrator shall consider, but is not limited in his considerations, to—

(A) the availability of such items;

(B) the impact of the procurement of such items by procuring agencies on the volume of solid waste which must be treated, stored or disposed of;

(C) the economic and technological feasibility of producing and using such items; and

(D) other uses for such recovered materials.

(f) Procurement of services

A procuring agency shall, to the maximum extent practicable, manage or arrange for the procurement of solid waste management services in a manner which maximizes energy and resource recovery.

(g) Executive Office

The Office of Procurement Policy in the Executive Office of the President, in cooperation with the Administrator, shall implement the requirements of this section. It shall be the responsibility of the Office of Procurement Policy to coordinate this policy with other policies for Federal procurement, in such a way as to maximize the use of recovered resources, and to, every two years beginning in 1984, report to the Congress on actions taken by Federal agencies and the progress made in the implementation of this section, including agency compliance with subsection (d).

(h) “Recovered materials” defined

As used in this section, in the case of paper products, the term “recovered materials” includes—

(1) postconsumer materials such as—

(A) paper, paperboard, and fibrous wastes from retail stores, office buildings, homes, and so forth, after they have passed through their end-use as a consumer item, including: used corrugated boxes; old newspapers; old magazines; mixed waste paper; tabulating cards; and used cordage; and

(B) all paper, paperboard, and fibrous wastes that enter and are collected from municipal solid waste, and

(2) manufacturing, forest residues, and other wastes such as—

(A) dry paper and paperboard waste generated after completion of the papermaking process (that is, those manufacturing operations up to and including the cutting and trimming of the paper machine reel into smaller rolls or rough sheets) including: envelope cuttings, bindery trimmings, and other paper and paperboard waste, resulting from printing, cutting, forming, and other converting operations; bag, box, and carton manufacturing wastes; and butt rolls, mill wrappers, and rejected unused stock; and

(B) finished paper and paperboard from obsolete inventories of paper and paperboard manufacturers, merchants, wholesalers, dealers, printers, converters, or others; and

(C) fibrous byproducts of harvesting, manufacturing, extractive, or wood-cutting processes, flax, straw, linters, bagasse, slash, and other forest residues;
(D) wastes generated by the conversion of goods made from fibrous material (that is, waste rope from cordage manufacture, textile mill waste, and cuttings); and
(E) fibers recovered from waste water which otherwise would enter the waste stream.

(i) Procurement program

(1) Within one year after the date of publication of applicable guidelines under subsection (e), each procuring agency shall develop an affirmative procurement program which will assure that items composed of recovered materials will be purchased to the maximum extent practicable and which is consistent with applicable provisions of Federal procurement law.

(2) Each affirmative procurement program required under this subsection shall, at a minimum contain—
(A) a recovered materials preference program;
(B) an agency promotion program to promote the preference program adopted under subparagraph (A);
(C) a program for requiring estimates of the total percentage of recovered material utilized in a performance of a contract; certification of minimum recovered material content actually utilized, where appropriate; and reasonable verification procedures for estimates and certifications; and
(D) annual review and monitoring of the effectiveness of an agency's affirmative procurement program.

In the case of paper, the recovered materials preference program required under subparagraph (A) shall provide for the maximum use of the post consumer recovered materials referred to in subsection (h)(1).

(3) In developing the preference program, the following options shall be considered for adoption:

(A) Case-by-Case Policy Development: Subject to the limitations of subsections (c)(1)(A) through (C), a policy of awarding contracts to the vendor offering an item composed of the highest percentage of recovered materials practicable (and in the case of paper, the highest percentage of the post consumer recovered materials referred to in subsection (h)(1)). Subject to such limitations, agencies may make an award to a vendor offering items with less than the maximum recovered materials content.

(B) Minimum Content Standards: Minimum recovered materials content specifications which are set in such a way as to assure that the recovered materials content (and in the case of paper, the highest percentage of the post consumer recovered materials referred to in subsection (h)(1)) required is the maximum available without jeopardizing the intended end use of the item, or violating the limitations of subsection (c)(1)(A) through (C).

Procuring agencies shall adopt one of the options set forth in subparagraphs (A) and (B) or a substantially equivalent alternative, for inclusion in the affirmative procurement program.


Codification


Amendments

1994—Subsec. (c)(3). Pub. L. 103–355, § 4104(e), designated existing provisions as subpar. (A), redesignated subpars. (A) and (B) as cls. (i) and (ii), respectively, and added subpar. (B).


1984—Subsec. (c)(1). Pub. L. 98–616, § 501(c), inserted “(and in the case of paper, the highest percentage of the postconsumer recovered materials referred to in subsection (h)(1)) practicable”.

Subsec. (d)(1). Pub. L. 98–616, § 501(e), substituted “eighteen months after November 8, 1984” for “five years after October 21, 1976”.

Subsec. (e). Pub. L. 98–616, § 501(b)(2), substituted “for paper within one hundred and eighty days after November 8, 1984, and for three additional product categories (including tires) by October 1, 1985” for “for at least three product categories, including paper, by May 1, 1981, and for two additional product categories, including construction materials, by September 30, 1982.”

Subsec. (g). Pub. L. 98–616, § 501(d), substituted the “requirements of” for “the policy expressed in” and inserted “, and to, every two years beginning in 1984, report to the Congress on actions taken by Federal agencies and the progress made in the implementation of this section, including agency compliance with subsection (d)”.

Subsecs. (h), (i). Pub. L. 98–616, § 501(a), added subsec. (h) and (i).

1982—Subsec. (g). Pub. L. 97–375 struck out provision requiring the Office of Procurement Policy to report annually to Congress on actions taken by Federal agencies and the progress made in the implementation of the policy expressed in this section.

1980—Subsec. (c)(1). Pub. L. 96–482, § 22(1), (2), in provision preceding subpar. (A), substituted “After the date specified in applicable guidelines prepared pursuant to subsection (e) of this section, each procuring agency which procures any item designated in such guidelines shall procure such” for “After two years after October 21, 1976, each procuring agency shall procure”, and in subpar. (C), “paragraph (B)” for “clause (B)”.

Subsec. (c)(2). Pub. L. 96–482, § 22(3), substituted “energy or fuels derived from solid waste” for “recycled material and recovered-material-derived fuel”.

Subsec. (c)(3). Pub. L. 96–482, § 22(4), substituted subpars. (A) and (B) for provision requiring certification of the percentage of the total material utilized for the performance of the contract which is recycled materials.

Subsec. (d). Pub. L. 96–482, § 22(5), in par. (1), substituted provision requiring Federal agencies to eliminate from specifications as expeditiously as possible, but in no event later than 5 years after Oct. 21, 1976, any exclusion of recycled materials and any requirement that items be manufactured from virgin materials for provision that Federal agencies in reviewing specifications, ascertain whether those specifications violate prohibitions in par. (2)(A) to (C), with such review undertaken not later than 18 months after Oct. 21, 1976, and in par. (2), substituted provision that Federal agencies act within 1 year from publication of applicable guidelines under subsec. (e) of this section for provision that in drafting or revising specifications after Oct. 21, 1976, any exclusion of recovered materials be eliminated and specifications not require the item to be manufactured from virgin materials.

Subsec. (e). Pub. L. 96–482, § 22(6), designated provision relating to requirements of guidelines as cl. (2) and subpars. (A) and (C), added cl. (1), subpars. (B) and (C), and provision preceding subpar. (A), and struck out provision requiring information on source of supply.

1978—Subsec. (c). Pub. L. 95–609, § 7(n)(1), (2), redesignated subpar. (1)(A) as par. (1), subpars. (1)(B) and (C) as pars. (2) and (3), respectively, and cls. (i) to (iii) of former subpar. (1)(A) as subpars. (A) to (C), respectively, of par. (1), and in par. (3), as so redesignated, inserted “After the date specified in any applicable guidelines prepared pursuant to subsection (e) of this section,” before “contracting”.

Subsec. (e). Pub. L. 95–609, § 7(n)(3), inserted provision dealing with certification by vendors of the materials used.

“Director of the Government Publishing Office” substituted for “Public Printer” in subsec. (e) on authority of section 1301(d) of Pub. L. 113–235, set out as a note under section 301 of Title 44, Public Printing and Documents.

Effective Date of 1994 Amendment

For effective date and applicability of amendment by Pub. L. 103–355, see section 1001 of Pub. L. 103–355, set out as a note under section 2302 of Title 10, Armed Forces.

Transfer of Functions

For transfer of certain enforcement functions of Administrator or other official of Environmental Protection Agency under this chapter to Federal Inspector, Office of Federal Inspector for the Alaska Natural Gas Transportation System, and subsequent transfer to Secretary of Energy, then to Federal Coordinator for Alaska Natural Gas Transportation Projects, see note set out under section 6903 of this title.

§ 6964. Applicability of solid waste disposal guidelines to Executive agencies

(a) Compliance

(1) If—

(A) an Executive agency (as defined in section 105 of title 5) or any unit of the legislative branch of the Federal Government has jurisdiction over any real property or facility the operation or administration of which involves such agency in solid waste management activities, or

(B) such an agency enters into a contract with any person for the operation by such person of any Federal property or facility, and the performance of such contract involves such person in solid waste management activities, then such agency shall insure compliance with the guidelines recommended under section 6907 of this title and the purposes of this chapter in the operation or administration of such property or facility, or the performance of such contract, as the case may be.

(2) Each Executive agency or any unit of the legislative branch of the Federal Government which conducts any activity—

(A) which generates solid waste, and

(B) which, if conducted by a person other than such agency, would require a permit or

(b) Information relating to energy and materials conservation and recovery

The Administrator shall collect, maintain, and disseminate information concerning the market potential of energy and materials recovered from solid waste, including materials obtained through source separation, and information concerning the savings potential of conserving resources contributing to the waste stream. The Administrator shall identify the regions in which the increased substitution of such energy for energy derived from fossil fuels and other sources is most likely to be feasible, and provide information on the technical and economic aspects of developing integrated resource conservation or recovery systems which provide for the recovery of source-separated materials to be recycled or the conservation of resources. The Administrator shall utilize the authorities of subsection (a) in carrying out this subsection.

(Pub. L. 95–609, § 7(n), Oct. 21, 1980, 94 Stat. 2355.)
§ 6965

TITLe 42—THE PUBLIC HEALTH AND WELFARE

§ 6965. Chief Financial Officer report

The Chief Financial Officer of each affected agency shall submit to Congress an annual report containing, to the extent practicable, a detailed description of the compliance activities undertaken by the agency for mixed waste streams, and an accounting of the fines and penalties imposed on the agency for violations involving mixed waste.


CODIFICATION

Section was enacted as part of the Federal Facility Compliance Act of 1992, and not as part of the Solid Waste Disposal Act which comprises this chapter.

§ 6966. Increased use of recovered mineral component in federally funded projects involving procurement of cement or concrete

(a) Definitions

In this section:

(1) Agency head

The term “agency head” means—

(A) the Secretary of Transportation; and

(B) the head of any other Federal agency that, on a regular basis, procures, or provides Federal funds to pay or assist in paying the cost of procuring, material for cement or concrete projects.

(2) Cement or concrete project

The term “cement or concrete project” means a project for the construction or maintenance of a highway or other transportation facility or a Federal, State, or local government building or other public facility that—

(A) involves the procurement of cement or concrete; and

(B) is carried out, in whole or in part, using Federal funds.

(3) Recovered mineral component

The term “recovered mineral component” means—

(A) ground granulated blast furnace slag, excluding lead slag;

(B) coal combustion fly ash; and

(C) any other waste material or byproduct recovered or diverted from solid waste that the Administrator, in consultation with an agency head, determines should be treated as recovered mineral component under this section for use in cement or concrete projects paid for, in whole or in part, by the agency head.

(b) Implementation of requirements

(1) In general

Not later than 1 year after August 8, 2005, the Administrator and each agency head shall take such actions as are necessary to implement fully all procurement requirements and incentives in effect as of August 8, 2005 (including guidelines under section 6962 of this title) that provide for the use of cement and concrete incorporating recovered mineral component in cement or concrete projects.

(2) Priority

In carrying out paragraph (1), an agency head shall give priority to achieving greater
use of recovered mineral component in cement or concrete projects for which recovered mineral components historically have not been used or have been used only minimally.

(3) Federal procurement requirements

The Administrator and each agency head shall carry out this subsection in accordance with section 6962 of this title.

(c) Full implementation study

(1) In general

The Administrator, in cooperation with the Secretary of Transportation and the Secretary of Energy, shall conduct a study to determine the extent to which procurement requirements, when fully implemented in accordance with subsection (b), may realize energy savings and environmental benefits attainable with substitution of recovered mineral component in cement used in cement or concrete projects.

(2) Matters to be addressed

The study shall—

(A) quantify—

(i) the extent to which recovered mineral components are being substituted for Portland cement, particularly as a result of procurement requirements; and

(ii) the energy savings and environmental benefits associated with the substitution;

(B) identify all barriers in procurement requirements to greater realization of energy savings and environmental benefits, including barriers resulting from exceptions from the law; and

(C)(i) identify potential mechanisms to achieve greater substitution of recovered mineral component in types of cement or concrete projects for which recovered mineral components historically have not been used or have been used only minimally;

(ii) evaluate the feasibility of establishing guidelines or standards for optimized substitution rates of recovered mineral component in those cement or concrete projects; and

(D) identify any potential environmental or economic effects that may result from greater substitution of recovered mineral component in those cement or concrete projects.

(3) Report

Not later than 30 months after August 8, 2005, the Administrator shall submit to Congress a report on the study.

(d) Additional procurement requirements

Unless the study conducted under subsection (c) identifies any effects or other problems described in subsection (c)(2)(C)(iii) that warrant further review or delay, the Administrator and each agency head shall, not later than 1 year after the date on which the report under subsection (c)(3) is submitted, take additional actions under this chapter to establish procurement requirements and incentives that provide for the use of cement and concrete with increased substitution of recovered mineral component in the construction and maintenance of cement or concrete projects—

(1) to realize more fully the energy savings and environmental benefits associated with increased substitution; and

(2) to eliminate barriers identified under subsection (c)(2)(B).

(e) Effect of section

Nothing in this section affects the requirements of section 6962 of this title (including the guidelines and specifications for implementing those requirements).

§ 6966a. Increased use of recovered mineral component in federally funded projects involving procurement of cement or concrete

(a) Definitions

In this section:

(1) Agency head

The term "agency head" means—

(A) the Secretary of Transportation; and

(B) the head of each other Federal agency that on a regular basis procures, or provides Federal funds to pay or assist in paying the cost of procuring, material for cement or concrete projects.

(2) Cement or concrete project

The term "cement or concrete project" means a project for the construction or maintenance of a highway or other transportation facility or a Federal, State, or local government building or other public facility that—

(A) involves the procurement of cement or concrete; and

(B) is carried out in whole or in part using Federal funds.

(3) Recovered mineral component

The term "recovered mineral component" means—

(A) ground granulated blast furnace slag other than lead slag;

(B) coal combustion fly ash;

(C) blast furnace slag aggregate other than lead slag aggregate;

(D) silica fume; and

(E) any other waste material or byproduct recovered or diverted from solid waste that the Administrator, in consultation with an agency head, determines should be treated as recovered mineral component under this section for use in cement or concrete projects paid for, in whole or in part, by the agency head.

(b) Implementation of requirements

(1) In general

Not later than 1 year after August 10, 2005, the Administrator and each agency head shall take such actions as are necessary to implement fully all procurement requirements and incentives in effect as of August 10, 2005 (including guidelines under section 6962 of this title) that provide for the use of cement and
concrete incorporating recovered mineral component in cement or concrete projects.

(2) Priority

In carrying out paragraph (1) an agency head shall give priority to achieving greater use of recovered mineral component in cement or concrete projects for which recovered mineral components historically have not been used or have been used only minimally.

(3) Conformance

The Administrator and each agency head shall carry out this subsection in accordance with section 6962 of this title.

(c) Full implementation study

(1) In general

The Administrator, in cooperation with the Secretary of Transportation and the Secretary of Energy, shall conduct a study to determine the extent to which current procurement requirements, when fully implemented in accordance with subsection (b), may realize energy savings and environmental benefits attainable with substitution of recovered mineral component in cement used in cement or concrete projects.

(2) Matters to be addressed

The study shall—

(A) quantify the extent to which recovered mineral components are being substituted for Portland cement, particularly as a result of current procurement requirements, and the energy savings and environmental benefits associated with that substitution;

(B) identify all barriers in procurement requirements to greater realization of energy savings and environmental benefits, including barriers resulting from exceptions from current law; and

(C)(i) identify potential mechanisms to achieve greater substitution of recovered mineral component in types of cement or concrete projects for which recovered mineral components historically have not been used or have been used only minimally;

(ii) evaluate the feasibility of establishing guidelines or standards for optimized substitution rates of recovered mineral component in those cement or concrete projects; and

(iii) identify any potential environmental or economic effects that may result from greater substitution of recovered mineral component in those cement or concrete projects.

(3) Report

Not later than 30 months after August 10, 2005, the Administrator shall submit to Congress a report on the study.

(d) Additional procurement requirements

Unless the study conducted under subsection (c) identifies any effects or other problems described in subsection (c)(2)(C)(ii) that warrant further review or delay, the Administrator and each agency head shall, not later than 1 year after the release of the report in accordance with subsection (c)(3), take additional actions authorized under this chapter to establish procurement requirements and incentives that provide for the use of cement and concrete with increased substitution of recovered mineral component in the construction and maintenance of cement or concrete projects, so as to—

(1) realize more fully the energy savings and environmental benefits associated with increased substitution; and

(2) eliminate barriers identified under subsection (c).

(e) Effect of section

Nothing in this section affects the requirements of section 6962 of this title (including the guidelines and specifications for implementing those requirements).


§ 6966b. Use of granular mine tailings

(a) Mine tailings

(1) In general

Not later than 180 days after August 10, 2005, the Administrator, in consultation with the Secretary of Transportation and heads of other Federal agencies, shall establish criteria (including an evaluation of whether to establish a numerical standard for concentration of lead and other hazardous substances) for the safe and environmentally protective use of granular mine tailings from the Tar Creek, Oklahoma Mining District, known as “chat”, for—

(A) cement or concrete projects; and

(B) transportation construction projects (including transportation construction projects involving the use of asphalt) that are carried out, in whole or in part, using Federal funds.

(2) Requirements

In establishing criteria under paragraph (1), the Administrator shall consider—

(A) the current and previous uses of granular mine tailings as an aggregate for asphalt; and

(B) any environmental and public health risks and benefits derived from the removal, transportation, and use in transportation projects of granular mine tailings.

(3) Public participation

In establishing the criteria under paragraph (1), the Administrator shall solicit and consider comments from the public.

(4) Applicability of criteria

On the establishment of the criteria under paragraph (1), any use of the granular mine tailings described in paragraph (1) in a transportation project that is carried out, in whole or in part, using Federal funds, shall meet the criteria established under paragraph (1).

(b) Effect of sections

Nothing in this section or section 6966a of this title affects any requirement of any law (including a regulation) in effect on August 10, 2005.

REFERENCES IN TEXT
Section 696(a) of this title, referred to in subsec. (b), was in the original “section 6005” meaning section 6005 of Pub. L. 89–272, which was translated as meaning the section 6005 of Pub. L. 89–272 as added by section 6017(a) of Pub. L. 109–59, to reflect the probable intent of Congress.

SUBCHAPTER VII—MISCELLANEOUS PROVISIONS

§ 6971. Employee protection

(a) General
No person shall fire, or in any other way discriminate against, or cause to be fired or discriminated against, any employee or any authorized representative of employees by reason of any fact that such employee or representative has filed, instituted, or caused to be filed or instituted any proceeding under this chapter or under any applicable implementation plan, or has testified or is about to testify in any proceeding resulting from the administration or enforcement of the provisions of this chapter or of any applicable implementation plan.

(b) Remedy
Any employee or a representative of employees who believes that he has been fired or otherwise discriminated against by any person in violation of subsection (a) of this section may, within thirty days after such alleged violation occurs, apply to the Secretary of Labor for a review of such firing or alleged discrimination. A copy of the application shall be sent to such person who shall be the respondent. Upon receipt of such application, the Secretary of Labor shall cause such investigation to be made as he deems appropriate. Such investigation shall provide an opportunity for a public hearing at the request of the party to such review to enable the party to present information relating to such alleged violation. The parties shall be given written notice of the time and place of the hearing at least five days prior to the hearing. Any such hearing shall be of record and shall be subject to section 554 of title 5. Upon receiving the report of such investigation, the Secretary of Labor shall make findings of fact as to whether such violation did occur, he shall issue a decision, incorporating an order therein and his findings, recommending as he deems appropriate. Such report, findings, and recommendations shall be available to the public. Nothing in this subsection shall be construed to require or authorize the Administrator or any State to modify or withdraw any standard, limitation, or any other requirement of this chapter or any applicable implementation plan.

(c) Costs
Whenever an order is issued under this section to abate such violation, at the request of the applicant, a sum equal to the aggregate amount of all costs and expenses (including the attorney's fees) as determined by the Secretary of Labor, to have been reasonably incurred by the applicant for, or in connection with, the institution and prosecution of such proceedings, shall be assessed against the person committing such violation.

(d) Exception
This section shall have no application to any employee who, acting without direction from his employer (or his agent) deliberately violates any requirement of this chapter.

(e) Employment shifts and loss
The Administrator shall conduct continuing evaluations of potential loss or shifts of employment which may result from the administration or enforcement of the provisions of this chapter and applicable implementation plans, including, where appropriate, investigating threatened plant closures or reductions in employment allegedly resulting from such administration or enforcement. Any employee who is discharged, or laid off, threatened with discharge or layoff, or otherwise discriminated against by any person because of the alleged results of such administration or enforcement, or any representative of such employee, may request the Administrator to conduct a full investigation of the matter. The Administrator shall thereupon investigate the matter and, at the request of any party, shall hold public hearings on not less than five days' notice, and shall at such hearings require the parties, including the employer involved, to present information relating to the actual or potential effect of such administration or enforcement on employment and on any alleged discharge, layoff, or other discrimination and the detailed reasons or justification therefor. Any such hearing shall be of record and shall be subject to section 554 of title 5. Upon receiving the report of such investigation, the Administrator shall make findings of fact as to the effect of such administration or enforcement on employment and on any alleged discharge, layoff, or other discrimination and shall make such recommendations as he deems appropriate. Such report, findings, and recommendations shall be available to the public. Nothing in this subsection shall be construed to require or authorize the Administrator or any State to modify or withdraw any standard, limitation, or any other requirement of this chapter or any applicable implementation plan.

(f) Occupational safety and health
In order to assist the Secretary of Labor and the Director of the National Institute for Occupational Safety and Health in carrying out their duties under the Occupational Safety and Health Act of 1970 [29 U.S.C. 651 et seq.], the Administrator shall—

1. (1) provide the following information, as such information becomes available, to the Secretary and the Director:
   (A) the identity of any hazardous waste generation, treatment, storage, disposal facility or site where cleanup is planned or underway;
   (B) information identifying the hazards to which persons working at a hazardous waste

§ 6972. Citizen suits

(a) In general

Except as provided in subsection (b) or (c) of this section, any person may commence a civil action on his own behalf—

(1)(A) against any person (including (a) the United States, and (b) any other governmental instrumentality or agency, to the extent permitted by the eleventh amendment to the Constitution) who is alleged to be in violation of any permit, standard, regulation, condition, requirement, prohibition, or order which has become effective pursuant to this chapter; or

(B) against any person, including the United States and any other governmental instrumentality or agency, to the extent permitted by the eleventh amendment to the Constitution, and including any past or present generator, past or present transporter, past or present owner or operator of a treatment, storage, or disposal facility, who has contributed or who is contributing to the past or present handling, storage, treatment, transportation, or disposal of any solid or hazardous waste which may present an imminent and substantial endangerment to health or the environment; or

(2) against the Administrator where there is alleged a failure of the Administrator to perform any act or duty under this chapter which is not discretionary with the Administrator.

Any action under paragraph (a)(1)(A) of this subsection shall be brought in the district court for the district in which the alleged violation occurred or the alleged endangerment may occur. Any action brought under paragraph (a)(2) of this subsection may be brought in the district court for the district in which the alleged violation occurred or in the District Court of the District of Columbia. The district court shall have jurisdiction, without regard to the amount in controversy or the citizenship of the parties, to enforce the permit, standard, regulation, condition, requirement, prohibition, or order, referred to in paragraph (1)(A), to restrain any person who has contributed or who is contributing to the past or present handling, storage, treatment, transportation, or disposal of any solid or hazardous waste referred to in paragraph (1)(B), to order such person to take such other action as may be necessary, or both, or to order the Administrator to perform the act or duty referred to in paragraph (2), as the case may be, and to apply any appropriate civil penalties under section 6928(a) and (g) of this title.

(b) Actions prohibited

(1) No action may be commenced under subsection (a)(1)(A) of this section—

(A) prior to 60 days after the plaintiff has given notice of the violation to—

(i) the Administrator;

(ii) the State in which the alleged violation occurs; and

(iii) to any alleged violator of such permit, standard, regulation, condition, requirement, prohibition, or order,

except that such action may be brought immediately after such notification in the case of an action under this section respecting a violation of subchapter III of this chapter; or

(B) if the Administrator or State has commenced and is diligently prosecuting a civil or criminal action in a court of the United States or a State to require compliance with such permit, standard, regulation, condition, requirement, prohibition, or order.

In any action under subsection (a)(1)(A) in a court of the United States, any person may intervene as a matter of right.

(2)(A) No action may be commenced under subsection (a)(1)(B) of this section prior to ninety days after the plaintiff has given notice of the endangerment to—

(i) the Administrator;

(ii) the State in which the alleged endangerment may occur;

(iii) any person alleged to have contributed or to be contributing to the past or present handling, storage, treatment, transportation, or disposal of any solid or hazardous waste which may present an imminent and substantial endangerment to health or the environment; or

(B) if the Administrator or State has commenced and is diligently prosecuting a civil or criminal action in a court of the United States or a State to require compliance with such permit, standard, regulation, condition, requirement, prohibition, or order, except that such action may be brought immediately after such notification in the case of an action under this section respecting a violation of subchapter III of this chapter; or

(C) if the Administrator, in order to restrain or abate acts or conditions which may have contributed or are contributing to the activities which may present the alleged endangerment—
In any action under this section the Administrator, if not a party, may intervene as a matter of right.

(e) Costs

The court, in issuing any final order in any action brought pursuant to this section or section 6976 of this title, may award costs of litigation (including reasonable attorney and expert witness fees) to the prevailing or substantially prevailing party, whenever the court determines such an award is appropriate. The court may, if a temporary restraining order or preliminary injunction is sought, require the filing of a bond or equivalent security in accordance with the Federal Rules of Civil Procedure.

(f) Other rights preserved

Nothing in this section shall restrict any right which any person (or class of persons) may have under any statute or common law to seek enforcement of any standard or requirement relating to the management of solid waste or hazardous waste, or to seek any other relief (including relief against the Administrator or a State agency).

(g) Transporters

A transporter shall not be deemed to have contributed or to be contributing to the handling, storage, treatment, or disposal, referred to in subsection (a)(1)(B) taking place after such solid waste or hazardous waste has left the possession or control of such transporter, if the transportation of such waste was under a sole contractual arrangement arising from a published tariff and acceptance for carriage by common carrier by rail and such transporter has exercised due care in the past or present handling, storage, transportation, and disposal of such waste.


REFERENCES IN TEXT

$6973 TITLE 42—THE PUBLIC HEALTH AND WELFARE Page 6418

seq.) of this title. For complete classification of this Act to the Code, see Short Title note set out under section 9601 of this title and Tables.

The Federal Rules of Civil Procedure, referred to in subsec. (e), are set out in the Appendix to Title 28, Judiciary and Judicial Procedure.

AMENDMENTS

1984—Subsec. (a). Pub. L. 98–616, § 401(a), (b), designated existing provisions of subsec. (a)(1) as subpar. (A) thereof, inserted “prohibition,” after “requirement,” added subpar. (B), and in provisions following par. (2) inserted “or the alleged endangerment may occur” in first sentence and substituted “to enforce the permit, standard, regulation, condition, requirement, prohibition, or order,” referred to in paragraph (1)(A), to restrain any person who has contributed or who is contributing to the past or present handling, storage, treatment, transportation, or disposal of any solid or hazardous waste referred to in paragraph (1)(B), to order such person to take such other action as may be necessary, or both, or to order the Administrator to perform such act or duty as the case may be, and to apply any appropriate civil penalties under section 6928(a) and (g) of this title” for “to enforce such regulation or order, or to order the Administrator to perform such act or duty as the case may be.”

Subsec. (b). Pub. L. 98–616, § 401(d), amended subsec. (b) generally. Prior to amendment, subsec. (b) read as follows: “No action may be commenced under paragraph (a)(1) of this section—

“(1) prior to sixty days after the plaintiff has given notice of the violation (A) to the Administrator; (B) to the State in which the alleged violation occurs; and (C) to any alleged violator of such permit, standard, regulation, condition, requirement, or order; or

“(2) if the Administrator or State has commenced and is diligently prosecuting a civil or criminal action in a court of the United States or a State to require compliance with such permit, standard, regulation, condition, requirement, or order: Provided, however, That in any such action in a court of the United States, any person may intervene as a matter of right.”

Subsec. (e). Pub. L. 98–616, § 401(e), substituted “to the prevailing or substantially prevailing party” for “to any party and inserted “or section 6903 of this title”.

Subsec. (g). Pub. L. 98–616, § 401(c), added subsec. (g).


Subsec. (e). Pub. L. 95–609, § 7(p)(2), substituted “require” for “requiring”.

TRANSFER OF FUNCTIONS

For transfer of certain enforcement functions of Administrator or other official of Environmental Protection Agency under this chapter to Federal Inspector, Office of Federal Inspector for the Alaska Natural Gas Transportation System, and subsequent transfer to Secretary of Energy, then to Federal Coordinator for Alaska Natural Gas Transportation Projects, see note set out under section 6003 of this title.

§ 6973. Imminent hazard

(a) Authority of Administrator

Notwithstanding any other provision of this chapter, upon receipt of evidence that the past or present handling, storage, treatment, transportation or disposal of any solid waste or hazardous waste may present an imminent and substantial endangerment to health or the environment, the Administrator may, in an action in a court of the United States or a State to enforce such order, be fined not more than $5,000 for each day in which such violation occurs or such failure to comply continues.

(c) Immediate notice

Upon receipt of information that there is hazardous waste at any site which has presented an imminent and substantial endangerment to health or the environment, the Administrator shall provide immediate notice to the affected local government agencies. In addition, the Administrator shall require notice of such endangerment to be promptly posted at the site where the waste is located.

(d) Public participation in settlements

Whenever the United States or the Administrator proposes to covenant not to sue or to forgo or bear from suit or to settle any claim arising under this section, notice, and opportunity for a public meeting in the affected area, and a reasonable opportunity to comment on the proposed settlement prior to its final entry shall be afforded to the public. The decision of the United States or the Administrator to enter into or not to enter into such Consent Decree, covenant or agreement shall not constitute a final agency action subject to judicial review under this chapter or chapter 7 of title 5.


COMPARISON

In subsec. (d), “chapter 7 of title 5” substituted for “the Administrative Procedure Act” on authority of

1 So in original. Probably should be “contractual.”
§ 6974. Petition for regulations; public participation

(a) Petition

Any person may petition the Administrator for the promulgation, amendment, or repeal of any regulation under this chapter. Within a reasonable time following receipt of such petition, the Administrator shall take action with respect to such petition and shall publish notice of such action in the Federal Register, together with the reasons therefor.

(b) Public participation

(1) Public participation in the development, revision, implementation, and enforcement of any regulation, guideline, information, or program under this chapter shall be provided for, encouraged, and assisted by the Administrator and the States. The Administrator, in cooperation with the States, shall develop and publish minimum guidelines for public participation in such processes.

(2) Before the issuing of a permit to any person with any respect to any facility for the treatment, storage, or disposal of hazardous wastes under section 6925 of this title, the Administrator shall—

(A) cause to be published in major local newspapers of general circulation and broadcast over local radio stations notice of the agency’s intention to issue such permit, and

(B) transmit in writing notice of the agency’s intention to issue such permit to each unit of local government having jurisdiction over the area in which such facility is proposed to be located and to each State agency having any authority under State law with respect to the construction or operation of such facility.

If within 45 days the Administrator receives written notice of opposition to the agency’s intention to issue such permit and a request for a hearing, or if the Administrator determines on his own initiative, he shall hold an informal public hearing (including an opportunity for presentation of written and oral views) on whether he should issue a permit for the proposed facility. Whenever possible the Administrator shall schedule such hearing at a location convenient to the nearest population center to such proposed facility and give notice in the aforementioned manner of the date, time, and subject matter of such hearing. No State program which provides for the issuance of permits referred to in this paragraph may be authorized by the Administrator under section 6926 of this title unless such program provides for the notice and hearing required by the paragraph.


AMENDMENTS

1980—Subsec. (b). Pub. L. 96–462 designated existing provisions as par. (1) and added par. (2).

TRANSFER OF FUNCTIONS

For transfer of certain enforcement functions of Administrator or other official of Environmental Protection Agency under this chapter to Federal Inspector, Office of Federal Inspector for the Alaska Natural Gas Transportation System, and subsequent transfer to Secretary of Energy, then to Federal Coordinator for Alaska Natural Gas Transportation Projects, see note set out under section 6903 of this title.

§ 6975. Separability

If any provision of this chapter, or the application of any provision of this chapter to any person or circumstance, is held invalid, the application of such provision to other persons or circumstances, and the remainder of this chapter, shall not be affected thereby.


AMENDMENTS

1984—Subsec. (a). Pub. L. 98–616, §402, inserted “past or present” after “evidence that the”, substituted “against any person (including any past or present generator, past or present transporter, or past or present owner or operator of a treatment, storage, or disposal facility) who has contributed or, who is” for “to immediately restrain any person”, substituted “to restrain such person from” for “to stop”, substituted “, to order such person to take such other action as may be necessary, or both” for “or to take such other action as may be necessary”, and inserted “A transporter shall not be deemed to have contributed or to be contributing to such handling, storage, treatment, or disposal, taking place after such solid waste or hazardous waste has left the possession or control of such transporter, if the transportation of such waste was under a sole contractural [sic] arrangement arising from a published tariff and acceptance for carriage by common carrier by rail and such transporter has exercised due care in the past or present handling, storage, treatment, transportation and disposal of such waste.”

1978—Pub. L. 95–609 struck out “for” after “restraint”.


TRANSFER OF FUNCTIONS

For transfer of certain enforcement functions of Administrator or other official of Environmental Protection Agency under this chapter to Federal Inspector, Office of Federal Inspector for the Alaska Natural Gas Transportation System, and subsequent transfer to Secretary of Energy, then to Federal Coordinator for Alaska Natural Gas Transportation Projects, see note set out under section 6903 of this title.

§ 6976. Judicial review

(a) Review of final regulations and certain petitions

Any judicial review of final regulations promulgated pursuant to this chapter and the Administrator’s denial of any petition for the promulgation, amendment, or repeal of any regulation under this chapter shall be in accordance with sections 701 through 706 of title 5, except that—

(1) a petition for review of action of the Administrator in promulgating any regulation,
or requirement under this chapter or denying any petition for the promulgation, amendment or repeal of any regulation under this chapter may be filed only in the United States Court of Appeals for the District of Columbia, and such petition shall be filed within ninety days from the date of such promulgation or denial, or after such date if such petition for review is based solely on grounds arising after such ninetieth day; action of the Administrator with respect to which review could have been obtained under this subsection shall not be subject to judicial review in civil or criminal proceedings for enforcement; and

(2) in any judicial proceeding brought under this section in which review is sought of a determination under this chapter required to be made on the record after notice and opportunity for hearing, if a party seeking review under this chapter applies to the court for leave to adduce additional evidence, and shows to the satisfaction of the court that the information is material and that there were reasonable grounds for the failure to adduce such evidence in the proceeding before the Administrator, the court may order such additional evidence (and evidence in rebuttal thereof) to be taken before the Administrator, and to be adduced upon the hearing in such manner and upon such terms and conditions as the court may deem proper; the Administrator may modify his findings as to the facts, or make new findings, by reason of the additional evidence so taken, and he shall file with the court such modified or new findings and his recommendation, if any, for the modification or setting aside of his original order, with the return of such additional evidence.

(b) Review of certain actions under sections 6925 and 6926 of this title

Review of the Administrator’s action (1) in issuing, denying, modifying, or revoking any permit under section 6925 of this title (or in modifying or revoking any permit which is deemed to have been issued under section 6933(d)(1) of this title), or (2) in granting, denying, or withdrawing authorization or interim authorization under section 6926 of this title, may be had by any interested person in the Circuit Court of Appeals of the United States for the Federal judicial district in which such person resides or transacts such business upon application by such person. Any such application shall be made within ninety days from the date of such issuance, denial, modification, revocation, grant, or withdrawal, or after such date only if such application is based solely on grounds which arose after such ninetieth day; action of the Administrator with respect to which review could have been obtained under this subsection shall not be subject to judicial review in civil or criminal proceedings for enforcement. Such review shall be in accordance with sections 701 through 706 of title 5.

References in Text

Section 6935(d)(1) of this title, referred to in subsec. (b), was in the original a reference to section 3012(d)(1) of Pub. L. 89-272, which was renumbered section 3014(d)(1) of Pub. L. 96-272 by Pub. L. 98-616 and is classified to section 6903(d)(1) of this title.

Amendments

1984—Pub. L. 98-616 inserted “(or in modifying or revoking any permit which is deemed to have been issued under section 6935(d)(1) of this title)” and inserted “Action of the Administrator with respect to which review could have been obtained under this subsection shall not be subject to judicial review in civil or criminal proceedings for enforcement.”

1980—Pub. L. 96-462, §27(a), designated existing provisions as subsec. (a), in provision preceding par. (1), included judicial review of Administrator’s denial of any petition for promulgation, amendment, or repeal of any regulation in par. (1), included review of Administrator’s denial of any petition for promulgation, amendment, or repeal of any regulation, and substituted “District of Columbia,” and “District of Columbia. Any”,”date of such promulgation or denial” for “date of such promulgation,”,”petition for review is based” for “petition is based”, and “Action” and in par. (2), substituted “proper; the” for “proper. The”, and added subsec. (b).

Transfer of Functions

For transfer of certain enforcement functions of Administrator or other official of Environmental Protection Agency under this chapter to Federal Inspector, Office of Federal Inspector for the Alaska Natural Gas Transportation System, and subsequent transfer to Secretary of Energy, then to Federal Coordinator for Alaska Natural Gas Transportation Projects, see note set out under section 6963 of this title.

§ 6977. Grants or contracts for training projects

(a) General authority

The Administrator is authorized to make grants to, and contracts with any eligible organization. For purposes of this section the term “eligible organization” means a State or interstate agency, a municipality, educational institution, and any other organization which is capable of effectively carrying out a project which may be funded by grant under subsection (b) of this section.

(b) Purposes

(1) Subject to the provisions of paragraph (2), grants or contracts may be made to pay all or a part of the costs, as may be determined by the Administrator, of any project operated or to be operated by an eligible organization, which is designed—

(A) to develop, expand, or carry out a program (which may combine training, education, and employment) for training persons for occupations involving the management, supervision, design, operation, or maintenance of solid waste management and resource recovery equipment and facilities; or

(B) to train instructors and supervisory personnel to train or supervise persons in occupations involving the design, operation, and maintenance of solid waste management and resource recovery equipment and facilities.

(2) A grant or contract authorized by paragraph (1) of this subsection may be made only upon application to the Administrator at such time or times and containing such information

1 See References in Text note below.
as he may prescribe, except that no such application shall be approved unless it provides for the same procedures and reports (and access to such reports and to other records) as required by section 3254a(b)(4) and (5)\(^1\) of this title (as in effect before October 21, 1976) with respect to applications made under such section (as in effect before October 21, 1976).


REFERENCES IN TEXT
Section 3254a(b)(4) and (5) of this title, referred to in subsec. (b)(2), was in the original “section 207(b)(4) and (5)’’, meaning section 207(b)(4) and (5) of the Solid Waste Disposal Act, which was omitted in the general revision of the Solid Waste Disposal Act by Pub. L. 94–580 on Oct. 21, 1976.

PRIOR PROVISIONS
Provisions similar to those in this section were contained in section 3254d of this title, prior to the general amendment of the Solid Waste Disposal Act by Pub. L. 94–580.

AMENDMENTS
1998—Subsec. (c). Pub. L. 105–362 struck out heading and text of subsec. (c) which related to Administrator’s study and report on State and local training needs and obstacles to employment and occupational advancement in solid waste management and resource recovery field.

1978—Subsec. (b)(1). Pub. L. 95–609, §7(r)(1), substituted “management” for “disposal” in two places, and “resource” for “resources”.

Subsec. (c)(3). Pub. L. 95–609, §7(r)(3), substituted “management” for “disposal”.

TRANSFER OF FUNCTIONS
For transfer of certain enforcement functions of Administrator or other official of Environmental Protection Agency under this chapter to Federal Inspector, Office of Federal Inspector for the Alaska Natural Gas Transportation System, and subsequent transfer to Secretary of Energy, see note set out under section 6801 of this title.

§6979. Labor standards

No grant for a project of construction under this chapter shall be made unless the Administrator finds that the application contains or is supported by reasonable assurance that all laborers and mechanics employed by contractors or subcontractors on projects of the type covered by sections 3141–3144, 3146, and 3147 of title 40, will be paid wages at rates not less than those prevailing on similar work in the locality as determined by the Secretary of Labor in accordance with those sections; and the Secretary of Labor shall have with respect to the labor standards specified in this section the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176) and section 3145 of title 40.


REFERENCES IN TEXT
Reorganization Plan Numbered 14 of 1950, referred to in text, is set out in the Appendix to Title 5, Government Organization and Employees.

CODIFICATION

PRIOR PROVISIONS
Provisions similar to those in this section were contained in section 3256 of this title, prior to the general amendment of the Solid Waste Disposal Act by Pub. L. 94–580.

AMENDMENTS
1980—Pub. L. 96–482 substituted “Administrator” for “Secretary”.

§6979a. Transferred

CODIFICATION

§6979b. Law enforcement authority

The Attorney General of the United States shall, at the request of the Administrator and on the basis of a showing of need, deputize qualified employees of the Environmental Protection
§ 6981

TITLE 42—THE PUBLIC HEALTH AND WELFARE

Agency to serve as special deputy United States
marshals in criminal investigations with respect
to violations of the criminal provisions of this
chapter.
(Pub. L. 89–272, title II, § 7010, formerly § 7012, as
added Pub. L. 98–616, title IV, § 403(b)(1), Nov. 8,
1984, 98 Stat. 3272; renumbered § 7010, Pub. L.
654.)
PRIOR PROVISIONS
A prior section 7010 of Pub. L. 89–272, which was classified to section 6979a of this title, was renumbered section 3020 and transferred to section 6939b of this title.

SUBCHAPTER VIII—RESEARCH, DEVELOPMENT, DEMONSTRATION, AND INFORMATION
§ 6981. Research, demonstration, training, and
other activities
(a) General authority
The Administrator, alone or after consultation with the Secretary of Energy, shall conduct, and encourage, cooperate with, and render
financial and other assistance to appropriate
public (whether Federal, State, interstate, or
local) authorities, agencies, and institutions,
private agencies and institutions, and individuals in the conduct of, and promote the coordination of, research, investigations, experiments,
training, demonstrations, surveys, public education programs, and studies relating to—
(1) any adverse health and welfare effects of
the release into the environment of material
present in solid waste, and methods to eliminate such effects;
(2) the operation and financing of solid waste
management programs;
(3) the planning, implementation, and operation of resource recovery and resource conservation systems and hazardous waste management systems, including the marketing of
recovered resources;
(4) the production of usable forms of recovered resources, including fuel, from solid
waste;
(5) the reduction of the amount of such
waste and unsalvageable waste materials;
(6) the development and application of new
and improved methods of collecting and disposing of solid waste and processing and recovering materials and energy from solid wastes;
(7) the identification of solid waste components and potential materials and energy recoverable from such waste components;
(8) small scale and low technology solid
waste management systems, including but not
limited to, resource recovery source separation systems;
(9) methods to improve the performance
characteristics of resources recovered from
solid waste and the relationship of such performance characteristics to available and potentially available markets for such resources;
(10) improvements in land disposal practices
for solid waste (including sludge) which may
reduce the adverse environmental effects of
such disposal and other aspects of solid waste
disposal on land, including means for reducing

Page 6422

the harmful environmental effects of earlier
and existing landfills, means for restoring
areas damaged by such earlier or existing
landfills, means for rendering landfills safe for
purposes of construction and other uses, and
techniques of recovering materials and energy
from landfills;
(11) methods for the sound disposal of, or recovery of resources, including energy, from,
sludge (including sludge from pollution control and treatment facilities, coal slurry pipelines, and other sources);
(12) methods of hazardous waste management, including methods of rendering such
waste environmentally safe; and
(13) any adverse effects on air quality (particularly with regard to the emission of heavy
metals) which result from solid waste which is
burned (either alone or in conjunction with
other substances) for purposes of treatment,
disposal or energy recovery.
(b) Management program
(1)(A) In carrying out his functions pursuant
to this chapter, and any other Federal legislation respecting solid waste or discarded material
research, development, and demonstrations, the
Administrator shall establish a management
program or system to insure the coordination of
all such activities and to facilitate and accelerate the process of development of sound new
technology (or other discoveries) from the research phase, through development, and into the
demonstration phase.
(B) The Administrator shall (i) assist, on the
basis of any research projects which are developed with assistance under this chapter or without Federal assistance, the construction of pilot
plant facilities for the purpose of investigating
or testing the technological feasibility of any
promising new fuel, energy, or resource recovery
or resource conservation method or technology;
and (ii) demonstrate each such method and technology that appears justified by an evaluation
at such pilot plant stage or at a pilot plant stage
developed without Federal assistance. Each such
demonstration shall incorporate new or innovative technical advances or shall apply such advances to different circumstances and conditions, for the purpose of evaluating design concepts or to test the performance, efficiency, and
economic feasibility of a particular method or
technology under actual operating conditions.
Each such demonstration shall be so planned
and designed that, if successful, it can be expanded or utilized directly as a full-scale operational fuel, energy, or resource recovery or resource conservation facility.
(2) Any energy-related research, development,
or demonstration project for the conversion including bioconversion, of solid waste carried out
by the Environmental Protection Agency or by
the Secretary of Energy pursuant to this chapter or any other Act shall be administered in accordance with the May 7, 1976, Interagency
Agreement between the Environmental Protection Agency and the Energy Research and Development Administration on the Development of
Energy from Solid Wastes and specifically, that
in accordance with this agreement, (A) for those
energy-related projects of mutual interest, plan-


ning will be conducted jointly by the Environmental Protection Agency and the Secretary of Energy, following which project responsibility will be assigned to one agency; (B) energy-related portions of projects for recovery of synthetic fuels or other forms of energy from solid waste shall be the responsibility of the Secretary of Energy; (C) the Environmental Protection Agency shall retain responsibility for the environmental, economic, and institutional aspects of solid waste projects and for assurance that such projects are consistent with any applicable suggested guidelines published pursuant to section 6907 of this title, and any applicable State or regional solid waste management plan; and (D) any activities undertaken under provisions of sections 6982 and 6983 of this title as related to energy; as related to energy or synthetic fuels recovery from waste; or as related to energy conservation shall be accomplished through coordination and consultation with the Secretary of Energy.

(c) Authorities

(1) In carrying out subsection (a) of this section respecting solid waste research, studies, development, and demonstration, except as otherwise specifically provided in section 6906(d) of this title, the Administrator may make grants to or enter into contracts (including contracts for construction) with, public agencies and authorities or private persons.

(2) Contracts for research, development, or demonstrations for both (including contracts for construction) shall be made in accordance with and subject to the limitations provided with respect to research contracts of the military departments in section 2333 of title 10, except that the determination, approval, and certification required thereby shall be made by the Administrator.

(3) Any invention made or conceived in the course of, or under, any contract under this chapter shall be subject to section 9 of the Federal Nonnuclear Energy Research and Development Act of 1974 [42 U.S.C. 5908] to the same extent and in the same manner as inventions made or conceived in the course of contracts under such Act [42 U.S.C. 5901 et seq.], except that in applying such section, the Environmental Protection Agency shall be substituted for the Secretary of Energy and the words "solid waste" shall be substituted for the word "energy" where appropriate.

(4) For carrying out the purpose of this chapter the Administrator may detail personnel of the Environmental Protection Agency to agencies eligible for assistance under this section.


REFERENCES IN TEXT

order to demonstrate effective means of dealing with contamination of public water supplies by leachate from abandoned or other landfills, to provide technical and financial assistance for a research program, designed by New Castle County area-wide waste treatment management program, to control leachate from Llangollen Landfill in New Castle County, Delaware, and provided up to $250,000 in each of the fiscal years 1978 and 1979 for the operating costs of a counter-pumping program to contain the leachate from the Llangollen Landfill during the period of this study.

§ 6982. Special studies; plans for research, development, and demonstrations

(a) Glass and plastic
The Administrator shall undertake a study and publish a report on resource recovery from glass and plastic waste, including a scientific, technological, and economic investigation of potential solutions to implement such recovery.

(b) Composition of waste stream
The Administrator shall undertake a systematic study of the composition of the solid waste stream and of anticipated future changes in the composition of such stream and shall publish a report containing the results of such study and quantitatively evaluating the potential utility of such components.

(c) Priorities study
For purposes of determining priorities for research on recovery of materials and energy from solid waste and developing materials and energy recovery research, development, and demonstration strategies, the Administrator shall review, and make a study of, the various existing and promising techniques of energy recovery from solid waste (including, but not limited to, water-wall furnace incinerators, dry shredded fuel systems, pyrolysis, densified refuse-derived fuel systems, anaerobic digestion, and fuel and feedstock preparation systems). In carrying out such study the Administrator shall investigate with respect to each such technique—

(1) the degree of public need for the potential results of such research, development, or demonstration,
(2) the potential for research, development, and demonstration without Federal action, including the degree of restraint on such potential posed by the risks involved, and
(3) the magnitude of effort and period of time necessary to develop the technology to the point where Federal assistance can be ended.

(d) Small-scale and low technology study
The Administrator shall undertake a comprehensive study and analysis of, and publish a report on, systems of small-scale and low technology solid waste management, including household resource recovery and resource recovery systems which have special application to multiple dwelling units and high density housing and office complexes. Such study and analysis shall include an investigation of the degree to which such systems could contribute to energy conservation.

(e) Front-end source separation
The Administrator shall undertake research and studies concerning the compatibility of front-end source separation systems with high technology resource recovery systems and shall publish a report containing the results of such research and studies.

(f) Mining waste
The Administrator, in consultation with the Secretary of the Interior, shall conduct a detailed and comprehensive study on the adverse effects of solid wastes from active and abandoned surface and underground mines on the environment, including, but not limited to, the effects of such wastes on humans, water, air, health, welfare, and natural resources, and on the adequacy of means and measures currently employed by the mining industry, Government agencies, and others to dispose of and utilize such solid wastes and to prevent or substantially mitigate such adverse effects. Such study shall include an analysis of—

(1) the sources and volume of discarded material generated per year from mining;
(2) present disposal practices;
(3) potential dangers to human health and the environment from surface runoff of leachate and air pollution by dust;
(4) alternatives to current disposal methods;
(5) the cost of those alternatives in terms of the impact on mine product costs; and
(6) potential for use of discarded material as a secondary source of the mine product.

In furtherance of this study, the Administrator shall, as he deems appropriate, review studies and other actions of other Federal agencies concerning such wastes with a view toward avoiding duplication of effort and the need to expedite such study. Not later than thirty-six months after October 21, 1980, the Administrator shall publish a report of such study and shall include appropriate findings and recommendations for Federal and non-Federal actions concerning such effects. Such report shall be submitted to the Committee on Environment and Public Works of the United States Senate and the Committee on Energy and Commerce of the United States House of Representatives.

(g) Sludge
The Administrator shall undertake a comprehensive study and publish a report on sludge. Such study shall include an analysis of—

(1) what types of solid waste (including but not limited to sewage and pollution treatment residues and other residues from industrial operations such as extraction of oil from shale, liquefaction and gasification of coal and coal slurry pipeline operations) shall be classified as sludge;
(2) the effects of air and water pollution legislation on the creation of large volumes of sludge;
(3) the amounts of sludge originating in each State and in each industry producing sludge;
(4) methods of disposal of such sludge, including the cost, efficiency, and effectiveness of such methods;
(5) alternative methods for the use of sludge, including agricultural applications of sludge and energy recovery from sludge; and
(6) methods to reclaim areas which have been used for the disposal of sludge or which have been damaged by sludge.
(h) Tires

The Administrator shall undertake a study and publish a report respecting discarded motor vehicle tires which shall include an analysis of the problems involved in the collection, recovery of resources including energy, and use of such tires.

(i) Resource recovery facilities

The Administrator shall conduct research and report on the economics of, and impediments, to the effective functioning of resource recovery facilities.

(j) Resource Conservation Committee

(1) The Administrator shall serve as Chairman of a Committee composed of himself, the Secretary of Commerce, the Secretary of Labor, the Chairman of the Council on Environmental Quality, the Secretary of Treasury, the Secretary of Energy, the Chairman of the Council of Economic Advisers, and a representative of the Office of Management and Budget, which shall conduct a full and complete investigation and study of all aspects of the economic, social, and environmental consequences of resource conservation with respect to—

(A) the appropriateness of recommended incentives and disincentives to foster resource conservation;

(B) the effect of existing public policies (including subsidies and economic incentives and disincentives, percentage depletion allowances, capital gains treatment and other tax incentives and disincentives) upon resource conservation, and the likely effect of the modification or elimination of such incentives and disincentives upon resource conservation;

(C) the appropriateness and feasibility of restricting the manufacture or use of categories of consumer products as a resource conservation strategy;

(D) the appropriateness and feasibility of employing as a resource conservation strategy the imposition of solid waste management charges on consumer products, which charges would reflect the costs of solid waste management services, litter pickup, the value of recoverable components of such product, final disposal, and any social value associated with the nonrecycling or uncontrolled disposal of such product; and

(E) the need for further research, development, and demonstration in the area of resource conservation.

(2) The study required in paragraph (1)(D) may include pilot scale projects, and shall consider and evaluate alternative strategies with respect to—

(A) the product categories on which such charges would be imposed;

(B) the appropriate state in the production of such consumer product at which to levy such charge;

(C) appropriate criteria for establishing such charges for each consumer product category;

(D) methods for the adjustment of such charges to reflect actions such as recycling which would reduce the overall quantities of solid waste requiring disposal; and

(E) procedures for amending, modifying, or revising such charges to reflect changing conditions.

(3) The design for the study required in paragraph (1) of this subsection shall include timetables for the completion of the study. A preliminary report putting forth the study design shall be sent to the President and the Congress within six months following October 21, 1976, and followup reports shall be sent six months thereafter. Each recommendation resulting from the study shall include at least two alternatives to the proposed recommendation.

(4) The results of such investigation and study, including recommendations, shall be reported to the President and the Congress not later than two years after October 21, 1976.

(5) There are authorized to be appropriated not to exceed $2,000,000 to carry out this subsection.

(k) Airport landfills

The Administrator shall undertake a comprehensive study and analysis of and publish a report on systems to alleviate the hazards to aviation from birds congregating and feeding on landfills in the vicinity of airports.

(l) Completion of research and studies

The Administrator shall complete the research and studies, and submit the reports, required under subsections (b), (c), (d), (e), (f), (g), and (k) not later than October 1, 1978. The Administrator shall complete the research and studies, and submit the reports, required under subsections (a), (h), and (i) not later than October 1, 1979. Upon completion, each study specified in subsections (a) through (k) of this section, the Administrator shall prepare a plan for research, development, and demonstration respecting the findings of the study and shall submit any legislative recommendations resulting from such study to appropriate committees of Congress.

(m) Drilling fluids, produced waters, and other wastes associated with the exploration, development, or production of crude oil or natural gas or geothermal energy

(1) The Administrator shall conduct a detailed and comprehensive study and submit a report on the adverse effects, if any, of drilling fluids, produced waters, and other wastes associated with the exploration, development, or production of crude oil or natural gas or geothermal energy on human health and the environment, including, but not limited to, the effects of such wastes on humans, water, air, health, welfare, and natural resources and on the adequacy of means and measures currently employed by the oil and gas and geothermal drilling and production industry, Government agencies, and others to dispose of and utilize such wastes and to prevent or substantially mitigate such adverse effects. Such study shall include an analysis of—

(A) the sources and volume of discarded material generated per year from such wastes;

(B) present disposal practices;

(C) potential danger to human health and the environment from the surface runoff or leachate;

(D) documented cases which prove or have caused danger to human health and the environment from surface runoff or leachate;
§ 6982

appropriate findings and recommendations for Federal and non-Federal actions concerning such wastes.

In furtherance of this study, the Administrator shall, as he deems appropriate, review studies and other actions of other Federal agencies concerning such wastes with a view toward avoiding duplication of effort and the need to expedite such study. The Administrator shall publish a report of such study and shall include appropriate findings and recommendations for Federal and non-Federal actions concerning such effects.

(2) The Administrator shall complete the research and study and submit the report required under paragraph (1) not later than twenty-four months from October 21, 1980. Upon completion of this study, the Administrator shall prepare a summary of the findings of the study, a plan for research, development, and demonstration respecting the findings of the study, and shall submit the findings and the study, along with any recommendations resulting from such study, to the Committee on Environment and Public Works of the United States Senate and the Committee on Energy and Commerce of the United States House of Representatives.

(3) There are authorized to be appropriated not to exceed $1,000,000 to carry out the provisions of this subsection.

(n) Materials generated from the combustion of coal and other fossil fuels

The Administrator shall conduct a detailed and comprehensive study and submit a report on the adverse effects on human health and the environment, if any, of the disposal and utilization of fly ash waste, bottom ash waste, slag waste, flue gas emission control waste, and other by-product materials generated primarily from the combustion of coal or other fossil fuels. Such study shall include an analysis of—

(1) the source and volumes of such material generated per year;
(2) present disposal and utilization practices;
(3) potential danger, if any, to human health and the environment from the disposal and reuse of such materials;
(4) documented cases in which danger to human health or the environment from surface runoff or leachate has been proved;
(5) alternatives to current disposal methods;
(6) the costs of such alternatives;
(7) the impact of those alternatives on the use of coal and other natural resources; and
(8) the current and potential utilization of such materials.

In furtherance of this study, the Administrator shall, as he deems appropriate, review studies and other actions of other Federal and State agencies concerning such material and invite participation by other concerned parties, including industry and other Federal and State agencies, with a view toward avoiding duplication of effort. The Administrator shall publish a report on such study, which shall include appropriate findings, not later than thirty-six months after October 21, 1980. Such study and findings shall be submitted to the Committee on Environment and Public Works of the United States Senate and the Committee on Energy and Commerce of the United States House of Representatives.

(o) Cement kiln dust waste

The Administrator shall conduct a detailed and comprehensive study of the adverse effects on human health and the environment, if any, of the disposal of cement kiln dust waste. Such study shall include an analysis of—

(1) the source and volumes of such materials generated per year;
(2) present disposal practices;
(3) potential danger, if any, to human health and the environment from the disposal of such materials;
(4) documented cases in which danger to human health or the environment has been proved;
(5) alternatives to current disposal methods;
(6) the costs of such alternatives;
(7) the impact of those alternatives on the use of natural resources; and
(8) the current and potential utilization of such materials.

In furtherance of this study, the Administrator shall, as he deems appropriate, review studies and other actions of other Federal and State agencies concerning such waste or materials and invite participation by other concerned parties, including industry and other Federal and State agencies, with a view toward avoiding duplication of effort. The Administrator shall publish a report of such study, which shall include appropriate findings, not later than thirty-six months after October 21, 1980. Such report shall be submitted to the Committee on Environment and Public Works of the United States Senate and the Committee on Energy and Commerce of the United States House of Representatives.

(p) Materials generated from extraction, beneficiation, and processing of ores and minerals, including phosphate rock and overburden from uranium mining

The Administrator shall conduct a detailed and comprehensive study of the adverse effects on human health and the environment, if any, of the disposal and utilization of solid waste from the extraction, beneficiation, and processing of ores and minerals, including phosphate rock and overburden from uranium mining. Such study shall be conducted in conjunction with the study of mining wastes required by subsection (f) of this section and shall include an analysis of—

(1) the source and volumes of such materials generated per year;
(2) present disposal and utilization practices;
(3) potential danger, if any, to human health and the environment from the disposal and reuse of such materials;
(4) documented cases in which danger to human health or the environment has been proved;
(5) alternatives to current disposal methods;
(6) the costs of such alternatives;
(7) the impact of those alternatives on the use of phosphate rock and uranium ore, and other natural resources; and
(8) the current and potential utilization of such materials.

In furtherance of this study, the Administrator shall, as he deems appropriate, review studies and other actions of other Federal and State agencies concerning such waste or materials and invite participation by other concerned parties, including industry and other Federal and State agencies, with a view toward avoiding duplication of effort. The Administrator shall publish a report of such study, which shall include appropriate findings, in conjunction with the publication of the report of the study of mining wastes required to be conducted under subsection (f) of this section. Such report and findings shall be submitted to the Committee on Environment and Public Works of the United States Senate and the Committee on Energy and Commerce of the United States House of Representatives.

(q) Authorization of appropriations

There are authorized to be appropriated not to exceed $5,000,000 for the fiscal years 1978 and 1979 to carry out this section other than subsection (j).

(r) Minimization of hazardous waste

The Administrator shall compile, and not later than October 1, 1986, submit to the Congress, a report on the feasibility and desirability of establishing standards of performance or of taking other additional actions under this chapter to require the generators of hazardous waste to reduce the volume or quantity and toxicity of the hazardous waste they generate, and of establishing with respect to hazardous wastes required management practices or other requirements to assure such wastes are managed in ways that minimize present and future risks to human health and the environment. Such report shall include any recommendations for legislative changes which the Administrator determines are feasible and desirable to implement the national policy established by section 6902 of this title.

(s) Extending landfill life and reusing landfilled areas

The Administrator shall conduct detailed, comprehensive studies of methods to extend the useful life of sanitary landfills and to better use sites in which filled or closed landfills are located. Such studies shall address—

(1) methods to reduce the volume of materials before placement in landfills;
(2) more efficient systems for depositing waste in landfills;
(3) methods to enhance the rate of decomposition of solid waste in landfills, in a safe and environmentally acceptable manner;
(4) methane production from closed landfill units;
(5) innovative uses of closed landfill sites, including use for energy production such as solar or wind energy and use for metals recovery;
(6) potential for use of sewage treatment sludge in reclaiming landfilled areas; and
(7) methods to coordinate use of a landfill owned by one municipality by nearby municipalities, and to establish equitable rates for such use, taking into account the need to provide future landfill capacity to replace that so used.

The Administrator is authorized to conduct demonstrations in the areas of study provided in this subsection. The Administrator shall periodically report on the results of such studies, with the first such report not later than October 1, 1989. In carrying out this subsection, the Administrator need not duplicate other studies which have been completed and may rely upon information which has previously been compiled.


AMENDMENTS


Subsecs. (m) to (q). Pub. L. 96–482, §29(2), added subsecs. (m) to (p) and redesignated former subsec. (m) as (q).

1978—Subsec. (g)(1). Pub. L. 95–609, §7(t)(1), substituted “shale, liquefaction” for “shale liquefaction”.

Subsec. (i)(1). Pub. L. 95–609, §7(t)(2), enacted a provision adding the Secretary of Energy and the Chairman of the Council of Economic Advisors to the Committee.


Subsec. (j)(3). Pub. L. 95–609, §7(t)(4), substituted “paragraph (1)’’ for “paragraph (2)(D)’’.

Subsec. (i). Pub. L. 95–609, §7(t)(5), struck out requirement of submission of reports under subsec. (j) of this section.

CHANGE OF NAME


TRANSFER OF FUNCTIONS

For transfer of certain enforcement functions of Administrator or other official of Environmental Protection Agency under this chapter to Federal Inspector, Office of Federal Inspector for the Alaska Natural Gas Transportation System, and subsequent transfer to Secretary of Energy, then to Federal Coordinator for Alaska Natural Gas Transportation Projects, see note set out under section 6903 of this title.

§6983. Coordination, collection, and dissemination of information

(a) Information

The Administrator shall develop, collect, evaluate, and coordinate information on—
§ 6983  TITLE 42—THE PUBLIC HEALTH AND WELFARE  Page 6428

(1) methods and costs of the collection of solid waste;
(2) solid waste management practices, including data on the different management methods and the cost, operation, and maintenance of such methods;
(3) the amounts and percentages of resources (including energy) that can be recovered from solid waste by use of various solid waste management practices and various technologies;
(4) methods available to reduce the amount of solid waste that is generated;
(5) existing and developing technologies for the recovery of energy or materials from solid waste and the costs, reliability, and risks associated with such technologies;
(6) hazardous solid waste, including incidents of damage resulting from the disposal of hazardous solid wastes; inherently and potentially hazardous solid wastes; methods of neutralizing or properly disposing of hazardous solid wastes; facilities that properly dispose of hazardous wastes;
(7) methods of financing resource recovery facilities or, sanitary landfills, or hazardous solid waste treatment facilities, whichever is appropriate for the entity developing such facility or landfill (taking into account the amount of solid waste reasonably expected to be available to such entity);
(8) the availability of markets for the purchase of resources, either materials or energy, recovered from solid waste; and
(9) research and development projects respecting solid waste management.

(b) Library

(1) The Administrator shall establish and maintain a central reference library for (A) the materials collected pursuant to subsection (a) of this section and (B) the actual performance and cost effectiveness records and other data and information with respect to—
   (i) the various methods of energy and resource recovery from solid waste,
   (ii) the various systems and means of resource conservation,
   (iii) the various systems and technologies for collection, transport, storage, treatment, and final disposition of solid waste, and
   (iv) other aspects of solid waste and hazardous solid waste management.

Such central reference library shall also contain, but not be limited to, the model codes and model accounting systems developed under this section, the information collected under subsection (d), and, subject to any applicable requirements of confidentiality, information respecting any aspect of solid waste provided by officers and employees of the Environmental Protection Agency which has been acquired by them in the conduct of their functions under this chapter and which may be of value to Federal, State, and local authorities and other persons.

(2) Information in the central reference library shall, to the extent practicable, be collated, analyzed, verified, and published and shall be made available to State and local governments and other persons at reasonable times and subject to such reasonable charges as may be necessary to defray expenses of making such information available.

(c) Model accounting system

In order to assist State and local governments in determining the cost and revenues associated with the collection and disposal of solid waste and with resource recovery operations, the Administrator shall develop and publish a recommended model cost and revenue accounting system applicable to the solid waste management functions of State and local governments. Such system shall be in accordance with generally accepted accounting principles. The Administrator shall periodically, but not less frequently than once every five years, review such accounting system and revise it as necessary.

(d) Model codes

The Administrator is authorized, in cooperation with appropriate State and local agencies, to recommend model codes, ordinances, and statutes, providing for sound solid waste management.

(e) Information programs

(1) The Administrator shall implement a program for the rapid dissemination of information on solid waste management, hazardous waste management, resource conservation, and methods of resource recovery from solid waste, including the results of any relevant research, investigations, experiments, surveys, studies, or other information which may be useful in the implementation of new or improved solid waste management practices and methods and information on any other technical, managerial, financial, or market aspect of resource conservation and recovery facilities.

(2) The Administrator shall develop and implement educational programs to promote citizen understanding of the need for environmentally sound solid waste management practices.

(f) Coordination

In collecting and disseminating information under this section, the Administrator shall coordinate his actions and cooperate to the maximum extent possible with State and local authorities.

(g) Special restriction

Upon request, the full range of alternative technologies, programs or processes deemed feasible to meet the resource recovery or resource conservation needs of a jurisdiction shall be described in such a manner as to provide a sufficient evaluative basis from which the jurisdiction can make its decisions, but no officer or employee of the Environmental Protection Agency shall, in an official capacity, lobby for or otherwise represent an agency position in favor of resource recovery or resource conservation, as a policy alternative for adoption into ordinances, codes, regulations, or law by any State or political subdivision thereof.


AMENDMENTS


1952—Subsec. (a). Pub. L. 82–120 substituted “solid waste” for “discarded materials”.


1938—Subsec. (a). Pub. L. 75–481 substituted “solid waste” for “discarded materials”.

§ 6984. Full-scale demonstration facilities

(a) Authority

The Administrator may enter into contracts with public agencies or authorities or private persons for the construction and operation of a full-scale demonstration facility under this chapter, or provide financial assistance in the form of grants to a full-scale demonstration facility under this chapter only if the Administrator finds that—

(1) such facility or proposed facility will demonstrate at full scale a new or significantly improved technology or process, a practical and significant improvement in solid waste management practice, or the technological feasibility and cost effectiveness of an existing, but unproven technology, process, or practice, and will not duplicate any other Federal, State, local, or commercial facility which has been constructed or with respect to which construction has begun (determined as of the date action is taken by the Administrator under this chapter),

(2) such contract or assistance meets the requirements of section 6981 of this title and meets other applicable requirements of this chapter,

(3) such facility will be able to comply with the guidelines published under section 6907 of this title and with other laws and regulations for the protection of health and the environment,

(4) in the case of a contract for construction or operation, such facility is not likely to be constructed or operated by State, local, or private persons or in the case of an application for financial assistance, such facility is not likely to receive adequate financial assistance from other sources, and

(5) any Federal interest in, or assistance to, such facility will be disposed of or terminated, with appropriate compensation, within such period of time as may be necessary to carry out the basic objectives of this chapter.

(b) Time limitation

No obligation may be made by the Administrator for financial assistance under this subchapter for any full-scale demonstration facility after the date ten years after October 21, 1976. No expenditure of funds for any such full-scale demonstration facility under this subchapter may be made by the Administrator after the date fourteen years after October 21, 1976.

(c) Cost sharing

(1) Wherever practicable, in constructing, operating, or providing financial assistance under this subchapter to a full-scale demonstration facility, the Administrator shall endeavor to enter into agreements and make other arrangements for maximum practicable cost sharing with other Federal, State, and local agencies, private persons, or any combination thereof.

(2) The Administrator shall enter into arrangements, wherever practicable and desirable, to provide monitoring of full-scale solid waste facilities (whether or not constructed or operated under this chapter) for purposes of obtaining information concerning the performance, and other aspects, of such facilities. Where the Administrator provides only monitoring and evaluation instruments or personnel (or both) or funds for such instruments or personnel and provides no other financial assistance to a facility, notwithstanding section 6981(c)(3) of this title, title to any invention made or conceived of in the course of developing, constructing, or operating such facility shall not be required to vest in the United States and patents respecting such invention shall not be required to be issued to the United States.

(d) Prohibition

After October 21, 1976, the Administrator shall not construct or operate any full-scale facility (except by contract with public agencies or authorities or private persons).

(2) such contract or assistance meets the requirements of section 6981 of this title and meets other applicable requirements of this chapter,

(3) such facility will be able to comply with the guidelines published under section 6907 of this title and with other laws and regulations for the protection of health and the environment,

(4) in the case of a contract for construction or operation, such facility is not likely to be constructed or operated by State, local, or private persons or in the case of an application for financial assistance, such facility is not likely to receive adequate financial assistance from other sources, and

(5) any Federal interest in, or assistance to, such facility will be disposed of or terminated, with appropriate compensation, within such period of time as may be necessary to carry out the basic objectives of this chapter.

(b) Time limitation

No obligation may be made by the Administrator for financial assistance under this subchapter for any full-scale demonstration facility after the date ten years after October 21, 1976. No expenditure of funds for any such full-scale demonstration facility under this subchapter may be made by the Administrator after the date fourteen years after October 21, 1976.

(c) Cost sharing

(1) Wherever practicable, in constructing, operating, or providing financial assistance under this subchapter to a full-scale demonstration facility, the Administrator shall endeavor to enter into agreements and make other arrangements for maximum practicable cost sharing with other Federal, State, and local agencies, private persons, or any combination thereof.

(2) The Administrator shall enter into arrangements, wherever practicable and desirable, to provide monitoring of full-scale solid waste facilities (whether or not constructed or operated under this chapter) for purposes of obtaining information concerning the performance, and other aspects, of such facilities. Where the Administrator provides only monitoring and evaluation instruments or personnel (or both) or funds for such instruments or personnel and provides no other financial assistance to a facility, notwithstanding section 6981(c)(3) of this title, title to any invention made or conceived of in the course of developing, constructing, or operating such facility shall not be required to vest in the United States and patents respecting such invention shall not be required to be issued to the United States.

(d) Prohibition

After October 21, 1976, the Administrator shall not construct or operate any full-scale facility (except by contract with public agencies or authorities or private persons).

(2) such contract or assistance meets the requirements of section 6981 of this title and meets other applicable requirements of this chapter,

(3) such facility will be able to comply with the guidelines published under section 6907 of this title and with other laws and regulations for the protection of health and the environment,

(4) in the case of a contract for construction or operation, such facility is not likely to be constructed or operated by State, local, or private persons or in the case of an application for financial assistance, such facility is not likely to receive adequate financial assistance from other sources, and

(5) any Federal interest in, or assistance to, such facility will be disposed of or terminated, with appropriate compensation, within such period of time as may be necessary to carry out the basic objectives of this chapter.

§ 6985. Special study and demonstration projects on recovery of useful energy and materials

(a) Studies

The Administrator shall conduct studies and develop recommendations for administrative or legislative action on—

(1) means of recovering materials and energy from solid waste, recommended uses of such materials and energy for national or international welfare, including identification of potential markets for such recovered resources, the impact of distribution of such resources on existing markets, and potentials for energy conservation through resource conservation and resource recovery;

(2) actions to reduce waste generation which have been taken voluntarily or in response to governmental action, and those which practically could be taken in the future, and the economic, social, and environmental consequences of such actions;

(3) methods of collection, separation, and containerization which will encourage efficient utilization of facilities and contribute to
more effective programs of reduction, reuse, or
disposal of wastes;
(4) the use of Federal procurement to de-
velop market demand for recovered resources;
(5) recommended incentives (including Fed-
eral grants, loans, and other assistance) and
disincentives to accelerate the reclamation or
recycling of materials from solid wastes, with
special emphasis on motor vehicle hulks;
(6) the effect of existing public policies, in-
cluding subsidies and economic incentives and
disincentives, percentage depletion allow-
ances, capital gains treatment and other tax
incentives and disincentives, upon the re-
using and reuse of materials, and the likely ef-
fect of the modification or elimination of such
incentives and disincentives upon the reuse,
recycling and conservation of such materials;
(7) the necessity and method of imposing dis-
posal or other charges on packaging, contain-
ers, vehicles, and other manufactured goods,
which charges would reflect the cost of final
disposal, the value of recoverable components
of the item, and any social costs associated
with nonrecycling or uncontrolled disposal of
such items; and
(8) the legal constraints and institutional
barriers to the acquisition of land needed for
solid waste management, including land for fa-
cilities and disposal sites;
(9) in consultation with the Secretary of Ag-
culture, agricultural waste management
problems and practices, the extent of reuse
and recovery of resources in such wastes, the
prospects for improvement, Federal, State,
and local regulations governing such prac-
tices, and the economic, social, and environ-
mental consequences of such practices; and
(10) in consultation with the Secretary of the
Interior, mining waste management
problems, and practices, including an assessment
of existing authorities, technologies, and eco-
nomies, and the environmental and public health
consequences of such practices.

(b) Demonstration
The Administrator is also authorized to carry
out demonstration projects to test and demon-
strate methods and techniques developed pur-
suant to subsection (a).

(c) Application of other sections
Section 6981(b) and (c) of this title shall be ap-
licable to investigations, studies, and projects
applied for or carried out under this section.

(Pub. L. 89–272, title II, §8005, as added Pub. L.

PRIOR PROVISIONS
Provisions similar to those in this section were con-
tained in section 3253a of this title, prior to the general
amendment of the Solid Waste Disposal Act by Pub. L.
94–580.

TRANSFER OF FUNCTIONS
For transfer of certain enforcement functions of Ad-
ministrator or other official of Environmental Protec-
tion Agency under this chapter to Federal Inspector,
Office of Federal Inspector for the Alaska Natural Gas
Transportation System, and subsequent transfer to
Secretary of Energy, then to Federal Coordinator
for Alaska Natural Gas Transportation Projects, see note
set out under section 6903 of this title.

§ 6986. Grants for resource recovery systems and
improved solid waste disposal facilities

(a) Authority
The Administrator is authorized to make
grants pursuant to this section to any State,
municipal, or interstate or intermunicipal agen-
cy for the demonstration of resource recovery
systems or for the construction of new or im-
proved solid waste disposal facilities.

(b) Conditions
(1) Any grant under this section for the dem-
stration of a resource recovery system may be
made only if it (A) is consistent with any plans
which meet the requirements of subchapter IV
of this title; (B) is consistent with the guide-
lines recommended pursuant to section 6907 of
this title; (C) is designed to provide area-wide
resource recovery systems consistent with the
purposes of this chapter, as determined by the
Administrator, pursuant to regulations promul-
gated under subsection (d) of this section; and
(D) provides an equitable system for distributing
the costs associated with construction, opera-
tion, and maintenance of any resource recovery
system among the users of such system.

(2) The Federal share for any project to which
paragraph (1) applies shall not be more than 75
percent.

(c) Limitations
(1) A grant under this section for the construc-
tion of a new or improved solid waste disposal
facility may be made only if—
(A) a State or interstate plan for solid waste
disposal has been adopted which applies to the
area involved, and the facility to be con-
structed is included in such plan; (B) is
consistent with the guidelines recommended
under section 6907 of this title, and
(C) is consistent with the guidelines rec-
ommended under section 6907 of this title, and
(D) provides an equitable system for distributing
the environmental impact of solid waste disposal, in achieving recovery of en-
ergy or resources, or in recycling useful mate-
rials.

(2) The Federal share for any project to which
paragraph (1) applies shall not be more than 50
percent in the case of a project serving an area
which includes only one municipality, and not
more than 75 percent in any other case.

(d) Regulations
(1) The Administrator shall promulgate regu-
lations establishing a procedure for awarding
grants under this section which—
(A) provides that projects will be carried out
in communities of varying sizes, under such
conditions as will assist in solving the commu-
nity waste problems of urban-industrial cen-
ters, metropolitan regions, and rural areas,
under representative geographic and environ-
mental conditions; and
(B) provides deadlines for submission of, and
action on, grant requests.

(2) In taking action on applications for grants
under this section, consideration shall be given
by the Administrator (A) to the public benefits to be derived by the construction and the propriety of Federal aid in making such grant; (B) to the extent applicable, to the economic and commercial viability of the project (including contractual arrangements with the private sector to market any resources recovered); (C) to the potential of such project for general application to community solid waste disposal problems; and (D) to the use of the applicant of comprehensive regional or metropolitan area planning.

(e) Additional limitations

A grant under this section—

(1) may be made only in the amount of the Federal share of (A) the estimated total design and construction costs, plus (B) in the case of a grant to which subsection (b)(1) applies, the first-year operation and maintenance costs;

(2) may not be provided for land acquisition or (except as otherwise provided in paragraph (1)(B)) for operating or maintenance costs;

(3) may not be made until the applicant has made provision satisfactory to the Administrator for proper and efficient operation and maintenance of the project (subject to paragraph (1)(B)); and

(4) may be made subject to such conditions and requirements, in addition to those provided in this section, as the Administrator may require to properly carry out his functions pursuant to this chapter.

For purposes of paragraph (1), the non-Federal share may be in any form, including, but not limited to, lands or interests therein needed for the project or personal property or services, the value of which shall be determined by the Administrator.

(f) Single State

(1) Not more than 15 percent of the total of funds authorized to be appropriated for any fiscal year to carry out this section shall be granted under this section for projects in any one State.

(2) The Administrator shall prescribe by regulation the manner in which this subsection shall apply to a grant under this section for a project in an area which includes all or part of more than one State.


PRIOR PROVISIONS

Provisions similar to those in this section were contained in section 3259 of this title, prior to the general amendment of the Solid Waste Disposal Act by Pub. L. 94–580.

SUBCHAPTER IX—REGULATION OF UNDERGROUND STORAGE TANKS

§ 6991. Definitions and exemptions

In this subchapter:

(1) INDIAN TRIBE.—

(A) IN GENERAL.—The term “Indian tribe” means any Indian tribe, band, nation, or other organized group or community that is recognized as being eligible for special programs and services provided by the United States to Indians because of their status as Indians.

(B) INCLUSIONS.—The term “Indian tribe” includes an Alaska Native village, as defined in or established under the Alaska Native Claims Settlement Act (43 U.S.C. 1601 et seq.); and 1

(2) The term “nonoperational storage tank” means any underground storage tank in which regulated substances will not be deposited or from which regulated substances will not be dispensed after November 8, 1984.

(3) The term “operator” means any person in control of, or having responsibility for, the daily operation of the underground storage tank.

(4) The term “owner” means—

(A) in the case of an underground storage tank in use on November 8, 1984, or brought into use after that date, any person who owns an underground storage tank used for the storage, use, or dispensing of regulated substances and

(B) in the case of any underground storage tank in use before November 8, 1984, but no longer in use on November 8, 1984, any person who owned such tank immediately before the discontinuation of its use.

(5) The term “person” has the same meaning as provided in section 6903(15) of this title, except that such term includes a consortium, a joint venture, and a commercial entity, and the United States Government.

(6) The term “petroleum” means petroleum, including crude oil or any fraction thereof which is liquid at standard conditions of temperature and pressure (60 degrees Fahrenheit and 14.7 pounds per square inch absolute).

(7) The term “regulated substance” means—

(A) any substance defined in section 3001(14) of this title (but not including any substance regulated as a hazardous waste under subchapter III), and

(B) petroleum.

(8) The term “release” means any spilling, leaking, emitting, discharging, escaping,

1 So in original. The semicolon probably should be a period and the word “and” probably should not appear.
leaching, or disposing from an underground storage tank into ground water, surface water or subsurface soils.

(9) Trust fund.—The term “Trust Fund” means the Leaking Underground Storage Tank Trust Fund established by section 8900 of title 26.

(10) The term “underground storage tank” means any one or combination of tanks (including underground pipes connected thereto) which is used to contain an accumulation of regulated substances, and the volume of which (including the volume of the underground pipes connected thereto) is 10 per centum or more beneath the surface of the ground. Such term does not include any—

(A) farm or residential tank of 1,100 gallons or less capacity used for storing motor fuel for noncommercial purposes,

(B) tank used for storing heating oil for consumptive use on the premises where stored,

(C) septic tank,

(D) pipeline facility (including gathering lines)—

(i) which is regulated under chapter 601 of title 49, or

(ii) which is an intrastate pipeline facility regulated under State laws as provided in chapter 601 of title 49, and which is determined by the Secretary to be connected to a pipeline or to be operated or intended to be capable of operating at pipeline pressure or as an integral part of a pipeline,

(E) surface impoundment, pit, pond, or lagoon,

(F) storm water or waste water collection system,

(G) flow-through process tank,

(H) liquid trap or associated gathering lines directly related to oil or gas production and gathering operations, or

(I) storage tank situated in an underground area (such as a basement, cellar, mineworking, drift, shaft, or tunnel) if the storage tank is situated upon or above the surface of the floor.

The term “underground storage tank” shall not include any pipes connected to any tank which is described in subparagraphs (A) through (I).


“(a) Definitions.—In this provision:

“(1) Aboveground storage tank.—The term ‘aboveground storage tank’ means any tank or combination of tanks (including any connected pipe)—

“(A) that is used to contain an accumulation of regulated substances; and

“(B) the volume of which (including the volume of any connected pipe) is located wholly above the surface of the ground.

“(2) Administrator.—The term ‘Administrator’ means the Administrator of the Environmental Protection Agency.


“(4) Federal environmental law.—The term ‘Federal environmental law’ means—

“(A) the Oil Pollution Control Act of 1990 (33 U.S.C. 2701 et seq.);

“(B) the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601 et seq.);

“(C) the Solid Waste Disposal Act (42 U.S.C. 6901 et seq.);

“(D) the Federal Water Pollution Control Act (33 U.S.C. 1251 et seq.); or

“(E) any other Federal law that is applicable to the release into the environment of a regulated substance, as determined by the Administrator.

“(5) Native village.—The term ‘Native village’ has the meaning given the term in section 11(b) in Public Law 92–233 (85 Stat. 688) (43 U.S.C. 1610(b)).

“(6) Program.—The term ‘program’ means the Aboveground Storage Tank Grant Program established by subsection (b)(1).
"(8) STATE.—The term ‘State’ means the State of Alaska.

(b) ESTABLISHMENT.—

(1) IN GENERAL.—There is established a grant program to be known as the ‘Aboveground Storage Tank Grant Program’

(2) GRANTS.—Under the program, the Administrator shall award a grant to—

(A) the State, on behalf of a Native village; or

(B) the Denali Commission.

(c) USE OF GRANTS.—The State or the Denali Commission shall use the funds of a grant under subsection (b) to repair, upgrade, or replace one or more above-ground storage tanks that—

(1) tanks or poses an imminent threat of leaking, as certified by the Administrator, the Commandant of the Coast Guard, or any other appropriate Federal or State agency (as determined by the Administrator); and

(2) is located in a Native village—

(A) the median household income of which is less than 80 percent of the median household income in the State;

(B) that is located—

(i) within the boundaries of—

(I) a unit of the National Park System;

(II) a unit of the National Wildlife Refuge System; or

(III) a National Forest; or

(ii) on public land under the administrative jurisdiction of the Bureau of Land Management; or

(C) that receives payments from the Federal Government under chapter 60 of title 31, United States Code (commonly known as ‘payments in lieu of taxes’).

(d) REPORTS.—Not later than 1 year after the date on which the State or the Denali Commission receives a grant under subsection (c), and annually thereafter, the State or the Denali Commission, as the case may be, shall submit a report describing each project completed with grant funds and any projects planned for the following year, to—

(1) the Administrator;

(2) the Committee on Natural Resources of the House of Representatives;

(3) the Committee on Environment and Public Works of the Senate;

(4) the Committee on Appropriations of the House of Representatives; and

(5) the Committee on Appropriations of the Senate.

(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this Act [probably means this section], to remain available until expended—

(1) $20,000,000 for fiscal year 2001; and

(2) such sums as are necessary for each fiscal year thereafter.

(For transfer of authorities, functions, personnel, and assets of the Coast Guard, including the authorities and functions of the Secretary of Transportation relating thereto, to the Department of Homeland Security, and for treatment of related references, see sections 468(b), 551(d), 552(d), and 557 of Title 6, Domestic Security, and the Department of Homeland Security Reorganization Plan of November 25, 2002, as modified, set out as a note under section 522 of Title 6.)

§ 6991a. Notification

(a) Underground storage tanks

(1) Within 18 months after November 8, 1984, each owner of an underground storage tank shall notify the State or local agency or department designated pursuant to subsection (b)(1) of the existence of such tank, specifying the age, size, type, location, and uses of such tank.

(2)(A) For each underground storage tank taken out of operation after January 1, 1974, the owner of such tank shall, within eighteen months after November 8, 1984, notify the State or local agency, or department designated pursuant to subsection (b)(1) of the existence of such tanks (unless the owner knows the tank subsequently was removed from the ground). The owner of a tank taken out of operation on or before January 1, 1974, shall not be required to notify the State or local agency under this subsection.

(B) Notice under subparagraph (A) shall specify—

(i) the date the tank was taken out of operation;

(ii) the age of the tank on the date taken out of operation;

(iii) the size, and type and location of the tank, and

(iv) the type and quantity of substances left stored in such tank on the date taken out of operation.

(3) Any owner which brings into use an underground storage tank after the initial notification period specified under paragraph (1), shall notify the designated State or local agency or department within thirty days of the existence of such tank, specifying the age, size, type, location and uses of such tank.

(4) Paragraphs (1) through (3) of this subsection shall not apply to tanks for which notice was given pursuant to section 9603(c) of this title.

(5) Beginning thirty days after the Administrator prescribes the form of notice pursuant to subsection (b)(2) and for eighteen months thereafter, any person who deposits regulated substances in an underground storage tank shall reasonably notify the owner or operator of such tank of the owner’s notification requirements pursuant to this subsection.

(6) Beginning thirty days after the Administrator issues new tank performance standards pursuant to section 6991b(c) of this title, any person who sells a tank intended to be used as an underground storage tank shall notify the purchaser of such tank of the owner’s notification requirements pursuant to this subsection.

(b) Agency designation

(1) Within one hundred and eighty days after November 8, 1984, the Governors of each State shall designate the appropriate State agency or department or local agencies or departments to receive the notifications under subsection (a)(1), (2), or (3).

(2) Within twelve months after November 8, 1984, the Administrator, in consultation with State and local officials designated pursuant to subsection (b)(1), and after notice and opportunity for public comment, shall prescribe the form of the notice and the information to be included in the notifications under subsection (a)(1), (2), or (3). In prescribing the form of such notice, the Administrator shall take into account the effect on small businesses and other owners and operators.

(c) State inventories

Each State shall make 2 separate inventories of all underground storage tanks in such State containing regulated substances. One inventory
shall be made with respect to petroleum and one
with respect to other regulated substances. In
making such inventories, the State shall utilize
and aggregate the data in the notification forms
submitted pursuant to subsections (a) and (b) of
this section. Each State shall submit such ag-
ggregated data to the Administrator not later
than 270 days after October 17, 1986.

(d) Public record

(1) In general

The Administrator shall require each State
that receives Federal funds to carry out this
subchapter to maintain, update at least annu-
ally, and make available to the public, in such
manner and form as the Administrator shall
prescribe (after consultation with States), a
record of underground storage tanks regulated
under this subchapter.

(2) Considerations

To the maximum extent practicable, the
public record of a State, respectively, shall in-
clude, for each year—
(A) the number, sources, and causes of un-
derground storage tank releases in the
State;
(B) the record of compliance by under-
ground storage tanks in the State with—
(i) this subchapter; or
(ii) an applicable State program ap-
proved under section 6991c of this title; and
(C) data on the number of underground
storage tank equipment failures in the State.

(Pub. L. 98–91, title II, § 9002, as added Pub. L.
98–616, title VI, § 601(a), Nov. 8, 1984, 98 Stat. 3278;
amended Pub. L. 99–499, title II, § 205(b), Oct. 17,
1986, 100 Stat. 1696; Pub. L. 109–58, title XV,
§ 1526(c), Aug. 8, 2005, 119 Stat. 1098.)

AMENDMENTS

§ 6991b. Release detection, prevention, and cor-
rection regulations

(a) Regulations

The Administrator, after notice and oppor-
tunity for public comment, and at least three
months before the effective dates specified in
subsection (f), shall promulgate release detec-
tion, prevention, and correction regulations ap-
licable to all owners and operators of under-
ground storage tanks, as may be necessary to
protect human health and the environment.

(b) Distinctions in regulations

In promulgating regulations under this sec-
tion, the Administrator may distinguish be-
tween types, classes, and ages of underground
storage tanks. In making such distinctions, the
Administrator may take into consideration fac-
tors, including, but not limited to: location of
the tanks, soil and climate conditions, uses of
the tanks, history of maintenance, age of the
tanks, current industry recommended practices,
national consensus codes, hydrogeology, water
table, size of the tanks, quantity of regulated
substances periodically deposited in or dispensed
from the tank, the technical capability of the
owners and operators, and the compatibility of
the regulated substance and the materials of
which the tank is fabricated.

(c) Requirements

The regulations promulgated pursuant to this
section shall include, but need not be limited to,
the following requirements respecting all under-
ground storage tanks—
(1) requirements for maintaining a leak de-
tection system, an inventory control system
together with tank testing, or a comparable
system or method designed to identify releases
in a manner consistent with the protection of
human health and the environment;
(2) requirements for maintaining records of
any monitoring or leak detection system or
inventory control system or tank testing or
comparable system;
(3) requirements for reporting of releases
and corrective action taken in response to a
release from an underground storage tank;
(4) requirements for taking corrective action
in response to a release from an underground
storage tank;
(5) requirements for the closure of tanks to
prevent future releases of regulated sub-
stances into the environment; and
(6) requirements for maintaining evidence of
financial responsibility for taking corrective
action and compensating third parties for bod-
ily injury and property damage caused by sud-
den and nonsudden accidental releases arising
from operating an underground storage tank.

(d) Financial responsibility

(1) Financial responsibility required by this
subsection may be established in accordance
with regulations promulgated by the Adminis-
trator by any one, or any combination, of the
following: insurance, guarantee, surety bond,
letter of credit, qualification as a self-insurer or
any other method satisfactory to the Adminis-
trator. In promulgating requirements under this
subsection, the Administrator is authorized to
specify policy or other contractual terms, condi-
tions, or defenses which are necessary or are un-
acceptable in establishing such evidence of fi-
nancial responsibility in order to effectuate the
purposes of this subchapter.

(2) In any case where the owner or operator is
in bankruptcy, reorganization, or arrangement
pursuant to the Federal Bankruptcy Code or
where with reasonable diligence jurisdiction in
any State court of the Federal courts cannot be
obtained over an owner or operator likely to be
solvent at the time of judgment, any claim aris-
ing from conduct for which evidence of financial
responsibility must be provided under this sub-
section may be asserted directly against the
guarantor providing such evidence of financial
responsibility. In the case of any action pursu-
ant to this paragraph such guarantor shall be
entitled to invoke all rights and defenses which
would have been available to the owner or oper-
ator if any action had been brought against the
owner or operator by the claimant and which
would have been available to the guarantor if an
action had been brought against the guarantor
by the owner or operator.

(3) The total liability of any guarantor shall
be limited to the aggregate amount which the
guarantor has provided as evidence of financial responsibility to the owner or operator under this section. Nothing in this subsection shall be construed to limit any other State or Federal statutory, contractual or common law liability of a guarantor to its owner or operator including, but not limited to, the liability of such guarantor for bad faith either in negotiating or in failing to negotiate the settlement of any claim. Nothing in this subsection shall be construed to diminish the liability of any person under section 9607 or 9611 of this title or other applicable law.

(4) For the purpose of this subsection, the term "guarantor" means any person, other than the owner or operator, who provides evidence of financial responsibility for an owner or operator under this subsection.

(5)(A) The Administrator, in promulgating financial responsibility regulations under this section, may establish an amount of coverage for particular classes or categories of underground storage tanks containing petroleum which shall satisfy such regulations and which shall not be less than $1,000,000 for each occurrence with an appropriate aggregate requirement.

(B) The administrator may set amounts lower than the amounts required by subparagraph (A) of this paragraph for underground storage tanks containing petroleum which are at facilities not engaged in petroleum production, refining, or marketing and which are not used to handle substantial quantities of petroleum.

(C) In establishing classes and categories for purposes of this paragraph, the Administrator may consider the following factors:

(i) The size, type, location, storage, and handling capacity of underground storage tanks in the class or category and the volume of petroleum handled by such tanks.

(ii) The likelihood of release and the potential extent of damage from any release from underground storage tanks in the class or category.

(iii) The economic impact of the limits on the owners and operators of each such class or category, particularly relating to the small business segment of the petroleum marketing industry.

(iv) The availability of methods of financial responsibility in amounts greater than the amount established by this paragraph.

(v) Such other factors as the Administrator deems pertinent.

(D) The Administrator may suspend enforcement of the financial responsibility requirements for a particular class or category of underground storage tanks or in a particular State, if the Administrator makes a determination that methods of financial responsibility satisfying the requirements of this subsection are not generally available for underground storage tanks in that class or category, and—

(i) steps are being taken to form a risk retention group for such class of tanks; or

(ii) such State is taking steps to establish a fund pursuant to section 6991c(c)(1) of this title to be submitted as evidence of financial responsibility.

A suspension by the Administrator pursuant to this paragraph shall extend for a period not to exceed 180 days. A determination to suspend may be made with respect to the same class or category or for the same State at the end of such period, but only if substantial progress has been made in establishing a risk retention group, or the owners or operators in the class or category demonstrate, and the Administrator finds, that the formation of such a group is not possible and that the State is unable or unwilling to establish such a fund pursuant to clause (ii).

(e) New tank performance standards

The Administrator shall, not later than three months prior to the effective date specified in subsection (f), issue performance standards for underground storage tanks brought into use on or after the effective date of such standards. The performance standards for new underground storage tanks shall include, but need not be limited to, design, construction, installation, release detection, and compatibility standards.

(f) Effective dates

(1) Regulations issued pursuant to subsections (c) and (d), and standards issued pursuant to subsection (e) of this section, for underground storage tanks containing regulated substances defined in section 6991(7)(B) of this title (petroleum, including crude oil or any fraction thereof which is liquid at standard conditions of temperature and pressure) shall be effective not later than thirty months after November 8, 1984.

(2) Standards issued pursuant to subsection (e) of this section (entitled "New Tank Performance Standards") for underground storage tanks containing regulated substances defined in section 6991(7)(A) of this title shall be effective not later than thirty-six months after November 8, 1984.

(3) Regulations issued pursuant to subsection (c) of this section (entitled "Requirements") and standards issued pursuant to subsection (d) of this section (entitled "Financial Responsibility") for underground storage tanks containing regulated substances defined in section 6991(7)(A) of this title shall be effective not later than forty-eight months after November 8, 1984.

(g) Interim prohibition

(1) Until the effective date of the standards promulgated by the Administrator under subsection (e) and after one hundred and eighty days after November 8, 1984, no person may install an underground storage tank for the purpose of storing regulated substances unless such tank (whether of single or double wall construction)—

(A) will prevent releases due to corrosion or structural failure for the operational life of the tank;

(B) is cathodically protected against corrosion, constructed of noncorrosive material, steel clad with a noncorrosive material, or designed in a manner to prevent the release or threatened release of any stored substance; and

(C) the material used in the construction or lining of the tank is compatible with the substance to be stored.

(2) Notwithstanding paragraph (1), if soil tests conducted in accordance with ASTM Standard
§ 6991b

Before regulations

Before the effective date of regulations under subsection (c), the Administrator (or a State pursuant to paragraph (7)) is authorized to—

(A) require the owner or operator of an underground storage tank to undertake corrective action with respect to any release of petroleum when the Administrator (or the State) determines that such corrective action will be done properly and promptly by the owner or operator of the underground storage tank from which the release occurs; or

(B) undertake corrective action with respect to any release of petroleum into the environment from an underground storage tank if such action is necessary, in the judgment of the Administrator (or the State), to protect human health and the environment.

The corrective action undertaken or required under this paragraph shall be such as may be necessary to protect human health and the environment. The Administrator shall use funds in the Trust Fund for payment of costs incurred for corrective action under subparagraph (B), enforcement action under subparagraph (A), and cost recovery under paragraph (6) of this subsection. Subject to the priority requirements of paragraph (3), the Administrator (or the State) shall give priority in undertaking such actions under subparagraph (B) to cases where the Administrator (or the State) cannot identify a solvent owner or operator of the tank who will undertake action properly.

(2) After regulations

Following the effective date of regulations under subsection (c), all actions or orders of the Administrator (or a State pursuant to paragraph (7)) described in paragraph (1) of this subsection shall be in conformity with such regulations. Following such effective date, the Administrator (or the State) may undertake corrective action with respect to any release of petroleum into the environment from an underground storage tank only if such action is necessary, in the judgment of the Administrator (or the State), to protect human health and the environment and one or more of the following situations exists:

(A) No person can be found, within 90 days or such shorter period as may be necessary to protect human health and the environment, who is—

(i) an owner or operator of the tank concerned;

(ii) subject to such corrective action regulations, and

(iii) capable of carrying out such corrective action properly.

(B) A situation exists which requires prompt action by the Administrator (or the State) under this paragraph to protect human health and the environment.

(C) Corrective action costs at a facility exceed the amount of coverage required by the Administrator pursuant to the provisions of subsections (c) and (d)(5) of this section and, considering the class or category of underground storage tank from which the release occurred, expenditures from the Trust Fund are necessary to assure an effective corrective action.

(D) The owner or operator of the tank has failed or refused to comply with an order of the Administrator under this subsection or section 6991e of this title or with the order of a State under this subsection to comply with the corrective action regulations.

(3) Priority of corrective actions

The Administrator (or a State pursuant to paragraph (7)) shall give priority in undertaking corrective actions under this subsection, and in issuing orders requiring owners or operators to undertake such actions, to releases of petroleum from underground storage tanks which pose the greatest threat to human health and the environment.

(4) Corrective action orders

The Administrator is authorized to issue orders to the owner or operator of an underground storage tank to carry out subparagraph (A) of paragraph (1) or to carry out regulations issued under subsection (c)(4). A State acting pursuant to paragraph (7) of this subsection is authorized to carry out subparagraph (A) of paragraph (1) only until the State’s program is approved by the Administrator under section 6991c of this title. Such orders shall be issued and enforced in the same manner and subject to the same requirements as orders under section 6991e of this title.

(5) Allowable corrective actions

The corrective actions undertaken by the Administrator (or a State pursuant to paragraph (7)) under paragraph (1) or (2) may include temporary or permanent relocation of residents and alternative household water supplies. In connection with the performance of any corrective action under paragraph (1) or (2), the Administrator may undertake an exposure assessment as defined in paragraph (10) of this subsection or provide for such an assessment in a cooperative agreement with a State pursuant to paragraph (7) of this subsection. The costs of any such assessment may be treated as corrective action for purposes of paragraph (6), relating to cost recovery.

(6) Recovery of costs

(A) In general

Whenever costs have been incurred by the Administrator, or by a State pursuant to paragraph (7), for undertaking corrective action or enforcement action with respect to the release of petroleum from an underground storage tank, the owner or operator of such tank shall be liable to the Administrator or the State for such costs. The liabi-
ity under this paragraph shall be construed to be the standard of liability which obtains under section 1321 of title 33.

(B) Recovery

In determining the equities for seeking the recovery of costs under subparagraph (A), the Administrator (or a State pursuant to paragraph (7) of this subsection) may consider the amount of financial responsibility required to be maintained under subsections (c) and (d)(5) of this section and the factors considered in establishing such amount under subsection (d)(5).

(C) Effect on liability

(i) No transfers of liability

No indemnification, hold harmless, or similar agreement or conveyance shall be effective to transfer from the owner or operator of any underground storage tank or from any person who may be liable for a release or threat of release under this subsection, to any other person the liability imposed under this subsection. Nothing in this subsection shall bar any agreement to insure, hold harmless, or indemnify a party to such agreement for any liability under this section.

(ii) No bar to cause of action

Nothing in this subsection, including the provisions of clause (i) of this subparagraph, shall bar a cause of action that an owner or operator or any other person subject to liability under this section, or a guarantor, has or would have, by reason of subrogation or otherwise against any person.

(D) Facility

For purposes of this paragraph, the term “facility” means, with respect to any owner or operator, all underground storage tanks used for the storage of petroleum which are owned or operated by such owner or operator and located on a single parcel of property (or any contiguous or adjacent property).

(E) Inability or limited ability to pay

(i) In general

In determining the level of recovery effort, or amount that should be recovered, the Administrator (or the State pursuant to paragraph (7)) shall consider the owner or operator’s ability to pay. An inability or limited ability to pay corrective action costs must be demonstrated to the Administrator (or the State pursuant to paragraph (7)) by the owner or operator.

(ii) Considerations

In determining whether or not a demonstration is made under clause (i), the Administrator (or the State pursuant to paragraph (7)) shall take into consideration the ability of the owner or operator to pay corrective action costs and still maintain its basic business operations, including consideration of the overall financial condition of the owner or operator and demonstrable constraints on the ability of the owner or operator to raise revenues.

(iii) Information

An owner or operator requesting consideration under this subparagraph shall promptly provide the Administrator (or the State pursuant to paragraph (7)) with all relevant information needed to determine the ability of the owner or operator to pay corrective action costs.

(iv) Alternative payment methods

The Administrator (or the State pursuant to paragraph (7)) shall consider alternative payment methods as may be necessary or appropriate if the Administrator (or the State pursuant to paragraph (7)) determines that an owner or operator cannot pay all or a portion of the costs in a lump sum payment.

(v) Misrepresentation

If an owner or operator provides false information or otherwise misrepresents their financial situation under clause (ii), the Administrator (or the State pursuant to paragraph (7)) shall seek full recovery of the costs of all such actions pursuant to the provisions of subparagraph (A) without consideration of the factors in subparagraph (B).

(7) State authorities

(A) General

A State may exercise the authorities in paragraphs (1), (2), and (12), subject to the terms and conditions of paragraphs (3), (5), (9), (10), and (11), and the authority under sections 6991j and 6991k of this title and paragraphs (4), (6), and (8), if—

(i) the Administrator determines that the State has the capabilities to carry out effective corrective actions and enforcement activities; and

(ii) the Administrator enters into a cooperative agreement with the State setting out the actions to be undertaken by the State.

The Administrator may provide funds from the Trust Fund for the reasonable costs of the State’s actions under the cooperative agreement.

(B) Cost share

Following the effective date of the regulations under subsection (c) of this section, the State shall pay 10 per centum of the cost of corrective actions undertaken either by the Administrator or by the State under a cooperative agreement, except that the Administrator may take corrective action at a facility where immediate action is necessary to respond to an imminent and substantial endangerment to human health or the environment if the State fails to pay the cost share.

(8) Emergency procurement powers

Notwithstanding any other provision of law, the Administrator may authorize the use of such emergency procurement powers as he deems necessary.

(9) Definition of owner or operator

(A) In general

As used in this subchapter, the terms “owner” and “operator” do not include a
person that, without participating in the management of an underground storage tank and otherwise not engaged in petroleum production, refining, or marketing, holds indicia of ownership primarily to protect the person's security interest.

(B) Security interest holders

The provisions regarding holders of security interests in subparagraphs (E) through (G) of section 9601(20) of this title and the provisions regarding fiduciaries at section 9607(n) of this title shall apply in determining a person's liability as an owner or operator of an underground storage tank for the purposes of this subchapter.

(C) Effect on rule

Nothing in subparagraph (B) shall be construed as modifying or affecting the final rule issued by the Administrator on September 7, 1995 (60 Fed. Reg. 46,692), or as limiting the authority of the Administrator to amend the final rule, in accordance with applicable law. The final rule in effect on September 30, 1996, shall prevail over any inconsistent provision regarding holders of security interests in subparagraphs (E) through (G) of section 9601(20) of this title or any inconsistent provision regarding fiduciaries in section 9607(n) of this title. Any amendment to the final rule shall be consistent with the provisions regarding holders of security interests in subparagraphs (E) through (G) of section 9601(20) of this title and the provisions regarding fiduciaries in section 9607(n) of this title. This subparagraph does not preclude judicial review of any amendment of the final rule made after September 30, 1996.

(10) Definition of exposure assessment

As used in this subsection, the term "exposure assessment" means an assessment to determine the extent of exposure of, or potential for exposure of, individuals to petroleum from a release from an underground storage tank based on such factors as the nature and extent of contamination and the existence of or potential for pathways of human exposure (including ground or surface water contamination, air emissions, and food chain contamination), the size of the community within the likely pathways of exposure, and the comparison of expected human exposure levels to the short-term and long-term health effects associated with the identified contaminants and any available recommended exposure or tolerance limits for such contaminants. Such assessment shall not delay corrective action to abate immediate hazards or reduce exposure.

(11) Facilities without financial responsibility

At any facility where the owner or operator has failed to maintain evidence of financial responsibility in amounts at least equal to the amounts established by subsection (d)(5)(A) of this section (or a lesser amount if such amount is applicable to such facility as a result of subsection (d)(5)(B) of this section) for whatever reason the Administrator shall expend no monies from the Trust Fund to clean up releases at such facility pursuant to the provisions of paragraph (1) or (2) of this subsection. At such facilities the Administrator shall use the authorities provided in subparagraph (A) of paragraph (1) and paragraph (4) of this subsection and section 6991e of this title to order corrective action to clean up such releases. States acting pursuant to paragraph (7) of this subsection shall use the authorities provided in subparagraph (A) of paragraph (1) and paragraph (4) of this subsection to order corrective action to clean up such releases. Notwithstanding the provisions of this paragraph, the Administrator may use monies from the fund to take the corrective actions authorized by paragraph (5) of this subsection to protect human health at such facilities and shall seek full recovery of the costs of all such actions pursuant to the provisions of paragraph (6)(A) of this subsection and without consideration of the factors in paragraph (6)(B) of this subsection. Nothing in this paragraph shall prevent the Administrator (or a State pursuant to paragraph (7) of this subsection) from taking corrective action at a facility where there is no solvent owner or operator or where immediate action is necessary to respond to an imminent and substantial endangerment of human health or the environment.

(12) Remediation of oxygenated fuel contamination

(A) In general

The Administrator and the States may use funds made available under section 6991m(2)(B) of this title to carry out corrective actions with respect to the release of a fuel containing an oxygenated fuel additive that presents a threat to human health or welfare or the environment.

(B) Applicable authority

The Administrator or a State shall carry out subparagraph (A) in accordance with paragraph (2), and in the case of a State, in accordance with a cooperative agreement entered into by the Administrator and the State under paragraph (7).

(i) Additional measures to protect groundwater from contamination

The Administrator shall require each State that receives funding under this subchapter to require one of the following:

(1) Tank and piping secondary containment

(A) Each new underground storage tank, or piping connected to any such new tank, installed after the effective date of this subsection, or any existing underground storage tank, or existing piping connected to such existing tank, that is replaced after the effective date of this subsection, shall be secondarily contained and monitored for leaks if the new or replaced underground storage tank or piping is within 1,000 feet of any existing community water system or any existing potable drinking water well.

(B) In the case of a new underground storage tank system consisting of one or more underground storage tanks and connected by piping, subparagraph (A) shall apply to all under-
ground storage tanks and connected pipes comprising such system.

(C) In the case of a replacement of an existing underground storage tank or existing piping connected to the underground storage tank, subparagraph (A) shall apply only to the specific underground storage tank or piping being replaced, not to other underground storage tanks and connected pipes comprising such system.

(D) Each installation of a new motor fuel dispenser system, after the effective date of this subsection, shall include under-dispenser spill containment if the new dispenser is within 1,000 feet of any existing community water system or any existing potable drinking water well.

(E) This paragraph shall not apply to repairs to an underground storage tank, piping, or dispenser that are meant to restore a tank, pipe, or dispenser to operating condition.

(F) As used in this subsection:

(i) The term “secondarily contained” means a release detection and prevention system that meets the requirements of 40 CFR 280.43(g), but shall not include under-dispenser spill containment or control systems.

(ii) The term “underground storage tank” has the meaning given to it in section 6991 of this title, except that such term does not include tank combinations or more than a single underground pipe connected to a tank.

(iii) The term “installation of a new motor fuel dispenser system” means the installation of a new motor fuel dispenser and the equipment necessary to connect the dispenser to the underground storage tank system, but does not mean the installation of a motor fuel dispenser installed separately from the equipment need to connect the dispenser to the underground storage tank system.

(2) Evidence of financial responsibility and certification

(A) Manufacturer and installer financial responsibility

A person that manufactures an underground storage tank or piping for an underground storage tank system or that installs an underground storage tank system is required to maintain evidence of financial responsibility under subsection (d) in order to provide for the costs of corrective actions directly related to releases caused by improper manufacture or installation unless the person can demonstrate themselves to be already covered as an owner or operator of an underground storage tank under this section.

(B) Installer certification

The Administrator and each State that receives funding under this subchapter, as appropriate, shall require that a person that installs an underground storage tank system is—

(i) certified or licensed by the tank and piping manufacturer;

(ii) certified or licensed by the Administrator or a State, as appropriate;

(iii) has their underground storage tank system installation certified by a registered professional engineer with education and experience in underground storage tank system installation;

(iv) has had their installation of the underground storage tank inspected and approved by the Administrator or the State, as appropriate;

(v) compliant with a code of practice developed by a nationally recognized association or independent testing laboratory and in accordance with the manufacturer’s instructions; or

(vi) compliant with another method that is determined by the Administrator or a State, as appropriate, to be no less protective of human health and the environment.

(C) Savings clause

Nothing in subparagraph (A) alters or affects the liability of any owner or operator of an underground storage tank.

(j) Government-owned tanks

(1) State compliance report

(A) Not later than 2 years after August 8, 2005, each State that receives funding under this subchapter shall submit to the Administrator a State compliance report that—

(i) lists the location and owner of each underground storage tank described in sub- paragraph (B) in the State that, as of the date of submission of the report, is not in compliance with this section; and

(ii) specifies the date of the last inspection and describes the actions that have been and will be taken to ensure compliance of the underground storage tank listed under clause (i) with this subchapter.

(B) An underground storage tank described in this subparagraph is an underground storage tank that is—

(i) regulated under this subchapter; and

(ii) owned or operated by the Federal, State, or local government.

(C) The Administrator shall make each report, received under subparagraph (A), available to the public through an appropriate media.

(2) Financial incentive

The Administrator may award to a State that develops a report described in paragraph (1), in addition to any other funds that the State is entitled to receive under this subchapter, not more than $50,000, to be used to carry out the report.

(3) Not a safe harbor

This subsection does not relieve any person from any obligation or requirement under this subchapter.

\(^1\) So in original.

\(^2\) So in original. Probably should be “medium.”
accidental releases arising from operating an underground storage tank.

Subsec. (d)(2) to (5). Pub. L. 99–499, § 205(c)(2), added par. (5) and redesignated par. (3) to (5) as (2) to (4), respectively. Former par. (2) redesignated (1).


REFERENCES IN TEXT

The Federal Bankruptcy Code, referred to in subsec. (d)(2), probably means a reference to Title 11, Bankruptcy.

The effective date of this subsection, referred to in subsec. (i)(1)(A), (D), is 18 months after Aug. 8, 2005. See Effective Date of 2005 Amendment note set out below.

AMENDMENTS


2005—Subsec. (f)(1). Pub. L. 109–58, §1533(2), substituted “subsections (c) and (d)” for “subsection (c) and (d) of this section”.


Pub. L. 109–58, §1525(1), in introductory provisions, substituted “paragraphs (1), (2), and (12)” for “paragraphs (1) and (2) of this subsection” and “and the authority under sections 6991 and 6991k of this title” for “6991k of this title and paragraphs (4), (6), and (8)”.


Subsec. (1). Pub. L. 109–58, §1530(a), added subsec. (1) relating to additional measures to protect groundwater from contamination.

Pub. L. 109–58, §1530(a), added subsec. (1) relating to government-owned tanks.

1996—Subsec. (h)(9). Pub. L. 104–208 added par. (9) and struck out heading and text of former par. (9). Text read as follows: “As used in this subsection, the term ‘owner’ does not include any person who, without participating in the management of an underground storage tank and otherwise not engaged in petroleum production, refining, and marketing, holds indicia of ownership primarily to protect the owner’s security interest in the tank.”


Subsec. (d)(1). Pub. L. 99–499, §205(c)(3), which directed that par. (1) be amended by “striking out ‘or’ after ‘credit’,” and by striking out the period at the end thereof and inserting in lieu thereof the following: “or any other method satisfactory to the Administrator,” was executed by striking the period and making insertion at end of first sentence, rather than at end of par. (1), as probable intent of Congress, because an earlier version of the amending legislation had provided that such amendment be made to first sentence.

Pub. L. 99–499, §205(c)(2), redesignated par. (2) as (1) and struck out former par. (1) which read as follows: “As he deems necessary or desirable, the Administrator shall promulgate regulations containing requirements for maintaining evidence of financial responsibility as he deems necessary and desirable for taking corrective action and compensating third parties for bodily injury and property damage caused by sudden and nonsudden accidental releases arising from operating an underground storage tank.”


EFFECTIVE DATE OF 2005 AMENDMENT

Pub. L. 109–58, title XV, §1530(b), Aug. 8, 2005, 119 Stat. 1104, provided that: “This subsection [probably means this section, which amended this section and section 6991e of this title and enacted provisions set out as notes under this section] shall take effect 18 months after the date of enactment of this subsection [Aug. 8, 2005].”

EFFECTIVE DATE OF 1996 AMENDMENT


REGULATIONS

Pub. L. 109–58, title XV, §1530(c), Aug. 8, 2005, 119 Stat. 1104, provided that: “The Administrator shall issue regulations or guidelines implementing the requirements of this subsection [probably means this section, which amended this section and section 6991e of this title and enacted provisions set out as notes under this section], including guidance to differentiate between the terms ‘repair’ and ‘replace’ for the purposes of section 9003(h)(1) of the Solid Waste Disposal Act [42 U.S.C. 6991b(h)(1)].”

ASSISTANCE AGREEMENTS WITH INDIAN TRIBES

Pub. L. 105–278, title III, Oct. 21, 1998, 112 Stat. 2497, provided in part: “That hereafter, the Administrator is authorized to enter into assistance agreements with Federally recognized Indian tribes on such terms and conditions as the Administrator deems appropriate for the same purposes as are set forth in section 9003(h)(7) of the Resource Conservation and Recovery Act [probably means section 9003(h)(7) of Pub. L. 89–272, 42 U.S.C. 6991b(h)(7)].”

POLLUTION LIABILITY INSURANCE


“(1) STUDY.—The Comptroller General shall conduct a study of the availability of pollution liability insurance, leak insurance, and contamination insurance for owners and operators of petroleum storage and distribution facilities. The study shall assess the current and projected extent to which private insurance can contribute to the financial responsibility of owners and operators of underground storage tanks and the ability of owners and operators of underground storage tanks to maintain financial responsibility through other methods. The study shall consider the experience of owners and operators of marine vessels in getting insurance for their liabilities under the Federal Water Pollution Control Act [33 U.S.C. 1251 et seq.] and the operation of the Water Quality Insurance Syndicate.

“(2) REPORT.—The Comptroller General shall report to Congress the findings under this subsection to the Congress within 15 months after the enactment of this sub-section [Oct. 17, 1986]. Such report shall include recommendations for legislative or administrative changes that will enable owners and operators of underground storage tanks to maintain financial responsibility sufficient to provide all clean-up costs and damages that may result from reasonably foreseeable releases and events.”
§ 6991c. Approval of State programs

(a) Elements of State program

Beginning 30 months after November 8, 1984, any State may,1 submit an underground storage tank release detection, prevention, and correction program for review and approval by the Administrator. The program may cover tanks used to store regulated substances referred to in subparagraph (A) or (B) of section 6991(7) of this title. A State program may be approved by the Administrator under this section only if the State demonstrates that the State program includes the following requirements and standards—

(1) requirements for maintaining a leak detection system, an inventory control system together with tank testing, or a comparable system or method designed to identify releases in a manner consistent with the protection of human health and the environment;

(2) requirements for maintaining records of any monitoring or leak detection system or inventory control system or tank testing system;

(3) requirements for reporting of any releases and corrective action taken in response to a release from an underground storage tank;

(4) requirements for taking corrective action in response to a release from an underground storage tank;

(5) requirements for the closure of tanks to prevent future releases of regulated substances into the environment;

(6) requirements for maintaining evidence of financial responsibility for taking corrective action and compensating third parties for bodily injury and property damage caused by sudden and nonsudden accidental releases arising from operating an underground storage tank;

(7) standards of performance for new underground storage tanks;

(8) requirements—

(A) for notifying the appropriate State agency or department (or local agency or department) designated according to section 6991a(b)(1) of this title of the existence of any operational or non-operational underground storage tank; and

(B) for providing the information required on the form issued pursuant to section 6991a(b)(2) of this title; and

(9) State-specific training requirements as required by section 6991l of this title.

(b) Federal standards

(1) A State program submitted under this section may be approved only if the requirements under paragraphs (1) through (7) of subsection (a) are no less stringent than the corresponding requirements standards promulgated by the Administrator pursuant to section 6991b(a) of this title.

(2)(A) A State program may be approved without regard to whether or not the requirements referred to in paragraphs (1), (2), (3), and (5) of subsection (a) are less stringent than the corresponding standards under section 6991b(a) of this title during the two-year period commencing on the date of promulgation of regulations under section 6991b(a) of this title during the one-year period commencing on the date of promulgation of regulations under section 6991b(a) of this title if State regulatory action but no State legislative action is required in order to adopt a State program.

(B) If such State legislative action is required, the State program may be approved without regard to whether or not the requirements referred to in paragraphs (1), (2), (3), and (5) of subsection (a) are less stringent than the corresponding standards under section 6991b(a) of this title during the two-year period commencing on the date of promulgation of regulations under section 6991b(a) of this title (and during an additional one-year period after such legislative action if regulations are required to be promulgated by the State pursuant to such legislative action).

(c) Financial responsibility

(1) Corrective action and compensation programs administered by State or local agencies or departments may be submitted for approval under subsection (a)(6) as evidence of financial responsibility.

(2) Financial responsibility required by this subsection may be established in accordance with regulations promulgated by the Administrator by any one, or any combination, of the following: insurance, guarantee, surety bond, letter of credit, qualification as a self-insurer or any other method satisfactory to the Administrator. In promulgating requirements under this subsection, the Administrator is authorized to specify policy or other contractual terms including the amount of coverage required for various classes and categories of underground storage tanks pursuant to section 6991b(d)(5) of this title, conditions, or defenses which are necessary or are unacceptable in establishing such evidence of financial responsibility in order to effectuate the purposes of this subchapter.

(3) In any case where the owner or operator is in bankruptcy, reorganization, or arrangement pursuant to the Federal Bankruptcy Code or where with reasonable diligence jurisdiction in any State court of the Federal courts cannot be obtained over an owner or operator likely to be solvent at the time of judgment, any claim arising from conduct for which evidence of financial responsibility must be provided under this subsection may be asserted directly against the guarantor providing such evidence of financial responsibility. In the case of any action pursuant to this paragraph such guarantor shall be entitled to invoke all rights and defenses which would have been available to the owner or operator if any action had been brought against the owner or operator by the claimant and which would have been available to the guarantor if an action had been brought against the guarantor by the owner or operator.

(4) The total liability of any guarantor shall be limited to the aggregate amount which the guarantor has provided as evidence of financial responsibility to the owner or operator under this section. Nothing in this subsection shall be construed to limit any other State or Federal statutory, contractual or common law liability of a guarantor to its owner or operator includ-

1 So in original. The comma probably should not appear.
ing, but not limited to, the liability of such guarantor for bad faith either in negotiating or in failing to negotiate the settlement of any claim. Nothing in this subsection shall be construed to diminish the liability of any person other than the owner or operator, who provides evidence of financial responsibility for an owner or operator under this subsection.

(5) For the purpose of this subsection, the term “guarantor” means any person, other than the owner or operator, who provides evidence of financial responsibility for an owner or operator under this subsection.

(6) Withdrawing approval.—After an opportunity for good faith, collaborative efforts to correct financial deficiencies with a State fund, the Administrator may withdraw approval of any State fund or State assurance program to be used as a financial responsibility mechanism without withdrawing approval of a State underground storage tank program under subsection (a).

(d) EPA determination

(1) Within one hundred and eighty days of the date of receipt of a proposed State program, the Administrator shall, after notice and opportunity for public comment, make a determination whether the State’s program complies with the provisions of this section and provides for adequate enforcement of compliance with the requirements and standards adopted pursuant to this section.

(2) If the Administrator determines that a State program complies with the provisions of this section and provides for adequate enforcement of compliance with the requirements and standards adopted pursuant to this section, he shall approve the State program in lieu of the Federal program and the State shall have primary enforcement responsibility with respect to requirements of its program.

(e) Withdrawal of authorization

Whenever the Administrator determines after public hearing that a State is not administering and enforcing a program authorized under this subchapter in accordance with the provisions of this section, he shall so notify the State. If appropriate action is not taken within a reasonable time, not to exceed one hundred and twenty days after such notification, the Administrator shall withdraw approval of such program and reestablish the Federal program pursuant to this subchapter.

(f) Trust Fund distribution

(1) In general

(A) Amount and permitted uses of distribution

The Administrator shall distribute to States not less than 80 percent of the funds from the Trust Fund that are made available to the Administrator under section 6991m(2)(A) of this title for each fiscal year for use in paying the reasonable costs, incurred under a cooperative agreement with any State for—

(i) corrective actions taken by the State under section 6991b(h)(7)(A) of this title; and

(ii) necessary administrative expenses, as determined by the Administrator, that are directly related to State fund or State assurance programs under subsection (c)(1); or

(iii) enforcement, by a State or a local government, of State or local regulations pertaining to underground storage tanks regulated under this subchapter.

(B) Use of funds for enforcement

In addition to the uses of funds authorized under subparagraph (A), the Administrator may use funds from the Trust Fund that are not distributed to States under subparagraph (A) for enforcement of any regulation promulgated by the Administrator under this subchapter.

(C) Prohibited uses

Funds provided to a State by the Administrator under subparagraph (A) shall not be used by the State to provide financial assistance to an owner or operator to meet any requirement relating to underground storage tanks under subparts B, C, D, H, and G of part 280 of title 40, Code of Federal Regulations (as in effect on August 8, 2005).

(2) Allocation

(A) Process

Subject to subparagraphs (B) and (C), in the case of a State with which the Administrator has entered into a cooperative agreement under section 6991b(h)(7)(A) of this title, the Administrator shall distribute funds from the Trust Fund to the State using an allocation process developed by the Administrator.

(B) Diversion of State funds

The Administrator shall not distribute funds under subparagraph (A)(iii) of subsection (f)(1) to any State that has diverted funds from a State fund or State assurance program for purposes other than those related to the regulation of underground storage tanks covered by this subchapter, with the exception of those transfers that had been completed earlier than August 8, 2005.

(C) Revisions to process

The Administrator may revise the allocation process referred to in subparagraph (A) after—

(i) consulting with State agencies responsible for overseeing corrective action for releases from underground storage tanks; and

(ii) taking into consideration, at a minimum, each of the following:

(I) The number of confirmed releases from federally regulated leaking underground storage tanks in the States.

(II) The number of federally regulated underground storage tanks in the States.

(III) The performance of the States in implementing and enforcing the program.

(IV) The financial needs of the States.

(V) The ability of the States to use the funds referred to in subparagraph (A) in any year.
§ 6991d. Inspections, monitoring, testing, and corrective action

(a) Furnishing information

For the purposes of developing or assisting in the development of any regulation, conducting any study, taking any corrective action, or enforcing the provisions of this subchapter, any owner or operator of an underground storage tank (or any tank subject to study under section 6991h of this title that is used for storing regulated substances) shall, upon request of any officer, employee or representative of the Environmental Protection Agency, duly designated by the Administrator, or upon request of any duly designated officer, employee, or representative of a State acting pursuant to subsection (h)(7) of section 6991b of this title or with an approved program, furnish information relating to such tanks, their associated equipment, their contents, conduct monitoring or testing, permit such officer at all reasonable times to have access to, and to copy all records relating to such tanks and permit such officer to have access for corrective action. For the purposes of developing or assisting in the development of any regulation, conducting any study, taking corrective action, or enforcing the provisions of this subchapter, such officers, employees, or representatives are authorized—

(1) to enter at reasonable times any establishment or other place where an underground storage tank is located;

(2) to inspect and obtain samples from any person of any regulated substances contained in such tank;

(3) to conduct monitoring or testing of the tanks, associated equipment, contents, or surrounding soils, air, surface water or ground water; and

(4) to take corrective action.

Each such inspection shall be commenced and completed with reasonable promptness.

(b) Confidentiality

(1) Any records, reports, or information obtained from any persons under this section shall be available to the public, except that upon a showing satisfactory to the Administrator (or the State, as the case may be) by any person that records, reports, or information, or a particular part thereof, to which the Administrator (or the State, as the case may be) or any officer, employee, or representative thereof has access under this section if made public, would divulge information entitled to protection under section 1905 of title 18, such information or particular portion thereof shall be considered confidential in accordance with the purposes of that section, except that such record, report, document, or information may be disclosed to other officers, employees, or authorized representatives of the United States concerned with carrying out this chapter, or when relevant in any proceeding under this chapter.

(2) Any person not subject to the provisions of section 1905 of title 18 who knowingly and willfully divulges or discloses any information entitled to protection under this subsection shall, upon conviction, be subject to a fine of not more than $5,000 or to imprisonment not to exceed one year, or both.

(3) In submitting data under this subchapter, a person required to provide such data may—

(A) designate the data which such person believes is entitled to protection under this subchapter, and

(B) submit such designated data separately from other data submitted under this subchapter.

A designation under this paragraph shall be made in writing and in such manner as the Administrator may prescribe.

(4) Notwithstanding any limitation contained in this section or any other provision of law, all information reported to, or otherwise obtained, by the Administrator (or any representative of the Administrator) under this chapter shall be made available, upon written request of any duly authorized committee of the Congress, to such committee (including records, reports, or information obtained by representatives of the Environmental Protection Agency).

(c) Inspection requirements

(1) Uninspected tanks

In the case of underground storage tanks regulated under this subchapter that have not undergone an inspection since December 22, 1998, not later than 2 years after August 8, 2005, the Administrator or a State that receives funding under this subchapter, as appropriate, shall conduct on-site inspections of all such tanks to determine compliance with this subchapter and the regulations under this subchapter (40 CFR 280) or a requirement or
standard of a State program developed under section 6991c of this title.

(2) Periodic inspections

After completion of all inspections required under paragraph (1), the Administrator or a State that receives funding under this subchapter, as appropriate, shall conduct on-site inspections of each underground storage tank regulated under this subchapter at least once every 3 years to determine compliance with this subchapter and the regulations under this subchapter (40 CFR 280) or a requirement or standard of a State program developed under section 6991c of this title. The Administrator may extend for up to one additional year the first 3-year inspection interval under this paragraph if the State demonstrates that it has insufficient resources to complete all such inspections within the first 3-year period.

(3) Inspection authority

Nothing in this section shall be construed to diminish the Administrator's or a State's authorities under subsection (a).

§ 6991e. Federal enforcement

(a) Compliance orders

Except as provided in paragraph (2), whenever on the basis of any information, the Administrator determines that any person is in violation of any requirement of this subchapter, the Administrator may issue an order requiring compliance within a reasonable specified time period or the Administrator may commence a civil action in the United States district court in which the violation occurred for appropriate relief, including a temporary or permanent injunction.

(2) In the case of a violation of any requirement of this subchapter where such violation occurs in a State with a program approved under section 6991c of this title, the Administrator shall give notice to the State in which such violation has occurred prior to issuing an order or commencing a civil action under this section.

(b) Procedure

Any order issued under this section shall become final unless, no later than thirty days after the order is served, the person or persons named therein request a public hearing. Upon such request the Administrator shall promptly conduct a public hearing. In connection with any proceeding under this section the Administrator may issue subpoenas for the attendance and testimony of witnesses and the production of relevant papers, books, and documents, and may promulgate rules for discovery procedures.

(c) Contents of order

Any order issued under this section shall state with reasonable specificity the nature of the violation, specify a reasonable time for compliance, and assess a penalty, if any, which the Administrator determines is reasonable taking into account the seriousness of the violation and any good faith efforts to comply with the applicable requirements.

(d) Civil penalties

(1) Any owner who knowingly fails to notify or submits false information pursuant to section 6991a(a) of this title shall be subject to a civil penalty not to exceed $10,000 for each tank for which notification is not given or false information is submitted.

(2) Any owner or operator of an underground storage tank who fails to comply with—

(A) any requirement or standard promulgated by the Administrator under section 6991b of this title,

(B) any requirement or standard of a State program approved pursuant to section 6991c of this title,

(C) the provisions of section 6991b(g) of this title (entitled “Interim Prohibition”); or

(D) the requirements established in section 6991b(i) of this title,

shall be subject to a civil penalty not to exceed $10,000 for each tank for each day of violation.

Any person making or accepting a delivery or deposit of a regulated substance to an underground storage tank at an ineligible facility in violation of section 6991k of this title shall also be subject to the same civil penalty for each day of such violation.

1 So in original. The word “or” probably should not appear.

2 So in original. The word “or” probably should not appear.

3 So in original. The word “or” probably should not appear.
(e) Incentive for performance

Both of the following may be taken into account in determining the terms of a civil penalty under subsection (d):

(1) The compliance history of an owner or operator in accordance with this subchapter or a program approved under section 6991c of this title.

(2) Any other factor the Administrator considers appropriate.


AMENDMENTS

2005—Subsec. (d)(2). Pub. L. 109–58, §1527(b)(2), inserted at end “Any person making or accepting a delivery or deposit of a regulated substance to an underground storage tank at an ineligible facility in violation of section 6991k of this title shall also be subject to the same civil penalty for each day of such violation.”

Subsec. (d)(2)(B). Pub. L. 109–58, §1530(d)(1), which directed amendment of subpar. (B) by striking out “or” at end, could not be executed because “or” did not appear subsequent to amendment by Pub. L. 109–58, §1524(c)(1). See below.


Subsec. (d)(2)(D). Pub. L. 109–58, §1530(d)(3), added subpar. (D) relating to requirements established in section 6991k(b)(1) of this title.

Pub. L. 109–58, §1524(c)(2), added subpar. (D) relating to training requirements established by States pursuant to section 6991k of this title.


EFFECTIVE DATE OF 2005 AMENDMENT

Amendment by section 1530(d) of Pub. L. 109–58 effective 18 months after Aug. 8, 2005, see section 1530(b) of Pub. L. 109–58, set out as a note under section 6991b of this title.

§6991f. Federal facilities

(a) In general

Each department, agency, and instrumentality of the executive, legislative, and judicial branches of the Federal Government (1) having jurisdiction over any underground storage tank or underground storage tank system, or (2) engaged in any activity resulting, or which may result, in the installation, operation, management, or closure of any underground storage tank, release response activities related thereto, or in the delivery, acceptance, or deposit of any regulated substance to an underground storage tank or underground storage tank system shall be subject to, and comply with, all Federal, State, interstate, and local requirements, both substantive and procedural (including any requirement for permits or reporting or any provisions for injunctive relief and such sanctions as may be imposed by a court to enforce such relief), respecting underground storage tanks in the same manner, and to the same extent, as any person is subject to such requirements, including the payment of reasonable service charges. The Federal, State, interstate, and local substantive and procedural requirements referred to in this subsection include, but are not limited to, all administrative orders and all civil and administrative penalties and fines, regardless of whether such penalties or fines are punitive or coercive in nature or are imposed for isolated, intermittent, or continuing violations.

The United States hereby expressly waives any immunity otherwise applicable to the United States with respect to any such substantive or procedural requirement (including, but not limited to, any injunctive relief, administrative order or civil or administrative penalty or fine referred to in the preceding sentence, or reasonable service charge). The reasonable service charges referred to in this subsection include, but are not limited to, fees or charges assessed in connection with the processing and issuance of permits, renewal of permits, amendments to permits, review of plans, studies, and other documents, and inspection and monitoring of facilities, as well as any other nondiscriminatory charges that are assessed in connection with a Federal, State, interstate, or local underground storage tank regulatory program. Neither the United States, nor any agent, employee, or officer thereof, shall be immune or exempt from any process or sanction of any State or Federal Court with respect to the enforcement of any such injunctive relief. No agent, employee, or officer of the United States shall be personally liable for any civil penalty under any Federal, State, interstate, or local law concerning underground storage tanks with respect to any act or omission within the scope of the official duties of the agent, employee, or officer. An agent, employee, or officer of the United States shall be subject to any criminal sanction (including, but not limited to, any fine or imprisonment) under any Federal or State law concerning underground storage tanks, but no department, agency, or instrumentality of the executive, legislative, or judicial branch of the Federal Government shall be subject to any such sanction. The President may exempt any underground storage tank of any department, agency, or instrumentality in the executive branch from compliance with such a requirement if he determines it to be in the paramount interest of the United States to do so. No such exemption shall be granted due to lack of appropriation unless the President shall have specifically requested such appropriation as a part of the budgetary process and the Congress shall have failed to make available such requested appropriation. Any exemption shall be for a period not in excess of 1 year, but additional exemptions may be granted for periods not to exceed 1 year upon the President’s making a new determination. The President shall report each January to the Congress all exemptions from the requirements of this section granted during the preceding calendar year, together with his reason for granting each such exemption.

(b) Review of and report on Federal underground storage tanks

(1) Review

Not later than 12 months after August 8, 2005, each Federal agency that owns or operates one or more underground storage tanks,
or that manages land on which one or more underground storage tanks are located, shall submit to the Administrator, the Committee on Energy and Commerce of the United States House of Representatives, and the Committee on Environment and Public Works of the Senate a compliance strategy report that—

(A) lists the location and owner of each underground storage tank described in this paragraph;

(B) lists all tanks that are not in compliance with this subchapter that are owned or operated by the Federal agency;

(C) specifies the date of the last inspection by a State or Federal inspector of each underground storage tank owned or operated by the agency;

(D) lists each violation of this subchapter respecting any underground storage tank owned or operated by the agency;

(E) describes the operator training that has been provided to the operator and other persons having primary daily on-site management responsibility for the operation and maintenance of underground storage tanks owned or operated by the agency; and

(F) describes the actions that have been and will be taken to ensure compliance for each underground storage tank identified under subparagraph (B).

(2) Not a safe harbor

This subsection does not relieve any person from any obligation or requirement under this subchapter.


AMENDMENTS

2005—Pub. L. 109–58 amended section generally. Prior to amendment, section required each department, agency, and instrumentality of the executive, legislative, and judicial branches of the Federal Government having jurisdiction over any underground storage tank to comply with all Federal, State, interstate, and local requirements, applicable to such tank, both substantive and procedural, in the same manner, and to the same extent, as any other person is subject to such requirements, including payment of reasonable service charges, provided that neither the United States, nor any agent, employee, or officer thereof, was immune or exempt from any process or sanction of any State or Federal court with respect to the enforcement of any such injunctive relief, and authorized the President to exempt any tank from compliance with such requirements upon certain determinations.

§ 6991g. State authority

Nothing in this subchapter shall preclude or deny any right of any State or political subdivision thereof to adopt or enforce any regulation, requirement, or standard of performance respecting underground storage tanks that is more stringent than a regulation, requirement, or standard of performance in effect under this subchapter.


AMENDMENTS

1986—Pub. L. 99–499 amended section generally. Prior to amendment, section read as follows: “Nothing in this subchapter shall preclude or deny any right of any State or political subdivision thereof to adopt or enforce any regulation, requirement, or standard of performance respecting underground storage tanks that is more stringent than a regulation, requirement, or standard of performance in effect under this subchapter.”

§ 6991h. Study of underground storage tanks

(a) Petroleum tanks

Not later than twelve months after November 8, 1984, the Administrator shall complete a study of underground storage tanks used for the storage of regulated substances defined in section 6991(7)(B) of this title.

(b) Other tanks

Not later than thirty-six months after November 8, 1984, the Administrator shall complete a study of all other underground storage tanks.

(c) Elements of studies

The studies under subsections (a) and (b) shall include an assessment of the ages, types (including methods of manufacture, coatings, protection systems, the compatibility of the construction materials and the installation methods), and locations (including the climate of the locations) of such tanks; soil conditions, water tables, and the hydrogeology of tank locations; the relationship between the foregoing factors and the likelihood of releases from underground storage tanks; the effectiveness and costs of inventory systems, tank testing, and leak detection systems; and such other factors as the Administrator deems appropriate.

(d) Farm and heating oil tanks

Not later than thirty-six months after November 8, 1984, the Administrator shall conduct a study regarding the tanks referred to in subparagraphs (A) and (B) of section 6991(10) of this title. Such study shall include estimates of the number and location of such tanks and an analysis of the extent to which there may be releases or threatened releases from such tanks into the environment.

(e) Reports

Upon completion of the studies authorized by this section, the Administrator shall submit reports to the President and to the Congress containing the results of the studies and recommendations respecting whether or not such tanks should be subject to the preceding provisions of this subchapter.

(f) Reimbursement

(1) If any owner or operator (excepting an agency, department, or instrumentality of the United States Government, a State or a political subdivision thereof) shall incur costs, including the loss of business opportunity, due to the closure or interruption of operation of an underground storage tank solely for the purpose of conducting studies authorized by this section, the Administrator shall provide such person fair and equitable reimbursement for such costs.
(2) All claims for reimbursement shall be filed with the Administrator not later than ninety days after the closure or interruption which gives rise to the claim.

(3) Reimbursements made under this section shall be from funds appropriated by the Congress pursuant to the authorization contained in section 6916(g) \(^1\) of this title.

(4) For purposes of judicial review, a determination by the Administrator under this subsection shall be considered final agency action.


REFERENCES IN TEXT
Section 6916(g) of this title, referred to in subsec. (f)(3), probably means section 6916(f) of this title which authorizes appropriations for this subchapter. There is no subsec. (g) of section 6916.

AMENDMENTS

Subsec. (d). Pub. L. 109–58, §1532(b)(3)(B), substituted “subparagraphs (A) and (B) of section 6991(10)” for “section 6991(10)”.

§6991j. Operator training

(a) Guidelines

(1) In general

Not later than 2 years after August 8, 2005, in consultation and cooperation with States and after public notice and opportunity for comment, the Administrator shall publish guidelines that specify training requirements for—

(A) persons having primary responsibility for on-site operation and maintenance of underground storage tank systems;

(B) persons having daily on-site responsibility for the operation and maintenance of underground storage tanks systems; and

(C) daily, on-site employees having primary responsibility for addressing emergencies presented by a spill or release from an underground storage tank system.

(2) Considerations

The guidelines described in paragraph (1) shall take into account—

(A) State training programs in existence as of the date of publication of the guidelines;

(B) training programs that are being employed by tank owners and tank operators as of August 8, 2005;

(C) the high turnover rate of tank operators and other personnel;

(D) the frequency of improvement in underground storage tank equipment technology;

(E) the nature of the businesses in which the tank operators are engaged;

(F) the substantial differences in the scope and length of training needed for the different classes of persons described in subparagraphs (A), (B), and (C) of paragraph (1); and

(G) such other factors as the Administrator determines to be necessary to carry out this section.

(b) State programs

(1) In general

Not later than 2 years after the date on which the Administrator publishes the guidelines under subsection (a)(1), each State that receives funding under this subchapter shall develop State-specific training requirements that are consistent with the guidelines developed under subsection (a)(1).

(2) Requirements

State requirements described in paragraph (1) shall—

(A) be consistent with subsection (a);

(B) be developed in cooperation with tank owners and tank operators;

(C) take into consideration training programs implemented by tank owners and tank operators as of August 8, 2005; and

(D) be appropriately communicated to tank owners and operators.

(3) Financial incentive

The Administrator may award to a State that develops and implements requirements described in paragraph (1), in addition to any funds that the State is entitled to receive under this subchapter, not more than $200,000, to be used to carry out the requirements.

(c) Training

All persons that are subject to the operator training requirements of subsection (a) shall—

(1) meet the training requirements developed under subsection (b); and

(2) repeat the applicable requirements developed under subsection (b), if the tank for which they have primary daily on-site management responsibilities is determined to be out of compliance with—

(A) a requirement or standard promulgated by the Administrator under section 6991b of this title; or

(B) a requirement or standard of a State program approved under section 6991c of this title.


REFERENCES IN TEXT
August 8, 2005, referred to in subsec. (b)(2)(C), was in the original “the date of enactment of this section”, which was translated as meaning the date of enactment of Pub. L. 109–58, which amended this section generally, to reflect the probable intent of Congress.

AMENDMENTS
2005—Pub. L. 109–58 amended section catchline and text generally. Prior to amendment, text read as follows: “For authorization of appropriations to carry out this subchapter, see section 6916(g) of this title.”

§6991m. Use of funds for release prevention and compliance

Funds made available under section 6991m(2)(D) of this title from the `Trust Fund

---

\(^1\) See References in Text note below.
§ 6991k. Delivery prohibition

(a) Requirements

(1) Prohibition of delivery or deposit

Beginning 2 years after August 8, 2005, it shall be unlawful to deliver to, deposit into, or accept a regulated substance into an underground storage tank at a facility which has been identified by the Administrator or a State implementing agency to be ineligible for such delivery, deposit, or acceptance.

(2) Guidance

Within 1 year after August 8, 2005, the Administrator shall, in consultation with the States, underground storage tank owners, and product delivery industries, publish guidelines detailing the specific processes and procedures they will use to implement the provisions of this section. The processes and procedures include, at a minimum—

(A) the criteria for determining which underground storage tank facilities are ineligible for delivery, deposit, or acceptance of a regulated substance;

(B) the mechanisms for identifying which facilities are ineligible for delivery, deposit, or acceptance of a regulated substance to the underground storage tank owning and fuel delivery industries;

(C) the process for reclassifying ineligible facilities as eligible for delivery, deposit, or acceptance of a regulated substance;

(D) one or more processes for providing adequate notice to underground storage tank owners and operators and supplier industries that an underground storage tank has been determined to be ineligible for delivery, deposit, or acceptance of a regulated substance; and

(E) a delineation of, or a process for determining, the specified geographic areas subject to paragraph (4).

(3) Compliance

States that receive funding under this subchapter shall, at a minimum, comply with the processes and procedures published under paragraph (2).

(4) Consideration

(A) Rural and remote areas

Subject to subparagraph (B), the Administrator or a State may consider not treating an underground storage tank as ineligible for delivery, deposit, or acceptance of a regulated substance if such treatment would jeopardize the availability of, or access to, fuel in any rural and remote areas unless an urgent threat to public health, as determined by the Administrator, exists.

(B) Applicability

Subparagraph (A) shall apply only during the 180-day period following the date of a determination by the Administrator or the appropriate State under subparagraph (A).

(b) Effect on State authority

Nothing in this section shall affect or preempt the authority of a State to prohibit the delivery, deposit, or acceptance of a regulated substance to an underground storage tank.

(c) Defense to violation

A person shall not be in violation of subsection (a)(1) if the person has not been provided with notice pursuant to subsection (a)(2)(D) of the ineligibility of a facility for delivery, deposit, or acceptance of a regulated substance as determined by the Administrator or a State, as appropriate, under this section.

§ 6991l. Tanks on tribal lands

(a) Strategy

The Administrator, in coordination with Indian tribes, shall, not later than 1 year after August 8, 2005, develop and implement a strategy—

(1) giving priority to releases that present the greatest threat to human health or the environment, to take necessary corrective action in response to releases from leaking underground storage tanks located wholly within the boundaries of—

(A) an Indian reservation; or

(B) any other area under the jurisdiction of an Indian tribe; and

(2) to implement and enforce requirements concerning underground storage tanks located wholly within the boundaries of—

(A) an Indian reservation; or

(B) any other area under the jurisdiction of an Indian tribe.

(b) Report

Not later than 2 years after August 8, 2005, the Administrator shall submit to Congress a report that summarizes the status of implementation and enforcement of this subchapter in areas located wholly within—

(1) the boundaries of Indian reservations; and

(2) any other areas under the jurisdiction of an Indian tribe.

The Administrator shall make the report under this subsection available to the public.
(c) Not a safe harbor

This section does not relieve any person from any obligation or requirement under this subchapter.

(d) State authority

Nothing in this section applies to any underground storage tank that is located in an area under the jurisdiction of a State, or that is subject to regulation by a State, as of August 8, 2005.


§ 6991m. Authorization of appropriations

There are authorized to be appropriated to the Administrator the following amounts:

(1) To carry out this subchapter (except sections 6991b(h), 6991d(c), 6991j, and 6991k of this title) $50,000,000 for each of fiscal years 2006 through 2011.

(2) From the Trust Fund—

(A) to carry out section 6991b(h) of this title (except section 6991b(h)(12) of this title) $200,000,000 for each of fiscal years 2006 through 2011;

(B) to carry out section 6991b(h)(12) of this title, $200,000,000 for each of fiscal years 2006 through 2011;

(C) to carry out sections 6991b(i), 6991c(f), and 6991d(c) of this title $100,000,000 for each of fiscal years 2006 through 2011; and

(D) to carry out sections 6991i, 6991j, 6991k, and 6991l of this title $55,000,000 for each of fiscal years 2006 through 2011.


AMENDMENTS


SUBCHAPTER X—DEMONSTRATION MEDICAL WASTE TRACKING PROGRAM

§ 6992. Scope of demonstration program for medical waste

(a) Covered States

The States within the demonstration program established under this subchapter for tracking medical wastes shall be New York, New Jersey, Connecticut, the States contiguous to the Great Lakes and any State included in the program through the petition procedure described in subsection (c), except for any of such States in which the Governor notifies the Administrator under subsection (b) that such State shall not be covered by the program.

(b) Opt out

(1) If the Governor of any State covered under subsection (a) which is not contiguous to the Atlantic Ocean notifies the Administrator that such State elects not to participate in the demonstration program, the Administrator shall remove such State from the program.

(2) If the Governor of any other State covered under subsection (a) notifies the Administrator that such State has implemented a medical waste tracking program that is no less stringent than the demonstration program under this subchapter and that such State elects not to participate in the demonstration program under subsection (a) and that the Administrator shall, if the Administrator determines that such State program is no less stringent than the demonstration program under this subchapter, remove such State from the demonstration program.

(3) Notifications under paragraphs (1) or (2) shall be submitted to the Administrator no later than 30 days after the promulgation of regulations implementing the demonstration program under this subchapter.

(c) Petition in

The Governor of any State may petition the Administrator to be included in the demonstration program and the Administrator may, in his discretion, include any such State. Such petition may not be made later than 30 days after promulgation of regulations establishing the demonstration program under this subchapter, and the Administrator shall determine whether to include the State within 30 days after receipt of the State’s petition.

(d) Expiration of demonstration program

The demonstration program shall expire on the date 24 months after the effective date of the regulations under this subchapter.

(Pub. L. 89–272, title II, §11001, as added Pub. L. 100–582, §2(a), Nov. 1, 1988, 102 Stat. 2950.)

§ 6992a. Listing of medical wastes

(a) List

Not later than 6 months after November 1, 1988, the Administrator shall promulgate regulations listing the types of medical waste to be tracked under the demonstration program. Except as provided in subsection (b), such list shall include, but need not be limited to, each of the following types of solid waste:

(1) Cultures and stocks of infectious agents and associated biologicals, including cultures from medical and pathological laboratories, cultures and stocks of infectious agents from research and industrial laboratories, wastes from the production of biologicals, discarded live and attenuated vaccines, and culture dishes and devices used to transfer, inoculate, and mix cultures.

(2) Pathological wastes, including tissues, organs, and body parts that are removed during surgery or autopsy.

(3) Waste human blood and products of blood, including serum, plasma, and other blood components.

(4) Sharps that have been used in patient care or in medical, research, or industrial laboratories, including hypodermic needles, syringes, pasteur pipettes, broken glass, and scalpel blades.

(5) Contaminated animal carcasses, body parts, and bedding of animals that were ex-
§ 6992b

Tracking of medical waste

(a) Demonstration program

Not later than 6 months after November 1, 1988, the Administrator shall promulgate regulations establishing a program for the tracking of the medical waste listed in section 6992a of this title which is generated in a State subject to the demonstration program. The program shall (1) provide for tracking of the transportation of the waste from the generator to the disposal facility, except that waste that is incinerated need not be tracked after incineration, (2) include a system for providing the generator of the waste with assurance that the waste is received by the disposal facility, (3) use a uniform form for tracking in each of the demonstration States, and (4) include the following requirements:

(A) A requirement for segregation of the waste at the point of generation where practicable.

(B) A requirement for placement of the waste in containers that will protect waste handlers and the public from exposure.

(C) A requirement for appropriate labeling of containers of the waste.

(b) Small quantities

In the program under subsection (a), the Administrator may establish an exemption for generators of small quantities of medical waste listed under section 6992a of this title, except that the Administrator may not exempt from the program any person who, or facility that, generates 50 pounds or more of such waste in any calendar month.

(c) On-site incinerators

Concurrently with the promulgation of regulations under subsection (a), the Administrator shall promulgate a recordkeeping and reporting requirement for any generator in a demonstration State of medical waste listed in section 6992a of this title that (1) incinerates medical waste listed in section 6992a of this title on site and (2) does not track such waste under the regulations promulgated under subsection (a). Such requirement shall require the generator to report to the Administrator on the volume and types of medical waste listed in section 6992a of this title that the generator incinerated on site during the 6 months following the effective date of the requirements of this subsection.

(d) Type of medical waste and types of generators

For each of the requirements of this section, the regulations may vary for different types of medical waste and for different types of medical waste generators.

§ 6992c. Inspections

(a) Requirements for access

For purposes of developing or assisting in the development of any regulation or report under this subchapter or enforcing any provision of this subchapter, any person who generates, stores, treats, transports, disposes of, or otherwise handles or has handled medical waste shall, upon request of any officer, employee, or representative of the Environmental Protection Agency duly designated by the Administrator, furnish information relating to such waste, including any tracking forms required to be maintained under section 6992b of this title, conduct monitoring or testing, and permit such person at all reasonable times to have access to, and to copy, all records relating to such waste. For such purposes, such officers, employees, or representatives are authorized to—

(1) enter at reasonable times any establishment or other place where medical wastes are or have been generated, stored, treated, disposed of, or transported from;

(2) conduct monitoring or testing; and

(3) inspect and obtain samples from any person of any such wastes and samples of any containers or labeling for such wastes.

(b) Procedures

Each inspection under this section shall be commenced and completed with reasonable promptness. If the officer, employee, or representative obtains any samples, prior to leaving the premises he shall give to the owner, operator, or agent in charge a receipt describing

1 So in original. Probably should be “exudates”. 
the sample obtained and, if requested, a portion of each such sample equal in volume or weight to the portion retained if giving such an equal portion is feasible. If any analysis is made of such samples, a copy of the results of such analysis shall be furnished promptly to the owner, operator, or agent in charge of the premises concerned.

(c) Availability to public

The provisions of section 6927(b) of this title shall apply to records, reports, and information obtained under this section in the same manner and to the same extent as such provisions apply to records, reports, and information obtained under section 6927 of this title.

(Pub. L. 89–272, title II, §11004, as added Pub. L. 100–582, §2(a), Nov. 1, 1988, 102 Stat. 2952.)

§ 6992d. Enforcement

(a) Compliance orders

(1) Violations

Whenever on the basis of any information the Administrator determines that any person has violated, or is in violation of, any requirement or prohibition in effect under this subchapter (including any requirement or prohibition in effect under regulations under this subchapter) (A) the Administrator may issue an order (i) assessing a civil penalty for any past or current violation, (ii) requiring compliance immediately or within a specified time period, or (iii) both, or (B) the Administrator may commence a civil action in the United States district court in the district in which the violation occurred for appropriate relief, including a temporary or permanent injunction. Any order issued pursuant to this subsection shall state with reasonable specificity the nature of the violation.

(2) Orders assessing penalties

Any penalty assessed in an order under this subsection shall not exceed $25,000 per day of noncompliance for each violation of a requirement or prohibition in effect under this subchapter. In assessing such a penalty, the Administrator shall take into account the seriousness of the violation and any good faith efforts to comply with applicable requirements.

(3) Public hearing

Any order issued under this subsection shall become final unless, not later than 30 days after issuance of the order, the persons named therein request a public hearing. Upon such request, the Administrator shall promptly conduct a public hearing. In connection with any proceeding under this section, the Administrator may issue subpoenas for the production of relevant papers, books, and documents, and may promulgate rules for discovery procedures.

(4) Violation of compliance orders

In the case of an order under this subsection requiring compliance with any requirement of or regulation under this subchapter, if a violator fails to take corrective action within the time specified in an order, the Administrator may assess a civil penalty of not more than $25,000 for each day of continued noncompliance with the order.

(b) Criminal penalties

Any person who—

(1) knowingly violates the requirements of or regulations under this subchapter;

(2) knowingly omits material information or makes any false material statement or representation in any label, record, report, or other document filed, maintained, or used for purposes of compliance with this subchapter or regulations thereunder; or

(3) knowingly generates, stores, transports, disposes of, or otherwise handles any medical waste (whether such activity took place before or takes place after November 1, 1988) and who knowingly destroys, alters, conceals, or fails to file any record, report, or other document required to be maintained or filed for purposes of compliance with this subchapter or regulations thereunder shall, upon conviction, be subject to a fine of not more than $50,000 for each day of violation, or imprisonment not to exceed 2 years (5 years in the case of a violation of paragraph (1)). If the conviction is for a violation committed after a first conviction of such person under this paragraph, the maximum punishment under the respective paragraph shall be doubled with respect to both fine and imprisonment.

(e) Knowing endangerment

Any person who knowingly violates any provision of subsection (b) who knows at that time that he thereby places another person in imminent danger of death or serious bodily injury, shall upon conviction be subject to a fine of not more than $250,000 or imprisonment for not more than 15 years, or both. A defendant that is an organization shall, upon conviction under this subsection, be subject to a fine of not more than $1,000,000. The terms of this paragraph shall be interpreted in accordance with the rules provided under section 6928(f) of this title.

(d) Civil penalties

Any person who violates any requirement of or regulation under this subchapter shall be liable to the United States for a civil penalty in an amount not to exceed $25,000 for each such violation. Each day of such violation shall, for purposes of this section, constitute a separate violation.

(e) Civil penalty policy

Civil penalties assessed by the United States or by the States under this subchapter shall be assessed in accordance with the Administrator's "RCRA Civil Penalty Policy", as such policy may be amended from time to time.

(Pub. L. 89–272, title II, §11005, as added Pub. L. 100–582, §2(a), Nov. 1, 1988, 102 Stat. 2953.)

§ 6992e. Federal facilities

(a) In general

Each department, agency, and instrumentalities of the executive, legislative, and judicial branches of the Federal Government in a demonstration State (1) having jurisdiction over any solid waste management facility or disposal site...
§ 6992f. Relationship to State law

(a) State inspections and enforcement

A State may conduct inspections under 1 6992c of this title and take enforcement actions under section 6992d of this title against any person, including any person who has imported medical waste into a State in violation of the requirements of, or regulations under, this subchapter, to the same extent as the Administrator. At the time a State initiates an enforcement action under section 6992d of this title against any person, the State shall notify the Administrator in writing.

(b) Retention of State authority

Nothing in this subchapter shall—

(1) preempt any State or local law; or

(2) except as provided in subsection (c), otherwise affect any State or local law or the authority of any State or local government to adopt or enforce any State or local law.

(c) State forms

Any State or local law which requires submission of a tracking form from any person subject to this subchapter shall require that the form be identical in content and format to the form required under section 6992b of this title, except that a State may require the submission of other tracking information which is supplemental to the information required on the form required under section 6992b of this title through additional sheets or such other means as the State deems appropriate.


§ 6992h. Health impacts report

Within 24 months after November 1, 1988, the Administrator of the Agency for Toxic Substances and Disease Registry shall prepare for Congress a report on the health effects of medical waste, including each of the following—

(1) A description of the potential for infection or injury from the segregation, handling, storage, treatment, or disposal of medical wastes.

(2) An estimate of the number of people injured or infected annually by sharps, and the nature and seriousness of those injuries or infections.

(3) An estimate of the number of people infected annually by other means related to waste segregation, handling, storage, treatment, or disposal, and the nature and seriousness of those infections.

(4) For diseases possibly spread by medical waste, including Acquired Immune Deficiency Syndrome and hepatitis B, an estimate of what percentage of the total number of cases nationally may be traceable to medical wastes.

1 So in original. Probably should be “under section”.
§ 6992i. General provisions

(a) Consultation

(1) In promulgating regulations under this subchapter, the Administrator shall consult with the affected States and may consult with other interested parties.

(2) The Administrator shall also consult with the International Joint Commission to determine how to monitor the disposal of medical waste emanating from Canada.

(b) Public comment

In the case of the regulations required by this subchapter to be promulgated within 9 months after November 1, 1988, the Administrator may promulgate such regulations in interim final form without prior opportunity for public comment, but the Administrator shall provide an opportunity for public comment on the interim final rule. The promulgation of such regulations shall not be subject to the Paperwork Reduction Act of 1980.1

(c) Relationship to subchapter III

Nothing in this subchapter shall affect the authority of the Administrator to regulate medical waste, including medical waste listed under section 6992a of this title, under subchapter III of this chapter.

§ 6992k. Authorization of appropriations

There are authorized to be appropriated to the Administrator such sums as may be necessary for each of the fiscal years 1989 through 1991 for purposes of carrying out activities under this subchapter.


References in Text


Prior Provisions


§ 6992j. Effective date

The regulations promulgated under this subchapter shall take effect within 90 days after promulgation, except that, at the time of promulgation, the Administrator may provide for a shorter period prior to the effective date if he finds the regulated community does not need 90 days to come into compliance.

1 See References in Text note below.
7111. Congressional findings.
7112. Congressional declaration of purpose.
7113. Relationship with States.

SUBCHAPTER II—ESTABLISHMENT OF DEPARTMENT

7131. Establishment.
7132. Principal officers.
7133. Assistant Secretaries; appointment and confirmation; identification of responsibilities.
7134. Federal Energy Regulatory Commission; compensation of Chairman and members.
7135. Energy Information Administration.
7135a. Delegation by Secretary of Energy of energy research, etc., functions to Administrator of Energy Information Administration; prohibition against required delegation; utilization of capabilities by Secretary.
7136. Economic Regulatory Administration; appointment of Administrator; compensation; qualifications; functions.
7137. Functions of Comptroller General.
7138. Repealed.
7139. Office of Science; establishment; appointment of Director; compensation, duties.
7140. Leasing Liaison Committee; establishment; composition.
7141. Office of Minority Economic Impact.
7142b. Authority.
7142c. Museum volunteers.
7142d. Definitions.
7142e. Repealed.
7144. Establishment of policy for National Nuclear Security Administration.
7144a. Establishment of security, counterintelligence, and intelligence policies.
7144b. Office of Intelligence and Counterintelligence.
7144c. Repealed.
7144d. Office of Arctic Energy.
7144e. Office of Indian Energy Policy and Programs.

SUBCHAPTER III—TRANSFERS OF FUNCTIONS

7151. General transfers.
7151a. Jurisdiction over matters transferred from Energy Research and Development Administration.
7152. Transfers from Department of the Interior.
7153. Administration of leasing transfers.
7154. Transfers from Department of Housing and Urban Development.
7155. Repealed.
7156. Transfers from Department of the Navy.
7156a. Repealed.
7157. Transfers from Department of Commerce.
7158. Naval reactor and military application programs.
7159. Transfer to Department of Transportation.

SUBCHAPTER IV—FEDERAL ENERGY REGULATORY COMMISSION

7171. Appointment and administration.
7172. Jurisdiction of Commission.
7173. Initiation of rulemaking procedures before Commission.
7174. Referral of other rulemaking proceedings to Commission.
7175. Right of Secretary to intervene in Commission proceedings.
7176. Reorganization.
7177. Access to information.

SUBCHAPTER V—ADMINISTRATIVE PROCEDURES AND JUDICIAL REVIEW

7191. Procedures for issuance of rules, regulations, or orders.
7192. Judicial review.
7193. Remedial orders.
7194. Requests for adjustments.
7195. Report to Congress; contents.

SUBCHAPTER VI—ADMINISTRATIVE PROVISIONS

PART A—CONFLICT OF INTEREST PROVISIONS

7211 to 7218. Repealed.

PART B—PERSONNEL PROVISIONS

7221. Officers and employees.
7222. Senior positions.
7223. Experts and consultants.
7224. Advisory committees.
7225. Armed services personnel.
7226. Transferred.
7228. Temporary appointments for scientific and technical experts in Department of Energy research and development programs.
7229. Transferred.

PART C—GENERAL ADMINISTRATIVE PROVISIONS

7251. General authority.
7252. Delegation.
7253. Reorganization.
7254. Rules and regulations.
7255. Subpoena.
7256. Contracts, leases, etc., with public agencies and private organizations.
7256a. Repealed.
7256b. Transferred.
7256c. Transferred.
7257. Acquisition, construction, etc., of laboratories, research and testing sites, etc.
7257a to 7257c. Transferred.
7257d. Expanded research by Secretary of Energy.
7258. Facilities construction.
7259. Use of facilities.
7259a. Activities of Department of Energy facilities.
7260. Field offices.
7261. Acquisition of copyrights, patents, etc.
7261a. Protection of sensitive technical information.
7261b. Technology transfer to small businesses.
7261c. Technology partnerships ombudsman.
7262. Repealed.
7263. Capital fund.
7264. Seal of Department.
7265. Capital fund.
7266. Designation of conservation officers.
7267. Annual report.
7268. Leasing report.
7269. Transfer of funds.
7269a. Repealed.
7269b. Transferred.
7269c. Funding for Department of Energy activities not included in Fossil Energy account.
7270. Authorization of appropriations.
7270a. Guards for Strategic Petroleum Reserve facilities.
7270b. Trespass on Strategic Petroleum Reserve facilities.
7270c. Annual assessment and report on vulnerability of facilities to terrorist attack.
7271 to 7273a. Transferred or Repealed.
7273b. Security investigations.
7273c. Transferred.
7274. Environmental impact statements relating to defense facilities.
7274a to 7274d. Transferred.
7274e. Scholarship and fellowship program for environmental restoration and waste management.
Sec. 7274f. Transferred.

7274g. Environmental restoration and waste management five-year plan and budget reports.

7274h. Transferred or Repealed.

7276a. Technical assistance.

7276b. Integrated resource plans.

7276c. Miscellaneous provisions.

7276d. Property protection program for power marketing administrations.

7276e. Provision of rewards.

7276f. Western Area Power Administration; deposit and availability of discretionary offsetting collections.

7276g. Western Area Power Administration; deposit and availability of funds related to Falcon and Amistad Dams.


7278. Availability of appropriations for Department of Energy for transportation, uniforms, security, and price support and loan guarantee programs; transfer of funds; acceptance of contributions.

7278a. Availability of funds for energy and water development for multiyear contracts, grants, or cooperative agreements of $1,000,000 or less.

7279. Identification in budget materials of amounts for certain Department of Energy pension obligations.

7279a. Future-years energy program annual submission and budgeting.

7291. Transfer and allocations of appropriations and personnel.

7292. Effect on personnel.

7293. Agency terminations.

7294. Incidental transfers.

7295. Savings provisions.

7296. Separability.

7297. Cross references.

7298. Presidential authority.

7299. Transition.

7300. Report to Congress; effect on personnel.

7301. Environmental impact statements.

7381. Findings and purposes.

7381a. Science education programs.

7381b. Laboratory cooperative science centers and other authorized education activities.

7381c. Education partnerships.

7381d. Education partnerships.

7381e. Authorization of appropriations.

7381f. Definitions.

7381g. Definitions.

7381h. Repealed.

7381i. Repealed.

7381j. Repealed.

7381k. Repealed.

7381l. Repealed.

7381m. Repealed.

7381n. Summer institutes.

7381o. Repealed.

7381p. Repealed.

7381q. Repealed.

7381r. Repealed.

7381s. Repealed.

7381t. Repealed.

7381u. Repealed.

7381v. Repealed.

7381w. Repealed.

7381x. Repealed.

7381y. Repealed.

7381z. Repealed.

7382. Findings.

7382a. Purpose; designation.

7382b. Definitions.

7382c. Fellowship Program.

7382d. Fellowship awards.

7382e. Waste management education research consortium (WERC).

7382f. Authorization of appropriations.


7383a. Repealed.

7383b. Repealed.

7383c. Repealed.

7383d. Repealed.

7383e. Repealed.

7383f. Repealed.

7384. Findings; sense of Congress.

7384a. Establishment of Energy Employees Occupational Illness Compensation Program.
§ 7101. Definitions

(a) As used in this chapter, unless otherwise provided or indicated by the context, the term

the “Department” means the Department of Energy or any component thereof, including the Federal Energy Regulatory Commission.

(b) As used in this chapter (1) reference to “function” includes reference to any duty, obligation, power, authority, responsibility, right, privilege, and activity, or the plural thereof, as the case may be; and (2) reference to “perform”, when used in relation to functions, includes the undertaking, fulfillment, or execution of any duty or obligation; and the exercise of power, authority, rights, and privileges.

(c) As used in this chapter, “Federal lease” means an agreement which, for any consideration, including but not limited to, bonuses, rents, or royalties conferred and covenants to be observed, authorizes a person to explore for, or develop, or produce (or to do any or all of these) oil and gas, coal, oil shale, tar sands, and geothermal resources on lands or interests in lands under Federal jurisdiction.


REFERENCES IN TEXT

This chapter, referred to in subsecs. (a), (b), and (c), was in the original “this Act”, meaning Pub. L. 95–91, Aug. 4, 1977, 91 Stat. 565, as amended, known as the Department of Energy Organization Act, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out below and Tables.

SHORT TITLE OF 1997 AMENDMENT

Pub. L. 105–28, § 1, July 18, 1997, 111 Stat. 245, provided that: “This Act (amending sections 7191 and 7234 of this title and repealing section 776 of Title 15, Commerce and Trade) may be cited as the ‘Department of Energy Standardization Act of 1997’."

SHORT TITLE OF 1990 AMENDMENT

Pub. L. 101–271, § 1, Apr. 11, 1990, 104 Stat. 135, provided that: “This Act (amending section 7171 of this title and enacting provisions set out as a note under section 7171 of this title) may be cited as the ‘Federal Energy Regulatory Commission Member Term Act of 1990’."

SHORT TITLE

Pub. L. 95–91, § 1, Aug. 4, 1977, 91 Stat. 565, provided: “That this Act (enacting this chapter and section 916 of Title 7, Agriculture, amending sections 6833 and 6839 of this title, section 19 of Title 3, The President, sections 101, 5108, and 5312 to 5316 of Title 5, Government Organization and Employees, section 1701s–8 of Title 12, Banks and Banking, and sections 763, 768, and 786 of Title 15, Commerce and Trade, repealing sections 2036 and 5818 of this title and sections 763, 768, and 786 of Title 15, enacting provisions set out as a note under section 2201 of this title, and repealing provisions set out as a note under section 761 of Title 15) may be cited as the ‘Department of Energy Organization Act’.”


For short title of part A of title V of Pub. L. 103–382, which enacted subchapter XIV of this chapter, as the “Albert Einstein Distinguished Educator Fellowship Act of 1994”, see section 511 of Pub. L. 103–382, set out as a note under section 7382 of this title.

§ 7111. Congressional findings

The Congress of the United States finds that—

(1) the United States faces an increasing shortage of nonrenewable energy resources;

(2) this energy shortage and our increasing dependence on foreign energy supplies present a serious threat to the national security of the United States and to the health, safety and welfare of its citizens;

(3) a strong national energy program is needed to meet the present and future energy needs of the Nation consistent with overall national economic, environmental and social goals;

(4) responsibility for energy policy, regulation, and research, development and demonstration is fragmented in many departments and agencies and thus does not allow for the comprehensive, centralized focus necessary for effective coordination of energy supply and conservation programs; and

(5) formulation and implementation of a national energy program require the integration of major Federal energy functions into a single department in the executive branch.


§ 7112. Congressional declaration of purpose

The Congress therefore declares that the establishment of a Department of Energy is in the public interest and will promote the general welfare by assuring coordinated and effective administration of Federal energy policy and programs. It is the purpose of this chapter:

(1) To establish a Department of Energy in the executive branch.

(2) To achieve, through the Department, effective management of energy functions of the Federal Government, including consultation with the heads of other Federal departments and agencies in order to encourage them to establish and observe policies consistent with a coordinated energy policy, and to promote maximum possible energy conservation measures in connection with the activities within their respective jurisdictions.

(3) To provide for a mechanism through which a coordinated national energy policy can be formulated and implemented to deal with the short-, mid- and long-term energy problems of the Nation; and to develop plans and programs for dealing with domestic energy production and import shortages.

(4) To create and implement a comprehensive energy conservation strategy that will receive the highest priority in the national energy program.

(5) To carry out the planning, coordination, support, and management of a balanced and comprehensive energy research and development program, including—

(A) assessing the requirements for energy research and development;

(B) developing priorities necessary to meet those requirements;

(C) undertaking programs for the optimal development of the various forms of energy production and conservation; and

(D) disseminating information resulting from such programs, including disseminating information on the commercial feasibility and use of energy from fossil, nuclear, solar, geothermal, and other energy technologies.

(6) To place major emphasis on the development and commercial use of solar, geothermal, recycling and other technologies utilizing renewable energy resources.

(7) To continue and improve the effectiveness and objectivity of a central energy data collection and analysis program within the Department.

(8) To facilitate establishment of an effective strategy for distributing and allocating fuels in periods of short supply and to provide for the administration of a national energy supply reserve.

(9) To promote the interests of consumers through the provision of an adequate and reliable supply of energy at the lowest reasonable cost.

(10) To establish and implement through the Department, in coordination with the Secretaries of State, Treasury, and Defense, policies regarding international energy issues that have a direct impact on research, development, utilization, supply, and conservation of energy in the United States and to undertake activities involving the integration of domestic and foreign policy relating to energy, including provision of independent technical advice to the President on international negotiations involving energy resources, energy technologies, or nuclear weapons issues, except that the Secretary of State shall continue to exercise primary authority for the conduct of foreign policy relating to energy and nuclear nonproliferation, pursuant to policy guidelines established by the President.

(11) To provide for the cooperation of Federal, State, and local governments in the development and implementation of national energy policies and programs.

(12) To foster and assure competition among parties engaged in the supply of energy and fuels.

(13) To assure incorporation of national environmental protection goals in the formulation and implementation of energy programs, and to advance the goals of restoring, protecting, and enhancing environmental quality, and assuring public health and safety.
§ 7113 Relationship with States

(14) To assure, to the maximum extent practicable, that the productive capacity of private enterprise shall be utilized in the development and achievement of the policies and purposes of this chapter.

(15) To provide for, encourage, and assist public participation in the development and enforcement of national energy programs.

(16) To create an awareness of, and responsibility for, the fuel and energy needs of rural and urban residents as such needs pertain to home heating and cooling, transportation, agricultural production, electrical generation, conservation, and research and development.

(17) To foster insofar as possible the continued good health of the Nation’s small business firms, public utility districts, municipal utilities, and private cooperatives involved in energy production, transportation, research, development, demonstration, marketing, and merchandising.

(18) To provide for the administration of the functions of the Energy Research and Development Administration related to nuclear weapons and national security which are transferred to the Department by this chapter.

(19) To ensure that the Department can continue current support of mathematics, science, and engineering education programs by using the personnel, facilities, equipment, and resources of its laboratories and by working with State and local education agencies, institutions of higher education, and business and industry. The Department’s involvement in mathematics, science, and engineering education should be consistent with its main mission and should be coordinated with all Federal efforts in mathematics, science, and engineering education, especially with the Department of Education and the National Science Foundation (which have the primary Federal responsibility for mathematics, science, and engineering education).


REFERENCES IN TEXT

This chapter, referred to in introductory provisions and pars. (14) and (18), was in the original “this Act”, meaning Pub. L. 95–91, Aug. 4, 1977, 91 Stat. 565, known as the Department of Energy Organization Act, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 7101 of this title and Tables.

SUBCHAPTER II—ESTABLISHMENT OF DEPARTMENT

§ 7131 Establishment

There is established at the seat of government an executive department to be known as the Department of Energy. There shall be at the head of the Department a Secretary of Energy (hereinafter in this chapter referred to as the “Secretary”), who shall be appointed by the President by and with the advice and consent of the Senate. The Department shall be administered, in accordance with the provisions of this chapter, under the supervision and direction of the Secretary.


REFERENCES IN TEXT

This chapter, referred to in text, was in the original “this Act”, meaning Pub. L. 95–91, Aug. 4, 1977, 91 Stat. 565, as amended, known as the Department of Energy Organization Act, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 7101 of this title and Tables.

TRANSFER OF FUNCTIONS

For transfer of functions, personnel, assets, and liabilities of the Department of Energy, including the functions of the Secretary of Energy relating thereto, to the Secretary of Homeland Security, and for treatment of related references, see sections 121(g)(4), 183(1), 551(d), 552(d), and 557 of Title 6, Domestic Security, and the Department of Homeland Security Reorganization Plan of November 25, 2002, as modified, set out as a note under section 542 of Title 6.

EMERGENCY PREPAREDNESS FOR ENERGY SUPPLY DISRUPTIONS


“(a) FINDING.—Congress finds that recent natural disasters have underscored the importance of having resilient oil and natural gas infrastructure and effective ways for industry and government to communicate to address energy supply disruptions.

“(b) AUTHORIZATION FOR ACTIVITIES TO ENHANCE EMERGENCY PREPAREDNESS FOR NATURAL DISASTERS.—

The Secretary of Energy shall develop and adopt procedures to—

“(1) improve communication and coordination between the Department of Energy’s energy response team, Federal partners, and industry;

“(2) leverage the Energy Information Administration’s subject matter expertise within the Department’s energy response team to improve supply chain situation assessments;

“(3) establish company liaisons and direct communication with the Department’s energy response team to improve situation assessments;
§ 7132. Principal officers

(a) Deputy Secretary
There shall be in the Department a Deputy Secretary, who shall be appointed by the President, by and with the advice and consent of the Senate, and who shall be compensated at the rate provided for level II of the Executive Schedule under section 5313 of title 5. The Deputy Secretary shall act for and exercise the functions of the Secretary during the absence or disability of the Secretary or in the event the office of Secretary becomes vacant. The Secretary shall designate the order in which the Under Secretary and other officials shall act for and perform the functions of the Secretary during the absence or disability of both the Secretary and Deputy Secretary or in the event of vacancies in both of those offices.

(b) Under Secretary for Science

(1) There shall be in the Department an Under Secretary for Science, who shall be appointed by the President, by and with the advice and consent of the Senate.

(2) The Under Secretary for Science shall be compensated at the rate provided for level III of the Executive Schedule under section 5314 of title 5.

(3) The Under Secretary for Science shall be appointed from among persons who—

(A) have extensive background in scientific or engineering fields; and

(B) are well qualified to manage the civilian research and development programs of the Department.

(4) The Under Secretary for Science shall—

(A) serve as the Science and Technology Advisor to the Secretary;

(B) monitor the research and development programs of the Department in order to advise the Secretary with respect to any undesirable duplication or gaps in the programs;

(C) advise the Secretary with respect to the well-being and management of the multipurpose laboratories under the jurisdiction of the Department;

(D) advise the Secretary with respect to education and training activities required for effective short- and long-term basic and applied research activities of the Department;

(E) advise the Secretary with respect to grants and other forms of financial assistance required for effective short- and long-term basic and applied research activities of the Department;

(F) advise the Secretary with respect to long-term planning, coordination, and development of a strategic framework for Department research and development activities; and

(G) carry out such additional duties assigned to the Under Secretary by the Secretary relating to basic and applied research, including supervision or support of research activities carried out by any of the Assistant Secretaries designated by section 7133 of this title, as the Secretary considers advantageous.

(c) Under Secretary for Nuclear Security

(1) There shall be in the Department an Under Secretary for Nuclear Security, who shall be appointed by the President, by and with the advice and consent of the Senate. The Under Secretary shall be compensated at the rate provided for at level III of the Executive Schedule under section 5314 of title 5.

(2) The Under Secretary for Nuclear Security shall be appointed from among persons who—

(A) have extensive background in national security, organizational management, and appropriate technical fields; and

(B) are well qualified to manage the nuclear weapons, nonproliferation, and materials disposition programs of the National Nuclear Security Administration in a manner that advances and protects the national security of the United States.

(3) The Under Secretary for Nuclear Security shall serve as the Administrator for Nuclear Security under section 2402 of title 50. In carrying out the functions of the Administrator, the Under Secretary shall be subject to the authority, direction, and control of the Secretary. Such authority, direction, and control may be delegated only to the Deputy Secretary of Energy, without redelegation.

(d) Under Secretary for International Affairs

(1) There shall be in the Department an Under Secretary, who shall be appointed by the President, by and with the advice and consent of the Senate, and who shall perform such functions and duties as the Secretary shall prescribe, consistent with this section.

(2) The Under Secretary shall be compensated at the rate provided for level III of the Executive Schedule under section 5314 of title 5.

(e) General Counsel

(1) There shall be in the Department a General Counsel, who shall be appointed by the President, by and with the advice and consent of the Senate, and who shall perform such functions and duties as the Secretary shall prescribe.

(2) The General Counsel shall be compensated at the rate provided for level IV of the Executive Schedule under section 5315 of title 5.


AMENDMENTS

2005—Subsec. (b). Pub. L. 109–58, §1006(a), added subsec. (b) and struck out former subsec. (b) which read as...
§ 7133. Assistant Secretaries; appointment and confirmation; identification of responsibilities

(a) There shall be in the Department 8 Assistant Secretaries, each of whom shall be appointed by the President, by and with the advice and consent of the Senate; and who shall perform such functions and duties as the Secretary shall prescribe. The Assistant Secretaries shall bear primary responsibility for energy conservation. The Secretary shall be compensated at the rate provided for level III of the Executive Schedule under section 5314 of title 5, and the General Counsel shall be compensated at the rate provided for level IV of the Executive Schedule under section 5315 of title 5.

Subsecs. (d), (e). Pub. L. 109–58, § 1006(c)(1), added subsec. (d) and (e).

TERM OF OFFICE OF PERSON FIRST APPOINTED AS UNDER SECRETARY FOR NUCLEAR SECURITY OF THE DEPARTMENT OF ENERGY


“(a) LENGTH OF TERM.—The term of office as Under Secretary for Nuclear Security of the Department of Energy referred to in this section is 3 years.

“(b) EXCLUSIVE REASONS FOR REMOVAL.—The exclusive reasons for removal from office as Under Secretary for Nuclear Security of the person described in this subsection (a) shall be inefficiency, neglect of duty, or malfeasance in office.

“(c) POSITION DESCRIBED.—The position of Under Secretary for Nuclear Security of the Department of Energy referred to in this section is the position established by subsection (c) of section 202 of the Department of Energy Organization Act (42 U.S.C. 7122), as added by section 322 of the National Nuclear Security Administration Act (title XXXII of Public Law 106–65; 113 Stat. 954).


§ 7133. Assistant Secretaries; appointment and confirmation; identification of responsibilities

(a) There shall be in the Department 8 Assistant Secretaries, each of whom shall be appointed by the President, by and with the advice and consent of the Senate; and who shall be compensated at the rate provided for at level IV of the Executive Schedule under section 5315 of title 5; and who shall perform, in accordance with applicable law, such of the functions transferred or delegated to, or vested in, the Secretary as he shall prescribe in accordance with the provisions of this chapter. The functions which the Secretary shall assign to the Assistant Secretaries include, but are not limited to, the following:

(1) Energy resource applications, including functions dealing with management of all forms of energy production and utilization, including fuel supply, electric power supply, enriched uranium production, energy technology programs, and the management of energy resource leasing procedures on Federal lands.

(2) Energy research and development functions, including the responsibility for policy and management of research and development for all aspects of—

(A) solar energy resources;

(B) geothermal energy resources;

(C) recycling energy resources;

(D) the fuel cycle for fossil energy resources; and

(E) the fuel cycle for nuclear energy resources.

(3) Environmental responsibilities and functions, including advising the Secretary with respect to the conformance of the Department’s activities to environmental protection laws and principles, and conducting a comprehensive program of research and development on the environmental effects of energy technologies and programs.

(4) International programs and international policy functions, including those functions which assist in carrying out the international energy purposes described in section 7112 of this title.


(6) Intergovernmental policies and relations, including responsibilities for ensuring that national energy policies are reflective of and responsive to the needs of State and local governments, and for ensuring that other components of the Department coordinate their activities with State and local governments, where appropriate, and develop intergovernmental communications with State and local governments.

(7) Competition and consumer affairs, including responsibilities for the promotion of competition in the energy industry and for the protection of the consuming public in the energy policymaking processes, and assisting the Secretary in the formulation and analysis of policies, rules, and regulations relating to competition and consumer affairs.

(8) Nuclear waste management responsibilities, including—

(A) the establishment of control over existing Government facilities for the treatment and storage of nuclear wastes, including all containers, casks, buildings, vehicles, equipment, and all other materials associated with such facilities;

(B) the establishment of control over all existing nuclear waste in the possession or control of the Government and all commercial nuclear waste presently stored on other than the site of a licensed nuclear power electric generating facility, except that nothing in this paragraph shall alter or affect title to such waste;

(C) the establishment of temporary and permanent facilities for storage, management, and ultimate disposal of nuclear wastes;

(D) the establishment of facilities for the treatment of nuclear wastes;

(E) the establishment of programs for the treatment, management, storage, and disposal of nuclear wastes;

(F) the establishment of fees or user charges for nuclear waste treatment or storage facilities, including fees to be charged Government agencies; and

(G) the promulgation of such rules and regulations to implement the authority described in this paragraph, except that nothing in this section shall be construed as granting to the Department regulatory functions presently within the Nuclear
Regulatory Commission, or any additional functions than those already conferred by law.

(9) Energy conservation functions, including the development of comprehensive energy conservation strategies for the Nation, the planning and implementation of major research and demonstration programs for the development of voluntary and mandatory energy conservation programs, and the dissemination to the public of all available information on energy conservation programs and measures.

(10) Power marketing functions, including responsibility for marketing and transmission of Federal power.

(11) Public and congressional relations functions, including responsibilities for providing a continuing liaison between the Department and the Congress and the Department and the public.

(b) At the time the name of any individual is submitted for confirmation to the position of Assistant Secretary, the President shall identify with particularity the function or functions described in subsection (a) (or any portion thereof) for which such individual will be responsible.

This chapter, referred to in subsec. (a), was in the original this Act, meaning Pub. L. 95–91, Aug. 4, 1977, 91 Stat. 565, known as the Department of Energy Organization Act, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 7101 of this title and Tables.

AMENDMENTS


1999—Subsec. (a). Pub. L. 106–65, §3294(b), struck out par. (5) which read as follows: "National security functions, including those transferred to the Department from the Energy Research and Development Administration which relate to management and implementation of the nuclear weapons program and other national security functions involving nuclear weapons research and development."

Effective date of 1999 Amendment


Federal Power Marketing Administration Employment Levels

Pub. L. 101–514, title V, §510, Nov. 5, 1990, 104 Stat. 2098, provided that no funds appropriated or made available were to be used by the executive branch to change employment levels determined by Administrators of the Federal Power Marketing Administrations to be necessary to carry out their responsibilities under this chapter and related laws, or to change employment levels of other Department of Energy programs to compensate for employment levels of the Federal Power Marketing Administrations, prior to repeal by Pub. L. 104–46, title V, §501, Nov. 13, 1995, 109 Stat. 419.

Marketing and Exchange of Surplus Electricity from Navajo Generating Station

Pub. L. 98–381, title I, §107, Aug. 17, 1984, 98 Stat. 1339, provided that:

"(a) Subject to the provisions of any existing layoff contracts, electrical capacity and energy associated with the United States’ Interest in the Navajo generating station which is in excess of the pumping requirements of the Central Arizona project and any such needs for desalting and protective pumping facilities as may be required under section 101(b)(2)(B) of the Colorado River Basin Salinity Control Act of 1974, as amended (33 U.S.C. 485h(c)) and as provided in part IV, section A of the Criteria.

"(b) Navajo surplus shall be marketed by the Secretary of Energy pursuant to the plan adopted under subsection (c) of this section, directly to, with or through the Arizona Power Authority and/or other entities having the status of preference entities under the Reclamation law in accordance with the provisions of section 9(c) of the Reclamation Project Act of 1939 (33 U.S.C. 383(c)) and as provided in part IV, section A of the Criteria.

"(c) In the marketing and exchanging of Navajo surplus, the Secretary of the Interior shall adopt the plan deemed most acceptable, after consultation with the Secretary of Energy, the Governor of Arizona, and the Central Arizona Water Conservation District (or its successor in interest to the repayment obligation for the Central Arizona project), for the purposes of optimizing the availability of Navajo surplus and providing financial assistance in the timely construction and repayment of construction costs of authorized features of the Central Arizona project. The Secretary of the Interior, in concert with the Secretary of Energy, in accordance with section 14 of the Reclamation Project Act of 1939 (33 U.S.C. 389), shall grant electrical power and energy exchange rights with Arizona entities as necessary to implement the adopted plan: Provided, however, That if exchange rights with Arizona entities are not required to implement the adopted plan, exchange rights may be offered to other entities.

"(d) For the purposes provided in subsection (c) of this section, the Secretary of Energy, or the marketing entity or entities under the adopted plan, are authorized to establish and collect or cause to be established and collected, rate components, in addition to those currently authorized, and to deposit the revenues received in the Lower Colorado River Basin Development Fund to be available for such purposes and if required under the adopted plan, to credit, utilize, pay over directly or assign revenues from such additional rate components to make repayment and establish reserves for repayment of funds, including interest incurred, to entities which have advanced funds for the purposes of subsection (c) of this section: Provided, however, That rates shall not exceed levels that allow for an appropriate saving for the contractor.

"(e) To the extent that this section may be in conflict with any other provision of law relating to the marketing and exchange of Navajo surplus, or to the disposition of any revenues therefrom, this section shall control."

§7134. Federal Energy Regulatory Commission; compensation of Chairman and members

There shall be within the Department, a Federal Energy Regulatory Commission established by subchapter IV of this chapter (hereinafter referred to in this chapter as the "Commission").
The Chairman shall be compensated at the rate provided for level III of the Executive Schedule under section 5314 of title 5. The other members of the Commission shall be compensated at the rate provided for level IV of the Executive Schedule under section 5315 of title 5. The Chairman and members of the Commission shall be individuals who, by demonstrated ability, background, training, or experience, are specially qualified to assess fairly the needs and concerns of all interests affected by Federal energy policy.


REFERENCES IN TEXT

This chapter, referred to in text, was in the original ‘‘this Act’’, meaning Pub. L. 95–91, Aug. 4, 1977, 91 Stat. 565, known as the Department of Energy Organization Act, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 7101 of this title and Tables.

§ 7135. Energy Information Administration

(a) Establishment; appointment of Administrator; compensation; qualifications; duties

(1) There shall be within the Department an Energy Information Administration to be headed by an Administrator who shall be appointed by the President, by and with the advice and consent of the Senate, and who shall be compensated at the rate provided for in level IV of the Executive Schedule under section 5315 of title 5. The Administrator shall be a person who, by reason of professional background and experience, is specially qualified to manage an energy information system.

(2) The Administrator shall be responsible for carrying out a central, comprehensive, and unified energy data and information program which will collect, evaluate, assemble, analyze, and disseminate data and information which is relevant to energy resource reserves, energy production, demand, and technology, and related economic and statistical information, or which is relevant to the adequacy of energy resources to meet demands in the near and longer term future for the Nation’s economic and social needs.

(b) Delegation of functions

The Secretary shall delegate to the Administrator (which delegation may be on a nonexclusive basis as the Secretary may determine) may be necessary to assure the faithful execution of his authorities and responsibilities under law) the functions vested in him by law relating to gathering, analysis, and dissemination of energy information (as defined in section 796 of title 15) and the Administrator may act in the name of the Secretary for the purpose of obtaining enforcement of such delegated functions.

(c) Functions of Director of Office of Energy Information and Analysis

In addition to, and not in limitation of the functions delegated to the Administrator pursuant to other subsections of this section, there shall be vested in the Administrator, and he shall perform, the functions assigned to the Director of the Office of Energy Information and Analysis under part B of the Federal Energy Administration Act of 1974 [15 U.S.C. 790 et seq.], and the provisions of sections 53(d) and 59 there- of [15 U.S.C. 790d(d), 790h] shall be applicable to the Administrator in the performance of any function under this chapter.

(d) Collection or analysis of information and preparation of reports without approval

The Administrator shall not be required to obtain the approval of any other officer or employee of the Department in connection with the collection or analysis of any information; nor shall the Administrator be required, prior to publication, to obtain the approval of any other officer or employee of the United States with respect to the substance of any statistical or forecasting technical reports which he has prepared in accordance with law.

(e) Annual audit

The Energy Information Administration shall be subject to an annual professional audit review of performance as described in section 551 of part B of the Federal Energy Administration Act of 1974.

(f) Furnishing information or analysis to any other administration, commission, or office within Department

The Administrator shall, upon request, promptly provide any information or analysis in his possession pursuant to this section to any other administration, commission, or office within the Department which such administration, commission, or office determines relates to the functions of such administration, commission, or office.

(g) Availability of information to public

Information collected by the Energy Information Administration shall be cataloged and, upon request, any such information shall be promptly made available to the public in a form and manner easily adaptable for public use, except that this subsection shall not require disclosure of matters exempted from mandatory disclosure by section 556 of title 5. The provi- sions of section 796(d) of title 15, and section 5916 of this title, shall continue to apply to any information obtained by the Administrator under such provisions.

(h) Identification and designation of “major energy producing companies”; format for financial report; annual report of Department; definitions; confidentiality

(1)(A) In addition to the acquisition, collection, analysis, and dissemination of energy information pursuant to this section, the Administrator shall identify and designate “major energy-producing companies” which alone or with their affiliates are involved in one or more lines of commerce in the energy industry so that the energy information collected from such major energy-producing companies shall provide a statistically accurate profile of each line of commerce in the energy industry in the United States.

(B) In fulfilling the requirements of this subsection the Administrator shall—

1 See References in Text note below.
(i) utilize, to the maximum extent practicable, consistent with the faithful execution of his responsibilities under this chapter, reliable statistical sampling techniques; and
(ii) otherwise give priority to the minimization of the reporting of energy information by small business.

(2) The Administrator shall develop and make effective for use during the second full calendar year following August 4, 1977, the format for an energy-producing company financial report. Such report shall be designed to allow comparison on a uniform and standardized basis among energy-producing companies and shall permit for the energy-related activities of such companies—

(A) an evaluation of company revenues, profits, cash flow, and investments in total, for the energy-related lines of commerce in which such company is engaged and for all significant energy-related functions within such company;
(B) an analysis of the competitive structure of sectors and functional groupings within the energy industry;
(C) the segregation of energy information, including financial information, describing company operations by energy source and geographic area;
(D) the determination of costs associated with exploration, development, production, processing, transportation, and marketing and other significant energy-related functions within such company; and
(E) such other analyses or evaluations as the Administrator finds is necessary to achieve the purposes of this chapter.

(3) The Administrator shall consult with the Chairman of the Securities and Exchange Commission with respect to the development of accounting practices required by the Energy Policy and Conservation Act [42 U.S.C. 6201 et seq.] to be followed by persons engaged in whole or in part in the production of crude oil and natural gas and shall endeavor to assure that the energy-producing company financial report described in paragraph (2) of this subsection, to the extent practicable and consistent with the purposes and provisions of this chapter, is consistent with such accounting practices where applicable.

(4) The Administrator shall require each major energy-producing company to file with the Administrator an energy-producing company financial report on at least an annual basis and may request energy information described in such report on a quarterly basis if he determines that such quarterly report of information will substantially assist in achieving the purposes of this chapter.

(5) A summary of information gathered pursuant to this section, accompanied by such analysis as the Administrator deems appropriate, shall be included in the annual report of the Department required by subsection (a) 5 of section 7267 of this title.

(6) As used in this subsection the term—

(A) “energy-producing company” means a person engaged in:
(i) ownership or control of mineral fuel resources or nonmineral energy resources;
(ii) exploration for, or development of, mineral fuel resources;
(iii) extraction of mineral fuel or nonmineral energy resources;
(iv) refining, milling, or otherwise processing mineral fuels or nonmineral energy resources;
(v) storage of mineral fuels or nonmineral energy resources;
(vi) the generation, transmission, or storage of electrical energy;
(vii) transportation of mineral fuels or nonmineral energy resources by any means whatever; or
(viii) wholesale or retail distribution of mineral fuels, nonmineral energy resources or electrical energy;
(B) “energy industry” means all energy-producing companies; and
(C) “person” has the meaning as set forth in section 796 of title 15.

(7) The provisions of section 1905 of title 18 shall apply in accordance with its terms to any information obtained by the Administration pursuant to this subsection.

(i) Manufacturers energy consumption survey

(1) The Administrator shall conduct and publish the results of a survey of energy consumption in the manufacturing industries in the United States at least once every four years and in a manner designed to protect the confidentiality of individual responses. In conducting the survey, the Administrator shall collect information, including—

(A) quantity of fuels consumed;
(B) energy expenditures;
(C) fuel switching capabilities; and
(D) use of nonpurchased sources of energy, such as solar, wind, biomass, geothermal, waste by-products, and cogeneration.

(2) This subsection does not affect the authority of the Administrator to collect data under section 52 of the Federal Energy Administration Act of 1974 (15 U.S.C. 790a).

(j) Collection and publication of survey results

(1) The Administrator shall annually collect and publish the results of a survey of electricity production from domestic renewable energy resources, including production in kilowatt hours, total installed capacity, capacity factor, and any other measure of production efficiency. Such results shall distinguish between various renewable energy resources.

(2) In carrying out this subsection, the Administrator shall—

(A) utilize, to the maximum extent practicable and consistent with the faithful execution of his responsibilities under this chapter, reliable statistical sampling techniques; and
(B) otherwise take into account the reporting burdens of energy information by small businesses.

(3) As used in this subsection, the term “renewable energy resources” includes energy de-
rived from solar thermal, geothermal, biomass, wind, and photovoltaic resources.

(k) Survey procedure

Pursuant to section 52(a) of the Federal Energy Administration Act of 1974 (15 U.S.C. 790a(a)), the Administrator shall—

(1) conduct surveys of residential and commercial energy use at least once every four years, and make such information available to the public;

(2) when surveying electric utilities, collect information on demand-side management programs conducted by such utilities, including information regarding the types of demand-side management programs being operated, the quantity of measures installed, expenditures on demand-side management programs, estimates of energy savings resulting from such programs, and whether the savings estimates were verified; and

(3) in carrying out this subsection, take into account reporting burdens and the protection of proprietary information as required by law.

(l) Data collection

In order to improve the ability to evaluate the effectiveness of the Nation’s energy efficiency policies and programs, the Administrator shall, in carrying out the data collection provisions of subsections (i) and (k), consider—

(1) expanding the survey instruments to include questions regarding participation in Government and utility conservation programs;

(2) expanding fuel-use surveys in order to provide greater detail on energy use by user subgroups; and

(3) expanding the scope of data collection on energy efficiency and load-management programs, including the effects of building construction practices such as those designed to obtain peak load shifting.

(m) Renewable fuels survey

(1) In order to improve the ability to evaluate the effectiveness of the Nation’s renewable fuels mandate, the Administrator shall conduct and publish the results of a survey of renewable fuels demand in the motor vehicle fuels market in the United States monthly, and in a manner designed to protect the confidentiality of individual responses. In conducting the survey, the Administrator shall collect information both on a national and regional basis, including each of the following:

(A) The quantity of renewable fuels produced.

(B) The quantity of renewable fuels blended.

(C) The quantity of renewable fuels imported.

(D) The quantity of renewable fuels demanded.

(E) Market price data.

(F) Such other analyses or evaluations as the Administrator finds are necessary to achieve the purposes of this section.

(2) The Administrator shall also collect or estimate information both on a national and regional basis, pursuant to subparagraphs (A) through (F) of paragraph (1), for the 5 years prior to implementation of this subsection.

(3) This subsection does not affect the authority of the Administrator to collect data under section 52 of the Federal Energy Administration Act of 1974 (15 U.S.C. 790a).

REFERENCES IN TEXT

§ 7135a. Delegation by Secretary of Energy of energy research, etc., functions to Administrator of Energy Information Administration; prohibition against required delegation; utilization of capabilities by Secretary


REFERENCES IN TEXT


§ 7136. Economic Regulatory Administration; appointment of Administrator; compensation; qualifications; functions

(a) There shall be within the Department an Economic Regulatory Administration to be headed by an Administrator, who shall be appointed by the President, by and with the advice and consent of the Senate, and who shall be compensated at a rate provided for level IV of the Executive Schedule under section 5315 of title 5. Such Administrator shall be, by demonstrated ability, background, training, or experience, an individual who is specially qualified to assess fairly the needs and concerns of all interests affected by Federal energy policy. The Secretary shall by rule provide for a separation of regulatory and enforcement functions assigned to, or vested in, the Administration.

(b) Consistent with the provisions of subchapter IV, the Secretary shall utilize the Economic Regulatory Administration to administer such functions as he may consider appropriate.


§ 7137. Functions of Comptroller General

The functions of the Comptroller General of the United States under section 771 of title 15 shall apply with respect to the conduct of the evaluation of all functions and activities of the Department under this chapter or any other Act administered by the Department.


REFERENCES IN TEXT

This chapter, referred to in text, was in the original "this Act", meaning Pub. L. 95–91, Aug. 4, 1977, 91 Stat. 565, known as the Department of Energy Organization Act, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 7101 of this title and Tables.


The mission of the Office of Science shall be the delivery of scientific discoveries, capabilities, and major scientific tools to transform the delivery of scientific discoveries, capabilities, and major scientific tools to transform the well-being and management of the multipurpose laboratories under the jurisdiction of the Department, excluding laboratories that constitute part of the nuclear weapons complex; (4) to advise the Secretary with respect to education and training activities required for effective short- and long-term basic and applied research activities of the Department; (5) to advise the Secretary with respect to grants and other forms of financial assistance required for effective short- and long-term basic and applied research activities of the Department; and (6) to carry out such additional duties assigned to the Office by the Secretary.

(c) Mission

The mission of the Office of Science shall be the delivery of scientific discoveries, capabilities, and major scientific tools to transform the understanding of nature and to advance the energy, economic, and national security of the United States.

(d) Management and technical assistance to minority educational institutions and business enterprises to foster participation in research, development, demonstration, and contract activities of Department

The Director may provide the management and technical assistance to minority educational institutions and business enterprises to enable these enterprises and institutions to participate in the purposes of financial assistance under subsection (e).

(1) a national information clearinghouse which will develop and disseminate information on the aspects of energy programs to minority business enterprises, minority educational institutions and other appropriate minority organizations;

(2) market research, planning economic and feasibility studies to identify and define economic opportunities for minorities in energy research, production, conservation, and development;

(3) technical assistance programs to encourage, promote, and assist minority business enterprises in establishing and expanding energy-related business opportunities which are located in minority communities and that can provide jobs to workers in such communities; and

(4) programs to assist minority business enterprises in the commercial application of energy-related technologies.

(e) Loans to minority business enterprises; restriction on use of funds; interest; deposits into Treasury

(1) The Secretary, acting through the Office, may provide financial assistance in the form of loans to any minority business enterprise under such rules as he shall prescribe to assist such enterprises in participating fully in research, development, demonstration, and contract activities of the Department to the extent he considers appropriate. He shall limit the use of financial assistance to providing funds necessary for such enterprises to bid for and obtain contracts or other agreements, and shall limit the amount of the financial assistance to any recipient to not more than 75 percent of such costs.

(2) The Secretary shall determine the rate of interest on loans under this section in consultation with the Secretary of the Treasury.

(3) The Secretary shall deposit into the Treasury as miscellaneous receipts amounts received in connection with the repayment and satisfaction of such loans.

(f) Definitions

As used in this section, the term—

(1) “minority” means any individual who is a citizen of the United States and who is Asian American, Native Hawaiian, a Pacific Islander, African American, Hispanic, Puerto Rican, Native American, or an Alaska Native;

(2) “minority business enterprise” means a firm, corporation, association, or partnership which is at least 50 percent owned or controlled by a minority or group of minorities; and

(3) “minority educational institution” means an educational institution with an enrollment in which a substantial proportion (as determined by the Secretary) of the students are minorities.

(g) Authorization of appropriations

There is authorized to be appropriated to the Secretary to carry out the functions of the Office not to exceed $3,000,000 for fiscal year 1979, not to exceed $5,000,000 for fiscal year 1980, and not to exceed $6,000,000 for fiscal year 1981. Of the amounts so appropriated each fiscal year, not less than 50 percent shall be available for purposes of financial assistance under subsection (e).


Amendments

2016—Subsec. (f)(1). Pub. L. 114–157 substituted “Asian American, Native Hawaiian, a Pacific Islander, African American, Hispanic, Puerto Rican, Native American, or an Alaska Native” for “a Negro, Puerto Rican, American Indian, Eskimo, Oriental, or Aleut or is a Spanish speaking individual of Spanish descent”.


(a) Recognition and status

The museum operated by the Department of Energy and currently located at Building 20338 on Wyoming Avenue South near the corner of M street within the confines of the Kirtland Air Force Base (East), Albuquerque, New Mexico—

(1) is recognized as the official atomic museum of the United States;

(2) shall be known as the “National Atomic Museum”; and

(3) shall have the sole right throughout the United States and its possessions to have and use the name “National Atomic Museum”.

(b) Volunteers

(1) In operating the National Atomic Museum, the Secretary of Energy may—

(A) recruit, train, and accept the services of individuals without compensation as volunteers for, or in aid of, interpretive functions or other services or activities of and related to the museum; and

(B) provide to volunteers incidental expenses, such as nominal awards, uniforms, and transportation.

(2) Except as provided in paragraphs (3) and (4), a volunteer who is not otherwise employed

1 So in original. Probably should be “determine”.

2 So in original. Probably should be “and”. 
by the Federal Government is not subject to laws relating to Federal employment, including those relating to hours of work, rates of compensation, leave, unemployment compensation, and Federal employee benefits, because of service as a volunteer under this subsection.

(3) For purposes of chapter 28 (relating to tort claims), a volunteer under this subsection is considered a Federal employee.

(4) For the purposes of subchapter I of chapter 5 of title 5 (relating to compensation for work-related injuries), a volunteer under this subsection is considered an employee of the United States.

(c) Authority

(1) In operating the National Atomic Museum, the Secretary of Energy may—

(A) accept and use donations of money or gifts pursuant to section 7262 of this title, if such gifts or money are designated in a written document signed by the donor as intended for the museum, and such donations or gifts are determined by the Secretary to be suitable and beneficial for use by the museum;

(B) operate a retail outlet on the premises of the museum for the purpose of selling or distributing mementos, replicas of memorabilia, literature, materials, and other items of an informative, educational, and tasteful nature relevant to the contents of the museum; and

(C) exhibit, perform, display, and publish information and materials concerning museum mementos, items, memorabilia, and replicas thereof in any media or place anywhere in the world, at reasonable fees or charges where feasible and appropriate, to substantially cover costs.

(2) The net proceeds of activities authorized under subparagraphs (B) and (C) of paragraph (1) may be used by the National Atomic Museum for activities of the museum.

(d) Recognition and status of National Atomic Testing Museum

The museum operated by the Nevada Test Site Historical Foundation and located in Las Vegas, Nevada—

(1) is recognized as the official atomic testing museum of the United States; and

(2) shall be known as the “National Atomic Testing Museum”.


REFERENCES IN TEXT


AMENDMENTS


§ 7142a. Designation of American Museum of Science and Energy

(a) In general

The Museum—

(1) is designated as the “American Museum of Science and Energy”; and

(2) shall be the official museum of science and energy of the United States.

(b) References

Any reference in a law, map, regulation, document, paper, or other record of the United States to the Museum is deemed to be a reference to the “American Museum of Science and Energy”.

(c) Property of the United States

(1) In general

The name “American Museum of Science and Energy” is declared the property of the United States.

(2) Use

The Museum shall have the sole right throughout the United States and its possessions to have and use the name “American Museum of Science and Energy”.

(3) Effect on other rights

This subsection shall not be construed to conflict or interfere with established or vested rights.


CODIFICATION

Section was enacted as part of the Miscellaneous Appropriations Act, 2001, and also as part of the Consolidated Appropriations Act, 2001, and not as part of the Department of Energy Organization Act which comprises this chapter.

§ 7142b. Authority

To carry out the activities of the Museum, the Secretary may—

(1) accept and dispose of any gift, devise, or bequest of services or property, real or personal, that is—

(A) designated in a written document by the person making the gift, devise, or bequest as intended for the Museum; and

(B) determined by the Secretary to be suitable and beneficial for use by the Museum;

(2) operate a retail outlet on the premises of the Museum for the purpose of selling or distributing items (including mementos, food, educational materials, replicas, and literature) that are—

(A) relevant to the contents of the Museum; and

(B) informative, educational, and tasteful;

(3) collect reasonable fees where feasible and appropriate;
§ 7142c. Museum volunteers

(a) Authority to use volunteers

The Secretary may recruit, train, and accept the services of individuals or entities as volunteers for services or activities related to the Museum.

(b) Status of volunteers

(1) In general

Except as provided in paragraph (2), service by a volunteer under subsection (a) shall not be considered Federal employment.

(2) Exceptions

(A) Federal Tort Claims Act

For purposes of chapter 171 of title 28, a volunteer under subsection (a) shall be treated as an employee of the Government (as defined in section 2671 of that title).

(B) Compensation for work injuries

For purposes of subchapter I of chapter 81 of title 5, a volunteer described in subsection (a) shall be treated as an employee (as defined in section 8101 of that title).

(c) Compensation

A volunteer under subsection (a) shall serve without pay, but may receive nominal awards and reimbursement for incidental expenses, including expenses for a uniform or transportation in furtherance of Museum activities.

§ 7142d. Definitions

For purposes of sections 7142a to 7142d of this title:

(1) Museum

The term "Museum" means the museum operated by the Secretary of Energy and located at 300 South Tulane Avenue in Oak Ridge, Tennessee.

(2) Secretary

The term "Secretary" means the Secretary of Energy or a designated representative of the Secretary.

References in Text

Sections 7142a to 7142d of this title, referred to in text, was in the original "this Act", and was translated as reading "this title", meaning §1(a)(4) [div. B, title IV, §402] of Pub. L. 106–554, which enacted sections 7142a to 7142d of this title, to reflect the probable intent of Congress.


(a) Definitions

In this section, the terms "intelligence community" and "National Intelligence Program" have the meanings given such terms in section 3003 of title 50.

(b) In general

There is in the Department an Office of Intelligence and Counterintelligence. Such office shall be under the National Intelligence Program.

(c) Director

(1) The head of the Office shall be the Director of the Office of Intelligence and Counterintelligence, who shall be an employee in the Senior Executive Service, the Senior Intelligence Service, the Senior National Intelligence Service, or any other Service that the Secretary, in coordination with the Director of National Intelligence, considers appropriate. The Director of the Office shall report directly to the Secretary.

(2) The Secretary shall select an individual to serve as the Director from among individuals who have substantial expertise in matters relating to the intelligence community, including foreign intelligence and counterintelligence.

(d) Duties

(1) Subject to the authority, direction, and control of the Secretary, the Director shall perform such duties and exercise such powers as the Secretary may prescribe.

(2) The Director shall be responsible for establishing policy for intelligence and counterintelligence programs and activities at the Department.

2019—Pub. L. 116–92 struck out subsec. (a) designation and subsecs. (b) and (c), which, respectively, established the Intelligence Executive Committee and provided for budget justification materials.

2006—Pub. L. 109–364 designated existing provisions as subsec. (a) and added subsecs. (b) and (c).

 EFFECTIVE DATE


§ 7144b. Office of Intelligence and Counterintelligence

(a) Establishment

The Secretary of Energy may establish within the Department of Energy an Office of Arctic Energy.

(b) Purposes

The purposes of such office shall be as follows:

(1) To promote research, development, and deployment of electric power technology that is cost-effective and especially well suited to meet the needs of rural and remote regions of the United States, especially where permafrost is present or located nearby.

(2) To promote research, development, and deployment in such regions of—

(A) enhanced oil recovery technology, including heavy oil recovery, reinjection of carbon, and extended reach drilling technologies;

(B) gas-to-liquids technology and liquified natural gas (including associated transportation systems);

(C) small hydroelectric facilities, river turbines, and tidal power;

(D) natural gas hydrates, coal bed methane, and shallow bed natural gas; and

(E) alternative energy, including wind, geothermal, and fuel cells.

(c) Location

The Secretary shall locate such office at a university with expertise and experience in the matters specified in subsection (b).

2006—Subsec. (b)(1). Pub. L. 109–364 substituted "who shall be an employee in the Senior Executive Service, the Senior Intelligence Service, the Senior National Intelligence Service, or any other Service that the Secretary, in coordination with the Director of National Intelligence, considers appropriate" for "which shall be a position in the Senior Executive Service".

 EFFECTIVE DATE


§ 7144d. Office of Arctic Energy

(a) Establishment

There is established within the Department an Office of Indian Energy Policy and Programs (referred to in this section as the "Office"). The
Office shall be headed by a Director, who shall be appointed by the Secretary and compensated at a rate equal to that of level IV of the Executive Schedule under section 5315 of title 5.

(b) Duties of Director

The Director, in accordance with Federal policies promoting Indian self-determination and the purposes of this chapter, shall provide, direct, foster, coordinate, and implement energy planning, education, management, conservation, and delivery programs of the Department that—

(1) promote Indian tribal energy development, efficiency, and use;
(2) reduce or stabilize energy costs;
(3) enhance and strengthen Indian tribal energy and economic infrastructure relating to natural resource development and electrification; and
(4) bring electrical power and service to Indian land and the homes of tribal members located on Indian lands or acquired, constructed, or improved (in whole or in part) with Federal funds.


REFERENCES IN TEXT

This chapter, referred to in subsec. (b), was in the original “this Act”, meaning Pub. L. 95–91, Aug. 4, 1977, 91 Stat. 565, as amended, known as the Department of Energy Organization Act, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 7101 of this title and Tables.

SUBCHAPTER III—TRANSFERS OF FUNCTIONS

§7151. General transfers

(a) Except as otherwise provided in this chapter, there are transferred to, and vested in, the Secretary all of the functions vested by law in the Administrator of the Federal Energy Administration or the Federal Energy Administration, the Administrator of the Energy Research and Development Administration or the Energy Research and Development Administration, and the functions vested by law in the officers and components of either such Administration.

(b) Except as provided in subchapter IV, there are transferred to, and vested in, the Secretary the function of the Federal Power Commission, or of the members, officers, or components thereof. The Secretary may exercise any power described in section 7172(a)(2) of this title to the extent the Secretary determines such power to be necessary to the exercise of any function within his jurisdiction pursuant to the preceding sentence.


REFERENCES IN TEXT

This chapter, referred to in subsec. (a), was in the original “this Act”, meaning Pub. L. 95–91, Aug. 4, 1977, 91 Stat. 565, as amended, known as the Department of Energy Organization Act, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 7101 of this title and Tables.

EMERGENCY PREPAREDNESS FUNCTIONS

For assignment of certain emergency preparedness functions to the Secretary of Energy, see Parts 1, 2, and 7 of Ex. Ord. No. 12656, Nov. 18, 1988, 53 F.R. 47491, set out as a note under section 5156 of this title.

EX. ORD. NO. 12303. TRANSFER OF CERTAIN FUNCTIONS TO SECRETARY OF ENERGY


By virtue of the authority vested in me as President of the United States of America, in order to reflect the responsibilities of the Secretary of Energy for the performance of certain functions previously vested in other officers of the United States by direction of the President and subsequently transferred to the Secretary of Energy pursuant to the Department of Energy Organization Act (91 Stat. 565; 42 U.S.C. 7101 et seq.) it is hereby ordered as follows:

Section 1. Functions of the Federal Energy Administration. In accordance with the transfer of all functions vested by law in the Federal Energy Administration, or the Administrator thereof, to the Secretary of Energy pursuant to Section 301(a) of the Department of Energy Organization Act (subsec. (a) of this section), hereinafter referred to as the Act, the Executive Orders and Proclamations referred to in this Section, which conferred authority or responsibility upon the Administrator of the Federal Energy Administration, are amended as follows:

(a) Executive Order No. 11447, as amended [formerly set out as a note under 31 U.S.C. 501], relating to the Federal Regional Councils, is further amended by deleting “The Federal Energy Administration” in Section 1(a)(10) and substituting “The Department of Energy”, and by deleting “The Deputy Administrator of the Federal Energy Administration” in Section 3(a)(10) and substituting “The Deputy Secretary of Energy”.

(b) Executive Order No. 11790 of June 25, 1974 [set out as a note under 15 U.S.C. 761], relating to the Federal Energy Administration Act of 1974, is amended by deleting “Administrator of the Federal Energy Administration” and “Administrator” wherever they appear in Sections 1 through 6 and substituting “Secretary of Energy” and “Secretary”, respectively, and by deleting Section 7 through 10.

(c) Executive Order No. 11912, as amended [set out as a note under 42 U.S.C. 8201], relating to energy policy and conservation, and Proclamation No. 3279, as amended [set out as a note under 19 U.S.C. 1862], relating to imports of petroleum and petroleum products, are further amended by deleting “Administrating ‘Federal Energy Administration’”, “Federal Energy Administration”, “Secretary of Energy”, “Department of Energy”, and “Secretary”, respectively, and by deleting “the Administrator of Energy Research and Development” in Section 10(a)(1) of Executive Order No. 11912, as amended.

SIC. 2. Functions of the Federal Power Commission. In accordance with the transfer of functions vested in the Federal Power Commission to the Secretary of Energy pursuant to Section 301(b) of the Act [subsec. (b) of this section], the Executive Orders referred to in this Section, which conferred authority or responsibility upon the Federal Power Commission, or Chairman thereof, are amended or modified as follows:

(a) Executive Order No. 10485 of September 3, 1953, [set out as a note under 15 U.S.C. 717b], relating to certain facilities at the borders of the United States is amended by deleting Section 2 thereof, and by deleting “Federal Power Commission” and “Commission” wherever those terms appear in Sections 1, 3 and 4 of such Order and substituting for each “Secretary of Energy”.

(b) Executive Order No. 11688 of February 2, 1977 [formerly set out as a note under 15 U.S.C. 717f], relating to the administration of the Emergency Natural Gas Act
of 1977 [formerly set out as a note under 15 U.S.C. 717], is hereby amended by deleting the second sentence in Section 1, by deleting “the Secretary of the Interior,” the Chairman of the Federal Energy Administration, other members of the Federal Power Commission and in Section 2, and by deleting “Chairman of the Federal Power Commission” and “Chairman” wherever those terms appear and substituting therefor “Secretary of Energy” and “Secretary”, respectively.

(c) Paragraph (2) of Section 3 of Executive Order No. 11331, as amended [formerly set out as a note under 42 U.S.C. 1602], relating to the Pacific Northwest River Basins Commission, is hereby amended by deleting “from each of the following federal departments and agencies” and substituting therefor “to be appointed by the head of each of the following executive agencies”, by deleting “Federal Power Commission” and substituting therefor “Department of Energy”, and by deleting “such member to be appointed by the head of executive department or independent agency he represents.”

Sec. 3. Functions of the Secretary of the Interior. In accordance with the transfer of certain functions vested in the Secretary of the Interior to the Secretary of Energy pursuant to Section 302 of the Act [42 U.S.C. 7152], the Executive Orders referred to in this Section, which conferred authority or responsibility on the Secretary of the Interior, are amended or modified as follows:

(a) Sections 1 and 4 of Executive Order No. 8326 of August 27, 1940, relating to functions of the Bonneville Power Administration, are hereby amended by substituting “Secretary of Energy” for “Secretary of the Interior”, by adding “of the Interior” after “Secretary” in Sections 2 and 3, and by adding “and the Secretary of Energy,” after “the Secretary of the Interior” wherever the latter term appears in Section 5.

(b) Executive Order No. 11177 of September 16, 1964, relating to the Columbia River Treaty, is amended by deleting “Secretary of the Interior” and “Department of the Interior” wherever those terms appear and substituting therefor “Secretary of Energy” and “Department of Energy”, respectively.

Sec. 4. Functions of the Atomic Energy Commission and the Energy Research and Development Administration.

(a) In accordance with the transfer of all functions vested in the Administrator of Energy Research and Development to the Secretary of Energy pursuant to Section 301(a) of the Act [subsec. (a) of this section] the Executive Orders referred to in this Section are amended or modified as follows:

1. All current Executive Orders which refer to functions of the Atomic Energy Commission, including Executive Order No. 10127, as amended; Executive Order No. 7880, as amended [set out at 50 U.S.C. App. 3161]; Executive Order No. 10899 of December 9, 1960 [set out as a note under 42 U.S.C. 2162]; Executive Order No. 11057 of December 18, 1962 [set out as a note under 42 U.S.C. 2162]; Executive Order No. 11309 of August 7, 1965 [set out as a note under 42 U.S.C. 2187]; Executive Order No. 11752 of December 17, 1973 [formerly set out as a note under 42 U.S.C. 4331]; and Executive Order No. 11761 of January 17, 1974 [formerly set out as a note under 20 U.S.C. 1221], are modified to provide that all such functions shall be exercised by (1) the Secretary of Energy to the extent consistent with the functions of the Atomic Energy Commission that were transferred to the Administrator of Energy Research and Development pursuant to the Energy Organization Act of 1974 (Public Law 93–138; 88 Stat. 1233) [42 U.S.C. 5801 et seq.], and (2) the Nuclear Regulatory Commission to the extent consistent with the functions of the Atomic Energy Commission that were transferred to the Commission by the Energy Reorganization Act of 1974 [42 U.S.C. 5801 et seq.].

(b) (Former) Executive Order No. 11692, as amended, relating to the classification of national security matters, is further amended by substituting “Department of Energy” for “the Federal Energy Administration” in Sections 2(A), 7(A) and 8 and by deleting “Federal Power Commission” in Section 2(B)(3).

(c) Executive Order No. 11902 of February 2, 1976 [formerly set out as a note under 42 U.S.C. 5841], relating to the export licensing policy for nuclear materials and equipment, is hereby amended by substituting “the Secretary of Energy” for “the Administrator of the United States Energy Research and Development Administration, hereinafter referred to as the Administrator” in Section 1(b) and for the “Administrator” in Sections 2 and 3.

(d) (Former) Executive Order No. 11905, as amended, relating to foreign intelligence activities, is further amended by deleting “Energy Research and Development Administration”, “Administrator or the Energy Research and Development Administration”, and “ERDA” wherever those terms appear and substituting “Department of Energy”, “Secretary of Energy”, and “DOE” respectively.

Sec. 5. Functions of the Secretary of Energy. Title 2, Sections:

Sect. 6. This Order shall be effective as of October 1, 1977, the effective date of the Department of Energy Organization Act [this chapter] pursuant to the provisions of section 901 (42 U.S.C. 7341) thereof and Executive Order No. 12009 of September 13, 1977 [formerly set out as a note under 42 U.S.C. 7341], and all actions taken by the Secretary of Energy on or after October 1, 1977, which are consistent with the foregoing provisions are entitled to full force and effect.

JIMMY CARTER.
§ 7151a. Jurisdiction over matters transferred from Energy Research and Development Administration

Notwithstanding any other provision of law, jurisdiction over matters transferred to the Department of Energy from the Energy Research and Development Administration which on the effective date of such transfer were required by law, regulation, or administrative order to be made on the record after an opportunity for an agency hearing may be assigned to the Federal Energy Regulatory Commission or retained by the Secretary at his discretion.


CODIFICATION

Section was enacted as part of the Department of Energy Act of 1978—Civilian Applications, and not as part of the Department of Energy Organization Act which comprises this chapter.

§ 7152. Transfers from Department of the Interior

(a) Functions relating to electric power

(1) There are transferred to, and vested in, the Secretary all functions of the Secretary of the Interior under section 825s of title 16, and all other functions of the Secretary of the Interior, and officers and components of the Department of the Interior, with respect to—

(A) the Southeastern Power Administration;

(B) the Southwestern Power Administration;

(C) the Bonneville Power Administration including but not limited to the authority contained in the Bonneville Project Act of 1937 [16 U.S.C. 832 et seq.] and the Federal Columbia River Transmission System Act [16 U.S.C. 838 et seq.];

(D) the power marketing functions of the Bureau of Reclamation, including the construction, operation, and maintenance of transmission lines and attendant facilities; and

(E) the transmission and disposition of the electric power and energy generated at Falcon Dam and Amistad Dam, international storage reservoir projects on the Rio Grande, pursuant to the Act of June 18, 1954, as amended by the Act of December 23, 1963.

(2) The Southeastern Power Administration, the Southwestern Power Administration, and the Bonneville Power Administration shall be preserved as separate and distinct organizational entities within the Department. Each such entity shall be headed by an Administrator appointed by the Secretary. The functions transferred to the Secretary in paragraphs (1)(A), (1)(B), (1)(C), and (1)(D) shall be exercised by the Secretary, acting by and through such Administrators. Each such Administrator shall maintain his principal office at a place located in the region served by his respective Federal power marketing entity.

(b) The functions transferred in paragraphs (1)(E) and (1)(F) of this subsection shall be exercised by the Secretary, acting by and through a separate and distinct Administration within the Department which shall be headed by an Administrator appointed by the Secretary. The Administrator shall establish and shall maintain such regional offices as necessary to facilitate the performance of such functions.

(2) A transfer of functions effected by paragraph (1)(E) of this subsection or any changes in cost allocation or project evaluation standards shall be deemed to authorize the reallocation of joint costs of multipurpose facilities theretofore allocated unless and to the extent that such change is hereafter approved by Congress.


(d) Functions of Bureau of Mines

There are transferred to, and vested in, the Secretary those functions of the Secretary of the Interior, the Department of the Interior, and officers and components of that Department under the Act of May 15, 1910, and other authorities exercised by the Bureau of Mines, but limited to—

(1) fuel supply and demand analysis and data gathering;

(2) research and development relating to increased efficiency of production technology of solid fuel minerals, other than research relating to mine health and safety and research relating to the environmental and leasing consequences of solid fuel mining (which shall remain in the Department of the Interior); and

(3) coal preparation and analysis.


REFERENCES IN TEXT

The Bonneville Project Act of 1937, referred to in subsec. (a)(1)(C), is act Aug. 20, 1937, ch. 720, 50 Stat. 731, as amended, which is classified generally to chapter 12B (§832 et seq.) of Title 16, Conservation. For complete classification of this Act to the Code, see Short Title note set out under section 832 of Title 16 and Tables.


Paragraphs (1)(E) and (1)(F) of this subsection, referred to in subsec. (a)(3), were redesignated as pars. (1)(D) and (1)(E) of this subsection, respectively, by Pub. L. 104–58, title I, §104(h)(1)(B), Nov. 28, 1995, 109 Stat. 560.

Act of May 15, 1910, referred to in subsec. (d), as amended, probably means act May 15, 1910, ch. 240, 36 Stat. 369, which is classified to sections 1, 3, and 5 to 7 of Title 30, Mineral Lands and Mining. For complete classification of this Act to the Code, see Tables.

AMENDMENTS

1995—Subsec. (a)(1)(C) to (F), Pub. L. 104–58, §104(h)(1), redesignated subpars. (D) to (F) as (C) to (E), respectively, and struck out former subpar. (C) which read as follows: “the Alaska Power Administration.”

Subsec. (a)(2), Pub. L. 104–58, §104(h)(2), inserted “and” after “Southwestern Power Administration,”
and struck out "and the Alaska Power Administration" after "Bonneville Power Administration.""

801—Subsecs. (b), (c), (c), Pub. L. 97-330 struck out sub-
secs. (b) and (c) which related, respectively, to the
functions of the Secretary of Energy to promulgate
regulations under certain provisions of the Outer
Continental Shelf Lands Act, the Mineral Lands Leasing
Act, the Mineral Leasing Act for Acquired Lands, the
and Conservation Act to and the functions of establish-
ing production rates for all Federal leases.

CHANGE OF NAME

Bureau of Mines redesignated United States Bureau of
Mines by section 10(b) of Pub. L. 102–285, set out as
a note under section 1 of Title 30, Mineral Lands
Mining. For provisions relating to closure and transfer
of functions of the United States Bureau of Mines, see
note set out under section 1 of Title 30.

EFFECTIVE DATE OF 1995 AMENDMENT

For effective date of amendment by Pub. L. 104–58,
see section 104(h) of Pub. L. 104–58, set out below.

ALASKA POWER ADMINISTRATION ASSET SALE AND
TERMINATION

that:

"SEC. 101. SHORT TITLE.

"This title may be cited as the 'Alaska Power Admin-
istration Asset Sale and Termination'."

"SEC. 102. DEFINITIONS:

For purposes of this title:

"(1) The term 'Eklutna' means the Eklutna Hydro-
electric Project and related assets as described in sec-
tion 4 and Exhibit A of the Eklutna Purchase Agree-
ment.

"(2) The term 'Eklutna Purchase Agreement' means
the August 2, 1989, Eklutna Purchase Agreement be-
tween the Alaska Power Administration of the De-
partment of Energy and the Eklutna Purchasers, to-
gether with any amendments thereto adopted before
the enactment of this section [Nov. 28, 1995].

"(3) The term 'Eklutna Purchasers' means the Mu-
nicipality of Anchorage doing business as Municipal
Light and Power, the Chugach Electric Association,
Inc. and the Matanuska Electric Association, Inc.

"(4) The term 'Snettisham' means the Snettisham
Hydroelectric Project and related assets as described
in section 4 and Exhibit A of the Snettisham Pur-
chase Agreement.

"(5) The term 'Snettisham Purchase Agreement' means
the February 10, 1989, Snettisham Purchase Agree-
ment between the Alaska Power Administration of the Department of Energy and the Alaska
Power Authority and its successors in interest, to-
gether with any amendments thereto adopted before
the enactment of this section.

"(6) The term 'Snettisham Purchaser' means the Alaska
Industrial Development and Export Authority
or a successor State agency or authority.

"SEC. 103. SALE OF EKLUTNA AND SNETTISHAM
HYDROELECTRIC PROJECTS.

"(a) SALE OF EKLUTNA.—The Secretary of Energy is
authorized and directed to sell Eklutna to the Eklutna
Purchasers in accordance with the terms of this Act
and the Eklutna Purchase Agreement.

"(b) SALE OF SNETTISHAM.—The Secretary of Energy
is authorized and directed to sell Snettisham to the
Snettisham Purchaser in accordance with the terms
of this Act and the Snettisham Purchase Agreement.

"(c) COOPERATION OF OTHER AGENCIES.—The heads of
other Federal departments, agencies, and instrumen-
talities of the United States shall assist the Secretary
of Energy in implementing the sales and conveyances
authorized and directed by this title.

"(d) PROCEEDS.—Proceeds from the sales required by
this title shall be deposited in the Treasury of the
United States to the credit of miscellaneous receipts.

"(e) AUTHORIZATION OF APPROPRIATIONS.—There are
authorized to be appropriated such sums as may be nec-
essary to prepare, survey, and acquire Eklutna and
Snettisham for sale and conveyance. Such prepara-
tions and acquisitions shall provide sufficient title to ensure
the beneficial use, enjoyment, and occupancy by the
purchasers.

"(f) CONTRIBUTED FUNDS.—Notwithstanding any other
provision of law, the Alaska Power Administration is
authorized to receive, administer, and expend such con-
tributed funds as may be provided by the Eklutna Pur-
chasers or customers or the Snettisham Purchasers or
customers for the purposes of upgrading, improving,
maintaining, or administering Eklutna or Snettisham.

"(g) U.S. DEPARTMENT OF THE INTERIOR.—The U.S.
Department of the Interior shall have jurisdiction to
review decisions made under the Memorandum of Agreement and to enforce the provisions of the Memorandum of
Agreement, including the remedy of specific perform-
ance.

"(h) REVIEW.—(1) The United States District Court for
the District of Alaska shall have jurisdiction to review
decisions made under the Memorandum of Agreement and to enforce the provisions of the Memorandum of
Agreement, including the remedy of specific perform-
ance.

"(2) An action seeking review of a Fish and Wildlife
Program ('Program') of the Governor of Alaska under
the Memorandum of Agreement or challenging actions of
any of the parties to the Memorandum of Agreement
prior to the adoption of the Program shall be brought no
later than 90 days after the date on which the Pro-
gram is adopted by the Governor of Alaska, or be
barred.

"(3) An action seeking review of implementation of
the Program shall be brought not later than 90 days
after the challenged act implementing the Program, or be
barred.

"(d) EKLUTNA LANDS.—With respect to Eklutna lands
described in Exhibit A of the Eklutna Purchase Agree-
ment—

"(1) The Secretary of the Interior shall issue rights-
of-way to the Alaska Power Administration for sub-
sequent reallocation to the Eklutna Purchasers—

"(A) at no cost to the Eklutna Purchasers;

"(B) to remain effective for a period equal to the
life of Eklutna as extended by improvements, re-
pairs, renewals, or replacements; and

"(C) sufficient for the operation of, maintenance
of, repair to, and replacement of, and access to,
Eklutna facilities located on military lands and

lands managed by the Bureau of Land Management, including lands selected by the State of Alaska.

“(2) Fee title to lands at Anchorage Substation shall be transferred to Eklutna Purchasers at no additional cost if the Secretary of the Interior determines that pending claims to, and selections of, those lands are invalid or relinquished.

“(3) With respect to the Eklutna lands identified in paragraph 1 of Exhibit A of the Eklutna Purchase Agreement, the State of Alaska may select, and the Secretary of the Interior shall convey to the State, improved lands under the selection entitlements in section 6 of the Act of July 7, 1958 (commonly referred to as the Alaska Statehood Act, Public Law 85-508, 72 Stat. 339) [set out as a note preceding section 21 of Title 48, Territories and Insular Possessions], and the North Anchorage Land Agreement dated January 31, 1983. This conveyance shall be subject to the rights-of-way provided to the Eklutna Purchasers under paragraph 1.

“(e) Snettisham Lands.—With respect to the Snettisham lands identified in paragraph 1 of Exhibit A of the Snettisham Purchase Agreement and Public Land Order No. 5108, the State of Alaska may select, and the Secretary of the Interior shall convey to the State of Alaska, improved lands under the selection entitlements in section 6 of the Act of July 7, 1958 (commonly referred to as the Alaska Statehood Act, Public Law 85-508, 72 Stat. 339).

“(1) complete the business of, and close out, the Alaska Power Administration;

“(2) submit to Congress a report documenting the sales; and

“(3) return unobligated balances of funds appropriated for the Alaska Power Administration to the Treasury of the United States.

“(g) REPEALS.—(1) The Act of July 31, 1950 (64 Stat. 382) [enacting sections 312 to 312d of Title 48, Territories and Insular Possessions, and provisions formerly set out as a note under section 312 of Title 48] is repealed effective on the date that Eklutna is conveyed to the Eklutna Purchasers [ownership of Eklutna project transferred Oct. 2, 1997].

“(2) Section 204 of the Flood Control Act of 1962 (76 Stat. 1193) is repealed effective on the date that Snettisham is conveyed to the Snettisham Purchasers (purchase of Snettisham project completed Aug. 19, 1998).

“(3) The Act of August 9, 1955 [enacting sections 1962a-12 to 1962a-14 of this title], concerning water resources investigation in Alaska (69 Stat. 618), is repealed.

“(b) DOE ORGANIZATION ACT.—As of the later of the two dates determined in paragraphs (1) and (2) of subsection (g), section 302(a) of the Department of Energy Organization Act (42 U.S.C. 7123a) is amended—

“(1) in paragraph (1)—

“(A) by striking subparagraph (C); and

“(B) by redesignating subparagraphs (D), (E), and (F) as subparagraphs (C), (D), and (E) respectively; and

“(2) in paragraph (2) by striking out ‘and the Alask a Power Administration’ and by inserting ‘and’ after ‘Southwestern Power Administration’.

“(d) PROVISIONS.—The sales of Eklutna and Snettisham under this title are not considered disposal of Federal surplus property under the Federal Property and Administrative Services Act of 1949 [see chapters 1 to 11 of Title 40, Public Buildings, Property, and Works, and division C (except sections 3332, 3307(e), 3501(b), 3509, 3906, 4710, and 4711) of subtitle I of Title 41, Public Contracts (40 U.S.C. 484) [now 40 U.S.C. 414 et seq.]] or any other act of October 3, 1944, popularly referred to as the ‘Surplus Property Act of 1944’ (50 U.S.C. App. 1622) [now 40 U.S.C. 545 note].

SEC. 105. OTHER FEDERAL HYDROELECTRIC PROJECTS.

“The provisions of this title regarding the sale of the Alaska Power Administration’s hydroelectric projects under section 104 and the exemption of these projects from Part I of the Federal Power Act (16 U.S.C. 791a et seq.) under section 104 do not apply to other Federal hydroelectric projects.”

USE OF FUNDS TO STUDY NONCOST-BASED METHODS OF PRICING HYDROELECTRIC POWER

Pub. L. 102-377, title V, § 505, Oct. 2, 1992, 106 Stat. 1943, provided that: ‘Notwithstanding any other provision of this Act, subsequent Energy and Water Development Appropriations Acts or any other provision of law hereafter, none of the funds made available under this Act, subsequent Energy and Water Development Appropriations Acts or any other law hereafter shall be used for the purposes of conducting any studies relating or leading to the possibility of changing from the currently required ‘at cost’ to a ‘market rate’ or any other noncost-based method for the pricing of hydroelectric power by the six Federal public power authorities, or other agencies or authorities of the Federal Government, except as may be specifically authorized by Act of Congress hereafter enacted.’

TRANSFERS TO SECRETARY OF THE INTERIOR OF CERTAIN FOSSIL ENERGY RESEARCH AND DEVELOPMENT AUTHORITIES

Pub. L. 97-257, title I, § 110, Sept. 10, 1982, 96 Stat. 841, provided: ‘That there are transferred to, and vested in, the Secretary of the Interior all functions vested in, or delegated to, the Secretary of Energy and the Department of Energy under or with respect to (1) the Act of May 16, 1910 [30 U.S.C. 1, 3, 5–7], and other authorities formerly exercised by the Bureau of Mines [now United States Bureau of Mines], but limited to research and development relating to increased efficiency of production technology of solid fuel minerals; (2) section 908 of the Surface Mining Control and Reclamation Act of 1977, relating to research and development concerning alternative coal mining technologies; (3) sections 5(g)(2), 8(a)(4), 8(a)(9), 27(b)(2)(3) of the Outer Continental Shelf Lands Act (43 U.S.C. 1344(g)(2) and 1337(a)(4) and 1337(a)(9) [and 1333(b)(2)]; and (4) section 105 of the Energy Policy and Conservation Act (42 U.S.C. 6213) Provided further, That the personnel, equipment, facilities, and unexpended balances of the aforementioned transferred programs shall be merged with the ‘Mines and minerals’ account of the Bureau of Mines.’

§ 7153. Administration of leasing transfers

(a) Authority retained by Secretary of the Interior

The Secretary of the Interior shall retain any authorities not transferred under section 7152(b)1 of this title and shall be solely responsible for the issuance and supervision of Federal leases and the enforcement of all regulations applicable to the leasing of mineral resources, including but not limited to lease terms and conditions and production rates. No regulation promulgated by the Secretary shall restrict or limit any authority retained by the Secretary of the Interior under section 7153(b)1 of this title with respect to the issuance or supervision of Federal leases. Nothing in section 7152(b)1 of this title shall be construed to affect Indian lands and resources or to transfer any functions

1See References in Text note below.
of the Secretary of the Interior concerning such lands and resources.

(b) Consultation with Secretary of the Interior with respect to promulgation of regulations

In exercising the authority under section 7152(b) of this title to promulgate regulations, the Secretary shall consult with the Secretary of the Interior during the preparation of such regulations and shall afford the Secretary of the Interior not less than thirty days, prior to the date on which the Department first publishes or otherwise prescribes regulations, to comment on the content and effect of such regulations.


(d) Preparation of environmental impact statement

The Department of the Interior shall be the lead agency for the purpose of preparation of an environmental impact statement required by section 4332(2)(C) of this title for any action the lead agency for the purpose of preparation of an environmental impact statement required by section 4332(2)(C) of this title for any action with respect to the Federal leases taken under section 4332(2)(C) of this title for any action with respect to the Federal leases taken under section 4332(2)(C) of this title for any action


REFERENCES IN TEXT

Section 7152(b) of this title, referred to in subsecs. (a) and (b), was repealed by Pub. L. 97–100, title II, § 201, Dec. 23, 1981, 95 Stat. 1407.

AMENDMENTS

1981—Subsec. (c) was repealed by Pub. L. 97–100 struck out subsec. (c) which afforded the Secretary of Energy the opportunity to disapprove any terms and conditions on which the Secretary of the Interior proposed to issue a Federal lease.

§ 7154. Transfers from Department of Housing and Urban Development

(a) There is transferred to, and vested in, the Secretary the functions vested in the Secretary of Housing and Urban Development pursuant to section 304 of the Energy Conservation Standards for New Buildings Act of 1976 [42 U.S.C. 6833], to develop and promulgate energy conservation standards for new buildings. The Secretary of Housing and Urban Development shall provide the Secretary with any necessary technical assistance in the development of such standards. All other responsibilities, pursuant to title III of the Energy Conservation and Production Act [42 U.S.C. 6831 et seq.], shall remain with the Secretary of Housing and Urban Development, except that the Secretary shall be kept fully and currently informed of the implementation of the promulgated standards.

(b) There is hereby transferred to, and vested in, the Secretary the functions vested in the Secretary of Housing and Urban Development pursuant to section 1701z–8 of title 12.


REFERENCES IN TEXT


Section, Pub. L. 95–91, title III, § 306, Aug. 4, 1977, 91 Stat. 581, transferred to Secretary the functions set forth in Interstate Commerce Commission and vested by law in Interstate Commerce Commission or Chairman and members thereof as related to transportation of oil by pipeline. See section 60531 of Title 49, Transportation.

§ 7156. Transfers from Department of the Navy

There are transferred to and vested in the Secretary all functions vested by chapter 389 of title 10, in the Secretary of the Navy as they relate to the administration of and jurisdiction over—

(1) Naval Petroleum Reserve Numbered 1 (Elk Hills), located in Kern County, California, established by Executive order of the President, dated September 2, 1912;

(2) Naval Petroleum Reserve Numbered 2 (Buena Vista), located in Kern County, California, established by Executive order of the President, dated December 13, 1912;

(3) Naval Petroleum Reserve Numbered 3 (Teapot Dome), located in Wyoming, established by Executive order of the President, dated April 30, 1915;

(4) Oil Shale Reserve Numbered 1, located in Colorado, established by Executive order of the President, dated September 6, 1916, as amended by Executive order dated June 12, 1919;

(5) Oil Shale Reserve Numbered 2, located in Utah, established by Executive order of the President, dated December 6, 1916; and

(6) Oil Shale Reserve Numbered 3, located in Colorado, established by Executive order of the President, dated September 7, 1924.

In the administration of any of the functions transferred to, and vested in, the Secretary by this section the Secretary shall take into consideration the requirements of national security.


AMENDMENTS


EFFECTIVE DATE OF 2018 AMENDMENT

Amendment by Pub. L. 115–232 effective Feb. 1, 2019, with provision for the coordination of amendments and special rule for certain redesignations, see section 800 of Pub. L. 115–232, set out as a note preceding section 3001 of Title 10, Armed Forces.


Section, Pub. L. 96–137, § 2, Dec. 12, 1979, 93 Stat. 1061, related to assignment of naval officers to key manage-
§ 7157. Transfers from Department of Commerce

There are transferred to, and vested in, the Secretary all functions of the Secretary of Commerce, the Department of Commerce, and officers and components of that Department, as relate to or are utilized by the Office of Energy Programs, but limited to industrial energy conservation programs.


§ 7158. Naval reactor and military application programs

The Division of Naval Reactors established pursuant to section 2035 of this title, and responsible for research, design, development, health, and safety matters pertaining to naval nuclear propulsion plants and assigned civilian power reactor programs is transferred to the Department under the Under Secretary for Nuclear Security, and such organizational unit shall be deemed to be an organizational unit established by this chapter.


REFERENCES IN TEXT

This chapter, referred to in text, was in the original ‘‘this Act’’, meaning Pub. L. 95–91, Aug. 4, 1977, 91 Stat. 565, as amended, known as the Department of Energy Organization Act, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 7101 of this title and Tables.

AMENDMENTS

1999—Pub. L. 106–65 struck out subsec. (a) designation before ‘‘The Division of Naval Reactors’’, substituted ‘‘Under Secretary for Nuclear Security’’ for ‘‘Assistant Secretary to whom the Secretary has assigned the function listed in section 7133(a)(2)(E) of this title’’, and struck out subsec. (b), which read as follows: ‘‘The Division of Military Application, established by section 2035 of this title, and the functions of the Energy Research and Development Administration with respect to the Military Liaison Committee, established by section 2037 of this title, are transferred to the Department under the Assistant Secretary to whom the Secretary has assigned those functions listed in section 7133(a)(5) of this title, and such organizational units shall be deemed to be organizational units established by this chapter.’’

EFFECTIVE DATE OF 1999 AMENDMENT


TRANSFER OF FUNCTIONS

All national security functions and activities performed immediately before Oct. 5, 1999, by the Office of Naval Reactors transferred to the Administrator for Nuclear Security of the National Nuclear Security Administration of the Department of Energy, and the Deputy Administrator for Naval Reactors of the Administrator to be assigned the responsibilities, authorities, and accountability for all functions of the Office of Naval Reactors under Executive Order No. 12344, set out as a note under section 2511 of Title 50, War and National Defense, see sections 2406 and 2481 of Title 50.


§ 7159. Transfer to Department of Transportation

Notwithstanding section 7151(a) of this title, there are transferred to, and vested in, the Secretary of Transportation all of the functions vested in the Administrator of the Federal Energy Administration by section 6361(b)(1)(B) of this title.


SUBCHAPTER IV—FEDERAL ENERGY REGULATORY COMMISSION

§ 7171. Appointment and administration

(a) Federal Energy Regulatory Commission; establishment

There is established within the Department an independent regulatory commission to be known as the Federal Energy Regulatory Commission.

(b) Composition; term of office; conflict of interest; expiration of terms

(1) The Commission shall be composed of five members appointed by the President, by and with the advice and consent of the Senate. One of the members shall be designated by the President as Chairman. Members shall hold office for a term of 5 years and may be removed by the President only for inefficiency, neglect of duty, or malfeasance in office. Not more than three members of the Commission shall be members of the same political party. Any Commissioner appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed only for the remainder of such term. A Commissioner may continue to serve after the expiration of his term until his successor is appointed and has been confirmed and taken the oath of Office, except that such Commissioner shall not serve beyond the end of the session of the Congress in which such term expires. Members of the Commission shall not engage in any other business, vocation, or employment while serving on the Commission.

(2) Notwithstanding the third sentence of paragraph (1), the terms of members first taking office after April 11, 1990, shall expire as follows:

(A) In the case of members appointed to succeed members whose terms expire in 1991, one such member’s term shall expire on June 30, 1994, and one such member’s term shall expire on June 30, 1995, as designated by the President at the time of appointment.

(B) In the case of members appointed to succeed members whose terms expire in 1992, one such member’s term shall expire on June 30, 1996, and one such member’s term shall expire on June 30, 1997, as designated by the President at the time of appointment.
§ 7171

Title 42—The Public Health and Welfare

(d) Supervision and direction of members, employees, or other personnel of Commission

In the performance of their functions, the members, employees, or other personnel of the Commission shall not be responsible to or subject to the supervision or direction of any officer, employee, or agent of any other part of the Department.

(e) Designation of Acting Chairman; quorum; seal

The Chairman of the Commission may designate any other member of the Commission as Acting Chairman to act in the place and stead of the Chairman during his absence. The Chairman (or the Acting Chairman in the absence of the Chairman) shall preside at all sessions of the Commission and a quorum for the transaction of business shall consist of at least three members present. Each member of the Commission, including the Chairman, shall have one vote. Actions of the Commission shall be determined by a majority vote of the members present. The Commission shall have an official seal which shall be judicially noticed.

(f) Rules

The Commission is authorized to establish such procedural and administrative rules as are necessary to the exercise of its functions. Until changed by the Commission, any procedural and administrative rules applicable to particular functions over which the Commission has jurisdiction shall continue in effect with respect to such particular functions.

(g) Powers of Commission

In carrying out any of its functions, the Commission shall have the powers authorized by the law under which such function is exercised to hold hearings, sign and issue subpoenas, administer oaths, examine witnesses, and receive evidence at any place in the United States it may designate. The Commission may, by one or more of its members or by such agents as it may designate, conduct any hearing or other inquiry necessary or appropriate to its functions, except that nothing in this subsection shall be deemed to supersede the provisions of section 556 of title 5 relating to hearing examiners.

(h) Principal office of Commission

The principal office of the Commission shall be in or near the District of Columbia, where its general sessions shall be held, but the Commission may sit anywhere in the United States.

(i) Commission deemed agency; attorney for Commission

For the purpose of section 552b of title 5, the Commission shall be deemed to be an agency. Except as provided in section 518 of title 28, relating to litigation before the Supreme Court, attorneys designated by the Chairman of the Commission may appear for, and represent the Commission in, any civil action brought in connection with any function carried out by the Commission pursuant to this chapter or as otherwise authorized by law.

(j) Annual authorization and appropriation request

In each annual authorization and appropriation request under this chapter, the Secretary shall identify the portion thereof intended for the support of the Commission and include a statement by the Commission (1) showing the amount requested by the Commission in its budgetary presentation to the Secretary and the Office of Management and Budget and (2) an assessment of the budgetary needs of the Commission. Whenever the Commission submits to the Secretary, the President, or the Office of Management and Budget, any legislative recommendation or testimony, or comments on legislation, prepared for submission to Congress, the Commission shall concurrently transmit a copy thereof to the appropriate committees of Congress.

References in Text


Amendments

1990—Subsec. (b). Pub. L. 101–271 designated existing provisions as par. (1), substituted “5 years” for “four years”, struck out after third sentence “The terms of the members first taking office shall expire as designated by the President at the time of appointment, two at the end of two years, two at the end of three years, and one at the end of four years.”, substituted “A Commissioner may continue to serve after the expiration of his term until his successor is appointed and has been confirmed and takes the oath of Office, except that such Commissioner shall not serve beyond the end of the session of the Congress in which such term expires,” for “A Commissioner may continue to serve after the expiration of his term until his successor has taken office, except that he may not so continue to serve for more than one year after the date on which
his term would otherwise expire under this subsection.’,” and added par. (2).

**Effective Date of 1990 Amendment**

Pub. L. 101–271, §2(c), Apr. 11, 1990, 104 Stat. 136, provided that: “The amendments made by this section [amending this section] apply only to persons appointed or reappointed as members of the Federal Energy Regulatory Commission after the date of enactment of this Act [Apr. 11, 1990].”

**Renewable Energy and Energy Conservation Incentives**

Pub. L. 101–549, title VIII, §808, Nov. 15, 1990, 104 Stat. 2690, provided that:

“(a) **Definition.**—For purposes of this section, ‘renewable energy’ means energy from photovoltaic, solar thermal, wind, geothermal, and biomass energy production technologies.

“(b) **Rate Incentives Study.**—Within 18 months after enactment [Nov. 15, 1990], the Federal Energy Regulatory Commission, in consultation with the Environmental Protection Agency, shall complete a study which calculates the net environmental benefits of renewable energy, compares renewable energy and assigns numerical values to them. The study shall include, but not be limited to, environmental impacts on air, water, land use, water use, human health, and waste disposal.

“(c) **Model Regulations.**—In conjunction with the study in subsection (b), the Commission shall propose one or more models for incorporating the net environmental benefits into the regulatory treatment of renewable energy in order to provide economic compensation for those benefits.

“(d) **Report.**—The Commission shall transmit the study and the model regulations to Congress, along with any recommendations on the best ways to reward renewable energy technologies for their environmental benefits, in a report no later than 24 months after enactment [Nov. 15, 1990].”

**Retention and Use of Revenues From Licensing Fees, Inspection Services, and Other Services and Collections; Reduction To Achieve Final Fiscal Year Appropriation**

Pub. L. 99–80, §101(e) [title III], Oct. 18, 1986, 100 Stat. 1783–194, 1783–208, and Pub. L. 99–591, §101(e) [title III], Oct. 18, 1986, 100 Stat. 3341–208, 3341–212, provided in part: “That hereafter and notwithstanding any other provision of law revenues from licensing fees, inspection services, and other services and collections, estimated at $78,754,000 in fiscal year 1987, may be retained as revenues are received during fiscal year 1987, may be retained and used for necessary expenses in this account [Federal Energy Regulatory Commission, Salaries and Expenses], and may remain available until expended. Provided further, That the sum herein appropriated shall be reduced as revenues are received during fiscal year 1987, so as to result in a final fiscal year 1987 appropriation estimated at not more than $29,325,600.”

Similar provisions were contained in the following appropriation acts:


§7172. Jurisdiction of Commission

(a) **Transfer of functions from Federal Power Commission**

(1) There are transferred to, and vested in, the Commission the following functions of the Federal Power Commission or of any member of the Commission or any officer or component of the Commission:

(A) the investigation, issuance, transfer, renewal, revocation, and enforcement of licenses and permits for the construction, operation, and maintenance of dams, water conduits, reservoirs, powerhouses, transmission lines, or other works for the development and improvement of navigation and for the development and utilization of power across, along, from, or in navigable waters under part I of the Federal Power Act [16 U.S.C. 791a et seq.];

(B) the establishment, review, and enforcement of rates and charges for the transmission or sale of electric energy, including determinations on construction work in progress, under part II of the Federal Power Act [16 U.S.C. 824 et seq.], and the interconnection, under section 202(b), of such Act [16 U.S.C. 824a(b)], of facilities for the generation, transmission, and sale of electric energy (other than emergency interconnection);

(C) the establishment, review, and enforcement of rates and charges for the transportation and sale of natural gas by a producer or gatherer or by a natural gas pipeline or natural gas company under sections 1, 4, 5, and 6 of the Natural Gas Act [15 U.S.C. 717, 717c to 717e];

(D) the issuance of a certificate of public convenience and necessity, including abandonment of facilities or services, and the establishment of physical connections under section 7 of the Natural Gas Act [15 U.S.C. 717f];

(E) the establishment, review, and enforcement of curtailments, other than the establishment and review of priorities for such curtailments, under the Natural Gas Act [15 U.S.C. 717 et seq.]; and

(2) The Commission may exercise any power under the following sections to the extent the Commission determines such power to be necessary to the exercise of any function within the jurisdiction of the Commission:

(A) sections 4, 301, 302, 306 through 309, and 312 through 316 of the Federal Power Act [16 U.S.C. 797, 825, 825a, 825e to 825h, 825k to 825o]; and

(B) sections 8, 9, 13 through 17, 20, and 21 of the Natural Gas Act [15 U.S.C. 717g, 717h, 717i to 717p, 717s, 717t].


(c) Consideration of proposals made by Secretary to amend regulations issued under section 753 of title 15; exception

(1) Pursuant to the procedures specified in section 7174 of this title and except as provided in paragraph (2), the Commission shall have jurisdiction to consider any proposal by the Secretary to amend the regulation required to be issued under section 753(a) of title 15 which is required by section 757 or 760a of title 15 to be transmitted by the President to, and reviewed by, each House of Congress, under section 6421 of this title.

(2) In the event that the President determines that an emergency situation of overriding national importance exists and requires the expedited promulgation of a rule described in paragraph (1), the President may direct the Secretary to assume sole jurisdiction over the promulgation of such rule, and such rule shall be transmitted by the President to, and reviewed by, each House of Congress under section 6421 of this title.

(d) Matters involving agency determinations to be made on record after agency hearing

The Commission shall have jurisdiction to hear and determine any other matter arising under any other function of the Secretary—

(1) involving any agency determination required by law to be made on the record after an opportunity for an agency hearing; or

(2) involving any other agency determination which the Secretary determines shall be made on the record after an opportunity for an agency hearing,

except that nothing in this subsection shall require that functions under sections 6213 and 6214 of this title shall be within the jurisdiction of the Commission unless the Secretary assigns such a function to the Commission.

(e) Matters assigned by Secretary after public notice and matters referred under section 7174 of this title

In addition to the other provisions of this section, the Commission shall have jurisdiction over any other matter which the Secretary may assign to the Commission after public notice, or which are required to be referred to the Commission pursuant to section 7174 of this title.

(f) Limitation

No function described in this section which regulates the exports or imports of natural gas or electricity shall be within the jurisdiction of the Commission unless the Secretary assigns such a function to the Commission.

(g) Final agency action

The decision of the Commission involving any function within its jurisdiction, other than action by it on a matter referred to it pursuant to section 7174 of this title, shall be final agency action within the meaning of section 704 of title 5 and shall not be subject to further review by the Secretary or any officer or employee of the Department.

(h) Rules, regulations, and statements of policy

The Commission is authorized to prescribe rules, regulations, and statements of policy of general applicability with respect to any function under the jurisdiction of the Commission pursuant to this section.

(1) Pursuant to the procedures specified in section 7174 of this title and except as provided in paragraph (2), the Commission shall have jurisdiction to consider any proposal by the Secretary to amend regulations issued under section 753(a) of title 15 which is required by section 757 or 760a of title 15 to be transmitted by the President to, and reviewed by, each House of Congress, under section 6421 of this title.

(2) In the event that the President determines that an emergency situation of overriding national importance exists and requires the expedited promulgation of a rule described in paragraph (1), the President may direct the Secretary to assume sole jurisdiction over the promulgation of such rule, and such rule shall be transmitted by the President to, and reviewed by, each House of Congress under section 6421 of this title.

(3) Matters involving agency determinations to be made on record after agency hearing

The Commission shall have jurisdiction to hear and determine any other matter arising under any other function of the Secretary—

(1) involving any agency determination required by law to be made on the record after an opportunity for an agency hearing; or

(2) involving any other agency determination which the Secretary determines shall be made on the record after an opportunity for an agency hearing,

except that nothing in this subsection shall require that functions under sections 6213 and 6214 of this title shall be within the jurisdiction of the Commission unless the Secretary assigns such a function to the Commission.

(4) Matters assigned by Secretary after public notice and matters referred under section 7174 of this title

In addition to the other provisions of this section, the Commission shall have jurisdiction over any other matter which the Secretary may assign to the Commission after public notice, or which are required to be referred to the Commission pursuant to section 7174 of this title.

(5) Limitation

No function described in this section which regulates the exports or imports of natural gas or electricity shall be within the jurisdiction of the Commission unless the Secretary assigns such a function to the Commission.

(6) Final agency action

The decision of the Commission involving any function within its jurisdiction, other than action by it on a matter referred to it pursuant to section 7174 of this title, shall be final agency action within the meaning of section 704 of title 5 and shall not be subject to further review by the Secretary or any officer or employee of the Department.

(7) Rules, regulations, and statements of policy

The Commission is authorized to prescribe rules, regulations, and statements of policy of general applicability with respect to any function under the jurisdiction of the Commission pursuant to this section.
applicable ratemaking methodology for oil pipelines in conformance with section 1(5) of part I of the Interstate Commerce Act (former 49 U.S.C. 1(5)).

(b) Effective Dates.—The final rule to be issued under subsection (a) may not take effect before the 365th day following the date of the issuance of the rule.

SEC. 1802. STREAMLINING OF COMMISSION PROCEDURES.

(a) Rulemaking.—Not later than 18 months after the date of the enactment of this Act [Oct. 24, 1992], the Commission shall issue a final rule to streamline procedures of the Commission relating to oil pipeline rates in order to avoid unnecessary regulatory costs and delays.

(b) Scope of Rulemaking.—Issues to be considered in the rulemaking proceeding to be conducted under subsection (a) shall include the following:

(1) Identification of information to be filed with an oil pipeline tariff and the availability to the public of any analysis of such tariff filing performed by the Commission or its staff.

(2) Qualification for standing (including definitions of economic interest) of parties who protest oil pipeline tariff filings or file complaints thereto.

(3) The level of specificity required for a protest or complaint and guidelines for Commission action on the portion of the tariff or rate filing subject to protest or complaint.

(4) An opportunity for the oil pipeline to file a response for the record to an initial protest or complaint.

(5) Identification of specific circumstances under which Commission staff may initiate a protest.

(c) Additional Procedural Changes.—In conducting the rulemaking proceeding to carry out subsection (a), the Commission shall identify and transmit to Congress any other procedural changes relating to oil pipeline rates which the Commission determines are necessary to avoid unnecessary regulatory costs and delays and for which additional legislative authority may be necessary.

(d) Withdrawal of Tariffs and Complaints.—

(1) Withdrawal of Tariffs.—If an oil pipeline tariff which is filed under part I of the Interstate Commerce Act [former 49 U.S.C. 1 et seq.] and which is subject to investigation is withdrawn—

(A) any proceeding with respect to such tariff shall be terminated;

(B) the previous tariff rate shall be reinstated; and

(C) any amounts collected under the withdrawn tariff rate which are in excess of the previous tariff rate shall be refunded.

(2) Withdrawal of Complaints.—If a complaint which is filed under section 13 of the Interstate Commerce Act [former 49 U.S.C. 13] with respect to an oil pipeline tariff is withdrawn, any proceeding with respect to such complaint shall be terminated.

(e) Alternative Dispute Resolution.—To the maximum extent practicable, the Commission shall establish appropriate alternative dispute resolution procedures, including required negotiations and voluntary arbitration, early in an oil pipeline rate proceeding as a modification to adjudication in resolving disputes relating to the rate. Any proposed rates derived from implementation of such procedures shall be considered by the Commission on an expedited basis for approval.

SEC. 1803. PROTECTION OF CERTAIN EXISTING RATES.

(a) Rates Deemed Just and Reasonable.—Except as provided in subsection (b), any rate in effect for the 365-day period ending on the date of the enactment of this Act [Oct. 24, 1992] shall be deemed to be just and reasonable (within the meaning of section 1(5) of the Interstate Commerce Act [former 49 U.S.C. 1(5)]); and

(b) Any rate in effect on the 365th day preceding the date of such enactment shall be deemed to be just and reasonable (within the meaning of such section 1(5)) regardless of whether or not, with respect to such rate, a new rate has been filed with the Commission during such 365-day period; if the rate in effect, as described in paragraph (1) or (2), has not been subject to protest, investigation, or complaint during such 365-day period.

(2) CHANGED CIRCUMSTANCES.—No person may file a complaint under section 13 of the Interstate Commerce Act [former 49 U.S.C. 13] against a rate deemed to be just and reasonable under subsection (a) unless—

(1) evidence is presented to the Commission which establishes that a substantial change has occurred after the date of the enactment of this Act [Oct. 24, 1992];

(A) in the economic circumstances of the oil pipeline which were a basis for the rate; or

(B) in the nature of the services provided which were a basis for the rate; or

(2) the person filing the complaint was under a contractual prohibition against the filing of a complaint which was in effect on the date of enactment of this Act and had been in effect prior to January 1, 1991, provided that a complaint by a party bound by such prohibition is brought within 30 days after the expiration of such prohibition.

If the Commission determines pursuant to a proceeding instituted as a result of a complaint under section 13 of the Interstate Commerce Act that the rate is not just and reasonable, the rate shall not be deemed to be just and reasonable. Any tariff reduction or refunds that may result as an outcome of such a complaint shall be prospective from the date of the filing of the complaint.

(c) Limitation Regarding Unduly Discriminatory or Preferential Tariffs.—Nothing in this section shall prohibit any aggrieved person from filing a complaint under section 13 or section 15(1) of the Interstate Commerce Act [former 49 U.S.C. 13, 15(1)] challenging any tariff provision as unduly discriminatory or unduly preferential.

SEC. 1804. DEFINITIONS.

For the purposes of this title, the following definitions apply:

(1) Commission.—The term ‘Commission’ means the Federal Energy Regulatory Commission and, unless the context requires otherwise, includes the Oil Pipeline Board and any other office or component of the Commission to which the functions and authority vested in the Commission under section 402(b) of the Department of Energy Organization Act (42 U.S.C. 7172(b)) are delegated.

(2) Oil Pipeline.—

(A) In General.—Except as provided in subparagraph (B), the term ‘oil pipeline’ means any common carrier (within the meaning of the Interstate Commerce Act [former 49 U.S.C. 1 et seq.]) which transports oil by pipeline subject to the functions and authority vested in the Commission under section 402(b) of the Department of Energy Organization Act (42 U.S.C. 7172(b)).

(B) Exception.—The term ‘oil pipeline’ does not include the Trans-Alaska Pipeline authorized by the Trans-Alaska Pipeline Authorization Act (43 U.S.C. 1651 et seq.) or any pipeline delivering oil directly or indirectly to the Trans-Alaska Pipeline.

(3) Oil.—The term ‘oil’ has the same meaning as is given such term for purposes of the transfer of functions from the Interstate Commerce Commission to the Federal Energy Regulatory Commission under section 402(b) of the Department of Energy Organization Act (42 U.S.C. 7172(b)).

(4) Rate.—The term ‘rate’ means all charges that an oil pipeline requires shippers to pay for transportation services.”
§ 7173. Initiation of rulemaking procedures before Commission

(a) Proposal of rules, regulations, and statements of policy of general applicability by Secretary and Commission

The Secretary and the Commission are authorized to propose rules, regulations, and statements of policy of general applicability with respect to any function within the jurisdiction of the Commission under section 7172 of this title.

(b) Consideration and final action on proposals of Secretary

The Commission shall have exclusive jurisdiction with respect to any proposal made under subsection (a), and shall consider and take final action on any proposal made by the Secretary under such subsection in an expeditious manner in accordance with such reasonable time limits as may be set by the Secretary for the completion of action by the Commission on any such proposal.

(c) Utilization of rulemaking procedures for establishment of rates and charges under Federal Power Act and Natural Gas Act

Any function described in section 7172 of this title which relates to the establishment of rates and charges under the Federal Power Act [16 U.S.C. 791a et seq.] or the Natural Gas Act [15 U.S.C. 717 et seq.], may be conducted by rulemaking procedures. Except as provided in subsection (d), the procedures in such a rulemaking proceeding shall assure full consideration of the issues and an opportunity for interested persons to present their views.

(d) Submission of written questions by interested persons

With respect to any rule or regulation promulgated by the Commission to establish rates and charges for the first sale of natural gas by a producer or gatherer to a natural gas pipeline under the Natural Gas Act [15 U.S.C. 717 et seq.], the Commission may afford any interested person a reasonable opportunity to submit written questions with respect to disputed issues of fact to other interested persons participating in the rulemaking proceedings. The Commission may establish a reasonable time for both the submission of questions and responses thereto.


References in Text

The Federal Power Act, referred to in subsec. (c), is act June 10, 1920, ch. 285, 41 Stat. 1063, as amended, which is classified generally to chapter 12 (§791a et seq.) of Title 16, Conservation. For complete classification of this Act to the Code, see section 791a of Title 16 and Tables.

The Natural Gas Act, referred to in subsec. (c) and (d), is act June 21, 1938, ch. 556, 52 Stat. 821, as amended, which is classified generally to chapter 15B (§717 et seq.) of Title 15, Commerce and Trade. For complete classification of this Act to the Code, see section 717w of Title 15 and Tables.

§ 7174. Referral of other rulemaking proceedings to Commission

(a) Notification of Commission of proposed action; public comment

Except as provided in section 7173 of this title, whenever the Secretary proposes to prescribe rules, regulations, and statements of policy of general applicability in the exercise of any function which is transferred to the Secretary under section 7151 of this title or section 60501 of title 49, he shall notify the Commission of the proposed action. If the Commission, in its discretion, determines within such period as the Secretary may prescribe, that the proposed action may significantly affect any function within the jurisdiction of the Commission pursuant to section 7172(a)(1) and (c)(1) of this title and section 60502 of title 49, the Secretary shall immediately refer the matter to the Commission, which shall provide an opportunity for public comment.

(b) Recommendations of Commission; publication

Following such opportunity for public comment the Commission, after consultation with the Secretary, shall either—

(1) concur in adoption of the rule or statement as proposed by the Secretary;

(2) concur in adoption of the rule or statement only with such changes as it may recommend; or

(3) recommend that the rule or statement not be adopted.

The Commission shall promptly publish its recommendations, adopted under this subsection, along with an explanation of the reason for its actions and an analysis of the major comments, criticisms, and alternatives offered during the comment period.

(c) Options of Secretary; final agency action

Following publication of the Commission’s recommendations the Secretary shall have the option of—

(1) issuing a final rule or statement in the form initially proposed by the Secretary if the Commission has concurred in such rule pursuant to subsection (b)(1); or

(2) issuing a final rule or statement in amended form so that the rule conforms in all respects with the changes proposed by the Commission if the Commission has concurred in such rule or statement pursuant to subsection (b)(2); or

(3) ordering that the rule shall not be issued.

The action taken by the Secretary pursuant to this subsection shall constitute a final agency action for purposes of section 704 of title 5.


Codification


§ 7175. Right of Secretary to intervene in Commission proceedings

The Secretary may as a matter of right intervene or otherwise participate in any proceeding before the Commission. The Secretary shall comply with rules of procedure of general appli-
cability governing the timing of intervention or participation in such proceeding or activity and, upon intervening or participating therein, shall comply with rules of procedure of general applicability governing the conduct thereof. The intervention or participation of the Secretary in any proceeding or activity shall not affect the obligation of the Commission to assure procedure fairness to all participants.


§ 7176. Reorganization

For the purposes of chapter 9 of title 5 the Commission shall be deemed to be an independent regulatory agency.


§ 7177. Access to information

(a) The Secretary, each officer of the Department, and each Federal agency shall provide to the Commission, upon request, such existing information in the possession of the Department or other Federal agency as the Commission determines is necessary to carry out its responsibilities under this chapter.

(b) The Secretary, in formulating the information to be requested in the reports or investigations under section 825c and section 825j of title 16 and section 717l and section 717l of title 15 shall include in such reports and investigations such specific information as requested by the Federal Energy Regulatory Commission and copies of all reports, information, results of investigations and data under said sections shall be furnished by the Secretary to the Federal Energy Regulatory Commission.


REFERENCES IN TEXT

This chapter, referred to in subsec. (a), was in the original “this Act”, meaning Pub. L. 95–91, Aug. 4, 1977, 91 Stat. 565, as amended, known as the Department of Energy Organization Act, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 7101 of this title and Tables.

§ 7178. Federal Energy Regulatory Commission fees and annual charges

(a) In general

(1) Except as provided in paragraph (2) and beginning in fiscal year 1987 and in each fiscal year thereafter, the Federal Energy Regulatory Commission shall, using the provisions of this section and authority provided by other laws, assess and collect fees and annual charges in any fiscal year in amounts equal to all of the costs incurred by the Commission in that fiscal year.

(2) The provisions of this section shall not affect the authority, requirements, exceptions, or limitations in sections 803(e) and 823a(e) of title 16.

(b) Basis for assessments

The fees or annual charges assessed shall be computed on the basis of methods that the Commission determines, by rule, to be fair and equitable.

(c) Estimates

The Commission may assess fees and charges under this section by making estimates based on data available to the Commission at the time of assessment.

(d) Time of payment

The Commission shall provide that the fees and charges assessed under this section shall be paid by the end of the fiscal year for which they were assessed.

(e) Adjustments

The Commission shall, after the completion of a fiscal year, make such adjustments in the assessments for such fiscal year as may be necessary to eliminate any overrecovery or underrecovery of its total costs, and any overcharging or undercharging of any person.

(f) Use of funds

All moneys received under this section shall be credited to the general fund of the Treasury.

(g) Waiver

The Commission may waive all or part of any fee or annual charge assessed under this section for good cause shown.


CODIFICATION

Section was enacted as part of the Omnibus Budget Reconciliation Act of 1986, and not as part of the Department of Energy Organization Act which comprises this chapter.

SUBCHAPTER V—ADMINISTRATIVE PROCEDURES AND JUDICIAL REVIEW

§ 7191. Procedures for issuance of rules, regulations, or orders

(a) Applicability of subchapter II of chapter 5 of title 5

(1) Subject to the other requirements of this subchapter, the provisions of subchapter II of chapter 5 of title 5 shall apply in accordance with its terms to any rule or regulation, or any order having the applicability and effect of a rule (as defined in section 551(4) of title 5), issued pursuant to authority vested by law in, or transferred or delegated to, the Secretary, or required by this chapter or any other Act to be carried out by any other officer, employee, or component of the Department, other than the Commission, including any such rule, regulation, or order of a State, or local government agency or officer thereof, issued pursuant to authority delegated by the Secretary in accordance with this subchapter. If any provision of any Act, the functions of which are transferred, vested, or delegated pursuant to this chapter, provides administrative procedure requirements in addition to the requirements provided in this subchapter, such additional requirements shall also apply to actions under that provision.

(2) Notwithstanding paragraph (1), this subchapter shall apply to the Commission to the same extent this subchapter applies to the Sec-
(b) Substantial issue of fact or law or likelihood of substantial impact on Nation's economy, or oral presentation.  

(1) If the Secretary determines, on his own initiative or in response to any showing made pursuant to paragraph (2) (with respect to a proposed rule, regulation, or order described in subsection (a)) that no substantial issue of fact or law exists and that such rule, regulation, or order is unlikely to have a substantial impact on the Nation's economy or large numbers of individuals or businesses, such proposed rule, regulation, or order may be promulgated in accordance with section 553 of title 5. If the Secretary determines that a substantial issue of fact or law exists or that such rule, regulation, or order is likely to have a substantial impact on the Nation's economy or large numbers of individuals or businesses, an opportunity for oral presentation of views, data, and arguments shall be provided.

(2) Any person, who would be adversely affected by the implementation of any proposed rule, regulation, or order who desires an opportunity for oral presentation of views, data, and arguments, may submit material supporting the existence of such substantial issues or such impact.

(3) A transcript shall be kept of any oral presentation with respect to a rule, regulation, or order described in subsection (a).

(c) Waiver of requirements.  

The requirements of subsection (b) of this section may be waived where strict compliance is found by the Secretary to be likely to cause serious harm or injury to the public health, safety, or welfare, and such finding is set out in detail in such rule, regulation, or order. In the event the requirements of this section are waived, the requirements shall be satisfied within a reasonable period of time subsequent to the promulgation of such rule, regulation, or order.

(d) Effects confined to single unit of local government, geographic area within State, or State; hearing or oral presentation.  

(1) With respect to any rule, regulation, or order described in subsection (a), the effects of which, except for indirect effects of an inconsequential nature, are confined to—

(A) a single unit of local government or the residents thereof;

(B) a single geographic area within a State or the residents thereof; or

(C) a single State or the residents thereof;

the Secretary shall, in any case where appropriate, afford an opportunity for a hearing or the oral presentation of views, and provide procedures for the holding of such hearing or oral presentation within the boundaries of the unit of local government, geographic area, or State described in paragraphs (A) through (C) of this paragraph as the case may be.

(2) For the purposes of this subsection—

(A) the term "unit of local government" means a county, municipality, town, township, village, or other unit of general government below the State level; and

(B) the term "geographic area within a State" means a special purpose district or other region recognized for governmental purposes within such State which is not a unit of local government.

(3) Nothing in this subsection shall be construed as requiring a hearing or an oral presentation of views where none is required by this section or other provision of law.

(e) Prescription of procedures for State and local government agencies.  

Where authorized by any law vested, transferred, or delegated pursuant to this chapter, the Secretary may, by rule, prescribe procedures for State or local government agencies authorized by the Secretary to carry out such functions as may be permitted under applicable law. Such procedures shall apply to such agencies in lieu of this section, and shall require that prior to taking any action, such agencies shall take steps reasonably calculated to provide notice to persons who may be affected by the action, and shall afford an opportunity for presentation of views (including oral presentation of views where practicable) within a reasonable time before taking the action.


REFERENCES IN TEXT  

This chapter, referred to in subsec. (a)(1) and (e), was in the original "this Act", meaning Pub. L. 95–91, Aug. 4, 1977, 91 Stat. 556, known as the Department of Energy Organization Act, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 7101 of this title and Tables.

AMENDMENTS  

1997—Subsec. (b). Pub. L. 105–28, §2(a)(1), (2), redesignated subsec. (c) as (b) and struck out former subsec. (b) which read as follows:

"(1) In addition to the requirements of subsection (a) of this section, notice of any proposed rule, regulation, or order described in subsection (a) of this section shall be given by publication of such proposed rule, regulation, or order in the Federal Register. Such publication shall be accompanied by a statement of the research, analysis, and other available information in support of, the need for, and the probable effect of, any such proposed rule, regulation, or order. Other effective means of publicity shall be utilized as may be reasonably calculated to notify concerned or affected persons of the nature and probable effect of any such proposed rule, regulation, or order. In each case, a minimum of thirty days following such publication shall be provided for an opportunity to comment prior to promulgation of any such rule, regulation, or order.

"(2) Public notice of all rules, regulations, or orders described in subsection (a) of this section which are promulgated by officers of a State or local government agency pursuant to a delegation under this chapter shall be provided by publication of such proposed rules, regulations, or orders in at least two newspapers of statewide circulation. If such publication is not practicable, notice of any such rule, regulation, or order shall be given by such other means as the officer promulgating such rule, regulation, or order determines will reasonably assure wide public notice.

"(3) For the purposes of this subchapter, the exception from the requirements of section 553 of title 5 pro-
vided by subsection (a)(2) of such section with respect to public property, loans, grants, or contracts shall not be available.  

Subsec. (c). Pub. L. 105–28, §2(a)(2), (3), redesignated subsec. (e) as (c) and substituted “subsection (b)” for “‘subsections (b), (c), and (d)’. Former subsec. (c) redesignated (b).

Subsec. (d). Pub. L. 105–28, §2(a)(1), (2), redesignated subsec. (f) as (d) and struck out former subsec. (d) which read as follows: ‘Following the notice and comment period, including any oral presentation required by this subsection, the Secretary may promulgate a rule if the rule is accompanied by an explanation responding to the major comments, criticisms, and alternatives offered during the comment period.’

Subsecs. (e) to (g). Pub. L. 105–28, §2(a)(2), redesignated subsecs. (e) to (g) as (c) to (e), respectively.

§7192. Judicial action

(a) Agency action

Judicial review of agency action taken under any law the functions of which are vested by law in, or transferred or delegated to the Secretary, the Commission or any officer, employee, or component of the Department shall, notwithstanding such vesting, transfer, or delegation, be made in the manner specified in or for such law.

(b) Review by district court of United States; removal

Notwithstanding the amount in controversy, the district courts of the United States shall have exclusive original jurisdiction of all other cases or controversies arising exclusively under this chapter, or under rules, regulations, or orders issued exclusively thereunder, other than any actions taken to implement or enforce any rule, regulation, or order by any officer of a State or local government agency under this chapter, except that nothing in this section affects the power of any court of competent jurisdiction to consider, hear, and determine in any proceeding before it any issue raised by way of defense (other than a defense based on the unconstitutionality of this chapter or the validity of action taken by any agency under this chapter). If in any such proceeding an issue by way of defense is raised based on the unconstitutionality of this chapter or the validity of action taken by any agency under this chapter), if in any such proceeding an issue by way of defense is raised based on the unconstitutionality of this chapter or the validity of action taken by any agency under this chapter, the case shall be subject to removal by either party to a district court of the United States in accordance with the applicable provisions of chapter 89 of title 28. Cases or controversies arising under any rule, regulation, or order of any officer of a State or local government agency may be heard in either (A) any appropriate State court, or (B) without regard to the amount in controversy, the district courts of the United States.

(c) Litigation supervision by Attorney General

Subject to the provisions of section 7171(1) of this title and notwithstanding any other law, the litigation of the Department shall be subject to the supervision of the Attorney General pursuant to chapter 31 of title 28. The Attorney General may authorize any attorney of the Department to conduct any civil litigation of the Department in any Federal court except the Supreme Court.


§7193. Remedial orders

(a) Violated of rules, regulations, or orders promulgated pursuant to Emergency Petroleum Allocation Act of 1973

If upon investigation the Secretary or his authorized representative believes that a person has violated any regulation, rule, or order described in section 7191(a) of this title promulgated pursuant to the Emergency Petroleum Allocation Act of 1973[1] he may issue a remedial order to the person. Each remedial order shall be in writing and shall describe with particularity the nature of the violation, including a reference to the provision of such rule, regulation, or order alleged to have been violated. For purposes of this section “person” includes any individual, association, company, corporation, partnership, or other entity however organized.

(b) Notice of intent to contest; final order not subject to review

If within thirty days after the receipt of the remedial order issued by the Secretary, the person fails to notify the Secretary that he intends to contest the remedial order, the remedial order shall become effective and shall be deemed a final order of the Secretary and not subject to review by any court or agency.

(c) Notice of contestation to Commission; stay; hearing; cross examination; final order; enforcement and review

If within thirty days after the receipt of the remedial order issued by the Secretary, the person notifies the Secretary that he intends to contest a remedial order issued under subsection (a) of this section, the Secretary shall immediately advise the Commission of such notification. Upon such notice, the Commission shall stay the effect of the remedial order, unless the Commission finds the public interest requires immediate compliance with such remedial order. The Commission shall, upon request, afford an opportunity for a hearing, including, at a minimum, the submission of briefs, oral or documentary evidence, and oral arguments. To the extent that the Commission in its discretion determines that such is required for a full and true disclosure of the facts, the Commission shall afford the right of cross examination. The Commission shall thereafter issue an order, based on findings of fact, affirming, modifying, or vacating the Secretary’s remedial order, or directing other appropriate relief, and such order shall, for the purpose of judicial review, constitute a final agency action, except that enforcement and other judicial review of such action shall be the responsibility of the Secretary.

§ 7194  TITLE 42—THE PUBLIC HEALTH AND WELFARE  Page 6486

(d) Time limits
The Secretary may set reasonable time limits for the Commission to complete action on a proceeding referred to it pursuant to this section.

(e) Effect on procedural action taken by Secretary prior to issuance of initial remedial order
Nothing in preceding provisions of this section shall be construed to affect any procedural action taken by the Secretary prior to or incident to initial issuance of a remedial order which is the subject of the hearing provided in preceding provisions of this section, but such procedures shall be reviewable in the hearing.

(f) Savings provision
The provisions of preceding provisions of this section shall be applicable only with respect to proceedings initiated by a notice of probable violation issued after October 1, 1977.

(g) Retroactive application; marketing of petroleum products
With respect to any person whose sole petroleum industry operation relates to the marketing of petroleum products, the Secretary or any person acting on his behalf may not exercise discretion to maintain a civil action (other than an action for injunctive relief) or issue a remedial order against such person for any violation of any rule or regulation if—
1. such civil action or order is based on a retroactive application of such rule or regulation or is based upon a retroactive interpretation of such rule or regulation; and
2. such person relied in good faith upon rules, regulations, or rulings in effect on the date of the violation interpreting such rules or regulations.


REFERENCES IN TEXT
The Emergency Petroleum Allocation Act of 1973, referred to in subsec. (a), is Pub. L. 93–159, Nov. 27, 1973, 87 Stat. 628, as amended, which was classified generally to chapter 16A (§ 751 et seq.) of Title 15, Commerce and Trade, and was omitted from the Code pursuant to section 16A (§ 751 et seq.) of Title 15, which provided for the expiration of the President's authority under that chapter on Sept. 30, 1981.

AMENDMENTS
1978—Subsecs. (e), (f), Pub. L. 95–620, § 805(b), inserted preceding provisions of before this section'. Subsec. (g), Pub. L. 95–620, § 805(a), added subsec. (g).

EFFECTIVE DATE OF 1978 AMENDMENT
Amendment by Pub. L. 95–620 effective 180 days after Nov. 9, 1978, see section 901 of Pub. L. 95–91, set out as an Effective Date note under section 901 of this title.

§ 7194. Requests for adjustments
(a) The Secretary or any officer designated by him shall provide for the making of such adjustments to any rule, regulation or order described in section 719(a) of this title issued under the Federal Energy Administration Act [15 U.S.C. 761 et seq.], the Emergency Petroleum Allocation Act of 1973 [15 U.S.C. 751 et seq.], the Energy Supply and Environmental Coordination Act of 1974 [15 U.S.C. 791 et seq.], or the Energy Policy and Conservation Act [42 U.S.C. 6201 et seq.], consistent with the other purposes of the relevant Act, as may be necessary to prevent special hardship, inequity, or unfair distribution of burdens, and shall by rule, establish procedures which are available to any person for the purpose of seeking an interpretation, modification, or rescission of, exception to, or exemption from, such rule, regulation or order. The Secretary or any such officer shall additionally insure that each decision on any application or petition requesting an adjustment shall specify the standards of hardship, inequity, or unfair distribution of burden by which any disposition was made, and the specific application of such standards to the facts contained in any such application or petition.

(b)(1) If any person is aggrieved or adversely affected by a denial of a request for adjustment under subsection (a) such person may request a review of such denial by the Commission and may obtain judicial review in accordance with this subchapter when such a denial becomes final.

(2) The Commission shall, by rule, establish appropriate procedures, including a hearing when requested, for review of a denial. Action by the Commission under this section shall be considered final agency action within the meaning of section 704 of title 5 and shall not be subject to further review by the Secretary or any officer or employee of the Department. Litigation involving judicial review of such action shall be the responsibility of the Secretary.


REFERENCES IN TEXT
The Federal Energy Administration Act, referred to in subsec. (a), is Pub. L. 93–275, May 7, 1974, 88 Stat. 96, as amended, which is classified generally to chapter 16B (§ 761 et seq.) of Title 15, Commerce and Trade. For complete classification of this Act to the Code, see Short Title note set out under section 761 of Title 15 and Tables.

The Emergency Petroleum Allocation Act of 1973, referred to in subsec. (a), is Pub. L. 93–159, Nov. 27, 1973, 87 Stat. 628, as amended, which was classified generally to chapter 16A (§ 751 et seq.) of Title 15, which provided for the expiration of the President’s authority under that chapter on Sept. 30, 1981.


For complete classification of this Act to the Code, see Short Title note set out under section 791 of Title 15 and Tables.


§ 7195. Report to Congress; contents
Within one year after October 1, 1977, the Secretary shall submit a report to Congress con-

1See References in Text note below.

2So in original. Probably should be “revision”.
Concerning the actions taken to implement section 7191 of this title. The report shall include a discussion of the adequacy of such section from the standpoint of the Department and the public, including a summary of any comments obtained by the Secretary from the public about such section and implementing regulations, and such recommendations as the Secretary deems appropriate concerning the procedures required by such section.


SUBCHAPTER VI—ADMINISTRATIVE PROVISIONS

PART A—CONFLICT OF INTEREST PROVISIONS


Effective Date of Repeal

For effective date and applicability of repeal, see section 4304(b)(6) of Pub. L. 104–106, set out as an Effective Date of 1996 Amendment note under section 2302 of Title 10, Armed Forces.

PART B—PERSONNEL PROVISIONS

§ 7231. Officers and employees

(a) Authority of Secretary to appoint and fix compensation

In the performance of his functions the Secretary is authorized to appoint and fix the compensation of such officers and employees, including attorneys, as may be necessary to carry out such functions. Except as otherwise provided in this section, such officers and employees shall be appointed in accordance with the civil service laws and their compensation fixed in accordance with title 5.

(b) Appointment of scientific, engineering, etc., personnel without regard to civil service laws; compensation; termination of authority

(1) Subject to the limitations provided in paragraph (2) and to the extent the Secretary deems such action necessary to the discharge of his functions, he may appoint not more than three hundred eleven of the scientific, engineering, professional, and administrative personnel of the department without regard to the civil service laws, and may fix the compensation of such personnel not in excess of the maximum rate payable for GS–18 of the General Schedule under section 5332 of title 5.

(2) The Secretary’s authority under this subsection to appoint an individual to such a position without regard to the civil service laws shall cease—

(A) when a person appointed, within four years after October 1, 1977, to fill such position under paragraph (1) leaves such position, or

(B) on the day which is four years after such date, whichever is later.

(c) Placement of GS–16, GS–17, and GS–18 positions without regard to section 3324 of title 5; termination of authority

(1) Subject to the provisions of chapter 51 of title 5 but notwithstanding the last two sentences of section 5108(a), of such title, the Secretary may place at GS–16, GS–17, and GS–18, not to exceed one hundred seventy-eight positions of the positions subject to the limitation of the first sentence of section 5108(a), of such title.

(2) Appointments under this subsection may be made without regard to the provisions of sections 3324 of title 5, relating to the approval by the Director of the Office of Personnel Management of appointments under GS–16, GS–17, and GS–18 if the individual placed in such position is an individual who is transferred in connection with a transfer of functions under this chapter and who, immediately before October 1, 1977, held a position and duties comparable to those of such position.

(3) The Secretary’s authority under this subsection with respect to any position shall cease when the person first appointed to fill such position leaves such position.

1 See References in Text note below.
(d) Appointment of additional scientific, engineering, etc., personnel without regard to civil service laws; compensation

In addition to the number of positions which may be placed at GS–16, GS–17, and GS–18 under section 5108 of title 5, under existing law, or under this chapter, and to the extent the Secretary deems such action necessary to the discharge of his functions, he may appoint not more than two hundred of the scientific, engineering, professional, and administrative personnel without regard to the civil service laws and may fix the compensation of such personnel not in excess of the maximum rate payable for GS–18 of the General Schedule under section 5332 of title 5.

(e) Determination of maximum aggregate number of positions

For the purposes of determining the maximum aggregate number of positions which may be placed at GS–16, GS–17, or GS–18 under section 5108(a) of title 5, 63 percent of the positions established under subsections (b) and (c) shall be deemed GS–16 positions, 25 percent of such positions shall be deemed GS–17 positions, and 12 percent of such positions shall be deemed GS–18.

(f) Intelligence and intelligence-related positions exempt from competitive service

All positions in the Department which the Secretary determines are devoted to intelligence and intelligence-related activities of the United States Government are excepted from the competitive service, and the individuals who occupy such positions as of August 14, 1991, shall, while employed in such positions, be exempt from the competitive service.

References in Text

Section 5108(a) of title 5, referred to in subsec. (c)(1), was amended generally by Pub. L. 101–509, title V, § 529 [title I, §102(b)(2)], Nov. 5, 1990, 104 Stat. 1427, 1483, and, as so amended, contains only one sentence.

This chapter, referred to in subsec. (c)(2) and (d), was in the original “this Act”, meaning Pub. L. 95–91, Aug. 4, 1979, 91 Stat. 565, as amended, which enacted subsec. (f) of this section, to reflect the probable intent of Congress.

Amendments


Transfer of Functions


References in Other Laws to GS–16, 17, or 18 Pay Rates

References in laws to the rates of pay for GS–16, 17, or 18, or to maximum rates of pay under the General Schedule, to be considered references to rates payable under specified sections of Title 5, Government Organization and Employees, see section 529 (title I, §101(c)(1)) of Pub. L. 101–509, set out in a note under section 5376 of Title 5.

Appointments of Exceptionally Well Qualified Individuals to Scientific, Engineering, or Other Critical Technical Positions


“(a) In General.—Subject to subsections (b) through (d), the Secretary may appoint, without regard to the provisions of chapter 33 of title 5, United States Code, governing appointments in the competitive service, exceptionally well qualified individuals to scientific, engineering, or other critical technical positions.

“(b) Limitations.

“(1) Number of Positions.—The number of critical positions authorized by subsection (a) may not exceed 120 at any one time in the Department.

“(2) Term.—The term of an appointment under subsection (a) may not exceed 4 years.

“(3) Prior Employment.—An individual appointed under subsection (a) shall not have been a Department employee during the 2-year period ending on the date of appointment.

“(4) Pay.—

“(A) In General.—The Secretary shall have the authority to fix the basic pay of an individual appointed under subsection (a) at a rate to be determined by the Secretary up to level I of the Executive Schedule (5 U.S.C. 5312) without regard to the civil service laws.

“(B) Total Annual Compensation.—The total annual compensation for any individual appointed under subsection (a) may not exceed the highest total annual compensation payable at the rate determined under section 104 of title 3, United States Code.

“(5) Adverse Actions.—An individual appointed under subsection (a) may not be considered to be an employee for purposes of subchapter II of chapter 75 of title 5, United States Code.

“(c) Requirements.

“(1) in General.—The Secretary shall ensure that—

“(A) the exercise of the authority granted under subsection (a) is consistent with the merit principles of section 2301 of title 5, United States Code; and

“(B) the Department notifies diverse professional associations and institutions of higher education, including those serving the interests of women and racial or ethnic minorities that are underrepresented in scientific, engineering, and mathematical fields, of position openings as appropriate.

“(2) Report.—Not later than 2 years after the date of enactment of this Act [Jan. 17, 2014], the Secretary and the Director of the Office of Personnel Management shall submit to Congress a report on the use of the authority provided under this section that includes, at a minimum, a description or analysis of—

“(A) the ability to attract exceptionally well qualified scientists, engineers, and technical personnel;

“(B) the amount of total compensation paid each employee hired under the authority each calendar year; and

“(C) whether additional safeguards or measures are necessary to carry out the authority and, if so,
what action, if any, has been taken to implement the safeguards or measures.

“(d) **Termination of Effectiveness.**—The authority provided by this section terminates effective on the date that is 4 years after the date of enactment of this Act.”

**Authority for Appointment of Certain Scientific, Engineering, and Technical Personnel.**


§ 7232. Senior positions

In addition to those positions created by subchapter II of this chapter, there shall be within the Department fourteen additional officers in positions authorized by section 5316 of title 5 who shall be appointed by the Secretary and who shall perform such functions as the Secretary shall prescribe from time to time.


§ 7233. Experts and consultants

The Secretary may obtain services as authorized by section 3109 of title 5, at rates not to exceed the daily rate prescribed for grade GS–18 of the General Schedule under section 5332 of title 5 for persons in Government service employed intermittently.


**References in Other Laws to GS–16, 17, or 18 Pay Rates**

References in laws to the rates of pay for GS–16, 17, or 18, or to maximum rates of pay under the General Schedule, to be considered references to rates payable under specified sections of Title 5, Government Organization and Employees, see section 529 [title I, §161(c)(1)] of Pub. L. 101–509, set out in a note under section 5316 of Title 5.

§ 7234. Advisory committees

The Secretary is authorized to establish in accordance with the Federal Advisory Committee Act such advisory committees as he may deem appropriate to assist in the performance of his functions. Members of such advisory committees, other than full-time employees of the Federal Government, while attending meetings of such committees or while otherwise serving at the request of the Secretary while serving away from their homes or regular places of business, may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5 for individuals in the Government serving without pay.


**References in Text**

The Federal Advisory Committee Act, referred to in text, is Pub. L. 89–463, Oct. 6, 1972, 86 Stat. 779, as amended, which is set out in the Appendix to Title 5, Government Organization and Employees.

**AMENDMENTS**

1997—Pub. L. 105–18 struck out subsec. (a) designation and struck out subsec. (b) which read as follows: "Section 766 of title 15 shall be applicable to advisory committees chartered by the Secretary, or transferred to the Secretary or the Department under this chapter, except that where an advisory committee advises the Secretary on matters pertaining to research and development, the Secretary may determine that such meeting shall be closed because it involves research and development matters and comes within the exemption of section 552b(c)(4) of title 5."

**Termination of Advisory Committees**

Advisory committees established after Jan. 5, 1973, to terminate not later than the expiration of the 2-year period beginning on the date of their establishment, unless, in the case of a committee established by the President or an officer of the Federal Government, such committee is renewed by appropriate action prior to the expiration of such 2-year period, or in the case of a committee established by the Congress, its duration is otherwise provided for by law. See section 14 of Pub. L. 92–463, Oct. 6, 1972, 86 Stat. 776, set out in the Appendix to Title 5, Government Organization and Employees.

**Department of Energy Project Review Groups Not Subject to Federal Advisory Committee Act by Reason of Inclusion of Employers of Department of Energy Management and Operating Contractors**

Pub. L. 108–136, div. C, title XXXI, §3112, Nov. 24, 2003, 117 Stat. 1743, provided that: "An officer or employee of a management and operating contractor of the Department of Energy, when serving as a member of a group reviewing or advising on matters related to any one or more management and operating contracts of the Department, shall be treated as an officer or employee of the Department for purposes of determining whether the group is an advisory committee within the meaning of section 3 of the Federal Advisory Committee Act (5 U.S.C. App.)."

§ 7235. Armed services personnel

(a) The Secretary is authorized to provide for participation of Armed Forces personnel in carrying out functions authorized to be performed, on August 4, 1977, in the Energy Research and Development Administration and under chapter 869 of title 10. Members of the Armed Forces may be detailed for service in the Department by the Secretary concerned (as such term is defined in section 101 of such title) pursuant to cooperative agreements with the Secretary.

(b) The detail of any personnel to the Department under this section shall in no way affect status, office, rank, or grade which officers or enlisted men may occupy or hold or any emolument, perquisite, right, privilege, or benefit incident to, or arising out of, such status, office, rank, or grade. A member so detailed shall not be subject to direction or control by his armed service, or any officer thereof, directly or indirectly, with respect to the responsibilities exercised in the position to which detailed.

eligible employee" means any employee of the agency who—

Defense.
classified to section 2721 of Title 50, War and National Security, was renumbered section 4621 of Pub. L. 107–314, the Bob Stump National Defense Authorization Act for Fiscal Year 2001, by Pub. L. 108–136, div. C, title XXXI, § 3142, Nov. 29, 1989, 103 Stat. 1680, which related to executive reorganization and to the coordination of amendments and repeal applicable to the Department and prohibition of the employment of any individual authorized for certain other Federal employees by section 5702 of title 5 to such an individual's return to his or her former place of residence from his or her duty station. The Department may pay such travel expenses to the former place of residence for the period of his or her employment with the Department. Notwithstanding any other provision of law, the employer's contribution to any retirement, life insurance, or health benefit plan for an individual appointed for a limited term or on a temporary basis, scientists, engineers, and other technical and professional personnel on leave of absence from academic, industrial, or research institutions to work for the Department.

§ 7237. Priority placement, job placement, retraining, and counseling programs for United States Department of Energy employees affected by reduction in force

(a) Definitions

(1) For the purposes of this section, the term "agency" means the United States Department of Energy.

(2) For the purposes of this section, the term "eligible employee" means any employee of the agency who—

(A) is scheduled to be separated from service due to a reduction in force under—

(i) regulations prescribed under section 3595 of title 5; or

(ii) procedures established under section 3595 of title 5; or

(B) is separated from service due to such a reduction in force, but does not include—

(i) an employee separated from service for cause on charges of misconduct or delinquency; or

(ii) an employee who, at the time of separation, meets the age and service requirements for an immediate annuity under subchapter III of chapter 83 or chapter 84 of title 5.

(b) Priority placement and retraining program

Not later than 30 days after September 30, 1996, the United States Department of Energy shall establish an agency-wide priority placement and retraining program for eligible employees.

(c) Filling vacancy from outside agency

The priority placement program established under subsection (b) shall include provisions under which a vacant position shall not be filled by the appointment or transfer of any individual from outside of the agency if—

(1) there is then available any eligible employee who applies for the position within 30 days of the agency issuing a job announcement and is qualified (or can be trained or retrained to become qualified within 90 days of assuming the position) for the position; and

(2) the position is within the same commuting area as the eligible employee's last-held position or residence.

(d) Job placement and counseling services

The head of the agency may establish a program to provide job placement and counseling services to eligible employees. A program established under subsection (d) may include, but is not limited to, such services as—

(1) career and personal counseling;

(2) training and job search skills; and

(3) job placement assistance, including assistance provided through cooperative arrangements with State and local employment services offices.

§ 7238. Temporary appointments for scientific and technical experts in Department of Energy research and development programs

(a) The Secretary, utilizing authority under other applicable law and the authority of this section, may appoint for a limited term, or on a temporary basis, scientists, engineers, and other technical and professional personnel on leave of absence from academic, industrial, or research institutions to work for the Department.

(b) The Department may pay, to the extent authorized for certain other Federal employees by section 5723 of title 5, travel expenses for any individual appointed for a limited term or on a temporary basis and transportation expenses of his or her immediate family and his or her household goods and personal effects from that individual's residence at the time of selection or assignment to his or her duty station. The Department may pay such travel expenses to the same extent for such an individual's return to the former place of residence from his or her duty station, upon separation from the Federal service following an agreed period of service. The Department may also pay a per diem allowance at a rate not to exceed the daily amounts prescribed under section 5702 of title 5 to such an individual, in lieu of transportation expenses of the immediate family and household goods and personal effects, for the period of his or her employment with the Department. Notwithstanding any other provision of law, the employer's contribution to any retirement, life insurance, or health benefit plan for an individual appointed for a term of one year or less, which could be extended for no more than one additional year, may be made or reimbursed from appropriations available to the Department.
§ 7239. Transferred

**Codification**

Section was enacted as part of the Hydrogen Future Act of 1996, and not as part of the Department of Energy Organization Act which comprises this chapter.

**Definitions**

Pub. L. 104–271, §2, Oct. 9, 1996, 110 Stat. 3304, provided that: ‘‘For purposes of titles II and III [enacting this section and provisions set out as a note under section 7251 of this title]—

‘‘(1) the term ‘Department’ means the Department of Energy; and

‘‘(2) the term ‘Secretary’ means the Secretary of Energy.’’

§ 7251. General authority

To the extent necessary or appropriate to perform any function transferred by this chapter, the Secretary or any officer or employee of the Department may exercise, in carrying out the function so transferred, any authority or part thereof available by law, including appropriation Acts, to the official or agency from which such function was transferred.


**References in Text**

This chapter, referred to in text, was in the original ‘‘this Act’’, meaning Pub. L. 95–91, Aug. 4, 1977, 91 Stat. 596, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 7101 of this title and Tables.

**IMPROVEMENT AND STREAMLINING OF THE MISSIONS AND OPERATIONS OF THE DEPARTMENT OF ENERGY AND NATIONAL NUCLEAR SECURITY ADMINISTRATION**


‘‘(1) the term ‘Department’ means the Department of Energy; and

‘‘(2) the term ‘Secretary’ means the Secretary of Energy.’’

§ 7252. Delegation

Except as otherwise expressly prohibited by law, and except as otherwise provided in this chapter, the Secretary may delegate any of his functions to such officers and employees of the Department as he may designate, and may authorize such successive redelegations of such functions within the Department as he may deem to be necessary or appropriate.


**References in Text**

This chapter, referred to in text, was in the original ‘‘this Act’’, meaning Pub. L. 95–91, Aug. 4, 1977, 91 Stat. 565, known as the Department of Energy Organization Act, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 7101 of this title and Tables.

**REORGANIZATION OF FIELD ACTIVITIES AND MANAGEMENT OF NATIONAL SECURITY FUNCTIONS**

Pub. L. 104–206, title III, §392, Sept. 30, 1996, 110 Stat. 2999, provided that: ‘‘None of the funds appropriated by this or any other Act may be used to implement section 3140 of H.R. 3230 as reported by the Committee of Conference on July 30, 1996 [Pub. L. 104–201, set out below]. The Secretary of Energy shall develop a plan to the lowest appropriate officials and streamline the approval processes.

‘‘(3) Establish processes for ensuring routine or low-risk procurement and subcontracting decisions are made at the discretion of the management and operating contractors while ensuring that the Secretary or Administrator apply appropriate oversight.

‘‘(4) Assess procurement thresholds as of the date of the enactment of this Act [Jan. 2, 2013] and take steps as appropriate to adjust such thresholds.

‘‘(5) Eliminate duplicative or low-value reports and other data calls and ensure consistency in management and cost-accounting data.

‘‘(6) Actions to otherwise streamline, clarify, and eliminate redundancy in the regulations, rules, directives, orders, and policies described by subsection (a).

‘‘(c) BRIEFING.—

‘‘(1) IN GENERAL.—Not later than 180 days after the date of the enactment of this Act [Jan. 2, 2013], the Secretary and the Administrator shall provide to the appropriate congressional committees a briefing on the review conducted under subsection (a), including the status of such review and any actions taken or planned to be taken to improve and streamline the regulations, rules, directives, orders, and policies described in such subsection.

‘‘(2) APPROPRIATE CONGRESSIONAL COMMITTEES DEFINED.—In this subsection, the term ‘appropriate congressional committees’ means—

‘‘(A) the congressional defense committees [Committees on Armed Services and Appropriations of the Senate and the House of Representatives]; and

‘‘(B) the Committee on Energy and Natural Resources of the Senate and the Committee on Energy and Commerce of the House of Representatives.’’

**DEPARTMENT OF ENERGY SECURITY MANAGEMENT BOARD**

Pub. L. 104–206, title III, §392, Sept. 30, 1996, 110 Stat. 2999, provided that: ‘‘None of the funds appropriated by this or any other Act may be used to implement section 3140 of H.R. 3230 as reported by the Committee of Conference on July 30, 1996 [Pub. L. 104–201, set out below]. The Secretary of Energy shall develop a plan to
reorganize the field activities and management of the national security functions of the Department of Energy and shall submit such plan to the Congress not later than 120 days after the date of enactment of this Act (Sept. 30, 1996). The plan will specifically identify all significant functions performed by the Department's national security operations and area offices and make recommendations as to where those functions should be performed.''


§ 7253. Reorganization

(a) Subject to subsection (b), the Secretary is authorized to establish, alter, consolidate or discontinue any organizational units or components within the Department as he may deem to be necessary or appropriate. Such authority shall not extend to the abolition of organizational units or components established by this chapter, or to the transfer of functions vested by this chapter in any organizational unit or component.

(b) The authority of the Secretary to establish, abolish, alter, consolidate, or discontinue any organizational unit or component of the National Nuclear Security Administration is governed by the provisions of section 2409 of title 50.

(c) The authority of the Secretary under subsection (a) does not apply to the National Nuclear Security Administration. The corresponding authority that applies to the Administration is set forth in section 2402(e) of title 50.


References in Text

This chapter, referred to in subsection (a), was in the original “this Act”, meaning Pub. L. 95–91, Aug. 4, 1977, 91 Stat. 565, known as the Department of Energy Organization Act, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 701 of this title and Tables.


Amendments

2013—Subsections (b), (c), Pub. L. 112–239 redesignated subsec. (b) relating to nonapplicability of authority of Secretary to National Nuclear Security Administration as (c).

2000—Subsection (a). Pub. L. 106–398, § 1 [div. C, title XXXI, § 3159(b)], which directed amendment of section by substituting “(a) Except as provided in subsection (b), the Secretary” for “The Secretary”, could not be executed because the words “The Secretary” did not appear after execution of the amendment by Pub. L. 106–377, § 1(a)(2) [title III, § 314(b)(1)]. See below.

Pub. L. 106–377, § 1(a)(2) [title III, § 314(b)(1)], designated existing provisions as subsection (a) and substituted “Subject to subsection (b), the Secretary” for “The Secretary.”

Subsection (b). Pub. L. 106–398, § 1 [div. C, title XXXI, § 3159(b)], added subsection (b) relating to nonapplicability of authority of Secretary under subsection (a) of this section to National Nuclear Security Administration.

Pub. L. 106–377, § 1(a)(2) [title III, § 314(b)(1)], added subsection (b) relating to authority of Secretary as to National Nuclear Security Administration.

§ 7254. Rules and regulations

The Secretary is authorized to prescribe such procedural and administrative rules and regulations as he may deem necessary or appropriate to administer and manage the functions now or hereafter vested in him.


§ 7255. Subpoena

For the purpose of carrying out the provisions of this chapter, the Secretary, or his duly authorized agent or agents, shall have the same powers and authorities as the Federal Trade Commission under section 49 of title 15 with respect to all functions vested in, or transferred or delegated to, the Secretary or such agents by this chapter. For purposes of carrying out its responsibilities under the Natural Gas Policy Act of 1978 [15 U.S.C. 3301 et seq.], the Commission shall have the same powers and authority as the Secretary has under this section.


References in Text

This chapter, referred to in text, was in the original “this Act”, meaning Pub. L. 95–91, Aug. 4, 1977, 91 Stat. 565, known as the Department of Energy Organization Act, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 701 of this title and Tables.

The Natural Gas Policy Act of 1978, referred to in text, is Pub. L. 95–621, Nov. 9, 1978, 92 Stat. 3350, which is classified generally to chapter 60 (§ 3301 et seq.) of Title 15, Commerce and Trade. For complete classification of this Act to the Code, see Short Title note set out under section 3010 of Title 15 and Tables.

Amendments

1978—Pub. L. 95–621 inserted provision giving the Commission the same powers and authority as the Secretary under this section for purposes of carrying out its responsibilities under the Natural Gas Policy Act of 1978.

§ 7256. Contracts, leases, etc., with public agencies and private organizations and persons

(a) General authority

The Secretary is authorized to enter into and perform such contracts, leases, cooperative agreements, or other similar transactions with public agencies and private organizations and persons, and to make such payments (in lump sum or installments, and by way of advance or
(b) Limitation on authority; appropriations

Notwithstanding any other provision of this subchapter, no authority to enter into contracts or to make payments under this subchapter shall be effective except to such extent or in such amounts as are provided in advance in appropriation Acts.

(c) Leasing of excess Department of Energy property

The Secretary may lease, upon terms and conditions the Secretary considers appropriate to promote national security or the public interest, acquired real property and related personal property that—

(1) is located at a facility of the Department of Energy to be closed or reconfigured;

(2) at the time the lease is entered into, is not needed by the Department of Energy; and

(3) is under the control of the Department of Energy.

(d) Terms of lease

(1) A lease entered into under subsection (c) may not be for a term of more than 10 years, except that the Secretary may enter into a lease that includes an option to renew for a term of more than 10 years if the Secretary determines that entering into such a lease will promote the national security or be in the public interest.

(2) A lease entered into under subsection (c) may provide for the payment (in cash or in kind) by the lessee of consideration in an amount that is less than the fair market rental value of the leasehold interest. Services relating to the protection and maintenance of the leased property may constitute all or part of such consideration.

(e) Environmental concerns

(1) Before entering into a lease under subsection (c), the Secretary shall consult with the Administrator of the Environmental Protection Agency (with respect to property located on a site on the National Priorities List) or the appropriate State official (with respect to property located on a site that is not listed on the National Priorities List) to determine whether the environmental conditions of the property are such that leasing the property, and the terms and conditions of the lease agreement, are consistent with safety and the protection of public health and the environment.

(2) Before entering into a lease under subsection (c), the Secretary shall obtain the concurrence of the Administrator of the Environmental Protection Agency or the appropriate State official, as the case may be, in the determination required under paragraph (1). The Secretary may enter into a lease under subsection (c) without obtaining such concurrence if, within 60 days after the Secretary requests the concurrence, the Administrator or appropriate State official, as the case may be, fails to submit to the Secretary a notice of such individual’s concurrence with, or rejection of, the determination.

(f) Retention and use of rentals; report

To the extent provided in advance in appropriation Acts, the Secretary may retain and use money rentals received by the Secretary directly from a lease entered into under subsection (c) in any amount the Secretary considers necessary to cover the administrative expenses of the lease, the maintenance and repair of the leased property, or environmental restoration activities at the facility where the leased property is located. Amounts retained under this subsection shall be retained in a separate fund established in the Treasury for such purpose. The Secretary shall annually submit to the Congress a report on amounts retained and amounts used under this subsection.

(g) Additional authorities

(1) In addition to authority granted to the Secretary under any other provision of law, the Secretary may exercise the same authority to enter into transactions (other than contracts, cooperative agreements, and grants), subject to the same terms and conditions as the Secretary of Defense under section 2371 of title 10 (other than subsections (b) and (f) of that section).

(2) In applying section 2371 of title 10 to the Secretary under paragraph (1)—

(A) the term “basic” shall be replaced by the term “research”;

(B) the term “applied” shall be replaced by the term “development”; and

(C) the terms “advanced research projects” and “advanced research” shall be replaced by the term “demonstration projects”.

(3) The authority of the Secretary under paragraph (1) shall not be subject to—

(A) section 5908 of this title; or

(B) section 2182 of this title.

(4)(A) The Secretary shall use such competitive, merit-based selection procedures in entering into transactions under paragraph (1), as the Secretary determines in writing to be practicable.

(B) A transaction under paragraph (1) shall relate to a research, development, or demonstration project only if the Secretary determines in writing that the use of a standard contract, grant, or cooperative agreement for the project is not feasible or appropriate.

(5) The Secretary may protect from disclosure, for up to 5 years after the date on which the information is developed, any information developed pursuant to a transaction under paragraph (1) that would be protected from disclosure under section 552(b)(4) of title 5, if obtained from a person other than a Federal agency.

(6)(A) Not later than 90 days after August 8, 2005, the Secretary shall issue guidelines for transactions under paragraph (1).

(B) The guidelines shall be published in the Federal Register for public comment in accordance with rulemaking procedures of the Department.

(C) The Secretary shall not have authority to carry out transactions under paragraph (1) until the guidelines for transactions required under subparagraph (A) are final.

(7) The annual report of the head of an executive agency under section 2371(h) of title 10 shall be submitted to Congress.

1 See References in Text note below.
(8)(A) In this paragraph, the term "nontraditional Government contractor" has the meaning given the term "nontraditional defense contractor" in section 845(f) of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103–160; 10 U.S.C. 2371 note).

(B) Not later than 1 year after the date on which the final guidelines are published under paragraph (6), the Comptroller General of the United States shall submit to Congress a report describing—

(i) the use by the Department of authorities under this section, including the ability to attract nontraditional Government contractors; and

(ii) whether additional safeguards are necessary to carry out the authorities.

(9) The authority of the Secretary under this subsection may be delegated only to an officer of the Department who is appointed by the President by and with the advice and consent of the Senate.

(10) Notwithstanding any other provision of law, the authority to enter into transactions under paragraph (1) shall terminate on September 30, 2020.

References in Text


Small Business Contracting


(a) Not later than September 30, 2005, the Department of Energy and the Small Business Administration shall enter into a memorandum of understanding setting forth an appropriate methodology for measuring the achievement of the Department of Energy with respect to awarding contracts to small businesses.

(b) The methodology set forth in the memorandum of understanding entered into under subsection (a) shall, at a minimum, include—

(i) a method of counting the achievement of the Department of Energy in awards of—

(A) prime contracts; and

(B) subcontracts to small businesses awarded by Department of Energy management and operating, management and integration, and other facility management prime contractors; and

(2) uniform criteria that could be used by prime contractors when measuring the value and number of subcontracts awarded to small businesses.

PILOT PROGRAM RELATING TO MEASUREMENT OF SUBCONTRACTION REQUIREMENTS RELATING TO THE USE OF NONTRADITIONAL DEFENSE CONTRACTORS

“(b) The Secretary of Energy shall submit annually to the appropriate committees of the House of Representatives and the Senate a full report on the actions taken in carrying out subsection (a) during the preceding year, including the extent to which small business concerns are participating in the programs involved and in projects and activities of various types and sizes within each such program, and indicating the steps currently taken to assure such participation in the future. Such report shall also contain such information as may be required by section 308 of the Act of December 31, 1975 (42 U.S.C. 5876a; 91 Stat. 1074).”

[For termination, effective May 15, 2000, of reporting provisions in section 204(b) of Pub. L. 95-238, set out above, see section 3003 of Pub. L. 104-66, as amended, set out as a note under section 1113 of Title 31, Money and Finance, and the 21st item on page 89 of House Document No. 103-7.]

§ 7256a. 7256b. Transferred

Codification


§ 7257. Acquisition, construction, etc., of laboratories, research and testing sites, etc.

The Secretary is authorized to acquire (by purchase, lease, condemnation, or otherwise), construct, improve, repair, operate, and maintain laboratories, research and testing sites and facilities, quarters and related accommodations for employees and dependents of employees of the Department, personal property (including patents), or any interest therein, as the Secretary deems necessary; and to provide by contract or otherwise for eating facilities and other necessary facilities for the health and welfare of employees of the Department at its installations and purchase and maintain equipment therefor.


Pilot Program for Project Management Oversight Regarding Department of Energy Construction Projects


“(a) REQUIREMENT.—(1) The Secretary of Energy shall carry out a pilot program on use of project management oversight services (in this section referred to as ‘PMS services’) for construction projects of the Department of Energy.

“(2) The purpose of the pilot program shall be to provide a basis for determining whether or not the use of competitively procured, external PMS services for those construction projects would permit the Department to control excess and schedule delays associated with those construction projects that have large capital costs.

“(b) PROJECTS COVERED BY PROGRAM.—(1) Subject to paragraph (2), the Secretary shall carry out the pilot program at construction projects selected by the Secretary. The projects shall include one or more construction projects authorized pursuant to section 3101 (113 Stat. 915) and one construction project authorized pursuant to section 3102 (113 Stat. 917).

“(2) Each project selected by the Secretary shall be a project having capital construction costs anticipated to be not less than $25,000,000.

“(c) SERVICES UNDER PROGRAM.—The PMS services used under the pilot program shall include the following services:

“(1) Monitoring the overall progress of a project.

“(2) Determining whether or not a project is on schedule.

“(3) Determining whether or not a project is within budget.

“(4) Determining whether or not a project conforms with plans and specifications approved by the Department.

“(5) Determining whether or not a project is being carried out efficiently and effectively.

“(6) Any other management oversight services that the Secretary considers appropriate for purposes of the pilot program.

“(d) PROCUREMENT OF SERVICES UNDER PROGRAM.—Any PMS service procured under the pilot program shall be acquired—

“(1) on a competitive basis; and

“(2) from among commercial entities that—

“(A) do not currently manage or operate facilities at a location where the pilot program is being conducted; and

“(B) have an expertise in the management of large construction projects.

“(e) REPORT.—Not later than February 1, 2000, the Secretary shall submit to the Committees on Armed Services of the Senate and the House of Representatives a report on the pilot program. The report shall include the assessment of the Secretary as to the feasibility and desirability of using PMS services for construction projects of the Department.’’

Laboratory Funding Plan

Pub. L. 106-60, title III, §310, Sept. 29, 1999, 113 Stat. 496, which provided that no funds in an Energy and Water Development Appropriations Act were to be expended after December 31 of each year under certain contracts unless the funds were expended pursuant to a Laboratory Funding Plan approved by the Secretary of Energy, and which also provided for directives, approval, and exceptions by the Secretary, was repealed by Pub. L. 108-7, div. D, title III, §310, Feb. 20, 2003, 117 Stat. 155.

Termination or Changes in Activities of Government-Owned and Contractor-Operated Facilities, National Laboratories, etc.: Reports by Secretary of Energy Concerning Proposals Prior to Implementation; Contents; Submission Date

Pub. L. 95-238, title I, §104(c), Feb. 25, 1978, 92 Stat. 53, provided that: ‘‘As part of the Department of Energy’s responsibility to keep the Congress fully and currently informed, the Secretary shall make the following reports:

“(i) any proposal by the Secretary of the Department of Energy to terminate or make major changes in activities of the Government-owned and contractor-operated facilities, the national laboratories, energy research centers and the operations offices managing such laboratories, shall not be implemented until the Secretary transmits the proposal, together with all pertinent data, to the Committee on Science and Technology [now Committee on Science, Space, and Technology] of the House of Representatives and the Committee on Energy and Natural Resources of the Senate, and waits a period of thirty calendar days (not including any day on which either House of Con-
In conjunction with the working group under section 247d–6(a) of this title, the Secretary of Energy and the Administrator of the National Nuclear Security Administration shall expand, enhance, and intensify research relevant to the rapid detection and identification of pathogens likely to be used in a bioterrorism attack or other agents that may cause a public health emergency.

(2) Authorized activities

Activities carried out under paragraph (1) may include—

(A) the improvement of methods for detecting biological agents or toxins of potential use in a biological attack and the testing of such methods under variable conditions; and

(B) the improvement or pursuit of methods for testing, verifying, and calibrating new detection and surveillance tools and techniques; and

(C) carrying out other research activities in relevant areas.

(3) Report

Not later than 180 days after June 12, 2002, the Administrator of the National Nuclear Security Administration shall submit to the Committee on Energy and Natural Resources and the Committee on Armed Services of the Senate, and the Committee on Energy and Commerce and the Committee on Armed Services of the House of Representatives, a report setting forth the programs and projects that will be funded prior to the obligation of funds appropriated under subsection (b).

(b) Authorization

For the purpose of carrying out this section, there are authorized to be appropriated such sums as may be necessary in each of fiscal years 2002 through 2006.


§ 7258. Facilities construction

(a) Employees and dependents stationed at remote locations

As necessary and when not otherwise available, the Secretary is authorized to provide for, construct, or maintain the following for employees and their dependents stationed at remote locations:

(1) Emergency medical services and supplies;

(2) Food and other subsistence supplies;

(3) Messing facilities;

(4) Audio-visual equipment, accessories, and supplies for recreation and training;

(5) Reimbursement for food, clothing, medicine, and other supplies furnished by such employees in emergencies for the temporary relief of distressed persons;

(6) Living and working quarters and facilities; and

(7) Transportation of schoolage dependents of employees to the nearest appropriate educational facilities.

(b) Medical treatment at reasonable prices

The furnishing of medical treatment under paragraph (1) of subsection (a) and the furnishing of services and supplies under paragraphs (2) and (3) of subsection (a) shall be at prices reflecting reasonable value as determined by the Secretary.

(c) Use of reimbursement proceeds

Proceeds from reimbursements under this section shall be deposited in the Treasury and may be withdrawn by the Secretary to pay directly the cost of such work or services, to repay or make advances to appropriations of funds which will initially bear all or a part of such cost, or to refund excess sums when necessary. Such payments may be credited to a working capital fund otherwise established by law, including the fund established pursuant to section 7263 of this
title, and used under the law governing such fund, if the fund is available for use by the Department for performing the work or services for which payment is received.


§ 7259. Use of facilities

(a) Facilities of United States and foreign governments

With their consent, the Secretary and the Federal Energy Regulatory Commission may, with or without reimbursement, use the research, equipment, and facilities of any agency or instrumentality of the United States or of any State, the District of Columbia, the Commonwealth of Puerto Rico, or any territory or possession of the United States, or of any political subdivision thereof, or of any foreign government, in carrying out any function now or hereafter vested in the Secretary or the Commission.

(b) Facilities under custody of Secretary

In carrying out his functions, the Secretary, under such terms, at such rates, and for such periods not exceeding five years, as he may deem to be in the public interest, is authorized to permit the use by public and private agencies, corporations, associations, or other organizations or by individuals of any real property, or any facility, structure, or other improvement thereon, under the custody of the Secretary for Department purposes. The Secretary may require permittees under this section to recondition and maintain, at their own expense, the real property, facilities, structures, and improvements involved to a satisfactory standard. This section shall not apply to excess property as defined in section 102(3) of title 40.

(c) Use of reimbursement proceeds

Proceeds from reimbursements under this section shall be deposited in the Treasury and may be withdrawn by the Secretary or the head of the agency or instrumentality of the United States involved, as the case may be, to pay directly the costs of the equipment, or facilities provided, to repay or make advances to appropriators or funds which do or will initially bear all or a part of such costs, or to refund excess sums when necessary, except that such proceeds may be credited to a working capital fund otherwise established by law, including the fund established pursuant to section 7263 of this title, and used under the law governing such fund, if the fund is available for use for providing the equipment or facilities involved.


CODIFICATION


§ 7259a. Activities of Department of Energy facilities

(a) Research and activities on behalf of non-department persons and entities

(1) The Secretary of Energy may conduct research and other activities referred to in paragraph (2) at facilities of the Department of Energy on behalf of other departments and agencies of the Government, agencies of State and local governments, and private persons and entities.

(2) The research and other activities that may be conducted under paragraph (1) are those which the Secretary is authorized to conduct by law, including research and activities authorized under the following provisions of law:


(B) The Energy Reorganization Act of 1974 (42 U.S.C. 5801 et seq.).


(b) Charges

(1) The Secretary shall impose on the department, agency, or person or entity for which research and other activities are conducted, in carrying out subsection (a) a charge for such research and activities in carrying out such research and activities, which shall include—

(A) the direct cost incurred in carrying out such research and activities; and

(B) the overhead cost, including site-wide indirect costs, associated with such research and activities.

(2)(A) Subject to subparagraph (B), the Secretary shall also impose on the department, agency, or person or entity concerned a Federal administrative charge (which includes any depreciation and imputed interest charges) in an amount not to exceed 3 percent of the full cost incurred in carrying out the research and activities concerned.

(B) The Secretary may waive the imposition of the Federal administrative charge required by subparagraph (A) in the case of research and other activities conducted on behalf of small business concerns, institutions of higher education, non-profit entities, and State and local governments.

(3) Not later than 2 years after October 17, 1998, the Secretary shall terminate any waiver of charges under section 33 of the Atomic Energy Act of 1954 (42 U.S.C. 2053) that were made before such date, unless the Secretary determines that such waiver should be continued.

(c) Pilot program of reduced facility overhead charges

(1) The Secretary may, with the cooperation of participating contractors of the contractor-operated facilities of the Department, carry out a pilot program under which the Secretary and such contractors reduce the facility overhead charges imposed under this section for research and other activities conducted under this section.

(2) The Secretary shall carry out the pilot program at contractor-operated facilities selected
by the Secretary in consultation with the contractors concerned.

(3) The Secretary shall determine the facility overhead charges to be imposed under the pilot program at a facility based on a joint review by the Secretary and the contractor for the facility of all items included in the overhead costs of the facility in order to determine which items are appropriately incurred as facility overhead charges by the contractor in carrying out research and other activities at such facility under this section.

(4) The Secretary shall commence carrying out the pilot program under this subsection not later than October 1, 1999, and shall terminate the pilot program on September 30, 2003.

(5) Not later than January 31, 2003, the Secretary shall submit to Congress an interim report on the results of the pilot program under this subsection. The report shall include any recommendations for the extension or expansion of the pilot program, including the establishment of multiple rates of overhead charges for various categories of overhead costs for various categories of research and other activities in contractor-operated facilities of the Department.

(d) Applicability with respect to user fee practice

This section does not apply to the practice of the Department of Energy with respect to user fees at Department facilities.


REFERENCES IN TEXT


§ 7260. Field offices

The Secretary is authorized to establish, alter, consolidate or discontinue and to maintain such State, regional, district, local or other field offices as he may deem to be necessary to carry out functions vested in him.


§ 7261. Acquisition of copyrights, patents, etc.

The Secretary is authorized to acquire any of the following described rights if the property acquired thereby is for use by or for, or useful to, the Department:

(1) copyrights, patents, and applications for patents, designs, processes, and manufacturing data;

(2) licenses under copyrights, patents, and applications for patents; and

(3) releases, before suit is brought, for past infringement of patents or copyrights.


§ 7261a. Protection of sensitive technical information

(a) Property rights in inventions and discoveries; timely determination; reports to Congressional committees

(1) Whenever any contractor makes an invention or discovery to which the title vests in the Department of Energy pursuant to exercise of section 202(a)(ii) or (iv) of title 35, or pursuant to section 2182 of this title or section 5908 of this title in the course of or under any Government contract or subcontract of the Naval Nuclear Propulsion Program or the nuclear weapons programs or other atomic energy defense activities of the Department of Energy and the contractor requests waiver of any or all of the Government’s property rights, the Secretary of Energy may decide to waive the Government’s rights and assign the rights in such invention or discovery.

(2) Such decision shall be made within 150 days after the date on which a complete request for waiver of such rights has been submitted to the Secretary by the contractor. For purposes of this paragraph, a complete request includes such information, in such detail and form, as the Secretary by regulation prescribes as necessary to allow the Secretary to take into consideration the matters described in subsection (b) in making the decision.

(3) If the Secretary fails to make the decision within such 150-day period, the Secretary shall submit to the Committees on Armed Services of the House of Representatives and the Senate, within 10 days after the end of the 150-day period, a report on the reasons for such failure. The submission of such report shall not relieve the Secretary of the requirement to make the decision under this section. The Secretary shall, at the end of each 30-day period after submission of the first report during which the Secretary continues to fail to make the decision required by this section, submit another report on the reasons for such failure to the committees listed in this paragraph.

(b) Matters to be considered

In making a decision under this section, the Secretary shall consider, in addition to the applicable policies of section 2182 of this title or subsections (c) and (d) of section 5908 of this title—

(1) whether national security will be compromised;

(2) whether sensitive technical information (whether classified or unclassified) under the Naval Nuclear Propulsion Program or the nuclear weapons programs or other atomic en-
energy defense activities of the Department of Energy for which dissemination is controlled under Federal statutes and regulations will be released to unauthorized persons; and
(3) whether an organizational conflict of interest contemplated by Federal statutes and regulations will result; and
(4) whether failure to assert such a claim will adversely affect the operation of the Nuclear Power Program or the nuclear weapons programs or other atomic energy defense activities of the Department of Energy.


CODIFICATION

Section was enacted as part of the Department of Energy National Security and Military Applications of Nuclear Energy Authorization Act of 1987 and also as part of the National Defense Authorization Act for Fiscal Year 1987, and not as part of the Department of Energy Organization Act which comprises this chapter.

AMENDMENTS

1987—Subsec. (a). Pub. L. 100–180 designated existing provisions as par. (1), struck out at end “Such decision shall be made within a reasonable time (which shall usually be six months from the date of the request by the contractor for assignment of such rights).”, and added pars. (2) and (3).

Effective Date of 1987 Amendment

Pub. L. 100–180, div. C, title I, §3135(b), Dec. 4, 1987, 101 Stat. 1241, provided that: “Paragraphs (2) and (3) of section 3135(a) of the Department of Energy National Security and Military Applications of Nuclear Energy Authorization Act of 1987 [subsec. (a)(2), (3) of this section] (as added by subsection (a)) shall apply with respect to waiver requests submitted by contractors under that section after March 1, 1988.”

§7261b. Technology transfer to small businesses

(1) The Secretary of Energy shall establish a program to facilitate and encourage the transfer of technology to small businesses and shall issue guidelines relating to the program not later than May 1, 1993.

(2) For the purposes of this section, the term “small business” means a business concern that meets the applicable size standards prescribed pursuant to section 632(a) of title 15.


CODIFICATION

Section was enacted as part of the Technology Transfer Commercialization Act of 2000, and not as part of the Department of Energy Organization Act which comprises this chapter.

§7261c. Technology partnerships ombudsman

(a) Appointment of ombudsman

The Secretary of Energy shall direct the director of each national laboratory of the Department of Energy, and may direct the director of each facility under the jurisdiction of the Department of Energy, to appoint a technology partnership ombudsman to hear and help resolve complaints from outside organizations regarding the policies and actions of each such laboratory or facility with respect to technology partnerships (including cooperative research and development agreements, patents, and technology licensing).

(b) Qualifications

An ombudsman appointed under subsection (a) shall be a senior official of the national laboratory or facility who is not involved in day-to-day technology partnerships, patents, or technology licensing, or, if appointed from outside the laboratory or facility, function as such a senior official.

(c) Duties

Each ombudsman appointed under subsection (a) shall—

(1) serve as the focal point for assisting the public and industry in resolving complaints and disputes with the national laboratory or facility regarding technology partnerships, patents, and technology licensing;
(2) promote the use of collaborative alternative dispute resolution techniques such as mediation to facilitate the speedy and low-cost resolution of complaints and disputes, when appropriate; and
(3) report quarterly on the number and nature of complaints and disputes raised, along with the ombudsman’s assessment of their resolution, consistent with the protection of confidential and sensitive information, to—

(A) the Secretary;
(B) the Administrator for Nuclear Security;
(C) the Director of the Office of Dispute Resolution of the Department of Energy; and
(D) the employees of the Department responsible for the administration of the contract for the operation of each national laboratory or facility that is a subject of the report, for consideration in the administration and review of that contract.


CODIFICATION

Section was enacted as part of the Technology Transfer Commercialization Act of 2000, and not as part of the Department of Energy Organization Act which comprises this chapter.


Section, Pub. L. 95–91, title VI, §652, Aug. 4, 1977, 91 Stat. 601, authorized Secretary to accept gifts, bequests, and devises of property for purpose of aiding or facilitating work of Department.

CODIFICATION

Pub. L. 104–206, which directed the repeal of 42 U.S.C. 7262, was executed by repealing section 652 of Pub. L. 95–91, which was classified to this section, to reflect the probable intent of Congress.

§7263. Capital fund

The Secretary is authorized to establish a working capital fund, to be available without fiscal year limitation, for expenses necessary for the maintenance and operation of such common administrative services as he shall find to be desirable in the interests of economy and efficiency, including such services as a central sup-
ply service for stationery and other supplies and equipment for which adequate stocks may be maintained to meet in whole or in part the requirements of the Department and its agencies; central messenger, mail, telephone, and other communications services; office space, central services for document reproduction, and for graphics and visual aids; and a central library service. The capital of the fund shall consist of any appropriations made for the purpose of providing capital (which appropriations are hereby authorized) and the fair and reasonable value of such stocks of supplies, equipment, and other assets and inventories on order as the Secretary may transfer to the fund, less the related liabilities and unpaid obligations. Such funds shall be reimbursed in advance from available funds of agencies and offices in the Department, or from other sources, for supplies and services at rates which will approximate the expense of operation, including the accrual of annual leave and the depreciation of equipment. The fund shall also be credited with receipts from sale or exchange of property and receipts in payment for loss or damage to property owned by the fund. There shall be covered into the United States Treasury as miscellaneous receipts any surplus found in the fund (all assets, liabilities, and prior losses considered) above the amounts transferred or appropriated to establish and maintain said fund. There shall be transferred to the fund the stocks of supplies, equipment, other assets, liabilities, and unpaid obligations relating to the services which he determines will be performed through the fund. Appropriations to the fund, in such amounts as may be necessary to provide additional working capital, are authorized.


§ 7264. Seal of Department

The Secretary shall cause a seal of office to be made for the Department of such design as he shall approve and judicial notice shall be taken of such seal.


§ 7265. Regional Energy Advisory Boards

(a) Establishment; membership

The Governors of the various States may establish Regional Energy Advisory Boards for their regions with such membership as they may determine.

(b) Observers

Representatives of the Secretary, the Secretary of Commerce, the Secretary of the Interior, the Chairman of the Council on Environmental Quality, the Commandant of the Coast Guard and the Administrator of the Environmental Protection Agency shall be entitled to participate as observers in the deliberations of any Board established pursuant to subsection (a) of this section. The Federal Cochairman of the Appalachian Regional Commission or any regional commission under title V of the Public Works and Economic Development Act (42 U.S.C. 3181 et seq.) shall be entitled to participate as an observer in the deliberations of any such Board which contains one or more States which are members of such Commission.

(c) Recommendations of Board

Each Board established pursuant to subsection (a) may make such recommendations as it determines to be appropriate to programs of the Department having a direct effect on the region.

(d) Notice of reasons not to adopt recommendations

If any Regional Advisory Board makes specific recommendations pursuant to subsection (c), the Secretary shall, if such recommendations are not adopted in the implementation of the program, notify the Board in writing of his reasons for not adopting such recommendations.


REFERENCES IN TEXT


TRANSFER OF FUNCTIONS

For transfer of authorities, functions, personnel, and assets of the Coast Guard, including the authorities and functions of the Secretary of Transportation relating thereto, to the Department of Homeland Security, and for treatment of related references, see sections 468(b), 535(d), 552(d), and 557 of Title 6, Domestic Security, and the Department of Homeland Security Reorganization Plan of November 25, 2002, as modified, set out as a note under section 542 of Title 6.

§ 7266. Designation of conservation officers

The Secretary of Defense, the Secretary of Commerce, the Secretary of Housing and Urban Development, the Secretary of Transportation, the Secretary of Agriculture, the Secretary of the Interior, the United States Postal Service, the Department of the Navy, the Department of the Interior, the United States Postal Service, and the Administrator of General Services shall each designate one Assistant Secretary or Assistant Administrator, as the case may be, as the principal conservation officer of such Department or of the Administration. Such designated principal conservation officer shall be principally responsible for planning and implementation of energy conservation programs by such Department or Administration and principally responsible for coordination with the Department of Energy with respect to energy matters. Each agency, Department or Administration required to designate a principal conservation officer pursuant to this section shall periodically inform the Secretary of the identity of such conservation officer, and the Secretary shall periodically publish a list identifying such officers.


§ 7267. Annual report

The Secretary shall, as soon as practicable after the end of each fiscal year, commencing
with the first complete fiscal year following October 1, 1977, make a report to the President for submission to the Congress on the activities of the Department during the preceding fiscal year. Such report shall include a statement of the Secretary's goals, priorities, and plans for the Department, together with an assessment of the progress made toward the attainment of those goals, the effective and efficient management of the Department and progress made in coordination of its functions with other departments and agencies of the Federal Government. In addition, such report shall include the information required by section 774 of title 15, section 6325(c) of this title, section 10224(c) of this title, section 5877 of this title, and section 5914 of this title, and shall include:

(1) projected energy needs of the United States to meet the requirements of the general welfare of the people of the United States and the commercial and industrial life of the Nation, including a comprehensive summary of data pertaining to all fuel and energy needs of residents of the United States residing in—

(A) areas outside standard metropolitan statistical areas; and

(B) areas within such areas which are unincorporated or are specified by the Bureau of the Census, Department of Commerce, as rural areas;

(2) an estimate of (A) the domestic and foreign energy supply on which the United States will be expected to rely to meet such needs in an economic manner with due regard for the protection of the environment, the conservation of natural resources, and the implementation of foreign policy objectives, and (B) the quantities of energy expected to be provided by different sources (including petroleum, natural and synthetic gases, coal, uranium, hydroelectric, solar, and other means) and the expected means of obtaining such quantities;

(3) current and foreseeable trends in the price, quality, management, and utilization of energy resources and the effects of those trends on the social, environmental, economic, and other requirements of the Nation;

(4) a summary of research and development efforts funded by the Federal Government to develop new technologies, to forestall energy shortages, to reduce waste, to foster recycling, to encourage conservation practices, and to increase efficiency; and further such summary shall include a description of the activities the Department is performing in support of environmental, social, economic and institutional, biomedical, physical and safety research, development, demonstration, and monitoring activities necessary to guarantee that technological programs, funded by the Department, are undertaken in a manner consistent with and capable of maintaining or improving the quality of the environment and of mitigating any undesirable environmental and safety impacts;

(5) a review and appraisal of the adequacy and appropriateness of technologies, procedures, and practices (including competitive and regulatory practices) employed by Federal/State, and local governments and non-governmental entities to achieve the purposes of this chapter;

(6) a summary of cooperative and voluntary efforts that have been mobilized to promote conservation and recycling, together with plans for such efforts in the succeeding fiscal year, and recommendations for changes in laws and regulations needed to encourage more conservation and recycling by all segments of the Nation's populace;

(7) a summary of substantive measures taken by the Department to stimulate and encourage the development of new manpower resources through the Nation's colleges and universities and to involve these institutions in the execution of the Department's research and development programs; and

(8) to the extent practicable, a summary of activities in the United States by companies or persons which are foreign owned or controlled and which own or control United States energy sources and supplies, including the magnitude of annual foreign direct investment in the energy sector in the United States and exports of energy resources from the United States by foreign owned or controlled business entities or persons, and such other related matters as the Secretary may deem appropriate.


REFERENCES IN TEXT

Section 5914 of this title, referred to in text, was omitted from the Code.

This chapter, referred to in par. (5), was in the original "this Act", meaning Pub. L. 95–91, Aug. 4, 1977, 91 Stat. 565, known as the Department of Energy Organization Act, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 7101 of this title and Tables.

AMENDMENTS

1995—Pub. L. 104–66 inserted "section 6325(c) of this title, section 10224(c) of this title," after "section 774 of title 15," in introductory provisions.

TERMINATION OF REPORTING REQUIREMENTS

For termination, effective May 15, 2000, of provisions of law requiring submittal to Congress of any annual, semiannual, or other regular periodic report listed in House Document No. 103–7 (in which the 3rd item on page 49 identifies a reporting provision which, as subsequently amended, is contained in this section), see section 3003 of Pub. L. 104–66, as amended, set out as a note under section 1113 of Title 31, Money and Finance.

§ 7268. Leasing report

The Secretary of the Interior shall submit to the Congress not later than one year after August 4, 1977, a report on the organization of the leasing operations of the Federal Government, together with any recommendations for reorganizing such functions may deem necessary or appropriate.

§ 7269. Transfer of funds

The Secretary, when authorized in an appropriation Act, in any fiscal year, may transfer funds from one appropriation to another within the Department, except that no appropriation shall be either increased or decreased pursuant to this section by more than 5 percent of the appropriation for such fiscal year.


Costs of Defined Benefit Pension Plans for Contractor Employees

Pub. L. 111–85, title III, §308, Oct. 28, 2009, 123 Stat. 2972, provided that:

“(a) In any fiscal year in which the Secretary of Energy determines that additional funds are needed to reimburse the costs of defined benefit pension plans for contractor employees, the Secretary may transfer not more than 1 percent from each appropriation made available in this and subsequent Energy and Water Development Appropriation Acts to any other appropriation available to the Secretary in the same Act for such reimbursements.

“(b) Where the Secretary recovers the costs of defined benefit pension plans for contractor employees through charges for the indirect costs of research and activities at facilities of the Department of Energy, if the indirect costs attributable to defined benefit pension plan costs in a fiscal year are more than charges in fiscal year 2008, the Secretary shall carry out a transfer of funds under this section.

“(c) In carrying out a transfer under this section, the Secretary shall use each appropriation made available to the Department in that fiscal year as a source for the transfer, and shall reduce each appropriation by an equal percentage, except that appropriations for which the Secretary determines there exists a need for additional funds for pension plan costs in that fiscal year, as well as appropriations made available for the Power Marketing Administrations, the title XVII (probably means title XVII of Pub. L. 109–58 (42 U.S.C. 16511 et seq.)) loan guarantee program, and the Federal Energy Regulatory Commission, shall not be subject to this requirement.

“(d) Each January, the Secretary shall report to the Committees on Appropriations of the House of Representatives and the Senate on the state of defined benefit pension plan liabilities in the Department for the preceding year.

“(e) This transfer authority does not apply to supplemental appropriations, and is in addition to any other transfer authority provided in this or any other Act. The authority provided under this section shall expire on September 30, 2015.

“(f) The Secretary shall notify the Committees on Appropriations of the House of Representatives and the Senate in writing not less than 30 days in advance of the transfer, and shall reduce each appropriation by an equal percentage, except that appropriations for which the Secretary determines there exists a need for additional funds for pension plan costs in that fiscal year, as well as appropriations made available for the Power Marketing Administrations, the title XVII (probably means title XVII of Pub. L. 109–58 (42 U.S.C. 16511 et seq.)) loan guarantee program, and the Federal Energy Regulatory Commission, shall not be subject to this requirement.


§ 7269b. Transfer of unexpended appropriation balances

The unexpended balances of prior appropriations provided for activities in this Act or subsequent Energy and Water Development Appropriations Acts may on and after October 2, 1992, be transferred to appropriation accounts for such activities established pursuant to this title.1 Balances so transferred may be merged with funds in the applicable established accounts and thereafter may be accounted for as one fund for the same time period as originally enacted.


References in Text


Codification

Section was enacted as part of the Energy and Water Development Appropriations Act, 1993, and not as part of the Department of Energy Organization Act which comprises this chapter.

§ 7269c. Funding for Department of Energy activities not included in Fossil Energy account

In this Act and future Acts, up to 4 percent of program direction funds available to the National Energy Technology Laboratory may be used to support Department of Energy activities not included in this Fossil Energy account: Provided further, That in this Act and future Acts, the salaries for Federal employees performing research and development activities at the National Energy Technology Laboratory can continue to be funded from any appropriate DOE program accounts.


References in Text


Codification


§ 7270. Authorization of appropriations

Appropriations to carry out the provisions of this chapter shall be subject to annual authorization.


References in Text

This chapter, referred to in text, was in the original “this Act”, meaning Pub. L. 95–91, Aug. 4, 1977, 91 Stat. 565, known as the Department of Energy Organization Act, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 7101 of this title and Tables.

1 See References in Text note below.
§ 7270a. Guards for Strategic Petroleum Reserve facilities

Under guidelines prescribed by the Secretary and concurred with by the Attorney General, employees of the Department of Energy and employees of contractors and subcontractors (at any tier) of the Department of Energy, while discharging their official duties of protecting the Strategic Petroleum Reserve (established under part B of title I of the Energy Policy and Conservation Act [42 U.S.C. 6231 et seq.]) or its storage or related facilities or of protecting persons upon the Strategic Petroleum Reserve or its storage or related facilities, may—

(1) carry firearms, if designated by the Secretary and qualified for the use of firearms under the guidelines; and

(2) arrest without warrant any person for an offense against the United States—

(A) in the case of a felony, if the employee has reasonable grounds to believe that the person—

(i) has committed or is committing a felony; and

(ii) is in or is fleeing from the immediate area of the felony; and

(B) in the case of a felony or misdemeanor, if the violation is committed in the presence of the employee.


REFERENCES IN TEXT


§ 7270b. Trespass on Strategic Petroleum Reserve facilities

(a) The Secretary may issue regulations relating to the entry upon or carrying, transporting, or otherwise introducing or causing to be introduced any dangerous weapon, explosive, or other dangerous instrument or material likely to produce substantial injury or damage to persons or property into or onto the Strategic Petroleum Reserve, its storage or related facilities, or real property subject to the jurisdiction, administration, or in the custody of the Secretary under part B of title I of the Energy Policy and Conservation Act (42 U.S.C. 6231–6247). The Secretary shall post conspicuously, on the property subject to the regulations, notification that the property is subject to the regulations.

(b) Whoever willfully violates a regulation of the Secretary issued under subsection (a) shall be guilty of a misdemeanor and punished upon conviction by a fine of not more than $5,000, imprisonment for not more than one year, or both.


REFERENCES IN TEXT


§ 7270c. Annual assessment and report on vulnerability of facilities to terrorist attack

(a) The Secretary shall, on an annual basis, conduct a comprehensive assessment of the vulnerability of Department facilities to terrorist attack.

(b) Not later than January 31 each year, the Secretary shall submit to Congress a report on the assessment conducted under subsection (a) during the preceding year. Each report shall include the results of the assessment covered by such report, together with such findings and recommendations as the Secretary considers appropriate.


§ 7271. Transferred

CODIFICATION


EFFECTIVE DATE OF REPEAL

Repeal effective Mar. 1, 2000, see section 3299 of Pub. L. 106–65, set out as an Effective Date note under section 2401 of Title 50, War and National Defense.


§§ 7271d to 7273a. Transferred

CODIFICATION

§ 7273b Security investigations

(1) No funds appropriated to the Department of Energy may be obligated or expended for the conduct of an investigation by the Department of Energy or any other Federal department or agency for purposes of determining whether to grant a security clearance to an individual or a facility unless the Secretary of Energy determines both of the following:

(A) That a current, complete investigation file is not available from any other department or agency of the Federal government with respect to that individual or facility.

(B) That no other department or agency of the Federal government is conducting an investigation with respect to that individual or facility that could be used as the basis for determining whether to grant the security clearance.

(2) For purposes of paragraph (1)(A), a current investigation file is a file on an investigation that has been conducted within the past five years.


§ 7273c Transferred

CODIFICATION

Section was enacted as part of the National Defense Authorization Act for Fiscal Year 1991, and not as part of the Department of Energy Organization Act which comprises this chapter.

§ 7274 Environmental impact statements relating to defense facilities of Department of Energy

(1) The Secretary may not proceed with the preparation of an environmental impact statement relating to the construction or operation of a defense facility of the Department of Energy if the estimated cost of preparing such statement exceeds $250,000 unless—

(A) the Secretary has notified the Committees on Armed Services of the Senate and the House of Representatives of his intent to prepare such statement and a period of thirty days has expired after the date on which such notice was received by such committees; or

(B) the Secretary has received from each such committee, before the expiration of such thirty-day period, a written notice that the committee agrees with the decision of the Secretary regarding the preparation of such statement.

(2) The provisions of paragraph (1) shall not apply in the case of any environmental impact statement on which the Secretary began preparation before December 4, 1981.


CODIFICATION

Section was enacted as part of the National Environmental Policy Act Compliance Report Requirement

Pub. L. 101–189, div. C, title XXXI, § 3133, Nov. 5, 1990, 104 Stat. 1832, directed Secretary of Energy, not later than 30 days after the end of each quarter of fiscal years 1991 and 1992, to submit to Congress a brief report on Department of Energy’s compliance with National Environmental Policy Act of 1969 (42 U.S.C. 4331 et seq.), which was to contain a brief description of each proposed action to be taken by the Department of Energy, the environmental impact of which was not clearly insignificant, and a description of the steps taken or proposed to be taken by the Department of Energy to assess the environmental impact of the proposed action, and if the Secretary found that the proposed action of the Department of Energy would have no significant impact, the Secretary was to include the rationale for that determination.

§§ 7274a to 7274d Transferred

CODIFICATION


Section 7274b, Pub. L. 101–189, div. C, title XXXI, § 3156, Nov. 29, 1989, 103 Stat. 1683, which related to the submission of reports in connection with permanent

§ 7274e Transfer of functions

CODIFICATION

Section 7274e, Pub. L. 101–189, div. C, title XXXI, § 3157, Nov. 29, 1989, 103 Stat. 1683, which transferred...
§ 7274e. Scholarship and fellowship program for environmental restoration and waste management

(a) Establishment

The Secretary of Energy shall conduct a scholarship and fellowship program for the purpose of enabling individuals to qualify for employment in environmental restoration and waste management positions in the Department of Energy. The scholarship and fellowship program shall be known as the “Marilyn Lloyd Scholarship and Fellowship Program”.

(b) Eligibility

To be eligible to participate in the scholarship and fellowship program, an individual must—

(1) be accepted for enrollment or be currently enrolled as a full-time student at an institution of higher education (as defined in section 101 of the Higher Education Act of 1965 (20 U.S.C. 1001));

(2) be pursuing a program of education that leads to an appropriate higher education degree in a qualifying field of study, as determined by the Secretary;

(3) sign an agreement described in subsection (c);

(4) be a citizen or national of the United States or be an alien lawfully admitted to the United States for permanent residence; and

(5) meet such other requirements as the Secretary prescribes.

(c) Agreement

An agreement between the Secretary and a participant in the scholarship and fellowship program established under this section shall be in writing, shall be signed by the participant, and shall include the following provisions:

(1) The Secretary’s agreement to provide the participant with educational assistance for a specified number of school years (not exceeding 5) during which the participant is pursuing a program of education in a qualifying field of study. The assistance may include payment of tuition, fees, books, laboratory expenses, and a stipend.

(2) The participant’s agreement (A) to accept such educational assistance, (B) to maintain enrollment and attendance in the program of education until completed, (C) while enrolled in such program, to maintain satisfactory academic progress as prescribed by the institution of higher education in which the participant is enrolled, and (D) after completion of the program of education, to serve as a full-time employee in an environmental restoration or waste management position in the Department of Energy for a period of 12 months for each school year or part thereof for which the participant is provided a scholarship or fellowship under the program established under this section.

(d) Repayment

(1) Any person participating in a scholarship or fellowship program established under this section shall agree to pay to the United States the total amount of educational assistance provided to the person under the program, plus interest at the rate prescribed by paragraph (4), if the person—

(A) does not complete the course of education as agreed to pursuant to subsection (c), or completes the course of education but declines to serve in a position in the Department of Energy as agreed to pursuant to subsection (c); or

(B) is voluntarily separated from service or involuntarily separated for cause from the Department of Energy before the end of the period for which the person has agreed to continue in the service of the Department of Energy.

(2) If an employee fails to fulfill his agreement to pay to the Government the total amount of educational assistance provided to the person under the program, plus interest at the rate prescribed by paragraph (4), a sum equal to the amount of the educational assistance (plus such interest) is recoverable by the Government from the person or his estate by—

(A) in the case of a person who is an employee, setoff against accrued pay, compensation, amount of retirement credit, or other amount due the employee from the Government; and

(B) such other method as is provided by law for the recovery of amounts owing to the Government.

(3) The Secretary may waive in whole or in part a required repayment under this subsection if the Secretary determines the recovery would be against equity and good conscience or would be contrary to the best interests of the United States.

(4) For purposes of repayment under this section, the total amount of educational assistance provided to a person under the program shall bear interest at the applicable rate of interest under section 427A(c) of the Higher Education Act of 1965 (20 U.S.C. 1077a(c)).

(e) Preference for cooperative education students

In evaluating applicants for award of scholarships and fellowships under the program, the Secretary of Energy may give a preference to an individual who is enrolled in, or accepted for enrollment in, an educational institution that has closures of Department of Energy defense nuclear facilities, was renumbered section 4611 of Pub. L. 107–314, the Bob Stump National Defense Authorization Act for Fiscal Year 2003, by Pub. L. 108–136, div. C, title XXXI, §3141(g)(12)(A)–(C), Nov. 24, 2003, 117 Stat. 1766, and is classified to section 2587 of Title 50, War and National Defense.
§ 7274f  TITLE 42—THE PUBLIC HEALTH AND WELFARE  Page 6506
a cooperative education program with the Department of Energy.

(f) Coordination of benefits

A scholarship or fellowship awarded under this section shall be taken into account in determining the eligibility of the student for Federal student financial assistance provided under title IV of the Higher Education Act of 1965 (20 U.S.C. 1070 et seq.).

(g) Award of scholarships and fellowships

(1) Subject to paragraph (2), the Secretary shall award at least 20 scholarships (for undergraduate students) and 20 fellowships (for graduate students) during fiscal year 1992.

(2) The requirement to award 20 scholarships and 20 fellowships under paragraph (1) applies only to the extent there is a sufficient number of applicants qualified for such awards.

(h) Report to Congress

Not later than January 1, 1993, the Secretary of Energy shall submit to Congress a report on activities undertaken under the program and recommendations for future activities under the program.

(i) Funding

Of the funds authorized to be appropriated pursuant to section 3101(9)(B), $1,000,000 may be used for the purpose of carrying out this section.

References in Text


Environmental restoration and waste management five-year plan and budget reports

(a) Five-year plan

(1) Not later than September 1 of each year, the Secretary of Energy shall issue a plan for environmental restoration and waste management activities to be conducted, during the five-year period beginning on October 1 of the same calendar year, at all facilities owned or operated by the Department of Energy except defense nuclear facilities. The plan also shall contain a description of environmental restoration and waste management activities conducted during the fiscal year in which the plan is submitted and of such activities to be conducted during the fiscal year beginning on October 1 of the same calendar year. Such five-year plan shall be designed to complete environmental restoration at all such Department of Energy facilities not later than the year 2019.

(2) The Secretary shall prepare each annual five-year plan in a preliminary form at least four months before the date on which that plan is required to be issued under paragraph (1). The preliminary plan shall contain the matters referred to in paragraph (4) (other than the matters referred to in subparagraph (J) of that paragraph). The Secretary shall provide the preliminary plan to the Governors and Attorneys General of affected States, appropriate representatives of affected Indian tribes, and the public for coordination, review, and comment.

(3) At the same time the Secretary issues an annual five-year plan under paragraph (1), the Secretary shall submit the plan to the President and Congress, publish a notice of the issuance of the plan in the Federal Register, and make the plan available to the Governors and Attorneys General of affected States, appropriate representatives of affected Indian tribes, and the public.

(4) The annual five-year plan, and the actions and other matters contained in the plan, shall be in accordance with all laws, regulations, permits, orders, and agreements. The plan shall include, with respect to the Department of Energy facilities required by paragraph (1) to be covered by the plan, the following matters:

(A) A description of the actions, including identification of specific projects, necessary to maintain or achieve compliance with Federal, State, or local environmental laws, regulations, permits, orders, and agreements.

(B) A description of the actions, including identification of specific projects, to be taken at each Department of Energy facility in order made by paragraph (1) [amending this section] shall take effect on January 3, 1995."

§ 7274g. Transferred

Codification

to implement environmental restoration activities planned for each such facility.

(C) A description of research and development activities for the expeditious and efficient environmental restoration of such facilities.

(D) A description of the technologies and facilities necessary to carry out the environmental restoration activities.

(E) A description of the waste management activities, including identification of specific projects, necessary to continue to operate the Department of Energy facilities or to decontaminate and decommission the facilities, as the case may be.

(F) A description of research and development activities for waste management.

(G) A description of the technologies and facilities necessary to carry out the waste management activities.

(H) A description of activities and practices that the Secretary is undertaking or plans to undertake to minimize the generation of waste.

(I) The estimated costs of, and personnel required for, each project, action, or activity contained in the plan.

(J) A description of the respects in which the plan differs from the preliminary form of that plan issued pursuant to paragraph (2), together with the reasons for any differences.

(K) A discussion of the implementation of the preceding annual five-year plan.

(L) Such other matters as the Secretary finds appropriate and in the public interest.

(5) The Secretary shall consult with the Administrator of the Environmental Protection Agency, Governors and Attorneys General of affected States, and appropriate representatives of affected Indian tribes in the preparation of the plan and the preliminary form of the plan pursuant to paragraphs (1) and (2). The Secretary shall include as an appendix to the plan (A) all agreements with, affected States and affected Indian tribes to assist such States and tribes in participation in the development of the annual five-year plan (including the preliminary form of such plan).

(d) Funding

Of the funds authorized to be appropriated pursuant to section 3103, $20,000,000 may be used for the purpose of carrying out subsection (c).

(e) Budget reports

Each year, at the same time the President submits to Congress the budget for a fiscal year (pursuant to section 1105 of title 31), the President shall submit to Congress a description of proposed activities and funding levels contained in the annual five-year plan (issued, pursuant to subsection (a)(1), in the year preceding the year in which the budget is submitted to Congress) that are not included in the budget or are included in the budget in a different form or at a different funding level, together with the reasons for such differences.

References in Text


Codification

Section was enacted as part of the National Defense Authorization Act for Fiscal Years 1992 and 1993, and not as part of the Department of Energy Organization Act which comprises this chapter.

Amendments

1994—Subsec. (a)(1). Pub. L. 103–337, §3160(a)(1), substituted “all facilities owned or operated by the Department of Energy except defense nuclear facilities” for “(A) defense nuclear facilities and (B) all other facilities owned or operated by the Department of Energy” in first sentence and inserted “such” after “restoration at all” in third sentence.

Subsec. (a)(4). Pub. L. 103–337, §3160(a)(2), substituted “The plan shall include, with respect to the Department of Energy facilities required by paragraph (1) to be covered by the plan, the following matters:” for “The plan shall contain the following matters:” in introductory provisions.

Subsec. (a)(6), (7). Pub. L. 103–337, §3160(a)(3), (4), redesignated par. (7) as (6) and struck out former par. (6) which read as follows: “The Secretary shall include in the annual five-year plan issued in 1992 a discussion of the feasibility and need, if any, for the establishment of a contingency fund in the Department of Energy to provide funds necessary to meet the requirements in environmental laws, to remove an immediate threat to worker or public health and safety, to prevent or improve a condition where postponement of activity would lead to deterioration of the environment, and to undertake additional environmental restoration activities at Department of Energy defense nuclear facilities that are not provided for in the budget for fiscal years in which it is necessary to meet such requirements or undertake such activities.”

Public Participation in Planning

§§ 7274h, 7274i. Transferred

CODIFICATION


SEMIANNUAL REPORT TO CONGRESS OF LOCAL IMPACT ASSISTANCE


§§ 7274j, 7274k. Transferred

CODIFICATION


§ 7274k. Transferred

CODIFICATION


REQUIREMENT TO DEVELOP FUTURE USE PLANS FOR ENVIRONMENTAL MANAGEMENT PROGRAMS


§§ 7274m to 7274o. Transferred

CODIFICATION


SUBMITTAL OF ANNUAL REPORT ON STATUS OF SECURITY FUNCTIONS AT NUCLEAR WEAPONS FACILITIES


EMPLOYEE INCENTIVES FOR EMPLOYEES AT CLOSURE PROJECT FACILITIES


$7274p. Transferred

CODIFICATION


$7275. Definitions

As used in sections 7275 to 7276c of this title: (1) The term "Administrator" means the Administrator of the Western Area Power Administration.

(2) The term "integrated resource planning" means a planning process for new energy resources that evaluates the full range of alternatives, including new generating capacity, power purchases, energy conservation and efficiency, cogeneration and district heating and cooling applications, and renewable energy resources, in order to provide adequate and reliable service to its electric customers at the lowest system cost. The process shall take into account necessary features for system operation, such as diversity, reliability, dispatchability, and other factors of risk; shall take into account the ability to verify energy savings achieved through energy conservation and efficiency and the projected durability of such savings measured over time; and shall treat demand and supply resources on a consistent and integrated basis.

(3) The term "least cost option" means an option for providing reliable electric services to electric customers which will, to the extent practicable, minimize life-cycle system costs, including adverse environmental effects, of providing such service. To the extent practicable, energy efficiency and renewable resources may be given priority in any least-cost option.

(4) The term "long-term firm power service contract" means any contract for the sale by Western Area Power Administration of firm capacity, with or without energy, which is to be delivered over a period of more than one year.

(5) The terms "customer" or "customers" means any entity or entities purchasing firm...
§ 7276. Regulations to require integrated resource planning

(a) Regulations

Within 1 year after October 24, 1992, the Administrator shall, by regulation, revise the Final Amended Guidelines and Acceptance Criteria for Customer Conservation and Renewable Energy Programs published in the Federal Register on August 21, 1983 (50 F.R. 33892), or any subsequent amendments thereto, to require each customer purchasing electric energy under a long-term firm power service contract with the Western Area Power Administration to implement, within 3 years after October 24, 1992, integrated resource planning in accordance with the requirements of sections 7275 to 7276c of this title.

(b) Certain small customers

Notwithstanding subsection (a), for customers with total annual energy sales or usage of 25 Gigawatt Hours or less which are not members of a joint action agency or a generation and transmission cooperative with power supply responsibility, the Administrator may establish different regulations and apply such regulations to customers that the Administrator finds have limited economic, managerial, and resource capability to conduct integrated resource planning. The regulations under this subsection shall require such customers to consider all reasonable opportunities to meet their future energy service requirements using demand-side techniques, new renewable resources and other programs that will provide retail customers with electricity at the lowest possible cost, and minimize, to the extent practicable, adverse environmental effects.

§ 7276a. Technical assistance

The Administrator may provide technical assistance to customers to, among other things, conduct integrated resource planning, implement applicable integrated resource plans, and otherwise comply with the requirements of sections 7275 to 7276c of this title. Technical assistance may include publications, workshops, conferences, one-to-one assistance, equipment loans, technology and resource assessment studies, marketing studies, and other mechanisms to transfer information on energy efficiency and renewable energy options and programs to customers. The Administrator shall give priority to providing technical assistance to customers that have limited capability to conduct integrated resource planning.

§ 7276b. Integrated resource plans

(a) Review by Western Area Power Administration

Within 1 year after October 24, 1992, the Administrator shall, by regulation, revise the Final Amended Guidelines and Acceptance Criteria for Customer Conservation and Renewable Energy Programs published in the Federal Register on August 21, 1983 (50 F.R. 33892), or any subsequent amendments thereto, to require each customer to submit an integrated resource plan to the Administrator within 12 months after such regulations are amended. The regulation shall require a revision of such plan to be submitted every 5 years after the initial submission. The Administrator shall review the initial plan in accordance with a schedule established by the Administrator (which schedule will provide for the review of all initial plans within 24 months after such regulations are amended), and each revision thereof within 120 days after his receipt of the plan or revision and determine whether the customer has in the development of the plan or revision, complied with sections 7275 to 7276c of this title. Plan amendments may be submitted to the Administrator at any time and the Administrator shall review each such amendment within 120 days after receipt thereof to determine whether the customer in amending its plan has complied with sections 7275 to 7276c of this title. If the Administrator determines that the customer, in developing its plan, revision, or amendment, has not complied with the requirements of sections 7275 to 7276c of this title, the customer shall resubmit the plan at
any time thereafter. Whenever a plan or revision or amendment is resubmitted the Administrator shall review the plan or revision or amendment within 120 days after his receipt thereof to determine whether the customer has complied with sections 7275 to 7276c of this title.

(b) Criteria for approval of integrated resource plans

The Administrator shall approve an integrated resource plan submitted as required under subsection (a) if, in developing the plan, the customer has:

(1) Identified and accurately compared all practicable energy efficiency and energy supply resource options available to the customer.

(2) Included a 2-year action plan and a 5-year action plan which describe specific actions the customer will take to implement its integrated resource plan.

(3) Designated "least-cost options" to be utilized by the customer for the purpose of providing reliable electric service to its retail consumers and explained the reasons why such options were selected.

(4) To the extent practicable, minimized adverse environmental effects of new resource acquisitions.

(5) In preparation and development of the plan (and each revision or amendment of the plan) has provided for full public participation, including participation by governing boards.

(6) Included load forecasting.

(7) Provided methods of validating predicted performance in order to determine whether objectives in the plan are being met.

(8) Met such other criteria as the Administrator shall require.

(c) Use of other integrated resource plans

Where a customer or group of customers are implementing integrated resource planning under a program responding to Federal, State, or other initiatives, including integrated resource planning considered and implemented pursuant to section 2632(d) of title 16, in evaluating that customer’s integrated resource plan under sections 7275 to 7276c of this title, the Administrator shall accept such plan as fulfillment of the requirements of sections 7275 to 7276c of this title to the extent such plan substantially complies with the requirements of sections 7275 to 7276c of this title.

(d) Compliance with integrated resource plans

Within 1 year after October 24, 1992, the Administrator shall, by regulation, revise the Final Amended Guidelines and Acceptance Criteria for Customer Conservation and Renewable Energy Programs published in the Federal Register on August 21, 1983 (50 F.R. 33892), or any subsequent amendments thereto, to require each customer to fully comply with the applicable integrated resource plan and submit an annual report to the Administrator (in such form and containing such information as the Administrator may require) describing the customer’s progress to the goals established in such plan. After the initial review under subsection (a) the Administrator shall periodically conduct reviews of a representative sample of applicable integrated resource plans and the customer's implementation of the applicable integrated resource plan to determine if the customers are in compliance with their plans. If the Administrator finds a customer out-of-compliance, the Administrator shall impose a surcharge under this section on all electric energy purchased by the customer from the Western Area Power Administration or reduce such customer’s power allocation by 10 percent, unless the Administrator finds that a good faith effort has been made to comply with the approved plan.

(e) Enforcement

(1) No approved plan

If an integrated resource plan for any customer is not submitted before the date 12 months after the guidelines are amended as required under this section or if the plan is disapproved by the Administrator and a revised plan is not resubmitted by the date 9 months after the date of such disapproval, the Administrator shall impose a surcharge of 10 percent of the purchase price on all power obtained by that customer from the Western Area Power Administration after such date. The surcharge shall remain in effect until an integrated resource plan is approved for that customer. If the plan is not submitted for more than one year after the required date, the surcharge shall increase to 20 percent for the second year (or any portion thereof prior to approval of the plan) and to 30 percent thereafter until the plan is submitted or the contract for the purchase of power by such customer from the Western Area Power Administration terminates.

(2) Failure to comply with approved plan

After approval by the Administrator of an applicable integrated resource plan for any customer, the Administrator shall impose a 10 percent surcharge on all power purchased by such customer from the Western Area Power Administration whenever the Administrator determines that such customer’s activities are not consistent with the applicable integrated resource plan. The surcharge shall remain in effect until the Administrator determines that the customer’s activities are consistent with the applicable integrated resource plan. The surcharge shall be increased to 20 percent if the customer’s activities are out of compliance for more than one year and to 30 percent thereafter. The Administrator may impose such surcharge on all power obtained by such customer from the Western Area Power Administration by 10 percent. The Administrator shall impose a surcharge of 10 percent on all power purchased by such customer from the Western Area Power Administration after such date. The surcharge shall remain in effect until an integrated resource plan is approved for that customer. If the plan is not submitted for more than one year after the required date, the surcharge shall increase to 20 percent for the second year (or any portion thereof prior to approval of the plan) and to 30 percent thereafter until the plan is submitted or the contract for the purchase of power by such customer from the Western Area Power Administration terminates.

(3) Reduction in power allocation

In the case of any customer subject to a surcharge under paragraph (1) or (2), in lieu of imposing such surcharge the Administrator may reduce such customer’s power allocation from the Western Area Power Administration by 10 percent. The Administrator shall provide by regulation the terms and conditions under which a power allocation terminated under this subsection may be reinstated.
§ 7276c

(f) Integrated resource planning cooperatives

With the approval of the Administrator, customers within any State or region may form integrated resource planning cooperatives for the purposes of complying with sections 7275 to 7276c of this title, and such customers shall be allowed an additional 6 months to submit an initial integrated resource plan to the Administrator.

(g) Customers with more than 1 contract

If more than one long-term firm power service contract exists between the Administrator and a customer, only one integrated resource plan shall be required for that customer under sections 7275 to 7276c of this title.

(h) Program review

Within 1 year after January 1, 1999, and at appropriate intervals thereafter, the Administrator shall initiate a public process to review the program established by this section. The Administrator is authorized at that time to revise the criteria set forth in subsection (b) to reflect changes, if any, in technology, needs, or other developments.


CODIFICATION

Section was enacted as part of the Hoover Power Plant Act of 1984, and not as part of the Department of Energy Organization Act which comprises this chapter.

§ 7276c. Miscellaneous provisions

(a) Environmental impact statement

The provisions of the National Environmental Policy Act of 1969 [42 U.S.C. 4321 et seq.] shall apply to actions of the Administrator implementing sections 7275 to 7276c of this title in the same manner and to the same extent as such provisions apply to other major Federal actions significantly affecting the quality of the human environment.

(b) Annual reports

The Administrator shall include in the annual report submitted by the Western Area Power Administration (1) a description of the activities undertaken by the Administrator and by customers under sections 7275 to 7276c of this title and (2) an estimate of the energy savings and renewable resource benefits achieved as a result of such activities.

(c) State regulated investor-owned utilities

Any State regulated electric utility (as defined in section 2602(18) of title 16) shall be exempt from the provisions of sections 7275 to 7276c of this title.

(d) Rural Electrification Administration requirements

Nothing in sections 7275 to 7276c of this title shall require a customer to take any action inconsistent with a requirement imposed by the Rural Electrification Administration.\footnote{So in original. Probably should be followed by a period.}


CODIFICATION

Section was not enacted as part of the Department of Energy Organization Act which comprises this chapter.

§ 7276d. Property protection program for power marketing administrations

The Administrators of the Western Area Power Administration, the Southwestern Power Administration, and the Southeastern Power Administration may each carry out programs to reduce vandalism, theft, and destruction of property that is under their jurisdiction.


CODIFICATION

Section was enacted as part of the Department of Energy Organization Act which comprises this chapter.

§ 7276e. Provision of rewards

In carrying out a program under this section and section 7276d of this title, each Administrator referred to in section 7276d of this title is authorized to provide rewards (including cash rewards) to individuals who provide information or evidence leading to the arrest and prosecution of individuals causing damage to, or loss of, Federal property under their jurisdiction. The amount of any one such reward paid to any individual may not exceed a value of $1,000.


CODIFICATION

Section was not enacted as part of the Department of Energy Organization Act which comprises this chapter.

§ 7276f. Western Area Power Administration; deposit and availability of discretionary offsetting collections

Notwithstanding section 3302 of title 31, section 825s of title 16, and section 392a of title 43, funds collected by the Western Area Power Administration from the sale of power and related services that are applicable to the repayment of the annual expenses of this account in this and subsequent fiscal years shall be credited to this account as discretionary offsetting collections for the sole purpose of funding such expenses, with such funds remaining available until expended: Provided further, That for purposes of this appropriation, annual expenses means expenditures that are generally recovered in the same year that they are incurred (excluding purchase power and wheeling expenses).


CODIFICATION

Section was enacted as part of the Hoover Power Plant Act of 1984, and not as part of the Department of Energy Organization Act which comprises this chapter.

REFERENCES IN TEXT


REFERENCES IN TEXT

“Construction, Rehabilitation, Operation and Maintenance, Western Area Power Administration” of
§ 7277g. Western Area Power Administration; deposit and availability of funds related to Falcon and Amistad Dams

Notwithstanding the provisions of section 2 of the Act of June 18, 1954 (68 Stat. 255) as amended, and section 3302 of title 31, all funds collected by the Western Area Power Administration from the sale of power and related services from the Falcon and Amistad Dams that are applicable to the repayment of the annual expenses of the hydroelectric facilities of these Dams and associated Western Area Power Administration activities in this and subsequent fiscal years shall be credited to this account as discretionary offsetting collections for the sole purpose of funding such expenses, with such funds remaining available until expended: Provided further, That for purposes of this appropriation, annual expenses means expenditures that are generally recovered in the same year that they are incurred.


References in Text

Section 2 of the Act of June 18, 1954 (68 Stat. 255), referred to in text, probably means section 2 of act June 18, 1954, ch. 310, 68 Stat. 256, which is not classified to the Code.


Codification

Section was enacted as part of the Energy and Water Development and Related Agencies Appropriations Act, 2010, and not as part of the Department of Energy Organization Act which comprises this chapter.

§ 7277. Report concerning review of United States coal imports

(a) In general

The Energy Information Administration shall issue a report quarterly, and provide an annual summary of the quarterly reports to the Congress, on the status of United States coal imports. Such quarterly reports may be published as a part of the Quarterly Coal Report published by the Energy Information Administration.

(b) Contents

Each report required by this section shall—

(1) include current and previous year data on the quantity, quality (including heating value, sulfur content, and ash content), and delivered price of all coals imported by domestic electric utility plants that imported more than 10,000 tons during the previous calendar year into the United States;

(2) identify the foreign nations exporting the coal, the domestic electric utility plants receiving coal from each exporting nation, the domestically produced coal supplied to such plants, and the domestic coal production, by State, displaced by the imported coal;

(3) identify (to the extent allowed under disclosure policy), at regional and State levels of aggregation, transportation modes and costs for delivery of imported coal from the exporting country port of origin to the point of consumption in the United States; and

(4) specifically highlight and analyze any significant trends of unusual variations in coal imports.

(c) Date of reports

The first report required by this section shall be submitted to Congress in March 1986. Subsequent reports shall be submitted within 90 days after the end of each quarter.

(d) Limitation

Information and data required for the purpose of this section shall be subject to the law regarding the collection and disclosure of such data.


Codification

Section was enacted as part of the Energy Policy and Conservation Amendments Act of 1985, and also as part of the National Coal Imports Reporting Act of 1985, and not as part of the Department of Energy Organization Act which comprises this chapter.

Short Title

Pub. L. 99–58, title II, § 201, July 2, 1985, 99 Stat. 107, provided that: “This title [enacting this section and provisions set out as a note below] may be cited as the ‘National Coal Imports Reporting Act of 1985’.”

Termination of Reporting Requirements

For termination, effective May 15, 2000, of provisions in this section requiring submittal of reports to Congress, see section 3003 of Pub. L. 104–66, as amended, set out as a note under section 1113 of Title 31, General and Governmental Expenses, and the 14th item on page 90 of House Document No. 103–7.

Analysis of United States Coal Import Market; Report by Secretary of Energy to Congress


“(a) In General.—The Secretary of Energy shall, through the Energy Information Administration, conduct a comprehensive analysis of the coal import market in the United States and report the findings of such analysis to the Committee on Energy and Natural Resources of the Senate and the appropriate committees of the House of Representatives, within nine months of the date of enactment of this Act [July 2, 1985].”

“(b) Contents.—The report required by this section shall—

“(1) contain a detailed analysis of potential domestic markets for foreign coals, by producing nation, between 1985 and 1995;
§ 7278. Availability of appropriations for Department of Energy for transportation, uniforms, security, and price support and loan guarantee programs; transfer of funds; acceptance of contributions

Appropriations for the Department of Energy under this title 1 in this and subsequent Energy and Water Development Appropriations Acts, on and after October 2, 1992, shall be available for hire of passenger motor vehicles; hire, maintenance and operation of aircraft; purchase, repair and cleaning of uniforms; and reimbursement to the General Services Administration for security guard services. From these appropriations, transfers of sums may on and after October 2, 1992, be made to other agencies of the United States Government for the performance of work for which this appropriation is made. None of the funds made available to the Department of Energy under this Act or subsequent Energy and Water Development Appropriations Acts shall be used to implement or finance authorized price support or loan guarantee programs unless specific provision is made for such programs in an appropriation Act. The Secretary is authorized on and after October 2, 1992, to accept lands, buildings, equipment, and other contributions from public and private sources and to prosecute projects in cooperation with other agencies, Federal, State, private, or foreign.


REFERENCES IN TEXT


CODIFICATION

Section was enacted as part of the Energy and Water Development Appropriations Act, 1993, and not as part of the Department of Energy Organization Act which comprises this chapter.

§ 7278a. Availability of funds for energy and water development for multiyear contracts, grants, or cooperative agreements of $1,000,000 or less

Notwithstanding section 301(c) of this Act, none of the funds made available under the heading ‘‘Department of Energy—Energy Programs—Science’’ in this or any subsequent Energy and Water Development and Related Agencies appropriations Act for any fiscal year may be used for a multiyear contract, grant, cooperative agreement, or Other Transaction Agreement of $1,000,000 or less unless the contract, grant, cooperative agreement, or Other Transaction Agreement is funded for the full period of performance as anticipated at the time of award.


REFERENCES IN TEXT

Section 301(c) of this Act, referred to in text, means section 301(c) of Pub. L. 114–113, div. D, title III, Dec. 18, 2015, 129 Stat. 2416, which is not classified to the Code.

CODIFICATION

Section was enacted as part of the Energy and Water Development and Related Agencies Appropriations Act, 2016, and also as part of the Consolidated Appropriations Act, 2016, and not as part of the Department of Energy Organization Act which comprises this chapter.

§ 7279. Identification in budget materials of amounts for certain Department of Energy pension obligations

The Secretary of Energy shall include in the budget justification materials submitted to Congress in support of the Department of Energy budget for a fiscal year (as submitted with the budget of the President under section 1105(a) of title 31) specific identification, as a budgetary line item, of the amounts required to meet the pension obligations of the Department of Energy for contractor employees at each facility of the Department of Energy operated using amounts authorized to be appropriated for the Department of Energy.

1 See References in Text note below.
§ 7279a. Future-years energy program annual submission and budgeting

(a) Submission to Congress

The Secretary of Energy shall submit to Congress each year, at the time that the President’s budget is submitted to Congress that year under section 1105(a) of title 31, a future-years energy program reflecting the estimated expenditures and proposed appropriations included in that budget. Any such future-years energy program shall cover the fiscal year with respect to which the budget is submitted and at least the four succeeding fiscal years. A future-years energy program shall be included in the fiscal year 2014 budget submission to Congress and every fiscal year thereafter.

(b) Elements

Each future-years energy program shall contain the following:

(1) The estimated expenditures and proposed appropriations necessary to support programs, projects, and activities of the Secretary of Energy during the 5-fiscal year period covered by the program, expressed in a level of detail comparable to that contained in the budget submitted by the President to Congress under section 1105 of title 31.

(2) The estimated expenditures and proposed appropriations shaped by high-level, prioritized program and budgetary guidance that is consistent with the administration’s policies and out year budget projections and reviewed by the Department of Energy’s (DOE) senior leadership to ensure that the future-years energy program is consistent and congruent with previously established program and budgetary guidance.

(3) A description of the anticipated workload requirements for each DOE national laboratory during the 5-fiscal year period.

(c) Consistency in budgeting

(1) The Secretary of Energy shall ensure that amounts described in subparagraph (A) of paragraph (2) for any fiscal year are consistent with amounts described in subparagraph (B) of paragraph (2) for that fiscal year.

(2) Amounts referred to in paragraph (1) are the following:

(A) The amounts specified in program and budget information submitted to Congress by the Secretary of Energy in support of expenditure estimates and proposed appropriations in the budget submitted to Congress by the President under section 1105(a) of title 31 for any fiscal year, as shown in the future-years energy program submitted pursuant to subsection (a).

(B) The total amounts of estimated expenditures and proposed appropriations necessary to support the programs, projects, and activities of the administration included pursuant to paragraph (5) of section 1105(a) of such title in the budget submitted to Congress under that section for any fiscal year.

§ 7291. Transfer and allocations of appropriations and personnel

(a) Except as otherwise provided in this chapter, the personnel employed in connection with, and the assets, liabilities, contracts, property, records, and unexpended balance of appropriations, authorizations, allocations, and other funds employed, held, used, arising from, available to or to be made available in connection with the functions transferred by this chapter, subject to section 1531 of title 31, are hereby transferred to the Secretary for appropriate allocation. Unexpended funds transferred pursuant to this subsection shall only be used for the purposes for which the funds were originally authorized and appropriated.

(b) Positions expressly specified by statute or reorganization plan to carry out function transferred by this chapter, personnel occupying those positions on October 1, 1977, and personnel authorized to receive compensation in such positions at the rate prescribed for offices and positions at level I, II, III, IV, or V of the executive schedule (5 U.S.C. 5312–5316) on October 1, 1977, shall be subject to the provisions of section 7293 of this title.

References in Text

This chapter, referred to in subsecs. (a) and (b), was in the original “this Act”, meaning Pub. L. 95–91, Aug. 4, 1977, 91 Stat. 605, as amended, known as the Department of Energy Organization Act, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 701 of this title and Tables.

Codification


§ 7292. Effect on personnel

(a) Full-time and part-time personnel holding permanent positions

Except as otherwise provided in this chapter, the transfer pursuant to this subchapter of full-time personnel (except special Government employees) and part-time personnel holding perma-
§ 7293 TITLE 42—THE PUBLIC HEALTH AND WELFARE Page 6516

nent positions pursuant to this subchapter shall not cause any such employee to be separated or reduced in grade or compensation for one year after August 4, 1977, except that full-time temporary personnel employed at the Energy Research Centers of the Energy Research and Development Administration upon the establishment of the Department who are determined by the Department to be performing continuing functions may at the employee’s option be converted to permanent full-time status within one hundred and twenty days following their transfer to the Department. The employment levels of full-time permanent personnel authorized for the Department by other law or administrative action shall be increased by the number of employees who exercise the option to be so converted.

(b) Person who held position compensated in accordance with chapter 53 of title 5

Any person who, on October 1, 1977, held a position compensated in accordance with the Executive Schedule prescribed in chapter 53 of title 5, and who, without a break in service, is appointed in the Department to a position having duties comparable to those performed immediately preceding his appointment shall continue to be compensated in his new position at not less than the rate provided for his previous position, for the duration of his service in the new position.

(c) Employees holding reemployment rights acquired under section 786 of title 15

Employees transferred to the Department holding reemployment rights acquired under section 786 of title 15 or any other provision of law or regulation may exercise such rights only within one hundred twenty days from October 1, 1977, or within two years of acquiring such rights, whichever is later. Reemployment rights may only be exercised at the request of the employee.


REFERENCES IN TEXT

This chapter, referred to in text, was in the original “this Act”, meaning Pub. L. 95–91, Aug. 4, 1977, 91 Stat. 565, as amended, known as the Department of Energy Organization Act, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 7101 of this title and Tables.

§ 7294. Incidental transfers

The Director of the Office of Management and Budget, in consultation with the Secretary and the Commission, is authorized and directed to make such determinations as may be necessary with regard to the transfer of functions which relate to or are utilized by an agency, commission or other body, or component thereof affected by this chapter, to make such additional incidental dispositions of personnel, assets, liabilities, contracts, property, records, and unexpended balances of appropriations, authorizations, allocations, and other funds held, used, arising from, available to or to be made available in connection with the functions transferred by this chapter, as he may deem necessary to accomplish the purposes of this chapter.


REFERENCES IN TEXT

This chapter, referred to in text, was in the original “this Act”, meaning Pub. L. 95–91, Aug. 4, 1977, 91 Stat. 565, known as the Department of Energy Organization Act (91 Stat. 565; 42 U.S.C. 7101 et seq.) shall be considered as Career or Career-Conditional service, respectively, for purposes of eligibility for reinstatement in the competitive Civil Service.

JIMMY CARTER.
§ 7295. Savings provisions

(a) Orders, determinations, rules, etc., in effect prior to effective date of this chapter

All orders, determinations, rules, regulations, permits, contracts, certificates, licenses, and privileges—

(1) which have been issued, made, granted, or allowed to become effective by the President, any Federal department or agency or official thereof, or by a court of competent jurisdiction, in the performance of functions which are transferred under this chapter to the Department or the Commission after August 4, 1977, and

(2) which are in effect on October 1, 1977,

shall continue in effect according to their terms until modified, terminated, superseded, set aside, or revoked in accordance with law by the President, the Secretary, the Federal Energy Regulatory Commission, or other authorized officials, a court of competent jurisdiction, or by operation of law.

(b) Proceedings or applications for licenses, permits, etc., pending at effective date of this chapter; regulations

(1) The provisions of this chapter shall not affect any proceedings or any application for any license, permit, certificate, or financial assistance pending on October 1, 1977, before any department, agency, commission, or component thereof, functions of which are transferred by this chapter; but such proceedings and applications, to the extent that they relate to functions so transferred, shall be continued. Orders shall be issued in such proceedings, appeals shall be taken therefrom, and payments shall be made pursuant to such orders, as if this chapter had not been enacted; and orders issued in any such proceedings shall continue in effect until modified, terminated, superseded, or revoked by a duly authorized official, by a court of competent jurisdiction, or by operation of law. Nothing in this subsection shall be deemed to prohibit the discontinuance or modification of any such proceeding under the same terms and conditions and to the same extent that such proceeding could have been discontinued or modified if this chapter had not been enacted.

(2) The Secretary and the Commission are authorized to promulgate regulations providing for the orderly transfer of such proceedings to the Department or the Commission.

(c) Suits commenced prior to effective date of this chapter

Except as provided in subsection (e)—

(1) the provisions of this chapter shall not affect suits commenced prior to October 1, 1977, and

(2) in all such suits, proceedings shall be had, appeals taken, and judgments rendered in the same manner and effect as if this chapter had not been enacted.

(d) Suits, actions, etc., commenced by or against any officer or agency or cause of action by or against any department or agency

No suit, action, or other proceeding commenced by or against any officer in his official capacity as an officer of any department or agency, functions of which are transferred by this chapter, shall abate by reason of the enactment of this chapter. No cause of action by or against any department or agency, functions of which are transferred by this chapter, or by or against any officer thereof in his official capacity shall abate by reason of the enactment of this chapter.

(e) Suits with officers, departments, or agencies as parties

If, before October 1, 1977, any department or agency, or officer thereof in his official capacity, is a party to a suit, and under this chapter any function of such department, agency, or officer is transferred to the Secretary or any other official, then such suit shall be continued with the Secretary or other official, as the case may be, substituted.


REFERENCES IN TEXT

This chapter, referred to in text, was in the original "this Act", meaning Pub. L. 95–91, Aug. 4, 1977, 91 Stat. 565, known as the Department of Energy Organization Act, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 7101 of this title and Tables.

§ 7296. Separability

If any provision of this chapter or the application thereof to any person or circumstance is held invalid, neither the remainder of this chapter nor the application of such provision to other persons or circumstances shall be affected thereby.


REFERENCES IN TEXT

This chapter, referred to in text, was in the original "this Act", meaning Pub. L. 95–91, Aug. 4, 1977, 91 Stat. 565, known as the Department of Energy Organization Act, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 7101 of this title and Tables.

§ 7297. Cross references

With respect to any functions transferred by this chapter and exercised after October 1, 1977, reference in any other Federal law to any department, commission, or agency or any officer or office the functions of which are so transferred shall be deemed to refer to the Secretary, the Federal Energy Regulatory Commission, or other official or component of the Department in which this chapter vests such functions.


REFERENCES IN TEXT

This chapter, referred to in text, was in the original "this Act", meaning Pub. L. 95–91, Aug. 4, 1977, 91 Stat.
§ 7298. Presidential authority

Except as provided in subchapter IV, nothing contained in this chapter shall be construed to limit, curtail, abolish, or terminate any function of, or authority available to, the President which he had immediately before October 1, 1977; or to limit, curtail, abolish, or terminate his authority to delegate, redelegate, or terminate any delegation of functions.


REFERENCES IN TEXT
This chapter, referred to in text, was in the original "this Act", meaning Pub. L. 95–91, Aug. 4, 1977, 91 Stat. 565, known as the Department of Energy Organization Act, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 7101 of this title and Tables.

§ 7299. Transition

With the consent of the appropriate department or agency head concerned, the Secretary is authorized to utilize the services of such officers, employees, and other personnel of the departments and agencies from which functions have been transferred to the Secretary for such period of time as may reasonably be needed to facilitate the orderly transfer of functions under this chapter.


REFERENCES IN TEXT
This chapter, referred to in text, was in the original "this Act", meaning Pub. L. 95–91, Aug. 4, 1977, 91 Stat. 565, known as the Department of Energy Organization Act, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 7101 of this title and Tables.

§ 7300. Report to Congress; effect on personnel

The Civil Service Commission shall, as soon as practicable but not later than one year after October 1, 1977, prepare and transmit to the Congress a report on the effects on employees of the reorganization under this chapter which shall include—

(1) an identification of any position within the Department or elsewhere in the executive branch, which it considers unnecessary due to consolidation of functions under this chapter;
(2) a statement of the number of employees entitled to pay savings by reason of the reorganization under this chapter;
(3) a statement of the number of employees who are voluntarily or involuntarily separated by reason of such reorganization;
(4) an estimate of the personnel costs associated with such reorganization;
(5) the effects of such reorganization on labor management relations; and
(6) such legislative and administrative recommendations for improvements in personnel management within the Department as the Commission considers necessary.


REFERENCES IN TEXT
This chapter, referred to in introductory provisions and pars. (1) and (2), was in the original "this Act", meaning Pub. L. 95–91, Aug. 4, 1977, 91 Stat. 565, known as the Department of Energy Organization Act, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 7101 of this title and Tables.

TRANSFER OF FUNCTIONS

§ 7301. Environmental impact statements

The transfer of functions under subchapters III and IV of this chapter shall not affect the validity of any draft environmental impact statement published before October 1, 1977.


SUBCHAPTER VIII—ENERGY PLANNING

§ 7321. National Energy Policy Plan

(a) Preparation by President and submission to Congress; formulation and review

The President shall—

(1) prepare and submit to the Congress a proposed National Energy Policy Plan (hereinafter in this subchapter referred to as a "proposed Plan") as provided in subsection (b);
(2) seek the active participation by regional, State, and local agencies and instrumentalities and the private sector through public hearings in cities and rural communities and other appropriate means to insure that the views and proposals of all segments of the economy are taken into account in the formulation and review of such proposed Plan; and
(3) include within the proposed Plan a comprehensive summary of data pertaining to all fuel and energy needs of persons residing in—
(A) areas outside standard metropolitan statistical areas; and
(B) areas within standard metropolitan statistical areas which are unincorporated or are specified by the Bureau of the Census, Department of Commerce, as rural areas.

(b) Biennial transmittal to Congress; contents

Not later than April 1, 1979, and biennially thereafter, the President shall transmit to the Congress the proposed Plan. Such proposed Plan shall—

(1) consider and establish energy production, utilization, and conservation objectives, for periods of five and ten years, necessary to satisfy projected energy needs of the United States to meet the requirements of the general welfare of the people of the United States

and the commercial and industrial life of the Nation, paying particular attention to the needs for full employment, price stability, energy security, economic growth, environmental protection, nuclear non-proliferation, special regional needs, and the efficient utilization of public and private resources;

(2) identify the strategies that should be followed and the resources that should be committed to achieve such objectives, forecasting the level of production and investment necessary in each of the significant energy supply sectors and the level of conservation and investment necessary in each consuming sector, and outlining the appropriate policies and actions of the Federal Government that will maximize the private production and investment necessary in each of the significant energy supply sectors consistent with applicable Federal, State, and local environmental laws, standards, and requirements; and

(3) recommend legislative and administrative actions necessary and desirable to achieve the objectives of such proposed Plan, including legislative recommendations with respect to taxes or tax incentives, Federal funding, regulatory actions, antitrust policy, foreign policy, and international trade.

(c) Submission of report to Congress; contents

The President shall submit to the Congress with the proposed Plan a report which shall include:

(1) whatever data and analysis are necessary to support the objectives, resource needs, and policy recommendations contained in such proposed Plan;

(2) an estimate of the domestic and foreign energy supplies on which the United States will be expected to rely to meet projected energy needs in an economic manner consistent with the need to protect the environment, conserve natural resources, and implement foreign policy objectives;

(3) an evaluation of current and foreseeable trends in the price, quality, management, and utilization of energy resources and the effects of those trends on the social, environmental, economic, and other requirements of the Nation;

(4) a summary of research and development efforts funded by the Federal Government to forestall energy shortages, to reduce waste, to foster recycling, to encourage conservation practices, and to otherwise protect environmental quality, including recommendations for developing technologies to accomplish such purposes; and

(5) a review and appraisal of the adequacy and appropriateness of technologies, procedures, and practices (including competitive and regulatory practices) employed by Federal, State, and local governments and nongovernmental entities to achieve the purposes of the Plan.

(d) Consultation with consumers, small businesses, etc.

The President shall insure that consumers, small businesses, and a wide range of other interests, including those of individual citizens who have no financial interest in the energy industry, are consulted in the development of the Plan.


Establishing a Quadrennial Energy Review

Memorandum for the Heads of Executive Departments and Agencies

Memorandum of President of the United States, Jan. 9, 2014, 79 P.R. 2577, provided:

Affordable, clean, and secure energy and energy services are essential for improving U.S. economic productivity, enhancing our quality of life, protecting our environment, and ensuring our Nation’s security. Achieving these goals requires a comprehensive and integrated energy strategy resulting from interagency dialogue and active engagement of external stakeholders. To help the Federal Government better meet this responsibility, I am directing the undertaking of a Quadrennial Energy Review. The initial focus for the Quadrennial Energy Review will be on our Nation’s infrastructure for transporting, transmitting, and delivering energy. Our current infrastructure is increasingly challenged by transformations in energy supply, markets, and patterns of end use; issues of aging and capacity; impacts of climate change; and cyber and physical threats. Any vulnerability in this infrastructure may be exacerbated by the increasing interdependencies of energy systems with water, telecommunications, transportation, and emergency response systems. The first Quadrennial Energy Review Report will serve as a roadmap to help address these challenges.

The Department of Energy has a broad role in energy policy development and the largest role in implementing the Federal Government’s energy research and development portfolio. Many other executive departments and agencies also play key roles in developing and implementing policies governing energy resources and consumption, as well as associated environmental impacts. In addition, non-Federal actors are crucial contributors to energy policies. Because most energy-related infrastructure is owned by private entities, investment by and engagement of the private sector is necessary to develop and implement effective policies. State and local policies; the views of nongovernmental, environmental, faith-based, labor, and other social organizations; and contributions from the academic and non-profit sectors are also critical to the development and implementation of effective energy policies.

An interagency Quadrennial Energy Review Task Force, which includes members from all relevant executive departments and agencies (agencies), will develop an integrated review of energy policy that integrates all of these perspectives. It will build on the foundation provided in my Administration’s Blueprint for a Secure Energy Future of March 30, 2011, and Climate Action Plan released on June 25, 2013. The Task Force will offer recommendations on what additional actions it believes would be appropriate. These may include recommendations on additional executive or legislative actions to address the energy challenges and opportunities facing the Nation.

Therefore, by the authority vested in me as President by the Constitution and the laws of the United States of America, I hereby direct the following:

Section 1. Establishing the Quadrennial Energy Review Task Force. (a) There is established the Quadrennial Energy Review Task Force (Task Force), to be co-chaired by the Director of the Office of Science and Technology Policy and the Director of the Domestic Policy Council, which shall include the heads of each of the following, or their designated representatives:

(i) the Department of State;

(ii) the Department of the Treasury;

(iii) the Department of Defense;

(iv) the Department of the Interior;

(v) the Department of Agriculture;

(vi) the Department of Commerce;
(vii) the Department of Labor; 
(viii) the Department of Health and Human Services; 
(ix) the Department of Housing and Urban Development; 
(x) the Department of Transportation; 
(xi) the Department of Energy; 
(xii) the Department of Veterans Affairs; 
(xiii) the Department of Homeland Security; 
(xiv) the Office of Management and Budget; 
(xv) the National Economic Council; 
(xvi) the National Security Staff; 
(xvii) the Council on Environmental Quality; 
(xviii) the Council of Economic Advisers; 
(xix) the Environmental Protection Agency; 
(xx) the Small Business Administration; 
(xxi) the Army Corps of Engineers; 
(xxii) the National Science Foundation; and 
(xxiii) such agencies and offices as the President may designate. 

(b) The Co-Chairs may invite independent regulatory 
agencies with energy-related responsibilities, including 
the Federal Energy Regulatory Commission and the 
Nuclear Regulatory Commission, to participate in the 
Task Force, as determined to be appropriate by those 
agencies.

(c) The Co-Chairs shall regularly convene and preside 
at meetings of the Task Force and shall determine its 
agenda. Under the direction of the Co-Chairs, the Task 
Force shall:

(i) gather ideas and advice from State and local gov-
ernments, tribes, large and small businesses, universi-
ties, national laboratories, nongovernmental and 
labor organizations, consumers, and other stakeholders 
and interested parties; and 

(ii) coordinate the efforts of agencies and offices re-
lated to the development of the Quadrennial Energy 
Review Report, as described in sections 1 and 2 of this 
memorandum.

(d) The Secretary of Energy shall provide support to 
the Task Force, including support for coordination ac-
tivities related to the preparation of the Quadrennial 
Energy Review Report, policy analysis and modeling, 
and stakeholder engagement.

(e) The Task Force shall submit a Quadrennial En-
ergy Review Report to the President every 4 years be-
ginning with a report delivered by January 31, 2015. In-
termediate reports and other material may be prepared 
by the Task Force as required by the President.

Sic. 2. The Quadrennial Energy Review Report. The 
Task Force shall establish integrated guidance to 
strengthen U.S. energy policy. Building on the Blue-
print for a Secure Energy Future and the Climate Action 
Plan, and taking into consideration applicable laws and 
regulations, the Task Force shall prepare a Quadren-
nial Energy Review Report that:

(a) provides an integrated view of, and recommenda-
tions for, Federal energy policy in the context of eco-

comic, environmental, occupational, security, and 
health and safety priorities, with attention in the first 
report given to the challenges facing the Nation’s en-
ergy infrastructure; 

(b) reviews the adequacy, with respect to energy pol-

cy, of existing executive and legislative actions, and 

(c) assesses and recommends priorities for research, 
development, and demonstration programs to support 
key energy-innovation goals; and 

(d) identifies analytical tools and data needed to sup-
port further policy development and implementation.

Sic. 3. Outreach. In order to gather information and 
recommendations and to provide for a transparent 
process in developing the Quadrennial Energy Review 
Report, the Task Force shall engage with State and 
local governments, tribes, large and small businesses, 
universities, national laboratories, nongovernmental 
and labor organizations, and other stakeholders and 
interested parties. The Task Force shall develop an in-
tegrated outreach strategy that relies on both traditional 
meetings and the use of information technology.

§ 7322. Congressional review

(a) Each proposed Plan shall be referred to the 
appropriate committees in the Senate and the 
House of Representatives.

(b) Each such committee shall review the pro-
posed Plan and, if it deems appropriate and nec-

essary, report to the Senate or the House of Rep-
resentatives legislation regarding such Plan 
which may contain such alternatives to, modi-
fications of, or additions to the proposed Plan 
submitted by the President as the committee 
deems appropriate.


SUBCHAPTER IX—EFFECTIVE DATE AND 
INTERIM APPOINTMENTS

§ 7341. Effective date

The provisions of this chapter shall take effect 
one hundred and twenty days after the Sec-

etary first takes office, or on such earlier date 
as the President may prescribe and publish in 
the Federal Register, except that at any time 
after August 4, 1977, (1) any of the officers pro-
vided for in subchapters II and IV of this chapter 
may be nominated and appointed, as provided in 
those subchapters, and (2) the Secretary and the 
Commission may promulgate regulations pursu-
ant to section 7295(b)(2) of this title at any time 
after August 4, 1977. Funds available to any de-
partment or agency (or any official or compo-
nent thereof), functions of which are transferred 
to the Secretary or the Commission by this 
chapter, may with the approval of the Director 
of the Office of Management and Budget, be used 
to pay the compensation and expenses of any of-

ce appointed pursuant to this subsection 
until such time as funds for that purpose are 
otherwise available.


REFERENCES IN TEXT

This chapter, referred to in text, was in the original 

1So in original.
§ 7342. Interim appointments

In the event that one or more officers required by this chapter to be appointed by and with the advice and consent of the Senate shall not have entered upon office on October 1, 1977, the President may designate any officer, whose appointment was required to be made, by and with the advice and consent of the Senate, and who was such an officer immediately prior to October 1, 1977, to act in such office until the office is filled as provided in this chapter. While so acting such persons shall receive compensation at the rates provided by this chapter for the respective offices in which they act.


§ 7351. Submission of comprehensive review

Not later than January 15, 1982, the President shall prepare and submit to the Congress a comprehensive review of each program of the Department. Each such review shall be made available to the committee or committees of the Senate and House of Representatives having jurisdiction with respect to the annual authorization of funds, pursuant to section 7270 of this title, for such programs for the fiscal year beginning October 1, 1982.


§ 7352. Contents of review

Each comprehensive review prepared for submission under section 7351 of this title shall include—

(1) the name of the component of the Department responsible for administering the program;

(2) an identification of the objectives intended for the program and the problem or need which the program was intended to address;

(3) an identification of any other programs having similar or potentially conflicting or duplicative objectives;

(4) an assessment of alternative methods of achieving the purposes of the program;

(5) a justification for the authorization of new budget authority, and an explanation of the manner in which it conforms to and integrates with other efforts;

(6) an assessment of the degree to which the original objectives of the program have been achieved, expressed in terms of the performance, impact, or accomplishments of the program and of the problem or need which it was intended to address, and employing the procedures or methods of analysis appropriate to the type or character of the program;

(7) a statement of the performance and accomplishments of the program in each of the previous four completed fiscal years and of the budgetary costs incurred in the operation of the program;

(8) a statement of the number and types of beneficiaries or persons served by the program;

(9) an assessment of the effect of the program on the national economy, including, but not limited to, the effects on competition, economic stability, employment, unemployment, productivity, and price inflation, including costs to consumers and to businesses;

(10) an assessment of the impact of the program on the Nation’s health and safety;

(11) an assessment of the degree to which the overall administration of the program, as expressed in the rules, regulations, orders, standards, criteria, and decisions of the officers executing the program, are believed to meet the objectives of the Congress in establishing the program;

(12) a projection of the anticipated needs for accomplishing the objectives of the program, including an estimate if applicable of the date on which, and the conditions under which, the program may fulfill such objectives;

(13) an analysis of the services which could be provided and performance which could be achieved if the program were continued at a level less than, equal to, or greater than the existing level; and

(14) recommendations for necessary transitional requirements in the event that funding for such program is discontinued, including proposals for such executives or legislative action as may be necessary to prevent such discontinuation from being unduly disruptive.

§ 7371. Statement of purpose

The purpose of this subchapter is to establish incentives for the use of renewable energy resources, to improve and coordinate the dissemination of information to the public with respect to renewable energy resources, to encourage the use of certain cost effective solar energy systems and conservation measures by the Federal Government, to establish a program for the promotion of local energy self-sufficiency, to broaden the existing program for accelerating the procurement and use of photovoltaic systems, and to provide further encouragement for the development of small hydroelectric power projects.


REPRESENTATIVE IN TEXT

This subchapter, referred to in text, was in the original “this title”, meaning title IV of Pub. L. 96–294, June 30, 1980, 94 Stat. 715, known as the Renewable Energy Resources Act of 1980. For complete classification of title IV to the Code, see Short Title note set out below and Tables.

SHORT TITLE

Section 401 of title IV of Pub. L. 96–294 provided that: ‘‘This title (enacting this subchapter, amending sections 8255, 8271, and 8274 to 8276 of this title and sections 2705 and 2708 of Title 16, Conservation, and enacting a provision set out as a note under section 2701 of Title 16) may be cited as the ‘Renewable Energy Resources Act of 1980’.’’

§ 7372. “Secretary” and “renewable energy resource” defined

For purposes of this subchapter—

(1) the term “Secretary” means the Secretary of Energy; and

(2) the term “renewable energy resource” means any energy resource which has recently originated in the sun, including direct and indirect solar radiation and intermediate solar energy forms such as wind, ocean thermal gradients, ocean currents and waves, hydropower, photovoltaic energy, products of photosynthetic processes, organic wastes, and others.


REPRESENTATIVE IN TEXT

This subchapter, referred to in text, was in the original “this title”, meaning title IV of Pub. L. 96–294, June 30, 1980, 94 Stat. 715, known as the Renewable Energy Resources Act of 1980, which enacted this subchapter, amended sections 8255, 8271, and 8274 to 8276 of this title and sections 2705 and 2708 of Title 16, Conservation, and enacted a provision set out as a note under section 2701 of Title 16. For complete classification of title IV to the Code, see Short Title note set out under section 7371 of this title and Tables.

§ 7373. Coordinated dissemination of information on renewable energy resources and conservation

In order to improve the effectiveness of Federal information dissemination activities in the fields of renewable energy resources and energy conservation with the objective of developing and promoting better public understanding of these resources and their potential uses, the Secretary shall—

(1) take affirmative steps to coordinate all of the activities of the Department of Energy, whether conducted by the Department itself or by other public or private entities with assistance from the Department, which are aimed at or involve the dissemination of information with respect to renewable energy resources or energy conservation, and

(2) report annually to the Congress on the status of such activities, including a description of how the information dissemination activities and services of the Department of Energy in the fields of renewable energy resources and energy conservation are being coordinated with similar or related activities and services of other Federal agencies.


TERMINATION OF REPORTING REQUIREMENTS

For termination, effective May 15, 2000, of reporting provisions in par. (2) of this section, see section 3003 of Pub. L. 104–66, as amended, set out as a note under section 1113 of Title 31, Money and Finance, and the 18th item on page 87 of House Document No. 101–7.

§ 7374. Energy self-sufficiency initiatives

(a) Establishment of 3-year pilot program

There is hereby established under the direction of the Secretary a 3-year pilot energy self-sufficiency program to demonstrate energy self-sufficiency through the use of renewable energy resources in one or more States in the United States.

(b) Establishment of subprograms to pilot programs; scope of subprograms

As a part of the pilot program, the Secretary shall establish such subprograms as the Secretary determines are necessary to achieve the purpose of this section, including subprograms—

(1) to promote the development and utilization of synergistic combinations of different renewable energy resources in specific projects aimed at reducing fossil fuel importation;

(2) to initiate and encourage energy self-sufficiency at appropriate levels of government;

(3) to stimulate private industry participation in the realization of the objective stated in subsection (a); and

(4) to stimulate the utilization of abandoned or underutilized industrial facilities for the generation of energy from any locally available renewable resource, such as municipal solid waste, agricultural waste, or forest products waste.

(c) Implementation of subprograms; preparation of plan of program and additional Federal actions

In carrying out the provisions of this section, the Secretary is authorized to assign to an exist-
ing office in the Department of Energy the responsibility of undertaking and carrying out the subprograms established under subsection (b). In addition, the Secretary shall prepare a detailed plan within one hundred eighty days of June 30, 1980, setting forth (1) the 3-year pilot program itself, and (2) any additional Federal actions needed to encourage and promote the adoption of programs for energy self-sufficiency.

(d) Submission of plan and implementation report to Congress

The Secretary shall submit to the Congress, within one year after June 30, 1980, the plan prepared under the second sentence of subsection (c) along with a report suggesting the legislative initiatives needed to fully implement such plan.


§ 7375. Authorization of appropriations

(a) There is authorized to be appropriated for each of the fiscal years 1981 and 1982 not to exceed $10,000,000 for loans under section 402 of the Public Utility Regulatory Policies Act of 1978 [16 U.S.C. 2702], in addition to any amounts authorized for such loans by that Act; and the amounts appropriated pursuant to this subsection shall remain available until expended.

(b) There is authorized to be appropriated for each of the fiscal years 1981 and 1982 not to exceed $100,000,000 for loans under section 403 of the Public Utility Regulatory Policies Act of 1978 [16 U.S.C. 2703]; and the amounts appropriated pursuant to this subsection shall remain available until expended.

(c) There is authorized to be appropriated for the fiscal year 1981 not to exceed $10,000,000 to carry out section 7374 of this title (relating to energy self-sufficiency initiatives).


REFERENCES IN TEXT


SUBCHAPTER XIII—DEPARTMENT OF ENERGY SCIENCE EDUCATION PROGRAMS

CODIFICATION

This subchapter was enacted as part of part E (§§3161–3168) of title XXXI of div. C of the National Defense Authorization Act for Fiscal Year 1991, known as the Department of Energy Science Education Enhancement Act, and not as part of the Department of Energy Organization Act which comprises this chapter.

§ 7381. Findings and purposes

(a) Findings

The Congress finds the following:

(1) Scientific, technical, and engineering competence is essential to the Nation’s future well-being.

(2) The scientific, technical, and engineering capability at the Federal laboratories is unmatched throughout the world.

(3) Superb research, development, testing, and evaluation occur in Department of Energy research and development facilities.

(4) Department of Energy research and development facilities will play an increasing role in assuring that the United States remains competitive in world markets.

(5) Improvements in mathematics, science, and engineering education are needed desperately to provide the trained and educated citizenry essential to the future competitiveness of the United States.

(6) The future health and vitality of the economy of the United States is predicated on the availability of an adequate supply of scientists, mathematicians, and engineers to provide for growing needs and to replenish the workforce.

(7) United States college and university enrollment in science, mathematics, and engineering programs is sharply declining at undergraduate, graduate, and post-graduate levels.

(8) The Federal Government is the largest United States employer of research scientists, mathematicians, and engineers, and the Department of Energy has a growing need for scientists, mathematicians, and engineers at a time when these enrollments are declining.

(9) Women and minorities are grossly underrepresented in science and mathematics fields, and this group represents more than 80 percent of the projected increase in the national workforce through the year 2000.

(b) Purposes

The purposes of this subchapter are—

(1) to encourage the development and implementation of science, mathematics, and engineering education programs at the Department of Energy and at its research and development facilities as part of a national effort to improve science, mathematics, and engineering education; and

(2) to provide more efficient coordination among science, mathematics, and engineering education programs.


REFERENCES IN TEXT

This subchapter, referred to in subsec. (b), was in the original ‘‘this part’’ meaning part E of title XXXI of div. C of Pub. L. 101–510, which is classified principally to this subchapter. For complete classification of part E to the Code, see Short Title note set out below and Tables.

SHORT TITLE


UNIVERSITY-BASED RESEARCH COLLABORATION PROGRAM

§ 7381a  TITLE 42—THE PUBLIC HEALTH AND WELFARE

1785, and is classified to section 2795 of Title 50, War and National Defense.

PART A—SCIENCE EDUCATION ENHANCEMENT

Codification


§ 7381a. Science education programs

(a) Programs

The Secretary is authorized to establish programs to enhance the quality of mathematics, science, and engineering education. Any such programs shall be operated at or through the support of Department research and development facilities, shall use the scientific resources of the Department, and shall be consistent with the overall Federal plan for education and human resources in science and technology developed by the Federal Coordinating Council for Science, Engineering, and Technology.

(b) Organization of science, engineering, and mathematics education programs

(1) Director of Science, Engineering, and Mathematics Education

Notwithstanding any other provision of law, the Secretary, acting through the Under Secretary for Science (referred to in this subsection as the “Under Secretary”), shall appoint a Director of Science, Engineering, and Mathematics Education (referred to in this subsection as the “Director”) with the principal responsibility for administering science, engineering, and mathematics education programs across all functions of the Department.

(2) Qualifications

The Director shall be an individual, who by reason of professional background and experience, is specially qualified to advise the Under Secretary on all matters pertaining to science, engineering, and mathematics education at the Department.

(3) Duties

The Director shall—

(A) oversee all science, engineering, and mathematics education programs of the Department;

(B) represent the Department as the principal interagency liaison for all science, engineering, and mathematics education programs, unless otherwise represented by the Secretary or the Under Secretary;

(C) prepare the annual budget and advise the Under Secretary on all budgetary issues for science, engineering, and mathematics education programs of the Department;

(D) increase, to the maximum extent practicable, the participation and advancement of women and underrepresented minorities at every level of science, technology, engineering, and mathematics education; and

(E) perform other such matters relating to science, engineering, and mathematics education as are required by the Secretary or the Under Secretary.

(4) Staff and other resources

The Secretary shall assign to the Director such personnel and other resources as the Secretary considers necessary to permit the Director to carry out the duties of the Director.

(5) Assessment

(A) In general

The Secretary shall offer to enter into a contract with the National Academy of Sciences under which the National Academy, not later than 5 years after, and not later than 10 years after, August 9, 2007, shall assess the performance of the science, engineering, and mathematics education programs of the Department.

(B) Considerations

An assessment under this paragraph shall be conducted taking into consideration, where applicable, the effect of science, engineering, and mathematics education programs of the Department on student academic achievement in science and mathematics.

(6) Authorization of appropriations

There are authorized to be appropriated such sums as are necessary to carry out this subsection.

(c) Relationship to other Department activities

The programs described in subsection (a) shall supplement and be coordinated with current activities of the Department, but shall not supplant them.

(d) Science, Engineering, and Mathematics Education Fund

The Secretary shall establish a Science, Engineering, and Mathematics Education Fund, using not less than 0.3 percent of the amount made available to the Department for research, development, demonstration, and commercial application for each fiscal year, to carry out sections 7381b, 7381c, and 7381c–1 of this title.

(e) Annual plan for allocation of education funding

The Secretary shall submit to Congress as part of the annual budget submission for a fiscal year a report describing the manner in which the Department has complied with subsection (d) for the prior fiscal year and the manner in which the Department proposes to comply with subsection (d) during the following fiscal year, including—

(1) the total amount of funding for research, development, demonstration, and commercial application activities for the corresponding fiscal year;

(2) the amounts set aside for the Science, Engineering, and Mathematics Education Fund under subsection (d) from funding for research activities, development activities, demonstration activities, and commercial application activities for the corresponding fiscal year; and

(3) a description of how the funds set aside under subsection (d) were allocated for the prior fiscal year and will be allocated for the following fiscal year.

(f) Programs for students from under-represented groups

In carrying out a program under subsection (a), the Secretary shall give priority to activi-
ties that are designed to encourage students from under-represented groups to pursue scientific and technical careers.


AMENDMENTS

2007—Subsecs. (b), (c). Pub. L. 110–69, § 5003(a)(1), (2), added subsec. (b) and redesignated former subsec. (b) as (c). Former subsec. (c) redesignated (d).
Subsec. (d). Pub. L. 110–69, § 5003(a)(3), added subsec. (d) and struck out former subsec. (d). Former text read as follows: "The Secretary shall use not less than 0.3 percent of the amount made available to the Department for research, development, demonstration, and commercial application for fiscal year 2006 and each fiscal year thereafter to carry out activities authorized by this subchapter."

Pub. L. 110–69, § 5003(a)(1), redesignated subsec. (c) as (d). Former subsec. (d) redesignated (f).

§ 7381b. Laboratory cooperative science centers and other authorized education activities

(a) Activities

The Secretary is authorized to:

(1) Support research appointments for college and university science and engineering students, and for faculty-student teams, at Department research and development facilities.

(2) Support research appointments for high school science teachers at Department research and development facilities.

(3) Support research apprenticeship appointments at Department research and development facilities for students underrepresented in science and technology careers.

(4) Support research experience programs at Department research and development facilities for nationally selected high school honor students.

(5) Operate mathematics and science education programs for elementary and secondary students at Department research and development facilities.

(6) Establish a museum-based science education program.

(7) Establish collaborative inner-city and rural partnership programs designed to meet the special mathematics and science education needs of students in inner-city and rural areas.

(8) Provide paid administrative leave for employees of the Department or Department research and development facilities who volunteer to interact with schools, colleges, universities, teachers, or students for the purpose of science, mathematics, and engineering education.

(9) Establish a talent pool of volunteer scientists, mathematicians, and engineers who have retired from the Department or Department research and development facilities to serve at schools and school districts for the purpose of (A) assisting teachers, with activities such as experiments, lectures, or the preparation of materials; (B) serving as counselors to students on science, mathematics, and engineering; and (C) otherwise assisting science, mathematics, and engineering classes. The Secretary, acting through Department research and development facilities, shall, wherever possible, identify and match schools and school districts with retired scientists, mathematicians, and engineers.

(10) Establish a Young Americans’ Summer Science Camp Program to provide secondary school students with a hands-on science experience as well as exposure to working scientists and career counseling.

(11) Establish a program for mathematics and science teachers to provide teachers serving large numbers of disadvantaged students with new strategies for mathematics and science instruction.

(12) Support graduate students and, through university-based cooperative programs, undergraduate students for the purpose of encouraging more students to pursue scientific and technical careers, with a particular focus on the recruitment of women and minority students.

(13) Establish a prefreshman enrichment program in which middle-school students attend summer workshops on mathematics, science, and engineering conducted by universities on their campuses.

(14) Support competitive events for students under the supervision of teachers, designed to encourage student interest and knowledge in science and mathematics.

(15) Support competitively-awarded, peer-reviewed programs to promote professional development for mathematics teachers and science teachers who teach in grades from kindergarten through grade 12 at Department research and development facilities.

(16) Support summer internships at Department research and development facilities, for mathematics teachers and science teachers who teach in grades from kindergarten through grade 12.

(17) Sponsor and assist in educational and training activities identified as critical skills needs for future workforce development at Department research and development facilities.

(b) Use of facilities

Any of the activities authorized by subsection (a) may be conducted through Department research and development facilities. The Secretary may designate facilities conducting such education activities as “Laboratory Cooperative Science Centers”.

(c) Funding

The Secretary is authorized to accept non-Federal funds to finance education activities described in subsection (a).


AMENDMENTS

2005—Subsec. (a)(14) to (17). Pub. L. 109–58, which directed amendment of this section by adding pars. (14)
§ 7381c. Education partnerships

(a) Education partnerships

The Secretary may authorize each Department research and development facility, to the extent practicable and consistent with the provisions of the laboratory’s management and operating contract, to enter into education partnership agreements with educational institutions in the United States (including local educational agencies, colleges, and universities) for the purpose of encouraging and enhancing study in scientific disciplines at all levels of education.

(b) Types of assistance

Under a partnership agreement entered into with an educational institution under subsection (a) and as authorized by the Secretary, a Department research and development facility may provide assistance to the educational institution by—

(1) loaning or transferring equipment to the institution;

(2) transferring to the institution equipment determined by the director of the Department research and development facility to be surplus;

(3) making personnel of Department research and development facilities available to teach science courses or to assist in the development of science courses and materials for the institution;

(4) involving faculty and students of the institution in research programs of Department research and development facilities;

(5) cooperating with the institution in developing a program under which students may be involved in collaborative research;

(6) providing academic and career advice and assistance to students of the institution; and

(7) providing funds to educational institutions to hire personnel to facilitate interactions between local school systems, Department research and development facilities, and corporate and governmental entities.

§ 7381c–1. Partnerships with historically Black colleges and universities, Hispanic-serving institutions, and tribal colleges

(a) Definitions

In this section:

(1) Hispanic-serving institution

The term “Hispanic-serving institution” has the meaning given the term in section 1101a(a) of title 20.

(2) Historically Black college or university

The term “historically Black college or university” has the meaning given the term “part B institution” in section 1061 of title 20.

(3) National Laboratory

The term “National Laboratory” has the meaning given the term in section 15801 of this title.

(4) Science facility

The term “science facility” has the meaning given the term “single-purpose research facility” in section 16182 of this title.

(5) Tribal college

The term “tribal college” has the meaning given the term “tribally controlled college or university” in section 1801(a) of title 25.

(b) Education partnership

The Secretary shall require the director of each National Laboratory, and may require the head of any science facility, to increase the participation of historically Black colleges or universities, Hispanic-serving institutions, or tribal colleges in any activity that increases the capacity of the historically Black colleges or universities, Hispanic-serving institutions, or tribal colleges to train personnel in science or engineering.

(c) Activities

An activity described in subsection (b) includes—

(1) collaborative research;

(2) equipment transfer;

(3) training activities carried out at a National Laboratory or science facility; and

(4) mentoring activities carried out at a National Laboratory or science facility.

(d) Report

Not later than 2 years after August 8, 2005, the Secretary shall submit to Congress a report describing the activities carried out under this section.


Prior Provisions

A prior section 3167 of Pub. L. 101–510 was renumbered section 3168 and is classified to section 7381d of this title.

Amendments


§ 7381d. Definitions

In this subchapter:
(1) The term “Secretary” means the Secretary of Energy.

(2) The term “Department” means the Department of Energy.

(3) The term “Department research and development facilities” means all Department of Energy single-purpose and multipurpose National Laboratories and research and development facilities and programs, and any other facility or program operated by a contractor funded by the Department of Energy.

(4) The term “local educational agency” has the meaning given that term by section 2891(12) of title 20.

(5) NATIONAL LABORATORY.—The term “National Laboratory” has the meaning given in the term in section 15801 of this title.


REFERENCES IN TEXT


Prior Provisions

A prior section 3168 of Pub. L. 101–510 was renumbered section 3169 and is classified to section 7381e of this title.

Amendments


2005—Par. (3). Pub. L. 109–58, §1102(d), substituted “by the Department of Energy” for “from the Office of Science of the Department of Energy”.


§ 7381e. Authorization of appropriations

There are authorized to be appropriated to the Secretary for carrying out university research support and other science, mathematics, and engineering education programs authorized by this part and administered by the Office of Science of the Department of Energy, $40,000,000 for fiscal year 1991.


Amendments

2007—Pub. L. 110–69 substituted “this part” for “this subchapter”.


1 See References in Text note below.
§ 7381n

(2) designated with a school locale code of 41, 42, or 43, as determined by the Secretary of Education.

(b) Establishment

The Secretary shall establish at each of the National Laboratories a program to support a Center of Excellence in Science, Technology, Engineering, and Mathematics (referred to in this section as a “Center of Excellence”) in at least 1 high-need public secondary school located in the region served by the National Laboratory to provide assistance in accordance with subsection (e).

(c) Collaboration

(1) In general

To comply with subsection (g), each high-need public secondary school selected as a Center of Excellence and the National Laboratory shall form a partnership with a school, department, or program of education at an institution of higher education.

(2) Nonprofit entities

The partnership may include a nonprofit entity with demonstrated experience and effectiveness in science or mathematics, as agreed to by other members of the partnership.

(d) Selection

(1) In general

The Secretary, acting through the Director, shall establish criteria to guide the National Laboratories in selecting the sites for Centers of Excellence.

(2) Process

A National Laboratory shall select a site for a Center of Excellence through an open, widely-publicized, and competitive process.

(e) Goals

The Secretary shall establish goals and performance assessments for each Center of Excellence authorized under subsection (b).

(f) Assistance

Consistent with sections 7381b and 7381c of this title, the Director shall make available necessary assistance for a program established under this section through the use of scientific and engineering staff of a National Laboratory, including the use of staff—

(1) to assist teachers in teaching a course at a Center of Excellence in Science, Technology, Engineering, and Mathematics; and

(2) to use National Laboratory scientific equipment in the teaching of the course.

(g) Special rules

A Center of Excellence in a region shall ensure—

(1) provision of clinical practicum, student teaching, or internship experiences for science, technology, and mathematics teacher candidates as part of the teacher preparation program of the Center of Excellence;

(2) provision of supervision and mentoring for teacher candidates in the teacher preparation program; and

(3) to the maximum extent practicable, provision of professional development for veteran teachers in the public secondary schools in the region.

(h) Evaluation

The Secretary shall consider the results of performance assessments required under subsection (e) in determining the contract award fee of a National Laboratory management and operations contractor.

(i) Plan

The Director shall—

(1) develop an evaluation and accountability plan for the activities funded under this section that objectively measures the impact of the activities; and

(2) disseminate information obtained from those measurements.

(j) No effect on similar programs

Nothing in this section displaces or otherwise affects any similar program being carried out as of August 9, 2007, at any National Laboratory under any other provision of law.

(2) to use National Laboratory scientific equipment in the teaching of the course.

(3) to the maximum extent practicable, provision of professional development for veteran teachers in the public secondary schools in the region.

The Secretary, acting through the Director, shall—

(a) Definitions

In this section:

(1) Eligible partner

The term “eligible partner” means—

(A) the science, engineering, or mathematics department at an institution of higher education, acting in coordination with a school, department, or program of education at an institution of higher education that provides training for teachers and principals; or

(B) a nonprofit entity with expertise in providing professional development for science, technology, engineering, or mathematics teachers.

(2) Summer institute

The term “summer institute” means an institute, operated during the summer, that—

(A) is hosted by a National Laboratory or an eligible partner;

(B) is operated for a period of not less than 2 weeks;

(C) includes, as a component, a program that provides direct interaction between students and faculty, including personnel of 1 or
more National Laboratories who have scientific expertise;
(D) provides for follow-up training, during the academic year, that is conducted in the classroom; and
(E) provides hands-on science, technology, engineering, or mathematics laboratory experience for not less than 2 days.

(b) Summer institute programs authorized

(1) Programs at the National Laboratories

The Secretary, acting through the Director, shall establish or expand programs of summer institutes at each of the National Laboratories to provide additional training to strengthen the science, technology, engineering, and mathematics teaching skills of teachers employed at public schools for kindergarten through grade 12, in accordance with the activities authorized under paragraphs (3) and (4).

(2) Programs with eligible partners

(A) In general

The Secretary, acting through the Director, shall identify and provide assistance as described in subparagraph (C) to eligible partners to establish or expand programs of summer institutes that provide additional training to strengthen the science, technology, engineering, and mathematics teaching skills of teachers employed at public schools for kindergarten through grade 12, in accordance with paragraphs (3) and (4).

(B) Selection criteria

In identifying eligible partners under subparagraph (A), the Secretary shall require that partner institutions describe—
(i) how the partner institution has the capability to administer the program in accordance with this section, which may include a description of any existing programs at the institution of the applicant that are targeted at education of science and mathematics teachers and the number of teachers graduated annually from the programs; and
(ii) how the partner institution will assist the National Laboratory in carrying out the activities described in paragraphs (3) and (4).

(C) Assistance

Consistent with sections 7381b and 7381c of this title, the Director shall make available funds authorized under this section to carry out a program using scientific and engineering staff of the National Laboratories, during which the staff—
(i) assists in providing training to teachers at summer institutes; and
(ii) uses National Laboratory scientific equipment in the training.

(3) Required activities

Funds authorized under this section shall be used for activities that are—
(A) creating opportunities for enhanced and ongoing professional development for teachers that improves the science, technology, engineering, and mathematics content knowledge of the teachers;
(B) training to improve the ability of science, technology, engineering, and mathematics teachers to translate content knowledge and recent developments in pedagogy into classroom practice, including training to use curricula that are—
(i) based on scientific research; and
(ii) aligned with challenging State academic content standards;
(C) training on the use and integration of technology in the classrooms; and
(D) supplemental and follow-up professional development activities as described in subsection (a)(2)(D).

(4) Additional uses of funds

Funds authorized under this section may be used for—
(A) training and classroom materials to assist in carrying out paragraph (3);
(B) expenses associated with scientific and engineering staff at the National Laboratories assisting in providing training to teachers at summer institutes;
(C) instruction in the use and integration of data and assessments to inform and instruct classroom practice; and
(D) stipends and travel expenses for teachers participating in the program.

(c) Priority

To the maximum extent practicable, the Director shall ensure that each summer institute program authorized under subsection (b) provides training to—
(1) teachers from a wide range of school districts;
(2) teachers from high-need school districts; and
(3) teachers from groups underrepresented in the fields of science, technology, engineering, and mathematics teaching, including women and members of minority groups.

(d) Coordination and consultation

The Director shall consult and coordinate with the Secretary of Education and the Director of the National Science Foundation regarding the implementation of the programs authorized under subsection (b).

(e) Evaluation and accountability plan

(1) In general

The Director shall develop an evaluation and accountability plan for the activities funded under this section that measures the impact of the activities.

(2) Contents

The evaluation and accountability plan shall include—
(A) measurable objectives to increase the number of science, technology, and mathematics teachers who participate in the summer institutes involved; and
(B) measurable objectives for improved student academic achievement on State science, mathematics, and to the maximum extent applicable, technology and engineering assessments.

(3) Report to Congress

The Secretary shall submit to Congress with the annual budget submission of the Secretary
a report on how the activities assisted under this section improve the science, technology, engineering, and mathematics teaching skills of participating teachers.

(f) Authorization of appropriations

There are authorized to be appropriated to carry out this section—

(1) $15,000,000 for fiscal year 2008;
(2) $20,000,000 for fiscal year 2009;
(3) $25,000,000 for fiscal year 2010; and
(4) $25,000,000 for each of fiscal years 2011 through 2013.


AMENDMENTS


SUBPART 5—MENTORING PROGRAM

§ 7381r. Mentoring program

(a) In general

As part of the programs established under subparts 3 and 4, the Director shall establish a program to recruit and provide mentors for women and underrepresented minorities who are interested in careers in science, engineering, and mathematics.

(b) Pairing

The program shall pair mentors with women and minorities who are in programs of study at specialty schools for science and mathematics, Centers of Excellence, and summer institutes established under subparts 3 and 4, respectively.

(c) Program evaluation

The Secretary shall annually—

(1) use metrics to evaluate the success of the programs established under subsection (a); and
(2) submit to Congress a report that describes the results of each evaluation.


REFERENCES IN TEXT

Subparts 3 and 4, referred to in subsec. (b), relate to Centers of Excellence and summer institutes, respectively. Prior to amendment by Pub. L. 111–358, subsec. (b) also contained reference to subpart 1, which related to specialty schools for science and mathematics and was repealed by Pub. L. 111–358, title IX, §901(c)(1), Jan. 4, 2011, 124 Stat. 4044.
§ 7382c. Fellowship Program

(a) In general

(1) Establishment

The Secretary shall establish the Albert Einstein Distinguished Educator Fellowship Program (hereafter in this subchapter referred to as the “Program”) to provide 12 elementary or secondary school mathematics or science teachers with fellowships in each fiscal year in accordance with this subchapter.

(2) Order of priority

The Secretary may reduce the number of fellowships awarded under this subchapter for any fiscal year in which the amount appropriated for the Program is insufficient to support 12 fellowships. If the number of fellowships awarded under this subchapter is reduced for any fiscal year, then the Secretary shall award fellowships based on the following order of priority:

(A) Three fellowships in the Department of Energy.

(B) Two fellowships in the Senate.

(C) Two fellowships in the House of Representatives.

(D) One fellowship in each of the following entities:

(i) The Department of Education.

(ii) The National Institutes of Health.

(iii) The National Science Foundation.

(iv) The National Aeronautics and Space Administration.

(v) The Office of Science and Technology Policy.

(3) Terms of fellowships

Each fellowship awarded under this subchapter shall be awarded for a period of ten months that, to the extent practicable, coincide with the academic year.

(4) Eligibility

To be eligible for a fellowship under this subchapter, an elementary or secondary school mathematics or science teacher must demonstrate—

(A) that such teacher would bring unique and valuable contributions to the Program;

(B) that such teacher is recognized for excellence in mathematics or science education; and

(C)(i) a sabbatical leave from teaching will be granted in order to participate in the Program; or

(ii) the teacher will return to a teaching position comparable to the position held prior to participating in the Program.

(b) Administration

The Secretary shall—

(1) provide for the development and administration of an application and selection process for fellowships under the Program, including a process whereby final selections of fellowship recipients are made in accordance with subsection (c);

(2) provide for the publication of information on the Program in appropriate professional publications, including an invitation for applications from teachers listed in the directories of national and State recognition programs;

(3) select from the pool of applicants 12 elementary and secondary school mathematics teachers and 12 elementary and secondary school science teachers;

(4) develop a program of orientation for fellowship recipients under this subchapter; and

(5) not later than August 31 of each year in which fellowships are awarded, prepare and submit an annual report and evaluation of the Program to the appropriate Committees of the Senate and the House of Representatives.

(c) Selection

(1) In general

The Secretary shall arrange for the 24 semifinalists to travel to Washington, D.C., to participate in interviews in accordance with the selection process described in paragraph (2).

(2) Final selection

(A) Not later than May 1 of each year preceding each year in which fellowships are to be awarded, the Secretary shall select and announce the names of the fellowship recipients.

(B) The Secretary shall provide for the development and administration of a process to select fellowship recipients from the pool of semifinalists as follows:

(i) The Secretary shall select three fellowship recipients who shall be assigned to the Department of Energy.

(ii) The Majority Leader of the Senate and the Minority Leader of the Senate, or their designees, shall each select a fellowship recipient who shall be assigned to the Senate.

(iii) The Speaker of the House of Representatives and the Minority Leader of the House of Representatives, or their designees, shall each select a fellowship recipient who shall be assigned to the House of Representatives.

(iv) Each of the following individuals, or their designees, shall select one fellowship recipient who shall be assigned within the department, office, agency, or institute such individual administers:
§ 7382d. Fellowship awards

(a) Fellowship recipient compensation

Each recipient of a fellowship under this subchapter shall be paid during the fellowship period at a rate of pay that shall not exceed the minimum annual rate payable for a position under GS-13 of the General Schedule.

(b) Local educational agency

The Secretary shall seek to ensure that no local educational agency penalizes a teacher who elects to participate in the Program.

§ 7382f. Authorization of appropriations

(a) In general

There are authorized to be appropriated for the Program $700,000 for fiscal year 1995, and such sums as may be necessary for each of the four succeeding fiscal years.

(b) WERC program

There are authorized to be appropriated for the WERC program under section 7382e of this title such sums as may be necessary for fiscal year 1995 and each of the four succeeding fiscal years.

§ 7382e. Waste management education research consortium (WERC)

(a) In general

The Secretary is authorized to establish a partnership of Department of Energy laboratories, academic institutions, and private sector industries to conduct environmentally-related education programs, including programs involving environmentally conscious manufacturing and waste management activities that have undergraduate and graduate educational training as a component.

§ 7383. Commission on Safeguards, Security, and Counterintelligence at Department of Energy Facilities

(a) Establishment

There is hereby established a commission to be known as the Commission on Safeguards, Security, and Counterintelligence at Department of Energy Facilities (in this section referred to as the “Commission”).

(b) Membership and organization

(1) The Commission shall be composed of nine members appointed from among individuals in the public and private sectors who have significant experience in matters related to the security of nuclear weapons and materials, the classification of information, or counterintelligence matters, as follows:

(A) Two shall be appointed by the chairman of the Committee on Armed Services of the Senate, in consultation with the ranking member of that Committee.

(B) One shall be appointed by the ranking member of the Committee on Armed Services of the Senate, in consultation with the chairman of that Committee.

(C) Two shall be appointed by the chairman of the Committee on Armed Services of the House of Representatives, in consultation with the ranking member of that Committee.

(D) One shall be appointed by the ranking member of the Committee on Armed Services of the House of Representatives, in consultation with the chairman of that Committee.

(E) One shall be appointed by the Secretary of Defense.

(F) One shall be appointed by the Director of the Federal Bureau of Investigation.

(G) One shall be appointed by the Director of Central Intelligence.

(2) Members of the Commission shall be appointed for four year terms, except as follows:

(A) One member initially appointed under paragraph (1)(A) shall serve a term of two years, to be designated at the time of appointment.

(B) One member initially appointed under paragraph (1)(C) shall serve a term of two years, to be designated at the time of appointment.

(C) The member initially appointed under paragraph (1)(E) shall serve a term of two years.

(3) Any vacancy in the Commission shall be filled in the same manner as the original appointment and shall not affect the powers of the Commission.

(4) After five members of the Commission have been appointed under paragraph (1), the chairman of the Committee on Armed Services of the Senate, in consultation with the chairman of the Committee on Armed Services of the House of Representatives, shall designate the chairman of the Commission from among the members appointed under paragraph (1)(A).
(B) The chairman of the Commission may be designated once five members of the Commission have been appointed under paragraph (1).
(5) The initial members of the Commission shall be appointed not later than 60 days after October 5, 1999.
(6) The members of the Commission shall establish procedures for the activities of the Commission, including procedures for calling meetings, requirements for quorums, and the manner of taking votes.
(7) The Commission shall meet not less often than once every three months.
(8) The Commission may commence its activities under this section upon the designation of the chairman of the Commission under paragraph (4).

(c) Duties

(1) The Commission shall, in accordance with this section, review the safeguards, security, and counterintelligence activities (including activities relating to information management, computer security, and personnel security) at Department of Energy facilities to—

(A) determine the adequacy of those activities to ensure the security of sensitive information, processes, and activities under the jurisdiction of the Department against threats to the disclosure of such information, processes, and activities; and
(B) make recommendations for actions the Commission determines as being necessary to ensure that such security is achieved and maintained.

(2) The activities of the Commission under paragraph (1) shall include the following:

(A) An analysis of the sufficiency of the Design Threat Basis documents as a basis for the allocation of resources for safeguards, security, and counterintelligence activities at the Department facilities in light of applicable guidance with respect to such activities, including applicable laws, Department of Energy orders, Presidential Decision Directives, and Executive orders.
(B) Visits to Department facilities to assess the adequacy of the safeguards, security, and counterintelligence activities at such facilities.
(C) Evaluations of specific concerns set forth in Department reports regarding the status of safeguards, security, or counterintelligence activities at particular Department facilities or at facilities throughout the Department.
(D) Reviews of relevant laws, Department orders, and other requirements relating to safeguards, security, and counterintelligence activities at Department facilities.
(E) Any other activities relating to safeguards, security, and counterintelligence activities at Department facilities that the Secretary of Energy considers appropriate.

(d) Reports

(1) Not later than February 15 each year, the Commission shall submit to the Secretary of Energy and to the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives a report on the activities of the Commission during the preceding year. The report shall be submitted in unclassified form, but may include a classified annex.

(2) Each report—

(A) shall describe the activities of the Commission during the year covered by the report;
(B) shall set forth proposals for any changes in safeguards, security, or counterintelligence activities at Department of Energy facilities that the Commission considers appropriate in light of such activities; and
(C) may include any other recommendations for legislation or administrative action that the Commission considers appropriate.

(e) Personnel matters

(1)(A) Each member of the Commission who is not an officer or employee of the Federal Government shall be compensated at a rate equal to the daily equivalent of the annual rate of basic pay prescribed for level V of the Executive Schedule under section 5316 of title 5 for each day (including travel time) during which such member is engaged in the performance of the duties of the Commission.
(B) All members of the Commission who are officers or employees of the United States shall serve without compensation by reason of their service on the Commission.
(2) The members of the Commission shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5 while away from their homes or regular places of business in the performance of services for the Commission.

(3)(A) The Commission may, without regard to the civil service laws and regulations, appoint and terminate such personnel as may be necessary to enable the Commission to perform its duties.
(B) The Commission may fix the compensation of the personnel of the Commission without regard to the provisions of chapter 51 and subchapter III of chapter 53 of title 5 relating to classification of positions and General Schedule pay rates.
(4) Any officer or employee of the United States may be detailed to the Commission without reimbursement, and such detail shall be without interruption or loss of civil service status or privilege.
(5) The members and employees of the Commission shall hold security clearances appropriate for the matters considered by the Commission in the discharge of its duties under this section.

(f) Applicability of FACA

The provisions of the Federal Advisory Committee Act (5 U.S.C. App.) shall not apply to the activities of the Commission.

(g) Funding

(1) From amounts authorized to be appropriated by sections 3101 and 3103, the Secretary of Energy shall make available to the Commission not more than $1,000,000 for the activities of the Commission under this section.
(2) Amounts made available to the Commission under this subsection shall remain available until expended.


§ 7383f to 7383h-1. Transferred

CODIFICATION


§ 7383i. Definitions of national laboratory and nuclear weapons production facility

For purposes of this subchapter:

1. The term “national laboratory” means any of the following:

(A) The Lawrence Livermore National Laboratory, Livermore, California.

(B) The Los Alamos National Laboratory, Los Alamos, New Mexico.

(C) The Sandia National Laboratories, Albuquerque, New Mexico and Livermore, California.
(2) The term “nuclear weapons production facility” means any of the following:
(A) The Kansas City Plant, Kansas City, Missouri.
(B) The Pantex Plant, Amarillo, Texas.
(C) The Y–12 Plant, Oak Ridge, Tennessee.
(D) The tritium operations at the Savannah River Site, Aiken, South Carolina.
(E) The Nevada Test Site, Nevada.


REFERENCES IN TEXT
This subchapter, referred to in text, was in the original “this subtitle”, meaning subtitle D of title XXXI of div. C of Pub. L. 106–65, Oct. 5, 1999, 113 Stat. 931, which is classified principally to this subchapter. For complete classification of subtitle D to the Code, see Short Title note set out under section 7383 of this title and Tables.

§ 7383j. Definition of Restricted Data
In this subchapter, the term “Restricted Data” has the meaning given that term in section 2014(y) of this title.


REFERENCES IN TEXT
This subchapter, referred to in text, was in the original “this subtitle”, meaning subtitle D of title XXXI of div. C of Pub. L. 106–65, Oct. 5, 1999, 113 Stat. 931, which is classified principally to this subchapter. For complete classification of subtitle D to the Code, see Short Title note set out under section 7383 of this title and Tables.

SUBCHAPTER XVI—ENERGY EMPLOYEES OCCUPATIONAL ILLNESS COMPENSATION PROGRAM

CODIFICATION
This subchapter was enacted as title XXXVI of div. C of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001, known as the Energy Employees Occupational Illness Compensation Program Act of 2000, and not as part of the Department of Energy Organization Act which comprises this chapter.

§ 7384. Findings; sense of Congress

(a) Findings
The Congress finds the following:
(1) Since World War II, Federal nuclear activities have been explicitly recognized under Federal law as activities that are ultra-hazardous. Nuclear weapons production and testing have involved unique dangers, including potential catastrophic nuclear accidents that private insurance carriers have not covered and recurring exposures to radioactive substances and beryllium that, even in small amounts, can cause medical harm.
(2) Since the inception of the nuclear weapons program and for several decades afterwards, a large number of nuclear weapons workers at sites of the Department of Energy and at sites of vendors who supplied the Cold War effort were put at risk without their knowledge and consent for reasons that, documents reveal, were driven by fears of adverse publicity, liability, and employee demands for hazardous duty pay.
(3) Many previously secret records have documented unmonitored exposures to radiation and beryllium and continuing problems at these sites across the Nation, at which the Department of Energy and its predecessor agencies have been, since World War II, self-regulating with respect to nuclear safety and occupational safety and health. No other hazardous Federal activity has been permitted to be carried out under such sweeping powers of self-regulation.
(4) The policy of the Department of Energy has been to litigate occupational illness claims, which has deterred workers from filing workers’ compensation claims and has imposed major financial burdens for such employees who have sought compensation. Contractors of the Department have been held harmless and the employees have been denied workers’ compensation coverage for occupational disease.
(5) Over the past 20 years, more than two dozen scientific findings have emerged that indicate that certain of such employees are experiencing increased risks of dying from cancer and non-malignant diseases. Several of these studies have also established a correlation between excess diseases and exposure to radiation and beryllium.
(6) While linking exposure to occupational hazards with the development of occupational disease is sometimes difficult, scientific evidence supports the conclusion that occupational exposure to dust particles or vapor of beryllium can cause beryllium sensitivity and chronic beryllium disease. Furthermore, studies indicate than 90 percent of radiation-induced cancers within the nuclear weapons complex have occurred at dose levels below existing maximum safe thresholds.
(7) Existing information indicates that State workers’ compensation programs do not provide a uniform means of ensuring adequate compensation for the types of occupational illnesses and diseases that relate to the employees at those sites.
(8) To ensure fairness and equity, the civilian men and women who, over the past 50 years, have performed duties uniquely related to the nuclear weapons production and testing programs of the Department of Energy and its predecessor agencies should have efficient, uniform, and adequate compensation for beryllium-related health conditions and radiation-related health conditions.
(9) On April 12, 2000, the Secretary of Energy announced that the Administration intended to seek compensation for individuals with a broad range of work-related illnesses throughout the Department of Energy’s nuclear weapons complex.
(10) However, as of October 2, 2000, the Administration has failed to provide Congress with the necessary legislative and budget proposals to enact the promised compensation program.

(b) Sense of Congress
It is the sense of Congress that—
(1) a program should be established to provide compensation to covered employees;
a fund for payment of such compensation should be established on the books of the Treasury;

(3) payments from that fund should be made only after—

(A) the identification of employees of the Department of Energy (including its predecessor agencies), and of contractors of the Department, who may be members of the group of covered employees;

(B) the establishment of a process to receive and administer claims for compensation for disability or death of covered employees;

(C) the submittal by the President of a legislative proposal for compensation of such employees that includes the estimated annual budget resources for that compensation; and

(D) consideration by the Congress of the legislative proposal submitted by the President; and

(4) payments from that fund should commence not later than fiscal year 2002.


SHORT TITLE


UPDATE OF REPORT ON RESIDUAL CONTAMINATION OF FACILITIES


"(a) UPDATE OF REPORT.—Not later than December 31, 2006, the Director of the National Institute for Occupational Safety and Health shall submit to Congress an update to the report required by section 3151(b) of the National Defense Authorization Act for Fiscal Year 2002 (Public Law 107–107; 42 U.S.C. 7384 note).

"(b) ELEMENTS.—The update shall—

"(1) for each facility for which such report found that insufficient information was available to determine whether significant residual contamination was present, determine whether significant residual contamination was present;

"(2) for each facility for which such report found that significant residual contamination remained present as of the date of the report, determine the date on which such contamination ceased to be present;

"(3) for each facility for which such report found that significant residual contamination was present but for which the Director has been unable to determine the extent to which such contamination is attributable to atomic weapons-related activities, identify the specific dates of coverage attributable to such activities and, in so identifying, presume that such contamination is attributable to such activities until there is evidence of decontamination of residual contamination identified with atomic weapons-related activities;

"(4) for each facility for which such report found significant residual contamination, determine whether it is at least as likely as not that such contamination could have caused an employee who was employed at such facility only during the residual contamination period to contract a cancer or beryllium illness compensable under subchapter B of the Energy Employees Occupational Illness Compensation Program Act of 2000 [42 U.S.C. 7384j et seq.]; and

"(5) if new information that pertains to the report has been made available to the Director since that report was submitted, identify and describe such information.

"(c) PUBLIC LAW.—The Director shall ensure that the report referred to in subsection (a) is published in the Federal Register not later than 15 days after being released.

STUDY OF RESIDUAL CONTAMINATION OF FACILITIES


"(1) The National Institute for Occupational Safety and Health shall, with the cooperation of the Department of Energy and the Department of Labor, carry out a study on the following matters:

"(A) Whether or not significant contamination remained in any atomic weapons employer facility or facility of a beryllium vendor after such facility discontinued activities relating to the production of nuclear weapons.

"(B) If so, whether or not such contamination could have caused or substantially contributed to the cancer of a covered employee with cancer or a covered beryllium illness, as the case may be.

"(2) The National Institute for Occupational Safety and Health shall submit to the applicable congressional committees the following reports:

"(i) Not later than 180 days after the date of the enactment of this Act [Dec. 28, 2001], a report on the progress made as of the date of the report on the study required by paragraph (1).

"(ii) Not later than one year after the date of the enactment of this Act, a final report on the study required by paragraph (1).

"(B) In this paragraph, the term 'applicable congressional committees' means—

"(i) the Committee on Armed Services, Committee on Appropriations, Committee on the Judiciary, and Committee on Education and the Workforce of the House of Representatives; and

"(ii) the Committee on Armed Services, Committee on Appropriations, Committee on the Judiciary, and Committee on Education and the Workforce of the Senate; and

"(3) Amounts for the study under paragraph (1) shall be derived from amounts authorized to be appropriated by section 3614(a) of the Energy Employees Occupational Illness Compensation Program Act of 2000 (114 Stat. 1654A–498) [42 U.S.C. 7384g(a)].

"(4) In this subsection:


"(B) The term 'compensation' means the presence of any—

"(i) material that emitted radiation and was used in the production of an atomic weapon, excluding uranium mining and milling; or

"(ii) beryllium dust, particles, or vapor, exposure to which could cause or substantially contribute to the cancer of a covered employee with cancer or a covered beryllium illness, as the case may be.'

EX. ORD. NO. 13179. PROVIDING COMPENSATION TO AMERICA'S NUCLEAR WEAPONS WORKERS

Ex. Ord. No. 13179, Dec. 7, 2000, 65 F.R. 77387, provided: By the authority vested in me as President by the Constitution and the laws of the United States of America, including Public Law 106–398, the Energy Employees Occupational Illness Compensation Program Act of 2000 [42 U.S.C. 7384 et seq. ("Public Law 106–398, the 'Act'")], and to allocate the responsibilities imposed by that legislation and to provide for further legislative efforts, it is hereby ordered as follows:
SECTION 1. Policy. Since World War II, hundreds of thousands of men and women have served their Nation in building its nuclear defense. In the course of their work, they overcame previously unimagined scientific and technical challenges. Thousands of these courageous Americans, however, paid a high price for their service, developing disabling or fatal illnesses as a result of exposure to beryllium, ionizing radiation, and other hazards unique to nuclear weapons production and testing. Too often, these workers were neither adequately protected from, nor informed of, the occupational hazards to which they were exposed.

Existing workers’ compensation programs have failed to provide for the needs of these workers and their families. Federal workers’ compensation programs have generally not included these workers. Further, because of long latency periods, the uniqueness of the hazards to which they were exposed, and inadequate exposure data, many of these individuals have been unable to obtain State workers’ compensation benefits. This problem has been exacerbated by the past policy of the Department of Energy (DOE) and its predecessors of encouraging and assisting DOE contractors in opposing the claims of workers who sought those benefits. This policy has recently been reversed.

While the Nation can never fully repay these workers or their families, they deserve recognition and compensation for their sacrifices. Since the Administration’s historic announcement in July of 1999 that it intended to compensate DOE nuclear weapons workers who suffered occupational illnesses as a result of exposure to the unique hazards in building the Nation’s nuclear defense, it has been the policy of this Administration to support fair and timely compensation for these workers and their survivors. The Federal Government should provide necessary information and otherwise assist employees of the DOE or its contractors determine if their illnesses are associated with conditions of their nuclear weapons-related work; it should provide workers and their survivors with all pertinent and available information necessary for evaluating and processing claims; and it should ensure that this program minimizes the administrative burden on workers and their survivors, and respects their dignity and privacy. This order sets out agency responsibilities to accomplish these goals, building on the Administration’s articulated principles and the framework set forth in the Energy Employees Occupational Illness Compensation Program Act of 2000 [42 U.S.C. 7384 et seq.], the Department of Labor, Health and Human Services, and Energy shall be responsible for developing and implementing actions under the Act to compensate these workers and their families in a manner that is compassionate, fair, and timely. Other Federal agencies, as appropriate, shall assist in this effort.

SEC. 2. Designation of Responsibilities for Administering the Energy Employees’ Occupational Illness Compensation Program ("Program"). Secretary of Labor. The Secretary of Labor shall have primary responsibility for administering the Program. Specifically, the Secretary shall:

(i) Administer and decide all questions arising under the Act not assigned to other agencies by the Act or by this order, including determining the eligibility of individuals with covered occupational illnesses and their survivors and adjudicating claims for compensation and benefits;

(ii) No later than May 31, 2001, promulgate regulations for the administration of the Program, except for functions assigned to other agencies pursuant to the Act or this order;

(iii) No later than July 31, 2001, ensure the availability, in paper and electronic format, of forms necessary for making claims under the Program; and

(iv) Develop informational materials, in coordination with the Secretary of Energy and the Secretary of Health and Human Services, to help potential claimants understand the Program process, and provide these materials to individuals upon request and to the Secretary of Energy and the Attorney General for dissemination to potentially eligible individuals.

(b) Secretary of Health and Human Services. The Secretary of Health and Human Services shall:

(i) No later than May 31, 2001, promulgate regulations establishing:

(A) guidelines, pursuant to section 3623(c) of the Act [42 U.S.C. 7384m(c)], to assess the likelihood that an individual with cancer sustained the cancer in the performance of duty at a Department of Energy facility or an atomic weapons employer facility, as defined by the Act; and

(B) methods, pursuant to section 3623(d) of the Act, for arriving at and providing reasonable estimates of the radiation doses received by individuals applying for assistance under this program for whom there are inadequate records of radiation exposure;

(ii) In accordance with procedures developed by the Secretary of Health and Human Services, consider and issue determinations on petitions by classes of employees to be treated as members of the Special Exposure Cohort;

(iii) With the assistance of the Secretary of Energy, apply the methods promulgated under subsection (b)(1)(B) to estimate the radiation doses received by individuals applying for assistance;

(iv) Upon request from the Secretary of Energy, appoint members for a physician panel or panels to consider individual workers’ compensation claims as part of the Worker Assistance Program under the process established pursuant to subsection (c)(iv); and

(v) Provide the Advisory Board established under section 4 of this order with administrative services, funds, facilities, staff, and other necessary support services and perform the administrative functions of the President under the Federal Advisory Committee Act, as amended (5 U.S.C. App.), with respect to the Advisory Board.

(c) Secretary of Energy. The Secretary of Energy shall:

(i) Provide the Secretary of Health and Human Services and the Advisory Board on Radiation and Worker Health access, in accordance with law, to all relevant information pertaining to worker exposures, including access to restricted data, and any other technical assistance needed to carry out their responsibilities under subsection (b)(1) and section 4(b), respectively.

(ii) Upon request from the Secretary of Health and Human Services or the Secretary of Labor, and as permitted by law, require a DOE contractor, subcontractor, or designated beryllium vendor, pursuant to section 3623(c) of the Act [42 U.S.C. 7384m(c)], to provide information relevant to a claim under this Program;

(iii) Identify and notify potentially eligible individuals of the availability of compensation under the Program;

(iv) Designate, pursuant to sections 3621(c)(B) and 3622 of the Act [42 U.S.C. 7384(c)(B), 7384m], atomic weapons employers and additions to the list of designated beryllium vendors;

(v) Pursuant to Subtitle D of the Act [42 U.S.C. 7385o], negotiate agreements with the chief executive officer of each State in which there is a DOE facility, and other States as appropriate, to provide assistance to a DOE contractor employee on filing a State workers’ compensation system claim, and establish a Worker Assistance Program to help individuals whose illness is related to employment in the DOE’s nuclear weapons complex, or the individual’s survivor if the individual is deceased, in applying for State workers’ compensation benefits. This assistance shall include:

(1) Submittal of reasonable claims to a physician panel, appointed by the Secretary of Health and Human Services and administered by the Secretary of Energy, under procedures established by the Secretary of Energy, for determination of whether the individual’s illness or death arose out of and in the course of employment by the DOE or its contractors and exposure to a toxic substance at a DOE facility; and

(2) For cases determined by the physician panel and the Secretary of Energy under section 3661(d) and (e) of the Energy Employees’ Occupational Illness Compensation Program Act of 2000 [42 U.S.C. 7384 et seq.], atomic weapons employer facility, as defined by the Act; and

(B) methods, pursuant to section 3623(d) of the Act, for arriving at and providing reasonable estimates of the radiation doses received by individuals applying for assistance under this program for whom there are inadequate records of radiation exposure;
the Act [42 U.S.C. 7385(d), (e)] to have arisen out of and in the course of employment by the DOE or its contractors and exposure to a toxic substance at a DOE facility. The Secretary shall provide assistance to the individual in filing for workers' compensation benefits. The Secretary shall not contest these claims and, to the extent permitted by law, shall direct a DOE contractor who employed the individual not to contest the claim.

(vi) Report on the Worker Assistance Program by making publicly available on at least an annual basis claims-related data, including the number of claims filed, the number of illnesses found to be related to work at a DOE facility, job location and description, and number of successful State workers' compensation claims awarded; and

(vii) No later than January 15, 2001, publish in the Federal Register a list of atomic weapons employer facilities within the meaning of section 3621(5) of the Act [42 U.S.C. 7384d(b)], Department of Energy employer facilities within the meaning of section 3621(12) of the Act, and a list of facilities owned and operated by a beryllium vendor, within the meaning of section 3621(6) of the Act.

(d) *Attorney General.* The Attorney General shall:

(i) Develop procedures to notify, to the extent possible, each claimant (or the survivor of that claimant if deceased) whose claim for compensation under section 5 of the Radiation Exposure Compensation Act [Pub. L. 101–146, 42 U.S.C. 2210 note] has been or is approved by the Department of Justice, of the availability of supplemental compensation and benefits under the Energy Employees Occupational Illness Compensation Program;

(ii) Identify and notify eligible covered uranium employees or their survivors of the availability of supplemental compensation under the Program; and

(iii) Upon request by the Secretary of Labor, provide information needed to adjudicate the claim of a covered uranium employee under this Program.


(a) There is hereby established an Interagency Working Group to be composed of representatives from the Office of Management and Budget, the National Economic Council, and the Departments of Labor, Energy, Health and Human Services, and Justice.

(b) The Working Group shall:

(i) By January 1, 2001, develop a legislative proposal to ensure the Program's fairness and efficiency, including provisions to ensure adequate administrative resources and swift dispute resolution; and

(ii) Address any impediments to timely and coordinated Program implementation.

SEC. 4. Establishment of Advisory Board on Radiation and Worker Health.

(a) Pursuant to Public Law 106–398, there is hereby established an Advisory Board on Radiation and Health (Advisory Board). The Advisory Board shall consist of not more than 20 members to be appointed by the President. Members shall include affected workers and their representatives, and representatives from scientific and medical communities. The President shall designate a Chair for the Board among its members.

(b) The Advisory Board shall:

(i) Advise the Secretary of Health and Human Services on the development of guidelines under section 2(b)(ii) of this order;

(ii) Advise the Secretary of Health and Human Services on the scientific validity and quality of dose reconstruction efforts performed for this Program; and

(iii) Upon request by the Secretary of Health and Human Services, advise the Secretary on whether there is a class of employees at any Department of Energy facility who were exposed to radiation but for whom it is not feasible to estimate their radiation dose, and on whether there is a reasonable likelihood that such radiation dose may have endangered the health of members of the class.

SEC. 5. Reporting Requirements. The Secretaries of Labor, Health and Human Services, and Energy shall, as part of their annual budget submissions, report to the Office of Management and Budget (OMB) on their activities under this Program, including total expenditures related to benefits and program administration. The Attorney General shall report to the President, no later than March 1, 2001, on the manner in which they will carry out their respective responsibilities under the Act and this order. This report shall include, among other things, a description of the administrative structure established within their agencies to implement the Act and this order.

SEC. 6. Administration and Judicial Review.

(a) This Executive Order shall be carried out subject to the availability of appropriations, and to the extent permitted by law.

(b) This Executive Order does not create any right or benefit, substantive or procedural, enforceable at law or equity by a party against the United States, its agencies, its officers or employees, or any other person.

*WILLIAM J. CLINTON.*

**EXTENSION OF TERM OF ADVISORY BOARD ON RADIATION AND WORKER HEALTH**

Term of Advisory Board on Radiation and Worker Health extended until Sept. 30, 2021, by Ex. Ord. No. 13889, Sept. 27, 2019, 84 F.R. 52743, set out as a note under section 14 of the Federal Advisory Committee Act in the Appendix to Title 5, Government Organizations and Employees.

Previous extensions of term of Advisory Board on Radiation and Worker Health were contained in the following prior Executive Orders:


PART A—ESTABLISHMENT OF COMPENSATION PROGRAM AND COMPENSATION FUND

§ 7384d. Establishment of Energy Employees Occupational Illness Compensation Program

(a) **Program established**

There is hereby established a program to be known as the “Energy Employees Occupational Illness Compensation Program” (in this subchapter referred to as the “compensation program”). The President shall carry out the compensation program through one or more Federal agencies or officials, as designated by the President.

(b) **Purpose of program**

The purpose of the compensation program is to provide for timely, uniform, and adequate compensation of covered employees and, where applicable, survivors of such employees, suffering from illnesses incurred by such employees in the performance of duty for the Department of Energy and certain of its contractors and subcontractors.

(c) **Eligibility for compensation**

The eligibility of covered employees for compensation under the compensation program shall be determined in accordance with the provisions of part B as may be modified by a law enacted after the date of the submittal of the proposal for legislation required by section 7384f of this title.

§ 7384e. Establishment of Energy Employees Occupational Illness Compensation Fund

(a) Establishment

There is hereby established on the books of the Treasury a fund to be known as the “Energy Employees Occupational Illness Compensation Fund” (in this subchapter referred to as the “compensation fund”).

(b) Amounts in compensation fund

The compensation fund shall consist of the following amounts:

(1) Amounts appropriated to the compensation fund pursuant to the authorization of appropriations in section 7384g(b) of this title.

(2) Amounts transferred to the compensation fund under subsection (c).

(c) Financing of compensation fund

Upon the exhaustion of amounts in the compensation fund attributable to the authorization of appropriations in section 7384g(b) of this title, the Secretary of the Treasury shall transfer directly to the compensation fund from the General Fund of the Treasury, without further appropriation, such amounts as are necessary to carry out the compensation program.

(d) Use of compensation fund

Subject to subsection (e), amounts in the compensation fund shall be used to carry out the compensation program.

(e) Administrative costs not paid from compensation fund

No cost incurred in carrying out the compensation program, or in administering the compensation fund, shall be paid from the compensation fund or set off against or otherwise deducted from any payment to any individual under the compensation fund.

(f) Investment of amounts in compensation fund

Amounts in the compensation fund shall be invested in accordance with section 9702 of title 31, and any interest on, and proceeds from, any such investment shall be credited to and become a part of the compensation fund.


§ 7384f. Legislative proposal

(a) Legislative proposal required

Not later than March 15, 2001, the President shall submit to Congress a proposal for legislation to implement the compensation program. The proposal for legislation shall include, at a minimum, the specific recommendations (including draft legislation) of the President for the following:

(1) The types of compensation and benefits, including lost wages, medical benefits, and any lump-sum settlement payments, to be provided under the compensation program.

(2) Any adjustments or modifications necessary to appropriately administer the compensation program under part B.

(3) Whether to expand the compensation program to include other illnesses associated with exposure to toxic substances.

(4) Whether to expand the class of individuals who are members of the Special Exposure Cohort (as defined in section 7384l(14) of this title).

(b) Assessment of potential covered employees and required amounts

The President shall include with the proposal for legislation under subsection (a) the following:

(1) An estimate of the number of covered employees that the President determines were exposed in the performance of duty.

(2) An estimate, for each fiscal year of the compensation program, of the amounts to be required for compensation and benefits anticipated to be provided in such fiscal year under the compensation program.


§ 7384g. Authorization of appropriations

(a) In general

Pursuant to the authorization of appropriations in section 3103(a), $25,000,000 may be used for purposes of carrying out this subchapter.

(b) Compensation fund

There is hereby authorized to be appropriated $250,000,000 to the Energy Employees Occupational Illness Compensation Fund established by section 7384e of this title.


REFERENCES IN TEXT


PART B—PROGRAM ADMINISTRATION

§ 7384l. Definitions for program administration

In this subchapter:

(1) The term “covered employee” means any of the following:

(A) A covered beryllium employee.

(B) A covered employee with cancer.

(C) To the extent provided in section 7384r of this title, a covered employee with chronic silicosis (as defined in that section).

(2) The term “atomic weapon” has the meaning given that term in section 2014(d) of this title.

(3) The term “atomic weapons employee” means any of the following:

(A) An individual employed by an atomic weapons employer during a period when the employer was processing or producing, for the use by the United States, material that emitted radiation and was used in the production of an atomic weapon, excluding uranium mining and milling.

(B) An individual employed—

(i) at a facility with respect to which the National Institute for Occupational Safety and Health, in its report dated October 2003 and titled “Report on Residual Radioactive and Beryllium Contamination at
Atomic Weapons Employer Facilities and Beryllium Vendor Facilities", or any update to that report, found that there is a potential for significant residual contamination outside of the period in which weapons-related production occurred:

(ii) by an atomic weapons employer or subsequent owner or operators of a facility described in clause (i); and

(iii) during a period, as specified in such report or any update to such report, of potential for significant residual radioactive contamination at such facility.

(4) The term "atomic weapons employer" means an entity, other than the United States, that—

(A) processed or produced, for use by the United States, material that emitted radiation and was used in the production of an atomic weapon, excluding uranium mining and milling; and

(B) is designated by the Secretary of Energy as an atomic weapons employer for purposes of the compensation program.

(5) The term "atomic weapons employer facility" means a facility, owned by an atomic weapons employer, that is or was used to process or produce, for use by the United States, material that emitted radiation and was used in the production of an atomic weapon, excluding uranium mining or milling.

(6) The term "beryllium vendor" means any of the following:

(A) Atomics International.

(B) Brush Wellman, Incorporated, and its predecessor, Brush Beryllium Company.

(C) General Atomics.

(D) General Electric Company.

(E) NGK Metals Corporation and its predecessors, Kawecki-Berylco, Cabot Corporation, Beryll, and Beryllium Corporation of America.

(F) Nuclear Materials and Equipment Corporation.

(G) StarMet Corporation and its predecessor, Nuclear Metals, Incorporated.

(H) Wyman Gordan, Incorporated.

(I) Any other vendor, processor, or producer of beryllium or related products designated as a beryllium vendor for purposes of the compensation program under section 7384m of this title.

(7) The term "covered beryllium employee" means the following, if and only if the employee is determined to have been exposed to beryllium in the performance of duty in accordance with section 7384m(a) of this title:

(A) A current or former employee (as that term is defined in section 8101(1) of title 5) who may have been exposed to beryllium at a Department of Energy facility or at a facility owned, operated, or occupied by a beryllium vendor.

(B) A current or former employee of—

(i) any entity that contracted with the Department of Energy to provide management and operation, management and integration, or environmental remediation of a Department of Energy facility; or

(ii) any contractor or subcontractor that provided services, including construction and maintenance, at such a facility.

(C) A current or former employee of a beryllium vendor, or of a contractor or subcontractor of a beryllium vendor, during a period when the vendor was engaged in activities related to the production or processing of beryllium or for sale to, or use by, the Department of Energy.

(8) The term "covered beryllium illness" means any of the following:

(A) Beryllium sensitivity as established by an abnormal beryllium lymphocyte proliferation test performed on either blood or lung lavage cells.

(B) Established chronic beryllium disease.

(C) Any injury, illness, impairment, or disability sustained as a consequence of a covered beryllium illness referred to in subparagraph (A) or (B).

(9) The term "covered employee with cancer" means any of the following:

(A) An individual with a specified cancer who is a member of the Special Exposure Cohort, if and only if that individual contracted that specified cancer after beginning employment at a Department of Energy facility (in the case of a Department of Energy employee or Department of Energy contractor employee) or at an atomic weapons employer facility (in the case of an atomic weapons employee).

(B)(i) An individual with cancer specified in subclause (I), (II), or (III) of clause (ii), if and only if that individual is determined to have sustained that cancer in the performance of duty in accordance with section 7384m(b) of this title.

(ii) Clause (i) applies to any of the following:

(I) A Department of Energy employee who contracted that cancer after beginning employment at a Department of Energy facility.

(II) A Department of Energy contractor employee who contracted that cancer after beginning employment at a Department of Energy facility.

(III) An atomic weapons employee who contracted that cancer after beginning employment at an atomic weapons employer facility.

(10) The term "Department of Energy" includes the predecessor agencies of the Department of Energy, including the Manhattan Engineering District.

(11) The term "Department of Energy contractor employee" means any of the following:

(A) An individual who is or was in residence at a Department of Energy facility as a researcher for one or more periods aggregating at least 24 months.

(B) An individual who is or was employed at a Department of Energy facility by—

(i) any entity that contracted with the Department of Energy to provide management and operating, management and integration, or environmental remediation at the facility; or

(ii) a contractor or subcontractor that provided services, including construction and maintenance, at the facility.
(12) The term "Department of Energy facility" means any building, structure, or premise, including the grounds upon which such building, structure, or premise is located—
(A) in which operations are, or have been, conducted by, or on behalf of, the Department of Energy (except for buildings, structures, premises, grounds, or operations covered by Executive Order No. 12344, dated February 1, 1962, pertaining to the Naval Nuclear Propulsion Program); and
(B) with regard to which the Department of Energy has or had—
(i) a proprietary interest; or
(ii) entered into a contract with an entity to provide management and operation, management and integration, environmental remediation services, construction, or maintenance services.

(13) The term "established chronic beryllium disease" means chronic beryllium disease as established by the following:
(A) For diagnoses on or after January 1, 1993, beryllium sensitivity (as established in accordance with paragraph (8)(A)), together with lung pathology consistent with chronic beryllium disease, including—
(i) a lung biopsy showing granulomas or a lymphocytic process consistent with chronic beryllium disease;
(ii) a computerized axial tomography scan showing changes consistent with chronic beryllium disease; or
(iii) pulmonary function or exercise testing showing pulmonary deficits consistent with chronic beryllium disease.
(B) For diagnoses before January 1, 1993, the presence of—
(i) occupational or environmental history, or epidemiologic evidence of beryllium exposure; and
(ii) any three of the following criteria:
(I) Characteristic chest radiographic (or computed tomography (CT)) abnormalities.
(II) Restrictive or obstructive lung physiology testing or diffuse lung capacity defect.
(III) Lung pathology consistent with chronic beryllium disease.
(IV) Clinical course consistent with a chronic respiratory disorder.
(V) Immunologic tests showing beryllium sensitivity (skin patch test or beryllium blood test preferred).

(14) The term "member of the Special Exposure Cohort" means a Department of Energy employee, Department of Energy contractor employee, or atomic weapons employee who meets any of the following requirements:
(A) The employee was so employed for a number of work days aggregating at least 250 work days before February 1, 1992, at a gaseous diffusion plant located in Paducah, Kentucky, Portsmouth, Ohio, or Oak Ridge, Tennessee, and, during such employment—
(i) was monitored through the use of dosimetry badges for exposure at the plant of the external parts of employee's body to radiation; or
(ii) worked in a job that had exposures comparable to a job that is or was monitored through the use of dosimetry badges.
(B) The employee was so employed before January 1, 1974, by the Department of Energy or a Department of Energy contractor or subcontractor on Amchitka Island, Alaska, and was exposed to ionizing radiation in the performance of duty related to the Long Shot, Milrow, or Cannikin underground nuclear tests.
(C) Subject to clause (ii), the employee is an individual designated as a member of the Special Exposure Cohort by the President for purposes of the compensation program under section 7384q of this title.

(15) The term "occupational illness" means a covered beryllium illness, cancer referred to in paragraph (9)(B), specified cancer, or chronic silicosis, as the case may be.

(16) The term "radiation" means ionizing radiation in the form of—
(A) alpha particles;
(B) beta particles;
(C) neutrons;
(D) gamma rays; or
(E) accelerated ions or subatomic particles from accelerator machines.

(17) The term "specified cancer" means any of the following:
(A) A specified disease, as that term is defined in section 4(b)(2) of the Radiation Exposure Compensation Act (42 U.S.C. 2210 note).
(B) Bone cancer.
(C) Renal cancers.
(D) Leukemia (other than chronic lymphocytic leukemia), if initial occupational exposure occurred before 21 years of age and onset occurred more than two years after initial occupational exposure.


REFERENCES IN TEXT
Executive Order No. 12344, referred to in par. (12)(A), is set out as a note under section 2511 of Title 50, War and National Defense.
Section 4(b)(2) of the Radiation Exposure Compensation Act, referred to in par. (17)(A), is section 4(b)(2) of Pub. L. 101–426, which is set out in a note under section 2210 of this title.

AMENDMENTS
2004—Par. (3). Pub. L. 108–375, § 3168(a), amended par. (3) generally. Prior to amendment, par. (3) read as fol-


laws: “The term ‘atomic weapons employee’ means an individual employed by an atomic weapons employer during a period when the employer was processing or producing—(for the use by the United States, material that emitted radiation and was used in the production of an atomic weapon, excluding uranium mining and milling).

Par. (14)(C)(ii). Pub. L. 108–375, §316(b)(2), substituted ‘‘30 days’’ for ‘‘180 days’’.


(c) Guidelines

(1) For purposes of the compensation program, the President shall by regulation establish guidelines for making the determinations required by subsection (b).

(2) The President shall establish such guidelines after technical review by the Advisory Board on Radiation and Worker Health under section 7384a of this title.

(3) Such guidelines shall—

(A) be based on the radiation dose received by the employee (or a group of employees performing similar work) at such facility and the upper 99 percent confidence interval of the probability of causation in the radioepidemiological tables published under section 7(b) of the Orphan Drug Act (42 U.S.C. 241 note), as such tables may be updated under section 7(b)(3) of such Act from time to time;

(B) incorporate the methods established under subsection (d); and

(C) take into consideration the type of cancer, past health-related activities (such as smoking), information on the risk of developing a radiation-related cancer from workplace exposure, and other relevant factors.

(4) In the case of an atomic weapons employee described in section 7384(3)(B) of this title, the following doses of radiation shall be treated, for purposes of paragraph (3)(A) of this subsection, as part of the radiation dose received by the employee at such facility:

(A) Any dose of ionizing radiation received by that employee from facilities, materials, devices, or byproducts used or generated in the research, development, production, dismantlement, transportation, or testing of nuclear weapons, or from any activities to research, produce, process, store, remediate, or dispose of radioactive materials by or on behalf of the Department of Energy (except for activities covered by Executive Order No. 12344, dated February 1, 1982 (42 U.S.C. 7158 note) pertaining to the Naval Nuclear Propulsion Program).

(B) Any dose of ionizing radiation received by that employee from a source not covered by subparagraph (A) that is not distinguishable through reliable documentation from a dose covered by subparagraph (A).

(d) Methods for radiation dose reconstructions

(1) The President shall, through any Federal agency (other than the Department of Energy) or official (other than the Secretary of Energy or any other official within the Department of Energy) that the President may designate, establish by regulation methods for arriving at reasonable estimates of the radiation doses received by an individual specified in subparagraph (B) of section 7384(9) of this title at a facility specified in that subparagraph by each of the following employees:
(A) An employee who was not monitored for exposure to radiation at such facility.
(B) An employee who was monitored inadequately for exposure to radiation at such facility.
(C) An employee whose records of exposure to radiation at such facility are missing or incomplete.

(2) The President shall establish an independent review process using the Advisory Board on Radiation and Worker Health to—
(A) assess the methods established under paragraph (1); and
(B) verify a reasonable sample of the doses established under paragraph (1).

d Information on radiation doses
(1) The Secretary of Energy shall provide, to each covered employee with cancer specified in section 7384n(9)(B) of this title, information specifying the estimated radiation dose of that employee during each employment specified in section 7384n(9)(B) of this title, whether established by a dosimetry reading, by a method established under subsection (d), or by both a dosimetry reading and such method.
(2) The Secretary of Health and Human Services and the Secretary of Energy shall each make available to researchers and the general public information on the assumptions, methodology, and data used in establishing radiation doses under subsection (d). The actions taken under this paragraph shall be consistent with the protection of private medical records.

References in Text
Section 7(b) of the Orphan Drug Act, referred to in subsec. (c)(3)(A), is section 7(b) of Pub. L. 97–414, which is set out in a note under section 7384 of this title.

Amendments

Delegation of Functions
For delegation of certain functions of the President under this section, see Ex. Ord. No. 13179, Dec. 7, 2000, 65 F.R. 77467, set out as a note under section 7384 of this title.

§ 7384a. Advisory Board on Radiation and Worker Health
(a) Establishment
(1) Not later than 120 days after October 30, 2000, the President shall establish and appoint an Advisory Board on Radiation and Worker Health (in this section referred to as the “Board”).
(2) The President shall make appointments to the Board in consultation with organizations with expertise on worker health issues in order to ensure that the membership of the Board reflects a balance of scientific, medical, and worker perspectives.
(3) The President shall designate a Chair for the Board from among its members.

(b) Duties
The Board shall advise the President on—
(1) the development of guidelines under section 7384n(c) of this title;
(2) the scientific validity and quality of dose estimation and reconstruction efforts being performed for purposes of the compensation program; and
(3) such other matters related to radiation and worker health in Department of Energy facilities as the President considers appropriate.

(c) Staff
(1) The President shall appoint a staff to facilitate the work of the Board. The staff shall be headed by a Director who shall be appointed under subchapter VIII of chapter 33 of title 5.
(2) The President may accept as staff of the Board personnel on detail from other Federal agencies. The detail of personnel under this paragraph may be on a nonreimbursable basis.

(d) Expenses
Members of the Board, other than full-time employees of the United States, while attending meetings of the Board or while otherwise serving at the request of the President, while serving away from their homes or regular places of business, shall be allowed travel and meal expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5 for individuals in the Government serving without pay.

(e) Security clearances
(1) The Secretary of Energy shall ensure that the members and staff of the Board, and the contractors performing work in support of the Board, are afforded the opportunity to apply for a security clearance for any matter for which such a clearance is appropriate. The Secretary should, not later than 180 days after receiving a completed application, make a determination whether or not the individual concerned is eligible for the clearance.
(2) For fiscal year 2007 and each fiscal year thereafter, the Secretary of Energy shall include in the budget justification materials submitted to Congress in support of the Department of Energy budget for that fiscal year (as submitted with the budget of the President under section 1105(a) of title 31) a report specifying the number of applications for security clearances under this subsection, the number of such applications granted, and the number of such applications denied.

(f) Information
The Secretary of Energy shall, in accordance with law, provide to the Board and the contractors of the Board access to any information that the Board considers relevant to carry out its responsibilities under this subchapter, including information such as Restricted Data (as defined in section 2014(y) of this title) and information covered by the Privacy Act [5 U.S.C. 552a].

References in Text
The Privacy Act, referred to in subsec. (f), is probably a reference to section 552a of Title 5, Government Orga-
nization and Employees. See Short Title note set out under section 552a of Title 5.

AMENDMENTS
2004—Subsecs. (e), (f). Pub. L. 108–375 added subsecs. (e) and (f).

TERMINATION OF ADVISORY BOARDS
Advisory boards established after Jan. 5, 1972, to terminate not later than the expiration of the 2-year period beginning on the date of their establishment, unless, in the case of a board established by the President or an officer of the Federal Government, such board is renewed by appropriate action prior to the expiration of such 2-year period, or in the case of a board established by Congress, its duration is otherwise provided by law. See sections 3(2) and 14 of Pub. L. 92–463, Oct. 6, 1972, 86 Stat. 770, 776, set out in the Appendix to Title 5, Government Organization and Employees.

§ 7384p. Responsibilities of Secretary of Health and Human Services
The Secretary of Health and Human Services shall carry out the Secretary's responsibilities with respect to the compensation program with the assistance of the Director of the National Institute for Occupational Safety and Health.


§ 7384q. Designation of additional members of special exposure cohort
(a) Advice on additional members
(1) The Advisory Board on Radiation and Worker Health under section 7384o of this title shall advise the President whether there is a class of employees at any Department of Energy facility who likely were exposed to radiation at that facility but for whom it is not feasible to estimate with sufficient accuracy the radiation dose they received.

(2) The advice of the Advisory Board on Radiation and Worker Health under paragraph (1) shall be based on exposure assessments by radiation health professionals, information provided by the Department of Energy, and such other information as the Advisory Board considers appropriate.

(3) The President shall request advice under paragraph (1) after consideration of petitions by classes of employees described in that paragraph for such advice. The President shall consider such petitions pursuant to procedures established by the President.

(b) Designation of additional members
Subject to the provisions of section 7384l(14)(C) of this title, the members of a class of employees at a Department of Energy facility, or at an atomic weapons employer facility, may be treated as members of the Special Exposure Cohort for purposes of the compensation program if the President, upon recommendation of the Advisory Board on Radiation and Worker Health, determines that—

(1) it is not feasible to estimate with sufficient accuracy the radiation dose that the class received; and

(2) there is a reasonable likelihood that such radiation dose may have endangered the health of members of the class.

(c) Deadlines
(1) Not later than 180 days after the date on which the President receives a petition for designation as members of the Special Exposure Cohort, the Director of the National Institute for Occupational Safety and Health shall submit to the Advisory Board on Radiation and Worker Health a recommendation on that petition, including all supporting documentation.

(2)(A) Upon receipt by the President of a recommendation of the Advisory Board on Radiation and Worker Health that the President should determine in the affirmative that paragraphs (1) and (2) of subsection (b) apply to a class, the President shall have a period of 30 days in which to determine whether such paragraphs apply to the class and to submit that determination (whether affirmative or negative) to Congress.

(B) If the determination submitted by the President under subparagraph (A) is in the affirmative, the President shall also submit a report meeting the requirements of section 7384l(14)(C)(ii) of this title.

(C) If the President does not submit a determination required by subparagraph (A) within the period required by subparagraph (A), then upon the day following the expiration of that period, it shall be deemed for purposes of section 7384l(14)(C)(ii) of this title that the President submitted the report under that provision on that day.

(d) Access to information
The Secretary of Energy shall provide, in accordance with law, the Secretary of Health and Human Services and the members and staff of the Advisory Board on Radiation and Worker Health access to relevant information on worker exposures, including access to Restricted Data (as defined in section 2014(y) of this title).


AMENDMENTS
2004—Subsecs. (c), (d). Pub. L. 108–375 added subsec. (c) and redesignated former subsec. (c) as (d).

§ 7384r. Separate treatment of chronic silicosis
(a) Sense of Congress
Congress finds that employees who worked in Department of Energy test sites and later contracted chronic silicosis should also be considered for inclusion in the compensation program. Recognizing that chronic silicosis resulting from exposure to silica is not a condition unique to the nuclear weapons industry, it is not the intent of Congress with this subchapter to establish a precedent on the question of chronic silicosis as a compensable occupational disease. Consequently, it is the sense of Congress that a further determination by the President is appro-
priate before these workers are included in the compensation program.

(b) Certification by President

A covered employee with chronic silicosis shall be treated as a covered employee (as defined in section 7384d(1) of this title) for the purposes of the compensation program required by section 7384d of this title unless the President submits to Congress not later than October 30, 2000, the certification of the President that there is insufficient basis to include such employees. The President shall submit with the certification any recommendations about the compensation program with respect to covered employees with chronic silicosis as the President considers appropriate.

(c) Exposure to silica in the performance of duty

A covered employee shall, in the absence of substantial evidence to the contrary, be determined to have been exposed to silica in the performance of duty for the purposes of the compensation program if, and only if, the employee was present for a number of work days aggregating at least 250 work days during the mining of tunnels at a Department of Energy facility located in Nevada or Alaska for tests or experiments related to an atomic weapon.

(d) Covered employee with chronic silicosis

For purposes of this subchapter, the term “covered employee with chronic silicosis” means a Department of Energy employee, or a Department of Energy contractor employee, with chronic silicosis who was exposed to silica in the performance of duty as determined under subsection (c).

(e) Chronic silicosis

For purposes of this subchapter, the term “chronic silicosis” means a nonmalignant lung disease if—

1. the initial occupational exposure to silica dust preceded the onset of silicosis by at least 10 years; and
2. a written diagnosis of silicosis is made by a medical doctor and is accompanied by—
   A. a chest radiograph, interpreted by an individual certified by the National Institute for Occupational Safety and Health as a B reader, classifying the existence of pneumoconioses of category 1/0 or higher;
   B. results from a computer assisted tomograph or other imaging technique that are consistent with silicosis; or
   C. lung biopsy findings consistent with silicosis.


AMENDMENTS


§ 7384s. Compensation and benefits to be provided

(a) Compensation provided

(1) Except as provided in paragraph (2), a covered employee, or the survivor of that covered employee if the employee is deceased, shall receive compensation for the disability or death of that employee from that employee’s occupational illness in the amount of $150,000.

(2) A covered employee shall, to the extent that employee’s occupational illness is established beryllium sensitivity, receive beryllium sensitivity monitoring under subsection (c) in lieu of compensation under paragraph (1).

(b) Medical benefits

A covered employee shall receive medical benefits under section 7384t of this title for that employee’s occupational illness.

(c) Beryllium sensitivity monitoring

An individual receiving beryllium sensitivity monitoring under this subsection shall receive the following:

1. A thorough medical examination to confirm the nature and extent of the individual’s established beryllium sensitivity.

2. Regular medical examinations thereafter to determine whether that individual has developed established chronic beryllium disease.

(d) Payment from compensation fund

The compensation provided under this section, when authorized or approved by the President, shall be paid from the compensation fund established under section 7384e of this title.

(e) Payments in the case of deceased persons

1. In the case of a covered employee who is deceased at the time of payment of compensation under this section, whether or not the death is the result of the covered employee’s occupational illness, such payment may be made only as follows:

   A. If the covered employee is survived by a spouse who is living at the time of payment, such payment shall be made to such surviving spouse.

   B. If there is no surviving spouse described in subparagraph (A), such payment shall be made in equal shares to all children of the covered employee who are living at the time of payment.

   C. If there is no surviving spouse described in subparagraph (A), and if there are no children described in subparagraph (B), such payment shall be made in equal shares to the parents of the covered employee who are living at the time of payment.

   D. If there is no surviving spouse described in subparagraph (A), and if there are no children described in subparagraph (B), but parents described in subparagraph (C), such payment shall be made in equal shares to all grandchildren of the covered employee who are living at the time of payment.

   E. If there is no surviving spouse described in subparagraph (A), and if there are no children described in subparagraph (B), but parents described in subparagraph (C), and grandparents described in subparagraph (D), then such payment shall be made in equal shares to the grandparents of the covered employee who are living at the time of payment.

   F. Notwithstanding the other provisions of this paragraph, if there is—

      i) a surviving spouse described in subparagraph (A); and
(ii) at least one child of the covered employee who is living and a minor at the time of payment and who is not a recognized natural child or adopted child of such surviving spouse, then half of such payment shall be made to such surviving spouse, and the other half of such payment shall be made in equal shares to each child of the covered employee who is living and a minor at the time of payment.

(2) If a covered employee eligible for payment dies before filing a claim under this subchapter, a survivor of that employee who may receive payment under paragraph (1) may file a claim for such payment.

(3) For purposes of this subsection—
(A) the “spouse” of an individual is a wife or husband of that individual who was married to that individual for at least one year immediately before the death of that individual;
(B) a “child” includes a recognized natural child, a stepchild who lived with an individual in a regular parent-child relationship, and an adopted child;
(C) a “parent” includes fathers and mothers through adoption;
(D) a “grandchild” of an individual is a child of a child of that individual; and
(E) a “grandparent” of an individual is a parent of a parent of that individual.

(f) Effective date

This section shall take effect on July 31, 2001, unless Congress otherwise provides in an Act enacted before that date.


AMENDMENTS

2001—Subsec. (e). Pub. L. 107–107 amended heading and text of subsec. (e) generally. Prior to amendment, text read as follows:
“(1) Subject to the provisions of this section, if a covered employee dies before the effective date specified in subsection (f) of this section, whether or not the death is a result of that employee’s occupational illness, a survivor of that employee may, on behalf of that survivor and any other survivors of that employee, receive the compensation provided for under this section.
“(2) The right to receive compensation under this section shall be afforded to survivors in the same order of precedence as that set forth in section 8109 of title 5.”

EFFECTIVE DATE OF 2001 AMENDMENT


§ 7384t. Medical benefits

(a) Medical benefits provided

The United States shall furnish, to an individual receiving medical benefits under this section for an illness, the services, appliances, and supplies prescribed or recommended by a qualified physician for that illness, which the President considers likely to cure, give relief, or reduce the degree or the period of that illness.

(b) Persons furnishing benefits

(1) These services, appliances, and supplies shall be furnished by or on the order of United States medical officers and hospitals, or, at the individual’s option, by or on the order of physicians and hospitals designated or approved by the President.

(2) The individual may initially select a physician to provide medical services, appliances, and supplies under this section in accordance with such regulations and instructions as the President considers necessary.

(c) Transportation and expenses

The individual may be furnished necessary and reasonable transportation and expenses incident to the securing of such services, appliances, and supplies.

(d) Commencement of benefits

An individual receiving benefits under this section shall be furnished those benefits as of the date on which that individual submitted the claim for those benefits in accordance with this subchapter.

(e) Payment from compensation fund

The benefits provided under this section, when authorized or approved by the President, shall be paid from the compensation fund established under section 7384e of this title.

(f) Effective date

This section shall take effect on July 31, 2001, unless Congress otherwise provides in an Act enacted before that date.


§ 7384u. Separate treatment of certain uranium employees

(a) Compensation provided

An individual who receives, or has received, $100,000 under section 5 of the Radiation Exposure Compensation Act (42 U.S.C. 2210 note) for a claim made under that Act (hereafter in this section referred to as a “covered uranium employee”), or the survivor of that covered uranium employee if the employee is deceased, shall receive compensation under this section in the amount of $50,000.

(b) Medical benefits

A covered uranium employee shall receive medical benefits under section 7384t of this title for the illness for which that employee received $100,000 under section 5 of that Act.

(c) Coordination with RECA

The compensation and benefits provided in subsections (a) and (b) are separate from any compensation or benefits provided under that Act.

(d) Payment from compensation fund

The compensation provided under this section and the compensation provided under section 5 of the Radiation Exposure Compensation Act, when authorized or approved by the President, shall be paid from the compensation fund established under section 7384e of this title.

(e) Payments in the case of deceased persons

(1) In the case of a covered employee who is deceased at the time of payment of compensation under this section, whether or not the
death is the result of the covered employee’s occupational illness, such payment may be made only as follows:

(A) If the covered employee is survived by a spouse who is living at the time of payment, such payment shall be made to such surviving spouse.

(B) If there is no surviving spouse described in subparagraph (A), such payment shall be made in equal shares to all children of the covered employee who are living at the time of payment.

(C) If there is no surviving spouse described in subparagraph (A) and if there are no children described in subparagraph (B), such payment shall be made in equal shares to the parents of the covered employee who are living at the time of payment.

(D) If there is no surviving spouse described in subparagraph (A), and if there are no children described in subparagraph (B) or parents described in subparagraph (C), such payment shall be made in equal shares to the grandparents of the covered employee who are living at the time of payment.

(E) If there is no surviving spouse described in subparagraph (A), and if there are no children described in subparagraph (B), parents described in subparagraph (C), or grandchildren described in subparagraph (D), then such payment shall be made in equal shares to the grandchildren of the covered employee who are living at the time of payment.

(F) Notwithstanding the other provisions of this paragraph, if there is—

(i) a surviving spouse described in subparagraph (A); and

(ii) at least one child of the covered employee who is living and a minor at the time of payment and who is not a recognized natural child or adopted child of such surviving spouse,

then half of such payment shall be made to such surviving spouse, and the other half of such payment shall be made in equal shares to each child of the covered employee who is living and a minor at the time of payment.

(2) If a covered employee eligible for payment dies before filing a claim under this subchapter, a survivor of that employee who may receive payment under paragraph (1) may file a claim for such payment.

(3) For purposes of this subsection—

(A) the “spouse” of an individual is a wife or husband of that individual who was married to that individual for at least one year immediately before the death of that individual;

(B) a “child” includes a recognized natural child, a stepchild who lived with an individual in a regular parent-child relationship, and an adopted child;

(C) a “parent” includes fathers and mothers through adoption;

(D) a “grandchild” of an individual is a child of a child of that individual; and

(E) a “grandparent” of an individual is a parent of a parent of that individual.

(f) Procedures required

The President shall establish procedures to identify and notify each covered uranium employee, or the survivor of that covered uranium employee if that employee is deceased, of the availability of compensation and benefits under this section.

(g) Effective date

This section shall take effect on July 31, 2001, unless Congress otherwise provides in an Act enacted before that date.


REFERENCES IN TEXT


AMENDMENTS

2004—Subsec. (d). Pub. L. 108–375 inserted “and the compensation provided under section 5 of the Radiation Exposure Compensation Act” after “The compensation provided under this section”.

2001—Subsec. (e). Pub. L. 107–107 amended heading and text of subsec. (e) generally. Prior to amendment, text read as follows:

“(1) Subject to the provisions of this section, if a covered uranium employee dies before the effective date specified in subsection (g) of this section, whether or not the death is a result of the illness specified in subsection (b) of this section, a survivor of that employee may, on behalf of that survivor and any other survivors of that employee, receive the compensation provided for under this section.

“(2) The right to receive compensation under this section shall be afforded to survivors in the same order of precedence as that set forth in section 8109 of title 5.”

EFFECTIVE DATE OF 2001 AMENDMENT


§ 7384v. Assistance for claimants and potential claimants

(a) Assistance for claimants

The President shall, upon the receipt of a request for assistance from a claimant under the compensation program, provide assistance to the claimant in connection with the claim, including—

(1) assistance in securing medical testing and diagnostic services necessary to establish the existence of a covered beryllium illness, chronic silicosis, or cancer; and

(2) such other assistance as may be required to develop facts pertinent to the claim.

(b) Assistance for potential claimants

The President shall take appropriate actions to inform and assist covered employees who are potential claimants under the compensation program, and other potential claimants under the compensation program, of the availability of compensation under the compensation program, including actions to—

(1) ensure the ready availability, in paper and electronic format, of forms necessary for making claims;

(2) provide such covered employees and other potential claimants with information and
other support necessary for making claims, including—
(A) medical protocols for medical testing and diagnosis to establish the existence of a covered beryllium illness, chronic silicosis, or cancer; and
(B) lists of vendors approved for providing laboratory services related to such medical testing and diagnosis; and
(3) provide such additional assistance to such covered employees and other potential claimants as may be required for the development of facts pertinent to a claim.

(c) Information from beryllium vendors and other contractors
As part of the assistance program provided under subsections (a) and (b), and as permitted by law, the Secretary of Energy shall, upon the request of the President, require a beryllium vendor or other Department of Energy contractor or subcontractor to provide information relevant to a claim or potential claim under the compensation program to the President.


DELEGATION OF FUNCTIONS
For delegation of certain functions of the President under this section, see Ex. Ord. No. 13179, Dec. 7, 2000, 65 F.R. 77487, set out as a note under section 7384 of this title.

§ 7384w. Subpoenas; oaths; examination of witnesses
The Secretary of Labor, with respect to any matter under this part, may—
(1) issue subpoenas for and compel the attendance of witnesses;
(2) administer oaths;
(3) examine witnesses; and
(4) require the production of books, papers, documents, and other evidence.


§ 7384w–1. Completion of site profiles
(a) In general
To the extent that the Secretary of Labor determines it useful and practicable, the Secretary of Labor shall direct the Director of the National Institute for Occupational Safety and Health to prepare site profiles for a Department of Energy facility based on the records, files, and other data provided by the Secretary of Energy and such other information as is available, including information available from the former worker medical screening programs of the Department of Energy.

(b) Information
The Secretary of Energy shall furnish to the Secretary of Labor any information that the Secretary of Labor finds necessary or useful for the production of such site profiles, including records from the Department of Energy former worker medical screening program.

(c) Definition
In this section, the term “site profile” means an exposure assessment of a facility that identifies the toxic substances or processes that were commonly used in each building or process of the facility, and the time frame during which the potential for exposure to toxic substances existed.

(d) Time frames
The Secretary of Health and Human Services shall establish time frames for completing site profiles for those Department of Energy facilities for which a site profile has not been completed. Not later than March 1, 2005, the Secretary of Health and Human Services shall submit to Congress a report setting forth those time frames.


PART C—TREATMENT, COORDINATION, AND FORFEITURE OF COMPENSATION AND BENEFITS

§ 7385. Offset for certain payments
A payment of compensation to an individual, or to a survivor of that individual, under this subchapter shall be offset by the amount of any payment made pursuant to a final award or settlement on a claim (other than a claim for worker’s compensation), against any person, that is based on injuries incurred by that individual on account of the exposure for which compensation is payable under this subchapter.


AMENDMENTS
2004—Pub. L. 108–375 substituted “this subchapter” for “part B” and “on account of the exposure for which compensation is payable under this subchapter” for “on account of the exposure of a covered beryllium employee, covered employee with cancer, covered employee with chronic silicosis (as defined in section 7384r of this title), or covered uranium employee (as defined in section 7384u of this title), while so employed, to beryllium, radiation, silica, or radiation, respectively”.

§ 7385a. Subrogation of the United States
Upon payment of compensation under this subchapter, the United States is subrogated for the amount of the payment to a right or claim that the individual to whom the payment was made may have against any person on account of injuries referred to in section 7385 of this title.


AMENDMENTS
2004—Pub. L. 108–375 substituted “this subchapter” for “part B”.

§ 7385b. Payment in full settlement of claims
Except as provided in part E, the acceptance by an individual of payment of compensation under part B with respect to a covered employee shall be in full satisfaction of all claims of or on
§ 7385c. Exclusivity of remedy against the United States and against contractors and subcontractors

(a) In general

The liability of the United States or an instrumentality of the United States under this subchapter with respect to a covered employee in the performance of duty otherwise entitled to recover damages from the United States, the instrumentality, the contractor, the subcontractor, or the employee, agent, or assign of one of them, because of the cancer (including a specified cancer), chronic silicosis, covered beryllium illness, or death, otherwise entitled to recover damages from the United States, is exclusive and instead of all other liability—

(1) of—

(A) the United States;

(B) any instrumentality of the United States;

(C) a contractor that contracted with the Department of Energy to provide management and operation, management and integration, or environmental remediation of a Department of Energy facility (in its capacity as a contractor);

(D) a subcontractor that provided services, including construction, at a Department of Energy facility (in its capacity as a subcontractor); and

(E) an employee, agent, or assign of an entity specified in subparagraphs (A) through (D);

(2) to—

(A) the covered employee;

(B) the covered employee’s legal representative, spouse, dependents, survivors, and next of kin; and

(C) any other person, including any third party as to whom the covered employee, or the covered employee’s legal representative, spouse, dependents, survivors, or next of kin, has a cause of action relating to the cancer (including a specified cancer), chronic silicosis, covered beryllium illness, or death, otherwise entitled to recover damages from the United States, the instrumentality, the contractor, the subcontractor, or the employee, agent, or assign of one of them,

because of the cancer (including a specified cancer), chronic silicosis, covered beryllium illness, or death in any proceeding or action including a direct judicial proceeding, a civil action, a proceeding in admiralty, or a proceeding under a tort liability statute or the common law.

(b) Applicability

This section applies to all cases filed on or after October 30, 2000.

§ 7385d. Election of remedy for beryllium employees and atomic weapons employees

(a) Effect of tort cases filed before enactment of original law

(1) Except as provided in paragraph (2), if an otherwise eligible individual filed a tort case specified in subsection (d) before October 30, 2000, such individual shall be eligible for compensation or benefits.

(2) If such tort case remained pending as of December 31, 2001, such individual does not dismiss such tort case after December 31, 2003, such individual shall not be eligible for such compensation or benefits.

(b) Effect of tort cases filed between enactment of original law and enactment of 2001 amendments

(1) Except as provided in paragraph (2), if an otherwise eligible individual filed a tort case specified in subsection (d) during the period beginning on October 30, 2000, and ending on December 31, 2001, such individual shall be eligible for such compensation or benefits.

(2) If such individual dismisses such tort case before the last permissible date specified in paragraph (3), such individual shall be eligible for such compensation or benefits.

(3) The last permissible date referred to in paragraph (2) is the later of the following dates:

(A) April 30, 2003.

(B) The date that is 30 months after the date the individual first becomes aware that an illness covered by part B of a covered DOE contractor employee may be connected to the exposure of the covered employee in the performance of duty under section 7384n of this title.

(c) Effect of tort cases filed after enactment of 2001 amendments

(1) If an otherwise eligible individual files a tort case specified in subsection (d) after December 28, 2001, such individual shall not be eligible for such compensation or benefits if a final court decision is entered against such individual in such tort case.

(2) If such a final court decision is not entered, such individual shall nonetheless not be eligible for such compensation or benefits, except as follows: If such individual dismisses such tort case
on or before the last permissible date specified in paragraph (3), such individual shall be eligible for such compensation and benefits.

(3) The last permissible date referred to in paragraph (2) is the later of the following dates:
(A) April 30, 2003.
(B) The date that is 30 months after the date the individual first becomes aware that an illness covered by part B of a covered employee may be connected to the exposure of the covered employee in the performance of duty under section 7384n of this title.

(d) Covered tort cases
A tort case specified in this subsection is a tort case alleging a claim referred to in section 7385b of this title against a beryllium vendor or atomic weapons employer.

(e) Workers' compensation
This section does not apply to an administrative or judicial proceeding under a State or Federal workers' compensation law.

§ 7385g. Attorney fees
(a) General rule
Notwithstanding any contract, the representative of an individual may not receive, for services rendered in connection with the claim of an individual for payment of lump-sum compensation under part B, more than that percentage specified in subsection (b) of a payment made under part B on such claim.

(b) Applicable percentage limitations
The percentage referred to in subsection (a) is—
(1) 2 percent for the filing of an initial claim for payment of lump-sum compensation; and
(2) 10 percent with respect to objections to a recommended decision denying payment of lump-sum compensation.

(c) Inapplicability to other services
This section shall not apply with respect to services rendered that are not in connection with such a claim for payment of lump-sum compensation.

(d) Penalty
Any such representative who violates this section shall be fined not more than $5,000.

MENDMENTS
2001—Subsec. (a). Pub. L. 107–107 amended headings and text of subsecs. (a) to (d) generally, substituting present provisions for provisions relating to election to file suit in subsec. (a), applicable time limits in subsec. (b), dismissal of claims in subsec. (c), and dismissal of pending suit in subsec. (d).

§ 7385e. Certification of treatment of payments under other laws
Compensation or benefits provided to an individual under this subchapter—
(1) shall be treated for purposes of the internal revenue laws of the United States as damages for human suffering; and
(2) shall not be included as income or resources for purposes of determining eligibility to receive benefits described in section 3803(c)(2)(C) of title 31 or the amount of such benefits.

MENDMENTS
2001—Subsec. (a). Pub. L. 107–107 amended provisions generally, substituting “with respect to any claim with respect to which a representative has made a contract for services” for “the claim of an individual”.

§ 7385f. Claims not assignable or transferable; choice of remedies
(a) Claims not assignable or transferable
No claim cognizable under this subchapter involving payment for a loss for purposes of imposing liability on any individual receiving such payment, on the basis of such receipt, to repay any insurance carrier for insurance payments, or to repay any person on account of worker’s compensation payments; and a payment under this subchapter shall not affect any claim against an insurance carrier with respect to insurance or against any person with respect to worker’s compensation.

MENDMENTS
2001—Subsec. (a). Pub. L. 107–107 amended heading and text generally, substituting “with respect to any claim with respect to which a representative has made a contract for services” for “the claim of an individual”.

§ 7385h. Certain claims not affected by awards of damages
A payment under this subchapter shall not be considered as any form of compensation or reimbursement for a loss for purposes of imposing liability on any individual receiving such payment, on the basis of such receipt, to repay any insurance carrier for insurance payments, or to repay any person on account of worker’s compensation payments; and a payment under this subchapter shall not affect any claim against an insurance carrier with respect to insurance or against any person with respect to worker’s compensation.

MENDMENTS
2001—Subsec. (a). Pub. L. 107–107 amended heading and text generally, substituting “with respect to any claim with respect to which a representative has made a contract for services” for “the claim of an individual”.

§ 7385c. Claims not assignable or transferable; choice of remedies
(a) Claims not assignable or transferable
No claim cognizable under this subchapter shall be assignable or transferable.

MENDMENTS
2001—Subsec. (a). Pub. L. 107–107 amended heading and text generally, substituting “with respect to any claim with respect to which a representative has made a contract for services” for “the claim of an individual”.

§ 7385d. Attorney fees
(a) General rule
Notwithstanding any contract, the representative of an individual may not receive, for services rendered in connection with the claim of an individual for payment of lump-sum compensation under part B, more than that percentage specified in subsection (b) of a payment made under part B on such claim.

MENDMENTS
2001—Subsec. (a). Pub. L. 107–107 amended heading and text generally, substituting “with respect to any claim with respect to which a representative has made a contract for services” for “the claim of an individual”.

§ 7385b. Certification of treatment of payments under other laws
Compensation or benefits provided to an individual under this subchapter—
(1) shall be treated for purposes of the internal revenue laws of the United States as damages for human suffering; and
(2) shall not be included as income or resources for purposes of determining eligibility to receive benefits described in section 3803(c)(2)(C) of title 31 or the amount of such benefits.

MENDMENTS
2001—Subsec. (a). Pub. L. 107–107 amended heading and text generally, substituting “with respect to any claim with respect to which a representative has made a contract for services” for “the claim of an individual”.

§ 7385a. Claims not assignable or transferable; choice of remedies
(a) Claims not assignable or transferable
No claim cognizable under this subchapter shall be assignable or transferable.

MENDMENTS
2001—Subsec. (a). Pub. L. 107–107 amended heading and text generally, substituting “with respect to any claim with respect to which a representative has made a contract for services” for “the claim of an individual”.

§ 7385. Claims not assignable or transferable; choice of remedies
(a) Claims not assignable or transferable
No claim cognizable under this subchapter shall be assignable or transferable.

MENDMENTS
2001—Subsec. (a). Pub. L. 107–107 amended heading and text generally, substituting “with respect to any claim with respect to which a representative has made a contract for services” for “the claim of an individual”.

§ 7388. Attorney fees
(a) General rule
Notwithstanding any contract, the representative of an individual may not receive, for services rendered in connection with the claim of an individual for payment of lump-sum compensation under part B, more than that percentage specified in subsection (b) of a payment made under part B on such claim.

MENDMENTS
2001—Subsec. (a). Pub. L. 107–107 amended heading and text generally, substituting “with respect to any claim with respect to which a representative has made a contract for services” for “the claim of an individual”.

§ 7387. Attorney fees
(a) General rule
Notwithstanding any contract, the representative of an individual may not receive, for services rendered in connection with the claim of an individual for payment of lump-sum compensation under part B, more than that percentage specified in subsection (b) of a payment made under part B on such claim.

MENDMENTS
2001—Subsec. (a). Pub. L. 107–107 amended heading and text generally, substituting “with respect to any claim with respect to which a representative has made a contract for services” for “the claim of an individual”.

§ 7386. Attorney fees
(a) General rule
Notwithstanding any contract, the representative of an individual may not receive, for services rendered in connection with the claim of an individual for payment of lump-sum compensation under part B, more than that percentage specified in subsection (b) of a payment made under part B on such claim.

MENDMENTS
2001—Subsec. (a). Pub. L. 107–107 amended heading and text generally, substituting “with respect to any claim with respect to which a representative has made a contract for services” for “the claim of an individual”. 
§ 7385j. Forfeiture of benefits by convicted felons

(a) Forfeiture of compensation

Any individual convicted of a violation of section 1920 of title 18, or any other Federal or State criminal statute relating to fraud in the application for or receipt of any benefit under this subchapter or under any other Federal or State workers’ compensation law, shall forfeit (as of the date of such conviction) any entitlement to any compensation or benefit under this subchapter such individual would otherwise be awarded for any injury, illness or death covered by this subchapter for which the time of injury was on or before the date of the conviction.

(b) Information

Notwithstanding section 552a of title 5, or any other Federal or State law, an agency of the United States, a State, or a political subdivision of a State shall make available to the President, upon written request from the President and if the President requires the information to carry out this section, the names and Social Security account numbers of individuals confined, for conviction of a felony, in a jail, prison, or other penal institution or correctional facility under the jurisdiction of that agency.


AMENDMENTS


§ 7385j–1. Social Security earnings information

Notwithstanding the provision of section 552a of title 5 or any other provision of Federal or State law, the Social Security Administration shall make available to the Secretary of Labor, upon written request, the Social Security earnings information of living or deceased employees who may have sustained an illness that is the subject of a claim under this subchapter, which the Secretary of Labor may require to carry out the provisions of this subchapter.


§ 7385j–2. Recovery and waiver of overpayments

(a) In general

When an overpayment has been made to an individual under this subchapter because of an error of fact or law, recovery shall be made under regulations prescribed by the Secretary of Labor by decreasing later payments to which the individual is entitled. If the individual dies before the recovery is completed, recovery shall be made by decreasing later benefits payable under this subchapter with respect to the individual’s death.

(b) Waiver

Recovery by the United States under this section may not be made when incorrect payment has been made to an individual who is without fault and when adjustment or recovery would defeat the purpose of this subchapter or would be against equity and good conscience.

(c) Liability

A certifying or disbursing official is not liable for an amount certified or paid by him when recovery of the amount is waived under subsection (b) of this section, or when recovery under subsection (a) of this section is not completed before the death of all individuals against whose benefits deductions are authorized.


PART D—ASSISTANCE IN STATE WORKERS’ COMPENSATION PROCEEDINGS


Section, Pub. L. 106–398, § 1 [div. C, title XXXVI, § 3661], Oct. 30, 2000, 114 Stat. 1654, 1654A–512, authorized Secretary of Energy to enter agreements with States to provide assistance to Department of Energy contractor employees in filing claims under the appropriate State workers’ compensation system.

PART E—CONTRACTOR EMPLOYEE COMPENSATION

§ 7385s. Definitions

In this part:

(1) Contractor employees

A covered DOE contractor employee shall receive contractor employee compensation


§ 7385s–1. Compensation to be provided

Subject to the other provisions of this part:

(1) Contractor employees

A covered DOE contractor employee shall receive contractor employee compensation
under this part in accordance with section 7385s–2 of this title.

(2) Survivors

After the death of a covered DOE contractor employee, compensation referred to in paragraph (1) shall not be paid. Instead, the survivor of that employee shall receive compensation as follows:

(A) Except as provided in subparagraph (B), the survivor of that employee shall receive contractor employee compensation under this part in accordance with section 7385s–3 of this title.

(B) In a case in which the employee’s death occurred after the employee applied under this part and before compensation was paid under paragraph (1), and the employee’s death occurred from a cause other than the covered illness of the employee, the survivor of that employee may elect to receive, in lieu of compensation under subparagraph (A), the amount of contractor employee compensation that the employee would have received in accordance with section 7385s–2 of this title if the employee’s death had not occurred before compensation was paid under paragraph (1).

§ 7385s–2. Compensation schedule for contractor employees

(a) Compensation provided

The amount of contractor employee compensation under this part for a covered DOE contractor employee shall be the sum of the amounts determined under paragraphs (1) and (2), as follows:

(1) Impairment

(A) The Secretary shall determine—

(i) the minimum impairment rating of that employee, expressed as a number of percentage points; and

(ii) the number of those points that are the result of any covered illness contracted by that employee through exposure to a toxic substance at a Department of Energy facility.

(B) The employee shall receive an amount under this paragraph equal to $2,500 multiplied by the number referred to in clause (ii) of subparagraph (A).

(2) Wage loss

(A) The Secretary shall determine—

(i) the calendar month during which the employee first experienced wage loss as the result of any covered illness contracted by that employee through exposure to a toxic substance at a Department of Energy facility;

(ii) the average annual wage of the employee for the 36-month period immediately preceding the calendar month referred to in clause (i), excluding any portions of that period during which the employee was unemployed; and

(iii) beginning with the calendar year that includes the calendar month referred to in clause (i), through and including the calendar year during which the employee attained normal retirement age (for purposes of the Social Security Act [42 U.S.C. 301 et seq.]).

(I) the number of calendar years during which, as the result of any covered illness contracted by that employee through exposure to a toxic substance at a Department of Energy facility, the employee’s annual wage exceeded 50 percent of the average annual wage determined under clause (ii), but did not exceed 75 percent of the average annual wage determined under clause (ii); and

(II) the number of calendar years during which, as the result of any covered illness contracted by that employee through exposure to a toxic substance at a Department of Energy facility, the employee’s annual wage did not exceed 50 percent of the average annual wage determined under clause (ii).

(B) The employee shall receive an amount under this paragraph equal to the sum of—

(i) $10,000 multiplied by the number referred to in clause (iii)(I) of subparagraph (A); and

(ii) $15,000 multiplied by the number referred to in clause (iii)(II) of subparagraph (A).

(b) Determination of minimum impairment rating

For purposes of subsection (a), a minimum impairment rating shall be determined in accordance with the American Medical Association’s Guides to the Evaluation of Permanent Impairment.

§ 7385s–3. Compensation schedule for survivors

(a) Categories of compensation

The amount of contractor employee compensation under this part for the survivor of a covered DOE contractor employee shall be determined as follows:

(1) Category one

The survivor shall receive the amount of $125,000, if the Secretary determines that—

(A) the employee would have been entitled to compensation under section 7385s–4 of this title for a covered illness; and

(B) it is at least as likely as not that exposure to a toxic substance at a Department of Energy facility was a significant factor in aggravating, contributing to, or causing the death of such employee.
(2) Category two

The survivor shall receive the amount of $150,000, if paragraph (1) applies to the employee and the Secretary also determines that there was an aggregate period of not less than 10 years, before the employee attained normal retirement age (for purposes of the Social Security Act [42 U.S.C. 301 et seq.]), during which, as the result of any covered illness contracted by that employee through exposure to a toxic substance at a Department of Energy facility, the employee’s annual wage did not exceed 50 percent of the average annual wage of that employee, as determined under section 7385s–2(a)(2)(A)(ii) of this title.

(3) Category three

The survivor shall receive the amount of $175,000, if paragraph (1) applies to the employee and the Secretary also determines that there was an aggregate period of not less than 20 years, before the employee attained normal retirement age (for purposes of the Social Security Act [42 U.S.C. 301 et seq.]), during which, as the result of any covered illness contracted by that employee through exposure to a toxic substance at a Department of Energy facility, the employee’s annual wage did not exceed 50 percent of the average annual wage of that employee, as determined under section 7385s–2(a)(2)(A)(ii) of this title.

(b) One amount only

The survivor of a covered DOE contractor employee to whom more than one amount under subsection (a) applies shall receive only the highest such amount.

c) Determination and allocation of shares

The amount under subsection (a) shall be paid only as follows:

(1) If a covered spouse is alive at the time of payment, such payment shall be made to such surviving spouse.

(2) If there is no covered spouse described in paragraph (1), such payment shall be made in equal shares to all covered children who are alive at the time of payment.

(3) Notwithstanding the other provisions of this subsection, if there is—

(A) a covered spouse described in paragraph (1); and

(B) at least one covered child of the employee who is living at the time of payment and who is not a recognized natural child or adopted child of such covered spouse, then half of such payment shall be made to such covered spouse, and the other half of such payment shall be made in equal shares to each covered child of the employee who is living at the time of payment.

d) Definitions

In this section:

(1) The term “covered spouse” means a spouse of the employee who was married to the employee for at least one year immediately before the employee’s death.

(2) The term “covered child” means a child of the employee who, as of the employee’s death—

(A) had not attained the age of 18 years;

(B) had not attained the age of 23 years and was a full-time student who had been continuously enrolled as a full-time student in one or more educational institutions since attaining the age of 18 years; or

(C) had been incapable of self-support.

(3) The term “child” includes a recognized natural child, a stepchild who lived with an individual in a regular parent-child relationship, and an adopted child.

ployee without regard to whether the spouse is a “covered spouse”, or the child is a “covered child”, under this part.


REFERENCES IN TEXT
Section 7385o of this title, referred to in subsec. (b), was repealed by Pub. L. 108–375, div. C, title XXXI, §7385s–6.

§ 7385s–5. Applicability to certain uranium employees

(a) In general

This part shall apply to—

(1) a section 5 payment recipient who contracted a section 5 illness through a section 5 exposure at a section 5 facility, or

(2) a section 5 uranium worker determined under section 7385s–4(c) of this title to have contracted a covered illness through exposure to a toxic substance at a section 5 mine or mill,

(or to the survivor of that employee, as applicable) on the same basis as it applies to a Department of Energy contractor employee determined under section 7385s–4 of this title to have contracted a covered illness through exposure to a toxic substance at a Department of Energy facility (or to the survivor of that employee, as applicable).

(b) Definitions

In this section:

(1) The term “section 5 payment recipient” means an individual who receives, or has received, $100,000 under section 5 of the Radiation Exposure Compensation Act (42 U.S.C. 2210 note) for a claim made under that Act.

(2) The terms “section 5 exposure”, “section 5 facility”, and “section 5 illness” mean the exposure, facility, and illness, respectively, to which an individual’s status as a section 5 payment recipient relates.

(3) The term “section 5 uranium worker” means an individual to whom subsection (a)(1)(A)(i) of section 5 of the Radiation Exposure Compensation Act applies (whether directly or by reason of subsection (a)(2)).

(4) The term “section 5 mine or mill” means the mine or mill to which an individual’s status as a section 5 uranium worker relates.


REFERENCES IN TEXT

§ 7385s–6. Administrative and judicial review

(a) Judicial review

A person adversely affected or aggrieved by a final decision of the Secretary under this part may review that order in the United States district court in the district in which the injury was sustained, the employee lives, the survivor lives, or the District of Columbia, by filing in such court within 60 days after the date on which that final decision was issued a written petition praying that such decision be modified or set aside. The person shall also provide a copy of the petition to the Secretary. Upon such filing, the court shall have jurisdiction over the proceeding and shall have the power to affirm, modify, or set aside, in whole or in part, such decision. The court may modify or set aside such decision only if the court determines that such decision was arbitrary and capricious.

(b) Administrative review

The Secretary shall ensure that recommended decisions of the Secretary with respect to a claim under this part are subject to administrative review. The Secretary shall prescribe regulations for carrying out such review or shall apply to this part the regulations applicable to recommended decisions under part B.


§ 7385s–7. Physicians services

(a) In general

The Secretary may utilize the services of physicians for purposes of making determinations under this part.

(b) Physicians

Any physicians whose services are utilized under subsection (a) of this section shall possess appropriate expertise and experience in the evaluation and determination of the extent of permanent physical impairments or in the evaluation and diagnosis of illnesses or deaths aggravated, contributed to, or caused by exposure to toxic substances.

(c) Arrangement

The Secretary may secure the services of physicians utilized under subsection (a) of this section through the appointment of physicians or by contract.


§ 7385s–8. Medical benefits

A covered DOE contractor employee shall be furnished medical benefits specified in section 7384t of this title for the covered illness to the same extent, and under the same conditions and limitations, as an individual eligible for medical benefits under that section who is furnished medical benefits under that section.


§ 7385s–9. Attorney fees

Section 7385g of this title shall apply to a payment under this part to the same extent that it applies to a payment under part B.

§ 7385s–10. Administrative matters

(a) In general

The Secretary shall administer this part.

(b) Contract authority

The Secretary may enter into contracts with appropriate persons and entities to administer this part.

(c) Records

(1) The Secretary of Energy shall provide to the Secretary all records, files, and other data, whether paper, electronic, imaged, or otherwise, developed by the Secretary of Energy that are applicable to the administration of this part, including records, files, and data on facility industrial hygiene, employment of individuals or groups, exposure and medical records, and claims applications.

(2) In providing records, files, and other data under this paragraph, the Secretary of Energy shall preserve the current organization of such records, files, and other data, and shall provide such description and indexing of such records, files, and other data as the Secretary considers appropriate to facilitate their use by the Secretary.

(2) The Secretary of Energy and the Secretary shall jointly undertake such actions as are appropriate to retrieve records applicable to the claims of Department of Energy contractor employees for contractor employee compensation under this part, including employment records, records of exposure to beryllium, radiation, silica, or other toxic substances, and records regarding medical treatment.

(d) Information

At the request of the Secretary, the Secretary of Energy and any contractor who employed a Department of Energy contractor employee shall, within time periods specified by the Secretary, provide to the Secretary and to the employee information or documents in response to the request.

(e) Regulations

The Secretary shall prescribe regulations necessary for the administration of this part. The initial regulations shall be prescribed not later than 210 days after October 28, 2004. The Secretary may prescribe interim final regulations necessary to meet the deadlines specified in this part.

(f) Transition provisions

(1) The Secretary shall commence the administration of the provisions of this part not later than 210 days after October 28, 2004.

(2) Until the commencement of the administration of this part, the Department of Energy Physicians Panels appointed pursuant to part D shall continue to consider and issue determinations concerning any cases pending before such Panels immediately before October 28, 2004.

(3) The Secretary shall take such actions as are appropriate to identify other activities under part D that will continue until the commencement of the administration of this part.

(g) Previous applications

Upon the commencement of the administration of this part, any application previously filed with the Secretary of Energy pursuant to part D shall be considered to have been filed with the Secretary as a claim for benefits pursuant to this part.


REFERENCES IN TEXT


§ 7385s–11. Coordination of benefits with respect to State workers compensation

(a) In general

An individual who has been awarded compensation under this part, and who has also received benefits from a State workers compensation system by reason of the same covered illness, shall receive compensation specified in this part reduced by the amount of any workers compensation benefits, other than medical benefits and benefits for vocational rehabilitation, that the individual has received under the State workers compensation system by reason of the covered illness, after deducting the reasonable costs, as determined by the Secretary, of obtaining those benefits under the State workers compensation system.

(b) Waiver

The Secretary may waive the provisions of subsection (a) if the Secretary determines that the administrative costs and burdens of implementing subsection (a) with respect to a particular case or class of cases justifies such a waiver.

(c) Information

Notwithstanding any other provision of law, each State workers compensation authority shall, upon request of the Secretary, provide to the Secretary on a quarterly basis information concerning workers compensation benefits received by any covered DOE contractor employee entitled to compensation or benefits under this part, which shall include the name, Social Security number, and nature and amount of workers compensation benefits for each such employee for which the request was made.


§ 7385s–12. Maximum aggregate compensation

For each individual whose illness or death serves as the basis for compensation or benefits under this part, the total amount of compensation (other than medical benefits) paid under this part, to all persons, in the aggregate, on the basis of that illness or death shall not exceed $250,000.


§ 7385s–13. Funding of administrative costs

There is authorized and hereby appropriated to the Secretary for fiscal year 2005 and there-
The duties of the Office shall be as follows:

(1) To provide information on the benefits available under this part and part B and on the requirements and procedures applicable to the provision of such benefits.

(2) To provide guidance and assistance to claimants.

(3) To make recommendations to the Secretary regarding the location of centers (to be known as “resource centers”) for the acceptance and development of claims for benefits under this part and part B.

(4) To carry out such other duties with respect to this part and part B as the Secretary shall specify for purposes of this section.

(d) Independent Office

The Secretary shall take appropriate actions to ensure the independence of the Office within the Department of Labor, including independence from other officers and employees of the Department engaged in activities relating to the administration of the provisions of this part and part B.

(e) Annual report

(1) Not later than July 30 each year, the Ombudsman shall submit to Congress a report on activities under this part and part B.

(2) Each report under paragraph (1) shall set forth the following:

(A) The number and types of complaints, grievances, and requests for assistance received by the Ombudsman under this part and part B during the preceding year.

(B) An assessment of the most common difficulties encountered by claimants and potential claimants under this part and part B during the preceding year.

(3) The first report under paragraph (1) shall be the report submitted in 2006.

(4) Not later than 180 days after the submission to Congress of the annual report under paragraph (1), the Secretary shall submit to Congress in writing, and post on the public Internet website of the Department of Labor, a response to the report that—

(A) includes a statement of whether the Secretary agrees or disagrees with the specific issues raised by the Ombudsman in the report;

(B) if the Secretary agrees with the Ombudsman on those issues, describes the actions to be taken to correct those issues; and

(C) if the Secretary does not agree with the Ombudsman on those issues, describes the reasons the Secretary does not agree.

(f) Outreach

The Secretary of Labor and the Secretary of Health and Human Services shall each undertake outreach to advise the public of the existence and duties of the Office.

(g) National Institute for Occupational Safety and Health Ombudsman

In carrying out the duties of the Ombudsman under this section, the Ombudsman shall work with the individual employed by the National Institute for Occupational Safety and Health to serve as an ombudsman to individuals making claims under part B.

(h) Sunset

Effective October 28, 2020, this section shall have no further force or effect.

CONSTRUCTION

Pub. L. 111–84, div. C, title XXXI, §3142(b), Oct. 28, 2009, 123 Stat. 2716, provided that: “Except as specifically provided in subsection (g) of section 3686 of the Energy Employees Occupational Illness Compensation Program Act of 2000 (42 U.S.C. 7385s–15(g)), as amended by subsection (a) of this section, nothing in the amendments made by such subsection (a) shall be construed to alter or affect the duties and functions of the individual employed by the National Institute for Occupational Safety and Health to serve as an ombudsman to individuals making claims under subtitle B of the Energy Employees Occupational Illness Compensation Program Act of 2000 (42 U.S.C. 7384/1 et seq.).”

§7385s–16. Advisory Board on Toxic Substances and Worker Health

(a) Establishment

(1) Not later than 120 days after December 19, 2014, the President shall establish and appoint an Advisory Board on Toxic Substances and Worker Health (in this section referred to as the “Board”).

(2) The President shall make appointments to the Board in consultation with organizations with expertise on worker health issues in order to ensure that the membership of the Board reflects a proper balance of perspectives from the scientific, medical, and claimant communities.

(3) The President shall designate a Chair of the Board from among its members.

(b) Duties

The Board shall—

(1) advise the Secretary of Labor with respect to—

(A) the site exposure matrices of the Department of Labor;

(B) medical guidance for claims examiners for claims under this part with respect to the weighing of the medical evidence of claimants;

(C) evidentiary requirements for claims under part B related to lung disease;

(D) the work of industrial hygienists and staff physicians and consulting physicians of the Department and reports of such hygienists and physicians to ensure quality, objectivity, and consistency;

(E) the claims adjudication process generally, including review of procedure manual changes prior to incorporation into the manual and claims for medical benefits; and

(F) such other matters as the Secretary considers appropriate; and

(2) coordinate exchanges of data and findings with the Advisory Board on Radiation and Worker Health established under section 7384o of this title to the extent necessary.

(c) Staff and powers

(1) The President shall appoint a staff to facilitate the work of the Board. The staff of the Board shall be headed by a Director, who shall be appointed under subchapter VIII of chapter 33 of title 5.

(2) The President may authorize the detail of employees of Federal agencies to the Board as necessary to enable the Board to carry out its duties under this section. The detail of such personnel may be on a nonreimbursable basis.

(3) The Secretary may employ outside contractors and specialists to support the work of the Board.

(d) Conflicts of interest

No member, employee, or contractor of the Board shall have any financial interest, employment, or contractual relationship (other than a routine consumer transaction) with any person that has provided, or sought to provide during the two years preceding the appointment or during the service of the member, employee, or contractor under this section, goods or services related to medical benefits under this subchapter.

(e) Expenses

Members of the Board, other than full-time employees of the United States, while attending meetings of the Board or while otherwise serving at the request of the President, and while serving away from their homes or regular places of business, shall be allowed travel and meal expenses, including per diem in lieu of subsistence (as authorized by section 5703 of title 5) for individuals in the Federal Government serving without pay.

(f) Security clearances

(1) The Secretary of Energy shall ensure that the members and staff of the Board, and the contractors performing work in support of the Board, are afforded the opportunity to apply for a security clearance for any matter for which such a clearance is appropriate.

(2) The Secretary of Energy should, not later than 180 days after receiving a completed application for a security clearance for an individual under this subsection, make a determination of whether or not the individual is eligible for the clearance.

(3) For fiscal year 2016 and each fiscal year thereafter, the Secretary of Energy shall include in the budget justification materials submitted to Congress in support of the Department of Energy budget for that fiscal year (as submitted with the budget of the President under section 1105(a) of title 31) a report specifying the number of applications for security clearances under this subsection, the number of such applications granted, and the number of such applications denied.

(g) Information

The Secretary of Energy and the Secretary of Labor shall each, in accordance with law, provide to the Board and the contractors of the Board, access to any information that the Board considers relevant to carry out its responsibilities under this section, including information such as Restricted Data (as defined in section 2014(y) of this title) and information covered by section 552a of title 5 (commonly known as the ‘‘Privacy Act’’). The Secretary of Labor shall make available to the Board the program’s medical director, toxicologist, industrial hygienist and program’s support contractors as requested by the Board.

(h) Response to recommendations

Not later than 60 days after submission to the Secretary of Labor of the Board’s recommenda-
tions, the Secretary shall respond to the Board in writing, and post on the public internet website of the Department of Labor, a response to the recommendations that—

(1) includes a statement of whether the Secretary accepts or rejects the Board’s recommendations;

(2) if the Secretary accepts the Board’s recommendations, describes the timeline for when those recommendations will be implemented; and

(3) if the Secretary does not accept the recommendations, describes the reasons the Secretary does not agree and provides all scientific research to the Board supporting that decision.

(i) Authorization of appropriations

(1) In general

There are authorized to be appropriated such sums as may be necessary to carry out this section.

(2) Treatment as discretionary spending

Amounts appropriated to carry out this section—

(A) shall not be appropriated to the account established under subsection (a) of section 151 of title I of division B of Appendix D of the Consolidated Appropriations Act, 2001 (Public Law 106-554; 114 Stat. 2763A-251); and

(B) shall not be subject to subsection (b) of that section.

(j) Sunset

The Board shall terminate on the date that is 10 years after December 19, 2014.


REFERENCES IN TEXT


AMENDMENTS

2019—Subsec. (b)(1)(E), (F). Pub. L. 116-92, § 3134(b)(1), added subpars. (E) and (F).

Subsec. (g). Pub. L. 116-92, § 3134(b)(2), substituted “The Secretary of Energy and the Secretary of Labor shall each” for “The Secretary of Energy shall” and inserted at end “The Secretary of Labor shall make available to the Board the program’s medical director, toxicologist, industrial hygienist and program’s support contractors as requested by the Board.”

Subsecs. (h) to (j). Pub. L. 116-92, § 3134(b)(3), (4), added subsec. (h) and redesignated subsecs. (h) and (i) as (i) and (j), respectively.

2017—Subsec. (i). Pub. L. 115-91 substituted “10 years” for “5 years”.

EX. ORD. NO. 13699. ESTABLISHING THE ADVISORY BOARD ON TOXIC SUBSTANCES AND WORKER HEALTH

Ex. Ord. No. 13699, June 26, 2015, 80 F.R. 37529, provided:

By the authority vested in me as President by the Constitution and the laws of the United States of America, including the Carl Levin and Howard P. “Buck” McKeon National Defense Authorization Act for Fiscal Year 2015 (Public Law 114-291), and to allocate the responsibilities imposed by that Act, it is hereby ordered as follows:

SECTION 1. Establishment. There is established within the Department of Labor the Advisory Board on Toxic Substances and Worker Health (Advisory Board).

SEC. 2. Membership. (a) The Advisory Board shall reflect a proper balance of perspectives from the scientific, medical, and claimant communities.

(b) The Advisory Board shall consist of no more than 15 members to be appointed by the Secretary of Labor in consultation with organizations with expertise on worker health issues. Members shall serve without compensation as Special Government Employees, but shall be allowed travel and meal expenses, including per diem in lieu of subsistence, to the extent permitted by law for persons serving intermittently in the Government service (5 U.S.C. 5701-5707).

(c) The Secretary of Labor shall designate a Chair of the Board from among its members.

SEC. 3. Functions. (a) The Advisory Board shall advise the Secretary of Labor with respect to:

(i) the site exposure matrices of the Department of Labor;

(ii) medical guidance for claims examiners for claims under subtitle E of the Energy Employees Occupational Illness Compensation Program Act of 2000 (EEOICPA) with respect to the weighing of the medical evidence of claimants;

(iii) evidentiary requirements for claims under EEOICPA subtitle B related to lung disease; and

(iv) the work of industrial hygienists, staff physicians, and consulting physicians of the Department of Labor and reports of such hygienists and physicians to ensure quality, objectivity, and consistency.

(b) To the extent necessary, the Advisory Board shall coordinate exchanges of data and findings with the Advisory Board on Radiation and Worker Health, which was authorized by EEOICPA and established by Executive Order 13179 of December 7, 2000.

SEC. 4. Administration. (a) The Secretary of Labor shall provide the Advisory Board with funding and administrative support, including the appointment of staff and, as the Secretary determines appropriate, authorization for the detail of Federal employees from within the Department of Labor and employment of outside contractors and specialists, to the extent permitted by law and within existing appropriations. The Secretary shall perform the administrative functions of the President under the Federal Advisory Committee Act, as amended (5 U.S.C. App. 2), with respect to the Advisory Board.

(b) The Secretary of Labor shall designate a senior officer of the Department of Labor to serve as the Director of the staff of the Advisory Board.

SEC. 5. Termination. The Advisory Board shall terminate on the date that is 5 years after the enactment of the National Defense Authorization Act for Fiscal Year 2015.

SEC. 6. General Provisions. (a) Nothing in this order shall be construed to impair or otherwise affect:

(i) the authority granted by law to an agency, or the head thereof; or

(ii) the functions of the Director of the Office of Management and Budget relating to budgetary, administrative, or legislative proposals.

(b) This order shall be implemented consistent with applicable law and subject to the availability of appropriations.

(c) This order is not intended to, and does not, create any right or benefit, substantive or procedural, enforceable at law or in equity by any party against the United States, its departments, agencies, or entities, its officers, employees, or agents, or any other person.

BARACK OBAMA.
SUBCHAPTER XVII—[Repealed]

Codification

§§ 7386 to 7386k. Transferred

Codification

CHAPTER 85—AIR POLLUTION PREVENTION AND CONTROL

SUBCHAPTER I—PROGRAMS AND ACTIVITIES

PART A—AIR QUALITY AND EMISSION LIMITATIONS

Sec. 7401. Congressional findings and declaration of purpose.
7402. Cooperative activities.
7403. Research, investigation, training, and other activities.
7404. Research relating to fuels and vehicles.
7405. Grants for support of air pollution planning and control programs.
7406. Interstate air quality agencies; program cost limitations.
7407. Air quality control regions.
7408. Air quality criteria and control techniques.
7409. National primary and secondary ambient air quality standards.
7410. State implementation plans for national primary and secondary ambient air quality standards.
7411. Standards of performance for new stationary sources.
7412. Hazardous air pollutants.
7413. Federal enforcement.
7414. Recordkeeping, inspections, monitoring, and entry.
7415. International air pollution.
7416. Retention of State authority.
7417. Advisory committees.
7418. Control of pollution from Federal facilities.
7419. Primary nonferrous smelter orders.
7420. Noncompliance penalty.
7421. Consultation.

Sec. 7422. Listing of certain unregulated pollutants.
7423. Stack heights.
7424. Assurance of adequacy of State plans.
7425. Measures to prevent economic disruption or unemployment.
7426. Interstate pollution abatement.
7427. Public notification.
7428. State boards.
7429. Solid waste combustion.
7430. Emission factors.
7431. Land use authority.

PART B—OZONE PROTECTION
7450 to 7459. Repealed.

PART C—PREVENTION OF SIGNIFICANT DETERIORATION OF AIR QUALITY

SUBPART 1—CLEAN AIR
7470. Congressional declaration of purpose.
7471. Plan requirements.
7472. Initial classifications.
7473. Increments and ceilings.
7474. Area redesignation.
7475. Preconstruction requirements.
7476. Other pollutants.
7477. Enforcement.
7478. Period before plan approval.
7479. Definitions.

SUBPART II—VISIBILITY PROTECTION
7491. Visibility protection for Federal class I areas.
7492. Visibility.

PART D—PLAN REQUIREMENTS FOR NONATTAINMENT AREAS

SUBPART 1—NONATTAINMENT AREAS IN GENERAL
7501. Definitions.
7502. Nonattainment plan provisions in general.
7503. Permit requirements.
7504. Planning procedures.
7505. Environmental Protection Agency grants.
7505a. Maintenance plans.
7506. Limitations on certain Federal assistance.
7506a. Interstate transport commissions.
7507. New motor vehicle emission standards in nonattainment areas.
7508. Guidance documents.
7509. Sanctions and consequences of failure to attain.
7509a. International border areas.

SUBPART 2—ADDITIONAL PROVISIONS FOR OZONE NONATTAINMENT AREAS
7511. Classifications and attainment dates.
7511a. Plan submissions and requirements.
7511b. Federal ozone measures.
7511c. Control of interstate ozone air pollution.
7511d. Enforcement for Severe and Extreme ozone nonattainment areas for failure to attain.
7511e. Transitional areas.
7511f. NOx and VOC study.

SUBPART 3—ADDITIONAL PROVISIONS FOR CARBON MONOXIDE NONATTAINMENT AREAS
7512. Classification and attainment dates.
7512a. Plan submissions and requirements.

SUBPART 4—ADDITIONAL PROVISIONS FOR PARTICULATE MATTER NONATTAINMENT AREAS
7513. Classifications and attainment dates.
7513a. Plan provisions and schedules for plan submissions.
7513b. Issuance of RACM and BACM guidance.

SUBPART 5—ADDITIONAL PROVISIONS FOR AREAS DESIGNATED NONATTAINMENT FOR SULFUR OXIDES, NITROGEN DIOXIDE, OR LEAD
7514. Plan submission deadlines.
§ 7401. Congressional findings and declaration of purpose

(a) Findings

The Congress finds—

(1) that the predominant part of the Nation’s population is located in its rapidly expanding metropolitan and other urban areas, which generally cross the boundary lines of local jurisdictions and often extend into two or more States;

(2) that the growth in the amount and complexity of air pollution brought about by urbanization, industrial development, and the increasing use of motor vehicles, has resulted in mounting dangers to the public health and welfare, including injury to agricultural crops and livestock, damage to and the deterioration of property, and hazards to air and ground transportation;

(3) that air pollution prevention (that is, the reduction or elimination, through any means, of the amount of pollutants produced or created at the source) and air pollution control at its source is the primary responsibility of States and local governments; and

(4) that Federal financial assistance and leadership is essential for the development of cooperative Federal, State, regional, and local programs to prevent and control air pollution.

(b) Declaration

The purposes of this subchapter are—

(1) to protect and enhance the quality of the Nation’s air resources so as to promote the public health and welfare and the productive capacity of its population;

(2) to initiate and accelerate a national research and development program to achieve the prevention and control of air pollution;

(3) to provide technical and financial assistance to State and local governments in connection with the development and execution of their air pollution prevention and control programs; and

(4) to encourage and assist the development and operation of regional air pollution prevention and control programs.

(c) Pollution prevention

A primary goal of this chapter is to encourage or otherwise promote reasonable Federal, State, and local governmental actions, consistent with the provisions of this chapter, for pollution prevention.


Codification

Section was formerly classified to section 1857 of this title.

Prior Provisions

Provisions similar to those in this section were contained in a prior section 1857 of this title, act of July 14, 1955, ch. 360, §1, 69 Stat. 322, prior to the general amendment of this chapter by Pub. L. 88–206.

Amendments

1990—Subsec. (a)(3). Pub. L. 101–549, §108(k)(1), amended par. (3) generally. Prior to amendment, par. (3) read as follows: “that the prevention and control of air pollution at its source is the primary responsibility of States and local governments; and”.


1967—Subsec. (b)(1). Pub. L. 90–148 inserted “and enhance the quality of” after “to protect”.

1965—Subsec. (b). Pub. L. 89–272 substituted “this title” for “this Act”, which for purposes of codification has been changed to “this subchapter”.

Effective Date of 1990 Amendment

Pub. L. 101–549, title VII, §711(b), Nov. 15, 1990, 104 Stat. 2884, provided that:

“(1) Except as otherwise expressly provided, the amendments made by this Act [see Tables for classification] shall be effective on the date of enactment of this Act [Nov. 15, 1990].

“(2) The Administrator’s authority to assess civil penalties under section 205(c) of the Clean Air Act [42 U.S.C. 7524(c)], as amended by this Act, shall apply to violations that occur or continue on or after the date of enactment of this Act. Civil penalties for violations that occur prior to such date and do not continue after such date shall be assessed in accordance with the provisions of the Clean Air Act [42 U.S.C. 7401 et seq.] in effect immediately prior to the date of enactment of this Act.

“(3) The civil penalties prescribed under sections 205(a) and 211(d)(1) of the Clean Air Act [42 U.S.C. 7524(a), 7410(d)(1)], as amended by this Act, shall apply to violations that occur on or after the date of enactment of this Act. Violations that occur prior to such date shall be subject to the civil penalty provisions prescribed in sections 205(a) and 211(d) of the Clean Air Act in effect immediately prior to the enactment of this Act. The injunctive authority prescribed under section 211(d)(2) of the Clean Air Act, as amended by this Act, shall apply to violations that occur or continue on or after the date of enactment of this Act.

“(4) For purposes of paragraphs (2) and (3), where the date of a violation cannot be determined it will be assumed to be the date on which the violation is discovered.”

Effective Date of 1977 Amendment; Pending Actions; Continuation of Rules, Contracts, Authorizations, Etc.; Implementation Plans


“(a) No suit, action, or other proceeding lawfully commenced by or against the Administrator or any other officer or employee of the United States in his official capacity or in relation to the discharge of his official duties under the Clean Air Act [this chapter], as in effect immediately prior to the date of enactment of this Act [Aug. 7, 1977] shall abate by reason of the taking effect of the amendments made by this Act [see
that: ‘This Act [amending section 7412 of this title and enacting provisions set out as notes under section 7412, sections 7403, 7405, 7407 to 7415, 7423, 7425 to 7429, 7431, 7434, 7440, 7445, 7450 to 7453, 7454, 7455, 7501 to 7508, 7510, 7512, 7513, and 7616 of this title, amending sections 7403, 7405, 7407 to 7415, 7417, 7418, 7521 to 7525, 7541, 7549, 7549, 7551, 7552, 7553, 7571, 7601 to 7605, 7607, 7612, 7613, and 7616 of this title, repealing section 1857c–10 of this title, and enacting provisions set out as notes under this section, sections 7403, 7422, 7479, 7502, 7521, 7548, and 7621 of this title, and section 792 of Title 15, Commerce and Trade] may be cited as the ‘Clean Air Act Amendments of 1977’.’”

SHORT TITLE OF 1970 AMENDMENT

SHORT TITLE OF 1967 AMENDMENT

SHORT TITLE OF 1966 AMENDMENT

SHORT TITLE


Act July 14, 1955, ch. 360, title IV, § 401, as added by Pub. L. 91–604, § 14, 84 Stat. 1709, provided that: “This title [enacting subchapter IV of this chapter] may be cited as the ‘Noise Pollution and Abatement Act of 1970.’”

SAVINGS PROVISION
Pub. L. 101–549, title VII, § 711(a), Nov. 15, 1990, 104 Stat. 2684, provided that: “Except as otherwise expressly provided in this Act [see Tables for classification], no suit, action, or other proceeding lawfully commenced by the Administrator or any other officer or employee of the United States in his official capacity or in relation to the discharge of his official duties under the Clean Air Act [42 U.S.C. 7401 et seq.], as in effect immediately prior to the date of enactment of this Act (Nov. 15, 1990), shall abate by reason of the taking effect of the amendments made by this Act.”

TRANSFER OF FUNCTIONS
Reorg. Plan No. 3 of 1970, § 2(a)(3), eff. Dec. 2, 1970, 35 F.R. 16523, 84 Stat. 2086, transferred to Administrator of Environmental Protection Agency functions vested by law in Secretary of Health, Education, and Welfare or in Department of Health, Education, and Welfare which are administered through Environmental Health Service, including functions exercised by National Air Pollution Control Administration and Environmental Control Administration’s Bureau of Solid Waste Management, Bureau of Water Hygiene, and Bureau of Radiological Health, except insofar as functions carried out by Bureau of Radiological Health pertain to regulation of radiation from consumer products, including electronic product radiation, radiation as used in healing arts, occupational exposure to radiation, and re-
search, technical assistance, and training related to radiation from consumer products, radiation as used in healing arts, and occupational exposure to radiation.

**IMPACT ON SMALL COMMUNITIES**

Pub. L. 101–549, title VIII, §810, Nov. 15, 1990, 104 Stat. 2690, provided that: ‘‘Before implementing a provision of this Act [see Tables for classification], the Administrator of the Environmental Protection Agency shall consult with the Small Communities Coordinator of the Environmental Protection Agency to determine the impact of such provision on small communities, including the estimated cost of compliance with such provision.’’

**RADON ASSESSMENT AND MITIGATION**


‘‘(1) RADON GAS.—No later than one year after the enactment of this Act [Oct. 17, 1986], the Administrator shall submit to the Congress a report which shall, to the extent possible—

‘‘(A) identify the locations in the United States where radon is found in structures where people normally live or work, including educational institutions;

‘‘(B) assess the levels of radon gas that are present in such structures;

‘‘(C) determine the level of radon gas and radon daughters which poses a threat to human health and assess for each location identified under subparagraph (A) the extent of the threat to human health;

‘‘(D) determine methods of reducing or eliminating the threat to human health of radon gas and radon daughters; and

‘‘(E) include guidance and public information materials based on the findings or research of mitigating radon.

‘‘(2) RADON MITIGATION DEMONSTRATION PROGRAM.—

‘‘(A) DEMONSTRATION PROGRAM.—The Administrator shall conduct a demonstration program to test methods and technologies of reducing or eliminating radon gas and radon daughters where it poses a threat to human health. The Administrator shall take into consideration any demonstration program underway in the Reading Prong of Pennsylvania, New Jersey, and New York and at other sites prior to enactment. The demonstration program under this section shall be conducted in the Reading Prong, and at such other sites as the Administrator considers appropriate.

‘‘(B) LIABILITY.—Liability, if any, for persons undertaking activities pursuant to the radon mitigation demonstration program authorized under this subsection shall be determined under principles of existing law.

‘‘(3) CONSTRUCTION OF SECTION.—Nothing in this subsection shall be construed to authorize the Administrator to carry out any regulatory program or any activity other than research, development, and related reporting, information dissemination, and coordination activities specified in this subsection. Nothing in paragraph (1) or (2) shall be construed to limit the authority of the Administrator or of any other agency or instrumentality of the United States under any other authority of law.

**SPILL, CONTROL TECHNOLOGY**

Pub. L. 99–499, title I, §118(m), Oct. 17, 1986, 100 Stat. 1669, provided that:

‘‘(1) ESTABLISHMENT OF PROGRAM.—Within 180 days of enactment of this subsection [Oct. 17, 1986], the Secretary of the United States Department of Energy is directed to carry out a program of testing and evaluation of technologies which may be utilized in responding to liquefied gaseous and other hazardous substance spills at the Liquefied Gaseous Fuels Spill Test Facility that threaten public health or the environment.

‘‘(2) TECHNOLOGY TRANSFER.—In carrying out the program established under this subsection, the Secretary shall conduct a technology transfer program that, at a minimum—

‘‘(A) documents and archives spill control technology;

‘‘(B) investigates and analyzes significant hazardous spill incidents;

‘‘(C) develops and provides generic emergency action plans;

‘‘(D) documents and archives spill test results;

‘‘(E) develops emergency action plans to respond to spills;

‘‘(F) conducts training of spill response personnel; and

‘‘(G) establishes safety standards for personnel engaged in spill response activities.

‘‘(3) CONTRACTS AND GRANTS.—The Secretary is directed to enter into contracts and grants with a non-profit organization in Albany County, Wyoming, that is capable of providing the necessary technical support and which is involved in environmental activities related to such hazardous substance related emergencies.

‘‘(4) USE OF SITE.—The Secretary shall arrange for the use of the Liquefied Gaseous Fuels Spill Test Facility to carry out the provisions of this subsection.’’

**RADON GAS AND INDOOR AIR QUALITY RESEARCH**


‘‘SEC. 401. SHORT TITLE.

‘‘This title may be cited as the ‘Radon Gas and Indoor Air Quality Research Act of 1986’.

‘‘SEC. 402. FINDINGS.

‘‘(a) DETERMINATION OF NEED.—The Congress finds that—

‘‘(1) high levels of radon gas pose a serious health threat in structures in certain areas of the country;

‘‘(2) various scientific studies have suggested that exposure to radon, including exposure to naturally occurring radon and indoor air pollutants, poses a public health risk;

‘‘(3) existing Federal radon and indoor air pollutant research programs are fragmented and underfunded;

‘‘(4) an adequate information base concerning exposure to radon and indoor air pollutants should be developed by the appropriate Federal agencies.

‘‘SEC. 403. RADON GAS AND INDOOR AIR QUALITY RESEARCH PROGRAM.

‘‘(1) DESIGN OF PROGRAM.—The Administrator of the Environmental Protection Agency shall establish a research program with respect to radon gas and indoor air quality. Such program shall be designed to—

‘‘(A) gather data and information on all aspects of indoor air quality in order to contribute to the understanding of health problems associated with the existence of air pollutants in the indoor environment;

‘‘(B) coordinate Federal, State, local, and private research and development efforts relating to the improvement of indoor air quality; and

‘‘(C) assess appropriate Federal Government actions to mitigate the environmental and health risks associated with indoor air quality problems.

‘‘(b) PROGRAM REQUIREMENTS.—The research program required under this section shall include—

‘‘(1) research and development concerning the identification, characterization, and monitoring of the sources and levels of indoor air pollution, including radon, which includes research and development relating to—

‘‘(A) the measurement of various pollutant concentrations and their strengths and sources,

‘‘(B) high-risk building types, and

‘‘(C) instruments for indoor air quality data collection;

‘‘(2) research relating to the effects of indoor air pollution and radon on human health;

‘‘(3) research and development relating to control technologies or other mitigation measures to prevent or abate indoor air pollution (including the development, evaluation, and testing of individual and generic control devices and systems);
“(4) demonstration of methods for reducing or eliminating indoor air pollution and radon, including sealing, venting, and other methods that the Administrator determines may be effective;

“(5) research, to be carried out in conjunction with the Secretary of Housing and Urban Development, for the purpose of developing—

(A) methods for assessing the potential for radon contamination of new construction, including (but not limited to) consideration of the moisture content of soil, porosity of soil, and radon content of soil; and

(B) design measures to avoid indoor air pollution; and

“(6) the dissemination of information to assure the public knowledge of the findings of the activities under this section.

“(c) ADVISORY COMMITTEES.—The Administrator shall establish a committee comprised of individuals representing Federal agencies concerned with various aspects of indoor air quality and an advisory group comprised of individuals representing the States, the scientific community, industry, and public interest organizations to assist him in carrying out the research program for radon gas and indoor air quality.

“(d) IMPLEMENTATION PLAN.—Not later than 90 days after the enactment of this Act (Oct. 17, 1986), the Administrator shall submit to the Congress a plan for implementation of the research program under this section. Such plan shall also be submitted to the EPA Science Advisory Board, which shall, within a reasonable period of time, submit its comments on such plan to Congress.

“(e) REPORT.—Not later than 2 years after the enactment of this Act (Oct. 17, 1986), the Administrator shall submit to Congress a report respecting his activities under this section and making such recommendations as appropriate.

“SEC. 404. CONSTRUCTION OF TITLE.

“Nothing in this title shall be construed to authorize the Administrator to carry out any regulatory program or any activity other than research, development, and related reporting, information dissemination, and coordination activities specified in this title. Nothing in this title shall be construed to limit the authority of the Administrator or of any other agency or instrumentality of the United States under any other authority of law.

“SEC. 405. AUTHORIZATIONS.

“There are authorized to be appropriated to carry out the activities under this title and under section 118(k) of the Superfund Amendments and Reauthorization Act of 1986 (relating to radon gas assessment and demonstration program) [section 118(k) of Pub. L. 99–499, set out as a note above] to not exceed $5,000,000 for each of the fiscal years 1987, 1988, and 1989. Of such sums appropriated in fiscal years 1987 and 1988, two-thirds shall be reserved for the implementation of section 118(k)(2).

STUDY OF ODORS AND ODOROUS EMISSIONS

Pub. L. 95–95, title IV, §403(b), Aug. 7, 1977, 91 Stat. 792, directed Administrator of EPA, not later than Jan. 1, 1979, on effects on public health and welfare of odors and odorous emissions, source of such emissions, technology or other measures available for control of such emissions and costs of such technology or measures, and costs and benefits of alternative measures or strategies to abate such emissions.

LIST OF CHEMICAL CONTAMINANTS FROM ENVIRONMENTAL POLLUTION FOUND IN HUMAN TISSUE

Pub. L. 95–95, title IV, §403(c), Aug. 7, 1977, 91 Stat. 792, directed Administrator of EPA, not later than twelve months after Aug. 7, 1977, to publish throughout the United States a list of all known chemical contaminants resulting from environmental pollution which have been found in human tissue including blood, urine, breast milk, and all other human tissue, such list to be prepared for the United States and to indicate approximate number of cases, range of levels found, directed Administrator, not later than eighteen months after Aug. 7, 1977, to publish in same manner an explanation of what is known about the manner in which chemicals entered the environment and thereafter human tissue, and directed Administrator, in consultation with National Institutes of Health, the National Center for Health Statistics, and the National Center for Health Services Research and Development, to, if feasible, conduct an epidemiological study to demonstrate the relationship between levels of chemicals in the environment and in human tissue, such study to be made in appropriate regions or areas of the United States in order to determine any different results in such regions or areas, and the results of such study to be reported, as soon as practicable, to appropriate committee of Congress.
AGENCIES ADDRESSING EMISSIONS THAT ARE BEYOND THEIR CONTROL

States must demonstrate compliance to costs and uncertainty associated with permitting delays and emissions-control requirements.

Under the CAAA, EPA has also established a Regional Haze Program, which requires States to submit for the Administrator’s approval plans that cover 10-year implementation periods and to demonstrate “reasonable progress” toward improving and maintaining visibility in certain national parks and wilderness areas. In recent years, States have spent significant time and resources developing Regional Haze Program SIPs. EPA, however, has rejected several of them, in whole or in part, and issued FIPs in their place, which often impose more costly and burdensome measures.

Given the national importance of successful and efficient implementation of air quality standards to promote public health, welfare, and economic growth, this memorandum directs the Administrator to take specific actions to ensure efficient and cost-effective implementation of the NAAQS program, including with regard to permitting decisions for new and expanded facilities, and with respect to the Regional Haze Program. These actions are intended to ensure that EPA carries out its core mission of protecting the environment and improving air quality in accord with statutory requirements, while reducing unnecessary impediments to new manufacturing and business expansion essential for a growing economy.

Accordingly, by the authority vested in me as President by the Constitution and the laws of the United States of America, it is hereby directed as follows:

SECTION 1. Timely Processing of State Implementation Plans. The Administrator shall, as practicable and consistent with law, endeavor in all cases to take final action on SIPs within 18 months of the date of the submission of a SIP. This goal applies to all SIPs and SIP revisions submitted pursuant to section 110 of the CAA (42 U.S.C. 7410). The Administrator shall consider the expurgation of existing support, review, and determination of timely processing of SIPs starting with the Fiscal Year (FY) 2019 performance plan.

SIRC 2. Cooperative Engagement with States to Review Regional Haze Plans. The Administrator shall undertake a process to review all full or partial FIPs issued under the 2007 planning period of the Regional Haze Program and to develop options, at the request of affected States, consistent with law, to replace FIPs with approvable SIPs. The Administrator shall consider the expansion of existing performance goals related to the cooperative engagement with States in EPA’s review of Regional Haze Plans starting with the FY 2019 performance plan.

SIRC 3. Timely Processing of Preconstruction Permit Applications. The Administrator shall endeavor to take final action on applications for preconstruction permits, as appropriate and consistent with law, within 1 year of the date of receiving a complete application. This 1-year goal applies to all completed applications for preconstruction permits for which EPA is the direct permitting authority under the CAA. The Administrator shall also seek to ensure that determinations relating to the completeness of an application are not unduly delayed. To the extent that a State is the direct permitting authority, EPA shall endeavor to provide prompt technical support, reviews, and determinations, as necessary and consistent with applicable law, in order to assist States in the timely issuance of preconstruction permits. The Administrator shall, starting with the FY 2019 performance plan, develop performance goals related to the timely processing of preconstruction permit applications.

SIRC 4. Demonstrations or Petitions Submitted Pursuant to Sections 319 and 179B of the CAA Relating to Emissions Beyond the Control of State and Local Air Agencies. The Administrator shall take the following actions with regard to demonstrations or petitions submitted pursuant to sections 319 and 179B of the CAA (42 U.S.C. 7619, 7509a), in order to provide relief to State and local air agencies addressing emissions that are beyond their control:

(a) Timely Processing. With respect to all exceptional event demonstrations submitted pursuant to section 319 of the CAA (42 U.S.C. 7619), and all demonstrations or petitions relating to international emissions submitted pursuant to section 179B of the CAA (42 U.S.C. 7509a), the Administrator shall endeavor to take final action within 120 days of a complete submission that is appropriate and consistent with law. The Administrator shall also endeavor to use available monitoring data and modeling tools to assist States in identifying potential exceptional events and international emissions that may affect concentrations of criteria pollutants. The Administrator shall, starting with the FY 2019 performance plan, develop performance goals related to the timely processing of demonstrations or petitions.

(b) Policies Relating to International Emissions. The Administrator shall ensure that EPA continues to take
into consideration a State’s ability to meet and attain NAAQS that may be affected by international transport of criteria pollutants. With regard to all demonstrations or petitions submitted pursuant to section 179B of the CAA, the Administrator shall also seek to ensure, including through rulemakings or guidance and as appropriate and consistent with law, that EPA does not limit its consideration of demonstrations or petitions to those submitted by States located on the borders of the United States with Mexico or Canada, but rather considers section 179B demonstrations or petitions submitted by any State, including but not limited to those located in the Western United States. Additionally, with respect to section 179B demonstrations or petitions, the Administrator shall ensure that EPA does not limit its consideration to emissions emanating from Mexico or Canada, but rather considers, where appropriate, emissions that may emanate from any location outside the United States, including emissions from Asia.

(c) Continuing Assessment. In implementing section 179B of the CAA (42 U.S.C. 7509a), section 319 of the CAA (42 U.S.C. 7619), and section 182(h) of the CAA (42 U.S.C. 7518), the Administrator shall continue to assess background concentrations and sources of pollution outside the control of State and local air agencies that may affect implementation or applicability of these provisions. Such assessment may include current and future trends in pollution from foreign sources; regional trends in exceptional events, including wildfires, stratospheric ozone intrusions, and volcanic and seismic activities; and other events, as appropriate and consistent with law.

Sic. 5. Monitoring and Modeling Data. The Administrator shall take the following actions to ensure that monitoring and modeling data is used appropriately in designations, permitting decisions, and demonstrations:

(a) Designations. Given the significant planning, permitting, and other requirements for affected States, localities, and regulated entities associated with non attainment designations, the Administrator’s goal for future designations should be, to the extent feasible and permitted by law, to rely on data from EPA-approved air quality monitors for such designations.

(b) Permitting Decisions and Demonstrations.

(i) Where modeling is necessary for permitting decisions, for State plans, or for exceptional event or international emissions demonstrations, the Administrator shall seek to ensure that EPA’s applicable modeling tools are sufficiently accurate for their intended application; and that the relevant State or local agency, or permit applicant as applicable, is consulted regarding whether the use of modeling projections in lieu of monitored data is appropriate. The Administrator should also seek to streamline EPA’s processes for considering and approving inputs to models and updates to modeling techniques, including updates to account for site-specific conditions. Where EPA-approved models are not representative of site conditions or planned activities, the Administrator shall seek, as appropriate and consistent with law, to streamline the process for approving alternative models and to provide for other methods that promote innovative State approaches.

(ii) The Administrator shall, consistent with law, continue to take actions, such as setting significant impact levels and related values, that enable EPA to clearly identify the types or classes of permitting and related decisions that do not require modeling or that can rely on streamlined modeling approaches. This requirement is especially important in areas for which EPA concludes that permits need to demonstrate compliance with NAAQS that have yet to be fully implemented. In developing significant impact levels, EPA should, as appropriate and consistent with law, allow for natural variability in meteorological conditions and industrial processes.

Sic. 6. Offsets. To the extent consistent with law and air quality improvement, the Administrator shall provide flexibility to States with regard to identifying and achieving offsets, including by allowing intrastate and regional inter-precursor trading. These efforts should include development and implementation of flexible offset policies where few facilities exist to generate offsets, in order to promote their economic expansion. The Administrator shall examine steps to help regions and States benefit from flexibilities available in the permitting process for new facilities and projects.

Sic. 7. Future NAAQS Reviews. The Administrator shall evaluate whether EPA is complying fully with the requirements of section 509(c) of the CAA (42 U.S.C. 7549c(d)(2)(C)) relating to the scope and characterization of advice provided by its Clean Air Act Scientific Advisory Committee, including requirements that the Committee advise the Administrator regarding background concentrations and adverse public health or other effects that may result from implementation of revised air quality standards. In addition, the Administrator shall examine the current NAAQS review process and develop criteria to ensure transparency in the evaluation, assessment, and characterization of scientific evidence in such reviews. The Administrator shall also develop clear guidance for differentiating the role of science and policy considerations in establishing NAAQS.

Sic. 8. Timely Issuance of Implementing Regulations and Guidance. When issuing any final rule establishing or revising NAAQS, the Administrator shall, where appropriate and consistent with law, concurrently issue regulations and guidance necessary for implementing the new or revised standards. The regulations and guidance shall specify the information that is relevant to the submission and consideration of SIPs and preconstruction permit applications.

Sic. 9. Review of Rules, Guidance, Memoranda, and Procedures Relating to State Implementation Plans and Permitting. The Administrator shall evaluate EPA’s existing rules, guidance, memoranda, and other public documents relating to the implementation of NAAQS, including documents that relate to the submission and consideration of preconstruction permit applications. The Administrator shall, consistent with law, determine whether any such documents should be revised or rescinded to ensure more timely permitting decisions under the NAAQS. Any resulting revisions or rescissions should seek, among other things, to provide States with additional implementation flexibility. The Administrator should also evaluate the adequacy of existing internal review procedures to determine whether they can be improved to ensure prompt evaluation and timely action on new and pending SIPs and permit applications.

Sic. 10. General Provisions. (a) Nothing in this memorandum shall be construed to impair or otherwise affect:

(i) the authority granted by law to an executive department or agency, or its subagencies, to regulate matters coming before it for its deliberation, enforcement, or legislative proposals.

(ii) the functions of the Director of the Office of Management and Budget relating to budgetary, administrative, or legislative proposals.

(b) This memorandum shall be implemented consistent with applicable law and subject to the availability of appropriations.

(c) This memorandum is not intended to, and does not, create any right or benefit, substantive or procedural, enforceable at law or in equity by any party against the United States, its departments, agencies, or instrumentalities, its officers, employees, or agents, or any other person.

(d) You are hereby authorized and directed to publish this memorandum in the Federal Register.
ments for the prevention and control of air pollution; encourage the enactment of improved
and, so far as practicable in the light of varying conditions and needs, uniform State and local
laws relating to the prevention and control of air pollution; and encourage the making of
agreements and compacts between States for the prevention and control of air pollution.

(b) Federal cooperation

The Administrator shall cooperate with and encourage cooperative activities by all Federal
departments and agencies having functions relating to the prevention and control of air pollu-
tion, so as to assure the utilization in the Federal air pollution control program of all appro-
priate and available facilities and resources within the Federal Government.

(c) Consent of Congress to compacts

The consent of the Congress is hereby given to two or more States to negotiate and enter into
agreements or compacts, not in conflict with any law or treaty of the United States, for (1)
cooperative effort and mutual assistance for the prevention and control of air pollution and the
enforcement of their respective laws relating thereto, and (2) the establishment of such agen-
cies, joint or otherwise, as they may deem desirable for making effective such agreements or
compacts. No such agreement or compact shall be binding or obligatory upon any State a party
thereto unless and until it has been approved by Congress. It is the intent of Congress that no
agreement or compact entered into between States after November 21, 1967, which relates to
the control and abatement of air pollution in an air quality control region, shall provide for par-
ticipation by a State which is not included (in whole or in part) in such air quality control re-


CODIFICATION

Section was formerly classified to section 1857a of this title.

PRIOR PROVISIONS

Provisions similar to those in the first clause of subsec. (a) of this section were contained in subsec. (b)(1) of a prior section 1857a, of this title, act July 14, 1955, ch. 360, §2, 69 Stat. 322, prior to the general amendment of this chapter by Pub. L. 88–206.

AMENDMENTS

1979—Subsecs. (a), (b), Pub. L. 91–604 substituted “Administrator” for “Secretary” wherever appearing.

1967—Subsec. (c). Pub. L. 90–148 inserted declaration that it is the intent of Congress that no agreement or compact entered into between States after the date of enactment of the Air Quality Act of 1967, which for pur-
poses of codification was changed to November 21, 1967, the date of approval of such Act, relating to the control and abatement of air pollution in an air quality control region, shall provide for participation by a State which is not included (in whole or in part) in such air quality control region.

§ 7403. Research, investigation, training, and other activities

(a) Research and development program for prevention and control of air pollution

The Administrator shall establish a national research and development program for the pre-
vention and control of air pollution and as part of such program shall—

(1) conduct, and promote the coordination and acceleration of, research, investigations,
(experiments, demonstrations, surveys, and studies relating to the causes, effects (includ-
ing health and welfare effects), extent, prevention, and control of air pollution;

(2) encourage, cooperate with, and render technical services and provide financial assist-
ance to air pollution control agencies and other appropriate public or private agencies,
institutions, and organizations, and individuals in the conduct of such activities;

(3) conduct investigations and research and make surveys concerning any specific problem of air pollution in cooperation with any air pollution control agency with a view to rec-
ommending a solution of such problem, if he is requested to do so by such agency or if, in his
judgment, such problem may affect any community or communities in a State other than
that in which the source of the matter causing or contributing to the pollution is located;

(4) establish technical advisory committees composed of recognized experts in various as-
pects of air pollution to assist in the examination and evaluation of research progress and
proposals and to avoid duplication of research; and

(5) conduct and promote coordination and acceleration of training for individuals relatin-
g to the causes, effects, extent, prevention, and control of air pollution.

(b) Authorized activities of Administrator in establishing research and development pro-
gram

In carrying out the provisions of the preceding subsection the Administrator is authorized to—

(1) collect and make available, through publications and other appropriate means, the re-
sults of and other information, including appropriate recommendations by him in connec-
tion therewith, pertaining to such research and other activities;

(2) cooperate with other Federal departments and agencies, with air pollution control
agencies, with other public and private agencies, institutions, and organizations, and with
any industries involved, in the preparation and conduct of such research and other activi-
ties;

(3) make grants to air pollution control agencies, to other public or nonprofit private
agents, institutions, and organizations, and to individuals, for purposes stated in sub-
section (a)(1) of this section;

(4) contract with public or private agencies, institutions, and organizations, and with indi-
viduals, without regard to section 3324(a) and (b) of title 31 and section 6101 of title 41;

(5) establish and maintain research fellow-
ships, in the Environmental Protection Agen-
cy and at public or nonprofit private educational institutions or research organizations;

(6) collect and disseminate, in cooperation with other Federal departments and agencies, and with other public or private agencies, institutions, and organizations having related responsibilities, basic data on chemical, physical, and biological effects of varying air quality and other information pertaining to air pollution and the prevention and control thereof;

(7) develop effective and practical processes, methods, and prototype devices for the prevention or control of air pollution; and

(8) construct facilities, provide equipment, and employ staff as necessary to carry out this chapter.

In carrying out the provisions of subsection (a), the Administrator shall provide training for, and make training grants to, personnel of air pollution control agencies and other persons with suitable qualifications and make grants to such agencies, to other public or private agencies, institutions, and organizations for the purposes stated in subsection (a)(5). Reasonable fees may be charged for such training provided to persons other than personnel of air pollution control agencies but such training shall be provided to such personnel of air pollution control agencies without charge.

c) Air pollutant monitoring, analysis, modeling, and inventory research

In carrying out subsection (a), the Administrator shall conduct a program of research, testing, and development of methods for sampling, measurement, monitoring, analysis, and modeling of air pollutants. Such program shall include the following elements:

(1) Consideration of individual, as well as complex mixtures of, air pollutants and their chemical transformations in the atmosphere.

(2) Establishment of a national network to monitor, collect, and compile data with qualification of certainty in the status and trends of air emissions, deposition, air quality, surface water quality, forest condition, and visibility impairment, and to ensure the comparability of air quality data collected in different States and obtained from different nations.

(3) Development of improved methods and technologies for sampling, measurement, monitoring, analysis, and modeling to increase understanding of the sources of ozone precursors, ozone formation, ozone transport, regional influences on urban ozone, regional ozone trends, and interactions of ozone with other pollutants. Emphasis shall be placed on those techniques which—

(A) improve the ability to inventory emissions of volatile organic compounds and nitrogen oxides that contribute to urban air pollution, including anthropogenic and natural sources;

(B) improve the understanding of the mechanism through which anthropogenic and biogenic volatile organic compounds react to form ozone and other oxidants; and

(C) improve the ability to identify and evaluate region-specific prevention and control options for ozone pollution.

(4) Submission of periodic reports to the Congress, not less than once every 5 years, which evaluate and assess the effectiveness of air pollution control regulations and programs using monitoring and modeling data obtained pursuant to this subsection.

d) Environmental health effects research

(1) The Administrator, in consultation with the Secretary of Health and Human Services, shall conduct a research program on the short-term and long-term effects of air pollutants, including wood smoke, on human health. In conducting such research program the Administrator—

(A) shall conduct studies, including epidemiological, clinical, and laboratory and field studies, as necessary to identify and evaluate exposure to and effects of air pollutants on human health;

(B) may utilize, on a reimbursable basis, the facilities of existing Federal scientific laboratories and research centers; and

(C) shall consult with other Federal agencies to ensure that similar research being conducted in other agencies is coordinated to avoid duplication.

(2) In conducting the research program under this subsection, the Administrator shall develop methods and techniques necessary to identify and assess the risks to human health from both routine and accidental exposures to individual air pollutants and combinations thereof. Such research program shall include the following elements:

(A) The creation of an Interagency Task Force to coordinate such program. The Task Force shall include representatives of the National Institute for Environmental Health Sciences, the Environmental Protection Agency, the Agency for Toxic Substances and Disease Registry, the National Toxicology Program, the National Institute of Standards and Technology, the National Science Foundation, the Surgeon General, and the Department of Energy. This Interagency Task Force shall be chaired by a representative of the Environmental Protection Agency and shall convene its first meeting within 60 days after November 15, 1990.

(B) An evaluation, within 12 months after November 15, 1990, of each of the hazardous air pollutants listed under section 7412(b) of this title, to decide, on the basis of available information, their relative priority for preparation of environmental health assessments pursuant to subparagraph (C). The evaluation shall be based on reasonably anticipated toxicity to humans and exposure factors such as frequency of occurrence as an air pollutant and volume of emissions in populated areas. Such evaluation shall be reviewed by the Interagency Task Force established pursuant to subparagraph (A).

(C) Preparation of environmental health assessments for each of the hazardous air pollutants referred to in subparagraph (B), begin-
nring 6 months after the first meeting of the Interagency Task Force and to be completed within 96 months thereafter. No fewer than 24 assessments shall be completed and published annually. The assessments shall be prepared in accordance with guidelines developed by the Administrator in consultation with the Interagency Task Force and the Science Advisory Board of the Environmental Protection Agency. Each such assessment shall include—

(i) an examination, summary, and evaluation of available toxicological and epidemiological information for the pollutant to ascertain the levels of human exposure which pose a significant threat to human health and the associated acute, subacute, and chronic adverse health effects;

(ii) a determination of gaps in available information related to human health effects and exposure levels; and

(iii) where appropriate, an identification of additional activities, including toxicological and inhalation testing, needed to identify the types or levels of exposure which may present significant risk of adverse health effects in humans.

(e) Ecosystem research

In carrying out subsection (a), the Administrator, in cooperation, where appropriate, with the Under Secretary of Commerce for Oceans and Atmosphere, the Director of the Fish and Wildlife Service, and the Secretary of Agriculture, shall conduct a research program to improve understanding of the short-term and long-term causes, effects, and trends of ecosystems damage from air pollutants on ecosystems. Such program shall include the following elements:

(1) Identification of regionally representative and critical ecosystems for research.

(2) Evaluation of risks to ecosystems exposed to air pollutants, including characterization of the causes and effects of chronic and episodic exposures to air pollutants and determination of the reversibility of those effects.

(3) Development of improved atmospheric dispersion models and monitoring systems and networks for evaluating and quantifying exposure to and effects of multiple environmental stresses associated with air pollution.

(4) Evaluation of the effects of air pollution on water quality, including assessments of the short-term and long-term ecological effects of acid deposition and other atmospherically derived pollutants on surface water (including wetlands and estuaries) and groundwater.

(5) Evaluation of the effects of air pollution on forests, materials, crops, biological diversity, soils, and other terrestrial and aquatic systems exposed to air pollutants.

(6) Estimation of the associated economic costs of ecological damage which have occurred as a result of exposure to air pollutants.

Consistent with the purpose of this program, the Administrator may use the estuarine research reserves established pursuant to section 1461 of title 16 to carry out this research.

(f) Liquefied Gaseous Fuels Spill Test Facility

(1) The Administrator, in consultation with the Secretary of Energy and the Federal Coordinating Council for Science, Engineering, and Technology, shall oversee an experimental and analytical research effort, with the experimental research to be carried out at the Liquefied Gaseous Fuels Spill Test Facility. In consultation with the Secretary of Energy, the Administrator shall develop a list of chemicals and a schedule for field testing at the Facility. Analysis of a minimum of 10 chemicals per year shall be carried out, with the selection of a minimum of 2 chemicals for field testing each year. Highest priority shall be given to those chemicals that would present the greatest potential risk to human health as a result of an accidental release—

(A) from a fixed site; or

(B) related to the transport of such chemicals.

(2) The purpose of such research shall be to—

(A) develop improved predictive models for atmospheric dispersion which at a minimum—

(i) describe dense gas releases in complex terrain including man-made structures or obstacles with variable winds;

(ii) improve understanding of the effects of turbulence on dispersion patterns; and

(iii) consider realistic behavior of aerosols by including physicochemical reactions with water vapor, ground deposition, and removal by water spray;

(B) evaluate existing and future atmospheric dispersion models by—

(i) the development of a rigorous, standardized methodology for dense gas models; and

(ii) the application of such methodology to current dense gas dispersion models using data generated from field experiments; and

(C) evaluate the effectiveness of hazard mitigation and emergency response technology for fixed site and transportation related accidental releases of toxic chemicals.

Models pertaining to accidental release shall be evaluated and improved periodically for their utility in planning and implementing evacuation procedures and other mitigative strategies designed to minimize human exposure to hazardous air pollutants released accidentally.

(3) The Secretary of Energy shall make available to interested persons (including other Federal agencies and businesses) the use of the Liquefied Gaseous Fuels Spill Test Facility to conduct research and other activities in connection with the activities described in this subsection.

(g) Pollution prevention and emissions control

In carrying out subsection (a), the Administrator shall conduct a basic engineering research and technology program to develop, evaluate, and demonstrate nonregulatory strategies and technologies for air pollution prevention. Such strategies and technologies shall be developed with priority on those pollutants which pose a significant risk to human health and the environment, and with opportunities for participation by industry, public interest groups, scientists, and other interested persons in the development of such strategies and technologies. Such program shall include the following elements:
(1) Improvements in nonregulatory strategies and technologies for preventing or reducing multiple air pollutants, including sulfur oxides, nitrogen oxides, heavy metals, PM–10 (particulate matter), carbon monoxide, and carbon dioxide, from stationary sources, including fossil fuel power plants. Such strategies and technologies shall include improvements in the relative cost effectiveness and long-range implications of various air pollutant reduction and nonregulatory control strategies such as energy conservation, including end-use efficiency, and fuel-switching to cleaner fuels. Such strategies and technologies shall be considered for existing and new facilities.

(2) Improvements in nonregulatory strategies and technologies for reducing air emissions from area sources.

(3) Improvements in nonregulatory strategies and technologies for preventing, detecting, and correcting accidental releases of hazardous air pollutants.

(4) Improvements in nonregulatory strategies and technologies that dispose of tires in ways that avoid adverse air quality impacts.

Nothing in this subsection shall be construed to authorize the imposition on any person of air pollution control requirements. The Administrator shall consult with other appropriate Federal agencies to ensure coordination and to avoid duplication of activities authorized under this subsection.

(h) NIEHS studies

(1) The Director of the National Institute of Environmental Health Sciences may conduct a program of basic research to identify, characterize, and quantify risks to human health from air pollutants. Such research shall be conducted primarily through a combination of university and medical school-based grants, as well as through intramural studies and contracts.

(2) The Director of the National Institute of Environmental Health Sciences shall conduct a program for the education and training of physicians in environmental health.

(3) The Director shall assure that such programs shall not conflict with research undertaken by the Administrator.

(4) There are authorized to be appropriated to the National Institute of Environmental Health Sciences such sums as may be necessary to carry out the purposes of this subsection.

(i) Coordination of research

The Administrator shall develop and implement a plan for identifying areas in which activities authorized under this section can be carried out in conjunction with other Federal ecological and air pollution research efforts. The plan, which shall be submitted to Congress within 6 months after November 15, 1990, shall include—

(1) an assessment of ambient monitoring stations and networks to determine cost effective ways to expand monitoring capabilities in both urban and rural environments;

(2) a consideration of the extent of the feasibility and scientific value of conducting the research program under subsection (e) to include consideration of the effects of atmospheric processes and air pollution effects; and

(3) a methodology for evaluating and ranking pollution prevention technologies, such as those developed under subsection (g), in terms of their ability to reduce cost effectively the emissions of air pollutants and other airborne chemicals of concern.

Not later than 2 years after November 15, 1990, and every 4 years thereafter, the Administrator shall report to Congress on the progress made in implementing the plan developed under this subsection, and shall include in such report any revisions of the plan.

(j) Continuation of national acid precipitation assessment program

(1) The acid precipitation research program set forth in the Acid Precipitation Act of 1980 [42 U.S.C. 8901 et seq.] shall be continued with modifications pursuant to this subsection.

(2) The Acid Precipitation Task Force shall consist of the Administrator of the Environmental Protection Agency, the Secretary of Energy, the Secretary of the Interior, the Secretary of Agriculture, the Administrator of the National Oceanic and Atmospheric Administration, the Administrator of the National Aeronautics and Space Administration, and such additional members as the President may select. The President shall appoint a chairman for the Task Force from among its members within 30 days after November 15, 1990.

(3) The responsibilities of the Task Force shall include the following:

(A) Review of the status of research activities conducted to date under the comprehensive research plan developed pursuant to the Acid Precipitation Act of 1980 [42 U.S.C. 8901 et seq.], and development of a revised plan that identifies significant research gaps and establishes a coordinated program to address current and future research priorities. A draft of the revised plan shall be submitted by the Task Force to Congress within 6 months after November 15, 1990. The plan shall be available for public comment during the 60 day period after its submission, and a final plan shall be submitted by the President to the Congress within 45 days after the close of the comment period.

(B) Coordination with participating Federal agencies, augmenting the agencies’ research and monitoring efforts and sponsoring additional research in the scientific community as necessary to ensure the availability and quality of data and methodologies needed to evaluate the status and effectiveness of the acid deposition control program. Such research and monitoring efforts shall include, but not be limited to—

(i) continuous monitoring of emissions of precursors of acid deposition;

(ii) maintenance, upgrading, and application of models, such as the Regional Acid Deposition Model, that describe the interactions of emissions with the atmosphere, and models that describe the response of ecosystems to acid deposition; and

(iii) analysis of the costs, benefits, and effectiveness of the acid deposition control program.
(k) Air pollution conferences

If, in the judgment of the Administrator, an air pollution problem of substantial significance may result from discharge or discharges into the atmosphere, the Administrator may call a conference concerning this potential air pollution problem to be held in or near one or more of the places where such discharge or discharges are occurring or will occur. All interested persons shall be given an opportunity to be heard at such conference, either orally or in writing, and shall be permitted to appear in person or by representative in accordance with procedures prescribed by the Administrator. If the Administrator finds, on the basis of the evidence presented at such conference, that the discharge or discharges if permitted to take place or continue are likely to cause or contribute to air pollution subject to abatement under this part, the Administrator shall send such findings, together with recommendations concerning the measures which the Administrator finds reasonable and suitable to prevent such pollution, to the person or persons whose actions will result in the discharge or discharges involved; to air pollution agencies of the State or States and of the municipality or municipalities where such discharge or discharges will originate; and to the interstate air pollution control agency, if any, in the jurisdictional area of which any such municipality is located. Such findings and recommendations shall be advisory only, but shall be admitted together with the record of the conference, as part of the proceedings under subsections (b), (c), (d), (e), and (f) of section 7408 of this title.

(7408)
Subsecs. (g) to (k), Pub. L. 101–549, § 901(c), added subsecs. (g) to (k).

1975—Subsec. (a). Pub. L. 94–55, § 101(b), struck out reference to "training" in par. (1) and added par. (5). Subsec. (b). Pub. L. 94–55, § 101(a), struck out par. (5) which provided for training and training grants to personnel of air pollution control agencies and other persons with suitable qualifications, redesignated pars. (6), (7), and (8) as (5), (6), and (7), respectively, and, following par. (7) as so redesignated, inserted provisions directing the Administrator, in carrying out subsec. (a), to provide training for, and make training grants to, personnel of air pollution control agencies and other persons with suitable qualifications and to make grants to such agencies, to other public or nonprofit private agencies, institutions, and organizations for the purposes stated in subsec. (a)(5) and allowing reasonable fees to be charged for such training provided to persons other than personnel of air pollution control agencies but requiring that such training be provided to such personnel of air pollution control agencies without charge. 1979—Subsec. (a). Pub. L. 91–604, § 15(c)(2), substituted "Administrator" for "Secretary". Subsec. (b). Pub. L. 91–604, § 15(c)(2), substituted "Administrator" for "Secretary", and "Environmental Protection Agency" for "Department of Health, Education, and Welfare". Subsec. (c). Pub. L. 91–604, § 15(a)(2), (c)(2), substituted "Administrator" for "Secretary" and "air pollutants" for "air pollution agents (or combinations of agents)". Subsec. (d). Pub. L. 91–604, § 15(c)(2), substituted "Administrator" for "Secretary". Subsec. (e). Pub. L. 91–604, § 15(c)(2), substituted "Administrator" for "Secretary" wherever appearing, substituted "H1S" for "H1S(a)", and inserted references to subsecs. (b) and (c) of section 7415 of this title. Subsec. (f). Pub. L. 91–604, § 24(a), added subsec. (f). 1967—Subsec. (a). Pub. L. 90–148 substituted "establish technical advisory committees composed of recognized experts in various aspects of air pollution to assist in the examination and evaluation of research progress and proposals and to avoid duplication of research" for "initiate and conduct a program of research directed toward the development of improved, low-cost techniques for extracting sulfur from fuels" as cl. (4) and struck out cl. (5) which related to research programs relating to the control of hydrocarbon emissions from evaporation of gasoline and nitrogen and aldehyde oxide emission from gasoline and diesel powered vehicles and relating to the development of improved low-cost techniques to reduce emissions of sulfur produced by the combustion of sulfur-containing fuels. Subsec. (c). Pub. L. 90–148 struck out provision for promulgation of criteria in the case of particular air pollution agents present in the air in certain quantities reflecting the latest scientific knowledge and allowing for availability and revision and provided for recommendation by Secretary of air quality criteria. Subsec. (e). Pub. L. 90–148 substituted references to subsections (d), (e), and (f) of section 7415 of this title for references to subsections (c), (d), and (e) of section 7415 of this title in provision for admission of advisory findings and recommendations together with the record of the conference and made such findings and recommendations part of the proceedings of the conference, not merely part of the record of proceedings. 1965—Subsec. (a)(5). Pub. L. 89–272, § 103(3), added par. (5). Subsecs. (d), (e). Pub. L. 89–272, § 103(4), added subsecs. (d) and (e).

**Effective Date of 1977 Amendment**

Amendment by Pub. L. 95–95 effective Aug. 7, 1977, except as otherwise expressly provided, see section 406(d) of Pub. L. 95–95, set out as a note under section 7401 of this title.

**Termination of Advisory Committees**

Advisory committees in existence on Jan. 5, 1973, to terminate not later than the expiration of the 2-year period following Jan. 5, 1973, unless, in the case of a committee established by the President or an officer of the Federal Government, such committee is renewed by appropriate action prior to the expiration of such 2-year period, or in the case of a committee established by the Congress, its duration is otherwise provided by law. See section 14 of Pub. L. 92–463, Oct. 6, 1972, 86 Stat. 776, set out in the Appendix to Title 5, Government Organization and Employees.

**Pilot Design Programs**

Pub. L. 106–246, div. B, title II, § 2603, July 13, 2000, 114 Stat. 558, required the Administrator of the Environmental Protection Agency to conduct a study that compares international air pollution control technologies of significance to the United States with those in use elsewhere in the world, and provided that: (1) the results be made available to the public; (2) such study be completed not later than 3 years after the date of enactment of this Act [Nov. 15, 1990]; (3) the Administrator of the Environmental Protection Agency shall create a National Acid Precipitation Information Program, and establish a National Acid Program Coordinating Office within the Office of Air and Radiation of the Environmental Protection Agency; (4) the Administrator shall sponsor research and develop and publish a list of technologies that can alleviate adverse effects of air pollution, the technologies having been subject to independent evaluation, and promulgate regulations identifying the sources of air pollution that are subject to these technologies; (5) the Administrator shall establish a National Acid Precipitation Advisory Council; (6) the Administrator shall sponsor research to establish the International Acid Deposition Database and Model System; and (7) the Administrator shall establish a National Acid Precipitation Research Program.

**National Acid Lakes Registry**

Pub. L. 101–549, title IV, § 405, Nov. 15, 1990, 104 Stat. 2632, provided that: "The Administrator of the Environmental Protection Agency shall carry out a 2-year program to implement in five metropolitan areas pilot design programs and report to Congress on the results of such program at least every 2 years thereafter to ensure the results are made available to the public as soon as practicable after the end of each year of the program.

**Assessment of International Air Pollution Control Technologies**

Pub. L. 101–549, title IX, § 901(e), Nov. 15, 1990, 104 Stat. 2706, directed Administrator of Environmental Protection Agency to carry out a study that compares air pollution control technologies of selected industrialized countries to determine if there exist technologies that can be adopted in the United States that have beneficial applications to this Nation’s air pollution control efforts, including, with respect to each country studied, the topics of urban air quality, motor vehicle emissions, toxic air emissions, and acid deposition, and within 2 years after Nov. 15, 1990, submit to Congress a report detailing the results of such study.

**Western States Acid Deposition Research**

Pub. L. 101–549, title IX, § 901(g), Nov. 15, 1990, 104 Stat. 2707, provided that: "(1) The Administrator of the Environmental Protection Agency shall sponsor monitoring and research and..."
submit to Congress annual and periodic assessment reports on—

"(A) the occurrence and effects of acid deposition on surface waters located in that part of the United States west of the Mississippi River;

"(B) the occurrence and effects of acid deposition on high elevation ecosystems (including forests, and surface waters); and

"(C) the occurrence and effects of episodic acidification, particularly with respect to high elevation watersheds.

"(2) The Administrator of the Environmental Protection Agency shall analyze data generated from the studies conducted under paragraph (1), data from the Western Lakes Survey, and other appropriate research and utilize predictive modeling techniques that take into account the unique geographic, climatological, and atmospheric conditions which exist in the western United States to determine the potential occurrence and effects of acid deposition due to any projected increases in the emission of sulfur dioxide and nitrogen oxides in that part of the United States located west of the Mississippi River. The Administrator shall include the results of the project conducted under this paragraph in the reports issued to Congress under paragraph (1)."

CONSULTATION WITH AND TRANSMISSION OF REPORTS AND STUDIES TO CONGRESSIONAL COMMITTEE

Pub. L. 95–95, title I, § 101(c), Aug. 7, 1977, 91 Stat. 687, provided that: "The Administrator of the Environmental Protection Agency shall consult with the House Committee on Science, Space, and Technology [now Committee on Science, Space, and Technology] on the environmental and atmospheric research, development, and demonstration aspects of this Act [see Short Title of Title I of Pub. L. 95–95, Aug. 7, 1977, 91 Stat. 687] at the same time they are made available to other committees of the Congress.”

STUDY OF SUBSTANCES DISCHARGED FROM EXHAUSTS OF MOTOR VEHICLES

Pub. L. 86–493, June 8, 1960, 74 Stat. 162, directed Surgeon General of Public Health Service to conduct a thorough study for purposes of determining, with respect to the various substances discharged from exhausts of motor vehicles, the amounts and kinds of such substances which, from the standpoint of human health, it is safe for motor vehicles to discharge into the atmosphere under the various conditions under which such vehicles may operate, and, not later than two years after June 8, 1960, submit to Congress a report on results of the study, together with such recommendations, if any, based upon the findings made in such study, as he deemed necessary for the protection of the public health.

§ 7404. Research relating to fuels and vehicles

(a) Research programs; grants; contracts; pilot and demonstration plants; byproducts research

The Administrator shall give special emphasis to research and development into new and improved methods, having industry-wide application, for the prevention and control of air pollution resulting from the combustion of fuels. In furtherance of such research and development he shall—

(1) conduct and accelerate research programs directed toward development of improved, cost-effective techniques for—

(A) control of combustion byproducts of fuels,

(b) Powers of Administrator in establishing research and development programs

In carrying out the provisions of this section, the Administrator may—

(1) conduct and accelerate research and development of cost-effective instrumentation techniques to facilitate determination of quantity and quality of air pollutant emissions, including, but not limited to, automotive emissions;

1 So in original. The period probably should be a semicolon.

2 So in original. The word “and” probably should appear.
(2) utilize, on a reimbursable basis, the facilities of existing Federal scientific laboratories;
(3) establish and operate necessary facilities and test sites at which to carry on the research, testing, development, and programming necessary to effectuate the purposes of this section;
(4) acquire secret processes, technical data, inventions, patent applications, patents, licenses, and an interest in lands, plants, and facilities, and other property or rights by purchase, license, lease, or donation; and
(5) cause on-site inspections to be made of promising domestic and foreign projects, and cooperate and participate in their development in instances in which the purposes of the chapter will be served thereby.

(c) Clean alternative fuels

The Administrator shall conduct a research program to identify, characterize, and predict air emissions related to the production, distribution, storage, and use of clean alternative fuels to determine the risks and benefits to human health and the environment relative to those from using conventional gasoline and diesel fuels. The Administrator shall consult with other Federal agencies to ensure coordination and to avoid duplication of activities authorized under this subsection.


CODIFICATION

In subsec. (a)(2)(D), “section 3324(a) and (b) of title 31 and section 6101 of title 41” substituted for “sections 3648 and 3709 of the Revised Statutes (31 U.S.C. 529; 41 U.S.C. 5)” on authority of Pub. L. 97-258, §4(b), Sept. 13, 1982, 96 Stat. 1067, which Act enacted Title 31, Money and Finance, and Pub. L. 91-604, §2(c), added cls. (B) and (C) and redesignated former cl. (B) as (D).

Subsec. (b), Pub. L. 91-604, §15(c)(2), substituted “Administrator” for “Secretary”.


HYDROGEN FUEL CELL VEHICLE STUDY AND TEST PROGRAM

Pub. L. 101-549, title VIII, §807, Nov. 15, 1990, 104 Stat. 2689, provided that: “The Administrator of the Environmental Protection Agency, in conjunction with the National Aeronautics and Space Administration and the Department of Energy, shall conduct a study and test program on the development of a hydrogen fuel cell electric vehicle. The study and test program shall determine how best to transfer existing NASA hydrogen fuel cell technology into the form of a mass-producible, cost effective hydrogen fuel cell vehicle. Such study and test program shall include at a minimum a feasibility-design study, the construction of a prototype, and a demonstration. This study and test program should be completed and a report submitted to Congress within 3 years after the enactment of the Clean Air Act Amendments of 1990 [Nov. 15, 1990]. This study and test program should be performed in the university or universities which are best exhibiting the facilities and expertise to develop such a fuel cell vehicle.”

COMBUSTION OF CONTAMINATED USED OIL IN SHIPS

Pub. L. 101-549, title VIII, §813, Nov. 15, 1990, 104 Stat. 2693, provided that: “Within 2 years after the enactment of the Clean Air Act Amendments of 1990 [Nov. 15, 1990], the Administrator of the Environmental Protection Agency shall complete a study and submit a report to Congress evaluating the health and environmental impacts of the combustion of contaminated used oil in ships, the reasons for using such oil for such purposes, the alternatives to such use, the costs of such alternatives, and other relevant factors and impacts. In preparing such study, the Administrator shall obtain the view and comments of all interested persons and shall consult with the Secretary of Transportation and the Secretary of the department in which the Coast Guard is operating.”

EXTENSION TO AUG. 31, 1970 OF AUTHORIZATION PERIOD FOR FISCAL YEAR 1970

Pub. L. 91-316, July 10, 1970, 84 Stat. 416, provided in part that the authorization contained in section 104(c) of the Clean Air Act [subsec. (c) of this section] for the fiscal year ending June 30, 1970, should remain available through Aug. 31, 1970, notwithstanding any provisions of this section.

§7405. Grants for support of air pollution planning and control programs

(a) Amounts; limitations; assurances of plan development capability

(1)(A) The Administrator may make grants to air pollution control agencies, within the meaning of paragraph (1), (2), (3), (4), or (5) of section 7602 of this title, in an amount up to three-fifths of the cost of implementing programs for the
prevention and control of air pollution or implement-
ment of national primary and secondary ambient air quality standards. For the purpose of
this section, “implementing” means any ac-
activity related to the planning, developing, estab-
lishing, or carrying-out, improving, or maintaining
of such programs.

(B) Subject to subsections (b) and (c) of this
section, an air pollution control agency which
receives a grant under subparagraph (A) and
which contributes less than the required two-
fifths minimum shall have 3 years following No-
vember 15, 1990, in which to contribute such
amount. If such an agency fails to meet and
maintain this required level, the Administrator
shall reduce the amount of the Federal contribu-
tion accordingly.

(C) With respect to any air quality control re-
gion or portion thereof for which there is an ap-
pllicable implementation plan under section 7410
of this title, grants under subparagraph (A) may
be made only to air pollution control agencies
which have substantial responsibilities for car-
rying out such an applicable implementation plan.

Before approving any grant under this sub-
section to any air pollution control agency within
the meaning of sections 7602(b)(2) and
7602(b)(4) of this title, the Administrator shall
receive assurances that such agency provides for
adequate representation of appropriate State,
interstate, local, and (when appropriate) inter-
national, interests in the air quality control re-
gion.

(3) Before approving any planning grant under
this subsection to any air pollution control agency
within the meaning of sections 7602(b)(2)
and 7602(b)(4) of this title, the Administrator shall
receive assurances that such agency has
the capability of developing a comprehensive air
quality plan for the air quality control region,
which plan shall include (when appropriate)
a recommended system of alerts to avert and re-
duce the risk of situations in which there may be
imminent and serious danger to the public
health or welfare from air pollutants and the
various aspects relevant to the establishment of
air quality standards for such air quality con-
trol region, including the concentration of indus-
tries, other commercial establishments, pop-
ulation, and naturally occurring factors which
shall affect such standards.

(b) Terms and conditions; regulations; factors for
consideration; State expenditure limitations

(1) From the sums available for the purposes
of subsection (a) of this section for any fiscal
year, the Administrator shall from time to time
make grants to air pollution control agencies
upon such terms and conditions as the Adminis-
trator may find necessary to carry out the pur-
pose of this section. In establishing regulations
for the granting of such funds the Administrator
shall, so far as practicable, give due consider-
tation to (A) the population, (B) the extent of the
actual or potential air pollution problem, and
(C) the financial need of the respective agencies.

(2) No more than 10 per centum of the total of
funds appropriated or allocated for the purposes
of subsection (a) of this section shall be granted
for air pollution control programs in any one
State. In the case of a grant for a program in an
area crossing State boundaries, the Adminis-
trator shall determine the portion of such grant
that is chargeable to the percentage limitation
under this subsection for each State into which
such area extends. Subject to the provisions of
paragraph (1) of this subsection, no State shall
have made available to it for application less
than one-half of 1 per centum of the annual ap-
propriation for grants under this section for
grants to agencies within such State.

(c) Maintenance of effort

(1) No agency shall receive any grant under
this section during any fiscal year when its ex-
penditures for air pollution control programs
will be less than its expenditures were for such
programs during the preceding fiscal year. In
order for the Administrator to award grants
under this section in a timely manner each fis-
cal year, the Administrator shall compare an
agency’s prospective expenditure level to that of
its second preceding fiscal year. The Adminis-
trator shall revise the current regulations which
define applicable noncurrent and recurrent ex-
penditures, and in so doing, give due consider-
ation to exempting an agency from the limita-
tions of this paragraph and subsection (a) due to
periodic increases experienced by that agency
from time to time in its annual expenditures for
purposes acceptable to the Administrator for
that fiscal year.

(2) The Administrator may still award a grant
to an agency not meeting the requirements of
paragraph (1) of this subsection if the Adminis-
trator, after notice and opportunity for public
hearing, determines that a reduction in expendi-
tures is attributable to a non-selective reduc-
tion in the expenditures in the programs of all
Executive branch agencies of the applicable unit
of Government. No agency shall receive any
grant under this section with respect to the
maintenance of a program for the prevention
and control of air pollution unless the Adminis-
trator is satisfied that such a grant will be so
used to supplement and, to the extent prac-
ticable, increase the level of State, local, or
other non-Federal funds. No grants shall be
made under this section until the Administrator
has consulted with the appropriate official as
designated by the Governor or Governors of the
State or States affected.

(d) Reduction of payments; availability of re-
duced amounts; reduced amount as deemed
paid to agency for purpose of determining
amount of grant

The Administrator, with the concurrence of
any recipient of a grant under this section, may
reduce the payments to such recipient by the
amount of the pay, allowances, traveling ex-
enses, and any other costs in connection with
the detail of any officer or employee to the re-
cipient under section 7601 of this title, when
such detail is for the convenience of, and at the
request of, such recipient and for the purpose of
carrying out the provisions of this chapter. The
amount by which such payments have been re-
duced shall be available for payment of such
costs by the Administrator, but shall, for the

* So in original. Probably should be paragraph "(1)".
purpose of determining the amount of any grant to a recipient under subsection (a) of this section, be deemed to have been paid to such agency.

(e) Notice and opportunity for hearing when affected by adverse action

No application by a State for a grant under this section may be disapproved by the Administrator without prior notice and opportunity for a public hearing in the affected State, and no commitment or obligation of any funds under any such grant may be revoked or reduced without prior notice and opportunity for a public hearing in the affected State (or in one of the affected States if more than one State is affected).


CODIFICATION

Section was formerly classified to section 1857c of this title.

PRIOR PROVISIONS

A prior section 105 of act July 14, 1955, was renumbered section 108 by Pub. L. 90–148 and is classified to section 7415 of this title.


AMENDMENTS

1990—Subsec. (a)(1)(A), (B). Pub. L. 101–549, §802(a), amended subparas. (A) and (B) generally. Prior to amendment, subpars. (A) and (B) read as follows:—

“(A) The Administrator may make grants to air pollution control agencies in an amount up to two-thirds of the cost of planning, developing, establishing, or improving, and up to one-half of the cost of maintaining, programs for the prevention and control of air pollution or implementation of national primary and secondary [sic] ambient air quality standards.

“(B) Subject to subparagraph (C), the Administrator may make grants to air pollution control agencies within the meaning of paragraph (1), (2), or (4) of section 7602(b) of this title in an amount up to three-fourths of the cost of planning, developing, establishing, or improving, and up to three-fifths of the cost of maintaining, any program for the prevention and control of air pollution or implementation of national primary and secondary ambient air quality standards in an area that includes two or more municipalities, whether in the same or different States.”

Subsec. (a)(1)(C), Pub. L. 101–549, §802(b), substituted “paragraph (A)” for “subparagraph (B)”.

Subsec. (b)(1), Pub. L. 101–549, §802(c), designated existing provisions of subsection (b) as par. (1), redesignated former cls. (1) to (3) as cls. (A) to (C), respectively, and struck out at end “No agency shall receive any grant under this section during any fiscal year if its expenditures for non-Federal funds for other than non-recurrent expenditures for air pollution control programs will be less than its expenditures for such programs during the preceding fiscal year, unless the Administrator, after notice and opportunity for public hearing, determines that a reduction in expenditures attributable to a nonselective reduction in expenditures in the programs of all executive branch agencies of the applicable unit of Government, and no agency shall receive any grant under this section with respect to the maintenance of a program for the prevention and control of air pollution unless the Administrator is satisfied that such grant will be so used to supplement and, to the extent practicable, increase the level of State, local, or other non-Federal funds that would in the absence of such grant be made available for the maintenance of such program, and will in no event supplant such State, local, or other non-Federal funds. No grant shall be made under this section until the Administrator has consulted with the appropriate official as designated by the Governor or Governors of the State or States affected.”

Subsec. (c)(1), Pub. L. 101–549, §802(e), added subsec. (c). Former subsec. (c) redesignated (b)(2).

1977—Subsec. (b). Pub. L. 95–95, §102(a), inserted “... unless the Administrator, after notice and opportunity for hearing, determines that a reduction in expenditures is attributable to a nonselective reduction in expenditures in the programs of all executive branch agencies of the applicable unit of Government” after “In fiscal year 1978 and subsequent fiscal years, subject to the provisions of subsection (b) of this section, no State shall receive less than one-half of 1 per centum of the annual appropriation for grants under this section for grants to agencies within such State.”

Subsec. (c). Pub. L. 95–95, §102(b), added subsec. (c). Former subsec. (c) redesignated (b)(2).

1970—Subsec. (a)(1). Pub. L. 91–604, §3(a), substituted provisions authorizing the Administrator to make grants, for provisions authorizing the Secretary to make grants, and provisions authorizing grants for programs implementing national primary and secondary ambient air quality standards, for provisions authorizing grants for programs implementing air quality standards authorized by this subchapter, and inserted the provision requiring grants to air pollution control agencies be made to agencies having substantial responsibilities for carrying out the applicable implementation plan with respect to the air quality control region or portion thereof.


1967—Subsec. (a). Pub. L. 90–148 designated existing provisions as par. (1), substituted “regional air quality control program” for “regional air pollution control program,” added planning to list of authorized activities, and added programs for implementation of air quality standards authorized by this chapter to list of authorized programs, and added pars. (2) and (3).


Subsec. (c). Pub. L. 90–148 reduced percentage limitation on portion of total funds which might be granted for air pollution control programs in any one State from 12% to 9% of its expenditures for non-Federal funds.

sums appropriated annually for purpose of this subchapter, inserted provisions allowing grants to air pollution control agencies up to one-half of cost of maintaining programs for prevention and control of air pollution, and authorized Secretary to make grants of up to three-fifths of cost of maintaining regional air pollution control programs.

Subsec. (b) Pub. L. 89–675, §3(a)(2), substituted “for the purpose of” for “under”, permitted grantees to reduce annual expenditures to the extent that nonrecurring costs are involved for purposes of application of the provision that no agency may receive grants during any fiscal year when its expenditures of non-Federal funds for air pollution control programs are less than its expenditures for such programs during the preceding year, and inserted provisions insuring that Federal funds will in no event be supplant State or local government funds in maintaining air pollution control programs.

Subsec. (c) Pub. L. 89–675, §3(b), substituted “total of funds appropriated or allocated for the purposes of subsection (a) of this section shall be granted for air pollution control programs” for “grant funds available under subsection (a) of this section shall be expended and authorized the Secretary to determine the portion of grants to interstate agencies to be charged against the twelve and one-half percent limitation of grant funds to any one State.

1965—Subsec. (a) Pub. L. 89–272 substituted “this title” for “this Act”, which for purposes of codification has been changed to “this subchapter”, and “section 302(b)(2) and (4)” for “section 9(b)(2) and (4)”, which for purposes of codification has been changed to “section 7602(b)(2) and (4) of this title”.

Effective Date of 1977 Amendment

Amendment by Pub. L. 95–95 effective Aug. 7, 1977, except as otherwise expressly provided, see section 406(d) of Pub. L. 95–95, set out as a note under section 7401 of this title.

Modification or Rescission of Rules, Regulations, Orders, Determinations, Contracts, Authorizations, Delegations, and Other Actions

All rules, regulations, orders, determinations, contracts, certifications, authorizations, delegations, or other actions duly issued, made, or taken by or pursuant to act July 14, 1955, the Clean Air Act, as in effect immediately prior to the date of enactment of Pub. L. 95–95 [Aug. 7, 1977] to continue in full force and effect until modified or rescinded in accordance with act July 14, 1955, as amended by Pub. L. 95–95 [this chapter], see section 406(b) of Pub. L. 95–95, set out as an Effective Date of 1977 Amendment note under section 7401 of this title.

§7406. Interstate air quality agencies; program cost limitations

For the purpose of developing implementation plans for any interstate air quality control region designated pursuant to section 7407 of this title or of implementing section 7506a of this title (relating to control of interstate air pollution) or section 7511c of this title (relating to control of interstate ozone pollution), the Administrator is authorized to pay, for two years, up to 100 per centum of the air quality planning program costs of any commission established under section 7506a of this title (relating to control of interstate air pollution) or section 7511c of this title (relating to control of interstate ozone pollution) or any agency designated by the Governors of the affected States, which agency shall be capable of recommending to the Governors plans for implementation of national primary and secondary ambient air quality standards and shall include representation from the States and appropriate political subdivisions within the air quality control region. After the initial two-year period the Administrator is authorized to make grants to such agency or such commission in an amount up to three-fifths of the air quality implementation program costs of such agency or commission.


Condensation

Section was formerly classified to section 1857c–1 of this title.

Prior Provisions

A prior section 106 of act July 14, 1955, was renumbered section 117 by Pub. L. 91–604 and is classified to section 7417 of this title.

Amendments

1990—Pub. L. 101–549, §102(f)(2)(A), inserted “or of implementing section 7506a of this title (relating to control of interstate air pollution) or section 7511c of this title (relating to control of interstate ozone pollution)” after “section 7407 of this title”.

Pub. L. 101–549, §102(f)(2)(B), which directed insertion of “any commission established under section 7506a of this title (relating to control of interstate air pollution) or section 7511c of this title (relating to control of interstate air pollution) or” after “program costs of”, was executed by making the insertion after that phrase the first place it appeared to reflect the probable intent of Congress.

Pub. L. 101–549, §102(f)(2)(C), which directed insertion of “or such commission” after “such agency” in last sentence, was executed by making insertion after “such agency” the first place it appeared in the last sentence to reflect the probable intent of Congress.

Pub. L. 101–549, §102(f)(2)(D), 802(f), substituted “three-fifths of the air quality implementation program costs of such agency or commission” for “three-fourths of the air quality planning program costs of such agency”.

1970—Pub. L. 91–604 struck out designation “(a)”, substituted provisions authorizing Federal grants for the purpose of developing implementation plans to any and provisions requiring the designated State agency to be capable of recommending plans for implementation of national primary and secondary ambient air quality standards, for provisions authorizing Federal grants for the purpose of expediting the establishment of air quality standards and provisions requiring the designated State agency to be capable of recommending standards of air quality and plans for implementation thereof, respectively, and struck out subsec. (b) which authorized establishment of air quality planning commissions.

§7407. Air quality control regions

(a) Responsibility of each State for air quality; submission of implementation plan

Each State shall have the primary responsibility for assuring air quality within the entire geographic area comprising such State by submitting an implementation plan for such State which will specify the manner in which national primary and secondary ambient air quality standards will be achieved and maintained within each air quality control region in such State.
(b) Designated regions

For purposes of developing and carrying out implementation plans under section 7410 of this title—

(1) an air quality control region designated under this section before December 31, 1970, or a region designated after such date under subsection (c), shall be an air quality control region; and

(2) the portion of such State which is not part of any such designated region shall be an air quality control region, but such portion may be subdivided by the State into two or more air quality control regions with the approval of the Administrator.

(c) Authority of Administrator to designate regions; notification of Governors of affected States

The Administrator shall, within 90 days after December 31, 1970, after consultation with appropriate State and local authorities, designate as an air quality control region any interstate area or major intrastate area which he deems necessary or appropriate for the attainment and maintenance of ambient air quality standards. The Administrator shall immediately notify the Governors of the affected States of any designation made under this subsection.

(d) Designations

(1) Designations generally

(A) Submission by Governors of initial designations following promulgation of new or revised standards

By such date as the Administrator may reasonably require, but not later than 1 year after promulgation of a new or revised national ambient air quality standard for any pollutant under section 7409 of this title, the Governor of each State shall (and at any other time the Governor of a State deems appropriate the Governor may) submit to the Administrator a list of all areas (or portions thereof) in the State designated as nonattainment area for such pollutant, or (or portions thereof) not designated by the State.

(B) Promulgation by EPA of designations

(i) Any area designated with respect to any air pollutant under the provisions of paragraph (1)(A), (B), or (C) of this subsection (as in effect immediately before November 15, 1990) is designated, by operation of law, as an attainment area for such pollutant within the meaning of subparagraph (A)(i).

(ii) Any area designated with respect to any air pollutant under the provisions of paragraph (1)(E) (as in effect immediately before November 15, 1990) is designated by operation of law, as an attainment area for such pollutant within the meaning of subparagraph (A)(ii).

(iii) Any area designated with respect to any air pollutant under the provisions of paragraph (1)(D) (as in effect immediately before November 15, 1990) is designated, by operation of law, as an unclassifiable area for such pollutant within the meaning of subparagraph (A)(iii).

(B) Promulgation by EPA of designations

(i) Upon promulgation or revision of a national ambient air quality standard, the Administrator shall promulgate the designations of all areas (or portions thereof) submitted under subparagraph (A) as expeditiously as practicable, but in no case later than 2 years from the date of promulgation of the new or revised national ambient air quality standard. Such period may be extended for up to one year in the event the Administrator has insufficient information to promulgate the designations.

(ii) In making the promulgations required under clause (i), the Administrator may make such modifications as the Administrator deems necessary to the designations of the areas (or portions thereof) submitted under subparagraph (A) (including to the boundaries of such areas or portions thereof). Whenever the Administrator intends to make a modification, the Administrator shall notify the State and provide such State with an opportunity to demonstrate why any proposed modification is inappropriate. The Administrator shall give such notification no later than 120 days before the date the Administrator promulgates the designation, including any modification thereto. If the Governor fails to submit the list in whole or in part, as required under subparagraph (A), the Administrator shall promulgate the designation that the Administrator deems appropriate for any area (or portion thereof) not designated by the State.

(iii) If the Governor of any State, on the Governor’s own motion, under subparagraph (A), submits a list of areas (or portions thereof) in the State designated as nonattainment, attainment, or unclassifiable, the Administrator shall act on such designations in accordance with the procedures under paragraph (3) (relating to redesignation).

(iv) A designation for an area (or portion thereof) made pursuant to this subsection shall remain in effect until the area (or portion thereof) is redesignated pursuant to paragraph (3) or (4).

(C) Designations by operation of law

(i) Any area designated with respect to any air pollutant under the provisions of paragraph (1)(A), (B), or (C) of this subsection (as in effect immediately before November 15, 1990) is designated, by operation of law, as a nonattainment area for such pollutant within the meaning of subparagraph (A)(i).

(ii) Any area designated with respect to any air pollutant under the provisions of paragraph (1)(E) (as in effect immediately before November 15, 1990) is designated by operation of law, as an attainment area for such pollutant within the meaning of subparagraph (A)(ii).

(iii) Any area designated with respect to any air pollutant under the provisions of paragraph (1)(D) (as in effect immediately before November 15, 1990) is designated, by operation of law, as an unclassifiable area for such pollutant within the meaning of subparagraph (A)(iii).

(2) Publication of designations and redesignations

(A) The Administrator shall publish a notice in the Federal Register promulgating any designation under paragraph (1) or (5), or an-
nouncing any designation under paragraph (4), or promulgating any redesignation under paragraph (3).

(B) Promulgation or announcement of a designation under paragraph (1), (4) or (5) shall not be subject to the provisions of sections 553 through 557 of title 5 (relating to notice and comment), except nothing herein shall be construed as precluding such public notice and comment whenever possible.

(3) Redesignation

(A) Subject to the requirements of subparagraph (E), and on the basis of air quality data, planning and control considerations, or any other air quality-related considerations the Administrator deems appropriate, the Administrator may at any time notify the Governor of any State that available information indicates that the designation of any area or portion of an area within the State or interstate area should be revised. In issuing such notification, which shall be public, to the Governor, the Administrator shall provide such information as the Administrator may have available explaining the basis for the notice.

(B) No later than 120 days after receiving a notification under subparagraph (A), the Governor shall submit to the Administrator such redesignation, if any, of the appropriate area (or areas) or portion thereof within the State or interstate area, as the Governor considers appropriate.

(C) No later than 120 days after the date described in subparagraph (B), the Administrator shall promulgate the redesignation, if any, of the area or portion thereof, submitted by the Governor in accordance with subparagraph (B), making such modifications as the Administrator deems necessary, in the same manner and under the same procedure as is applicable with respect to the national ambient air quality standards for ozone and carbon monoxide.

(D) The Governor of any State may, on the Governor's own motion, submit to the Administrator a revised designation of any area or portion thereof within the State. Within 18 months of receipt of a complete State redesignation submittal, the Administrator shall approve or deny such redesignation. The submission of a redesignation by a Governor shall not affect the effectiveness or enforceability of the applicable implementation plan for the State.

(E) The Administrator may not promulgate a redesignation of a nonattainment area (or portion thereof) to attainment unless—

(i) the Administrator determines that the area has attained the national ambient air quality standard;

(ii) the Administrator has fully approved the applicable implementation plan for the area under section 7410(k) of this title;

(iii) the Administrator determines that the improvement in air quality is due to permanent and enforceable reductions in emissions resulting from implementation of the applicable implementation plan and applicable Federal air pollutant control regulations and other permanent and enforceable reductions;

(iv) the Administrator has fully approved a maintenance plan for the area as meeting the requirements of section 7505a of this title; and

(v) the State containing such area has met all requirements applicable to the area under section 7410 of this title and part D.

(F) The Administrator shall not promulgate any redesignation of any area (or portion thereof) from nonattainment to unclassifiable.

(4) Nonattainment designations for ozone, carbon monoxide and particulate matter (PM–10)

(A) Ozone and carbon monoxide

(i) Within 120 days after November 15, 1990, each Governor of each State shall submit to the Administrator a list that designates, affirms or reaffirms the designation of, or redesignates (as the case may be), all areas (or portions thereof) of the Governor's State as attainment, nonattainment, or unclassifiable, with respect to the national ambient air quality standards for ozone and carbon monoxide.

(ii) No later than 120 days after the date the Governor is required to submit the list of areas (or portions thereof) required under clause (i) of this subparagraph, the Administrator shall promulgate such designations, making such modifications as the Administrator deems necessary, in the same manner and under the same procedure, as is applicable under clause (ii) of paragraph (1)(B), except that the phrase "60 days" shall be substituted for the phrase "120 days" in that clause. If the Governor does not submit, in accordance with clause (i) of this subparagraph, the designation that the Administrator deems appropriate.

(iii) No nonattainment area may be redesignated as an attainment area under this subparagraph.

(iv) Notwithstanding paragraph (1)(C)(ii) of this subsection, if an ozone or carbon monoxide nonattainment area located within a metropolitan statistical area or consolidated metropolitan statistical area (as established by the Bureau of the Census) is classified under part D of this subchapter as a Serious, Severe, or Extreme Area, the boundaries of such area are hereby revised (on the date 45 days after such classification) by operation of law to include the entire metropolitan statistical area or consolidated metropolitan statistical area, as the case may be, unless within such 45-day period the Governor (in consultation with State and local air pollution control agencies) notifies the Administrator that additional time is necessary to evaluate the application of clause (v). When-
ever a Governor has submitted such a notice to the Administrator, such boundary revision shall occur on the later of the date 8 months after such classification or 14 months after November 15, 1990, unless the Governor makes the finding referred to in clause (v), and the Administrator concurs in such finding, within such period. Except as otherwise provided in this paragraph, a boundary revision under this clause or clause (v) shall apply for purposes of any State implementation plan revision required to be submitted after November 15, 1990. 

(v) Whenever the Governor of a State has submitted a notice under clause (iv), the Governor, in consultation with State and local air pollution control agencies, shall undertake a study to evaluate whether the entire metropolitan statistical area or consolidated metropolitan statistical area should be included within the nonattainment area. Whenever a Governor finds and demonstrates to the satisfaction of the Administrator, and the Administrator concurs in such finding, that with respect to a portion of a metropolitan statistical area or consolidated metropolitan statistical area, sources in the portion do not contribute significantly to violation of the national ambient air quality standard, the Administrator shall approve the Governor’s request to exclude such portion from the nonattainment area. In making such finding, the Governor and the Administrator shall consider factors such as population density, traffic congestion, commercial development, industrial development, meteorological conditions, and pollution transport.

(B) PM–10 designations

By operation of law, until redesignation by the Administrator pursuant to paragraph (3)—

(i) each area identified in 52 Federal Register 29383 (Aug. 7, 1987) as a Group I area (except to the extent that such identification was modified by the Administrator before November 15, 1990) is designated nonattainment for PM–10;

(ii) any area containing a site for which air quality monitoring data show a violation of the national ambient air quality standard for PM–10 before January 1, 1989 (as determined under part 50, appendix K of title 40 of the Code of Federal Regulations) is hereby designated nonattainment for PM–10; and

(iii) each area not described in clause (i) or (ii) is hereby designated unclassifiable for PM–10.

Any designation for particulate matter (measured in terms of total suspended particulates) that the Administrator promulgated pursuant to this subsection (as in effect immediately before November 15, 1990) shall remain in effect for purposes of implementing the maximum allowable increases in concentrations of particulate matter (measured in terms of total suspended particulates) pursuant to section 7477(b) of this title, until the Administrator determines that such designation is no longer necessary for that purpose.

(5) Designations for lead

The Administrator may, in the Administrator’s discretion at any time the Administrator deems appropriate, require a State to designate areas (or portions thereof) with respect to the national ambient air quality standard for lead in effect as of November 15, 1990, in accordance with the procedures under subparagraphs (A) and (B) of paragraph (1), except that in applying subparagraph (B)(i) of paragraph (1) the phrase “2 years from the date of promulgation of the new or revised national ambient air quality standard” shall be replaced by the phrase “1 year from the date the Administrator notifies the State of the requirement to designate areas with respect to the standard for lead”.

(6) Designations

(A) Submission

Notwithstanding any other provision of law, not later than February 15, 2004, the Governor of each State shall submit designations referred to in paragraph (1) for the July 1997 PM$_{2.5}$ national ambient air quality standards for each area within the State, based on air quality monitoring data collected in accordance with any applicable Federal reference methods for the relevant areas.

(B) Promulgation

Notwithstanding any other provision of law, not later than December 31, 2004, the Administrator shall, consistent with paragraph (1), promulgate the designations referred to in subparagraph (A) for each area of each State for the July 1997 PM$_{2.5}$ national ambient air quality standards.

(7) Implementation plan for regional haze

(A) In general

Notwithstanding any other provision of law, not later than 3 years after the date on which the Administrator promulgates the designations referred to in paragraph (6)(B) for a State, the State shall submit, for the entire State, the State implementation plan revisions to meet the requirements promulgated by the Administrator under section 7492(e)(1) of this title (referred to in this paragraph as “regional haze requirements”).

(B) No preclusion of other provisions

Nothing in this paragraph precludes the implementation of the agreements and recommendations stemming from the Grand Canyon Visibility Transport Commission Report dated June 1996, including the submission of State implementation plan revisions by the States of Arizona, California, Colorado, Idaho, Nevada, New Mexico, Oregon, Utah, and Wyoming by December 31, 2003, for implementation of regional haze requirements applicable to those States.

(e) Redesignation of air quality control regions

(1) Except as otherwise provided in paragraph (2), the Governor of each State is authorized,
OZONE AND PARTICULATE MATTER STANDARDS

Pub. L. 108–199, div. G, title IV, § 425(b), Jan. 23, 2004, 118 Stat. 417, provided that: “Except as provided in paragraphs (6) and (7) of section 107(d) of the Clean Air Act [subsec. (d)(6), (7) of this section] (as added by subsection (a)), section 6101, subsections (a) and (b) of section 6102, and section 6103 of the Transportation Equity Act for the 21st Century [Pub. L. 105–178] (42 U.S.C. 7407 note; 112 Stat. 461), as in effect on the day before the date of enactment of this Act [Jan. 23, 2004], shall remain in effect.”


“SEC. 6101. FINDINGS AND PURPOSE.

“(a) The Congress finds that—

“(1) there is a lack of air quality monitoring data for fine particle levels, measured as PM2.5, in the United States and the States should receive full funding for the monitoring efforts;

“(2) such data would provide a basis for designating areas as attainment or nonattainment for any PM2.5 national ambient air quality standards pursuant to the standards promulgated in July 1997;

“(3) the President of the United States directed the Administrator of the Environmental Protection Agency (referred to in this title as the ‘Administrator’) in a memorandum dated July 16, 1997, to complete the next periodic review of the particulate matter national ambient air quality standards by July 2002 in order to determine ‘whether to revise or maintain the standards’;

“(4) the Administrator has stated that 3 years of air quality monitoring data for fine particle levels, measured as PM2.5, and performed in accordance with any applicable Federal reference methods, is appropriate for designating areas as attainment or non-attainment pursuant to the July 1997 promulgated standards; and

“(5) the Administrator has acknowledged that in drawing boundaries for attainment and nonattainment areas for the July 1997 ozone national air quality standards, Governors would benefit from considering implementation guidance from EPA on drawing area boundaries.

“(b) The purposes of this title are—

“(1) to ensure that 3 years of air quality monitoring data regarding fine particle levels are gathered for use in the determination of area attainment or non-attainment designations respecting any PM2.5 national ambient air quality standards;

“(2) to ensure that the Governors have adequate time to consider implementation guidance from EPA on drawing area boundaries prior to submitting area designations respecting the July 1997 ozone national ambient air quality standards;

“(3) to ensure that the schedule for implementation of the July 1997 revisions of the ambient air quality standards for particulate matter and the schedule for the Environmental Protection Agency’s visibility regulations related to regional haze are consistent with the timetable for implementation of such particulate matter standards as set forth in the President’s Implementation Memorandum dated July 16, 1997.

“SEC. 6102. PARTICULATE MATTER MONITORING PROGRAM.

“(a) Through grants under section 103 of the Clean Air Act [42 U.S.C. 7403] the Administrator of the Environmental Protection Agency shall use appropriated funds no later than fiscal year 2000 to fund 100 percent of the cost of the establishment, purchase, operation and maintenance of a PM2.5 monitoring network necessary to implement the national ambient air quality standards for PM2.5 under section 109 of the Clean Air Act [42 U.S.C. 7409]; this implementation shall not result in a diversion or reprogramming of funds from other Federal, State or local Clean Air Act activities.
Any funds previously diverted or reprogrammed from section 105 Clean Air Act [42 U.S.C. 7405] grants for PM$_2.5$ monitors must be restored to State or local air programs in fiscal year 1999.

“(b) EPA and the States, consistent with their respective authorities under the Clean Air Act [42 U.S.C. 7401 et seq.], shall ensure that the national network (designated in subsection (a)) which consists of the PM$_2.5$ monitors necessary to implement the national ambient air quality standards is established by December 31, 1996.

“(c)(1) The Governors shall be required to submit designations referred to in section 107(d)(1) of the Clean Air Act (42 U.S.C. 7407(d)(1)) for each area following promulgation of the July 1997 PM$_2.5$ national ambient air quality standard within 1 year after receipt of 3 years of air quality monitoring data performed in accordance with any applicable Federal reference methods for the relevant areas. Only data from the monitoring network designated in subsection (a) and other Federal reference method PM$_2.5$ monitors shall be considered for such designations. Nothing in the previous sentence shall be construed as affecting the Governor’s authority to designate an area initially as nonattainment, and the Administrator’s authority to promulgate the designation of an area as nonattainment, under section 107(d)(1) of the Clean Air Act, based on its contribution to ambient air quality in a nearby nonattainment area.

“(2) For any area designated as nonattainment for the July 1997 PM$_2.5$ national ambient air quality standard in accordance with the schedule set forth in this section, notwithstanding the time limit prescribed in paragraph (2) of section 169(b)(e) of the Clean Air Act (42 U.S.C. 7492(e)(2)), the Administrator shall require State implementation plan revisions referred to in such paragraph (2) to be submitted at the same time as State implementation plan revisions referred to in section 172 of the Clean Air Act (42 U.S.C. 7502) implementing the revised national ambient air quality standard for fine particulate matter are required to be submitted. For any area designated as attainment or unclassifiable for such standard, the Administrator shall require the State implementation plan revisions referred to in such paragraph (2) to be submitted 1 year after the area has been so designated. The preceding provisions of this paragraph shall not preclude the implementation of the agreements and recommendations set forth in the Grand Canyon Visibility Transport Commission Report dated June 1996.

“(d) The Administrator shall promulgate the designations referred to in section 107(d)(1) of the Clean Air Act (42 U.S.C. 7407(d)(1)) for each area following promulgation of the July 1997 PM$_2.5$ national ambient air quality standard by the earlier of 1 year after the initial designations required under subsection (c)(1) are required to be submitted or December 31, 2005.

“(e) FIELD STUDY.—Not later than 2 years after the date of enactment of the SAFETEA–LU [Aug. 10, 2005], the Administrator shall—

“(1) conduct a field study of the ability of the PM$_2.5$, Federal Reference Method to differentiate those particles that are larger than 2.5 micrometers in diameter;

“(2) develop a Federal reference method to measure directly particles that are larger than 2.5 micrometers in diameter without reliance on subtracting from coarse particle measurements those particles that are equal to or smaller than 2.5 micrometers in diameter;

“(3) develop a method of measuring the composition of coarse particles; and

“(4) submit a report on the study and responsibilities of the Administrator under paragraphs (1) through (3) to—

“A) the Committee on Energy and Commerce of the House of Representatives; and

“B) the Committee on Environment and Public Works of the Senate.

“SEC. 6103. OZONE DESIGNATION REQUIREMENTS.

“(a) The Governors shall be required to submit the designations referred to in section 107(d)(1) of the Clean Air Act (42 U.S.C. 7407(d)(1)) within 2 years following the promulgation of the July 1997 ozone national ambient air quality standards.

“(b) The Administrator shall promulgate final designations no later than 1 year after the designations required under subsection (a) are required to be submitted.

“SEC. 6104. ADDITIONAL PROVISIONS.

“Nothing in sections 6101 through 6103 shall be construed by the Administrator of Environmental Protection Agency or any court, State, or person to affect any pending litigation or to be a ratification of the ozone or PM$_2.5$ standards.”

PENDING ACTIONS AND PROCEEDINGS

Suits, actions, and other proceedings lawfully commenced by or against the Administrator or any other officer or employee of the United States in his official capacity or in relation to the discharge of his official duties under act July 14, 1955, the Clean Air Act, as in effect immediately prior to the enactment of Pub. L. 95–95 [Aug. 7, 1977], not to abate by reason of the taking effect of Pub. L. 95–95, see section 406(a) of Pub. L. 95–95, set out as an Effective Date of 1977 Amendment note under section 7401 of this title.

MODIFICATION OR RESCISSION OF RULES, REGULATIONS, ORDERS, DETERMINATIONS, CONTRACTS, CERTIFICATIONS, AUTHORIZATIONS, DELEGATIONS, AND OTHER ACTIONS

All rules, regulations, orders, determinations, contracts, certifications, authorizations, delegations, or other actions duly issued, made, or taken by or pursuant to act July 14, 1965, the Clean Air Act, as in effect immediately prior to the date of enactment of Pub. L. 95–95 [Aug. 7, 1977] to continue in full force and effect until modified or rescinded in accordance with act July 14, 1965, as amended by Pub. L. 95–95 [this chapter], see section 406(a) of Pub. L. 95–95, set out as an Effective Date of 1977 Amendment note under section 7401 of this title.

§7408. Air quality criteria and control techniques

(a) Air pollutant list; publication and revision by Administrator; issuance of air quality criteria for air pollutants

(1) For the purpose of establishing national primary and secondary ambient air quality standards, the Administrator shall within 30 days after December 31, 1970, publish, and shall from time to time thereafter revise, a list which includes each air pollutant—

(A) emissions of which, in his judgment, cause or contribute to air pollution which may reasonably be anticipated to endanger public health or welfare;

(B) the presence of which in the ambient air results from numerous or diverse mobile or stationary sources; and

(C) for which air quality criteria had not been issued before December 31, 1970 but for which he plans to issue air quality criteria under this section.

(2) The Administrator shall issue air quality criteria for an air pollutant within 12 months after he has included such pollutant in a list under paragraph (1). Air quality criteria for an air pollutant shall accurately reflect the latest scientific knowledge useful in indicating the kind and extent of all identifiable effects on
Such criteria shall include a discussion of nitric carcinogenic derivatives of oxides of nitrogen, amines, and other carcinogenic and potentially and nitrous acids, nitrites, nitrates, nitros- 

include information on—

(A) those variable factors (including atmospheric conditions) which of themselves or in combination with other factors may alter the effects on public health or welfare of such air pollutant; (B) the types of air pollutants which, when present in the atmosphere, may interact with such pollutant to produce an adverse effect on public health or welfare; and (C) any known or anticipated adverse effects on welfare.

(b) Issuance by Administrator of information on air pollution control techniques; standing committees for air pollutants; establish; membership

(1) Simultaneously with the issuance of criteria under subsection (a), the Administrator shall, after consultation with appropriate advisory committees and Federal departments and agencies, issue to the States and appropriate air pollution control agencies information on air pollution control techniques, which information shall include data relating to the cost of installation and operation, energy requirements, emission reduction benefits, and environmental impact of the emission control technology. Such information shall include such data as are available on alternative fuels, processes, and operating methods which will result in elimination or significant reduction of emissions.

(2) In order to assist in the development of information on pollution control techniques, the Administrator may establish a standing committee for each air pollutant included in a list published pursuant to subsection (a)(1), which shall be comprised of technically qualified individuals representative of State and local governments, industry, and the academic community. Each such committee shall submit, as appropriate, to the Administrator information related to that required by paragraph (1).

(c) Review, modification, and reissuance of criteria or information

The Administrator shall from time to time review, and, as appropriate, modify, and reissue any criteria or information on control techniques issued pursuant to this section. Not later than six months after August 7, 1977, the Administrator shall revise and reissue criteria relating to concentrations of NO2 over such period (not more than three hours) as he deems appropriate. Such criteria shall include a discussion of nitric and nitrous acids, nitrites, nitrates, nitrosamines, and other carcinogenic and potentially carcinogenic derivatives of oxides of nitrogen.

(d) Publication in Federal Register; availability of copies for general public

The issuance of air quality criteria and information on air pollution control techniques shall be announced in the Federal Register and copies shall be made available to the general public.

(e) Transportation planning and guidelines

The Administrator shall, after consultation with the Secretary of Transportation, and after providing public notice and opportunity for comment, and with State and local officials, within nine months after November 15, 1990, and periodically thereafter as necessary to maintain a continuous transportation-air quality planning process, update the June 1978 Transportation-Air Quality Planning Guidelines and publish guidance on the development and implementation of transportation and other measures necessary to demonstrate and maintain attainment of national ambient air quality standards. Such guidelines shall include information on—

(1) methods to identify and evaluate alternative planning and control activities; (2) methods of reviewing plans on a regular basis as conditions change or new information is presented; (3) identification of funds and other resources necessary to implement the plan, including interagency agreements on providing such funds and resources; (4) methods to assure participation by the public in all phases of the planning process; and (5) such other methods as the Administrator determines necessary to carry out a continuous planning process.

(f) Information regarding processes, procedures, and methods to reduce or control pollutants in transportation; reduction of mobile source related pollutants; reduction of impact on public health

(1) The Administrator shall publish and make available to appropriate Federal, State, and local environmental and transportation agencies not later than one year after November 15, 1990, and from time to time thereafter—

(A) information prepared, as appropriate, in consultation with the Secretary of Transportation, and after providing public notice and opportunity for comment, regarding the formulation and emission reduction potential of transportation control measures related to criteria pollutants and their precursors, including, but not limited to—

(i) programs for improved public transit;
(ii) restriction of certain roads or lanes to, or construction of such roads or lanes for use by, passenger buses or high occupancy vehicles;
(iii) employer-based transportation management plans, including incentives;
(iv) trip-reduction ordinances;
(v) traffic flow improvement programs that achieve emission reductions;
(vi) fringe flow improvement programs, including incentives; (vii) programs to limit or restrict vehicle use in downtown areas or other areas of emission concentration particularly during periods of peak use;
and such other methods as the Administrator determines necessary to carry out a continuous planning process.

1 See Codification note below.
(ix) programs to limit portions of road surfaces or certain sections of the metropolitan area to the use of non-motorized vehicles or pedestrian use, both as to time and place;

(x) programs for secure bicycle storage facilities and other facilities, including bicycle lanes, for the convenience and protection of bicyclists, in both public and private areas;

(xi) programs to control extended idling of vehicles;

(xii) programs to reduce motor vehicle emissions, consistent with subchapter II, which are caused by extreme cold start conditions;

(xiii) employer-sponsored programs to permit flexible work schedules;

(xiv) programs and ordinances to facilitate non-automobile travel, provision and utilization of mass transit, and to generally reduce the need for single-occupant vehicle travel, as part of transportation planning and development efforts of a locality, including programs and ordinances applicable to new shopping centers, special events, and other centers of vehicle activity;

(xv) programs for new construction and major reconstructions of paths, tracks or areas solely for the use by pedestrian or other non-motorized means of transportation when economically feasible and in the public interest. For purposes of this clause, the Administrator shall also consult with the Secretary of the Interior; and

(xvi) program to encourage the voluntary removal from use and the marketplace of pre-1980 model year light duty vehicles and pre-1980 model light duty trucks.2

(B) information on additional methods or strategies that will contribute to the reduction of mobile source related pollutants during periods in which any primary ambient air quality standard will be exceeded and during episodes for which an air pollution alert, warning, or emergency has been declared;

(C) information on other measures which may be employed to reduce the impact on public health or protect the health of sensitive or susceptible individuals or groups; and

(D) information on the extent to which any process, procedure, or method to reduce or control such air pollutant may cause an increase in the emissions or formation of any other pollutant.

(2) In publishing such information the Administrator shall also include an assessment of—

(A) the relative effectiveness of such processes, procedures, and methods;

(B) the potential effect of such processes, procedures, and methods on transportation systems and the provision of transportation services; and

(C) the environmental, energy, and economic impact of such processes, procedures, and methods.

(g) Assessment of risks to ecosystems

The Administrator may assess the risks to ecosystems from exposure to criteria air pollutants (as identified by the Administrator in the Administrator’s sole discretion).

(h) RACT/BACT/LAER clearinghouse

The Administrator shall make information regarding emission control technology available to the States and to the general public through a central database. Such information shall include all control technology information received pursuant to State plan provisions requiring permits for sources, including operating permits for existing sources.


Codification

November 15, 1990, referred to in subsec. (e), was in the original “enactment of the Clean Air Act Amendments of 1989”, and was translated as meaning the date of the enactment of Pub. L. 101–549, popularly known as the Clean Air Act Amendments of 1990, to reflect the probable intent of Congress.

Section was formerly classified to section 1857c–3 of this title.

Prior Provisions

A prior section 108 of act July 14, 1955, was renumbered section 115 by Pub. L. 91–604 and is classified to section 7415 of this title.

Amendments

1998—Subsec. (f)(3), (4). Pub. L. 105–362 struck out par. (3), which required reports by the Secretary of Transportation and the Administrator to be submitted to Congress by Jan. 1, 1993, and every 3 years thereafter, reviewing and analyzing existing State and local air quality related transportation programs, evaluating achievement of goals, and recommending changes to existing programs, and par. (4), which required that in each report after the first report the Secretary of Transportation include a description of the actions taken to implement the changes recommended in the preceding report.

1990—Subsec. (e). Pub. L. 101–549, §108(a), inserted first sentence and struck out former first sentence which read as follows: “The Administrator shall, after consultation with the Secretary of Transportation and the Secretary of Housing and Urban Development and State and local officials and within 180 days after August 7, 1977, and from time to time thereafter, publish guidelines on the basic program elements for the planning process assisted under section 7505 of this title.”


Subsec. (f)(1)(A). Pub. L. 101–549, §108(b), substituted present provisions for provisions relating to information prepared in cooperation with Secretary of Transportation, regarding processes, procedures, and methods to reduce certain pollutants.


1977—Subsec. (a)(1)(A). Pub. L. 95–95, §401(a), substituted “emissions of which, in his judgment, cause or contribute to air pollution which may reasonably be anticipated to endanger public health or welfare” for “which in his judgment has an adverse effect on public health or welfare”.

2So in original. The period probably should be a semicolon.
§ 7409. National primary and secondary ambient air quality standards

(a) Promulgation

(1) The Administrator—

(A) not later than December 31, 1970, shall publish proposed regulations prescribing a national primary ambient air quality standard and a national secondary ambient air quality standard for each air pollutant for which air quality criteria have been issued prior to such date; and

(B) after a reasonable time for interested persons to submit written comments thereon (but no later than 90 days after the initial publication of such proposed standards) shall by regulation promulgate such proposed national primary and secondary ambient air quality standards with such modifications as he deems appropriate.

(2) With respect to any air pollutant for which air quality criteria are issued after December 31, 1970, the Administrator shall publish, simultaneously with the issuance of such criteria and information, proposed national primary and secondary ambient air quality standards for such pollutant. The procedure provided for in paragraph (1)(B) of this subsection shall apply to the promulgation of such standards.

(b) Protection of public health and welfare

(1) National primary ambient air quality standards, prescribed under subsection (a) shall be ambient air quality standards the attainment and maintenance of which in the judgment of the Administrator, based on such criteria and allowing an adequate margin of safety, are requisite to protect the public health. Such primary standards may be revised in the same manner as promulgated.

(2) Any national secondary ambient air quality standard prescribed under subsection (a) shall specify a level of air quality the attainment and maintenance of which in the judgment of the Administrator, based on such criteria, is requisite to protect the public welfare from any known or anticipated adverse effects associated with the presence of such air pollutant in the ambient air. Such secondary standards may be revised in the same manner as promulgated.

(c) National primary ambient air quality standard for nitrogen dioxide

The Administrator shall, not later than one year after August 7, 1977, promulgate a national primary ambient air quality standard for NO2 concentrations over a period of not more than 3 hours unless, based on the criteria issued under section 7408(c) of this title, he finds that there is no significant evidence that such a standard for such a period is requisite to protect public health.

(d) Review and revision of criteria and standards; independent scientific review committee; appointment; advisory functions

(1) Not later than December 31, 1980, and at five-year intervals thereafter, the Administrator shall complete a thorough review of the criteria published under section 7408 of this title and the national ambient air quality standards promulgated under this section and shall make such revisions in such criteria and standards and promulgate such new standards as may be appropriate in accordance with section 7408 of this title and subsection (b) of this section. The Administrator may review and revise criteria or promulgate new standards earlier or more frequently than required under this paragraph.

(2)(A) The Administrator shall appoint an independent scientific review committee composed of seven members including at least one member of the National Academy of Sciences, one physician, and one person representing State air pollution control agencies.

(B) Not later than January 1, 1980, and at five-year intervals thereafter, the committee referred to in subparagraph (A) shall complete a review of the criteria published under section 7408 of this title and the national primary and secondary ambient air quality standards promulgated under this section and shall recommend to the Administrator any new national ambient air quality standards and revisions of existing criteria and standards as may be appropriate under section 7408 of this title and subsection (b) of this section.

(C) Such committee shall also (i) advise the Administrator of areas in which additional knowledge is required to appraise the adequacy and basis of existing, new, or revised national ambient air quality standards, (ii) describe the research efforts necessary to provide the required information, (iii) advise the Administrator on the relative contribution to air pollution concentrations of natural as well as anthropogenic activity, and (iv) advise the Administrator of any adverse public health, welfare, so-
§ 7410. State implementation plans for national primary and secondary ambient air quality standards

(a) Adoption of plan by State; submission to Administrator; content of plan; revision; new sources; indirect source review program; supplemental or intermittent control systems

(1) Each State shall, after reasonable notice and public hearings, adopt and submit to the Administrator, within 3 years (or such shorter period as the Administrator may prescribe) after the promulgation of a national primary ambient air quality standard (or any revision thereof) under section 7409 of this title for any air pollutant, a plan which provides for implementation, maintenance, and enforcement of such primary standard in each air quality control region (or portion thereof) within each State. In addition, such State shall adopt and submit to the Administrator (either as a part of a plan submitted under the preceding sentence or separately) within 3 years (or such shorter period as the Administrator may prescribe) after the promulgation of a national secondary ambient air quality standard (or revision thereof), a plan which provides for implementation, maintenance, and enforcement of such secondary standard in each air quality control region (or portion thereof) within each State. Unless a separate public hearing is provided, each State shall consider its plan implementing such secondary standard at the hearing required by the first sentence of this paragraph.

(2) Each implementation plan submitted by a State under this chapter shall be adopted by the State after reasonable notice and public hearing. Each such plan shall—

(A) include enforceable emission limitations and other control measures, means, or techniques (including economic incentives such as fees, marketable permits, and auctions of emissions rights), as well as schedules and timetables for compliance, as may be necessary or appropriate to meet the applicable requirements of this chapter;

(B) provide for establishment and operation of appropriate devices, methods, systems, and procedures necessary to—

(i) monitor, compile, and analyze data on ambient air quality, and

(ii) upon request, make such data available to the Administrator;
(C) include a program to provide for the enforcement of the measures described in subparagraph (A), and regulation of the modification and construction of any stationary source within the areas covered by the plan as necessary to assure that national ambient air quality standards are achieved, including a permit program as required in parts C and D;

(D) contain adequate provisions—

(i) prohibiting, consistent with the provisions of this subchapter, any source or other type of emissions activity within the State from emitting any air pollutant in amounts which will—

(I) contribute significantly to nonattainment in, or interfere with maintenance by, any other State with respect to any such national primary or secondary ambient air quality standard, or

(II) interfere with measures required to be included in the applicable implementation plan for any other State under part C to prevent significant deterioration of air quality or to protect visibility,

(ii) insuring compliance with the applicable requirements of sections 7426 and 7415 of this title (relating to interstate and international pollution abatement);

(E) provide (i) necessary assurances that the State (or, except where the Administrator deems inappropriate, the general purpose local government or governments, or a regional agency designated by the State or general purpose local government(s) for such purpose) will have adequate personnel, funding, and authority under State (and, as appropriate, local) law to carry out such implementation plan (and is not prohibited by any provision of Federal or State law from carrying out such implementation plan or portion thereof), (ii) requirements that the State comply with the requirements respecting State boards under section 7428 of this title, and (iii) necessary assurances that, where the State has relied on a local or regional government, agency, or instrumentality for the implementation of any plan provision, the State has responsibility for ensuring adequate implementation of such plan provision;

(F) require, as may be prescribed by the Administrator—

(i) the installation, maintenance, and replacement of equipment, and the implementation of other necessary steps, by owners or operators of stationary sources to monitor emissions from such sources,

(ii) periodic reports on the nature and amounts of emissions and emissions-related data from such sources, and

(iii) correlation of such reports by the State agency with any emission limitations or standards established pursuant to this chapter, which reports shall be available at reasonable times for public inspection;

(G) provide for authority comparable to that in section 7603 of this title and adequate contingency plans to implement such authority;

(H) provide for revision of such plan—

(i) from time to time as may be necessary to take account of revisions of such national primary or secondary ambient air quality standard or the availability of improved or more expeditious methods of attaining such standard, and

(ii) except as provided in paragraph (3)(C), whenever the Administrator finds on the basis of information available to the Administrator that the plan is substantially inadequate to attain the national ambient air quality standard which it implements or to otherwise comply with any additional requirements established under this chapter;

(I) in the case of a plan or plan revision for an area designated as a nonattainment area, meet the applicable requirements of part D (relating to nonattainment areas);

(J) meet the applicable requirements of section 7421 of this title (relating to consultation), section 7427 of this title (relating to public notification), and part C (relating to prevention of significant deterioration of air quality and visibility protection);

(K) provide for—

(i) the performance of such air quality modeling as the Administrator may prescribe for the purpose of predicting the effect on ambient air quality of any emissions of any air pollutant for which the Administrator has established a national ambient air quality standard, and

(ii) the submission, upon request, of data related to such air quality modeling to the Administrator;

(L) require the owner or operator of each major stationary source to pay to the permitting authority, as a condition of any permit required under this chapter, a fee sufficient to cover—

(i) the reasonable costs of reviewing and acting upon any application for such a permit, and

(ii) if the owner or operator receives a permit for such source, the reasonable costs of implementing and enforcing the terms and conditions of any such permit (not including any court costs or other costs associated with any enforcement action),

until such fee requirement is superseded with respect to such sources by the Administrator's approval of a fee program under subchapter V; and

(M) provide for consultation and participation by local political subdivisions affected by the plan.


(B) As soon as practicable, the Administrator shall, consistent with the purposes of this chapter and the Energy Supply and Environmental Coordination Act of 1974 [15 U.S.C. 791 et seq.], review each State's applicable implementation plans and report to the State on whether such plans can be revised in relation to fuel burning stationary sources (or persons supplying fuel to such sources) without interfering with the attainment and maintenance of any national ambient air quality standard within the period permitted in this section. If the Administrator determines that any such plan can be revised, he
shall notify the State that a plan revision may be submitted by the State. Any plan revision which is submitted by the State shall, after public notice and opportunity for public hearing, be approved by the Administrator if the revision relates only to fuel burning stationary sources (or persons supplying fuel to such sources), and the plan as revised complies with paragraph (2) of this subsection. The Administrator shall approve or disapprove any revision no later than three months after its submission.

(C) Neither the State, in the case of a plan (or portion thereof) approved under this subsection, nor the Administrator, in the case of a plan (or portion thereof) promulgated under subsection (c), shall be required to revise an applicable implementation plan because one or more exemptions under section 7418 of this title (relating to Federal facilities), enforcement orders under section 7413(d) of this title, suspensions under subsection (f) or (g) (relating to temporary energy or economic authority), orders under section 7419 of this title (relating to primary nonferrous smelters), or extensions of compliance in decrees entered under section 7413(e) of this title (relating to iron- and steel-producing operations) have been granted, if such plan would have met the requirements of this section if no such exemptions, orders, or extensions had been granted.


(5)(A)(i) Any State may include in a State implementation plan, but the Administrator may not require as a condition of approval of such plan under this section, any indirect source review program. The Administrator may approve and enforce, as part of an applicable implementation plan, an indirect source review program which the State chooses to adopt and submit as part of its plan.

(ii) Except as provided in subparagraph (B), no plan promulgated by the Administrator shall include any indirect source review program for any air quality control region, or portion thereof.

(iii) Any State may revise an applicable implementation plan approved under this subsection to suspend or revoke any such program included in such plan, provided that such plan meets the requirements of this section.

(B) The Administrator shall have the authority to promulgate, implement and enforce regulations under subsection (c) respecting indirect source review programs which apply only to federally assisted highways, airports, and other major federally assisted indirect sources and federally owned or operated indirect sources.

(C) For purposes of this paragraph, the term “indirect source” means a facility, building, structure, installation, real property, road, or highway which attracts, or may attract, mobile sources of pollution. Such term includes parking lots, parking garages, and other facilities subject to any measure for management of parking supply (within the meaning of subsection (c)(2)(D)(ii)), including regulation of existing off-street parking but such term does not include new or existing on-street parking. Direct emissions sources or facilities at, within, or associated with, any indirect source shall not be deemed indirect sources for the purpose of this paragraph.

(D) For purposes of this paragraph the term “indirect source review program” means the facility-by-facility review of indirect sources of air pollution, including such measures as are necessary to assure, or assist in assuring, that a new or modified indirect source will not attract mobile sources of air pollution, the emissions from which would cause or contribute to air pollution concentrations—

(i) exceeding any national primary ambient air quality standard for a mobile source-related air pollutant after the primary standard attainment date, or

(ii) preventing maintenance of any such standard after such date.

(E) For purposes of this paragraph and paragraph (2)(B), the term “transportation control measure” does not include any measure which is an “indirect source review program”.

(6) No State plan shall be treated as meeting the requirements of this section unless such plan provides that in the case of any source which uses a supplemental, or intermittent control system for purposes of meeting the requirements of an order under section 7413(d) of this title or section 7419 of this title (relating to primary nonferrous smelter orders), the owner or operator of such source may not temporarily reduce the pay of any employee by reason of the use of such supplemental or intermittent or other dispersion dependent control system.

(b) Extension of period for submission of plans

The Administrator may, wherever he determines necessary, extend the period for submission of any plan or portion thereof which implements a national secondary ambient air quality standard for a period not to exceed 18 months from the date otherwise required for submission of such plan.

(c) Preparation and publication by Administrator of proposed regulations setting forth implementation plan; transportation regulations study and report; parking surcharge; suspension authority; plan implementation

(1) The Administrator shall promulgate a Federal implementation plan at any time within 2 years after the Administrator—

(A) finds that a State has failed to make a required submission or finds that the plan or plan revision submitted by the State does not satisfy the minimum criteria established under subsection (k)(1)(A), or

(B) disapproves a State implementation plan submission in whole or in part,

unless the State corrects the deficiency, and the Administrator approves the plan or plan revision, before the Administrator promulgates such Federal implementation plan.


(B) No parking surcharge regulation may be required by the Administrator under paragraph (1) of this subsection as a part of an applicable implementation plan. All parking surcharge regulations previously required by the Adminis-

1 See References in Text note below.
transportation needs, as expeditiously as is practicable; and
(ii) implement transportation control measures necessary to attain and maintain national ambient air quality standards,
and such revised plan shall, for the purpose of implementing such comprehensive public transportation measures, include requirements to use (insofar as is necessary) Federal grants, State or local funds, or any combination of such grants and funds as may be consistent with the terms of the legislation providing such grants and funds. Such measures shall, as a substitute for the tolls or charges eliminated under subparagraph (A), provide for emissions reductions equivalent to the reductions which may reasonably be expected to be achieved through the use of the tolls or charges eliminated.
(C) Any revision of an implementation plan for purposes of meeting the requirements of subparagraph (B) shall be submitted in coordination with any plan revision required under part D.
(f) National or regional energy emergencies; determination by President
(1) Upon application by the owner or operator of a fuel burning stationary source, and after notice and opportunity for public hearing, the Governor of the State in which such source is located may petition the President to determine that a national or regional energy emergency exists of such severity that—
(A) a temporary suspension of any part of the applicable implementation plan or of any requirement under section 7651j of this title (concerning excess emissions penalties or offsets) may be necessary, and
(B) other means of responding to the energy emergency may be inadequate.
Such determination shall not be delegable by the President to any other person. If the President determines that a national or regional energy emergency of such severity exists, a temporary emergency suspension of any part of an applicable implementation plan or of any requirement under section 7651j of this title (concerning excess emissions penalties or offsets) adopted by the State may be issued by the Governor of any State covered by the President’s determination under the condition specified in paragraph (2) and may take effect immediately.
(2) A temporary emergency suspension under this subsection shall be issued to a source only if the Governor of such State finds that—
(A) there exists in the vicinity of such source a temporary energy emergency involving high levels of unemployment or loss of necessary energy supplies for residential dwellings; and
(B) such unemployment or loss can be totally or partially alleviated by such emergency suspension.
Not more than one such suspension may be issued for any source on the basis of the same set of circumstances or on the basis of the same emergency.
(3) A temporary emergency suspension issued by a Governor under this subsection shall re-
main in effect for a maximum of four months or such lesser period as may be specified in a disapproval order of the Administrator, if any. The Administrator may disapprove such suspension if he determines that it does not meet the requirements of paragraph (2).

(4) This subsection shall not apply in the case of a plan provision or requirement promulgated by the Administrator under subsection (c) of this section, but in any such case the President may grant a temporary emergency suspension for a four month period of any such provision or requirement if he makes the determinations and findings specified in paragraphs (1) and (2).

(5) The Governor may include in any temporary emergency suspension issued under this subsection a provision delaying for a period identical to the period of such suspension any requirement if he determines that it does not meet the requirements of paragraph (2).

(g) Governor’s authority to issue temporary emergency suspensions

(1) In the case of any State which has adopted and submitted to the Administrator a proposed plan revision which the State determines—

(A) meets the requirements of this section, and

(B) is necessary (i) to prevent the closing for one year or more of any source of air pollution, and (ii) to prevent substantial increases in unemployment which would result from such closing, and

which the Administrator has not approved or disapproved under this section within 12 months of submission of the proposed plan revision, the Governor may issue a temporary emergency suspension of the part of the applicable implementation plan for such State which is proposed to be revised with respect to such source. The determination under subparagraph (B) may not be made with respect to a source which would close without regard to whether or not the proposed plan revision is approved.

(2) A temporary emergency suspension issued by a Governor under this subsection shall remain in effect for a maximum of four months or such lesser period as may be specified in a disapproval order of the Administrator. The Administrator may disapprove such suspension if he determines that it does not meet the requirements of this subsection.

(3) The Governor may include in any temporary emergency suspension issued under this subsection a provision delaying for a period identical to the period of such suspension any compliance schedule (or increment of progress) to which such source is subject under section 1857c–10 of this title as in effect before August 7, 1977, or under section 7413(d) of this title upon a finding that such source is unable to comply with such schedule (or increment) solely because of the conditions on the basis of which a suspension was issued under this subsection.

(h) Publication of comprehensive document for each State setting forth requirements of applicable implementation plan

(1) Not later than 5 years after November 15, 1990, and every 3 years thereafter, the Administrator shall assemble and publish a comprehensive document for each State setting forth all requirements of the applicable implementation plan for such State and shall publish notice in the Federal Register of the availability of such documents.

(2) The Administrator may promulgate such regulations as may be reasonably necessary to carry out the purpose of this subsection.

(i) Modification of requirements prohibited

Except for a primary nonferrous smelter order under section 7419 of this title, a suspension under subsection (a) of this section, a temporary emergency suspension issued under this section, an exemption under section 7418 of this title (relating to certain Federal facilities), an order under section 7413(d) of this title (relating to compliance orders), a plan promulgation under subsection (c), or a plan revision under subsection (a)(3); no order, suspension, plan revision, or other action modifying any requirement of an applicable implementation plan may be taken with respect to any stationary source by the State or by the Administrator.

(j) Technological systems of continuous emission reduction on new or modified stationary sources; compliance with performance standards

As a condition for issuance of any permit required under this subchapter, the owner or operator of each new or modified stationary source which is required to obtain such a permit must show to the satisfaction of the permitting authority that the technological system of continuous emission reduction on new or modified stationary sources will enable it to comply with the standards of performance which are to apply to such source and that the construction or modification and operation of such source will be in compliance with all other requirements of this chapter.

(k) Environmental Protection Agency action on plan submissions

(1) Completeness of plan submissions

(A) Completeness criteria

Within 30 days after November 15, 1990, the Administrator shall promulgate minimum criteria that any plan submission for environmental review must meet before the Administrator is required to act on such submission under this subsection. The criteria shall be limited to the information necessary to enable the Administrator to determine whether the plan submission complies with the provisions of this chapter.

(B) Completeness finding

Within 60 days of the Administrator’s receipt of a plan or plan revision, but no later than 6 months after the date, if any, by which a State is required to submit the plan or revision, the Administrator shall determine whether the minimum criteria estab-
lished pursuant to subparagraph (A) have been met. Any plan or plan revision that a State submits to the Administrator, and that has not been determined by the Administrator (by the date 6 months after receipt of the submission) to have failed to meet the minimum criteria established pursuant to subparagraph (A), shall be treated as not having made the submission (or, in the Administrator’s discretion, part thereof).

(2) Deadline for action

Within 12 months of a determination by the Administrator (or a determination deemed by operation of law) under paragraph (1) that a State has submitted a plan or plan revision (or, in the Administrator’s discretion, part thereof) that meets the minimum criteria established pursuant to paragraph (1), if applicable (or, if those criteria are not applicable, within 12 months of submission of the plan or revision), the Administrator shall act on the submission in accordance with paragraph (3).

(3) Full and partial approval and disapproval

In the case of any submittal on which the Administrator is required to act under paragraph (2), the Administrator shall approve such submittal as a whole if it meets all of the applicable requirements of this chapter. If a portion of the plan revision meets all the applicable requirements of this chapter, the Administrator may approve the plan revision in part and disapprove the plan revision in part. The plan revision shall not be treated as meeting the requirements of this chapter until the Administrator approves the entire plan revision as complying with the applicable requirements of this chapter.

(4) Conditional approval

The Administrator may approve a plan revision based on a commitment of the State to adopt specific enforceable measures by a date certain, but not later than 1 year after the date of approval of the plan revision. Any such conditional approval shall be treated as a disapproval if the State fails to comply with such commitment.

(5) Calls for plan revisions

Whenever the Administrator finds that the applicable implementation plan for any area is substantially inadequate to attain or maintain the relevant national ambient air quality standard, to mitigate adequately the interstate pollutant transport described in section 7506a of this title or section 7511c of this title, or to otherwise comply with any requirement of this chapter, the Administrator shall require the State to revise the plan as necessary to correct such inadequacies. The Administrator shall notify the State of the inadequacies, and may establish reasonable deadlines (not to exceed 18 months after the date of such notice) for the submission of such plan revisions. Such findings and notice shall be public. Any finding under this paragraph shall, to the extent the Administrator deems appropriate, subject the State to the requirements of this chapter to which the State was subject when it developed and submitted the plan for which such finding was made, except that the Administrator may adjust any dates applicable under such requirements as appropriate (except that the Administrator may not adjust any attainment date prescribed under part D, unless such date has elapsed).

(6) Corrections

Whenever the Administrator determines that the Administrator’s action approving, disapproving, or promulgating any plan or plan revision (or part thereof), area designation, redesignation, classification, or reclassification was in error, the Administrator may in the same manner as the approval, disapproval, or promulgation revise such action as appropriate without requiring any further submission from the State. Such determination and the basis thereof shall be provided to the State and public.

(i) Plan revisions

Each revision to an implementation plan submitted by a State under this chapter shall be adopted by such State after reasonable notice and public hearing. The Administrator shall not approve a revision of a plan if the revision would interfere with any applicable requirement concerning attainment and reasonable further progress (as defined in section 7501 of this title), or any other applicable requirement of this chapter.

(m) Sanctions

The Administrator may apply any of the sanctions listed in section 7509(b) of this title at any time (or at any time after) the Administrator makes a finding, disapproval, or determination under paragraphs (1) through (4), respectively, of section 7509(a) of this title in relation to any plan or plan item (as that term is defined by the Administrator) required under this chapter, with respect to any portion of the State the Administrator determines reasonable and appropriate, for the purpose of ensuring that the requirements of this chapter relating to such plan or plan item are met. The Administrator shall, by rule, establish criteria for exercising his authority under the previous sentence with respect to any deficiency referred to in section 7509(a) of this title to ensure that, during the 24-month period following the finding, disapproval, or determination referred to in section 7509(a) of this title, such sanctions are not applied on a state-wide basis where one or more political subdivisions covered by the applicable implementation plan are principally responsible for such deficiency.

(n) Savings clauses

(1) Existing plan provisions

Any provision of any applicable implementation plan that was approved or promulgated by the Administrator pursuant to this section as
in effect before November 15, 1990, shall remain in effect as part of such applicable implementation plan, except to the extent that a revision to such provision is approved or promulgated by the Administrator pursuant to this chapter.

(2) Attainment dates
For any area not designated nonattainment, any plan or plan revision submitted or required to be submitted by a State—

(A) in response to the promulgation or revision of a national primary ambient air quality standard in effect on November 15, 1990, or

(B) in response to a finding of substantial inadequacy under subsection (a)(2) (as in effect immediately before November 15, 1990), shall provide for attainment of the national primary ambient air quality standards within 3 years of November 15, 1990, or within 5 years of issuance of such finding of substantial inadequacy, whichever is later.

(3) Retention of construction moratorium in certain areas
In the case of an area to which, immediately before November 15, 1990, the prohibition on construction or modification of major stationary sources prescribed in subsection (a)(2)(C) (as in effect immediately before November 15, 1990) applied by virtue of a finding of the Administrator that the State containing such area had not submitted an implementation plan meeting the requirements of section 7502(c) of this title (relating to establishment of a permit program) (as in effect immediately before November 15, 1990) or 7502(a)(1) of this title (to the extent such requirements relate to provision for attainment of the primary national ambient air quality standard for sulfur oxides by December 31, 1982) as in effect before November 15, 1990, no major stationary source of the relevant air pollutant or pollutants shall be constructed or modified in such area until the Administrator finds that the plan for such area meets the applicable requirements of section 7502(c)(5) of this title (relating to permit programs) or subpart 5 of part D (relating to attainment of the primary national ambient air quality standard for sulfur dioxide), respectively.

(o) Indian tribes
If an Indian tribe submits an implementation plan to the Administrator pursuant to section 7601(d) of this title, the plan shall be reviewed in accordance with the provisions for review set forth in this section for State plans, except as otherwise provided by regulation promulgated pursuant to section 7601(d)(2) of this title. When such plan becomes effective in accordance with the regulations promulgated under section 7601(d) of this title, the plan shall become applicable to all areas (except as expressly provided otherwise in the plan) located within the exterior boundaries of the reservation, notwithstanding the issuance of any patent and including rights-of-way running through the reservation.

(p) Reports
Any State shall submit, according to such schedule as the Administrator may prescribe, such reports as the Administrator may require relating to emission reductions, vehicle miles traveled, congestion levels, and any other information the Administrator may deem necessary to assess the development of effectiveness, need for revision, or implementation of any plan or plan revision required under this chapter.


REFERENCES IN Text

Section 7413 of this title, referred to in subsecs. (a)(3)(C), (6), (f)(5), (g)(3), and (i), was amended generally by Pub. L. 101–549, title VII, §701, Nov. 15, 1990, 104 Stat. 2672, and, as so amended, subsecs. (d) and (e) of section 7413 no longer relates to final compliance orders and steel industry compliance extension, respectively.

Section 1857c–10 of this title, as in effect before August 7, 1977, referred to in subsecs. (f)(5) and (g)(3), was in the original "section 119, as in effect before the date of the enactment of this paragraph", meaning section 119 of act July 14, 1955, ch. 360, title I, as added June 22, 1974, Pub. L. 93–319, §3, 88 Stat. 248, (which was classified to section 1857c–10 of this title as in effect before the enactment of subsecs. (f)(5) and (g)(3) of this section by Pub. L. 95–95, §107, Aug. 7, 1977, 91 Stat. 691, effective Aug. 7, 1977. Section 112(b)(1) of Pub. L. 95–96 repealed section 119 of act July 14, 1955, ch. 360, title I, as added by Pub. L. 93–319, and provided that all references to such section 119 in any subsequent enactment which superseded Pub. L. 95–319 shall be construed to refer to section 119 of the Clean Air Act and to paragraph (5) thereof in particular which is classified to section 7413(d)(5) of this title. Section 7413 of this title was subsequently amended generally by Pub. L. 101–549, title VII, §701, Nov. 15, 1990, 104 Stat. 2672, see note above. Section 117(b) of Pub. L. 95–95 added a new section 119 of act July 14, 1955, which is classified to section 7419 of this title.

CODIFICATION
Section was formerly classified to section 1857c–5 of this title.

PRIOR PROVISIONS
A prior section 110 of act July 14, 1955, was renumbered section 117 by Pub. L. 91–604 and is classified to section 7417 of this title.

AMENDMENTS
1990—Subsec. (a)(1). Pub. L. 101–549, §101(d)(8), substituted "3 years (or such shorter period as the Administrator may prescribe)" for "nine months" in two places.

Subsec. (a)(2). Pub. L. 101–549, §101(b), amended par. (2) generally, substituting present provisions for provisions setting the time within which the Administrator was to approve or disapprove a plan or portion thereof

*80 in original. Probably should be followed by a comma.
Subsec. (h). Pub. L. 95–190, §14(a)(5), redesignated subsec. (g), added by Pub. L. 95–95, §108(g), as (h). Former subsec. (h) redesignated (i).
Subsec. (i). Pub. L. 95–190, §14(a)(5), redesignated subsec. (h), added by Pub. L. 95–95, §108(g), as (i). Former subsec. (i) redesignated (j) and amended.
Subsec. (j). Pub. L. 95–190 §14(a)(5), redesignated existing provisions as subpars. (1) and existing pars. (1), (2), and (3) as subpars. (A), (B), and (C), respectively, of such redesignated par. (1), and added par. (2).

**Effective Date of 1977 Amendment**

Amendment by Pub. L. 95–95 effective Aug. 7, 1977, except as otherwise expressly provided, see section 406(d) of Pub. L. 95–95, set out as a note under section 7401 of this title.

**Pending Actions and Proceedings**

Suits, actions, and other proceedings lawfully commenced by or against the Administrator or any other officer or employee of the United States in his official capacity or in relation to the discharge of his official duties under act July 14, 1955, the Clean Air Act, as in effect immediately prior to the enactment of Pub. L. 95–95 [Aug. 7, 1977], not to abate by reason of the taking effect of Pub. L. 95–95, see section 406(a) of Pub. L. 95–95, set out as an Effective Date of 1977 Amendment note under section 7401 of this title.

**Modification or Recission of Rules, Regulations, Orders, Determinations, Contracts, Authorizations, Delegations, and Other Actions**

All rules, regulations, orders, determinations, contracts, certifications, authorizations, delegations, or other actions duly issued, made, or taken by or pursuant to act July 14, 1955, the Clean Air Act, as in effect immediately prior to the date of enactment of Pub. L. 95–95 [Aug. 7, 1977] to continue in full force and effect until modified or rescinded in accordance with act July 14, 1955, as amended by Pub. L. 95–95 [this chapter], see section 406(c) of Pub. L. 95–95, set out as an Effective Date of 1977 Amendment note under section 7401 of this title.

**Modification or Recission of Implementation Plans Approved and in Effect Prior to Aug. 7, 1977**

Nothing in the Clean Air Act Amendments of 1977 [Pub. L. 95–95] to affect any requirement of an approved implementation plan under this section or any other provision in effect under this chapter before Aug. 7, 1977, until modified or rescinded in accordance with this chapter as amended by the Clean Air Act Amendments of 1977, see section 406(c) of Pub. L. 95–95, set out as an Effective Date of 1977 Amendment note under section 7401 of this title.

**Savings Provision**


“(a)(1) Any implementation plan adopted by any State and submitted to the Secretary of Health, Education, and Welfare, or to the Administrator pursuant to the Clean Air Act [this chapter] prior to enactment of this Act [Dec. 31, 1970] may be approved under section 110 of the Clean Air Act [this section] (as amended by this Act) (Pub. L. 91–604) and shall remain in effect, unless the Administrator determines that such implementation plan, or any portion thereof, is not consistent with applicable requirements of the Clean Air Act [this chapter] (as amended by this Act) and will not provide for the attainment of national primary ambient air quality standards in the time required by such Act. If the Administrator so determines, he shall, within 90 days after promulgation of any national ambient air quality standards pursuant to section 108(a) of the Clean Air Act [section 7409(a) of this title], notify the State and specify in what respects changes are needed to meet the additional requirements of such Act, including requirements to implement national secondary ambient air quality standards. If such changes are not adopted by the State after public hearings and within six months after such notification, the Administrator shall promulgate such changes pursuant to section 110(c) of such Act (subsec. (c) of this section).

“(2) The amendments made by section 4(b) [amending sections 7403 and 7415 of this title] shall not be construed as repealing or modifying the powers of the Administrator with respect to any conference convened under section 108(d) of the Clean Air Act [section 7415 of this title] before the date of enactment of this Act [Dec. 31, 1970]

““(b) Regulations or standards issued under this title II of the Clean Air Act [subchapter II of this chapter] prior to the enactment of this Act [Dec. 31, 1970] shall continue in effect until revised by the Administrator consistent with the purposes of such Act [this chapter].”

**Federal Energy Administrator**

“Federal Energy Administrator”, for purposes of this chapter, to mean Administrator of Federal Energy Administration established by Pub. L. 88–275, May 7, 1974, 88 Stat. 97, which is classified to Title 15, Commerce and Trade, but with the term to mean any officer of the United States designated as such by the President until Federal Energy Administration terminates its functions and transfers its duties to Secretary of Energy (unless otherwise specifically provided) by sections 7151(a) and 7293 of this title.

**§7411. Standards of performance for new stationary sources**

(a) **Definitions**

For purposes of this section:

(1) The term “standard of performance” means a standard for emissions of air pollutants which reflects the degree of emission limitation achievable through the application of the best system of emission reduction technology which (taking into account the cost of achieving such reduction and any nonair quality health and environmental impact and energy requirements) the Administrator determines has been adequately demonstrated.

(2) The term “new source” means any stationary source, the construction or modification of which is commenced after the publication of regulations (or, if earlier, proposed regulations) prescribing a standard of performance under this section which will be applicable to such source.

(3) The term “stationary source” means any building, structure, facility, or installation which emits or may emit any air pollutant. Nothing in subchapter II of this chapter relating to nonroad engines shall be construed to apply to stationary internal combustion engines.

(4) The term “modification” means any physical change in, or change in the method of operation of, a stationary source which increases the amount of any air pollutant emit-
ted by such source or which results in the emission of any air pollutant not previously emitted.

(5) The term "owner or operator" means any person who owns, leases, operates, controls, or supervises a stationary source.

(6) The term "existing source" means any stationary source other than a new source.

(7) The term "technological system of continuous emission reduction" means:

(A) a technological process for production or operation by any source which is inherently low-polluting or nonpolluting, or

(B) a technological system for continuous reduction of the pollution generated by a source before such pollution is emitted into the ambient air, including precombustion cleaning or treatment of fuels.

(8) A conversion to coal (A) by reason of an order under section 2(a) of the Energy Supply and Environmental Coordination Act of 1974 (15 U.S.C. 792(a)) or any amendment thereto, or any subsequent enactment which supersedes such Act [15 U.S.C. 791 et seq.], or (B) which qualifies under section 7413(d)(5)(A)(ii) 1 of this title, shall not be deemed to be a modification for purposes of paragraphs (2) and (4) of this subsection.

(b) List of categories of stationary sources; standards of performance; information on pollution control techniques; sources owned or operated by United States; particular systems; revised standards

(1)(A) The Administrator shall, within 90 days after December 31, 1970, publish (and from time to time thereafter shall revise) a list of categories of stationary sources. He shall include a category of sources in such list if in his judgment it causes, or contributes significantly to, air pollution which may reasonably be anticipated to endanger public health or welfare.

(B) Within one year after the inclusion of a category of stationary sources in a list under subparagraph (A), the Administrator shall publish proposed regulations, establishing Federal standards of performance for new sources within such category. The Administrator shall afford interested persons an opportunity for written comment on such proposed regulations. After considering such comments, he shall promulgate, within one year after such publication, such standards with such modifications as he deems appropriate. The Administrator shall, at least every 8 years, review and, if appropriate, revise such standards following the procedure required by this subsection for promulgation of such standards. Notwithstanding the requirements of the previous sentence, the Administrator need not review any such standard if the Administrator determines that such review is not appropriate in light of readily available information on the efficacy of such standard. Standards of performance or revisions thereof shall become effective upon promulgation. When implementation and enforcement of any requirement of this chapter indicate that emission limitations and percent reductions beyond those required by the standards promulgated under this section are achieved in practice, the Administrator shall, when revising standards promulgated under this section, consider the emission limitations and percent reductions achieved in practice.

(2) The Administrator may distinguish among classes, types, and sizes within categories of new sources and air pollutants subject to the provisions of this section.

(3) The Administrator shall, from time to time, issue information on pollution control techniques for categories of new sources and air pollutants subject to the provisions of this section.

(4) The provisions of this section shall apply to any new source owned or operated by the United States.

(5) Except as otherwise authorized under subsection (h), nothing in this section shall be construed to require, or to authorize the Administrator to require, any new or modified source to install and operate any particular technological system of continuous emission reduction to comply with any new source standard of performance.

(6) The revised standards of performance required by enactment of subsection (a)(1)(A)(i) and (ii) 1 shall be promulgated not later than one year after August 7, 1977. Any new or modified fossil fuel fired stationary source which commences construction prior to the date of publication of the proposed revised standards shall not be required to comply with such revised standards.

(c) State implementation and enforcement of standards of performance

(1) Each State may develop and submit to the Administrator a procedure for implementing and enforcing standards of performance for new sources located in such State. If the Administrator finds the State procedure is adequate, he shall delegate to such State any authority he has under this chapter to implement and enforce such standards.

(2) Nothing in this subsection shall prohibit the Administrator from enforcing any applicable standard of performance under this section.

(d) Standards of performance for existing sources; remaining useful life of source

(1) The Administrator shall prescribe regulations which shall establish a procedure similar to that provided by section 7410 of this title under which each State shall submit to the Administrator a plan which (A) establishes standards of performance for any existing source for any air pollutant (i) for which air quality criteria have not been issued or which is not included on a list published under section 7408(a) of this title or emitted from a source category which is regulated under section 7412 of this title but (ii) to which a standard of performance under this section would apply if such existing source were a new source, and (B) provides for the implementation and enforcement of such standards of performance. Regulations of the Administrator under this paragraph shall permit the State in applying a standard of performance to any particular source under a plan submitted under this paragraph to take into consideration, among other factors, the remaining use-

---

1 See References in Text note below.
ful life of the existing source to which such standard applies.

(2) The Administrator shall have the same authority—
   (A) to prescribe a plan for a State in cases where the State fails to submit a satisfactory plan as he would have under section 7410(c) of this title in the case of failure to submit an implementation plan, and
   (B) to enforce the provisions of such plan in cases where the State fails to enforce them as he would have under sections 7413 and 7414 of this title with respect to an implementation plan.

In promulgating a standard of performance under a plan prescribed under this paragraph, the Administrator shall take into consideration, among other factors, remaining useful lives of the sources in the category of sources to which such standard applies.

(e) Prohibited acts

After the effective date of standards of performance promulgated under this section, it shall be unlawful for any owner or operator of any new source to operate such source in violation of any standard of performance applicable to such source.

(f) New source standards of performance

(1) For those categories of major stationary sources that the Administrator listed under subsection (b)(1)(A) before November 15, 1990, and for which regulations had not been proposed by the Administrator by November 15, 1990, the Administrator shall—
   (A) propose regulations establishing standards of performance for at least 25 percent of such categories of sources within 2 years after November 15, 1990;
   (B) propose regulations establishing standards of performance for at least 50 percent of such categories of sources within 4 years after November 15, 1990; and
   (C) propose regulations for the remaining categories of sources within 6 years after November 15, 1990.

(2) In determining priorities for promulgating standards for categories of major stationary sources for the purpose of paragraph (1), the Administrator shall consider—
   (A) the quantity of air pollutant emissions which each such category will emit, or will be designed to emit;
   (B) the extent to which each such pollutant may reasonably be anticipated to endanger public health or welfare; and
   (C) the mobility and competitive nature of each such category of sources and the consequent need for nationally applicable new source standards of performance.

(3) Before promulgating any regulations under this subsection or listing any category of major stationary sources as required under this subsection, the Administrator shall consult with appropriate representatives of the Governors and of State air pollution control agencies.

(g) Revision of regulations

(1) Upon application by the Governor of a State showing that the Administrator has failed to specify in regulations under subsection (f)(1) any category of major stationary sources required to be specified under such regulations, the Administrator shall revise such regulations to specify any such category.

(2) Upon application of the Governor of a State showing that any category of stationary sources which is not included in the list under subsection (b)(1)(A) contributes significantly to air pollution which may reasonably be anticipated to endanger public health or welfare (notwithstanding that such category is not a category of major stationary sources), the Administrator shall revise such regulations to specify such category of stationary sources.

(3) Upon application of the Governor of a State showing that the Administrator has failed to apply properly the criteria required to be considered under subsection (f)(2), the Administrator shall revise the list under subsection (b)(1)(A) to apply properly such criteria.

(4) Upon application of the Governor of a State showing that—
   (A) a new, innovative, or improved technology or process which achieves greater continuous emission reduction has been adequately demonstrated for any category of stationary sources, and
   (B) as a result of such technology or process, the new source standard of performance in effect under this section for such category no longer reflects the greatest degree of emission limitation achievable through application of the best technological system of continuous emission reduction which (taking into consideration the cost of achieving such emission reduction, and any non-air quality health and environmental impact and energy requirements) has been adequately demonstrated,

the Administrator shall revise such standard of performance for such category accordingly.

(5) Unless later deadlines for action of the Administrator are otherwise prescribed under this section, the Administrator shall, not later than three months following the date of receipt of any application by a Governor of a State, either—
   (A) find that such application does not contain the requisite showing and deny such application, or
   (B) grant such application and take the action required under this subsection.

(6) Before taking any action required by subsection (f) or by this subsection, the Administrator shall provide notice and opportunity for public hearing.

(h) Design, equipment, work practice, or operational standard; alternative emission limitation

(1) For purposes of this section, if in the judgment of the Administrator, it is not feasible to prescribe or enforce a standard of performance, he may instead promulgate a design, equipment, work practice, or operational standard, or combination thereof, which reflects the best technological system of continuous emission reduction which (taking into consideration the cost of achieving such emission reduction, and any non-air quality health and environmental impact
and energy requirements) the Administrator determines has been adequately demonstrated. In the event the Administrator promulgates a design or equipment standard under this subsection, he shall include as part of such standard such requirements as will assure the proper operation and maintenance of any such element of design or equipment.

(2) For the purpose of this subsection, the phrase “not feasible to prescribe or enforce a standard of performance” means any situation in which the Administrator determines that (A) a pollutant or pollutants cannot be emitted through a conveyance designed and constructed to emit or capture such pollutant, or that any requirement for, or use of, such a conveyance would be inconsistent with any Federal, State, or local law, or (B) the application of measurement methodology to a particular class of sources is not practicable due to technological or economic limitations.

(3) If after notice and opportunity for public hearing, any person establishes to the satisfaction of the Administrator that an alternative methodology to a particular class of sources is not practicable due to technological or economic limitations.

(4) Any standard promulgated under paragraph (1) shall be promulgated in terms of standard of performance whenever it becomes feasible to promulgate and enforce such standard in such terms.

(5) Any design, equipment, work practice, or operational standard, or any combination thereof, described in this subsection shall be treated as a standard of performance for purposes of the provisions of this chapter (other than the provisions of subsection (a) and this subsection).

(i) Country elevators

Any regulations promulgated by the Administrator under this section applicable to country elevators shall not apply to country elevators (as defined by the Administrator) which have a storage capacity of less than two million five hundred thousand bushels.

(j) Innovative technological systems of continuous emission reduction

(1)(A) Any person proposing to own or operate a new source may request the Administrator for one or more waivers from the requirements of this section for such source or any portion thereof with respect to any air pollutant to encourage the use of an innovative technological system or systems of continuous emission reduction. The Administrator may, with the consent of the Governor of the State in which the source is to be located, grant a waiver under this paragraph, if the Administrator determines after notice and opportunity for public hearing, that—

(i) the proposed system or systems have not been adequately demonstrated,

(ii) the proposed system or systems will operate effectively and there is a substantial likelihood that such system or systems will achieve greater continuous emission reduction than that required to be achieved under the standards of performance which would otherwise apply, or achieve at least an equivalent reduction at lower cost in terms of energy, economic, or nonair quality environmental impact.

(iii) the owner or operator of the proposed source has demonstrated to the satisfaction of the Administrator that the proposed system will not cause or contribute to an unreasonable risk to public health, welfare, or safety in its operation, function, or malfunction, and

(iv) the granting of such waiver is consistent with the requirements of subparagraph (C).

In making any determination under clause (ii), the Administrator shall take into account any previous failure of such system or systems to operate effectively or to meet any requirement of the new source performance standards. In determining whether an unreasonable risk exists under clause (iii), the Administrator shall consider, among other factors, whether and to what extent the use of the proposed technological system will cause, increase, reduce, or eliminate emissions of any unregulated pollutants; available methods for reducing or eliminating any risk to public health, welfare, or safety which may be associated with the use of such system; and the availability of other technological systems which may be used to conform to standards under this section without causing or contributing to such unreasonable risk. The Administrator may conduct such tests and may require the owner or operator of the proposed source to conduct such tests and provide such information as necessary to carry out clause (iii) of this subparagraph. Such requirements shall include a requirement for prompt reporting of the emission of any unregulated pollutant from a system if such pollutant was not emitted, or was emitted in significantly lesser amounts without use of such system.

(B) A waiver under this paragraph shall be granted on such terms and conditions as the Administrator determines to be necessary to assure—

(i) emissions from the source will not prevent attainment and maintenance of any national ambient air quality standards, and

(ii) proper functioning of the technological system or systems authorized.

Any such term or condition shall be treated as a standard of performance for the purposes of subsection (e) of this section and section 7413 of this title.

(C) The number of waivers granted under this paragraph with respect to a proposed technological system of continuous emission reduction shall not exceed such number as the Administrator finds necessary to ascertain whether or not such system will achieve the conditions specified in clauses (ii) and (iii) of subparagraph (A).

(D) A waiver under this paragraph shall extend to the sooner of—

(i) the date determined by the Administrator, after consultation with the owner or operator of the source, taking into consideration the design, installation, and capital cost
of the technological system or systems being used, or

(ii) the date on which the Administrator determines that such system has failed to—

(I) achieve at least an equivalent continuous emission reduction to that required to be achieved under the standards of performance which would otherwise apply, or

(II) comply with the condition specified in paragraph (1)(A)(III),

and that such failure cannot be corrected.

(E) In carrying out subparagraph (D)(i), the Administrator shall not permit any waiver for a source or portion thereof to extend beyond the date—

(i) seven years after the date on which any waiver is granted to such source or portion thereof, or

(ii) four years after the date on which such source or portion thereof commences operation,

whichever is earlier.

(F) No waiver under this subsection shall apply to any portion of a source other than the portion on which the innovative technological system or systems of continuous emission reduction is used.

(2)(A) If a waiver under paragraph (1) is terminated under clause (ii) of paragraph (1)(D), the Administrator shall grant an extension of the requirements of this section for such source for such minimum period as may be necessary to comply with the applicable standard of performance under this section. Such period shall not extend beyond the date three years from the time such waiver is terminated.

(B) An extension granted under this paragraph shall set forth emission limits and a compliance schedule containing increments of progress which require compliance with the applicable standards of performance as expeditiously as practicable and include such measures as are necessary and practicable in the interim to minimize emissions. Such schedule shall be treated as a standard of performance for purposes of subsection (e) of this section and section 7413 of this title.

 subsection (d) of section 7413 no longer relates to final compliance orders.

Section was formerly classified to section 1857c-6 of this title.

Prior Provisions

A prior section 111 of act July 14, 1955, was renumbered section 118 by Pub. L. 91–604 and is classified to section 7418 of this title.

Amendments

1990—Subsec. (a)(1). Pub. L. 101–549, § 409(a), amended par. (1) generally, substituting provisions defining "standard of performance" with respect to any air pollutant for provisions defining such term with respect to subsec. (b) fossil fuel fired and other stationary sources and subsec. (d) particular sources.

Subsec. (a)(3). Pub. L. 101–549, § 108(f), inserted at end "Nothing in subchapter II of this chapter relating to nonroad engines shall be construed to apply to stationary internal combustion engines."

Subsec. (b)(1)(B). Pub. L. 101–549, § 108(e)(1), substituted "Within one year" for "Within 90 days", "within one year" for "within 90 days", and "every 8 years" for "every four years", inserted before last sentence "Notwithstanding the requirements of the previous sentence, the Administrator need not review any such standard if the Administrator determines that such review is not appropriate in light of readily available information on the efficacy of such standard.", and inserted at end "When implementation and enforcement of any requirement of this chapter indicate that emission limitations and percent reductions beyond those required by the standards promulgated under this section are achieved in practice, the Administrator shall, when revising standards promulgated under this section, consider the emission limitations and percent reductions achieved in practice."

Subsec. (d)(1)(A)(i). Pub. L. 101–549, § 302(a), which directed the substitution of "7412(b)" for "7412(b)(1)(A)", could not be executed, because of the prior amendment by Pub. L. 101–549, § 108(g), see below.

Pub. L. 101–549, § 108(g), substituted "or emitted from a source category which is regulated under section 7412 of this title" for "or 7412(b)(1)(A)".


Subsec. (g)(5) to (8). Pub. L. 101–549, § 302(b), redesignated par. (7) as (5) and struck out "or section 7412 of this title" after "this section", redesignated par. (8) as (6), and struck out former pars. (5) and (6) which read as follows:

"(5) Upon application by the Governor of a State showing that the Administrator has failed to list any air pollutant which causes, or contributes to, air pollution which may reasonably be anticipated to result in an increase in mortality or an increase in serious irreversible, or incapacitating reversible, illness as a hazardous air pollutant under section 7412 of this title the Administrator shall revise the list of hazardous air pollutants applicable to such category.

"(6) Upon application by the Governor of a State showing that any category of stationary sources of a hazardous air pollutant listed under section 7412 of this title is not subject to emission standards promulgated under this section, the Administrator shall propose and promulgate such emission standards applicable to such category of sources."
1978—Subsecs. (d)(1)(A)(ii), (g)(4)(B). Pub. L. 95–623, §13(a)(2), substituted “under this section” for “under subsection (b) of this section”.
Subsec. (j). Pub. L. 95–623, §13(a)(3), substituted in pars. (1)(A) and (2)(A) “standards under this section” for “standards under subsection (b) of this section” and “under subsection (b) of this section” respectively.
1977—Subsec. (a)(1). Pub. L. 95–95, §109(c)(1)(A), added subpars. (A), (B), and (C), substituted “For the purpose of subparagraphs (A)(i) and (ii) and (B), a standard of performance shall reflect” for “a standard for emissions of air pollutants which reflects”, “and the percentage reduction achievable” for “achievable”, and “technological system of continuous emission reduction” which (taking into consideration the cost of achieving such emission reduction, and any nonair quality, health and environment impact and energy requirements)” for “system of emission reduction which (taking into account the cost of achieving such reduction) in existing provisions, and inserted provision that for the purpose of subparagraph (1)(A)(ii), any cleaning of the fuel or reduction in the pollution characteristics of the fuel after extraction and prior to combustion may be credited, as determined under regulations promulgated by the Administrator, to a source which burns such fuel.
Pub. L. 95–95, §109(f), added par. (7) directing that under certain circumstances a conversion to coal not be deemed a modification for purposes of pars. (2) and (4).
Subsec. (b)(1)(A). Pub. L. 95–95, §401(b), substituted “such list if in his judgment it causes, or contributes significantly to, air pollution which may reasonably be anticipated to endanger” for “such list if he determines it may contribute significantly to air pollution which causes or contributes to the endangerment of”.
Subsec. (b)(1)(B). Pub. L. 95–95, §109(c)(2), substituted “shall, at least every four years, review and, if appropriate,” for “may, from time to time,”.
Subsec. (b)(5), (6). Pub. L. 95–95, §109(c)(5), added pars. (5) and (6).
Subsec. (c)(1). Pub. L. 95–95, §109(d)(1), struck out “except with respect to new sources owned or operated by the United States” after “implement and enforce such standards”.
Subsec. (d)(1). Pub. L. 95–95, §109(b)(1), substituted “standards of performance” for “emission standards” and inserted provisions directing that regulations of the Administrator permit the State, in applying a standard of performance to any particular source under a submitted plan, to take into consideration, among other factors, the remaining useful life of the existing source to which the standard applies.
Subsec. (d)(2). Pub. L. 95–95, §109(b)(2), provided that, in promulgating a standard of performance under a plan, the Administrator take into consideration, among other factors, the remaining useful lives of the sources in the category of sources to which the standard applies.
Subsec. (f) to (i). Pub. L. 95–95, §109(a), added subsecs. (f) to (i).
Subsecs. (j), (k). Pub. L. 95–190, §14(a)(8), (9), redesignated subsec. (k) as (j) and, as so redesignated, substituted “(B)” for “(Y)” as designation for second subpar. in par. (2). Former subsec. (j), added by Pub. L. 95–95, §109(e), which related to compliance with applicable standards of performance, was struck out.
Pub. L. 95–95, §109(e), added subsec. (k).

**Effective Date of 1977 Amendment**
Amendment by Pub. L. 95–95 effective Aug. 7, 1977, except as otherwise expressly provided, see section 406(d) of Pub. L. 95–95, set out as a note under section 7401 of this title.

**Regulations**
Pub. L. 101–549, title IV, §403(b), (c), Nov. 15, 1990, 104 Stat. 2631, provided that:

(b) **Revised Regulations.**—Not later than three years after the date of enactment of the Clean Air Act Amendments of 1990 [Nov. 15, 1990], the Administrator shall promulgate revised regulations for standards of performance for new fossil fuel fired electric utility units commencing construction after the date on which such regulations are proposed that, at a minimum, require any source subject to such revised standards to emit sulfur dioxide at a rate not greater than would have resulted from compliance by such source with the applicable standards of performance under this section [amending sections 7411 and 7479 of this title] prior to such revision.

"(c) **Applicability.**—The provisions of subsections (a) [amending this section] and (b) apply only so long as the provisions of section 406(e) of the Clean Air Act [42 U.S.C. 7651b(e)] remain in effect.”

**Transfer of Functions**

Enforcement functions of Administrator or other official in Environmental Protection Agency related to compliance with new source performance standards under this section with respect to pre-construction, construction, and initial operation of transportation system for Canadian and Alaskan natural gas transferred to Federal Inspector, Office of Federal Inspector for the Alaska Natural Gas Transportation System, until first anniversary of date of initial operation of Alaska Natural Gas Transportation System, see Reorg. Plan No. 1 of 1979, eff. July 1, 1979, §§102(a), 203(a), 44 F.R. 33663, 33666, 93 Stat. 1373, 1376, set out in the Appendix to Title 5, Government Organization and Employees, Office of Federal Inspector for the Alaska Natural Gas Transportation System abolished and functions and authority vested in Inspector transferred to Secretary of Energy by section 3012(b) of Pub. L. 102–486, set out as an Abolition of Office of Federal Inspector note under section 719e of Title 15, Commerce and Trade. Functions and authority vested in Secretary of Energy subsequently transferred to Federal Coordinator for Alaska Natural Gas Transportation Projects by section 720d(f) of Title 15.

**Pending Actions and Proceedings**

Suits, actions, and other proceedings lawfully commenced by or against the Administrator or any other officer or employee of the United States in his official capacity or in relation to the discharge of his official duties under act July 14, 1955, the Clean Air Act, as in effect immediately prior to the enactment of Pub. L. 95–95 [Aug. 7, 1977], not to abate by reason of the taking effect of Pub. L. 95–95, see section 901(a) of Pub. L. 95–95, set out as an Effective Date of 1977 Amendment note under section 7401 of this title.

**Modification or Revocation of Rules, Regulations, Orders, Determinations, Contracts, Certifications, Authorizations, Delegations, and Other Actions**

All rules, regulations, orders, determinations, contracts, certifications, authorizations, delegations, or other actions duly issued, made, or taken by or pursuant to act July 14, 1955, the Clean Air Act, as in effect immediately prior to the date of enactment of Pub. L. 95–95 [Aug. 7, 1977] to continue in full force and effect until modified or rescinded in accordance with act July 14, 1955, as amended by Pub. L. 95–95 (this chapter), see section 496(b) of Pub. L. 95–95, set out as an Effective Date of 1977 Amendment note under section 7401 of this title.

**Power Sector Carbon Pollution Standards**
Memorandum of President of the United States, June 25, 2013, 78 F.R. 39535, which related to carbon pollution...
§ 7412 Hazardous air pollutants

(a) Definitions

For purposes of this section, except subsection (r)—

(1) Major source

The term “major source” means any stationary source or group of stationary sources located within a contiguous area and under common control that emits or has the potential to emit considering controls, in the aggregate, 10 tons per year or more of any hazardous air pollutant or 25 tons per year or more of any combination of hazardous air pollutants. The Administrator may establish a lesser quantity, or in the case of radionuclides different criteria, for a major source than that specified in the previous sentence, on the basis of the potency of the air pollutant, persistence, potential for bioaccumulation, other characteristics of the air pollutant, or other relevant factors.

(2) Area source

The term “area source” means any stationary source of hazardous air pollutants that is not a major source. For purposes of this section, the term “area source” shall not include motor vehicles or nonroad vehicles subject to regulation under subchapter II.

(3) Stationary source

The term “stationary source” shall have the same meaning as such term has under section 7411(a) of this title.

(4) New source

The term “new source” means a stationary source the construction or reconstruction of which is commenced after the Administrator first proposes regulations under this section establishing an emission standard applicable to such source.

(5) Modification

The term “modification” means any physical change in, or change in the method of operation of, a major source which increases the actual emissions of any hazardous air pollutant emitted by such source by more than a de minimis amount or which results in the emission of any hazardous air pollutant not previously emitted by more than a de minimis amount.

(6) Hazardous air pollutant

The term “hazardous air pollutant” means any air pollutant listed pursuant to subsection (b).

(7) Adverse environmental effect

The term “adverse environmental effect” means any significant and widespread adverse effect, which may reasonably be anticipated, to wildlife, aquatic life, or other natural resources, including adverse impacts on populations of endangered or threatened species or significant degradation of environmental quality over broad areas.

(8) Electric utility steam generating unit

The term “electric utility steam generating unit” means any fossil fuel fired combustion unit of more than 25 megawatts that serves a generator that produces electricity for sale. A unit that cogenerates steam and electricity and supplies more than one-third of its potential electric output capacity and more than 25 megawatts electrical output to any utility power distribution system for sale shall be considered an electric utility steam generating unit.

(9) Owner or operator

The term “owner or operator” means any person who owns, leases, operates, controls, or supervises a stationary source.

(10) Existing source

The term “existing source” means any stationary source other than a new source.

(11) Carcinogenic effect

Unless revised, the term “carcinogenic effect” shall have the meaning provided by the Administrator under Guidelines for Carcinogenic Risk Assessment as of the date of enactment. Any revisions in the existing Guidelines shall be subject to notice and opportunity for comment.

(b) List of pollutants

(1) Initial list

The Congress establishes for purposes of this section a list of hazardous air pollutants as follows:

<table>
<thead>
<tr>
<th>CAS number</th>
<th>Chemical name</th>
</tr>
</thead>
<tbody>
<tr>
<td>75070</td>
<td>Acetaldehyde</td>
</tr>
<tr>
<td>60355</td>
<td>Acetamide</td>
</tr>
<tr>
<td>75058</td>
<td>Acetonitrile</td>
</tr>
<tr>
<td>98862</td>
<td>Acetophenone</td>
</tr>
<tr>
<td>59863</td>
<td>2-Acetylaminofluorene</td>
</tr>
<tr>
<td>107028</td>
<td>Acrolein</td>
</tr>
<tr>
<td>79061</td>
<td>Acrylamide</td>
</tr>
<tr>
<td>79107</td>
<td>Acrylic acid</td>
</tr>
<tr>
<td>107131</td>
<td>Acrylonitrile</td>
</tr>
<tr>
<td>107051</td>
<td>Allyl chloride</td>
</tr>
<tr>
<td>92671</td>
<td>4-Aminobiphenyl</td>
</tr>
<tr>
<td>62533</td>
<td>Aniline</td>
</tr>
<tr>
<td>90040</td>
<td>o-Anisidine</td>
</tr>
<tr>
<td>1332214</td>
<td>Asbestos</td>
</tr>
<tr>
<td>71432</td>
<td>Benzene (including benzene from gasoline)</td>
</tr>
<tr>
<td>92675</td>
<td>Benzidine</td>
</tr>
<tr>
<td>98077</td>
<td>Benzo(dichloride)</td>
</tr>
<tr>
<td>100447</td>
<td>Benzyl chloride</td>
</tr>
<tr>
<td>92525</td>
<td>Biphenyl</td>
</tr>
<tr>
<td>117417</td>
<td>Bis(2-ethylhexyl)phthalate (DEHP)</td>
</tr>
<tr>
<td>542881</td>
<td>Bis(chloromethyl)ether</td>
</tr>
<tr>
<td>73525</td>
<td>Bromoform</td>
</tr>
<tr>
<td>106990</td>
<td>1,3-Butadiene</td>
</tr>
<tr>
<td>156627</td>
<td>Calcium cyanamide</td>
</tr>
<tr>
<td>105602</td>
<td>Caprolactam</td>
</tr>
<tr>
<td>133062</td>
<td>Captan</td>
</tr>
<tr>
<td>63522</td>
<td>Carbaryl</td>
</tr>
<tr>
<td>75156</td>
<td>Carbon disulfide</td>
</tr>
<tr>
<td>56235</td>
<td>Carbon tetrachloride</td>
</tr>
<tr>
<td>46381</td>
<td>Carbonyl sulfide</td>
</tr>
<tr>
<td>128089</td>
<td>Catechol</td>
</tr>
<tr>
<td>133904</td>
<td>Chloramben</td>
</tr>
<tr>
<td>57749</td>
<td>Chloriane</td>
</tr>
<tr>
<td>7762505</td>
<td>Chlorine</td>
</tr>
<tr>
<td>CAS number</td>
<td>Chemical name</td>
</tr>
<tr>
<td>------------</td>
<td>---------------------------------------</td>
</tr>
<tr>
<td>79118</td>
<td>Chloroacetic acid</td>
</tr>
<tr>
<td>532774</td>
<td>2-Chloroacetoephene</td>
</tr>
<tr>
<td>108907</td>
<td>Chlorobenzene</td>
</tr>
<tr>
<td>510156</td>
<td>Chlorobenzilate</td>
</tr>
<tr>
<td>67663</td>
<td>Chloroform</td>
</tr>
<tr>
<td>107362</td>
<td>Chloromethyl methyl ether</td>
</tr>
<tr>
<td>126998</td>
<td>Chloroprene</td>
</tr>
<tr>
<td>131977</td>
<td>Cresols/Cresylic acid (isomers and mixture)</td>
</tr>
<tr>
<td>95487</td>
<td>o-Cresol</td>
</tr>
<tr>
<td>108394</td>
<td>m-Cresol</td>
</tr>
<tr>
<td>98828</td>
<td>p-Cresol</td>
</tr>
<tr>
<td>94757</td>
<td>Cumene</td>
</tr>
<tr>
<td>354704</td>
<td>2,4-D, salts and esters</td>
</tr>
<tr>
<td>335883</td>
<td>Dithioacetone</td>
</tr>
<tr>
<td>132496</td>
<td>Dibenzofurans</td>
</tr>
<tr>
<td>96128</td>
<td>1,2-Dibromo-3-chloropropane</td>
</tr>
<tr>
<td>84742</td>
<td>Diphenyl dibutylphthalate</td>
</tr>
<tr>
<td>106467</td>
<td>1,4-Dichlorobenzenep</td>
</tr>
<tr>
<td>91941</td>
<td>3,3-Dichlorobenzidine</td>
</tr>
<tr>
<td>111444</td>
<td>Dichloroethyl ether (Bis(2-chloroethyl)ether)</td>
</tr>
<tr>
<td>542756</td>
<td>1,3-Dichloropropene</td>
</tr>
<tr>
<td>62385</td>
<td>Dichlorvos</td>
</tr>
<tr>
<td>114222</td>
<td>Diethanolamine</td>
</tr>
<tr>
<td>121697</td>
<td>N,N-Diethyl aniline (N,N-Dimethylaniline)</td>
</tr>
<tr>
<td>69675</td>
<td>Diethyl sulfate</td>
</tr>
<tr>
<td>119904</td>
<td>3,3-Dimethoxybenzidine</td>
</tr>
<tr>
<td>60117</td>
<td>Dimethyl aminocarboxibenzene</td>
</tr>
<tr>
<td>119937</td>
<td>3,3’-Dimethyl benzidene</td>
</tr>
<tr>
<td>79497</td>
<td>Dimethyl carbamoxy chloride</td>
</tr>
<tr>
<td>68122</td>
<td>Dimethyl formamide</td>
</tr>
<tr>
<td>57417</td>
<td>1,1-Dimethyl hydrazine</td>
</tr>
<tr>
<td>131113</td>
<td>Dimethyl phthalate</td>
</tr>
<tr>
<td>77781</td>
<td>Dimethyl sulfate</td>
</tr>
<tr>
<td>594521</td>
<td>4,5-Dinitro-o-cresol, and salts</td>
</tr>
<tr>
<td>51285</td>
<td>2,4-Dinitrophenol</td>
</tr>
<tr>
<td>121142</td>
<td>2,4-Dinitrotoluene</td>
</tr>
<tr>
<td>123911</td>
<td>1,4-Dioxane (1,4-Diethyleneoxide)</td>
</tr>
<tr>
<td>123867</td>
<td>1,2-Diphenylhydrazine</td>
</tr>
<tr>
<td>106886</td>
<td>Epichlorohydrin (1-Chloro-2,3-epoxypropane)</td>
</tr>
<tr>
<td>106887</td>
<td>1,2-Epoxybutane</td>
</tr>
<tr>
<td>140885</td>
<td>Ethyl acrylate</td>
</tr>
<tr>
<td>100414</td>
<td>Ethyl benzene</td>
</tr>
<tr>
<td>51796</td>
<td>Ethyl carbamate (Urethane)</td>
</tr>
<tr>
<td>75003</td>
<td>Ethyl chloride (Chloroethane)</td>
</tr>
<tr>
<td>106934</td>
<td>Ethylene dibromide (Dibromomethane)</td>
</tr>
<tr>
<td>107062</td>
<td>Ethylene dichloride (1,2-Dichloroethane)</td>
</tr>
<tr>
<td>107211</td>
<td>Ethylene glycol</td>
</tr>
<tr>
<td>151564</td>
<td>Ethylene imine (Aziridine)</td>
</tr>
<tr>
<td>73218</td>
<td>Ethylene oxide</td>
</tr>
<tr>
<td>96457</td>
<td>Ethylene thioole</td>
</tr>
<tr>
<td>73435</td>
<td>Ethylidene dichloride (1,1-Dichloroethane)</td>
</tr>
<tr>
<td>50000</td>
<td>Formaldehyde</td>
</tr>
<tr>
<td>78446</td>
<td>Hepachlor</td>
</tr>
<tr>
<td>118741</td>
<td>Hexachlorobenzene</td>
</tr>
<tr>
<td>87885</td>
<td>Hexachlorobutadiene</td>
</tr>
<tr>
<td>77474</td>
<td>Hexachlorocyclopentadiene</td>
</tr>
<tr>
<td>67721</td>
<td>Hexachloroethane</td>
</tr>
<tr>
<td>822960</td>
<td>Hexaethylhexene-1,6-disocyanate</td>
</tr>
<tr>
<td>680319</td>
<td>Hexamethylphosphoramide</td>
</tr>
<tr>
<td>110545</td>
<td>Hexane</td>
</tr>
<tr>
<td>320012</td>
<td>Hydrazine</td>
</tr>
<tr>
<td>7647010</td>
<td>Hydrochloric acid</td>
</tr>
<tr>
<td>7664395</td>
<td>Hydrogen fluoride (Hydofluoric acid)</td>
</tr>
<tr>
<td>123319</td>
<td>Hydroquinone</td>
</tr>
<tr>
<td>78691</td>
<td>Isophorone</td>
</tr>
<tr>
<td>58649</td>
<td>Lindane (all isomers)</td>
</tr>
<tr>
<td>108316</td>
<td>Maleic anhydride</td>
</tr>
<tr>
<td>67561</td>
<td>Methanol</td>
</tr>
<tr>
<td>72420</td>
<td>Methoxychlor</td>
</tr>
<tr>
<td>74839</td>
<td>Methyl bromide (Bromomethane)</td>
</tr>
<tr>
<td>74873</td>
<td>Methyl chloride (Chloromethane)</td>
</tr>
<tr>
<td>71556</td>
<td>Methyl chloroform (1,1,1-Trichloroethane)</td>
</tr>
<tr>
<td>79832</td>
<td>Methyl ethyl ketone (2-Butanone)</td>
</tr>
<tr>
<td>62944</td>
<td>Methyl hydrazine</td>
</tr>
<tr>
<td>74884</td>
<td>Methyl iodide (Iodomethane)</td>
</tr>
<tr>
<td>108101</td>
<td>Methyl isobutyl ketone (Hexone)</td>
</tr>
</tbody>
</table>
Unless otherwise specified, these listings are defined as including any unique chemical substance that contains the named chemical (i.e., antimony, arsenic, etc.) as part of that chemical’s infrastructure.

\[ *XCN \text{ where } X = H \text{ or any other group where a formal dissociation may occur. For example } KCN \text{ or } Ca(CN)_2 * \]

Includes mineral fibers from facilities manufacturing or processing glass, rock, or slag fibers (or other mineral derived fibers) of average diameter 1 micrometer or less.

\[ \text{Includes organic compounds with more than one benzene ring, and which have a boiling point greater than or equal to } 100^\circ \text{C.} \]

A type of atom which spontaneously undergoes radioactive decay.

(2) Revision of the list

The Administrator shall periodically review the list established by this subsection and publish the results thereof and, where appropriate, revise such list by rule, adding pollutants which present, or may present, through inhalation or other routes of exposure, a threat of adverse health effects (including, but not limited to, substances which are known to be, or may reasonably be anticipated to be, carcinogenic, mutagenic, teratogenic, neurotoxic, which cause reproductive dysfunction, or which are acutely or chronically toxic) or adverse environmental effects whether through ambient concentrations, bioaccumulation, deposition, or otherwise, but not including releases subject to regulation under subsection (r) as a result of emissions to the air. No air pollutant which is listed under section 7408(a) of this title may be added to the list under this section, except that the prohibition of this sentence shall not apply to any pollutant which independently meets the listing criteria of this paragraph and is a precursor to a pollutant which is listed under section 7408(a) of this title may be added to the list under this section, except that the Administrator’s decision. Any such petition shall include a showing by the petitioner that there is adequate data on the health or environmental defects of the pollutant or other evidence adequate to support the petition. The Administrator may not deny a petition solely on the basis of inadequate resources or time for review.

(B) The Administrator shall add a substance to the list upon a showing by the petitioner or on the Administrator’s own determination that the substance is an air pollutant and that emissions, ambient concentrations, bioaccumulation or deposition of the substance are known to cause or may reasonably be anticipated to cause adverse effects to human health or adverse environmental effects.

(C) The Administrator shall delete a substance from the list upon a showing by the petitioner or on the Administrator’s own determination that there is adequate data on the health and environmental effects of the substance to determine that emissions, ambient concentrations, bioaccumulation or deposition of the substance may not reasonably be anticipated to cause any adverse effects to the human health or adverse environmental effects.

(D) The Administrator shall delete one or more unique chemical substances that contain a listed hazardous air pollutant not having a CAS number (other than coke oven emissions, mineral fibers, or polycyclic organic matter) upon a showing by the petitioner or on the Administrator’s own determination that such unique chemical substances that contain the named chemical of such listed hazardous air pollutant meet the deletion requirements of subparagraph (C). The Administrator must grant or deny a deletion petition prior to promulgating any emission standards pursuant to subsection (d) applicable to any source category or subcategory of a listed hazardous air pollutant without a CAS number listed under subsection (b) for which a deletion petition has been filed within 12 months of November 15, 1990.

(4) Further information

If the Administrator determines that information on the health or environmental effects of a substance is not sufficient to make a determination required by this subsection, the Administrator may use any authority available to the Administrator to acquire such information.

(5) Test methods

The Administrator may establish, by rule, test measures and other analytic procedures for monitoring and measuring emissions, ambient concentrations, deposition, and bioaccumulation of hazardous air pollutants.

(6) Prevention of significant deterioration

The provisions of part C (prevention of significant deterioration) shall not apply to pollutants listed under this section.

So in original. Probably should be “effects”.
(7) Lead

The Administrator may not list elemental lead as a hazardous air pollutant under this subsection.

c) List of source categories

(1) In general

Not later than 12 months after November 15, 1990, the Administrator shall publish, and shall from time to time, but no less often than every 8 years, revise, if appropriate, in response to public comment or new information, a list of all categories and subcategories of major sources and area sources (listed under paragraph (3)) of the air pollutants listed pursuant to subsection (b). To the extent practicable, the categories and subcategories listed under this subsection shall be consistent with the list of source categories established pursuant to section 7411 of this title and part C. Nothing in the preceding sentence limits the Administrator’s authority to establish subcategories under this section, as appropriate.

(2) Requirement for emissions standards

For the categories and subcategories the Administrator lists, the Administrator shall establish emissions standards under subsection (d), according to the schedule in this subsection and subsection (e).

(3) Area sources

The Administrator shall list under this subsection each category or subcategory of area sources which the Administrator finds presents a threat of adverse effects to human health or the environment (by such sources individually or in the aggregate) warranting regulation under this section. The Administrator shall, not later than 5 years after November 15, 1990, and pursuant to subsection (k)(3)(B), list, based on actual or estimated aggregate emissions of a listed pollutant or pollutants, sufficient categories or subcategories of area sources to ensure that area sources representing 90 percent of the area source emissions of the 30 hazardous air pollutants that present the greatest threat to public health in the largest number of urban areas are subject to regulation under this section. Such regulations shall be promulgated not later than 10 years after November 15, 1990.

(4) Previously regulated categories

The Administrator may, in the Administrator’s discretion, list any category or subcategory of sources previously regulated under this section as in effect before November 15, 1990.

(5) Additional categories

In addition to those categories and subcategories of sources listed for regulation pursuant to paragraphs (1) and (3), the Administrator may at any time list additional categories and subcategories of sources of hazardous air pollutants according to the same criteria for listing applicable under such paragraphs. In the case of source categories and subcategories listed after publication of the initial list required under paragraph (1) or (3), emission standards under subsection (d) for the category or subcategory shall be promulgated within 10 years after November 15, 1990, or within 2 years after the date on which such category or subcategory is listed, whichever is later.

(6) Specific pollutants

With respect to alkylated lead compounds, polycyclic organic matter, hexachlorobenzene, mercury, polychlorinated biphenyls, 2,3,7,8-tetrachlorodibenzo-p-dioxin, the Administrator shall, not later than 5 years after November 15, 1990, list categories and subcategories of sources assuring that sources accounting for not less than 90 percent of the aggregate emissions of each such pollutant are subject to standards under subsection (d)(2) or (d)(4). Such standards shall be promulgated not later than 10 years after November 15, 1990. This paragraph shall not be construed to require the Administrator to promulgate standards for such pollutants emitted by electric utility steam generating units.

(7) Research facilities

The Administrator shall establish a separate category covering research or laboratory facilities, as necessary to assure the equitable treatment of such facilities. For purposes of this section, “research or laboratory facility” means any stationary source whose primary purpose is to conduct research and development into new processes and products, where such source is operated under the close supervision of technically trained personnel and is not engaged in the manufacture of products for commercial sale in commerce, except in a de minimis manner.

(8) Boat manufacturing

When establishing emissions standards for styrene, the Administrator shall list boat manufacturing as a separate subcategory unless the Administrator finds that such listing would be inconsistent with the goals and requirements of this chapter.

(9) Deletions from the list

(A) Where the sole reason for the inclusion of a source category on the list required under this subsection is the emission of a unique chemical substance, the Administrator shall delete the source category from the list if it is appropriate because of action taken under either subparagraphs (C) or (D) of subsection (b)(3).

(B) The Administrator may delete any source category from the list under this subsection, on petition of any person or on the Administrator’s own motion, whenever the Administrator makes the following determination or determinations, as applicable:

(i) In the case of hazardous air pollutants emitted by sources in the category that may result in cancer in humans, a determination that no source in the category (or group of sources in the case of area sources) emits such hazardous air pollutants in quantities which may cause a lifetime risk of cancer greater than one in one million to the individual in the population who is most exposed.
to emissions of such pollutants from the source (or group of sources in the case of area sources).

(ii) In the case of hazardous air pollutants that may result in adverse health effects in humans other than cancer or adverse environmental effects, a determination that emissions from no source in the category or subcategory concerned (or group of sources in the case of area sources) exceed a level which is adequate to protect public health with an ample margin of safety and no adverse environmental effect will result from emissions from any source (or from a group of sources in the case of area sources).

The Administrator shall grant or deny a petition under this paragraph within 1 year after the petition is filed.

(d) Emission standards

(1) In general

The Administrator shall promulgate regulations establishing emission standards for each category or subcategory of major sources and area sources of hazardous air pollutants listed for regulation pursuant to subsection (c) in accordance with the schedules provided in subsections (c) and (e). The Administrator may distinguish among classes, types, and sizes of sources within a category or subcategory in establishing such standards except that, there shall be no delay in the compliance date for any standard applicable to any source under subsection (i) as the result of the authority provided by this sentence.

(2) Standards and methods

Emission standards promulgated under this subsection and applicable to new or existing sources of hazardous air pollutants shall require the maximum degree of reduction in emissions of the hazardous air pollutants subject to this section (including a prohibition on such emissions, where achievable) that the Administrator, taking into consideration the cost of achieving such emission reduction, and any non-air quality health and environmental impacts and energy requirements, determines is achievable for new or existing sources in the category or subcategory to which such emission standard applies, through application of measures, processes, methods, systems or techniques including, but not limited to, measures which—

(A) reduce the volume of, or eliminate emissions of, such pollutants through process changes, substitution of materials or other modifications,

(B) enclose systems or processes to eliminate emissions,

(C) collect, capture or treat such pollutants when released from a process, stack, storage or fugitive emissions point,

(D) are design, equipment, work practice, or operational standards (including requirements for operator training or certification) as provided in subsection (h), or

(E) are a combination of the above.

None of the measures described in subparagraphs (A) through (D) shall, consistent with the provisions of section 7414(c) of this title, in any way compromise any United States patent or United States trademark right, or any confidential business information, or any trade secret or any other intellectual property right.

(3) New and existing sources

The maximum degree of reduction in emissions that is deemed achievable for new sources in a category or subcategory shall not be less stringent than the emission control that is achieved in practice by the best controlled similar source, as determined by the Administrator. Emission standards promulgated under this subsection for existing sources in a category or subcategory may be less stringent than standards for new sources in the same category or subcategory but shall not be less stringent, and may be more stringent than—

(A) the average emission limitation achieved by the best performing 12 percent of the existing sources (for which the Administrator has emissions information), excluding those sources that have, within 18 months before the emission standard is proposed or within 30 months before such standard is promulgated, whichever is later, first achieved a level of emission rate or emission reduction which complies, or would comply if the source is not subject to such standard, with the lowest achievable emission rate (as defined by section 7501 of this title) applicable to the source category and prevailing at the time, in the category or subcategory for categories and subcategories with 30 or more sources, or

(B) the average emission limitation achieved by the best performing 5 sources (for which the Administrator has or could reasonably obtain emissions information) in the category or subcategory for categories and subcategories with fewer than 30 sources.

(4) Health threshold

With respect to pollutants for which a health threshold has been established, the Administrator may consider such threshold level, with an ample margin of safety, when establishing emission standards under this subsection.

(5) Alternative standard for area sources

With respect only to categories and subcategories of area sources listed pursuant to subsection (c), the Administrator may, in lieu of the authorities provided in paragraph (2) and subsection (f), elect to promulgate standards or requirements applicable to sources in such categories or subcategories which provide for the use of generally available control technologies or management practices by such sources to reduce emissions of hazardous air pollutants.

(6) Review and revision

The Administrator shall review, and revise as necessary (taking into account developments in practices, processes, and control technologies), emission standards promulgated under this section no less often than every 8 years.
(7) Other requirements preserved

No emission standard or other requirement promulgated under this section shall be interpreted, construed or applied to diminish or replace the requirements of a more stringent emission limitation or other applicable requirement established pursuant to section 7411 of this title, part C or D, or other authority of this chapter or a standard issued under State authority.

(8) Coke ovens

(A) Not later than December 31, 1992, the Administrator shall promulgate regulations establishing emission standards under paragraphs (2) and (3) of this subsection for coke oven batteries. In establishing such standards, the Administrator shall evaluate—

(i) the use of sodium silicate (or equivalent) luting compounds to prevent door leaks, and other operating practices and technologies for their effectiveness in reducing coke oven emissions, and their suitability for use on new and existing coke oven batteries, taking into account costs and reasonable commercial door warranties; and

(ii) as a basis for emission standards under this subsection for new coke oven batteries that begin construction after the date of proposal of such standards, the Jewell design Thompson non-recovery coke oven batteries and other non-recovery coke oven technologies, and other appropriate emission control and coke production technologies, as to their effectiveness in reducing coke oven emissions and their capability for production of steel quality coke.

Such regulations shall require at a minimum that coke oven batteries will not exceed 8 per centum leaking doors, 1 per centum leaking lids, 5 per centum leaking offtakes, and 16 seconds visible emissions per charge, with no exclusion for emissions during the period after the closing of self-sealing doors. Notwithstanding subsection (i), the compliance date for such emission standards for existing coke oven batteries shall be December 31, 1995.

(B) The Administrator shall promulgate work practice regulations under this subsection for coke oven batteries requiring, as appropriate—

(i) the use of sodium silicate (or equivalent) luting compounds, if the Administrator determines that use of sodium silicate is an effective means of emissions control and is achievable, taking into account costs and reasonable commercial warranties for doors and related equipment; and

(ii) door and jam cleaning practices.

Notwithstanding subsection (i), the compliance date for such work practice regulations for coke oven batteries shall be not later than 2 years after November 15, 1990.

(C) For coke oven batteries electing to qualify under this part of this chapter, the Administrator shall promulgate regulations establishing emission standards for coke oven batteries not exceed 8 per centum leaking doors, 1 per centum leaking lids, 5 per centum leaking offtakes, and 16 seconds visible emissions per charge, with no exclusion for emissions during the period after the closing of self-sealing doors. Notwithstanding subsection (i), the compliance date for such emission standards for existing coke oven batteries seeking an extension shall be not later than the date 3 years after November 15, 1990.

(9) Sources licensed by the Nuclear Regulatory Commission

No standard for radionuclide emissions from any category or subcategory of facilities licensed by the Nuclear Regulatory Commission (or an Agreement State) is required to be promulgated under this section if the Administrator determines, by rule, and after consultation with the Nuclear Regulatory Commission, that the regulatory program established by the Nuclear Regulatory Commission pursuant to the Atomic Energy Act [42 U.S.C. 2011 et seq.] for such category or subcategory provides an ample margin of safety to protect the public health. Nothing in this subsection shall preclude or deny the right of any State or political subdivision thereof to adopt or enforce any standard or limitation respecting emissions of radionuclides which is more stringent than the standard or limitation in effect under section 7411 of this title or this section.

(10) Effective date

Emission standards or other regulations promulgated under this subsection shall be effective upon promulgation.

(e) Schedule for standards and review

(1) In general

The Administrator shall promulgate regulations establishing emission standards for categories and subcategories of sources initially listed for regulation pursuant to subsection (c)(1) as expeditiously as practicable, assuring that—

(A) emission standards for not less than 40 categories and subcategories (not counting coke oven batteries) shall be promulgated not later than 2 years after November 15, 1990;

(B) emission standards for coke oven batteries shall be promulgated not later than December 31, 1992;

(C) emission standards for 25 per centum of the listed categories and subcategories shall be promulgated not later than 4 years after November 15, 1990;

(D) emission standards for an additional 25 per centum of the listed categories and subcategories shall be promulgated not later than 7 years after November 15, 1990; and

(E) emission standards for all categories and subcategories shall be promulgated not later than 10 years after November 15, 1990.

(2) Priorities

In determining priorities for promulgating standards under subsection (d), the Administrator shall consider—

(A) the known or anticipated adverse effects of such pollutants on public health and the environment;
(B) the quantity and location of emissions or reasonably anticipated emissions of hazardous air pollutants that each category or subcategory will emit; and

(C) the efficiency of grouping categories or subcategories according to the pollutants emitted, or the processes or technologies used.

(3) Published schedule

Not later than 24 months after November 15, 1990, and after opportunity for comment, the Administrator shall publish a schedule establishing a date for the promulgation of emission standards for each category and subcategory of sources listed pursuant to subsection (c)(1) and (3) which shall be consistent with the requirements of paragraphs (1) and (2). The determination of priorities for the promulgation of standards pursuant to this paragraph is not a rulemaking and shall not be subject to judicial review, except that, failure to promulgate any standard pursuant to the schedule established by this paragraph shall be subject to review under section 7604 of this title.

(4) Judicial review

Notwithstanding section 7607 of this title, no action of the Administrator adding a pollutant to the list under subsection (b) or listing a source category or subcategory under subsection (c) shall be a final agency action subject to judicial review, except that any such action may be reviewed under such section 7607 of this title when the Administrator issues emission standards for such pollutant or category.

(5) Publicly owned treatment works

The Administrator shall promulgate standards pursuant to subsection (d) applicable to publicly owned treatment works (as defined in title II of the Federal Water Pollution Control Act [33 U.S.C. 1281 et seq.]) not later than 5 years after November 15, 1990.

(f) Standard to protect health and environment

(1) Report

Not later than 6 years after November 15, 1990, the Administrator shall investigate and report, after consultation with the Surgeon General and after opportunity for public comment, to Congress on—

(A) methods of calculating the risk to public health remaining, or likely to remain, from sources subject to regulation under this section after the application of standards under subsection (d);

(B) the public health significance of such estimated remaining risk and the technologically and commercially available methods and costs of reducing such risks;

(C) the actual health effects with respect to persons living in the vicinity of sources, any available epidemiological or other health studies, risks presented by background concentrations of hazardous air pollutants, uncertainties in risk assessment methodology or other health assessment technique, and any negative health or environmental consequences to the community of efforts to reduce such risks; and

(D) recommendations as to legislation regarding such remaining risk.

(2) Emission standards

(A) If Congress does not act on any recommendation submitted under paragraph (1), the Administrator shall, within 8 years after promulgation of standards for each category or subcategory of sources pursuant to subsection (d), promulgate standards for such category or subcategory if promulgation of such standards is required in order to provide an ample margin of safety to protect public health in accordance with this section (as in effect before November 15, 1990) or to prevent, taking into consideration costs, energy, safety, and other relevant factors, an adverse environmental effect. Emission standards promulgated under this subsection shall provide an ample margin of safety to protect public health in accordance with this section (as in effect before November 15, 1990), unless the Administrator determines that a more stringent standard is necessary to prevent, taking into consideration costs, energy, safety, and other relevant factors, an adverse environmental effect. If standards promulgated pursuant to subsection (d) and applicable to a category or subcategory of sources emitting a pollutant (or pollutants) classified as a known, probable or possible human carcinogen do not reduce lifetime excess cancer risks to the individual most exposed to emissions from a source in the category or subcategory to less than one in one million, the Administrator shall promulgate standards under this subsection for such source category.

(B) Nothing in subparagraph (A) or in any other provision of this section shall be construed as affecting, or applying to the Administrator’s interpretation of this section, as in effect before November 15, 1990, and set forth in the Federal Register of September 14, 1989 (54 Federal Register 38044).

(C) The Administrator shall determine whether or not to promulgate such standards and, if the Administrator decides to promulgate such standards, shall promulgate the standards 8 years after promulgation of the standards under subsection (d) for each source category or subcategory concerned. In the case of categories or subcategories for which standards under subsection (d) are required to be promulgated within 2 years after November 15, 1990, the Administrator shall have 9 years after promulgation of the standards under subsection (d) to make the determination under the preceding sentence and, if required, to promulgate the standards under this paragraph.

(3) Effective date

Any emission standard established pursuant to this subsection shall become effective upon promulgation.

(4) Prohibition

No air pollutant to which a standard under this subsection applies may be emitted from any stationary source in violation of such standard, except that in the case of an existing source—

(A) such standard shall not apply until 90 days after its effective date, and
(B) the Administrator may grant a waiver permitting such source a period of up to 2 years after the effective date of a standard to comply with the standard if the Administrator finds that such period is necessary for the installation of controls and that steps will be taken during the period of the waiver to assure that the health of persons will be protected from imminent endangerment.

(5) Area sources
The Administrator shall not be required to conduct any review under this subsection or promulgate emission limitations under this subsection for any category or subcategory of area sources that is listed pursuant to subsection (c)(3) and for which an emission standard is promulgated pursuant to subsection (d)(5).

(6) Unique chemical substances
In establishing standards for the control of unique chemical substances of listed pollutants without CAS numbers under this subsection, the Administrator shall establish such standards with respect to the health and environmental effects of the substances actually emitted by sources and direct transformation byproducts of such emissions in the categories and subcategories.

(g) Modifications

(1) Offsets
(A) A physical change in, or change in the method of operation of, a major source which results in a greater than de minimis increase in actual emissions of a hazardous air pollutant shall not be considered a modification, if such increase in the quantity of actual emissions of any hazardous air pollutant from such source will be offset by an equal or greater decrease in the quantity of emissions of another hazardous air pollutant (or pollutants) from such source which is deemed more hazardous, pursuant to guidance issued by the Administrator under subparagraph (B). The owner or operator of any source shall submit a showing to the Administrator (or the State) that such increase has been offset under the preceding sentence.

(B) The Administrator shall, after notice and opportunity for comment and not later than 18 months after November 15, 1990, publish guidance with respect to implementation of this subsection. Such guidance shall include an identification, to the extent practicable, of the relative hazard to human health resulting from emissions to the ambient air of each of the pollutants listed under subsection (b) sufficient to facilitate the offset showing authorized by subparagraph (A). Such guidance shall not authorize offsets between pollutants where the increased pollutant (or more than one pollutant in a stream of pollutants) causes adverse effects to human health for which no safety threshold for exposure can be determined unless there are corresponding decreases in such types of pollutant(s).

(2) Construction, reconstruction and modifications
(A) After the effective date of a permit program under subchapter V in any State, no person may modify a major source of hazardous air pollutants in such State, unless the Administrator (or the State) determines that the maximum achievable control technology emission limitation under this section for existing sources will be met. Such determination shall be made on a case-by-case basis where no applicable emission limitations have been established by the Administrator.

(B) After the effective date of a permit program under subchapter V in any State, no person may construct or reconstruct any major source of hazardous air pollutants, unless the Administrator (or the State) determines that the maximum achievable control technology emission limitation under this section for new sources will be met. Such determination shall be made on a case-by-case basis where no applicable emission limitations have been established by the Administrator.

(3) Procedures for modifications
The Administrator (or the State) shall establish reasonable procedures for assuring that the requirements applying to modifications under this section are reflected in the permit.

(h) Work practice standards and other requirements

(1) In general
For purposes of this section, if it is not feasible in the judgment of the Administrator to prescribe or enforce an emission standard for control of a hazardous air pollutant or pollutants, the Administrator may, in lieu thereof, promulgate a design, equipment, work practice, or operational standard, or combination thereof, which in the Administrator’s judgment is consistent with the provisions of subsection (d) or (f). In the event the Administrator promulgates a design or equipment standard under this subsection, the Administrator shall include as part of such standard such requirements as will assure the proper operation and maintenance of any such element of design or equipment.

(2) Definition
For the purpose of this subsection, the phrase “not feasible to prescribe or enforce an emission standard” means any situation in which the Administrator determines that—

(A) a hazardous air pollutant or pollutants cannot be emitted through a conveyance designed and constructed to emit or capture such pollutant, or that any requirement for, or use of, such a conveyance would be inconsistent with any Federal, State or local law, or

(B) the application of measurement methodology to a particular class of sources is not practicable due to technological and economic limitations.

(3) Alternative standard
If after notice and opportunity for comment, the owner or operator of any source establishes to the satisfaction of the Administrator that an alternative means of emission limitation will achieve a reduction in emissions of any air pollutant at least equivalent to the re-
duction in emissions of such pollutant achieved under the requirements of paragraph (1), the Administrator shall permit the use of such alternative by the source for purposes of compliance with this section with respect to such pollutant.

(4) Numerical standard required

Any standard promulgated under paragraph (1) shall be promulgated in terms of an emission standard whenever it is feasible to promulgate and enforce a standard in such terms.

(i) Schedule for compliance

(1) Preconstruction and operating requirements

After the effective date of any emission standard, limitation, or regulation under subsection (d), (f) or (h), no person may construct any new major source or reconstruct any existing major source subject to such emission standard, regulation or limitation unless the Administrator (or a State with a permit program approved under subchapter V) determines that such source, if properly constructed, reconstructed and operated, will comply with the standard, regulation or limitation.

(2) Special rule

Notwithstanding the requirements of paragraph (1), a new source which commences construction or reconstruction after a standard, limitation or regulation applicable to such source is proposed and before such standard, limitation or regulation is promulgated shall not be required to comply with such promulgated standard until the date 3 years after the date of promulgation if—

(A) the promulgated standard, limitation or regulation is more stringent than the standard, limitation or regulation proposed; and

(B) the source complies with the standard, limitation, or regulation as proposed during the 3-year period immediately after promulgation.

(3) Compliance schedule for existing sources

(A) After the effective date of any emissions standard, limitation or regulation promulgated under this section and applicable to a source, no person may operate such source in violation of such standard, limitation or regulation except, in the case of an existing source, the Administrator shall establish a compliance date or dates for each category or subcategory of existing sources, which shall provide for compliance as expeditiously as practicable, but in no event later than 3 years after the effective date of such standard, except as provided in subparagraph (B) and paragraphs (4) through (8).

(B) The Administrator (or a State with a program approved under subchapter V) may issue a permit that grants an extension permitting an existing source up to 1 additional year to comply with standards under subsection (d) if such additional period is necessary for the installation of controls. An additional extension of up to 3 years may be added for mining waste operations, if the 4-year compliance time is insufficient to dry and cover mining waste in order to reduce emissions of any pollutant listed under subsection (b).

(4) Presidential exemption

The President may exempt any stationary source from compliance with any standard or limitation under this section for a period of not more than 2 years if the President determines that the technology to implement such standard is not available and that it is in the national security interests of the United States to do so. An exemption under this paragraph may be extended for 1 or more additional periods, each period not to exceed 2 years. The President shall report to Congress with respect to each exemption (or extension thereof) made under this paragraph.

(5) Early reduction

(A) The Administrator (or a State acting pursuant to a permit program approved under subchapter V) shall issue a permit allowing an existing source, for which the owner or operator demonstrates that the source has achieved a reduction of 90 per centum or more in emissions of hazardous air pollutants (95 per centum in the case of hazardous air pollutants which are particulates) from the source, to meet an alternative emission limitation reflecting such reduction in lieu of an emission limitation promulgated under subsection (d) for a period of 6 years from the compliance date for the otherwise applicable standard, provided that such reduction is achieved before the otherwise applicable standard under subsection (d) is first proposed. Nothing in this paragraph shall preclude a State from requiring reductions in excess of those specified in this subparagraph as a condition of granting the extension authorized by the previous sentence.

(B) An existing source which achieves the reduction referred to in subparagraph (A) after the proposal of an applicable standard but before January 1, 1994, may qualify under subparagraph (A), if the source makes an enforceable commitment to achieve such reduction before the proposal of the standard. Such commitment shall be enforceable to the same extent as a regulation under this section.

(C) The reduction shall be determined with respect to verifiable and actual emissions in a base year not earlier than calendar year 1987, provided that, there is no evidence that emissions in the base year are artificially or substantially greater than emissions in other years prior to implementation of emissions reduction measures. The Administrator may allow a source to use a baseline year of 1985 or 1986 provided that the source can demonstrate to the satisfaction of the Administrator that emissions data for the source reflects verifiable data based on information for such source, received by the Administrator prior to November 15, 1990, pursuant to an information request issued under section 7414 of this title.

(D) For each source granted an alternative emission limitation under this paragraph there shall be established by a permit issued pursuant to subchapter V an enforceable emis-
sion limitation for hazardous air pollutants reflecting the reduction which qualifies the source for an alternative emission limitation under this paragraph. An alternative emission limitation under this paragraph shall not be available with respect to standards or requirements promulgated pursuant to subsection (f) and the Administrator shall, for the purpose of determining whether a standard under subsection (f) is necessary, review emissions from sources granted an alternative emission limitation under this paragraph at the same time that other sources in the category or subcategory are reviewed.

(E) With respect to pollutants for which high risks of adverse public health effects may be associated with exposure to small quantities including, but not limited to, chlorinated dioxins and furans, the Administrator shall by regulation limit the use of offsetting reductions in emissions of other hazardous air pollutants from the source as counting toward the 90 per centum reduction in such high-risk pollutants qualifying for an alternative emissions limitation under this paragraph.

(6) Other reductions

Notwithstanding the requirements of this section, no existing source that has installed—

(A) best available control technology (as defined in section 7479(3) of this title), or

(B) technology required to meet a lowest achievable emission rate (as defined in section 7501 of this title),

prior to the promulgation of a standard under the applicable to such source and the same pollutant (or stream of pollutants) controlled pursuant to an action described in subparagraph (A) or (B) shall be required to comply with such standard under this section until the date 5 years after the date on which such installation or reduction has been achieved, as determined by the Administrator. The Administrator may issue such rules and guidance as are necessary to implement this paragraph.

(7) Extension for new sources

A source for which construction or reconstruction is commenced after the date an emission standard applicable to such source is promulgated pursuant to subsection (f) shall not be required to comply with the emission standard under subsection (f) until the date 10 years after the date construction or reconstruction is commenced.

(8) Coke ovens

(A) Any coke oven battery that complies with the emission limitations established under subsection (d)(8)(C), subparagraph (B), and subparagraph (C), and complies with the provisions of subparagraph (E), shall not be required to achieve emission limitations promulgated under subsection (f) until January 1, 2010.

(B)(i) Not later than December 31, 1992, the Administrator shall promulgate emission limitations for coke oven emissions from coke oven batteries. Notwithstanding paragraph (3) of this subsection, the compliance date for such emission limitations for existing coke oven batteries shall be January 1, 1998. Such emission limitations shall reflect the lowest achievable emission rate as defined in section 7501 of this title for coke oven batteries that is rebuilt or a replacement at a coke oven plant for an existing battery. Such emission limitations shall be no less stringent than—

(I) 3 per centum leaking doors (5 per centum leaking doors for six meter batteries);

(II) 1 per centum leaking lids;

(III) 4 per centum leaking offtake; and

(IV) 16 seconds visible offtake emissions per charge,

with an exclusion for emissions during the period after the closing of self-sealing oven doors (or the total mass emissions equivalent). The rulemaking in which such emission limitations are promulgated shall also establish an appropriate measurement methodology for determining compliance with such emission limitations, and shall establish such emission limitations in terms of an equivalent level of mass emissions reduction from a coke oven battery, unless the Administrator finds that such a mass emissions standard would not be practicable or enforceable. Such measurement methodology, to the extent it measures leaking doors, shall take into consideration alternative test methods that reflect the best technology and practices actually applied in the affected industries, and shall assure that the final test methods are consistent with the performance of such best technology and practices.

(ii) If the Administrator fails to promulgate such emission limitations under this subparagraph prior to the effective date of such emission limitations, the emission limitations applicable to coke oven batteries under this subparagraph shall be—

(I) 3 per centum leaking doors (5 per centum leaking doors for six meter batteries);

(II) 1 per centum leaking lids;

(III) 4 per centum leaking offtake; and

(IV) 16 seconds visible emissions per charge,

or the total mass emissions equivalent (if the total mass emissions equivalent is determined to be practicable and enforceable), with no exclusion for emissions during the period after the closing of self-sealing oven doors.

(C) Not later than January 1, 2007, the Administrator shall review the emission limitations promulgated under subparagraph (B) and revise, as necessary, such emission limitations to reflect the lowest achievable emission rate as defined in section 7501 of this title at the time for a coke oven battery that is rebuilt or a replacement at a coke oven plant for an existing battery. Such emission limitations shall be no less stringent than the emission limitations promulgated under subparagraph (B). Notwithstanding paragraph (2) of this subsection, the compliance date for such emission limitations for existing coke oven batteries shall be January 1, 2010.

(D) At any time prior to January 1, 1998, the owner or operator of any coke oven battery
may elect to comply with emission limitations promulgated under subsection (f) by the date such emission limitations would otherwise apply to such coke oven battery, in lieu of the emission limitations and the compliance dates provided under subparagraphs (B) and (C) of this paragraph. Any such owner or operator shall be legally bound to comply with such emission limitations promulgated under subsection (f) with respect to such coke oven battery as of January 1, 2003. If no such emission limitations have been promulgated for such coke oven battery, the Administrator shall promulgate such emission limitations in accordance with subsection (f) for such coke oven battery.

(E) Coke oven batteries qualifying for an extension under subparagraph (A) shall make available not later than January 1, 2000, to the surrounding communities the results of any risk assessment performed by the Administrator to determine the appropriate level of any emission standard established by the Administrator pursuant to subsection (f).

(F) Notwithstanding the provisions of this section, reconstruction of any source of coke oven emissions qualifying for an extension under this paragraph shall not subject such source to emission limitations under subsection (f) more stringent than those established under subparagraphs (B) and (C) until January 1, 2020. For the purposes of this subparagraph, the term “reconstruction” includes the replacement of existing coke oven battery capacity with new coke oven batteries of comparable or lower capacity and lower potential emissions.

(j) Equivalent emission limitation by permit

(1) Effective date

The requirements of this subsection shall apply in each State beginning on the effective date of a permit program established pursuant to subchapter V in such State, but not prior to the date 42 months after November 15, 1990.

(2) Failure to promulgate a standard

In the event that the Administrator fails to promulgate a standard for a category or subcategory of major sources by the date established pursuant to subsection (e)(1) and (3), and beginning 18 months after such date (but not prior to the effective date of a permit program under subchapter V), the owner or operator of any major source in such category or subcategory shall submit a permit application under paragraph (3) and such owner or operator shall also comply with paragraphs (5) and (6).

(3) Applications

By the date established by paragraph (2), the owner or operator of a major source subject to this subsection shall file an application for a permit. If the owner or operator of a source has submitted a timely and complete application for a permit required by this subsection, any failure to have a permit shall not be a violation of paragraph (2), unless the delay in final action is due to the failure of the applicant to timely submit information required or requested to process the application. The Administrator shall not later than 18 months after November 15, 1990, and after notice and opportunity for comment, establish requirements for applications under this subsection including a standard application form and criteria for determining in a timely manner the completeness of applications.

(4) Review and approval

Permit applications submitted under this subsection shall be reviewed and approved or disapproved according to the provisions of section 7661d of this title. In the event that the Administrator (or the State) disapproves a permit application submitted under this subsection or determines that the application is incomplete, the applicant shall have up to 6 months to revise the application to meet the objections of the Administrator (or the State).

(5) Emission limitation

The permit shall be issued pursuant to subchapter V and shall contain emission limitations for the hazardous air pollutants subject to regulation under this section and emitted by the source that the Administrator (or the State) determines, on a case-by-case basis, to be equivalent to the limitation that would apply to such source if an emission standard had been promulgated in a timely manner under subsection (d). In the alternative, if the applicable criteria are met, the permit may contain an emissions limitation established according to the provisions of subsection (i)(5). For purposes of the preceding sentence, the reduction required by subsection (i)(5)(A) shall be achieved by the date on which the relevant standard should have been promulgated under subsection (d). No such pollutant may be emitted in amounts exceeding an emission limitation contained in a permit immediately for new sources and, as expeditiously as practicable, but not later than the date 3 years after the permit is issued for existing sources or such other compliance date as would apply under subsection (i).

(6) Applicability of subsequent standards

If the Administrator promulgates an emission standard that is applicable to the major source prior to the date on which a permit application is approved, the emission limitation in the permit shall reflect the promulgated standard rather than the emission limitation determined pursuant to paragraph (5), provided that the source shall have the compliance period provided under subsection (i). If the Administrator promulgates a standard under subsection (d) that would be applicable to the source in lieu of the emission limitation established by permit under this subsection after the date on which the permit has been issued, the Administrator (or the State) shall revise such permit upon the next renewal to reflect the standard promulgated by the Administrator providing such source a reasonable time to comply, but no longer than 8 years for determining in a timely manner the completeness of applications.
(k) Area source program

(1) Findings and purpose

The Congress finds that emissions of hazardous air pollutants from area sources may individually, or in the aggregate, present significant risks to public health in urban areas. Considering the large number of persons exposed and the risks of carcinogenic and other adverse health effects from hazardous air pollutants, ambient concentrations characteristic of large urban areas should be reduced to levels substantially below those currently experienced. It is the purpose of this subsection to achieve a substantial reduction in emissions of hazardous air pollutants from area sources and an equivalent reduction in the public health risks associated with such sources including a reduction of not less than 75 per centum in the incidence of cancer attributable to emissions from such sources.

(2) Research program

The Administrator shall, after consultation with State and local air pollution control officials, conduct a program of research with respect to sources of hazardous air pollutants in urban areas and shall include within such program—

(A) ambient monitoring for a broad range of hazardous air pollutants (including, but not limited to, volatile organic compounds, metals, pesticides and products of incomplete combustion) in a representative number of urban locations;

(B) analysis to characterize the sources of such pollution with a focus on area sources and the contribution that such sources make to public health risks from hazardous air pollutants; and

(C) consideration of atmospheric transformation and other factors which can elevate public health risks from such pollutants.

Health effects considered under this program shall include, but not be limited to, carcinogenicity, mutagenicity, teratogenicity, neurotoxicity, reproductive dysfunction and other acute and chronic effects including the role of such pollutants as precursors of ozone or acid aerosol formation. The Administrator shall report the preliminary results of such research not later than 3 years after November 15, 1990.

(3) National strategy

(A) Considering information collected pursuant to the monitoring program authorized by paragraph (2), the Administrator shall, not later than 5 years after November 15, 1990, and after notice and opportunity for public comment, prepare and transmit to the Congress a comprehensive strategy to control emissions of hazardous air pollutants from area sources in urban areas.

(B) The strategy shall—

(i) identify not less than 30 hazardous air pollutants which, as the result of emissions from area sources, present the greatest threat to public health in the largest number of urban areas and that are or will be listed pursuant to subsection (b), and

(ii) identify the source categories or subcategories emitting such pollutants that are or will be listed pursuant to subsection (c).

When identifying categories and subcategories of sources under this subparagraph, the Administrator shall assure that sources accounting for 90 per centum of the aggregate emissions of each of the 30 identified hazardous air pollutants are subject to standards pursuant to subsection (d).

(C) The strategy shall include a schedule of specific actions to substantially reduce the public health risks posed by the release of hazardous air pollutants from area sources that will be implemented by the Administrator under the authority of this or other laws (including, but not limited to, the Toxic Substances Control Act [15 U.S.C. 2601 et seq.], the Federal Insecticide, Fungicide and Rodenticide Act [7 U.S.C. 136 et seq.] and the Resource Conservation and Recovery Act [42 U.S.C. 6901 et seq.]) or by the States. The strategy shall achieve a reduction in the incidence of cancer attributable to exposure to hazardous air pollutants emitted by stationary sources of not less than 75 per centum, considering control of emissions of hazardous air pollutants from all stationary sources and resulting from measures implemented by the Administrator or by the States under this or other laws.

(D) The strategy may also identify research needs in monitoring, analytical methodology, modeling or pollution control techniques and recommendations for changes in law that would further the goals and objectives of this subsection.

(E) Nothing in this subsection shall be interpreted to preclude or delay implementation of actions with respect to area sources of hazardous air pollutants under consideration pursuant to this or any other law and that may be promulgated before the strategy is prepared.

(F) The Administrator shall implement the strategy as expeditiously as practicable assuring that all sources are in compliance with applicable requirements not later than 9 years after November 15, 1990.

(G) As part of such strategy the Administrator shall provide for ambient monitoring and emissions modeling in urban areas as appropriate to demonstrate that the goals and objectives of the strategy are being met.

(4) Areawide activities

In addition to the national urban air toxics strategy authorized by paragraph (3), the Administrator shall also encourage and support areawide strategies developed by State or local air pollution control agencies that are intended to reduce risks from emissions by area sources within a particular urban area. From the funds available for grants under this section, the Administrator shall set aside not less than 10 per centum to support areawide strategies addressing hazardous air pollutants emitted by area sources and shall award such funds on a demonstration basis to those States with innovative and effective strategies. At the request of State or local air pollution control officials, the Administrator shall prepare guidelines for control technologies or manage-
§ 7412

(5) Report

The Administrator shall report to the Congress at intervals not later than 8 and 12 years after November 15, 1990, on actions taken under this subsection and other parts of this chapter to reduce the risk to public health posed by the release of hazardous air pollutants from area sources. The reports shall also identify specific metropolitan areas that continue to experience high risks to public health as the result of emissions from area sources.

(1) In general

Each State may develop and submit to the Administrator for approval a program for the implementation and enforcement (including a review of enforcement delegations previously granted) of emission standards and other requirements for air pollutants subject to this section or requirements for the prevention and mitigation of accidental releases pursuant to subsection (r). A program submitted by a State under this subsection may provide for partial or complete delegation of the Administrator’s authorities and responsibilities to implement and enforce emissions standards and prevention requirements but shall not include authority to set standards less stringent than those promulgated by the Administrator under this chapter.

(2) Guidance

Not later than 12 months after November 15, 1990, the Administrator shall publish guidance that would be useful to the States in developing programs for submittal under this subsection. The guidance shall also provide for the registration of all facilities producing, processing, handling or storing any substance listed pursuant to paragraph (2) and support for the development and implementation of areawide area source programs pursuant to subsection (k).

(3) Technical assistance

The Administrator shall establish and maintain an air toxics clearinghouse and center to provide technical information and assistance to State and local agencies and, on a cost recovery basis, to others on control technology, health and ecological risk assessment, risk analysis, ambient monitoring and modeling, and emissions measurement and monitoring. The Administrator shall use the authority of section 7406 of this title to examine methods for preventing, measuring, and controlling emissions and evaluating associated health and ecological risks. Where appropriate, such activity shall be conducted with not-for-profit organizations. The Administrator may conduct research on methods for preventing, measuring and controlling emissions and evaluating associated health and environment risks. All information collected under this paragraph shall be available to the public.

(4) Grants

Upon application of a State, the Administrator may make grants, subject to such terms and conditions as the Administrator deems appropriate, to such State for the purpose of assisting the State in developing and implementing a program for submittal and approval under this subsection. Programs assisted under this paragraph may include program elements addressing air pollutants or extremely hazardous substances other than those specifically subject to this section. Grants under this paragraph may include support for high-risk point source review as provided in paragraph (2) and support for the development and implementation of areawide area source programs pursuant to subsection (k).

(5) Approval or disapproval

Not later than 180 days after receiving a program submitted by a State, and after notice and opportunity for public comment, the Administrator shall either approve or disapprove such program. The Administrator shall disapprove any program submitted by a State, if the Administrator determines that—

(A) the authorities contained in the program are not adequate to assure compliance by all sources within the State with each applicable standard, regulation or requirement established by the Administrator under this section;

(B) adequate authority does not exist, or adequate resources are not available, to implement the program;

(C) the schedule for implementing the program and assuring compliance by affected sources is not sufficiently expeditious; or

(D) the program is otherwise not in compliance with the guidance issued by the Administrator under paragraph (2) or is not likely to satisfy, in whole or in part, the objectives of this chapter.

If the Administrator disapproves a State program, the Administrator shall notify the State of any revisions or modifications necessary to obtain approval. The State may revise and resubmit the proposed program for review and approval pursuant to the provisions of this subsection.

(6) Withdrawal

Whenever the Administrator determines, after public hearing, that a State is not administering and enforcing a program approved pursuant to this subsection in accordance with the guidance published pursuant to paragraph (2) or the requirements of paragraph (5), the Administrator shall so notify the State and, if action which will assure prompt compliance is not taken within 90 days, the Administrator shall withdraw approval of the program. The Administrator shall not withdraw approval of any program unless the State shall have been notified and the reasons for withdrawal shall have been stated in writing and made public.

(7) Authority to enforce

Nothing in this subsection shall prohibit the Administrator from enforcing any applicable
emission standard or requirement under this section.

(8) Local program

The Administrator may, after notice and opportunity for public comment, approve a program developed and submitted by a local air pollution control agency (after consultation with the State) pursuant to this subsection and any such agency implementing an approved program may take any action authorized to be taken by a State under this section.

(9) Permit authority

Nothing in this subsection shall affect the authorities and obligations of the Administrator or the State under subchapter V.

(m) Atmospheric deposition to Great Lakes and coastal waters

(1) Deposition assessment

The Administrator, in cooperation with the Under Secretary of Commerce for Oceans and Atmosphere, shall conduct a program to identify and assess the extent of atmospheric deposition of hazardous air pollutants (and in the discretion of the Administrator, other air pollutants) to the Great Lakes, the Chesapeake Bay, Lake Champlain and coastal waters. As part of such program, the Administrator shall—

(A) monitor the Great Lakes, the Chesapeake Bay, Lake Champlain and coastal waters, including monitoring of the Great Lakes through the monitoring network established pursuant to paragraph (2) of this subsection and designing and deploying an atmospheric monitoring network for coastal waters pursuant to paragraph (4);

(B) investigate the sources and deposition rates of atmospheric deposition of air pollutants (and their atmospheric transformation precursors);

(C) conduct research to develop and improve monitoring methods and to determine the relative contribution of atmospheric pollutants to total pollution loadings to the Great Lakes, the Chesapeake Bay, Lake Champlain, and coastal waters;

(D) evaluate any adverse effects to public health or the environment caused by such deposition (including effects resulting from indirect exposure pathways) and assess the contribution of such deposition to violations of water quality standards established pursuant to the Federal Water Pollution Control Act [33 U.S.C. 1251 et seq.] and drinking water standards established pursuant to the Safe Drinking Water Act [42 U.S.C. 300f et seq.]; and

(E) sample for such pollutants in biota, fish, and wildlife of the Great Lakes, the Chesapeake Bay, Lake Champlain and coastal waters and characterize the sources of such pollutants.

(2) Great Lakes monitoring network

The Administrator shall oversee, in accordance with Annex 15 of the Great Lakes Water Quality Agreement, the establishment and operation of a Great Lakes atmospheric deposition network to monitor atmospheric deposition of hazardous air pollutants (and in the Administrator’s discretion, other air pollutants) to the Great Lakes.

(A) As part of the network provided for in this paragraph, and not later than December 31, 1991, the Administrator shall establish in each of the 5 Great Lakes at least 1 facility capable of monitoring the atmospheric deposition of hazardous air pollutants in both dry and wet conditions.

(B) The Administrator shall use the data provided by the network to track the movement of hazardous air pollutants through the Great Lakes, to determine the portion of water pollution loadings attributable to atmospheric deposition of such pollutants, and to support development of remedial action plans and other management plans as required by the Great Lakes Water Quality Agreement.

(C) The Administrator shall assure that the data collected by the Great Lakes atmospheric deposition monitoring network is in a format compatible with databases sponsored by the International Joint Commission, Canada, and the several States of the Great Lakes region.

(3) Monitoring for the Chesapeake Bay and Lake Champlain

The Administrator shall establish at the Chesapeake Bay and Lake Champlain atmospheric deposition stations to monitor deposition of hazardous air pollutants (and in the Administrator’s discretion, other air pollutants) within the Chesapeake Bay and Lake Champlain watersheds. The Administrator shall determine the role of air deposition in the pollutant loadings of the Chesapeake Bay and Lake Champlain, investigate the sources of air pollutants deposited in the watersheds, evaluate the health and environmental effects of such pollutant loadings, and shall sample such pollutants in biota, fish and wildlife within the watersheds, as necessary to characterize such effects.

(4) Monitoring for coastal waters

The Administrator shall design and deploy atmospheric deposition monitoring networks for coastal waters and their watersheds and shall make any information collected through such networks available to the public. As part of this effort, the Administrator shall conduct research to develop and improve deposition monitoring methods, and to determine the relative contribution of atmospheric pollutants to pollutant loadings. For purposes of this subsection, “coastal waters” shall mean estuaries selected pursuant to section 320(a)(2)(A) of the Federal Water Pollution Control Act [33 U.S.C. 1330(a)(2)(A)] or listed pursuant to section 320(a)(2)(B) of such Act [33 U.S.C. 1330(a)(2)(B)] or estuarine research reserves designated pursuant to section 1461 of title 16.

(5) Report

Within 3 years of November 15, 1990, and biennially thereafter, the Administrator, in cooperation with the Under Secretary of Commerce for Oceans and Atmosphere, shall submit to the Congress a report on the results of
any monitoring, studies, and investigations conducted pursuant to this subsection. Such report shall include, at a minimum, an assessment of—

(A) the contribution of atmospheric deposition to pollution loadings in the Great Lakes, the Chesapeake Bay, Lake Champlain and coastal waters;

(B) the environmental and public health effects of any pollution which is attributable to atmospheric deposition to the Great Lakes, the Chesapeake Bay, Lake Champlain and coastal waters;

(C) the source or sources of any pollution to the Great Lakes, the Chesapeake Bay, Lake Champlain and coastal waters which is attributable to atmospheric deposition;

(D) whether pollution loadings in the Great Lakes, the Chesapeake Bay, Lake Champlain or coastal waters cause or contribute to exceedances of drinking water standards pursuant to the Safe Drinking Water Act [42 U.S.C. 300f et seq.] or water quality standards pursuant to the Federal Water Pollution Control Act [33 U.S.C. 1251 et seq.] or, with respect to the Great Lakes, exceedances of the specific objectives of the Great Lakes Water Quality Agreement; and

(E) a description of any revisions of the requirements, standards, and limitations pursuant to this chapter and other applicable Federal laws as are necessary to assure protection of human health and the environment.

(6) Additional regulation

As part of the report to Congress, the Administrator shall determine whether the other provisions of this section are adequate to prevent serious adverse effects to public health and serious or widespread environmental effects, including such effects resulting from indirect exposure pathways, associated with atmospheric deposition to the Great Lakes, the Chesapeake Bay, Lake Champlain and coastal waters of hazardous air pollutants (and their atmospheric transformation products). The Administrator shall take into consideration the tendency of such pollutants to bioaccumulate. Within 5 years after November 15, 1990, the Administrator shall, based on such report and determination, promulgate, in accordance with this section, such further emission standards or control measures as may be necessary and appropriate to prevent such effects, including effects due to bioaccumulation and indirect exposure pathways. Any requirements promulgated pursuant to this paragraph with respect to coastal waters shall only apply to the coastal waters of the States which are subject to section 7627(a) of this title.

(n) Other provisions

(1) Electric utility steam generating units

(A) The Administrator shall perform a study of the hazards to public health reasonably anticipated to occur as a result of emissions by electric utility steam generating units of pollutants listed under subsection (b) after imposition of the requirements of this chapter. The Administrator shall report the results of this study to the Congress within 3 years after November 15, 1990. The Administrator shall develop and describe in the Administrator's report to Congress alternative control strategies for emissions which may warrant regulation under this section. The Administrator shall regulate electric utility steam generating units under this section, if the Administrator finds such regulation is appropriate and necessary after considering the results of the study required by this subparagraph.

(B) The Administrator shall conduct, and transmit to the Congress not later than 4 years after November 15, 1990, a study of mercury emissions from electric utility steam generating units, municipal waste combustion units, and other sources, including area sources. Such study shall consider the rate and mass of such emissions, the health and environmental effects of such emissions, technologies which are available to control such emissions, and the costs of such technologies.

(C) The National Institute of Environmental Health Sciences shall conduct, and transmit to the Congress not later than 4 years after November 15, 1990, a study to determine the threshold level of mercury exposure below which adverse human health effects are not expected to occur. Such study shall include a threshold for mercury concentrations in the tissue of fish which may be consumed (including consumption by sensitive populations) without adverse effects to public health.

(2) Coke oven production technology study

(A) The Secretary of the Department of Energy and the Administrator shall jointly undertake a 6-year study to assess coke oven production emission control technologies and to assist in the development and commercialization of technically practicable and economically viable control technologies which have the potential to significantly reduce emissions of hazardous air pollutants from coke oven production facilities. In identifying control technologies, the Secretary and the Administrator shall consider the range of existing coke oven emissions, the cost of such technologies, and the availability of sources of materials for such coke ovens as well as alternatives to existing coke oven production design.

(B) The Secretary and the Administrator are authorized to enter into agreements with persons who propose to develop, install and operate coke oven production emission control technologies which have the potential for significantly reducing emissions of hazardous air pollutants provided that Federal funds shall not exceed 50 per centum of the cost of any project assisted pursuant to this paragraph.

(C) On completion of the study, the Secretary shall submit to Congress a report on the results of the study and shall make recommendations to the Administrator identifying practicable and economically viable control technologies for coke oven production facilities to reduce residual risks remaining after implementation of the standard under subsection (d).

(D) There are authorized to be appropriated $5,000,000 for each of the fiscal years 1992
through 1997 to carry out the program authorized by this paragraph.

(3) Publicly owned treatment works

The Administrator may conduct, in cooperation with the owners and operators of publicly owned treatment works, studies to characterize emissions of hazardous air pollutants emitted by such facilities, to identify industrial, commercial, and residential discharges that contribute to such emissions and to demonstrate control measures for such emissions. When promulgating any standard under this section applicable to publicly owned treatment works, the Administrator may provide for control measures that include pretreatment of discharges causing emissions of hazardous air pollutants and process or product substitutions or limitations that may be effective in reducing such emissions. The Administrator may prescribe uniform sampling, monitoring and risk assessment methods for use in implementing this subsection.

(4) Oil and gas wells; pipeline facilities

(A) Notwithstanding the provisions of subsection (a), emissions from any oil or gas exploration or production well (with its associated equipment) and emissions from any pipeline compressor or pump station shall not be aggregated with emissions from other similar units, whether or not such units are in a contiguous area or under common control, to determine whether such units or stations are major sources, and in the case of any oil or gas exploration or production well (with its associated equipment), such emissions shall not be aggregated for any purpose under this section.

(B) The Administrator shall not list oil and gas production wells (with its associated equipment) as an area source category under subsection (c), except that the Administrator may establish an area source category for oil and gas production wells located in any metropolitan statistical area or consolidated metropolitan statistical area with a population in excess of 1 million, if the Administrator determines that emissions of hazardous air pollutants from such wells present more than a negligible risk of adverse effects to public health.

(5) Hydrogen sulfide

The Administrator is directed to assess the hazards to public health and the environment resulting from the emission of hydrogen sulfide associated with the extraction of oil and natural gas resources. To the extent practicable, the assessment shall build upon and not duplicate work conducted for an assessment pursuant to section 802(m) of the Solid Waste Disposal Act [42 U.S.C. 6922(m)] and shall reflect consultation with the States. The assessment shall include a review of existing State and industry control standards, techniques and enforcement. The Administrator shall report to the Congress within 24 months after November 15, 1990, with the findings of such assessment, together with any recommendations, and shall, as appropriate, develop and implement a control strategy for emissions of hydrogen sulfide to protect human health and the environment, based on the findings of such assessment, using authorities under this chapter including sections 7411 of this title and this section.

(6) Hydrofluoric acid

Not later than 2 years after November 15, 1990, the Administrator shall, for those regions of the country which do not have comprehensive health and safety regulations with respect to hydrofluoric acid, complete a study of the potential hazards of hydrofluoric acid and the uses of hydrofluoric acid in industrial and commercial applications to public health and the environment considering a range of events including worst-case accidental releases and shall make recommendations to the Congress for the reduction of such hazards, if appropriate.

(7) RCRA facilities

In the case of any category or subcategory of sources the air emissions of which are regulated under subtitle C of the Solid Waste Disposal Act [42 U.S.C. 6921 et seq.], the Administrator shall take into account any regulations of such emissions which are promulgated under such subtitle and shall, to the maximum extent practicable and consistent with the provisions of this section, ensure that the requirements of such subtitle and this section are consistent.

(8) National Academy of Sciences study

(1) Request of the Academy

Within 3 months of November 15, 1990, the Administrator shall enter into appropriate arrangements with the National Academy of Sciences to conduct a review of—

(A) risk assessment methodology used by the Environmental Protection Agency to determine the carcinogenic risk associated with exposure to hazardous air pollutants from source categories and subcategories subject to the requirements of this section; and

(B) improvements in such methodology.

(2) Elements to be studied

In conducting such review, the National Academy of Sciences should consider, but not be limited to, the following—

(A) the techniques used for estimating and describing the carcinogenic potency to humans of hazardous air pollutants; and

(B) the techniques used for estimating exposure to hazardous air pollutants (for hypothetical and actual maximally exposed individuals as well as other exposed individuals).

(3) Other health effects of concern

To the extent practicable, the Academy shall evaluate and report on the methodology for assessing the risk of adverse human health effects other than cancer for which safe thresholds of exposure may not exist, including, but not limited to, inheritable genetic mutations, birth defects, and reproductive dysfunctions.

(4) Report

A report on the results of such review shall be submitted to the Senate Committee on En-
vironment and Public Works, the House Committee on Energy and Commerce, the Risk Assessment and Management Commission established by section 303 of the Clean Air Act Amendments of 1990 and the Administrator not later than 30 months after November 15, 1990.

(5) Assistance

The Administrator shall assist the Academy in gathering any information the Academy deems necessary to carry out this subsection. The Administrator may use any authority under this chapter to obtain information from any person, and to require any person to conduct tests, keep and produce records, and make reports respecting research or other activities conducted by such person as necessary to carry out this subsection.

(6) Authorization

Of the funds authorized to be appropriated to the Administrator by this chapter, such amounts as are required shall be available to carry out this subsection.

(7) Guidelines for carcinogenic risk assessment

The Administrator shall consider, but need not adopt, the recommendations contained in the report of the National Academy of Sciences prepared pursuant to this subsection and the views of the Science Advisory Board, with respect to such report. Prior to the promulgation of any standard under subsection (f), and after notice and opportunity for comment, the Administrator shall publish revised Guidelines for Carcinogenic Risk Assessment or a detailed explanation of the reasons that any recommendations contained in the report of the National Academy of Sciences will not be implemented. The publication of such revised Guidelines shall be a final Agency action for purposes of section 7607 of this title.

(p) Mickey Leland National Urban Air Toxics Research Center

(1) Establishment

The Administrator shall oversee the establishment of a National Urban Air Toxics Research Center, to be located at a university, a hospital, or other facility capable of undertaking and maintaining similar research capabilities in the areas of epidemiology, oncology, toxicology, pulmonary medicine, pathology, and biostatistics. The center shall be known as the Mickey Leland National Urban Air Toxics Research Center. The geographic site of the National Urban Air Toxics Research Center should be further directed to Harris County, Texas, in order to take full advantage of the well developed scientific community presence on-site at the Texas Medical Center as well as the extensive data previously compiled for the comprehensive monitoring system currently in place.

(2) Board of Directors

The National Urban Air Toxics Research Center shall be governed by a Board of Directors to be comprised of 9 members, the appointment of which shall be allocated pro rata among the Speaker of the House, the Majority Leader of the Senate and the President. The members of the Board of Directors shall be selected based on their respective academic and professional backgrounds and expertise in matters relating to public health, environmental pollution and industrial hygiene. The duties of the Board of Directors shall be to determine policy and research guidelines, submit views from center sponsors and the public and issue periodic reports of center findings and activities.

(3) Scientific Advisory Panel

The Board of Directors shall be advised by a Scientific Advisory Panel, the 13 members of which shall be appointed by the Board, and to include eminent members of the scientific and medical communities. The Panel membership may include scientists with relevant experience from the National Institute of Environmental Health Sciences, the Center for Disease Control, the Environmental Protection Agency, the National Cancer Institute, and others, and the Panel shall conduct peer review and evaluate research results. The Panel shall assist the Board in developing the research agenda, reviewing proposals and applications, and advise on the awarding of research grants.

(4) Funding

The center shall be established and funded with both Federal and private source funds.

(q) Savings provision

(1) Standards previously promulgated

Any standard under this section in effect before the date of enactment of the Clean Air Act Amendments of 1990 [November 15, 1990] shall remain in force and effect after such date unless modified as provided in this section before the date of enactment of such Amendments or under such Amendments. Except as provided in paragraph (4), any standard under this section which has been promulgated, but has not taken effect, before such date shall not be affected by such Amendments unless modified as provided in this section before such date or under such Amendments. Each such standard shall be reviewed and, if appropriate, revised, to comply with the requirements of subsection (d) within 10 years after the date of enactment of the Clean Air Act Amendments of 1990. If a timely petition for review of any such standard under section 7607 of this title is pending on such date of enactment, the standard shall be upheld if it complies with this section as in effect before that date. If any such standard is remanded to the Administrator, the Administrator may in the Administrator's discretion apply either the requirements of this section, or those of this section as in effect before the date of enactment of the Clean Air Act Amendments of 1990.

(2) Special rule

Notwithstanding paragraph (1), no standard shall be established under this section, as amended by the Clean Air Act Amendments of 1990, for radionuclide emissions from (A) elemental phosphorous plants, (B) grate calcination elemental phosphorous plants, (C)
phosphogypsum stacks, or (D) any subcategory of the foregoing. This section, as in effect prior to the date of enactment of the Clean Air Act Amendments of 1990 (November 15, 1990), shall remain in effect for radionuclide emissions from such plants and stacks.

(3) Other categories

Notwithstanding paragraph (1), this section, as in effect prior to the date of enactment of the Clean Air Act Amendments of 1990 (November 15, 1990), shall remain in effect for radionuclide emissions from non-Department of Energy Federal facilities that are not licensed by the Nuclear Regulatory Commission, coal-fired utility and industrial boilers, underground uranium mines, surface uranium mines, and disposal of uranium mill tailings piles, unless the Administrator, in the Administrator’s discretion, applies the requirements of this section as modified by the Clean Air Act Amendments of 1990 to such sources of radionuclides.

(4) Medical facilities

Notwithstanding paragraph (1), no standard promulgated under this section prior to November 15, 1990, with respect to medical research or treatment facilities shall take effect for two years following November 15, 1990, unless the Administrator makes a determination pursuant to a rulemaking under subsection (d)(9). If the Administrator determines that the regulatory program established by the Nuclear Regulatory Commission for such facilities does not provide an ample margin of safety to protect public health, the requirements of this section shall fully apply to such facilities. If the Administrator determines that such regulatory program does provide an ample margin of safety to protect the public health, the Administrator is not required to promulgate a standard under this section for such facilities, as provided in subsection (d)(9).

(r) Prevention of accidental releases

(1) Purpose and general duty

It shall be the purpose of the regulations and programs authorized under this subsection to prevent the accidental release and to minimize the consequences of any such release of any substance listed pursuant to paragraph (3) or any other extremely hazardous substance. The owners and operators of stationary sources producing, processing, handling or storing such substances have a general duty in the same manner and to the same extent as section 654 of title 29 to identify hazards which may result from such releases using appropriate hazard assessment techniques, to design and maintain a safe facility taking such steps as are necessary to prevent releases, and to minimize the consequences of accidental releases which do occur. For purposes of this paragraph, the provisions of section 7604 of this title shall not be available to any person or otherwise be construed to be applicable to this paragraph. Nothing in this section shall be interpreted, construed, implied or applied to create any liability or basis for suit for compensation for bodily injury or any other injury or property damages to any person which may result from accidental releases of such substances.

(2) Definitions

(A) The term “accidental release” means an unanticipated emission of a regulated substance or other extremely hazardous substance into the ambient air from a stationary source.

(B) The term “regulated substance” means a substance listed under paragraph (3).

(C) The term “stationary source” means any buildings, structures, equipment, installations or substance emitting stationary activities (i) which belong to the same industrial group, (ii) which are located on one or more contiguous properties, (iii) which are under the control of the same person (or persons under common control), and (iv) from which an accidental release may occur.

(D) The term “retail facility” means a stationary source at which more than one-half of the income is obtained from direct sales to end users or at which more than one-half of the fuel sold, by volume, is sold through a cylinder exchange program.

(3) List of substances

The Administrator shall promulgate not later than 24 months after November 15, 1990, an initial list of 100 substances which, in the case of an accidental release, are known to cause or may reasonably be anticipated to cause death, injury, or serious adverse effects to human health or the environment. For purposes of promulgating such list, the Administrator shall use, but is not limited to, the list of extremely hazardous substances published under the Emergency Planning and Community Right-to-Know Act of 1986 [42 U.S.C. 11001 et seq.], with such modifications as the Administrator deems appropriate. The initial list shall include chlorine, anhydrous ammonia, methyl chloride, ethylene oxide, vinyl chloride, methyl isocyanate, hydrogen cyanide, ammonia, hydrogen sulfide, toluene disocyanate, phosphine, bromine, anhydrous hydrogen chloride, hydrogen fluoride, anhydrous sulfur dioxide, and sulfur trioxide. The initial list shall include at least 100 substances which pose the greatest risk of causing death, injury, or serious adverse effects to human health or the environment from accidental releases. Regulations establishing the list shall include an explanation of the basis for establishing the list. The list may be revised from time to time by the Administrator on the Administrator’s own motion or by petition and shall be reviewed at least every 5 years. No air pollutant for which a national primary ambient air quality standard has been established shall be included on any such list. No substance, practice, process, or activity regulated under subchapter VI shall be subject to regulations under this subsection. The Administrator shall establish procedures for the addition and deletion of substances from the list established under this paragraph consistent with those applicable to the list in subsection (b).

\*So in original. Probably should be “Right-To-Know”.
(4) Factors to be considered

In listing substances under paragraph (3), the Administrator—

(A) shall consider—

(i) the severity of any acute adverse health effects associated with accidental releases of the substance;

(ii) the likelihood of accidental releases of the substance; and

(iii) the potential magnitude of human exposure to accidental releases of the substance; and

(B) shall not list a flammable substance when used as a fuel or held for sale as a fuel at a retail facility under this subsection solely because of the explosive or flammable properties of the substance, unless a fire or explosion caused by the substance will result in acute adverse health effects from human exposure to the substance, including the unburned fuel or its combustion byproducts, other than those caused by the heat of the fire or impact of the explosion.

(5) Threshold quantity

At the time any substance is listed pursuant to paragraph (3), the Administrator shall establish by rule, a threshold quantity for the substance, taking into account the toxicity, reactivity, volatility, dispersibility, combustibility, or flammability of the substance and the amount of the substance which, as a result of an accidental release, is known to cause death, injury or serious adverse effects to human health for which the substance was listed. The Administrator is authorized to establish a greater threshold quantity for, or to exempt entirely, any substance that is a nutrient used in agriculture when held by a farmer.

(6) Chemical Safety Board

(A) There is hereby established an independent safety board to be known as the Chemical Safety and Hazard Investigation Board.

(B) The Board shall consist of 5 members, including a Chairperson, who shall be appointed by the President, by and with the advice and consent of the Senate. Members of the Board shall be appointed on the basis of technical qualifications, professional standing, and demonstrated knowledge in the fields of accident reconstruction, safety engineering, human factors, toxicology, or air pollution regulation. The terms of office of members of the Board shall be 5 years. Any member of the Board, including the Chairperson, may be removed for inefficiency, neglect of duty, or malfeasance in office. The Chairperson shall be the Chief Executive Officer of the Board and shall exercise the executive and administrative functions of the Board.

(C) The Board shall—

(i) investigate (or cause to be investigated), determine and report to the public in writing the facts, conditions, and circumstances and the cause or probable cause of any releases resulting in a fatality, serious injury or substantial property damages;

(ii) issue periodic reports to the Congress, Federal, State and local agencies, including the Environmental Protection Agency and the Occupational Safety and Health Administration, concerned with the safety of chemical production, processing, handling and storage, and other interested persons recommending measures to reduce the likelihood or the consequences of accidental releases and proposing corrective steps to make chemical production, processing, handling and storage as safe and free from risk of injury as is possible and may include in such reports proposed rules or orders which should be issued by the Administrator under the authority of this section or the Secretary of Labor under the Occupational Safety and Health Act [29 U.S.C. 651 et seq.] to prevent or minimize the consequences of any release of substances that may cause death, injury or other serious adverse effects on human health or substantial property damage as the result of an accidental release; and

(iii) establish by regulation requirements binding on persons for reporting accidental releases into the ambient air subject to the Board’s investigatory jurisdiction. Reporting releases to the National Response Center, in lieu of the Board directly, shall satisfy such regulations. The National Response Center shall promptly notify the Board of any releases which are within the Board’s jurisdiction.

(D) The Board may utilize the expertise and experience of other agencies.

(E) The Board shall coordinate its activities with investigations and studies conducted by other agencies of the United States having a responsibility to protect public health and safety. The Board shall enter into a memorandum of understanding with the National Transportation Safety Board to assure coordination of functions and to limit duplication of activities which shall designate the National Transportation Safety Board as the lead agency for the investigation of releases which are transportation related. The Board shall not be authorized to investigate marine oil spills, which the National Transportation Safety Board is authorized to investigate. The Board shall enter into a memorandum of understanding with the Occupational Safety and Health Administration so as to limit duplication of activities. In no event shall the Board forego an investigation where an accidental release causes a fatality or serious injury among the general public, or had the potential to cause substantial property damage or a number of deaths or injuries among the general public.

(F) The Board is authorized to conduct research and studies with respect to the potential for accidental releases, whether or not an accidental release has occurred, where there is evidence which indicates the presence of a potential hazard or hazards. To the extent practicable, the Board shall conduct such studies in cooperation with other Federal agencies having emergency response authorities, State and local governmental agencies and organizations from the industrial, commercial, and nonprofit sectors.

(G) No part of the conclusions, findings, or recommendations of the Board relating to any
accidental release or the investigation thereof shall be admitted as evidence or used in any action or suit for damages arising out of any matter mentioned in such report.

(H) Not later than 18 months after November 15, 1990, the Board shall publish a report accompanied by recommendations to the Administrator on the use of hazard assessments in preventing the occurrence and minimizing the consequences of accidental releases of extremely hazardous substances. The recommendations shall include a list of extremely hazardous substances which are not regulated substances (including threshold quantities for such substances) and categories of stationary sources for which hazard assessments would be an appropriate measure to aid in the prevention of accidental releases and to minimize the consequences of those releases that do occur. The recommendations shall also include a description of the information and analysis which would be appropriate to include in any hazard assessment. The Board shall also make recommendations with respect to the role of risk management plans as required by paragraph (8)(B) in preventing accidental releases. The Board may from time to time review and revise its recommendations under this subparagraph.

(i) Whenever the Board submits a recommendation with respect to accidental releases to the Administrator, the Administrator shall respond to such recommendation formally and in writing not later than 180 days after receipt thereof. The response to the Board’s recommendation by the Administrator shall indicate whether the Administrator will—

(i) initiate a rulemaking or issue such orders as are necessary to implement the recommendation in full or in part, pursuant to any timetable contained in the recommendation; or

(ii) decline to initiate a rulemaking or issue orders as recommended.

Any determination by the Administrator not to implement a recommendation of the Board or to implement a recommendation only in part, including any variation from the schedule contained in the recommendation, shall be accompanied by a statement from the Administrator setting forth the reasons for such determination.

(J) The Board may make recommendations with respect to accidental releases to the Secretary of Labor. Whenever the Board submits such recommendation, the Secretary shall respond to such recommendation formally and in writing not later than 180 days after receipt thereof. The response to the Board’s recommendation by the Administrator shall indicate whether the Secretary will—

(i) initiate a rulemaking or issue such orders as are necessary to implement the recommendation in full or in part, pursuant to any timetable contained in the recommendation; or

(ii) decline to initiate a rulemaking or issue orders as recommended.

Any determination by the Secretary not to implement a recommendation or to implement a recommendation only in part, including any variation from the schedule contained in the recommendation, shall be accompanied by a statement from the Secretary setting forth the reasons for such determination.

(K) Within 2 years after November 15, 1990, the Board shall issue a report to the Administrator of the Environmental Protection Agency and to the Administrator of the Occupational Safety and Health Administration recommending the adoption of regulations for the preparation of risk management plans and general requirements for the prevention of accidental releases of regulated substances into the ambient air (including recommendations for listing substances under paragraph (3)(b)) and for the mitigation of the potential adverse effect on human health or the environment as a result of accidental releases which should be applicable to any stationary source handling any regulated substance in more than threshold amounts. The Board may include proposed rules or orders which should be issued by the Administrator under authority of this subsection or by the Secretary of Labor under the Occupational Safety and Health Act [29 U.S.C. 651 et seq.]. Any such recommendations shall be specific and shall identify the regulated substance or class of regulated substances (or other substances) to which the recommendations apply. The Administrator shall consider such recommendations before promulgating regulations required by paragraph (7)(B).

(L) The Board, or upon authority of the Board, any member thereof, any administrative law judge employed by or assigned to the Board, or any officer or employee duly designated by the Board, may for the purpose of carrying out duties authorized by subparagraph (C)—

(i) hold such hearings, sit and act at such times and places, administer such oaths, and require by subpoena or otherwise attendance and testimony of such witnesses and the production of evidence and may require by order that any person engaged in the production, processing, handling, or storage of extremely hazardous substances submit written reports and responses to requests and questions within such time and in such form as the Board may require; and

(ii) upon presenting appropriate credentials and a written notice of inspection authority, enter any property where an accidental release causing a fatality, serious injury or substantial property damage has occurred and do all things therein necessary for a proper investigation pursuant to subparagraph (C) and inspect at reasonable times records, files, papers, processes, controls, and facilities and take such samples as are relevant to such investigation.

Whenever the Administrator or the Board conducts an inspection of a facility pursuant to this subsection, employees and their representatives shall have the same rights to par-
§ 7412

Occupational Safety and Health Act [29 U.S.C. 651 et seq.].

(M) In addition to that described in subparagraph (L), the Board may use any information gathering authority under this chapter, including the subpoena power provided in section 7607(a)(1) of this title.

(N) The Board is authorized to establish such procedural and administrative rules as are necessary for the exercise of its functions and duties. The Board is authorized without regard to section 6101 of title 41 to enter into contracts, leases, cooperative agreements or other transactions as may be necessary in the conduct of the duties and functions of the Board with any other agency, institution, or person.

(O) After the effective date of any reporting requirement promulgated pursuant to subparagraph (C)(iii) it shall be unlawful for any person to fail to report any release of any extremely hazardous substance as required by such subparagraph. The Administrator is authorized to enforce any regulation or requirements established by the Board pursuant to subparagraph (C)(iii) using the authorities of sections 7413 and 7414 of this title. Any request for information from the owner or operator of a stationary source made by the Board or by the Administrator under this section shall be treated, for purposes of sections 7413, 7414, 7416, 7420, 7603, 7604 and 7607 of this title and any other enforcement provisions of this chapter, as a request made by the Administrator under section 7414 of this title and may be enforced by the Chairperson of the Board or by the Administrator as provided in such section.

(P) The Administrator shall provide to the Board such support and facilities as may be necessary for operation of the Board.

(Q) Consistent with subsection (G) and section 7414(c) of this title any records, reports or information obtained by the Board shall be available to the Administrator, the Secretary of Labor, the Congress and the public, except that upon a showing satisfactory to the Board by any person that records, reports, or information, or particular part thereof (other than release or emissions data) to which the Board has access, if made public, is likely to cause substantial harm to the person’s competitive position, the Board shall consider such record, report, or information or particular portion thereof confidential in accordance with section 1905 of title 18, except that such record, report, or information may be disclosed to other officers, employees, and authorized representatives of the United States concerned with carrying out this chapter or when relevant under any proceeding under this chapter. This subparagraph does not constitute authority to withhold records, reports, or information from the Congress.

(R) Whenever the Board submits or transmits any budget estimate, budget request, supplemental budget request, or other budget information, legislative recommendation, prepared testimony for congressional hearings, recommendation or study to the President, the Secretary of Labor, the Administrator, or the Director of the Office of Management and Budget, it shall concurrently transmit a copy thereof to the Congress. No report of the Board shall be subject to review by the Administrator or any Federal agency or to judicial review in any court. No officer or agency of the United States shall have authority to require the Board to submit its budget requests or estimates, legislative recommendations, prepared testimony, comments, recommendations or reports to any officer or agency of the United States for approval or review prior to the submission of such recommendations, testimony, comments or reports to the Congress. In the performance of their functions as established by this chapter, the Chairperson of the Board and employees of the Board shall not be responsible to or subject to supervision or direction, in carrying out any duties under this subsection, of any officer or employee or agent of the Environmental Protection Agency, the Department of Labor or any other agency of the United States except that the President may remove any member, officer or employee of the Board for inefficiency, neglect of duty or malfeasance in office. Nothing in this section shall affect the application of title 5 to officers or employees of the United States.

(S) The Board shall submit an annual report to the President and to the Congress which shall include, but not be limited to, information on accidental releases which have been investigated by or reported to the Board during the previous year, recommendations for legislative or administrative action which the Board has made, the actions which have been taken by the Administrator or the Secretary of Labor or the heads of other agencies to implement such recommendations, an identification of priorities for study and investigation in the succeeding year, progress in the development of risk-reduction technologies and the response to and implementation of significant research findings on chemical safety in the public and private sector.

(7) Accident prevention

(A) In order to prevent accidental releases of regulated substances, the Administrator is authorized to promulgate release prevention, detection, and correction requirements which may include monitoring, record-keeping, reporting, training, vapor recovery, secondary containment, and other design, equipment, work practice, and operational requirements. Regulations promulgated under this paragraph may make distinctions between various types, classes, and kinds of facilities, devices and systems taking into consideration factors including, but not limited to, the size, location, process, process controls, quantity of substances handled, potency of substances, and response capabilities present at any stationary source. Regulations promulgated pursuant to this subparagraph shall have an effective date, as determined by the Administrator, assuring compliance as expeditiously as practicable.

(B)(i) Within 3 years after November 15, 1990, the Administrator shall promulgate reason-
able regulations and appropriate guidance to provide, to the greatest extent practicable, for the prevention and detection of accidental releases of regulated substances and for response to such releases by the owners or operators of the source of such releases. The Administrator shall utilize the expertise of the Secretaries of Transportation and Labor in promulgating such regulations. As appropriate, such regulations shall cover the use, operation, repair, replacement, and maintenance of equipment to monitor, detect, inspect, and control such releases, including training of persons in the use and maintenance of such equipment and in the conduct of periodic inspections. The regulations shall include procedures and measures for emergency response after an accidental release of a regulated substance in order to protect human health and the environment. The regulations shall cover storage, as well as operations. The regulations shall, as appropriate, recognize differences in size, operations, processes, class and categories of sources and the voluntary actions of such sources to prevent such releases and respond to such releases. The regulations shall be applicable to a stationary source 3 years after the date of promulgation, or 3 years after the date on which a regulated substance present at the source in more than threshold amounts is first listed under paragraph (3), whichever is later.

(ii) The regulations under this subparagraph shall require the owner or operator of stationary sources at which a regulated substance is present in more than a threshold quantity to prepare and implement a risk management plan to detect and prevent or minimize accidental releases of such substances from the stationary source, and to provide a prompt emergency response to any such releases in order to protect human health and the environment. Such plan shall provide for compliance with the requirements of this subsection and shall also include each of the following:

(I) a hazard assessment to assess the potential effects of an accidental release of any regulated substance. This assessment shall include an estimate of potential release quantities and a determination of downwind effects, including potential exposures to affected populations. Such assessment shall include a previous release history of the past 5 years, including the size, concentration, and duration of releases, and shall include an evaluation of worst case accidental releases;

(II) a program for preventing accidental releases of regulated substances, including safety precautions and maintenance, monitoring and employee training measures to be used at the source; and

(III) a response program providing for specific actions to be taken in response to an accidental release of a regulated substance so as to protect human health and the environment, including procedures for informing the public and local agencies responsible for responding to accidental releases, emergency health care, and employee training measures.

At the time regulations are promulgated under this subparagraph, the Administrator shall promulgate guidelines to assist stationary sources in the preparation of risk management plans. The guidelines shall, to the extent practicable, include model risk management plans.

(iii) The owner or operator of each stationary source covered by clause (ii) shall register a risk management plan prepared under this subparagraph with the Administrator before the effective date of regulations under clause (i) in such form and manner as the Administrator shall, by rule, require. Plans prepared pursuant to this subparagraph shall also be submitted to the Chemical Safety and Hazard Investigation Board, to the State in which the stationary source is located, and to any local agency or entity having responsibility for planning for or responding to accidental releases which may occur at such source, and shall be available to the public under section 7414(c) of this title. The Administrator shall establish, by rule, an auditing system to regularly review and, if necessary, require revision in risk management plans to assure that the plans comply with this subparagraph. Each such plan shall be updated periodically as required by the Administrator, by rule.

(C) Any regulations promulgated pursuant to this subsection shall to the maximum extent practicable, consistent with this subsection, be consistent with the recommendations and standards established by the American Society of Mechanical Engineers (ASME), the American National Standards Institute (ANSI) or the American Society of Testing Materials (ASTM). The Administrator shall take into consideration the concerns of small business in promulgating regulations under this subsection.

(D) In carrying out the authority of this paragraph, the Administrator shall consult with the Secretary of Labor and the Secretary of Transportation and shall coordinate any requirements under this paragraph with any requirements established for comparable purposes by the Occupational Safety and Health Administration or the Department of Transportation. Nothing in this subsection shall be interpreted, construed or applied to impose requirements affecting, or to grant the Administrator, the Chemical Safety and Hazard Investigation Board, or any other agency any authority to regulate (including requirements for hazard assessment), the accidental release of radionuclides arising from the construction and operation of facilities licensed by the Nuclear Regulatory Commission.

(E) After the effective date of any regulation or requirement imposed under this subsection, it shall be unlawful for any person to operate any stationary source subject to such regulation or requirement in violation of such regulation or requirement. Each regulation or requirement under this subsection shall for purposes of sections 7413, 7414, 7416, 7420, 7604, and 7607 of this title and other enforcement provisions of this chapter, be treated as a standard in effect under subsection (d).

(F) Notwithstanding the provisions of subchapter V or this section, no stationary source
shall be required to apply for, or operate pursuant to, a permit issued under such subchapter solely because such source is subject to regulations or requirements under this subchapter.

III APPLICATION.—Subclauses (I) and (II) apply to off-site consequence analysis information submitted to the Administrator before, on, or after August 5, 1999.

IV AVAILABILITY OF INFORMATION DURING TRANSITION PERIOD.—The Administrator shall make off-site consequence analysis information available to covered persons for official use in a manner that meets the requirements of items (cc) through (ee) of clause (ii)(II), and to the public in a form that does not make available any information concerning the identity or location of stationary sources, during the period—

(I) beginning on August 5, 1999, and

(II) based on the assessment under subclause (I), promulgate regulations governing the distribution of off-site consequence analysis information in a manner that, in the opinion of the President, minimizes the likelihood of accidental releases and the risk described in subclause (I)(aa) and the likelihood of harm to public health and welfare, and—

(aa) allows access by any member of the public to paper copies of off-site consequence analysis information for a limited number of stationary sources located anywhere in the United States, without any geographical restriction;

(bb) allows other public access to off-site consequence analysis information as appropriate;

(cc) allows access for official use by a covered person described in any of items (cc) through (ff) of clause (i)(I) (referred to in this subclause as a “State or local covered person”) to off-site consequence analysis information relating to stationary sources located in the person’s State;

(dd) allows a State or local covered person to provide, for official use, off-site consequence analysis information relating to stationary sources located in the person’s State to a State or local covered person in a contiguous State; and

(ee) allows a State or local covered person to obtain for official use, by request to the Administrator, off-site consequence analysis information that is not available to the person under item (cc),

(iii) AVAILABILITY UNDER FREEDOM OF INFORMATION ACT.—

(I) First year.—Off-site consequence analysis information, and any ranking of stationary sources derived from the information, shall not be made available under section 552 of title 5 during the 1-year period beginning on August 5, 1999.

(II) After first year.—If the regulations under clause (ii) are promulgated on or before the end of the period described in subclause (I), off-site consequence analysis information covered by the regulations, and any ranking of stationary sources derived from the information, shall not be made available under section 552 of title 5 after the end of that period.

(V) RISK MANAGEMENT PLAN.—The term “risk management plan” means a risk management plan submitted to the Administrator by an owner or operator of a stationary source under subparagraph (B)(iii).

(II) REGULATIONS.—Not later than 1 year after August 5, 1999, the President shall—

(I) assess—

(aa) the increased risk of terrorist and other criminal activity associated with the posting of off-site consequence analysis information on the Internet; and

(bb) the incentives created by public disclosure of off-site consequence analysis information for reduction in the risk of accidental releases; and

(b) an officer or employee of an agent or contractor of the Federal Government;

(cc) an officer or employee of a State or local government;

(dd) an officer or employee of an agent or contractor of a State or local government;

(ee) an individual affiliated with an entity that has been given, by a State or local government, responsibility for preventing, planning for, or responding to accidental releases;

(ff) an officer or employee or an agent or contractor of an entity described in item (ee); and

(gg) a qualified researcher under clause (vii).

(II) OFFICIAL USE.—The term “official use” means an action of a Federal, State, or local government agency or an entity referred to in subclause (I)(ee) intended to carry out a function relevant to preventing, planning for, or responding to accidental releases.

(III) OFF-SITE CONSEQUENCE ANALYSIS INFORMATION.—The term “off-site consequence analysis information” means the portions of a risk management plan, excluding the executive summary of the plan, consisting of an evaluation of 1 or more worst-case release scenarios or alternative release scenarios, and any electronic data base created by the Administrator from those portions.

(IV) EFFECTIVE DATE.—The regulations promulgated under this subchapter shall become effective on August 5, 1999.
(II) ending on the earlier of the date of promulgation of the regulations under clause (ii) or the date that is 1 year after August 5, 1999.

(v) PROHIBITION ON UNAUTHORIZED DISCLOSURE OF INFORMATION BY COVERED PERSONS.—

(I) IN GENERAL.—Beginning on August 5, 1999, a covered person shall not disclose to the public off-site consequence analysis information in any form, or any statewide or national ranking of identified stationary sources derived from such information, except as authorized by this subparagraph (including the regulations promulgated under clause (ii)). After the end of the 1-year period beginning on August 5, 1999, if regulations have not been promulgated under clause (ii), the preceding sentence shall not apply.

(II) CRIMINAL PENALTIES.—Notwithstanding section 7413 of this title, a covered person that willfully violates a restriction or prohibition established by this subparagraph (including the regulations promulgated under clause (ii)) shall, upon conviction, be fined for an infraction under section 3571 of title 18 (but shall not be subject to imprisonment) for each unauthorized disclosure of off-site consequence analysis information, except that subsection (d) of such section 3571 shall not apply to a case in which the offense results in pecuniary loss unless the defendant knew that such loss would occur. The disclosure of off-site consequence analysis information for each specific stationary source shall be considered a separate offense. The total of all penalties that may be imposed on a single person or organization under this item shall not exceed $1,000,000 for violations committed during any 1 calendar year.

(III) APPLICABILITY.—If the owner or operator of a stationary source makes off-site consequence analysis information relating to that stationary source available to the public without restriction—

(aa) subclauses (I) and (II) shall not apply with respect to the information; and

(bb) the owner or operator shall notify the Administrator of the public availability of the information.

(IV) LIST.—The Administrator shall maintain and make publicly available a list of all stationary sources that have provided notification under subclause (III)(bb).

(vi) NOTICE.—The Administrator shall provide notice of the definition of official use as provided in clause (i)(III) and examples of actions that would and would not meet that definition, and notice of the restrictions on further dissemination and the penalties established by this chapter to each covered person who receives off-site consequence analysis information under clause (iv) and each covered person who receives off-site consequence analysis information for an official use under the regulations promulgated under clause (ii).

(vii) QUALIFIED RESEARCHERS.—

(I) IN GENERAL.—Not later than 180 days after August 5, 1999, the Administrator, in consultation with the Attorney General, shall develop and implement a system for providing off-site consequence analysis information, including facility identification, to any qualified researcher, including a qualified researcher from industry or any public interest group.

(II) LIMITATION ON DISSEMINATION.—The system shall not allow the researcher to disseminate, or make available on the Internet, the off-site consequence analysis information, or any portion of the off-site consequence analysis information, received under this clause.

(viii) READ-ONLY INFORMATION TECHNOLOGY SYSTEM.—In consultation with the Attorney General and the heads of other appropriate Federal agencies, the Administrator shall establish an information technology system that provides for the availability to the public of off-site consequence analysis information by means of a central data base under the control of the Federal Government that contains information that users may read, but that provides no means by which an electronic or mechanical copy of the information may be made.

(ix) VOLUNTARY INDUSTRY ACCIDENT PREVENTION STANDARDS.—The Environmental Protection Agency, the Department of Justice, and other appropriate agencies may provide technical assistance to owners and operators of stationary sources and participate in the development of voluntary industry standards that will help achieve the objectives set forth in paragraph (1).

(x) EFFECT ON STATE OR LOCAL LAW.—

(I) IN GENERAL.—Subject to subclause (II), this subparagraph (including the regulations promulgated under this subparagraph) shall supersede any provision of State or local law that is inconsistent with this subparagraph (including the regulations).

(II) AVAILABILITY OF INFORMATION UNDER STATE LAW.—Nothing in this subparagraph precludes a State from making available data on the off-site consequences of releases collected in accordance with State law.

(xi) REPORT.—

(I) IN GENERAL.—Not later than 3 years after August 5, 1999, the Attorney General, in consultation with appropriate State, local, and Federal Government agencies, affected industry, and the public, shall submit to Congress a report that describes the extent to which regulations promulgated under this paragraph have resulted in actions, including the design and maintenance of safe facilities, that are effective in detecting, preventing, and minimizing the consequences of releases of regulated substances that may be caused by criminal actions, and contains information that users may read, but that provides no means by which an electronic or mechanical copy of the information may be made.
activity. As part of this report, the Attorney General, using available data to the extent possible, and a sampling of covered stationary sources selected at the discretion of the Attorney General, and in consultation with appropriate State, local, and Federal governmental agencies, affected industry, and the public, shall review the vulnerability of covered stationary sources to criminal and terrorist activity, current industry practices regarding site security, and security of transportation of regulated substances. The Attorney General shall submit this report, containing the results of the review, together with recommendations, if any, for reducing vulnerability of covered stationary sources to criminal and terrorist activity, to the Committee on Commerce of the United States Senate, and the Committee on Environment and Public Works of the United States Senate and other relevant committees of Congress.

(II) INTERIM REPORT.—Not later than 12 months after August 5, 1999, the Attorney General shall submit to the Committee on Commerce of the United States House of Representatives and the Committee on Environment and Public Works of the United States Senate, and other relevant committees of Congress, an interim report that includes, at a minimum—

(aa) the preliminary findings under subclause (I);

(bb) the methods used to develop the findings; and

(cc) an explanation of the activities expected to occur that could cause the findings of the report under subclause (I) to be different than the preliminary findings.

(III) AVAILABILITY OF INFORMATION.—Information that is developed by the Attorney General or requested by the Attorney General and received from a covered stationary source for the purpose of conducting the reviews under subclauses (I) and (II) shall be exempt from disclosure under section 552 of title 5 if such information would pose a threat to national security.

(xii) SCOPE.—This subparagraph—

(1) applies only to covered persons; and

(2) does not restrict the dissemination of off-site consequence analysis information by any covered person in any manner or form except in the form of a risk management plan or an electronic data base created by the Administrator from off-site consequence analysis information.

(xiii) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Administrator such sums as are necessary to carry out this subparagraph (including the regulations promulgated under clause (ii)), to remain available until expended.

(8) Research on hazard assessments

The Administrator may collect and publish information on accident scenarios and consequences covering a range of possible events for substances listed under paragraph (3). The Administrator shall establish a program of long-term research to develop and disseminate information on methods and techniques for hazard assessment which may be useful in improving and validating the procedures employed in the preparation of hazard assessments under this subsection.

(9) Order authority

(A) In addition to any other action taken, when the Administrator determines that there may be an imminent and substantial endangerment to the human health or welfare or the environment because of an actual or threatened accidental release of a regulated substance, the Administrator may secure such relief as may be necessary to abate such danger or threat, and the district court of the United States in the district in which the threat occurs shall have jurisdiction to grant such relief as the public interest and the equities of the case may require. The Administrator may also, after notice to the State in which the stationary source is located, take other action under this paragraph including, but not limited to, issuing such orders as may be necessary to protect human health. The Administrator shall take action under section 7603 of this title rather than this paragraph whenever the authority of such section is adequate to protect human health and the environment.

(B) Orders issued pursuant to this paragraph may be enforced in an action brought in the appropriate United States district court as if the order were issued under section 7603 of this title.

(C) Within 180 days after November 15, 1990, the Administrator shall publish guidance for using the authorities established by this paragraph. Such guidance shall provide for the coordinated use of the authorities of this paragraph with other emergency powers authorized by section 9006 of this title, sections 311(c), 308, 309 and 504(a) of the Federal Water Pollution Control Act [33 U.S.C. 1321(c), 1318, 1319, 1364(a)], sections 3007, 3008, 3013, and 7003 of the Solid Waste Disposal Act [42 U.S.C. 6927, 6928, 6934, 6973], sections 1445 and 1431 of the Safe Drinking Water Act [42 U.S.C. 300f–4, 300i], sections 5 and 7 of the Toxic Substances Control Act [15 U.S.C. 2604, 2606], and sections 7413, 7414, and 7603 of this title.

(10) Presidential review

The President shall conduct a review of release prevention, mitigation and response authorities of the various Federal agencies and shall clarify and coordinate agency responsibilities to assure the most effective and efficient implementation of such authorities and to identify any deficiencies in authority or resources which may exist. The President may utilize the resources and solicit the recommendations of the Chemical Safety and Hazard Investigation Board in conducting such review. At the conclusion of such review, not later than 24 months after November 15, 1990, the President shall transmit a message to the Congress on the release prevention, mitigation and response activities of the Federal Govern-
ment making such recommendations for change in law as the President may deem appropriate. Nothing in this paragraph shall be interpreted, construed or applied to authorize the President to modify or reassign release prevention, mitigation or response authorities otherwise established by law.

(11) State authority

Nothing in this subsection shall preclude, deny or limit any right of a State or political subdivision thereof to adopt or enforce any regulation, requirement, limitation or standard (including any procedural requirement) that is more stringent than a regulation, requirement, limitation or standard in effect under this section or that applies to a subject not subject to this subsection.

(s) Periodic report

Not later than January 15, 1993 and every 3 years thereafter, the Administrator shall prepare and transmit to the Congress a comprehensive report on the measures taken by the Agency and by the States to implement the provisions of this section. The Administrator shall maintain a database on pollutants and sources subject to the provisions of this section and shall include aggregate information from the database in each annual report. The report shall include, but not be limited to—

(1) a status report on standard-setting under subsections (d) and (f);

(2) information with respect to compliance with such standards including the costs of compliance experienced by sources in various categories and subcategories;

(3) development and implementation of the national urban air toxics program; and

(4) recommendations of the Chemical Safety and Hazard Investigation Board with respect to the prevention and mitigation of accidental releases.


REFERENCES IN TEXT

The date of enactment, referred to in subsec. (a)(11), probably means the date of enactment of Pub. L. 101–549, which amended this section generally and was approved Nov. 15, 1990.


The Toxic Substances Control Act, referred to in subsec. (k)(3)(C), is Pub. L. 94–469, Oct. 11, 1976, 90 Stat. 2003, as amended, which is classified generally to chapter 33 (§ 2601 et seq.) of Title 15, Commerce and Trade. For complete classification of this Act to the Code, see Short Title note set out under section 2601 of Title 15 and Tables.


The Occupational Safety and Health Act, referred to in subsec. (r)(6)(C)(i), (K), (L), probably means the Occupational Safety and Health Act of 1970, Pub. L. 91–596, Dec. 29, 1970, 84 Stat. 1590, as amended, which is classified principally to chapter 15 (§ 651 et seq.) of Title 29, Labor. For complete classification of this Act to the Code, see Short Title note set out under section 651 of Title 29 and Tables.

AMENDMENTS


(4) report to Congress—” for “Administrator—

(A) shall consider—” in introductory provisions, redesignated subpars. (A) to (C) as cls. (i) to (iii), respectively, of subpar. (A) and added subpar. (B).


1998—Subsec. (n)(2)(C). Pub. L. 105–362 substituted “On completion of the study, the Secretary shall submit to Congress a report on the results of the study and” for “The Secretary shall prepare annual reports to Congress on the status of the research program and at the completion of the study”.


1990—Pub. L. 101–549 amended section generally, substituting present provisions for provisions which related to: in subsec. (a), definitions; in subsec. (b), list of hazardous air pollutants, emission standards, and pollution control techniques; in subsec. (c), prohibited acts and exemption; in subsec. (d), State implementation and enforcement; and in subsec. (e), design, equipment, work practice, and operational standards.


1977—Subsec. (a)(1). Pub. L. 95–95, § 401(c), substituted “causes, or contributes to, an increase in mortality or an increase in serious irreversible, or incapacitating reversible, illness” for “may cause, or contribute to, an increase in mortality or an increase in serious irreversible, or incapacitating reversible, illness”.

Subsec. (d)(1). Pub. L. 95–95, § 160(d)(2), struck out “(except with respect to stationary sources owned or operated by the United States)” after “implement and enforce such standards”.


CHANGE OF NAME

Committee on Energy and Commerce of House of Representatives treated as referring to Committee on Commerce of House of Representatives by section 1(a) of Pub. L. 104–14, set out as a note preceding section 21 of Title 2. The Congress. Committee on Commerce of House of Representatives changed to Committee on Energy and Commerce of House of Representatives, and jurisdiction over matters relating to securities and exchanges and insurance generally transferred to Committee on Financial Services of House of Representatives by House Resolution No. 5, One Hundred Seventh Congress, Jan. 3, 2001.

EFFECTIVE DATE OF 1977 AMENDMENT

Amendment by Pub. L. 95–95 effective Aug. 7, 1977, except as otherwise expressly provided, see section 406(d) of Pub. L. 95–95, set out as a note under section 7401 of this title.

TERMINATION OF REPORTING REQUIREMENTS

For termination, effective May 15, 2000, of provisions of law requiring submittal to Congress of any annual, semiannual, or other regular periodic report listed in House Document No. 103–7 (in which reports required under subsecs. (m)(5), (r)(6)(C)(ii), and (s) of this section are listed, respectively, as the 8th item on page 162, the 9th item on page 198, and the 9th item on page 162), see section 3003 of Pub. L. 104–66, as amended, set out as a note under section 1113 of Title 31, Money and Finance.

PENDING ACTIONS AND PROCEEDINGS

Suits, actions, and other proceedings lawfully commenced by or against the Administrator or any other officer or employee of the United States in his official capacity or in relation to the discharge of his official duties under act July 14, 1955, the Clean Air Act, as in effect immediately prior to the enactment of Pub. L. 95–95 [Aug. 7, 1977], not to abate by reason of the taking effect of Pub. L. 95–95, see section 406(a) of Pub. L. 95–95, set out as an Effective Date of 1977 Amendment note under section 7401 of this title.

MODIFICATION OR RESCISSION OF RULES, REGULATIONS, ORDERS, DETERMINATIONS, CONTRACTS, CERTIFICATIONS, AUTHORIZATIONS, DELEGATIONS, AND OTHER ACTIONS

All rules, regulations, orders, determinations, contracts, certifications, authorizations, delegations, or other actions duly issued, made, or taken by or pursuant to act July 14, 1955, the Clean Air Act, as in effect immediately prior to the date of enactment of Pub. L. 95–95 [Aug. 7, 1977] to continue in full force and effect until modified or rescinded in accordance with act July 14, 1955, as amended by Pub. L. 95–95 [this chapter], see section 406(b) of Pub. L. 95–95, set out as an Effective Date of 1977 Amendment note under section 7401 of this title.

DELEGATION OF AUTHORITY

Memorandum of President of the United States, Aug. 19, 1993, 58 F.R. 52597, provided:

Memorandum for the Administrator of the Environmental Protection Agency WHEREAS, the Environmental Protection Agency, the agencies and departments that are members of the National Response Team (authorized under Executive Order No. 12580, 52 Fed. Reg. 2923 (1987) (42 U.S.C. 9615 note)), and other Federal agencies and departments undertake emergency release prevention, mitigation, and response activities pursuant to various authorities;

By the authority vested in me as President by the Constitution and laws of the United States of America, including section 112(r)(10) of the Clean Air Act (the “Act”) (section 7412(r)(10) of title 42 of the United States Code) and section 301 of title 3 of the United States Code, and in order to provide for the delegation of certain functions under the Act (42 U.S.C. 7401 et seq.), I hereby:

(1) Authorize you, in coordination with agencies and departments that are members of the National Response Team and other appropriate agencies and departments, to conduct a review of release prevention, mitigation, and response authorities of Federal agencies in order to assure the most effective and efficient implementation of such authorities and to identify any deficiencies in authority or resources that may exist, to the extent such review is required by section 112(r)(10) of the Act; and

(2) Authorize you, in coordination with agencies and departments that are members of the National Response Team and other appropriate agencies and departments, to prepare and transmit a message to the Congress concerning the release prevention, mitigation, and response activities of the Federal Government with such recommendations for change in law as you deem appropriate, to the extent such message is required by section 112(r)(10) of the Act.

The authority delegated by this memorandum may be further redelegated within the Environmental Protection Agency.

You are hereby authorized and directed to publish this memorandum in the Federal Register.

William J. Clinton.

Memorandum of President of the United States, Jan. 27, 2000, 65 F.R. 8681, provided:

Memorandum for the Attorney General[,] the Administrator of the Environmental Protection Agency[,] and the Director of the Office of Management and Budget. By the authority vested in me as President by the Constitution and laws of the United States of America, including section 112(r)(7)(H) of the Clean Air Act (“Act”) (42 U.S.C. 7412(r)(7)(H)), as added by section 3 of the Chemical Safety Information, Site Security and Fuels Regulatory Relief Act (Public Law 106–40), and section 301 of title 3, United States Code, I hereby delegate to:

(1) the Attorney General the authority vested in the President under section 112(r)(7)(H)(1)(I)(aa) of the Act...
to assess the increased risk of terrorist and other criminal activity associated with the posting of off-site consequence analysis information on the Internet;

(2) the Administrator of the Environmental Protection Agency (EPA) the authority vested in the President under section 112(r)(7)(B)(ii)(B) of the Act to proceed with the risk management policy issues including the risk of accidental releases; and

(3) the Attorney General and the Administrator of EPA, jointly, the authority vested in the President under section 112(r)(7)(B)(ii)(b) of the Act to promulgate regulations, based on these assessments, governing the distribution of off-site consequence analysis information. These regulations, in proposed and final form, shall be subject to notice and comment procedures within 180 days after the date of enactment of this Act. Not later than 10 months after the date of enactment of this Act, each such owner or operator shall send a certification to the Director of the Office of Management and Budget stating that such reevaluation has been completed.

The Administrator of EPA is authorized and directed to publish this memorandum in the Federal Register.
"(5) and comment on the degree to which it is possible or desirable to develop a consistent risk assessment methodology, or a consistent standard of acceptable risk, for various Federal programs.

"(c) MEMBERSHIP.—Such Commission shall be composed of ten members who shall have knowledge or experience in fields of risk assessment or risk management, including three members to be appointed by the President, two members to be appointed by the Speaker of the House of Representatives, one member to be appointed by the Minority Leader of the House of Representatives, two members to be appointed by the Majority Leader of the Senate, one member to be appointed by the Minority Leader of the Senate, and one member to be appointed by the President of the National Academy of Sciences. Appointments shall be made not later than 18 months after the date of enactment of the Clean Air Act Amendments of 1990 (Nov. 15, 1990).

"(d) ASSISTANCE FROM AGENCIES.—The Administrator of the Environmental Protection Agency and the heads of all other departments, agencies, and instrumentalities of the executive branch of the Federal Government shall, to the maximum extent practicable, assist the Commission in gathering such information as the Commission deems necessary to carry out this section subject to other provisions of law.

"(e) STAFF AND CONTRACTS.—

"(1) In the conduct of the study required by this section, the Commission is authorized to contract (in accordance with Federal in Federal regulatory law) with non-governmental entities that are competent to perform research or investigations within the Commission's mandate, and to hold public hearings, forums, and workshops to enable full public participation.

"(2) The Commission may appoint and fix the pay of such staff as it deems necessary in accordance with the provisions of title 5, United States Code. The Commission may request the temporary assignment of personnel from the Environmental Protection Agency or other Federal agencies.

"(f) MEMBERSHIP.—The members of the Commission who are not officers or employees of the United States, while attending conferences or meetings of the Commission or while otherwise serving at the request of the Chair, shall be entitled to receive compensation at a rate not in excess of the maximum rate of pay for Grade GS–18, as provided in the General Schedule under section 5332 of title 5 of the United States Code, including travel time, and while away from their homes or regular places of business they may be allowed travel expenses, including per diem in lieu of subsistence as authorized by law for persons in the Government service employed intermittently.

"(g) REPORT.—A report containing the results of all Commission studies and investigations under this section, together with any appropriate legislative recommendations or administrative recommendations, shall be made available to the public for comment not later than 42 months after the date of enactment of the Clean Air Act Amendments of 1990 (Nov. 15, 1990) and shall be submitted to the President and to the Congress not later than 48 months after such date of enactment.

In the report, the Commission shall make recommendations with respect to the appropriate use of risk assessment and management in regulatory programs to prevent cancer or other chronic health effects which may result from exposure to hazardous substances. The Commission shall cease to exist upon the date determined by the Commission, but not later than 9 months after the submission of such report.

"(h) AUTHORIZATION.—There are authorized to be appropriated such sums as are necessary to carry out the activities of the Commission established by this section."

References in laws to the rates of pay for GS–16, 17, or 18, or to maximum rates of pay under the General Schedule, or to be considered in rates payable under specified sections of Title 5, Government Organization and Employees, see section 529 [title I, §101(c)(1)] of Pub. L. 101–509, set out in a note under section 5376 of Title 5.)

FLEXIBLE IMPLEMENTATION OF THE MERCURY AND AIR TOXICS STANDARDS RULE

Memorandum of President of the United States, Dec. 21, 2011, 76 F.R. 80727, provided:

Memorandum for the Administrator of the Environmental Protection Agency

Today's issuance, by the Environmental Protection Agency (EPA), of the final Mercury and Air Toxics Standards rule for power plants (the "MATS Rule") represents a major step forward in my Administration's efforts to protect public health and the environment. This rule, issued after careful consideration of public comments, prescribes standards under section 112(l) of the Clean Air Act to control emissions of mercury and other toxic air pollutants from power plants, which collectively are among the largest sources of such pollution in the United States. The EPA estimates that by substantially reducing emissions of pollutants that contribute to neurological damage, cancer, respiratory illnesses, and other health risks, the MATS Rule will produce major health benefits for millions of Americans—including children, older Americans, and other vulnerable populations. Consistent with Executive Order 13563 (Improving Regulation and Regulatory Review), the estimated benefits of the MATS Rule far exceed the estimated costs.

The MATS Rule can be implemented through the use of demonstrated, existing pollution control technologies. The United States is a global market leader in the design and manufacture of these technologies, and it is anticipated that U.S. firms and workers will provide much of the equipment and labor needed to meet the substantial investments in pollution control that the standards are expected to spur.

These new standards will promote the transition to a cleaner and more efficient U.S. electric power system. This system as a whole is critical infrastructure that plays a key role in the functioning of all facets of the U.S. economy, and maintaining its stability and reliability is of critical importance. It is therefore crucial that implementation of the MATS Rule proceed in a cost-effective manner that ensures electric reliability.

Analyses conducted by the EPA and the Department of Energy (DOE) indicate that the MATS Rule is not anticipated to compromise electric generating resource adequacy in any region of the country. The Clean Air Act offers a number of implementation flexibilities, and the EPA has a long and successful history of using those flexibilities to ensure a smooth transition to cleaner technologies.

The Clean Air Act provides 3 years from the effective date of the MATS Rule for sources to comply with its requirements. In addition, section 112(l)(3)(B) of the Act allows the issuance of a permit granting a source up to one additional year when necessary for the installation of controls. As you stated in the preamble to the MATS Rule, this additional fourth year should be broadly available to sources, consistent with the requirements of the law.

The EPA has concluded that 4 years should generally be sufficient to install the necessary emission control equipment, and DOE has issued analysis consistent with that conclusion. While more time is generally not expected to be needed, the Clean Air Act offers other important flexibilities as well. For example, section 113(a) of the Act provides the EPA with flexibility to bring sources into compliance over the course of an additional year, should unusual circumstances arise that warrant such flexibility.

To address any concerns with respect to electric reliability while assuring MATS' public health benefits, I direct you to take the following actions:

1. Building on the information and guidance that you have provided to the public, relevant stakeholders, and permitting authorities in the preamble of the MATS Rule, work with State and local permitting authorities to make the additional year for compliance with the
MATS Rule provided under section 112(r)(3)(B) of the Clean Air Act broadly available to sources, consistent with law, and to invoke this flexibility expeditiously where justified.

2. Promote early, coordinated, and orderly planning and execution of the measures needed to implement the MATS Rule while maintaining the reliability of the electric power system. Consistent with Executive Order 13563, this process should be designed to “promote predictability and reduce uncertainty,” and should include engagement and coordination with DOE, the Federal Energy Regulatory Commission, State utility regulators, Regional Transmission Organizations, the North American Electric Reliability Corporation and regional electric reliability organizations, other grid planning authorities, electric utilities, and other stakeholders, as appropriate.

3. Make available to the public, including relevant stakeholders, information concerning any anticipated use of authorities: (a) under section 112(r)(3)(B) of the Clean Air Act in the event that additional time to comply with the MATS Rule is necessary for the installation of technology; and (b) under section 113a of the Clean Air Act in the event that additional time to comply with the MATS Rule is necessary to address a specific and documented electric reliability issue. This information should describe the process for working with entities with relevant expertise to identify circumstances where electric reliability concerns might justify allowing additional time to comply.

This memorandum is not intended to, and does not, create any right or benefit, substantive or procedural, enforceable at law or in equity by any party against the United States, its departments, agencies, or entities, its officers, employees, or agents, or any other person.

You are hereby authorized and directed to publish this memorandum in the Federal Register.

Barack Obama.

§ 7413. Federal enforcement

(a) In general

(1) Order to comply with SIP

Whenever, on the basis of any information available to the Administrator, the Administrator finds that any person has violated or is in violation of any requirement or prohibition of an applicable implementation plan or permit, the Administrator shall notify the person and the State in which the plan applies of such finding. At any time after the expiration of 30 days following the date on which such notice of a violation is issued, the Administrator may, without regard to the period of violation (subject to section 2462 of title 28)—

(A) issue an order requiring such person to comply with the requirements or prohibitions of such plan or permit,

(B) issue an administrative penalty order in accordance with subsection (d), or

(C) bring a civil action in accordance with subsection (b).

(2) State failure to enforce SIP or permit program

Whenever, on the basis of information available to the Administrator, the Administrator finds that violations of an applicable implementation plan or an approved permit program under subchapter V are so widespread that such violations appear to result from a failure of the State in which the plan or permit program applies to enforce the plan or permit program effectively, the Administrator shall so notify the State. In the case of a permit program, the notice shall be made in accordance with subchapter V. If the Administrator finds such failure extends beyond the 30th day after such notice (90 days in the case of such permit program), the Administrator shall give public notice of such finding. During the period beginning with such public notice and ending when such State satisfies the Administrator that it will enforce such plan or permit program (hereafter referred to in this section as “period of federally assumed enforcement”), the Administrator may enforce any requirement or prohibition of such plan or permit program with respect to any person by—

(A) issuing an order requiring such person to comply with such requirement or prohibition,

(B) issuing an administrative penalty order in accordance with subsection (d), or

(C) bringing a civil action in accordance with subsection (b).

(3) EPA enforcement of other requirements

Except for a requirement or prohibition enforceable under the preceding provisions of this subsection, whenever, on the basis of any information available to the Administrator, the Administrator finds that any person has violated, or is in violation of, any other requirement or prohibition of this subchapter, section 7603 of this title, subchapter IV–A, subchapter V, or subchapter VI, including, but not limited to, a requirement or prohibition of any rule, plan, order, waiver, or permit promulgated, issued, or approved under those provisions or subchapters, or for the payment of any fee owed to the United States under this chapter (other than subchapter II), the Administrator may—

(A) issue an administrative penalty order in accordance with subsection (d),

(B) issue an order requiring such person to comply with such requirement or prohibition,

(C) bring a civil action in accordance with subsection (b) or section 7605 of this title, or

(D) request the Attorney General to commence a criminal action in accordance with subsection (c).

(4) Requirements for orders

An order issued under this subsection (other than an order relating to a violation of section 7412 of this title) shall not take effect until the person to whom it is issued has had an opportunity to confer with the Administrator concerning the alleged violation. A copy of any order issued under this subsection shall be sent to the State air pollution control agency of any State in which the violation occurs. Any order issued under this subsection shall state with reasonable specificity the nature of the violation and specify a time for compliance which the Administrator determines is reasonable, taking into account the seriousness of the violation and any good faith efforts to comply with applicable requirements. In any case in which an order under this subsection (or notice to a violator under paragraph (1)) is issued to a corporation, a copy of
such order (or notice) shall be issued to appropriate corporate officers. An order issued under this subsection shall require the person to whom it was issued to comply with the requirement as expeditiously as practicable, but in no event longer than one year after the date the order was issued, and shall be nonrenewable. No order issued under this subsection shall prevent the State or the Administrator from assessing any penalties nor otherwise affect or limit the State's or the United States authority to enforce under other provisions of this chapter, nor affect any person's obligations to comply with any section of this chapter or with a term or condition of any permit or applicable implementation plan promulgated or approved under this chapter.

(5) Failure to comply with new source requirements

Whenever, on the basis of any available information, the Administrator finds that a State is not acting in compliance with any requirement or prohibition of the chapter relating to the construction of new sources or the modification of existing sources, the Administrator may—

(A) issue an order prohibiting the construction or modification of any major stationary source in any area to which such requirement applies;

(B) issue an administrative penalty order in accordance with subsection (d), or

(C) bring a civil action under subsection (b).

Nothing in this subsection shall preclude the United States from commencing a criminal action under subsection (c) at any time for any such violation.

(b) Civil judicial enforcement

The Administrator shall, as appropriate, in the case of any person that is the owner or operator of an affected source, a major emitting facility, or a major stationary source, and may, in the case of any other person, commence a civil action for a permanent or temporary injunction, or to assess and recover a civil penalty of not more than $25,000 per day for each violation, or both, in any of the following instances:

(1) Whenever such person has violated, or is in violation of, any requirement or prohibition of an applicable implementation plan or permit. Such an action shall be commenced (A) during any period of federally assumed enforcement, or (B) more than 30 days following the date of the Administrator's notification under subsection (a)(1) that such person has violated, or is in violation of, such requirement or prohibition.

(2) Whenever such person has violated, or is in violation of, any other requirement or prohibition of this subchapter, section 7603 of this title, subchapter IV–A, subsection (a) of this section, requirement or prohibition of an applicable implementation plan or permit promulgated or approved under such sections or subchapters, and including any requirement for the payment of any fee owed the United States under this chapter (other than subchapter II).

(3) Whenever such person attempts to construct or modify a major stationary source in any area with respect to which a finding under subsection (a)(5) has been made.

Any action under this subsection may be brought in the district court of the United States for the district in which the violation is alleged to have occurred, or is occurring, or in which the defendant resides, or where the defendant's principal place of business is located, and such court shall have jurisdiction to restrain such violation, to require compliance, to assess such civil penalty, to collect any fees owed the United States under this chapter (other than subchapter II) and any noncompliance assessment and nonpayment penalty owed under section 7420 of this title, and to award any other appropriate relief. Notice of the commencement of such action shall be given to the appropriate State air pollution control agency. In the case of any action brought by the Administrator under this subsection, the court may award costs of litigation (including reasonable attorney and expert witness fees) to the party or parties against whom such action was brought if the court finds that such action was unreasonable.

(c) Criminal penalties

(1) Any person who knowingly violates any requirement or prohibition of an applicable implementation plan (during any period of federally assumed enforcement or more than 30 days after having been notified under subsection (a)(1) by the Administrator that such person is violating such requirement or prohibition), any order under subsection (a) of this section, requirement or prohibition of section 7411(e) of this title (relating to new source performance standards), section 7412 of this title, section 7414 of this title (relating to inspections, etc.), section 7420 of this title (relating to solid waste combustion), section 7475(a) of this title (relating to pre-construction requirements), an order under section 7477 of this title (relating to pre-construction requirements), an order under section 7603 of this title (relating to emergency orders), section 7661a(a) or 7661b(c) of this title (relating to permits), or any requirement or prohibition of subchapter IV–A (relating to acid deposition control), or subchapter VI (relating to stratospheric ozone control), including a requirement of any rule, order, waiver, or permit promulgated or approved under such sections or subchapters, and including any requirement for the payment of any fee owed the United States under this chapter (other than subchapter II) shall, upon conviction, be punished by a fine pursuant to title 18 or by imprisonment for not to exceed 5 years, or both. If a conviction of any person under this paragraph is for a violation committed after a first conviction of such person under this paragraph, the maximum punishment shall be doubled with respect to both the fine and imprisonment.

(2) Any person who knowingly—

(A) makes any false material statement, representation, or certification in, or omits material information from, or knowingly alters, conceals, or fails to file or maintain any notice, application, record, report, plan, or other
document required pursuant to this chapter to be either filed or maintained (whether with respect to the requirements imposed by the Administrator or by a State); (B) fails to notify or report as required under this chapter; or (C) falsifies, tampers with, renders inaccurate, or fails to install any monitoring device or method required to be maintained or followed under this chapter 2 shall, upon conviction, be punished by a fine pursuant to title 18 or by imprisonment for not more than 2 years, or both. If a conviction of any person under this paragraph is for a violation committed after a first conviction of such person under this paragraph, the maximum punishment shall be doubled with respect to both the fine and imprisonment.

(3) Any person who knowingly fails to pay any fee owed the United States under this subchapter, subchapter III, IV–A, V, or VI shall, upon conviction, be punished by a fine pursuant to title 18 or by imprisonment for not more than 1 year, or both. If a conviction of any person under this paragraph is for a violation committed after a first conviction of such person under this paragraph, the maximum punishment shall be doubled with respect to both the fine and imprisonment.

(4) Any person who negligently releases into the ambient air any hazardous air pollutant listed pursuant to section 7412 of this title or any extremely hazardous substance listed pursuant to section 11002(a)(2) of this title that is not listed in section 7412 of this title, and who at the time negligently places another person in imminent danger of death or serious bodily injury shall, upon conviction, be punished by a fine under title 18 or by imprisonment for not more than 1 year, or both. If a conviction of any person under this paragraph is for a violation committed after a first conviction of such person under this paragraph, the maximum punishment shall be doubled with respect to both the fine and imprisonment.

(5)(A) Any person who knowingly releases into the ambient air any hazardous air pollutant listed pursuant to section 7412 of this title or any extremely hazardous substance listed pursuant to section 11002(a)(2) of this title that is not listed in section 7412 of this title, and who at the time negligently places another person in imminent danger of death or serious bodily injury shall, upon conviction, be punished by a fine under title 18 or by imprisonment of not more than 15 years, or both. Any person committing such violation which is an organization shall, upon conviction under this paragraph, be subject to a fine of not more than $1,000,000 for each violation. If a conviction of any person under this paragraph is for a violation committed after a first conviction of such person under this paragraph, the maximum punishment shall be doubled with respect to both the fine and imprisonment.

(5)(B) Any person who knowingly releases into the ambient air any hazardous air pollutant listed pursuant to section 7412 of this title or any extremely hazardous substance listed pursuant to section 11002(a)(2) of this title that is not listed in section 7412 of this title, and who at the time negligently places another person in imminent danger of death or serious bodily injury shall, upon conviction, be punished by a fine under title 18 or by imprisonment of not more than 15 years, or both. Any person committing such violation which is an organization shall, upon conviction under this paragraph, be subject to a fine of not more than $1,000,000 for each violation. If a conviction of any person under this paragraph is for a violation committed after a first conviction of such person under this paragraph, the maximum punishment shall be doubled with respect to both the fine and imprisonment.

(5)(C) It is an affirmative defense to a prosecution that the conduct charged was freely consented to by the person endangered and that the danger and conduct charged were reasonably foreseeable hazards of— (i) an occupation, a business, or a profession; or (ii) medical treatment or medical or scientific experimentation conducted by professionally approved methods and such other person had been made aware of the risks involved prior to giving consent.

The defendant may establish an affirmative defense under this subparagraph by a preponderance of the evidence.

(6) For the purpose of this subsection, the term "serious bodily injury" means bodily injury which involves a substantial risk of death, unconsciousness, extreme physical pain, protracted and obvious disfigurement or protracted loss or impairment of the function of a bodily member, organ, or mental faculty.

(d) Administrative assessment of civil penalties

(1) The Administrator may issue an administrative order against any person assessing a civil administrative penalty of up to $25,000 per day of violation, whenever, on the basis of any available information, the Administrator finds that such person— (A) has violated or is violating any requirement or prohibition of an applicable imple-
§ 7413

The Administrator's authority under this paragraph shall be limited to matters where the total penalty sought does not exceed $200,000 and the first alleged date of violation occurred more than 12 months prior to the initiation of the administrative action, except where the Administrator and the Attorney General jointly determine that a matter involving a larger penalty amount or longer period of violation is appropriate for administrative penalty action. Any such determination by the Administrator and the Attorney General shall not be subject to judicial review.

(2)(A) An administrative penalty assessed under paragraph (1) shall be assessed by the Administrator by an order made after opportunity for a hearing on the record in accordance with sections 554 and 556 of title 5. The Administrator shall issue reasonable rules for discovery and other procedures for hearings under this paragraph. Before issuing such an order, the Administrator shall give written notice to the person to be assessed an administrative penalty of the Administrator's proposal to issue such order and provide such person an opportunity to request such a hearing on the order, within 30 days of the date the notice is received by such person.

(B) The Administrator may compromise, modify, or remit, with or without conditions, any administrative penalty which may be imposed under this subsection.

(3) The Administrator may implement, after consultation with the Attorney General and the States, a field citation program through regulations establishing appropriate minor violations for which field citations assessing civil penalties not to exceed $5,000 per day of violation may be issued by officers or employees designated by the Administrator. Any person to whom a field citation is assessed may, within a reasonable time as prescribed by the Administrator through regulation, elect to pay the penalty assessment or to request a hearing on the field citation. If a request for a hearing is not made within the time specified in the regulation, the penalty assessment in the field citation shall be final. Such hearing shall not be subject to section 554 or 556 of title 5, but shall provide a reasonable opportunity to be heard and to present evidence. Payment of a civil penalty required by a field citation shall not be a defense to further enforcement by the United States or a State to correct a violation, or to assess the statutory maximum penalty pursuant to other authorities in the chapter, if the violation continues.

(4) Any person against whom a civil penalty is assessed under paragraph (3) of this subsection or to whom an administrative penalty order is issued under paragraph (1) of this subsection may seek review of such assessment in the United States District Court for the District of Columbia or for the district in which the violation is alleged to have occurred, in which such person resides, or where such person's principal place of business is located, by filing in such court within 30 days following the date the administrative penalty order becomes final under paragraph (2), the assessment becomes final under paragraph (3), or a final decision following a hearing under paragraph (3) is rendered, and by simultaneously sending a copy of the filing by certified mail to the Administrator and the Attorney General. Within 30 days thereafter, the Administrator shall file in such court a certified copy, or certified index, as appropriate, of the record on which the administrative penalty order or assessment was issued. Such court shall not set aside or remand such order or assessment unless there is not substantial evidence in the record, taken as a whole, to support the finding of a violation or unless the order or penalty assessment constitutes an abuse of discretion. Such order or penalty assessment shall not be subject to review by any court except as provided in this paragraph. In any such proceedings, the United States may seek to recover civil penalties ordered or assessed under this section.

(5) If any person fails to pay an assessment of a civil penalty or fails to comply with an administrative penalty order—

(A) after the order or assessment has become final, or

(B) after a court in an action brought under paragraph (4) has entered a final judgment in favor of the Administrator,

the Administrator shall request the Attorney General to bring a civil action in an appropriate district court to enforce the order or to recover the amount ordered or assessed (plus interest at rates established pursuant to section 662(a)(2) of title 26 from the date of the final order or decision or the date of the final judgment, as the case may be). In such an action, the validity, amount, and appropriateness of such order or assessment shall not be subject to review. Any person who fails to pay on a timely basis a civil penalty ordered or assessed under this section shall be required to pay, in addition to such penalty and interest, the United States enforcement expenses, including but not limited to attorneys fees and costs incurred by the United States for collection proceedings and a quarterly nonpayment penalty for each quarter during which such failure to pay persists. Such nonpayment penalty shall be 10 percent of the aggregate amount of such person's outstanding penalties and nonpayment penalties accrued as of the beginning of such quarter.

(e) Penalty assessment criteria

(1) In determining the amount of any penalty to be assessed under this section or section
7604(a) of this title, the Administrator or the court, as appropriate, shall take into consideration (in addition to such other factors as justice may require) the size of the business, the economic impact of the penalty on the business, the violator's full compliance history and good faith efforts to comply, the duration of the violation as established by any credible evidence (including evidence other than the applicable test method), payment by the violator of penalties previously assessed for the same violation, the economic benefit of noncompliance, and the seriousness of the violation. The court shall not assess penalties for noncompliance with administrative subpoenas under section 7607(a) of this title, or actions under section 714 of this title, where the violator had sufficient cause to violate or fail or refuse to comply with such subpoena or action.

(2) A penalty may be assessed for each day of violation. For purposes of determining the number of days of violation for which a penalty may be assessed under subsection (b) or (d) of this section, or section 7604(a) of this title, or an assessment may be made under section 7420 of this title, where the Administrator or an air pollution control agency has notified the source of the violation, and the plaintiff makes a prima facie showing that the conduct or events giving rise to the violation are likely to have continued or recurred past the date of notice, the days of violation shall be presumed to include the date of such notice and each and every day thereafter until the violator establishes that continuous compliance has been achieved, except to the extent that the violator can prove by a preponderance of the evidence that there were intervening days during which no violation occurred or that the violation was not continuing in nature.

(f) Awards

The Administrator may pay an award, not to exceed $10,000, to any person who furnishes information or services which lead to a criminal conviction or a judicial or administrative civil penalty for any violation of this subchapter or subchapter III, IV–A, V, or VI of this chapter enforced under this section. Such payment is subject to available appropriations for such purposes as provided in annual appropriation Acts. Any officer, employee of the United States or any State or local government who furnishes information or renders service in the performance of an official duty is ineligible for payment under this subsection. The Administrator may, by regulation, prescribe additional criteria for eligibility for such an award.

(g) Settlements; public participation

At least 30 days before a consent order or settlement agreement of any kind under this chapter to which the United States is a party (other than enforcement actions under this section, section 7420 of this title, or subchapter II, whether or not involving civil or criminal penalties, or judgments subject to Department of Justice policy on public participation) is final or filed with a court, the Administrator shall provide a reasonable opportunity by notice in the Federal Register to persons who are not named as parties or intervenors to the action or matter to comment in writing. The Administrator or the Attorney General, as appropriate, shall promptly consider any such written comments and may withdraw or withhold his consent to the proposed order or agreement if the comments disclose facts or considerations which indicate that such consent is inappropriate, improper, inadequate, or inconsistent with the requirements of this chapter. Nothing in this subsection shall apply to civil or criminal penalties under this chapter.

(h) Operator

For purposes of the provisions of this section and section 7420 of this title, the term “operator”, as used in such provisions, shall include any person who is senior management personnel or a corporate officer. Except in the case of knowing and willful violations, such term shall not include any person who is a stationary engineer or technician for the operation, maintenance, repair, or monitoring of equipment and facilities and who often has supervisory and training duties but who is not senior management personnel or a corporate officer. Except in the case of knowing and willful violations, for purposes of subsection (c)(4) of this section, the term “a person” shall not include an employee who is carrying out his normal activities and who is not a part of senior management personnel or a corporate officer. Except in the case of knowing and willful violations, for purposes of paragraphs (1), (2), (3), and (5) of subsection (c) of this section the term “a person” shall not include an employee who is carrying out his normal activities and who is acting under orders from the employer.


Codification

Section was formerly classified to section 1857c–8 of this title.

Amendments

1990—Pub. L. 101–549 amended section generally, substituting present provisions for provisions which related to: in subsec. (a), finding of violation, notice, compliance order, civil action. State failure to enforce plan, and construction or modification of major stationary sources; in subsec. (b), violations by owners or operators of major stationary sources; in subsec. (c), penalties; in subsec. (d), final compliance orders; and in subsec. (e), steel industry compliance extension.


Subsec. (b). Pub. L. 95–95, §111(b), (c), substituted “shall, in the case of any person which is the owner or operator of a major stationary source, and may, in the case of any other person, commence a civil action for a permanent or temporary injunction, or to assess and recover a civil penalty of not more than $25,000 per day
of violation, or both, whenever such person” for “may commence a civil action for appropriate relief, including a permanent or temporary injunction, whenever any person” in provisions preceding par. (1), inserted references to subsec. (d)(5) of this section, sections 7419 and 7620 of this title, and regulations under part in par. (3), inserted reference to subsec. (d) of this section in par. (4), added par. (5), and, in provisions following par. (5), authorized the commencement of civil actions to recover noncompliance penalties and nonpayment penalties under section 7420 of this title, expanded jurisdictional provisions to authorize actions in districts in which the violation occurred and to authorize the district court to restrain violations, to require compliance, to assess civil penalties, and to collect penalties under section 7420 of this title, enumerated factors to be taken into consideration in determining the amount of civil penalties, and authorized awarding of costs to the party or parties against whom the action was brought in cases where the court finds that the action was unreasonable.

Subsec. (b)(3). Pub. L. 95–190, §14(a)(10), (11), inserted “or” after “ozone);”, and substituted “7624” for “7620”.

Subsec. (c)(1). Pub. L. 95–95, §111(d)(1), (2), substituted “any order issued under section 7419 of this title or under subsection (a) or (d) of this section” for “any order issued by the Administrator under subsection (a)” in subpar. (B), struck out reference to section 119(g) as in effect before the date of the enactment of Pub. L. 95–95 in subpar. (C), and added subpar. (D).

Subsec. (c)(1)(B). Pub. L. 95–190, §14(a)(12), inserted “or” after “section.”.

Subsec. (c)(1)(D). Pub. L. 95–190, §14(a)(13), substituted “7624” for “7620”.


Subsec. (d). Pub. L. 95–95, §112(a), added subsec. (d).

Subsec. (d)(1). Pub. L. 95–190, §14(a)(14), substituted “to any stationary source which is unable to comply with any requirement of an applicable implementation plan an order” for “an order for any stationary source” and “such requirement” for “any requirement of an applicable implementation plan”.

Subsec. (d)(1)(E). Pub. L. 95–190, §14(a)(15), inserted provision relating to exemption under section 7420(a)(2)(B) or (C) of this title, provision relating to noncompliance penalties effective July 1, 1979, and reference to subsec. (b)(3) or (g) of section 7420 of this title.

Subsec. (d)(2). Pub. L. 95–190, §14(a)(16), inserted provisions relating to determinations by the Administrator of compliance with requirements of this chapter of State orders issued under this subsection.


Subsec. (d)(5)(A). Pub. L. 95–190, §14(a)(18), substituted “an additional period for” for “an additional period of”.

Subsec. (d)(8). Pub. L. 95–190, §14(a)(19), struck out reference to par. (3) of this subsection.

Subsec. (d)(10). Pub. L. 95–190, §14(a)(20), substituted “in effect” for “issued”, “Federal” for “other”, and “and no action under” for “or”.

Subsec. (d)(11). Pub. L. 95–190, §14(a)(21), substituted “and in effect” for “(approved by the Administrator)”.


Subsecs. (b)(3), (c)(1)(C), Pub. L. 93–319, §6(a)(2), (3), inserted reference to section 1857c–10(g) of this title.

1971—Subsec. (b)(2). Pub. L. 92–157, §302(b), inserted “(A)” before “during” and “, or (B)” after “assumed enforcement”.

Subsec. (c)(1)(A). Pub. L. 92–157, §302(c), inserted “(i)” before “during” and “, or (ii)” after “assumed enforcement”.

Effective Date of 1977 Amendment

Amendment by Pub. L. 95–95 effective Aug. 7, 1977, except as otherwise expressly provided, see section 406(d) of Pub. L. 95–95, set out as a note under section 7401 of this title.

Pending Actions and Proceedings

Suits, actions, and other proceedings lawfully commenced by or against the Administrator or any other officer or employee of the United States in his official capacity or in relation to the discharge of his official duties under act July 14, 1955, the Clean Air Act, as in effect immediately prior to the enactment of Pub. L. 95–95 [Aug. 7, 1977], not to abate by reason of the taking effect of Pub. L. 95–95, see section 406(a) of Pub. L. 95–95, set out as an Effective Date of 1977 Amendment note under section 7401 of this title.

Modification or Rescission of Rules, Regulations, Orders, Determinations, Contracts, Certifications, Authorizations, Delegations, and Other Actions

All rules, regulations, orders, determinations, contracts, certifications, authorizations, delegations, or other actions duly issued, made, or taken by or pursuant to act July 14, 1955, the Clean Air Act, as in effect immediately prior to the date of enactment of Pub. L. 95–95 (Aug. 7, 1977) to continue in full force and effect until modified or rescinded in accordance with act July 14, 1955, as amended by Pub. L. 95–95 [this chapter], see section 406(b) of Pub. L. 95–95, set out as an Effective Date of 1977 Amendment note under section 7401 of this title.

Transfer of Functions

Federal Power Commission terminated and its functions, personnel, property, funds, etc., transferred to Secretary of Energy (except for certain functions transferred to Federal Energy Regulatory Commission) by sections 7131(b), 7171(a), 7172(a), 7291, and 7293 of this title.

§7414. Recordkeeping, inspections, monitoring, and entry

(a) Authority of Administrator or authorized representative

For the purpose (i) of developing or assisting in the development of any implementation plan under section 7410 or section 7411(d) of this title, any standard of performance under section 7411 of this title, any emission standard under section 7412 of this title, any requirement of this title, or any regulation of solid waste combustion under section 7429 of this title, or any regulation under section 7429 of this title (relating to solid waste combustion), (ii) of determining whether any person is in violation of any such standard or any requirement of such a plan, or (iii) carrying out any provision of this chapter (except a provision of subchapter II with respect to a manufacturer of new motor vehicles or new motor vehicle engines)—

(1) The Administrator may require any person who owns or operates any emission source, who manufactures emission control equipment or process equipment, who the Administrator believes may have information necessary for the purposes set forth in this subsection, or who is subject to any requirement of this chapter (other than a manufacturer subject to the provisions of section 7525(c) or 7542 of this title with respect to a provision of subchapter II) on a one-time, periodic or continuous basis to—

1So in original.
(A) establish and maintain such records;
(B) make such reports;
(C) install, use, and maintain such monitoring equipment, and use such audit procedures, or methods;
(D) sample such emissions (in accordance with such procedures or methods, at such locations, at such intervals, during such periods and in such manner as the Administrator shall prescribe);
(E) keep records on control equipment parameters, production variables or other indirect data when direct monitoring of emissions is impractical;
(F) submit compliance certifications in accordance with subsection (a)(3); and
(G) provide such other information as the Administrator may reasonably require; and

(2) the Administrator or his authorized representative, upon presentation of his credentials,
(A) shall have a right of entry to, upon, or through any premises of such person or in which any records required to be maintained under paragraph (1) of this section are located, and
(B) may at reasonable times have access to and copy any records, inspect any monitoring equipment or method required under paragraph (1), and sample any emissions which such person is required to sample under paragraph (1).

(3) The 4 Administrator shall in the case of any person which is the owner or operator of a major stationary source, and may, in the case of any other person, require enhanced monitoring and submission of compliance certifications. Compliance certifications shall include (A) identification of the applicable requirement that is the basis of the certification, (B) the method used for determining the compliance status of the source, (C) the compliance status, (D) whether compliance is continuous or intermittent, (E) such other facts as the Administrator may require. Compliance certifications and monitoring data shall be subject to subsection (c) of this section. Submission of a compliance certification shall in no way limit the Administrator’s authorities to investigate or otherwise implement this chapter. The Administrator shall promulgate rules to provide guidance and to implement this paragraph within 2 years after November 15, 1990.

(b) State enforcement

(1) Each State may develop and submit to the Administrator a procedure for carrying out this section in such State. If the Administrator finds the State procedure is adequate, he may delegate to such State any authority he has to carry out this section.

(2) Nothing in this subsection shall prohibit the Administrator from carrying out this section in a State if such

(c) Availability of records, reports, and information to public; disclosure of trade secrets

Any records, reports or information obtained under subsection (a) shall be available to the public, except that upon a showing satisfactory to the Administrator by any person that records, reports, or information, or particular part thereof, (other than emission data) to which the Administrator has access under this section if made public, would divulge methods or processes entitled to protection as trade secrets of such person, the Administrator shall consider such record, report, or information or particular portion thereof confidential in accordance with the purposes of section 1905 of title 18, except that such record, report, or information may be disclosed to other officers, employees, or authorized representatives of the United States concerned with carrying out this chapter or when relevant in any proceeding under this chapter.

(d) Notice of proposed entry, inspection, or monitoring

(1) In the case of any emission standard or limitation or other requirement which is adopted by a State, as part of an applicable implementation plan or as part of an order under section 7413(d) of this title, before carrying out an entry, inspection, or monitoring under paragraph (2) of subsection (a) with respect to such standard, limitation, or other requirement, the Administrator (or his representatives) shall provide the State air pollution control agency with reasonable prior notice of such action, indicating the purpose of such action. No State agency which receives notice under this paragraph of an action proposed to be taken may use the information contained in the notice to inform the person whose property is proposed to be affected of the proposed action. If the Administrator has reasonable basis for believing that a State agency is so using or will so use such information, notice to the agency under this paragraph is not required until such time as the Administrator determines the agency will no longer use such information contained in a notice under this paragraph. Nothing in this section shall be construed to require notification to any State agency of any action taken by the Administrator with respect to any standard, limitation, or other requirement which is not part of an applicable implementation plan or which was promulgated by the Administrator under section 7410(c) of this title.

(2) Nothing in paragraph (1) shall be construed to provide that any failure of the Administrator to comply with the requirements of such paragraph shall be a defense in any enforcement action brought by the Administrator or shall make inadmissible as evidence in any such action any information or material obtained notwithstanding such failure to comply with such requirements.

4See References in Text note below.
§ 7415. International air pollution

(a) Endangerment of public health or welfare in foreign countries from pollution emitted in United States

Whenever the Administrator, upon receipt of reports, surveys or studies from any duly constituted international agency has reason to believe that any air pollutant or pollutants emitted in the United States cause or contribute to air pollution which may reasonably be anticipated to endanger public health or welfare in a foreign country or whenever the Secretary of State requests him to do so with respect to such pollution which the Secretary of State alleges is of such a nature, the Administrator shall give formal notification thereof to the Governor of the State in which such emissions originate.

(b) Prevention or elimination of endangerment

The notice of the Administrator shall be deemed to be a finding under section 7410(a)(2)(H)(ii) of this title which requires a plan revision with respect to so much of the applicable implementation plan as is inadequate to prevent or eliminate the endangerment referred to in subsection (a). Any foreign country so affected by such emission of pollutant or pollutants shall be invited to appear at any public hearing associated with any revision of the appropriate portion of the applicable implementation plan.

(c) Reciprocity

This section shall apply only to a foreign country which the Administrator determines has given the United States essentially the same rights with respect to the prevention or control of air pollution occurring in that country as is given that country by this section.

(d) Recommendations

Recommendations issued following any abatement conference conducted prior to August 7,
1977, shall remain in effect with respect to any pollutant for which no national ambient air quality standard has been established under section 7409 of this title unless the Administrator, after consultation with all agencies which were participating in the conference, rescinds any such recommendation on grounds of obsolescence.


CODIFICATION
Section was formerly classified to section 1857d of this title.

AMENDMENTS
1977—Pub. L. 95–95 completely revised section by substituting provisions establishing a mechanism for the Administrator to trigger a revision of a State implement plan under section 7412 of this title on petition of an international agency or the Secretary of State if he finds that emissions originating in a State endanger the health or welfare of persons in a foreign country for provisions calling for the abatement of air pollution by means of conference procedures.

1970—Subsec. (a). Pub. L. 91–604, §4(b)(2), inserted "and which is covered by subsection (b) or (c) after persons:"
Subsec. (b). Pub. L. 91–604, §§4(b)(3), (4), (5), 15(c)(2), redesignated former subsec. (d)(1)(A), (B), and (C) as (b)(1), (2), and (3), substituted "Administrator" for "Secretary" wherever appearing and added subsec. (b)(4). Former subsec. (b), which related to the encouragement of municipal, State, and interstate action to abate air pollution, was struck out.
Subsec. (c). Pub. L. 91–604, §§4(b)(3), (6), 15(c)(2), redesignated former subsec. (d)(1)(D) as (c) and substituted "Administrator" for "Secretary" and "Secretary of Health, Education, and Welfare" wherever appearing and "subsection" for "subparagraph" wherever appearing. Former subsec. (c), which related to the procedure for the promulgation of State air quality standards, was struck out.
Subsec. (d). Pub. L. 91–604, §§4(b)(4), (6), (7), (8), 15(c)(2), redesignated former subsec. (d)(2) and (3) as (d)(1) and (2), in (d)(1) substituted "Administrator" for "Secretary" wherever appearing and "any conference under this section" for "such conference", and in (d)(2) substituted "Administrator" for "Secretary". Former subsec. (d)(1)(A), (B), and (C) were redesignated as (b)(1), (2), and (3), respectively, and subsec. (d)(1)(D) was redesignated as (c).
Subsec. (g). Pub. L. 91–604, §§4(b)(9), 15(c)(2), substituted "Administrator" for "Secretary" and substituted "subsection (c)" for subparagraph (D) of subsection (d)."
§ 7416. Retention of State authority

Except as otherwise provided in sections 1857c–10(c), (e), and (f) (as in effect before August 7, 1977), 7545, 7545(c)(4), and 7573 of this title (preempting certain State regulation of moving sources) nothing in this chapter shall preclude or deny the right of any State or political subdivision thereof to adopt or enforce (1) any standard or limitation respecting emissions of air pollutants or (2) any requirement respecting control or abatement of air pollution; except that if an emission standard or limitation is in effect under an applicable implementation plan or section 7411 or section 7412 of this title, such State or political subdivision may not adopt or enforce any emission standard or limitation which is less stringent than the standard or limitation under such plan or section.


REFERENCES IN TEXT
1857c–10(c), (e), and (f) (as in effect before August 7, 1977), referred to in text, was in the original “§ 119(c), (e), and (f) (as in effect before the date of the enactment of the Clean Air Act Amendments of 1977)” meaning section 119 of act July 14, 1955, ch. 360, title I, as added June 22, 1974, Pub. L. 93–319, § 3, 88 Stat. 248 (which was classified to section 1857c–10 of this title as in effect prior to the enactment of Pub. L. 95–95, Aug. 7, 1977, 91 Stat. 691, effective Aug. 7, 1977; Section 112(b)(1) of Pub. L. 95–95 repealed section 119 of act July 14, 1955, ch. 360, title I, as added by Pub. L. 93–319, and provided that all references to such section 119 in any subsequent enactment which superseded Pub. L. 93–319 shall be construed to refer to section 113(d) of the Clean Air Act and to paragraph (5) thereof in particular which is classified to subsec. (d)(5) of section 7413 of this title. Section 7413 of this title was subsequently amended generally by Pub. L. 101–549, title VII, § 701, Nov. 15, 1990, 104 Stat. 2672, and, as so amended, no longer relates to final compliance orders. Section 117(b) of Pub. L. 95–95 added a new section 119 of act July 14, 1955, which is classified to section 7419 of this title.

CODIFICATION
Section was formerly classified to section 1857d–1 of this title.

AMENDMENTS

1970—Pub. L. 91–604, § 4(c), substituted provisions which authorized any State or political subdivision thereof to adopt or enforce, except as otherwise provided, emission standards or limitations under the specified conditions, or any requirement respecting control or abatement of air pollution, for provisions which authorized any State, political subdivision, or intrastate agency to adopt standards and plans to achieve a higher level of air quality than approved by the Secretary.

MODIFICATION OR RESCISSION OF RULES, REGULATIONS, ORDERS, DETERMINATIONS, CONTRACTS, CERTIFICATIONS, AUTHORIZATIONS, DELEGATIONS, AND OTHER ACTIONS
All rules, regulations, orders, determinations, contracts, certifications, authorizations, delegations, or other actions duly issued, made, or taken by or pursuant to act July 14, 1955, the Clean Air Act, as in effect immediately prior to the date of enactment of Pub. L. 95–95 (Aug. 7, 1977) to continue in full force and effect until modified or rescinded in accordance with act July 14, 1955, as amended by Pub. L. 95–95 [this chapter], see section 406(b) of Pub. L. 95–95, set out as an Effective Date of 1977 Amendment note under section 7401 of this title.

§ 7417. Advisory committees

(a) Establishment; membership

In order to obtain assistance in the development and implementation of the purposes of this chapter including air quality criteria, recommended control techniques, standards, research and development, and to encourage the continued efforts on the part of industry to improve air quality and to develop economically feasible methods for the control and abatement of air pollution, the Administrator shall from time to time establish advisory committees. Committee members shall include, but not be limited to, persons who are knowledgeable concerning air quality from the standpoint of health, welfare, economics or technology.

(b) Compensation

The members of any other advisory committees appointed pursuant to this chapter who are not officers or employees of the United States while attending conferences or meetings or while otherwise serving at the request of the Administrator, shall be entitled to receive compensation at a rate to be fixed by the Administrator, but not exceeding $100 per diem, including traveltime, and while away from their homes or regular places of business they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5 for persons in the Government service employed intermittently.

(c) Consultations by Administrator

Prior to—

See Codification note below.
(1) issuing criteria for an air pollutant under section 7408(a)(2) of this title,
(2) publishing any list under section 7411(b)(1)(A) or section 7412(b)(1)(A) of this title,
(3) publishing any standard under section 7411 or section 7412 of this title, or
(4) publishing any regulation under section 7521(a) of this title,
the Administrator shall, to the maximum extent practicable within the time provided, consult with appropriate advisory committees, independence experts, and Federal departments and agencies.


REFERENCES IN TEXT

CODIFICATION
Subsec. (c) was originally enacted as subsec. (f) but has been redesignated (c) for purposes of codification in view of the failure of Pub. L. 95–95 to redesignate subsec. (f) as (c) after repealing former subsec. (a) and (b) and redesignating former subsec. (d) as (a) and (b).

Section was formerly classified to section 1857e of this title.

AMENDMENTS
1977—Subsec. (a). Pub. L. 95–95, §115(1), (2), redesignated subsec. (d) as (a). Former subsec. (a), establishing an Air Quality Advisory Board in the Environmental Protection Agency, was struck out.
Subsec. (b). Pub. L. 95–95, §§115(1), (2), substituted “The members of any other advisory committees” for “The members of the Board and other advisory committees” and “conferences or meetings or while otherwise serving” for “conferences or meetings of the Board or while otherwise serving.” Former subsec. (b), setting out the duties of the Air Quality Advisory Board, was struck out.
Subsecs. (c) to (e). Pub. L. 95–95, §§115(1), (2), struck out subsec. (c) which related to clerical and technical assistance for the Air Quality Advisory Board, and redesignated subsecs. (d) and (e) as (a) and (b), respectively.
Subsec. (b). Pub. L. 91–604, §15(c)(2), substituted “Advisory committee” for “Secretary” wherever appearing.

1967—Subsec. (a). Pub. L. 90–148 substituted provisions establishing in the Department of Health, Education, and Welfare an Air Quality Advisory Board and providing for the appointment and term of its members for provisions directing the Secretary to maintain liaison with manufacturers looking toward development of devices and fuels to reduce pollutants in automotive exhaust and to appoint a technical committee and call it together from time to time to evaluate progress and develop and recommend research programs.
Subsec. (b). Pub. L. 90–148 substituted provision setting out the duties of the Air Quality Advisory Board for provisions requiring the Secretary to make semi-annual reports to Congress on measures being taken toward the resolution of vehicle exhaust pollution problems.
Subsecs. (c) to (e). Pub. L. 90–148 added subsecs. (c) to (e).

EFFECTIVE DATE OF 1977 AMENDMENT
Amendment by Pub. L. 95–95 effective Aug. 7, 1977, except as otherwise expressly provided, see section 406(d) of Pub. L. 95–95, set out as a note under section 7401 of this title.

MODIFICATION OR RESCISSION OF RULES, REGULATIONS, ORDERS, DETERMINATIONS, CONTRACTS, CERTIFICATES, AUTHORIZATIONS, DEL EGATIONS, AND OTHER ACTIONS
All rules, regulations, orders, determinations, contracts, certifications, authorizations, delegations, or other actions duly issued, made, or taken by or pursuant to act July 14, 1955, the Clean Air Act, as in effect immediately prior to the date of enactment of Pub. L. 95–95 [Aug. 7, 1977] to continue in full force and effect until modified or rescinded in accordance with act July 14, 1955, as amended by Pub. L. 95–95 (this chapter), see section 406(b) of Pub. L. 95–95, set out as an Effective Date of 1977 Amendment note under section 7401 of this title.

TERMINATION OF ADVISORY COMMITTEES
Advisory committees in existence on Jan. 5, 1973, to terminate not later than the expiration of the 2-year period following Jan. 5, 1973, unless, in the case of a committee established by the President or an officer of the Federal Government, such committee is renewed by appropriate action prior to the expiration of such 2-year period, or in the case of a committee established by the Congress, its duration is otherwise provided by law. Advisory committees established after Jan. 5, 1973, to terminate not later than the expiration of the 2-year period beginning on the date of their establishment, unless, in the case of a committee established by the President or an officer of the Federal Government, such committee is renewed by appropriate action prior to the expiration of such 2-year period, or in the case of a committee established by the Congress, its duration is otherwise provided by law. See section 14 of Pub. L. 92–463, Oct. 6, 1972, 86 Stat. 776, set out in the Appendix to Title 5, Government Organization and Employees.

§7418. Control of pollution from Federal facilities
(a) General compliance
Each department, agency, and instrumentality of the executive, legislative, and judicial branches of the Federal Government (1) having jurisdiction over any property or facility, or (2) engaged in any activity resulting, or which may result, in the discharge of air pollutants, and each officer, agent, or employee thereof, shall be subject to, and comply with, all Federal, State, interstate, and local requirements, administrative authority, and process and sanctions respecting the control and abatement of air pollu-
tion in the same manner, and to the same extent as any nongovernmental entity. The preceding sentence shall apply (A) to any requirement whether substantive or procedural (including any recordkeeping or reporting requirement, any requirement respecting permits and any other requirement whatsoever), (B) to any requirement to pay a fee or charge imposed by any State or local agency to defray the costs of its air pollution regulatory program, (C) to the exercise of any Federal, State, or local administrative authority, and (D) to any process and sanction, whether enforced in Federal, State, or local courts, or in any other manner. This subsection shall apply notwithstanding any immunity of such agencies, officers, agents, or employees under any law or rule of law. No officer, agent, or employee of the United States shall be personally liable for any civil penalty for which he is not otherwise liable.

(b) Exemption

The President may exempt any emission source of any department, agency, or instrumentality in the executive branch from compliance with such a requirement if he determines it to be in the paramount interest of the United States to do so, except that no exemption may be granted from section 7411 of this title, and an exemption from section 7412 of this title may be granted only in accordance with section 7412(i)(4) of this title. No such exemption shall be granted due to lack of appropriation unless the President shall have specifically requested such appropriation as a part of the budgetary process and the Congress shall have failed to make available such requested appropriation. Any exemption shall be for a period not in excess of one year, but additional exemptions may be granted for periods of not to exceed one year upon the President’s making a new determination. In addition to any such exemption of a particular emission source, the President may, if he determines it to be in the paramount interest of the United States to do so, issue regulations exempting from compliance with the requirements of this section any weapon, equipment, aircraft, vehicles, or other classes or categories of property which are owned or operated by the Armed Forces of the United States (including the Coast Guard) or by the National Guard of any State and which are uniquely military in nature. The President shall reconsider the need for such regulations at three-year intervals. The President shall report each January to the Congress all exemptions from the requirements of this section granted during the preceding calendar year, together with his reason for granting each such exemption.

(c) Government vehicles

Each department, agency, and instrumentality of executive, legislative, and judicial branches of the Federal Government having jurisdiction over any property or facility shall require all employees which operate motor vehicles on the property or facility to furnish proof of compliance with the applicable requirements of any vehicle inspection and maintenance program established under the provisions of subpart 2 of part D or subpart 3 of part D for the State in which such property or facility is located (without regard to whether such vehicles are registered in the State). The installation shall use one of the following methods to establish proof of compliance—

1. presentation by the vehicle owner of a valid certificate of compliance from the vehicle inspection and maintenance program;
2. presentation by the vehicle owner of proof of vehicle registration within the geographic area covered by the vehicle inspection and maintenance program (except for any program whose enforcement mechanism is not through the denial of vehicle registration);
3. another method approved by the vehicle inspection and maintenance program administrator.


CODIFICATION

Section was formerly classified to section 1857f of this title.

AMENDMENTS

Pub. L. 101–549, § 101(e), amended second sentence generally. Prior to amendment, second sentence read as follows: “The preceding sentence shall apply (A) to any requirement whether substantive or procedural (including any recordkeeping or reporting requirement, any requirement respecting permits and any other requirement whatsoever), (B) to the exercise of any Federal, State, or local administrative authority, and (C) to any process and sanction, whether enforced in Federal, State, or local courts or in any other manner.”

Subsec. (b). Pub. L. 101–549, § 302(d), substituted “section 7412(i)(4) of this title” for “section 7412(c) of this title”.

Subsecs. (c), (d). Pub. L. 101–549, § 235, added subsecs. (c) and (d).

1977—Subsec. (a). Pub. L. 95–85, § 118(a), designated existing first sentence as subsec. (a) and inserted provisions enumerating the legal and administrative areas to which the compliance requirements apply and directing that agencies, officers, agents, and employees not be immune and that officers, agents, or employees of the United States not be personally liable for civil penalties for which they are not otherwise liable.

Subsec. (b). Pub. L. 95–85, § 118(b), redesignated second and following existing sentences as subsec. (b) and inserted provisions authorizing the President to exempt weaponry, equipment, aircraft, vehicles, and other classes and categories of property of the Armed Forces and the National Guard from compliance but to reconsider the need for such an exemption at three-year intervals.
§ 7419. Primary nonferrous smelter orders

(a) Issuance; hearing; enforcement orders; statement of grounds for application; findings

(1) Upon application by the owner or operator of a primary nonferrous smelter, a primary nonferrous smelter order under subsection (b) may be issued—

(A) by the Administrator, after thirty days' notice to the State, or

(B) by the State in which such source is located, but no such order issued by the State shall take effect until the Administrator determines that such order has been issued in accordance with the requirements of this chapter.

Not later than ninety days after submission by the State to the Administrator of notice of the issuance of a primary nonferrous smelter order under this section, the Administrator shall determine whether or not such order has been issued by the State in accordance with the requirements of this chapter. If the Administrator determines that such order has not been issued in accordance with such requirements, he shall conduct a hearing respecting the reasonably available control technology for primary nonferrous smelters.

(2)(A) An order issued under this section to a primary nonferrous smelter shall be referred to as a "primary nonferrous smelter order". No primary nonferrous smelter may receive both an enforcement order under section 7413(d)\(^1\) of this title and a primary nonferrous smelter order under this section.

(B) Before any hearing conducted under this section, in the case of an application made by the owner or operator of a primary nonferrous smelter for a second order under this section, the applicant shall furnish the Administrator (or the State as the case may be) with a statement of the grounds on which such application is based (including all supporting documents and information). The statement of the grounds for the proposed order shall be provided by the Administrator or the State in any case in which such State or Administrator is acting on its own initiative. Such statement (including such documents and information) shall be made available to the public for a thirty-day period before such hearing and shall be considered as part of such hearing. No primary nonferrous smelter order may be granted unless the applicant establishes that he meets the conditions required for the issuance of such order (or the Administrator or State establishes the meeting of such conditions when acting on their own initiative).

(C) Any decision with respect to the issuance of a primary nonferrous smelter order shall be accompanied by a concise statement of the findings and of the basis of such findings.

---

\(^1\) See References in Text note below.
(3) For the purposes of sections 7410, 7604, and 7607 of this title, any order issued by the State and in effect pursuant to this subsection shall become part of the applicable implementation plan.

(b) Prerequisites to issuance of orders

A primary nonferrous smelter order under this section may be issued to a primary nonferrous smelter if—

(1) such smelter is in existence on August 7, 1977;

(2) the requirement of the applicable implementation plan with respect to which the order is issued is an emission limitation or standard for sulfur oxides which is necessary and intended to be itself sufficient to enable attainment and maintenance of national primary and secondary ambient air quality standards for sulfur oxides; and

(3) such smelter is unable to comply with such requirement by the applicable date for compliance because no means of emission limitation applicable to such smelter which will enable it to achieve compliance with such requirement has been adequately demonstrated to be reasonably available (as determined by the Administrator, taking into account the cost of compliance, non-air quality health and environmental impact, and energy consideration).

(c) Second orders

(1) A second order issued to a smelter under this section shall set forth compliance schedules containing increments of progress which require compliance with the requirement postponed as expeditiously as practicable. The increments of progress shall be limited to requiring compliance with subsection (d) and, in the case of a second order, to procuring, installing, and operating the necessary means of emission limitation as expeditiously as practicable after the Administrator determines such means have been adequately demonstrated to be reasonably available within the meaning of subsection (b)(3).

(2) Not in excess of two primary nonferrous smelter orders may be issued under this section to any primary nonferrous smelter. The first such order issued to a smelter shall not result in the postponement of the requirement with respect to which such order is issued beyond January 1, 1983. The second such order shall not result in the postponement of such requirement beyond January 1, 1988.

(d) Interim measures; continuous emission reduction technology

(1)(A) Each primary nonferrous smelter to which an order is issued under this section shall be required to use such interim measures for the period during which such order is in effect as may be necessary in the judgment of the Administrator to assure attainment and maintenance of the national primary and secondary ambient air quality standards during such period, taking into account the aggregate effect on air quality of such order together with all variances, extensions, waivers, enforcement orders, delayed compliance orders and primary nonferrous smelter orders previously issued under this chapter.

(B) Such interim requirements shall include—

(i) a requirement that the source to which the order applies comply with such reporting requirements and conduct such monitoring as the Administrator determines may be necessary, and

(ii) such measures as the Administrator determines are necessary to avoid an imminent and substantial endangerment to health of persons.

(C) Such interim measures shall also, except as provided in paragraph (2), include continuous emission reduction technology. The Administrator shall condition the use of any such interim measures upon the agreement of the owner or operator of the smelter—

(i) to comply with such conditions as the Administrator determines are necessary to maximize the reliability and enforceability of such interim measures, as applied to the smelter, in attaining and maintaining the national ambient air quality standards to which the order relates, and

(ii) to commit reasonable resources to research and development of appropriate emission control technology.

(2) The requirement of paragraph (1) for the use of continuous emission reduction technology may be waived with respect to a particular smelter by the State or the Administrator, after notice and a hearing on the record, and upon a showing by the owner or operator of the smelter that such requirement would be so costly as to necessitate permanent or prolonged temporary cessation of operations of the smelter. Upon application for such waiver, the Administrator shall be notified and shall, within ninety days, hold a hearing on the record in accordance with section 554 of title 5. At such hearing the Administrator shall require the smelter involved to present information relating to any alleged cessation of operations and the detailed reasons or justifications therefor. On the basis of such hearing the Administrator shall make findings of fact as to the effect of such requirement and on the alleged cessation of operations and shall make such recommendations as he deems appropriate. Such report, findings, and recommendations shall be available to the public, and shall be taken into account by the State or the Administrator in making the decision whether or not to grant such waiver.

(3) In order to obtain information for purposes of a waiver under paragraph (2), the Administrator may, on his own motion, conduct an investigation and use the authority of section 7621 of this title.

(4) In the case of any smelter which on August 7, 1977, uses continuous emission reduction technology and supplemental controls and which receives an initial primary nonferrous smelter order under this section, no additional continuous emission reduction technology shall be required as a condition of such order unless the Administrator determines, at any time, after notice and public hearing, that such additional continuous emission reduction technology is adequately demonstrated to be reasonably available for the primary nonferrous smelter industry.
(e) Termination of orders

At any time during which an order under this section applies, the Administrator may enter upon a public hearing respecting the availability of technology. Any order under this section shall be terminated if the Administrator determines on the record, after notice and public hearing, that the conditions upon which the order was based no longer exist. If the owner or operator of the smelter to which the order is issued demonstrates that prompt termination of such order would result in undue hardship, the termination shall become effective at the earliest practicable date on which such undue hardship would not result, but in no event later than the date required under subsection (c).

(f) Violation of requirements

If the Administrator determines that a smelter to which an order is issued under this section is in violation of any requirement of subsection (c) or (d), he shall—

(1) enforce such requirement under section 7413 of this title,
(2) after notice and opportunity for public hearing, revoke such order and enforce compliance with the requirement with respect to which such order was granted,
(3) give notice of noncompliance and commence action under section 7420 of this title, or
(4) take any appropriate combination of such actions.


7420. Noncompliance penalty

(a) Assessment and collection

(1)(A) Not later than 6 months after August 7, 1977, and after notice and opportunity for a public hearing, the Administrator shall promulgate regulations requiring the assessment and collection of a noncompliance penalty against persons referred to in paragraph (2)(A).

(B)(i) Each State may develop and submit to the Administrator a plan for carrying out this section in such State. If the Administrator finds that the State plan meets the requirements of this section, he may delegate to such State any authority he has to carry out this section.

(ii) Notwithstanding a delegation to a State under clause (i), the Administrator may carry out this section in such State under the circumstances described in subsection (b)(2)(B).

(2)(A) Except as provided in subparagraph (B) or (C) of this paragraph, the State or the Administrator shall assess and collect a noncompliance penalty against every person who owns or operates—

(i) a major stationary source (other than a primary nonferrous smelter which has received a primary nonferrous smelter order under section 7419 of this title), which is not in compliance with any emission limitation, emission standard or compliance schedule under any applicable implementation plan (whether or not such source is subject to a Federal or State consent decree), or

(ii) a stationary source which is not in compliance with an emission standard, standard of performance, or other requirement established under section 7411, 7477, 7603, or 7412 of this title, or

(iii) a stationary source which is not in compliance with any requirement of subchapter IV–A, V, or VI of this chapter, or

(iv) any source referred to in clause (i), (ii), or (iii) (for which an extension, order, or suspension referred to in subparagraph (B), or (C) of this paragraph, the State or the Administrator shall assess and collect a noncompliance penalty against every person who owns or operates—

(A) a major stationary source (other than a primary nonferrous smelter which has received a primary nonferrous smelter order under section 7419 of this title), which is not in compliance with any emission limitation, emission standard or compliance schedule under any applicable implementation plan (whether or not such source is subject to a Federal or State consent decree), or

(B) a primary nonferrous smelter which has received a primary nonferrous smelter order under section 7419 of this title which is not in compliance with any interim emission control requirement or schedule of compliance under such extension, order, suspension, or consent decree.

For purposes of subsection (d)(2), in the case of a penalty assessed with respect to a source re-
ferred to in clause (iii) of this subparagraph, the costs referred to in such subsection (d)(2) shall be the economic value of noncompliance with the interim emission control requirement or the remaining steps in the schedule of compliance referred to in such clause; (B) Notwithstanding the requirements of subparagraph (A)(i) and (ii), the owner or operator of any source shall be exempted from the duty to pay a noncompliance penalty under such requirements with respect to that source if, in accordance with the procedures in subsection (b)(5), the owner or operator demonstrates that the failure of such source to comply with any such requirement is due solely to—  
(i) a conversion by such source from the burning of petroleum products or natural gas, or both, as the permanent primary energy source to the burning of coal pursuant to an order under section 7413(d)(5) of this title or section 1857c–10 of this title (as in effect before August 7, 1977);  
(ii) in the case of a coal-burning source granted an extension under the second sentence of section 1857c–10(c)(1) of this title (as in effect before August 7, 1977), a prohibition from using petroleum products or natural gas or both, by reason of a temporary emergency suspension or extension granted under paragraph (3) with respect to such source; or  
(iii) the use of innovative technology sanctioned by an enforcement order under section 1857c–10 of this title;  
(iv) an inability to comply with any such requirement, for which inability the source has received an order under section 7413(d)(1) of this title (or an order under section 7413 of this title issued before August 7, 1977) which has the effect of permitting a delay or violation of any requirement of this chapter (including a requirement of an applicable implementation plan) which inability results from reasons entirely beyond the control of the owner or operator of such source or of any entity controlling, controlled by, or under common control with the owner or operator of such source; or  
(v) the conditions by reason of which a temporary emergency suspension is authorized under section 7418(f) or (g) of this title.

An exemption under this subparagraph shall cease to be effective if the source fails to comply with the interim emission control requirements or schedules of compliance (including increments of progress) under any such extension, order, or suspension.

(C) The Administrator may, after notice and opportunity for public hearing, exempt any source from the requirements of this section with respect to a particular instance of noncompliance if he finds that such instance of noncompliance is de minimis in nature and in duration.

(b) Regulations

Regulations under subsection (a) shall—  
(1) permit the assessment and collection of such penalty by the State if the State has a delegation of authority in effect under subsection (a)(1)(B)(i) of this section;  
(2) provide for the assessment and collection of such penalty by the Administrator, if—  
(A) the State does not have a delegation of authority in effect under subsection (a)(1)(B)(i), or  
(B) the State has such a delegation in effect but fails with respect to any particular person or source to assess or collect the penalty in accordance with the requirements of this section;  
(3) require the States, or in the event the States fail to do so, the Administrator, to give a brief but reasonably specific notice of noncompliance under this section to each person referred to in subsection (a)(2)(A) with respect to each source owned or operated by such person which is not in compliance as provided in such subsection, not later than July 1, 1978, or thirty days after the discovery of such noncompliance, whichever is later;  
(4) require each person to whom notice is given under paragraph (3) to—  
(A) calculate the amount of the penalty owed (determined in accordance with subsection (d)(2)) and the schedule of payments (determined in accordance with subsection (d)(3)) for each such source and, within forty-five days after the issuance of such notice or after the denial of a petition under subparagraph (B), to submit that calculation and proposed schedule, together with the information necessary for an independent verification thereof, to the State and to the Administrator, or  
(B) submit a petition, within forty-five days after the issuance of such notice, challenging such notice of noncompliance or alleging entitlement to an exemption under subsection (a)(2)(B) with respect to a particular source;  
(5) require the Administrator to provide a hearing on the record (within the meaning of subchapter II of chapter 5 of title 5) and to make a decision on such petition (including findings of fact and conclusions of law) not later than ninety days after the receipt of any petition under paragraph (4)(B), unless the State agrees to provide a hearing which is substantially similar to such a hearing on the record and to make a decision on such petition (including such findings and conclusions) within such ninety-day period;  
(6)(A) authorize the Administrator on his own initiative to review the decision of the Administrator or the States under paragraph (5) and disapprove it if it is not in accordance with the requirements of this section; and (B) require the Administrator to do so not later than sixty days after receipt of a petition under this subparagraph, notice, and public hearing and a showing by such petitioner that the State decision under paragraph (5) is not in accordance with the requirements of this section;  
(7) require payment, in accordance with subsection (d), of the penalty by each person to whom notice of noncompliance is given under paragraph (3) with respect to each noncomplying source for which such notice is given unless there has been a final determination granting a petition under paragraph (4)(B) with respect to such source;
(8) authorize the State or the Administrator to adjust (and from time to time to readjust) the amount of the penalty assessment calculated or the payment schedule proposed by such owner or operator under paragraph (4), if the Administrator finds after notice and opportunity for a hearing on the record that the penalty or schedule does not meet the requirements of this section; and

(9) require a final adjustment of the penalty within 180 days after such source comes into compliance in accordance with subsection (d)(4).

In any case in which the State establishes a noncompliance penalty under this section, the State shall provide notice thereof to the Administrator. A noncompliance penalty established by a State under this section shall apply unless the Administrator, within ninety days after the date of receipt of notice of the State penalty assessment under this section, objects in writing to the amount of the penalty as less than would be required to comply with guidelines established by the Administrator. If the Administrator objects, he shall immediately establish a substitute noncompliance penalty applicable to such source.

(c) Contract to assist in determining amount of penalty assessment or payment schedule

If the owner or operator of any stationary source to whom a notice is issued under subsection (b)(3)—

(1) does not submit a timely petition under subsection (b)(4)(B), or

(2) submits a petition under subsection (b)(4)(B) which is denied, and fails to submit a calculation of the penalty assessment, a schedule for payment, and the information necessary for independent verification thereof, the State (or the Administrator, as the case may be) may enter into a contract with any person who has no financial interest in the owner or operator of the source (or in any person controlling, controlled by or under common control with such source) to assist in determining the amount of the penalty assessment or payment schedule with respect to such source. The cost of carrying out such contract may be added to the penalty to be assessed against the owner or operator of such source.

(d) Payment

(1) All penalties assessed by the Administrator under this section shall be paid to the United States Treasury. All penalties assessed by the State under this section shall be paid to such State.

(2) The amount of the penalty which shall be assessed and collected with respect to any source under this section shall be equal to—

(A) the amount determined in accordance with regulations promulgated by the Administrator under subsection (a), which is no less than the economic value which a delay in compliance beyond July 1, 1979, may have for the owner of such source, including the quarterly equivalent of the capital costs of compliance and debt service over a normal amortization period, not to exceed ten years, operation and maintenance costs foregone as a result of noncompliance, and any additional economic value which such a delay may have for the owner or operator of such source, minus

(B) the amount of any expenditure made by the owner or operator of that source during any such quarter for the purpose of bringing that source into, and maintaining compliance with, such requirement, to the extent that such expenditures have not been taken into account in the calculation of the penalty under subparagraph (A).

To the extent that any expenditure under subparagraph (B) made during any quarter is not subtracted for such quarter from the costs under subparagraph (A), such expenditure may be subtracted for any subsequent quarter from such costs. In no event shall the amount paid be less than the quarterly payment minus the amount attributed to actual cost of construction.

(3) (A) The assessed penalty required under this section shall be paid in quarterly installments for the period of covered noncompliance. All quarterly payments (determined without regard to any adjustment or any subtraction under paragraph (2)(B)) after the first payment shall be equal.

(B) The first payment shall be due on the date six months after the date of issuance of the notice of noncompliance under subsection (b)(3) with respect to any source or on January 1, 1980, whichever is later. Such first payment shall be in the amount of the quarterly installment for the upcoming quarter, plus the amount owed for any preceding period within the period of covered noncompliance for such source.

(C) For the purpose of this section, the term "period of covered noncompliance" means the period which begins—

(i) two years after August 7, 1977, in the case of a source for which notice of noncompliance under subsection (b)(3) is issued on or before the date two years after August 7, 1977, or

(ii) on the date of issuance of the notice of noncompliance under subsection (b)(3), in the case of a source for which such notice is issued after July 1, 1979,

and ending on the date on which such source comes into (or for the purpose of establishing the schedule of payments, is estimated to come into) compliance with such requirement.

(4) Upon making a determination that a source with respect to which a penalty has been paid under this section is in compliance and is maintaining compliance with the applicable requirement, the State (or the Administrator as the case may be) shall review the actual expenditures made by the owner or operator of such source for the purpose of attaining and maintaining compliance, and shall within 180 days after such source comes into compliance—

(A) provide reimbursement with interest (to be paid by the State or Secretary of the Treasury, as the case may be) at appropriate prevailing rates (as determined by the Secretary of the Treasury) for any underpayment by such person.

(B) assess and collect an additional payment with interest at appropriate prevailing rates (as determined by the Secretary of the Treasury) for any overpayment by such person.
(5) Any person who fails to pay the amount of any penalty with respect to any source under this section on a timely basis shall be required to pay in addition a quarterly nonpayment penalty for each quarter during which such failure to pay persists. Such nonpayment penalty shall be in an amount equal to 20 percent of the aggregate amount of such person’s penalties and nonpayment penalties with respect to such source which are unpaid as of the beginning of such quarter.

(e) Judicial review

Any action pursuant to this section, including any objection of the Administrator under the last sentence of subsection (b), shall be considered a final action for purposes of judicial review of any penalty under section 7607 of this title.

(f) Other orders, payments, sanctions, or requirements

Any orders, payments, sanctions, or other requirements under this section shall be in addition to any other permits, orders, payments, sanctions, or other requirements established under this chapter, and shall in no way affect any civil or criminal enforcement proceedings brought under any provision of this chapter or State or local law.

(g) More stringent emission limitations or other requirements

In the case of any emission limitation or other requirement approved or promulgated by the Administrator under this chapter after August 7, 1977, which is more stringent than the emission limitation or requirement for the source in effect prior to such approval or promulgation, if any, or where there was no emission limitation or requirement approved or promulgated before August 7, 1977, the date for imposition of the non-compliance penalty under this section, shall be either July 1, 1979, or the date on which the source is required to be in full compliance with such emission limitation or requirement, whichever is later, but in no event later than three years after the approval or promulgation of such emission limitation or requirement.


REFERENCES IN TEXT


Section 1857c–10(c)(1) of this title (as in effect before Aug. 7, 1977), referred to in subsec. (a)(2)(B)(ii), was in the original “section 119(c)(1) (as in effect before the date of the enactment of the Clean Air Act Amendments of 1977)”.

See paragraph set out above for explanation of codification.

AMENDMENTS

1990—Subsec. (a)(2)(A). Pub. L. 101–549 inserted reference to sections 7477 and 7603 of this title in cl. (ii), added cl. (iii), and redesignated former cl. (iii) as (iv) and inserted reference to cl. (iii).


Subsec. (b)(3). Pub. L. 95–190, §14(a)(34)–(36), in closing provisions inserted provisions relating to notice to the Administrator when a noncompliance penalty is established by a State, and substituted references to noncompliance for references to delayed compliance in two places, “source” for “facility”, and “receipt of notice of the State penalty assessment” for “publication of the proposed penalty”.


Subsec. (d)(2)(A). Pub. L. 95–190, §14(a)(37), inserted provisions relating to inclusion of the economic value of a delay in compliance, and substituted “such a delay” for “a delay in compliance beyond July 1, 1979.”

Subsec. (e). Pub. L. 95–190, §14(a)(38), substituted “subsection, shall” for “subsection shall”.

Effective Date

Section effective Aug. 7, 1977, except as otherwise expressly provided, see section 406(d) of Pub. L. 95–95, set out as an Effective Date of 1977 Amendment note under section 7601 of this title.

§ 7421. Consultation

In carrying out the requirements of this chapter requiring implementation plans to contain—

(1) any transportation controls, air quality maintenance plan requirements or preconstruction review of direct sources of air pollution, or

(2) any measure referred to—

(A) in part D (pertaining to nonattainment requirements), or

(B) in part C (pertaining to prevention of significant deterioration),

and in carrying out the requirements of section 7413(d)1 of this title (relating to certain enforcement orders), the State shall provide a satisfactory process of consultation with general purpose local governments, designated organizations of elected officials of local governments and any Federal land manager having authority

1 See References in Text note below.
over Federal land to which the State plan applies, effective with respect to any such requirement which is adopted more than one year after August 7, 1977, as part of such plan. Such process shall be in accordance with regulations promulgated by the Administrator to assure adequate consultation. The Administrator shall update as necessary the original regulations required and promulgated under this section (as in effect immediately before November 15, 1990) to ensure adequate consultation. Only a general purpose unit of local government, regional agency, or council of governments adversely affected by action of the Administrator approving any portion of a plan referred to in this subsection may petition for judicial review of such action on the basis of a violation of the requirements of this section.


REFERENCES IN TEXT
Section 7413(d) of this title, referred to in text, was amended generally by Pub. L. 101-549, title VII, §701, Nov. 15, 1990, 104 Stat. 2672, and, as so amended, no longer relates to final compliance orders.

AMENDMENTS
1990—Pub. L. 101-549 amended penultimate sentence generally. Prior to amendment, penultimate sentence read as follows: “Such regulations shall be promulgated after notice and opportunity for public hearing and not later than 6 months after August 7, 1977.”

EFFECTIVE DATE
Section effective Aug. 7, 1977, except as otherwise expressly provided, see section 496(a) of Pub. L. 95-95, set out as an Effective Date of 1977 Amendment note under section 7401 of this title.

§ 7422. Listing of certain unregulated pollutants
(a) Radioactive pollutants, cadmium, arsenic, and polycyclic organic matter

Not later than one year after August 7, 1977 (two years for radioactive pollutants) and after notice and opportunity for public hearing, the Administrator shall review all relevant information and determine whether or not emissions of radioactive pollutants (including source material, special nuclear material, and byproduct material), cadmium, arsenic and polycyclic organic matter into the ambient air will cause, or contribute to, air pollution which may reasonably be anticipated to endanger public health. If the Administrator makes an affirmative determination with respect to any such substance, he shall simultaneously with such determination include such substance in the list published under section 7408(a)(1) or 7412(b)(1)(A) of this title (in the case of a substance which, in the judgment of the Administrator, causes, or contributes to, air pollution which may reasonably be anticipated to result in an increase in mortality or an increase in serious irreversible, or incapacitating reversible, illness), or shall include each category of stationary sources emitting such substance in significant amounts in the list published under section 7411(b)(1)(A) of this title, or take any combination of such actions.

(b) Revision authority
Nothing in subsection (a) shall be construed to affect the authority of the Administrator to revise any list referred to in subsection (a) with respect to any substance (whether or not enumerated in subsection (a)).

(c) Consultation with Nuclear Regulatory Commission; interagency agreement; notice and hearing

(1) Before listing any source material, special nuclear, or byproduct material (or component or derivative thereof) as provided in subsection (a), the Administrator shall consult with the Nuclear Regulatory Commission.

(2) Not later than six months after listing any such material (or component or derivative thereof) the Administrator and the Nuclear Regulatory Commission shall enter into an interagency agreement with respect to those sources or facilities which are under the jurisdiction of the Commission. This agreement shall, to the maximum extent practicable consistent with this chapter, minimize duplication of effort and conserve administrative resources in the establishment, implementation, and enforcement of emission limitations, standards of performance, and other requirements and authorities (substantive and procedural) under this chapter respecting the emission of such material (or component or derivative thereof) from such sources or facilities.

(3) In case of any standard or emission limitation promulgated by the Administrator, under this chapter or by any State (or the Administrator) under any applicable implementation plan under this chapter, if the Nuclear Regulatory Commission determines, after notice and opportunity for public hearing that the application of such standard or limitation to a source or facility within the jurisdiction of the Commission would endanger public health or safety, such standard or limitation shall not apply to such facilities or sources unless the President determines otherwise within ninety days from the date of such finding.


REFERENCES IN TEXT
Section 7412(b)(1), referred to in subsec. (a), was amended generally by Pub. L. 101-549, title III, §301, Nov. 15, 1990, 104 Stat. 2531, and, as so amended, no longer contains a subpar. (A).

EFFECTIVE DATE
Section effective Aug. 7, 1977, except as otherwise expressly provided, see section 406(d) of Pub. L. 95-95, set out as an Effective Date of 1977 Amendment note under section 7401 of this title.

TRANSFER OF FUNCTIONS
For transfer of certain functions from Nuclear Regulatory Commission to Chairman thereof, see Reorg.
§ 7423. Stack heights
(a) Heights in excess of good engineering practice; other dispersion techniques

The degree of emission limitation required for control of any air pollutant under an applicable implementation plan under this subchapter shall not be affected in any manner by—
(1) so much of the stack height of any source as exceeds good engineering practice (as determined under regulations promulgated by the Administrator), or
(2) any other dispersion technique.

The preceding sentence shall not apply with respect to stack heights in existence before December 31, 1970, or dispersion techniques implemented before such date. In establishing an emission limitation for coal-fired steam electric generating units which are subject to the provisions of section 7418 of this title and which commenced operation before July 1, 1957, the effect of the entire stack height of stacks for which a construction contract was awarded before February 8, 1974, may be taken into account.

(b) Dispersion technique

For the purpose of this section, the term “dispersion technique” includes any intermittent or supplemental control of air pollutants varying with atmospheric conditions.

(c) Regulations; good engineering practice

Not later than six months after August 7, 1977, the Administrator, shall after notice and opportunity for public hearing, promulgate regulations to carry out this section. For purposes of this section, good engineering practice means, with respect to stack heights, the height necessary to insure that emissions from the stack do not result in excessive concentrations of any air pollutant in the immediate vicinity of the source as a result of atmospheric downwash, eddies and wakes which may be created by the source itself, nearby structures or nearby terrain obstacles (as determined by the Administrator). For purposes of this section such height shall not exceed two and a half times the height of such source unless the owner or operator of the source demonstrates, after notice and opportunity for public hearing, to the satisfaction of the Administrator, that a greater height is necessary as provided under the preceding sentence. In no event may the Administrator prohibit any increase in any stack height or restrict in any manner the stack height of any source.

§ 7426. Interstate pollution abatement

(a) Written notice to all nearby States

Each applicable implementation plan shall—

(1) require each major proposed new (or modified) source—

(A) subject to part C (relating to significant deterioration of air quality) or

(b) Use of locally or regionally available coal or coal derivatives to comply with implementation plan requirements

Upon a determination under subsection (a)—

(1) such Governor, with the written consent of the President or his designee,

(2) the President’s designee with the written consent of such Governor, or

(3) the President

may by rule or order prohibit any such major fuel burning stationary source (or class or category thereof) from using fuels other than locally or regionally available coal or coal derivatives to comply with implementation plan requirements. In taking any action under this subsection, the Governor, the President, or the President’s designee as the case may be, shall take into account, the final cost to the consumer of such an action.

c) Contracts; schedules

The Governor, in the case of action under subsection (b)(1), or the Administrator, in the case of an action under subsection (b)(2) or (3) shall, by rule or order, require each source to which such action applies to—

(1) enter into long-term contracts of at least ten years in duration (except as the President or his designee may otherwise permit or require by rule or order for good cause) for supplies of regionally available coal or coal derivatives,

(2) enter into contracts to acquire any additional means of emission limitation which the Administrator or the State determines may be necessary to comply with the requirements of this chapter while using such coal or coal derivatives as fuel, and

(3) comply with such schedules (including increments of progress), timetables and other requirements as may be necessary to assure compliance with the requirements of this chapter.

Requirements under this subsection shall be established simultaneously with, and as a condition of, any action under subsection (b).

d) Existing or new major fuel burning stationary sources

This section applies only to existing or new major fuel burning stationary sources—

(1) which have the design capacity to produce 250,000,000 Btu’s per hour (or its equivalent), as determined by the Administrator, and

(2) which are not in compliance with the requirements of an applicable implementation plan or which are prohibited from burning oil or natural gas, or both, under any other authority of law.

(e) Actions not to be deemed modifications of major fuel burning stationary sources

Except as may otherwise be provided by rule by the State or the Administrator for good cause, any action required to be taken by a major fuel burning stationary source under this section shall not be deemed to constitute a modification for purposes of section 7411(a)(2) and (4) of this title.

(f) Treatment of prohibitions, rules, or orders as requirements or parts of plans under other provisions

For purposes of sections 7413 and 7420 of this title a prohibition under subsection (b), and a corresponding rule or order under subsection (c), shall be treated as a requirement of section 7413 of this title. For purposes of any plan (or portion thereof) promulgated under section 7410(c) of this title, any rule or order under subsection (c) corresponding to a prohibition under subsection (b), shall be treated as a part of such plan. For purposes of section 7413 of this title, a prohibition under subsection (b), applicable to any source, and a corresponding rule or order under subsection (c), shall be treated as part of the applicable implementation plan for the State in which subject source is located.

(g) Delegation of Presidential authority

The President may delegate his authority under this section to an officer or employee of the United States designated by him on a case-by-case basis or in any other manner he deems suitable.

(h) “Locally or regionally available coal or coal derivatives” defined

For the purpose of this section the term “locally or regionally available coal or coal derivatives” means coal or coal derivatives which is, or can in the judgment of the State or the Administrator feasibly be, mined or produced in the local or regional area (as determined by the Administrator) in which the major fuel burning stationary source is located.


Effective Date

Section effective Aug. 7, 1977, except as otherwise expressly provided, see section 409(d) of Pub. L. 95–95, set out as an Effective Date of 1977 Amendment note under section 7401 of this title.
(B) which may significantly contribute to levels of air pollution in excess of the national ambient air quality standards in any air quality control region outside the State in which such source intends to locate (or make such modification), to provide written notice to all nearby States the air pollution levels of which may be affected by such source at least sixty days prior to the date on which commencement of construction is to be permitted by the State providing notice, and
(2) identify all major existing stationary sources which may have the impact described in paragraph (1) with respect to new or modified sources and provide notice to all nearby States of the identity of such sources not later than three months after August 7, 1977.

(b) Petition for finding that major sources emit or would emit prohibited air pollutants
Any State or political subdivision may petition the Administrator for a finding that any major source or group of stationary sources emits or would emit any air pollutant in violation of the prohibition of section 7410(a)(2)(D)(ii) of this title or this section. Within 60 days after receipt of any petition under this subsection and after public hearing, the Administrator shall make such a finding or deny the petition.

c) Violations; allowable continued operation
Notwithstanding any permit which may have been granted by the State in which the source is located (or intends to locate), it shall be a violation of this section and the applicable implementation plan in such State—
(1) for any major proposed new (or modified) source with respect to which a finding has been made under subsection (b) to be constructed or to operate in violation of the prohibition of section 7410(a)(2)(D)(ii) of this title or this section, or
(2) for any major existing source to operate more than three months after such finding has been made with respect to it.

The Administrator may permit the continued operation of a source referred to in paragraph (2) beyond the expiration of such three-month period if such source complies with such emission limitations and compliance schedules (containing increments of progress) as may be provided by the Administrator to bring about compliance with the requirements contained in section 7410(a)(2)(D)(ii) of this title or this section as expeditiously as practicable, but in no case later than three years after the date of such finding. Nothing in the preceding sentence shall be construed to preclude any such source from being eligible for an enforcement order under section 7413(d) of this title or this section as expeditiously as practicable, but in no case later than three years after the date of such finding. Nothing in the preceding sentence shall be construed to preclude any such source from being eligible for an enforcement order under section 7413(d) of this title or this section as expeditiously as practicable, but in no case later than three years after the date of such finding. Nothing in the preceding sentence shall be construed to preclude any such source from being eligible for an enforcement order under section 7413(d) of this title or this section as expeditiously as practicable, but in no case later than three years after the date of such finding.

References

§7427. Public notification

(a) Warning signs; television, radio, or press notices or information
Each State plan shall contain measures which will be effective to notify the public during any calendar1 a regular basis of instances or areas in which any national primary ambient air quality standard is exceeded or was exceeded during any portion of the preceding calendar year to advise the public of the health hazards associated with such pollution, and to enhance public awareness of the measures which can be taken to prevent such standards from being exceeded and the ways in which the public can participate in regulatory and other efforts to improve air quality. Such measures may include the posting of warning signs on interstate highway access points to metropolitan areas or television, radio, or press notices or information.

(b) Grants
The Administrator is authorized to make grants to States to assist in carrying out the requirements of subsection (a).

Effective Date
Section effective Aug. 7, 1977, except as otherwise expressly provided, see section 406(d) of Pub. L. 95–95, set out as an Effective Date of 1977 Amendment note under section 7401 of this title.

§7428. State boards

(a)1 Not later than the date one year after August 7, 1977, each applicable implementation plan shall contain requirements that—
(1) any board or body which approves permits or enforcement orders under this chapter
1 See References in Text note below.
shall have at least a majority of members who represent the public interest and do not derive any significant portion of their income from persons subject to permits or enforcement orders under this chapter, and

(2) any potential conflicts of interest by members of such board or body or the head of an executive agency with similar powers be adequately disclosed.

A State may adopt any requirements respecting conflicts of interest for such boards or bodies or heads of executive agencies, or any other entities which are more stringent than the requirements of paragraph (1) and (2), and the Administrator shall approve any such more stringent requirements submitted as part of an implementation plan.


**Effective date**

Section effective Aug. 7, 1977, except as otherwise expressly provided, see section 406(d) of Pub. L. 95–95, set out as an Effective Date of 1977 Amendment note under section 7401 of this title.

§ 7429. Solid waste combustion

(a) New source performance standards

(1) In general

(A) The Administrator shall establish performance standards and other requirements pursuant to section 7411 of this title and this section for each category of solid waste incineration units. Such standards shall include emissions limitations and other requirements applicable to new units and guidelines (under section 7411(d) of this title and this section) and other requirements applicable to existing units.

(B) Standards under section 7411 of this title and this section applicable to solid waste incineration units with capacity greater than 250 tons per day combusting municipal waste shall be promulgated not later than 12 months after November 15, 1990. Nothing in this subparagraph shall alter any schedule for the promulgation of standards applicable to such units under section 7411 of this title pursuant to any settlement and consent decree entered by the Administrator before November 15, 1990: Provided, That, such standards are subsequently modified pursuant to the schedule established in this subparagraph to include each of the requirements of this section.

(C) Standards under section 7411 of this title and this section applicable to solid waste incineration units with capacity equal to or less than 250 tons per day combusting municipal waste and units combusting hospital waste, medical waste and infectious waste shall be promulgated not later than 24 months after November 15, 1990.

(D) Standards under section 7411 of this title and this section applicable to solid waste incineration units combusting commercial or industrial waste shall be proposed not later than 36 months after November 15, 1990, and promulgated not later than 48 months after November 15, 1990.

(E) Not later than 18 months after November 15, 1990, the Administrator shall publish a schedule for the promulgation of standards under section 7411 of this title and this section applicable to other categories of solid waste incineration units.

(2) Emissions standard

Standards applicable to solid waste incineration units promulgated under section 7411 of this title and this section shall reflect the maximum degree of reduction in emissions of air pollutants listed under section 1 \( ^{4} \) (a)(4) that the Administrator, taking into consideration the cost of achieving such emission reduction, and any non-air quality health and environmental impacts and energy requirements, determines is achievable for new or existing units in each category. The Administrator may distinguish among classes, types (including mass-burn, refuse-derived fuel, modular and other types of units), and sizes of units within a category in establishing such standards. The degree of reduction in emissions that is deemed achievable for new units in a category shall not be less stringent than the emissions control that is achieved in practice by the best controlled similar unit, as determined by the Administrator. Emissions standards for existing units in a category may be less stringent than standards for new units in the same category but shall not be less stringent than the average emissions limitation achieved by the best performing 12 percent of units in the category (excluding units which first met lowest achievable emissions rates 18 months before the date such standards are proposed or 30 months before the date such standards are promulgated, whichever is later).

(3) Control methods and technologies

Standards under section 7411 of this title and this section applicable to solid waste incineration units shall be based on methods and technologies for removal or destruction of pollutants before, during, or after combustion, and shall incorporate for new units siting requirements that minimize, on a site specific basis, to the maximum extent practicable, potential risks to public health or the environment.

(4) Numerical emissions limitations

The performance standards promulgated under section 7411 of this title and this section applicable to solid waste incineration units shall specify numerical emission limitations for the following substances or mixtures: particulate matter (total and fine), opacity (as appropriate), sulfur dioxide, hydrogen chloride, oxides of nitrogen, carbon monoxide, lead, cadmium, mercury, and dioxins and dibenzofurans. The Administrator may promulgate numerical emissions limitations or provide for the monitoring of postcombustion concentrations of surrogate substances, parameters or periods of residence time in excess of stated temperatures with respect to pollutants other than those listed in this paragraph.

(5) Review and revision

Not later than 5 years following the initial promulgation of any performance standards

---

\( ^{4} \) So in original. Probably should be “subsection”.
and other requirements under this section and section 7411 of this title applicable to a category of solid waste incineration units, and at 5 year intervals thereafter, the Administrator shall review, and in accordance with this section and section 7411 of this title, revise such standards and requirements.

(b) Existing units

(1) Guidelines

Performance standards under this section and section 7411 of this title for solid waste incineration units shall include guidelines promulgated pursuant to section 7411(d) of this title and this section applicable to existing units. Such guidelines shall include, as provided in this section, each of the elements required by subsection (a) (emissions limitations, notwithstanding any restriction in section 7411(d) of this title regarding issuance of such limitations), subsection (c) (monitoring), subsection (d) (operator training), subsection (e) (permits), and subsection (h)(4)\(^2\) (residual risk).

(2) State plans

Not later than 1 year after the Administrator promulgates guidelines for a category of solid waste incineration units, each State in which units in the category are operating shall submit to the Administrator a plan to implement and enforce the guidelines with respect to such units. The State plan shall be at least as protective as the guidelines promulgated by the Administrator and shall provide that each unit subject to the guidelines shall be in compliance with all requirements of this section not later than 3 years after the State plan is approved by the Administrator but not later than 5 years after the guidelines were promulgated. The Administrator shall approve or disapprove any State plan within 180 days of the submission, and if a plan is disapproved, the Administrator shall state the reasons for disapproval in writing. Any State may modify and resubmit a plan which has been disapproved by the Administrator.

(3) Federal plan

The Administrator shall develop, implement and enforce a plan for existing solid waste incineration units within any category located in any State which has not submitted an approved plan under this subsection with respect to units in such category within 2 years after the date on which the Administrator promulgated the relevant guidelines. Such plan shall assure that each unit subject to the plan is in compliance with all provisions of the guidelines not later than 5 years after the date the relevant guidelines are promulgated.

(c) Monitoring

The Administrator shall, as part of each performance standard promulgated pursuant to subsection (a) and section 7411 of this title, promulgate regulations requiring the owner or operator of each solid waste incineration unit—

(1) to monitor emissions from the unit at the point at which such emissions are emitted into the ambient air (or within the stack, combustion chamber or pollution control equipment, as appropriate) and at such other points as necessary to protect public health and the environment;

(2) to monitor such other parameters relating to the operation of the unit and its pollution control technology as the Administrator determines are appropriate; and

(3) to report the results of such monitoring.

Such regulations shall contain provisions regarding the frequency of monitoring, test methods and procedures validated on solid waste incineration units, and the form and frequency of reports containing the results of such monitoring. The Administrator shall require that any monitoring reports or test results indicating an exceedance of any standard under this section shall be reported separately and in a manner that facilitates review for purposes of enforcement actions. Such regulations shall require that copies of the results of such monitoring be maintained on file at the facility concerned and that copies shall be made available for inspection and copying by interested members of the public during business hours.

(d) Operator training

Not later than 24 months after November 15, 1990, the Administrator shall develop and promote a model State program for the training and certification of solid waste incineration unit operators and high-capacity fossil fuel fired plant operators. The Administrator may authorize any State to implement a model program for the training of solid waste incineration unit operators and high-capacity fossil fuel fired plant operators, if the State has adopted a program which is at least as effective as the model program developed by the Administrator. Beginning on the date 36 months after the date on which performance standards and guidelines are promulgated under subsection (a) and section 7411 of this title for any category of solid waste incineration units, the Administrator shall state the reasons for disapproval in writing. Any State may modify and resubmit a plan which has been disapproved by the Administrator.

(e) Permits

Beginning (1) 36 months after the promulgation of a performance standard under subsection (a) and section 7411 of this title applicable to a category of solid waste incineration units, or (2) the effective date of a permit program under subchapter V in the State in which the unit is located, whichever is later, each unit in the category shall operate pursuant to a permit issued under this subsection and subchapter V. Permits required by this subsection may be renewed according to the provisions of subchapter V. Notwithstanding any other provision of this chapter, each permit for a solid waste incineration unit combusting municipal waste issued under this chapter shall be issued for a period of up to 12 years and shall be reviewed every 5 years after date of issuance or reissuance. Each permit shall continue in effect after the date of issuance until the date of termination, unless the

---

\(^2\)So in original. Probably should be subsection "(h)(3)".
Administrator or State determines that the unit is not in compliance with all standards and conditions contained in the permit. Such determination shall be made at regular intervals during the term of the permit, such intervals not to exceed 5 years, and only after public comment and public hearing. No permit for a solid waste incineration unit may be issued under this chapter by an agency, instrumentality or person that is also responsible, in whole or part, for the design and construction or operation of the unit. Notwithstanding any other provision of this subsection, the Administrator or the State shall require the owner or operator of any unit to comply with emissions limitations or implement any other measures, if the Administrator or the State determines that emissions in the absence of such limitations or measures may reasonably be anticipated to endanger public health or the environment. The Administrator’s determination under the preceding sentence is a discretionary decision.

(f) Effective date and enforcement

(1) New units

Performance standards and other requirements promulgated pursuant to this section and section 7011 of this title and applicable to new solid waste incineration units shall be effective as of the date 6 months after the date of promulgation.

(2) Existing units

Performance standards and other requirements promulgated pursuant to this section and section 7011 of this title and applicable to existing solid waste incineration units shall be effective as expeditiously as practicable after approval of a State plan under subsection (b)(2) (or promulgation of a plan by the Administrator under subsection (b)(3)) but in no event later than 3 years after the State plan is approved or 5 years after the date such standards or requirements are promulgated, whichever is earlier.

(3) Prohibition

After the effective date of any performance standard, emission limitation or other requirement promulgated pursuant to this section and section 7011 of this title, it shall be unlawful for any owner or operator of an existing solid waste incineration unit to which such standard, limitation or requirement applies to operate such unit in violation of such limitation, standard or requirement or for any other person to violate an applicable requirement of this section.

(4) Coordination with other authorities

For purposes of sections 7011(e), 7413, 7414, 7416, 7420, 7603, 7604, 7607 of this title and other provisions for the enforcement of this chapter, each performance standard, emission limitation or other requirement established pursuant to this section by the Administrator or a State or local government, shall be treated in the same manner as a standard of performance under section 7011 of this title which is an emission limitation.

(g) Definitions

For purposes of section 306 of the Clean Air Act Amendments of 1990 and this section only—

(1) Solid waste incineration unit

The term “solid waste incineration unit” means a distinct operating unit of any facility which combusts any solid waste material from commercial or industrial establishments or the general public (including single and multiple residences, hotels, and motels). Such term does not include incinerators or other units required to have a permit under section 3005 of the Solid Waste Disposal Act (42 U.S.C. 6925). The term “solid waste incineration unit” does not include (A) materials recovery facilities (including primary or secondary smelters) which combust waste late for the primary purpose of recovering metals, (B) qualifying small power production facilities, as defined in section 796(17)(C) of title 16, or qualifying cogeneration facilities, as defined in section 796(18)(B) of title 16, which burn homogeneous waste (such as units which burn tires or used oil, but not including refuse-derived fuel) for the production of electric energy or in the case of qualifying cogeneration facilities which burn homogeneous waste for the production of electric energy and steam or forms of useful energy (such as heat) which are used for industrial, commercial, heating or cooling purposes, or (C) air curtain incinerators provided that such incinerators only burn wood wastes, yard wastes and clean lumber and that such air curtain incinerators comply with opacity limitations to be established by the Administrator by rule.

(2) New solid waste incineration unit

The term “new solid waste incineration unit” means a solid waste incineration unit the construction of which is commenced after the Administrator proposes requirements under this section establishing emissions standards or other requirements which would be applicable to such unit or a modified solid waste incineration unit.

(3) Modified solid waste incineration unit

The term “modified solid waste incineration unit” means a solid waste incineration unit at which modifications have occurred after the effective date of a standard under subsection (a) if (A) the cumulative cost of the modifications, over the life of the unit, exceed 50 per centum of the original cost of construction and installation of the unit (not including the cost of any land purchased in connection with such construction or installation) updated to current costs, or (B) the modification is a physical change in or change in the method of operation of the unit which increases the amount of any air pollutant emitted by the unit for which standards have been established under this section or section 7411 of this title.

(4) Existing solid waste incineration unit

The term “existing solid waste incineration unit” means a solid waste unit which is not a new or modified solid waste incineration unit.

(5) Municipal waste

The term “municipal waste” means refuse (and refuse-derived fuel) collected from the general public and from residential, commercial, institutional, and industrial sources con-
sisting of paper, wood, yard wastes, food wastes, plastics, leather, rubber, and other combustible materials and non-combustible materials such as metal, glass and rock, provided that: (A) the term does not include industrial process wastes or medical wastes that are segregated from such other wastes; and (B) an incineration unit shall not be considered to be combusting municipal waste for purposes of section 7411 of this title or this section if it combusting a fuel feed stream, 30 percent or less of the weight of which is comprised, in aggregate, of municipal waste.

(6) Other terms
The terms "solid waste" and "medical waste" shall have the meanings established by the Administrator pursuant to the Solid Waste Disposal Act [42 U.S.C. 6901 et seq.].

(h) Other authority
(1) State authority
Nothing in this section shall preclude or deny the right of any State or political subdivision thereof to adopt or enforce any regulation, requirement, limitation or standard relating to solid waste incineration units that is more stringent than a regulation, requirement, limitation or standard in effect under this section or under any other provision of this chapter.

(2) Other authority under this chapter
Nothing in this section shall diminish the authority of the Administrator or a State to establish any other requirements applicable to solid waste incineration units under any other authority of law, including the authority to establish for any air pollutant a national ambient air quality standard, except that no solid waste incineration unit subject to performance standards under this section and section 7411 of this title shall be subject to standards under section 7412(d) of this title.

(3) Residual risk
The Administrator shall promulgate standards under section 7412(f) of this title for a category of solid waste incineration units, if promulgation of such standards is required under section 7412(f) of this title. For purposes of this paragraph—
(A) the performance standards under subsection (a) and section 7411 of this title applicable to a category of solid waste incineration units shall be deemed standards under section 7412(d)(2) of this title, and
(B) the Administrator shall consider and regulate, if required, the pollutants listed under subsection (a)(4) and no others.

(4) Acid rain
A solid waste incineration unit shall not be a utility unit as defined in subchapter IV–A: Provided, That, more than 80 per centum of its annual average fuel consumption measured on a Btu basis, during a period or periods to be determined by the Administrator, is from a fuel (including any waste burned as a fuel) other than a fossil fuel.

(5) Requirements of parts C and D
No requirement of an applicable implementation plan under section 7475 of this title (relating to construction of facilities in regions identified pursuant to section 7407(d)(1)(A)(i) or (iii) of this title) or under section 7502(c)(5) of this title (relating to permits for construction and operation in nonattainment areas) may be used to weaken the standards in effect under this section.


REFERENCES IN TEXT
Section 306 of the Clean Air Act Amendments of 1990, referred to in subsec. (g), probably means section 306 of Pub. L. 101–549, which is set out as a note under section 6922 of this title.


Sections 306 of the Clean Air Act Amendments of 1990, referred to in subsec. (g), provided that: "Prior to the promulgation of any performance standard for solid waste incineration units combating municipal waste under section 111 or section 129 of the Clean Air Act [42 U.S.C. 7411, 7429], the Administrator shall review the availability of acid gas scrubbers as a pollution control technology for small new units and for existing units (as defined in 54 Federal Register 52190 (December 20, 1989)], taking into account the provisions of subsection (a)(2) of section 129 of the Clean Air Act."

§7430. Emission factors

Within 6 months after November 15, 1990, and at least every 3 years thereafter, the Administrator shall review and, if necessary, revise, the methods ("emission factors") used for purposes of this chapter to estimate the quantity of emissions of carbon monoxide, volatile organic compounds, and oxides of nitrogen from sources of such air pollutants (including area sources and mobile sources). In addition, the Administrator shall establish emission factors for sources for which no such methods have previously been established by the Administrator. The Administrator shall permit any person to demonstrate improved emissions estimating techniques, and following approval of such techniques, the Administrator shall authorize the use of such techniques. Any such technique may be approved only after appropriate public participation. Until the Administrator has completed the revision required by this section, nothing in this section shall be construed to affect the validity of emission factors established by the Administrator before November 15, 1990.


§7431. Land use authority

Nothing in this chapter constitutes an infringement on the existing authority of counties and cities to plan or control land use, and noth-
ing in this chapter provides or transfers authority over such land use.


PART B—OZONE PROTECTION


Section 7456, act July 14, 1955, ch. 360, title I, §156, as added Aug. 7, 1977, Pub. L. 95–95, title I, §126, 91 Stat. 729, authorized President to enter into international agreements to foster cooperative research.


SIMILAR PROVISIONS

For provisions relating to stratospheric ozone protection, see section 7671 et seq. of this title.

PART C—PREVENTION OF SIGNIFICANT DETERIORATION OF AIR QUALITY

SUBPART I—CLEAN AIR

§7470. Congressional declaration of purpose

The purposes of this part are as follows:

1. To protect public health and welfare from any actual or potential adverse effect which in the Administrator's judgment may reasonably be anticipate\(^1\) to occur from air pollution or from exposures to pollutants in other media, which pollutants originate as emissions to the ambient air\(^2\), notwithstanding attainment and maintenance of all national ambient air quality standards;

2. To preserve, protect, and enhance the air quality in national parks, national wilderness areas, national monuments, national seashores, and other areas of special national or regional natural, recreational, scenic, or historic value;

3. To assure that economic growth will occur in a manner consistent with the preservation of existing clean air resources;

4. To assure that emissions from any source in any State will not interfere with any portion of the applicable implementation plan to prevent significant deterioration of air quality for any other State; and

5. To assure that any decision to permit increased air pollution in any area to which this section applies is made only after careful evaluation of all the consequences of such a decision and after adequate procedural opportunities for informed public participation in the decisionmaking process.


EFFECTIVE DATE

Subpart effective Aug. 7, 1977, except as otherwise expressly provided, see section 406(d) of Pub. L. 95–95, set out as an Effective Date of 1977 Amendment note under section 7401 of this title.

GUIDANCE DOCUMENT

Pub. L. 95–95, title I, §127(c), Aug. 7, 1977, 91 Stat. 741, required Administrator, not later than 1 year after Aug. 7, 1977, to publish a guidance document to assist States in carrying out their functions under part C of title I of the Clean Air Act (this part) with respect to pollutants for which national ambient air quality standards are promulgated.

STUDY AND REPORT ON PROGRESS MADE IN PROGRAM RELATING TO SIGNIFICANT DETERIORATION OF AIR QUALITY

Pub. L. 95–95, title I, §127(d), Aug. 7, 1977, 91 Stat. 742, directed Administrator, not later than 2 years after Aug. 7, 1977, to complete a study and report to Congress on progress made in carrying out part C of title I of the Clean Air Act (this part) and the problems associated in carrying out such section.

§7471. Plan requirements

In accordance with the policy of section 7401(b)(1) of this title, each applicable implementation plan shall contain emission limitations and such other measures as may be necessary, as determined under regulations promulgated under this part, to prevent significant deterioration of air quality in each region (or portion thereof) designated pursuant to section 7407 of this title as attainment or unclassifiable.


AMENDMENTS

1990—Pub. L. 101–549 substituted “designated pursuant to section 7407 of this title as attainment or unclassifiable” for “identified pursuant to section 7407(d)(1)(D) or (E) of this title”.

§7472. Initial classifications

(a) Areas designated as class I

Upon the enactment of this part, all—

1. international parks,

2. national wilderness areas which exceed 5,000 acres in size,
§ 7473. Increments and ceilings

(a) Sulfur oxide and particulate matter; requirement that maximum allowable increases and maximum allowable concentrations not be exceeded

In the case of sulfur oxide and particulate matter, each applicable implementation plan shall contain measures assuring that maximum allowable increases over baseline concentrations of, and maximum allowable concentrations of, such pollutant shall not be exceeded. In the case of any maximum allowable increase (except an allowable increase specified under section 7475(d)(2)(C)(iv) of this title) for a pollutant based on concentrations permitted under national ambient air quality standards for any period other than an annual period, such regulations shall permit such maximum allowable increase to be exceeded during one such period per year.

(b) Maximum allowable increases in concentrations over baseline concentrations

(1) For any class I area, the maximum allowable increase in concentrations of sulfur dioxide and particulate matter over the baseline concentration of such pollutants shall not exceed the following amounts:

<table>
<thead>
<tr>
<th>Pollutant</th>
<th>Maximum allowable increase (in micrograms per cubic meter)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Particulate matter</td>
<td></td>
</tr>
<tr>
<td>Annual geometric mean</td>
<td>5</td>
</tr>
<tr>
<td>Twenty-four-hour maximum</td>
<td>10</td>
</tr>
<tr>
<td>Sulfur dioxide:</td>
<td></td>
</tr>
<tr>
<td>Annual arithmetic mean</td>
<td>2</td>
</tr>
<tr>
<td>Twenty-four-hour maximum</td>
<td>5</td>
</tr>
<tr>
<td>Three-hour maximum</td>
<td>25</td>
</tr>
</tbody>
</table>

(2) For any class II area, the maximum allowable increase in concentrations of sulfur dioxide and particulate matter over the baseline concentration of such pollutants shall not exceed the following amounts:

<table>
<thead>
<tr>
<th>Pollutant</th>
<th>Maximum allowable increase (in micrograms per cubic meter)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Particulate matter:</td>
<td></td>
</tr>
<tr>
<td>Annual geometric mean</td>
<td>19</td>
</tr>
<tr>
<td>Twenty-four-hour maximum</td>
<td>37</td>
</tr>
<tr>
<td>Sulfur dioxide:</td>
<td></td>
</tr>
<tr>
<td>Annual arithmetic mean</td>
<td>20</td>
</tr>
<tr>
<td>Twenty-four-hour maximum</td>
<td>91</td>
</tr>
<tr>
<td>Three-hour maximum</td>
<td>512</td>
</tr>
</tbody>
</table>

(3) For any class III area, the maximum allowable increase in concentrations of sulfur dioxide and particulate matter over the baseline concentration of such pollutants shall not exceed the following amounts:

<table>
<thead>
<tr>
<th>Pollutant</th>
<th>Maximum allowable increase (in micrograms per cubic meter)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Particulate matter</td>
<td></td>
</tr>
<tr>
<td>Annual geometric mean</td>
<td>37</td>
</tr>
<tr>
<td>Twenty-four-hour maximum</td>
<td>75</td>
</tr>
<tr>
<td>Sulfur dioxide</td>
<td></td>
</tr>
<tr>
<td>Annual arithmetic mean</td>
<td>40</td>
</tr>
<tr>
<td>Twenty-four-hour maximum</td>
<td>182</td>
</tr>
<tr>
<td>Three-hour maximum</td>
<td>700</td>
</tr>
</tbody>
</table>

(4) The maximum allowable concentration of any air pollutant in any area to which this part applies shall not exceed a concentration for such pollutant for each period of exposure equal to—

(A) the concentration permitted under the national secondary ambient air quality standard, or
(B) the concentration permitted under the national primary ambient air quality standard, whichever concentration is lowest for such pollutant for such period of exposure.

(c) Orders or rules for determining compliance with maximum allowable increases in ambient concentrations of air pollutants

(1) In the case of any State which has a plan approved by the Administrator for purposes of carrying out this part, the Governor of such State may, after notice and opportunity for public hearing, issue orders or promulgate rules providing that for purposes of determining compliance with the maximum allowable increases in ambient concentrations of an air pollutant, the following concentrations of such pollutant shall not be taken into account:

(A) concentrations of such pollutant attributable to the increase in emissions from sta-
tionary sources which have converted from the use of petroleum products, or natural gas, or both, by reason of an order which is in effect under the provisions of sections 792(a) and (b) of title 15 (or any subsequent legislation which supersedes such provisions) over the emissions from such sources before the effective date of such order.

(B) the concentrations of such pollutant attributable to the increase in emissions from stationary sources which have converted from using natural gas by reason of a natural gas curtailment pursuant to a natural gas curtailment plan in effect pursuant to the Federal Power Act [16 U.S.C. 791a et seq.] over the emissions from such sources before the effective date of such plan,

(C) concentrations of particulate matter attributable to the increase in emissions from construction or other temporary emission-related activities, and

(D) the increase in concentrations attributable to new sources outside the United States over the concentrations attributable to existing sources which are included in the baseline concentration determined in accordance with section 7479(4) of this title.

(2) No action taken with respect to a source under paragraph (1)(A) or (1)(B) shall apply more than five years after the effective date of the order referred to in paragraph (1)(A) or (1)(B), whichever is applicable. If both such order and plan are applicable, no such action shall apply more than five years after the later of such effective dates.

(3) No action under this subsection shall take effect unless the Governor submits the order or rule providing for such exclusion to the Administrator and the Administrator determines that such order or rule is in compliance with the provisions of this subsection.


REFERENCES IN TEXT

The Federal Power Act, referred to in subsection (b), is act June 10, 1920, ch. 285, 41 Stat. 1063, as amended, which is classified generally to chapter 12 (§ 791 et seq.) of Title 16, Conservation. For complete classification of this Act to the Code, see section 791a of Title 16 and Tables.

AMENDMENTS


§7474. Area redesignation

(a) Authority of States to redesignate areas

Except as otherwise provided under subsection (c), a State may redesignate such areas as it deems appropriate as class I areas. The following areas may be redesignated only as class I or II:

1. an area which exceeds ten thousand acres in size and is a national monument, a national primitive area, a national preserve, a national recreation area, a national wild and scenic river, a national wildlife refuge, a national lakeshore or seashore, and

2. a national park or national wilderness area established after August 7, 1977, which exceeds ten thousand acres in size.

The extent of the areas referred to in paragraph (1) and (2) shall conform to any changes in the boundaries of such areas which have occurred subsequent to August 7, 1977, or which may occur subsequent to November 15, 1990. Any area (other than an area referred to in paragraph (1) or (2)) or an area established as class I under the first sentence of section 7472(a) of this title may be redesignated by the State as class III if—

(A) such redesignation has been specifically approved by the Governor of the State, after consultation with the appropriate Committees of the legislature if it is in session or with the leadership of the legislature if it is not in session (unless State law provides that such redesignation must be specifically approved by State legislation) and if general purpose units of local government representing a majority of the residents of the area so redesignated enact legislation (including for such units of local government resolutions where appropriate) concurring in the State’s redesignation;

(B) such redesignation will not cause, or contribute to, concentrations of any air pollutant which exceed any maximum allowable increase or maximum allowable concentration permitted under the classification of any other area; and

(C) such redesignation otherwise meets the requirements of this part.

Subparagraph (A) of this paragraph shall not apply to area redesignations by Indian tribes.

(b) Notice and hearing; notice to Federal land manager; written comments and recommendations; regulations; disapproval of redesignation

(1)(A) Prior to redesignation of any area under this part, notice shall be afforded and public hearings shall be conducted in areas proposed to be redesignated and in areas which may be affected by the proposed redesignation. Prior to any public hearing a satisfactory description and analysis of the health, environmental, economic, social, and energy effects of the proposed redesignation shall be prepared and made available for public inspection and prior to any such redesignation, the description and analysis of such effects shall be reviewed and examined by the redesignating authorities.

(B) Prior to the issuance of notice under subparagraph (A) respecting the redesignation of any area under this subsection, if such area includes any Federal lands, the State shall provide written notice to the appropriate Federal land manager and afford adequate opportunity (but not in excess of 60 days) to confer with the State respecting the intended notice of redesignation and to submit written comments and recommendations with respect to such intended notice of redesignation. In redesignating any area

1So in original. The period probably should be a comma.

1So in original. Probably should be “paragraphs”.
under this section with respect to which any Federal land manager has submitted written comments and recommendations, the State shall publish a list of any inconsistency between such redesignation and such recommendations and an explanation of such inconsistency (together with the reasons for making such redesignation against the recommendation of the Federal land manager).

(C) The Administrator shall promulgate regulations not later than six months after August 7, 1977, to assure, insofar as practicable, that prior to any public hearing on redesignation of any area, there shall be available for public inspection any specific plans for any new or modified major emitting facility which may be permitted to be constructed and operated only if the area in question is designated or redesignated as class III.

(2) The Administrator may disapprove the redesignation of any area only if he finds, after notice and opportunity for public hearing, that such redesignation does not meet the procedural requirements of this section or is inconsistent with the requirements of section 7472(a) of this title or of subsection (a) of this section. If any such disapproval occurs, the classification of the area shall be that which was in effect prior to the redesignation which was disapproved.

(c) Indian reservations

Lands within the exterior boundaries of reservations of federally recognized Indian tribes may be redesignated only by the appropriate Indian governing body. Such Indian governing body shall be subject in all respect to the provisions of subsection (e).

(d) Review of national monuments, primitive areas, and national preserves

The Federal Land Manager shall review all national monuments, primitive areas, and national preserves, and shall recommend any appropriate areas for redesignation as class I where air quality related values are important attributes of the area. The Federal Land Manager shall report such recommendations, within 2 supporting analysis, to the Congress and the affected States within one year after August 7, 1977. The Federal Land Manager shall consult with the appropriate States before making such recommendations.

(e) Resolution of disputes between State and Indian tribes

If any State affected by the redesignation of an area by an Indian tribe or any Indian tribe affected by the redesignation of an area by a State disagrees with such redesignation of any area, or if a permit is proposed to be issued for any new major emitting facility proposed for construction in any State which the Governor of an affected State or governing body of an affected Indian tribe determines will cause or contribute to a cumulative change in air quality in excess of that allowed in this part within the affected State or tribal reservation, the Governor or Indian ruling body may request the Administrator to enter into negotiations with the parties involved to resolve such dispute. If requested by any State or Indian tribe involved, the Administrator shall make a recommendation to resolve the dispute and protect the air quality related values of the lands involved. If the parties involved do not reach agreement, the Administrator shall resolve the dispute and his determination, or the results of agreements reached through other means, shall become part of the applicable plan and shall be enforceable as part of such plan. In resolving such disputes relating to area redesignation, the Administrator shall consider the extent to which the lands involved are of sufficient size to allow effective air quality management or have air quality related values of such an area.


AMENDMENTS

1990—Subsec. (a). Pub. L. 101–549, which directed the insertion of “The extent of the areas referred to in paragraph (1) and (2) shall conform to any changes in the boundaries of such areas which have occurred subsequent to August 7, 1977, or which may occur subsequent to November 15, 1990,” before “Any area (other than an area referred to in paragraph (1) or (2))”, was executed by making the insertion before “Any area (other than an area referred to in paragraph (1) or (2))”, to reflect the probable intent of Congress.

1977—Subsec. (b)(2). Pub. L. 95–190, §14(a)(42), inserted “or is inconsistent with the requirements of section 7472(a) of this title or of subsection (a) of this section” after “this section”.

Subsec. (e). Pub. L. 95–190, §14(a)(43), inserted “an” after “If any State affected by the redesignation of”.

§7475. Preconstruction requirements

(a) Major emitting facilities on which construction is commenced

No major emitting facility on which construction is commenced after August 7, 1977, may be constructed in any area to which this part applies unless—

(1) a permit has been issued for such proposed facility in accordance with this part setting forth emission limitations for such facility which conform to the requirements of this part;

(2) the proposed permit has been subject to a review in accordance with this section, the required analysis has been conducted in accordance with regulations promulgated by the Administrator, and a public hearing has been held with opportunity for interested persons including representatives of the Administrator to appear and submit written or oral presentations on the air quality impact of such source, alternatives thereto, control technology requirements, and other appropriate considerations;

(3) the owner or operator of such facility demonstrates, as required pursuant to section 7410(j) of this title, that emissions from construction or operation of such facility will not cause, or contribute to, air pollution in excess of any (A) maximum allowable increase or maximum allowable concentration for any pollutant in any area to which this part applies more than one time per year, (B) na-
tional ambient air quality standard in any air quality control region, or (C) any other applicable emission standard or standard of performance under this chapter;

(4) the proposed facility is subject to the best available control technology for each pollutant subject to regulation under this chapter emitted from, or which results from, such facility;

(5) the provisions of subsection (d) with respect to protection of class I areas have been complied with for such facility;

(6) there has been an analysis of any air quality impacts projected for the area as a result of growth associated with such facility;

(7) the person who owns or operates, or proposes to own or operate, a major emitting facility for which a permit is required under this part agrees to conduct such monitoring as may be necessary to determine the effect which emissions from any such facility may have, or is having, on air quality in any area which may be affected by emissions from such source; and

(8) in the case of a source which proposes to construct in a class III area, emissions from which would cause or contribute to exceeding the maximum allowable increments applicable in a class II area and where no standard under section 7411 of this title has been promulgated for such pollutant which exceed the following maximum concentration for such pollutants:

<table>
<thead>
<tr>
<th>Pollutant</th>
<th>Maximum allowable increase (in micrograms per cubic meter)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Particulate matter</td>
<td></td>
</tr>
<tr>
<td>Annual geometric mean</td>
<td>19</td>
</tr>
<tr>
<td>Twenty-four-hour maximum</td>
<td>37</td>
</tr>
<tr>
<td>Sulfur dioxide</td>
<td></td>
</tr>
<tr>
<td>Annual arithmetic mean</td>
<td>20</td>
</tr>
<tr>
<td>Twenty-four-hour maximum</td>
<td>91</td>
</tr>
<tr>
<td>Three-hour maximum</td>
<td>325</td>
</tr>
</tbody>
</table>

(b) Exception

The demonstration pertaining to maximum allowable increases required under subsection (a)(3) shall not apply to maximum allowable increases for class II areas in the case of an expansion or modification of a major emitting facility which is in existence on August 7, 1977, whose allowable emissions of air pollutants, after compliance with subsection (a)(4), will be less than fifty tons per year and for which the owner or operator of such facility demonstrates that emissions of particulate matter and sulfur oxides will not cause or contribute to ambient air quality levels in excess of the national secondary ambient air quality standard for either of such pollutants.

(c) Permit applications

Any completed permit application under section 7410 of this title for a major emitting facility in any area to which this part applies shall be granted or denied not later than one year after the date of filing of such completed application.

(d) Action taken on permit applications; notice; adverse impact on air quality related values; variance; emission limitations

(1) Each State shall transmit to the Administrator a copy of each permit application relating to a major emitting facility received by such State and provide notice to the Administrator of every action related to the consideration of such permit.

(2)(A) The Administrator shall provide notice of the permit application to the Federal Land Manager and the Federal official charged with direct responsibility for management of any lands within a class I area which may be affected by emissions from the proposed facility.

(B) The Federal Land Manager and the Federal official charged with direct responsibility for management of such lands shall have an affirmative responsibility to protect the air quality related values (including visibility) of any such lands within a class I area and to consider, in consultation with the Administrator, whether a proposed major emitting facility will have an adverse impact on such values.

(C)(i) In any case where the Federal official charged with direct responsibility for management of any lands within a class I area or the Federal Land Manager of such lands, or the Administrator, or the Governor of an adjacent State containing such a class I area files a notice alleging that emissions from a proposed major emitting facility may cause or contribute to a change in the air quality in any area and identifying the potential adverse impact of such change, a permit shall not be issued unless the owner or operator of such facility demonstrates that emissions of particulate matter and sulfur dioxide will not cause or contribute to concentrations which exceed the maximum allowable increases for a class I area.

(ii) In any case where the Federal Land Manager demonstrates to the satisfaction of the State that the emissions from such facility will have an adverse impact on the air quality-related values (including visibility) of such lands, notwithstanding the fact that the change in air quality resulting from emissions from such facility will not cause or contribute to concentrations which exceed the maximum allowable increases for a class I area, a permit shall not be issued.

(iii) In any case where the owner or operator of such facility demonstrates to the satisfaction of the Federal Land Manager, and the Federal Land Manager so certifies, that the emissions from such facility will have no adverse impact on the air quality-related values of such lands (including visibility), notwithstanding the fact that the change in air quality resulting from emissions from such facility will cause or contribute to concentrations which exceed the maximum allowable increases for class I areas, the State may issue a permit.

(iv) In the case of a permit issued pursuant to clause (iii), such facility shall comply with such emission limitations under such permit as may be necessary to assure that emissions of sulfur oxides and particulates from such facility will not cause or contribute to concentrations of such pollutant which exceed the following maximum allowable increases over the baseline concentration for such pollutants:
(D)(i) In any case where the owner or operator of a proposed major emitting facility who has been denied a certification under subparagraph (C)(iii) demonstrates to the satisfaction of the Governor, after notice and public hearing, and the Governor finds, that the facility cannot be constructed by reason of any maximum allowable increase for sulfur dioxide for periods of twenty-four hours or less applicable to any class I area and, in the case of Federal mandatory class I areas, that a variance under this clause will not adversely affect the air quality related values of the area (including visibility), the Governor, after consideration of the Federal Land Manager’s recommendation (if any) and subject to his concurrence, may grant a variance from such maximum allowable increase. If such variance is granted, a permit may be issued to such source pursuant to the requirements of this subparagraph.

(ii) In any case in which the Governor recommends a variance under this subparagraph in which the Federal Land Manager does not concur, the recommendations of the Governor and the Federal Land Manager shall be transmitted to the President. The President may approve the Governor’s recommendation if he finds that such variance is in the national interest. No Presidential finding shall be reviewable in any court. The variance shall take effect if the President approves the Governor’s recommendations. The President shall approve or disapprove such recommendation within ninety days after his receipt of the recommendations of the Governor and the Federal Land Manager.

(iii) In the case of a permit issued pursuant to this subparagraph, such facility shall comply with such emission limitations under such permit as may be necessary to assure that emissions of sulfur oxides from such facility will not (during any day on which the otherwise applicable maximum allowable increases are exceeded) cause or contribute to concentrations which exceed the following maximum allowable increases for such areas over the baseline concentration for such pollutant and to assure that such emissions will not cause or contribute to concentrations which exceed the otherwise applicable maximum allowable increases for periods of exposure of 24 hours or less on more than 18 days during any annual period:

MAXIMUM ALLOWABLE INCREASE
(In micrograms per cubic meter)

<table>
<thead>
<tr>
<th>Period of exposure</th>
<th>Low terrain areas</th>
<th>High terrain areas</th>
</tr>
</thead>
<tbody>
<tr>
<td>24-hr maximum</td>
<td>36</td>
<td>62</td>
</tr>
<tr>
<td>3-hr maximum</td>
<td>130</td>
<td>220</td>
</tr>
</tbody>
</table>

(iv) For purposes of clause (iii), the term “high terrain area” means with respect to any facility, any area having an elevation of 900 feet or more above the base of the stack of such facility, and the term “low terrain area” means any area other than a high terrain area.

(e) Analysis; continuous air quality monitoring data; regulations; model adjustments

(1) The review provided for in subsection (a) shall be preceded by an analysis in accordance with regulations of the Administrator, promulgated under this subsection, which may be conducted by the State (or any general purpose unit of local government) or by the major emitting facility applying for such permit, of the ambient air quality at the proposed site and in areas which may be affected by emissions from such facility for each pollutant subject to regulation under this chapter which will be emitted from such facility.

(2) Effective one year after August 7, 1977, the analysis required by this subsection shall include continuous air quality monitoring data gathered for purposes of determining whether emissions from such facility will exceed the maximum allowable increases or the maximum allowable concentration permitted under this part. Such data shall be gathered over a period of one calendar year preceding the date of application for a permit under this part unless the State, in accordance with regulations promulgated by the Administrator, determines that a complete and adequate analysis for such purposes may be accomplished in a shorter period. The results of such analysis shall be available at the time of the public hearing on the application for such permit.

(3) The Administrator shall within six months after August 7, 1977, promulgate regulations respecting the analysis required under this subsection which regulations—

(A) shall not require the use of any automatic or uniform buffer zone or zones,

(B) shall require an analysis of the ambient air quality, climate and meteorology, terrain, soils and vegetation, and visibility at the site of the proposed major emitting facility and in the area potentially affected by the emissions from such facility for each pollutant regulated under this chapter which will be emitted from, or which results from the construction or operation of, such facility, the size and nature of the proposed facility, the degree of continuous emission reduction which could be achieved by such facility, and such other factors as may be relevant in determining the effect of emissions from a proposed facility on any air quality control region,

(C) shall require the results of such analysis shall be available at the time of the public hearing on the application for such permit, and

(D) shall specify with reasonable particularity each air quality model or models to be used under specified sets of conditions for purposes of this part.

Any model or models designated under such regulations may be adjusted upon a determination, after notice and opportunity for public hearing, by the Administrator that such adjustment is necessary to take into account unique terrain or meteorological characteristics of an area potentially affected by emissions from a source applying for a permit required under this part.


Amendments


Subsec. (b). Pub. L. 95–190, §14(a)(46), inserted “cause or” before “contribute” and struck out “actual” before “allowable emissions”.

Subsec. (d)(2)(C). Pub. L. 95–190, §14(a)(47)–(49), in cl. (i) substituted “quality-related” for “quality related” and “concentrations which” for “concentrations, which”, and in cl. (iv) substituted “such facility” for “such sources” and “will not cause or contribute to concentrations of such pollutant which exceed” for “together with all other sources, will not exceed”.

Subsec. (d)(2)(D). Pub. L. 95–190, §14(a)(50), (51), in cl. (iii) substituted provisions relating to determinations of amounts of emissions of sulfur oxides from facilities, for provisions relating to determinations of amounts of emissions of sulfur oxides from sources operating under permits issued pursuant to this subpart, together with all other sources, and added cl. (iv).

§ 7476. Other pollutants

(a) Hydrocarbons, carbon monoxide, photochemical oxidants, and nitrogen oxides

In the case of the pollutants hydrocarbons, carbon monoxide, photochemical oxidants, and nitrogen oxides, the Administrator shall conduct a study and not later than two years after August 7, 1977, promulgate regulations to prevent the significant deterioration of air quality which would result from the emissions of such pollutants. In the case of pollutants for which national ambient air quality standards are promulgated after August 7, 1977, he shall promulgate such regulations not more than 2 years after the date of promulgation of such standards.

(b) Effective date of regulations

Regulations referred to in subsection (a) shall become effective one year after the date of promulgation. Within 21 months after such date of promulgation such plan revision shall be submitted to the Administrator who shall approve or disapprove the plan within 25 months after such date or 1 promulgation in the same manner as required under section 7410 of this title.

(c) Contents of regulations

Such regulations shall provide specific numerical measures against which permit applications may be evaluated, a framework for stimulating improved control technology, protection of air quality values, and fulfill the goals and purposes set forth in section 7401 and section 7470 of this title.

(d) Specific measures to fulfill goals and purposes

The regulations of the Administrator under subsection (a) shall provide specific measures at least as effective as the increments established in section 7470 of this title to fulfill such goals and purposes, and may contain air quality increments, emission density requirements, or other measures.

(e) Area classification plan not required

With respect to any air pollutant for which a national ambient air quality standard is established other than sulfur oxides or particulate matter, an area classification plan shall not be required under this section if the implementation plan adopted by the State and submitted for the Administrator’s approval or promulgated by the Administrator under section 7410(c) of this title contains other provisions which when considered as a whole, the Administrator finds will carry out the purposes in section 7470 of this title at least as effectively as an area classification plan for such pollutant. Such other provisions referred to in the preceding sentence need not require the establishment of maximum allowable increases with respect to such pollutant for any area to which this section applies.

(f) PM–10 increments

The Administrator is authorized to substitute, for the maximum allowable increases in particulate matter specified in section 7473(b) of this title and section 7475(d)(2)(C)(iv) of this title, maximum allowable increases in particulate matter with an aerodynamic diameter smaller than or equal to 10 micrometers. Such substituted maximum allowable increases shall be of equal stringency in effect as those specified in the provisions for which they are substituted. Until the Administrator promulgates regulations under the authority of this subsection, the current maximum allowable increases in concentrations of particulate matter shall remain in effect.


Amendments


§ 7477. Enforcement

The Administrator shall, and a State may, take such measures, including issuance of an order, or seeking injunctive relief, as necessary to prevent the construction or modification of a major emitting facility which does not conform to the requirements of this part, or which is proposed to be constructed in any area designated pursuant to section 7407(d) of this title as attainment or unclassifiable and which is not subject to an implementation plan which meets the requirements of this part.


Amendments

1990—Pub. L. 101–549, §708, substituted “construction or modification of a major emitting facility” for “construction of a major emitting facility”.

Pub. L. 101–549, §110(3), substituted “designated pursuant to section 7407(d) as attainment or unclassifiable” for “included in the list promulgated pursuant to paragraph (1)(D) or (E) of subsection (d) of section 7407 of this title”.

§ 7478. Period before plan approval

(a) Existing regulations to remain in effect

Until such time as an applicable implementation plan is in effect for any area, which plan
meets the requirements of this part to prevent significant deterioration of air quality with respect to any air pollutant, applicable regulations under this chapter prior to August 7, 1977, shall remain in effect to prevent significant deterioration of air quality in any such area for any such pollutant except as otherwise provided in subsection (b).

(b) Regulations deemed amended; construction commenced after June 1, 1975

If any regulation in effect prior to August 7, 1977, to prevent significant deterioration of air quality would be inconsistent with the requirements of section 7472(a), section 7474(b) or section 7474(a) of this title, then such regulations shall be deemed amended so as to conform with such requirements. In the case of a facility on which construction was commenced (in accordance with the definition of “commenced” in section 7479(2) of this title) after June 1, 1975, and prior to August 7, 1977, the review and permitting of such facility shall be in accordance with the regulations for the prevention of significant deterioration in effect prior to August 7, 1977.


AMENDMENTS

1977—Subsec. (b). Pub. L. 95–190 substituted “(in accordance with the definition of ‘commenced’ in section 7479(2) of this title)” for “in accordance with this definition”.

§ 7479. Definitions

For purposes of this part—

(1) The term “major emitting facility” means any of the following stationary sources of air pollutants which emit, or have the potential to emit, one hundred tons per year or more of any air pollutant from the following types of stationary sources: fossil-fuel fired steam electric plants of more than two hundred and fifty million British thermal units per hour heat input, coal cleaning plants (thermal dryers), kraft pulp mills, Portland Cement plants, primary zinc smelters, iron and steel mill plants, primary aluminum ore reduction plants, primary copper smelters, municipal incinerators capable of burning more than fifty tons of refuse per day, hydrofluoric, sulfuric, and nitric acid plants, petroleum refineries, lime plants, phosphate rock processing plants, coke oven batteries, sulfur recovery plants, carbon black plants (furnace process), primary lead smelters, fuel conversion plants, sintering plants, secondary metal production facilities, chemical process plants, fossil-fuel boilers of more than two hundred and fifty million British thermal units per hour heat input, petroleum storage and transfer facilities with a capacity exceeding three hundred thousand barrels, taconite ore processing facilities, glass fiber processing plants, charcoal production facilities. Such term also includes any other source with the potential to emit two hundred and fifty tons per year or more of any air pollutant. This term shall not include new or modified facilities which are

nonprofit health or education institutions which have been exempted by the State.

(2)(A) The term “commenced” as applied to construction of a major emitting facility means that the owner or operator has obtained all necessary preconstruction approvals or permits required by Federal, State, or local air pollution emissions and air quality laws or regulations and either has (i) begun, or caused to begin, a continuous program of physical on-site construction of the facility or (ii) entered into binding agreements or contractual obligations, which cannot be canceled or modified without substantial loss to the owner or operator, to undertake a program of construction of the facility to be completed within a reasonable time.

(B) The term “necessary preconstruction approvals or permits” means those permits or approvals, required by the permitting authority as a precondition to undertaking any activity under clauses (i) or (ii) of subparagraph (A) of this paragraph.

(C) The term “construction” when used in connection with any source or facility, includes the modification (as defined in section 7411(a) of this title) of any source or facility.

(3) The term “best available control technology” means an emission limitation based on the maximum degree of reduction of each pollutant subject to regulation under this chapter emitted from or which results from any major emitting facility, which the permitting authority, on a case-by-case basis, taking into account energy, environmental, and economic impacts and other costs, determines is achievable for such facility through application of production processes and available methods, systems, and techniques, including fuel cleaning, clean fuels, or treatment or innovative fuel combustion techniques for control of each such pollutant. In no event shall application of “best available control technology” result in emissions of any pollutants which will exceed the emissions allowed by any applicable standard established pursuant to section 7411 or 7412 of this title. Emissions from any source utilizing clean fuels, or any other means, to comply with this paragraph shall not be allowed to increase above levels that would have been required under this paragraph as it existed prior to November 15, 1990.

(4) The term “baseline concentration” means, with respect to a pollutant, the ambient concentration levels which exist at the time of the first application for a permit in an area subject to this part, based on air quality data available in the Environmental Protection Agency or a State air pollution control agency and on such monitoring data as the permit applicant is required to submit. Such ambient concentration levels shall take into account all projected emissions in, or which may affect, such area from any major emitting facility on which construction commenced prior to January 6, 1975, but which has not begun operation by the date of the baseline air quality concentration determination. Emissions of sulfur oxides and particulate matter from any major emitting facility on which construction commenced after January
§ 7491. Visibility protection for Federal class I areas

(a) Impairment of visibility; list of areas; study and report

(1) Congress hereby declares as a national goal the prevention of any future, and the remedying of any existing, impairment of visibility in mandatory class I Federal areas which impairment results from manmade air pollution.

(2) Not later than six months after August 7, 1977, the Administrator shall review all mandatory class I Federal areas and identify those where visibility is an important value of the area. From time to time the Secretary of the Interior may revise such identifications.

(3) Not later than eighteen months after August 7, 1977, the Administrator shall complete a study and report to Congress on acceptable methods for implementing the national goal set forth in paragraph (1). Such report shall include recommendations for—

(A) methods for identifying, characterizing, determining, quantifying, and measuring visibility impairment in Federal areas referred to in paragraph (1), and

(B) modeling techniques (or other methods) for determining the extent to which manmade air pollution may reasonably be anticipated to cause or contribute to such impairment, and

(C) methods for preventing and remedying manmade air pollution and resulting visibility impairment.

Such report shall also identify the classes or categories of sources and the types of air pollutants which, alone or in conjunction with other sources or pollutants, may reasonably be anticipated to cause or contribute significantly to impairment of visibility.

(4) Not later than twenty-four months after August 7, 1977, and after notice and public hearing, the Administrator shall promulgate regulations to assure (A) reasonable progress toward meeting the national goal specified in paragraph (1), and (B) compliance with the requirements of this section.

(b) Regulations

Regulations under subsection (a)(4) shall—

(1) provide guidelines to the States, taking into account the recommendations under subsection (a)(3) on appropriate techniques and methods for implementing this section (as provided in subparagraphs (A) through (C) of such subsection (a)(3)), and

(2) require each applicable implementation plan for a State in which any area listed by the Administrator under subsection (a)(2) is located (or for a State the emissions from which may reasonably be anticipated to cause or contribute to any impairment of visibility in any such area) to contain such emission limits, schedules of compliance and other measures as may be necessary to make reasonable progress toward meeting the national goal specified in subsection (a), including—

(A) except as otherwise provided pursuant to subsection (c), a requirement that each major stationary source which is in existence on August 7, 1977, but which has not been in operation for more than fifteen years as of such date, and which, as determined by the State (or the Administrator in the case of a plan promulgated under section 7410(c) of this title) emits any air pollutant which may reasonably be anticipated to cause or contribute to any impairment of visibility in any such area, shall procure, install, and operate, as expeditiously as practicable (and maintain thereafter) the best available retrofit technology, as determined by the State (or the Administrator in the case of a plan promulgated under section 7410(c) of this title) for controlling emissions from such source for the purpose of eliminating or reducing any such impairment, and

(B) a long-term (ten to fifteen years) strategy for making reasonable progress toward meeting the national goal specified in subsection (a).
in excess of 750 megawatts, the emission limitations required under this paragraph shall be determined pursuant to guidelines, promulgated by the Administrator under paragraph (1).

(c) Exemptions

(1) The Administrator may, by rule, after notice and opportunity for public hearing, exempt any major stationary source from the requirement of subsection (b)(2)(A), upon his determination that such source does not or will not, by itself or in combination with other sources, emit any air pollutant which may reasonably be anticipated to cause or contribute to a significant impairment of visibility in any mandatory class I Federal area.

(2) Paragraph (1) of this subsection shall not be applicable to any fossil-fuel fired powerplant with total design capacity of 750 megawatts or more, unless the owner or operator of any such plant demonstrates to the satisfaction of the Administrator that such powerplant is located at such distance from all areas listed by the Administrator under subsection (a)(2) that such powerplant does not or will not, by itself or in combination with other sources, emit any air pollutant which may reasonably be anticipated to cause or contribute to significant impairment of visibility in any such area.

(3) An exemption under this subsection shall be effective only upon concurrence by the appropriate Federal land manager or managers with the Administrator's determination under this subsection.

(d) Consultations with appropriate Federal land managers

Before holding the public hearing on the proposed revision of an applicable implementation plan to meet the requirements of this section, the State (or the Administrator, in the case of a plan promulgated under section 7410(c) of this title) shall consult in person with the appropriate Federal land manager or managers and shall include a summary of the conclusions and recommendations of the Federal land managers in the notice to the public.

(e) Buffer zones

In promulgating regulations under this section, the Administrator shall not require the use of any automatic or uniform buffer zone or zones.

(f) Nondiscretionary duty

For purposes of section 7604(a)(2) of this title, the meeting of the national goal specified in subsection (a)(1) by any specific date or dates shall not be considered a "nondiscretionary duty" of the Administrator.

(g) Definitions

For the purpose of this section—

(1) in determining reasonable progress there shall be taken into consideration the costs of compliance, the time necessary for compliance, and the energy and nonair quality environmental impacts of compliance, and the remaining useful life of the source subject to such requirements;

(2) in determining best available retrofit technology the State (or the Administrator in determining emission limitations which reflect such technology) shall take into consideration the costs of compliance, the energy and nonair quality environmental impacts of compliance, any existing pollution control technology in use at the source, the remaining useful life of the source, and the degree of improvement in visibility which may reasonably be anticipated to result from the use of such technology;

(3) the term "manmade air pollution" means air pollution which results directly or indirectly from human activities;

(4) the term "as expeditiously as practicable" means as expeditiously as practicable but in no event later than five years after the date of approval of a plan revision under this section (or the date of promulgation of such a plan revision in the case of action by the Administrator under section 7410(c) of this title for purposes of this section);

(5) the term "mandatory class I Federal areas" means Federal areas which may not be designated as other than class I under this part;

(6) the terms "visibility impairment" and "impairment of visibility" shall include reduction in visual range and atmospheric discoloration; and

(7) the term "major stationary source" means the following types of stationary sources with the potential to emit 250 tons or more of any pollutant: fossil-fuel fired steam electric plants of more than 250 million British thermal units per hour heat input, coal cleaning plants (thermal dryers), fuel conversion mills, Portland Cement plants, primary zinc smelters, iron and steel mill plants, primary aluminum ore reduction plants, primary copper smelters, municipal incinerators capable of charging more than 250 tons of refuse per day, hydrofluoric, sulfuric, and nitric acid plants, petroleum refineries, lime plants, phosphate rock processing plants, coke oven batteries, sulfur recovery plants, carbon black plants (furnace process), primary lead smelters, fuel conversion plants, sintering plants, secondary metal production facilities, chemical process plants, fossil-fuel boilers of more than 250 million British thermal units per hour heat input, petroleum storage and transfer facilities with a capacity exceeding 300,000 barrels, taconite ore processing plants, charcoal production facilities.


Effective Date

Subpart effective Aug. 7, 1977, except as otherwise expressly provided, see section 406(d) of Pub. L. 95-95, set out as an Effective Date of 1977 Amendment note under section 7401 of this title.

§7492. Visibility

(a) Studies

(1) The Administrator, in conjunction with the National Park Service and other appropriate Federal agencies, shall conduct research to identify and evaluate sources and source regions of
both visibility impairment and regions that provide predominantly clean air in class I areas. A total of $8,000,000 per year for 5 years is authorized to be appropriated for the Environmental Protection Agency and the other Federal agencies to conduct this research. The research shall include—

(A) expansion of current visibility related monitoring in class I areas;
(B) assessment of current sources of visibility impairing pollution and clean air corridors;
(C) adaptation of regional air quality models for the assessment of visibility;
(D) studies of atmospheric chemistry and physics of visibility.

(2) Based on the findings available from the research required in subsection (a)(1) as well as other available scientific and technical data, studies, and other available information pertaining to visibility source-receptor relationships, the Administrator shall conduct an assessment and evaluation that identifies, to the extent possible, sources and source regions of visibility impairment including natural sources as well as source regions of clear air for class I areas. The Administrator shall produce interim findings from this study within 3 years after November 15, 1990.

(b) Impacts of other provisions

Within 24 months after November 15, 1990, the Administrator shall conduct an assessment of the progress and improvements in visibility in class I areas that are likely to result from the implementation of the provisions of the Clean Air Act Amendments of 1990 other than the provisions of this section. Every 5 years thereafter the Administrator shall conduct an assessment of actual progress and improvement in visibility in class I areas. The Administrator shall prepare a written report on each assessment and transmit copies of these reports to the appropriate committees of Congress.

(c) Establishment of visibility transport regions and commissions

(1) Authority to establish visibility transport regions

Whenever, upon the Administrator’s motion or by petition from the Governors of at least two affected States, the Administrator has reason to believe that the current or projected interstate transport of air pollutants from one or more States contributes significantly to visibility impairment in class I areas located in the affected States, the Administrator may establish a transport region for such pollutants that includes such States. The Administrator, upon the Administrator’s own motion or upon petition from the Governor of any affected State, or upon the recommendations of a transport commission established under subsection (b) of this section 1 may—

(A) add any State or portion of a State to a visibility transport region when the Administrator determines that the interstate transport of air pollutants from such State

significantly contributes to visibility impairment in a class I area located within the transport region, or
(B) remove any State or portion of a State from the region whenever the Administrator has reason to believe that the control of emissions in that State or portion of the State pursuant to this section will not significantly contribute to the protection or enhancement of visibility in any class I area in the region.

(2) Visibility transport commissions

Whenever the Administrator establishes a transport region under subsection (c)(1), the Administrator shall establish a transport commission comprised of (as a minimum) each of the following members:

(A) the Governor of each State in the Visibility Transport Region, or the Governor’s designee;
(B) The Administrator or the Administrator’s designee; and
(C) a representative of each Federal agency charged with the direct management of each class I area or areas within the Visibility Transport Region.

(3) Ex officio members

All representatives of the Federal Government shall be ex officio members.

(4) Federal Advisory Committee Act

The visibility transport commissions shall be exempt from the requirements of the Federal Advisory Committee Act [5 U.S.C. App.].

(d) Duties of visibility transport commissions

A Visibility Transport Commission—

(1) shall assess the scientific and technical data, studies, and other currently available information, including studies conducted pursuant to subsection (a)(1), pertaining to adverse impacts on visibility from potential or projected growth in emissions from sources located in the Visibility Transport Region; and
(2) shall, within 4 years of establishment, issue a report to the Administrator recommending what measures, if any, should be taken under this chapter to remedy such adverse impacts. The report required by this subsection shall address at least the following measures:

(A) the establishment of clean air corridors, in which additional restrictions on increases in emissions may be appropriate to protect visibility in affected class I areas;
(B) the imposition of the requirements of part D of this subchapter affecting the construction of new major stationary sources or major modifications to existing sources in such clean air corridors specifically including the alternative siting analysis provisions of section 7503(a)(5) of this title; and
(C) the promulgation of regulations under section 7491 of this title to address long range strategies for addressing regional haze which impairs visibility in affected class I areas.

(e) Duties of Administrator

(1) The Administrator shall, taking into account the studies pursuant to subsection (a)(1)
and the reports pursuant to subsection (d)(2) and any other relevant information, within eighteen months of receipt of the report referred to in subsection (d)(2) of this section, carry out the Administrator's regulatory responsibilities under section 7491 of this title, including criteria for measuring "reasonable progress" toward the national goal.

(2) Any regulations promulgated under section 7491 of this title pursuant to this subsection shall require affected States to revise within 12 months their implementation plans under section 7410 of this title to contain such emission limits, schedules of compliance, and other measures as may be necessary to carry out regulations promulgated pursuant to this subsection.

(f) Grand Canyon visibility transport commission

The Administrator pursuant to subsection (c)(1) shall, within 12 months, establish a visibility transport commission for the region affecting the visibility of the Grand Canyon National Park.


REFERENCES IN TEXT


PART D—PLAN REQUIREMENTS FOR NONATTAINMENT AREAS

SUBPART 1—NONATTAINMENT AREAS IN GENERAL

§ 7501. Definitions

For the purpose of this part—

(1) REASONABLE FURTHER PROGRESS.—The term "reasonable further progress" means such annual incremental reductions in emissions of the relevant air pollutant as are required by this part or may reasonably be required by the Administrator for the purpose of ensuring attainment of the applicable national ambient air quality standard by the applicable date.

(2) NONATTAINMENT AREA.—The term "nonattainment area" means, for any air pollutant, an area which is designated "nonattainment" with respect to that pollutant within the meaning of section 7407(d) of this title.

(3) The term "lowest achievable emission rate" means for any source, that rate of emissions which reflects—

(A) the most stringent emission limitation which is contained in the implementation plan of any State for such class or category of source, unless the owner or operator of the proposed source demonstrates that such limitation is not achievable, or

(B) the most stringent emission limitation which is achieved in practice by such class or category of source, whichever is more stringent.

In no event shall the application of this term permit a proposed new or modified source to emit any pollutant in excess of the amount allowable under applicable new source standards of performance.

(4) The terms "modifications" and "modified" mean the same as the term "modification" as used in section 7411(a)(4) of this title.


AMENDMENTS

1990—Pub. L. 101–549, § 102(a)(2), struck out "and section 7410(a)(2)(I) of this title" after "purpose of this part".

Pars. (1), (2), Pub. L. 101–549, § 102(a)(2)(I), (C), amended paras. (1) and (2) generally. Prior to amendment, pars. (1) and (2) read as follows:

"(1) The term 'reasonable further progress' means annual incremental reductions in emissions of the applicable air pollutant (including substantial reductions in the early years following approval or promulgation of plan provisions under this part and section 7410(a)(2)(I) of this title and regular reductions thereafter which are sufficient in the judgment of the Administrator, to provide for attainment of the applicable national ambient air quality standard by the date required in section 7402(a) of this title.

"(2) The term 'nonattainment area' means, for any air pollutant an area which is shown by monitored data or which is calculated by air quality modeling (or other methods determined by the Administrator to be reliable) to exceed any national ambient air quality standard for such pollutant. Such term includes any area identified under subparagraphs (A) through (C) of section 7407(d)(1) of this title."

EFFECTIVE DATE

Part effective Aug. 7, 1977, except as otherwise expressly provided, see section 406(d) of Pub. L. 95–95, set out as an Effective Date of 1977 Amendment note under section 7401 of this title.

§ 7502. Nonattainment plan provisions in general

(a) Classifications and attainment dates

(1) Classifications

(A) On or after the date the Administrator promulgates the designation of an area as a nonattainment area pursuant to section 7407(d) of this title with respect to any national ambient air quality standard (or any revised standard, including a revision of any standard in effect on November 13, 1990), the Administrator may classify the area for the purpose of applying an attainment date pursuant to paragraph (2), and for other purposes. In determining the appropriate classification, if any, for a nonattainment area, the Administrator may consider such factors as the severity of nonattainment in such area and the availability and feasibility of the pollution control measures that the Administrator believes may be necessary to provide for attainment of such standard in such area.

(B) The Administrator shall publish a notice in the Federal Register announcing each classification under subparagraph (A), except the Administrator shall provide an opportunity for at least 30 days for written comment. Such classification shall not be subject to the provisions of sections 553 through 557 of title 5 (con-
cerning notice and comment) and shall not be subject to judicial review until the Administrator takes final action under subsection (k) or (l) of section 7410 of this title (concerning action on plan submissions) or section 7509 of this title (concerning sanctions) with respect to any plan submissions required by virtue of such classification.

(C) This paragraph shall not apply with respect to nonattainment areas for which classifications are specifically provided under other provisions of this part.

(2) Attainment dates for nonattainment areas

(A) The attainment date for an area designated nonattainment with respect to a national primary ambient air quality standard shall be the date by which attainment can be achieved as expeditiously as practicable, but no later than 5 years from the date such area was designated nonattainment under section 7407(d) of this title, except that the Administrator may extend the attainment date to the extent the Administrator determines appropriate, for a period no greater than 10 years from the date of designation as nonattainment, considering the severity of nonattainment and the availability and feasibility of pollution control measures.

(B) The attainment date for an area designated nonattainment with respect to a secondary national ambient air quality standard shall be the date by which attainment can be achieved as expeditiously as practicable after the date such area was designated nonattainment under section 7407(d) of this title.

(C) Upon application by any State, the Administrator may extend for 1 additional year (hereinafter referred to as the ‘‘Extension Year’’) the attainment date determined by the Administrator under subparagraph (A) or (B) if—

(i) the State has complied with all requirements and commitments pertaining to the area in the applicable implementation plan, and

(ii) in accordance with guidance published by the Administrator, no more than a minimal number of exceedances of the relevant national ambient air quality standard has occurred in the area in the year preceding the Extension Year.

No more than 2 one-year extensions may be issued under this subparagraph for a single nonattainment area.

(D) This paragraph shall not apply with respect to nonattainment areas for which attainment dates are specifically provided under other provisions of this part.

(b) Schedule for plan submissions

At the time the Administrator promulgates the designation of an area as nonattainment with respect to a national ambient air quality standard under section 7407(d) of this title, the Administrator shall establish a schedule according to which the State containing such area shall submit a plan or plan revision (including the plan items) meeting the applicable requirements of subsection (c) and section 7410(a)(2) of this title. Such schedule shall at a minimum, include a date or dates, extending no later than 3 years from the date of the nonattainment designation, for the submission of a plan or plan revision (including the plan items) meeting the applicable requirements of subsection (c) and section 7410(a)(2) of this title.

(c) Nonattainment plan provisions

The plan provisions (including plan items) required to be submitted under this part shall comply with each of the following:

(1) In general

Such plan provisions shall provide for the implementation of all reasonably available control measures as expeditiously as practicable (including such reductions in emissions from existing sources in the area as may be obtained through the adoption, at a minimum, of reasonably available control technology) and shall provide for attainment of the national primary ambient air quality standards.

(2) RFP

Such plan provisions shall require reasonable further progress.

(3) Inventory

Such plan provisions shall include a comprehensive, accurate, current inventory of actual emissions from all sources of the relevant pollutant or pollutants in such area, including such periodic revisions as the Administrator may determine necessary to assure that the requirements of this part are met.

(4) Identification and quantification

Such plan provisions shall expressly identify and quantify the emissions, if any, of any such pollutant or pollutants which will be allowed, in accordance with section 7503(a)(1)(B) of this title, from the construction and operation of major new or modified stationary sources in each such area. The plan shall demonstrate to the satisfaction of the Administrator that the emissions quantified for this purpose will be consistent with the achievement of reasonable further progress and will not interfere with attainment of the applicable national ambient air quality standard by the applicable attainment date.

(5) Permits for new and modified major stationary sources

Such plan provisions shall require permits for the construction and operation of new or modified major stationary sources anywhere in the nonattainment area, in accordance with section 7503 of this title.

(6) Other measures

Such plan provisions shall include enforceable emission limitations, and such other control measures, means or techniques (including economic incentives such as fees, marketable permits, and auctions of emission rights), as well as schedules and timetables for compliance, as may be necessary or appropriate to provide for attainment of such standard in such area by the applicable attainment date specified in this part.

(7) Compliance with section 7410(a)(2)

Such plan provisions shall also meet the applicable provisions of section 7410(a)(2) of this title.
§ 7502

TITLE 42—THE PUBLIC HEALTH AND WELFARE

Page 6688

(8) Equivalent techniques

Upon application by any State, the Administrator may allow the use of equivalent modeling, emission inventory, and planning procedures, unless the Administrator determines that the proposed techniques are, in the aggregate, less effective than the methods specified by the Administrator.

(9) Contingency measures

Such plan shall provide for the implementation of specific measures to be undertaken if the area fails to make reasonable further progress, or to attain the national primary ambient air quality standard by the attainment date applicable under this part. Such measures shall be included in the plan revision as contingency measures to take effect in any such case without further action by the State or the Administrator.

(d) Plan revisions required in response to finding of plan inadequacy

Any plan revision for a nonattainment area which is required to be submitted in response to a finding by the Administrator pursuant to section 7410(k)(5) of this title (relating to calls for plan revisions) must correct the plan deficiency (or deficiencies) specified by the Administrator and meet all other applicable plan requirements of section 7410 of this title and this part. The Administrator may reasonably adjust the dates otherwise applicable under such requirements to such revision (except for attainment dates that have not yet expired), to the extent necessary to achieve a consistent application of such requirements. In order to facilitate submittal by the States of adequate and approvable plans consistent with the applicable requirements of this chapter, the Administrator shall, as appropriate and from time to time, issue written guidelines, interpretations, and information to the States which shall be available to the public, taking into consideration any such guidelines, interpretations, or information provided before November 15, 1990.

(e) Future modification of standard

If the Administrator relaxes a national primary ambient air quality standard after November 15, 1990, the Administrator shall, within 12 months after the relaxation, promulgate requirements applicable to all areas which have not attained that standard as of the date of such relaxation. Such requirements shall provide for controls which are not less stringent than the controls applicable to areas designated nonattainment before such relaxation.


AMENDMENTS

1990—Pub. L. 101–549 amended section generally, substituting present provisions for provisions which related to: in subsec. (a), expedient attainment of national ambient air quality standards; in subsec. (b), requisite provisions of plan; and in subsec. (c), attainment of applicable standard not later than December 31'' for “July 1”.

Subsec. (c), Pub. L. 95–190, §14(a)(56), substituted “December 31” for “July 1”.

NONATTAINMENT AREAS


“(1) Before July 1, 1979, the requirements of the Administrator of the Environmental Protection Agency published in 41 Federal Register 5524–30, December 21, 1976, as may be modified by rule of the Administrator, shall apply except that the baseline to be used for determination of appropriate emission offsets under such regulation shall be the applicable implementation plan of the State in effect at the time of application for a permit by a proposed major stationary source (within the meaning of section 702 of the Clean Air Act [section 7602 of this title]).

“(2) Before July 1, 1979, the requirements of the regulation referred to in paragraph (1) shall be waived by the Administrator with respect to any pollutant if he determines that the State has—

“(A) an inventory of emissions of the applicable pollutant for each nonattainment area (as defined in section 171 of the Clean Air Act [section 7501 of this title]) that identifies the type, quantity, and source of such pollutant so as to provide information sufficient to demonstrate that the requirements of subparagraph (C) are being met;

“(B) an enforceable permit program which—

“(i) requires new or modified major stationary sources to meet emission limitations at least as stringent as required under the permit requirements referred to in paragraphs (2) and (3) of section 173 of the Clean Air Act [section 7603 of this title] (relating to lowest achievable emission rate and compliance by other sources) and which assures compliance with the annual reduction requirements of subparagraph (C); and

“(ii) requires existing sources to achieve such reduction in emissions in the area as may be obtained through the adoption, at a minimum of reasonably available control technology, and

“(C) a program which requires reductions in total allowable emissions in the area prior to July 1, 1979, so as to provide for the same level of emission reduction as would result from the application of the regulation referred to in paragraph (1).

The Administrator shall terminate such waiver if in his judgment the reduction in emissions actually being attained is less than the reduction on which the waiver was conditioned pursuant to subparagraph (C), or if the Administrator determines that the State is no longer in compliance with any requirement of this paragraph. Upon application by the State, the Administrator may reinstate a waiver terminated under the preceding sentence if he is satisfied that such State is in compliance with all requirements of this subsection.

“(3) Operating permits may be issued to those applicants who were properly granted construction permits, in accordance with the law and applicable regulations in effect at the time granted, for construction of a new or modified source in areas exceeding national primary ambient air quality standards on or before the date of the enactment of this Act [Aug. 7, 1977] if such construction permits were granted prior to the date of the enactment of this Act and the person issued any such permit is able to demonstrate that the emissions from the source will be within the limitations set forth in such construction permit.”

STATE IMPLEMENTATION PLAN REVISION

Pub. L. 95–95, title I, §129(c), Aug. 7, 1977, 91 Stat. 750, as amended by Pub. L. 95–190, §14(b)(4), Nov. 16, 1977, 91 Stat. 1405, provided that: “Notwithstanding the requirements of section 406(d)(2) (set out as an Effective Date of 1977 Amendment note under section 7401 of this title) (relating to date required for submission of certain implementation plan revisions), for purposes of
section 110(a)(2) of the Clean Air Act (section 7410(a)(2) of this title) each State in which there is any non-attainment area (as defined in part D of title I of the Clean Air Act) (this part) shall adopt and submit an implementation plan revision which meets the requirements of section 110(a)(2)(I) [section 7410(a)(2)(I) of this title] and part D of title I of the Clean Air Act (this part) not later than January 1, 1979. In the case of any State for which a plan revision adopted and submitted before such date has made the demonstration required under section 172(a)(2) of the Clean Air Act [subsecs. (b) and (c) of this Act] respecting impossibility of attainment before 1983, such State shall adopt and submit to the Administrator a plan revision before July 1, 1982, which meets the requirements of section 172(b) and (c) of such Act [subsecs. (b) and (c) of this section]."

§ 7503. Permit requirements
(a) In general

The permit program required by section 7502(b)(6) of this title shall provide that permits to construct and operate may be issued if—

(1) in accordance with regulations issued by the Administrator for the determination of baseline emissions in a manner consistent with the assumptions underlying the applicable implementation plan approved under section 7410 of this title and this part, the permitting agency determines that—

(A) by the time the source is to commence operation, sufficient offsetting emissions reductions have been obtained, such that total allowable emissions from existing sources in the region, from new or modified sources which are not major emitting facilities, and from the proposed source will be sufficiently less than total emissions from existing sources (as determined in accordance with the regulations under this paragraph) prior to the application for such permit to construct or modify so as to represent (when considered together with the plan provisions required under section 7502 of this title) reasonable further progress (as defined in section 7501 of this title); or

(B) in the case of a new or modified major stationary source which is located in a zone (within the nonattainment area) identified by the Administrator, in consultation with the Secretary of Housing and Urban Development, as a zone to which economic development should be targeted, that emissions of such pollutant resulting from the proposed new or modified major stationary source will not cause or contribute to emissions levels which exceed the allowance permitted for such pollutant for such area from new or modified major stationary sources under section 7502 of this title;

(2) the proposed source is required to comply with the lowest achievable emission rate;

(3) the owner or operator of the proposed new or modified source has demonstrated that all major stationary sources owned or operated by such person (or by any entity controlling, controlled by, or under common control with such person) in such State are subject to emission limitations and are in compliance, or on a schedule for compliance, with all applicable emission limitations and standards under this chapter; and

(4) the Administrator has not determined that the applicable implementation plan is not being adequately implemented for the non-attainment area in which the proposed source is to be constructed or modified in accordance with the requirements of this part; and

(5) an analysis of alternative sites, sizes, production processes, and environmental control techniques for such proposed source demonstrates that benefits of the proposed source significantly outweigh the environmental and social costs imposed as a result of its location, construction, or modification.

Any emission reductions required as a precondition of the issuance of a permit under paragraph (1) shall be federally enforceable before such permit may be issued.

(b) Prohibition on use of old growth allowances

Any growth allowance included in an applicable implementation plan to meet the requirements of section 7502(b)(5) of this title (as in effect immediately before November 15, 1990) shall not be valid for use in any area that received or receives a notice under section 7410(a)(2)(H)(ii) of this title (as in effect immediately before November 15, 1990) or under section 7410(k)(1) of this title that its applicable implementation plan containing such allowance is substantially inadequate.

(c) Offsets

(1) The owner or operator of a new or modified major stationary source may comply with any offset requirement in effect under this part for increased emissions of any air pollutant only by obtaining emission reductions of such air pollutant from the same source or other sources in the same nonattainment area, except that the State may allow the owner or operator of a source to obtain such emission reductions in another nonattainment area if (A) the other area has an equal or higher nonattainment classification than the area in which the source is located and (B) emissions from such other area contribute to a violation of the national ambient air quality standard in the nonattainment area in which the source is located. Such emission reductions shall be, by the time a new or modified source commences operation, in effect and enforceable and shall assure that the total tonnage of increased emissions of the air pollutant from the new or modified source shall be offset by an equal or greater reduction, as applicable, in the actual emissions of such air pollutant from the same or other sources in the area.

(2) Emission reductions otherwise required by this chapter shall not be creditable as emissions reductions for purposes of any such offset requirement. Incidental emission reductions which are not otherwise required by this chapter shall be creditable as emission reductions for such purposes if such emission reductions meet the requirements of paragraph (1).

(d) Control technology information

The State shall provide that control technology information from permits issued under

1 See References in Text note below.

2 So in original. The word "and" probably should not appear.
this section will be promptly submitted to the Administrator for purposes of making such information available through the RACT/BACT/LAER clearinghouse to other States and to the general public.

(e) Rocket engines or motors

The permitting authority of a State shall allow a source to offset by alternative or innovative means emission increases from rocket engine and motor firing, and cleaning related to such firing, at an existing or modified major source that tests rocket engines or motors under the following conditions:

(1) Any modification proposed is solely for the purpose of expanding the testing of rocket engines or motors at an existing source that is permitted to test such engines on November 15, 1990.

(2) The source demonstrates to the satisfaction of the permitting authority of the State that it has used all reasonable means to obtain and utilize offsets, as determined on an annual basis, for the emissions increases beyond allowable levels, that all available offsets are being used, and that sufficient offsets are not available to the source.

(3) The source has obtained a written finding from the Department of Defense, Department of Transportation, National Aeronautics and Space Administration or other appropriate Federal agency, that the testing of rocket motors or engines at the facility is required for a program essential to the national security.

(4) The source will comply with an alternative measure, imposed by the permitting authority, designed to offset any emission increase from permitted levels not directly offset by the source. In lieu of imposing any alternative offset measures, the permitting authority may impose an emissions fee to be paid to such authority of a State which shall be an amount no greater than 1.5 times the average cost of stationary source control measures adopted in that area during the previous 3 years. The permitting authority shall utilize the fees in a manner that maximizes the emissions reductions in that area.


REFERENCES IN TEXT

Section 7502(b) of this title, referred to in subsec. (a), was amended generally by Pub. L. 101–549, title I, § 102(b), Nov. 15, 1990, 104 Stat. 2412, and, as so amended, does not contain a par. (6). See section 7502(c)(5) of this title.

AMENDMENTS


Pub. L. 101–549, § 102(c)(2), (8), designated existing provisions as subsec. (a), inserted heading, and substituted “(1) shall be federally enforceable” for “(1)(A) shall be legally binding” in last sentence of subsec. (a).

Subsec. (a)(1). Pub. L. 101–549, § 102(c)(3), inserted at beginning “in accordance with regulations issued by the Administrator for the determination of baseline emissions in a manner consistent with the assumptions underlying the applicable implementation plan approved under section 7410 of this title and this part,”.

Subsec. (a)(1)(A). Pub. L. 101–549, § 102(c)(4), inserted “sufficient offsetting emissions reductions have been obtained, such that” after “to commence operation, and substituted “as determined in accordance with the regulations under this paragraph” for “allowed under the applicable implementation plan”.

Subsec. (a)(1)(B). Pub. L. 101–549, § 102(c)(5), inserted at beginning “in the case of a new or modified major stationary source which is located in a zone (within the nonattainment area) identified by the Administrator, in consultation with the Secretary of Housing and Urban Development, as a zone to which economic development should be targeted,” and substituted “7502(c)” for “7502(b)”.

Subsec. (a)(4). Pub. L. 101–549, § 102(c)(6), inserted at beginning “the Administrator has not determined that”, substituted “not being adequately implemented” for “being carried out”, and substituted “; and” for period at end.


Subsecs. (c) to (e). Pub. L. 101–549, § 102(c)(10), added subsecs. (c) to (e).


FAILURE TO ATTAIN NATIONAL PRIMARY AMBIENT AIR QUALITY STANDARDS UNDER CLEAN AIR ACT

Pub. L. 100–202, § 101(f) [title II], Dec. 22, 1987, 101 Stat. 1329–187, 1329–190, provided that: “No restriction or prohibition on construction, permitting, or funding under sections 110(a)(2)(I), 173(c), 176(a), 176(b), or 316 of the Clean Air Act [sections 7410(a)(2)(I), 7503(4), 7506(a), (b), 7616 of this title] shall be imposed or take effect during the period prior to August 31, 1988, by reason of (1) the failure of any nonattainment area to attain the national primary ambient air quality standard under the Clean Air Act [this chapter] for photochemical oxidants (ozone) or carbon monoxide (or both) by December 31, 1987, (2) the failure of any State to adopt and submit to the Administrator of the Environmental Protection Agency an implementation plan that meets the requirements of part D of title I of such Act [this part] and provides for attainment of such standards by December 31, 1987, (3) the failure of any State or designated local government to implement the applicable implementation plan, or (4) any combination of the foregoing. During such period and consistent with the preceding sentence, the issuance of a permit (including required offsets) under section 173 of such Act [this section] for the construction or modification of a source in a nonattainment area shall not be denied solely or partially by reason of the reference contained in section 171(i) of such Act [section 7501(i) of this title] to the applicable date established in section 172(a) [section 7502(a) of this title]. This subsection [probably means the first 3 sentences of this note] shall apply to any restriction or prohibition in effect under sections 110(a)(2)(I), 173(c), 176(a), 176(b), or 316 of such Act prior to the enactment of this section [Dec. 22, 1987]. Prior to August 31, 1988, the Administrator of the Environmental Protection Agency shall evaluate air quality data and make determinations with respect to which areas throughout the nation have attained, or failed to attain, either or both of the national primary ambient air quality standards referred to in subsection (a) [probably means the first 3 sentences of this note] and shall take appropriate steps to designate those areas failing to attain either or both of such standards as nonattainment areas within the meaning of part D of title I of the Clean Air Act.”
§ 7504. Planning procedures

(a) In general

For any ozone, carbon monoxide, or PM-10 nonattainment area, the State containing such area and elected officials of affected local governments shall, before the date required for submittal of the inventory described under sections 7511a(a)(1) and 7512a(a)(1) of this title, jointly review and update as necessary the planning procedures adopted pursuant to this subsection as in effect immediately before November 15, 1990, or develop new planning procedures pursuant to this subsection, as appropriate. In preparing such procedures the State and local elected officials shall determine which elements of a revised implementation plan will be developed, adopted, and implemented (through means including enforcement) by the State and which by local governments or regional agencies, or any combination of local governments, regional agencies, or the State. The implementation plan required by this part shall be prepared by an organization certified by the State, in consultation with elected officials of local governments and in accordance with the determination under the second sentence of this subsection. Such organization shall include elected officials of local governments in the affected area, and representatives of the State air quality planning agency, the State transportation planning agency, the metropolitan planning organization designated to conduct the continuing, cooperative and comprehensive transportation planning process for the area under section 134 of title 23, the organization responsible for the air quality maintenance planning process under regulations implementing this chapter, and any other organization with responsibilities for developing, submitting, or implementing the plan required by this part. Such organization may be one that carried out these functions before November 15, 1990.

(b) Coordination

The preparation of implementation plan provisions and subsequent plan revisions under the continuing transportation-air quality planning processes described in section 7408(c) of this title shall be coordinated with the continuing, cooperative and comprehensive transportation planning process required under section 134 of title 23, and such planning processes shall take into account the requirements of this part.

(c) Joint planning

In the case of a nonattainment area that is included within more than one State, the affected States may jointly, through interstate compact or otherwise, undertake and implement all or part of the planning procedures described in this section.


AMENDMENTS


§ 7505. Environmental Protection Agency grants

(a) Plan revision development costs

The Administrator shall make grants to any organization of local elected officials with transportation or air quality maintenance planning responsibilities recognized by the State under section 7504(a) of this title for payment of the reasonable costs of developing a plan revision under this part.

(b) Uses of grant funds

The amount granted to any organization under subsection (a) shall be 100 percent of any additional costs of developing a plan revision under this part for the first two fiscal years following receipt of the grant under this paragraph, and shall supplement any funds available under Federal law to such organization for transportation or air quality maintenance planning. Grants under this section shall not be used for construction.

(July 14, 1955, ch. 360, title I, § 175, as added Pub. L. 95–95, title I, § 129(b), Aug. 7, 1977, 91 Stat. 749.)

§ 7505a. Maintenance plans

(a) Plan revision

Each State which submits a request under section 7407(d) of this title for redesignation of a nonattainment area for any air pollutant as an area which has attained the national primary ambient air quality standard for that air pollutant shall also submit a revision of the applicable State implementation plan to provide for the maintenance of the national primary ambient air quality standard for such air pollutant in the area concerned for at least 10 years after the redesignation. The plan shall contain such additional measures, if any, as may be necessary to ensure such maintenance.

(b) Subsequent plan revisions

8 years after redesignation of any area as an attainment area under section 7407(d) of this title, the State shall submit to the Administrator an additional revision of the applicable State implementation plan for maintaining the national primary ambient air quality standard for 10 years after the expiration of the 10-year period referred to in subsection (a).

(c) Nonattainment requirements applicable pending plan approval

Until such plan revision is approved and an area is redesignated as attainment for any area designated as a nonattainment area, the requirements of this part shall continue in force and effect with respect to such area.

(d) Contingency provisions

Each plan revision submitted under this section shall contain such contingency provisions as the Administrator deems necessary to assure that the State will promptly correct any violation of the standard which occurs after the redesignation of the area as an attainment area. Such provisions shall include a requirement that the State will implement all measures with respect to the control of the air pollutant concerned which were contained in the State implementation plan for the area before redesignation.
of the area as an attainment area. The failure of any area redesignated as an attainment area to maintain the national ambient air quality standard concerned shall not result in a requirement that the State revise its State implementation plan unless the Administrator, in the Administrator's discretion, requires the State to submit a revised State implementation plan.


§ 7506. Limitations on certain Federal assistance

(c) Activities not conforming to approved or promulgated plans

(1) No department, agency, or instrumentality of the Federal Government shall engage in, support in any way or provide financial assistance for, license or permit, or approve, any activity which does not conform to an implementation plan after it has been approved or promulgated under section 7410 of this title. No metropolitan planning organization designated under section 134 of title 23, shall give its approval to any project, program, or plan which does not conform to an implementation plan approved or promulgated under section 7410 of this title. The assurance of conformity to such an implementation plan shall be an affirmative responsibility of the head of such department, agency, or instrumentality. Conformity to an implementation plan means—

(A) conformity to an implementation plan's purpose of eliminating or reducing the severity and number of violations of the national ambient air quality standards and achieving expeditious attainment of such standards; and

(B) that such activities will not—

(i) cause or contribute to any new violation of any standard in any area;

(ii) increase the frequency or severity of any existing violation of any standard in any area; or

(iii) delay timely attainment of any standard or any required interim emission reductions or other milestones in any area.

The determination of conformity shall be based on the most recent estimates of emissions, and such estimates shall be determined from the most recent population, employment, travel and congestion estimates as determined by the metropolitan planning organization or other agency authorized to make such estimates.

(2) Any transportation plan or program developed pursuant to title 23 or chapter 53 of title 49 shall implement the transportation provisions of any applicable implementation plan approved under this chapter applicable to all or part of the area covered by such transportation plan or program. No Federal agency may approve, accept or fund any transportation plan, program or project unless such plan, program or project has been found to conform to any applicable implementation plan in effect under this chapter. In particular—

(A) no transportation plan or transportation improvement program may be adopted by a metropolitan planning organization designated under title 23 or chapter 53 of title 49, or be found to be in conformity by a metropolitan planning organization until a final determination has been made that emissions expected from implementation of such plans and programs are consistent with estimates of emissions from motor vehicles and necessary emissions reductions contained in the applicable implementation plan, and that the plan or program will conform to the requirements of paragraph (1)(B);

(B) no metropolitan planning organization or other recipient of funds under title 23 or chapter 53 of title 49 shall adopt or approve a transportation improvement program of projects until it determines that such program provides for timely implementation of transportation control measures consistent with schedules included in the applicable implementation plan;

(C) a transportation project may be adopted or approved by a metropolitan planning organization or any recipient of funds designated under title 23 or chapter 53 of title 49, or found in conformity by a metropolitan planning organization or approved, accepted, or funded by the Department of Transportation only if it meets either the requirements of subparagraph (D) or the following requirements—

(i) such a project comes from a conforming plan and program;

(ii) the design concept and scope of such project have not changed significantly since the conformity finding regarding the plan and program from which the project derived; and

(iii) the design concept and scope of such project at the time of the conformity determination for the program was adequate to determine emissions.

(D) Any project not referred to in subparagraph (C) shall be treated as conforming to the applicable implementation plan only if it is demonstrated that the projected emissions from such project, when considered together with emissions projected for the conforming transportation plans and programs within the nonattainment area, do not cause such plans and programs to exceed the emission reduction projections and schedules assigned to such plans and programs in the applicable implementation plan.

(E) The appropriate metropolitan planning organization shall redetermine conformity of existing transportation plans and programs not later than 2 years after the date on which the Administrator—

(i) finds a motor vehicle emissions budget to be adequate in accordance with section 93.118(e)(4) of title 40, Code of Federal Regulations (as in effect on October 1, 2004);

(ii) approves an implementation plan that establishes a motor vehicle emissions budget if that budget has not yet been determined to be adequate in accordance with clause (i); or

(iii) promulgates an implementation plan that establishes or revises a motor vehicle emissions budget.
(3) Until such time as the implementation plan revision referred to in paragraph (4)(C) is approved, conformity of such plans, programs, and projects will be demonstrated if—

(A) the transportation plans and programs—

(i) are consistent with the most recent estimates of mobile source emissions;

(ii) provide for the expeditious implementation of transportation control measures in the applicable implementation plan; and

(iii) with respect to ozone and carbon monoxide nonattainment areas, contribute to annual emissions reductions consistent with sections 7511a(b)(1) and 7512a(a)(7) of this title; and

(B) the transportation projects—

(i) come from a conforming transportation plan and program as defined in subparagraph (A) or for 12 months after November 15, 1990, from a transportation program found to conform within 3 years prior to November 15, 1990; and

(ii) in carbon monoxide nonattainment areas, eliminate or reduce the severity and number of violations of the carbon monoxide standards in the area substantially affected by the project.

With regard to subparagraph (B)(ii), such determination may be made as part of either the conformity determination for the transportation program or for the individual project taken as a whole during the environmental review phase of project development.

(4) CRITERIA AND PROCEDURES FOR DETERMINING CONFORMITY.—

(A) IN GENERAL.—The Administrator shall promulgate, and periodically update, criteria and procedures for determining conformity (except in the case of transportation plans, programs, and projects) of, and for keeping the Administrator informed about, the activities referred to in paragraph (1).

(B) TRANSPORTATION PLANS, PROGRAMS, AND PROJECTS.—The Administrator, with the concurrence of the Secretary of Transportation, shall promulgate, and periodically update, criteria and procedures for demonstrating and assuring conformity in the case of transportation plans, programs, and projects.

(C) CIVIL ACTION TO COMPEL PROMULGATION.—

A civil action may be brought against the Administrator and the Secretary of Transportation under section 7004 of this title to compel promulgation of such criteria and procedures and the Federal district court shall have jurisdiction to order such promulgation.

(D) The procedures and criteria shall, at a minimum—

(i) address the consultation procedures to be undertaken by metropolitan planning organizations and the Secretary of Transportation with State and local air quality agencies and State departments of transportation before such organizations and the Secretary make conformity determinations;

(ii) address the appropriate frequency for making conformity determinations, but the frequency for making conformity determinations on updated transportation plans and programs shall be every 4 years, except in a case in which—

(I) the metropolitan planning organization elects to update a transportation plan or program more frequently; or

(II) the metropolitan planning organization is required to determine conformity in accordance with paragraph (2)(E); and

(iii) address how conformity determinations will be made with respect to maintenance plans.

(E) INCLUSION OF CRITERIA AND PROCEDURES IN SIPS.—Not later than 2 years after August 10, 2005, the procedures under subparagraph (A) shall include a requirement that each State include in the State implementation plan criteria and procedures for consultation required by subparagraph (D)(i), and enforcement and enforceability (pursuant to sections 93.125(c) and 93.122(a)(4)(ii) of title 40, Code of Federal Regulations) in accordance with the Administrator's criteria and procedures for consultation, enforcement and enforceability.

(F) Compliance with the rules of the Administrator for determining the conformity of transportation plans, programs, and projects funded or approved under title 23 or chapter 49 of title 49 to State or Federal implementation plans shall not be required for traffic signal synchronization projects prior to the funding, approval or implementation of such projects. The supporting regional emissions analysis for any conformity determination made with respect to a transportation plan, program, or project shall consider the effect on emissions of any such project funded, approved, or implemented prior to the conformity determination.

(5) APPLICABILITY.—This subsection shall apply only with respect to—

(A) a nonattainment area and each pollutant for which the area is designated as a nonattainment area; and

(B) an area that was designated as a nonattainment area but that was later redesignated by the Administrator as an attainment area and that is required to develop a maintenance plan under section 7505a of this title with respect to the specific pollutant for which the area was designated nonattainment.

(6) Notwithstanding paragraph 5, this subsection shall not apply with respect to an area designated nonattainment under section 7407(d)(1) of this title until 1 year after that area is first designated nonattainment for a specific national ambient air quality standard. This paragraph only applies with respect to the national ambient air quality standard for which an area is newly designated nonattainment and does not affect the area's requirements with respect to all other national ambient air quality standards for which the area is designated nonattainment or has been redesignated from nonattainment to attainment with a maintenance plan pursuant to section 7505a of this title (including any pre-existing national ambient air

1 See References in Text note below.

2 So in original. Probably should be “paragraph (b).”
quality standard for a pollutant for which a new or revised standard has been issued).

(7) CONFORMITY HORIZON FOR TRANSPORTATION PLANS—

(A) IN GENERAL.—Each conformity determination required under this section for a transportation plan under section 134(i) of title 23 or section 5303(i) of title 49 shall require a demonstration of conformity for the period ending on either the final year of the transportation plan, or at the election of the metropolitan planning organization, after consultation with the air pollution control agency and solicitation of public comments and consideration of such comments, the longest of the following periods:

(i) The first 10-year period of any such transportation plan.

(ii) The latest year in the implementation plan applicable to the area that contains a motor vehicle emission budget.

(iii) The year after the completion date of a regionally significant project if the project is included in the transportation improvement program or the project requires approval before the subsequent conformity determination.

(B) REGIONAL EMISSIONS ANALYSIS.—The conformity determination shall be accompanied by a regional emissions analysis for the last year of the transportation plan and for any year shown to exceed emission budgets by a prior analysis, if such year extends beyond the applicable period as determined under subparagraph (A).

(C) EXCEPTION.—In any case in which an area has a revision to an implementation plan under section 7505a(b) of this title and the Administrator has found the motor vehicles emissions budgets from that revision to be adequate in accordance with section 93.118(e)(4) of title 40, Code of Federal Regulations (as in effect on October 1, 2004), or has approved the revision, the demonstration of conformity at the election of the metropolitan planning organization, after consultation with the air pollution control agency and solicitation of public comments and consideration of such comments, shall be required to extend only through the last year of the implementation plan required under section 7505a(b) of this title.

(D) EFFECT OF ELECTION.—Any election by a metropolitan planning organization under this paragraph shall continue in effect until the metropolitan planning organization elects otherwise.

(E) AIR POLLUTION CONTROL AGENCY DEFINED.—In this paragraph, the term “air pollution control agency” means an air pollution control agency (as defined in section 7602(b) of this title) that is responsible for developing plans or controlling air pollution within the area covered by a transportation plan.

(8) SUBSTITUTION OF TRANSPORTATION CONTROL MEASURES—

(A) IN GENERAL.—Transportation control measures that are specified in an implementation plan may be replaced or added to the implementation plan with alternate or additional transportation control measures—

(i) if the substitute measures achieve equivalent or greater emissions reductions than the control measure to be replaced, as demonstrated with an emissions impact analysis that is consistent with the current methodology used for evaluating the replaced control measure in the implementation plan;

(ii) if the substitute control measures are implemented—

(1) in accordance with a schedule that is consistent with the schedule provided for control measures in the implementation plan;

(2) if the implementation plan date for implementation of the control measure to be replaced has passed, as soon as practicable after the implementation plan date but not later than the date on which emission reductions are necessary to achieve the purpose of the implementation plan;

(iii) if the substitute and additional control measures are accompanied with evidence of adequate personnel and funding and authority under State or local law to implement, monitor, and enforce the control measures;

(iv) if the substitute and additional control measures were developed through a collaborative process that included—

(1) participation by representatives of all affected jurisdictions (including local air pollution control agencies, the State air pollution control agency, and State and local transportation agencies);

(2) consultation with the Administrator; and

(3) reasonable public notice and opportunity for comment; and

(v) if the metropolitan planning organization, State air pollution control agency, and the Administrator concur with the equivalency of the substitute or additional control measures.

(B) ADOPTION.—(i) Concurrence by the metropolitan planning organization, State air pollution control agency and the Administrator as required by subparagraph (A)(v) shall constitute adoption of the substitute or additional control measures so long as the requirements of subparagraphs (A)(i), (A)(ii), (A)(iii) and (A)(iv) are met.

(ii) Once adopted, the substitute or additional control measures become, by operation of law, part of the State implementation plan and become federally enforceable.

(iii) Within 90 days of its concurrence under subparagraph (A)(v), the State air pollution control agency shall submit the substitute or additional control measure to the Administrator for incorporation in the codification of the applicable implementation plan. Notwithstanding any other provision of this chapter, no additional State process shall be necessary to support such revision to the applicable plan.

(C) NO REQUIREMENT FOR EXPRESS PERMISSION.—The substitution or addition of a trans- 3So in original. Probably should be “Notwithstanding”.
portation control measure in accordance with this paragraph and the funding or approval of such a control measure shall not be contingent on the existence of any provision in the applicable implementation plan that expressly permits such substitution or addition.

(D) NO REQUIREMENT FOR NEW CONFORMITY DETERMINATION.—The substitution or addition of a transportation control measure in accordance with this paragraph shall not require—

(i) a new conformity determination for the transportation plan; or

(ii) a revision of the implementation plan.

(E) CONTINUATION OF CONTROL MEASURE BEING REPLACED.—A control measure that is being replaced by a substitute control measure under this paragraph shall remain in effect until the substitute control measure is adopted by the State pursuant to subparagraph (B).

(F) EFFECT OF ADOPTION.—Adoption of a substitute control measure shall constitute reissuance of the previously applicable control measure.

(9) LAPSE OF CONFORMITY.—If a conformity determination required under this subsection for a transportation plan under section 134(i) of title 23 or under section 5303(i) of title 49 for a transportation improvement program under section 134(i) of title 23 or under section 5303(i) of title 49 is not made by the applicable deadline and such failure is not corrected by additional measures to either reduce motor vehicle emissions sufficient to demonstrate compliance with the requirements of this subsection, then such a transportation plan shall lapse.

(10) Lapse.—In this subsection, the term "lapse" means that the conformity determination for a transportation plan or transportation improvement program has expired, and thus there is no currently conforming transportation plan or transportation improvement program.

(d) Priority of achieving and maintaining national primary ambient air quality standards

Each department, agency, or instrumentality of the Federal Government having authority to conduct or support any program with air-quality related transportation consequences shall give priority in the exercise of such authority, consistent with statutory requirements for allocation among States or other jurisdictions, to the implementation of those portions of plans prepared under this section to achieve and maintain the national primary ambient air-quality standards. This paragraph extends to, but is not limited to, authority exercised under chapter 53 of title 49, title 23, and the Housing and Urban Development Act.

References in Text

Paragraph (4) of subsec. (c), referred to in subsec. (c)(3), was amended by Pub. L. 109–59, title VI, §6011(f), Aug. 10, 2005, 119 Stat. 1881, to redesignate subpar. (C) as (E), strike it out, and add new subpars. (C) and (E). See 2005 Amendment notes below.

Section 7505a of this title, referred to in subsec. (c)(6), was in the original “section 175A)” and was translated as reading “section 175A”, meaning section 175A of act July 14, 1955, which is classified to section 7505a of this title, to reflect the probable intent of Congress.


Amendments


Subsec. (c)(4). Pub. L. 109–59, §6011(f)(1)–(3), inserted par. (4) and subpar. (A) headings, in first sentence substituted “The Administrator shall promulgate, and periodically update,” for “No later than one year after November 15, 1990, the Administrator shall promulgate”, designated second sentence as subpar. (B), inserted heading, substituted “The Administrator, with the concurrence of the Secretary of Transportation, shall promulgate, and periodically update,” for “No later than one year after November 15, 1990, the Administrator, with the concurrence of the Secretary of Transportation, shall promulgate”, designated third sentence as subpar. (C), inserted heading, substituted “A civil action” for “A suit”, and redesignated former subpar. (B) as (D), (E) to (F), respectively.

Subsec. (c)(4)(B)(ii). Pub. L. 109–59, §6011(b), amended cl. (ii) generally. Prior to amendment, cl. (ii) read as follows: “addresses the appropriate frequency for making conformity determinations, but in no case shall such determinations for transportation plans and programs be less frequent than every three years; and”.

Subsec. (c)(4)(E). Pub. L. 109–59, §6011(f)(4), added subpar. (E) and struck out former subpar. (E) which read as follows: “Such procedures shall also include a requirement that each State shall submit to the Administrator and the Secretary of Transportation within 24 months of November 15, 1990, a revision to its implementation plan that includes criteria and procedures for assessing the conformity of any plan, program, or project subject to the conformity requirements of this subsection.”

Subsec. (c)(7) to (10). Pub. L. 109–59, §6011(c)(e), added paras. (7) to (10).


1990—Subsecs. (a), (b). Pub. L. 101–549, §110(4), struck out subsec. (a) which related to approval of projects or award of grants, and subsec. (b) which related to implementation of approved or promulgated plans.

Subsec. (c). Pub. L. 101–549, §101(f), designated existing provisions as par. (1), struck out “(1), “(2), “(3),

References in Text

Par...
and “(4)” before “engage in”, “support in”, “license or”, and “approve, any”, respectively, substituted “conform to an implementation plan after it” for “conform to a plan after it”. “conform to a plan approved” for “conform to a plan approved”, “conformity to such an implementation plan shall” for “conformity to such a plan shall”. Inserted “Commission determines to be necessary to ensure that the plans for the relevant States meet the requirements of section 7410(a)(2)(D) of this title. Such commission shall not be subject to the provisions of the Federal Advisory Committee Act (5 U.S.C. App.)

(c) Commission requests
A transport commission established under subsection (b) may request the Administrator to issue a finding under section 7410(k)(5) of this title that the implementation plan for one or more of the States in the transport region is substantially inadequate to meet the requirements of section 7410(a)(2)(D) of this title. The Administrator shall approve, disapprove, or partially approve and partially disapprove such a request within 18 months of its receipt and, to the extent the Administrator approves such request, issue the finding under section 7410(k)(5) of this title at the time of such approval. In acting on such request, the Administrator shall provide an opportunity for public participation and shall address each specific recommendation made by the commission. Approval or disapproval of such a request shall constitute final agency action within the meaning of section 7607(b) of this title.


§ 7506a. Interstate transport commissions

(a) Authority to establish interstate transport regions
Whenever, on the Administrator’s own motion or by petition from the Governor of any State, the Administrator has reason to believe that the interstate transport of air pollutants from one or more States contributes significantly to a violation of a national ambient air quality standard in one or more other States, the Administrator may establish, by rule, a transport region for such pollutant that includes such States. The Administrator, on the Administrator’s own motion or upon petition from the Governor of any State, or upon the recommendation of a transport commission established under subsection (b), may—

(1) add any State or portion of a State to any region established under this subsection whenever the Administrator has reason to believe that the interstate transport of air pollutants from such State significantly contributes to a violation of the standard in the transport region; or

(2) remove any State or portion of a State from the region whenever the Administrator has reason to believe that the control of emissions in such State or portion of the State pursuant to this section will not significantly contribute to the attainment of the standard in any area in the region.

The Administrator shall approve or disapprove any such petition or recommendation within 18 months of its receipt. The Administrator shall establish appropriate procedures for public participation regarding such petitions and motions, including notice and comment.

(b) Transport commissions

(1) Establishment
Whenever the Administrator establishes a transport region under subsection (a), the Administrator shall establish a transport commission comprised of (at a minimum) each of the following members:

(A) The Governor of each State in the region or the designee of each such Governor.

(B) The Administrator or the Administrator’s designee.

(C) The Regional Administrator (or the Administrator’s designee) for each Region Office for each Environmental Protection Agency Region affected by the transport region concerned.

(D) An air pollution control official representing each State in the region, appointed by the Governor.

Decisions of, and recommendations and requests to, the Administrator by each transport commission may be made only by a majority vote of all members other than the Administrator and the Regional Administrators (or designees thereof).

(2) Recommendations
The transport commission shall assess the degree of interstate transport of the pollutant or precursors to the pollutant throughout the transport region, assess strategies for mitigating the interstate pollution, and recommend to the Administrator such measures as the Commission determines to be necessary to ensure that the plans for the relevant States meet the requirements of section 7410(a)(2)(D) of this title. Such commission shall not be subject to the provisions of the Federal Advisory Committee Act (5 U.S.C. App.).

References in Text

§ 7507. New motor vehicle emission standards in nonattainment areas

Notwithstanding section 7543(a) of this title, any State which has plan provisions approved under this part may adopt and enforce for any model year standards relating to control of emissions from new motor vehicles or new motor vehicle engines and take such other actions as are referred to in section 7543(a) of this title respecting such vehicles if—
(1) such standards are identical to the California standards for which a waiver has been granted for such model year, and
(2) California and such State adopt such standards at least two years before commencement of such model year (as determined by regulations of the Administrator).

Nothing in this section or in subchapter II of this chapter shall be construed as authorizing any such State to prohibit or limit, directly or indirectly, the manufacture or sale of a new motor vehicle or motor vehicle engine that is certified in California as meeting California standards, or to take any action of any kind to create, or have the effect of creating, a motor vehicle or motor vehicle engine different than a motor vehicle or engine certified in California under California standards (a “third vehicle”) or otherwise create such a “third vehicle”.


AMENDMENTS

1990—Pub. L. 101–549 added sentence at end prohibiting States from limiting or prohibiting sale or manufacture of new vehicles or engines certified in California as having met California standards and from taking any actions where effect of those actions would be to create a “third vehicle”.

§ 7508. Guidance documents

The Administrator shall issue guidance documents under section 7408 of this title for purposes of assisting States in implementing requirements of this part respecting the lowest achievable emission rate. Such a document shall be published not later than nine months after August 7, 1977, and shall be revised at least every two years thereafter.


§ 7509. Sanctions and consequences of failure to attain

(a) State failure

For any implementation plan or plan revision required under this part (or required in response to a finding of substantial inadequacy as described in section 7410(k)(3) of this title), if the Administrator—

(1) finds that a State has failed, for an area designated nonattainment under section 7407(d) of this title, to submit a plan, or to submit 1 or more of the elements (as determined by the Administrator) required by the provisions of this chapter applicable to such an area, or has failed to make a submission for such an area that satisfies the minimum criteria established in relation to any such element under section 7410(k) of this title, (2) disapproves a submission under section 7410(k) of this title, for an area designated nonattainment under section 7407 of this title, based on the submission’s failure to meet one or more of the elements required by the provisions of this chapter applicable to such an area,

(3)(A) determines that a State has failed to make any submission as may be required under this chapter, other than one described under paragraph (1) or (2), including an adequate maintenance plan, or has failed to make any submission, as may be required under this chapter, other than one described under paragraph (1) or (2), that satisfies the minimum criteria established in relation to such submission under section 7410(k)(1)(A) of this title, or (B) disapproves in whole or in part a submission described under subparagraph (A), or

(4) finds that any requirement of an approved plan (or approved part of a plan) is not being implemented,

unless such deficiency has been corrected within 18 months after the finding, disapproval, or determination referred to in paragraphs (1), (2), (3), and (4), one of the sanctions referred to in subsection (b) shall apply, as selected by the Administrator, until the Administrator determines that the State has come into compliance, except that if the Administrator finds a lack of good faith, sanctions under both paragraph (1) and paragraph (2) of subsection (b) shall apply until the Administrator determines that the State has come into compliance. If the Administrator has selected one of such sanctions and the deficiency has not been corrected within 6 months thereafter, sanctions under both paragraph (1) and paragraph (2) of subsection (b) shall apply until the Administrator determines that the State has come into compliance. In addition to any other sanction applicable as provided in this section, the Administrator may withhold all or part of the grants for support of air pollution planning and control programs that the Administrator may award under section 7405 of this title.

(b) Sanctions

The sanctions available to the Administrator as provided in subsection (a) are as follows:

(1) Highway sanctions

(A) The Administrator may impose a prohibition, applicable to a nonattainment area, on the approval by the Secretary of Transportation of any projects or the awarding by the Secretary of any grants, under title 23 other than projects or grants for safety where the Secretary determines, based on accident or other appropriate data submitted by the State, that the principal purpose of the project is an improvement in safety to resolve a demonstrated safety problem and likely will result in a significant reduction in, or avoidance of, accidents. Such prohibition shall become effective upon the selection by the Administrator of this sanction.

(B) In addition to safety, projects or grants that may be approved by the Secretary, notwithstanding the prohibition in subparagraph (A), are the following—

(i) capital programs for public transit;
(ii) construction or restriction of certain roads or lanes solely for the use of passenger buses or high occupancy vehicles;
(iii) planning for requirements for employers to reduce employee work-trip-related vehicle emissions;
(iv) highway ramp metering, traffic signalization, and related programs that improve traffic flow and achieve a net emission reduction;

(v) fringe and transportation corridor parking facilities serving multiple occupancy vehicle programs or transit operations;

(vi) programs to limit or restrict vehicle use in downtown areas or other areas of emission concentration particularly during periods of peak use, through road use charges, tolls, parking surcharges, or other pricing mechanisms, vehicle restricted zones or periods, or vehicle registration programs;

(vii) programs for breakdown and accident scene management, nonrecurring congestion, and vehicle information systems, to reduce congestion and emissions; and

(viii) such other transportation-related programs as the Administrator, in consultation with the Secretary of Transportation, finds would improve air quality and would not encourage single occupancy vehicle capacity.

In considering such measures, the State should seek to ensure adequate access to downtown, other commercial, and residential areas, and avoid increasing or relocating emissions and congestion rather than reducing them.

(2) Offsets

In applying the emissions offset requirements of section 7503 of this title to new or modified sources or emissions units for which a permit is required under this part, the ratio of emission reductions to increased emissions shall be at least 2 to 1.

(c) Notice of failure to attain

(1) As expeditiously as practicable after the applicable attainment date for any nonattainment area, but not later than 6 months after such date, the Administrator shall determine, based on the area’s air quality as of the attainment date, whether the area attained the standard by that date.

(2) Upon making the determination under paragraph (1), the Administrator shall publish a notice in the Federal Register containing such determination and identifying each area that the Administrator has determined to have failed to attain. The Administrator may revise or supplement such determination at any time based on more complete information or analysis concerning the area’s air quality as of the attainment date.

(d) Consequences for failure to attain

(1) Within 1 year after the Administrator publishes the notice under subsection (c)(2) (relating to notice of failure to attain), each State containing a nonattainment area shall submit a revision to the applicable implementation plan meeting the requirements of paragraph (2) of this subsection.

(2) The revision required under paragraph (1) shall meet the requirements of section 7410 of this title and section 7502 of this title. In addition, the revision shall include such additional measures as the Administrator may reasonably prescribe, including all measures that can be feasibly implemented in the area in light of technological achievability, costs, and any nonair quality and other air quality-related health and environmental impacts.

(3) The attainment date applicable to the revision required under paragraph (1) shall be the same as provided in the provisions of section 7502(a)(2) of this title, except that in applying such provisions the phrase “from the date of the notice under section 7508(c)(2) of this title” shall be substituted for the phrase “from the date such area was designated nonattainment under section 7407(d) of this title” and for the phrase “from the date of designation as nonattainment”.

(October 17, 1990, Pub. L. 101–549, title I, § 102(g), Nov. 15, 1990, 104 Stat. 2420.)

§ 7509a. International border areas

(a) Implementation plans and revisions

Notwithstanding any other provision of law, an implementation plan or plan revision required under this chapter shall be approved by the Administrator if—

(1) such plan or revision meets all the requirements applicable to it under this chapter other than a requirement that such plan or revision demonstrate attainment and maintenance of the relevant national ambient air quality standards by the attainment date specified under the applicable provision of this chapter, or in a regulation promulgated under such provision, and

(2) the submitting State establishes to the satisfaction of the Administrator that the implementation plan of such State would be adequate to attain and maintain the relevant national ambient air quality standards by the attainment date specified under the applicable provision of this chapter, or in a regulation promulgated under such provision, but for emissions emanating from outside of the United States.

(b) Attainment of ozone levels

Notwithstanding any other provision of law, any State that establishes to the satisfaction of the Administrator that, with respect to an ozone nonattainment area in such State, such State would have attained the national ambient air quality standard for ozone by the applicable attainment date, but for emissions emanating from outside of the United States, shall not be subject to the provisions of section 7511(a)(2) or (5) of this title or section 7511d of this title.

(c) Attainment of carbon monoxide levels

Notwithstanding any other provision of law, any State that establishes to the satisfaction of the Administrator, with respect to a carbon monoxide nonattainment area in such State, that such State has attained the national ambient air quality standard for carbon monoxide by the applicable attainment date, but for emissions emanating from outside of the United States, shall not be subject to the provisions of section 7512(b)(2) or (9) of this title.

1So in original. Probably should be "this".

2So in original. Section 7512(b) of this title does not contain a par. (9).
(d) Attainment of PM–10 levels

Notwithstanding any other provision of law, any State that establishes to the satisfaction of the Administrator that, with respect to a PM–10 nonattainment area in such State, such State would have attained the national ambient air quality standard for carbon monoxide by the applicable attainment date, but for emissions emanating from outside the United States, shall not be subject to the provisions of section 7513(b)(2) of this title.


Establishment of Program To Monitor and Improve Air Quality in Regions Along Border Between United States and Mexico

Pub. L. 101–549, title VIII, §815, Nov. 15, 1990, 104 Stat. 2693, provided that:

“(a) In General.—The Administrator of the Environmental Protection Agency (hereinafter referred to as the ‘Administrator’) is authorized, in cooperation with the Department of State and the affected States, to negotiate with representatives of Mexico to authorize a program to monitor and improve air quality in regions along the border between the United States and Mexico. The program established under this section shall not extend beyond July 1, 1995.

“(b) Monitoring and Remediation.—

“(1) Monitoring.—The monitoring component of the program conducted under this section shall identify and determine sources of pollutants for which national ambient air quality standards (hereinafter referred to as ‘NAAQS’) and other air quality goals have been established in regions along the border between the United States and Mexico. Any such monitoring component of the program shall include, but not be limited to, the collection of meteorological data, the measurement of air quality, the compilation of an emissions inventory, and shall be sufficient to the extent necessary to successfully support the use of a state-of-the-art mathematical air modeling analysis. Any such monitoring component of the program shall collect and produce data projecting the level of emission reductions necessary in both Mexico and the United States to bring about attainment of both primary and secondary NAAQS, and other air quality goals, in regions along the border in the United States. Any such monitoring component of the program shall include to the extent possible, data from monitoring programs undertaken by other parties.

“(2) Remediation.—The Administrator is authorized to negotiate with appropriate representatives of Mexico to develop joint remediation measures to reduce the level of airborne pollutants to achieve and maintain primary and secondary NAAQS, and other air quality goals, in regions along the border between the United States and Mexico. Such joint remediation measures may include, but not be limited to, measures included in the Environmental Protection Agency’s Control Techniques and Control Technology documents. Any such remediation program shall also identify those control measures implementation of which in Mexico would be expedited by the use of material and financial assistance of the United States.

“(c) Annual Reports.—The Administrator shall, each year the program authorized in this section is in operation, report to Congress on the progress of the program in bringing nonattainment areas along the border of the United States into attainment with primary and secondary NAAQS. The report issued by the Administrator under this paragraph shall include recommendations on funding mechanisms to assist in implementation of monitoring and remediation efforts.

“(d) Funding and Personnel.—The Administrator may, where appropriate, make available, subject to the appropriations, such funds, personnel, and equipment as may be necessary to implement the provisions of this section. In those cases where direct financial assistance of the United States is provided to implement monitoring and remediation programs in Mexico, the Administrator shall develop grant agreements with appropriate representatives of Mexico to assure the accuracy and completeness of monitoring data and the performance of remediation measures which are financed by the United States. With respect to any control measures within Mexico funded by the United States, the Administrator shall, to the maximum extent practicable, utilize resources of Mexico where such utilization would reduce costs to the United States. Such funding agreements shall include authorization for the Administrator to—

“(1) review and agree to plans for monitoring and remediation;

“(2) inspect premises, equipment and records to insure compliance with the agreements established under and the purposes set forth in this section; and

“(3) where necessary, develop grant agreements with affected States to carry out the provisions of this section.’’

Subpart 2—Additional Provisions for Ozone Nonattainment Areas

§7511. Classifications and attainment dates

(a) Classification and attainment dates for 1989 nonattainment areas

(1) Each area designated nonattainment for ozone pursuant to section 7407(d) of this title shall be classified at the time of such designation, under table 1, by operation of law, as a Marginal Area, a Moderate Area, a Serious Area, a Severe Area, or an Extreme Area based on the design value for the area. The design value shall be calculated according to the interpretation methodology issued by the Administrator most recently before November 15, 1990. For each area classified under this subsection, the primary standard attainment date for ozone shall be as expeditiously as practicable but not later than the date provided in table 1.

<table>
<thead>
<tr>
<th>Area class</th>
<th>Design value*</th>
<th>Primary standard attainment date**</th>
</tr>
</thead>
<tbody>
<tr>
<td>Marginal ..</td>
<td>0.121 up to 0.138 ..</td>
<td>3 years after November 15, 1990</td>
</tr>
<tr>
<td>Moderate ..</td>
<td>0.138 up to 0.160 ..</td>
<td>6 years after November 15, 1990</td>
</tr>
<tr>
<td>Serious .....</td>
<td>0.160 up to 0.180 ..</td>
<td>9 years after November 15, 1990</td>
</tr>
<tr>
<td>Severe ......</td>
<td>0.180 up to 0.280 ..</td>
<td>15 years after November 15, 1990</td>
</tr>
<tr>
<td>Extreme ...</td>
<td>0.280 and above ..</td>
<td>20 years after November 15, 1990</td>
</tr>
</tbody>
</table>

*The design value is measured in parts per million (ppm).
**The primary standard attainment date is measured from November 15, 1990.
attainment area. The provisions of section 7502(a)(1)(B) of this title (relating to lack of notice and comment and judicial review) shall apply to such classification.

(4) If an area classified under paragraph (1) (Table 1) would have been classified in another category if the design value in the area were 5 percent greater or 5 percent less than the level on which such classification was based, the Administrator may, in the Administrator’s discretion, within 90 days after the initial classification, by the procedure required under paragraph (3), adjust the classification to place the area in such other category. In making such adjustment, the Administrator may consider the number of exceedances of the national primary ambient air quality standard for ozone in the area, the level of pollution transport between the area and other affected areas, including both intrastate and interstate transport, and the mix of sources and air pollutants in the area.

(5) Upon application by any State, the Administrator may extend for 1 additional year (hereinafter referred to as the “Extension Year”) the date specified in table 1 of paragraph (1) of this subsection if—

(A) the State has complied with all requirements and commitments pertaining to the area in the applicable implementation plan, and

(B) no more than 1 exceedance of the national ambient air quality standard level for ozone has occurred in the area in the year preceding the Extension Year.

No more than 2 one-year extensions may be issued under this paragraph for a single nonattainment area.

(b) New designations and reclassifications

(1) New designations to nonattainment

Any area that is designated attainment or unclassifiable for ozone under section 7407(d)(4) of this title, and that is subsequently redesignated to nonattainment for ozone under section 7407(d)(3) of this title, shall, at the time of the redesignation, be classified by operation of law in accordance with table 1 under subsection (a). Upon its classification, the area shall be subject to the same requirements under section 7410 of this title, subpart 1 of this part, and this subpart that would have applied had the area been so classified at the time of the notice under subsection (a)(3), except that any absolute, fixed date applicable in connection with any such requirement is extended by operation of law by a period equal to the length of time between November 15, 1990, and the date the area is classified under this paragraph.

(2) Reclassification upon failure to attain

(A) Within 6 months following the applicable attainment date (including any extension thereof) for an ozone nonattainment area, the Administrator shall determine, based on the area’s design value (as of the attainment date), whether the area attained the standard by that date. Except for any Severe or Extreme area, any area that the Administrator finds has not attained the standard by that date shall be reclassified by operation of law in accordance with table 1 of subsection (a) to the higher of—

(i) the next higher classification for the area, or

(ii) the classification applicable to the area’s design value as determined at the time of the notice required under subparagraph (B).

No area shall be reclassified as Extreme under clause (ii).

(B) The Administrator shall publish a notice in the Federal Register, no later than 6 months following the attainment date, identifying each area that the Administrator has determined under subparagraph (A) as having failed to attain and identifying the reclassification, if any, described under subparagraph (A).

(3) Voluntary reclassification

The Administrator shall grant the request of any State to reclassify a nonattainment area in that State in accordance with table 1 of subsection (a) to a higher classification. The Administrator shall publish a notice in the Federal Register of any such request and of action by the Administrator granting the request.

(4) Failure of Severe Areas to attain standard

(A) If any Severe Area fails to achieve the national primary ambient air quality standard for ozone by the applicable attainment date (including any extension thereof), the fee provisions under section 7511d of this title shall apply within the area, the percent reduction requirements of section 7511a(c)(2)(B) and (C) of this title (relating to reasonable further progress demonstration and NOx control) shall continue to apply to the area, and the State shall demonstrate that such percent reduction has been achieved in each 3-year interval after such failure until the standard is attained. Any failure to make such a demonstration shall be subject to the sanctions provided under this part.

(B) In addition to the requirements of subparagraph (A), if the ozone design value for a Severe Area referred to in subparagraph (A) is above 0.140 ppm for the year of the applicable attainment date, or if the area has failed to achieve its most recent milestone under section 7511a(g) of this title, the new source review requirements applicable under this subpart in Extreme Areas shall apply in the area and the term “major source” and “major stationary source” shall have the same meaning as in Extreme Areas.

(C) In addition to the requirements of subparagraph (A) for those areas referred to in subparagraph (A) and not covered by subparagraph (B), the provisions referred to in subparagraph (B) shall apply after 3 years from the applicable attainment date unless the area has attained the standard by the end of such 3-year period.

(D) If, after November 15, 1990, the Administrator modifies the method of determining compliance with the national primary ambi-

1 So in original. Probably should be “terms”.
ent air quality standard, a design value or other indicator comparable to 0.140 in terms of its relationship to the standard shall be used in lieu of 0.140 for purposes of applying the provisions of subparagraphs (B) and (C).

(c) References to terms

(1) Any reference in this subpart to a “Marginal Area”, a “Moderate Area”, a “Serious Area”, a “Severe Area”, or an “Extreme Area” shall be considered a reference to a Marginal Area, a Moderate Area, a Serious Area, a Severe Area, or an Extreme Area as respectively classified under this section.

(2) Any reference in this subpart to “next higher classification” or comparable terms shall be considered a reference to the classification related to the next higher set of design values in table 1.


EXEMPTIONS FOR STRIPPER WELLS

Pub. L. 101–549, title VIII, §819, Nov. 15, 1990, 104 Stat. 2698, provided that: “Notwithstanding any other provision of law, the amendments to the Clean Air Act made by section 103 of the Clean Air Act Amendments of 1990 [enacting this section and sections 7511a to 7511f of this title] (relating to additional provisions for ozone nonattainment areas), by section 104 of such amendments [enacting sections 7512 and 7512a of this title] (relating to additional provisions for carbon monoxide nonattainment areas), by section 105 of such amendments [enacting sections 7513 to 7513b of this title and amending section 7476 of this title] (relating to additional provisions for fine particulate matter nonattainment areas), and by section 106 of such amendments [enacting sections 7514 and 7514a of this title] (relating to additional provisions for areas designated as nonattainment for sulfur oxides, nitrogen oxides, and lead) shall not apply with respect to the production of and equipment used in the exploration, production, development, storage or processing of—

“(1) oil from a stripper well property, within the meaning of the June 1979 energy regulations (within the meaning of section 4996(b)(7) of the Internal Revenue Code of 1986 (26 U.S.C. 4996(b)(7)), as in effect before the repeal of such section); and

“(2) stripper well natural gas, as defined in section 108(b) of the Natural Gas Policy Act of 1978 (15 U.S.C. 3318(b)), except to the extent that provisions of such amendments cover areas designated as Serious pursuant to part D of title I of the Clean Air Act [this part] and having a population of 350,000 or more, or areas designated as Severe or Extreme pursuant to such part D.”

§ 7511a. Plan submissions and requirements

(a) Marginal Areas

Each State in which all or part of a Marginal Area is located shall, with respect to the Marginal Area (or portion thereof, to the extent specified in this subsection), submit to the Administrator the State implementation plan revisions (including the plan items) described under this subsection except to the extent the State has made such submissions as of November 15, 1990.

(1) Inventory

Within 2 years after November 15, 1990, the State shall submit a comprehensive, accurate, current inventory of actual emissions from all sources, as described in section 7502(c)(3) of this title, in accordance with guidance provided by the Administrator.

(2) Corrections to the State implementation plan

Within the periods prescribed in this paragraph, the State shall submit a revision to the State implementation plan that meets the following requirements—

(A) Reasonably available control technology corrections

For any Marginal Area (or, within the Administrator’s discretion, portion thereof) the State shall submit, within 6 months of the date of classification under section 7511(a) of this title, a revision that includes such provisions to correct requirements in (or add requirements to) the plan concerning reasonably available control technology as were required under section 7502(b) of this title (as in effect immediately before November 15, 1990), as interpreted in guidance issued by the Administrator under section 7408 of this title before November 15, 1990.

(B) Savings clause for vehicle inspection and maintenance

(i) For any Marginal Area (or, within the Administrator’s discretion, portion thereof), the plan for which already includes, or was required by section 7502(b)(11)(B) of this title (as in effect immediately before November 15, 1990) to have included, a specific schedule for implementation of a vehicle emission control inspection and maintenance program, the State shall submit, immediately after November 15, 1990, a revision that includes any provisions necessary to provide for a vehicle inspection and maintenance program of no less stringency than that of either the program defined in House Report Numbered 95–294, 95th Congress, 1st Session, 281–291 (1977) as interpreted in guidance of the Administrator issued pursuant to section 7502(b)(11)(B) of this title (as in effect immediately before November 15, 1990) or the program already included in the plan, whichever is more stringent.

(ii) Within 12 months after November 15, 1990, the Administrator shall review, revise, update, and republish in the Federal Register the guidance for the States for motor vehicle inspection and maintenance programs required by this chapter, taking into consideration the Administrator’s investigations and audits of such program. The guidance shall, at a minimum, cover the frequency of inspections, the types of vehicles to be inspected (which shall include leased vehicles that are registered in the nonattainment area), vehicle maintenance by owners and operators, audits by the State, the test method and measures, including whether centralized or decentralized, inspection methods and procedures, quality of inspection, components covered, assurance that a vehicle subject to a recall notice from a manufacturer has complied with that notice, and effective implementation and enforcement, including ensuring that any re-
testing of a vehicle after a failure shall include proof of corrective action and providing for denial of vehicle registration in the case of tampering or misfuelling. The guidance which shall be incorporated in the applicable State implementation plans by the States shall provide the States with continued reasonable flexibility to fashion effective, reasonable, and fair programs for the affected consumer. No later than 2 years after the Administrator promulgates regulations under section 7521(m)(3) of this title (relating to emission control diagnostics), the State shall submit a revision to such program to meet any requirements that the Administrator may prescribe under that section.

(C) Permit programs

Within 2 years after November 15, 1990, the State shall submit a revision that includes each of the following:

(i) Provisions to require permits, in accordance with sections 7502(c)(5) and 7503 of this title, for the construction and operation of each new or modified major stationary source (with respect to ozone) to be located in the area.

(ii) Provisions to correct requirements in (or add requirements to) the plan concerning permit programs as were required under section 7502(b)(6) of this title (as in effect immediately before November 15, 1990), as interpreted in regulations of the Administrator promulgated as of November 15, 1990.

(3) Periodic inventory

(A) General requirement

No later than the end of each 3-year period after submission of the inventory under paragraph (1) until the area is redesignated to attainment, the State shall submit a revised inventory meeting the requirements of subsection (a)(1).

(B) Emissions statements

(i) Within 2 years after November 15, 1990, the State shall submit a revision to the State implementation plan to require that the owner or operator of each stationary source of oxides of nitrogen or volatile organic compounds provide the State with a statement, in such form as the Administrator may prescribe (or accept an equivalent alternative developed by the State), for classes or categories of sources, showing the actual emissions of oxides of nitrogen and volatile organic compounds from that source. The first such statement shall be submitted within 3 years after November 15, 1990. Subsequent statements shall be submitted at least every year thereafter. The statement shall contain a certification that the information contained in the statement is accurate to the best knowledge of the individual certifying the statement.

(ii) The State may waive the application of clause (i) to any class or category of stationary sources which emit less than 25 tons per year of volatile organic compounds or oxides of nitrogen if the State, in its submissions under subparagraphs 1(1) or (3)(A), provides an inventory of emissions from such class or category of sources, based on the use of the emission factors established by the Administrator or other methods acceptable to the Administrator.

(4) General offset requirement

For purposes of satisfying the emission offset requirements of this part, the ratio of total emission reductions of volatile organic compounds to total increased emissions of such air pollutant shall be at least 1.1 to 1.

The Administrator may, in the Administrator's discretion, require States to submit a schedule for submitting any of the revisions or other items required under this subsection. The requirements of this subsection shall apply in lieu of any requirement that the State submit a demonstration that the applicable implementation plan provides for attainment of the ozone standard by the applicable attainment date in any Marginal Area. Section 7502(c)(9) of this title (relating to contingency measures) shall not apply to Marginal Areas.

(b) Moderate Areas

Each State in which all or part of a Moderate Area is located shall, with respect to the Moderate Area, make the submissions described under subsection (a) of this section (relating to Marginal Areas), and shall also submit the revisions to the applicable implementation plan described under this subsection.

(1) Plan provisions for reasonable further progress

(A) General rule

(i) By no later than 3 years after November 15, 1990, the State shall submit a revision to the applicable implementation plan to provide for volatile organic compound emission reductions, within 6 years after November 15, 1990, of at least 15 percent from baseline emissions, accounting for any growth in emissions after 1990. Such plan shall provide for such specific annual reductions in emissions of volatile organic compounds and oxides of nitrogen as necessary to attain the national primary ambient air quality standard for ozone by the attainment date applicable under this chapter. This subparagraph shall not apply in the case of oxides of nitrogen for those areas for which the Administrator determines (when the Administrator approves the plan or plan revision) that additional reductions of oxides of nitrogen would not contribute to attainment.

(ii) A percentage less than 15 percent may be used for purposes of clause (i) in the case of any State which demonstrates to the satisfaction of the Administrator that—

(I) new source review provisions are applicable in the nonattainment areas in the same manner and to the same extent as required under subsection (e) in the case of Extreme Areas (with the exception that, in applying such provisions, the terms "major source" and "major stationary

1 So in original. Probably should be "subparagraph".
source” shall include (in addition to the sources described in section 7602 of this title) any stationary source or group of sources located within a contiguous area and under common control that emits, or has the potential to emit, at least 5 tons per year of volatile organic compounds; (II) reasonably available control technology is required for all existing major sources (as defined in subclause (I)); and (III) the plan reflecting a lesser percentage than 15 percent includes all measures that can feasibly be implemented in the area, in light of technological achievability.

To qualify for a lesser percentage under this clause, a State must demonstrate to the satisfaction of the Administrator that the plan for the area includes the measures that are achieved in practice by sources in the same source category in nonattainment areas of the next higher category.

(B) Baseline emissions

For purposes of subparagraph (A), the term “baseline emissions” means the total amount of actual VOC or NOx emissions from all anthropogenic sources in the area during the calendar year 1990, excluding emissions that would be eliminated under the regulations described in clauses (i) and (ii) of subparagraph (D).

(C) General rule for creditability of reductions

Except as provided under subparagraph (D), emissions reductions are creditable toward the 15 percent required under subparagraph (A) to the extent they have actually occurred, as of 6 years after November 15, 1990, from the implementation of measures required under the applicable implementation plan, rules promulgated by the Administrator, or a permit under subchapter V.

(D) Limits on creditability of reductions

Emission reductions from the following measures are not creditable toward the 15 percent reductions required under subparagraph (A):

(i) Any measure relating to motor vehicle exhaust or evaporative emissions promulgated by the Administrator by January 1, 1990.

(ii) Regulations concerning Reid Vapor Pressure promulgated by the Administrator by November 15, 1990, or required to be promulgated under section 7545(h) of this title.

(iii) Measures required under subsection (a)(2)(A) (concerning corrections to implementation plans prescribed under guidance by the Administrator).

(iv) Measures required under subsection (a)(2)(B) to be submitted immediately after November 15, 1990 (concerning corrections to motor vehicle inspection and maintenance programs).

(2) Reasonably available control technology

The State shall submit a revision to the applicable implementation plan to include provisions to require the implementation of reasonably available control technology under section 7502(c)(1) of this title with respect to each of the following:

(A) Each category of VOC sources in the area covered by a CTG document issued by the Administrator between November 15, 1990, and the date of attainment.

(B) All VOC sources in the area covered by any CTG issued before November 15, 1990.

(C) All other major stationary sources of VOCs that are located in the area.

Each revision described in subparagraph (A) shall be submitted within the period set forth by the Administrator in issuing the relevant CTG document. The revisions with respect to sources described in subparagraphs (B) and (C) shall be submitted by 2 years after November 15, 1990, and shall provide for the implementation of the required measures as expeditiously as practicable but no later than May 31, 1996.

(3) Gasoline vapor recovery

(A) General rule

Not later than 2 years after November 15, 1990, the State shall submit a revision to the applicable implementation plan to require all owners or operators of gasoline dispensing systems to install and operate, by the date prescribed under subparagraph (B), a system for gasoline vapor recovery of emissions from the fueling of motor vehicles. The Administrator shall issue guidance as appropriate as to the effectiveness of such system. This subparagraph shall apply only to facilities which sell more than 10,000 gallons of gasoline per month (50,000 gallons per month in the case of an independent small business marketer of gasoline as defined in section 7625–1 of this title).

(B) Effective date

The date required under subparagraph (A) shall be—

(i) 6 months after the adoption date, in the case of gasoline dispensing facilities for which construction commenced after November 15, 1990;

(ii) one year after the adoption date, in the case of gasoline dispensing facilities which dispense at least 100,000 gallons of gasoline per month, based on average monthly sales for the 2-year period before the adoption date; or

(iii) 2 years after the adoption date, in the case of all other gasoline dispensing facilities.

Any gasoline dispensing facility described under both clause (i) and clause (ii) shall meet the requirements of clause (i).

(C) Reference to terms

For purposes of this paragraph, any reference to the term “adoption date” shall be considered a reference to the date of adoption by the State of requirements for the installation and operation of a system for gasoline vapor recovery of emissions from the fueling of motor vehicles.
(4) Motor vehicle inspection and maintenance
For all Moderate Areas, the State shall submit, immediately after November 15, 1990, a revision to the applicable implementation plan that includes provisions necessary to provide for a vehicle inspection and maintenance program as described in subsection (a)(2)(B) (without regard to whether or not the area was required by section 7502(b)(11)(B) of this title (as in effect immediately before November 15, 1990) to have included a specific schedule for implementation of such a program).

(5) General offset requirement
For purposes of satisfying the emission offset requirements of this part, the ratio of total emission reductions of volatile organic compounds to total increase in emissions of such air pollutant shall be at least 1.15 to 1.

(c) Serious Areas
Except as otherwise specified in paragraph (4), each State in which all or part of a Serious Area is located shall, with respect to the Serious Area (or portion thereof, to the extent specified in this subsection), make the submissions described under subsection (b) (relating to Moderate Areas), and shall also submit the revisions to the applicable implementation plan (including the plan items) described under this subsection. For any Serious Area, the terms “major source” and “major stationary source” include (in addition to the sources described in section 7602 of this title) any stationary source or group of sources located within a contiguous area and under common control that emits, or has the potential to emit, at least 50 tons per year of volatile organic compounds.

(1) Enhanced monitoring
In order to obtain more comprehensive and representative data on ozone air pollution, not later than 18 months after November 15, 1990, the Administrator shall promulgate rules, after notice and public comment, for enhanced monitoring of ozone, oxides of nitrogen, and volatile organic compounds. The rules shall, among other things, cover the location and maintenance of monitors. Immediately following the promulgation of rules by the Administrator relating to enhanced monitoring, the State shall commence such actions as may be necessary to adopt and implement a program based on such rules, to improve monitoring for ambient concentrations of ozone, oxides of nitrogen, and volatile organic compounds. The reductions creditable for the period beginning 6 years after November 15, 1990, shall include reductions that occurred before such period, computed in accordance with subsection (b)(1)(A).

(2) Attainment and reasonable further progress demonstrations
Within 4 years after November 15, 1990, the State shall submit a revision to the applicable implementation plan that includes each of the following:

(A) Attainment demonstration
A demonstration that the plan, as revised, will provide for attainment of the ozone national ambient air quality standard by the applicable attainment date. This attainment demonstration must be based on photochemical grid modeling or any other analytical method determined by the Administrator, in the Administrator’s discretion, to be at least as effective.

(B) Reasonable further progress demonstration
A demonstration that the plan, as revised, will result in VOC emissions reductions from the baseline emissions described in subsection (b)(1)(A)(D) equal to the following amount averaged over each consecutive 3-year period beginning 6 years after November 15, 1990, until the attainment date:

(i) at least 3 percent of baseline emissions each year; or

(ii) an amount less than 3 percent of such baseline emissions each year, if the State demonstrates to the satisfaction of the Administrator that the plan for the area includes the measures that are achieved in practice by sources in the same source category in nonattainment areas of the next higher classification. Any determination to lessen the 3 percent requirement shall be reviewed at each milestone under subsection (g) and revised to reflect such new measures (if any) achieved in practice by sources in the same source category in any State, allowing a reasonable time to implement such measures. The emission reductions described in this subparagraph shall be calculated in accordance with subsection (b)(1)(A). The reductions creditable for the period beginning 6 years after November 15, 1990, shall include reductions that occurred before such period, computed in accordance with subsection (b)(1)(A).

(C) NOx control
The revision may contain, in lieu of the demonstration required under subparagraph (B), a demonstration to the satisfaction of the Administrator that the applicable implementation plan, as revised, provides for reductions of emissions of VOC’s and oxides of nitrogen (calculated according to the creditability provisions of subsection (b)(1)(C) and (D)), that would result in a reduction in ozone concentrations at least equivalent to that which would result from the amount of VOC emission reductions required under subparagraph (B). Within 1 year after November 15, 1990, the Administrator shall issue guidance concerning the conditions under which NOx control may be substituted for VOC control or may be combined with VOC control in order to maximize the reduction in ozone air pollution. In accord with such guidance,
a lesser percentage of VOCs may be accepted as an adequate demonstration for purposes of this subsection.

(3) Enhanced vehicle inspection and maintenance program

(A) Requirement for submission

Within 2 years after November 15, 1990, the State shall submit a revision to the applicable implementation plan to provide for an enhanced program to reduce hydrocarbon emissions and NOx emissions from in-use motor vehicles registered in each urbanized area (in the nonattainment area), as defined by the Bureau of the Census, with a 1980 population of 200,000 or more.

(B) Effective date of State programs; guidance

The State program required under subparagraph (A) shall take effect no later than 2 years from November 15, 1990, and shall comply in all respects with guidance published in the Federal Register (and from time to time revised) by the Administrator for enhanced vehicle inspection and maintenance programs. Such guidance shall include—

(i) a performance standard achievable by a program combining emission testing, including on-road emission testing, with inspection to detect tampering with emission control devices and misfueling for all light-duty vehicles and all light-duty trucks subject to standards under section 7521 of this title; and

(ii) program administration features necessary to reasonably assure that adequate management resources, tools, and practices are in place to attain and maintain the performance standard.

Compliance with the performance standard under clause (i) shall be determined using a method to be established by the Administrator.

(C) State program

The State program required under subparagraph (A) shall include, at a minimum, each of the following elements—

(i) Computerized emission analyzers, including on-road testing devices.

(ii) No waivers for vehicles and parts covered by the emission control performance warranty as provided for in section 7541(b) of this title unless a warranty remedy has been denied in writing, or for tampering-related repairs.

(iii) In view of the air quality purpose of the program, if, for any vehicle, waivers are permitted for emissions-related repairs not covered by warranty, an expenditure to qualify for the waiver of an amount of $450 or more for such repairs (adjusted annually as determined by the Administrator on the basis of the Consumer Price Index in the same manner as provided in subchapter V).

(iv) Enforcement through denial of vehicle registration (except for any program in operation before November 15, 1990, whose enforcement mechanism is demonstrated to the Administrator to be more effective than the applicable vehicle registration program in assuring that noncomplying vehicles are not operated on public roads).

(v) Annual emission testing and necessary adjustment, repair, and maintenance, unless the State demonstrates to the satisfaction of the Administrator that a biennial inspection, in combination with other features of the program which exceed the requirements of this chapter, will result in emission reductions which equal or exceed the reductions which can be obtained through such annual inspections.

(vi) Operation of the program on a centralized basis, unless the State demonstrates to the satisfaction of the Administrator that a decentralized program will be equally effective. An electronically connected testing system, a licensing system, or other measures (or any combination thereof) may be considered, in accordance with criteria established by the Administrator, as equally effective for such purposes.

(vii) Inspection of emission control diagnostic systems and the maintenance or repair of malfunctions or system deterioration identified by or affecting such diagnostics systems.

Each State shall biennially prepare a report to the Administrator which assesses the emission reductions achieved by the program required under this paragraph based on data collected during inspection and repair of vehicles. The methods used to assess the emission reductions shall be those established by the Administrator.

(4) Clean-fuel vehicle programs

(A) Except to the extent that substitute provisions have been approved by the Administrator under subparagraph (B), the State shall submit to the Administrator, within 42 months of November 15, 1990, a revision to the applicable implementation plan for each area described under part C of subchapter II to include such measures as may be necessary to ensure the effectiveness of the applicable provisions of the clean-fuel vehicle program prescribed under part C of subchapter II, including all measures necessary to make the use of clean alternative fuels in clean-fuel vehicles (as defined in part C of subchapter II) economic from the standpoint of vehicle owners. Such a revision shall also be submitted for each area that opts into the clean fuel-vehicle program as provided in part C of subchapter II.

(B) The Administrator shall approve, as a substitute for all or a portion of the clean-fuel vehicle program prescribed under part C of subchapter II, any revision to the relevant applicable implementation plan that in the Administrator’s judgment will achieve long-term reductions in ozone-producing and toxic air emissions equal to those achieved under part C of subchapter II, or the percentage thereof attributable to the portion of the clean-fuel vehicle program for which the revision is to substitute. The Administrator may approve such...
(revision only if it consists exclusively of provisions other than those required under this chapter for the area. Any State seeking approval of such revision must submit the revision to the Administrator within 24 months of November 15, 1990. The Administrator shall approve or disapprove any such revision within 30 months of November 15, 1990. The Administrator shall publish the revision submitted by a State in the Federal Register upon receipt. Such notice shall constitute a notice of proposed rulemaking on whether or not to approve such revision and shall be deemed to comply with the requirements concerning notices of proposed rulemaking contained in sections 553 through 557 of title 5 (related to notice and comment). Where the Administrator approves such revision for any area, the State need not submit the revision required by subparagraph (A) for the area with respect to the portions of the Federal clean-fuel vehicle program for which the Administrator has approved the revision as a substitute.

(C) If the Administrator determines, under section 7509 of this title, that the State has failed to submit any portion of the program required under subparagraph (A), then, in addition to any sanctions available under section 7509 of this title, the State may not receive credit, in any demonstration of attainment or reasonable further progress for the area, for any emission reductions from implementation of the corresponding aspects of the Federal clean-fuel vehicle requirements established in part C of subchapter II.

(5) Transportation control

(A) Beginning 6 years after November 15, 1990, and each third year thereafter, the State shall submit a demonstration as to whether current aggregate vehicle mileage, aggregate vehicle emissions, congestion levels, and other relevant parameters are consistent with those used for the area’s demonstration of attainment. Where such parameters and emission levels exceed the levels projected for purposes of the area’s attainment demonstration, the State shall within 18 months develop and submit a revision of the applicable implementation plan that includes a transportation control measures program consisting of measures from, but not limited to, section 7488(c) of this title that will reduce emissions to levels that are consistent with emission levels projected in such demonstration. In considering such measures, the State should ensure adequate access to downtown, other commercial, and residential areas and should avoid measures that increase or relocate emissions and congestion rather than reduce them. Such revision shall be developed in accordance with guidance issued by the Administrator pursuant to section 7488(c) of this title and with the requirements of section 7504(b) of this title and shall include implementation and funding schedules that achieve expeditious emissions reductions in accordance with implementation plan projections.

(6) De minimis rule

The new source review provisions under this part shall ensure that increased emissions of volatile organic compounds resulting from any physical change in, or change in the method of operation of, a stationary source located in the area shall not be considered de minimis for purposes of determining the applicability of the permit requirements established by this chapter unless the increase in net emissions of such air pollutant from such source does not exceed 25 tons when aggregated with all other net increases in emissions from the source over any period of 5 consecutive calendar years which includes the calendar year in which such increase occurred.

(7) Special rule for modifications of sources emitting less than 100 tons

In the case of any major stationary source of volatile organic compounds located in the area (other than a source which emits or has the potential to emit 100 tons or more of volatile organic compounds per year), whenever any change (as described in section 7411(a)(4) of this title) at that source results in any increase (other than a de minimis increase) in emissions of volatile organic compounds from any discrete operation, unit, or other pollutant emitting activity at the source, such increase shall be considered a modification for purposes of section 7502(c)(5) of this title and section 7503(a) of this title, except that such increase shall not be considered a modification for such purposes if the owner or operator of the source elects to offset the increase by a greater reduction in emissions of volatile organic compounds from other operations, units, or activities within the source at an internal offset ratio of at least 1.3 to 1. If the owner or operator does not make such election, such change shall be considered a modification for such purposes, but in applying section 7503(a)(2) of this title in the case of any such modification, the best available control technology (BACT), as defined in section 7479 of this title, shall be substituted for the lowest achievable emission rate (LAER). The Administrator shall establish and publish policies and procedures for implementing the provisions of this paragraph.

(8) Special rule for modifications of sources emitting 100 tons or more

In the case of any major stationary source of volatile organic compounds located in the area which emits or has the potential to emit 100 tons or more of volatile organic compounds per year, whenever any change (as described in section 7411(a)(4) of this title) at that source results in any increase (other than a de minimis increase) in emissions of volatile organic compounds from any discrete operation, unit, or other pollutant emitting activity at the source, such increase shall be considered a modification for purposes of section 7502(c)(5) of this title and section 7503(a) of this title, except that if the owner or operator of the source elects to offset the increase by a greater reduction in emissions of volatile organic compounds from other operations, units, or

---

*So in original. No subpar. (B) has been enacted.*
activities within the source at an internal offset ratio of at least 1.3 to 1, the requirements of section 7503(a)(2) of this title (concerning the lowest achievable emission rate (LAEER)) shall not apply.

(9) Contingency provisions

In addition to the contingency provisions required under section 7502(c)(9) of this title, the plan revision shall provide for the implementation of specific measures to be undertaken if the area fails to meet any applicable milestone. Such measures shall be included in the plan revision as contingency measures to take effect without further action by the State or the Administrator upon a failure by the State to meet the applicable milestone.

(10) General offset requirement

For purposes of satisfying the emission offset requirements of this part, the ratio of total emission reductions of volatile organic compounds to total increase emissions of such air pollutant shall be at least 1.2 to 1. Any reference to “attainment date” in subsection (b), which is incorporated by reference into this subsection, shall refer to the attainment date for serious areas.

(d) Severe Areas

Each State in which all or part of a Severe Area is located shall, with respect to the Severe Area, make the submissions described under subsection (c) (relating to Serious Areas), and shall also submit the revisions to the applicable implementation plan (including the plan items) described under this subsection. For any Severe Area, the terms “major source” and “major stationary source” include (in addition to the sources described in section 7602 of this title) any stationary source or group of sources located within a contiguous area and under common control that emits, or has the potential to emit, at least 25 tons per year of volatile organic compounds.

(1) Vehicle miles traveled

(A) Within 2 years after November 15, 1990, the State shall submit a revision that identifies and adopts specific enforceable transportation control strategies and transportation control measures to offset any growth in emissions from growth in vehicle miles traveled or numbers of vehicle trips in such area and to attain reduction in motor vehicle emissions as necessary, in combination with other emission reduction requirements of this subpart, to comply with the requirements of subsection (b)(2)(B) and (c)(2)(B) (pertaining to periodic emissions reduction requirements). The State shall consider measures specified in section 7408(f) of this title, and choose from among and implement such measures as necessary to demonstrate attainment with the national ambient air quality standards; in considering such measures, the State should ensure adequate access to downtown, other commercial, and residential areas and should avoid measures that increase or relocate emissions and congestion rather than reduce them.

(B) The State may also, in its discretion, submit a revision at any time requiring employers in such area to implement programs to reduce work-related vehicle trips and miles travelled by employees. Such revision shall be developed in accordance with guidance issued by the Administrator pursuant to section 7408(f) of this title and may require that employers in such area increase average passenger occupancy per vehicle in commuting trips between home and the workplace during peak travel periods. The guidance of the Administrator may specify average vehicle occupancy rates which vary for locations within a nonattainment area (suburban, center city, business district) or among nonattainment areas reflecting existing occupancy rates and the availability of high occupancy modes. Any State required to submit a revision under this subparagraph (as in effect before December 23, 1995) containing provisions requiring employers to reduce work-related vehicle trips and miles travelled by employees may, in accordance with State law, remove such provisions from the implementation plan, or withdraw its submission, if the State notifies the Administrator, in writing, that the State has undertaken, or will undertake, one or more alternative methods that will achieve emission reductions equivalent to those to be achieved by the removed or withdrawn provisions.

(2) Offset requirement

For purposes of satisfying the offset requirements pursuant to this part, the ratio of total emission reductions of VOCs to total increased emissions of such air pollutant shall be at least 1.3 to 1, except that if the State plan requires all existing major sources in the nonattainment area to use best available control technology (as defined in section 7479(3) of this title) for the control of volatile organic compounds, the ratio shall be at least 1.2 to 1.

(3) Enforcement under section 7511d

By December 31, 2000, the State shall submit a plan revision which includes the provisions required under section 7511d of this title.

Any reference to the term “attainment date” in subsection (b) or (c), which is incorporated by reference into this subsection (d), shall refer to the attainment date for Severe Areas.

(e) Extreme Areas

Each State in which all or part of an Extreme Area is located shall, with respect to the Extreme Area, make the submissions described under subsection (d) (relating to Severe Areas), and shall also submit the revisions to the applicable implementation plan (including the plan items) described under this subsection. The provisions of clause (ii) of subsection (c)(2)(B) (relating to reductions of less than 3 percent), the provisions of paragraphs (6), (7) and (8) of subsection (c) (relating to de minimis rule and modification of sources), and the provisions of clause (ii) of subsection (b)(1)(A) (relating to re-

3So in original. Probably should be “subsections”.

4So in original. Probably should be “paragraphs”.

5So in original. Probably should be “de minimis”.

6So in original. Probably should be “paragraphs”.

7So in original. Probably should be “de minimis”.
Historically, the terms "major source" and "major stationary source" have been used in the context of the Clean Air Act. The Act defines a "major source" as one that emits or has the potential to emit, at least 10 tons per year of volatile organic compounds. A "major stationary source" is any stationary source or group of sources located within a contiguous area and under common control that emits, or has the potential to emit, at least 10 tons per year of volatile organic compounds.

(1) Offset requirement

For purposes of satisfying the offset requirements pursuant to this part, the ratio of total emission reductions of VOCs to total increased emissions of such air pollutant shall be at least 1.5 to 1, except that if the State plan requires all existing major sources in the non-attainment area to use best available control technology (as defined in section 7479(3) of this title) for the control of volatile organic compounds, the ratio shall be at least 1.2 to 1.

(2) Modifications

Any change (as described in section 7411(a)(4) of this title) at a major stationary source which results in any increase in emissions from any discrete operation, unit, or other pollutant emitting activity at the source shall be considered a modification for purposes of section 7502(c)(5) of this title and section 7503(a) of this title, except that for purposes of complying with the offset requirement pursuant to section 7503(a)(1) of this title, any such increase shall not be considered a modification if the owner or operator of the source elects to offset the increase by a greater reduction in emissions of the air pollutant concerned from other discrete operations, units, or activities within the source at an internal offset ratio of at least 1.3 to 1. The offset requirements of this part shall not be applicable in Extreme Areas to a modification of an existing source if such modification consists of installation of equipment required to comply with the applicable implementation plan, permit, or this chapter.

(3) Use of clean fuels or advanced control technology

For Extreme Areas, a plan revision shall be submitted within 3 years after November 15, 1990, to require, effective 8 years after November 15, 1990, that each new, modified, and existing electric utility and industrial and commercial boiler which emits more than 25 tons per year of oxides of nitrogen—

(A) burn as its primary fuel natural gas, methanol, or ethanol (or a comparably low polluting fuel), or

(B) use advanced control technology (such as catalytic control technology or other comparably effective control methods) for reduction of emissions of oxides of nitrogen.

For purposes of this subsection, the term "primary fuel" means the fuel which is used 90 percent or more of the operating time. This paragraph shall not apply during any natural gas supply emergency (as defined in title III of the Natural Gas Policy Act of 1978 [15 U.S.C. 3361 et seq.]).

(4) Traffic control measures during heavy traffic hours

For Extreme Areas, each implementation plan revision under this subsection may contain provisions establishing traffic control measures applicable during heavy traffic hours to reduce the use of high polluting vehicles or heavy-duty vehicles, notwithstanding any other provision of law.

(5) New technologies

The Administrator may, in accordance with section 7440 of this title, approve provisions of an implementation plan for an Extreme Area which anticipate development of new control techniques or improvement of existing control technologies, and an attainment demonstration based on such provisions, if the State demonstrates to the satisfaction of the Administrator that—

(A) such provisions are not necessary to achieve the incremental emission reductions required during the first 10 years after November 15, 1990; and

(B) the State has submitted enforceable commitments to develop and adopt contingency measures to be implemented as set forth herein if the anticipated technologies do not achieve planned reductions.

Such contingency measures shall be submitted to the Administrator no later than 3 years before proposed implementation of the plan provisions and approved or disapproved by the Administrator in accordance with section 7410 of this title. The contingency measures shall be adequate to produce emission reductions sufficient, in conjunction with other approved plan provisions, to achieve the periodic emission reductions required by subsections (b)(1) or (c)(2) and attainment by the applicable dates.

If the Administrator determines that an Extreme Area has failed to achieve an emission reduction requirement set forth in subsection (b)(1) or (c)(2), and that such failure is due in whole or part to an inability to fully implement provisions approved pursuant to this subsection, the Administrator shall require the State to implement the contingency measures to the extent necessary to assure compliance with subsections (b)(1) and (c)(2).

Any reference to the term “attainment date” in subsection (b), (c), or (d) which is incorporated by reference into this subsection, shall refer to the attainment date for Extreme Areas.

(6) NOx requirements

(1) The plan provisions required under this subpart for major stationary sources of volatile organic compounds shall also apply to major stationary sources as defined in section 7602 of this title and subsections (c), (d), and (e) of this section of oxides of nitrogen. This subsection shall not apply in the case of oxides of nitrogen for those sources for which the Administrator determines (when the Administrator approves a plan or plan revision) that net air quality benefits are greater in the absence of reductions of oxides of nitrogen from the sources concerned.

---

*So in original. Probably should be “include”.*
This subsection shall also not apply in the case of oxides of nitrogen for—

(A) nonattainment areas not within an ozone transport region under section 7511c of this title, if the Administrator determines (when the Administrator approves a plan or plan revision) that additional reductions of oxides of nitrogen would not contribute to attainment of the national ambient air quality standard for ozone in the area, or

(B) nonattainment areas within such an ozone transport region if the Administrator determines (when the Administrator approves a plan or plan revision) that additional reductions of oxides of nitrogen would not produce net ozone air quality benefits in such region.

The Administrator shall, in the Administrator’s determinations, consider the study required under section 7511f of this title.

(2)(A) If the Administrator determines that excess reductions in emissions of NO\textsubscript{x} would be achieved under paragraph (1), the Administrator may limit the application of paragraph (1) to the extent necessary to avoid achieving such excess reductions.

(B) For purposes of this paragraph, excess reductions in emissions of NO\textsubscript{x} are emission reductions for which the Administrator determines that net air quality benefits are greater in the absence of such reductions. Alternatively, for purposes of this paragraph, excess reductions in emissions of NO\textsubscript{x} are, for—

(i) nonattainment areas not within an ozone transport region under section 7511c of this title, emission reductions that the Administrator determines would not contribute to attainment of the national ambient air quality standard for ozone in the area, or

(ii) nonattainment areas within such ozone transport region, emission reductions that the Administrator determines would not produce net ozone air quality benefits in such region.

(3) At any time after the final report under section 7511f of this title is submitted to Congress, a person may petition the Administrator for a determination under paragraph (1) or (2) with respect to any nonattainment area or any ozone transport region under section 7511c of this title. The Administrator shall grant or deny such petition within 6 months after its filing with the Administrator.

(g) Milestones

(1) Reductions in emissions

6 years after November 15, 1990, and at intervals of every 3 years thereafter, the State shall determine whether each nonattainment area (other than an area classified as Marginal or Moderate) has achieved a reduction in emissions during the preceding intervals equivalent to the total emission reductions required to be achieved by the end of such interval pursuant to subsection (b)(1) and the corresponding requirements of subsections (c)(2)(B) and (C), (d), and (e). Such reduction shall be referred to in this section as an applicable milestone.

(2) Compliance demonstration

For each nonattainment area referred to in paragraph (1), not later than 90 days after the date on which an applicable milestone occurs (not including an attainment date on which a milestone occurs in cases where the standard has been attained), each State in which all or part of such area is located shall submit to the Administrator a demonstration that the milestone has been met. A demonstration under this paragraph shall be submitted in such form and manner, and shall contain such information and analysis, as the Administrator shall require, by rule. The Administrator shall determine whether or not a State’s demonstration is adequate within 90 days after the Administrator’s receipt of a demonstration which contains the information and analysis required by the Administrator.

(3) Serious and Severe Areas; State election

If a State fails to submit a demonstration under paragraph (2) for any Serious or Severe Area within the required period or if the Administrator determines that the area has not met any applicable milestone, the State shall, within 90 days after such failure or determination—

(A) to have the area reclassified to the next higher classification.

(B) to implement specific additional measures adequate, as determined by the Administrator, to meet the next milestone as provided in the applicable contingency plan, or

(C) to adopt an economic incentive program as described in paragraph (4).

If the State makes an election under subparagraph (B), the Administrator shall, within 90 days after the election, review such plan and shall, if the Administrator finds the contingency plan inadequate, require further measures necessary to meet such milestone. Once the State makes an election, it shall be deemed accepted by the Administrator as meeting the election requirement. If the State fails to make an election required under this paragraph within the required 90-day period or within 6 months thereafter, the area shall be reclassified to the next higher classification by operation of law at the expiration of such 6-month period. Within 12 months after the date required for the State to make an election, the State shall submit a revision of the applicable implementation plan for the area that meets the requirements of this paragraph. The Administrator shall review such plan revision and approve or disapprove the revision within 9 months after the date of its submission.

(4) Economic incentive program

(A) An economic incentive program under this paragraph shall be consistent with rules published by the Administrator and sufficient, in combination with other elements of the State plan, to achieve the next milestone. The State program may include a nondiscriminatory system, consistent with applicable law regarding interstate commerce, of State established emissions fees or a system of marketable permits, or a system of State fees on sale or manufacture of products the use of which contributes to ozone formation, or any combination of the foregoing or other similar meas-
ures. The program may also include incentives and requirements to reduce vehicle emissions and vehicle miles traveled in the area, including any of the transportation control measures identified in section 7408(f) of this title.

If, within 2 years after November 15, 1990, the Administrator shall publish rules for the programs to be adopted pursuant to subparagraph (A). Such rules shall include model plan provisions which may be adopted for reducing emissions from permitted stationary sources, area sources, and mobile sources. The guidelines shall require that any revenues generated by the plan provisions adopted pursuant to subparagraph (A) shall be used by the State for any of the following:

(i) Providing incentives for achieving emissions reductions.

(ii) Providing assistance for the development of innovative technologies for the control of ozone air pollution and for the development of lower-polluting solvents and surface coatings. Such assistance shall not provide for the payment of more than 75 percent of either the costs of any project to develop such a technology or the costs of development of a lower-polluting solvent or surface coating.

(iii) Funding the administrative costs of State programs under this chapter. Not more than 50 percent of such revenues may be used for purposes of this clause.

(5) Extreme Areas

If a State fails to submit a demonstration under paragraph (2) for any Extreme Area within the required period, or if the Administrator determines that the area has not met any applicable milestone, the State shall, within 9 months after such failure or determination, submit a plan revision to implement an economic incentive program which meets the requirements of paragraph (4). The Administrator shall review such plan revision and approve or disapprove the revision within 9 months after the date of its submission.

(h) Rural transport areas

(1) Notwithstanding any other provision of section 7511 of this title or this section, a State containing an ozone nonattainment area that does not include, and is not adjacent to, any part of a Metropolitan Statistical Area or, where one exists, a Consolidated Metropolitan Statistical Area (as defined by the United States Bureau of the Census), which area is treated by the Administrator, in his discretion, to be at least as effective.

(2) The Administrator may treat an ozone nonattainment area as a rural transport area if the Administrator finds that sources of VOC (and, where the Administrator determines relevant, NOx) emissions within the area do not make a significant contribution to the ozone concentrations measured in the area or in other areas.

(i) Reclassified areas

Each State containing an ozone nonattainment area reclassified under section 7511(b)(2) of this title shall meet such requirements of subsections (b) through (d) of this section as may be applicable to the area as reclassified, according to the schedules prescribed in connection with such requirements, except that the Administrator may adjust any applicable deadlines (other than attainment dates) to the extent such adjustment is necessary or appropriate to assure consistency among the required submissions.

(j) Multi-State ozone nonattainment areas

(1) Coordination among States

Each State in which there is located a portion of a single ozone nonattainment area which covers more than one State (hereinafter in this section referred to as a “multi-State ozone nonattainment area”) shall—

(A) take all reasonable steps to coordinate, substantively and procedurally, the revisions and implementation of State implementation plans applicable to the nonattainment area concerned; and

(B) use photochemical grid modeling or any other analytical method determined by the Administrator, in his discretion, to be at least as effective.

The Administrator may not approve any revision of a State implementation plan submitted under this part for a State in which a portion of a multi-State ozone nonattainment area is located if the plan revision for that State fails to comply with the requirements of this subsection.

(2) Failure to demonstrate attainment

If any State in which there is located a portion of a multi-State ozone nonattainment area fails to provide a demonstration of attainment of the national ambient air quality standard for ozone in that portion within the required period, the State may petition the Administrator to make a finding that the State would have been able to make such demonstration, in the portion of the multi-State ozone nonattainment area within the State submitting such petition.


REFERENCES IN TEXT


AMENDMENTS

1995—Subsec. (d)(1)(B). Pub. L. 104–70 amended subpar. (B) generally. Prior to amendment, subpar. (B) read as
follows: “Within 2 years after November 15, 1990, the State shall submit a revision requiring employers in such area to implement programs to reduce work-related vehicle trips and miles traveled by employees. Such revision shall be developed in accordance with guidance issued by the Administrator pursuant to section 7408(f) of this title and shall, at a minimum, require that each employer of 100 or more persons in such area increase average passenger occupancy per vehicle in commuting trips between home and the workplace during peak travel periods by not less than 25 percent above the average vehicle occupancy for all such trips in the area at the time the revision is submitted. The guidance of the Administrator may specify average vehicle occupancy rates which vary for locations within a nonattainment area (suburban, center city, business district) or among nonattainment areas reflecting existing occupancy rates and the availability of high occupancy modes. This revision shall provide that each employer subject to a vehicle occupancy requirement shall submit a compliance plan within 2 years after the date the revision is submitted which shall convincingly demonstrate compliance with the requirements of this paragraph not later than 4 years after such date.”

MORATORIUM ON CERTAIN EMISSIONS TESTING REQUIREMENTS


IN GENERAL.—The Administrator of the Environmental Protection Agency (hereinafter in this section referred to as the ‘Administrator’) shall not require adoption or implementation by a State of a test-only I/M Enhanced vehicle inspection and maintenance program as a means of compliance with section 182 or 187 of the Clean Air Act (42 U.S.C. 7511a; 7512a), but the Administrator may approve such a program if a State chooses to adopt the program as a means of compliance with such section.

(b) LIMITATION ON PLAN DISAPPROVAL.—The Administrator shall not disapprove or apply an automatic discount to a State implementation plan revision proposing an interim inspection and maintenance program under section 182 or 187 of the Clean Air Act (42 U.S.C. 7511a; 7512a) on the basis of a policy, regulation, or guidance provision on a discount of emissions credits because the inspection and maintenance program in such plan revision is decentralized or a test-and-repair program.

(c) EMISSIONS REDUCTION CREDITS.

(1) STATE PLAN REVISION APPROVAL.—Within 120 days of the date of the enactment of this subsection [Nov. 28, 1995], a State may submit an implementation plan revision proposing an interim inspection and maintenance program under section 182 or 187 of the Clean Air Act (42 U.S.C. 7511a; 7512a) on the basis of a policy, regulation, or guidance provision on a discount of emissions credits because the inspection and maintenance program in such plan revision is decentralized or a test-and-repair program.

(2) EXPIRATION OF INTERIM APPROVAL.—The interim approval may not be extended.

(3) FINAL APPROVAL.—The Administrator shall grant final approval of the revision based on the credits proposed by the State for each element of the program if the proposed credits reflect good faith estimates by the State and the revision is otherwise in compliance with such Act. If, within such 120-day period, the State submits to the Administrator proposed revisions to the implementation plan, has all of the statutory authority necessary to implement the revisions, and has proposed a regulation to make the revisions, the Administrator may approve the revisions without regard to whether or not such regulation has been issued as a final regulation by the State.

(4) BASIS OF APPROVAL; NO AUTOMATIC DISCOUNT.—Any determination with respect to interim or full approval shall be based on the elements of the program and shall not apply any automatic discount because the program is decentralized or a test-and-repair program.

§7511b. Federal ozone measures

(a) Control techniques guidelines for VOC sources

Within 3 years after November 15, 1990, the Administrator shall issue control techniques guidelines, in accordance with section 7408 of this title, for 11 categories of stationary sources of VOC emissions for which such guidelines have not been issued as of November 15, 1990, not including the categories referred to in paragraphs (3) and (4) of subsection (b) of this section. The Administrator may issue such additional control techniques guidelines as the Administrator deems necessary.

(b) Existing and new CTGS

(1) Within 36 months after November 15, 1990, and periodically thereafter, the Administrator shall review and, if necessary, update control technique guidance issued under section 7408 of this title before November 15, 1990.

(2) In issuing the guidelines the Administrator shall give priority to those categories which the Administrator considers to make the most significant contribution to the formation of ozone air pollution in ozone nonattainment areas, including hazardous waste treatment, storage, and disposal facilities which are permitted under subtitle C of the Solid Waste Disposal Act [42 U.S.C. 6921 et seq.]. Thereafter the Administrator shall periodically review and, if necessary, revise such guidelines.

(3) Within 3 years after November 15, 1990, the Administrator shall issue control techniques guidelines in accordance with section 7408 of this title to reduce the aggregate emissions of volatile organic compounds into the ambient air from aerospace coatings and solvents. Such control techniques guidelines shall, at a minimum, be adequate to reduce aggregate emissions of volatile organic compounds into the ambient air from the application of such coatings and solvents to such level as the Administrator determines may be achieved through the adoption of best available control measures. Such control technology guidance shall provide for such reductions in such increments and on such schedules as the Administrator determines to be reasonable, but in no event later than 10 years after the final issuance of such control technology guidance. In developing control technology guidance under this subsection, the Administrator shall consult with the Secretary of Defense, the Secretary of Transportation, and the Administrator of the National Aeronautics and Space Administration with regard to the establishment of specifications for such coatings. In evaluating VOC reduction strategies, the guidance shall take into account the applicable requirements of section 7412 of this title and the need to protect stratospheric ozone.

(4) Within 3 years after November 15, 1990, the Administrator shall issue control techniques guidelines in accordance with section 7408 of this title to reduce the aggregate emissions of volatile organic compounds and PM–10 into the
ambient air from paints, coatings, and solvents used in shipbuilding operations and ship repair. Such control techniques guidelines shall, at a minimum, be adequate to reduce aggregate emissions of volatile organic compounds and PM-10 into the ambient air from the removal or application of such paints, coatings, and solvents to such level as the Administrator determines may be achieved through the adoption of the best available control measures. Such control techniques guidelines shall provide for such reductions in such increments and on such schedules as the Administrator determines to be reasonable, but in no event later than 10 years after the final issuance of such control technology guidance. In developing control techniques guidelines under this subsection, the Administrator shall consult with the appropriate Federal agencies.

(c) Alternative control techniques
Within 3 years after November 15, 1990, the Administrator shall issue technical documents which identify alternative controls for all categories of stationary sources of volatile organic compounds and oxides of nitrogen which emit, or have the potential to emit 25 tons per year or more of such air pollutant. The Administrator shall revise and update such documents as the Administrator determines necessary.

(d) Guidance for evaluating cost-effectiveness
Within 1 year after November 15, 1990, the Administrator shall provide guidance to the States to be used in evaluating the relative cost-effectiveness of various options for the control of emissions from existing stationary sources of air pollutants which contribute to nonattainment of the national ambient air quality standards for ozone.

(e) Control of emissions from certain sources
(1) Definitions
For purposes of this subsection—

(A) Best available controls
The term “best available controls” means the degree of emissions reduction that the Administrator determines, on the basis of technological and economic feasibility, health, environmental, and energy impacts, is achievable through the application of the most effective equipment, measures, processes, methods, systems or techniques, including chemical reformulation, product or feedstock substitution, repackaging, and directions for use, consumption, storage, or disposal.

(B) Consumer or commercial product
The term “consumer or commercial product” means any substance, product (including paints, coatings, and solvents), or article (including any container or packaging) held by any person, the use, consumption, storage, disposal, destruction, or decomposition of which may result in the release of volatile organic compounds. The term does not include fuels or fuel additives regulated under section 7545 of this title, or motor vehicles, non-road vehicles, and non-road engines as defined under section 7550 of this title.

(C) Regulated entities
The term “regulated entities” means—

(i) manufacturers, processors, wholesale distributors, or importers of consumer or commercial products for sale or distribution in interstate commerce in the United States; or

(ii) manufacturers, processors, wholesale distributors, or importers that supply the entities listed under clause (i) with such products for sale or distribution in interstate commerce in the United States.

(2) Study and report
(A) Study
The Administrator shall conduct a study of the emissions of volatile organic compounds into the ambient air from consumer and commercial products (or any combination thereof) in order to—

(i) determine their potential to contribute to ozone levels which violate the national ambient air quality standard for ozone; and

(ii) establish criteria for regulating consumer and commercial products or classes or categories thereof which shall be subject to control under this subsection.

The study shall be completed and a report submitted to Congress not later than 3 years after November 15, 1990.

(B) Consideration of certain factors
In establishing the criteria under subparagraph (A)(ii), the Administrator shall take into consideration each of the following:

(i) The uses, benefits, and commercial demand of consumer and commercial products.

(ii) The health or safety functions (if any) served by such consumer and commercial products.

(iii) Those consumer and commercial products which are of comparable costs, considering health, safety, and environmental impacts.

(iv) Those consumer and commercial products which are subject to the most cost-effective controls.

(v) The availability of alternatives (if any) to such consumer and commercial products which are of comparable costs, considering health, safety, and environmental impacts.

(3) Regulations to require emission reductions
(A) In general
Upon submission of the final report under paragraph (2), the Administrator shall list those categories of consumer or commercial products that the Administrator determines, based on the study, account for at least 80 percent of the VOC emissions, on a reactivity-adjusted basis, from consumer or commercial products in areas that violate the NAAQS for ozone. Credit toward the 80 percent emission reductions from consumer or commercial products made after November 15, 1990. At such time, the Administrator shall divide the list into 4 groups establishing pri-
orities for regulation based on the criteria established in paragraph (2). Every 2 years after promulgating such list, the Administrator shall regulate one group of categories until all 4 groups are regulated. The regulations shall require best available controls as defined in this section. Such regulations may exempt health use products for which the Administrator determines there is no suitable substitute. In order to carry out this section, the Administrator may, by regulation, control or prohibit any activity, including the manufacture or introduction into commerce, offering for sale, or sale of any consumer or commercial product which results in emission of volatile organic compounds into the ambient air.

(B) Regulated entities

Regulations under this subsection may be imposed only with respect to regulated entities.

(C) Use of CTGS

For any consumer or commercial product the Administrator may issue control techniques guidelines under this chapter in lieu of regulations required under subparagraph (A) if the Administrator determines that such guidance will be substantially as effective as regulations in reducing emissions of volatile organic compounds which contribute to ozone levels in areas which violate the national ambient air quality standard for ozone.

(4) Systems of regulation

The regulations under this subsection may include any system or systems of regulation as the Administrator may deem appropriate, including requirements for registration and labeling, self-monitoring and reporting, prohibitions, limitations, or economic incentives (including marketable permits and auctions of emissions rights) concerning the manufacture, processing, distribution, use, consumption, or disposal of the product.

(5) Special fund

Any amounts collected by the Administrator under such regulations shall be deposited in a special fund in the United States Treasury for licensing and other services, which thereafter shall be available until expended, subject to annual appropriation Acts, solely to carry out the activities of the Administrator for which such fees, charges, or collections are established or made.

(6) Enforcement

Any regulation established under this subsection shall be treated, for purposes of enforcement of this chapter, as a standard under section 7411 of this title and any violation of such regulation shall be treated as a violation of a requirement of section 7411(e) of this title.

(7) State administration

Each State may develop and submit to the Administrator a procedure under State law for implementing and enforcing regulations promulgated under this subsection. If the Administrator finds the State procedure is adequate, the Administrator shall approve such procedure. Nothing in this paragraph shall prohibit the Administrator from enforcing any applicable regulations under this subsection.

(8) Size, etc.

No regulations regarding the size, shape, or labeling of a product may be promulgated, unless the Administrator determines such regulations to be useful in meeting any national ambient air quality standard.

(9) State consultation

Any State which proposes regulations other than those adopted under this subsection shall consult with the Administrator regarding whether any other State or local subdivision has promulgated or is promulgating regulations on any products covered under this part. The Administrator shall establish a clearinghouse of information, studies, and regulations proposed and promulgated regarding products covered under this subsection and disseminate such information collected as requested by State or local subdivisions.

(f) Tank vessel standards

(1) Schedule for standards

(A) Within 2 years after November 15, 1990, the Administrator, in consultation with the Secretary of the Department in which the Coast Guard is operating, shall promulgate standards applicable to the emission of VOCs and any other air pollutant from loading and unloading of tank vessels (as that term is defined in section 2101 of title 46) which the Administrator finds causes, or contributes to, air pollution that may be reasonably anticipated to endanger public health or welfare. Such standards shall require the application of reasonably available control technology, considering costs, any nonair-quality benefits, environmental impacts, energy requirements and safety factors associated with alternative control techniques. To the extent practicable such standards shall apply to loading and unloading facilities and not to tank vessels.

(B) Any regulation prescribed under this subsection (and any revision thereof) shall take effect after such period as the Administrator finds (after consultation with the Secretary of the department in which the Coast Guard is operating) necessary to permit the development and application of the requisite technology, giving appropriate consideration to the cost of compliance within such period, except that the effective date shall not be more than 2 years after promulgation of such regulations.

(2) Regulations on equipment safety

Within 6 months after November 15, 1990, the Secretary of the Department in which the Coast Guard is operating shall issue regulations to ensure the safety of the equipment and operations which are to control emissions from the loading and unloading of the "vessels, under section 3703 of title 46 and section 1225 of title 33. The standards promulgated by

\footnote{1} So in original. Probably should be capitalized.

\footnote{2} See References in Text note below.
the Administrator under paragraph (1) and the regulations issued by a State or political subdivision regarding emissions from the loading and unloading of tank vessels shall be consistent with the regulations regarding safety of the Department in which the Coast Guard is operating.

(3) Agency authority

(A) The Administrator shall ensure compliance with the tank vessel emission standards prescribed under paragraph (1)(A). The Secretary of the Department in which the Coast Guard is operating shall also ensure compliance with the tank vessel standards prescribed under paragraph (1)(A).

(B) The Secretary of the Department in which the Coast Guard is operating shall ensure compliance with the regulations issued under paragraph (2).

(4) State or local standards

After the Administrator promulgates standards under this section, no State or political subdivision thereof may adopt or attempt to enforce any standard respecting emissions from tank vessels subject to regulation under paragraph (1) unless such standard is no less stringent than the standards promulgated under paragraph (1).

(5) Enforcement

Any standard established under paragraph (1)(A) shall be treated, for purposes of enforcement of this chapter, as a standard under section 7411 of this title and any violation of such standard shall be treated as a violation of a requirement of section 7411(e) of this title.

(g) Ozone design value study

The Administrator shall conduct a study of the methodology used by the Environmental Protection Agency as of November 15, 1990, for establishing a design value for ozone. The Administrator shall obtain input from States, local subdivisions thereof, and others. The study shall be completed and a report submitted to Congress not later than 3 years after November 15, 1990, for establishing a design value for ozone air quality of ozone nonattainment areas. The Administrator shall complete and a report submitted to Congress not later than 3 years after November 15, 1990. The results of the study shall be subject to peer and public review before submitting it to Congress.

(h) Vehicles entering ozone nonattainment areas

(1) Authority regarding ozone inspection and maintenance testing

(A) In general

No noncommercial motor vehicle registered in a foreign country and operated by a United States citizen or by an alien who is a permanent resident of the United States, or who holds a visa for the purposes of employment or educational study in the United States, may enter a covered ozone nonattainment area from a foreign country bordering the United States and contiguous to the nonattainment area more than twice in a single calendar-month period, if State law has requirements for the inspection and maintenance of such vehicles under the applicable implementation plan in the nonattainment area.

(B) Applicability

Subparagraph (A) shall not apply if the operator presents documentation at the United States border entry point establishing that the vehicle has complied with such inspection and maintenance requirements as are in effect and are applicable to motor vehicles of the same type and model year.

(2) Sanctions for violations

The President may impose and collect from the operator of any motor vehicle who violates, or attempts to violate, paragraph (1) a civil penalty of not more than $200 for the second violation or attempted violation and $400 for the third and each subsequent violation or attempted violation.

(3) State election

The prohibition set forth in paragraph (1) shall not apply in any State that elects to be exempt from the prohibition. Such an election shall take effect upon the President’s receipt of written notice from the Governor of the State notifying the President of such election.

(4) Alternative approach

The prohibition set forth in paragraph (1) shall not apply in a State, and the President may implement an alternative approach, if—

(A) the Governor of the State submits to the President a written description of an alternative approach to facilitate the compliance, by some or all foreign-registered motor vehicles, with the motor vehicle inspection and maintenance requirements that are—

(i) related to emissions of air pollutants;

(ii) in effect under the applicable implementation plan in the covered ozone nonattainment area; and

(iii) applicable to motor vehicles of the same types and model years as the foreign-registered motor vehicles; and

(B) the President approves the alternative approach as facilitating compliance with the motor vehicle inspection and maintenance requirements referred to in subparagraph (A).

(5) Definition of covered ozone nonattainment area


References In Text

§ 7511c. Control of interstate ozone air pollution

(a) Ozone transport regions

A single transport region for ozone (within the meaning of section 7506a(a) of this title), comprised of the States of Connecticut, Delaware, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, Vermont, and the Consolidated Metropolitan Statistical Area that includes the District of Columbia, is hereby established by operation of law. The provisions of section 7506a(a)(1) and (2) of this title shall apply with respect to the transport region established under this section and any other transport region established for ozone, except to the extent inconsistent with the provisions of this section. The Administrator shall convene the commission required (under section 7506a(b) of this title) as a result of the establishment of such region within 6 months of November 15, 1990.

(b) Plan provisions for States in ozone transport regions

(1) In accordance with section 7410 of this title, not later than 2 years after November 15, 1990 (or 9 months after the subsequent inclusion of a State in a transport region established for ozone), each State included within a transport region established for ozone shall submit a State implementation plan or revision thereof to the Administrator which requires the following—

(A) that each area in such State that is in an ozone transport region, and that is a metropolitan statistical area or part thereof with a population of 100,000 or more comply with the provisions of section 7511a(c)(2)(A) of this title (pertaining to enhanced vehicle inspection and maintenance programs); and

(B) implementation of reasonably available control technology with respect to all sources of volatile organic compounds in the State covered by a control techniques guideline issued before or after November 15, 1990.

(2) Within 3 years after November 15, 1990, the Administrator shall complete a study identifying control measures capable of achieving emission reductions comparable to those achievable through vehicle refueling controls contained in section 7511a(b)(3) of this title, and such measures or such vehicle refueling controls shall be implemented in accordance with the provisions of this section. Notwithstanding other deadlines in this section, the applicable implementation plan shall be revised to reflect such measures within 1 year of completion of the study. For purposes of this section any stationary source that emits or has the potential to emit at least 50 tons per year of volatile organic compounds shall be considered a major stationary source and subject to the requirements which would be applicable to major stationary sources if the area were classified as a Moderate nonattainment area.

(c) Additional control measures

(1) Recommendations

Upon petition of any State within a transport region established for ozone, and based on a majority vote of the Governors on the Commission (or their designees), the Commission may, after notice and opportunity for public comment, develop recommendations for additional control measures to be applied within all or a part of such transport region if the commission determines such measures are necessary to bring any area in such region into attainment by the dates provided by this subpart. The commission shall transmit such recommendations to the Administrator.

(2) Notice and review

Whenever the Administrator receives recommendations prepared by a commission pursuant to paragraph (1) (the date of receipt of which shall hereinafter in this section be referred to as the “receipt date”), the Administrator shall—

(A) immediately publish in the Federal Register a notice stating that the recommendations are available and provide an opportunity for public hearing within 90 days beginning on the receipt date; and

(B) commence a review of the recommendations to determine whether the control measures in the recommendations are necessary to bring any area in such region into attainment by the dates provided by this subpart and are otherwise consistent with this chapter.

(3) Consultation

In undertaking the review required under paragraph (2)(B), the Administrator shall consult with members of the commission of the affected States and shall take into account the data, views, and comments received pursuant to paragraph (2)(A).

(4) Approval and disapproval

Within 9 months after the receipt date, the Administrator shall (A) determine whether to

1 So in original. Probably should not be capitalized.
approve, disapprove, or partially disapprove the recommendations; 
(B) notify the commission in writing of such approval, disapproval, or partial disapproval; and 
(C) publish such determination in the Federal Register. If the Administrator disapproves or partially disapproves the recommendations, the Administrator shall specify—
(i) why any disapproved additional control measures are not necessary to bring any area in such region into attainment by the dates provided by this subpart or are otherwise not consistent with the 2 chapter; and 
(ii) recommendations concerning equal or more effective actions that could be taken by the commission to conform the disapproved portion of the recommendations to the requirements of this section.

(5) Finding
Upon approval or partial approval of recommendations submitted by a commission, the Administrator shall issue to each State which is included in the transport region and to which a requirement of the approved plan applies, a finding under section 7410(k)(5) of this title that the implementation plan for such State is inadequate to meet the requirements of section 7410(a)(2)(D) of this title. Such finding shall require each such State to revise its implementation plan to include the approved additional control measures within one year after the finding is issued.

(d) Best available air quality monitoring and modeling
For purposes of this section, not later than 6 months after November 15, 1990, the Administrator shall promulgate criteria for purposes of determining the contribution of sources in one area to concentrations of ozone in another area which is a nonattainment area for ozone. Such criteria shall require that the best available air quality monitoring and modeling techniques be used for purposes of making such determinations.


§7511d.

Title 42—The Public Health and Welfare

Enforcement for Severe and Extreme ozone nonattainment areas for failure to attain

(a) General rule
Each implementation plan revision required under section 7511a(d) and (e) of this title (relating to the attainment plan for Severe and Extreme ozone nonattainment areas) shall provide that, if the area to which such plan revision applies has failed to attain the national primary ambient air quality standard for ozone by the applicable attainment date, each major stationary source of VOCs located in the area shall, except as otherwise provided under subsection (c), pay a fee to the State as a penalty for such failure, computed in accordance with subsection (b), for each calendar year beginning after the attainment date, until the area is redesignated as an attainment area for ozone. Each such plan revision should include procedures for assessment and collection of such fees.

(b) Computation of fee
(1) Fee amount
The fee shall equal $5,000, adjusted in accordance with paragraph (3), per ton of VOC emitted by the source during the calendar year in excess of 80 percent of the baseline amount, computed under paragraph (2).

(2) Baseline amount
For purposes of this section, the baseline amount shall be computed, in accordance with such guidance as the Administrator may provide, as the lower of the amount of actual VOC emissions ("actuals") or VOC emissions allowed under the permit applicable to the source (or, if no such permit has been issued for the attainment year, the amount of VOC emissions allowed under the applicable implementation plan ("allowables")) during the attainment year. Notwithstanding the preceding sentence, the Administrator may issue guidance authorizing the baseline amount to be determined in accordance with the lower of average actuals or average allowables, determined over a period of more than one calendar year. Such guidance may provide that such average calculation for a specific source may be used if that source's emissions are irregular, cyclical, or otherwise vary significantly from year to year.

(3) Annual adjustment
The fee amount under paragraph (1) shall be adjusted annually, beginning in the year beginning after 1990, in accordance with section 7661a(b)(3)(B)(v) of this title (relating to inflation adjustment).

(c) Exception
Notwithstanding any provision of this section, no source shall be required to pay any fee under subsection (a) with respect to emissions during any year that is treated as an Extension Year under section 7511(a)(5) of this title.

(d) Fee collection by Administrator
If the Administrator has found that the fee provisions of the implementation plan do not meet the requirements of this section, or if the Administrator makes a finding that the State is not administering and enforcing the fee required under this section, the Administrator shall, in addition to any other action authorized under this subchapter, collect, in accordance with procedures promulgated by the Administrator, the unpaid fees required under subsection (a). If the Administrator makes such a finding under section 7511(a)(4) of this title, the Administrator may collect fees for periods before the determination, plus interest computed in accordance with section 6621(a)(2) of title 26 (relating to Federal taxes), to the extent the Administrator finds such fees have not been paid to the State. The provisions of clauses (ii) through (iii) of section 7661a(b)(3)(C) of this title (relating to penalties and use of the funds, respectively) shall apply with respect to fees collected under this subsection.

2So in original. Probably should be “this”.

(2023 edition, title 42, the public health and welfare, §7511d)
(e) Exemptions for certain small areas

For areas with a total population under 200,000 which fail to attain the standard by the applicable attainment date, no sanction under this section or under any other provision of this chapter shall apply if the area can demonstrate, consistent with guidance issued by the Administrator, that attainment in the area is prevented because of cause of ozone or ozone precursors transported from other areas. The prohibition applies only in cases in which the area has met all requirements and implemented all measures applicable to the area under this chapter.


§7511e. Transitional areas

If an area designated as an ozone nonattainment area as of November 15, 1990, has not violated the national primary ambient air quality standard for ozone for the 36-month period commencing on January 1, 1987, and ending on December 31, 1992, the Administrator shall suspend the application of the requirements of this subpart to such area until December 31, 1991. By June 30, 1992, the Administrator shall determine by order, based on the area’s design value as of the attainment date, whether the area attained such standard by December 31, 1991. If the Administrator determines that the area attained the standard, the Administrator shall require, as part of the order, the State to submit a maintenance plan for the area within 12 months of such determination. If the Administrator determines that the area failed to attain the standard, the Administrator shall, by June 30, 1992, designate the area as nonattainment under section 7407(d)(4) of this title.


§7511f. NOx and VOC study

The Administrator, in conjunction with the National Academy of Sciences, shall conduct a study on the role of ozone precursors in tropospheric ozone formation and control. The study shall examine the roles of NOx and VOC emission reductions, the extent to which NOx reductions may contribute (or be counterproductive) to achievement of attainment in different nonattainment areas, the sensitivity of ozone to the control of NOx, the availability and extent of controls for NOx, the role of biogenic VOC emissions, and the basic information required for air quality models. The study shall be completed and a proposed report made public for 30 days comment within 1 year of November 15, 1990, and a final report shall be submitted to Congress within 15 months after November 15, 1990. The Administrator shall utilize all available information and studies, as well as develop additional information, in conducting the study required by this section.


## SUBPART 3—ADDITIONAL PROVISIONS FOR CARBON MONOXIDE NONATTAINMENT AREAS

§7512. Classification and attainment dates

(a) Classification by operation of law and attainment dates for nonattainment areas

(1) Each area designated nonattainment for carbon monoxide pursuant to section 7407(d) of this title shall be classified at the time of such designation under table 1, by operation of law, as a Moderate Area or a Serious Area based on the design value for the area. The design value shall be calculated according to interpretation methodology issued by the Administrator most recently before November 15, 1990. For each area classified under this subsection, the primary standard attainment date for carbon monoxide shall be as expeditiously as practicable but not later than the date provided in table 1:

<table>
<thead>
<tr>
<th>Area classification</th>
<th>Design value</th>
<th>Primary standard attainment date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Moderate ...........</td>
<td>9.1–16.4 ppm</td>
<td>December 31, 1995</td>
</tr>
<tr>
<td>Serious ............</td>
<td>16.5 and above</td>
<td>December 31, 2000</td>
</tr>
</tbody>
</table>

(2) At the time of publication of the notice required under section 7407 of this title (designating carbon monoxide nonattainment areas), the Administrator shall publish a notice announcing the classification of each such carbon monoxide nonattainment area. The provisions of section 7502(a)(1)(B) of this title (relating to lack of notice-and-comment and judicial review) shall apply with respect to such classification.

(3) If an area classified under paragraph (1), table 1, would have been classified in another category if the design value in the area were 5 percent greater or 5 percent less than the level on which such classification was based, the Administrator may, in the Administrator’s discretion, within 90 days after November 15, 1990, by the procedure required under paragraph (2), adjust the classification of the area. In making such adjustment, the Administrator may consider the number of exceedances of the national primary ambient air quality standard level for carbon monoxide in the area, the level of pollution transport between the area and the other affected areas, and the mix of sources and air pollutants in the area. The Administrator may make the same adjustment for purposes of paragraphs (2), (3), (6), and (7) of section 7512a(a) of this title.

(4) Upon application by any State, the Administrator may extend for 1 additional year (hereinafter in this subpart referred to as the “Extension Year”) the date specified in table 1 of subsection (a) if—

A the State has complied with all requirements and commitments pertaining to the area in the applicable implementation plan, and

B no more than one exceedance of the national ambient air quality standard level for carbon monoxide has occurred in the area in the year preceding the Extension Year.

---

1 So in original. Probably should be “TABLE 1”.
No more than 2 one-year extensions may be issued under this paragraph for a single non-attainment area.

(b) New designations and reclassifications

(1) New designations to nonattainment

Any area that is designated attainment or unclassifiable for carbon monoxide under section 7407(d)(4) of this title, and that is subsequently redesignated to nonattainment for carbon monoxide under section 7407(d)(3) of this title, shall, at the time of the redesignation, be classified by operation of law in accordance with table 1 under subsections (a)(1) and (a)(4). Upon its classification, the area shall be subject to the same requirements under section 7410 of this title, subpart I of this part, and this subpart that would have applied had the area been so classified at the time of the notice under subsection (a)(2), except that any absolute, fixed date applicable in connection with any such requirement is extended by operation of law by a period equal to the length of time between November 15, 1990, and the date the area is classified.

(2) Reclassification of Moderate Areas upon failure to attain

(A) General rule

Within 6 months following the applicable attainment date for a carbon monoxide non-attainment area, the Administrator shall determine, based on the area’s design value as of the attainment date, whether the area has attained the standard by that date. Any Moderate Area that the Administrator finds has not attained the standard by that date shall be reclassified by operation of law in accordance with table 1 of subsection (a)(1) as a Serious Area.

(B) Publication of notice

The Administrator shall publish a notice in the Federal Register, no later than 6 months following the attainment date, identifying each area that the Administrator has determined, under subparagraph (A), as having failed to attain and identifying the reclassification, if any, described under subparagraph (A).

(c) References to terms

Any reference in this subpart to a “Moderate Area” or a “Serious Area” shall be considered a reference to a Moderate Area or a Serious Area, respectively, as classified under this section. (July 14, 1965, ch. 360, title I, §186, as added Pub. L. 89-701, §184, Nov. 15, 1965, 79 Stat. 1529.)

§ 7512a. Plan submissions and requirements

(a) Moderate Areas

Each State in which all or part of a Moderate Area is located shall, with respect to the Moderate Area (or portion thereof) to the extent specified in guidance of the Administrator issued before November 15, 1990, submit to the Administrator the State implementation plan revisions (including the plan items) described under this subsection, within such periods as are prescribed under this subsection, except to the extent the State has made such submissions as of November 15, 1990:

(1) Inventory

No later than 2 years from November 15, 1990, the State shall submit a comprehensive, accurate, current inventory of actual emissions from all sources, as described in section 7502(c)(3) of this title, in accordance with guidance provided by the Administrator.

(2)(A) Vehicle miles traveled

No later than 2 years after November 15, 1990, for areas with a design value above 12.7 ppm at the time of classification, the plan revision shall contain a forecast of vehicle miles traveled in the nonattainment area concerned for each year before the year in which the plan projects the national ambient air quality standard for carbon monoxide to be attained in the area. The forecast shall be based on guidance which shall be published by the Administrator, in consultation with the Secretary of Transportation, within 6 months after November 15, 1990. The plan revision shall provide for annual updates of the forecasts to be submitted to the Administrator together with annual reports regarding the extent to which such forecasts proved to be accurate. Such annual reports shall contain estimates of actual vehicle miles traveled in each year for which a forecast was required.

(B) Special rule for Denver

Within 2 years after November 15, 1990, in the case of Denver, the State shall submit a revision that includes the transportation control measures as required in section 7511a(d)(1)(A) of this title except that such revision shall be for the purpose of reducing CO emissions rather than volatile organic compound emissions. If the State fails to include any such measure, the implementation plan shall contain an explanation of why such measure was not adopted and what emissions reduction measure was adopted to provide a comparable reduction in emissions, or reasons why such reduction is not necessary to attain the national primary ambient air quality standard for carbon monoxide.

(3) Contingency provisions

No later than 2 years after November 15, 1990, for areas with a design value above 12.7 ppm at the time of classification, the plan revision shall provide for the implementation of specific measures to be undertaken if any estimate of vehicle miles traveled in the area which is submitted in an annual report under paragraph (2) exceeds the number predicted in the most recent prior forecast or if the area fails to attain the national primary ambient air quality standard for carbon monoxide by the primary standard attainment date. Such measures shall be included in the plan revision as contingency measures to take effect without further action by the State or the Administrator if the prior forecast has been exceeded by an updated forecast or if the national standard is not attained by such deadline.
(4) Savings clause for vehicle inspection and maintenance provisions of the State implementation plan

Immediately after November 15, 1990, for any Moderate Area (or, within the Administrator’s discretion, portion thereof), the plan for which is of the type described in section 7511(a)(2)(B) of this title any provisions necessary to ensure that the applicable implementation plan includes the vehicle inspection and maintenance program described in section 7511(a)(2)(B) of this title.

(5) Periodic inventory

No later than September 30, 1995, and no later than the end of each 3 year period thereafter, until the area is redesignated to attainment, a revised inventory meeting the requirements of subsection (a)(1).

(6) Enhanced vehicle inspection and maintenance

No later than 2 years after November 15, 1990, in the case of Moderate Areas with a design value greater than 12.7 ppm at the time of classification, a revision that includes provisions for an enhanced vehicle inspection and maintenance program as required in section 7511(a)(2)(B) of this title, and provisions for such specific annual emission reductions as are necessary to attain the standard by that date.

The Administrator may, in the Administrator’s discretion, require States to submit a schedule for submitting any of the revisions or other items required under this subsection. In the case of Moderate Areas with a design value of 12.7 ppm or lower at the time of classification, the plan as revised will provide, for attainment of the carbon monoxide NAAQS by the applicable attainment date and provisions for such specific annual emission reductions as are necessary to attain the standard by that date.

The Administrator may, in the Administrator’s discretion, require States to submit a schedule for submitting any of the revisions or other items required under this subsection. In the case of Moderate Areas with a design value of 12.7 ppm or lower at the time of classification, the plan as revised will provide, for attainment of the carbon monoxide NAAQS by the applicable attainment date and provisions for such specific annual emission reductions as are necessary to attain the standard by that date.

(b) Serious Areas

(1) In general

Each State in which all or part of a Serious Area is located shall, with respect to the Serious Area, make the submissions (other than those required under subsection (a)(1)(B)) applicable under subsection (a) to Moderate Areas with a design value of 12.7 ppm or greater at the time of classification, and shall also submit the revision and other items described under this subsection.

(2) Vehicle miles traveled

Within 2 years after November 15, 1990, the State shall submit a revision that includes the transportation control measures as required in section 7511a(d)(1) of this title except that such revision shall be for the purpose of reducing CO emissions rather than volatile organic compound emissions. In the case of any such area (other than an area in New York State) which is a covered area (as defined in section 7588(a)(2)(B) of this title) for purposes of the Clean Fuel Fleet program under part C of subchapter II, if the State fails to include any such measure, the implementation plan shall contain an explanation of why such measure was not adopted and what emissions reduction measure was adopted to provide a comparable reduction in emissions, or reasons why such reduction is not necessary to attain the national primary air quality standard for carbon monoxide.

(3) Oxygenated gasoline

(A) Within 2 years after November 15, 1990, the State shall submit a revision to require that gasoline sold, supplied, offered for sale or supply, dispensed, transported or introduced into commerce in the larger of:

(i) the Consolidated Metropolitan Statistical Area (as defined by the United States Office of Management and Budget) (CMSA) in which the area is located, or

(ii) if the area is not located in a CMSA, the Metropolitan Statistical Area (as defined by the United States Office of Management and Budget) in which the area is located,

be blended, during the portion of the year in which the area is prone to high ambient concentrations of carbon monoxide (as determined by the Administrator), with fuels containing such level of oxygen as is necessary, in combination with other measures, to provide for attainment of the carbon monoxide national ambient air quality standard by the applicable attainment date and maintenance of the national ambient air quality standard thereafter in the area.

(B) Notwithstanding subparagraph (A), the revision described in this paragraph shall not be required for an area if the State demonstrates to the satisfaction of the Administrator that the revision is not necessary to provide for attainment of the carbon monoxide national ambient air quality standard by the applicable attainment date and maintenance of the national ambient air quality standard thereafter in the area.

(c) Areas with significant stationary source emissions of CO

(1) Serious Areas

In the case of Serious Areas in which stationary sources contribute significantly to
carbon monoxide levels (as determined under rules issued by the Administrator), the State shall submit a plan revision within 2 years after November 15, 1990, which provides that the term “major stationary source” includes (in addition to the sources described in section 7602 of this title) any stationary source which emits, or has the potential to emit, 50 tons per year or more of carbon monoxide.

(2) Waivers for certain areas

The Administrator may, on a case-by-case basis, waive any requirements that pertain to transportation controls, inspection and maintenance, or oxygenated fuels where the Administrator determines by rule that mobile sources of carbon monoxide do not contribute significantly to carbon monoxide levels in the area.

(3) Guidelines

Within 6 months after November 15, 1990, the Administrator shall issue guidelines for and rules determining whether stationary sources contribute significantly to carbon monoxide levels in an area.

(d) CO milestone

(1) Milestone demonstration

By March 31, 1996, each State in which all or part of a Serious Area is located shall submit to the Administrator a demonstration that the area has achieved a reduction in emissions of CO equivalent to the total of the specific annual emission reductions required by December 31, 1995. Such reductions shall be referred to in this subsection as the milestone.

(2) Adequacy of demonstration

A demonstration under this paragraph shall be submitted in such form and manner, and shall contain such information and analysis, as the Administrator shall require. The Administrator shall determine whether or not a State’s demonstration is adequate within 90 days after the Administrator’s receipt of a demonstration which contains the information and analysis required by the Administrator.

(3) Failure to meet emission reduction milestone

If a State fails to submit a demonstration under paragraph (1) within the required period, or if the Administrator notifies the State that the State has not met the milestone, the State shall, within 9 months after such a failure or notification, submit a plan revision to implement an economic incentive and transportation control program as described in section 7511a(g)(4) of this title. Such revision shall be sufficient to achieve the specific annual reductions in carbon monoxide emissions set forth in the plan by the attainment date.

(e) Multi-State CO nonattainment areas

(1) Coordination among States

Each State in which there is located a portion of a single nonattainment area for carbon monoxide which covers more than one State (“multi-State nonattainment area”) shall take all reasonable steps to coordinate, substantively and procedurally, the revisions and implementation of State implementation plans applicable to the nonattainment area concerned. The Administrator may not approve any revision of a State implementation plan submitted under this part for a State in which part of a multi-State nonattainment area is located if the plan revision for that State fails to comply with the requirements of this subsection.

(2) Failure to demonstrate attainment

If any State in which there is located a portion of a multi-State nonattainment area fails to provide a demonstration of attainment of the national ambient air quality standard for carbon monoxide in that portion within the period required under this part the State may petition the Administrator to make a finding that the State would have been able to make such demonstration but for the failure of one or more other States in which other portions of the area are located to commit to the implementation of all measures required under this section (relating to plan submissions for carbon monoxide nonattainment areas). If the Administrator makes such finding, in the portion of the nonattainment area within the State submitting such petition, no sanction shall be imposed under section 7509 of this title or under any other provision of this chapter, by reason of the failure to make such demonstration.

(f) Reclassified areas

Each State containing a carbon monoxide nonattainment area reclassified under section 7512(b)(2) of this title shall meet the requirements of subsection (b) of this section, as may be applicable to the area as reclassified according to the schedules prescribed in connection with such requirements, except that the Administrator may adjust any applicable deadlines (other than the attainment date) where such deadlines are shown to be infeasible.

(g) Failure of Serious Area to attain standard

If the Administrator determines under section 7512(b)(2) of this title that the national primary ambient air quality standard for carbon monoxide has not been attained in a Serious Area by the applicable attainment date, the State shall submit a plan revision for the area within 9 months after the date of such determination. The plan revision shall provide that a program of incentives and requirements as described in section 7511a(g)(4) of this title shall be applicable in the area, and such program, in combination with other elements of the revised plan, shall be adequate to reduce the total tonnage of emissions of carbon monoxide in the area by at least 5 percent per year in each year after approval of the plan revision and before attainment of the national primary ambient air quality standard for carbon monoxide.

(MORATORIUM ON CERTAIN EMISSIONS TESTING REQUIREMENTS)

For provisions prohibiting Administrator of Environmental Protection Agency from requiring adoption or
§ 7513. Classifications and attainment dates

(a) Initial classifications

Every area designated nonattainment for PM–10 pursuant to section 7407(d) of this title shall be classified at the time of such designation, by operation of law, as a moderate PM–10 nonattainment area (also referred to in this subpart as a “Moderate Area”) at the time of such designation. At the time of publication of the notice under section 7407(d)(4) of this title (relating to area designations) for each PM–10 nonattainment area, the Administrator shall publish a notice announcing the classification of such area. The provisions of section 7502(a)(1)(B) of this title (relating to lack of notice-and-comment and judicial review) shall apply with respect to such classification.

(b) Reclassification as Serious

(1) Reclassification before attainment date

The Administrator may reclassify as a Serious PM–10 nonattainment area (identified in this subpart also as a “Serious Area”) any area that the Administrator determines cannot practicably attain the national ambient air quality standard for PM–10 by the attainment date (as prescribed in subsection (c)) for Moderate Areas. The Administrator shall reclassify appropriate areas as Serious by the following dates:

(A) For areas designated nonattainment for PM–10 under section 7407(d)(4) of this title, the Administrator shall propose to reclassify appropriate areas by June 30, 1991, and take final action by December 31, 1991.

(B) For areas subsequently designated nonattainment, the Administrator shall reclassify appropriate areas within 18 months after the required date for the State’s submission of a SIP for the Moderate Area.

(2) Reclassification upon failure to attain

Within 6 months following the applicable attainment date for a PM–10 nonattainment area, the Administrator shall determine whether the area attained the standard by that date. If the Administrator finds that any Moderate Area is not in attainment after the applicable attainment date—

(A) the area shall be reclassified by operation of law as a Serious Area; and

(B) the Administrator shall publish a notice in the Federal Register no later than 6 months following the attainment date, identifying the area as having failed to attain and identifying the reclassification described in subparagraph (A).

(c) Attainment dates

Except as provided under subsection (d), the attainment dates for PM–10 nonattainment areas shall be as follows:

(1) Moderate Areas

For a Moderate Area, the attainment date shall be as expeditiously as practicable but no later than the end of the sixth calendar year after the area’s designation as nonattainment, except that, for areas designated nonattainment for PM–10 under section 7407(d)(4) of this title, the attainment date shall not extend beyond December 31, 1994.

(2) Serious Areas

For a Serious Area, the attainment date shall be as expeditiously as practicable but no later than the end of the tenth calendar year beginning after the area’s designation as nonattainment, except that, for areas designated nonattainment for PM–10 under section 7407(d)(4) of this title, the date shall not extend beyond December 31, 2001.

(d) Extension of attainment date for Moderate Areas

Upon application by any State, the Administrator may extend the attainment date for a Moderate Area beyond the date specified under subsection (c), if attainment by the date established under subsection (c) would be impracticable, the State has complied with all requirements and commitments pertaining to the area in the applicable implementation plan; and

(1) the State has complied with all requirements and commitments pertaining to the area in the applicable implementation plan; and

(2) no more than one exceedance of the 24-hour national ambient air quality standard level for PM–10 has occurred in the area in the year preceding the Extension Year, and the annual mean concentration of PM–10 in the area for such year is less than or equal to the standard level.

No more than 2 one-year extensions may be issued under the subsection for a single nonattainment area.

(e) Extension of attainment date for Serious Areas

Upon application by any State, the Administrator may extend the attainment date for a Serious Area beyond the date specified under subsection (c), if attainment by the date established under subsection (c) would be impracticable, the State has complied with all requirements and commitments pertaining to that area in the implementation plan, and the State demonstrates to the satisfaction of the Administrator that the plan for that area includes the most stringent measures that are included in the implementation plan of any State or are achieved in practice in any State, and can feasibly be implemented in the area. At the time of such application, the State must submit a revision to the implementation plan that includes a demonstration of attainment by the most expeditious alternative date practicable. In determining whether to grant an extension, and the appropriate length of time for any such extension, the Administrator may consider the nature and extent of nonattainment, the types and numbers of sources or other emitting activities in the area (including the influence of uncontrollable natural sources and transboundary emissions from foreign countries), the population exposed to

1 So in original. Probably should be “subsection".
concentrations in excess of the standard, the presence and concentration of potentially toxic substances in the mix of particulate emissions in the area, and the technological and economic feasibility of various control measures. The Administrator may not approve an extension until the State submits an attainment demonstration for the area. The Administrator may grant at most one such extension for an area, of no more than 5 years.

(f) Waivers for certain areas

The Administrator may, on a case-by-case basis, waive any requirement applicable to any Serious Area under this subpart where the Administrator determines that anthropogenic sources of PM–10 do not contribute significantly to the violation of the PM–10 standard in the area. The Administrator may also waive a specific date for attainment of the standard where the Administrator determines that non-anthropogenic sources of PM–10 contribute significantly to the violation of the PM–10 standard in the area.

§7513a. Plan provisions and schedules for plan submissions

(a) Moderate Areas

(1) Plan provisions

Each State in which all or part of a Moderate Area is located shall submit, according to the applicable schedule under paragraph (2), an implementation plan that includes each of the following:

(A) For the purpose of meeting the requirements of section 7502(c)(5) of this title, a permit program providing that permits meeting the requirements of section 7503 of this title are required for the construction and operation of new and modified major stationary sources of PM–10.

(B) Either (i) a demonstration (including air quality modeling) that the plan will provide for attainment by the applicable attainment date; or (ii) a demonstration that attainment by such date is impracticable.

(C) Provisions to assure that reasonably available control measures for the control of PM–10 shall be implemented no later than 4 years after the date the area is classified (or reclassified) as a Serious Area.

(2) Schedule for plan submissions

A State shall submit the plan required under subparagraph (1) no later than the following:

(A) Within 1 year of November 15, 1990, for areas designated nonattainment under section 7407(d)(4) of this title, except that the provision required under subparagraph (1)(A) shall be submitted no later than June 30, 1992.

(B) 18 months after the designation as nonattainment, for those areas designated nonattainment after the designations prescribed under section 7407(d)(4) of this title.

(b) Serious Areas

(1) Plan provisions

In addition to the provisions submitted to meet the requirements of paragraph (a)(1) (relating to Moderate Areas), each State in which all or part of a Serious Area is located shall submit an implementation plan for such area that includes each of the following:

(A) A demonstration (including air quality modeling)—

(i) that the plan provides for attainment of the PM–10 national ambient air quality standard by the applicable attainment date, or

(ii) for any area for which the State is seeking, pursuant to section 7513(e) of this title, an extension of the attainment date beyond the date set forth in section 7513(c) of this title, that attainment by that date would be impracticable, and that the plan provides for attainment by the most expeditious alternative date practicable.

(B) Provisions to assure that the best available control measures for the control of PM–10 shall be implemented no later than 4 years after the date the area is classified (or reclassified) as a Serious Area.

(2) Schedule for plan submissions

A State shall submit the demonstration required for an area under paragraph (1)(A) no later than 4 years after reclassification of the area to Serious, except that for areas reclassified under section 7513(b)(2) of this title, the State shall submit the attainment demonstration within 18 months after reclassification to Serious. A State shall submit the provisions described under paragraph (1)(B) no later than 18 months after reclassification of the area as a Serious Area.

(c) Milestones

(1) Plan revisions demonstrating attainment submitted to the Administrator for approval under this subpart shall contain quantitative milestones which are to be achieved every 3 years until the area is redesignated attainment and which demonstrate reasonable further progress, as defined in section 7501(1) of this title, toward attainment by the applicable date.

(2) Not later than 90 days after the date on which a milestone applicable to the area occurs, each State in which all or part of such area is located shall submit to the Administrator a demonstration that all measures in the plan approved under this section have been implemented and that the milestone has been met. A demonstration under this subsection shall be submitted in such form and manner, and shall contain such information and analysis, as the

1So in original. Probably should be “subsection”.
Administrator shall require. The Administrator shall determine whether or not a State's demonstration under this subsection is adequate within 90 days after the Administrator's receipt of a demonstration which contains the information and analysis required by the Administrator.

(3) If a State fails to submit a demonstration under paragraph (2) with respect to a milestone within the required period or if the Administrator determines that the area has not met any applicable milestone, the Administrator shall require the State, within 9 months after such failure or determination to submit a plan revision that assures that the State will achieve the next milestone (or attain the national ambient air quality standard for PM–10, if there is no next milestone) by the applicable date.

(d) Failure to attain

In the case of a Serious PM–10 nonattainment area in which the PM–10 standard is not attained by the applicable attainment date, the State in which such area is located shall, after notice and opportunity for public comment, submit within 12 months after the applicable attainment date, plan revisions which provide for attainment of the PM–10 air quality standard and, from the date of such submission until attainment, for an annual reduction in PM–10 or PM–10 precursor emissions within the area of not less than 5 percent of the amount of such emissions as reported in the most recent inventory prepared for such area.

(e) PM–10 precursors

The control requirements applicable under plans in effect under this part for major stationary sources of PM–10 shall also apply to major stationary sources of PM–10 precursors, except where the Administrator determines that such sources do not contribute significantly to PM–10 levels which exceed the standard in the area. The Administrator shall issue guidelines regarding the application of the preceding sentence.

§ 7513b. Issuance of RACM and BACM guidance

The Administrator shall issue, in the same manner and according to the same procedure as guidance is issued under section 7408(c) of this title, technical guidance on reasonably available control measures and best available control measures for urban fugitive dust, and emissions from residential wood combustion (including curtailments and exemptions from such curtailments) and prescribed silvicultural and agricultural burning, no later than 18 months following November 15, 1990. The Administrator shall examine other categories of sources contributing to nonattainment of the PM–10 standard, and determine whether additional guidance on reasonably available control measures and best available control measures is needed, and issue any such guidance no later than 3 years after November 15, 1990. In issuing guidelines and making determinations under this section, the Administrator (in consultation with the State) shall take into account emission reductions achieved, or expected to be achieved, under subchapter IV–A and other provisions of this chapter.


SUBPART 5—ADDITIONAL PROVISIONS FOR AREAS DESIGNATED NONATTAINMENT FOR SULFUR OXIDES, NITROGEN DIOXIDE, OR LEAD

§ 7514. Plan submission deadlines

(a) Submission

Any State containing an area designated or redesignated under section 7407(d) of this title as nonattainment with respect to the national primary ambient air quality standards for sulfur oxides, nitrogen dioxide, or lead subsequent to November 15, 1990, shall submit to the Administrator, within 18 months of the designation, an applicable implementation plan meeting the requirements of this part.

(b) States lacking fully approved State implementation plans

Any State containing an area designated nonattainment with respect to national primary ambient air quality standards for sulfur oxides, nitrogen dioxide, or lead subsequent to November 15, 1990, shall submit to the Administrator, within 18 months of November 15, 1990, an implementation plan meeting the requirements of subpart 1 (except as otherwise prescribed by section 7514a of this title).


§ 7514a. Attainment dates

(a) Plans under section 7514(a)

Implementation plans required under section 7514(a) of this title shall provide for attainment of the relevant primary standard as expeditiously as practicable but no later than 5 years from the date of the nonattainment designation.

(b) Plans under section 7514(b)

Implementation plans required under section 7514(b) of this title shall provide for attainment of the relevant primary national ambient air quality standard within 5 years after November 15, 1990.

(c) Inadequate plans

Implementation plans for nonattainment areas for sulfur oxides or nitrogen dioxide with plans that were approved by the Administrator before November 15, 1990, but, subsequent to such approval, were found by the Administrator to be substantially inadequate, shall provide for attainment of the relevant primary standard within 5 years from the date of such finding.

§ 7515. General savings clause

Each regulation, standard, rule, notice, order and guidance promulgated or issued by the Administrator under this chapter, as in effect before November 15, 1990, shall remain in effect according to its terms, except to the extent otherwise provided under this chapter, inconsistent with any provision of this chapter, or revised by the Administrator. No control requirement in effect, or required to be adopted by an order, settlement agreement, or plan in effect before November 15, 1990, in any area which is a non-attainment area for any air pollutant may be modified after November 15, 1990, in any manner unless the modification insures equivalent or greater emission reductions of such air pollutant.


SUBCHAPTER II—EMISSION STANDARDS FOR MOVING SOURCES

PART A—Motor Vehicle Emission and Fuel Standards

§ 7521. Emission standards for new motor vehicles or new motor vehicle engines

(a) Authority of Administrator to prescribe by regulation

Except as otherwise provided in subsection (b)—

(1) The Administrator shall by regulation prescribe (and from time to time revise) in accordance with the provisions of this section, standards applicable to the emission of any air pollutant from any class or classes of new motor vehicles or new motor vehicle engines, which in his judgment cause, or contribute to, air pollution which may reasonably be anticipated to endanger public health or welfare. Such standards shall be applicable to such vehicles and engines for their useful life (as determined under subsection (d), relating to useful life of vehicles for purposes of certification), whether such vehicles and engines are designed as complete systems or incorporate devices to prevent or control such pollution.

(2) Any regulation prescribed under paragraph (1) of this subsection (and any revision thereof) shall take effect after such period as the Administrator finds necessary to permit the development and application of the requisite technology, giving appropriate consideration to the cost of compliance within such period.

3WA (3WA) in General.—(i) Unless this standard is changed as provided in subparagraph (B), regulations under paragraph (1) of this subsection applicable to emissions of hydrocarbons, carbon monoxide, oxides of nitrogen, and particulate matter from classes or categories of heavy-duty vehicles or engines manufactured during or after model year 1983 shall contain standards which reflect the greatest degree of emission reduction achievable through the application of technology which the Administrator determines will be available for the model year to which such standards apply, giving appropriate consideration to cost, energy, and safety factors associated with the application of such technology.

(ii) In establishing classes or categories of vehicles or engines for purposes of regulations under this paragraph, the Administrator may base such classes or categories on gross vehicle weight, horsepower, type of fuel used, or other appropriate factors.

(B) Revised Standards for Heavy Duty Trucks.—(i) On the basis of information available to the Administrator concerning the effects of air pollutants emitted from heavy-duty vehicles or engines and from other sources of mobile source related pollutants on the public health and welfare, and taking costs into account, the Administrator may promulgate regulations under paragraph (1) of this subsection revising any standard promulgated under, or before the date of, the enactment of the Clean Air Act Amendments of 1990 (or previously revised under this subparagraph) and applicable to classes or categories of heavy-duty vehicles or engines.

(2) Any regulation prescribed under paragraph (1) of this subsection applicable to emissions of oxides of nitrogen (NOx) from gasoline and diesel-fueled heavy duty trucks shall contain standards which provide that such emissions may not exceed 4.0 grams per brake horsepower hour (g/bhp-h). Any standard promulgated or revised under this paragraph and applicable to classes or categories of heavy-duty vehicles or engines shall apply for a period of no less than 3 model years beginning no earlier than the model year commencing 4 years after such revised standard is promulgated.

(D) Rebuilding Practices.—The Administrator shall study the practice of rebuilding heavy-duty engines and the impact rebuilding has on engine emissions. On the basis of that study and other information available to the Administrator, the Administrator may prescribe requirements to control rebuilding practices, including standards applicable to emissions from any rebuilt heavy-duty engines (whether or not the engine is past its statutory useful life), which in the Administrator’s judgment cause, or contribute to, air pollution which may reasonably be anticipated to endanger public health or welfare taking costs into account. Any regulation shall take effect after a period the Administrator finds necessary to permit the development and application of the requisite control measures, giving appropriate consideration to the cost of compliance within the period and energy and safety factors.

(E) Motorcycles.—For purposes of this paragraph, motorcycles and motorcycle engines shall be treated in the same manner as heavy-duty vehicles and engines (except as otherwise permitted under section 7252(f)(1) of this title) unless the Administrator promulgates a rule reclassifying motorcycles as light-duty vehicles within the meaning of this section or unless the Administrator promulgates regulations under subsection (a) applying standards applicable to the emission of air pollutants from motorcycles as a separate class or category. In any case in
which such standards are promulgated for such emissions from motorcycles as a separate class or category, the Administrator, in promulgating such standards, shall consider the need to achieve equivalency of emission reductions between motorcycles and other motor vehicles to the maximum extent practicable.

(4)(A) Effective with respect to vehicles and engines manufactured after model year 1978, no emission control device, system, or element of design shall be used in a new motor vehicle or new motor vehicle engine for purposes of complying with requirements prescribed under this subchapter if such device, system, or element of design will cause or contribute to an unreasonable risk to public health, welfare, or safety in its operation or function.

(B) In determining whether an unreasonable risk exists under subparagraph (A), the Administrator shall consider, among other factors, (i) whether and to what extent the use of any device, system, or element of design causes, decreases, reduces, or eliminates emissions of any regulated pollutants; (ii) available methods for reducing or eliminating any risk to public health, welfare, or safety which may be associated with the use of such device, system, or element of design, and (iii) the availability of other devices, systems, or elements of design which may be used to conform to requirements prescribed under this subchapter without causing or contributing to such unreasonable risk. The Administrator shall include in the consideration required by this paragraph all relevant information developed pursuant to section 7548 of this title.

(5)(A) If the Administrator promulgates final regulations which define the degree of control required and the test procedures by which compliance could be determined for gasoline vapor recovery of uncontrolled emissions from the fueling of motor vehicles, the Administrator shall, after consultation with the Secretary of Transportation with respect to motor vehicle safety, prescribe, by regulation, fill pipe standards for new motor vehicles in order to insure effective connection between such fill pipe and any vapor recovery system which the Administrator determines may be required to comply with such vapor recovery regulations. In promulgating such standards the Administrator shall take into consideration limits on fill pipe diameter, minimum design criteria for nozzle retainer lips, limits on the location of the unlead fuel restrictors, a minimum access zone surrounding a fill pipe, a minimum pipe or nozzle insertion angle, and such other factors as he deems pertinent.

(B) Regulations prescribing standards under subparagraph (A) shall not become effective until the introduction of the model year for which it would be feasible to implement such standards, taking into consideration the restraints of an adequate leadtime for design and production.

(C) Nothing in subparagraph (A) shall (i) prevent the Administrator from specifying different nozzle and fill neck sizes for gasoline with additives and gasoline without additives or (ii) permit the Administrator to require a specific location, configuration, modeling, or styling of the motor vehicle body with respect to the fuel tank fill neck or fill nozzle clearance envelope.

(D) For the purpose of this paragraph, the term “fill pipe” shall include the fuel tank fill pipe, fill neck, fill inlet, and closure.

(6) ONBOARD VAPOR RECOVERY.—Within 1 year after November 15, 1990, the Administrator shall, after consultation with the Secretary of Transportation regarding the safety of vehicle-based (“onboard”) systems for the control of vehicle refueling emissions, promulgate standards under this section requiring that new light-duty vehicles manufactured beginning in the fourth model year after the model year in which the standards are promulgated and thereafter shall be equipped with such systems. The standards required under this paragraph shall apply to a percentage of each manufacturer’s fleet of new light-duty vehicles beginning with the fourth model year after the model year in which the standards are promulgated. The percentage shall be as specified in the following table:

<table>
<thead>
<tr>
<th>Model year commencing after standards promulgated</th>
<th>Percentage*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fourth .............................................</td>
<td>40</td>
</tr>
<tr>
<td>Fifth .............................................</td>
<td>80</td>
</tr>
<tr>
<td>After Fifth .......................................</td>
<td>100</td>
</tr>
</tbody>
</table>

*Percentages in the table refer to a percentage of the manufacturer’s sales volume.

The standards shall require that such systems provide a minimum evaporative emission capture efficiency of 95 percent. The requirements of section 751la(b)(3) of this title (relating to stage II gasoline vapor recovery) for areas classified under section 751l of this title as moderate for ozone shall not apply after promulgation of such standards and the Administrator may, by rule, revise or waive the application of the requirements of such section 751la(b)(3) of this title for areas classified under section 751l of this title as Serious, Severe, or Extreme for ozone, as appropriate, after such time as the Administrator determines that onboard emissions control systems required under this paragraph are in widespread use throughout the motor vehicle fleet.

(b) Emissions of carbon monoxide, hydrocarbons, and oxides of nitrogen; annual report to Congress; waiver of emission standards; research objectives

(1)(A) The regulations under subsection (a) applicable to emissions of carbon monoxide and hydrocarbons from light-duty vehicles and engines manufactured during model years 1977 through 1979 shall contain standards which provide that such emissions from such vehicles and engines may not exceed 1.5 grams per vehicle mile of hydrocarbons and 15.0 grams per vehicle mile of carbon monoxide. The regulations under subsection (a) applicable to emissions of carbon monoxide from light-duty vehicles and engines manufactured during the model year 1980 shall contain standards which provide that such emissions may not exceed 7.0 grams per vehicle mile. The regulations under subsection (a) applicable to emissions of hydrocarbons from light-duty
vehicles and engines manufactured during or after model year 1980 shall contain standards which require a reduction of at least 90 percent from emissions of such pollutant allowable under the standards under this section applicable to light-duty vehicles and engines manufactured during or after the model year 1981 shall contain standards which require a reduction of at least 90 percent from emissions of such pollutant allowable under the standards under this section applicable to light-duty vehicles and engines manufactured in model year 1970.

(B) The regulations under subsection (a) applicable to emissions of oxides of nitrogen from light-duty vehicles and engines manufactured during model years 1977 through 1980 shall contain standards which provide that such emissions from such vehicles and engines may not exceed 2.0 grams per vehicle mile. The regulations under subsection (a) applicable to emissions of oxides of nitrogen from light-duty vehicles and engines manufactured during the model year 1981 and thereafter shall contain standards which provide that such emissions from such vehicles and engines may not exceed 1.0 gram per vehicle mile. The Administrator shall prescribe standards in lieu of those required by the preceding sentence, which provide that such emissions from such vehicles and engines manufactured during model years 1981 and 1982 by any manufacturer whose production, by corporate identity, for calendar year 1976 was less than three hundred thousand light-duty motor vehicles worldwide if the Administrator determines that—

(i) the ability of such manufacturer to meet emission standards in the 1975 and subsequent model years was, and is, primarily dependent upon technology developed by other manufacturers and purchased from such manufacturers; and

(ii) such manufacturer lacks the financial resources and technological ability to develop such technology.

(C) The Administrator may promulgate regulations under subsection (a)(1) revising any standard prescribed or previously revised under this subsection, as needed to protect public health, taking costs, energy, and safety into account. Any revised standard shall require a reduction of emissions from the standard that was previously applicable. Any such revision under this subchapter may provide for a phase-in of the standard. It is the intent of Congress that the numerical emission standards specified in subsections (a)(3)(B)(ii), (g), (h), and (i) shall not be modified by the Administrator after November 15, 1990, for any model year before the model year 2004.

(2) Emission standards under paragraph (1), and measurement techniques on which such standards are based (if not promulgated prior to November 15, 1990), shall be promulgated by regulation within 180 days after November 15, 1990.

(3) For purposes of this part—

(A)(i) The term "model year" with reference to any specific calendar year means the manufacturer's annual production period (as determined by the Administrator) which includes January 1 of such calendar year. If the manufacturer has no annual production period, the term "model year" shall mean the calendar year.

(ii) For the purpose of assuring that vehicles and engines manufactured before the beginning of a model year were not manufactured for purposes of circumventing the effective date of a standard required to be prescribed by subsection (b), the Administrator may prescribe regulations defining "model year" otherwise than as provided in clause (i).


(C) The term "heavy duty vehicle" means a truck, bus, or other vehicle manufactured primarily for use on the public streets, roads, and highways (not including any vehicle operated exclusively on a rail or rails) which has a gross vehicle weight (as determined under regulations promulgated by the Administrator) in excess of six thousand pounds. Such term includes any such vehicle which has special features enabling off-street or off-highway operation and use.

(3) Upon the petition of any manufacturer, the Administrator, after notice and opportunity for public hearing, may waive the standard required under subparagraph (B) of paragraph (1) to not exceed 1.5 grams of oxides of nitrogen per vehicle mile for any class or category of light-duty vehicles or engines manufactured by such manufacturer during any period of up to four model years beginning after the model year 1980 if the manufacturer demonstrates that such waiver is necessary to permit the use of an innovative power train technology, or innovative emission control device or system, in such class or category of vehicles or engines and that such technology or system was not utilized by more than 1 percent of the light-duty vehicles sold in the United States in the 1975 model year. Such waiver may be granted only if the Administrator determines—

(A) that such waiver would not endanger public health,

(B) that there is a substantial likelihood that the vehicles or engines will be able to comply with the applicable standard under this section at the expiration of the waiver, and

(C) that the technology or system has a potential for long-term air quality benefit and has the potential to meet or exceed the average fuel economy standard applicable under the Energy Policy and Conservation Act [42 U.S.C. 6201 et seq.] upon the expiration of the waiver.

No waiver under this subparagraph granted to any manufacturer shall apply to more than 5 percent of such manufacturer's production or

2So in original. Probably should be "paragraph".

3So in original. Probably should be "(4)".
more than fifty thousand vehicles or engines, whichever is greater.

(c) Feasibility study and investigation by National Academy of Sciences; reports to Administrator and Congress; availability of information

(1) The Administrator shall undertake to enter into appropriate arrangements with the National Academy of Sciences to conduct a comprehensive study and investigation of the technological feasibility of meeting the emissions standards required to be prescribed by the Administrator by subsection (b) of this section.

(2) Of the funds authorized to be appropriated to the Administrator by this chapter, such amounts as are required shall be available to carry out the study and investigation authorized by paragraph (1) of this subsection.

(3) In entering into any arrangement with the National Academy of Sciences for conducting the study and investigation authorized by paragraph (1) of this subsection, the Administrator shall request the National Academy of Sciences to conduct a comprehensive study and investigation of the technological feasibility of meeting the emissions standards required to be prescribed by the Administrator and the Congress, beginning not later than July 1, 1971, and continuing until such study and investigation is completed.

(4) The Administrator shall furnish to such Academy at its request any information which the Academy deems necessary for the purpose of conducting the investigation and study authorized by paragraph (1) of this subsection. For the purpose of furnishing such information, the Administrator may use any authority he has under this chapter (A) to obtain information from any person, and (B) to require such person to conduct such tests, keep such records, and make such reports respecting research or other activities conducted by such person as may be reasonably necessary to carry out this subsection.

(d) Useful life of vehicles

The Administrator shall prescribe regulations under which the useful life of vehicles and engines shall be determined for purposes of subsection (a)(1) of this section and section 7541 of this title. Such regulations shall provide that—

(1) in the case of light duty vehicles and light duty vehicle engines and light-duty trucks up to 3,750 lbs. LVW and up to 6,000 lbs. GVWR, be a period of use of five years or fifty thousand miles (or the equivalent), whichever first occurs, except that in the case of any requirement of this section which first becomes applicable after November 15, 1990, where the useful life period is not otherwise specified for such vehicles and engines, the period shall be 10 years or 100,000 miles (or the equivalent), whichever first occurs, with testing for purposes of in-use compliance under section 7541 of this title up to (but not beyond) 7 years or 75,000 miles (or the equivalent), whichever first occurs;

(2) in the case of any other motor vehicle or motor vehicle engine (other than motorcycles or motorcycle engines), be a period of use set forth in paragraph (1) unless the Administrator determines that a period of use of greater duration or mileage is appropriate; and

(3) in the case of any motorcycle or motorcycle engine, be a period of use the Administrator shall determine.

(e) New power sources or propulsion systems

In the event of a new power source or propulsion system for new motor vehicles or new motor vehicle engines is submitted for certification pursuant to section 7525(a) of this title, the Administrator may postpone certification until he has prescribed standards for any air pollutants emitted by such vehicle or engine which in his judgment cause, or contribute to, air pollution which may reasonably be anticipated to endanger the public health or welfare but for which standards have not been prescribed under subsection (a).

(f) High altitude regulations

(1) The high altitude regulation in effect with respect to model year 1977 motor vehicles shall not apply to the manufacture, distribution, or sale of 1978 and later model year motor vehicles. Any future regulation affecting the sale or distribution of motor vehicles or engines manufactured before the model year 1984 in high altitude areas of the country shall take effect no earlier than model year 1981.

(2) Any such future regulation applicable to high altitude vehicles or engines shall not require a percentage of reduction in the emissions of such vehicles which is greater than the required percentage of reduction in emissions from motor vehicles as set forth in subsection (b). This percentage reduction shall be determined by comparing any proposed high altitude emission standards to high altitude emissions from vehicles manufactured during model year 1970. In no event shall regulations applicable to high altitude vehicles manufactured before the model year 1984 establish a numerical standard which is more stringent than that applicable to vehicles certified under non-high altitude conditions.

(3) Section 7607(d) of this title shall apply to any high altitude regulation referred to in paragraph (2) and before promulgating any such regulation, the Administrator shall consider and make a finding with respect to—

(A) the economic impact upon consumers, individual high altitude dealers, and the automobile industry of any such regulation, including the economic impact which was experienced as a result of the regulation imposed during model year 1977 with respect to high altitude certification requirements;

(B) the present and future availability of emission control technology capable of meeting the applicable vehicle and engine emission requirements without reducing model availability; and

(C) the likelihood that the adoption of such a high altitude regulation will result in any significant improvement in air quality in any area to which it shall apply.

*Another subsec. (f) is set out after subsec. (m).
(g) Light-duty trucks up to 6,000 lbs. GVWR and light-duty vehicles; standards for model years after 1993

(1) NMHC, CO, and NOx

Effective with respect to the model year 1994 and thereafter, the regulations under subsection (a) applicable to emissions of non-methane hydrocarbons (NMHC), carbon monoxide (CO), and oxides of nitrogen (NOx) from light-duty trucks (LDTs) of up to 6,000 lbs. gross vehicle weight rating (GVWR) and light-duty vehicles (LDVs) shall contain standards which provide that emissions from a percentage of each manufacturer's sales volume of such vehicles and trucks shall comply with the levels specified in table G. The percentage shall be as specified in the implementation schedule below:

<table>
<thead>
<tr>
<th>Vehicle type</th>
<th>Column A</th>
<th></th>
<th>Column B</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>NMHC CO NOx</td>
<td>NMHC CO NOx</td>
<td></td>
</tr>
<tr>
<td>LDTs (0–3,750 lbs. LVW) and light-duty vehicles</td>
<td>0.25 3.4 0.4*</td>
<td>0.31 4.2 0.6*</td>
<td></td>
</tr>
<tr>
<td>LDTs (3,751–5,750 lbs. LVW)</td>
<td>0.32 4.4 0.7**</td>
<td>0.40 5.5 0.97</td>
<td></td>
</tr>
</tbody>
</table>

Standards are expressed in grams per mile (gpm). For standards under column A, for purposes of certification under section 7525 of this title, the applicable useful life shall be 5 years or 50,000 miles (or the equivalent), whichever first occurs. For standards under column B, for purposes of certification under section 7525 of this title, the applicable useful life shall be 10 years or 100,000 miles (or the equivalent), whichever first occurs.

*In the case of diesel-fueled LDTs (0–3,750 lbs. LVW) and light-duty vehicles, before the model year 2004, in lieu of the 0.4 and 0.6 standards for NOx, the applicable standards for NOx shall be 1.0 gpm for a useful life of 5 years or 50,000 miles (or the equivalent), whichever first occurs, and 1.25 gpm for a useful life of 10 years or 100,000 miles (or the equivalent) which first occurs.

**This standard does not apply to diesel-fueled LDTs (3,751–5,750 lbs. LVW).

IMPLEMENTATION SCHEDULE FOR TABLE G STANDARDS

<table>
<thead>
<tr>
<th>Model year</th>
<th>Percentage*</th>
</tr>
</thead>
<tbody>
<tr>
<td>1994</td>
<td>40</td>
</tr>
<tr>
<td>1995</td>
<td>80</td>
</tr>
<tr>
<td>after 1995</td>
<td>100</td>
</tr>
</tbody>
</table>

*Percentages in the table refer to a percentage of each manufacturer's sales volume.

(2) PM Standard

Effective with respect to model year 1994 and thereafter in the case of light-duty vehicles, and effective with respect to the model year 1995 and thereafter in the case of light-duty trucks (LDTs) of up to 6,000 lbs. gross vehicle weight rating (GVWR), the regulations under subsection (a) applicable to emissions of particulate matter (PM) from such vehicles and trucks shall contain standards which provide that such emissions from a percentage of each manufacturer's sales volume of such vehicles and trucks shall not exceed the levels specified in the table below. The percentage shall be as specified in the Implementation Schedule below.

PM STANDARD FOR LDTs OF UP TO 6,000 LBS. GVWR

<table>
<thead>
<tr>
<th>Useful life period</th>
<th>Standard</th>
</tr>
</thead>
<tbody>
<tr>
<td>5/50,000</td>
<td>0.08 gpm</td>
</tr>
<tr>
<td>10/100,000</td>
<td>0.10 gpm</td>
</tr>
</tbody>
</table>

The applicable useful life, for purposes of certification under section 7525 of this title and for purposes of in-use compliance under section 7541 of this title, shall be 5 years or 50,000 miles (or the equivalent), whichever first occurs, in the case of the 5/50,000 standard.

The applicable useful life, for purposes of certification under section 7525 of this title and for purposes of in-use compliance under section 7541 of this title, shall be 10 years or 100,000 miles (or the equivalent), whichever first occurs.

(6) Light-duty trucks of more than 6,000 lbs. GVWR; standards for model years after 1995

Effective with respect to the model year 1996 and thereafter, the regulations under subsection (a) applicable to emissions of nonmethane hydrocarbons (NMHC), carbon monoxide (CO), oxides of nitrogen (NOx), and particulate matter (PM) from light-duty trucks (LDTs) of more than 6,000 lbs. gross vehicle weight rating (GVWR) shall contain standards which provide that emissions from a specified percentage of each manufacturer's sales volume of such trucks shall comply with the levels specified in table H. The specified percentage shall be 50 percent in model year 1996 and 100 percent thereafter.
(i) Phase II study for certain light-duty vehicles and light-duty trucks

(1) The Administrator, with the participation of the Office of Technology Assessment, shall study whether or not further reductions in emissions from light-duty vehicles and light-duty trucks should be required pursuant to this subchapter. The study shall consider whether to establish with respect to model years commencing after January 1, 2003, the standards and useful life period for gasoline and diesel-fueled light-duty vehicles and light-duty trucks with a loaded vehicle weight (LVW) of 3,750 lbs. or less specified in the following table:

<table>
<thead>
<tr>
<th>Pollutant</th>
<th>Emission level*</th>
</tr>
</thead>
<tbody>
<tr>
<td>NMHC</td>
<td>0.125 GPM</td>
</tr>
<tr>
<td>NOx</td>
<td>0.2 GPM</td>
</tr>
<tr>
<td>CO</td>
<td>1.7 GPM</td>
</tr>
</tbody>
</table>

*Emission levels are expressed in grams per mile (GPM). For vehicles and engines subject to this subsection for purposes of subsection (d) and any reference thereto, the useful life of such vehicles and engines shall be a period of 10 years or 100,000 miles (or the equivalent), whichever first occurs.

Such study shall also consider other standards and useful life periods which are more stringent or less stringent than those set forth in table 3 (but more stringent than those referred to in subsections (g) and (h)).

(2)(A) As part of the study under paragraph (1), the Administrator shall determine, by rule, the technology for meeting more stringent emission standards will be available, as provided in paragraph (2)(A)(i), in the case of light-duty vehicles and light-duty trucks with a loaded vehicle weight (LVW) of 3,750 lbs. or less, for model years commencing not earlier than January 1, 2003, and not later than model year 2006, considering the factors listed in paragraph (2)(A)(i); and

(iii) obtaining further reductions in emissions from such vehicles will be needed and cost effective, taking into consideration alternatives as provided in paragraph (2)(A)(ii).

The rulemaking under this paragraph shall commence within 3 months after submission of the report to Congress under paragraph (2)(B).

(B) If the Administrator determines under subparagraph (A) that—

(i) there is no need for further reductions in emissions as provided in paragraph (2)(A); or

(ii) the technology for meeting more stringent emission standards will not be available as provided in paragraph (2)(A)(i), in the case of light-duty vehicles and light-duty trucks with a loaded vehicle weight (LVW) of 3,750 lbs. or less, for model years commencing not earlier than January 1, 2003, and not later than model year 2006, considering the factors listed in paragraph (2)(A)(i); or

(iii) obtaining further reductions in emissions from such vehicles will not be needed or
§ 7521

TITLe 42—THE PUBLIC HEALTH AND WELFARE

Page 6710

7521

the Administrator shall promulgate more stringent standards than those in effect pursuant to subsections (g) and (h). Nothing in this paragraph shall prohibit the Administrator from exercising the Administrator’s authority under subsection (a) to promulgate more stringent standards for light-duty vehicles and light-duty trucks with a loaded vehicle weight (LVW) of 3,750 lbs. or less at any other time thereafter in accordance with subsection (a).

(C) If the Administrator determines under subparagraph (A) that—

(i) there is a need for further reductions in emissions as provided in paragraph (2)(A);

(ii) the technology for meeting more stringent emission standards will be available, as provided in paragraph (2)(A)(i), in the case of light-duty vehicles and light-duty trucks with a loaded vehicle weight (LVW) of 3,750 lbs. or less, for model years commencing not earlier than January 1, 2003, and not later than model year 2006, considering the factors listed in paragraph (2)(A)(i); and

(iii) obtaining further reductions in emissions from such vehicles will be needed and cost effective, taking into consideration alternatives as provided in paragraph (2)(A)(i),

the Administrator shall either promulgate the standards (and useful life periods) set forth in Table 3 in paragraph (1) or promulgate alternative standards (and useful life periods) which are more stringent than those referred to in subsections (g) and (h). Any such standards (or useful life periods) promulgated by the Administrator shall take effect with respect to any such vehicles or engines no earlier than the model year 2003 but not later than model year 2006, as determined by the Administrator in the rule.

(D) Nothing in this paragraph shall be construed by the Administrator or by a court as a presumption that any standards (or useful life period) set forth in Table 3 shall be promulgated in the rulemaking required under this paragraph. The action required of the Administrator in accordance with this paragraph shall be treated as a nondiscretionary duty for purposes of section 7604(a)(2) of this title (relating to citizen suits).

(E) Unless the Administrator determines not to promulgate more stringent standards as provided in subparagraph (B) or to postpone the effective date of standards referred to in Table 3 in paragraph (1) to establish alternative standards as provided in subparagraph (C), effective with respect to model years commencing after January 1, 2003, the regulations under subsection (a) applicable to emissions of nonmethane hydrocarbons (NMHC), oxides of nitrogen (NOx), and carbon monoxide (CO) from motor vehicles and motor vehicle engines in the classes specified in Table 3 in paragraph (1) above shall contain standards which provide that emissions may not exceed the pending emission levels specified in Table 3 in paragraph (1).

(j) Cold CO standard

(1) Phase I

Not later than 12 months after November 15, 1990, the Administrator shall promulgate regulations under subsection (a) of this section applicable to emissions of carbon monoxide from 1994 and later model year light-duty vehicles and light-duty trucks when operated at 20 degrees Fahrenheit. The regulations shall contain standards which provide that emissions of carbon monoxide from a manufacturer’s vehicles when operated at 20 degrees Fahrenheit may not exceed, in the case of light-duty vehicles, 10.0 grams per mile, and in the case of light-duty trucks, a level comparable in stringency to the standard applicable to light-duty vehicles. The standards shall take effect after model year 1993 according to a phase-in schedule which requires a percentage of each manufacturer’s sales volume of light-duty vehicles and light-duty trucks to comply with applicable standards after model year 1993. The percentage shall be as specified in the following table:

<table>
<thead>
<tr>
<th>Model Year</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>1994</td>
<td>40</td>
</tr>
<tr>
<td>1995</td>
<td>60</td>
</tr>
<tr>
<td>1996 and after</td>
<td>100</td>
</tr>
</tbody>
</table>

(2) Phase II

(A) Not later than June 1, 1997, the Administrator shall complete a study assessing the need for further reductions in emissions of carbon monoxide and the maximum reductions in such emissions achievable from model year 2001 and later model year light-duty vehicles and light-duty trucks when operated at 20 degrees Fahrenheit.

(B)(i) If as of June 1, 1997, 6 or more nonattainment areas have a carbon monoxide design value of 9.5 ppm or greater, the regulations under subsection (a)(1) of this section applicable to emissions of carbon monoxide from model year 2002 and later model year light-duty vehicles and light-duty trucks shall contain standards which provide that emissions of carbon monoxide from such vehicles and trucks when operated at 20 degrees Fahrenheit may not exceed 3.4 grams per mile (gpm) in the case of light-duty vehicles and 4.4 grams per mile (gpm) in the case of light-duty trucks up to 6,000 GVWR and a level comparable in stringency in the case of light-duty trucks 6,000 GVWR and above.

(ii) In determining for purposes of this subparagraph whether 6 or more nonattainment areas have a carbon monoxide design value of 9.5 ppm or greater, the Administrator shall exclude the areas of Steubenville, Ohio, and Oshkosh, Wisconsin.

(3) Useful-life for phase I and phase II standards

In the case of the standards referred to in paragraphs (1) and (2), for purposes of certification under section 7525 of this title and use compliance under section 7541 of this title, the applicable useful life period shall be 5 years or 50,000 miles, whichever first occurs, except that the Administrator may extend such useful life period (for purposes of section 7525 of this title, or section 7541 of this title,
or both) if he determines that it is feasible for vehicles and engines subject to such standards to meet such standards for a longer useful life. If the Administrator extends such useful life period, the Administrator may make an appropriate adjustment of applicable standards for such extended useful life. No such extended useful life shall extend beyond the useful life period provided in regulations under subsection (d).

(k) Control of evaporative emissions

The Administrator may also promulgate regulations under subsection (a)(1) applicable to emissions of carbon monoxide from heavy-duty vehicles and engines when operated at cold temperatures.

(l) Mobile source-related air toxics

(1) Study

Not later than 18 months after November 15, 1990, the Administrator shall complete a study of the need for, and feasibility of, controlling emissions of toxic air pollutants which are unregulated under this chapter and associated with motor vehicles and motor vehicle fuels, and the need for, and feasibility of, controlling such emissions and the means and measures for such controls. The study shall focus on those categories of emissions that pose the greatest risk to human health or about which significant uncertainties remain, including emissions of benzene, formaldehyde, and 1,3-butadiene. The proposed report shall be available for public review and comment and shall include a summary of all comments.

(2) Standards

Within 54 months after November 15, 1990, the Administrator shall, based on the study under paragraph (1), promulgate (and from time to time revise) regulations under subsection (a)(1) or section 7545(c)(1) of this title containing reasonable requirements to control hazardous air pollutants from motor vehicles and motor vehicle fuels. The regulations shall contain standards for such fuels or vehicles, or both, which the Administrator determines reflect the greatest degree of emission reduction achievable through the application of technology which will be available, taking into consideration the standards established under subsection (a), the availability and costs of the technology, and noise, energy, and safety factors, and lead time. Such regulations shall not be inconsistent with standards under subsection (a). The regulations shall, at a minimum, apply to emissions of benzene and formaldehyde.

(m) Emissions control diagnostics

(1) Regulations

Within 18 months after November 15, 1990, the Administrator shall promulgate regulations under subsection (a) requiring manufacturers to install on all new light duty vehicles and light duty trucks diagnostics systems capable of—

(A) accurately identifying for the vehicle’s useful life as established under this section, emission-related systems deterioration or malfunction, including, at a minimum, the catalytic converter and oxygen sensor, which could cause or result in failure of the vehicles to comply with emission standards established under this section;

(B) alerting the vehicle’s owner or operator to the likely need for emission-related components or systems maintenance or repair;

(C) storing and retrieving fault codes specified by the Administrator, and

(D) providing access to stored information in a manner specified by the Administrator.

The Administrator may, in the Administrator’s discretion, promulgate regulations requiring manufacturers to install such onboard diagnostic systems on heavy-duty vehicles and engines.

(2) Effective date

The regulations required under paragraph (1) of this subsection shall take effect in model year 1994, except that the Administrator may waive the application of such regulations for model year 1994 or 1995 (or both) with respect to any class or category of motor vehicles if the Administrator determines that it would be infeasible to apply the regulations to that class or category in such model year or years, consistent with corresponding regulations or policies adopted by the California Air Resources Board for such systems.

(3) State inspection

The Administrator shall by regulation require States that have implementation plans containing motor vehicle inspection and maintenance programs to amend their plans within 2 years after promulgation of such regulations to provide for inspection of onboard diagnostics systems (as prescribed by regulations
under paragraph (1) of this subsection) and for the maintenance or repair of malfunctions or system deterioration identified by or affecting such diagnostics systems. Such regulations shall not be inconsistent with the provisions for warranties promulgated under section 7541(a) and (b) of this title.

(4) Specific requirements
In promulgating regulations under this subsection, the Administrator shall require—

(A) that any connectors through which the emission control diagnostics system is accessed for inspection, diagnosis, service, or repair shall be standard and uniform on all motor vehicles and motor vehicle engines;

(B) that access to the emission control diagnostics system through such connectors shall be unrestricted and shall not require any access code or any device which is only available from a vehicle manufacturer; and

(C) that the output of the data from the emission control diagnostics system through such connectors shall be usable without the need for any unique decoding information or device.

(5) Information availability
The Administrator, by regulation, shall require (subject to the provisions of section 7542(c) of this title regarding the protection of methods or processes entitled to protection as trade secrets) manufacturers to provide promptly to any person engaged in the repair, diagnosing, or servicing of motor vehicles or motor vehicle engines, and the Administrator for use by any such persons, with any and all information needed to make use of the emission control diagnostics system prescribed under this subsection and such other information including instructions for making emission related diagnosis and repairs. No such information may be withheld under section 7542(c) of this title if that information is provided (directly or indirectly) by the manufacturer to franchised dealers or other persons engaged in the repair, diagnosing, or servicing of motor vehicles or motor vehicle engines. Such information shall also be available to the Administrator, subject to section 7542(c) of this title, in carrying out the Administrator’s responsibilities under this section.

(f) Model years after 1990
For model years prior to model year 1994, the regulations under subsection (a) applicable to buses other than those subject to standards under section 7554 of this title shall contain a standard which provides that emissions of particulate matter (PM) from such buses may not exceed the standards set forth in the following table:

<table>
<thead>
<tr>
<th>PM STANDARD FOR BUSES</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Model year</strong></td>
</tr>
<tr>
<td>-------------------</td>
</tr>
<tr>
<td>1991</td>
</tr>
<tr>
<td>1992</td>
</tr>
<tr>
<td>1993 and thereafter</td>
</tr>
</tbody>
</table>

*Standards are expressed in grams per brake horsepower hour (g/bhp-hr).

5 So in original. Probably should be "(m)".

§ 7521 TITLE 42—THE PUBLIC HEALTH AND WELFARE Page 6712

REFERENCES IN TEXT


CODIFICATION
Section was formerly classified to section 1857t–1 of this title.

AMENDMENTS
1990—Subsec. (a)(3)(A). Pub. L. 101–549, §201(1), added subpar. (A) and struck out former subpar. (A) which related to promulgation of regulations applicable to reduction of emissions from heavy-duty vehicles or engines manufactured during and after model year 1979 in the case of carbon monoxide, hydrocarbons, and oxides of nitrogen, and from vehicles manufactured during and after model year 1981 in the case of particulate matter.

Subsec. (a)(3)(B). Pub. L. 101–549, §201(1), added subpar. (B) and struck out former subpar. (B) which read as follows: "During the period of June 1 through December 31, 1978, in the case of hydrocarbons and carbon monoxide, or during the period of June 1 through December 31, 1980, in the case of oxides of nitrogen, and during each period of June 1 through December 31 of each third year thereafter, the Administrator may, after notice and opportunity for a public hearing promulgate regulations revising any standard prescribed as provided in subparagraph (A)(ii) for any class or category of heavy-duty vehicles or engines. Such standard shall apply only for the period of three model years beginning four model years after the model year in which such revised standard is promulgated. In revising any standard under this subparagraph for any such three model year period, the Administrator shall determine the maximum degree of emission reduction which can be achieved by means reasonably expected to be available for production of such period and shall prescribe a revised emission standard in accordance with such determination. Such revised standard shall require a reduction of emissions from any standard which applies in the previous model year."

Subsec. (a)(3)(C). Pub. L. 101–549, §201(1), added subpar. (C) and struck out former subpar. (C) which read as follows: "Action revising any standard for any period may be taken by the Administrator under subparagraph (B) only if he finds—
“(i) that compliance with the emission standards otherwise applicable for such model year cannot be achieved by technology, processes, operating methods, or other alternatives reasonably expected to be available for production for such model year without increasing cost or decreasing fuel economy to an excessive and unreasonable degree; and

(ii) the National Academy of Sciences has not, pursuant to its study and investigation under subsection (c), issued a report substantially contrary to the findings of the Administrator under clause (i).

The Administrator shall determine the feasibility and economic costs of such technology, administrative and maintenance costs associated with the implementation and maintenance of vapor recovery systems, and effectiveness of such technology to that of motor vehicles. The Administrator shall compare the controlled emissions emanating from the fueling of motor vehicles and engines and from other sources of mobile source related pollutants on the public health and welfare, the extent and improvements in the public health and welfare, the extent and improvements in the control of such air pollutants subject to standards under this section. Such reports shall include a summary of the research and development efforts and progress being made by each manufacturer for purposes of meeting the standards promulgated as provided in subparagraph (A)(ii) or, if applicable, subparagraph (E), added subpar. (D) and struck out former subpar. (D) which read as follows: ‘‘A report shall be made to the Congress with respect to any standard revised under subparagraph (B) which shall contain—’’

(i) a summary of the health effects found, or believed to be associated with, the pollutant covered by such standard;

(ii) an analysis of the cost-effectiveness of other strategies for attaining and maintaining national ambient air quality standards and carrying out regulations under part C of chapter I (relating to significant deterioration) in relation to the cost-effectiveness for such purposes of standards which, but for such revision, would apply;

(iii) a summary of the research and development efforts and progress being made by each manufacturer for purposes of meeting the standards promulgated as provided in subparagraph (A)(ii) or, if applicable, subparagraph (E), added subpar. (D) and struck out former subpar. (D) which read as follows: ‘‘A report shall be made to the Congress with respect to any standard revised under subparagraph (B) which shall contain—’’

(iii) specific findings as to the relative costs of compliance, and relative fuel economy, which may be expected to result from the application for any model year of such revised standard and the application for such model year of the standard, which, but for such revision, would apply.

(iv) the findings of the Administrator under clause (i).’’

Subsec. (a)(3)(E), (F). Pub. L. 101–549, § 201, redesignated subpar. (C) generally. Prior to amendment, subpar. (C) read as follows: ‘‘Effective with respect to vehicles and engines manufactured after model year 1978 (or in the case of heavy-duty vehicles or engines, such later model year as the Administrator determines is the earliest feasible model year), the test procedure promulgated under paragraph (2) for measurement of evaporative emissions of hydrocarbons shall require that such emissions be measured from the vehicle or engine as a whole. Regulations to carry out this subparagraph shall be promulgated not later than two hundred and seventy days after August 7, 1977.’’

Subsec. (b)(2). Pub. L. 101–549, § 203(d), amended par. (2) generally. Prior to amendment, par. (2) read as follows: ‘‘Emission standards under paragraph (1), and measurement techniques on which such standards are based (if not promulgated prior to December 31, 1970) shall be prescribed by regulation within 180 days after such date.’’

Subsec. (b)(3). Pub. L. 101–549, § 230(4), redesignated par. (6) relating to waiver of standards for oxides of nitrogen as par. (3), struck out subpar. (A) designation before ‘‘Upon the petition’’, redesignated former cls. (i) to (iii) as subpars. (A) to (C), respectively, and struck out former subpar. (B) which authorized the Administrator to waive the standard under subsec. (b)(1)(B) of this section for emissions of oxides of nitrogen from light-duty vehicles and engines beginning in model year 1981 after providing notice and opportunity for a public hearing, and set forth conditions under which a waiver could be granted.

Subsec. (b)(4). Pub. L. 101–549, § 230(2), struck out par. (4) which read as follows: ‘‘On July 1 of 1971, and of each year thereafter, the Administrator shall report to the Congress with respect to the development of systems necessary to implement the emission standards established pursuant to this section. Such reports shall include information regarding the continuing effects of such air pollutants subject to standards under this section on the public health and welfare, the extent and progress of efforts being made to develop the necessary systems, the costs associated with development and application of such systems, and following such hearings, such system may be deemed advisable, any recommendations for additional congressional action necessary to achieve the purposes of this chapter. In gathering information for the purposes of this paragraph and in connection with any hearing, the provisions of section 7607(a) of this title (relating to subpoenas) shall apply.’’

Subsec. (b)(5). Pub. L. 101–549, § 230(3), struck out par. (5) which related to waivers for model years 1981 and 1992 of the effective date of the emissions standard required under par. (1)(A) for carbon monoxide applicable to light-duty vehicles and engines manufactured in those model years.


Subsec. (b)(7). Pub. L. 101–549, § 230(5), struck out par. (7) which read as follows: ‘‘The Congress hereby declares and establishes as a research objective, the development of propulsion systems and emission control technology to achieve standards which represent a reduction of at least 90 per centum from the average emissions of oxides of nitrogen actually measured from light duty motor vehicles manufactured in model year 1971 not subject to any Federal or State emission standards prescribed under this subchapter’’.
standard for oxides of nitrogen. The Administrator shall, by regulations promulgated within one hundred and eighty days after August 7, 1977, require each manufacturer whose sales represent at least 0.5 per centum of light duty motor vehicle sales in the United States, to build and, on a regular basis, demonstrate the operation of light duty motor vehicles that meet this regulatory objective. In addition, any other applicable standards or requirements for other pollutants under this chapter. Such demonstration vehicles shall be submitted to the Administrator no later than model year 1979 and in each model year thereafter. Such demonstration shall, in accordance with applicable regulations, to the greatest extent possible, (A) be designed to encourage the development of new powerplant and emission control technologies that are fuel efficient, (B) assure that the demonstration vehicles are or could reasonably be expected to be within the productive capacity of the manufacturer, and (C) assure the utilization of optimum engine, fuel, and emission control systems.”

Subsec. (d). Pub. L. 101–549, § 203(b)(1), substituted ‘‘provide that except where a different useful life period and light-duty trucks up to 3,750 lbs. LVW and up to is specified in this subchapter’’ for ‘‘provide that’’.

Subsec. (d)(1). Pub. L. 101–549, § 203(b)(2), (3), inserted ‘‘and light-duty trucks up to 3,750 lbs. LVW and up to 6,000 lbs. GVWR after November 15, 1990, where the useful life period is not otherwise specified for such vehicles and engines, the period shall be 10 years or 100,000 miles (or the equivalent), whichever first occurs, with testing for purposes of in-use compliance under section 7541 of this title up to (but not beyond) 7 years or 75,000 miles (or the equivalent), whichever first occurs:’’.

Subsec. (f). Pub. L. 101–549, § 207(f), added (after subsec. (m) at end) subsec. (f) relating to regulations applicable to buses for model years after 1990.

Subsecs. (g) to (l). Pub. L. 101–549, § 203(a), added subsecs. (g) to (l).

Subsecs. (j) to (m). Pub. L. 101–549, §§ 204–207(a), added subsecs. (j) to (m).

1977—Subsec. (a)(1). Pub. L. 95–190, § 14(a)(60), restructured subsec. (a) by providing for designation of par. (1) to precede ‘‘The Administrator’’ in place of ‘‘Except as’’.

Pub. L. 95–95, § 401(d)(1), substituted ‘‘Except as otherwise provided in subsection (b) the Administrator’’ for ‘‘The Administrator’’, ‘‘cause, or contribute to, air pollution which may reasonably be anticipated to endanger public health or welfare’’ for ‘‘causes or contributes to, or is likely to cause or contribute to, air pollution which endangers the public health or welfare’’, and ‘‘useful life (as determined under subsection (d), relating to useful life of vehicles for purposes of certification)’’, whether such vehicles and engines are designed as complete systems or incorporate devices’’ for ‘‘useful life (as determined under subsection (d) whether such vehicles and engines are designed as complete systems or incorporated devices’’.

Subsec. (a)(2). Pub. L. 95–95, § 214(a), substituted ‘‘prescribed under paragraph (1) of this subsection’’ for ‘‘prescribed under this subsection’’.

Subsec. (a)(3). Pub. L. 95–95, § 224(a), added par. (3).

Subsec. (a)(4). Pub. L. 95–95, § 214(a)(61), (62), substituted provisions setting forth applicable periods of from June 1 through Dec. 31, 1978, June 1 through Dec. 31, 1980, and during each period of June 1 through Dec. 31 of each third year thereafter, for provisions setting forth applicable periods of from June 1 through Dec. 31, 1979, and during each period of June 1 through Dec. 31 of each third year after 1979, and substituted ‘‘from any’’ for ‘‘of from any’’.

Subsec. (a)(5). Pub. L. 95–95, § 214(a), added par. (4).

Subsec. (a)(6). Pub. L. 95–95, § 221(a), added par. (6).

Subsec. (b)(1)(A). Pub. L. 95–95, § 201(a), substituted provisions setting the standards for emissions from light-duty vehicles and engines manufactured during the model years 1977 through 1980 for provisions which had set the standards for emissions from light-duty vehicles and engines manufactured during the model years 1975 and 1976, and substituted ‘‘model year 1977’’ for ‘‘model year 1971’’ in provisions requiring a reduction of at least 90 per centum from the emissions allowable under standards for model years 1970, and inserted provisions that, unless waived as provided in par. (5), the standards shall, for vehicles and engines manufactured during or after the model year 1981 represent a reduction of at least 90 per centum from the emissions allowable under standards for model year 1970.

Subsec. (b)(1)(B). Pub. L. 95–190, § 14(a)(64), (65), substituted ‘‘calendar year 1976’’ for ‘‘model year 1976’’ and in cl. (1) substituted ‘‘other’’ for ‘‘United States’’.

Pub. L. 95–95, § 201(b), substituted provisions setting the standards for emissions from light-duty vehicles and engines manufactured during the model years 1977 through 1980 for provisions which had set the standards for emissions from light-duty vehicles and engines manufactured during the model years 1975 through 1977, and substituted provisions that the standards for model years 1981 and after allow emissions of no more than 1.0 gram per vehicle mile for provisions that the standards for model year 1978 and after require a reduction of at least 90 per centum from the average of emissions actually measured from light-duty vehicles manufactured during model year 1971 which were not subject to any Federal or State emission standards for oxides of nitrogen, and inserted provisions directing the Administrator to prescribe separate standards for model years 1981 and 1982 for manufacturers whose production, by corporate identity, for model year 1976 was less than three hundred thousand light-duty motor vehicles worldwide if the manufacturer’s capability to meet emission standards depends upon United States technology and if the manufacturer cannot develop one.


Subsec. (b)(5). Pub. L. 95–95, § 201(c), substituted provisions setting up a procedure under which a manufacturer may apply for a waiver for model years 1981 and 1982 of the effective date of the emission standards for carbon monoxide required by par. (1)(A) for provisions which had set up a procedure under which a manufacturer, after Jan. 1, 1975, could apply for a one-year suspension of the effective date of the emission standard required by par. (1)(A) for model year 1977.

Subsec. (b)(6). Pub. L. 95–95, § 201(b), added par. (6).


Subsec. (d)(2). Pub. L. 95–95, § 224(g), as amended by Pub. L. 95–190, § 14(b)(5), to correct typographical error in directory language, inserted ‘‘(other than motorcycles or motorcycle engines)’’ after ‘‘motor vehicle or motor vehicle engine’’.

Subsec. (d)(3). Pub. L. 95–95, § 224(g), added par. (3).

Subsec. (e). Pub. L. 95–95, § 401(d)(2), substituted ‘‘which in his judgment cause, or contribute to, air pollution which may reasonably be anticipated to endanger public health or welfare’’ for ‘‘which cause or contribute to, or are likely to cause or contribute to, air pollution which endangers the public health or welfare’’, and ‘‘useful life, for model year 1978’’ for ‘‘useful life (as determined under subsection (d) whether such vehicles and engines are designed as complete systems or incorporated devices’’.


Subsec. (b)(5). Pub. L. 93–319, §5(c), (d), substituted in subpar. (A), “At any time after January 1, 1975” for “At any time after January 1, 1972”, “with respect to such manufacturer for light-duty vehicles and engines manufactured in model year 1977” for “with respect to such manufacturer”, “sixty days” for “90 days”, “paragraph (1)(A) of this subsection” for “paragraph (1)(A)”, and “vehicles and engines manufactured during model year 1977” for “vehicles and engines manufactured during model year 1975”, redesignated subpars. (C) to (E) as (B) to (D), respectively, and struck out former subpar. (B) which had allowed manufacturers, at any time after Jan. 1, 1973, to file with the Administrator an application requesting a 1-year suspension of the effective date of any emission standard required by subsec. (b)(1)(B) with respect to such manufacturer.

1970—Subsec. (a). Pub. L. 91–604 redesignated existing provisions as par. (1), substituted Administrator for Secretary as the issuing authority for standards, in subsection (a) to the use of “vehicles and engines manufactured during model year 1975” for “vehicles and engines manufactured during model year 1977”, redesignated subpars. (C) to (E) as (B) to (D), respectively, and struck out former subpar. (B) which had allowed manufacturers, at any time after July 14, 1955, the Clean Air Act, as in effect immediately prior to the date of enactment of Pub. L. 108–26 of title III. The Administrator shall undertake to enter contractual arrangements and conditions necessary to implement this paragraph.

[For termination, effective May 15, 2000, of provisions relating to annual report to Congress in section 403(f) of Pub. L. 95–95, set out above, see section 3003 of Pub. L. 104–66, as amended, set out as a note under section 1119 of Title 31, Money and Finance, and the 2nd item on page 165 of House Document No. 103–7.] STUDY ON EMISSION OF SULFUR-BEARING COMPOUNDS FROM MOTOR VEHICLES AND MOTOR VEHICLE AND AIRCRAFT ENGINES

Pub. L. 95–95, title IV, §403(g), Aug. 7, 1977, 91 Stat. 793, provided that the Administrator of the Environmental Protection Agency conduct a study and report to the Congress by the date one year after Aug. 7, 1977, on the emission of sulfur-bearing compounds from motor vehicles and motor vehicle engines and aircraft engines.

EX. ORD. NO. 13432, COOPERATION AMONG AGENCIES IN PROTECTING THE ENVIRONMENT WITH RESPECT TO GREENHOUSE GAS EMISSIONS FROM MOTOR VEHICLES, NONROAD VEHICLES, AND NONROAD ENGINES

Ex. Ord. No. 13432, May 14, 2007, 72 F.R. 27717, as amended by Ex. Ord. No. 13699, §16(e), Mar. 19, 2015, 80 F.R. 15881, provided:

By the authority vested in me as President by the Constitution and the laws of the United States of America, it is hereby ordered as follows:

SECTION 1. Policy. It is the policy of the United States to ensure the coordinated and effective exercise of the authorities of the President and the heads of the Department of Transportation, the Department of Energy, and the Environmental Protection Agency to protect the environment with respect to greenhouse gas emissions from motor vehicles, nonroad vehicles, and nonroad engines, in a manner consistent with sound science, analysis of benefits and costs, public safety, and economic growth.

2. Definitions. As used in this order:

(a) “agencies” refers to the Department of Transportation, the Department of Energy, and the Environmental Protection Agency, and all units thereof, and “agency” refers to any of them;

(b) “alternative fuels” has the meaning specified for that term in section 301(2) of the Energy Policy Act of 1992 (42 U.S.C. 13211(2));

(c) “authorities” include the Clean Air Act (42 U.S.C. 7401–7671q), the Energy Policy Act of 1992 (Public Law 102–486), the Energy Policy Act of 2005 (Public Law 109–58), the Energy Policy and Conservation Act (Public Law 94–163), and any other current or future laws or regulations that may authorize or require any of the agencies to take regulatory action that directly or indirectly affects emissions of greenhouse gases from motor vehicles;

(d) “greenhouse gases” means carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons, nitrogen trifluoride [N3F6], and sulfur hexafluoride;

(e) “motor vehicle” has the meaning specified for that term in section 216(2) of the Clean Air Act (42 U.S.C. 7550(2));

(f) “nonroad engine” has the meaning specified for that term in section 216(10) of the Clean Air Act (42 U.S.C. 7550(10)).
§ 7522. Prohibited acts

(a) Enumerated prohibitions

The following acts and the causing thereof are prohibited—

(1) In the case of a manufacturer of new motor vehicles or new motor vehicle engines for distribution in commerce, the sale, or the offering for sale, or the introduction, or delivery for introduction, into commerce, or (in the case of any person, except as provided by regulation) the importation into the United States, of any new motor vehicle or new motor vehicle engine, manufactured after the effective date of regulations under this part which are applicable to such vehicle or engine unless such vehicle or engine is covered by a certificate of conformity issued (and in effect) under regulations prescribed under this part or part C in the case of clean-fuel vehicles (except as provided in subsection (b));

(2) (A) for any person to fail or refuse to permit access to or copying of records or to fail to make reports or provide information required under section 7542 of this title;

(B) for any person to fail or refuse to permit entry, testing or inspection authorized under section 7525(c) of this title or section 7542 of this title;

(C) for any person to fail or refuse to perform tests, or have tests performed as required under section 7542 of this title;

(D) for any manufacturer to fail to make information available as provided by regulation under section 7521(m)(5) of this title;

(3) (A) for any person to remove or render inoperative any device or element of design installed on or in a motor vehicle or motor vehicle engine in compliance with regulations under this subchapter prior to its sale and delivery to the ultimate purchaser, or for any person knowingly to remove or render inoperative any such device or element of design after such sale and delivery to the ultimate purchaser;

(B) for any person to manufacture or sell, or offer to sell, or install, any part or component intended for use with, or as part of, any motor vehicle or motor vehicle engine, where a principal effect of the part or component is to bypass, defeat, or render inoperative any device or element of design installed on or in a motor vehicle or motor vehicle engine in compliance with regulations under this subchapter, and

(4) (A) for any manufacturer to fail to make information available as provided by regulation under section 7521(m)(5) of this title;

(B) for any person to fail or refuse to perform tests, or have tests performed as required under section 7542 of this title;

(C) for any person to fail or refuse to permit entry, testing or inspection authorized under section 7525(c) of this title or section 7542 of this title;

(D) for any manufacturer to fail to make information available as provided by regulation under section 7521(m)(5) of this title;

(5) for any person to fail or refuse to make reports or provide information required under section 7542 of this title;
where the person knows or should know that such part or component is being offered for sale or installed for such use or put to such use; or

(4) for any manufacturer of a new motor vehicle or new motor vehicle engine subject to standards prescribed under section 7521 of this title or part C—

(A) to sell or lease any such vehicle or engine unless such manufacturer has complied with (i) the requirements of section 7541(a) and (b) of this title with respect to such vehicle or engine, and unless a label or tag is affixed to such vehicle or engine in accordance with section 7541(c)(3) of this title, or (ii) the corresponding requirements of part C in the case of clean fuel vehicles unless the manufacturer has complied with the corresponding requirements of part C 1

(B) to fail or refuse to comply with the requirements of section 7541(c) or (e) of this title, or the corresponding requirements of part C in the case of clean fuel vehicles; 1

(C) except as provided in subsection (c)(3) of section 7541 of this title and the corresponding requirements of part C in the case of clean fuel vehicles, to provide directly or indirectly in any communication to the ultimate purchaser or any subsequent purchaser that the coverage of any warranty under this chapter is conditioned upon use of any part, component, or system manufactured by such manufacturer or any person acting for such manufacturer or under his control, or conditioned upon service performed by any such person, or

(D) to fail or refuse to comply with the terms and conditions of the warranty under section 7541(a) or (b) of this title or the corresponding requirements of part C in the case of clean fuel vehicles with respect to any vehicle; or

(5) for any person to violate section 7533 of this title, 7554 of this title, or part C of this subchapter or any regulations under section 7553 of this title, 7554 of this title, or part C.

No action with respect to any element of design referred to in paragraph (3) (including any adjustment or alteration of such element) shall be treated as a prohibited act under such paragraph if (i) the action is for the purpose of repair or replacement of the device or element, or is a necessary and temporary procedure to repair or replace any other item and the device or element is replaced upon completion of the procedure, and (ii) such action thereafter results in

the proper functioning of the device or element referred to in paragraph (3). No action with respect to any device or element of design referred to in paragraph (3) shall be treated as a prohibited act under that paragraph if the action is for the purpose of a conversion of a motor vehicle engine for use of a clean alternative fuel (as defined in this subchapter) and if such vehicle complies with the applicable standard under section 7521 of this title when operating on such fuel, and if in the case of a clean alternative fuel vehicle (as defined by rule by the Administrator), the device or element is replaced upon completion of the conversion procedure and such action results in proper functioning of the device or element when the motor vehicle operates on conventional fuel.

(b) Exemptions; refusal to admit vehicle or engine into United States; vehicles or engines intended for export

(1) The Administrator may exempt any new motor vehicle or new motor vehicle engine, from subsection (a), upon such terms and conditions as he may find necessary for the purpose of research, investigations, studies, demonstrations, or training, or for reasons of national security.

(2) A new motor vehicle or new motor vehicle engine offered for importation or imported by any person in violation of subsection (a) shall be refused admission into the United States, but the Secretary of the Treasury and the Administrator may, by joint regulation, provide for deferring final determination as to admission and authorizing the delivery of such a motor vehicle or engine offered for import to the owner or consignee thereof upon such terms and conditions (including the furnishing of a bond) as may appear to them appropriate to insure that any such motor vehicle or engine will be brought into conformity with the standards, requirements, and limitations applicable to it under this part. The Secretary of the Treasury shall, if a motor vehicle or engine is finally refused admission under this paragraph, cause disposition thereof in accordance with the customs laws unless it is exported, under regulations prescribed by such Secretary, within ninety days of the date of notice of such refusal or such additional time as may be permitted pursuant to such regulations, except that disposition in accordance with the customs laws may not be made in such manner as may result, directly or indirectly, in the sale, to the ultimate consumer, of a new motor vehicle or new motor vehicle engine that fails to comply with applicable standards of the Administrator under this part.

(3) A new motor vehicle or new motor vehicle engine intended solely for export, and so labeled or tagged on the outside of the container and on the vehicle or engine itself, shall be subject to the provisions of subsection (a), except that if the country which is to receive such vehicle or engine has emission standards which differ from the standards prescribed under section 7521 of this title, such vehicle or engine shall comply with the standards of such country which is to receive such vehicle or engine.

CODIFICATION

Section was formerly classified to section 1857f–2 of this title.

AMENDMENTS

1990—Subsec. (a). Pub. L. 101–549, § 228(b)(2), inserted two sentences at end which set forth conditions under which actions with respect to devices or elements of design, referred to in par. (3), would not be deemed prohibited acts.

Subsec. (a)(1). Pub. L. 101–549, § 228(e)(1), inserted “or part C in the case of clean-fuel vehicles” before “except”.

Subsec. (a)(2). Pub. L. 101–549, § 228(a), amended par. (2) generally. Prior to amendment, par. (2) read as follows: “(A) for any person to remove or render inoperative any device or element of design after such sale and delivery to the ultimate purchaser; or

(B) for any person engaged in the business of repairing, servicing, selling, leasing, or trading motor vehicles or motor vehicle engines, or who operates a fleet of motor vehicles, knowingly to remove or render inoperative any such device or element of design after such sale and delivery to the ultimate purchaser; or

(2) generally. Prior to amendment, par. (2) read as follows: “(A) for any person to remove or render inoperative any device or element of design installed on or in a motor vehicle or motor vehicle engine in compliance with regulations under this subchapter prior to its sale and delivery to the ultimate purchaser, or for any manufacturer or dealer knowingly to remove or render inoperative any such device or element of design after such sale and delivery to the ultimate purchaser; or

(3) generally. Prior to amendment, par. (3) read as follows: “(A) for any person to remove or render inoperative any device or element of design installed on or in a motor vehicle or motor vehicle engine in compliance with regulations under this subchapter following its sale and delivery to the ultimate purchaser; or

(B) for any person engaged in the business of repairing, servicing, selling, leasing, or trading motor vehicles or motor vehicle engines, or who operates a fleet of motor vehicles, knowingly to remove or render inoperative any such device or element of design after such sale and delivery to the ultimate purchaser; or

(4) generally. Prior to amendment, par. (4) read as follows: “(A) for any person to remove or render inoperative any device or element of design installed on or in a motor vehicle or motor vehicle engine in compliance with regulations under this subchapter following its sale and delivery to the ultimate purchaser, or

(B) for any person engaged in the business of repairing, servicing, selling, leasing, or trading motor vehicles or motor vehicle engines, or who operates a fleet of motor vehicles, knowingly to remove or render inoperative any such device or element of design after such sale and delivery to the ultimate purchaser; or

(5). Pub. L. 101–549, § 228(e)(7), added par. (5).

Subsec. (c). Pub. L. 101–549, § 230(6), struck out subsec. (c) which related to exemptions to permit modifications or emission control devices or systems.


Pub. L. 95–95, §§ 206, 211(a), 218(a), 219(a), (b), inserted “or for any person to fail or refuse to permit entry, testing, or inspection authorized under section 7525(c) of this title” in par. (2), designated existing provisions of par. (3) as subpar. (A) and added subpar. (B), added subparas. (C) and (D) in par. (4). In following par. (4), inserted provisions that no action with respect to any element of design referred to in par. (3) (including ad-

justment or alteration of such element) be treated as a prohibited act under par. (3) if the action is in accordance with section 7549 of this title and that nothing in par. (3) be construed to require the use of manufacturer parts in maintaining or repairing motor vehicles or motor vehicle engines.


Subsec. (b)(3). Pub. L. 95–95, § 218(d), substituted “section 7521 of this title” for “subsection (a)” and “country which is to receive such vehicle or engine” for “country of export”.

1970—Subsec. (a)(1). Pub. L. 91–604, § 7(a)(1), struck out reference to the manufacture of new motor vehicles or new motor vehicle engines for sale, inserted provision for issuance by the Administrator of regulations regarding exceptions in the case of importation of new motor vehicles or new motor vehicle engines, and substituted “importation” into the United States of such units for “importation for sale or resale” into the United States of such units.

Subsec. (a)(2). Pub. L. 91–604, § 7(a)(2), substituted “section 238” for “section 207”, both of which, for purposes of codification, are translated as “section 7542 of this title”.

Subsec. (a)(3). Pub. L. 91–604, §§ 7(a)(3), 11(a)(2)(A), substituted “part” for “subchapter” and inserted provisions prohibiting the knowing removal or inoperation by manufacturers or dealers of devices or elements of design after sale and delivery to the ultimate purchaser.


Subsec. (b)(1). Pub. L. 91–604, §§ 7(a)(5), 15(e)(2), struck out reference to the exemption of a class of nonmotor vehicles or new motor vehicle engines, struck out the protection of the public health and welfare from the enumeration of purposes for which exemptions may be made, and substituted “Administrator” for “Secretary”.


Subsec. (b)(3). Pub. L. 91–604, § 7(a)(7)(A), inserted provision that, if the country of export has emission standards which differ from the standards prescribed under subsec. (a), such vehicle or engine must comply with the standards of such country of export.


1967—Subsec. (a). Pub. L. 90–148 substituted “conformity with regulations prescribed under this subchapter” for “conformity with regulations prescribed under section 7521 of this title” in par. (1).

EFFECTIVE DATE OF 1977 AMENDMENT

Amendment by Pub. L. 95–95 effective Aug. 7, 1977, except as otherwise expressly provided, see section 406(d) of Pub. L. 95–95, set out as a note under section 7401 of this title.

MODIFICATION OR RESCISSION OF RULES, REGULATIONS, ORDERS, DETERMINATIONS, CONTRACTS, CERTIFICATIONS, AUTHORIZATIONS, DELEGATIONS, AND OTHER ACTIONS

All rules, regulations, orders, determinations, contracts, certifications, authorizations, delegations, or other actions duly issued, made, or taken by or pursuant to act July 14, 1955, the Clean Air Act, as in effect immediately prior to the date of enactment of Pub. L. 95–95 [Aug. 7, 1977] to continue in full force and effect until modified or rescinded in accordance with act July 14, 1955, as amended by Pub. L. 95–95 [this chapter], see section 306(a) of Pub. L. 95–95, set out as an Effective Date of 1977 Amendment note under section 7401 of this title.
§ 7523. Actions to restrain violations

(a) Jurisdiction

The district courts of the United States shall have jurisdiction to restrain violations of section 7522(a) of this title.

(b) Actions brought by or in name of United States; subpoenas

Actions to restrain such violations shall be brought by and in the name of the United States. In any such action, subpoenas for witnesses who are required to attend a district court in any district may run into any other district.


CODIFICATION

Section was formerly classified to section 1857f–3 of this title.

AMENDMENTS


EFFECTIVE DATE OF 1977 AMENDMENT

Amendment by Pub. L. 95–95 effective Aug. 7, 1977, except as otherwise expressly provided, see section 406(d) of Pub. L. 95–95, set out as a note under section 7401 of this title.

PENDING ACTIONS AND PROCEEDINGS

Suits, actions, and other proceedings lawfully commenced by or against the Administrator or any other officer or employee of the United States in his official capacity or in relation to the discharge of his official duties under act July 14, 1955, the Clean Air Act, as in effect immediately prior to the enactment of Pub. L. 95–95 [Aug. 7, 1977], not to abate by reason of the taking effect of Pub. L. 95–95, see section 406(a) of Pub. L. 95–95, set out as an Effective Date of 1977 amendment note under section 7401 of this title.

§ 7524. Civil penalties

(a) Violations

Any person who violates sections 7522(a)(1), 7522(a)(4), or 7522(a)(5) of this title or any manufacturer or dealer who violates section 7522(a)(3)(A) of this title shall be subject to a civil penalty of not more than $25,000. Any person other than a manufacturer or dealer who violates section 7522(a)(3)(A) of this title or any person who violates section 7522(a)(3)(B) of this title shall be subject to a civil penalty of not more than $2,500. Any such violation with respect to paragraph (1), (3)(A), or (4) of section 7522(a) of this title shall constitute a separate offense with respect to each motor vehicle or motor vehicle engine. Any such violation with respect to section 7522(a)(3)(B) of this title shall constitute a separate offense with respect to each part or component. Any person who vio-

lates section 7522(a)(2) of this title shall be subject to a civil penalty of not more than $25,000 per day of violation.

(b) Civil actions

The Administrator may commence a civil action to assess and recover any civil penalty under subsection (a) of this section, section 7545(d) of this title, or section 7547(d) of this title. Any action under this subsection may be brought in the district court of the United States for the district in which the violation is alleged to have occurred or in which the defendant resides or has the Administrator’s principal place of business, and the court shall have jurisdiction to assess a civil penalty. The amount of any civil penalty to be assessed under this subsection, the court shall take into account the gravity of the violation, the economic benefit or savings (if any) resulting from the violation, the size of the violator’s business, the violator’s history of compliance with this subchapter, action taken to remedy the violation, the effect of the penalty on the violator’s ability to continue in business, and such other matters as justice may require. In any such action, subpoenas for witnesses who are required to attend a district court in any district may run into any other district.

(c) Administrative assessment of certain penalties

(1) Administrative penalty authority

In lieu of commencing a civil action under subsection (b), the Administrator may assess any civil penalty prescribed in subsection (a) of this section, section 7545(d) of this title, or section 7547(d) of this title, except that the maximum amount of penalty which may be imposed under this section, section 7545(d) of this title, or section 7547(d) of this title, except that the maximum amount of penalty which may be imposed under this section, section 7545(d) of this title, or section 7547(d) of this title, except that the maximum amount of penalty which may be imposed under this section, section 7545(d) of this title, or section 7547(d) of this title, except that the maximum amount of penalty which may be imposed under this section, section 7545(d) of this title, or section 7547(d) of this title, except that the maximum amount of penalty which may be imposed under this section, section 7545(d) of this title, or section 7547(d) of this title, except that the maximum amount of penalty which may be imposed under this section.

(2) Determining amount

In determining the amount of any civil penalty assessed under this subsection, the Administrator shall take into account the gravity of the violation, the economic benefit or savings (if any) resulting from the violation, the size of the violator’s business, the viola-

---

1So in original. Probably should be “section”. 
§ 7525  TITLE 42—THE PUBLIC HEALTH AND WELFARE

Effect of Administrator's action

(3) Effect of Administrator's action

(A) Action by the Administrator under this subsection shall not affect or limit the Administrator's authority to enforce any provision of this chapter; except that any violation, (i) with respect to which the Administrator has commenced and is diligently prosecuting an action under this subsection, or (ii) for which the Administrator has issued a final order not subject to further judicial review and the violator has paid a penalty assessment under this subsection, shall not be the subject of civil penalty action under subsection (b).

(B) No action by the Administrator under this subsection shall affect any person's obligation to comply with any section of this chapter.

Finality of order

(4) Finality of order

An order issued under this subsection shall become final 30 days after its issuance unless a petition for judicial review is filed under paragraph (5).

Judicial review

(5) Judicial review

Any person against whom a civil penalty is assessed in accordance with this subsection may seek review of the assessment in the United States District Court for the District of Columbia, or for the district in which the violation is alleged to have occurred, in which such person resides, or where such person's principal place of business is located, within the 30-day period beginning on the date a civil penalty order is issued. Such person shall simultaneously send a copy of the filing by certified mail to the Administrator and the Attorney General. The Administrator shall file in the court a certified copy, or certified index, as appropriate, of the record on which the order was issued within 30 days. The court shall not set aside or remand any order issued in accordance with the requirements of this subsection unless there is not substantial evidence in the record, taken as a whole, to support the finding of a violation or unless the Administrator's assessment of the penalty constitutes an abuse of discretion, and the court shall not impose additional civil penalties unless the Administrator's assessment of the penalty constitutes an abuse of discretion. In any proceedings, the United States may seek to recover civil penalties assessed under this section.

Collection

(6) Collection

If any person fails to pay an assessment of a civil penalty imposed by the Administrator as provided in this subsection—

(A) after the order making the assessment has become final, or

(B) after a court in an action brought under paragraph (5) has entered a final judgment in favor of the Administrator,

the Administrator shall request the Attorney General to bring a civil action in an appropriate district court to recover the amount assessed (plus interest at rates established pursuant to section 6621(a)(2) of title 26 from the date of the final order or the date of the final judgment, as the case may be). In such an action, the validity, amount, and appropriate-ness of the penalty shall not be subject to review. Any person who fails to pay on a timely basis the amount of an assessment of a civil penalty as described in the first sentence of this paragraph shall be required to pay, in addition to that amount and interest, the United States' enforcement expenses, including attorneys' fees and costs for collection proceedings, and a quarterly nonpayment penalty for each quarter during which such failure to pay persists. The nonpayment penalty shall be in an amount equal to 10 percent of the aggregate amount of that person's penalties and nonpayment penalties which are unpaid as of the beginning of such quarter.

Computation

Section was formerly classified to section 1857f-4 of this title.

Amendments

1990—Pub. L. 101–549 amended section generally. Prior to amendment, section read as follows: “Any person who violates paragraph (1), (2), or (4) of section 7522(a) of this title or any manufacturer, dealer, or other person who violates paragraph (3)(A) of section 7522(a) of this title shall be subject to a civil penalty of not more than $10,000. Any person who violates paragraph (3)(B) of such section 7522(a) shall be subject to a civil penalty of not more than $2,500. Any such violation with respect to paragraph (1), (3), or (4) of section 7522(a) of this title shall constitute a separate offense with respect to each motor vehicle or motor vehicle engine.”

1977—Pub. L. 95–95 substituted “Any person who violates paragraph (1), (2), or (4) of section 7522(a) of this title, or any manufacturer, dealer, or other person who violates paragraph (3)(A) of section 7522(a) of this title” for “Any person who violates paragraph (1), (2), (3), or (4) of section 7522(a) of this title” in provisions covering the civil penalty of $10,000, and inserted provisions for a civil penalty of not more than $2,500 for violations of par. (3)(B) of section 7522(a) of this title.

1970—Pub. L. 91–604 increased the upper limit of the allowable fine from $1,000 to $10,000.


Effective date of 1977 amendment

Amendment by Pub. L. 95–95 effective Aug. 7, 1977, except as otherwise expressly provided, see section 406(d) of Pub. L. 95–95, set out as a note under section 7401 of this title.

§ 7525. Motor vehicle and motor vehicle engine

compliance testing and certification

(a) Testing and issuance of certificate of conformity

(1) The Administrator shall test, or require to be tested in such manner as he deems appropriate, any new motor vehicle or new motor ve-
vehicle engine submitted by a manufacturer to determine whether such vehicle or engine conforms with the regulations prescribed under section 7521 of this title. If such vehicle or engine conforms to such regulations, the Administrator shall issue a certificate of conformity upon such terms, and for such period (not in excess of one year), as he may prescribe. In the case of any original equipment manufacturer (as defined by the Administrator in regulations promulgated before November 15, 1990) of vehicles or vehicle engines whose projected sales in the United States for any model year (as determined by the Administrator) will not exceed 300, the Administrator shall not require, for purposes of determining compliance with regulations under section 7521 of this title for the useful life of the vehicle or engine, operation of any vehicle or engine manufactured during such model year for more than 5,000 miles or 160 hours, respectively, unless the Administrator, by regulation, prescribes otherwise. The Administrator shall apply any adjustment factors that the Administrator deems appropriate to assure that each vehicle or engine will comply during its useful life (as determined under section 7521(d) of this title) with the regulations prescribed under section 7521 of this title.

(2) The Administrator shall test any emission control system incorporated in a motor vehicle or motor vehicle engine submitted to him by any person, in order to determine whether such system enables such vehicle or engine to conform to the standards required to be prescribed under section 7521(b) of this title. If the Administrator finds on the basis of such tests that such vehicle or engine conforms to such standards, the Administrator shall issue a verification of compliance with emission standards for such system when incorporated in vehicles of a class of which the tested vehicle is representative. He shall inform manufacturers and the National Academy of Sciences, and make available to the public, the results of such tests. Tests under this paragraph shall be conducted under such terms and conditions (including requirements for preliminary testing by qualified independent laboratories) as the Administrator may prescribe by regulations.

(3)(A) A certificate of conformity may be issued under this section only if the Administrator determines that the manufacturer (or in the case of a vehicle or engine for import, any person) has established to the satisfaction of the Administrator that the vehicle or engine is produced, or the motor vehicle engine is installed in a vehicle, in accordance with the regulations prescribed. In the case of a vehicle or engine conforming to applicable requirements of section 7521(a)(4) of this title:

(B) The Administrator may conduct such tests and may require the manufacturer (or any such person) to conduct such tests and provide such information as is necessary to carry out subparagraph (A) of this paragraph. Such requirements shall include a requirement for prompt reporting of the emission of any unregulated pollutant from a system, device, or element of design if such pollutant was not emitted, or was emitted in significantly lesser amounts, from the vehicle or engine without use of the system, device, or element of design.

(4)(A) Not later than 12 months after November 15, 1990, the Administrator shall revise the regulations promulgated under this subsection to add test procedures capable of determining whether model year 1994 and later model year light-duty vehicles and light-duty trucks, when properly maintained and used, will pass the inspection methods and procedures established under section 7541(b) of this title for that model year, under conditions reasonably likely to be encountered in the conduct of inspection and maintenance programs, but which, those regulations cannot reasonably influence or control. The conditions shall include fuel characteristics, ambient temperature, and short (30 minutes or less) waiting periods before tests are conducted. The Administrator shall not grant a certificate of conformity under this subsection for any 1994 or later model year vehicle or engine that the Administrator concludes cannot pass the test procedures established under this paragraph.

(B) From time to time, the Administrator may revise the regulations promulgated under subparagraph (A), as the Administrator deems appropriate.

(5)(A) A motor vehicle engine (including all engine emission controls) may be installed in an exempted specially produced motor vehicle if the motor vehicle engine is from a motor vehicle that is covered by a certificate of conformity issued by the Administrator for the model year in which the exempted specially produced motor vehicle is produced, or the motor vehicle engine is covered by an Executive order subject to regulations promulgated by the California Air Resources Board for the model year in which the exempted specially produced motor vehicle is produced, and—

(i) the manufacturer of the engine supplies written instructions to the Administrator and the manufacturer of the exempted specially produced motor vehicle explaining how to install the engine and maintain functionality of the engine’s emission control system and the on-board diagnostic system (commonly known as “OBD”), except with respect to evaporative emissions;

(ii) the manufacturer of the exempted specially produced motor vehicle installs the engine in accordance with such instructions and certifies such installation in accordance with subparagraph (E);

(iii) the installation instructions include emission control warranty information from the engine manufacturer in compliance with section 7541 of this title, including where warranty repairs can be made, emission control labels to be affixed to the vehicle, and the certificate of conformity number for the applicable vehicle in which the engine was originally intended or the applicable Executive order number for the engine; and

(iv) the manufacturer of the exempted specially produced motor vehicle does not produce more than 325 such vehicles in the calendar year in which the vehicle is produced.

(B) A motor vehicle containing an engine compliant with the requirements of subparagraph (A) shall be treated as meeting the requirements of section 7521 of this title applicable to new ve-
§ 7525  TITLE 42—THE PUBLIC HEALTH AND WELFARE  Page 6722

vehicles produced or imported in the model year in which the exempted specially produced motor vehicle is produced or imported.

(C) Engine installations that are not performed in accordance with installation instructions provided by the engine manufacturer and alterations to the engine not in accordance with the installation instructions shall—

(i) be treated as prohibited acts by the installer under section 7522 of this title and any applicable regulations; and

(ii) subject to civil penalties under section 7524(a) of this title, civil actions under section 7524(b) of this title, and administrative assessment of penalties under section 7524(c) of this title.

(D) The manufacturer of an exempted specially produced motor vehicle that has an engine compliant with the requirements of subparagraph (A) shall provide to the purchaser of such vehicle all information received by the manufacturer from the engine manufacturer, including information regarding emissions warranties from the engine manufacturer and all emissions-related recalls by the engine manufacturer.

(E) To qualify to install an engine under this paragraph, and sell, offer for sale, introduce into commerce, deliver for introduction into commerce or import an exempted specially produced motor vehicle, a manufacturer of exempted specially produced motor vehicles shall register with the Administrator at such time and in such manner as the Administrator determines appropriate. The manufacturer shall submit an annual report to the Administrator that includes—

(i) a description of the exempted specially produced motor vehicles and engines installed in such vehicles;

(ii) the certificate of conformity number issued to the motor vehicle in which the engine was originally intended or the applicable Executive order number for the engine; and

(iii) a certification that it produced all exempted specially produced motor vehicles according to the written instructions from the engine manufacturer, and otherwise that the engine conforms in all material respects to the description in the application for the applicable certificate of conformity or Executive order.

(F) Exempted specially produced motor vehicles compliant with this paragraph shall be exempted from—

(i) motor vehicle certification testing under this section; and

(ii) vehicle emission control inspection and maintenance programs required under section 7410 of this title.

(G)(i) Except as provided in subparagraphs (A) through (F), a person engaged in the manufacturing or assembling of exempted specially produced motor vehicles shall be considered a manufacturer for purposes of this chapter.

(ii) Nothing in this paragraph shall be construed to exempt any person from the prohibitions in section 7522(a)(8) of this title or the requirements in sections 7542, 7525(c), or 7521(m)(6) of this title.

(H) In this paragraph:

(i) The term "exempted specially produced motor vehicle" means a light-duty vehicle or light-duty truck produced by a low-volume manufacturer and that—

(I) is intended to resemble the body of another motor vehicle that was manufactured not less than 25 years before the manufacture of the exempted specially produced motor vehicle; and

(II) is manufactured under a license for the product configuration, trade dress, trademark, or patent, for the motor vehicle that is intended to be replicated from the original manufacturer, its successors or assignees, or current owner of such product configuration, trade dress, trademark, or patent rights.

(ii) The term "low-volume manufacturer" means a motor vehicle manufacturer, other than a person who is registered as an importer under section 30141 of title 49, whose annual worldwide production, including by a parent or subsidiary of the manufacturer, if applicable, is not more than 5,000 motor vehicles.

(b) Testing procedures; hearing; judicial review; additional evidence

(1) In order to determine whether new motor vehicles or new motor vehicle engines being manufactured by a manufacturer do in fact conform with the regulations with respect to which the certificate of conformity was issued, the Administrator is authorized to test such vehicles or engines. Such tests may be conducted by the Administrator directly or, in accordance with conditions specified by the Administrator, by the manufacturer.

(2)(A)(i) If, based on tests conducted under paragraph (1) on a sample of new vehicles or engines covered by a certificate of conformity, the Administrator determines that all or part of the vehicles or engines so covered do not conform with the regulations with respect to which the certificate of conformity was issued and with the requirements of section 7521(a)(4) of this title, he shall issue a certificate of conformity applicable to such vehicle or engine.

(ii) The term "low-volume manufacturer" means a motor vehicle manufacturer, other than a person who is registered as an importer under section 30141 of title 49, whose annual worldwide production, including by a parent or subsidiary of the manufacturer, if applicable, is not more than 5,000 motor vehicles.

(B)(i) At the request of any manufacturer the Administrator shall grant such manufacturer a
hearing as to whether the tests have been properly conducted or any sampling methods have been properly applied, and make a determination on the record with respect to any suspension or revocation under subparagraph (A); but suspension or revocation under subparagraph (A) shall not be stayed by reason of such hearing.

(ii) In any case of actual controversy as to the validity of any determination under clause (i), the manufacturer may at any time prior to the 60th day after such determination is made file a petition with the United States court of appeals for the circuit wherein such manufacturer resides or has his principal place of business for a judicial review of such determination. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Administrator or other officer designated by him for that purpose. The Administrator thereupon shall file in the court the record of the proceedings on which the Administrator based his determination, as provided in section 2112 of title 28.

(iii) If the petitioner applies to the court for leave to adduce additional evidence, and shows to the satisfaction of the court that such additional evidence is material and that there were reasonable grounds for the failure to adduce such evidence in the proceeding before the Administrator, the court may order such additional evidence (and evidence in rebuttal thereof) to be taken before the Administrator, in such manner and upon such terms and conditions as the court may deem proper. The Administrator may modify his findings as to the facts, or make new findings, by reason of the additional evidence so taken and he shall file such modified or new findings, and his recommendation, if any, for the modification or setting aside of his original determination, with the return of such additional evidence.

(iv) Upon the filing of the petition referred to in clause (ii), the court shall have jurisdiction to review the order in accordance with chapter 7 of title 5 and to grant appropriate relief as provided in such chapter.

(c) Inspection

For purposes of enforcement of this section, officers or employees duly designated by the Administrator, upon presenting appropriate credentials to the manufacturer or person in charge, are authorized (1) to enter, at reasonable times, any plant or other establishment of such manufacturer, for the purpose of conducting tests of vehicles or engines in the hands of the manufacturer, or (2) to inspect, at reasonable times, records, files, papers, processes, controls, and facilities used by such manufacturer in conducting tests under regulations of the Administrator. Each such inspection shall be commenced and completed with reasonable promptness.

(d) Rules and regulations

The Administrator shall by regulation establish methods and procedures for making tests under this section.

(e) Publication of test results

The Administrator shall make available to the public the results of his tests of any motor vehicle or motor vehicle engine submitted by a manufacturer under subsection (a) as promptly as possible after December 31, 1970, and at the beginning of each model year which begins thereafter. Such results shall be described in such nontechnical manner as will reasonably disclose to prospective ultimate purchasers of new motor vehicles and new motor vehicle engines the comparative performance of the vehicles and engines tested in meeting the standards prescribed under section 7521 of this title.

(f) High altitude regulations

All light duty1 vehicles and engines manufactured during or after model year 1984 and all light-duty trucks manufactured during or after model year 1995 shall comply with the requirements of section 7521 of this title regardless of the altitude at which they are sold.

(g) Nonconformance penalty

(1) In the case of any class or category of heavy-duty vehicles or engines to which a standard promulgated under section 7521(a) of this title applies, except as provided in paragraph (2), a certificate of conformity shall be issued under subsection (a) and shall not be suspended or revoked under subsection (b) for such vehicles or engines manufactured by a manufacturer notwithstanding the failure of such vehicles or engines to meet such standard if such manufacturer pays a nonconformance penalty as provided under regulations promulgated by the Administrator after notice and opportunity for public hearing. In the case of motorcycles to which such a standard applies, such a certificate may be issued notwithstanding such failure if the manufacturer pays such a penalty.

(2) No certificate of conformity may be issued under paragraph (1) with respect to any class or category of vehicle or engine if the degree by which the manufacturer fails to meet any standard promulgated under section 7521(a) of this title with respect to such class or category exceeds the percentage determined under regulations promulgated by the Administrator to be practicable. Such regulations shall require such testing of vehicles or engines being produced as may be necessary to determine the percentage of the classes or categories of vehicles or engines which are not in compliance with the regulations with respect to which a certificate of conformity was issued and shall be promulgated not later than one year after August 7, 1977.

(3) The regulations promulgated under paragraph (1) shall, not later than one year after August 7, 1977, provide for nonconformance penalties in amounts determined under a formula established by the Administrator. Such penalties under such formula—

(A) may vary from pollutant-to-pollutant;

(B) may vary by class or category of vehicle or engine;

(C) shall take into account the extent to which actual emissions of any air pollutant exceed allowable emissions under the standards promulgated under section 7521 of this title;

(D) shall be increased periodically in order to create incentives for the development of production vehicles or engines which achieve the required degree of emission reduction; and

1 So in original. Probably should be “light-duty”.

§ 7525
(E) shall remove any competitive disadvantage to manufacturers whose engines or vehicles achieve the required degree of emission reduction (including any such disadvantage arising from the application of paragraph (4)).

(4) In any case in which a certificate of conformity has been issued under this subsection, any warranty required under section 7541(b)(2) of this title and any action under section 7541(c) of this title shall be required to be effective only for the emission levels which the Administrator determines that such certificate was issued and not for the emission levels required under the applicable standard.

(5) The authorities of section 7542(a) of this title shall apply, subject to the conditions of section 7542(b) of this title, for purposes of this subsection.

(h) Review and revision of regulations

Within 18 months after November 15, 1990, the Administrator shall review and revise as necessary the regulations under subsection 3 (a) and (b) of this section regarding the testing of motor vehicles and motor vehicle engines to insure that vehicles are tested under circumstances which reflect the actual current driving conditions under which motor vehicles are used, including conditions relating to fuel, temperature, acceleration, and altitude.

(july 14, 1955, ch. 360, title ii, § 206, as added pub. l. 91–604, § 8(a), dec. 31, 1970, 84 stat. 1694; amended pub. l. 95–95, title ii, §§ 213(a), 214(b), (c), 220, 224(e), aug. 7, 1977, 91 stat. 758–760, 762, 766; pub. l. 95–190, § 14(a)(6), nov. 16, 1977, 91 stat. 1403; pub. l. 101–549, title ii, §§ 208, 230(7), (b), nov. 15, 1990, 104 stat. 2483, 2529; pub. l. 114–94, div. b, title xxiv, § 24405(b), dec. 4, 2015, 129 stat. 1723.)

References in text

section 7542 of this title, referred to in subsec. (g)(5), was amended generally by pub. l. 101–549, title ii, § 211, nov. 15, 1990, 104 stat. 2483, and provisions formerly contained in section 7542(b) of this title are contained in section 7542(c).

Codification

section was formerly classified to section 1857f–5 of this title.

Prior provisions

a prior section 206 of act july 14, 1955, related to testing of motor vehicles and motor vehicle engines and was classified to section 1857f–5 of this title, prior to repeal by pub. l. 91–604.

Amendments


1990—subsec. (a)(1). pub. l. 101–549, § 208(b), inserted new third sentence and struck out former third sentence which read as follows: "in the case of any manufacturer of vehicles or vehicle engines whose projected sales in the united states for any model year (as determined by the administrator) will not exceed three hundred, the regulations prescribed by the administrator concerning testing by the manufacturer for purposes of determining compliance with regulations under section 7522 of this title for the useful life of the vehicle or engine shall not require operation of any vehicle or engine manufactured during such model year for more than five thousand miles or one hundred and sixty hours, respectively, but the administrator shall apply such adjustment factors as he deems appropriate to assure that each such vehicle or engine will comply during its useful life (as determined under section 7521(d) of this title) with the regulations prescribed under section 7523 of this title.


subsec. (e). pub. l. 101–549, § 230(7), struck out "announce in the federal register and" after "the administrator shall"

subsec. (f). pub. l. 101–549, § 230(8), struck out par. (1) designation before "all light duty vehicles", inserted reference to all light-duty trucks manufactured during or after model year 1985, and struck out par. (2) which required the administrator to report to congress by oct. 1, 1978, on the economic impact and technological feasibility of the requirements of former par. (1).


subsec. (a)(3). pub. l. 95–95, § 214(b), added par. (3).

subsec. (b)(2)(a)(i). pub. l. 95–95, § 214(c)(1), (2), substituted "certificate of conformity was issued and with the requirements of section 7521(a)(4) of this title, he may suspend" for "certificate of conformity was issued, he may suspend" and "such regulations and requirements" for "such regulations".

subsec. (b)(2)(a)(ii). pub. l. 95–95, § 214(c)(2), substituted "such regulations and requirements" for "such regulations".

subsec. (f). pub. l. 95–95, § 213(a), added subsec. (f).

subsec. (g). pub. l. 95–95, § 223(e), added subsec. (g).

subsec. (g)(3)(d). pub. l. 95–190 inserted "shall" before "be".

effective date of 1977 amendment

amendment by pub. l. 95–95 effective aug. 7, 1977, except as otherwise expressly provided, see section 406 of pub. l. 95–95, set out as a note under section 7401 of this title.

effective date

pub. l. 91–604, § 8(b), dec. 31, 1970, 84 stat. 1698, provided that: "the amendments made by this section [enacting this section and section 7541 of this title] shall not apply to vehicles or engines imported into the united states before the sixtieth day after the date of enactment of this act [dec. 31, 1970]."

regulations

pub. l. 114–94, div. b, title xxiv, § 24405(c), dec. 4, 2015, 129 stat. 1725, provided that: "not later than 12 months after the date of enactment of this act [dec. 4, 2015], the secretary of transportation and the administrator of the environmental protection agency shall issue such regulations as may be necessary to implement the amendments made by subsections (a) [amending section 30114 of title 49, transportation] and (b) [amending this section], respectively."
§ 7541. Compliance by vehicles and engines in actual use

(a) Warranty; certification; payment of replacement costs of parts, devices, or components designed for emission control

(1) Effective with respect to vehicles and engines manufactured in model years beginning more than 60 days after December 31, 1970, the manufacturer of each new motor vehicle and new motor vehicle engine shall warrant to the ultimate purchaser and each subsequent purchaser that such vehicle or engine is (A) designed, built, and equipped so as to conform at the time of sale with applicable regulations under section 7521 of this title, and (B) free from defects in materials and workmanship which cause such vehicle or engine to fail to conform with applicable regulations for its useful life (as determined under section 7521(d) of this title). In the case of vehicles and engines manufactured in the model year 1995 and thereafter such warranty shall require that the vehicle or engine is free from any such defects for the warranty period provided under subsection (i).

(2) In the case of a motor vehicle part or motor vehicle engine part, the manufacturer or rebuilder of such part may certify that use of such part will not result in a failure of the vehicle or engine to comply with emission standards promulgated under section 7521 of this title. Such certification shall be made only under such regulations as may be promulgated by the Administrator to carry out the purposes of subsection (b). The Administrator shall promulgate such regulations no later than two years following August 7, 1977.

(3) The cost of any part, device, or component of any light-duty vehicle that is designed for emission control and which in the instructions issued pursuant to subsection (c)(3) of this section is scheduled for replacement during the useful life of the vehicle in order to maintain compliance with regulations under section 7521 of this title, the failure of which shall not interfere with the normal performance of the vehicle, and the expected retail price of which, including installation costs, is greater than 2 percent of the suggested retail price of such vehicle, shall be borne or reimbursed at the time of replacement by the vehicle manufacturer and such replacement shall be provided without cost to the ultimate purchaser, subsequent purchaser, or dealer. The term “designed for emission control” as used in the preceding sentence means a catalytic converter, thermal reactor, or other component installed on or in a vehicle for the sole or primary purpose of reducing vehicle emissions (not including those vehicle components which were in general use prior to model year 1968 and the primary function of which is not related to emission control).

(b) Testing methods and procedures

If the Administrator determines that (i) there are available testing methods and procedures to ascertain whether, when in actual use throughout its warranty period (as determined under subsection (i)), each vehicle and engine to which regulations under section 7521 of this title apply complies with the emission standards of such regulations, (ii) such methods and procedures are in accordance with good engineering practices, and (iii) such methods and procedures are reasonably capable of being correlated with tests conducted under section 7525(a)(1) of this title, then—

(1) he shall establish such methods and procedures by regulation, and

(2) at such time as he determines that inspection facilities or equipment are available for purposes of carrying out testing methods and procedures established under paragraph (1), he shall prescribe regulations which shall require manufacturers to warrant the emission control device or system of each new motor vehicle or new motor vehicle engine to which a regulation under section 7521 of this title applies and which is manufactured in a model year beginning after the Administrator first prescribes warranty regulations under this paragraph (2). The warranty under such regulations shall run to the ultimate purchaser and each subsequent purchaser and shall provide that if—

(A) the vehicle or engine is maintained and operated in accordance with instructions under subsection (c)(3),

(B) it fails to conform at any time during its warranty period (as determined under subsection (i)) to the regulations prescribed under section 7521 of this title, and

(C) such nonconformity results in the ultimate purchaser (or any subsequent purchaser) of such vehicle or engine having to bear any penalty or other sanction (including the denial of the right to use such vehicle or engine) under State or Federal law,

then such manufacturer shall remedy such nonconformity under such warranty with the cost thereof to be borne by the manufacturer. No such warranty shall be invalid on the basis of any part used in the maintenance or repair of a vehicle or engine if such part was certified as provided under subsection (a)(2).

(c) Nonconforming vehicles; plan for remediating nonconformity; instructions for maintenance and use; label or tag

Effective with respect to vehicles and engines manufactured during model years beginning more than 60 days after December 31, 1970—

(1) If the Administrator determines that a substantial number of any class or category of vehicles or engines, although properly maintained and used, do not conform to the regulations prescribed under section 7521 of this title, when in actual use throughout their useful life (as determined under subsection 7521(d) of this title), he shall immediately notify the manufacturer thereof of such nonconformity, and he shall require the manufacturer to submit a plan for remediating the nonconformity of the vehicles or engines with respect to which such notification is given. The plan shall provide that the nonconformity of any such vehicles or engines which are properly used and maintained will be remedied at the expense of the manufacturer. If the manufacturer disagrees with such determination of non-
conformity and so advises the Administrator, the Administrator shall afford the manufacturer and other interested persons an opportunity to present their views and evidence in support thereof at a public hearing. Unless, as a result of such hearing the Administrator withdraws such determination of nonconformity, he shall, within 60 days after the completion of such hearing, order the manufacturer to provide prompt notification of such nonconformity in accordance with paragraph (3).

(2) Any notification required by paragraph (1) with respect to any class or category of vehicles or engines shall be given to dealers, ultimate purchasers, and subsequent purchasers (if known) in such manner and containing such information as the Administrator may by regulations require.

(3)(A) The manufacturer shall furnish with each new motor vehicle or motor vehicle engine written instructions for the proper maintenance and use of the vehicle or engine by the ultimate purchaser and such instructions shall correspond to regulations which the Administrator shall promulgate. The manufacturer shall provide in boldface type on the first page of the written maintenance instructions notice that maintenance, replacement, or repair of the emission control devices and systems may be performed by any automotive repair establishment or individual using any automotive part which has been certified as provided in subsection (a)(2).

(B) The instruction under subparagraph (A) of this paragraph shall not include any condition on the ultimate purchaser's using, in connection with such vehicle or engine, any component or service (other than a component or service provided without charge under the terms of the purchase agreement) which is identified by brand, trade, or corporate name; or directly or indirectly distinguishing between service performed by the franchised dealers of such manufacturer or any other service establishments with which such manufacturer has a commercial relationship, and service performed by independent automotive repair facilities with which such manufacturer has no commercial relationship; except that the prohibition of this subsection may be waived by the Administrator if—

(i) the manufacturer satisfies the Administrator that the vehicle or engine will function properly only if the component or service so identified is used in connection with such vehicle or engine, and

(ii) the Administrator finds that such a waiver is in the public interest.

(C) In addition, the manufacturer shall indicate by means of a label or tag permanently affixed to such vehicle or engine that such vehicle or engine is covered by a certificate of conformity issued for the purpose of assuring achievement of emissions standards prescribed under section 7521 of this title. Such label or tag shall contain such other information relating to control of motor vehicle emissions as the Administrator shall prescribe by regulation.

(4) INTERMEDIATE IN-USE STANDARDS.—

(A) MODEL YEARS 1994 AND 1995.—For light-duty trucks of up to 6,000 lbs. gross vehicle weight rating (GVWR) and light-duty vehicles which are subject to standards under table G of section 7521(g)(1) of this title in model years 1994 and 1995 (40 percent of the manufacturer's sales volume in model year 1994 and 80 percent in model year 1995), the standards applicable to NMHC, CO, and NOx for purposes of this subsection shall be those set forth in table A below in lieu of the standards for such air pollutants otherwise applicable under this subchapter.

### TABLE A—INTERMEDIATE IN-USE STANDARDS LDTS UP TO 6,000 LBS. GVWR AND LIGHT-DUTY VEHICLES

<table>
<thead>
<tr>
<th>Vehicle type</th>
<th>NMHC</th>
<th>CO</th>
<th>NOx</th>
</tr>
</thead>
<tbody>
<tr>
<td>Light-duty vehicles</td>
<td>0.32</td>
<td>3.4</td>
<td>0.4*</td>
</tr>
<tr>
<td>LDTs (0-3,750 GVW)</td>
<td>0.32</td>
<td>5.2</td>
<td>0.4*</td>
</tr>
<tr>
<td>LDTs (3,751-5,750 GVW)</td>
<td>0.41</td>
<td>6.7</td>
<td>0.7*</td>
</tr>
</tbody>
</table>

*Not applicable to diesel-fueled vehicles.

(B) MODEL YEARS 1996 AND THEREAFTER.—(1) In the model years 1996 and 1997, light-duty trucks (LDTs) up to 6,000 lbs. gross vehicle weight rating (GVWR) and light-duty vehicles which are not subject to final in-use standards under paragraph (5) (60 percent of the manufacturer's sales volume in model year 1996 and 20 percent in model year 1997) shall be subject to the standards set forth in table A of subparagraph (A) for NMHC, CO, and NOx for purposes of this subsection in lieu of those set forth in paragraph (5).

(ii) For LDTs of more than 6,000 lbs. GVWR—

(I) in model year 1996 which are subject to the standards set forth in Table H of section 7521(h) of this title (50%);

(II) in model year 1997 (100%); and

(III) in model year 1998 which are not subject to final in-use standards under paragraph (5) (50%);

the standards for NMHC, CO, and NOx for purposes of this subsection shall be those set forth in Table B below in lieu of the standards for such air pollutants otherwise applicable under this subchapter.

### TABLE B—INTERMEDIATE IN-USE STANDARDS LDTS MORE THAN 6,000 LBS. GVWR

<table>
<thead>
<tr>
<th>Vehicle type</th>
<th>NMHC</th>
<th>CO</th>
<th>NOx</th>
</tr>
</thead>
<tbody>
<tr>
<td>LDTs (3,751-5,750 lbs. TW)</td>
<td>0.40</td>
<td>5.5</td>
<td>0.88*</td>
</tr>
<tr>
<td>LDTs (over 5,750 lbs. TW)</td>
<td>0.49</td>
<td>6.2</td>
<td>1.38*</td>
</tr>
</tbody>
</table>

*Not applicable to diesel-fueled vehicles.

(C) USEFUL LIFE.—In the case of the in-use standards applicable under this paragraph, for purposes of applying this subsection, the applicable useful life shall be 5 years or 50,000 miles or the equivalent (whichever first occurs).

(5) FINAL IN-USE STANDARDS.—(A) After the model year 1995, for purposes of applying this subsection, in the case of the percentage specified in the implementation schedule below of each manufacturer's sales volume of light-duty trucks of up to 6,000 lbs. gross vehicle weight rating (GVWR) and light duty 2 vehi-

*So in original. Probably should be “light-duty”.
(B) After the model year 1997, for purposes of applying this subsection, in the case of the percentage specified in the implementation schedule below of each manufacturer’s sales volume of light-duty trucks of more than 6,000 lbs. gross vehicle weight rating (GVWR), the standards for NMHC, CO, and NO\textsubscript{X} shall be as provided in Table H in section 7521(h) of this title, except that in applying the standards set forth in Table H for purposes of determining compliance with this subsection, the applicable useful life shall be (i) 5 years or 50,000 miles (or the equivalent) whichever first occurs in the case of standards applicable for purposes of certification at 50,000 miles; and (ii) 10 years or 100,000 miles (or the equivalent), whichever first occurs in the case of standards applicable for purposes of certification at 100,000 miles, except that no testing shall be done beyond 7 years or 75,000 miles, or the equivalent whichever first occurs.

LDTS UP TO 6,000 LBS. GVWR AND LIGHT-DUTY VEHICLE SCHEDULE FOR IMPLEMENTATION OF FINAL IN-USE STANDARDS

<table>
<thead>
<tr>
<th>Model year</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>1996</td>
<td>40</td>
</tr>
<tr>
<td>1997</td>
<td>80</td>
</tr>
<tr>
<td>1998</td>
<td>100</td>
</tr>
</tbody>
</table>

(6) DIESEL VEHICLES; IN-USE USEFUL LIFE AND TESTING.—(A) In the case of diesel-fueled light-duty trucks up to 6,000 lbs. GVWR and light-duty vehicles, the useful life for purposes of determining in-use compliance with the standards under section 7521(g) of this title for NO\textsubscript{X}, shall be a period of 11 years or 120,000 miles (or the equivalent), whichever first occurs, in the case of standards applicable for purposes of certification at 120,000 miles, except that testing shall not be done for a period beyond 7 years or 90,000 miles (or the equivalent) whichever first occurs.

(d) Dealer costs borne by manufacturer

Any cost obligation of any dealer incurred as a result of any requirement imposed by subsection (a), (b), or (c) shall be borne by the manufacturer. The transfer of any such cost obligation from a manufacturer to any dealer through franchise or other agreement is prohibited.

(e) Cost statement

If a manufacturer includes in any advertisement a statement respecting the cost or value of emission control devices or systems, such manufacturer shall set forth in such statement the cost or value attributed to such devices or systems by the Secretary of Labor (through the Bureau of Labor Statistics). The Secretary of Labor, and his representatives, shall have the same access for this purpose to the books, documents, papers, and records of a manufacturer as the Comptroller General has to those of a recipient of assistance for purposes of section 7611 of this title.

(f) Inspection after sale to ultimate purchaser

Any inspection of a motor vehicle or a motor vehicle engine for purposes of subsection (c)(1), after its sale to the ultimate purchaser, shall be made only if the owner of such vehicle or engine voluntarily permits such inspection to be made, except as may be provided by any State or local inspection program.

(g) Replacement and maintenance costs borne by owner

For the purposes of this section, the owner of any motor vehicle or motor vehicle engine warranted under this section is responsible in the proper maintenance of such vehicle or engine to replace and to maintain, at his expense at any service establishment or facility of his choosing, such items as spark plugs, points, condensers, and any other part, item, or device related to emission control (but not designed for emission control under the terms of the last sentence of subsection (a)(3))),\textsuperscript{8} unless such part, item, or device is covered by any warranty not mandated by this chapter.

(h) Dealer certification

(1) If at any time during the period for which the warranty applies under subsection (b), a motor vehicle fails to conform to the applicable regulations under section 7521 of this title as determined under subsection (b) of this section such nonconformity shall be remedied by the manufacturer at the cost of the manufacturer pursuant to such warranty as provided in subsection (b)(2) without regard to subparagraph (C) thereof.

(2) Nothing in section 7543(a) of this title shall be construed to prohibit a State from testing, or

\textsuperscript{8}So in original. The final closing parenthesis probably should not appear.
requiring testing of, a motor vehicle after the date of sale of such vehicle to the ultimate purchaser (except that no new motor vehicle manufacturer or dealer may be required to conduct testing under this paragraph).

(i) Warranty period

(1) In general

For purposes of subsection (a)(1) and subsection (b) of this section, the warranty period, effective with respect to new light-duty trucks and new light-duty vehicles and engines, manufactured in the model year 1995 and thereafter, shall be the first 2 years or 24,000 miles of use (whichever first occurs), except as provided in paragraph (2). For purposes of subsection (a)(1) and subsection (b), for other vehicles and engines the warranty period shall be the period established by the Administrator by regulation (promulgated prior to November 15, 1990) for such purposes unless the Administrator subsequently modifies such regulation.

(2) Specified major emission control components

In the case of a specified major emission control component, the warranty period for new light-duty trucks and new light-duty vehicles and engines manufactured in the model year 1995 and thereafter for purposes of subsection (a)(1) and subsection (b) shall be 8 years or 80,000 miles of use (whichever first occurs). As used in this paragraph, the term “specified major emission control component” means only a catalytic converter, an electronic emissions control unit, and an onboard emissions diagnostic device, except that the Administrator may designate any other pollution control device or component as a specified major emission control component if—

(A) the device or component was not in general use on vehicles and engines manufactured prior to the model year 1990; and

(B) the Administrator determines that the retail cost (exclusive of installation costs) of such device or component exceeds $200 (in 1989 dollars), adjusted for inflation or deflation as calculated by the Administrator at the time of such determination.

For purposes of this paragraph, the term “onboard emissions diagnostic device” means any device installed for the purpose of storing or processing emissions related diagnostic information, but not including any parts or other systems which it monitors except specified major emissions control components. Nothing in this chapter shall be construed to provide that any part (other than a part referred to in the preceding sentence) shall be warranted under this chapter for the period of 8 years or 80,000 miles referred to in this paragraph.

(3) Instructions

Subparagraph (A) of subsection (b)(2) shall apply only where the Administrator has made a determination that the instructions concerned conform to the requirements of subsection (c)(3).

(c) Availability to public; trade secrets

Any records, reports, or information obtained under this part or part C shall be available to the public, except that upon a showing satisfactory to the Administrator by any person that records, reports, or information, or a particular portion thereof (other than emission data), to which the Administrator has access under this section, if made public, would divulge methods or processes entitled to protection as trade secrets of that person, the Administrator shall consider the record, report, or information or particular portion thereof confidential in accordance with the purposes of section 1905 of title 18. Any authorized representative of the Administrator shall be considered an employee of the United States for purposes of section 1905 of title 18. Nothing in this section shall prohibit the Administrator or authorized representative of the Administrator from disclosing records, reports or information to other officers, employees or authorized representatives of the United States concerned with carrying out this chapter or when relevant in any proceeding under this chapter. Nothing in this section shall authorize the withholding of information by the Administrator or any officer or employee under the Administrator’s control from the duly authorized committees of the Congress.

§ 7542. Information collection

(a) Manufacturer’s responsibility

Every manufacturer of new motor vehicles or new motor vehicle engines, and every manufacturer of new motor vehicle or engine parts or components, and other persons subject to the requirements of this part or part C, shall establish and maintain records, perform tests where such testing is not otherwise reasonably available under this part and part C (including fees for testing), make reports and provide information the Administrator may reasonably require to determine whether the manufacturer or other person has acted or is acting in compliance with this part and part C and regulations thereunder, or to otherwise carry out the provision of this part and part C, and shall, upon request of an officer or employee duly designated by the Administrator, permit such officer or employee at reasonable times to have access to and copy such records.

(b) Enforcement authority

For the purposes of enforcement of this section, officers or employees duly designated by the Administrator upon presenting appropriate credentials are authorized—

(1) to enter, at reasonable times, any establishment of the manufacturer, or of any person whom the manufacturer engages to perform any activity required by subsection (a), for the purposes of inspecting or observing any activity conducted pursuant to subsection (a), and

(2) to inspect records, files, papers, processes, controls, and facilities used in performing any activity required by subsection (a), by such manufacturer or by any person whom the manufacturer engages to perform any such activity.

(c) Availability to public; trade secrets

Any records, reports, or information obtained under this part or part C shall be available to the public, except that upon a showing satisfactory to the Administrator by any person that records, reports, or information, or a particular portion thereof (other than emission data), to which the Administrator has access under this section, if made public, would divulge methods or processes entitled to protection as trade secrets of that person, the Administrator shall consider the record, report, or information or particular portion thereof confidential in accordance with the purposes of section 1905 of title 18. Any authorized representative of the Administrator shall be considered an employee of the United States for purposes of section 1905 of title 18. Nothing in this section shall prohibit the Administrator or authorized representative of the Administrator from disclosing records, reports or information to other officers, employees or authorized representatives of the United States concerned with carrying out this chapter or when relevant in any proceeding under this chapter. Nothing in this section shall authorize the withholding of information by the Administrator or any officer or employee under the Administrator’s control from the duly authorized committees of the Congress.
§ 7543. State standards

(a) Prohibition

No State or any political subdivision thereof shall adopt or attempt to enforce any standard relating to the control of emissions from new motor vehicles or new motor vehicle engines subject to this part. No State shall require certification, inspection, or any other approval relating to the control of emissions from any new motor vehicle or new motor vehicle engine as condition precedent to the initial retail sale, titleing (if any), or registration of such motor vehicle, motor vehicle engine, or equipment.

(b) Waiver

(1) The Administrator shall, after notice and opportunity for public hearing, waive application of this section to any State which has adopted standards (other than crankcase emission standards) for the control of emissions from new motor vehicles or new motor vehicle engines prior to March 30, 1966, if the State determines that the State standards will be, in the aggregate, at least as protective of public health and welfare as applicable Federal standards. No such waiver shall be granted if the Administrator finds that—

(A) the determination of the State is arbitrary and capricious,

(B) such State does not need such State standards to meet compelling and extraordinary conditions, or

(C) such State standards and accompanying enforcement procedures are not consistent with section 7522(a) of this title.

(2) If each State standard is at least as stringent as the comparable applicable Federal standard, such State standard shall be deemed to be at least as protective of health and welfare as such Federal standards for purposes of paragraph (1).

(3) In the case of any new motor vehicle or new motor vehicle engine to which State standards apply pursuant to a waiver granted under paragraph (1), compliance with such State standards shall be treated as compliance with applicable Federal standards for purposes of this subchapter.

(c) Certification of vehicle parts or engine parts

Whenever a regulation with respect to any motor vehicle part or motor vehicle engine part is in effect under section 7541(a)(2) of this title, no State or political subdivision thereof shall adopt or attempt to enforce any standard or any requirement of certification, inspection, or approval which relates to motor vehicle emissions and is applicable to the same aspect of such part. The preceding sentence shall not apply in the case of a State with respect to which a waiver is in effect under subsection (b).

(d) Control, regulation, or restrictions on registered or licensed motor vehicles

Nothing in this part shall preclude or deny to any State or political subdivision thereof the right otherwise to control, regulate, or restrict the use, operation, or movement of registered or licensed motor vehicles.

(e) Nonroad engines or vehicles

(1) Prohibition on certain State standards

No State or any political subdivision thereof shall adopt or attempt to enforce any standard or other requirement relating to the control of emissions from either of the following new nonroad engines or nonroad vehicles subject to regulation under this chapter—

(A) New engines which are used in construction equipment or vehicles or used in farm equipment or vehicles and which are smaller than 175 horsepower.

(B) New locomotives or new engines used in locomotives.

Subsection (b) shall not apply for purposes of this paragraph.

(2) Other nonroad engines or vehicles

(A) In the case of any nonroad engines or engines other than those referred to in subparagraph (A) of paragraph (1), the Administrator shall, after notice and opportunity for public hearing, authorize California to adopt and enforce standards and other requirements relating to the control of emissions from such vehicles or engines if California determines that California standards will be, in the aggregate, at least as protective of public health and welfare as applicable Federal standards. No such authorization shall be granted if the Administrator finds that—

(i) the determination of California is arbitrary and capricious,

(ii) California does not need such California standards to meet compelling and extraordinary conditions, or

(iii) California standards and accompanying enforcement procedures are not consistent with this section.

(B) Any State other than California which has plan provisions approved under part D of subchapter I may adopt and enforce, after notice to the Administrator, for any period, standards relating to control of emissions from nonroad vehicles or engines (other than those referred to in subparagraph (A) or (B) of paragraph (1)) and take such other actions as are referred to in subparagraph (A) of this paragraph respecting such vehicles or engines if—

(i) such standards and implementation and enforcement are identical, for the period concerned, to the California standards authorized by the Administrator under subparagraph (A), and

(ii) California and such State adopt such standards at least 2 years before commencement of the period for which the standards take effect.

The Administrator shall issue regulations to implement this subsection.


CITATION

Section was formerly classified to section 1857f-6a of this title.

PRIOR PROVISIONS


AMENDMENTS


1977—Subsec. (b). Pub. L. 95–95, §207, designated existing provisions as par. (1), substituted “March 30, 1966, if the State determines that the State standards will be, in the aggregate, at least as protective of public health and welfare as applicable Federal standards” for “March 30, 1966, unless he finds that such State does not require standards more stringent than applicable Federal standards to meet compelling the extraordinary conditions or that such State standards and accompanying enforcement procedures are not consistent with section 752(a) of this title”, added subpars. (A), (B), and (C), and added pars. (2) and (3).

Subsecs. (c), (d), Pub. L. 95–95, §221, added subsec. (c) and redesignated former subsec. (c) as (d).


Subsec. (b). Pub. L. 91–604, §15(c)(2), substituted “Administrator” for “Secretary”.


EFFECTIVE DATE OF 1977 AMENDMENT

Amendment by Pub. L. 95–95 effective Aug. 7, 1977, except as otherwise expressly provided, see section 406(d) of Pub. L. 95–95, set out as a note under section 7401 of this title.

MODIFICATION OR RESCISSION OF RULES, REGULATIONS, ORDERS, DETERMINATIONS, CONTRACTS, CERTIFICATIONS, AUTHORIZATIONS, DELEGATIONS, AND OTHER ACTIONS

All rules, regulations, orders, determinations, contracts, certifications, authorizations, delegations, or other actions duly issued, made, or taken by or pursuant to act July 14, 1955, the Clean Air Act, as in effect immediately prior to the date of enactment of Pub. L. 95–95 [Aug. 7, 1977] to continue in full force and effect until modified or rescinded in accordance with act July 14, 1955, as amended by Pub. L. 95–95 (this chapter), see section 406(b) of Pub. L. 95–95, set out as an Effective Date of 1977 Amendment note under section 7401 of this title.

§ 7544. State grants

The Administrator is authorized to make grants to appropriate State agencies in an amount up to two-thirds of the cost of developing and maintaining effective vehicle emission devices and systems inspection and emission testing and control programs, except that—

(1) no such grant shall be made for any part of any State vehicle inspection program which does not directly relate to the cost of the air pollution control aspects of such a program;

(2) no such grant shall be made unless the Secretary of Transportation has certified to the Administrator that such program is consistent with any highway safety program developed pursuant to section 402 of title 23; and

(3) no such grant shall be made unless the program includes provisions designed to ensure that emission control devices and systems on vehicles in actual use have not been discontinued or rendered inoperative.

Grants may be made under this section by way of reimbursement in any case in which amounts have been expended by the State before the date on which any such grant was made.


CITATION

Section was formerly classified to section 1857f-6b of this title.

PRIOR PROVISIONS

A prior section 210 of act July 14, 1955, as renumbered section 211 by Pub. L. 91–604 and is classified to section 7545 of this title.

AMENDMENTS

1977—Pub. L. 95–95 inserted provision allowing grants to be made by way of reimbursement in any case in which amounts have been expended by States before the date on which the grants were made.

1970—Pub. L. 91–604, §10(b), substituted provisions authorizing the Administrator to make grants to appropriate State agencies for the development and maintenance of effective vehicle emission devices and systems inspection and emission testing and control programs, for provisions authorizing the Secretary to make grants to appropriate Air Pollution Control agencies for the development of meaningful uniform motor vehicle emission device inspection and emission testing programs.

EFFECTIVE DATE OF 1977 AMENDMENT

Amendment by Pub. L. 95–95 effective Aug. 7, 1977, except as otherwise expressly provided, see section 406(d) of Pub. L. 95–95, set out as a note under section 7401 of this title.

§ 7545. Regulation of fuels

(a) Authority of Administrator to regulate

The Administrator may by regulation designate any fuel or fuel additive (including any fuel or fuel additive used exclusively in nonroad engines or nonroad vehicles) and, after such date or dates as may be prescribed by him, no manufacturer or processor of any such fuel or additive may sell, offer for sale, or introduce into commerce such fuel or additive unless the Administrator has registered such fuel or additive in accordance with subsection (b) of this section.

(b) Registration requirement

(1) For the purpose of registration of fuels and fuel additives, the Administrator shall require—

(A) the manufacturer of any fuel to notify him as to the commercial identifying name and manufacturer of any additive contained in such fuel; the range of concentration of any additive in the fuel; and the purpose-in-use of any such additive; and
(B) the manufacturer of any additive to notify him as to the chemical composition of such additive.

(2) For the purpose of registration of fuels and fuel additives, the Administrator shall, on a regular basis, require the manufacturer of any fuel or fuel additive—

(A) to conduct tests to determine potential public health and environmental effects of the fuel or additive (including carcinogenic, teratogenic, or mutagenic effects); and

(B) to furnish the description of any analytical technique that can be used to detect and measure any additive in such fuel, the recommended range of concentration of such additive, and the recommended purpose-in-use of such additive, and such other information as is reasonable and necessary to determine the emissions resulting from the use of the fuel or additive contained in such fuel, the effect of such fuel or additive on the emission control performance of any vehicle, vehicle engine, nonroad engine or nonroad vehicle, or the extent to which such emissions affect the public health or welfare.

Tests under subparagraph (A) shall be conducted in conformity with test procedures and protocols established by the Administrator. The result of such tests shall not be considered confidential.

(3) Upon compliance with the provision of this subsection, including assurances that the Administrator will receive changes in the information required, the Administrator shall register such fuel or fuel additive.

(4) STUDY ON CERTAIN FUEL ADDITIVES AND BLENDSTOCKS.—

(A) IN GENERAL.—Not later than 2 years after August 8, 2005, the Administrator shall—

(i) conduct a study on the effects on public health (including the effects on children, pregnant women, minority or low-income communities, and other sensitive populations), air quality, and water resources of increased use of, and the feasibility of using as substitutes for methyl tertiary butyl ether in gasoline—

(I) ethyl tertiary butyl ether;

(II) tertiary amyl methyl ether;

(III) di-isopropyl ether;

(IV) tertiary butyl alcohol;

(V) other ethers and heavy alcohols, as determined by then Administrator;

(VI) ethanol;

(VII) iso-octane; and

(VIII) alkylates; and

(ii) conduct a study on the effects on public health (including the effects on children, pregnant women, minority or low-income communities, and other sensitive populations), air quality, and water resources of the adjustment for ethanol-blended reformulated gasoline to the volatile organic compounds performance requirements that are applicable under paragraphs (1) and (3) of subsection (k); and

(iii) submit to the Committee on Environment and Public Works of the Senate and the Committee on Energy and Commerce of the House of Representatives a report describing the results of the studies under clauses (i) and (ii).

(B) CONTRACTS FOR STUDY.—In carrying out this paragraph, the Administrator may enter into one or more contracts with nongovernmental entities such as—

(i) the national energy laboratories; and

(ii) institutions of higher education (as defined in section 1001 of title 20).

(c) Offending fuels and fuel additives; control; prohibition

(1) The Administrator may, from time to time on the basis of information obtained under subsection (b) of this section or other information available to him, by regulation, control or prohibit the manufacture, introduction into commerce, offering for sale, or sale of any fuel or fuel additive for use in a motor vehicle, motor vehicle engine, or nonroad engine or nonroad vehicle if, in the judgment of the Administrator, any fuel or fuel additive or any emission product of such fuel or fuel additive causes, or contributes, to air pollution or water pollution (including any degradation in the quality of groundwater) that may reasonably be anticipated to endanger the public health or welfare, or (B) if emission products of such fuel or fuel additive will impair to a significant degree the performance of any emission control device or system which is in general use, or which the Administrator finds has been developed to a point where in a reasonable time it would be in general use were such regulation to be promulgated.

(2)(A) No fuel, class of fuels, or fuel additive may be controlled or prohibited by the Administrator pursuant to clause (A) of paragraph (1) except after consideration of all relevant medical and scientific evidence available to him, including consideration of other technologically or economically feasible means of achieving emission standards under section 7521 of this title.

(B) No fuel or fuel additive may be controlled or prohibited by the Administrator pursuant to clause (B) of paragraph (1) except after consideration of available scientific and economic data, including a cost benefit analysis comparing emission control devices or systems which are or will be in general use and require the proposed control or prohibition with emission control devices or systems which are or will be in general use and do not require the proposed control or prohibition. On request of a manufacturer of motor vehicles, motor vehicle engines, fuels, or fuel additives submitted within 10 days of notice of proposed rulemaking, the Administrator shall hold a public hearing and publish findings with respect to any matter he is required to consider under this subparagraph. Such findings shall be published at the time of promulgation of final regulations.

(C) No fuel or fuel additive may be prohibited by the Administrator under paragraph (1) unless he finds, and publishes such finding, that in his judgment such prohibition will not cause the use of any other fuel or fuel additive which will produce emissions which will endanger the pub-
lic health or welfare to the same or greater de-
gree than the use of the fuel or fuel additive pro-
posed to be prohibited.

(3)(A) For the purpose of obtaining evidence
and data to carry out paragraph (2), the Admin-
istrator may require the manufacturer of any
motor vehicle or motor vehicle engine to furnish
any information which has been developed con-
cerning the emissions from motor vehicles re-
sulting from the use of any fuel or fuel additive,
or the effect of such use on the performance of
any emission control device or system.
(B) In obtaining information under subpara-
graph (A), section 7607(a) of this title (relating
to subpoenas) shall be applicable.

(4)(A) Except as otherwise provided in sub-
paragraph (B) or (C), no State (or political sub-
division thereof) may prescribe or attempt to
enforce, for purposes of motor vehicle emission
control, any control or prohibition respecting
any characteristic or component of a fuel or fuel
additive in a motor vehicle or motor vehicle en-
gine.

(i) if the Administrator has found that no
control or prohibition of the characteristic or
component of a fuel or fuel additive under
paragraph (1) is necessary and has published
his finding in the Federal Register, or
(ii) if the Administrator has prescribed
under paragraph (1) a control or prohibition
applicable to such characteristic or compo-
nent of a fuel or fuel additive, unless State
prohibition or control is identical to the pro-
hibition or control prescribed by the Admin-
istrator.

(B) Any State for which application of section
7543(a) of this title has at any time been waived
under section 7543(b) of this title may at any
time prescribe and enforce, for the purpose of
motor vehicle emission control, a control or pro-
hibition respecting any fuel or fuel additive.

(C)(i) A State may prescribe and enforce, for
purposes of motor vehicle emission control, a
control or prohibition respecting the use of a
fuel or fuel additive in a motor vehicle or motor
vehicle engine if an applicable implementation
plan for such State under section 7410 of this
title so provides. The Administrator may
approve such provision in an implementation plan,
or promulgate an implementation plan contain-
ing such a provision, only if he finds that the
standard if no other measures that would
bring about timely attainment exist, or if other
measures exist and are technically possible to
implement, but are unreasonable or impractica-
ble. The Administrator may make a finding of
necessity under this subparagraph if, after
consultation with, and concurrence by, the Sec-
detary of Energy, the Administrator determines
that—
(I) extreme and unusual fuel or fuel additive
supply circumstances exist in a State or re-
gion of the Nation which prevent the distribu-
tion of an adequate supply of the fuel or fuel
additive to consumers;
(II) such extreme and unusual fuel and fuel
additive supply circumstances are the result
of a natural disaster, an Act of God, a pipeline
or refinery equipment failure, or another
event that could not reasonably have been
foreseen or prevented and not the lack of pru-
dent planning on the part of the suppliers of
the fuel or fuel additive to such State or re-
gion; and
(iii) it is in the public interest to grant the
waiver (for example, when a waiver is nec-
essary to meet projected temporary shortfalls
in the supply of the fuel or fuel additive in a
State or region of the Nation which cannot
otherwise be compensated for).

(ii) If the Administrator makes the deter-
minations required under clause (ii), such a tem-
porary extreme and unusual fuel and fuel addi-
tive supply circumstances waiver shall be per-
mitted only if
(I) the waiver applies to the smallest geo-
graphic area necessary to address the extreme
and unusual fuel and fuel additive supply cir-
cumstances;
(II) the waiver is effective for a period of 20
calendar days or, if the Administrator deter-
mines that a shorter waiver period is ade-
quate, for the shortest practicable time period
necessary to permit the correction of the ex-
treme and unusual fuel and fuel additive sup-
ply circumstances and to mitigate impact on
air quality;
(III) the waiver permits a transitional pe-
riod, the exact duration of which shall be de-
termined by the Administrator (but which
shall be for the shortest practicable period),
after the termination of the temporary waiver
to permit wholesalers and retailers to blend
down their wholesale and retail inventory;
(IV) the waiver applies to all persons in the
motor fuel distribution system; and
(V) the Administrator has given public no-
tice to all parties in the motor fuel distribu-
tion system, and local and State regulators, in
the State or region to be covered by the waiv-
er.

The term “motor fuel distribution system” as
used in this clause shall be defined by the Ad-
ministrator through rulemaking.

(iv) Within 180 days of August 8, 2005, the Ad-
ministrator shall promulgate regulations to im-
plement clauses (ii) and (iii).

(v) Nothing in this subparagraph shall—
(I) limit or otherwise affect the application
of any other waiver authority of the Admin-
istrator pursuant to this section or pursuant to
a regulation promulgated pursuant to this sec-
tion; and
(II) subject any State or person to an en-
forcement action, penalties, or liability solely
§ 7545

3So in original. Two cls. (v) have been enacted.
§ 7545

TITILE 42—THE PUBLIC HEALTH AND WELFARE

arising from actions taken pursuant to the issuance of a waiver under this subparagraph.

(v)(I)^3 The Administrator shall have no authority, when considering a State implementation plan or a State implementation plan revision, to approve under this paragraph any fuel included in such plan or revision if the effect of such approval increases the total number of fuels approved under this paragraph as of September 1, 2004, in all State implementation plans.

(II) The Administrator, in consultation with the Secretary of Energy, shall determine the total number of fuels approved under this paragraph as of August 8, 2005.

(III) The Administrator shall remove a fuel from the list published under subclause (II) if a fuel ceases to be included in a State implementation plan or if a fuel in a State implementation plan is identical to a Federal fuel formulation implemented by the Administrator, but the Administrator shall not reduce the total number of fuels authorized under the list published under subclause (II).

(IV) Subclause (I) shall not limit the Administrator’s authority to approve a control or prohibition respecting any new fuel under this paragraph in a State implementation plan or revision to a State implementation plan if such new fuel—

(aa) completely replaces a fuel on the list published under subclause (II); or

(bb) does not increase the total number of fuels on the list published under subclause (II) as of September 1, 2004.

In the event that the total number of fuels on the list published under subclause (II) at the time of the Administrator’s consideration of a control or prohibition respecting a new fuel is lower than the total number of fuels on such list as of September 1, 2004, the Administrator may approve a control or prohibition respecting a new fuel under this subclause if the Administrator, after consultation with the Secretary of Energy, publishes in the Federal Register after notice and comment a finding that, in the Administrator’s judgment, such control or prohibition respecting a new fuel will not cause fuel supply or distribution interruptions or have a significant adverse impact on fuel producibility in the affected area or contiguous areas.

(V) The Administrator shall have no authority under this paragraph, when considering any particular State’s implementation plan or a revision to that State’s implementation plan, to approve any fuel unless that fuel was, as of the date of such consideration, approved in at least one State implementation plan in the applicable Petroleum Administration for Defense District. However, the Administrator may approve as part of a State implementation plan or State implementation plan revision a fuel with a summertime Reid Vapor Pressure of 7.0 psi. In no event shall such approval by the Administrator cause an increase in the total number of fuels on the list published under subclause (II).

(VI) Nothing in this clause shall be construed to have any effect regarding any available authority of States to require the use of any fuel additive registered in accordance with subsection (b), including any fuel additive registered in accordance with subsection (b) after August 8, 2005.

(d) Penalties and injunctions

(1) Civil penalties

Any person who violates subsection (a), (f), (g), (k), (l), (m), (n), or (o) of this section or the regulations prescribed under subsection (c), (h), (i), (k), (l), (m), (n), or (o) of this section or who fails to furnish any information or conduct any tests required by the Administrator under subsection (b) of this section shall be liable to the United States for a civil penalty of not more than the sum of $25,000 for every day of such violation and the amount of economic benefit or savings resulting from the violation. Any violation with respect to a regulation prescribed under subsection (c), (k), (l), (m), (n), or (o) of this section which establishes a regulatory standard based upon a multiday averaging period shall constitute a separate day of violation for each and every day in the averaging period. Civil penalties shall be assessed in accordance with subsections (b) and (c) of section 7524 of this title.

(2) Injunctive authority

The district courts of the United States shall have jurisdiction to restrain violations of subsections (a), (f), (g), (k), (l), (m), (n), and (o) of this section and of the regulations prescribed under subsections (c), (h), (i), (k), (l), (m), (n), and (o) of this section, to award other appropriate relief, and to compel the furnishing of information and the conduct of tests required by the Administrator under subsection (b) of this section. Actions to restrain such violations and compel such actions shall be brought by and in the name of the United States. In any such action, subpoenas for witnesses who are required to attend a district court in any district may run into any other district.

(e) Testing of fuels and fuel additives

(1) Not later than one year after August 7, 1977, and after notice and opportunity for a public hearing, the Administrator shall promulgate regulations which implement the authority under subsection (b)(2)(A) and (B) with respect to each fuel or fuel additive which is registered on the date of promulgation of such regulations and with respect to each fuel or fuel additive for which an application for registration is filed thereafter.

(2) Regulations under subsection (b) to carry out this subsection shall require that the requisite information be provided to the Administrator by each such manufacturer—

(A) prior to registration, in the case of any fuel or fuel additive which is not registered on the date of promulgation of such regulations; or

(B) not later than three years after the date of promulgation of such regulations, in the
(3) In promulgating such regulations, the Administrator may—

(A) exempt any small business (as defined in such regulations) from or defer or modify the requirements of, such regulations with respect to any such small business;

(B) provide for cost-sharing with respect to the testing of any fuel or fuel additive which is manufactured or processed by two or more persons or otherwise provide for shared responsibility to meet the requirements of this section without duplication; or

(C) exempt any person from such regulations with respect to a particular fuel or fuel additive upon a finding that any additional testing of such fuel or fuel additive would be duplicative of adequate existing testing.

(f) New fuels and fuel additives

(1)(A) Effective upon March 31, 1977, it shall be unlawful for any manufacturer of any fuel or fuel additive to first introduce in commerce, or to increase the concentration in use of, any fuel or fuel additive for general use in light duty motor vehicles manufactured after model year 1974 which is not substantially similar to any fuel or fuel additive utilized in the certification of any model year 1975, or subsequent model year, vehicle or engine under section 7525 of this title.

(B) Effective upon November 15, 1990, it shall be unlawful for any manufacturer of any fuel or fuel additive to first introduce into commerce, or to increase the concentration in use of, any fuel or fuel additive for use by any person in motor vehicles manufactured after model year 1974 which is not substantially similar to any fuel or fuel additive utilized in the certification of any model year 1975, or subsequent model year, vehicle or engine under section 7525 of this title.

(2) Effective November 30, 1977, it shall be unlawful for any manufacturer of any fuel to introduce into commerce any gasoline which contains a concentration of manganese in excess of .0625 grams per gallon of fuel, except as otherwise provided pursuant to a waiver under paragraph (4).

(3) Any manufacturer of any fuel or fuel additive which prior to March 31, 1977, and after January 1, 1974, first introduced into commerce or increased the concentration in use of a fuel or fuel additive that would otherwise have been prohibited under paragraph (1)(A) if introduced on or after March 31, 1977 shall, not later than September 15, 1978, cease to distribute such fuel or fuel additive in commerce. During the period beginning 180 days after August 7, 1977, and before September 15, 1978, the Administrator shall prohibit, or restrict the concentration of any fuel additive which he determines will cause or contribute to the failure of an emission control device or system (over the useful life of any vehicle in which such device or system is used) to achieve compliance by the vehicle with the emission standards with respect to which it has been certified under section 7525 of this title.

(h) Reid Vapor Pressure requirements

(1) Prohibition

Not later than 6 months after November 15, 1990, the Administrator shall promulgate regulations making it unlawful for any person during the high ozone season (as defined by the Administrator) to sell, offer for sale, dispense, supply, offer for supply, transport, or introduce into commerce gasoline with a Reid Vapor Pressure in excess of 9.0 pounds per square inch (psi). Such regulations shall also establish more stringent Reid Vapor Pressure standards in a nonattainment area as the Administrator finds necessary to generally achieve comparable evaporative emissions (on a per-vehicle basis) in nonattainment areas, taking into consideration the enforceability of such standards, the need of an area for emission control, and economic factors.

(2) Attainment areas

The regulations under this subsection shall not make it unlawful for any person to sell, offer for supply, transport, or introduce into commerce gasoline with a Reid Vapor Pressure of 9.0 pounds per square inch (psi) or lower in any area designated under section 7407 of this title as an attainment area.
withstanding the preceding sentence, the Administrator may impose a Reid vapor pressure requirement lower than 9.0 pounds per square inch (psi) in any area, formerly an ozone non-attainment area, which has been redesignated as an attainment area.

(3) Effective date; enforcement

The regulations under this subsection shall provide that the requirements of this subsection shall take effect not later than the high ozone season for 1992, and shall include such provisions as the Administrator determines are necessary to implement and enforce the requirements of this subsection.

(4) Ethanol waiver

For fuel blends containing gasoline and 10 percent denatured anhydrous ethanol, the Reid vapor pressure limitation under this subsection shall be one pound per square inch (psi) greater than the applicable Reid vapor pressure limitations established by paragraph (1); Provided, however, That a distributor, blender, marketer, reseller, carrier, retailer, or wholesale purchaser-consumer shall be deemed to be in full compliance with the provisions of this subsection and the regulations promulgated thereunder if it can demonstrate (by showing receipt of a certification or other evidence acceptable to the Administrator) that—

(A) the gasoline portion of the blend complies with the Reid vapor pressure limitations promulgated pursuant to this subsection;

(B) the ethanol portion of the blend does not exceed its waiver condition under subsection (3)(4); and

(C) no additional alcohol or other additive has been added to increase the Reid Vapor Pressure of the ethanol portion of the blend.

(5) Exclusion from ethanol waiver

(A) Promulgation of regulations

Upon notification, accompanied by supporting documentation, from the Governor of a State that the Reid vapor pressure limitation established by paragraph (4) will increase emissions that contribute to air pollution in any area in the State, the Administrator shall, by regulation, apply, in lieu of the Reid vapor pressure limitation established by paragraph (4), the Reid vapor pressure limitation established by paragraph (1) to all fuel blends containing gasoline and 10 percent denatured anhydrous ethanol that are sold, offered for sale, dispensed, supplied, offered for supply, transported, or introduced into commerce in the area during the high ozone season.

(B) Deadline for promulgation

The Administrator shall promulgate regulations under subparagraph (A) not later than 90 days after the date of receipt of a notification from a Governor under that subparagraph.

(C) Effective date

(i) In general

With respect to an area in a State for which the Governor submits a notification under subparagraph (A), the regulations under that subparagraph shall take effect on the later of—

(I) the first day of the first high ozone season for the area that begins after the date of receipt of the notification; or

(II) 1 year after the date of receipt of the notification.

(ii) Extension of effective date based on determination of insufficient supply

(I) In general

If, after receipt of a notification with respect to an area from a Governor of a State under subparagraph (A), the Administrator determines, on the Administrator's own motion or on petition of any person and after consultation with the Secretary of Energy, that the promulgation of regulations described in subparagraph (A) would result in an insufficient supply of gasoline in the State, the Administrator, by regulation—

(aa) shall extend the effective date of the regulations under clause (i) with respect to the area for not more than 1 year; and

(bb) may renew the extension under item (aa) for two additional periods, each of which shall not exceed 1 year.

(II) Deadline for action on petitions

The Administrator shall act on any petition submitted under subclause (I) not later than 180 days after the date of receipt of the petition.

(6) Areas covered

The provisions of this subsection shall apply only to the 48 contiguous States and the District of Columbia.

(i) Sulfur content requirements for diesel fuel

(1) Effective October 1, 1993, no person shall manufacture, sell, supply, offer for sale or supply, dispense, transport, or introduce into commerce motor vehicle diesel fuel which contains a concentration of sulfur in excess of 0.05 percent (by weight) or which fails to meet a cetane index minimum of 40.

(2) Not later than 12 months after November 15, 1990, the Administrator shall promulgate regulations to implement and enforce the requirements of paragraph (1). The Administrator may require manufacturers and importers of diesel fuel not intended for use in motor vehicles to dye such fuel in a particular manner in order to segregate it from motor vehicle diesel fuel. The Administrator may establish an equivalent alternative aromatic level to the cetane index specification in paragraph (1).

(3) The sulfur content of diesel fuel required to be used in the certification of 1991 through 1993 model year heavy-duty diesel vehicles and engines shall be 0.10 percent (by weight). The sulfur content and cetane index minimum of fuel required to be used in the certification of 1994 and later model year heavy-duty diesel vehicles and engines shall comply with the regulations promulgated under paragraph (2).

(4) The States of Alaska and Hawaii may be exempted from the requirements of this sub-
section in the same manner as provided in section 7625 of this title. The Administrator shall take final action on any petition filed under section 7625 of this title or this paragraph for an exemption from the requirements of this subsection, within 12 months from the date of the petition.

(j) Lead substitute gasoline additives

(1) After November 15, 1990, any person proposing to register any gasoline additive under subsection (a) or to use any previously registered additive as a lead substitute may also elect to register the additive as a lead substitute gasoline additive for reducing valve seat wear by providing the Administrator with such relevant information regarding product identity and composition as the Administrator deems necessary for carrying out the responsibilities of paragraph (2) of this subsection (in addition to other information which may be required under subsection (b)).

(2) In addition to the other testing which may be required under subsection (b), in the case of the lead substitute gasoline additives referred to in paragraph (1), the Administrator shall develop and publish a test procedure to determine the additives' effectiveness in reducing valve seat wear and the additives' tendencies to produce engine deposits and other adverse side effects. The test procedures shall be developed in cooperation with the Secretary of Agriculture and with the input of additive manufacturers, engine and engine components manufacturers, and other interested persons. The Administrator shall enter into arrangements with an independent laboratory to conduct tests of each additive using the test procedures developed and published pursuant to this paragraph. The Administrator shall publish the results of the tests by company and additive name in the Federal Register along with, for comparison purposes, the results of applying the same test procedures to gasoline containing 0.1 gram of lead per gallon in lieu of the lead substitute gasoline additive. The Administrator shall not rank or otherwise rate the lead substitute additives. Test procedures shall be established within 1 year after November 15, 1990. Additives shall be tested within 18 months of November 15, 1990, or 6 months after the lead substitute additives are identified to the Administrator, whichever is later.

(3) The Administrator may impose a user fee to recover the costs of testing of any fuel additive referred to in this subsection. The fee shall be paid by the person proposing to register the fuel additive concerned. Such fee shall not exceed $20,000 for a single fuel additive.

(4) There are authorized to be appropriated to the Administrator not more than $1,000,000 for the second full fiscal year after November 15, 1990, to establish test procedures and conduct engine tests as provided in this subsection. Not more than $500,000 per year is authorized to be appropriated for each of the 5 subsequent fiscal years.

(5) Any fees collected under this subsection shall be deposited in a special fund in the United States Treasury for licensing and other services which thereafter shall be available for appropriation, to remain available until expended, to carry out the Agency's activities for which the fees were collected.

(k) Reformulated gasoline for conventional vehicles

(1) EPA regulations

(A) In general

Not later than November 15, 1991, the Administrator shall promulgate regulations under this section establishing requirements for reformulated gasoline to be used in gasoline-fueled vehicles in specified nonattainment areas. Such regulations shall require the greatest reduction in emissions of ozone forming volatile organic compounds (during the high ozone season) and emissions of toxic air pollutants (during the entire year) achievable through the reformulation of conventional gasoline, taking into consideration the cost of achieving such emission reductions, any nonair-quality and other air-quality related health and environmental impacts and energy requirements.

(B) Maintenance of toxic air pollutant emissions reductions from reformulated gasoline

(i) Definition of PADD

In this subparagraph the term “PADD” means a Petroleum Administration for Defense District.

(ii) Regulations concerning emissions of toxic air pollutants

Not later than 270 days after August 8, 2005, the Administrator shall establish by regulation, for each PADD (other than a refiner or importer in a State that has received a waiver under section 7543(b) of this title with respect to gasoline produced for use in that State), standards for toxic air pollutants from use of the reformulated gasoline produced or distributed by the refiner or importer that maintain the reduction of the average annual aggregate emissions of toxic air pollutants for reformulated gasoline produced or distributed by the refiner or importer during calendar years 2001 and 2002 (as determined on the basis of data collected by the Administrator with respect to the refiner or importer).

(iii) Standards applicable to specific refineries or importers

(I) Applicability of standards

For any calendar year, the standards applicable to a refiner or importer under clause (ii) shall apply to the quantity of gasoline produced or distributed by the refiner or importer in the calendar year only to the extent that the quantity is less than or equal to the average annual quantity of reformulated gasoline produced or distributed by the refiner or importer during calendar years 2001 and 2002.

(II) Applicability of other standards

For any calendar year, the quantity of gasoline produced or distributed by a re-
§ 7545

Title 42—The Public Health and Welfare

(f) Credit program

The Administrator shall provide for the granting and use of credits for emissions of toxic air pollutants in the same manner as providing for the granting and use of credits for emissions of toxic air pollutants in the same manner as provided in paragraph (7).

(v) Regional protection of toxics reduction baselines

(I) In general

Not later than 60 days after August 8, 2005, and not later than April 1 of each calendar year that begins after August 8, 2005, the Administrator shall publish in the Federal Register a report that specifies, with respect to the previous calendar year—

(aa) the quantity of reformulated gasoline produced that is in excess of the average annual quantity of reformulated gasoline produced in 2001 and 2002; and

(bb) the reduction of the average annual aggregate emissions of toxic air pollutants in each PADD, based on retail survey data or data from other appropriate sources.

(II) Effect of failure to maintain aggregate toxics reductions

If, in any calendar year, the reduction of the average annual aggregate emissions of toxic air pollutants in a PADD fails to meet or exceed the reduction of the average annual aggregate emissions of toxic air pollutants in the PADD in calendar years 2001 and 2002, the Administrator, not later than 90 days after the date of publication of the report for the calendar year under subparagraph (I), shall—

(aa) identify, to the maximum extent practicable, the reasons for the failure, including the sources, volumes, and characteristics of reformulated gasoline that contributed to the failure; and

(bb) promulgate revisions to the regulations promulgated under clause (ii), to take effect not earlier than 180 days but not later than 270 days after the date of promulgation, to provide that, notwithstanding clause (iii)(II), all reformulated gasoline produced or distributed at each refiner or importer shall meet the standards applicable under clause (iii)(I) beginning not later than April 1 of the calendar year following publication of the report under subparagraph (I) and in each calendar year thereafter.

(vi) Not later than July 1, 2007, the Administrator shall promulgate final regulations to control hazardous air pollutants from motor vehicles and motor vehicle fuels, as provided for in section 80.1045 of title 40, Code of Federal Regulations (as in effect on August 8, 2005), and as authorized under section 7521(l) of this title. If the Administrator promulgates by such date, final regulations to control hazardous air pollutants from motor vehicles and motor vehicle fuels that achieve and maintain greater overall reductions in emissions of air toxics from reformulated gasoline than the reductions that would be achieved under subsection (k)(1)(B) as amended by this clause, then subsections (k)(1)(B)(v) through (k)(1)(B)(v) shall be null and void and regulations promulgated thereunder shall be rescinded and have no further effect.

(2) General requirements

The regulations referred to in paragraph (1) shall require that reformulated gasoline comply with paragraph (3) and with each of the following requirements (subject to paragraph (7)):

(A) NO\textsubscript{x} emissions

The emissions of oxides of nitrogen (NO\textsubscript{x}) from baseline vehicles when using the reformulated gasoline shall be no greater than the level of such emissions from such vehicles when using baseline gasoline. If the Administrator determines that compliance with the limitation on emissions of oxides of nitrogen under the preceding sentence is technically infeasible, considering the other requirements applicable under this subsection to such gasoline, the Administrator may, as appropriate to ensure compliance with this subparagraph, adjust (or waive entirely), any other requirements of this paragraph or any requirements applicable under paragraph (3)(A).

(B) Benzene content

The benzene content of the gasoline shall not exceed 1.0 percent by volume.

(C) Heavy metals

The gasoline shall have no heavy metals, including lead or manganese. The Administrator may, if the Administrator determines that addition of the heavy metal to the gasoline will not increase, on an aggregate mass or cancer-risk basis, toxic air pollutant emissions from motor vehicles.

(3) More stringent of formula or performance standards

The regulations referred to in paragraph (1) shall require compliance with the more stringent of either the requirements set forth in subparagraph (A) or the requirements of subparagraph (B) of this paragraph. For purposes of determining the more stringent provision, clause (i) and clause (ii) of subparagraph (B) shall be considered independently.

(A) Formula

(i) Benzene

The benzene content of the reformulated gasoline shall not exceed 1.0 percent by volume.

\footnote{So in original. See References in Text note below.}
(iii) **Aromatics**

The aromatic hydrocarbon content of the reformulated gasoline shall not exceed 25 percent by volume.

(iii) **Lead**

The reformulated gasoline shall have no lead content.

(iv) **Detergents**

The reformulated gasoline shall contain additives to prevent the accumulation of deposits in engines or vehicle fuel supply systems.

(B) **Performance standard**

(i) **VOC emissions**

During the high ozone season (as defined by the Administrator), the aggregate emissions of ozone forming volatile organic compounds from baseline vehicles when using the reformulated gasoline shall be 15 percent below the aggregate emissions of ozone forming volatile organic compounds from such vehicles when using baseline gasoline. Effective in calendar year 2000 and thereafter, 25 percent shall be substituted for 15 percent in applying this clause, except that the Administrator may adjust such 25 percent requirement to provide for a lesser or greater reduction based on technological feasibility, considering the cost of achieving such reductions in VOC emissions. No such adjustment shall provide for less than a 20 percent reduction below the aggregate emissions of such air pollutants from such vehicles when using baseline gasoline. The reductions required under this clause shall be on a mass basis.

(ii) **Toxics**

During the entire year, the aggregate emissions of toxic air pollutants from baseline vehicles when using the reformulated gasoline shall be 15 percent below the aggregate emissions of toxic air pollutants from such vehicles when using baseline gasoline. Effective in calendar year 2000 and thereafter, 25 percent shall be substituted for 15 percent in applying this clause, except that the Administrator may adjust such 25 percent requirement to provide for a lesser or greater reduction based on technological feasibility, considering the cost of achieving such reductions in toxic air pollutants. No such adjustment shall provide for less than a 20 percent reduction below the aggregate emissions of such air pollutants from such vehicles when using baseline gasoline. The reductions required under this clause shall be on a mass basis.

Any reduction greater than a specific percentage reduction required under this subparagraph shall be treated as satisfying such percentage reduction requirement.

(4) **Certification procedures**

(A) **Regulations**

The regulations under this subsection shall include procedures under which the Administrator shall certify reformulated gasoline as complying with the requirements established pursuant to this subsection. Under such regulations, the Administrator shall establish procedures for any person to petition the Administrator to certify a fuel formulation, or slate of fuel formulations. Such procedures shall further require that the Administrator shall approve or deny such petition within 180 days of receipt. If the Administrator fails to act within such 180-day period, the fuel shall be deemed certified until the Administrator completes action on the petition.

(B) **Certification; equivalency**

The Administrator shall certify a fuel formulation or slate of fuel formulations as complying with this subsection if such fuel or fuels—

(i) comply with the requirements of paragraph (2), and

(ii) achieve equivalent or greater reductions in emissions of ozone forming volatile organic compounds and emissions of toxic air pollutants than are achieved by a reformulated gasoline meeting the applicable requirements of paragraph (3).

(C) **EPA determination of emissions level**

Within 1 year after November 15, 1990, the Administrator shall determine the level of emissions of ozone forming volatile organic compounds and emissions of toxic air pollutants emitted by baseline vehicles when operating on baseline gasoline. For purposes of this subsection, within 1 year after November 15, 1990, the Administrator shall, by rule, determine appropriate measures of, and methodology for, ascertaining the emissions of air pollutants (including calculations, equipment, and testing tolerances).

(5) **Prohibition**

Effective beginning January 1, 1995, each of the following shall be a violation of this subsection:

(A) The sale or dispensing by any person of conventional gasoline to ultimate consumers in any covered area.

(B) The sale or dispensing by any refiner, blender, importer, or marketer of conventional gasoline for resale in any covered area, without (i) segregating such gasoline from reformulated gasoline, and (ii) clearly marking such conventional gasoline as “conventional gasoline, not for sale to ultimate consumer in a covered area”.

Any refiner, blender, importer or marketer who purchases property segregated and marked conventional gasoline, and thereafter labels, represents, or wholesales such gasoline as reformulated gasoline shall also be in violation of this subsection. The Administrator may impose sampling, testing, and record-keeping requirements upon any refiner, blender, importer, or marketer to prevent violations of this section.

---

6So in original. Probably should be “properly”. 
(6) Opt-in areas
(A) Classified areas
  (i) In general
  Upon the application of the Governor of a State, the Administrator shall apply the prohibition set forth in paragraph (5) in any area in the State classified under subpart 2 of part D of subchapter I as a Marginal, Moderate, Serious, or Severe Area (without regard to whether or not the 1980 population of the area exceeds 250,000). In any such case, the Administrator shall establish an effective date for such prohibition as he deems appropriate, not later than January 1, 1985, or 1 year after such application is received, whichever is later. The Administrator shall publish such application in the Federal Register upon receipt.

(ii) Effect of insufficient domestic capacity to produce reformulated gasoline
  If the Administrator determines, on the Administrator’s own motion or on petition of any person, after consultation with the Secretary of Energy, that there is insufficient domestic capacity to produce gasoline certified under this subsection, the Administrator shall, by rule, extend the effective date of such prohibition in Marginal, Moderate, Serious, or Severe Areas referred to in clause (i) for one additional year, and may, by rule, renew such extension for 2 additional one-year periods. The Administrator shall act on any petition submitted under this subparagraph within 6 months after receipt of the petition. The Administrator shall issue such extensions for areas with a lower ozone classification before issuing any such extension for areas with a higher classification.

(B) Ozone transport region
  (i) Application of prohibition
    (I) In general
    On application of the Governor of a State in the ozone transport region established by section 7511c(a) of this title, the Administrator, not later than 180 days after the date of receipt of the application, shall apply the prohibition specified in paragraph (5) to any area in the State (other than an area classified as a marginal, moderate, serious, or severe ozone nonattainment area under subpart 2 of part D of subchapter I) unless the Administrator determines under clause (iii) that there is insufficient capacity to supply reformulated gasoline.

    (II) Publication of application
    As soon as practicable after the date of receipt of an application under subclause (I), the Administrator shall publish the application in the Federal Register.

    (ii) Period of applicability
    Under clause (i), the prohibition specified in paragraph (5) shall apply in a State—
    (I) commencing as soon as practicable but not later than 2 years after the date of approval by the Administrator of the application of the Governor of the State; and
    (II) ending not earlier than 4 years after the commencement date determined under subclause (I).

(iii) Extension of commencement date based on insufficient capacity
  (I) In general
  If, after receipt of an application from a Governor of a State under clause (i), the Administrator determines, on the Administrator’s own motion or on petition of any person, after consultation with the Secretary of Energy, that there is insufficient capacity to supply reformulated gasoline, the Administrator, by regulation—
    (aa) shall extend the commencement date with respect to the State under clause (ii)(I) for not more than 1 year; and
    (bb) may renew the extension under item (aa) for 2 additional periods, each of which shall not exceed 1 year.

  (II) Deadline for action on petitions
  The Administrator shall act on any petition submitted under subclause (I) not later than 180 days after the date of receipt of the petition.

(7) Credits
  (A) The regulations promulgated under this subsection shall provide for the granting of an appropriate amount of credits to a person who refines, blends, or imports and certifies a gasoline or slate of gasoline that—
    (i) has an aromatic hydrocarbon content (by volume) that is less than the maximum aromatic hydrocarbon content required to comply with paragraph (3); or
    (ii) has a benzene content (by volume) that is less than the maximum benzene content specified in paragraph (2).

  (B) The regulations described in subparagraph (A) shall also provide that a person who is granted credits may use such credits, or transfer all or a portion of such credits to another person for use within the same nonattainment area, for the purpose of complying with this subsection.

  (C) The regulations promulgated under subparagraphs (A) and (B) shall ensure the enforcement of the requirements for the issuance, application, and transfer of the credits. Such regulations shall prohibit the granting or transfer of such credits for use with respect to any gasoline in a nonattainment area, to the extent the use of such credits would result in any of the following:
    (i) An average gasoline aromatic hydrocarbon content (by volume) for the nonattainment (taking into account all gasoline sold for use in conventional gasoline-fueled vehicles in the nonattainment area) higher than the average fuel aromatic hydrocarbon content (by volume) that would occur in the absence of using any such credits.
    (ii) An average benzene content (by volume) for the nonattainment area (taking
(8) Anti-dumping rules

(A) In general

Within 1 year after November 15, 1990, the Administrator shall promulgate regulations applicable to each refiner, blender, or importer of gasoline ensuring that gasoline sold or introduced into commerce by such refiner, blender, or importer (other than reformulated gasoline subject to the requirements of paragraph (1)) does not result in average per gallon emissions (measured on a mass basis) of (i) volatile organic compounds, (ii) oxides of nitrogen, (iii) carbon monoxide, and (iv) toxic air pollutants in excess of such emissions of such pollutants attributable to gasoline sold or introduced into commerce in calendar year 1990 by that refiner, blender, or importer. Such regulations shall take effect beginning January 1, 1995.

(B) Adjustments

In evaluating compliance with the requirements of subparagraph (A), the Administrator shall make appropriate adjustments to insure that no credit is provided for improvement in motor vehicle emissions control in motor vehicles sold after the calendar year 1990.

(C) Compliance determined for each pollutant independently

In determining whether there is an increase in emissions in violation of the prohibition contained in subparagraph (A) the Administrator shall consider an increase in each air pollutant referred to in clauses (i) through (iv) as a separate violation of such prohibition, except that the Administrator shall promulgate regulations to provide that any increase in emissions of oxides of nitrogen resulting from adding oxygenates to gasoline may be offset by an equivalent or greater reduction (on a mass basis) in emissions of volatile organic compounds, carbon monoxide, or toxic air pollutants, or any combination of the foregoing.

(D) Compliance period

The Administrator shall promulgate an appropriate compliance period or appropriate compliance periods to be used for assessing compliance with the prohibition contained in subparagraph (A).

(E) Baseline for determining compliance

If the Administrator determines that no adequate and reliable data exists regarding the composition of gasoline sold or introduced into commerce by a refiner, blender, or importer in calendar year 1990, for such refiner, blender, or importer, baseline gasoline shall be substituted for such 1990 gasoline in determining compliance with subparagraph (A).

(9) Emissions from entire vehicle

In applying the requirements of this subsection, the Administrator shall take into account emissions from the entire motor vehicle, including evaporative, running, refueling, and exhaust emissions.

(10) Definitions

For purposes of this subsection—

(A) Baseline vehicles

The term "baseline vehicles" mean representative model year 1990 vehicles.

(B) Baseline gasoline

(i) Summertime

The term "baseline gasoline" means in the case of gasoline sold during the high ozone period (as defined by the Administrator) a gasoline which meets the following specifications:

BASELINE GASOLINE FUEL PROPERTIES

<table>
<thead>
<tr>
<th>Property</th>
<th>Specification</th>
</tr>
</thead>
<tbody>
<tr>
<td>API Gravity</td>
<td>57.4</td>
</tr>
<tr>
<td>Sulfur, ppm</td>
<td>339</td>
</tr>
<tr>
<td>Benzene, %</td>
<td>1.53</td>
</tr>
<tr>
<td>RVP, psi</td>
<td>8.7</td>
</tr>
<tr>
<td>Octane, R+M/2</td>
<td>87.3</td>
</tr>
<tr>
<td>IBP, F</td>
<td>91</td>
</tr>
<tr>
<td>10%, F</td>
<td>128</td>
</tr>
<tr>
<td>50%, F</td>
<td>218</td>
</tr>
<tr>
<td>90%, F</td>
<td>330</td>
</tr>
<tr>
<td>End Point, F</td>
<td>415</td>
</tr>
<tr>
<td>Aromatics, %</td>
<td>32.0</td>
</tr>
<tr>
<td>Olefins, %</td>
<td>9.2</td>
</tr>
<tr>
<td>Saturates, %</td>
<td>58.8</td>
</tr>
</tbody>
</table>

(ii) Wintertime

The Administrator shall establish the specifications of "baseline gasoline" for gasoline sold at times other than the high ozone period (as defined by the Administrator). Such specifications shall be the specifications of 1990 industry average gasoline sold during such period.

(C) Toxic air pollutants

The term "toxic air pollutants" means the aggregate emissions of the following:

- Benzene
- 1,3 Butadiene
- Polycyclic organic matter (POM)
- Acetaldehyde
- Formaldehyde

(D) Covered area

The 9 ozone nonattainment areas having a 1980 population in excess of 250,000 and having the highest ozone design value during the period 1987 through 1989 shall be "covered areas" for purposes of this subsection. Effective one year after the reclassification of any ozone nonattainment area as a Severe ozone nonattainment area under section 7511(b) of this title, such Severe area shall also be a "covered area" for purposes of this subsection.

(E) Reformulated gasoline

The term "reformulated gasoline" means any gasoline which is certified by the Administrator under this section as complying with this subsection.
(F) Conventional gasoline

The term "conventional gasoline" means any gasoline which does not meet specifications set by a certification under this subsection.

(l) Detergents

Effective beginning January 1, 1995, no person may sell or dispense to an ultimate consumer in the United States, and no refiner or marketer may directly or indirectly sell or dispense to persons who sell or dispense to ultimate consumers in the United States any gasoline which does not contain additives to prevent the accumulation of deposits in engines or fuel supply systems. Not later than 2 years after November 15, 1990, the Administrator shall promulgate a rule establishing specifications for such additives.

(m) Oxygenated fuels

(1) Plan revisions for CO nonattainment areas

(A) Each State in which there is located all or part of an area which is designated under subchapter I as a nonattainment area for carbon monoxide and which has a carbon monoxide design value of 9.5 parts per million (ppm) or above based on data for the 2-year period of 1988 and 1989 and calculated according to the most recent interpretation methodology issued by the Administrator prior to November 15, 1990, shall submit to the Administrator a State implementation plan revision under section 7410 of this title and part D of subchapter I for such area which shall contain the provisions specified under this subsection regarding oxygenated gasoline.

(B) A plan revision which contains such provisions shall also be submitted by each State in which there is located any area which, for any 2-year period after 1989 has a carbon monoxide design value of 9.5 ppm or above. The revision shall be submitted within 18 months after such 2-year period.

(2) Oxygenated gasoline in CO nonattainment areas

Each plan revision under this subsection shall contain provisions to require that any gasoline sold, or dispensed, to the ultimate consumer in the carbon monoxide nonattainment area or sold or dispensed directly or indirectly by fuel refiners or marketers to persons who sell or dispense to ultimate consumers, in the larger of—

(A) the Consolidated Metropolitan Statistical Area (CMSA) in which the area is located, or

(B) if the area is not located in a CMSA, the Metropolitan Statistical Area in which the area is located,

be blended, during the portion of the year in which the area is prone to high ambient concentrations of carbon monoxide to contain not less than 2.7 percent oxygen by weight (subject to a testing tolerance established by the Administrator). The portion of the year in which the area is prone to high ambient concentrations of carbon monoxide shall be as determined by the Administrator, but shall not be less than 4 months. At the request of a State with respect to any area designated as nonattainment for carbon monoxide, the Administrator may reduce the period specified in the preceding sentence if the State can demonstrate that because of meteorological conditions, a reduced period will assure that there will be no exceedances of the carbon monoxide standard outside of such reduced period. For areas with a carbon monoxide design value of 9.5 ppm or more of November 15, 1990, the revision shall provide that such requirement shall take effect no later than November 1, 1992 (or at such other date during 1992 as the Administrator establishes under the preceding provisions of this paragraph). For other areas, the revision shall provide that such requirement shall take effect no later than November 1 of the third year after the last year of the applicable 2-year period referred to in paragraph (1) (or at such other date during such third year as the Administrator establishes under the preceding provisions of this paragraph) and shall include a program for implementation and enforcement of the requirement consistent with guidance to be issued by the Administrator.

(3) Waivers

(A) The Administrator shall waive, in whole or in part, the requirements of paragraph (2) upon a demonstration by the State to the satisfaction of the Administrator that the use of oxygenated gasoline would prevent or interfere with the attainment by the area of a national primary ambient air quality standard (or a State or local ambient air quality standard) for any air pollutant other than carbon monoxide.

(B) The Administrator shall, upon demonstration by the State satisfactory to the Administrator, waive the requirement of paragraph (2) where the Administrator determines that mobile sources of carbon monoxide do not contribute significantly to carbon monoxide levels in an area.

(C)(i) Any person may petition the Administrator to make a finding that there is, or is likely to be, for any area, an inadequate domestic supply of, or distribution capacity for, oxygenated gasoline meeting the requirements of paragraph (2) or fuel additives (oxygenates) necessary to meet such requirements. The Administrator shall act on such petition within 6 months after receipt of the petition.

(ii) If the Administrator determines, in response to a petition under clause (i), that there is an inadequate supply or capacity described in clause (i), the Administrator shall delay the effective date of paragraph (2) for 1 year. Upon petition, the Administrator may extend such effective date for one additional year. No partial delay or lesser waiver may be granted under this clause.

(iii) In granting waivers under this subparagraph the Administrator shall consider distribution capacity separately from the adequacy of domestic supply and shall grant such waivers in such manner as will assure that, if supplies of oxygenated gasoline are limited,
areas having the highest design value for carbon monoxide will have a priority in obtaining oxygenated gasoline which meets the requirements of paragraph (2).

(iv) As used in this subparagraph, the term distribution capacity includes capacity for transportation, storage, and blending.

(4) Fuel dispensing systems

Any person selling oxygenated gasoline at retail pursuant to this subsection shall be required under regulations promulgated by the Administrator to label the fuel dispensing system with a notice that the gasoline is oxygenated and will reduce the carbon monoxide emissions from the motor vehicle.

(5) Guidelines for credit

The Administrator shall promulgate guidelines, within 9 months after November 15, 1990, allowing the use of marketable oxygen credits from gasolines during that portion of the year specified in paragraph (2) with higher oxygen content than required to offset the sale or use of gasoline with a lower oxygen content than required. No credits may be transferred between nonattainment areas.

(6) Attainment areas

Nothing in this subsection shall be interpreted as requiring an oxygenated gasoline program in an area which is in attainment for carbon monoxide, except that in a carbon monoxide nonattainment area which is redesignated as attainment for carbon monoxide, the requirements of this subsection shall remain in effect to the extent such program is necessary to maintain such standard thereafter in the area.

(7) Failure to attain CO standard

If the Administrator determines under section 7512(b)(2) of this title that the national primary ambient air quality standard for carbon monoxide has not been attained in a Serious Area by the applicable attainment date, the State shall submit a plan revision for the area within 9 months after the date of such determination. The plan revision shall provide that the minimum oxygen content of gasoline referred to in paragraph (2) shall be 3.1 percent by weight unless such requirement is waived in accordance with the provisions of this subsection.

(o) Prohibition on leaded gasoline for highway use

After December 31, 1995, it shall be unlawful for any person to sell, offer for sale, supply, offer for supply, dispense, transport, or introduce into commerce, for use as fuel in any motor vehicle (as defined in section 7554(2) of this title) any gasoline which contains lead or lead additives.

(1) Definitions

In this section:

(A) Additional renewable fuel

The term “additional renewable fuel” means fuel that is produced from renewable biomass and that is used to replace or reduce the quantity of fossil fuel present in home heating oil or jet fuel.

(B) Advanced biofuel

(i) In general

The term “advanced biofuel” means renewable fuel, other than ethanol derived from corn starch, that has lifecycle greenhouse gas emissions, as determined by the Administrator, after notice and opportunity for comment, that are at least 50 percent less than baseline lifecycle greenhouse gas emissions.

(ii) Inclusions

The types of fuels eligible for consideration as “advanced biofuel” may include any of the following:

(I) Ethanol derived from cellulose, hemicellulose, or lignin.

(II) Ethanol derived from sugar or starch (other than corn starch).

(III) Ethanol derived from waste material, including crop residue, other vegetative waste material, animal waste, and food waste and yard waste.

(IV) Biomass-based diesel.

(V) Biogas (including landfill gas and sewage waste treatment gas) produced through the conversion of organic matter from renewable biomass.

(VI) Butanol or other alcohols produced through the conversion of organic matter from renewable biomass.

(VII) Other fuel derived from cellulose biomass.

(C) Baseline lifecycle greenhouse gas emissions

The term “baseline lifecycle greenhouse gas emissions” means the average lifecycle greenhouse gas emissions, as determined by the Administrator, after notice and opportunity for comment, for gasoline or diesel (whichever is being replaced by the renewable fuel) sold or distributed as transportation fuel in 2005.

(D) Biomass-based diesel

The term “biomass-based diesel” means renewable fuel that is biodiesel as defined in section 13220(f) of this title and that has lifecycle greenhouse gas emissions, as determined by the Administrator, after notice and opportunity for comment, that are at least 50 percent less than the baseline lifecycle greenhouse gas emissions. Notwithstanding the preceding sentence, renewable fuel derived from co-processing biomass with a petroleum feedstock shall be advanced biofuel if it meets the requirements of subparagraph (B), but is not biomass-based diesel.

(E) Cellulosic biofuel

The term “cellulosic biofuel” means renewable fuel derived from any cellulose, hemicellulose, or lignin that is derived from renewable biomass and that has lifecycle greenhouse gas emissions, as determined by the Administrator, that are at least 60 per-
cent less than the baseline lifecycle greenhouse gas emissions.

(F) **Conventional fuel**

The term “conventional biofuel” means renewable fuel that is ethanol derived from corn starch.

(G) **Greenhouse gas**

The term “greenhouse gas” means carbon dioxide, hydrofluorocarbons, methane, nitrous oxide, perfluorocarbons,\(^9\) sulfur hexafluoride. The Administrator may include any other anthropogenically-emitted gas that is determined by the Administrator, after notice and comment, to contribute to global warming.

(H) **Lifecycle greenhouse gas emissions**

The term “lifecycle greenhouse gas emissions” means the aggregate quantity of greenhouse gas emissions (including direct emissions and significant indirect emissions such as significant emissions from land use changes), as determined by the Administrator, related to the full fuel lifecycle, including all stages of fuel and feedstock production and distribution, from feedstock generation or extraction through the distribution and delivery and use of the finished fuel to the ultimate consumer, where the mass values for all greenhouse gases are adjusted to account for their relative global warming potential.

(I) **Renewable biomass**

The term “renewable biomass” means each of the following:

(i) Planted crops and crop residue harvested from agricultural land cleared or cultivated at any time prior to December 19, 2007, that is either actively managed or fallow, and nonforested.

(ii) Planted trees and tree residue from actively managed tree plantations on non-federal\(^{10}\) land cleared at any time prior to December 19, 2007, including land belonging to an Indian tribe or an Indian individual, that is held in trust by the United States or subject to a restriction against alienation imposed by the United States.

(iii) Animal waste material and animal byproducts.

(iv) Slash and pre-commercial thinnings that are from non-federal\(^{10}\) forestlands belonging to an Indian tribe or an Indian individual, that are held in trust by the United States or subject to a restriction against alienation imposed by the United States, but not forests or forestlands that are ecological communities with a global or State ranking of critically imperiled, imperiled, or rare pursuant to a State Natural Heritage Program, old growth forest, or late successional forest.

(v) Biomass obtained from the immediate vicinity of buildings and other areas regularly occupied by people, or of public infrastructure, at risk from wildfire.

---

\(^9\) So in original. The word “and” probably should appear.

\(^{10}\) So in original. Probably should be “non-Federal”.

(J) **Renewable fuel**

The term “renewable fuel” means fuel that is produced from renewable biomass and that is used to replace or reduce the quantity of fossil fuel present in a transportation fuel.

(K) **Small refinery**

The term “small refinery” means a refinery for which the average aggregate daily crude oil throughput for a calendar year (as determined by dividing the aggregate throughput for the calendar year by the number of days in the calendar year) does not exceed 75,000 barrels.

(L) **Transportation fuel**

The term “transportation fuel” means fuel for use in motor vehicles, motor vehicle engines, nonroad vehicles, or nonroad engines (except for ocean-going vessels).

(2) **Renewable fuel program**

(A) **Regulations**

(i) **In general**

Not later than 1 year after August 8, 2005, the Administrator shall promulgate regulations to ensure that gasoline sold or introduced into commerce in the United States (except in noncontiguous States or territories), on an annual average basis, contains the applicable volume of renewable fuel determined in accordance with subparagraph (B). Not later than 1 year after December 19, 2007, the Administrator shall revise the regulations under this paragraph to ensure that transportation fuel sold or introduced into commerce in the United States (except in noncontiguous States or territories), on an annual average basis, contains at least the applicable volume of renewable fuel, advanced biofuel, cellulosic biofuel, and biomass-based diesel, determined in accordance with subparagraph (B) and, in the case of any such renewable fuel produced from new facilities that commence construction after December 19, 2007, achieves at least a 20 percent reduction in lifecycle greenhouse gas emissions compared to baseline lifecycle greenhouse gas emissions.

(ii) **Noncontiguous State opt-in**

(I) **In general**

On the petition of a noncontiguous State or territory, the Administrator may allow the renewable fuel program established under this subsection to apply in the noncontiguous State or territory at the same time or any time after the Administrator promulgates regulations under this subparagraph.

(II) **Other actions**

In carrying out this clause, the Administrator may—

(aa) issue or revise regulations under this paragraph;
(bb) establish applicable percentages under paragraph (3); 
(cc) provide for the generation of credits under paragraph (5); and 
(dd) take such other actions as are necessary to allow for the application of the renewable fuels program in a noncontiguous State or territory.

(iii) Provisions of regulations

Regardless of the date of promulgation, the regulations promulgated under clause (i)—

(I) shall contain compliance provisions applicable to refineries, blenders, distributors, and importers, as appropriate, to ensure that the requirements of this paragraph are met; but

(II) shall not—

(aa) restrict geographic areas in which renewable fuel may be used; or 
(bb) impose any per-gallon obligation for the use of renewable fuel.

(iv) Requirement in case of failure to promulgate regulations

If the Administrator does not promulgate regulations under clause (i), the percentage of renewable fuel in gasoline sold or dispensed to consumers in the United States, on a volume basis, shall be 2.78 percent for calendar year 2006.

(B) Applicable volumes

(i) Calendar years after 2005

(I) Renewable fuel

For the purpose of subparagraph (A), the applicable volume of renewable fuel for the calendar years 2006 through 2022 shall be determined in accordance with the following table:

<table>
<thead>
<tr>
<th>Calendar year</th>
<th>Applicable volume of renewable fuel (in billions of gallons)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2006</td>
<td>4.0</td>
</tr>
<tr>
<td>2007</td>
<td>4.7</td>
</tr>
<tr>
<td>2008</td>
<td>9.0</td>
</tr>
<tr>
<td>2009</td>
<td>11.1</td>
</tr>
<tr>
<td>2010</td>
<td>12.95</td>
</tr>
<tr>
<td>2011</td>
<td>13.95</td>
</tr>
<tr>
<td>2012</td>
<td>15.2</td>
</tr>
<tr>
<td>2013</td>
<td>16.55</td>
</tr>
<tr>
<td>2014</td>
<td>18.15</td>
</tr>
<tr>
<td>2015</td>
<td>20.5</td>
</tr>
<tr>
<td>2016</td>
<td>22.25</td>
</tr>
<tr>
<td>2017</td>
<td>24.0</td>
</tr>
<tr>
<td>2018</td>
<td>26.0</td>
</tr>
<tr>
<td>2019</td>
<td>26.0</td>
</tr>
<tr>
<td>2020</td>
<td>30.0</td>
</tr>
<tr>
<td>2021</td>
<td>33.0</td>
</tr>
<tr>
<td>2022</td>
<td>36.0</td>
</tr>
</tbody>
</table>

(II) Advanced biofuel

For the purpose of subparagraph (A), the volume of advanced biofuel required under subclause (I), the applicable volume of advanced biofuel for the calendar years 2009 through 2022 shall be determined in accordance with the following table:

<table>
<thead>
<tr>
<th>Calendar year</th>
<th>Applicable volume of advanced biofuel (in billions of gallons)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009</td>
<td>0.6</td>
</tr>
<tr>
<td>2010</td>
<td>0.95</td>
</tr>
<tr>
<td>2011</td>
<td>1.35</td>
</tr>
<tr>
<td>2012</td>
<td>2.0</td>
</tr>
<tr>
<td>2013</td>
<td>2.75</td>
</tr>
<tr>
<td>2014</td>
<td>3.75</td>
</tr>
<tr>
<td>2015</td>
<td>5.5</td>
</tr>
<tr>
<td>2016</td>
<td>7.25</td>
</tr>
<tr>
<td>2017</td>
<td>9.0</td>
</tr>
<tr>
<td>2018</td>
<td>11.0</td>
</tr>
<tr>
<td>2019</td>
<td>13.0</td>
</tr>
<tr>
<td>2020</td>
<td>15.0</td>
</tr>
<tr>
<td>2021</td>
<td>18.0</td>
</tr>
<tr>
<td>2022</td>
<td>21.0</td>
</tr>
</tbody>
</table>

(III) Cellulosic biofuel

For the purpose of subparagraph (A), of the volume of advanced biofuel required under subclause (II), the applicable volume of cellulosic biofuel for the calendar years 2010 through 2022 shall be determined in accordance with the following table:

<table>
<thead>
<tr>
<th>Calendar year</th>
<th>Applicable volume of cellulosic biofuel (in billions of gallons)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>0.1</td>
</tr>
<tr>
<td>2011</td>
<td>0.25</td>
</tr>
<tr>
<td>2012</td>
<td>0.5</td>
</tr>
<tr>
<td>2013</td>
<td>1.0</td>
</tr>
<tr>
<td>2014</td>
<td>1.75</td>
</tr>
<tr>
<td>2015</td>
<td>3.0</td>
</tr>
<tr>
<td>2016</td>
<td>4.25</td>
</tr>
<tr>
<td>2017</td>
<td>5.5</td>
</tr>
<tr>
<td>2018</td>
<td>7.0</td>
</tr>
<tr>
<td>2019</td>
<td>8.5</td>
</tr>
<tr>
<td>2020</td>
<td>10.5</td>
</tr>
<tr>
<td>2021</td>
<td>13.5</td>
</tr>
<tr>
<td>2022</td>
<td>16.0</td>
</tr>
</tbody>
</table>

(IV) Biomass-based diesel

For the purpose of subparagraph (A), of the volume of advanced biofuel required under subclause (II), the applicable volume of biomass-based diesel for the calendar years 2009 through 2012 shall be determined in accordance with the following table:

<table>
<thead>
<tr>
<th>Calendar year</th>
<th>Applicable volume of biomass-based diesel (in billions of gallons)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009</td>
<td>0.5</td>
</tr>
<tr>
<td>2010</td>
<td>0.65</td>
</tr>
<tr>
<td>2011</td>
<td>0.80</td>
</tr>
<tr>
<td>2012</td>
<td>1.0</td>
</tr>
</tbody>
</table>

(ii) Other calendar years

For the purposes of subparagraph (A), the applicable volumes of each fuel specified in the tables in clause (i) for calendar years after the calendar years specified in the tables shall be determined by the Ad-
ministrator, in coordination with the Secretary of Energy and the Secretary of Agriculture, based on a review of the implementation of the program during calendar years specified in the tables, and an analysis of—

(I) the impact of the production and use of renewable fuels on the environment, including on air quality, climate change, conversion of wetlands, ecosystems, wildlife habitat, water quality, and water supply;

(II) the impact of renewable fuels on the energy security of the United States;

(III) the expected annual rate of future commercial production of renewable fuels, including advanced biofuels in each category (cellulosic biofuel and biomass-based diesel);

(IV) the impact of renewable fuels on the infrastructure of the United States, including deliverability of materials, goods, and products other than renewable fuel, and the sufficiency of infrastructure to deliver and use renewable fuel;

(V) the impact of the use of renewable fuels on the cost to consumers of transportation fuel and on the cost to transport goods; and

(VI) the impact of the use of renewable fuels on other factors, including job creation, the price and supply of agricultural commodities, rural economic development, and food prices.

The Administrator shall promulgate rules establishing the applicable volumes under this clause no later than 14 months before the first year for which such applicable volume will apply.

(ii) Applicable volume of advanced biofuel

For the purpose of making the determinations in clause (i), for each calendar year, the applicable volume of advanced biofuel shall be at least the same percentage of the applicable volume of renewable fuel as in calendar year 2022.

(iv) Applicable volume of cellulosic biofuel

For the purpose of making the determinations in clause (i), for each calendar year, the applicable volume of cellulosic biofuel established by the Administrator shall be based on the assumption that the Administrator will not need to issue a waiver for such years under paragraph (7)(D).

(v) Minimum applicable volume of biomass-based diesel

For the purpose of making the determinations in clause (i), the applicable volume of biomass-based diesel shall not be less than the applicable volume listed in clause (i)(IV) for calendar year 2012.

(3) Applicable percentages

(A) Provision of estimate of volumes of gasoline sales

Not later than October 31 of each of calendar years 2005 through 2021, the Administrator shall provide to the Administrator of the Energy Information Administration an estimate, with respect to the following calendar year, of the volumes of transportation fuel, biomass-based diesel, and cellulosic biofuel projected to be sold or introduced into commerce in the United States.

(B) Determination of applicable percentages

(i) In general

Not later than November 30 of each of calendar years 2006 through 2021, based on the estimate provided under subparagraph (A), the Administrator of the Environmental Protection Agency shall determine and publish in the Federal Register, with respect to the following calendar year, the renewable fuel obligation that ensures that the requirements of paragraph (2) are met.

(ii) Required elements

The renewable fuel obligation determined for a calendar year under clause (i) shall—

(I) be applicable to refineries, blenders, and importers, as appropriate;

(II) be expressed in terms of a volume percentage of transportation fuel sold or introduced into commerce in the United States; and

(III) subject to subparagraph (C)(i), consist of a single applicable percentage that applies to all categories of persons specified in subclause (I).

(C) Adjustments

In determining the applicable percentage for a calendar year, the Administrator shall make adjustments—

(i) to prevent the imposition of redundant obligations on any person specified in subparagraph (B)(ii)(I); and

(ii) to account for the use of renewable fuel during the previous calendar year by small refineries that are exempt under paragraph (9).

(4) Modification of greenhouse gas reduction percentages

(A) In general

The Administrator may, in the regulations under the last sentence of paragraph (2)(A)(i), adjust the 20 percent, 50 percent, and 60 percent reductions in lifecycle greenhouse gas emissions specified in paragraphs (2)(A)(i) (relating to renewable fuel), (1)(D) (relating to biomass-based diesel), (1)(B)(i) (relating to advanced biofuel), and (1)(E) (relating to cellulosic biofuel) to a lower percentage. For the 50 and 60 percent reductions, the Administrator may make such an adjustment only if he determines that generally such reduction is not commercially feasible for fuels made using a variety of feedstocks, technologies, and processes to meet the applicable reduction.

(B) Amount of adjustment

In promulgating regulations under this paragraph, the specified 50 percent reduction
in greenhouse gas emissions from advanced biofuel and in biomass-based diesel may not be reduced below 40 percent. The specified 20 percent reduction in greenhouse gas emissions from renewable fuel may not be reduced below 10 percent, and the specified 60 percent reduction in greenhouse gas emissions from cellulosic biofuel may not be reduced below 50 percent.

(C) Adjusted reduction levels

An adjustment under this paragraph to a percent less than the specified 20 percent greenhouse gas reduction for renewable fuel shall be the minimum possible adjustment, and the adjusted greenhouse gas reduction shall be established by the Administrator at the maximum achievable level, taking cost in consideration, for natural gas fired corn-based ethanol plants, allowing for the use of a variety of technologies and processes. An adjustment in the 50 or 60 percent greenhouse gas levels shall be the minimum possible adjustment for the fuel or fuels concerned, and the adjusted greenhouse gas reduction shall be established at the maximum achievable level, taking cost in consideration, allowing for the use of a variety of feedstocks, technologies, and processes.

(D) 5-year review

Whenever the Administrator makes any adjustment under this paragraph, not later than 5 years thereafter he shall review and revise (based upon the same criteria and standards as required for the initial adjustment) the regulations establishing the adjusted level.

(E) Subsequent adjustments

After the Administrator has promulgated a final rule under the last sentence of paragraph (2)(A)(1) with respect to the method of determining lifecycle greenhouse gas emissions, except as provided in subparagraph (D), the Administrator may not adjust the percent greenhouse gas reduction levels unless he determines that there has been a significant change in the analytical methodology used for determining the lifecycle greenhouse gas emissions. If he makes such determination, he may adjust the 20, 50, or 60 percent reduction levels through rulemaking using the criteria and standards set forth in this paragraph.

(F) Limit on upward adjustments

If, under subparagraph (D) or (E), the Administrator revises a percent level adjusted as provided in subparagraphs (A), (B), and (C) to a higher percent, such higher percent may not exceed the applicable percent specified in paragraph (2)(A)(1), (1)(D), (1)(B)(1), or (1)(E).

(G) Applicability of adjustments

If the Administrator adjusts, or revises, a percent level referred to in this paragraph or makes a change in the specified 60 percent reduction in greenhouse gas emissions, such adjustment, revision, or change (or any combination thereof) shall only apply to renewable fuel from new facilities that commence construction after the effective date of such adjustment, revision, or change.

(5) Credit program

(A) In general

The regulations promulgated under paragraph (2)(A) shall provide—

(i) for the generation of an appropriate amount of credits by any person that refines, blends, or imports gasoline that contains a quantity of renewable fuel that is greater than the quantity required under paragraph (2);

(ii) for the generation of an appropriate amount of credits for biodiesel; and

(iii) for the generation of credits by small refineries in accordance with paragraph (9)(C).

(B) Use of credits

A person that generates credits under subparagraph (A) may use the credits, or transfer all or a portion of the credits to another person, for the purpose of complying with paragraph (2).

(C) Duration of credits

A credit generated under this paragraph shall be valid to show compliance for the 12 months as of the date of generation.

(D) Inability to generate or purchase sufficient credits

The regulations promulgated under paragraph (2)(A) shall include provisions allowing any person that is unable to generate or purchase sufficient credits to meet the requirements of paragraph (2) to carry forward a renewable fuel deficit on condition that the person, in the calendar year following the year in which the renewable fuel deficit is created—

(i) achieves compliance with the renewable fuel requirement under paragraph (2); and

(ii) generates or purchases additional renewable fuel credits to offset the renewable fuel deficit of the previous year.

(E) Credits for additional renewable fuel

The Administrator may issue regulations providing: (i) for the generation of an appropriate amount of credits by any person that refines, blends, or imports additional renewable fuels specified by the Administrator; and (ii) for the use of such credits by the generator, or the transfer of all or a portion of the credits to another person, for the purpose of complying with paragraph (2).

(6) Seasonal variations in renewable fuel use

(A) Study

For each of calendar years 2006 through 2012, the Administrator of the Energy Information Administration shall conduct a study of renewable fuel blending to determine whether there are excessive seasonal variations in the use of renewable fuel.

(B) Regulation of excessive seasonal variations

If, for any calendar year, the Administrator of the Energy Information Adminis-
tration, based on the study under subparagraph (A), makes the determinations specified in subparagraph (C), the Administrator of the Environmental Protection Agency shall promulgate regulations to ensure that 25 percent or more of the quantity of renewable fuel necessary to meet the requirements of paragraph (2) is used during each of the 2 periods specified in subparagraph (D) of each subsequent calendar year.

(C) Determinations

The determinations referred to in subparagraph (B) are that—

(i) less than 25 percent of the quantity of renewable fuel necessary to meet the requirements of paragraph (2) has been used during 1 of the 2 periods specified in subparagraph (D) of the calendar year;

(ii) a pattern of excessive seasonal variation described in clause (i) will continue in subsequent calendar years; and

(iii) promulgating regulations or other requirements to impose a 25 percent or more seasonal use of renewable fuels will not prevent or interfere with the attainment of national ambient air quality standards or significantly increase the price of motor fuels to the consumer.

(D) Periods

The 2 periods referred to in this paragraph are—

(i) April through September; and

(ii) January through March and October through December.

(E) Exclusion

Renewable fuel blended or consumed in calendar year 2006 in a State that has received a waiver under section 7543(b) of this title shall not be included in the study under subparagraph (A).

(F) State exemption from seasonality requirements

Notwithstanding any other provision of law, the seasonality requirement relating to renewable fuel use established by this paragraph shall not apply to any State that has received a waiver under section 7543(b) of this title or any State dependent on refineries in such State for gasoline supplies.

(7) Waivers

(A) In general

The Administrator, in consultation with the Secretary of Agriculture and the Secretary of Energy, may waive the requirements of paragraph (2) in whole or in part on petition by one or more States, by any person subject to the requirements of this subsection, or by the Administrator on his own motion by reducing the national quantity of renewable fuel required under paragraph (2)—

(ii) based on a determination by the Administrator, after public notice and opportunity for comment, that there is an inadequate domestic supply.

(B) Petitions for waivers

The Administrator, in consultation with the Secretary of Agriculture and the Secretary of Energy, shall approve or disapprove a petition for a waiver of the requirements of paragraph (2) within 90 days after the date on which the petition is received by the Administrator.

(C) Termination of waivers

A waiver granted under subparagraph (A) shall terminate after 1 year, but may be renewed by the Administrator after consultation with the Secretary of Agriculture and the Secretary of Energy.

(D) Cellulosic biofuel

(i) For any calendar year for which the projected volume of cellulosic biofuel production is less than the minimum applicable volume established under paragraph (2)(B), as determined by the Administrator based on the estimate provided under paragraph (3)(A), not later than November 30 of the preceding calendar year, the Administrator shall reduce the applicable volume of cellulosic biofuel required under paragraph (2)(B) to the projected volume available during that calendar year. For any calendar year in which the Administrator makes such a reduction, the Administrator may also reduce the applicable volume of renewable fuel and advanced biofuels requirement established under paragraph (2)(B) by the same or a lesser volume.

(ii) Whenever the Administrator reduces the minimum cellulosic biofuel volume under this subparagraph, the Administrator shall make available for sale cellulosic biofuel credits at the higher of $0.25 per gallon or the amount by which $3.00 per gallon exceeds the average wholesale price of a gallon of gasoline in the United States. Such amounts shall be adjusted for inflation by the Administrator for years after 2008.

(iii) Eighteen months after December 19, 2007, the Administrator shall promulgate regulations to govern the issuance of credits under this subparagraph. The regulations shall set forth the method for determining the exact price of credits in the event of a waiver. The price of such credits shall not be changed more frequently than once each quarter. These regulations shall include such provisions, including limiting the credits’ uses and useful life, as the Administrator deems appropriate to assist market liquidity and transparency, to provide appropriate certainty for regulated entities and renewable fuel producers, and to limit any potential misuse of cellulosic biofuel credits to reduce the use of other renewable fuels, and for such other purposes as the Administrator determines will help achieve the goals of this subsection. The regulations shall limit the number of cellulosic biofuel credits for any calendar year to the minimum appli-
cable volume (as reduced under this subparagraph) of cellulosic biofuel for that year.

(E) Biomass-based diesel

(i) Market evaluation

The Administrator, in consultation with the Secretary of Energy and the Secretary of Agriculture, shall periodically evaluate the impact of the biomass-based diesel requirements established under this paragraph on the price of diesel fuel.

(ii) Waiver

If the Administrator determines that there is a significant renewable feedstock disruption or other market circumstances that would make the price of biomass-based diesel fuel increase significantly, the Administrator, in consultation with the Secretary of Energy and the Secretary of Agriculture, shall issue an order to reduce, for up to a 60-day period, the quantity of biomass-based diesel required under subparagraph (A) by an appropriate quantity that does not exceed 15 percent of the applicable annual requirement for biomass-based diesel. For any calendar year in which the Administrator makes a reduction under this subparagraph, the Administrator may also reduce the applicable volume of renewable fuel and advanced biofuels requirement established under paragraph (2)(B) by the same or a lesser volume.

(iii) Extensions

If the Administrator determines that the feedstock disruption or circumstances described in clause (ii) is continuing beyond the 60-day period described in clause (ii) or this clause, the Administrator, in consultation with the Secretary of Energy and the Secretary of Agriculture, may issue an order to reduce, for up to an additional 60-day period, the quantity of biomass-based diesel required under subparagraph (A) by an appropriate quantity that does not exceed an additional 15 percent of the applicable annual requirement for biomass-based diesel.

(F) Modification of applicable volumes

For any of the tables in paragraph (2)(B), if the Administrator waives—

(i) at least 20 percent of the applicable volume requirement set forth in any such table for 2 consecutive years; or

(ii) at least 50 percent of such volume requirement for a single year,

the Administrator shall promulgate a rule (within 1 year after issuing such waiver) that modifies the applicable volumes set forth in the table concerned for all years following the final year to which the waiver applies, except that no such modification in applicable volumes shall be made for any year before 2016. In promulgating such a rule, the Administrator shall comply with the processes, criteria, and standards set forth in paragraph (2)(B)(i).

(8) Study and waiver for initial year of program

(A) In general

Not later than 180 days after August 8, 2005, the Secretary of Energy shall conduct for the Administrator a study assessing whether the renewable fuel requirement under paragraph (2) will likely result in significant adverse impacts on consumers in 2006, on a national, regional, or State basis.

(B) Required evaluations

The study shall evaluate renewable fuel—

(i) supplies and prices;

(ii) blendstock supplies; and

(iii) supply and distribution system capabilities.

(C) Recommendations by the Secretary

Based on the results of the study, the Secretary of Energy shall make specific recommendations to the Administrator concerning waiver of the requirements of paragraph (2), in whole or in part, to prevent any adverse impacts described in subparagraph (A).

(D) Waiver

(i) In general

Not later than 270 days after August 8, 2005, the Administrator shall, if and to the extent recommended by the Secretary of Energy under subparagraph (C), waive, in whole or in part, the renewable fuel requirement under paragraph (2) by reducing the national quantity of renewable fuel required under paragraph (2) in calendar year 2006.

(ii) No effect on waiver authority

Clause (i) does not limit the authority of the Administrator to waive the requirements of paragraph (2) in whole, or in part, under paragraph (7).

(9) Small refineries

(A) Temporary exemption

(i) In general

The requirements of paragraph (2) shall not apply to small refineries until calendar year 2011.

(ii) Extension of exemption

(I) Study by Secretary of Energy

Not later than December 31, 2008, the Secretary of Energy shall conduct for the Administrator a study to determine whether compliance with the requirements of paragraph (2) would impose a disproportionate economic hardship on small refineries.

(II) Extension of exemption

In the case of a small refinery that the Secretary of Energy determines under subclause (I) would be subject to a disproportionate economic hardship if required to comply with paragraph (2), the Administrator shall extend the exemption under clause (i) for the small refinery for a period of not less than 2 additional years.
(B) Petitions based on disproportionate economic hardship

(i) Extension of exemption

A small refinery may at any time petition the Administrator for an extension of the exemption under subparagraph (A) for the reason of disproportionate economic hardship.

(ii) Evaluation of petitions

In evaluating a petition under clause (i), the Administrator, in consultation with the Secretary of Energy, shall consider the findings of the study under subparagraph (A)(ii) and other economic factors.

(iii) Deadline for action on petitions

The Administrator shall act on any petition submitted by a small refinery for a hardship exemption not later than 90 days after the date of receipt of the petition.

(C) Credit program

If a small refinery notifies the Administrator that the small refinery waives the exemption under subparagraph (A), the regulations promulgated under paragraph (2)(A) shall provide for the generation of credits by the small refinery under paragraph (5) beginning in the calendar year following the date of notification.

(D) Opt-in for small refineries

A small refinery shall be subject to the requirements of paragraph (2) if the small refinery notifies the Administrator that the small refinery waives the exemption under subparagraph (A).

(10) Ethanol market concentration analysis

(A) Analysis

(i) In general

Not later than 180 days after August 8, 2005, and annually thereafter, the Federal Trade Commission shall perform a market concentration analysis of the ethanol production industry using the Herfindahl-Hirschman Index to determine whether there is sufficient competition among industry participants to avoid price-setting and other anticompetitive behavior.

(ii) Scoring

For the purpose of scoring under clause (i) using the Herfindahl-Hirschman Index, all marketing arrangements among industry participants shall be considered.

(B) Report

Not later than December 1, 2005, and annually thereafter, the Federal Trade Commission shall submit to Congress and the Administrator a report on the results of the market concentration analysis performed under subparagraph (A)(i).

(11) Periodic reviews

To allow for the appropriate adjustment of the requirements described in subparagraph (B) of paragraph (2), the Administrator shall conduct periodic reviews of—

(A) existing technologies;

(B) the feasibility of achieving compliance with the requirements; and

(C) the impacts of the requirements described in subsection (a)(2) on each individual and entity described in paragraph (2).

(12) Effect on other provisions

Nothing in this subsection, or regulations issued pursuant to this subsection, shall affect or be construed to affect the regulatory status of carbon dioxide or any other greenhouse gas, or to expand or limit regulatory authority regarding carbon dioxide or any other greenhouse gas, for purposes of other provisions (including section 7475) of this chapter. The previous sentence shall not affect implementation and enforcement of this subsection.

(q) Analyses of motor vehicle fuel changes and emissions model

(1) Anti-backsliding analysis

(A) Draft analysis

Not later than 4 years after August 8, 2005, the Administrator shall publish for public comment a draft analysis of the changes in emissions of air pollutants and air quality due to the use of motor vehicle fuel and fuel additives resulting from implementation of the amendments made by the Energy Policy Act of 2005.

(B) Final analysis

After providing a reasonable opportunity for comment but not later than 5 years after August 8, 2005, the Administrator shall publish the analysis in final form.

(2) Emissions model

For the purposes of this section, not later than 4 years after August 8, 2005, the Administrator shall develop and finalize an emissions model that reflects, to the maximum extent practicable, the effects of gasoline characteristics or components on emissions from vehicles in the motor vehicle fleet during calendar year 2007.

(3) Permeation effects study

(A) In general

Not later than 1 year after August 8, 2005, the Administrator shall conduct a study, and report to Congress the results of the study, on the effects of ethanol content in gasoline on permeation, the process by which fuel molecules migrate through the elastomeric materials (rubber and plastic parts) that make up the fuel and fuel vapor systems of a motor vehicle.

(B) Evaporative emissions

The study shall include estimates of the increase in total evaporative emissions likely to result from the use of gasoline with ethanol content in a motor vehicle, and the fleet of motor vehicles, due to permeation.

(r) Fuel and fuel additive importers and importation

For the purposes of this section, the term “manufacturer” includes an importer and the term “manufacture” includes importation.

So in original. Subsection (a) does not contain a par. (2).

So in original. Subsec. (p) has been enacted.
(s) Conversion assistance for cellulosic biomass, waste-derived ethanol, approved renewable fuels

(1) In general

The Secretary of Energy may provide grants to merchant producers of cellulosic biomass ethanol, waste-derived ethanol, and approved renewable fuels in the United States to assist the producers in building eligible production facilities described in paragraph (2) for the production of ethanol or approved renewable fuels.

(2) Eligible production facilities

A production facility shall be eligible to receive a grant under this subsection if the production facility—

(A) is located in the United States; and

(B) uses cellulosic or renewable biomass or waste-derived feedstocks derived from agricultural residues, wood residues, municipal solid waste, or agricultural byproducts.

(3) Authorization of appropriations

There are authorized to be appropriated the following amounts to carry out this subsection:

(A) $100,000,000 for fiscal year 2006.

(B) $250,000,000 for fiscal year 2007.

(C) $400,000,000 for fiscal year 2008.

(4) Definitions

For the purposes of this subsection:

(A) The term “approved renewable fuels” are fuels and components of fuels that have been approved by the Department of Energy, as defined in section 12211 of this title, which have been made from renewable biomass.

(B) The term “renewable biomass” is, as defined in Presidential Executive Order 13134, published in the Federal Register on August 16, 1999, any organic matter that is available on a renewable or recurring basis (excluding old-growth timber), including dedicated energy crops and trees, agricultural food and feed crop residues, aquatic plants, animal wastes, wood and wood residues, paper and paper residues, and other vegetative waste materials. Old-growth timber means timber of a forest from the late successional stage of forest development.

(5) Blending of compliant reformulated gasolines

(1) In general

Notwithstanding subsections (h) and (k) and subject to the limitations in paragraph (2) of this subsection, it shall not be a violation of this part for a gasoline retailer, during any month of the year, to blend at a retail location batches of ethanol-blended and non-ethanol-blended reformulated gasoline, provided that—

(A) each batch of gasoline to be blended has been individually certified as in compliance with subsections (h) and (k) prior to being blended;

(B) the retailer notifies the Administrator prior to such blending, and identifies the exact location of the retail station and the specific tank in which such blending will take place;

(C) the retailer retains and, as requested by the Administrator or the Administrator’s designee, makes available for inspection such certifications accounting for all gasoline at the retail outlet; and

(D) the retailer does not, between June 1 and September 15 of each year, blend a batch of VOC-controlled, or “summer”, gasoline with a batch of non-VOC-controlled, or “winter”, gasoline (as these terms are defined under subsections (h) and (k)).

(2) Limitations

(A) Frequency limitation

A retailer shall only be permitted to blend batches of compliant reformulated gasoline under this subsection a maximum of two blending periods between May 1 and September 15 of each calendar year.

(B) Duration of blending period

Each blending period authorized under subparagraph (A) shall extend for a period of no more than 10 consecutive calendar days.

(3) Surveys

A sample of gasoline taken from a retail location that has blended gasoline within the past 30 days and is in compliance with subparagraphs (A), (B), (C), and (D) of paragraph (1) shall not be used in a VOC survey mandated by 40 CFR Part 80.

(4) State implementation plans

A State shall be held harmless and shall not be required to revise its State implementation plan under section 7410 of this title to account for the emissions from blended gasoline authorized under paragraph (1).

(5) Preservation of State law

Nothing in this subsection shall—

(A) preempt existing State laws or regulations regulating the blending of compliant gasolines; or

(B) prohibit a State from adopting such restrictions in the future.

(6) Regulations

The Administrator shall promulgate, after notice and comment, regulations implementing this subsection within 1 year after August 8, 2005.

(7) Effective date

This subsection shall become effective 15 months after August 8, 2005, and shall apply to blended batches of reformulated gasoline on or after that date, regardless of whether the implementing regulations required by paragraph (6) have been promulgated by the Administrator by that date.

(8) Liability

No person other than the person responsible for blending under this subsection shall be subject to an enforcement action or penalties under subsection (d) solely arising from the blending of compliant reformulated gasolines by the retailers.

(9) Formulation of gasoline

This subsection does not grant authority to the Administrator or any State (or any sub-
§ 7545

TITLIE 42—THE PUBLIC HEALTH AND WELFARE

Page 6752

division thereof) to require reformulation of gasoline at the refinery to adjust for potential or actual emissions increases due to the blending authorized by this subsection.

(u) **Standard specifications for biodiesel**

(1) Unless the American Society for Testing and Materials has adopted a standard for diesel fuel containing 5 percent biodiesel (commonly known as “B5”) within 1 year after December 19, 2007, the Administrator shall initiate a rulemaking to establish a uniform per gallon fuel standard for such fuel and designate an identification number so that vehicle manufacturers are able to design engines to use fuel meeting such standard.

(2) Unless the American Society for Testing and Materials has adopted a standard for diesel fuel containing 5 percent biodiesel (commonly known as “B5”) within 1 year after December 19, 2007, the Administrator shall initiate a rulemaking to establish a uniform per gallon fuel standard for such fuel and designate an identification so that vehicle manufacturers are able to design engines to use fuel meeting such standard.

(3) Whenever the Administrator is required to initiate a rulemaking under paragraph (1) or (2), the Administrator shall promulgate a final rule within 18 months after December 19, 2007.

(4) Not later than 180 days after December 19, 2007, the Administrator shall establish an annual inspection and enforcement program to ensure that diesel fuel containing biodiesel sold or distributed in interstate commerce meets the standards established under regulations under this section, including testing and certification for compliance with applicable standards of the American Society for Testing and Materials. There are authorized to be appropriated to carry out the inspection and enforcement program under this paragraph $3,000,000 for each of fiscal years 2008 through 2010.

(5) For purposes of this subsection, the term “biodiesel” has the meaning provided by section 105 of this title.

(v) **Prevention of air quality deterioration**

(1) **Study**

(A) *In general*

Not later than 18 months after December 19, 2007, the Administrator shall complete a study to determine whether the renewable fuel volumes required by this section will adversely impact air quality as a result of changes in vehicle and engine emissions of air pollutants regulated under this chapter.

(B) **Considerations**

The study shall include consideration of—

(i) different blend levels, types of renewable fuels, and available vehicle technologies; and

(ii) appropriate national, regional, and local air quality control measures.

(2) **Regulations**

Not later than 3 years after December 19, 2007, the Administrator shall—

(A) promulgate fuel regulations to implement appropriate measures to mitigate, to the greatest extent achievable, considering the results of the study under paragraph (1), any adverse impacts on air quality, as the result of the renewable volumes required by this section; or

(B) make a determination that no such measures are necessary.

(7) **Waiver of prohibition on nonroad vehicles**


**REFERENCES IN TEXT**

August 8, 2005, referred to in subsec. (c)(4)(C)(vii), was in the original “enactment”, which was translated as meaning the date of enactment of Pub. L. 109–58, which enacted subsec. (c)(4)(v), to reflect the probable intent of Congress.

Section 7521(l) of this title, referred to in subsec. (k)(1)(B)(vi), was in the original “section 202(1) of the Clean Air Act”, which was translated as meaning section 202(l) of the Clean Air Act, to reflect the probable intent of Congress.


Executive Order 13134, referred to in subsec. (a)(4)(B), which was set out as a note under section 8601 of Title 8, Agriculture, was revoked by Ex. Ord. No. 13423, § 11(a)(iii), Jan. 24, 2007, 72 F.R. 3923.

This part, referred to in subsec. (t)(1), was in the original “this subtitle” which was translated as “this part”, meaning part A of title II of act July 14, 1955, as the probable intent of Congress, because title II of act July 14, 1955, does not contain subtitles.

**CODIFICATION**

Section was formerly classified to section 1857f–6c of this title.

**PRIOR PROVISIONS**

A prior section 211 of act July 14, 1955, as added Nov. 21, 1967, Pub. L. 90–148, § 2, 81 Stat. 593, provided for a national emissions standards study and was classified to section 1857f–6d of this title, prior to repeal by section 8(a) of Pub. L. 91–604.

**AMENDMENTS**

2007—Subsec. (c)(1). Pub. L. 110–140, § 208, substituted “nonroad vehicle if, in the judgment of the Administrator, any fuel or fuel additive or” for “nonroad vehicle (A) if in the judgment of the Administrator and air pollution or water pollution (including any degradation in the quality of groundwater) that for “air pollution which”.

Subsec. (t)(4). Pub. L. 110–140, § 251, amended par. (4) generally. Prior to amendment, par. (4) read as follows: “The Administrator, upon application of any manufacturer of any fuel or fuel additive, may waive the prohibitions established under paragraph (1) or (3) of this subsection or the limitations specified in paragraph (2) of this subsection, if he determines that the applicant has established that such fuel or fuel additive is a spec-
ified concentration thereof, and the emission products of such fuel or additive or specified concentration thereof, will not cause or contribute to a failure of any emission control device or system (over the useful life of any vehicle in which such device or system is used) to achieve compliance by the vehicle with the emission standards with respect to which it has been certified under this paragraph within one hundred and eighty days of receipt of such application, the waiver authorized by this paragraph shall be treated as granted."


Subsec. (c)(2)(A)(i). Pub. L. 110–140, § 202(a)(1), inserted at end "Not later than 1 year after December 19, 2007, the Administrator shall revise the regulations under this paragraph to ensure that transportation fuel sold or introduced into commerce in the United States (except in noncontiguous States or territories), on an annual average basis, contains at least the applicable volume of renewable fuel, advanced biofuel, cellulosic biofuel, and biomass-based diesel, determined in accordance with subparagraph (B) and, in the case of any such renewable fuel produced from new facilities that commence construction after December 19, 2007, achieves at least a 20 percent reduction in lifecycle greenhouse gas emissions compared to baseline lifecycle greenhouse gas emissions."
Subsec. (a), Pub. L. 109–58, § 1513, added subsec. (a), 1909—Subsec. (a), Pub. L. 101–549, § 212, inserted “(including any fuel or fuel additive used exclusively in nonroad engines or nonroad vehicles)” after “fuel or fuel additive”.

Subsecs. (b)(2)(B), (c)(I), Pub. L. 101–549, § 212(b), (c), inserted reference to nonroad engine or nonroad vehicle.

Subsec. (c)(4)(A), Pub. L. 101–549, § 213(a), substituted “any characteristic or component of a” for “use of a”, inserted “of the characteristic or component of a fuel or fuel additive” after “control or prohibition” in cl. (i), and inserted “characteristic or component of a” after “such” in cl. (ii).

Subsec. (c)(4)(C), Pub. L. 101–549, § 213(b), inserted last two sentences, authorizing Administrator to make a finding that State control or prohibition is necessary to achieve the standard.

Subsec. (d), Pub. L. 101–549, § 228(d), amended subsec. (d) generally. Prior to amendment, subsec. (d) read as follows: “Any person who violates subsection (a) or (f) or the regulations prescribed under subsection (c) or who fails to furnish any information required by the Administrator under subsection (b) shall forfeit and pay to the United States a civil penalty of $10,000 for each and every day of the continuance of such violation, which shall accrue to the United States and be recoverable in a civil suit in the name of the United States, brought in the district in which such person has his principal office or in any district in which he does business. The Administrator may, upon application therefor, remit or mitigate any forfeiture provided for in this subsection and he shall have authority to determine the facts upon all such applications.”

Subsec. (f)(1), Pub. L. 101–549, § 221(a), designated existing provisions as subpar. (A) and added subpar. (B).

Subsec. (f)(3), Pub. L. 101–549, § 214(b), substituted reference to paragraph (1)(A) for reference to paragraph (1).

Subsec. (g), Pub. L. 101–549, § 215, amended subsec. (g) generally, substituting present provisions for provisions which defined “gasoline”, “refinery”, and “small refinery” and which limited Administrator’s authority to require small refineries to reduce average lead content per gallon of gasoline.

Subsec. (h), Pub. L. 101–549, § 216, added subsec. (h).

Subsec. (i), Pub. L. 101–549, § 217, added subsec. (i).

Subsec. (j), Pub. L. 101–549, § 218(a), added subsec. (j).

Subsecs. (k) to (m), Pub. L. 101–549, § 219, added subsecs. (k) to (m).


Subsec. (o), Pub. L. 101–549, § 221, added subsec. (o), 1977—Subsec. (c)(1)(A), Pub. L. 96–95, § 401(e), substituted in the judgment of the Administrator an emission product of such fuel or fuel additive causes, or contributes, to air pollution which may reasonably be anticipated to endanger” for “if any emission products of such fuel or fuel additive will endanger”.

“Subsec. (d), Pub. L. 95–95, § 222(b), inserted “or (f)” after “Any person who violates subsection (a)”. “Subsecs. (e), (f), Pub. L. 95–95, § 222(a), added subsecs. (e) and (f).

Subsec. (f)(2), Pub. L. 95–190, § 14(a)(73), inserted provision relating to waiver under par. (4) of this subsection, and struck out “first” before “introduce”.

Subsec. (g), Pub. L. 95–95, § 223, added subsec. (g).

1971—Subsec. (c)(3)(A), Pub. L. 92–157, § 302(a), substituted “purpose of obtaining” for “purpose of”.

Subsec. (d), Pub. L. 92–157, § 302(e), substituted “subsection (b)” for “subsection (c)” where appearing the second time.

1970—Subsec. (a), Pub. L. 91–604, § 9(a), substituted “Administrator” for “Secretary” as the registering authority, inserted references to fuel additives, and substituted “control or prohibition” for “command or prohibition” in cl. (i), and inserted “characteristic or component of a” after “such” in cl. (ii).

Subsec. (b), Pub. L. 91–604, § 9(a), designated existing provisions as pars. (1) and (3), added par. (2), and substituted “Administrator” for “Secretary” wherever appearing.

Subsec. (c), Pub. L. 91–604, § 9(a), substituted provisions covering the control or prohibition of offending fuels and fuel additives, for provisions covering trade secrets and substituted “Administrator” for “Secretary” wherever appearing.

Subsec. (d), Pub. L. 91–604, § 9(a), inserted references to failure to obey regulations prescribed under subsec. (c) and failure to furnish information required by the Administrator under subsec. (c), increased the daily civil penalty from $1,000 to $10,000 and substituted “Administrator” for “Secretary”.

Subsec. (e), Pub. L. 91–604, § 9(a), struck out subsec. (e) which directed the various United States Attorneys to prosecute for the recovery of forfeitures.

Effective Date of 2007 Amendment

Pub. L. 110–140, title II, § 210(c), Dec. 19, 2007, 121 Stat. 1532, provided that: “The amendments made by this title to section 211(o) of the Clean Air Act (42 U.S.C. 7545(o)) shall take effect January 1, 2009, except that the Administrator of the Environmental Protection Agency shall promulgate regulations to carry out such amendments not later than 1 year after the enactment of this Act (Dec. 19, 2007).”

Amendment by Pub. L. 110–140 effective on the date that is 1 day after Dec. 19, 2007, see section 1001 of Pub. L. 110–140, set out as an Effective Date note under section 1824 of Title 2, The Congress.

Effective Date of 2005 Amendment


“(A) in the case of a State that has received a waiver under section 209(b) of the Clean Air Act (42 U.S.C. 7543(b)), beginning on the date of enactment of this Act (Aug. 8, 2005); and

“(B) in the case of any other State, beginning 270 days after the date of enactment of this Act (Aug. 8, 2005).”

Effective Date of 1977 Amendment

Amendment by Pub. L. 95–95 effective Aug. 7, 1977, except as otherwise expressly provided, see section 406(d) of Pub. L. 95–95, set out as a note under section 7601 of this title.

Savings

Pub. L. 109–58, title XV, § 1505(d), Aug. 8, 2005, 119 Stat. 1079, provided that: “(1) IN GENERAL.—Nothing in this section amending this section and enacting provisions set out as notes under this section or any amendment made by this section affects or prejudices any legal claim or action with respect to regulations promulgated by the Administrator of the Environmental Protection Agency before the date of enactment of this Act (Aug. 8, 2005) regarding—

“(A) emissions of toxic air pollutants from motor vehicles; or

“(B) the adjustment of standards applicable to a specific refinery or importer made under those regulations.

“(2) ADJUSTMENT OF STANDARDS.—

“(A) APPLICABILITY.—The Administrator may apply any adjustments to the standards applicable to a refinery or importer under subparagraph (B)(ii) of section 211(k)(1) of the Clean Air Act (42 U.S.C. 7545(k)(1)(B)(i)(I)) as added by subsection (b)(2), except that—

“(i) the Administrator shall revise the adjustments to be based only on calendar years 1999 and 2000;
“(ii) any such adjustment shall not be made at a level below the average percentage of reductions of emissions of toxic air pollutants for reformulated gasoline supplied to PADD I during calendar years 1999 and 2000; and

“(iii) in the case of an adjustment based on toxic air pollutant emissions from reformulated gasoline significantly below the national annual average emissions of toxic air pollutants from all reformulated gasoline—

“(1) the Administrator may revise the adjustment to take account of the scope of the prohibition on methyl tertiary butyl ether imposed by a State; and

“(2) any such adjustment shall require the refiner or importer, to the maximum extent practicable, to maintain the reduction achieved during calendar years 1999 and 2000 in the average annual aggregate emissions of toxic air pollutants from reformulated gasoline produced or distributed by the refiner or importer.’’

ENVIRONMENTAL AND RESOURCE CONSERVATION IMPACTS

“(a) IN GENERAL.—Not later than 3 years after the enactment of this section [Dec. 19, 2007] and every 3 years thereafter, the Administrator of the Environmental Protection Agency, in consultation with the Secretary of Agriculture and the Secretary of Energy, shall assess and report to Congress on the impacts to date and likely future impacts of the requirements of section 211(o) of the Clean Air Act [42 U.S.C. 7545(o)] on the following:

“(1) Environmental issues, including air quality, effects on hypoxia, pesticides, sediment, nutrient and pathogen levels in waters, acreage and function of waters, and soil environmental quality.

“(2) Resource conservation issues, including soil conservation, water availability, and ecosystem health and biodiversity, including impacts on forests, grasslands, and wetlands.

“(3) The growth and use of cultivated invasive or noxious plants and their impacts on the environment and agriculture.

“In advance of preparing the report required by this subsection, the Administrator may seek the views of the National Academy of Sciences or another appropriate independent research institute. The report shall include the annual volume of imported renewable fuels and feedstocks for renewable fuels, and the environmental impacts outside the United States of producing such fuels and feedstocks. The report required by this subsection shall include recommendations for actions to address any adverse impacts found.

“(b) EFFECT ON AIR QUALITY AND OTHER ENVIRONMENTAL REQUIREMENTS.—Except as provided in section 211(o)(12) of the Clean Air Act [42 U.S.C. 7545(o)(12)], nothing in the amendments made by this title to section 211(o) of the Clean Air Act shall be construed as superseding, or limiting, any more environmentally protective requirement under the Clean Air Act [42 U.S.C. 7401 et seq.], or under any other provision of State or Federal law or regulation, including any environmental law or regulation.”

TRANSITION RULES

“(1) For calendar year 2008, transportation fuel sold or introduced into commerce in the United States (except in noncontiguous States or territories), that is produced from facilities that commence construction after the date of enactment of this Act [Dec. 19, 2007] shall be treated as renewable fuel within the meaning of section 211(o) of the Clean Air Act [42 U.S.C. 7545(o)] only if it achieves at least a 20 percent reduction in Lifecycle greenhouse gas emissions compared to baseline lifecycle greenhouse gas emissions. For calendar years 2008 and 2009, any ethanol plant that is fired with natural gas, biomass, or any combination thereof is deemed to be in compliance with such 20 percent reduction requirement and with the 20 percent reduction requirement of section 211(o) of the Clean Air Act. The terms used in this subsection shall have the same meaning as provided in the amendment made by this Act to section 211(o) of the Clean Air Act.

“(2) Until January 1, 2009, the Administrator of the Environmental Protection Agency shall implement section 211(o) of the Clean Air Act and the rules promulgated under that section in accordance with the provisions of that section as in effect before the enactment of this Act and in accordance with the rules promulgated before the enactment of this Act, except that for calendar year 2008, the number ‘9.0’ shall be substituted for the number ‘5.4’ in the table in section 211(o)(2)(B) and in the corresponding rules promulgated to carry out those provisions. The Administrator is authorized to take such other actions as may be necessary to carry out this paragraph notwithstanding any other provision of law.”

SURVEY OF RENEWABLE FUEL MARKET
Pub. L. 109–58, title XV, § 1501(d), Aug. 8, 2005, 119 Stat. 1075, provided that:

“(1) SURVEY AND REPORT.—Not later than December 1, 2006, and annually thereafter, the Administrator of the Energy Information Administration (in consultation with the Secretary of Energy) shall conduct a survey of the renewable fuel market and report to Congress on the impacts to date and like future impacts of the requirements of section 211(o) of the Clean Air Act (42 U.S.C. 7545(o)) on the following:

“(I) Environmental issues, including air quality, effects on hypoxia, pesticides, sediment, nutrient and pathogen levels in waters, acreage and function of waters, and soil environmental quality.

“(II) Resource conservation issues, including soil conservation, water availability, and ecosystem health and biodiversity, including impacts on forests, grasslands, and wetlands.

“(III) The growth and use of cultivated invasive or noxious plants and their impacts on the environment and agriculture.

“In advance of preparing the report required by this subsection, the Administrator may seek the views of the National Academy of Sciences or another appropriate independent research institute. The report shall include gasoline distribution to the marketplace.

“(3) APPLICABLE LAW.—Activities carried out under this subsection shall be conducted in a manner designed to protect confidentiality of individual responses.”

FINDINGS

“(1) since 1979, methyl tertiary butyl ether (hereinafter in this section referred to as ‘MTBE’) has been used nationwide at low levels in gasoline to replace lead as an octane booster or anti-knocking agent;

“(2) Public Law 101–549 (commonly known as the ‘Clean Air Act Amendments of 1990’) (42 U.S.C. 7401 et seq.) [see Tables for classification] established a fuel oxygenate standard under which reformulated gasoline must contain at least 2 percent oxygen by weight; and

“(3) the fuel industry responded to the fuel oxygenate standard established by Public Law 101–549 by making substantial investments in—

“(A) MTBE production capacity; and

“(B) systems to deliver MTBE-containing gasoline to the marketplace.”
Agricultural Machinery: Study of Unleaded Fuel

Pub. L. 99–198, title XVII, §1756, Dec. 23, 1985, 99 Stat. 1653, directed Administrator of EPA and Secretary of Agriculture jointly to conduct a study of use of fuel containing lead additives, and alternative lubricating additives, in gasoline engines that are used in agricultural machinery, and designed to combust fuel containing such additives, study to analyze potential for mechanical problems (including but not limited to valve recession) that may be associated with use of other fuels in such engines, and not later than Jan. 1, 1987, Administrator and Secretary to publish results of the study, with Administrator to publish in Federal Register notice of publication of such study and a summary thereof; directed Administrator, after notice and opportunity for hearing, but not later than 6 months after publication of the study, to make findings and recommendations on need for lead additives in gasoline to be used on a farm for farming purposes, including a determination of whether a modification of regulations limiting lead content of gasoline would be appropriate in the case of gasoline used on a farm for farming purposes, and submit to President and Congress a report containing the study, a summary of comments received during public hearing (including comments of Secretary), and findings and recommendations of Administrator made in accordance with clause (1), such report to be transmitted named congressional committees; directed Administrator between Jan. 1, 1986, and Dec. 31, 1987, to monitor actual lead content of leaded gasoline sold in the United States, with Administrator to determine average lead content of such gasoline for each 3-month period between Jan. 1, 1986, and Dec. 31, 1987, and if actual lead content falls below an average of 0.2 of a gram of lead per gallon in any such 3-month period, to report to Congress, and publish a notice thereof in Federal Register; provided that until Jan. 1, 1988, no regulation of Administrator issued under this section 211 could require an average lead content per gallon that is less than 0.1 of a gram per gallon; and authorized an appropriation.

Modification or rescission of rules, regulations, orders, determinations, contracts, certifications, authorizations, delegations, and other actions

All rules, regulations, orders, determinations, contracts, certifications, authorizations, delegations, or other actions duly issued, made, or taken by or pursuant to act July 14, 1965, the Clean Air Act, as in effect immediately prior to the date of enactment of Pub. L. 95–95 [Aug. 7, 1977] to continue in full force and effect until modified or rescinded in accordance with act July 14, 1955, as amended by Pub. L. 95–95 [this chapter], see section 496(b) of Pub. L. 95–95, set out as an Effective Date of 1977 Amendment note under section 7401 of this title.

§ 7546. Renewable fuel

(a) Definitions

In this section:

(1) Municipal solid waste

The term “municipal solid waste” has the meaning given the term “solid waste” in section 6903 of this title.

(2) RFG State

The term “RFG State” means a State in which is located one or more covered areas (as defined in section 7545(k)(10)(D) of this title).

(3) Secretary

The term “Secretary” means the Secretary of Energy.

(b) Cellulosic biomass ethanol and municipal solid waste loan guarantee program

(1) In general

Funds may be provided for the cost (as defined in the Federal Credit Reform Act of 1990 (2 U.S.C. 661 et seq.)) of loan guarantees issued under title XIV of the Energy Policy Act to carry out commercial demonstration projects for cellulosic biomass and sucrose-derived ethanol.

(2) Demonstration projects

(A) In general

The Secretary shall issue loan guarantees under this section to carry out not more than 4 projects to commercially demonstrate the feasibility and viability of producing cellulosic biomass ethanol or sucrose-derived ethanol, including at least 1 project that uses cereal straw as a feedstock and 1 project that uses municipal solid waste as a feedstock.

(B) Design capacity

Each project shall have a design capacity to produce at least 30,000,000 gallons of cellulosic biomass ethanol each year.

(3) Applicant assurances

An applicant for a loan guarantee under this section shall provide assurances, satisfactory to the Secretary, that—

(A) the project design has been validated through the operation of a continuous proc-

---

1 See References in Text note below.

2 So in original.
ess facility with a cumulative output of at least 50,000 gallons of ethanol;
(B) the project has been subject to a full technical review;
(C) the project is covered by adequate project performance guarantees;
(D) the project, with the loan guarantee, is economically viable; and
(E) there is a reasonable assurance of repayment of the guaranteed loan.

(4) Limitations
(A) Maximum guarantee
Except as provided in subparagraph (B), a loan guarantee under this section may be issued for up to 80 percent of the estimated cost of a project, but may not exceed $250,000,000 for a project.
(B) Additional guarantees
(i) In general
The Secretary may issue additional loan guarantees for a project to cover up to 20 percent of the excess of actual project cost over estimated project cost but not to exceed 15 percent of the amount of the original guarantee.
(ii) Principal and interest
Subject to subparagraph (A), the Secretary shall guarantee 100 percent of the principal and interest of a loan made under subparagraph (A).

(5) Equity contributions
To be eligible for a loan guarantee under this section, an applicant for the loan guarantee shall have binding commitments from equity investors to provide an initial equity contribution of at least 20 percent of the total project cost.

(6) Insufficient amounts
If the amount made available to carry out this section is insufficient to allow the Secretary to make loan guarantees for 3 projects described in subsection (b), the Secretary shall issue loan guarantees for one or more qualifying projects under this section in the order in which the applications for the projects are received by the Secretary.

(7) Approval
An application for a loan guarantee under this section shall be approved or disapproved by the Secretary not later than 90 days after the application is received by the Secretary.

(e) Authorization of appropriations for resource center
There is authorized to be appropriated to carry out this subsection $25,000,000 for each of fiscal years 2006 through 2010.

(f) Cellulosic biomass ethanol conversion assistance
(1) In general
The Secretary may provide grants to merchant producers of cellulosic biomass ethanol in the United States to assist the producers in building eligible production facilities described in paragraph (2) for the production of cellulosic biomass ethanol.

(2) Eligible production facilities
A production facility shall be eligible to receive a grant under this subsection if the production facility—
(A) is located in the United States; and
(B) uses cellulosic biomass feedstocks derived from agricultural residues or municipal solid waste.

(3) Authorization of appropriations
There is authorized to be appropriated to carry out this subsection—
(A) $250,000,000 for fiscal year 2006; and
(B) $400,000,000 for fiscal year 2007.

(4) Limitations
(A) Authorization of appropriations for resource center
There is authorized to be appropriated, for a resource center to further develop bioconversion technology using low-cost biomass for the production of ethanol at the Center for Biomass-Based Energy at the Mississippi State University and the Oklahoma State University, $4,000,000 for each of fiscal years 2005 through 2007.

(d) Renewable fuel production research and development grants
(1) In general
The Administrator shall provide grants for the research into, and development and implementation of, renewable fuel production technologies in RFG States with low rates of ethanol production, including low rates of production of cellulosic biomass ethanol.

(2) Eligibility
(A) In general
The entities eligible to receive a grant under this subsection are academic institutions in RFG States, and consortia made up of combinations of academic institutions, industry, State government agencies, or local government agencies in RFG States, that have proven experience and capabilities with relevant technologies.

(B) Application
To be eligible to receive a grant under this subsection, an eligible entity shall submit to the Administrator an application in such manner and form, and accompanied by such information, as the Administrator may specify.

(3) Authorization of appropriations
There is authorized to be appropriated to carry out this subsection $25,000,000 for each of fiscal years 2006 through 2010.

References in Text

§ 7547. Nonroad engines and vehicles

(a) Emissions standards

(1) The Administrator shall conduct a study of emissions from nonroad engines and nonroad vehicles (other than locomotives or engines used in locomotives) to determine if such emissions cause, or significantly contribute to, air pollution which may reasonably be anticipated to endanger public health or welfare. Such study may reasonably be anticipated to cause, or significantly contribute to, air pollution which may reasonably be anticipated to endanger public health or welfare.

(2) After notice and opportunity for public hearing, the Administrator shall determine within 12 months after completion of the study under paragraph (1), based upon the results of such study, whether emissions of carbon monoxide, oxides of nitrogen, and volatile organic compounds from new and existing nonroad engines or nonroad vehicles (other than locomotives or engines used in locomotives) are significant contributors to ozone or carbon monoxide concentrations in more than 1 area which has failed to attain the national ambient air quality standards for ozone or carbon monoxide. Such determination shall be included in the regulations under paragraph (3).

(3) If the Administrator makes an affirmative determination under paragraph (2) the Administrator shall, within 12 months after completion of the study under paragraph (1), promulgate (and from time to time revise) regulations containing standards applicable to emissions from those classes or categories of new nonroad engines and new nonroad vehicles (other than locomotives or engines used in locomotives) which in the Administrator’s judgment cause, or contribute to, such air pollution. Such standards shall achieve the greatest degree of emission reduction achievable through the application of technology which the Administrator determines will be available for the engines and vehicles to which such standards apply. The regulations shall apply to the useful life of the engines or vehicles (as determined by the Administrator).

(b) Effective date

Standards under this section shall take effect at the earliest possible date considering the lead time necessary to permit the development and application of the requisite technology, giving appropriate consideration to the cost of applying such technology within the period of time available to manufacturers and to noise, energy, and safety factors associated with the application of such technology.

(c) Safe controls

Effective with respect to new engines or vehicles to which standards under this section apply, no emission control device, system, or element of design shall be used in such a new nonroad engine or new nonroad vehicle for purposes of complying with such standards if such device, system, or element of design will cause or contribute to an unreasonable risk to public health, welfare, or safety in its operation or function. In determining whether an unreasonable risk exists, the Administrator shall consider factors including those described in section 7521(a)(4)(B) of this title.

(d) Enforcement

The standards under this section shall be subject to sections 7525, 7541, 7542, and 7543 of this title, with such modifications of the applicable regulations implementing such sections as the

and 13220 of this title, and enacted provisions set out as notes under section 7545 of this title.
Administrator deems appropriate, and shall be enforced in the same manner as standards prescribed under section 7521 of this title. The Administrator shall revise or promulgate regulations as may be necessary to determine compliance with, and enforce, standards in effect under this section.


CODIFICATION
Section was formerly classified to section 1857f–6f of this title.

PRIOR PROVISIONS
A prior section 213 of act July 14, 1955, was renumbered section 214 by Pub. L. 93–319 and renumbered section 216 by Pub. L. 95–95, and is classified to section 7550 of this title.

AMENDMENTS
1990—Pub. L. 101–549 amended section generally, substituting present provisions for provisions requiring Administrator and Secretary of Transportation to conduct study on fuel economy improvement for new motor vehicles manufactured during and after model year 1990.

REGULATIONS RELATING TO STANDARDS TO REDUCE EMISSIONS
Pub. L. 108–199, div. G, title IV, §422(b), Jan. 23, 2004, 118 Stat. 418, provided that: “Not later than December 1, 2004, the Administrator of the Environmental Protection Agency shall propose regulations under the Clean Air Act (42 U.S.C. 7401 et seq.) that shall contain standards to reduce emissions from new nonroad spark-ignition engines smaller than 50 horsepower. Not later than December 31, 2005, the Administrator shall publish in the Federal Register final regulations containing such standards.”

§7548. Study of particulate emissions from motor vehicles

(a) Study and analysis

(1) The Administrator shall conduct a study concerning the effects on health and welfare of particulate emissions from motor vehicles or motor vehicle engines to which section 7521 of this title applies. Such study shall characterize and quantify such emissions and analyze the relationship of such emissions to various fuels and fuel additives.

(2) The study shall also include an analysis of particulate emissions from mobile sources which are not related to engine emissions (including, but not limited to tire debris, and asbestos from brake lining).

(b) Report to Congress

The Administrator shall report to the Congress the findings and results of the study conducted under subsection (a) not later than two years after August 7, 1977. Such report shall also include recommendations for standards or methods to regulate particulate emissions described in paragraph (2) of subsection (a).


§7549. High altitude performance adjustments

(a) Instruction of the manufacturer

(1) Any action taken with respect to any element of design installed on or in a motor vehicle or motor vehicle engine in compliance with regulations under this subchapter (including any alteration or adjustment of such element), shall be treated as not in violation of section 7522(a) of this title if such action is performed in accordance with high altitude adjustment instructions provided by the manufacturer under subsection (b) and approved by the Administrator.

(b) Regulations

(1) Instructions respecting each class or category of vehicles or engines to which this subchapter applies providing for such vehicle and engine adjustments and modifications as may be necessary to insure emission control performance at different altitudes shall be submitted by the manufacturer to the Administrator pursuant to regulations promulgated by the Administrator.

(2) Any knowing violation by a manufacturer of requirements of the Administrator under paragraph (1) shall be treated as a violation by such manufacturer of section 7522(a)(3) of this title for purposes of the penalties contained in section 7524 of this title.

(c) Manufacturer parts

No instructions under this section respecting adjustments or modifications may require the use of any manufacturer parts (as defined in sec-
tion 7522(a) of this title) unless the manufacturer demonstrates to the satisfaction of the Administrator that the use of such manufacturer parts is necessary to insure emission control performance.

(d) State inspection and maintenance programs

Before January 1, 1981 the authority provided by this section shall be available in any high altitude State (as determined under regulations of the Administrator under regulations promulgated before August 7, 1977) but after December 31, 1980, such authority shall be available only in any such State in which an inspection and maintenance program for the testing of motor vehicle emissions has been instituted for the portions of the State where any national ambient air quality standard for auto-related pollutants has not been attained.

(e) High altitude testing

(1) The Administrator shall promptly establish at least one testing center (in addition to the testing centers existing on November 15, 1990) located at a site that represents high altitude conditions, to ascertain in a reasonable manner whether, when in actual use throughout their useful life (as determined under section 7521(d) of this title), each class or category of vehicle and engines to which regulations under section 7521 of this title apply conforms to the emissions standards established by such regulations. For purposes of this subsection, the term "high altitude conditions" refers to high altitude as defined in regulations of the Administrator in effect as of November 15, 1990.

(2) The Administrator, in cooperation with the Secretary of Energy and the Administrator of the Federal Transit Administration, and such other agencies as the Administrator deems appropriate, shall establish a research and technology assessment center to provide for the development and evaluation of less-polluting heavy-duty engines and fuels for use in buses, heavy-duty trucks, and non-road engines and vehicles, which shall be located at a high-altitude site that represents high-altitude conditions. In establishing and funding such a center, the Administrator shall give preference to proposals which provide for local cost-sharing of facilities and recovery of costs of operation through utilization of such facility for the purposes of this section.

(3) The Administrator shall designate at least one center at high-altitude conditions to provide research on after-market emission components, dual-fueled vehicles and conversion kits, the effects of tampering on emissions equipment, testing of alternate fuels and conversion kits, and the development of curricula, training courses, and materials to maximize the effectiveness of inspection and maintenance programs as they relate to promoting effective control of vehicle emissions at high-altitude elevations. Preference shall be given to existing vehicle emissions testing and research centers that have established reputations for vehicle emissions research and development and training, and that possess in-house Federal Test Procedure capacity.


Codification

In subsection (d), "August 7, 1977" substituted for "the date of enactment of this Act" to reflect the probable intent of Congress that such date of enactment mean the date of enactment of pub. l. 95–95.

Amendments


Change of Name

"Federal Transit Administration" substituted for "Urban Mass Transportation Administration" in subsec. (e)(2) pursuant to section 3004(b) of pub. l. 102–240, set out as a note under section 107 of title 49, Transportation.

Effective Date

Section effective Aug. 7, 1977, except as otherwise expressly provided, see section 406(d) of pub. l. 95–95, set out as an Effective Date of 1977 Amendment note under section 7401 of this title.

§7550. Definitions

As used in this part—

(1) The term "manufacturer" as used in sections 7521, 7522, 7525, 7541, and 7542 of this title means any person engaged in the manufacturing or assembling of new motor vehicles, new motor vehicle engines, new nonroad vehicles or new nonroad engines, or importing such vehicles or engines for resale, or who acts for and is under the control of any such person in connection with the distribution of new motor vehicles, new motor vehicle engines, new nonroad vehicles or nonroad engines, but shall not include any dealer with respect to new motor vehicles, new motor vehicle engines, new nonroad vehicles or new nonroad engines received by him in commerce.

(2) The term "motor vehicle" means any self-propelled vehicle designed for transporting persons or property on a street or highway.

(3) Except with respect to vehicles or engines imported or offered for importation, the term "new motor vehicle" means a motor vehicle the equitable or legal title to which has never been transferred to an ultimate purchaser; and the term "new motor vehicle engine" means an engine in a new motor vehicle or a motor vehicle engine the equitable or legal title to which has never been transferred to the ultimate purchaser; and with respect to imported vehicles or engines, such terms mean a motor vehicle and engine, respectively, manufactured after the effective date of a regulation issued under section 7521 of this title which is applicable to such vehicle or engine (or which would be applicable to such vehicle or engine had it been manufactured for importation into the United States).

(4) The term "dealer" means any person who is engaged in the sale or the distribution of new motor vehicles or new motor vehicle engines to the ultimate purchaser.
This page contains a section from the U.S. Code, Title 42—The Public Health and Welfare, Title 7552. The section discusses various terms and definitions, primarily related to motor vehicles and their components, such as light-duty truck, light-duty vehicle, and nonroad engine. The terms are defined with references to statutes and regulations, including amendments and renumbering of provisions over time. The definitions are intended to ensure consistency and clarity in regulatory language.
§ 7553. Prohibition on production of engines requiring leaded gasoline

The Administrator shall promulgate regulations applicable to motor vehicle engines and nonroad engines manufactured after model year 1992 that prohibit the manufacture, sale, or introduction into commerce of any engine that requires leaded gasoline.


§ 7554. Urban bus standards

(a) Standards for model years after 1993

Not later than January 1, 1992, the Administrator shall promulgate regulations under section 7521(a) of this title applicable to urban buses for the model year 1994 and thereafter. Such standards shall be based on the best technology that can reasonably be anticipated to be available at the time such measures are to be implemented, taking costs, safety, energy, lead time, and other relevant factors into account. Such regulations shall require that such urban buses comply with the provisions of subsection (b) of this section (and subsection (c) of this subsection) if applicable in addition to compliance with the standards applicable under section 7521(a) of this title for heavy-duty vehicles of the same type and model year.

(b) PM standard

(1) 50 percent reduction

The standards under section 7521(a) of this title applicable to urban buses shall require that, effective for the model year 1994 and thereafter, emissions of particulate matter (PM) allowed under the emission standard applicable under section 7521(a) of this title as of November 15, 1990, for particulate matter (PM) in the case of heavy-duty diesel vehicles and engines manufactured in the model year 1994.

(2) Revised reduction

The Administrator shall increase the level of emissions of particulate matter allowed under the standard referred to in paragraph (1) if the Administrator determines that the 50 percent reduction referred to in paragraph (1) is not technologically achievable, taking into account durability, costs, lead time, safety, and other relevant factors. The Administrator may not increase such level of emissions above 70 percent of the emissions of particulate matter (PM) allowed under the emission standard applicable under section 7521(a) of this title as of November 15, 1990, for particulate matter (PM) in the case of heavy-duty diesel vehicles and engines manufactured in the model year 1994.

(3) Determination as part of rule

As part of the rulemaking under subsection (a), the Administrator shall make a determination as to whether the 50 percent reduction referred to in paragraph (1) is technologically achievable, taking into account durability, costs, lead time, safety, and other relevant factors.

(c) Low-polluting fuel requirement

(1) Annual testing

Beginning with model year 1994 buses, the Administrator shall conduct annual tests of a representative sample of operating urban buses subject to the particulate matter (PM) standard applicable pursuant to subsection (b) to determine whether such buses comply with such standard in use over their full useful life.

(2) Promulgation of additional low-polluting fuel requirement

(A) If the Administrator determines, based on the testing under paragraph (1), that urban buses subject to the particulate matter (PM) standard applicable pursuant to subsection (b) do not comply with such standard in use over their full useful life, he shall revise the standards applicable to such buses to require (in addition to compliance with the PM standard applicable pursuant to subsection (b)) that all new urban buses purchased or placed into service by owners or operators of urban buses in all metropolitan statistical areas or consolidated metropolitan statistical areas with a 1980 population of 750,000 or more shall be capable of operating, and shall be exclusively operated, on low-polluting fuels. The Administrator shall establish the pass-fail rate for purposes of testing under this subparagraph.

(B) The Administrator shall promulgate a schedule phasing in any low-polluting fuel requirement established pursuant to this paragraph to an increasing percentage of new urban buses purchased or placed into service in each of the first 5 model years commencing 3 years after the determination under subparagraph (A). Under such schedule 100 percent of new urban buses placed into service in the fifth model year commencing 3 years after the determination under subparagraph (A) shall comply with the low-polluting fuel requirement established pursuant to this paragraph.

(C) The Administrator may extend the requirements of this paragraph to metropolitan statistical areas or consolidated metropolitan statistical areas with a 1980 population of less than 750,000, if the Administrator determines that a significant benefit to public health could be expected to result from such extension.

(d) Retrofit requirements

Not later than 12 months after November 15, 1990, the Administrator shall promulgate regulations under section 7521(a) of this title requiring that urban buses which—

(1) are operating in areas referred to in subparagraph (A) of subsection (c)(2) (or subparagraph (C) of subsection (c)(2) if the Administrator has taken action under that subparagraph);

(2) were not subject to standards in effect under the regulations under subsection (a) of this section; and

(3) have their engines replaced or rebuilt after January 1, 1995,

shall comply with an emissions standard or emissions control technology requirement es-
established by the Administrator in such regulations. Such emissions standard or emissions control technology requirement shall reflect the best retrofit technology and maintenance practices reasonably achievable.

(e) Procedures for administration and enforcement

The Administrator shall establish, within 18 months after November 15, 1990, and in accordance with section 7525(h) of this title, procedures for the administration and enforcement of standards for buses subject to standards under this section, testing procedures, sampling protocols, in-use compliance requirements, and criteria governing evaluation of buses. Procedures for testing (including, but not limited to, certification testing) shall reflect actual operating conditions.

(f) Definitions

For purposes of this section—

(1) **Urban bus**

The term “urban bus” has the meaning provided under regulations of the Administrator promulgated under section 7521(a) of this title.

(2) **Low-polluting fuel**

The term “low-polluting fuel” means methanol, ethanol, propane, or natural gas, or any comparably low-polluting fuel. In determining whether a fuel is comparably low-polluting, the Administrator shall consider both the level of emissions of air pollutants from vehicles using the fuel and the contribution of such emissions to ambient levels of air pollutants. For purposes of this paragraph, the term “methanol” includes any fuel which contains at least 85 percent methanol unless the Administrator increases such percentage as he deems appropriate to protect public health and welfare.

(july 14, 1955, ch. 360, title ii, §219, as added pub. L. 101-549, title II, §227(a), Nov. 15, 1990, 104 Stat. 2505.)

PART B—AIRCRAFT EMISSION STANDARDS

§ 7571. Establishment of standards

(a) Study; proposed standards; hearings; issuance of regulations

(1) Within 90 days after December 31, 1970, the Administrator shall commence a study and investigation of emissions of air pollutants from aircraft in order to determine—

(A) the extent to which such emissions affect air quality in air quality control regions throughout the United States, and

(B) the technological feasibility of controlling such emissions.

(2) **(A)** The Administrator shall, from time to time, issue proposed emission standards applicable to the emission of any air pollutant from any class or classes of aircraft engines which in his judgment causes, or contributes to, air pollution which may reasonably be anticipated to endanger public health or welfare.

**(B)** The Administrator shall consult with the Administrator of the Federal Aviation Administration on aircraft engine emission standards.

(ii) The Administrator shall not change the aircraft engine emission standards if such change would significantly increase noise and adversely affect safety.

(3) The Administrator shall hold public hearings with respect to such proposed standards. Such hearings shall, to the extent practicable, be held in air quality control regions which are most seriously affected by aircraft emissions. Within 90 days after the issuance of such proposed regulations, he shall issue such regulations with such modifications as he deems appropriate. Such regulations may be revised from time to time.

(b) Effective date of regulations

Any regulation prescribed under this section (and any revision thereof) shall take effect after such period as the Administrator finds necessary (after consultation with the Secretary of Transportation) to permit the development and application of the requisite technology, giving appropriate consideration to the cost of compliance within such period.

(c) Regulations which create hazards to aircraft safety

Any regulations in effect under this section on August 7, 1977, or proposed or promulgated thereafter, or amendments thereto, with respect to aircraft shall not apply if disapproved by the President, after notice and opportunity for public hearing, on the basis of a finding by the Secretary of Transportation that any such regulation would create a hazard to aircraft safety. Any such finding shall include a reasonably specific statement of the basis upon which the finding was made.


CODIFICATION

Section was formerly classified to section 1857f-9 of this title.

AMENDMENTS

1996—Subsec. (a)(2). Pub. L. 104-264 designated existing provisions as subpar. (A) and added subpar. (B).

1977—Subsec. (a)(2). Pub. L. 95-596, §401(f), substituted “The Administrator shall, from time to time, issue proposed emission standards applicable to the emission of any air pollutant from any class or classes of aircraft engines which in his judgment causes, or contributes to, air pollution which may reasonably be anticipated to endanger public health or welfare” for “Within 180 days after commencing such study and investigation, the Administrator shall publish a report of such study and investigation and shall issue proposed emission standards applicable to emissions of any air pollutant from any class or classes of aircraft engines which in his judgment cause or contribute to or are likely to cause or contribute to air pollution which endangers the public health or welfare”.

Subsec. (c). Pub. L. 95-596, §225, substituted “Any regulations in effect under this section on August 7, 1977, or proposed or promulgated thereafter, or amendments thereto, with respect to aircraft shall not apply if disapproved by the President, after notice and opportunity for public hearing, on the basis of a finding by the Secretary of Transportation that any such regula-
§ 7572. Enforcement of standards
(a) Regulations to insure compliance with standards

The Secretary of Transportation, after consultation with the Administrator, shall prescribe regulations to insure compliance with all standards prescribed under section 7571 of this title by the Administrator. The regulations of the Secretary of Transportation shall include provisions making such standards applicable in the issuance, amendment, modification, suspension, or revocation of any certificate authorized by part A of subtitle VII of title 49 or the Department of Transportation Act. Such Secretary shall insure that all necessary inspections are accomplished, and, may execute any power or duty vested in him by any other provision of law in the execution of all powers and duties vested in him under this section.

(b) Notice and appeal rights

In any action to amend, modify, suspend, or revoke a certificate in which violation of an emission standard prescribed under subsection (a) is at issue, the certificate holder shall have the same notice and appeal rights as are prescribed for such holders in part A of subtitle VII of title 49 or the Department of Transportation Act, except that in any appeal to the National Transportation Safety Board, the Board may amend, modify, or revoke the order of the Secretary of Transportation only if it finds no violation of such standard or regulation and that such amendment, modification, or revocation is consistent with safety in air transportation.

References in Text
The Department of Transportation Act, referred to in subsecs. (a) and (b), is Pub. L. 89–670, Oct. 15, 1966, 80 Stat. 931, as amended, which was classified principally to sections 1651 to 1660 of former Title 49, Transportation, in consultation with the Secretary of Defense, shall commence a study and investigation of the testing of uninstalled aircraft engines in enclosed test cells that shall address at a minimum the following issues and such other issues as they shall deem appropriate—

"(a) STUDY.—The Administrator of the Environmental Protection Agency and the Secretary of Transportation, in consultation with the Secretary of Defense, shall commence a study and investigation of the testing of uninstalled aircraft engines in enclosed test cells that shall address at a minimum the following issues and such other issues as they shall deem appropriate—

"(1) whether technologies exist to control some or all emissions of oxides of nitrogen from test cells;

"(2) the effectiveness of such technologies;

"(3) the cost of implementing such technologies;

"(4) whether such technologies affect the safety, design, structure, operation, or performance of aircraft engines;

"(5) whether such technologies impair the effectiveness and accuracy of aircraft engine safety design, and performance tests conducted in test cells; and

"(6) the impact of not controlling such oxides of nitrogen in the applicable nonattainment areas and on other sources, stationary and mobile, on oxides of nitrogen in such areas.

"(b) REPORT. AUTHORITY TO REGULATE.—Not later than 24 months after enactment of the Clean Air Act Amendments of 1990 (Nov. 15, 1990), the Administrator of the Environmental Protection Agency and the Secretary of Transportation shall submit to Congress a report of the study conducted under this section. Following the completion of such study, any of the States may adopt or enforce any standard for emissions of oxides of nitrogen from test cells only after issuing a public notice stating whether such standards are in accordance with the findings of the study."

§ 7573. State standards and controls

No State or political subdivision thereof may adopt or attempt to enforce any standard respecting emissions of any air pollutant from any aircraft or engine thereof unless such standard is identical to a standard applicable to such aircraft under this part.

1 So in original. The comma probably should not appear.
§ 7574. Definitions

Terms used in this part (other than Administrator) shall have the same meaning as such terms have under section 40102(a) of title 49.


CODIFICATION

In text, “section 40102(a) of title 49” substituted for “section 101 of the Federal Aviation Act of 1958” on authority of Pub. L. 103–272, § 6(b), July 5, 1994, 108 Stat. 1378, the first section of which enacted subtitles II, III, and V to X of Title 49, Transportation.

Section was formerly classified to section 1857f–12 of this title.

PART C—CLEAN FUEL VEHICLES

§ 7581. Definitions

For purposes of this part—

(1) Terms defined in part A

The definitions applicable to part A under section 7550 of this title shall also apply for purposes of this part.

(2) Clean alternative fuel

The term “clean alternative fuel” means any fuel (including methanol, ethanol, or other alcohols (including any mixture thereof containing 85 percent or more by volume of such alcohol with gasoline or other fuels), reformulated gasoline, diesel, natural gas, liquefied petroleum gas, and hydrogen) or power source (including electricity) used in a clean-fuel vehicle that complies with the standards and requirements applicable to such vehicle under this subchapter when using such fuel or power source. In the case of any flexible fuel vehicle or dual fuel vehicle, the term “clean alternative fuel” means only a fuel with respect to which such vehicle was certified as a clean-fuel vehicle meeting the standards applicable to clean-fuel vehicles under section 7583(d)(2) of this title when operating on clean alternative fuel (or any CARB standards which replaces such standards pursuant to section 7583(e) of this title).

(3) NMOG

The term nonmethane organic gas (“NMOG”) means the sum of nonoxygenated and oxygenated hydrocarbons contained in a gas sample, including, at a minimum, all oxygenated organic gases containing 5 or fewer carbon atoms (i.e., aldehydes, ketones, alcohols, ethers, etc.), and all known alkanes, alkenes, alkynes, and aromatics containing 12 or fewer carbon atoms. To demonstrate compliance with a NMOG standard, NMOG emissions shall be measured in accordance with the “California Non-Methane Organic Gas Test Procedures”. In the case of vehicles using fuels other than base gasoline, the level of NMOG emissions shall be adjusted based on the reactivity of the emissions relative to vehicles using base gasoline.

(4) Base gasoline

The term “base gasoline” means gasoline which meets the following specifications:

Specifications of Base Gasoline Used as Basis for Reactivity Readjustment:

<table>
<thead>
<tr>
<th>Property</th>
<th>Specification</th>
</tr>
</thead>
<tbody>
<tr>
<td>API gravity</td>
<td>57.8</td>
</tr>
<tr>
<td>Sulfur, ppm</td>
<td>337</td>
</tr>
<tr>
<td>Color</td>
<td>Purple</td>
</tr>
<tr>
<td>Benzene, vol. %</td>
<td>1.35</td>
</tr>
<tr>
<td>Reid vapor pressure</td>
<td>8.7</td>
</tr>
<tr>
<td>Drivability</td>
<td>1185</td>
</tr>
<tr>
<td>Antiknock index</td>
<td>87.3</td>
</tr>
</tbody>
</table>

Distillation, D–86 °F

<table>
<thead>
<tr>
<th>Temperature, °F</th>
<th>Specification</th>
</tr>
</thead>
<tbody>
<tr>
<td>10%</td>
<td>92</td>
</tr>
<tr>
<td>50%</td>
<td>219</td>
</tr>
<tr>
<td>90%</td>
<td>327</td>
</tr>
<tr>
<td>EP</td>
<td>414</td>
</tr>
</tbody>
</table>

Hydrocarbon Type, Vol. % FIA:

<table>
<thead>
<tr>
<th>Type</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aromatics</td>
<td>30.9</td>
</tr>
<tr>
<td>Olefins</td>
<td>8.2</td>
</tr>
<tr>
<td>Saturates</td>
<td>60.9</td>
</tr>
</tbody>
</table>

The Administrator shall modify the definitions of NMOG, base gasoline, and the methods for making reactivity adjustments, to conform to the definitions and method used in California under the Low-Emission Vehicle and Clean Fuel Regulations of the California Air Resources Board, so long as the California definitions are, in the aggregate, at least as protective of public health and welfare as the definitions in this section.

(5) Covered fleet

The term “covered fleet” means 10 or more motor vehicles which are owned or operated by a single person. In determining the number of vehicles owned or operated by a single person for purposes of this paragraph, all motor vehicles owned or operated, leased or otherwise controlled by such person, by any person who controls such person, by any person controlled by such person, and by any person under common control with such person shall be treated as owned by such person. The term “covered fleet” shall not include motor vehicles held for lease or rental to the general public, motor vehicles held for sale by motor vehicle dealers (including demonstration vehicles), motor vehicles used for motor vehicle manufacturer product evaluations or tests, law enforcement and other emergency vehicles, or nonroad vehicles (including farm and construction vehicles).

(6) Covered fleet vehicle

The term “covered fleet vehicle” means only a motor vehicle which is—

(i) in a vehicle class for which standards are applicable under this part; and

(ii) in a covered fleet which is centrally fueled (or capable of being centrally fueled).

No vehicle which under normal operations is garaged at a personal residence at night shall be considered to be a vehicle which is capable of being centrally fueled within the meaning of this paragraph.

(7) Clean-fuel vehicle

The term “clean-fuel vehicle” means a vehicle in a class or category of vehicles which has
§ 7582. Requirements applicable to clean-fuel vehicles

(a) Promulgation of standards

Not later than 24 months after November 15, 1990, the Administrator shall promulgate regulations under this part containing clean-fuel vehicle standards for the clean-fuel vehicles specified in this part.

(b) Other requirements

Clean-fuel vehicles of up to 8,500 gvwr subject to standards set forth in this part shall comply with all motor vehicle requirements of this subchapter (such as requirements relating to on-board diagnostics, evaporative emissions, etc.) which are applicable to conventional gasoline-fueled vehicles of the same category and model year, except as provided in section 7584 of this title with respect to administration and enforcement, and except to the extent that any such requirement is in conflict with the provisions of this part. Clean-fuel vehicles of 8,500 gvwr or greater subject to standards set forth in this part shall comply with all requirements of this subchapter which are applicable in the case of conventional gasoline-fueled or diesel fueled vehicles of the same category and model year, except as provided in section 7584 of this title with respect to administration and enforcement, and except to the extent that any such requirement is in conflict with the provisions of this part.

(c) In-use useful life and testing

(1) In the case of light-duty vehicles and light-duty trucks up to 6,000 lbs gvwr, the useful life for purposes of determining in-use compliance with the standards under section 7583 of this title shall be—

(A) a period of 5 years or 50,000 miles (or the equivalent) whichever first occurs, in the case of standards applicable for purposes of certification at 50,000 miles; and

(B) a period of 10 years or 100,000 miles (or the equivalent) whichever first occurs, in the case of standards applicable for purposes of certification at 100,000 miles, except that in-use testing shall not be done for a period beyond 7 years or 70,000 miles (or the equivalent) whichever first occurs.

(2) In the case of light-duty trucks of more than 6,000 lbs gvwr, the useful life for purposes of determining in-use compliance with the standards under section 7583 of this title shall be—

(A) a period of 5 years or 50,000 miles (or the equivalent) whichever first occurs in the case of standards applicable for purposes of certification at 50,000 miles; and

(B) a period of 11 years or 120,000 miles (or the equivalent) whichever first occurs in the case of standards applicable for purposes of certification at 120,000 miles, except that in-use testing shall not be done for a period beyond 7 years or 90,000 miles (or the equivalent) whichever first occurs.

(3) In the case of the 50,000 mile standards and the 100,000 mile standard, standards for particulates (PM) shall apply only to diesel-fueled vehicles.

(4) Beginning with model year 2001, for air pollutants specified in the following table, the clean-fuel vehicle standards under this section shall provide that vehicle exhaust emissions shall not exceed the levels specified in the following table:

\[
\begin{array}{cccccc}
\text{Pollutant} & \text{NOx} & \text{CO} & \text{PM} & \text{HCHO} \\
\hline
\text{50,000 mile standard} & 0.125 & 3.4 & 0.4 & \ldots & 0.015 \\
\text{100,000 mile standard} & 0.156 & 4.2 & 0.6 & 0.08^* & 0.018 \\
\end{array}
\]

*Standards for particulates (PM) shall apply only to diesel-fueled vehicles.

(5) In the case of the 50,000 mile standards and the 100,000 mile standards, for purposes of certification, the applicable useful life shall be 50,000 miles or 100,000 miles, respectively.

(2) Phase II

Beginning with model year 2001, for air pollutants specified in the following table, the clean-fuel vehicle standards under this section shall provide that vehicle exhaust emissions shall not exceed the levels specified in the following table:

\[
\begin{array}{cccccc}
\text{Pollutant} & \text{NOx} & \text{CO} & \text{PM}^* & \text{HCHO} \\
\hline
\text{50,000 mile standard} & 0.075 & 3.4 & 0.2 & \ldots & 0.015 \\
\text{100,000 mile standard} & 0.090 & 4.2 & 0.3 & 0.08 & 0.018 \\
\end{array}
\]

*Standards for particulates (PM) shall apply only to diesel-fueled vehicles.

In the case of the 50,000 mile standards and the 100,000 mile standards, for purposes of certification, the applicable useful life shall be 50,000 miles or 100,000 miles, respectively.
(b) Exhaust standards for light-duty trucks of more than 3,750 lbs. LVW and up to 5,750 lbs. LVW and up to 6,000 lbs. GVWR

The standards set forth in this paragraph shall apply in the case of clean-fuel vehicles which are light-duty trucks of more than 3,750 lbs. loaded vehicle weight (LVW) but not more than 5,750 lbs. LVW and not more than 6,000 lbs. gross weight rating (GVWR):

(1) Phase I

Beginning with model year 1996, for the air pollutants specified in the following table, the clean-fuel vehicle standards under this section shall provide that vehicle exhaust emissions shall not exceed the levels specified in the following table.

**PHASE I CLEAN FUEL VEHICLE EMISSION STANDARDS FOR LIGHT-DUTY TRUCKS OF MORE THAN 3,750 LBS. AND UP TO 5,750 LBS. LVW AND UP TO 6,000 LBS. GVWR**

<table>
<thead>
<tr>
<th>Pollutant</th>
<th>NMOG</th>
<th>CO</th>
<th>NOx</th>
<th>PM*</th>
<th>HCHO (formaldehyde)</th>
</tr>
</thead>
<tbody>
<tr>
<td>50,000 mile standard</td>
<td>0.160</td>
<td>4.4</td>
<td>0.7</td>
<td>.....</td>
<td>0.018</td>
</tr>
<tr>
<td>100,000 mile standard</td>
<td>0.200</td>
<td>5.5</td>
<td>0.9</td>
<td>0.08</td>
<td>0.023</td>
</tr>
</tbody>
</table>

Standards are expressed in grams per mile (gpm).

*Standards for particulates (PM) shall apply only to diesel-fueled vehicles.

In the case of the 50,000 mile standards and the 100,000 mile standards, for purposes of certification, the applicable useful life shall be 50,000 miles or 100,000 miles, respectively.

(2) Phase II

Beginning with model year 2001, for the air pollutants specified in the following table, the clean-fuel vehicle standards under this section shall provide that vehicle exhaust emissions shall not exceed the levels specified in the following table.

**PHASE II CLEAN FUEL VEHICLE EMISSION STANDARDS FOR LIGHT-DUTY TRUCKS OF MORE THAN 3,750 LBS. LVW AND UP TO 5,750 LBS. LVW AND UP TO 6,000 LBS. GVWR**

<table>
<thead>
<tr>
<th>Pollutant</th>
<th>NMOG</th>
<th>CO</th>
<th>NOx</th>
<th>PM*</th>
<th>HCHO (formaldehyde)</th>
</tr>
</thead>
<tbody>
<tr>
<td>50,000 mile standard</td>
<td>0.100</td>
<td>4.4</td>
<td>0.4</td>
<td>.....</td>
<td>0.018</td>
</tr>
<tr>
<td>100,000 mile standard</td>
<td>0.130</td>
<td>5.5</td>
<td>0.5</td>
<td>0.08</td>
<td>0.023</td>
</tr>
</tbody>
</table>

Standards are expressed in grams per mile (gpm).

*Standards for particulates (PM) shall apply only to diesel-fueled vehicles.

In the case of the 50,000 mile standards and the 100,000 mile standards, for purposes of certification, the applicable useful life shall be 50,000 miles or 100,000 miles, respectively.

(c) Exhaust standards for light-duty trucks greater than 6,000 lbs. GVWR

The standards set forth in this subsection shall apply in the case of clean-fuel vehicles which are light-duty trucks of more than 6,000 lbs. gross weight rating (GVWR) and less than or equal to 8,500 lbs. GVWR, beginning with model year 1998. For the air pollutants specified in the following table, the clean-fuel vehicle standards under this section shall provide that vehicle exhaust emissions of vehicles within the test weight categories specified in the following table shall not exceed the levels specified in such table.

**CLEAN FUEL VEHICLE EMISSION STANDARDS FOR LIGHT-DUTY TRUCKS GREATER THAN 6,000 LBS. GVWR**

**Test Weight Category: Up to 3,750 lbs. tw**

<table>
<thead>
<tr>
<th>Pollutant</th>
<th>NMOG</th>
<th>CO</th>
<th>NOx</th>
<th>PM*</th>
<th>HCHO (formaldehyde)</th>
</tr>
</thead>
<tbody>
<tr>
<td>50,000 mile standard</td>
<td>0.120</td>
<td>3.4</td>
<td>0.4**</td>
<td>.....</td>
<td>0.015</td>
</tr>
<tr>
<td>120,000 mile standard</td>
<td>0.180</td>
<td>5.0</td>
<td>0.6</td>
<td>0.08</td>
<td>0.022</td>
</tr>
</tbody>
</table>

**Test Weight Category: Above 3,750 but not above 5,750 lbs. tw**

<table>
<thead>
<tr>
<th>Pollutant</th>
<th>NMOG</th>
<th>CO</th>
<th>NOx</th>
<th>PM*</th>
<th>HCHO (formaldehyde)</th>
</tr>
</thead>
<tbody>
<tr>
<td>50,000 mile standard</td>
<td>0.160</td>
<td>4.4</td>
<td>0.7**</td>
<td>......</td>
<td>0.018</td>
</tr>
<tr>
<td>120,000 mile standard</td>
<td>0.230</td>
<td>6.4</td>
<td>1.0</td>
<td>0.10</td>
<td>0.027</td>
</tr>
</tbody>
</table>

**Test Weight Category: Above 5,750 tw but not above 8,500 lbs. gvwr**

<table>
<thead>
<tr>
<th>Pollutant</th>
<th>NMOG</th>
<th>CO</th>
<th>NOx</th>
<th>PM*</th>
<th>HCHO (formaldehyde)</th>
</tr>
</thead>
<tbody>
<tr>
<td>50,000 mile standard</td>
<td>0.180</td>
<td>5.0</td>
<td>1.1**</td>
<td>......</td>
<td>0.022</td>
</tr>
<tr>
<td>120,000 mile standard</td>
<td>0.280</td>
<td>7.3</td>
<td>1.5</td>
<td>0.12</td>
<td>0.032</td>
</tr>
</tbody>
</table>

Standards are expressed in grams per mile (gpm).

*Standards for particulates (PM) shall apply only to diesel-fueled vehicles.

**Standard not applicable to diesel-fueled vehicles.

For the 50,000 mile standards and the 120,000 mile standards set forth in the table, the applicable useful life for purposes of certification shall be 50,000 miles or 120,000 miles, respectively.

(d) Flexible and dual-fuel vehicles

(1) In general

The Administrator shall establish standards and requirements under this section for the model year 1996 and thereafter for vehicles weighing not more than 8,500 lbs. GVWR which are capable of operating on more than one fuel. Such standards shall require that such vehicles meet the exhaust standards applicable under subsection (a), (b), and (c) for CO, NOx, and HCHO, and if appropriate, PM for single-fuel vehicles of the same vehicle category and model year.

(2) Exhaust NMOG standard for operation on clean alternative fuel

In addition to standards for the pollutants referred to in paragraph (1), the standards es-
useful life shall be 50,000 miles.

For standards under column A, for purposes of certification under section 7525 of this title, the applicable useful life shall be 50,000 miles.

For standards under column B, for purposes of certification under section 7525 of this title, the applicable useful life shall be 100,000 miles.

### Light-duty Trucks More than 6,000 lbs. GVWR

<table>
<thead>
<tr>
<th>Vehicle Type</th>
<th>Column A (50,000 mi.) Standard</th>
<th>Column B (100,000 mi.) Standard</th>
</tr>
</thead>
<tbody>
<tr>
<td>Beginning MY 1996:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>LDT’s (0–3,750 lbs. LVW) ......</td>
<td>0.075</td>
<td>0.090</td>
</tr>
<tr>
<td>LDT’s (3,751–5,750 lbs. LVW),</td>
<td>0.100</td>
<td>0.130</td>
</tr>
</tbody>
</table>

For standards under column A, for purposes of certification under section 7525 of this title, the applicable useful life shall be 100,000 miles.

### Light-duty Trucks of up to 6,000 lbs. GVWR and Light-duty vehicles

<table>
<thead>
<tr>
<th>Vehicle Type</th>
<th>Column A (50,000 mi.) Standard</th>
<th>Column B (100,000 mi.) Standard</th>
</tr>
</thead>
<tbody>
<tr>
<td>Beginning MY 2001:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>LDT’s (0–3,750 lbs. LVW) ......</td>
<td>0.125</td>
<td>0.156</td>
</tr>
<tr>
<td>LDT’s (3,751–5,750 lbs. LVW).</td>
<td>0.160</td>
<td>0.200</td>
</tr>
</tbody>
</table>

For standards under column A, for purposes of certification under section 7525 of this title, the applicable useful life shall be 50,000 miles.

For standards under column B, for purposes of certification under section 7525 of this title, the applicable useful life shall be 100,000 miles.

### Light-duty Trucks of up to 6,000 lbs. GVWR

<table>
<thead>
<tr>
<th>Vehicle Type</th>
<th>Column A (50,000 mi.) Standard</th>
<th>Column B (120,000 mi.) Standard</th>
</tr>
</thead>
<tbody>
<tr>
<td>Beginning MY 1996:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>LDT’s (0–3,750 lbs. 'TW) ......</td>
<td>0.25</td>
<td>0.36</td>
</tr>
<tr>
<td>LDT’s (3,751–5,750 lbs. 'TW)</td>
<td>0.32</td>
<td>0.46</td>
</tr>
<tr>
<td>LDT’s (above 5,750 lbs. 'TW).</td>
<td>0.39</td>
<td>0.56</td>
</tr>
</tbody>
</table>

For standards under column A, for purposes of certification under section 7525 of this title, the applicable useful life shall be 50,000 miles.

For standards under column B, for purposes of certification under section 7525 of this title, the applicable useful life shall be 120,000 miles.

### (c) Replacement by CARB standards

#### (1) Single set of CARB standards

If the State of California promulgates regulations establishing and implementing a single set of standards applicable in California pursuant to a waiver approved under section 7543 of this title to any category of vehicles referred to in subsection (a), (b), (c), or (d) of this section and such set of standards is, in the aggregate, at least as protective of public health and welfare as the otherwise applicable standards set forth in section 7582 of this title and subsection (a), (b), (c), or (d) of this section, such set of California standards shall apply to clean-fuel vehicles in such category in lieu of the standards otherwise applicable under section 7582 of this title and subsection (a), (b), (c), or (d) of this section, as the case may be.

#### (2) Multiple sets of CARB standards

If the State of California promulgates regulations establishing and implementing several different sets of standards applicable in California pursuant to a waiver approved under section 7543 of this title to any category of vehicles referred to in subsection (a), (b), (c), or (d) of this section and each of such sets of California standards is, in the aggregate, at least as protective of public health and welfare as the otherwise applicable standards set forth in section 7582 of this title and subsection (a), (b), (c), or (d) of this section, such standards shall be treated as “qualifying California standards” for purposes of this paragraph. Where more than one set of qualifying stand-
ards are established and administered by the State of California, the least stringent set of qualifying California standards shall apply to the clean-fuel vehicles concerned in lieu of the standards otherwise applicable to such vehicles under section 7582 of this title and this section.

(f) Less stringent CARB standards

If the Low-Emission Vehicle and Clean Fuels Regulations of the California Air Resources Board applicable to any category of vehicles referred to in subsection (a), (b), (c), or (d) of this section are modified after November 15, 1990, to provide an emissions standard which is less stringent than the otherwise applicable standard set forth in subsection (a), (b), (c), or (d), or if any effective date contained in such regulations is delayed, such modified standards or such delay (or both, as the case may be) shall apply for an interim period, in lieu of the standard or effective date otherwise applicable under subsection (a), (b), (c), or (d) to any vehicles covered by such modified standard or delayed effective date. The interim period shall be a period of not more than 2 model years from the effective date otherwise applicable under subsection (a), (b), (c), or (d). After such interim period, the otherwise applicable standard set forth in subsection (a), (b), (c), or (d) shall take effect with respect to such vehicles (unless subsequently replaced under subsection (e)).

(g) Not applicable to heavy-duty vehicles

Notwithstanding any provision of the Low-Emission Vehicle and Clean Fuels Regulations of the California Air Resources Board nothing in this section shall apply to heavy-duty engines in vehicles of more than 8,500 lbs. GVWR.


§ 7584. Administration and enforcement as per California standards

Where the numerical clean-fuel vehicle standards applicable under this part to vehicles of not more than 8,500 lbs. GVWR are the same as numerical emission standards applicable in California under the Low-Emission Vehicle and Clean Fuels Regulations of the California Air Resources Board (“CARB”), such standards shall be administered and enforced by the Administrator—

(1) in the same manner and with the same flexibility as the State of California administers and enforces corresponding standards applicable under the Low-Emission Vehicle and Clean Fuels Regulations of the California Air Resources Board (“CARB”); and

(2) subject to the same requirements, and utilizing the same interpretations and policy judgments, as are applicable in the case of such CARB standards, including, but not limited to, requirements regarding certification, production-line testing, and in-use compliance, unless the Administrator determines (in promulgating the rules establishing the clean fuel vehicle program under this section) that any such administration and enforcement would not meet the criteria for a waiver under section 7543 of this title. Nothing in this section shall apply in the case of standards under section 7585 of this title for heavy-duty vehicles.

(july 14, 1955, ch. 360, title II, §244, as added Pub. L. 101–549, title II, §229(a), Nov. 15, 1990, 104 Stat. 2519.)

§ 7585. Standards for heavy-duty clean-fuel vehicles (GVWR above 8,500 up to 26,000 lbs.)

(a) Model years after 1997; combined NOx and NMHC standard

For classes or categories of heavy-duty vehicles or engines manufactured for the model year 1998 or thereafter and having a GVWR greater than 8,500 lbs. and up to 26,000 lbs. GVWR, the standards under this part for clean-fuel vehicles shall require that combined emissions of oxides of nitrogen (NOx) and nonmethane hydrocarbons (NMHC) shall not exceed 3.15 grams per brake horsepower hour (equivalent to 50 percent of the combined emission standards applicable under section 7321 of this title for such air pollutants in the case of a conventional model year 1994 heavy-duty diesel-fueled vehicle or engine). No standard shall be promulgated as provided in this section for any heavy-duty vehicle of more than 26,000 lbs. GVWR.

(b) Revised standards that are less stringent

(1) The Administrator may promulgate a revised less stringent standard for the vehicles or engines referred to in subsection (a) if the Administrator determines that the 50 percent reduction referred to in paragraph (a) is not technologically feasible for clean diesel-fueled vehicles and engines, taking into account durability, costs, lead time, safety, and other relevant factors. To provide adequate lead time the Administrator shall make a determination with regard to the technological feasibility of such 50 percent reduction before December 31, 1993.

(2) Any person may at any time petition the Administrator to make a determination under paragraph (1). The Administrator shall act on such a petition within 6 months after the petition is filed.

(3) Any revised less stringent standards promulgated as provided in this subsection shall require at least a 30 percent reduction in lieu of the 50 percent reduction referred to in paragraph (1).


§ 7586. Centrally fueled fleets

(a) Fleet program required for certain nonattainment areas

(1) SIP revision

Each State in which there is located all or part of a covered area (as defined in paragraph (2)) shall submit, within 42 months after November 15, 1990, a State implementation plan revision under section 7410 of this title and part D of subchapter I to establish a clean-fuel vehicle program for fleets under this section.
§ 7586  TITLE 42—THE PUBLIC HEALTH AND WELFARE  Page 6770

(2) Covered areas

For purposes of this subsection, each of the following shall be a “covered area”:

(A) Ozone nonattainment areas

Any ozone nonattainment area with a 1980 population of 250,000 or more classified under subpart 2 of part D of subchapter I of this chapter as Serious, Severe, or Extreme based on data for the calendar years 1987, 1988, and 1989. In determining the ozone nonattainment areas to be treated as covered areas pursuant to this subparagraph, the Administrator shall use the most recent interpretation methodology issued by the Administrator prior to November 15, 1990.

(B) Carbon monoxide nonattainment areas

Any carbon monoxide nonattainment area with a 1980 population of 250,000 or more and a carbon monoxide design value at or above 16.0 parts per million based on data for calendar years 1988 and 1989 (as calculated according to the most recent interpretation methodology issued prior to November 15, 1990, by the United States Environmental Protection Agency), excluding those carbon monoxide nonattainment areas in which mobile sources do not contribute significantly to carbon monoxide exceedances.

(3) Plan revisions for reclassified areas

In the case of ozone nonattainment areas reclassified as Serious, Severe, or Extreme under part D of subchapter I with a 1980 population of 250,000 or more, the State shall submit a plan revision meeting the requirements of this subsection within 1 year after reclassification. Such plan revision shall implement the requirements applicable under this subsection at the time of reclassification and thereafter, except that the Administrator may adjust for a limited period the deadlines for compliance where compliance with such deadlines would be infeasible.

(4) Consultation; consideration of factors

Each State required to submit an implementation plan revision under this subsection shall develop such revision in consultation with fleet operators, vehicle manufacturers, fuel producers and distributors, motor vehicle fuel, and other interested parties, taking into consideration operational range, specialty uses, vehicle and fuel availability, costs, safety, resale values of vehicles and equipment and other relevant factors.

(b) Phase-in of requirements

The plan revision required under this section shall contain provisions requiring that at least a specified percentage of all new covered fleet vehicles in model year 1998 and thereafter purchased by each covered fleet operator in each covered area shall be clean-fuel vehicles and shall use clean alternative fuels when operating in the covered area. For the applicable model years (MY) specified in the following table and thereafter, the specified percentage shall be as provided in the table for the vehicle types set forth in the table:

<table>
<thead>
<tr>
<th>Vehicle Type</th>
<th>MY1998</th>
<th>MY1999</th>
<th>MY2000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Light-duty trucks up to 6,000 lbs. GVWR and light-duty vehicles</td>
<td>30%</td>
<td>50%</td>
<td>70%</td>
</tr>
<tr>
<td>Heavy-duty trucks above 8,500 lbs. GVWR</td>
<td>50%</td>
<td>50%</td>
<td>50%</td>
</tr>
</tbody>
</table>

The term MY refers to model year.

(c) Accelerated standard for light-duty trucks up to 6,000 lbs. GVWR and light-duty vehicles

Notwithstanding the model years for which clean-fuel vehicle standards are applicable as provided in section 7583 of this title, for purposes of this section, light-duty vehicles manufactured in model years 1998 through model year 2000 shall be treated as clean-fuel vehicles only if such vehicles comply with the standards applicable under section 7583 of this title for vehicles in the same class for the model year 2001.

The requirements of subsection (b) shall take effect on the earlier of the following:

1. The first model year after model year 1997 in which new light-duty trucks up to 6,000 lbs. GVWR and light-duty vehicles which comply with the model year 2001 standards under section 7583 of this title are offered for sale in California.


Whenever the effective date of subsection (b) is delayed pursuant to paragraph (1) of this subsection, the phase-in schedule under subsection (b) shall be modified to commence with the model year referred to in paragraph (1) in lieu of model year 1998.

(d) Choice of vehicles and fuel

The plan revision under this subsection shall provide that the choice of clean-fuel vehicles and clean alternative fuels shall be made by the covered fleet operator subject to the requirements of this subsection.

(e) Availability of clean alternative fuel

The plan revision shall require fuel providers to make clean alternative fuel available to covered fleet operators at locations at which covered fleet vehicles are centrally fueled.

(f) Credits

(1) Issuance of credits

The State plan revision required under this section shall provide for the issuance by the State of appropriate credits to a fleet operator for any of the following (or any combination thereof):

(A) The purchase of more clean-fuel vehicles than required under this section.

(B) The purchase of clean fuel vehicles which meet more stringent standards established by the Administrator pursuant to paragraph (4).

(C) The purchase of vehicles in categories which are not covered by this section but which meet standards established for such vehicles under paragraph (4).

1 So in original. Probably should be “light-duty”.
2 So in original. Probably should be “clean-fuel”.

2
So in original. Probably should be “light-duty”.

1
So in original. Probably should be “clean-fuel”.

1
§ 7587. Vehicle conversions

(a) Conversion of existing and new conventional vehicles to clean-fuel vehicles

The requirements of section 7586 of this title may be met through the conversion of existing or new gasoline or diesel-powered vehicles to clean-fuel vehicles which comply with the applicable requirements of that section. For purposes of such provisions the conversion of a vehicle to clean fuel vehicle shall be treated as the purchase of a clean fuel vehicle. Nothing in this section shall be construed to provide that any converted fleet operator subject to fleet vehicle purchase requirements under section 7586 of this title shall be required to convert existing or new gasoline or diesel-powered vehicles to clean-fuel vehicles or to purchase converted vehicles.

(b) Regulations

The Administrator shall, within 24 months after November 15, 1990, consistent with the requirements of this subchapter applicable to new vehicles, promulgate regulations governing conversions of conventional vehicles to clean-fuel vehicles. Such regulations shall establish criteria for such conversions which will ensure that a converted vehicle will comply with the standards applicable under this part to clean-fuel vehicles. Such regulations shall provide for the application to such conversions of the same provisions of this subchapter (including provisions relating to administration enforcement) as are applicable to standards under section 7582, 7583, 7584, and 7585 of this title, except that in the case of conversions the Administrator may modify the applicable regulations implementing

1 So in original. Probably should be “clean-fuel”.

2 So in original. Probably should be “sections”.

(2) Use of credits; limitations based on weight classes

(A) Use of credits

Credits under this subsection may be used by the person holding such credits to demonstrate compliance with this section or may be traded or sold for use by any other person to demonstrate compliance with other requirements applicable under this section in the same nonattainment area. Credits obtained at any time may be held or banked for use at any later time, and when so used, such credits shall maintain the same value as if used at an earlier date.

(B) Limitations based on weight classes

Credits issued with respect to the purchase of vehicles of up to 8,500 lbs. GVWR may not be used to demonstrate compliance by any person with the requirements applicable under this subsection to vehicles of more than 8,500 lbs. GVWR. Credits issued with respect to the purchase of vehicles of more than 8,500 lbs. GVWR may not be used to demonstrate compliance by any person with the requirements applicable under this subsection to vehicles weighing up to 8,500 lbs. GVWR.

(C) Weighting

Credits issued for purchase of a clean fuel vehicle under this subsection shall be adjusted with appropriate weighting to reflect the level of emission reduction achieved by the vehicle.

(3) Regulations and administration

Within 12 months after November 15, 1990, the Administrator shall promulgate regulations for such credit program. The State shall administer the credit program established under this subsection.

(4) Standards for issuing credits for cleaner vehicles

Solely for purposes of issuing credits under paragraph (1)(B), the Administrator shall establish under this paragraph standards for Ultra-Low Emission Vehicles ("ULEV")s and Zero Emissions Vehicles ("ZEV")s which shall be more stringent than those otherwise applicable to clean-fuel vehicles under this part. The Administrator shall certify clean-fuel vehicles as complying with such more stringent standards, and administer and enforce such more stringent standards, in the same manner as in the case of the otherwise applicable clean-fuel vehicle standards established under this section. The standards established by the Administrator under this paragraph for vehicles under 8,500 lbs. GVWR or greater shall conform as closely as possible to standards which are established by the State of California for ULEV and ZEV vehicles in the same class. For vehicles of 8,500 lbs. GVWR or more, the Administrator shall promulgate comparable standards for purposes of this subsection.

(5) Early fleet credits

The State plan revision shall provide credits under this subsection to fleet operators that purchase vehicles certified to meet clean-fuel vehicle standards under this part during any period after approval of the plan revision and prior to the effective date of the fleet program under this section.

(g) Availability to public

At any facility owned or operated by a department, agency, or instrumentality of the United States where vehicles subject to this subsection are supplied with clean alternative fuel, such fuel shall be offered for sale to the public for use in other vehicles during reasonable business times and subject to national security concerns, unless such fuel is commercially available for vehicles in the vicinity of such Federal facilities.
such provisions as the Administrator deems necessary to implement this part.

(c) Enforcement

Any person who converts conventional vehicles to clean fuel vehicles pursuant to subsection (b), shall be considered a manufacturer for purposes of sections 7525 and 7541 of this title and related enforcement provisions. Nothing in the preceding sentence shall require a person who performs such conversions to warrant any part or operation of a vehicle other than as required under this part. Nothing in this paragraph shall limit the applicability of any other warranty to unrelated parts or operations.

(d) Tampering

The conversion from a vehicle capable of operating on gasoline or diesel fuel only to a clean-fuel vehicle shall not be considered a violation of section 7522(a)(3) of this title if such conversion complies with the regulations promulgated under subsection (b).

(e) Safety

The Secretary of Transportation shall, if necessary, promulgate rules under applicable motor vehicle laws regarding the safety of vehicles converted from existing and new vehicles to clean-fuel vehicles.

§ 7588. Federal agency fleets

(a) Additional provisions applicable

The provisions of this section shall apply, in addition to the other provisions of this part, in the case of covered fleet vehicles owned or operated by an agency, department, or instrumental-ity of the United States, except as otherwise provided in subsection (e).

(b) Cost of vehicles to Federal agency

Notwithstanding the provisions of sections 601–611 of title 40, the Administrator of General Services shall not include the incremental costs of clean-fuel vehicles in the amount to be reimbursed by Federal agencies if the Administrator of General Services determines that appropriations provided pursuant to this paragraph are sufficient to provide for the incremental cost of such vehicles over the cost of comparable conventional vehicles.

(c) Limitations on appropriations

Funds appropriated pursuant to the authorization under this paragraph shall be applicable only—

(1) to the portion of the cost of acquisition, maintenance and operation of vehicles acquired under this subparagraph which exceeds the cost of acquisition, maintenance and operation of comparable conventional vehicles;

(2) to the portion of the costs of fuel storage and dispensing equipment attributable to such vehicles which exceeds the costs for such purposes required for conventional vehicles; and

(3) to the portion of the costs of acquisition of clean-fuel vehicles which represents a reduction in revenue from the disposal of such vehicles as compared to revenue resulting from the disposal of comparable conventional vehicles.

(d) Vehicle costs

The incremental cost of vehicles acquired under this part over the cost of comparable conventional vehicles shall not be applied to any calculation with respect to a limitation under law on the maximum cost of individual vehicles which may be required by the United States.

(e) Exemptions

The requirements of this part shall not apply to vehicles with respect to which the Secretary of Defense has certified to the Administrator that an exemption is needed based on national security consideration.

(f) Acquisition requirement

Federal agencies, to the extent practicable, shall obtain clean-fuel vehicles from original equipment manufacturers.

(g) Authorization of appropriations

There are authorized to be appropriated such sums as may be required to carry out the provisions of this section: Provided, That such sums as are appropriated for the Administrator of General Services pursuant to the authorization under this section shall be added to the General Supply Fund established in section 321 of title 40.

§ 7589. California pilot test program

(a) Establishment

The Administrator shall establish a pilot program in the State of California to demonstrate the effectiveness of clean-fuel vehicles in controlling air pollution in ozone nonattainment areas.

(b) Applicability

The provisions of this section shall only apply to light-duty trucks and light-duty vehicles, and such provisions shall apply only in the State of California, except as provided in subsection (f).

(c) Program requirements

Not later than 24 months after November 15, 1990, the Administrator shall promulgate regulations establishing requirements under this sec-
tion applicable in the State of California. The regulations shall provide the following:

(1) Clean-fuel vehicles

Clean-fuel vehicles shall be produced, sold, and distributed (in accordance with normal business practices and applicable franchise agreements) to ultimate purchasers in California (including owners of covered fleets referred to in section 7586 of this title) in numbers that meet or exceed the following schedule:

<table>
<thead>
<tr>
<th>Model Years</th>
<th>Number of Clean-Fuel Vehicles</th>
</tr>
</thead>
<tbody>
<tr>
<td>1999 and thereafter</td>
<td>300,000 vehicles</td>
</tr>
</tbody>
</table>

(2) Clean alternative fuels

(A) Within 2 years after November 15, 1990, the State of California shall submit a revision of the applicable implementation plan under part D of subchapter I and section 7410 of this title containing a clean fuel plan that requires that clean alternative fuels on which the clean-fuel vehicles required under this paragraph can operate shall be produced and distributed by fuel suppliers and made available in California. At a minimum, sufficient clean alternative fuels shall be produced, distributed, and made available to assure that all clean-fuel vehicles required under this section can operate, to the maximum extent practicable, exclusively on such fuels in California. The State shall require that clean alternative fuels be made available and offered for sale at an adequate number of locations with sufficient geographic distribution to ensure convenient refueling with clean alternative fuels, considering the number of, and type of, such vehicles sold and the geographic distribution of such vehicles within the State. The State shall determine the clean alternative fuels to be produced, distributed, and made available based on motor vehicle manufacturers' projections of future sales of such vehicles and consultations with the affected local governments and fuel suppliers.

(B) The State may by regulation grant persons subject to the requirements prescribed under this paragraph an appropriate amount of credits toward fulfillment of such manufacturer's share of the requirements of subsection (c)(1) of this section for any of the following (or any combination thereof):

1. The sale of more clean-fuel vehicles than required under subsection (c)(1) of this section.

2. The sale of clean fuel vehicles which meet standards established by the Administrator as provided in paragraph (3) which are more stringent than the clean-fuel vehicle standards otherwise applicable to such clean-fuel vehicle. A manufacturer granted credits under this paragraph may transfer some or all of the credits for use by one or more other manufacturers in demonstrating compliance with the requirements prescribed under this paragraph. The Administrator may make the credits available for use after consideration of enforceability, environmental, and economic factors and upon such terms and conditions as he finds appropriate. The Administrator shall grant credits in accordance with this paragraph, notwithstanding any requirements of State law or any credits granted with respect to the same vehicles under any State law, rule, or regulation.

(3) Standards for motor vehicle manufacturers

(1) The Administrator may (by regulation) grant a motor vehicle manufacturer an appropriate amount of credits for exceeding such manufacturer's share of the requirements of subsection (c)(1) of this section for any of the following (or any combination thereof):

A. The sale of more clean-fuel vehicles than required under subsection (c)(1) of this section.

B. The sale of clean fuel vehicles which meet standards established by the Administrator and are more stringent than the clean-fuel vehicle standards otherwise applicable to such clean-fuel vehicle. A manufacturer granted credits under this paragraph may transfer some or all of the credits for use by one or more other manufacturers in demonstrating compliance with the requirements prescribed under this paragraph. The Administrator may make the credits available for use after consideration of enforceability, environmental, and economic factors and upon such terms and conditions as the Administrator finds appropriate.

C. The State may also by regulation establish specifications for any clean alternative fuel produced and made available under this paragraph as the State finds necessary to reduce or eliminate an unreasonable risk to public health, welfare, or safety associated with its use or to ensure applicable vehicle maintenance and performance characteristics.

(D) If a retail gasoline dispensing facility would have to remove or replace one or more motor vehicle fuel underground storage tanks and accompanying piping in order to comply with the provisions of this section, and it had removed and replaced such tank or tanks and accompanying piping in order to comply with subtitle I of the Solid Waste Disposal Act (42 U.S.C. 6991 et seq.) prior to November 15, 1990, it shall not be required to comply with this subsection until a period of 7 years has passed from the date of the removal and replacement of such tank or tanks.

(E) Nothing in this section authorizes any State other than California to adopt provisions regarding clean alternative fuels.

(F) If the State of California fails to adopt a clean fuel program that meets the requirements of this paragraph, the Administrator shall, within 4 years after November 15, 1990, establish a clean fuel program for the State of California under this paragraph and section 7410(c)(1) of this title that meets the requirements of this paragraph.

(d) Credits for motor vehicle manufacturers

(1) The Administrator may (by regulation) grant credits in accordance with this paragraph.

(2) Regulations and administration.

Within 12 months after November 15, 1990, the Administrator shall promulgate regulations for such credit program.

(3) Standards for issuing credits for clean vehicles. The more stringent standards and other requirements (including requirements relating to the weighting of credits) established by the Administrator for purposes of the credit program under section 7586(e) of this title (relating to credits for clean fuel vehicles in the fleets program) shall also apply for purposes of the credit program under this paragraph.

(e) Program evaluation

(1) Not later than June 30, 1994 and again in connection with the report under paragraph (2),
the Administrator shall provide a report to the Congress on the status of the California Air Resources Board Low-Emissions Vehicles and Clean Fuels Program. Such report shall examine the capability, from a technological standpoint, of motor vehicle manufacturers and motor vehicle fuel suppliers to comply with the requirements of such program and with the requirements of the California Pilot Program under this section.

(2) Not later than June 30, 1998, the Administrator shall complete and submit a report to Congress on the effectiveness of the California pilot program under this section. The report shall evaluate the level of emission reductions achieved under the program, the costs of the program, the advantages and disadvantages of extending the program to other nonattainment areas, and desirability of continuing or expanding the program in California.

(3) The program under this section cannot be extended or terminated by the Administrator except by Act of Congress enacted after November 15, 1990. Section 7597 of this title does not apply to the program under this section.

(f) Voluntary opt-in for other States

(1) EPA regulations

Not later than 2 years after November 15, 1990, the Administrator shall promulgate regulations establishing a voluntary opt-in program under this subsection pursuant to which—

(A) clean-fuel vehicles which are required to be produced, sold, and distributed in the State of California under this section, and

(B) clean alternative fuels required to be produced and distributed under this section by fuel suppliers and made available in California.\(^3\)

may also be sold and used in other States which submit plan revisions under paragraph (2).

(2) Plan revisions

Any State in which there is located all or part of an ozone nonattainment area classified under subpart D of subchapter I as Serious, Severe, or Extreme may submit a revision of the applicable implementation plan under part D of subchapter I and section 7410 of this title to provide incentives for the sale or use in such an area or State of clean-fuel vehicles which are required to be produced, sold, and distributed in the State of California, and for the use in such an area or State of clean alternative fuels required to be produced and distributed by fuel suppliers and made available in California. Such plan revisions shall not take effect until 1 year after the State has provided notice of such provisions to motor vehicle manufacturers and to fuel suppliers.

(3) Incentives

The incentives referred to in paragraph (2) may include any or all of the following:

(A) A State registration fee on new motor vehicles registered in the State which are not clean-fuel vehicles in the amount of at least 1 percent of the cost of the vehicle. The proceeds of such fee shall be used to provide financial incentives to purchasers of clean-fuel vehicles and to vehicle dealers who sell high volumes or high percentages of clean-fuel vehicles and to defray the administrative costs of the incentive program.

(B) Provisions to exempt clean-fuel vehicles from high occupancy vehicle or trip reduction requirements.

(C) Provisions to provide preference in the use of existing parking spaces for clean-fuel vehicles.

The incentives under this paragraph shall not apply in the case of covered fleet vehicles.

(4) No sales or production mandate

The regulations and plan revisions under paragraphs (1) and (2) shall not include any production or sales mandate for clean-fuel vehicles or clean alternative fuels. Such regulations and plan revisions shall also provide that vehicle manufacturers and fuel suppliers may not be subject to penalties or sanctions for failing to produce or sell clean-fuel vehicles or clean alternative fuels.


References in Text


November 15, 1990, referred to in subsec. (e)(3), was in the original "the date of the Clean Air Act Amendments of 1990", which was translated as meaning the date of enactment of Pub. L. 101–549, which enacted this section, to reflect the probable intent of Congress.

§ 7590. General provisions

(a) State refueling facilities

If any State adopts enforceable provisions in an implementation plan applicable to a nonattainment area which provides that existing State refueling facilities will be made available to the public for the purchase of clean alternative fuels or that State-operated refueling facilities for such fuels will be constructed and operated by the State and made available to the public at reasonable times, taking into consideration safety, costs, and other relevant factors, in approving such plan under section 7410 of this title and part D,\(^1\) the Administrator may credit a State with the emission reductions for purposes of part D attributable to such actions.

(b) No production mandate

The Administrator shall have no authority under this part to mandate the production of clean-fuel vehicles except as provided in the California pilot test program or to specify as applicable the models, lines, or types of, or mar-\(^1\) So in original. Probably should refer to part D of subchapter I.
marketing or price practices, policies, or strategies for, vehicles subject to this part. Nothing in this part shall be construed to give the Administrator authority to mandate marketing or pricing practices, policies, or strategies for fuels.

(c) Tank and fuel system safety

The Secretary of Transportation shall, in accordance with chapter 301 of title 49, promulgate applicable regulations regarding the safety and use of fuel storage cylinders and fuel systems, including appropriate testing and retesting, in conversions of motor vehicles.

(d) Consultation with Department of Energy and Department of Transportation

The Administrator shall coordinate with the Secretaries of the Department of Energy and the Department of Transportation in carrying out the Administrator's duties under this part.

SUBCHAPTER III—GENERAL PROVISIONS

§ 7601. Administration

(a) Regulations; delegation of powers and duties; regional officers and employees

(1) The Administrator is authorized to prescribe such regulations as are necessary to carry out his functions under this chapter. The Administrator may delegate to any officer or employee of the Environmental Protection Agency such of his powers and duties under this chapter, except the making of regulations subject to section 7607(d) of this title, as he may deem necessary or expedient.

(2) Not later than one year after August 7, 1977, the Administrator shall promulgate regulations establishing general applicable procedures and policies for regional officers and employees (including the Regional Administrator) to follow in carrying out a delegation under paragraph (1), if any. Such regulations shall be designed—

(A) to assure fairness and uniformity in the criteria, procedures, and policies applied by the various regions in implementing and enforcing the chapter;

(B) to assure at least an adequate quality audit of each State's performance and adherence to the requirements of this chapter in implementing and enforcing the chapter, particularly in the review of new sources and in enforcement of the chapter; and

(C) to provide a mechanism for identifying and standardizing inconsistent or varying criteria, procedures, and policies being employed by such officers and employees in implementing and enforcing the chapter.

(b) Detail of Environmental Protection Agency personnel to air pollution control agencies

Upon the request of an air pollution control agency, personnel of the Environmental Protection Agency may be detailed to such agency for the purpose of carrying out the provisions of this chapter.

(c) Payments under grants; installments; advances or reimbursements

Payments under grants made under this chapter may be made in installments, and in advance or by way of reimbursement, as may be determined by the Administrator.

(d) Tribal authority

(1) Subject to the provisions of paragraph (2), the Administrator—

(A) is authorized to treat Indian tribes as States under this chapter, except for purposes of the requirement that makes available for application by each State no less than one-half of 1 percent of annual appropriations under section 7405 of this title; and

(B) may provide any such Indian tribe grant and contract assistance to carry out functions provided by this chapter.

(2) The Administrator shall promulgate regulations within 18 months after November 15, 1990, specifying those provisions of this chapter for which it is appropriate to treat Indian tribes as States. Such treatment shall be authorized only if—

(A) the Indian tribe has a governing body carrying out substantial governmental duties and powers;

(B) the functions to be exercised by the Indian tribe pertain to the management and protection of air resources within the exterior boundaries of the reservation or other areas within the tribe's jurisdiction; and

(C) the Indian tribe is reasonably expected to be capable, in the judgment of the Administrator, of carrying out the functions to be exercised in a manner consistent with the terms and purposes of this chapter and all applicable regulations.

(3) The Administrator may promulgate regulations which establish the elements of tribal implementation plans and procedures for approval or disapproval of tribal implementation plans and portions thereof.

(4) In any case in which the Administrator determines that the treatment of Indian tribes as identical to States is inappropriate or administratively infeasible, the Administrator may provide, by regulation, other means by which the Administrator will directly administer such provisions so as to achieve the appropriate purpose.

(5) Until such time as the Administrator promulgates regulations pursuant to this subsection, the Administrator may continue to provide financial assistance to eligible Indian tribes under section 7405 of this title.

§ 7602. Definitions

When used in this chapter—

(a) The term "Administrator" means the Administrator of the Environmental Protection Agency.

(b) The term "air pollution control agency" means any of the following:

(1) A single State agency designated by the Governor of that State as the official State air pollution control agency for purposes of this chapter.

(2) An agency established by two or more States and having substantial powers or duties pertaining to the prevention and control of air pollution.

(3) A city, county, or other local government health authority, or, in the case of any city, county, or other local government in which there is an agency other than the health authority charged with responsibility for enforcing ordinances or laws relating to the prevention and control of air pollution, such other agency.

(4) An agency of two or more municipalities located in the same State or in different States and having substantial powers or duties...
pertaining to the prevention and control of air pollution.

(5) An agency of an Indian tribe.

(c) The term "interstate air pollution control agency" means—
(1) an air pollution control agency established by two or more States, or
(2) an air pollution control agency of two or more municipalities located in different States.

(d) The term "State" means a State, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, and American Samoa and includes the Commonwealth of the Northern Mariana Islands.

(e) The term "person" includes an individual, corporation, partnership, association, State, municipality, political subdivision of a State, and any agency, department, or instrumentality of the United States and any officer, agent, or employee thereof.

(f) The term "municipality" means a city, town, borough, county, parish, district, or other public body created by or pursuant to State law.

(g) The term "air pollutant" means any air pollution agent or combination of such agents, including any physical, chemical, biological, radioactive (including source material, special nuclear material, and byproduct material) substance or matter which is emitted into or otherwise enters the ambient air. Such term includes any precursors to the formation of any air pollutant, to the extent the Administrator has identified such precursor or precursors for the particular purpose for which the term "air pollutant" is used.

(h) All language referring to effects on welfare includes, but is not limited to, effects on soils, water, crops, vegetation, manmade materials, animals, wildlife, weather, visibility, and climate, damage to and deterioration of property, and hazards to transportation, as well as effects on economic values and on personal comfort and well-being, whether caused by transformation, conversion, or combination with other air pollutants.

(i) The term "Federal land manager" means, with respect to any lands in the United States, the Secretary of the department with authority over such lands.

(j) Except as otherwise expressly provided, the terms "major stationary source" and "major emitting facility" mean any stationary facility or source of air pollutants which directly emits, or has the potential to emit, one hundred tons per year or more of any air pollutant (including any major emitting facility or source of fugitive emissions of any such pollutant, as determined by rule by the Administrator).

(k) The terms "emission limitation" and "emission standard" mean a requirement established by the State or the Administrator which limits the quantity, rate, or concentration of emissions of air pollutants on a continuous basis, including any requirement relating to the operation or maintenance of a source to assure continuous emission reduction, and any design, equipment, work practice or operational standard promulgated under this chapter.

(l) The term "standard of performance" means a requirement of continuous emission reduction, including any requirement relating to the operation or maintenance of a source to assure continuous emission reduction.

(m) The term "means of emission limitation" means a system of continuous emission reduction (including the use of specific technology or fuels with specified pollution characteristics).

(n) The term "primary standard attainment date" means the date specified in the applicable implementation plan for the attainment of a national primary ambient air quality standard for any air pollutant.

(o) The term "delayed compliance order" means an order issued by the State or by the Administrator to an existing stationary source, postponing the date required under an applicable implementation plan for compliance by such source with any requirement of such plan.

(p) The term "schedule and timetable of compliance" means a schedule of required measures including an enforceable sequence of actions or operations leading to compliance with an emission limitation, other limitation, prohibition, or standard.

(q) For purposes of this chapter, the term "applicable implementation plan" means the portion (or portions) of the implementation plan, or most recent revision thereof, which has been approved under section 7410 of this title, or promulgated under section 7410(c) of this title, or promulgated or approved pursuant to regulations promulgated under section 7601(d) of this title and which implements the relevant requirements of this chapter.

(r) Indian tribe. The term "Indian tribe" means any Indian tribe, band, nation, or other organized group or community, including any Alaska Native village, which is Federally recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians.

(s) VOC. The term "VOC" means volatile organic compound, as defined by the Administrator.

(t) PM-10. The term "PM-10" means particulate matter with an aerodynamic diameter less than or equal to a nominal ten micrometers, as measured by such method as the Administrator may determine.

(u) NAAQS and CTG. The term "NAAQS" means national ambient air quality standard. The term "CTG" means a Control Technique Guideline published by the Administrator under section 7408 of this title.

(v) NOx. The term "NOx" means oxides of nitrogen.

(w) CO. The term "CO" means carbon monoxide.

(x) Small source. The term "small source" means a source that emits less than 100 tons of regulated pollutants per year, or any class of persons that the Administrator determines, through regulation, generally lack technical ability or knowledge regarding control of air pollution.

(y) Federal implementation plan. The term "Federal implementation plan" means a plan (or portion thereof) promulgated by the Administrator to fill all or a portion of a gap or

1 So in original.
otherwise correct all or a portion of an inadequacy in a State implementation plan, and which includes enforceable emission limitations or other control measures, means or techniques (including economic incentives, such as marketable permits or auctions of emissions allowances), and provides for attainment of the relevant national ambient air quality standard.

(2) STATIONARY SOURCE.—The term "stationary source" means generally any source of an air pollutant except those emissions resulting directly from an internal combustion engine for transportation purposes or from a nonroad engine or nonroad vehicle as defined in section 7550 of this title.


CODIFICATION
Section was formerly classified to section 1857h of this title.

PRIOR PROVISIONS
Provisions similar to those in subsecs. (b) and (d) of this section were contained in a section 1857e of this title from July 14, 1955, ch. 360, § 69, Stat. 323, prior to the general amendment of this chapter by Pub. L. 88–206.

AMENDMENTS
1990—Subsec. (b)(1) to (3). Pub. L. 101–549, § 107(a)(1), struck out "or" at end of par. (3) and substituted periods for semicolons at end of pars. (1) to (3).
Subsec. (g). Pub. L. 101–549, § 108(j)(2), inserted at end "Such term includes any precursors to the formation of any air pollutant, to the extent the Administrator has identified such precursors or precursors for the particular purpose for which the term ‘air pollutant’ is used.”
Subsec. (h). Pub. L. 101–549, § 109(b), inserted before period at end “, whether caused by transformation, conversion, or combination with other air pollutants.”
Subsec. (k). Pub. L. 101–549, § 303(e), inserted before period at end “, and any design, equipment, work practice or operational standard promulgated under this chapter.”
1977—Subsec. (d). Pub. L. 95–95, § 218(c), inserted "and includes the Commonwealth of the Northern Mariana Islands” after “American Samoa”.
Subsec. (e). Pub. L. 95–190 substituted "individual, corporation” for "individual corporation”.
Pub. L. 95–95, § 301(b), expanded definition of “person” to include agencies, departments, and instrumentalities of the United States and officers, agents, and employees thereof.
Subsec. (g). Pub. L. 95–95, § 301(c), expanded definition of “air pollutant” so as, expressly, to include physical, chemical, biological, and radioactive substances or matter emitted into or otherwise entering the ambient air.

Subsecs. (i) to (p). Pub. L. 95–95, § 301(a), added subsecs. (i) to (p).
1970—Subsec. (a). Pub. L. 91–604, § 15(c)(1), substituted definition of “Administrator” as meaning Administrator of the Environmental Protection Agency for definition of “Secretary” as meaning Secretary of Health, Education, and Welfare.
Subsecs. (g), (h). Pub. L. 91–604, § 15(a)(1), added subsec. (g) defining “air pollutant”, redesignated former subsec. (g) as (h) and substituted references to effects on soil, water, crops, vegetation, manmade materials, animals, wildlife, weather, visibility, and climate for references to injury to or threat to such other stock, and inserted references to effects on economic values and on personal comfort and well being.

EFFECTIVE DATE OF 1977 AMENDMENT
Amendment by Pub. L. 95–95 effective Aug. 7, 1977, except as otherwise expressly provided, see section 406(d) of Pub. L. 95–95, set out as a note under section 7401 of this title.

§ 7603. Emergency powers

Notwithstanding any other provision of this chapter, the Administrator, upon receipt of evidence that a pollution source or combination of sources (including moving sources) is presenting an imminent and substantial endangerment to public health or welfare, or to the environment, may bring suit on behalf of the United States in the appropriate United States district court to immediately restrain any person causing or contributing to the alleged pollution to stop the emission of air pollutants causing or contributing to such pollution or to take such other action as may be necessary. If it is not practicable to assure prompt protection of public health or welfare or the environment by commencement of such a civil action, the Administrator may issue such orders as may be necessary to protect public health or welfare or the environment.

Prior to taking any action under this section, the Administrator shall consult with appropriate State and local authorities and attempt to confirm the accuracy of the information on which the action proposed to be taken is based. Any order issued by the Administrator under this section shall be effective upon issuance and shall remain in effect for a period of not more than 60 days, unless the Administrator brings an action pursuant to the first sentence of this section before the expiration of that period. Whenever the Administrator brings such an action within the 60-day period, such order shall remain in effect for an additional 14 days or for such longer period as may be authorized by the court in which such action is brought.


CODIFICATION
Section was formerly classified to section 1857h–1 of this title.

PRIOR PROVISIONS
A prior section 303 of act July 14, 1955, was renumbered section 310 by Pub. L. 91–604 and is classified to section 7610 of this title.
§ 7604. Citizen suits

(a) Authority to bring civil action; jurisdiction

Except as provided in subsection (b), any person may commence a civil action on his own behalf—

(1) against any person (including (i) the United States, and (ii) any other governmental instrumentality or agency to the extent permitted by the Eleventh Amendment to the Constitution) who is alleged to have violated (if there is evidence that the alleged violation has been repeated) or to be in violation of—

(A) an emission standard or limitation under this chapter or (B) an order issued by the Administrator or a State with respect to such a standard or limitation,

(2) against the Administrator where there is alleged a failure of the Administrator to perform any act or duty under this chapter which is not discretionary with the Administrator, or

(3) against any person who proposes to construct or constructs any new or modified major emitting facility without a permit required under part C of subchapter I (relating to significant deterioration of air quality) or part D of subchapter I (relating to nonattainment) or who is alleged to have violated (if there is evidence that the alleged violation has been repeated) or to be in violation of any condition of such permit.

The district courts shall have jurisdiction, without regard to the amount in controversy or the citizenship of the parties, to enforce such an emission standard or limitation, or such an order, or to order the Administrator to perform such act or duty, as the case may be, and to apply any appropriate civil penalties (except for actions under paragraph (2)). The district courts of the United States shall have jurisdiction to compel (consistent with paragraph (2) of this subsection) agency action unreasonably delayed, except that an action to compel agency action referred to in section 7607(b) of this title which is unreasonably delayed may only be filed in a United States District Court within the circuit in which such action would be reviewable under section 7607(b) of this title. In any such action for unreasonable delay, notice to the entities referred to in subsection (b)(1)(A) shall be provided 180 days before commencing such action.

(b) Notice

No action may be commenced—

(1) under subsection (a)(1)—

(A) prior to 60 days after the plaintiff has commenced and is diligently prosecuting a civil action for unreasonable delay, notice to the entities referred to in subsection (b)(1)(A) shall be provided 180 days before commencing such action.

AMENDMENTS

1990—Pub. L. 101–549, §704(2), struck out subsec. (a) designation before “Notwithstanding any other”, struck subsec. (b) which related to violation of or failure or refusal to comply with subsec. (a) orders, and substituted new provisions for provisions following first sentence which read as follows: “If it is not practicable to assure prompt protection of the health of persons solely by commencement of such a civil action, the Administrator may issue such orders as may be necessary to protect the health of persons who are, or may be, affected by such pollution source (or sources). Prior to taking any action under this subsection, the Administrator shall consult with the State and local authorities in order to confirm the correctness of the information on which the action proposed to be taken is based and to ascertain the action which such authorities are, or will be, taking. Such order shall be effective for a period of not more than twenty-four hours unless the Administrator brings an action under the first sentence of this subsection before the expiration of such period. Whenever the Administrator brings such an action within such period, such order shall be effective for a period of forty-eight hours or such longer period as may be authorized by the court pending litigation or thereafter.”

Pub. L. 101–549, §704(1), which directed that “public health or welfare, or the environment” be substituted for “the health of persons and that appropriate State or local authorities have not acted to abate such sources”, was executed by making the substitution for “the health of persons, and that appropriate State or local authorities have not acted to abate such sources” to reflect the probable intent of Congress.

1977—Pub. L. 95–95 designated existing provisions as subsec. (a), inserted provisions that, if it is not practicable to assure prompt protection of the health of persons solely by commencement of a civil action, the Administrator may issue such orders as may be necessary to protect the health of persons who are, or may be, affected by such pollution source (or sources), that, prior to taking any action under this section, the Administrator shall consult with the State and local authorities in order to confirm the correctness of the information on which the action proposed to be taken is based and to ascertain the action which such authorities are, or will be, taking. Such order shall be effective for a period of not more than twenty-four hours unless the Administrator brings an action under the first sentence of this subsection before the expiration of such period. Whenever the Administrator brings such an action within such period, such order shall be effective for a period of forty-eight hours or such longer period as may be authorized by the court pending litigation or thereafter, and added subsec. (b).

EFFECTIVE DATE OF 1977 AMENDMENT

Amendment by Pub. L. 95–95 effective Aug. 7, 1977, except as otherwise expressly provided, see section 406(d) of Pub. L. 95–95, set out as a note under section 7401 of this title.

PENDING ACTIONS AND PROCEEDINGS

Suits, actions, and other proceedings lawfully commenced by or against the Administrator or any other officer or employee of the United States in his official capacity or in relation to the discharge of his official duties under act July 14, 1955, the Clean Air Act, as in effect immediately prior to the enactment of Pub. L. 95–95 [Aug. 7, 1977], not to abate by reason of the taking effect of Pub. L. 95–95, see section 406(a) of Pub. L. 95–95, set out as an Effective Date of 1977 Amendment note under section 7401 of this title.

MODIFICATION OR RECODIFICATION OF RULES, REGULATIONS, OR OTHER ACTIONS

All rules, regulations, orders, determinations, contracts, certifications, authorizations, delegations, or other actions duly issued, made, or taken by or pursuant to act July 14, 1955, the Clean Air Act, as in effect immediately prior to the date of enactment of Pub. L. 95–95 [Aug. 7, 1977] to continue in full force and effect until modified or rescinded in accordance with act July 14, 1955, as amended by Pub. L. 95–95 [this chapter], see section 406(b) of Pub. L. 95–95, set out as an Effective Date of 1977 Amendment note under section 7401 of this title.
§ 7604

(2) bringing any administrative enforcement action or obtaining any administrative remedy or sanction in any State or local administrative agency, department or instrumentality, against the United States, any department, agency, or instrumentality thereof, or any officer, agent, or employee thereof under State or local law respecting control and abatement of air pollution. For provisions requiring compliance by the United States, departments, agencies, instrumentalities, officers, agents, and employees in the same manner as nongovernmental entities, see section 7418 of this title.

(f) “Emission standard or limitation under this chapter” defined

For purposes of this section, the term “emission standard or limitation under this chapter” means—

(1) a schedule or timetable of compliance, emission limitation, standard of performance or emission standard,

(2) a control or prohibition respecting a motor vehicle fuel or fuel additive, or

(3) any condition or requirement of a permit under part C of subchapter I (relating to significant deterioration of air quality) or part D of subchapter I (relating to nonattainment),

section 7419 of this title (relating to primary nonferrous smelter orders), any condition or requirement under an applicable implementation plan relating to transportation control measures, air quality maintenance plans, vehicle inspection and maintenance programs or vapor recovery requirements, section 7545(e) and (f) of this title (relating to fuels and fuel additives), section 7591 of this title (relating to visibility protection), any condition or requirement under subchapter VI (relating to ozone protection), or any requirement under section 7411 or 7412 of this title (without regard to whether such requirement is expressed as an emission standard or otherwise), or

(4) any other standard, limitation, or schedule established under any permit issued pursuant to subchapter V or under any applicable State implementation plan approved by the Administrator, any permit term or condition, and any requirement to obtain a permit as a condition of operations, which is in effect under this chapter (including a requirement applicable by reason of section 7418 of this title) or under an applicable implementation plan.

(g) Penalty fund

(1) Penalties received under subsection (a) shall be deposited in a special fund in the United States Treasury for licensing and other services. Amounts in such fund are authorized to be appropriated and shall remain available until expended, for use by the Administrator to finance air compliance and enforcement activities. The Administrator shall annually report to the Congress about the sums deposited into the fund,

---

1 So in original. The word “or” probably should not appear.
2 So in original.
3 So in original. The semicolon probably should be a comma.
4 So in original. The period probably should be a comma.
5 So in original. The period probably should be a comma.
6 So in original. The period probably should be a comma.
the sources thereof, and the actual and proposed uses thereof. 

(2) Notwithstanding paragraph (1) the court in any action under this subsection to apply civil penalties shall have discretion to order that such civil penalties, in lieu of being deposited in the fund referred to in paragraph (1), be used in beneficial mitigation projects which are consistent with this chapter and enhance the public health or the environment. The court shall obtain the view of the Administrator in exercising such discretion and selecting any such projects. The amount of any such payment in any such action shall not exceed $100,000.


REFERENCES IN TEXT

The Federal Rules of Civil Procedure, referred to in subsec. (d), are set out in the Appendix to Title 28, Judiciary and Judicial Procedure.

CODIFICATION

Section was formerly classified to section 1857h–2 of this title.

PRIOR PROVISIONS

A prior section 304 of act July 14, 1955, was renumbered section 311 by Pub. L. 91–604 and is classified to section 7611 of this title.

AMENDMENTS

1990—Subsec. (a). Pub. L. 101–549, §707(a), (f), in closing provisions, inserted before period at end “and to apply any appropriate civil penalties (except for actions under paragraph (2)) and inserted sentences at end giving courts jurisdiction to compel agency action unreasonably delayed and requiring 180 days notice prior to commencement of action.

Subsec. (a)(1), (3), Pub. L. 101–549, §707(g), inserted “to have violated (if there is evidence that the alleged violation has been repeated) or” before “to be in violation”.


Subsec. (c)(2), Pub. L. 101–549, §707(c), amended par. (2) generally. Prior to amendment, par. (2) read as follows: “In such action under this section, the Administrator, if not a party, may intervene as a matter of right.”

Subsec. (c)(3), Pub. L. 101–549, §707(d), added subsec. (c)(3).

Subsec. (f)(3), Pub. L. 101–549, §707(e), struck out “any condition or requirement of section 7413(d) of this title (relating to certain enforcement orders)” before “; section 7419 of this title”, substituted “subchapter VI” for “part B of subchapter I”, and substituted “or” for period at end.

Subsec. (f)(4), Pub. L. 101–549, §707(e), which directed that par. (4) be added at end of subsec. (f), was executed by adding par. (4) after par. (3), to reflect the probable intent of Congress.


Pub. L. 95–95, §303(a), added subsec. (a)(3).

Subsec. (e). Pub. L. 95–95, §303(c), inserted provisions which prohibited any construction of this section or any other law of the United States which would prohibit, exclude, or restrict any State, local, or interstate authority from bringing any enforcement action or obtaining any judicial remedy or sanction in any State or local court against the United States or bringing any administrative enforcement action or obtaining any administrative remedy or sanction against the United States in any State or local administrative agency, department, or instrumentality under State or local law.

Subsec. (f)(3). Pub. L. 95–190, §14(a)(78), inserted “or” after “(relating to ozone protection)”, substituted “any condition or requirement under any of the requirements under an” for “requirements under an”, and struck out “or” before “section 7671”.

Pub. L. 95–95, §303(b), added par. (3).

EFFECTIVE DATE OF 1990 AMENDMENT

Pub. L. 101–549, title VII, §707(g), Nov. 15, 1990, 104 Stat. 2683, provided that: “The amendment made by this subsection (amending this section) shall take effect with respect to actions brought after the date 2 years after the enactment of the Clean Air Act Amendments of 1990 (Nov. 15, 1990).”

EFFECTIVE DATE OF 1977 AMENDMENT

Amendment by Pub. L. 95–95 effective Aug. 7, 1977, except as otherwise expressly provided, see section 406(d) of Pub. L. 95–95, set out as a note under section 7401 of this title.

TERMINATION OF REPORTING REQUIREMENTS

For termination, effective May 15, 2000, of reporting provisions in subsec. (g)(1) of this section, see section 3003 of Pub. L. 104–66, as amended, set out as a note under section 1113 of Title 31, Money and Finance, and the 6th item on page 165 of House Document No. 103–7.

PENDING ACTIONS AND PROCEEDINGS

Suits, actions, and other proceedings lawfully commenced by or against the Administrator or any other officer or employee of the United States in his official capacity or in relation to the discharge of his official duties under act July 14, 1955, the Clean Air Act, as in effect immediately prior to the enactment of Pub. L. 95–95 [Aug. 7, 1977], not to abate by reason of the taking effect of Pub. L. 95–95, see section 406(b) of Pub. L. 95–95, set out as an Effective Date of 1977 Amendment note under section 7401 of this title.

MODIFICATION OR RESCISSION OF RULES, REGULATIONS, ORDERS, DETERMINATIONS, CONTRACTS, CERTIFICATIONS, AUTHORIZATIONS, DELIVERIES, AND OTHER ACTIONS

All rules, regulations, orders, determinations, contracts, certifications, authorizations, deliveries, and other actions duly issued made, or taken by or pursuant to act July 14, 1955, the Clean Air Act, as in effect immediately prior to the date of enactment of Pub. L. 95–95 [Aug. 7, 1977] to continue in full force and effect until modified or rescinded in accordance with act July 14, 1955, as amended by Pub. L. 95–95 [this chapter], see section 406(b) of Pub. L. 95–95, set out as an Effective Date of 1977 Amendment note under section 7401 of this title.

§ 7605. Representation in litigation

(a) Attorney General; attorneys appointed by Administrator

The Administrator shall request the Attorney General to appear and represent him in any civil action instituted under this chapter to which the Administrator is a party. Unless the Attorney General notifies the Administrator that he will appear in such action, within a reasonable time, attorneys appointed by the Administrator shall appear and represent him.
(b) Memorandum of understanding regarding legal representation

In the event the Attorney General agrees to appear and represent the Administrator in any such action, such representation shall be conducted in accordance with, and shall include participation by, attorneys appointed by the Administrator to the extent authorized by, the memorandum of understanding between the Department of Justice and the Environmental Protection Agency, dated June 13, 1977, respecting representation of the agency by the department in civil litigation.


CODIFICATION

Section was formerly classified to section 1857h-3 of this title.

PRIOR PROVISIONS

A prior section 305 of act July 14, 1955, as added Nov. 21, 1967, Pub. L. 90–148, §2, 81 Stat. 505, was renumbered section 312 by Pub. L. 91–604 and is classified to section 7612 of this title.


AMENDMENTS

1977—Pub. L. 95–95 designated existing provisions as subsec. (a) and added subsec. (b).

Effective Date of 1977 Amendment

Amendment by Pub. L. 95–95 effective Aug. 7, 1977, except as otherwise expressly provided, see section 406(d) of Pub. L. 95–95, set out as a note under section 7401 of this title.

PENDING ACTIONS AND PROCEEDINGS

Suits, actions, and other proceedings lawfully commenced by or against the Administrator or any other officer or employee of the United States in his official capacity or in relation to the discharge of his official duties under act July 14, 1955, the Clean Air Act, as in effect immediately prior to the enactment of Pub. L. 95–95 [Aug. 7, 1977], not to abate by reason of the taking effect of Pub. L. 95–95, see section 406(a) of Pub. L. 95–95, set out as an Effective Date of 1977 Amendment note under section 7401 of this title.

MODIFICATION OR RESCISSION OF RULES, REGULATIONS, ORDERS, DETERMINATIONS, CONTRACTS, CERTIFICATIONS, AUTHORIZATIONS, DELEGATIONS, AND OTHER ACTIONS

All rules, regulations, orders, determinations, contracts, certifications, authorizations, delegations, or other actions duly issued, made, or taken by or pursuant to act July 14, 1955, the Clean Air Act, as in effect immediately prior to the date of enactment of Pub. L. 95–95 [Aug. 7, 1977] to continue in full force and effect until modified or rescinded in accordance with act July 14, 1955, as amended by Pub. L. 95–95 [this chapter], see section 406(b) of Pub. L. 95–95, set out as an Effective Date of 1977 Amendment note under section 7401 of this title.

§ 7606. Federal procurement

(a) Contracts with violators prohibited

No Federal agency may enter into any contract with any person who is convicted of any offense under section 7413(c) of this title for the procurement of goods, materials, and services to perform such contract at any facility at which the violation which gave rise to such conviction occurred if such facility is owned, leased, or supervised by such person. The prohibition in the preceding sentence shall continue until the Administrator certifies that the condition giving rise to such a conviction has been corrected. For convictions arising under section 7413(c)(2) of this title, the condition giving rise to the conviction also shall be considered to include any substantive violation of this chapter associated with the violation of 7413(c)(2) of this title. The Administrator may extend this prohibition to other facilities owned or operated by the convicted person.

(b) Notification procedures

The Administrator shall establish procedures to provide all Federal agencies with the notification necessary for the purposes of subsection (a).

(c) Federal agency contracts

In order to implement the purposes and policy of this chapter to protect and enhance the quality of the Nation's air, the President shall, not more than 180 days after December 31, 1970, cause to be issued an order (1) requiring each Federal agency authorized to enter into contracts and each Federal agency which is empowered to extend Federal assistance by way of grant, loan, or contract to effectuate the purpose and policy of this chapter in such contracting or assistance activities, and (2) setting forth procedures, sanctions, penalties, and such other provisions, as the President determines necessary to carry out such requirement.

(d) Exemptions; notification to Congress

The President may exempt any contract, loan, or grant from all or part of the provisions of this section where he determines such exemption is necessary in the paramount interest of the United States and he shall notify the Congress of such exemption.


CODIFICATION

Subsec. (e) of this section, which required the President to annually report to Congress on measures taken toward implementing the purpose and intent of this section, terminated, effective May 15, 2000, pursuant to section 3003 of Pub. L. 104–66, as amended, set out as a note under section 1113 of Title 31, Money and Finance. See, also, the 14th item on page 20 of House Document No. 103–7.

Section was formerly classified to section 1857h–4 of this title.

PRIOR PROVISIONS


1972 (Public Law 92–500) [33 U.S.C. 1368], it is hereby or-

of that Act as added by the Clean Air Amendments of

Federal Water Pollution Control Act Amendments of

particularly section 508 of that Act as added by the

Water Pollution Control Act (33 U.S.C. 1251 et seq.),

sions of the Clean Air Act, as amended (42 U.S.C. 1857

provided:

Stat. 1705, related to appropriations and was classified
to section 1857 of this title, prior to repeal by section 306 of Pub. L. 95–95. See section 7626 of this title.

Amendments

1990—Subsec. (a). Pub. L. 101–104 substituted “section 7413(c)(1)” and inserted sentence at end relating to convictions arising under section 7413(c)(2) of this title and extension of prohibition to other facilities owned by convicted persons.

Federal Acquisition Regulation: Contractor Certification or Contract Clause for Acquisition of Commercial Items

Pub. L. 103–355, title VIII, §830(g), Oct. 13, 1994, 108 Stat. 3397, as amended by Pub. L. 115–232, div. A, title VIII, §836(g)(8), Aug. 13, 2018, 132 Stat. 1874, provided that: “The Federal Acquisition Regulation may not contain a certification or a contract clause, in order to implement a prohibition or requirement of section 306 of the Clean Air Act (42 U.S.C. 7006) or a prohibition or requirement issued in the implementation of that section, since there is nothing in such section 306 that requires such a certification or contract clause.”

Executive Order No. 11902

Ex. Ord. No. 11902, June 29, 1971, 36 F.R. 12475, which related to the administration of the Clean Air Act with respect to Federal contracts, grants, or loans, was superseded by Ex. Ord. No. 11738, Sept. 10, 1973, 38 F.R. 25161, set out below.

Ex. Ord. No. 11738, Administration of the Clean Air Act and the Federal Water Pollution Control Act With Respect to Federal Contracts, Grants, or Loans

Ex. Ord. No. 11738, Sept. 10, 1973, 38 F.R. 25161, provided:

By virtue of the authority vested in me by the provisions of the Clean Air Act, as amended (42 U.S.C. 1857 et seq.), (33 U.S.C. 1319(c)), particularly section 306 of that Act as added by the Clean Air Amendments of 1970 (Public Law 91–604) [this section], and the Federal Water Pollution Control Act (33 U.S.C. 1251 et seq.), particularly section 508 of that Act as added by the Federal Water Pollution Control Act Amendments of 1972 (Public Law 92–500) [33 U.S.C. 1388], it is hereby or- dered as follows:

Section 1. Policy. It is the policy of the Federal Gov- ernment to improve and enhance environmental qual- ity. In furtherance of that policy, the program pre- scribed in this Order is instituted to assure that each Federal agency empowered to enter into contracts for the procurement of goods, materials, or services and each Federal agency empowered to extend Federal as- sistance by way of grant, loan, or contract shall under- take such procurement and assistance activities in a manner that will result in effective enforcement of the Clean Air Act [this chapter] (hereinafter referred to as “the Air Act”) and the Federal Water Pollution Con- trol Act (hereinafter referred to as “the Water Act”) [33 U.S.C. 1319(c)].

Section 2. Designation of Facilities. (a) The Administrator of the Environmental Protection Agency (hereinafter referred to as “the Administrator”) shall be responsible for the attainment of the purposes and objectives of this Order.

(b) In carrying out his responsibilities under this Order, the Administrator shall, in conformity with all applicable requirements of law, designate facilities which have given rise to a conviction for an offense under section 113(c)(1) of the Air Act [42 U.S.C. 7413(c)], or section 306(c) or section 316 of title 33, (33 U.S.C. 1319(c)). The Administrator shall, from time to time, publish and circulate to all Federal agencies lists of those facilities, together with the names and addresses of the persons who have been convicted of such off- fenses. Whenever the Administrator determines that the condition which gave rise to a conviction has been corrected, he shall promptly remove the facility and the name and address of the person concerned from the list.

Sect. 3. Contracts, Grants, or Loans. (a) Except as provided in section 8 of this Order, no Federal agency shall enter into any contract for the procurement of goods, materials, or services which is to be performed in whole or in part in a facility then designated by the Adminis- trator pursuant to section 2.

(b) Except as provided in section 8 of this Order, no Federal agency authorized to extend Federal assistance by way of grant, loan, or contract shall extend such as- sistance in any case in which it is to be used to support any activity or program involving the use of a facility then designated by the Administrator pursuant to sec- tion 2.

Sect. 4. Procurement, Grant, and Loan Regulations. The Federal Procurement Regulations, the Armed Services Procurement Regulations, and to the extent necessary, any supplemental or comparable regulations issued by any agency of the Executive Branch shall, following consultation with the Administrator, be amended to re- quire, as a condition of entering into, renewing, or extending any contract for the procurement of goods, materials, or services or extending any assistance by way of grant, loan, or contract, inclusion of a provision re- quiring compliance with the Air Act, the Water Act, and standards issued pursuant thereto in the facilities in which the contract is to be performed, or which are involved in the activity or program to receive assist- ance.

Sect. 5. Rules and Regulations. The Administrator shall issue such rules, regulations, standards, and guidelines as he may deem necessary or appropriate to carry out the purposes of this Order.

Sect. 6. Cooperation and Assistance. The head of each Federal agency shall take such steps as may be nec- essary to assure that all officers and employees of this agency whose duties entail compliance or comparable functions with respect to contracts, grants, and loans are familiar with the provisions of this Order. In addition to any other appropriate action, such officers and employees shall report promptly any condition in a fa- cility which may involve noncompliance with the Air Act or the Water Act or any rules, regulations, standards, or guidelines issued pursuant to this Order to the head of the agency, who shall transmit such reports to the Administrator.

Sect. 7. Enforcement. The Administrator may rec- ommend to the Department of Justice or other ap- propriate agency that legal proceedings be brought or other appropriate action be taken whenever he becomes aware of a breach of any provision required, under the amendments issued pursuant to section 4 of this Order, to be included in a contract or other agreement.

Sect. 8. Exemptions—Reports to Congress. (a) Upon a de- termination that the paramount interest of the United States so requires—

(1) The head of a Federal agency may exempt any contract, grant, or loan, and, following consultation with the Administrator, any class of contracts, grants or loans from the provisions of this Order. In any such case, the head of the Federal agency granting such ex- emption shall (A) promptly notify the Administrator of such exemption and the justification therefor; (B) re- view the necessity for each such exemption annually; and (C) report to the Administrator annually all such exemptions in effect. Exemptions granted pursuant to this section shall be for a period not to exceed one year. Additional exemptions may be granted for periods to exceed one year upon the making of a new deter- mination by the head of the Federal agency concerned.

(2) The Administrator may, by rule or regulation, ex- empt any or all Federal agencies from any or all of the provisions of this Order with respect to any class or classes of contracts, grants, or loans, which (A) involve
§ 7607 Administrative proceedings and judicial review

(a) Administrative subpoenas; confidentiality; witnesses

In connection with any determination under section 7410(f) of this title, or for purposes of obtaining information under section 7521(b)(4) or 7545(c)(3) of this title, any investigation, monitoring, reporting requirement, entry, compliance inspection, or administrative enforcement proceeding under the second chapter (including but not limited to section 7413, section 7414, section 7420, section 7428, section 7477, section 7524, section 7525, section 7542, section 7603, or section 7606 of this title), the Administrator may issue subpoenas for the attendance and testimony of witnesses and the production of relevant papers, books, and documents, and he may administer oaths. Except for emission data, upon a showing satisfactory to the Administrator by such owner or operator that such papers, books, documents, or information or particular portion thereof, if made public, would divulge trade secrets or secret processes of such owner or operator, the Administrator shall consider such record, report, or information or particular portion thereof confidential in accordance with the purposes of section 1905 of title 18, except that such paper, book, document, or information may be disclosed to other officers, employees, or authorized representatives of the United States concerned with carrying out this chapter, to persons carrying out the National Academy of Sciences' study and investigation provided for in section 7521(c) of this title, or when relevant in any proceeding under this chapter. Witnesses summoned shall be paid the same fees and mileage that are paid witnesses in the courts of the United States. In case of contumacy or refusal to obey a subpoena served upon any person under this subparagraph, the district court of the United States for any district in which such person is found or resides or transacts business, upon application by the United States and after notice to such person, shall have jurisdiction to issue an order requiring such person to appear and give testimony before the Administrator to appear and produce papers, books, and documents before the Administrator, or both, and any failure to obey such order of the court may be punished by such court as a contempt thereof.

(b) Judicial review

(1) A petition for review of action of the Administrator in promulgating any national primary or secondary ambient air quality standard, any emission standard or requirement under section 7412 of this title, any standard of performance or requirement under section 7411 of this title, any standard under section 7521 of this title (other than a standard required to be prescribed under section 7521(b)(1) of this title), any determination under section 7521(b)(5) of this title, any control or prohibition under section 7545 of this title, any standard under section 7571 of this title, any rule issued under section 7413, 7419, or under section 7420 of this title, or any other nationally applicable regulations promulgated, or final action taken, by the Administrator under this chapter may be filed only in the United States Court of Appeals for the District of Columbia. A petition for review of the Administrator's action in approving or promulgating any implementation plan under section 7410 of this title or section 7411(d) of this title, any rule or order under section 7413, 7419, or under section 7420 of this title, or any other nationally applicable regulations promulgated, or final action taken, by the Administrator under this chapter may be filed only in the United States Court of Appeals for the District of Columbia. A petition for review of the Administrator's action in approving or promulgating any implementation plan under section 7410 of this title or section 7411(d) of this title, any rule or order under section 7413, 7419, or under section 7420 of this title, or any other nationally applicable regulations promulgated, or final action taken, by the Administrator under this chapter may be filed only in the United States Court of Appeals for the District of Columbia.

(2) Any final action of the Administrator under this chapter (including any denial of or disapproval by the Administrator under subchapter I) which is locally or regionally applicable may be filed only in the United States Court of Appeals for the appropriate circuit. Notwithstanding the preceding sentence a petition for review of any action referred to in such sentence may be filed only in the United States Court of Appeals for the District of Columbia if such action is based on a determination of nationwide scope or effect and if in taking such action the Administrator finds and publishes that such action is based on such a determination. Any petition for review under this subsection shall be filed within sixty days from the date notice of such promulgation, approval, or action appears in the Federal Register, except that if such petition is based solely on grounds arising after such sixtieth day, then any petition for review under this subsection shall be filed within sixty days after such grounds arise. The filing of a petition for reconsideration by the Administrator of any otherwise final rule or action shall not affect

3See References in Text note below.
4So in original. Probably should be "this".
5So in original.
the finality of such rule or action for purposes of judicial review nor extend the time within which a petition for judicial review of such rule or action under this section may be filed, and shall not postpone the effectiveness of such rule or action.

(2) Action of the Administrator with respect to which review could have been obtained under paragraph (1) shall not be subject to judicial review in civil or criminal proceedings for enforcement. Where a final decision by the Administrator defers performance of any nondiscretionary statutory action to a later time, any person may challenge the deferral pursuant to paragraph (1).

(c) Additional evidence

In any judicial proceeding in which review is sought of a determination under this chapter required to be made on the record after notice and opportunity for hearing, if any party applies to the court for leave to adduce additional evidence, and shows to the satisfaction of the court that such additional evidence is material and that there were reasonable grounds for the failure to adduce such evidence in the proceeding before the Administrator, the court may order such additional evidence (and evidence in rebuttal thereof) to be taken before the Administrator, in such manner and upon such terms and conditions as to the court may deem proper. The Administrator may modify his findings as to the facts, or make new findings, by reason of the additional evidence so taken and he shall file such modified or new findings, and his recommendation, if any, for the modification or setting aside of his original determination, with the return of such additional evidence.

(d) Rulemaking

(1) This subsection applies to—

(A) the promulgation or revision of any national ambient air quality standard under section 7401 of this title,

(B) the promulgation or revision of an implementation plan by the Administrator under section 7410(c) of this title,

(C) the promulgation or revision of any standard of performance under section 7411 of this title, or emission standard or limitation under section 7412(d) of this title, any standard under section 7412(f) of this title, or any regulation under section 7412(g)(1)(D) and (F) of this title, or any regulation under section 7412(m) or (n) of this title,

(D) the promulgation of any requirement for solid waste combustion under section 7429 of this title,

(E) the promulgation or revision of any regulation pertaining to any fuel or fuel additive under section 7455 of this title,

(F) the promulgation or revision of any aircraft emission standard under section 7571 of this title,

(G) the promulgation or revision of any regulation under subchapter IV–A (relating to control of acid deposition),

(H) promulgation or revision of regulations pertaining to primary nonferrous smelter orders under section 7419 of this title (but not including the granting or denying of any such order),

(I) promulgation or revision of regulations under subchapter VI (relating to stratosphere and ozone protection),

(J) promulgation or revision of regulations under part C of subchapter I (relating to prevention of significant deterioration of air quality and protection of visibility),

(K) promulgation or revision of regulations under section 7521 of this title and test procedures for new motor vehicles or engines under section 7525 of this title, and the revision of a standard under section 7521(a)(3) of this title,

(L) promulgation or revision of regulations for noncompliance penalties under section 7420 of this title,

(M) promulgation or revision of any regulations promulgated under section 7541 of this title (relating to warranties and compliance by vehicles in actual use),

(N) action of the Administrator under section 7426 of this title (relating to interstate pollution abatement),

(O) the promulgation or revision of any regulation pertaining to consumer and commercial products under section 7511b(e) of this title,

(P) the promulgation or revision of any regulation pertaining to field citations under section 7413(d)(3) of this title,

(Q) the promulgation or revision of any regulation pertaining to urban buses or the clean-fuel vehicle, clean-fuel fleet, and clean fuel programs under part C of subchapter II,

(R) the promulgation or revision of any regulation pertaining to nonroad engines or nonroad vehicles under section 7547 of this title,

(S) the promulgation or revision of any regulation relating to motor vehicle compliance program fees under section 7552 of this title,

(T) the promulgation or revision of any regulation under subchapter IV–A (relating to acid deposition),

(U) the promulgation or revision of any regulation under section 7511b(f) of this title pertaining to marine vessels, and

(V) such other actions as the Administrator may determine.

The provisions of section 553 through 557 and section 706 of title 5 shall not, except as expressly provided in this subsection, apply to actions to which this subsection applies. This subsection shall not apply in the case of any rule or circumstance referred to in subparagraphs (A) or (B) of subsection 553(b) of title 5.

(2) Not later than the date of proposal of any action to which this subsection applies, the Administrator shall establish a rulemaking docket for such action (hereinafter in this subsection referred to as a “rule”). Whenever a rule applies only within a particular State, a second (identical) docket shall be simultaneously established in the appropriate regional office of the Environmental Protection Agency.

(3) In the case of any rule to which this subsection applies, notice of proposed rulemaking shall be published in the Federal Register, as provided under section 553(b) of title 5, shall be accompanied by a statement of its basis and
§ 7607

The location or locations of the docket, and the rulemaking shall also state the docket number, the "comment period". The notice of proposed for public comment (hereinafter referred to as the summary of—

(A) the factual data on which the proposed rule is based;

(B) the methodology used in obtaining the data and in analyzing the data; and

(C) the major legal interpretations and policy considerations underlying the proposed rule.

The statement shall also set forth or summarize and provide a reference to any pertinent findings, recommendations, and comments by the Scientific Review Committee established under section 7009(d) of this title and the National Academy of Sciences, and, if the proposed difference is in any important respect from any of these recommendations, an explanation of the reasons for such differences. All data, information, and documents referred to in this paragraph on which the proposed rule relies shall be included in the docket on the date of publication of the proposed rule.

(4) The rulemaking docket required under paragraph (2) shall be open for inspection by the public at reasonable times specified in the notice of proposed rulemaking. Any person may copy documents contained in the docket. The Administrator shall provide copying facilities which may be used at the expense of the person seeking copies, but the Administrator may waive or reduce such expenses in such instances as the public interest requires. Any person may request copies by mail if the person pays the expenses, including personnel costs to do the copying.

(B)(i) Promptly upon receipt by the agency, all written comments and documentary information on the proposed rule received from any person for inclusion in the docket during the comment period shall be placed in the docket. The transcript of public hearings, if any, on the proposed rule shall also be included in the docket promptly upon receipt from the person who transcribed such hearings. All documents which become available after the proposed rule has been published and which the Administrator determines are of central relevance to the rulemaking shall be placed in the docket as soon as possible after their availability.

(iii) Any person to submit written comments, data, or documentary information; (ii) the Administrator shall give interested persons an opportunity for the oral presentation of data, views, or arguments, in addition to an opportunity to make written submissions; (iii) a transcript shall be kept of any oral presentation; and (iv) the Administrator shall keep the record of such proceeding open for thirty days after completion of the proceeding to provide an opportunity for submission of rebuttal and supplementary information.

(6)(A) The promulgated rule shall be accompanied by (i) a statement of basis and purpose like that referred to in paragraph (3) with respect to a proposed rule and (ii) an explanation of the reasons for any major changes in the promulgated rule from the proposed rule.

(B) The promulgated rule shall also be accompanied by a response to each of the significant comments, criticisms, and new data submitted in written or oral presentations during the comment period. The promulgated rule may not be based (in part or whole) on any information or data which has not been placed in the docket as of the date of such promulgation.

(7)(A) The record for judicial review shall consist exclusively of the material referred to in paragraph (3), clause (i) of paragraph (4)(A), and subparagraphs (A) and (B) of paragraph (6).

(B) Only an objection to a rule or procedure which was raised with reasonable specificity during the period for public comment (including any public hearing) may be raised during judicial review. If the person raising an objection can demonstrate to the Administrator that it was impracticable to raise such objection within such time or if the grounds for such objection arose after the period for public comment (but within the time specified for judicial review) and if such objection is of central relevance to the outcome of the rule, the Administrator shall convene a proceeding for reconsideration of the rule and provide the same procedural rights as would have been afforded the information been available at the time the rule was proposed. If the Administrator refuses to convene such a proceeding, such person may seek review of such refusal in the United States court of appeals for the appropriate circuit (as provided in subsection (b)). Such reconsideration shall not postpone the effectiveness of the rule. The effectiveness of the rule may be stayed during such reconsideration, however, by the Administrator or the court for a period not to exceed three months.

(8) The sole forum for challenging procedural determinations made by the Administrator under this subsection shall be in the United States court of appeals for the appropriate circuit (as provided in subsection (b)) at the time of the substantive review of the rule. No interlocutory appeals shall be permitted with respect to such procedural determinations. In reviewing alleged procedural errors, the court may invalidate the rule only if the errors were so serious and related to matters of such central relevance to the rule that there is a substantial likelihood that the rule would have been significantly changed if such errors had not been made.
(9) In the case of review of any action of the Administrator to which this subsection applies, the court may reverse any such action found to be—

(A) arbitrary, capricious, an abuse of discretion or otherwise not in accordance with law; (B) contrary to constitutional right, power, privilege, or immunity; (C) in excess of statutory jurisdiction, authority, or limitations, or short of statutory right; or (D) without observance of procedure required by law, if (i) such failure to observe such procedure is arbitrary or capricious, (ii) the requirement of paragraph (B) has been met, and (iii) the condition of the last sentence of paragraph (B) is met.

(10) Each statutory deadline for promulgation of rules to which this subsection applies which requires promulgation less than six months after date of proposal may be extended to not more than six months after date of proposal by the Administrator upon a determination that such extension is necessary to afford the public, and the agency, adequate opportunity to carry out the purposes of this subsection.

(11) The requirements of this subsection shall take effect with respect to any rule the proposal of which occurs after ninety days after August 7, 1977.

(e) Other methods of judicial review not authorized

Nothing in this chapter shall be construed to authorize judicial review of regulations or orders of the Administrator under this chapter, except as provided in this section.

(f) Costs

In any judicial proceeding under this section, the court may award costs of litigation (including reasonable attorney and expert witness fees) whenever it determines that such award is appropriate.

(g) Stay, injunction, or similar relief in proceedings relating to noncompliance penalties

In any action respecting the promulgation of regulations under section 7420 of this title or the administration or enforcement of section 7420 of this title no court shall grant any stay, injunctive, or similar relief before final judgment by such court in such action.

(h) Public participation

It is the intent of Congress that, consistent with the policy of subchapter II of chapter 5 of title 5, the Administrator in promulgating any regulation under this chapter, including a regulation subject to a deadline, shall ensure a reasonable period for public participation of at least 30 days, except as otherwise expressly provided in section 7407(d), 7502(a), 7511(a) and (b), and 7512(a) and (b) of this title.


REFERENCES IN TEXT

Section 7521(b)(4) of this title, referred to in subsec. (a), was repealed by Pub. L. 101–549, title II, §230(b)(2), Nov. 15, 1990, 104 Stat. 2529.

Section 7521(b)(5) of this title, referred to in subsec. (b)(1), was repealed by Pub. L. 101–549, title II, §230(c), Nov. 15, 1990, 104 Stat. 2529.

Section 1857c–10(c)(2)(A), (B), or (C) of this title (as in effect before August 7, 1977), referred to in subsec. (b)(1), was in the original “section 119(c)(2)(A), (B), or (C) (as in effect before the date of enactment of the Clean Air Act Amendments of 1977)”, meaning section 119 of act July 14, 1955, ch. 360, title I, as added June 22, 1974, Pub. L. 93–319, §§3, 88 Stat. 248, (which was classified to section 1857c–10 of this title) as in effect prior to the enactment of Pub. L. 95–95, Aug. 7, 1977, 91 Stat. 691, effective Aug. 7, 1977. Section 112(b)(1) of Pub. L. 95–95 repealed section 119 of act July 14, 1955, ch. 360, title I, as added by Pub. L. 93–319, and provided that all references to such section 119 in any subsequent enactment which superseded Pub. L. 93–319 shall be construed to refer to section 113(d) of the Clean Air Act and to paragraph (5) thereof in particular which is classified to subsec. (d)(5) of section 7413 of this title. Section 7413(d) of this title was subsequently amended generally by Pub. L. 101–549, title VII, §701, Nov. 15, 1990, 104 Stat. 2672, and, as so amended, no longer relates to final compliance orders. Section 117(b) of Pub. L. 95–95 added a new section 119 of act July 14, 1955, which is classified to section 7419 of this title.

Part C of subchapter I, referred to in subsec. (d)(1)(J), was in the original “subtitle C of title I”, and was translated as reading “part C of title I” to reflect the probable intent of Congress, because title I does not contain subtitles.

AMENDMENTS

1990—Subsec. (a). Pub. L. 101–549, §703, struck out par. (1) designation at beginning, inserted provisions authorizing issuance of subpoenas and administration of oaths for purposes of investigations, monitoring, reporting requirements, entries, compliance inspections, or administrative enforcement proceedings under this chapter, and struck out “or section 7421(b)(6)” after “section 7410(f)”.

Subsec. (b)(1). Pub. L. 101–549, §706(2), which directed amendment of second sentence by striking “under section 7413(d) of this title” immediately before “under section 7419 of this title”, was executed by striking “under section 7413(d) of this title,” before “under sec-
tion 7419 of this title', to reflect the probable intent of Congress.

Pub. L. 101–549, §706(b), inserted at end: 'The filing of a petition for reconsideration by the Administrator of any otherwise final rule or action shall not affect the finality of such rule or action for purposes of judicial review nor extend the time within which a petition for judicial review of such rule or action under this section may be filed, and shall not postpone the effectiveness of such rule or action.'

Pub. L. 101–549, §702(c), inserted 'or revising regulations for enhanced monitoring and compliance certification programs under section 7414(a)(3) of this title,' before 'or any other final action of the Administrator'.

Pub. L. 101–549, §302(g), substituted 'section 7412' for 'section 7412(c)'.


Subsec. (d)(1)(C). Pub. L. 101–549, §110(b)(A), amended subpar. (C) generally. Prior to amendment, subpar. (C) read as follows: 'the promulgation or revision of any standard of performance under section 7411 of this title or emission standard under section 7412 of this title',

Subsec. (d)(1)(D), (E). Pub. L. 101–549, §302(h), added subpar. (D) and redesignated former subpar. (D) as (E). Former subpar. (E) redesignated (F).


Subsec. (d)(1)(G). Pub. L. 101–549, §302(h), added subpar. (G) generally. Prior to amendment, subpar. (F) read as follows: 'the promulgation or revision of regulations pertaining to orders for coal conversion under section 7413(d)(5) of this title (but not including orders granting or denying any such orders)',

Subsec. (d)(1)(H). Pub. L. 101–549, §302(h), redesignated subpars. (F) and (G) as (G) and (H), respectively. Former subpar. (H) redesignated (I).

Subsec. (d)(1)(I). Pub. L. 101–549, §710(b), which directed that subpar. (H) be amended by substituting 'subchapter VI' for 'part B of subchapter I', was executed by making the substitution in subpar. (I), to reflect the probable intent of Congress and the intervening redesignation of subpar. (H) as (I) by Pub. L. 101–549, §302(h), see below.


Subsec. (d)(1)(J) to (M). Pub. L. 101–549, §302(h), redesignated subpars. (I) to (J) to (M), respectively. Former subpar. (M) redesignated (N).


Subsec. (d)(1)(O) to (T). Pub. L. 101–549, §302(h), redesignated subpar. (N) as (O) to (T), respectively. Former subpar. (T) redesignated (U).

Pub. L. 101–549, §110(b)(C), added subpars. (O) to (T).


Pub. L. 101–549, §110(b)(C), redesignated former subpar. (N) as (U).


1977—Subsec. (b)(1). Pub. L. 95–190 in text relating to filling of petitions for review in the United States Court of Appeals for the District of Columbia inserted provisions respecting requirements under sections 7411 and 7412 of this title, and substituted provisions authorizing review of any rule issued under section 7413, 7419, or 7420 of this title, for provisions authorizing review of any rule or order issued under section 7420 of this title, relating to noncompliance penalties, and in text relating to filing of petitions for review in the United States Court of Appeals for the appropriate circuit inserted provisions respecting review under section 7413, 7419, 7412(c), 7413(d), or 7419 of this title, providing authorizing review under section 1857c–10(c)(2)(A), (B), or (C) to the period prior to Aug. 7, 1977, and provisions authorizing review of denials or disapprovals by the Administrator under subchapter I of this chapter.

Pub. L. 95–95, §305(4), added subsec. (b).

Subsec. (d). Pub. L. 95–95, §305(a), added subsec. (d).

Subsec. (e). Pub. L. 95–95, §303(d), added subsec. (e).


Subsec. (g). Pub. L. 95–95, §305(g), added subsec. (g).

1974—Subsec. (b)(1). Pub. L. 93–319 inserted reference to the Administrator's action under section 7411(b)(7)(B)(ii)(I), (II), (iii), or (iv) of this title for 'administrative action under section 7411(b)(7)', 'the initial rulemaking proceeding under such section', and 'to the Administrator'.

Subsec. (d). Pub. L. 95–95, §305(a), added subsec. (d).

Subsec. (e). Pub. L. 95–95, §305(e), added subsec. (e).


1973—Pub. L. 93–256 substituted 'section 7412' for 'section 7412(c)'.


Effective Date of 1977 Amendment

Amendment by Pub. L. 95–95 effective Aug. 7, 1977, except as otherwise expressly provided, see section 406(d) of Pub. L. 95–95, set out as a note under section 7401 of this title.

Termination of Advisory Committees

Advisory committees established after Jan. 5, 1973, to terminate not later than the expiration of the 2-year period beginning on the date of their establishment, unless, in the case of a committee established by the President or an officer of the Federal Government, such committee is renewed by appropriate action prior to the expiration of such 2-year period, or in the case of a committee established by the Congress, its duration is otherwise provided for by law. See section 14 of Pub. L. 92–463, Oct. 6, 1972, 86 Stat. 776, set out in the Appendix to Title 5, Government Organization and Employees.

Pending Actions and Proceedings

Suits, actions, and other proceedings lawfully commenced by or against the Administrator or any other officer or employee of the United States in his official capacity or in relation to the discharge of his official duties under act July 14, 1955, the Clean Air Act, as in effect immediately prior to the enactment of Pub. L. 95–95 [Aug. 7, 1977], not to abate by reason of the taking effect of Pub. L. 95–95, see section 406(a) of Pub. L. 95–95, set out as an Effective Date of 1977 Amendment note under section 7401 of this title.

Modification or Rescission of Rules, Regulations, Orders, Determinations, Contract Certifications, Authorizations, Delegations, and Other Actions

All rules, regulations, orders, determinations, contracts, certifications, authorizations, delegations, or
other actions duly issued, made, or taken by or pursuant to act July 14, 1955, the Clean Air Act, as in effect immediately prior to the date of enactment of Pub. L. 95–95 [Aug. 7, 1977] to continue in full force and effect until modified or rescinded in accordance with act July 14, 1955, as amended by Pub. L. 95–95 [this chapter], see section 406(b) of Pub. L. 95–95, set out as an Effective Date of 1977 Amendment note under section 7401 of this title.

§ 7608. Mandatory licensing

Whenever the Attorney General determines, upon application of the Administrator—

(1) that—

(A) in the implementation of the requirements of section 7411, 7412, or 7521 of this title, a right under any United States letters patent, which is being used or intended for public or commercial use and not otherwise reasonably available, is necessary to enable any person required to comply with such limitation to so comply, and

(B) there are no reasonable alternative methods to accomplish such purpose, and

(2) that the unavailability of such right may result in a substantial lessening of competition or tendency to create a monopoly in any line of commerce in any section of the country,

the Attorney General may so certify to a district court of the United States, which may issue an order requiring the person who owns such patent to license it on such reasonable terms and conditions as the court, after hearing, may determine. Such certification may be made to the district court for the district in which the person owning the patent resides, does business, or is found.


CODIFICATION

Section was formerly classified to section 1857h–6 of this title.

PRIOR PROVISIONS

A prior section 308 of act July 14, 1955, was renumbered section 315 by Pub. L. 91–604 and is classified to section 7615 of this title.

MODIFICATION OR RESCISSION OF RULES, REGULATIONS, ORDERS, DETERMINATIONS, CONTRACTS, CERTIFICATIONS, AUTHORIZATIONS, DELEGATIONS, AND OTHER ACTIONS

All rules, regulations, orders, determinations, contracts, certifications, authorizations, delegations, or other actions duly issued, made, or taken by or pursuant to act July 14, 1955, the Clean Air Act, as in effect immediately prior to the date of enactment of Pub. L. 95–95 [Aug. 7, 1977] to continue in full force and effect until modified or rescinded in accordance with act July 14, 1955, as amended by Pub. L. 95–95 [this chapter], see section 406(b) of Pub. L. 95–95, set out as an Effective Date of 1977 Amendment note under section 7401 of this title.

§ 7609. Policy review

(a) Environmental impact

The Administrator shall review and comment in writing on the environmental impact of any matter relating to duties and responsibilities granted pursuant to this chapter or other provisions of the authority of the Administrator, contained in any (1) legislation proposed by any Federal department or agency, (2) newly authorized Federal projects for construction and any major Federal agency action (other than a project for construction) to which section 4332(2)(C) of this title applies, and (3) proposed regulations published by any department or agency of the Federal Government. Such written comment shall be made public at the conclusion of any such review.

(b) Unsatisfactory legislation, action, or regulation

In the event the Administrator determines that any such legislation, action, or regulation is unsatisfactory from the standpoint of public health or welfare or environmental quality, he shall publish his determination and the matter shall be referred to the Council on Environmental Quality.


CODIFICATION

Section was formerly classified to section 1837h–7 of this title.

PRIOR PROVISIONS


MODIFICATION OR RESCISSION OF RULES, REGULATIONS, ORDERS, DETERMINATIONS, CONTRACTS, CERTIFICATIONS, AUTHORIZATIONS, DELEGATIONS, AND OTHER ACTIONS

All rules, regulations, orders, determinations, contracts, certifications, authorizations, delegations, or other actions duly issued, made, or taken by or pursuant to act July 14, 1955, the Clean Air Act, as in effect immediately prior to the date of enactment of Pub. L. 95–95 [Aug. 7, 1977] to continue in full force and effect until modified or rescinded in accordance with act July 14, 1955, as amended by Pub. L. 95–95 [this chapter], see section 406(b) of Pub. L. 95–95, set out as an Effective Date of 1977 Amendment note under section 7401 of this title.

§ 7610. Other authority

(a) Authority and responsibilities under other laws not affected

Except as provided in subsection (b) of this section, this chapter shall not be construed as superseding or limiting the authorities and responsibilities, under any other provision of law, of the Administrator or any other Federal officer, department, or agency.

(b) Nonduplication of appropriations

No appropriation shall be authorized or made under section 241, 243, or 246 of this title for any fiscal year after the fiscal year ending June 30, 1964, for any purpose for which appropriations may be made under authority of this chapter.

§ 7611. Records and audit

(a) Recipients of assistance to keep prescribed records

Each recipient of assistance under this chapter shall keep such records as the Administrator shall prescribe, including records which fully disclose the amount and disposition by such recipient of the proceeds of such assistance, the total cost of the project or undertaking in connection with which such assistance is given or used, and the amount of that portion of the cost of the project or undertaking supplied by other sources, and such other records as will facilitate an effective audit.

(b) Audits

The Administrator and the Comptroller General of the United States, or any of their duly authorized representatives, shall have access for the purpose of audit and examinations to any books, documents, papers, and records of the recipients that are pertinent to the grants received under this chapter.


MODIFICATION

Section was formerly classified to section 1857f of this title.

PRIORITY PROVISIONS

A prior section 310 of act July 14, 1955, was renumbered section 317 by Pub. L. 91-404 and is set out as a Short Title note under section 7401 of this title.

Provisions similar to those in subsec. (a) of this section were contained in section 1857f of this title, act July 14, 1955, ch. 360, §7, 69 Stat. 323, prior to the general amendment of this chapter by Pub. L. 88-206.

AMENDMENTS


MODIFICATION OR RESCISSION OF RULES, REGULATIONS, ORDERS, DETERMINATIONS, CONTRACTS, CERTIFICATIONS, AUTHORIZATIONS, DELEGATIONS, AND OTHER ACTIONS

All rules, regulations, orders, determinations, contracts, certifications, authorizations, delegations, or other actions duly issued, made, or taken by or pursuant to act July 14, 1955, the Clean Air Act, as in effect immediately prior to the date of enactment of Pub. L. 95-95 [Aug. 7, 1977] to continue in full force and effect until modified or rescinded in accordance with act July 14, 1955, the Clean Air Act, as in effect immediately prior to the date of enactment of Pub. L. 95-95 [Aug. 7, 1977] to continue in full force and effect until modified or rescinded in accordance with act July 14, 1955, as amended by Pub. L. 95-96 [this chapter], see section 406(b) of Pub. L. 95-95, set out as an Effective Date of 1977 Amendment note under section 7401 of this title.

§ 7612. Economic impact analyses

(a) Cost-benefit analysis

The Administrator, in consultation with the Secretary of Commerce, the Secretary of Labor, and the Council on Clean Air Compliance Analysis (as established under subsection (f) of this section), shall conduct a comprehensive analysis of the impact of this chapter on the public health, economy, and environment of the United States. In performing such analysis, the Administrator should consider the costs, benefits and other effects associated with compliance with each standard issued for—

1. a criteria air pollutant subject to a standard issued under section 7409 of this title;
2. a hazardous air pollutant listed under section 7412 of this title, including any technology-based standard and any risk-based standard for such pollutant;
3. emissions from mobile sources regulated under subchapter II of this chapter;
4. a limitation under this chapter for emissions of sulfur dioxide or nitrogen oxides;
5. a limitation under subchapter VI of this chapter on the production of any ozone-depleting substance; and
6. any other section of this chapter.

(b) Benefits

In describing the benefits of a standard described in subsection (a), the Administrator shall consider all of the economic, public health, and environmental benefits of efforts to comply with such standard. In any case where numerical values are assigned to such benefits, a default assumption of zero value shall not be assigned to such benefits unless supported by specific data. The Administrator shall assess how benefits are measured in order to assure that damage to human health and the environment is more accurately measured and taken into account.

(c) Costs

In describing the costs of a standard described in subsection (a), the Administrator shall consider the effects of such standard on employment, productivity, cost of living, economic growth, and the overall economy of the United States.
(d) Initial report
Not later than 12 months after November 15, 1990, the Administrator, in consultation with the Secretary of Commerce, the Secretary of Labor, and the Council on Clean Air Compliance Analysis, shall submit a report to the Congress that summarizes the results of the analysis described in subsection (a), which reports—
(1) all costs incurred previous to November 15, 1990, in the effort to comply with such standards; and
(2) all benefits that have accrued to the United States as a result of such costs.

(e) Omitted

(f) Appointment of Advisory Council on Clean Air Compliance Analysis
Not later than 6 months after November 15, 1990, the Administrator, in consultation with the Secretary of Commerce and the Secretary of Labor, shall appoint an Advisory Council on Clean Air Compliance Analysis of not less than nine members (hereafter in this section referred to as the “Council”). In appointing such members, the Administrator shall appoint recognized experts in the fields of the health and environmental effects of air pollution, economic analysis, environmental sciences, and such other fields that the Administrator determines to be appropriate.

(g) Duties of Advisory Council
The Council shall—
(1) review the data to be used for any analysis required under this section and make recommendations to the Administrator on the use of such data;
(2) review the methodology used to analyze such data and make recommendations to the Administrator on the use of such methodology; and
(3) prior to the issuance of a report required under subsection (d) or (e), review the findings of such report, and make recommendations to the Administrator concerning the validity and utility of such findings.


Codification
Subsec. (e) of this section, which required the Administrator, in consultation with the Secretary of Commerce, the Secretary of Labor, and the Council on Clean Air Compliance Analysis, to submit a report to Congress that updates the report issued pursuant to subsec. (d) of this section, and which, in addition, makes projections into the future regarding expected costs, benefits, and other effects of compliance with standards pursuant to this chapter as listed in subsec. (a) of this section, terminated, effective May 15, 2000, pursuant to section 3003 of Pub. L. 104–66, as amended, set out as a note under section 1113 of Title 31, Money and Finance. See also, the 4th Item on page 193 of House Document No. 103–7.

Section was formerly classified to section 1857j–1 of this title.

AMENDMENTS
1990—Pub. L. 101–549 amended section generally, substituting present provisions for provisions which related to: in subsec. (a), detailed cost estimate, comprehensive cost and economic impact studies, and congressional reevaluation; in subsec. (b), personnel study and report to President and Congress; and in subsec. (c), cost-effectiveness analyses.
1977—Subsec. (c), Pub. L. 95–95 added subsec. (c).

Effective Date of 1977 Amendment
Amendment by Pub. L. 95–95 effective Aug. 7, 1977, except as otherwise expressly provided, see section 406(d) of Pub. L. 95–95, set out as a note under section 7401 of this title.

Termination of Advisory Councils
Advisory councils established after Jan. 5, 1972, to terminate not later than the expiration of the 2-year period beginning on the date of their establishment, unless, in the case of a council established by the President or an officer of the Federal Government, such council is renewed by appropriate action prior to the expiration of such 2-year period, or in the case of a council established by Congress, its duration is otherwise provided by law. See sections 3(2) and 14 of Pub. L. 92–463, Oct. 6, 1972, 86 Stat. 776, set out in the Appendix to Title 5, Government Organization and Employees.

Equivalent Air Quality Controls Among Trading Nations
Pub. L. 101–549, title VIII, §811, Nov. 15, 1990, 104 Stat. 2690, provided that:

“(a) Findings.—The Congress finds that—
“(1) all nations have the responsibility to adopt and enforce effective air quality standards and requirements and the United States, in enacting this Act [see Tables for classification], is carrying out its responsibility in this regard;
“(2) as a result of complying with this Act, businesses in the United States will make significant capital investments and incur incremental costs in implementing control technology standards;
“(3) such compliance may impair the competitiveness of certain United States jobs, production, processes, and products if foreign goods are produced under less costly environmental standards and requirements than are United States goods; and
“(4) mechanisms should be sought through which the United States and its trading partners can agree to eliminate or reduce competitive disadvantages.

“(b) Action by the President.—
“(1) In general.—Within 18 months after the date of the enactment of the Clean Air Act Amendments of 1990 [Nov. 15, 1990], the President shall submit to the Congress a report—
“(A) identifying and evaluating the economic effects of—
“(i) the significant air quality standards and controls required under this Act, and
“(ii) the differences between the significant standards and controls required under this Act and similar standards and controls adopted and enforced by the major trading partners of the United States,
“on the international competitiveness of United States manufacturers; and
“(B) containing a strategy for addressing such economic effects through trade consultations and negotiations.

“(2) Additional Reporting Requirements.—(A) The evaluation required under paragraph (1)(A) shall examine the extent to which the significant air quality standards and controls required under this Act are comparable to existing internationally-agreed norms.
“(B) The strategy required to be developed under paragraph (1)(B) shall include recommended options...
(such as the harmonization of standards and trade adjustment measures) for reducing or eliminating competitive disadvantages caused by differences in standards and controls between the United States and each of its major trading partners.

“(3) PUBLIC COMMENT.—Interested parties shall be given an opportunity to submit comments regarding the evaluations and strategy required in the report under paragraph (1). The President shall take any such comment into account in preparing the report.

“(4) INTERIM REPORT.—Within 9 months after the date of the enactment of the Clean Air Act Amendments of 1990 (Nov. 15, 1990), the President shall submit to the Congress an interim report on the progress being made in complying with paragraph (1).”

GAO REPORTS ON COSTS AND BENEFITS


§ 7614. Labor standards

The Administrator shall take such action as may be necessary to insure that all laborers and mechanics employed by contractors or subcontractors on projects assisted under this chapter shall be paid wages at rates not less than those prevailing for the same type of work on similar construction in the locality as determined by the Secretary of Labor, in accordance with sections 3141–3144, 3146, and 3147 of title 40. The Secretary of Labor shall have, with respect to the labor standards specified in this subsection, the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (5 F.R. 3176; 64 Stat. 1207) and section 3145 of title 40.


REFERENCES IN TEXT

Reorganization Plan Numbered 14 of 1950, referred to in text, is set out in the Appendix to Title 5, Government Organization and Employees.

CODIFICATION


AMENDMENTS


§ 7615. Separability

If any provision of this chapter, or the application of any provision of this chapter to any person or circumstance, is held invalid, the application of such provision to other persons or circumstances, and the remainder of this chapter shall not be affected thereby.


CODIFICATION

Section was formerly classified to section 1857k of this title.

AMENDMENTS


§ 7616. Sewage treatment grants

(a) Construction

No grant which the Administrator is authorized to make to any applicant for construction of sewage treatment works in any area in any State may be withheld, conditioned, or restricted by the Administrator on the basis of any requirement of this chapter except as provided in subsection (b).

(b) Withholding, conditioning, or restriction of construction grants

The Administrator may withhold, condition, or restrict the making of any grant for construction referred to in subsection (a) only if he determines that—

(1) such treatment works will not comply with applicable standards under section 7411 or 7412 of this title,

(2) the State does not have in effect, or is not carrying out, a State implementation plan approved by the Administrator which expressly quantifies and provides for the increase in emissions of each air pollutant (from stationary and mobile sources in any area to which either part C or part D of subchapter I applies for such pollutant) which increase may reasonably be anticipated to result directly or indirectly from the new sewage treatment capacity which would be created by such construction.

(3) the construction of such treatment works would create new sewage treatment capacity which—

(A) may reasonably be anticipated to cause or contribute to, directly or indirectly, an increase in emissions of any air pollutant in excess of the increase provided

1 So in original. Probably should be “section.”.

1 So in original. The period probably should be a comma.
for under the provisions referred to in paragraph (2) for any such area, or 
(B) would otherwise not be in conformity with the applicable implementation plan, or

(4) such increase in emissions would interfere with, or be inconsistent with, the applicable implementation plan for any other State.

In the case of construction of a treatment works which would result, directly or indirectly, in an increase in emissions of any air pollutant from stationary and mobile sources in an area to which part D of subchapter I applies, the quantification of emissions referred to in paragraph (2) shall include the emissions of any such pollutant resulting directly or indirectly from areawide and nonmajor stationary source growth (mobile and stationary) for each such area.

(c) National Environmental Policy Act

Nothing in this section shall be construed to amend or alter any provision of the National Environmental Policy Act [42 U.S.C. 4321 et seq.] or to affect any determination as to whether or not the requirements of such Act have been met in the case of the construction of any sewage treatment works.


REFERENCES IN TEXT


PRIOR PROVISIONS


EFFECTIVE DATE

Section effective Aug. 7, 1977, except as otherwise expressly provided, see section 406(d) of Pub. L. 95–95, set out as an Effective Date of 1977 Amendment note under section 7401 of this title.

§7617. Economic impact assessment

(a) Notice of proposed rulemaking; substantial revisions

This section applies to action of the Administrator in promulgating or revising—

(1) any new source standard of performance under section 7411 of this title,

(2) any regulation under section 7411(d) of this title,

(3) any regulation under part B of subchapter I (relating to ozone and stratosphere protection),

(4) any regulation under part C of subchapter I (relating to prevention of significant deterioration of air quality),

(5) any regulation establishing emission standards under section 7521 of this title and any other regulation promulgated under that section,

(6) any regulation controlling or prohibiting any fuel or fuel additive under section 7545(c) of this title, and

(7) any aircraft emission standard under section 7571 of this title.

Nothing in this section shall apply to any standard or regulation described in paragraphs (1) through (7) of this subsection unless the notice of proposed rulemaking in connection with such standard or regulation is published in the Federal Register after the date ninety days after August 7, 1977. In the case of revisions of such standards or regulations, this section shall apply only to revisions which the Administrator determines to be substantial revisions.

(b) Preparation of assessment by Administrator

Before publication of notice of proposed rulemaking with respect to any standard or regulation to which this section applies, the Administrator shall prepare an economic impact assessment respecting such standard or regulation. Such assessment shall be included in the docket required under section 7607(d)(2) of this title and shall be available to the public as provided in section 7607(d)(4) of this title. Notice of proposed rulemaking shall include notice of such availability together with an explanation of the extent and manner in which the Administrator has considered the analysis contained in such economic impact assessment in proposing the action. The Administrator shall also provide such an explanation in his notice of promulgation of any regulation or standard referred to in subsection (a). Each such explanation shall be part of the statements of basis and purpose required under sections 7607(d)(3) and 7607(d)(6) of this title.

(c) Analysis

Subject to subsection (d), the assessment required under this section with respect to any standard or regulation shall contain an analysis of—

(1) the costs of compliance with any such standard or regulation, including extent to which the costs of compliance will vary depending on (A) the effective date of the standard or regulation, and (B) the development of less expensive, more efficient means or methods of compliance with the standard or regulation;

(2) the potential inflationary or recessionary effects of the standard or regulation;

(3) the effects on competition of the standard or regulation with respect to small business;

(4) the effects of the standard or regulation on consumer costs; and

(5) the effects of the standard or regulation on energy use.

Nothing in this section shall be construed to provide that the analysis of the factors specified in this subsection affects or alters the factors...
which the Administrator is required to consider in taking any action referred to in subsection (a).

(d) Extensiveness of assessment

The assessment required under this section shall be as extensive as practicable, in the judgment of the Administrator taking into account the time and resources available to the Environmental Protection Agency and other duties and authorities which the Administrator is required to carry out under this chapter.

(e) Limitations on construction of section

Nothing in this section shall be construed—

(1) to alter the basis on which a standard or regulation is promulgated under this chapter;

(2) to preclude the Administrator from carrying out his responsibility under this chapter to protect public health and welfare; or

(3) to authorize or require any judicial review of any such standard or regulation, or any stay or injunction of the proposal, promulgation, or effectiveness of such standard or regulation on the basis of failure to comply with this section.

(f) Citizen suits

The requirements imposed on the Administrator under this section shall be treated as non-discretionary duties for purposes of section 7604(a)(2) of this title, relating to citizen suits. The sole method for enforcement of the Administrator's duty under this section shall be by bringing a citizen suit under such section 7604(a)(2) for a court order to compel the Administrator to perform such duty. Violation of any such order shall subject the Administrator to penalties for contempt of court.

(g) Costs

In the case of any provision of this chapter in which costs are expressly required to be taken into account, the adequacy or inadequacy of any assessment required under this section may be taken into consideration, but shall not be treated for purposes of judicial review of any such provision as conclusive with respect to compliance or noncompliance with the requirement of such provision to take cost into account.


REFERENCES IN TEXT


§ 7619. Air quality monitoring

(a) In general

After notice and opportunity for public hearing, the Administrator shall promulgate regulations establishing an air quality monitoring system throughout the United States which—

(1) utilizes uniform air quality monitoring criteria and methodology and measures such air quality according to a uniform air quality index,

(2) provides for air quality monitoring stations in major urban areas and other appropriate areas throughout the United States to provide monitoring such as will supplement (but not duplicate) air quality monitoring carried out by the States required under any applicable implementation plan,

(3) provides for daily analysis and reporting of air quality based upon such uniform air quality index, and

(4) provides for recordkeeping with respect to such monitoring data and for periodic analysis and reporting to the general public by the Administrator with respect to air quality based upon such data.

The operation of such air quality monitoring system may be carried out by the Administrator or by such other departments, agencies, or entities of the Federal Government (including the National Weather Service) as the President may deem appropriate. Any air quality monitoring system required under any applicable implementation plan under section 7410 of this title shall, as soon as practicable following promulgation of regulations under this section, utilize the standard criteria and methodology, and measure air quality according to the standard index, established under such regulations.

(b) Air quality monitoring data influenced by exceptional events

(1) Definition of exceptional event

In this section:

(A) In general

The term “exceptional event” means an event that—

(i) affects air quality;

(ii) is not reasonably controllable or preventable;

(iii) is an event caused by human activity that is unlikely to recur at a particular location or a natural event; and

(iv) is determined by the Administrator through the process established in the regulations promulgated under paragraph (2) to be an exceptional event.

(B) Exclusions

In this subsection, the term “exceptional event” does not include—

(i) stagnation of air masses or meteorological inversions;
(ii) a meteorological event involving high temperatures or lack of precipitation; or
(iii) air pollution relating to source non-compliance.

(2) Regulations

(A) Proposed regulations

Not later than March 1, 2006, after consultation with Federal land managers and State air pollution control agencies, the Administrator shall publish in the Federal Register proposed regulations governing the review and handling of air quality monitoring data influenced by exceptional events.

(B) Final regulations

Not later than 1 year after the date on which the Administrator publishes proposed regulations under subparagraph (A), and after providing an opportunity for interested persons to make oral presentations of views, data, and arguments regarding the proposed regulations, the Administrator shall promulgate final regulations governing the review and handling of air quality monitoring data influenced by an exceptional event that are consistent with paragraph (3).

(3) Principles and requirements

(A) Principles

In promulgating regulations under this section, the Administrator shall follow—

(i) the principle that protection of public health is the highest priority;
(ii) the principle that timely information should be provided to the public in any case in which the air quality is unhealthy;
(iii) the principle that all ambient air quality data should be included in a timely manner; an appropriate Federal air quality database that is accessible to the public;
(iv) the principle that each State must take necessary measures to safeguard public health regardless of the source of the air pollution; and
(v) the principle that air quality data should be carefully screened to ensure that events not likely to recur are represented accurately in all monitoring data and analyses.

(B) Requirements

Regulations promulgated under this section shall, at a minimum, provide that—

(i) the occurrence of an exceptional event must be demonstrated by reliable, accurate data that is promptly produced and provided by Federal, State, or local government agencies;
(ii) a clear causal relationship must exist between the measured exceedances of a national ambient air quality standard and the exceptional event to demonstrate that the exceptional event caused a specific air pollution concentration at a particular air quality monitoring location;
(iii) there is a public process for determining whether an event is exceptional; and
(iv) there are criteria and procedures for the Governor of a State to petition the Administrator to exclude air quality monitoring data that is directly due to exceptional events from use in determinations by the Administrator with respect to exceedances or violations of the national ambient air quality standards.

(4) Interim provision

Until the effective date of a regulation promulgated under paragraph (2), the following guidance issued by the Administrator shall continue to apply:

(A) Guidance on the identification and use of air quality data affected by exceptional events

(B) Areas affected by PM–10 natural events

(C) Appendices I, K, and N to part 50 of title 40, Code of Federal Regulations.

(4) Interim provision

Until the effective date of a regulation promulgated under paragraph (2), the following guidance issued by the Administrator shall continue to apply:

(A) Guidance on the identification and use of air quality data affected by exceptional events

(B) Areas affected by PM–10 natural events

(C) Appendices I, K, and N to part 50 of title 40, Code of Federal Regulations.

(A) Interim provision

Until the effective date of a regulation promulgated under paragraph (2), the following guidance issued by the Administrator shall continue to apply:

(A) Guidance on the identification and use of air quality data affected by exceptional events

(B) Areas affected by PM–10 natural events

(C) Appendices I, K, and N to part 50 of title 40, Code of Federal Regulations.


Effective Date

Section effective Aug. 7, 1977, except as otherwise expressly provided, see section 406(d) of Pub. L. 95–95, set out as an Effective Date of 1977 Amendment note under section 7604 of this title.

§ 7620. Standardized air quality modeling

(a) Conferences

Not later than six months after August 7, 1977, and at least every three years thereafter, the Administrator shall conduct a conference on air quality modeling. In conducting such conference, special attention shall be given to appropriate modeling necessary for carrying out part C of subchapter I (relating to prevention of significant deterioration of air quality).

(b) Conferences

The conference conducted under this section shall provide for participation by the National Academy of Sciences, representatives of State and local air pollution control agencies, and appropriate Federal agencies, including the National Science Foundation, the National Oceanic and Atmospheric Administration, and the National Institute of Standards and Technology.

(c) Comments; transcripts

Interested persons shall be permitted to submit written comments and a verbatim transcript of the conference proceedings shall be maintained.

(d) Promulgation and revision of regulations relating to air quality modeling

The comments submitted and the transcript maintained pursuant to subsection (c) shall be
§ 7621

TITLE 42—THE PUBLIC HEALTH AND WELFARE

Page 6796

included in the docket required to be established for purposes of promulgating or revising any regulation relating to air quality modeling under part C of subchapter I.


AMENDMENTS


Effective Date

Section effective Aug. 7, 1977, except as otherwise expressly provided, see section 406(d) of Pub. L. 95–95, set out as an Effective Date of 1977 Amendment note under section 7401 of this title.

§ 7621. Employment effects

(a) Continuous evaluation of potential loss or shifts of employment

The Administrator shall conduct continuing evaluations of potential loss or shifts of employment which may result from the administration or enforcement of the provision of this chapter and applicable implementation plans, including where appropriate, investigating threatened plant closures or reductions in employment allegedly resulting from such administration or enforcement.

(b) Request for investigation; hearings; record; report

Any employee, or any representative of such employee, who is discharged or laid off, threatened with discharge or layoff, or whose employment is otherwise adversely affected or threatened to be adversely affected because of the alleged results of any requirement imposed or proposed to be imposed under this chapter, including any requirement applicable to Federal facilities and any requirement imposed by a State or political subdivision thereof, may request the Administrator to conduct a full investigation of the matter. Any such request shall be reduced to writing, shall set forth with reasonable particularity the grounds for the request, and shall be signed by the employee, or representative of such employee, making the request. The Administrator shall thereupon investigate the matter and, at the request of any party, shall hold public hearings on not less than five days’ notice. At such hearings, the Administrator shall require the parties, including the employer involved, to present information relating to the actual or potential effect of such requirements on employment and the detailed reasons or justification therefor. If the Administrator determines that there are no reasonable grounds for conducting a public hearing he shall notify (in writing) the party requesting such hearing of such a determination and the reasons therefor. If the Administrator does convene such a hearing, the hearing shall be on the record. Upon receiving the report of such investigation, the Administrator shall make findings of fact as to the effect of such requirements on employment and on the alleged actual or potential discharge, layoff, or other adverse effect on employment, and shall make such recommendations as he deems appropriate. Such report, findings, and recommendations shall be available to the public.

(c) Subpoenas; confidential information; witnesses; penalty

In connection with any investigation or public hearing conducted under subsection (b) of this section or as authorized in section 7419 of this title (relating to primary nonferrous smelter orders), the Administrator may issue subpoenas for the attendance and testimony of witnesses and the production of relevant papers, books and documents, and he may administer oaths. Except for emission data, upon a showing satisfactory to the Administrator by such owner or operator that such papers, books, documents, or information or particular part thereof, if made public, would divulge trade secrets or secret processes of such owner, or operator, the Administrator shall consider such record, report, or information or particular portion thereof confidential in accordance with the purposes of section 1905 of title 18, except that such paper, book, document, or information may be disclosed to other officers, employees, or authorized representatives of the United States concerned with carrying out this chapter, or when relevant in any proceeding under this chapter. Witnesses summoned shall be paid the same fees and mileage that are paid witnesses in the courts of the United States. In cases of contumacy or refusal to obey a subpoena served upon any person under this subparagraph, 1 the district court of the United States for any district in which such person is found or resides or transacts business, upon application by the United States and after notice to such person, shall have jurisdiction to issue an order requiring such person to appear and give testimony before the Administrator, to appear and produce papers, books, and documents before the Administrator, or both, and any failure to obey such order of the court may be punished by such court as a contempt thereof.

(d) Limitations on construction of section

Nothing in this section shall be construed to require or authorize the Administrator, the States, or political subdivisions thereof, to modify or withdraw any requirement imposed or proposed to be imposed under this chapter.


Effective Date

Section effective Aug. 7, 1977, except as otherwise expressly provided, see section 406(d) of Pub. L. 95–95, set out as an Effective Date of 1977 Amendment note under section 7401 of this title.

Study of Potential Dislocation of Employees

Pub. L. 95–95, title IV, §406(e), Aug. 7, 1977, 91 Stat. 793, provided that the Secretary of Labor, in consultation with the Administrator, conduct a study of potential dislocation of employees due to implementation of laws administered by the Administrator and that the Secretary submit to Congress the results of the study not more than one year after Aug. 7, 1977.

1So in original. Probably should be “subsection.”
§ 7622. Employee protection

(a) Discharge or discrimination prohibited

No employer may discharge any employee or otherwise discriminate against any employee with respect to his compensation, terms, conditions, or privileges of employment because the employee (or any person acting pursuant to a request of the employee)—

(1) commenced, caused to be commenced, or is about to commence or cause to be commenced a proceeding under this chapter or a proceeding for the administration or enforcement of any requirement imposed under this chapter or under any applicable implementation plan,

(2) testified or is about to testify in any such proceeding, or

(3) assisted or participated or is about to assist or participate in any manner in such a proceeding or in any other action to carry out the purposes of this chapter.

(b) Complaint charging unlawful discharge or discrimination; investigation; order

(1) Any employee who believes that he has been discharged or otherwise discriminated against by any person in violation of subsection (a) may, within thirty days after such violation occurs, file (or have any person file on his behalf) a complaint with the Secretary of Labor (hereinafter in this subsection referred to as the "Secretary") alleging such discharge or discrimination. Upon receipt of such a complaint, the Secretary shall notify the person named in the complaint of the filing of the complaint.

(2)(A) Upon receipt of a complaint filed under paragraph (1), the Secretary shall conduct an investigation of the violation alleged in the complaint. Within thirty days of the receipt of such complaint, the Secretary shall complete such investigation and shall notify in writing the complainant (and any person acting in his behalf) and the person alleged to have committed such violation of the results of the investigation conducted pursuant to this subparagraph. Within ninety days of the receipt of such complaint the Secretary shall, unless the proceeding on the complaint is terminated by the Secretary on the basis of a settlement entered into by the Secretary and the person alleged to have committed such violation, issue an order either providing relief prescribed by subparagraph (B) or denying the complaint. An order of the Secretary shall be made on the record after notice and opportunity for public hearing. The Secretary may not enter into a settlement terminating a proceeding on a complaint without the participation and consent of the complainant.

(B) If, in response to a complaint filed under paragraph (1), the Secretary determines that a violation of subsection (a) has occurred, the Secretary shall order the person who committed such violation to (i) take affirmative action to abate the violation, and (ii) reinstate the complainant to his former position together with the compensation (including back pay), terms, conditions, and privileges of his employment, and the Secretary may order such person to provide compensatory damages to the complainant. If an order is issued under this paragraph, the Secretary, at the request of the complainant, shall assess against the person against whom the order is issued a sum equal to the aggregate amount of all costs and expenses (including attorneys' and expert witness fees) reasonably incurred, as determined by the Secretary, by the complainant for, or in connection with, the bringing of the complaint upon which the order was issued.

(c) Review

(1) Any person adversely affected or aggrieved by an order issued under subsection (b) may obtain review of the order in the United States court of appeals for the circuit in which the violation, with respect to which the order was issued, allegedly occurred. The petition for review must be filed within sixty days from the issuance of the Secretary's order. Review shall conform to chapter 7 of title 5. The commencement of proceedings under this subparagraph shall not, unless ordered by the court, operate as a stay of the Secretary's order.

(2) An order of the Secretary with respect to which review could have been obtained under paragraph (1) shall not be subject to judicial review in any criminal or other civil proceeding.

(d) Enforcement of order by Secretary

Whenever a person has failed to comply with an order issued under subsection (b)(2), the Secretary may file a civil action in the United States district court for the district in which the violation was found to occur to enforce such order. In actions brought under this subsection, the district courts shall have jurisdiction to grant all appropriate relief including, but not limited to, injunctive relief, compensatory, and exemplary damages.

(e) Enforcement of order by person on whose behalf order was issued

(1) Any person on whose behalf an order was issued under paragraph (2) of subsection (b) may commence a civil action against the person to whom such order was issued to require compliance with such order. The appropriate United States district court shall have jurisdiction, without regard to the amount in controversy or the citizenship of the parties, to enforce such order.

(2) The court, in issuing any final order under this subsection, may award costs of litigation (including reasonable attorney and expert witness fees) to any party whenever the court determines such award is appropriate.

(f) Mandamus

Any nondiscretionary duty imposed by this section shall be enforceable in a mandamus proceeding brought under section 1361 of title 28.

(g) Deliberate violation by employee

Subsection (a) shall not apply with respect to any employee who, acting without direction from his employer (or the employer's agent), deliberately causes a violation of any requirement of this chapter.

(1977, Aug. 7, Pub. L. 95–95, title III, § 312, as added, 91 Stat. 783.)
§ 7623. Executive order or other Executive or agency action.


§ 7624. Cost of vapor recovery equipment

(a) Costs to be borne by owner of retail outlet

The regulations under this chapter applicable to vapor recovery with respect to mobile source fuels at retail outlets of such fuels shall provide that the cost of procurement and installation of such vapor recovery shall be borne by the owner of such outlet (as determined under such regulations). Except as provided in subsection (b), such regulations shall provide that no lease of a retail outlet by the owner thereof which is entered into or renewed after August 7, 1977, may provide for a payment by the lessee of the cost of procurement and installation of vapor recovery equipment. Such regulations shall also provide that the cost of procurement and installation of vapor recovery equipment may be recovered by the owner of such outlet by means of price increases in the cost of any product sold by such owner, notwithstanding any provision of law.

(b) Payment by lessee

The regulations of the Administrator referred to in subsection (a) shall permit a lease of a retail outlet to provide for payment by the lessee of the cost of procurement and installation of vapor recovery equipment over a reasonable period (as determined in accordance with such regulations), if the owner of such outlet does not sell, trade in, or otherwise dispense any product at wholesale or retail at such outlet.


PRIOR PROVISIONS

A prior section 323 of act July 14, 1955, was classified to section 7623 of this title prior to repeal by Pub. L. 96-300, §1(c), July 2, 1980, 94 Stat. 831.

AMENDMENTS

1980—Pub. L. 96-300, §1(b), which directed that last sentence of this section be struck out was probably intended to strike sentence purportedly added by Pub. L. 95-190. See 1977 Amendment note below and section 7623(i) of this title.

1977—Pub. L. 95-190 which purported to amend subsec. (j) of this section by inserting ‘‘The Commission may appoint and fix the pay of such staff as it deems necessary.’’ after ‘‘(i)’’ was not executed to this section because it did not contain a subsec. (j). See 1980 Amendment note above.

§ 7625. Vapor recovery for small business marketers of petroleum products

(a) Marketers of gasoline

The regulations under this chapter applicable to vapor recovery from fueling of motor vehicles at retail outlets of gasoline shall not apply to any outlet owned by an independent small business marketer of gasoline, for a three-year phase-in period for the installation of such vapor recovery equipment at such outlets under which such marketers shall have—

(1) 33 percent of such outlets in compliance at the end of the first year during which such regulations apply to such marketers,

(2) 66 percent at the end of such second year, and

(3) 100 percent at the end of the third year.

(b) State requirements

Nothing in subsection (a) shall be construed to prohibit any State from adopting or enforcing, with respect to independent small business marketers of gasoline having monthly sales of less than 50,000 gallons, any vapor recovery requirements for mobile source fuels at retail outlets. Any vapor recovery requirement which is adopted by a State and submitted to the Administrator as part of its implementation plan may be approved and enforced by the Administrator as part of the applicable implementation plan for that State.

(c) Refiners

For purposes of this section, an independent small business marketer of gasoline is a person...
engaged in the marketing of gasoline who would be required to pay for procurement and installation of vapor recovery equipment under section 7624 of this title or under regulations of the Administrator, unless such person—

(A) is a refiner, or

(B) controls, is controlled by, or is under common control with, a refiner,

(C) is otherwise directly or indirectly affiliated (as determined under the regulations of the Administrator) with a refiner or with a person who controls, is controlled by, or is under a common control with a refiner (unless the sole affiliation referred to herein is by means of a supply contract or an agreement or contract to use a trademark, trade name, service mark, or other identifying symbol or name owned by such refiner or any such person), or

(2) receives less than 50 percent of his annual income from refining or marketing of gasoline.

For the purpose of this section, the term "refiner" shall not include any refiner whose total refinery capacity (including the refinery capacity of any person who is controlled by, or is under common control with, such refiner) does not exceed 65,000 barrels per day. For purposes of this section, "control" of a corporation means ownership of more than 50 percent of its stock.


References in Text

Section 7624 of this title, referred to in subsec. (c), was in the original "section 324 of this Act", meaning section 324 of the Act July 14, 1955. Sections 324 and 325 of that Act, were renumbered sections 323 and 324, respectively, by Pub. L. 96–300, § 1(b), July 2, 1980, 94 Stat. 831, and are classified to sections 7624 and 7625, respectively, of this title.

Prior_provisions

A prior section 324 of act July 14, 1955, was renumbered section 323 by Pub. L. 96–300 and is classified to section 7624 of this title.

Effective_date

Section effective Aug. 7, 1977, except as otherwise expressly provided, see section 406(d) of Pub. L. 95–95, set out as an Effective Date of 1977 Amendment note under section 406(d) of this title.

§ 7625–1. Exemptions for certain territories

(a)(1) Upon petition by the governor of Guam, American Samoa, the Virgin Islands, or the Commonwealth of the Northern Mariana Islands, the Administrator is authorized to exempt any person or source or class of persons or sources in such territory from any requirement under this chapter other than section 7412 of this title or any requirement under section 7410 of this title or part D2 necessary to attain or maintain a national primary ambient air quality standard. Such exemption may be granted if the Administrator finds that compliance with such requirement is not feasible or is unreasonable due to unique geographical, meteorological, or economic factors of such territory, or such other local factors as the Administrator deems significant. Any such petition shall be considered in accordance with section 7607(d) of this title and any exemption under this subsection shall be considered final action by the Administrator for the purposes of section 7607(b) of this title.

(2) The Administrator shall promptly notify the Committees on Energy and Commerce and on Natural Resources of the House of Representatives and the Committees on Environment and Public Works and on Energy and Natural Resources of the Senate upon receipt of any petition under this subsection and of the approval or rejection of such petition and the basis for such action.

(b) Notwithstanding any other provision of this chapter, any fossil fuel fired steam electric power plant operating within Guam as of December 8, 1983, is hereby exempted from:

(1) any requirement of the new source performance standards relating to sulfur dioxide promulgated under section 7411 of this title as of December 8, 1983; and

(2) any regulation relating to sulfur dioxide standards or limitations contained in a State implementation plan approved under section 7410 of this title as of December 8, 1983: Provided, That such exemption shall expire eighteen months after December 8, 1983, unless the Administrator determines that such plant is making all emissions reductions practicable to prevent exceedances of the national ambient air quality standards for sulfur dioxide.


Prior_provisions

A prior section 325 of act July 14, 1955, was renumbered section 326 by Pub. L. 98–213 and is classified to section 7625a of this title.

Amendments


1990—Subsec. (a)(1). Pub. L. 101–549, which directed the insertion of “the Virgin Islands,” after “American Samoa,” in “section 324(a)(1) of the Clean Air Act (42 U.S.C. 7625–1(a)(1))”, was executed by making the insertion in subsec. (a)(1) of this section to reflect the probable intent of Congress.

Committee on Energy and Commerce of House of Representatives treated as referring to Committee on Commerce of House of Representatives by section 1(a) of Pub. L. 101–14, set out as a note preceding section 21 of Title 2. The Congress. Committee on Commerce of House of Representatives changed to Committee on Energy and Commerce of House of Representatives, and
§ 7626. Authorization of appropriations

jurisdiction over matters relating to securities and exchanges and insurance generally transferred to Committee on Financial Services of House of Representatives by House Resolution No. 5, One Hundred Seventh Congress, Jan. 3, 2001.

§ 7625a. Statutory construction

The parenthetical cross references in any provision of this chapter to other provisions of the chapter, or other provisions of law, where the words “relating to” or “pertaining to” are used, are made only for convenience, and shall be given no legal effect.


PRIOR PROVISIONS

A prior section 326 of act July 14, 1955, was renumbered section 327 by Pub. L. 98–213 and is classified to section 7626 of this title.

§ 7626. Authorization of appropriations

(a) In general

There are authorized to be appropriated to carry out this chapter such sums as may be necessary for the 7 fiscal years commencing after November 15, 1990.

(b) Grants for planning

There are authorized to be appropriated (1) not more than $50,000,000 to carry out section 7505 of this title beginning in fiscal year 1991, to be available until expended, to develop plan revisions required by subpart 2, 3, or 4 of part D of subchapter I, and (2) not more than $15,000,000 for each of the 7 fiscal years commencing after November 15, 1990, to make grants to the States to prepare implementation plans as required by subpart 2, 3, or 4 of part D of subchapter I.


PRIOR PROVISIONS


AMENDMENTS

1990—Pub. L. 101–549 amended section generally, substituting present provisions for provisions authorizing specific appropriations for certain programs and periods and appropriations of $200,000,000 for fiscal years 1978 through 1981 to carry out the other programs under this chapter.


EFFECTIVE DATE

Section effective Aug. 7, 1977, except as otherwise expressly provided, see section 406(d) of Pub. L. 95–95, set out as an Effective Date of 1977 Amendment note under section 7401 of this title.

§ 7627. Air pollution from Outer Continental Shelf activities

(a) Applicable requirements for certain areas

(1) In general

Not later than 12 months after November 15, 1990, following consultation with the Secretary of the Interior and the Commandant of the United States Coast Guard, the Administrator, by rule, shall establish requirements to control air pollution from Outer Continental Shelf sources located offshore of the States along the Pacific, Arctic and Atlantic Coasts (other than Outer Continental Shelf sources located offshore of the North Slope Borough of the State of Alaska), and along the United States Gulf Coast off the State of Florida eastward of longitude 87 degrees and 30 minutes (“OCS sources”) to attain and maintain Federal and State ambient air quality standards and to comply with the provisions of part C of subchapter I. For such sources located within 25 miles of the seaward boundary of such States, such requirements shall be the same as would be applicable if the source were located in the corresponding onshore area, and shall include, but not be limited to, State and local requirements for emission controls, emission limitations, offsets, permitting, monitoring, testing, and reporting. New OCS sources shall comply with such requirements on the date of promulgation and existing OCS sources shall comply on the date 24 months thereafter. The Administrator shall update such requirements as necessary to maintain consistency with onshore regulations and this chapter. The authority of this subsection shall supersede section 5(a)(8) of the Outer Continental Shelf Lands Act [43 U.S.C. 1334(a)(8)] but shall not repeal or modify any other Federal, State, or local authorities with respect to air quality. Each requirement established under this section shall be treated, for purposes of sections 7413, 7414, 7416, 7420, and 7604 of this title, as a standard under section 7411 of this title and a violation of any such requirement shall be considered a violation of section 7411(e) of this title.

(2) Exemptions

The Administrator may exempt an OCS source from a specific requirement in effect under regulations under this subsection if the Administrator finds that compliance with a pollution control technology requirement is technically infeasible or will cause an unreasonable threat to health and safety. The Administrator shall make written findings explaining the basis of any exemption issued pursuant to this subsection and shall impose another requirement equal to or as close in stringency to the original requirement as possible. The Administrator shall ensure that any...
increase in emissions due to the granting of an exemption is offset by reductions in actual emissions, not otherwise required by this chapter, from the same source or other sources in the area or in the corresponding onshore area. The Administrator shall establish procedures to provide for public notice and comment on exemptions proposed pursuant to this subsection.

(3) State procedures

Each State adjacent to an OCS source included under this subsection may promulgate and submit to the Administrator regulations for implementing and enforcing the requirements of this subsection. If the Administrator finds that the State regulations are adequate, the Administrator shall delegate to that State any authority the Administrator has under this chapter to implement and enforce such requirements. Nothing in this subsection shall prohibit the Administrator from enforcing any requirement of this section.

(4) Definitions

For purposes of subsections (a) and (b)—

(A) Outer Continental Shelf

The term “Outer Continental Shelf” has the meaning provided by section 2 of the Outer Continental Shelf Lands Act (43 U.S.C. 1331).

(B) Corresponding onshore area

The term “corresponding onshore area” means, with respect to any OCS source, the onshore attainment or nonattainment area that is closest to the source, unless the Administrator determines that another area with more stringent requirements with respect to the control and abatement of air pollution may reasonably be expected to be affected by such emissions. Such determination shall be based on the potential for air pollutants from the OCS source to reach the other onshore area and the potential of such air pollutants to affect the efforts of the other onshore area to attain or maintain any Federal or State ambient air quality standard or to comply with the provisions of part C of subchapter I.

(C) Outer Continental Shelf source

The terms “Outer Continental Shelf source” and “OCS source” include any equipment, activity, or facility which—

(i) emits or has the potential to emit any air pollutant,

(ii) is regulated or authorized under the Outer Continental Shelf Lands Act [43 U.S.C. 1331 et seq.], and

(iii) is located on the Outer Continental Shelf or in or on waters above the Outer Continental Shelf.

Such activities include, but are not limited to, platform and drill ship exploration, construction, development, production, processing, and transportation. For purposes of this subsection, emissions from any vessel servicing or associated with an OCS source, including emissions while at the OCS source or en route to or from the OCS source within 25 miles of the OCS source, shall be considered direct emissions from the OCS source.

(D) New and existing OCS sources

The term “new OCS source” means an OCS source which is a new source within the meaning of section 7411(a) of this title. The term “existing OCS source” means any OCS source other than a new OCS source.

(b) Requirements for other offshore areas

For portions of the United States on Outer Continental Shelf that are adjacent to the States not covered by subsection (a) which are Texas, Louisiana, Mississippi, and Alabama or are adjacent to the North Slope Borough of the State of Alaska, the Secretary shall consult with the Administrator to assure coordination of air pollution control regulation for Outer Continental Shelf emissions and emissions in adjacent onshore areas. Concurrently with this obligation, the Secretary shall complete within 3 years of November 15, 1990, a research study examining the impacts of emissions from Outer Continental Shelf activities in such areas that fail to meet the national ambient air quality standards for either ozone or nitrogen dioxide. Based on the results of this study, the Secretary shall consult with the Administrator and determine if any additional actions are necessary. There are authorized to be appropriated such sums as may be necessary to provide funding for the study required under this section.

(c) Coastal waters

(1) The study report of section 7412(n) of this title shall apply to the coastal waters of the United States to the same extent and in the same manner as such requirements apply to the Great Lakes, the Chesapeake Bay, and their tributary waters.

(2) The regulatory requirements of section 7412(n) of this title shall apply to the coastal waters of the States which are subject to subsection (a) of this section, to the same extent and in the same manner as such requirements apply to the Great Lakes, the Chesapeake Bay, and their tributary waters.


REFERENCES IN TEXT

The Outer Continental Shelf Lands Act, referred to in subsec. (a)(4)(C)(i), is act Aug. 7, 1953, ch. 345, 67 Stat. 462, as amended, which is classified generally to subchapter III (§ 1331 et seq.) of chapter 13 of Title 43, Public Lands. For complete classification of this Act to the Code, see Short Title note set out under section 1301 of Title 43 and Tables.

AMENDMENTS

2011—Subsec. (a)(1). Pub. L. 112–74, § 432(b), inserted “other than Outer Continental Shelf sources located offshore of the North Slope Borough of the State of Alaska” after “Outer Continental Shelf sources located offshore of the States along the Pacific, Arctic and Atlantic Coasts” and “and this chapter” after “regulations”.

Subsec. (b). Pub. L. 112–74, § 432(c), struck out “Gulf Coast” after “United States” and inserted “or are adja-

1 So in original. Probably should be section “7412(m)”. 
§ 7628. Demonstration grant program for local governments

(a) Grant program

(1) In general

The Administrator shall establish a demonstration program under which the Administrator shall provide competitive grants to assist local governments (such as municipalities and counties), with respect to local government buildings—

(A) to deploy cost-effective technologies and practices; and

(B) to achieve operational cost savings, through the application of cost-effective technologies and practices, as verified by the Administrator.

(2) Cost sharing

(A) In general

The Federal share of the cost of an activity carried out using a grant provided under this section shall be 40 percent.

(B) Waiver of non-Federal share

The Administrator may waive up to 100 percent of the local share of the cost of any grant under this section should the Administrator determine that the community is economically distressed, pursuant to objective economic criteria established by the Administrator in published guidelines.

(3) Maximum amount

The amount of a grant provided under this subsection shall not exceed $1,000,000.

(b) Guidelines

(1) In general

Not later than 1 year after December 19, 2007, the Administrator shall issue guidelines to implement the grant program established under subsection (a).

(2) Requirements

The guidelines under paragraph (1) shall establish—

(A) standards for monitoring and verification of operational cost savings through the application of cost-effective technologies and practices reported by grantees under this section;

(B) standards for grantees to implement training programs, and to provide technical assistance and education, relating to the retrofit of buildings using cost-effective technologies and practices; and

(C) a requirement that each local government that receives a grant under this section shall achieve facility-wide cost savings, through renovation of existing local government buildings using cost-effective technologies and practices, of at least 40 percent as compared to the baseline operational costs of the buildings before the renovation (as calculated assuming a 3-year, weather-normalized average).

(c) Compliance with State and local law

Nothing in this section or any program carried out using a grant provided under this section supersedes or otherwise affects any State or local law, to the extent that the State or local law contains a requirement that is more stringent than the relevant requirement of this section.

(d) Authorization of appropriations

There is authorized to be appropriated to carry out this section $20,000,000 for each of fiscal years 2007 through 2012.

(e) Reports

(1) In general

The Administrator shall provide annual reports to Congress on cost savings achieved and actions taken and recommendations made under this section, and any recommendations for further action.

(2) Final report

The Administrator shall issue a final report at the conclusion of the program, including findings, a summary of total cost savings achieved, and recommendations for further action.

(f) Termination

The program under this section shall terminate on September 30, 2012.

(g) Definitions

In this section, the terms “cost-effective technologies and practices” and “operating
cost savings” shall have the meanings defined in section 17061 of this title.


Effective Date

Section effective on the date that is 1 day after Dec. 19, 2007, see section 1601 of Pub. L. 110–140, set out as a note under section 1824 of Title 2, The Congress.
§ 7641. Noise abatement

(a) Office of Noise Abatement and Control

The Administrator shall establish within the Environmental Protection Agency an Office of Noise Abatement and Control, and shall carry out through such Office a full and complete investigation and study of noise and its effect on the public health and welfare in order to (1) identify and classify causes and sources of noise, and (2) determine—

(A) effects at various levels;  
(B) projected growth of noise levels in urban areas through the year 2000;  
(C) the psychological and physiological effect on humans;  
(D) effects of sporadic extreme noise (such as jet noise near airports) as compared with constant noise;  
(E) effect on wildlife and property (including values);  
(F) effect of sonic booms on property (including values); and  
(G) such other matters as may be of interest in the public welfare.

(b) Investigation techniques; report and recommendations

In conducting such investigation, the Administrator shall hold public hearings, conduct research, experiments, demonstrations, and studies. The Administrator shall report the results of such investigation and study, together with his recommendations for legislation or other action, to the President and the Congress not later than one year after December 31, 1970.

(c) Abatement of noise from Federal activities

In any case where any Federal department or agency is carrying out or sponsoring any activity resulting in noise which the Administrator determines amounts to a public nuisance or is otherwise objectionable, such department or agency shall consult with the Administrator to determine possible means of abating such noise.


Codification


$ 7651. Findings and purposes

(a) Findings

The Congress finds that—

(1) the presence of acidic compounds and their precursors in the atmosphere and in deposition from the atmosphere represents a threat to natural resources, ecosystems, materials, visibility, and public health;  
(2) the principal sources of the acidic compounds and their precursors in the atmosphere are emissions of sulfur and nitrogen oxides from the combustion of fossil fuels;  
(3) the problem of acid deposition is of national and international significance;  
(4) strategies and technologies for the control of precursors to acid deposition exist now that are economically feasible, and improved methods are expected to become increasingly available over the next decade;  
(5) current and future generations of Americans will be adversely affected by delaying measures to remedy the problem;  
(6) reduction of total atmospheric loading of sulfur dioxide and nitrogen oxides will enhance protection of the public health and welfare and the environment; and  
(7) control measures to reduce precursor emissions from steam-electric generating units should be initiated without delay.

(b) Purposes

The purpose of this subchapter is to reduce the adverse effects of acid deposition through reductions in annual emissions of sulfur dioxide of ten million tons from 1980 emission levels, and, in combination with other provisions of this chapter, of nitrogen oxides emissions of approximately two million tons from 1980 emission levels, in the forty-eight contiguous States and the District of Columbia. It is the intent of this subchapter to effectuate such reductions by requiring compliance by affected sources with prescribed emission limitations by specified deadlines, which limitations may be met through alternative methods of compliance provided by an emission allocation and transfer system. It is also the purpose of this subchapter to encourage energy conservation, use of renewable and clean alternative technologies, and pollution prevention as a long-range strategy, consistent with the provisions of this subchapter, for reducing air pollution and other adverse impacts of energy production and use.


Codification

ACID DEPOSITION STANDARDS

Pub. L. 101–549, title IV, §404, Nov. 15, 1990, 104 Stat. 2632, directed Administrator of Environmental Protection Agency, not later than 36 months after Nov. 15, 1990, to transmit to Congress a report on the feasibility and effectiveness of an acid deposition standard or standards to protect sensitive and critically sensitive aquatic and terrestrial resources.

INDUSTRIAL SO₂ EMISSIONS

Pub. L. 101–549, title IV, §406, Nov. 15, 1990, 104 Stat. 2632, provided that:

"(a) REPORT.—Not later than January 1, 1995 and every 5 years thereafter, the Administrator of the Environmental Protection Agency shall transmit to the Congress a report containing an inventory of national annual sulfur dioxide emissions from industrial sources (as defined in title IV of the Act [42 U.S.C. 7651 et seq.]), including units subject to section 405(g)(6) of the Clean Air Act (42 U.S.C. 7651d(g)(6)), for all years for which data are available, as well as the likely trend in such emissions over the following twenty-year period. The reports shall also contain estimates of the actual emission reduction in each year resulting from promulgation of the diesel fuel desulfurization regulations under section 214 [42 U.S.C. 7548]."

"(b) 5.60 MILLION TON CAP.—Whenever the inventory required by this section indicates that sulfur dioxide emissions from industrial sources, including units subject to section 405(g)(6) of the Clean Air Act (42 U.S.C. 7651d(g)(6)), may reasonably be expected to reach levels greater than 5.60 million tons per year, the Administrator of the Environmental Protection Agency shall take such actions under the Clean Air Act (42 U.S.C. 7401 et seq.) as may be appropriate to ensure that such emissions do not exceed 5.60 million tons per year. Such actions may include the promulgation of new and revised standards of performance for new sources, including units subject to section 405(g)(6) of the Clean Air Act, under section 111(b) of the Clean Air Act (42 U.S.C. 7411(b)), as well as promulgation of standards of performance for existing sources, including units subject to section 405(g)(5) of the Clean Air Act, under authority of this section. For an existing source regulated under this section, 'standard of performance' means a standard which the Administrator determines is applicable to that source and which reflects the degree of emission reduction achievable through the application of the best system of continuous emission reduction which (taking into consideration the cost of achieving such emission reduction, and any nonair quality health and environmental impact and energy requirements) the Administrator determines has been adequately demonstrated for that category of sources."

"(c) ELECTION.—Regulations promulgated under section 405(b) of the Clean Air Act (42 U.S.C. 7411(b)) shall not prohibit a source from electing to become an affected unit under section 410 of the Clean Air Act (42 U.S.C. 7511)."


SENSE OF CONGRESS ON EMISSION REDUCTIONS COSTS

Pub. L. 101–549, title IV, §407, Nov. 15, 1990, 104 Stat. 2633, provided that: "It is the sense of the Congress that the Clean Air Act Amendments of 1990 [Pub. L. 101–549, see Tables for classification], through the allowance program, allocates the costs of achieving the required reductions in emissions of sulfur dioxide and oxides of nitrogen among sources in the United States. Broad based taxes and emissions fees that would provide for payment of the costs of achieving required emissions reductions by any party or parties other than the sources required to achieve the reductions are undesirable."
annual average quantity, in million Btu consumed in fuel by that unit, as calculated pursuant to a method which the Administrator shall prescribe by regulation to be promulgated not later than eighteen months after November 15, 1990.

(C) The Administrator shall, upon application or on his own motion, by December 31, 1991, supplement data needed in support of this subchapter and correct any factual errors in data from which affected Phase II units’ baselines or actual 1985 emission rates have been calculated. Corrected data shall be used for purposes of issuing allowances under the subchapter. Such corrections shall not be subject to judicial review, nor shall the failure of the Administrator to correct an alleged factual error in such reports be subject to judicial review.

(5) The term “capacity factor” means the ratio between the actual electric output from a unit and the potential electric output from that unit.

(6) The term “compliance plan” means, for purposes of the requirements of this subchapter, either—

(A) a statement that the source will comply with all applicable requirements under this subchapter, or

(B) where applicable, a schedule and description of the method or methods for compliance and certification by the owner or operator that the source is in compliance with the requirements of this subchapter.

(7) The term “continuous emission monitoring system” (CEMS) means the equipment as required by section 7651k of this title, used to sample, analyze, measure, and provide on a continuous basis a permanent record of emissions and flow (expressed in pounds per million British thermal units (lbs/mmBtu), pounds per hour (lbs/hr) or such other form as the Administrator may prescribe by regulations under section 7651k of this title).

(8) The term “existing unit” means a unit (including units subject to section 7411 of this title) that commenced commercial operation before November 15, 1990. Any unit that commenced commercial operation before November 15, 1990, which is modified, reconstructed, or repowered after November 15, 1990, shall continue to be an existing unit for the purposes of this subchapter. For the purposes of this subchapter, existing units shall not include simple combustion turbines, or units which serve a generator with a nameplate capacity of 25 MWe or less.

(9) The term “generator” means a device that produces electricity and which is reported as a generating unit pursuant to Department of Energy Form 860.

(10) The term “new unit” means a unit that commences commercial operation on or after November 15, 1990.

(11) The term “permitting authority” means the Administrator, or the State or local air pollution control agency, with an approved permitting program under part B of title III of the Act.

(12) The term “repowering” means replacement of an existing coal-fired boiler with one of the following clean coal technologies: atmospheric or pressurized fluidized bed combustion, integrated gasification combined cycle, magnetohydrodynamics, direct and indirect coal-fired turbines, integrated gasification fuel cells, or as determined by the Administrator, in consultation with the Secretary of Energy, a derivative of one or more of these technologies, and any other technology capable of controlling multiple combustion emissions simultaneously with improved boiler or generation efficiency and with significantly greater waste reduction relative to the performance of technology in widespread commercial use as of November 15, 1990. Notwithstanding the provisions of section 7651(a) of this title, for the purpose of this subchapter, the term “repowering” shall also include any oil and/or gas-fired unit which has been awarded clean coal technology demonstration funding as of January 1, 1991, by the Department of Energy.

(13) The term “reserve” means any bank of allowances established by the Administrator under this subchapter.

(14) The term “State” means one of the 48 contiguous States and the District of Columbia.

(15) The term “unit” means a fossil fuel-fired combustion device.

(16) The term “actual 1985 emission rate”, for electric utility units means the annual sulfur dioxide or nitrogen oxides emission rate in pounds per million Btu as reported in the NAPAP Emissions Inventory, Version 2, National Utility Reference File. For nonutility units, the term “actual 1985 emission rate” means the annual sulfur dioxide or nitrogen oxides emission rate in pounds per million Btu as reported in the NAPAP Emissions Inventory, Version 2.

(17)(A) The term “utility unit” means—

(i) a unit that serves a generator in any State that produces electricity for sale, or

(ii) a unit that, during 1985, served a generator in any State that produced electricity for sale.

(B) Notwithstanding subparagraph (A), a unit described in subparagraph (A) that—

(i) was in commercial operation during 1985, but

(ii) did not, during 1985, serve a generator in any State that produced electricity for sale shall not be a utility unit for purposes of this subchapter.

(C) A unit that cogenerates steam and electricity is not a “utility unit” for purposes of this subchapter unless the unit is constructed for the purpose of supplying, or commences construction after November 15, 1990, and supplies, more than one-third of its potential electric output capacity and more than 25 megawatts electrical output to any utility power distribution system for sale.
§ 7651b   TITLE 42—THE PUBLIC HEALTH AND WELFARE   Page 6806

(18) The term “allowable 1985 emissions rate” means a federally enforceable emissions limitation for sulfur dioxide or oxides of nitrogen, applicable to the unit in 1985 or the limitation applicable in such other subsequent years as determined by the Administrator if such a limitation for 1985 does not exist. Where the emissions limitation for a unit is not expressed in pounds of emissions per million Btu or, the averaging period of that emissions limitation is not expressed on an annual basis, the Administrator shall calculate the annual equivalent of that emissions limitation in pounds per million Btu to establish the allowable 1985 emissions rate.

(19) The term “qualifying phase I technology” means a technological system of continuous emission reduction which achieves a 90 percent reduction in emissions of sulfur dioxide from the emissions that would have resulted from the use of fuels which were not subject to treatment prior to combustion.

(20) The term “alternative method of compliance” means a method of compliance in accordance with one or more of the following authorities:

(A) a substitution plan submitted and approved in accordance with subsections 7651c(b) and (c) of this title;

(B) a Phase I extension plan approved by the Administrator under section 7651c(d) of this title, using qualifying phase I technology as determined by the Administrator in accordance with that section; or

(C) repowering with a qualifying clean coal technology under section 7651h(b) of this title.

(21) The term “commenced” as applied to construction of any new electric utility unit means that an owner or operator has undertaken a continuous program of construction or that an owner or operator has entered into a contractual obligation to undertake and complete, within a reasonable time, a continuous program of construction.

(22) The term “commenced commercial operation” means to have begun to generate electricity for sale.

(23) The term “construction” means fabrication, erection, or installation of an affected unit.

(24) The term “industrial source” means a unit that does not serve a generator that produces electricity, a “nonutility unit” as defined in this section, or a process source as defined in section 7651h(e) of this title.

(25) The term “nonutility unit” means a unit other than a utility unit.

(26) The term “designated representative” means a responsible person or official authorized by the owner or operator of a unit to represent the owner or operator in matters pertaining to the holding, transfer, or disposition of allowances allocated to a unit, and the submission of and compliance with permits, permit applications, and compliance plans for the unit.

(27) The term “life-of-the-unit, firm power contractual arrangement” means a unit par-

(28) The term “basic Phase II allowance allocations” means:

(A) For calendar years 2000 through 2009 inclusive, allocations of allowances made by the Administrator pursuant to section 7651b of this title and subsections (b)(1), (3), and (4); (c)(1), (2), (3), and (5); (d)(1), (2), (4), and (5); (e); (f); (g)(1), (2), (3), (4), and (5); (h)(1) and (j) of section 7651d of this title.

(B) For each calendar year beginning in 2010, allocations of allowances made by the Administrator pursuant to section 7651b of this title and subsections (b)(1), (3), and (4); (c)(1), (2), (3), and (5); (d)(1), (2), (4) and (5); (e); (f); (g)(1), (2), (3), (4), and (5); (h)(1) and (j) of section 7651d of this title.

(29) The term “Phase II bonus allowance allocations” means, for calendar year 2000 through 2009, inclusive, and only for such years, allocations made by the Administrator pursuant to section 7651b of this title, subsections (a)(2), (b)(2), (c)(4), (d)(3) (except as otherwise provided therein), and (h)(2) of section 7651d of this title, and section 7651e of this title.


REFERENCES IN TEXT

Part B of title III of the Act, referred to in par. (11), means title III of the Clean Air Act, act July 14, 1955, ch. 360, as added, which is classified to subchapter III of this chapter, but title III does not contain parts. For provisions of the Clean Air Act relating to permits, see subchapter V (§ 7661 et seq.) of this chapter.

CODIFICATION


§ 7651b, Sulfur dioxide allowance program for existing and new units

(a) Allocations of annual allowances for existing and new units

(1) For the emission limitation programs under this subchapter, the Administrator shall allocate annual allowances for the unit, to be
held or distributed by the designated representative of the owner or operator of each affected unit at an affected source in accordance with this subchapter, in an amount equal to the annual tonnage emission limitation calculated under section 7651c, 7651d, 7651h, 7651i of this title except as otherwise specifically provided elsewhere in this subchapter. Except as provided in sections 7651d(a)(2), 7651d(a)(3), 7651h and 7651i of this title, beginning January 1, 2000, the Administrator shall not allocate annual allowances to emit sulfur dioxide pursuant to section 7651d of this title in such an amount as would result in total annual emissions of sulfur dioxide from utility units in excess of 8.90 million tons except that the Administrator shall not make an election concerning the amount of allowances to be allocated to a unit or units shall make such election and so inform the Administrator not later than March 31, 1991, in the case of an election under section 7651d of this title (or June 30, 1991, in the case of an election under section 7651e of this title). If such person fails to make such election, the Administrator shall set forth for each unit owned or operated by such person, the amount of allowances reflecting the election that would, in the judgment of the Administrator, provide the greatest benefit for the owner or operator of the unit. If such person is a Governor who may make an election under section 7651e of this title and the Governor fails to make an election, the Administrator shall set forth for each unit in the State the amount of allowances reflecting the election that would, in the judgment of the Administrator, provide the greatest benefit for units in the State.

(b) Allowance transfer system

Allowances allocated under this subchapter may be transferred among designated representatives of the owners or operators of affected sources under this subchapter and any other person who holds such allowances, as provided by the allowance system regulations to be promulgated by the Administrator not later than eighteen months after November 15, 1990. Such regulations shall establish the allowance system prescribed under this section, including, but not limited to, requirements for the allocation, transfer, and use of allowances under this subchapter. Such regulations shall prohibit the use of any allowance prior to the calendar year for which the allowance was allocated, and shall provide, consistent with the purposes of this subchapter, for the identification of unused allowances, and for such unused allowances to be carried forward and added to allowances allocated in subsequent years, including allowances allocated to units subject to Phase I requirements (as described in section 7651c of this title) which are applied to emissions limitations requirements in Phase II (as described in section 7651d of this title). Transfers of allowances shall not be effective until written certification of the transfer, signed by a responsible official of each party to the transfer, is received and recorded by the Administrator. Such regulations shall permit the transfer of allowances prior to the issuance of such allowances. Recorded pre-allocation transfers shall be deducted by the Administrator from the number of allowances which would otherwise be allocated to the transferor, and added to those allowances allocated to the transferee. Pre-allocation transfers shall not affect the prohibition contained in this subsection against the use of allowances prior to the year for which they are allocated.

(c) Interpollutant trading

Not later than January 1, 1994, the Administrator shall furnish to the Congress a study evaluating the environmental and economic consequences of amending this subchapter to permit trading sulfur dioxide allowances for nitrogen oxides allowances.

(d) Allowance tracking system

(1) The Administrator shall promulgate, not later than 18 months after November 15, 1990, a
system for issuing, recording, and tracking allowances, which shall specify all necessary procedures and requirements for an orderly and competitive functioning of the allowance system. All allowance allocations and transfers shall, upon recordation by the Administrator, be deemed a part of each unit's permit requirements pursuant to section 7651g of this title, without any further permit review and revision.

(2) In order to insure electric reliability, such regulations shall not prohibit or affect temporary increases and decreases in emissions within utility systems, power pools, or utilities entering into allowance pool agreements, that result from their operations, including emergencies and central dispatch, and such temporary emissions increases and decreases shall not require transfer of allowances among units nor shall it require recordation. The owners or operators of such units shall act through a designated representative. Notwithstanding the preceding sentence, the total tonnage of emissions in any calendar year (calculated at the end thereof) from all units within a utility system, power pool, or allowance pool agreements shall not exceed the total allowances for such units for the calendar year concerned.

(e) New utility units

After January 1, 2000, it shall be unlawful for a new utility unit to emit an annual tonnage of sulfur dioxide in excess of the number of allowances to emit held for the unit by the unit's owner or operator. Such new utility units shall not be eligible for an allocation of sulfur dioxide allowances under subsection (a)(1), unless the unit is subject to the provisions of subsection (g)(2) or (3) of section 7651d of this title. New utility units may obtain allowances from any person, in accordance with this subchapter. The owner or operator of any new utility unit in violation of this subsection shall be liable for fulfilling the obligations specified in section 7651j of this title.

(f) Nature of allowances

An allowance allocated under this subchapter is a limited authorization to emit sulfur dioxide in accordance with the provisions of this subchapter. Such allowance does not constitute a property right. Nothing in this subchapter or in any other provision of law shall be construed to limit the authority of the United States to terminate or limit such authorization. Nothing in this section relating to allowances shall be construed as affecting the application of, or compliance with, any other provision of this chapter to an affected unit or source, including the provisions related to applicable National Ambient Air Quality Standards and State implementation plans. Nothing in this section shall be construed as requiring a change in any kind in any State law regulating electric utility rates and charges or affecting any State law regarding such State regulation or as limiting State regulation (including any prudence review) under such a State law. Nothing in this section shall be construed as modifying the Federal Power Act [16 U.S.C. 791a et seq.] or as affecting the authority of the Federal Energy Regulatory Commission under that Act. Nothing in this subchapter shall be construed to interfere with or impair any program for competitive bidding for power supply in a State in which such program is established. Allowances, once allocated to a person by the Administrator, may be received, held, and temporarily or permanently transferred in accordance with this subchapter and the regulations of the Administrator without regard to whether or not a permit is in effect under subchapter V or section 7651g of this title with respect to the unit for which such allowance was originally allocated and recorded. Each permit under this subchapter and each permit issued under subchapter V for any affected unit shall provide that the affected unit may not emit an annual tonnage of sulfur dioxide in excess of the allowances held for that unit.

(g) Prohibition

It shall be unlawful for any person to hold, use, or transfer any allowance allocated under this subchapter, except in accordance with regulations promulgated by the Administrator. It shall be unlawful for any affected unit to emit sulfur dioxide in excess of the number of allowances held for that unit for that year by the owner or operator of the unit. Upon the allocation of allowances under this subchapter, the prohibition contained in the preceding sentence shall supersede any other emission limitation applicable under this subchapter to the units for which such allowances are allocated. Allowances may not be used prior to the calendar year for which they are allocated. Nothing in this section or in the allowance system regulations shall relieve the Administrator of the Administrator's permitting, monitoring, enforcement obligations under this chapter, nor relieve affected sources of their requirements and liabilities under this chapter.

(h) Competitive bidding for power supply

Nothing in this subchapter shall be construed to interfere with or impair any program for competitive bidding for power supply in a State in which such program is established.

(i) Applicability of antitrust laws

(1) Nothing in this section affects—

(A) the applicability of the antitrust laws to the transfer, use, or sale of allowances, or

(B) the authority of the Federal Energy Regulatory Commission under any provision of law respecting unfair methods of competition or anticompetitive acts or practices.

(2) As used in this section, “antitrust laws” means those Acts set forth in section 12 of title 15.

(j) Public Utility Holding Company Act

The acquisition or disposition of allowances pursuant to this subchapter including the issuance of securities or the undertaking of any other financing transaction in connection with such allowances shall not be subject to the provisions of the Public Utility Holding Company Act of 1935.2


2See References in Text note below.
§ 7651c. Phase I sulfur dioxide requirements

(a) Emission limitations

(1) After January 1, 1995, each source that includes one or more affected units listed in table A is an affected source under this section. After January 1, 1995, it shall be unlawful for any affected unit (other than units at Kyger Creek, Clifty Creek and Joppa Steam) to emit sulfur dioxide in excess of the tonnage limitation stated as a total number of allowances in table A for phase I, unless the owner or operator of such unit holds allowances to emit not less than the total annual emissions, except that, after January 1, 2000, the emissions limitations established in this section shall be superseded by those established in section 7651a of this title. The owner or operator of any unit in violation of this section shall be fully liable for such violation including, but not limited to, liability for fulfilling the obligations specified in section 7651j of this title.

(2) Not later than December 31, 1991, the Administrator shall determine the total tonnage of reductions in the emissions of sulfur dioxide from all utility units in calendar year 1995 that will occur as a result of compliance with the emissions limitation requirements of this section, and shall establish a reserve of allowances equal in amount to the number of tons determined thereby not to exceed a total of 3.50 million tons. In making such a determination, the Administrator shall compute for each unit subject to the emissions limitation requirements of this section the difference between:

(A) the product of its baseline multiplied by the lesser of each unit’s allowable 1985 emissions rate and its actual 1985 emissions rate, divided by 2,000, and

(B) the product of each unit’s baseline multiplied by 2.50 lbs/mmBtu divided by 2,000,

and sum the computations. The Administrator shall adjust the foregoing calculation to reflect projected calendar year 1995 utilization of the units subject to the emissions limitations of this section, to the extent that such limitations have occurred in the absence of the imposition of such requirements. Pursuant to subsection (d), the Administrator shall allocate allowances from the reserve established herein under until the earlier of such time as all such allowances in the reserve are allocated or December 31, 1999.

(3) In addition to allowances allocated pursuant to paragraph (1), in each calendar year beginning in 1995 and ending in 1999, inclusive, the Administrator shall allocate for each unit on Table A that is located in the States of Illinois, Indiana, or Ohio (other than units at Kyger Creek, Clifty Creek and Joppa Steam), allowances in an amount equal to 200,000 multiplied by the unit’s pro rata share of the total number of allowances allocated for all units on Table A in the 3 States (other than units at Kyger Creek, Clifty Creek, and Joppa Steam) pursuant to paragraph (1). Such allowances shall be excluded from the calculation of the reserve under paragraph (2).

(b) Substitutions

The owner or operator of an affected unit under subsection (a) may include in its section 7651g of this title permit application and proposed compliance plan a proposal to reassign, in whole or in part, the affected unit’s sulfur dioxide reduction requirements to any other unit(s) under the control of the same owner or operator. Such proposal shall specify:

(1) the designation of the substitute unit or units to which any part of the reduction obligations of subsection (a) shall be required, in addition to, or in lieu of, any original affected units designated under such subsection;

(2) the original affected unit’s baseline, the actual and allowable 1985 emissions rate for sulfur dioxide, and the authorized annual allowance allocation stated in table A;

(3) calculation of the annual average tonnage for calendar years 1995, 1996, and 1997, emitted by the substitute unit or units, based on the baseline for each unit, as defined in section 7651a(d) of this title, multiplied by the lesser of the unit’s actual or allowable 1985 emissions rate;

(4) the emissions rates and tonnage limitations that would be applicable to the original and substitute affected units under the substitution proposal;
(5) documentation, to the satisfaction of the Administrator, that the reassigned tonnage limits will, in total, achieve the same or greater emissions reduction than would have been achieved by the original affected unit and the substitute unit or units without such substitution; and
(6) such other information as the Administrator may require.

(c) Administrator's action on substitution proposals

(1) The Administrator shall take final action on such substitution proposal in accordance with section 7651g(c) of this title if the substitution proposal fulfills the requirements of this subsection. The Administrator may approve a substitution proposal in whole or in part and with such modifications or conditions as may be consistent with the orderly functioning of the allowance system and which will ensure the emissions reductions contemplated by this subchapter. If a proposal does not meet the requirements of subsection (b), the Administrator shall disapprove it. The owner or operator of a unit listed in table A shall not substitute another unit or units without the prior approval of the Administrator.

(2) Upon approval of a substitution proposal, each substitute unit, and each source with such unit, shall be deemed affected under this subchapter, and the Administrator shall issue a permit to the original and substitute affected source and unit in accordance with the approved substitution plan and section 7651g of this title. The Administrator shall allocate allowances for the original and substitute affected units in accordance with the approved substitution proposal pursuant to section 7651b of this title. It shall be unlawful for any source or unit that is allocated allowances pursuant to this section to emit sulfur dioxide in excess of the emissions limitation provided for in the approved substitution permit and plan unless the owner or operator of each unit governed by the permit and approved substitution plan holds allowances to emit not less than the units\(^2\) total annual emissions. The owner or operator of any original or substitute affected unit operated in violation of this subsection shall be fully liable for such violation, including liability for fulfilling the obligations specified in section 7651j of this title. If a substitution proposal is disapproved, the Administrator shall allocate allowances to the original affected unit or units in accordance with subsection (a).

(d) Eligible phase I extension units

(1) The owner or operator of any affected unit subject to an emissions limitation requirement under this section may petition the Administrator in its permit application under section 7651g of this title for an extension of 2 years of the deadline for meeting such requirement, provided that the owner or operator of any such unit holds allowances to emit not less than the unit’s total annual emissions for each of the 2 years of the period of extension. To qualify for such an extension, the affected unit must either employ a qualifying phase I technology, or transfer its phase I emissions reduction obligation to a unit employing a qualifying phase I technology. Such transfer shall be accomplished in accordance with a compliance plan, submitted and approved under section 7651g of this title, that shall govern operations at the original and substitute unit. Such transfer shall include the tonnage and that specifies the emissions reduction requirements imposed pursuant to this subchapter.

(2) Such extension proposal shall—
(A) specify the unit or units proposed for designation as an eligible phase I extension unit;
(B) provide a copy of an executed contract, which may be contingent upon the Administrator approving the proposal, for the design engineering, and construction of the qualifying phase I technology for the extension unit, or for the unit or units to which the extension unit’s emission reduction obligation is to be transferred;
(C) specify the unit’s or units’ baseline, actual 1985 emissions rate, allowable 1985 emissions rate, and projected utilization for calendar years 1995 through 1999;
(D) require CEMS on both the eligible phase I extension unit or units and the transfer unit or units beginning no later than January 1, 1995; and
(E) specify the emission limitation and number of allowances expected to be necessary for annual operation after the qualifying phase I technology has been installed.

(3) The Administrator shall review and take final action on each extension proposal in order of receipt, consistent with section 7651g of this title, and for an approved proposal shall designate the unit or units as an eligible phase I extension unit. The Administrator may approve an extension proposal in whole or in part, and with such modifications or conditions as may be necessary, consistent with the orderly functioning of the allowance system, and to ensure the emissions reductions contemplated by the\(^3\) subchapter.

(4) In order to determine the number of proposals eligible for allocations from the reserve under subsection (a)(2) and the number of allowances remaining available after each proposal is acted upon, the Administrator shall reduce the total number of allowances remaining available in the reserve by the number of allowances calculated according to subparagraphs (A), (B) and (C) until either no allowances remain available in the reserve for further allocation or all approved proposals have been acted upon. If no allowances remain available in the reserve for further allocation before all proposals have been acted upon by the Administrator, any pending proposals shall be disapproved. The Administrator shall calculate allowances equal to—
(A) the difference between the lesser of the average annual emissions in calendar years 1988 and 1989 or the projected emissions tonnage for calendar year 1995 of each eligible phase I extension unit, as designated under paragraph (3), and the product of the unit’s baseline multiplied by an emission rate of 2.50 lbs/mmBtu, divided by 2,000;

\(^2\)So in original. Probably should be “unit’s”.

\(^3\)So in original. Probably should be “this”.
(B) the difference between the lesser of the average annual emissions in calendar years 1988 and 1989 or the projected emissions tonnage for calendar year 1996 of each eligible Phase I extension unit, as designated under paragraph (3), and the product of the unit’s baseline multiplied by an emission rate of 2.50 lbs/mmBtu, divided by 2,000; and

(C) the amount by which (i) the product of each unit’s baseline multiplied by an emission rate of 1.20 lbs/mmBtu, divided by 2,000, exceeds (ii) the tonnage level specified under subparagraph (E) of paragraph (2) of this subsection multiplied by a factor of 3.

(5) Each eligible Phase I extension unit shall receive allowances determined under subsection (a)(1) or (c) of this section. In addition, for calendar year 1995, the Administrator shall allocate to each eligible Phase I extension unit, from the allowance reserve created pursuant to subsection (a)(2), allowances equal to the difference between the lesser of the average annual emissions in calendar years 1988 and 1989 or its projected emissions tonnage for calendar year 1995 and the product of the unit’s baseline multiplied by an emission rate of 2.50 lbs/mmBtu, divided by 2,000. In calendar year 1996, the Administrator shall allocate for each eligible unit from the allowance reserve created pursuant to subsection (a)(2) of this section, allowances equal to the difference between the lesser of the average annual emissions in calendar years 1988 and 1989 or its projected emissions tonnage for calendar year 1996 and the product of the unit’s baseline multiplied by the unit’s 1985 actual sulfur dioxide emission rate divided by 2,000. In the case of an affected unit under this section described in subparagraph (A), the allowances allocated under this subsection for early reductions in any prior year may not exceed the amount which (i) the product of the unit’s baseline multiplied by the unit’s 1985 actual sulfur dioxide emission rate (in lbs. per mmBtu), divided by 2,000, exceeds (B) the allowances specified for such unit in Table A. In the case of an affected unit under section 7651d of this title described in subparagraph (A), the allowances awarded under this subsection for early reductions in any prior year may not exceed the amount by which (i) the product of the quantity of fossil fuel consumed by the unit (in mmBtu) in the prior year multiplied by the lesser of 2.50 or the most stringent emission rate (in lbs. per mmBtu) applicable to the unit under the applicable implementation plan, divided by 2,000, exceeds (B) the unit’s actual tonnage of sulfur dioxide emission for the prior year concerned. Allowances allocated under this subsection for units referred to in subparagraph (A) may be allocated only for emission reductions achieved as a result of physical changes or changes in the method of operation made after November 15, 1990, including changes in the type or quality of fossil fuel consumed.

(6) In addition to allowances specified in paragraph (5), the Administrator shall allocate for each eligible Phase I extension unit employing qualifying Phase I technology, for calendar years 1997, 1998, and 1999, additional allowances, from any remaining allowances in the reserve created pursuant to subsection (a)(2), following the reduction in the reserve provided for in paragraph (4), not to exceed the amount by which (A) the product of each eligible unit’s baseline times an emission rate of 1.20 lbs/mmBtu, divided by 2,000, exceeds (B) the tonnage level specified under subparagraph (E) of paragraph (2) of this subsection.

(7) After January 1, 1997, in addition to any liability under this chapter, including under section 7651 of this title, if any eligible phase I extension unit employing qualifying phase I technology or any transfer unit under this subsection emits sulfur dioxide in excess of the annual tonnage limitation specified in the extension plan, as approved in paragraph (3) of this subsection, the Administrator shall, in the calendar year following such excess, deduct allowances equal to the amount of such excess from such unit’s annual allowance allocation.

(e) Allocation of allowances

(1) In the case of a unit that receives authorization from the Governor of the State in which such unit is located to make reductions in the emissions of sulfur dioxide prior to calendar year 1995 and that is part of a utility system that meets the following requirements: (A) the total coal-fired generation within the utility system as a percentage of total system generation decreased by more than 20 percent between January 1, 1980, and December 31, 1985; and (B) the weighted capacity factor of all coal-fired units within the utility system averaged over the period from January 1, 1985, through December 31, 1987, was below 50 percent, the Administrator shall allocate allowances under this paragraph for the unit pursuant to this subsection. The Administrator shall allocate allowances for any unit that is an affected unit pursuant to section 7651d of this title (but is not also an affected unit under this section) and part of a utility system that includes 1 or more affected units under section 7651d of this title for reductions in the emissions of sulfur dioxide made during the period 1995–1999 if the unit meets the requirements of this subsection and the requirements of the preceding sentence, except that for purposes of applying this subsection to any such unit, the prior year concerned as specified below, shall be any year after January 1, 1995 but prior to January 1, 2000.

(2) In the case of an affected unit under this section described in subparagraph (A), the allowances allocated under this subsection for early reductions in any prior year may not exceed the amount which (A) the product of the unit’s baseline multiplied by the unit’s 1985 actual sulfur dioxide emission rate (in lbs. per mmBtu), divided by 2,000, exceeds (B) the allowances specified for such unit in Table A. In the case of an affected unit under section 7651d of this title described in subparagraph (A), the allowances awarded under this subsection for early reductions in any prior year may not exceed the amount by which (i) the product of the quantity of fossil fuel consumed by the unit (in mmBtu) in the prior year multiplied by the lesser of 2.50 or the most stringent emission rate (in lbs. per mmBtu) applicable to the unit under the applicable implementation plan, divided by 2,000, exceeds (ii) the unit’s actual tonnage of sulfur dioxide emission for the prior year concerned. Allowances allocated under this subsection for units referred to in subparagraph (A) may be allocated only for emission reductions achieved as a result of physical changes or changes in the method of operation made after November 15, 1990, including changes in the type or quality of fossil fuel consumed.

(3) In no event shall the provisions of this paragraph be interpreted as an event of force majeure or a commercial impracticability or in any other way as a basis for excused nonperformance by a utility system under a coal sales contract in effect before November 15, 1990.

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

So in original. Probably should be “subsection”.

So in original. Probably should be “majeure”.

So in original. Probably should be “impracticability”.

So in original. Probably should be “impracticability”.

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

So in original. Probably should be “impracticability”.

So in original. Probably should be “impracticability”.

So in original. Probably should be “impracticability”.

So in original. Probably should be “impracticability”.

So in original. Probably should be “impracticability”.

So in original. Probably should be “impracticability”.
<table>
<thead>
<tr>
<th>State</th>
<th>Plant Name</th>
<th>Generator</th>
<th>Phase 1 Allowances</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alabama</td>
<td>Colbert</td>
<td>1</td>
<td>13,570</td>
</tr>
<tr>
<td></td>
<td></td>
<td>2</td>
<td>15,310</td>
</tr>
<tr>
<td></td>
<td></td>
<td>3</td>
<td>15,400</td>
</tr>
<tr>
<td></td>
<td></td>
<td>4</td>
<td>15,410</td>
</tr>
<tr>
<td></td>
<td></td>
<td>5</td>
<td>37,180</td>
</tr>
<tr>
<td></td>
<td>E.C. Gaston</td>
<td>1</td>
<td>18,100</td>
</tr>
<tr>
<td></td>
<td></td>
<td>2</td>
<td>18,540</td>
</tr>
<tr>
<td></td>
<td></td>
<td>3</td>
<td>18,310</td>
</tr>
<tr>
<td></td>
<td></td>
<td>4</td>
<td>19,280</td>
</tr>
<tr>
<td></td>
<td></td>
<td>5</td>
<td>59,840</td>
</tr>
<tr>
<td>Florida</td>
<td>Big Bend</td>
<td>1</td>
<td>28,410</td>
</tr>
<tr>
<td></td>
<td></td>
<td>2</td>
<td>27,100</td>
</tr>
<tr>
<td></td>
<td></td>
<td>3</td>
<td>26,740</td>
</tr>
<tr>
<td></td>
<td></td>
<td>6</td>
<td>19,200</td>
</tr>
<tr>
<td></td>
<td></td>
<td>7</td>
<td>31,680</td>
</tr>
<tr>
<td>Georgia</td>
<td>Bowen</td>
<td>1</td>
<td>56,320</td>
</tr>
<tr>
<td></td>
<td></td>
<td>2</td>
<td>54,770</td>
</tr>
<tr>
<td></td>
<td></td>
<td>3</td>
<td>71,750</td>
</tr>
<tr>
<td></td>
<td></td>
<td>4</td>
<td>71,740</td>
</tr>
<tr>
<td></td>
<td></td>
<td>5</td>
<td>9,880</td>
</tr>
<tr>
<td></td>
<td>Hammond</td>
<td>1</td>
<td>9,220</td>
</tr>
<tr>
<td></td>
<td></td>
<td>2</td>
<td>8,910</td>
</tr>
<tr>
<td></td>
<td></td>
<td>3</td>
<td>9,140</td>
</tr>
<tr>
<td></td>
<td></td>
<td>4</td>
<td>37,660</td>
</tr>
<tr>
<td></td>
<td>J. McDonough</td>
<td>1</td>
<td>19,910</td>
</tr>
<tr>
<td></td>
<td></td>
<td>2</td>
<td>20,600</td>
</tr>
<tr>
<td></td>
<td>Wansley</td>
<td>1</td>
<td>70,770</td>
</tr>
<tr>
<td></td>
<td></td>
<td>2</td>
<td>65,430</td>
</tr>
<tr>
<td></td>
<td>Yates</td>
<td>1</td>
<td>7,210</td>
</tr>
<tr>
<td></td>
<td></td>
<td>2</td>
<td>7,090</td>
</tr>
<tr>
<td></td>
<td></td>
<td>3</td>
<td>6,960</td>
</tr>
<tr>
<td></td>
<td></td>
<td>4</td>
<td>8,910</td>
</tr>
<tr>
<td></td>
<td></td>
<td>5</td>
<td>9,410</td>
</tr>
<tr>
<td></td>
<td></td>
<td>6</td>
<td>24,760</td>
</tr>
<tr>
<td></td>
<td></td>
<td>7</td>
<td>21,480</td>
</tr>
<tr>
<td>Illinois</td>
<td>Baldwin</td>
<td>1</td>
<td>42,010</td>
</tr>
<tr>
<td></td>
<td></td>
<td>2</td>
<td>44,420</td>
</tr>
<tr>
<td></td>
<td></td>
<td>3</td>
<td>42,550</td>
</tr>
<tr>
<td></td>
<td></td>
<td>4</td>
<td>11,790</td>
</tr>
<tr>
<td></td>
<td>Coffeen</td>
<td>1</td>
<td>1,170</td>
</tr>
<tr>
<td></td>
<td></td>
<td>2</td>
<td>35,670</td>
</tr>
<tr>
<td></td>
<td>Grand Tower</td>
<td>1</td>
<td>5,910</td>
</tr>
<tr>
<td></td>
<td></td>
<td>2</td>
<td>18,410</td>
</tr>
<tr>
<td></td>
<td>Joppa Steam</td>
<td>1</td>
<td>1,250</td>
</tr>
<tr>
<td></td>
<td></td>
<td>2</td>
<td>10,770</td>
</tr>
<tr>
<td></td>
<td></td>
<td>3</td>
<td>12,270</td>
</tr>
<tr>
<td></td>
<td></td>
<td>4</td>
<td>11,360</td>
</tr>
<tr>
<td></td>
<td></td>
<td>5</td>
<td>11,420</td>
</tr>
<tr>
<td></td>
<td></td>
<td>6</td>
<td>10,620</td>
</tr>
<tr>
<td></td>
<td></td>
<td>7</td>
<td>31,530</td>
</tr>
<tr>
<td></td>
<td>Kincaid</td>
<td>1</td>
<td>33,810</td>
</tr>
<tr>
<td></td>
<td></td>
<td>2</td>
<td>13,890</td>
</tr>
<tr>
<td></td>
<td>Mereodesia</td>
<td>2</td>
<td>8,890</td>
</tr>
<tr>
<td></td>
<td></td>
<td>3</td>
<td>17,880</td>
</tr>
<tr>
<td></td>
<td></td>
<td>4</td>
<td>13,890</td>
</tr>
<tr>
<td></td>
<td>Indiana</td>
<td>1</td>
<td>11,180</td>
</tr>
<tr>
<td></td>
<td>Bailly</td>
<td>1</td>
<td>15,630</td>
</tr>
<tr>
<td></td>
<td></td>
<td>2</td>
<td>18,500</td>
</tr>
<tr>
<td></td>
<td></td>
<td>3</td>
<td>33,370</td>
</tr>
<tr>
<td></td>
<td></td>
<td>4</td>
<td>34,130</td>
</tr>
<tr>
<td></td>
<td>Clifty Creek</td>
<td>1</td>
<td>20,150</td>
</tr>
<tr>
<td></td>
<td></td>
<td>2</td>
<td>19,810</td>
</tr>
<tr>
<td></td>
<td></td>
<td>3</td>
<td>20,410</td>
</tr>
<tr>
<td></td>
<td></td>
<td>4</td>
<td>20,080</td>
</tr>
<tr>
<td></td>
<td></td>
<td>5</td>
<td>19,360</td>
</tr>
<tr>
<td></td>
<td></td>
<td>6</td>
<td>20,300</td>
</tr>
<tr>
<td></td>
<td></td>
<td>7</td>
<td>21,480</td>
</tr>
<tr>
<td></td>
<td></td>
<td>8</td>
<td>23,610</td>
</tr>
<tr>
<td></td>
<td></td>
<td>9</td>
<td>4,290</td>
</tr>
<tr>
<td></td>
<td>E. W. Stout</td>
<td>1</td>
<td>3,880</td>
</tr>
<tr>
<td></td>
<td></td>
<td>2</td>
<td>4,770</td>
</tr>
<tr>
<td></td>
<td></td>
<td>3</td>
<td>16,970</td>
</tr>
<tr>
<td></td>
<td></td>
<td>4</td>
<td>8,830</td>
</tr>
<tr>
<td></td>
<td>F. B. Culley</td>
<td>1</td>
<td>4,290</td>
</tr>
<tr>
<td></td>
<td></td>
<td>2</td>
<td>40,400</td>
</tr>
<tr>
<td></td>
<td></td>
<td>3</td>
<td>41,010</td>
</tr>
<tr>
<td></td>
<td>Gibson</td>
<td>1</td>
<td>19,400</td>
</tr>
<tr>
<td></td>
<td></td>
<td>2</td>
<td>28,310</td>
</tr>
<tr>
<td></td>
<td></td>
<td>3</td>
<td>40,320</td>
</tr>
<tr>
<td></td>
<td></td>
<td>4</td>
<td>40,320</td>
</tr>
<tr>
<td></td>
<td></td>
<td>5</td>
<td>19,360</td>
</tr>
<tr>
<td></td>
<td></td>
<td>6</td>
<td>20,300</td>
</tr>
<tr>
<td></td>
<td></td>
<td>7</td>
<td>21,480</td>
</tr>
<tr>
<td></td>
<td></td>
<td>8</td>
<td>23,610</td>
</tr>
<tr>
<td></td>
<td></td>
<td>9</td>
<td>4,290</td>
</tr>
<tr>
<td></td>
<td></td>
<td>10</td>
<td>3,880</td>
</tr>
<tr>
<td></td>
<td></td>
<td>11</td>
<td>4,770</td>
</tr>
<tr>
<td></td>
<td></td>
<td>12</td>
<td>16,970</td>
</tr>
<tr>
<td></td>
<td></td>
<td>13</td>
<td>8,830</td>
</tr>
<tr>
<td></td>
<td></td>
<td>14</td>
<td>4,290</td>
</tr>
<tr>
<td></td>
<td></td>
<td>15</td>
<td>3,880</td>
</tr>
<tr>
<td></td>
<td></td>
<td>16</td>
<td>4,770</td>
</tr>
<tr>
<td></td>
<td></td>
<td>17</td>
<td>16,970</td>
</tr>
<tr>
<td></td>
<td></td>
<td>18</td>
<td>8,830</td>
</tr>
<tr>
<td></td>
<td></td>
<td>19</td>
<td>4,290</td>
</tr>
<tr>
<td></td>
<td></td>
<td>20</td>
<td>3,880</td>
</tr>
<tr>
<td></td>
<td></td>
<td>21</td>
<td>4,770</td>
</tr>
<tr>
<td></td>
<td></td>
<td>22</td>
<td>16,970</td>
</tr>
<tr>
<td></td>
<td></td>
<td>23</td>
<td>8,830</td>
</tr>
<tr>
<td></td>
<td></td>
<td>24</td>
<td>4,290</td>
</tr>
<tr>
<td></td>
<td></td>
<td>25</td>
<td>3,880</td>
</tr>
<tr>
<td></td>
<td></td>
<td>26</td>
<td>4,770</td>
</tr>
<tr>
<td></td>
<td></td>
<td>27</td>
<td>16,970</td>
</tr>
<tr>
<td></td>
<td></td>
<td>28</td>
<td>8,830</td>
</tr>
<tr>
<td></td>
<td></td>
<td>29</td>
<td>4,290</td>
</tr>
<tr>
<td></td>
<td></td>
<td>30</td>
<td>3,880</td>
</tr>
<tr>
<td></td>
<td></td>
<td>31</td>
<td>4,770</td>
</tr>
<tr>
<td></td>
<td></td>
<td>32</td>
<td>16,970</td>
</tr>
<tr>
<td></td>
<td></td>
<td>33</td>
<td>8,830</td>
</tr>
<tr>
<td></td>
<td></td>
<td>34</td>
<td>4,290</td>
</tr>
<tr>
<td></td>
<td></td>
<td>35</td>
<td>3,880</td>
</tr>
<tr>
<td></td>
<td></td>
<td>36</td>
<td>4,770</td>
</tr>
<tr>
<td></td>
<td></td>
<td>37</td>
<td>16,970</td>
</tr>
<tr>
<td></td>
<td></td>
<td>38</td>
<td>8,830</td>
</tr>
<tr>
<td></td>
<td></td>
<td>39</td>
<td>4,290</td>
</tr>
<tr>
<td></td>
<td></td>
<td>40</td>
<td>3,880</td>
</tr>
<tr>
<td></td>
<td></td>
<td>41</td>
<td>4,770</td>
</tr>
<tr>
<td></td>
<td></td>
<td>42</td>
<td>16,970</td>
</tr>
<tr>
<td></td>
<td></td>
<td>43</td>
<td>8,830</td>
</tr>
<tr>
<td></td>
<td></td>
<td>44</td>
<td>4,290</td>
</tr>
<tr>
<td></td>
<td></td>
<td>45</td>
<td>3,880</td>
</tr>
<tr>
<td></td>
<td></td>
<td>46</td>
<td>4,770</td>
</tr>
<tr>
<td>State</td>
<td>Plant Name</td>
<td>Generator</td>
<td>Phase I Allowances</td>
</tr>
<tr>
<td>-----------</td>
<td>-------------</td>
<td>-----------</td>
<td>-------------------</td>
</tr>
<tr>
<td>Greenidge</td>
<td>.............</td>
<td>7,540</td>
<td></td>
</tr>
<tr>
<td>Milliken</td>
<td>.............</td>
<td>11,170</td>
<td></td>
</tr>
<tr>
<td>Northport</td>
<td>.............</td>
<td>19,810</td>
<td></td>
</tr>
<tr>
<td>Port Jeff</td>
<td>.............</td>
<td>12,410</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Ohio</td>
<td>Ashtabula</td>
<td>16,740</td>
</tr>
<tr>
<td></td>
<td>Avon Lake</td>
<td>11,650</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Cardinal</td>
<td>34,270</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Conesville</td>
<td>12,410</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Port Jeff</td>
<td>11,650</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Eastlake</td>
<td>7,800</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Miami Fort</td>
<td>7,800</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Muskingum</td>
<td>14,880</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Tennessee</td>
<td>Allen</td>
<td>15,320</td>
</tr>
<tr>
<td></td>
<td>Tennessee</td>
<td>Cumberland</td>
<td>86,700</td>
</tr>
<tr>
<td></td>
<td>Tennessee</td>
<td>Gallatin</td>
<td>17,870</td>
</tr>
<tr>
<td></td>
<td>Tennessee</td>
<td>Johnsonville</td>
<td>7,990</td>
</tr>
<tr>
<td></td>
<td>West Virginia</td>
<td>Albright</td>
<td>12,000</td>
</tr>
<tr>
<td></td>
<td>West Virginia</td>
<td>Port Martin</td>
<td>41,590</td>
</tr>
<tr>
<td></td>
<td>West Virginia</td>
<td>Harrison</td>
<td>41,300</td>
</tr>
<tr>
<td></td>
<td>West Virginia</td>
<td>Kammer</td>
<td>18,740</td>
</tr>
<tr>
<td></td>
<td>West Virginia</td>
<td>Mitchell</td>
<td>43,980</td>
</tr>
<tr>
<td></td>
<td>Wisconsin</td>
<td>Edgewater</td>
<td>24,750</td>
</tr>
<tr>
<td></td>
<td>Wisconsin</td>
<td>La Crosse/Genoa</td>
<td>22,700</td>
</tr>
<tr>
<td></td>
<td>Wisconsin</td>
<td>Nelson Dewey</td>
<td>6,010</td>
</tr>
<tr>
<td></td>
<td>Wisconsin</td>
<td>N. Oak Creek</td>
<td>5,220</td>
</tr>
<tr>
<td></td>
<td>Wisconsin</td>
<td>Pulliam</td>
<td>6,320</td>
</tr>
<tr>
<td></td>
<td>W.C. Beckjord</td>
<td>Armstrong</td>
<td>14,410</td>
</tr>
<tr>
<td></td>
<td>Pennsylvania</td>
<td>Armstrong</td>
<td>14,410</td>
</tr>
<tr>
<td></td>
<td>Brunner Island</td>
<td>1,430</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Cheswick</td>
<td>1,430</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Conemaugh</td>
<td>1,430</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Hatfield's Ferry</td>
<td>3,730</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Martins Creek</td>
<td>1,430</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Niles</td>
<td>3,730</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Picway</td>
<td>3,730</td>
<td></td>
</tr>
<tr>
<td></td>
<td>R.E. Burger</td>
<td>3,730</td>
<td></td>
</tr>
<tr>
<td></td>
<td>W.H. Sammis</td>
<td>3,730</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Sunbury</td>
<td>3,730</td>
<td></td>
</tr>
</tbody>
</table>

(5) Energy conservation and renewable energy

(1) Definitions

As used in this subsection:

(A) Qualified energy conservation measure

The term "qualified energy conservation measure" means a cost effective measure, as identified by the Administrator in consultation with the Secretary of Energy, that increases the efficiency of the use of electricity provided by an electric utility to its customers.

(B) Qualified renewable energy

The term "qualified renewable energy" means energy derived from biomass, solar, geothermal, or wind as identified by the Administrator in consultation with the Secretary of Energy.
(C) Electric utility

The term "electric utility" means any person, State agency, or Federal agency, which sells electric energy.

(2) Allowances for emissions avoided through energy conservation and renewable energy

(A) In general

The regulations under paragraph (4) of this subsection shall provide that for each ton of sulfur dioxide emissions avoided by an electric utility, during the applicable period, through the use of qualified energy conservation measures or qualified renewable energy, the Administrator shall allocate a single allowance to such electric utility, on a first-come-first-served basis from the Conservation and Renewable Energy Reserve established under subsection (g), up to a total of 300,000 allowances for allocation from such Reserve.

(B) Requirements for issuance

The Administrator shall allocate allowances to an electric utility under this subsection only if all of the following requirements are met:

(i) Such electric utility is paying for the qualified energy conservation measures or qualified renewable energy directly or through purchase from another person.

(ii) The emissions of sulfur dioxide avoided through the use of qualified energy conservation measures or qualified renewable energy are quantified in accordance with regulations promulgated by the Administrator under this subsection.

(iii) (I) Such electric utility has adopted and is implementing a least cost energy conservation and electric power plan which evaluates a range of resources, including new power supplies, energy conservation, and renewable energy resources, in order to meet expected future demand at the lowest system cost.

(II) The qualified energy conservation measures or qualified renewable energy, or both, are consistent with that plan.

(III) Electric utilities subject to the jurisdiction of a State regulatory authority must have such plan approved by such authority. For electric utilities not subject to the jurisdiction of a State regulatory authority such plan shall be approved by the entity with rate-making authority for such utility.

(iv) In the case of qualified energy conservation measures undertaken by a State regulated electric utility, the Secretary of Energy certifies that the State regulatory authority with jurisdiction over the electric rates of such electric utility has established rates and charges which ensure that the net income of such electric utility after implementation of specific cost effective energy conservation measures is at least as high as such net income would have been if the energy conservation measures had not been implemented. Upon the date of any such certification by the Secretary of Energy, all allowances which, for this paragraph, would have been allocated under subparagraph (A) before such date, shall be allocated to the electric utility. This clause is not a requirement for qualified renewable energy.

(v) Such utility or any subsidiary of the utility's holding company owns or operates at least one affected unit.

(C) Period of applicability

Allowances under this subsection shall be allocated only with respect to kilowatt hours of electric energy saved by qualified energy conservation measures or generated by qualified renewable energy after January 1, 1992 and before the earlier of (i) December 31, 2000, or (ii) the date on which any electric utility steam generating unit owned or operated by the electric utility to which the allowances are allocated becomes subject to this subchapter (including those sources that elect to become affected by this subchapter, pursuant to section 7651i of this title).

(D) Determination of avoided emissions

(i) Application

In order to receive allowances under this subsection, an electric utility shall make an application which—

(I) designates the qualified energy conservation measures implemented and the qualified renewable energy sources used for purposes of avoiding emissions;9

(II) calculates, in accordance with subparagraphs (F) and (G), the number of tons of emissions avoided by reason of the implementation of such measures or the use of such renewable energy sources; and

(III) demonstrates that the requirements of subparagraphs (B) have been met.

Such application for allowances by a State-regulated electric utility shall require approval by the State regulatory authority with jurisdiction over such electric utility. The authority shall review the application for accuracy and compliance with this subsection and the rules under this subsection. Electric utilities whose retail rates are not subject to the jurisdiction of a State regulatory authority shall apply directly to the Administrator for such approval.

(E) Avoided emissions from qualified energy conservation measures

For the purposes of this subsection, the emission tonnage deemed avoided by reason of the implementation of qualified energy conservation measures for any calendar year shall be a tonnage equal to the product of multiplying—

(i) the kilowatt hours that would otherwise have been supplied by the utility during such year in the absence of such qualified energy conservation measures, by

---

9 So in original. There is no cl. (ii).
9 So in original. The comma probably should be a semicolon.
(g) Conservation and Renewable Energy Reserve

The Administrator shall establish a Conservation and Renewable Energy Reserve under this subsection. Beginning on January 1, 1995, the Administrator may allocate from the Conservation and Renewable Energy Reserve an amount equal to a total of 300,000 allowances for emissions of sulfur dioxide pursuant to section 7651b of this title. In order to provide 300,000 allowances for such reserve, in each year beginning in calendar year 2000 and until calendar year 2009, inclusive, the Administrator shall reduce each unit’s basic Phase II allowance allocation on the basis of its pro rata share of 30,000 allowances. If allowances remain in the reserve after January 2, 2010, the Administrator shall allocate such allowances for affected units under section 7651d of this title on a pro rata basis. For purposes of this subsection, for any unit subject to the emissions limitation requirements of section 7651d of this title, the term “pro rata basis” refers to the ratio which the reductions made in such unit’s allowances in order to establish the reserve under this subsection bears to the total of such reductions for all such units.

(h) Alternative allowance allocation for units in certain utility systems with optional baseline

(1) Optional baseline for units in certain systems

In the case of a unit subject to the emissions limitation requirements of this section which (as of November 15, 1990)—

(A) has an emission rate below 1.0 lbs/mmBtu,

(B) has decreased its sulfur dioxide emissions rate by 60 percent or greater since 1980, and

(C) is part of a utility system which has a weighted average sulfur dioxide emissions rate for all fossil fueled-fired units below 1.0 lbs/mmBtu,

at the election of the owner or operator of such unit, the unit’s baseline may be calculated (i) as provided under section 7651a(d) of this title, or (ii) by utilizing the unit’s average annual fuel consumption at a 60 percent capacity factor. Such election shall be made no later than March 1, 1991.

(2) Allowance allocation

Whenever a unit referred to in paragraph (1) elects to calculate its baseline as provided in clause (ii) of paragraph (1), the Administrator shall allocate allowances for the unit pursuant to section 7651b(a)(1) of this title, this section, and section 7651d of this title (as basic Phase II allowance allocations) in an amount equal to the baseline selected multiplied by the lower of the average annual emission rate for such unit in 1989, or 1.0 lbs/mmBtu. Such allowance allocation shall be in lieu of any allocation of allowances under this section and section 7651d of this title.

(§ 7651d. Phase II sulfur dioxide requirements)

(a) Applicability

(1) After January 1, 2000, each existing utility unit as provided below is subject to the limitations or requirements of this section. Each utility unit subject to an annual sulfur dioxide emission limitation under this section is an affected unit under this subchapter. Each source that includes one or more affected units is an affected source. In the case of an existing unit that was not in operation during calendar year 1985, the emission rate for a calendar year after 1985, as determined by the Administrator, shall be used in lieu of the 1985 rate. The owner or operator of any unit operated in violation of this section shall be fully liable under this chap-
ter for fulfilling the obligations specified in section 7651i of this title.

(2) In addition to basic Phase II allowance allocations, in each year beginning in calendar year 2000 and ending in calendar year 2009, inclusive, the Administrator shall allocate up to 530,000 Phase II bonus allowances pursuant to subsections (b)(2), (c)(4), (d)(3)(A) and (B), and (h)(2) of this section and section 7651e of this title. Not later than June 1, 1998, the Administrator shall calculate, for each unit granted an extension pursuant to section 7651h of this title the difference between (A) the number of allowances allocated for the unit in calendar year 2000, and (B) the product of the unit’s baseline multiplied by 1.20 lbs/mmBtu, divided by 2000, and sum the computations. In each year, beginning in calendar year 2000 and ending in calendar year 2009, inclusive, the Administrator shall allocate up to 530,000 Phase II bonus allowances to subsections (b)(2), (c)(4), (d)(3)(A) and (B), and (h)(2) of this section and section 7651e of this title. Not later than June 1, 1998, the Administrator shall calculate, for each unit granted an extension pursuant to section 7651h of this title the difference between (A) the number of allowances allocated for the unit in calendar year 2000, and (B) the product of the unit’s baseline multiplied by 1.20 lbs/mmBtu, divided by 2000, and sum the computations. In each year, beginning in calendar year 2000 and ending in calendar year 2009, inclusive, the Administrator shall allocate up to 530,000 Phase II bonus allowances to subsections (b)(2), (c)(4), (d)(3)(A) and (B), and (h)(2) of this section and section 7651e of this title. Not later than June 1, 1998, the Administrator shall allocate up to 530,000 Phase II bonus allowances pursuant to subsections (b)(2), (c)(4), (d)(3)(A) and (B), and (h)(2) of this section and section 7651e of this title.

(3) After January 1, 2000, it shall be unlawful for any existing utility unit with an actual 1985 emissions rate equal to or greater than 1.20 lbs/mmBtu during 1985, 1986, and 1987 on a Btu basis exceeded 90 percent in the form of lignite coal which is located in a State in which, as of July 1, 1989, no county or portion of a county was designated nonattainment under section 7407 of this title for any pollutant subject to the requirements of section 7409 of this title to exceed an annual sulfur dioxide tonnage limitation equal to the product of the unit’s baseline multiplied by the lesser of the unit’s actual 1985 emissions rate or its allowable 1985 emissions rate, divided by 2,000, unless the owner or operator of such unit holds allowances to emit not less than the unit’s total annual emissions.

(a) Provided, that the number of allowances allocated pursuant to this paragraph shall not exceed an annual total of five thousand. If necessary to meeting the restriction imposed in the preceding sentence the Administrator shall reduce, pro rata, the annual allowances allocated for each unit under this paragraph.

(c) Coal or oil-fired units below 75 MWe and above 1.20 lbs/mmBtu

(1) Except as otherwise provided in paragraph (3), after January 1, 2000, it shall be unlawful for any existing utility unit that serves a generator with nameplate capacity equal to, or greater, than 75 MWe and an actual 1985 emission rate equal to or greater than 1.20 lbs/mmBtu to exceed an annual sulfur dioxide tonnage limitation equal to the product of the unit’s baseline multiplied by an emission rate equal to 1.20 lbs/mmBtu, divided by 2,000, unless the owner or operator of such unit holds allowances to emit not less than the unit’s total annual emissions.

(2) After January 1, 2000, it shall be unlawful for a coal or oil-fired existing utility unit that serves a generator with nameplate capacity of less than 75 MWe and an actual 1985 emission rate equal to, or greater than, 1.20 lbs/mmBtu and which is a unit owned by a utility operating company whose aggregate nameplate fossil fuel steam-electric capacity is, as of December 31, 1989, equal to, or greater than, 250 MWe to exceed an annual sulfur dioxide emissions limitation equal to the product of the unit’s baseline multiplied by an emission rate equal to 1.20 lbs/mmBtu, divided by 2,000, unless the owner or operator of such unit holds allowances to emit not less than the unit’s total annual emissions.

(3) After January 1, 2000, it shall be unlawful for any existing utility unit with an actual 1985 emissions rate equal to or greater than 1.20 lbs/mmBtu whose annual average fuel consumption during 1985, 1986, and 1987 on a Btu basis exceeded 90 percent in the form of lignite coal which is located in a State in which, as of July 1, 1989, no county or portion of a county was designated nonattainment under section 7407 of this title for any pollutant subject to the requirements of section 7409 of this title to exceed an annual sulfur dioxide tonnage limitation equal to the product of the unit’s baseline multiplied by the lesser of the unit’s actual 1985 emissions rate or its allowable 1985 emissions rate, divided by 2,000, unless the owner or operator of such unit holds allowances to emit not less than the unit’s total annual emissions.

(b) Units equal to, or above, 75 MWe and 1.20 lbs/mmBtu

(1) Except as otherwise provided in paragraph (3), after January 1, 2000, it shall be unlawful for any existing utility unit that serves a generator with nameplate capacity equal to, or greater, than 75 MWe and an actual 1985 emission rate equal to or greater than 1.20 lbs/mmBtu to exceed an annual sulfur dioxide tonnage limitation equal to the product of the unit’s baseline multiplied by an emission rate equal to 1.20 lbs/mmBtu, divided by 2,000, unless the owner or operator of such unit holds allowances to emit not less than the unit’s total annual emissions.

(2) After January 1, 2000, it shall be unlawful for a coal or oil-fired existing utility unit that serves a generator with nameplate capacity of less than 75 MWe and an actual 1985 emission rate equal to, or greater than, 1.20 lbs/mmBtu and which is a unit owned by a utility operating company whose aggregate nameplate fossil fuel steam-electric capacity is, as of December 31, 1989, equal to, or greater than, 250 MWe to exceed an annual sulfur dioxide emissions limitation equal to the product of the unit’s baseline multiplied by an emission rate equal to 1.20 lbs/mmBtu, divided by 2,000, unless the owner or operator of such unit holds allowances to emit not less than the unit’s total annual emissions.

(3) After January 1, 2000, it shall be unlawful for any existing utility unit with an actual 1985 emissions rate equal to or greater than 1.20 lbs/mmBtu whose annual average fuel consumption during 1985, 1986, and 1987 on a Btu basis exceeded 90 percent in the form of lignite coal which is located in a State in which, as of July 1, 1989, no county or portion of a county was designated nonattainment under section 7407 of this title for any pollutant subject to the requirements of section 7409 of this title to exceed an annual sulfur dioxide tonnage limitation equal to the product of the unit’s baseline multiplied by the lesser of the unit’s actual 1985 emissions rate or its allowable 1985 emissions rate, divided by 2,000, unless the owner or operator of such unit holds allowances to emit not less than the unit’s total annual emissions.

(4) After January 1, 2000, the Administrator shall allocate annually for each unit, subject to the emissions limitation requirements of paragraph (1), which is located in a State with an installed electrical generating capacity of more than 30,000,000 kw in 1988 and for which was issued a prohibition order or a proposed prohibition order (from burning oil), which unit subsequently converted to coal between January 1, 1980 and December 31, 1985, allowances equal to the difference between (A) the product of the unit’s annual fuel consumption, on a Btu basis, at a 65 percent capacity factor multiplied by the lesser of its actual or allowable emissions rate during the first full calendar year after conversion, divided by 2,000, and (B) the number of allowances allocated for the unit pursuant to paragraph (1): Provided, That the number of allowances allocated pursuant to this paragraph shall not exceed an annual total of five thousand. If necessary to meeting the restriction imposed in the preceding sentence the Administrator shall reduce, pro rata, the annual allowances allocated for each unit under this paragraph.

(5) Provided, That the number of allowances allocated pursuant to this paragraph shall not exceed an annual total of five thousand. If necessary to meeting the restriction imposed in the preceding sentence the Administrator shall reduce, pro rata, the annual allowances allocated for each unit under this paragraph.

(6) Provided, That the number of allowances allocated pursuant to this paragraph shall not exceed an annual total of five thousand. If necessary to meeting the restriction imposed in the preceding sentence the Administrator shall reduce, pro rata, the annual allowances allocated for each unit under this paragraph.
itation for sulfur dioxide equivalent to an annual rate of less than 1.20 lbs/mmBtu and which is a unit owned by a utility operating company whose aggregate nameplate fossil fuel steam-electric capacity is, as of December 31, 1989, less than 250 MWe, to exceed an annual sulfur dioxide tonnage emissions limitation equal to the product of the unit’s baseline multiplied by the lesser of its actual 1985 emissions rate or its allowable 1985 emissions rate, divided by 2,000, unless the owner or operator of such unit holds allowances to emit not less than the unit’s total annual emissions.

(3) After January 1, 2000, it shall be unlawful for any existing utility unit with a nameplate capacity below 75 MWe and an actual 1985 emissions rate equal to, or greater than, 1.20 lbs/mmBtu which became operational on or before December 31, 1965, which is owned by a utility operating company with, as of December 31, 1989, a total fossil fuel steam-electric generating capacity greater than 250 MWe, and less than 450 MWe which serves fewer than 78,000 electrical customers as of November 15, 1990, to exceed an annual sulfur dioxide emissions tonnage limitation equal to the product of its baseline multiplied by the lesser of its actual or allowable 1985 emission rate, divided by 2,000, unless the owner or operator holds allowances to emit not less than the unit’s total annual emissions. After January 1, 2010, it shall be unlawful for each unit subject to the emissions limitation requirements of this paragraph to exceed an annual emissions tonnage limitation equal to the product of its baseline multiplied by an emissions rate of 1.20 lbs/mmBtu, divided by 2,000, unless the owner or operator holds allowances to emit not less than the unit’s total annual emissions.

(4) In addition to allowances allocated pursuant to paragraph (1) and section 7651b(a)(1) of this title as basic Phase II allowance allocations, beginning January 1, 2000, and for each calendar year thereafter until and including 2009, inclusive, the Administrator shall allocate annually for each unit subject to the emissions limitation requirements of paragraph (1) with an actual 1985 emissions rate equal to, or greater than, 1.20 lbs/mmBtu and less than 2.50 lbs/mmBtu and a baseline capacity factor of less than 60 percent, allowances from the reserve created pursuant to subsection (a)(2) in an amount equal to 1.20 lbs/mmBtu multiplied by 50 percent of the difference, on a Btu basis, between the unit’s baseline and the unit’s fuel consumption at a 60 percent capacity factor.

(5) After January 1, 2000, it shall be unlawful for any existing utility unit with a nameplate capacity below 75 MWe and an actual 1985 emissions rate equal to, or greater than, 1.20 lbs/mmBtu which is part of an electric utility system which, as of November 15, 1990, (A) has at least 20 percent of its fossil-fuel capacity controlled by flue gas desulfurization devices, (B) has more than 10 percent of its fossil-fuel capacity consisting of coal-fired units of less than 75 MWe, and (C) has large units (greater than 400 MWe) all of which have difficult or very difficult FGD Retrofit Cost Factors (according to the Emissions and the FGD Retrofit Feasibility at the 200 Top Emitting Generating Stations, prepared for the United States Environmental Protection Agency on January 10, 1986) to exceed an annual sulfur dioxide emissions tonnage limitation equal to the product of its baseline multiplied by an emissions rate of 2.5 lbs/mmBtu, divided by 2,000, unless the owner or operator holds allowances to emit not less than the unit’s total annual emissions. After January 1, 2010, it shall be unlawful for each unit subject to the emissions limitation requirements of this paragraph to exceed an annual emissions tonnage limitation equal to the product of its baseline multiplied by an emissions rate of 1.20 lbs/mmBtu, divided by 2,000, unless the owner or operator holds allowances to emit not less than the unit’s total annual emissions.

(d) Coal-fired units below 1.20 lbs/mmBtu

(1) After January 1, 2000, it shall be unlawful for any existing coal-fired utility unit the lesser of whose actual or allowable 1985 sulfur dioxide emissions rate is less than 0.60 lbs/mmBtu to exceed an annual sulfur dioxide tonnage emission limitation equal to the product of the unit’s baseline multiplied by (A) the lesser of 0.60 lbs/mmBtu or the unit’s allowable 1985 emissions rate, and (B) a numerical factor of 120 percent, divided by 2,000, unless the owner or operator of such unit holds allowances to emit not less than the unit’s total annual emissions.

(2) After January 1, 2000, it shall be unlawful for any existing coal-fired utility unit the lesser of whose actual or allowable 1985 sulfur dioxide emissions rate is equal to, or greater than, 0.60 lbs/mmBtu and less than 1.20 lbs/mmBtu to exceed an annual sulfur dioxide tonnage emission limitation equal to the product of the unit’s baseline multiplied by (A) the lesser of its actual 1985 emissions rate or its allowable 1985 emissions rate, and (B) a numerical factor of 120 percent, divided by 2,000, unless the owner or operator of such unit holds allowances to emit not less than the unit’s total annual emissions.

(3) In addition to allowances allocated pursuant to paragraph (1) and section 7651b(a)(1) of this title as basic Phase II allowance allocations, at the election of the designated representative of the operating company, beginning January 1, 2000, and for each calendar year thereafter until and including 2009, the Administrator shall allocate annually for each unit subject to the emissions limitation requirements of paragraph (1) allowances from the reserve created pursuant to subsection (a)(2) in an amount equal to the lesser of 0.60 lbs/mmBtu or the unit’s allowable 1985 emissions rate multiplied by the unit’s baseline adjusted to reflect operation at a 60 percent capacity factor, divided by 2,000, unless the owner or operator of such unit holds allowances to emit not less than the unit’s total annual emissions.

(4) In addition to allowances allocated pursuant to paragraph (1) and section 7651b(a)(1) of this title as basic Phase II allowance allocations, at the election of the designated representative of the operating company, beginning January 1, 2000, and for each calendar year thereafter until and including 2009, the Adminis...
The administrator shall allocate annually for each unit subject to the emissions limitation requirements of paragraph (2) allowances from the reserve created pursuant to subsection (a)(2) in an amount equal to the amount by which (i) the product of the lesser of the unit's actual 1985 sulfur dioxide emission rate or its allowable 1985 emission rate multiplied by the unit's baseline adjusted to reflect operation at a 60 percent capacity factor, divided by 2,000, exceeds (ii) the number of allowances allocated for the unit pursuant to paragraph (2) and section 7651b(a)(1) of this title as basic Phase II allowance allocations.

(C) An operating company with units subject to the emissions limitation requirements of this subsection may elect the allocation of allowances as provided under subparagraphs (A) and (B). Such election shall apply to the annual allowance allocation for each and every unit in the operating company subject to the emissions limitation requirements of this subsection. The Administrator shall allocate allowances pursuant to subparagraphs (A) and (B) only in accordance with this subparagraph.

(4) Notwithstanding any other provision of this section, at the election of the owner or operator, after January 1, 2000, the Administrator shall allocate in lieu of allocation, pursuant to paragraph (1), (2), (3), (5), or (6), allowances for a unit subject to the emissions limitation requirements of this subsection which commenced commercial operation on or after January 1, 1981 and before December 31, 1985, which was subject to, and in compliance with, section 7411 of this title in an amount equal to the unit's annual fuel consumption, on a Btu basis, at a 65 percent capacity factor multiplied by the unit's allowable 1985 emissions rate, divided by 2,000.

(5) For the purposes of this section, in the case of an oil- and gas-fired unit which has been awarded a clean coal technology demonstration grant as of January 1, 1991, by the United States Department of Energy, beginning January 1, 2000, the Administrator shall allocate for the unit allowances in an amount equal to the unit's baseline multiplied by 1.20 lbs/mmBtu, divided by 2,000.

(e) Oil and gas-fired units equal to or greater than 0.60 lbs/mmBtu and less than 1.20 lbs/mmBtu

After January 1, 2000, it shall be unlawful for any existing oil and gas-fired utility unit the lesser of whose actual or allowable 1985 emission rate is less than 0.60 lbs/mmBtu and whose average annual fuel consumption during the period 1980 through 1989 on a Btu basis was 90 percent or less in the form of natural gas to exceed an annual tonnage emission limitation equal to the product of the unit's baseline multiplied by (A) the lesser of 0.60 lbs/mmBtu or the unit's allowable 1985 emissions, and (B) a numerical factor of 120 percent, divided by 2,000, unless the owner or operator of such unit holds allowances to emit not less than the unit's total annual emissions.

(f) Oil and gas-fired units less than 0.60 lbs/mmBtu

(1) After January 1, 2000, it shall be unlawful for any oil and gas-fired existing utility unit the lesser of whose actual or allowable 1985 emission rate is less than 0.60 lbs/mmBtu and whose average annual fuel consumption during the period 1980 through 1989 on a Btu basis was 90 percent or less in the form of natural gas to exceed an annual tonnage emission limitation equal to the product of the unit's baseline multiplied by (A) the lesser of 0.60 lbs/mmBtu or the unit's allowable 1985 emissions, and (B) a numerical factor of 120 percent, divided by 2,000, unless the owner or operator of such unit holds allowances to emit not less than the unit's total annual emissions.

**Table B**

<table>
<thead>
<tr>
<th>Unit</th>
<th>Allowances</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brandon Shores</td>
<td>8,907</td>
</tr>
<tr>
<td>Miller 4</td>
<td>9,197</td>
</tr>
<tr>
<td>TNP One 2</td>
<td>3,400</td>
</tr>
<tr>
<td>Zimmer 1</td>
<td>18,458</td>
</tr>
<tr>
<td>Spruce 1</td>
<td>7,647</td>
</tr>
<tr>
<td>Clover 1</td>
<td>2,796</td>
</tr>
<tr>
<td>Clover 2</td>
<td>2,796</td>
</tr>
<tr>
<td>Twin Oak 2</td>
<td>1,760</td>
</tr>
<tr>
<td>Twin Oak 1</td>
<td>9,158</td>
</tr>
<tr>
<td>Cross 1</td>
<td>6,401</td>
</tr>
<tr>
<td>Malakoff 1</td>
<td>1,759</td>
</tr>
</tbody>
</table>

Notwithstanding any other paragraph of this subsection, for units subject to this paragraph, the Administrator shall not allocate allowances pursuant to any other paragraph of this subsection. Provided that the owner or operator of a unit listed on Table B may elect an allocation

---

*So in original. The words “the Administrator shall,” probably should not appear.
*So in original. Probably should not be capitalized.
of allowances under another paragraph of this subsection in lieu of an allocation under this paragraph.

(3) Beginning January 1, 2000, the Administrator shall allocate to the owner or operator of any utility unit that commences commercial operation, or has commenced commercial operation, on or after October 1, 1990, but not later than December 31, 1992 allowances in an amount equal to the product of the unit’s annual fuel consumption, on a Btu basis, at a 65 percent capacity factor multiplied by the lesser of 0.30 lbs/mmBtu or the unit’s allowable sulfur dioxide emission rate (converted, if necessary, to pounds per mmBtu), divided by 2,000.

(4) Beginning January 1, 2000, the Administrator shall allocate to the owner or operator of any utility unit that has commenced construction before December 31, 1990 and that commences commercial operation between January 1, 1993 and December 31, 1995, allowances in an amount equal to the product of the unit’s annual fuel consumption, on a Btu basis, at a 65 percent capacity factor multiplied by the lesser of 0.30 lbs/mmBtu or the unit’s allowable sulfur dioxide emission rate (converted, if necessary, to pounds per mmBtu), divided by 2,000.

(5) After January 1, 2000, it shall be unlawful for any existing utility unit that has completed conversion from predominantly gas fired existing operation to coal fired operation between January 1, 1985 and December 31, 1987, for which there has been allocated a proposed or final prohibition order pursuant to section 301(b) of the Powerplant and Industrial Fuel Use Act of 1978 (42 U.S.C. 8301 et seq.) and 49 U.S.C. 25402 decreased 1987) to exceed an annual sulfur dioxide tonnage emissions limitation equal to the product of the unit’s annual fuel consumption, on a Btu basis, at a 65 percent capacity factor multiplied by the lesser of 1.20 lbs/mmBtu or the unit’s allowable 1987 sulfur dioxide emissions rate, divided by 2,000, unless the owner or operator of such unit has obtained allowances equal to its actual emissions.

(6)(A) Unless the Administrator has approved a designation of such facility under section 7651i of this title, the provisions of this subchapter shall not apply to a “qualifying small power production facility” or “qualifying cogeneration facility” (within the meaning of section 796(17)(C) or 796(18)(B) of title 16) or to a “new independent power production facility” as defined in section 7651a of this title except that clause (iii) of such definition in section 7651o of this title shall not apply for purposes of this paragraph if, as of November 15, 1990,

(i) an applicable power sales agreement has been executed;

(ii) the facility is the subject of a State regulatory authority order requiring an electric utility to enter into a power sales agreement on or after October 1, 1990 with purchase capacity from, or (for purposes of establishing terms and conditions of the electric utility’s purchase of power) enter into arbitration concerning, the facility;

(iii) an electric utility has issued a letter of intent or similar instrument committing to purchase power from the facility at a previously offered or lower price and a power sales agreement is executed within a reasonable period of time; or

(iv) the facility has been selected as a winning bidder in a utility competitive bid solicitation.

(h) Oil and gas-fired units less than 10 percent oil consumed

(1) After January 1, 2000, it shall be unlawful for any oil- and gas-fired utility unit whose average annual fuel consumption during the period 1980 through 1989 on a Btu basis exceeded 90 percent in the form of natural gas to exceed an annual sulfur dioxide tonnage limitation equal to the product of the unit’s baseline multiplied by the unit’s actual 1985 emissions rate divided by 2,000 unless the owner or operator of such unit holds allowances to emit not less than the unit’s total annual emissions.

(2) In addition to allowances allocated pursuant to paragraph (1) and section 7651b(a)(1) of this title as basic Phase II allowance allocations, beginning January 1, 2000, and for each calendar year thereafter until and including 2009, the Administrator shall allocate annually for each unit subject to the emissions limitation requirements of paragraph (1) allowances from the reserve created pursuant to subsection (a)(2) of this section in an amount equal to the unit’s baseline multiplied by 0.050 lbs/mmBtu, divided by 2,000.

(3) In addition to allowances allocated pursuant to paragraph (1) and section 7651b(a)(1) of this title, beginning January 1, 2010, the Administrator shall allocate annually for each unit subject to the emissions limitation requirements of paragraph (1) allowances in an amount equal to the unit’s baseline multiplied by 0.050 lbs/mmBtu, divided by 2,000.

(i) Units in high growth States

(1) In addition to allowances allocated pursuant to this section and section 7651b(a)(1) of this title as basic Phase II allowance allocations, beginning January 1, 2000, the Administrator shall allocate annually for each unit subject to an emissions limitation requirement applicable to a unit pursuant to the emissions limitation requirements of this section and section 7651b(a)(1) of this title and located in a State that—

(A) has experienced a growth in population in excess of 25 percent between 1980 and 1988 according to State Population and Household Estimates, With Age, Sex, and Components of Change: 1981–1988 allocated by the United States Department of Commerce, and

(B) had an installed electrical generating capacity of more than 30,000,000 kw in 1988, in an amount equal to the difference between (A) the number of allowances that would be allocated for the unit pursuant to the emissions limitation requirements of this section applicable to the unit adjusted to reflect the unit’s annual average fuel consumption on a Btu basis of any three consecutive calendar years between 1980 and 1989 (inclusive) as elected by the owner or operator and (B) the number of allowances allocated for the unit pursuant to the emissions limitation requirements of this section: Pro-
vided. That the number of allowances allocated pursuant to this subsection shall not exceed an annual total of 40,000. If necessary to meeting the 40,000 allowance restriction imposed under this subsection the Administrator shall reduce, pro rata, the additional annual allowances allocated to each unit under this subsection.

(2) Beginning January 1, 2000, in addition to allowances allocated pursuant to this section and section 7651b(a)(1) of this title as basic Phase II allowance allocations, the Administrator shall allocate annually for each unit subject to the emissions limitation requirements of subsection (b)(1), (A) the lesser of whose actual or allowable 1980 emissions rate has declined by 50 percent or more as of November 15, 1990, (B) whose actual emissions rate is less than 1.2 lbs/mmBtu as of January 1, 2000, (C) which commenced operation after January 1, 1970, (D) which is owned by a utility company whose combined commercial and industrial kilowatt-hour sales have increased by more than 20 percent between calendar year 1980 and November 15, 1990, and (E) whose company-wide fossil-fuel sulfur dioxide emissions rate has declined 40 percent or more from 1980 to 1988, allowances in an amount equal to the difference between (i) the number of allowances that would be allocated for the unit pursuant to the emissions limitation requirements of subsection (b)(1) adjusted to reflect the unit’s annual average fuel consumption on a Btu basis for any three consecutive years between 1980 and 1989 (inclusive) as elected by the owner or operator and (ii) the number of allowances allocated for the unit pursuant to the emissions limitation requirements of subsection (b)(1) of this section: Provided, That the number of allowances allocated pursuant to this paragraph shall not exceed an annual total of 5,000. If necessary to meeting the 5,000-allocation restriction imposed in the last clause of the preceding sentence the Administrator shall reduce, pro rata, the additional allowances allocated to each unit pursuant to this paragraph.

(j) Certain municipally owned power plants

Beginning January 1, 2000, in addition to allowances allocated pursuant to this section and section 7651b(a)(1) of this title as basic Phase II allowance allocations, the Administrator shall allocate annually for each existing municipally owned oil and gas-fired utility unit with nameplate capacity equal to, or less than, 40 MWe, the lesser of whose actual or allowable 1985 sulfur dioxide emission rate is less than 1.20 lbs/mmBtu, allowances in an amount equal to the product of the unit’s annual fuel consumption on a Btu basis at a 60 percent capacity factor multiplied by the lesser of its allowable 1985 emission rate or its actual 1985 emission rate, divided by 2,000.


REFERENCES IN TEXT

Section 301(b) of the Powerplant and Industrial Fuel Use Act of 1978, referred to in subsec. (g)(5), is section 301(b) of Pub. L. 95-620, which is classified to section 8341(b) of this title. A prior section 301(b) of Pub. L. 95-620, title III, Nov. 9, 1978, 92 Stat. 3303, which was formerly classified to section 8341(b) of this title, was repealed by Pub. L. 97-35, title X, § 1021(a), Aug. 13, 1981, 95 Stat. 614.

$7651e. Allowances for States with emissions rates at or below 0.80 lbs/mmBtu

(a) Election of Governor

In addition to basic Phase II allowance allocations, upon the election of the Governor of any State, with a 1985 state-wide annual sulfur dioxide emissions rate equal to or less than 0.80 lbs/mmBtu, averaged over all fossil fuel-fired utility steam generating units, beginning January 1, 2000, and for each calendar year thereafter until and including 2009, the Administrator shall allocate, in lieu of other Phase II bonus allowance allocations, allowances from the reserve created pursuant to section 7651d(a)(2) of this title to all such units in the State in an amount equal to 125,000 multiplied by the unit’s pro rata share of electricity generated in calendar year 1985 at fossil fuel-fired utility steam units in all States eligible for the election.

(b) Notification of Administrator

Pursuant to section 7651b(a)(1) of this title, each Governor of a State eligible to make an election under paragraph 1 (a) shall notify the Administrator of such election. In the event that the Governor of any such State fails to notify the Administrator of the Governor’s elections, the Administrator shall allocate allowances pursuant to section 7651d of this title.

(c) Allowances after January 1, 2010

After January 1, 2010, the Administrator shall allocate allowances to units subject to the provisions of this section pursuant to section 7651d of this title.


$7651f. Nitrogen oxides emission reduction program

(a) Applicability

On the date that a coal-fired utility unit becomes an affected unit pursuant to sections 7651c, 7651d, 7651h of this title, or on the date a unit subject to the provisions of section 7651c(d) or 7651h(b) of this title, must meet the SO2 reduction requirements, each such unit shall become an affected unit for purposes of this section and shall be subject to the emission limitations for nitrogen oxides set forth herein.

(b) Emission limitations

(1) Not later than eighteen months after November 15, 1990, the Administrator shall by regulation establish annual allowable emission limitations for nitrogen oxides for the types of utility boilers listed below, which limitations shall not exceed the rates listed below: Provided, That the Administrator may set a rate higher than that listed for any type of utility boiler if the Administrator finds that the maximum listed rate for that boiler type cannot be achieved using low NOx burner technology. The maximum allowable emission rates are as follows:

1 So in original. Probably should be “subsection”.
2 So in original. Probably should be followed by “or”.
(A) for tangentially fired boilers, 0.45 lb/mmBtu;
(B) for dry bottom wall-fired boilers (other than units applying cell burner technology), 0.50 lb/mmBtu.

After January 1, 1995, it shall be unlawful for any unit that is an affected unit on that date and is of the type listed in this paragraph to emit nitrogen oxides in excess of the emission rates set by the Administrator pursuant to this paragraph.

(2) Not later than January 1, 1997, the Administrator shall, by regulation, establish allowable emission limitations on a lb/mmBtu, annual average basis, for nitrogen oxides for the following types of utility boilers:
(A) wet bottom wall-fired boilers;
(B) cyclones;
(C) units applying cell burner technology;
(D) all other types of utility boilers.

The Administrator shall base such rates on the degree of reduction achievable through the retrofit application of the best system of continuous emission reduction, taking into account available technology, costs and energy and environmental impacts; and which is comparable to the costs of nitrogen oxides controls set pursuant to subsection (b)(1). Not later than January 1, 1997, the Administrator may revise the applicable emission limitations on a lb/mmBtu, annual average basis, for nitrogen oxides for the following types of utility boilers:
(A) wet bottom wall-fired boilers;
(B) cyclones;
(C) units applying cell burner technology;
(D) all other types of utility boilers.

The Administrator shall base such rates on the degree of reduction achievable through the retrofit application of the best system of continuous emission reduction, taking into account available technology, costs and energy and environmental impacts; and which is comparable to the costs of nitrogen oxides controls set pursuant to subsection (b)(1). Not later than January 1, 1997, the Administrator may revise the applicable emission limitations on a lb/mmBtu, annual average basis, for nitrogen oxides for the following types of utility boilers:

(c) Revised performance standards

(1) Not later than January 1, 1993, the Administrator shall propose revised standards of performance to section 7411 of this title for nitrogen oxides emissions from fossil-fuel fired steam generating units, including both electric utility and nonutility units. Not later than January 1, 1994, the Administrator shall promulgate such revised standards of performance. Such revised standards of performance shall reflect improvements in methods for the reduction of emissions of oxides of nitrogen.

(d) Alternative emission limitations

The permitting authority, in accordance with regulations established by the Administrator not later than eighteen months after November 15, 1990, that the owner or operator—

(1) has properly installed appropriate control equipment designed to meet the applicable emission rate;
(2) has properly operated such equipment for a period of fifteen months (or such other period of time as the Administrator determines through the regulations), and provides operating and monitoring data for such period demonstrating that the unit cannot meet the applicable emission rate; and
(3) has specified an emission rate that such unit can meet on an annual average basis.

The permitting authority shall issue an operating permit for the unit in question, in accordance with section 7651g of this title and part B of title IV—

(i) that permits the unit during the demonstration period referred to in subparagraph (2) above, to emit at a rate in excess of the applicable emission rate;
(ii) at the conclusion of the demonstration period to revise the operating permit to reflect the alternative emission rate demonstrated in paragraphs (2) and (3) above.

Units subject to subsection (b)(1) for which an alternative emission limitation is established shall not be required to install any additional control technology beyond low NOx burners. Nothing in this section shall preclude an owner or operator from installing and operating an alternative NOx control technology capable of achieving the applicable emission limitation. If the owner or operator of a unit subject to the emissions limitation requirements of subsection (b)(1) demonstrates to the satisfaction of the Administrator that the technology necessary to meet such requirements is not in adequate supply to enable its installation and operation at the unit, consistent with system reliability, by January 1, 1995, then the Administrator shall extend the deadline for compliance for the unit by a period of 15 months. Any owner or operator may petition the Administrator to make a determination under the previous sentence. The Administrator shall grant or deny such petition within 3 months of submittal.

(e) Emissions averaging

In lieu of complying with the applicable emission limitations under subsection (b)(1), (2), or (d), the owner or operator of two or more units subject to one or more of the applicable emission limitations set pursuant to these sections, may petition the permitting authority for alternative contemporaneous annual emission limitations for such units that ensure that (1) the actual annual emission rate in pounds of nitrogen oxides per million Btu averaged over the units in question is a rate that is less than or equal to (2) the Btu-weighted average annual emission rate for the same units if they had been operated, during the same period of time, in compliance with limitations set in accord-
ance with the applicable emission rates set pursuant to subsections (b)(1) and (2).

If the permitting authority determines, in accordance with regulations issued by the Administrator not later than eighteen months after November 15, 1990, that the conditions in the paragraph above can be met, the permitting authority shall issue operating permits for such units, in accordance with section 7651g of this title and part B of this chapter, and subchapter V of title III that allow alternative contemporaneous annual emission limitations. Such emission limitations shall only remain in effect while both units continue operation under the conditions specified in their respective operating permits.


REFERENCES IN TEXT

Part B of title III, referred to in subsecs. (d) and (e), means title III of the Clean Air Act, act July 14, 1955, ch. 360, as added, which is classified to subchapter III of this chapter, but title III does not contain parts. For provisions of the Clean Air Act relating to permits, see subchapter V (§ 7661 et seq.) of this chapter.

§ 7651g. Permits and compliance plans

(a) Permit program

The provisions of this subchapter shall be implemented, subject to section 7651b of this title, by permits issued to units subject to this subchapter (and enforced) in accordance with the provisions of subchapter V, as modified by this subchapter. Any such permit issued by the Administrator, or by a State with an approved permit program, shall prohibit—

(1) annual emissions of sulfur dioxide in excess of the number of allowances to emit sulfur dioxide the owner or operator, or the designated representative of the owners or operators, of the unit hold for the unit,

(2) exceedances of applicable emissions rates,

(3) the use of any allowance prior to the year for which it was allocated, and

(4) contravention of any other provision of the permit.

Permits issued to implement this subchapter shall be issued for a period of 5 years, notwithstanding subchapter V. No permit shall be issued that is inconsistent with the requirements of this subchapter, and subchapter V as applicable.

(b) Compliance plan

Each initial permit application shall be accompanied by a compliance plan for the source to comply with its requirements under this subchapter. Where an affected source consists of more than one affected unit, such plan shall cover all such units, and for purposes of section 7661a(c) of this title, such source shall be considered a “facility”. Nothing in this section regarding compliance plans or in subchapter V shall be construed as affecting allowances. Except as provided under subsection (c)(1)(B), submission of a statement by the owner or operator, or the designated representative of the owners and operators, of a unit subject to the emissions limitation requirements of sections 7651c and 7651f of this title, that the unit will meet the applicable emissions limitation requirements of such sections in a timely manner or that, in the case of the emissions limitation requirements of sections 7651c and 7651f of this title, the owners and operators will hold allowances to emit not less than the total annual emissions of the unit, shall be deemed to meet the proposed and approved compliance planning requirements of this section and subchapter V, except that, for any unit that will meet the requirements of this subchapter by means of an alternative method of compliance authorized under section 7651c(b), (c), (d), or (f) of this title or of this section, and subchapter V, except that, for any unit that will meet the requirements of this section, the proposed and approved compliance plan, permit application and permit shall include, pursuant to regulations promulgated by the Administrator, for each alternative method of compliance a comprehensive description of the schedule and means by which the unit will rely on one or more alternative methods of compliance in the manner and time authorized under this subchapter. Recordation by the Administrator of transfers of allowances shall amend automatically all applicable proposed or approved permit applications, compliance plans and permits. The Administrator may also require—

(1) for a source, a demonstration of attainment of national ambient air quality standards, and

(2) from the owner or operator of two or more affected sources, an integrated compliance plan providing an overall plan for achieving compliance at the affected sources.

(c) First phase permits

The Administrator shall issue permits to affected sources under sections 7651c and 7651f of this title.

(1) Permit application and compliance plan

(A) Not later than 27 months after November 15, 1990, the designated representative of the owners or operators, or the owner and operator, of each affected source under sections 7651c and 7651f of this title shall submit a permit application and compliance plan for that source in accordance with regulations issued by the Administrator under paragraph (3). The permit application and the compliance plan shall be binding on the owner or operator or the designated representative of owners and operators for purposes of this subchapter and section 7651a(a) of this title, and shall be enforceable in lieu of a permit until a permit is issued by the Administrator for the source.

(B) In the case of a compliance plan for an affected source under sections 7651c and 7651f of this title for which the owner or operator proposes to meet the requirements of that section by reducing utilization of the unit as compared with its baseline or by shutting down the unit, the owner or operator shall include in the proposed compliance plan a speci-

---

1 So in original. Probably should be followed by a comma.
2 So in original. Section 7651a of this title does not contain subsections.
(d) Second phase permits

(1) To provide for permits for (A) new electric utility steam generating units required under section 7651b(e) of this title to have allowances, (B) affected units or sources under section 7651d of this title, and (C) existing units subject to nitrogen oxide emission reductions under section 7651f of this title, each State in which one or more such units or sources are located shall submit in accordance with subchapter V, a permit program for approval as provided by that subchapter. Upon approval of such program, for the units or sources subject to such approved program the Administrator shall suspend the issuance of permits as provided in subchapter V.

(2) The owner or operator or the designated representative of each affected source under section 7651d of this title shall submit a permit application and compliance plan for that source to the permitting authority, not later than January 1, 1996.

(3) Not later than December 31, 1997, each State with an approved permit program shall issue permits to the owner or operator, or the designated representative of the owners and operators, of affected sources under section 7651d of this title that satisfy the requirements of subchapter V and this subchapter and that submitted to such State a permit application and compliance plan pursuant to paragraph (2).

In the case of a State without an approved permit program by July 1, 1996, the Administrator shall, not later than January 1, 1998, issue a permit to the owner or operator or the designated representative of each such affected source. In the case of affected sources for which applications and plans are timely received under paragraph (2), the permit application and the compliance plan, including amendments thereto, shall be binding on the owner or operator or the designated representative of the owners or operators and shall be enforceable as a permit for purposes of this subchapter and subchapter V until a permit is issued by the permitting authority for the affected source. The provisions of section 7410(a)(2)(L) of this title with respect to emissions from any unit which is an affected unit that satisfies the requirements of this subchapter, in the case of a State without an approved permit program by July 1, 1996, the Administrator shall issue a permit to the owner or operator, or the designated representative thereof, of the unit that satisfies the requirements of subchapter V and this subchapter.

(f) Units subject to certain other limits

The owner or operator, or designated representative thereof, of any unit subject to an emission rate requirement under section 7651f of this title shall submit a permit application and compliance plan to the permitting authority not later than 24 months before the later of (1) January 1, 2000, or (2) the date on which the unit commences operation. The permitting authority shall issue a permit to the owner or operator, or the designated representative thereof, of the unit that satisfies the requirements of subchapter V and this subchapter.

(g) Amendment of application and compliance plan

At any time after the submission of an application and compliance plan under this section, the applicant may submit a revised application and compliance plan, in accordance with the requirements of this section. In considering any
permit application and compliance plan under this subchapter, the permitting authority shall ensure coordination with the applicable electric ratemaking authority, in the case of regulated utilities, and with unregulated public utilities.

(h) Prohibition

(1) It shall be unlawful for an owner or operator, or designated representative, required to submit a permit application or compliance plan under this subchapter to fail to submit such application or plan in accordance with the deadlines specified in this section or to otherwise fail to comply with regulations implementing this section.

(2) It shall be unlawful for any person to operate any source subject to this subchapter except in compliance with the terms and requirements of a permit application and compliance plan (including amendments thereto) or permit issued by the Administrator or a State with an approved permit program. For purposes of this subsection, compliance, as provided in section 7661c(f) of this title, with a permit issued under subchapter V which complies with this subchapter for sources subject to this subchapter shall be deemed compliance with this subsection as well as section 7661a(a) of this title.

(3) In order to ensure reliability of electric power, nothing in this subchapter or subchapter V shall be construed as requiring termination of operations of an electric utility steam generating unit for failure to have an approved permit or compliance plan, except that any such unit may be subject to the applicable enforcement provisions of section 7413 of this title.

(i) Multiple owners

No permit shall be issued under this section to an affected unit until the designated representative of the owners or operators has filed a certificate of representation with regard to matters under this subchapter, including the holding and distribution of allowances and the proceeds of transactions involving allowances. Where there are multiple holders of a legal or equitable title to, or a leasehold interest in, such a unit, or where a utility or industrial customer purchases power from an affected unit (or units) under lifetime-of-the-unit, firm power contractual arrangements, the certificate shall state (1) that allowances and the proceeds of transactions involving allowances will be deemed to be held or distributed in proportion to each holder’s legal, equitable, leasehold, or contractual reservation or entitlement, or (2) if such multiple holders have expressly provided for a different distribution of allowances by contract, that allowances and the proceeds of transactions involving allowances will be deemed to be held or distributed in accordance with the contract. A passive lessor, or a person who has an equitable interest through such lessee, whose rental payments are not based, either directly or indirectly, upon the revenues or income from the affected unit shall not be deemed to be a holder of a legal, equitable, leasehold, or contractual interest for the purpose of holding or distributing allowances as provided in this subsection, during either the term of such leasehold or thereafter, unless expressly provided for in the leasehold agreement. Except as otherwise provided in this subsection, where all legal or equitable title to or interest in an affected unit is held by a single person, the certification shall state that all allowances received by the unit are deemed to be held for that person.


§ 7651h. Repowered sources

(a) Availability

Not later than December 31, 1997, the owner or operator of an existing unit subject to the emissions limitation requirements of section 7651d(b) and (c) of this title may demonstrate to the permitting authority that one or more units will be repowered with a qualifying clean coal technology to comply with the requirements under section 7651d of this title. The owner or operator shall, as part of any such demonstration, provide, not later than January 1, 2000, satisfactory documentation of a preliminary design and engineering effort for such repowering and an executed and binding contract for the majority of the equipment to repower such unit and such other information as the Administrator may require by regulation. The replacement of an existing utility unit with a new utility unit using a repowering technology referred to in section 7651a(2)1 of this title which is located at a different site, shall be treated as repowering of the existing unit for purposes of this subchapter, if—

(1) the replacement unit is designated by the owner or operator to replace such existing unit, and

(2) the existing unit is retired from service on or before the date on which the designated replacement unit enters commercial operation.

(b) Extension

(1) An owner or operator satisfying the requirements of subsection (a) shall be granted an extension of the emission limitation requirement compliance date for that unit from January 1, 2000, to December 31, 2003. The extension shall be specified in the permit issued to the owner or operator that one or more units will be repowered with a qualifying clean coal technology to comply with the requirements under this subchapter as if it were an affected unit subject to the emission limitation requirements of section 7651d(b) of this title. The owner or operator of an existing unit subject to the emissions limitation requirements of section 7651d(b) of this title shall continue to be subject to such requirements under this subchapter as if it were an affected unit subject to section 7651d of this title.

(2) If (A) the owner or operator of an existing unit has been granted an extension under paragraph (1) in order to repower such unit with a clean coal unit, and (B) such owner or operator demonstrates to the satisfaction of the Administrator that the repowering technology to be utilized by such unit has been properly constructed and tested on such unit, but nevertheless has been unable to achieve the emission reduction limitations and is economically or technologically infeasible, such existing unit may be retrofitted or repowered with equipment or fa-

1 So in original. Probably should be section “7651a(2)”.
(c) Allowances

(1) For the period of the extension under this section, the Administrator shall allocate to the owner or operator of the affected unit, annual allowances for sulfur dioxide equal to the affected unit’s baseline multiplied by the lesser of the unit’s federally approved State Implementation Plan emissions limitation or its actual emission rate for 1995 in lieu of any other allocation. Such allowances may not be transferred or used by any other source to meet emission requirements under this subchapter. The source owner or operator shall notify the Administrator sixty days in advance of the date on which the affected unit for which the extension has been granted is to be removed from operation to install the repowering technology.

(2) Effective on that date, the unit shall be subject to the requirements of section 7651d of this title. Allowances for the year in which the unit is removed from operation to install the repowering technology shall be calculated as the product of the unit’s baseline multiplied by 1.20 lbs/mmBtu, divided by 2,000, and prorated accordingly, and are transferable.

(3) Allowances for such existing utility units for calendar years after the year the repowering is complete shall be calculated as the product of the existing unit’s baseline multiplied by 1.20 lbs/mmBtu, divided by 2,000.

(4) Notwithstanding the provisions of section 7651b(a) and (e) of this title, allowances shall be allocated under this section for a designated replacement unit which replaces an existing unit (as provided in the last sentence of subsection (a)) in lieu of any further allocations of allowances for the existing unit.

(5) For the purpose of meeting the aggregate emissions limitation requirement set forth in section 7651b(a)(1) of this title, the units with an extension under this subsection shall be treated in each calendar year during the extension period as holding allowances allocated under paragraph (3).

(d) Control requirements

Any unit qualifying for an extension under this section that does not increase actual hourly emissions for any pollutant regulated under the chapter shall not be subject to any standard of performance under section 7411 of this title. Notwithstanding the provisions of this subsection, no new unit (1) designated as a replacement for an existing unit, (2) qualifying for the extension under subsection (b), and (3) located at a different site than the existing unit shall receive an exemption from the requirements imposed under section 7411 of this title.

(e) Expedited permitting

State permitting authorities and, where applicable, the Administrator, are encouraged to give expedited consideration to permit applications under parts C and D of subchapter I of this chapter for any source qualifying for an extension under this section.

(f) Prohibition

It shall be unlawful for the owner or operator of a repowered source to fail to comply with the requirement of this section, or any regulations of permit requirements to implement this section, including the prohibition against emitting sulfur dioxide in excess of allowances held.

(7451i. Election for additional sources

(a) Applicability

The owner or operator of any unit that is not, nor will become, an affected unit under section 7651b(e), 7651c, or 7651d of this title, or that is a process source under subsection (d), that emits sulfur dioxide, may elect to designate that unit or source to become an affected unit and to receive allowances under this subchapter. An election shall be submitted to the Administrator for approval, along with a permit application and proposed compliance plan in accordance with section 7651g of this title. The Administrator shall approve a designation that meets the requirements of this section, and such designated unit, or source, shall be allocated allowances, and be an affected unit for purposes of this subchapter.

(b) Establishment of baseline

The baseline for a unit designated under this section shall be established by the Administrator by regulation, based on fuel consumption and operating data for the unit for calendar years 1985, 1986, and 1987, or if such data is not available, the Administrator may prescribe a baseline based on alternative representative data.

(c) Emission limitations

Annual emissions limitations for sulfur dioxide shall be equal to the product of the baseline multiplied by the lesser of the unit’s 1985 actual or allowable emission rate in lbs/mmBtu, or, if the unit did not operate in 1985, by the lesser of the unit’s actual or allowable emission rate for a calendar year after 1985 (as determined by the Administrator), divided by 2,000.

(d) Process sources

Not later than 18 months after November 15, 1990, the Administrator shall establish a program under which the owner or operator of a process source that emits sulfur dioxide may elect to designate that source as an affected unit for the purpose of receiving allowances under this subchapter. The Administrator shall, by regulation, define the sources that may be designated; specify the emissions limitation; specify the operating, emission baseline, and other data requirements; prescribe CEMS or other monitoring requirements; and promulgate permit, reporting, and any other requirements necessary to implement such a program.

(e) Allowances and permits

The Administrator shall issue allowances to an affected unit under this section in an amount equal to the emissions limitation calculated under subsection (c) or (d), in accordance with
section 7651b of this title. Such allowance may be used in accordance with, and shall be subject to, the provisions of section 7651b of this title. Affected sources under this section shall be subject to the requirements of sections 7651b, 7651g, 7651j, 7651k, 7651l, and 7651m of this title.

(f) Limitation
Any unit designated under this section shall not transfer or bank allowances produced as a result of reduced utilization or shutdown, except that, such allowances may be transferred or carried forward for use in subsequent years to the extent that the reduced utilization or shutdown results from the replacement of thermal energy from the unit designated under this section, with thermal energy generated by any other unit or units subject to the requirements of this subchapter, and the designated unit’s allowances are transferred or carried forward for use at such other replacement unit or units. In no case may the Administrator allocate to a source designated under this section allowances in an amount greater than the emissions resulting from operation of the source in full compliance with the requirements of this chapter. No such allowances shall authorize operation of a unit in violation of any other requirements of this chapter.

(g) Implementation
The Administrator shall issue regulations to implement this section not later than eighteen months after November 15, 1990.

(h) Small diesel refineries
The Administrator shall issue allowances to owners or operators of small diesel refineries who produce diesel fuel after October 1, 1993, meeting the requirements of subsection 2 7545(i) of this title.

(1) Allowance period
Allowances may be allocated under this subsection only for the period from October 1, 1993, through December 31, 1999.

(2) Allowance determination
The number of allowances allocated pursuant to this paragraph shall equal the annual number of pounds of sulfur dioxide reduction attributable to desulfurization by a small refinery divided by 2,000. For the purposes of this calculation, the concentration of sulfur removed from diesel fuel shall be the difference between 0.274 percent (by weight) and 0.050 percent (by weight).

(3) Refinery eligibility
As used in this subsection, the term “small refinery” shall mean a refinery or portion of a refinery—
(A) which, as of November 15, 1990, has bona fide crude oil throughput of less than 18,250,000 barrels per year, as reported to the Department of Energy, and
(B) which, as of November 15, 1990, is owned or controlled by a refiner with a total combined bona fide crude oil throughput of less than 50,187,500 barrels per year, as reported to the Department of Energy.

§ 7651j. Excess emissions penalty

(a) Excess emissions penalty
The owner or operator of any unit or process subject to the requirements of sections 1 7651b, 7651c, 7651d, 7651e, 7651f or 7651h of this title, that emits sulfur dioxide or nitrogen oxides for any calendar year in excess of the unit’s emissions limitation requirement or, in the case of sulfur dioxide, of the allowances the owner or operator holds for use for the unit for that calendar year, shall be liable for the payment of an excess emissions penalty, except where such emissions were authorized pursuant to section 7410(f) of this title. That penalty shall be calculated on the basis of the number of tons emitted in excess of the unit’s emissions limitation requirement or, in the case of sulfur dioxide, of the allowances the owner or operator holds for use for the unit for that year, multiplied by $2,000. Any such penalty shall be due and payable without demand to the Administrator as provided in regulations to be issued by the Administrator by no later than eighteen months after November 15, 1990. Any such payment shall be deposited in the United States Treasury pursuant to the Miscellaneous Receipts Act. Any penalty due and payable under this section shall not diminish the liability of the unit’s owner or operator for any fine, penalty or assessment against the unit for the same violation under any other section of this chapter.

(b) Excess emissions offset
The owner or operator of any affected source that emits sulfur dioxide during any calendar year in excess of the unit’s emissions limitation requirement or of the allowances held for the unit for the calendar year, shall be liable to offset the excess emissions by an equal tonnage amount in the following calendar year, or such longer period as the Administrator may pre-

1 So in original. Probably should be “section”.
2 See References in Text note below.
scribe. The owner or operator of the source shall, within sixty days after the end of the year in which the excess emissions occurred,\(^3\) submit to the Administrator, and to the State in which the source is located, a proposed plan to achieve the required offsets. Upon approval of the proposed plan by the Administrator, as submitted, modified or conditioned, the plan shall be deemed at\(^4\) a condition of the operating permit for the unit without further review or revision of the permit. The Administrator shall also deduct allowances equal to the excess tonnage from those allocated for the source for the calendar year, or succeeding years during which offsets are required, following the year in which the excess emissions occurred.

(c) Penalty adjustment

The Administrator shall, by regulation, adjust the penalty specified in subsection (a) for inflation, based on the Consumer Price Index, on November 15, 1990, and annually thereafter.

(d) Prohibition

It shall be unlawful for the owner or operator of any source liable for a penalty and offset under this section to fail (1) to pay the penalty under subsection (a), (2) to provide, and thereafter comply with, a compliance plan as required by subsection (b), or (3) to offset excess emissions as required by subsection (b).

(e) Savings provision

Nothing in this subchapter shall limit or otherwise affect the application of section 7413, 7414, 7420, or 7604 of this title except as otherwise explicitly provided in this subchapter.


REFERENCES IN TEXT

The Miscellaneous Receipts Act, referred to in subsec. (a), is not a recognized popular name for an act. For provisions relating to deposit of monies, see section 3302 of Title 31, Money and Finance.

§ 7651k. Monitoring, reporting, and recordkeeping requirements

(a) Applicability

The owner and operator of any source subject to this subchapter shall be required to install and operate CEMS on each affected unit at the source, and to quality assure the data for sulfur dioxide, nitrogen oxides, opacity and volumetric flow at each such unit. The Administrator shall, by regulations issued not later than eighteen months after November 15, 1990, specify the requirements for CEMS, for any alternative monitoring system that is demonstrated as providing information with the same precision, reliability, accessibility, and timeliness as that provided by CEMS, and for recordkeeping and reporting of information from such systems. Such regulations may include limitations or the use of alternative compliance methods by units equipped with an alternative monitoring system as may be necessary to preserve the orderly functioning of the allowance system, and which will ensure the emissions reductions contemplated by this subchapter. Where 2 or more units utilize a single stack, a separate CEMS shall not be required for each unit, and for such units the required regulations shall require that the owner or operator collect sufficient information to permit reliable compliance determinations for each such unit.

(b) First phase requirements

Not later than thirty-six months after November 15, 1990, the owner or operator of each affected unit under section 7651c of this title, including, but not limited to, units that become affected units pursuant to subsections (b) and (c) and eligible units under subsection (d), shall install and operate CEMS, quality assure the data, and keep records and reports in accordance with the regulations issued under subsection (a).

(c) Second phase requirements

Not later than January 1, 1995, the owner or operator of each affected unit that has not previously met the requirements of subsections (a) and (b) shall install and operate CEMS, quality assure the data, and keep records and reports in accordance with the regulations issued under subsection (a). Upon commencement of commercial operation of each new utility unit, the unit shall comply with the requirements of subsection (a).

(d) Unavailability of emissions data

If CEMS data or data from an alternative monitoring system approved by the Administrator under subsection (a) is not available for any affected unit during any period of a calendar year in which such data is required under this subchapter, and the owner or operator cannot provide information, satisfactory to the Administrator, on emissions during that period, the Administrator shall deem the unit to be operating in an uncontrolled manner during the entire period for which the data was not available and shall, by regulation which shall be issued not later than eighteen months after November 15, 1990, prescribe means to calculate emissions for that period. The owner or operator shall be liable for excess emissions fees and offsets under section 7651j of this title in accordance with such regulations. Any fee due and payable under this subsection shall not diminish the liability of the unit’s owner or operator for any fine, penalty, fee or assessment against the unit for the same violation under any other section of this chapter.

(e) Prohibition

It shall be unlawful for the owner or operator of any source subject to this subchapter to operate a source without complying with the requirements of this section, and any regulations implementing this section.

\(^3\) So in original. Probably should be “occurred.”.
\(^4\) So in original.
“(a) Monitoring.—The Administrator of the Environmental Protection Agency shall promulgate regulations within 18 months after the enactment of the Clean Air Act Amendments of 1990 (Nov. 15, 1990) to require that all affected sources subject to title V of the Clean Air Act (probably means title IV of the Clean Air Act as added by Pub. L. 101–549, which is classified to section 7651 et seq. of this title) shall also monitor carbon dioxide emissions according to the same timetable as in section 511(b) and (c) (probably means section 412(b) and (c) of the Clean Air Act, which is classified to section 7651k(b) and (c) of this title). The regulations shall require that such data be reported to the Administrator. The provisions of section 511(e) of title V of the Clean Air Act (probably means section 412(e) of title IV of the Clean Air Act, which is classified to section 7651k(e) of this title) shall apply for purposes of this section in the same manner and to the same extent as such provision applies to the monitoring and data referred to in section 511 (probably means section 412 of the Clean Air Act, which is classified to section 7651k of this title).

(2) Public Availability of Carbon Dioxide Information.—For each unit required to monitor and provide carbon dioxide data under subsection (a), the Administrator shall compute the unit’s aggregate annual total carbon dioxide emissions, incorporate such data into a computer data base, and make such aggregate annual data available to the public.”

§ 7651l. General compliance with other provisions

Except as expressly provided, compliance with the requirements of this subchapter shall not exempt or exclude the owner or operator of any source subject to this subchapter from compliance with any other applicable requirements of this chapter.


§ 7651m. Enforcement

It shall be unlawful for any person subject to this subchapter to violate any prohibition of, requirement of, or regulation promulgated pursuant to this subchapter shall be a violation of this chapter. In addition to the other requirements and prohibitions provided for in this subchapter, the operation of any affected unit to emit sulfur dioxide in excess of allowances held for such unit shall be deemed a violation, with each pound emitted in excess of allowances held constituting a separate violation.


§ 7651n. Clean coal technology regulatory incentives

(a) “Clean coal technology” defined

For purposes of this section, “clean coal technology” means any technology, including technologies applied at the precombustion, combustion, or post combustion stage, at a new or existing facility which will achieve significant reductions in air emissions of sulfur dioxide or oxides of nitrogen associated with the utilization of coal in the generation of electricity, process steam, or industrial products, which is not in widespread use as of November 15, 1990.

(b) Revised regulations for clean coal technology demonstrations

(1) Applicability

This subsection applies to physical or operational changes to existing facilities for the sole purpose of installation, operation, cessation, or removal of a temporary or permanent clean coal technology demonstration project. For the purposes of this section, a clean coal technology demonstration project shall mean a project using funds appropriated under the heading “Department of Energy—Clean Coal Technology”, up to a total amount of $2,500,000,000 for commercial demonstration of clean coal technology, or similar projects funded through appropriations for the Environmental Protection Agency. The Federal contribution for a qualifying project shall be at least 20 percent of the total cost of the demonstration project.

(2) Temporary projects

Installation, operation, cessation, or removal of a temporary clean coal technology demonstration project that is operated for a period of five years or less, and which complies with the State implementation plans for the State in which the project is located and other requirements necessary to attain and maintain the national ambient air quality standards during and after the project is terminated, shall not subject such facility to the requirements of section 7411 of this title or part C or D of subchapter I.

(3) Permanent projects

For permanent clean coal technology demonstration projects that constitute repowering as defined in section 7651a(l) of this title, any qualifying project shall not be subject to standards of performance under section 7411 of this title or to the review and permitting requirements of part C for any pollutant the potential emissions of which will not increase as a result of the demonstration project.

(4) EPA regulations

Not later than 12 months after November 15, 1990, the Administrator shall promulgate regulations or interpretive rulings to revise requirements under section 7411 of this title and parts C and D, as appropriate, to facilitate projects consistent with this subsection. With respect to parts C and D, such regulations or rulings shall apply to all areas in which EPA is the permitting authority. In those instances in which the State is the permitting authority under part C or D, any State may adopt and submit to the Administrator for approval revisions to its implementation plan to apply the regulations or rulings promulgated under this subsection.

(e) Exemption for reactivation of very clean units

Physical changes or changes in the method of operation associated with the commencement of commercial operations by a coal-fired utility

1 So in original. Probably should be section “7651a(12)”.

2 See References in Text note below.

3 So in original. Probably should be “with”. 
unit after a period of discontinued operation shall not subject the unit to the requirements of section 7411 of this title or part C of the Act where the unit (1) has not been in operation for the two-year period prior to the enactment of the Clean Air Act Amendments of 1990 (November 15, 1990), and the emissions from such unit continue to be carried in the permitting authority’s emissions inventory at the time of enactment, (2) was equipped prior to shut-down with a continuous system of emissions control that achieves a removal efficiency for sulfur dioxide of no less than 85 percent and a removal efficiency for particulates of no less than 98 percent, (3) is equipped with low-NO_x burners prior to the time of commencement, and (4) is otherwise in compliance with the requirements of this chapter.


References in Text

Parts C and D and part C of the Act, referred to in subsecs. (b)(3), (4) and (c), probably mean parts C and D of subchapter I of this chapter.

§7651o. Contingency guarantee, auctions, reserve

(a) Definitions

For purposes of this section—

(1) The term “independent power producer” means any person who owns or operates, in whole or in part, one or more new independent power production facilities.

(2) The term “new independent power production facility” means a facility that—

(A) is used for the generation of electric energy, 80 percent or more of which is sold at wholesale;

(B) is nonrecourse project-financed (as such term is defined by the Secretary of Energy within 3 months of November 15, 1990);

(C) does not generate electric energy sold to any affiliate (as defined in section 79b(a)(11) of title 15) of the facility’s owner or operator unless the owner or operator of the facility demonstrates that it cannot obtain allowances from the affiliate; and

(D) is a new unit required to hold allowances under this subchapter.

(3) The term “required allowances” means the allowances required to operate such unit for so much of the unit’s useful life as occurs after January 1, 2000.

(b) Special reserve of allowances

Within 36 months after November 15, 1990, the Administrator shall promulgate regulations establishing a Special Allowance Reserve containing allowances to be sold under this section. For purposes of establishing the Special Allowance Reserve, the Administrator shall withhold—

(1) 2.8 percent of the allocation of allowances for each year from 1995 through 1999 inclusive; and

(2) 2.8 percent of the basic Phase II allowance allocation of allowances for each year beginning in the year 2000

which would (but for this subsection) be issued for each affected unit at an affected source. The Administrator shall record such withholding for purposes of transferring the proceeds of the allowance sales under this subsection. The allowances so withheld shall be deposited in the Reserve under this section.

(c) Direct sale at $1,500 per ton

(1) Subaccount for direct sales

In accordance with regulations under this section, the Administrator shall establish a Direct Sale Subaccount in the Special Allowance Reserve established under this section. The Direct Sale Subaccount shall contain allowances in the amount of 50,000 tons per year for each year beginning in the year 2000.

(2) Sales

Allowances in the subaccount shall be offered for direct sale to any person at the times and in the amounts specified in table 1 at a price of $1,500 per allowance, adjusted by the Consumer Price Index in the same manner as provided in paragraph (3). Requests to purchase allowances from the Direct Sale Subaccount established under paragraph (1) shall be approved in the order of receipt until no allowances remain in such subaccount, except that an opportunity to purchase such allowances shall be provided to the independent power producers referred to in this subsection before such allowances are offered to any other person. Each applicant shall be required to pay 50 percent of the total purchase price of the allowances within 6 months after the approval of the request to purchase. The remainder shall be paid on or before the transfer of the allowances.

<table>
<thead>
<tr>
<th>Year of Sale</th>
<th>Spot Sale (same year)</th>
<th>Advance Sale</th>
</tr>
</thead>
<tbody>
<tr>
<td>1995–1999</td>
<td>25,000</td>
<td></td>
</tr>
<tr>
<td>2000 and after</td>
<td>25,000</td>
<td>25,000</td>
</tr>
</tbody>
</table>

Allowances sold in the spot sale in any year are allowances which may only be used in that year (unless banked for use in a later year). Allowances sold in the advance sale in any year are allowances which may only be used in the 7th year after the year in which they are first offered for sale (unless banked for use in a later year).

(3) Entitlement to written guarantee

Any independent power producer that submits an application to the Administrator establishing that such independent power producer—

(A) proposes to construct a new independent power production facility for which allowances are required under this subchapter;

(B) will apply for financing to construct such facility after January 1, 1990, and before the date of the first auction under this section;

(C) has submitted to each owner or operator of an affected unit listed in table A (in section 7651c of this title) a written offer to purchase the required allowances for $750 per ton; and

1 See References in Text note below.
(D) has not received (within 180 days after submitting offers to purchase under subparagraph (C)) an acceptance of the offer to purchase the required allowances,

shall, within 30 days after submission of such application, be entitled to receive the Administrator's written guarantee (subject to the eligibility requirements set forth in paragraph (4)) that such required allowances will be made available for purchase from the Direct Sale Subaccount established under this subsection and at a guaranteed price. The guaranteed price at which such allowances shall be made available for purchase shall be $1,500 per ton, adjusted by the percentage, if any, by which the Consumer Price Index (as determined under section 7661a(b)(3)(B)(v) of this title) for the year in which the allowance is purchased exceeds the Consumer Price Index for the calendar year 1990.

(4) Eligibility requirements

The guarantee issued by the Administrator under paragraph (3) shall be subject to a demonstration by the independent power producer, satisfactory to the Administrator, that—

(A) the independent power producer has—

(i) made good faith efforts to purchase the required allowances from the owners or operators of affected units to which allowances will be allocated, including efforts to purchase at annual auctions under this section, and from industrial sources that have elected to become affected units pursuant to section 7651i of this title; and

(ii) such bids and efforts were unsuccessful in obtaining the required allowances; and

(B) the independent power producer will continue to make good faith efforts to purchase the required allowances from the owners or operators of affected units from industrial sources.

(5) Issuance of guaranteed allowances from Direct Sale Subaccount under this section

From the allowances available in the Direct Sale Subaccount established under this subsection, upon payment of the guaranteed price, the Administrator shall issue to any person exercising the right to purchase allowances pursuant to a guarantee under this subsection the allowances covered by such guarantee. Persons to which guarantees under this subsection have been issued shall have the opportunity to purchase allowances pursuant to such guarantee from such subaccount before the allowances in such reserve are offered for sale to any other person.

(6) Proceeds

Notwithstanding section 3302 of title 31 or any other provision of law, the Administrator shall require that the proceeds of any sale under this subsection be transferred, within 90 days after the sale, without charge, on a pro rata basis to the owners or operators of the affected units from whom the allowances were withheld under subsection (b) and that any unsold allowances be transferred to the Subaccount for Auction Sales established under subsection (d). No proceeds of any sale under this subsection shall be held by any officer or employee of the United States or treated for any purpose as revenue to the United States or to the Administrator.

(7) Termination of subaccount

If the Administrator determines that, during any period of 2 consecutive calendar years, less than 20 percent of the allowances available in the subaccount for direct sales established under this subsection have been purchased under this paragraph, the Administrator shall terminate the subaccount and transfer such allowances to the Auction Subaccount under subsection (d).

(d) Auction sales

(1) Subaccount for auctions

The Administrator shall establish an Auction Subaccount in the Special Reserve established under this section. The Auction Subaccount shall contain allowances to be sold at auction under this section in the amount of 150,000 tons per year for each year from 1995 through 1999, inclusive and 250,000 tons per year for each year beginning in the calendar year 2000.

(2) Annual auctions

Commencing in 1993 and in each year thereafter, the Administrator shall conduct auctions at which the allowances referred to in paragraph (1) shall be offered for sale in accordance with regulations promulgated by the Administrator, in consultation with the Secretary of the Treasury, within 12 months of November 15, 1990. The allowances referred to in paragraph (1) shall be offered for sale at auction in the amounts specified in table 2.

The auction shall be open to any person. A person wishing to bid for such allowances shall submit (by a date set by the Administrator) to the Administrator (on a sealed bid schedule provided by the Administrator) offers to purchase specified numbers of allowances at specified prices. Such regulations shall specify that the auctioned allowances shall be allocated and sold on the basis of bid price, starting with the highest-priced bid and continuing until all allowances for sale at such auction have been allocated. The regulations shall not permit that a minimum price be set for the purchase of withheld allowances. Allowances purchased at the auction may be used for any purpose and at any time after the auction, subject to the provisions of this subchapter.

<table>
<thead>
<tr>
<th>Table 2—Number of Allowances Available for Auction</th>
</tr>
</thead>
<tbody>
<tr>
<td>Year of Sale</td>
</tr>
<tr>
<td>1993</td>
</tr>
<tr>
<td>1994</td>
</tr>
<tr>
<td>1995</td>
</tr>
<tr>
<td>1996</td>
</tr>
<tr>
<td>1997</td>
</tr>
<tr>
<td>1998</td>
</tr>
<tr>
<td>1999</td>
</tr>
</tbody>
</table>
TABLE 2—NUMBER OF ALLOWANCES AVAILABLE FOR
AUCIION—CONTINUED

<table>
<thead>
<tr>
<th>Year of Sale</th>
<th>Spot Auction (same year)</th>
<th>Advance Auction</th>
</tr>
</thead>
<tbody>
<tr>
<td>2000 and after</td>
<td>100,000</td>
<td>100,000</td>
</tr>
</tbody>
</table>

Allowances sold in the spot auction in any year are allowances which may only be used in that year (unless banked for use in a later year), except as otherwise noted. Allowances sold in the advance auction in any year are allowances which may only be used in the 7th year after the year in which they are first offered for sale (unless banked for use in a later year).

*Available for use only in 1995 (unless banked for use in a later year).

(3) Proceeds

(A) Notwithstanding section 3302 of title 31 or any other provision of law, within 90 days of receipt, the Administrator shall transfer the proceeds from the auction under this section, on a pro rata basis, to the owners or operators of the affected units at an affected source from whom allowances were withheld under subsection (b). No funds transferred from a purchaser to a seller of allowances under this paragraph shall be held by any officer or employee of the United States or treated for any purpose as revenue to the United States or the Administrator.

(B) At the end of each year, any allowances offered for sale but not sold at the auction shall be returned without charge, on a pro rata basis, to the owner or operator of the affected units from whose allocation the allowances were withheld.

(4) Additional auction participants

Any person holding allowances or to whom allowances are allocated by the Administrator may submit those allowances to the Administrator to be offered for sale at auction under this subsection. The proceeds from any such sale shall be transferred at the time of sale by the purchaser to the person submitting such allowances for sale. The holder of allowances offered for sale under this paragraph may specify a minimum sale price. Any person may purchase allowances offered for auction under this paragraph. Such allowances shall be allocated and sold to purchasers on the basis of bid price after the auction under paragraph (2) is complete. No funds transferred from a purchaser to a seller of allowances under this paragraph shall be held by any officer or employee of the United States or treated for any purpose as revenue to the United States or the Administrator.

(5) Recording by EPA

The Administrator shall record and publicly report the nature, prices and results of each auction under this subsection, including the prices of successful bids, and shall record the transfers of allowances as a result of each auction in accordance with the requirements of this section. The transfer of allowances at such auction shall be recorded in accordance with the regulations promulgated by the Administrator under this subchapter.

(e) Changes in sales, auctions, and withholding

Pursuant to rulemaking after public notice and comment the Administrator may at any time after the year 1998 (in the case of advance sales or advance auctions) and 2005 (in the case of spot sales or spot auctions) decrease the number of allowances withheld and sold under this section.

(1) Termination of auctions

The Administrator may terminate the withholding of allowances and the auction sales under this section if the Administrator determines that, during any period of 3 consecutive calendar years after 2002, less than 20 percent of the allowances available in the auction sub-account have been purchased. Pursuant to regulations under this section, the Administrator may by delegation or contract provide for the conduct of sales or auctions under the Administrator’s supervision by other departments or agencies of the United States Government or by nongovernmental agencies, groups, or organizations.

(4) Permitting authority

The term “permitting authority” means the Administrator or the air pollution control agency authorized by the Administrator to carry out a permit program under this subchapter.

References in Text


SUBCHAPTER V—PERMITS

§ 7661. Definitions

As used in this subchapter—

(1) Affected source

The term “affected source” shall have the meaning given such term in subchapter IV–A.

(2) Major source

The term “major source” means any stationary source (or any group of stationary sources located within a contiguous area and under common control) that is either of the following:

(A) A major source as defined in section 7412 of this title.

(B) A major stationary source as defined in section 7602 of this title or part D of subchapter I.

(3) Schedule of compliance

The term “schedule of compliance” means a schedule of remedial measures, including an enforceable sequence of actions or operations, leading to compliance with an applicable implementation plan, emission standard, emission limitation, or emission prohibition.

(4) Permitting authority

The term “permitting authority” means the Administrator or the air pollution control agency authorized by the Administrator to carry out a permit program under this subchapter.
§ 7661a. Permit programs

(a) Violations

After the effective date of any permit program approved or promulgated under this subchapter, it shall be unlawful for any person to violate any requirement of a permit issued under this subchapter, or to operate an affected source (as provided in subchapter IV–A), a major source, any other source (including an area source) subject to standards or regulations under section 7411 or 7412 of this title, any other source required to have a permit under parts 1 C or D of subchapter I, or any other stationary source in a category designated (in whole or in part) by regulations promulgated by the Administrator (after notice and public comment) which shall include a finding setting forth the basis for such designation, except in compliance with a permit issued by a permitting authority under this subchapter. (Nothing in this subsection shall be construed to alter the applicable requirements of this chapter that a permit be obtained before construction or modification.) The Administrator may, in the Administrator’s discretion and consistent with the applicable provisions of this chapter, promulgate regulations to exempt one or more source categories (in whole or in part) from the requirements of this subsection if the Administrator finds that compliance with such requirements is impracticable, infeasible, or unnecessarily burdensome on such categories, except that the Administrator may not exempt any major source from such requirements.

(b) Regulations

The Administrator shall promulgate within 12 months after November 15, 1990, regulations establishing the minimum elements of a permit program to be administered by any air pollution control agency. These elements shall include each of the following:

(I) Requirements for permit applications, including a standard application form and criteria for determining in a timely fashion the completeness of applications.

(II) A requirement under State or local law or interstate compact that the owner or operator of all sources subject to the requirement to obtain a permit under this subchapter pay an annual fee, or the equivalent over some other period, sufficient to cover all reasonable (direct and indirect) costs required to develop and administer the permit program requirements of this subchapter, including section 7661f of this title, including the reasonable costs of—

(i) reviewing and acting upon any application for such a permit,

(ii) if the owner or operator receives a permit for such source, whether before or after November 15, 1990, implementing and enforcing the terms and conditions of any such permit (not including any court costs or other costs associated with any enforcement action),

(iii) preparing generally applicable regulations, and guidance,

(iv) preparing generally applicable regulations, and

(v) modeling, analyses, and demonstrations, and

(vi) preparing inventories and tracking emissions.

(B) The total amount of fees collected by the permitting authority shall conform to the following requirements:

(i) The Administrator shall not approve a program as meeting the requirements of this paragraph unless the State demonstrates that, except as otherwise provided in subparagraph 2 (i) through (v) of this subparagraph, the program will result in the collection, in the aggregate, from all sources subject to subparagraph (A), of an amount not less than $25 per ton of each regulated pollutant, or such other amount as the Administrator may determine adequately reflects the reasonable costs of the permit program.

(ii) As used in this subparagraph, the term “regulated pollutant” shall mean (I) a volatile organic compound; (II) each pollutant regulated under section 7411 or 7412 of this title; and (III) each pollutant for which a national primary ambient air quality standard has been promulgated (except that carbon monoxide shall be excluded from this reference).

(iii) In determining the amount under clause (i), the permitting authority is not required to include any amount of regulated pollutant emitted by any source in excess of 4,000 tons per year of that regulated pollutant.

(iv) The requirements of clause (i) shall not apply if the permitting authority demonstrates that collecting an amount less than the amount specified under clause (i) will meet the requirements of subparagraph (A).

(v) The fee calculated under clause (i) shall be increased (consistent with the need to cover the reasonable costs authorized by subparagraph (A)) in each year beginning after 1990, by the percentage, if any, by which the Consumer Price Index for the most recent calendar year ending before the beginning of such year exceeds the Consumer Price Index for the calendar year 1989.

For purposes of this clause—

(I) the Consumer Price Index for any calendar year is the average of the Consumer Price Index for all-urban consumers published by the Department of Labor, as of the close of the 12-month period ending on August 31 of each calendar year, and

(II) the revision of the Consumer Price Index which is most consistent with the Consumer Price Index for calendar year 1989 shall be used.

(C) (I) If the Administrator determines, under subsection (d), that the fee provisions of the operating permit program do not meet the requirements of this paragraph, or if the Administrator makes a determination, under subsection (i), that the permitting authority is not adequately administering or enforcing an approved fee program, the Administrator may,

1 So in original. Probably should be “part”.

2 So in original. Probably should be “clauses”.
in addition to taking any other action authorized under this subchapter, collect reasonable fees from the sources identified under subparagraph (A). Such fees shall be designed solely to cover the Administrator’s costs of administering the provisions of the permit program promulgated by the Administrator.

(ii) Any source that fails to pay fees lawfully imposed by the Administrator under this subparagraph shall pay a penalty of 50 percent of the fee amount, plus interest on the fee amount computed in accordance with section 6621(a)(2) of title 26 (relating to computation of interest on underpayment of Federal taxes).

(iii) Any fees, penalties, and interest collected under this subparagraph shall be deposited in a special fund in the United States Treasury for licensing and other services, which thereafter shall be available for appropriation, to remain available until expended, subject to appropriation, to carry out the Agency’s activities for which the fees were collected. Any fee required to be collected by a State, local, or interstate agency under this subsection shall be utilized solely to cover all reasonable (direct and indirect) costs required to support the permit program as set forth in subparagraph (A).

(4) Requirements for adequate personnel and funding to administer the program.

(5) A requirement that the permitting authority have adequate authority to:

(A) issue permits and assure compliance by all sources required to have a permit under this subchapter with each applicable standard, regulation or requirement under this chapter;

(B) issue permits for a fixed term, not to exceed 5 years;

(C) assure that upon issuance or renewal permits incorporate emission limitations, and other requirements in an applicable implementation plan;

(D) terminate, modify, or revoke and reissue permits for cause;

(E) enforce permits, permit fee requirements, and the requirement to obtain a permit, including authority to recover civil penalties in a maximum amount of not less than $10,000 per day for each violation, and provide appropriate criminal penalties; and

(F) assure that no permit will be issued if the Administrator objects to its issuance in a timely manner under this subchapter.

(6) Adequate, streamlined, and reasonable procedures for expeditiously determining when applications are complete, for processing such applications, for public notice, including offering an opportunity for public comment and a hearing, and for expeditiously review of permit action, including applications, renewals, or revisions, and including an opportunity for judicial review in State court of the final permit action by the applicant, any person who participated in the public comment process, and any other person who could obtain judicial review of that action under applicable law.

(7) To ensure against unreasonable delay by the permitting authority, adequate authority and procedures to provide that a failure of such permitting authority to act on a permit application or permit renewal application (in accordance with the time periods specified in section 7661b of this title or, as appropriate, subchapter IV–A) shall be treated as a final permit action solely for purposes of obtaining judicial review in State court of an action brought by any person referred to in paragraph (6) to require that action be taken by the permitting authority on such application without additional delay.

(8) Authority, and reasonable procedures consistent with the need for expeditious action by the permitting authority on permit applications and related matters, to make available to the public any permit application, compliance plan, permit, and monitoring or compliance report under section 7661b(e) of this title, subject to the provisions of section 7414(c) of this title.

(9) A requirement that the permitting authority, in the case of permits with a term of 3 or more years for major sources, shall require revisions to the permit to incorporate applicable standards and regulations promulgated under this chapter after the issuance of such permit. Such revisions shall occur as expeditiously as practicable and consistent with the procedures established under paragraph (6) but not later than 18 months after the promulgation of such standards and regulations. No such revision shall be required if the effective date of the standards or regulations is a date after the expiration of the permit term. Such permit revision shall be treated as a permit renewal if it complies with the requirements of this subchapter regarding renewals.

(10) Provisions to allow changes within a permitted facility (or one operating pursuant to section 7661b(d) of this title) without requiring a permit revision, if the changes are not modifications under any provision of subchapter I and the changes do not exceed the emissions allowable under the permit (whether expressed therein as a rate of emissions or in terms of total emissions); 3 Provided, That the facility provides the Administrator and the permitting authority with written notification in advance of the proposed changes which shall be a minimum of 7 days, unless the permitting authority provides in its regulations a different timeframe for emergencies.

(c) Single permit

A single permit may be issued for a facility with multiple sources.

(d) Submission and approval

(1) Not later than 3 years after November 15, 1990, the Governor of each State shall develop and submit to the Administrator a permit program under State or local law or under an interstate compact meeting the requirements of this subchapter. In addition, the Governor shall submit a legal opinion from the attorney general (or the attorney for those State air pollution control agencies that have independent legal counsel), or from the chief legal officer of an interstate agency, that the laws of the State, locality, or the interstate compact provide ade-

3 So in original. A closing parenthesis probably should precede the colon.
quate authority to carry out the program. Not later than 1 year after receiving a program, and after notice and opportunity for public comment, the Administrator shall approve or disapprove such program, in whole or in part. The Administrator may approve a program to the extent that the program meets the requirements of this chapter, including the regulations issued under subsection (b). If the program is disapproved, in whole or in part, the Administrator shall notify the Governor of any revisions or modifications necessary to obtain approval. The Governor shall revise and resubmit the program for review under this section within 180 days after receiving notification.

(2) (A) If the Governor does not submit a program as required under paragraph (1) or if the Administrator disapproves a program submitted by the Governor under paragraph (1), in whole or in part, the Administrator may, prior to the expiration of the 18-month period referred to in subparagraph (B), in the Administrator's discretion, apply any of the sanctions specified in section 7509(b) of this title.

(B) If the Governor does not submit a program as required under paragraph (1), or if the Administrator disapproves any such program submitted by the Governor under paragraph (1), in whole or in part, 18 months after the date required for such submittal or the date of such disapproval, as the case may be, the Administrator shall apply sanctions under section 7509(b) of this title in the same manner and subject to the same deadlines and other conditions as are applicable in the case of a determination, disapproval, or finding under section 7509(a) of this title.

(C) The sanctions under section 7509(b)(2) of this title shall not apply pursuant to this paragraph in any area unless the failure to submit or the disapproval referred to in subparagraph (A) or (B) relates to an air pollutant for which such area has been designated a nonattainment area (as defined in part D of subchapter I).

(3) If a program meeting the requirements of this subchapter has not been approved in whole for any State, the Administrator shall, 2 years after the date required for submission of such a program under paragraph (1), promulgate, administer, and enforce a program under this subchapter for that State.

(e) Suspension

The Administrator shall suspend the issuance of permits promptly upon publication of notice of approval of a permit program under this section, but may, in such notice, retain jurisdiction over permits that have been federally issued, but for which the administrative or judicial review process is not complete. The Administrator shall continue to administer and enforce federally issued permits under this subchapter until they are replaced by a permit issued by a permitting program. Nothing in this subsection should be construed to limit the Administrator's ability to enforce permits issued by a State.

(f) Prohibition

No partial permit program shall be approved unless, at a minimum, it applies, and ensures compliance with, this subchapter and each of the following:

(1) All requirements established under subchapter IV–A applicable to “affected sources”.

(2) All requirements established under section 7412 of this title applicable to “major sources”, “area sources,” and “new sources”.

(3) All requirements of subchapter I (other than section 7412 of this title) applicable to sources required to have a permit under this subchapter.

Approval of a partial program shall not relieve the State of its obligation to submit a complete program, nor from the application of any sanctions under this chapter for failure to submit an approvable permit program.

(g) Interim approval

If a program (including a partial permit program) submitted under this subchapter substantially meets the requirements of this subchapter, but is not fully approvable, the Administrator may by rule grant the program interim approval. In the notice of final rulemaking, the Administrator shall specify the changes that must be made before the program can receive full approval. An interim approval under this subsection shall expire on a date set by the Administrator not later than 2 years after such approval, and may not be renewed. For the period of any such interim approval, the provisions of subsection (d)(2), and the obligation of the Administrator to promulgate a program under this subchapter for the State pursuant to subsection (d)(3), shall be suspended. Such provisions and such obligation of the Administrator shall apply after the expiration of such interim approval.

(h) Effective date

The effective date of a permit program, or partial or interim program, approved under this subchapter, shall be the effective date of approval by the Administrator. The effective date of a permit program, or partial permit program, promulgated by the Administrator shall be the date of promulgation.

(i) Administration and enforcement

(1) Whenever the Administrator makes a determination that a permitting authority is not adequately administering and enforcing a program, or portion thereof, in accordance with the requirements of this subchapter, the Administrator shall provide notice to the State and may, prior to the expiration of the 18-month period referred to in paragraph (2), in the Administrator's discretion, apply any of the sanctions specified in section 7509(b) of this title.

(2) Whenever the Administrator makes a determination that a permitting authority is not adequately administering and enforcing a program, or portion thereof, in accordance with the requirements of this subchapter, 18 months after the date of the notice under paragraph (1), the Administrator shall apply the sanctions under section 7509(b) of this title in the same manner and subject to the same deadlines and other conditions as are applicable in the case of a determination, disapproval, or finding under section 7509(a) of this title.

(3) The sanctions under section 7509(b)(2) of this title shall not apply pursuant to this subsection in any area unless the failure to adequately enforce and administer the program re-
lates to an air pollutant for which such area has been designated a nonattainment area.

(4) Whenever the Administrator has made a finding under paragraph (1) with respect to any State, unless the State has corrected such deficiency within 18 months after the date of such finding, the Administrator shall, 2 years after the date of such finding, promulgate, administer, and enforce a program under this subchapter for that State. Nothing in this paragraph shall be construed to affect the validity of a program which has been approved under this subchapter or the authority of any permitting authority acting under such program until such time as such program is promulgated by the Administrator under this paragraph.


§ 7661b. Permit applications

(a) Applicable date

Any source specified in section 7661a(a) of this title shall become subject to a permit program, and required to have a permit, on the later of the following dates—

(1) the effective date of a permit program or partial or interim permit program applicable to the source; or

(2) the date such source becomes subject to section 7661a(a) of this title.

(b) Compliance plan

(1) The regulations required by section 7661a(b) of this title shall include a requirement that the applicant submit with the permit application a compliance plan describing how the source will comply with all applicable requirements under this chapter. The compliance plan shall include a schedule of compliance, and a schedule under which the permittee will submit progress reports to the permitting authority no less frequently than every 6 months.

(2) The regulations shall further require the permittee to periodically (but no less frequently than annually) certify that the facility is in compliance with any applicable requirements of the permit, and to promptly report any deviations from permit requirements to the permitting authority.

(c) Deadline

Any person required to have a permit shall, not later than 12 months after the date on which the source becomes subject to a permit program approved or promulgated under this subchapter, or such earlier date as the permitting authority may establish, submit to the permitting authority a compliance plan and an application for a permit signed by a responsible official, who shall certify the accuracy of the information submitted. The permitting authority shall approve or disapprove a completed application (consistent with the procedures established under this subchapter for consideration of such applications), and shall issue or deny the permit, within 18 months after the date of receipt thereof, except that the permitting authority shall establish a phased schedule for acting on permit applications submitted within the first full year after the effective date of a permit program (or a partial or interim program). Any such schedule shall assure that at least one-third of such permits will be acted on by such authority annually over a period of not to exceed 3 years after such effective date. Such authority shall establish reasonable procedures to prioritize such approval or disapproval actions in the case of applications for construction or modification under the applicable requirements of this chapter.

(d) Timely and complete applications

Except for sources required to have a permit before construction or modification under the applicable requirements of this chapter, if an applicant has submitted a timely and complete application for a permit required by this subchapter (including renewals), but final action has not been taken on such application, the source’s failure to have a permit shall not be a violation of this chapter, unless the delay in final action was due to the failure of the applicant timely to submit information required or requested to process the application. No source required to have a permit under this subchapter shall be in violation of section 7661a(a) of this title before the date on which the source is required to submit an application under subsection (c).

(e) Copies; availability

A copy of each permit application, compliance plan (including the schedule of compliance), emissions or compliance monitoring report, certification, and each permit issued under this subchapter, shall be available to the public. If an applicant or permittee is required to submit information entitled to protection from disclosure under section 7414(c) of this title, the applicant or permittee may submit such information separately. The requirements of section 7414(c) of this title shall apply to such information. The contents of a permit shall not be entitled to protection under section 7414(c) of this title.


§ 7661c. Permit requirements and conditions

(a) Conditions

Each permit issued under this subchapter shall include enforceable emission limitations and standards, a schedule of compliance, a requirement that the permittee submit to the permitting authority, no less often than every 6 months, the results of any required monitoring, and such other conditions as are necessary to assure compliance with applicable requirements of this chapter, including the requirements of the applicable implementation plan.

(b) Monitoring and analysis

The Administrator may by rule prescribe procedures and methods for determining compliance and for monitoring and analysis of pollutants regulated under this chapter, but continuous emissions monitoring need not be required if alternative methods are available that provide sufficiently reliable and timely information for determining compliance. Nothing in this subsection shall be construed to affect any continu-
ous emissions monitoring requirement of sub-
chapter IV–A, or where required elsewhere in
this chapter.
(c) Inspection, entry, monitoring, certification,
and reporting
Each permit issued under this subchapter shall set forth inspection, entry, monitoring, compliance certification, and reporting requirements to assure compliance with the permit terms and conditions. Such monitoring and reporting requirements shall conform to any applicable regulation under subsection (b). Any report required to be submitted by a permit issued to a corporation under this subchapter shall be signed by a responsible corporate official, who shall certify its accuracy.
(d) General permits
The permitting authority may, after notice and opportunity for public hearing, issue a general permit covering numerous similar sources. Any general permit shall comply with all requirements applicable to permits under this subchapter. No source covered by a general permit shall thereby be relieved from the obligation to file an application under section 7661b of this title.
(e) Temporary sources
The permitting authority may issue a single permit authorizing emissions from similar operations at multiple temporary locations. No such permit shall be issued unless it includes conditions that will assure compliance with all the requirements of this chapter at all authorized locations, including, but not limited to, ambient standards and compliance with any applicable increment or visibility requirements under part C of subchapter I. Any such permit shall in addition require the owner or operator to notify the permitting authority in advance of each change in location. The permitting authority may require a separate permit fee for operations at each location.
(f) Permit shield
Compliance with a permit issued in accordance with this subchapter shall be deemed compliance with section 7661a of this title. Except as otherwise provided by the Administrator by rule, the permit may also provide that compliance with the permit shall be deemed compliance with other applicable provisions of this chapter that relate to the permittee if—
(1) the permit includes the applicable requirements of such provisions, or
(2) the permitting authority in acting on the permit application makes a determination relating to the permittee that such other provisions (which shall be referred to in such determination) are not applicable and the permit includes the determination or a concise summary thereof.
Nothing in the preceding sentence shall alter or affect the provisions of section 7603 of this title, including the authority of the Administrator under that section.
§7661d. Notification to Administrator and contiguous States
(a) Transmission and notice
(1) Each permitting authority—
(A) shall transmit to the Administrator a copy of each permit application (and any application for a permit modification or renewal) or such portion thereof, including any compliance plan, as the Administrator may require to effectively review the application and otherwise to carry out the Administrator’s responsibilities under this chapter, and
(B) shall provide to the Administrator a copy of each permit proposed to be issued and issued as a final permit.
(2) The permitting authority shall notify all States—
(A) whose air quality may be affected and that are contiguous to the State in which the emission originates, or
(B) that are within 50 miles of the source, of each permit application or proposed permit forwarded to the Administrator under this section, and shall provide an opportunity for such States to submit written recommendations respecting the issuance of the permit and its terms and conditions. If any part of those recommendations are not accepted by the permitting authority, such authority shall notify the State submitting the recommendations and the Administrator in writing of its failure to accept those recommendations and the reasons therefor.
(b) Objection by EPA
(1) If any permit contains provisions that are determined by the Administrator as not in compliance with the applicable requirements of this chapter, including the requirements of an applicable implementation plan, the Administrator shall, in accordance with this subsection, object to its issuance. The permitting authority shall respond in writing if the Administrator (A) within 45 days after receiving a copy of the proposed permit under subsection (a)(1), or (B) within 45 days after receiving notice under subsection (a)(2), object in writing to its issuance as not in compliance with such requirements. With the objection, the Administrator shall provide a statement of the reasons for the objection. A copy of the objection and statement shall be provided to the applicant.
(2) If the Administrator does not object in writing to the issuance of a permit pursuant to paragraph (1), any person may petition the Administrator within 60 days after the expiration of the 45-day review period specified in paragraph (1) to take such action. A copy of such petition shall be provided to the permitting authority and the applicant by the petitioner. The petition shall be based only on objections to the permit that were raised with reasonable specificity during the public comment period provided by the permitting agency (unless the petitioner demonstrates in the petition to the Administrator that it was impracticable to raise such objections within such period or unless the grounds for such objection arose after such period). The petition shall identify all such objections. If the permit has been issued by the per-
mitting agency, such petition shall not postpone the effectiveness of the permit. The Administrator shall grant or deny such petition within 60 days after the petition is filed. The Administrator shall issue an objection within such period. If the petitioner demonstrates to the Administrator that the permit is not in compliance with the requirements of this chapter, including the requirements of the applicable implementation plan. Any denial of such petition shall be subject to judicial review under section 7607 of this title. The Administrator shall include in regulations under this subchapter provisions to implement this paragraph. The Administrator may not delegate the requirements of this paragraph.

(3) Upon receipt of an objection by the Administrator under this subsection, the permitting authority may not issue the permit unless it is revised and issued in accordance with subsection (c). If the permitting authority has issued a permit prior to receipt of an objection by the Administrator under paragraph (2) of this subsection, the Administrator shall modify, terminate, or revoke such permit and the permitting authority may thereafter only issue a revised permit in accordance with subsection (c).

(c) Issuance or denial

If the permitting authority fails, within 90 days after the date of an objection under subsection (b), to submit a permit revised to meet the objection, the Administrator shall issue or deny the permit in accordance with the requirements of this subchapter. No objection shall be subject to judicial review until the Administrator takes final action to issue or deny a permit under this subsection.

(d) Waiver of notification requirements

(1) The Administrator may waive the requirements of subsections (a) and (b) at the time of approval of a permit program under this subchapter for any category (including any class, type, or size within such category) of sources covered by the program other than major sources.

(2) The Administrator may, by regulation, establish categories of sources (including any class, type, or size within such category) to which the requirements of subsections (a) and (b) shall not apply. The preceding sentence shall not apply to major sources.

(3) The Administrator may exclude from any waiver under this subsection notification under subsection (a)(2). Any waiver granted under this subsection may be revoked or modified by the Administrator by rule.

(e) Refusal of permitting authority to terminate, modify, or revoke and reissue

If the Administrator finds that cause exists to terminate, modify, or revoke and reissue a permit under this subchapter, the Administrator shall notify the permitting authority and the source of the Administrator’s finding. The permitting authority shall, within 90 days after receipt of such notification, forward to the Administrator under this section a proposed determination of termination, modification, or revocation and reissuance, as appropriate. The Administrator may extend such 90 day period for an additional 90 days if the Administrator finds that a new or revised permit application is necessary, or that the permitting authority must require the permittee to submit additional information. The Administrator may review such proposed determination under the provisions of subsections (a) and (b). If the permitting authority fails to submit the required proposed determination, or if the Administrator objects and the permitting authority fails to resolve the objection within 90 days, the Administrator may, after notice and in accordance with fair and reasonable procedures, terminate, modify, or revoke and reissue the permit.


§ 7661e. Other authorities

(a) In general

Nothing in this subchapter shall prevent a State, or interstate permitting authority, from establishing additional permitting requirements not inconsistent with this chapter.

(b) Permits implementing acid rain provisions

The provisions of this subchapter, including provisions regarding schedules for submission and approval or disapproval of permit applications, shall apply to permits implementing the requirements of subchapter IV–A except as modified by that subchapter.


§ 7661f. Small business stationary source technical and environmental compliance assistance program

(a) Plan revisions

Consistent with sections 7410 and 7412 of this title, each State shall, after reasonable notice and public hearings, adopt and submit to the Administrator as part of the State implementation plan for such State or as a revision to such State implementation plan under section 7410 of this title, plans for establishing a small business stationary source technical and environmental compliance assistance program. Such submission shall be made within 24 months after November 15, 1990. The Administrator shall approve such program if it includes each of the following:

(1) Adequate mechanisms for developing, collecting, and coordinating information concerning compliance methods and technologies for small business stationary sources, and programs to encourage lawful cooperation among such sources and other persons to further compliance with this chapter.

(2) Adequate mechanisms for assisting small business stationary sources with pollution prevention and accidental release detection and prevention, including providing information concerning alternative technologies, process changes, products, and methods of operation that help reduce air pollution.

(3) A designated State office within the relevant State agency to serve as ombudsman for
§ 7661f

shall—
stationary source technical and environmental compliance assistance program. Such program shall—
months after November 15, 1990, a small business stationary source which does not meet the criteria of paragraphs (C), (D), or (E) of paragraph (1) but which does not emit more than 100 tons per year of all regulated pollutants.

(2) Upon petition by a source, the State may, after notice and opportunity for public comment, include as a small business stationary source for purposes of this section any stationary source which does not meet the criteria of subparagraphs (C), (D), or (E) of paragraph (1) but which does not emit more than 100 tons per year of all regulated pollutants.

(3)(A) The Administrator, in consultation with the Administrator of the Small Business Administration and after providing notice and opportunity for public hearing, may exclude from the small business stationary source definition under this section any category or subcategory of sources that the Administrator determines to have sufficient technical and financial capabilities to meet the requirements of this chapter without the application of this subsection.

(b) Program
The Administrator shall establish within 9 months after November 15, 1990, a small business stationary source technical and environmental compliance assistance program. Such program shall—

(1) render advisory opinions on the overall effectiveness of the Small Business Stationary Source Technical and Environmental Compliance Assistance Program, difficulties encountered, and degree and severity of enforcement;

(2) make periodic reports to the Congress on the implementation of the Small Business Stationary Source Technical and Environmental Compliance Assistance Program with the requirements of the Paperwork Reduction Act, the Regulatory Flexibility Act [5 U.S.C. 601 et seq.], and the Equal Access to Justice Act;

(c) Eligibility
Except as provided in paragraphs (2) and (3), for purposes of this section, the term "small business stationary source" means a stationary source that—

(A) is owned or operated by a person that employs 100 or fewer individuals, (B) is a small business concern as defined in the Small Business Act [15 U.S.C. 631 et seq.]; (C) is not a major stationary source; (D) does not emit 50 tons or more per year of any regulated pollutant; and (E) emits less than 75 tons per year of all regulated pollutants.

1 So in original. The comma probably should be a semicolon.

2See References in Text note below.

3 See References in Text note below.
(e) Compliance Advisory Panel

(1) There shall be created a Compliance Advisory Panel (hereinafter referred to as the “Panel”) on the State level of not less than 7 individuals. This Panel shall—

(A) render advisory opinions concerning the effectiveness of the small business stationary source technical and environmental compliance assistance program, difficulties encountered, and degree and severity of enforcement;

(B) make periodic reports to the Administrator concerning the compliance of the State Small Business Stationary Source Technical and Environmental Compliance Assistance Program with the requirements of the Paperwork Reduction Act, the Regulatory Flexibility Act, and the Equal Access to Justice Act;

(C) review information for small business stationary sources to assure such information is understandable by the layperson; and

(D) have the Small Business Stationary Source Technical and Environmental Compliance Assistance Program serve as the secretariat for the development and dissemination of such reports and advisory opinions.

(2) The Panel shall consist of—

(A) 2 members, who are not owners, or representatives of owners, of small business stationary sources, selected by the Governor to represent the general public;

(B) 2 members selected by the State legislature who are owners, or who represent owners, of small business stationary sources (1 member each by the majority and minority leadership of the lower house, or in the case of a unicameral State legislature, 2 members each shall be selected by the majority leadership and the minority leadership, respectively, of such legislature, and subparagraph (C) shall not apply);

(C) 2 members selected by the State legislature who are owners, or who represent owners, of small business stationary sources (1 member each by the majority and minority leadership of the upper house, or the equivalent State entity); and

(D) 1 member selected by the head of the department or agency of the State responsible for air pollution permit programs to represent that agency.

(f) Fees

The State (or the Administrator) may reduce any fee required under this chapter to take into account the financial resources of small business stationary sources.

(g) Continuous emission monitors

In developing regulations and CTGs under this chapter that contain continuous emission monitoring requirements, the Administrator, consistent with the requirements of this chapter, before applying such requirements to small business stationary sources, shall consider the necessity and appropriateness of such requirements for such sources. Nothing in this sub-section shall affect the applicability of subsection IV–A provisions relating to continuous emissions monitoring.

(h) Control technique guidelines

The Administrator shall consider, consistent with the requirements of this chapter, the size, type, and technical capabilities of small business stationary sources (and sources which are eligible under subsection (c)(2) to be treated as small business stationary sources) in developing CTGs applicable to such sources under this chapter.

(2) Baseline year

The term “baseline year” means—

(A) the calendar year 1986, in the case of any class I substance listed in Group I or II under section 7671a(a) of this title;

(B) the calendar year 1989, in the case of any class I substance listed in Group III, IV, or V under section 7671a(a) of this title, and

(C) a representative calendar year selected by the Administrator, in the case of—

(i) any substance added to the list of class I substances after the publication of the initial list under section 7671a(a) of this title, and

(ii) any class II substance.
§ 7671a  TITLE 42—THE PUBLIC HEALTH AND WELFARE  Page 6840

(3) Class I substance

The term “class I substance” means each of the substances listed as provided in section 7671a(a) of this title.

(4) Class II substance

The term “class II substance” means each of the substances listed as provided in section 7671a(b) of this title.

(5) Commissioner

The term “Commissioner” means the Commissioner of the Food and Drug Administration.

(6) Consumption

The term “consumption” means, with respect to any substance, the amount of that substance produced in the United States, plus the amount imported, minus the amount exported to Parties to the Montreal Protocol.

(7) Import

The term “import” means to land on, bring into, or introduce into, any place subject to the jurisdiction of the United States, whether or not such landing, bringing, or introduction constitutes an importation within the meaning of the customs laws of the United States.

(8) Medical device

The term “medical device” means any device (as defined in the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 321)), diagnostic product, drug (as defined in the Federal Food, Drug, and Cosmetic Act), and drug delivery system—

(A) if such device, product, drug, or drug delivery system utilizes a class I or class II substance for which no safe and effective alternative has been developed, and where necessary, approved by the Commissioner; and

(B) if such device, product, drug, or drug delivery system, has, after notice and opportunity for public comment, been approved and determined to be essential by the Commissioner in consultation with the Administrator.

(9) Montreal Protocol

The terms “Montreal Protocol” and “the Protocol” mean the Montreal Protocol on Substances That Deplete the Ozone Layer, a protocol to the Vienna Convention for the Protection of the Ozone Layer, including adjustments adopted by Parties thereto and amendments that have entered into force.

(10) Ozone-depletion potential

The term “ozone-depletion potential” means a factor established by the Administrator to reflect the ozone-depletion potential of a substance, on a mass per kilogram basis, as compared to chlorofluorocarbon-11 (CFC–11). Such factor shall be based upon the substance’s atmospheric lifetime, the molecular weight of bromine and chlorine, and the substance’s ability to be photolytically disassociated, and upon other factors determined to be an accurate measure of relative ozone-depletion potential.

(11) Produce, produced, and production

The terms “produce”, “produced”, and “production”, refer to the manufacture of a substance from any raw material or feedstock chemical, but such terms do not include—

(A) the manufacture of a substance that is used and entirely consumed (except for trace quantities) in the manufacture of other chemicals, or

(B) the reuse or recycling of a substance.

(§ 301 et seq.) of Title 21, Food and Drugs. For complete classification of this Act to the Code, see section 301 of Title 21 and Tables.

§ 7671a. Listing of class I and class II substances

(a) List of class I substances

Within 60 days after November 15, 1990, the Administrator shall publish an initial list of class I substances, which list shall contain the following substances:

Group I
chlorofluorocarbon-11 (CFC–11)
chlorofluorocarbon-12 (CFC–12)
chlorofluorocarbon-113 (CFC–113)
chlorofluorocarbon-114 (CFC–114)
chlorofluorocarbon-115 (CFC–115)

Group II
halon-1211
halon-1301
halon-2402
chloro-12

Group III
chlorofluorocarbon-13 (CFC–13)
chlorofluorocarbon-111 (CFC–111)
chlorofluorocarbon-112 (CFC–112)
chlorofluorocarbon-211 (CFC–211)
chlorofluorocarbon-212 (CFC–212)
chlorofluorocarbon-213 (CFC–213)
chlorofluorocarbon-214 (CFC–214)
chlorofluorocarbon-215 (CFC–215)
chlorofluorocarbon-216 (CFC–216)
chlorofluorocarbon-217 (CFC–217)

Group IV
carbon tetrachloride

Group V
methyl chloroform

The initial list under this subsection shall also include the isomers of the substances listed above, other than 1,1,2-trichloroethane (an isomer of methyl chloroform). Pursuant to subsection (c), the Administrator shall add to the list of class I substances any other substance that the Administrator finds causes or contributes significantly to harmful effects on the stratospheric ozone layer. The Administrator shall, pursuant to subsection (c), add to such list all substances that the Administrator determines have an ozone depletion potential of 0.2 or greater.

References in Text

The Federal Food, Drug, and Cosmetic Act, referred to in par. (8), is act June 25, 1938, ch. 675, 52 Stat. 1040, amended, which is classified generally to chapter 9 (§301 et seq.) of Title 21, Food and Drugs. For complete classification of this Act to the Code, see section 301 of Title 21 and Tables.

The term “produce”, “produced”, and “production”, refer to the manufacture of a substance from any raw material or feedstock chemical, but such terms do not include—

(A) the manufacture of a substance that is used and entirely consumed (except for trace quantities) in the manufacture of other chemicals, or

(B) the reuse or recycling of a substance.

(July 14, 1955, ch. 360, title VI, § 601, as added Pub. L. 101–549, title VI, § 602(a), Nov. 15, 1990, 104 Stat. 2649.)
(b) List of class II substances

Simultaneously with publication of the initial list of class I substances, the Administrator shall publish an initial list of class II substances, which shall contain the following substances:

- hydrochlorofluorocarbon-21 (HCFC-21)
- hydrochlorofluorocarbon-22 (HCFC-22)
- hydrochlorofluorocarbon-31 (HCFC-31)
- hydrochlorofluorocarbon-121 (HCFC-121)
- hydrochlorofluorocarbon-122 (HCFC-122)
- hydrochlorofluorocarbon-123 (HCFC-123)
- hydrochlorofluorocarbon-124 (HCFC-124)
- hydrochlorofluorocarbon-131 (HCFC-131)
- hydrochlorofluorocarbon-132 (HCFC-132)
- hydrochlorofluorocarbon-133 (HCFC-133)
- hydrochlorofluorocarbon-141 (HCFC-141)
- hydrochlorofluorocarbon-142 (HCFC-142)
- hydrochlorofluorocarbon-211 (HCFC-211)
- hydrochlorofluorocarbon-221 (HCFC-221)
- hydrochlorofluorocarbon-222 (HCFC-222)
- hydrochlorofluorocarbon-223 (HCFC-223)
- hydrochlorofluorocarbon-224 (HCFC-224)
- hydrochlorofluorocarbon-225 (HCFC-225)
- hydrochlorofluorocarbon-231 (HCFC-231)
- hydrochlorofluorocarbon-232 (HCFC-232)
- hydrochlorofluorocarbon-233 (HCFC-233)
- hydrochlorofluorocarbon-234 (HCFC-234)
- hydrochlorofluorocarbon-235 (HCFC-235)
- hydrochlorofluorocarbon-241 (HCFC-241)
- hydrochlorofluorocarbon-242 (HCFC-242)
- hydrochlorofluorocarbon-243 (HCFC-243)
- hydrochlorofluorocarbon-244 (HCFC-244)
- hydrochlorofluorocarbon-251 (HCFC-251)
- hydrochlorofluorocarbon-252 (HCFC-252)
- hydrochlorofluorocarbon-253 (HCFC-253)
- hydrochlorofluorocarbon-261 (HCFC-261)
- hydrochlorofluorocarbon-262 (HCFC-262)
- hydrochlorofluorocarbon-271 (HCFC-271)

The initial list under this subsection shall also include the isomers of the substances listed above. Pursuant to subsection (c), the Administrator shall add to the list of class II substances any other substance that the Administrator finds is known or may reasonably be anticipated to cause or contribute to harmful effects on the stratospheric ozone layer.

(c) Additions to the lists

(1) The Administrator may add, by rule, in accordance with the criteria set forth in subsection (a) or (b), as the case may be, any substance to the list of class I or class II substances under subsection (a) or (b). For purposes of exchanges under section 7661f of this title, whenever a substance is added to the list of class I substances, the Administrator shall, to the extent consistent with the Montreal Protocol, assign such substance to existing Group I or II, III, IV, or V, or place such substance in a new Group.

(2) Periodically, but not less frequently than every 3 years after November 15, 1990, the Administrator shall list, by rule, as additional class I or class II substances those substances which the Administrator finds meet the criteria of subsection (a) or (b), as the case may be.

(3) At any time, any person may petition the Administrator to add a substance to the list of class I or class II substances. Pursuant to the criteria set forth in subsection (a) or (b) as the case may be, within 180 days after receiving such a petition, the Administrator shall either

propose to add the substance to such list or publish an explanation of the petition denial. In any case where the Administrator proposes to add a substance to such list, the Administrator shall add, by rule, (or make a final determination not to add) such substance to such list within 1 year after receiving such petition. Any petition under this paragraph shall include a showing by the petitioner that there are data on the substance adequate to support the petition. If the Administrator determines that information on the substance is not sufficient to make a determination under this paragraph, the Administrator shall use any authority available to the Administrator, under any law administered by the Administrator, to acquire such information.

(4) Only a class II substance which is added to the list of class I substances may be removed from the list of class II substances. No substance referred to in subsection (a), including methyl chloroform, may be removed from the list of class I substances.

(d) New listed substances

In the case of any substance added to the list of class I or class II substances after publication of the initial list of such substances under this section, the Administrator may extend any schedule or compliance deadline contained in section 7671c or 7671d of this title to a later date than specified in such sections if such schedule or deadline is unattainable, considering when such substance is added to the list. No extension under this subsection may extend the date for termination of production of any class I substance to a date more than 7 years after January 1 of the year after the year in which the substance is added to the list of class I substances.

(e) Ozone-depletion and global warming potential

Simultaneously with publication of the lists under this section and simultaneously with any addition to either of such lists, the Administrator shall assign to each listed substance a numerical value representing the substance’s ozone-depletion potential. In addition, the Administrator shall publish the chlorine and bromine loading potential and the atmospheric lifetime of each listed substance. One year after November 15, 1990 (one year after the addition of a substance to either of such lists in the case of a substance added after the publication of the initial lists of such substances), and after notice and opportunity for public comment, the Administrator shall publish the global warming potential of each listed substance. The preceding sentence shall not be construed to be the basis of any additional regulation under this chapter. In the case of the substances referred to in table 1, the ozone-depletion potential shall be as specified in table 1, unless the Administrator adjusts the substance's ozone-depletion potential based on criteria referred to in section 7671(10) of this title.
Administrator shall amend the regulations of II substances. Such amendments shall conform to the requirements of this section. The amendments shall be consistent with the requirements of this section as required under this section.

(a) Regulations

Within 270 days after November 15, 1990, the Administrator shall amend the regulations of the Administrator in effect on such date regarding monitoring and reporting of class I and class II substances. Such amendments shall conform to the requirements of this section. The amended regulations shall include requirements with respect to the time and manner of monitoring and reporting as required under this section.

(b) Production, import, and export level reports

On a quarterly basis, or such other basis (not less than annually) as determined by the Administrator, each person who produced, imported, or exported a class I or class II substance shall file a report with the Administrator setting forth the amount of such substance that such person produced, imported, and exported during the preceding reporting period. Each such report shall be signed and attested by a responsible officer. No such report shall be required from a person after April 1 of the calendar year after such person permanently ceases production, importation, and exportation of the substance and so notifies the Administrator in writing.

(c) Baseline reports for class I substances

Unless such information has previously been reported to the Administrator, on the date on which the first report under subsection (b) is required to be filed, each person who produced, imported, or exported a class I substance (other than a substance added to the list of class I substances after the publication of the initial list of such substances under this section) shall file a report with the Administrator setting forth the amount of such substance that such person produced, imported, and exported during the baseline year. In the case of a substance added to the list of class I substances after publication of the initial list of such substances under this section, the regulations shall require that each person who produced, imported, or exported such substance shall file a report with the Administrator within 180 days after the date on which such substance is added to the list, setting forth the amount of the substance that such person produced, imported, and exported in the baseline year.

(d) Monitoring and reports to Congress

(1) The Administrator shall monitor and, not less often than every 3 years following November 15, 1990, submit a report to Congress on the production, use and consumption of class I and class II substances. Such report shall include data on domestic production, use and consumption, and an estimate of worldwide production, use and consumption of such substances. Not less frequently than every 6 years the Administrator shall report to Congress on the environmental and economic effects of any stratospheric ozone depletion.

(2) The Administrators of the National Aeronautics and Space Administration and the National Oceanic and Atmospheric Administration shall monitor, and not less often than every 3 years following November 15, 1990, submit a report to Congress on the current average tropospheric concentration of chlorine and bromine and on the level of stratospheric ozone depletion. Such reports shall include updated projections of—

(A) peak chlorine loading;
(B) the rate at which the atmospheric abundance of chlorine is projected to decrease after the year 2000; and
(C) the date by which the atmospheric abundance of chlorine is projected to return to a level of two parts per billion.

Such updated projections shall be made on the basis of current international and domestic controls on substances covered by this subchapter as well as on the basis of such controls supplemented by a year 2000 global phase out of all halocarbon emissions (the base case). It is the purpose of the Congress through the provisions of this section to monitor closely the production and consumption of class II substances to assure that the production and consumption of such substances will not:

(i) increase significantly the peak chlorine loading that is projected to occur under the base case established for purposes of this section;
(ii) reduce significantly the rate at which the atmospheric abundance of chlorine is projected to decrease under the base case; or
(iii) delay the date by which the average atmospheric concentration of chlorine is pro-

---

### Table 1

<table>
<thead>
<tr>
<th>Substance</th>
<th>Ozone-depletion potential</th>
</tr>
</thead>
<tbody>
<tr>
<td>chlorofluorocarbon-11 (CFC-11)</td>
<td>1.0</td>
</tr>
<tr>
<td>chlorofluorocarbon-12 (CFC-12)</td>
<td>1.0</td>
</tr>
<tr>
<td>chlorofluorocarbon-13 (CFC-13)</td>
<td>1.0</td>
</tr>
<tr>
<td>chlorofluorocarbon-111 (CFC-111)</td>
<td>1.0</td>
</tr>
<tr>
<td>chlorofluorocarbon-112 (CFC-112)</td>
<td>1.0</td>
</tr>
<tr>
<td>chlorofluorocarbon-113 (CFC-113)</td>
<td>0.8</td>
</tr>
<tr>
<td>chlorofluorocarbon-114 (CFC-114)</td>
<td>1.0</td>
</tr>
<tr>
<td>chlorofluorocarbon-115 (CFC-115)</td>
<td>0.6</td>
</tr>
<tr>
<td>chlorofluorocarbon-211 (CFC-211)</td>
<td>1.0</td>
</tr>
<tr>
<td>chlorofluorocarbon-212 (CFC-212)</td>
<td>1.0</td>
</tr>
<tr>
<td>chlorofluorocarbon-213 (CFC-213)</td>
<td>1.0</td>
</tr>
<tr>
<td>chlorofluorocarbon-214 (CFC-214)</td>
<td>1.0</td>
</tr>
<tr>
<td>chlorofluorocarbon-215 (CFC-215)</td>
<td>1.0</td>
</tr>
<tr>
<td>chlorofluorocarbon-216 (CFC-216)</td>
<td>1.0</td>
</tr>
<tr>
<td>chlorofluorocarbon-217 (CFC-217)</td>
<td>1.0</td>
</tr>
<tr>
<td>halon-1211</td>
<td>3.0</td>
</tr>
<tr>
<td>halon-1301</td>
<td>10.0</td>
</tr>
<tr>
<td>halon-2402</td>
<td>6.0</td>
</tr>
<tr>
<td>carbon tetrachloride</td>
<td>1.1</td>
</tr>
<tr>
<td>methyl chloroform</td>
<td>0.1</td>
</tr>
<tr>
<td>hydrochlorofluorocarbon-22 (HCFC-22)</td>
<td>0.05</td>
</tr>
<tr>
<td>hydrochlorofluorocarbon-123 (HCFC-123)</td>
<td>0.02</td>
</tr>
<tr>
<td>hydrochlorofluorocarbon-124 (HCFC-124)</td>
<td>0.02</td>
</tr>
<tr>
<td>hydrochlorofluorocarbon-141(b) (HCFC-141(b))</td>
<td>0.1</td>
</tr>
<tr>
<td>hydrochlorofluorocarbon-142(b) (HCFC-142(b))</td>
<td>0.06</td>
</tr>
</tbody>
</table>

Where the ozone-depletion potential of a substance is specified in the Montreal Protocol, the ozone-depletion potential specified for that substance under this section shall be consistent with the Montreal Protocol.

(1955, ch. 360, title VI, § 602, as added Pub. L. 101–549, title VI, § 602(a), Nov. 15, 1990, 104 Stat. 2650.)
jected under the base case to return to a level of two parts per billion.

(e) Technology status report in 2015

The Administrator shall review, on a periodic basis, the progress being made in the development of alternative systems or products necessary to manufacture and operate appliances without class II substances. If the Administrator finds, after notice and opportunity for public comment, that as a result of technological development problems, the development of such alternative systems or products will not occur within the time necessary to provide for the manufacture of such equipment without such substances prior to the applicable deadlines under section 7671d of this title, the Administrator shall, not later than January 1, 2015, so inform the Congress.

(f) Emergency report

If, in consultation with the Administrators of the National Aeronautics and Space Administration and the National Oceanic and Atmospheric Administration, and after notice and opportunity for public comment, the Administrator determines that the global production, consumption, and use of class II substances are projected to contribute to an atmospheric chlorine loading in excess of the base case projections by more than 50% of the parts per billion, the Administrator shall so inform the Congress immediately. The determination referred to in the preceding sentence shall be based on the monitoring under subsection (d) and updated not less often than every 3 years.

(July 14, 1955, ch. 360, title VI, §603, as added Pub. L. 101–549, title VI, §602(a), Nov. 15, 1990, 104 Stat. 2653.)

Termination of reporting requirements

For termination, effective May 15, 2000, of provisions in subsection (d)(1) of this section relating to submittal of triennial report to Congress, see section 3003 of Pub. L. 104–66, as amended, set out as a note under section 1113 of Title 31, Money and Finance, and the 12th item on page 162 of House Document No. 103–7.

Methane studies

Pub. L. 101–549, title VI, §603, Nov. 15, 1990, 104 Stat. 2670, provided that:

"(a) Economically justified actions.—Not later than 2 years after enactment of this Act [Nov. 15, 1990], the Administrator shall prepare and submit to the Congress a report that analyzes the potential for preventing an increase in atmospheric concentrations of methane from activities and sources in other countries. Such report shall identify and evaluate the technical options for reducing methane emissions from each of the activities listed in subsection (b), as well as other activities or sources that are deemed by the Administrator in consultation with other relevant Federal agencies and departments to be significant and shall include an evaluation of costs. The report shall identify the emissions reductions that would need to be achieved to prevent increasing atmospheric concentrations of methane. The report shall also identify technology transfer programs that could promote methane emissions reductions in lesser developed countries.

"(b) Natural sources.—Not later than 2 years after the enactment of this Act [Nov. 15, 1990], the Administrator shall prepare and submit to the Congress a report on—

"(1) methane emissions from biogenic sources such as (A) tropical, temperate, and subarctic forests, (B) tundra, and (C) freshwater and saltwater wetlands; and

"(2) the changes in methane emissions from biogenic sources that may occur as a result of potential increases in temperatures and atmospheric concentrations of carbon dioxide.

"(c) Study of measures to limit growth in methane concentrations.—Not later than 2 years after the completion of the studies in subsections (b), (c), and (d), the Administrator shall prepare and submit to the Congress a report that presents options outlining measures that could be implemented to stop or reduce the growth in atmospheric concentrations of methane from sources within the United States referred to in paragraphs (1) through (6) of subsection (b). This study shall identify and evaluate the technical options for reducing methane emissions from each of the activities listed in subsection (b), as well as other activities or..."
§ 7671c. Phase-out of production and consumption of class I substances

(a) Production phase-out

Effective on January 1 of each year specified in Table 2, it shall be unlawful for any person to produce any class I substance in an annual quantity greater than the relevant percentage specified in Table 2. The percentages in Table 2 refer to a maximum allowable production as a percentage of the quantity of the substance produced by the person concerned in the baseline year.

Table 2

<table>
<thead>
<tr>
<th>Date</th>
<th>Carbon tetrachloride</th>
<th>Methyl chloroform</th>
<th>Other class I substances</th>
</tr>
</thead>
<tbody>
<tr>
<td>1991</td>
<td>100%</td>
<td>100%</td>
<td>85%</td>
</tr>
<tr>
<td>1992</td>
<td>80%</td>
<td>100%</td>
<td>80%</td>
</tr>
<tr>
<td>1993</td>
<td>90%</td>
<td>90%</td>
<td>75%</td>
</tr>
<tr>
<td>1994</td>
<td>70%</td>
<td>85%</td>
<td>65%</td>
</tr>
<tr>
<td>1995</td>
<td>15%</td>
<td>70%</td>
<td>50%</td>
</tr>
<tr>
<td>1996</td>
<td>15%</td>
<td>50%</td>
<td>50%</td>
</tr>
<tr>
<td>1997</td>
<td>15%</td>
<td>50%</td>
<td>50%</td>
</tr>
<tr>
<td>1998</td>
<td>15%</td>
<td>50%</td>
<td>50%</td>
</tr>
<tr>
<td>1999</td>
<td>15%</td>
<td>50%</td>
<td>50%</td>
</tr>
<tr>
<td>2000</td>
<td>15%</td>
<td>50%</td>
<td>50%</td>
</tr>
<tr>
<td>2001</td>
<td>15%</td>
<td>50%</td>
<td>50%</td>
</tr>
</tbody>
</table>

(b) Termination of production of class I substances

Effective January 1, 2000 (January 1, 2002 in the case of methyl chloroform), it shall be unlawful for any person to produce any amount of a class I substance.

(c) Regulations regarding production and consumption of class I substances

The Administrator shall promulgate regulations within 10 months after November 15, 1990, phasing out the production of class I substances in accordance with this section and other applicable provisions of this subchapter. The Administrator shall also promulgate regulations to ensure that the consumption of class I substances in the United States is phased out and terminated in accordance with the same schedule (subject to the same exceptions and other provisions) as is applicable to the phase-out and termination of production of class I substances under this subchapter.

(d) Exceptions for essential uses of methyl chloroform, medical devices, and aviation safety

(1) Essential uses of methyl chloroform

Notwithstanding the termination of production required by subsection (b), during the period beginning on January 1, 2002, and ending on January 1, 2005, the Administrator, after notice and opportunity for public comment, may, to the extent such action is consistent with the Montreal Protocol, authorize the production of limited quantities of methyl chloroform solely for use in essential applications (such as nondestructive testing for metal fatigue and corrosion of existing airplane engines and airplane parts susceptible to metal fatigue) for which no safe and effective substitute is available. Notwithstanding this paragraph, the authority to produce methyl chloroform for use in medical devices shall be provided in accordance with paragraph (2).

(2) Medical devices

Notwithstanding the termination of production required by subsection (b), the Administrator, after notice and opportunity for public comment, shall, to the extent such action is consistent with the Montreal Protocol, authorize the production of limited quantities of class I substances solely for use in medical devices if such authorization is determined by the Administrator, in consultation with the Administrator, to be necessary for use in medical devices.

(3) Aviation safety

(A) Notwithstanding the termination of production required by subsection (b), the Administrator, after notice and opportunity for public comment, may, to the extent such action is consistent with the Montreal Protocol, authorize the production of limited quantities of halon-1211 (bromochlorodifluoromethane), halon-1301 (bromotrifluoromethane), and halon-2402 (dibromotetrafluoroethane) solely for purposes of aviation safety if the Administrator, in consultation with the Administrator, determines that no safe and effective substitute has been developed and that such authorization is necessary for aviation safety purposes.

(B) The Administrator of the Federal Aviation Administration shall, in consultation with the Administrator, examine whether safe and effective substitutes for methyl chloroform or alternative techniques will be available for nondestructive testing for metal fatigue and corrosion of existing airplane engines and airplane parts susceptible to metal fatigue and whether an exception for such uses of methyl chloroform under this paragraph will be necessary for purposes of airline safety after January 1, 2005 and provide a report to Congress in 1998.

(4) Cap on certain exceptions

Under no circumstances may the authority set forth in paragraphs (1), (2), and (3) of subsection (d) be applied to authorize any person...
to produce a class I substance in annual quantities greater than 10 percent of that produced by such person during the baseline year.

(5) Sanitation and food protection

To the extent consistent with the Montreal Protocol’s quarantine and preshipment provisions, the Administrator shall exempt the production, importation, and consumption of methyl bromide to fumigate commodities entering or leaving the United States or any State (or political subdivision thereof) for purposes of compliance with Animal and Plant Health Inspection Service requirements or with any international, Federal, State, or local sanitation or food protection standard.

(6) Critical uses

To the extent consistent with the Montreal Protocol, the Administrator, after notice and the opportunity for public comment, and after consultation with other departments or instrumentalities of the Federal Government having regulatory authority related to methyl bromide, including the Secretary of Agriculture, may exempt the production, importation, and consumption of methyl bromide for critical uses.

(e) Developing countries

(1) Exception

Notwithstanding the phase-out and termination of production required under subsections (a) and (b), the Administrator, after notice and opportunity for public comment, may, consistent with the Montreal Protocol, authorize the production of limited quantities of a class I substance in excess of the amounts otherwise allowable under subsection (a) or (b), or both, solely for export to, and use in, developing countries that are Parties to the Montreal Protocol and are operating under article 5 of such Protocol. Any production authorized under this paragraph shall be solely for purposes of satisfying the basic domestic needs of such countries.

(2) Cap on exception

(A) Under no circumstances may the authority set forth in paragraph (1) be applied to authorize any person to produce a class I substance in any year for which a production percentage is specified in Table 2 of subsection (a) in an annual quantity greater than the specified percentage, plus an amount equal to 10 percent of the amount produced by such person in the baseline year.

(B) Under no circumstances may the authority set forth in paragraph (1) be applied to authorize any person to produce a class I substance in the applicable termination year referred to in subsection (b), or in any year thereafter, in an annual quantity greater than 15 percent of the baseline quantity of such substance produced by such person.

(C) An exception authorized under this subsection shall terminate no later than January 1, 2010 (2012 in the case of methyl chloroform).

(3) Methyl bromide

Notwithstanding the phaseout and termination of production of methyl bromide pursuant to subsection (h), the Administrator may, consistent with the Montreal Protocol, authorize the production of limited quantities of methyl bromide, solely for use in developing countries that are Parties to the Copenhagen Amendments to the Montreal Protocol.

(f) National security

The President may, to the extent such action is consistent with the Montreal Protocol, issue such orders regarding production and use of CFC–114 (chlorofluorocarbon–114), halon–1211, halon–1301, and halon–2402, at any specified site or facility or on any vessel as may be necessary to protect the national security interests of the United States if the President finds that adequate substitutes are not available and that the production and use of such substance are necessary to protect such national security interest. Such orders may include, where necessary to protect such interests, an exemption from any prohibition or requirement contained in this subchapter. The President shall notify the Congress within 30 days of the issuance of an order under this paragraph providing for any such exemption. Such notification shall include a statement of the reasons for the granting of the exemption. An exemption under this paragraph shall be for a specified period which may not exceed one year. Additional exemptions may be granted, each upon the President’s issuance of a new order under this paragraph. Each such additional exemption shall be for a specified period which may not exceed one year. No exemption shall be granted under this paragraph due to lack of appropriation unless the President shall have specifically requested such appropriation as a part of the budgetary process and the Congress shall have failed to make available such requested appropriation.

(g) Fire suppression and explosion prevention

(1) Notwithstanding the production phase-out set forth in subsection (a), the Administrator, after notice and opportunity for public comment, may, to the extent such action is consistent with the Montreal Protocol, authorize the production of limited quantities of halon–1211, halon–1301, and halon–2402, in excess of amounts otherwise permitted pursuant to the schedule under subsection (a) solely for purposes of fire suppression or explosion prevention if the Administrator, in consultation with the Administrator of the United States Fire Administration, determines that no safe and effective substitute has been developed and that such authorization is necessary for fire suppression or explosion prevention purposes. The Administrator shall not authorize production under this paragraph for purposes of fire safety or explosion prevention training or testing of fire suppression or explosion prevention equipment. In no event shall the Administrator grant an exception under this paragraph that permits production after December 31, 1999.

(2) The Administrator shall periodically monitor and assess the status of efforts to obtain substitutes for the substances referred to in paragraph (1) for purposes of fire suppression or explosion prevention and the probability of such substitutes being available by December 31, 1999. The Administrator, as part of such assessment,
shall consider any relevant assessments under the Montreal Protocol and the actions of the Parties pursuant to Article 2B of the Montreal Protocol in identifying essential uses and in permitting a level of production or consumption that is necessary to satisfy such uses for which no adequate alternatives are available after December 31, 1999. The Administrator shall report to Congress the results of such assessment in 1994 and again in 1998.

(3) Notwithstanding the termination of production set forth in subsection (b), the Administrator, after notice and opportunity for public comment, may, to the extent consistent with the Montreal Protocol, authorize the production of limited quantities of halon-1211, halon-1301, and halon-2402 in the period after December 31, 1999, and before December 31, 2004, solely for purposes of fire suppression or explosion prevention in association with domestic production of crude oil and natural gas energy supplies on the North Slope of Alaska, if the Administrator, in consultation with the Administrator of the United States Fire Administration, determines that no safe and effective substitute has been developed and that such authorization is necessary for fire suppression and explosion prevention purposes. The Administrator shall not authorize production under the paragraph for purposes of fire safety or explosion prevention training or testing of fire suppression or explosion prevention equipment. In no event shall the Administrator authorize under this paragraph any person to produce any such halon in an amount greater than 3 percent of that produced by such person during the baseline year.

(h) Methyl bromide

Notwithstanding subsections (b) and (d), the Administrator shall not terminate production of methyl bromide prior to January 1, 2005. The Administrator shall promulgate rules for reductions in, and terminate the production, importation, and consumption of, methyl bromide under a schedule that is in accordance with, but not more stringent than, the phaseout schedule of the Montreal Protocol Treaty as in effect on October 21, 1998.


AMENDMENTS


§7671d. Phase-out of production and consumption of class II substances

(a) Restriction of use of class II substances

Effective January 1, 2015, it shall be unlawful for any person to introduce into interstate commerce or use any class II substance unless such substance—

(1) has been used, recovered, and recycled;

(2) is used and entirely consumed (except for trace quantities) in the production of other chemicals;

(3) is used as a refrigerant in appliances manufactured prior to January 1, 2020; or

(4) is listed as acceptable for use as a fire suppression agent for nonresidential applications in accordance with section 7671k(c) of this title.

As used in this subsection, the term "refrigerant" means any class II substance used for heat transfer in a refrigerating system.

(b) Production phase-out

(1) Effective January 1, 2015, it shall be unlawful for any person to produce any class II substance in an annual quantity greater than the quantity of such substance produced by such person during the baseline year.

(2) Effective January 1, 2030, it shall be unlawful for any person to produce any class II substance.

(c) Regulations regarding production and consumption of class II substances

By December 31, 1999, the Administrator shall promulgate regulations phasing out the production, and restricting the use, of class II substances in accordance with this section, subject to any acceleration of the phase-out of production under section 7671e of this title. The Administrator shall also promulgate regulations to ensure that the consumption of class II substances in the United States is phased out and terminated in accordance with the same schedule (subject to the same exceptions and other provisions) as is applicable to the phase-out and termination of production of class II substances under this subchapter.

(d) Exceptions

(1) Medical devices

(A) In general

Notwithstanding the termination of production required under subsection (b)(2) and the restriction on use referred to in subsection (a), the Administrator, after notice and opportunity for public comment, shall, to the extent such action is consistent with the Montreal Protocol, authorize the production and use of limited quantities of class II substances solely for purposes of use in medical devices if such authorization is determined by the Commissioner, in consultation with the Administrator, to be necessary for use in medical devices.

(B) Cap on exception

Under no circumstances may the authority set forth in subparagraph (A) be applied to any person to produce a class II substance in annual quantities greater than 10 percent of that produced by such person during the baseline year.

(2) Developing countries

(A) In general

Notwithstanding the provisions of subsection (a) or (b), the Administrator, after notice and opportunity for public comment, may authorize the production of limited quantities of a class II substance in excess of the quantities otherwise permitted under such provisions solely for export to and use
in developing countries that are Parties to the Montreal Protocol, as determined by the Administrator. Any production authorized under this subsection shall be solely for purposes of satisfying the basic domestic needs of such countries.

(B) Cap on exception

(i) Under no circumstances may the authority set forth in subparagraph (A) be applied to authorize any person to produce a class II substance in any year following the effective date of subsection (b)(1) and before the year 2030 in annual quantities greater than 110 percent of the quantity of such substance produced by such person during the baseline year.

(ii) Under no circumstances may the authority set forth in subparagraph (A) be applied to authorize any person to produce a class II substance in the year 2030, or any year thereafter, in an annual quantity greater than 15 percent of the quantity of such substance produced by such person during the baseline year.

(iii) Each exception authorized under this paragraph shall terminate no later than January 1, 2040.

(7) Petition

Any person may petition the Administrator to promulgate regulations under this section. The Administrator shall grant or deny the petition within 180 days after receipt of any such petition. If the Administrator denies the petition, the Administrator shall publish an explanation under such petition. If the Administrator grants such petition, such final regulations shall be promulgated within 1 year. Any petition under this subsection shall include a showing by the person who asserts that there are data adequate to support the petition. If the Administrator determines that information is not sufficient to make a determination under this subsection, the Administrator shall use any authority available to the Administrator, under any law administered by the Administrator, to acquire such information.

(7) § 7671f. Exchange authority

(a) Transfers

The Administrator shall, within 10 months after November 15, 1990, promulgate rules under this subchapter providing for the issuance of allowances for the production of class I and II substances in accordance with the requirements of this subchapter and governing the transfer of such allowances. Such rules shall ensure that the transactions under the authority of this section will result in greater total reductions in the production in each year of class I and class II substances than would occur in that year in the absence of such transactions.

(b) Interpollutant transfers

(1) The rules under this section shall permit a production allowance for a substance for any year to be transferred for a production allowance for another substance for the same year on an ozone depletion weighted basis.

(2) Allowances for substances in each group of class I substances (as listed pursuant to section 7671a of this title) may only be transferred for allowances for other substances in the same Group.

(3) The Administrator shall, as appropriate, establish groups of class II substances for trading purposes and assign class II substances to such groups. In the case of class II substances, allowances may only be transferred for allowances for other class II substances that are in the same Group.

(c) Trades with other persons

The rules under this section shall permit 2 or more persons to transfer production allowances (including interpollutant transfers which meet the requirements of subsections (a) and (b)) if the transferor of such allowances will be subject, under such rules, to an enforceable and quantifiable reduction in annual production which—

(1) exceeds the reduction otherwise applicable to the transferor under this subchapter,

(2) exceeds the production allowances transferred to the transferee, and
§ 7671g National recycling and emission reduction program

(a) In general

(1) The Administrator shall, by not later than January 1, 1992, promulgate regulations establishing standards and requirements regarding use and disposition of class I and II substances during service, repair, or disposal of appliances and industrial process refrigeration. Such standards and requirements shall become effective not later than July 1, 1992.

(2) The Administrator shall, within 4 years after November 15, 1990, promulgate regulations establishing standards and requirements regarding use and disposal of class I and II substances not covered by paragraph (1), including the use and disposal of class II substances during service, repair, or disposal of appliances and industrial process refrigeration. Such standards and requirements shall become effective not later than 12 months after promulgation of the regulations.

(3) The regulations under this subsection shall include requirements that—

(A) reduce the use and emission of such substances to the lowest achievable level, and

(B) maximize the recapture and recycling of such substances.

Such regulations may include requirements to use alternative substances (including substances which are not class I or class II substances) or to minimize use of class I or class II substances, or to promote the use of safe alternatives pursuant to section 7671k of this title or any combination of the foregoing.

(b) Safe disposal

The regulations under subsection (a) shall establish standards and requirements for the safe disposal of class I and II substances. Such regulations shall include each of the following—

(1) Requirements that class I or class II substances contained in bulk in appliances, machines or other goods shall be removed from each such appliance, machine or other good prior to the disposal of such items or their delivery for recycling.

(2) Requirements that any appliance, machine or other good containing a class I or class II substance in bulk shall not be manufactured, sold, or distributed in interstate commerce or offered for sale or distribution in interstate commerce unless it is equipped with a servicing aperture or an equally effective design feature which will facilitate the recapture of such substance during service and repair or disposal of such item.

(3) Requirements that any product in which a class I or class II substance is incorporated so as to constitute an inherent element of such product shall be disposed of in a manner that reduces, to the maximum extent practicable, the release of such substance into the environment. If the Administrator determines that the application of this paragraph to any product would result in producing only insignificant environmental benefits, the Administrator shall include in such regulations an exception for such product.

(c) Prohibitions

(1) Effective July 1, 1992, it shall be unlawful for any person, in the course of maintaining, servicing, repairing, or disposing of an appliance or industrial process refrigeration, to knowingly vent or otherwise knowingly release or dispose of any class I or class II substance used as a refrigerant in such appliance (or industrial process refrigeration) in a manner which permits such substance to enter the environment. De minimis releases associated with good faith attempts to recapture and recycle or safely dispose of any such substance shall not be subject to the prohibition set forth in the preceding sentence.

(2) Effective 5 years after November 15, 1990, paragraph (1) shall also apply to the venting, releasing, or disposal of any substitute substance for a class I or class II substance by any person maintaining, servicing, repairing, or disposing of an appliance or industrial process refrigeration which contains and uses as a refrigerant any such substance, unless the Administrator determines that venting, releasing, or disposing of such substance does not pose a threat to the environment. For purposes of this paragraph, the term “appliance” includes any device which contains and uses as a refrigerant a substitute substance and which is used for household or commercial purposes, including any air conditioner, refrigerator, chiller, or freezer.

(3) Effective 5 years after November 15, 1990, the term “refrigerant” shall also include any substitute substance.

(July 14, 1955, ch. 360, title VI, § 608, as added Pub. L. 101–549, title VI, § 602(a), Nov. 15, 1990, 104 Stat. 2661.)

§ 7671h Servicing of motor vehicle air conditioners

(a) Regulations

Within 1 year after November 15, 1990, the Administrator shall promulgate regulations in accordance with this section establishing standards and requirements regarding the servicing of motor vehicle air conditioners.

(b) Definitions

As used in this section—

(1) The term “refrigerant” means any class I or class II substance used in a motor vehicle air conditioner. Effective 5 years after November 15, 1990, the term “refrigerant” shall also include any substitute substance.

(2)(A) The term “approved refrigerant recycling equipment” means equipment certified by the Administrator (or an independent standards testing organization approved by the Administrator) to meet the standards established by the Administrator and applicable...
to equipment for the extraction and reclamation of refrigerant from motor vehicle air conditioners. Such standards shall, at a minimum, be at least as stringent as the standards of the Society of Automotive Engineers in effect as of November 15, 1990, and applicable to such equipment (SAE standard J–1990).

(B) Equipment purchased before the proposal of regulations under this section shall be considered certified if it is substantially identical to equipment certified as provided in subparagraph (A).

(3) The term “properly using” means, with respect to approved refrigerant recycling equipment, using such equipment in conformity with standards established by the Administrator and applicable to the use of such equipment. Such standards shall, at a minimum, be at least as stringent as the standards of the Society of Automotive Engineers in effect as of November 15, 1990, and applicable to the use of such equipment (SAE standard J–1989).

(4) The term “properly trained and certified” means training and certification in the proper use of approved refrigerant recycling equipment for motor vehicle air conditioners in conformity with standards established by the Administrator and applicable to the performance of service on motor vehicle air conditioners. Such standards shall, at a minimum, be at least as stringent as specified, as of November 15, 1990, in SAE standard J–1989 under the certification program of the National Institute for Automotive Service Excellence (ASE) or under a similar program such as the training and certification program of the Mobile Air Conditioning Society (MACS).

c) Servicing motor vehicle air conditioners

Effective January 1, 1992, no person repairing or servicing motor vehicles for consideration may perform any service on a motor vehicle air conditioner involving the refrigerant for such air conditioner without properly using approved refrigerant recycling equipment and no such person may perform such service unless such person has been properly trained and certified. The requirements of the previous sentence shall not apply until January 1, 1993 in the case of a person repairing or servicing motor vehicles for consideration at an entity which performed service on fewer than 100 motor vehicle air conditioners during calendar year 1990 and if such person so certifies, pursuant to subsection (d)(2), to the Administrator by January 1, 1992.

d) Certification

(1) Effective 2 years after November 15, 1990, each person performing service on motor vehicle air conditioners for consideration shall certify to the Administrator either—

(A) that such person has acquired, and is properly using, approved refrigerant recycling equipment in service on motor vehicle air conditioners involving refrigerant and that each individual authorized by such person to perform such service is properly trained and certified; or

(B) that such person is performing such service at an entity which serviced fewer than 100 motor vehicle air conditioners in 1991.

(2) Effective January 1, 1993, each person who certified under paragraph (1)(B) shall submit a certification under paragraph (1)(A).

(3) Each certification under this subsection shall contain the name and address of the person certifying under this subsection and the serial number of each unit of approved recycling equipment acquired by such person and shall be signed and attested by the owner or another responsible officer. Certifications under paragraph (1)(A) may be made by submitting the required information to the Administrator on a standard form provided by the manufacturer of certified refrigerant recycling equipment.

e) Small containers of class I or class II substances

Effective 2 years after November 15, 1990, it shall be unlawful for any person to sell or distribute, or offer for sale or distribution, in interstate commerce to any person (other than a person performing service for consideration on motor vehicle air-conditioning systems in compliance with this section) any class I or class II substance that is suitable for use as a refrigerant in a motor vehicle air-conditioning system and that is in a container which contains less than 20 pounds of such refrigerant.

(July 14, 1955, ch. 360, title VI, § 609, as added Pub. L. 101–549, title VI, § 602(a), Nov. 15, 1990, 104 Stat. 2662.)

§ 7671i. Nonessential products containing chlorofluorocarbons

(a) Regulations

The Administrator shall promulgate regulations to carry out the requirements of this section within 1 year after November 15, 1990.

(b) Nonessential products

The regulations under this section shall identify nonessential products that release class I substances into the environment (including any release occurring during manufacture, use, storage, or disposal) and prohibit any person from selling or distributing any such product, or offering any such product for sale or distribution, in interstate commerce. At a minimum, such prohibition shall apply to—

(1) chlorofluorocarbon-propelled plastic party streamers and noise horns,

(2) chlorofluorocarbon-containing cleaning fluids for noncommercial electronic and photographic equipment, and

(3) other consumer products that are determined by the Administrator—

(A) to release class I substances into the environment (including any release occurring during manufacture, use, storage, or disposal), and

(B) to be nonessential.

In determining whether a product is nonessential, the Administrator shall consider the purpose or intended use of the product, the technological availability of substitutes for such product and for such class I substance, safety, health, and other relevant factors.

c) Effective date

Effective 24 months after November 15, 1990, it shall be unlawful for any person to sell or dis-
tribute, or offer for sale or distribution, in interstate commerce any nonessential product to which regulations under subsection (a) implementing subsection (b) are applicable.

(d) Other products
(1) Effective January 1, 1994, it shall be unlawful for any person to sell or distribute, or offer for sale or distribution, in interstate commerce—
   (A) any aerosol product or other pressurized dispenser which contains a class II substance; or
   (B) any plastic foam product which contains, or is manufactured with, a class II substance.
(2) The Administrator is authorized to grant exceptions from the prohibition under subparagraph (A) of paragraph (1) where—
   (A) the use of the aerosol product or pressurized dispenser is determined by the Administrator to be essential as a result of flammability or worker safety concerns, and
   (B) the only available alternative to use of a class II substance is use of a class I substance which legally could be substituted for such class II substance.
(3) Subparagraph (B) of paragraph (1) shall not apply to—
   (A) a foam insulation product, or
   (B) an integral skin, rigid, or semi-rigid foam utilized to provide for motor vehicle safety in accordance with Federal Motor Vehicle Safety Standards where no adequate substitute substance (other than a class I or class II substance) is practicable for effectively meeting such Standards.

(e) Medical devices
Nothing in this section shall apply to any medical device as defined in section 7671(b) of this title.
(July 14, 1955, ch. 360, title VI, § 610, as added Pub. L. 101–549, title VI, § 602(a), Nov. 15, 1990, 104 Stat. 2664.)

§ 7671j. Labeling
(a) Regulations
The Administrator shall promulgate regulations to implement the labeling requirements of this section within 18 months after November 15, 1990, after notice and opportunity for public comment.

(b) Containers containing class I or class II substances and products containing class I substances
Effective 30 months after November 15, 1990, no container in which a class I or class II substance is stored or transported, and no product containing a class I substance, shall be introduced into interstate commerce unless it bears a clearly legible and conspicuous label stating:
   “Warning: Contains [insert name of substance], a substance which harms public health and environment by destroying ozone in the upper atmosphere”

(c) Products containing class II substances
(1) After 30 months after November 15, 1990, and before January 1, 2015, no product containing a class II substance shall be introduced into interstate commerce unless it bears the label referred to in subsection (b) if the Administrator determines, after notice and opportunity for public comment, that there are substitute products or manufacturing processes (A) that do not rely on the use of such class II substance, (B) that reduce the overall risk to human health and the environment, and (C) that are currently or potentially available.
(2) Effective January 1, 2015, the requirements of subsection (b) shall apply to all products containing a class II substance.

(d) Products manufactured with class I and class II substances
(1) In the case of a class II substance, after 30 months after November 15, 1990, and before January 1, 2015, if the Administrator, after notice and opportunity for public comment, makes the determination referred to in subsection (c) with respect to a product manufactured with a process that uses such class II substance, no such product shall be introduced into interstate commerce unless it bears a clearly legible and conspicuous label stating:
   “Warning: Manufactured with [insert name of substance], a substance which harms public health and environment by destroying ozone in the upper atmosphere”
(2) In the case of a class I substance, after 30 months after November 15, 1990, and before January 1, 2015, the labeling requirements of this subsection shall apply to all products manufactured with a process that uses such class I substance unless the Administrator determines that there are no substitute products or manufacturing processes that (A) do not rely on the use of such class I substance, (B) reduce the overall risk to human health and the environment, and (C) are currently or potentially available.

(e) Petitions
(1) Any person may, at any time after 18 months after November 15, 1990, petition the Administrator to apply the requirements of this section to a product containing a class II substance or a product manufactured with a class I or II substance which is not otherwise subject to such requirements. Within 180 days after receiving such petition, the Administrator shall, pursuant to the criteria set forth in subsection (c), either propose to apply the requirements of this section to such product or publish an explanation of the petition denial. If the Administrator proposes to apply such requirements to such product, the Administrator shall, by rule, render a final determination pursuant to such criteria within 1 year after receiving such petition.
(2) Any petition under this paragraph shall include a showing by the petitioner that there is data on the product adequate to support the petition.
(3) If the Administrator determines that information on the product is not sufficient to make the required determination the Administrator

1 So in original. Probably should be followed by a period.
2 So in original. Probably should be “paragraph”.
3 So in original. Probably should be “paragraph”.
4 So in original.
shall use any authority available to the Administrator under any law administered by the Administrator to acquire such information.

(4) In the case of a product determined by the Administrator, upon petition or on the Administrator's own motion, to be subject to the requirements of this section, the Administrator shall establish an effective date for such requirements. The effective date shall be 1 year after such determination or 30 months after November 15, 1990, whichever is later.

(5) Effective January 1, 2015, the labeling requirements of this subsection shall apply to all products manufactured with a process that uses a class I or class II substance.

(f) Relationship to other law

(1) The labeling requirements of this section shall not constitute, in whole or part, a defense to liability or a cause for reduction in damages in any suit, whether civil or criminal, brought under any law, whether Federal or State, other than a suit for failure to comply with the labeling requirements of this section.

(2) No other approval of such label by the Administrator under any other law administered by the Administrator shall be required with respect to the labeling requirements of this section.

(3) Effective January 1, 2015, the labeling requirements of this section shall apply to all products manufactured with a process that uses a class I or class II substance.

§ 7671k. Safe alternatives policy

(a) Policy

To the maximum extent practicable, class I and class II substances shall be replaced by chemicals, product substitutes, or alternative manufacturing processes that reduce overall risks to human health and the environment.

(b) Reviews and reports

The Administrator shall—

(1) in consultation and coordination with interested members of the public and the heads of relevant Federal agencies and departments, recommend Federal research programs and other activities to assist in identifying alternatives to the use of class I and class II substances as refrigerants, solvents, fire retardants, foam blowing agents, and other commercial applications and in achieving a transition to such alternatives, and, where appropriate, seek to maximize the use of Federal research facilities and resources to assist users of class I and class II substances in identifying and developing alternatives to the use of such substances as refrigerants, solvents, fire retardants, foam blowing agents, and other commercial applications;

(2) examine in consultation and coordination with the Secretary of Defense and the heads of other relevant Federal agencies and departments, including the General Services Administration, Federal procurement practices with respect to class I and class II substances and recommend measures to promote the transition by the Federal Government, as expeditiously as possible, to the use of safe substitutes;

(3) specify initiatives, including appropriate intergovernmental, international, and commercial information and technology transfers, to promote the development and use of safe substitutes for class I and class II substances, including alternative chemicals, product substitutes, and alternative manufacturing processes; and

(4) maintain a public clearinghouse of alternative chemicals, product substitutes, and alternative manufacturing processes that are available for products and manufacturing processes which use class I and class II substances.

(c) Alternatives for class I or II substances

Within 2 years after November 15, 1990, the Administrator shall promulgate rules under this section providing that it shall be unlawful to replace any class I or class II substance with any substitute substance which the Administrator determines may present adverse effects to human health or the environment, where the Administrator has identified an alternative to such replacement that—

(1) reduces the overall risk to human health and the environment; and

(2) is currently or potentially available.

The Administrator shall publish a list of (A) the substitutes prohibited under this subsection for specific uses and (B) the safe alternatives identified under this subsection for specific uses.

(d) Right to petition

Any person may petition the Administrator to add a substance to the lists under subsection (c) or to remove a substance from either of such lists. The Administrator shall grant or deny the petition within 90 days after receipt of any such petition. If the Administrator denies the petition, the Administrator shall publish an explanation of why the petition was denied. If the Administrator grants such petition the Administrator shall publish such revised list within 6 months thereafter. Any petition under this subsection shall include a showing by the petitioner that there are data on the substance adequate to support the petition. If the Administrator determines that information on the substance is not sufficient to make a determination under this subsection, the Administrator shall use any authority available to the Administrator, under any law administered by the Administrator, to acquire such information.

(e) Studies and notification

The Administrator shall require any person who produces a chemical substitute for a class I substance to provide the Administrator with such person’s unpublished health and safety studies on such substitute and require producers to notify the Administrator not less than 90 days before new or existing chemicals are introduced into interstate commerce for significant new uses as substitutes for a class I substance. This subsection shall be subject to section 7414(c) of this title.

(July 14, 1955, ch. 360, title VI, §612, as added Pub. L. 101–549, title VI, §602(a), Nov. 15, 1990, 104 Stat. 2667.)

\*So in original. Probably should be “section”.

\(\)
§ 7671f. Federal procurement

Not later than 18 months after November 15, 1990, the Administrator, in consultation with the Administrator of the General Services Administration and the Secretary of Defense, shall promulgate regulations requiring each department, agency, and instrumentality of the United States to conform its procurement regulations to the policies and requirements of this subchapter and to maximize the substitution of safe alternatives identified under section 7671k of this title for class I and class II substances. Not later than 30 months after November 15, 1990, each department, agency, and instrumentality of the United States shall so conform its procurement regulations and certify to the President that its regulations have been modified in accordance with this section.

(July 14, 1955, ch. 360, title VI, § 613, as added Pub. L. 101–549, title VI, § 602(a), Nov. 15, 1990, 104 Stat. 2668.)

EXECUTIVE ORDER NO. 12843

Ex. Ord. No. 12843, Apr. 21, 1993, 58 F.R. 21881, which provided for Federal agencies to implement policies and programs to minimize procurement of ozone-depleting substances, was revoked by Ex. Ord. No. 13148, § 901, Apr. 21, 2000, 65 F.R. 24604, formerly set out as a note under section 4321 of this title.

§ 7671m. Relationship to other laws

(a) State laws

Notwithstanding section 7416 of this title, during the 2-year period beginning on November 15, 1990, no State or local government may enforce any requirement concerning the design of any new or recalled appliance for the purpose of protecting the stratospheric ozone layer.

(b) Montreal Protocol

This subchapter as added by the Clean Air Act Amendments of 1990 shall be construed, interpreted, and applied as a supplement to the terms and conditions of the Montreal Protocol, as provided in Article 2, paragraph 11 thereof, and shall not be construed, interpreted, or applied to abrogate the responsibilities or obligations of the United States to implement fully the provisions of the Montreal Protocol. In the case of conflict between any provision of this subchapter and any provision of the Montreal Protocol, the more stringent provision shall govern. Nothing in this subchapter shall be construed, interpreted, or applied to affect the authority or responsibility of the Administrator to implement Article 4 of the Montreal Protocol with other appropriate agencies.

(c) Technology export and overseas investment

Upon November 15, 1990, the President shall—

(1) prohibit the export of technologies used to produce a class I substance;

(2) prohibit direct or indirect investments by any person in facilities designed to produce a class I or class II substance in nations that are not parties to the Montreal Protocol; and

the effect that no agency may provide bilateral or multilateral subsidies, aids, credits, guarantees, or insurance programs, for the purpose of producing any class I substance.

(July 14, 1955, ch. 360, title VI, § 614, as added Pub. L. 101–549, title VI, § 602(a), Nov. 15, 1990, 104 Stat. 2668.)

REFERENCES IN TEXT


§ 7671n. Authority of Administrator

If, in the Administrator's judgment, any substance, practice, process, or activity may reasonably be anticipated to affect the stratosphere, especially ozone in the stratosphere, and such effect may reasonably be anticipated to endanger public health or welfare, the Administrator shall promptly promulgate regulations respecting the control of such substance, practice, process, or activity, and shall submit notice of the proposal and promulgation of such regulation to the Congress.

(July 14, 1955, ch. 360, title VI, § 615, as added Pub. L. 101–549, title VI, § 602(a), Nov. 15, 1990, 104 Stat. 2669.)

§ 7671o. Transfers among Parties to Montreal Protocol

(a) In general

Consistent with the Montreal Protocol, the United States may engage in transfers with other Parties to the Protocol under the following conditions:

(1) The United States may transfer production allowances to another Party if, at the time of such transfer, the Administrator establishes revised production limits for the United States such that the aggregate national United States production permitted under the revised production limits equals the lesser of (A) the maximum production level permitted for the substance or substances concerned in the transfer year under the Protocol minus the production allowances transferred, (B) the maximum production level permitted for the substance or substances concerned in the transfer year under applicable domestic law minus the production allowances transferred, or (C) the average of the actual national production level of the substance or substances concerned for the 3 years prior to the transfer minus the production allowances transferred.

(2) The United States may acquire production allowances from another Party if, at the time of such transfer, the Administrator finds that the other Party has revised its domestic production limits in the same manner as provided with respect to transfers by the United States in this subsection.

(b) Effect of transfers on production limits

The Administrator is authorized to reduce the production limits established under this chapter as required as a prerequisite to transfers under paragraph (1) of subsection (a) or to increase production limits established under this chapter to reflect production allowances acquired under a transfer under paragraph (2) of subsection (a).
§ 7671q. Miscellaneous provisions

(c) Regulations
The Administrator shall promulgate, within 2 years after November 15, 1990, regulations to implement this section.

(d) “Applicable domestic law” defined
In the case of the United States, the term “applicable domestic law” means this chapter.

(July 14, 1955, ch. 360, title VI, § 616, as added Pub. L. 101–549, title VI, § 602(a), Nov. 15, 1990, 104 Stat. 2669.)

§ 7671p. International cooperation

(a) In general
The President shall undertake to enter into international agreements to foster cooperative research which complements studies and research authorized by this subchapter, and to develop standards and regulations which protect the stratosphere consistent with regulations applicable within the United States. For these purposes the President through the Secretary of State and the Assistant Secretary of State for Oceans and International Environmental and Scientific Affairs, shall negotiate multilateral treaties, conventions, resolutions, or other agreements, and formulate, present, or support proposals at the United Nations and other appropriate international forums and shall report to the Congress periodically on efforts to arrive at such agreements.

(b) Assistance to developing countries
The Administrator, in consultation with the Secretary of State, shall support global participation in the Montreal Protocol by providing technical and financial assistance to developing countries that are Parties to the Montreal Protocol and operating under article 5 of the Protocol. There are authorized to be appropriated not more than $30,000,000 to carry out this section in fiscal years 1991, 1992 and 1993 and such sums as may be necessary in fiscal years 1994 and 1995. If China and India become Parties to the Montreal Protocol, there are authorized to be appropriated not more than an additional $30,000,000 to carry out this section in fiscal years 1991, 1992 and 1993.

(July 14, 1955, ch. 360, title VI, § 617, as added Pub. L. 101–549, title VI, § 602(a), Nov. 15, 1990, 104 Stat. 2669.)

Authority of Secretary of State

Except as otherwise provided, Secretary of State to have, and exercise any authority vested by law to any official or office of Department of State and references to such officials or offices deemed to refer to Secretary of State or Department of State, as appropriate, see section 2651a of Title 22, Foreign Relations and Intercourse, and section 161(d) of Pub. L. 103–296, set out as a note under section 2651a of Title 22.

§ 7671q. Miscellaneous provisions

For purposes of section 7416 of this title, requirements concerning the areas addressed by this subchapter for the protection of the stratosphere against ozone layer depletion shall be treated as requirements for the control and abatement of air pollution. For purposes of section 7418 of this title, the requirements of this subchapter and corresponding State, interstate, and local requirements, administrative authority, and process, and sanctions respecting the protection of the stratospheric ozone layer shall be treated as requirements for the control and abatement of air pollution within the meaning of section 7418 of this title.

(July 14, 1955, ch. 360, title VI, § 618, as added Pub. L. 101–549, title VI, § 602(a), Nov. 15, 1990, 104 Stat. 2670.)

CHAPTER 86—EARTHQUAKE HAZARDS REDUCTION

§ 7701. Congressional findings
The Congress finds and declares the following:

(1) All 50 States, and the Commonwealth of Puerto Rico, are vulnerable to the hazards of earthquakes, and at least 39 of them are subject to major or moderate seismic risk, including Alaska, California, Hawaii, Illinois, Massachusetts, Missouri, Montana, Nevada, New Jersey, New York, Oregon, South Carolina Tennessee, Utah, and Washington. A large portion of the population of the United States lives in areas vulnerable to earthquake hazards.

(2) Earthquakes have caused, and can cause in the future, enormous loss of life, injury, destruction of property, and economic and social disruption. With respect to future earthquakes, such loss, destruction, and disruption can be substantially reduced through the development and implementation of earthquake hazards reduction measures, including (A) improved design and construction methods and practices, (B) land-use controls and redevelopment, (C) early-warning systems, (D) coordinated emergency preparedness, and (E) public education and involvement programs.

(3) An expertly staffed and adequately financed earthquake hazards reduction program, based on Federal, State, local, and private research, planning, decisionmaking, and contributions would reduce the risk of such loss, destruction, and disruption in seismic areas by an amount far greater than the cost of such program.

(4) A well-funded seismological research program could provide the scientific understanding needed to fully implement an effective earthquake early warning system.

1 So in original.
§ 7701

The geological study of active faults and features can reveal how recently and how frequently major earthquakes have occurred on those faults and how much risk they pose. Such long-term seismic risk assessments are needed in virtually every aspect of earthquake hazards management, whether emergency planning, public regulation, detailed building design, insurance rating, or investment decision.

The vulnerability of buildings, lifeline infrastructure, public works, and industrial and emergency facilities can be reduced through proper earthquake resistant design and construction practices. The economy and efficacy of such procedures can be substantially increased through research and development.

Programs and practices of departments and agencies of the United States are important to the communities they serve; some functions, such as emergency communications and national defense, and lifeline infrastructure, such as dams, bridges, and public works, must remain in service during and after an earthquake. Federally owned, operated, and influenced structures and lifeline infrastructure should serve as models for how to reduce and minimize hazards to the community.

The implementation of earthquake hazards reduction measures would, as an added benefit, also reduce the risk of loss, destruction, and disruption from other natural hazards and manmade hazards, including hurricanes, tornadoes, accidents, explosions, landslides, building and structural cave-ins, and fires.

Reduction of loss, destruction, and disruption from earthquakes will depend on the actions of individuals, and organizations in the private sector and governmental units at Federal, State, and local levels. The current capability to transfer knowledge and information to these sectors is insufficient. Improved mechanisms are needed to translate existing information and research findings into reasonable and usable specifications, criteria, and practices so that individuals, organizations, and governmental units may make informed decisions and take appropriate actions.

Severe earthquakes are a worldwide problem. Since damaging earthquakes occur infrequently in any one nation, international cooperation is desirable for mutual learning from limited experiences.

An effective Federal program in earthquake hazards reduction will require input from and review by persons outside the Federal Government expert in the sciences of earthquake hazards reduction and in the practical application of earthquake hazards reduction measures.

The built environment has generally been constructed and maintained to meet the needs of the users under normal conditions. When earthquakes occur, the built environment is generally designed to prevent severe injuries or loss of human life and is not expected to remain operational or able to recover under any specified schedule.

The National Research Council published a study on reducing hazards and risks associated with earthquakes based on the goals and objectives for achieving national earthquake resilience described in the strategic plan entitled "Strategic Plan for the National Earthquake Hazards Reduction Program". The study and an accompanying report called for work in 18 tasks focused on research, preparedness, and mitigation and annual funding of approximately $300,000,000 per year for 20 years.

AMENDMENTS


Par. (4). Pub. L. 115–307, §2(a)(3), added par. (4) and struck out former par. (4) which read as follows: “A well-funded seismological research program in earthquake prediction could provide data adequate for the design, of an operational system that could predict accurately the time, place, magnitude, and physical effects of earthquakes in selected areas of the United States.”


1990—Par. (5) to (11). Pub. L. 101–614 added pars. (5) to (7), struck out former pars. (5) and (6), and redesignated former pars. (7) to (10) as (8) to (11), respectively. Prior to amendment, pars. (5) and (6) read as follows: “(5) There is a scientific basis for hypothesizing that major earthquakes may be moderated, in at least some seismic areas, by application of the findings of earthquake control and seismological research.”

SHORT TITLE OF 2018 AMENDMENT

Pub. L. 115–307, §1, Dec. 11, 2018, 132 Stat. 4408, provided that: “This Act (amending sections 7702 to 7707 of this title and enacting provisions set out as a note under section 7704 of this title) may be cited as the ‘National Earthquake Hazards Reduction Program Reauthorization Act of 2018’.”

SHORT TITLE OF 2004 AMENDMENT


SHORT TITLE OF 2000 AMENDMENT

Pub. L. 106–503, title II, §201, Nov. 13, 2000, 114 Stat. 2304, provided that: “This title (enacting sections 7707 to 7709 of this title, amending sections 7703, 7704, and 7706 of this title, repealing section 7705d of this title, enacting provisions set out as a note under this section, and amending provisions set out as a note under section 7704 of this title) may be cited as the ‘Earthquake Hazards Reduction Authorization Act of 2000’.”

SHORT TITLE OF 1990 AMENDMENT

Pub. L. 101–614, §1, Nov. 16, 1990, 104 Stat. 3231, provided that: “This Act (enacting sections 7705a to 7705e,
amending this section and sections 7702 to 7705, and 7706 of this title, and enacting provisions set out as notes under sections 7704, 7705b, and 7705e of this title] may be cited as the ‘National Earthquake Hazards Reduction Program Reauthorization Act.’"

SHORT TITLE

DELEGATION OF FUNCTIONS
Functions of President under Earthquake Hazards Reduction Act of 1977 delegated, transferred, or reassigned to Secretary of Homeland Security pursuant to sections 1–194 and 4–204 of Ex. Ord. No. 12148, July 20, 1979, 44 F.R. 42239, as amended, set out as a note under section 5195 of this title.

REPORT ON AT-RISK POPULATIONS
Pub. L. 106–503, title II, § 207, Nov. 13, 2000, required the Director of the Federal Emergency Management Agency to transmit to Congress a report no later than 1 year after Nov. 13, 2000, describing the elements of the National Earthquake Hazards Reduction Program that specifically addressed the needs of at-risk populations.

§ 7702. Congressional statement of purpose
It is the purpose of the Congress in this chapter to reduce the risks of life and property from future earthquakes and increase the resilience of communities in the United States through the establishment and maintenance of an effective earthquake hazards reduction program. The objectives of such program shall include—
(1) the education of the public, including State and local officials, as to earthquake phenomena, the identification of locations and structures which are especially susceptible to earthquake damage, ways to reduce the adverse consequences of an earthquake to individuals and the communities, and related matters;
(2) the development of technologically and economically feasible design and construction methods and procedures to make new and existing structures, in areas of seismic risk, earthquake resistant, giving priority to the development of such methods and procedures for power generating plants, dams, hospitals, schools, public utilities and other lifeline infrastructure, public safety structures, high occupancy buildings, and other structures which are especially needed to facilitate community-wide post-earthquake recovery and in times of disaster;
(3) the implementation to the greatest extent practicable, in all areas of high or moderate seismic risk, of a system (including personnel, technology, and procedures) for identifying, evaluating, and accurately characterizing seismic hazards;
(4) the development, publication, and promotion, in conjunction with State and local officials and professional organizations, of model building and planning codes and other means to encourage consideration of information about seismic risk in making decisions about land-use policy and construction activity;
(5) the development, in areas of seismic risk, of improved understanding of, and capability with respect to, earthquake-related issues, including methods of mitigating the risks from earthquakes, planning to prevent such risks, disseminating warnings of earthquakes, organization emergency services, and planning for re-occupancy, recovery, reconstruction, and redevelopment after an earthquake:
(6) the development of ways to increase the use of existing scientific and engineering knowledge to mitigate earthquake hazards; and
(7) the development of ways to assure the availability of affordable earthquake insurance.

(Amendments
Par. (2). Pub. L. 115–307, § 2(b)(3), (c)(1)(B), substituted “lifeline infrastructure” for “lifelines” and “to facilitate community-wide post-earthquake recovery and in times of disaster” for “in time of disaster”.
Par. (5). Pub. L. 115–307, § 2(b)(6), substituted “re-occupancy, recovery, reconstruction,” for “reconstruction.”

§ 7703. Definitions
As used in this chapter, unless the context otherwise requires:
(1) The term “includes” and variants thereof should be read as if the phrase “but is not limited to” were also set forth.
(2) The term “Program” means the National Earthquake Hazards Reduction Program established under section 7704 of this title.
(3) The term “seismic” and variants thereof mean having to do with, or caused by earthquakes.
(4) The term “State” means each of the States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Commonwealth of the Mariana Islands, and any other territory or possession of the United States.
(5) The term “United States” means, when used in a geographical sense, all of the States as defined in paragraph (4).
(6) The term “lifeline infrastructure” means public works and utilities, including transportation facilities and infrastructure, oil and gas pipelines, electrical power and communication facilities and infrastructure, and water supply and sewage treatment facilities.
(7) The term “Program agencies” means the Federal Emergency Management Agency, the United States Geological Survey, the National Science Foundation, and the National Institute of Standards and Technology.
§ 7704. National Earthquake Hazards Reduction Program

(a) Establishment

(1) In general

There is established the National Earthquake Hazards Reduction Program.

(2) Program activities

The activities of the Program shall be designed to—

(A) develop effective measures for earthquake hazards reduction;

(B) promote the adoption of earthquake hazards reduction measures by Federal, State, and local governments, national standards and model code organizations, architects and engineers, building owners, and others with a role in planning and constructing buildings, structures, and lifeline infrastructure through—

(i) grants, contracts, cooperative agreements, and technical assistance;

(ii) development of standards, guidelines, and voluntary consensus codes for earthquake hazards reduction for buildings, structures, and lifeline infrastructure;

(iii) development and maintenance of a repository of information, including technical data, on seismic risk, community resilience, and hazards reduction; and

(iv) publishing a systematic set of maps of active faults and folds, liquefaction susceptibility, susceptibility for earthquake induced landslides, and other seismically induced hazards; and

(C) improve the understanding of earthquakes and their effects on communities, buildings, structures, and lifeline infrastructure, through interdisciplinary research that involves engineering, natural sciences, and social, economic, and decisions sciences; and

(D) continue the development of the Advanced National Seismic System, including earthquake early warning capabilities and the Global Seismographic Network.

(3) Interagency Coordinating Committee on Earthquake Hazards Reduction

(A) In general

There is established an Interagency Coordinating Committee on Earthquake Hazards Reduction chaired by the Director of the National Institute of Standards and Technology (referred to in this subsection as the “Director”).

(B) Membership

In addition to the Director, the committee shall be composed of—

(i) the Administrator of the Federal Emergency Management Agency;

(ii) the Director of the United States Geological Survey;

(iii) the Director of the National Science Foundation;

(iv) the Director of the Office of Science and Technology Policy; and

(v) the Director of the Office of Management and Budget.

(C) Meetings

The Committee shall meet not less than once each year at the call of the Director.

(D) Duties

(i) General duty

The Interagency Coordinating Committee shall oversee the planning, management, and coordination of the Program.

(ii) Specific duties

The duties of the Interagency Coordinating Committee include the following:

(I) Developing, not later than 6 months after October 25, 2004, and updating periodically—

(aa) a strategic plan that establishes goals and priorities for the Program...
activities described under subsection (a)(2); and

(bb) a detailed management plan to implement such strategic plan.

II) Developing a coordinated interagency budget for the Program that will ensure appropriate balance among the Program activities described under subsection (a)(2), and, in accordance with the plans developed under subclause (I), submitting such budget to the Director of the Office of Management and Budget at the time designated by the Director for agencies to submit biennial budgets.

III) Developing interagency memorandum of understanding with any relevant Federal agencies on data sharing and resource commitment in the event of an earthquake disaster.

IV) Coordinating with the Interagency Coordinating Committee on Windstorm Impact Reduction and other natural hazards coordination committees as the Director determines appropriate to share data and best practices.

(V) Coordinating with the Administrator of the National Aeronautics and Space Administration and the Administrator of the National Oceanic and Atmospheric Administration on data sharing and resource allocation to ensure judicious use of Government resources and the free-flowing exchange of information related to earthquakes.

(VI) Coordinating with the Secretary of Agriculture and the Secretary of the Interior on the use of public lands for earthquake monitoring and research stations, and related data collection.

(VII) Coordinating with the Secretary of Transportation and the Secretary of Housing and Urban Development on the effects of earthquakes on transportation and housing stocks.

(iii) Assistance from Secretary of Agriculture and Secretary of the Interior

To the extent practicable, the Secretary of Agriculture and the Secretary of the Interior shall submit to the Committee on Commerce, Science, and Transportation, the Committee on Energy and Natural Resources, and the Committee on Homeland Security and Governmental Affairs of the Senate and the Committee on Science, Space, and Technology, the Committee on Energy and Commerce, the Committee on Natural Resources, and the Committee on Homeland Security of the House of Representatives a report on the Program. Such report shall include—

(i) the Program budget for the current fiscal year for each agency that participates in the Program, and for each major goal established for the Program activities under paragraph (3)(D)(i)(I);2

(ii) the proposed Program budget for the next fiscal year for each agency that participates in the Program, and for each major goal established for the Program activities under paragraph (3)(D)(i)(I);2

(iii) a description of the activities and results of the Program during the previous year, including an assessment of the effectiveness of the Program in furthering the goals established in the strategic plan under paragraph (3)(D)(i)(I);2

(iv) a description of the extent to which the Program has incorporated the recommendations of the Advisory Committee;

(v) a description of activities, including budgets for the current fiscal year and proposed budgets for the next fiscal year, that are carried out by Program agencies and contribute to the Program, but are not included in the Program;

(vi) a description of the activities, including budgets for the current fiscal year and proposed budgets for the following fiscal year, related to the grant program carried out under subsection (b)(2)(A)(i), and

(vii) a statement regarding whether the Administrator of the Federal Emergency Management Agency has lowered or waived the cost share requirement for assistance provided under subsection (b)(2)(A)(i).

(B) Support for preparation of report

Each head of a Program agency shall submit to the Director of the National Institute of Standards and Technology such information as the Director may request for the preparation of a report under subparagraph (A) not later than 90 days after the date on which the Director requests such information.

(5) Advisory Committee

(A) In general

The Director shall establish an Advisory Committee on Earthquake Hazards Reduction of at least 11 members, none of whom may be an employee (as defined in subparagraphs (A) through (F) of section 7342(a)(1) of title 52 including representatives of research and academic institutions, industry standards development organizations, State and local government, and financial communities who are qualified to provide advice on earthquake hazards reduction and represent all related scientific, architectural, and engineering disciplines. The recommendations of the Advisory Committee shall be considered by Federal agencies in implementing the Program.

(B) Assessment

The Advisory Committee shall assess—

(i) trends and developments in the science and engineering of earthquake hazards reduction;


2See References in Text note below.
3So in original. Probably should be followed by a closing parenthesis.
(ii) effectiveness of the Program in carrying out the activities under (a)(2);  
(iii) the need to revise the Program; and  
(iv) the management, coordination, implementation, and activities of the Program.

(C) Report
Not later than 1 year after October 25, 2004, and at least once every 2 years thereafter, the Advisory Committee shall report to the Director on its findings of the assessment carried out under subparagraph (B) and its recommendations for ways to improve the Program. In developing recommendations, the Committee shall consider the recommendations of the United States Geological Survey Scientific Earthquake Studies Advisory Committee.

(D) Federal Advisory Committee Act application
Section 14 of the Federal Advisory Committee Act (5 App. U.S.C. 14) shall not apply to the Advisory Committee.

(b) Responsibilities of Program agencies

(1) Lead agency
The National Institute of Standards and Technology shall have the primary responsibility for planning and coordinating the Program. In carrying out this paragraph, the Director of the Institute shall—
(A) ensure that the Program includes the necessary steps to promote the implementation of earthquake hazard reduction measures by Federal, State, and local governments, national standards and model building code organizations, architects and engineers, and others with a role in planning constructing, evaluating, and retrofitting buildings and lifeline infrastructure;  
(B) support the development of performance-based seismic engineering tools, and work with appropriate groups to promote the commercial application of such tools, through earthquake-related building codes, standards, and construction practices;  
(C) request the assistance of Federal agencies other than the Program agencies, as necessary to assist in carrying out this chapter; and  
(D) work with the Federal Emergency Management Agency, the National Science Foundation, and the United States Geological Survey, to develop a comprehensive plan for earthquake engineering research to provide new and effectively use existing testing facilities and laboratories (existing at the time of the development of the plan), upgrade facilities and equipment as needed, and integrate new, innovative testing approaches to the research infrastructure in a systematic manner.

(2) Department of Homeland Security; Federal Emergency Management Agency

(A) Program responsibilities
The Administrator of the Federal Emergency Management Agency—

(i) shall operate a program of grants and assistance to enable States to develop mitigation, preparedness, and response plans, purchase necessary instrumentation, prepare inventories and conduct seismic safety inspections of critical structures and lifeline infrastructure, update building, land use planning, and zoning codes and ordinances to enhance seismic safety, increase earthquake awareness and education, and provide assistance to multi-State groups for such purposes;  
(ii) shall support the implementation of a comprehensive earthquake education, outreach, and public awareness program, including development of materials and their wide dissemination to all appropriate audiences and support public access to locality-specific information that may assist the public in preparing for, mitigating against, responding to and recovering from earthquakes and related disasters;  
(iii) shall, in conjunction with the Director of the National Institute of Standards and Technology, other Federal agencies, and private sector groups, use research results to support the preparation, maintenance, and wide dissemination of seismic resistant design guidance and related information on building codes, standards, and practices for new and existing buildings, structures, and lifeline infrastructure, aid in the development of performance-based design guidelines and methodologies, and support model codes that are cost effective and affordable in order to promote better practices within the design and construction industry and reduce losses from earthquakes;  
(iv) shall enter into cooperative agreements or contracts with States and local jurisdictions and other Federal agencies to establish demonstration projects on earthquake hazard mitigation, to link earthquake research and mitigation efforts with emergency management programs, or to prepare educational materials for national distribution; and  
(v) shall support the Director of the National Institute of Standards and Technology in the completion of programmatic goals.

(B) State assistance program criteria
In order to qualify for assistance under subparagraph (A)(i), a State must—
(i) demonstrate that the assistance will result in enhanced seismic safety in the State;  
(ii) provide 25 percent of the costs of the activities for which assistance is being given, except that the Administrator may lower or waive the cost-share requirement for these activities for a small impoverished community, as defined in section 5133 of this title; and  
(iii) meet such other requirements as the Administrator shall prescribe.

(3) United States Geological Survey
The United States Geological Survey shall report on significant domestic and inter-
national earthquakes and conduct research and other activities necessary to characterize and identify earthquake hazards, assess earthquake risks, monitor seismic activity, and improve earthquake forecasts. In carrying out this paragraph, the Director of the United States Geological Survey shall—

(A) conduct a systematic assessment of the seismic risks in each region of the Nation prone to earthquakes, including, where appropriate, the establishment and operation of intensive monitoring projects on hazardous faults, seismic microzonation studies in urban and other developed areas where earthquake risk is determined to be significant, and engineering seismology studies;

(B) work with officials of State and local governments to ensure that they are knowledgeable about the specific seismic risks in their areas;

(C) develop standard procedures, in consultation with the Administrator of the Federal Emergency Management Agency and the Director of the National Institute of Standards and Technology, for issuing earthquake alerts and early warnings;

(D) issue when necessary and feasible, and notify the Administrator of the Federal Emergency Management Agency, the Director of the National Institute of Standards and Technology, and State and local officials, an alert and an earthquake warning;

(E) operate, including the National Earthquake Information Center, a forum for the international exchange of earthquake information which shall—

(i) promote the exchange of information on earthquake research and earthquake preparedness between the United States and other nations;

(ii) maintain a library containing selected reports, research papers, and data produced through the Program;

(iii) answer requests from other nations for information on United States earthquake research and earthquake preparedness programs; and

(iv) direct foreign requests to the agency involved in the Program which is best able to respond to the request;

(F) operate a National Seismic System;

(G) support regional seismic networks, which shall complement the National Seismic Network; and

(H) work with the National Science Foundation, the Federal Emergency Management Agency, and the National Institute of Standards and Technology to develop a comprehensive plan for earthquake engineering research to effectively use existing testing facilities and laboratories (in existence at the time of the development of the plan), upgrade facilities and equipment as needed, and integrate new, innovative testing approaches to the research infrastructure in a systematic manner.\[6\]

(I) work with other Program agencies to coordinate Program activities with similar earthquake hazards reduction efforts in other countries, to ensure that the Program benefits from relevant information and advances in those countries;

(J) maintain suitable seismic hazard maps and data in support of building codes for structures and lifeline infrastructure, including additional maps needed for performance-based design approaches; and

(K) support the Director of the National Institute of Standards and Technology in the completion of programmatic goals.

(4) National Science Foundation

(A) In general

The National Science Foundation shall be responsible for funding research on earth sciences to improve the understanding of the causes and behavior of earthquakes, on earthquake engineering, and on human response to earthquakes. In carrying out this paragraph, the Director of the National Science Foundation shall—

(i) encourage prompt dissemination of significant findings, sharing of data, samples, physical collections, and other supporting materials, and development of intellectual property so research results can be used by appropriate organizations to mitigate earthquake damage;

(ii) in addition to supporting individual investigators, support university research consortia, State agencies, State geological surveys, and centers for research in geosciences and in earthquake engineering;

(iii) work closely with the United States Geological Survey to support applied science in the production of a systematic series of earthquake-related geologic hazard maps, and to identify geographic regions of national concern that should be the focus of targeted solicitations for earthquake-related research proposals;

(iv) support research that improves the safety and performance of buildings, structures, and lifeline systems using experimental and computational facilities;

(v) emphasize, in earthquake engineering research, development of economically feasible methods to retrofit existing buildings and to protect lifeline infrastructure to mitigate earthquake damage;

(vi) support research that studies the political, economic, and social factors that influence the implementation of hazard reduction measures;

(vii) include to the maximum extent practicable diverse institutions, including Historically Black Colleges and Universities and those serving large proportions of Hispanics, Native Americans, Asian-Pacific Americans, and other underrepresented populations;

(viii) develop, in conjunction with the Federal Emergency Management Agency, the National Institute of Standards and Technology, and the United States Geological Survey, a comprehensive plan for earthquake engineering research to effectively use existing testing facilities and laboratories (in existence at the time of

\[6\]So in original. The period probably should be a semicolon.
the development of the plan), upgrade facilities and equipment as needed, and integrate new, innovative testing approaches to the research infrastructure in a systematic manner; and

(ix) support the Director of the National Institute of Standards and Technology in the completion of programmatic goals.

(B) Identification of funding

The National Science Foundation shall—

(i) to the extent practicable, note in any notice of Program funding or other funding possibilities under the Program that the funds are part of the Program;

(ii) to the extent practicable, track the awarding of Federal funds through the Program; and

(iii) not less frequently than once every 2 years, submit to the director of the Program a report specifying the amount of Federal funds awarded to conduct research that enhances the understanding of earthquake science.

(5) National Institute of Standards and Technology

In addition to the lead agency responsibilities described under paragraph (1), the National Institute of Standards and Technology shall be responsible for carrying out research and development to improve community resilience through building codes and standards and practices for structures and lifeline infrastructure. In carrying out this paragraph, the Director of the National Institute of Standards and Technology shall—

(A) work closely with national standards and model building code organizations, in conjunction with the Agency, to promote the implementation of research results;

(B) promote better building practices among architects and engineers;

(C) work closely with national standards organizations to develop seismic safety standards and practices for new and existing lifeline infrastructure;

(D) support the development and commercial application of cost effective and affordable performance-based seismic engineering by providing technical support for seismic engineering practices and related building code, standards, and practices development; and

(E) work with the National Science Foundation, the Federal Emergency Management Agency, and the United States Geological Survey to develop a comprehensive plan for earthquake engineering research to effectively use existing testing facilities and laboratories (in existence at the time of the development of the plan), upgrade facilities and equipment as needed, and integrate new, innovative testing approaches to the research infrastructure in a systematic manner.

(c) Budget coordination

(1) Guidance

The Interagency Coordinating Committee shall each year provide guidance to the other Program agencies concerning the preparation of requests for appropriations for activities related to the Program, and shall prepare, in conjunction with the other Program agencies, an annual Program budget to be submitted to the Office of Management and Budget.

(2) Reports

Each Program agency shall include with its annual request for appropriations submitted to the Office of Management and Budget a report that—

(A) identifies each element of the proposed Program activities of the agency;

(B) specifies how each of these activities contributes to the Program; and

(C) states the portion of its request for appropriations allocated to each element of the Program.

References in Text


Section 14 of the Federal Advisory Committee Act, referred to in subsec. (a)(5)(D), is section 14 of Pub. L. 92–463, which is set out in the Appendix to Title 5, Government Organization and Employees.

Section 5133 of this title, referred to in subsec. (b)(2)(B)(ii), was in the original “section 203 of the Disaster Relief Act of 1974 (42 U.S.C. 5133(a))”, and was translated as if it had been a reference to section 203 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act, which was formerly known as the Disaster Relief Act of 1974, to reflect the probable intent of Congress. Subsec. (a) of section 5133 of this title defines “small impoverished community”.

Amendments


Subsec. (a)(2)(D). Pub. L. 115–307, § 3(a)(2), substituted “continue the development of the Advanced National Seismic System, including earthquake early warning capabilities” for “‘develop, operate, and maintain an Advanced National Seismic Research and Monitoring System established under section 7707 of this title, the George E. Brown, Jr. Network for Earthquake Engineering Simulation established under section 7708 of this title’.”

Subsec. (a)(3)(B). Pub. L. 115–307, § 3(b)(1), substituted “In addition to the Director, the committee” for “The committee” in introductory provisions.
Subsec. (a)(3)(C). Pub. L. 115–307, §3(b)(2), substituted "not less frequently than once each year" for "not less than 3 times a year".


Subsec. (a)(4). Pub. L. 115–307, §3(b)(4)(A)(ii), (vi), (vii), designated existing provisions as subpar. (A) and inserted heading, substituted "Not less frequently than once each year" in heading.


Subsec. (a)(4)(A)(v). Pub. L. 115–307, §8(c)(1)(A), which directed substitution of "constructing, evaluating, and retrofitting" for "and constructing", was executed by making the substitution for "and constructing" to reflect the probable intent of Congress.

Subsec. (b)(1)(D). Pub. L. 115–307, §3(c)(1)(B), inserted "provide new and after "research to".

Subsec. (b)(2). Pub. L. 115–307, §3(d), amended par. (2) generally. Prior to amendment, text read as follows: "The principal official carrying out the responsibilities described in this paragraph shall be at a level no lower than that of Associate Director.".

Subsec. (b)(1)(B). Pub. L. 115–307, §108–360, §103(2)(A)(ii), (iii), added subpar. (B) and struck out former subpar. (B) which read as follows: "prepare, in conjunction with the other Program agencies, a written plan for the Program, which shall include specific tasks and milestones for each Program agency, which shall be submitted to the Congress and updated at such times as may be required by significant Program events, but in no event less frequently than every 3 years.".

Subsec. (b)(1)(C). Pub. L. 115–307, §108–360, §103(2)(A)(ii), (v), redesignated subpar. (E) as (D) and substituted "Federal Emergency Management Agency, the National Science Foundation" for "National Science Foundation, the National Institute of Standards and Technology". Former subpar. (D) redesignated (C).


Subsec. (b)(3)(D). Pub. L. 108–360, §103(2)(C)(iii), substituted “the Director of the Federal Emergency Management Agency and the Director of the National Institute of Standards and Technology” for “the Director of the Agency”.


Subsec. (b)(4)(D) to (H). Pub. L. 108–360, §103(2)(D), added subpars. (D) and (G) and redesignated former subpars. (D), (E), and (F) as (E), (F), and (H), respectively.

Subsec. (b)(5). Pub. L. 108–360, §103(2)(E), in introductory provisions, substituted “in addition to the lead agency responsibilities described under paragraph (1), the National” for “The National”.

Subsec. (b)(5)(D), (E). Pub. L. 108–360, §103(2)(F), added subpar. (D) and redesignated former subpar. (D) as (E).


2000—Subsec. (b)(1). Pub. L. 106–503, §206(1), redesignated subpars. (B) to (F) as (A) to (E), respectively, and struck out former subpar. (A) which read as follows: ‘‘prepare, in conjunction with the other Program agencies, an annual budget for the Program to be submitted to the Office of Management and Budget’’.

Subsec. (b)(2)(A)(ii). Pub. L. 106–503, §206, inserted before semicolon at end ‘‘...and development of means of increasing public access to available locality-specific information that may assist the public in preparing for or responding to earthquakes’’.


1990—Pub. L. 101–614 amended section generally, substituting present provisions consisting of subsec. (a) and (b) for former provisions which provided for: in subsec. (a), establishment of program; in subsec. (b), duties of President and Director of Federal Emergency Management Agency; in subsec. (c), objectives of program; in subsec. (d), Federal participation; in subsec. (e), research elements; in subsec. (f), mitigation elements; in subsec. (g), State assistance; in subsec. (h), non-Federal participation; in subsec. (i), study and recommendations; and in subsec. (j), cost sharing.


Subsec. (g). Pub. L. 100–907 substituted ‘‘Disaster Relief and Emergency Assistance Act’’ for ‘‘Disaster Relief Act of 1974’’.


1985—Subsec. (b)(2)(E). Pub. L. 99–105, §5, amended subpar. (E) generally, substituting ‘‘to be submitted to the Congress and updated at such times as may be required by significant program events, but in no event less frequently than every three years’’ for ‘‘which plan will recommend base and incremental budget options for the agencies to carry out the elements and programs specified through at least 1985, and which plan shall be completed by September 30, 1981, and transmitted to the Congress and shall be updated annually; and’’.

Subsec. (b)(2)(F). Pub. L. 99–105, §6, added subpar. (F) and redesignated former subpar. (F) as (G).

1980—Subsec. (a). Pub. L. 96–472, §101(a), inserted provisions relating to non-Federal participation in par. (2), and substituted provisions respecting the elements described in subsec. (f) of this section, for provisions respecting the implementation plan described in subsec. (f) of this section in par. (3).

Subsec. (b). Pub. L. 96–472, §101(b), substituted provisions setting forth the duties of the President and the Director of the Federal Emergency Management Agency with respect to the Program for provisions setting forth the duties of the President with respect to the program and plan.


Subsec. (e)(6). Pub. L. 96–472, §101(d), substituted “potential” for “political”.

Subsec. (f). Pub. L. 96–472, §101(e), substituted in provision preceding par. (1), provision directing that the mitigation elements of the program are to be as specified in pars. (1) to (8) for provision authorizing the establishment of a implementation plan, year-by-year targets, and Federal and non-Federal roles, in par. (1), substituted provision including as one of the mitigating elements, issuance of earthquake predictions for provision including in the implementation plan development of measures in preparing for earthquakes, actual predictions, warnings, and insuring a constructive response to an earthquake, added pars. (7) and (8), and struck out provision following par. (8), that when the implementation plan developed by the President contemplates specific action to be taken by a Federal agency, department, or entity, and at the end of the 30-day period beginning on the date the President submits such plan to the appropriate authorizing committees of Congress and such action has not been initiated, the President submit to such committees a report why such action has not been taken.


EFFECTIVE DATE OF 2018 AMENDMENT
Pub. L. 115–307, §3(b)(4)(B), Dec. 11, 2018, 132 Stat. 4111, provided that: ‘‘The amendments made by subparagraph (A) [amending this section] shall take effect on the first day of the first fiscal year beginning after the date of the enactment of this Act [Dec. 11, 2018]’’.

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

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

REAL-TIME PUBLIC AVAILABILITY OF RAW SEISMOLOGICAL DATA
Pub. L. 107–228, div. B, title XVI, §1602, Sept. 30, 2002, 116 Stat. 1460, provided that: ‘‘The head of the Air Force Technical Applications Center shall make available to the public, immediately upon receipt or as soon after receipt as is practicable, all raw seismological data provided to the United States Government by any international monitoring organization that is directly responsible for seismological monitoring’’.

maximum extent practicable, make available to the public in real time, or as quickly as possible, all raw seismological data provided to the United States Government by any international organization that is directly responsible for seismological monitoring.’’

**AUTHORIZATION OF REAL-TIME SEISMIC HAZARD WARNING SYSTEM DEVELOPMENT, AND OTHER ACTIVITIES**


‘‘(a) AUTOMATIC SEISMIC WARNING SYSTEM DEVELOPMENT—

‘‘(1) DEFINITIONS.—In this section:

‘‘(A) DIRECTOR.—The term ‘Director’ means the Director of the United States Geological Survey.

‘‘(B) HIGH-RISK ACTIVITY.—The term ‘high-risk activity’ means an activity that may be adversely affected by a moderate to severe seismic event (as determined by the Director), and includes high-speed rail transportation.

‘‘(C) REAL-TIME SEISMIC WARNING SYSTEM.—The term ‘real-time seismic warning system’ means a system that issues warnings in real-time from a network of seismic sensors to a set of analysis processors, directly to receivers related to high-risk activities.

‘‘(2) IN GENERAL.—The Director shall conduct a program to develop a prototype real-time seismic warning system. The Director may enter into such agreements or contracts as may be necessary to carry out the program.

‘‘(3) UPGRADE OF SEISMIC SENSORS.—In carrying out a program under paragraph (2), in order to increase the accuracy and speed of seismic event analysis to provide for timely warning signals, the Director shall provide for the upgrading of the network of seismic sensors participating in the prototype to increase the capability of the sensors—

‘‘(A) to measure accurately large magnitude seismic events (as determined by the Director); and

‘‘(B) to acquire additional parametric data.

‘‘(4) DEVELOPMENT OF COMMUNICATIONS AND COMPUTATION INFRASTRUCTURE.—In carrying out a program under paragraph (2), the Director shall develop a communications and computation infrastructure that is necessary—

‘‘(A) to process the data obtained from the upgraded seismic sensor network referred to in paragraph (3); and

‘‘(B) to provide for, and carry out, such communications engineering and development as is necessary to facilitate—

‘‘(i) the timely flow of data within a real-time seismic hazard warning system; and

‘‘(ii) the issuance of warnings to receivers related to high-risk activities.

‘‘(5) PROCUREMENT OF COMPUTER HARDWARE AND COMPUTER SOFTWARE.—In carrying out a program under paragraph (2), the Director shall procure such computer hardware and computer software as may be necessary to carry out the program.

‘‘(6) REPORTS ON PROGRESS.—

‘‘(A) IN GENERAL.—Not later than 120 days after the date of enactment of this Act (Oct. 1, 1997), the Director shall prepare and submit to Congress a report that contains a plan for implementing a real-time seismic hazard warning system.

‘‘(B) ADDITIONAL REPORTS.—Not later than 1 year after the date on which the Director submits the report under subparagraph (A), and annually thereafter, the Director shall prepare and submit to Congress a report that summarizes the progress of the Director in implementing the plan referred to in subparagraph (A).

‘‘(7) AUTHORIZATION OF APPROPRIATIONS.—In addition to the amounts made available to the Director under section 12(b) of the Earthquake Hazards Reduction Act of 1977 (42 U.S.C. 7706(b)), there are authorized to be appropriated to the Department of the Interior, to be used by the Director to carry out paragraph (2), $3,000,000 for each of fiscal years 1998 and 1999; $2,600,000 for fiscal year 2000; $2,710,000 for fiscal year 2002; and $2,825,000 for fiscal year 2003.

‘‘(b) SEISMIC MONITORING NETWORKS ASSESSMENT—

‘‘(1) IN GENERAL.—The Director shall provide for an assessment of regional seismic monitoring networks in the United States. The assessment shall address—

‘‘(A) the need to update the infrastructure used for collecting seismic hazard data for research and monitoring of seismic events in the United States;

‘‘(B) the need for expanding the capability to record strong ground motions, especially for urban area engineering purposes;

‘‘(C) the need to measure accurately large magnitude seismic events (as determined by the Director);

‘‘(D) the need to acquire additional parametric data; and

‘‘(E) project costs for meeting the needs described in subparagraphs (A) through (D).

‘‘(2) RESULTS.—The Director shall transmit the results of the assessment conducted under this subsection to Congress not later than 1 year after the date of enactment of this Act (Oct. 1, 1997).

‘‘(c) EARTH SCIENCE TEACHING MATERIALS.—

‘‘(1) DEFINITIONS.—In this subsection:

‘‘(A) LOCAL EDUCATIONAL AGENCY.—The term ‘local educational agency’ has the meaning given that term in section 801 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7801).

‘‘(B) SCHOOL.—The term ‘school’ means a nonprofit institutional day or residential school that provides education for any of the grades kindergarten through grade 12.

‘‘(2) TEACHING MATERIALS.—In a manner consistent with the requirement under section 5(b)(4) (now 5(b)(4)(A)) of the Earthquake Hazards Reduction Act of 1977 (42 U.S.C. 7704(b)(4)(A))) and subject to a merit based competitive process, the Director of the National Science Foundation may use funds made available to him or her under section 12(c) of such Act (42 U.S.C. 7706(c)) to develop, and make available to schools and local educational agencies for use by schools, at a minimal cost, earth science teaching materials that are designed to meet the needs of elementary and secondary school teachers and students.

‘‘(d) IMPROVED SEISMIC HAZARD ASSESSMENT—

‘‘(1) IN GENERAL.—As soon as practicable after the date of enactment of this Act (Oct. 1, 1997), the Director shall conduct a project to improve the seismic hazard assessment of seismic zones.

‘‘(2) REPORTS.—

‘‘(A) IN GENERAL.—Not later than 1 year after the date of enactment of this Act, and annually during the period of the project, the Director shall prepare, and submit to Congress, a report on the findings of the project.

‘‘(B) FINAL REPORT.—Not later than 60 days after the date of termination of the project conducted under this subsection, the Director shall prepare and submit to Congress a report concerning the findings of the project.

‘‘(e) STUDY OF NATIONAL EARTHQUAKE EMERGENCY TRAINING CAPABILITIES.—

‘‘(1) IN GENERAL.—The Director of the Federal Emergency Management Agency shall conduct an assessment of the need for additional Federal disaster response training capabilities that are applicable to earthquake response.

‘‘(2) CONTENTS OF ASSESSMENT.—The assessment conducted under this subsection shall include—

‘‘(A) a review of the disaster training programs offered by the Federal Emergency Management Agency at the time of the assessment;

‘‘(B) an estimate of the number and types of emergency response personnel that have, during the period beginning on January 1, 1990 and ending on...
July 1, 1997, sought the training referred to in sub-
paragraph (A), but have been unable to receive that
training as a result of the oversubscription of the
training capabilities of the Federal Emergency
Management Agency; and
“(C) a recommendation on the need to provide ad-
ditional Federal disaster-response training centers.
“(3) Report.—Not later than 180 days after the date of
enactment of this Act (Oct. 1, 1997), the Director
shall prepare and submit to Congress a report that
addresses the results of the assessment conducted
under this subsection.”

STUDIES ON ECONOMIC IMPACT OF CATASTROPHIC EARTHQUAKES AND IMPROVING EARTHQUAKE MITIGATION

rected Director of Federal Emergency Management
Agency to submit two reports to Congress within 12
months after Nov. 16, 1990, one report outlining results
of a study on impact and repercussions of a cata-
strophic earthquake on local, regional, and national
economies, and the other report outlining results of a
study on adequacy of preparation and response capa-
bilites for reducing and recovering from losses caused
by a catastrophic earthquake.

EARTHQUAKE ENGINEERING RESEARCH

2871, directed National Academy of Sciences to conduct
a study of earthquake engineering activities being car-
ried out by the Foundation and other Federal agencies
under the Earthquake Hazards Reduction Act of 1977 (42
U.S.C. 7701 et seq.), such study to include (1) an assess-
ment of adequacy of each agency’s current Federal
earthquake engineering efforts, including those de-
signed to increase the implementation of new tech-
niques; the need for specialized research facilities, in-
cluding large-scale facilities; the division of respon-
sibilities among the various Federal agencies; and rec-
ommendations of funding that the Foundation and
other agencies should provide, in the form of grants to
individuals, groups, and centers, to non-Federal re-
searchers principally engaged in earthquake engineer-
ning research; and (2) recommendations, if any, of the
National Academy of Sciences for improvements in the
current Federal efforts in the area of earthquake engi-
neering research, with results of the study to be re-
ported to Congress on or before expiration of 12-month

EXECUTIVE ORDER No. 12999

by Ex. Ord. No. 13286, § 40, Feb. 28, 2003, 68 F.R. 10626,
which related to seismic safety of Federal and federally
assisted or regulated new building construction, was re-
voked by Ex. Ord. No. 13177, § 5, Feb. 2, 2016, 81 F.R. 4949,
set out below.

EX. ORD. No. 13177. ESTABLISHING A FEDERAL
EARTHQUAKE RISK MANAGEMENT STANDARD

Ex. Ord. No. 13177, Feb. 2, 2016, 81 F.R. 6407, provided:
By the authority vested in me as President by the Consti-
tution and the laws of the United States of
America, including the Earthquake Hazards Reduction
Act of 1977, as amended, and section 121(a) of title 40,
United States Code, and to improve the Nation’s resi-
lence to earthquakes, I hereby direct the following:

SECTION 1. Policy. It is the policy of the United States
to strengthen the security and resilience of the Nation
against earthquakes, to promote public safety, eco-
omic strength, and national security. To that end, the
Federal Government must continue to take proactive
steps to enhance the resilience of buildings that are
owned, leased, financed, or regulated by the Federal
Government. When making investment decisions relat-
ed to Federal buildings, each executive department and
agency (agency) responsible for implementing this
order shall seek to enhance resilience by reducing risk
to the lives of building occupants and improving con-
tinued performance of essential functions following fu-
ture earthquakes. The Federal Government recognizes
that building codes and standards primarily focus on
ensuring minimum acceptable levels of earthquake
safety for preserving the lives of building occupants. To
achieve true resilience against earthquakes, however,
new and existing buildings may need to exceed those
codes and standards to ensure, for example, that the
buildings can continue to perform their essential func-
tions following future earthquakes. Agencies are thus
encouraged to consider going beyond the codes and
standards set out in this order to ensure that buildings
are fully earthquake resilient.

SEC. 2. REQUIREMENTS FOR EARTHQUAKE SAFETY OF NEW FEDERAL BUILDINGS, IMPROVEMENTS TO EXISTING FEDERAL BUILDINGS, AND FEDERALLY LEASED, FINANCED, OR REGULATED BUILDINGS.

(a) New Buildings and Alterations to Existing Buildings. Each agency responsible for the design and construc-
tion of a new building or an alteration to an existing
building shall ensure that the building is designed, con-
structed, or altered, respectively, in accord with ap-
propriate earthquake-resistant design and construction
codes and standards as set forth in sections 3(a) and
3(b) of this order.

(b) Space Leased for Federal Occupancy. Each agency
responsible for the lease of a building shall, to the ex-
tent permitted by law, ensure that it leases only build-
ings that have been designed and constructed in accord
with the appropriate earthquake-resistant design and
construction standards that apply to the type of lease
at issue, as set forth in section 3(c) of this order.

(c) Federal Assistance Programs. Each agency assisting
in the financing, through Federal grants or loans, or
guaranteeing the financing, through loan or mortgage
insurance programs, of a newly constructed building
shall consider updating its procedures for providing the
assistance to be consistent with section 3(a) of this
order, to assure appropriate consideration of earth-
quake safety.

(d) Federally Regulated Buildings. Each agency with
responsibility for regulating the structural safety of a
new building shall consider using earthquake-resistant
design and construction standards for the new building
consistent with section 3(a) of this order.

SEC. 3. CODES, STANDARDS, AND CONCURRENT REQUIREMENTS.

(a) Commencing within 90 days after the date of this
order, each agency shall ensure that every new building
for which the agency has not started programming is in
compliance with the earthquake-resistant design provi-
sions of the 2015 editions of the International Building
Code (IBC) or the International Residential Code (IRC),
nationally recognized building codes promulgated by
the International Code Council (ICC), or equivalent
codes, consistent with the provisions of and to the ex-
tent required by 40 U.S.C. 3312. When the ICC releases
a new version of the IBC or IRC, each agency that con-
structs buildings shall determine whether the new ver-
sion is a nationally recognized code for the purposes of
the 2015 editions of the IBC or IRC, 40 U.S.C. 3312(b), as expeditiously as practicable, but
not later than 2 years after the release of the new
version. If an agency determines that a new version is a
nationally recognized code, it shall ensure that any
building, for which the agency has not started pro-
gramming, shall be in compliance with that new
version or an equivalent code.

(b) Each agency that owns an existing Federal build-
ing shall adopt the Standards of Seismic Safety for Exis-
ting Federally Owned and Leased Buildings (Standards),
which are developed, issued, and maintained by the
Interagency Committee on Seismic Safety in Construc-
tion (IACSSC), as the minimum level acceptable for
managing the earthquake risks in that building. Any
agency that has not adopted the Standards at the time
of this order shall adopt the Standards no later than 90
days from the date of this order. All agencies shall
adopt subsequent editions of the Standards as expedi-
tiously as practicable, but no later than 2 years follow-
ing their issuance.

(c) Each agency that leases space in an existing build-
ing shall adopt the Standards as the minimum level ac-
ceptable for managing the earthquake risks in that building. This requirement shall apply to existing leases or leases existing at the time of issuance of this order, or related activities. The National Earthquake Hazard Reduction Program (NEHRP) shall be charged with developing and maintaining the ICSSC guidelines to assist the Federal agencies with implementing earthquake risk reduction measures in their construction and maintenance of ICSSC guidelines. ICSSC shall be composed of representatives of all Federal agencies engaged in construction, financing of construction programs, and related activities. The National Earthquake Hazard Reduction Program (NEHRP) shall lead the development and maintenance of ICSSC guidelines. The NEHRP shall be charged with implementing this order at the maximum interval of 6 years. Participation in the ICSSC shall continue to be open to all agencies with programs affected by this order.

Sec. 4. Agency and Committee Responsibilities. (a) The ICSSC shall be composed of representatives of all Federal agencies engaged in construction, financing of construction, or related activities. The National Earthquake Hazard Reduction Program (NEHRP) shall be charged with developing and maintaining the ICSSC guidelines to assist the Federal agencies with implementing earthquake risk reduction measures in their construction and maintenance of ICSSC guidelines. The NEHRP shall lead the development and maintenance of ICSSC guidelines.

(b) Agencies whose activities are covered by this order shall designate one or more Seismic Safety Coordinators to serve as focal points for the agency’s compliance with this order and to participate in the ICSSC as appropriate. Within 30 days of the date of this order, each agency shall identify its Seismic Safety Coordinator(s) to the Director of NIST.

(c) The Director of NIST, on behalf of the ICSSC, shall issue implementing guidelines to assist agency compliance with this order within 8 months of the date of this order. The implementing guidelines shall provide specific guidance, including guidance about the roles and responsibilities of the agencies under section 2 of this order. The implementing guidelines shall also describe the responsibilities and necessary qualifications of the Seismic Safety Coordinator.

(d) The Director of NIST, on behalf of the ICSSC, shall provide assistance in interpreting the implementing guidelines to the Federal departments and agencies.

(e) The ICSSC shall publish updated Standards for assessing the earthquake resilience of existing buildings as required by this order. The ICSSC shall review and update the Standards as needed to comply with this order at the maximum interval of every 6 years. Participation in the ICSSC shall continue to be open to all agencies with programs affected by this order. The Director of NIST shall provide support for the secretariat of the ICSSC and determine the frequency and scope of the ICSSC meetings as necessary to support this order.

(f) Agencies whose activities are covered by this order shall submit biennial reports to the Director of the Office of Management and Budget (OMB) and the Director of OMB on their progress in implementing the order, commencing 2 years from the date of this order.

(g) Agency compliance shall be summarized in the NEHRP reports to the Congress.

Sec. 5. Revocation. Executive Order 12699 of January 5, 1990 (Seismic Safety of Federal and Federally Assisted or Regulated New Building Construction), as amended, and Executive Order 12941 of December 1, 1994 (Seismic Safety of Existing Federally Owned or Leased Buildings) are hereby revoked.

Sec. 6. Definitions. As used in this order:

(a) “building” means any structure, fully or partially enclosed, used or intended for sheltering persons or property;

(b) “alteration to an existing building” means an action that alters, as defined in 40 U.S.C. 3301(a)(1), a building and that significantly extends the building’s useful life and totals more than the replacement values established in the Standards for the building’s assigned Seismic Design Category; and

(c) “programming” means developing and validating project assumptions, scope, budgets, and implementation strategy for a building.

Sec. 7. Exemption Authority. (a) The head of an agency may exempt a building from sections 2 and 3 of this order:

(i) to the extent the head of an agency determines that exempting such building is substantially related to an important law enforcement purpose; or

(ii) the extent the head of an agency determines that exempting such building is necessary to address an extraordinary circumstance relating to national security or public safety.

(b) Even when otherwise eligible for an exemption under this section, each agency shall strive to comply with the purposes, goals, and requirements set forth in this order to the maximum extent practicable.

(c) If the head of an agency issues an exemption under this section, the agency must notify the Director of OMB in writing within 30 days of issuance of the exemption under this subsection.

Sec. 8. General Provisions. (a) Nothing in this order shall be construed to impair or otherwise affect:

(i) the authority granted by law to an executive department, agency, or the head thereof; or

(ii) the functions of the Director of OMB relating to budgetary, administrative, or legislative proposals.

(b) This order shall be implemented consistent with applicable law and subject to the availability of appropriations.

(c) This order is not intended to, and does not, create any right or benefit, substantive or procedural, enforceable at law or in equity by any party against the United States, its departments, agencies, or entities, its officers, employees, or agents, or any other person.

(d) Nothing in this order shall apply to assistance provided for emergency work essential to save lives and protect property and public health and safety, performed pursuant to agencies’ statutory authorities, and sections 402, 403, 502, and 503 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (the “Stafford Act”)(42 U.S.C. 5170a, 5170b, 5192, and 5193), or for temporary housing assistance programs and individual and family grants performed pursuant to section 406 of the Stafford Act (42 U.S.C. 5174). This order shall, however, apply to other provisions of the Stafford Act with respect to assistance issued after a Presidentially declared major disaster or emergency when assistance actions involve new construction or alterations to an existing building.

(e) This order applies only to buildings within the United States and its territories and possessions.

Barack Obama.

§ 7704a. Report on seismic safety property standards

(a) Authority

The Secretary of Housing and Urban Development (in this section referred to as the “Secretary”) shall assess the risk of earthquake-related damage to properties assisted under programs administered by the Secretary and shall develop seismic safety standards for such properties. This section may not be construed to prohibit the Secretary from deferring to local building codes that meet the requirements of the seismic safety standards developed under this section.

(b) Standards

The standards shall be designed to reduce the risk of loss of life to building occupants to the
maximum extent feasible and to reduce the risk of shake-related property damage to the maximum extent practicable.

(c) Consultation

In carrying out this section, the Secretary shall consult with the Administrator of the Federal Emergency Management Agency and may utilize the resources under the National Earthquake Hazards Reduction Program (established under the Earthquake Hazards Reduction Act of 1977 (42 U.S.C. 7701 et seq.)) and any other resources as may be required to carry out the activities under this section.


REFERENCES IN TEXT

The Earthquake Hazards Reduction Act of 1977, referred to in subsec. (c), is Pub. L. 95–124, Oct. 7, 1977, 91 Stat. 1098, as amended, which is classified generally to this chapter (§7701 et seq.). For complete classification of this Act to the Code, see Short Title note set out under section 7701 of this title (§ 7701 et seq.). For complete classification of all sections of this title to the Code, see Tables.

SEC. 7705b. Seismic standards

(a) Assessment and recommendations

Not later than December 1, 2019, the Director of the National Institute of Standards and Technology and the Administrator of the Federal Emergency Management Agency shall jointly convene a committee of experts from Federal agencies, nongovernmental organizations, private sector entities, disaster management professional associations, engineering professional associations, and professional construction and homebuilding industry associations, to assess and recommend options for improving the built environment and critical infrastructure to reflect performance goals stated in terms of post-earthquake reoccupancy and functional recovery time.

(b) Report to Congress

Not later than June 30, 2020, the committee convened under paragraph (1) shall submit to the Committee on Commerce, Science, and Transportation, the Committee on Energy and Natural Resources, and the Committee on Homeland Security and Governmental Affairs of the Senate and the Committee on Science, Space, and Technology, the Committee on Natural Resources, and the Committee on Homeland Security of the House of Representatives a report on recommended options for improving the built environment and critical infrastructure to reflect performance goals stated in terms of post-earthquake reoccupancy and functional recovery time.

(Pub. L. 95–124, §6, as added Pub. L. 101–614, §7(b), Nov. 16, 1990, 104 Stat. 3336, related to establishment of a National Earthquake Hazards Reduction Program Advisory Committee.)


For transfer of all functions, personnel, assets, components, authorities, grant programs, and liabilities of the Federal Emergency Management Agency, including the functions of the Under Secretary for Federal Emergency Management relating thereto, to the Federal Emergency Management Agency, see section 355(a)(1) of Title 6, Domestic Security.

For transfer of all functions, personnel, assets, and liabilities of the Federal Emergency Management Agency, including the functions of the Director of the Federal Emergency Management Agency relating thereto, to the Secretary of Homeland Security, and for treatment of related references, see former section 313(1) and sections 531(d), 532(d), and 557 of Title 6, Domestic Security, and the Department of Homeland Security Reorganization Plan of November 25, 2002, as modified, set out as a note under section 42 of Title 6.

AMENDMENTS


REPORT ON VULNERABILITY OF BUILDINGS OWNED AND LEASED BY GOVERNMENT

Pub. L. 101–614, §8(b), Nov. 16, 1990, 104 Stat. 3238, directed Comptroller General, not later than 18 months after Nov. 16, 1990, to report to Congress on vulnerability of buildings owned and leased by the Federal Government and on efforts of Federal agencies to improve the seismic resistance of buildings they own or lease, and for each such agency, the Comptroller General to enumerate the number of buildings owned or leased by the agency, the seriousness of the seismic risk to such buildings, and the value of the buildings at risk, as well as tabulate the expenditures each such agency had devoted to reducing earthquake damage and estimate the total expenditure necessary to address the problem adequately.
§ 7705e. Acceptance of gifts

(a) Authority
In furtherance of the purposes of this chapter, the Administrator of the Federal Emergency Management Agency may accept and use bequests, gifts, or donations of services, money, or property, notwithstanding section 1342 of title 31.

(b) Criteria
The Administrator of the Federal Emergency Management Agency shall establish by regulation criteria for his determination whether to accept bequests, gifts, or donations of services, money, or property. Such criteria shall take into consideration whether the acceptance of the bequest, gift, or donation would reflect unfavorably on the Director’s ability to carry out his responsibilities in a fair and objective manner, or would compromise the integrity of, or the appearance of the integrity of, the Program or any official involved in administering the Program.


Codification

AMENDMENTS
2018—Pub. L. 115–307 substituted “Administrator of the Federal Emergency Management Agency” for “Director of the Agency” in subsecs. (a) and (b).

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

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


§ 7705e. Post-earthquake investigations program

There is established within the United States Geological Survey a post-earthquake investigations program, the purpose of which is to investigate major earthquakes, so as to learn lessons which can be applied to reduce the loss of lives and property in future earthquakes. The United States Geological Survey, in consultation with each Program agency, shall organize investigations to study the implications of the earthquake in the areas of responsibility of each Program agency. The investigations shall begin as rapidly as possible and may be conducted by grantees and contractors. The Program agencies shall ensure that the results of investigations are disseminated widely. The Director of the Survey is authorized to utilize earthquake expertise from the Agency, the National Science Foundation, the National Institute of Standards and Technology, other Federal agencies, and private contractors, on a reimbursable basis, in the conduct of such earthquake investigations. At a minimum, investigations under this section shall include—

1 Analysis by the National Science Foundation and the United States Geological Survey of the causes of the earthquake and the nature of the resulting ground motion.

2 Analysis by the National Science Foundation and the National Institute of Standards and Technology of the behavior of structures and lifeline infrastructure, both those that were damaged and those that were undamaged; and

3 Analysis by each of the Program agencies of the effectiveness of the earthquake hazards mitigation programs and actions relating to its area of responsibility under the Program, and how those programs and actions could be strengthened.


AMENDMENTS

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

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

REPORT ON FUNDING OF PROGRAM
Pub. L. 101–614, §11(b), Nov. 16, 1990, 104 Stat. 3239, directed Director of Federal Emergency Management Agency in consultation with other agencies of National Earthquake Hazards Reduction Program, not later than one year after Nov. 16, 1990, to report to Congress on possible options for funding a program for post-earthquake investigations, which would, at a minimum, consider funding such a program either by setting aside a percentage of disaster relief funds provided.
by Federal Emergency Management Agency after a
major earthquake or by a revolving fund, and which
would also include a recommendation on how the fund-
ing for such investigations would be allocated among
the other Program agencies.

§ 7706. Authorization of appropriations

(a) General authorization for program

(1) There are authorized to be appropriated to
the President to carry out the provisions of sec-
tions 7704 and 7705 of this title for the fiscal
year ending September 30, 1981—
(A) $1,000,000 for continuation of the Inter-
agency Committee on Seismic Safety in Con-
struction and the Building Seismic Safety
Council programs,
(B) $1,500,000 for plans and preparedness for
earthquake disasters,
(C) $500,000 for prediction response planning,
(D) $600,000 for architectural and engineering
planning and practice programs,
(E) $1,000,000 for development and applica-
tion of a public education program,
(F) $5,000,000 for use by the National Science
Foundation in addition to the amount author-
ized to be appropriated under subsection (c),
which amount includes $2,400,000 for earth-
quake policy research and $600,000 for the
strong ground motion element of the siting
program, and
(G) $1,000,000 for use by the Center for Build-
ing Technology, National Institute of Stand-
ards and Technology in addition to the
amount authorized to be appropriated under
subsection (d) for earthquake activities in the
Center.

(2) There are authorized to be appropriated to
the Director for the fiscal year ending Septem-
ber 30, 1982, $2,000,000 to carry out the provisions
of sections 7704 and 7705 of this title for the fiscal
year ending September 30, 1983—
(A) $1,000,000 for plans and preparedness for
earthquake disasters,
(B) $1,500,000 for plans and preparedness for
earthquake disasters,
(C) $300,000 for Earthquake Hazards Educational
Program,
(D) $1,000,000 for emergency response planni-
g and practice programs.

(3) There are authorized to be appropriated to
the Director for the fiscal year ending Septem-
ber 30, 1983, $2,000,000 to carry out the provisions
of sections 7704 and 7705 of this title for the fiscal
year ending September 30, 1984—
(A) $1,000,000 for plans and preparedness for
earthquake disasters,
(B) $1,500,000 for plans and preparedness for
earthquake disasters,
(C) $300,000 for Earthquake Hazards Educational
Program,
(D) $1,000,000 for emergency response planni-
g and practice programs.

(4) There are authorized to be appropriated to
the Director, to carry out the provisions of sec-
tions 7704 and 7705 of this title, for the fiscal
year ending September 30, 1984—
(A) $1,000,000 for plans and preparedness for
earthquake disasters,
(B) $1,500,000 for plans and preparedness for
earthquake disasters,
(C) $300,000 for Earthquake Hazards Educational
Program,
(D) $1,000,000 for emergency response planni-
g and practice programs.

(5) There are authorized to be appropriated to
the Director, to carry out the provisions of sec-
tions 7704 and 7705 of this title, for the fiscal
year ending September 30, 1985—
(A) $1,000,000 for Plans and preparedness for
earthquake disasters,
(B) $1,500,000 for Plans and preparedness for
earthquake disasters,
(C) $300,000 for Earthquake Hazards Educational
Program,
(D) $1,000,000 for emergency response planni-
g and practice programs.

(6) There are authorized to be appropriated to
the Director, to carry out the provisions of sec-
tions 7704 and 7705 of this title, for the fiscal
year ending September 30, 1986, $5,996,000, and
for the fiscal year ending September 30, 1987,
$5,848,000.

(7) There are authorized to be appropriated to
the Administrator of the Agency, to carry out
this chapter, $5,778,000 for the fiscal year ending
September 30, 1988, $5,788,000 for the fiscal
year ending September 30, 1989, $8,798,000 for the
fiscal year ending September 30, 1990, $14,750,000 for
the fiscal year ending September 30, 1991,
$19,000,000 for the fiscal year ending September 30,
1992, $22,000,000 for the fiscal year ending Sep-
tember 30, 1993, $25,000,000 for the fiscal year ending
September 30, 1995, $25,750,000 for the fiscal
year ending September 30, 1996, $20,900,000 for the
fiscal year ending September 30, 1998, $21,500,000 for the fiscal year ending September 30, 1999; $19,861,000 for the fiscal year ending September 30, 2001, of which $450,000 is for National
Earthquake Hazard Reduction Program-elelible
efforts of an established multi-state consortium
to reduce the unacceptable threat of earthquake
damages in the New Madrid seismic region
through efforts to enhance preparedness, re-
response, recovery, and mitigation; $20,705,000 for the fiscal year ending September 30, 2002; and
$21,585,000 for the fiscal year ending September 30, 2003.

(b) United States Geological Survey

(1) There are authorized to be appropriated to
the Secretary of the Interior for purposes for carrying out, through the Director of the United States
Geological Survey, the responsibilities that may be assigned to the Director under this
chapter not to exceed $3,750,000 for the fiscal
year ending September 30, 1978; not to exceed
$3,750,000 for the fiscal year ending September 30, 1979; not to exceed $3,750,000 for the fiscal
year ending September 30, 1980; $32,484,000 for the fiscal year ending September 30, 1981;
$34,425,000 for the fiscal year ending September 30, 1982; $31,843,000 for the fiscal year ending Sep-
tember 30, 1983; $35,524,000 for the fiscal year ending September 30, 1984; $37,500,000 for the fiscal
year ending September 30, 1985; $35,578,000 for the fiscal year ending September 30, 1986;
$37,179,000 for the fiscal year ending September 30, 1987; $38,540,000 for the fiscal year ending Sep-
tember 30, 1988; $41,819,000 for the fiscal year ending September 30, 1989; $55,263,000 for the fiscal
year ending September 30, 1990, of which
$5,000,000 shall be for earthquake investigations
under section 7705e of this title; $50,000,000 for

See References in Text note below.
the fiscal year ending September 30, 1991; $54,500,000 for the fiscal year ending September 30, 1992; $62,500,000 for the fiscal year ending September 30, 1993; $49,200,000 for the fiscal year ending September 30, 1995; $50,678,000 for the fiscal year ending September 30, 1996; $52,558,000 for the fiscal year ending September 30, 1998, of which $3,800,000 shall be used for the Global Seismic Network operated by the Agency; and $54,052,000 for the fiscal year ending September 30, 1999, of which $3,800,000 shall be used for the Global Seismic Network operated by the Agency. There are authorized to be appropriated under this paragraph, at least—

(A) $8,000,000 of the amount authorized for the fiscal year ending September 30, 1998;

(B) $8,250,000 of the amount authorized for the fiscal year ending September 30, 1999;

(C) $8,520,000 of the amount authorized to be appropriated for fiscal year 2001;

(D) $9,250,000 of the amount authorized to be appropriated for fiscal year 2002; and

(E) $9,500,000 of the amount authorized to be appropriated for fiscal year 2003,

shall be used for carrying out a competitive, peer-reviewed program under which the Director, in close coordination with and as a complement to related activities of the United States Geological Survey, awards grants to, or enters into cooperative agreements with, State and local governments and persons or entities from the academic community and the private sector.

(2) There are authorized to be appropriated to the United States Geological Survey for carrying out this chapter—

(A) $77,000,000 for fiscal year 2005, of which not less than $30,000,000 shall be made available for completion of the Advanced National Seismic System established under section 7707 of this title;

(B) $84,410,000 for fiscal year 2006, of which not less than $36,000,000 shall be made available for completion of the Advanced National Seismic System established under section 7707 of this title;

(C) $85,860,000 for fiscal year 2007, of which not less than $36,000,000 shall be made available for completion of the Advanced National Seismic System established under section 7707 of this title;

(D) $87,360,000 for fiscal year 2008, of which not less than $36,000,000 shall be made available for completion of the Advanced National Seismic System established under section 7707 of this title;

(E) $88,900,000 for fiscal year 2009, of which not less than $36,000,000 shall be made available for completion of the Advanced National Seismic System established under section 7707 of this title;

(F) $83,403,000 for fiscal year 2010, of which not less than $30,000,000 shall be made available for completion of the Advanced National Seismic System established under section 7707 of this title;

(G) $83,403,000 for fiscal year 2020, of which not less than $30,000,000 shall be made available for completion of the Advanced National Seismic System established under section 7707 of this title;

(H) $83,403,000 for fiscal year 2021, of which not less than $30,000,000 shall be made available for completion of the Advanced National Seismic System established under section 7707 of this title;

(I) $83,403,000 for fiscal year 2022, of which not less than $30,000,000 shall be made available for completion of the Advanced National Seismic System established under section 7707 of this title; and

(J) $83,403,000 for fiscal year 2023, of which not less than $30,000,000 shall be made available for completion of the Advanced National Seismic System established under section 7707 of this title.

(c) National Science Foundation

(1) To enable the Foundation to carry out responsibilities that may be assigned to it under this chapter, there are authorized to be appropriated to the Foundation not to exceed $27,500,000 for the fiscal year ending September 30, 1978; not to exceed $35,000,000 for the fiscal year ending September 30, 1979; not to exceed $40,000,000 for the fiscal year ending September 30, 1980; $26,600,000 for the fiscal year ending September 30, 1981; $27,150,000 for the fiscal year ending September 30, 1982; $25,000,000 for the fiscal year ending September 30, 1983; $25,500,000 for the fiscal year ending September 30, 1984; $28,600,000 for the fiscal year ending September 30, 1985; $27,760,000 for the fiscal year ending September 30, 1986; $29,009,000 for the fiscal year ending September 30, 1987; $28,235,000 for the fiscal year ending September 30, 1988; $29,009,000 for the fiscal year ending September 30, 1989; $31,634,000 for the fiscal year ending September 30, 1990; $38,454,000 for the fiscal year ending September 30, 1991. Of the amounts authorized for Engineering under section 101(d)(1)(B) of the National Science Foundation Authorization Act of 1988, $24,000,000 is authorized for carrying out this chapter for the fiscal year ending September 30, 1991, and of the amounts authorized for Geosciences under section 101(d)(1)(D) of the National Science Foundation Authorization Act of 1988, $13,000,000 is authorized for carrying out this chapter for the fiscal year ending September 30, 1991. Of the amounts authorized for Engineering under section 101(e)(1) of the National Science Foundation Authorization Act of 1988, $29,000,000 is authorized for engineering research under this chapter, and

§ 7706

So in original. Probably should not be capitalized.
$14,750,000 is authorized for geosciences research under this chapter, for the fiscal year ending September 30, 1992. Of the amounts authorized for Research and Related Activities under section 101(f)(1) of the National Science Foundation Authorization Act of 1998, $17,500,000 is authorized for engineering research under this chapter, and $11,900,000 is authorized for geosciences research under this chapter, for the fiscal year ending September 30, 1993. There are authorized to be appropriated to the National Institute of Standards and Technology to carry out responsibilities for buildings, structures, and lifeline infrastructure.

There are authorized to be appropriated to the National Institute of Standards and Technology for carrying out this chapter—

(A) $10,000,000 for fiscal year 2005,
(B) $11,000,000 for fiscal year 2006,
(C) $12,100,000 for fiscal year 2007,
(D) $13,310,000 for fiscal year 2008,
(E) $14,640,000 for fiscal year 2009,
(F) $5,900,000 for fiscal year 2010,
(G) $5,900,000 for fiscal year 2020,
(H) $5,900,000 for fiscal year 2022, and
(J) $5,900,000 for fiscal year 2023.4

of which $2,000,000 shall be made available each such fiscal year for supporting the development of performance-based, cost-effective, and affordable codes for buildings, structures, and lifeline infrastructure.

REFERENCES IN TEXT

Section 7707 of this title, referred to in subsec. (a)(1) to (6), was repealed by Pub. L. 105–47, §§ 1, 111 Stat. 1164.

This chapter, referred to in subsecs. (a)(8), (b)(2), (c)(2), and (d)(2), was in the original “this title”, and was translated as reading “this Act”, meaning Pub. L. 95–124, which is classified to section 14901 of this title.

AMENDMENTS


Subsec. (a)(8)(F) to (J) of the National Science Foundation Authorization Act of 1988, referred to in subsec. (c)(1), is section 101(d)(1)(B), (D), (e)(1), and (f)(1) of Pub. L. 100–252, Oct. 31, 1987, 102 Stat. 2323, which is not amended in the Code.

4So in original. The period probably should be a comma.

Subsec. (c)(2)(F) to (J). Pub. L. 115–307, §7(3), added subpars. (F) to (J).


Subsec. (b). Pub. L. 108–360, §104(a)(2)–(5), designated existing provisions as par. (1) and substituted “paragraph” for “subsection” in last sentence, redesignated former pars. (1) to (5) as subpars. (A) to (E), respectively, and added par. (2).

2009—Subsec. (a)(8). Pub. L. 108–360, §104(a)(6), (7), designated existing provisions as par. (1) and added par. (2).

Subsec. (b). Pub. L. 108–360, §104(a)(8), (9), designated existing provisions as par. (1) and added par. (2).

2005—Subsec. (a)(7). Pub. L. 110–95, §202(a), struck out “and” after “1998,” and substituted “1999; $54,500,000 for the fiscal year ending September 30, 1992; $50,676,000 for the fiscal year ending September 30, 1993; $38,454,000 for 1994; $50,415,000 for fiscal year 2002, of which $19,000,000 is for engineering research and $11,900,000 for geosciences research for the fiscal year ending September 30, 1998, and $21,500,000 for the fiscal year ending September 30, 1999; $52,558,000 for fiscal year 2003, of which $8,000,000 shall be used for the Global Seismic Network operated by the Agency. Of the amounts authorized to be appropriated under this subsection, at least—

“(1) $8,000,000 of the amount authorized to be appropriated for the fiscal year ending September 30, 1998; and

(2) $8,250,000 of the amount authorized for the fiscal year ending September 30, 1999, shall be used for carry out a competitive, peer-reviewed program under which the Director, in close coordination with and as a complement to related activities of the United States Geological Survey, awards grants to, or enters into cooperative agreements with, State and local governments and persons or entities from the academic community and the private sector,” for “and $50,676,000 for the fiscal year ending September 30, 1999.

Subsec. (e). Pub. L. 110–95–7, §1(3), struck out “and” after “September 30, 1996,” and inserted before period at end “; (3) $18,450,000 for engineering research and $11,920,000 for geosciences research for the fiscal year ending September 30, 1998, and (4) $19,000,000 for engineering research and $12,280,000 for geosciences research for the fiscal year ending September 30, 1999.”

Subsec. (d). Pub. L. 110–95, §1(4), struck out “and” after “September 30, 1996,” and inserted before period at end “; $2,000,000 for the fiscal year ending September 30, 1998, and $2,060,000 for the fiscal year ending September 30, 1999”.


Subsec. (c). Pub. L. 103–374, §1(3), inserted at end “There are authorized to be appropriated, out of funds otherwise authorized to be appropriated to the National Science Foundation: (1) $16,200,000 for engineering research and $10,900,000 for geosciences research for the fiscal year ending September 30, 1995, and (2) $16,686,000 for engineering research and $11,227,000 for geosciences research for the fiscal year ending September 30, 1996.”

Subsec. (d). Pub. L. 103–374, §1(4), inserted at end “There are authorized to be appropriated, out of funds otherwise authorized to be appropriated to the National Science Foundation: (1) $16,200,000 for engineering research and $10,900,000 for geosciences research for the fiscal year ending September 30, 1995, and (2) $16,686,000 for engineering research and $11,227,000 for geosciences research for the fiscal year ending September 30, 1996.”

Subsec. (b). Pub. L. 103–374, §12, struck out “and” after “September 30, 1992,” and inserted before period at end “; $49,200,000 for the fiscal year ending September 30, 1995, and $50,676,000 for the fiscal year ending September 30, 1996.”

Subsec. (c). Pub. L. 103–374, §1(3), inserted at end “There are authorized to be appropriated, out of funds otherwise authorized to be appropriated to the National Science Foundation: (1) $16,200,000 for engineering research and $10,900,000 for geosciences research for the fiscal year ending September 30, 1995, and (2) $16,686,000 for engineering research and $11,227,000 for geosciences research for the fiscal year ending September 30, 1996.”

Subsec. (d). Pub. L. 103–374, §1(4), inserted at end “There are authorized to be appropriated, out of funds otherwise authorized to be appropriated to the National Science Foundation: (1) $16,200,000 for engineering research and $10,900,000 for geosciences research for the fiscal year ending September 30, 1995, and (2) $16,686,000 for engineering research and $11,227,000 for geosciences research for the fiscal year ending September 30, 1996.”

Subsec. (b). Pub. L. 110–164, §121, substituted “carry out this chapter” for “carry out the provisions of sections 7704 and 7705 of this title”, substituted “$8,798,000” for “and $5,798,000”, and inserted before period at end “; $17,850,000 for the fiscal year ending September 30, 1991,” and of the amounts authorized for Geosciences under section 101(d)(1)(D) of the National Institute of Standards and Technology, $1,900,000 otherwise authorized to be appropriated to the National Science Foundation: (1) $16,200,000 for engineering research and $10,900,000 for geosciences research for the fiscal year ending September 30, 1995, and (2) $16,686,000 for engineering research and $11,227,000 for geosciences research for the fiscal year ending September 30, 1996.”

Subsec. (c). Pub. L. 103–374, §1(3), inserted at end “There are authorized to be appropriated, out of funds otherwise authorized to be appropriated to the National Science Foundation: (1) $16,200,000 for engineering research and $10,900,000 for geosciences research for the fiscal year ending September 30, 1995, and (2) $16,686,000 for engineering research and $11,227,000 for geosciences research for the fiscal year ending September 30, 1996.”

Subsec. (d). Pub. L. 103–374, §1(4), inserted at end “There are authorized to be appropriated, out of funds otherwise authorized to be appropriated to the National Science Foundation: (1) $16,200,000 for engineering research and $10,900,000 for geosciences research for the fiscal year ending September 30, 1995, and (2) $16,686,000 for engineering research and $11,227,000 for geosciences research for the fiscal year ending September 30, 1996.”

Subsec. (a). Pub. L. 103–374, §1(1), substituted “$5,283,000” for “and $4,283,000” and inserted before period at end “; of which $8,000,000 shall be used for earthquake investigations under section 7705e of this title; $50,000,000 for the fiscal year ending September 30, 1991; $54,500,000 for the fiscal year ending September 30, 1992; and $62,500,000 for the fiscal year ending September 30, 1993.”
Science Foundation Authorization Act of 1988, $13,000,000 is authorized for carrying out this chapter for the fiscal year ending September 30, 1991. Of the amounts authorized for Research and Related Activities under section 101(e)(1) of the National Science Foundation Authorization Act of 1988, $29,000,000 is authorized for engineering research under this chapter, and $34,500,000 is authorized for geosciences research under this chapter, for the fiscal year ending September 30, 1992. Of the amounts authorized for Research and Related Activities under section 101(f)(1) of the National Science Foundation Authorization Act of 1988, $34,500,000 is authorized for engineering research under this chapter, and $17,500,000 is authorized for geosciences research under this chapter, for the fiscal year ending September 30, 1993.

Subsec. (d). Pub. L. 101–614, § 12(4), substituted “National Institute of Standards and Technology” for “National Bureau of Standards” in heading and for “Bureau” in text, substituted “$2,525,000” for “and $525,000”, and inserted before period at end “; $1,000,000 for the fiscal year ending September 30, 1991; $3,000,000 for the fiscal year ending September 30, 1992; and $3,000,000 for the fiscal year ending September 30, 1993.”


Subsec. (b). Pub. L. 100–252, § 1(b), struck out “and” after “1986,” and inserted “; $38,540,000 for the fiscal year ending September 30, 1988; $41,819,000 for the fiscal year ending September 30, 1989; and $43,283,000 for the fiscal year ending September 30, 1990.”

Subsec. (c). Pub. L. 100–252, § 1(c), struck out “and” after “1986,” and inserted “; $27,760,000 for the fiscal year ending September 30, 1986; and $27,760,000 for the fiscal year ending September 30, 1987.”

Subsec. (d). Pub. L. 100–252, § 1(d), struck out “and” after “1986,” and inserted “; $27,760,000 for the fiscal year ending September 30, 1986; and $30,000,000 for the fiscal year ending September 30, 1988.”


Subsec. (b). Pub. L. 99–105, § 2, substituted a semicolon for “,” and after “1984” and inserted “; $35,578,000 for the fiscal year ending September 30, 1984; and $37,179,000 for the fiscal year ending September 30, 1987.”

Subsec. (c). Pub. L. 99–105, § 3, struck out “and” after “1984;” and inserted “; $27,760,000 for the fiscal year ending September 30, 1986; and $20,000,000 for the fiscal year ending September 30, 1987.”

Subsec. (d). Pub. L. 99–105, § 4, struck out “and” after “1984;” and inserted “; $495,000 for the fiscal year ending September 30, 1986; and $521,000 for the fiscal year ending September 30, 1987.”


Subsec. (b). Pub. L. 98–241, § 101(b), struck out “and” after “1982;” and inserted “; $35,524,000 for the fiscal year ending September 30, 1984; and $37,300,000 for the fiscal year ending September 30, 1985.”

Subsec. (c). Pub. L. 98–241, § 101(c), struck out “and” after “1982;” and inserted “; $25,800,000 for the fiscal year ending September 30, 1984; and $28,665,000 for the fiscal year ending September 30, 1985.”

Subsec. (d). Pub. L. 98–241, § 101(d), struck out “and” after “1982;” and inserted “; $475,000 for the fiscal year ending September 30, 1984; and $498,750 for the fiscal year ending September 30, 1985.”


Subsec. (e). Pub. L. 97–461, § 101(e), substituted “each of the fiscal years ending September 30, 1982 and Sep-
tember 30, 1983” for “the fiscal year ending September 30, 1982.”


Subsecs. (b), (c), Pub. L. 96–472, § 103(b), (c), inserted authorization for fiscal year ending Sept. 30, 1981.


Change of Name


Transfer of Functions

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

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

§ 7707. Advanced National Seismic System

(a) Establishment

The Director of the United States Geological Survey shall establish and operate an Advanced National Seismic System. The purpose of such system shall be to organize, modernize, standardize, and stabilize the national, regional, and urban seismic monitoring systems in the United States, including sensors, recorders, and data analysis centers, into a coordinated system that will measure and record the full range of frequencies and amplitudes exhibited by seismic waves, in order to enhance earthquake research and warning capabilities.

(b) Management plan

Not later than 90 days after November 13, 2000, the Director of the United States Geological Survey shall transmit to the Congress a 5-year management plan for establishing and operating the Advanced National Seismic System. The plan shall include annual cost estimates for both modernization and operation, milestones, standards, and performance goals, as well as plans for securing the participation of all existing networks in the Advanced National Seismic System and for establishing new, or enhancing existing, partnerships to leverage resources.

(Pub. L. 95–124, § 13, as added Pub. L. 106–503, title II, § 204, Nov. 13, 2000, 114 Stat. 2305; amend-
§ 7708. Network for Earthquake Engineering Simulation

(a) Establishment

The Director of the National Science Foundation shall establish the George E. Brown, Jr. Network for Earthquake Engineering Simulation that will upgrade, link, and integrate a system of geographically distributed experimental facilities for earthquake engineering testing of full-sized structures and their components and partial-scale physical models. The system shall be integrated through networking software so that integrated models and databases can be used to create model-based simulation, and the components of the system shall be interconnected with a computer network and allow for remote access, information sharing, and collaborative research.

(b) Authorization of appropriations

In addition to amounts appropriated under section 7706(c) of this title, there are authorized to be appropriated to the National Science Foundation for the George E. Brown, Jr. Network for Earthquake Engineering Simulation—

(1) $25,290,000 for fiscal year 2001;
(2) $24,400,000 for fiscal year 2002;
(3) $4,500,000 for fiscal year 2003;
(4) $17,000,000 for fiscal year 2004;
(5) $20,000,000 for fiscal year 2005, all of which shall be available for operations and maintenance;
(6) $20,400,000 for fiscal year 2006, all of which shall be available for operations and maintenance;
(7) $20,870,000 for fiscal year 2007, all of which shall be available for operations and maintenance;
(8) $21,390,000 for fiscal year 2008, all of which shall be available for operations and maintenance; and
(9) $21,930,000 for fiscal year 2009, all of which shall be available for operations and maintenance.

Advisory committees established after Jan. 5, 1973, to terminate not later than the expiration of the 2-year period beginning on the date of their establishment, unless, in the case of a committee established by the President or an officer of the Federal Government, such committee is renewed by appropriate action prior to the expiration of such 2-year period, or in the case of a committee established by the Congress, its duration is otherwise provided for by law. See section 14 of Pub. L. 92–463, Oct. 6, 1972, 86 Stat. 776, set out in the Appendix to Title 5, Government Organization and Employees.

CHAPTER 87—WATER RESEARCH AND DEVELOPMENT


For similar provisions, see section 10301 et seq. of this title.

Savings Provision


Short Title


Subchapter I—Water Resources Research and Development


Section 7819, Pub. L. 95–467, title I, §109, Oct. 17, 1978, 92 Stat. 1309, provided for study and design of water resources programs and activities and for reports to Congress.

For similar provisions, see section 10301 et seq. of this title.

Subchapter II—Water Research and Development for Saline and Other Impaired Waters


Section 7834, Pub. L. 95–467, title II, §203, Oct. 17, 1978, 92 Stat. 1311, authorized the Secretary to issue rules and regulations to carry out this subchapter.


For similar provisions, see section 10301 et seq. of this title.

$ 7836. Transferred

Codification


Subchapter III—Technology Transfer and Information Dissemination


Section 7852, Pub. L. 95–467, title III, §301, Oct. 17, 1978, 92 Stat. 1312, authorized the Secretary to maintain a national center for acquisition, processing, and dissemination of information dealing with all areas of water research.


For similar provisions, see section 10301 et seq. of this title.

Subchapter IV—General Provisions


Section 7872, Pub. L. 95–467, title IV, §401, Oct. 17, 1978, 92 Stat. 1313; Pub. L. 96–457, §§1, 2(a), Oct. 15, 1980, 94 Stat. 2032, authorized appropriation of funds for programs under sections 7811(a) and (c), 7815(a) and (b), and 7819 of this title.


Title 42—The Public Health and Welfare

Chapter 88—Uranium Mill Tailings Radiation Control

§ 7901. Congressional findings and purposes

(a) The Congress finds that uranium mill tailings located at active and inactive mill operations may pose a potential and significant radiation health hazard to the public, and that the protection of the public health, safety, and welfare and the regulation of interstate commerce require that every reasonable effort be made to provide for the stabilization, disposal, and control in a safe and environmentally sound manner of such tailings in order to prevent or minimize radon diffusion into the environment and to prevent or minimize other environmental hazards from such tailings.

(b) The purposes of this chapter are to provide—

(1) in cooperation with the interested States, Indian tribes, and the persons who own or control inactive mill tailings sites, a program of assessment and remedial action at such sites, including, where appropriate, the reprocessing of tailings to extract residual uranium and other mineral values where practicable, in order to stabilize and control such tailings in a safe and environmentally sound manner and to minimize or eliminate radiation health hazards to the public, and

(2) a program to regulate mill tailings during uranium or thorium ore processing at active mill operations and after termination of such operations in order to stabilize and control such tailings in a safe and environmentally sound manner and to minimize or eliminate radiation health hazards to the public.


References in Text

This chapter, referred to in subsec. (b), was in the original ‘‘this Act’,’ meaning Pub. L. 95-604, Nov. 8, 1978, 92 Stat. 3021, as amended, known as the Uranium Mill Tailings Radiation Control Act of 1978. For complete classification of this Act to the Code, see Short Title note below and Tables.

Short Title of 1988 Amendment


Short Title

Pub. L. 95-604, § 1, Nov. 8, 1978, 92 Stat. 3021, provided that: ‘‘This Act [enacting this chapter and sections 7901–7933 of this title] may be cited as the ‘Uranium Mill Tailings Radiation Control Act of 1978’.”


SUBCHAPTER I—REMEDIAL ACTION PROGRAM

§ 7911. Definitions

For purposes of this subchapter—

(1) The term “Secretary” means the Secretary of Energy.

(2) The term “Commission” means the Nuclear Regulatory Commission.

(3) The term “Administrator” means the Administrator of the Environmental Protection Agency.

(4) The term “Indian tribe” means any tribe, band, clan, group, pueblo, or community of Indians recognized as eligible for services provided by the Secretary of the Interior to Indians.

(5) The term “person” means any individual, association, partnership, corporation, firm, joint venture, trust, government entity, and any other entity, except that such term does not include any Indian or Indian tribe.

(6) The term “processing site” means—

(A) any site, including the mill, containing residual radioactive materials at which all or substantially all of the uranium was produced for sale to any Federal agency prior to January 1, 1971 under a contract with any Federal agency, except in the case of a site at or near Slick Rock, Colorado, unless—

(i) such site was owned or controlled as of January 1, 1978, or is thereafter owned or controlled, by any Federal agency, or

(ii) a license (issued by the Commission or its predecessor agency under the Atomic Energy Act of 1954 [42 U.S.C. 2011 et seq.] or by a State as permitted under section 274 of such Act [42 U.S.C. 2021]) for the production at such site of any uranium or thorium product derived from ores is in effect on January 1, 1978, or is issued or renewed after such date; and

(B) any other real property or improvement thereon which—

(i) is in the vicinity of such site, and

(ii) is determined by the Secretary, in consultation with the Commission, to be contaminated with residual radioactive materials derived from such site.

Any ownership or control of an area by a Federal agency which is acquired pursuant to a cooperative agreement under this subchapter shall not be treated as ownership or control by such agency for purposes of subparagraph (A)(i) if a license for the production of any uranium product derived from residual radioactive materials shall not be treated as a license for production of ores which is in accordance with section 7918(b) of this title.

(7) The term “residual radioactive material” means—

(A) waste (which the Secretary determines to be radioactive) in the form of tailings resulting from the processing of ores for the extraction of uranium and other valuable constituents of the ores; and

(B) other waste (which the Secretary determines to be radioactive) at a processing site which relate to such processing, including any residual stock of unprocessed ores or low-grade materials.

(8) The term “tailings” means the remaining portion of a metal-bearing ore after some or all of such metal, such as uranium, has been extracted.

(9) The term “Federal agency” includes any executive agency as defined in section 105 of title 5.

(10) The term “United States” means the 48 contiguous States and Alaska, Hawaii, Puerto Rico, the District of Columbia, and the territories and possessions of the United States.


References in Text


§ 7912. Processing site designations

(a) Specific and other site locations; remedial action; consultations; boundaries; Grand Junction, Colorado, site restriction

(1) As soon as practicable, but no later than one year after November 8, 1978, the Secretary shall designate processing sites at or near the following locations:

- Salt Lake City, Utah
- Green River, Utah
- Mexican Hat, Utah
- Durango, Colorado
- Grand Junction, Colorado
- Rifle, Colorado (two sites)
- Gunnison, Colorado
- Naturita, Colorado
- Maybell, Colorado
- Slick Rock, Colorado (two sites)
- Shiprock, New Mexico
- Ambrosia Lake, New Mexico
- Riverton, Wyoming
- Converse County, Wyoming
- Lakeview, Oregon
- Falls City, Texas
- Tuba City, Arizona
- Monument Valley, Arizona
- Lowman, Idaho
- Cannonsburg, Pennsylvania

Subject to the provisions of this subchapter, the Secretary shall complete remedial action at the above listed sites before his authority terminates under this subchapter. The Secretary shall within one year of November 8, 1978, also designate all other processing sites within the United States which he determines requires remedial action to carry out the purposes of this subchapter. In making such designation, the Secretary shall consult with the Administrator, the Commission, and the affected States, and in the case of Indian lands, the appropriate Indian tribe and the Secretary of the Interior.
(2) As part of his designation under this subsection, the Secretary, in consultation with the Commission, shall determine the boundaries of each such site.

(3) No site or structure with respect to which remedial action is authorized under Public Law 92–314 in Grand Junction, Colorado, may be designated by the Secretary as a processing site under this section.

(b) Health hazard assessment; priorities for remedial action

Within one year from November 8, 1978, the Secretary shall assess the potential health hazard to the public from the residual radioactive materials at each such site. Based upon such assessment, the Secretary shall, within such one year period, establish priorities for carrying out remedial action at each such site. In establishing such priorities, the Secretary shall rely primarily on the advice of the Administrator.

(c) Notification

Within thirty days after making designations of processing sites and establishing the priorities for such sites under this section, the Secretary shall notify the Governor of each affected State, and, where appropriate, the Indian tribes and the Secretary of the Interior.

(d) Finality of determinations

The designations made, and priorities established, by the Secretary under this section shall be final and not be subject to judicial review.

(e) Certain real property or improved areas

(1) The designation of processing sites within one year after November 8, 1978, under this section to those determined to contain, to the maximum extent practicable, the areas referred to in section 7911(6)(B) of this title.

(2) Notwithstanding the one year limitation contained in this section, the Secretary may, after such one year period, include any area described in section 7911(6)(B) of this title as part of a processing site designated under this section if he determines such inclusion to be appropriate to carry out the purposes of this subchapter.

(3) The Secretary shall designate as a processing site within the meaning of section 7911(6) of this title any real property, or improvements thereon, in Edgemont, South Dakota, that—

(A) is in the vicinity of the Tennessee Valley Authority uranium mill site at Edgemont (but not including such site), and

(B) is determined by the Secretary to be contaminated with residual radioactive materials.

In making the designation under this paragraph, the Secretary shall consult with the Administrator, the Commission and the State of South Dakota. The provisions of this subchapter shall apply to the site so designated in the same manner and to the same extent as to the sites designated under subsection (a) except that, in applying such provisions to such site, any references in this subchapter to November 8, 1978, shall be treated as a reference to January 4, 1983, and in determining the State share under section 7917 of the title of the costs of remedial action, there shall be credited to the State, expenditures made by the State prior to January 4, 1983, which the Secretary determines would have been made by the State or the United States in carrying out the requirements of this subchapter.

(f) Designation of Moab Site as processing site

(1) Designation

Notwithstanding any other provision of law, the Moab uranium mill site (referred to in this subsection as the “Moab site”) located approximately three miles northwest of Moab, Utah, and identified in the Final Environmental Impact Statement issued by the Nuclear Regulatory Commission in March 1996 in conjunction with Source Materials License No. SUA–917, is designated as a processing site.

(2) Applicability

This subchapter applies to the Moab site in the same manner and to the same extent as to other processing sites designated under subsection (a), except that—

(A) sections 7913, 7914(b), 7917(a), 7922(a), and 7925(a) of this title shall not apply; and

(B) a reference in this subchapter to November 8, 1978, shall be treated as a reference to October 30, 2000.

(3) Remediation

Subject to the availability of appropriations for this purpose, the Secretary shall conduct remediation at the Moab site in a safe and environmentally sound manner that takes into consideration the remedial action plan prepared pursuant to section 3405(i) of the Strom Thurmond National Defense Authorization Act for Fiscal Year 1999 (10 U.S.C. 8720 note; Public Law 105–261), including—

(A) ground water restoration; and

(B) the removal, to a site in the State of Utah, for permanent disposition and any necessary stabilization, of residual radioactive material and other contaminated material from the Moab site and the floodplain of the Colorado River.


REFERENCES IN TEXT


AMENDMENTS


EFFECTIVE DATE OF 2018 AMENDMENT

Amendment by Pub. L. 115–232 effective Feb. 1, 2019, with provision for the coordination of amendments and transition rule for certain redesignations, see section 601 of Pub. L. 115–232, set out as a note preceding section 3001 of Title 10, Armed Forces.
§ 7913. State cooperative agreements

(a) Authority of Secretary; prompt commencement of preparations

After notifying a State of the designation referred to in section 7912 of this title, the Secretary subject to section 7923 of this title, is authorized to enter into cooperative agreements with such State to perform remedial actions at each designated processing site in such State (other than a site located on Indian lands referred to in section 7915 of this title). The Secretary shall, to the greatest extent practicable, enter into such agreements and carry out such remedial actions in accordance with the priorities established by him under section 7912 of this title. The Secretary shall commence preparations for cooperative agreements with respect to each designated processing site as promptly as practicable following the designation of each site.

(b) Terms and conditions; limitation of Federal assistance

Each cooperative agreement under this section shall contain such terms and conditions as the Secretary deems appropriate and consistent with the purposes of this chapter, including, but not limited to, a limitation on the use of Federal assistance to those costs which are directly required to complete the remedial action selected pursuant to section 7918 of this title.

(c) Written consent of record interest holder; waiver

(1) Except where the State is required to acquire the processing site as provided in subsection (a) of section 7914 of this title, each cooperative agreement with a State under this section shall provide that the State shall obtain, in a form prescribed by the Secretary, written consent from any person holding any record interest in the designated processing site for the Secretary or any person designated by him to perform remedial action at such site.

(2) Such written consent shall include a waiver by each such person on behalf of himself, his heirs, successors, and assigns—

(A) releasing the United States of any liability or claim thereof by such person, his heirs, successors, and assigns concerning such remedial action, and

(B) holding the United States harmless against any claim by such person on behalf of himself, his heirs, successors, or assigns arising out of the performance of any such remedial action.

(d) Inspection entries; termination of right of entry

Each cooperative agreement under this section shall require the State to assure that the Secretary, the Commission, and the Administrator and their authorized representatives have a permanent right of entry at any time to inspect the processing site and the site provided pursuant to section 7914(b)(1) of this title in furtherance of the provisions of this subchapter and to carry out such agreement and enforce this chapter and any rules prescribed under this chapter. Such right of entry under this section or section 7916 of this title into an area described in section 7911(6)(B) of this title shall terminate on completion of the remedial action, as determined by the Secretary.

(e) Effective date

Each agreement under this section shall take effect only upon the concurrence of the Commission with the terms and conditions thereof.

(f) Reimbursement

The Secretary may, in any cooperative agreement entered into under this section or section 7915 of this title, provide for reimbursement of the actual costs, as determined by the Secretary, of any remedial action performed with respect to so much of a designated processing site as is described in section 7911(6)(B) of this title. Such reimbursement shall be made only to a property owner of record at the time such remedial action was undertaken and only with respect to costs incurred by such property owner. No such reimbursement may be made unless—

(1) such remedial action was completed prior to November 8, 1978, and unless the application for such reimbursement was filed by such owner within one year after an agreement under this section or section 7915 of this title is approved by the Secretary and the Commission, and

(2) the Secretary is satisfied that such action adequately achieves the purposes of this chapter with respect to the site concerned and is consistent with the standards established by the Administrator pursuant to section 2022(a) of this title.


REFERENCES IN TEXT

This chapter, referred to in subsecs. (b), (d), and (f)(2), was in the original “this Act”, meaning Pub. L. 95–604, Nov. 8, 1978, 92 Stat. 3021, known as the Uranium Mill Tailings Radiation Control Act of 1978. For complete classification of this Act to the Code, see Short Title note under section 7901 of this title and Tables.

§ 7914. Acquisition and disposition of lands and materials

(a) State acquisition; windfall profits prevention

Each cooperative agreement under section 7913 of this title shall require the State, where determined appropriate by the Secretary with the concurrence of the Commission, to acquire any designated processing site, including where appropriate any interest therein. In determining whether to require the State to acquire a designated processing site or interest therein, consideration shall be given to the prevention of windfall profits.

(b) Disposition and stabilization site for residual radioactive materials; Federal site available

(1) If the Secretary with the concurrence of the Commission determines that removal of residual radioactive material from a processing site is appropriate, the cooperative agreement shall provide that the State shall acquire land (including, where appropriate, any interest therein) to be used as a site for the permanent disposition and stabilization of such residual radioactive materials in a safe and environmentally sound manner.
(2) Acquisition by the State shall not be required under this subsection if a site located on land controlled by the Secretary or made available by the Secretary of the Interior pursuant to section 7916(2) of this title is designated by the Secretary, with the concurrence of the Commission, for such disposition and stabilization.

(c) Boundary limitations

No State shall be required under subsection (a) or (b) to acquire any real property or improvement outside the boundaries of—

(1) that portion of the processing site which is described in section 7911(6)(A) of this title, and

(2) the site used for disposition of the residual radioactive materials.

(d) Purchasers of sites; notification; rules and regulations

In the case of each processing site designated under this subchapter other than a site designated on Indian land, the State shall take such action as may be necessary, and pursuant to regulations of the Secretary under this subsection, to assure that any person who purchases such a processing site after the removal of radioactive materials from such site shall be notified in an appropriate manner prior to such purchase, of the nature and extent of residual radioactive materials removed from the site, including notice of the date when such action took place, and the condition of such site after such action. If the State is the owner of such site, the State shall so notify any prospective purchaser before entering into a contract, option, or other arrangement to sell or otherwise dispose of such site. The Secretary shall issue appropriate rules and regulations to require notice in the local land records of the residual radioactive materials which were located at any processing site and notice of the nature and extent of residual radioactive materials removed from the site, including notice of the date when such action took place. For purposes of this subsection, the term “site” does not include any property described in section 7911(6)(B) of this title which is in a State which the Secretary has certified has a program which would achieve the purposes of this subsection.

(e) State disposition; terms and conditions; fair market value; offer of sale to prior owner

(1) The terms and conditions of any cooperative agreement with a State under section 7913 of this title shall provide that in the case of any lands or interests therein acquired by the State pursuant to subsection (a), the State, with the concurrence of the Secretary and the Commission, may—

(A) sell such lands and interests,

(B) permanently retain such land and interests in lands (or donate such lands and interests therein to another governmental entity within such State) for permanent use by such State or entity solely for park, recreational, or other public purposes, or

(C) transfer such lands and interests to the United States as provided in subsection (f).

No lands may be sold under subparagraph (A) without the consent of the Secretary and the Commission. No site may be sold under subparagraph (B) if such site is used for the disposition of residual radioactive materials.

(2) Before offering for sale any lands and interests therein which comprise a processing site, the State shall offer to sell such lands and interests at their fair market value to the person from whom the State acquired them.

(f) Transfer of title to Secretary; payment from funds for administrative and legal costs; custody of property; compliance with health and environmental standards for uranium mill tailings; transfer of title restriction

(1) Each agreement under section 7913 of this title shall provide that the—

(A) the residual radioactive materials subject to the agreement, and

(B) any lands and interests therein which have been acquired by the State, under subsection (a) or (b), for the disposition of such materials,

shall be transferred by the State to the Secretary when the Secretary (with the concurrence of the Commission) determines that remedial action is completed in accordance with the requirements imposed pursuant to this subchapter. No payment shall be made in connection with the transfer of such property from funds appropriated for purposes of this chapter other than payments for any administrative and legal costs incurred in carrying out such transfer.

(2) Custody of any property transferred to the United States under this subsection shall be assumed by the Secretary or such Federal agency as the President may designate. Notwithstanding any other provision of law, upon completion of the remedial action program authorized by this subchapter, such property and minerals shall be maintained pursuant to a license issued by the Commission in such manner as will protect the public health, safety, and the environment. The Commission may, pursuant to such license or by rule or order, require the Secretary or other Federal agency having custody of such property and minerals to undertake such monitoring, maintenance, and emergency measures necessary to protect public health and safety and other actions as the Commission deems necessary to comply with the standards of section 2022(a) of this title. The Secretary or such other Federal agency is authorized to carry out maintenance, monitoring and emergency measures under this subsection, but shall take no other action pursuant to such license, rule or order with respect to such property and minerals unless expressly authorized by Congress after November 8, 1978. The United States shall not transfer title to property or interest therein acquired under this subsection to any person or State, except as provided in subsection (h).

(2) Custody of any property transferred to the United States under this subsection shall be assumed by the Secretary or such Federal agency as the President may designate. Notwithstanding any other provision of law, upon completion of the remedial action program authorized by this subchapter, such property and minerals shall be maintained pursuant to a license issued by the Commission in such manner as will protect the public health, safety, and the environment. The Commission may, pursuant to such license or by rule or order, require the Secretary or other Federal agency having custody of such property and minerals to undertake such monitoring, maintenance, and emergency measures necessary to protect public health and safety and other actions as the Commission deems necessary to comply with the standards of section 2022(a) of this title. The Secretary or such other Federal agency is authorized to carry out maintenance, monitoring and emergency measures under this subsection, but shall take no other action pursuant to such license, rule or order with respect to such property and minerals unless expressly authorized by Congress after November 8, 1978. The United States shall not transfer title to property or interest therein acquired under this subsection to any person or State, except as provided in subsection (h).

(g) Reimbursement; fair market value; deposits

Each agreement under section 7913 of this title which permits any sale described in subsection (e)(1)(A) shall provide for the prompt reimbursement to the Secretary from the proceeds of such sale. Such reimbursement shall be in an amount equal to the lesser of—
§ 7915 Indian tribe cooperative agreements

(a) Authority of Secretary; priorities for remedial action; use of Indian personnel; terms and conditions

After notifying the Indian tribe of the designation pursuant to section 7912 of this title, the Secretary, in consultation with the Secretary of the Interior, is authorized to enter into a cooperative agreement, subject to section 7923 of this title, with any Indian tribe to perform remedial action at a designated processing site located on land of such Indian tribe. The Secretary shall, to the greatest extent practicable, enter into such agreements and carry out such remedial actions in accordance with the priorities established by him under section 7912 of this title. In performing any remedial action under this section and in carrying out any continued monitoring or maintenance respecting residual radioactive materials associated with any site subject to a cooperative agreement under this section, the Secretary shall make full use of any qualified members of Indian tribes resident in the vicinity of any such site. Each such agreement shall contain such terms and conditions as the Secretary deems appropriate and consistent with the purposes of this chapter. Such terms and conditions shall require the following:

(1) The Indian tribe and any person holding any interest in such land shall execute a waiver (A) releasing the United States of any liability or claim thereof by such tribe or person concerning such remedial action and (B) holding the United States harmless against any claim arising out of the performance of any such remedial action.

(2) The remedial action shall be selected and performed in accordance with section 7918 of this title by the Secretary or such person as he may designate.

(3) The Secretary, the Commission, and the Administrator and their authorized representatives shall have a permanent right of entry at any time to inspect such processing site in furtherance of the provisions of this subchapter, to carry out such agreement, and to enforce any rules prescribed under this chapter.

Each agreement under this section shall take effect only upon concurrence of the Commission with the terms and conditions thereof.

(b) Disposition and stabilization sites for residual radioactive materials; transfer to Secretary of the Interior

When the Secretary with the concurrence of the Commission determines removal of residual radioactive materials from a processing site on lands described in subsection (a) to be appropriate, he shall provide, consistent with other applicable provisions of law, a site or sites for the permanent disposition and stabilization in a safe and environmentally sound manner of such residual radioactive materials. Such materials shall be transferred to the Secretary (without payment therefor by the Secretary) and permanently retained and maintained by the Secretary under the conditions established in a license issued by the Commission, subject to section 7914(f)(2) and (h) of this title.

(1996—Subsec. (d). Pub. L. 104–259 inserted at end “For purposes of this subsection, the term ‘site’ does not include any property described in section 7911(b)(8) of this title which is in a State which the Secretary has certified has a program which would achieve the purposes of this subsection.”

REFERENCES IN TEXT


AMENDMENTS

1996—Subsec. (d). Pub. L. 104–259 inserted at end “For purposes of this subsection, the term ‘site’ does not include any property described in section 7911(b)(8) of this title which is in a State which the Secretary has certified has a program which would achieve the purposes of this subsection.”

§ 7915. Indian tribe cooperative agreements

(a) Authority of Secretary; priorities for remedial action; use of Indian personnel; terms and conditions

After notifying the Indian tribe of the designation pursuant to section 7912 of this title, the Secretary, in consultation with the Secretary of the Interior, is authorized to enter into a cooperative agreement, subject to section 7923 of this title, with any Indian tribe to perform remedial action at a designated processing site located on land of such Indian tribe. The Secretary shall, to the greatest extent practicable, enter into such agreements and carry out such remedial actions in accordance with the priorities established by him under section 7912 of this title. In performing any remedial action under this section and in carrying out any continued monitoring or maintenance respecting residual radioactive materials associated with any site subject to a cooperative agreement under this section, the Secretary shall make full use of any qualified members of Indian tribes resident in the vicinity of any such site. Each such agreement shall contain such terms and conditions as the Secretary deems appropriate and consistent with the purposes of this chapter. Such terms and conditions shall require the following:

(1) The Indian tribe and any person holding any interest in such land shall execute a waiver (A) releasing the United States of any liability or claim thereof by such tribe or person concerning such remedial action and (B) holding the United States harmless against any claim arising out of the performance of any such remedial action.

(2) The remedial action shall be selected and performed in accordance with section 7918 of this title by the Secretary or such person as he may designate.

(3) The Secretary, the Commission, and the Administrator and their authorized representatives shall have a permanent right of entry at any time to inspect such processing site in furtherance of the provisions of this subchapter, to carry out such agreement, and to enforce any rules prescribed under this chapter.

Each agreement under this section shall take effect only upon concurrence of the Commission with the terms and conditions thereof.

(b) Disposition and stabilization sites for residual radioactive materials; transfer to Secretary of the Interior

When the Secretary with the concurrence of the Commission determines removal of residual radioactive materials from a processing site on lands described in subsection (a) to be appropriate, he shall provide, consistent with other applicable provisions of law, a site or sites for the permanent disposition and stabilization in a safe and environmentally sound manner of such residual radioactive materials. Such materials shall be transferred to the Secretary (without payment therefor by the Secretary) and permanently retained and maintained by the Secretary under the conditions established in a license issued by the Commission, subject to section 7914(f)(2) and (h) of this title.

(1996—Subsec. (d). Pub. L. 104–259 inserted at end “For purposes of this subsection, the term ‘site’ does not include any property described in section 7911(b)(8) of this title which is in a State which the Secretary has certified has a program which would achieve the purposes of this subsection.”

REFERENCES IN TEXT

§ 7916. Acquisition of land by Secretary; transfer of public lands by Secretary of the Interior to Secretary; consultations with Governor; consent of Governor; transfer from Federal agency to Secretary

Where necessary or appropriate in order to consolidate in a safe and environmentally sound manner the location of residual radioactive materials which are removed from processing sites under cooperative agreements under this subchapter, or where otherwise necessary for the permanent disposition and stabilization of such materials in such manner—

(1) the Secretary may acquire land and interests in land for such purposes by purchase, donation, or under any other authority of law or (2) the Secretary of the Interior may transfer permanently to the Secretary to carry out the purposes of this chapter, public lands under the jurisdiction of the Bureau of Land Management in the vicinity of processing sites in the following counties:

(A) Apache County in the State of Arizona;
(B) Mesa, Gunnison, Moffat, Montrose, Garfield, and San Miguel Counties in the State of Colorado;
(C) Boise County in the State of Idaho;
(D) Billings and Bowman Counties in the State of North Dakota;
(E) Grand and San Juan Counties in the State of Utah;
(F) Converse and Fremont Counties in the State of Wyoming; and
(G) Any other county in the vicinity of a processing site, if no site in the county in which a processing site is located is suitable.

Any permanent transfer of lands under the jurisdiction of the Bureau of Land Management by the Secretary of the Interior to the Secretary shall not take place until the Secretary complies with the requirements of the National Environmental Policy Act (42 U.S.C. 4321 et seq.) with respect to the selection of a site for the permanent disposition and stabilization of residual radioactive materials. Section 1714 of title 43 shall not apply to this transfer of jurisdiction. Prior to acquisition of land under paragraph (1) or (2) of this subsection 1 in any State, the Secretary shall consult with the Governor of such State. No lands may be acquired under such paragraph (1) or (2) in any State in which there is no (1) processing site designated under this subchapter or (2) active uranium mill operation, unless the Secretary has obtained the consent of the Governor of such State. No lands controlled by any Federal agency may be transferred to the Secretary to carry out the purposes of this chapter without the concurrence of the chief administrative officer of such agency.

§ 7917. Financial assistance

(a) Federal and non-Federal funds; administrative costs

In the case of any designated processing site for which an agreement is executed with any State for remedial action at such site, the Secretary shall pay 90 per centum of the actual cost of such remedial action, including the actual costs of acquiring such site (and any interest therein) or any disposition site (and any interest therein) pursuant to section 7913 of this title, and the State shall pay the remainder of such costs from non-Federal funds. The Secretary shall not pay the administrative costs incurred by any State to develop, prepare, and carry out any cooperative agreement executed with such State under this subchapter, except the proportionate share of the administrative costs associated with the acquisition of lands and interests therein acquired by the State pursuant to this subchapter.

(b) Indian land processing sites

In the case of any designated processing site located on Indian lands, the Secretary shall pay the entire cost of such remedial action.

§ 7918. Remedial action and mineral recovery activities

(a) General standards for remedial action; Federal performance and State participation; use of technology; promulgation of standards

(1) The Secretary or such person as he may designate shall select and perform remedial actions at designated processing sites and disposal sites in accordance with the general standards prescribed by the Administrator pursuant to section 275 a. of the Atomic Energy Act of 1954...
(2) The Secretary shall use technology in performing such remedial action as will insure in compliance with the general standards promulgated by the Administrator under section 275 a. of the Atomic Energy Act of 1954 [42 U.S.C. 2022(a)] and will assure the safe and environmentally sound stabilization of residual radioactive materials, consistent with existing law.

(3) Notwithstanding paragraphs (1) and (2) of this subsection, after October 31, 1982, if the Administrator has not promulgated standards under section 275 a. of the Atomic Energy Act of 1954 [42 U.S.C. 2022(a)] in final form by such date, remedial action taken by the Secretary under this subchapter shall comply with the standards proposed by the Administrator under such section 275 a. until such time as the Administrator promulgates the standards in final form.

(b) Mineral concentration evaluation; terms and conditions for mineral recovery; payment of Federal and State share of net profits; recovery costs; licenses

Prior to undertaking any remedial action at a designated site pursuant to this subchapter, the Secretary shall request expressions of interest from private parties regarding the remilling of the residual radioactive materials and the site and, upon receipt of any expression of interest, the Secretary shall evaluate among other things the mineral concentration of the residual radioactive materials at each designated processing site to determine whether, as a part of any remedial action program, recovery of such minerals is practicable. The Secretary, with the concurrence of the Commission, may permit the recovery of such minerals, under such terms and conditions as he may prescribe to carry out the purposes of this subchapter. No such recovery shall be permitted unless such recovery is consistent with remedial action. Any person permitted by the Secretary to recover such mineral shall pay to the Secretary a share of the net profits derived from such recovery, as determined by the Secretary. Such share shall not exceed the total amount paid by the Secretary for carrying out remedial action at such designated site. After payment of such share to the United States under this subsection, such person shall pay to the State in which the residual radioactive materials are located a share of the net profits derived from such recovery, as determined by the Secretary. The person recovering such minerals shall bear all costs of such recovery. Any person carrying out mineral recovery activities under this paragraph shall be required to obtain any necessary license under the Atomic Energy Act of 1954 [42 U.S.C. 2011 et seq.] or under State law as permitted under section 274 of such Act [42 U.S.C. 2021].


REFERENCES IN TEXT


AMENDMENTS

1996—Subsec. (a)(1). Pub. L. 104–259 inserted at end "Residual radioactive material from a processing site designated under this subchapter may be disposed of at a facility licensed under title II under the administrative and technical requirements of such title. Disposal of such material at such a site in accordance with such requirements shall be considered to have been done in accordance with the administrative and technical requirements of this subchapter."

1983—Subsec. (a)(2). Pub. L. 97–415, §18(b)(2), struck out provision that no such remedial action could be undertaken under this section before the promulgation by the Administrator of general standards pursuant to section 275 a. of the Atomic Energy Act of 1954.


§ 7919. Rules

The Secretary may prescribe such rules consistent with the purposes of this chapter as he deems appropriate pursuant to title V of the Department of Energy Organization Act [42 U.S.C. 7191 et seq.].


REFERENCES IN TEXT

This chapter, referred to in text, was in the original "this Act", meaning Pub. L. 95–604, Nov. 8, 1978, 92 Stat. 3021, known as the Uranium Mill Tailings Radiation Control Act of 1978. For complete classification of this Act to the Code, see Short Title note under section 7901 of this title and Tables.


§ 7920. Enforcement

(a) Civil penalty; appellate review; action to recover civil penalty; sovereign immunity; equitable remedies

(1) Any person who violates any provision of this subchapter or any cooperative agreement entered into pursuant to this subchapter or any
rule prescribed under this chapter concerning any designated processing site, disposition site, or remedial action shall be subject to an assessment by the Secretary of a civil penalty of not more than $1,000 per day per violation. Such assessment shall be made by order after notice and an opportunity for a public hearing, pursuant to section 554 of title 5.

(2) Any person against whom a penalty is assessed under this section may, within sixty calendar days after the date of the order of the Secretary assessing such penalty, institute an action in the United States court of appeals for the appropriate judicial circuit for judicial review of such order in accordance with chapter 7 of title 5. The court shall have jurisdiction to enter a judgment affirming, modifying, or setting aside in whole or in part, the order of the Secretary, or the court may remand the proceeding to the Secretary for such further action as the court may direct.

(3) If any person fails to pay an assessment of a civil penalty after it has become a final and unappealable order, the Secretary shall institute an action to recover the amount of such penalty in any appropriate district court of the United States. In such action, the validity and appropriateness of such final assessment order or judgment shall not be subject to review. Section 7172(d) of this title shall not apply with respect to the functions of the Secretary under this section.

(4) No civil penalty may be assessed against the United States or any State or political subdivision of a State or any official or employee of the foregoing.

(5) Nothing in this section shall prevent the Secretary from enforcing any provision of this subchapter or any cooperative agreement or any such rule by injunction or other equitable remedy.

(b) Atomic energy licensing requirements

Subsection (a) shall not apply to any licensing requirement under the Atomic Energy Act of 1954 [42 U.S.C. 2011 et seq.]. Such licensing requirements shall be enforced by the Commission as provided in such Act.


References in Text

This chapter, referred to in subsec. (a)(1), was in the original “this Act”, meaning Pub. L. 95–604, Nov. 8, 1978, 92 Stat. 3031, known as the Uranium Mill Tailings Radiation Control Act of 1978. For complete classification of this Act to the Code, see Short Title note under section 7901 of this title and Tables.


§7921. Public participation; public hearings

In carrying out the provisions of this subchapter, including the designation of processing sites, establishing priorities for such sites, the selection of remedial actions, and the execution of cooperative agreements, the Secretary, the Administrator, and the Commission shall encourage public participation and, where appropriate, the Secretary shall hold public hearings relative to such matters in the States where processing sites and disposal sites are located.


§7922. Termination of authority of Secretary

(a) Exceptions; “byproduct material” defined

(1) The authority of the Secretary to perform remedial action under this subchapter shall terminate on September 30, 1998, except that—

(A) the authority of the Secretary to perform groundwater restoration activities under this subchapter is without limitation, and

(B) the Secretary may continue operation of the disposal site in Mesa County, Colorado (known as the Cheney disposal cell) for receiving and disposing of residual radioactive material from processing sites and of byproduct material from property in the vicinity of the uranium milling site located in Monticello, Utah, until the Cheney disposal cell has been filled to the capacity for which it was designed, or September 30, 2023, whichever comes first.

(2) For purposes of this subsection, the term “byproduct material” has the meaning given that term in section 2014(e)(2) of this title.

(b) Authorization of appropriations

The amounts authorized to be appropriated to carry out the purposes of this subchapter by the Secretary, the Administrator, the Commission, and the Secretary of the Interior shall not exceed such amounts as are established in annual authorization Acts for fiscal year 1979 and each fiscal year thereafter applicable to the Department of Energy. Any sums appropriated for the purposes of this subchapter shall be available until expended.


Amendments

1996—Subsec. (a). Pub. L. 104–259 amended subsec. (a) generally. Prior to amendment, subsec. (a) read as follows: “The authority of the Secretary to perform remedial action under this subchapter shall terminate on September 30, 1996, except that the authority of the Secretary to perform groundwater restoration activities under this subchapter is without limitation.”


1988—Subsec. (a). Pub. L. 100–616 amended subsec. (a) generally. Prior to amendment, subsec. (a) read as follows: “The authority of the Secretary to perform remedial action under this subchapter shall terminate on the date seven years after the date of promulgation by the Administrator of general standards applicable to such remedial action unless such termination date is specifically extended by an Act of Congress enacted after November 8, 1978.”

§7923. Limitation of contractual authority

The authority under this subchapter to enter into contracts or other obligations requiring the
United States to make outlays may be exercised only to the extent provided in advance in annual authorization and appropriation Acts.


§ 7924. Reports to Congress

(a) Information; consultations; separate official views; partial report concerning uranium mill tailings provisions

Beginning on January 1, 1980, and each year thereafter until January 1, 1986, the Secretary shall submit a report to the Congress with respect to the status of the actions required to be taken by the Secretary, the Commission, the Secretary of the Interior, the Administrator, and the States and Indian tribes under this chapter and any amendments to other laws made by this Act. Each report shall—

1. include data on the actual and estimated costs of the program authorized by this subchapter;
2. describe the extent of participation by the States and Indian tribes in this program;
3. evaluate the effectiveness of remedial actions, and describe any problems associated with the performance of such actions; and
4. contain such other information as may be appropriate.

Such report shall be prepared in consultation with the Commission, the Secretary of the Interior, and the Administrator and shall contain their separate views, comments, and recommendations, if any. The Commission shall submit to the Secretary and Congress such portion of the report under this subsection as relates to the States and Indian tribes and such portion of the report under this subsection as relates to the States and Indian tribes and the subsequent perpetual care of those residual radioactive materials is documented systematically, and made publicly available conveniently for use.


§ 7924.1 References in Text


§ 7924.2 Change of Name

Committee on Interstate and Foreign Commerce of the House of Representatives changed to Committee on Energy and Commerce of the House of Representatives on Apr. 14, 1977, by House Resolution No. 5, One Hundred Fifth Congress.

Committee on Interstate and Foreign Commerce of the House of Representatives changed to Committee on Energy and Commerce of the House of Representatives on Jan. 5, 1993, by House Resolution No. 5, One Hundred Third Congress.

§ 7925. Active operations; liability for remedial action

(a) No amount may be expended under this subchapter with respect to any site licensed by the Commission under the Atomic Energy Act of 1954 [42 U.S.C. 2011 et seq.] or by a State as permitted under section 274 of such Act [42 U.S.C. 2011 et seq.] at which production of any uranium product from ores (other than from residual radioactive materials) takes place. This subsection does not prohibit the disposal of residual radioactive material from a processing site under this subchapter at a site licensed under title II or the expenditure of funds under this subchapter for such disposal.

(b) In the case of each processing site designated under this subchapter, the Attorney General shall conduct a study to determine the identity and legal responsibility which any person (other than the United States, a State, or Indian tribe) who owned or operated or controlled (as determined by the Attorney General) such site before November 8, 1978, may have under any law or rule of law for reclamation or other remedial action with respect to such site. The Attorney General shall publish the results of such study, and provide copies thereof to the Congress, as promptly as practicable following November 8, 1978. The Attorney General, based on such study, shall, to the extent he deems it appropriate and in the public interest, take such action under any provision of law in effect when uranium was produced at such site to require payment by such person of all or any part of the costs incurred by the United States for such remedial action for which he determines such person is liable.


REFERENCES IN TEXT


Title II, referred to in subsec. (a), is title II (§§ 201–209) of Pub. L. 95–604, Nov. 8, 1978, 92 Stat. 3033, as amended, which enacted sections 2022, 2113, 2114 of this title, and enacted provisions set out as notes under sections 2022, 2113, and 2114 of this title. For complete classification of title II to the Code, see Tables.

AMENDMENTS

1996—Subsec. (a). Pub. L. 104–259 inserted at end "This subsection does not prohibit the disposal of residual radioactive material from a processing site under this subchapter at a site licensed under title II or the expenditure of funds under this subchapter for such disposal."
§ 7942. Designation by Secretary as processing sites for subchapter I purposes

(a) New Mexico cooperative agreement respecting certain residual radioactive materials; submission to Congressional committees

Within ninety days from the date of his receipt of the report and recommendations submitted by the Commission under section 7941 of this title, notwithstanding the limitations contained in section 7911(6)(A) and in section 7922(a) of this title, if the Commission determines, based on such study, that such sites cannot be regulated and controlled by the State or the Commission in the manner described in section 7941 of this title, the Secretary may designate either or both of the sites referred to in section 7941 of this title as a processing site for purposes of subchapter I. Following such designation, the Secretary may enter into cooperative agreements with New Mexico to perform remedial action pursuant to subchapter I concerning only the residual radioactive materials at such site resulting from uranium produced for sale to a Federal agency prior to January 1, 1971, under contract with such agency. Any such designation may be submitted by the Secretary, together with his estimate of the cost of carrying out such remedial action at the designated site, to the Committee on Interior and Insular Affairs and the Committee on Energy and Commerce of the House of Representatives and to the Committee on Energy and Natural Resources of the Senate.

(b) Effective date

(1) No designation under subsection (a) shall take effect before the expiration of one hundred and twenty calendar days (not including any day in which either or both of the Houses of Congress is not in session because of an adjournment of more than three calendar days to a day certain or an adjournment sine die) after receipt by such Committees of such designation.

(c) Subchapter I provisions applicable

Except as otherwise specifically provided in subsection (a) of this section, any remedial action under subchapter I with respect to any site designated under this subchapter shall be subject to the provisions of subchapter I (including the authorization of appropriations referred to in section 7922(b) of this title).


CHANGE OF NAME

Committee on Interior and Insular Affairs of the House of Representatives changed to Committee on Natural Resources of the House of Representatives on Jan. 5, 1993, by House Resolution No. 5, One Hundred Seventh Congress.


CHAPTER 89—CONGREGATE HOUSING SERVICES

Sec.

8001. Congressional findings.

8002. Definitions.

8003. Contracts to provide congregate services programs.

8004. Congregate services program.

8005. Eligibility for services.

8006. Application procedure for assistance.

8007. Evaluation of applications and programs.

8008. Funding procedures.

8009. Miscellaneous provisions.

8010. Authorization of appropriations.

8011. Revised congregate housing services program.

8012. Hope for elderly independence.

8013. Supportive housing for persons with disabilities.

§ 8001. Congressional findings

The Congress finds that—

(1) congregate housing, coordinated with the delivery of supportive services, offers an innovative, proven, and cost-effective means of enabling temporarily disabled or handicapped individuals to maintain their dignity and independence and to avoid costly and unnecessary institutionalization;

(2) a large and growing number of elderly and handicapped residents of public housing projects and of nonprofit projects for the elderly and handicapped face premature and unnecessary institutionalization because of the absence of or deficiencies in the availability, adequacy, coordination, or delivery of the supportive services required for the successful development of adequate numbers of congregate housing projects; and

(3) supplemental supportive services, available on a secure and continuing basis, are essential to a successful congregate housing program.


SHORT TITLE OF 2011 AMENDMENT

Pub. L. 111–374, §1(a), Jan. 4, 2011, 124 Stat. 4089, provided that: ‘‘This Act [amending section 8013 of this title and enacting provisions set out as a note under section 8013 of this title] may be cited as the ‘Frank Melville Supportive Housing Investment Act of 2010’.’’

SHORT TITLE

Pub. L. 95–557, title IV, §401, Oct. 31, 1978, 92 Stat. 2104, provided that: ‘‘This title [amending this chapter and enacting section 1437e of this title] may be cited as the ‘Congregate Housing Services Act of 1978.’’’

§ 8002. Definitions

For the purpose of this chapter—

(1) the term ‘‘congregate housing’’ means (A) low-rent housing which, as of January 1, 1979, was built or under construction, with which there is connected a central dining facility where wholesome and economical meals can be

1 So in original. Subsec. (b) enacted without a par. (2).
served to such occupants; or (B) low-rent hous-
ing constructed after, but not under construc-
tion prior to, January 1, 1979, connected with
which there is a central dining facility to pro-
vide wholesome and economical meals for such
occupants;
(2) the term “congregate services programs”
means programs to be undertaken by a public
housing agency or a nonprofit corporation to
provide assistance, including personal assist-
ance and nutritional meals, to eligible project
residents who, with such assistance, can re-
main independent and avoid unnecessary insti-
tutionalization;
(3) the term “elderly” means sixty-two years
of age or over;
(4) the term “eligible project resident”
means elderly handicapped individuals, non-
elderly handicapped individuals, or tempo-
rarily disabled individuals, who are residents
of congregate housing projects administered
by a public housing agency or by a nonprofit
 corporation;
(5) the term “handicapped” means having an
impairment which (A) is expected to be of
long-continued and indefinite duration, and
(B) substantially impedes an individual’s abil-
ity to live independently unless the individual
receives supportive congregate services; such
impairment may include a functional disabil-
ity or frailty which is a normal consequence
of the human aging process;
(6) the term “personal assistance” means
service provided under this chapter which may
include, but is not limited to, aid given to eli-
gible project residents in grooming, dressing,
and other activities which maintain personal
appearance and hygiene;
(7) the term “professional assessment com-
mittee” means a group of at least three per-
sons appointed by a local public housing agen-
cy or a nonprofit corporation and shall include
qualified medical professionals and other per-
sons professionally competent to appraise the
functional abilities of elderly or permanently
disabled adult persons, or both, in relation to
the performance of the normal tasks of daily
living;
(8) the term “temporarily disabled” means
an impairment which (A) is expected to be of
no more than six months’ duration, and (B)
substantially impedes an individual’s ability
to live independently unless the individual re-
cieves supportive congregate services; and
(9) the term “nonprofit corporation” means
any corporation responsible for a housing
project assisted under section 1701q of title 12.
Stat. 2106.)

§ 8004. Congregate services program

(a) Essential services for maintaining independent
living

Congregate services programs assisted under
this chapter must include full meal service ade-
quate to meet nutritional needs, and may also
include housekeeping aid, personal assistance,
and other services essential for maintaining
independent living.

(b) Duplication of services

No services funded under this chapter may du-
plicate services which are already affordable, ac-
cessible, and sufficiently available on a long-
term basis to eligible project residents under
programs administered by or receiving appro-
priations through any department, agency, or
instrumentality of the Federal Government or
any other public or private department, agency,
or organization.

(c) Consultation with Area Agency on Aging or
other appropriate State agency

A public housing agency or nonprofit corpora-
tion applying for assistance to provide con-
gregate services to elderly residents shall con-
sult with the Area Agency on Aging (or, where
no Area Agency on Aging exists, with the appro-
 priate State agency under the Older Americans
Act of 1965 (42 U.S.C. 3001 et seq.)) in determi-
n ing the means of providing services under this
chapter and in identifying alternative available
sources of funding for such services.

(d) Submission of proposed application to Area
Agency on Aging or other appropriate State
agency

Prior to the submission of a final application
for either new or renewed funding under this
chapter for the provision of congregate services
to elderly residents, a public housing agency and
a nonprofit corporation shall present a copy of a
proposed application to the Area Agency on
Aging (or, where no Area Agency on Aging ex-

REFERENCES IN TEXT

The United States Housing Act of 1937, referred to in
text, is act Sept. 1, 1937, ch. 896, as revised generally by
which is classified generally to chapter 8 (§ 1437 et seq.)
of this title. For complete classification of this Act to
the Code, see Short Title note set out under section
1437 of this title and Tables.

§ 8003. Contracts to provide congregate services
 programs

The Secretary of Housing and Urban Develop-
ment (hereinafter referred to as the “Sec-
retary”) is authorized to enter into contracts
with local public housing agencies under the
United States Housing Act of 1937 [42 U.S.C. 1437
et seq.] (hereinafter referred to as “public hous-
ing agencies”) and with nonprofit corporations,
utilizing sums appropriated under this chapter,
to provide congregate services programs for eli-
gible project residents in order to promote and
encourage maximum independence within a
home environment for such residents capable of
self-care with appropriate supportive congregate
services. Each contract between the Secretary
and a public housing agency or nonprofit cor-
poration shall be for a term of not less than
three years or more than five years and shall be
renewable at the expiration of such term. Each
public housing agency or nonprofit corporation
entering into such a contract shall be reserved
a sum equal to its total approved contract amount
from the moneys authorized and appropriated
for the fiscal year in which the notification date
of funding approval falls.

Stat. 2106.)
ists to the appropriate State agency under the Older Americans Act of 1965 (42 U.S.C. 3001 et seq.) for review and comment. Such agency and nonprofit corporation shall consider such review and comment in the development of any final application for either new or renewed funding under this chapter.

(e) Nonelderly handicapped individuals as eligible project residents

(1) A public housing agency or nonprofit corporation applying for assistance to provide congregate services to nonelderly handicapped residents shall consult with the appropriate agency, if any, designated by applicable State law as having responsibility for the development, provision, or identification of social services to permanently disabled adults, for the purpose of determining the means of providing services under this chapter and of identifying alternative available sources of funding for such services.

(2) Such public housing agency and nonprofit corporation shall also, prior to the submission of a final application for either new or renewed funding under this chapter, present a copy of the proposed application to such appropriate agency for review and comment. The public housing agency and nonprofit corporation shall consider such review and comment in the development of any final application for either new or renewed funding under this chapter.

(f) Manner of providing congregate services

Any nonprofit corporation or public housing agency receiving assistance under this chapter may provide congregate services directly to eligible project residents or may, by contract or lease, provide such services through other appropriate agencies or providers.

(g) Amount of annual contributions of receiving agency

Nonprofit corporations and public housing agencies receiving assistance for congregate services programs under this chapter shall be required to maintain the same dollar amount of annual contribution which they were making, if any, in support of the provision of services eligible for assistance under this chapter before the date of the submission of the application for such assistance unless the Secretary determines that the waiver of this requirement is necessary for the maintenance of adequate levels of services to eligible project residents. If any contract or lease entered into by a public housing agency or nonprofit corporation pursuant to subsection (f) of this section provides for adjustments in payments for services to reflect changes in the cost of living, then the amount of annual contribution required to be maintained by such public agency or nonprofit corporation under the preceding sentence shall be readjusted in the same manner.

(h) Fees for meal and other services

Each nonprofit corporation and public housing agency shall establish fees for meal service and other appropriate services provided to eligible project residents. These fees shall be reasonable, may not exceed the cost of providing the service, and shall be calculated on a sliding scale related to income which permits the provision of services to such residents who cannot afford meal and service fees. When meal services are provided to other project residents, fees shall be reasonable and may not exceed the cost of providing the meal service.

(i) Standards for provision of services

The Secretary shall establish standards for the provision of services under this chapter, and, in developing such service standards, the Secretary shall consult with the Secretary of Health and Human Services and with appropriate organizations representing the elderly and handicapped, as determined by the Secretary.


References in Text

The Older Americans Act of 1965, referred to in subsecs. (c) and (d), is Pub. L. 89–89, July 14, 1965, 79 Stat. 218, as amended, which is classified generally to chapter 35 (§3001 et seq.) of this title. For complete classification of this Act to the Code, see Short Title note set out under section 3001 of this title and Tables.

Amendments


1980—Subsecs. (c), (d). Pub. L. 96–399, §208(a), (b), inserted reference to congregate services to elderly residents.

Subsec. (e). Pub. L. 96–399, §208(c), in par. (1) substituted “‘A public housing agency or nonprofit corporation applying for assistance to provide congregate services to nonelderly handicapped residents shall consult with the appropriate agency’” for “‘When nonelderly handicapped individuals are included among the eligible project residents, the public housing agency and nonprofit corporation shall consult with the appropriate local agency’”, and in par. (2) substituted “‘appropriate agency’ for “‘appropriate local agency’”.

§ 8005. Eligibility for services

(a) Professional assessment committee for determination of eligibility

The identification of project residents eligible to participate in a congregate services program assisted under this chapter, and the designation of the services available to their individual functional abilities and needs, shall be made by a professional assessment committee. Such committee shall utilize procedures which insure that the process of determining eligibility of individuals for services under this title shall accord such individuals fair treatment and due process and a right of appeal of such determination of eligibility, and shall also assure the confidentiality of personal and medical records.

(b) Participation of other residents in meal services program

Other residents may participate in a congregate meal service program assisted under this chapter if the local public housing agency or nonprofit corporation determines that the participation of these individuals will not adversely affect the cost-effectiveness or operation of the program.
(c) Notification of change in membership of professional assessment committee

Any public housing agency or nonprofit corporation receiving assistance under this chapter shall notify the Secretary of any change in the membership of the professional assessment committee within thirty days of such change. Such notification shall list the names and professional qualifications of new members of the committee.

(d) Procedure for changes in membership of professional assessment committee

Procedures shall be established to insure that changes in the membership of the professional assessment committee are consistent with the requirements of section 8002(7) of this title.


§ 8006. Application procedure for assistance

(a) Matters included in application

An application for assistance under this chapter shall include—

(1) a plan specifying the types and priorities of the basic services the public housing agency or nonprofit corporation proposes to provide during the term of the contract; such plan must be related to the needs and characteristics of the eligible project residents and, to the maximum extent practicable, provide for the changing needs and characteristics of all project residents; such plan shall be determined after consultation with eligible project residents and with the professional assessment committee;

(2) a list of names and professional qualifications of the members of the professional assessment committee;

(3) the fee schedule established pursuant to section 8004(h) of this title;

(4) any comment received in connection with any review of a proposed application pursuant to section 8004(d) or 8004(e)(2) of this title; and

(5) a statement affirming (A) that the nonprofit corporation or public housing agency has followed the consultation procedures required in subsections (c), (d), and (e) of section 8004 of this title, and (B) that such application complies with subsection (b) of such section.

(b) Deadlines for submission of application

The Secretary shall establish appropriate deadlines for each fiscal year for the submission of applications for funding under this chapter and shall notify any public housing agency and nonprofit corporation applying for assistance under this chapter of acceptance or rejection of its application within ninety days of such submission.

(c) Review of performance of services program prior to submission of application for renewed funding

Within twelve months prior to the submission of an application for renewed funding under this chapter, each nonprofit corporation and public housing agency shall review the performance, appropriateness, and fee schedules of their congregate services program with eligible project residents and with the professional assessment committee. The results of such review shall be included in any application for renewal and shall be considered in the development of the application for renewal by the nonprofit corporation or public housing agency and in its evaluation by the Secretary.


§ 8007. Evaluation of applications and programs

(a) Application evaluations

In evaluating applications for assistance under this chapter, the Secretary shall consider—

(1) the types and priorities of the basic services proposed to be provided, and the relationship of such proposal to the needs and characteristics of the eligible residents of the projects where the services are to be provided;

(2) how quickly services will be established following approval of the application;

(3) the degree to which local social services are adequate for the purpose of assisting eligible project residents to maintain independent living and avoid unnecessary institutionalization;

(4) the professional qualifications of the members of the professional assessment committee; and

(5) the reasonableness of fee schedules established for each congregate service.

(b) Program evaluations

In evaluating programs receiving assistance under this chapter, the Secretary shall—

(1) establish procedures for the review and evaluation of the performance of nonprofit corporations and public housing agencies receiving assistance under this chapter, including provisions for the submission of an annual report, by each such nonprofit corporation and public housing agency, which evaluates the impact and effectiveness of its congregate services program; and

(2) publish annually and submit to the Congress, a report on and evaluation of the impact and effectiveness of congregate services programs assisted under this chapter. Such report and evaluation shall be based, in part, on the evaluations required to be submitted pursuant to paragraph (1).

(c) Report to Congress

(1) The Secretary shall contract with a university or qualified research institution to produce a report—

(A) documenting the number of elderly living in federally assisted housing at risk of institutionalization;

(B) studying and comparing alternative delivery systems in the States, including the congregate housing services program, to provide services to older persons in assisted congregate housing;

(C) assessing existing and potential financial resources at the Federal, State, and local levels for the support of congregate housing services; and

(D) making legislative recommendations as to the feasibility of permitting State housing agencies and other appropriate State agencies
§ 8008. Funding procedures

(a) The Secretary shall establish procedures—

(1) to assure timely payments to nonprofit corporations and public housing agencies for approved assisted congregate services programs with provision made for advance funding sufficient to meet necessary startup costs;

(2) to permit reallocation of funds approved for the establishment of congregate services in existing public housing projects and projects assisted under section 1701q of title 12 if the services are not established within six months of the notification date of funding approval;

(3) to assure that where such funding has been approved for the establishment of congregate services for public housing projects and projects assisted under section 1701q of title 12 under construction or approved for construction, these services shall be in place at the start of the project’s occupancy by tenants requiring such services for maintaining independent living;

(4) to establish accounting and other standards in order to prevent any fraudulent or inappropriate use of funds under this chapter; and

(5) to assure that no more than 1 per centum of the funds appropriated under this chapter for any fiscal year may be used by public housing agencies and nonprofit corporations for evaluative purposes as required by section 8007(b)(1) of this title.

(b) The Secretary shall establish a reserve fund, not to exceed 10 per centum of the funds appropriated in each fiscal year for the provision of services under this chapter, in order to supplement grants awarded to public housing agencies and nonprofit corporations under this chapter when, in the determination of the Secretary, such supplemental adjustments are required to maintain adequate levels of services to eligible project residents.


§ 8009. Miscellaneous provisions

(a) Utilization of elderly and permanently disabled adult persons

Each public housing agency and nonprofit corporation shall, to the maximum extent practicable, utilize elderly and permanently disabled adult persons who are residents of public housing projects or projects assisted under section 1701q of title 12, but who are not eligible project residents, to participate in providing the services assisted under this chapter. Such persons shall be paid wages which shall not be lower than whichever is the highest of—

(1) the minimum wage which would be applicable to the employee under the Fair Labor Standards Act of 1938 (29 U.S.C. 201 et seq.), if section 6(a)(1) of such Act (29 U.S.C. 206(a)(1)) applied to the resident and if he or she were not exempt under section 13 (29 U.S.C. 213) thereof;

(2) the State or local minimum wage for the most nearly comparable covered employment; or

(3) the prevailing rates of pay for persons employed in similar public occupations by the same employer.

(b) Tax treatment of services received

No service provided to a public housing resident or to a resident of a housing project assisted under section 1701q of title 12 under this chapter, except for wages paid under subsection (a) of this section, may be treated as income for the purpose of any other program or provision of State or Federal law.

(c) Individuals receiving aid considered residents of own household

Individuals receiving services assisted under this chapter shall be deemed to be residents of their own households, and not to be residents of a public institution, for the purpose of any other program or provision of State or Federal law.

(d) Regulations

The Secretary shall issue regulations to carry out the provisions of this chapter.


References in Text

The Fair Labor Standards Act of 1938, referred to in subsec. (a)(1), is act June 25, 1938, ch. 676, 52 Stat. 1060, as amended, which is classified generally to chapter 8 (§ 201 et seq.) of Title 29, Labor. For complete classification of this Act to the Code, see section 201 of Title 29 and Tables.

§ 8010. Authorization of appropriations

(a) There are authorized to be appropriated to carry out this chapter $10,000,000 for each of the fiscal years 1988 and 1989.

(b) Sums appropriated pursuant to this section shall remain available until expended.


Amendments

1988—Subsec. (a). Pub. L. 100-242 amended subsec. (a) generally, substituting provisions authorizing appro-


The purposes of this section are—

(A) to provide assistance to retrofit individual dwelling units and renovate public and common areas in eligible housing to meet the special physical needs of eligible residents;

(B) to create and rehabilitate congregate space in or adjacent to such housing to accommodate supportive services that enhance independent living;

(C) to improve the capacity of management to assess the service needs of eligible residents, coordinate the provision of supportive services that meet the needs of eligible residents and ensure the long-term provision of such services;

(D) to provide services in federally assisted housing to prevent premature and inappropriate institutionalization in a manner that respects the dignity of the elderly and persons with disabilities;

(E) to provide readily available and efficient supportive services that provide a choice in supported living arrangements by utilizing the services of an on-site coordinator, with emphasis on maintaining a continuum of care for the vulnerable elderly;

(F) to improve the quality of life of older Americans living in federally assisted housing;

(G) to preserve the viability of existing affordable housing projects for lower-income older residents who are aging in place by assisting managers of such housing with the difficulties and challenges created by serving older residents;

(H) to develop partnerships between the Federal Government and State governments in providing services to the frail elderly and persons with disabilities; and

(I) to utilize Federal and State funds in a more cost-effective and humane way in serving the needs of older adults.

(b) Contracts for congregate services programs

(1) In general

The Secretary of Housing and Urban Development and the Secretary of Agriculture (through Administrator of the Farmers Home Administration) shall enter into contracts with States, Indian tribes, units of general local government and local nonprofit housing sponsors, utilizing any amounts appropriated under subsection (n)—

(A) to provide congregate services programs for eligible project residents to promote and encourage maximum independence within a home environment for such residents capable of self-care with appropriate supportive services; or

(B) to adapt housing to better accommodate the physical requirements and service needs of eligible residents.

(2) Term of contracts

Each contract between the Secretary concerned and a State, Indian tribe, or unit of general local government, or local nonprofit housing sponsor, shall be for a term of 5 years and shall be renewable at the expiration of the term, except as otherwise provided in this section.
(c) Reservation of amounts
For each State, Indian tribe, unit of general local government, and nonprofit housing sponsor, receiving a contract under this subsection, the Secretary concerned shall reserve a sum equal to the total approved contract amount from the amount authorized and appropriated for the fiscal year in which the notification date of funding approval occurs.

(d) Eligible activities
(1) In general
A congregate services program under this section shall provide meal and other services for eligible project residents (and other residents and nonresidents, as provided in subsection (e)), as provided in this section, that are coordinated on site.

(2) Meal services
Congregate services programs assisted under this section shall include meal service adequate to meet at least one-third of the daily nutritional needs of eligible project residents, as follows:
(A) Supplemental nutrition assistance program benefits and agricultural commodities
In providing meal services under this paragraph, each congregate services program—
(i) shall—
(I) apply for approval as a retail food store under section 2018 of title 7; and
(II) if approved under such section, accept benefits as payment from individuals to whom such meal services are provided; and
(ii) shall request, and use to provide such meal services, agricultural commodities made available without charge by the Secretary of Agriculture.
(B) Preference for nutrition providers
In contracting for or otherwise providing for meal services under this paragraph, each congregate services program shall give preference to any provider of meal services who—
(i) receives assistance under title III of the Older Americans Act of 1965 [42 U.S.C. 3021 et seq.]; or
(ii) has experience, according to standards as the Secretary shall require, in providing meal services in a housing project under the Congregate Housing Services Act of 1978 [42 U.S.C. 8001 et seq.] or any other program for congregate services.

(3) Retrofit and renovation
Assistance under this section may be provided with respect to eligible housing for the elderly for—
(A) retrofitting of individual dwelling units to meet the special physical needs of current or future residents who are or are expected to be eligible residents, which retrofitting may include—
(i) widening of doors to allow passage by persons with disabilities in wheelchairs into and within units in the project;
(ii) placement of light switches, electrical outlets, thermostats and other environmental controls in accessible locations;
(iii) installation of grab bars in bathrooms or the placement of reinforcements in bathroom walls to allow later installation of grab bars;
(iv) redesign of usable kitchens and bathrooms to permit a person in a wheelchair to maneuver about the space; and
(v) such other features of adaptive design that the Secretary finds are appropriate to meet the special needs of such residents;
(B) such renovation as is necessary to ensure that public and common areas are readily accessible to and usable by eligible residents;
(C) renovation, conversion, or combination of vacant dwelling units to create congregate space to accommodate the provision of supportive services to eligible residents;
(D) renovation of existing congregate space to accommodate the provision of supportive services to eligible residents; and
(E) construction or renovation of facilities to create conveniently located congregate space to accommodate the provision of supportive services to eligible residents.
For purposes of this paragraph, the term “congregate space” shall include space for cafeterias or dining halls, community rooms or buildings, workshops, adult day health facilities, or other outpatient health facilities, or other essential service facilities.
(4) Service coordinator
Assistance under this section may be provided with respect to the employment of one or more individuals (hereinafter referred to as “service coordinator”) who may be responsible for—
(A) working with the professional assessment committee established under subsection (f) on an ongoing basis to assess the service needs of eligible residents;
(B) working with service providers and the professional assessment committee to tailor the provision of services to the needs and characteristics of eligible residents;
(C) mobilizing public and private resources to ensure that the qualifying supportive services identified pursuant to subsection (d) can be funded over the time period identified under such subsection;
(D) monitoring and evaluating the impact and effectiveness of any supportive service program receiving capital or operating assistance under this section; and
(E) performing such other duties and functions that the Secretary deems appropriate to enable frail elderly persons residing in federally assisted housing to live with dignity and independence.

The Secretary shall establish such minimum qualifications and standards for the position of service coordinator that the Secretary deems necessary to ensure sound management. Such qualifications and standards shall in-
clude requiring each service coordinator to be trained in the aging process, elder services, disability services, eligibility for and procedures of Federal and applicable State entitlement programs, legal liability issues relating to providing service coordination, drug and alcohol use and abuse by the elderly, and mental health issues. The Secretary may fund the employment of service coordinators by using amounts appropriated under this section and by permitting owners to use existing sources of funds, including excess project reserves.

(5) Other services

Congregate services programs assisted under this section may include services for transportation, personal care, dressing, bathing, toileting, housekeeping, chore assistance, nonmedical counseling, assessment of the safety of housing units, group and socialization activities, assistance with medications (in accordance with any applicable State law), case management, personal emergency response, and other services to prevent premature and unnecessary institutionalization of eligible project residents.

(6) Determination of needs

In determining the services to be provided to eligible project residents under a congregate services program assisted under this section, the program shall provide for consideration of the needs and wants of eligible project residents.

(7) Fees

(A) Eligible project residents

The owner of each eligible housing project shall establish fees for meals and other services provided under a congregate services program to eligible project residents, which shall be sufficient to provide 10 percent of the costs of the services provided. The Secretary concerned shall provide for the waiver of fees under this paragraph for individuals whose incomes are insufficient to provide for any payment. The fees for meals shall be in the following amounts:

(i) Full meal services

The fees for residents receiving more than 1 meal per day, 7 days per week, shall be reasonable and shall equal between 10 and 20 percent of the adjusted income of the project resident (as such income is determined under section 3(b) of the United States Housing Act of 1937 [42 U.S.C. 1437a(b)]), or the cost of providing the services, whichever is less.

(ii) Less than full meal services

The fees for residents receiving meal services less frequently than as described in the preceding sentence shall be in an amount equal to 10 percent of such adjusted income of the project resident or the cost of providing the services, whichever is less.

(B) Other residents and nonresidents

Fees shall be established under this paragraph for residents of eligible housing projects (other than eligible project residents) and for nonresidents that receive services from a congregate services program pursuant to subsection (e). Such fees shall be in an amount equal to the cost of providing the services.

(8) Direct and indirect provision of services

Any State, Indian tribe, unit of general local government, or nonprofit housing sponsor that receives assistance under this section may provide congregate services directly to eligible project residents or may, by contract or lease, provide such services through other appropriate agencies or providers.

(e) Eligibility for services

(1) Eligible project residents

Any eligible resident who is a resident of an eligible housing project (or who with deinstitutionalization and appropriate supportive services under this section could become a resident of eligible federally assisted housing) shall be eligible for services under a congregate services program assisted under this section.

(2) Economic need

In providing services under a congregate services program, the program shall give consideration to serving eligible project residents with the greatest economic need.

(3) Identification

(A) In general

A professional assessment committee under subparagraph (B) shall identify eligible project residents under paragraph (1) and shall designate services appropriate to the functional abilities and needs of each eligible project resident. The committee shall utilize procedures that ensure that the process of determining eligibility of individuals for congregate services shall accord such individuals fair treatment and due process and a right of appeal of the determination of eligibility, and shall also ensure the confidentiality of personal and medical records.

(B) Professional assessment committee

A professional assessment committee under this section shall consist of not less than 3 individuals, who shall be appointed to the committee by the officials of the eligible housing project responsible for the congregate services program, and shall include qualified medical and other health and social services professionals competent to appraise the functional abilities of the frail elderly and persons with disabilities in relation to the performance of tasks of daily living.

(4) Eligibility of other residents

The elderly and persons with disabilities who reside in an eligible housing project other than eligible project residents under paragraph (1) may receive services from a congregate services program under this section if the housing managers, congregate service coordinators, and the professional assessment committee jointly determine that the participation of such individuals will not negatively
affect the provision of services to eligible project residents. Residents eligible for services under this paragraph shall pay fees as provided under subsection (d).

(5) Eligibility of nonresidents

The Secretary may permit the provision of services to elderly persons and persons with disabilities who are not residents if the participation of such persons will not adversely affect the cost-effectiveness or operation of the program or add significantly to the need for assistance under this section.

(f) Eligible contract recipients and distribution of assistance

The Secretary concerned may provide assistance under this section and enter into contracts under subsection (b) with—

(1) owners of eligible housing;
(2) States that submit applications in behalf of owners of eligible housing; and
(3) Indian tribes and units of general local government that submit applications on behalf of owners of eligible housing.

(g) Applications

The funds made available under this section shall be allocated by the Secretary among applications submitted by or on behalf of owners. Applications for assistance under this section shall be submitted in such form and in accordance with such procedures as the Secretary shall establish. Applications for assistance shall contain—

(1) a description of the type of assistance the applicant is applying for;
(2) in the case of an application involving rehabilitation or retrofit, a description of the activities to be carried out, the number of elderly persons to be served, the costs of such activities, and evidence of a commitment for the services to be associated with the project;
(3) a description of qualifying supportive services that can reasonably be expected to be made available to eligible residents over a 5-year period;
(4) a firm commitment from one or more sources of assistance ensuring that some or all of the qualifying supportive services identified under paragraph (3) will be provided for not less than 1 year following the completion of activities assisted under subsection (d);
(5) a description of public or private sources of assistance that are likely to fund or provide qualifying supportive services, including evidence of any intention to provide assistance; and (6) a certifications\(^3\) from the appropriate State or local agency (as determined by the Secretary) that—

(A) the provision of the qualifying supportive services identified under paragraph (3) will enable eligible residents to live independently and avoid unnecessary institutionalization;
(B) there is a reasonable likelihood that such services will be funded or provided for the entire period specified under paragraph (3), and
(C) the agency and the applicant will, during the term of the contract, actively seek assistance for such services from other sources;
(7) a description of any fees that would be established pursuant to subsection (d); and
(8) such other information or certifications that the Secretary determines to be necessary or appropriate to achieve the purposes of this section.

The Secretary shall act on each application within 60 days of its submission.

(h) Selection and evaluation of applications and programs

(1) In general

Each Secretary concerned shall establish criteria for selecting States, Indian tribes, units of general local government, and local nonprofit housing sponsors to receive assistance under this section, and shall select such entities to receive assistance. The criteria for selection shall include consideration of—

(A) the extent to which the activities described in subsection (d)(3) will foster independent living and the provision of such services;
(B) the types and priorities of the basic services services proposed to be provided, the appropriateness of the targeting of services, the methods of providing for deinstitutionalized older individuals and individuals with disabilities, and the relationship of the proposal to the needs and characteristics of the eligible residents of the projects where the services are to be provided;
(C) the schedule for establishment of services following approval of the application;
(D) the degree to which local social services are adequate for the purpose of assisting eligible project residents to maintain independent living and avoid unnecessary institutionalization;
(E) the professional qualifications of the members of the professional assessment committee;
(F) the reasonableness and application of fees schedules established for congregate services;
(G) the adequacy and accuracy of the proposed budgets; and
(H) the extent to which the owner will provide funds from other services in excess of that required by this section.

(2) Evaluation of provision of congregate services programs

The Secretary of Housing and Urban Development and the Secretary of Agriculture shall, by regulation under subsection (n),\(^4\) establish procedures for States, Indian tribes, and units of general local government receiving assistance under this section—

(A) to review and evaluate the performance of the congregate services programs of eligible housing projects receiving assistance under this section in such State; and

\(^3\)So in original. Probably should be “certification”.

\(^4\)So in original. Probably should be subsection “(m),”.
(B) to submit annually, to the Secretary concerned, a report evaluating the impact and effectiveness of congregate services programs in the entity assisted under this section.

(i) Congregate services program funding

(1) Cost distribution

(A) Contribution requirement

In providing contracts under subsection (b), each Secretary concerned shall provide for the cost of providing the congregate services program assisted under this section to be distributed as follows:

(i) Each State, Indian tribe, unit of general government, or nonprofit housing sponsor that receives amounts under a contract under subsection (b) shall supplement any such amount with amounts sufficient to provide 50 percent of the cost of providing the congregate services program. Any monetary or in-kind contributions received by a congregate services program under the Congregate Housing Services Act of 1978 [42 U.S.C. 8001 et seq.] may be considered for purposes of fulfilling the requirement under this clause. The Secretary concerned shall encourage owners to use excess residual receipts to the extent available to supplement funds for retrofit and supportive services under this section.

(ii) The Secretary concerned shall provide 40 percent of the cost, with amounts under contracts under subsection (b).

(iii) Fees under subsection (d)(7) shall provide 10 percent of the cost.

(B) Exceptions

(i) For any congregate services program that was receiving assistance under a contract under the Congregate Housing Services Act of 1978 [42 U.S.C. 8001 et seq.] on November 28, 1990, the unit of general local government or nonprofit housing sponsor, in coordination with a local government with respect to such program, shall not be subject to the requirement to provide supplemental contributions under subparagraph (A)(i) (for such program) for the 6-year period beginning on the expiration of the contract for such assistance. The Secretary concerned shall require each such program to maintain, for such 6-year period, the same dollar amount of annual contributions in support of the services eligible for assistance under this section as were contributed to such program during the year preceding November 28, 1990.

(ii) To the extent that the limitations under subsection (d)(7) regarding the percentage of income eligible residents may pay for services will result in collected fees for any congregate services program of less than 10 percent of the cost of providing the program, 50 percent of such remaining costs shall be provided by the recipient of amounts under the contract and 50 percent of such remaining costs shall be provided by the Secretary concerned under such contract.

(C) Eligible supplemental contributions

If provided by the State, Indian tribe, unit of general local government, or local nonprofit housing sponsor, any salary paid to staff from governmental sources to carry out the program of the recipient and salary paid to residents employed by the program (other than from amounts under a contract under subsection (b) of this section), and any other in-kind contributions from governmental sources shall be considered as supplemental contributions for purposes of meeting the supplemental contribution requirement under subparagraph (A)(i), except that the amount of in-kind contributions considered for purposes of fulfilling such contribution requirement may not exceed 10 percent of the total amount to be provided by the State, Indian tribe, local government, or local nonprofit housing sponsor.

(D) Prohibition of substitution of funds

The Secretary concerned shall require each State, Indian tribe, unit of general local government, and local nonprofit housing sponsor, that receives assistance under this section to maintain the same dollar amount of annual contribution that such State, Indian tribe, local government, or sponsor was making, if any, in support of services eligible for assistance under this section before the date of the submission of the application for such assistance.

(E) Limitation

For purposes of complying with the requirement under subparagraph (A)(i), the appropriate Secretary concerned may not consider any amounts contributed or provided by any local government to any State receiving assistance under this section that exceed 10 percent of the amount required of the State under subparagraph (A)(i).

(2) Consultation

The Secretary shall consult with the Secretary of Health and Human Services regarding the availability of assistance from other Federal programs to support services under this section and shall make information available to applicants for assistance under this section.

(j) Miscellaneous provisions

(1) Use of residents in providing services

Each housing project that receives assistance under this section shall, to the maximum extent practicable, utilize the elderly and persons with disabilities who are residents of the housing project, but who are not eligible project residents, to participate in providing the services provided under congregate services programs under this section. Such individuals shall be paid wages that shall not be lower than the higher of—

(A) the minimum wage that would be applicable to the employee under the Fair Labor Standards Act of 1938 [29 U.S.C. 201 et

---

5See in original. Probably should be “general local”.

6See Codification note below.
§ 8011. Definitions

(1) The term “activity of daily living” means an activity regularly necessary for personal care and includes bathing, dressing, eating, getting in and out of bed and chairs, walking, going outdoors, and using the toilet.

(2) The term “case management” means assessment of the needs of a resident, ensuring access to and coordination of services for the resident, monitoring delivery of services to the resident, and periodic reassessment to ensure that services provided are appropriate to the needs and wants of the resident.

(3) The term “congregate housing” means low-rent housing that is connected to a central dining facility where wholesome and economical meals can be served to the residents.

(4) The term “congregate services” means services described in subsection (d) of this section.

(5) The term “congregate services program” means a program assisted under this section undertaken by an eligible housing project to provide congregate services to eligible residents.

(6) The term “eligible housing project” means—

(A) public housing (as such term is defined in section 3(b) of the United States Housing Act of 1937 [42 U.S.C. 1437a(b)] and lower income housing developed or operated pursuant to a contract between the Secretary of Housing and Urban Development and an Indian housing authority under title II of the United States Housing Act of 1937;

(B) housing assisted under section 8 of the United States Housing Act of 1937 (42 U.S.C. 1437f) with a contract that is attached to the structure under subsection (d)(2) of such section or with a contract entered into in connection with the new construction or moderate rehabilitation of the structure under section 8(b)(2) of the United States Housing Act, as such section existed before October 1, 1983;

(C) housing assisted under section 1701q of title 12;

(D) housing assisted under section 1715(d) or 1715e–1 of title 12, with respect to which the owner has made a binding commitment to the Secretary of Housing and Urban Development not to prepay the mortgage or terminate the insurance contract under section 1715e of title 12 (unless the binding commitments have been made to extend the low-income use restrictions relating to such housing for the remaining useful life of the housing);

(E) housing assisted under section 1484 or 1485 of this title, with respect to which the owner has made a binding commitment to the Secretary of Agriculture not to prepay or refinance the mortgage (unless the binding commitments have been made to extend the low-income use restrictions relating to such housing for not less than the 20-year period under section 1472(c)(4) of this title);

and

(F) housing assisted under section 1486 of this title.

(7) The term “eligible resident” means a person residing in eligible housing for the elderly who qualifies under the definition of frail elderly, person with disabilities (regardless of whether the person is elderly), or temporarily disabled.

(8) The term “frail elderly” means an elderly person who is unable to perform at least 3 activities of daily living adopted by the Secretary for purposes of this program. Owners may establish additional eligibility requirements (acceptable to the Secretary) based on the standards in local supportive services programs.

---

1 See References in Text note below.

2 See References in Text note below.
(9) The term “Indian tribe” means any Indian tribe, band, nation, or other organized group or community, including any Alaska Native village or regional corporation as defined in or established pursuant to the Alaska Native Claims Settlement Act [43 U.S.C. 161 et seq.], that is recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians.

(10) The term “instrumental activity of daily living” means a regularly necessary home management activity and includes preparing meals, shopping for personal items, managing money, using the telephone, and performing light or heavy housework.

(11) The term “local nonprofit housing sponsor” includes public housing agencies (as such term is defined in section 3(b)(6) of the United States Housing Act of 1937 [42 U.S.C. 1437a(b)(6)].)

(12) The term “nonprofit”, as applied to an organization, means no part of the net earnings of the organization inures, or may lawfully inure, to the benefit of any private shareholder or individual.

(13) The term “elderly person” means a person who is at least 62 years of age.

(14) The term “person with disabilities” has the meaning given the term by section 8013 of this title.

(15) The term “professional assessment committee” means a committee established under subsection (e)(3)(B).

(16) The term “qualifying supportive services” means new or significantly expanded services that the Secretary deems essential to enable eligible residents to live independently and avoid unnecessary institutionalization.

(17) The term “Secretary concerned” means—

(A) the Secretary of Housing and Urban Development, with respect to eligible federally assisted housing administered by such Secretary; and

(B) the Secretary of Agriculture, with respect to eligible federally assisted housing administered by the Administrator of the Farmers Home Administration.

(18) The term “State” means the States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands, Guam, the Virgin Islands, American Samoa, the Trust Territory of the Pacific Islands, and any other territory or possession of the United States.

(19) The term “temporarily disabled” means having an impairment that—

(A) is expected to be of no more than 6 months duration; and

(B) impedes the ability of the individual to live independently unless the individual receives congregate services.

(20) The term “unit of general local government”—

(A) means any city, town, township, county, parish, village, or other unit of general purpose political subdivision of a State; and

(B) includes a unit of general government acting as an applicant for assistance under this section in cooperation with a nonprofit housing sponsor and a nonprofit housing sponsor acting as an applicant for assistance under this section with the HOPE for Elderly Independence Program under section 8012 of this title; and

(C) containing any other information that the Secretary concerned considers helpful to the Congress in evaluating the effectiveness of this section.

(1) Reports to Congress

(1) In general

Each Secretary concerned shall submit to the Congress, for each fiscal year for which assistance is provided for congregate services programs under this section, an annual report—

(A) describing the activities being carried out with assistance under this section and the population being served by such activities;

(B) evaluating the effectiveness of the program of providing assistance under this section, and a comparison of the effectiveness of the program under this section with the HOPE for Elderly Independence Program under section 8012 of this title; and

(C) containing any other information that the Secretary concerned considers helpful to the Congress in evaluating the effectiveness of this section.

(2) Submission of data to Secretary concerned

The Secretary of Housing and Urban Development and the Secretary of Agriculture shall provide, by regulation under subsection (m), for the submission of data by recipients of assistance under this section to be used in the repeat11 required by paragraph (1).

(m) Regulations

The Secretary of Housing and Urban Development and the Secretary of Agriculture shall, not later than the expiration of the 180-day period beginning on November 28, 1990, jointly issue any regulations necessary to carry out this section.

(n) Authorization of appropriations

(1) Authorization and use

There are authorized to be appropriated to carry out this section $21,000,000 for fiscal year 1993, and $21,882,000 for fiscal year 1994, of which not more than—

8 So in original. Probably should be preceded by a closing parenthesis.

10 So in original. Probably should be subsection “(h)(1)(B).”

11 So in original. Probably should be “report”.

---

8 So in original. Probably should be preceded by a closing parenthesis.
classification of this Act to the Code, see section 201 of Title 29 and Tables.


Section 8(b)(2) of the United States Housing Act, referred to in subsec. (k)(6)(B), probably means section 8(b)(2) of the United States Housing Act of 1937, which was classified to section 1437(b)(2) of this title and was repealed by Pub. L. 98–181, title I (title II, §209(a)(2)), Nov. 30, 1983, 97 Stat. 1183.

The Alaska Native Claims Settlement Act, referred to in subsec. (k)(9), is Pub. L. 92–203, Dec. 18, 1971, 85 Stat. 688, as amended, which is classified generally to chapter 33 (§1601 et seq.) of Title 43, Public Lands. For complete classification of this Act to the Code, see Short title note set out under section 1601 of Title 43 and Tables.

Codification

Section was enacted as part of the Cranston-Gonzalez National Affordable Housing Act, and not as part of the Congregate Housing Services Act of 1978 which comprises this chapter.


November 23, 1990, referred to in subsec. (j)(1)(B)(i) and (m), was in the original “the date of the enactment of this Act” and November 5, 1990, referred to in subsec. (j)(3), was in the original “the date of the enactment of this section”, see Effective date note below.

Amendments


Pub. L. 110–246, §4115(c)(1)(A)(i), (B)(vi), substituted “benefits” for “coupons”.

1992—Subsec. (d)(4). Pub. L. 105–50, §672, inserted after first sentence of concluding provisions “Such qualifications and standards shall include requiring each service coordinator to be trained in the aging process, elder services, disability services, eligibility for and procedures of Federal and applicable State entitlement programs, legal liability issues relating to providing service coordination, drug and alcohol use and abuse by the elderly, and mental health issues.”


Effective date of 2008 Amendment

12See in original. The colon probably should be a semicolon.

**Effective Date of 1992 Amendment**

Amendment by subtitles B through F of title VI [(§§ 621–685) of Pub. L. 102–550 applicable upon expiration of 6-month period beginning Oct. 29, 1992, except as otherwise provided, see section 13642 of this title.

**Effective Date**

This section was enacted as part of Pub. L. 101–625, which was approved Nov. 28, 1990. However, this section was deemed enacted as of Nov. 5, 1990, by Pub. L. 101–507, title II, Nov. 5, 1990, 104 Stat. 1358, set out as an Effective Date note under section 1701q of Title 12, Banks and Banking.

**Regulations**

Pub. L. 102–550, title VI, §604(c), Oct. 28, 1992, 106 Stat. 3805, provided that:

“(1) **Interim Regulations.**—Not later than the expiration of the 30-day period beginning on the date of the enactment of this Act [Oct. 28, 1992], the Secretary of Housing and Urban Development and the Secretary of Agriculture shall submit to the Congress a copy of proposed interim regulations implementing section 802 of the Cranston-Gonzalez National Affordable Housing Act [42 U.S.C. 8011] with respect to eligible federally assisted housing (as such term is defined in section 802(k) of such Act) administered by each such Secretary. Not later than the expiration of the 45-day period beginning on the date of the enactment of this Act, but not before the expiration of the 15-day period beginning upon the submission of the proposed interim regulations to the Congress, each such Secretary shall publish interim regulations implementing such section 802, which shall take effect upon publication.

“(2) **Final Regulations.**—Not later than the expiration of the 90-day period beginning upon the publication of interim regulations under paragraph (1), each such Secretary shall issue final regulations implementing section 802 of the Cranston-Gonzalez National Affordable Housing Act after notice and opportunity for public comment regarding the interim regulations, pursuant to the provisions of section 553 of title 5, United States Code (notwithstanding subsections (a)(2), (b)(B), and (d)(3) of such section). The duration of the period for public comment under such section 553 shall be not less than 60 days, and the final regulations shall take effect upon issuance.

“(3) **Failure Under 1990 Act.**—This subsection may not be construed to authorize any failure to comply with the requirements of section 802(m) of the Cranston-Gonzalez National Affordable Housing Act.’’

**Termination of Trust Territory of the Pacific Islands**

For termination of Trust Territory of the Pacific Islands, see note set out preceding section 1571 of Title 48, Territories and Insular Possessions.

§ 8012. Hope for elderly independence

(a) **Purpose**

The purpose of this section is to establish a demonstration program to test the effectiveness of combining housing certificates and vouchers with supportive services to assist frail elderly persons to continue to live independently. The demonstration program under this section shall terminate upon the expiration of the 5-year period determined by the Secretary.

(b) **Housing assistance**

In connection with this demonstration, the Secretary of Housing and Urban Development may enter into contracts with public housing agencies to provide not more than 1,500 incremental vouchers and certificates under sections 1437(b) and 1437(o) of this title. A public housing agency may not require that a frail elderly person live in a particular structure or unit, but the agency may restrict the program under this section to a geographic area, where necessary to ensure that the provision of supportive services is feasible. At the end of the demonstration period, the public housing agency shall give each frail elderly person the option to continue to receive assistance under the housing certificate or voucher program of the agency. In the demonstration, the Secretary may also provide for supportive services in connection with existing contracts for housing assistance under sections 1437(b) and 1437(o) of this title.

(c) **Supportive services requirements and matching funding**

(1) **Federal, PHA and, individual contributions**

The amount estimated by the public housing agency and approved by the Secretary as necessary to provide the supportive services for the demonstration period shall be funded as follows:

(A) The Secretary shall provide 40 percent, using amounts appropriated under this section.

(B) The public housing agency shall ensure the provision of at least 50 percent from sources other than under this section.

(C) Notwithstanding any other provision of law, each frail elderly person shall pay 10 percent of the costs of the supportive services that the person receives, except that a frail elderly person may not be required to pay an amount that exceeds 20 percent of the adjusted income (as the term is defined in section 1437a(b)(5) of this title) of such person and the Secretary shall provide for the waiver of the requirement to pay costs under this subparagraph for persons whose income is determined to be insufficient to provide for any payment.

(D) To the extent that the limitation under subparagraph (C) regarding the percentage of income frail elderly persons may pay for services will result in collected amounts for any public housing agency of less than 10 percent of the cost of providing the services, 50 percent of such remaining costs shall be provided by the public housing agency and 50 percent of such remaining costs shall be provided by the Secretary from amounts appropriated under this section.

(2) **Provision of services for entire demonstration**

Each public housing agency shall ensure that supportive services appropriate to the needs of the frail elderly persons to be served under this demonstration are provided throughout the demonstration period. Expenditures for supportive services need not be made in equal amounts for each year, but may vary depending on the needs of the frail elder-

1 So in original. The comma probably should precede “and”.

ly persons assisted under this section. A public housing agency may use up to 20 percent of the Federal assistance provided for supportive services in each year of this demonstration and any amounts from any prior year in which the public housing agency did not use 20 percent of the available Federal assistance.

(3) Calculation of match
In determining compliance with paragraph (1)(B), an agency may include the value of such items as the Secretary determines to be appropriate, which may include the salary paid to staff to provide supportive services, if such items have a readily discernible market value.

(d) Applications
An application under this section shall be submitted by a public housing agency in such form and in accordance with such procedures as the Secretary shall establish. The Secretary shall require that an application contain at a minimum—

(1) an application for housing assistance under section 1437f of this title, if necessary, and a description of any such assistance already made available that will be used in the demonstration;

(2) a description of the size and characteristics of the population of frail elderly persons and of their housing and supportive services needs;

(3) a description of the proposed method of determining whether a person qualifies as a frail elderly person (specifying any additional eligibility requirements proposed by the agency), and of selecting frail elderly persons to participate;

(4) a statement that the public housing agency will create a professional assessment committee or will work with another entity which will assist the public housing agency in identifying and providing only services that each frail elderly person needs to remain living independently;

(5) a description of the mechanisms for developing housing and supportive services plans for each person and for monitoring the person’s progress in meeting that plan;

(6) the identity of the proposed service providers and a statement of qualifications;

(7) a description of the supportive services the public housing agency proposes to make available for the frail elderly persons to be served, the estimated costs of such services, a description of the resources that are expected to be made available to cover the portion of the costs required by subsection (c)(1);

(8) assurances satisfactory to the Secretary that the supportive services will be provided for the demonstration period;

(9) the plan for coordinating the provision of housing assistance and supportive services;

(10) a description of how the public housing agency will ensure that the service providers are providing supportive services, at a reasonable cost, adequate to meet the needs of the persons to be served;

(11) a plan for continuing supportive services to frail elderly persons that continue to receive housing assistance under section 1437f of this title after the end of the demonstration period; and

(12) a statement that the application has been developed in consultation with the area agency on aging under title III of the Older Americans Act of 1965 [42 U.S.C. 3021 et seq.] and that the public housing agency will periodically consult with the area agency during the demonstration.

(e) Selection

(1) Criteria
The Secretary shall establish selection criteria for a national competition for assistance under this section, which shall include—

(A) the ability of the public housing agency to develop and operate the proposed housing assistance and supportive services program;

(B) the need for a program providing both housing assistance and supportive services for frail elderly persons in the area to be served;

(C) the quality of the proposed program for providing supportive services;

(D) the extent to which the proposed funding for the supportive services is or will be available;

(E) the extent to which the program would meet the needs of the frail elderly persons proposed to be served by the program; and

(F) such other factors as the Secretary specifies to be appropriate for purposes of carrying out the demonstration program established by this section in an effective and efficient manner.

(2) Consultation with HHS
In reviewing the applications, the Secretary shall consult with the Secretary of Health and Human Services with respect to the supportive services aspects.

(3) Funding limitations
No more than 10 percent of the assistance made available under this section may be used for programs located within any one unit of general local government.

(f) Required agreements
The Secretary may not approve any assistance for any program under this section unless the public housing agency agrees—

(1) to operate the proposed program in accordance with the program requirements established by the Secretary;

(2) to conduct an ongoing assessment of the housing assistance and supportive services required by each frail elderly person participating in the program;

(3) to ensure the adequate provision of supportive services, at a reasonable cost, to each frail elderly person participating in the program; and

(4) to comply with such other terms and conditions as the Secretary may establish for purposes of carrying out the program in an effective and efficient manner.

(g) Definitions
For purposes of this section:

(1) The term “demonstration period” means the 5-year period referred to in subsection (a).
(2) The term “elderly person” means a person who is at least 62 years of age.

(3) The term “frail elderly person” means an elderly person who is unable to perform at least 3 activities of daily living adopted by the Secretary for purposes of this program. Owners may establish additional eligibility requirements (acceptable to the Secretary) based on the standards in local supportive services programs.

(4) The term “professional assessment committee” means a group of at least 3 persons appointed by a public housing agency which shall include at least 1 qualified medical professional and other persons professionally competent to appraise the functional abilities of the frail elderly in relation to the performance of activities of daily living.

(5) The term “public housing agency” has the meaning given such term in section 1437a(b)(6) of this title. The term includes an Indian Housing Authority, as defined in section 1437a(b)(11)(B) of this title.

(6) The term “Secretary” means the Secretary of Housing and Urban Development.

(7) The term “supportive services”—
(A) means assistance, that the Secretary determines—
(i) addresses the special needs of frail elderly persons; and
(ii) provides appropriate supportive services or assists such persons in obtaining appropriate services, including personal care, case management services, transportation, meal services, counseling, supervision, and other services essential for achieving and maintaining independent living; and
(B) does not include medical services, as determined by the Secretary.

(h) Multifamily project demonstration

(1) In general

In addition to the demonstration program authorized by the preceding provisions of this section, the Secretary shall conduct a demonstration in one Federal region, subject to the terms and conditions of this subsection, to determine the feasibility of using housing assistance under section 1437f of this title to assist elderly persons who may become frail to achieve and maintain independent living.

(2) Section 1437f allocation

From amounts provided pursuant to subsection (j) and subject to availability in appropriation Acts, the Secretary shall enter into a contract with a public housing agency to provide housing assistance under section 1437f(b) of this title to assist elderly persons in at least 75 percent of the units in a single housing project with more than 100 units.

(3) Section 1437f terms

The assistance payment contract under section 1437f of this title shall be attached to the structure and shall be in an initial term of 5 years. The contract shall (at the option of the public housing agency and subject to availability of amounts approved in appropriations Acts) be renewable for 3 additional 5-year terms. Rents for units in the project assisted pursuant to this subsection shall be subject to the rent limitations in effect for the area under section 1437f of this title for projects for the elderly receiving loans under section 1701q of title 12.

(4) Supportive services

The Secretary shall allocate, for the project assisted pursuant to this subsection, a reasonable portion of the amounts appropriated pursuant to the authorization for funds for supportive services in subsection (k), based on the estimated number of project residents who will be frail elderly individuals during the 5-year period beginning on the date of initial occupancy of the project. Grants for supportive services may be used to assist any occupant in the demonstration project who is a frail elderly individual. Grants for supportive services under this subsection shall be subject to the other terms and conditions specified in this section.

(5) Applications

An application for assistance under this subsection may be submitted by any unit of general local government with a population under 50,000 and shall contain such information as the Secretary deems appropriate.

(6) Selection

The Secretary shall select one application for funding under this subsection based on the following criteria:
(A) The number of elderly persons residing in the applicant’s jurisdiction.
(B) The extent of existing housing constructed prior to 1940 in the applicant’s jurisdiction.
(C) The number of elderly persons living in adjacent projects to whom the services and facilities provided by the project would be available.
(D) The level of State and local contributions toward the cost of developing the project and of providing supportive services.
(E) The project’s contribution to neighborhood improvement.

(i) Report

The Secretary shall submit to Congress an annual report evaluating the effectiveness of the demonstrations under this section. The report shall include a statement of the number of persons served, the types of services provided, the cost of providing such services, and any other information the Secretary considers appropriate in evaluating the demonstration.

(j) Section 1437f funding

The budget authority available under section 1437f(c) of this title for assistance under sections 1437f(b) and 1437f(e) of this title is authorized to be increased by $38,288,000 on or after October 1, 1992, and by $39,896,096 on or after October 1, 1993. The amounts made available under this subsection shall be used only in connection with the demonstration under this section.
§8013 TITLE 42—THE PUBLIC HEALTH AND WELFARE  Page 6902

(k) Funding for services

There are authorized to be appropriated for the Secretary to carry out the responsibilities for supportive services under the demonstrations under this section $10,000,000 to become available in fiscal year 1993, and $10,420,000 to become available in fiscal year 1994. Any such amounts appropriated under this subsection shall remain available until expended.

(l) Implementation

Not later than the expiration of the 180-day period beginning on the date that funds authorized for the demonstrations under this section first become available for obligation, the Secretary shall by notice establish such requirements as may be necessary to carry out the demonstration programs authorized under this section.


REFERENCES IN TEXT


Codification

Section was enacted as part of the Cranston-Gonzalez National Affordable Housing Act, and not as part of the Congregate Housing Services Act of 1978 which comprises this chapter.

AMENDMENTS


Subsec. (g)(1). Pub. L. 102–550, §605(c)(2), added par. (1) and struck out former par. (1) which read as follows: “The term ‘demonstration period’ means the period beginning on November 28, 1990, and ending upon the termination date under subsection (a).”

Subsec. (j). Pub. L. 102–550, §605(a), amended subsec. (j) generally. Prior to amendment, subsec. (j) read as follows: “The Secretary may provide assistance under sections 1437b and 1437c of this title in connection with the demonstrations under this section, in an amount not to exceed $34,000,000 for fiscal year 1991, and $35,500,000 for fiscal year 1992, subject to the approval of sufficient amounts in appropriations Acts under section 1437c of this title.”

Subsec. (k). Pub. L. 102–550, §605(b), amended subsec. (k) generally. Prior to amendment, subsec. (k) read as follows: “There are authorized to be appropriated for the Secretary to carry out the responsibilities for supportive services under the demonstrations under this section, $10,000,000 to become available in fiscal year 1991, and $10,400,000 to become available in fiscal year 1992, and remain available until expended.”

§8013 Supportive housing for persons with disabilities

(a) Purpose

The purpose of this section is to enable persons with disabilities to live with dignity and independence within their communities by expanding the supply of supportive housing that—

(1) is designed to accommodate the special needs of such persons;

(2) makes available supportive services that address the individual health, mental health, and other needs of such persons; and

(3) promotes and facilitates community integration for people with significant and long-term disabilities.

(b) Authority to provide assistance

The Secretary is authorized to take the following actions:

(1) Tenant-based assistance

To provide tenant-based rental assistance to eligible persons with disabilities, in accordance with subsection (d)(4).

(2) Capital advances

To provide assistance to private, nonprofit organizations to expand the supply of supportive housing for persons with disabilities, which shall be provided as—

(A) capital advances in accordance with subsection (d)(1), and

(B) contracts for project rental assistance in accordance with subsection (d)(2);

assistance under this paragraph may be used to finance the acquisition, acquisition and moderate rehabilitation, construction, reconstruction, or moderate or substantial rehabilitation of housing, including the acquisition from the Resolution Trust Corporation, to be used as supportive housing for persons with disabilities and may include real property acquisition, site improvement, conversion, demolition, relocation, and other expenses that the Secretary determines are necessary to expand the supply of supportive housing for persons with disabilities.

(3) Project rental assistance

(A) In general

To offer additional methods of financing supportive housing for non-elderly adults with disabilities, the Secretary shall make funds available for project rental assistance pursuant to subparagraph (B) for eligible projects under subparagraph (C). The Secretary shall provide for State housing finance agencies and other appropriate entities to apply to the Secretary for such project rental assistance funds, which shall be made available by such agencies and entities for dwelling units in eligible projects based upon criteria established by the Secretary. The Secretary may not require any State housing finance agency or other entity applying for such project rental assistance funds to identify in such application the eligible projects for which such funds will be used, and shall allow such agencies and applicants to subsequently identify such eligible projects pursuant to the making of commitments described in subparagraph (C)(ii).

(B) Contract terms

(i) Contract terms

Project rental assistance under this paragraph shall be provided—
(I) in accordance with subsection (d)(2); and
(ii) under a contract having an initial term of not less than 180 months that provides funding for a term of 60 months, which funding shall be renewed upon expiration, subject to the availability of sufficient amounts in appropriation Acts.

(ii) Limitation on units assisted
Of the total number of dwelling units in any multifamily housing project containing any unit for which project rental assistance under this paragraph is provided, the aggregate number that are provided such project rental assistance, that are used for supportive housing for persons with disabilities, or to which any occupancy preference for persons with disabilities applies, may not exceed 25 percent of such total.

(iii) Prohibition of capital advances
The Secretary may not provide a capital advance under subsection (d)(1) for any project for which assistance is provided under this paragraph.

(iv) Eligible population
Project rental assistance under this paragraph may be provided only for dwelling units for extremely low-income persons with disabilities and extremely low-income households that include at least one person with a disability.

(C) Eligible projects
An eligible project under this subparagraph is a new or existing multifamily housing project for which—
(i) the development costs are paid with resources from other public or private sources; and
(ii) a commitment has been made—
(I) by the applicable State agency responsible for allocation of low-income housing tax credits under section 42 of title 26, for an allocation of such credits;
(II) by the applicable participating jurisdiction that receives assistance under the HOME Investment Partnership Act; and
(III) by any Federal agency or any State or local government, for funding for the project from funds from any other sources.

(D) State agency involvement
Assistance under this paragraph may be provided only for projects for which the applicable State agency designated to administer or supervise the administration of the State plan for medical assistance under title XIX of the Social Security Act, have entered into such agreements as the Secretary considers appropriate—
(i) to identify the target populations to be served by the project;
(ii) to set forth methods for outreach and referral; and
(iii) to make available appropriate services for tenants of the project.

(E) Use requirements
In the case of any project for which project rental assistance is provided under this paragraph, the dwelling units assisted pursuant to subparagraph (B) shall be operated for not less than 30 years as supportive housing for persons with disabilities, in accordance with the application for the project approved by the Secretary, and such dwelling units shall, during such period, be made available for occupancy only by persons and households described in subparagraph (B)(iv).

(F) Report
Not later than 3 years after January 4, 2011, and again 2 years thereafter, the Secretary shall submit to Congress a report—
(i) describing the assistance provided under this paragraph;
(ii) analyzing the effectiveness of such assistance, including the effectiveness of such assistance compared to the assistance program for capital advances set forth under subsection (d)(1) (as in effect pursuant to the amendments made by such Act); and
(iii) making recommendations regarding future models for assistance under this section.

(c) General requirements
The Secretary shall take such actions as may be necessary to ensure that—
(1) assistance made available under this section will be used to meet the housing and community-based services needs of persons with disabilities by providing a variety of housing options, ranging from group homes and independent living facilities to dwelling units in multifamily housing developments, condominium housing, and cooperative housing; and
(2) supportive housing for persons with disabilities assisted under this section shall—
(A) make available voluntary supportive services that address the individual needs of persons with disabilities occupying such housing;
(B) provide such persons with opportunities for optimal independent living and participation in normal daily activities; and
(C) facilitate access by such persons to the community at large and to suitable employment opportunities within such community.

(d) Forms of assistance
(1) Capital advances
A capital advance provided pursuant to subsection (b)(1) shall bear no interest and its repayment shall not be required so long as the housing remains available for very-low-income persons with disabilities in accordance with this section. Such advance shall be in an amount calculated in accordance with the development cost limitation established in subsection (h).

1See in original. Probably should be “Partnerships”.

2See References in Text note below.
§ 8013 TITLE 42—THE PUBLIC HEALTH AND WELFARE

(2) Project rental assistance

(A) Initial project rental assistance contract

Contracts for project rental assistance shall comply with subsection (e)(2) and shall obligate the Secretary to make monthly payments to cover any part of the costs attributed to units occupied (or, as approved by the Secretary, held for occupancy) by very low-income persons with disabilities that is not met from project income. The amount provided under the contract for each year covered by the contract for any project shall not exceed the sum of the initial annual project rentals for all units and any initial utility allowances for such units, as approved by the Secretary. Any contract amounts not used by a project in any year shall remain available to the project until the expiration of the contract. The Secretary may adjust the amount provided under the contract for each year covered by the contract if the sum of the project income and the amount of assistance payments available under this paragraph are inadequate to provide for reasonable project costs. In the case of an intermediate care facility which is the residence of persons assisted under title XIX of the Social Security Act [42 U.S.C. 1396 et seq.], project income under this paragraph shall include the same amount as if such person were being assisted under title XVI of the Social Security Act [42 U.S.C. 1381 et seq.].

(B) Renewal of and increases in contract amounts

(i) Expiration of contract term

Upon the expiration of each contract term, subject to the availability of amounts made available in appropriation Acts, the Secretary shall adjust the annual contract amount to provide for reasonable project costs, including adequate reserves and service coordinators as appropriate, except that any contract amounts not used by a project during a contract term shall not be available for such adjustments upon renewal.

(ii) Emergency situations

In the event of emergency situations that are outside the control of the owner, the Secretary shall increase the annual contract amount, subject to reasonable review and limitations as the Secretary shall provide.

(3) Rent contribution

A very low-income person shall pay as rent for a dwelling unit assisted under subsection (b)(2) the higher of the following amounts, rounded to the nearest dollar: (A) 30 percent of the person’s adjusted monthly income, (B) 10 percent of the person’s monthly income, or (C) if the person is receiving payments for welfare assistance from a public agency and a part of such payments is adjusted in accordance with the person’s actual housing costs, is specifically designated by such agency to meet the person’s housing costs, the portion of such payments which is so designated; except that the gross income of a person occupying an intermediate care facility assisted under title XIX of the Social Security Act [42 U.S.C. 1396 et seq.] shall be the same amount as if the person were being assisted under title XVI of the Social Security Act [42 U.S.C. 1381 et seq.].

(4) Tenant-based rental assistance

(A) In general

Tenant-based rental assistance provided under subsection (b)(1) shall be provided under section 1437f(o) of this title.

(B) Conversion of existing assistance

There is authorized to be appropriated for tenant-based rental assistance under section 1437f(o) of this title for persons with disabilities an amount not less than the amount necessary to convert the number of authorized vouchers and funding under an annual contributions contract in effect on January 4, 2011. Such converted vouchers may be administered by the entity administering the vouchers prior to conversion. For purposes of administering such converted vouchers, such entities shall be considered a “public housing agency” authorized to engage in the operation of tenant-based assistance under section 1437f of this title.

(C) Requirements upon turnover

The Secretary shall develop and issue, to public housing agencies that receive voucher assistance under section 1437f(o) of this title for non-elderly disabled families pursuant to appropriation Acts for fiscal years 1997 through 2002 or any other subsequent appropriations for incremental vouchers for non-elderly disabled families, guidance to ensure that, to the maximum extent possible, such vouchers continue to be provided upon turnover to qualified persons with disabilities or to qualified non-elderly disabled families, respectively.

(e) Program requirements

(1) Use restrictions

(A) Term

Any project for which a capital advance is provided under subsection (d)(1) shall be operated for not less than 40 years as supportive housing for persons with disabilities, in accordance with the application for the project approved by the Secretary and shall, during such period, be made available for occupancy only by very low-income persons with disabilities.

(B) Conversion

If the owner of a project requests the use of the project for the direct benefit of very low-income persons with disabilities and, pursuant to such request the Secretary determines that a project is no longer needed for use as supportive housing for persons with disabilities, the Secretary may approve the request and authorize the owner to convert the project to such use.

(2) Contract terms

The initial term of a contract entered into under subsection (d)(2) shall be 240 months, ex-
cept that, in the case of the sponsor of a project assisted with any low-income housing tax credit pursuant to section 42 of title 26 or with any tax-exempt housing bonds, the contract shall have an initial term of not less than 360 months and shall provide funding for a term of 60 months. The Secretary shall, to the extent approved in appropriation Acts, upon expiration of a contract (or any renewed contract), renew such contract for a term of not less than 60 months. In order to facilitate the orderly extension of expiring contracts, the Secretary is authorized to make commitments to extend expiring contracts during the year prior to the date of expiration.

(3) Limitation on use of funds

No assistance received under this section (or any State or local government funds used to supplement such assistance) may be used to replace other State or local funds previously used, or designated for use, to assist persons with disabilities.

(4) Multifamily projects

(A) Limitation

Except as provided in subparagraph (B), of the total number of dwelling units in any multifamily housing project (including any condominium or cooperative housing project) containing any unit for which assistance is provided from a capital grant under subsection (d)(1) made after January 4, 2011, the aggregate number that are used, or designated for use, to assist persons with disabilities shall be equal to or exceed 25 percent of such total.

(B) Exception

Subparagraph (A) shall not apply in the case of any project that is a group home or independent living facility.

(f) Applications

Funds made available under subsection (b)(2) shall be allocated by the Secretary among applications submitted by private non-profit organizations. Applications for assistance under subsection (b)(2) shall be submitted in such form and in accordance with such procedures as the Secretary shall establish. Such applications shall contain—

(1) a description of the proposed housing;
(2) a description of the assistance the applicant seeks under this section;
(3) a description of the manner in which such services will be provided to tenants; and
(4) a description of the manner in which such services will be provided to tenants; and
(5) a description of the manner in which such services will be provided to tenants; and
(6) identification of the extent of other Federal, and State and local funds available to assist in the provision of such services;
(7) a certification from the appropriate State or local agency (as determined by the Secretary) that the provision of the services identified in paragraph (3) are well designed to serve the housing and community-based services needs of persons with disabilities;
(8) reasonable assurances that the applicant will own or have control of an acceptable site for the proposed housing not later than 6 months after notification of an award for assistance;
(9) a certification from the public official responsible for submitting a housing strategy for the jurisdiction to be served in accordance with section 12705 of this title that the proposed housing is consistent with the approved housing strategy; and
(10) such other information or certifications that the Secretary determines to be necessary or appropriate to achieve the purposes of this section.

(g) Selection criteria and processing

(1) Selection criteria

The Secretary shall establish selection criteria for assistance under subsection (b)(2), which shall include—

(A) the ability of the applicant to develop and operate the proposed housing;
(B) the need for housing for persons with disabilities in the area to be served;
(C) the extent to which the proposed design of the housing will meet the special needs of persons with disabilities;
(D) the extent to which the applicant has demonstrated that appropriate supportive services will be made available on a consistent, long-term basis;
(E) the extent to which the location and design of the proposed project will facilitate the provision of community-based supportive services and address other basic needs of persons with disabilities, including access to appropriate and accessible transportation, access to community services agencies, public facilities, and shopping;
(F) the extent to which the per-unit cost of units to be assisted under this section will be supplemented with resources from other public and private sources;
(G) the extent to which the applicant has control of the site of the proposed housing; and
(H) such other factors as the Secretary determines to be appropriate to ensure that funds made available under subsection (b)(2) are used effectively.

(2) Delegated processing

(A) In issuing a capital advance under subsection (d)(1) for any multifamily project (but not including any project that is a group home or independent living facility) for which financing for the purposes described in the last sentence of subsection (b) is provided by a
§ 8013  TITLE 42—THE PUBLIC HEALTH AND WELFARE  Page 6906

combination of the capital advance and sources other than this section, within 30 days of award of the capital advance, the Secretary shall delegate review and processing of such projects to a State or local housing agency that—

(i) is in geographic proximity to the property;

(ii) has demonstrated experience in and capacity for underwriting multifamily housing loans that provide housing and supportive services;

(iii) may or may not be providing low-income housing tax credits in combination with the capital advance under this section; and

(iv) agrees to issue a firm commitment within 12 months of delegation.

(B) The Secretary shall retain the authority to process capital advances in cases in which no State or local housing agency is sufficiently qualified to provide delegated processing pursuant to this paragraph or no such agency has entered into an agreement with the Secretary to serve as a delegated processing agency.

(C) The Secretary shall—

(i) develop criteria and a timeline to periodically assess the performance of State and local housing agencies in carrying out the duties delegated to such agencies pursuant to subparagraph (A); and

(ii) retain the authority to review and process projects financed by a capital advance in the event that, after a review and assessment, a State or local housing agency is determined to have failed to satisfy the criteria established pursuant to clause (i).

(D) An agency to which review and processing is delegated pursuant to subparagraph (A) may assess a reasonable fee which shall be included in the capital advance amounts and may recommend project rental assistance amounts in excess of those initially awarded by the Secretary. The Secretary shall develop a schedule for reasonable fees under this subparagraph to be paid to delegated processing agencies, which shall take into consideration any other fees to be paid to the agency for other funding provided to the project by the agency, including bonds, tax credits, and other gap funding.

(E) Under such delegated system, the Secretary shall retain the authority to approve rents and development costs and to execute a capital advance within 60 days of receipt of the commitment from the State or local agency. The Secretary shall provide to such agency and the project sponsor, in writing, the reasons for any reduction in capital advance amounts or project rental assistance and such reductions shall be subject to appeal.

(h) Development cost limitations

(1) Group homes

The Secretary shall periodically establish development cost limitations by market area for group homes of supportive housing for persons with disabilities by publishing a notice of the cost limitations in the Federal Register. The cost limitations shall reflect—

(A) the cost of acquisition, construction, reconstruction, or rehabilitation of supportive housing for persons with disabilities that—

(i) meets applicable State and local housing and building codes; and

(ii) conforms with the design characteristics of the neighborhood in which it is to be located;

(B) the cost of movables necessary to the basic operation of the housing, as determined by the Secretary;

(C) the cost of special design features necessary to make the housing accessible to persons with disabilities;

(D) the cost of special design features necessary to make individual dwelling units meet the special needs of persons with disabilities;

(E) if the housing is newly constructed, the cost of meeting the energy efficiency standards promulgated by the Secretary in accordance with section 12709 of this title; and

(F) the cost of land, including necessary site improvement.

In establishing development cost limitations for a given market area, the Secretary shall use data that reflect currently prevailing costs of acquisition, construction, reconstruction, or rehabilitation, and land acquisition in the area. Neither this section nor any other provison of law may be construed as prohibiting or preventing the location and operation, in a project assisted under this section, of commercial facilities for the benefit of residents of the project and the community in which the project is located, except that assistance made available under this section may not be used to subsidize any such commercial facility.

(2) RTC properties

In the case of existing housing and related facilities from the Resolution Trust Corporation under section 1441a(c) of title 12, the cost limitations shall include—

(A) the cost of acquiring such housing,

(B) the cost of rehabilitation, alteration, conversion, or improvement, including the moderate rehabilitation thereof, and

(C) the cost of the land on which the housing and related facilities are located.

(3) Annual adjustments

The Secretary shall adjust the cost limitation established pursuant to paragraph (1) not less than once annually to reflect changes in the general level of acquisition, construction, reconstruction, or rehabilitation costs.

(4) Incentives for savings

(A) Special project account

The Secretary shall use the development cost limitations established under paragraph (1) to calculate the amount of financing to be made available to individual owners. Owners which incur actual development costs that are less than the amount of financing shall be entitled to retain 50 percent of the savings in a special project account. Such percentage shall be increased to 75 percent for owners which add energy efficiency features which (i) exceed the energy effi-
ciency standards promulgated by the Secretary in accordance with section 12709 of this title; (ii) substantially reduce the lifecycle cost of the housing; (iii) reduce gross rent requirements; and (iv) enhance tenant comfort and convenience.

(B) Uses
The special project account established under subparagraph (A) may be used (i) to supplement services provided to residents of the housing or funds set-aside for replacement reserves, or (ii) for such other purposes as determined by the Secretary.

(5) Funds from other sources
An owner shall be permitted voluntarily to provide funds from sources other than this section for amenities and other features of appropriate design and construction suitable for supportive housing for persons with disabilities if the cost of such amenities is (A) not financed with the advance, and (B) is not taken into account in determining the amount of Federal assistance or of the rent contribution derived from a Federal grant.

(A) In general
The provisions of section 212(e) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12742(e)) and the cost limits established by the Secretary pursuant to such section with respect to the amount of funds under subtitle A of title II of such Act (42 U.S.C. 12741 et seq.) that may be invested on a per unit basis, shall apply to supportive housing assisted with a capital advance under subsection (d)(1) and the amount of funds under such subsection that may be invested on a per unit basis.

(B) Waivers
The Secretary may provide for waiver of the cost limits applicable pursuant to subparagraph (A)—

(i) in the cases in which the cost limits established pursuant to section 212(e) of the Cranston-Gonzalez National Affordable Housing Act may be waived; and

(ii) to provide for—

(I) the cost of special design features to make the housing accessible to persons with disabilities;

(II) the cost of special design features necessary to make individual dwelling units meet the special needs of persons with disabilities; and

(III) the cost of providing the housing in a location that is accessible to public transportation and community organizations that provide supportive services to persons with disabilities.

(i) Admission and occupancy
(1) Tenant selection
(A) Procedures
An owner shall adopt written tenant selection procedures that are satisfactory to the Secretary as (i) consistent with the purpose of improving housing opportunities for very low-income persons with disabilities; and (ii) reasonably related to program eligibility and an applicant’s ability to perform the obligations of the lease. Owners shall promptly notify in writing any rejected applicant of the grounds for any rejection.

(B) Requirement for occupancy
Occupancy in dwelling units provided assistance under this section shall be available only to persons with disabilities and households that include at least one person with a disability.

(C) Availability
Except only as provided in subparagraph (D), occupancy in dwelling units in housing provided with assistance under this section shall be available to all persons with disabilities eligible for such occupancy without regard to the particular disability involved.

(D) Limitation on occupancy
Notwithstanding any other provision of law, the owner of housing developed under this section may, with the approval of the Secretary, limit occupancy within the housing to persons with disabilities who can benefit from the supportive services offered in connection with the housing.

(2) Tenant protections
(A) Lease
The lease between a tenant and an owner of housing assisted under this section shall be for not less than one year, and shall contain such terms and conditions as the Secretary shall determine to be appropriate.

(B) Termination of tenancy
An owner may not terminate the tenancy or refuse to renew the lease of a tenant of a rental dwelling unit assisted under this section except—

(i) for serious or repeated violation of the terms and conditions of the lease, for violation of applicable Federal, State, or local law, or for other good cause; and

(ii) by providing the tenant, not less than 30 days before such termination or refusal to renew, with written notice specifying the grounds for such action.

(C) Voluntary participation in services
A supportive service plan for housing assisted under this section shall permit each resident to take responsibility for choosing and acquiring their own services, to receive any supportive services made available directly or indirectly by the owner of such housing, or to not receive any supportive services.

(j) Miscellaneous provisions
(1) Technical assistance
The Secretary shall make available appropriate technical assistance to assure that applicants having limited resources, particularly minority applicants, are able to participate more fully in the program carried out under this section.
(2) Civil rights compliance
Each owner shall certify, to the satisfaction of the Secretary, that assistance made available under this section will be conducted and administered in conformity with title VI of the Civil Rights Act of 1964 [42 U.S.C. 2000d et seq.], the Fair Housing Act [42 U.S.C. 3601 et seq.] and other Federal, State, and local laws prohibiting discrimination and promoting equal opportunity; and 3

(3) Site control
An applicant may obtain ownership or control of a suitable site different from the site specified in the initial application. If an applicant fails to obtain ownership or control of the site within 1 year after notification of an award for assistance, the assistance shall be recaptured and reallocated.

(4) Notice of appeal
The Secretary shall notify an owner not less than 30 days prior to canceling any reservation of assistance provided under this section. During the 30-day period following the receipt of a notice under the preceding sentence, an owner may appeal the proposed cancellation. Such appeal, including review by the Secretary, shall be completed not later than 45 days after the appeal is filed.

(5) Labor standards

(A) In general
The Secretary shall take such action as may be necessary to ensure that all laborers and mechanics employed by contractors and subcontractors in the construction of housing with 12 or more units assisted under this section shall be paid wages at rates not less than those prevailing in the locality involved for the corresponding classes of laborers and mechanics employed on construction of a similar character, as determined by the Secretary of Labor in accordance with sections 3141–3144, 3146, and 3147 of title 40.

(B) Exemption
Subparagraph (A) shall not apply to any individual who—
(i) performs services for which the individual volunteered;
(ii) does not receive compensation for such services; or
(iii) is paid expenses, reasonable benefits, or a nominal fee for such services; and
(iv) is not otherwise employed at any time in the construction work.

(6) Use of project reserves
Amounts for project reserves for a project assisted under this section may be used for costs, subject to reasonable limitations as the Secretary determines appropriate, for reducing the number of dwelling units in the project. Such use shall be subject to the approval of the Secretary to ensure that the use is designed to retrofit units that are currently obsolete or unmarketable.

(k) Definitions
As used in this section—

1So in original. The word “opportunity” probably should be followed by a period.
separate dwelling units where each dwelling unit includes a kitchen and a bath. Not later than the date that the Secretary prescribes a limit exceeding the 24 person limit in the previous sentence, the Secretary shall notify the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives of the limit or the intention to prescribe a limit in excess of 24 persons, together with a detailed explanation of the reason for the new limit.

(5) The term “owner” means a private nonprofit organization that receives assistance under this section to develop and operate supportive housing for persons with disabilities.

(6) The term “private nonprofit organization” means any institution or foundation—

(A) that has received, or has temporary clearance to receive, tax-exempt status under section 501(c)(3) of title 26;

(B) no part of the net earnings of which inures to the benefit of any member, founder, contributor, or individual;

(C) which has a governing board (i) the membership of which is selected in a manner to assure that there is significant representation of the views of persons with disabilities, and (ii) which is responsible for the operation of the housing assisted under this section; and

(D) which is approved by the Secretary as to financial responsibility.

Such term includes a for-profit limited partnership the sole general partner of which is an organization meeting the requirements under subparagraphs (A), (B), (C), and (D) or a corporation controlled by an organization meeting the requirements under subparagraphs (A), (B), (C), and (D).

(7) The term “State” includes the several States, the District of Columbia, the Commonwealth of Puerto Rico, and the possessions of the United States.

(8) The term “Secretary” means the Secretary of Housing and Urban Development.

(9) The term “very low-income” has the same meaning as given the term “very low-income families” under section 1437a(b)(2) of this title.

(b) Allocation of funds

(1) Minimum allocation for multifamily projects

The Secretary shall establish a minimum percentage of the amount made available for each fiscal year for capital advances under subsection (d)(1) that shall be used for multifamily projects subject to subsection (e)(4).

(2) Capital advances

Of any amounts made available for assistance under subsection (b), such sums as may be necessary shall be available for funding capital advances in accordance with subsection (d)(1). Such amounts, the repayments from such advances, and the proceeds from notes or obligations issued under this section prior to November 28, 1990, shall constitute a revolving fund to be used by the Secretary in carrying out this section.

(3) Project rental assistance

Of any amounts made available for assistance under subsection (b), such sums as may be necessary shall be available for funding project rental assistance in accordance with subsection (d)(2).

(m) Authorization of appropriations

There are authorized to be appropriated for providing assistance pursuant to this section $300,000,000 for each of fiscal years 2011 through 2015.

(n) Effective date and applicability

(1) In general

The amendments made by this section shall take effect on October 1, 1991, with respect to projects approved on or after such date. The Secretary shall issue regulations for such purpose after notice and public comment.

(2) Earlier applicability

The Secretary shall, upon the request of an owner, apply the provisions of this section to any housing for which a loan reservation was made under section 1701q of title 12 before November 28, 1990, but for which no loan has been executed and recorded. In the absence of such a request, any housing identified under the preceding sentence shall continue to be subject to the provisions of section 1701q of title 12 as they were in effect when such assistance was made or reserved.

(3) Coordination

When responding to an owner’s request under paragraph (1), the Secretary shall, notwithstanding any other provision of law, apply such portion of amounts obligated at the time of loan reservation, including amounts reserved with respect to such housing under section 1437f of this title, as are required for the owner’s housing under the provisions of this section and shall make any remaining portion available for other housing under this section.

References in Text


*See Codification note below.*
For complete classification of this Act to the Code, see section 1305 of this title and Tables.


The Fair Housing Act, referred to in subsec. (j)(2), is title VII of Pub. L. 90–284, Apr. 11, 1968, 82 Stat. 81, which is classified principally to subchapter I of chapter 45 (§3601 et seq.) of this title. For complete classification of this Act to the Code, see Short Title note set out under section 3601 of this title and Tables.

CODIFICATION

Section was enacted as part of the Cranston-Gonzalez National Affordable Housing Act, and not as part of the Congregate Housing Services Act of 1978 which comprises this chapter.


November 28, 1990, referred to in subs. (b)(2) and (n)(2), was in the original “the enactment of this Act” and “the date of enactment of this Act”, respectively, see Enactment of Section note below.

AMENDMENTS


Subsec. (a)(3). Pub. L. 111–374, §511(A), (B)(II), (C), added par. (3).

Subsec. (b). Pub. L. 111–374, §4(1), substituted “is authorized to take the following actions:” for “is authorized to designate service provider’s experience in providing such supportive services:”.

Subsec. (b)(1). Pub. L. 111–374, §4(2), inserted heading and substituted “To provide tenant-based:” for “to provide tenant-based:” and a period for “; and”.

Subsec. (b)(2). Pub. L. 111–374, §4(3), inserted heading and substituted “To provide assistance:” for “to provide assistance:”.


Subsec. (c)(1). Pub. L. 111–374, §52(A), substituted “housing and community-based services” for “special”.

Subsec. (c)(2)(A). Pub. L. 111–374, §52(B)(I), added subpar. (A) and struck out former subpar. (A) which read as follows: “provide persons with disabilities occupying such housing with supportive services that address their individual needs;”.

Subsec. (c)(2)(B). Pub. L. 111–374, §52(B)(II), substituted “activities:” for “activities.”.

Subsec. (d)(1). Pub. L. 111–374, §53, substituted “provided pursuant to subsection (b)(1) shall bear” for “provided under subsection (b)(2) shall bear”.

Subsec. (d)(2). Pub. L. 111–374, §53(a)(I), designated existing provisions as subpar. (A), inserted heading and “comply with subsection (e)(2) and shall” before “obligate” in first sentence, substituted “amount provided under the contract for each year covered by the contract” for “annual contract amount” in two places, and added subpar. (B).

Subsec. (d)(4). Pub. L. 111–374, §2(a), amended par. (4) generally. Prior to amendment, par. (4) related to tenant-based rental assistance provided through a public housing agency or a private nonprofit organization.


Subsec. (e)(1). Pub. L. 111–374, §3(b)(1)(B), added par. (1) and struck out former par. (1). Prior to amendment, text read as follows: “All units in housing assisted under subsection (b)(2) shall be made available for occupancy by very low-income persons with disabilities for not less than 40 years.”

Subsec. (e)(2). Pub. L. 111–374, §3(a)(2), inserted “except that, in the case of the sponsor of a project assisted with any low-income housing tax credit pursuant to section 42 of title 26 or with any tax-exempt housing bonds, the contract shall have an initial term of not less than 360 months and shall provide funding for a term of 60 months after 240 months and substituted “upon expiration of a contract (or any renewed contract), renew such contract” for “extend any expiring contract”.

Subsec. (e)(3). Pub. L. 111–374, §3(b)(1)(C), added pars. (3) and (4).


Subsec. (f)(3)(C). Pub. L. 111–374, §54(A)(II), added subpar. (C) and struck out former subpar. (C) which read as follows: “evidence of the applicant’s (or a designated service provider’s) experience in providing such supportive services:”.

Subsec. (f)(3)(D). Pub. L. 111–374, §54(A)(III), substituted “tenants” for “such persons, including evidence of such residential supervision as the Secretary determines is necessary to facilitate the adequate provision of such services:”.


Subsec. (f)(4). Pub. L. 111–374, §54(B), substituted “housing and community-based services” for “special”.

Subsec. (g). Pub. L. 111–374, §3(C), substituted “Selection criteria and processing” for “Selection criteria” in subsec. heading, designated existing provisions as pars. (1), inserted par. heading, redesignated former paras. (1) to (5), (6), and (7) as subs paras. (A) to (E), (G), and (H), respectively, of par. (1), and added par. (2).

Subsec. (g)(1)(D). Pub. L. 111–374, §54(A)(I), substituted “appropriate supportive services will be made available” for “the necessary supportive services will be provided”.

Subsec. (g)(1)(E). Pub. L. 111–374, §54(B)(3), added subpar. (E) and struck out former subpar. (E) which read as follows: “the extent to which the proposed design of the housing will accommodate the provision of such services:”.


Subsec. (h)(1). Pub. L. 111–374, §3(f), substituted “Group home” for “In general” in heading and “group homes” for “various types and sizes” in introductory provisions, redesignated subs paras. (F) and (G) as (E) and (F), respectively, and struck out former subpar. (E) which read as follows: “the cost of congregate space necessary to accommodate the provision of supportive services to persons with disabilities:”.

Subsec. (h)(3). Pub. L. 111–374, §54(f)(2), inserted “established pursuant to paragraph (1)” after “cost limitation”.


Subsec. (i). Pub. L. 111–374, §3(e), added subsec. (i) and struck out former subsec. (i) which related to tenant selection.

Subsec. (j)(4) to (7). Pub. L. 111–374, §56, redesignated pars. (5) to (7) as (4) to (6), respectively, and struck out former par. (4). Prior to amendment, text of
par. (4) read as follows: “The Secretary may require an owner to deposit an amount not to exceed $10,000 in a special escrow account to assure the owner’s commitment to the use of the units described in the amended section.”

Subsec. (k)(1). Pub. L. 111–374, § 5(7)(A), inserted “which provides a separate bedroom for each tenant of the residence” before period at end of first sentence. Pub. L. 111–374, § 5(g)(1), inserted after second sentence “Not later than the date of the exercise of any waiver permitted under the previous sentence, the Secretary shall notify the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives of the waiver or the intention to exercise the waiver, together with a detailed explanation of the reason for the waiver.”

Subsec. (k)(2). Pub. L. 111–374, § 5(7)(B), substituted “The term ‘person with disabilities’ means a household composed of one or more persons who is 18 years of age or older and less than 62 years of age, and who has a disability.” for “The term ‘person with disabilities’ means a household composed of one or more persons at least one of whom has a disability.”

Subsec. (k)(3). Pub. L. 111–374, § 5(7)(C), added par. (3) and struck out former par. (3) which read as follows: “The term ‘supportive housing for persons with disabilities’ means housing that—

(A) is designed to meet the special needs of persons with disabilities, and

(B) provides supportive services that address the individual health, mental health or other special needs of such persons.”

Subsec. (k)(4). Pub. L. 111–374, § 5(g)(2), substituted “prescribe” for “prescribe, subject to the limitation under subsection (h)(6)“ and inserted at end “Not later than the date that the Secretary prescribes a limit exceeding the 24 person limit in the previous sentence, the Secretary shall notify the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives of the limit or the intention to prescribe a limit in excess of 24 persons, together with a detailed explanation of the reason for the new limit.”

Subsec. (k)(5). Pub. L. 111–374, § 5(7)(D), struck out “a project for” before “supportive housing”

Subsec. (k)(6). Pub. L. 111–374, § 5(7)(E)(ii), which directed striking out “wholly owned and” in the matter inserted by the amendment made by subparagraph (A) of this paragraph, was executed by striking out “wholly owned and” after “corporation” in concluding provisions as inserted by section 5(7)(E)(i) of Pub. L. 111–374, to reflect the probable intent of Congress. See below.


Subsec. (l). Pub. L. 111–374, § 3(h), amended par. (1) generally. Prior to amendment, text read as follows: “Tenant-based rental assistance provided under subsection (b)(1) may be provided only through a public housing agency that has submitted, and had approved, an allocation plan under section 1437f(e) of this title, and a public housing agency shall be eligible to apply under this section only for the purposes of providing such assistance. Such assistance may be treated as amounts not derived from a Federal grant.”


Subsec. (l)(8). Pub. L. 106–402 substituted “as defined in section 15002 of this title” for “as defined in section 603(7) of this title” in third sentence.

Subsec. (l)(9). Pub. L. 106–569, § 841, which directed insertion of concluding provisions after section 811(k)(6)(D) of the Housing Act of 1959, could not be executed because there is no section 811 of the Housing Act of 1959.

Subsec. (l)(1). Pub. L. 106–569, § 843(2), substituted “subsection (b)(2)” for “subsection (b)“ and struck out before period at end “, and the remainder shall be available for tenant-based assistance under subsection (n)“.

Subsec. (m). Pub. L. 106–569, § 822, added subsec. (m) and struck out heading and text of former subsec. (m). Text read as follows: “There is authorized to be appropriated for providing assistance under this section $201,000,000 for fiscal year 2000.”


Subsec. (m). Pub. L. 106–74, § 512, added subsec. (m) and redesignated former subsec. (m) as (n).


Subsec. (b). Pub. L. 102–550, § 623(a)(2), added heading, introductory provisions, and pars. (1) and (2) and struck out former heading “General authority”, introductory provisions, and pars. (1) and (2) which authorized assistance to private, nonprofit organizations to expand the supply of supportive housing for persons with disabilities, which assistance would be provided as capital advances and contracts for project rental assistance, and, in concluding provisions, realigned margin and substituted “assistance under this paragraph” for “Such assistance”.

Subsec. (d). Pub. L. 102–550, § 623(a)(3)(A), which directed the substitution of “subsection (b)(2)” for “this section”, was executed by making the substitution the first place appearing in first sentence, to reflect the probable intent of Congress.


Subsec. (g), Pub. L. 102–550, §822(a)(6), which directed the substitution of “subsection (b)(2)” for “this section”, was executed by making the substitution in the introductory provisions and in par. (7), to reflect the probable intent of Congress.

Subsec. (j)(6), Pub. L. 102–550, §913(b), designated existing provisions as subpar. (A). Inserted subpar. heading, substituted “with 12 or more units assisted under this section” for “assisted under this section and designated for dwelling use by 12 or more persons with disabilities”, inserted “commonly known as” before “the Davis-Bacon Act”, struck out before period at end “; but the Secretary may waive the application of this paragraph in cases or classes of cases where laborers or mechanics, not otherwise employed at any time in the construction of such housing, voluntarily donate their services without full compensation for the purposes of lowering the costs of construction and the Secretary determines that any amounts saved thereby are fully credited to the corporation, cooperative, or public body or agency undertaking the construction”, and added subpar. (B).

Subsec. (k)(6), Pub. L. 102–550, §603, struck out “incorporated private” before “institution” in introductory provisions, added subpar. (A), and redesignated former subpars. (A) to (C) as (B) to (D), respectively.


Pub. L. 102–550, §601(d)(2), inserted first sentence, struck out former first sentence which authorized an appropriation of $271,000,000 for fiscal year 1992 for the purpose of funding capital advances in accordance with subsection (d)(1) of this section, and in second sentence, substituted “Such amounts” for “Amounts so appropriated”.


Pub. L. 102–550, §601(d)(5), added par. (2) and struck out former par. (2) which read as follows: “For the purpose of funding contracts for project rental assistance in accordance with subsection (d)(2) of this section, the Secretary may, to the extent approved in an appropriations Act, reserve authority to enter into obligations aggregating $246,000,000 for fiscal year 1992.”


1991—Subsec. (k)(4). Pub. L. 102–27 substituted “24 persons with disabilities (or such higher number of persons as permitted under criteria that the Secretary shall prescribe)” for “20 persons with disabilities”.  

**Effective Date of 2000 Amendment**

Amendment by title VIII of Pub. L. 106–589 effective Dec. 27, 2000, unless effectiveness or applicability upon another date certain is specifically provided for, with provisions relating to effect of regulatory authority, see section 603 of Pub. L. 106–589, set out as a note under section 1701q of Title 12, Banks and Banking.

**Effective Date of 1992 Amendment**

Amendment by subtitles B through F of title VI (§§621–685) of Pub. L. 102–550 applicable upon expiration of 6-month period beginning Oct. 28, 1992, except as otherwise provided, see section 13642 of this title.

**Enactment of Section**

This section was enacted as part of Pub. L. 101–625, which was approved Nov. 28, 1990. However, this section was deemed enacted as of Nov. 5, 1990, by Pub. L. 101–607, title II, Nov. 5, 1990, 104 Stat. 1358, set out as an Effective Date of 1990 Amendment note under section 1701q of Title 12, Banks and Banking.

**Inapplicability of Certain 1992 Amendments to Indian Public Housing**

Amendment by section 823(a) of Pub. L. 102–550 not applicable with respect to lower income housing developed or operated pursuant to contract between Secretary of Housing and Urban Development and Indian housing authority, see section 828 of Pub. L. 102–550, set out as a note under section 1437a of this title.

**Provision of Technical Assistance**

Pub. L. 111–374, §2(b), Jan. 4, 2011, 124 Stat. 4990, provided that: “The Secretary is authorized to the extent amounts are made available in future appropriations Acts, to provide technical assistance to public housing agencies and other administering entities to facilitate using vouchers to provide permanent supportive housing for persons with disabilities, help States reduce reliance on segregated restrictive settings for people with disabilities to meet community care requirements, end chronic homelessness, as ‘chronically homeless’ is defined in section 401 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11361), and for other related purposes.”

**Rental Assistance Contract Obligations**


**CHAPTER 90—NEIGHBORHOOD AND CITY REINVESTMENT, SELF-HELP AND REVITALIZATION**

**SUBCHAPTER I—NEIGHBORHOOD REINVESTMENT CORPORATION**

Sec. 8101. Congressional findings and declaration of purpose.


8103. Board of Directors.

8104. Officers and employees.

8105. Directors.

8106. Reports and audits.

8107. Appropriations.

8108. Warnings to homeowners of foreclosure rescue scams.

**SUBCHAPTER II—NEIGHBORHOOD SELF-HELP DEVELOPMENT**

8121 to 8124. Repealed.

**SUBCHAPTER III—LIVABLE CITIES**

8131. Congressional findings.

8132. Statement of purpose.

8133. Definitions.

8134. Grants to or contracts with organizations.

8135. Coordination and development of program with other Federal and non-Federal programs.

8136. Authorization of appropriations.

**SUBCHAPTER I—NEIGHBORHOOD REINVESTMENT CORPORATION**

§8101. Congressional findings and declaration of purpose

(a) The Congress finds that—

(1) the neighborhood housing services demonstration of the Urban Reinvestment Task Force has proven its worth as a successful program to revitalize older urban neighborhoods by mobilizing public, private, and community resources at the neighborhood level; and

(2) the demand for neighborhood housing services programs in cities throughout the
United States warrants the creation of a public corporation to institutionalize and expand the neighborhood housing services program and other programs of the present Urban Reinvestment Task Force.

(b) The purpose of this subchapter is to establish a public corporation which will continue the joint efforts of the Federal financial supervisory agencies and the Department of Housing and Urban Development to promote reinvestment in older neighborhoods by local financial institutions working cooperatively with community people and local government, and which will continue the nonbureaucratic approach of the Urban Reinvestment Task Force, relying largely on local initiative for the specific design of local programs.


§ 8102. Neighborhood Reinvestment Corporation

(a) Establishment

There is established a Neighborhood Reinvestment Corporation (hereinafter referred to as the ‘corporation’) which shall be a body corporate and shall possess the powers, and shall be subject to the direction and limitations specified herein.

(b) Implementation and expansion of demonstration activities

The corporation shall implement and expand the demonstration activities carried out by the Urban Reinvestment Task Force.

(c) Principal office

The corporation shall maintain its principal office in the District of Columbia or at such other place the corporation may from time to time prescribe.

(d) Exemption from taxation

The corporation, including its franchise, activities, assets, and income, shall be exempt from all taxation now or hereafter imposed by the United States, by any territory, dependency, or possession thereof, or by any State, county, municipality, or local taxing authority, except that any real property of the corporation shall be subject to State, territorial, county, municipal, or local taxation to the same extent according to its value as other real property is taxed.


§ 8103. Board of Directors

(a) Membership

The corporation shall be under the direction of a board of directors made up of the following members:

(1) the Chairman of the Federal Home Loan Bank Board or a member of the Federal Home Loan Bank Board to be designated by the Chairman;

(2) the Secretary of Housing and Urban Development;

(3) the Chairman of the Board of Governors of the Federal Reserve System, or a member of the Board of Governors of the Federal Reserve System to be designated by the Chairman;

(4) the Chairman of the Federal Deposit Insurance Corporation or the appointive member of the Board of Directors of the Federal Deposit Insurance Corporation if so designated by the Chairman;

(5) the Comptroller of the Currency; and

(6) the Chairman of the National Credit Union Administration or a member of the Board of the National Credit Union Administration to be designated by the Chairman.

(b) Election of chairman

The Board shall elect from among its members a chairman who shall serve for a term of two years, except that the Chairman of the Federal Home Loan Bank Board shall serve as Chairman of the Board of Directors for the first such two-year term.

(c) Terms of office

Each director of the corporation shall serve ex officio during the period he holds the office to which he is appointed by the President.

(d) Compensation and expenses

The directors of the corporation, as full-time officers of the United States, shall serve without additional compensation but shall be reimbursed for travel, subsistence, and other necessary expenses incurred in the performance of their duties as directors of the corporation.

(e) Bylaws, policies and administrative provisions

The directors of the corporation shall adopt such bylaws, policies, and administrative provisions as are necessary to the functioning of the corporation and consistent with the provisions of this subchapter.

(f) Director absences; designated representatives

A director who is necessarily absent from a meeting of the board, or of a committee of the board, may participate in such meeting through a duly designated representative who is serving, pursuant to appointment by the President of the United States, and with the advice and consent of the Senate, in the same department, agency, corporation, or instrumentality as the absent director, or in the case of the Comptroller of the Currency, through a duly designated Deputy Comptroller.
§ 8104. Officers and employees

(a) Employment, compensation and benefits
The board shall have power to select, employ, and fix the salary and benefits of such officers, employees, attorneys, and agents as shall be necessary for the performance of its duties under this subchapter, without regard to the provisions of title 5 governing appointments in the competitive service, classification, and General Schedule pay rates, except that no officer, employee, attorney, or agent of the corporation may be paid salary at a rate in excess of the rate for level IV of the Executive Schedule, except that the board-appointed officers may be paid salary at a rate not to exceed level II of the Executive Schedule. The Corporation shall also apply the provisions of section 5307(a)(1), (b)(1) and (b)(2) of title 5 governing limitations on certain pay as if its employees were Federal employees receiving payments under title 5.

(b) Appointment of executive director
The directors of the corporation shall appoint an executive director who shall serve as chief executive officer of the corporation.

(c) Appointment and removal of employees by executive director
The executive director of the corporation, subject to approval by the board, may appoint and remove such employees of the corporation as he determines necessary to carry out the purposes of the corporation.

(d) Prohibition of political tests and qualifications in selection, etc., of personnel
No political test or political qualification shall be used in selecting, appointing, promoting, or taking any other personnel action with respect to any officer, employee, or agent of the corporation or of any recipient, or in selecting or monitoring any grantee, contractor, or person or entity receiving financial assistance under this subchapter.

(e) Employee status; applicability of administrative and cost standards of Office of Management and Budget
Officers and employees of the corporation shall not be considered officers or employees of the United States, and the corporation shall not be considered a department, agency, or instrumentality of the Federal Government. The Corporation shall be subject to administrative and cost standards issued by the Office of Management and Budget similar to standards applicable to non-profit grantees and educational institutions.

§ 8105. Powers and duties of corporation

(a) Continuance of work of Urban Reinvestment Task Force regarding neighborhood housing services programs and preservation projects
(1) The corporation shall continue the work of the Urban Reinvestment Task Force in establishing neighborhood housing services programs in neighborhoods throughout the United States, monitoring their progress, and providing them...
with grants and technical assistance. For the purpose of this paragraph, a neighborhood housing services program may involve a partnership of neighborhood residents and representatives of neighborhood preservation projects which show promise as mechanisms for reversing neighborhood decline and improving the quality of neighborhood life.

(3) The corporation shall experimentally replicate neighborhood preservation projects which have demonstrated success, and after creating reliable developmental processes, bring the new programs to neighborhoods throughout the United States which in the judgment of the corporation can benefit therefrom, by providing assistance in organizing programs, providing grants in partial support of program costs, and providing technical assistance to ongoing programs.

(4) The corporation shall continue the work of the Urban Reinvestment Task Force in identifying, monitoring, evaluating, and providing grants and technical assistance to selected neighborhood preservation projects which show promise as mechanisms for reversing neighborhood decline and improving the quality of neighborhood life.

(b) General administrative powers

To carry out the foregoing purposes and engage in the foregoing activities, the corporation is authorized—

(1) to adopt, alter, and use a corporate seal;
(2) to have succession until dissolved by Act of Congress;
(3) to make and perform contracts, agreements, and commitments;
(4) to sue and be sued, complain and defend, in any State, Federal, or other court;
(5) to determine its necessary expenditures and the manner in which the same shall be incurred, allowed, and paid, and appoint, employ, and fix and provide for the compensation of consultants, without regard to any other law, except as provided in section 8107(d) of this title;
(6) to settle, adjust, and compromise, and with or without compensation or benefit to the corporation to release or waive in whole or in part, in advance or otherwise, any claim, demand, or right of, by, or against the corporation;
(7) to invest such funds of the corporation in such investments as the board of directors may prescribe;
(8) to acquire, take, hold, and own, and to deal with and dispose of any property; and
(9) to exercise all other powers that are necessary and proper to carry out the purposes of this subchapter.

(c) Contracting powers

(1) The corporation may contract with the Office of Neighborhood Reinvestment of the Federal Home Loan banks for all staff, services, facilities, and equipment now or in the future furnished by the Office of Neighborhood Reinvestment to the Urban Reinvestment Task Force, including receiving the services of the Director of the Office of Neighborhood Reinvestment as the corporation’s executive director.

(2) The corporation shall have the power to award contracts and grants to—

(A) neighborhood housing services corporations and other nonprofit corporations engaged in neighborhood preservation activities; and

(B) local governmental bodies.

(3) The Secretary of Housing and Urban Development, the Federal Housing Finance Agency and the Federal home loan banks, the Board of Governors of the Federal Reserve System and the Federal Reserve banks, the Federal Deposit Insurance Corporation, and the Comptroller of the Currency, the National Credit Union Administration or any other department, agency, or other instrumentality of the Federal Government are authorized to provide funds, services and facilities, with or without reimbursement, necessary to achieve the objectives and to carry out the purposes of this subchapter.

(d) Non-profit nature of corporation

(1) The corporation shall have no power to issue any shares of stocks, or to declare or pay any dividends.

(2) No part of the income or assets of the corporation shall inure to the benefit of any director, officer, or employee, except as reasonable compensation for services or reimbursement for expenses.

(3) The corporation may not contribute to or otherwise support any political party or candidate for elective public office.

AMENDMENTS


§ 8106. Reports and audits

(b) Annual audit of accounts

The corporation shall publish an annual report which shall be transmitted by the corporation to the President and the Congress.

(d) Audit of grantees and contractors of corporation

For any fiscal year during which Federal funds are available to finance any portion of its operations may be audited by the Government Accountability Office in accordance with such rules and regulations as may be prescribed by the Comptroller General of the United States.

(e) Annual financial audit

The corporation shall conduct or require each grantee or contractor to provide for an annual financial audit. The report of each such audit shall be maintained for a period of at least five years at the principal office of the corporation.

Amendments


1995—Subsec. (c). Pub. L. 104–66 struck out at end “The financial transactions of the corporation shall be audited by the General Accounting Office at least once during each three years.”

National Demonstration Program of Mutual Housing Associations; Report to Congress

Pub. L. 96–399, title III, §315, Oct. 8, 1980, 94 Stat. 1645, directed submission to Congress, not later than Sept. 30, 1981, of report by Neighborhood Reinvestment Corporation, in conjunction with the National Consumer Cooperative Bank and the Secretary of Housing and Urban Development, on the findings, conclusions, and legislative recommendations reached as a result of the national demonstration program of mutual housing associations.

§ 8107. Appropriations

(a) Authorization

(1) There are authorized to be appropriated to the corporation to carry out this subchapter $29,476,000 for fiscal year 1993 and $30,713,992 for fiscal year 1994. Not more than 15 percent of any amount appropriated under this paragraph for any fiscal year may be used for administrative expenses.

(2) Of the amount appropriated pursuant to this subsection for any fiscal year, amounts appropriated in excess of the amount necessary to continue existing services of the Neighborhood Reinvestment Corporation in revitalizing declining neighborhoods shall be available—

(A) to expand the national neighborhood housing services network and to assist network capacity development, including expansion of rental housing resources;

(B) to expand the loan purchase capacity of the national neighborhood housing services secondary market operated by Neighborhood Housing Services of America;

(C) to make grants to provide incentives to extend low-income housing use in connection with properties subject to prepayment pursuant to the Low-Income Housing Preservation and Resident Ownership Act of 1990 [12 U.S.C. 4101 et seq.];

(D) to increase the resources available to the national neighborhood housing services network programs for the purchase of multifamily and single-family properties owned by the Secretary of Housing and Urban Development for rehabilitation (if necessary) and sale to low- and moderate-income families; and

(E) to provide matching capital grants, operating subsidies, and technical services to mutual housing associations for the development, acquisition, and rehabilitation of multifamily and single-family properties (including properties owned by the Secretary of Housing and Urban Development) to ensure affordability by low- and moderate-income families.

(b) Availability of funds until expended

Funds appropriated pursuant to this section shall remain available until expended.

(c) Accounting and reporting of non-Federal funds

Non-Federal funds received by the corporation, and funds received by any recipient from a source other than the corporation, shall be accounted for and reported as receipts and disbursements separate and distinct from Federal funds.

(d) Preparation of business-type budget

The corporation shall prepare annually a business-type budget which shall be submitted to the Office of Management and Budget, under such rules and regulations as the President may establish as to the date of submission, the form and content, the classifications of data, and the manner in which such budget program shall be
prepared and presented. The budget of the corporation as modified, amended, or revised by the President shall be transmitted to the Congress as a part of the annual budget required by chapter 11 of title 31. Amendments to the annual budget program may be submitted from time to time.


REFERENCES IN TEXT


AMENDMENTS


1990—Subsec. (a). Pub. L. 101–625 amended subsec. (a) generally. Prior to amendment, subsec. (a) read as follows: “There are authorized to be appropriated to the corporation to carry out this subchapter $19,000,000 for fiscal year 1988, and $19,000,000 for fiscal year 1989.”


1983—Subsec. (a). Pub. L. 98–181 substituted appropriations authorization not in excess of $16,512,000 for fiscal year 1984, and such sums as may be necessary for fiscal year 1985 for prior authorization not to exceed $12,500,000, $12,000,000, $13,426,000, and $14,950,000 for fiscal years 1979, 1980, 1981, and 1982, respectively.


Effective Date of 1981 Amendment


Expansion of National Neighborhood Housing Services Network

Pub. L. 101–625, title IX, §917(a), (b), Nov. 28, 1990, 104 Stat. 4397, provided that:

“(a) FINDINGS.—The Congress finds that—

“(1) protecting the existing stock of unsubsidized privately held lower income housing through the rehabilitation and revitalization of declining neighborhoods for the benefit of current residents is essential to a national housing policy that seeks to increase the availability of affordable housing for low- and moderate-income families;

“(2) the Neighborhood Reinvestment Corporation, the anchor of the national neighborhood housing services network, was chartered by Congress more than 10 years ago to revitalize neighborhoods; and

“(3) the national neighborhood housing services network has proven its worth as a successful cost-effective program relying largely on local initiative for the specific design of local programs;

“(4) the national neighborhood housing services network has had more than 10 years of experience in revitalizing declining neighborhoods, creating housing for low- and moderate-income families, and equipping residents with skills and resources required to maintain safe and healthy communities; and

“(5) expanding upon the existing capabilities, resources, and potential of the national neighborhood housing services network is a cost-effective response to the affordable housing and neighborhood revitalization needs confronting the Nation, and is a strong preventive measure in addressing the national tragedy of homelessness.

“(b) PURPOSE.—It is the purpose of this section [amending this section] to authorize appropriations for the Neighborhood Reinvestment Corporation for fiscal years 1991 and 1992 to permit the corporation—

“(1) to carefully expand the capacities of the national neighborhood housing services network;

“(2) to begin to meet the urgent need for neighborhood housing services and mutual housing associations in neighborhoods across the Nation as the effort to preserve affordable housing for low- and moderate-income American families increases;

“(3) to increase and provide ongoing technical and capacity development assistance to neighborhood housing services and resident ownership programs at the national and local levels; and

“(4) to expand the loan purchase capacity of the national neighborhood housing services network, to purchase loans held by Neighborhood Housing Services of America, for loans made by neighborhood housing services to residents who are unable to meet conventional lending standards, and other loans for community development purposes;

“(5) to provide increased capacity development and matching grants to preserve existing privately held unsubsidized rental housing affordable to low- and moderate-income households and to create flexible strategies effective in the diverse economic and geographic environments of the Nation;

“(6) to make grants to provide incentives to extend low-income housing use in connection with properties subject to prepayment pursuant to the Low-Income Housing Preservation and Resident Ownership [Homesteading] Act of 1990 (12 U.S.C. 4101 et seq.); and

“(7) to increase the resources available to neighborhood housing services network programs for the purpose of multifamily and single-family properties owned by the Secretary of Housing and Urban Development for rehabilitation (if necessary) and sale to low- and moderate-income families;

“(8) to expand the national mutual housing association demonstration by providing technical assistance and matching grants to assist low- and moderate-income families to participate in such associations; and

“(9) to increase resources available to neighborhood housing services network programs for foreclosure intervention and prevention; and
“(10) to create additional neighborhood housing services partnership organizations to serve rural communities, Native Americans, Native Hawaiians, and other communities in need.”

§ 8108. Warnings to homeowners of foreclosure rescue scams

(a) Assistance to NRC

Notwithstanding any other provision of law, of any amounts made available for any fiscal year pursuant to section 1701x(a)(4)(F) of title 12 (as added by section 1444), 10 percent shall be used only for assistance to the Neighborhood Reinvestment Corporation for activities, in consultation with servicers of residential mortgage loans, to provide notice to borrowers under such loans who are delinquent with respect to payments due under such loans that makes such borrowers aware of the dangers of fraudulent activities associated with foreclosure.

(b) Notice

The Neighborhood Reinvestment Corporation, in consultation with servicers of residential mortgage loans, shall use the amounts provided pursuant to subsection (a) to carry out activities to inform borrowers under residential mortgage loans—

(1) that the foreclosure process is complex and can be confusing;

(2) that the borrower may be approached during the foreclosure process by persons regarding saving their home and they should use caution in any such dealings;

(3) that there are Federal Government and nonprofit agencies that may provide information about the foreclosure process, including the Department of Housing and Urban Development;

(4) that they should contact their lender immediately, contact the Department of Housing and Urban Development to find a housing counseling agency certified by the Department to assist in avoiding foreclosure, or visit the Department’s website regarding tips for avoiding foreclosure; and

(5) of the telephone number of the loan servicer or successor, the telephone number of the Department of Housing and Urban Development housing counseling line, and the Uniform Resource Locators (URLs) for the Department of Housing and Urban Development Web sites for housing counseling and for tips for avoiding foreclosure.


REFERENCES IN TEXT


CODIFICATION

Section was enacted as part of the Expand and Preserve Home Ownership Through Counseling Act and also as part of the Mortgage Reform and Anti-Predatory Lending Act and as part of the Dodd-Frank Wall Street Reform and Consumer Protection Act, and not as part of the Neighborhood Reinvestment Corporation Act which comprises this subchapter.

1 See References in Text note below.

Effective Date

Section effective on the date on which final regulations implementing such section take effect, or on the date that is 18 months after the designated transfer date if such regulations have not been issued by that date, see section 1400(c) of Pub. L. 111–203, set out as an Effective Date of 2010 Amendment note under section 1601 of Title 15, Commerce and Trade.

SUBCHAPTER II—NEIGHBORHOOD SELF-HELP DEVELOPMENT


Effective Date of Repeal

Sections 8121 to 8124 repealed effective Oct. 1, 1981, see section 371 of Pub. L. 97–35, set out as an Effective Date note under section 5701 of Title 12, Banks and Banking.

SUBCHAPTER III—LIVABLE CITIES

§ 8141. Congressional findings

The Congress finds and declares—

(1) that artistic, cultural, and historic resources, including urban design, constitute an integral part of a suitable living environment for the residents of the Nation’s urban areas, and should be available to all residents of such areas, regardless of income;

(2) that the development or preservation of such resources is a significant and necessary factor in restoring and maintaining the vitality of the urban environment, and can serve as a catalyst for improving decaying or deteriorated urban communities and expanding economic opportunities, and for creating a sense of community identity, spirit, and pride; and

(3) that the encouragement and support of local initiatives to develop or preserve such resources, particularly in connection with federally assisted housing or community development activities or in communities with a high proportion of low-income residents, is an appropriate function of the Federal Government.


SHORT TITLE

For short title of this subchapter as the “Livable Cities Act of 1978”, see section 801 of Pub. L. 95–557, set out as a note under section 8101 of this title.

§ 8142. Statement of purpose

The primary purpose of this subchapter is to assist the efforts of States, local governments, neighborhood and other organizations to provide
a more suitable living environment, expand cultural opportunities, and to the extent practicable, stimulate economic opportunities, primarily for the low and moderate income residents of communities and neighborhoods in need of conservation and revitalization, through the utilization, design or development of artistic, cultural, or historic resources.


§ 8143. Definitions

For the purpose of this subchapter—
(1) the terms “art” and “arts” include, but are not limited to, architecture (including preservation, restoration, or adaptive use of existing structures), landscape architecture, urban design, interior design, graphic arts, fine arts (including painting and sculpture), performing arts (including music, drama, and dance), literature, crafts, photography, communications media and film, as well as other similar activities which reflect the cultural heritage of the Nation’s communities and their citizens;
(2) the term “nonprofit organization” means an organization in which no part of its net earnings inures to the benefit of any private stockholder or stockholders, individual or individuals and, if a private entity, which is not disqualified for tax exemption under section 501(c)(3) of title 26 by reason of attempting to influence legislation and does not participate in or intervene in (including the publishing or distribution of statements) any political campaign on behalf of any candidate for public office; such organizations may include States and units of local government (including public agencies or special authorities thereof), regional organizations of local governments and nonprofit societies, neighborhood groups, institutions, organizations, associations or museums;
(3) the term “project” means a program or activity intended to carry out the purposes of this subchapter, including programs for neighborhood and community-based arts programs, urban design, user needs design, and the encouragement of the preservation of historic or other structures which have neighborhood or community significance;
(4) the term “Secretary” means the Secretary of Housing and Urban Development; and
(5) the term “Chairman” means the Chairman of the National Endowment for the Arts;
(6) the term “Department” means the Department of Housing and Urban Development; and
(7) the term “Endowment” means the National Endowment for the Arts.


AMENDMENTS

§ 8144. Grants to or contracts with organizations

(a) Authorization; purposes

The Secretary is authorized to make grants to, or enter into contracts with, nonprofit organizations for the purpose of enabling such organizations to undertake or support in cities, urban communities, or neighborhoods, projects which the Secretary, in consultation with the Chairman, determines will carry out the purposes of this subchapter and which—
(1) have substantial artistic, cultural, historical, or design merit;
(2) represent community or neighborhood initiatives which have a significant potential for conserving or revitalizing communities or neighborhoods, and for enhancing community or neighborhood identity and pride, and
(3) meet the criteria established jointly by the Secretary and the Chairman pursuant to this section.

(b) Establishment of criteria and procedures for evaluation and selection of projects; scope of criteria

The Secretary and the Chairman shall establish jointly criteria and procedures for evaluating and selecting projects to be assisted under this subchapter. Such criteria shall address, but need not be limited to—
(1) artistic, cultural, historical, or design quality;
(2) the degree of broadly based, active involvement of neighborhood residents, community groups, local officials, and persons with expertise in the arts with the proposed project;
(3) the degree of or the potential for utilization or stimulation of assistance or cooperation from other Federal, State, and local public and private sources, including arts organizations;
(4) the feasibility of project implementation, including the capability of the sponsor organization;
(5) the potential contribution to neighborhood revitalization and the creation of a sense of community identity and pride;
(6) the potential for stimulating neighborhood economic and community development, particularly for the benefit of persons of low and moderate income; and
(7) the potential of utilization of the project by neighborhood residents, particularly residents of low and moderate income, senior citizens, and handicapped persons.

(c) Application requirements

No assistance shall be made under this subchapter except upon application therefor submitted to the Secretary in accordance with regulations and procedures established jointly by the Secretary and the Chairman.

(d) Consultation requirements

Prior to the approval of any application for assistance under this subchapter, the Secretary shall consult with the Chairman and, in accordance with regulations and procedures established jointly by the Secretary and the Chairman, seek the recommendations of State and local officials and private citizens who have
§8145 Coordination and development of program with other Federal and non-Federal programs

The Secretary shall coordinate the administration of the provisions of this subchapter in cooperation with other Federal agencies and assure that projects assisted under this subchapter are coordinated with efforts undertaken by State and local public and private entities, including arts organizations.


§8146 Authorization of appropriations

There are authorized to be appropriated for carrying out the purposes of this subchapter not to exceed $5,000,000 for fiscal year 1979, and not to exceed $5,000,000 for fiscal year 1980. Any amounts appropriated under this section shall remain available until expended.


AMENDMENTS

1979—Pub. L. 96–153 reduced authorization of appropriation for fiscal year 1980 from "$10,000,000" to "$5,000,000".
8262d. Energy audit teams.  
8262e. Federal energy cost accounting and management.
8262f. Inspector General review and agency accountability.
8262g. Procurement and identification of energy efficient products.
8262h. United States Postal Service energy regulations.
8262i. United States Postal Service energy management report.
8262k. Government contract incentives.

PART C—FEDERAL PHOTOVOLTAIC UTILIZATION
8271. "Federal facility" and "Secretary" defined.
8272. Photovoltaic energy program.
8273. Purpose of program.
8274. Acquisition of systems.
8275. Administration.
8276. System evaluation and purchase program.
8277. Advisory committee.
8278. Authorization of appropriations.

PART D—PEAK DEMAND REDUCTION

SUBCHAPTER IV—ENERGY CONSERVATION FOR COMMERCIAL BUILDINGS AND MULTIFAMILY DWELLINGS
PART A—GENERAL PROVISIONS
8281 to 8281b. Repealed.

PART B—ENERGY CONSERVATION PLANS
8282 to 8282b. Repealed.

PART C—UTILITY PROGRAMS
8283, 8283a. Repealed.

PART D—FEDERAL IMPLEMENTATION
8284. Repealed.

SUBCHAPTER V—ENERGY AUDITOR TRAINING AND CERTIFICATION
8285. Purpose.
8285a. Definitions.
8285b. Grants.
8285c. Authorization of appropriations.

SUBCHAPTER VI—COORDINATION OF FEDERAL ENERGY CONSERVATION FACTORS AND DATA
8286. Consensus on factors and data for energy conservation standards.
8286a. Use of factors and data.
8286b. Omitted.

SUBCHAPTER VII—ENERGY SAVINGS PERFORMANCE CONTRACTS
8287. Authority to enter into contracts.
8287a. Payment of costs.
8287b. Reports.
8287c. Definitions.
8287d. Assistance to Federal agencies in achieving energy efficiency in Federal facilities and operations.

SUBCHAPTER I—GENERAL PROVISIONS
§ 8201. Findings and statement of purposes
(a) Findings
The Congress finds that—
1. the United States has survived a period of energy shortage and has made significant progress toward improving energy efficiency in all sectors of the economy;
2. effective measures must continue to be taken by the Federal Government and other users and suppliers of energy to control the rate of growth of demand for energy and the efficiency of its use;
3. the continuation of this effort will permit the United States to become increasingly independent of the world oil market, less vulnerable to interruption of foreign oil supplies, and more able to provide energy to meet future needs; and
4. all sectors of the economy of the United States should continue to reduce significantly the demand for nonrenewable energy resources such as oil and natural gas by implementing and maintaining effective conservation measures for the efficient use of these and other energy sources.

(b) Statement of purposes
The purposes of this chapter are to provide for the regulation of interstate commerce, to reduce the growth in demand for energy in the United States, and to conserve nonrenewable energy resources produced in this Nation and elsewhere, without inhibiting beneficial economic growth.

References in Text

Amendments
1. the United States faces an energy shortage arising from increasing demand for energy, particularly for oil and natural gas, and insufficient domestic supplies of oil and natural gas to satisfy that demand;
2. unless effective measures are promptly taken by the Federal Government and other users of energy to reduce the rate of growth of demand for energy, the United States will become increasingly dependent on the world oil market, increasingly vulnerable to interruptions of foreign oil supplies, and unable to provide the energy to meet future needs; and
3. all sectors of our Nation's economy must begin immediately to significantly reduce the demand for nonrenewable energy resources such as oil and natural gas by implementing and maintaining effective conservation measures for the efficient use of these and other energy sources."

Short Title of 1988 Amendment
Pub. L. 100–615, § 1, Nov. 5, 1988, 102 Stat. 3185, provided that: "This Act [enacting section 5001 of Title 15, Commerce and Trade, amending sections 6361 and 8251 to 8259 of this title, omitting sections 8260 and 8261 of this title, and enacting provisions set out as a note under section 8253 of this title] may be cited as the 'Federal Energy Management Improvement Act of 1988'."

Short Title of 1986 Amendment
Pub. L. 99–412, § 1, Aug. 28, 1986, 100 Stat. 932, provided that: "This Act [enacting sections 8227 to 8229 of this title, amending sections 8201, 8211, 8213 to 8220, and 8226
of this title, repealing sections 8231 to 8231h, 8232 to 82320, 8233, 8233a, and 8234 of this title, and enacting provisions set out as notes under sections 8211, 8216, 8217, 8231, and 8239 of this title may be cited as the ‘Conservation Service Reform Act of 1986.’".

**SHORT TITLE**

Pub. L. 95–619, title I, §101(a), Nov. 9, 1978, 92 Stat. 3206, provided that: ‘This Act (enacting this chapter, sections 14901 to 14917 of title 12, 14371a to 14371c of title 14, 14701 of title 15, and 1715z–6 of title 17) may be cited as the ‘Federal Photovoltaic Utility Act’.''

**SUBCHAPTER II—RESIDENTIAL ENERGY CONSERVATION**

**PART A—UTILITY PROGRAM**

§§ 8211 to 8229. Omitted

**CLASSIFICATION**

Sections were omitted pursuant to section 8229 of this title, which terminated authority under this part June 30, 1989.


Section 8229. Pub. L. 95–619, title II, §228, as added Pub. L. 99–412, title I, §105(a), Aug. 28, 1986, 100 Stat. 941, provided that all authority, including authority to enforce any prohibitions, under this part would terminate June 30, 1989, except that such expiration would not affect any action or proceeding based upon an act committed prior to midnight June 30, 1989, and not finally determined by such date.

**PART B—MISCELLANEOUS**

§§ 8231. Grants for energy conserving improvements; establishment of standards; authorization of appropriations

(1) The Secretary of Housing and Urban Development is authorized to make grants to finance energy conserving improvements (as defined in subparagraph (2) of the last paragraph of section 1703(a) of title 12) to projects which are financed with loans under section 1701q of title 12, or with loans which are subject to mortgages insured under section 1715(d)(5) or section 1715z–1 of title 12. The Secretary shall make assistance available under this section on a priority basis to those projects which are in financial difficulty as a result of high energy costs. In carrying out the program authorized by this section, the Secretary shall issue regulations requiring that any grant made under this section shall be made only on the condition that the recipient of such grant shall take steps (prescribed by the Secretary) to assure that the benefits derived from such grants in terms of lower energy costs shall accrue to tenants in the form of lower rentals or to the Federal Government in the form of a lower operating subsidy if such a subsidy is being paid to such recipient.

(2) The Secretary shall establish minimum standards for energy conserving improvements to multifamily dwelling units to be assisted under this section.

(3) There are authorized to be appropriated to carry out the provisions of this section not to exceed $25,000,000.
§ 8232. Residential energy efficiency standards study

(a) General authority

The Secretary of Housing and Urban Development (hereinafter in this section referred to as the “Secretary”) shall, in coordination with the Secretary of Agriculture, the Secretary of the Treasury, the Secretary of Veterans Affairs, the Secretary of Energy, and such other representatives of Federal, State, and local governments as the Secretary shall designate, conduct a study, utilizing the services of the National Institute of Building Sciences pursuant to appropriate contractual arrangements, for the purpose of determining the need for, the feasibility of, and the problems of requiring, by mandatory Federal action, that all residential dwelling units meet applicable energy efficient standards. The subjects to be examined shall include, but not be limited to, mandatory notification to purchasers, and policies to prohibit exchange or sale, of properties which do not conform to such standards.

(b) Specific factors

In conducting such study, the Secretary shall consider at least the following factors—

(1) the extent to which such requirement would protect a prospective purchaser from the uncertainty of not knowing the energy efficiency of the property he proposes to purchase;

(2) the extent to which such requirement would contribute to the Nation’s energy conservation goals;

(3) the extent to which such a requirement would affect the real estate, home building, and mortgage banking industries;

(4) the sanctions which might be necessary to make such a requirement effective and the administrative impediments there might be to enforcement of such sanctions;

(5) the possible impact on sellers and purchasers as a result of the implementation of mandatory Federal actions, taking into account the experience of the Federal Government in imposing mandatory requirements concerning the purchase and sale of real property as occurred under the Real Estate Settlement Procedures Act of 1974 (12 U.S.C. 2601 et seq.) and the Federal Disaster Protection Act of 1973;

(6) an analysis of the effect of such a requirement on the economy as a whole and on the Nation’s security as compared to the impact on the credit and housing markets caused by such a requirement;

(7) the effect of such a requirement on availability of credit in the housing industry;

(8) the extent to which the imposition of mandatory Federal requirements would temporarily reduce the number of residential dwellings available for sale and the resulting effect of such mandatory actions on the price of those remaining dwelling units eligible for sale; and

(9) the possible uncertainty, during the period of developing the standards, as to what standards might be imposed and any resulting effect on major housing rehabilitation efforts and voluntary efforts for energy conservation.

(c) Comments and findings by Secretary of Energy

The Secretary shall incorporate into such study comments by the Secretary of Energy on the effects on the economy as a whole and on the Nation’s security which may result from the requirement described in subsection (a) as compared to the impact on the credit and housing markets likely to be caused by such a requirement. In addition, the Secretary shall incorporate into such study the following findings by the Secretary of Energy:

(1) the savings in energy costs resulting from the requirement described in subsection (a) throughout the estimated remaining useful life of the existing residential buildings to which such requirement would apply; and

(2) the total cost per barrel of oil equivalent, in obtaining the energy savings likely to result from such requirement, computed for each class of existing residential buildings to which such requirement would apply.

(d) Report date

The Secretary shall report, no later than one year after November 9, 1978, to both Houses of the Congress with regard to the findings made as a result of such study along with any recommendations for legislative proposals which the Secretary determines should be enacted with respect to the subject of such study.

References in Text


Amendments

1991—Subsec. (a). Pub. L. 102–54 substituted “Secretary of Veterans Affairs” for “Administrator of Veterans Affairs”.

§ 8233. Weatherization study

The President shall conduct a study which shall monitor the weatherization activities au-
authorized by this Act and amendments made thereby and those weatherization activities undertaken, independently of this Act and such amendments. The President shall report to the Congress within one year from November 9, 1978, and annually thereafter, concerning—

(1) the extent of progress being made through weatherization activities toward the achievement of national energy conservation goals;

(2) adequacy and costs of materials necessary for weatherization activities; and

(3) the need for and desirability of modifying weatherization activities authorized by this Act, and amendments made thereby and of extending such activities to a broader range of income groups than are being assisted under this Act and such amendments.


REFERENCES IN TEXT

TERMINATION OF REPORTING REQUIREMENTS
For termination, effective May 15, 2000, of provisions in this section relating to the requirement that the President report annually to Congress, see section 3003 of Pub. L. 104–66, as amended, set out as a note under section 1113 of Title 31, Money and Finance, and the last item on page 40 of House Document No. 103–7.

PART C—RESIDENTIAL ENERGY EFFICIENCY PROGRAMS

§ 8235. “Residential building” defined
As used in this part, the term “residential building” means any building used as a residence which is not a new building to which final standards under sections 6833(a) and 6834 of this title apply and which has a system for heating, cooling, or both.


REFERENCES IN TEXT

STATEMENT OF PURPOSE

(1) to establish a program under which the Secretary of Energy may provide assistance to State and local governments to encourage up to four demonstration programs that make energy conservation measures available without charge to residential property owners and tenants under a plan designed to maximize the energy savings available in residential buildings in designated areas; and

(2) to demonstrate through such program prototype residential energy efficiency plans under which State and local governments, State regulatory authorities, and public utilities may participate in a co-operative manner with public or private entities to install energy conservation measures in the greatest possible number of residential buildings within their respective jurisdictions or service areas.”

§ 8235a. Approval of plans for prototype residential energy efficiency programs and provision of financial assistance for such programs

(a) Plan approval
The Secretary may approve any plan developed by a State or local government, for the establishment of a prototype residential energy efficiency program, which is designed to demonstrate the feasibility, economics, and energy conserving potential of such program, if an application for such plan is submitted pursuant to section 8235b of this title, the application is approved pursuant to section 8235c of this title, and the plan provides for—

(1) the entering into a contract by a public utility with one or more persons not under the control of, and not affiliates or subsidiaries of, such utility for the implementation of a program to encourage energy conservation, including the supply and installation of the energy conservation measures as specified in such contract in residential buildings located in the portion of the utility’s service area designated by the contract, which contract includes the provisions described in subsection (b);

(2) the selection by the public utility in a fair, open, and nondiscriminatory manner of the person or persons to contract with pursuant to paragraph (1);

(3) the payment by the public utility to the person or persons contracted with under paragraph (1) of a specified price for each unit of energy saved by such utility as a result of the program during the period the contract is in effect, which price is based on the value to the utility of the energy saved;

(4) the determination, by a procedure established by the State or local government developing the plan, of the amount of energy saved by a public utility as a result of the program carried out under the plan, which procedure is described in the contract;

(5) in the case of a regulated public utility, the approval in writing by the State regulatory authority exercising ratemaking authority over such utility of the contract described in paragraph (1), the manner of selection described in paragraph (2), the payment described in paragraph (3), and the procedure described in paragraph (4); and

(6) the enforcement of the provisions of the contract, entered into pursuant to paragraph (1), which are required to be included pursuant to subsection (b).

(b) Contract requirements
Any contract entered into by a public utility under subsection (a)(1) shall require any person or persons entering into such contract with a public utility to offer to the owner or occupant of each residential building in the portion of the utility’s service area designated in the contract, without charge—

(1) an inspection of such building to determine and inform such owner or occupant of—

1 See References in Text note below.
(A) the energy conservation measures which will be supplied and installed in such residential building pursuant to paragraph (2);
(B) the savings in energy costs that are likely to result from the installation of such energy conservation measures;
(C) suggestions (including suggestions developed by the Secretary) of energy conservation techniques, including adjustments in energy use patterns and modifications in household activities, which can be used by the owner or occupant of the building to save energy and which do not require the installation of energy conservation measures; and
(D) the savings in energy costs that are likely to result from the adoption of such suggested energy conservation techniques;
(2) the supply and installation, with the approval of the owner of the residential building, in such building in a timely manner of the energy conservation measures which are as specified in the contract and which the owner or occupant was informed (pursuant to the inspection under paragraph (1)) would be supplied and installed in such building; and
(3) a written warranty that at a minimum any defect in materials, manufacture, design, or installation of any energy conservation measures supplied and installed pursuant to paragraph (2), found not later than one year after the date of installation, will be remedied without charge and within a reasonable period of time.

(c) Provision of financial assistance

The Secretary may provide financial assistance to any State or local government to carry out any plan for the establishment of a prototype residential energy efficiency program if the plan is approved under subsection (a).

(d) Limitation

The Secretary may approve under subsection (a) not more than 4 plans for the establishment of prototype residential energy efficiency programs.

§ 8235b. Applications for approval of plans for prototype residential energy efficiency programs

Each application for the approval of a plan under section 8235a(a) of this title for the establishment of a prototype residential energy efficiency program shall be submitted by a State or local government and shall include, at least—

(1) a description of the plan, including the provisions of the plan specified in section 8235a(a) of this title and a description of the portion of the service area of the public utility proposing to enter into a contract under section 8235a(a)(1) of this title which is designated under the contract;
(2) a description of the manner in which the provisions of the plan specified in section 8235a(a) of this title are to be met;
(3) a description of the contract to be entered into pursuant to section 8235a(a)(1) of this title and the manner in which the requirements of the contract contained in section 8235a(b) of this title are to be met;
(4) the record of the public hearing conducted pursuant to section 8235c(a)(2) of this title; and
(5) any other information determined by the Secretary to be necessary to carry out this part.

§ 8235c. Approval of applications for plans for prototype residential energy efficiency programs

(a) Approval requirements

The Secretary may approve an application submitted under section 8235b of this title for a plan establishing a prototype residential energy efficiency program only if—

(1) the application is approved in writing—
(A) by the public utility which is to enter into the contract under the plan;
(B) by the State regulatory authority having rate-making authority over such public utility, in the case of a regulated utility;
(C) by the Governor (or any State agency specifically authorized under State law to approve such plans) of the State whose government is submitting the application (if the application is submitted by a State government) or of the State in which the local government is located (if the application is submitted by a local government); and
(2) the application has been published, a public hearing on the application has been conducted, after notice to the public, at which representatives of the public utility which is to enter into the contract under the plan, persons engaged in the supply or installation of residential energy conservation measures, and members of the public (including ratepayers of such public utility and other interested individuals) had an opportunity to provide comment on the application, and any amendments to the application, which may be made to take into account the proceedings of the hearing, are made.

(b) Factors in approving applications

The Secretary shall take into consideration in approving an application under subsection (a) for a plan establishing a prototype residential energy efficiency program—

(1) the potential for energy savings from the demonstration of the program;
(2) the likelihood that the value of the energy saved by public utilities under the program will be sufficient to cover the estimated cost of the energy conservation measures to be supplied and installed under the program;
(3) the anticipated effects of the program on competition in the portion of the service area of the public utility designated in the contract entered into under the plan; and
(4) such other factors as the Secretary determines are appropriate.
§ 8235d. Rules and regulations

(a) Proposed rules and regulations

The Secretary shall issue proposed rules and regulations to carry out this part not later than 120 days after June 30, 1980.

(b) Final rules and regulations

The Secretary shall issue final rules and regulations to carry out this part not later than 90 days after the issuance of proposed rules and regulations under subsection (a).


§ 8235e. Authority of Federal Energy Regulatory Commission to exempt application of certain laws

The Federal Energy Regulatory Commission may exempt from any provisions in sections 4, 5, and 7 of the Natural Gas Act (15 U.S.C. 717c, 717d, and 717f) and titles II and IV of the Natural Gas Policy Act of 1978 (15 U.S.C. 3341 through 3348 and 3391 through 3394) the sale or transportation, by any public utility, local distribution company, interstate or intrastate pipeline, or any other person, of any natural gas which is determined (in the case of a regulated utility, company, pipeline, or person) by the State regulatory authority having rate-making authority over such utility, company, pipeline, or person, or (in the case of a nonregulated utility, company, pipeline, or person) by such utility, company, pipeline, or person, to have been conserved because of a prototype residential energy efficiency program which is established under a plan approved under section 8235a(a) of this title, if the Commission determines that such exemption is necessary to make feasible the demonstration of such prototype residential energy efficiency program.


References in Text


Amendments


§ 8235f. Application of other laws

(a) Lack of immunity

No provision contained in this part—

(1) shall restrict any agency of the United States or any State from exercising its powers under any law to prevent unfair methods of competition and unfair or deceptive acts or practices;

(2) shall provide to any person any immunity from civil or criminal liability;

(3) shall create any defenses to actions brought under the antitrust laws; or

(4) shall modify or abridge any private right of action under the antitrust laws.

(b) Utility programs under part A

Any public utility entering into a contract under a plan for the establishment of a prototype residential energy efficiency program approved under section 8235a(a) of this title shall not be required to carry out, with respect to any residential building located in the portion of the utility’s service area designated in the contract, the actions required to be contained in such utility’s program by subsections (a) and (b) of section 8216 of this title, if the contract requires such actions (or equivalent actions as determined by the Secretary) to be taken.

(c) “Antitrust laws” defined

For purposes of this section, the term “antitrust laws” means—

(1) the Sherman Act (15 U.S.C. 1 et seq.);

(2) the Clayton Act (15 U.S.C. 12 et seq.);

(3) the Federal Trade Commission Act (15 U.S.C. 41 et seq.);

(4) sections 73 and 74 of the Wilson Tariff Act (15 U.S.C. 8 and 9); and

(5) sections 2, 3, and 4 of the Act entitled “An Act to amend section 2 of the Act entitled ‘An Act to supplement existing laws against unlawful restraints and monopolies, and for other purposes’, approved October 15, 1914, as amended (U.S.C., title 15, sec. 13), and for other purposes’ approved June 19, 1936 (15 U.S.C. 21a, 13a, and 13b, commonly known as the Robinson-Patman Antidiscrimination Act).”


References in Text

Section 8216 of this title, referred to in subsec. (b), was omitted from the Code pursuant to section 8229 of this title, which terminated authority under that section June 30, 1989.

The Sherman Act (15 U.S.C. 1 et seq.), referred to in subsec. (c)(1), is act July 2, 1890, ch. 542, 26 Stat. 209, as amended, which is classified to sections 1 to 7 of Title 15, Commerce and Trade. For complete classification of this Act to the Code, see Short Title note set out under section 1 of Title 15 and Tables.

The Clayton Act (15 U.S.C. 12 et seq.), referred to in subsec. (c)(2), is act Oct. 15, 1914, ch. 325, 38 Stat. 730, as amended, which is classified generally to sections 12, 13, 14 to 19, 21, and 22 to 27 of Title 15, and sections 52 and 53 of Title 29, Labor. For further details and complete classification of this Act to the Code, see References in Text note set out under section 12 of Title 15 and Tables.

The Federal Trade Commission Act (15 U.S.C. 41 et seq.), referred to in subsec. (c)(3), is act Sept. 25, 1914, ch. 311, 38 Stat. 717, as amended, which is classified generally to subchapter I (§41 et seq.) of chapter 2 of Title 15. For complete classification of this Act to the Code, see section 58 of Title 15 and Tables.

§ 8235g. Records and reports

(a) Records

Each State and local government submitting any application for a plan which is approved

1 See References in Text note below.
under section 8235a(a) of this title, and each public utility and person or persons entering into a contract under such a plan, shall keep such records and make such reports as the Secretary may require. The Secretary and the Comptroller General of the United States shall have access, at reasonable times and under reasonable conditions, to any books, documents, papers, records, and reports of each such State and local government, utility, and person or persons which the Secretary determines, in consultation with the Comptroller General of the United States, are pertinent to this part.

(b) Reports

The Secretary shall make an annual report to the President on the activities carried out under this part which shall be submitted to the Congress with the annual report on the activities of the Department of Energy required by section 7267 of this title and which shall contain—

(1) an estimate of the total amount of energy saved as a result of the activities carried out under this part;

(2) an estimate of the annual savings in energy anticipated as a result of each prototype residential energy efficiency program established under a plan approved under section 8235a(a) of this title;

(3) an analysis, developed in consultation with the Federal Trade Commission and the Department of Justice, of the impact on competition of each prototype residential energy efficiency program established under a plan approved under section 8235a(a) of this title; and

(4) if the Secretary determines that it is appropriate, an analysis of the impact of expanding the approval of plans under section 8235a(a) of this title to establish prototype residential energy efficiency programs, and the provision of financial assistance to such programs, on a national basis and an assessment of the alternative methods by which such an expansion could be accomplished.

§ 8235i. Authorization of appropriations

(a) Authorization of appropriations

There is authorized to be appropriated to carry out this part—

(1) the sum of $10,000,000 for the fiscal year ending on September 30, 1981; and

(2) the sum equal to $10,000,000 minus the amount appropriated for the fiscal year ending on September 30, 1981, under the authorization contained in this section, for the fiscal year ending on September 30, 1982.

(b) Availability

Any funds appropriated under the authorization contained in this section shall remain available until expended.

§ 8236. Voluntary rating guidelines

(a) In general

Not later than 18 months after October 24, 1992, the Secretary, in consultation with the Secretary of Housing and Urban Development, the Secretary of Veterans Affairs, representatives of existing home energy rating programs, and other appropriate persons, shall, by rule, issue voluntary guidelines that may be used by State and local governments, utilities, builders, real estate agents, lenders, agencies in mortgage markets, and others, to enable and encourage the assignment of energy efficiency ratings to residential buildings.

(b) Contents of guidelines

The voluntary guidelines issued under subsection (a) shall—

(1) encourage uniformity with regard to systems for rating the annual energy efficiency of residential buildings;

(2) establish protocols and procedures for—

(A) certification of the technical accuracy of building energy analysis tools used to determine energy efficiency ratings;

(B) training of personnel conducting energy efficiency ratings;

(C) data collection and reporting;

(D) quality control; and

(E) monitoring and evaluation;

(3) encourage consistency with, and support for, the uniform plan for Federal energy efficient mortgages, including that developed under section 946 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12712 note) and pursuant to sections 105 and 106 of the Energy Policy Act of 1992;

(4) provide that rating systems take into account local climate conditions and construction practices, solar energy collected on-site, and the benefits of peak load shifting construction practices, and not discriminate among fuel types; and

(5) establish procedures to ensure that residential buildings can receive an energy effi-
ciency rating at the time of sale and that such rating is communicated to potential buyers.


REFERENCES IN TEXT
Section 946 of the Cranston-Gonzalez National Affordable Housing Act, referred to in subsec. (b)(3), is section 946 of Pub. L. 101–625, which is set out as a note under section 12712 of this title.


§ 8236a. Technical assistance
Not later than 2 years after October 24, 1992, the Secretary shall establish a program to provide technical assistance to State and local or- ganizations to encourage the adoption of and use of residential energy efficiency rating sys- tems consistent with the voluntary guidelines issued under section 8236 of this title.


§ 8236b. Report
Not later than 3 years after October 24, 1992, the Secretary shall transmit to the President and the Congress a final report containing—

(1) a description of actions taken by the Secretary and other Federal agencies to imple- ment this chapter;

(2) a description of the action taken by States, local governments, and other organizations to implement the voluntary guidelines issued under section 8236 of this title and any problems encountered in implementing such guidelines; and

(3) recommendations on the feasibility of requiring, as a prerequisite to receiving fed- erally assisted, guaranteed, or insured mort- gages, the achievement of a minimum energy efficiency rating.


SUBCHAPTER III—FEDERAL ENERGY INITIATIVE

PART A—DEMONSTRATION OF SOLAR HEATING AND COOLING IN FEDERAL BUILDINGS

§ 8241. Definitions
As used in the part—

(1) The term “Federal agency” means—

(A) an Executive agency as defined in section 105 of title 5; and

(B) each entity specified in subparagraphs (B) through (I) of subsection (1) of section 5721 of title 5.

(2) The term “Federal building” means any building or other structure owned in whole or part by the United States or any Federal agen- cy, including any such structure occupied by a Federal agency under a lease-acquisition agreement under which the United States or a Federal agency will receive fee simple title under the terms of such agreement without further negotiation.

(3) The term “solar heating” means, with re- spect to any Federal building, the use of solar energy to meet all or part of the heating needs of such building (including hot water), or all or part of the needs of such building for hot water.

(4) The term “solar heating and cooling” means the use of solar energy to provide all or part of the heating needs of a Federal building (including hot water) and all or part of the cooling needs of such building, or all or part of the needs of such building for hot water.

(5) The term “solar energy equipment” means equipment for solar heating or solar heating and cooling.

(6) The term “Secretary” means the Sec- retary of Energy.


AMENDMENTS
2007—Par. (1)(B). Pub. L. 110–161 substituted “sub- paragraphs (B) through (I)” for “paragraphs (B) through (H)”.

§ 8242. Federal solar program
The Secretary, in consultation with the Admin- istrator of the General Services Administra- tion, shall develop and carry out a program to demonstrate the application to buildings of solar heating and solar heating and cooling technology in Federal buildings.


§ 8243. Duties of Secretary
(a) Duties
In exercising the authority provided by sec- tion 8242 of this title, the Secretary, in consultation with the Administrator of the General Services Administration, shall—

(1) promulgate, by rule—

(A) requirements under which Federal agencies shall submit proposals for the in- stallation of solar energy equipment in Fed- eral buildings which are under their control and which are selected in accordance with procedures set forth in such rule, and

(B) criteria by which proposals under sub- paragraph (A) will be evaluated, which cri- teria shall provide for the inclusion in each proposal of a complete analysis of the present value, as determined by the Sec- retary, of the costs and benefits of the pro- posal to the Federal agency, and for the demonstration, to the maximum extent practicable, of innovative and diverse appli- cations to a variety of types of Federal buildings of solar heating and solar heating and cooling technology, and for location of demonstration projects in areas where a private sector market for solar energy equip- ment is likely to develop;
(2) evaluate in writing each such proposal pursuant to the criteria promulgated pursuant to paragraph (1)(B), and make such evaluation available to the agency and, upon request, to any person;
(3) provide technical and financial assistance by interagency agreement for implementing a proposal evaluated under paragraph (2) and approved by the Secretary; except that such assistance shall be limited to the design, acquisition, construction, and installation of solar energy equipment;
(4) provide, by rule, that Federal agencies report to the Secretary periodically such information as they acquire respecting maintenance and operation of solar energy equipment for which assistance is provided under paragraph (5);
(5) require that a life cycle cost analysis in accordance with part B be done for any Federal building for which a proposal is submitted under this section and the results of such analysis be included in such proposal; and
(6) if solar energy equipment for which assistance is to be provided under paragraph (3) is not the minimum life-cycle cost alternative, require the Federal agency involved to submit a report to the Secretary stating the amount by which the life-cycle cost of such equipment exceeds the minimum life-cycle cost.

(b) Contents of proposals

Proposals under paragraph (1)(A) of subsection (a) shall include a list of the specific Federal buildings proposed to be provided with solar energy equipment, the funds necessary for the acquisition and installation of such equipment, the proposed implementation schedule, maintenance and operation of solar energy equipment; the estimated savings in fossil fuels and electricity, the estimated payback time, and such other information as may be required by the Secretary.

(c) Initial submission of proposals

Under the requirements established under subsection (a)(1)(A), initial proposals for the installation of solar energy equipment in Federal buildings selected under subsection (a)(1)(A) shall be submitted not later than 180 days after the date of promulgation of the rule under subsection (a)(1).

(d) Program to disseminate information to Federal procurement and loan officers

In order to more widely disseminate information about the program under this part and under part B and the benefits of renewable energy and energy efficiency technology, the Secretary shall establish a program which includes site visits and technical briefings, to disseminate such information to Federal procurement officers and Federal loan officers. The Secretary shall utilize available funds for the program under this subsection.

§ 8244. Authorization of appropriations

There are authorized to be appropriated to the Secretary through fiscal year ending September 30, 1980, to carry out the purposes of this part not to exceed $100,000,000. Funds so appropriated may be transferred by the Secretary to any Federal agency to the extent necessary to carry out the purposes of section 8243(a)(3) of this title.


PART B—FEDERAL ENERGY MANAGEMENT

§ 8251. Findings

The Congress finds that—
(1) the Federal Government is the largest single energy consumer in the Nation;
(2) the cost of meeting the Federal Government’s energy requirement is substantial;
(3) there are significant opportunities in the Federal Government to conserve and make more efficient use of energy through improved operations and maintenance, the use of new energy efficient technologies, and the application and achievement of energy efficient design and construction;
(4) Federal energy conservation measures can be financed at little or no cost to the Federal Government by using private investment capital made available through contracts authorized by subchapter VII of this chapter; and
(5) an increase in energy efficiency by the Federal Government would benefit the Nation by reducing the cost of government, reducing national dependence on foreign energy resources, and demonstrating the benefits of greater energy efficiency to the Nation.


AMENDMENTS


EXECUTIVE ORDER NO. 13123

Ex. Ord. No. 13123, June 3, 1999, 64 F.R. 30651, which directed the Federal Government to reduce greenhouse gas emissions, energy consumption, and water usage and required agencies to develop an annual implementation plan, to request funding necessary to achieve the goals of this order, and to make annual progress reports to the President, was revoked by Ex. Ord. No. 13423, §11(a)(ii), Jan. 24, 2007, 72 F.R. 3923, formerly set out in a note under section 4231 of this title.

EX. ORD. NO. 13221, ENERGY EFFICIENT STANDBY POWER DEVICES

Ex. Ord. No. 13221, July 31, 2001, 66 F.R. 40571, provided:

By the authority vested in me as President by the Constitution and the laws of the United States of America, including the National Energy Conservation Policy Act (Public Law 95–619, 92 Stat. 3206, 42 U.S.C. 8262 et seq.), as amended by the Energy Policy Act of 1992 (EPACT) (Public Law 102–486, 106 Stat. 2776), and section 301 of title 3, United States Code, and in order to further encourage energy conservation by the Federal Government, it is hereby ordered as follows:

SECTION 1. Energy Efficient Standby Power Devices. Each agency, when it purchases commercially available, off-the-shelf products that use external standby
power devices, or that contain an internal standby power function, shall purchase products that use no more than one watt in their standby power consuming mode, if such products are not available, agencies shall purchase products with the lowest standby power wattage while in their standby power consuming mode. Agencies shall adhere to these requirements, when lifecycle cost-effective and practicable and where the relevant product’s utility and performance are not compromised as a result. By December 31, 2001, and on an annual basis thereafter, the Department of Energy, in consultation with the Department of Defense and the General Services Administration, shall compile a preliminary list of products to be subject to these requirements. The Department of Energy shall finalize the list and may remove products deemed inappropriate for listing.

Sect. 2. Independent Agencies. Independent agencies are encouraged to comply with the provisions of this order.

Sect. 3. Definition. “Agency” means an executive agency as defined in 5 U.S.C. 105. For the purpose of this order, military departments, as defined in 5 U.S.C. 102, are covered by the Department of Defense.

George W. Bush.

§ 8252. Purpose

It is the purpose of this part to promote the conservation and the efficient use of energy and water, and the use of renewable energy sources, by the Federal Government.


Amendments


1988—Pub. L. 100–615 amended section generally, substituting statement of purpose for policy statement declaring it to be United States policy for Federal Government to have the opportunity and responsibility, with participation of industry, to further develop, demonstrate, and promote use of energy conservation, solar heating and cooling, and other renewable energy sources in Federal buildings.

§ 8253. Energy management requirements

(a) Energy performance requirement for Federal buildings

(1) Subject to paragraph (2), each agency shall apply energy conservation measures to, and shall improve the design for the construction of, the Federal buildings of the agency (including each industrial or laboratory facility) so that the energy consumption per gross square foot of the Federal buildings of the agency in fiscal years 2006 through 2015 is reduced, as compared with the energy consumption per gross square foot of the Federal buildings of the agency in fiscal year 2003, by the percentage specified in the following table:

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Percentage Reduction</th>
</tr>
</thead>
<tbody>
<tr>
<td>2006</td>
<td>2</td>
</tr>
<tr>
<td>2007</td>
<td>4</td>
</tr>
<tr>
<td>2008</td>
<td>9</td>
</tr>
<tr>
<td>2009</td>
<td>12</td>
</tr>
<tr>
<td>2010</td>
<td>15</td>
</tr>
<tr>
<td>2011</td>
<td>21</td>
</tr>
<tr>
<td>2012</td>
<td>24</td>
</tr>
<tr>
<td>2013</td>
<td>27</td>
</tr>
<tr>
<td>2014</td>
<td></td>
</tr>
</tbody>
</table>

(2) An agency may exclude from the requirements of paragraph (1) any building, and the associated energy consumption and gross square footage, in which energy-intensive activities are not carried out. Each agency shall identify and list in each report made under section 8258(a) of this title the buildings designated by it for such exclusion.

(3) Not later than December 31, 2014, the Secretary shall review the results of the implementation of the energy performance requirement established under paragraph (1) and the Congress recommendations concerning energy performance requirements for fiscal years 2016 through 2025.

(b) Energy management requirement for Federal agencies

(1) Not later than January 1, 2005, each agency shall, to the maximum extent practicable, install in Federal buildings owned by the United States all energy and water conservation measures with payback periods of less than 10 years, as determined by using the methods and procedures developed pursuant to section 8254 of this title.

(2) The Secretary may waive the requirements of this subsection for any agency for such periods as the Secretary may determine if the Secretary finds that the agency is taking all practicable steps to meet the requirements and that the requirements of this section will pose an unacceptable burden upon the agency. If the Secretary waives the requirements of this subsection, the Secretary shall, as part of the report required under section 8258 of this title, notify the Congress in writing with an explanation and a justification of the reasons for such waiver.

(3) This subsection shall not apply to an agency's facilities that generate or transmit electric energy or to the uranium enrichment facilities operated by the Department of Energy.

(4) An agency may participate in the Environmental Protection Agency’s “Green Lights” program for purposes of receiving technical assistance in complying with the requirements of this section.

(c) Exclusions

(1)(A) An agency may exclude, from the energy performance requirement for a fiscal year established under subsection (a) and the energy management requirement established under subsection (b), any Federal building or collection of Federal buildings, if the head of the agency finds that—

(i) compliance with those requirements would be impracticable;

(ii) the agency has completed and submitted all federally required energy management reports;

(iii) the agency has achieved compliance with the energy efficiency requirements of this chapter, the Energy Policy Act of 1992, Executive orders, and other Federal law; and

(iv) the agency has implemented all practicable, life cycle cost-effective projects with
respect to the Federal building or collection of Federal buildings to be excluded.

(B) A finding of impracticability under subparagraph (A)(i) shall be based on—

(i) the energy intensiveness of activities carried out in the Federal building or collection of Federal buildings; or

(ii) the fact that the Federal building or collection of Federal buildings is used in the performance of a national security function.

(2) Each agency shall identify and list, in each report made under section 8258(a) of this title, the Federal buildings designated by it for such exclusion. The Secretary shall review such findings for consistency with the standards for exclusion set forth in paragraph (1), and may within 90 days after receipt of the findings, reverse the exclusion. In the case of any such reversal, the agency shall comply with the requirements of subsections (a) and (b)(1) for the building concerned.

(3) Not later than 180 days after August 8, 2005, the Secretary shall issue guidelines that establish criteria for exclusions under paragraph (1).

(d) Implementation steps

The Secretary shall consult with the Secretary of Defense and the Administrator of General Services in developing guidelines for the implementation of this part. To meet the requirements of this section, each agency shall—

(1) prepare and submit to the Secretary, not later than December 31, 1993, a plan describing how the agency intends to meet such requirements, including how it will—

(A) designate personnel primarily responsible for achieving such requirements;

(B) identify high priority projects through calculation of payback periods;

(C) take maximum advantage of contracts authorized under subchapter VII of this chapter, of financial incentives and other services provided by utilities for efficiency investment, and of other forms of financing to reduce the direct costs to the Government; and

(D) otherwise implement this part;

(2) perform energy surveys of its Federal buildings to the extent necessary and update such surveys as needed, incorporating any relevant information obtained from the survey conducted pursuant to section 8258(b) of this title;

(3) using such surveys, determine the cost and payback period of energy and water conservation measures likely to achieve the requirements of this section;

(4) install energy and water conservation measures that will achieve the requirements of this section through the methods and procedures established pursuant to section 8254 of this title; and

(5) ensure that the operation and maintenance procedures applied under this section are continued.

c) Metering of energy use

(1) Deadline

By October 1, 2012, in accordance with guidelines established by the Secretary under paragraph (2), all Federal buildings shall, for the purposes of efficient use of energy and reduction in the cost of electricity used in such buildings, be metered. Each agency shall use, to the maximum extent practicable, advanced meters or advanced metering devices that provide data at least daily and that measure at least hourly consumption of electricity in the Federal buildings of the agency. Not later than October 1, 2016, each agency shall provide for equivalent metering of natural gas and steam, in accordance with guidelines established by the Secretary under paragraph (2). Such data shall be incorporated into existing Federal energy tracking systems and made available to Federal facility managers.

(2) Guidelines

(A) In general

Not later than 180 days after August 8, 2005, the Secretary, in consultation with the Department of Defense, the General Services Administration, representatives from the metering industry, utility industry, energy services industry, energy efficiency industry, energy efficiency advocacy organizations, national laboratories, universities, and Federal facility managers, shall establish guidelines for agencies to carry out paragraph (1).

(B) Requirements for guidelines

The guidelines shall—

(i) take into consideration—

(I) the cost of metering and the reduced cost of operation and maintenance expected to result from metering;

(II) the extent to which metering is expected to result in increased potential for energy management, increased potential for energy savings and energy efficiency improvement, and cost and energy savings due to utility contract aggregation; and

(iii) the measurement and verification protocols of the Department of Energy;

(ii) include recommendations concerning the amount of funds and the number of trained personnel necessary to gather and use the metering information to track and reduce energy use;

(iii) establish priorities for types and locations of buildings to be metered based on cost-effectiveness and a schedule of one or more dates, not later than 1 year after the date of issuance of the guidelines, on which the requirements specified in paragraph (1) shall take effect; and

(iv) establish exclusions from the requirements specified in paragraph (1) based on the de minimis quantity of energy use of a Federal building, industrial process, or structure.

(3) Plan

Not later than 180 days after the date on which guidelines are established under paragraph (2), in a report submitted by the agency under section 8258(a) of this title, each agency shall submit to the Secretary a plan describing the manner in which the agency will im-
implement the requirements of paragraph (1), including—
(A) how the agency will designate personnel primarily responsible for achieving the requirements; and
(B) a demonstration by the agency, complete with documentation, of any finding that advanced meters or advanced metering devices (as those terms are used in paragraph (1)), are not practicable.

(4) Best practices report
(A) In general
Not later than 180 days after December 18, 2012, the Secretary of Energy, in consultation with the Secretary of Defense and the Administrator of General Services, shall develop, and issue a report on, best practices for the use of advanced metering of energy use in Federal facilities, buildings, and equipment by Federal agencies.

(B) Components
The report shall include, at a minimum—
(i) summaries and analysis of the reports by agencies under paragraph (3);
(ii) recommendations on standard requirements or guidelines for automated energy management systems, including—
(I) potential common communications standards to allow data sharing and reporting;
(II) means of facilitating continuous commissioning of buildings and evidence-based maintenance of buildings and building systems; and
(III) standards for sufficient levels of security and protection against cyber threats to ensure systems cannot be controlled by unauthorized persons; and
(iii) an analysis of—
(I) the types of advanced metering and monitoring systems being piloted, tested, or installed in Federal buildings; and
(II) existing techniques used within the private sector or other non-Federal government buildings.

(f) Use of energy and water efficiency measures in Federal buildings
(1) Definitions
In this subsection:
(A) Commissioning
The term “commissioning”, with respect to a facility, means a systematic process—
(i) of ensuring, using appropriate verification and documentation, during the period beginning on the initial day of the design phase of the facility and ending not earlier than 1 year after the date of completion of construction of the facility, that all facility systems perform interactively in accordance with—
(I) the design documentation and intent of the facility; and
(II) the operational needs of the owner of the facility, including preparation of operation personnel; and
(ii) the primary goal of which is to ensure fully functional systems that can be properly operated and maintained during the useful life of the facility.
(B) Energy manager
(i) In general
The term “energy manager”, with respect to a facility, means the individual who is responsible for—
(I) ensuring compliance with this subsection by the facility; and
(II) reducing energy use at the facility.
(ii) Inclusions
The term “energy manager” may include—
(I) a contractor of a facility;
(II) a part-time employee of a facility; and
(III) an individual who is responsible for multiple facilities.
(C) Facility
(i) In general
The term “facility” means any building, installation, structure, or other property (including any applicable fixtures) owned or operated by, or constructed or manufactured and leased to, the Federal Government.
(ii) Inclusions
The term “facility” includes—
(I) a group of facilities at a single location or multiple locations managed as an integrated operation; and
(II) contractor-operated facilities owned by the Federal Government.
(iii) Exclusions
The term “facility” does not include any land or site for which the cost of utilities is not paid by the Federal Government.
(D) Life cycle cost-effective
The term “life cycle cost-effective”, with respect to a measure, means a measure, the estimated savings of which exceed the estimated costs over the lifespan of the measure, as determined in accordance with section 8254 of this title.
(E) Payback period
(i) In general
Subject to clause (ii), the term “payback period”, with respect to a measure, means a value equal to the quotient obtained by dividing—
(I) the estimated initial implementation cost of the measure (other than financing costs); by
(II) the annual cost savings resulting from the measure, including—
(aa) net savings in estimated energy and water costs; and
(bb) operations, maintenance, repair, replacement, and other direct costs.
(ii) Modifications and exceptions
The Secretary, in guidelines issued pursuant to paragraph (6), may make such modifications and provide such exceptions to the calculation of the payback period of a measure as the Secretary determines to
be appropriate to achieve the purposes of this chapter.

(F) Recommissioning

The term “recommissioning” means a process—

(i) of commissioning a facility or system beyond the project development and warranty phases of the facility or system; and

(ii) the primary goal of which is to ensure optimum performance of a facility, in accordance with design or current operating needs, over the useful life of the facility, while meeting building occupancy requirements.

(G) Retrocommissioning

The term “retrocommissioning” means a process of commissioning a facility or system that was not commissioned at the time of construction of the facility or system.

(2) Facility energy managers

(A) In general

Each Federal agency shall designate an energy manager responsible for implementing this subsection and reducing energy use at each facility that meets criteria under subparagraph (B).

(B) Covered facilities

The Secretary shall develop criteria, after consultation with affected agencies, energy efficiency advocates, and energy and utility service providers, that cover, at a minimum, Federal facilities, including central utility plants and distribution systems and other energy intensive operations, that constitute at least 75 percent of facility energy use at each agency.

(3) Energy and water evaluations

(A) Evaluations

Effective beginning on the date that is 180 days after December 19, 2007, and annually thereafter, energy managers shall complete, for each calendar year, a comprehensive energy and water evaluation for approximately 25 percent of the facilities of each agency that meet the criteria under paragraph (2)(B) in a manner that ensures that an evaluation of each such facility is completed at least once every 4 years.

(B) Recommissioning and retrocommissioning

As part of the evaluation under subparagraph (A), the energy manager shall identify and assess recommissioning measures (or, if the facility has never been commissioned, retrocommissioning measures) for each such facility.

(4) Implementation of identified energy and water efficiency measures

Not later than 2 years after the completion of each evaluation under paragraph (3), each energy manager may—

(A) implement any energy- or water-saving measure that the Federal agency identified in the evaluation conducted under paragraph (3) that is life cycle cost-effective; and

(B) bundle individual measures of varying paybacks together into combined projects.

(5) Follow-up on implemented measures

For each measure implemented under paragraph (4), each energy manager shall ensure that—

(A) equipment, including building and equipment controls, is fully commissioned at acceptance to be operating at design specifications;

(B) a plan for appropriate operations, maintenance, and repair of the equipment is in place at acceptance and is followed;

(C) equipment and system performance is measured during its entire life to ensure proper operations, maintenance, and repair; and

(D) energy and water savings are measured and verified.

(6) Guidelines

(A) In general

The Secretary shall issue guidelines and necessary criteria that each Federal agency shall follow for implementation of—

(i) paragraphs (2) and (3) not later than 180 days after December 19, 2007; and

(ii) paragraphs (4) and (5) not later than 1 year after December 19, 2007.

(B) Relationship to funding source

The guidelines issued by the Secretary under subparagraph (A) shall be appropriate and uniform for measures funded with each type of funding made available under paragraph (10), but may distinguish between different types of measures project size, and other criteria the Secretary determines are relevant.

(7) Web-based certification

(A) In general

For each facility that meets the criteria established by the Secretary under subparagraph (A) shall be appropriate and uniform for measures funded with each type of funding made available under paragraph (10), but may distinguish between different types of measures project size, and other criteria the Secretary determines are relevant.
(III) the estimated cost and savings for measures required to be implemented in a facility;
(IV) the measured savings and persistence of savings for implemented measures; and
(V) the benchmarking information disclosed under paragraph (8)(C).

(ii) Ease of compliance
The Secretary shall ensure that energy manager compliance with the requirements in this paragraph, to the maximum extent practicable—
(I) can be accomplished with the use of streamlined procedures and templates that minimize the time demands on Federal employees; and
(II) is coordinated with other applicable energy reporting requirements.

(C) Availability
(i) In general
Subject to clause (ii), the Secretary shall make the web-based tracking system required under this paragraph available to Congress, other Federal agencies, and the public through the Internet.

(ii) Exemptions
At the request of a Federal agency, the Secretary may exempt specific data for specific facilities from disclosure under clause (i) for national security purposes.

(8) Benchmarking of Federal facilities

(A) In general
The energy manager shall enter energy use data for each metered building that is (or is a part of) a facility that meets the criteria established by the Secretary under paragraph (2)(B) into a building energy use benchmarking system, such as the Energy Star Portfolio Manager.

(B) System and guidance
Not later than 1 year after December 19, 2007, the Secretary shall—
(i) select or develop the building energy use benchmarking system required under this paragraph for each type of building; and
(ii) issue guidance for use of the system.

(C) Public disclosure
Each energy manager shall post the information entered into, or generated by, a benchmarking system under this subsection, on the web-based tracking system under paragraph (7)(B). The energy manager shall update such information each year, and shall include in such reporting previous years’ information to allow changes in building performance to be tracked over time.

(9) Federal agency scorecards

(A) In general
The Director of the Office of Management and Budget shall issue semiannual scorecards for energy management activities carried out by each Federal agency that includes—

(i) summaries of the status of implementing the various requirements of the agency and its energy managers under this subsection; and
(ii) any other means of measuring performance that the Director considers appropriate.

(B) Availability
The Director shall make the scorecards required under this paragraph available to Congress, other Federal agencies, and the public through the Internet.

(10) Funding and implementation

(A) Authorization of appropriations
There are authorized to be appropriated such sums as are necessary to carry out this subsection.

(B) Funding options
(i) In general
To carry out this subsection, a Federal agency may use any combination of—
(I) appropriated funds made available under subparagraph (A); and
(II) private financing otherwise authorized under Federal law, including financing available through energy savings performance contracts or utility energy service contracts.

(ii) Combined funding for same measure
A Federal agency may use any combination of appropriated funds and private financing described in clause (i) to carry out the same measure under this subsection.

(C) Implementation
Each Federal agency may implement the requirements under this subsection itself or may contract out performance of some or all of the requirements.

(11) Rule of construction
This subsection shall not be construed to require or to obviate any contractor savings guarantees.

(g) Large capital energy investments

(1) In general
Each Federal agency shall ensure that any large capital energy investment in an existing building that is not a major renovation but involves replacement of installed equipment (such as heating and cooling systems), or involves renovation, rehabilitation, expansion, or remodeling of existing space, employs the most energy efficient designs, systems, equipment, and controls that are life-cycle cost effective.

(2) Process for review of investment decisions
Not later than 180 days after December 19, 2007, each Federal agency shall—
(A) develop a process for reviewing each decision made on a large capital energy investment described in paragraph (1) to ensure that the requirements of this subsection are met; and
(B) report to the Director of the Office of Management and Budget on the process established.
(3) Compliance report

Not later than 1 year after December 19, 2007, the Director of the Office of Management and Budget shall evaluate and report to Congress on the compliance of each agency with this subsection.


REFERENCES IN TEXT


AMENDMENTS

2012—Subsec. (d)(3), (4). Pub. L. 112–210, §8, added pars. (3) and (4) and struck out former par. (3). Prior to amendment, text read as follows: “Not later than 6 months after the date the guidelines are established under paragraph (2), in a report submitted by the agency under section 8258(a) of this title, each agency shall submit to the Secretary a plan describing how the agency intends to meet such requirements for the year 2000 established under subsection (a) and the associated energy consumption and gross square footage, if the head of such agency finds that compliance with such requirements would be impractical. A finding of impracticability shall be based on the energy intensiveness of activities carried out in such Federal buildings or collection of Federal buildings, the type and amount of energy consumed, the technical feasibility of making the desired changes, and, in the cases of the Departments of Defense and Energy, the unique character of certain facilities operated by such Departments.”

Subsec. (c)(2). Pub. L. 109–58, §102(d), substituted “standards for exclusion” for “impracticability standards”, “the exclusion” for “a finding of impracticability”, and “requirements of subsections (a) and (b)(1)” for “energy consumption requirements”.

Subsec. (c)(3). Pub. L. 109–58, §102(e), added par. (3).


1995—Subsec. (b)(2). Pub. L. 104–66 in last sentence inserted “, as part of the report required under section 8258(b) of this title,” after “the Secretary shall” and struck out “promptly” after “6 months after the date the guidelines are established under subsection (a),”.


Subsec. (a). Pub. L. 102–486, §152(b)(2), (3), in heading substituted “requirement” for “goal” and in par. (1) inserted before period at end “and so that the energy consumption per gross square foot of its Federal buildings in use during the fiscal year 2000 is at least 20 percent less than the energy consumption per gross square foot of its Federal buildings in use during fiscal year 1985”.

Subsecs. (b), (c). Pub. L. 102–486, §152(b)(4), added subsecs. (b) and (c). Former subsec. (b) redesignated (d).

Subsec. (d). Pub. L. 102–486, §152(b)(4), (c)(3), redesignated subsec. (b) as (d) and in introductory provisions substituted “The Secretary shall consult with the Secretary of Defense and the Administrator of General Services in developing guidelines for the implementation of this part. To meet the requirements of this section,“ for “To achieve the goal established in subsection (a),“.

Subsec. (d)(1). Pub. L. 102–486, §152(c)(2), added par. (1) and struck out former par. (1) which read as follows: “prepare or update, within 6 months after November 5, 1988, a plan describing how the agency intends to meet such goal, including how it will implement this part, designate personnel primarily responsible for achieving such goal, and identify high priority projects;“.

Subsec. (d)(2). Pub. L. 102–486, §152(c)(3), inserted before semicolon at end “and update such surveys as needed, incorporating any relevant information obtained from the survey conducted pursuant to section 8258(b) of this title’’.

Subsec. (d)(3) to (5). Pub. L. 102–486, §152(c)(4), (5), added pars. (3) and (4), redesignated former par. (4) as (5), and struck out former par. (3) which read as follows: “using such surveys, apply energy conservation measures in a manner which will attain the greatest reductions. At the end of each fiscal year, the Secretary shall submit to the Congress a report which shall include a statement of the energy conservation measures which were applied and the savings achieved;“.

§ 8254. Establishment and use of life cycle cost methods and procedures

(a) Establishment of life cycle cost methods and procedures

The Secretary, in consultation with the Director of the Office of Management and Budget, the Secretary of Defense, the Director of the National Institute of Standards and Technology, and the Administrator of the General Services Administration, shall—

(1) establish practical and effective present value methods for estimating and comparing life cycle costs for Federal buildings, using the sum of all capital and operating expenses associated with the energy system of the building involved over the expected life of such system or during a period of 40 years, whichever is shorter, and using average fuel costs and a discount rate determined by the Secretary; and

(2) develop and prescribe the procedures to be followed in applying and implementing the methods so established.

(b) Use of life cycle cost methods and procedures

(1) The design of new Federal buildings, and the application of energy conservation measures to existing Federal buildings, shall be made using life cycle cost methods and procedures established under subsection (a).

(2) In leasing buildings for its own use or that of another agency, each agency shall, after January 1, 1994, fully consider the efficiency of all potential building space at the time of renewing or entering into a new lease.

(c) Use in non-Federal structures

The Secretary shall make available information to the public on the use of life cycle cost methods in the construction of buildings, structures, and facilities in all segments of the economy.


AMENDMENTS


1988—Pub. L. 100–615 amended section generally, substituting provisions relating to establishment and use of life cycle cost methods and procedures for provisions defining terms (1) Secretary, (2) life cycle cost, (3) preliminary energy audit, (4) energy survey, (5) Federal building, (6) construction, and (7) energy performance target.

(EFFECTIVE DATE OF 2007 AMENDMENT)

Amendment by Pub. L. 110–140 effective on the date that is 1 day after Dec. 19, 2007, see section 1824 of Title 2, The Congress.

§ 8255. Budget treatment for energy conservation measures

The President shall transmit to the Congress, along with each budget that is submitted to the Congress under section 1105 of title 31, a statement of the amount of appropriations requested in such budget, if any, on an individual agency basis, for—

(1) electric and other energy costs to be incurred in operating and maintaining agency facilities; and

(2) compliance with the provisions of this part, the Energy Policy and Conservation Act (42 U.S.C. 6201 et seq.), and all applicable Executive orders, including Executive Order 12003 (42 U.S.C. 6201 note) and Executive Order 12759 (56 Fed. Reg. 16257).


REFERENCES IN TEXT


Executive Order 12759, referred to in par. (2), is Ex. Ord. No. 12759, April 17, 1991, 56 F.R. 16257, as amended, which was set out as a note under section 6201 of this title, prior to revocation by Ex. Ord. No. 13123, § 604.
June 3, 1999, 64 F.R. 30859, formerly set out as a note under section 8251 of this title.

AMENDMENTS

1992—Pub. L. 102–486 amended section generally. Prior to amendment, section read as follows: “Each agency, in support of the President’s annual budget request to the Congress, shall specifically set forth and identify funds requested for energy conservation measures.’’


1980—Subsec. (a)(1). Pub. L. 96–294, which directed amendment of par. (1) by inserting provisions setting forth criteria for establishing life-cycle costs for Federal buildings before the period at end, was executed to par. (2) as the probable intent of Congress because par. (1) does not contain a period.

§ 8256. Incentives for agencies

(a) Contracts

(1) Each agency shall establish a program of incentives for conserving, and otherwise making more efficient use of, energy as a result of entering into contracts under subchapter VII of this chapter.

(2) The Secretary shall, not later than 18 months after October 24, 1992, and after consultation with the Director of the Office of Management and Budget, the Secretary of Defense, and the Administrator of General Services, develop appropriate procedures and methods for use by agencies to implement the incentives referred to in paragraph (1).

(b) Federal Energy Efficiency Fund

(1) The Secretary shall establish a Federal Energy Efficiency Fund to provide grants to agencies to assist them in meeting the requirements of section 8253 of this title.

(2) Not later than June 30, 1993, the Secretary shall issue guidelines to be followed by agencies submitting proposals for such grants. All agencies shall be eligible to submit proposals for grants under the Fund.

(3) The Secretary shall award grants from the Fund after a competitive assessment of the technical and economic effectiveness of each agency proposal. The Secretary shall consider the following factors in determining whether to provide funding under this subsection:

(A) The cost-effectiveness of the project.

(B) The amount of energy and cost savings anticipated to the Federal Government.

(C) The amount of funding committed to the project by the agency requesting financial assistance.

(D) The extent that a proposal leverages financing from other non-Federal sources.

(E) Any other factor which the Secretary determines will result in the greatest amount of energy and cost savings to the Federal Government.

(4) There are authorized to be appropriated, to remain available to be expended, to carry out this subsection not more than $10,000,000 for fiscal year 1994, $50,000,000 for fiscal year 1995, and such sums as may be necessary for fiscal years thereafter.

(c) Utility incentive programs

(1) Agencies are authorized and encouraged to participate in programs to increase energy efficiency and for water conservation or the management of electricity demand conducted by gas, water, or electric utilities and generally available to customers of such utilities.

(2) Each agency may accept any financial incentive, goods, or services generally available from any such utility, to increase energy efficiency or to conserve water or manage electricity demand.

(3) Each agency is encouraged to enter into negotiations with electric, water, and gas utilities to design cost-effective demand management and conservation incentive programs to address the unique needs of facilities utilized by such agency.

(4) If an agency satisfies the criteria which generally apply to other customers of a utility incentive program, such agency may not be denied collection of rebates or other incentives.

(d) Financial incentive program for facility energy managers

(1) The Secretary shall, in consultation with the Task Force established pursuant to section 8257 of this title, establish a financial bonus program to reward, with funds made available for such purpose, outstanding Federal facility energy managers in agencies and the United States Postal Service.

(2) Not later than June 1, 1993, the Secretary shall issue procedures for implementing and conducting the award program, including the criteria to be used in selecting outstanding energy managers and contributors who have—

(A) improved energy performance through increased energy efficiency;

(B) implemented proven energy efficiency and energy conservation techniques, devices, equipment, or procedures;

(C) developed and implemented training programs for facility energy managers, operators, and maintenance personnel;

(D) developed and implemented employee awareness programs;

(E) succeeded in generating utility incentives, shared energy savings contracts, and other federally approved performance based energy savings contracts;

(F) made successful efforts to fulfill compliance with energy reduction mandates, including the provisions of section 8253 of this title; and

(G) succeeded in the implementation of the guidelines established under section 8262e of this title.

(3) There is authorized to be appropriated to carry out this subsection not more than $250,000 for each of the fiscal years 1993, 1994, and 1995.

(e) Retention of energy and water savings

An agency may retain any funds appropriated to that agency for energy expenditures, water expenditures, or wastewater treatment expenditures, at buildings subject to the requirements of section 8253(a) and (b) of this title, that are not made because of energy savings or water

1 See References in Text note below.
savings. Except as otherwise provided by law, such funds may be used only for energy efficiency, water conservation, or unconventional and renewable energy resources projects. Such projects shall be subject to the requirements of section 3307 of title 40.


REFERENCES IN TEXT

Section 8262e of this title, referred to in subsec. (d)(2)(G), was in the original “section 159” and was translated as meaning section 159 of Pub. L. 102–486, title I, Oct. 24, 1992, 106 Stat. 2857, which enacted section 8262e of this title, to reflect the probable intent of Congress.

AMENDMENTS

2007—Subsec. (c)(5). Pub. L. 110–140 struck out par. (5) which read as follows:—

"(5) An amount equal to fifteen percent of the energy and water cost savings realized by an agency (other than the Department of Defense) with respect to funds appropriated for any fiscal year beginning after fiscal year 1992 (including financial benefits resulting from energy savings performance contracts under subchapter VII of this chapter and utility energy efficiency rebates) shall, subject to appropriation, remain available for expenditure by such agency for additional energy efficiency measures which may include related employee incentive programs, particularly at those facilities at which energy savings were achieved.

“(B) Agencies shall establish a fund and maintain strict financial accounting and controls for savings realized and expenditures made under subsection (a). Records maintained pursuant to this subparagraph shall be made available for public inspection upon request.”


1992—Subsec. (a). Pub. L. 102–486, §152(f)(1), (2), substituted “Contracts” for “In general” in heading, designated existing provisions as par. (1), and redesignated former subsec. (a) as subsec. (a)(1) and amended it generally. Prior to amendment, subsec. (a) read as follows:—

“The head of each agency shall, no later than 120 days after November 5, 1988, implement procedures for entering into such contracts and for identifying, verifying, and utilizing, on a fiscal year basis, the cost savings resulting from such contracts.”


Subsecs. (c), (d), Pub. L. 102–486, §152(f)(3), added subsec. (c) and (d) and struck out former subsec. (c) which read as follows:—

“The portion of the funds appropriated to an agency for energy expenses for a fiscal year that is equal to the amount of cost savings realized by such agency for such year from contracts entered into under subchapter VII of this chapter shall remain available for obligation, without further appropriation, to undertake additional energy conservation measures.”


ENERGY EFFICIENCY AND WATER CONSERVATION MEASURES: USE OF REBATES AND SAVINGS


“(a) Beginning in fiscal year 1996 and thereafter, for each Federal agency, except the Department of Defense (which has separate authority), and except as provided in Public Law 102–393, title IV, section 13 (40 U.S.C. 490g) [now 40 U.S.C. 592(f)], with respect to the Fund established pursuant to 40 U.S.C. 490(f) [now 40 U.S.C. 592(a)], (1) an amount equal to 50 percent of—

“(1) the amount of each utility rebate received by the agency for energy efficiency and water conservation measures, which the agency has implemented; and

“(2) the amount of the agency’s share of the measured energy savings resulting from energy-savings performance contracts, may be retained and credited to accounts that fund energy and water conservation activities at the agency’s facilities, and shall remain available until expended for additional specific energy efficiency or water conservation projects or activities, including improvements and retrofits, facility surveys, additional or improved utility metering, and employee training and awareness programs, as authorized by section 152(f) of the Energy Policy Act (Public Law 102–486) [amending this section].

“(b) The remaining 50 percent of each rebate, and the remaining 50 percent of the amount of the agency’s share of savings from energy-savings performance contracts, shall be transferred to the General Fund of the Treasury at the end of the fiscal year in which received.”

§8257. Interagency Energy Management Task Force

(a) In general

To assist the interagency committee organized under section 7266 of this title to coordinate the activities of the Federal Government in promoting energy conservation and the efficient use of energy and in informing non-Federal entities of the Federal experience in energy conservation, the Secretary shall establish an Interagency Energy Management Task Force (hereafter in this section referred to as the “Task Force”).

(b) Members

The Task Force shall be composed of the chief energy managers of agencies represented on the interagency committee organized under section 7266 of this title.

(c) Duties

The Task Force shall meet when the Secretary requests, but not less often than twice a year, to—

(1) assess the progress of the various agencies in achieving energy savings;

(2) collect and disseminate information to agencies, States, local governments, and the public on effective survey techniques, innovative approaches to the efficient use of energy, incentive programs developed under section 8256 of this title, innovative contracting methods developed under subchapter VII of this chapter, the use of cogeneration facilities and renewable resources, and other technologies that promote the conservation and efficient use of energy;

(3) coordinate energy surveys conducted by the agencies;
(4) develop options for use in conserving energy;
(5) report to the committee organized under section 7266 of this title; and
(6) review, from time to time as may be necessary, the regulations relating to building temperature settings to determine whether changes in such regulations would be appropriate to assist in meeting the goals specified in section 8253 of this title.


AMENDMENTS
1988—Pub. L. 100–615 amended section generally, substituting provisions relating to information on its activities under this part, including
(a) reports to Secretary
information on—
(1) the agency’s progress in achieving the goals established by section 8253 of this title; and
(2) the procedures being used by the agency pursuant to section 8256(a)(2) of this title, the number of contracts entered into by such agency under subchapter VII of this chapter, the energy and cost savings that have resulted from such contracts and any termination penalty exposure, the use of such cost savings under section 8256(c) of this title, and any problem encountered in entering into such contracts and otherwise implementing section 8256 of this title.

(b) Reports to the President and Congress
The Secretary shall report, not later than April 2 of each year, beginning after November 5, 1988, to the President and Congress—
(1) on all activities carried out under this part and on the progress made toward achievement of the objectives of this part, including—
(A) a copy of the list of the exclusions made under sections 8233(a)(2) and 8233(c)(3) of this title;
(B) the information required under section 8233(b)(2) of this title; and
(C) a statement detailing the amount of funds awarded to each agency under section 8256(b) of this title, the energy and water conservation measures installed with such funds, the projected energy and water savings to be realized from installed measures, and, for each installed measure for which the projected energy and water savings reported in the previous year were not realized, the reasons such savings were not realized, and proposals for, and projected costs of, achieving such projected savings in the future;
(2) the number of contracts entered into by all agencies under subchapter VII of this chapter, the difficulties (if any) encountered in attempting to enter into such contracts, and proposed solutions to those difficulties;
(3) the extent and nature of interagency exchange of information concerning the conservation and efficient utilization of energy; and
(4) the information required under section 8262g(d) of this title.

(c) Other report
The Secretary, in consultation with the Administrator of General Services, shall—
(1) conduct a study and evaluate legal, institutional, and other constraints to connecting buildings owned or leased by the Federal Government to district heating and district cooling systems; and
(2) not later than 18 months after October 24, 1992, transmit to the Congress a report containing the findings and conclusions of such study, including recommendations for the development of streamlined processes for the consideration of connecting buildings owned or leased by the Federal Government to district heating and cooling systems.


AMENDMENTS
2007—Subsec. (a)(2). Pub. L. 110–140 inserted “and any termination penalty exposure” after “from such contracts”.
2005—Subsec. (b). Pub. L. 109–58 inserted “the President” and “before “Congress” in heading and “President and” before “Congress” in introductory provisions.
1995—Subsec. (b)(1). Pub. L. 104–66, §1052(d)(1), added subpar. (B) and redesignated former subpar. (B) as (C).
Subsec. (b). Pub. L. 102–486, §152(1)(B), substituted “, not later than April 2 of each year,” for “annually,”.
Subsec. (b)(1). Pub. L. 102–486, §152(g)(1), substituted “including—” and subpars. (A) and (B) for “including a copy of the list of the exclusions made under section 8233(a)(2) of this title;”.
1988—Pub. L. 100–615 amended section generally, substituting provisions relating to reports to Secretary and Congress for former requirement that in leasing Federal buildings for its own use or that of another Federal agency, each Federal agency should give appropriate preference to buildings which used solar heating and cooling equipment or other renewable energy sources or which otherwise minimized life cycle costs.

EFFECTIVE DATE OF 2007 AMENDMENT
Amendment by Pub. L. 110–140 effective on the date that is 1 year after Dec. 19, 2007, see section 1601 of Pub. L. 110–140, set out as an Effective Date note under section 1824 of Title 2, The Congress.

TERMINATION OF REPORTING REQUIREMENTS
For termination, effective May 15, 2000, of provisions of law requiring submittal to Congress of any annual, semiannual, or other regular periodic report listed in
§ 8258a. Demonstration of new technology

(a) Demonstration program

Not later than January 1, 1994, the Secretary, in cooperation with the Administrator of General Services, shall establish a demonstration program to install, in federally owned facilities or federally assisted housing, energy conservation measures for which the Secretary has determined that such installation would accelerate commercial viability. In those cases where technologies are determined to be equivalent, priority shall be given to those technologies that have received or are receiving Federal financial assistance.

(b) Selection criteria

In addition to the determination under subsection (a), the Secretary shall select, in cooperation with the Administrator of General Services, proposals to be funded under this section on the basis of—

(1) cost-effectiveness;

(2) technical feasibility and system reliability in a working environment;

(3) lack of market penetration in the Federal sector;

(4) the potential needs of the proposing Federal agency for the technology, projected over 5 to 10 years;

(5) the potential Federal sector market, projected over 5 to 10 years;

(6) energy efficiency; and

(7) other environmental benefits, including the projected reduction of greenhouse gas emissions and indoor air pollution.

(c) Proposals

Federal agencies may submit to the Secretary, for each fiscal year, proposals for projects to be funded by the Secretary under this section. Each such proposal shall include—

(1) a description of the proposed project emphasizing the innovative use of technology in the Federal sector;

(2) a description of the technical reliability and cost-effectiveness data expected to be acquired;

(3) an identification of the potential needs of the Federal agency for the technology;

(4) a commitment to adopt the technology, if the project establishes its technical reliability and life cycle cost-effectiveness, to supply at least 10 percent of the Federal agency’s potential needs identified under paragraph (3);

(5) schedules and milestones for installing additional units; and

(6) a technology transfer plan to publicize the results of the project.

(d) Participation by GSA

The Secretary may only select a project for funding under this section which is proposed to be carried out in a building under the jurisdiction of the General Services Administration if the project will be carried out by the Administrator of General Services. If such project involves a total expenditure in excess of $1,600,000, no appropriation shall be made for such project unless such project has been approved by a resolution adopted by the Committee on Public Works and Transportation of the House of Representatives and the Committee on Environment and Public Works of the Senate.

(e) Study

The Secretary shall conduct a study to evaluate the potential use of the purchasing power of the Federal Government to promote the development and commercialization of energy efficient products. The study shall identify products for which there is a high potential for Federal purchasing power to substantially promote their development and commercialization, and shall include a plan to develop such potential.

The study shall be conducted in consultation with utilities, manufacturers, and appropriate nonprofit organizations concerned with energy efficiency. The Secretary shall report to the Congress on the results of the study not later than two years after October 24, 1992.

(f) Authorization of appropriations

There are authorized to be appropriated to the Secretary for carrying out this section $5,000,000 for each of the fiscal years 1993, 1994, and 1995.


PRIOR PROVISIONS

A prior section 549 of Pub. L. 95–619 was renumbered section 551 and is classified to section 8259 of this title.

CHANGE OF NAME

Committee on Public Works and Transportation of House of Representatives treated as referring to Committee on Transportation and Infrastructure of House of Representatives by section 2(a) of Pub. L. 104–14, set out as a note preceding section 21 of Title 2, The Congress.

§ 8258b. Survey of energy saving potential

(a) In general

The Secretary shall, in consultation with the Interagency Energy Management Task Force established under section 8257 of this title, carry out an energy survey for the purposes of—

(1) determining the maximum potential cost effective energy savings that may be achieved in a representative sample of buildings owned or leased by the Federal Government in different areas of the country;

(2) making recommendations for cost effective energy efficiency and renewable energy improvements in those buildings and in other similar Federal buildings; and

(3) identifying barriers which may prevent an agency’s ability to comply with section 8253 of this title and other energy management goals.

(b) Implementation

(1) The Secretary shall transmit to the Committee on Energy and Natural Resources and the Committee on Governmental Affairs of the Senate and the Committee on Energy and Commerce, the Committee on Government Oper-
The Secretary shall designate buildings to be surveyed in the project so as to obtain a sample of the buildings of the types and in the climates that is representative of buildings owned or leased by Federal agencies in the United States that consume the major portion of the energy consumed in Federal buildings. Such sample shall include, where appropriate, the following types of Federal facility space:

(A) Housing.
(B) Storage.
(C) Office.
(D) Services.
(E) Schools.
(F) Research and Development.
(G) Industrial.
(H) Prisons.
(I) Hospitals.

(3) For purposes of this section, an improvement shall be considered cost effective if the cost of the energy saved or displaced by the improvement exceeds the cost of the improvement over the remaining life of a Federal building or the remaining term of a lease of a building leased by the Federal Government as determined by the life cycle costing methodology developed under section 8254 of this title.

c) Personnel

(1) In carrying out this section, the Secretary shall utilize personnel who are—

(A) employees of the Department of Energy; or

(B) selected by the agencies utilizing the buildings which are being surveyed under this section.

(2) Such personnel shall be detailed for the purpose of carrying out this section without any reduction of salary or benefits.

d) Report

As soon as practicable after the completion of the project carried out under this section, the Secretary shall transmit a report of the findings and conclusions of the project to the Committee on Energy and Natural Resources and the Committee on Governmental Affairs of the Senate, the Committee on Energy and Commerce, the Committee on Government Operations, and the Committee on Public Works and Transportation of the House of Representatives, and the agencies who own the buildings involved in such project. Such report shall include an analysis of the probability of each agency achieving each of the energy reduction goals established under section 8253(a) of this title.

§ 8259a. Energy and water savings measures in congressional buildings

(a) In general

The Architect of the Capitol—

(1) shall develop, update, and implement a cost-effective energy conservation and management plan (referred to in this section as the "plan") for all facilities administered by Congress (referred to in this section as "congressional buildings") to meet the energy performance requirements for Federal buildings established under section 8253(a)(1) of this title; and

(2) shall submit the plan to Congress, not later than 180 days after August 8, 2005.

(b) Plan requirements

The plan shall include—

(1) a description of the life cycle cost analysis used to determine the cost-effectiveness of proposed energy efficiency projects;

(2) a schedule of energy surveys to ensure complete surveys of all congressional buildings every 5 years to determine the cost and payback period of energy and water conservation measures;

(3) a strategy for installation of life cycle cost-effective energy and water conservation measures;

(4) the results of a study of the costs and benefits of installation of submetering in congressional buildings;

(5) information packages and "how-to" guides for each Member and employing authority of Congress that detail simple, cost-effective methods to save energy and taxpayer dollars in the workplace.

(c) Annual report

The Architect of the Capitol shall submit to Congress annually a report on congressional energy management and conservation programs required under this section that describes in detail—

(1) energy expenditures and savings estimates for each facility;

(2) energy management and conservation projects; and

(3) future priorities to ensure compliance with this section.

§ 8259b. Federal procurement of energy efficient products

(a) Definitions

In this section:

(1) Agency

The term "agency" has the meaning given that term in section 7902(a) of title 5.

(2) Energy Star product

The term "Energy Star product" means a product that is rated for energy efficiency under an Energy Star program.

(3) Energy Star program

The term "Energy Star program" means the program established by section 6294a of this title.

(4) FEMP designated product

The term "FEMP designated product" means a product that is designated under the Federal Energy Management Program for the Department of Energy as being among the highest 25 percent of equivalent products for energy efficiency.

(5) Product

The term "product" does not include any energy consuming product or system designed or procured for combat or combat-related missions.

(b) Procurement of energy efficient products

(1) Requirement

To meet the requirements of an agency for an energy consuming product in a product category covered by the Energy Star program or the Federal Energy Management Program for designated products, the head of the agency shall, except as provided in paragraph (2), procure—

(A) an Energy Star product; or

(B) a FEMP designated product.

(2) Exceptions

The head of an agency is not required to procure an Energy Star product or FEMP des-
Ignated product under paragraph (1) if the head of the agency finds in writing that—

(A) an Energy Star product or FEMP designated product is not cost-effective over the life of the product taking energy cost savings into account; or

(B) no Energy Star product or FEMP designated product is reasonably available that meets the functional requirements of the agency.

(3) Procurement planning

The head of an agency shall incorporate into the specifications for all procurements involving energy consuming products and systems, including guide specifications, project specifications, and construction, renovation, and services contracts that include provision of energy consuming products and systems, and into the factors for the evaluation of offers received for the procurement, criteria for energy efficiency that are consistent with the criteria used for rating Energy Star products and for rating FEMP designated products.

(c) Listing of energy efficient products in Federal catalogs

Energy Star products and FEMP designated products shall be clearly identified and prominently displayed in any inventory or listing of products by the General Services Administration or the Defense Logistics Agency. The General Services Administration or the Defense Logistics Agency shall list in their catalogues, represent as available, and supply only Energy Star products or FEMP designated products for all product categories covered by the Energy Star program or the Federal Energy Management Program except in which the head of the agency ordering a product specifies in writing that no Energy Star product or FEMP designated product is available to meet the buyer's functional requirements, or that no Energy Star product or FEMP designated product is cost-effective for the intended application over the life of the product, taking energy cost savings into account.

(d) Specific products

(1) In the case of electric motors of 1 to 500 horsepower, agencies shall select only premium efficient motors that meet a standard designated by the Secretary. The Secretary shall designate such a standard not later than 120 days after August 8, 2005, after considering the recommendations of associated electric motor manufacturers and energy efficiency groups.

(2) All Federal agencies are encouraged to take actions to maximize the efficiency of air conditioning and refrigeration equipment, including appropriate cleaning and maintenance, including the use of any system treatment or additive that will reduce the electricity consumed by air conditioning and refrigeration equipment. Any such treatment or additive must be—

(A) determined by the Secretary to be effective in increasing the efficiency of air conditioning and refrigeration equipment without having an adverse impact on air conditioning performance (including cooling capacity) or equipment useful life;

(B) determined by the Administrator of the Environmental Protection Agency to be environmentally safe; and

(C) shown to increase seasonal energy efficiency ratio (SEER) or energy efficiency ratio (EER) when tested by the National Institute of Standards and Technology according to Department of Energy test procedures without causing any adverse impact on the system, system components, the refrigerant or lubricant, or other materials in the system.

Results of testing described in subparagraph (C) shall be published in the Federal Register for public review and comment. For purposes of this section, a hardware device or primary refrigerant shall not be considered an additive.

(e) Federally-procured appliances with standby power

(1) Definition of eligible product

In this subsection, the term "eligible product" means a commercially available, off-the-shelf product that—

(A)(i) uses external standby power devices; or

(ii) contains an internal standby power function; and

(B) is included on the list compiled under paragraph (4).

(2) Federal purchasing requirement

Subject to paragraph (3), if an agency purchases an eligible product, the agency shall purchase—

(A) an eligible product that uses not more than 1 watt in the standby power consuming mode of the eligible product; or

(B) if an eligible product described in subparagraph (A) is not available, the eligible product with the lowest available standby power wattage in the standby power consuming mode of the eligible product.

(3) Limitation

The requirements of paragraph (2) shall apply to a purchase by an agency only if—

(A) the lower-wattage eligible product is—

(i) lifecycle cost-effective; and

(ii) practicable; and

(B) the utility and performance of the eligible product is not compromised by the lower wattage requirement.

(4) Eligible products

The Secretary, in consultation with the Secretary of Defense, the Administrator of the Environmental Protection Agency, and the Administrator of General Services, shall compile a publicly accessible list of cost-effective eligible products that shall be subject to the purchasing requirements of paragraph (2).

(f) Regulations

Not later than 180 days after August 8, 2005, the Secretary shall issue guidelines to carry out this section.


Amendments

Star program or the Federal Energy Management Program for designated products" after "energy consuming product" in introductory provisions.

Subsec. (d), Pub. L. 110–140, §525(a)(2), in second sentence, inserted "list in their catalogues, represent as available, and after "shall" and substituted "in which the head of the agency" for "where the agency"

Subsecs. (a), (c), Pub. L. 110–140, §524, added subsec. (a) and redesignated former subsec. (e) as (f).

**Effective Date of 2007 Amendment**

Amendment by Pub. L. 110–140 effective on the date that is 1 day after Dec. 19, 2007, see section 1601 of Pub. L. 110–140, set out as an Effective Date note under section 1824 of Title 2, The Congress.

**Catalogue Listing Deadline**

Pub. L. 110–140, title V, §525(b), Dec. 19, 2007, 121 Stat. 1663, provided that: "Not later than 9 months after the date of enactment of this Act [Dec. 19, 2007], the General Services Administration and the Defense Logistics Agency shall ensure that the requirement established by the amendment made by subsection (a)(2)(A) [amending this section] has been fully complied with."

---

**§§ 8260, 8261. Omitted**

**Codification**

Sections 8260 and 8261 were omitted in the general amendment of this part by Pub. L. 100–415, §2(a), Nov. 5, 1988, 102 Stat. 3185.

Pub. L. 100–415, Pub. L. 95–619, title V, §550,Nov. 9, 1978, 92 Stat. 3280, directed each Federal agency to periodically furnish Secretary with full and complete information on its activities under this part, and directed Secretary to annually submit to Congress a comprehensive report on all activities under this part and on progress made toward achievement of objectives of this part.

Section 8261, Pub. L. 95–619, title V, §551, Nov. 9, 1978, 92 Stat. 3280, authorized to be appropriated to Secretary not to exceed $2,000,000 for fiscal year ending Sept. 30, 1979, to enable Secretary to perform analytical and administrative functions under this part.

---

**§§ 8262. Definitions**

For purposes of this subtitle—

(1) the term "agency" means 2 has the meaning given such term in section 551(1) of title 5, except that such term does not include the United States Postal Service;

(2) the term "facility energy supervisor" means the employee with responsibility for the daily operations of a Federal facility, including the management, installation, operation, and maintenance of energy systems in Federal facilities which may include more than one building;

(3) the term "trained energy manager" means a person who has demonstrated proficiency, or who has completed a course of study in the areas of fundamentals of building energy systems, building energy codes and applicable professional standards, energy accounting and analysis, life-cycle cost methodology, fuel supply and pricing, and instrumentation for energy surveys and audits;

(4) the term "Task Force" means the Interagency Energy Management Task Force established under section 8257 of this title; and

(5) the term "energy conservation measures" has the meaning given such term in section 8259(4) of this title.

---

1 See References in Text note below.

2 So in original. The word "means" probably should not appear.
§ 8262b. Intergovernmental energy management planning and coordination

(a) Conference workshops

The Administrator of General Services, in consultation with the Secretary and the Task Force, shall hold regular, biennial conference workshops in each of the 10 standard Federal regions on energy management, conservation, efficiency, and planning strategy. The Administrator shall work and consult with the Department of Energy and other Federal agencies to plan for particular regional conferences. The Administrator shall invite Department of Energy, State, local, tribal, and county public officials who have responsibilities for energy management or may have an interest in such conferences and shall seek the input of, and be responsive to, the views of such officials in the planning and organization of such workshops.

(b) Focus of workshops

Such workshops and conferences shall focus on the following (but may include other topics):

(1) Developing strategies among Federal, State, tribal, and local governments to coordinate energy management policies and to maximize available intergovernmental energy management resources within the region regarding the use of governmental facilities and buildings.

(2) The design, construction, maintenance, and retrofitting of governmental facilities to incorporate energy efficient techniques.

(3) Procurement and use of energy efficient products.

(4) Dissemination of energy information on innovative programs, technologies, and methods which have proven successful in government.

(5) Technical assistance to design and incorporate effective energy management strategies.

(c) Establishment of workshop timetable

As a part of the first report to be submitted pursuant to section 8262a of this title, the Administrator shall set forth the schedule for the regional energy management workshops to be conducted under this section. Not less than five such workshops shall be held by September 30, 1993, and at least one such workshop shall be held in each of the 10 Federal regions every two years beginning on September 30, 1993.


Codification

Section was enacted as part of the Energy Policy Act of 1992, and not as part of the National Energy Conservation Policy Act which comprises this chapter.

§ 8262c. Federal agency energy management training

(a) Energy management training

(1) Each executive department described under section 101 of title 5, the Environmental Protection Agency, the National Aeronautics and Space Administration, the General Services Administration, and the United States Postal Service shall establish and maintain a program to ensure that facility energy managers are trained energy managers. Such programs shall be managed—

   (A) by the department or agency representative on the Task Force; or
   (B) if a department or agency is not represented on the Task Force, by the designee of the head of such department or agency.

(2) Departments and agencies described in paragraph (1) shall encourage appropriate employees to participate in energy manager training courses. Employees may enroll in courses of study in the areas described in section 8262(3) of this title including, but not limited to, courses offered by—

   (A) private or public educational institutions;
   (B) Federal agencies; or
   (C) professional associations.

(b) Report to Task Force

(1) Each department and agency described in subsection (a)(1) shall, not later than 60 days following October 24, 1992, report to the Task Force the following information:

   (A) Those individuals employed by such department or agency on October 24, 1992, who qualify as trained energy managers.
   (B) The General Schedule (GS) or grade level at which each of the individuals described in subparagraph (A) is employed.
   (C) The facility or facilities for which such individuals are responsible or otherwise stationed.

(2) The Secretary shall provide a summary of the reports described in paragraph (1) to the Congress as part of the first report submitted under section 8258 of this title after October 24, 1992.

(c) Requirements at Federal facilities

(1) Not later than one year after October 24, 1992, the departments and agencies described under subsection (a)(1) shall upgrade their energy management capabilities by—

   (A) designating facility energy supervisors;
   (B) encouraging facility energy supervisors to become trained energy managers; and
§ 8262d. Energy audit teams

(a) Establishment

The Secretary shall assemble from existing personnel with appropriate expertise, and with particular utilization of the national laboratories, and make available to all Federal agencies, one or more energy audit teams which shall be equipped with instruments and other advanced equipment needed to perform energy audits of Federal facilities.

(b) Monitoring programs

The Secretary shall also assist in establishing, at each site that has utilized an energy audit team, a program for monitoring the implementation of energy efficiency improvements based upon energy audit team recommendations, and for recording the operating history of such improvements.

§ 8262e. Federal energy cost accounting and management

(a) Guidelines

Not later than 120 days after October 24, 1992, the Director of the Office of Management and Budget, in cooperation with the Secretary, the Administrator of General Services, and the Secretary of Defense, shall establish guidelines to be employed by each Federal agency to assess accurate energy consumption for all buildings or facilities which the agency owns, operates, manages or leases, where the Government pays utilities separate from the lease and the Government operates the leased space. Such guidelines are to be used in reports required under section 8258 of this title. Each agency shall implement such guidelines no later than 120 days after their establishment. Each facility energy manager shall maintain energy consumption and energy cost records for review by the Inspector General, the Congress, and the general public.

(b) Contents of guidelines

Such guidelines shall include the establishment of a monitoring system to determine—

(1) which facilities are the most costly to operate when measured on an energy consumption per square foot basis or other relevant analytical basis;

(2) unusual or abnormal changes in energy consumption; and

(3) the accuracy of utility charges for electric and gas consumption.

(c) Federally leased space energy reporting requirement

The Administrator of General Services shall include, in each report submitted under section 8262a of this title, the estimated energy cost of leased buildings or space in which the Federal Government does not directly pay the utility bills.

§ 8262f. Inspector General review and agency accountability

(a) Audit survey

Not later than 120 days after October 24, 1992, each Inspector General created to conduct and supervise audits and investigations relating to the programs and operations of the establishments listed in section 11(2)1 of the Inspector General Act of 1978 (5 U.S.C. App.), and the Chief Postal Inspector of the United States Postal Service, in accordance with section 8E(f)(1) as established by section 8E(a)(2) of the Inspector General Act Amendments of 1988 (Public Law 100–504) shall—

(1) identify agency compliance activities to meet the requirements of section 543 of the National Energy Conservation Policy Act (42 U.S.C. 8253) and any other matters relevant to implementing the goals of such Act; and

1 See References in Text note below.
(2) determine if the agency has the internal accounting mechanisms necessary to assess the accuracy and reliability of energy consumption and energy cost figures required under such section.

(b) President's Council on Integrity and Efficiency report to Congress

Not later than 150 days after October 24, 1992, the President's Council on Integrity and Efficiency shall submit a report to the Committee on Energy and Natural Resources and the Committee on Governmental Affairs of the Senate, the Committee on Energy and Commerce, the Committee on Government Operations, and the Committee on Public Works and Transportation of the House of Representatives, on the review conducted by the Inspector General of each agency under this section.

(c) Inspector General review

Each Inspector General established under section 2 of the Inspector General Act of 1978 (5 U.S.C. App.) is encouraged to conduct periodic reviews of agency compliance with part 3 of title V of the National Energy Conservation Policy Act (42 U.S.C. 8251 et seq.), the provisions of this subtitle, 1 and other laws relating to energy consumption. Such reviews shall not be inconsistent with the performance of the required duties of the Inspector General’s office.


REFERENCES IN TEXT

Sections 2 and 11(2) of the Inspector General Act of 1978, referred to in subsec. (a) and (c), are sections 2 and 11(2) of Pub. L. 95–452, which are set out in the Appendix to Title 5, Government Organization and Employees. Section 11(2) of the Act was renumbered section 12(2) by Pub. L. 110–409, §7(a), Oct. 14, 2008, 122 Stat. 2408, and is set out in the Appendix to Title 5.


§ 8262g. Procurement and identification of energy efficient products

(a) Procurement

The Administrator of General Services, the Secretary of Defense, and the Director of the Defense Logistics Agency, each shall undertake a program to include energy efficient products in carrying out their procurement and supply functions.

(b) Identification program

The Administrator of General Services, the Secretary of Defense, and the Director of the Defense Logistics Agency, in consultation with the Secretary of Energy, each shall implement, in conjunction with carrying out their procurement and supply functions, a program to identify and designate those energy efficient products that offer significant potential savings, using, to the extent practicable, the life cycle cost methods and procedures developed under section 8262c of this title. The Secretary of Energy shall, to the extent necessary to carry out this section and after consultation with the aforementioned agency heads, provide estimates of the degree of relative energy efficiency of products.

(c) Guidelines

The Administrator for Federal Procurement Policy, in consultation with the Administrator of General Services, the Secretary of Energy, the Secretary of Defense, and the Director of the
Defense Logistics Agency, shall issue guidelines to encourage the acquisition and use by all Federal agencies of products identified pursuant to this section. The Secretary of Defense and the Director of the Defense Logistics Agency shall consider, and place emphasis on, the acquisition of such products as part of the Agency’s ongoing review of military specifications.

(d) Report to Congress

Not later than December 31 of 1993 and thereafter as part of the report required under section 8258(b) of this title, the Secretary of Energy, in consultation with the Administrator for Federal Procurement Policy, the Administrator of General Services, the Secretary of Defense, and the Director of the Defense Logistics Agency, shall report on the progress, status, activities, and results of the programs under subsections (a), (b), and (c). The report shall include—

(1) the types and functions of each product identified under subsection (b), and efforts undertaken by the Administrator of General Services, the Secretary of Defense, and the Director of the Defense Logistics Agency to encourage the acquisition and use of such products;

(2) the actions taken by the Administrator of General Services, the Secretary of Defense, and the Director of the Defense Logistics Agency to identify products under subsection (b), the barriers which inhibit implementation of identification of such products, and recommendations for legislative action, if necessary;

(3) progress on the development and issuance of guidelines under subsection (c);

(4) an indication of whether energy cost savings technologies identified by the Advanced Building Technology Council, under section 1701–2(h) of title 12, have been used in the identification of products under subsection (b);

(5) an estimate of the potential cost savings to the Federal Government from acquiring products identified under subsection (b) with respect to which energy is a significant component of life cycle cost, based on the quantities of such products that could be utilized throughout the Government;

(6) the actual quantities acquired of products described in paragraph (5).


§ 8262h. United States Postal Service energy regulations

(a) In general

The Postmaster General shall issue regulations to ensure the reliable and accurate accounting of energy consumption costs for all buildings or facilities which it owns, leases, operates, or manages. Such regulations shall—

(1) establish a monitoring system to determine which facilities are the most costly to operate on an energy cost savings per square foot basis or other relevant analytical basis;

(2) identify unusual or abnormal changes in energy consumption; and

(3) check the accuracy of utility charges for electricity and gas consumption.

(b) Identification of energy efficiency products

The Postmaster General shall actively undertake a program to identify and procure energy efficiency products for use in its facilities. In carrying out this subsection, the Postmaster General shall, to the maximum extent practicable, incorporate energy efficient information available on Federal Supply Schedules maintained by the General Services Administration and the Defense Logistics Agency.


CODIFICATION

Section was enacted as part of the Energy Policy Act of 1992, and not as part of the National Energy Conservation Policy Act which comprises this chapter.

UNITED STATES POSTAL SERVICE BUILDING ENERGY SURVEY AND REPORT

Pub. L. 102–486, title I, § 164, Oct. 24, 1992, 106 Stat. 2860, directed Postmaster General to conduct an energy survey, as defined in 42 U.S.C. 8259(f), for purposes of determining maximum potential cost effective energy savings that may be achieved in a representative sample of buildings owned or leased by United States Postal Service in different areas of the country, making recommendations for cost effective energy efficiency and renewable energy improvements in those buildings and in other similar United States Postal Service buildings, and identifying barriers which may prevent the United States Postal Service from complying with energy management goals, and further directed Postmaster General to transmit to Congress within 180 days after Oct. 24, 1992, a plan for implementing this survey, and to report to Congress on the findings and conclusions of such survey as soon as practicable after its completion.

§ 8262i. United States Postal Service energy management report

Not later than one year after October 24, 1992, and not later than January 1 of each year thereafter, the Postmaster General shall submit a re-
port to the Committee on Governmental Affairs and the Committee on Energy and Natural Resources of the Senate and the Committee on Energy and Commerce and the Committee on Post Office and Civil Service of the House of Representatives on the United States Postal Service’s building management program as it relates to energy efficiency. The report shall include, but not be limited to—

(1) a description of actions taken to reduce energy consumption;
(2) future plans to reduce energy consumption;
(3) an assessment of the success of the energy conservation program;
(4) a statement of energy costs incurred in operating and maintaining all United States Postal Service facilities; and
(5) the status of the energy efficient procurement program established under section 8262h of this title.


§8262j. Energy management requirements for United States Postal Service

(a) Energy management requirements for postal facilities

(1) The Postmaster General shall, to the maximum extent practicable, ensure that each United States Postal Service facility meets the energy management requirements for Federal buildings and agencies specified in section 8253 of this title.

(2) The Postmaster General may exclude from the requirements of such section any facility or collection of facilities, and the associated energy consumption and gross square footage if the Postmaster General finds that compliance with the requirements of such section would be impracticable. A finding of impracticability shall be based on the energy intensiveness of activities carried out in such facility or collection of facilities, the type and amount of energy consumed, or the technical feasibility of making the desired changes. The Postmaster General shall identify and list in the report required under section 8262i of this title the facilities designated by it for such exclusion.

(b) Implementation steps

In carrying1 subsection (a), the Postmaster General shall—

(1) not later than 1 year after October 24, 1992, prepare or update, as appropriate, a plan (which may be submitted as part of the first report submitted under section 8262i of this title)—

(A) describing how this section will be implemented;

(B) designating personnel primarily responsible for achieving the requirements of this section; and

(C) identifying high priority projects;

(2) perform energy surveys of United States Postal Service facilities as necessary to achieve the requirements of this section;

(3) install those energy conservation measures that will attain the requirements of this section in a cost-effective manner as defined in section 8254 of this title; and

(4) ensure that the operation and maintenance procedures applied under this section are continued.


§8262k. Government contract incentives

(a) Establishment of criteria

Each agency, in consultation with the Federal Acquisition Regulatory Council, shall establish criteria for the improvement of energy efficiency in Federal facilities operated by Federal Government contractors or subcontractors.

(b) Purpose of criteria

The criteria established under subsection (a) shall be used to encourage Federal contractors,
§ 8271. "Federal facility" and "Secretary" defined

For purposes of this part—

(1) The term "Federal facility" means any building, structure, or fixture or part thereof which is owned by the United States or any Federal agency or which is held by the United States or any Federal agency under a lease-acquisition agreement under which the United States or a Federal agency will receive fee simple title under the terms of such agreement without further negotiation. Such term also applies to facilities related to programs administered by Federal agencies.

(2) The term "Secretary" means the Secretary of Energy.

§ 8272. Photovoltaic energy program

There is hereby established a photovoltaic energy commercialization program for the accelerated procurement and installation of photovoltaic solar electric systems for electric production in Federal facilities.

§ 8273. Purpose of program

The purpose of the program established by section 8272 of this title is to—

(1) accelerate the growth of a commercially viable and competitive industry to make photovoltaic solar electric systems available to the general public as an option in order to reduce national consumption of fossil fuel;

(2) reduce fossil fuel costs to the Federal Government;

(3) stimulate the general use within the Federal Government of methods for the minimization of life cycle costs; and

(4) develop performance data on the program established by section 8272 of this title.

§ 8274. Acquisition of systems

The program established by section 8272 of this title shall provide for the acquisition of photovoltaic solar electric systems and associated storage capability by the Secretary for their use by Federal agencies, and for the acquisition of such systems and associated capability by Federal agencies for their own use in cases where the authority to make such acquisition has been delegated to the agency involved by the Secretary. The acquisition of photovoltaic solar electric systems shall be at an annual level substantial enough to allow use of low-cost production techniques by suppliers of such systems. The Secretary (or other Federal agency acting under delegation from the Secretary) is authorized to make such acquisitions through the use of multiyear contracts. Authority under this part to enter into acquisition contracts shall be only to the extent as may be provided in advance in appropriation Acts.

§ 8275. Administration

The Secretary shall administer the program established under section 8272 of this title and shall—

(1) consult with the Secretary of Defense to insure that the installation and purchase of photovoltaic solar electric systems pursuant to this part shall not interfere with defense-related activities;

(2) prescribe such requirements as may be appropriate to monitor and assess the performance and operation of photovoltaic electric systems installed pursuant to this part; and

(3) report annually to the Congress on the status of the program.

Notwithstanding any other provision of law, the Secretary shall not be subject to the requirements of section 553 of title 5, in the performance of his functions under this part.

§ 8276. System evaluation and purchase program

(a) Program

The Secretary shall establish, within 60 days after November 9, 1978, a photovoltaic systems
evaluation and purchase program to provide such systems as are required by the Federal agencies to carry out this part. In acquiring photovoltaic solar electric systems under this part, the Secretary (or other Federal agency acting under delegation from the Secretary) shall insure that such systems reflect to the maximum extent practicable the most advanced and reliable technologies and shall schedule purchases in a manner which will stimulate the early development of a permanent low-cost private photovoltaic production capability in the United States, and to stimulate the private sector market for photovoltaic power systems. The Secretary and other Federal agencies acting under delegation from the Secretary shall, subject to the availability of appropriated funds, procure not more than 30 megawatts of photovoltaic solar electric systems during fiscal years ending September 30, 1979, September 30, 1980, and September 30, 1981.

(b) Other procurement

Nothing in this part shall preclude any Federal agency from directly procuring a photovoltaic solar electric system (in lieu of obtaining one under the program under subsection (a)), except that any such Federal agency shall consult with the Secretary before procuring such a system.


AMENDMENTS


§ 8277. Advisory committee

(a) Establishment

There is hereby established an advisory committee to assist the Secretary in the establishment and conduct of the programs established under this part.

(b) Membership

Such committee shall be composed of the Secretary of Defense, the Secretary of Housing and Urban Development, the Administrator of the National Aeronautics and Space Administration, the Administrator of the General Services Administration, the Secretary of Transportation, the Administrator of the Small Business Administration, the chairman of the Federal Trade Commission, the Postmaster General, and such other persons as the Secretary deems necessary. The Secretary shall appoint such other nongovernmental persons to the extent necessary to assure that the membership of the committee will be fairly balanced in terms of the point of view represented and the functions to be performed by the committee.

(c) Termination

The advisory committee shall terminate October 1, 1981.


§ 8278. Authorization of appropriations

For the purposes of this part, there is authorized to be appropriated to the Secretary not to exceed $98,000,000 for the period beginning October 1, 1978, and ending September 30, 1981.


PART D—PEAK DEMAND REDUCTION

§ 8279. National Action Plan for Demand Response

(a) National Assessment and report

The Federal Energy Regulatory Commission ("Commission") shall conduct a National Assessment of Demand Response. The Commission shall, within 18 months of December 19, 2007, submit a report to Congress that includes each of the following:

(1) Estimation of nationwide demand response potential in 5 and 10 year horizons, including data on a State-by-State basis, and a methodology for updates of such estimates on an annual basis.

(2) Estimation of how much of this potential can be achieved within 5 and 10 years after December 19, 2007, accompanied by specific policy recommendations that if implemented can achieve the estimated potential. Such recommendations shall include options for funding and/or incentives for the development of demand response resources.

(3) The Commission shall further note any barriers to demand response programs offering flexible, non-discriminatory, and fairly compensatory terms for the services and benefits made available, and shall provide recommendations for overcoming such barriers.

(4) The Commission shall seek to take advantage of preexisting research and ongoing work, and shall insure that there is no duplication of effort.

(b) National Action Plan on Demand Response

The Commission shall further develop a National Action Plan on Demand Response, soliciting and accepting input and participation from a broad range of industry stakeholders, State regulatory utility commissioners, and non-governmental groups. The Commission shall seek consensus where possible, and decide on optimum solutions to issues that defy consensus. Such Plan shall be completed within 1 year after the completion of the National Assessment of Demand Response, and shall meet each of the following objectives:

(1) Identification of requirements for technical assistance to States to allow them to maximize the amount of demand response resources that can be developed and deployed.

(2) Design and identification of requirements for implementation of a national communications program that includes broad-based customer education and support.

(3) Development or identification of analytical tools, information, model regulatory provisions, model contracts, and other support materials for use by customers, States, utilities and demand response providers.

(c) Implementation of Plan

Upon completion, the National Action Plan on Demand Response shall be published, together with any favorable and dissenting comments
submitted by participants in its preparation. Six months after publication, the Commission, together with the Secretary of Energy, shall submit to Congress a proposal to implement the Action Plan, including specific proposed assignments of responsibility, proposed budget amounts, and any agreements secured for participation from State and other participants.

(d) Authorization

There are authorized to be appropriated to the Commission to carry out this section not more than $10,000,000 for each of the fiscal years 2008, 2009, and 2010.


**Effective Date**

Section effective on the date that is 1 day after Dec. 19, 2007, see section 1601 of Pub. L. 110–140, set out as a note under section 1624 of Title 2, The Congress.

**SUBCHAPTER IV—ENERGY CONSERVATION FOR COMMERCIAL BUILDINGS AND MULTIFAMILY DWELLINGS**

**PART A—General Provisions**


Section 8281, Pub. L. 95–619, title VII, § 710, as added Pub. L. 96–294, title V, § 565, June 30, 1980, 94 Stat. 752, provided that definitions in section 8211 of this title apply to this subchapter and defined additional terms.

Section 8281a, Pub. L. 95–619, title VII, § 711, as added Pub. L. 96–294, title V, § 565, June 30, 1980, 94 Stat. 754, provided that this subchapter apply to any public utility for which coverage is provided under section 8212 of this title.


**DEMONSTRATION PROJECTS FOR ENERGY EFFICIENCY IN COMMERCIAL BUILDINGS**

Pub. L. 99–412, title II, § 202, Aug. 28, 1986, 100 Stat. 943, provided that: “The Secretary of Energy shall, using funds appropriated for energy conservation activities of the Department of Energy, carry out demonstration projects by sharing the cost of the construction and development by nongovernmental entities of facilities which demonstrate innovative technologies for utility applications that increase energy efficiency in commercial buildings.”

**PART B—ENERGY CONSERVATION PLANS**


**Authority To Continue Certain State Energy Conservation Plans**


**PART C—UTILITY PROGRAMS**


**PART D—FEDERAL IMPLEMENTATION**


**SUBCHAPTER V—ENERGY AUDITOR TRAINING AND CERTIFICATION**

**Codification**

This subchapter was enacted as part of the Energy Security Act, and not as part of the National Energy Conservation Policy Act which comprises this chapter.

**§ 8285. Purpose**

It is the purpose of this subchapter to encourage the training and certification of individuals to conduct energy audits for residential and commercial buildings in order to serve the various private and public needs of the Nation for energy audits.


**Codification**

Section was enacted as part of the Energy Security Act, and not as part of the National Energy Conservation Policy Act which comprises this chapter.

**§ 8285a. Definitions**

For the purposes of this subchapter—

(1) the term “Governor” means the chief executive officer of each State, including the Mayor of the District of Columbia;

(2) the term “State” means any of the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, and the Northern Mariana Islands;

(3) the term “energy audit” means an inspection as described in section 8216(b)(1)(A)¹ of this title, or an energy audit as defined in section 8281(b)(7)¹ of this title, which in addi-

¹ See References in Text note below.
tion may provide information on the utilization of renewable resources and may make energy-related improvements in the building; and
(4) the term “Secretary” means the Secretary of Energy.

REFERENCES IN TEXT
Section 8216 of this title, referred to in par. (3), was omitted from the Code pursuant to section 8229 of this title, which terminated authority under that section June 30, 1989.
Section 8231 of this title, referred to in par. (3), was repealed by Pub. L. 96–412, title II, §201(a), Aug. 28, 1986, 100 Stat. 943.

CODIFICATION
Section was enacted as part of the Energy Security Act, and not as part of the National Energy Conservation Policy Act which comprises this chapter.

§ 8285b. Grants
(a) The Secretary may make grants to any Governor of a State for the training and certification of individuals to conduct energy audits.
(b) Before making a grant under subsection (a) to a Governor, the Secretary must receive from the Governor an application containing—
(A) any information which the Secretary deems is necessary to carry out this subchapter; and
(B) an assurance that the grant will supplement and not supplant other funds available for such training and certification and will be used to increase the total amount of funds available for such training and certification.
(c)(1) Before making any grant under subsection (a) the Secretary shall establish minimum standards for the training and certification of individuals to conduct energy audits.
(2) The Secretary shall require each Governor receiving any grant under this subchapter to agree to meet the standards established pursuant to paragraph (1) in any training and certification conducted using funds provided under this subchapter.

CODIFICATION
Section was enacted as part of the Energy Security Act, and not as part of the National Energy Conservation Policy Act which comprises this chapter.

§ 8285c. Authorization of appropriations
(a) To carry out this subchapter there is authorized to be appropriated the sum of $10,000,000 for the fiscal year ending on September 30, 1981, and the sum of $15,000,000 for the fiscal year ending on September 30, 1982.
(b) Any funds appropriated under the authorization contained in this section shall remain available until expended.

CODIFICATION
Section was enacted as part of the Energy Security Act, and not as part of the National Energy Conservation Policy Act which comprises this chapter.

§ 8286. Consensus on factors and data for energy conservation standards
The Secretary of Energy shall assure that within 6 months after June 30, 1980, the Secretary of Energy, the Secretary of Housing and Urban Development, the Secretary of Agriculture, the Secretary of Health and Human Services, the Secretary of Defense, the Administrator of the General Services Administration, and the head of any other agency responsible for developing energy conservation standards for new or existing residential, commercial, or agricultural buildings shall reach a consensus regarding factors and data used to develop such standards. This consensus shall apply to, but not be limited to—
(1) fuel price projections;
(2) discount rates;
(3) inflation rates;
(4) climatic conditions and zones; and
(5) the cost and energy saving characteristics of construction materials.

CODIFICATION
Section was enacted as part of the Energy Security Act, and not as part of the National Energy Conservation Policy Act which comprises this chapter.

§ 8286a. Use of factors and data
Factors and data consented to pursuant to section 8286 of this title may be revised and agreed to by a consensus of the heads of the various Federal agencies involved. Such factors and data shall be used by all Federal agencies in establishing and revising various energy conservation standards used by such agencies, except that other factors and data may be used with respect to the standards applicable to any program if—
(1) the other factors and data are approved by the Secretary of Energy solely on the basis that such other factors and data are critical to meet the unique needs of the program concerned;
(2) using the consented to factors and data would cause a violation of an express provision of law; or
(3) statutory requirements or responsibilities require a modification of the consented to factors and data.

CODIFICATION
Section was enacted as part of the Energy Security Act, and not as part of the National Energy Conservation Policy Act which comprises this chapter.

§ 8286b. Omitted
CODIFICATION
Section, Pub. L. 96–294, title V, §597, June 30, 1980, 94 Stat. 762, which required the President (who delegated
§ 8287. Authority to enter into contracts

(a) In general

(1) The head of a Federal agency may enter into contracts under this subchapter solely for the purpose of achieving energy savings and benefits ancillary to that purpose. Each such contract may, notwithstanding any other provision of law, be for a period not to exceed 25 years. Such contract shall provide that the contractor shall incur costs of implementing energy savings measures, including at least the costs (if any incurred in making energy audits, acquiring and installing equipment, and training personnel, in exchange for a share of any energy savings directly resulting from implementation of such measures during the term of the contract.

(2)(A) Contracts under this subchapter shall be energy savings performance contracts and shall require an annual energy audit and specify the terms and conditions of any Government payments and performance guarantees. Any such performance guarantee shall provide that the contractor is responsible for maintenance and repair services for any energy related equipment, including computer software systems.

(B) Aggregate annual payments by an agency to both utilities and energy savings performance contractors, under an energy savings performance contract, may not exceed the amount that the agency would have paid for utilities without an energy savings performance contract (as estimated through the procedures developed pursuant to this section) during contract years. The contract shall provide for a guarantee of savings to the agency, and shall establish payment schedules reflecting such guarantee, taking into account any capital costs under the contract.

(C) Federal agencies may incur obligations pursuant to such contracts to finance energy conservation measures provided guaranteed savings exceed the debt service requirements.

(D) A Federal agency may enter into a multi-year contract under this subchapter for a period not to exceed 25 years beginning on the date of the delivery order, without funding of cancellation charges before cancellation, if—

(i) such contract was awarded in a competitive manner pursuant to subsection (b)(2), using procedures and methods established under this subchapter;

(ii) funds are available and adequate for payment of the costs of such contract for the first fiscal year; and

(iii) such contract is governed by part 17.1 of the Federal Acquisition Regulation promulgated under section 1303 of title 41 or the applicable rules promulgated under this subchapter.

(E) FUNDING OPTIONS.—In carrying out a contract under this subchapter, a Federal agency may use any combination of—

(i) appropriated funds; and

(ii) private financing under an energy savings performance contract.

(F) PROMOTION OF CONTRACTS.—In carrying out this section, a Federal agency shall not—

(i) establish a Federal agency policy that limits the maximum contract term under subparagraph (D) to a period shorter than 25 years; or

(ii) limit the total amount of obligations under energy savings performance contracts or other private financing of energy savings measures.

(G) MEASUREMENT AND VERIFICATION REQUIREMENTS FOR PRIVATE FINANCING.—

(i) IN GENERAL.—In the case of energy savings performance contracts, the evaluations and savings measurement and verification required under paragraphs (2) and (4) of section 8253(f) of this title shall be used by a Federal agency to meet the requirements for the need for energy audits, calculation of energy savings, and any other evaluation of costs and savings needed to implement the guarantee of savings under this section.

(ii) MODIFICATION OF EXISTING CONTRACTS.—Not later than 18 months after December 19, 2007, each Federal agency shall, to the maximum extent practicable, modify any indefinite delivery and indefinite quantity contracts entered into before such date, and any other evaluation of costs and savings needed to implement the guarantee of savings under this section.

(b) Implementation

(1)(A) The Secretary, with the concurrence of the Federal Acquisition Regulatory Council established under section 1302(a) of title 41, not later than 180 days after October 24, 1992, shall, by rule, establish appropriate procedures and methods for use by Federal agencies to select, monitor, and terminate contracts with energy service contractors in accordance with laws governing Federal procurement that will achieve the intent of this section in a cost-effective manner. In developing such procedures and methods, the Secretary, with the concurrence of the Federal Acquisition Regulatory Council, shall determine which existing regulations are inconsistent with the intent of this section and shall formulate substitute regulations consistent with laws governing Federal procurement.

(B) The procedures and methods established pursuant to subparagraph (A) shall be the procedures and contracting methods for selection, by an agency, of a contractor to provide energy savings performance services. Such procedures and methods shall provide for the calculation of energy savings based on sound engineering and financial practices.

(2) The procedures and methods established pursuant to paragraph (1)(A) shall—

(A) allow the Secretary to—

(i) request statements of qualifications, which shall, at a minimum, include prior ex-
(A) notifying all contractors that have received an award under such contract that the agency proposes to discuss energy savings performance services for some or all of its facilities and, following a reasonable period of time to provide a proposal in response to the notice, soliciting from such contractors the submission of expressions of interest in, and contractor qualifications for, performing site surveys or investigations and feasibility designs and studies, and including in the notice summary information concerning energy use for any facilities that the agency has specific interest in including in such task or delivery order;
(B) reviewing all expressions of interest and qualifications submitted pursuant to the notice under subparagraph (A);
(C) selecting two or more contractors (from among those reviewed under subparagraph (B)) to conduct discussions concerning the contractors’ respective qualifications to implement potential energy conservation measures, including—
(i) requesting references and specific detailed examples with respect to similar efforts and the resulting energy savings of such similar efforts; and
(ii) requesting an explanation of how such similar efforts relate to the scope and content of the task or delivery order concerned;
(D) selecting and authorizing—
(i) more than one contractor (from among those selected under subparagraph (C)) to conduct site surveys, investigations, feasibility designs and studies, or similar assessments for the energy savings performance contract services (or for discrete portions of such services), for the purpose of allowing each such contractor to submit a firm, fixed-price proposal to implement specific energy conservation measures; or
(ii) one contractor (from among those selected under subparagraph (C)) to conduct a site survey, investigation, feasibility design and study, or similar assessment for the purpose of allowing the contractor to submit a firm, fixed-price proposal to implement specific energy conservation measures;
(E) providing a debriefing to any contractor not selected under subparagraph (D);
(F) negotiating a task or delivery order for energy savings performance contracting services with the contractor or contractors selected under subparagraph (D) based on the energy conservation measures identified; and
(G) issuing a task or delivery order for energy savings performance contracting services to such contractor or contractors.

(2) The issuance of a task or delivery order for energy savings performance contracting services pursuant to paragraph (1) is deemed to satisfy the task and delivery order competition requirements in section 2304c(d) of title 10 and section 4106(d) of title 41.

(3) The Secretary may issue guidance as necessary to agencies issuing task or delivery orders pursuant to paragraph (1).

(4) Agencies or the heads of agencies may enter into energy savings performance contracts under this paragraph in any manner, subject to the requirements of paragraphs (1) and (2).

(c) Task or delivery orders

(1) The head of a Federal agency may issue a task or delivery order under an energy savings performance contract by—
(A) notifying all contractors that have received an award under such contract that the agency proposes to discuss energy savings performance services for some or all of its facilities and, following a reasonable period of time to provide a proposal in response to the notice, soliciting from such contractors the submission of expressions of interest in, and contractor qualifications for, performing site surveys or investigations and feasibility designs and studies, and including in the notice summary information concerning energy use for any facilities that the agency has specific interest in including in such task or delivery order;
(B) reviewing all expressions of interest and qualifications submitted pursuant to the notice under subparagraph (A);
(C) selecting two or more contractors (from among those reviewed under subparagraph (B)) to conduct discussions concerning the contractors’ respective qualifications to implement potential energy conservation measures, including—
(i) requesting references and specific detailed examples with respect to similar efforts and the resulting energy savings of such similar efforts; and
(ii) requesting an explanation of how such similar efforts relate to the scope and content of the task or delivery order concerned;
(D) selecting and authorizing—
(i) more than one contractor (from among those selected under subparagraph (C)) to conduct site surveys, investigations, feasibility designs and studies, or similar assessments for the energy savings performance contract services (or for discrete portions of such services), for the purpose of allowing each such contractor to submit a firm, fixed-price proposal to implement specific energy conservation measures; or
(ii) one contractor (from among those selected under subparagraph (C)) to conduct a site survey, investigation, feasibility design and study, or similar assessment for the purpose of allowing the contractor to submit a firm, fixed-price proposal to implement specific energy conservation measures;
(E) providing a debriefing to any contractor not selected under subparagraph (D);
(F) negotiating a task or delivery order for energy savings performance contracting services with the contractor or contractors selected under subparagraph (D) based on the energy conservation measures identified; and
(G) issuing a task or delivery order for energy savings performance contracting services to such contractor or contractors.

(2) The issuance of a task or delivery order for energy savings performance contracting services pursuant to paragraph (1) is deemed to satisfy the task and delivery order competition requirements in section 2304c(d) of title 10 and section 4106(d) of title 41.

(3) The Secretary may issue guidance as necessary to agencies issuing task or delivery orders pursuant to paragraph (1).
The Energy Independence and Security Act of 2007, as added by section 17001 of this title and Tables.

Subject to the Code, see Short Title note set out under section 152 of this title and amended this section and sections 8256, 8258, and 8287c of this title and section 2913 of Title 40, provided that: "The Architect of the Capitol shall be considered the agency for purposes of the election in section 801(b)(2)(B) of the National Energy Conservation Policy Act (42 U.S.C. 8287(b)(2)(B)) and the head of the agency for purposes of subsection (b)(2)(C) of such section."

Review

Subsec. (a)(2)(D)(iii), (iv). Pub. L. 110–140, §511(a), redesignated (iv) as (iii) and struck out former cl. (iii) which read as follows: "30 days before the award of any such contract that contains a clause setting forth a cancellation ceiling in excess of $10,000,000, the head of such agency gives written notification of such proposed contract and of the proposed cancellation ceiling for such contract to the appropriate authorizing and appropriating committees of the Congress; and".


Subsec. (a)(2)(F). (G). Pub. L. 110–140, §513(2), added subpars. (F) and (G).


Text read as follows: "The authority to enter into new contracts under this section shall cease to be effective on October 1, 2016."


1998—Subsec. (c). Pub. L. 105–388 substituted "October 1, 2003" for "five years after the date procedures and methods are established under subsection (b)".

1996—Subsec. (b)(3). Pub. L. 104–160 struck out at end "Procedures developed by the board of contract appeals under this paragraph shall be substantially equivalent to procedures established under section 759(f) of title 40."

Subsec. (c). Pub. L. 104–316 struck out par. (1) designation before "The authority to" and struck out par. (2) which required Comptroller General of the United States to report annually for five years on implementation of this section, including an assessment of various energy issues.

1992—Pub. L. 102–486 inserted subsec. (a) designation and heading, designated existing provisions as par. (1), and added par. (2) and subsecs. (b) and (c).

Effective Date of 2011 Amendment


“(1) One-half of the amount of such savings may be used for the acquisition of energy conserving measures for military installations, and such measures may be in addition to any such energy conserving measures acquired for military installations under contracts entered into under title VIII of the National Energy Conservation Policy Act.

“(2) One-half of the amount of such savings may be used for any morale, welfare, or recreation facility or service that is normally provided with appropriated funds, or for any minor military construction project (as defined in section 2805(a) of title 10, United States Code), that will enhance the quality of life of members of the Armed Forces at the military installation at which the energy cost savings were realized.

“(c) Determination of Amount of Savings.—Not more than 90 days after the end of each of the first five years during which energy savings measures have been in operation under a contract entered into by the Secretary of a military department under title VIII of the National Energy Conservation Policy Act, the Secretary of the military department concerned shall determine the amount of energy cost savings realized by the United States under the terms of the contract during that year by reason of the energy savings measures acquired and installed at that installation pursuant to that contract.’’

§ 8287a. Payment of costs

Any amount paid by a Federal agency pursuant to any contract entered into under this subchapter may be paid only from funds appropriated or otherwise made available to the agency for fiscal year 1986 or any fiscal year thereafter for the payment of energy, water, or wastewater treatment expenses (and related operation and maintenance expenses).


AMENDMENTS

2004—Pub. L. 108–375 inserted ‘‘water, or wastewater treatment’’ after ‘‘payment of energy’’.

§ 8287b. Reports

Each Federal agency shall periodically furnish the Secretary of Energy with full and complete information on its activities under this subchapter, and the Secretary shall include in the report submitted to Congress under section 8260 of this title a description of the progress made by each Federal agency in—

(1) including the authority provided by this subchapter in its contracting practices; and

(2) achieving energy savings under contracts entered into under this subchapter.


REFERENCES IN TEXT

Section 8260 of this title, referred to in text, was omitted in the general revision of part B (§ 8251 et seq.) of subchapter III of this chapter by Pub. L. 100–615, § 2(a), Nov. 5, 1986, 102 Stat. 3185.

§ 8287c. Definitions

For purposes of this subchapter, the following definitions apply:

1 See References in Text note below.

(1) The term ‘‘Federal agency’’ means each authority of the Government of the United States, whether or not it is within or subject to review by another agency.

(2) The term ‘‘energy savings’’ means—

(A) a reduction in the cost of energy, water, or wastewater treatment, from a base cost established through a methodology set forth in the contract, used in an existing federally owned building or buildings or other federally owned facilities as a result of—

(i) the lease or purchase of operating equipment, improvements, altered operation, maintenance, and repair, or technical services;

(ii) the increased efficient use of existing energy sources by cogeneration or heat recovery, excluding any cogeneration process for other than a federally owned building or buildings or other federally owned facilities; or

(iii) the increased efficient use of existing water sources in either interior or exterior applications;

(B) the increased efficient use of an existing energy source by cogeneration or heat recovery;

(C) if otherwise authorized by Federal or State law (including regulations), the sale or transfer of electrical or thermal energy generated on-site from renewable energy sources or cogeneration, but in excess of Federal needs, to utilities or non-Federal energy users; and

(D) the increased efficient use of existing water sources in interior or exterior applications.

(3) The terms ‘‘energy savings contract’’ and ‘‘energy savings performance contract’’ mean a contract that provides for the performance of services for the design, acquisition, installation, testing, and, where appropriate, operation, maintenance, and repair, of an identified energy or water conservation measure or series of measures at 1 or more locations. Such contracts shall, with respect to an agency facility that is a public building (as such term is defined in section 3301 of title 40), be in compliance with the prospectus requirements and procedures of section 3307 of title 40.

(4) The term ‘‘energy or water conservation measure’’ means—

(A) an energy conservation measure, as defined in section 8259 of this title; or

(B) a water conservation measure that improves the efficiency of water use, is lifecycle cost-effective, and involves water conservation, water recycling or reuse, more efficient treatment of wastewater or stormwater, improvements in operation or maintenance efficiencies, retrofit activities, or other related activities, not at a Federal hydroelectric facility.

AMENDMENTS

2007—Par. (2). Pub. L. 110–140 substituted “means—” for “means” in introductory provisions, inserted subpar. (A) designation before “a reduction”, redesignated former subpars. (A) to (C) as cls. (1) to (iii) of subpar. (A), respectively, and added subpars. (B) to (D).

2004—Par. (2). Pub. L. 108–375, § 1090(c), amended par. (2) generally. Prior to amendment, par. (2) read as follows: “The term ‘energy savings contract’ means a reduction in the cost of energy, from a base cost established through a methodology set forth in the contract, utilized in an existing federally owned building or buildings or other federally owned facilities as a result of—

“(A) the lease or purchase of operating equipment, improvements, altered operation and maintenance, or technical services; or

“(B) the increased efficient use of existing energy sources by cogeneration or heat recovery, excluding any cogeneration process for other than a federally owned building or buildings or other federally owned facilities.”

Par. (3). Pub. L. 108–375, § 1090(d), amended par. (3) generally. Prior to amendment, par. (3) read as follows: ‘‘The terms ‘energy savings contract’ and ‘energy savings performance contract’ mean a contract which provides for the performance of services for the design, acquisition, installation, testing, operation, and, where appropriate, maintenance and repair, of an identified energy conservation measure or series of measures at one or more locations. Such contracts—

“(A) may provide for appropriate software licensing agreements; and

“(B) shall, with respect to an agency facility that is a public building as such term is defined in section 13(1) of the Public Buildings Act of 1959 (40 U.S.C. 612(1)), be in compliance with the prospectus requirements and procedures of section 7 of the Public Buildings Act of 1959 (40 U.S.C. 606).’’

Par. (4). Pub. L. 108–375, § 1090(e), amended par. (4) generally. Prior to amendment, par. (4) read as follows: ‘‘The term ‘energy conservation measures’ has the meaning given such term in section 8259(4) of this title.’’

1998—Par. (1). Pub. L. 105–388 amended par. (1) generally. Prior to amendment, par. (1) read as follows: ‘‘The term ‘Federal agency’ means an agency defined in section 8259(4) of this title.’’


Effective Date of 2007 Amendment

Amendment by Pub. L. 110–140 effective on the date that is 1 day after Dec. 19, 2007, see section 1823 of Title 2, The Congress.

§ 8287d. Assistance to Federal agencies in achieving energy efficiency in Federal facilities and operations

The Secretary in fiscal year 1999 and thereafter, shall continue the process begun in fiscal year 1998 of accepting funds from other Federal agencies in return for assisting agencies in achieving energy efficiency in Federal facilities and operations by the use of privately financed, energy savings performance contracts and other private financing mechanisms. The funds may be provided after agencies begin to realize energy cost savings; may be retained by the Secretary until expended; and may be used only for the purpose of assisting Federal agencies in achieving greater efficiency, water conservation and use of renewable energy by means of privately financed mechanisms, including energy savings performance contracts and utility incentive programs. These recovered funds will continue to be used to administer even greater energy efficiency, water conservation and use of renewable energy by means of privately financed mechanisms such as utility efficiency service contracts and energy savings performance contracts. The recoverable funds will be used for all necessary program expenses, including contractor support and resources needed, to achieve overall Federal energy management program objectives for greater energy savings. Any such privately financed contracts shall meet the provisions of the Energy Policy Act of 1992, Public Law 102–486 regarding energy savings performance contracts and utility incentive programs.


REFERENCES IN TEXT


C O N D I C I F I C A T I O N

Section was enacted as part of Department of the Interior and Related Agencies Appropriations Act, 1999, and also as part of the Omnibus Consolidated and Emergency Supplemental Appropriations Act, 1999, and not as part of the National Energy Conservation Policy Act which comprises this chapter.

S I M I L A R P R O V I S I O N S

Similar provisions were contained in the following prior appropriation act:


S U B C H A P T E R I — G E N E R A L P R O V I S I O N S

Sec. 8301. Findings; statement of purposes.
8302. Definitions.
8303. Territorial application.

S U B C H A P T E R I I — N E W F A C I L I T I E S

P A R T A — P R O H I B I T I O N S
8311. Coal capability of new electric powerplants; certification of compliance.
8312. Repealed.

P A R T B — E X E M P T I O N S
8321. Temporary exemptions.
8322. Permanent exemptions.
8323. General requirements for exemptions.
8324. Terms and conditions; compliance plans.


P A R T A — P R O H I B I T I O N S
8331. Existing electric powerplants.
8332. Repealed.
8333. Rules relating to case-by-case and category prohibitions.

P A R T B — E X E M P T I O N S
8334. Temporary exemptions.
The Congress finds that—

1. the protection of public health and welfare, the preservation of national security, and the regulation of interstate commerce require the establishment of a program for the expended use, consistent with applicable environmental requirements, of coal and other alternate fuels as primary energy sources for existing and new electric powerplants; and

2. the purposes of this chapter are furthered in cases in which coal or other alternate fuels are used by electric powerplants, consistent with applicable environmental requirements, as primary energy sources in lieu of natural gas or petroleum.

(b) Statement of purposes

The purpose of this chapter, which shall be carried out in a manner consistent with applicable environmental requirements, are—

1. to reduce the importation of petroleum and increase the Nation's capability to use indigenous energy resources of the United States to the extent such reduction and use further the goal of national energy self-sufficiency and otherwise are in the best interests of the United States;

2. to encourage and foster the greater use of coal and other alternate fuels, in lieu of natural gas and petroleum, as a primary energy source;

3. to the extent permitted by this chapter, to encourage the use of synthetic gas derived from coal or other alternate fuels;

4. to encourage the rehabilitation and upgrading of railroad service and equipment necessary to transport coal to regions or States which can use coal in greater quantities;

5. to encourage the modernization or replacement of existing and new electric powerplants which utilize natural gas or petroleum as a primary energy source and which cannot utilize coal or other alternate fuels where to do so further the conservation of natural gas and petroleum;

6. to require that existing and new electric powerplants which utilize natural gas, petroleum, or coal or other alternate fuels pursuant to this chapter comply with applicable environmental requirements;

7. to insure that all Federal agencies utilize their authorities fully in furtherance of the purposes of this chapter by carrying out programs designed to prohibit or discourage the use of natural gas and petroleum as a primary energy source and by taking such actions as lie within their authorities to maximize the efficient use of energy and conserve natural gas and petroleum in programs funded or carried out by such agencies;

8. to insure that adequate supplies of natural gas are available for essential agricultural uses (including crop drying, seed drying, irrigation, fertilizer production, and production of essential fertilizer ingredients for such uses);

9. to reduce the vulnerability of the United States to energy supply interruptions; and

10. to regulate interstate commerce.

REFERENCES IN TEXT
This chapter, referred to in text, was in the original "this Act", meaning Pub. L. 95–620, Nov. 9, 1978, 92 Stat. 3289, known as the Powerplant and Industrial Fuel Use Act of 1978, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out below and Tables.

AMENDMENTS
1987—Subsec. (a)(1), (2). Pub. L. 100–42, §1(c)(1)(A), struck out "and major fuel-burning installations" after "electric powerplants".
Subsec. (b)(2). Pub. L. 100–42, §1(c)(1)(B), redesignated par. (1) as (2) and struck out former par. (2) relating to the conservation of natural gas and petroleum for uses for which there are no alternatives.
Subsec. (b)(3)(A), (C), (4), (5), Pub. L. 100–42, §1(c)(1)(B), redesignated par. (4) and (5) as (3) and (4), respectively. Former par. (3) redesignated (2).
Subsec. (b)(5). Pub. L. 100–42, §1(c)(1), redesignated par. (7) as (5) and struck out "and major fuel-burning installations" after "electric powerplants". Former par. (5) redesignated (4).
Subsec. (b)(6), Pub. L. 100–42, §1(c)(1), redesignated par. (8) as (6) and struck out "and major fuel-burning installations" after "electric powerplants", and struck out former par. (6) which related to prohibition or minimization of use of natural gas and petroleum as a primary energy source.
Subsec. (b)(10). Pub. L. 100–42, §1(c)(1)(B), redesignated former pars. (9) to (12) as (7) to (10), respectively. Former pars. (7) and (8) redesignated (5) and (6), respectively.

EFFECTIVE DATE
Pub. L. 95–620, title IX, §901, Nov. 9, 1978, 92 Stat. 3349, provided that: "Unless otherwise provided in this Act [see Short Title note set out below] the provisions of this Act shall take effect 180 days after the date of the enactment of this Act [Nov. 9, 1978], except that the Secretary may issue rules pursuant to such provisions at any time after such date of enactment, which rules may take effect no earlier than 180 days after such date of enactment."

SHORT TITLE
Pub. L. 95–620, title I, §101(a), Nov. 9, 1978, 92 Stat. 3289, provided that: "This Act [enacting this chapter, amending sections 6221 and 7193 of this title, section 796 of Title 15, Commerce and Trade, section 1202 of Title 19, Customs Duties, sections 821, 822 and 825 of Title 45, Railroads, and section 260 of former Title 49, Transportation, and enacting provisions set out as notes under this section and section 822 of Title 45] may be cited as the "Powerplant and Industrial Fuel Use Act of 1978.""

EXEMPTION FOR CERTAIN ELECTRIC POWERPLANTS AND TEMPORARY EXEMPTION ISSUED UNDER SECTION 8321(d) AS EFFECTIVE PRIOR TO 180 DAYS AFTER NOVEMBER 9, 1978
Pub. L. 95–620, title IX, §902, Nov. 9, 1978, 92 Stat. 3349, provided that:
"(a) [subchapters II and III of this chapter] notwithstanding section 901 [section 901 of Pub. L. 95–620, set out as a note above] or the fact that all rules related to such petition have not been prescribed at the time."
"(b) EXEMPTIONS UNDER SECTION 211(d).—The Secretary may receive, consider, and grant (or deny) any petition for any exemption under section 211(d) [section 8321(d) of this title] notwithstanding section 901 [section 901 of Pub. L. 95–620, set out as a note above], or the fact that all rules related to such petition have not been prescribed at the time."

§8302. Definitions
(a) Generally
Unless otherwise expressly provided, for the purposes of this chapter—
(1) The term "Secretary" means the Secretary of Energy.
(2) The term "person" means any (A) individual, corporation, company, partnership, association, firm, institution, society, trust, joint venture, or joint stock company, (B) any State, the District of Columbia, Puerto Rico, and any territory or possession of the United States, or (C) any agency or instrumentality (including any municipality) thereof.
(B) Except as provided in subparagraph (A), the term "natural gas" means any fuel consisting in whole or in part of—
(i) natural gas;
(ii) liquid petroleum gas;
(iii) synthetic gas derived from petroleum or natural gas liquids; or
(iv) any mixture of natural gas and synthetic gas.
(C) The term "natural gas" does not include—
(i) natural gas which is commercially unmarketable (either by reason of quality or quantity), as determined under rules prescribed by the Secretary;
(ii) natural gas produced by the user from a well the maximum efficient production rate of which is less than 250 million Btu's per day;
(iii) natural gas to the extent the exclusion of such gas is provided for in subsection (b); or
(iv) synthetic gas, derived from coal or other alternate fuel, the heat content of which is less than 600 Btu's per cubic foot at 14.73 pounds per square inch (absolute) and 60 degrees Fahrenheit.
(4) The term "petroleum" means crude oil and products derived from crude oil, other than—
(A) synthetic gas derived from crude oil;
(B) liquid petroleum gas;
(C) liquid, solid, or gaseous waste hyproducts of refinery operations which are commercially unmarketable, either by reason of quality or quantity, as determined under rules prescribed by the Secretary; or
(D) petroleum coke or waste gases from industrial operations.
(5) The term "coal" means anthracite and bituminous coal, lignite, and any fuel derivative thereof.
(6) The term "alternate fuel" means electricity or any fuel, other than natural gas or petroleum, and includes—
(B) Any powerplant treated under this chapter as an existing electric powerplant shall not be treated thereafter as a new electric powerplant merely by reason of a transfer of ownership.

(10)(A) The terms “major fuel-burning installation” and “installation” mean a stationary unit consisting of a boiler, gas turbine unit, combined cycle unit, or internal combustion engine which—
(i) has a design capability of consuming any fuel (or mixture thereof) at a fuel heat input rate of 100 million Btu’s per hour or greater; or
(ii) is in a combination of two or more such units which are located at the same site and which in the aggregate have a design capability of consuming any fuel (or mixture thereof) at a fuel heat input rate of 250 million Btu’s per hour or greater.

(B) The terms “major fuel-burning installation” and “installation” do not include—
(i) any electric powerplant; or
(ii) any pump or compressor used solely in connection with the production, gathering, transmission, storage, or distribution of gases or liquids, but only if there is certification to the Secretary of such use (in accordance with rules prescribed by the Secretary).

(C) For purposes of clause (ii) of subparagraph (A), there shall be excluded any unit which has a design capability to consume any fuel (including any mixture thereof) that does not equal or exceed 100 million Btu’s per hour and the exclusion of which for purposes of such clause is determined by the Secretary, by rule to be appropriate.

(11) The term “new major fuel-burning installation” means—
(A) any major fuel-burning installation on which construction or acquisition began on a date on or after November 9, 1978; and
(B) any major fuel-burning installation on which construction or acquisition began on a date after April 20, 1977, and before November 9, 1978, unless the Secretary finds the construction or acquisition of such installation could not be canceled, rescheduled, or modified to comply with applicable requirements of this chapter without—
(i) incurring significant operational detriment of the unit (as determined by the Secretary); or
(ii) imposing substantial financial penalty (as determined under rules prescribed by the Secretary).

(12)(A) The term “existing major fuel-burning installation” means any installation which is not a new major fuel-burning installation.

(B) Such term does not include a major fuel-burning installation for the extraction of mineral resources located—
(i) on or above the Continental Shelf of the United States, or
(ii) on wetlands areas adjacent to the Continental Shelf of the United States, where coal storage is not practicable or would produce adverse effects on environmental quality.
§ 8302

Any installation treated as an existing major fuel-burning installation shall not be treated thereafter as a new major fuel-burning installation merely by reason of a transfer of ownership.

The term “construction or acquisition began” means, when used with reference to a certain date, that—

(A) construction in accordance with final drawings or equivalent design documents (as defined by the Secretary, by rule) began on or after that date; or

(B)(i) construction or acquisition had been contracted for on or after that date, or (ii) if the construction or acquisition had been contracted for before such date, such construction or acquisition could be canceled, rescheduled, or modified to comply with the applicable requirements of this chapter—

(I) without imposing substantial financial penalty, as determined under rules prescribed by the Secretary; and

(II) in the case of a powerplant, without adversely affecting electric system reliability (as determined by the Secretary after consultation with the Federal Energy Regulatory Commission and the appropriate State authority).

(14) The term “construction” means substantial onsite construction or reconstruction, as defined by rule by the Secretary.

(15) The term “primary energy source” means the fuel or fuels used by any existing or new electric powerplant, except it does not include, as determined under rules prescribed by the Secretary—

(A) the minimum amounts of fuel required for unit ignition, startup, testing, flame stabilization, and control uses, and

(B) the minimum amounts of fuel required to alleviate or prevent (i) unanticipated equipment outages and (ii) emergencies directly affecting the public health, safety, or welfare which would result from electric power outages.

(16) The term “site limitation” means, when used with respect to any powerplant, any specific physical limitation associated with a particular site which relates to the use of coal or other alternate fuels as a primary energy source for such powerplant, such as—

(A) inaccessibility to coal or other alternate fuels;

(B) lack of transportation facilities for coal or other alternate fuels;

(C) lack of adequate land or facilities for the handling, use, and storage of coal or other alternate fuels;

(D) lack of adequate land or facilities for the control or disposal of wastes from such powerplant, including lack of pollution control equipment or devices necessary to assure compliance with applicable environmental requirements; and

(E) lack of an adequate and reliable supply of water, including water for use in compliance with applicable environmental requirements.

(17) The term “applicable environmental requirements” includes—

(A) any standard, limitation, or other requirement established by or pursuant to Federal or State law (including any final order of any Federal or State court) applicable to emissions of environmental pollutants (including air and water pollutants) or disposal of solid waste residues resulting from the use of coal or other alternate fuels or natural gas or petroleum as a primary energy source or from the operation of pollution control equipment in connection with such use, taking into account any variance of law granted or issued in accordance with Federal law or in accordance with State law to the extent consistent with Federal law; and

(B) any other standard, limitation, or other requirement established by, or pursuant to, the Clean Air Act [42 U.S.C. 7401 et seq.], the Federal Water Pollution Control Act [33 U.S.C. 1251 et seq.], the Solid Waste Disposal Act [42 U.S.C. 6901 et seq.], or the National Environmental Policy Act of 1969 [42 U.S.C. 4321 et seq.].

(18)(A) The term “peakload powerplant” means a powerplant the electrical generation of which in kilowatt hours does not exceed, for any 12-calendar-month period, such powerplant’s design capacity multiplied by 1,500 hours.

(B) The term “intermediate load powerplant” means a powerplant (other than a peakload powerplant), the electrical generation of which in kilowatt hours does not exceed, for any 12-calendar-month period, such powerplant’s design capacity multiplied by 3,500 hours.

(C) The term “base load powerplant” means a powerplant the electrical generation of which in kilowatt hours exceeds, for any 12-calendar-month period, such powerplant’s design capacity multiplied by 3,500 hours.

(19) The term “cogeneration facility” means an electric powerplant which produces—

(A) electric power; and

(B) any other form of useful energy (such as steam, gas, or heat) which is, or will be, used for industrial, commercial, or space heating purposes.

(20) The term “cost”, unless the context indicates otherwise, means total costs (both operating and capital) incurred over the estimated remaining useful life of an electric powerplant, discounted to present value, as determined by the Secretary (in the case of powerplants, in consultation with the State regulatory authorities). In the case of an electric powerplant, such costs shall take into account any change required in the use of existing electric powerplants in the relevant dispatching system and other economic factors which are included in planning for the production, transmission, and distribution of electric power within such system.

1 So in original. Probably should be capitalized.
(21) The term "State regulatory authority" means any State agency which has rate-making authority with respect to the sale of electricity by any State regulated electric utility.

(22) The term "air pollution control agency" has the same meaning as given such term by section 302(b) of the Clean Air Act [42 U.S.C. 7602(b)].

(23) The term "electric utility" means any person, including any affiliate, or Federal agency which sells electric power.

(24) The term "affiliate", when used in relation to a person, means another person which controls, is controlled by, or is under common control with, such person.

(25) The term "Federal agency" means each authority of the Government of the United States, whether or not it is within or subject to review by another agency, but does not include—

(A) the Congress;

(B) the courts of the United States;

(C) the governments of the territories or possessions of the United States; and

(D) the government of the District of Columbia.

(26) The term "Btu" means British thermal unit.

(27) the term "Mcf" means, when used in relation to natural gas, 1,000 cubic feet of natural gas.

(28) The term "mixture", when used in relation to fuels used in a unit, means a mixture of such fuels or a combination of such fuels used simultaneously or alternately in such unit.

(29) The term "fluidized bed combustion" means combustion of fuel in connection with a bed of inert material, such as limestone or dolomite, which is held in a fluid-like state by the means of air or other gases being passed through such materials.

(b) Special rules relating to definitions of natural gas and alternate fuel

(1) Subject to paragraph (2), natural gas which is to be used by a powerplant shall for purposes of this chapter (other than this subsection), be excluded from the definition of "natural gas" under subsection (a)(3)(B)(ii) and shall be included within the definition of "alternate fuel" under subsection (a)(6) if the person proposing to use such natural gas certifies to the Secretary (together with such supporting documents as the Secretary may require) that—

(A) such person owns, or is entitled to receive, at the point of manufacture, synthetic gas derived from coal or another alternate fuel;

(B) the Btu content of such synthetic gas is equal to, or greater than, the Btu content of the natural gas to be covered by this subsection by reason of such certification, plus the approximate Btu content of any natural gas consumed or lost in transportation;

(C) such person delivers, or arranges for the delivery of, such synthetic gas to a pipeline or pipelines which by transport or displacement are capable of delivering such synthetic gas, mixed with natural gas, to such person; and

(D) all necessary permits, licenses, or approvals from appropriate Federal, State, and local agencies (including Indian tribes) have been obtained for construction and operation of the facilities for the manufacture of the synthetic gas involved.

(2) The application of paragraph (1) with respect to the use of natural gas by any powerplant shall be conditioned on the person using such natural gas submitting to the Secretary a report not later than one year after certification is made under paragraph (1), and annually thereafter, containing the following information:

(A) the source, amount, quality, and point of delivery to the pipeline of the synthetic gas to which paragraph (1) applied during the annual period ending with the calendar month preceding the date of such report; and

(B) the amount, quality, and point of delivery by the pipeline to such person of the natural gas covered by paragraph (1) which is used by the person during such annual period.


(4) For purposes of this subsection, the term "pipeline" means any interstate or intrastate pipeline or local distribution company.


REFERENCES IN TEXT

This chapter, referred to in subsecs. (a) and (b)(1), was in the original "this Act", meaning Pub. L. 95–620, Nov. 9, 1978, 92 Stat. 3292, known as the Powerplant and Industrial Fuel Use Act of 1978, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 8301 of this title and Tables.

The Clean Air Act, referred to in subsec. (a)(17)(B), is act July 14, 1955, ch. 360, 69 Stat. 360, which is classified generally to chapter 39, classification of this Act to the Code, see Short Title note set out under section 7401 of this title and Tables.

The Federal Water Pollution Control Act, referred to in subsec. (a)(17)(B), is act June 30, 1948, ch. 758, as amended generally by Pub. L. 92–500, §2, Oct. 18, 1972, 86 Stat. 911, which is classified generally to chapter 26 (§1251 et seq.) of Title 33, Navigation and Navigable Waters. For complete classification of this Act to the Code, see Short Title note set out under section 1251 of Title 33 and Tables.


AMENDMENTS

1987—Subsec. (a)(13)(B)(ii). Pub. L. 100–42, §1(c)(2)(A), inserted "and" at end of subcl. (I), substituted period for " or" at end of subcl. (II), and struck out subcl. (III) which read as follows: "in the case of a major fuel-burning installation, without incurring significant operational detriment of the unit (as determined by the Secretary)."
§ 8303. Territorial application

The provisions of this chapter shall only apply within the contiguous 48 States and the District of Columbia.


References in Text

This chapter, referred to in text, was in the original "this Act", meaning Pub. L. 95–620, Nov. 9, 1978, 92 Stat. 3298, known as the Powerplant and Industrial Fuel Use Act of 1978, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 8301 of this title and Tables.

Amendments

1987—Pub. L. 100–42 amended section generally. Prior to amendment, section read as follows: "The provisions of this chapter shall apply in all the States, Puerto Rico, and the territories and possessions of the United States, except that—

(1) the provisions of subchapters II and III of this chapter (other than section 8341 of this title) shall only apply to powerplants and installations situated within the contiguous 48 States, Alaska, and the District of Columbia; and

(2) the provisions of section 8341 of this title shall only apply to powerplants situated within the contiguous 48 States and the District of Columbia."

§ 8311. Coal capability of new electric powerplants; certification of compliance

(a) General prohibition

Except to such extent as may be authorized under §8311, no new electric powerplant may be constructed or operated as a base load powerplant without the capability to use coal or another alternate fuel as its primary energy source.

(b) Capability to use coal or alternate fuel

An electric powerplant has the capability to use coal or another alternate fuel for purposes of this section if such electric powerplant—

(1) has sufficient inherent design characteristics to permit the addition of equipment (including all necessary pollution devices) necessary to render such electric powerplant capable of using coal or another alternate fuel as its primary energy source; and

(2) is not physically, structurally, or technologically precluded from using coal or another alternate fuel as its primary energy source.

Capability to use coal or another alternate fuel shall not be interpreted to require any such powerplant to be immediately able to use coal or another alternate fuel as its primary energy source on its initial day of operation.

(c) Applicability to base load powerplants

(1) This section shall apply only to base load powerplants, and shall not apply to peakload powerplants or intermediate load powerplants.

(2) For the purposes of this section, hours of electrical generation pursuant to emergency situations, as defined by the Secretary and reported to the Secretary, shall not be included in a determination of whether a powerplant is being operated as a base load powerplant.

(d) Self-certification

(1) In order to meet the requirement of subsection (a), the owner or operator of any new electric powerplant to be operated as a base load powerplant proposing to use natural gas or petroleum as its primary energy source shall certify to the Secretary prior to construction, or prior to operation as a base load powerplant in the case of a new electric powerplant operated as a peakload powerplant or intermediate load powerplant, that such powerplant has capability to use coal or another alternate fuel, within the meaning of subsection (b). Such certification shall be effective to establish compliance with the requirement of subsection (a) as of the date it is filed with the Secretary. Within 15 days after receipt of a certification submitted pursuant to this paragraph, the Secretary shall publish in the Federal Register a notice reciting that the certification has been filed.

(2) The Secretary, within 60 days after the filing of a certification under paragraph (1), may require the owner or operator of such powerplant to provide such supporting documents as may be necessary to verify the certification.
§ 8321. Temporary exemptions

(a) General exemption due to lack of alternate fuel supply, site limitations, or environmental requirements

After consideration of a petition (and comments thereon) for an exemption for a powerplant from the prohibitions of part A, the Secretary shall, by order, grant an exemption under this subsection for the use of natural gas or petroleum, if he finds that the petitioner has demonstrated that for the period of the proposed exemption, despite diligent good faith efforts—

(1) it is likely that an adequate and reliable supply of coal or other alternate fuel of the quality necessary to conform with design and operational requirements for use as a primary energy source will not be available to such powerplant at a cost (taking into account associated facilities for the transportation and use of such fuel) which, based upon the best practicable estimates, does not substantially exceed the cost, as determined by rule by the Secretary, of the fuel that would be used as a primary energy source;

(2) one or more site limitations exist which would not permit the location or operation of such a powerplant using coal or any other alternate fuel as a primary energy source; or

(3) the prohibitions of section 8311 of this title could not be satisfied without violating applicable environmental requirements.

(b) Temporary exemption based upon future use of synthetic fuels

After consideration of a petition (and comments thereon) for an exemption for a powerplant from the prohibitions of part A, the Secretary shall, by order, grant an exemption under this subsection for the use of natural gas or petroleum, if he finds that the petitioner has demonstrated that

(1) the petitioner will comply with the prohibitions of part A by the end of the proposed exemption by the use of a synthetic fuel derived from coal or another alternate fuel; and

(2) the petitioner is not able to comply with such prohibitions by the use of such synthetic fuel until the end of the proposed exemption.

The effectiveness of an exemption under this subsection is conditioned on the petitioner filing and maintaining a compliance plan meeting the requirements of section 8324(b) of this title.

(c), (d) Repealed. Pub. L. 100–42, § 1(c)(5)(E), May 21, 1987, 101 Stat. 312

(e) Duration of temporary exemptions

(1) Except as provided in paragraph (2), exemptions under this section for any powerplant may not exceed, taking into account any extension or renewal, 5 years.

(2)(A) An exemption under subsection (a)(1) may be granted for a period of more than 5 years, but may not exceed, taking into account any extension or renewal, 10 years.

(B) An exemption under subsection (b) may be extended beyond the 5-year limit under paragraph (1), but such exemption, so extended, may not exceed 10 years.

(3) If an exemption is granted for any powerplant before the powerplant is placed in service, the period before it is placed in service shall not be taken into account in computing the 5-year and the 10-year limitations of paragraphs (1) and (2).


AMENDMENTS

1987—Subsec. (a). Pub. L. 100–42, §1(c)(5)(A)–(D), substituted “from” for “or installation from one or more of” in introductory provisions, substituted “the fuel that would be used” for “using imported petroleum and struck out “or installation” after “powerplant” in par. (1), struck out “or installation” after “powerplant” in par. (2), and struck out “or 8312” after “8311” in par. (3).

Subsec. (b). Pub. L. 100–42, §1(c)(5)(A), substituted “from” for “or installation from one or more of”.

Subsec. (c). Pub. L. 100–42, §1(c)(5)(E), struck out subsec. (c) which read as follows: “After consideration of a petition (and comments thereon) for an exemption for a powerplant or installation from one or more of the prohibitions of part A, the Secretary may, by order, grant an exemption under this subsection for the use of natural gas or petroleum, if he finds that the petitioner has demonstrated that for the period of the proposed exemption the issuance of such exemption would be in the public interest and would be consistent with the purposes of this chapter.”

Subsec. (d). Pub. L. 100–42, §1(c)(5)(E), struck out subsec. (d) which read as follows: “After consideration of a petition (and comments thereon) for an exemption from the prohibition of the use of petroleum under section 8312 of this title for an installation with a design capacity of consuming any fuel (or any mixture thereof) at a fuel heat input rate which does not exceed 300 million Btu’s per hour, the Secretary may, by order, grant an exemption under this subsection for the use of petroleum if he finds that the petitioner has demonstrated, by the existence of binding contracts or other evidence, including appropriate State construction permits, that he will use coal or another alternate fuel for at least 75 percent of the annual fuel heat input rate upon the expiration of such exemption. For provisions relating to authority to receive, consider and granting (or denying) certain petitions [sic] for an exemption under this subsection, see section 902(b).”
Subsec. (e)(1), (3), Pub. L. 100–42, §11(c)(5)(B), struck out “or installation” after “powerplant” wherever appearing.

EXEMPTION FOR CERTAIN ELECTRIC POWERPLANTS AND TEMPORARY EXEMPTION ISSUED UNDER SUBSECTION (d) AS EFFECTIVE PRIOR TO 180 DAYS AFTER NOVEMBER 9, 1978

For effectiveness of exemption for certain electric powerplants and the temporary exemption issued under subsec. (d) of this section as prior to 180 days after Nov. 9, 1978, see section 902 of Pub. L. 95–620, set out as a note under section 8301 of this title.

§ 8322. Permanent exemptions

(a) Permanent exemption due to lack of alternate fuel supply, site limitations, environmental requirements, or adequate capital

(1) After consideration of a petition (and comments thereon) for an exemption for a powerplant from the prohibitions of part A, the Secretary shall, by order, grant a permanent exemption under this subsection with respect to natural gas or petroleum, if he finds that the petitioner has demonstrated that despite diligent good faith efforts—

(A) it is likely that an adequate and reliable supply of coal or other alternate fuel of the quality necessary to conform with design and operational requirements for use as a primary energy source (i) will not be available within the first 10 years of the useful life of the powerplant, or (ii) will not be available at a cost (taking into account associated facilities for the transportation and use of such fuel) which, based upon the best practicable estimates, does not substantially exceed the cost, as determined by rule by the Secretary, of the fuel that would be used as a primary energy source during the useful life of the powerplant involved;

(B) one or more site limitations exist which would not permit the location or operation of such powerplant using coal or any other alternate fuel as a primary energy source;

(C) the prohibitions of part A could not be satisfied without violating applicable environmental requirements; or

(D) the required use of coal or any other alternate fuel would not allow the petitioner to obtain adequate capital for the financing of such powerplant.

(2) The demonstration required to be made by a petitioner under paragraph (1) shall be made with respect to the site of such powerplant and reasonable alternative sites.

(b) Permanent exemption due to certain State or local requirements

After consideration of a petition (and comments thereon) for an exemption for a powerplant from the prohibitions of part A, the Secretary may, by order, grant a permanent exemption under this subsection with respect to natural gas or petroleum, if he finds that the petitioner has demonstrated that—

(1) with respect to the proposed site of the powerplant, the construction or operation of such a facility using coal or any other alternate fuel is infeasible because of operation of a State or local requirement (other than a building code or a nuisance or zoning law);

(2) there is no reasonable alternative site for such powerplant which meets the criteria set forth in subsection (a)(1)(A) through (D); and

(3) the granting of the exemption would be in the public interest and would be consistent with the purposes of this chapter.

(c) Permanent exemption for cogeneration

After consideration of a petition (and comments thereon) for an exemption from one or more of the prohibitions of part A for a cogeneration facility, the Secretary may, by order, grant a permanent exemption under this subsection with respect to natural gas or petroleum, if he—

(1) finds that the petitioner has demonstrated that economic and other benefits of cogeneration are unobtainable unless petroleum or natural gas, or both, are used in such facility; and

(2) includes in the final order a statement of the basis for such finding.

(d) Permanent exemption for certain mixtures containing natural gas or petroleum

After consideration of a petition (and comments thereon) for an exemption for a powerplant from the prohibitions of part A, the Secretary may, by order, grant a permanent exemption under this subsection with respect to natural gas or petroleum, if he finds that the petitioner has demonstrated that—

(1) the powerplant uses, or proposes to use, a mixture of petroleum or natural gas and coal or another alternate fuel as a primary energy source; and

(2) the amount of the petroleum or natural gas used in such mixture will not exceed the minimum percentage of the total Btu heat input of the primary energy sources of such powerplant needed to maintain reliability of operation of such powerplant consistent with maintaining a reasonable level of fuel efficiency, as determined in accordance with rules prescribed by the Secretary.

(e) Permanent exemption for emergency purposes

After consideration of a petition (and comments thereon) for an exemption from one or more of the prohibitions of part A for a powerplant, the Secretary shall, by order, grant a permanent exemption under this subsection with respect to natural gas or petroleum, if he finds that the petitioner has demonstrated that such powerplant will be maintained and operated only for emergency purposes (as defined by rule by the Secretary).

(f) Permanent exemption for powerplants necessary to maintain reliability of service

After consideration of a petition (and comments thereon) for an exemption for a powerplant from one or more of the prohibitions of part A, the Secretary may, by order, grant a permanent exemption under this subsection with respect to natural gas or petroleum if he finds that the petitioner has demonstrated that—

(1) such exemption is necessary to prevent impairment of reliability of service, and

(2) the petitioner, despite diligent good faith efforts, is not able to make the demonstration
necessary to obtain an exemption under subsection (a) or (b) in the time required to prevent such impairment of service.


REFERENCES IN TEXT

This chapter, referred to in subsec. (b)(3), was in the original “this Act,” meaning Pub. L. 95–620, Nov. 9, 1978, 92 Stat. 3289, known as the Powerplant and Industrial Fuel Use Act of 1978, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 8301 of this title and Tables.

AMENDMENTS

1987—Subsec. (a)(1). Pub. L. 100–42, §1(c)(6)(A)–(C), substituted “from” for “or installation from one or more of” in introductory provisions, substituted “the fuel that would be used” for “using imported petroleum” in par. (2) struck out “or installation” after “powerplant” wherever appearing in subpar. (A), and struck out “or installation” after “powerplant” in subpar. (B) and (D).

Subsec. (a)(2). Pub. L. 100–42, §1(c)(1)(D), struck out “—

“(A) in the case of a new major fuel-burning installation, be made with respect to the site of such installation proposed by the petitioner; and

“(B) in the case of a new electric powerplant,”

after “paragraph (1) shall”,

Subsec. (a)(3). Pub. L. 100–42, §1(c)(6)(E), struck out par. (3) which read as follows: “Notwithstanding the preceding provisions of this subsection, a powerplant which has been granted an exemption under subsection (h) may not be granted an exemption under this subsection.”

Subsec. (b). Pub. L. 100–42, §1(c)(6)(A), (B), (F), in introductory provisions substituted “from” for “or installation from one or more of”, in par. (1) struck out “or installation” after “powerplant”, and in par. (2) struck out “in the case of a powerplant,” after “(2)”. Subsec. (d), (e), Pub. L. 100–42, §1(c)(6)(D), struck out par. (3) which read as follows: “(1) before “After consideration of”, substituted “from” for “installation from one or more of in introductory provisions, redesignated subpars. (A) and (B) of former par. (1) as par. (A) and (2), respectively, struck out “or installation” after “powerplant” wherever appearing in such pars., and struck out former par. (2) which read as follows: “In the case of a new major fuel-burning installation, the percentage determined by the Secretary under subparagraph (B) of paragraph (1) shall not be less than 25 percent.”

Subsec. (e), (f), Pub. L. 100–42, §1(c)(6)(B), struck out “or installation” after “powerplant” wherever appearing.

Subsec. (g), Pub. L. 100–42, §1(c)(6)(H), struck out subsec. (g) which related to issuance, by order of Secretary of Energy of permanent exemptions for use of natural gas or petroleum for peakload powerplants.

Subsec. (h), Pub. L. 100–42, §1(c)(6)(H), struck out subsec. (h) which related to issuance, by order of Secretary of Energy of permanent exemptions for use of petroleum for intermediate load powerplants.

Subsec. (i), Pub. L. 100–42, §1(c)(6)(H), struck out subsec. (i) which related to issuance, by order of Secretary of Energy, of permanent exemptions for use of natural gas or petroleum for installations based upon process or product requirements.

Subsec. (j), Pub. L. 100–42, §1(c)(6)(H), struck out subsec. (j) which related to issuance, by order of Secretary of Energy, of permanent exemptions for use of natural gas or petroleum for installations necessary to meet scheduled equipment outages.

EXEMPTION FOR CERTAIN ELECTRIC POWERPLANTS AS EFFECTIVE PRIOR TO 180 DAYS AFTER NOVEMBER 9, 1978

For effectiveness of exemption for certain electric powerplants as prior to 180 days after Nov. 9, 1978, see section 902(a) of Pub. L. 95–620, set out as a note under section 8301 of this title.

§ 8323. General requirements for exemptions

(a) Use of mixtures or fluidized bed combustion not feasible

Except in the case of an exemption under section 8322(d) of this title, the Secretary may grant a permanent exemption for a powerplant under this part only—

(1) if the applicant has demonstrated that the use of a mixture of natural gas or petroleum and coal or another alternate fuel, for which an exemption under section 8322(d) of this title would be available, is not economically or technically feasible; and

(2) if the Secretary has not made a finding that the use of a method of fluidized bed combustion of coal or another alternate fuel is economically and technically feasible.

(b) State approval required for powerplant

If the appropriate State regulatory authority has not approved a powerplant for which a petition has been filed, such exemption, to the extent it applies to the prohibition under section 8311 of this title against construction without the capability of using coal or another alternate fuel, shall not take effect until all approvals required by such State regulatory authority which relate to construction have been obtained.

(c) No alternative power supply in the case of a powerplant

(1) Except in the case of an exemption under section 8322(c) of this title, the Secretary may not grant an exemption for a new powerplant unless he finds that the petitioner has demonstrated that there is no alternative supply of electric power which is available within a reasonable distance at a reasonable cost without impairing short-run or long-run reliability of service and which can be obtained by the petitioner, despite reasonable good faith efforts.

(2) The Secretary shall forward a copy of any such petition to the Federal Energy Regulatory Commission promptly after it is filed with the Secretary and shall consult with such Commission before making any finding on such petition under paragraph (1).


AMENDMENTS

1987—Subsec. (a). Pub. L. 100–42, §1(c)(7)(A), (B), in introductory provisions struck out “or (g)” after “8322(d)” and “or installation” after “powerplant”.

Subsec. (b). Pub. L. 100–42, §1(c)(7)(C), amended subsec. (b) generally. Prior to amendment, subsec. (b) read as follows: “If the appropriate State regulatory authority has not approved a powerplant for which a petition has been filed, such exemption—

“(1) to the extent it applies to the prohibition under section 8311(2) of this title against construction without the capability of using coal or another alternate fuel, shall not take effect until all approvals required by such State regulatory authority which relate to construction have been obtained; and

“(2) to the extent it applies to the prohibition under section 8311(1) of this title against the use of natural gas or petroleum as a primary energy source, shall not take effect until all approvals required by
§ 8324. Terms and conditions; compliance plans

(a) Terms and conditions generally

Any exemption from any prohibition under this part shall be on such terms and conditions as the Secretary determines appropriate, including terms and conditions requiring the use of effective fuel conservation measures which are practicable and consistent with the purposes of this chapter. In the case of any temporary exemption, the terms and conditions (which may include a compliance plan meeting the requirements of subsection (b)) shall be designed to ensure that upon the expiration of such exemption, the persons and powerplant covered by such exemption will comply with the applicable prohibitions.

(b) Compliance plans

A compliance plan meets the requirements of this subsection if it is approved by the Secretary and—

1. contains (A) a schedule indicating how compliance with applicable prohibitions of this chapter will occur and (B) evidence of binding contracts for fuel, or facilities for the production of fuel, which would allow or 1 such compliance; and

2. is revised at such times and to such extent as the Secretary may require to reflect changes in circumstances.


REFERENCES IN TEXT

This chapter, referred to in subsecs. (a) and (b)(1)(A), was in the original “this Act”, meaning Pub. L. 95–620, Nov. 9, 1978, 92 Stat. 3289, known as the Powerplant and Industrial Fuel Use Act of 1978, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 8301 of this title.

AMENDMENTS

1987—Subsec. (a). Pub. L. 100–42 struck out “or installation” after “powerplant”.

§ 8341. Existing electric powerplants

(a) Certification by powerplants of coal capability

At any time, the owner or operator of an existing electric powerplant may certify to the Secretary, for purposes of subsection (b)—

1. whether or not such powerplant has or previously had the technical capability to use coal or another alternate fuel as a primary energy source;

2. whether or not such powerplant could have the technical capability to use coal or another alternate fuel as a primary energy source without having—

(A) substantial physical modification of the powerplant, or

(B) substantial reduction in the rated capacity of the powerplant; and

3. whether or not it is financially feasible to use coal or another alternate fuel as a primary energy source in such a powerplant.

(b) Authority of Secretary to prohibit where coal or alternate fuel capability exists

The Secretary may prohibit, in accordance with section 8343(a) or (b) of this title, the use of petroleum or natural gas, or both, as a primary energy source in any existing electric powerplant, if an affirmative certification under subsection (a)(1), (2), and (3) is in effect with respect to such powerplant and if, after examining the basis for the certification, the Secretary concurs with the certification.

(c) Authority of Secretary to prohibit excessive use in mixtures

At any time, the owner or operator of an existing electric powerplant may certify to the Secretary for purposes of this subsection whether or not it is technically and financially feasible to use a mixture of petroleum or natural gas and coal or another alternate fuel as a primary energy source in that powerplant. If an affirmative certification under this subsection is in effect with respect to such powerplant and if, after examining the basis for the certification, the Secretary concurs with the certification, the Secretary may prohibit, in accordance with section 8343(a) of this title, the use of petroleum or natural gas, or both, in such powerplant in amounts in excess of the minimum amount necessary to maintain reliability of operation of the unit consistent with maintaining reasonable fuel efficiency of such mixture.

(d) Amendment of subsection (a) and (c) certifications

The owner or operator of any such powerplant may at any time amend any certification under subsection (a) or (c) in order to take into account changes in relevant facts and circumstances; except that no such amendment to such a certification may be made after the date of any final prohibition under subsection (b) or (c) based on that certification.


Section, Pub. L. 95–620, title III, § 302, Nov. 9, 1978, 92 Stat. 3306, authorized Secretary to prohibit use of petroleum or natural gas as primary energy source in existing major fuel-burning installations having coal or alternate fuel capability and, in installations in which mixtures of petroleum or natural gas and coal or other alternate fuels are found feasible, to prohibit excessive use of petroleum or natural gas in such mixtures.

§ 8343. Rules relating to case-by-case and category prohibitions

(a) Case-by-case prohibitions

(1) Except to the extent authorized by subsection (b), the Secretary shall prohibit any powerplant from using natural gas or petroleum under the authority granted him under section 8341(b) or (c) of this title only by means of a final order issued by him which shall be limited to the particular powerplant involved.

(2) The Secretary may issue such a final order only with respect to a powerplant which is not, at the time the proposed order is issued, covered by a final rule issued under section 1(b).

(b) Prohibitions applicable to categories of facilities

(1) The Secretary may prohibit, by rule, the use of natural gas or petroleum under section 8341(b) of this title in existing electric powerplants.

(2) Each powerplant to be covered by any final rule issued under this subsection shall be specifically identified in the proposed rule published under section 8411(b) of this title.

(3) In prescribing any final rule under this subsection, the Secretary shall take into account any special circumstances or characteristics of each category of powerplants (such as the intermittent use, size, age, or geographic location of such powerplants). Any such rules shall not apply in the case of any existing electric powerplant with respect to which a comparable prohibition was issued by order.

§ 8343. Rules relating to case-by-case and category prohibitions

(a) Case-by-case prohibitions

(1) Except to the extent authorized by subsection (b), the Secretary shall prohibit any powerplant from using natural gas or petroleum under the authority granted him under section 8341(b) or (c) of this title only by means of a final order issued by him which shall be limited to the particular powerplant involved.

(2) The Secretary may issue such a final order only with respect to a powerplant which is not, at the time the proposed order is issued, covered by a final rule issued under section 1(b).

(b) Prohibitions applicable to categories of facilities

(1) The Secretary may prohibit, by rule, the use of natural gas or petroleum under section 8341(b) of this title in existing electric powerplants.

(2) Each powerplant to be covered by any final rule issued under this subsection shall be specifically identified in the proposed rule published under section 8411(b) of this title.

(3) In prescribing any final rule under this subsection, the Secretary shall take into account any special circumstances or characteristics of each category of powerplants (such as the intermittent use, size, age, or geographic location of such powerplants). Any such rules shall not apply in the case of any existing electric powerplant with respect to which a comparable prohibition was issued by order.
§ 8351. Temporary exemptions

(a) Temporary exemption due to lack of alternate fuel supply, site limitations, or environmental requirements

After consideration of a petition (and comments thereon) for an exemption from one or more of the prohibitions of part A for a powerplant, the Secretary, by order, shall grant an exemption for the use of natural gas or petroleum, if he finds that the petitioner has demonstrated that for the period of the proposed exemption, despite diligent good faith efforts—

(1) it is likely that an adequate and reliable supply of coal or other alternate fuel of the quality necessary to conform with design and operational requirements for use as a primary energy source, will not be available to such powerplant at a cost (taking into account associated facilities for the transportation and use of such fuel) which, based upon the best practicable estimates, does not substantially exceed the costs, as determined by rule by the Secretary, of using imported petroleum as a primary energy source;

(2) one or more site limitations exist which would not permit the operation of such a powerplant using coal or any other alternate fuel as a primary energy source; or

(c) Temporary exemption based upon use of synthetic fuels

After consideration of a petition (and comments thereon) for an exemption from one or more of the prohibitions of part A for a powerplant, the Secretary, by order, shall grant an exemption under this subsection for the use of such fuel until the end of the proposed exemption. An exemption under this subsection is conditioned on the petitioner filing and maintaining a compliance plan meeting the requirements of section 8354(b) of this title.

(d) Temporary exemption for units to be retired

(1) After consideration of a petition (and comments thereon) for an exemption from one or more of the prohibitions of part A for a powerplant, the Secretary shall, by order, grant an exemption under this subsection for the use of natural gas or petroleum, if he finds that the petitioner has demonstrated that such powerplant is to permanently cease operation at or before the expiration of the exemption period. An exemption under this subsection is conditioned on the petitioner filing and maintaining a compliance plan meeting the requirements of section 8354(b) (other than paragraph (1)(B)) of this title.

(2) Notwithstanding any other provision of this chapter, an exemption under this part may not be granted for any powerplant once an exemption under this subsection has been granted for such powerplant.

(e) Temporary public interest exemption

After consideration of a petition (and comments thereon) for an exemption for a powerplant from one or more of the prohibitions of part A for a powerplant, the Secretary may, by order, grant an exemption for the use of natural gas or petroleum, if he finds that the petitioner has demonstrated that for the period of the proposed exemption the issuance of such exemption is in the public interest and is consistent with the purposes of this chapter.

(f) Temporary exemption for peakload powerplants

After consideration of a petition (and comments thereon) for an exemption for a powerplant from one or more of the prohibitions of part A for a powerplant, the Secretary shall, by order, grant an exemption under this subsection for the use of natural gas or petroleum, if the petitioner certifies that such powerplant is to be operated solely as a peakload powerplant.

(g) Temporary exemption for powerplants necessary to maintain reliability of service

(1) After consideration of a petition (and comments thereon) for an exemption for a powerplant from one or more of the prohibitions of part A for a powerplant, the Secretary shall, by order, grant an exemption under this subsection for the use of natural gas or petroleum, if he finds that the petitioner has demonstrated that such powerplant is necessary to prevent impairment of reliability of service.

(2) Notwithstanding any other provision of this chapter, an exemption under this part (other than a permanent exemption under section 8352(f) of this title for the use of petroleum) may not be granted for any powerplant for which an exemption under this subsection has been granted.

(h) Duration of temporary exemptions

(1) Except as provided in paragraphs (2) and (3), exemptions under this section for any powerplant may not exceed, taking into account any extension or renewal, 5 years.

(2)(A) An exemption under subsection (a)(1) may be granted for a period of more than 5
years, but may not exceed, taking into account any extension or renewal, 10 years.

(B) Subject to paragraph (3), an exemption under subsections (b), (c), and (g) may be extended beyond the 5-year limit under paragraph (1), but such exemption, so extended, may not exceed 10 years.

(3) An exemption under subsections (d), (f), and (g) for the use of natural gas by a powerplant may not extend beyond December 31, 1994.

(4) In computing the 5-year and 10-year limitations of paragraphs (1) and (2) in the case of any exemption under this section, the period before the prohibition on the use of natural gas and petroleum would first apply (if the exemption had not been granted) shall be disregarded.


REFERENCES IN TEXT
This chapter, referred to in subsecs. (d)(2), (e), and (g)(2), was in the original “this Act”, meaning Pub. L. 95–620, Nov. 9, 1978, 92 Stat. 3289, known as the Powerplant and Industrial Fuel Use Act of 1978, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 8301 of this title.

AMENDMENTS
1987—Subsec. (a), Pub. L. 100–42, §1(c)(10), (11), struck out “or installation” after “powerplant” in introductory provisions and in pars. (1) and (2) and struck out “or §8342” after “section 8341” in par. (3).

Subsecs. (b) to (e), (h)(1), Pub. L. 100–42, §1(c)(10), struck out “or installation” after “powerplant” wherever appearing.

EXEMPTION FOR CERTAIN ELECTRIC POWERPLANTS AS EFFECTIVE PRIOR TO 180 DAYS AFTER NOVEMBER 9, 1978
For effectiveness of exemption for certain electric powerplants as prior to 180 days after Nov. 9, 1978, see section 902(a) of Pub. L. 95–620, set out as a note under section 8301 of this title.

§8352. Permanent exemptions
(a) Permanent exemption due to lack of alternate fuel supply, site limitations, or environmental requirements

(1) After consideration of a petition (and comments thereon) for an exemption from one or more of the prohibitions of part A for a powerplant, the Secretary shall, by order, grant a permanent exemption under this subsection for the use of natural gas or petroleum, if he finds that the petitioner has demonstrated that despite diligent good faith efforts—

(A) it is likely that an adequate and reliable supply of coal or other alternate fuels of the quality necessary to conform with design and operational requirements for use as a primary energy source will not be available to such powerplant at a cost (taking into account associated facilities for the transportation and use of such fuel) which, based upon the best practicable estimates, does not substantially exceed the cost, as determined by rule by the Secretary, of using imported petroleum as a primary energy source during the remaining useful life of the powerplant;

(B) one or more site limitations exist which would not permit the operation of such a powerplant using coal or any other alternate fuel as a primary energy source; or

(C) the prohibitions of part A could not be satisfied without violating applicable environmental requirements.

(2) Notwithstanding the preceding provisions of this subsection, a powerplant which has been granted an exemption under subsection (g) may not be granted an exemption under this subsection.

(b) Permanent exemption due to certain State or local requirements

After consideration of a petition (and comments thereon) for an exemption from one or more of the prohibitions of part A for a powerplant, the Secretary may, by order, grant a permanent exemption under this subsection, if he finds that the petitioner has demonstrated that—

(1) with respect to the site of the powerplant, the operation of such a facility using coal or any other alternate fuel is infeasible because of a State or local requirement;

(2) if such State or local requirement is under a building code or nuisance or zoning law, no other exemption under this part could be granted for such facility; and

(3) the granting of the exemption would be in the public interest and would be consistent with the purposes of this chapter.

(c) Permanent exemption for cogeneration

After consideration of a petition (and comments thereon) for an exemption from one or more of the prohibitions of part A for a cogeneration facility, the Secretary may, by order, grant a permanent exemption under this subsection, if he—

(1) finds that the petitioner has demonstrated that economic and other benefits of cogeneration are unobtainable unless petroleum or natural gas, or both, are used in such facility, and

(2) includes in the final order a statement of the basis for such finding.

(d) Permanent exemption for certain fuel mixtures containing natural gas or petroleum

(1) After consideration of a petition (and comments thereon) for an exemption from one or more of the prohibitions of part A for a powerplant, the Secretary shall, by order, grant a permanent exemption under this subsection, if he finds that the petitioner has demonstrated that—

(A) the powerplant uses, or proposes to use, a mixture of petroleum or natural gas and coal or another alternate fuel as a primary energy source; and

(B) the amount of the petroleum or natural gas used in such mixture will not exceed the minimum percentage of the total Btu heat input of the primary energy sources of such powerplant needed to maintain reliability of operation of the unit consistent with maintaining a reasonable level of fuel efficiency, as determined in accordance with rules prescribed by the Secretary.

§8352  TITLE 42—THE PUBLIC HEALTH AND WELFARE  Page 6972

(3) The Secretary may authorize a higher percentage than that referred to in paragraph (1)(B) if he finds that the higher percentage of natural gas allowed would be mixed with synthetic fuels derived from municipal wastes or agricultural wastes and would encourage the use of alternate or new technologies which use renewable sources of energy.

(e) Permanent exemption for emergency purposes

After consideration of a petition (and comments thereon) for an exemption from one or more of the prohibitions of part A for a powerplant, the Secretary shall, by order, grant a permanent exemption under this subsection, if he finds that the petitioner has demonstrated that such powerplant will be maintained and operated only for emergency purposes (as defined by rule by the Secretary).

(f) Permanent exemption for peakload powerplants

After consideration of a petition (and comments thereon) for an exemption from one or more of the prohibitions of part A for a powerplant, the Secretary shall, by order, grant a permanent exemption under this subsection, if he finds that—

(1) the powerplant is operated solely as a peakload powerplant;
(2) a denial of such petition is likely to result in an impairment of reliability of service; and
(3) (A) modification of the powerplant to permit compliance with such prohibitions is technically infeasible; or
(B) such modification would result in an unreasonable expense.

(g) Permanent exemption for intermediate load powerplants

(1) After consideration of a petition (and comments thereon) for an exemption from one or more of the prohibitions of part A on the use of petroleum by a powerplant, the Secretary may, by order, grant a permanent exemption under this subsection, if he finds that the petitioner has demonstrated that—

(A) the Administrator of the Environmental Protection Agency (or the appropriate State air pollution control agency) certifies to the Secretary that the use by such powerplant of coal or any available alternate fuel as a primary energy source will cause or contribute to a concentration, in an air quality control region or any area within such region, of a pollutant for which any national ambient air quality standard is or would be exceeded for such area;
(B) such powerplant is to be operated only to replace no more than the equivalent capacity of existing electric powerplants—
(i) which use natural gas or petroleum as a primary energy source,
(ii) which are owned by the same person who is to operate such powerplant, and
(iii) which, if they used coal as a primary energy source, would cause or contribute to such a concentration in such region;
(C) such powerplant is and shall continue to be operated solely as an intermediate load powerplant;
(D) the net fuel heat input rate for such powerplant will be maintained at or less than 9,500 Btu's per kilowatt hour throughout the remaining useful life of the powerplant; and
(E) the powerplant has the capability to use synthetic fuels derived from coal or other alternate fuel.

(2) The Secretary shall, from time to time, review each exemption granted to a powerplant under this subsection, and shall terminate such exemption if he finds that there is available a supply of synthetic fuel derived from coal or other alternate fuel suitable for use as a primary energy source by such powerplant.

(h) Permanent exemption for use of natural gas by certain powerplants with capacities of less than 250 million Btu's per hour

(1) Subject to paragraph (2), after consideration of a petition (and comments thereon) for an exemption from any prohibition of part A for the use of natural gas by a powerplant, the Secretary shall, by order, grant a permanent exemption under this subsection for such use, if he finds that the petitioner has demonstrated that—

(A) such powerplant has a design capability of consuming fuel (or any mixture thereof) at a fuel heat input rate of less than 250 million Btu's per hour;
(B) such powerplant was a baseload powerplant on April 20, 1977; and
(C) such powerplant is not capable of consuming coal without—
(i) substantial physical modification of the unit; or
(ii) substantial reduction in the rated capacity of the unit (as determined by the Secretary).

(2) An exemption under this subsection may only apply to the prohibitions under section 8341 of this title and prohibitions established by final rules or orders issued before January 1, 1990.

(i) Permanent exemption for use of LNG by certain powerplants

After consideration of a petition (and comments thereon) for an exemption from one or more of the prohibitions of part A for a powerplant, the Secretary shall, by order, grant a permanent exemption under this subsection for the use of liquefied natural gas if the Administrator of the Environmental Protection Agency (or the appropriate State air pollution control agency) has certified to the Secretary that the use of coal by such powerplant as a primary energy source will cause or contribute to a concentration, in an air quality control region or any area within such region, of a pollutant for which any national ambient air quality standard is or would be exceeded for such region or area and the use of coal would not comply with applicable environmental requirements.


REFERENCES IN TEXT

This chapter, referred to in subsec. (b)(3), was in the original "this Act", meaning Pub. L. 95–620, Nov. 9, 1978, 92 Stat. 3289, known as the Powerplant and Indust-
trial Fuel Use Act of 1978, which is classified principally to this chapter. For complete classifications of this Act to the Code, see Short Title note set out under section 8301 of this title and Tables.

**AMENDMENTS**

1987—Subsec. (a)(1), (b), (d)(1). Pub. L. 100–42, §1(c)(10), struck out “or installation” after “powerplant” wherever appearing.

Subsec. (d)(2). Pub. L. 100–42, §1(c)(12)(A), struck out par. (2) which read as follows: “In the case of an existing major fuel-burning installation, the percentage determined by the Secretary under subparagraph (B) of paragraph (1) shall not be less than 25 percent.”

Subsec. (d)(3). Pub. L. 100–42, §1(c)(12)(B), substituted “The” for “In the case of an existing electric powerplant, the”.

Subsec. (e). Pub. L. 100–42, §1(c)(10), struck out “or installation” after “powerplant” wherever appearing.

Subsec. (j). Pub. L. 100–42, §1(c)(12)(C), struck out subsec. (j) which related to granting, by Secretary of Energy, of permanent exemptions for use of natural gas for installations served by international pipelines.

Subsec. (k). Pub. L. 100–42, §1(c)(12)(C), struck out subsec. (k) which related to granting, by Secretary of Energy, of permanent exemptions for use of natural gas or petroleum for installations based upon product or process requirements.

Subsec. (l). Pub. L. 100–42, §1(c)(12)(C), struck out subsec. (l) which related to granting, by Secretary of Energy, of permanent exemptions for use of natural gas or petroleum for installations necessary to meet scheduled equipment outages.

**EXEMPTION FOR CERTAIN ELECTRIC POWERPLANTS AS EFFECTIVE PRIOR TO 180 DAYS AFTER NOVEMBER 9, 1978**

For effectiveness of exemption for certain electric powerplants as prior to 180 days after Nov. 9, 1978, see section 902(a) of Pub. L. 95–620, set out as a note under section 8301 of this title.

§ 8354. Terms and conditions; compliance plans

(a) Terms and conditions generally

Any exemption from any prohibition under this part shall be on such terms and conditions as the Secretary determines appropriate, including terms and conditions requiring the use of effective fuel conservation measures which are practicable and consistent with the purposes of this chapter. In the case of any temporary exemption, the terms and conditions (which may include a compliance plan meeting the requirements of subsection (b)) shall be designed to insure that upon the expiration of such exemption, the persons and powerplant covered by such exemption will comply with the applicable prohibitions.

(b) Compliance plans

A compliance plan meets the requirements of this subsection if it is approved by the Secretary and—

(1) contains (A) a schedule indicating how compliance with applicable prohibition of this chapter will occur and (B) evidence of binding contracts for fuel, or facilities for the production of fuel, which would allow for such compliance; and

(2) is revised at such times and to such extent as the Secretary may require to reflect changes in circumstances.


**REFERENCES IN TEXT**

This chapter, referred to in subsecs. (a) and (b)(1)(A), was in the original “this Act”, meaning Pub. L. 95–620, Nov. 9, 1978, 92 Stat. 3289, known as the Powerplant and Industrial Fuel Use Act of 1978, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 8301 of this title and Tables.
EXEMPTION FOR CERTAIN ELECTRIC POWERPLANTS AS EFFECTIVE PRIOR TO 180 DAYS AFTER NOVEMBER 9, 1978

For effectiveness of exemption for certain electric powerplants as prior to 180 days after Nov. 9, 1978, see section 902(a) of Pub. L. 95–620, set out as a note under section 8301 of this title.

SUBCHAPTER IV—ADDITIONAL PROHIBITIONS; EMERGENCY AUTHORITIES


Section 8371, Pub. L. 95–620, title IV, § 401, Nov. 9, 1978, 92 Stat. 3314, authorized Secretary to prohibit by order the use of natural gas as primary energy source in existing boilers used for space heating purposes which consume 300 Mcf or more natural gas per day and have capability to use petroleum as primary energy source, and in new boilers to be used for space heating purposes which would be capable of consuming 300 Mcf or more of natural gas per day.


§ 8373. Conservation in Federal facilities, contracts, and financial assistance programs

(a) Federal facilities

(1) Each Federal agency owning or operating any electric powerplant shall comply with any prohibition, term, condition, or other substantial or procedural requirement under this chapter, to the same extent as would be the case if such powerplant were owned or operated by a nongovernmental person.

(2) The President may, by order, exempt from the application of paragraph (1) any powerplant owned or operated by any Federal agency, if the President determines that—

(A) such use is in the paramount interest of the United States and that the powerplant involved is a component of or is used solely in connection with any weaponry, equipment, aircraft, vessels, vehicles or other classes or categories of property which—

(i) are owned or operated by the Armed Forces of the United States (including the Coast Guard) or by the National Guard of any State; and

(ii) are uniquely military in nature; or

(B) there is a lack of appropriation for such use but only if the President specifically requested such appropriations as a part of the budgetary process and the Congress failed to make available such requested appropriation.

Such order shall not take effect until 60 days after a copy of such order has been transmitted to each House of the Congress. The President shall review each such determination every 2 years and submit a report to the Congress on the results of such review.

(b) Federal contracts and financial assistance

(1) In order to implement the purposes of this chapter, the President shall, not later than 30 days after the effective date of this chapter, issue an order—

(A) requiring each Federal agency which is authorized to extend Federal assistance by way of grant, loan, contract, or other form of financial assistance, to promptly effectuate the purposes of this chapter relating to the conservation of petroleum and natural gas, by rule, in such contracting or assistance activities within 180 days after issuance of such order, and

(B) setting forth procedures, sanctions, penalties, and such other provisions as the President determines necessary to carry out such requirement effectively, including a requirement that each agency annually transmit to the President, and make available to the public, a report on the actions taken and to be taken to implement such order.

(2) The President may exempt by order any specific grant, loan, contract, or other form of financial assistance from all or part of the provisions of this subsection if he determines such exemption is in the national interest. The President shall notify the Congress in writing of such exemption at least 60 days before it is effective.

(3) The President or any Federal agency may not use the authority granted under paragraph (1) to require compliance, including the use of coal, by any person or facility with any prohibition under other sections of this chapter if such person or facility has been specifically determined by the Secretary as subject to such prohibition or has been exempted from the application of such prohibition.


REFERENCES IN TEXT

This chapter, referred to in subsecs. (a)(1) and (b)(1), (3), was in the original “this Act”, meaning Pub. L. 95–620, Nov. 9, 1978, 92 Stat. 3314, known as the Powerplant and Industrial Fuel Use Act of 1978, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 8301 of this title and Tables.

The effective date of this chapter, referred to in subsec. (b)(1), is the effective date of Pub. L. 95–620. See section 901 of Pub. L. 95–620, set out as an Effective Date note under section 8301 of this title.

AMENDMENTS

1992—Subsec. (c). Pub. L. 102–486 struck out subsec. (c), which read as follows: “The President shall annually submit a detailed report to each House of the Congress on the actions taken by the President and each Federal agency to implement this section, including the progress and problems associated with implementation of this section.”

1987—Subsec. (a)(1). Pub. L. 100–42, § 1(c)(14)(A), struck out “, major fuel-burning installation, or other unit” after “electric powerplant” and “, installation, or unit” after “such powerplant”.

Subsec. (a)(2). Pub. L. 100–42, § 1(c)(14)(B), (C), struck out “, installation, or other unit” after “powerplant” in introductory provisions, “, installation, or unit” after “powerplant” in subpar. (A), and last sentence which read as follows: “Any powerplant, installation,
or other unit permitted to use natural gas or petroleum under an exemption under this paragraph shall establish and carry out effective fuel conservation measures, as determined by the Secretary.”

Subsec. (a)(3). Pub. L. 100–42, §1(c)(14)(D), struck out par. (3) which read as follows: “Any powerplant, installation, or unit owned or operated by any such Federal agency shall be entitled to any exemption by the Secretary to the same extent, in the same manner, and under the same terms and conditions as would apply if it were owned or operated by a nongovernmental person.”

**Termination of Reporting Requirements**

For termination, effective May 15, 2000, of provisions of law requiring submittal to Congress of any annual, semiannual, or other regular periodic report listed in House Document No. 103–7 (in which the report under the last sentence of subsec. (a)(2) of this section is listed as the 16th item on page 19), see section 3063 of Pub. L. 104–66, as amended, set out as a note under section 1113 of Title 31, Money and Finance.

**Transfer of Functions**

For transfer of authorities, functions, personnel, and assets of the Coast Guard, including the authorities and functions of the Secretary of Transportation relating thereto, to the Department of Homeland Security, and for treatment of related references, see sections 468(b), 531(d), 552(d), and 557 of Title 6, Domestic Security, and the Department of Homeland Security Reorganization Plan of November 25, 2002, as modified, set out as a note under section 542 of Title 6.

**Ex. Ord. No. 12185**

**Effectuation of Conservation of Petroleum and Natural Gas by Recipients of Federal Financial Assistance**

Ex. Ord. No. 12185, Dec. 17, 1979, 44 F.R. 37083, provided:

By the authority vested in me as President of the United States of America by section 403(b) of the Powerplant and Industrial Fuel Use Act of 1978 (92 Stat. 3318; Public Law 96–620) (42 U.S.C. 8373(b)) and Section 301 of Title 3 of the United States Code, in order to encourage additional conservation of petroleum and natural gas by recipients of Federal financial assistance, it is hereby ordered as follows:

1–101. Each Federal agency, as that term is defined in Section 103(a)(25) of the Powerplant and Industrial Fuel Use Act of 1978 (92 Stat. 3318; Public Law 96–620) (42 U.S.C. 8373(b)) and Section 301 of Title 3 of the United States Code, in order to encourage additional conservation of petroleum and natural gas by recipients of Federal financial assistance, it is hereby ordered as follows:

1–102. Each Federal agency which extends financial assistance shall review those programs of financial assistance and identify those which are most likely to offer opportunities for significant conservation of petroleum and natural gas.

1–103. Within two months, and annually thereafter, each agency shall publish for comment a list of those programs which it has identified as likely to offer significant opportunity for conservation. The public shall be given 60 days to submit comments, including suggestions for rules which would effectuate the conservation purposes of the Act [see Short Title note set out under 42 U.S.C. 8301].

1–104. After receiving public comment and suggestions, and after consulting with the Director of the Office of Management and Budget, each agency shall publish proposed rules designed to achieve conservation of petroleum and natural gas in connection with the receipt of financial assistance.

Proposed rules shall be published within 30 days of the close of the comment period under Section 1–103. Final rules shall be adopted by each agency in accordance with the provisions of Sections 102(b) (42 U.S.C. 8301(b)), 403(b) (42 U.S.C. 8373(b)) and 701(a) (42 U.S.C. 8411(a)) of the Powerplant and Industrial Fuel Use Act of 1978, and the provisions of this Order, not later than 180 days from the date of this Order.

1–106. No one shall be awarded any financial assistance unless that award complies with the provisions of the conservation rules adopted by the agency pursuant to this Order.

1–107. To the extent permitted by law and where not inconsistent with the financial assistance program, final rules may provide for the reduction or suspension of financial assistance under any award. Such reduction or suspension shall not be ordered until there has been an opportunity for a hearing on the record, and shall last for such time as the recipient fails to comply with the terms of the conservation rule.

1–108. No conservation rule shall be adopted which is inconsistent with the statutory provisions establishing the financial assistance program.

1–109. No conservation rule shall be used to enforce compliance with any prohibition under the Act [see Short Title note set out under 42 U.S.C. 8301] against any person or facility which has been specifically determined by the Secretary of Energy as subject to or exempt from a prohibition under the Act. The conservation rules shall be used to enforce other new ways of achieving the purposes of the Act related to the conservation of petroleum and natural gas.

1–110. In order to assess the effectiveness of this program, each agency shall annually prepare a report on its activities in accord with Section 403(b)(1)(B) of the Act (42 U.S.C. 8373(b)). These reports shall be submitted to the President through the Secretary of Energy.

1–111. The Secretary of Energy shall prepare for the President’s consideration and transmittal to the Congress the report required by Section 403(c) of the Act (42 U.S.C. 8373(c)).

1–112. The Director of the Office of Management and Budget may issue any rules, regulations, or orders he deems necessary to ensure the implementation of this Order. The Director may exercise any of the authority vested in the President by Section 403(b) of the Act (42 U.S.C. 8373(b)), and may delegate such of that authority as he deems appropriate to the head of any other agency.

JIMMY CARTER.

**Executive Order No. 12217**

Ex. Ord. No. 12217, June 18, 1980, 45 F.R. 41623, which established the responsibilities and duties of Executive agencies for compliance with this chapter, was revoked by Ex. Ord. No. 12437, Aug. 11, 1983, 48 F.R. 36861.

§ 8374. Emergency authorities

(a) Coal allocation authority

(1) If the President—

(A) declares a severe energy supply interruption, as defined in section 6202(8) of this title, or

(B) finds, and publishes such finding, that a national or regional fuel supply shortage exists or may exist which the President determines—

(i) is, or is likely to be, of significant scope and duration, and of an emergency nature;

(ii) causes, or may cause, major adverse impact on public health, safety, or welfare or on the economy; and

(iii) results, or is likely to result, from an interruption in the supply of coal or from sabotage, or an act of God;

the President may, by order, allocate coal (and require the transportation thereof) for the use of any electric powerplant or major fuel-burning installation, in accordance with such terms and conditions as he may prescribe, to insure reliability of electric service or prevent unemployment, or protect public health, safety, or welfare.

or
(2) For purposes of this subsection, the term "coal" means anthracite and bituminous coal and lignite (but does not mean any fuel derivative thereof).

(b) Emergency prohibition on use of natural gas or petroleum

If the President declares a severe energy supply interruption, as defined in section 6202(8) of this title, the President may, by order, prohibit any electric powerplant or major fuel-burning installation from using natural gas or petroleum, or both, as a primary energy source for the duration of such interruption. Notwithstanding any other provision of this section, any suspension of emission limitations or other requirements of applicable implementation plans, as defined in section 7410(d) of this title, required by such prohibition shall be issued only in accordance with section 7410(f) of this title.

(c) Emergency stays

The President may, by order, stay the application of any provision of this chapter, or any rule or order thereunder, applicable to any new or existing electric powerplant, if the President finds, and publishes such finding, that an emergency exists, due to national, regional, or systemswide shortages of coal or other alternate fuels, or disruption of transportation facilities, which emergency is likely to affect reliability of service of any such electric powerplant.

(d) Duration of emergency orders

(1) Except as provided in paragraph (3), any order issued by the President under this section shall not be effective for longer than the duration of the interruption or emergency, or 90 days, whichever is less.

(2) Any such order may be extended by a subsequent order which the President shall transmit to the Congress in accordance with section 6421 of this title, Such order shall be subject to congressional review pursuant to such section.

(3) Notwithstanding paragraph (1), the effectiveness of any order issued under this subsection shall not terminate under this subsection during the 15-calendar-day period during which any such subsequent order described in paragraph (2) is subject to congressional review under section 6421 of this title.

(4) For purposes of this subsection, the provisions of this subsection supersede the provisions of subchapter II of chapter 34 of title 50.

(e) Delegation of authority prohibited

The authority of the President to issue any order under this section may not be delegated. This subsection shall not be construed to prevent the President from directing any Federal agency to issue rules or regulations or take such other action, consistent with this section, in the implementation of such order.

(f) Publication and reports to Congress of orders

Any order issued under this section shall be published in the Federal Register. To the greatest extent practicable, the President shall, before issuing any order under this section, but in no event later than 5 days after issuing such order, report to the Congress of his intention to issue such order and state his reasons therefor.

References in Text

Section 7410(d) of this title, referred to in subsec. (b), was repealed by Pub. L. 101–549, title I, §101(d)(4), Nov. 15, 1990, 104 Stat. 2409.

This chapter, referred to in subsec. (c), was in the original "this Act", meaning Pub. L. 95–620, Nov. 9, 1978, 92 Stat. 3289, known as the Powerplant and Industrial Fuel Use Act of 1978, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 8301 of this title and Tables.

Subchapter II (§1621 et seq.) of chapter 34 of title 50, referred to in subsec. (d)(4), was in the original "title II of the Act of September 14, 1976 (Public Law 94–412)", which is known as the National Emergencies Act.

Amendments

1987—Subsec. (g). Pub. L. 100–42 struck out subsec. (g) which permitted use of natural gas or petroleum as primary energy source in peakload powerplant or major fuel-burning installation during temporary emergency condition (other than emergency conditions provided for under section 8302(a)(15) of this title).


Section, Pub. L. 95–620, title IV, § 405, Nov. 9, 1978, 92 Stat. 3320, prohibited increased use of petroleum as primary energy source in existing electric powerplants which, during calendar year 1977, used coal or another alternate fuel as primary energy source, unless permit authorizing such increased use had been issued by Secretary.

SUBCHAPTER V—SYSTEM COMPLIANCE OPTION


Section, Pub. L. 95–620, title V, §501, Nov. 9, 1978, 92 Stat. 3321, mandated that existing electric powerplants owned or operated by an electric utility be considered in compliance with prohibitions under subchapter III of this chapter relating to use of natural gas if there is in effect an approved plan of system compliance for such utility, and set forth requirements for approval of such plan.

SUBCHAPTER VI—FINANCIAL ASSISTANCE

§ 8401. Assistance to areas impacted by increased coal or uranium production

(a) Designation of impacted areas

(1) In accordance with such criteria and guidelines as the Secretary of Agriculture shall, by rule, prescribe, the Governor of any State may designate any area within such State for the purposes of this section, if he finds that—

(A) either (i) employment in coal or uranium production development activities in such area has increased for the most recent calendar year by 8 percent or more from the immediately preceding year or (ii) employment in such activities will increase 8 percent or more per year during each of the 3 calendar years beginning after the date of such finding; and

(B) such employment increase has required or will require substantial increases in housing or public facilities and services or a combination of both in such area; and

See References in Text note below.
(C) The State and the local government or governments serving such area lack the financial and other resources to meet any such increases in public facilities and services within a reasonable time.

The Secretary of Agriculture shall prescribe a rule containing criteria and guidelines for making a designation under this subsection, after consultation with the Secretary of Labor and the Secretary of Energy, not later than 180 days after the effective date of this chapter.

(2) For purposes of paragraph (1)(C), increased revenues, including severance tax revenues, royalties, and similar fees to the State and local governments which are associated with the increase in coal or uranium development activities and which are not prohibited from being used under provisions of law in effect on November 9, 1978, shall be taken into account in determining if a State or local government lacks financial resources.

(3) The Secretary shall, after consultation with the Secretary of Agriculture, approve any designation of an area under paragraph (1) only if—

(A) The Governor of the State making the designation provides the Secretary in writing with the data and information on which such designation was made, together with such additional information as the Secretary may require to carry out the purposes of this section; and

(B) The Secretary determines that the requirements of subparagraphs (A), (B), and (C) of paragraph (1) have been met.

(b) Planning grants

(1) The Secretary of Agriculture may make a grant to any State in which there is an area designated and approved under subsection (a) for the purposes of developing a plan for such area which shall include determinations of—

(A) The anticipated level of coal or uranium production activities in such area;

(B) The socio-economic impacts which have occurred or which are reasonably projected to occur as a result of the increase in coal or uranium production activities;

(C) The availability and location of resources within such area to meet the increased needs resulting from socio-economic impacts determined under subparagraph (B) (such as any increased need for housing, or public facilities and services); and

(D) The nature and expense of measures necessary to meet within a reasonable time the increased needs resulting from such impact for which there are no resources reasonably available other than under this section.

(2)(A) Any grant for developing a plan under this subsection shall be for an amount equal to 100 percent of the costs of such plan, as determined by the Secretary of Agriculture.

(B) The aggregate amount granted under this subsection in any fiscal year may not exceed 10 percent of the total amount appropriated for purposes of this section for such year.

(3) The Governor of a State receiving a grant under this subsection for developing a plan shall submit a copy of such plan to the Secretary of Agriculture as soon as practicable after it has been prepared.

(c) Land acquisition and development grants

(1) In the case of any real property—

(A) within an area for which a plan meeting the requirements of subsection (b)(1) has been approved;

(B) which is for housing or public facilities determined in such plan as necessary due to an increase in employment due to coal or uranium development activities;

(C) with respect to which the Secretary of Agriculture has determined that the State and the local governments serving such area do not have the financial resources to acquire or the legal authority to acquire by condemnation; and

(D) with respect to which there has been an approval in writing by the Governor of such State that the Secretary of Agriculture exercise his authority under this paragraph:

the Secretary of Agriculture may acquire such real property or interest therein, by purchase, donation, lease, or exchange. Property so acquired shall be transferred to the State under such terms and conditions as the Secretary of Agriculture deems appropriate. Such terms and conditions shall provide for the reimbursement to the Secretary of Agriculture for the fair market value of the property, as determined by the Secretary of Agriculture. The value of any improvement of such property made after such acquisition shall not be taken into account in determining the fair market value of such property under this subsection. Amounts so received by the Secretary of Agriculture shall be deposited in the Treasury of the United States as miscellaneous receipts.

(2) Any approval by a Governor of a State under paragraph (1)(D) shall constitute a binding commitment of such State to accept the property to be acquired and to provide reimbursement for the amount of the fair market value of such property, as determined under paragraph (1).

(3) The Governor of a State receiving a grant under paragraph (1)(D) shall constitute a binding commitment of such State to accept the property to be acquired and to provide reimbursement for the amount of the fair market value of such property, as determined under paragraph (1).

(A) such property is not available by means other than condemnation at a price which does not substantially exceed the fair market value of such property;

(B) other real property is not similarly available which is within the same designated area and which is suitable for the purposes to which the property involved is to be applied; and

(C) the State and the local governments serving such area lack the legal authority to acquire such property by condemnation.

(4)(A) In the case of any real property which meets the requirements of subparagraphs (A), (B), and (C) of paragraph (1), the Secretary of Agriculture may make a grant to the State in which such property is located for the purposes of acquiring such property, and for any site development which is consistent with the plan developed under subsection (b).

(B) In the case of property acquired by the Secretary of Agriculture under paragraph (1)
§ 8401  TITLE 42—THE PUBLIC HEALTH AND WELFARE Page 6978

and transferred to the State, the Secretary of Agriculture may make a grant to such unit of government for the purposes of site development which is consistent with such plan.

(C) Grants for real property acquisition or site development or both under this paragraph may not exceed 75 percent of the costs thereof, as determined by the Secretary of Agriculture.

(5) In the selection of real property for acquisition and in such acquisition under this subsection, preference shall be given to real property which the Secretary of Agriculture determines at such time to be unoccupied or previously mined and abandoned.

(6)(A) Property held by the United States in trust for Indians or any Indian tribe may not be acquired by condemnation under this section.

(B) No property within the National Forest System (as defined in section 1609 of title 16) may be exchanged by the Secretary in any acquisition under paragraph (1).

d General requirements regarding assistance

(1) Assistance under this section shall be provided only upon application, which application shall contain such information as the Secretary of Agriculture shall prescribe.

(2) The Secretary of Agriculture may make any grant under this section in whole or in part to the local government or governments serving an area designated and approved under subsection (a), or to a council of local governments which includes one or more local governments serving such area (in lieu of making such grant solely to the State), if he has determined, after consultation with the Governor of the State, that to do so would be appropriate.

(3) The Secretary of Agriculture shall prescribe, by rule, criteria for the allocation of assistance under this section. Such criteria shall give due weight to the magnitude of the employment increase involved, the financial resources of the designated area, and the ratio of the financial burden on the area to the resources available to such area.

(4) Assistance under this section shall be provided only if the Secretary of Agriculture is satisfied that—

(A) the amounts expended by the State and the local governments involved for the same purposes for which such assistance is provided will not be reduced; and

(B) the amount of such assistance does not reflect any amount for which other Federal financial assistance is provided or on proper application would be provided.

e “Coal or uranium development activities” and “site development” defined

For the purposes of this section—

(1) The term “coal or uranium development activities” means the production, processing, or transportation of coal or uranium.

(2) The term “site development” means necessary off-site improvements, such as the construction of sewer and water connections, construction of access roads, and appropriate site restoration, but does not include any portion of the construction of housing or public facilities.

f Reports

Any person regularly engaged in any coal or uranium development activity within an area designated and approved under subsection (a) shall prepare and transmit a report to the Secretary of Energy within 90 days after a written request to such person by the Governor of the State in which such area is located. Such report shall include—

(1) projected employment levels for such activity by such person within such area during each of the following 3 calendar years;

(2) the projected increase in employees in such area to engage in such activity during each of such calendar years;

(3) the projected quantity of coal (or uranium) to be produced, processed, or transported by such person during each of such calendar years; and

(4) actions such companies plan to take or are taking to provide needed housing and other facilities for their employees directly or by providing funds to the States or local communities for this purpose.

Copies of the report shall be provided to the Secretary of Energy and the Secretary shall, subject to the provisions of section 796(d) of title 15, provide the report to the Secretary of Agriculture, the Governor, and the appropriate county or local officials and make it available for public review.

g Administration

The Secretary of Agriculture shall carry out his responsibilities under this section through the Farmers Home Administration and such other agencies within the Department of Agriculture as he may determine appropriate.

h Appropriations authorization

(1)² There is hereby authorized to be appropriated to the Secretary of Energy for purposes of this section, $60,000,000 for fiscal year 1979 and $120,000,000 for fiscal year 1980. The Secretary of Energy and the Secretary of Agriculture shall enter into an agreement for the allocation of funds appropriated pursuant to this section for carrying out their respective responsibilities under this section, including the amounts for personnel and administrative costs, and upon such agreement, the Secretary of Energy shall transfer to the Secretary of Agriculture amounts determined under that agreement.

i Protection from certain hazardous actions

Federal agencies having responsibilities concerning the health and safety of any person working in any coal, uranium, metal, or nonmetallic mine regulated by any Federal agency shall interpret and utilize their authorities fully and promptly, including the promulgation of standards and regulations, to protect existing and future housing, property, persons, and public facilities located adjacent to or near active and abandoned coal, uranium, metal, and nonmetallic mines from actions occurring at such activities that pose a hazard to such property or persons.

²See References in Text note below.
(j) Reorganization

The authority of the Secretary of Agriculture and the authority of the Secretary of Energy under this section may not be transferred to any other Secretary or to any other Federal agency under chapter 9 of title 5 or under any other provision of law, other than under specific provisions of a law enacted after November 9, 1978. The preceding provisions of this subsection shall not preclude either Secretary from delegating any such authority to any officer, employee, or entity within such Secretary’s department.


REFERENCES IN TEXT

The effective date of this chapter, referred to in subsec. (a)(1), is the effective date of Pub. L. 95–620. See section 901 of Pub. L. 95–620, set out as an Effective Date note under section 8301 of this title.

Section 1609 of title 16, referred to in subsec. (c)(6)(B), was in the original “section 10 of the Forest and Range-land Renewable Resources Planning Act of 1974”. Such section 10 is classified to section 1608 of title 16 but has been editorially translated as section 1609 of title 16 as the probable intent of Congress in that the properties defined as being in the National Forest System appear in section 1609.

§8401a. “Local government” defined

For the purposes of section 8401 of this title, the term “local government” shall include—

(1) any county, parish, city, town, township, village or other general purpose political sub-division of a State with the power to levy taxes and expend Federal, State, and local funds and exercise governmental powers; and

(2) which (in whole or in part) is located in, or has authority over the energy impacted area: Provided further, That such term shall include a public or private nonprofit corporation, or a school, water, sewer, highway, or other public special purpose district, authority, or body, with the concurrence of the Governor: Provided further, That such term shall be applicable to all applications for assistance received since the effective date of section 8401 of this title.


REFERENCES IN TEXT

For effective date of section 8401 of this title, referred to in par. (2), see section 901 of Pub. L. 95–620, set out as an Effective Date note under section 8301 of this title.

CODIFICATION

Section was enacted as part of the Department of the Interior and Related Agencies Appropriations Act, 1981, and not as part of the Powerplant and Industrial Fuel Use Act of 1978 which comprises this chapter.

§8402. Loans to assist powerplant acquisitions of air pollution control equipment

(a) Authority to make loans

The Secretary may, in accordance with the provisions of this section and such rules and regulations as he shall prescribe, make a loan (and may make a commitment to loan) to any person who owns or operates any existing electric powerplant converting to coal or other alternate fuel as its primary energy source after the effective date of this chapter for the purpose of financing the purchase and installation of one or more certified air pollution control devices for such electric powerplant.

(b) Limitations and conditions

A loan made under this section shall—

(1) not exceed two-thirds of the cost of purchasing and installing the certified air pollution control devices;

(2) have a maturity date not extending beyond 10 years after the date such loan is made;

(3) bear interest at a rate not less than (A) a rate determined by the Secretary of the Treasury, taking into consideration the average market yield of outstanding Treasury obligations of comparable maturity, plus (B) 1 percent;

(4) be made on the condition of payment to the Secretary of a loan fee in an amount equal to (A) such insurance fee as the Secretary determines is necessary to avoid a Federal revenue loss under this section, plus (B) 1 percent of the loan amount; and

(5) be made only if the Secretary finds that—

(A) the financial assistance applied for is not otherwise available from other Federal agencies;

(B) the applicant is unable to obtain sufficient funds on reasonable terms and conditions from any other source;

(C) there is continued reasonable assurance of full repayment of the principal, interest, and fees; and

(D) competition among private entities for the provision of air pollution control devices for electric powerplants using coal as their primary energy source to be assisted under this section will be in no way limited or precluded.

(c) Allocation and priorities

In making loans or commitments to loan pursuant to this section, the Secretary shall—

(1) allocate a minimum of 25 percent of available financial assistance to existing small municipal and rural powerplants; and

(2) give priority consideration to requests for financial assistance by existing electric powerplants subject to any prohibition under subchapter III (or under section 792 of title 15).

(d) Definitions

For purposes of this section—

(1) The term “certified pollution control device” means a new identifiable device which—

(A) is used, in connection with a powerplant, to abate or control atmospheric pollution by removing, altering, disposing, storing, or preventing the emission of pollutants;

(B) the appropriate State air pollution control agency has certified to the Administrator of the Environmental Protection Agency that such device is needed to meet, and is in conformity with, State requirements for abatement or control of atmospheric pollution or contamination;

(C) the Administrator of the Environmental Protection Agency has certified to
§ 8411. Administrative procedures

(a) General rulemaking

Except to the extent otherwise provided in this section or other provisions of this chapter, rules prescribed under this chapter shall be made in accordance with the procedures set forth in section 553 of title 5.

(b) Notices of rules and orders imposing prohibitions

Before the Secretary prescribes any rule or issue any order imposing a prohibition under this chapter, he shall publish such proposed rule or order in the Federal Register, together with a statement of the reasons for such rule or order and, in the case of a rule, a detailed statement of any special circumstances or characteristics required to be taken into account in prescribing such rule. A copy shall be transmitted to the person who operates any such powerplant required to be specifically identified in such rule or order.

(c) Petitions for exemptions

(1) Any petition for an exemption from any prohibition under this chapter shall be filed at such time and shall be in such form as the Sec-
(e) Transcript

A transcript shall be kept of any public hearing made in accordance with this section.

(f) Environmental Protection Agency comment

A copy of any proposed rule or order to be prescribed or issued by the Secretary which imposes a prohibition under this chapter (other than under section 8374 of this title), shall be transmitted by the Secretary to the Administrator of the Environmental Protection Agency and the Secretary shall request such agency to comment thereon within the period provided to the public unless a longer period is provided under the Clean Air Act [42 U.S.C. 7401 et seq.]. In any such case, the Administrator of the Environmental Protection Agency shall be afforded the same opportunity to comment and question as is provided other interested persons under subsection (d).

(h) Coordination with other provisions of law

(1) Except as provided in sections 8412(c)(4), 8433(d)(5), and 8434 of this title, title V of the Department of Energy Organization Act (42 U.S.C. 7191, et seq.) shall not apply with respect to this chapter.

(2) The preceding provisions of this section shall not apply with respect to any exercise of authority under section 8374 of this title.

(3) The procedures applicable under this chapter shall not—

(A) be considered to be modified or affected by any other provision of law unless such other provision specifically amends this chapter (or provisions of law cited herein), or

(B) be considered to be superseded by any other provision of law unless such other provision does so in specific terms, referring to this chapter, and declaring that such provision supersedes, in whole or in part, the procedures of this chapter.

(4) For purposes of paragraph (3), the term "petitions for any order granting an exemption, except that the Secretary

References in Text

This chapter, referred to in subsec. (a) to (c)(1), (d)(1), (f), and (h)(1), (3), was in the original "this Act", meaning Pub. L. 95–620, Nov. 9, 1978, 92 Stat. 3239, known as the Powerplant and Industrial Fuel Use Act of 1978, which is classified principally to this chapter.

For complete classification of this Act to the Code, see Short Title note set out under section 8301 of this title and Tables.

The Clean Air Act, referred to in subsec. (f), is act July 14, 1955, ch. 360, 69 Stat. 322, which is classified generally to chapter 85 (§ 7401 et seq.) of this title and Tables.


Amendments

1987—Subsec. (b). Pub. L. 100–42, § 1(c)(16)(A), struck out "(other than under section 8372 of this title)" after "this chapter" and "or installation" after "powerplant".

Subsec. (c)(1). Pub. L. 100–42, § 1(c)(16)(B)(i), (ii), struck out "or for any permit under section 8375 of this title" after "this chapter" and "or permit" after "such exemption".

Subsec. (c)(2). Pub. L. 100–42, § 1(c)(16)(B)(iii), struck out "or, where appropriate, major fuel-burning installation after "powerplant".

1986—Subsec. (a). Pub. L. 99–514, § 513(1), struck out "or, where appropriate, major fuel-burning installation after "powerplant".

1981—Subsec. (c)(2). Pub. L. 97–184, § 1(11), struck out "the procedures of this Act, and declaring that such provision supersedes, in whole or in part, the procedures of this chapter."


References in Text

This chapter, referred to in subsec. (a) to (c)(1), (d)(1), (f), and (h)(1), (3), was in the original "this Act", meaning Pub. L. 95–620, Nov. 9, 1978, 92 Stat. 3239, known as the Powerplant and Industrial Fuel Use Act of 1978, which is classified principally to this chapter.

For complete classification of this Act to the Code, see Short Title note set out under section 8301 of this title and Tables.

The Clean Air Act, referred to in subsec. (f), is act July 14, 1955, ch. 360, 69 Stat. 322, which is classified generally to chapter 85 (§ 7401 et seq.) of this title and Tables.


Amendments

1987—Subsec. (b). Pub. L. 100–42, § 1(c)(16)(A), struck out "(other than under section 8372 of this title)" after "this chapter" and "or installation" after "powerplant".

Subsec. (c)(1). Pub. L. 100–42, § 1(c)(16)(B)(i), (ii), struck out "or for any permit under section 8375 of this title" after "this chapter" and "or permit" after "such exemption".

Subsec. (c)(2). Pub. L. 100–42, § 1(c)(16)(B)(iii), struck out "or, where appropriate, major fuel-burning installation after "powerplant".

1986—Subsec. (a). Pub. L. 99–514, § 513(1), struck out "or, where appropriate, major fuel-burning installation after "powerplant".

§ 8412. Judicial review

(a) Publication and delay of prohibition or exemption to allow for review

Any final rule or order prescribed by the Secretary imposing a prohibition or granting an exemption (or permit) under this chapter shall be published in the Federal Register, and shall not take effect earlier than the 60th calendar day after such rule or order is published.

(b) Publication of denial of exemption or permit

Any final order issued by the Secretary denying any petition for an exemption or a permit under this chapter shall be published in the Federal Register, together with the reasons for such action.

(c) Judicial review

(1) Any person aggrieved by any final rule or order referred to in subsection (a) or in section 8372 of this title, or by the denial of a petition for an order granting an exemption (or permit) referred to in subsection (b), may at any time before the 60th day after the date such rule, order, or denial is published under subsection (a) or (b), file a petition with the United States court of appeals for the circuit wherein such person resides, or has his principal place of business, for judicial review thereof. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Secretary. The Secretary thereupon shall file in the court the written submissions to, and transcript of, the written or oral proceedings on which the rule or order was based as provided in section 2112 of title 28.

(2) Upon the filing of the petition referred to in paragraph (1), the court shall have jurisdiction to review the rule, order, or denial in accordance with chapter 7 of title 5, and to grant appropriate relief as provided in such chapter. No rule or order (or denial thereof) may be affirmed unless supported by substantial evidence.

(3) The judgment of the court affirming or setting aside, in whole or in part, any such rule, order, or denial shall be final, subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28.

(4) Subject to the direction and control of the Attorney General, as provided in section 519 of title 28, attorneys appointed by the Secretary may appear for and represent the Secretary in any proceeding instituted under this section in accordance with section 7192(c) of this title.


REFERENCES IN TEXT

This chapter, referred to in subsecs. (a) and (b), was in the original “this Act”, meaning Pub. L. 95–620, Nov. 9, 1978, 92 Stat. 3289, known as the Powerplant and Industrial Fuel Use Act of 1978, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 8301 of this title and Tables.

PART B—INFORMATION AND REPORTING

§ 8421. Information

(a) Authority of Secretary

For purposes of carrying out his responsibilities under this chapter, the Secretary may require, under the authority of this chapter or any other authority administered by him, any person owning, operating, or controlling any electric powerplant, or any other person otherwise subject to this chapter to submit such information and reports of any kind or nature directly to the Secretary necessary to implement the provisions of this chapter, and insure compliance with the provisions of this chapter, and any rule or order thereunder. The provisions of section 796(d) of title 15 shall apply with respect to information obtained under this section to the same extent and in the same manner as it applies with respect to energy information obtained under section 796 of title 15.

(b) Authority of President and Federal Energy Regulatory Commission

In the case of responsibilities expressly given by this chapter to the President or the Federal Energy Regulatory Commission, subsection (a) shall be applied as if the references to the Secretary were references to the President or the Federal Energy Regulatory Commission, as the case may be.

(c) Natural gas usage by electric utilities

(1) For purposes of section 8374(b) of this title and other emergency authorities, the Secretary shall obtain data necessary to determine—

(A) within 6 months after August 13, 1981, the total quantities of natural gas used as a primary energy source by each electric utility during calendar year 1977, and

(B) on a semiannual basis, the total quantities of natural gas used as a primary energy source during the previous 6-month period by each electric utility.


§ 8422. Compliance report

(a) Generally

Any person owning, operating, or proposing to operate one or more existing electric powerplants required to come into compliance with the prohibitions of this chapter shall on or before January 1, 1980, and annually thereafter, submit to the Secretary a report identifying all such existing electric powerplants owned or operated by such person. Such report shall—

(1) set forth the anticipated schedule for compliance with the applicable requirements and prohibitions by each such electric powerplant;

(2) indicate proposed or existing contracts or other commitments or good faith negotiations for such contracts or commitments for coal or another alternate fuel, equipment, or combinations thereof, which would enable such powerplant to comply with such prohibitions; and

(3) identify those electric powerplants, if any, for which application for temporary or permanent exemption from the prohibitions of this chapter may be filed.

(b) Report on implementation of section 8484 plan

Any electric utility required to submit a conservation plan under section 8484 of this title shall annually submit to the Secretary a report identifying the steps taken during the preceding year to implement such plan.

§ 8423. Notice to Secretary

(a) General notice

(1) When the Secretary has received notification from any person that such institution is required to come into compliance with the prohibitions of this chapter, he shall issue notice of such violation. Any notice issued under this subsection shall be in writing and shall state with reasonable specificity the nature of the violation.

(b) Negative determination

If the Secretary finds that any person is not in violation of any provision of this chapter, or any rule or order thereunder, he shall issue no notice of such violation.

(c) Accounting for notice

Any notice issued under this subsection shall be in writing and shall state with reasonable specificity the nature of the violation.

§ 8424. Notice of noncompliance with any contract

Any person owning, operating, or proposing to operate any electric powerplant who, after notice of noncompliance with any contract has been received from the Secretary, shall be subject to imprisonment for any act or omission in violation of any provision of this chapter for any act or omission occurring after the issuance of notice.

§ 8425. Notice of violation; other general provisions

(a) Notice of violation

(1) Whenever, on the basis of any information available, the Secretary finds that any person is in violation of any provision of this chapter, or any rule or order thereunder, the Secretary shall issue notice of such violation. Any notice issued under this subsection shall be in writing and shall state with reasonable specificity the nature of the violation.

(b) Individual liability of corporate personnel

Any individual director, officer, or agent of a corporation who willfully authorizes, orders, or performs any of the acts or practices constituting in whole or in part a violation of this chapter, or any rule or order thereunder, shall be subject to penalties under this section without regard to any penalties to which the corporation may be subject, except that no such individual director, officer, or agent shall be subject to imprisonment under section 8432 of this title, unless he also knew of noncompliance by the corporation or had received from the Secretary notice of noncompliance by the corporation.

(c) Repealed. Pub. L. 100–42, § 1(c)(18), May 21, 1987, 101 Stat. 313

(d) Federal agencies

The provisions of sections 8432 and 8433 of this title shall not be construed to apply to any Federal agency or officer or employee thereof acting in his official capacity.

References in Text

This chapter, referred to in subsec. (a) and (b), was in the original “this Act”, meaning Pub. L. 95–620, Nov. 9, 1978, 92 Stat. 3289, known as the Powerplant and Industrial Fuel Use Act of 1978, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 8301 of this title and Tables.
§ 8432. Criminal penalties

Any person who willfully violates any provision of this chapter, or any rule or order thereunder, shall be subject to a fine of not more than $50,000, or to imprisonment for not more than one year, or both, for each violation.


REFERENCES IN TEXT

This chapter, referred to in text, was in the original ‘‘this Act’’, meaning Pub. L. 95–620, Nov. 9, 1978, 92 Stat. 3269, known as the Powerplant and Industrial Fuel Use Act of 1978, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 8301 of this title and Tables.

AMENDMENTS

1987—Pub. L. 100–42 struck out ‘‘(other than section 8572 of this title)’’ after ‘‘this chapter’’.

§ 8433. Civil penalties

(a) General civil penalty

Any person who violates any provision of this chapter, or any rule or order thereunder, shall be subject to a civil penalty, which shall be assessed by the Secretary, of not more than $25,000 for each violation. Each day of violation shall constitute a separate violation.

(b) Civil penalty for operation in excess of exemption

In the case of any electric powerplant granted an exemption, any person who operates such powerplant during any 12-calendar-month period in excess of that authorized in such exemption shall be liable for a civil penalty, which shall be assessed by the Secretary. The amount of such civil penalty may not exceed $10 per barrel of petroleum or $3 per Mcf of natural gas used in operation of such powerplant in excess of that authorized in such exemption.


(d) Assessment

(1) Before issuing an order assessing a civil penalty against any person under this chapter, the Secretary shall provide to such person notice of the proposed penalty. Such notice shall inform such person of his opportunity to elect to elect in writing within 30 days after the date of receipt of such notice to have the procedures of paragraph (3) (in lieu of those of paragraph (2)) apply with respect to such assessment.

(2)(A) Unless an election is made within 30 calendar days after receipt of notice under paragraph (1) to have paragraph (3) apply with respect to such penalty, the Secretary shall assess the penalty, by order, after a determination of violation has been made on the record after an opportunity for an agency hearing pursuant to section 554 of title 5 before an administrative law judge appointed under section 3105 of such title 5. Such assessment order shall include the administrative law judge’s findings and the basis for such assessment.

(2)(B) Any person against whom a penalty is assessed under this paragraph may, within 60 calendar days after the date of the order of the Secretary assessing such penalty, institute an action in the United States court of appeals for the appropriate judicial circuit for judicial review of such order in accordance with chapter 7 of title 5. The court shall have jurisdiction to enter a judgment affirming, modifying, or setting aside in whole or in part, the order of the Secretary, or the court may remand the proceeding to the Secretary for such further action as the court may direct.

(3)(A) In the case of any civil penalty with respect to which the procedures of this paragraph have been elected, the Secretary shall promptly assess such penalty, by order, after the date of the receipt of the notice under paragraph (1) of the proposed penalty.

(2) If the civil penalty has not been paid within 60 calendar days after the assessment order has been made under subparagraph (A), the Secretary shall institute an action in the appropriate district court of the United States for an order affirming the assessment of the civil penalty. The court shall have authority to review de novo the law and the facts involved, and shall have jurisdiction to enter a judgment enforcing, modifying, and enforcing as so modified, or setting aside in whole or in part, such assessment.

(2) Any election to have this paragraph apply may not be revoked except with the consent of the Secretary.

(4) If any person fails to pay an assessment of a civil penalty after it has become a final and unappealable order under paragraph (2), or after the appropriate district court has entered final judgment in favor of the Secretary under paragraph (3), the Secretary shall institute an action to recover the amount of such penalty in any appropriate district court of the United States. In such action, the validity and appropriateness of such final assessment order or judgment shall not be subject to review.

(5)(A) Notwithstanding the provisions of title 28, or of section 7192(c) of this title, the Secretary shall be represented by the general counsel of the Department of Energy (or any attorney or attorneys within the Department of Energy designated by the Secretary) who shall supervise, conduct, and argue any civil litigation to which paragraph (3) of this subsection applies (including any related collection action under paragraph (4)) in a court of the United States or in any other court, except the Supreme Court. However, the Secretary or the general counsel shall consult with the Attorney General concerning such litigation, and the Attorney General shall provide, on request, such assistance in the conduct of such litigation as may be appropriate.

(B) Subject to the provisions of section 7192(c) of this title, the Secretary shall be represented by the Attorney General, or the Solicitor General, as appropriate, in actions under this sub-
section, except to the extent provided in subparagraph (A) of this paragraph.
(C) Section 7172(d) of this title shall not apply with respect to the functions of the Secretary under this subsection.


REFERENCES IN TEXT
This chapter, referred to in subsecs. (a) and (d)(1), was in the original ‘‘this Act’’, meaning Pub. L. 95–620, Nov. 9, 1978, 92 Stat. 3289, known as the Powerplant and Industrial Fuel Use Act of 1978, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 8301 of this title and Tables.

AMENDMENTS
1987—Subsec. (a). Pub. L. 100–42, §1(c)(20)(A), struck out ‘‘(other than section 8372 of this title)’’ after ‘‘this chapter’’.
Subsec. (b). Pub. L. 100–42, §1(c)(20)(B), (C), struck out ‘‘(1)’’ before ‘‘In the case of’’ and struck out par. (2) which read as follows: ‘‘Any person operating a major fuel-burning installation granted an exemption which, for any 12-calender-month period, uses petroleum or natural gas, or both, in excess of that use allowed by such exemption shall be liable for a civil penalty, which shall be assessed by the Secretary. The amount of such civil penalty may not exceed $10 per barrel of petroleum or $3 per Mcf of natural gas which was used in excess of that use allowed by such exemption.’’
Subsec. (c). Pub. L. 100–42, §1(c)(20)(C), struck out subsec. (c) which set forth civil penalties for violation of section 8372 of this title.

§8434. Injunctions and other equitable relief
Whenever it appears to the Secretary that any person has engaged, is engaged, or is about to engage in acts or practices constituting a violation of this chapter, or any rule or order thereunder, a civil action, may be brought, in accordance with section 7192(c) of this title, in the appropriate district court of the United States to enjoin such acts or practices, and, upon a proper showing, the court shall grant, without bond, mandatory or prohibitive injunctive relief, including interim equitable relief.


REFERENCES IN TEXT
This chapter, referred to in text, was in the original ‘‘this Act’’, meaning Pub. L. 95–620, Nov. 9, 1978, 92 Stat. 3289, known as the Powerplant and Industrial Fuel Use Act of 1978, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 8301 of this title and Tables.

§8435. Citizens suits
(a) General rule
Except as otherwise provided in subsection (b), any aggrieved person may commence a civil action for mandatory or prohibitive injunctive relief, including interim equitable relief, against the Secretary or the head of any Federal agency which has a responsibility under this chapter if there is an alleged failure of the Secretary or such agency head to perform any act or duty under this chapter which is not discretionary.

The United States district courts shall have jurisdiction over actions brought under this section, without regard to the amount in controversy or the citizenship of the parties.

(b) Notice to Secretary or agency head
No action may be commenced under subsection (a) before the 60th calendar day after the date on which the plaintiff has given notice of such action to the Secretary or the agency head involved. Notice under this subsection shall be given in such manner as the Secretary shall prescribe by rule.

(c) Authority of Secretary to intervene
In any action brought under subsection (a), the Secretary, if not a party, may intervene as a matter of right.

(d) Costs of litigation
The court, in issuing any final order in any action brought under subsection (a), may award costs of litigation (including reasonable attorney and expert witness fees) to any party, whenever the court determines such award is appropriate.

(e) Other remedies to remain available
Nothing in this section shall restrict any right which any aggrieved person (or class of aggrieved persons) may have under any statute or common law to seek enforcement of this chapter or any rule thereunder, or to seek any other relief (including relief against the Secretary or the agency head involved).


REFERENCES IN TEXT
This chapter, referred to in subsecs. (a) and (e), was in the original ‘‘this Act’’, meaning Pub. L. 95–620, Nov. 9, 1978, 92 Stat. 3289, known as the Powerplant and Industrial Fuel Use Act of 1978, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 8301 of this title and Tables.

PART D—PROTECTION OF CONTRACTUAL RIGHTS

§8441. Preservation of contractual interest
(a) Right to transfer contractual interests
(1) If any person receives natural gas, the use of which is prohibited by the provisions of subchapter III or any rule or order thereunder, and if such natural gas is received pursuant to a contract in effect on April 20, 1977, between such person and any other person, such person receiving such natural gas may transfer all or any portion of such person’s contractual interests under such contract and receive consideration from the person to whom such contractual interests are transferred. The consideration authorized by this subsection shall not exceed the maximum consideration established as just compensation under this section.

(2) Any person who would have transported or distributed the natural gas subject to a contract with respect to which contractual interests are transferred pursuant to paragraph (1) shall be

1 So in original. The comma probably should not appear.
entitled to receive just compensation (as determined by the Commission) from the person to whom such contractual interests are transferred.

(b) Determination of consideration

(1) The Commission shall, by rule, establish guidelines for the application on a regional or national basis (as may be appropriate) of the criteria specified in subsection (e)(1) to determine the maximum consideration permitted as just compensation under this section.

(2) The person transferring contractual interests pursuant to subsection (a)(1) and the person to whom such interests are transferred may agree on the amount of, or method of determining, the consideration to be paid for such transfer and certify such consideration to the Commission. Except as provided in paragraph (4), such agreed-upon consideration shall not exceed the consideration determined by application of the guidelines prescribed by the Commission under paragraph (1).

(3) In the event the person transferring contractual interests pursuant to subsection (a)(1) and the person to whom such interests are transferred fail to agree, under paragraph (2), on the amount of, or method of determining, the consideration to be paid for such transfer, the Commission may, at the request of either such persons, prescribe the amount of, or method of determining, such consideration. Upon the request of either such person, the Commission shall make such determination on the record, after an opportunity for agency hearing. In any such latter case, the determination of the Commission shall be binding upon the party requesting such determination made on the record of the agency hearing. The consideration prescribed by the Commission shall not exceed the maximum consideration permitted as just compensation under this section. In prescribing the amount of, or method of determining, consideration under this paragraph, to the maximum extent practicable, the Commission shall utilize any liquidated damages provision set forth in the applicable contract, but in no event may the Commission prescribe consideration in excess of the maximum consideration permitted as just compensation under this section. In prescribing the amount of, or method of determining, such determination made on the record of the agency hearing. The consideration prescribed by the Commission shall not exceed the maximum consideration permitted as just compensation under this section. In prescribing the amount of, or method of determining, such consideration determined by application of the guidelines prescribed by the Commission under paragraph (1), the Commission may approve such agreed-upon consideration if the Commission determines such agreed-upon consideration does not exceed the maximum consideration permitted as just compensation under this section.

(4) In the event that the consideration agreed upon under paragraph (2) exceeds the consideration determined by application of the guidelines prescribed by the Commission under paragraph (1), the Commission may require such agreed-upon consideration if the Commission determines such agreed-upon consideration does not exceed the maximum consideration permitted as just compensation under this section.

(5) If consideration is agreed upon under paragraph (2) and such consideration exceeds the consideration determined by application of the guidelines prescribed under paragraph (1), but does not exceed the maximum consideration permitted as just compensation under this section, the Commission may not require a refund of any portion of the agreed-upon consideration paid with respect to deliveries of natural gas occurring prior to the Commission’s action under paragraph (4) approving or disapproving such consideration unless the Commission determines—

(A) such agreed-upon consideration was fraudulently established;

(B) the processing of the request for approval of such agreed-upon consideration under paragraph (4) was willfully delayed by a party to the transfer; or

(C) such agreed-upon consideration exceeds the maximum consideration permitted as just compensation under this section.

(c) Restrictions on transfers unenforceable

(1) Any provision of any contract, which prohibits any transfer authorized by subsection (a)(1) or terminates such contract on the basis of such transfer, shall be unenforceable in any court of the United States and in any court of any State.

(2) No State may enforce any prohibition on any transfer authorized by subsection (a)(1).

(d) Contractual obligations unaffected

The person acquiring contractual interests transferred pursuant to subsection (a)(1) shall assume the contractual obligations which the person transferring such contractual interests has under such contract. This subsection shall not relieve the person transferring such contractual interests from any contractual obligation of such person under such contract if such obligation is not performed by the person acquiring such contractual interests.

(e) Definitions

For purposes of this section—

(1) The term “just compensation”, when used with respect to any transfer of contractual interests authorized by subsection (a)(1), means the maximum amount of, or method of determining, consideration which does not exceed the amount by which—

(A) the reasonable costs (excluding capital costs) incurred, during the remainder of the period of the contract with respect to which contractual interests are transferred under subsection (a)(1), in direct association with the use of a fuel, other than natural gas, as a primary energy source by the applicable existing electric powerplant, exceed

(B) the price of natural gas under such contract during such period.

For purposes of subparagraph (A), the reasonable costs associated with the use of a fuel, other than natural gas, as a primary energy source shall include an allowance for the amortization, over the remaining useful life, of the undepreciated value of depreciable assets located on the premises containing such electric powerplant, which assets were directly associated with the use of natural gas and are not usable in connection with the use of such other fuel.

(2) The term “just compensation”, when used with respect to subsection (a)(2), means an amount equal to any loss of revenue, during the remaining period of the contract with respect to which contractual interests are transferred pursuant to subsection (a)(1), to the extent such loss (A) is directly incurred by reason of the discontinuation of the transportation or distribution of natural gas resulting from the transfer of contractual interests pursuant to subsection (a)(1), and (B) is not offset by revenues derived
from other transportation or distribution which would not have occurred if such contractual interests had not been transferred.

(3) The term “contractual interests”, with respect to a contract described in subsection (a)(1), includes the right to receive natural gas as affected by any applicable curtailment plan filed with the Commission or the appropriate State regulatory authority.

(4) The term “State” means each of the several States, the District of Columbia, Puerto Rico, any territory or possession of the United States, and any political subdivision of any of the foregoing.

(5) The term “interstate pipeline” means any person engaged in the transportation of natural gas in interstate commerce subject to the jurisdiction of the Commission under the Natural Gas Act [15 U.S.C. 717 et seq.].


(7) The term “contract”, when used with respect to a contract for receipt of natural gas, which contract was in existence on April 20, 1977, does not include any renewal or extension occurring after such date unless such renewal or extension occurs pursuant to the exercise of an option by the person receiving natural gas under such contract.

(f) Coordination with Natural Gas Act

(1) Consideration paid by any interstate pipeline pursuant to this section shall be deemed just and reasonable for purposes of sections 4, 5, and 7 of the Natural Gas Act [15 U.S.C. 717c, 717d, 717f]. The Commission shall not deny a passsthrough by such interstate pipeline of such consideration based upon the amount of such consideration paid pursuant to this section.

(2) No person shall be subject to the jurisdiction of the Commission under the Natural Gas Act [15 U.S.C. 717 et seq.] or to regulation as a common carrier under any provision of Federal or State law solely by reason of making any sale, or engaging in any transportation, of natural gas with respect to which the transfer of contractual interests is authorized under subsection (a)(1).

(3) Nothing in this section shall exempt from the jurisdiction of the Commission under the Natural Gas Act [15 U.S.C. 717 et seq.] any transportation in interstate commerce of natural gas, any sale in interstate commerce for resale of natural gas, or any person engaged in such transportation or such sale to the extent such transportation, sale or person is subject to the jurisdiction of the Commission under such Act without regard to the transfer of contractual interests under subsection (a)(1).

(4) Nothing in this section shall exempt any person from any obligation to obtain a certificate of public convenience and necessity for the transportation by an interstate pipeline of natural gas with respect to which the transfer of contractual interests is authorized under subsection (a)(1). The Commission shall not deny such a certificate for the transportation in interstate commerce of natural gas based upon the amount of consideration paid pursuant to this section.

(g) Volume limitation

No supplier of natural gas under any contract, with respect to which contractual interests have been transferred under subsection (a)(1), shall be required to supply natural gas during any relevant period in volume amounts which exceed the lesser of—

(1) the volume determined by reference to the maximum delivery obligations specified in such contract;

(2) the volume which such supplier would have been required to supply, under the curtailment plan in effect for such supplier, to the person, who transferred contractual interests under subsection (a)(1), if no such transfer had occurred;

(3) the volume which would have been delivered, or for which payment would have been made, pursuant to such contract but for the prohibition on the use of such natural gas under subchapter III of this chapter or any rule or order thereunder; and

(4) the volume actually delivered or for which payment would have been made pursuant to such contract during the 12-calendar-month period ending immediately before such transfer of contractual interests pursuant to this section.

(h) Judicial review

Any action by the Commission under this section is subject to judicial review in accordance with chapter 7 of title 5.


dREFERENCES IN TEXT

The Natural Gas Act, referred to in subsecs. (e)(5) and (f)(2), (3), is act June 21, 1938, ch. 556, 52 Stat. 821, as amended, which is classified generally to chapter 15B (§ 717 et seq.) of Title 15, Commerce and Trade. For complete classification of this Act to the Code, see section 717w of Title 15 and Tables.

AMENDMENTS


Subsec. (e)(1). Pub. L. 100–42, § 1(c)(21)(B), struck out “or major fuel-burning installation” after “powerplant” in subpar. (A) and “or major fuel-burning installation” after “powerplant” in last sentence.

Subsec. (g)(3). Pub. L. 100–42, § 1(c)(21)(A), struck out reference to subchapter II of this chapter.

PART E—STUDIES

§ 8451. National coal policy study

(a) Study

The President, acting through the Secretary and the Administrator of the Environmental Protection Agency, shall make a full and complete investigation and study of the alternative national uses of coal available in the United States to meet the Nation’s energy requirements consistent with national policies for the protection and enhancement of the quality of the environment and for economic recovery and full employment. In particular the study should identify and evaluate—

(1) current and prospective coal requirements of the United States;
§ 8452 TITeL 42—THE PUBLIC HEALTH AND WELFARE Page 6988

(2) current and prospective voluntary and mandatory energy conservation measures and their potential for reduction of the United States coal requirements;

(3) current and prospective coal resource production, transportation, conversion, and utilization requirements;

(4) the extent and adequacy of coal research, development, and demonstration programs being carried out by Federal, State, local, and nongovernmental entities (including financial resources, manpower, and statutory authority);

(5) programs for the development of coal mining technologies which increase coal production and utilization while protecting the health and safety of coal miners;

(6) alternative strategies for meeting anticipated United States coal requirements, consistent with achieving other national goals, including national security and environmental protection;

(7) existing and prospective governmental policies and laws affecting the coal industry with the view of determining what, if any, changes in and implementation of such policies and laws may be advisable in order to consolidate, coordinate, and provide an effective and equitable national energy policy consistent with other national policies; and

(8) the most efficient use of the Nation’s coal resources considering economic (including capital and consumer costs, and balance of payments), social (including employment), environmental, technological, national defense, and other aspects.

(b) Report

Within 18 months after the effective date of this chapter, the President shall submit to the Congress a report with respect to the studies and investigations, together with findings and investigations, including, if appropriate, investigations by the Secretary of the performance and competition of the coal industry, to be reported to Congress in interim reports with a final report to be submitted not later than eighteen months after Nov. 9, 1978.

§ 8453. Impact on employees

(a) Evaluation

The Secretary shall conduct continuing evaluations of potential loss or shifts of employment which may result from any prohibition under this chapter, including, if appropriate, investigating threatened plant closures or reductions in employment allegedly resulting from such prohibition. The results of such evaluations and each investigation shall promptly be made available to the public.

(b) Investigation and hearings

On a written request filed with the Secretary by or on behalf of any employee who is discharged or laid off, threatened with discharge or layoff, or otherwise discriminated against, by any person because of the alleged effects of any such prohibition, the Secretary shall investigate the matter and, at the request of any party, shall hold public hearings, after not less than 30 days’ duration, at which the Secretary shall require the parties, including any employer involved, to present information on the actual or potential effect of such prohibition on employment and on any alleged employee discharge, layoff, or other discrimination relating to prohibitions and the detailed reasons or justification therefor. At the completion of such investigation, the Secretary shall make findings of fact as to the effect of such prohibition on employ-
ment and on the alleged employee discharge, layoff, or discrimination and shall make such recommendations as he deems appropriate. Such report, findings, and recommendations shall be available to the public. The Secretary of Labor shall participate in each such investigation.

(c) Rule of construction

Nothing in this section shall be construed to require or authorize the Secretary to modify or withdraw any prohibition under this chapter.


REFERENCES IN TEXT

This chapter, referred to in subsecs. (a) and (c), was in the original ‘‘this Act’’, meaning Pub. L. 95–620, Nov. 9, 1978, 92 Stat. 3289, known as the Powerplant and Industrial Fuel Use Act of 1978, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 8301 of this title and Tables.

§ 8454. Study of compliance problem of small electric utility systems

(a) Study

The Secretary shall conduct a study of the problems of compliance with this chapter experienced by those electric utility systems which have a total system generating capacity of less than 2,000 megawatts. The Secretary shall report his findings and his recommendations to the Congress not later than 2 years after the effective date of this chapter.

(b) Authorization of appropriations

There is authorized to be appropriated to the Secretary for the fiscal year 1979 not to exceed $500,000 to carry out the provisions of this section.


REFERENCES IN TEXT

This chapter, referred to in subsec. (a), was in the original ‘‘this Act’’, meaning Pub. L. 95–620, Nov. 9, 1978, 92 Stat. 3289, known as the Powerplant and Industrial Fuel Use Act of 1978, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 8301 of this title and Tables.


REFERENCES IN TEXT

This chapter, referred to in subsec. (b)(1), was in the original ‘‘this Act’’, meaning Pub. L. 95–620, Nov. 9, 1978, 92 Stat. 3289, known as the Powerplant and Industrial Fuel Use Act of 1978, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 8301 of this title and Tables. The effective date of this chapter, referred to in subsec. (c), is the effective date of Pub. L. 95–620. See section 901 of Pub. L. 95–620, set out as an Effective Date note under section 8301 of this title.

§ 8456. Socioeconomic impacts of increased coal production and other energy development

(a) Committee

There is hereby established an interagency committee composed of the heads of the Departments of Energy, Commerce, Interior, Transportation, Housing and Urban Development, and Health and Human Services, the Environmental Protection Agency, the Appalachian Regional Commission, the Farmers’ Home Administration, the Office of Management and Budget, and such other Federal agencies as the Secretary shall designate. In carrying out its functions the committee shall consult with the National Governors’ Conference and interested persons, organizations, and entities. The chairman of the committee shall be designated by the President. The committee shall terminate 90 days after the submission of its report under subsection (c).

(b) Functions of committee

It is the function of the committee to conduct a study of the socioeconomic impacts of expanded coal production and rapid energy development in general, on States, including local communities, and on the public, including the adequacy of housing and public, recreational, and cultural facilities for coal miners and their families and the effect of any Federal or State laws or regulations on providing such housing and facilities. The committee shall gather data and information on—

(1) the level of assistance provided under this chapter and any other programs related to impact assistance.
(2) the timeliness of assistance in meeting impacts caused by Federal decisions on energy policy as well as private sector decisions, and
(3) the obstacles to effective assistance contained in regulations of existing programs related to impact assistance.

(c) Report

Within 1 year after the effective date of this chapter, the committee shall submit a detailed report on the results of such study to the Congress, together with any recommendations for additional legislation it may consider appropriate.


REFERENCES IN TEXT

This chapter, referred to in subsec. (a), was in the original ‘‘this Act’’, meaning Pub. L. 95–620, Nov. 9, 1978, 92 Stat. 3289, known as the Powerplant and Industrial Fuel Use Act of 1978, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 8301 of this title and Tables.

§ 8457. Use of petroleum and natural gas in combustors

The Secretary shall conduct a detailed study of the uses of petroleum and natural gas as a primary energy source for combustors and installations not subject to the prohibitions of this chapter. In conducting such study, the Secretary shall—

(1) identify those categories of major fuel-burning installations in which the substi-
tution of coal or other alternate fuels for petroleum and natural gas is economically and technically feasible, and
(2) determine the estimated savings of natural gas and petroleum expected from such substitution.

Within 1 year after the effective date of this chapter, the Secretary shall submit a detailed report on the results of such study to the Congress, together with any recommendations for legislation he may consider appropriate.


REFERENCES IN TEXT
This chapter, referred to in text, was in the original “this Act”, meaning Pub. L. 95–620, Nov. 9, 1978, 92 Stat. 3289, known as the Powerplant and Industrial Fuel Use Act of 1978, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 8301 of this title and Tables.

The effective date of this chapter, referred to in text, is the effective date of Pub. L. 95–620. See section 901 of Pub. L. 95–620, set out as an Effective Date note under section 8301 of this title.

PART F—APPROPRIATIONS AUTHORIZATION

§8461. Authorization of appropriations

There is authorized to be appropriated to the Secretary for fiscal year 1979 $11,900,000, to carry out the provisions of this chapter (other than provisions for which an appropriations authorization is otherwise expressly provided in this chapter) and section 792 of title 15.


REFERENCES IN TEXT
This chapter, referred to in text, was in the original “this Act”, meaning Pub. L. 95–620, Nov. 9, 1978, 92 Stat. 3289, known as the Powerplant and Industrial Fuel Use Act of 1978, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 8301 of this title and Tables.

PART G—COORDINATION WITH OTHER PROVISIONS OF LAW

§8471. Effect on environmental law

(a) Compliance with applicable environmental requirements

Except as provided in section 8374 of this title, nothing in this chapter shall be construed as permitting any existing or new electric powerplant to delay or avoid compliance with applicable environmental requirements.

(b) Local environmental requirements

In the case of any new or existing facility—
(1) which is subject to any prohibition under this chapter, and
(2) which is also subject to any requirement of any local environmental requirement which may be stricter than any Federal or State environmental requirement,
the existence of such local requirement shall not be construed to affect the validity or applicability of such prohibition to such facility, except to the extent provided under section 8322(b) or section 8352(b) of this title; and the existence of such prohibition shall not be construed to pre-empt such local requirement with respect to that facility.


REFERENCES IN TEXT
This chapter, referred to in subsecs. (a) and (b)(1), was in the original “this Act”, meaning Pub. L. 95–620, Nov. 9, 1978, 92 Stat. 3289, known as the Powerplant and Industrial Fuel Use Act of 1978, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 8301 of this title and Tables.

AMENDMENTS
1987—Subsec. (a). Pub. L. 100–42 struck out “or major fuel-burning installation” after “powerplant”.

§8472. Effect of orders under section 792 of title 15

(a) Effect of construction orders

Any electric powerplant or major fuel-burning installation issued an order pursuant to section 792(c) of title 15 that is pending on the effective date of this chapter shall, notwithstanding the provisions of such section 792(c) or any other provision of this chapter, be subject to the provisions of this chapter as if it were a new electric powerplant or new major fuel-burning installation, as the case may be, except that if such order became final before such date, the provisions of subchapter II of this chapter shall not apply to such powerplant or installation.

(b) Effect of prohibition orders

The provisions of subchapters II and III shall not apply to any powerplant or installation for which an order issued pursuant to section 792(a) of title 15 before the effective date of this chapter is pending or final or which, on review, was held unlawful and set aside on the merits; except that any installation issued such an order under such section 792(a) which is pending on the effective date of this chapter may elect to be covered by subchapter II or III (as the case may be) rather than such section 792. Such an election shall be irrevocable and shall be made in such form and manner as the Secretary shall, within 90 days after November 9, 1978, prescribe. Such an election shall be made not later than 60 days after the date on which the Secretary prescribes the form and manner of making such election.

(c) Validity of orders

The preceding provisions of this chapter shall not affect the validity of any order issued under subsection (a), or any final order under subsection (c), of section 792 of title 15, and the authority of the Secretary to amend, repeal, rescind, modify, or enforce any such order, or rules applicable thereto, shall remain in effect notwithstanding any limitation of time otherwise applicable to such authority. Except as provided in this section, the authority of the Secretary under section 792 of title 15 shall terminate on the effective date of this chapter.

§ 8473. Environmental impact statements under section 4332 of this title

The following actions are not deemed to be major Federal actions for purposes of section 4332(2)(C) of this title:

1. The grant or denial of any temporary exemption under this chapter for any electric powerplant.
2. The grant or denial of any permanent exemption under this chapter for any existing electric powerplant, other than an exemption for cogeneration.
3. The grant or denial of any exemption under this chapter for any powerplant for which the Secretary finds, in consultation with the appropriate Federal agency, and publishes such finding that an environmental impact statement is required in connection with another Federal action and such statement will be prepared by such agency and will reflect the exemption adequately.

Except as provided in the preceding provisions of this section, any determination of what constitutes or does not constitute a major Federal action shall be made under section 4332 of this title.


REFERENCES IN TEXT

This chapter, referred to in text, was in the original "this Act", meaning Pub. L. 95–620, Nov. 9, 1978, 92 Stat. 3289, known as the Powerplant and Industrial Fuel Use Act of 1978, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 8301 of this title and Tables.

§ 8474. Electric utility conservation plan

(a) Applicability

An electric utility is subject to this subsection if—

1. The utility owns or operates any existing electric powerplant in which natural gas was used as a primary energy source at any time during the 1-year period ending on August 13, 1981, and
2. The utility plans to use natural gas as a primary energy source in any electric powerplant.

1 So in original. Probably should be "section".
(b) Submission and approval of plan
The Secretary shall require each electric utility subject to this section to—
(1) submit, within 1 year after August 13, 1981, and have approved by the Secretary, a conservation plan which meets the requirements of subsection (c); and
(2) implement such plan during the 5-year period beginning on the date of the initial approval of such plan.

(c) Contents of plan
(1) Any conservation plan under this section shall set forth means determined by the utility to achieve conservation of electric energy not later than the 5th year after its initial approval at a level, measured on an annual basis, at least equal to 10 percent of the electric energy output of that utility during the most recent 4 calendar quarters ending prior to August 13, 1981, which is attributable to natural gas.
(2) The conservation plan shall include—
(A) all activities required for such utility by part 1 of title II of the National Energy Conservation Policy Act [42 U.S.C. §8211 et seq.];
(B) an effective public information program for conservation; and
(C) such other measures as the utility may consider appropriate.
(3) Any such plan may set forth a program for the use of renewable energy sources (other than hydroelectric power).
(4) Any such plan shall contain procedures to permit the amounts expended by such utility in developing and implementing the plan to be recovered in a manner specified by the appropriate State regulatory authority (or by the utility in the case of a nonregulated utility).

(d) Plan approval
(1) The Secretary shall, by order, approve or disapprove any conservation plan proposed under this subsection by an electric utility within 120 days after its submission. The Secretary shall approve any such proposed plan unless the Secretary finds that such plan does not meet the requirements of subsection (c) and states in writing the reasons therefor.
(2) In the event the Secretary disapproves under paragraph (1) the plan originally submitted, the Secretary shall provide a reasonable period of time for resubmission.
(3) An electric utility may amend any approved plan, except that the plan as amended shall be subject to approval in accordance with paragraph (1).

References in Text
The National Energy Conservation Policy Act, referred to in subsec. (c)(2)(A), is Pub. L. 95–619, Nov. 9, 1978, 92 Stat. 3208, as amended, Part 1 of title II of the National Energy Conservation Policy Act was classified generally to part A (§8211 et seq.) of subchapter II of chapter 91 of this title, and was omitted from the Code pursuant to section 8229 of this title which terminated authority under that part June 30, 1989. For complete classification of this Act to the Code, see Short Title note set out under section 8201 of this title and Tables.
§ 8511. National and State emergency conservation targets

(a) Determination and publication of targets

(1) Whenever the President finds, with respect to any energy source for which the President determines a severe energy supply interruption exists or is imminent or that actions to restrain domestic energy demand are required in order to fulfill the obligations of the United States under the international energy program, the President, in furtherance of the purposes of this chapter, may establish monthly emergency conservation targets for any such energy source for the Nation generally and for each State.

(2) Any finding of the President under paragraph (1) shall be promptly transmitted to the Congress, accompanied by such information and analysis as is necessary to provide the basis for such finding, and shall be disseminated to the public.

(3)(A) The State conservation target for any energy source shall be equal to (i) the State base period consumption reduced by (ii) a uniform national percentage.

(B) For the purposes of this subsection, the term “State base period consumption” means, for any month, the product of the following factors, as determined by the President:

(i) the consumption of the energy source for which a target is established during the corresponding month in the 12-month period prior to the first month for which the target is established; and

(ii) a growth adjustment factor, which shall be determined on the basis of the trends in the use in that State of such energy source during the 36-month period prior to the first month for which the target is established.

(C)(i) The President shall adjust, to the extent he determines necessary, any State base period consumption to ensure that achievement of a target established for that State under this subsection will not impair the attainment of the objectives of section 753(b)(1) of title 15.

(ii) The President may, to the extent he determines appropriate, further adjust any State base period consumption to reflect—

(I) reduction in energy consumption already achieved by energy conservation programs;

(II) energy shortages which may affect energy consumption; and

(III) variations in weather from seasonal norms.

See References in Text note below.
§ 8512

(b) Notification and publication of targets

The President shall notify the Governor of each State of each target established under subsection (a) for that State, and shall publish in the Federal Register the targets, the base period consumption for each State and other data on which the targets are based, and the factors considered under subsection (a)(3).

c) Establishment of targets for Federal agencies

In connection with the establishment of any national target under subsection (a) the President shall make effective an emergency energy conservation plan for the Federal Government, which plan shall be designed to reduce the energy use by the Federal Government in developing such plan the President shall consider the potential for emergency reductions in energy use—

(1) by buildings, facilities, and equipment owned, leased, or under contract by the Federal Government; and

(2) by Federal employees and officials through increased use of car and van pooling, preferential parking for multipassenger vehicles, and greater use of mass transit.

d) Review of targets

(1) From time to time, the President shall review and, consistent with subsection (a), modify to the extent the President considers appropriate the national and State emergency conservation targets established under this subsection.

(2) Any modification under this paragraph shall be accompanied by such information and analysis as is necessary to provide the basis therefor and shall be available to the Congress and the public.

(3)(A) Before the end of the 12th month following the establishment of any conservation target under this section, and annually thereafter while such target is in effect, the President shall determine, for the energy source for which that target was established, whether a severe energy supply interruption exists or is imminent or that actions to restrain domestic energy demand are required in order to fulfill the obligations of the United States under the international energy program. The President shall transmit to the Congress and make public the information and other data on which any determination under this subparagraph is based.

(B) If the President determines such an energy supply interruption does not exist or is not imminent or such actions are not required, the conservation targets established under this section with respect to such energy source shall cease to be effective.

e) Determination and publication of actual consumption nationally and State-by-State

Each month the Secretary shall determine and publish in the Federal Register (1) the level of consumption for the most recent month for which the President determines accurate data is available, nationally and for each State, of any energy source for which a target under subsection (a) is in effect, and (2) whether the targets under subsection (a) have been substantially met or are likely to be met.

(f) Presidential authority not to be delegated

Notwithstanding any other provision of law, the authority vested in the President under this section may not be delegated.

(Pub. L. 96–102, title II, § 211, Nov. 5, 1979, 93 Stat. 758.)

References in Text

Notwithstanding any other provision of law, the authority vested in the President under this section may be delegated.

References in Text

§ 8512

(a) State emergency conservation plans

(1)(A) Not later than 45 days after the date of the publication of an energy conservation target for a State under section 8511(b) of this title, the Governor of that State shall submit to the Secretary a State emergency conservation plan designed to meet or exceed the emergency conservation target in effect for that State under section 8511(a) of this title. Such plan shall contain such information as the Secretary may reasonably require. At any time, the Governor may, with the approval of the Secretary, amend a plan established under this section.

(B) The Secretary may, for good cause shown, extend to a specific date the period for the submission of any State’s plan under subparagraph (A) if the Secretary publishes in the Federal Register notice of that extension together with the reasons therefor.

(2) Each State is encouraged to submit to the Secretary a State emergency conservation plan as soon as possible after November 5, 1979, and in advance of such publication of any such target. The Secretary may tentatively approve such a plan in accordance with the provisions of this section. For the purposes of this subchapter such tentative approval shall not be construed to result in a delegation of Federal authority to administer or enforce any measure contained in a State plan.

(b) Conservation measures under State plans

(1) Each State emergency conservation plan under this section shall provide for emergency
reduction in the public and private use of each energy source for which an emergency conservation target is in effect under section 8511 of this title. Such State plan shall contain adequate assurances that measures contained therein will be effectively implemented in that State. Such plan may provide for reduced use of that energy source through voluntary programs or through the application of one or more of the following measures described in such plan:

(A) measures which are authorized under the laws of that State and which will be administered and enforced by officers and employees of the State (or political subdivisions of the State) pursuant to the laws of such State (or political subdivisions); and

(B) measures

(1) which the Governor requests, and agrees to assume, the responsibility for administration and enforcement in accordance with subsection (d);

(ii) which the attorney general of that State has found that (I) absent a delegation of authority under Federal law, the Governor lacks the authority under the laws of the State to invoke, (II) under applicable State law, the Governor and other appropriate State officers and employees are not prevented from administering and enforcing under a delegation of authority pursuant to Federal law, and (III) if implemented, would not be contrary to State law; and

(iii) which either the Secretary determines are contained in the standby Federal conservation plan established under section 8513 of this title or are approved by the Secretary, in his discretion.

(2) In the preparation of such plan (and any amendment to the plan) the Governor shall, to the maximum extent practicable, provide for consultation with representatives of affected businesses and local governments and provide an opportunity for public comment.

(3) Any State plan submitted to the Secretary under this section may permit persons affected by any measure in such plan to use alternative means of conserving at least as much energy as would be conserved by such measure. Such plan shall provide an effective procedure, as determined by the Secretary, for the approval and enforcement of such alternative means by such State or by any political subdivision of such State.

(c) Approval of State plans

(1) As soon as practicable after the date of the receipt of any State plan, but in no event later than 30 days after such date, the Secretary shall review such plan and shall approve it unless the Secretary finds—

(A) that, taken as a whole, the plan is not likely to achieve the emergency conservation target established for that State under section 8511(a) of this title for each energy source involved,

(B) that, taken as a whole, the plan is likely to impose an unreasonably disproportionate share of the burden of restrictions of energy use on any specific class of industry, business, or commercial enterprise, or any individual segment thereof,

(C) that the requirements of this subchapter regarding the plan have not been met, or

(D) that a measure described in subsection (b)(1) is—

(i) inconsistent with any otherwise applicable Federal law (including any rule or regulation under such law),

(ii) an undue burden on interstate commerce, or

(iii) a tax, tariff, or user fee not authorized by State law.

(2) Any measure contained in a State plan shall become effective in that State on the date the Secretary approves the plan under this subsection or such later date as may be prescribed in, or pursuant to, the plan.

(d) State administration and enforcement

(1) The authority to administer and enforce any measure described in subsection (b)(1)(B) which is in a State plan approved under this section is hereby delegated to the Governor of the State and the other State and local officers and employees designated by the Governor. Such authority includes the authority to institute actions on behalf of the United States for the imposition and collection of civil penalties under subsection (e).

(2) All delegation of authority under paragraph (1) with respect to any State shall be considered revoked effective upon a determination by the President that such delegation should be revoked, but only to the extent of that determination.

(3) If at any time the conditions of subsection (b)(1)(B)(ii) are no longer satisfied in any State with respect to any measure for which a delegation has been made under paragraph (1), the attorney general of that State shall transmit a written statement to that effect to the Governor of that State and to the President. Such delegation shall be considered revoked effective upon receipt by the President of such written statement and a determination by the President that such conditions are no longer satisfied, but only to the extent of that determination and consistent with such attorney general’s statement.

(4) Any revocation under paragraph (2) or (3) shall not affect any action or pending proceedings, administrative or civil, not finally determined on the date of such revocation, nor any administrative or civil action or proceeding, whether or not pending, based upon any act committed or liability incurred prior to such revocation.

(e) Civil penalty

(1) Whoever violates the requirements of any measure described in subsection (b)(1)(B) of this section which is in a State plan in effect under this section shall be subject to a civil penalty of not to exceed $1,000 for each violation.

(2) Any penalty under paragraph (1) may be assessed by the court in any action brought in any appropriate United States district court or any other court of competent jurisdiction. Except to the extent provided in paragraph (3), any such penalty collected shall be deposited into the general fund of the United States Treasury as miscellaneous receipts.

(3) The Secretary may enter into an agreement with the Governor of any State under
which amounts collected pursuant to this sub-
section may be collected and retained by the
State to the extent necessary to cover costs in-
curred by that State in connection with the ad-
ministration and enforcement of measures the
authority for which is delegated under sub-
section (d).
759.)

§ 8513. Standby Federal conservation plan

(a) Establishment of standby conservation plan

(1) Within 90 days after November 5, 1979, the
Secretary, in accordance with section 7191 of
this title, shall establish a standby Federal
emergency conservation plan. The Secretary
may amend such plan at any time, and shall
make such amendments public upon their adop-
tion.

(2) The plan under this section shall be con-
sistent with the attainment of the objectives of
section 753(b)(1) of title 15, and shall provide for
the emergency reduction in the public and pri-
ivate use of each energy source for which an
emergency conservation target is in effect or
may be in effect under section 8511 of this title.

(b) Implementation of standby conservation plan

(1) If the President finds—

(A) after a reasonable period of operation,
but not less than 90 days, that a State emer-
gency conservation plan approved and imple-
mented under section 8512 of this title is not
substantially meeting a conservation target
established under section 8511(a) of this title
for such State and it is likely that such target
will continue to be unmet; and

(B) a shortage exists or is likely to exist in
such State for the 60-day period beginning
after such finding that is equal to or greater
than 8 percent of the projected normal de-
mand, as determined by the President, for an
energy source for which such conservation tar-
gent has been established under section 8511(a)
of this title;

then the President shall, after consultation with
the Governor of such State, make effective in
such State all or any part of the standby Fed-
eral conservation plan established under sub-
section (a) for such period or periods as the
President determines appropriate to achieve the
target in that State.

(2) If the President finds after a reasonable pe-
riod of time, that the conservation target estab-
lished under section 8511(a) of this title is not
being substantially met and it is likely that
such target will continue to be unmet in a State
which—

(A) has no emergency conservation plan ap-
proved under section 8512 of this title; or

(B) the President finds has substantially
failed to carry out the assurances regarding
implementation set forth in the plan approved
under section 8512 of this title,

then the President shall, after consultation with
the Governor of such State, make effective in
such State all or any part of the standby Fed-
eral conservation plan established under sub-
section (a) for such period or periods as the
President determines appropriate to achieve the
target in that State.

(c) Basis for findings

Any finding under subsection (b) shall be ac-
companied by such information and analysis as
is necessary to provide a basis therefor and shall
be available to the Congress and the public.

(d) Submission of State emergency conservation
plan

(1)2 The Governor of a State in which all or
any portion of the standby Federal conservation
plan is or will be in effect may submit at any
time a State emergency conservation plan, and
if it is approved under section 8512(c) of this
title, all or such portion of the standby Federal
conservation plan shall cease to be effective in
that State. Nothing in this paragraph shall af-
flect any action or pending proceedings, includ-
ing administrative or civil, not finally determined on such
date, nor any administrative or civil action or
proceeding, whether or not pending, based upon
any act committed or liability incurred prior to
such cessation of effectiveness.

(e) State substitute emergency conservation
measures

(1) After the President makes all or any part
of the standby Federal conservation plan effec-
tive in any State or political subdivision under
subsection (b), the Secretary shall provide pro-
dcedures whereby such State or any political sub-
division thereof may submit to the Secretary for
approval one or more measures under authority
of State or local law to be implemented by such
State or political subdivision and to be sub-
stituted for any Federal measure in the Federal
plan. The measures may include provisions
whereby persons affected by such Federal meas-
ure are permitted to use alternative means of
conserving at least as much energy as would be
conserved by such Federal measure. Such admin-
istrative or civil measures shall provide effective procedures, as deter-
ned by the Secretary, for the approval and en-
fforcement of such alternative means by such
State or by any political subdivision thereof.

(2) The Secretary may approve the measures
under paragraph (1) if he finds—

(A) that such measures when in effect will
conserve at least as much energy as would be
conserved by such Federal measure which
would have otherwise been in effect in such
State or political subdivision;

(B) such measures otherwise meet the re-
quirements of this paragraph; and

(C) such measures would be approved under
section 8512(c)(1)(B), (C), and (D) of this title.

(3) If the Secretary approves measures under
this subsection such Federal measure shall cease
to be effective in that State or political subdivi-
sion. Nothing in this paragraph shall affect any
action or pending proceedings, administrative or
civil, not finally determined on the date the
Federal measure ceases to be effective in that
State or political subdivision, nor any adminis-
trative or civil action or proceeding, whether or

1 See References in Text note below.

2 So in original. No par. (2) has been enacted.
not pending, based upon any act committed or liability incurred prior to such cessation of effectiveness.

(4) If the Secretary finds after a reasonable period of time that the requirements of this subsection are not being met under the measures in effect under this subsection he may reimpose the Federal measure referred to in paragraph (1).

(f) State authority to administer plan

At the request of the Governor of any State, the President may provide that the administration and enforcement of all or a portion of the standby Federal conservation plan made effective in that State under subsection (b) be, in accordance with section 8512(d)(1), (2), and (4) of this title.

(g) Presidential authority not to be delegated

Notwithstanding any other provision of law (other than subsection (f)), the authority vested in the President under this section may not be delegated.

(h) Requirements of plan

The plan established under subsection (a) shall—

(1) taken as a whole, be designed so that the plan, if implemented, would be likely to achieve the emergency conservation target under section 8511 of this title for which it would be implemented,

(2) taken as a whole, be designed so as not to impose an unreasonably disproportionate share of the burden of restrictions on energy use on any specific class of industry, business, or commercial enterprise, or any individual segment thereof, and

(3) not contain any measure which the Secretary finds—

(A) is inconsistent with any otherwise applicable Federal law (including any rule or regulation under such law),

(B) is an undue burden on interstate commerce,

(C) is a tax, tariff, or user fee, or

(D) is a program for the assignment of rights for end-user purchases of gasoline or diesel fuel, as described in section 6263(a)(1)(A) and (B) of this title.

(i) Plan may not authorize weekend closings of retail gasoline stations

(1) Except as provided in paragraph (2), the plan established under subsection (a) may not provide for the restriction of hours of sale of motor fuel at retail at any time between Friday noon and Sunday midnight.

(2) Paragraph (1) shall not preclude the restriction on such hours of sale if that restriction occurs in connection with a program for restricting hours of sale of motor fuel each day of the week on a rotating basis.

(j) Civil penalties

(1) Whoever violates the requirements of such a plan implemented under subsection (b) shall be subject to a civil penalty not to exceed $1,000 for each violation.

(2) Any penalty under paragraph (1) may be assessed by the court in any action brought in any appropriate United States district court or any other court of competent jurisdiction. Except to the extent provided under paragraph (3), any such penalty collected shall be deposited into the general fund of the United States Treasury as miscellaneous receipts.

(3) The Secretary may enter into an agreement with the Governor of any State under which amounts collected pursuant to this subsection may be collected and retained by the State to the extent necessary to cover costs incurred by that State in connection with the administration and enforcement of that portion of the standby Federal conservation plan for which authority is delegated to that State under subsection (f).


§ 8514. Judicial review

(a) State actions

(1) Any State may institute an action in the appropriate district court of the United States, including actions for declaratory judgment, for judicial review of—

(A) any target established by the President under section 8511(a) of this title;

(B) any finding by the President under section 8513(b)(1)(A) of this title, relating to the achievement of the emergency energy conservation target of such State, or 8513(b)(2) of this title, relating to the achievement of the emergency energy conservation target of such State or the failure to carry out the assurances regarding implementation contained in an approved plan of such State; or

(C) any determination by the Secretary disapproving a State plan under section 8512(c) of this title, including any determination by the Secretary under section 8512(c)(1)(A) of this title that the plan is likely to impose an unreasonably disproportionate share of the burden of restrictions of energy use on any specific class of industry, business, or commercial enterprise, or any individual segment thereof.

Such action shall be barred unless it is instituted within 30 calendar days after the date of publication of the establishment of a target referred to in subparagraph (A), the finding by the President referred to in subparagraph (B), or the determination by the Secretary referred to in subparagraph (C), as the case may be.

(2) The district court shall determine the questions of law and upon such determination certify such questions immediately to the United States court of appeals for the circuit involved, which shall hear the matter sitting en banc.

(3) Any decision by such court of appeals on a matter certified under paragraph (2) shall be reviewable by the Supreme Court upon attainment

See References in Text note below.
§ 8515. Reports

(a) Monitoring

The Secretary shall monitor the implementation of State emergency conservation plans and of the standby Federal conservation plan and make such recommendations to the Governor of each affected State as he deems appropriate for modification to such plans.

(b) Omitted


CODIFICATION

Subsec. (b) of this section, which required the President to report annually to Congress on any activities undertaken pursuant to this subchapter, terminated, effective May 15, 2000, pursuant to section 3903 of Pub. L. 101–62, as amended, set out as a note under section 1133 of Title 21, Food and Drugs.

SUBCHAPTER II—OTHER AUTOMOBILE FUEL PURCHASE MEASURES

§ 8521. Minimum automobile fuel purchase measures

(a) General rule

If the provisions of this subsection are made applicable under subsection (c), no person shall purchase motor fuel from a motor fuel retailer in any transaction for use in any automobile or other vehicle unless—

(1) the price for the quantity purchased and placed into the fuel tank of that vehicle equals or exceeds $5.00; or

(2) in any case in which the amount paid for the quantity of motor fuel necessary to fill the fuel tank of that vehicle to capacity is less than $5.00, such person pays to the retailer an additional amount so that the total amount paid in that transaction equals $5.00.

Any person selling motor fuel in transactions to which the provisions of this subsection apply shall display at the point of sale notice of such provisions in accordance with regulations prescribed by the Secretary.

(b) $7.00 to be applicable in case of 8-cylinder vehicles

In applying subsection (a) in the case of any vehicle with an engine having 8 cylinders (or more), "$5.00" shall be substituted for "$7.00".

(c) Applicability

(1) Unless applicable pursuant to paragraph (2), the requirements of subsection (a) shall apply in any State and shall be administered and enforced as provided in subsection (g) only if—

(A) the Governor of that State submits a request to the Secretary to have such requirements applicable in that State; and

(B) the attorney general of that State has found that (i) absent a delegation of authority under a Federal law, the Governor lacks the authority under the laws of the State to invoke comparable requirements, (ii) under applicable State law, the Governor and other appropriate State officers and employees are not prevented from administering and enforcing such requirements under a delegation of authority pursuant to Federal law, and (iii) if implemented such requirements would not be contrary to State law.

Subject to paragraph (2), such provisions shall cease to apply in any State if the Governor of the State withdraws any request under subparagraph (A).

(2) The requirements of subsection (a) shall apply in every State if there is in effect a finding by the President that nationwide implementation of such requirements would be appropriate and consistent with the purposes of this chapter.

(3) Such requirements shall take effect in any State beginning on the 5th day after the Secretary or the President (as the case may be) publishes notice in the Federal Register of the applicability of the requirements to the State pursuant to paragraph (1) or (2).

(4) Notwithstanding any other provision of law, the authority vested in the President under paragraph (2) may not be delegated.

(d) Exemptions

The requirements of subsection (a) shall not apply to any motorcycle or motorpowered bicycle, or to any comparable vehicle as may be determined by the Secretary by regulation.

(e) Adjustment of minimum levels

The Secretary may increase the $5.00 and $7.00 amounts specified in subsections (a) and (b) if the Secretary considers it appropriate. Adjustments under this subsection shall be only in even dollar amounts.

(f) Civil penalties

(1) Whoever violates the requirements of subsection (a) shall be subject to a civil penalty of not to exceed $100 for each violation.

(2) Any penalty under paragraph (1) may be assessed by the court in any action under this sec-
(g) Administration and enforcement delegated to States

(1) There is hereby delegated to the Governor of any State, and other State and local officers and employees designated by the Governor, the authority to administer and enforce, within that State, any provision of this subchapter which is to be administered and enforced in accordance with this section. Such authority includes the authority to institute actions on behalf of the United States for the imposition and collection of civil penalties under subsection (f).

(2) (A) All delegation of authority under paragraph (1) with respect to any State shall be considered revoked effective (i) upon the receipt of a written waiver of authority signed by the Governor of such State or (ii) upon a determination by the President that such delegation should be revoked, but only to the extent of that determination.

(B) If at any time the conditions of subsection (c)(1)(B) are no longer satisfied in any State to which a delegation has been made effective under subsection (c)(2) and force any provision of this subchapter which has been made effective under subsection (c)(2), the attorney general of that State shall transmit a written statement to the President indicating to what extent storage activities (including utilitarian, residential, petroleum refining, or pipeline transportation purposes).

(h) Coordination with other law

The charging and collecting of amounts referred to in subsection (a)(2) under the requirements of subsection (a), or similar amounts collected under comparable requirements under any State law, shall not be considered a violation of—


(2) any Federal or State law requiring the labeling or disclosure of the maximum price per gallon of any fuel.

(Pub. L. 96–102, title II, § 221, Nov. 5, 1979, 93 Stat. 765.)

REFERENCES IN TEXT

The Emergency Petroleum Allocation Act of 1973, referred to in subsec. (h)(1), is Pub. L. 93–159, Nov. 27, 1973, 87 Stat. 628, as amended, which was classified generally to chapter 16A (§ 751 et seq.) of Title 15, Commerce and Trade, and was omitted from the Code pursuant to section 768g of Title 15, which provided for the expiration of the President's authority under that chapter on Sept. 30, 1981.

§ 8522. Out-of-State vehicles to be exempted from odd-even motor fuel purchase restrictions

(a) General rule

Notwithstanding any provision of any Federal, State, or local law, any odd-even fuel purchase plan in effect in any State may not prohibit the sale of motor fuel to any person for use in a vehicle bearing a license plate issued by any authority other than that State or a State contiguous to that State.

(b) "Odd-even fuel purchase plan" defined

For purposes of this section the term "odd-even fuel purchase plan" means any motor fuel sales restriction under which a person may purchase motor fuel for use in any vehicle only on days (or other periods of time) determined on the basis of a number or letter appearing on the license plate of that vehicle (or on any similar basis).

(Pub. L. 96–102, title II, § 222, Nov. 5, 1979, 93 Stat. 767.)

SUBCHAPTER III—STUDIES

§ 8531. Study and report

(a) Study of commercial and industrial storage of fuel

Not later than 180 days after November 5, 1979, the Secretary shall conduct a study and report to the Congress regarding the commercial and industrial storage of gasoline and middle distillates (other than storage in facilities which have capacities of less than 500 gallons or storage used exclusively and directly for agricultural, residential, petroleum refining, or pipeline transportation purposes).

(b) Contents of report

Such report shall—

(1) indicate to what extent storage activities have increased since November 1, 1978, and what business establishments (including utilities) have been involved;

(2) the estimated amount of gasoline and middle distillates (in the aggregate and by type and region) which are in storage within the United States at the time of the study, the amounts which were in storage at the same...
time during the calendar year preceding the study, and the purposes for which such storage is maintained; and

(3) contain such findings and recommendations for legislation and administrative action as the Secretary considers appropriate, including recommendations for improving the availability and quality of data concerning such storage.


§ 8532. Middle distillate monitoring program

(a) Monitoring program

(1) Not later than 60 days after November 5, 1979, the Secretary shall establish and maintain a data collection program for monitoring, at the refining, wholesale, and retail levels, the supply and demand levels of middle distillates on a periodic basis in each State.

(2) The program to be established under paragraph (1) shall provide for—

(A) the prompt collection of relevant demand and supply data under the authority available to the Secretary under other law; and

(B) the submission to Congress of periodic reports each containing a concise narrative analysis of the most recent data which the Secretary determines are accurate, and a discussion on a State-by-State basis of trends in such data which the Secretary determines are significant.

(3) All data and information collected under this program shall be available to the Congress and committees of the Congress, and, in accordance with otherwise applicable law, to appropriate State and Federal agencies and the public.

(4) Nothing in this subsection authorizes the direct or indirect regulation of the price of any middle distillate.

(b) Report

Before December 31, 1979, the President shall submit a report to Congress in which the President shall examine the middle distillate situation, summarizing the data, information, and analyses described in subsection (a) and discussing in detail matters required to be addressed in findings made pursuant to section 760a(d)(1) of title 15.

(Pub. L. 96–102, title II, §242, Nov. 5, 1979, 93 Stat. 768.)

REFERENCES IN TEXT

Section 760a of title 15, referred to in subsec. (b), was omitted from the Code pursuant to section 768g of Title 15, Commerce and Trade, which provided for the expiration of the President's authority under that section on Sept. 30, 1981.

1 See References in Text note below.

SUBCHAPTER IV—ADMINISTRATIVE PROVISIONS

§ 8541. Administration

(a) Information

(1) The Secretary shall use the authority provided under section 796 of title 15 for the collection of such information as may be necessary for the enforcement of the provisions of subchapters I and II of this chapter.

(2) In carrying out his responsibilities under this chapter, the Secretary shall ensure that timely and adequate information concerning the supplies, pricing, and distribution of motor fuels (and other energy sources which are the subject of targets in effect under section 8511 of this title) is obtained, analyzed, and made available to the public. Any Federal agency having responsibility for collection of such information under any other authority shall cooperate fully in facilitating the collection of such information.

(b) Effect on other laws

No State law or State program in effect on November 5, 1979, or which may become effective thereafter, shall be superseded by any provision of this chapter, or any rule, regulation, or order thereunder, except insofar as such State law or State program is in conflict with any such provision of section 8513 or 8521 of this title (or any rule, regulation, or order under this subchapter relating thereto) in any case in which measures have been implemented in that State under the authority of section 8513 or 8521 of this title (as the case may be).

(c) Termination

(1) The provisions of subchapters I, II, III, and IV of this chapter, including any actions taken thereunder, shall cease to have effect on July 1, 1983.

(2) Such expiration shall not affect any action or pending proceeding, administrative or civil, not finally determined on such date, nor any administrative or civil action or proceeding, whether or not pending, based upon any act committed or liability incurred prior to such expiration date.

(Pub. L. 96–102, title II, §251, Nov. 5, 1979, 93 Stat. 769.)

CHAPTER 94—LOW-INCOME ENERGY ASSISTANCE

SUBCHAPTER I—HOME ENERGY ASSISTANCE

Sec. 8601 to 8612. Repealed.

SUBCHAPTER II—LOW-INCOME HOME ENERGY ASSISTANCE

8621. Home energy grants.

8622. Definitions.

8623. State allotments.

8624. Applications and requirements.

8625. Nondiscrimination provisions.

8626. Payments to States; fiscal year requirements respecting availability, etc.

8626a. Incentive program for leveraging non-Federal resources.

8626b. Residential Energy Assistance Challenge option (R.E.A.Ch.).

8627. Withholding of funds.
(b) Authorization of appropriations

There are authorized to be appropriated to carry out the provisions of this subchapter (other than section 8626a of this title), $2,000,000,000 for each of fiscal years 1999 through 1999, such sums as may be necessary for each of fiscal years 2000 and 2001, and $5,100,000,000 for each of fiscal years 2005 through 2007. The authorizations of appropriations contained in this subchapter are subject to the program year provisions of subsection (c).

(c) Availability of appropriations

Amounts appropriated under this section for any fiscal year for programs and activities under this subchapter shall be made available for obligation in the succeeding fiscal year.

(d) Authorization of appropriations for leveraged resources

(1) There is authorized to be appropriated to carry out section 8626a of this title, $30,000,000 for each of fiscal years 1999 through 2004, except as provided in paragraph (2).

(2) For any of fiscal years 1999 through 2004 for which the amount appropriated under subsection (b) is not less than $1,400,000,000, there is authorized to be appropriated $50,000,000 to carry out section 8626a of this title.

(e) Emergency funds

There is authorized to be appropriated in each fiscal year for payments under this subchapter, in addition to amounts appropriated for distribution to all the States in accordance with section 8623 of this title (other than subsection (c) of such section), $600,000,000 to meet the additional home energy assistance needs of one or more States arising from a natural disaster or other emergency. Funds appropriated pursuant to this subsection are hereby designated to be emergency requirements pursuant to section 251(b)(2)(D) of the Balanced Budget and Emergency Deficit Control Act of 1985 [2 U.S.C. 901(b)(2)(D)], except that such funds shall be made available only after the submission to Congress of a formal budget request by the President (for all or a part of the appropriations pursuant to this subsection) that includes a designation of the amount requested as an emergency requirement as defined in such Act [2 U.S.C. 900 et seq.].


SUBCHAPTER II—LOW-INCOME HOME ENERGY ASSISTANCE

§ 8621. Home energy grants

(a) Authorization

The Secretary is authorized to make grants, in accordance with the provisions of this subchapter, to States to assist low-income households, particularly those with the lowest incomes, that pay a high proportion of household income for home energy, primarily in meeting their immediate home energy needs.
The Balanced Budget and Emergency Deficit Control Act of 1985, referred to in subsec. (e), is title II of Pub. L. 99-177, Dec. 12, 1985, 99 Stat. 1038, as amended, which enacted chapter 20 (§900 et seq.) and sections 645 to 656 of Title 2, The Congress, amended sections 602, 622, 631 to 642, and 651 to 652 of Title 2, sections 1104 to 1106, and 1109 of Title 31, Money and Finance, and section 911 of this title, and amended provisions set out as notes under section 900 of this title and section 911 of this title, and amended provisions set out as a note under section 621 of Title 2. For complete classification of this Act to the Code, see Short Title note set out under section 900 of Title 2 and Table 2.

AMENDMENTS

2005—Subsec. (b). Pub. L. 109–58 substituted “and $5,100,000,000 for each of fiscal years 2005 through 2007” for “and $2,000,000,000,000 for each of fiscal years 2002 through 2004”.

1996—Subsec. (b). Pub. L. 104–253, § 302(a), inserted “such sums as may be necessary for each of fiscal years 2000 and 2001, and $2,000,000,000,000 for each of fiscal years 2002 through 2004” after “1996 through 1999”.

Subsec. (c). Pub. L. 104–253, § 302(b), amended subsec. (c) generally. Prior to amendment, subsec. (c) read as follows:

“(c)(1) In fiscal year 1998 and each fiscal year thereafter, amounts appropriated under this section for any fiscal year for programs and activities under this subchapter shall be made available for obligation only on the basis of a program year. The program year shall begin on October 1 of the fiscal year following the year in which the appropriation is made.

“(2) Amounts appropriated for fiscal year 1988 shall be available both to fund activities for the period between October 1, 1992, and July 1, 1993, and for the program year beginning July 1, 1993.

“(3) There are authorized to be appropriated such additional sums as may be necessary for the transition to carry out this subsection.”

Subsec. (d). Pub. L. 105–255, § 302(c), designated existing provisions as par. (1), substituted “There is authorized” for “There are authorized” and “$30,000,000 for each of fiscal years 1999 through 2004, except as provided in paragraph (2)” for “$50,000,000 for each of the fiscal years 1996 and 1997, and such sums as may be necessary for each of the fiscal years 1998 and 1999”, and added par. (2).

Subsec. (e). Pub. L. 105–255, § 302(d), substituted “There is authorized” for “There are authorized” and “other than subsection (e)” for “other than subsection (g)”.

1994—Subsec. (a). Pub. L. 103–252, § 302, amended subsec. (a) generally. Prior to amendment, subsec. (a) read as follows: “The Secretary of Health and Human Services is authorized to make grants, in accordance with the provisions of this subchapter, to States to assist eligible households to meet the costs of home energy.”

Subsec. (b). Pub. L. 103–252, §§ 303(a)(1), 311(c)(1)(A), substituted “this subchapter (other than section 8626a of this title)” for “this subchapter (other than section 8626 of this title)”.

1993—Subsec. (a). Pub. L. 103–252, § 303(a)(2), made technical amendment to reference to this subchapter to correct reference to corresponding provision of original act.

Pub. L. 103–252, § 303(a)(2), which directed the substitution of “October 1” for “July 1” and “following the year in which” for “for which” in last sentence of subsec. (c), was executed by making the substitutions in last sentence of subsec. (c)(1) to reflect the probable intent of Congress.

Subsec. (d). Pub. L. 103–252, § 303(b), amended subsec. (d) generally. Prior to amendment, subsec. (d) read as follows: “There are authorized to be appropriated to carry out section 8626a of this title, $25,000,000 in fiscal year 1992, and $50,000,000 for each of the fiscal years 1993, 1994, and 1995.”


1990—Subsec. (b). Pub. L. 101–501, § 707(b)(1), which directed the amendment of this section by inserting “(other than section 8626a of this title)” after “subchapter”, was executed to reflect the probable intent of Congress.

Pub. L. 101–501, § 702, struck out “$2,050,000,000 for fiscal year 1986, $2,122,000,000 for fiscal year 1987, $2,218,000,000 for fiscal year 1988, and before “$2,307,000,000” and inserted “, $2,150,000,000 for fiscal year 1991, $2,230,000,000 for fiscal year 1992, and such sums as may be necessary for each of the fiscal years 1993 and 1994. The authorizations of appropriations contained in this subchapter are subject to the program year provisions of subsection (c),” after “1990”.


1986—Subsec. (b). Pub. L. 99–425 amended subsec. (b) generally. Prior to amendment, subsec. (b) read as follows: “There is authorized to be appropriated to carry out the provisions of this subchapter $2,140,000,000 for the fiscal year 1985, and $2,275,000,000 for the fiscal year 1986.”

1984—Subsec. (b). Pub. L. 98–558 inserted “$2,140,000,000 for fiscal year 1985, and $2,275,000,000 for fiscal year 1986” for “$1,675,000,000 for each of fiscal years 1982, 1983, and 1984”.

EFFECTIVE DATE OF 1994 AMENDMENT


EFFECTIVE DATE OF 1990 AMENDMENT


“(a) General Effective Date.—Except as provided in subsection (b), this Act and the amendments made by this Act [see Tables for classification] shall take effect on October 1, 1990.

“(b) Special Effective Dates.—(1) The amendment made by section 207(b) [repealing a provision set out as a note preceding section 9861 of this title] shall take effect immediately before October 1, 1990.

“(2) Section 696(b) of the Head Start Act [section 9841(b) of this title], as added by section 115, shall take effect on April 1, 1990.”

EFFECTIVE DATE OF 1986 AMENDMENT


“(a) General Effective Date.—Except as provided in subsections (b) and (c), this Act and the amendments made by this Act [enacting sections 8626a, 9812a, 9910b, and 10901 to 10905 of this title, amending this section, sections 8623, 8624, 8625, 9803, 9834, 9835, 9837, 9840, 9862, 9867, 9871, 9874, 9877, 9901 to 9904, 9905a, 9908 to 9910, and 9910a of this title and section 4033 of Title 20, Education], enacting provisions set out as notes under this section and sections 8623, 9801, and 10901 of this title, and amending provisions set out as notes under section 9861 of this title and section 1932 of Title 7, Agriculture] shall take effect on October 1, 1986, or the date of the enactment of this Act [Sept. 30, 1986], whichever occurs later.

“(b) Effective Date for Energy Crisis Intervention Amendments.—The amendments made by section 502(a) [amending section 8623 of this title and enacting provisions set out as a note under section 8623 of this title] shall take effect on January 1, 1987.”
title] shall take effect on December 1, 1986, or 60 days after the date of the enactment of this Act [Sept. 30, 1986], whichever occurs later.

(c) Application of Certain Other Amendments Relating to Energy Assistance.—The amendments made by subsections (a), (b), (c), and (d) of section 504 [amending section 8624 of this title] shall not apply with respect to any fiscal year beginning in or before the 60-day period ending on the effective date of this Act [Oct. 1, 1986]."

Effective Date of 1984 Amendment

"(a) Except as provided in subsections (b), (c), and (d), the amendments made by this title [amending this section and sections 8622 to 8624, 8626, 8627, and 8629 of this title] shall take effect on the date of enactment of this Act [Oct. 30, 1984]."

"(b) The amendments made by section 605 [amending section 8624 of this title] shall take effect on the first day of the first fiscal year beginning after the date of the enactment of this Act [Oct. 30, 1984]."

"(c) The amendments made by section 606 [amending section 8626 of this title] shall apply to amounts held available for fiscal years beginning after September 30, 1985.

"(d) The amendment made by section 607 [amending section 8629 of this title] shall apply to amounts held available for fiscal years beginning after September 30, 1985.

Short Title of 1998 Amendment
Pub. L. 105–285, title III, § 301(a), May 18, 1994, 108 Stat. 658, provided that: "This title [amending this section and sections 8622 to 8624, 8626b, and 8628a of this title and enacting provisions set out as a note under section 8626b of this title] may be cited as the ‘Low-Income Home Energy Assistance Amendments of 1998’.

Short Title of 1994 Amendment
Pub. L. 103–252, title III, § 301(a), May 18, 1994, 108 Stat. 657, provided that: "This title [amending sections 8622 to 8629 of this title and enacting provisions set out as a note under section 8626b of this title] may be cited as the ‘Low-Income Home Energy Assistance Amendments of 1994’.

Short Title

§ 8622. Definitions

As used in this subchapter:

(1) The term ‘emergency’ means—

(A) a natural disaster;

(B) a significant home energy supply shortage or disruption;

(C) a significant increase in the cost of home energy, as determined by the Secretary;

(D) a significant increase in home energy disconnections reported by a utility, a State regulatory agency, or another agency with necessary data;

(E) a significant increase in participation in a public benefit program such as the supplemental nutrition assistance program carried out under the Food and Nutrition Act of 2008 (7 U.S.C. 2011 et seq.), the national program to provide supplemental security income carried out under title XVI of the Social Security Act (42 U.S.C. 1381 et seq.), or the State temporary assistance for needy families program carried out under part A of title IV of the Social Security Act (42 U.S.C. 661 et seq.), as determined by the head of the appropriate Federal agency;

(F) a significant increase in unemployment, layoffs, or the number of households with an individual applying for unemployment benefits, as determined by the Secretary of Labor; or

(G) an event meeting such criteria as the Secretary, in the discretion of the Secretary, may determine to be appropriate.

(2) The term ‘energy burden’ means the expenditures of the household for home energy divided by the income of the household.

(3) The term ‘energy crisis’ means weather-related and supply shortage emergencies and other household energy-related emergencies.

(4) The term ‘highest home energy needs’ means the home energy requirements of a household determined by taking into account both the energy burden of such household and the unique situation of such household that results from having members of vulnerable populations, including very young children, individuals with disabilities, and frail older individuals.

(5) The term ‘household’ means any individual or group of individuals who are living together as one economic unit for whom residential energy is customarily purchased in common or who make undesignated payments for energy in the form of rent.

(6) The term ‘home energy’ means a source of heating or cooling in residential dwellings.

(7) The term ‘natural disaster’ means a weather event (relating to cold or hot weather, flood, earthquake, tornado, hurricane, or ice storm, or an event meeting such other criteria as the Secretary, in the discretion of the Secretary, may determine to be appropriate.

(8) The term ‘poverty level’ means, with respect to a household in any State, the income poverty line as prescribed and revised at least annually pursuant to section 9902(2) of this title, as applicable to such State.

(9) The term ‘Secretary’ means the Secretary of Health and Human Services.

(10) The term ‘State’ means each of the several States and the District of Columbia.

(11) The term ‘State median income’ means the State median income promulgated by the Secretary in accordance with procedures established under section 1397(a)(6) of this title (as such procedures were in effect on August 12, 1981) and adjusted, in accordance with regulations prescribed by the Secretary, to take into account the number of individuals in the household.

§ 8623. State allotments

(a) Amount; distribution, computation, etc.

(1)(A) Except as provided in subparagraph (B), the Secretary shall, from that percentage of the amount appropriated under section 8621(b) of this title for each fiscal year which is remaining after reserving any amount permitted to be reserved under section 8628a of this title and after the amount of allotments for such fiscal year under subsection (b)(1) is determined by the Secretary, allot to each State an amount equal to such remaining percentage multiplied by the State's allotment percentage.

(1) Allocation. (a) Amount; distribution, computation, etc.

(1)(A) Except as provided in subparagraph (B), the Secretary shall, from that percentage of the amount appropriated under section 8621(b) of this title for each fiscal year which is remaining after reserving any amount permitted to be reserved under section 8628a of this title and after the amount of allotments for such fiscal year under subsection (b)(1) is determined by the Secretary, allot to each State an amount equal to such remaining percentage multiplied by the State's allotment percentage.

(b) From the sums appropriated therefor after reserving any amount permitted to be reserved under section 8628a of this title, if for any period after shall receive less than the amount of funds the State would have received in fiscal year 1984; and

(ii) no State for fiscal year 1986 and thereafter shall receive less than the amount of funds the State received in fiscal year 1984; and

(iii) after reserving the amount allocated after reserving any amount otherwise provided, see section 4 of Pub. L. 110–246, set out as an Effective Date note under section 8701 of Title 7, Agriculture.


year 1984 if the appropriations for this subchapter for fiscal year 1984 had been $1,975,000,000, and

(B) any State whose allotment percentage out of funds available to States from a total appropriation of $2,250,000,000 would be less than 1 percent, shall not, in any year when total appropriations equal or exceed $2,250,000,000, have its allotment percentage reduced from the percentage it would receive from a total appropriation of $2,140,000,000.

(3) If the sums appropriated for any fiscal year for making grants under this subchapter are not sufficient to pay in full the total amount allotted to the States for such fiscal year, the amount which all States will receive under this subchapter for such fiscal year shall be ratably reduced.

(4) For the purpose of this section, the Secretary shall determine the expenditure for home-energy-assistance programs by low-income households on the basis of the most recent satisfactory data available to the Secretary.

(b) Allotments to insular areas

(1) The Secretary shall apportion not less than one-tenth of 1 percent, and not more than one-half of 1 percent, of the amounts appropriated for each fiscal year to carry out this subchapter on the basis of need among the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands of the United States, and the Commonwealth of the Northern Mariana Islands. The Secretary shall determine the total amount to be apportioned under this paragraph for any fiscal year (which shall not exceed one-half of 1 percent) after evaluating the extent to which each jurisdiction specified in the preceding sentence requires assistance under this paragraph for the fiscal year involved.

(2) Each jurisdiction to which paragraph (1) applies may receive grants under this subchapter upon an application submitted to the Secretary containing provisions which describe the programs for which assistance is sought under this subchapter, and which are consistent with the requirements of section 8624 of this title.

(c) Energy crisis intervention

Of the funds available to each State under sub-section (a), a reasonable amount based on data from prior years shall be reserved until March 1 of each program year by each State for energy crisis intervention. The program for which funds are reserved by this subsection shall be administered by public or nonprofit entities which have experience in administering energy crisis programs under the Low-Income Energy Assistance Act of 1980, or under this subchapter; experience in assisting low-income individuals in the area to be served, the capacity to undertake a timely and effective energy crisis intervention program, and the ability to carry out the program in local communities. The program for which funds are reserved under this subsection shall—

(1) not later than 48 hours after a household applies for energy crisis benefits, provide some form of assistance that will resolve the energy crisis if such household is eligible to receive such benefits;

(2) not later than 18 hours after a household applies for crisis benefits, provide some form of assistance that will resolve the energy crisis if such household is eligible to receive such benefits and is in a life-threatening situation; and

(3) require each entity that administers such program—

(A) to accept applications for energy crisis benefits at sites that are geographically accessible to all households in the area to be served by such entity; and

(B) to provide to low-income individuals who are physically infirm the means—

(i) to submit applications for energy crisis benefits without leaving their residences; or

(ii) to travel to the sites at which such applications are accepted by such entity.

The preceding sentence shall not apply to a program in a geographical area affected by a natural disaster in the United States designated by the Secretary, or by a major disaster or emergency designated by the President under the Disaster Relief Act of 1974[1] [42 U.S.C. 5121 et seq.], for so long as such designation remains in effect, if the Secretary determines that such disaster or such emergency makes compliance with such sentence impracticable.

(d) Allotments to Indian tribes

(1) If, with respect to any State, the Secretary—

(A) receives a request from the governing organization of an Indian tribe within the State that assistance under this subchapter be made directly to such organization; and

(B) determines that the members of such tribe would be better served by means of grants made directly to provide benefits under this subchapter;

the Secretary shall reserve from amounts which would otherwise be payable to such State from amounts allotted to it under this subchapter for the fiscal year involved the amount determined under paragraph (2).

(2) The amount determined under this paragraph for a fiscal year is the amount which bears the same ratio to the amount which would (but for this subsection) be allotted to such State under this subchapter for such fiscal year (other than by reason of section 8626(b)(2) of this title) as the number of Indian households described in subparagraphs (A) and (B) of section 8624(b)(2) of this title and residing within the State on the reservation of the tribes or on trust lands adjacent to such reservation bears to the number of all households described in subparagraphs (A) and (B) of section 8624(b)(2) of this title in such State, or such greater amount as the Indian tribe and the State may agree upon. In cases where a tribe has no reservation, the Secretary, in consultation with the tribe and the State, shall define the number of Indian households for the determination under this paragraph.

(3) The sums reserved by the Secretary on the basis of a determination under this subsection shall be granted to—

(A) the tribal organization serving the individual for whom such a determination has been made; or
(B) in any case where there is no tribal organization serving an individual for whom such a determination has been made, such other entity as the Secretary determines has the capacity to provide assistance pursuant to this subsection.

(4) In order for a tribal organization or other entity to be eligible for an amount under this subsection for a fiscal year, it shall submit to the Secretary a plan (in lieu of being under the State’s plan) for such fiscal year which meets such criteria as the Secretary may by regulations prescribe.

(e) Allotment of emergency funds

Notwithstanding subsections (a) through (d), the Secretary may allot amounts appropriated pursuant to section 8621(e) of this title to one or more than one State. In determining whether to make such an allotment to a State, the Secretary shall take into account the extent to which the State was affected by the natural disaster or other emergency involved, the availability to the State of other resources under the program carried out under this subchapter or any other program, and such other factors as the Secretary may find to be relevant. Not later than 30 days after making the determination, but prior to releasing an allotted amount to a State, the Secretary shall notify Congress of the allotments made pursuant to this subsection.


REFERENCES IN TEXT


For complete classification of this Act to the Code, see Tables.


This subchapter, referred to in subsec. (c), was in the original “this Act” which was translated as reading “this title”, meaning title XXVI of Pub. L. 97–35, as the probable intent of Congress.


AMENDMENTS


Subsec. (e). Pub. L. 105–285, §§304(c), redesignated subsec. (g) as (e).

Subsec. (f). Pub. L. 105–285, §305(3), struck out subsec. (f) relating to optional transfer of funds to block grants for community service programs, preventive health services, etc.


Pub. L. 105–285, §§304(b), 305(4), substituted “subsections (a) through (d)” for “subsections (a) through (f)” and “In determining whether to make such an allotment to a State, the Secretary shall take into account the extent to which the State was affected by the natural disaster or other emergency involved, the availability to the State of other resources under the program carried out under this subchapter or any other program, and such other factors as the Secretary may find to be relevant. Not later than 30 days after making the determination, but prior to releasing an allotted amount to a State, the Secretary shall notify Congress of the allotments made pursuant to this subsection.” for “In determining to which State or States additional funds may be allotted, the Secretary shall take into account the extent to which a State was affected by the emergency or disaster, the availability to an affected State of other resources under this or any other program, and such other factors as the Secretary determines relevant. The Secretary shall notify Congress of the allotment pursuant to this subsection prior to releasing the allotted funds.”


Subsec. (g). Pub. L. 103–252, §304(c), added subsec. (g).

1990—Subsec. (f). Pub. L. 101–501 designated existing provisions as par. (1), redesignated former pars. (1) to (3) as subpars. (A) to (C), respectively, substituted “in accordance with paragraph (2) a percentage” for “up to 15 percent”, “or a combination” for “or any combination”, and “subparagraphs (A), (B), and (C)” for “paragraphs (1), (2), and (3)”, and added par. (2).

1986—Subsec. (a)(1)(A). Pub. L. 99–425, §505(b)(1), inserted “after reserving any amount permitted to be reserved under section 8628a of this title and” after “remining”.

Subsec. (a)(1)(B). Pub. L. 99–425, §505(b)(2), inserted “after reserving any amount permitted to be reserved under section 8628a of this title” after “therefor”.

Subsec. (c). Pub. L. 99–425, §505(a), substituted “the capacity” for “and the capacity”, inserted “, and the ability to carry out the program in local communities”, and inserted provisions relating to hourly time periods in which the program must respond, application for benefits, and nonapplicability of the program to areas affected by a natural disaster or major disaster.

Subsec. (d)(2). Pub. L. 99–425, §503, substituted “and residing within the State on the reservation of the tribes or on trust lands adjacent to such reservation” for “in such State with respect to which a determination under this subsection is made”, inserted “, or such greater amount as the Indian tribe and the State may agree upon”, and inserted “In cases where a tribe has no reservation, the Secretary, in consultation with the tribe and the State, shall determine the number of Indian households for the determination under this paragraph.”

1984—Subsec. (a)(2). Pub. L. 98–558, §604(a), amended par. (2) generally, substituting provisions relating to
State allotment computation for former provisions which also related to computation of State allotment formulas and adding subpars. (A) and (B).


Subsec. (c). Pub. L. 98–558, §603(a), inserted “until March 15 of each program year” after “reserved” and inserted “The program for which funds are reserved by this subsection shall be administered by public or non-profit entities which have experience in administering energy crisis programs under the Low-Income Energy Assistance Act of 1980, or under this subchapter, experience in assisting low-income individuals in the area to be served, and the capacity to undertake a timely and effective energy crisis intervention program.”

Subsec. (d)(1). Pub. L. 98–558, §603(b), substituted “otherwise be payable” for “otherwise be paid” in provisions following subpar. (B).

Subsec. (e). Pub. L. 98–558, §603(c), struck out subsec. (e) which related to direct payments to households and State options

Subsec. (f). Pub. L. 98–558, §605(d), substituted “the funds payable to it” for “its allotment”.

Effective Date of 1994 Amendment

Effective Date of 1990 Amendment

Effective Date of 1986 Amendment

Effective Date of 1984 Amendment

Rules for Energy Crisis Intervention
Pub. L. 99–425, title V, §502(b), Sept. 30, 1986, 100 Stat. 973, provided that: “Not later than 60 days after the date of the enactment of this Act [Sept. 30, 1986], the Secretary of Health and Human Services shall issue rules to carry out the amendments made by subsection (a) [amending this section].”

§8624. Applications and requirements
(a) Form; assurances; public hearings

(1) Each State desiring to receive an allotment for any fiscal year under this subchapter shall submit an application to the Secretary. Each such application shall be in such form as the Secretary shall require. Each such application shall contain assurances by the chief executive officer of the State that the State will meet the conditions enumerated in subsection (b).

(2) After the expiration of the first fiscal year for which a State receives funds under this subchapter, no funds shall be allotted to such State for any fiscal year under this subchapter unless such State conducts public hearings with respect to the proposed use and distribution of funds to be provided under this subchapter for such fiscal year.

(b) Certification required for covered activities

As part of the annual application required by subsection (a), the chief executive officer of each State shall certify that the State agrees to—

(1) use the funds available under this subchapter to—

(A) conduct outreach activities and provide assistance to low income households in meeting their home energy costs, particularly those with the lowest incomes that pay a high proportion of household income for home energy, consistent with paragraph (5);

(B) intervene in energy crisis situations;

(C) provide low-cost residential weatherization and other cost-effective energy-related home repair; and

(D) plan, develop, and administer the State’s program under this subchapter including leveraging programs,

and the State agrees not to use such funds for any purposes other than those specified in this subchapter;

(2) make payments under this subchapter only with respect to—

(A) households in which 1 or more individuals are receiving—

(i) assistance under the State program funded under part A of title IV of the Social Security Act [42 U.S.C. 601 et seq.];

(ii) supplemental security income payments under title XVI of the Social Security Act [42 U.S.C. 1381 et seq.];

(iii) supplemental nutrition assistance program benefits under the Food and Nutrition Act of 2008 [7 U.S.C. 2011 et seq.]; or

(iv) payments under section 1315, 1521, 1541, or 1542 of title 38, or under section 306 of the Veterans’ and Survivors’ Pension Improvement Act of 1978; or

(B) households with incomes which do not exceed the greater of—

(i) an amount equal to 150 percent of the poverty level for such State; or

(ii) an amount equal to 60 percent of the State median income;

except that a State may not exclude a household from eligibility in a fiscal year solely on the basis of household income if such income is less than 110 percent of the poverty level for such State, but the State may give priority to those households with the highest home energy costs or needs in relation to household income;

(3) conduct outreach activities designed to assure that eligible households, especially households with elderly individuals or disabled individuals, or both, and households with high home energy burdens, are made aware of the assistance available under this subchapter, and any similar energy-related assistance available under subtitle B of title VI (relating to community services block grant program) [42 U.S.C. 9901 et seq.] or any other provision of law which carries out programs which were administered under the Economic Opportunity Act of 1964 [42 U.S.C. 2701 et seq.] before August 13, 1981;

(4) coordinate its activities under this subchapter with similar and related programs administered by the Federal Government and such State, particularly low-income energy-related programs under subtitle B of title VI (relating to community services block grant pro-
gram) [42 U.S.C. 9901 et seq.], under the supplemental security income program, under part A of title IV of the Social Security Act [42 U.S.C. 601 et seq.], under title XX of the Social Security Act [42 U.S.C. 1397 et seq.], under the low-income weatherization assistance program under title IV of the Energy Conservation and Production Act [42 U.S.C. 6851 et seq.], or under any other provision of law which carries out programs which were administered under the Economic Opportunity Act of 1964 [42 U.S.C. 2701 et seq.] before August 13, 1981; (5) provide, in a timely manner, that the highest level of assistance will be furnished to those households which have the lowest incomes and the highest energy costs or needs in relation to income, taking into account family size, except that the State may not differentiate in implementing this section between the households described in clause (2)(A) and (2)(B) of this subsection; (6) to the extent it is necessary to designate local administrative agencies in order to carry out the purposes of this subchapter, give special consideration, in the designation of such agencies, to any local public or private non-profit agency which was receiving Federal funds under any low-income energy assistance program or weatherization program under the Economic Opportunity Act of 1964 [42 U.S.C. 2701 et seq.] or any other provision of law on August 12, 1981, except that— (A) the State shall, before giving such special consideration, determine that the agency involved meets program and fiscal requirements established by the State; and (B) if there is no such agency because of any change in the assistance furnished to programs for economically disadvantaged persons, then the State shall give special consideration in the designation of local administrative agencies to any successor agency which is operated in substantially the same manner as the predecessor agency which did receive funds for the fiscal year preceding the fiscal year for which the determination is made; (7) if the State chooses to pay home energy suppliers directly, establish procedures to— (A) notify each participating household of the amount of assistance paid on its behalf; (B) assure that the home energy supplier will charge the eligible household, in the normal billing process, the difference between the actual cost of the home energy and the amount of the payment made by the State under this subchapter; (C) assure that the home energy supplier will provide assurances that any agreement entered into with a home energy supplier under this paragraph will contain provisions to assure that no household receiving assistance under this subchapter will be treated adversely because of such assistance under applicable provisions of State law or public regulatory requirements; and (D) ensure that the provision of vendored payments remains at the option of the State in consultation with local grantees and may be contingent on unregulated vendors taking appropriate measures to alleviate the energy burdens of eligible households, including providing for agreements between suppliers and individuals eligible for benefits under this subchapter¹ that seek to reduce home energy costs, minimize the risks of home energy crisis, and encourage regular payments by individuals receiving financial assistance for home energy costs; (8) provide assurances that (A) the State will not exclude households described in clause (2)(B) of this subsection from receiving home energy assistance benefits under clause (2), and (B) the State will treat owners and renters equitably under the program assisted under this subchapter; (9) provide that— (A) the State may use for planning and administering the use of funds under this subchapter an amount not to exceed 10 percent of the funds payable to such State under this subchapter for a fiscal year; and (B) the State will pay from non-Federal sources the remaining costs of planning and administering the program assisted under this subchapter and will not use Federal funds for such remaining costs (except for the costs of the activities described in paragraph (16)); (10) provide that such fiscal control and fund accounting procedures will be established as may be necessary to assure the proper disbursement of and accounting for Federal funds paid to the State under this subchapter, including procedures for monitoring the assistance provided under this subchapter, and provide that the State will comply with the provisions of chapter 75 of title 31 (commonly known as the “Single Audit Act”); (11) permit and cooperate with Federal investigations undertaken in accordance with section 8627 of this title; (12) provide for timely and meaningful public participation in the development of the plan described in subsection (c); (13) provide an opportunity for a fair administrative hearing to individuals whose claims for assistance under the plan described in subsection (c) are denied or are not acted upon with reasonable promptness; (14) cooperate with the Secretary with respect to data collecting and reporting under section 8629 of this title; (15) beginning in fiscal year 1992, provide, in addition to such services as may be offered by State Departments of Public Welfare at the local level, outreach and intake functions for crisis situations and heating and cooling assistance that is administered by additional State and local governmental entities or community-based organizations (such as community action agencies, area agencies on aging, and not-for-profit neighborhood-based organizations), and in States where such organizations do not administer intake functions as of September 30, 1991, preference in awarding grants or contracts for intake services shall be provided to those agencies that administer the low-income weatherization or energy crisis intervention programs; and

¹ See References in Text note below.
(16) use up to 5 percent of such funds, at its option, to provide services that encourage and enable households to reduce their home energy needs and thereby the need for energy assistance, including needs assessments, counseling, and assistance with energy vendors, and report to the Secretary concerning the impact of such activities on the number of households served, the level of direct benefits provided to those households, and the number of households that remain unserved.

The Secretary may not prescribe the manner in which the States will comply with the provisions of this subsection. The Secretary shall issue regulations to prevent waste, fraud, and abuse in the programs assisted by this subchapter.

Not later than 18 months after May 18, 1994, the Secretary shall develop model performance goals and measurements in consultation with State, territorial, tribal, and local grantees, that the States may use to assess the success of the States in achieving the purposes of this subchapter. The model performance goals and measurements shall be made available to States to be incorporated, at the option of the States, into the plans for fiscal year 1997. The Secretary may request data relevant to the development of model performance goals and measurements.

(c) State plan; revision; public inspection

(1) As part of the annual application required in subsection (a), the chief executive officer of each State shall prepare and furnish to the Secretary, in such format as the Secretary may require, a plan which—

(A) describes the eligibility requirements to be used by the State for each type of assistance to be provided under this subchapter, including criteria for designating an emergency under section 8623(c) of this title;

(B) describes the benefit levels to be used by the State for each type of assistance including assistance to be provided for emergency crisis intervention and for weatherization and other energy-related home repair;

(C) contains estimates of the amount of funds the State will use for each of the programs under such plan and describes the alternative use of funds reserved under section 8623(c) of this title in the event any portion of the amount so reserved is not expended for emergencies;

(D) describes weatherization and other energy-related home repair the State will provide under subsection (k), including any steps the State will take to address the weatherization and energy-related home repair needs of households that have high home energy burdens, and describes any rules promulgated by the Department of Energy for administration of its Low Income Weatherization Assistance Program which the State, to the extent permitted by the Secretary to increase consistency between federally assisted programs, will follow regarding the use of funds provided under this subchapter by the State for such weatherization and energy-related home repairs and improvements;

(E) describes any steps that will be taken (in addition to those necessary to carry out the assurance contained in paragraph (5) of subsection (b)) to target assistance to households with high home energy burdens;

(F) describes how the State will carry out assurances in clauses (3), (4), (5), (6), (7), (8), (10), (12), (13), and (15) of subsection (b);

(G) states, with respect to the 12-month period specified by the Secretary, the number and income levels of households which apply and the number which are assisted with funds provided under this subchapter, and the number of households so assisted with—

(i) one or more members who had attained 60 years of age;

(ii) one or more members who were disabled; and

(iii) one or more young children; and

(H) contains any other information determined by the Secretary to be appropriate for purposes of this subchapter.

The chief executive officer may revise any plan prepared under this paragraph and shall furnish the revised plan to the Secretary.

(2) Each plan prepared under paragraph (1) and each substantial revision thereof shall be made available for public inspection in the State in which the plan is involved in such a manner as will facilitate timely and meaningful review of, and comment upon, such plan or substantial revision.

(3) Not later than April 1 of each fiscal year the Secretary shall make available to the States a model State plan format that may be used, at the option of each State, to prepare the plan required under paragraph (1) for the next fiscal year.

(d) Expending of funds

The State shall expend funds in accordance with the State plan under this subchapter or in accordance with revisions applicable to such plan.

(e) Conduct of audits

Each State shall, in carrying out the requirements of subsection (b)(10), obtain financial and compliance audits of any funds which the State receives under this subchapter. Such audits shall be made public within the State on a timely basis. The audits shall be conducted in accordance with chapter 75 of title 31.

(f) Payments or assistance not to be deemed income or resources for any purpose under Federal or State law; determination of excess shelter expense deduction

(1) Notwithstanding any other provision of law unless enacted in express limitation of this paragraph, the amount of any home energy assistance payments or allowances provided directly to, or indirectly for the benefit of, an eligible household under this subchapter shall not be considered income or resources of such household (or any member thereof) for any purpose under any Federal or State law, including any law relating to taxation, supplemental nutrition assistance program benefits, public assistance, or welfare programs.

(2) For the purposes of paragraph (1) of this subchapter and for purposes of determining any excess shelter expense deduction under section 5(e) of the Food and Nutrition Act of 2008 (7 U.S.C. 2014(e))—
(A) the full amount of such payments or allowances shall be deemed to be expended by such household for heating or cooling expenses, without regard to whether such payments or allowances are provided directly to, or indirectly for the benefit of, such household, except that, for purposes of the supplemental nutrition assistance program established under the Food and Nutrition Act of 2008 (7 U.S.C. 2011 et seq.), such payments or allowances were greater than $30 annually, consistent with section 5(e)(6)(C)(iv)(I) of that Act (7 U.S.C. 2014(e)(6)(C)(iv)(I)), as determined by the Secretary of Agriculture; and

(B) no distinction may be made among households on the basis of whether such payments or allowances are provided directly to, or indirectly for the benefit of, any of such households.

(g) Repayment of funds expended improperly; offset

The State shall repay to the United States amounts found not to have been expended in accordance with this subchapter or the Secretary may offset such amounts against any other amount to which the State is or may become entitled under this subchapter.

(h) Periodic evaluation of expenditures by Comptroller General

The Comptroller General of the United States shall, from time to time, evaluate the expenditures by States of grants under this subchapter in order to assure that expenditures are consistent with the provisions of this subchapter and to determine the effectiveness of the State in accomplishing the purposes of this subchapter.

(i) Certain recipients of supplemental security income ineligible for payments or assistance

A household which is described in subsection (b)(2)(A) solely by reason of clause (ii) thereof shall not be treated as a household described in subsection (b)(2) if the eligibility of the household is dependent upon—

(1) an individual whose annual supplemental security income benefit rate is reduced pursuant to section 1611(e)(1) of the Social Security Act [42 U.S.C. 1396e et seq.] with respect to such individual;

(2) an individual to whom the reduction specified in section 1612a(a)(2)(A)(i) of the Social Security Act [42 U.S.C. 1382a(a)(2)(A)(i)] applies or

(3) a child described in section 1614(f)(2) of the Social Security Act [42 U.S.C. 1382c(f)(2)] who is living together with a parent, or the spouse of a parent, of the child.

(j) State verification of income eligibility; policies and procedures applicable

In verifying income eligibility for purposes of subsection (b)(2)(B), the State may apply procedures and policies consistent with procedures and policies used by the State agency administering programs under part A of title IV of the Social Security Act [42 U.S.C. 601 et seq.], under title XX of the Social Security Act [42 U.S.C. 1397 et seq.], under subtitle B of title VI of this Act (relating to community services block grant program) [42 U.S.C. 9901 et seq.], under any other provision of law which carries out programs which were administered under the Economic Opportunity Act of 1964 [42 U.S.C. 2701 et seq.] before August 13, 1981, or under other income assistance or service programs (as determined by the State).

(k) Limitation on use of funds; waiver

(1) Except as provided in paragraph (2), not more than 15 percent of the greater of—

(A) the funds allotted to a State under this subchapter for any fiscal year; or

(B) the funds available to such State under this subchapter for such fiscal year;

may be used by the State for low-cost residential weatherization or other energy-related home repair for low-income households, particularly those low-income households with the lowest incomes that pay a high proportion of household income for home energy.

(2) (A) If a State receives a waiver granted under subparagraph (B) for a fiscal year, the State may use not more than the greater of 25 percent of—

(i) the funds allotted to a State under this subchapter for such fiscal year; or

(ii) the funds available to such State under this subchapter for such fiscal year;

for residential weatherization or other energy-related home repair for low-income households, particularly those low-income households with the lowest incomes that pay a high proportion of household income for home energy.

(B) For purposes of subparagraph (A), the Secretary may grant a waiver to a State for a fiscal year if the State submits a written request to the Secretary after March 31 of such fiscal year and if the Secretary determines, after reviewing such request and any public comments, that—

(i) the number of households in the State that will receive benefits, other than weatherization and energy-related home repair, under this subchapter in such fiscal year will not be fewer than the number of households in the State that received benefits, other than weatherization and energy-related home repair, under this subchapter in the preceding fiscal year;

(ii) the aggregate amounts of benefits that will be received under this subchapter by all households in the State in such fiscal year will not be less than the aggregate amount of such benefits that were received under this subchapter by all households in the State in the preceding fiscal year; and

(iii) such weatherization activities have been demonstrated to produce measurable savings in energy expenditures by low-income households;

or

(ii) in accordance with rules issued by the Secretary, the State demonstrates good cause for failing to satisfy the requirements specified in clause (i).

(l) State tax credits to energy suppliers who supply home energy at reduced rates to low-income households

(1) Any State may use amounts provided under this subchapter for the purpose of providing
credits against State tax to energy suppliers who supply home energy at reduced rates to low-income households.

(2) Any such credit provided by a State shall not exceed the amount of the loss of revenue to the State upon a reduction in the amount of tax on account of such reduced rate.

(3) Any certification for such tax credits shall be made by the State, but such State may use Federal data available to such State with respect to recipients of supplemental security income benefits if timely delivery of benefits to households described in subsection (b) and suppliers will not be impeded by the use of such data.


REFERENCES IN TEXT

The Social Security Act, referred to in subsecs. (b)(2)(A)(i), (ii), (4), (i)(1), and (j), is act Aug. 14, 1935, ch. 521, 49 Stat. 620, as amended. Part A of title IV of the Social Security Act is classified generally to part A (§601 et seq.) of subchapter IV of chapter 7 of this title. Titles XVI, XIX, and XX of the Social Security Act are classified generally to subchapters XVI (§1381 et seq.), XIX (§1396 et seq.), and XX (§1397 et seq.) of chapter 7 of this title, respectively. For complete classification of this Act to the Code, see section 1005 of this title and Tables.


This subchapter, referred to in subsec. (b)(7)(D), was in the original “this Act” and was translated as referring to “this title”, meaning title XXVI of Pub. L. 97–35, known as the Low-Income Home Energy Assistance Act of 1986, to reflect the probable intent of Congress.

CODIFICATION

In subsec. (b)(6), “August 12, 1981” substituted for “the day before the date of the enactment of this Act”, which date of enactment is Aug. 13, 1991.


AMENDMENTS

2014—Subsec. (f)(2)(A). Pub. L. 113–79 inserted before semicolon “, except that, for purposes of the supplemental nutrition assistance program established under the Food and Nutrition Act of 2008 (7 U.S.C. 1 et seq.), such payments or allowances were greater than $20 annually, consistent with section 5(e)(6)(C)(iv)(I) of that Act (7 U.S.C. 1618(e)(6)(C)(iv)(I)), as determined by the Secretary of Agriculture”.


1998—Subsec. (b). Pub. L. 105–285, §306(1)(C), (D), struck out “The Secretary may not prescribe the manner in which the States will comply with the provisions of this subsection.” in provisions after par. (14) and inserted identical language before “The Secretary shall issue” in concluding provisions after par. (16).

Subsec. (b)(9)(A). Pub. L. 105–285, §306(1)(A), struck out “and not transferred pursuant to section 6625(f) of this title for use under another block grant” before the semicolon.


Subsec. (k)(1), (2)(A). Pub. L. 105–285, §306(3), inserted before period at end “, particularly those low-income households with the lowest incomes that pay a high proportion of household income for home energy”.

1996—Subsec. (b)(2)(A)(i). Pub. L. 104–193 amended cl. (1) generally. Prior to amendment, cl. (1) read as follows: “aid to families with dependent children under the State’s plan approved under part A of title IV of the Social Security Act (other than such aid in the form of foster care in accordance with section 408 of such Act)”.

1995—Subsec. (b). Pub. L. 104–66 struck out “(but not less frequently than every three years),” after “from time to time”.

1994—Subsec. (b). Pub. L. 103–232, §311(o)(4), transferred the sentence immediately preceding par. (15) to appear as a flush sentence immediately after par. (16). Pub. L. 103–232, §311(b), inserted at end “Not later than 18 months after May 18, 1994, the Secretary shall develop model performance measurement and standards for the Food and Nutrition Act of 2008 in consultation with State, territorial, tribal, and local grantees, that the States may use to assess the success
of the States in achieving the purposes of this subchapter. The model performance goals and measurements shall be made available to States to be incorporated in the plan of the States, into the plans for fiscal year 1997. The Secretary may request data relevant to the development of model performance goals and measurements.

Subsec. (b)(1). Pub. L. 101–323, § 305(a), amended par. (1) generally. Prior to amendment, par. (1) read as follows: "use the funds available under this subchapter for the purposes described in section 8621(a) of this title and otherwise in accordance with the requirements of this subchapter, and agrees not to use such funds for any payments other than payments specified in this section."

Subsec. (b)(2)(B). Pub. L. 103–252, § 306(a), in concluding provisions substituted "except that a State may not exclude a household from eligibility in a fiscal year solely on the basis of household income if such income is less than 110 percent of the poverty level for such State, but the State may give priority to those households with the highest home energy costs or needs in relation to household income," for "except that no household may be excluded from eligibility under this subclause for payments under this subchapter for fiscal year 1986 and thereafter if the household has an income which is less than 110 percent of the poverty level for such State for such fiscal year"

Subsec. (b)(3). Pub. L. 103–252, §§ 306(b), 311(c)(3), substituted "disabled" for "handicapped" and "and households with high home energy burdens, are made aware for all who are made aware".

Subsec. (b)(5). Pub. L. 103–252, § 306(c), inserted "or needs" after "highest energy costs".

Subsec. (b)(7)(D). Pub. L. 103–252, § 311(a)(1), amended subpar. (D) generally. Prior to amendment, subpar. (D) read as follows: "assure that any home energy supplier receiving direct payments agrees not to discriminate, either in the cost of the goods supplied or the services provided, against the eligible household on whose behalf payments are made."

Subsec. (b)(9)(B). Pub. L. 103–252, § 305(b)(1), inserted before semicolon at end "(except for the costs of the activities described in paragraph (16))"

Subsec. (b)(10). Pub. L. 103–252, § 307(1), substituted "and provide that the State will comply with the provisions of chapter 75 of title 31 (commonly known as the 'Single Audit Act')" for "and provide that at least every two years the State shall prepare an audit of its expenditures of amounts received under this subchapter and amounts transferred to carry out the purposes of this subchapter."

Subsec. (b)(16). Pub. L. 103–252, § 308, inserted before semicolon at end "including any differently".


Subsec. (c)(1)(H). Pub. L. 103–252, § 306(d)(1), redesignated subpar. (F) as (H). In subsec. (b)(16), Pub. L. 103–252, § 307(2), redesignated "in accordance with chapter 75 of title 31" for "at least every two years by an organization or person independent of any agency administering activities under this subchapter. The audits shall be conducted in accordance with the Comptroller General's standards for audit of governmental operations, programs, activities, and functions. Within 30 days after completion of each audit, the chief executive officer of the State shall submit a copy of the audit to the legislature of the State and to the Secretary"


Subsec. (c)(2). Pub. L. 101–501, § 704(b), inserted "timely and meaningful" after "will facilitate"

Subsec. (c)(4). Pub. L. 101–501, § 706, designated existing provisions as par. (1), redesignated former pars. (1) and (2) as subpars. (A) and (B), respectively, substituted "Except as provided in paragraph (2), not" for "Not", and added par. (2).

1989—Subsec. (b)(5). Pub. L. 99–425, § 504(a), substituted "in a timely manner" for "in a manner consistent with the efficient and timely payment of benefits."

Subsec. (b)(14) to (17). Pub. L. 99–425, § 504(b), redesignated cl. (17) as (14), and struck out former cls. (14) to (16) which read as follows:

"(14) describe the procedures by which households in the State are identified as eligible to participate under this subchapter and the manner in which the State determines benefit levels;

"(15) describe the amount that the State will reserve in accordance with section 8623(c) of this title in each fiscal year for energy crisis intervention activities together with the administrative procedures (A) for designating an emergency, (B) for determining the assistance to be provided in such an emergency, and (C) for the use of funds reserved under such section for the purposes under this subchapter in the event any portion of the amount so reserved is not expended for emergencies.

"(16) describe energy usage and the average cost of energy in the State, identified by type of fuel and by region of the State;"

Subsec. (c)(1). Pub. L. 99–425, § 504(c), revised provisions relating to requirements for State plans, restating as subpars. (A) to (F), provisions of former subpars. (A) to (E).


Subsec. (f). Pub. L. 99–425, § 504(e), designated existing provisions as par. (1), substituted "provided directly to, or indirectly for the benefit of" for "provided to", and added par. (2).

1984—Subsec. (b). Pub. L. 98–558, § 605(a)(9), inserted at end "The Secretary shall issue regulations to prevent waste, fraud, and abuse in the programs assisted by this subchapter."

Subsec. (b)(1). Pub. L. 98–558, § 605(a)(1), substituted "section" for "subsection"

Subsec. (b)(2)(B). Pub. L. 98–558, § 605(a)(2), inserted "except that no household may be excluded from eligibility under this subchapter for fiscal year 1986 and thereafter if the household has an income which is less than 110 percent of the poverty level for such State for such fiscal year."


Subsec. (b)(8). Pub. L. 98–558, § 605(a)(5), designated existing provisions as subpar. (B) and added subpar. (A).

Subsec. (b)(9)(A). Pub. L. 98–558, § 605(a)(6), in amending subpar. (A) generally, struck out "in each fiscal year before "the State may" and substituted "for a fiscal year and not transferred pursuant to section 8623(f) of this title for use under another block grant" for "for such fiscal year."

Page 7012 TITLE 42—THE PUBLIC HEALTH AND WELFARE
Subsec. (b)(10). Pub. L. 98–558, § 605(a)(7), substituted ‘‘every two years’’ for ‘‘every year’’.
Subsec. (b)(14) to (17). Pub. L. 98–558, § 605(a)(8), which directed amendment of subsec. (b) by adding pars. (15) to (17) at the end thereof, was executed by adding those pars. after par. (13) to reflect the probable intent of Congress.
Subsec. (c)(1). Pub. L. 98–558, § 605(b)(1), in amending par. (1) generally, designated existing provisions as subpar. (A) and added subpars. (B) to (E).
Subsec. (c)(2). Pub. L. 98–558, § 605(b)(2), inserted ‘‘and each substantial revision thereof’’ and ‘‘or substantial revision’’ at the end.
Subsec. (d). Pub. L. 98–558, § 605(c), in amending subsec. (d) generally, substituted provisions that the State shall expend funds in accordance with the State plan or revisions thereto for former provisions which related to waiver of requirements.
Subsec. (e). Pub. L. 98–558, § 605(d), in amending subsec. (e) generally, inserted provisions requiring that the audits be made public and that they shall be conducted in accordance with the Comptroller General’s standards.
Subsec. (f). Pub. L. 98–558, § 605(e), inserted ‘‘unless enacted in express limitation of this paragraph’’.
Subsec. (h). Pub. L. 98–558, § 605(f), inserted ‘‘(but not less frequently than every three years)’’.  
Effective Date of 2014 Amendment
Amendment by Pub. L. 113–79 effective on first day of first fiscal year beginning after Oct. 30, 1984, see section 609(b) of Pub. L. 98–558, set out as a note under section 8621 of this title.

Clari cation on Utility Allowances

(a) Eligibility.—Tenants who—

(1) are responsible for making out-of-pocket payments for utility bills; and

(b) Equal Treatment in Benefit Programs.—Tenants described in subsection (a) shall be treated identically with other households eligible for or receiving energy assistance, including in the determination of the home energy costs for which they are individually responsible and in the determination of their incomes for any program in which eligibility or benefits are based on need, except as provided in subsection (d).


(d) Special Rule for Low-Income Home Energy Assistance Program.—For purposes of the Low-Income Home Energy Assistance Program, tenants described in subsection (a)(2) who are responsible for paying some or all heating or cooling costs shall not have their eligibility automatically denied. A State may consider the amount of the heating or cooling component of utility allowances received by tenants described in subsection (a)(2) when setting benefit levels under the Low-Income Home Energy Assistance Program. The size of any reduction in Low-Income Home Energy Assistance Program benefits must be reasonably related to the amount of the heating or cooling component of the utility allowance received and must ensure that the highest level of assistance will be furnished to those households with the lowest incomes and the highest energy costs in relation to income, taking into account family size, in compliance with section 2606(b)(5) of the Low-Income Home Energy Assistance Act of 1981 (42 U.S.C. 6824(b)(5)).

§ 8625. Nondiscrimination provisions

(a) Prohibitions
No person shall on the ground of race, color, national origin, or sex be excluded from participation in, be denied the benefits of, or be subjected to discrimination under, any program or activity funded in whole or in part with funds made available under this subchapter. Any prohibition against discrimination on the basis of age under the Age Discrimination Act of 1975 [42 U.S.C. 6101 et seq.] or with respect to an otherwise qualified handicapped individual as provided in section 794 of title 29 also shall apply to any such program or activity.

(b) Procedures applicable to secure compliance
Whenever the Secretary determines that a State that has received a payment under this subchapter has failed to comply with subsection (a) or an applicable regulation, he shall notify
the chief executive officer of the State and shall request him to secure compliance. If within a reasonable period of time, not to exceed 60 days, the chief executive officer fails or refuses to secure compliance, the Secretary is authorized to (1) refer the matter to the Attorney General with a recommendation that an appropriate civil action be instituted; (2) exercise the powers and functions provided by title VI of the Civil Rights Act of 1964 [42 U.S.C. 2000d et seq.], the Age Discrimination Act of 1975 [42 U.S.C. 6101 et seq.], or section 794 of title 29, as may be applicable; or (3) take such other action as may be provided by law.

(c) Maintenance of civil actions

When a matter is referred to the Attorney General pursuant to subsection (b), or whenever he has reason to believe that the State is engaged in a pattern or practice in violation of the provisions of this section, the Attorney General may bring a civil action in any appropriate United States district court for such relief as may be appropriate, including injunctive relief.


REFERENCES IN TEXT

The Age Discrimination Act of 1975, referred to in subsecs. (a) and (b), is title III of Pub. L. 94–135, Nov. 28, 1975, 79 Stat. 728, as amended, which is classified generally to chapter 76 (§ 6101 et seq.) of this title. For complete classification of this Act to the Code, see Short Title note set out under section 6101 of this title and Tables. Title VI of the Civil Rights Act of 1964 is classified generally to subchapter V (§ 2000d et seq.) of chapter 21 of title 42, for use under this subchapter.

§ 8626. Payments to States; fiscal year requirements respecting availability, etc.

(a)(1) From its allotment under section 8623 of this title, the Secretary shall make payments to each State in accordance with section 6503(a) of title 31, for use under this subchapter.

(2) Each State shall notify the Secretary, not later than 2 months prior to the close of a fiscal year, of the amount (if any) of its allotment for such year that will not be obligated in such year, and, if such State elects to submit a request described in subsection (b)(2), such State shall submit such request at the same time. The Secretary shall make no payment under paragraph (1) to a State for a fiscal year unless the State has complied with this paragraph with respect to the prior fiscal year.

(b)(1) If—

(A) the Secretary determines that, as of September 1 of any fiscal year, an amount allotted to a State under section 8623 of this title for any fiscal year will not be used by such State during such fiscal year;

(B) the Secretary—

(i) notifies the chief executive officer of such State; and

(ii) publishes a timely notice in the Federal Register;

that, after the 30-day period beginning on the date of the notice to such chief executive officer, such amount may be reallocated; and

(C) the State does not request, under paragraph (2), that such amount be held available for such State for the following fiscal year;

then such amount shall be treated by the Secretary for purposes of this subchapter as an amount appropriated for the following fiscal year to be allotted under section 8623 of this title for such following fiscal year.

(2)(A) Any State may request that an amount allotted to such State for a fiscal year be held available for such State for the following fiscal year. Such request shall include a statement of the reasons that the amount allotted to such State for a fiscal year will not be used by such State during such fiscal year and a description of the types of assistance to be provided with the amount held available for the following fiscal year. Any amount so held available for the following fiscal year shall not be taken into account in computing the allotment of or the amount payable to such State for such fiscal year under this subchapter.

(B) No amount may be held available under this paragraph for a State from a prior fiscal year to the extent such amount exceeds 10 percent of the amount payable to such State for such prior fiscal year. For purposes of the preceding sentence, the amount payable to a State for a fiscal year shall be determined without regard to any amount held available under this paragraph for such State for such fiscal year from the prior fiscal year.

(C) The Secretary shall reallocate amounts made available under this paragraph for the fiscal year following the fiscal year of the original allotment in accordance with paragraph (1) of this subsection.

(3) During the 30-day period described in paragraph (1)(B), comments may be submitted to the Secretary. After considering such comments, the Secretary shall notify the chief executive officer of the State of any decision to reallocate funds, and shall publish such decision in the Federal Register.


CROSS REFERENCE


AMENDMENTS

1998—Subsec. (b)(2)(B). Pub. L. 105–285 struck out “and not transferred pursuant to section 8623(f) of this title” after “such prior fiscal year” in first sentence and “but not transferred by the State” after second sentence.

1994—Subsec. (a). Pub. L. 103–252 designated existing provisions as par. (1) and added par. (2).


1984—Subsec. (b)(2)(A). Pub. L. 98–558, §606(a), inserted “Such request shall include a statement of the
reasons that the amount allotted to such State for a fiscal year will not be used by such State during such fiscal year and a description of the types of assistance to be provided with the amount held available for the following fiscal year;” and “or the amount payable to”, after “computing the allotment of”,

Subsec. (b)(2)(B). Pub. L. 98–558, § 606(b), substituted “15 percent” for “25 percent”, “payable to such State for such prior fiscal year and not transferred pursuant to section 8623(f) of this title” for “allotted to such State for such prior fiscal year”, and “payable to a State but not transferred by the State” for “allotted to a State” in second sentence.


§ 8626a. Incentive program for leveraging non-Federal resources

(a) Allotment of funds

Beginning in fiscal year 1992, the Secretary may allocate amounts appropriated under section 8621(d) of this title to provide supplementary funds to States that have acquired non-Federal leveraged resources for the program established under this subchapter.

(b) “Leveraged resources” defined

For purposes of this section, the term “leveraged resources” means the benefits made available to the low-income home energy assistance program of the State, or to federally qualified low-income households, that—

(1) represent a net addition to the total energy resources available to State and federally qualified households in excess of the amount of such resources that could be acquired by such households through the purchase of energy at commonly available household rates; and

(2)(A) result from the acquisition or development by the State program of quantifiable benefits that are obtained from energy vendors through negotiation, regulation or competitive bid; or

(B) are appropriated or mandated by the State for distribution—

(i) through the State program; or

(ii) under the plan referred to in section 8623(c)(1)(A) of this title to federally qualified low-income households and such benefits are determined by the Secretary to be integrated with the State program.

(c) Formula for distribution of amounts

(1) Distribution of amounts made available under this section shall be based on a formula developed by the Secretary that is designed to take into account the success in leveraging existing appropriations in the preceding fiscal year as measured under subsection (d). Such formula shall take into account the size of the allocation of the State under this subchapter and the ratio of leveraged resources to such allocation.

(2) A State may expend funds allocated under this subchapter as are necessary, not to exceed 0.08 percent of such allocation or $35,000 each fiscal year, whichever is greater, to identify, develop, and demonstrate leveraging programs. Funds allocated under this section shall only be used for increasing or maintaining benefits to households.

(d) Dollar value of leveraged resources

Each State shall quantify the dollar value of leveraged resources received or acquired by such State under this section by using the best available data to calculate such leveraged resources less the sum of any costs incurred by the State to leverage such resources and any cost imposed on the federally eligible low-income households in such State.

(e) Report to Secretary

Not later than 2 months after the close of the fiscal year during which the State provided leveraged resources to eligible households, as described in subsection (b), each State shall prepare and submit, to the Secretary, a report that quantifies the leveraged resources of such State in order to qualify for assistance under this section for the following fiscal year.

(f) Determination of State share; regulations; documentation

The Secretary shall determine the share of each State of the amounts made available under this section based on the formula described in subsection (c) and the State reports. The Secretary shall promulgate regulations for the calculation of the leveraged resources of the State and for the submission of supporting documentation. The Secretary may request any documentation that the Secretary determines necessary for the verification of the application of the State for assistance under this section.


**AMENDMENTS**

1994—Subsec. (c)(2). Pub. L. 103–252, § 311(c)(6), substituted “0.08 percent” for “.0008 percent”.

Subsec. (e). Pub. L. 103–252, § 311(a)(2), substituted “2 months after the close of the fiscal year during which the State provided leveraged resources to eligible households, as described in subsection (b) of this section” for “July 31 of each year”.

**EFFECTIVE DATE OF 1994 AMENDMENT**

§ 8626b. Residential Energy Assistance Challenge option (R.E.A.Ch.)

(a) Purpose

The purpose of the Residential Energy Assistance Challenge (in this section referred to as “R.E.A.Ch.”) program is to—

1. minimize health and safety risks that result from high energy burdens on low-income Americans;
2. prevent homelessness as a result of inability to pay energy bills;
3. increase the efficiency of energy usage by low-income families; and
4. target energy assistance to individuals who are most in need.

(b) Funding

(1) Allocation

For each fiscal year, the Secretary may allocate not more than 25 percent of the amount made available pursuant to section 8621(d) of this title for such fiscal year to a R.E.A.Ch. fund for the purpose of making incentive grants to States that submit qualifying plans that are approved by the Secretary as R.E.A.Ch. initiatives. States may use such grants for the costs of planning, implementing, and evaluating the initiative.

(2) Reservation

The Secretary shall reserve from any funds allocated under this subsection, funds to make additional payments to State R.E.A.Ch. programs that—

A. have energy efficiency education services plans that meet quality standards established by the Secretary in consultation with the Secretary of Energy; and
B. have the potential for being replicable model designs for other programs.

States shall use such supplemental funds for the implementation and evaluation of the energy efficiency education services.

(c) Criteria

(1) In general

Not later than May 31, 1995, the Secretary shall establish criteria for approving State plans required by subsection (a), for energy efficiency education quality standards described in subsection (b)(2)(A), and for the distribution of funds to States with approved plans.

(2) Documentation

Notwithstanding the limitations of section 8624(b) of this title regarding the authority of the Secretary with respect to plans, the Secretary may require a State to provide appropriate documentation that its R.E.A.Ch. activities conform to the State plan as approved by the Secretary.

(d) Focus

The State may designate all or part of the State, or all or part of the client population, as a focus of its R.E.A.Ch. initiative.

(e) State plans

(1) In general

Each State plan shall include each of the elements described in paragraph (2), to be met by State and local agencies.

(2) Elements of State plans

Each State plan shall include—

A. an assurance that such State will deliver services through community-based nonprofit entities in such State, by—
(i) awarding grants to, or entering into contracts with, such entities for the purpose of providing such services and payments directly to individuals eligible for benefits; or
(ii) if a State makes payments directly to eligible individuals or energy suppliers, making contracts with such entities to administer such programs, including—
(I) determining eligibility;
(II) providing outreach services; and
(III) providing benefits other than payments;
B. an assurance that, in awarding grants or entering into contracts to carry out its R.E.A.Ch. initiative, the State will give priority to organizations that—
(i) are described in section 9902(1) of this title, except where significant geographic portions of the State are not served by such entities;
(ii) the Secretary has determined have a record of successfully providing services under the Low-Income Home Energy Assistance Program; and
(iii) receive weatherization assistance program funds under part A of title IV of the Energy Conservation and Production Act [42 U.S.C. 6861 et seq.];
except that a State may not require any such entity to operate a R.E.A.Ch. program;
C. an assurance that, subject to subparagraph (D), each entity that receives a grant or enters into a contract under subparagraph (A)(i) will provide a variety of services and benefits, including—
(i) payments to, or on behalf of, individuals eligible for residential energy assistance services and benefits under section 8624(b) of this title for home energy costs;
(ii) energy efficiency education;
(iii) residential energy demand management services, including any other energy related residential repair and energy efficiency improvements in coordination with, or delivered by, Department of Energy weatherization assistance programs at the discretion of the State;
(iv) family services, such as counseling and needs assessment, related to energy budget management, payment plans, and related services; and
(v) negotiation with home energy suppliers on behalf of households eligible for R.E.A.Ch. services and benefits;
D. a description of the methodology the State and local agencies will use to determine—
(i) which households will receive one or more forms of benefits under the State R.E.A.Ch. initiative; and
(ii) the cases in which nonmonetary benefits are likely to provide more cost-effective long-term outcomes than payment benefits alone; and
(iii) the amount of such benefit required to meet the goals of the program; 

(E) a method for targeting nonmonetary benefits;  

(F) a description of the crisis and emergency assistance activities the State will undertake that are designed to—  

(i) discourage family energy crises;  

(ii) encourage responsible vendor and consumer behavior; and  

(iii) provide only financial incentives that encourage household payment;  

(G) a description of the activities the State will undertake to—  

(i) provide incentives for recipients of assistance to pay home energy costs; and  

(ii) provide incentives for vendors to help reduce the energy burdens of recipients of assistance;  

(H) an assurance that the State will require each entity that receives a grant or enters into a contract under this section to solicit and be responsive to the views of individuals who are financially eligible for benefits and services under this section in establishing its local program;  

(I) a description of performance goals for the State R.E.A.C.H. initiative including—  

(i) a reduction in the energy costs of participating households over one or more fiscal years;  

(ii) an increase in the regularity of home energy bill payments by eligible households; and  

(iii) an increase in energy vendor contributions towards reducing energy burdens of eligible households;  

(J) a description of the indicators that will be used by the State to measure whether the performance goals have been achieved;  

(K) a demonstration that the plan is consistent with section 8622 of this title, paragraphs (2), (3), (4), (5), (7), (9), (10), (11), (12), (13), and (14) of section 8624(b) of this title, subsections (d), (e), (f), (g), (h), (i), and (j) of section 8624 of this title, and section 8625 of this title;  

(L) an assurance that benefits and services will be provided in addition to other benefit payments and services provided under this subchapter and in coordination with such benefit payments and services; and  

(M) an assurance that no regulated utility covered by the plan will be required to act in a manner that is inconsistent with applicable regulatory requirements.  

(f) Cost or function  

None of the costs of providing services or benefits under this section shall be considered to be an administrative cost or function for purposes of any limitation on administrative costs or functions contained in this subchapter.  

(2) Whenever the Secretary determines that there is a pattern of complaints from any State in any fiscal year, the Secretary shall conduct an investigation of the use of funds received under this subchapter by such State in order to ensure compliance with the provisions of this subchapter.

(3) The Comptroller General of the United States may conduct an investigation of the use of funds received under this subchapter by a State in order to ensure compliance with the provisions of this subchapter.

(c) Inspection of books, documents, etc.

Pursuant to an investigation conducted under subsection (b) of this section, a State shall make available to the Secretary or the Comptroller General of the United States, or any of their duly authorized representatives, for examination, copying, or mechanical reproduction or off the premises of the appropriate entity upon a reasonable request therefor.

(d) Request for information not readily available

In conducting any investigation under subsection (b), the Secretary may not request any information not readily available to such State or require that any information be compiled, collected, or transmitted in any new form not already available.

AMENDMENTS

1990—Subsec. (a)(2). Pub. L. 101–501 substituted "in writing in no more than 60 days to matters raised in" for "in an expeditious and speedy manner to".

1984—Subsec. (b)(2). Pub. L. 98–558 substituted "the Secretary" for "he" before "shall conduct".

§ 8628. Limitation on use of grants for construction

Grants made under this subchapter may not be used by the State, or by any other person with which the State makes arrangements to carry out the purposes of this subchapter, for the purchase or improvement of land, or the purchase, construction, or permanent improvement (other than low-cost residential weatherization or other energy-related home repairs) of any building or other facility.

AMENDMENTS

1998—Pub. L. 105–285, § 309(b), substituted "$300,000" for "$250,000" in introductory provisions, designated existing provisions as par. (1) and inserted "$250,000" for "$500,000" in introductory provisions, redesignated former par. (2) as subpar. (A), realigned margin, and substituted "make grants" for "to make grants", redesignated former par. (2) as subpar. (B), realigned margin, substituted "enter into" for "to enter into" and inserted "or interagency agreements" after "cooperative arrangements" and "(including Federal agencies)" after "public agencies", realigned margin of concluding provisions and substituted "; or" for "for period at end, and added par. (2).


§ 8628a. Technical assistance, training, and compliance reviews

(a) Of the amounts appropriated under section 8621(b) of this title for any fiscal year, not more than $300,000 of such amounts may be reserved by the Secretary—

(1) to—

(A) make grants to State and public agencies and private nonprofit organizations; or

(B) enter into contracts or jointly financed cooperative arrangements or interagency agreements with States and public agencies (including Federal agencies) and private nonprofit organizations;

(b) No provision of this section shall be construed to prevent the Secretary from making a grant pursuant to subsection (a) to one or more private nonprofit organizations that apply jointly with a business concern to receive such grant.

REFERENCES IN TEXT

This subchapter, the first and second time appearing in subsec. (a)(1), was in the original "this subtitle" which was translated as "this title", meaning title XXVI of Pub. L. 97–35, as the probable intent of Congress.

AMENDMENTS


SUBSEC. (a). Pub. L. 105–285, §309(a), substituted "$300,000" for "$250,000" in introductory provisions, designated existing provisions as par. (1) and inserted "$250,000" for "$500,000" in introductory provisions, redesignated former par. (2) as subpar. (A), realigned margin, and substituted "make grants" for "to make grants", redesignated former par. (2) as subpar. (B), realigned margin, substituted "enter into" for "to enter into" and inserted "or interagency agreements" after "cooperative arrangements" and "(including Federal agencies)" after "public agencies", realigned margin of concluding provisions and substituted "; or" for "for period at end, and added par. (2).
(1) information concerning home energy consumption;
(2) the amount, cost and type of fuels used for households eligible for assistance under this subchapter;
(3) the type of fuel used by various income groups;
(4) the number and income levels of households assisted by this subchapter;
(5) the number of households which received such assistance and include one or more individuals who are 60 years or older or disabled or include young children; and
(6) any other information which the Secretary determines to be reasonably necessary to carry out the provisions of this subchapter.

Nothing in this subsection may be construed to require the Secretary to collect data which has been collected and made available to the Secretary by any other agency of the Federal Government.

(b) The Secretary shall, no later than June 30 of each fiscal year, submit a report to the Congress containing a detailed compilation of the data under subsection (a) with respect to the prior fiscal year, and a report that describes for each fiscal year—

(1) the manner in which States carry out the requirements of clauses (2), (5), (8), and (15) of section 8624(b) of this title; and

(2) the impact of each State’s program on recipient and eligible households.


AMENDMENTS


Subsec. (a)(5). Pub. L. 103–252, §311(c)(7)(B), substituted “disabled or include young children” for “handicapped”.

1986—Subsec. (b). Pub. L. 99–425 inserted provisions relating to report describing for prior fiscal year the manner of carrying out requirements of clauses of section 8624 of this title and impact of State programs on recipient and eligible households.

1984—Subsec. (a). Pub. L. 98–558, §607(c), inserted at end “Nothing in this subsection may be construed to require the Secretary to collect data which has been collected and made available to the Secretary by any other agency of the Federal Government.”

Subsec. (a)(2). Pub. L. 98–558, §607(a), inserted “amount,” before “cost” and inserted at end “for households eligible for assistance under this subchapter”.

Subsec. (a)(5), (6). Pub. L. 98–558, §607(b), added par. (5) and redesignated former par. (5) as (6).

Subsec. (b). Pub. L. 98–558, §607(d), in amending subsec. (b) generally, inserted “no later than June 30 of each fiscal year,” and substituted “a detailed compilation of the data under subsection (a) with respect to the prior fiscal year” for “a summary of data collected under subsection (a)”.

Effective Date of 1994 Amendment


§§8711 to 8719

Effective Date of 1986 Amendment


Effective Date of 1984 Amendment

Amendment by Pub. L. 98–558 applicable to data collected and compiled after Oct. 30, 1984, and this section as in effect before Oct. 30, 1984, applicable with respect to the report submitted under this section for fiscal year 1984, see section 609(d) of Pub. L. 98–558, set out as a note under section 8621 of this title.

Termination of Reporting Requirements

For termination, effective May 15, 2000, of provisions of law requiring submittal to Congress of any annual, semiannual, or other regular periodic report listed in House Document No. 103–7 (in which the 12th item on page 93 identifies a reporting provision which, as amended, is contained in subsec. (b) of this section), see section 3003 of Pub. L. 104–66, as amended, set out as a note under section 1113 of Title 31, Money and Finance.

§8630. Renewable fuels

In providing assistance pursuant to this subchapter, a State, or any other person with which the State makes arrangements to carry out the purposes of this subchapter, may purchase renewable fuels, including biomass.


Report to Congress


CHAPTER 95—UNITED STATES SYNTHETIC FUELS CORPORATION

§8701. Omitted

Codification

Section, Pub. L. 96–294, title I, §100, June 30, 1980, 94 Stat. 616, which related to Congressional findings, declarations, and purposes, was omitted from the Code in view of termination of United States Synthetic Fuels Corporation. See note set out under section 8791 of this title.

SUBCHAPTER I—INTRODUCTORY PROVISIONS

§8702. Omitted

Codification

Section, Pub. L. 96–294, title I, §112, June 30, 1980, 94 Stat. 633, which defined terms for this chapter, was omitted from the Code in view of termination of United States Synthetic Fuels Corporation. See note set out under section 8791 of this title.

SUBCHAPTER II—ESTABLISHMENT OF CORPORATION

§§8711 to 8719. Omitted

Codification

Sections 8711 to 8719 were omitted from the Code in view of termination of United States Synthetic Fuels Corporation. See note set out under section 8791 of this title.
Section 8711, Pub. L. 96–294, title I, § 115, June 30, 1980, 94 Stat. 636, created the Corporation, provided for its offices and residence status, and referred to its general powers.


Section 8719, Pub. L. 96–294, title I, § 123, June 30, 1980, 94 Stat. 644, established an Advisory Committee to the Board of Directors. For continuation of Advisory Committee, see section 780(c) of Pub. L. 99–272, set out as a note under section 8791 of this title.

SUBCHAPTER III—PRODUCTION GOAL OF THE CORPORATION

§§ 8721 to 8725. Omitted

CODIFICATION

Sections 8721 to 8725 were omitted from the Code in view of termination of United States Synthetic Fuels Corporation. See note set out under section 8791 of this title.


SUBCHAPTER IV—FINANCIAL ASSISTANCE

§§ 8731 to 8740. Omitted

CODIFICATION

Sections 8731 to 8740 were omitted from the Code in view of termination of United States Synthetic Fuels Corporation. See note set out under section 8791 of this title.


SUBCHAPTER V—CORPORATION CONSTRUCTION PROJECTS

§§ 8741 to 8745. Omitted

CODIFICATION

Sections 8741 to 8745 were omitted from the Code in view of termination of United States Synthetic Fuels Corporation. See note set out under section 8791 of this title.


SUBCHAPTER VI—CAPITALIZATION AND FINANCE

§§ 8751 to 8755. Omitted

CODIFICATION

Sections 8751 to 8755 were omitted from the Code in view of termination of United States Synthetic Fuels Corporation. See note set out under section 8791 of this title.


SUBCHAPTER VII—UNLAWFUL ACTS, PENALTIES, AND SUITS AGAINST THE CORPORATION

§§ 8761 to 8768. Omitted

CODIFICATION

Sections 8761 to 8768 were omitted from the Code in view of termination of United States Synthetic Fuels Corporation. See note set out under section 8791 of this title.


Section 8766, Pub. L. 96–294, title I, § 166, June 30, 1980, 94 Stat. 672, authorized an action for damages by Cor-
poration in addition to penalties prescribed for violations.


**SUBCHAPTER VIII—GENERAL PROVISIONS**

§§ 8771 to 8780. Omitted

**CODIFICATION**

Sections 8771 to 8780 were omitted from the Code in view of termination of United States Synthetic Fuels Corporation. See note set out under section 8791 of this title.


**SUBCHAPTER IX—DISPOSAL OF ASSETS**

§§ 8781, 8782. Omitted

**CODIFICATION**

Sections 8781 and 8782 were omitted from the Code in view of termination of United States Synthetic Fuels Corporation. See note set out under section 8791 of this title.


Section 8782, Pub. L. 96–294, title I, §182, June 30, 1980, 94 Stat. 681, related to disposal of assets other than as provided for in section 8781.

**SUBCHAPTER X—TERMINATION OF CORPORATION**

§§ 8791 to 8793. Omitted

**CODIFICATION**

Sections 8791 to 8793 were omitted from the Code in view of termination of United States Synthetic Fuels Corporation. See note below.


**TERMINATION OF UNITED STATES SYNTHETIC FUELS CORPORATION**


“SEC. 7401. SHORT TITLE.

“This subtitle may be cited as the ‘Synthetic Fuels Corporation Act of 1985’.

“SEC. 7402. CESSATION OF FINANCIAL ASSISTANCE AUTHORITY.

“Effective on the date of enactment of this Act [Apr. 7, 1986], the United States Synthetic Fuels Corporation (hereafter in this subtitle referred to as the ‘Corporation’) may not make any legally binding awards or commitments for financial assistance (including any changes in an existing award or commitment) pursuant to the Energy Security Act [Pub. L. 96–294; see Short Title note set out under section 8801 of this title] for synthetic fuel project proposals, except that nothing in this Act (see Tables for classification) shall impair or alter the powers, duties, rights, obligations, privileges, or liabilities of the Corporation, its Board or Chairman, or project sponsors in the performance and completion of the terms and undertakings of a legally binding award or commitment entered into prior to the date of enactment of this Act.

“SEC. 7403. TERMINATION OF THE CORPORATION.

“(a) Within 60 days of the date of enactment of this Act [Apr. 7, 1986], the Directors of the Corporation shall terminate their duties under the Energy Security Act [Pub. L. 96–294; see Short Title note set out under section 8801 of this title] and be discharged.

“(b) Within 120 days of the date of enactment of this Act [Apr. 7, 1986], the Corporation may terminate, except as otherwise provided in this subtitle, in accordance with subtitle J of part B of title I of the Energy Security Act [42 U.S.C. 8791 to 8793].

“SEC. 7404. DUTIES OF SECRETARY OF THE TREASURY.

“(a) Within 60 days of the date of enactment of this Act [Apr. 7, 1986] (or earlier, in the event of absence of a Chairman of the Board of Directors of the Corporation), the Secretary of the Treasury shall assume the duties of the Chairman of the Board of Directors of the Corporation. The Secretary of the Treasury shall have the authority to negotiate and execute agreements modifying an existing contract relating to the production of synthetic crude oil from oil shale, entered into under the Defense Production Act Amendments of 1980 [Pub. L. 96–294; title I, part A, see Short Title of 1980 Amendment note set out under section 4501 of Title 50, War and National Defense] and subsequently transferred to the Secretary of the Treasury for administration, provided the terms and conditions of any modification(s) are revenue neutral or result in a fiscal savings to the United States Government, and in no event would increase the financial exposure of the United States Government under the contract: Provided, however, That the Secretary of the Treasury shall have no authority to increase the total amount of funds originally authorized for the existing contract: And provided further, That the Secretary shall have no authority to negotiate and execute any agreement modifying the existing contract if such modification(s) would increase or accelerate the financial support per unit for the synthetic fuel to be produced under the contract.

“(b) Notwithstanding any other provision of law, the duties and responsibilities of the Secretary of the Treasury under subtitle J of part B of title I of the Energy Security Act [42 U.S.C. 8791 to 8793] or this Act [see Tables for classification] may not be transferred to any other Federal department or agency.

“(c) Notwithstanding such termination of the Corporation, the Advisory Committee established under section 123 of the Energy Security Act (42 U.S.C. 8719) shall remain in effect to advise the Secretary of the Treasury regarding the administration of any contract.
or obligation of the Corporation pursuant to subtitle D of part B of title I of such Act (42 U.S.C. 8731 to 8740).

"(d) To the extent that the Secretary of the Treasury may be required to take an action under section 121(q) of the Energy Security Act (42 U.S.C. 8731(q)) in connection with an award or commitment of financial assistance under such Act [Pub. L. 96–294; see Short Title note set out under section 8801 of this title], the Secretary shall complete such action within 30 days of the date of enactment of this Act [Apr. 7, 1986]."

"SEC. 7405. SALARIES AND COMPENSATION RIGHTS."

"(a) The Director of the Office of Personnel Management shall, before February 1, 1986, determine the amount of compensation or benefits which each Director, officer, or employee of the Corporation shall be legally entitled to under any contract as of the date of enactment of this Act [Apr. 7, 1986]."

"(b) Effective on the date of enactment of this Act [Apr. 7, 1986], no change in any Director, officer, or employee compensation or benefits shall be allowed or permitted, unless the Director of the Office of Personnel Management agrees that such change is reasonable.

"(c) Effective on the date of enactment of this Act [Apr. 7, 1986]."

"(1) no officer or employee of the Corporation shall receive a salary in excess of the rate of basic pay payable for level IV of the Executive Schedule under title 5 of the United States Code; and

"(2) the Corporation shall not waive any requirements in its By-Laws which are necessary for a Director, officer, or employee to qualify for pension or termination benefits under the By-Laws and written personnel policies and procedures in effect on the date of enactment of this Act [Apr. 7, 1986]."

"SEC. 7406. REPORT TO THE CONGRESS."

"The Corporation shall, within 60 days of the date of enactment of this Act [Apr. 7, 1986], transmit to the Committee on Energy and Commerce of the House of Representatives a report—

"(1) containing a review of implementation of its Phase I Business Plan dated February 19, 1985; and

"(2) fulfilling the requirements of section 126(b)(3) of the Energy Security Act (42 U.S.C. 8722(b)(3))."

"SEC. 7407. OMISSIONS."

"The Congress finds that—

"(1) the dependence of the United States on imported petroleum and natural gas must be reduced by all economically and environmentally feasible means, including the use of biomass energy resources; and

"(2) a national program for increased production and use of biomass energy that does not impair the Nation's ability to produce food and fiber on a sustainable basis for domestic and export use must be formulated and implemented within a multiple-use framework.

"The Congress finds that—

"(1) the dependence of the United States on imported petroleum and natural gas must be reduced by all economically and environmentally feasible means, including the use of biomass energy resources; and

"(2) a national program for increased production and use of biomass energy that does not impair the Nation's ability to produce food and fiber on a sustainable basis for domestic and export use must be formulated and implemented within a multiple-use framework.


"§ 8801. Congressional findings"

"The Congress finds that—

"(1) the dependence of the United States on imported petroleum and natural gas must be reduced by all economically and environmentally feasible means, including the use of biomass energy resources; and

"(2) a national program for increased production and use of biomass energy that does not impair the Nation's ability to produce food and fiber on a sustainable basis for domestic and export use must be formulated and implemented within a multiple-use framework.

§ 8802. Definitions

As used in this chapter—

(1) The term "alcohol" means alcohol (including methanol and ethanol) which is produced from biomass and which is suitable for use by itself or in combination with other substances as a fuel or as a substitute for petroleum or petrochemical feedstocks.

(2)(A) The term "biomass" means any organic matter which is available on a renewable basis, including agricultural crops and agricultural wastes and residues, wood and wood wastes and residues, animal wastes, municipal wastes, and aquatic plants.

(B) For purposes of subchapter I, such term does not include municipal wastes; and for purposes of subchapter III, such term does not include aquatic plants and municipal wastes.

(3) The term "biomass fuel" means any gaseous, liquid, or solid fuel produced by conversion of biomass.

(4) The term "biomass energy" means—

(A) biomass fuel; or

(B) energy or steam derived from the direct combustion of biomass for the generation of electricity, mechanical power, or industrial process heat.

(5) The term "biomass energy project" means any facility (or portion of a facility) located in the United States primarily for—

(A) the production of biomass fuel (and byproducts); or

(B) the combustion of biomass for the purpose of generating industrial process heat, mechanical power, or electricity (including cogeneration).

(6) The term "Btu" means British thermal unit.

(7) The term "cogeneration" means the combined generation by any facility of—

(A) electrical or mechanical power, and

(B) steam or forms of useful energy (such as heat) which are used for industrial, commercial, heating, or cooling purposes.

(8) The term "cooperative" means any agricultural association, as that term is defined in section 1141j(a) of title 12.

(9)(A) The term "construction" means—

(i) the construction or acquisition of any biomass energy project;

(ii) the conversion of any facility to a biomass energy project; or

(iii) the expansion or improvement of any biomass energy project which increases the capacity or efficiency of that facility to produce biomass energy.

(B) Such term includes—

(i) the acquisition of equipment and machinery for use in or at the site of a biomass energy project; and

(ii) the acquisition of land and improvements thereon for the construction, expansion, or improvement of such a project, or the conversion of a facility to such a project.

(C) Such term does not include the acquisition of any facility which was operated as a biomass energy project before the acquisition.

(10) The term "Federal agency" means any Executive agency, as defined in section 105 of title 5.

(11)(A) The term "financial assistance" means any of the following forms of financial assistance provided under this chapter, or any combination of such forms:

(i) loans,

(ii) loan guarantees,

(iii) price guarantees, and

(iv) purchase agreements.

(B) Such term includes any commitment to provide such assistance.

(12) The term "Indian tribe" means any Indian tribe, band, nation, or other organized group or community, including any Alaska Native village or regional or village corporation as defined in or established pursuant to the Alaska Native Claims Settlement Act [43 U.S.C. 1601 et seq.] which is recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians.

(13) The term "motor fuel" means gasoline, kerosene, and middle distillates (including diesel fuel).

(14)(A) The term "municipal waste" means any organic matter, including sewage, sewage sludge, and industrial or commercial waste, and mixtures of such matter and inorganic refuse—

(i) from any publicly or privately operated municipal waste collection or similar disposal system, or

(ii) from similar waste flows (other than such flows which constitute agricultural wastes or residues, or wood wastes or residues from wood harvesting activities or production of forest products).

(B) Such term does not include any hazardous waste, as determined by the Secretary of Energy for purposes of this chapter.

(15)(A) The term "municipal waste energy project" means any facility (or portion of a facility) located in the United States primarily for—

(i) the production of biomass fuel (and byproducts) from municipal waste; or

(ii) the combustion of municipal waste for the purpose of generating steam or forms of
useful energy, including industrial process heat, mechanical power, or electricity (including cogeneration).

(B) Such term includes any necessary transportation, preparation, and disposal equipment and machinery for use in or at the site of the facility involved.

(16) The term “Office of Alcohol Fuels” means the Office of Alcohol Fuels established under section 8230 of this title.

(17) The term “person” means any individual, company, cooperative, partnership, corporation, association, consortium, unincorporated organization, trust, estate, or any entity organized for a common business purpose, any State or local government (including any special purpose district or similar governmental unit) or any agency or instrumentality thereof, or any Indian tribe or tribal organization.

(18) The term “State” means any of the fifty States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands of the United States, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, and the Trust Territory of the Pacific Islands.

(19) The term “small scale biomass energy project” means a biomass energy project with an anticipated annual production capacity of not more than 1,000,000 gallons of ethanol per year, or its energy equivalent of other forms of biomass energy.

§ 8803. Funding

(a) Authorization of appropriations To the extent provided in advance in appropriation Acts, for the two year period beginning October 1, 1980, there is authorized to be appropriated and transferred $1,170,000,000 from the Energy Security Reserve established in the Treasury of the United States under title II of the Act entitled “An Act making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 1980, and for other purposes” (Public Law 96–126; 93 Stat. 970) and made available for obligation by such Act only to the extent provided in advance in appropriation Acts, as follows:

(1) $460,000,000 to the Secretary of Agriculture for carrying out activities under subchapter I, of which at least $500,000,000 shall be available to the Office of Alcohol Fuels for carrying out its activities, and any amount not made available to the Office of Alcohol Fuels shall be available to the Secretary to carry out the purposes of subchapter I under available authorities of the Secretary, including authorities under subchapter I; and

(2) $250,000,000 to the Secretary of Energy for carrying out biomass energy activities under subchapter I, of which at least $500,000,000 shall be available to the Secretary of Energy for carrying out activities under subchapter II.

(b) Availability of funds until expended Funds made available under subsection (a) shall remain available until expended.

(c) Determinations respecting amount of appropriations remaining available

(1) For purposes of determining the amount of such appropriations which remain available for purposes of this chapter—

(A) loans shall be counted at the initial face value of the loan;

(B) loan guarantees shall be counted at the initial face value of such loan guarantee;

(C) price guarantees and purchase agreements shall be counted at the value determined by the Secretary concerned as of the date of each such contract based upon the Secretary’s determination of the maximum potential liability of the United States under the contract; and

(D) any increase in the liability of the United States pursuant to any amendment or other modification to a contract for a loan, loan guarantee, price guarantee, or purchase agreement, shall be counted to the extent of such increase.

(2) Determinations under paragraph (1) shall be made in accordance with generally accepted accounting principles, consistently applied.

(3) If more than one form of financial assistance is to be provided to any one project, the obligations and commitments thereunder shall be counted at the maximum potential exposure of the United States on such project at any time during the life of such project.

(4) Any commitment to provide financial assistance shall be treated the same as such as—
sistance for purposes of this subsection; except that any such commitment which is nullified or voided for any reason shall not be considered for purposes of this subsection.

(d) Financial assistance provided only to extent advanced in appropriation Acts

Financial assistance may be provided under this chapter only to the extent provided in advance in appropriation Acts.


REFERENCES IN TEXT

The Energy Security Reserve established in the Treasury of the United States under title II of the Act entitled “An Act making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 1980, and for other purposes” (Public Law 96–126; 93 Stat. 570), referred to in subsec. (a), was established by Pub. L. 96–126, title II, § 201, Nov. 27, 1979, 93 Stat. 797, which is set out as a note under section 5915 of this title.

This chapter, referred to in subsections (c)(1) and (d), was in the original “this title”, meaning title II of Pub. L. 96–294, June 30, 1980, 94 Stat. 683, known as the Biomass Energy and Alcohol Fuels Act of 1980, which is classified principally to this chapter.

For complete classification of title II to the Code, see Short Title note set out under section 8801 of this title and Tables.

AMENDMENTS

1981—Subsec. (a). Pub. L. 97–35, § 1063, substituted “$1,170,000,000” for “$1,450,000,000”. Subsec. (a)(1). Pub. L. 97–35, § 1061, substituted “$460,000,000” for “$600,000,000”. Subsec. (a)(2). Pub. L. 97–35, § 1062, substituted “$460,000,000” for “$600,000,000.”

EFFECTIVE DATE OF 1981 AMENDMENT


§ 8804. Coordination with other authorities and programs

The authorities in this chapter are in addition to and do not modify (except to the extent expressly provided for in this chapter) authorities and programs of the Department of Energy and of the Department of Agriculture under other provisions of law.


REFERENCES IN TEXT

This chapter, referred to in text, was in the original “this title”, meaning title II of Pub. L. 96–294, June 30, 1980, 94 Stat. 683, known as the Biomass Energy and Alcohol Fuels Act of 1980, which is classified principally to this chapter.

For complete classification of title II to the Code, see Short Title note set out under section 8801 of this title and Tables.

SUBCHAPTER I—GENERAL BIOMASS ENERGY DEVELOPMENT

§ 8811. Biomass energy development plans

(a) Plan respecting maximized production and use by December 31, 1982; preparation, transmission, etc.

Not later than 180 days after June 30, 1980, the Secretary of Agriculture and the Secretary of Energy shall jointly prepare, and transmit to the President and the Congress, a plan for maximizing in accordance with this subchapter biomass energy production and use. Such plan shall be designed to achieve a total level of alcohol production and use within the United States of at least 60,000 barrels per day of alcohol by December 31, 1982.

(b) Comprehensive plan respecting maximized production and use from January 1, 1983, to December 31, 1990, preparation, transmission, etc.

(1) Not later than January 1, 1982, the Secretary of Agriculture and the Secretary of Energy shall jointly prepare, and transmit to the President and the Congress, a comprehensive plan for maximizing in accordance with this subchapter biomass energy production and use, for the period beginning January 1, 1983, and ending December 31, 1990. Such plan shall be designed to achieve a level of alcohol production within the United States equal to at least 10 percent of the level of gasoline consumption within the United States as estimated by the Secretary of Energy for the calendar year 1990.

(2) The plan prepared under this subsection shall evaluate the feasibility of reaching the goals set forth in such subsection.

(c) Required guidelines

The plans prepared under subsections (a) and (b) shall each include guidelines for use in awarding financial assistance under this subchapter which are designed to increase, during the period covered by the plan, the amount of motor fuel displaced by biomass energy.


§ 8812. Program responsibility and administration and effect on other programs

(a) Duties and functions of Secretary of Agriculture and Secretary of Energy over projects

(1) Except as provided in paragraph (2), in the case of any financial assistance under this subchapter for a biomass energy project, the Secretary concerned shall be—

(A) the Secretary of Agriculture, in the case of any biomass energy project which will have an anticipated annual production capacity of less than 15,000,000 gallons of ethanol (or the energy equivalent of other forms of biomass energy) and which will use feedstocks other than aquatic plants; and

(B) the Secretary of Energy, in the case of any biomass energy project which will use aquatic plants as feedstocks or which will have an anticipated annual production capacity of 15,000,000 gallons or more of ethanol (or the energy equivalent of other forms of biomass energy).

(2)(A) Either the Secretary of Agriculture or the Secretary of Energy may be the Secretary concerned in the case of any biomass energy project which will have an anticipated annual production capacity of 15,000,000 gallons or more of ethanol (or the energy equivalent of other forms of biomass energy) and—
(i) which will use wood or wood wastes or residue, or
(ii) which is owned and operated by a cooperative and will use feedstocks other than aquatic plants.

(B) Financial assistance may not be provided by either Secretary under subparagraph (A) without the written concurrence of the other Secretary. Such concurrence shall be granted or denied by such Secretary in accordance with subparagraph (C) and on the same standards as that Secretary applies in making his own awards of financial assistance under this paragraph.

(C)(i) In the case of a project described in subparagraph (A), the Secretary concerned shall provide the other Secretary a copy of the application and such supporting information as may be material, and shall provide the other Secretary at least 15 days to review the project. If during such 15-day period the reviewing Secretary provides written notification to the Secretary concerned specifying reasons why such project should not proceed, the Secretary concerned shall defer the final decision on the application. If the reviewing Secretary fails to provide such notice before the end of such period, concurrence shall be deemed to have been given.

(ii) The project applicant may reapply for financial assistance for such project, after making such modifications to the project as may be necessary to address issues raised by the reviewing Secretary in the original notice of objection. The subsequent review of such project by the reviewing Secretary shall be limited to the issues originally raised by the reviewing Secretary and any issues raised by changed circumstances.

(D) Both Secretaries may jointly act as the Secretary concerned in accordance with such procedures as the Secretaries may jointly prescribe, in which case—

(i) subparagraphs (B) and (C) and subsection (c) shall not apply, and

(ii) the proportion of financial assistance provided by each Secretary shall be determined in accordance with the procedures jointly prescribed.

(b) Procedural requirements applicable

(1) Each Secretary shall take such action as may be necessary to assure that—

(A) guidelines for soliciting and receiving applications for financial assistance are established within 90 days after June 30, 1980;

(B) applications for financial assistance for biomass energy projects are initially solicited within 30 days after such guidelines are established;

(C) additional applications for financial assistance are solicited within 1 year after the date of the initial solicitation;

(D) any application is evaluated and a decision made on such application within 120 days after the receipt of the application, including review under subsections (a)(2)(C), (a)(2)(D), or (c); and

(E) all interested persons are provided the easiest possible access to the application process, including procedures which assure that—

(i) information concerning financial assistance from either Secretary is available through all appropriate offices of the Department of Agriculture and the Department of Energy, and other regional and local offices of the Federal Government, as may be appropriate;

(ii) all such locations where such information is available will be able to accept and file applications, and will forward them to the Secretary concerned; and

(iii) the procedures established for accepting, evaluating, and awarding financial assistance will provide for categories of biomass energy projects, according to size and provide to the maximum extent practicable the simplest procedures for small producers.

(2) The procedural requirements of subparagraphs (A) through (D) of paragraph (1) shall not apply to either Secretary to the extent that the Secretary finds that other procedures are adopted for the solicitation, evaluation, and awarding of financial assistance which will result in applications being processed more expeditiously.

(c) Notice to and reviewing functions of other Secretary concerning application for financial assistance

(1) After evaluating any application and before awarding any financial assistance on the basis of that application, the Secretary concerned shall provide the other Secretary with—

(A) a copy of the application and such supporting material as may be appropriate, and

(B) an opportunity of not less than 15 days to review the application.

This subsection shall not apply in the case of a project subject to review under subsection (a)(2)(C).

(2) If the reviewing Secretary provides written notice specifying any issues regarding matters subject to the Secretary’s review to the Secretary concerned before the end of the 15-day review period, the Secretary concerned shall defer a final decision on the application for an additional 30 days to provide an opportunity for both Secretaries to answer and resolve such issues. At the expiration of the 30-day period, the Secretary concerned may make a final decision with respect to the application, using the best judgment of the Secretary concerned to resolve any remaining issues.

(3) Reviews of projects under the provisions of subsection (a)(2)(C) or paragraph (1)(B) by the Secretary of Agriculture shall be for the purpose of considering the national, regional, and local agricultural policy impacts of such project on agricultural supply, production, and use, and reviews by the Secretary of Energy under such provisions shall be for the purpose of considering national energy policy impacts and the technical feasibility of the project.

(4) The Secretary of Agriculture and the Secretary of Energy may jointly establish categories of projects to which paragraphs (1) and
sons for the disapproval. 

(d) Notification of applicant upon disapproval of application for financial assistance
If any application for financial assistance under this subchapter is disapproved, the applicant shall be provided written notice of the reasons for the disapproval.

(e) Implementation of functions assigned to Secretary of Agriculture by administrative entities within Department of Agriculture; issuance of regulations; coordination of functions by designated entities
(1) The functions assigned under this subchapter to the Secretary of Agriculture may be carried out by any of the administrative entities within the Department of Agriculture which the Secretary of Agriculture may designate. Within 30 days after June 30, 1980, the Secretary of Agriculture shall make such designations and notify the Congress of the administrative entity or entities so designated and the officials in such administrative entity or entities who are to be responsible for such functions.

(2) The Secretary of Agriculture may issue such regulations as are necessary to carry out functions assigned to the Secretary of Agriculture under this subchapter.

(f) Implementation of functions assigned to Secretary of Energy by Office of Alcohol Fuels
The functions under this subchapter which are assigned to the Secretary of Energy and which relate to alcohol production shall be carried out by the Office of Alcohol Fuels.

(g) Energy equivalency determinations respecting biomass energy and ethanol
For purposes of this subchapter, the quantity of any biomass energy which is the energy equivalent to 15,000,000 gallons of ethanol shall be prescribed jointly by the Secretary of Agriculture and the Secretary of Energy within 30 days after June 30, 1980.

(2) In the event the total estimated costs of construction of the project thereafter exceed the total estimated costs initially determined by the Secretary of Agriculture, the Secretary may in addition, upon application therefor, make an insured loan for so much of the additional estimated total costs as does not exceed 10 per centum of the total costs initially estimated.

(c) Funding requirements; "insured loan" defined
(1) The Secretary of Agriculture shall make insured loans under this section using, to the extent provided in advance in appropriations Acts, the Agricultural Credit Insurance Fund in section 309 of the Consolidated Farm and Rural Development Act [7 U.S.C. 1929] or the Rural Development Insurance Fund in section 309A of such Act [7 U.S.C. 1929a] (hereinafter in this section referred to as the "Funds"). The Secretary of Agriculture may not use an aggregate amount of funds to make or commit to make insured loans under this section in excess of the aggregate amount for insured loans and administrative costs appropriated and transferred under section 8803 of this title. The terms, conditions, and requirements applicable to such insured loans shall be in accordance with this subchapter.

(2) There shall be reimbursed to the Funds, from appropriations made under section 8803 of this title, amounts equal to the operating and administrative costs incurred by the Secretary of Agriculture in insuring loans under this section.

(3) Notwithstanding any provision of the Consolidated Farm and Rural Development Act [7 U.S.C. 1921 et seq.], no funds made available to the Secretary of Agriculture under this section for insured loans shall be used for any other purpose.

(d) Preconditions
An insured loan may not be made under this section unless the applicant for such loan has established to the satisfaction of the Secretary that the applicant is unable without such a loan to obtain sufficient credit elsewhere at reasonable rates and terms, taking into consideration prevailing private and cooperative rates and terms for loans for similar purposes and periods of time, to finance the construction of the biomass energy project for which such loan is sought.

§ 8813. Insured loans
(a) Authority of Secretary of Agriculture; maximum amount per project
Subject to sections 8812 and 8817 of this title, the Secretary of Agriculture may commit to make, and make, insured loans in amounts not to exceed $1,000,000 per project for the construction of small-scale biomass energy projects.

(b) Estimated project construction costs as determinative of initial and revised amount of loan; interest rate
(1) Any insured loan under this section—
(A) may not exceed 90 per centum of the total estimated cost of construction of the biomass energy project involved, and
(B) shall bear interest at rates determined by the Secretary of Agriculture, taking into consideration the current average market yield on outstanding marketable obligations of the United States with remaining periods to maturity comparable to the average maturities of such loans, plus not to exceed one per centum, as determined by the Secretary of Agriculture, and adjusted to the nearest one-eighth of one per centum.

(2) In the event the total estimated costs of construction of the project thereafter exceed the total estimated costs initially determined by the Secretary of Agriculture, the Secretary may in addition, upon application therefor, make an insured loan for so much of the additional estimated total costs as does not exceed 10 per centum of the total costs initially estimated.

References in Text
The Consolidated Farm and Rural Development Act, referred to in subsec. (c)(3), is title III of Pub. L. 87-128.
§ 8814. Loan guarantees

(a) Authority of Secretary concerned

Subject to sections 8812 and 8817 of this title, the Secretary concerned may commit to guarantee, and guarantee, against loss of principal and interest, loans which are made to provide funds for the construction of biomass energy projects.

(b) Estimated project construction costs as determinative of initial and revised amount of guarantee

(1) Any guarantee of a loan under this section may not exceed 90 per centum of the cost of the construction of the biomass energy project involved, as estimated by the Secretary on the date of the guarantee or commitment to guarantee.

(2) In the event the construction costs of the project are thereafter estimated by the Secretary concerned to exceed the construction costs initially estimated by the Secretary, the Secretary may in addition, upon application therefor, guarantee, against loss of principal and interest, a loan for up to 60 per centum of the difference between the construction costs then estimated and the construction costs initially estimated.

(c) Debt obligation; ineligibility for purchase, etc., by Federal Financing Bank or any Federal agency

Notwithstanding the provisions of the Federal Financing Bank Act of 1973 (12 U.S.C. 2281 et seq.) or any other provision of law (except as may be specifically provided by reference to this subsection in any Act enacted after June 30, 1980), no debt obligation which is guaranteed or committed to be guaranteed by the Secretary of Agriculture or the Secretary of Energy under this section shall be eligible for purchase by, or commitment to purchase by, or sale or issuance to, the Federal Financing Bank or any Federal agency.

(d) Terms and conditions

The terms and conditions of loan guarantees under this section shall provide that, if the Secretary concerned makes a payment of principal or interest upon the default by a borrower, the Secretary shall be subrogated to the rights of the recipient of such payment (and such subrogation shall be expressly set forth in the loan guarantee or related agreements).

(e) Termination, cancellation, or revocation, and conclusive nature of guarantee

Any loan guarantee under this section shall not be terminated, canceled, or otherwise revoked, except in accordance with the terms thereof and shall be conclusive evidence that such guarantee complies fully with the provisions of this chapter and of the approval and legality of the principal amount, interest rate, and all other terms of the securities, obligations, or loans and of the guarantee.

(f) Payment to lender

If the Secretary concerned determines that—

(1) the borrower is unable to meet payments and is not in default,

(2) it is in the public interest to permit the borrower to continue with such project, and

(3) the probable net benefit to the United States in paying the principal and interest due under the loan will be greater than that which would result in the event of a default,

then the Secretary may pay to the lender under a loan guarantee agreement an amount not greater than the principal and interest which the borrower is obligated to pay to such lender, if the borrower agrees to reimburse the Secretary for such payment on terms and conditions, including interest, which the Secretary determines are sufficient to protect the financial interests of the United States.

(g) Preconditions

(1) A loan may not be guaranteed under this section unless the applicant for such loan has established to the satisfaction of the Secretary concerned that the lender is not willing without such a guarantee to extend credit to the applicant at reasonable rates and terms, taking into consideration prevailing rates and terms for loans for similar purposes and periods of time, to finance the construction of the biomass energy project for which such loan is sought.

(2) The Secretary concerned shall ensure that the lender bears a reasonable degree of risk in the financing of such project.


References in Text


This chapter, referred to in subsec. (e), was in the original "this title", meaning title II of Pub. L. 96-294, June 30, 1980, 94 Stat. 683, known as the Biomass Energy and Alcohol Fuels Loan Guarantee program, which is classified principally to this chapter. For complete classification of title II to the Code, see Short Title note set out under section 8801 of this title and Tables.

Defaul ted Loans under Department of Energy Alcohol Fuels Loan Guarantee Program; Sale of Assets; Unobligated Funds

Pub. L. 101-121, title II, Oct. 23, 1989, 103 Stat. 732, provided that:

"Notwithstanding 31 U.S.C. 3302, funds derived from the sale of assets as a result of defaulted loans made under the Department of Energy Alcohol Fuels Loan Guarantee program, or any other funds received in connection with this program, shall hereafter be credited to the Biomass Energy Development account, and shall be available solely for payment of the guaranteed portion of defaulted loans and associated costs of the Department of Energy Alcohol Fuels Loan Guarantee program for loans guaranteed prior to January 1, 1987. "Unobligated balances available in the 'alternative fuels production' account may hereafter be used for payment of the guaranteed portion of defaulted loans and associated costs of the Department of Energy Alcohol Fuels Loan Guarantee program, subject to the determination by the Secretary of Energy that such unobligated funds are not needed for carrying out the purposes of the Alternative Fuels Production program:"
Provided, That the use of these unobligated funds for payment of defaulted loans and associated costs shall be available only for loans guaranteed prior to January 1, 1987. Provided further, That such funds shall be used only after the unobligated balance in the Department of Energy Alcohol Fuel Loan Guarantee reserve has been exhausted."

§ 8815. Price guarantees

(a) Authority of Secretary concerned; minimum sales price

Subject to sections 8812 and 8817 of this title, the Secretary concerned may commit to guarantee, and guarantee, that the price that the owner or operator of any biomass energy project will receive for all or part of the production from that project shall not be less than a specified sales price determined as of the date of execution of the price guarantee or commitment to guarantee.

(b) Cost-plus arrangements as basis

(1) No price guarantee under this section may be based upon a cost-plus arrangement, or variant thereof, which guarantees a profit to the owner or operator involved.

(2) The use of a cost-of-service pricing mechanism by a person pursuant to law, or by a regulatory body establishing rates for a regulated person, shall not be deemed to be a cost-plus arrangement, or variant thereof, for purposes of paragraph (1).

(c) Maximum dollar amount of liability of United States

Each price guarantee, or commitment to guarantee, which is made under this section shall specify the maximum dollar amount of liability of the United States under that guarantee.

(d) Renegotiation of sales price and maximum liability

If the Secretary determines, in the discretion of the Secretary, that—

(1) a biomass energy project would not otherwise be satisfactorily completed or continued, and

(2) completion or continuation of such project would be necessary to achieve the purposes of this chapter,

the sales price set forth in the price guarantee, and maximum liability under such guarantee, may be renegotiated.


References in Text

This chapter, referred to in subsec. (d)(2), was in the original "this title", meaning title II of Pub. L. 96–294, June 30, 1980, 94 Stat. 683, known as the Biomass Energy and Alcohol Fuels Act of 1980, which is classified principally to this chapter. For complete classification of title II to the Code, see Short Title note set out under section 8801 of this title and Tables.

§ 8816. Purchase agreements

(a) Authority of Secretary concerned; consultative requirements

Subject to sections 8812 and 8817 of this title, the Secretary concerned may commit to make, and make, purchase agreements for all or part of the biomass energy production of any biomass energy project, if the Secretary determines—

(1) that such biomass energy is of a type, quantity, and quality that can be used by Federal agencies; and

(2) that the quantity of such biomass energy, if delivery is accepted, would not exceed the likely needs of Federal agencies.

Each Secretary concerned shall consult with the other Secretary before making any determination under paragraph (2).

(b) Maximum sales price

The sales price specified in a purchase agreement under this section may not exceed the estimated prevailing market price as of the date of delivery, as determined by the Secretary of Energy, unless the Secretary concerned determines that such sales price must exceed the estimated prevailing market price in order to ensure the production of biomass energy to achieve the purposes of this chapter.

(c) Assurances required

The Secretary concerned in entering into, or committing to enter into, a purchase agreement under this section shall require—

(1) assurances that the quality of the biomass energy purchased will meet standards for the use for which such energy is purchased;

(2) assurances that the ordered quantities of such energy will be delivered on a timely basis; and

(3) such other assurances as may reasonably be required.

(d) Arrangements for delivery pursuant to agreement; charge to Federal agency receiving delivery

The Secretary concerned may take delivery of biomass energy pursuant to a purchase agreement under this section if appropriate arrangements have been made for its distribution to and use by one or more Federal agencies. Any Federal agency receiving such energy shall be charged (in accordance with otherwise applicable law), from sums appropriated to such Federal agency, for the prevailing market price as of the date of delivery, as determined by the Secretary of Energy, for the product which the biomass energy is replacing.

(e) Consultative requirements

The Secretary concerned shall consult with the Secretary of Defense and the Administrator of the General Services Administration in carrying out this section.

(f) Terms and conditions

Each purchase agreement, and commitment to enter into a purchase agreement, under this section shall provide that the Secretary concerned retains the right to refuse delivery of the biomass energy involved upon such terms and conditions as shall be specified in the purchase agreement.

(g) Maximum dollar amount of liability of United States

Each purchase agreement, or commitment to enter into a purchase agreement, which is made under this section shall specify the maximum dollar amount of liability of the United States under that agreement.
(h) Renegotiation of sales price and maximum liability

If the Secretary concerned determines, in the discretion of the Secretary, that—
(1) a biomass energy project would not otherwise be satisfactorily completed or continued, and
(2) completion or continuation of such project would be necessary to achieve the purposes of this chapter,

the sales price set forth in the purchase agreement, and maximum liability under such agreement, may be renegotiated.


REFERENCES IN TEXT

This chapter, referred to in subs secs. (b) and (h)(2), was in the original “this title”, meaning title II of Pub. L. 96–294, June 30, 1980, 94 Stat. 683, known as the Biomass Energy and Alcohol Fuels Act of 1980, which is classified principally to this chapter. For complete classification of title II to the Code, see Short Title note set out under section 8801 of this title and Tables.

§ 8817. General requirements regarding financial assistance

(a) Priorities, terms, availability, etc.

(1) Priority for financial assistance under this subchapter, and the most favorable financial terms available, shall be provided to a person for any biomass energy project that—
(A) uses a primary fuel other than petroleum or natural gas in the production of biomass fuel, such as geothermal energy resources, solar energy resources, or waste heat; or
(B) applies new technologies which expand the possible feedstocks, produces new forms of biomass energy, or produces biomass fuel using improved or new technologies.

Nothing in this paragraph shall be construed to exclude financial assistance for any project which does not use such a fuel or apply such a technology.

(2)(A) Financial assistance under this subchapter shall be available for a biomass energy project only if the Secretary concerned finds that the Btu content of the motor fuels to be used in the facility involved to produce the biomass fuel will not exceed the Btu content of the biomass fuel produced in the facility.
(B) In making the determination under subparagraph (A), the Secretary concerned shall take into account any displacement of motor fuel or other petroleum products which the applicant has demonstrated to the satisfaction of the Secretary would result from the use of the biomass fuel produced in the facility involved.

(3) No financial assistance may be provided under this subchapter to any person unless the Secretary concerned—
(A) finds that necessary feedstocks are available and it is reasonable to expect they will continue to be available in the future, and, for biomass energy projects using wood or wood wastes or residues from the National Forest System, there shall be taken into account current levels of use by then existing facilities;
(B) has obtained assurance that the person receiving such financial assistance will bear a reasonable degree of risk in the construction and operation of the project; and
(C) has determined that the amount of financial assistance provided for the project is not greater than is necessary to achieve the purposes of this chapter.

(5) In providing financial assistance under this subchapter, the Secretary concerned shall give due consideration to promoting competition.

(6) In determining the amount of financial assistance for any biomass energy project which will yield byproducts in addition to biomass energy, the Secretary shall consider the potential value of such byproducts and the costs attributable to their production.

(b) Terms, conditions, maturity, etc., for insured loans, and loan guarantees

An insured loan may not be made, and a loan guarantee may not be issued, under this subchapter unless the Secretary concerned determines that the terms, conditions, maturity, security, and schedule and amounts of repayments with respect to such loan are reasonable and meet such standards as the Secretary determines are sufficient to protect the financial interests of the United States.

(c) Application requirements

(1) No financial assistance may be provided to any person under this subchapter unless an application therefor—
(A) has been submitted to the Secretary concerned by that person in such form and under such procedures as the Secretary shall prescribe, consistent with the requirements of this subchapter, and
(B) has been approved by the Secretary in accordance with such procedures.

(2) Each such application shall include information regarding the construction costs of the biomass energy project involved, and estimates of operating costs and income relating to that project (including the sale of any byproducts from that project). In addition, each applicant shall provide—
(A) access at reasonable times to such other information, and
(B) such assurances,
as the Secretary concerned may require.

(d) Reports and recordkeeping

(1) Every recipient of financial assistance under this subchapter shall, as a condition precedent thereto, consent to such examinations and reports regarding the biomass energy project involved as the Secretary concerned may require.

(2) With respect to each biomass energy project for which financial assistance is provided under this subchapter, the Secretary shall—
(A) require from the recipient of financial assistance such reports and records relating to that project as the Secretary deems necessary;
(B) prescribe the manner in which such recipient shall keep such records; and
(C) have access to such records at reasonable times for the purpose of ensuring compliance with the terms and conditions upon which financial assistance is provided.

(e) Contracts and instruments of Secretary concerned backed by full faith and credit of United States

All contracts and instruments of the Secretary concerned to provide, or providing, for financial assistance shall be general obligations of the United States backed by its full faith and credit.

(f) Contestability of contracts

Subject to the conditions of any contract for financial assistance, such contract shall be incontestable in the hands of the holder, except as to fraud or material misrepresentation on the part of the holder.

(g) Fees for loan guarantees, etc.

(1) A fee or fees may be charged and collected by the Secretary concerned for any loan guarantee, price guarantee, or purchase agreement provided under this subchapter.

(2) The amount of such fee shall be based on the estimated administrative costs and risk of loss, except that such fee may not exceed 1 percent of the amount of the financial assistance provided.

(h) Deposit of amounts received by Secretary concerned

All amounts received by the Secretary of Agriculture or the Secretary of Energy as fees, interest, repayment of principal, and any other moneys received by either Secretary from activities under this subchapter shall be deposited in the Treasury of the United States as miscellaneous receipts. The preceding sentence shall not apply to insurance loans made under section 8813 of this title.


REFERENCES IN TEXT

This chapter, referred to in subsec. (a)(4)(C), was in the original "this title", meaning title II of Pub. L. 96–294, June 30, 1980, 94 Stat. 683, known as the Biomass Energy and Alcohol Fuels Act of 1980, which is classified principally to this chapter. For complete classification of title II to the Code, see Short Title note set out under section 8801 of this title and Tables.

§ 8818. Reports


(b) Comprehensive list of loans, grants, etc.

Within 120 days after June 30, 1980, the Secretary of Energy and the Secretary of Agriculture shall submit to the Congress a comprehensive list of all the types of loans, grants, incentives, rebates, or any other such private, State, or Federal economic or financial benefits now in effect or proposed which can be or have been used for production of alcohol to be used as a motor fuel or petroleum substitute.

(c) Annual reports; report evaluating overall impact and plan for termination of Office of Alcohol Fuels

(1)(A) The Office of Alcohol Fuels shall submit to the Congress and the President annual reports containing a general description of the Office's operations during the year and a description and evaluation of each biomass energy project for which financial assistance by the Office is then in effect.

(B) Each annual report shall describe progress made toward meeting the goals of this subchapter and contain specific recommendations on what actions the Congress could take in order to facilitate the work of the Office in achieving such goals.

(C) Each annual report under this subsection shall contain financial statements prepared by the Office.

(2) On or before September 30, 1990, the Office shall submit to the Congress and the President a report evaluating the overall impact made by the Office and describing the status of each biomass energy project which has received financial assistance under this subchapter from the Office. Such report shall contain a plan for the termination of the work of the Office.


AMENDMENTS

1986—Subsec. (a). Pub. L. 99–386 struck out subsec. (a) which related to submission of quarterly reports to the President and Congress by Secretary of Agriculture and Secretary of Energy.

TERMINATION OF REPORTING REQUIREMENTS

For termination, effective May 15, 2000, of provisions in subsec. (c)(1) of this section relating to the requirement that the Office of Alcohol Fuels submit annual reports to Congress, see section 3003 of Pub. L. 104–66, as amended, set out as a note under section 1113 of Title 31, Money and Finance, and the 12th item on page 91 of House Document No. 103–7.

§ 8819. Review; reorganization

(a) The President shall review periodically the progress of the Secretary of Agriculture and the Secretary of Energy in carrying out the purposes of this subchapter.

(b) If the President determines it necessary in order to achieve such purposes the President may, in accordance with the provisions of chapter 9 of title 5, provide for a reorganization, including any required realignment of the respective programs of the Secretaries under this subchapter.


§ 8820. Office of Alcohol Fuels

(a) Establishment in Department of Energy; appointment and compensation of Director

There is hereby established within the Department of Energy an Office of Alcohol Fuels (hereinafter in this section referred to as the "Office") to be headed by a Director, who shall be
appointed by the President, by and with the advice and consent of the Senate, and who shall be compensated at the rate provided for level IV of the Executive Schedule under section 5315 of title 5.

(b) Responsibilities of Director

(1) The Director shall be responsible for carrying out the functions of the Secretary of Energy under this subchapter which relate to alcohol, including the terms and conditions of financial assistance and the selection of recipients for that assistance, subject to the general supervision of the Secretary of Energy.

(2) The Director shall be responsible directly to the Secretary of Energy.

(c) Annual authorization and appropriation requests for support of Office

In each annual authorization and appropriation request, the Secretary shall identify the portion thereof intended for the support of the Office and include a statement by the Office (1) showing the amount requested by the Office in its budgetary presentation to the Secretary and the Office of Management and Budget and (2) an assessment of the budgetary needs of the Office. Whenever the Office submits to the Secretary, the President, or the Office of Management and Budget, any formal legislative recommendation or testimony, or comments on legislation, prepared for submission to Congress, the Office shall concurrently transmit a copy thereof to the appropriate committees of Congress.

(d) Consultations respecting coordination of programs

The Secretary of Energy, after consultation with the Director, shall consult with the Secretary of the Treasury, the Secretary of Agriculture, the Secretary of Transportation, the Secretary of Commerce, the Administrator of the Community Services Administration, the Administrator of the Environmental Protection Agency, or their appointed representatives, in order to coordinate the programs under the Director's responsibility with other programs within the Department of Energy and in such Federal agencies, which are related to the production of alcohol.


COMMUNITY SERVICES ADMINISTRATION


§ 8821. Termination of authorities; modification of terms and conditions of conditional commitments for loan guarantees

No insured loan, loan guarantee, price guarantee, or purchase agreement may be committed to or made under this subchapter after September 30, 1984, except that all conditional commitments for loan guarantees under this subchapter which were in existence on September 30, 1984, are hereby extended through June 30, 1987. This section shall not be construed to affect the authority of the Secretary concerned to spend funds after such date pursuant to any contract for financial assistance made on or before that date under this subchapter. Notwithstanding any other provision of this subchapter, the Secretary of Energy may modify the terms and conditions of any conditional commitment for a loan guarantee under this subchapter made before October 1, 1984, including the amount of the loan guarantee. Nothing in this section shall be interpreted as indicating Congressional approval with respect to any pending conditional commitments under this Act.


REFERENCES IN TEXT


CODIFICATION


AMENDMENTS

1987—For amendment by Pub. L. 100–202, see 1985 Amendment note below.

1986—Pub. L. 99–500 and Pub. L. 99–591 substituted “through June 30, 1987” for “through June 30, 1986” and inserted provisions authorizing the Secretary of Energy to modify the terms and conditions of any conditional commitment for a loan guarantee under this subchapter made before Oct. 1, 1984, including the amount of the guarantee, and further providing that nothing in this section shall be interpreted as indicating Congressional approval with respect to any pending conditional commitments.

1985—Pub. L. 99–190, § 101(a), as enacted by Pub. L. 100–202, substituted “through June 30, 1986” for “through September 30, 1985” and inserted provisions authorizing the Secretary of Energy to modify the terms and conditions of any conditional commitment for a loan guarantee under this subchapter made before Oct. 1, 1984, including the amount of the guarantee, and further providing that nothing in this section shall be interpreted as indicating Congressional approval with respect to any pending conditional commitments. See Codification note above.

Pub. L. 99–24 inserted “; except that all conditional commitments for loan guarantees under this subchapter which were in existence on September 30, 1984, are hereby extended through September 30, 1985.”.
§ 8831. Municipal waste energy development plan

(a) Preparation by Secretary of Energy; consultative requirements

The Secretary of Energy shall prepare a comprehensive plan for carrying out this subchapter. In the preparation of such plan, the Secretary shall consult with the Administrator of the Environmental Protection Agency, the Secretary of Commerce, and the head of such other Federal agencies as the Secretary deems appropriate.

(b) Transmittal to President and Congress

Not later than 90 days after June 30, 1980, the Secretary shall transmit the comprehensive plan to the President and the Congress.

(c) Required statements

The comprehensive plan under this section shall include a statement setting forth—

1. the anticipated research, development, demonstration, and commercialization objectives to be achieved;  
2. the management structure and approach to be adopted to carry out such plan;  
3. the program strategies, including detailed milestone goals to be achieved;  
4. the specific funding requirements for individual program elements and activities, including the total estimated construction costs of proposed projects; and  
5. the estimated relative financial contributions of the Federal Government and non-Federal participants in the program.

(d) Report to President and Congress; contents

Not later than January 1, 1982, the Secretary shall prepare and submit to the President and the Congress a report containing a complete description of any financial, institutional, environmental, and social barriers to the development and application of technologies for the recovery of energy from municipal wastes.

§ 8832. Construction loans

(a) Authority of Secretary of Energy

Subject to sections 8835 and 8836 of this title, the Secretary of Energy may commit to make, and make, loans for the construction of municipal waste energy projects.

(b) Estimated project construction costs as determinative of initial and revised amount of loan; interest rate

(1) Any loan under this section—

(A) may not exceed 80 per centum of the total estimated cost of the construction of the municipal waste energy project involved, and  
(B) shall bear interest at a rate determined by the Secretary of Energy (taking into consideration the current average market yield on outstanding marketable obligations of the United States with remaining periods to maturity comparable to the average maturities of such loans) plus not to exceed one per centum, as determined by the Secretary of Energy, and adjusted to the nearest one-eighth of one per centum.

(2) In the event the total estimated costs of construction of the project thereafter exceed the total estimated costs initially determined by the Secretary of Energy, the Secretary may in addition, upon application therefor, make a loan for so much of the additional estimated costs as does not exceed 10 per centum of the initial total estimated costs of construction.

(c) Preconditions

A loan may not be made under this section unless the person applying for such loan has established to the satisfaction of the Secretary of Energy that the applicant is unable without such a loan to obtain sufficient credit elsewhere at reasonable rates and terms, taking into consideration prevailing market rates and terms for loans for similar periods of time, to finance the construction of the project for which such loan is sought.

§ 8833. Guaranteed construction loans

(a) Authority of Secretary of Energy

Subject to sections 8835 and 8836 of this title, the Secretary of Energy may commit to guarantee, and guarantee, against loss on up to 90 per centum of the principal and interest, any loan which is made solely to provide funds for the construction of a municipal waste energy project and which does not exceed 90 per centum of the cost of the construction of the project involved, as estimated by the Secretary on the date of the guarantee or commitment to guarantee.

(b) Estimated project construction costs as determinative of revised amount of guarantee

In the event the total estimated costs of construction of the project thereafter exceed the total estimated costs initially determined by the Secretary of Energy, the Secretary may in addition, upon application therefor, guarantee, against loss on up to 90 per centum of the principal and interest, a loan for so much of the additional estimated total costs as does not exceed 10 per centum of the total estimated costs.

(c) Terms and conditions

The terms and conditions of loan guarantees under this section shall provide that, if the Secretary of Energy makes a payment of principal or interest upon the default by a borrower, the Secretary shall be subrogated to the rights of the recipient of such payment (and such subrogation shall be expressly set forth in the loan guarantee or related agreements).
(d) Termination, cancellation, or revocation, and conclusive nature of guarantee

Any loan guarantee under this section shall not be terminated, canceled, or otherwise revoked, except in accordance with the terms thereof and shall be conclusive evidence that such guarantee complies fully with the provisions of this chapter and of the approval and legality of the principal amount, interest rate, and all other terms of the securities, obligations, or loans and of the guarantee.

(e) Payment to lender

If the Secretary of Energy determines that—

(1) the borrower is unable to meet payments and is not in default,

(2) it is in the public interest to permit the borrower to continue to pursue the purposes of such project, and

(3) the probable net benefit to the United States in paying the principal and interest due under a loan guarantee agreement will be greater than that which would result in the event of a default,

then the Secretary may pay to the lender under a loan guarantee agreement an amount not greater than the principal amount and interest which the borrower is obligated to pay to such lender, if the borrower agrees to reimburse the Secretary for such payment on terms and conditions, including interest, which the Secretary determines are sufficient to protect the financial interests of the United States.

(f) Preconditions

A loan may not be guaranteed under this section unless the applicant for such loan has established to the satisfaction of the Secretary of Energy that the lender is not willing without such a guarantee to extend credit to the applicant at reasonable rates and terms, taking into consideration prevailing market rates and terms for loans for similar periods of time, to finance the construction of the project for which such loan is sought.

(g) Payment of interest; tax consequences

(1) With respect to any loan or debt obligation which is—

(A) issued after June 30, 1980, by, or on behalf of, any State or any political subdivision or governmental entity thereof,

(B) guaranteed by the Secretary of Energy under this section, and

(C) not supported by the full faith and credit of the issuer as a general obligation of the issuer,

the interest paid on such obligation and received by the purchaser thereof (or the purchaser’s successors in interest) shall be included in gross income for the purposes of chapter 1 of title 26.

(2) With respect to the amount of obligations described in paragraph (1) that the issuer would have been able to issue as tax exempt obligations (other than obligations secured by the full faith and credit of the issuer as a general obligation of the issuer), the Secretary of Energy is authorized to pay only to the issuer any portion of the interest on such obligations, as determined by the Secretary of the Treasury after taking into account the interest rate which would have been paid on the obligations had they been issued as tax exempt obligations without being so guaranteed by the Secretary of Energy and the interest rate actually paid on the obligations when issued as taxable obligations.

Such payments shall be made in amounts determined by the Secretary of Energy, and in accordance with such terms and conditions as the Secretary of the Treasury shall require.

(h) Fees

(1) A fee or fees may be charged and collected by the Secretary of Energy for any loan guarantee under this section.

(2) The amount of such fee shall be based on the estimated administrative costs and risk of loss, except that such fee may not exceed 1 per centum of the maximum of the guarantee.


REFERENCES IN TEXT

This chapter, referred to in subsec. (d), was in the original “this title”, meaning title II of Pub. L. 96–294, June 30, 1980, 94 Stat. 683, known as the Biomass Energy and Alcohol Fuels Act of 1980, which enacted this chapter, sections 1433 and 3129 of Title 7, Agriculture, and section 3391a of Title 15, Commerce and Trade, and amended sections 341, 342, 3104, and 3154 of Title 7, section 533 of Title 15, and sections 590h and 1642 of Title 16, Conservation. For complete classification of title II to the Code, see Short Title note set out under section 8801 of this title and Tables.

AMENDMENTS


§ 8834. Price support loans and price guarantees

(a) Authority of Secretary of Energy with respect to loans for existing projects; disbursements, etc.

(1) In the case of any existing municipal waste energy project which produces and sells biomass energy, the Secretary of Energy may commit to make, and make, a price support loan in amounts determined under paragraph (3) for the operation of such project. Payments under any such loan shall be disbursed on an annual basis, as determined (in accordance with paragraph (3)) on the basis of the amount of biomass energy produced and sold by that project during the 12-month period involved and the type and cost of fuel displaced by the biomass energy sold.

(2)(A) In the case of any support loan under this section for an existing municipal waste energy project—

(i) disbursements under such loan may not be made for more than 5 consecutive 12-month periods;

(ii) the amount of the disbursement for the second and any subsequent 12-month period for which disbursements are to be made under the support loan shall be reduced by an amount determined by multiplying the amount calculated under paragraph (3) by a factor determined by dividing the number of 12-month pe-
periods for which disbursements are made under the support loan into the number of such periods which have elapsed;

(iii) commencing at the end of the last of such 12-month periods, the support loan shall be repayable over a period equal to the then remaining useful life of the project (as determined by the Secretary) or 10 years, whichever is shorter; and

(iv) commencing at the end of such last 12-month period, such loan shall bear interest at a rate determined by the Secretary of Energy (taking into consideration the current average market yield on outstanding marketable obligations of the United States with remaining periods to maturity comparable to the average maturities of such loans) plus not to exceed one per centum, as determined by the Secretary of Energy, and adjusted to the nearest one-eighth of one per centum.

(3) The amount of the loan payment to be disbursed under this subsection for any year with respect to each type of biomass energy produced and sold by an existing municipal waste energy project shall be equal to—

(A) (i) the standard support price reduced by the cost of the fuel displaced by the biomass energy sold, or (ii) $2.00, whichever is lower, multiplied by

(B) the amount of such biomass energy sold (in millions of Btu’s).

(b) Authority of Secretary of Energy with respect to loans for new projects; disbursements, etc.

(1) In the case of any new municipal waste energy project which produces and sells biomass energy, the Secretary of Energy may commit to make, and make, a price guarantee for the operational capacity of such project which guarantees that the price the owner or operator will receive for all or part of the production from that project shall not be less than a specified sales price determined as of the date of execution of the guarantee agreement.

(2)(A) No price guarantee under this section may be based upon a cost-plus arrangement, or variant thereof, which guarantees a profit to the owner or operator involved.

(B) The use of a cost-of-service pricing mechanism by a person pursuant to law, or by a regulatory body establishing rates for a regulated person, shall not be deemed to be a cost-plus arrangement, or variant thereof, for purposes of subparagraph (A).

(3) In the case of any price guarantee under this subsection for a new municipal waste energy project—

(A) disbursements under such guarantee may not be made for more than 7 consecutive 12-month periods; and

(B) amounts paid under this subsection may be required to be repaid to the Secretary of Energy under such terms and conditions as the Secretary may prescribe, including interest at a rate not in excess of the rate prescribed under subsection (a).

(d) Definitions; sale price of retained fuel; rules relating to fuel displacement

For purposes of this section—

(1) The term “new municipal waste energy project” means any municipal waste energy project which—

(A) is initially placed in service after June 30, 1980; or

(B) if initially placed in service before June 30, 1980, has an increased capacity by reason of additional construction, and as such is placed in service after such date.

(2) The term “existing municipal waste energy project” means any municipal waste energy project which is not a new municipal waste project.

(3) The term “placed in service” means operated at more than 50 percent of the estimated operational capacity.

(4)(A) Except as provided in subparagraphs (B) and (C), the term “standard support price” means the average price (per million Btu’s) for No. 6 fuel oil imported into the United States on June 30, 1980, as determined by rule, by the Secretary of Energy not later than 90 days after June 30, 1980.

(B) In any case in which the fuel displaced is No. 6 fuel oil or any higher grade of petroleum (as determined by the Secretary of Energy), the term “standard support price” means $2.00 per centum of the price determined by rule under subparagraph (A).

(C) In any case in which biomass energy produced and sold by a project is steam or electricity, the term “standard support price” means the price determined by rule under subparagraph (A), subject to such adjustments as the Secretary of Energy may authorize by rule.

(5) The term “cost of the fuel displaced” means the cost of the fuel (per million Btu’s) which the purchaser of biomass energy would have purchased if the biomass energy had not been available for sale to that purchaser.

(6) Any biomass energy produced by a municipal waste energy project which may be re-
§ 8835. General requirements regarding financial assistance

(a) Priorities, terms, availability, etc.

(1) Priority for financial assistance under the provisions of sections 8832, 8833, and 8834 of this title and the most favorable financial terms available, shall be provided for any municipal waste energy project that will:

(A) produce a liquid fuel from municipal waste; or

(B) will displace petroleum or natural gas as a fuel.

(2)(A) With respect to projects producing biomass energy other than biomass fuel, financial assistance under the provisions of sections 8832, 8833, and 8834 of this title shall be available only if the Secretary of Energy finds that the project does not use petroleum or natural gas except for methane stabilization or start-up.

(B) With respect to projects producing biomass fuel, financial assistance under such provisions shall be available to such project only if the Secretary of Energy finds that the Btu content of the biomass fuel produced substantially exceeds the Btu content of any petroleum or natural gas used in the project to produce the biomass fuel.

(3) Financial assistance may not be provided under section 8832, 8833, or 8834 of this title unless an application therefor—

(A) has been submitted to the Secretary of Energy by such person in such form and under such procedures as the Secretary shall prescribe, consistent with the requirements of this subchapter, and

(B) has been approved by the Secretary in accordance with such procedures.

(b) Terms, conditions, maturity, etc.

Financial assistance may not be provided under section 8832, 8833, or 8834 of this title unless the Secretary of Energy determines that—

(1) the terms, conditions, maturity, security and schedule and amounts of repayments with respect to such assistance are reasonable and meet such standards as the Secretary determines are sufficient to protect the financial interests of the United States; and

(2) the person receiving such financial assistance will bear a reasonable degree of risk with respect to the project.

(c) Application requirements

(1) No financial assistance may be provided to any person under section 8832, 8833, or 8834 of this title unless an application therefor—

(A) has been submitted to the Secretary of Energy by such person in such form and under such procedures as the Secretary shall prescribe, consistent with the requirements of this subchapter, and

(B) has been approved by the Secretary in accordance with such procedures.

(2) Each such application shall include information regarding the construction costs of the municipal waste energy project involved (if appropriate), and estimates of operating costs and income relating to that project (including the sale of any byproducts from that project). In addition, each applicant shall provide—

(A) access at reasonable times to such other information, and

(B) such assurances,

as the Secretary of Energy may require.

(d) Reports and recordkeeping

(1) Every person receiving financial assistance under section 8832, 8833, or 8834 of this title shall, as a condition precedent thereto, consent to such examinations and reports thereon regarding the municipal waste energy project involved as the Secretary of Energy may require.

(2) With respect to each municipal waste energy project for which financial assistance is provided under section 8832, 8833, or 8834 of this title, the Secretary shall—

(A) require from the recipient of financial assistance such reports and records relating to that project as the Secretary deems necessary;  

(B) prescribe the manner in which such recipient shall keep such records; and

(C) have access to such records at reasonable times for the purpose of ensuring compliance with the terms and conditions upon which financial assistance is provided.

(e) Deposit of amounts received

All amounts received by the Secretary of Energy as fees, interest, repayment of principal,
and any other moneys received by the Secretary from operations under section 8832, 8833, or 8834 of this title shall be deposited in the general fund of the United States as miscellaneous receipts.

(f) Contracts and instruments backed by full faith and credit of United States

All contracts and instruments of the Secretary of Energy to provide, or providing, for financial assistance shall be general obligations of the United States backed by its full faith and credit.

(g) Contestability of contracts

Subject to the conditions of any contract for financial assistance, such contract shall be incontestable in the hands of the holder, except as to fraud or material misrepresentation on the part of the holder.

(h) Eligibility of debt obligations for purchase, sale, or issuance to Federal Financing Bank or any Federal agency

Notwithstanding the provisions of the Federal Financing Bank Act of 1973 (12 U.S.C. 2281 et seq.) or any other provision of law (except as may be specifically provided by reference to this subsection in any Act enacted after June 30, 1980), no debt obligation which is made or committed to be made, or which is guaranteed or committed to be guaranteed by the Secretary of Energy under section 8832, 8833, or 8834 of this title shall be eligible for purchase by, or commitment to purchase by, or sale or issuance to, the Federal Financing Bank or any Federal agency.


REFERENCES IN TEXT

This chapter, referred to in subsec. (a)(6)(D), was in the original “this title”, meaning title II of Pub. L. 96–294, June 30, 1980, 94 Stat. 683, known as the Biomass Energy and Alcohol Fuels Act of 1980, which is classified principally to this chapter. For complete classification of title II to the Code, see Short Title note set out under section 8801 of this title and Tables.


§8836. Financial assistance program administration

The Secretary of Energy shall establish procedures and take such other actions as may be necessary regarding the solicitation, review, and evaluation of applications, and awarding of financial assistance under section 8832, 8833, or 8834 of this title as may be necessary to carry out the plan established under section 8831 of this title.


§8837. Commercialization demonstration program pursuant to Federal nonnuclear energy research and development

(a) Establishment and conduct pursuant to other Federal statutory authorities; required undertakings subsequent to consultations

(1) The Secretary of Energy shall establish and conduct, pursuant to the authorities contained in the Federal Nonnuclear Energy Research and Development Act of 1974 (42 U.S.C. 5901 et seq.), an accelerated research, development, and demonstration program for promoting the commercial viability of processes for the recovery of energy from municipal wastes.

(2) The provisions of subsections (d), (m), and (x)(2) of section 19 of such Act shall not apply with respect to the program established under this section.

(3) As part of the program established under this section, the Secretary, after consulting with the Administrator of the Environmental Protection Agency and the Secretary of Commerce, shall undertake—

(A) the research, development, and demonstration of technologies to recover energy from municipal wastes;

(B) the development and application of new municipal waste-to-energy recovery technologies;

(C) the assessment, evaluation, demonstration, and improvement of the performance of existing municipal waste-to-energy recovery technologies with respect to capital costs, operating and maintenance costs, total project financing, recovery efficiency, and the quality of recovered energy and energy intensive materials;

(D) the evaluation of municipal waste energy projects for the purpose of developing a base of engineering data that can be used in the design of future municipal waste energy projects to recover energy from municipal wastes; and

(E) research studies on the size and other significant characteristics of potential markets for municipal waste-to-energy recovery technologies, and recovered energy, and energy intensive materials.

(b) Financial assistance

Under such program, the Secretary of Energy may provide financial assistance consisting of price supports, loans, and loan guarantees, for the cost of planning, designing, constructing, operating, and maintaining demonstration facilities, and, in the case of existing facilities, modifications of such facilities solely for demonstration purposes, for the conversion of municipal wastes into energy or the recovery of energy, and the production of liquid fuels or biomass energy which substitute for petroleum or natural gas.

1See References in Text note below.
(d) Obligation and expenditure of funds

The Secretary of Energy may not obligate or expend any funds authorized under this chapter in carrying out subsection (b) of this section until the plan required under section 8831(a) of this title has been prepared and submitted to the Congress.

(e) Deposit of moneys received

All amounts received by the Secretary of Energy as fees, interest, repayment of principal, and any other moneys received by the Secretary from operations under this section shall be deposited in the general fund of the Treasury of the United States as miscellaneous receipts.


REFERENCES IN TEXT


This chapter, referred to in subsec. (d), was in the original “‘this title’, meaning title II of Pub. L. 96–294, June 30, 1980, 94 Stat. 683, known as the Biomass Energy and Alcohol Fuels Act of 1980, which is classified principally to this chapter. For complete classification of title II to the Code, see Short Title note set out under section 5901 of this title and Tables.

§ 8838. Jurisdiction of Department of Energy and Environmental Protection Agency

The provisions of section 5920(c) of this title, relating to the responsibilities of the Environmental Protection Agency and the Department of Energy, shall apply with respect to actions under this subchapter to the same extent and in the same manner as such provisions apply to actions under section 5920 of this title.


REFERENCES IN TEXT


§ 8839. Office of Energy from Municipal Waste

(a) Establishment in Department of Energy; appointment of Director

There is hereby established within the Department of Energy an Office of Energy from Municipal Waste (hereinafter in this section referred to as the “Office”) to be headed by a Director, who shall be appointed by the Secretary of Energy.

(b) Functions

It shall be the function of the Office to perform—

(1) the research, development, demonstration, and commercialization activities authorized under this subchapter (including those authorized under section 8837 of this title), and

(2) such other duties relating to the production of energy from municipal waste as the Secretary of Energy may assign to the Office.

(c) Consultations respecting implementation of functions

In carrying out functions transferred1 or assigned to the Office, the Secretary of Energy shall consult with the Administrator of the Environmental Protection Agency, the Secretary of Commerce, and the heads of such other Federal agencies, as appropriate.

(d) Transfer of related functions and personnel from Department of Energy

The Secretary shall provide for the transfer to the Office of the functions relating to, and personnel of the Department who are responsible for the administration of, programs in existence on June 30, 1980, which relate to the research, development, demonstration, and commercialization of technologies for the recovery of energy from municipal waste.


§ 8840. Termination of authorities

No financial assistance may be committed to or made under this subchapter after September 30, 1984. This section shall not be construed to affect the authority of the Secretary of Energy to spend funds after such date pursuant to any award of financial assistance made on or before that date.


SUBCHAPTER III—RURAL, AGRICULTURAL, AND FORESTRY BIOMASS ENERGY

§ 8851. Model demonstration biomass energy facilities; establishment, public inspection, etc.; authorization of appropriations

(a) The Secretary of Agriculture shall establish not more than ten model demonstration biomass energy facilities for purposes of exhibiting the most advanced technology available for producing biomass energy. Such facilities and information regarding the operation of such facilities shall be available for public inspection, and, to the extent practicable, such facilities shall be established in various regions in the United States. Such facilities may be established in cooperation with appropriate departments or agencies of the States, or appropriate in various regions in the United States. Such facilities may be established in cooperation with appropriate departments or agencies of the States, or appropriate departments, agencies, or other instrumentalities of the United States.

(b) For purposes of carrying out subsection (a), there is authorized to be appropriated $5,000,000 for each of the fiscal years 1981, 1982, 1983, and 1984.


1 See References in Text note below.

1 So in original. Probably should be “transferred”.
§ 8852. Coordination of research and extension activities; consultative requirements


(b) In carrying out this subchapter and the amendments made by this subchapter, the Secretary of Agriculture shall consult on a continuing basis with—

(1) the Subcommittee on Food, Agricultural, and Forestry Research of the Federal Coordinating Council for Science, Engineering, and Technology;

(2) the Joint Council on Food and Agricultural Sciences; and

(3) the National Agricultural Research and Extension Users Advisory Board;

for the purpose of coordinating research and extension activities.

References in Text

This subchapter, referred to in text, was in the original “this subtitle”, meaning subtitle C (§§251–262) of title II of Pub. L. 96-294, June 30, 1980, 94 Stat. 706, which enacted this subchapter and sections 1435 and 3129 of Title 7, Agriculture, and amended sections 341, 342, 3104, and 3154 of Title 7 and sections 590h and 1642 of Title 16, Conservation. For complete classification of this subtitle to the Code, see Tables.


Amendments


Effective date of 1981 amendment

Amendment by Pub. L. 97-98 effective Dec. 22, 1981, see section 1801 of Pub. L. 97-98, set out as an Effective Date note under section 3301 of Title 7, Agriculture.

§ 8853. Lending for energy production and conservation projects by production credit associations, Federal land banks, and banks for cooperatives

The Farm Credit Administration shall encourage production credit associations, Federal land banks, and banks for cooperatives to use existing authorities to make loans to eligible persons for commercially feasible biomass energy projects.

References in Text

This section, referred to in text, was in the original “this subsection”, meaning section 1801 of Pub. L. 97-98, set out as an Effective Date note under section 3301 of Title 7, Agriculture.

§ 8854. Utilization of National Forest System in wood energy development projects

The Secretary of Agriculture may make available the timber resources of the National Forest System, in accordance with appropriate timber appraisal and sale procedures, for use by biomass energy projects.

References in Text

This section, referred to in text, was in the original “this subsection”, meaning section 1801 of Pub. L. 97-98, set out as an Effective Date note under section 3301 of Title 7, Agriculture.

§ 8855. Forest Service leases and permits

It is the intent of the Congress that the Secretary of Agriculture shall process applications for leases of National Forest System lands and for permits to explore, drill, and develop resources on land leased from the Forest Service, notwithstanding the current status of any plan being prepared under section 1604 of title 16.

References in Text

This section, referred to in text, was in the original “this subsection”, meaning section 1801 of Pub. L. 97-98, set out as an Effective Date note under section 3301 of Title 7, Agriculture.

SUBCHAPTER IV—MISCELLANEOUS BIOMASS PROVISIONS

§ 8871. Use of gasohol in Federal motor vehicles

(a) Exercise of President's authority pursuant to executive order regarding use

The President shall, by executive order, require that motor vehicles which are owned or leased by Federal agencies and are capable of operating on gasohol shall use gasohol where available at reasonable prices and in reasonable quantities.

(b) Exceptions

The President may provide for exceptions to the requirement of subsection (a) where necessary, including to protect the national security.

(c) Gasohol requirements

Such executive order shall specify the alcohol-gasoline mixture or mixtures which shall constitute “gasohol” for purposes of such order, as well as specifications for its use.

References in Text

This section, referred to in text, was in the original “this subsection”, meaning section 1801 of Pub. L. 97-98, set out as an Effective Date note under section 3301 of Title 7, Agriculture.

REPORT ON EXEMPTIONS AND SENSE OF CONGRESS REGARDING PURCHASE OF DOMESTIC GASOHOL

Pub. L. 102-190, div. A, title VIII, §841(c), (d), Dec. 5, 1991, 105 Stat. 1449, provided that:

“(c) REPORT ON EXEMPTIONS.—The Secretary of Defense shall review all exemptions granted for the Department of Defense, and the Administrator of the General Services Administration shall review all exemptions granted for Federal agencies and departments, to the requirements of section 2398 of title 10, United States Code, and section 271 of the Energy Security Act (Public Law 96-294; 42 U.S.C. 8871) and shall terminate any exemption that the Secretary or the Administrator determines is no longer appropriate. Not later than 90 days after the date of the enactment of this Act [Dec. 5, 1991], the Secretary and the Administrator shall submit jointly to Congress a report on the results of the review, with a justification for the exemptions that remain in effect under those provisions of law.

“(d) SENSE OF CONGRESS.—It is the sense of Congress that whenever any motor vehicle capable of operating...
on gasoline or alcohol-gasoline blends that is owned or operated by the Department of Defense or any other department or agency of the Federal Government is refueled, it shall be refueled with an alcohol-gasoline blend containing at least 10 percent domestically produced alcohol if available along the normal travel route of the vehicle at the same or lower price than unleaded gasoline."

EX. ORD. No. 12261, IMPLEMENTATION OF USE OF GASOHOL IN FEDERAL MOTOR VEHICLES

Ex. Ord. No. 12261, Jan. 5, 1981, 46 F.R. 2023, provided:

By the authority vested in me as President of the United States of America by Section 271 of the Energy Security Act (94 Stat. 710; Public Law 96–294; 42 U.S.C. 8871), in order to reduce Federal agencies which own lease motor vehicles to use gasohol in those vehicles which are capable of operating on gasohol where it is available at reasonable prices and in reasonable quantities, it is hereby ordered as follows:

1–101. In procurement actions for unleaded gasoline motor fuel, Federal agencies shall, whenever feasible, specify that gasohol is an acceptable substitute motor fuel. In such procurements there shall be a preference for the purchase of gasohol.

1–102. Agencies may procure the components of gasohol and do their own blending.

1–103. In determining the feasibility of specifying gasohol as a substitute motor fuel in procurement actions for unleaded gasoline, agencies shall include in their considerations such factors as the availability of storage facilities for bulk purchases and the number of vehicles capable of operating on gasohol.

1–104. Agencies shall designate those vehicles which are capable of using gasohol, consistent with overall agency needs and sound vehicle management practices. Agencies shall specify the conditions governing the use of gasohol, including when gasohol shall be purchased from normal retail outlets by vehicle operators.

1–105. The use of gasohol by the Department of Defense pursuant to this Order shall be in accordance with Section 415 of the Department of Defense Authorization Act, 1980 (93 Stat. 817; Public Law 96–107; 10 U.S.C. 2388 note) which provides for the use of gasohol to the maximum extent feasible and consistent with overall defense needs and sound vehicle management practices, as determined by the Secretary of Defense.

1–106. Vehicles used in experimental programs to test fuels other than gasohol are excepted from this Order.

1–107. The authority vested in the President by Section 271(b) of the Energy Security Act (42 U.S.C. 8871(b)) is delegated to the Secretary of Defense with respect to gasohol use by the Department of Defense, and delegated to the Administrator of General Services with respect to gasohol use by other agencies.

1–108. Federal agencies shall make available to the Department of Energy, upon request, relevant data or information they possess concerning agency gasohol usage.

1–109. For purposes of this Order "Gasohol" means a motor fuel which has an octane rating of not less than 87 (R+M)/2 and which consists of approximately 90 percent unleaded gasoline and approximately 10 percent anhydrous (199 proof or above) ethyl alcohol derived from biomass, as defined in Section 203(c)(2)(A) of the Energy Security Act (94 Stat. 688; Public Law 96–294; 42 U.S.C. 8802(c)(2)(A)).

1–110. (a) The Secretary of Defense with respect to gasohol use by the Department of Defense, and the Administrator of General Services with respect to gasohol use by other agencies, shall issue such guidelines for the implementation of this Order as they deem appropriate.

(b) Such guidelines shall provide for a determination of reasonable prices and reasonable quantities based on the local prevailing price of unleaded gasolines, the octane requirements for vehicles in the Federal fleet, local market availability of gasohol or its components, and other such factors, as may be appropriate.

JIMMY CARTER.
§ 8902. Comprehensive ten-year program
(a) Implementation by Acid Precipitation Task Force; membership, etc., of Task Force

There is hereby established a comprehensive ten-year program to carry out the provisions of this subchapter; and to implement this program there shall be formed an Acid Precipitation Task Force (hereafter in this subchapter referred to as the "Task Force"), of which the Secretary of Agriculture, the Administrator of the Environmental Protection Agency, and the Administrator of the National Oceanic and Atmospheric Administration shall be joint chairmen. The remaining membership of the Task Force shall consist of—

(1) one representative each from the Department of the Interior, the Department of Health and Human Services, the Department of Commerce, the Department of Energy, the Department of State, the National Aeronautics and Space Administration, the Council on Environmental Quality, the National Science Foundation, and the Tennessee Valley Authority;

(2) the director of the Argonne National Laboratory, the director of the Brookhaven National Laboratory, the director of the Oak Ridge National Laboratory, and the director of the Pacific Northwest National Laboratory; and

(3) four additional members to be appointed by the President.

(b) Research management consortium; membership, responsibilities, etc.

The four National Laboratories (referred to in subsection (a)(2)) shall constitute a research management consortium having the responsibilities described in section 8903(b)(13) of this title as well as the general responsibilities required by their representation on the Task Force. In carrying out these responsibilities the consortium shall report to, and act pursuant to direction from, the joint chairmen of the Task Force.

(c) Director of research program

The Administrator of the National Oceanic and Atmospheric Administration shall serve as the director of the research program established by this subchapter.


§ 8903. Comprehensive research plan
(a) Preparation by Task Force for ten-year program; purposes

The Task Force shall prepare a comprehensive research plan for the ten-year program (hereafter in this subchapter referred to as the "comprehensive plan"), setting forth a coordinated program (1) to identify the causes and effects of acid precipitation and (2) to identify actions to limit or ameliorate the harmful effects of acid precipitation.

(b) Scope

The comprehensive plan shall include programs for—

(1) identifying the sources of atmospheric emissions contributing to acid precipitation;

(2) establishing and operating a nationwide long-term monitoring network to detect and measure levels of acid precipitation;

(3) research in atmospheric physics and chemistry to facilitate understanding of the processes by which atmospheric emissions are transformed into acid precipitation;

(4) development and application of atmospheric transport models to enable prediction of long-range transport of substances causing acid precipitation;

(5) defining geographic areas of impact through deposition monitoring, identification of sensitive areas, and identification of areas at risk;

(6) broadening of impact data bases through collection of existing data on water and soil chemistry and through temporal trend analysis;

(7) development of dose-response functions with respect to soils, soil organisms, aquatic and amphibious organisms, crop plants, and forest plants;

(8) establishing and carrying out system studies with respect to plant physiology, aquatic ecosystems, soil chemistry systems, soil microbial systems, and forest ecosystems;

(9) economic assessments of (A) the environmental impacts caused by acid precipitation on crops, forests, fisheries, and recreational and aesthetic resources and structures, and (B) alternative technologies to remedy or otherwise ameliorate the harmful effects which may result from acid precipitation;

(10) documenting all current Federal activities related to research on acid precipitation and ensuring that such activities are coordinated in ways that prevent needless duplication and waste of financial and technical resources;

(11) effecting cooperation in acid precipitation research and development programs, ongoing and planned, with the affected and contributing States and with other sovereign nations having a commonality of interest;

(12) subject to subsection (f)(1), management by the Task Force of financial resources committed to Federal acid precipitation research and development;

(13) subject to subsection (f)(2), management of the technical aspects of Federal acid precipitation research and development programs, including but not limited to (A) the planning and management of research and development programs and projects, (B) the selection of contractors and grantees to carry out such programs and projects, and (C) the establishment of peer review procedures to assure the quality of research and development programs and their products; and

(14) analyzing the information available regarding acid precipitation in order to formulate and present periodic recommendations to the Congress and the appropriate agencies about actions to be taken by these bodies to alleviate acid precipitation and its effects.

(c) Procedures applicable

The comprehensive plan—

(1) shall be submitted in draft form to the Congress, and for public review, within six months after June 30, 1980;
§ 8904. Implementation of comprehensive plan; new or existing regulatory authorities, etc., not granted or modified

(a) The comprehensive plan shall be carried out during the nine fiscal years following the fiscal year in which the comprehensive plan is submitted in its final form under section 8903(c)(3) of this title; and—

(1) shall be carried out in accord with, and meet the program objectives specified in, paragraphs (1) through (11) of section 8903(b) of this title;

(2) shall be managed in accord with paragraphs (12) through (14) of such section; and

(3) shall be funded by annual appropriations, subject to annual authorizations which shall be made for each fiscal year of the program (as provided in section 8905 of this title) after the submission of the Task Force progress report which under section 8903(e) of this title is required to be submitted by January 15 of the calendar year in which such fiscal year begins.

(b) Nothing in this subchapter shall be deemed to grant any new regulatory authority or to limit, expand, or otherwise modify any regulatory authority under existing law, or to establish new criteria, standards, or requirements for regulation under existing law.


§ 8905. Authorization of appropriations

(a) For the purpose of establishing the Task Force and developing the comprehensive plan under section 8903 of this title there is authorized to be appropriated to the National Oceanic and Atmospheric Administration for fiscal year 1981 the sum of $5,000,000 to remain available until expended.

(b) Authorization of appropriations for the nine fiscal years following the fiscal year in which the comprehensive plan is submitted in final form under section 8903(c)(3) of this title, for purposes of carrying out the comprehensive ten-year program established by section 8902(a) of this title and implementing the comprehensive plan under sections 8903 and 8904 of this title, shall be provided on an annual basis in authorization Acts hereafter enacted; but the total sum of dollars authorized for such purposes for such nine fiscal years shall not exceed $45,000,000 except as may be specifically provided by reference to this paragraph in the authorization Acts involved.


§ 8906. Updated data base on acid content in precipitation; new monitoring site not required

(a)(1) The National Weather Service of the National Oceanic and Atmospheric Administration shall maintain an updated data base describing the acid content in precipitation in the United States, using information from Federal acid precipitation monitoring sites.

(2) Such data shall be available to interested parties by Weather Service Forecast Offices in the National Weather Service, or through such other facilities or means as the Assistant Administrator for Weather Services, National Oceanic and Atmospheric Administration, shall direct, for those areas of the United States where and at such time as such information is presently available, within 120 days after November 17, 1988.

(3) Where other Federal agencies collect such data in the course of carrying out their statu-
tory missions, the heads of those agencies and the Administrator of the National Oceanic and Atmospheric Administration shall arrange for the transfer of such data to the National Weather Service.

(b) Nothing in this section shall be construed to require any Federal agency to establish any new acid precipitation monitoring site.


CODIFICATION

Section was enacted as part of the National Aeronautics and Space Administration Authorization Act, Fiscal Year 1989, and not as part of the Acid Precipitation Act of 1980 which comprises this chapter.

SUBCHAPTER II—CARBON DIOXIDE

§ 8911. Comprehensive study of projected impact on atmospheric levels of fossil fuel combustion, etc.

(a) Implementing agreement between Director of Office of Science and Technology and National Academy of Sciences; contents; conduct; status report by President respecting negotiations of Office

(1) The Director of the Office of Science and Technology Policy shall enter into an agreement with the National Academy of Sciences to carry out a comprehensive study of the projected impact, on the level of carbon dioxide in the atmosphere, of fossil fuel combustion, coal-conversion and related synthetic fuels activities authorized in this Act, and other sources. Such study should also include an assessment of the economic, physical, climatic, and social effects of such impacts. In conducting such study the Office and the Academy are encouraged to work with domestic and foreign governmental and non-governmental entities, and international entities, so as to develop an international, worldwide assessment of the problems involved and to suggest such original research on any aspect of such problems as the Academy deems necessary.

(2) The President shall report to the Congress within six months after June 30, 1980, regarding the status of the Office’s negotiations to implement the study required under this section.

(b) Final report by Office and Academy; content; prior clearance or review of work of Academy; recommendations

A report including the major findings and recommendations resulting from the study required under this section shall be submitted to the Congress by the Office and the Academy not later than three years after June 30, 1980. The Academy contribution to such report shall not be subject to any prior clearance or review, nor shall any prior clearance or conditions be imposed on the Academy as part of the agreement made by the Office with the Academy under this section. Such report shall in any event include recommendations regarding—

(1) how a long-term program of domestic and international research, monitoring, modeling, and assessment of the causes and effects of varying levels of atmospheric carbon dioxide should be structured, including comments by the Office on the interagency requirements of such a program and comments by the Secretary of State on the international agreements required to carry out such a program;

(2) how the United States can best play a role in the development of such a long-term program on an international basis;

(3) what domestic resources should be made available to such a program;

(4) how the ongoing United States Government carbon dioxide assessment program should be modified so as to be of increased utility in providing information and recommendations of the highest possible value to government policy makers; and

(5) the need for periodic reports to the Congress in conjunction with any long-term program the Office and the Academy may recommend under this section.

(c) Information from other Federal agencies and departments

The Secretary of Energy, the Secretary of Commerce, the Administrator of the Environmental Protection Agency, and the Director of the National Science Foundation shall furnish to the Office or the Academy upon request any information which the Office or the Academy determines to be necessary for purposes of conducting the study required by this section.

(d) Separate assessment by Office of interagency implementation requirements

The Office shall provide a separate assessment of the interagency requirements to implement a comprehensive program of the type described in the third sentence of subsection (b).


REFERENCES IN TEXT


§ 8912. Authorization of appropriations

For the expenses of carrying out the carbon dioxide study authorized by section 8911 of this title (as determined by the Office of Science and Technology Policy) there are authorized to be appropriated such sums, not exceeding $3,000,000 in the aggregate, as may be necessary. At least 80 percent of any amounts appropriated pursuant to the preceding sentence shall be provided to the National Academy of Sciences.


CHAPTER 98—OCEAN THERMAL ENERGY CONVERSION RESEARCH AND DEVELOPMENT

Sec.

9001. Congressional findings and declaration of purpose.

9002. Comprehensive program management plan.

9003. Research and development.

9004. Pilot and demonstration plants.

9005. Technology application.

9006. Program selection criteria.
§ 9001. Congressional findings and declaration of purpose

(a) The Congress finds that—

(1) the supply of nonrenewable fuels in the United States is slowly being depleted;

(2) alternative sources of energy must be developed;

(3) ocean thermal energy is a renewable energy resource that can make a significant contribution to the energy needs of the United States;

(4) the technology base for ocean thermal energy conversion has improved over the past two years, and has consequently lowered the technical risk involved in constructing moderate-sized pilot plants with an electrical generating capacity of about ten to forty megawatts;

(5) while the Federal ocean thermal energy conversion program has grown in size and scope over the past several years, it is in the national interest to accelerate efforts to commercialize ocean thermal energy conversion by building pilot and demonstration facilities and to begin planning for the commercial demonstration of ocean thermal energy conversion technology;

(6) a strong and innovative domestic industry committed to the commercialization of ocean thermal energy conversion must be established, and many competent domestic industrial groups are already involved in ocean thermal energy conversion research and development activity; and

(7) consistent with the findings of the Domestic Policy Review on Solar Energy, ocean thermal energy conversion energy can potentially contribute at least one-tenth of quad of energy per year by the year 2000.

(b) Therefore, the purpose of this chapter is to accelerate ocean thermal energy conversion technology development to provide a technical base for meeting the following goals:

(1) demonstration by 1986 of at least one hundred megawatts of electrical capacity or energy product equivalent from ocean thermal energy conversion systems;

(2) demonstration by 1989 of at least five hundred megawatts of electrical capacity or energy product equivalent from ocean thermal energy conversion systems;

(3) achievement in the mid-1990's, for the gulf coast region of the continental United States and for islands in the United States, its possessions and its territories, an average cost of electricity or energy product equivalent produced by installed ocean thermal energy conversion systems that is competitive with conventional energy sources; and

(4) establish as a national goal ten thousand megawatts of electrical capacity or energy product equivalent from ocean thermal energy conversion systems by the year 1999.

"(d)(1) Concurrently with the submission of the President's annual budget for each subsequent year, the Secretary shall transmit to the Congress a detailed description of modifications which may be necessary to revise appropriately the comprehensive plan as then in effect, setting forth any changes in circumstances which may have occurred since the plan or the last previous modification thereof was transmitted in accordance with this section.

"(2) Such description shall also include a detailed justification of any such changes, a detailed description of the progress made toward achieving the goals of this chapter, a statement on the status of interagency cooperation in meeting such goals, any comments on and recommendations for improvements in the comprehensive program management plan made by the Technical Panel established under section 9007 of this title, and any legislative or other recommendations which the Secretary may have to help attain such goals.''

CHANGE OF NAME

Committee on Science and Technology of House of Representatives changed to Committee on Science, Space, and Technology of House of Representatives by House Resolution No. 5, One Hundred Twelfth Congress, Jan. 5, 2011.

§ 9003. Research and development

(a) Initiation of research

The Secretary shall initiate research or accelerate existing research in areas in which the lack of knowledge limits development of ocean thermal energy conversion systems in order to achieve the purposes of this chapter.

(b) Evaluations, tests, and dissemination of information, data, and materials

The Secretary shall conduct evaluations, arrange for tests, and disseminate to developers information, data, and materials necessary to support the design efforts undertaken pursuant to section 9004 of this title. Specific technical areas to be addressed shall include, but not be limited to—

(1) interface requirements between the platform and cold water pipe;
(2) cold water pipe deployment techniques;
(3) heat exchangers;
(4) control system simulation;
(5) stationkeeping requirements; and
(6) energy delivery systems, such as electric cable or energy product transport.

(c) Consideration of new or improved technologies

The Secretary shall, for the purpose of performing his responsibilities pursuant to this chapter, solicit proposals and evaluate any reasonable new or improved technology, a description of which is submitted to the Secretary in writing, which could lead or contribute to the development of ocean thermal energy conversion system technology.

S 9004. Pilot and demonstration plants

(a) Initiation of program

The Secretary is authorized to initiate a program to design, construct, and operate well instrumented ocean thermal energy conversion facilities of sufficient size to demonstrate the technical feasibility and potential economic feasibility of utilizing the various forms of ocean thermal energy conversion to displace nonrenewable fuels. To achieve the goals of this section and to facilitate development of a strong industrial basis for the application of ocean thermal energy conversion system technology, at least two independent parallel demonstration projects shall be competitively selected.

(b) Demonstration program goals

The specific goals of the demonstration program shall include at a minimum—

(1) the demonstration of ocean thermal energy conversion technical feasibility through multiple pilot and demonstration plants with a combined capacity of at least one hundred megawatts of electrical capacity or energy product equivalent by the year 1986;
(2) the delivery of baseload electricity to utilities located on land or the production of commercially attractive quantities of energy product; and
(3) the continuous operation of each pilot and demonstration facility for a sufficient period of time to collect and analyze system performance and reliability data.

(c) Financial assistance

In providing any financial assistance under this section, the Secretary shall (1) give full consideration to those projects which will provide energy to United States offshore States, its territories, and its possessions and (2) seek satisfactory cost-sharing arrangements when he deems such arrangements to be appropriate.

S 9005. Technology application

(a) Technology application and market development plan

The Secretary shall, in consultation with the Administrator of the National Oceanic and Atmospheric Administration, the Administrator of the Maritime Administration, the Administrator of the National Aeronautics and Space Administration, and the Technical Panel established under section 9007 of this title, prepare a comprehensive technology application and market development plan that will permit realization of the ten-thousand-megawatt national goal by the year 1999. Such plans shall include at a minimum—

(1) an assessment of those Government actions required to achieve a two-hundred- to four-hundred-megawatt electrical-commercial demonstration of ocean thermal energy conversion systems in time to have industry meet the goal contained in section 9001(b)(2) of this title including a listing of those financial, property, and patent right packages most likely to lead to early commercial demonstration at minimum cost to the Federal Government;
(2) an assessment of further Government actions required to permit expansion of the domestic ocean thermal energy conversion industry to meet the goal contained in section 9001(b)(3) of this title;
(3) an analysis of further Government actions necessary to aid the industry in minimizing and removing any legal and institutional barriers such as the designation of a lead agency; and
§ 9006. Program selection criteria

The Secretary shall, in fulfilling his responsibilities under this chapter, select program activities and set priorities which are consistent with the following criteria:

1. Realization of energy production costs for ocean thermal energy conversion systems that are competitive with costs from conventional energy production systems;
2. Encouragement of projects for which contributions to project costs are forthcoming from private, industrial, utility, or governmental entities for the purpose of sharing with the Federal Government the costs of purchasing and installing ocean thermal energy conversion systems;
3. Promotion of ocean thermal energy conversion facilities for coastal areas, islands, and isolated military institutions which are vulnerable to interruption in the fossil fuel supply;
4. Preference for and priority to persons and domestic firms whose base of operations is in the United States as will assure that the program under this chapter promotes the development of a United States domestic technology for ocean thermal energy conversion; and
5. Preference for proposals for pilot and demonstration projects in which the respondents certify their intent to become an integral part of the industrial infrastructure necessary to meet the goals of this chapter.


§ 9007. Technical Panel of Energy Research Advisory Board

(a) Establishment

A Technical Panel of the Energy Research Advisory Board shall be established to advise the Board on the conduct of the ocean thermal energy conversion program.

(b) Membership

1. The Technical Panel shall be comprised of such representatives from domestic industry, universities, Government laboratories, financial, environmental and other organizations as the Chairman of the Energy Research Advisory Board deems appropriate based on his assessment of the technical and other qualifications of such representative.
2. Members of the Technical Panel need not be members of the full Energy Research Advisory Board.

(c) Compliance with laws and regulations

The activities of the Technical Panel shall be in compliance with any laws and regulations guiding the activities of technical and fact-finding groups reporting to the Energy Research Advisory Board.

(d) Review and recommendations

The Technical Panel shall review and may make recommendations on the following items, among others:

1. Implementation and conduct of the programs established by this chapter;
2. Definition of ocean thermal energy conversion system performance requirements for various user applications; and
3. Economic, technological, and environmental consequences of the deployment of ocean thermal energy conversion systems.

(e) Report

The Technical Panel shall submit to the Energy Research Advisory Board on at least an annual basis a written report of its findings and recommendations with regard to the program. Such report, shall include at a minimum—

1. A summary of the Panel’s activities for the preceding year;
2. An assessment and evaluation of the status of the programs mandated by this chapter; and
3. Comments on and recommendations for improvements in the comprehensive program management plan required under section 9002 of this title.

(f) Submittal of report to Secretary of Energy

After consideration of the Technical Panel report, the Energy Research Advisory Board shall submit such report, together with any comments such Board deems appropriate, to the Secretary.

(g) Cooperation by agency heads

The heads of the departments, agencies, and instrumentalities of the executive branch of the Federal Government shall cooperate with the Technical Panel in carrying out the requirements of this section and shall furnish to the Technical Panel such information as the Technical Panel deems necessary to carry out this section.

(h) Staff, funds, and other support from Secretary of Energy

The Secretary shall provide sufficient staff, funds, and other support as necessary to enable the Technical Panel to carry out the functions described in this section.

(Pub. L. 96–310, § 8, July 17, 1980, 94 Stat. 945.)

TERMINATION OF ADVISORY PANELS

Advisory panels established after Jan. 5, 1973, to terminate not later than the expiration of the 2-year pe-
§ 9008. Definitions

As used in this chapter, the term—

(1) “ocean thermal energy conversion” means a method of converting part of the heat from the Sun which is stored in the surface layers of a body of water into electrical energy or energy product equivalent;

(2) “energy product equivalent” means an energy carrier including, but not limited to, ammonia, hydrogen, or molten salts or an energy-intensive commodity, including, but not limited to, electrometals, fresh water, or nutrients for aquaculture; and

(3) “Secretary” means the Secretary of Energy.

(Pub. L. 96-310, §9, July 17, 1980, 94 Stat. 946.)

§ 9009. Authorization of appropriations

(a) There is hereby authorized to be appropriated to carry out the purposes of this chapter the sum of $20,000,000 for operating expenses for the fiscal year ending September 30, 1981, in addition to any amounts authorized to be appropriated in the fiscal year 1981 Authorization Act pursuant to section 7270 of this title.

(b) There is hereby authorized to be appropriated to carry out the purposes of this chapter the sum of $60,000,000 for operating expenses for the fiscal year ending September 30, 1982.

(c) Funds are hereby authorized to be appropriated for fiscal year 1981 to carry out the purposes of section 9004 of this title for plant and capital equipment as follows:

Project 81–ES–1, ocean thermal energy conversion demonstration plants with a combined capacity of at least one hundred megawatts electrical or the energy product equivalent, sites to be determined, conceptual and preliminary design activities only $5,000,000.

(d) Funds are hereby authorized to be appropriated for fiscal year 1982 to carry out the purposes of section 9004 of this title for plant and capital equipment as follows:

Project 81–ES–1, ocean thermal energy conversion demonstration plants with a combined capacity of at least one hundred megawatts electrical or the energy product equivalent, sites to be determined, conceptual and preliminary design activities only $25,000,000.

(Pub. L. 96-310, §10, July 17, 1980, 94 Stat. 946.)

CHAPTER 99—OCEAN THERMAL ENERGY CONVERSION

§ 9101. Congressional declaration of policy

(a) It is declared to be the purposes of the Congress in this chapter to—

(1) authorize and regulate the construction, location, ownership, and operation of ocean thermal energy conversion facilities or plantships.

(2) authorize and regulate the construction, location, ownership, and operation of ocean thermal energy conversion plantships.

(3) authorize and regulate the construction, location, ownership, and operation of ocean thermal energy conversion plantships by...
United States citizens, consistent with the Convention on the High Seas and general principles of international law;
(4) establish a legal regime which will permit and encourage the development of ocean thermal energy conversion as a commercial energy technology;
(5) provide for the protection of the marine and coastal environment, and consideration of the interests of ocean users, to prevent or minimize any adverse impact which might occur as a consequence of the development of such ocean thermal energy conversion facilities or plantships;
(6) make applicable certain provisions of the Merchant Marine Act, 1936 (46 U.S.C. 1177 et seq.); to assist in financing of ocean thermal energy conversion facilities and plantships;
(7) protect the interests of the United States in the location, construction, and operation of ocean thermal energy conversion facilities and plantships; and
(8) protect the rights and responsibilities of adjacent coastal States in ensuring that Federal actions are consistent with approved State coastal zone management programs and other applicable State and local laws.
(b) The Congress declares that nothing in this chapter shall be construed to affect the legal status of the high seas, the superjacent airspace, or the seabed and subsoil, including the Continental Shelf.


REFERENCES IN TEXT
This chapter, referred to in text, was in the original "this Act", meaning Pub. L. 96–320, Aug. 3, 1980, 94 Stat. 974, known as the Ocean Thermal Energy Conversion Act of 1980, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out below and Tables.

The Merchant Marine Act, 1936, referred to in subsec. (a)(6), is act June 29, 1936, ch. 858, 49 Stat. 1985, which was classified principally to chapter 27 (§ 1101 et seq.) of the former Appendix to Title 46, Shipping. The Act, with the exception of title V, most of title VI, and sections 301, 601, 602, 609(a), and 909 thereof, was repealed and restated, mainly in subtit. V of title 46, by Pub. L. 109–304, §§ 19, 20, Oct. 6, 2006, 120 Stat. 1710. Title V and sections 301 and 909 of the Act are set out as notes under section 33101 of Title 46. Those portions of title VI not repealed by Pub. L. 109–304 and sections 802 and 809(a) of the Act were repealed by Pub. L. 114–120, title III, § 313(c)(1)(A), Feb. 8, 2016, 130 Stat. 58. Section 801 of the Act was transferred to section 57522 of Title 46 by Pub. L. 114–120, title III, § 313(c)(1)(A), Feb. 8, 2016, 130 Stat. 58. For complete classification of the Act to the Code, see Tables. For disposition of sections of the former Appendix to Title 46, see Disposition Table preceding section 101 of Title 46.

AMENDMENTS
1984—Subsec. (a)(1). Pub. L. 98–623 substituted "located in whole or in part between the high water mark and the seaward boundary of the territorial sea" for "located in the territorial sea".

SHORT TITLE
Pub. L. 96–320, § 1, Aug. 3, 1980, 94 Stat. 974, provided: "That this Act (enacting this chapter and section 1279c of Title 46, Appendix, Shipping, amending sections 1271, 1273, and 1274 of Title 46, Appendix, and enacting provisions set out as a note under section 1273 of Title 46, Appendix) may be cited as the 'Ocean Thermal Energy Conversion Act of 1980'."

TERRITORIAL SEA OF UNITED STATES
For extension of territorial sea of United States, see Proc. No. 5928, set out as a note under section 1331 of Title 43, Public Lands.

§ 9102. Definitions
As used in this chapter, unless the context otherwise requires, the term—
(1) "adjacent coastal State" means any coastal State which is required to be designated as such by section 9115(a)(1) of this title or is designated as such by the Administrator in accordance with section 9115(a)(2) of this title;
(2) "Administrator" means the Administrator of the National Oceanic and Atmospheric Administration;
(4) "application" means any application submitted under this chapter (A) for issuance of a license for the ownership, construction, and operation of an ocean thermal energy conversion facility or plantship; (B) for transfer or renewal of any such license; or (C) for any substantial change in any of the conditions and provisions of any such license;
(5) "coastal State" means a State in, or bordering on, the Atlantic, Pacific, or Arctic Ocean, the Gulf of Mexico, Long Island Sound, or one or more of the Great Lakes;
(6) "construction" means any activities conducted at sea to supervise, inspect, actually build, or perform other functions incidental to the building, repairing, or expanding of an ocean thermal energy conversion facility or plantship or any of its components, including but not limited to, pile driving, emplacement of mooring devices, emplacement of cables and pipelines, and deployment of the cold water pipe, and alterations, modifications, or additions to an ocean thermal energy conversion facility or plantship;
(7) "facility" means an ocean thermal energy conversion facility;
(8) "Governor" means the Governor of a State or the person designated by law to exercise the powers granted to the Governor pursuant to this chapter;
(9) "high seas" means that part of the oceans lying seaward of the territorial sea of the United States and outside the territorial sea, as recognized by the United States, of any other nation;
(10) "licensee" means the holder of a valid license for the ownership, construction, and operation of an ocean thermal energy conversion facility or plantship that was issued, transferred, or renewed pursuant to this chapter;
(11) "ocean thermal energy conversion facility" means any facility which is standing, fixed or moored in whole or in part seaward of the high water mark and which is designed to...
use temperature differences in ocean water to produce electricity or another form of energy capable of being used directly to perform work, and includes any equipment installed on such facility to use such electricity or another form of energy to produce, process, refine, or manufacture a product, and any cable or pipeline used to deliver such electricity, fresh water, or product to shore, and all other associated equipment and appurtenances of such facility, to the extent they are located seaward of the highwater mark;

(12) “ocean thermal energy conversion plantship” means any vessel which is designed to use temperature differences in ocean water while floating unmoored or moving through such water, to produce electricity or another form of energy capable of being used directly to perform work, and includes any equipment installed on such vessel to use such electricity or other form of energy to produce, process, refine, or manufacture a product, and any equipment used to transfer such product to other vessels for transportation to users, and all other associated equipment and appurtenances of such vessel;

(13) “plantship” means an ocean thermal energy conversion plantship;

(14) “person” means any individual (whether or not a citizen of the United States), any corporation, partnership, association, or other entity organized or existing under the laws of any nation, and any Federal, State, local or foreign government or any entity of any such government;

(15) “State” means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, American Samoa, the United States Virgin Islands, Guam, the Commonwealth of the Northern Mariana Islands, and any other Commonwealth, territory, or possession over which the United States has jurisdiction;

(16) “test platform” means any floating or moored platform, barge, ship, or other vessel which is designed for limited-scale, at sea operation in order to test or evaluate the operation of components or all of an ocean thermal energy conversion system and which will not operate as an ocean thermal energy conversion facility or plantship after the conclusion of such tests or evaluation;

(17) “thermal plume” means the area of the ocean in which a significant difference in temperature, as defined in regulations by the Administrator, occurs as a result of the operation of an ocean thermal energy conversion facility or plantship;

(18) “United States citizen” means (A) any individual who is a citizen of the United States by law, birth, or naturalization; (B) any Federal, State, or local government in the United States, or any entity of any such government; or (C) any corporation, partnership, association, or other entity, organized or existing under the laws of the United States, or of any State, which has as its president or other executive officer and as its chairman of the board of directors, or holder of similar office, an individual who is a United States citizen and which has no more of its directors who are not United States citizens than constitute a minority of the number required for a quorum necessary to conduct the business of the board.


REFERENCES IN TEXT

This chapter, referred to in introductory provisions and pars. (4), (8), and (10), was in the original “this Act”, meaning Pub. L. 96–320, Aug. 3, 1980, 94 Stat. 974, known as the Ocean Thermal Energy Conversion Act of 1980, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 9101 of this title and Tables.

Act of July 2, 1980, as amended, referred to in par. (3), is act July 2, 1980, ch. 647, 94 Stat. 209, known as the Sherman Act, which is classified to sections 1 to 7 of Title 15, Commerce and Trade. For complete classification of this Act to the Code, see Short Title note set out under section 1 of Title 15 and Tables.

Act of October 15, 1914, as amended, referred to in par. (3), is act Oct. 15, 1914, ch. 323, 38 Stat. 730, known as the Clayton Act, which is classified generally to sections 12, 13, 14 to 19, 21, and 22 to 27 of Title 15, and sections 52 and 53 of Title 29, Labor. For further details and complete classification of this Act to the Code, see References in Text note set out under section 12 of Title 15 and Tables.

Sections 73 and 74 of the Act of August 27, 1894, as amended, referred to in ch. 3, are sections 73 and 74 of act Aug. 27, 1894, ch. 349, 28 Stat. 570. Sections 73 to 77 of such Act are known as the Wilson Tariff Act. Sections 73 to 76 enacted sections 8 to 11 of Title 15. Section 77 is not classified to the Code. For complete classification of this Act to the Code, see Short Title note under section 8 of Title 15 and Tables.

AMENDMENTS

1984—Par. (11). Pub. L. 98–623, § 602(a)(2), substituted “standing, fixed or moored in whole or in part seaward of the highwater mark” for “standing or moored in or beyond the territorial sea of the United States”.

Pub. L. 98–623, § 602(e)(7), substituted “fresh water” for “freshwater”.

TERRITORIAL SEA OF UNITED STATES

For extension of territorial sea of United States, see Proc. No. 5928, set out as a note under section 1331 of Title 43, Public Lands.

SUBCHAPTER I—REGULATION OF OCEAN THERMAL ENERGY CONVERSION FACILITIES AND PLANTSHIPS

§ 9111. License for ownership, construction, and operation of ocean thermal energy conversion facilities or plantships

(a) License requirement

No person may engage in the ownership, construction, or operation of an ocean thermal energy conversion facility which is documented in whole or in part between the highwater mark and the seaward boundary of the territorial sea of the United States, or which is connected to the United States by pipeline or cable, except in accordance with a license issued pursuant to this chapter. No citizen of the United States may engage in the ownership, construction or operation of an ocean thermal energy conversion plantship except in accordance with a license issued pursuant to this chapter, or in...
accordance with a license issued by a foreign na-
tion whose licenses are found by the Admin-
istrator, after consultation with the Secretary of
State, to be compatible with licenses issued pur-
suant to this chapter.
(b) Documented plantships; documented facili-
ties located in territorial sea; facili-
ties connected to United States by pipeline or
cable
The Administrator shall, upon application and
in accordance with the provisions of this chap-
ter, issue, transfer, amend, or renew licenses for
the ownership, construction, and operation of—
(1) ocean thermal energy conversion plant-
ships documented under the laws of the United
States, and
(2) ocean thermal energy conversion facili-
ties documented under the laws of the United
States, located in whole or in part between the
highwater mark and the seaward boundary of
the territorial sea of the United States, or
connected to the United States by pipeline or
cable.
(c) License issuance prerequisites
The Administrator may issue a license to a
citizen of the United States in accordance with
the provisions of this chapter unless—
(1) he determines that the applicant cannot
or will not comply with applicable laws, regu-
lations, and license conditions;
(2) he determines that the construction and
operation of the ocean thermal energy conver-
sion facility or plantship will not be in the na-
tional interest and consistent with national
security and other national policy goals and
objectives, including energy self-sufficiency
and environmental quality;
(3) he determines, after consultation with
the Secretary of the department in which the
Coast Guard is operating, that the ocean ther-
mal energy conversion facility or plantship will not be operated with reasonable regard to
the freedom of navigation or other reasonable
uses of the high seas and authorized uses of the
Continental Shelf, as defined by United
States law, treaty, convention, or customary
international law;
(4) he has been informed, within 45 days after
the conclusion of public hearings on that ap-
lication, or on proposed licenses for the des-
ignated application area, by the Admin-
istrator of the Environmental Protection Agen-
ecy that the ocean thermal energy conversion
facility or plantship will not conform with all
applicable provisions of any law for which he
has regulatory authority;
(5) he has received the opinion of the Attor-
ney General, pursuant to section 9114 of this
title, stating that issuance of the license
would create a situation in violation of the
antitrust laws, or the 90-day period provided in
section 9114 of this title has not expired;
(6) he has consulted with the Secretary of
Energy, the Secretary of Transportation, the
Secretary of State, the Secretary of the Inter-
ior, and the Secretary of Defense, to determ-
ine their views on the adequacy of the appli-
cation, and its effect on programs within their
respective jurisdictions and determines on the
basis thereof, that the application for a license
is inadequate;
(7) the proposed ocean thermal energy con-
version facility or plantship will be docu-
mented under the laws of a foreign nation;
(8) the applicant has not agreed to the condi-
tion that no vessel may be used for the trans-
portation to the United States of things pro-
duced, processed, refined, or manufactured
by the ocean thermal energy conversion facility
or plantship unless such vessel is documented
under the laws of the United States;
(9) when the license is for an ocean thermal
energy conversion facility, he determines that
the facility, including any submarine electric
transmission cables and equipment or pipe-
lines which are components of the facility,
will not be located and designed so as to mini-
mize interference with other uses of the high
seas or the Continental Shelf, including cables
or pipelines already in position on or in the
seabed and the possibility of their repair;
(10) the Governor of any adjacent coastal
State with an approved coastal zone manage-
ment program in good standing pursuant to
the Coastal Zone Management Act of 1972 (16
U.S.C. 1451 et seq.) determines that, in his or
her jurisdiction;
(11) when the license is for an ocean thermal
energy conversion facility, he determines that
the thermal plume of the facility is expected
to impinge on so as to degrade the thermal
gradient used by any other ocean thermal
energy conversion facility already licensed or
operating, without the consent of its owner;
(12) when the license is for an ocean thermal
energy conversion facility, he determines that
the thermal plume of the facility is expected
to impinge on so as to adversely affect the ter-
ritorial sea or area of national resource jurisdic-
tion, as recognized by the United States, of
any other nation, unless the Secretary of
State approves such impingement after con-
sultation with such nation;
(13) when the license is for an ocean thermal
energy conversion plantship, he determines
that the applicant has not provided adequate
assurance that the plantship will be operated
in such a way as to prevent its thermal plume
from impinging on so as to degrade the ther-
mal gradient used by any other ocean thermal
energy conversion facility or plantship with-
out the consent of its owner, and from imping-
ing on so as to adversely affect the territorial
sea or area of national resource jurisdiction,
as recognized by the United States, of
any other nation unless the Secretary of State
approves such impingement after consultation
with such nation; or
(14) if a regulation has been adopted which
places an upper limit on the number or total
capacity of ocean thermal energy conversion
facilities or plantships to be licensed under
this chapter for simultaneous operation, ei-
er other or within specific geographic
areas, pursuant to a determination under the
provisions of section 9117(b)(4) of this title, is-
surance of the license will cause such upper
limit to be exceeded.
(d) Issuance conditions; written agreement of compliance; disposal or removal requirements

(1) In issuing a license for the ownership, construction, and operation of an ocean thermal energy conversion facility or plantship, the Administrator shall prescribe conditions which he deems necessary to carry out the provisions of this chapter, or which are otherwise required by any Federal department or agency pursuant to the terms of this chapter.

(2) No license shall be issued, transferred, or renewed under this chapter unless the applicant, licensee or transferee first agrees in writing that (A) there will be no substantial change from the plans, operational systems, and methods, procedures, and safeguards set forth in his application, as approved, without prior approval in writing from the Administrator; and (B) he will comply with conditions the Administrator may prescribe in accordance with the provisions of this chapter.

(3) The Administrator shall establish such bonding requirements or other assurances as he deems necessary to assure that, upon the revocation, termination, relinquishment, or surrender of a license, the licensee will dispose of or remove all components of the ocean thermal energy conversion facility or plantship as directed by the Administrator. In the case of components which another applicant or licensee desires to use, the Administrator may waive the disposal or removal requirements until he has reached a decision on the application. In the case of components lying on or below the seabed, the Administrator may waive the disposal or removal requirements if he finds that such removal is not otherwise necessary and that the remaining components do not constitute any threat to the environment, navigation, fishing, or other uses of the seabed.

(e) License transfer

Upon application, a license issued under this chapter may be transferred if the Administrator determines that such transfer is in the public interest and that the transferee meets the requirements of this chapter and the prerequisites to issuance under subsection (c) of this section.

(f) License eligibility

Any United States citizen who otherwise qualifies under the terms of this chapter shall be eligible to be issued a license for the ownership, construction, and operation of an ocean thermal energy conversion facility or plantship.

(g) License term and renewal

Licenses issued under this chapter shall be for a term of not to exceed 25 years. Each licensee shall have a preferential right to renew his license subject to the requirements of subsection (c) of this section, upon such conditions and for such term, not to exceed an additional 10 years upon each renewal, as the Administrator determines to be reasonable and appropriate.

(AMENDMENTS)
1984—Subsec. (a), (b)(2). Pub. L. 98–623, § 602(a)(3), (4), substituted "located in whole or in part between the highwater mark and the seaward boundary of the territorial sea" for "located in the territorial sea".
Subsec. (c)(1). Pub. L. 98–623, § 602(b)(1), substituted "cannot or will not" for "cannot and will not".
Subsec. (c)(4). Pub. L. 98–623, § 602(e)(8), substituted "regulatory authority" for "enforcement authority".
Subsec. (c)(5). Pub. L. 98–623, § 602(b)(2), substituted "has not expired" for "has expired".
Subsec. (c)(6). Pub. L. 98–623, § 602(e)(9), substituted "application for a license" for "application for license".
Subsec. (c)(7). Pub. L. 98–623, § 602(a)(5), substituted "will be documented under the laws of a foreign nation" for "will not be documented under the laws of the United States".
Subsec. (c)(13). Pub. L. 98–623, § 602(b)(4), substituted "or" for "and" after the semicolon at the end.
Subsec. (c)(14). Pub. L. 98–623, § 602(e)(10), substituted "if a regulation" for "when a regulation".
Subsec. (d)(2). Pub. L. 98–623, § 602(e)(11), substituted "applicant, licensee" for "licensee".

TRANSFER OF FUNCTIONS
For transfer of authorities, functions, personnel, and assets of the Coast Guard, including the authorities and functions of the Secretary of Transportation relating thereto, to the Department of Homeland Security, and for treatment of related references, see sections 469(b), 551(d), 552(d), and 557 of Title 6, Domestic Security, and the Department of Homeland Security Reorganization Plan of November 25, 2002, as modified, set out as a note under section 542 of Title 6.

TERRITORIAL SEA OF UNITED STATES
For extension of territorial sea of United States, see Proc. No. 5928, set out as a note under section 1331 of Title 43, Public Lands.

§9112. Procedure

(a) Rules and regulations

The Administrator shall, after consultation with the Secretary of Energy and the heads of other Federal agencies, issue regulations to carry out the purposes and provisions of this chapter, in accordance with the provisions of section 555 of title 5, without regard to subsection (a) thereof. Such regulations shall pertain to, but need not be limited to, application for issuance, transfer, renewal, suspension, and termination of licenses. Such regulations shall provide for full consultation and cooperation with all other interested Federal agencies and departments and with any potentially affected coastal State, and for consideration of the views of any interested members of the general public.

The Administrator is further authorized, consistent with the purposes and provisions of this
chapter, to amend or rescind any such regulation. The Administrator shall complete issuance of final regulations to implement this chapter within 1 year of August 3, 1980.

(b) Site evaluation and preconstruction testing

The Administrator, in consultation with the Secretary of the Interior and the Secretary of the department in which the Coast Guard is operating may, if he determines it to be necessary, prescribe regulations consistent with the purposes of this chapter, relating to those activities in site evaluation and preconstruction testing at potential ocean thermal energy conversion facilities or plantship locations that may (1) adversely affect the environment; (2) interfere with other responsible uses of the high seas or with authorized uses of the Outer Continental Shelf; or (3) pose a threat to human health and safety. If the Administrator prescribes regulations relating to such activities, such activities may not be undertaken after the effective date of such regulations except in accordance therewith.

(c) Expertise or statutory responsibility descriptions

Not later than 60 days after August 3, 1980, the Secretary of Energy, the Administrator of the Environmental Protection Agency, the Secretary of the department in which the Coast Guard is operating, the Secretary of the Interior, the Chief of Engineers of the United States Army Corps of Engineers, and the heads of any other Federal departments or agencies having expertise concerning, or jurisdiction over, any aspect of the construction or operation of ocean thermal energy conversion facilities or plantships, shall transmit to the Administrator written description of their expertise or statutory responsibilities pursuant to this chapter or any other Federal law.

(d) Application

(1) Within 21 days after the receipt of an application, the Administrator shall determine whether the application appears to contain all of the information required by paragraph (2) of this subsection. If the Administrator determines that such information appears to be contained in the application, the Administrator shall, no later than 5 days after making such a determination, publish notice of the application and a summary of the plans in the Federal Register. If the Administrator determines that all of the required information does not appear to be contained in the application, the Administrator shall notify the applicant and take no further action with respect to the application until such deficiencies have been remedied.

(2) Each application shall include such financial, technical, and other information as the Administrator determines by regulation to be necessary or appropriate to process the license pursuant to section 9111 of this title.

(e) Area description; additional license applications

(1) At the time notice of an application for an ocean thermal energy conversion facility is published pursuant to subsection (d) of this section, the Administrator shall publish a description in the Federal Register of an application area encompassing the site proposed in the application for such facility and within which the thermal plume of one ocean thermal energy conversion facility might be expected to impinge on so as to degrade the thermal gradient used by another ocean thermal energy conversion facility; unless the application is for a license for an ocean thermal energy conversion facility to be located within an application area which has already been designated.

(2) The Administrator shall accompany such publication with a call for submission of any other applications for licenses for the ownership, construction, and operation of an ocean thermal energy conversion facility within the designated application area. Any person intending to file such an application shall submit a notice of intent to file an application to the Administrator not later than 60 days after the publication of notice pursuant to subsection (d) of this section, and shall submit the completed application no later than 90 days after publication of such notice. The Administrator shall publish notice of any such application received in accordance with subsection (d) of this section. No application for a license for the ownership, construction, and operation of an ocean thermal energy conversion facility within the designated application area for which a notice of intent to file was received after such 60-day period, or which is received after such 90-day period has elapsed, shall be considered until action has been completed on all timely filed applications pending with respect to such application area.

(f) Copies of application to other agencies

An application filed with the Administrator shall constitute an application for all Federal authorizations required for ownership, construction, and operation of an ocean thermal energy conversion facility or plantship, except for authorizations required by documentation, inspection, certification, construction, and manning laws and regulations administered by the Secretary of the department in which the Coast Guard is operating. At the time notice of any application is published pursuant to subsection (d) of this section, the Administrator shall forward a copy of such application to those Federal agencies and departments with jurisdiction over any aspect of such ownership, construction, or operation for comment, review, or recommendations as to conditions and for such other action as may be required by law. Each agency or department involved shall review the application and, based upon legal considerations within its area of responsibility, recommend to the Administrator the approval or disapproval of the application not later than 45 days after public hearings are concluded pursuant to subsection (g) of this section. In any case in which an agency or department recommends disapproval, it shall set forth in detail the manner in which the application does not comply with any law or regulation within its area of responsibility and shall notify the Administrator of the manner in which the application may be amended or the license conditioned so as to bring it into compliance with the law or regulation involved.

(g) Notice, comments, and hearing

A license may be issued, transferred, or renewed only after public notice, opportunity for
comment, and public hearings in accordance with this subsection. At least one such public hearing shall be held in the District of Columbia and in any adjacent coastal State to which a facility is proposed to be directly connected by pipeline or electric transmission cable. Any interested person may present relevant material at any such hearing. After the hearings required by this subsection are concluded, if the Administrator determines that there exist one or more specific and material factual issues which may be resolved by a formal evidentiary hearing, at least one adjudicatory hearing shall be held in the District of Columbia in accordance with the provisions of section 554 of title 5. The record developed in any such adjudicatory hearing shall be part of the basis for the Administrator’s decision to approve or deny a license. Hearings held pursuant to this subsection shall be consolidated insofar as practicable with hearings held by other agencies. All public hearings on all applications with respect to facilities for any designated application area shall be consolidated and shall be concluded not later than 240 days after notice of the initial application has been published pursuant to subsection (d) of this section. All public hearings on applications with respect to ocean thermal energy conversion plants shall be concluded not later than 240 days after notice of the application has been published pursuant to subsection (d) of this section.

(h) Administrative fee

The Administrator shall not take final action on any application unless the applicant has paid to the Administrator a reasonable administrative fee, which shall be deposited into miscellaneous receipts of the Treasury. The amount of the fee imposed by the Administrator on any applicant shall reflect the reasonable administrative costs incurred by the National Oceanic and Atmospheric Administration in reviewing and processing the application.

(i) Approval or denial of application; applications for same area; factors determinative of facility selection

(1) The Administrator shall approve or deny any timely filed application with respect to a facility for a designated application area submitted in accordance with the provision of this chapter not later than 90 days after public hearings on proposed licenses for that area are concluded pursuant to subsection (g) of this section. The Administrator shall approve or deny an application for a license for ownership, construction, and operation of an ocean thermal energy conversion plantship submitted pursuant to this chapter no later than 90 days after the public hearings on that application are concluded pursuant to subsection (g) of this section.

(2) In the event more than one application for a license for ownership, construction, and operation of an ocean thermal energy conversion facility is submitted pursuant to this chapter for the same designated application area, the Administrator, unless one or a specific combination of the proposed facilities clearly best serves the national interest, shall make decisions on license applications in the order in which they were submitted to him.

(3) In determining whether any one or a specific combination of the proposed ocean thermal energy conversion facilities clearly best serves the national interest, the Administrator, in consultation with the Secretary of Energy, shall consider the following factors:

(A) the goal of making the greatest possible use of ocean thermal energy conversion by installing the largest capacity practicable in each application area;

(B) the amount of net energy impact of each of the proposed ocean thermal energy conversion facilities;

(C) the degree to which the proposed ocean thermal energy conversion facilities will affect the environment;

(D) any significant differences between anticipated dates and commencement of operation of the proposed ocean thermal energy conversion facilities; and

(E) any differences in costs of construction and operation of the proposed ocean thermal energy conversion facilities, to the extent that such differentials may significantly affect the ultimate cost of energy or products to the consumer.


REFERENCES IN TEXT

This chapter, referred to in subsecs. (a) to (c) and (i)(1), (2), was in the original “this Act”, meaning Pub. L. 96–320, Aug. 3, 1980, 94 Stat. 979, known as the Ocean Thermal Energy Conversion Act of 1980, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 9011 of this title and Tables.

AMENDMENTS

1984—Subsec. (h). Pub. L. 98–623 substituted “The Administrator shall not take final action on any application unless the applicant has paid to the Administrator a reasonable administrative fee” for “Each person applying for a license pursuant to this chapter shall remit to the Administrator at the time the application is filed a nonrefundable application fee” and “imposed by the Administrator on any applicant shall reflect the reasonable administrative costs incurred by the National Oceanic and Atmospheric Administration” for “shall be established by regulation by the Administrator, and shall reflect the reasonable administrative costs incurred”.

TRANSFER OF FUNCTIONS

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

§9113. Protection of submarine electric transmission cables and equipment

(a) Prohibited acts; misdemeanor; penalty and fine

Any person who shall willfully and wrongfully break or injure, or attempt to break or injure, or who shall in any manner procure, counsel, aid, abet, or be accessory to such breaking or injury, or attempt to break or injure, any submarine electric transmission cable or equipment

being constructed or operated under a license issued pursuant to this chapter shall be guilty of a misdemeanor and, on conviction thereof, shall be liable to imprisonment for a term not exceeding 2 years, or to a fine not exceeding $5,000, or to both fine and imprisonment, at the discretion of the court.

(b) Culpable negligence; misdemeanor; penalty and fine

Any person who by culpable negligence shall break or injure any submarine electric transmission cable or equipment being constructed or operated under a license issued pursuant to this chapter shall be guilty of a misdemeanor and, on conviction thereof, shall be liable to imprisonment for a term not exceeding 3 months, or to a fine not exceeding $500, or to both fine and imprisonment, at the discretion of the court.

(c) Exceptions

The provisions of subsections (a) and (b) of this section shall not apply to any person who, after having taken all necessary precautions to avoid such breaking or injury, breaks or injures any submarine electric transmission cable or equipment in an effort to save the life or limb of himself or of any other person, or to save his own or any other vessel.

(d) Suits for damages

The penalties provided in subsections (a) and (b) of this section for the breaking or injury of any submarine electric transmission cable or equipment shall not be a bar to a suit for damages on account of such breaking or injury.

(e) Indemnity

Whenever any vessel sacrifices any anchor, fishing net, or other fishing gear to avoid injuring any submarine electric transmission cable or equipment being constructed or operated under a license issued pursuant to this chapter, the licensee shall indemnify the owner of such vessel for the items sacrificed: Provided, That the owner of the vessel had taken all reasonable precautionary measures beforehand.

(f) Repair costs

Any licensee who causes any break in or injury to any submarine cable or pipeline of any type shall bear the cost of the repairs.

(2) The Administrator shall, upon request of a State, designate such State as an “adjacent coastal State” if he determines (A) that there is a risk of damage to the coastal environment of such State equal to or greater than the risk posed to a State required to be designated as an “adjacent coastal State” by paragraph (1) of this subsection or (B) that the thermal plume of the proposed ocean thermal energy conversion facility or plantship would be operated as proposed in an application.
shall apply only with respect to requests made by a State not later than the 14th day after the date of publication of notice of application for a proposed ocean thermal energy conversion facility in the Federal Register in accordance with section 9112(d) of this title. The Administrator shall make any designation required by this paragraph not later than the 45th day after the date he receives such a request from a State.

(b) State coastal zone management program

(1) Not later than 5 days after the designation of an adjacent coastal State pursuant to this section, the Administrator shall transmit a complete copy of the application to the Governor of such State. The Administrator shall not issue a license without consultation with the Governor of each adjacent coastal State which has an approved coastal zone management program in good standing, and any other interested State, shall have the opportunity to make its views known to, and to have them given full consideration by, the Administrator regarding the location, construction, and operation of an ocean thermal energy conversion facility or plantship.

(c) Agreements and compacts between States

The consent of Congress is given to 2 or more States to negotiate and enter into agreements or compacts, not in conflict with any law or treaty of the United States, (1) to apply for a license for the ownership, construction, and operation of an ocean thermal energy conversion facility or plantship for the transfer of such a facility or plantship to which the license applies, or that the project has apparently been abandoned, the Administrator shall cause proceedings to be instituted under section 9121 of this title to terminate the license.

Termination of license

If the Administrator determines that a licensee is not pursuing diligently the construction and operation of the ocean thermal energy conversion facility or plantship to which the license applies, and that the project has apparently been abandoned, the Administrator shall cause proceedings to be instituted under section 9121 of this title to terminate the license.

Protection of the environment

(a) Environmental assessment program

The Administrator shall initiate a program to assess the effects on the environment of ocean thermal energy conversion facilities and plantships. The program shall include baseline studies of locations where ocean thermal energy conversion facilities or plantships are likely to be sited or operated; and research and monitoring of the effects of ocean thermal energy conversion facilities and plantships in actual operation. The purpose of the program shall be to assess the environmental effects of individual ocean thermal energy facilities and plantships, and to assess the magnitude of any cumulative environmental effects of large numbers of ocean thermal energy facilities and plantships.

(b) Program purposes

The program shall be designed to determine, among other things—

(1) any short-term and long-term effects on the environment which may occur as a result of the operation of ocean thermal energy conversion facilities and plantships;

(2) the nature and magnitude of any oceanographic, atmospheric, weather, climatic, or biological changes in the environment which may occur as a result of deployment and operation of large numbers of ocean thermal energy conversion facilities and plantships;

(3) the nature and magnitude of any oceanographic, biological or other changes in the environment which may occur as a result of the operation of electric transmission cables and equipment located in the water column or on or in the seabed, including the hazards of accidentally severed transmission cables; and

(4) whether the magnitude of one or more of the cumulative environmental effects of deployment and operation of large numbers of ocean thermal energy conversion facilities and...
§9118

TITLE 42—THE PUBLIC HEALTH AND WELFARE

References in Text

This chapter, referred to in subsecs. (b)(4) and (e), was in the original “this Act”, meaning Pub. L. 96–320, Aug. 3, 1980, 94 Stat. 974, known as the Ocean Thermal Energy Conversion Act of 1980, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 901 of this title and Tables.

§9118. Marine environmental protection and safety of life and property at sea

(a) Coast Guard operations

The Secretary of the department in which the Coast Guard is operating shall, subject to recognized principles of international law, prescribe by regulation and enforce procedures with respect to any ocean thermal energy conversion facility or plantship licensed under this chapter, including, but not limited to, rules governing vessel movement, procedures for transfer of materials between such a facility or plantship and transport vessels, designation and marking of anchorage areas, maintenance, law enforcement, and the equipment, training, and maintenance required (1) to promote the safety of life and property at sea, (2) to prevent pollution of the marine environment, (3) to clean up any pollutants which may be discharged, and (4) to otherwise prevent or minimize any adverse impact from the construction and operation of such ocean thermal energy conversion facility or plantship.

(b) Promotion of safety of life and property

The Secretary of the department in which the Coast Guard is operating shall issue and enforce regulations, subject to recognized principles of international law, with respect to lights and other warning devices, safety equipment, and other matters relating to the promotion of safety of life and property on any ocean thermal energy conversion facility or plantship licensed under this chapter.

(c) Marking components for protection of navigation

Whenever a licensee fails to mark any component of such an ocean thermal energy conversion facility or plantship in accordance with applicable regulations, the Secretary of the department in which the Coast Guard is operating may designate such a zone around and including any ocean thermal energy conversion plantship licensed under this chapter.

(d) Safety zones

(1) Subject to recognized principles of international law and after consultation with the Secretary of Commerce, the Secretary of the Interior, the Secretary of State, and the Secretary of Defense, the Secretary of the department in which the Coast Guard is operating shall designate a zone of appropriate size around and including any ocean thermal energy conversion facility licensed under this chapter and may designate such a zone around and including any ocean thermal energy conversion plantship licensed under this chapter for the purposes of navigational safety and protection of the facility or plantship. The Secretary of the department in which the Coast Guard is operating shall by regulation define permitted activities.
within such zone consistent with the purpose for which it was designated. The Secretary of the department in which the Coast Guard is operating shall, not later than 30 days after publication of notice pursuant to section 9112(d) of this title, designate such safety zone with respect to any proposed ocean thermal energy conversion facility or plantship.

(2) In addition to any other regulations, the Secretary of the department in which the Coast Guard is operating is authorized, in accordance with this subsection, to establish a safety zone to be effective during the period of construction of an ocean thermal energy conversion facility or plantship licensed under this chapter, and to issue rules and regulations relating thereto.

(3) Except in a situation involving force majeure, a licensee of an ocean thermal energy conversion facility or plantship shall not permit a vessel, registered in or flying the flag of a foreign state, to call at, load or unload cargo at, or otherwise utilize such a facility or plantship licensed under this chapter unless (A) the foreign state involved has agreed, by specific agreement with the United States, to recognize the jurisdiction of the United States over the vessel and its personnel, in accordance with the provisions of this chapter, while the vessel is located within such a safety zone, and (B) the vessel owner or operator has designated an agent in the United States for receipt of service of process in the event of any claim or legal proceeding resulting from activities of the vessel or its personnel while located within such a safety zone.

(e) Rules and regulations; vessels; “ocean thermal energy conversion facility” defined

(1) The Secretary of the department in which the Coast Guard is operating shall promulgate and enforce regulations specified in paragraph (2) of this subsection and such other regulations as he deems necessary concerning the documentation, design, construction, alteration, equipment, maintenance, repair, inspection, certification, and manning of ocean thermal energy conversion facilities and plantships. In addition to other requirements prescribed under those regulations, the Secretary of the department in which the Coast Guard is operating may require compliance with those vessel documentation, inspection, and manning laws which he determines to be appropriate.

(2) Within 1 year after August 3, 1980, the Secretary of the department in which the Coast Guard is operating shall promulgate regulations under paragraph (1) of this subsection which require that any ocean thermal energy conversion facility or plantship—

(A) be documented;

(B) comply with minimum standards of design, construction, alteration, and repair; and be manned or crewed by United States citizens or aliens lawfully admitted to the United States for permanent residence, unless—

(i) there is not a sufficient number of United States citizens, or aliens lawfully admitted to the United States for permanent residence, qualified and available for such work, or

(ii) the President makes a specific finding, with respect to the particular vessel, platform, or moored, fixed or standing structure, that application of this requirement would not be consistent with the national interest.

(3) For the purposes of the documentation laws, for which compliance is required under paragraph (1) of this subsection, ocean thermal energy conversion facilities and plantships shall be deemed to be vessels and, if documented, vessels of the United States for the purposes of the Ship Mortgage Act, 1920 (46 U.S.C. 911–984).

(4) For the purposes of this subsection the term “ocean thermal energy conversion facility” refers only to an ocean thermal energy conversion facility which has major components other than water intake or discharge pipes located seaward of the highwater mark.\(^1\)

(f) Protection of navigation

Subject to recognized principles of international law, the Secretary of the department in which the Coast Guard is operating shall promulgate and enforce such regulations as he deems necessary to protect navigation in the vicinity of a vessel engaged in the installation, repair, or maintenance of any submarine electric transmission cable or equipment, and to govern the markings and signals used by such a vessel.


REFERENCES IN TEXT

This chapter, referred to in subsecs. (a), (b), and (d), was in the original “this Act”, meaning Pub. L. 96–320, Aug. 3, 1980, 94 Stat. 974, known as the Ocean Thermal Energy Conversion Act of 1980, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 9101 of this title and Tables.

The Ship Mortgage Act, 1920, referred to in subsec. (e)(3), is section 30 of act June 5, 1930, ch. 250, 41 Stat. 1000, which was classified generally to chapter 25 (§ 911 et seq.) of former Title 46, Shipping, and was repealed by Pub. L. 100–710, title I, § 102(c) thereof, reenacted by section 102(c) thereof as chapters 301 and 313 of Title 46, Shipping, Chapter 301 of Title 46, consisting solely of section 30101 which defined, among other terms, “vessel of the United States”, was subsequently repealed by Pub. L. 106–334, § 6(b), Oct. 6, 2000, 120 Stat. 1509. For a definition of “vessel of the United States” as that term applies to Title 46, see section 116 of Title 46.

AMENDMENTS


Subsec. (e)(2)(C)(i). Pub. L. 98–623, § 602(a)(6), substituted “moored, fixed or standing” for “moored or standing”.


TRANSFER OF FUNCTIONS

For transfer of authorities, functions, personnel, and assets of the Coast Guard, including the authorities and functions of the Secretary of Transportation relating thereto, to the Department of Homeland Security, and for treatment of related references, see sections 468(b), 551(d), 552(d), and 557 of Title 6, Domestic Secu-
§ 9119. Prevention of interference with other uses of high seas

(a) License conditions

Each license shall include such conditions as may be necessary and appropriate to ensure that construction and operation of the ocean thermal energy conversion facility or plantship are conducted with reasonable regard for navigation, fishing, energy production, scientific research, or other uses of the high seas, either by citizens of the United States or by other nations in their exercise of the freedoms of the high seas as recognized under the Convention of the High Seas and the general principles of international law.

(b) Rules and regulations

The Administrator shall promulgate regulations specifying under what conditions and in what circumstances the thermal plume of an ocean thermal energy conversion facility or plantship licensed under this chapter will be deemed—

(1) to impinge on so as to degrade the thermal gradient used by another ocean thermal energy conversion facility or plantship, or

(2) to impinge on so as to adversely affect the territorial sea or area of national resource jurisdiction, as recognized by the United States, of any other nation.

Such regulations shall also provide for the Administrator to mediate or arbitrate any disputes among licensees regarding the extent to which the thermal plume of one licensee’s facility or plantship impinges on the operation of another licensee’s facility or plantship.

(c) Coast Guard operations

The Secretary of the department in which the Coast Guard is operating shall promulgate, after consultation with the Administrator, and shall enforce, regulations governing the movement and navigation of ocean thermal energy conversion plantships licensed under this chapter to ensure that the thermal plume of such an ocean thermal energy conversion plantship does not unreasonably impinge on so as to degrade the thermal gradient used by the operation of any other ocean thermal energy conversion plantship or facility except in case of force majeure or with the consent of owner of the other such plantship or facility, and to ensure that the thermal plume of such an ocean thermal energy conversion plantship does not impinge on so as to adversely affect the territorial sea or area of national resource jurisdiction, as recognized by the United States, of any other nation unless the Secretary of State has approved such impingement after consultation with such nation.


REFERENCES IN TEXT

This chapter, referred to in subsecs. (b) and (c), was in the original ‘‘this Act’’, meaning Pub. L. 96–320, Aug. 3, 1980, 94 Stat. 974, known as the Ocean Thermal Energy Conversion Act of 1980, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 9101 of this title and Tables.

AMENDMENTS


Subsec. (b)(3). Pub. L. 98–623, § 602(e)(15), struck out par. (3) which prohibited a licensee of an ocean thermal energy conversion facility or plantship under this chapter, except in the case of force majeure, from permitting foreign vessels to call at, or load or unload cargo at, or otherwise use such facility or plantship unless the foreign state involved had specifically agreed to recognize the jurisdiction of the United States over the vessel and its personnel while such vessel was located in the safety zone and the vessel owner or operator had designated an agent in the United States for receipt of service of process for legal claims or proceedings arising from activities of the vessel or its personnel while located in such zone. See section 9118(d)(3) of this title.

Subsec. (c). Pub. L. 98–623, § 602(e)(16), substituted ‘‘the thermal plume of such’’ for ‘‘the thermal plume such of’’ in second place appearing, and substituted ‘‘impingement’’ for ‘‘impingment’’.

TRANSFER OF FUNCTIONS

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

§ 9120. Monitoring of licensees’ activities

Each license shall require the licensee—

(1) to allow the Administrator to place appropriate Federal officers or employees in or aboard the ocean thermal energy conversion facility or plantship to which the license applies, at such times and to such extent as the Administrator deems reasonable and necessary to assess compliance with any condition or regulation applicable to the license, and to report to the Administrator whenever such officers or employees have reason to believe there is a failure to comply;

(2) to cooperate with such officers and employees in the performance of monitoring functions; and

(3) to monitor the environmental effects, if any, of the operation of the ocean thermal energy conversion facility or plantship in accordance with regulations issued by the Administrator, and to submit such information as the Administrator finds to be necessary and appropriate to assess environmental impacts and to develop and evaluate mitigation methods and possibilities.


AMENDMENTS

1984—Par. (1). Pub. L. 98–623 substituted ‘‘in or aboard’’ for ‘‘aboard’’. 
§ 9121. Suspension, revocation, and termination of licenses

(a) Filing of action by Attorney General; automatic suspension

Whenever a licensee fails to comply with any applicable provision of this chapter or any applicable rule, regulation, restriction, or condition issued or imposed by the Administrator under the authority of this chapter, the Attorney General, at the request of the Administrator, shall file an action in the appropriate United States district court to—

(1) suspend the license; or

(2) if such failure is knowing and continues for a period of 30 days after the Administrator mails notification of such failure by registered letter to the licensee at his record post office address, revoke such license.

No proceeding under this section is necessary if the license, by its terms, provides for automatic suspension or termination upon the occurrence of a fixed or agreed upon condition, event, or time.

(b) Immediate suspension of construction or operation pending completion of proceedings

If the Administrator determines that immediate suspension of the construction or operation of an ocean thermal energy conversion facility or plantship or any component thereof is necessary to protect public health and safety or to eliminate imminent and substantial danger to the environment the Administrator may order the licensee to cease or alter such construction or operation pending the completion of a judicial proceeding pursuant to subsection (a) of this section.


REFERENCES IN TEXT

This chapter, referred to in text, was in the original “this Act”, meaning Pub. L. 96–320, Aug. 3, 1980, 94 Stat. 974, known as the Ocean Thermal Energy Conversion Act of 1980, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 9101 of this title and Tables.

AMENDMENTS

1984—Subsec. (b). Pub. L. 98–623 substituted “environment” for “environment established by any treaty or convention.”.

§ 9122. Recordkeeping and public access to information

(a) Records and reports

Each licensee shall establish and maintain such records, make such reports, and provide such information as the Administrator, after consultation with other interested Federal departments and agencies, shall by regulation prescribe to carry out the provisions of this chapter. Each licensee shall submit such reports and shall make available such records and information as the Administrator may request.

(b) Confidential information

Any information reported to or collected by the Administrator under this chapter which is exempt from disclosure pursuant to section 552(b)(4) of title 5 (relating to trade secrets and commercial or financial information which is privileged or confidential) shall not—

(1) be publicly disclosed by the Administrator or by any other officer or employee of the United States, unless the Administrator has—

(A) determined that the disclosure is necessary to protect the public health or safety or the environment against an unreasonable risk of injury, and

(B) notified the person who submitted the information 10 days before the disclosure is to be made, unless the delay resulting from such notice would be detrimental to the public health or safety or the environment, or

(2) be otherwise disclosed except—

(A)(i) to other Federal and adjacent coastal State government departments and agencies for official use,

(ii) to any committee of the Congress of appropriate jurisdiction, or

(iii) pursuant to court order, and

(B) when the Administrator has taken appropriate steps to inform the recipient of the confidential nature of the information.


REFERENCES IN TEXT

This chapter, referred to in text, was in the original “this Act”, meaning Pub. L. 96–320, Aug. 3, 1980, 94 Stat. 974, known as the Ocean Thermal Energy Conversion Act of 1980, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 9101 of this title and Tables.

AMENDMENTS

1984—Subsec. (b). Pub. L. 98–623, §602(e)(3), substituted “(relating to trade secrets and commercial or financial information which is privileged or confidential)” for “(relating to trade secrets and confidential commercial and financial information)”.


§ 9123. Relinquishment or surrender of license

(a) Relinquishment or surrender authority; continuation of liability

Any licensee may at any time, without penalty, surrender to the Administrator a license issued to him, or relinquish to the Administrator, in whole or in part, any right to conduct construction or operation of an ocean thermal energy conversion facility or plantship, including part or all of any right of way which may have been granted in conjunction with such license: Provided, That such surrender or relinquishment shall not relieve the licensee of any obligation or liability established by this chapter, or any other Act, or of any obligation or liability for actions taken by him prior to such surrender or relinquishment, or during disposal or removal of any components required to be disposed of or removed pursuant to this chapter.

(b) Transfer of right of way

If part or all of a right of way which is relinquished, or for which the license is surrendered,
to the Administrator pursuant to subsection (a) of this section contains an electric transmission cable or pipeline which is used in conjunction with another license for an ocean thermal energy conversion facility, the Administrator shall allow the other licensee an opportunity to add such right of way to his license before informing the Secretary of the Interior that the right of way has been vacated.


REFERENCES IN TEXT

This chapter, referred to in subsec. (a), was in the original “this Act”, meaning Pub. L. 96–320, Aug. 3, 1980, 94 Stat. 974, known as the Ocean Thermal Energy Conversion Act of 1980, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 9101 of this title and Tables.

§ 9124. Civil actions

(a) Jurisdiction

Except as provided in subsection (b) of this section, any person having a valid legal interest which is or may be adversely affected may commence a civil action for equitable relief on his own behalf in the United States District Court for the District of Columbia whenever such action constitutes a case or controversy—

(1) against any person who is alleged to be in violation of any provision of this chapter or any regulation or condition of a license issued pursuant to this chapter; or

(2) against the Administrator where there is alleged a failure of the Administrator to perform any act or duty under this chapter which is not discretionary.

In suits brought under this chapter, the district courts of the United States shall have jurisdiction, without regard to the amount in controversy or the citizenship of the parties, to enforce any provision of this chapter or any regulation or term or condition of a license issued pursuant to this chapter or to order the Administrator to perform such act or duty, as the case may be.

(b) Notice

No civil action may be commenced—

(1) under subsection (a)(1) of this section—

(A) prior to 60 days after the plaintiff has given notice of the violation to the Administrator and to any alleged violator; or

(B) if the Administrator or the Attorney General has commenced and is diligently prosecuting a civil or criminal action with respect to such matters in a court of the United States, but in any such action any person may intervene as a matter of right; or

(2) under subsection (a)(2) of this section prior to 60 days after the plaintiff has given notice of such action to the Administrator.

Notice under this subsection shall be given in such a manner as the Administrator shall prescribe by regulation.

(c) Right of Administrator or Attorney General to intervene

In any action under this section, the Administrator or the Attorney General, if not a party, may intervene as a matter of right.

(d) Award of costs

The court, in issuing any final order in any action brought pursuant to subsection (a) of this section, may award costs of litigation (including reasonable attorney and expert witness fees) to any party whenever the court determines that such an award is appropriate.

(e) Other remedies not restricted

Nothing in this section shall restrict any right which any person or class of persons may have under any statute or common law to seek enforcement or to seek any other relief.


REFERENCES IN TEXT

This chapter, referred to in subsec. (a), was in the original “this Act”, meaning Pub. L. 96–320, Aug. 3, 1980, 94 Stat. 974, known as the Ocean Thermal Energy Conversion Act of 1980, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 9101 of this title and Tables.

§ 9125. Judicial review

Any person suffering legal wrong, or who is adversely affected or aggrieved by the Administrator’s decision to issue, transfer, modify, renew, suspend, or terminate a license may, not later than 60 days after such decision is made, seek judicial review of such decision in the United States Court of Appeals for the District of Columbia. A person shall be deemed to be aggrieved by the Administrator’s decision within the meaning of this chapter if he—

(1) has participated in the administrative proceedings before the Administrator (or if he did not so participate, he can show that his failure to do so was caused by the Administrator’s failure to provide the required notice); and

(2) is adversely affected by the Administrator’s action.


REFERENCES IN TEXT

This chapter, referred to in introductory provisions, was in the original “this Act”, meaning Pub. L. 96–320, Aug. 3, 1980, 94 Stat. 974, known as the Ocean Thermal Energy Conversion Act of 1980, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 9101 of this title and Tables.

§ 9126. Exempt operations

(a) Test platforms

The provisions of this subchapter shall not apply to any test platform which will not operate as an ocean thermal energy conversion facility or plantship after conclusion of the testing period.

(b) Commercial demonstration ocean thermal energy conversion facilities or plantships

The provisions of this subchapter shall not apply to ownership, construction, or operation
of any ocean thermal energy conversion facility or plantship which the Secretary of Energy has designated in writing as a demonstration project for the development of alternative energy sources for the United States which is conducted by, or participated in, or approved by the Department of Energy. The Secretary of Energy, after consultation with the Administrator, shall require such demonstration projects to abide by as many of the substantive requirements of this subchapter as he deems to be practicable without damaging the nature of or unduly delaying such projects.


Amendments

1984—Subsec. (a). Pub. L. 98–623 substituted “facility or plantship” for “facility or platform”.

§9127. Periodic review and revision of regulations

The Administrator and the Secretary of the department in which the Coast Guard is operating, shall periodically, at intervals of not more than every 3 years, and in consultation with the Secretary of Energy, review any regulations promulgated pursuant to the provisions of this subchapter to determine the status and impact of such regulations on the continued development, evolution, and commercialization of ocean thermal energy conversion technology. The results of each such review shall be included in the next annual report required by section 9165 of this title. The Administrator and such Secretary are authorized and directed to promulgate any revisions to the then effective regulations as are deemed necessary and appropriate based on such review, to ensure that any regulations promulgated pursuant to the provisions of this subchapter do not impede such development, evolution, and commercialization of such technology. Additionally, the Secretary of Energy is authorized to propose, based on such review, such revisions for the same purpose. The Administrator or such Secretary, as appropriate, shall have exclusive jurisdiction with respect to any such proposal by the Secretary of Energy and, pursuant to applicable procedures, shall consider and take final action on any such proposal in an expeditious manner. Such consideration shall include at least one informal hearing pursuant to the procedures in section 553 of title 5.


References in Text

Section 9165 of this title, referred to in text, was omitted from the Code.

Transfer of Functions

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

Subchapter II—Maritime Financing for Ocean Thermal Energy Conversion

§9141. Determinations under Merchant Marine Act, 1936

(a)(1) For the purposes of chapter 535 of title 46, any ocean thermal energy conversion facility or plantship licensed pursuant to this chapter, and any vessel providing shipping service to or from such an ocean thermal energy conversion facility or plantship, shall be deemed to be a vessel operated in the foreign commerce of the United States.

(2) The provisions of paragraph (1) of this subsection shall apply for taxable years beginning after December 31, 1981.

(b) For the purposes of the Merchant Marine Act, 1936 (46 U.S.C. 1177 et seq.), any vessel documented under the laws of the United States and used in providing shipping service to or from any ocean thermal energy conversion facility or plantship licensed pursuant to the provisions of this chapter shall be deemed to be used in, and used in an essential service in, the foreign commerce or foreign trade of the United States, as defined in section 109 of title 46.


References in Text

This chapter, referred to in subsecs. (a)(1) and (b), was in the original “this Act”, meaning Pub. L. 96–320, Aug. 3, 1980, 94 Stat. 973, known as the Ocean Thermal Energy Conversion Act of 1980, which is classified principally to chapter 5 of this title and Tables. For complete classification of this Act to the Code, see Short Title note set out under section 9101 of this title and Tables.

The Merchant Marine Act, 1936, referred to in subsec. (b), is act June 29, 1936, ch. 858, 49 Stat. 493, which was classified principally to chapter 27 (§1101 et seq.) of the former Appendix to Title 46, Shipping, the Act, with the exception of title V, most of title VI, and sections 301, 801, 802, 809(a), and 909 thereof, was repealed and reenacted, mainly in subtitle V of Title 46, by Pub. L. 109–304, §§8, 19, Oct. 6, 2006, 120 Stat. 1555, 1710. Title V and sections 301 and 909 of the Act are set out as notes under section 53101 of Title 46. Those portions of title VI not repealed by Pub. L. 109–304 and sections 802 and 809(a) of the Act were repealed by Pub. L. 114–120, title III, §313(a), Feb. 8, 2016, 130 Stat. 58. Section 801 of the Act was transferred to section 57322 of Title 46 by Pub. L. 114–120, title III, §§313(c), 313(c)(1)(A), Feb. 8, 2016, 130 Stat. 58. For complete classification of the Act to the Code, see Tables. For disposition of sections of the former Appendix to Title 46, see Disposition Table preceding section 101 of Title 46.

Codification


1 See References in Text note below.
§ 9151. Prohibited acts

It is unlawful for any person who is a United States citizen or national, or a foreign national in or on board an ocean thermal energy conversion facility or plantship or on board any vessel documented or numbered under the laws of the United States, or who is subject to the jurisdiction of the United States by an international agreement to which the United States is a party—

(1) to violate any provision of this chapter; or any rule, regulation, or order issued pursuant to this chapter; or any term or condition of any license issued to such person pursuant to this chapter;

(2) to refuse to permit any Federal officer or employee authorized to monitor or enforce the provisions of sections 9120 and 9153 of this title to enter or board an ocean thermal energy conversion facility or plantship or any vessel documented or numbered under the laws of the United States, for purposes of conducting any search or inspection in connection with the monitoring or enforcement of this chapter or any rule, regulation, order, term, or condition referred to in paragraph (1) of this section;

(3) to forcibly assault, resist, oppose, impede, intimidate, or interfere with any such authorized officer or employee in the conduct of any search or inspection described in paragraph (2) of this section;

(4) to resist a lawful arrest for any act prohibited by this section; or

(5) to interfere with, delay, or prevent, by any means, the apprehension or arrest of another person subject to this section knowing that the other person has committed any act prohibited by this section.


§ 9152. Remedies and penalties

(a) Issuance and enforcement of orders

(1) The Administrator or his delegate shall have the authority to issue and enforce orders during proceedings brought under this chapter. Such authority shall include the authority to issue subpenas, administer oaths, compel the attendance and testimony of witnesses and the production of books, papers, documents, and other evidence, to take depositions before any designated individual competent to administer oaths, and to examine witnesses.

(2) Whenever on the basis of any information available to him the Administrator finds that any person subject to section 9151 of this title is in violation of any provision of this chapter or any rule, regulation, order, license, or term or condition thereof, or other requirements under this chapter, he may issue an order requiring such person to comply with such provision or requirement, or bring a civil action in accordance with subsection (b) of this section.

(3) Any compliance order issued under this subsection shall state with reasonable specificity the nature of the violation and a time for compliance, not to exceed 30 days, which the Administrator determines is reasonable, taking into account the seriousness of the violation and any good faith efforts to comply with applicable requirements.

(b) Civil actions by Attorney General; equitable relief

(1) Upon a request by the Administrator, the Attorney General shall commence a civil action for appropriate relief, including a permanent or temporary injunction, to halt any violation for which the Administrator is authorized to issue a compliance order under subsection (a)(2) of this section.

(2) Upon a request by the Administrator, the Attorney General shall bring an action in an appropriate district court of the United States for equitable relief to redress a violation, by any person subject to section 9151 of this title, of any provision of this chapter, any regulation issued pursuant to this chapter, or any license condition.

(c) Civil penalties

(1) Any person who is found by the Administrator, after notice and an opportunity for a hearing in accordance with section 554 of title 5, to have committed an act prohibited by section 9151 of this title shall be liable to the United States for a civil penalty, not to exceed $25,000 for each violation. Each day of a continuing violation shall constitute a separate violation. The amount of such civil penalty shall be assessed by the Administrator, or his designee, by written notice. In determining the amount of such penalty, the Administrator shall take into account the nature, circumstances, extent and gravity of the prohibited acts committed and, with respect to the violator, the degree of culpability, any history of prior offenses, ability to pay, and such other matters as justice may require.

(2) Any person against whom a civil penalty is assessed under paragraph (1) of this subsection may obtain a review thereof in the appropriate court of the United States by filing a notice of appeal in such court within 30 days from the date of such order and by simultaneously sending a copy of such notice by certified mail to the Administrator. The Administrator shall promptly file in such court a certified copy of the record upon which such violation was found or such penalty imposed, as provided in section 2112 of title 28. The findings and order of the Administrator shall be set aside by such court if
they are not found to be supported by substantial evidence, as provided in section 906(2) of title 5.

(3) If any person subject to section 9151 of this title fails to pay an assessment of a civil penalty against him after it has become final, or after the appropriate court has entered final judgment in favor of the Administrator, the Administrator shall refer the matter to the Attorney General of the United States, who shall recover the amount assessed in any appropriate court of the United States. In such action, the validity and appropriateness of the final order imposing the civil penalty shall not be subject to review.

(4) The Administrator may compromise, modify, or remit, with or without conditions, any civil penalty which is subject to imposition or which has been imposed under this subsection.

(d) Criminal penalties

(1) Any person subject to section 9151 of this title is guilty of an offense if he willfully commits any act prohibited by such section.  

(2) Any offense, other than an offense for which the punishment is prescribed by section 9113 of this title, is punishable by a fine of not more than $75,000 or for each day during which the violation continues.  Any offense described in paragraphs (2), (3), (4), and (5) of section 9151 of this title is punishable by the fine or imprisonment for not more than 6 months, or both. If, in the commission of any offense, the person subject to section 9151 of this title uses a dangerous weapon, engages in conduct that causes bodily injury to any Federal officer or employee, or places any Federal officer or employee in fear of imminent bodily injury, the offense is punishable by a fine of not more than $100,000 or imprisonment for not more than 10 years, or both.

(e) In rem liability of vessels

Any ocean thermal energy conversion facility or plantship licensed pursuant to this chapter and any other vessel documented or numbered under the laws of the United States, except a public vessel engaged in noncommercial activities, used in any violation of this chapter or of any rule, regulation, order, license, or term or condition thereof, or other requirements of this chapter, shall be liable in rem for any civil penalty assessed or criminal fine imposed and may be proceeded against in any district court of the United States having jurisdiction thereof, whenever it shall appear that one or more of the owners, or bareboat charterers, was at the time of the violation a consenting party or privy to such violation.


REFERENCES IN TEXT

This chapter, referred to in subsecs. (a)(1), (2), (b)(2), and (e), was in the original “this Act”, meaning Pub. L. 96–320, Aug. 3, 1980, 94 Stat. 974, known as the Ocean Thermal Energy Conversion Act of 1980, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 9101 of this title and Tables.

AMENDMENTS


§9153. Enforcement

(a) Enforcement responsibility of Administrator of National Oceanic and Atmospheric Administration; Coast Guard

Except where a specific section of this chapter designates enforcement responsibility, the provisions of this chapter shall be enforced by the Administrator. The Secretary of the department in which the Coast Guard is operating shall have exclusive responsibility for enforcement measures which affect the safety of life and property at sea, shall exercise such other enforcement responsibilities with respect to vessels subject to the provisions of this chapter as are authorized under other provisions of law, and may, upon the specific request of the Administrator, assist the Administrator in the enforcement of any provision of this chapter. The Administrator and the Secretary of the department in which the Coast Guard is operating may, by agreement, on a reimbursable basis or otherwise, utilize the personnel, services, equipment, including aircraft and vessels, and facilities of any other Federal agency or department, and may authorize officers or employees of other departments or agencies to provide assistance as necessary in carrying out subsection (b) of this section. The Administrator and the Secretary of the department in which the Coast Guard is operating may issue regulations jointly or severally as may be necessary and appropriate to carry out their duties under this section.

(b) Enforcement activities of authorized officers

To enforce the provisions of this chapter in or on board any ocean thermal energy conversion facility or plantship or any vessel subject to the provisions of this chapter, any officer who is authorized by the Administrator or the Secretary of the department in which the Coast Guard is operating may—

(1) enter or board, and inspect, any ocean thermal energy conversion facility or plantship or any vessel which is subject to the provisions of this chapter;

(2) search the vessel if the officer has reasonable cause to believe that the vessel has been used or employed in the violation of any provision of this chapter;

(3) arrest any person subject to section 9151 of this title if the officer has reasonable cause to believe that the person has committed a criminal act prohibited by sections 9151 and 9152(d) of this title;

(4) seize the vessel together with its gear, furniture, appurtenances, stores, and cargo, used or employed in, or with respect to which it reasonably appears that such vessel was used or employed in, the violation of any provision of this chapter if such seizure is necessary to prevent evasion of the enforcement of this chapter;

(5) seize any evidence related to any violation of any provision of this chapter;

(6) execute any warrant or other process issued by any court of competent jurisdiction; and

(7) exercise any other lawful authority.

(c) Jurisdiction; venue

Except as otherwise specified in section 9125 of this title, the district courts of the United
States shall have exclusive original jurisdiction over any case or controversy arising under the provisions of this chapter. Except as otherwise specified in this chapter, venue shall lie in any district wherein, or nearest to which, the cause of action arose, or wherein any defendant resides, may be found, or has his principal office. In the case of Guam, and any Commonwealth, territory, or possession of the United States in the Pacific Ocean, the appropriate court is the United States District Court for the District of Guam, except that in the case of American Samoa, the appropriate court is the United States District Court for the District of Hawaii. Any such court may, at any time—

(1) enter restraining orders or prohibitions;
(2) issue warrants, process in rem, or other process;
(3) prescribe and accept satisfactory bonds or other security; and
(4) take such other actions as are in the interest of justice.

(d) Definitions
For the purposes of this section, the term "vessel" includes an ocean thermal energy conversion facility or plantship, and the term "provisions of this chapter" or "provision of this chapter" includes any rule, regulation, or order issued pursuant to this chapter and any term or condition of any license issued pursuant to this chapter.


REFERENCES IN TEXT
This chapter, referred to in text, was in the original "this Act", meaning Pub. L. 96–320, Aug. 3, 1980, 94 Stat. 974, known as the Ocean Thermal Energy Conversion Act of 1980, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 9101 of this title and Tables.

AMENDMENTS
1984—Subsec. (b). Pub. L. 98–623 substituted "in or on board any ocean thermal energy conversion facility or plantship or any vessel" for "on board any ocean thermal energy conversion facility or plantship or other vessel" in provisions preceding par. (1).

Subsec. (b)(1). Pub. L. 98–623 substituted "enter or board, and inspect, any ocean thermal energy conversion facility or plantship or" for "board and inspect".

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

SUBCHAPTER IV—MISCELLANEOUS PROVISIONS
§9161. Law of the Sea Treaty
If the United States ratifies a treaty, which includes provisions with respect to jurisdiction over ocean thermal energy conversion activities, resulting from any United Nations Conference on the Law of the Sea, the Administrator, after consultation with the Secretary of State, shall promulgate any amendment to the regulations promulgated under this chapter which is necessary and appropriate to conform such regulations to the provisions of such treaty, in anticipation of the date when such treaty shall come into force and effect for, or otherwise be applicable to, the United States.


REFERENCES IN TEXT
This chapter, referred to in text, was in the original "this Act", meaning Pub. L. 96–320, Aug. 3, 1980, 94 Stat. 974, known as the Ocean Thermal Energy Conversion Act of 1980, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 9101 of this title and Tables.

§9162. International negotiations
The Secretary of State, in cooperation with the Administrator and the Secretary of the department in which the Coast Guard is operating, shall seek effective international action and cooperation in support of the policy and purposes of this chapter and may initiate and conduct negotiations for the purpose of entering into international agreements designed to guarantee non-interference of ocean thermal energy conversion facilities and plantships with the thermal gradients used by other such facilities and plantships, to assure protection of such facilities and plantships and of navigational safety in the vicinity thereof, and to resolve such other matters relating to ocean thermal energy conversion facilities and plantships as need to be resolved in international agreements.


REFERENCES IN TEXT
This chapter, referred to in text, was in the original "this Act", meaning Pub. L. 96–320, Aug. 3, 1980, 94 Stat. 974, known as the Ocean Thermal Energy Conversion Act of 1980, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 9101 of this title and Tables.

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

§9163. Relationship to other laws
(a) Facilities and plantships as comparable to areas of exclusive Federal jurisdiction located within a State
(1) The Constitution, laws, and treaties of the United States shall apply to an ocean thermal energy conversion facility or plantship licensed under this chapter and all of which is located seaward of the highwater mark, and to activi-
ties connected, associated, or potentially interfering with the use or operation of any such facility or plantship, in the same manner as if such facility or plantship were an area of exclusive Federal jurisdiction located within a State. Nothing in this chapter shall be construed to relieve, exempt, or immunize any person from any other requirement imposed by Federal law, regulation, or treaty.

(2) Ocean thermal energy conversion facilities and plantships licensed under this chapter do not possess the status of islands and have no territorial seas of their own.

(b) Responsibilities and authorities of States or United States within territorial seas; applicability of State law to facilities located beyond territorial seas

(1) Except as may otherwise be provided by this chapter, nothing in this chapter shall in any way alter the responsibilities and authorities of a State or the United States within the territorial seas of the United States.

(2) The law of the nearest adjacent coastal State to which an ocean thermal energy conversion facility located beyond the territorial sea and licensed under this chapter is connected by electric transmission cable or pipeline, now in effect or hereafter adopted, amended, or repealed, is declared to be the law of the United States, and shall apply to such facility, to the extent applicable and not inconsistent with any provision or regulation under this chapter or other Federal laws and regulations now in effect or hereafter adopted, amended, or repealed. Provided, however, that the application of State taxation laws is not extended hereby outside the seaward boundary of any State. All such applicable laws shall be administered and enforced by the appropriate officers and courts of the United States outside the seaward boundary of any State.

(c) Customs laws

(1) For the purposes of the customs laws administered by the Secretary of the Treasury, ocean thermal energy conversion facilities and plantships documented under the laws of the United States and licensed under this chapter shall be deemed to be vessels.

(2) Except insofar as they apply to vessels documented under the laws of the United States, the customs laws administered by the Secretary of the Treasury, including the provisions of the Tariff Act of 1930, as amended (19 U.S.C. 1202), and other laws codified in title 19, shall not apply to any ocean thermal energy conversion facility or plantship documented under the laws of the United States and licensed under this chapter, but all foreign articles to which such a facility or plantship, including any component thereof, is connected by electric transmission cable or pipeline, now in effect or hereafter adopted, amended, or repealed, shall be subject to the customs laws administered by the Secretary of the Treasury, including the provisions of the Tariff Act of 1930, as amended (19 U.S.C. 1202), and other laws codified in title 19.

(d) Application of State law

(i) To ocean thermal energy conversion facilities or plantships located beyond territorial seas

(ii) To ocean thermal energy conversion facilities or plantships licensed under this chapter that have been documented under the laws of the United States and licensed under this chapter, except as provided in section 9164.
chapter to the President of the Senate and the Speaker of the House of Representatives, terminated, effective May 15, 2000, pursuant to section 3003 of Pub. L. 104–66, as amended, set out as a note under section 1113 of Title 31, Money and Finance. See, also, the 8th item on page 54 of House Document No. 103–7.

§ 9166. Authorization of appropriations

There are authorized to be appropriated to the Secretary of Commerce, for the use of the Administrator in carrying out the provisions of this chapter, not to exceed $3,000,000 for the fiscal year ending September 30, 1981, not to exceed $3,500,000 for the fiscal year ending September 30, 1982, not to exceed $3,500,000 for the fiscal year ending September 30, 1983, not to exceed $480,000 for each of the fiscal years ending September 30, 1984 and September 30, 1985, and not to exceed $630,000 for each of the fiscal years ending September 30, 1986 and September 30, 1987.


REFERENCES IN TEXT

This chapter, referred to in text, was in the original "this Act", meaning Pub. L. 96–320, Aug. 3, 1980, 94 Stat. 974, known as the Ocean Thermal Energy Conversion Act of 1980, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 9101 of this title and Tables.

AMENDMENTS

1984—Pub. L. 98–623 inserted provisions authorizing appropriations not to exceed $480,000 for each of the fiscal years ending September 30, 1984 and September 30, 1985, and not to exceed $630,000 for each of the fiscal years ending September 30, 1986 and September 30, 1987.

§ 9167. Severability

If any provision of this chapter or any application thereof is held invalid, the validity of the remainder of the chapter, or any other application, shall not be affected thereby.


REFERENCES IN TEXT

This chapter, referred to in text, was in the original "this Act", meaning Pub. L. 96–320, Aug. 3, 1980, 94 Stat. 974, known as the Ocean Thermal Energy Conversion Act of 1980, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 9101 of this title and Tables.

§ 9168. Report to Congress on promotion and enhancement of export potential of ocean thermal energy conversion components, facilities, and plantships

Within 18 months after November 8, 1984, the Administrator shall submit to the President of the Senate and the Speaker of the House of Representatives a report detailing what steps the United States Government is taking and plans to take to promote and enhance the export potential of ocean thermal energy conversion components, facilities, and plantships manufactured by United States industry. Such report shall include—

(1) the relevant views of the National Oceanic and Atmospheric Administration, International Trade Administration, Maritime Administration, Department of Energy, Small Business Administration, United States International Development Cooperative Agency, the Office of the Special Trade Representative, and other relevant United States Government agencies;

(2) the findings of studies conducted by the Administrator to fulfill the intent of this section;

(3) a summary of activities, including consultations held with representatives of both the ocean thermal energy conversion and financial industries conducted by the Administrator to fulfill the intent of this section; and

(4) such recommendations as the Administrator deems appropriate for amending this chapter or other relevant Acts to better promote and enhance the export potential of ocean thermal energy conversion components, facilities and plantships manufactured by United States industry.

(Pub. L. 96–320, title IV, § 408, as added Pub. L. 98–623, title VI, § 602(d), Nov. 8, 1984, 98 Stat. 3411.)

REFERENCES IN TEXT

This chapter, referred to in par. (4), was in the original "the Ocean Thermal Energy Conversion Act of 1980 (Public Law 96–320)"; meaning Pub. L. 96–320, Aug. 3, 1980, 94 Stat. 974, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 9101 of this title and Tables.

CHAPTER 100—WIND ENERGY SYSTEMS

Sec.
9201. Congressional findings and declaration of purpose.
9202. Definitions.
9203. Comprehensive program management plan.
9204. Research, development, and demonstration.
9205. Technology application programs.
9206. Wind resource assessment.
9207. Criteria for program selection.
9208. Administrative provisions.
9209. Utilization of capabilities and facilities.
9210. Analysis of applications of wind energy systems.
9211. Encouragement and protection of small business.
9212. General provisions.
9213. Authorization of appropriations.

§ 9201. Congressional findings and declaration of purpose

(a) The Congress finds that—

(1) the United States is faced with a finite and diminishing resource base of native fossil fuels and, as a consequence, must develop as quickly as possible a diversified, pluralistic national energy capability and posture;

(2) the current imbalance between supply and demand for fuels and energy in the United States is likely to grow for many years;

(3) it is in the Nation's interest to provide opportunities for the increased production of electricity from renewable energy sources;

(4) the early wide-spread utilization of wind energy for the generation of electricity and for
make wind energy systems available to the general public as an option in order to reduce national consumption of fossil fuel.


SHORT TITLE

§ 9202. Definitions

For purposes of this chapter—
(1) the term "wind energy system" means a system of components which converts the kinetic energy of the wind into electricity or mechanical power, and which comprises all necessary components, including energy storage, power conditioning, control systems, and transmission systems, where appropriate, to provide electricity or mechanical power for individual, residential, agricultural, commercial, industrial, utility, or governmental use;
(2) the term "small wind energy system" means a wind energy system having a maximum rated capacity of one hundred kilowatts or less;
(3) the term "large wind energy system" means a wind energy system which is not a small wind energy system;
(4) the term "public and private entity" means any individual, corporation, partnership, firm, association, agricultural cooperative, public- or investor-owned utility, public or private institution or group, any State or local government agency, or any other domestic entity;
(5) the term "known wind resource" means a site with an estimated average annual wind velocity of at least twelve miles per hour;
(6) the term "conventional energy source" means energy produced from oil, gas, coal, and nuclear fuels; and
(7) the term "Secretary" means the Secretary of Energy.


§ 9203. Comprehensive program management plan

(a) Program activities and periods; consultations with heads of Federal agencies and non-Federal organizations

The Secretary shall prepare a comprehensive program management plan for the research, development, demonstration, and technology application activities to carry out the purposes of this chapter. The program activities shall be conducted in accordance with such comprehensive plan which shall include—
(1) a five-year program for small wind energy systems,
(2) an eight-year program for large wind energy systems, and
(3) a three-year program for wind resource assessment

which shall be consistent with the provisions of sections 9204, 9205, and 9206 of this title. In the preparation of such plan, the Secretary shall

1 So in original. Probably should be followed by a comma.
§ 9204. Research, development, and demonstration

(a) Areas of knowledge limiting system utilization

The Secretary shall initiate research and development to accelerate existing research and development in areas in which the lack of knowledge limits the widespread utilization of wind energy systems in order to achieve the purposes of this chapter.

(b) Development of system prototypes and improvements

(1) The Secretary shall continue an aggressive program for the development of prototypes of advanced wind energy systems.

(2) As often as he deems appropriate, the Secretary shall solicit and evaluate proposals for the research and development of any new or improved technologies, which, in the Secretary’s opinion, will contribute to the development of improvements in current wind energy systems.

(c) Acquisition of economic, scientific, and technological information of system operations under various circumstances and conditions

The Secretary is authorized to enter into contracts, grants, and cooperative agreements with public and private entities for the purchase, fabrication, installation, and testing to obtain scientific, technological, and economic information from the demonstration of a variety of prototypes of advanced wind energy systems under a variety of circumstances and conditions.

(d) Other provisions inapplicable

In carrying out the responsibilities under this section, the Secretary is not subject to the requirements of section 553 of title 5 or section 7191 of this title.

§ 9205. Technology application programs

(a) Unit, operating, and maintenance costs

The Secretary shall establish a technology application program for wind energy systems to achieve the purposes of this chapter by reduction in unit costs of wind energy systems through mass production and by determination of operating and maintenance costs through broad operational systems experience.

(b) Proposals for Federal assistance

In achieving the objectives of this section, the Secretary shall solicit and evaluate proposals for Federal assistance pursuant to paragraphs (1), (2), and (3) of subsection (c) for investigating, purchasing, and installing such wind energy systems from public or private entities wishing to utilize wind energy systems.
(c) **Forms of Federal assistance**

In achieving the objectives of this section, the Secretary is authorized to use various forms of Federal assistance including, but not limited to—

1. contracts and cooperative agreements;
2. grants;
3. loans; and
4. direct Federal procurement.

(d) **Quantity production and utilization**

In carrying out his duties under this chapter, the Secretary is authorized to enter into such contracts and cooperative agreements with any public or private entity as may be necessary or appropriate for the production and utilization of large and small wind energy systems in quantities sufficient to achieve the objectives of this section.

(e) **Procedure for direct grants for large systems; limitation of amount**

In carrying out his duties under this chapter, the Secretary shall, within six months of September 8, 1980, establish procedures to allow any public or private entity wishing to install a large wind energy system to apply for and, upon meeting such terms and conditions as the Secretary may prescribe, to receive a direct grant for a portion of the total purchase and installation cost of such wind energy system: Provided, That grants for the portion of such cost in the case of large wind energy systems shall not exceed (A) 50 per centum of such cost during the first six years of the program under this subsection, and (B) 25 per centum of such cost during the seventh or eighth year of the program.

(f) **Procedure for loans for small or large systems; limitation of amount; term; interest; prepayment; other terms and conditions**

1. In carrying out his duties under this chapter, the Secretary shall, within six months of September 8, 1980, establish procedures to allow public or private entities wishing to install a small or large wind energy system to apply for and, upon meeting such terms and conditions as the Secretary may prescribe, to receive loans for up to 75 per centum of the total purchase and installation costs of wind energy systems providing in the aggregate up to three hundred and twenty megawatts peak generating capacity involving at a minimum four projects: Provided, That no such loan in any fiscal year shall be for more than 50 per centum of the amount appropriated under this chapter for such fiscal year.
2. Each loan shall be for a term which the Secretary deems appropriate, but no loan shall exceed twenty years beyond the date the wind energy system becomes operational.
3. Each loan made pursuant to this section shall bear interest at the discount or interest rate used at the time the loan is made for water resource planning projects under section 1962d–17 of this title. Such loan can be prepaid at any time without prepayment penalty and shall be contingent upon such other terms and conditions prescribed by the Secretary.

(g) **Funds for Federal agency systems; projects and activities for technology applications of systems**

1. In carrying out his duties under this chapter, the Secretary is authorized to provide funds for the accelerated procurement and installation of small and large wind energy systems by Federal agencies.
2. The Secretary is authorized to enter into arrangements with appropriate Federal agencies, including the Water and Power Resources Services and the Federal power marketing agencies for large wind energy systems, to carry out such projects and activities as may be appropriate for the broad technology applications of small and large wind energy systems which are suitable and effective for use by such Federal agencies.

(h) **Observation, monitoring, and reporting requirements; public inspection**

The terms and conditions prescribed by the Secretary under this subsection shall require such observation, monitoring, and reporting requirements as the Secretary deems necessary for a period of five years and shall provide for members of the public to view and inspect the system under reasonable conditions.

(i) **Termination of new Federal assistance and Federal assistance programs**

New Federal assistance for technology applications systems shall terminate upon the appropriate determination by the Secretary, in the annual update of the comprehensive program management plan pursuant to section 9203 of this title. Termination of the small wind energy systems program shall occur when the Secretary finds that such systems have become economically competitive with conventional energy sources, or on September 30, 1985, whichever occurs first. Termination of the large wind energy systems program shall occur when the Secretary finds that such systems have become economically competitive with conventional energy sources, or on September 30, 1988, whichever occurs first.


**REFERENCES IN TEXT**


**CHANGE OF NAME**


§ 9206. **Wind resource assessment**

The Secretary shall initiate a three-year national wind resource assessment program. As part of such program, the Secretary shall—

1. conduct activities to validate existing assessments of known wind resources;
2. perform wind resource assessments in regions of the United States where the use of wind energy may prove feasible;
3. initiate a general site prospecting program;
4. establish standard wind data collection and siting techniques; and
(5) establish, in consultation with the Administrator of the National Oceanic and Atmospheric Administration, the Administrator of the National Aeronautics and Space Administration, and the Administrator of the Environmental Protection Agency, a national wind data center which shall make public information available on the known wind energy resources of various regions throughout the United States.


§ 9207. Criteria for program selection

The Secretary shall set priorities which are, as far as possible, consistent with the intent and purposes of this chapter and which are set in accordance with the following criteria:

(1) the construction, operation, and maintenance costs of wind energy systems shall be minimized;

(2) programs established under this chapter shall be conducted with the express intent of bringing wind energy system costs down to a level competitive with energy costs from conventional energy systems;

(3) priority shall be given in the conduct of programs established under this chapter to those projects in which cost-sharing funds are provided by private, industrial, agricultural, or governmental entities or utilities; and

(4) to the extent that the Secretary is limited by the availability of funds to carry out the objectives of this chapter, priority, but not exclusive emphasis, should be given in the early years of the programs to activities under sections 9204 and 9206 of this title and in the later years of the programs to activities under section 9205 of this title.


§ 9208. Administrative provisions

(a) Monitoring of performance; collection and evaluation of data

The Secretary, in coordination with such Government agencies as may be appropriate, shall—

(1) monitor the performance and operation of wind energy systems installed under this chapter; and

(2) collect and evaluate data and information on the performance and operation of wind energy systems installed under this chapter.

(b) Liaison

The Secretary shall also maintain continuing liaison with related industries and interests and with the scientific and technical community in order to assure that the benefits of programs under this chapter are and will continue to be realized to the maximum extent feasible.

(c) Availability of information

The Secretary shall assure, subject to section 552 of title 5 and section 1905 of title 18, that full and complete information with respect to any program, project, or other activity conducted under this chapter is made available to Federal, State, and local authorities, relevant segments of the economy, the scientific community, and the public so that the early, widespread, and practical use of wind energy throughout the United States is promoted to the maximum extent feasible.


Amendments

1995—Subsec. (a)(3). Pub. L. 104–66 struck out par. (3) which read as follows: "from time to time carry out such studies and investigations and take such other actions, including the submission of special reports to the Congress when appropriate, as may be necessary to assure that the programs for which the Secretary is responsible under this chapter effectively carry out the purposes of this chapter."

§ 9209. Utilization of capabilities and facilities

The Secretary shall utilize the technological and management capabilities, equipment, and facilities of the National Aeronautics and Space Administration to the maximum extent practicable in carrying out his duties under this chapter, and shall enter into such additional agreements with the Administrator of such Administration as may be necessary for this purpose.


§ 9210. Analysis of applications of wind energy systems

The Secretary shall—

(1) initiate and conduct a federal applications study for wind energy systems, cooperatively with appropriate Federal agencies to determine the potential for the use of wind systems at specific Federal facilities; and this study shall—

(A) include an analysis which determines those sites at which wind energy systems are economically competitive with the marginal costs of new conventional energy sources in the areas;

(B) identify potential sites and uses of wind energy systems at the following agencies as well as any others which the Secretary deems necessary:

(i) the Department of Defense;

(ii) the Department of Transportation (including the United States Coast Guard, the Federal Aviation Administration, and the Federal Highway Administration);

(iii) the Department of Commerce;

(iv) the Department of Agriculture; and

(v) the Department of the Interior;

(C) provide a preliminary report to the Congress within nine months after September 8, 1980; and

(D) include the presentation of a detailed plan for the use of wind energy systems for power generation at specific sites in Federal Government agencies to the Congress within twelve months after September 8, 1980;

(2) study the effects, at varying levels of market penetration, of the widespread utilization of wind energy systems on the existing electrical utility system;

(3) determine the necessity for, and make recommendations to the Committee on Energy and Natural Resources of the Senate and the
Committee on Science and Technology of the House of Representatives within eighteen months after September 8, 1980, on the need for any additional incentives for either users or manufacturers, in each of the potential markets for wind energy systems, to accelerate the widespread utilization of wind energy technologies;

(4) evaluate the actual performance of wind energy systems in various applications, including but not limited to, residential, agricultural, large and small scale irrigation pumping, industrial, commercial, remote nonutility, and other applications, and report thereon to the Congress within two years after September 8, 1980; and

(5) in carrying out his functions under this section, consult with the appropriate government agencies, industry representatives, and members of the scientific and technical community having expertise and interest in this subject.

The Secretary, as appropriate, may merge any continuing or on-going studies within the Department of Energy or any other Federal agency with those required under this section to avoid any unnecessary duplication of effort or funding.


AMENDMENTS

1986—Pars. (5), (6). Pub. L. 99-386 redesignated par. (6) as (5) and struck out former par. (5) which read as follows: “initiate and conduct a study involving the prospects for applications of wind energy systems for power generation in foreign countries, particularly less developed countries and the potential for the exploration of these energy systems. This study shall involve the cooperation of the Department of State and the Department of Commerce, as well as other Federal agencies which the Secretary deems appropriate. A final report shall be submitted to the Congress, as well as a preliminary report within twelve months of September 8, 1980; and”.

CHANGE OF NAME

Committee on Science and Technology of House of Representatives changed to Committee on Science, Space, and Technology of House of Representatives by House Resolution No. 5, One Hundred Twelfth Congress, Jan. 5, 2011.

TRANSFER OF FUNCTIONS

For transfer of authorities, functions, personnel, and assets of the Coast Guard, including the authorities and functions of the Secretary of Transportation relating thereto, to the Department of Homeland Security, and for treatment of related references, see sections 468(b), 551(d), 552(d), and 557 of Title 6, Domestic Security, and the Department of Homeland Security Reorganization Plan of November 25, 2002, as modified, set out as a note under section 542 of Title 46.

§9211. Encouragement and protection of small business

(a) Opportunities for participation in programs

In carrying out his functions under this chapter, the Secretary shall take steps to assure that small business concerns will have realistic and adequate opportunities to participate in the programs under this chapter to the maximum extent practicable.

(b) Protection of trade secrets and other proprietary information

The Secretary shall, to the maximum extent practicable, use all authority provided by law to protect trade secrets and other proprietary information submitted by small businesses under this chapter and to avoid the unnecessary disclosure of such information.

(c) Manufacture or sale of wind energy systems in compliance with antitrust laws; restriction against creation of noncompetitive market situations

The Secretary shall take such steps as may be necessary to assure compliance with the antitrust laws in the conduct of activities related to the manufacture or sale of wind energy systems directly or indirectly assisted under this chapter and shall implement this chapter in a manner which will protect against the creation of noncompetitive market situations in the conduct of such activities.


§9212. General provisions

(a) Additional projects or activities

Nothing in this chapter shall be construed as preventing the Secretary from undertaking projects or activities in addition to those specified in this chapter if such projects or activities appropriately further the purposes set forth in this subsection.

(b) Application to States, territories and possessions

This chapter applies to each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands and the territories and possessions of the United States, including the Trust Territory of the Pacific Islands.


Termination of Trust Territory of the Pacific Islands

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

§9213. Authorization of appropriations

(a) There is authorized to be appropriated to the Secretary to carry out this chapter (1) for the fiscal year ending September 30, 1981, the sum of $100,000,000 (of which $10,000,000 shall be available exclusively for purposes of section 9206 of this title), and (2) for each fiscal year beginning after that date, such sum as may be authorized by legislation hereafter enacted.

(b) In each of the five years of the small wind energy systems program, at least 25 per centum of the total authorization for appropriations under subsection (a) shall be for small wind energy systems activities, including supporting activities.

CHAPTER 101—MAGNETIC FUSION ENERGY ENGINEERING

§ 9301. Congressional findings and declaration of policy

(a) The Congress hereby finds that—

(1) the United States must formulate an energy policy designed to meet an impending worldwide shortage of many exhaustible, conventional energy resources in the next few decades;

(2) the energy policy of the United States must be designed to ensure that energy technologies using essentially inexhaustible resources are commercially available at a time prior to serious depletion of conventional resources;

(3) fusion energy is one of the few known energy sources which are essentially inexhaustible, and thus constitutes a long-term energy option;

(4) major progress in all aspects of magnetic fusion energy technology during the past decade instills confidence that power production from fusion energy systems is achievable;

(5) the United States must aggressively pursue research and development programs in magnetic fusion designed to foster advanced concepts and advanced technology and to develop efficient, reliable components and subsystems;

(6) to ensure the timely commercialization of magnetic fusion energy systems, the United States must demonstrate at an early date the engineering feasibility of magnetic fusion energy systems;

(7) progress in magnetic fusion energy systems is currently limited by the funds made available rather than technical barriers;

(8) it is a proper role for the Federal Government to accelerate research, development, and demonstration programs in magnetic fusion energy technologies; and

(9) acceleration of the current magnetic fusion program will require a doubling within seven years of the present funding level without consideration of inflation and a 25 per centum increase in funding each of fiscal years 1982 and 1983.

(b) It is therefore declared to be the policy of the United States and the purpose of this chapter to accelerate the national effort in research, development, and demonstration activities related to magnetic fusion energy systems. Further, it is declared to be the policy of the United States and the purpose of this chapter that the objectives of such program shall be—

(1) to promote an orderly transition from the current research and development program through commercial development;

(2) to establish a national goal of demonstrating the engineering feasibility of magnetic fusion by the early 1990’s;

(3) to achieve at the earliest practicable time, but not later than the year 1990, operation of a magnetic fusion engineering device based on the best available confinement concept;

(4) to establish as a national goal the operation of a magnetic fusion demonstration plant at the turn of the twenty-first century;

(5) to foster cooperation in magnetic fusion research and development among government, universities, industry, and national laboratories;

(6) to promote the broad participation of domestic industry in the national magnetic fusion program;

(7) to continue international cooperation in magnetic fusion research for the benefit of all nations;

(8) to promote greater public understanding of magnetic fusion; and

(9) to maintain the United States as the world leader in magnetic fusion.


SHORT TITLE

§ 9304. Comprehensive program management plan; submittal to Congressional committees

(a) The Secretary shall prepare a comprehensive program management plan for the conduct of the research, development, and demonstration activities under this chapter. Such plan shall include at a minimum—

(1) a presentation of the program strategy which will be used to achieve the purposes of this chapter;

(2) a five-year program implementation schedule, including identification of detailed milestone goals, with associated budget and program resources requirements;

(3) risk assessments;

(4) supporting research and development needed to solve problems which may inhibit or limit development of magnetic fusion energy systems; and

(5) an analysis of institutional, environmental, and economic considerations which are limiting the national magnetic fusion program.

(b) The Secretary shall transmit the comprehensive program management plan to the Committee on Science and Technology of the House of Representatives and the Committee on Energy and Natural Resources of the Senate not later than January 1, 1982.


§ 9305. Magnetic fusion engineering center

(a) Development plan

The Secretary shall develop a plan for the creation of a national magnetic fusion engineering center for the purpose of accelerating fusion technology development via the concentration and coordination of major magnetic fusion engineering devices and associated activities at such a national center.

(b) Factors considered in formulation of development plan

In developing the plan, the Secretary shall include relevant factors including, but not limited to—

(1) means of saving cost and time through the establishment of the national center relative to the cost and schedule currently projected for the program;

(2) means of providing common facilities to be shared by many magnetic fusion concepts;

(3) assessment of the environmental and safety-related aspects of the national center;

(4) provisions for international cooperation in magnetic fusion activities at the national center;

(5) provision of access to facilities for the broader technical involvement of domestic industry and universities in the magnetic fusion energy program;

(6) siting criteria for the national center including a list of potential sites;
(7) the advisability of establishing such a center considering all factors, including the alternative means and associated costs of pursuing such technology; and

(8) changes in the management structure of the magnetic fusion program to allow more effective direction of activities related to the national center.

(c) Report to Congressional committees

The Secretary shall submit not later than July 1, 1981, a report to the House Committee on Science, Technology and Space, and the Senate Committee on Energy and Natural Resources characterizing the plan and setting forth the steps necessary for implementation of the plan, including any steps already implemented.


Section, Pub. L. 96–386, § 7, Oct. 7, 1980, 94 Stat. 1542, related to establishment, membership, duties, etc., of technical panel on magnetic fusion and required panel to submit to Energy Research Advisory Board on at least a triennial basis a written report of its findings and recommendations with regard to magnetic fusion program.

§ 9307. Program advisory committees

The Secretary may direct the director of each laboratory or installation at which a major magnetic fusion facility is operated for, or funded primarily by, the Federal Government to establish, for the sole purpose of providing advice to such director, a program advisory committee composed of persons with expertise in magnetic fusion from such domestic industry, universities, and government laboratories, and other scientific and technical organizations as such director deems appropriate.


§ 9308. International cooperation; examination of impact on national magnetic fusion program; exploration of prospects for joint funding in construction of fusion engineering device; report to Congressional committees on results of examination and exploration

(a) The Secretary in consultation with the Secretary of State shall actively seek to enter into or to strengthen existing international cooperative agreements in magnetic fusion research and development activities of mutual benefit to all parties.

(2) The Secretary shall seek to achieve equitable exchange of information, data, scientific personnel, and other considerations in the conduct of cooperative efforts with technologically advanced nations.

(b)(1) The Secretary shall examine the potential impacts on the national magnetic fusion program of United States participation in an international effort to construct fusion engineering devices.

(2) The Secretary shall explore, to the extent feasible, the prospects for joint financial participation by other nations with the United States in the construction of a fusion engineering device.

(3) Within two years of October 7, 1980, the Secretary shall transmit to the House Committee on Science, Technology and Space, and the Senate Committee on Energy and Natural Resources the results of such examinations and explorations with his recommendations for construction of a national or international fusion engineering device: Provided, however, That such examinations and explorations shall not have the effect of delaying design activities related to a national fusion engineering device.


§ 9309. Technical manpower requirements; report to President and Congress

(a) The Secretary shall assess the adequacy of the projected United States supply of manpower in the engineering and scientific disciplines required to achieve the purposes of this chapter taking cognizance of the other demands likely to be placed on such manpower supply.

(b) The Secretary shall within one year of October 7, 1980, submit a report to the President and to the Congress setting forth his assessment along with his recommendations regarding the need for increased support for education in such engineering and scientific disciplines.


§ 9310. Dissemination of information

(a) The Secretary shall take all necessary steps to assure that technical information relevant to the status and progress of the national magnetic fusion program is made readily available to interested persons in domestic industry and universities in the United States: Provided, however, That upon a showing to the Secretary by any person that any information or portion thereof provided to the Secretary directly or indirectly from such person would, if made public, divulge (1) trade secrets or (2) other proprietary information of such person, the Secretary shall not disclose such information and disclosure thereof shall be punishable under section 1905 of title 18.
(b) The Secretary shall maintain an aggressive program in the United States for the provision of public information and educational materials to promote widespread knowledge of magnetic fusion among educational, community, business, environmental, labor, and governmental entities and the public at large.


Subchapter, Pub. L. 96–386, § 12, Oct. 7, 1980, 94 Stat. 1544, directed Secretary of Energy to submit annual report of activities pursuant to this chapter as a separate part of the annual report submitted pursuant to section 7270 of this title.

§ 9312. Authorization of appropriations; contract authority

(a) There is hereby authorized to be appropriated to the Secretary, for the fiscal year ending September 30, 1981, such sums as are provided in the annual authorization Act pursuant to section 7270 of this title.

(b) In carrying out the provisions of this chapter, the Secretary is authorized to enter into contracts only to such extent or in such amounts as may be provided in advance in appropriations Acts.


CHAPTER 102—MENTAL HEALTH SYSTEMS

Sec. 9401. Congressional statement of findings.

SUBCHAPTER I—GENERAL PROVISIONS

9411. Repealed.

9412. Definitions.

9421 to 9423. Repealed.

SUBCHAPTER II—GRANT PROGRAMS

9431 to 9438. Repealed.

SUBCHAPTER III—GENERAL PROVISIONS RESPECTING GRANT PROGRAMS

PART A—STATUTORY MENTAL HEALTH SERVICE PROGRAMS

9451, 9452. Repealed.

PART B—APPLICATIONS AND RELATED PROVISIONS

9461 to 9465. Repealed.

PART C—PERFORMANCE

9471 to 9473. Repealed.

PART D—ENFORCEMENT

9481. Repealed.

PART E—MISCELLANEOUS

9491 to 9493. Repealed.

SUBCHAPTER IV—MENTAL HEALTH RIGHTS AND ADVOCACY

9501. Bill of Rights.

9502. Repealed.

SUBCHAPTER V—SEX OFFENSE PREVENTION AND CONTROL

9511. Grants for sex offense prevention and control.

9512. Repealed.

SUBCHAPTER VI—MISCELLANEOUS

9521. Repealed.

§ 9401. Congressional statement of findings

The Congress finds—

(1) despite the significant progress that has been made in making community mental health services available and in improving residential mental health facilities since the original community mental health centers legislation was enacted in 1963, unserved and underserved populations remain and there are certain groups in the population, such as chronically mentally ill individuals, children and youth, elderly individuals, racial and ethnic minorities, women, poor persons, and persons in rural areas, which often lack access to adequate private and public mental health services and support services;

(2) the process of transferring or diverting chronically mentally ill individuals from unwarranted or inappropriate institutionalized settings to their home communities has frequently not been accompanied by a process of providing those individuals with the mental health and support services they need in community-based settings;

(3) the shift in emphasis from institutional care to community-based care has not always been accompanied by a process of affording training, retraining, and job placement for employees affected by institutional closure and conversion;

(4) the delivery of mental health and support services is typically uncoordinated within and among local, State, and Federal entities;

(5) mentally ill persons are often inadequately served by (A) programs of the Department of Health and Human Services such as medicare, medicaid, supplemental security income, and social services, and (B) programs of the Department of Housing and Urban Development, the Department of Labor, and other Federal agencies;

(6) health care systems often lack general health care personnel with adequate mental health care training and often lack mental health care personnel and consequently many individuals with some level of mental disorder do not receive appropriate mental health care;

(7) present knowledge of methods to prevent mental illness through discovery and elimination of its causes and through early detection and treatment is too limited;

(8) a comprehensive and coordinated array of appropriate private and public mental health and support services for all people in need within specific geographic areas, based upon a cooperative local-State-Federal partnership, remains the most effective and humane way to provide a majority of mentally ill individuals with mental health care and needed support; and

(9) because of the rising demand for mental health services and the wide disparity in the distribution of psychiatrists, clinical psychologists, social workers, and psychiatric nurses, there is a shortage in the medical specialty of psychiatry and there are also short-
§ 9411

TITLE 42—THE PUBLIC HEALTH AND WELFARE


Repeal effective Oct. 1, 1981, see section 902(h) of Pub. L. 97–35, set out as an Effective Date of 1981 Amendment note under section 238(h) of this title.

SUBCHAPTER I—GENERAL PROVISIONS

CODIFICATION


SUBCHAPTER I—GENERAL PROVISIONS

DEFINITIONS

For purposes of this chapter:

(1) The term “Secretary” means the Secretary of Health and Human Services.

(2) The term “State” includes (in addition to the fifty States) the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Trust Territory of the Pacific Islands, and the Northern Mariana Islands.

(3) The term “nonprofit”, as applied to any entity, means an entity which is owned and operated by one or more corporations or associations no part of the net earnings of which inures, or may lawfully inure, to the benefit of any private shareholder or person.

REFERENCES IN TEXT

This chapter, referred to in text, was in the original “this Act,” meaning Pub. L. 96–398, Oct. 7, 1980, 94 Stat. 1564, as amended, known as the Mental Health Systems Act, which enacted this chapter, amended sections 210, 225a, 229h, 242a, 246, 289k–1, 300–2, 300m–2, 1396b, 2689a to 2689c, 2688e, 2689g, and 2689h of this title, repealing section 2689q of this title, and enacting provisions set out as notes under section 242a, 246, 289k–1, and 2689h of this title.

AMENDMENTS

1981—Pub. L. 97–35 redesignated former par. (5) as (3). Former pars. (3), (4), (6), and (7), which defined “State mental health authority”, “mental health service area”, “priority population group”, and “Governor”, respectively, were struck out.

Effective Date of 1981 Amendment


Termination of Trust Territory of the Pacific Islands

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


Effective Date of Repeal

Repeal effective Oct. 1, 1981, see section 902(h) of Pub. L. 97–35, set out as an Effective Date of 1981 Amendment note under section 238(h) of this title.

SUBCHAPTER II—GRANT PROGRAMS


Effective Date of Repeal

Repeal effective Oct. 1, 1981, see section 902(h) of Pub. L. 97–35, set out as an Effective Date of 1981 Amendment note under section 238(h) of this title.

SUBCHAPTER III—GENERAL PROVISIONS

RESPECTING GRANT PROGRAMS

PART A—STATE MENTAL HEALTH SERVICE PROGRAMS


**Effective Date of Repeal**


**Part B—Applications and Related Provisions**


**Effective Date of Repeal**


**Part C—Performance**


**Effective Date of Repeal**


**Part D—Enforcement**


**Effective Date of Repeal**


**Part E—Miscellaneous**


**Effective Date of Repeal**


**Subchapter IV—Mental Health Rights and Advocacy**

§ 9501. Bill of Rights

It is the sense of the Congress that each State should review and revise, if necessary, its laws to ensure that mental health patients receive the protection and services they require; and in making such review and revision should take into account the recommendations of the President’s Commission on Mental Health and the following:

1. A person admitted to a program or facility for the purpose of receiving mental health services should be accorded the following:

   A. The right to appropriate treatment and related services in a setting and under conditions that—

      (i) are the most supportive of such person’s personal liberty; and

      (ii) restrict such liberty only to the extent necessary consistent with such person’s treatment needs, applicable requirements of law, and applicable judicial orders.

   B. The right to an individualized, written, treatment or service plan (such plan to be developed promptly after admission of such person), the right to treatment based on such plan, the right to periodic review and reassessment of treatment and related service needs, and the right to appropriate revision of such plan, including any revision necessary to provide a description of mental health services that may be needed after such person is discharged from such program or facility.

   C. The right to ongoing participation, in a manner appropriate to each person’s capabilities, in the planning of mental health services to be provided such person (including the right to participate in the development and periodic revision of the plan described in subparagraph (B)), and, in connection with such participation, the right to be provided with a reasonable explanation, in terms and language appropriate to such person’s condition and ability to understand, of—

      (i) such person’s general mental condition and, if such program or facility has provided a physical examination, such person’s general physical condition;

      (ii) the objectives of treatment;

      (iii) the nature and significant possible adverse effects of recommended treatments;

      (iv) the reasons why a particular treatment is considered appropriate;

      (v) the reasons why access to certain visitors may not be appropriate; and

      (vi) any appropriate and available alternative treatments, services, and types of providers of mental health services.

   D. The right not to receive a mode or course of treatment, established pursuant to...
the treatment plan, in the absence of such person’s informed, voluntary, written consent to such mode or course of treatment, except treatment—

(i) during an emergency situation if such treatment is pursuant to or documented contemporaneously by the written order of a responsible mental health professional; or

(ii) as permitted under applicable law in the case of a person committed by a court to a treatment program or facility.

(E) The right not to participate in experimentation in the absence of such person’s informed, voluntary, written consent, the right to appropriate protections in connection with such participation, including the right to a reasonable explanation of the procedure to be followed, the benefits to be expected, the relative advantages of alternative treatments, and the potential discomforts and risks, and the right and opportunity to revoke such consent.

(F) The right to freedom from restraint or seclusion, other than as a mode or course of treatment or restraint or seclusion during an emergency situation if such restraint or seclusion is pursuant to or documented contemporaneously by the written order of a responsible mental health professional.

(G) The right to a humane treatment environment that affords reasonable protection from harm and appropriate privacy to such person with regard to personal needs.

(H) The right to confidentiality of such person’s records.

(I) The right to access, upon request, to such person’s mental health care records, except such person may be refused access to—

(i) information in such records provided by a third party under assurance that such information shall remain confidential; and

(ii) specific material in such records if the health professional responsible for the mental health services concerned has made a determination in writing that such access would be detrimental to such person’s health, except that such material may be made available to a similarly licensed health professional selected by such person’s health professional, in the exercise of professional judgment, provide such person with access to any or all parts of such material or otherwise disclose the information contained in such material to such person.

(J) The right, in the case of a person admitted on a residential or inpatient care basis, to converse with others privately, to have convenient and reasonable access to the telephone and mails, and to see visitors during regularly scheduled hours, except that, if a mental health professional treating such person determines that denial of access to a particular visitor is necessary for treatment purposes, such mental health professional may, for a specific, limited, and reasonable period of time, deny such access if such mental health professional has ordered such denial in writing and such order has been incorporated in the treatment plan for such person. An order denying such access should include the reasons for such denial.

(K) The right to be informed promptly at the time of admission and periodically thereafter, in language and terms appropriate to such person’s condition and ability to understand, of the rights described in this section.

(L) The right to assert grievances with respect to infringement of the rights described in this section, including the right to have such grievances considered in a fair, timely, and impartial grievance procedure provided for or by the program or facility.

(M) Notwithstanding subparagraph (J), the right of access to (including the opportunities and facilities for private communication with) any available—

(i) rights protection service within the program or facility;

(ii) rights protection service within the State mental health system designed to be available to such person; and

(iii) qualified advocate;

for the purpose of receiving assistance to understand, exercise, and protect the rights described in this section and in other provisions of law.

(N) The right to exercise the rights described in this section without reprisal, including reprisal in the form of denial of any appropriate, available treatment.

(O) The right to referral as appropriate to other providers of mental health services upon discharge.

(2)(A) The rights described in this section should be in addition to and not in derogation of any other statutory or constitutional rights.

(B) The rights to confidentiality of and access to records as provided in subparagraphs (H) and (I) of paragraph (1) should remain applicable to records pertaining to a person after such person’s discharge from a program or facility.

(3)(A) No otherwise eligible person should be denied admission to a program or facility for mental health services as a reprisal for the exercise of the rights described in this section.

(B) Nothing in this section should—

(i) obligate an individual mental health or health professional to administer treatment contrary to such professional’s clinical judgment;

(ii) prevent any program or facility from discharging any person for whom the provision of appropriate treatment, consistent with the clinical judgment of the mental health professional primarily responsible for such person’s treatment, is or has become impossible as a result of such person’s refusal to consent to such treatment;

(iii) require a program or facility to admit any person who, while admitted on prior occasions to such program or facility, has repeatedly frustrated the purposes of such admissions by withholding consent to proposed treatment; or
(iv) obligate a program or facility to provide treatment services to any person who is admitted to such program or facility solely for diagnostic or evaluative purposes.

(C) In order to assist a person admitted to a program or facility in the exercise or protection of such person’s rights, such person’s attorney or legal representatives should have reasonable access to—

(i) such person;

(ii) the areas of the program or facility where such person has received treatment, resided, or had access; and

(iii) pursuant to the written authorization of such person, the records and information pertaining to such person’s diagnosis, treatment, and related services described in paragraph (1)(D).

(D) Each program and facility should post a notice listing and describing, in language and terms appropriate to the ability of the persons to whom such notice is addressed to understand, the rights described in this section of all persons admitted to such program or facility. Each such notice should conform to the format and content for such notices, and should be posted in all appropriate locations.

(4)(A) In the case of a person adjudicated by a court of competent jurisdiction as being incompetent to exercise the right to consent to treatment or experimentation described in subparagraph (D) or (E) of paragraph (1), or the right to confidentiality of or access to records described in subparagraph (H) or (I) of such paragraph, or to provide authorization as described in paragraph (3)(C)(iii), such right may be exercised or such authorization may be provided by the individual appointed by such court as such person’s guardian or representative for the purpose of exercising such right or such authorization.

(B) In the case of a person who lacks capacity to exercise the right to consent to treatment or experimentation under subparagraph (D) or (E) of paragraph (1), or the right to confidentiality of or access to records described in subparagraph (H) or (I) of such paragraph, or to provide authorization as described in paragraph (3)(C)(iii), because such person has not attained an age considered sufficiently advanced under State law to permit the exercise of such right or such authorization may be provided on behalf of such person by a parent or legal guardian of such person.

(C) Notwithstanding subparagraphs (A) and (B), in the case of a person admitted to a program or facility for the purpose of receiving mental health services, no individual employed by or receiving any remuneration from such program or facility should act as such person’s guardian or representative.


§ 9511. Grants for sex offense prevention and control

(a) Authority of National Center for the Prevention and Control of Sex Offenses; functions

The Secretary, acting through the National Center for the Prevention and Control of Sex Offenses (hereafter in this section referred to as the “Center”), may, directly or by grant, carry out the following:

(1) A continuing study of sex offenses, including a study and investigation of—

(A) the effectiveness of existing Federal, State, and local laws dealing with sex offenses;

(B) the relationship, if any, between traditional legal and social attitudes toward sexual roles, sex offenses, and the formulation of laws dealing with rape;

(C) the treatment of the victims of sex offenses by law enforcement agencies, hospitals or other medical institutions, prosecutors, and the courts;

(D) the causes of sex offenses, identifying to the degree possible—

(i) social conditions which encourage sexual attacks, and

(ii) the motives of offenders, and

(E) the impact of a sex offense on the victim and family of the victim;

(F) sexual assaults in correctional institutions;

(G) the estimated actual incidence of forcible sex offenses as compared to the reported incidence of forcible sex offenses and the reasons for any difference between the two; and

(H) the effectiveness of existing private and local and State government educational, counseling, and other programs designed to prevent and control sex offenses.

(2) The compilation, analysis, and publication of summaries of the continuing study conducted under paragraph (1) and the research and demonstration projects conducted under paragraph (5). The Secretary shall submit not later than March 30, 1983, to the Congress a summary of such study and projects together with a review of their effectiveness and recommendations where appropriate.

(3) The development and maintenance of an information clearinghouse with regard to—

(A) the prevention and control of sex offenses;

(B) the treatment and counseling of the victims of sex offenses and their families; and

(C) the rehabilitation of offenders.

(4) The compilation and publication of training materials for personnel who are engaged or intend to engage in programs designed to prevent and control sex offenses.
(5) Assistance to qualified public and nonprofit private entities in conducting research and demonstration projects concerning the prevention and control of sex offense, including projects (A) for the planning, development, implementation, and evaluation of alternative methods used in the prevention and control of sex offense, the treatment and counseling of the victims of sex offense and their families, and the rehabilitation of offenders; (B) for the application of such alternative methods; and (C) for the promotion of community awareness of the specific locations in which, and the specific social and other conditions under which sexual attacks are most likely to occur.

(b) Advisory committee; functions, membership, etc.

The Secretary shall appoint an advisory committee to advise, consult with, and make recommendations to the Secretary on the implementation of subsection (a). The recommendations of the committee shall be submitted directly to the Secretary without review or revision by any person without the consent of the committee. The Secretary shall appoint to such committee persons who are particularly qualified to assist in carrying out the functions of the committee. A majority of the members of the committee shall be women. Members of the advisory committee shall receive compensation at rates, not to exceed the daily equivalent of the annual rate for grade GS–18 of the General Schedule, for each day (including travel time) they are in effect for grade GS–18 of the General Schedule, to which they are otherwise entitled, for services employed intermittently.

(c) Submission and approval of application; form, manner and contents

No grant may be made under subsection (a) unless an application therefor is submitted to and approved by the Secretary. The application shall be submitted in such form and manner and contain such information as the Secretary may prescribe.

(d) Authorization of appropriations

For the purpose of carrying out subsection (a), there are authorized to be appropriated $6,000,000 for the fiscal year ending September 30, 1981, $1,500,000 for the fiscal year ending September 30, 1982, $1,500,000 for the fiscal year ending September 30, 1983.

(e) "Sex offense" defined

For purposes of subsection (a), the term "sex offense" includes statutory and attempted rape and any other criminal sexual assault (whether homosexual or heterosexual) which involves force or the threat of force.

References in laws to the rates of pay for GS–16, 17, or 18 pay rates

References in laws to the rates of pay for GS–16, 17, or 18, or to maximum rates of pay under the General Schedule, to be considered references to rates payable under specified sections of Title 5, Government Organization and Employee.

Effective Date of Repeal


Subchapter VI—Miscellaneous


§ 9522. Report on shelter and basic living needs of
chronically mentally ill individuals

(a) Submission to Congressional committees by
Secretaries of Health and Human Services
and Housing and Urban Development

The Secretary of Health and Human Services and the Secretary of Housing and Urban Develop-
ment shall jointly submit a report to the
Committees on Labor and Human Resources and
Banking, Housing, and Urban Affairs of the Sen-
ate, and the Committees on Energy and Com-
merce and Banking, Finance, and Urban Affairs of the House of Representatives, relating to Fed-
eral efforts to respond to the shelter and basic
living needs of chronically mentally ill individ-
uals.

(b) Contents

The report required by subsection (a) shall in-
clude—

(1) an analysis of the extent to which chron-
ically mentally ill individuals remain inappropri-
ately housed in institutional facilities or
have otherwise inadequate or inappropriate
housing arrangements;

(2) an analysis of available permanent non-
institutional housing arrangements for the
chronically mentally ill;

(3) an evaluation of ongoing permanent and
demonstration programs, funded in whole or
in part by Federal funds, which are designed to
provide noninstitutional shelter and basic liv-
ing services for the chronically mentally ill,
including—

(A) a description of each program;

(B) the total number of individuals esti-
mated to be eligible to participate in each
program, the number of individuals served
by each program, and an estimate of the
total population each program expects to
serve; and

(C) an assessment of the effectiveness of
each program in the provision of shelter and
basic living services;

(4) recommendations of measures to encour-
ge State to coordinate and link the provi-
sions in State health plans which relate to
mental health and, in particular, the shelter
and basic living needs of chronically mentally ill
individuals, with local and State housing
plans;

(5) recommendations for Federal legislation
relating to the provision of permanent resi-
dential noninstitutional arrangements and basic living services for chronically mentally ill individuals, including an estimate of the cost of such recommendations; and

(6) any other recommendations for Federal initiatives which, in the judgment of the Sec-
retary of Health and Human Services and the
Secretary of Housing and Urban Development, will lead to improved shelter and basic living
services for chronically mentally ill individ-
uals.

(c) Submission date

The report required by subsection (a) shall be
submitted to the committees referred to in sub-
section (a) no later than January 1, 1981.

Stat. 1608; H. Res. 549, Mar. 25, 1980.)

CHANGE OF NAME

Committee on Labor and Human Resources of Senate
changed to Committee on Health, Education, Labor,
and Pensions of Senate by Senate Resolution No. 20,
One Hundred Sixth Congress, Jan. 19, 1999.

Committee on Banking, Finance and Urban Affairs of
House of Representatives treated as referring to Com-
mittee on Banking and Financial Services of House of Rep-
resentatives abolished and replaced by Committee on
Financial Services of House of Representatives, and ju-
risdiction over matters relating to securities and ex-
changes and insurance generally transferred from Com-
mittee on Energy and Commerce of House of Rep-
resentatives by House Resolution No. 5, One Hundred Seventh
§ 9601

SUBCHAPTER II—HAZARDOUS SUBSTANCE RESPONSE REVENUE

PART A—HAZARDOUS SUBSTANCE RESPONSE TRUST FUND

9631 to 9633. Repealed.

PART B—POST-CLOSURE LIABILITY TRUST FUND

9641. Repealed.

SUBCHAPTER III—MISCELLANEOUS PROVISIONS

9651. Reports and studies.
9652. Effective dates; savings provisions.
9653. Repealed.
9654. Applicability of Federal water pollution control funding, etc., provisions.
9655. Legislative veto of rule or regulation.
9656. Transportation of hazardous substances; listing as hazardous material; liability for release.
9657. Separability; contribution.
9658. Actions under State law for damages from exposure to hazardous substances.
9659. Citizens suits.
9660. Research, development, and demonstration.
9660a. Grant program.
9662. Limitation on contract and borrowing authority.

SUBCHAPTER IV—POLLUTION INSURANCE

9671. Definitions.
9672. State laws; scope of subchapter.
9673. Risk retention groups.
9674. Purchasing groups.
9675. Applicability of securities laws.

SUBCHAPTER I—HAZARDOUS SUBSTANCES RELEASES, LIABILITY, COMPENSATION

§ 9601. Definitions

For purpose of this subchapter—

(1) The term “act of God” means an unanticipated grave natural disaster or other natural phenomenon of an exceptional, inevitable, and irresistible character, the effects of which could not have been prevented or avoided by the exercise of due care or foresight.

(2) The term “Administrator” means the Administrator of the United States Environmental Protection Agency.

(3) The term “barrel” means forty-two United States gallons at sixty degrees Fahrenheit.

(4) The term “claimant” means any person who presents a claim for compensation under this chapter.

(5) The term “claimant” means any person who presents a claim for compensation under this chapter.

(6) The term “damages” means damages for injury or loss of natural resources as set forth in section 9607(a) or 9611(b) of this title.

(7) The term “drinking water supply” means any raw or finished water source that is or may be used by a public water system (as defined in the Safe Drinking Water Act [42 U.S.C. 300f et seq.]) or as drinking water by one or more individuals.

(8) The term “environment” means (A) the navigable waters, the waters of the contiguous zone, and the ocean waters of which the natural resources are under the exclusive management authority of the United States under the Magnuson-Stevens Fishery Conservation and Management Act [16 U.S.C. 1801 et seq.], and (B) any other surface water, ground water, drinking water supply, land surface or subsurface strata, or ambient air within the United States or under the jurisdiction of the United States.

(9) The term “facility” means (A) any building, structure, installation, equipment, pipe or pipeline (including any pipe into a sewer or publicly owned treatment works), well, pit, pond, lagoon, impoundment, ditch, landfill, storage container, motor vehicle, rolling stock, or aircraft, or (B) any site or area where a hazardous substance has been deposited, stored, disposed of, or placed, or otherwise come to be located; but does not include any consumer product in consumer use or any vessel.

(10) The term “federally permitted release” means (A) discharges in compliance with a permit under section 402 of the Federal Water Pollution Control Act [33 U.S.C. 1342], (B) discharges resulting from circumstances identified and reviewed and made part of the public record with respect to a permit issued or modified under section 402 of the Federal Water Pollution Control Act and subject to a condition of such permit, (C) continuous or anticipated intermittent discharges from a point source, identified in a permit or permit application under section 402 of the Federal Water Pollution Control Act, which are caused by events occurring within the scope of relevant operating or treatment systems, (D) discharges in compliance with a legally enforceable permit under section 404 of the Federal Water Pollution Control Act [33 U.S.C. 1344], (E) releases in compliance with a legally enforceable final permit issued pursuant to section 3005(a) through (d) of the Solid Waste Disposal Act [42 U.S.C. 6925(a)-(d)] from a hazardous waste treatment, storage, or disposal facility when such permit specifically identifies the hazardous substances and makes such substances subject to a standard of practice, control procedure or bioassay limitation or condition, or other control on the hazardous substances in such releases, (F) any release in compliance with a legally enforceable permit issued under section 1412 of title 33 of section 1413 of title 33, (G) any injection of fluids authorized under Federal underground injection control programs or State programs submitted for Federal approval (and not disapproved by the Administrator of the Environmental Protection Agency) pursuant to part C of the Safe Drinking Water Act [42 U.S.C. 300h et seq.], (H) any emission into the air subject to a permit or control regulation under section 111 [42 U.S.C. 7411], section 112 [42 U.S.C. 7412], title I part C [42 U.S.C. 7470 et seq.], title I part D [42 U.S.C. 7501 et seq.], or State implementation plans submitted in accordance with section 110 of the Clean Air Act [42 U.S.C. 7410] (and not disapproved by the Administrator of the Environmental Protection Agency), including any schedule or waiver granted, promulgated, or approved under these sections, (I) any injection of fluids or other materials authorized

① So in original. Probably should be “or”.
under applicable State law (i) for the purpose of stimulating or treating wells for the production of crude oil, natural gas, or water, (ii) for the purpose of secondary, tertiary, or other enhanced recovery of crude oil or natural gas, or (iii) which are brought to the surface in conjunction with the production of crude oil or natural gas and which are reinjected. (j) the introduction of any pollutant into a publicly owned treatment works when such pollutant is specified in and in compliance with applicable pretreatment standards of section 307(b) or (c) of the Clean Water Act [33 U.S.C. 1317(b), (c)] and enforceable requirements in a pretreatment program submitted by a State or municipality for Federal approval under section 402 of such Act [33 U.S.C. 1342], and (k) any release of source, special nuclear, or by-product material, as those terms are defined in the Atomic Energy Act of 1954 [42 U.S.C. 2011 et seq.], in compliance with a legally enforceable license, permit, regulation, or order issued pursuant to the Atomic Energy Act of 1954.

(11) The term “Fund” or “Trust Fund” means the Hazardous Substance Superfund established by section 9507 of title 26.

(12) The term “ground water” means water in a saturated zone or stratum beneath the surface of land or water.

(13) The term “guarantor” means any person, other than the owner or operator, who provides evidence of financial responsibility for an owner or operator under this chapter.

(14) The term “hazardous substance” means (A) any substance designated pursuant to section 311(b)(2)(A) of the Federal Water Pollution Control Act [33 U.S.C. 1321(b)(2)(A)], (B) any element, compound, mixture, solution, or substance designated pursuant to section 9002 of this title, (C) any hazardous waste having the characteristics identified under or listed pursuant to section 3001 of the Solid Waste Disposal Act [42 U.S.C. 6921] (but not including any waste the regulation of which under the Solid Waste Disposal Act [42 U.S.C. 6901 et seq.] has been suspended by Act of Congress), (D) any toxic pollutant listed under section 307(a) of the Federal Water Pollution Control Act [33 U.S.C. 1317(a)]. (E) any hazardous air pollutant listed under section 112 of the Clean Air Act [42 U.S.C. 7412], and (F) any immi- nently hazardous chemical substance or mixture with respect to which the Administrator has taken action pursuant to section 7 of the Toxic Substances Control Act [15 U.S.C. 2606]. The term does not include petroleum, including crude oil or any fraction thereof which is not otherwise specifically listed or designated as a hazardous substance under subparagraphs (A) through (F) of this paragraph, and the term does not include natural gas, natural gas liquids, liquefied natural gas, or synthetic gas usable for fuel (or mixtures of natural gas and such synthetic gas).

(15) The term “navigable waters” or “navigable waters of the United States” means the waters of the United States, including the territorial seas.

(16) The term “natural resources” means land, fish, wildlife, biota, air, water, ground water, drinking water supplies, and other such resources belonging to, managed by, held in trust by, appertaining to, or otherwise controlled by the United States (including the resources of the fishery conservation zone established by the Magnuson-Stevens Fishery Conservation and Management Act [16 U.S.C. 1801 et seq.]), any State or local government, any foreign government, any Indian tribe, or, if such resources are subject to a trust restriction on alienation, any member of an Indian tribe.

(17) The term “offshore facility” means any facility of any kind located in, on, or under, any of the navigable waters of the United States, and any facility of any kind which is subject to the jurisdiction of the United States and is located in, on, or under any other waters, other than a vessel or a public vessel.

(18) The term “onshore facility” means any facility (including, but not limited to, motor vehicles and rolling stock) of any kind located in, on, or under, any land or nonnavigable waters within the United States.

(19) The term “otherwise subject to the jurisdiction of the United States” means subject to the jurisdiction of the United States by virtue of United States citizenship, United States vessel documentation or numbering, or as provided by international agreement to which the United States is a party.

(20)(A) The term “owner or operator” means (i) in the case of a vessel, any person owning, operating, or chartering by demise, such vessel, (ii) in the case of an onshore facility or an offshore facility, any person owning or operating such facility, and (iii) in the case of any facility, title or control of which was conveyed by bankruptcy, foreclosure, tax delinquency, abandonment, or similar means to a unit of State or local government, any person who, without participating in the management of a vessel or facility, holds indicia of ownership primarily to protect his security interest in the vessel or facility.

(B) In the case of a hazardous substance which has been accepted for transportation by a common or contract carrier and except as provided in section 9007(a)(3) or (4) of this title, (i) the term “owner or operator” shall mean such common carrier or other bona fide for hire carrier acting as an independent contractor during such transportation, (ii) the shipper of such hazardous substance shall not be considered to have caused or contributed to any release during such transportation which resulted solely from circumstances or conditions beyond his control.

(C) In the case of a hazardous substance which has been delivered by a common or contract carrier to a disposal or treatment facility and except as provided in section 9007(a)(3) or (4) of this title, (i) the term “owner or operator” shall not include such common or contract carrier, and (ii) such common or contract carrier shall not be considered to have caused or contributed to any release at such
§ 9601 IN MANAGEMENT VILLAGES AND NATIVE CORPORATIONS.—

(D) The term “owner or operator” does not include a unit of State or local government which acquired ownership or control through seizure or otherwise in connection with law enforcement activity, or through bankruptcy, tax delinquency, abandonment, or other circumstances in which the government acquires title by virtue of its function as sovereign. The exclusion provided under this paragraph shall not apply to any State or local government which has caused or contributed to the release or threatened release of a hazardous substance from the facility, and such a State or local government shall be subject to the provisions of this chapter in the same manner and to the same extent, both procedurally and substantively, as any nongovernmental entity, including liability under section 9607 of this title.

(E) EXCLUSION OF CERTAIN ALASKA NATIVE VILLAGES AND NATIVE CORPORATIONS.—

(i) IN GENERAL.—The term “owner or operator” does not include, with respect to a facility conveyed to a Native village or Native Corporation (as those terms are defined in section 3 of the Alaska Native Claims Settlement Act [43 U.S.C. 1602] under the Alaska Native Claims Settlement Act [43 U.S.C. 1601 et seq.—]

(I) the Native village or Native Corporation that received the facility from the United States Government; or

(II) a successor in interest to which the facility was conveyed under section 14(c) of such Act [43 U.S.C. 1613(c)].

(ii) LIMITATION.—The exclusion provided under this subparagraph shall not apply to any entity described in clause (i) that causes or contributes to a release or threatened release of a hazardous substance from the facility conveyed as described in such clause.

(F) EXCLUSION OF LENDERS NOT PARTICIPANTS IN MANAGEMENT.—

(i) INDICIA OF OWNERSHIP TO PROTECT SECURITY.—The term “owner or operator” does not include a person that is a lender that, without participating in the management of a vessel or facility, holds indicia of ownership primarily to protect the security interest of the person in the vessel or facility.

(ii) FORECLOSURE.—The term “owner or operator” does not include a person that is a lender that did not participate in management of a vessel or facility prior to foreclosure, notwithstanding that the person—

(I) forecloses on the vessel or facility; and

(II) after foreclosure, sells, re-leases (in the case of a lease finance transaction), or liquidates the vessel or facility, maintains business activities, winds up operations, undertakes a response action under section 9607(d)(1) of this title or under the direction of an on-scene coordinator appointed under the National Contingency Plan, with respect to the vessel or facility, or takes any other measure to preserve, protect, or prepare the vessel or facility prior to sale or disposition, if the person seeks to sell, re-lease (in the case of a lease finance transaction), or otherwise divest the person of the vessel or facility at the earliest practicable, commercially reasonable time, on commercially reasonable terms, taking into account market conditions and legal and regulatory requirements.

(G) PARTICIPATION IN MANAGEMENT.—For purposes of subparagraph (F)—

(i) the term “participate in management”—

(I) means actually participating in the management or operational affairs of a vessel or facility; and

(II) does not include merely having the capacity to influence, or the unexercised right to control, vessel or facility operations;

(ii) a person that is a lender and that holds indicia of ownership primarily to protect a security interest in a vessel or facility shall be considered to participate in management only if, while the borrower is still in possession of the vessel or facility encumbered by the security interest, the person—

(I) exercises decisionmaking control over the environmental compliance related to the vessel or facility, such that the person has undertaken responsibility for the hazardous substance handling or disposal practices related to the vessel or facility; or

(II) exercises control at a level comparable to that of a manager of the vessel or facility, such that the person has assumed or manifested responsibility—

(aa) for the overall management of the vessel or facility encompassing day-to-day decisionmaking with respect to environmental compliance; or

(bb) over all or substantially all of the operational functions (as distinguished from financial or administrative functions) of the vessel or facility other than the function of environmental compliance;

(iii) the term “participate in management” does not include performing an act or failing to act prior to the time at which a security interest is created in a vessel or facility; and

(iv) the term “participate in management” does not include—

(I) holding a security interest or abandoning or releasing a security interest;

(II) including in the terms of an extension of credit, or in a contract or security agreement relating to the extension, a covenant, warranty, or other term or condition that relates to environmental compliance;

(III) monitoring or enforcing the terms and conditions of the extension of credit or security interest;

(IV) monitoring or undertaking 1 or more inspections of the vessel or facility;
(V) requiring a response action or other lawful means of addressing the release or threatened release of a hazardous substance in connection with the vessel or facility prior to, during, or on the expiration of the term of the extension of credit;

(VI) providing financial or other advice or counseling in an effort to mitigate, prevent, or cure default or diminution in the value of the vessel or facility;

(VII) restructuring, renegotiating, or otherwise agreeing to alter the terms and conditions of the extension of credit or security interest, exercising forbearance;

(VIII) exercising other remedies that may be available under applicable law for the breach of a term or condition of the extension of credit or security agreement; or

IX conducting a response action under section 9607(d) of this title or under the direction of an on-scene coordinator appointed under the National Contingency Plan, if the actions do not rise to the level of participating in management (within the meaning of clauses (i) and (ii)).

(H) OTHER TERMS.—As used in this chapter:

(i) EXTENSION OF CREDIT.—The term “extension of credit” includes a lease finance transaction—

(I) in which the lessor does not initially select the leased vessel or facility and does not during the lease term control the daily operations or maintenance of the vessel or facility; or

(II) that conforms with regulations issued by the appropriate Federal banking agency or the appropriate State bank supervisor (as those terms are defined in section 1813 of title 12) or with regulations issued by the National Credit Union Administration Board, as appropriate.

(ii) FINANCIAL OR ADMINISTRATIVE FUNCTION.—The term “financial or administrative function” includes a function such as that of a credit manager, accounts payable officer, accounts receivable officer, personnel manager, comptroller, or chief financial officer, or a similar function.

(iii) FORECLOSURE, FORECLOSE.—The terms “foreclosure” and “foreclose” mean, respectively, acquiring, and to acquire, a vessel or facility through—

(1) purchase at sale under a judgment or decree, power of sale, or nonjudicial foreclosure sale;

(bb) a deed in lieu of foreclosure, or similar conveyance from a trustee; or

(cc) repossession.

If the vessel or facility was security for an extension of credit previously contracted:

(II) conveyance pursuant to an extension of credit previously contracted, including the termination of a lease agreement; or

(III) any other formal or informal manner by which the person acquires, for subsequent disposition, title to or possession of a vessel or facility in order to protect the security interest of the person.

(iv) LENDER.—The term “lender” means—

(I) an insured depository institution (as defined in section 1813 of title 12);

(II) an insured credit union (as defined in section 1752 of title 12);

(III) a bank or association chartered under the Farm Credit Act of 1971 (12 U.S.C. 2001 et seq.);

(IV) a leasing or trust company that is an affiliate of an insured depository institution;

(V) any person (including a successor or assignee of any such person) that makes a bona fide extension of credit to or takes or acquires a security interest from a nonaffiliated person;

(VI) the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Federal Agricultural Mortgage Corporation, or any other entity in that in a bona fide manner buys or sells loans or interests in loans;

(VII) a person that insures or guarantees against a default in the repayment of an extension of credit, or acts as a surety with respect to an extension of credit, to a nonaffiliated person; and

(VIII) a person that provides title insurance and that acquires a vessel or facility as a result of assignment or conveyance in the course of underwriting claims and claims settlement.

(v) OPERATIONAL FUNCTION.—The term “operational function” includes a function such as that of a facility or plant manager, operations manager, chief operating officer, or chief executive officer.

(vi) SECURITY INTEREST.—The term “security interest” includes a right under a mortgage, deed of trust, assignment, judgment lien, pledge, security agreement, factoring agreement, or lease and any other right accruing to a person to secure the repayment of money, the performance of a duty, or any other obligation by a nonaffiliated person.

(21) The term “person” means an individual, firm, corporation, association, partnership, consortium, joint venture, commercial entity, United States Government, State, municipality, commission, political subdivision of a State, or any interstate body.

(22) The term “release” means any spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping, or disposing into the environment (including the abandonment or discarding of barrels, containers, and other closed receptacles containing any hazardous substance or pollutant or contaminant), but excludes (A) any release which results in exposure to persons solely within a workplace, with respect to a claim which such persons may assert against the employer of such persons, (B) emissions from the engine exhaust of a motor vehicle, rolling stock, aircraft, vessel, or pipeline pumping station engine, (C) release of source, byproduct, or special nuclear material from a nuclear incident, as those terms are defined in the Atomic Energy Act of 1954 [42 U.S.C. 2011 et seq.], if such release is subject to require-
ments with respect to financial protection established by the Nuclear Regulatory Commission under section 170 of such Act [42 U.S.C. 2210], or, for the purposes of section 9604 of this title or any other response action, any release or source byproduct, or special nuclear material from any processing site designated under section 7912(a)(1) or 7942(a) of this title, and (D) the normal application of fertilizer.

(23) The terms “remove” or “removal” means the cleanup or removal of released hazardous substances from the environment, such actions as may be necessary taken in the event of the threat of release of hazardous substances into the environment, such actions as may be necessary to monitor, assess, and evaluate the release or threat of release of hazardous substances, the disposal of removed material, or the taking of such other actions as may be necessary to prevent, minimize, or mitigate damage to the public health or welfare or to the environment, which may otherwise result from a release or threat of release.

The term includes, in addition, without being limited to, security fencing or other measures to limit access, provision of alternative water supplies, temporary evacuation and housing of threatened individuals not otherwise provided for, action taken under section 9604(b) of this title and any emergency assistance which may be provided under the Disaster Relief and Emergency Assistance Act [42 U.S.C. 5121 et seq.].

(24) The terms “remedy” or “remedial action” means those actions consistent with permanent remedy taken instead of or in addition to removal actions in the event of a release or threatened release of a hazardous substance into the environment, to prevent or minimize the release of hazardous substances so that they do not migrate to cause substantial danger to present or future public health or welfare or the environment. The term includes, but is not limited to, such actions at the location of the release as storage, confinement, perimeter protection using dikes, trenches, or ditches, clay cover, neutralization, cleanup of released hazardous substances and associated contaminated materials, recycling or reuse, diversion, destruction, segregation of reactive wastes, dredging or excavations, repair or replacement of leaking containers, collection of leachate and runoff, on-site treatment or incineration, provision of alternative water supplies, and any monitoring reasonably required to assure that such actions protect the public health and welfare and the environment. The term includes the costs of permanent relocation of residents and businesses and community facilities where the President determines that, alone or in combination with other measures, such relocation is more cost-effective than and environmentally preferable to the transportation, storage, treatment, destruction, or secure disposition of hazardous substances and associated contaminated materials.

(25) The terms “respond” or “response” means remove, removal, remedy, and remedial action; all such terms (including the terms “removal” and “remedial action”) include enforcement activities related thereto.

(26) The terms “transport” or “transportation” means the movement of a hazardous substance by any mode, including a hazardous liquid pipeline facility (as defined in section 60301(a) of title 49, and in the case of a hazardous substance which has been accepted for transportation by a common or contract carrier, the term “transport” or “transportation” shall include any stoppage in transit which is temporary, incidental to the transportation movement, and at the ordinary operating convenience of a common or contract carrier, and any such stoppage shall be considered as a continuity of movement and not as the storage of a hazardous substance.

(27) The terms “United States” and “State” include the several States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the United States Virgin Islands, the Commonwealth of the Northern Marianas, and any other territory or possession over which the United States has jurisdiction.

(28) The term “vessel” means every description of watercraft or other artificial contrivance used, or capable of being used, as a means of transportation on water.

(29) The terms “disposal”, “hazardous waste”, and “treatment” shall have the meaning provided in section 1004 of the Solid Waste Disposal Act [42 U.S.C. 6903].

(30) The terms “territorial sea” and “contiguous zone” shall have the meaning provided in section 502 of the Federal Water Pollution Control Act [33 U.S.C. 1322].

(31) The term “national contingency plan” means the national contingency plan published under section 311(c) of the Federal Water Pollution Control Act or revised pursuant to section 9605 of this title.

(32) The terms “liable” or “liability” under this subchapter shall be construed to be the standard of liability which obtains under section 311 of the Federal Water Pollution Control Act [33 U.S.C. 1321].

(33) The term “pollutant or contaminant” shall include, but not be limited to, any element, substance, compound, or mixture, including disease-causing agents, which after release into the environment and upon exposure, ingestion, inhalation, or assimilation into any organism, either directly from the environment or indirectly by ingestion through food chains, will or may reasonably be anticipated to cause death, disease, behavioral abnormalities, cancer, genetic mutation, physiological malfunctions (including malfunctions in reproduction) or physical deformations, in such organisms or their offspring; except that the term “pollutant or contaminant” shall not include petroleum, including crude oil or any

---

2 So in original. Probably should be “mean”.

3 So in original.
fraction thereof which is not otherwise specifically listed or designated as a hazardous substance under subparagraphs (A) through (F) of paragraph (14) and shall not include natural gas, liquefied natural gas, or synthetic gas of pipeline quality (or mixtures of natural gas and such synthetic gas).

(3) The term “alternative water supplies” includes, but is not limited to, drinking water and household water supplies.

(35) (A) The term “contractual relationship”, for the purpose of section 9607(b)(3) of this title, includes, but is not limited to, land contracts, deeds, easements, leases, or other instruments transferring title or possession, unless the real property on which the facility located was acquired by the defendant after the disposal or placement of the hazardous substance on, in, or at the facility, and one or more of the circumstances described in clause (i), (ii), or (iii) is also established by the defendant by a preponderance of the evidence:

(i) At the time the defendant acquired the facility the defendant did not know and had no reason to know that any hazardous substance which is the subject of the release or threatened release was disposed of on, in, or at the facility.

(ii) The defendant is a government entity which acquired the facility by escheat, or through any other involuntary transfer or acquisition, or through the exercise of eminent domain authority by purchase or condemnation.

(iii) The defendant acquired the facility by inheritance or bequest.

In addition to establishing the foregoing, the defendant must establish that the defendant has satisfied the requirements of section 9607(b)(3)(a) and (b) of this title, provides full cooperation, assistance, and facility access to the persons that are authorized to conduct response actions at the facility (including the cooperation and access necessary for the installation, integrity, operation, and maintenance of any complete or partial response action at the facility), is in compliance with any land use restrictions established or relied on in connection with the response action at a facility, and does not impede the effectiveness or integrity of any institutional control employed at the facility in connection with a response action.

(B) REASON TO KNOW.—

(i) ALL APPROPRIATE INQUIRIES.—To establish that the defendant had no reason to know of the matter described in subparagraph (A)(i), the defendant must demonstrate to a court that:

(I) on or before the date on which the defendant acquired the facility, the defendant carried out all appropriate inquiries, as provided in clauses (ii) and (iv), into the previous ownership and uses of the facility in accordance with generally accepted good commercial and customary standards and practices; and

(II) the defendant took reasonable steps to—

(aa) stop any continuing release;

(bb) prevent any threatened future release; and

(cc) prevent or limit any human, environmental, or natural resource exposure to any previously released hazardous substance.

(ii) STANDARDS AND PRACTICES.—Not later than 2 years after January 11, 2002, the Administrator shall by regulation establish standards and practices for the purpose of satisfying the requirement to carry out all appropriate inquiries under clause (i).

(iii) CRITERIA.—In promulgating regulations that establish the standards and practices referred to in clause (ii), the Administrator shall include each of the following:

(I) The results of an inquiry by an environmental professional.

(II) Interviews with past and present owners, operators, and occupants of the facility for the purpose of gathering information regarding the potential for contamination at the facility.

(III) Reviews of historical sources, such as chain of title documents, aerial photographs, building department records, and land use records, to determine previous uses and occupancies of the real property since the property was first developed.

(IV) Searches for recorded environmental cleanup liens against the facility that are filed under Federal, State, or local law.

(V) Reviews of Federal, State, and local government records, waste disposal records, underground storage tank records, and hazardous waste handling, generation, treatment, disposal, and spill records, concerning contamination at or near the facility.

(VI) Visual inspections of the facility and of adjoining properties.

(VII) Specialized knowledge or experience on the part of the defendant.

(VIII) The relationship of the purchase price to the value of the property, if the property was not contaminated.

(IX) Commonly known or reasonably ascertainable information about the property.

(X) The degree of obviousness of the presence or likely presence of contamination at the property, and the ability to detect the contamination by appropriate investigation.

(iv) INTERIM STANDARDS AND PRACTICES.—

(I) PROPERTY PURCHASED BEFORE MAY 31, 1997.—With respect to property purchased before May 31, 1997, in making a determination with respect to a defendant described in clause (i), a court shall take into account—

(aa) any specialized knowledge or experience on the part of the defendant;

(bb) the relationship of the purchase price to the value of the property, if the property was not contaminated;

(cc) commonly known or reasonably ascertainable information about the property;
(dd) the obviousness of the presence or likely presence of contamination at the property; and

(ee) the ability of the defendant to detect the contamination by appropriate inspection.

(II) Property purchased on or after May 31, 1987.—With respect to property purchased on or after May 31, 1997, and until the Administrator promulgates the regulations described in clause (ii), the procedures of the American Society for Testing and Materials, including the document known as “Standard E1527-97”, entitled “Standard Practice for Environmental Site Assessment: Phase I Environmental Site Assessment Process”, shall satisfy the requirements in clause (i).

(v) Site inspection and title search.—In the case of property for residential use or other similar use purchased by a nongovernmental or noncommercial entity, a facility inspection and title search that reveal no basis for further investigation shall be considered to satisfy the requirements of this subparagraph.

(C) Nothing in this paragraph or in section 9607(b)(3) of this title shall diminish the liability of any previous owner or operator of such facility who would otherwise be liable under this chapter. Notwithstanding this paragraph, if the defendant obtained actual knowledge of the release or threatened release of a hazardous substance at such facility when the defendant owned the real property and then subsequently transferred ownership of the property to another person without disclosing such knowledge, such defendant shall be treated as liable under section 9607(a)(1) of this title and if the defendant owned the real property and then subsequently transferred ownership of the property to another person without disclosing such knowledge, such defendant shall be treated as liable under section 9607(a)(1) of this title and no defense under section 9607(b)(3) of this title shall diminish the liability of any previous owner or operator of such facility who would otherwise be liable under this chapter.

(D) Nothing in this paragraph shall affect the liability under this chapter of a defendant who, by any act or omission, caused or contributed to the release or threatened release of a hazardous substance at such facility when the defendant owned the real property and then subsequently transferred ownership of the property to another person without disclosing such knowledge, such defendant shall be treated as liable under section 9607(a)(1) of this title and no defense under section 9607(b)(3) of this title shall be available to such defendant.

(E) Nothing in this paragraph shall affect the liability of a person who—

(i) a facility that is the subject of a planned or ongoing removal action under this subchapter;

(ii) a facility that is listed on the National Priorities List or is proposed for listing;

(iii) a facility that is the subject of a unilateral administrative order, a court order, an administrative order on consent or judicial consent decree that has been issued to or entered into by the parties under this chapter;

(iv) a facility that is the subject of a unilateral administrative order, a court order, an administrative order on consent or judicial consent decree that has been issued to or entered into by the parties, or a facility to which a permit has been issued by the United States or an authorized State under the Solid Waste Disposal Act (42 U.S.C. 6901 et seq.), the National Environmental Policy Act of 1969 (42 U.S.C. 4331 et seq.), the Safe Drinking Water Act (42 U.S.C. 300f et seq.), the Water Pollution Control Act of 1972 (33 U.S.C. §1251 et seq.), the Toxic Substances Control Act (15 U.S.C. §2601 et seq.), or the Safe Drinking Water Act (42 U.S.C. 300f et seq.);

(v) a facility that—

(I) is subject to corrective action under section 300d(u) or 300d(h) of the Safe Drinking Water Act (42 U.S.C. 6924(u), 6924(h)); and

(II) to which a corrective action permit or order has been issued or modified to require the implementation of corrective measures.
(vi) a land disposal unit with respect to
which—
(I) a closure notification under subtitle
C of the Solid Waste Disposal Act (42
U.S.C. 6921 et seq.) has been submitted;
and
(ii) closure requirements have been
specified in a closure plan or permit;
(vii) a facility that is subject to the ju-
risdiction, custody, or control of a depart-
ment, agency, or instrumentality of the
United States, except for land held in trust
by the United States for an Indian tribe;
(viii) a portion of a facility—
(I) at which there has been a release of
polychlorinated biphenyls; and
(ii) that is subject to remediation
under the Toxic Substances Control Act
(15 U.S.C. 2601 et seq.);
(ix) a portion of a facility, for which por-
tion, assistance for response activity has
been obtained under subtitle I of the Solid
Waste Disposal Act (42 U.S.C. 6991 et seq.)
from the Leaking Underground Storage
Tank Trust Fund established under section
9508 of title 26.

(C) SITE-BY-SITE DETERMINATIONS.—Not-
withstanding subparagraph (B) and on a site-
by-site basis, the President may authorize
financial assistance under section 9604(k) of
this title to an eligible entity at a site in-
cluded in clause (i), (iv), (v), (vi), (viii), or
(ix) of subparagraph (B) if the President
finds that financial assistance will protect
human health and the environment, and ei-
ther promote economic development or en-
able the creation of, preservation of, or addi-
tion to parks, greenways, undeveloped prop-
erty, other recreational property, or other
property used for nonprofit purposes.

(D) ADDITIONAL AREAS.—For the purposes
of section 9604(k) of this title, the term
“brownfield site” includes a site that—
(i) meets the definition of “brownfield
site” under subparagraphs (A) through (C);
and
(ii) is contaminated by a controlled
substance (as defined in section 802 of title
21);

(II) (aa) is contaminated by petroleum or
a petroleum product excluded from the
definition of “hazardous substance” under
this section; and
(bb) is a site for which there is no viable
responsible party and that is determined
by the Administrator or the State, as ap-
propriate, to be a site that will be as-
sessed, investigated, or cleaned up by a
person that is not potentially liable for
cleaning up the site under this chapter or
any other law pertaining to the cleanup of
petroleum products; and
(cc) is not subject to any order issued
under section 9003(h) of the Solid Waste
Disposal Act (42 U.S.C. 6991b(h)); or
(III) is mine-scarred land.

(40) BONA FIDE PROSPECTIVE PURCHASER.—
(A) IN GENERAL.—The term “bona fide pro-
spective purchaser” means, with respect to a
facility—
(i) a person who—
(I) acquires ownership of the facility
after January 11, 2002; and
(ii) a person—
(I) who acquires a leasehold interest in
the facility after January 11, 2002;
(ii) who establishes by a preponderance
of the evidence that the leasehold inter-
est is not designed to avoid liability
under this chapter by any person; and
(iii) with respect to whom any of the
following conditions apply:
(aa) The owner of the facility that is
subject to the leasehold interest is a
person described in clause (i).
(bb)(AA) The owner of the facility
that is subject to the leasehold inter-
est was a person described in clause (i)
at the time the leasehold interest was
acquired, but can no longer establish
by a preponderance of the evidence
each of the criteria described in
clauses (i) through (viii) of subpara-
graph (B) due to circumstances unre-
lated to any action of the person who
holds the leasehold interest; and
(BB) the person who holds the lease-
hold interest establishes by a prepon-
derance of the evidence each of the cri-
teria described in clauses (i), (iii), (iv),
(v), (vi), (vii), and (viii) of subpara-
graph (B).

(cc) The person who holds the lease-
hold interest establishes by a prepon-
derance of the evidence each of the cri-
teria described in clauses (i) through
(viii) of subparagraph (B).

(B) CRITERIA.—The criteria described in
this subparagraph are as follows:
(i) DISPOSAL PRIOR TO ACQUISITION.—All
disposal of hazardous substances at the fa-
cility occurred before the person acquired
the facility.
(ii) INQUIRIES.—
(I) IN GENERAL.—The person made all
appropriate inquiries into the previous
ownership and uses of the facility in ac-
cordance with generally accepted good
commercial and customary standards
and practices in accordance with sub-
clauses (II) and (III).
(II) STANDARDS AND PRACTICES.—The
standards and practices referred to in
paragraph (35)(B) shall be considered to satisfy the
requirements of this clause.
(III) RESIDENTIAL USE.—In the case of
property in residential or other similar
use at the time of purchase by a non-
governmental or noncommercial entity,
a facility inspection and title search
that reveal no basis for further inves-
tigation shall be considered to satisfy
the requirements of this clause.
(iii) NOTICES.—The person provides all le-
gally required notices with respect to the
§ 9601

TITLE 42—THE PUBLIC HEALTH AND WELFARE

Page 7090
discovery or release of any hazardous substances at the facility.

(iv) CARE.—The person exercises appropriate care with respect to hazardous substances found at the facility by taking reasonable steps to—

(I) stop any continuing release;

(II) prevent any threatened future release; and

(III) prevent or limit human, environmental, or natural resource exposure to any previously released hazardous substance.

(v) COOPERATION, ASSISTANCE, AND ACCESS.—The person provides full cooperation, assistance, and access to persons that are authorized to conduct response actions or natural resource restoration at a vessel or facility (including the cooperation and access necessary for the installation, integrity, operation, and maintenance of any complete or partial response actions or natural resource restoration at the vessel or facility).

(vi) INSTITUTIONAL CONTROL.—The person—

(I) is in compliance with any land use restrictions established or relied on in connection with the response action at a vessel or facility; and

(II) does not impede the effectiveness or integrity of any institutional control employed at the vessel or facility in connection with a response action.

(vii) REQUESTS; SUBPOENAS.—The person complies with any request for information or administrative subpoena issued by the President under this chapter.

(viii) NO AFFILIATION.—The person is not—

(I) potentially liable, or affiliated with any other person that is potentially liable, for response costs at a facility through—

(aa) any direct or indirect familial relationship; or

(bb) any contractual, corporate, or financial relationship (other than a contractual, corporate, or financial relationship that is created by the instruments by which title to the facility is conveyed or financed, by a tenancy, by the instruments by which a leasehold interest in the facility is created, or by a contract for the sale of goods or services); or

(II) the result of a reorganization of a business entity that was potentially liable.

(41) ELIGIBLE RESPONSE SITE.—

(A) IN GENERAL.—The term “eligible response site” means a site that meets the definition of a brownfield site in subparagraphs (A) and (B) of paragraph (39), as modified by subparagraphs (B) and (C) of this paragraph.

(B) INCLUSIONS.—The term “eligible response site” includes—

(i) notwithstanding paragraph (39)(B)(ix), a portion of a facility, for which portion assistance for response activity has been obtained under subtitle I of the Solid Waste Disposal Act (42 U.S.C. 6991 et seq.) from the Leaking Underground Storage Tank Trust Fund established under section 9508 of title 26; or

(ii) a site for which, notwithstanding the exclusions provided in subparagraph (C) or paragraph (39)(B), the President determines, on a site-by-site basis and after consultation with the State, that limitations on enforcement under section 9628 of this title at sites specified in clause (iv), (v), (vi) or (viii) of paragraph (39)(B) would be appropriate and will—

(I) protect human health and the environment; and

(II) promote economic development or facilitate the creation of, preservation of, or addition to a park, a greenway, undeveloped property, recreational property, or other property used for nonprofit purposes.

(C) EXCLUSIONS.—The term “eligible response site” does not include—

(i) a facility for which the President—

(I) conducts or has conducted a preliminary assessment or site inspection; and

(II) after consultation with the State, determines or has determined that the site obtains a preliminary score sufficient for possible listing on the National Priorities List, or that the site otherwise qualifies for listing on the National Priorities List; unless the President has made a determination that no further Federal action will be taken; or

(ii) facilities that the President determines warrant particular consideration as identified by regulation, such as sites posing a threat to a sole-source drinking water aquifer or a sensitive ecosystem.


REFERENCES IN TEXT

This chapter, referred to in pars. (5), (13), (22(D), (G), (35)(C), (D), (39)(B)(I), (I), (II) and (III), (I)(bb), and (40)(A)(III), (II) and (III), was in the original “this Act”, meaning Pub. L. 96–510, Dec. 11, 1980, 94 Stat. 2767, as amended, known as the Comprehensive Environmental Response, Compensation, and Liability Act of 1980. For complete classification of this Act to the Code, see Short Title note below and Tables.

The Safe Drinking Water Act, referred to in pars. (7), (10), and (39)(B)(iv), is title XIV of act July 1, 1944, as
added Dec. 16, 1974, Pub. L. 93-523, §2(a), 88 Stat. 1669, as amended, which is classified generally to subchapter XII (§300f et seq.) of chapter 6A of this title. Part C of this subchapter is classified generally to part C (§300h et seq.) of subchapter XII of chapter 6A of this title. For complete classification of this Act to the Code, see Short Title note set out under section 201 of this title and Tables.

The Magnuson-Stevens Fishery Conservation and Management Act, referred to in pars. (8) and (16), is Pub. L. 94-265, Apr. 13, 1976, 90 Stat. 331, as amended, which is classified principally to chapter 82 (§6901 et seq.) and IX generally to subchapters III (§6921 et seq.) and IX of this title, which was established by section 101 of this Act (16 U.S.C. §1801 et seq.), respectively, of chapter 82 of this title. For complete classification of this Act to the Code, see Short Title note set out under section 201 of this title and Tables.

The Clean Air Act, referred to in par. (10), is act July 14, 1955, ch. 360, as amended generally by Pub. L. 88-206, Dec. 17, 1963, 77 Stat. 392, and later by Pub. L. 95-95, Aug. 7, 1977, 91 Stat. 685. The Clean Air Act was originating classified to chapter 18 (§7401 et seq.) of this title. On enactment of Pub. L. 95-95, the Act was reclassified to chapter 83 (§7401 et seq.) of this title. Parts C and D of title I of the Clean Air Act are classified generally to parts C (§7470 et seq.) and D (§7601 et seq.), respectively, of subchapter I of chapter 85 of this title. For complete classification of this Act to the Code, see Short Title note set out under section 7401 of this title and Tables.

The Atomic Energy Act of 1954, referred to in pars. (10) and (22), is act Aug. 1, 1946, ch. 724, as added by act Aug. 30, 1954, ch. 1073, §1, 68 Stat. 919, which is classified principally to chapter 23 (§2011 et seq.) of this title. For complete classification of this Act to the Code, see Short Title note set out under section 2011 of this title and Tables.


The Alaska Native Claims Settlement Act, referred to in par. (20)(E), is Pub. L. 92-203, Dec. 18, 1971, 85 Stat. 816, also known as the Clean Water Act, which is classified generally to title 33, Navigation and Navigable Waters. Section 311(c) of the Act was amended generally by Pub. L. 101-380, title IV, §201(a), Aug. 18, 1990, 104 Stat. 523, and no longer contains provisions directing the publishing of a National Contingency Plan. However, such provisions are contained in section 1321(d) of Title 33. For complete classification of this Act to the Code, see Short Title note set out under section 1251 of Title 33 and Tables.

The Toxic Substances Control Act, referred to in par. (39)(B)(iv), (viii)(II), is Pub. L. 94-469, Oct. 11, 1976, 90 Stat. 2003, as amended, which is classified generally to chapter 33 (§1201 et seq.) of Title 15, Commerce and Trade. For complete classification of this Act to the Code, see Short Title note set out under section 2061 of Title 15 and Tables.

AMENDMENTS

2018—Par. (20)(D). Pub. L. 115-141, §2, substituted "ownership or control through seizure or otherwise in connection with law enforcement activity, or through bankruptcy, tax delinquency, abandonment, or other circumstances in which the government acquires title by virtue" for "ownership or control involuntarily through bankruptcy, tax delinquency, abandonment, or other circumstances in which the government involuntarily acquires title by virtue".

(20)(E), (F). Pub. L. 115-141, §3(1), (2), added subpar. (E) and redesignated former subpar. (E) as (F).

Former subpar. (F) redesignated (G).

Par. (20)(G). Pub. L. 115-141, §4(1), (3), redesignated subpar. (F) as (G) and substituted "subparagraph (F)' for "paragraph (E)" in introductory provisions.

Former subpar. (G) redesignated (H).

Par. (20)(H). Pub. L. 115-141, §4(4), redesignated subpar. (G) as (H) and substituted "of title 12 or" for "of title 12 or" in cl. (i)(II).

Par. (39)(D)(iv)(II)(bb). Pub. L. 115-141, §4, amended item (bb) generally. Prior to amendment, item (bb) read as follows: "is a site determined by the Administrator or the State, as appropriate, to be—"

"(AA) of relatively low risk, as compared with other petroleum-only sites in the State; and

"(BB) a site for which there is no viable responsible party and which will be assessed, investigated, or cleaned up by a person that is not potentially liable for cleaning up the site; and".

Par. (40). Pub. L. 115-141, §6(a), made numerous amendments to structure of par. (40), resulting in substitution of subpart. (A) for former introductory provisions, insertion of subpart. (B) designation, heading, and introductory provisions, redesignation of former subparts. (A) to (H) as cls. (i) to (viii), respectively, of subpar. (B), redesignation of cls. and subcls. within former subpars. (A) to (H) as subcls. and items, respectively, within cls. (i) to (viii), and realignment of margins.

Par. (40)(B). Pub. L. 115-141, §6(a)(1)(B)—(D), just prior to redesignation of subpar. (B) as cl. (i) of subpar. (B), substituted "subclauses (II) and (III)" for "clauses (ii) and (iii)" in subcl. (I) and "clause" for "subparagraph" in subcls. (II) and (III).

Par. (40)(H)(i)(II). Pub. L. 115-141, §5(a)(4)(A)(i), just prior to redesignation of subpar. (H)(i)(II) as cl. (viii)(1)(bb) of subpar. (B), inserted "by a tenancy, by the instruments by which a leasehold interest in the facility is created," after "financed".

2002—Par. (35)(A). Pub. L. 107-118, §223(1), in introductory provisions substituted "deeds, easements, leases, or" for "deeds or" and in concluding provisions substituted "the defendant has satisfied" for "he has satisfied" and inserted before period at end "provides full cooperation, assistance, and facility access to the persons that are authorized to conduct response actions at the facility (including the cooperation and access necessary for the installation, integrity, operation, and maintenance of any complete or partial response action at the facility), is in compliance with any land use restrictions established or relied on in connection with the response action at a facility, and does not impede the effectiveness or integrity of any institutional control employed at the facility in connection with a response action".
In the case of any abandoned facility, any person who owned, operated, or otherwise controlled activities at such facility, with good commercial or customary practice in an effort to minimize liability. For purposes of the preceding sentence the court shall take into account any specialized knowledge or experience on the part of the defendant, the relationship of the purchase price to the value of the property if uncontaminated, commonly known or reasonably ascertainable information about the property, the obviousness of the presence or likely presence of contamination at the property, and the ability to detect such contamination by appropriate inspection.


1999—Par. (20)(D). Pub. L. 106–74, which directed the amendment of subpar. (D) by inserting “through seizure or otherwise in connection with law enforcement activity” before “involuntary” the first place it appears, could not be executed because the word “involuntary” does not appear in subpar. (D).

Par. (28). Pub. L. 104–287 substituted “section 60101(a) of title II” for “section 60101(a) of title II”.

Par. (16). Pub. L. 104–208, §101(a) [title II, §211(b)], substituted “Magnuson-Stevens Fishery” for “Magnuson Fishery”.

Par. (20). Pub. L. 104–208, §202(b), added subpars. (E) to (G).

Par. (26). Pub. L. 104–287 substituted “section 60101(a) of title II” for “the Pipeline Safety Act”.

Par. (20)(E) to (G). Pub. L. 104–208, §202(b), added subpars. (E) to (G).

Par. (26). Pub. L. 104–287 substituted “section 60101(a) of title II” for “section 60101(a) of title II”.


Par. (20)(D). Pub. L. 99–499, §101(b)(1), (f), added subpar. (D). The part of §101(f) of Pub. L. 99–499 which directed the amendment of par. (20) by changing the semicolon at end to a period could not be executed in view of the prior amendment of par. (20) by §101(b)(1) of Pub. L. 99–499 which added subpar. (D) ending in a period.

Par. (21). Pub. L. 99–499, §101(f), inserted “The term” and substituted a period for the semicolon at end.

Par. (22). Pub. L. 99–499, §101(c)(c), (f), inserted “The term” and “(including the abandonment or discarding of barrels, containers, and other closed receptacles containing any hazardous substance or pollutant or contaminant)” substituted a period for the semicolon at end.

Par. (23). Pub. L. 99–499, §101(f), inserted “The terms” and substituted a period for the semicolon at end.

Par. (24). Pub. L. 99–499, §101(d), (f), inserted “The terms” and substituted “and associated contaminated materials” for “or contaminated materials” and “welfare; the term includes offsite transport and offsite storage, treatment, destruction, or secure disposition of hazardous substances and associated contaminated materials” for “welfare. The term does not include off-site transport of hazardous substances, or the storage, treatment, destruction, or secure disposition offsite of hazardous substances or contaminated materials unless the President determines that such actions (A) are more cost-effective than other remedial actions, (B) will create new capacity to manage, in compliance with subtitle C of the Solid Waste Disposal Act [42 U.S.C. 6921 et seq.], hazardous substances in addition to those located at the affected facility, or (C) are necessary to protect public health or welfare or the environment from a present or potential risk which may be created by further exposure to the continued presence of such substances or materials.” The part of §101(f) of Pub. L. 99–499 which directed amendment of par. (24) by changing the semicolon at end to a period could not be executed in view of prior amendment of par. (24) by §101(d) of Pub. L. 99–499 which substituted language at end of par. (24) ending in a period for language ending in a semicolon.

Par. (25). Pub. L. 99–499, §101(e), (f), inserted “The terms” and “all such terms (including the terms ‘removal’ and ‘remedial action’) include enforcement activities related thereto.” The part of §101(f) of Pub. L. 99–499 which directed amendment of par. (25) by changing the semicolon at end to a period could not be executed in view of prior amendment of par. (25) by §101(e) of Pub. L. 99–499 inserting language and a period at end of par. (25).


Par. (28). Pub. L. 99–499, §101(f), inserted “The term” and substituted a period for the semicolon at end.

Par. (29). Pub. L. 99–499, §101(f), inserted “The term” and substituted a period for the semicolon at end.

Par. (30). Pub. L. 99–499, §101(f), inserted “The terms” and substituted a period for the semicolon at end.

Par. (31). Pub. L. 99–499, §101(f), inserted “The term” and substituted a period for the semicolon at end.


Amendment by section 2502(b) of Pub. L. 104–208 applicable with respect to any claim that has not been finally adjudicated as of Sept. 30, 1996, see section 2503 of Pub. L. 104–208, set out as a note under section 6991b of this title.
Earle D. Latham
§ 9603 Notification requirements respecting reportable quantities of hazardous substances

(a) Notice to National Response Center upon release of hazardous substance

For all hazardous substances for which proposed regulations establishing reportable quantities were published in the Federal Register under this subsection on or before March 1, 1986, the Administrator shall promulgate immediately after the proposed regulations establishing reportable quantities not later than December 31, 1986. For all hazardous substances for which proposed regulations establishing reportable quantities were not published in the Federal Register under this subsection on or before March 1, 1986, the Administrator shall publish under this subsection proposed regulations establishing reportable quantities not later than December 31, 1986, and promulgate final regulations under this subsection establishing reportable quantities not later than April 30, 1988.

(b) Penalties for failure to notify; use of notice or information pursuant to notice

Any person in charge of a vessel or an offshore or onshore facility shall, as soon as he has knowledge of any release (other than a federally permitted release) of a hazardous substance from such vessel or facility in quantities equal to or greater than those determined pursuant to section 1321(b)(4) of title 33, such reportable quantity, shall be deemed that quantity, the release of which requires notification pursuant to section 9603(a) or (b) of this title.

§ 9603. Notification requirements respecting released substances

(a) Notice to National Response Center upon release from vessel or offshore or onshore facility by person in charge; conveyance of notice by Center

Any person in charge of a vessel or an offshore or an onshore facility shall, as soon as he has knowledge of any release (other than a federally permitted release) of a hazardous substance from such vessel or facility in quantities equal to or greater than those determined pursuant to section 9602 of this title, immediately notify the National Response Center established under the Clean Water Act [33 U.S.C. 1251 et seq.] of such release. The National Response Center shall convey the notification expeditiously to all appropriate Government agencies, including the Governor to receive such notice, of the existence of such facility, specifying the amount and type of any hazardous substance to be found there, and any known, suspected, or likely releases of such substances from such facility. The Administrator may prescribe in greater detail the manner and form of the notice and the information included.

(b) Penalties for failure to notify; use of notice or information pursuant to notice in criminal case

Any person—

(1) in charge of a vessel from which a hazardous substance is released, other than a federally permitted release, into or upon the navigable waters of the United States, adjoining shorelines, or into or upon the waters of the contiguous zone, or

(2) in charge of a vessel from which a hazardous substance is released, other than a federally permitted release, which may affect natural resources belonging to, appertaining to, or under the exclusive management authority of the United States (including resources under the Magnuson-Stevens Fishery Conservation and Management Act [16 U.S.C. 1801 et seq.]), and who is otherwise subject to the jurisdiction of the United States at the time of the release, or

(3) in charge of a facility from which a hazardous substance is released, other than a federally permitted release, in a quantity equal to or greater than that determined pursuant to section 9602 of this title who fails to notify immediately the appropriate agency of the United States Government as soon as he has knowledge of such release or who submits in such a notification any information which he knows to be false or misleading shall, upon conviction, be fined in accordance with the applicable provisions of title 18 or imprisoned for not more than 3 years (or not more than 5 years in the case of a second or subsequent conviction), or both. Notification received pursuant to this subsection or information obtained by the exploitation of such notification shall not be used against any such person in any criminal case, except a prosecution for perjury or for giving a false statement.

(c) Notice to Administrator of EPA of existence of storage, etc., facility by owner or operator; exception; time, manner, and form of notice; penalties for failure to notify; use of notice or information pursuant to notice in criminal case

Within one hundred and eighty days after December 11, 1980, any person who owns or operates or who at the time of disposal owned or operated, or who accepted hazardous substances for transport and selected, a facility at which hazardous substances (as defined in section 9601(14) of this title) are or have been stored, treated, or disposed of shall, unless such facility has a permit issued under, or has been accorded interim status under, subtitle C of the Solid Waste Disposal Act [42 U.S.C. 6921 et seq.], notify the Administrator of the Environmental Protection Agency of the existence of such facility, specifying the amount and type of any hazardous substance to be found there, and any known, suspected, or likely releases of such substances from such facility. The Administrator may prescribe in greater detail the manner and form of the notice and the information included.

The Administrator shall notify the affected State agency, or any department designated by the Governor to receive such notice, of the existence of such facility. Any person who knowingly fails to notify the Administrator of the existence of any such facility shall, upon conviction, be fined not more than $10,000, or imprisoned for not more than one year, or both. In addition, any such person who knowingly fails to provide the notice required by this subsection shall not be entitled to any limitation of liability or to any defenses to liability set out in section 9607 of this title: Provided, however, That notification under this subsection is not required for any facility which would be reportable hereunder solely as a result of any stoppage in transit which is temporary, incidental to the
transportation movement, or at the ordinary operating convenience of a common or contract carrier, and such stoppage shall be considered as a continuity of movement and not as the storage of a hazardous substance. Notification received pursuant to this subsection or information obtained by the exploitation of such notification shall not be used against any such person in any criminal case, except a prosecution for perjury or for giving a false statement.

(d) Recordkeeping requirements; promulgation of rules and regulations by Administrator of EPA; penalties for violations; waiver of retention requirements

(1) The Administrator of the Environmental Protection Agency is authorized to promulgate rules and regulations specifying, with respect to—

(A) the location, title, or condition of a facility, and
(B) the identity, characteristics, quantity, origin, or condition (including containerization and previous treatment) of any hazardous substances contained or deposited in a facility;

the records which shall be retained by any person required to provide the notification of a facility set out in subsection (c) of this section. Such specification shall be in accordance with the provisions of this subsection.

(2) Beginning with December 11, 1980, for fifty years thereafter or for fifty years after the date of establishment of a record (whichever is later), or at any such earlier time as a waiver if obtained under paragraph (3) of this subsection, it shall be unlawful for any such person knowingly to destroy, mutilate, erase, dispose of, conceal, or otherwise render unavailing or unreadable or falsify any records identified in paragraph (1) of this subsection. Any person who violates this paragraph shall, upon conviction, be fined in accordance with the applicable provisions of title 18 or imprisoned for not more than 3 years (or not more than 5 years in the case of a second or subsequent conviction), or both.

(3) At any time prior to the date which occurs fifty years after December 11, 1980, any person identified under paragraph (1) of this subsection may apply to the Administrator of the Environmental Protection Agency for a waiver of the provisions of the first sentence of paragraph (2) of this subsection. The Administrator is authorized to grant such waiver if, in his discretion, such waiver would not unreasonably interfere with the attainment of the purposes and provisions of this chapter. The Administrator shall promulgate rules and regulations regarding such a waiver so as to inform parties of the proper application procedure and conditions for approval of such a waiver.

(4) Notwithstanding the provisions of this subsection, the Administrator of the Environmental Protection Agency may in his discretion require any such person to retain any record identified pursuant to paragraph (1) of this subsection for such a time period in excess of the period specified in paragraph (2) of this subsection as the Administrator determines to be necessary to protect the public health or welfare.

(e) Applicability to registered pesticide products and air emissions from animal waste at farms

(1) In general

This section shall not apply to—

(A) the application of a pesticide product registered under the Federal Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. 136 et seq.) or the handling and storage of such a pesticide product by an agricultural producer; or
(B) air emissions from animal waste (including decomposing animal waste) at a farm.

(2) Definitions

In this subsection:

(A) Animal waste

(i) In general

The term “animal waste” means feces, urine, or other excrement, digestive emission, urea, or similar substances emitted by animals (including any form of livestock, poultry, or fish).

(ii) Inclusions

The term “animal waste” includes animal waste that is mixed or commingled with bedding, compost, feed, soil, or any other material typically found with such waste.

(B) Farm

The term “farm” means a site or area (including associated structures) that—

(i) is used for—

(I) the production of a crop; or
(II) the raising or selling of animals (including any form of livestock, poultry, or fish); and

(ii) under normal conditions, produces during a farm year any agricultural products with a total value equal to not less than $1,000.

(f) Exemptions from notice and penalty provisions for substances reported under other Federal law or is in continuous release, etc.

No notification shall be required under subsection (a) or (b) of this section for any release of a hazardous substance—

(1) which is required to be reported (or specifically exempted from a requirement for reporting) under subtitle C of the Solid Waste Disposal Act [42 U.S.C. 6921 et seq.] or regulations thereunder and which has been reported to the National Response Center, or
(2) which is a continuous release, stable in quantity and rate, and is—

(A) from a facility for which notification has been given under subsection (c) of this section, or
(B) a release of which notification has been given under subsections (a) and (b) of this section for a period sufficient to establish the continuity, quantity, and regularity of such release:

Provided, That notification in accordance with subsections (a) and (b) of this paragraph shall be given for releases subject to this paragraph.
annually, or at such time as there is any statistically significant increase in the quantity of any hazardous substance or constituent thereof released, above that previously reported or occurring.


REFERENCES IN TEXT

AMENDMENTS
2018—Subsec. (e), Pub. L. 115–141 added subsec. (e) and struck out former subsec. (e). Prior to amendment, text read as follows: “This section shall not apply to the application of a pesticide product registered under the Federal Insecticide, Fungicide, and Rodenticide Act or to the handling and storage of such a pesticide product by an agricultural producer.”

1996—Subsec. (b)(2), Pub. L. 104–208 substituted “Magnuson-Stevens Fishery” for “Magnuson Fishery”.


EFFECTIVE DATE OF 1996 AMENDMENT
Pub. L. 104–208, div. A, title I, §101(a) [title II, §211(b)], Sept. 30, 1996, 110 Stat. 3009, 3009–41, provided that the amendment made by that section is effective 15 days after Oct. 11, 1996.

EFFECTIVE DATE OF 1980 AMENDMENT

APPLICATION
Pub. L. 115–141, div. S, title XI, §1103, Mar. 23, 2018, 132 Stat. 1148, provided that: “Nothing in this title [see Short Title of 2018 Amendment note set out under section 9601 of this title] or an amendment made by this title affects, or supersedes or modifies the responsibility or authority of any Federal official or employee to comply with or enforce, any requirement under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601 et seq.), other than the hazardous substance notification requirements under section 103 of that Act (42 U.S.C. 9603) with respect to air emissions from animal waste at farms.”

CONTIGUOUS ZONE OF UNITED STATES
For extension of contiguous zone of United States, see Proc. No. 7219, set out as a note under section 1331 of Title 43, Public Lands.

§9604. Response authorities
(a) Removal and other remedial action by President; applicability of national contingency plan; responsibility of potentially responsible parties; public health threats; limitations on response; exception
(1) Whenever (A) any hazardous substance is released or there is a substantial threat of such a release into the environment, or (B) there is a release or substantial threat of release into the environment of any pollutant or contaminant which may present an imminent and substantial danger to the public health or welfare, the President is authorized to act, consistent with the national contingency plan, to remove or arrange for the removal of, and provide for remedial action relating to such hazardous substance, pollutant, or contaminant at any time (including its removal from any contaminated natural resource), or take any other response measure consistent with the national contingency plan which the President deems necessary to protect the public health or welfare or the environment. When the President determines that such action will be done properly and promptly by the owner or operator of the facility or vessel or by any other responsible party, the President may allow such person to carry out the action, conduct the remedial investigation, or conduct...
the feasibility study in accordance with section 9622 of this title. No remedial investigation or feasibility study (RI/FS) shall be authorized except on a determination by the President that the party is qualified to conduct the RI/FS and only if the President contracts with or arranges for a qualified person to assist the President in overseeing and reviewing the conduct of such RI/FS and if the responsible party agrees to reimburse the Fund for any cost incurred by the President under, or in connection with, the oversight contract or arrangement. In no event shall a potentially responsible party be subject to a lesser standard of liability, receive preferential treatment, or in any other way, whether direct or indirect, benefit from any such arrangements as a response action contractor, or as a person hired or retained by such a response action contractor, with respect to the release or facility in question. The President shall give primary attention to those releases which the President deems may present a public health threat.

(2) REMOVAL ACTION—Any removal action undertaken by the President under this subsection (or by any other person referred to in section 9622 of this title) should, to the extent the President deems practicable, contribute to the efficient performance of any long term remedial action with respect to the release or threatened release concerned.

(3) LIMITATIONS ON RESPONSE.—The President shall not provide for a removal or remedial action under this section in response to a release or threat of release:

(A) of a naturally occurring substance in its unaltered form, or altered solely through naturally occurring processes or phenomena, from a location where it is naturally found;

(B) from products which are part of the structure of, and result in exposure within, residential buildings or business or community structures;

(C) into public or private drinking water supplies due to deterioration of the system through ordinary use.

(4) EXCEPTION TO LIMITATIONS.—Notwithstanding paragraph (3) of this subsection, to the extent authorized by this section, the President may respond to any release or threat of release if in the President’s discretion, it constitutes a public health or environmental emergency and no other person with the authority and capability to respond to the emergency will do so in a timely manner.

(b) Investigations, monitoring, coordination, etc., by President

(1) Information; studies and investigations

Whenever the President is authorized to act pursuant to subsection (a) of this section, or whenever the President has reason to believe that a release has occurred or is about to occur, or that illness, disease, or complaints thereof may be attributable to exposure to a hazardous substance, pollutant, or contaminant and that a release may have occurred or be occurring, he may undertake such investigations, monitoring, surveys, testing, and other information gathering as he may deem necessary or appropriate to identify the existence and extent of the release or threat thereof, the source and nature of the hazardous substances, pollutants or contaminants involved, and the extent of danger to the public health or welfare or to the environment. In addition, the President may undertake such planning, legal, fiscal, economic, engineering, architectural, and other studies or investigations as he may deem necessary or appropriate to plan and direct response actions, to recover the costs thereof, and to enforce the provisions of thischapter.

(2) Coordination of investigations

The President shall promptly notify the appropriate Federal and State natural resource trustees of potential damages to natural resources resulting from releases under investigation pursuant to this section and shall seek to coordinate the assessments, investigations, and planning under this section with such Federal and State trustees.

(c) Criteria for continuance of obligations from Fund over specified amount for response actions; consultation by President with affected States; contracts or cooperative agreements by States with President prior to remedial actions; cost-sharing agreements; selection by President of remedial actions; State credits: granting of credit, expenses before listing or agreement, response actions between 1978 and 1980, State expenses after December 11, 1980, in excess of 10 percent of costs, item-by-item approval, use of credits; operation and maintenance; limitation on source of funds for O&M; recontracting; siting

(1) Unless (A) the President finds that (i) continued response actions are immediately required to prevent, limit, or mitigate an emergency, (ii) there is an immediate risk to public health or welfare or the environment, and (iii) such assistance will not otherwise be provided on a timely basis, or (B) the President has determined the appropriate remedial actions pursuant to paragraph (2) of this subsection and the State or States in which the source of the release is located have complied with the requirements of paragraph (3) of this subsection, or (C) continued response action is otherwise appropriate and consistent with the remedial action to be taken obligations from the Fund, other than those authorized by subsection (b) of this section, shall not continue after $2,000,000 has been obligated for response actions or 12 months has elapsed from the date of initial response to a release or threatened release of hazardous substances.

(2) The President shall consult with the affected State or States before determining any appropriate remedial action to be taken pursuant to the authority granted under subsection (a) of this section.

(3) The President shall not provide any remedial actions pursuant to this section unless the State in which the release occurs first enters into a contract or cooperative agreement with the President providing assurances deemed adequate by the President that (A) the State will

1 So in original. Probably should be followed by a comma.
§ 9604

TITLE 42—THE PUBLIC HEALTH AND WELFARE

Page 7098

assure all future maintenance of the removal and remedial actions provided for the expected life of such actions as determined by the President; (B) the State will assure the availability of a hazardous waste disposal facility acceptable to the President and in compliance with the requirements of subtitle C of the Solid Waste Disposal Act [42 U.S.C. 6921 et seq.] for any necessary offsite storage, destruction, treatment, or secure disposition of the hazardous substances; and (C) the State will pay or assure payment of (i) 10 percent of the costs of the remedial action, including all future maintenance, or (ii) 50 percent (or such greater amount as the President may determine appropriate, taking into account the degree of responsibility of the State or political subdivision for the release) of any sums expended in response to a release at a facility, that was operated by the State or a political subdivision thereof, either directly or through a contractual relationship or otherwise, at the time of any disposal of hazardous substances therein. For the purpose of clause (ii) of this subparagraph, the term "facility" does not include navigable waters or the beds underlying those waters. In the case of remedial action to be taken on land or water held by an Indian tribe, held by the United States in trust for Indians, held by a member of an Indian tribe (if such land or water is subject to a trust restriction on alienation), or otherwise within the borders of an Indian reservation, the requirements of this paragraph for assurances regarding future maintenance and cost-sharing shall not apply, and the President shall provide the assurance required by this paragraph regarding the availability of a hazardous waste disposal facility.

(4) SELECTION OF REMEDIAL ACTION.—The President shall select remedial actions to carry out this section in accordance with section 9621 of this title (relating to cleanup standards).

(5) STATE CREDITS.—

(A) GRANTING OF CREDIT.—The President shall grant a State a credit against the share of the costs, for which it is responsible under paragraph (3) with respect to a facility listed on the National Priorities List under the National Contingency Plan, for amounts expended by a State for remedial action at such facility pursuant to a contract or cooperative agreement with the President. The credit under this paragraph shall be limited to those State expenses which the President determines to be reasonable, documented, direct out-of-pocket expenditures of non-Federal funds.

(B) EXPENSES BEFORE LISTING OR AGREEMENT.—The credit under this paragraph shall include expenses for remedial action at a facility incurred before the listing of the facility on the National Priorities List or before a contract or cooperative agreement is entered into under subsection (d) for the facility if—

(i) after such expenses are incurred the facility is listed on such list and a contract or cooperative agreement is entered into for the facility, and

(ii) the President determines that such expenses would have been credited to the State under subparagraph (A) had the expenditures been made after listing of the facility on such list and after the date on which such contract or cooperative agreement is entered into.

(C) RESPONSE ACTIONS BETWEEN 1978 AND 1980.—The credit under this paragraph shall include funds expended or obligated by the State or a political subdivision thereof after January 1, 1978, and before December 11, 1980, for cost-eligible response actions and claims for damages compensable under section 9611 of this title.

(D) STATE EXPENSES AFTER DECEMBER 11, 1980, IN EXCESS OF 10 PERCENT OF COSTS.—The credit under this paragraph shall include 90 percent of State expenses incurred at a facility owned, but not operated, by such State or by a political subdivision thereof. Such credit applies only to expenses incurred pursuant to a contract or cooperative agreement under subsection (d) and only to expenses incurred after December 11, 1980, but before October 17, 1986.

(E) ITEM-BY-ITEM APPROVAL.—In the case of expenditures made after October 17, 1986, the President may require prior approval of each item of expenditure as a condition of granting a credit under this paragraph.

(F) USE OF CREDITS.—Credits granted under this paragraph for funds expended with respect to a facility may be used by the State to reduce all or part of the share of costs otherwise required to be paid by the State under paragraph (3) in connection with remedial actions at such facility. If the amount of funds for which credit is allowed under this paragraph exceeds such share of costs for such facility, the State may use the amount of such excess to reduce all or part of the share of such costs at other facilities in that State. A credit shall not entitle the State to any direct payment.

(6) OPERATION AND MAINTENANCE.—For the purposes of paragraph (3) of this subsection, in the case of ground or surface water contamination, completed remedial action includes the completion of treatment or other measures, whether taken onsite or offsite, necessary to restore ground and surface water quality to a level that assures protection of human health and the environment. With respect to such measures, the operation of such measures for a period of up to 10 years after the construction or installation and commencement of operation shall be considered remedial action. Activities required to maintain the effectiveness of such measures following such period or the completion of remedial action, whichever is earlier, shall be considered operation or maintenance.

(7) LIMITATION ON SOURCE OF FUNDS FOR O&M.—During any period after the availability of funds received by the Hazardous Substance Superfund established under subchapter A of chapter 98 of title 26 from tax revenues or appropriations from general revenues, the Federal share of the payment of the cost of operation or maintenance pursuant to paragraph (3)(C)(i) or paragraph (6) of this subsection (relating to operation and maintenance) shall be from funds received by the Hazardous Substance Superfund from amounts recovered on behalf of such fund under this chapter.
(8) RECONTRACTING.—The President is authorized to undertake or continue whatever interim remedial actions the President determines to be appropriate to reduce risks to public health or the environment where the performance of a complete remedial action requires recontracting because of the discovery of sources, types, or quantities of hazardous substances not known at the time of entry into the original contract. The total cost of interim actions undertaken at a facility pursuant to this paragraph shall not exceed $2,000,000.

(9) SITTING.—Effective 3 years after October 17, 1986, the President shall not provide any remedial actions pursuant to this section unless the State in which the release occurs enters into an agreement with the State in which the release occurred. The President may enter into a contract or cooperative agreement with the President providing assurances deemed adequate by the President that the State will assure the availability of hazardous waste treatment or disposal facilities which—

(A) have adequate capacity for the destruction, treatment, or secure disposal of all hazardous wastes that are reasonably expected to be generated within the State during the 20-year period following the date of such contract or cooperative agreement and to be disposed of, treated, or destroyed,

(B) are within the State or outside the State in accordance with an interstate agreement or regional agreement or authority,

(C) are acceptable to the President, and

(D) are in compliance with the requirements of subtitle C of the Solid Waste Disposal Act (42 U.S.C. 6921 et seq.).

(d) Contracts or cooperative agreements by President with States or political subdivisions or Indian tribes; State applications, terms and conditions; reimbursements; cost-sharing provisions; enforcement requirements and procedures

(1) COOPERATIVE AGREEMENTS.—

(A) STATE APPLICATIONS.—A State or political subdivision thereof or Indian tribe may apply to the President to carry out actions authorized in this section. If the President determines that the State or political subdivision or Indian tribe has the capability to carry out any or all of such actions in accordance with the criteria and priorities established pursuant to section 9605(a)(8) of this title and to carry out related enforcement actions, the President may enter into a contract or cooperative agreement with the State or political subdivision or Indian tribe to carry out such actions. The President shall make a determination regarding such an application within 90 days after the President receives the application.

(B) TERMS AND CONDITIONS.—A contract or cooperative agreement under this paragraph shall be subject to such terms and conditions as the President may prescribe. The contract or cooperative agreement may cover a specific facility or specific facilities.

(C) REIMBURSEMENTS.—Any State which expends funds during the period beginning September 30, 1985, and ending on October 17, 1986, for response actions at any site included on the National Priorities List and subject to a cooperative agreement under this chapter shall be reimbursed for the share of costs of such actions for which the Federal Government is responsible under this chapter.

(2) If the President enters into a cost-sharing agreement pursuant to subsection (c) of this section or a contract or cooperative agreement pursuant to this subsection, and the State or political subdivision thereof fails to comply with any requirements of the contract, the President may, after providing sixty days notice, seek in the appropriate Federal district court to enforce the contract or to recover any funds advanced or any costs incurred because of the breach of the contract by the State or political subdivision.

(3) Where a State or a political subdivision thereof is acting in behalf of the President, the President is authorized to provide technical and legal assistance in the administration and enforcement of any contract or subcontract in connection with response actions assisted under this subchapter, and to intervene in any civil action involving the enforcement of such contract or subcontract.

(4) Where two or more noncontiguous facilities are reasonably related on the basis of geography, or on the basis of the threat, or potential threat to the public health or welfare or the environment, the President may, in his discretion, treat these related facilities as one for purposes of this section.

(e) Information gathering and access

(1) Action authorized

Any officer, employee, or representative of the President, duly designated by the President, is authorized to take action under paragraph (2), (3), or (4) (or any combination thereof) at a vessel, facility, establishment, place, property, or location or, in the case of paragraph (3) or (4), at any vessel, facility, establishment, place, property, or location which is adjacent to the vessel, facility, establishment, place, property, or location referred to in such paragraph (3) or (4). Any duly designated officer, employee, or representative of a State or political subdivision under a contract or cooperative agreement under subsection (d)(1) is also authorized to take such action. The authority of paragraphs (3) and (4) may be exercised only if there is a reasonable basis to believe there may be a release or threat of release of a hazardous substance or pollutant or contaminant. The authority of this subsection may be exercised only for the purposes of determining the need for response, or choosing or taking any response action under this subchapter, or otherwise enforcing the provisions of this subchapter.

(2) Access to information

Any officer, employee, or representative described in paragraph (1) may require any person who has or may have information relevant to any of the following to furnish, upon reasonable notice, information or documents relating to such matter:

(A) The identification, nature, and quantity of materials which have been or are generated, treated, stored, or disposed of at a vessel or facility or transported to a vessel or facility.
(B) The nature or extent of a release or threatened release of a hazardous substance or pollutant or contaminant at or from a vessel or facility.

(C) Information relating to the ability of a person to pay for or to perform a cleanup.

In addition, upon reasonable notice, such person either (i) shall grant any such officer, employee, or representative access at all reasonable times to any vessel, facility, establishment, place, property, or location to inspect and copy all documents or records relating to such matters or (ii) shall copy and furnish to the officer, employee, or representative all such documents or records, at the option and expense of such person.

(3) Entry

Any officer, employee, or representative described in paragraph (1) is authorized to enter at reasonable times any of the following:

(A) Any vessel, facility, establishment, or other place or property where any hazardous substance or pollutant or contaminant may be or has been generated, stored, treated, disposed of, or transported from.

(B) Any vessel, facility, establishment, or other place or property from which or to which a hazardous substance or pollutant or contaminant has been or may have been released.

(C) Any vessel, facility, establishment, or other place or property where such release is or may be threatened.

(D) Any vessel, facility, establishment, or other place or property where entry is needed to determine the need for response or to effectuate a response action under this subchapter.

(4) Inspection and samples

(A) Authority

Any officer, employee or representative described in paragraph (1) is authorized to inspect and obtain samples from any vessel, facility, establishment, or other place or property referred to in paragraph (3) or from any location of any suspected hazardous substance or pollutant or contaminant. Any such officer, employee, or representative is authorized to inspect and obtain samples of any containers or labeling for suspected hazardous substances or pollutants or contaminants. Each such inspection shall be completed with reasonable promptness.

(B) Samples

If the officer, employee, or representative obtains any samples, before leaving the premises he shall give to the owner, operator, tenant, or other person in charge of the place from which the samples were obtained a receipt describing the sample obtained and, if requested, a portion of each such sample. A copy of the results of any analysis made of such samples shall be furnished promptly to the owner, operator, tenant, or other person in charge, if such person can be located.

(5) Compliance orders

(A) Issuance

If consent is not granted regarding any request made by an officer, employee, or representative under paragraph (2), (3), or (4), the President may issue an order directing compliance with the request. The order may be issued after such notice and opportunity for consultation as is reasonably appropriate under the circumstances.

(B) Compliance

The President may ask the Attorney General to commence a civil action to compel compliance with a request or order referred to in subparagraph (A). Where there is a reasonable basis to believe there may be a release or threat of a release of a hazardous substance or pollutant or contaminant, the court shall take the following actions:

(i) In the case of interference with entry or inspection, the court shall enjoin such interference or direct compliance with orders to prohibit interference with entry or inspection unless under the circumstances of the case the demand for entry or inspection is arbitrary and capricious, an abuse of discretion, or otherwise not in accordance with law.

(ii) In the case of information or document requests or orders, the court shall enjoin interference with such information or document requests or orders or direct compliance with the requests or orders to provide such information or documents unless under the circumstances of the case the demand for information or documents is arbitrary and capricious, an abuse of discretion, or otherwise not in accordance with law.

The court may assess a civil penalty not to exceed $25,000 for each day of noncompliance against any person who unreasonably fails to comply with the provisions of paragraph (2), (3), or (4) or an order issued pursuant to subparagraph (A) of this paragraph.

(6) Other authority

Nothing in this subsection shall preclude the President from securing access or obtaining information in any other lawful manner.

(7) Confidentiality of information

(A) Any records, reports, or information obtained from any person under this section (including records, reports, or information obtained by representatives of the President) shall be available to the public, except that upon a showing satisfactory to the President (or the State, as the case may be) by any person that records, reports, or information, or particular part thereof (other than health or safety effects data), to which the President (or the State, as the case may be) or any officer, employee, or representative has access under this section if made public would divulge information entitled to protection under section 1905 of title 18, such information or particular portion thereof shall be considered confidential in accordance with the purposes of that section, except that such record, report, docu-
ment or information may be disclosed to other officers, employees, or authorized representatives of the United States concerned with carrying out this chapter, or when relevant in any proceeding under this chapter.

(B) Any person not subject to the provisions of section 1905 of title 18 who knowingly and willfully divulges or discloses any information entitled to protection under this subsection shall, upon conviction, be subject to a fine of not more than $5,000 or to imprisonment not to exceed one year, or both.

(C) In submitting data under this chapter, a person required to provide such data may (i) designate the data which such person believes is entitled to protection under this subsection and (ii) submit such designated data separately from other data submitted under this chapter. A designation under this paragraph shall be made in writing and in such manner as the President may prescribe by regulation.

(D) Notwithstanding any limitation contained in this section or any other provision of law, all information reported to or otherwise obtained by the President (or any representative of the President) under this chapter shall be made available, upon written request of any duly authorized committee of the Congress, to such committee.

(E) No person required to provide information under this chapter may claim that the information is entitled to protection under this paragraph unless such person shows each of the following:

(i) Such person has not disclosed the information to any other person, other than a member of a local emergency planning committee established under title III of the Amendments and Reauthorization Act of 1986 [42 U.S.C. 11001 et seq.], an officer or employee of the United States or a State or local government, an employee of such person, or a person who is bound by a confidentiality agreement, and such person has taken reasonable measures to protect the confidentiality of such information and intends to continue to take such measures.

(ii) The information is not required to be disclosed, or otherwise made available, to the public under any other Federal or State law.

(iii) Disclosure of the information is likely to cause substantial harm to the competitive position of such person.

(iv) The specific chemical identity, if sought to be protected, is not readily discoverable through reverse engineering.

(F) The following information with respect to any hazardous substance at the facility or vessel shall not be entitled to protection under this paragraph:

(i) The trade name, common name, or generic class or category of the hazardous substance.

(ii) The physical properties of the substance, including its boiling point, melting point, flash point, specific gravity, vapor density, solubility in water, and vapor pressure at 20 degrees celsius.

(iii) The hazards to health and the environment posed by the substance, including physical hazards (such as explosion) and potential acute and chronic health hazards.

(iv) The potential routes of human exposure to the substance at the facility, establishment, place, or property being investigated, entered, or inspected under this subsection.

(v) The location of disposal of any waste stream.

(vi) Any monitoring data or analysis of monitoring data pertaining to disposal activities.

(vii) Any hydrogeologic or geologic data.

(viii) Any groundwater monitoring data.

(f) Contracts for response actions; compliance with Federal health and safety standards

In awarding contracts to any person engaged in response actions, the President or the State, in any case where it is awarding contracts pursuant to a contract entered into under subsection (d) of this section, shall require compliance with Federal health and safety standards established under section 9551(f) of this title by contractors and subcontractors as a condition of such contracts.

(g) Rates for wages and labor standards applicable to covered work

(1) All laborers and mechanics employed by contractors or subcontractors in the performance of construction, repair, or alteration work funded in whole or in part under this section or section 9622(a)(1)(B)(ii)(III) of this title shall be paid wages at rates not less than those prevailing on projects of a character similar in the locality as determined by the Secretary of Labor in accordance with sections 3141-3144, 3146, and 3147 of title 40. The President shall not approve any such funding without first obtaining adequate assurance that required labor standards will be maintained upon the construction work.

(2) The Secretary of Labor shall have, with respect to the labor standards specified in paragraph (1), the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176; 64 Stat. 1267) and section 3145 of title 40.

(h) Emergency procurement powers; exercise by President

Notwithstanding any other provision of law, subject to the provisions of section 9611 of this title, the President may authorize the use of such emergency procurement powers as he deems necessary to effect the purpose of this chapter. Upon determination that such procedures are necessary, the President shall promulgate regulations prescribing the circumstances under which such authority shall be used and the procedures governing the use of such authority.

(i) Agency for Toxic Substances and Disease Registry; establishment, functions, etc.

(1) There is hereby established within the Public Health Service an agency, to be known as the Agency for Toxic Substances and Disease Registry, which shall report directly to the Surgeon General of the United States. The Administrator of said Agency shall, with the cooperation of the Administrator of the Environmental Protection
Agency, the Commissioner of the Food and Drug Administration, the Directors of the National Institute of Medicine, National Institute of Environmental Health Sciences, National Institute of Occupational Safety and Health, Centers for Disease Control and Prevention, the Administrator of the Occupational Safety and Health Administration, the Administrator of the Social Security Administration, the Secretary of Transportation, and appropriate State and local health officials, effectuate and implement the health related authorities of this chapter. In addition, said Administrator shall—

(A) in cooperation with the States, establish and maintain a national registry of serious diseases and illnesses and a national registry of persons exposed to toxic substances;

(B) establish and maintain inventory of literature, research, and studies on the health effects of toxic substances;

(C) in cooperation with the States, and other agencies of the Federal Government, establish and maintain a complete listing of areas closed to the public or otherwise restricted in use because of toxic substance contamination;

(D) in cases of public health emergencies caused or believed to be caused by exposure to toxic substances, provide medical care and testing to exposed individuals, including but not limited to tissue sampling, chromosomal testing where appropriate, epidemiological studies, or any other assistance appropriate under the circumstances; and

(E) either independently or as part of other health status survey, conduct periodic survey and screening programs to determine relationships between exposure to toxic substances and illness. In cases of public health emergencies, exposed persons shall be eligible for medical care and services operated or provided by the Public Health Service.

(2)(A) Within 6 months after October 17, 1986, the Administrator of the Agency for Toxic Substances and Disease Registry (ATSDR) and the Administrator of the Environmental Protection Agency ("EPA") shall prepare a list, in order of priority, of at least 100 hazardous substances, which are most commonly found at facilities on the National Priorities List and which, in their sole discretion, they determine are posing the most significant potential threat to human health due to their known or suspected toxicity to humans and the potential for human exposure to such substances at facilities on the National Priorities List or at facilities to which a response to a release or a threatened release under this section is under consideration.

(B) Within 24 months after October 17, 1986, the Administrator of ATSDR and the Administrator of EPA shall revise the list prepared under subparagraph (A). Such revision shall include, in order of priority, the addition of 100 or more such hazardous substances. In each of the 3 consecutive 12-month periods that follow, the Administrator of ATSDR and the Administrator of EPA shall revise, in the same manner as provided in the 2 preceding sentences, such list to include not fewer than 25 additional hazardous substances per revision. The Administrator of ATSDR and the Administrator of EPA shall not less often than once every year thereafter revise such list to include additional hazardous substances in accordance with the criteria in subparagraph (A).

(C) Based on all available information, including information maintained under paragraph (1)(B) and data developed and collected on the health effects of hazardous substances under this paragraph, the Administrator of ATSDR shall prepare toxicological profiles of each of the substances listed pursuant to paragraph (2). The toxicological profiles shall be prepared in accordance with guidelines developed by the Administrator of ATSDR and the Administrator of EPA. Such profiles shall include, but not be limited to each of the following:

(A) An examination, summary, and interpretation of available toxicological information and epidemiologic evaluations on a hazardous substance in order to ascertain the levels of significant human exposure for the substance and the associated acute, subacute, and chronic health effects.

(B) A determination of whether adequate information on the health effects of each substance is available or in the process of development to determine levels of exposure which present a significant risk to human health of acute, subacute, and chronic health effects.

(C) Where appropriate, an identification of toxicological testing needed to identify the types or levels of exposure that may present significant risk of adverse health effects in humans.

Any toxicological profile or revision thereof shall reflect the Administrator of ATSDR's assessment of all relevant toxicological testing which has been peer reviewed. The profiles required to be prepared under this paragraph for those hazardous substances listed under subparagraph (A) of paragraph (2) shall be completed, at a rate of no fewer than 25 per year, within 4 years after October 17, 1986. A profile required on a substance listed pursuant to subparagraph (B) of paragraph (2) shall be completed within 3 years after addition to the list. The profiles prepared under this paragraph shall be of those substances highest on the list of priorities under paragraph (1) for which profiles have not previously been prepared. Profiles required under this paragraph shall be revised and republished as necessary, but no less often than once every 3 years. Such profiles shall be provided to the States and made available to other interested parties.

(4) The Administrator of the ATSDR shall provide consultations upon request on health issues relating to exposure to hazardous or toxic substances, on the basis of available information, to the Administrator of EPA, State officials, and local officials. Such consultations to individuals may be provided by States under cooperative agreements established under this chapter.

(5)(A) For each hazardous substance listed pursuant to paragraph (2), the Administrator of ATSDR (in consultation with the Administrator of EPA and other agencies and programs of the Public Health Service) shall assess whether adequate information on the health effects of such substance is available. For any such substance for which adequate information is not available
be borne by the manufacturers and processors of the hazardous substance in question, as required in programs of toxicological testing under the Toxic Substances Control Act [15 U.S.C. 2601 et seq.]. Within 1 year after October 17, 1986, the Administrator of EPA shall promulgate regulations which provide, where appropriate, for payment of such costs by manufacturers and processors under the Toxic Substances Control Act, and registrants under the Federal Insecticide, Fungicide, and Rodenticide Act [7 U.S.C. 136 et seq.], and recovery of such costs from responsible parties under this chapter.

(A) The Administrator of ATSDR shall perform a health assessment for each facility on the National Priorities List established under section 9605 of this title. Such health assessment shall be completed not later than one year after the date of proposal for inclusion on such list for each facility proposed for inclusion on such list after October 17, 1986.

(B) The Administrator of ATSDR may perform health assessments for releases or facilities where individual persons or licensed physicians provide information that individuals have been exposed to a hazardous substance, for which the probable source of such exposure is a release. In addition to other methods (formal or informal) of providing such information, such individual persons or licensed physicians may submit a petition to the Administrator of ATSDR providing such information and requesting a health assessment. If such a petition is submitted and the Administrator of ATSDR does not initiate a health assessment, the Administrator of ATSDR shall provide a written explanation of why a health assessment is not appropriate.

(C) In determining the priority in which to conduct health assessments under this subsection, the Administrator of ATSDR, in consultation with the Administrator of EPA, shall give priority to those facilities at which there is documented evidence of the release of hazardous substances, at which the potential risk to human health appears highest, and for which in the judgment of the Administrator of ATSDR existing health assessment data are inadequate to assess the potential risk to human health as provided in subparagraph (F). In determining the priorities for conducting health assessments under this subsection, the Administrator of ATSDR shall consider the National Priorities List schedules and the needs of the Environmental Protection Agency and other Federal agencies pursuant to schedules for remedial investigation and feasibility studies.

(D) Where a health assessment is done at a site on the National Priorities List, the Administrator of ATSDR shall complete such assessment promptly and, to the maximum extent practicable, before the completion of the remedial investigation and feasibility study at the facility concerned.

(E) Any State or political subdivision carrying out a health assessment for a facility shall report the results of the assessment to the Administrator of ATSDR and the Administrator of EPA and shall include recommendations with respect to further activities which need to be
carried out under this section. The Administrator of ATSDR shall state such recommendation in any report on the results of any assessment carried out directly by the Administrator of ATSDR for such facility and shall issue periodic reports which include the results of all the assessments carried out under this subsection.

(F) For the purposes of this subsection and section 9611(c)(4) of this title, the term "health assessments" shall include preliminary assessments of the potential risk to human health posed by individual sites and facilities, based on such factors as the nature and extent of contamination, the existence of potential pathways of human exposure (including ground or surface water contamination, air emissions, and food chain contamination), the size and potential susceptibility of the community within the likely pathways of exposure, the comparison of expected human exposure levels to the short-term and long-term health effects associated with identified hazardous substances and any available recommended exposure or tolerance limits for such hazardous substances, and the comparison of existing morbidity and mortality data on diseases that may be associated with the observed levels of exposure. The Administrator of ATSDR shall use appropriate data, risk assessments, risk evaluations and studies available from the Administrator of EPA.

(G) The purpose of health assessments under this subsection shall be to assist in determining whether actions under paragraph (11) of this subsection should be taken to reduce human exposure to hazardous substances from a facility and whether additional information on human exposure and associated health risks is needed and should be acquired by conducting epidemiological studies under paragraph (7), establishing a registry under paragraph (8), establishing a health surveillance program under paragraph (9), or through other means. In using the results of health assessments for determining additional actions to be taken under this section, the Administrator of ATSDR may consider additional information on the risks to the potentially affected population from all sources of such hazardous substances including known point or nonpoint sources other than those from the facility in question.

(H) At the completion of each health assessment, the Administrator of ATSDR shall provide the Administrator of EPA and each affected State with the results of such assessment, together with any recommendations for further actions under this subsection or otherwise under this chapter. In addition, if the health assessment indicates that the release or threatened release concerned may pose a serious threat to human health or the environment, the Administrator of ATSDR shall so notify the Administrator of EPA who shall promptly evaluate such release or threatens release in accordance with the hazard ranking system referred to in section 9605(a)(8)(A) of this title to determine whether the site shall be placed on the National Priorities List or, if the site is already on the list, the Administrator of ATSDR may recommend to the Administrator of EPA that the site be accorded a higher priority.

(7)(A) Whenever in the judgment of the Administrator of ATSDR it is appropriate on the basis of the results of a health assessment, the Administrator of ATSDR shall conduct a pilot study of health effects for selected groups of exposed individuals in order to determine the desirability of conducting full scale epidemiological or other health studies of the entire exposed population.

(B) Whenever in the judgment of the Administrator of ATSDR it is appropriate on the basis of the results of such pilot study or other study or health assessment, the Administrator of ATSDR shall conduct such full scale epidemiological or other health studies as may be necessary to determine the health effects on the population exposed to hazardous substances from a release or threatened release. If a significant excess of disease in a population is identified, the letter of transmittal of such study shall include an assessment of other risk factors, other than a release, that may, in the judgment of the peer review group, be associated with such disease, if such risk factors were not taken into account in the design or conduct of the study.

(8) In any case in which the results of a health assessment indicate a potential significant risk to human health, the Administrator of ATSDR shall consider whether the establishment of a registry of exposed persons would contribute to accomplishing the purposes of this subsection, taking into account circumstances bearing on the usefulness of such a registry, including the seriousness or unique character of identified diseases or the likelihood of population migration from the affected area.

(9) Where the Administrator of ATSDR has determined that there is a significant increased risk of adverse health effects in humans from exposure to hazardous substances based on the results of a health assessment conducted under paragraph (6), an epidemiologic study conducted under paragraph (7), or an exposure registry that has been established under paragraph (8), and the Administrator of ATSDR has determined that such exposure is the result of a release from a facility, the Administrator of ATSDR shall initiate a health surveillance program for such population. This program shall include but not be limited to—

(A) periodic medical testing where appropriate of population subgroups to screen for diseases for which the population or subgroup is at significant increased risk; and

(B) a mechanism to refer for treatment those individuals within such population who are screened positive for such diseases.

(10) Two years after October 17, 1986, and every 2 years thereafter, the Administrator of ATSDR shall prepare and submit to the Administrator of EPA and to the Congress a report on the results of the activities of ATSDR regarding—

(A) health assessments and pilot health effects studies conducted;

(B) epidemiologic studies conducted;

(C) hazardous substances which have been listed under paragraph (2), toxicological profiles which have been developed, and toxicologic testing which has been conducted or which is being conducted under this subsection;

(D) registries established under paragraph (8); and
(E) an overall assessment, based on the results of activities conducted by the Administrator of ATSDR, of the linkage between human exposure to individual or combinations of hazardous substances due to releases from facilities covered by this chapter or the Solid Waste Disposal Act [42 U.S.C. 6901 et seq.] and any increased incidence or prevalence of adverse health effects in humans.

(11) If a health assessment or other study carried out under this subsection contains a finding that the exposure concerned presents a significant risk to human health, the President shall take such steps as may be necessary to reduce such exposure and eliminate or substantially mitigate the significant risk to human health. Such steps may include the use of any authority under this chapter, including, but not limited to—

(A) provision of alternative water supplies, and

(B) permanent or temporary relocation of individuals.

In any case in which information is insufficient, in the judgment of the Administrator of ATSDR or the President to determine a significant human exposure level with respect to a hazardous substance, the President may take such steps as may be necessary to reduce the exposure of any person to such hazardous substance to such level as the President deems necessary to protect human health.

(12) In any case which is the subject of a petition, a health assessment or study, or a research program under this subsection, nothing in this subsection shall be construed to delay or otherwise affect or impair the authority of the President, the Administrator of ATSDR, or the Administrator of EPA to exercise any authority vested in the President, the Administrator of ATSDR or the Administrator of EPA under any other provision of law (including, but not limited to, the imminent hazard authority of section 309 of this title), to respond in kind or to any other legal action or procedure described in this chapter, the Administrator of ATSDR shall assemble, develop as necessary, and distribute to the States, and upon request to medical colleges, physicians, and other health professionals, appropriate educational materials (including short courses on the medical surveillance, screening, and methods of diagnosis and treatment of injury or disease related to exposure to hazardous substances (giving priority to those listed in paragraph (2)), through such means as the Administrator of ATSDR deems appropriate.

(15) The activities of the Administrator of ATSDR described in this subsection and section 9611(c)(4) of this title shall be carried out by the Administrator of ATSDR, either directly or through cooperative agreements with States (or political subdivisions thereof) which the Administrator of ATSDR determines are capable of carrying out such activities. Such activities shall include provision of consultations on health information, the conduct of health assessments, including those required under section 309(b) of the Solid Waste Disposal Act [42 U.S.C. 6939a(b)], health studies, registries, and health surveillance.

(16) The President shall provide adequate personnel for ATSDR, which shall not be fewer than 100 employees. For purposes of determining the number of employees under this subsection, an employee employed by ATSDR on a part-time career employment basis shall be counted as a fraction which is determined by dividing 40 hours into the average number of hours of such employee's regularly scheduled workweek.

(17) In accordance with section 9620 of this title (relating to Federal facilities), the Administrator of ATSDR shall have the same authorities under this section with respect to facilities owned or operated by a department, agency, or instrumentality of the United States as the Administrator of ATSDR has with respect to any nongovernmental entity.

(18) If the Administrator of ATSDR determines that it is appropriate for purposes of this section to treat a pollutant or contaminant as a hazardous substance, such pollutant or contaminant shall be treated as a hazardous substance for such purpose.

(j) Acquisition of property

(1) Authority

The President is authorized to acquire, by purchase, lease, condemnation, donation, or otherwise, any real property or any interest in real property that the President in his discretion determines is needed to conduct a remedial action under this chapter. There shall be no cause of action to compel the President to acquire any interest in real property under this chapter.

(2) State assurance

The President may use the authority of paragraph (1) for a remedial action only if, before an interest in real estate is acquired under this subsection, the State in which the interest to be acquired is located assures the President, through a contract or cooperative agreement or otherwise, that the State will accept transfer of the interest following completion of the remedial action.
(3) Exemption
No Federal, State, or local government agency shall be liable under this chapter solely as a result of acquiring an interest in real estate under this subsection.

(k) Brownfields revitalization funding

(1) Definition of eligible entity
In this subsection, the term “eligible entity” means—
(A) a general purpose unit of local government;
(B) a land clearance authority or other quasi-governmental entity that operates under the supervision and control of or as an agent of a general purpose unit of local government;
(C) a government entity created by a State legislature;
(D) a regional council or group of general purpose units of local government;
(E) a redevelopment agency that is chartered or otherwise sanctioned by a State;
(F) a State;
(G) an Indian Tribe other than in Alaska;
(H) an Alaska Native Regional Corporation and an Alaska Native Village Corporation as those terms are defined in the Alaska Native Claims Settlement Act (43 U.S.C. 1601 and following) and the Metlakatla Indian community;
(I) an organization described in section 501(c)(3) of title 26 and exempt from taxation under section 501(a) of that title;
(J) a limited liability corporation in which all managing members are organizations described in subparagraph (I) or limited liability corporations whose sole members are organizations described in subparagraph (I);
(K) a limited partnership in which all general partners are organizations described in subparagraph (I) or limited liability corporations whose sole members are organizations described in subparagraph (I); or
(L) a qualified community development entity (as defined in section 45D(c)(1) of title 26).

(2) Brownfield site characterization and assessment grant program

(A) Establishment of program
The Administrator shall establish a program to—
(i) provide grants to inventory, characterize, assess, and conduct planning related to brownfield sites under subparagraph (B); and
(ii) perform targeted site assessments at brownfield sites.

(B) Assistance for site characterization and assessment

(i) In general
On approval of an application made by an eligible entity, the Administrator may make a grant to the eligible entity to be used for programs to inventory, characterize, assess, and conduct planning related to one or more brownfield sites.

(ii) Site characterization and assessment
A site characterization and assessment carried out with the use of a grant under clause (i) shall be performed in accordance with section 9601(35)(B) of this title.

(C) Exemption for certain publicly owned brownfield sites
Notwithstanding paragraph (5)(B)(iii), an eligible entity described in any of subparagraphs (A) through (H) of paragraph (1) may receive a grant under this paragraph for property acquired by that eligible entity prior to January 11, 2002, even if the eligible entity does not qualify as a bona fide prospective purchaser, so long as the eligible entity has not caused or contributed to a release or threatened release of a hazardous substance at the property.

(3) Grants and loans for brownfield remediation

(A) Grants provided by the President
Subject to paragraphs (5) and (6), the President shall establish a program to provide grants to—
(i) eligible entities, to be used for capitalization of revolving loan funds; and
(ii) eligible entities or nonprofit organizations, where warranted, as determined by the President based on considerations under subparagraph (C), to be used directly for remediation of one or more brownfield sites owned by the entity or organization that receives the grant and in amounts not to exceed $500,000 for each site to be remediated, which limit may be waived by the Administrator, but not to exceed a total of $650,000 for each site, based on the anticipated level of contamination, size, or ownership status of the site.

(B) Loans and grants provided by eligible entities
An eligible entity that receives a grant under subparagraph (A)(i) shall use the grant funds to provide assistance for the remediation of brownfield sites in the form of—
(i) one or more loans to an eligible entity, a site owner, a site developer, or another person; or
(ii) one or more grants to an eligible entity or other nonprofit organization, where warranted, as determined by the eligible entity that is providing the assistance, based on considerations under subparagraph (C), to remediate sites owned by the eligible entity or nonprofit organization that receives the grant.

(C) Considerations
In determining whether a grant under subparagraph (A)(i) or (B)(i) is warranted, the President or the eligible entity, as the case may be, shall take into consideration—
(i) the extent to which a grant will facilitate the creation of, preservation of, or addition to a park, a greenway, undeveloped property, recreational property, or other property used for nonprofit purposes;
(ii) the extent to which a grant will meet the needs of a community that has an inability to draw on other sources of funding for environmental remediation and subsequent redevelopment of the area in which
a brownfield site is located because of the small population or low income of the community;
(iii) the extent to which a grant will facilitate the use or reuse of existing infrastructure;
(iv) the benefit of promoting the long-term availability of funds from a revolving loan fund for brownfield remediation; and
(v) such other similar factors as the Administrator considers appropriate to consider for the purposes of this subsection.

(D) Transition

Revolving loan funds that have been established before January 11, 2002, may be used in accordance with this paragraph.

(E) Exemption for certain publicly owned brownfield sites

Notwithstanding paragraph (5)(B)(iii), an eligible entity described in any of subparagraphs (A) through (H) of paragraph (1) may receive a grant or loan under this paragraph for property acquired by that eligible entity prior to January 11, 2002, even if the eligible entity does not qualify as a bona fide prospective purchaser, so long as the eligible entity has not caused or contributed to a release or threatened release of a hazardous substance at the property.

(4) Multipurpose brownfields grants

(A) In general

Subject to subparagraph (D) and paragraphs (5) and (6), the Administrator shall establish a program to provide multipurpose grants to an eligible entity based on the criteria under subparagraph (C) and the considerations under paragraph (3)(C), to carry out inventory, characterization, assessment, planning, or remediation activities at 1 or more brownfield sites in an area proposed by the eligible entity.

(B) Grant amounts

(i) Individual grant amounts

Each grant awarded under this paragraph shall not exceed $1,000,000.

(ii) Cumulative grant amounts

The total amount of grants awarded for each fiscal year under this paragraph may not exceed 15 percent of the funds made available for the fiscal year to carry out this subsection.

(C) Criteria

In awarding a grant under this paragraph, the Administrator shall consider the extent to which the eligible entity is able—
(i) to provide an overall plan for revitalization of the 1 or more brownfield sites in the proposed area in which the multipurpose grant will be used;
(ii) to demonstrate a capacity to conduct the range of eligible activities that will be funded by the multipurpose grant; and
(iii) to demonstrate that a multipurpose grant will meet the needs of the 1 or more brownfield sites in the proposed area.

(D) Condition

As a condition of receiving a grant under this paragraph, each eligible entity shall expend the full amount of the grant by not later than the date that is 5 years after the date on which the grant is awarded to the eligible entity, unless the Administrator provides an extension.

(E) Ownership

An eligible entity that receives a grant under this paragraph may not expend any of the grant funds for the remediation of a brownfield site unless the eligible entity owns the brownfield site.

(5) General provisions

(A) Maximum grant amount

(i) Brownfield site characterization and assessment

(I) In general

A grant under paragraph (2) may be awarded to an eligible entity on a community-wide or site-by-site basis, and shall not exceed, for any individual brownfield site covered by the grant, $200,000.

(II) Waiver

The Administrator may waive the $200,000 limitation under subclause (I) to permit the brownfield site to receive a grant of not to exceed $350,000, based on the anticipated level of contamination, size, or status of ownership of the site.

(ii) Brownfield remediation

A grant under paragraph (3)(A)(1) may be awarded to an eligible entity on a community-wide or site-by-site basis, not to exceed $1,000,000 per eligible entity. The Administrator may make an additional grant to an eligible entity described in the previous sentence for any year after the year for which the initial grant is made, taking into consideration—
(I) the number of sites and number of communities that are addressed by the revolving loan fund;
(II) the demand for funding by eligible entities that have not previously received a grant under this subsection;
(III) the demonstrated ability of the eligible entity to use the revolving loan fund to enhance remediation and provide funds on a continuing basis; and
(IV) such other similar factors as the Administrator considers appropriate to carry out this subsection.

(B) Prohibition

No part of a grant or loan under this subsection may be used for the payment of—
(i) a penalty or fine;
(ii) a Federal cost-share requirement;
(iii) a response cost at a brownfield site for which the recipient of the grant or loan is potentially liable under section 9607 of this title; or
(iv) a cost of compliance with any Federal law (including a Federal law specified in section 9601(39)(B) of this title), excluding the cost of compliance with laws applicable to the cleanup.
(C) Assistance for development of local government site remediation programs

A local government that receives a grant under this subsection may use not to exceed 10 percent of the grant funds to develop and implement a brownfields program that may include—

(i) monitoring the health of populations exposed to one or more hazardous substances from a brownfield site; and

(ii) monitoring and enforcement of any institutional control used to prevent human exposure to any hazardous substance from a brownfield site.

(D) Insurance

A recipient of a grant or loan awarded under paragraph (2), (3), or (4) that performs a characterization, assessment, or remediation of a brownfield site may use a portion of the grant or loan to purchase insurance for the characterization, assessment, or remediation of that site.

(E) Administrative costs

(i) In general

An eligible entity may use up to 5 percent of the amounts made available under a grant or loan under this subsection for administrative costs.

(ii) Restriction

For purposes of clause (i), the term “administrative costs” does not include—

(I) investigation and identification of the extent of contamination of a brownfield site;

(II) design and performance of a response action; or

(III) monitoring of a natural resource.

(6) Grant applications

(A) Submission

(i) In general

An eligible entity may submit to the Administrator, through a regional office of the Environmental Protection Agency and in such form as the Administrator may require, an application for a grant under this subsection for one or more brownfield sites (including information on the criteria used by the Administrator to rank applications under subparagraph (C), to the extent that the information is available).

(ii) NCP requirements

The Administrator may include in any requirement for submission of an application under subclause (I) a requirement of the National Contingency Plan only to the extent that the requirement is relevant and appropriate to the program under this subsection.

(ii) Coordination

The Administrator shall coordinate with other Federal agencies to assist in making eligible entities aware of other available Federal resources.

(iii) Guidance

The Administrator shall publish guidance to assist eligible entities in applying for grants under this subsection.

(B) Approval

The Administrator shall—

(i) at least annually, complete a review of applications for grants that are received from eligible entities under this subsection; and

(ii) award grants under this subsection to eligible entities that the Administrator determines have the highest rankings under the ranking criteria established under subparagraph (C).

(C) Ranking criteria

The Administrator shall establish a system for ranking grant applications received under this paragraph that includes the following criteria:

(i) The extent to which a grant will stimulate the availability of other funds for environmental assessment or remediation, and subsequent reuse, of an area in which one or more brownfield sites are located.

(ii) The potential of the proposed project or the development plan for an area in which one or more brownfield sites are located to stimulate economic development of the area on completion of the cleanup.

(iii) The extent to which a grant would address or facilitate the identification and reduction of threats to human health and the environment, including threats in areas in which there is a greater-than-normal incidence of diseases or conditions (including cancer, asthma, or birth defects) that may be associated with exposure to hazardous substances, pollutants, or contaminants.

(iv) The extent to which a grant would facilitate the use or reuse of existing infrastructure.

(v) The extent to which a grant would facilitate the creation of, preservation of, or addition to a park, a greenway, undeveloped property, recreational property, or other property used for nonprofit purposes.

(vi) The extent to which a grant would meet the needs of a community that has an inability to draw on other sources of funding for environmental remediation and subsequent redevelopment of the area in which a brownfield site is located because of the small population or low income of the community.

(vii) The extent to which the applicant is eligible for funding from other sources.

(viii) The extent to which a grant will further the fair distribution of funding between urban and nonurban areas.

(ix) The extent to which the grant provides for involvement of the local community in the process of making decisions relating to cleanup and future use of a brownfield site.

(x) The extent to which a grant would address or facilitate the identification and reduction of threats to the health or wel-
fare of children, pregnant women, minority or low-income communities, or other sensitive populations.

(x) The extent to which a grant would address a site adjacent to a body of water or a federally designated flood plain.

(xi) The extent to which a grant would facilitate—

(I) the location at a brownfield site of a facility that generates renewable electricity from wind, solar, or geothermal energy; or

(II) any energy efficiency improvement project at a brownfield site, including a project for a combined heat and power system or a district energy system.

(D) Report on ranking criteria

Not later than September 30, 2022, the Administrator shall submit to Congress a report regarding the Administrator’s use of the ranking criteria described in subparagraph (C) in awarding grants under this subsection.

(7) Implementation of brownfields programs

(A) Establishment of program

The Administrator may provide, or fund eligible entities or nonprofit organizations to provide, training, research, and technical assistance to individuals and organizations, as appropriate, to facilitate the inventory of brownfield sites, site assessments, remediation of brownfield sites, community involvement, or site preparation.

(B) Funding restrictions

The total Federal funds to be expended by the Administrator under this paragraph shall not exceed 15 percent of the total amount appropriated to carry out this subsection in any fiscal year.

(8) Audits

(A) In general

The Inspector General of the Environmental Protection Agency shall conduct such reviews or audits of grants and loans under this subsection as the Inspector General considers necessary to carry out this subsection.

(B) Procedure

An audit under this subparagraph shall be conducted in accordance with the auditing procedures of the Government Accountability Office, including chapter 75 of title 31.

(C) Violations

If the Administrator determines that a person that receives a grant or loan under this subsection has violated or is in violation of a condition of the grant, loan, or applicable Federal law, the Administrator may—

(i) terminate the grant or loan;

(ii) require the person to repay any funds received; and

(iii) seek any other legal remedies available to the Administrator.

(D) Report to Congress

Not later than September 30, 2022, the Inspector General of the Environmental Protection Agency shall submit to Congress a report that provides a description of the management of the program (including a description of the allocation of funds under this subsection).

(9) Leveraging

An eligible entity that receives a grant under this subsection may use the grant funds for a portion of a project at a brownfield site for which funding is received from other sources if the grant funds are used only for the purposes described in paragraph (2), (3), or (4).

(10) Agreements

Each grant or loan made under this subsection shall—

(A) include a requirement of the National Contingency Plan only to the extent that the requirement is relevant and appropriate to the program under this subsection, as determined by the Administrator; and

(B) be subject to an agreement that—

(i) requires the recipient to—

(I) comply with all applicable Federal and State laws; and

(II) ensure that the cleanup protects human health and the environment;

(ii) requires that the recipient use the grant or loan exclusively for purposes specified in paragraph (2), (3), or (4), as applicable;

(iii) in the case of an application by an eligible entity under paragraph (3)(A), requires the eligible entity to pay a matching share (which may be in the form of a contribution of labor, material, or services) of at least 20 percent, from non-Federal sources of funding, unless the Administrator determines that the matching share would place an undue hardship on the eligible entity; and

(iv) contains such other terms and conditions as the Administrator determines to be necessary to carry out this subsection.

(11) Facility other than brownfield site

The fact that a facility may not be a brownfield site within the meaning of section 9601(39)(A) of this title has no effect on the eligibility of the facility for assistance under any other provision of Federal law.

(12) Effect on Federal laws

Nothing in this subsection affects any liability or response authority under any Federal law, including—

(A) this chapter (including the last sentence of section 9601(14) of this title);

(B) the Solid Waste Disposal Act (42 U.S.C. 6901 et seq.);

(C) the Federal Water Pollution Control Act (33 U.S.C. 1251 et seq.);

(D) the Toxic Substances Control Act (15 U.S.C. 2601 et seq.); and

(E) the Safe Drinking Water Act (42 U.S.C. 300f et seq.).

(13) Authorization of appropriations

There is authorized to be appropriated to carry out this subsection $200,000,000 for each of fiscal years 2019 through 2023.

Title III of the Amendments and Reauthorization Act of 1986, referred to in subsecs. (c)(3), (g)(1), (1)(10)(E), and (k)(12)(B), is title II of Pub. L. 94–580, Oct. 21, 1976, 90 Stat. 2795, which is classified generally to chapter 82 (§6901 et seq.) of this title. Subtitle C of the Act is classified generally to subchapter III (§6921 et seq.) of chapter 82 of this title and Tables.


The Safe Drinking Water Act, referred to in subsec. (k)(12)(E), is title XIV of act July 1, 1944, as added Dec. 16, 1974, Pub. L. 93–523, §2(a), 88 Stat. 1660, which is classified generally to subchapter XII (§300f et seq.) of chapter 113 of this title. For complete classification of this Act to the Code, see Short Title note set out under section 1231 of this title and Tables.


The Comprehensive Environmental Response, Compensation, and Liability Act of 1980, which is classified generally to chapter 82 (§6901 et seq.) of this title and Tables.


The Comprehensive Environmental Response, Compensation, and Liability Act of 1980, which is classified generally to chapter 82 (§6901 et seq.) of this title and Tables.
tially responsible parties, and requiring President to give primary attention to those releases which the President deems may present a public health threat, for... unless the President determines that such re-
moval and remedial action will be done properly by the owner or operator of the vessel or facility from which the release or threat of release emanates, or by any other responsible party."

Subsec. (a)(2). Pub. L. 99–499, §104(b), amended par. (2) generally. Prior to amendment, par. (2) read as follows: "(For the purposes of this section, "pollutant or con-
taminant" shall include, but not be limited to, any ele-
ment, substance, compound, or mixture, including dis-
ease-causing agents, which after release into the envi-
ronment and upon exposure, ingestion, inhalation, or as-
similation into any organism, either directly from the
environment or indirectly by ingestion through food
chains, will or may reasonably be anticipated to cause
disease, deformities, or birth defects; genetic mutation, physi-
genetic mutation, physiological malfunctions (includ-
ing malfunctions in reproduction) or physical deforma-
tions, in such organisms or their offspring. The term
does not include petroleum, including crude oil and any
fraction thereof which is not otherwise specifically list-
ed or designated as hazardous substances under section
9601(14)(A) through (F) of this title, nor does it include
natural gas, liquefied natural gas, or synthetic gas of
pipeline quality (or mixtures of natural gas and such
synthetic gas)."

Subsec. (a)(3). Pub. L. 99–499, §104(c), added pars. (3) and (4).

Subsec. (b). Pub. L. 99–499, §104(d), designated existing
provisions as par. (1), inserted par. (1) heading, and
added par. (2).

Subsec. (c)(1). Pub. L. 99–499, §104(e)(1), substituted
"$2,000,000" for "$3,000,000" and "12 months" for "six
months".


Subsec. (c)(3). Pub. L. 99–499, §§104(f), 207(b), substi-
tuted text of cl. (C)(ii) and sentence providing that
"facility" does not include navigable waters or beds un-
derlying those waters for "(ii) at least 50 per cent or
such greater amount as the President may determine
appropriate, taking into account the degree of respon-
sibility of the State or political subdivision, of any
sums expended in response to a release at a facility
that was owned at the time of any disposal of hazard-
ous substances therein by the State or a political sub-
division thereof. The President shall grant the State a
credit against the share of the costs for which it is re-
sponsible under this paragraph for any documented di-
rect out-of-pocket non-Federal funds expended or ob-
gliated by the State or a political subdivision thereof
after January 1, 1978, and before December 11, 1980, for
cost-effective response actions and claims for damages
compensable under section 9601(14)(A) through (F) of
this title relating to cost-eligible response actions and claims for damages
gated by the State or a political subdivision thereof
sponsible under this paragraph for any documented di-\n
The President shall select appropriate remedial ac-
for that cost-effective response which provides a bal-
ance between the need for protection of public health
and welfare and the envi-
clude a section of the plan to be known as the national hazardous substance response plan which shall establish procedures and standards for responding to releases of hazardous substances, pollutants, and contaminants, which shall include at a minimum:

(1) methods for discovering and investigating facilities at which hazardous substances have been disposed of or otherwise come to be located;
(2) methods for evaluating, including analyses of relative cost, and remediating any releases or threats of releases from facilities which pose substantial danger to the public health or the environment;
(3) methods and criteria for determining the appropriate extent of removal, remedy, and other measures authorized by this chapter;
(4) appropriate roles and responsibilities for the Federal, State, and local governments and for interstate and nongovernmental entities in effectuating the plan;
(5) provision for identification, procurement, maintenance, and storage of response equipment and supplies;
(6) a method for and assignment of responsibility for reporting the existence of such facilities which may be located on federally owned or controlled properties and any releases of hazardous substances from such facilities;
(7) means of assuring that remedial action measures are cost-effective over the period of potential exposure to the hazardous substances or contaminated materials;
(8)(A) criteria for determining priorities among releases or threatened releases throughout the United States for the purpose of taking remedial action and, to the extent practicable taking into account the potential urgency of such action, for the purpose of taking removal action. Criteria and priorities under this paragraph shall be based upon relative risk or danger to public health or welfare or the environment, in the judgment of the President, taking into account to the extent possible the population at risk, the hazard potential of the hazardous substances at such facilities, the potential for contamination of drinking water supplies, the potential for direct human contact, the potential for destruction of sensitive ecosystems, the damage to natural resources which may affect the human food chain and which is associated with any release or threatened release, the contamination or potential contamination of the ambient air which is associated with the release or threatened release, State preparedness to assume State costs and responsibilities, and other appropriate factors;
(8)(B) based upon the criteria set forth in subparagraph (A) of this paragraph, the President shall list as part of the plan national priorities among the known releases or threatened releases throughout the United States and shall revise the list no less often than annually. Within one year after December 11, 1980, and annually thereafter, each State shall establish and submit for consideration by the President priorities for remedial action among known releases and potential releases in that State based upon the criteria set forth in subparagraph (A) of this paragraph. In assembling or revising the national list, the President shall consider any priorities established by the States. To the extent practicable, the highest priority facilities shall be designated individually and shall be referred to as the “top priority among known response targets”, and, to the extent practicable, shall include among the one hundred highest priority facilities one such facility from each State which shall be the facility designated by the State as presenting the greatest danger to public health or welfare or the environment among the known facilities in such State. A State shall be allowed to designate its highest priority facility only once. Other priority facilities or incidents may be listed singly or grouped for response priority purposes;
(9) specified roles for private organizations and entities in preparation for response and in responding to releases of hazardous substances, including identification of appropriate qualifications and capacity therefor and including consideration of minority firms in accordance with subsection (f); and
(10) standards and testing procedures by which alternative or innovative treatment technologies can be determined to be appropriate for utilization in response actions authorized by this chapter.

The plan shall specify procedures, techniques, materials, equipment, and methods to be employed in identifying, removing, or remedying releases of hazardous substances comparable to those required under section 1321(c)(2)(F) and (G) and (j)(1) of title 33. Following publication of the revised national contingency plan, the response to and actions to minimize damage from hazardous substances releases shall, to the greatest extent possible, be in accordance with the provisions of the plan. The President may, from time to time, revise and republish the national contingency plan.

(b) Revision of plan

Not later than 18 months after the enactment of the Superfund Amendments and Reauthorization Act of 1986 (October 17, 1986), the President shall revise the National Contingency Plan to reflect the requirements of such amendments. The portion of such Plan known as “the National Hazardous Substance Response Plan” shall be revised to provide procedures and standards for remedial actions undertaken pursuant to this chapter which are consistent with amendments made by the Superfund Amendments and Reauthorization Act of 1986 relating to the selection of remedial action.

(c) Hazard ranking system

(1) Revision

Not later than 18 months after October 17, 1986, and after publication of notice and opportunity for submission of comments in accordance with section 553 of title 5, the President shall by rule promulgate amendments to the hazard ranking system in effect on September 1, 1984. Such amendments shall assure, to the maximum extent feasible, that the hazard ranking system accurately assesses the rel-
ative degree of risk to human health and the environment posed by sites and facilities subject to review. The President shall establish an effective date for the amended hazard ranking system which is not later than 24 months after October 17, 1986. Such amended hazard ranking system shall be applied to any site or facility to be newly listed on the National Priorities List after the effective date established by the President. Until such effective date of the regulations, the hazard ranking system in effect on September 1, 1984, shall continue in full force and effect.

(2) Health assessment of water contamination risks

In carrying out this subsection, the President shall ensure that the human health risks associated with the contamination or potential contamination (either directly or as a result of the runoff of any hazardous substance or pollutant or contaminant from sites or facilities) of surface water are appropriately assessed where such surface water is, or can be, used for recreation or potable water consumption. In making the assessment required pursuant to the preceding sentence, the President shall take into account the potential migration of any hazardous substance or pollutant or contaminant through such surface water to downstream sources of drinking water.

(3) Reevaluation not required

The President shall not be required to reevaluate, after October 17, 1986, the hazard ranking of any facility which was evaluated in accordance with the criteria under this section before the effective date of the amendments to the hazard ranking system under this subsection and which was assigned a national priority under the National Contingency Plan.

(4) New information

Nothing in paragraph (3) shall preclude the President from taking new information into account in undertaking response actions under this chapter.

(d) Petition for assessment of release

Any person who is, or may be, affected by a release or threatened release of a hazardous substance or pollutant or contaminant, may petition the President to conduct a preliminary assessment of the hazards to public health and the environment which are associated with such release or threatened release. If the President has not previously conducted a preliminary assessment of such release, the President shall, within 12 months after the receipt of any such petition, complete such assessment or provide an explanation of why the assessment is not appropriate. If the preliminary assessment indicates that the release or threatened release concerned may pose a threat to human health or the environment, the President shall promptly evaluate such release or threatened release in accordance with the hazard ranking system referred to in paragraph (8)(A) of subsection (a) to determine the national priority of such release or threatened release.

(e) Releases from earlier sites

Whenever there has been, after January 1, 1985, a significant release of hazardous substances or pollutants or contaminants from a site which is listed by the President as a “Site Cleaned Up To Date” on the National Priorities List (revised edition, December 1984) the site shall be restored to the National Priorities List, without application of the hazard ranking system.

(f) Minority contractors

In awarding contracts under this chapter, the President shall consider the availability of qualified minority firms. The President shall describe, as part of any annual report submitted to the Congress under this chapter, the participation of minority firms in contracts carried out under this chapter. Such report shall contain a brief description of the contracts which have been awarded to minority firms under this chapter and of the efforts made by the President to encourage the participation of such firms in programs carried out under this chapter.

(g) Special study wastes

(1) Application

This subsection applies to facilities—

(A) which as of October 17, 1986, were not included on, or proposed for inclusion on, the National Priorities List; and

(B) at which special study wastes described in paragraph (2), (3)(A)(ii) or (3)(A)(iii) of section 6921(b) of this title are present in significant quantities, including any such facility from which there has been a release of a special study waste.

(2) Considerations in adding facilities to NPL

Pending revision of the hazard ranking system under subsection (c), the President shall consider each of the following factors in adding facilities covered by this section to the National Priorities List:

(A) The extent to which hazard ranking system score for the facility is affected by the presence of any special study waste at, or any release from, such facility.

(B) Available information as to the quantity, toxicity, and concentration of hazardous substances that are constituents of any special study waste at such facility, the extent of or potential for release of such hazardous constituents, the exposure or potential exposure to human population and the environment, and the degree of hazard to human health or the environment posed by the release of such hazardous constituents at such facility. This subparagraph refers only to available information on actual concentrations of hazardous substances and not on the total quantity of special study waste at such facility.

(3) Savings provisions

Nothing in this subsection shall be construed to limit the authority of the President to remove any facility which as of October 17, 1986, is included on the National Priorities List from such List, or not to list any facility which as of such date is proposed for inclusion on such list.
(4) Information gathering and analysis

Nothing in this chapter shall be construed to preclude the expenditure of monies from the Fund for gathering and analysis of information which will enable the President to consider the specific factors required by paragraph (2).

(h) NPL deferral

(1) Deferral to State voluntary cleanups

At the request of a State and subject to paragraphs (2) and (3), the President generally shall defer final listing of an eligible response site on the National Priorities List if the President determines that—

(A) the State, or another party under an agreement with or order from the State, is conducting a response action at the eligible response site;

(i) in compliance with a State program that specifically governs response actions for the protection of public health and the environment; and

(ii) that will provide long-term protection of human health and the environment; or

(B) the State is actively pursuing an agreement to perform a response action described in subparagraph (A) at the site with a person that the State has reason to believe is capable of conducting a response action that meets the requirements of subparagraph (A).

(2) Progress toward cleanup

If, after the last day of the 1-year period beginning on the date on which the President proposes to list an eligible response site on the National Priorities List, the President determines that the State or other party is not making reasonable progress toward completing a response action at the eligible response site, the President may list the eligible response site on the National Priorities List.

(3) Cleanup agreements

With respect to an eligible response site under paragraph (1)(B), if, after the last day of the 1-year period beginning on the date on which the President proposes to list the eligible response site on the National Priorities List, an agreement described in subparagraph (A) at the site with a person that the President determines deferring the listing would be appropriate based on—

(A) the complexity of the site;

(B) substantial progress made in negotiations; and

(C) other appropriate factors, as determined by the President.

(4) Exceptions

The President may decline to defer, or elect to discontinue a deferral of, a listing of an eligible response site on the National Priorities List if the President determines that—

(A) deferral would not be appropriate because the State, as an owner or operator or a significant contributor of hazardous substances to the facility, is a potentially responsible party;

(B) the criteria under the National Contingency Plan for issuance of a health advisory have been met; or

(C) the conditions in paragraphs (1) through (3), as applicable, are no longer being met.

References to Text


Amendments


1986—Subsec. (a). Pub. L. 99–499, §105(a)(1), designated existing provisions as subsec. (a) and added heading. Subsec. (a)(8)(A), Pub. L. 99–499, §105(a)(2), inserted "the damage to natural resources which may affect the human food chain and which is associated with any release or threatened release, the contamination or potential contamination of the ambient air which is associated with the release or threatened release," after "ecosystems;".

Subsec. (a)(8)(B), Pub. L. 99–499, §105(a)(3), struck out "at least four hundred of" after "To the extent practicable,". substituted "one hundred highest priority facilities" for "one hundred highest priority facilities at least;", and inserted "A State shall be allowed to designate its highest priority facility only once.".

Subsec. (a)(9). Pub. L. 99–499, §105(a)(4), inserted "including consideration of minority firms in accordance with subsection (f)".


Subsas. (b) to (g). Pub. L. 99–499, §105(b), added subsas. (b) to (g).

§ 9606. Abatement actions

(a) Maintenance, jurisdiction, etc.

In addition to any other action taken by a State or local government, when the President determines that there may be an imminent and substantial endangerment to the public health or welfare or the environment because of an actual or threatened release of a hazardous substance from a facility, he may require the Attorney General of the United States to secure such relief as may be necessary to abate such danger or threat, and the district court of the United States...
States in the district in which the threat occurs shall have jurisdiction to grant such relief as the public interest and the equities of the case may require. The President may also, after notice to the affected State, take other action under this section including, but not limited to, issuing such orders as may be necessary to protect public health and welfare and the environment.

(b) Fines; reimbursement

(1) Any person who, without sufficient cause, willfully violates, or fails or refuses to comply with, any order of the President under subsection (a) may, in an action brought in the appropriate United States district court to enforce such order, be fined not more than $25,000 for each day in which such violation occurs or such failure to comply continues.

(2)(A) Any person who receives and complies with the terms of any order issued under subsection (a) may, within 60 days after completion of the required action, petition the President for reimbursement from the Fund for the reasonable costs of such action, plus interest. Any interest payable under this paragraph shall accrue on the amounts expended from the date of expenditure at the same rate as specified for interest on investments of the Hazardous Substance Superfund established under subchapter A of chapter 98 of title 26.

(B) If the President refuses to grant all or part of a petition made under this paragraph, the petitioner may within 30 days of receipt of such refusal file an action against the President in the appropriate United States district court seeking reimbursement from the Fund.

(C) Except as provided in subparagraph (D), to obtain reimbursement, the petitioner shall establish by a preponderance of the evidence that it is not liable for response costs under section 9607(a) of this title and that costs for which it seeks reimbursement are reasonable in light of the action required by the relevant order.

(D) A petitioner who is liable for response costs under section 9607(a) of this title may also recover its reasonable costs of response to the extent that it can demonstrate, on the administrative record, that the President’s decision in selecting the response action ordered was arbitrary and capricious or was otherwise not in accordance with law. Reimbursement awarded under this subparagraph shall include all reasonable response costs incurred by the petitioner pursuant to the portions of the order found to be arbitrary and capricious or otherwise not in accordance with law.

(E) Reimbursement awarded by a court under subparagraph (C) or (D) may include appropriate costs, fees, and other expenses in accordance with subsections (a) and (d) of section 2412 of title 28.

(c) Guidelines for using imminent hazard, enforcement, and emergency response authorities; promulgation by Administrator of EPA; scope, etc.

Within one hundred and eighty days after December 11, 1980, the Administrator of the Environmental Protection Agency shall, after consultation with the Attorney General, establish and publish guidelines for using the imminent hazard, enforcement, and emergency response authorities of this section and other existing statutes administered by the Administrator of the Environmental Protection Agency to effectuate the responsibilities and powers created by this chapter. Such guidelines shall to the extent practicable be consistent with the national hazardous substance response plan, and shall include, at a minimum, the assignment of responsibility for coordinating response actions with the issuance of administrative orders, enforcement of standards and permits, the gathering of information, and other imminent hazard and emergency powers authorized by (1) sections 1321(c)(2), 1318, 1319, and 1364(a) of title 33, (2) sections 6927, 6928, 6994, and 6973 of this title, (3) sections 300–4 and 300i of this title, (4) sections 7413, 7414, and 7603 of this title, and (5) section 2906 of title 15.


REFERENCES IN TEXT

This chapter, referred to in subsec. (c), was in the original "this Act", meaning Pub. L. 96–510, Dec. 11, 1980, 94 Stat. 2767, as amended, known as the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, which enacted this chapter, section 6911a of this title, and sections 4611, 4612, 4661, 4662, 4681, and 4682 of Title 26, Internal Revenue Code, amended section 6911 of this title, section 1384 of Title 33, Navigation and Navigable Waters, and section 11901 of Title 49, Transportation, and enacted provisions set out as notes under section 6911 of this title and sections 1 and 4611 of Title 26. For complete classification of this Act to the Code, see Short Title note set out under section 9601 of this title and Tables.

Section 1321(c)(2) of title 33, referred to in subsec. (c), was derived as § 9607, title I, of Pub. L. 101–380, title IV, § 4201(a), Aug. 18, 1990, 104 Stat. 525. Prior to general amendment, subsec. (c)(2) related to preparation of a National Contingency Plan. Provisions relating to a National Contingency Plan are contained in section 1321(d) of Title 33, Navigation and Navigable Waters.

AMENDMENTS

1986—Subsec. (b). Pub. L. 99–499 designated existing provisions as par. (1), substituted “who, without sufficient cause, willfully” for “who willfully” and “$25,000” for “$5,000”, and added par. (2).


COORDINATION OF TITLES I TO IV OF PUBL. L. 99–499

Any provision of titles I to IV of Pub. L. 99–499, imposing any tax, premium, or fee; establishing any trust fund; or authorizing expenditures from any trust fund, to have no force or effect, see section 551 of Pub. L. 99–499, set out as a note under section 1 of Title 26, Internal Revenue Code.

§ 9607. Liability

(a) Covered persons; scope; recoverable costs and damages; interest rate; “comparable maturity” date

Notwithstanding any other provision or rule of law, and subject only to the defenses set forth in subsection (b) of this section—

1 See References in Text note below.
(1) the owner and operator of a vessel or a facility,
(2) any person who at the time of disposal of any hazardous substance owned or operated any facility at which such hazardous substances were disposed of,
(3) any person who by contract, agreement, or otherwise arranged for disposal or treatment, or arranged with a transporter for transport for disposal or treatment, of hazardous substances owned or possessed by such person, by any other party or entity, at any facility or incineration vessel owned or operated by another party or entity and containing such hazardous substances, and
(4) any person who accepts or accepted any hazardous substances for transport to disposal or treatment facilities, incineration vessels or sites selected by such person, from which there is a release, or a threatened release which causes the incurring of response costs, of a hazardous substance, shall be liable for—
   (A) all costs of removal or remedial action incurred by the United States Government or a State or an Indian tribe not inconsistent with the national contingency plan;
   (B) any other necessary costs of response incurred by any other person consistent with the national contingency plan;
   (C) damages for injury to, destruction of, or loss of natural resources, including the reasonable costs of assessing such injury, destruction, or loss resulting from such a release; and
   (D) the costs of any health assessment or health effects study carried out under section 9604(i) of this title.

The amounts recoverable in an action under this section shall include interest on the amounts recoverable under subparagraphs (A) through (D).

Such interest shall accrue from the later of (i) the date payment of a specified amount is demanded in writing, or (ii) the date of the expenditure concerned. The rate of interest on the outstanding unpaid balance of the amounts recoverable under this section shall be the same rate as is specified for interest on investments of the Hazardous Substance Superfund established under subchapter A of chapter 98 of title 26. For purposes of applying such amendments to interest under this subsection, the term "comparable maturity" shall be determined with reference to the date on which interest accruing under this subsection commences.

(b) Defenses

There shall be no liability under subsection (a) of this section for a person otherwise liable who can establish by a preponderance of the evidence that the release or threat of release of a hazardous substance and the damages resulting therefrom were caused solely by—
   (1) an act of God;
   (2) an act of war;
   (3) an act or omission of a third party other than an employee or agent of the defendant, or than one whose act or omission occurs in connection with a contractual relationship, existing directly or indirectly, with the defendant (except where the sole contractual arrangement arises from a published tariff and acceptance for carriage by a common carrier by rail), if the defendant establishes by a preponderance of the evidence that (a) he exercised due care with respect to the hazardous substance concerned, taking into consideration the characteristics of such hazardous substance, in light of all relevant facts and circumstances, and (b) he took precautions against foreseeable acts or omissions of any such third party and the consequences that could foreseeably result from such acts or omissions; or
   (4) any combination of the foregoing paragraphs.

(c) Determination of amounts

(1) Except as provided in paragraph (2) of this subsection, the liability under this section of an owner or operator or other responsible person for each release of a hazardous substance or incident involving release of a hazardous substance shall not exceed—
   (A) for any vessel, other than an incineration vessel, which carries any hazardous substance as cargo or residue, $300 per gross ton, or $5,000,000, whichever is greater;
   (B) for any other vessel, other than an incineration vessel, $300 per gross ton, or $500,000, whichever is greater;
   (C) for any motor vehicle, aircraft, hazardous liquid pipeline facility (as defined in section 60101(a) of title 49), or rolling stock, $50,000,000 or such lesser amount as the President shall establish by regulation, but in no event less than $5,000,000 (or, for releases of hazardous substances as defined in section 9601(14)(A) of this title into the navigable waters, $8,000,000). Such regulations shall take into account the size, type, location, storage, and handling capacity and other matters relating to the likelihood of release in each such class and to the economic impact of such limits on each such class; or
   (D) for any incineration vessel or any facility other than those specified in subparagraph (C) of this paragraph, the total of all costs of response plus $30,000,000 for any damages under this subchapter.

(2) Notwithstanding the limitations in paragraph (1) of this subsection, the liability of an owner or operator or other responsible person under this section shall be the full and total costs of response and damages, if (A)(i) the release or threat of release of a hazardous substance was the result of willful misconduct or willful negligence within the privity or knowledge of such person, or (ii) the primary cause of the release was a violation (within the privity or knowledge of such person) of applicable safety, construction, or operating standards or regulations; or (B) such person fails or refuses to provide all reasonable cooperation and assistance requested by a responsible public official in connection with response activities under the national contingency plan with respect to regulated carriers subject to the provisions of title 49 or vessels subject to the provisions of title 33 or 46, subparagraph (A)(ii) of this paragraph shall be deemed to refer to Federal standards or regulations.

(3) If any person who is liable for a release or threat of release of a hazardous substance fails
without sufficient cause to properly provide removal or remedial action upon order of the President pursuant to section 9604 or 9606 of this title, such person may be liable to the United States for punitive damages in an amount at least equal to, and not more than three times, the amount of any costs incurred by the Fund as a result of such failure to take proper action. The President is authorized to commence a civil action against any such person to recover the punitive damages, which shall be in addition to any costs recovered from such person pursuant to section 9612(c) of this title. Any moneys received by the United States pursuant to this subsection shall be deposited in the Fund.

(d) Rendering care or advice

(1) In general

Except as provided in paragraph (2), no person shall be liable under this subchapter for costs or damages as a result of actions taken or omitted in the course of rendering care, assistance, or advice in accordance with the National Contingency Plan (“NCP”) or at the direction of an onscene coordinator appointed under such plan, with respect to an incident creating a danger to public health or welfare or the environment as a result of any releases of a hazardous substance or the threat thereof. This paragraph shall not preclude liability for costs or damages as the result of negligence on the part of such person.

(2) State and local governments

No State or local government shall be liable under this subchapter for costs or damages as a result of actions taken in response to an emergency created by the release or threatened release of a hazardous substance generated by or from a facility owned by another person. This paragraph shall not preclude liability for costs or damages as a result of gross negligence or intentional misconduct by the State or local government. For the purpose of the preceding sentence, reckless, willful, or wanton misconduct shall constitute gross negligence.

(3) Savings provision

This subsection shall not alter the liability of any person covered by the provisions of paragraph (1), (2), (3), or (4) of subsection (a) of this section with respect to the release or threatened release concerned.

(e) Indemnification, hold harmless, etc., agreements or conveyances; subrogation rights

(1) No indemnification, hold harmless, or similar agreement or conveyance shall be effective to transfer from the owner or operator of any vessel or facility or from any person who may be liable for a release or threat of release under this section, to any other person the liability imposed under this section. Nothing in this subsection shall bar any agreement to insure, hold harmless, or indemnify a party to such agreement for any liability under this section.

(2) Nothing in this subchapter, including the provisions of paragraph (1) of this subsection, shall bar a cause of action that an owner or operator or any other person subject to liability under this section, or a guarantor, has or would have, by reason of subrogation or otherwise against any person.

(f) Natural resources liability; designation of public trustees of natural resources

(1) Natural resources liability

In the case of an injury to, destruction of, or loss of natural resources under subparagraph (C) of subsection (a) liability shall be to the United States Government and to any State or Indian tribe for natural resources belonging to, managed by, controlled by, or appertaining to such tribe and to any Indian tribe for natural resources belonging to, managed by, controlled by, or appertaining to such tribe, or held in trust for the benefit of such tribe, or belonging to a member of such tribe if such resources are subject to a trust restriction on alienation; Provided, however, That no liability to the United States or State or Indian tribe shall be imposed under subparagraph (C) of subsection (a), where the party sought to be charged has demonstrated that the damages to natural resources complained of were specifically identified as an irreversible and irretrievable commitment of natural resources in an environmental impact statement, or other comparable environment analysis, and the decision to grant a permit or license authorizes such commitment of natural resources, and the facility or project was otherwise operating within the terms of its permit or license, so long as, in the case of damages to an Indian tribe occurring pursuant to a Federal permit or license, the issuance of that permit or license was not inconsistent with the fiduciary duty of the United States with respect to such Indian tribe. The President, or the authorized representative of any State, shall act on behalf of the public as trustee of such natural resources to recover for such damages. Sums recovered by the United States Government as trustee under this subsection shall be retained by the trustee, without further appropriation, for use only to restore, replace, or acquire the equivalent of such natural resources. Sums recovered by a State as trustee under this subsection shall be available for use only to restore, replace, or acquire the equivalent of such natural resources by the State. The measure of damages in any action under subparagraph (C) of subsection (a) shall not be limited by the sums which can be used to restore or replace such resources. There shall be no double recovery under this chapter for natural resource damages, including the costs of damage assessment or restoration, rehabilitation, or acquisition for the same release and natural resource. There shall be no recovery under the authority of subparagraph (C) of subsection (a) where such damages and the release of a hazardous substance from which such damages resulted have occurred wholly before December 11, 1980.

(2) Designation of Federal and State officials

(A) Federal

The President shall designate in the National Contingency Plan published under section 9605 of this title the Federal officials who shall act on behalf of the public as
trustees for natural resources under this chapter and section 1321 of title 33. Such officials shall assess damages for injury to, destruction of, or loss of natural resources for purposes of this chapter and such section 1321 of title 33 for those resources under their trusteeship and may, upon request of and reimbursement from a State and at the Federal officials’ discretion, assess damages for those natural resources under the State’s trusteeship.

(B) State

The Governor of each State shall designate State officials who may act on behalf of the public as trustees for natural resources under this chapter and section 1321 of title 33 and shall notify the President of such designations. Such State officials shall assess damages to natural resources for the purposes of this chapter and such section 1321 of title 33 for those natural resources under their trusteeship.

(C) Rebuttable presumption

Any determination or assessment of damages to natural resources for the purposes of this chapter and section 1321 of title 33 made by a Federal or State trustee in accordance with the regulations promulgated under section 9651(c) of this title shall have the force and effect of a rebuttable presumption on behalf of the trustee in any administrative or judicial proceeding under this chapter or section 1321 of title 33.

(g) Federal agencies

For provisions relating to Federal agencies, see section 9620 of this title.

(h) Owner or operator of vessel

The owner or operator of a vessel shall be liable in accordance with this section, under maritime tort law, and as provided under section 9614 of this title notwithstanding any provision of the Act of March 3, 1851 (46 U.S.C. 1831f) or the absence of any physical damage to the proprietary interest of the claimant.

(i) Application of a registered pesticide product

No person (including the United States or any State or Indian tribe) may recover under the authority of this section for any response costs or damages resulting from the application of a pesticide product registered under the Federal Insecticide, Fungicide, and Rodenticide Act [7 U.S.C. 136 et seq.]. Nothing in this paragraph shall affect or modify in any way the obligations or liability of any person under any other provision of State or Federal law, including common law, for damages, injury, or loss resulting from a release of any hazardous substance or for removal or remedial action or the costs of removal or remedial action of such hazardous substance. In addition, costs of response incurred by the Federal Government in connection with a discharge specified in section 9601(10)(B) or (C) of this title shall be recoverable in an action brought under section 1319(b) of title 33.

(k) Transfer to, and assumption by, Post-Closure Liability Fund of liability of owner or operator of hazardous waste disposal facility in receipt of permit under applicable solid waste disposal law; time, criteria applicable, procedures, etc.; monitoring costs; reports

(1) The liability established by this section or any other law for the owner or operator of a hazardous waste disposal facility which has received a permit under subtitle C of the Solid Waste Disposal Act [42 U.S.C. 6921 et seq.], shall be transferred to and assumed by the Post-closure Liability Fund established by section 9641 of this title when—

(A) such facility and the owner and operator thereof has complied with the requirements of subtitle C of the Solid Waste Disposal Act [42 U.S.C. 6921 et seq.] and regulations issued thereunder, which may affect the performance of such facility after closure; and

(B) such facility has been closed in accordance with such regulations and the conditions of such permit, and such facility and the surrounding area have been monitored as required by such regulations and permit conditions for a period not to exceed five years after closure to demonstrate that there is no substantial likelihood that any migration offsite or release from confinement of any hazardous substance or other risk to public health or welfare will occur.

(2) Such transfer of liability shall be effective ninety days after the owner or operator of such facility notifies the Administrator of the Environmental Protection Agency (and the State where it has an authorized program under section 3006(b) of the Solid Waste Disposal Act [42 U.S.C. 6926(b)]) that the conditions imposed by this subsection have been satisfied. If within such ninety-day period the Administrator of the Environmental Protection Agency or such State determines that any such facility has not complied with all the conditions imposed by this subsection or that insufficient information has been provided to demonstrate such compliance, the Administrator or such State shall so notify the owner and operator of such facility and the administrator of the Fund established by section 9641 of this title, and the owner and operator of such facility shall continue to be liable with respect to such facility under this section and other law until such time as the Administrator and such State determines that such facility has complied with all conditions imposed by this subsection. A determination by the Administrator or such State that a facility has not complied with all conditions imposed by this

1 See References in Text note below.
subsection or that insufficient information has been supplied to demonstrate compliance, shall be a final administrative action for purposes of judicial review. A request for additional information shall state in specific terms the data required.

(3) In addition to the assumption of liability of owners and operators under paragraph (1) of this subsection, the Post-closure Liability Fund established by section 9641 of this title may be used to pay costs of monitoring and care and maintenance of a site incurred by other persons after the period of monitoring required by regulations under subtitle C of the Solid Waste Disposal Act [42 U.S.C. 6921 et seq.] for hazardous waste disposal facilities meeting the conditions of paragraph (1) of this subsection.

(4)(A) Not later than one year after December 11, 1980, the Secretary of the Treasury shall conduct a study and shall submit a report thereon to the Congress on the feasibility of establishing or qualifying an optional system of private insurance for postclosure financial responsibility for hazardous waste disposal facilities to which this subsection applies. Such study shall include a specification of adequate and realistic minimum standards to assure that any such privately placed insurance will carry out the purposes of this subsection in a reliable, enforceable, and practical manner. Such a study shall include an examination of the public and private incentives, programs, and actions necessary to make privately placed insurance a practical and effective option to the financing system for the Post-closure Liability Fund provided in subchapter II of this chapter.

(B) Not later than eighteen months after December 11, 1980, and after a public hearing, the President shall by rule determine whether or not it is feasible to establish or qualify an optional system of private insurance for postclosure financial responsibility for hazardous waste disposal facilities to which this subsection applies. If the President determines the establishment or qualification of such a system would be infeasible, he shall promptly publish an explanation of the reasons for such a determination.

If the President determines the establishment or qualification of such a system would be feasible, he shall promptly publish notice of such determination. Not later than six months after an affirmative determination under the preceding sentence and after a public hearing, the President shall by rule promulgate adequate and realistic minimum standards which must be met by any such privately placed insurance, taking into account the purposes of this chapter and this subsection. Such rules shall also specify reasonably expeditious procedures by which privately placed insurance plans can qualify as meeting such minimum standards.

(C) In the event any privately placed insurance plan qualifies under subparagraph (B), any person enrolled in, and complying with the terms of, such plan shall be excluded from the provisions of paragraphs (1), (2), and (3) of this subsection and exempt from the requirements to pay any tax or fee to the Post-closure Liability Fund under subchapter II of this chapter.

(D) The President may issue such rules and take such other actions as are necessary to effectuate the purposes of this paragraph.

(5) SUSPENSION OF LIABILITY TRANSFER.—Notwithstanding paragraphs (1), (2), (3), and (4) of this subsection and subsection (j) of section 9611 of this title, no liability shall be transferred to or assumed by the Post-Closure Liability Trust Fund established by section 9641 of this title prior to completion of the study required under paragraph (6) of this subsection, transmission of a report of such study to both Houses of Congress, and authorization of such a transfer or assumption by Act of Congress following receipt of such study and report.

(6) STUDY OF OPTIONS FOR POST-CLOSURE PROGRAM.—

(A) STUDY.—The Comptroller General shall conduct a study of options for a program for the management of the liabilities associated with hazardous waste treatment, storage, and disposal sites after their closure which complements the policies set forth in the Hazardous and Solid Waste Amendments of 1984 and assures the protection of human health and the environment.

(B) PROGRAM ELEMENTS.—The program referred to in subparagraph (A) shall be designed to assure each of the following:

(i) Incentives are created and maintained for the safe management and disposal of hazardous wastes so as to assure protection of human health and the environment.

(ii) Members of the public will have reasonable confidence that hazardous wastes will be managed and disposed of safely and that resources will be available to address any problems that may arise and to cover costs of long-term monitoring, care, and maintenance of such sites.

(iii) Persons who are or seek to become owners and operators of hazardous waste disposal facilities will be able to manage their potential future liabilities and to attract the investment capital necessary to build, operate, and close such facilities in a manner which assures protection of human health and the environment.

(C) ASSESSMENTS.—The study under this paragraph shall include assessments of treatment, storage, and disposal facilities which have been or are likely to be issued a permit under section 3005 of the Solid Waste Disposal Act [42 U.S.C. 6925] and the likelihood of future insolvency on the part of owners and operators of such facilities. Separate assessments shall be made for different classes of facilities for different classes of land disposal facilities and shall include but not be limited to—

(i) the current and future financial capabilities of facility owners and operators;

(ii) the current and future costs associated with facilities, including the costs of routine monitoring and maintenance, compliance monitoring, corrective action, natural resource damages, and liability for damages to third parties; and

(iii) the availability of mechanisms by which owners and operators of such facilities can assure that current and future costs, including post-closure costs, will be financed.

(D) PROCEDURE.—In carrying out the responsibilities of this paragraph, the Comptrol-
Federal lien shall consult with the Administrator, the Secretary of Commerce, the Secretary of the Treasury, and the heads of other appropriate Federal agencies.

(E) CONSIDERATION OF OPTIONS.—In conducting the study under this paragraph, the Comptroller General shall consider various mechanisms and combinations of mechanisms to complement the policies set forth in the Hazardous and Solid Waste Amendments of 1984 to serve the purposes set forth in subparagraph (B) and to assure that the current and future costs associated with hazardous waste facilities, including post-closure costs, will be adequately financed and, to the greatest extent possible, borne by the owners and operators of such facilities. Mechanisms to be considered include, but are not limited to—

(i) revisions to closure, post-closure, and financial responsibility requirements under subtopics C and I of the Solid Waste Disposal Act [42 U.S.C. 6921 et seq., 6991 et seq.];
(ii) voluntary risk pooling by owners and operators;
(iii) legislation to require risk pooling by owners and operators;
(iv) modification of the Post-Closure Liability Trust Fund previously established by section 9641 of this title, and the conditions for transfer of liability under this subsection, including limiting the transfer of some or all liability under this subsection only in the case of insolvency of owners and operators;
(v) private insurance;
(vi) insurance provided by the Federal Government;
(vii) coinsurance, reinsurance, or pooled-risk insurance, whether provided by the private sector or provided or assisted by the Federal Government and
(viii) creation of a new program to be administered by a new or existing Federal agency or by a federally chartered corporation.

(F) RECOMMENDATIONS.—The Comptroller General shall consider options for funding any program under this section and shall, to the extent necessary, make recommendations to the appropriate committees of Congress for additional authority to implement such program.

(I) Federal lien

(1) In general

All costs and damages for which a person is liable to the United States under subsection (a) of this section (other than the owner or operator of a vessel under paragraph (1) of subsection (a)) shall constitute a lien in favor of the United States upon all real property and rights to such property which—

(A) belong to such person; and

(B) are subject to or affected by a removal or remedial action.

(2) Duration

The lien imposed by this subsection shall arise at the later of the following:

(A) The time costs are first incurred by the United States with respect to a response action under this chapter.

(B) The time that the person referred to in paragraph (1) is provided (by certified or registered mail) written notice of potential liability.

Such lien shall continue until the liability for the costs (or a judgment against the person arising out of such liability) is satisfied or becomes unenforceable through operation of the statute of limitations provided in section 9613 of this title.

(3) Notice and validity

The lien imposed by this subsection shall be subject to the rights of any purchaser, holder of a security interest, or judgment lien creditor whose interest is perfected under applicable State law before notice of the lien has been filed in the appropriate office within the State (or county or other governmental subdivision), as designated by State law, in which the real property subject to the lien is located. Any such purchaser, holder of a security interest, or judgment lien creditor shall be afforded the same protections against the lien imposed by this subsection as are afforded under State law against a judgment lien which arises out of an unsecured obligation and which arises as of the time of the filing of the notice of the lien imposed by this subsection. If the State has not by law designated one office for the receipt of such notices of liens, the notice shall be filed in the office of the clerk of the United States district court for the district in which the real property is located. For purposes of this subsection, the terms ''purchaser'' and ''security interest'' shall have the definitions provided under section 6323(h) of title 26.

(4) Action in rem

The costs constituting the lien may be recovered in an action in rem in the United States district court for the district in which the removal or remedial action is occurring or has occurred. Nothing in this subsection shall affect the right of the United States to bring an action against any person to recover all costs and damages for which such person is liable under subsection (a) of this section.

(m) Maritime lien

All costs and damages for which the owner or operator of a vessel is liable under subsection (a)(1) with respect to a release or threatened release from such vessel shall constitute a maritime lien in favor of the United States on such vessel. Such costs may be recovered in an action in rem in the district court of the United States for the district in which the vessel may be found. Nothing in this subsection shall affect the right of the United States to bring an action against the owner or operator of such vessel in any court of competent jurisdiction to recover such costs.

(n) Liability of fiduciaries

(1) In general

The liability of a fiduciary under any provision of this chapter for the release or threatened release of a hazardous substance at, from, or in connection with a vessel or facility held in a fiduciary capacity shall not exceed the assets held in the fiduciary capacity.
(2) Exclusion

Paragraph (1) does not apply to the extent that a person is liable under this chapter independently of the person’s ownership of a vessel or facility as a fiduciary or actions taken in a fiduciary capacity.

(3) Limitation

Paragraphs (1) and (4) do not limit the liability pertaining to a release or threatened release of a hazardous substance if negligence of a fiduciary causes or contributes to the release or threatened release.

(4) Safe harbor

A fiduciary shall not be liable in its personal capacity under this chapter for—

(A) undertaking or directing another person to undertake a response action under subsection (d)(1) or under the direction of an on scene coordinator designated under the National Contingency Plan;

(B) undertaking or directing another person to undertake any other lawful means of addressing a hazardous substance in connection with the vessel or facility;

(C) terminating the fiduciary relationship;

(D) including in the terms of the fiduciary agreement a covenant, warranty, or other term or condition that relates to compliance with an environmental law, or monitoring, modifying or enforcing the term or condition;

(E) monitoring or undertaking 1 or more inspections of the vessel or facility;

(F) providing financial or other advice or counseling to other parties to the fiduciary relationship, including the settlor or beneficiary;

(G) restructuring, renegotiating, or otherwise altering the terms and conditions of the fiduciary relationship;

(H) administering, as a fiduciary, a vessel or facility that was contaminated before the fiduciary relationship began; or

(I) declining to take any of the actions described in subparagraphs (B) through (H).

(5) Definitions

As used in this chapter:

(A) Fiduciary

The term “fiduciary”—

(i) means a person acting for the benefit of another party as a bona fide—

(I) trustee;

(II) executor;

(III) administrator;

(IV) custodian;

(V) guardian of estates or guardian ad litem;

(VI) receiver;

(VII) conservator;

(VIII) committee of estates of incapacitated persons;

(IX) personal representative;

(X) trustee (including a successor to a trustee) under an indenture agreement, trust agreement, lease, or similar financing agreement, for debt securities, certificates of interest or certificates of participation in debt securities, or other forms of indebtedness as to which the trustee is not, in the capacity of trustee, the lender; or

(XI) representative in any other capacity that the Administrator, after providing public notice, determines to be similar to the capacities described in subclauses (I) through (X);

(ii) does not include—

(I) a person that is acting as a fiduciary with respect to a trust or other fiduciary estate that was organized for the primary purpose of, or is engaged in, actively carrying on a trade or business for profit, unless the trust or other fiduciary estate was created as part of, or to facilitate, 1 or more estate plans or because of the incapacity of a natural person; or

(II) a person that acquires ownership or control of a vessel or facility with the objective purpose of avoiding liability of the person or of any other person.

(B) Fiduciary capacity

The term “fiduciary capacity” means the capacity of a person in holding title to a vessel or facility, or otherwise having control of or an interest in the vessel or facility, pursuant to the exercise of the responsibilities of the person as a fiduciary.

(6) Savings clause

Nothing in this subsection—

(A) affects the rights or immunities or other defenses that are available under this chapter or other law that is applicable to a person subject to this subsection; or

(B) creates any liability for a person or a private right of action against a fiduciary or any other person.

(7) No effect on certain persons

Nothing in this subsection applies to a person if the person—

(A)(i) acts in a capacity other than that of a fiduciary or in a beneficiary capacity; and

(ii) in that capacity, directly or indirectly benefits from a trust or fiduciary relationship; or

(B)(i) is a beneficiary and a fiduciary with respect to a trust or other fiduciary estate that was organized for the primary purpose of, or is engaged in, actively carrying on a trade or business for profit, unless the trust or other fiduciary estate was created as part of, or to facilitate, 1 or more estate plans or because of the incapacity of a natural person; or

(ii) as a fiduciary, receives benefits that exceed customary or reasonable compensation, and incidental benefits, permitted under other applicable law.

(8) Limitation

This subsection does not preclude a claim under this chapter against—

(A) the assets of the estate or trust administered by the fiduciary; or

(B) a nonemployee agent or independent contractor retained by a fiduciary.

(o) De micromis exemption

(1) In general

Except as provided in paragraph (2), a person shall not be liable, with respect to response costs at a facility on the National Priorities List, under this chapter if liability is based solely on paragraph (3) or (4) of subsection (a), and the person, except as provided in para-
(A) the total amount of the material containing hazardous substances that the person arranged for disposal or treatment of, arranged with a transporter for transport for disposal or treatment of, or accepted for transport for disposal or treatment, at the facility was less than 110 gallons of liquid materials or less than 200 pounds of solid materials (or such greater or lesser amounts as the Administrator may determine by regulation); and

(B) all or part of the disposal, treatment, or transport concerned occurred before April 1, 2001.

(2) Exceptions

Paragraph (1) shall not apply in a case in which—

(A) the President determines that—

(i) the materials containing hazardous substances referred to in paragraph (1) have contributed significantly or could contribute significantly, either individually or in the aggregate, to the cost of the response action or natural resource restoration with respect to the facility; or

(ii) the person has failed to comply with an information request or administrative subpoena issued by the President under this chapter or has impeded or is impeding, through action or inaction, the performance of a response action or natural resource restoration with respect to the facility;

(B) a person has been convicted of a criminal violation for the conduct to which the exemption would apply, and that conviction has not been vitiated on appeal or otherwise.

(3) No judicial review

A determination by the President under paragraph (2)(A) shall not be subject to judicial review.

(4) Nongovernmental third-party contribution actions

In the case of a contribution action, with respect to response costs at a facility on the National Priorities List, brought by a party, other than a Federal, State, or local government, under this chapter, the burden of proof shall be on the party bringing the action to demonstrate that the conditions described in paragraph (1)(A) and (B) of this subsection are not met.

(p) Municipal solid waste exemption

(1) In general

Except as provided in paragraph (2) of this subsection, a person shall not be liable, with respect to response costs at a facility on the National Priorities List, under paragraph (3) of subsection (a) for municipal solid waste disposed of at a facility if the person, except as provided in paragraph (5) of this subsection, can demonstrate that the person is—

(A) an owner, operator, or lessee of residential property from which all of the person’s municipal solid waste was generated with respect to the facility;

(B) a business entity (including a parent, subsidiary, or affiliate of the entity) that, during its 3 taxable years preceding the date of transmittal of written notification from the President of its potential liability under this section, employed not more than 100 full-time individuals, or the equivalent thereof, and that is a small business concern (within the meaning of the Small Business Act (15 U.S.C. 631 et seq.)) from which was generated all of the municipal solid waste attributable to the entity with respect to the facility; or

(C) an organization described in section 501(c)(3) of title 26 and exempt from tax under section 501(a) of such title that, during its taxable year preceding the date of transmittal of written notification from the President of its potential liability under this section, employed not more than 100 paid individuals at the location from which was generated all of the municipal solid waste attributable to the organization with respect to the facility.

For purposes of this subsection, the term “affiliate” has the meaning of that term provided in the definition of “small business concern” in regulations promulgated by the Small Business Administration in accordance with the Small Business Act (15 U.S.C. 631 et seq.).

(2) Exception

Paragraph (1) shall not apply in a case in which the President determines that—

(A) the municipal solid waste referred to in paragraph (1) has contributed significantly or could contribute significantly, either individually or in the aggregate, to the cost of the response action or natural resource restoration with respect to the facility;

(B) the person has failed to comply with an information request or administrative subpoena issued by the President under this chapter or has impeded or is impeding, through action or inaction, the performance of a response action or natural resource restoration with respect to the facility;

(C) the person has impeded or is impeding, through action or inaction, the performance of a response action or natural resource restoration with respect to the facility.

(3) No judicial review

A determination by the President under paragraph (2) shall not be subject to judicial review.

(4) Definition of municipal solid waste

(A) In general

For purposes of this subsection, the term “municipal solid waste” means waste material—

(i) generated by a household (including a single or multifamily residence); and

(ii) generated by a commercial, industrial, or institutional entity, to the extent that the waste material—

(I) is essentially the same as waste normally generated by a household;

(II) is collected and disposed of with other municipal solid waste as part of normal municipal solid waste collection services; and

(iii) is normally generated by a single or multifamily residence; and

(iv) is normally generated by a commercial, industrial, or institutional entity.
(III) contains a relative quantity of hazardous substances no greater than the relative quantity of hazardous substances contained in waste material generated by a typical single-family household.

(B) Examples
Examples of municipal solid waste under subparagraph (A) include food and yard waste, paper, clothing, appliances, consumer product packaging, disposable diapers, office supplies, cosmetics, glass and metal food containers, elementary or secondary school science laboratory waste, and household hazardous waste.

(C) Exclusions
The term “municipal solid waste” does not include—
(i) combustion ash generated by resource recovery facilities or municipal incinerators; or
(ii) waste material from manufacturing or processing operations (including pollution control operations) that is not essentially the same as waste normally generated by households.

(5) Burden of proof
In the case of an action, with respect to response costs at a facility on the National Priorities List, brought under this section or section 9613 of this title by—
(A) a party, other than a Federal, State, or local government, with respect to municipal solid waste disposed of on or after April 1, 2001; or
(B) any party with respect to municipal solid waste disposed of before April 1, 2001, the burden of proof shall be on the party bringing the action to demonstrate that the conditions described in paragraphs (1) and (4) for exemption for entities and organizations described in paragraph (1)(B) and (C) are not met.

(6) Certain actions not permitted
No contribution action may be brought by a party, other than a Federal, State, or local government, under this chapter with respect to circumstances described in paragraph (1)(A).

(7) Costs and fees
A nongovernmental entity that commences, after January 11, 2002, a contribution action under this chapter shall be liable to the defendant for all reasonable costs of defending the action, including all reasonable attorney’s fees and expert witness fees, if the defendant is not liable for contribution based on an exemption under this subsection or subsection (o).

(q) Contiguous properties
(1) Not considered to be an owner or operator
(A) In general
A person that owns real property that is contiguous to or otherwise similarly situated with respect to, and that is or may be contaminated by a release or threatened release of a hazardous substance from, real property that is not owned by that person shall not be considered to be an owner or operator of a vessel or facility under paragraph (1) or (2) of subsection (a) solely by reason of the contamination if—
(i) the person did not cause, contribute, or consent to the release or threatened release;
(ii) the person is not—
(I) potentially liable, or affiliated with any other person that is potentially liable, for response costs at a facility through any direct or indirect familial relationship or any contractual, corporate, or financial relationship (other than a contractual, corporate, or financial relationship that is created by a contract for the sale of goods or services); or
(II) the result of a reorganization of a business entity that was potentially liable;
(iii) the person takes reasonable steps to—
(I) stop any continuing release;
(II) prevent any threatened future release; and
(III) prevent or limit human, environmental, or natural resource exposure to any hazardous substance released on or from property owned by that person;
(iv) the person provides full cooperation, assistance, and access to persons that are authorized to conduct response actions or natural resource restoration at the vessel or facility from which there has been a release or threatened release (including the cooperation and access necessary for the installation, integrity, operation, and maintenance of any complete or partial response action or natural resource restoration at the vessel or facility);
(v) the person is in compliance with any land use restrictions established or relied on in connection with the response action at the facility; and
(II) does not impede the effectiveness or integrity of any institutional control employed in connection with a response action;
(vi) the person is in compliance with any request for information or administrative subpoena issued by the President under this chapter;
(vii) the person provides all legally required notices with respect to the discovery or release of any hazardous substances at the facility; and
(viii) at the time at which the person acquired the property, the person—
(I) conducted all appropriate inquiry within the meaning of section 9601(35)(B) of this title with respect to the property; and
(II) did not know or have reason to know that the property was or could be contaminated by a release or threatened release of one or more hazardous substances from other real property not owned or operated by the person.
(B) Demonstration

To qualify as a person described in subparagraph (A), a person must establish by a preponderance of the evidence that the conditions in clauses (i) through (viii) of subparagraph (A) have been met.

(C) Bona fide prospective purchaser

Any person that does not qualify as a person described in this paragraph because the person had, or had reason to have, knowledge specified in subparagraph (A)(viii) at the time of acquisition of the real property may qualify as a bona fide prospective purchaser under section 9601(40) of this title if the person is otherwise described in that section.

(D) Ground water

With respect to a hazardous substance from one or more sources that are not on the property of a person that is a contiguous property owner that enters ground water beneath the property of the person solely as a result of subsurface migration in an aquifer, subparagraph (A)(ii) shall not require the person to conduct ground water investigations or to install ground water remediation systems, except in accordance with the policy of the Environmental Protection Agency concerning owners of property containing contaminated aquifers, dated May 24, 1995.

(2) Effect of law

With respect to a person described in this subsection, nothing in this subsection—

(A) limits any defense to liability that may be available to the person under any other provision of law; or

(B) imposes liability on the person that is not otherwise imposed by subsection (a).

(3) Assurances

The Administrator may—

(A) issue an assurance that no enforcement action under this chapter will be initiated against a person described in paragraph (1); and

(B) grant a person described in paragraph (1) protection against a cost recovery or contribution action under section 9613(f) of this title.

(r) Prospective purchaser and windfall lien

(1) Limitation on liability

Notwithstanding subsection (a)(1), a bona fide prospective purchaser whose potential liability for a release or threatened release is based solely on the bona fide prospective purchaser being considered to be an owner or operator of a facility shall not be liable as long as the bona fide prospective purchaser does not impede the performance of a response action or natural resource restoration.

(2) Lien

If there are unrecovered response costs incurred by the United States at a facility for which an owner of the facility is not liable by reason of paragraph (1), and if each of the conditions described in paragraph (3) is met, the United States shall have a lien on the facility, or may by agreement with the owner, obtain from the owner a lien on any other property or other assurance of payment satisfactory to the Administrator, for the unrecovered response costs.

(3) Conditions

The conditions referred to in paragraph (2) are the following:

(A) Response action

A response action for which there are unrecovered costs of the United States is carried out at the facility.

(B) Fair market value

The response action increases the fair market value of the facility above the fair market value of the facility that existed before the response action was initiated.

(4) Amount; duration

A lien under paragraph (2)—

(A) shall be in an amount not to exceed the increase in fair market value of the property attributable to the response action at the time of a sale or other disposition of the property;

(B) shall arise at the time at which costs are first incurred by the United States with respect to a response action at the facility;

(C) shall be subject to the requirements of subsection (l)(3); and

(D) shall continue until the earlier of—

(i) satisfaction of the lien by sale or other means; or

(ii) notwithstanding any statute of limitations under section 9613 of this title, recovery of all response costs incurred at the facility.

References in Text


This chapter, referred to in text, was in the original “this Act”, meaning Pub. L. 96–510, Dec. 11, 1980, 94 Stat. 2767, known as the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 9601 of this title and Tables.


Act of March 3, 1851 (46 U.S.C. 1831f); referred to in subsec. (h), is act Mar. 3, 1851, ch. 43, §9 Stat. 635, which was incorporated into the Revised Statutes as R.S. §§4282, 4283, 4284 to 4287 and 4289, which were classified to sections 182, 183, and 184 to 188 of the former Appen-
dix to Title 46, Shipping, prior to being repealed and re-stated in chapter 305 of Title 46 by Pub. L. 109-304, §§b(c), 19, Oct. 6, 2006, 120 Stat. 1508, 1710. For disposition of sections of the former Appendix to Title 46, see Disposition Table preceding section 101 of Title 46.


The Solid Waste Disposal Act, referred to in subsec. (k)(1)(A) and (C), was in the original “title II of this Act”, meaning title II of Pub. L. 96-510, Dec. 11, 1980, 94 Stat. 2577, known as the Hazardous Substance Response Revenue Act of 1980, which enacted subchapter II of this chapter and sections 4681, 4682, 4683, 4684, 4685, and 4691 of Title 26, Internal Revenue Code. Sections 221 to 223 and 232 of Pub. L. 96-510, which were classified to sections 4631 to 4632 and 4641 of this title, comprising subchapter II of this chapter, were repealed by Pub. L. 99-499, title V, §§514(b), Oct. 17, 1986, 100 Stat. 1767.

Subchapter II of this chapter, referred to in subsec. (k)(4)(A) and (C), was in the original “title II of this Act”, meaning title II of Pub. L. 96-510, Dec. 11, 1980, 94 Stat. 2796, known as the Hazardous Substance Response Revenue Act of 1980, which enacted subchapter II of this chapter and sections 4681, 4682, 4683, 4684, 4685, and 4691 of Title 26, Internal Revenue Code. Sections 221 to 223 and 232 of Pub. L. 96-510, which were classified to sections 4631 to 4632 and 4641 of this title, comprising subchapter II of this chapter, were repealed by Pub. L. 99-499, title V, §§514(b), 517(c)(1), Oct. 17, 1986, 100 Stat. 1767, 1774. For complete classification of title II of this Act to the Code, see Short Title of 1980 Amendment note set out under section 6901 of this title and Tables.

The Small Business Act, referred to in subsec. (p)(1), is Pub. L. 85-536, §2(1 et seq.), July 18, 1958, 72 Stat. 384, which is classified generally to chapter 14A (§631 et seq.) of Title 15, Commerce and Trade. For complete classification of this Act to the Code, see Short Title note set out under section 631 of Title 15 and Tables.

AMENDMENTS

2018—Subsec. (r)(1). Pub. L. 115-141 substituted “bona fide prospective purchaser being considered” for “purchaser’s being considered”.


Pub. L. 99-499, §107(b), inserted correlative provisions relating to accrual and rate of interest on amounts recoverable under this section.

Pub. L. 99-499, §107(a), inserted “‘owner’” after “vessel”.

Pub. L. 99-499, §127(b)(3), inserted “‘other than an incineration vessel’” after “vessel”.

Pub. L. 99-499, §127(b)(4), inserted “‘other than an incineration vessel’” after “other vessel”.

Pub. L. 99-499, §127(b)(5), inserted “any incineration vessel or” before “any facility”.

Subsec. (d). Pub. L. 99-499, §107(c), amended subsec. (d) generally. Prior to amendment, subsec. (d) read as follows: ‘‘No person shall be liable under this subchapter for damages as a result of actions taken or omitted in the course of rendering care, assistance, or advice in accordance with the national contingency plan or at the direction of an onscene coordinator appointed under such plan, with respect to an incident creating a danger to public health or welfare or the environment as a result of any release of a hazardous substance or the threat thereof. This subsection shall not preclude liability for damages as the result of gross negligence or intentional misconduct on the part of such person. For the purposes of the preceding sentence, reckless, willful, or wanton misconduct shall constitute gross negligence.”

Pub. L. 99-499, §207(c)(2)(C), inserted in first sentence “... so long as, in the case of damages to an Indian tribe occurring pursuant to a Federal permit or license, the issuance of that permit or license was not inconsistent with the fiduciary duty of the United States with respect to such Indian tribe”.

Pub. L. 99-499, §107(d)(2), substituted “‘Sums recovered shall be available for use only to restore, replace, or acquire the equivalent of such natural resources. Sums recovered by a State as trustee under this subsection shall be available for use only to restore, replace, or acquire the equivalent of such natural resources by the State. The measure of damages in any action under subparagraph (C) of subsection (a) shall not be limited by the sums which can be used to restore, replace, or acquire such resources.” There shall be no double recovery under this chapter for natural resource damages, including the costs of damage assessment or restoration, rehabilitation, or acquisition for the same release and natural resource’’ for ‘‘‘Sums recovered shall be available for use to restore, rehabilitate, or acquire the equivalent of such natural resources by the State, the measure of damages in any action under subparagraph (C) of subsection (a) shall not be limited by the sums which can be used to restore, replace, or acquire such resources.” There shall be no double recovery under this chapter for natural resource damages, including the costs of damage assessment or restoration, rehabilitation, or acquisition for the same release and natural resource’’.

Pub. L. 99-499, §207(c)(2)(D), which directed the insertion of “or the Indian tribe” after “State government”, could not be executed because the prior amendment by section 107(d)(2) of Pub. L. 99-499, struck out third sentence referring to “State government”.


Subsec. (g). Pub. L. 99-499, §107(e), amended subsec. (g) generally. Prior to amendment, subsec. (g) read as follows: ‘‘Each department, agency, or instrumentality of the executive, legislative, and judicial branches of the Federal Government shall be subject to, and comply with, this chapter in the same manner and to the same extent, both procedurally and substantively, as any nongovernmental entity, including liability under this section.”

$9607

TITLE 42—THE PUBLIC HEALTH AND WELFARE
Subsec. (h). Pub. L. 99–499, §127(e), inserted "under maritime tort law," after "with this section" and inserted "or the absence of any physical damage to the proprietary interest of the claimant" before the period at end.

Subsec. (i). Pub. L. 99–499, §207(c)(3), inserted "or Indian tribe" after "State".

Subsec. (j). Pub. L. 99–499, §207(c)(4), inserted "or Indian tribe" after first reference to "State".


**Effective Date of 1996 Amendment**

Amendment by Pub. L. 104–208 applicable with respect to any claim that has not been finally adjudicated as of Sept. 30, 1996, see section 2505 of Pub. L. 104–208, set out as a note under section 6991b of this title.

**Effect on Concluded Actions**

Pub. L. 107–118, title I, §103, Jan. 11, 2002, 115 Stat. 2257, provided that: "The amendments made by this title [amending this section and section 9622 of this title] shall not apply to or in any way affect any settlement lodged in, or judgment issued by, a United States District Court, or any administrative settlement or order entered into or issued by the United States or any State, before the date of the enactment of this Act (Jan. 11, 2002)."

**Central Hazardous Materials Fund**

Pub. L. 110–161, div. F, title I, Dec. 26, 2007, 121 Stat. 2116, as amended by Pub. L. 111–88, div. A, title I, Oct. 30, 2009, 123 Stat. 2924, provided in part: "(1) The owner or operator of each vessel (except a nonself-propelled barge that does not carry hazardous substances as cargo, or any offshore facility, to which the financial responsibility provisions of paragraph (1) of this subsection, upon request, does not have certification furnished by the President that the financial responsibility provisions of paragraph (1) of this subsection have been complied with."

**Recovery of Costs**

Pub. L. 104–303, title II, §209, Oct. 12, 1996, 110 Stat. 3681, provided that: "Amounts recovered under section 107 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9607) for any response action taken by the Secretary in support of the civil works program of the Department of the Army and any other amounts recovered by the Secretary from a contractor, insurer, surety, or other person to reimburse the Department of the Army for any expenditure for environmental response activities in support of the Army civil works program shall be credited to the appropriate trust fund account from which the cost of such response action has been paid or will be charged."

**Coordinating of Titles I to IV of Pub. L. 99–499**

Any provision of titles I to IV of Pub. L. 99–499, imposing any tax, premium, or fee; establishing any trust fund; or authorizing expenditures from any trust fund, to have no force or effect, see section 531 of Pub. L. 99–499, set out as a note under section 26 of Title 26, Internal Revenue Code.

**§9608. Financial responsibility**

(a) Establishment and maintenance by owner or operator of vessel; amount; failure to obtain certification of compliance

(1) The owner or operator of each vessel (except a nonself-propelled barge that does not carry hazardous substances as cargo) over three hundred gross tons that uses any port or place in the United States or the navigable waters or any offshore facility, shall establish and maintain, in accordance with regulations promulgated by the President, evidence of financial responsibility of $500 per gross ton (or for a vessel carrying hazardous substances as cargo, or $5,000,000, whichever is greater) to cover the liability prescribed under paragraph (1) of section 9607(a) of this title. Financial responsibility may be established by any one, or any combination, of the following: insurance, guarantee, surety bond, or qualification as a self-insurer. Any bond filed shall be issued by a bonding company authorized to do business in the United States. In cases where an owner or operator owns, operates, or charters more than one vessel subject to this subsection, evidence of financial responsibility need be established only to meet the maximum liability applicable to the largest of such vessels.

(2) The Secretary of the Treasury shall withhold or revoke the clearance required by section 60105 of title 46 of any vessel subject to this subsection that does not have certification furnished by the President that the financial responsibility provisions of paragraph (1) of this subsection have been complied with.

(3) The Secretary of Transportation, in accordance with regulations issued by him, shall (A) deny entry to any port or place in the United States or navigable waters to, and (B) detain at the port or place in the United States from which it is about to depart for any other port or place in the United States, any vessel subject to this subsection that, upon request, does not produce certification furnished by the President that the financial responsibility provisions of paragraph (1) of this subsection have been complied with.

(4) In addition to the financial responsibility provisions of paragraph (1) of this subsection, the President shall require additional evidence of financial responsibility for nonself-propelled vessels in such amounts, and to cover such liabilities recognized by law, as the President deems appropriate, taking into account the potential risks posed by incineration and transport for in-
(b) Establishment and maintenance by owner or operator of production, etc., facilities; amount; adjustment; consolidated form of responsibility; coverage of motor carriers

(1) Beginning not earlier than five years after December 11, 1980, the President shall promulgate requirements (for facilities in addition to those under subtitle C of the Solid Waste Disposal Act [42 U.S.C. 6921 et seq.] and other Federal law) that classes of facilities establish and maintain evidence of financial responsibility consistent with the degree and duration of risk associated with the production, transportation, treatment, storage, or disposal of hazardous substances. Not later than three years after December 11, 1980, the President shall identify those classes for which requirements will be first developed and publish notice of such identification in the Federal Register. Priority in the development of such requirement shall be accorded to those classes of facilities, owners, and operators which the President determines present the highest level of risk of injury.

(2) The level of financial responsibility shall be initially established, and, when necessary, adjusted to protect against the level of risk which the President in his discretion believes is appropriate based on the payment experience of the Fund, commercial insurers, courts settlements and judgments, and voluntary claims satisfaction. To the maximum extent practicable, the President shall cooperate with and seek the advice of the commercial insurance industry in developing financial responsibility requirements. Financial responsibility may be established by any one, or any combination, of the following: insurance, guarantee, surety bond, letter of credit, or qualification as a self-insurer. In promulgating requirements under this section, the President is authorized to specify policy or other contractual terms, conditions, or defenses which are necessary, or which are unacceptable, in establishing such evidence of financial responsibility in order to effectuate the purposes of this chapter.

(3) Regulations promulgated under this subsection shall incrementally impose financial responsibility requirements as quickly as can reasonably be achieved but in no event more than 4 years after the date of promulgation. Where possible, the level of financial responsibility which the President believes appropriate as a final requirement shall be achieved through incremental, annual increases in the requirements.

(4) Where a facility is owned or operated by more than one person, evidence of financial responsibility covering the facility may be established and maintained by one of the owners or operators, or, in consolidated form, by or on behalf of two or more owners or operators. When evidence of financial responsibility is established in a consolidated form, the proportional share of each participant shall be shown. The evidence shall be accompanied by a statement authorizing the applicant to act for and in behalf of each participant in submitting and maintaining the evidence of financial responsibility.

(5) The requirements for evidence of financial responsibility for motor carriers covered by this chapter shall be determined under section 31139 of title 49.

(c) Direct action

(1) Releases from vessels

In the case of a release or threatened release from a vessel, any claim authorized by section 9607 or 9611 of this title may be asserted directly against any guarantor providing evidence of financial responsibility for such vessel under subsection (a). In defending such a claim, the guarantor may invoke all rights and defenses which would be available to the owner or operator under this subchapter. The guarantor may also invoke the defense that the incident was caused by the willful misconduct of the owner or operator, but the guarantor may not invoke any other defense that the guarantor might have been entitled to invoke in a proceeding brought by the owner or operator against him.

(2) Releases from facilities

In the case of a release or threatened release from a facility, any claim authorized by section 9607 or 9611 of this title may be asserted directly against any guarantor providing evidence of financial responsibility for such facility under subsection (b), if the person liable under section 9607 of this title is in bankruptcy, reorganization, or arrangement pursuant to the Federal Bankruptcy Code, or if, with reasonable diligence, jurisdiction in the Federal courts cannot be obtained over a person liable under section 9607 of this title who is likely to be solvent at the time of judgment. In the case of any action pursuant to this paragraph, the guarantor may invoke all rights and defenses which would have been available to the person liable under section 9607 of this title if any action had been brought against such person by the claimant and all rights and defenses which would have been available to the guarantor if an action had been brought against the guarantor by such person.

(d) Limitation of guarantor liability

(1) Total liability

The total liability of any guarantor in a direct action suit brought under this section shall be limited to the aggregate amount of the monetary limits of the policy of insurance, guarantee, surety bond, letter of credit, or similar instrument obtained from the guarantor by the person subject to liability under section 9607 of this title for the purpose of satisfying the requirement for evidence of financial responsibility.

(2) Other liability

Nothing in this subsection shall be construed to limit any other State or Federal statutory, contractual, or common law liability of a guarantor, including, but not limited to, the liability of such guarantor for bad faith either in negotiating or in failing to negotiate the settlement of any claim. Nothing in this subsection shall be construed, interpreted, or applied to diminish the liability of any person...
under section 9607 of this title or other applicable law.


REFERENCES IN TEXT


This chapter, referred to in subsec. (b)(2), (5), was in the original "this Act", meaning Pub. L. 96–510, Dec. 11, 1980, 94 Stat. 2767, known as the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 9601 of this title and Tables.

The Federal Bankruptcy Code, referred to in subsec. (c)(2), probably means a reference to Title 11, Bankruptcy.

Codification


Amendments

1986—Subsec. (a)(1). Pub. L. 99–499, §127(c)(1), inserted "to cover the liability prescribed under paragraph (1) of section 9607(a) of this title" after "whichever is greater".


Subsec. (b)(3). Pub. L. 99–499, §108(b), substituted "as quickly as can reasonably be achieved but in no event more than 4 years" for "over a period of not less than three and no more than six years".

Subsec. (c). Pub. L. 99–499, §108(c), amended subsec. (c) generally. Prior to amendment, subsec. (c) read as follows: "Any claim authorized by section 9607 or 9611 of this title may be asserted directly against any guarantor providing evidence of financial responsibility as required under this section. In defending such a claim, the guarantor may invoke all rights and defenses which would be available to the owner or operator under this subchapter. The guarantor may also invoke the defense that the incident was caused by the willful misconduct of the owner or operator, but such guarantor may not invoke any other defense that such guarantor might have been entitled to invoke in a proceeding brought by the owner or operator against him."

Subsec. (d). Pub. L. 99–499, §108(c), amended subsec. (d) generally. Prior to amendment, subsec. (d) read as follows: "Any guarantor acting in good faith against which claims under this chapter are asserted as a guarantor shall be liable under section 9607 of this title or section 9612(c) of this title only up to the monetary limits of the policy of insurance or indemnity contract such guarantor has undertaken or of the guaranty of other evidence of financial responsibility furnished under this section, and only to the extent that liability is not excluded by restrictive endorsement: Provided,

That this subsection shall not alter the liability of any person under section 9607 of this title."

§ 9609. Civil penalties and awards

(a) Class I administrative penalty

(1) Violations

A civil penalty of not more than $25,000 per violation may be assessed by the President in the case of any of the following—

(A) A violation of the requirements of section 9603(a) or (b) of this title (relating to notice).

(B) A violation of the requirements of section 9603(d)(2) of this title (relating to destruction of records, etc.).

(C) A violation of the requirements of section 9608 of this title (relating to financial responsibility, etc.), the regulations issued under section 9608 of this title, or with any denial or detention order under section 9608 of this title.

(D) A violation of an order under section 9622(d)(3) of this title (relating to settlement agreements for action under section 9604(b) of this title).

(E) Any failure or refusal referred to in section 9622(i) of this title (relating to violations of administrative orders, consent decrees, or agreements under section 9620 of this title).

(2) Notice and hearings

No civil penalty may be assessed under this subsection unless the person accused of the violation is given notice and opportunity for a hearing with respect to the violation.

(3) Determining amount

In determining the amount of any penalty assessed pursuant to this subsection, the President shall take into account the nature, circumstances, extent and gravity of the violation or violations and, with respect to the violator, ability to pay, any prior history of such violations, the degree of culpability, economic benefit or savings (if any) resulting from the violation, and such other matters as justice may require.

(4) Review

Any person against whom a civil penalty is assessed under this subsection may obtain review thereof in the appropriate district court of the United States by filing a notice of appeal in such court within 30 days from the date of such order and by simultaneously sending a copy of such notice by certified mail to the President. The President shall promptly file in such court a certified copy of the record upon which such violation was found or such penalty imposed. If any person fails to pay an assessment of a civil penalty after it has become final and unappealable order or after the appropriate court has entered final judgment in favor of the United States, the President may request the Attorney General of the United States to institute a civil action in an appropriate district court of the United States to collect the penalty, and such court shall have jurisdiction to hear and decide any such action. In hearing such action, the court shall
have authority to review the violation and the assessment of the civil penalty on the record.

(5) Subpoenas

The President may issue subpoenas for the attendance and testimony of witnesses and the production of relevant papers, books, or documents in connection with hearings under this subsection. In case of contumacy or refusal to obey a subpoena issued pursuant to this paragraph and served upon any person, the district court of the United States for any district in which such person is found, resides, or transacts business, upon application by the United States and after notice to such person, shall have jurisdiction to issue an order requiring such person to appear and give testimony before the administrative law judge or to appear and produce the documents before the administrative law judge, or both, and any failure to obey such order of the court may be punished by such court as a contempt thereof.

(b) Class II administrative penalty

A civil penalty of not more than $25,000 per day for each day during which the violation continues may be assessed by the President in the case of any of the following—

(1) A violation of the notice requirements of section 9603(a) or (b) of this title.
(2) A violation of section 9603(d)(2) of this title (relating to destruction of records, etc.).
(3) A violation of the requirements of section 9608 of this title (relating to financial responsibility, etc.), the regulations issued under section 9608 of this title, or with any denial or detention order under section 9608 of this title.
(4) A violation of an order under section 9622(d)(3) of this title (relating to settlement agreements for action under section 9604(b) of this title).
(5) Any failure or refusal referred to in section 9622(f) of this title (relating to violations of administrative orders, consent decrees, or agreements under section 9620 of this title).

In the case of a second or subsequent violation the amount of such penalty may be not more than $75,000 for each day during which the violation continues. Any civil penalty under this subsection shall be assessed and collected in the same manner, and subject to the same provisions, as in the case of civil penalties assessed and collected after notice and opportunity for hearing on the record in accordance with section 554 of title 5. In any proceeding for the assessment of a civil penalty under this subsection the President may issue subpoenas for the attendance and testimony of witnesses and the production of relevant papers, books, and documents and may promulgate rules for discovery procedures. Any person who requested a hearing with respect to a civil penalty under this subsection and who is aggrieved by an order assessing the civil penalty may file a petition for judicial review of such order with the United States Court of Appeals for the District of Columbia Circuit or for any other circuit in which such person resides or transacts business. Such a petition may only be filed within the 30-day period beginning on the date the order making such assessment was issued.

(c) Judicial assessment

The President may bring an action in the United States district court for the appropriate district to assess and collect a penalty of not more than $25,000 per day for each day during which the violation (or failure or refusal) continues in the case of any of the following—

(1) A violation of the notice requirements of section 9603(a) or (b) of this title.
(2) A violation of section 9603(d)(2) of this title (relating to destruction of records, etc.).
(3) A violation of the requirements of section 9608 of this title (relating to financial responsibility, etc.), the regulations issued under section 9608 of this title, or with any denial or detention order under section 9608 of this title.
(4) A violation of an order under section 9622(d)(3) of this title (relating to settlement agreements for action under section 9604(b) of this title).
(5) Any failure or refusal referred to in section 9622(f) of this title (relating to violations of administrative orders, consent decrees, or agreements under section 9620 of this title).

In the case of a second or subsequent violation (or failure or refusal), the amount of such penalty may be not more than $75,000 for each day during which the violation (or failure or refusal) continues. For additional provisions providing for judicial assessment of civil penalties for failure to comply with a request or order under section 9604(e) of this title (relating to information gathering and access authorities), see section 9604(e) of this title.

(d) Awards

The President may pay an award of up to $10,000 to any individual who provides information leading to the arrest and conviction of any person for a violation subject to a criminal penalty under this chapter, including any violation of section 9603 of this title and any other violation referred to in this section. The President shall, by regulation, prescribe criteria for such an award and may pay any award under this subsection from the Fund, as provided in section 9611 of this title.

(e) Procurement procedures

Notwithstanding any other provision of law, any executive agency may use competitive procedures or procedures other than competitive procedures to procure the services of experts for use in preparing or prosecuting a civil or criminal action under this chapter, whether or not the expert is expected to testify at trial. The executive agency need not provide any written justification for the use of procedures other than competitive procedures when procuring such expert services under this chapter and need not furnish for publication in the Commerce Business Daily or otherwise any notice of solicitation or synopsis with respect to such procurement.

(f) Savings clause

Action taken by the President pursuant to this section shall not affect or limit the President's authority to enforce any provisions of this chapter.

§ 9610 Employee protection

(a) Activities of employee subject to protection

No person shall fire or in any other way discriminate against, or cause to be fired or discriminated against, any employee or any authorized representative of employees by reason of the fact that such employee or representative has provided information to a State or to the Federal Government, filed, instituted, or caused to be filed or instituted any proceeding under this chapter, or has testified or is about to testify in any proceeding resulting from the administration or enforcement of the provisions of this chapter.

(b) Administrative grievance procedure in cases of alleged violations

Any employee or a representative of employees who believes that he has been fired or otherwise discriminated against by any person in violation of subsection (a) of this section may, within thirty days after such alleged violation occurs, apply to the Secretary of Labor for a review of such firing or alleged discrimination. A copy of the application shall be sent to such person, who shall be the respondent. Upon receipt of such application, the Secretary of Labor shall cause such investigation to be made as he deems appropriate. Such investigation shall provide an opportunity for a public hearing at the request of any party to such review to enable the parties to present information relating to such alleged violation. The parties shall be given written notice of the time and place of the hearing at least five days prior to the hearing. Any such hearing shall be of record and shall be subject to section 554 of title 5. Upon receiving the report of such investigation, the Secretary of Labor shall make findings of fact. If he finds that such violation did occur, he shall issue a decision, incorporating an order therein and his findings, requiring the party committing such violation to take such affirmative action to abate the violation as the Secretary of Labor deems appropriate, including, but not limited to, the rehiring or reinstatement of the employee or representative of employees to his former position with compensation. If he finds that there was no such violation, he shall issue an order denying the application. Such order issued by the Secretary of Labor under this subparagraph shall be subject to judicial review in the same manner as orders and decisions are subject to judicial review under this chapter.

(c) Assessment of costs and expenses against violator subsequent to issuance of order of abatement

Whenever an order is issued under this section to abate such violation, at the request of the applicant a sum equal to the aggregate amount of all costs and expenses (including the attorney’s fees) determined by the Secretary of Labor to have been reasonably incurred by the applicant for, or in connection with, the institution and prosecution of such proceedings, shall be assessed against the person committing such violation.

(d) Defenses

This section shall have no application to any employee who acting without discretion from his employer (or his agent) deliberately violates any requirement of this chapter.

(e) Presidential evaluations of potential loss of shifts of employment resulting from administration or enforcement of provisions; investigations; procedures applicable, etc.

The President shall conduct continuing evaluations of potential loss of shifts of employment which may result from the administration or enforcement of the provisions of this chapter, including, where appropriate, investigating threatened plant closures or reductions in employment allegedly resulting from such administration or enforcement. Any employee who is discharged, or laid off, threatened with discharge or layoff, or otherwise discriminated against by any person because of the alleged results of such administration or enforcement, or any representative of such employee, may request the President to conduct a full investigation of the matter and, at the request of any party, shall hold public hearings, require the parties, including the employer involved, to present information relating to the actual or potential effect of such administration or enforcement on employment and any alleged discharge, layoff, or other discrimination, and the detailed reasons or justification therefore. Any such hearing shall be of record and shall be subject to section 554 of title 5. Upon receiving the report of such investigation, the President shall make findings of fact as to the effect of such administration or enforcement on employment and on the alleged discharge, layoff, or discrimination and shall make such recommendations as he deems appropriate. Such report, findings, and recommendations shall be available to the public. Nothing in this subsection shall be construed to require or authorize the President or any State to modify or withdraw any action.

References in Text

This chapter, referred to in subsecs. (d) to (f), was in the original “this Act”, meaning Pub. L. 96–510, Dec. 11, 1980, 94 Stat. 2767, known as the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 9601 of this title and Tables.

Amendments

1986—Pub. L. 99–499 amended section generally. Prior to amendment, section read as follows: “Any person who, after notice and an opportunity for a hearing, is found to have failed to comply with the requirements of section 9608 of this title, the regulations issued thereunder, or with any denial or detention order shall be liable to the United States for a civil penalty, not to exceed $10,000 for each day of violation.”

Coordination of Titles I to IV of Pub. L. 99–499

Any provision of titles I to IV of Pub. L. 99–499, imposing any tax, premium, or fee; establishing any trust fund; or authorizing expenditures from any trust fund, to have no force or effect, see section 531 of Pub. L. 99–499, set out as a note under section 1 of Title 26, Internal Revenue Code.

Amendments

1986—Pub. L. 99–499 amended section generally. Prior to amendment, section read as follows: “Any person who, after notice and an opportunity for a hearing, is found to have failed to comply with the requirements of section 9608 of this title, the regulations issued thereunder, or with any denial or detention order shall be liable to the United States for a civil penalty, not to exceed $10,000 for each day of violation.”

Coordination of Titles I to IV of Pub. L. 99–499

Any provision of titles I to IV of Pub. L. 99–499, imposing any tax, premium, or fee; establishing any trust fund; or authorizing expenditures from any trust fund, to have no force or effect, see section 531 of Pub. L. 99–499, set out as a note under section 1 of Title 26, Internal Revenue Code.

§ 9610 Employee protection

(a) Activities of employee subject to protection

No person shall fire or in any other way discriminate against, or cause to be fired or discriminated against, any employee or any authorized representative of employees by reason of the fact that such employee or representative has provided information to a State or to the Federal Government, filed, instituted, or caused to be filed or instituted any proceeding under this chapter, or has testified or is about to testify in any proceeding resulting from the administration or enforcement of the provisions of this chapter.

(b) Administrative grievance procedure in cases of alleged violations

Any employee or a representative of employees who believes that he has been fired or otherwise discriminated against by any person in violation of subsection (a) of this section may, within thirty days after such alleged violation occurs, apply to the Secretary of Labor for a review of such firing or alleged discrimination. A copy of the application shall be sent to such person, who shall be the respondent. Upon receipt of such application, the Secretary of Labor shall cause such investigation to be made as he deems appropriate. Such investigation shall provide an opportunity for a public hearing at the request of any party to such review to enable the parties to present information relating to such alleged violation. The parties shall be given written notice of the time and place of the hearing at least five days prior to the hearing. Any such hearing shall be of record and shall be subject to section 554 of title 5. Upon receiving the report of such investigation, the Secretary of Labor shall make findings of fact as to the effect of such administration or enforcement on employment and any alleged discharge, layoff, or other discrimination, and the detailed reasons or justification therefore. Any such hearing shall be of record and shall be subject to section 554 of title 5. Upon receiving the report of such investigation, the President shall make findings of fact as to the effect of such administration or enforcement on employment and the alleged discharge, layoff, or discrimination and shall make such recommendations as he deems appropriate. Such report, findings, and recommendations shall be available to the public. Nothing in this subsection shall be construed to require or authorize the President or any State to modify or withdraw any action.

1 So in original.
standard, limitation, or any other requirement of this chapter.


REFERENCES IN TEXT
This chapter, referred to in subsecs. (a), (b), (d), and (e), was in the original “this Act”, meaning Pub. L. 96–510, Dec. 11, 1980, 94 Stat. 2787, known as the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, which is classified principally to title 33, which are modified by section 304 of this Act may be asserted against the Fund under this subchapter; and other claims resulting from a release or threat of release of a hazardous substance from a vessel or a facility may be asserted against the Fund under this subchapter for injury to, or destruction or loss of, natural resources, including cost for damage assessment: Provided, however, That any such claim may be asserted only by the President, as trustee, for natural resources over which the United States has sovereign rights, or natural resources within the territory or the fishery conservation zone of the United States to the extent they are managed or protected by the United States, or by any State for natural resources within the boundary of that State belonging to, managed by, controlled by, or appertaining to the State, or by any Indian tribe or by the United States acting on behalf of any Indian tribe for natural resources belonging to, managed by, controlled by, or appertaining to such tribe, or held in trust for the benefit of such tribe, or belonging to a member of such tribe if such resources are subject to a trust restriction on alienation.

(2) Limitation on payment of natural resource claims

(A) General requirements
No natural resource claim may be paid from the Fund unless the President determines that the claimant has exhausted all administrative and judicial remedies to recover the amount of such claim from persons who may be liable under section 9607 of this title.

(B) Definition
As used in this paragraph, the term “natural resource claim” means any claim for injury to, or destruction or loss of, natural resources. The term does not include any claim for the costs of natural resource damage assessment.

(c) Peripheral matters and limitations

Uses of the Fund under subsection (a) of this section include—

(1) The costs of assessing both short-term and long-term injury to, destruction of, or loss of any natural resources resulting from a release of a hazardous substance.

(2) The costs of Federal or State or Indian tribe efforts in the restoration, rehabilitation, or replacement or acquiring the equivalent of any natural resources injured, destroyed, or lost as a result of a release of a hazardous substance.

(3) Subject to such amounts as are provided in appropriation Acts, the costs of a program to identify, investigate, and take enforcement and abatement action against releases of hazardous substances.

(4) Any costs incurred in accordance with subsection (m) of this section (relating to

---

See References in Text note set out under section 9601 of this title and Tables.

§ 9611. Uses of Fund

(a) In general
For the purposes specified in this section there is authorized to be appropriated from the Hazardous Substance Superfund established under subchapter A of chapter 98 of title 26 not more than $8,330,000,000 for the 5-year period beginning on October 17, 1986, and not more than $5,100,000,000 for the period commencing October 1, 1991, and ending September 30, 1994, and such sums shall remain available until expended. The preceding sentence constitutes a specific authorization for the funds appropriated under title II of Public Law 99–180 (relating to payment to the Hazardous Substances Trust Fund). The President shall use the money in the Fund for the following purposes:

(1) Payment of governmental response costs incurred pursuant to section 9604 of this title, including costs incurred pursuant to the Intervention on the High Seas Act (33 U.S.C. 1471 et seq.).

(2) Payment of any claim for necessary response costs incurred by any other person as a result of carrying out the national contingency plan established under section 1321(c) of title 33 and amended by section 9605 of this title: Provided, however, That such costs must be approved under said plan and certified by the responsible Federal official.

(3) Payment of any claim authorized by subsection (b) of this section and finally decided pursuant to section 9612 of this title, including those costs set out in subsection 9612(c)(3) of this title.

(4) Payment of costs specified under subsection (c) of this section.

(5) Grants for technical assistance.—The cost of grants under section 9617(e) of this title (relating to public participation grants for technical assistance).

(6) Lead contaminated soil.—Payment of not to exceed $15,000,000 for the costs of a pilot program for removal, decontamination, or other action with respect to lead-contaminated soil in one to three different metropolitan areas.

The President shall not pay for any administrative costs or expenses out of the Fund unless such costs and expenses are reasonably necessary for and incidental to the implementation of this subchapter.
ATSDR) and section 9604(i) of this title, including the costs of epidemiologic and laboratory studies, health assessments, preparation of toxicologic profiles, development and maintenance of a registry of persons exposed to hazardous substances to allow long-term health effect studies, and diagnostic services not otherwise available to determine whether persons in populations exposed to hazardous substances in connection with a release or a suspected release are suffering from long-term diseases.

(5) Subject to such amounts as are provided in appropriation Acts, the costs of providing equipment and similar overhead, related to the purposes of this chapter and section 1321 of title 33, and needed to supplement equipment and services available through contractors or other non-Federal entities, and of establishing and maintaining damage assessment capability, for any Federal agency involved in strike forces, emergency task forces, or other response teams under the national contingency plan.

(6) Subject to such amounts as are provided in appropriation Acts, the costs of a program to protect the health and safety of employees involved in response to hazardous substance releases. Such program shall be developed jointly by the Environmental Protection Agency, the Occupational Safety and Health Administration, and the National Institute for Occupational Safety and Health and shall include, but be not be limited to, measures for identifying and assessing hazards to which persons engaged in removal, remedy, or other response to hazardous substances may be exposed, methods to protect workers from such hazards, and necessary regulatory and enforcement measures to assure adequate protection of such employees.

(7) **EVALUATION COSTS UNDER PETITION PROVISIONS OF SECTION 9605(d).**—Costs incurred by the President in evaluating facilities pursuant to petitions under section 9605(d) of this title (relating to petitions for assessment of release).

(8) **CONTRACT COSTS UNDER SECTION 9604(a)(1).**—The costs of contracts or arrangements entered into under section 9604(a)(1) of this title to oversee and review the conduct of remedial investigations and feasibility studies undertaken by persons other than the President and the costs of appropriate Federal and State oversight of remedial activities at National Priorities List sites resulting from consent orders or settlement agreements.

(9) **ACQUISITION COSTS UNDER SECTION 9604(j).**—The costs incurred by the President in acquiring real estate or interests in real estate under section 9604(j) of this title (relating to acquisition of property).

(10) **RESEARCH, DEVELOPMENT, AND DEMONSTRATION COSTS UNDER SECTION 9606.**—The cost of carrying out section 9660 of this title (relating to research, development, and demonstration), except that the amounts available for such purposes shall not exceed the amounts specified in subsection (n) of this section.

(11) **LOCAL GOVERNMENT REIMBURSEMENT.**—Reimbursements to local governments under section 9623 of this title, except that during the 8-fiscal year period beginning October 1, 1986, not more than 0.1 percent of the total amount appropriated from the Fund may be used for such reimbursements.


(13) **AWARDS UNDER SECTION 9609.**—The costs of any awards granted under section 9609(d) of this title.

(14) **LEAD POISONING STUDY.**—The cost of carrying out the study under subsection (f) of section 118 of the Superfund Amendments and Reauthorization Act of 1986 (relating to lead poisoning in children).

(d) **Additional limitations**

(1) No money in the Fund may be used under subsection (c)(1) and (2) of this section, nor for the payment of any claim under subsection (b) of this section, where the injury, destruction, or loss of natural resources and the release of a hazardous substance from which such damages resulted have occurred wholly before December 11, 1980.

(2) No money in the Fund may be used for the payment of any claim under subsection (b) of this section where such expenses are associated with injury or loss resulting from long-term exposure to ambient concentrations of air pollutants from multiple or diffuse sources.

(e) **Funding requirements respecting moneys in Fund; limitation on certain claims; Fund use outside Federal property boundaries**

(1) Claims against or presented to the Fund shall not be valid or paid in excess of the total money in the Fund at any one time. Such claims become valid only when additional money is collected, appropriated, or otherwise added to the Fund. Should the total claims outstanding at any time exceed the current balance of the Fund, the President shall pay such claims, to the extent authorized under this section, in full in the order in which they were finally determined.

(2) In any fiscal year, 85 percent of the money credited to the Fund under subchapter II of this chapter shall be available only for the purposes specified in paragraphs (1), (2), and (4) of subsection (a) of this section. No money in the Fund may be used for the payment of any claim under subsection (a)(3) or subsection (b) of this section in any fiscal year for which the President determines that all of the Fund is needed for response to threats to public health from releases or threatened releases of hazardous substances.

(3) No money in the Fund shall be available for remedial action, other than actions specified in subsection (c) of this section, with respect to federally owned facilities; except that money in the Fund shall be available for the provision of alternative water supplies (including the reimbursement of costs incurred by a municipality) in any case involving groundwater contamination outside the boundaries of a federally owned facility in which the federally owned facility is not the only potentially responsible party.
(f) Obligation of moneys by Federal officials; obligation of moneys or settlement of claims by State officials or Indian tribe

The President is authorized to promulgate regulations designating one or more Federal officials who may obligate money in the Fund in accordance with this section or portions thereof. The President is also authorized to delegate authority to obligate money in the Fund or to settle claims to officials of a State or Indian tribe operating under a contract or cooperative agreement with the Federal Government pursuant to section 9604(d) of this title.

(g) Notice to potential injured parties by owner and operator of vessel or facility causing release of substance; rules and regulations

The President shall provide for the promulgation of rules and regulations with respect to the notice to be provided to potential injured parties by an owner and operator of any vessel or facility from which a hazardous substance has been released. Such rules and regulations shall consider the scope and form of the notice which would be appropriate to carry out the purposes of this subchapter. In promulgating such rules and regulations, the owner and operator of any vessel or facility from which a hazardous substance has been released shall provide notice in accordance with such rules and regulations. With respect to releases from public vessels, the President shall provide such notification as is appropriate to potential injured parties. Until the promulgation of such rules and regulations, the owner and operator of any vessel or facility from which a hazardous substance has been released shall provide reasonable notice to potential injured parties by publication in local newspapers serving the affected area.

(h) Restoration, etc., of natural resources

Except in a situation requiring action to avoid an irreversible loss of natural resources or to prevent or reduce any continuing danger to natural resources or similar need for emergency action, funds may not be used under this chapter for the restoration, rehabilitation, or replacement or acquisition of the equivalent of any natural resources until a plan for the use of such funds for such purposes has been developed and adopted by affected Federal agencies and the Governor or Governors of any State having sustained damage to natural resources within its borders, belonging to, managed by or appertaining to such State, and by the governing body of any Indian tribe having sustained damage to natural resources belonging to, managed by, controlled by, or appertaining to such tribe, or held in trust for the benefit of such tribe, or belonging to a member of such tribe if such resources are subject to a trust restriction on alienation, after adequate public notice and opportunity for hearing and consideration of all public comment.

(j) Use of Post-closure Liability Fund

The President shall use the money in the Post-closure Liability Fund for any of the purposes specified in subsection (a) of this section with respect to a hazardous waste disposal facility for which liability has transferred to such fund under section 9007(k) of this title, and, in addition, for payment of any claim or appropriate request for costs of response, damages, or other compensation for injury or loss under section 9007 of this title or any other State or Federal law, resulting from a release of a hazardous substance from such a facility.

(k) Inspector General

In each fiscal year, the Inspector General of each department, agency, or instrumentality of the United States which is carrying out any authority of this chapter shall conduct an annual audit of all payments, obligations, reimbursements, or other uses of the Fund in the prior fiscal year, to assure that the Fund is being properly administered and that claims are being appropriately and expeditiously considered. The audit shall include an examination of a sample of agreements with States (in accordance with the provisions of the Single Audit Act [31 U.S.C. 7501 et seq.]) carrying out response actions under this subchapter and an examination of remedial investigations and feasibility studies prepared for remedial actions. The Inspector General shall submit to the Congress an annual report regarding the audit report required under this subsection. The report shall contain such recommendations as the Inspector General deems appropriate. Each department, agency, or instrumentality of the United States shall cooperate with its inspector general in carrying out this subsection.

(l) Foreign claimants

To the extent that the provisions of this chapter permit, a foreign claimant may assert a claim to the same extent that a United States claimant may assert a claim if—

(1) the release of a hazardous substance occurred (A) in the navigable waters or (B) on the territorial sea or adjacent shoreline of a foreign country of which the claimant is a resident;

(2) the claimant is not otherwise compensated for his loss;

(3) the hazardous substance was released from a facility or from a vessel located adjacent to or within the navigable waters or was discharged in connection with activities conducted under the Outer Continental Shelf Lands Act, as amended (43 U.S.C. 1331 et seq.) or the Deepwater Port Act of 1974, as amended (33 U.S.C. 1501 et seq.); and

(4) recovery is authorized by a treaty or an executive agreement between the United States and foreign country involved, or if the Secretary of State, in consultation with the Attorney General and other appropriate officials, certifies that such country provides a comparable remedy for United States claimants.

(m) Agency for Toxic Substances and Disease Registry

There shall be directly available to the Agency for Toxic Substances and Disease Registry to
be used for the purpose of carrying out activities described in subsection (c)(4) and section 9604(1) of this title not less than $50,000,000 per fiscal year for each of fiscal years 1987 and 1988, not less than $55,000,000 for fiscal year 1989, and not less than $60,000,000 per fiscal year for each of fiscal years 1990, 1991, 1992, 1993, and 1994. Any funds so made available which are not obligated by the end of the fiscal year in which made available shall be returned to the Fund.

(n) Limitations on research, development, and demonstration program

(1) Section 9660(b)

For each of the fiscal years 1987, 1988, 1989, 1990, 1991, 1992, 1993, and 1994, not more than $20,000,000 of the amounts available in the Fund may be used for the purposes of carrying out the applied research, development, and demonstration program for alternative or innovative technologies and training program authorized under section 9660(b) of this title (relating to research, development, and demonstration other than basic research. Such amounts shall remain available until expended.

(2) Section 9660(a)

From the amounts available in the Fund, not more than the following amounts may be used for the purposes of section 9660(a) of this title (relating to hazardous substance research, demonstration, and training activities):

(A) For the fiscal year 1987, $3,000,000.
(B) For the fiscal year 1988, $10,000,000.
(C) For the fiscal year 1989, $20,000,000.
(D) For the fiscal year 1990, $30,000,000.

No more than 10 percent of such amounts shall be used for training under section 9660(a) of this title in any fiscal year.

(3) Section 9660(d)

For each of the fiscal years 1987, 1988, 1989, 1990, 1991, 1992, 1993, and 1994, not more than $5,000,000 of the amounts available in the Fund may be used for the purposes of section 9660(d) of this title (relating to university hazardous substance research centers).

(o) Notification procedures for limitations on certain payments

Not later than 90 days after October 17, 1986, the President shall develop and implement procedures to adequately notify, as soon as practicable after a site is included on the National Priorities List, concerned local and State officials and other concerned persons of the limitations, set forth in subsection (a)(2) of this section, on the payment of claims for necessary response costs incurred with respect to such site.

(p) General revenue share of Superfund

(1) In general

The following sums are authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, to the Hazardous Substance Superfund:

(A) For fiscal year 1987, $212,500,000.
(B) For fiscal year 1988, $212,500,000.
(C) For fiscal year 1989, $212,500,000.
(D) For fiscal year 1990, $212,500,000.
(E) For fiscal year 1991, $212,500,000.
(F) For fiscal year 1992, $212,500,000.
(G) For fiscal year 1993, $212,500,000.
(H) For fiscal year 1994, $212,500,000.

In addition there is authorized to be appropriated to the Hazardous Substance Superfund for each fiscal year an amount equal to so much of the aggregate amount authorized to be appropriated under this subsection (and paragraph (2) of section 9631(b) of this title) as has not been appropriated before the beginning of the fiscal year involved.

(2) Computation

The amounts authorized to be appropriated under paragraph (1) of this subsection in a given fiscal year shall be available only to the extent that such amount exceeds the amount determined by the Secretary under section 9507(b)(2) of title 26 for the prior fiscal year.


References in Text


The Intervention on the High Seas Act, referred to in subsec. (a)(1), is Pub. L. 93–248, Feb. 5, 1974, 88 Stat. 8, which is classified generally to chapter 28 (§1471 et seq.) of Title 33, Navigation and Navigable Waters. For complete classification of this Act to the Code, see Short Title note set out under section 1471 et seq. of Title 33, Navigation and Navigable Waters. See Tables.

Section 304 of this Act, referred to in subsec. (b), is section 304 of Pub. L. 96–510, title III, Dec. 11, 1989, 94 Stat. 2909, which enacted section 9654 of this title and amended section 1364 of Title 33.

Fishery conservation zone, referred to in subsec. (b), probably means the fishery conservation zone established by section 1611 of Title 16, Conservation, which as amended generally by Pub. L. 99–659, title I, §101(b), Nov. 14, 1986, 100 Stat. 3706, relates to United States sovereign rights and fishery management authority over fish within the exclusive economic zone as defined in section 1902 of Title 16.

This chapter, referred to in subsecs. (c)(5), (f), (k), and (l), was in the original “this Act”, meaning Pub. L. 96–510, Dec. 11, 1989, 94 Stat. 2767, known as the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 9601 of this title and Tables.

Subchapter II of this chapter, referred to in subsec. (e)(2), was in the original “title II of this Act”, meaning title II of Pub. L. 96–518, Dec. 11, 1980, 94 Stat. 2796, known as the Hazardous Substance Response Revenue Act of 1980, which enacted subchapter II of this chapter and sections 4611, 4612, 4661, 4662, 4681, and 4682 of Title 26, Internal Revenue Code. Sections 221 to 223 and 232 of Pub. L. 96–518, which were classified to sections 9631 to 9641 of this title, comprising subchapter II of this chapter, were repealed by Pub. L. 99–499, title V, § 517(c)(1), Oct. 17, 1986, 100 Stat. 1767, 1774. For complete classification of title II of this Act, see Short Title of 1989 Amendment note set out under section 1 of Title 26 and Tables.


The Outer Continental Shelf Lands Act as amended, referred to in subsec. (l)(3), is Aug. 7, 1953, ch. 345, 67 Stat. 462, which is classified generally to subchapter III (§1331 et seq.) of chapter 98 of Title 30, Public Lands. For complete classification of this Act to the Code, see Short Title note set out under section 1301 of Title 33 and Tables.

The Deepwater Port Act of 1974, as amended, referred to in subsec. (m), is Pub. L. 93–627, Jan. 13, 1975, 88 Stat. 2126, which is classified generally to chapter 29 (§1501 et seq.) of Title 43, Public Lands. For complete classification of this Act to the Code, see Short Title note set out under section 1501 of Title 43 and Tables.


AMENDMENTS


Subsec. (c)(11). Pub. L. 101–508, §6302(2), substituted “8-fiscal year period” for “5-fiscal year period”.


Subsec. (n)(2)(E). Pub. L. 101–508, §6306(8), added subpar. (E) and struck out former subpar. (E) which read as follows: “For the fiscal year 1991, $35,000,000.”


Subsec. (p)(1)(K) to (H). Pub. L. 101–508, §6308(1), added subpars. (F) to (H).

1989—Subsec. (c)(12). Pub. L. 100–414, which directed that section 9611(c)(12) of the Superfund Amendments and Reauthorization Act of 1986 be amended by substituting “$20,000,000” for “$10,000,000”, was executed by making the substitution in subsec. (c)(12) of this section, as the probable intent of Congress because the Superfund Amendments and Reauthorization Act of 1986, Pub. L. 99–499, does not contain a section 9611, but section 111(d)(2) of Pub. L. 99–499 enacted subsec. (c)(12) of this section.

1986—Subsec. (a). Pub. L. 99–499, §111(a), (b), inserted heading and “For the purposes specified in this section there is authorized to be appropriated from the Hazardous Substance Superfund established under subchapter A of chapter 98 of title 26 not more than $5,000,000,000 for the 5-year period beginning on October 17, 1986, and such sums shall remain available until expended. The preceding sentence constitutes a specific authorization for the funds appropriated under title II of Public Law 99–160 (relating to payment to the Hazardous Substances Trust Fund), in introductory provisions, substituted “Payment” for “payment” in pars. (1) to (4), a period for a semicolon in par. (1) and (2), and a period for “;” and in par. (3), and added pars. (5) and (6).

Subsec. (b). Pub. L. 99–499, §§111(c)(1), 207(d)(1), designated existing provisions as pars. (1), inserted “or by any Indian tribe or by the United States acting on behalf of any Indian tribe for natural resources belonging to, managed by, controlled by, or appertaining to such tribe, or held in trust for the benefit of such tribe, or belonging to a member of such tribe if such resources are subject to a trust restriction on alienation” in par. (1), and added par. (2).

Subsec. (c). Pub. L. 99–499, §111(d), 207(d)(2), in par. (1), substituted “The” for “the” and substituted a period for the semicolon at end, in par. (2), substituted “The” for “the”, inserted “or Indian tribe” and substituted a period for the semicolon at end, in par. (3), substituted “Subject” for “subject” and substituted a period for the semicolon at end, in par. (4), substituted “Any costs incurred in accordance with subsection (m) of this section (relating to ATSDR) and section 9604(i) of this title, including the costs of epidemiologic and laboratory studies, health assessments, preparation of toxicologic profiles” for “the costs of epidemiologic studies and substituted a period for the semicolon at end, in par. (5), substituted “subject” and “subject” for “subject”, and added pars. (7) to (14).

Subsec. (e)(2). Pub. L. 99–499, §111(e), inserted at end “No money in the Fund may be used for the payment of any claim under subsection (a)(3) or subsection (b) of this section in any fiscal year for which the President determines that all of the Fund is needed for response to threats to public health from releases or threatened releases of hazardous substances.”

Subsec. (e)(3). Pub. L. 99–499, §111(f), inserted before the period at end “; except that money in the Fund shall be available for the provision of alternative water supplies (including the reimbursement of costs incurred by a municipality) in any case involving groundwater contamination outside the boundaries of a federally owned facility in which the federally owned facility is not the only potentially responsible party”.

Subsec. (f). Pub. L. 99–499, §207(d)(3), inserted “or Indian tribe”.

Subsec. (h). Pub. L. 99–499, §111(c)(2), struck out subsec. (h) which read as follows: “(1) In accordance with regulations promulgated under section 9651(c) of this title, damages for injury to, destruction of, or loss of natural resources resulting from a release of a hazardous substance, for the purposes of this chapter and section 1321(f)(4) and 1321(f)(5) of title 33, shall be assessed by Federal officials designated by the President under the national contingency plan published under section 1065 of this title, and such officials shall act for the President as trustee under this section and section 1321(f)(5) of title 33.

(2) Any determination or assessment of damages for injury to, destruction of, or loss of natural resources for the purposes of this chapter and section 1321(f)(4) and (5) of title 33 shall have the force and effect of a rebuttable presumption on behalf of any claimant (including a trustee under section 1067 of this title or a Federal agency) in any judicial or administrative administrative proceeding under this chapter or section 1321 of title 33.”

Subsec. (i). Pub. L. 99–499, §207(d)(4), inserted “and by the governing body of any Indian tribe having sustained damage to natural resources belonging to, managed by, controlled by, or appertaining to such tribe, or held in trust for the benefit of such tribe, or belonging to a member of such tribe if such resources are subject to a trust restriction on alienation,” after “State.”.

Subsec. (k). Pub. L. 99–499, §111(g), amended subsec. (k) generally. Prior to amendment, subsec. (k) read as follows: “The Inspector General of each department or agency to which responsibility to obligate money in the Fund is delegated shall provide an audit review
team to audit all payments, obligations, reimbursements, or other uses of the Fund, to assure that the Fund is being properly administered and that claims are being appropriately and expeditiously considered. Each such Inspector General shall submit to the Congress an interim report one year after the establishment of the Fund and a final report two years after the establishment of the Fund. Each such Inspector General shall thereafter provide such auditing of the Fund as is appropriate. Each Federal agency shall cooperate with the Inspector General in carrying out this subsection.

Subsecs. (m) to (p). Pub. L. 99–499, §111(h), (i), added subsecs. (m) to (p).

**Termination of Reporting Requirements**

For termination, effective May 15, 2000, of provisions in subsec. (k) of this section relating to the requirement that the Inspector General submit an annual report to Congress on the audit report required under subsec. (k), see section 3903 of Pub. L. 104–66, as amended, set out as a note under section 1131 of Title 31, Money and Finance, and the 7th item on page 151 of House Document No. 103–7.

**Satisfaction of Superfund Audit Requirements by Inspector General of the Department of Defense**


**§ 9612. Claims procedure**

(a) **Claims against Fund for response costs**

No claim may be asserted against the Fund pursuant to section 9611(a) of this title unless such claim is presented in the first instance to the owner, operator, or guarantor of the vessel or facility from which a hazardous substance has been released, if known to the claimant, and to any other person known to the claimant who may be liable under section 9607 of this title. In any case where the claim has not been satisfied within 90 days of presentation in accordance with this subsection, the claimant may present the claim to the Fund for payment. No claim against the Fund may be approved or certified during the pendency of an action by the claimant in court to recover costs which are the subject of the claim.

(b) **Forms and procedures applicable**

(1) **Prescribing forms and procedures**

The President shall prescribe appropriate forms and procedures for claims filed hereunder, which shall include a provision requiring the claimant to make a sworn verification of the claim to the best of his knowledge. Any person who knowingly gives or causes to be given any false information as a part of any such claim shall, upon conviction, be fined in accordance with the applicable provisions of title 18 or imprisoned for not more than 3 years (or not more than 5 years in the case of a second or subsequent conviction), or both.

(2) **Payment or request for hearing**

The President may, if satisfied that the information developed during the processing of the claim warrants it, make and pay an award of the claim, except that no claim may be awarded to the extent that a judicial judgment has been made on the costs that are the subject of the claim. If the President declines to pay all or part of the claim, the claimant may, within 30 days after receiving notice of the President’s decision, request an administrative hearing.

(3) **Burden of proof**

In any proceeding under this subsection, the claimant shall bear the burden of proving his claim.

(4) **Decisions**

All administrative decisions made hereunder shall be in writing, with notification to all appropriate parties, and shall be rendered within 90 days of submission of a claim to an administrative law judge, unless all the parties to the claim agree in writing to an extension or unless the President, in his discretion, extends the time limit for a period not to exceed sixty days.

(5) **Finality and appeal**

All administrative decisions hereunder shall be final, and any party to the proceeding may appeal a decision within 30 days of notification of the award or decision. Any such appeal shall be made to the Federal district court for the district where the release or threat of release took place. In any such appeal, the decision shall be considered binding and conclusive, and shall not be overturned except for arbitrary or capricious abuse of discretion.

(6) **Payment**

Within 20 days after the expiration of the appeal period for any administrative decision concerning an award, or within 20 days after the final judicial determination of any appeal taken pursuant to this subsection, the President shall pay any such award from the Fund. The President shall determine the method, terms, and time of payment.

(c) **Subrogation rights; actions maintainable**

(1) **Payment of any claim by the Fund under this section**

Payment of any claim by the Fund under this section shall be subject to the United States Government acquiring by subrogation the rights of the claimant to recover those costs of removal or damages for which it has compensated the claimant from the person responsible or liable for such release.

(2) **Any person, including the Fund, who pays compensation pursuant to this chapter to any claimant for damages or costs resulting from a
release of a hazardous substance shall be subrogated to all rights, claims, and causes of action for such damages and costs of removal that the claimant has under this chapter or any other law.

(3) Upon request of the President, the Attorney General shall commence an action on behalf of the Fund to recover any compensation paid by the Fund to any claimant pursuant to this subchapter, and, without regard to any limitation of liability, all interest, administrative and adjudicative costs, and attorney’s fees incurred by the Fund by reason of the claim. Such an action may be commenced against any owner, operator, or guarantor, or against any other person who is liable, pursuant to any law, to the compensated claimant or to the Fund, for the damages or costs for which compensation was paid.

(d) Statute of limitations

(1) Claims for recovery of costs

No claim may be presented under this section for recovery of the costs referred to in section 9607(a) of this title after the date 6 years after the date of completion of all response action.

(2) Claims for recovery of damages

No claim may be presented under this section for recovery of the damages referred to in section 9607(a) of this title unless the claim is presented within 3 years after the later of the following:

(A) The date of the discovery of the loss and its connection with the release in question.

(B) The date on which final regulations are promulgated under section 9651(c) of this title.

(3) Minors and incompetents

The time limitations contained herein shall not begin to run—

(A) against a minor until the earlier of the date when such minor reaches 18 years of age or the date on which a legal representative is duly appointed for the minor, or

(B) against an incompetent person until the earlier of the date on which such person’s incompetency ends or the date on which a legal representative is duly appointed for such incompetent person.

(e) Other statutory or common law claims not waived, etc.

Regardless of any State statutory or common law to the contrary, no person who asserts a claim against the Fund pursuant to this subchapter shall be deemed or held to have waived any other claim not covered or assertable against the Fund under this subchapter arising from the same incident, transaction, or set of circumstances, nor to have split a cause of action. Further, no person asserting a claim against the Fund pursuant to this subchapter shall as a result of any determination of a question of fact or law made in connection with that claim be deemed or held to be collaterally estopped from raising such question in connection with any other claim not covered or assertable against the Fund under this subchapter arising from the same incident, transaction, or set of circumstances.

(f) Double recovery prohibited

Where the President has paid out of the Fund for any response costs or any costs specified under section 9611(c)(1) or (2) of this title, no other claim may be paid out of the Fund for the same costs.


REFERENCES IN TEXT

This chapter, referred to in subsec. (c)(2), was in the original “this Act”, meaning Pub. L. 96–510, Dec. 11, 1980, 94 Stat. 2767, known as the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 9601 of this title and Tables.

AMENDMENTS

1986—Subsec. (a). Pub. L. 99–499, §112(a), amended subsec. (a) generally. Prior to amendment, subsec. (a) read as follows: “All claims which may be asserted against the Fund pursuant to section 9611 of this title shall be presented in the first instance to the owner, operator, or guarantor of the vessel or facility from which a hazardous substance has been released, if known to the claimant, and to any other person known to the claimant who may be liable under section 9607 of this title. In any case where the claim has not been satisfied within sixty days of presentation in accordance with this subsection, the claimant may elect to commence an action in court against such owner, operator, guarantor, or other person or to present the claim to the Fund for payment.”


Pub. L. 99–499, §109(a)(3), substituted “in accordance with the applicable provisions of title 18 or imprisoned for not more than 3 years (or not more than 5 years in the case of a second or subsequent conviction), or both” for “up to $5,000 or imprisoned for not more than one year, or both”.

Subsec. (b)(2) to (6). Pub. L. 99–499, §112(b), added pars. (2) to (6) and struck out former pars. (2) to (4) which related to the settlement and arbitration of claims against liable persons and against the Fund.

Subsec. (d). Pub. L. 99–499, §112(c), amended subsec. (d) generally. Prior to amendment, subsec. (d) read as follows: “No claim may be presented, nor may an action be commenced for damages under this subchapter, unless that claim is presented or action commenced within three years from the date of the discovery of the loss or December 11, 1980, whichever is later: Provided, however, That the time limitations contained herein shall not begin to run against a minor until he reaches eighteen years of age or a legal representative is duly appointed for him, nor against an incompetent person until his incompetency ends or a legal representative is duly appointed for him.”


COORDINATION OF TITLES I TO IV OF PUB. L. 99–499

Any provision of titles I to IV of Pub. L. 99–499 imposing any tax, premium, or fee; establishing any trust fund; or authorizing expenditures from any trust fund to have no force or effect, see section 531 of Pub. L. 99–499, set out as a note under section 1 of Title 26, Internal Revenue Code.

§9613. Civil proceedings

(a) Review of regulations in Circuit Court of Appeals of the United States for the District of Columbia

Review of any regulation promulgated under this chapter may be had upon application by any
interested person only in the Circuit Court of Appeals of the United States for the District of Columbia. Any such application shall be made within ninety days from the date of promulgation of such regulations. Any matter with respect to which review could have been obtained under this subsection shall not be subject to judicial review in any civil or criminal proceeding for enforcement or to obtain damages or recovery of response costs.

(b) Jurisdiction; venue

Except as provided in subsections (a) and (b) of this section, the United States district courts shall have exclusive original jurisdiction over all controversies arising under this chapter, without regard to the citizenship of the parties or the amount in controversy. Venue shall lie in any district in which the release or damages occurred, or in which the defendant resides, may be found, or has its principal office. For the purposes of this section, the Fund shall reside in the District of Columbia.

(c) Controversies or other matters resulting from tax collection or tax regulation review

The provisions of subsections (a) and (b) of this section shall not apply to any controversy or other matter resulting from the assessment of collection of any tax, as provided by subchapter II of this chapter, or to the review of any regulation promulgated under title 26.

(d) Litigation commenced prior to December 11, 1980

No provision of this chapter shall be deemed to moot any litigation concerning any release of any hazardous substance, or any damages associated therewith, commenced prior to December 11, 1980.

(e) Nationwide service of process

In any action by the United States under this chapter, process may be served in any district where the defendant is found, resides, transacts business, or has appointed an agent for the service of process.

(f) Contribution

(1) Contribution

Any person may seek contribution from any other person who is liable or potentially liable under section 9607(a) of this title, during or following any civil action under section 9606 of this title or under section 9607(a) of this title. Such claims shall be brought in accordance with this section and the Federal Rules of Civil Procedure, and shall be governed by Federal law. In resolving contribution claims, the court may allocate response costs among liable parties using such equitable factors as the court determines are appropriate. Nothing in this subsection shall diminish the right of any person to bring an action for contribution in the absence of a civil action under section 9606 of this title or section 9607 of this title.

(2) Settlement

A person who has resolved its liability to the United States or a State in an administrative or judicially approved settlement shall not be liable for claims for contribution regarding matters addressed in the settlement. Such settlement does not discharge any of the other potentially liable persons unless its terms so provide, but it reduces the potential liability of the others by the amount of the settlement.

(3) Persons not party to settlement

(A) If the United States or a State has obtained less than complete relief from a person who has resolved its liability to the United States or the State in an administrative or judicially approved settlement, the United States or the State may bring an action against any person who has not so resolved its liability.

(B) A person who has resolved its liability to the United States or a State for some or all of a response action or for some or all of the costs of such action in an administrative or judicially approved settlement may seek contribution from any person who is not party to a settlement referred to in paragraph (2).

(C) In any action under this paragraph, the rights of any person who has resolved its liability to the United States or a State shall be subordinate to the rights of the United States or the State. Any contribution action brought under this paragraph shall be governed by Federal law.

(g) Period in which action may be brought

(1) Actions for natural resource damages

Except as provided in paragraphs (3) and (4), no action may be commenced for damages (as defined in section 9601(6) of this title) under this chapter, unless that action is commenced within 3 years after the later of the following:

(A) The date of the discovery of the loss and its connection with the release in question.

(B) The date on which regulations are promulgated under section 9651(c) of this title.

With respect to any facility listed on the National Priorities List (NPL), any Federal facility identified under section 9620 of this title (relating to Federal facilities), or any vessel or facility at which a remedial action under this chapter is otherwise scheduled, an action for damages under this chapter must be commenced within 3 years after the completion of the remedial action (excluding operation and maintenance activities) in lieu of the dates referred to in subparagraph (A) or (B). In no event may an action for damages under this chapter with respect to such a vessel or facility be commenced (i) prior to 60 days after the Federal or State natural resource trustee provides to the President and the potentially responsible party a notice of intent to file suit, or (ii) before selection of the remedial action if the President is diligently proceeding with a remedial investigation and feasibility study under section 9604(b) of this title or section 9620 of this title (relating to Federal facilities). The limitation in the preceding sentence on commencing an action before giving notice or before selection of the remedial action does not apply to actions filed on or before October 17, 1986.
(2) Actions for recovery of costs

An initial action for recovery of the costs referred to in section 9607 of this title must be commenced—

(A) for a removal action, within 3 years after completion of the removal action, except that such cost recovery action must be brought within 6 years after a determination to grant a waiver under section 9604(c)(1)(C) of this title for continued response action; and

(B) for a remedial action, within 6 years after initiation of physical on-site construction of the remedial action, except that, if the remedial action is initiated within 3 years after the completion of the removal action, costs incurred in the removal action may be recovered in the cost recovery action brought under this subparagraph.

In any such action described in this subsection, the court shall enter a declaratory judgment on liability for response costs or damages that will be binding on any subsequent action or actions to recover further response costs or damages. A subsequent action or actions under section 9607 of this title for further response costs at the vessel or facility may be maintained at any time during the response action, but must be commenced no later than 3 years after the date of completion of all response action. Except as otherwise provided in this paragraph, an action may be commenced under section 9607 of this title for recovery of costs at any time after such costs have been incurred.

(3) Contribution

No action for contribution for any response costs or damages may be commenced more than 3 years after—

(A) the date of judgment in any action under this chapter for recovery of such costs or damages, or

(B) the date of an administrative order under section 9622(g) of this title (relating to cost recovery settlements) or entry of a judicially approved settlement with respect to such costs or damages.

(4) Subrogation

No action based on rights subrogated pursuant to this section by reason of payment of a claim may be commenced under this subchapter more than 3 years after the date of payment of such claim.

(5) Actions to recover indemnification payments

Notwithstanding any other provision of this subsection, where a payment pursuant to an indemnification agreement with a response action contractor is made under section 9619 of this title, an action under section 9607 of this title for recovery of such indemnification payment from a potentially responsible party may be brought at any time before the expiration of 3 years from the date on which such payment is made.

(6) Minors and incompetents

The time limitations contained herein shall not begin to run—

(A) against a minor until the earlier of the date when such minor reaches 18 years of age or the date on which a legal representative is duly appointed for such minor, or

(B) against an incompetent person until the earlier of the date on which such incompetent’s incompetency ends or the date on which a legal representative is duly appointed for such incompetent.

(h) Timing of review

No Federal court shall have jurisdiction under Federal law other than under section 1332 of title 28 (relating to diversity of citizenship jurisdiction) or under State law which is applicable or relevant and appropriate under section 9621 of this title (relating to cleanup standards) to review any challenges to removal or remedial action selected under section 9604 of this title, or to review any order issued under section 9606(a) of this title, in any action except one of the following:

(1) An action under section 9607 of this title to recover response costs or damages or for contribution.

(2) An action to enforce an order issued under section 9606(a) of this title to recover a penalty for violation of such order.

(3) An action for reimbursement under section 9606(b)(2) of this title.

(4) An action under section 9659 of this title (relating to citizens suits) alleging that the removal or remedial action taken under section 9604 of this title or secured under section 9606 of this title was in violation of any requirement of this chapter. Such an action may not be brought with regard to a removal where a remedial action is to be undertaken at the site.

(5) An action under section 9606 of this title in which the United States has moved to compel a remedial action.

(i) Intervention

In any action commenced under this chapter or under the Solid Waste Disposal Act [42 U.S.C. 6901 et seq.] in a court of the United States, any person may intervene as a matter of right when such person claims an interest relating to the subject of the action and is so situated that the disposition of the action may, as a practical matter, impair or impede the person’s ability to protect that interest, unless the President or the State shows that the person’s interest is adequately represented by existing parties.

(j) Judicial review

(1) Limitation

In any judicial action under this chapter, judicial review of any issues concerning the adequacy of any response action taken or ordered by the President shall be limited to the administrative record. Otherwise applicable principles of administrative law shall govern whether any supplemental materials may be considered by the court.

(2) Standard

In considering objections raised in any judicial action under this chapter, the court shall uphold the President’s decision in selecting the response action unless the objecting party...
can demonstrate, on the administrative record, that the decision was arbitrary and capricious or otherwise not in accordance with law.

(3) Remedy
If the court finds that the selection of the response action was arbitrary and capricious or otherwise not in accordance with law, the court shall award (A) only the response costs or damages that are not inconsistent with the national contingency plan, and (B) such other relief as is consistent with the National Contingency Plan.

(4) Procedural errors
In reviewing alleged procedural errors, the court may disallow costs or damages only if the errors were so serious and related to matters of such central relevance to the action that the action would have been significantly changed had such errors not been made.

(k) Administrative record and participation procedures

(1) Administrative record
The President shall establish an administrative record upon which the President shall base the selection of a response action. The administrative record shall be available to the public at or near the facility at issue. The President also may place duplicates of the administrative record at any other location.

(2) Participation procedures

(A) Removal action
The President shall promulgate regulations in accordance with chapter 5 of title 5 establishing procedures for the appropriate participation of interested persons in the development of the administrative record on which the President will base the selection of removal actions and on which judicial review of removal actions will be based.

(B) Remedial action
The President shall provide for the participation of interested persons, including potentially responsible parties, in the development of the administrative record on which the President will base the selection of remedial actions and on which judicial review of remedial actions will be based. The procedures developed under this subparagraph shall include, at a minimum, each of the following:

(i) Notice to potentially affected persons and the public, which shall be accompanied by a brief analysis of the plan and alternative plans that were considered.

(ii) A reasonable opportunity to comment and provide information regarding the plan.

(iii) An opportunity for a public meeting in the affected area, in accordance with section 9617(a)(2) of this title (relating to public participation).

(iv) A response to each of the significant comments, criticisms, and new data submitted in written or oral presentations.

(v) A statement of the basis and purpose of the selected action.

For purposes of this subparagraph, the administrative record shall include all items developed and received under this subparagraph and all items described in the second sentence of section 9617(d) of this title. The President shall promulgate regulations in accordance with chapter 5 of title 5 to carry out the requirements of this subparagraph.

(C) Interim record
Until such regulations under subparagraphs (A) and (B) are promulgated, the administrative record shall consist of all items developed and received pursuant to current procedures for selection of the response action, including procedures for the participation of interested parties and the public. The development of an administrative record and the selection of response action under this chapter shall not include an adjudicatory hearing.

(D) Potentially responsible parties
The President shall make reasonable efforts to identify and notify potentially responsible parties as early as possible before selection of a response action. Nothing in this paragraph shall be construed to be a defense to liability.

(f) Notice of actions
Whenever any action is brought under this chapter in a court of the United States by a plaintiff other than the United States, the plaintiff shall provide a copy of the complaint to the Attorney General of the United States and to the Administrator of the Environmental Protection Agency.

References in Text

Subchapter II of this chapter, referred to in subsec. (c), was in the original "title II of this Act", meaning title II of Pub. L. 96–510, Dec. 11, 1980, 94 Stat. 2796, known as the Hazardous Substance Response Revenue Act of 1980, which enacted subchapter II of this chapter and sections 4611, 4612, 4661, 4662, 4681, and 4682 of Title 26, Internal Revenue Code. Sections 221 to 223 and 232 of Pub. L. 96–510, which were classified to sections 9631 to 9633 and 9641 of this title, comprising subchapter II of this chapter, were repealed by Pub. L. 99–499, title V, §§ 514(b), 517(c)(1), Oct. 17, 1986, 100 Stat. 1767, 1774. For complete classification of title II to the Code, see Short Title note set out under section 9601 of this title and Tables.

§ 9614. Relationship to other law

(a) Additional State liability or requirements with respect to release of substances within State

Nothing in this chapter shall be construed or interpreted as preempting any State from imposing any additional liability or requirements with respect to the release of hazardous substances within such State.

(b) Recovery under other State or Federal law of compensation for removal costs or damages, or payment of claims

Any person who receives compensation for removal costs or damages or claims pursuant to this chapter shall be precluded from recovering compensation for the same removal costs or damages or claims pursuant to any other State or Federal law. Any person who receives compensation for removal costs or damages or claims pursuant to any other Federal or State law shall be precluded from receiving compensation for the same removal costs or damages or claims as provided in this chapter.

(c) Recycled oil

(1) Service station dealers, etc.

No person (including the United States or any State) may recover, against a service station dealer other than a person described in subsection (a)(1) or (a)(2) of section 9607 of this title, service station dealers, etc., for any response costs or damages resulting from a release or threatened release of recycled oil, or use the authority of section 9606 of this title against a service station dealer other than a person described in subsection (a)(1) or (a)(2) of section 9607 of this title, if such recycled oil—

(A) is not mixed with any other hazardous substance, and

(B) is stored, treated, transported, or otherwise managed in compliance with regulations or standards promulgated pursuant to section 3014 of the Solid Waste Disposal Act [42 U.S.C. 6935] and other applicable authorities.

Nothing in this paragraph shall affect or modify in any way the obligations or liability of any person under any other provision of State or Federal law, including common law, for damages, injury, or loss resulting from a release or threatened release of any hazardous substance or for removal or remedial action or the costs of removal or remedial action.

(2) Presumption

So far as the purposes of this subsection, a service station dealer may presume that a small quantity of used oil is not mixed with other hazardous substances if it—

(A) has been removed from the engine of a light duty motor vehicle or household appliance by the owner of such vehicle or appliances, and

(B) is presented, by such owner, to the dealer for collection, accumulation, and delivery to an oil recycling facility.

(3) Definition

For purposes of this subsection, the terms “used oil” and “recycled oil” have the same meanings as set forth in sections 1004(36) and 1004(37) of the Solid Waste Disposal Act [42 U.S.C. 6903(36), (37)] and regulations promulgated pursuant to that Act [42 U.S.C. 6901 et seq.].

(4) Effective date

The effective date of paragraphs (1) and (2) of this subsection shall be the effective date of regulations or standards promulgated under section 3014 of the Solid Waste Disposal Act [42 U.S.C. 6936] that include, among other provisions, a requirement to conduct corrective action to respond to any releases of recycled oil under subtitle C or subtitle I of such Act [42 U.S.C. 6921 et seq., 6961 et seq.].

(d) Financial responsibility of owner or operator of vessel or facility under State or local law, rule, or regulation

Except as provided in this subchapter, no owner or operator of a vessel or facility who establishes and maintains evidence of financial responsibility in accordance with this subchapter shall be required under any State or local law, rule, or regulation to establish or maintain any other evidence of financial responsibility in connection with liability for the release of a hazardous substance from such vessel or facility. Evidence of compliance with the financial responsibility requirements of this subchapter shall be accepted by a State in lieu of any other requirement of financial responsibility imposed by such State in connection with liability for the release of a hazardous substance from such vessel or facility.


REFERENCES IN TEXT

This chapter, referred to in subsecs. (a) and (b), was in the original “‘this Act’”, meaning Pub. L. 96–510, Dec. 11, 1980, 94 Stat. 2767, known as the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 9601 of this title and Tables.


AMENDMENTS

1986—Subsec. (c). Pub. L. 99–499 amended subsec. (c) generally. Prior to amendment, subsec. (c) read as follows: “Except as provided in this chapter, no person..."
may be required to contribute to any fund, the purpose of which is to pay compensation for claims for any costs of response or damages or claims which may be compensated under this subchapter. Nothing in this section shall preclude any State from using general revenues for such a fund, or from imposing a tax or fee upon any person or upon any substance in order to finance the purchase or preparation of hazardous substance response equipment or other preparations for the response to a release of hazardous substances which affects such State.

§ 9615. Presidential delegation and assignment of duties or powers and promulgation of regulations

The President is authorized to delegate and assign any duties or powers imposed upon or assigned to him and to promulgate any regulations necessary to carry out the provisions of this subchapter.


EX. ORD. NO. 12580. SUPERCLEAN IMPLEMENTATION


By the authority vested in me as President of the United States of America by Section 115 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended (42 U.S.C. 9615 et seq.) (‘‘the Act’’), and by Section 301 of Title 3 of the United States Code, it is hereby ordered as follows:

SECT. 1. National Contingency Plan. (a)(1) The National Contingency Plan (‘‘the NCP’’) shall provide for a National Response Team (‘‘the NRT’’) composed of representatives of appropriate Federal departments and agencies for national planning and coordination of preparedness and response actions, and Regional Response Teams as the regional counterparts to the NRT for planning and coordination of regional preparedness and response actions.

(2) The following agencies (in addition to other appropriate agencies) shall provide representatives to the National and Regional Response Teams to carry out their responsibilities under the NCP: Department of State, Department of Defense, Department of Justice, Department of the Interior, Department of Agriculture, Department of Commerce, Department of Labor, Department of Health and Human Services, Department of Transportation, Department of Energy, Department of Homeland Security, Environmental Protection Agency,[42 U.S.C. 9621(f)(1)], United States Coast Guard, and the Nuclear Regulatory Commission.

(3) Except for periods of activation because of response action, the representative of the Environmental Protection Agency (‘‘EPA’’) shall be the chairman, and the representative of the United States Coast Guard shall be the vice chairman, of the NRT and these agencies’ representatives shall be co-chairs of the Regional Response Teams (‘‘the RRTs’’). When the NRT or an RRT is activated for a response action, the EPA representative shall be the chairman when the release or threatened release or discharge or threatened discharge occurs in the coastal zone, and the United States Coast Guard representative shall be the chairman when the release or threatened release or discharge or threatened discharge occurs in the inland zone, unless otherwise agreed upon by the EPA and the United States Coast Guard representatives (inland and coastal zones are defined in the NCP).

(4) The RRTs may include representatives from State governments, local governments (as agreed upon by the States), and Indian tribal governments. Subject to the functions and authorities delegated to Executive departments and agencies in other sections of this order, the NRT shall provide policy and program direction to the RRTs.

(b)(1) The responsibility for the revision of the NCP and all the other functions vested in the President by Sections 105(a), (b), (c), (g) and (h), 125, and 301(f) of the Act (42 U.S.C. 9605(a), (b), (c), (g), (h), 9625, 9651(f)), by Section 311(d)(1) of the Federal Water Pollution Control Act (33 U.S.C. 1321(d)(1)), and by Section 4201(c) of the Oil Pollution Act of 1990 [Pub. L. 101–380, 33 U.S.C. 1321 note] is delegated to the Administrator of the Environmental Protection Agency.


(b)(3) Except for periods of activation because of response action, the representative of the Environmental Protection Agency, [42 U.S.C. 9607(f)(2)(A)], Section 311(f)(5) of the Federal Water Pollution Control Act, as amended (33 U.S.C. 1321(f)(5)), and Section 1006(b)(1) and (2) of the Oil Pollution Act of 1990 [33 U.S.C. 2706(b)(1), (2)], the following shall be among those designated in the NCP as Federal trustees for natural resources:

(1) Secretary of Defense;

(2) Secretary of the Interior;

(3) Secretary of Agriculture;

(4) Secretary of Commerce;

(5) Secretary of Energy.

In the event of a spill, the above named Federal trustees for natural resources shall designate one trustee to act as Lead Administrative Trustee, the duties of which shall be defined in the regulations promulgated pursuant to Section 1006(e)(1) of OPA. If there are natural resource trustees other than those designated above which are acting in the event of a spill, those other trustees may join with the Federal trustees to name a Lead Administrative Trustee which shall exercise the duties defined in the regulations promulgated pursuant to Section 1006(e)(1) of OPA.

(d) Revisions to the NCP shall be made in consultation with members of the NRT prior to publication for notice and comment.

(e) All revisions to the NCP, whether in proposed or final form, shall be subject to review and approval by the Director of the Office of Management and Budget (‘‘OMB’’).

SIC. 2. Response and Related Authorities. (a) The functions vested in the President by the first sentence of Section 104(b)(1) of the Act [42 U.S.C. 9604(b)(1)] relating to ‘‘illness, disease, or complaints thereof’’ are delegated to the Secretary of Health and Human Services who shall, in accord with Section 104(i) of the Act, perform those functions through the Public Health Service.

(b) The functions vested in the President by Sections 104(e)(7)(C), 113(k)(2), 119(c)(7), and 123(c)(1) of the Act [42 U.S.C. 9604(e)(7)(C), 9613(k)(2), 9619(c)(7), 9621(f)(1)], relating to promulgation of regulations and guidelines, are delegated to the Administrator, to be exercised in consultation with the NRT.

(c)(1) The functions vested in the President by Sections 104(a) and the second sentence of 120(b) of the Act [42 U.S.C. 9604(a), 9626(b)], to the extent they require permanent relocation of residents, businesses, and community facilities or temporary evacuation and housing of threatened individuals not otherwise provided for, are delegated to the Director of the Federal Emergency Management Agency.

(2) Subject to subsection (b) of this Section, the functions vested in the President by Sections 117(a) and (c), and 119 of the Act [42 U.S.C. 9617(a), (c), 9619], to the extent such authority is needed to carry out the functions delegated under paragraph (1) of this subsection, are delegated to the Director of the Federal Emergency Management Agency.

(d) Subject to subsections (a), (b) and (c) of this Section, the functions vested in the President by Sections 104(a), (b) and (c)(4), 118(k), 119(a) and (c), 119, and 121 of the Act [42 U.S.C. 9604(a), (b), (c)(4), 9613(k), 9617(a), (c), 9619, 9621] are delegated to the Secretaries of Defense.
and Energy, with respect to releases or threatened releases where either the release is on or the sole source of the release is from any facility or vessel under the jurisdiction, custody or control of those departments and agencies, including vessels bare-boat chartered and operated. These functions must be exercised consistent with the requirements of Section 120 of the Act [42 U.S.C. 9622].

(e)(1) Subject to subsections (a), (b), (c), and (d) of this Section, the functions vested in the President by Sections 104(a), (b), (c)(4), and 121 of the Act [42 U.S.C. 9604(a), (b), (c)(4), 9613(k), 9617(a), (c), 9619] are delegated to the heads of Executive departments and agencies, with respect to remedial actions for releases or threatened releases which are not on the National Priorities List (“the NPL”) and removal actions other than emergencies, where either the release is on or the sole source of the release is from any facility or vessel under the jurisdiction, custody or control of those departments and agencies, including vessels bare-boat chartered and operated. The Administrator shall define the term “emergency”, solely for the purposes of this subsection, either by regulation or by a memorandum of understanding with the head of an Executive department or agency.

(2) Subject to subsections (a), (b), (c), and (d) of this Section, the functions vested in the President by Sections 104(b)(2), 113(k), 117(a) and (c), and 119 of the Act [42 U.S.C. 9604(b)(2), 9613(k), 9617(a), (c), 9619] are delegated to the heads of Executive departments and agencies, with respect to releases or threatened releases where either the release is on or the sole source of the release is from any facility or vessel under the jurisdiction, custody or control of those departments and agencies, including vessels bare-boat chartered and operated.

(f) Subject to subsections (a), (b), (c), (d), and (e) of this Section, the functions vested in the President by Sections 104(a), (b) and (c)(4), 113(k), 117(a) and (c), 119, and 121 of the Act [42 U.S.C. 9604(a), (b), (c)(4), 9613(k), 9617(a), (c), 9619, 9621] are delegated to the Secretary of the Department in which the Coast Guard is operating (“the Coast Guard”), with respect to any release or threatened release involving the coastal zone, Great Lakes waters, ports, and harbors.

(g) Subject to subsections (a), (b), (c), (d), (e), and (f) of this Section, the functions vested in the President by Sections 104(a), 104(b)(2), 104(a), (b), (c)(4) and (c)(9), 113(k), 117(a) and (c), 119, 121, and 126(b) of the Act [42 U.S.C. 9604(2), 9604(a), (b), (c)(4), (9), 9613(k), 9617(a), (c), 9619, 9621, 9629(b)] are delegated to the Administrator. The Administrator’s authority under Section 116 of the Act is retroactive to the date of enactment of SARA (Oct. 17, 1986).

(h) The functions vested in the President by Section 104(c)(3) of the Act [42 U.S.C. 9604(c)(3)] are delegated to the Administrator, with respect to providing assurances for Indian tribes, to be exercised in consultation with the Secretary of the Interior.

(i) Subject to subsections (d), (e), (f), (g) and (h) of this Section, the functions vested in the President by Section 104(c) and (d) of the Act are delegated to the Coast Guard, the Secretary of Health and Human Services, the Director of the Federal Emergency Management Agency, and the Administrator in order to carry out the functions delegated to them by this Section.

(ii) The functions vested in the President by Section 104(e)(5)(A) are delegated to the heads of Executive departments and agencies, with respect to releases or threatened releases where either the release is on or the sole source of the release is from any facility or vessel under the jurisdiction, custody or control of those departments and agencies, to be exercised with the concurrence of the Attorney General.

(2) Subject to subsection (a) of this Section and paragraphs (a) and (b) of this Section, the functions vested in the President by Section 104(e)(5)(A) are delegated to the heads of Executive departments and agencies in order to carry out the functions delegated to them by this Section. The exercise of authority under Section 104(h) of the Act shall be subject to the approval of the Administrator of the Office of Federal Procurement Policy.

Sic. 3. Cleanup Schedules. (a) The functions vested in the President by Sections 116(a) and the first two sentences of 105(d) of the Act [42 U.S.C. 9616(a), 9605(d)] are delegated to the heads of Executive departments and agencies with respect to facilities under the jurisdiction, custody, or control of those departments and agencies.

(b) Subject to subsection (a) of this Section, the functions vested in the President by Sections 116 and 105(d) are delegated to the Administrator.

Sic. 4. Enforcement. (a) The functions vested in the President by Sections 109(d) and 122(e)(3)(A) of the Act [42 U.S.C. 9609(d), 9622(e)(3)(A)], relating to development of regulations and guidelines, are delegated to the Administrator, to be exercised in consultation with the Attorney General.

(b) Subject to subsection (a) of this Section, the functions vested in the President by Section 122 [42 U.S.C. 9622] (except subsection (b)(1)) are delegated to the heads of Executive departments and agencies, with respect to releases or threatened releases not on the NPL where either the release is on or the sole source of the release is from any facility under the jurisdiction, custody or control of those Executive departments and agencies. The functions may be exercised only with the concurrence of the Attorney General.

(2) Subject to subsection (a) of this Section, the functions vested in the President by Section 109 of the Act [42 U.S.C. 9609], relating to violations of Sections 109 and 117 of the Act, are delegated to the heads of Executive departments and agencies, with respect to releases or threatened releases not on the NPL where either the release is on or the sole source of the release is from any facility under the jurisdiction, custody or control of those Executive departments and agencies. These functions may be exercised only with the concurrence of the Attorney General.

(c) Subject to subsections (a) and (b) of this Section, the functions vested in the President by Section 109(a) and 122 of the Act [42 U.S.C. 9609(a), 9622] are delegated to the Coast Guard with respect to any release or threatened release involving the coastal zone, Great Lakes waters, ports, and harbors.

(2) Subject to subsections (a) and (b) of this Section, the functions vested in the President by Section 109 of the Act [42 U.S.C. 9609], relating to violations of Sections 109 and 117 of the Act, are delegated to the Coast Guard with respect to any release or threatened release involving the coastal zone, Great Lakes waters, ports, and harbors.

(3) Subject to subsections (a) and (b) of this Section, the functions vested in the President by Sections 109(a) and 122 [42 U.S.C. 9609(a) and 9622] (except subsection (b)(1)) of the Act are delegated to the Secretary of Commerce, the Secretary of Agriculture, the Secretary of Defense, and the Secretary of Energy, to be exercised only with the concurrence of the Coast Guard, with respect to any release or threatened release in the coastal zone, Great Lakes waters, ports, and harbors, affecting (1) natural resources under their trusteeship, or (2) a vessel or facility subject to their custody, jurisdiction, or control. No such authority shall not be exercised at any vessel or facility at which the Coast Guard is the lead Federal agency for the conduct or oversight of a response action. Such authority shall not be construed as authorizing or permitting the use of the Hazardous Substance Superfund to implement section 106 or to fund performance of any response action in lieu of the payment by a person who receives but does not comply with an order pursuant to section 106(a), where such order has been issued by the Administrator of the Office of Federal Procurement Policy.
or the Secretary of Energy. This subsection shall not be construed to limit any authority delegated by any other section of this order. Authority granted under this subsection shall be exercised in a manner to ensure interagency coordination that enhances efficiency and effectiveness.

(d)(1) Subject to subsections (a), (b)(1), and (c)(1) of this section, the functions vested in the President by Sections 106 and 122 of the Act [42 U.S.C. 9606, 9622] are delegated to the Administrator.

(2) Subject to subsections (a), (b)(2), and (c)(2) of this Section, the functions vested in the President by Section 109 of the Act [42 U.S.C. 9609], relating to violations of Sections 103 and 122 of the Act [42 U.S.C. 9603, 9622], are delegated to the Administrator.

(3) Subject to subsections (a), (b)(1), and (c)(1) of this section, the functions vested in the President by sections 106(a) [42 U.S.C. 9606(a)] and 122 [42 U.S.C. 9622] (except subsection (b)(1)) of the Act are delegated to the Secretary of the Interior, the Secretary of Commerce, the Secretary of Agriculture, the Secretary of Defense, and the Department of Energy, to be exercised only with the concurrence of the Administrator, with respect to any release or threatened release affecting (1) natural resources under their trusteeship, or (2) a vessel or facility subject to their custody, jurisdiction, or control. Such authority shall not be exercised at any vessel or facility at which the Administrator is the lead Federal official for the conduct or oversight of a response action. Such authority shall not be construed to authorize or permit use of the Hazardous Substance Superfund to implement section 106 or to fund performance of any response action in lieu of the payment by a person who receives but does not comply with an order pursuant to section 106(a), where such order has been issued by the Secretary of the Interior, the Secretary of Commerce, the Secretary of Agriculture, the Secretary of Defense, or the Secretary of Energy. This subsection shall not be construed to limit any authority delegated by any other section of this order. Authority granted under this subsection shall be exercised in a manner to ensure interagency coordination that enhances efficiency and effectiveness.

(e) Notwithstanding any other provision of this Order, the authority under Sections 104(e)(5)(A) and 106(a) of the Act [42 U.S.C. 9604(e)(5)(A), 9606(a)] to seek information, entry, inspection, samples, or response action from Executive departments and agencies may be exercised only with the concurrence of the Attorney General.

Sect. 5. Liability. (a) The function vested in the President by Section 107(c)(1)(C) of the Act [42 U.S.C. 9610(c)(1)(C)] is delegated to the Secretary of Transportation.

(b) The functions vested in the President by Section 107(c)(3) of the Act are delegated to the Coast Guard with respect to any release or threatened release involving the coastal zone, Great Lakes waters, ports and harbors.

(c) Subject to subsection (b) of this Section, the functions vested in the President by Section 107(c)(3) of the Act are delegated to the Administrator.

(d) The functions vested in the President by Section 107(f)(1) of the Act are delegated to each of the Federal trustees for natural resources designated in the NCP for resources under their trusteeship.

(e) The functions vested in the President by Section 107(f)(2)(B) of the Act, to receive notification of the state natural resource trustee designations, are delegated to the Administrator.

(f) The functions vested in the President by Section 107(o) and (p) of the Act are delegated to the heads of the Executive departments and agencies, to be exercised in consultation with the Administrator, with respect to releases or threatened releases where either the release is on or the sole source of the release is from any facility under the jurisdiction, custody, or control of those departments and agencies.

(g) Subject to subsection (f) of this Section, the functions vested in the President by Section 107(o) and (p) of the Act are delegated to the Administrator except that, with respect to determinations regarding natural resource restoration, the Administrator shall make such determinations in consultation with the appropriate Federal natural resource trustee.

Sect. 6. Litigation. (a) Notwithstanding any other provision of this Order, any representation pursuant to or under this Order in any judicial proceedings shall be by or through the Attorney General. The conduct and control of all litigation arising under the Act shall be the responsibility of the Attorney General.

(b) Notwithstanding any other provision of this Order, the authority under the Act to require the Attorney General to commence litigation is retained by the President.

(c) The functions vested in the President by Section 113(g) of the Act [42 U.S.C. 9613(g)], to receive notification of a natural resource trustee’s intent to file suit, are delegated to the heads of Executive departments and agencies with respect to response actions for which they have been delegated authority under Section 2 of this Order. The Administrator shall promulgate procedural regulations for providing such notification.

(d) The functions vested in the President by Sections 113(d) and (e) of the Act [42 U.S.C. 9613(d), (e)], relating to promulgation of regulations, are delegated to the Administrator.

Sect. 7. Financial Responsibility. (a) The functions vested in the President by Section 107(k)(4)(B) of the Act [42 U.S.C. 9610(k)(4)(B)] are delegated to the Secretary of the Treasury. The Administrator will provide the Secretary with such technical information and assistance as the Administrator may have available.

(b)(1) The functions vested in the President by Section 108(a)(1) of the Act [42 U.S.C. 9608(a)(1)] are delegated to the Coast Guard.

(2) Subject to Section 4(a) of this Order, the functions vested in the President by Section 109 of the Act [42 U.S.C. 9609], relating to violations of Section 108(a)(1) of the Act, are delegated to the Coast Guard.

(c)(1) The functions vested in the President by Section 108(b) of the Act are delegated to the Secretary of Transportation with respect to all transportation related facilities, including any pipeline, motor vehicle, rolling stock, or aircraft.

(2) Subject to Section 4(a) of this Order, the functions vested in the President by Section 109 of the Act, relating to violations of Section 108(b)(3) of the Act, are delegated to the Secretary of Transportation.

(3) Subject to Section 4(a) of this Order, the functions vested in the President by Section 109 of the Act, relating to violations of Section 108(b) of the Act, are delegated to the Secretary of Transportation with respect to all transportation related facilities, including any pipeline, motor vehicle, rolling stock, or aircraft.

(d)(1) Subject to subsection (c)(1) of this Section, the functions vested in the President by Section 108(a)(4) and (b) of the Act are delegated to the Administrator.

(2) Subject to Section 4(a) of this Order and subsection (c)(3) of this Section, the functions vested in the President by Section 110 of the Act, relating to violations of Section 108(a)(4) and (b) of the Act, are delegated to the Administrator.

Sect. 8. Employee Protection and Notice to Injured. (a) The functions vested in the President by Section 110(e) of the Act [42 U.S.C. 9610(e)] are delegated to the Administrator.

(b) The functions vested in the President by Section 111(g) of the Act [42 U.S.C. 9611(g)] are delegated to the Secretaries of Defense and Energy with respect to releases from facilities or vessels under the jurisdiction, custody or control of their departments, respectively, including vessels bare-boat chartered and operated.

(c) Subject to subsection (b) of this Section, the functions vested in the President by Section 111(g) of the Act are delegated to the Administrator.

Sect. 9. Management of the Hazardous Substance Superfund and Claims. (a) The functions vested in the President by Section 111(a) of the Act [42 U.S.C. 9611(a)] are delegated to the Administrator, subject to the provi-
sions of this Section and other applicable provisions of this Order:

(b) The Administrator shall transfer to other agencies, from the Hazardous Substance Superfund or any sums appropriated, such amounts as the Administrator may determine necessary to carry out the purposes of the Act. These amounts shall be consistent with the President's Budget, within the total approved by the Congress, unless a revised amount is approved by OMB. Funds appropriated specifically for the Agency for Toxic Substances and Disease Registry ("ATSDR"), shall be directly transferred to ATSDR, consistent with fiscally responsible investment of trust fund money.

c) The Administrator shall chair a budget task force composed of representatives of Executive departments and agencies having responsibilities under this Order or the Act. The Administrator shall also, as part of the budget request for the Environmental Protection Agency, submit to OMB a budget for the Hazardous Substance Superfund which is based on recommended levels developed by the budget task force. The Administrator may prescribe reporting and other forms, procedures, and guidelines to be used by the agencies of the Task Force in preparing the budget request, consistent with budgetary reporting requirements issued by OMB. The Administrator shall prescribe forms to agency task force members for reporting the expenditure of funds on a site-specific basis.

d) The Administrator and each department and agency head to whom funds are provided pursuant to this Section, with respect to funds provided to them, are authorized in accordance with Section 111(f) of the Act [42 U.S.C. 9611(f)] to designate Federal officials who may obligate such funds.

e) The functions vested in the President by Section 112 of the Act [42 U.S.C. 9612] are delegated to the Administrator for all claims presented pursuant to Section 111 of the Act.

(j) The functions vested in the President by Section 111(c) of the Act are delegated to the Administrator.

(g) The functions vested in the President by Section 117(e) of the Act [42 U.S.C. 9617(e)] are delegated to the Administrator, to be exercised in consultation with the Attorney General.

(h) The functions vested in the President by Section 123 of the Act [42 U.S.C. 9623] are delegated to the Administrator.

(i) Funds from the Hazardous Substance Superfund may be used, at the discretion of the Administrator or the Coast Guard, to pay for removal actions for releases or threatened releases from facilities or vessels under the jurisdiction, custody or control of Executive departments and agencies but must be reimbursed to the Hazardous Substance Superfund by such Executive department or agency.

SIC. 10. Federal Facilities. (a) When necessary, prior to selection of a remedial action by the Administrator under section 120(e)(4)(A) of the Act [42 U.S.C. 9620(e)(4)(A)], Executive agencies shall have the opportunity to present their views to the Administrator after using the procedures under Section 1-6 of Executive Order No. 12088 of October 13, 1978. (set out as a note under section 4121 of this title), or any other mutually acceptable process. Notwithstanding subsection 1-602 of Executive Order No. 12088, the Director of the Office of Management and Budget shall facilitate resolution of any issues.

(b) Executive Order No. 12088 of October 13, 1978, is amended by renumbering the current Section 1-802 as Section 1-803 and inserting the following new Section 1-802.

"1-802. Nothing in this Order shall create any right or benefit, substantive or procedural, enforceable at law by a party against the United States, its agencies, its officers, or any person."

SIC. 11. General Provisions. (a) The function vested in the President by Section 105(d) of the Act [42 U.S.C. 9605(d)] is delegated to the Administrator.

(b)(1) The function vested in the President by Section 105(f) of the Act [42 U.S.C. 9605(f)], relating to reporting on minority participation in contracts, is delegated to the Administrator.

(2) Subject to paragraph 1 of this subsection, the functions vested in the President by Section 126(c) of the Act [42 U.S.C. 9626(c)] are delegated to the heads of Executive departments and agencies in order to carry out the functions delegated to them by this Order. Each Executive department and agency shall provide to the Administrator any requested information on minority contracting for inclusion in the Section 105(f) annual report.

(c) The functions vested in the President by Section 126(c) of the Act [42 U.S.C. 9626(c)] are delegated to the Administrator, to be exercised in consultation with the Secretary of the Interior.

(d) The functions vested in the President by Section 301(c) of the Act [42 U.S.C. 9601(c)] are delegated to the Secretary of the Interior.

(e) Each agency shall have authority to issue such regulations as may be necessary to carry out the functions delegated to them by this Order.

(f) The performance of any function under this Order shall be done in consultation with interested Federal departments and agencies represented on the NRT, as well as with any other interested Federal agency.

(g) The following functions vested in the President by the Act which have been delegated or assigned by this Order may be redelegated to the heads of any Executive department or agency with their consent: functions set forth in Sections 2 (except subsection (b)), 3, 4(b), 4(c), 4(d), 5(b), 5(c), and 8(c) of this Order.

(h) Executive Order No. 12168 of August 14, 1981, is revoked.

SIC. 12. Brownfields. (a) The functions vested in the President by Sections 101(39) and (41) and 104(k) of the Act [42 U.S.C. 9601(39), (41), 9604(k)] are delegated to the Administrator.

(b) The functions vested in the President by Section 128(b)(1)(B)(ii) of the Act [42 U.S.C. 9628(b)(1)(B)(ii)] are delegated to the heads of the Executive departments and agencies, to be exercised in consultation with the Administrator, with respect to property subject to their jurisdiction, custody, or control.

(c) The functions vested in the President by Section 128(b)(1)(E) of the Act [42 U.S.C. 9628(b)(1)(E)] are delegated to the heads of Executive departments and agencies in cases where they have acted under subsection (b) of this Section.

(d) Subject to subsections (b) and (c) of this Section, the functions vested in the President by Section 128 of the Act [42 U.S.C. 9628] are delegated to the Administrator.

SIC. 13. Preservation of Authorities. Nothing in this order shall be construed to impair or otherwise affect the functions of the Director of the Office of Management and Budget relating to budget, administrative, or legislative proposals.

SIC. 14. General Provisions. This order is intended only to improve the internal management of the Federal Government and is not intended to, and does not, create any right or benefit, substantive or procedural, enforceable at law or equity by a party against the United States, its departments, agencies, instrumentalities, or entities, its officers or employees, or any other person.

§ 9616. Schedules

(a) Assessment and listing of facilities

It shall be a goal of this chapter that, to the maximum extent practicable—

(1) not later than January 1, 1988, the President shall complete preliminary assessments of all facilities that are contained (as of October 17, 1986) on the Comprehensive Environmental Response, Compensation, and Liability Information System (CERCLIS) including in each assessment a statement as to whether a site inspection is necessary and by whom it should be carried out; and
(2) not later than January 1, 1989, the President shall assure the completion of site inspections at all facilities for which the President has stated a site inspection is necessary pursuant to paragraph (1).

(b) Evaluation

Within 4 years after October 17, 1986, each facility listed (as of October 17, 1986) in the CERCLIS shall be evaluated if the President determines that such evaluation is warranted on the basis of a site inspection or preliminary assessment. The evaluation shall be in accordance with the criteria established in section 9605 of this title for determining priorities among release for inclusion on the National Priorities List. In the case of a facility listed in the CERCLIS after October 17, 1986, the facility shall be evaluated within 4 years after the date of such listing if the President determines that such evaluation is warranted on the basis of a site inspection or preliminary assessment.

(c) Explanations

If any of the goals established by subsection (a) or (b) are not achieved, the President shall publish an explanation of why such action could not be completed by the specified date.

(d) Commencement of RI/FS

The President shall assure that remedial investigations and feasibility studies (RI/FS) are commenced for facilities listed on the National Priorities List, in addition to those commenced prior to October 17, 1986, in accordance with the following schedule:

1. not fewer than 275 by the date 36 months after October 17, 1986, and
2. if the requirement of paragraph (1) is not met, not fewer than an additional 175 by the date 4 years after October 17, 1986, an additional 200 by the date 5 years after October 17, 1986, and a total of 650 by the date 5 years after October 17, 1986.

(e) Commencement of remedial action

The President shall assure that substantial and continuous physical on-site remedial action commences at facilities on the National Priorities List, in addition to those facilities on which remedial action has commenced prior to October 17, 1986, at a rate not fewer than:

1. 175 facilities during the first 36-month period after October 17, 1986; and
2. 200 additional facilities during the following 24 months after such 36-month period.


References in Text

This chapter, referred to in subsec. (a), was in the original “this Act”, meaning Pub. L. 96–510, Dec. 11, 1980, 91 Stat. 2767, known as the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 9601 of this title and Tables.

§9617. Public participation

(a) Proposed plan

Before adoption of any plan for remedial action to be undertaken by the President, by a State, or by any other person, under section 9604, 9606, 9620, or 9622 of this title, the President or State, as appropriate, shall take both of the following actions:

1. Publish a notice and brief analysis of the proposed plan and make such plan available to the public.
2. Provide a reasonable opportunity for submission of written and oral comments and an opportunity for a public meeting at or near the facility at issue regarding the proposed plan and any proposed findings under section 9621(d) of this title (relating to cleanup standards). The President or the State shall keep a transcript of the meeting and make such transcript available to the public.

The notice and analysis published under paragraph (1) shall include sufficient information as may be necessary to provide a reasonable explanation of the proposed plan and alternative proposals considered.

(b) Final plan

Notice of the final remedial action plan adopted shall be published and the plan shall be made available to the public before commencement of any remedial action. Such final plan shall be accompanied by a discussion of any significant changes (and the reasons for such changes) in the proposed plan and a response to each of the significant comments, criticisms, and new data submitted in written or oral presentations under subsection (a).

(c) Explanation of differences

After adoption of a final remedial action plan—

1. if any remedial action is taken,
2. if any enforcement action under section 9606 of this title is taken, or
3. if any settlement or consent decree under section 9606 of this title or section 9622 of this title is entered into,

and if such action, settlement, or decree differs in any significant respects from the final plan, the President or the State shall publish an explanation of the significant differences and the reasons such changes were made.

(d) Publication

For the purposes of this section, publication shall include, at a minimum, publication in a major local newspaper of general circulation. In addition, each item developed, received, published, or made available to the public under this section shall be available for public inspection and copying at or near the facility at issue.

(e) Grants for technical assistance

(1) Authority

Subject to such amounts as are provided in appropriations Acts and in accordance with rules promulgated by the President, the President may make grants available to any group of individuals which may be affected by a release or threatened release at any facility which is listed on the National Priorities List under the National Contingency Plan. Such grants may be used to obtain technical assistance in interpreting information with regard
§ 9619. Response action contractors

(a) Liability of response action contractors

(1) Response action contractors

A person who is a response action contractor with respect to any release or threatened release of a hazardous substance or pollutant or contaminant from a vessel or facility shall not be liable under this subchapter or under any other Federal law to any person for injuries, costs, damages, expenses, or other liability (including but not limited to claims for indemnification or contribution and claims by third parties for death, personal injury, illness or loss of or damage to property or economic loss) which results from such release or threatened release.

(2) Negligence, etc.

Paragraph (1) shall not apply in the case of a release that is caused by conduct of the response action contractor which is negligent, grossly negligent, or which constitutes intentional misconduct.

(3) Effect on warranties; employer liability

Nothing in this subsection shall affect the liability of any person under any warranty under Federal, State, or common law. Nothing in this subsection shall affect the liability of an employer who is a response action contractor to any employee of such employer under any provision of law, including any provision of any law relating to worker’s compensation.

(4) Governmental employees

A state employee or an employee of a political subdivision who provides services relating to response action while acting within the scope of his authority as a governmental employee shall have the same exemption from liability (subject to the other provisions of this section) as is provided to the response action contractor under this section.

(b) Savings provisions

(1) Liability of other persons

The defense provided by section 9607(b)(3) of this title shall not be available to any potentially responsible party with respect to any costs or damages caused by any act or omission of a response action contractor. Except as provided in subsection (a)(4) and the preceding sentence, nothing in this section shall affect the liability under this chapter or under any other Federal or State law of any person, other than a response action contractor.

(2) Burden of plaintiff

Nothing in this section shall affect the plaintiff’s burden of establishing liability under this subchapter.

(c) Indemnification

(1) In general

The President may agree to hold harmless and indemnify any response action contractor meeting the requirements of this subsection against any liability (including the expenses of litigation or settlement) for negligence arising out of the contractor’s performance in carrying out response action activities under this subchapter, unless such liability was caused by conduct of the contractor which was grossly negligent or which constituted intentional misconduct.

(2) Applicability

This subsection shall apply only with respect to a response action contractor (except with respect to federally

§ 9618. High priority for drinking water supplies

For purposes of taking action under section 9604 or 9606 of this title and listing facilities on the National Priorities List, the President shall give a high priority to facilities where the release of hazardous substances or pollutants or contaminants has resulted in the closing of drinking water wells or has contaminated a principal drinking water supply.

§ 9619. Response action contractors

(a) Liability of response action contractors

(1) Response action contractors

A person who is a response action contractor with respect to any release or threatened release of a hazardous substance or pollutant or contaminant from a vessel or facility shall not be liable under this subchapter or under any other Federal law to any person for injuries, costs, damages, expenses, or other liability (including but not limited to claims for indemnification or contribution and claims by third parties for death, personal injury, illness or loss of or damage to property or economic loss) which results from such release or threatened release.

(2) Negligence, etc.

Paragraph (1) shall not apply in the case of a release that is caused by conduct of the response action contractor which is negligent, grossly negligent, or which constitutes intentional misconduct.

(3) Effect on warranties; employer liability

Nothing in this subsection shall affect the liability of any person under any warranty under Federal, State, or common law. Nothing in this subsection shall affect the liability of an employer who is a response action contractor to any employee of such employer under any provision of law, including any provision of any law relating to worker’s compensation.

(4) Governmental employees

A state employee or an employee of a political subdivision who provides services relating to response action while acting within the scope of his authority as a governmental employee shall have the same exemption from liability (subject to the other provisions of this section) as is provided to the response action contractor under this section.

(b) Savings provisions

(1) Liability of other persons

The defense provided by section 9607(b)(3) of this title shall not be available to any potentially responsible party with respect to any costs or damages caused by any act or omission of a response action contractor. Except as provided in subsection (a)(4) and the preceding sentence, nothing in this section shall affect the liability under this chapter or under any other Federal or State law of any person, other than a response action contractor.

(2) Burden of plaintiff

Nothing in this section shall affect the plaintiff’s burden of establishing liability under this subchapter.

(c) Indemnification

(1) In general

The President may agree to hold harmless and indemnify any response action contractor meeting the requirements of this subsection against any liability (including the expenses of litigation or settlement) for negligence arising out of the contractor’s performance in carrying out response action activities under this subchapter, unless such liability was caused by conduct of the contractor which was grossly negligent or which constituted intentional misconduct.

(2) Applicability

This subsection shall apply only with respect to a response action contractor (except with respect to federally
owned or operated facilities) shall be considered governmental response costs incurred pursuant to section 9604 of this title. If sufficient funds are unavailable in the Hazardous Substance Superfund established under subsection A of chapter 98 of title 26 to make payments pursuant to such indemnification or if the Fund is repealed, there are authorized to be appropriated such amounts as may be necessary to make such payments.

(4) Requirements

An indemnification agreement may be provided under this subsection only if the President determines that each of the following requirements are met:

(A) The liability covered by the indemnification agreement exceeds or is not covered by insurance available, at a fair and reasonable price, to the contractor at the time the contractor enters into the contract to provide response action, and adequate insurance to cover such liability is not generally available at the time the response action contract is entered into.

(B) The response action contractor has made diligent efforts to obtain insurance coverage from non-Federal sources to cover such liability.

(C) In the case of a response action contract covering more than one facility, the response action contractor agrees to continue to make such diligent efforts each time the contractor begins work under the contract at a new facility.

(5) Limitations

(A) Liability covered

Indemnification under this subsection shall apply only to response action contractor liability which results from a release of any hazardous substance or pollutant or contaminant if such release arises out of response action activities.

(B) Deductibles and limits

An indemnification agreement under this subsection shall include deductibles and shall place limits on the amount of indemnification to be made available.

(C) Contracts with potentially responsible parties

(i) Decision to indemnify

In deciding whether to enter into an indemnification agreement with a response action contractor carrying out a written contract or agreement with any potentially responsible party, the President shall determine an amount which the potentially responsible party is able to indemnify the contractor. The President may enter into such an indemnification agreement only if the President determines that such amount of indemnification is adequate to cover any reasonable potential liability of the contractor arising out of the contractor's negligence in performing the contract or agreement with such party. The President shall make the determinations in the preceding sentences (with respect to the amount and the adequacy of the amount) taking into account the total net assets and resources of potentially responsible parties with respect to the facility at the time of such determinations.

(ii) Conditions

The President may pay a claim under an indemnification agreement referred to in clause (i) for the amount determined under clause (i) only if the contractor has exhausted all administrative, judicial, and common law claims for indemnification against all potentially responsible parties participating in the clean-up of the facility with respect to the liability of the contractor arising out of the contractor's negligence in performing the contract or agreement with such party. Such indemnification agreement shall require such contractor to pay any deductible established under subparagraph (B) before the contractor may recover any amount from the potentially responsible party or under the indemnification agreement.

(D) RCRA facilities

No owner or operator of a facility regulated under the Solid Waste Disposal Act [42 U.S.C. 6901 et seq.] may be indemnified under this subsection with respect to such facility.

(E) Persons retained or hired

A person retained or hired by a person described in subsection (e)(2)(B) shall be eligible for indemnification under this subsection only if the President specifically approves of the retaining or hiring of such person.

(6) Cost recovery

For purposes of section 9607 of this title, amounts expended pursuant to this subsection for indemnification of any person who is a response action contractor with respect to any release or threatened release shall be considered a cost of response incurred by the United States Government with respect to such release.

(7) Regulations

The President shall promulgate regulations for carrying out the provisions of this subsection. Before promulgation of the regulations, the President shall develop guidelines to carry out this section. Development of such guidelines shall include reasonable opportunity for public comment.

(8) Study

The Comptroller General shall conduct a study in the fiscal year ending September 30, 1989, on the application of this subsection, including whether indemnification agreements under this subsection are being used, the number of claims that have been filed under such agreements, and the need for this subsection. The Comptroller General shall report the findings of the study to Congress no later than September 30, 1989.

(d) Exception

The exemption provided under subsection (a) and the authority of the President to offer in-
demnification under subsection (c) shall not apply to any person covered by the provisions of paragraph (1), (2), (3), or (4) of section 9607(a) of this title with respect to the release or threatened release concerned if such person would be covered by such provisions even if such person had not carried out any actions referred to in subsection (e) of this section.

(e) Definitions

For purposes of this section—

(1) Response action contract

The term “response action contract” means any written contract or agreement entered into by a response action contractor (as defined in paragraph (2)(A) of this subsection) with—

(A) the President;
(B) any Federal agency;
(C) a State or political subdivision which has entered into a contract or cooperative agreement in accordance with section 9664(d)(1) of this title; or
(D) any potentially responsible party carrying out an agreement under section 9606 or 9622 of this title;

to provide any remedial action under this chapter at a facility listed on the National Priorities List, or any removal under this chapter, with respect to any release or threatened release of a hazardous substance or pollutant or contaminant from the facility or to provide any evaluation, planning, engineering, surveying and mapping, design, construction, equipment, or any ancillary services thereto for such facility.

(2) Response action contractor

The term “response action contractor” means—

(A) any—

(i) person who enters into a response action contract with respect to any release or threatened release of a hazardous substance or pollutant or contaminant from a facility and is carrying out such contract; and
(ii) person, public or nonprofit private entity, conducting a field demonstration pursuant to section 9600(b) of this title; and
(iii) Recipients of grants (including subgrantees) under section 9660a of this title for the training and education of workers who are or may be engaged in activities related to hazardous waste removal, containment, or emergency response under this chapter; and

(B) any person who is retained or hired by a person described in subparagraph (A) to provide any services relating to a response action; and

(C) any surety who after October 16, 1990, provides a bid, performance or payment bond to a response action contractor, and begins activities to meet its obligations under such bond, but only in connection with such activities or obligations.

(3) Insurance

The term “insurance” means liability insurance which is fair and reasonably priced, as determined by the President, and which is made available at the time the contractor enters into the response action contract to provide response action.

(f) Competition

Response action contractors and subcontractors for program management, construction management, architectural and engineering, surveying and mapping, and related services shall be selected in accordance with title IX of the Federal Property and Administrative Services Act of 1949. The Federal selection procedures shall apply to appropriate contracts negotiated by all Federal governmental agencies involved in carrying out this chapter. Such procedures shall be followed by response action contractors and subcontractors.

(g) Surety bonds

(1) If under sections 3131 and 3133 of title 40, surety bonds are required for any direct Federal procurement of any response action contract and are not waived pursuant to section 3134 of title 40, they shall be issued in accordance with sections 3131 and 3133 of title 40.

(2) If under applicable Federal law surety bonds are required for any direct Federal procurement of any response action contract, no right of action shall accrue on the performance bond issued on such response action contract to or for the use of any person other than the obligee named in the bond.

(3) If under applicable Federal law surety bonds are required for any direct Federal procurement of any response action contract, unless otherwise provided for by the procuring agency in the bond, in the event of a default, the surety’s liability on a performance bond shall be only for the cost of completion of the contract work in accordance with the plans and specifications less the balance of funds remaining to be paid under the contract, up to the penal sum of the bond. The surety shall in no event be liable on bonds to indemnify or compensate the obligee for loss or liability arising from personal injury or property damage whether or not caused by a breach of the bonded contract.

(4) Nothing in this subsection shall be construed as preempting, limiting, superseding, affecting, applying to, or modifying any State laws, regulations, requirements, rules, practices or procedures. Nothing in this subsection shall be construed as affecting, applying to, modifying, limiting, superseding, or preempting any rights, authorities, liabilities, demands, actions, causes of action, losses, judgments, claims, statutes of limitation, or obligations under Federal or State law, which do not arise on or under the bond.

(5) This subsection shall not apply to bonds executed before October 17, 1990.

REFERENCES IN TEXT

§9620. Federal facilities

(a) Application of chapter to Federal Government

(1) In general

Each department, agency, and instrumentality of the United States (including the executive, legislative, and judicial branches of government) shall be subject to, and comply with, this chapter in the same manner and to the same extent, both procedurally and substantively, as any nongovernmental entity, excluding liability under section 9607 of this title. Nothing in this section shall be construed to affect the liability of any person or entity under sections 9606 and 9607 of this title.

(2) Application of requirements to Federal facilities

All guidelines, rules, regulations, and criteria which are applicable to preliminary assessments carried out under this chapter for facilities at which hazardous substances are located, applicable to evaluations of such facilities under the National Contingency Plan, applicable to inclusion on the National Priorities List, or applicable to remedial actions at such facilities shall also be applicable to facilities which are owned or operated by a department, agency, or instrumentality of the United States in the same manner and to the extent as such guidelines, rules, regulations, and criteria are applicable to other facilities. No department, agency, or instrumentality of the United States may adopt or utilize any such guidelines, rules, regulations, or criteria which are inconsistent with the guidelines, rules, regulations, and criteria established by the Administrator under this chapter.

(3) Exceptions

This subsection shall not apply to the extent otherwise provided in this section with respect to applicable time periods. This subsection shall also not apply to any requirements relating to bonding, insurance, or financial responsibility. Nothing in this chapter shall be construed to require a State to comply with section 9604(c)(3) of this title in the case of a facility which is owned or operated by any department, agency, or instrumentality of the United States.

(4) State laws

State laws concerning removal and remedial action, including State laws regarding en-
for remedial action at facilities owned or operated by a department, agency, or instrumentality of the United States or facilities that are the subject of a deferral under subsection (h)(3)(C) when such facilities are not included on the National Priorities List. The preceding sentence shall not apply to the extent a State law would apply any standard or requirement to such facilities which is more stringent than the standards and requirements applicable to facilities which are not owned or operated by any such department, agency, or instrumentality.

(b) Notice

Each department, agency, and instrumentality of the United States shall add to the inventory of Federal agency hazardous waste facilities required to be submitted under section 3016 of the Solid Waste Disposal Act [42 U.S.C. 6937] (in addition to the information required under section 3016(a)(3)(B) of such Act [42 U.S.C. 6937(a)(3)]) information on contamination from each facility owned or operated by the department, agency, or instrumentality if such contamination affects contiguous or adjacent property owned by the department, agency, or instrumentality or by any other person, including a description of the monitoring data obtained.

(c) Federal Agency Hazardous Waste Compliance Docket

The Administrator shall establish a special Federal Agency Hazardous Waste Compliance Docket (hereinafter in this section referred to as the “docket”) which shall contain each of the following:

(1) All information submitted under section 3016 of the Solid Waste Disposal Act [42 U.S.C. 6937] and subsection (b) of this section regarding any Federal facility and notice of each subsequent action taken under this chapter with respect to the facility.

(2) Information submitted by each department, agency, or instrumentality of the United States under section 3005 or 3010 of such Act [42 U.S.C. 6925, 6930].

(3) Information submitted by the department, agency, or instrumentality under section 9603 of this title.

The docket shall be available for public inspection at reasonable times. Six months after establishment of the docket and every 6 months thereafter, the Administrator shall publish in the Federal Register a list of the Federal facilities which have been included in the docket during the immediately preceding 6-month period. Such publication shall also indicate where in the appropriate regional office of the Environmental Protection Agency additional information may be obtained with respect to any facility on the docket. The Administrator shall establish a program to provide information to the public with respect to facilities which are included in the docket under this subsection.

(d) Assessment and evaluation

(1) In general

The Administrator shall take steps to assure that a preliminary assessment is conducted for each facility on the docket. Following such preliminary assessment, the Administrator shall, where appropriate—

(A) evaluate such facilities in accordance with the criteria established in accordance with section 9605 of this title under the National Contingency Plan for determining priorities among releases; and

(B) include such facilities on the National Priorities List maintained under such plan if the facility meets such criteria.

(2) Application of criteria

(A) In general

Subject to subparagraph (B), the criteria referred to in paragraph (1) shall be applied in the same manner as the criteria are applied to facilities that are owned or operated by persons other than the United States.

(B) Response under other law

It shall be an appropriate factor to be taken into consideration for the purposes of section 9605(a)(8)(A) of this title that the head of the department, agency, or instrumentality that owns or operates a facility has arranged with the Administrator or appropriate State authorities to respond appropriately, under authority of a law other than this chapter, to a release or threatened release of a hazardous substance.

(3) Completion

Evaluation and listing under this subsection shall be completed in accordance with a reasonable schedule established by the Administrator.

(e) Required action by department

(1) RI/FS

Not later than 6 months after the inclusion of any facility on the National Priorities List, the department, agency, or instrumentality which owns or operates such facility shall, in consultation with the Administrator and appropriate State authorities, commence a remedial investigation and feasibility study for such facility. In the case of any facility which is listed on such list before October 17, 1986, the department, agency, or instrumentality which owns or operates such facility shall, in consultation with the Administrator and appropriate State authorities, commence such an investigation and study for such facility within one year after October 17, 1986. The Administrator and appropriate State authorities shall publish a timetable and deadlines for expeditious completion of such investigation and study.

(2) Commencement of remedial action; inter-agency agreement

The Administrator shall review the results of each investigation and study conducted as provided in paragraph (1). Within 180 days thereafter, the head of the department, agency, or instrumentality concerned shall enter into an interagency agreement with the Administrator for the expeditious completion by such department, agency, or instrumentality of all necessary remedial action at such facility. Substantial continuous physical onsite re-
Remedial action shall be commenced at each facility not later than 15 months after completion of the investigation and study. All such interagency agreements, including review of alternative remedial action plans and selection of remedial action, shall comply with the public participation requirements of section 9617 of this title.

(3) Completion of remedial actions

Remedial actions at facilities subject to interagency agreements under this section shall be completed as expeditiously as practicable. Each agency shall include in its annual budget submissions to the Congress a review of alternative agency funding which could be used to provide for the costs of remedial action. The budget submission shall also include a statement of the hazard posed by the facility to human health, welfare, and the environment and identify the specific consequences of failure to begin and complete remedial action.

(4) Contents of agreement

Each interagency agreement under this subsection shall include, but shall not be limited to, each of the following:

(A) A review of alternative remedial actions and selection of a remedial action by the head of the relevant department, agency, or instrumentality and the Administrator or, if unable to reach agreement on selection of a remedial action, selection by the Administrator;

(B) A schedule for the completion of each such remedial action;

(C) Arrangements for long-term operation and maintenance of the facility.

(5) Annual report

Each department, agency, or instrumentality responsible for compliance with this section shall furnish an annual report to the Congress concerning its progress in implementing the requirements of this section. Such reports shall include, but shall not be limited to, each of the following items:

(A) A report on the progress in reaching interagency agreements under this section.

(B) The specific cost estimates and budgetary proposals involved in each interagency agreement.

(C) A brief summary of the public comments regarding each proposed interagency agreement.

(D) A description of the instances in which no agreement was reached.

(E) A report on progress in conducting investigations and studies under paragraph (1).

(F) A report on progress in conducting remedial actions.

(G) A report on progress in conducting remedial action at facilities which are not listed on the National Priorities List.

With respect to instances in which no agreement was reached within the required time period, the department, agency, or instrumentality filing the report under this paragraph shall include in such report an explanation of the reasons why no agreement was reached. The annual report required by this paragraph shall also contain a detailed description on a State-by-State basis of the status of each facility subject to this section, including a description of the hazard presented by each facility, plans and schedules for initiating and completing response action, enforcement status (where appropriate), and an explanation of any postponements or failure to complete response action. Such reports shall also be submitted to the affected States.

(6) Settlements with other parties

If the Administrator, in consultation with the head of the relevant department, agency, or instrumentality of the United States, determines that remedial investigations and feasibility studies or remedial action will be done properly at the Federal facility by another potentially responsible party within the deadlines provided in paragraphs (1), (2), and (3) of this subsection, the Administrator may enter into an agreement with such party under section 9622 of this title (relating to settlements). Following approval by the Attorney General of any such agreement relating to a remedial action, the agreement shall be entered in the appropriate United States district court as a consent decree under section 9606 of this title.

(f) State and local participation

The Administrator and each department, agency, or instrumentality responsible for compliance with this section shall afford to relevant State and local officials the opportunity to participate in the planning and selection of the remedial action, including but not limited to the review of all applicable data as it becomes available and the development of studies, reports, and action plans. In the case of State officials, the opportunity to participate shall be provided in accordance with section 9621 of this title.

(g) Transfer of authorities

Except for authorities which are delegated by the Administrator to an officer or employee of the Environmental Protection Agency, no authority vested in the Administrator under this section may be transferred, by executive order of the President or otherwise, to any other officer or employee of the United States or to any other person.

(h) Property transferred by Federal agencies

(1) Notice

After the last day of the 6-month period beginning on the effective date of regulations under paragraph (2) of this subsection, whenever any department, agency, or instrumentality of the United States enters into any contract for the sale or other transfer of real property which is owned by the United States and on which any hazardous substance was stored for one year or more, known to have been released, or disposed of, the head of such department, agency, or instrumentality shall include in such contract notice of the type and quantity of such hazardous substance and notice of the time at which such storage, release, or disposal took place, to the extent such information is available on the basis of a complete search of agency files.
(2) Form of notice; regulations

Notice under this subsection shall be provided in such form and manner as may be provided in regulations promulgated by the Administrator. As promptly as practicable after October 17, 1986, but not later than 18 months after October 17, 1986, and after consultation with the Administrator of the General Services Administration, the Administrator shall promulgate regulations regarding the notice required to be provided under this subsection.

(3) Contents of certain deeds

(A) In general

After the last day of the 6-month period beginning on the effective date of regulations under paragraph (2) of this subsection, in the case of any real property owned by the United States on which any hazardous substance was stored for one year or more, known to have been released, or disposed of, each deed entered into for the transfer of such property by the United States to any other person or entity shall contain—

(i) to the extent such information is available on the basis of a complete search of agency files—

(I) a notice of the type and quantity of such hazardous substances,

(II) notice of the time at which such storage, release, or disposal took place, and

(III) a description of the remedial action taken, if any;

(ii) a covenant warranting that—

(I) all remedial action necessary to protect human health and the environment with respect to any such substance remaining on the property has been taken before the date of such transfer, and

(II) any additional remedial action found to be necessary after the date of such transfer shall be conducted by the United States; and

(iii) a clause granting the United States access to the property in any case in which remedial action or corrective action is found to be necessary after the date of such transfer.

(B) Covenant requirements

For purposes of subparagraphs (A)(ii)(I) and (C)(iii), all remedial action described in such subparagraph has been taken if the construction and installation of an approved remedial design has been completed, and the remedy has been demonstrated to the Administrator to be operating properly and successfully. The carrying out of long-term pumping and treating, or operation and maintenance, after the remedy has been demonstrated to the Administrator to be operating properly and successfully does not preclude the transfer of the property. The requirements of subparagraph (A)(ii) shall not apply in any case in which the person or entity to whom the real property is transferred is a potentially responsible party with respect to such property. The requirements of subparagraph (A)(ii) shall not apply in any case in which the transfer of the property occurs or has occurred by means of a lease, without regard to whether the lessee has agreed to purchase the property or whether the duration of the lease is longer than 35 years. In the case of a lease entered into after September 30, 1995, with respect to real property located at an installation approved for closure or realignment under a base closure law, the agency leasing the property, in consultation with the Administrator, shall determine before leasing the property that the property is suitable for lease, that the uses contemplated for the lease are consistent with protection of human health and the environment, and that there are adequate assurances that the United States will take all remedial action referred to in subparagraph (A)(ii) that has not been taken on the date of the lease.

(C) Deferral

(i) In general

The Administrator, with the concurrence of the Governor of the State in which the facility is located (in the case of real property at a Federal facility that is listed on the National Priorities List), or the Governor of the State in which the facility is located (in the case of real property at a Federal facility not listed on the National Priorities List) may defer the requirement of subparagraph (A)(ii)(I) with respect to the property if the Administrator or the Governor, as the case may be, determines that the property is suitable for transfer, based on a finding that—

(I) the property is suitable for transfer for the use intended by the transferee, and the intended use is consistent with protection of human health and the environment;

(II) the deed or other agreement proposed to govern the transfer between the United States and the transferee of the property contains the assurances set forth in clause (ii);

(III) the Federal agency requesting deferral has provided notice, by publication in a newspaper of general circulation in the vicinity of the property, of the proposed transfer and of the opportunity for the public to submit, within a period of not less than 30 days after the date of the notice, written comments on the suitability of the property for transfer; and

(IV) the deferral and the transfer of the property will not substantially delay any necessary response action at the property.

(ii) Response action assurances

With regard to a release or threatened release of a hazardous substance for which a Federal agency is potentially responsible under this section, the deed or other agreement proposed to govern the transfer shall contain assurances that—

(I) provide for any necessary restrictions on the use of the property to en-
sure the protection of human health and the environment;

(ii) provide that there will be restrictions on use necessary to ensure that required remedial investigations, response action, and oversight activities will not be disrupted;

(iii) provide that all necessary response action will be taken and identify the schedules for investigation and completion of all necessary response action as approved by the appropriate regulatory agency; and

(iv) provide that the Federal agency responsible for the property subject to transfer will submit a budget request to the Director of the Office of Management and Budget that adequately addresses schedules for investigation and completion of all necessary response action, subject to congressional authorizations and appropriations.

(iii) Warranty

When all response action necessary to protect human health and the environment with respect to any substance remaining on the property on the date of transfer has been taken, the United States shall execute and deliver to the transferee an appropriate document containing a warranty that all such response action has been taken, and the making of the warranty shall be considered to satisfy the requirement of subparagraph (A)(ii)(I).

(iv) Federal responsibility

A defer to this subparagraph shall not increase, diminish, or affect in any manner any rights or obligations of a Federal agency (including any rights or obligations under this section and sections 9606 and 9607 of this title existing prior to transfer) with respect to a property transferred under this subparagraph.

(4) Identification of uncontaminated property

(A) In the case of real property to which this paragraph applies (as set forth in subparagraph (E)), the head of the department, agency, or instrumentality of the United States with jurisdiction over the property shall identify the real property on which no hazardous substances and no petroleum products or their derivatives were known to have been released or disposed of. Such identification shall be based on an investigation of the real property to determine or discover the obviousness of the presence or likelihood of release or threatened release of any hazardous substance or any petroleum product or its derivatives, including aviation fuel and motor oil, on the real property. The identification shall consist, at a minimum, of a review of each of the following sources of information concerning the current and previous uses of the real property:

(i) A detailed search of Federal Government records pertaining to the property.

(ii) Recorded chain of title documents regarding the real property.

(iii) Aerial photographs that may reflect prior uses of the real property and that are reasonably obtainable through State or local government agencies.

(iv) A visual inspection of the real property and any buildings, structures, equipment, pipe, pipeline, or other improvements on the real property, and a visual inspection of properties immediately adjacent to the real property.

(v) A physical inspection of property adjacent to the real property, to the extent permitted by owners or operators of such property.

(vi) Reasonably obtainable Federal, State, and local government records of each adjacent facility where there has been a release of any hazardous substance or any petroleum product or its derivatives, including aviation fuel and motor oil, and which is likely to cause or contribute to a release or threatened release of any hazardous substance or any petroleum product or its derivatives, including aviation fuel and motor oil, on the real property.

(vii) Interviews with current or former employees involved in operations on the real property.

Such identification shall also be based on sampling, if appropriate under the circumstances. The results of the identification shall be provided immediately to the Administrator and State and local government official and made available to the public.

(B) The identification required under subparagraph (A) is not complete until concurrence in the results of the identification is obtained, in the case of real property that is part of a facility on the National Priorities List, from the Administrator, or, in the case of real property that is not part of a facility on the National Priorities List, from the appropriate State official. In the case of a concurrence which is required from a State official, the concurrence is deemed to be obtained if, within 90 days after receiving a request for the concurrence, the State official has not acted (by either concurring or declining to concur) on the request for concurrence.

(C)(i) Except as provided in clauses (ii), (iii), and (iv), the identification and concurrence required under subparagraphs (A) and (B), respectively, shall be made at least 6 months before the termination of operations on the real property.

(ii) In the case of real property described in subparagraph (E)(i)(II) on which operations have been closed or realigned on scheduled for closure or realignment pursuant to a base closure law described in subparagraph (E)(i)(I) or (E)(i)(II) by October 19, 1992, the identification and concurrence required under subparagraphs (A) and (B), respectively, shall be made not later than 18 months after October 19, 1992.

(iii) In the case of real property described in subparagraph (E)(i)(II) on which operations are closed or realigned or become scheduled for closure or realignment pursuant to the base closure law described in subparagraph (E)(i)(II) after October 19, 1992, the identification and concurrence required under subparagraphs (A) and (B), respectively, shall be made not later than 18 months after the date by
which a joint resolution disapproving the closure or realignment of the real property under section 2904(b) of such base closure law must be enacted, and such a joint resolution has not been enacted.

In the case of real property described in subparagraphs (E)(i)(II) on which operations are closed or realigned pursuant to a base closure law described in subparagraph (E)(ii)(III) or (E)(ii)(IV), the identification and concurrence required under subparagraphs (A) and (B), respectively, shall be made not later than 18 months after the date on which the real property is selected for closure or realignment pursuant to such a base closure law.

(D) In the case of the sale or other transfer of any parcel of real property identified under subparagraph (A), the deed entered into for the sale or transfer of such property by the United States to any other person or entity shall contain—

(i) a covenant warranting that any response action or corrective action found to be necessary after the date of such sale or transfer shall be conducted by the United States; and

(ii) a clause granting the United States access to the property in any case in which a response action or corrective action is found to be necessary after such date at such property, or such access is necessary to carry out a response action or corrective action on adjoining property.

(E)(i) This paragraph applies to—

(I) real property owned by the United States and on which the United States plans to terminate Federal Government operations, other than real property described in subclause (II); and

(II) real property that is or has been used as a military installation and on which the United States plans to close or realign military operations pursuant to a base closure law.

(ii) For purposes of this paragraph, the term “base closure law” includes the following:

(I) Title II of the Defense Authorization Amendments and Base Closure and Realign-

ment Act (Public Law 100–526; 10 U.S.C. 2687 note).

(II) The Defense Base Closure and Realign-


(III) Section 2687 of title 10.

(IV) Any provision of law authorizing the closure or realignment of a military install-

ation enacted on or after October 19, 1992.

(F) Nothing in this paragraph shall affect, preclude, or otherwise impair the termination of Federal Government operations on real property owned by the United States.

(5) Notification of States regarding certain leases

In the case of real property owned by the United States, on which any hazardous substance or any petroleum product or its derivatives (including aviation fuel and motor oil) was stored for one year or more, known to have been released, or disposed of, and on which the United States plans to terminate Federal Government operations, the head of the department, agency, or instrumentality of the United States with jurisdiction over the property shall notify the State in which the property is located of any lease entered into by the United States that will encumber the property beyond the date of termination of operations on the property. Such notification shall be made before entering into the lease and shall include the length of the lease, the name of person to whom the property is leased, and a description of the uses that will be allowed under the lease of the property and buildings and other structures on the property.

(i) Obligations under Solid Waste Disposal Act

Nothing in this section shall affect or impair the obligation of any department, agency, or instrumentality of the United States to comply with any requirement of the Solid Waste Disposal Act [42 U.S.C. 6901 et seq.] (including corrective action requirements).

(j) National security

(1) Site specific Presidential orders

The President may issue such orders regarding response actions at any specified site or facility of the Department of Energy or the Department of Defense as may be necessary to protect the national security interests of the United States at that site or facility. Such orders may include, where necessary to protect such interests, an exemption from any requirement contained in this subchapter or under title III of the Superfund Amendments and Reauthorization Act of 1986 [42 U.S.C. 11001 et seq.] with respect to the site or facility concerned. The President shall notify the Congress within 30 days of the issuance of an order under this paragraph providing for any such exemption. Such notification shall include a statement of the reasons for the granting of the exemption. An exemption under this paragraph shall be for a specified period which may not exceed one year. Additional exemptions may be granted, each upon the President’s issuance of a new order under this paragraph for the site or facility concerned. Each such additional exemption shall be for a specified period which may not exceed one year. It is the intention of the Congress that whenever an exemption is issued under this paragraph the response action shall proceed as expeditiously as practicable. The Congress shall be notified periodically of the progress of any response action with respect to which an exemption has been issued under this paragraph. No exemption shall be granted under this paragraph due to lack of appropriation unless the President shall have specifically requested such appropriation as a part of the budgetary process and the Congress shall have failed to make available such requested appropriation.

(2) Classified information

Notwithstanding any other provision of law, all requirements of the Atomic Energy Act [42 U.S.C. 2011 et seq.] and all Executive orders concerning the handling of restricted data and national security information, including
“need to know” requirements, shall be applicable to any grant of access to classified information under the provisions of this chapter or under title III of the Superfund Amendments and Reauthorization Act of 1986 [42 U.S.C. 11001 et seq.].


REFERENCES IN TEXT

This chapter, referred to in subs. (a)(1) to (3), (c)(1), (d)(2)(B), and (j)(2), was in the original “this Act”, meaning Pub. L. 96–510, Dec. 11, 1980, 94 Stat. 2767, known as the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 11001 of this title and Tables.

Section 2904(b) of such base closure law, referred to in subsec. (h)(4)(C)(iii), means section 2904(b) of Pub. L. 101–510, which is set out as a note under section 2687 of Title 10, Armed Forces.

Title III of Pub. L. 99–499, title I, § 120, 100 Stat. 1728, known as the Emergency Planning and Community Right-To-Know Act of 1986, which is classified generally to chapter 116 (§ 11001 et seq.) of this title and Tables.


AMENDMENTS

1996—Subsec. (a)(4). Pub. L. 104–201, § 334(a)(6), inserted “or facilities that are the subject of a referral under subsection (h)(3)(C)” after “United States”.

Subsec. (d). Pub. L. 104–201, § 330(2)–(4), designated existing provisions as pars. (1), inserted par. heading, substituted “The Administrator” for “Not later than 18 months after October 17, 1986, the Administrator”, realigned margins of par. (1) and subs. (A) and (B), and substituted pars. (2) and (3) for “Such criteria shall be applied in the same manner as the criteria are applied to facilities which are owned or operated by other persons. Evaluation and listing under this subsection shall be completed not later than 30 months after October 17, 1986. Upon the receipt of a petition from the Governor of any state, the Administrator shall make such an evaluation of any facility included in the docket.”

Pub. L. 104–201, § 330(1), redesignated pars. (1) and (2) as subs. (A) and (B), respectively.


Pub. L. 104–201, § 334(a)(6), designated existing provisions as subpar. (B), inserted heading, substituted “For purposes of subparagraphs (A)(ii)(I) and (C)(ii)(I) for subpar. (B) and subsubpar. (A)(ii)(I) and (C)(ii)(I) for subparagraph (B)” for “subparagraph (A)(ii)(I)” in three places.

Pub. L. 104–201, § 334(a)(1)–(5), designated first sentence as subpar. (A), inserted heading, redesignated former subpar. (A) and cl. (i) to (iii) of that subpar. as cl. (i) of subpar. (A) and subcls. (i) to (III) of that cl., respectively, redesignated former subpar. (B) and clss. (i) and (ii) of that subpar. as cl. (ii) of subpar. (B) and subcls. (i) and (II) of that cl., respectively, redesignated former subpar. (C) as cl. (iii) of subpar. (A), and realigned margins of such cls. and subcls.

Pub. L. 104–106, § 2834(c), which directed that par. (3) be amended in the matter following subpar. (C) by adding at the end, flush to the paragraph margin, the following, was executed by inserting the following provision at the end of the concluding provisions “The requirements of subparagraph (B) shall not apply in any case in which the transfer of the property occurs or has occurred by means of a lease, without regard to whether the leasee has agreed to purchase the property or whether the duration of the lease is longer than 55 years. In the case of a lease entered into after September 30, 1995, with respect to real property located at an installation approved for closure or realignment under a base closure law, the agency leasing the property, in consultation with the Administrator, shall determine before leasing the property that the property is suitable for lease, that the uses contemplated for the lease are consistent with protection of human health and the environment, and that there are adequate assurances that the United States will take all remedial action referred to in subparagraph (B) that has not been taken on the date of the lease.”

Pub. L. 104–106, § 2834(a), struck out first sentence of concluding provisions which read as follows: “The requirements of subparagraph (B) shall not apply in any case in which the person or entity to whom the property is transferred is a potentially responsible party with respect to such real property.”

Subsec. (h)(4)(A). Pub. L. 104–201, § 331, substituted “known to have been released” for “stored for one year or more, known to have been released.”

1992—Subsec. (h)(3). Pub. L. 102–426, § 4(a), inserted at end “For purposes of subparagraph (B)(i), all remedial action described in such subparagraph has been taken if the construction and installation of an approved remedial design has been completed, and the remedy has been demonstrated to the Administrator to be operating properly and successfully. The carrying out of long-term pumping and treating, or other operation and maintenance, after the remedy has been demonstrated to the Administrator to be operating properly and successfully does not preclude the transfer of the property.”


TERMINATION OF REPORTING REQUIREMENTS

For termination, effective May 15, 2000, of provisions of law requiring submittal to Congress of any annual, semiannual, or other regular periodic report listed in House Document No. 103–7 (in which a report required under subsec. (e)(5) of this section is listed as the 5th item on page 151), see section 3005 of Pub. L. 101–66, as amended, and section 1(a)(4) [div. A, § 1402(1)] of Pub. L. 106–554, set out as notes under section 1113 of Title 31, Money and Finance.

ENVIRONMENTAL COMPLIANCE NOT AFFECTED BY PUB. L. 114–120

nothing in this Act [see Tables for classification] or any amendment made by this Act may be construed to affect or limit the application of or obligation to comply with any applicable environmental law, including section 120(h) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9620(h)), with respect to contaminants on such land prior to the date on which the land is conveyed."

IDENTIFICATION OF UNCONTAMINATED PROPERTY AT INSTALLATIONS TO BE CLOSED


"(1) the date that is 9 months after the date of the submittal, if any, to the transition coordinator for the installation concerned of a specific use proposed for all or a portion of the real property of the installation; or

"(2) the date specified in section 120(h)(4)(C)(ii) of such Act."

CONGRESSIONAL FINDINGS


"(1) The closure of certain Federal facilities is having adverse effects on the economies of local communities by eliminating jobs associated with such facilities, and delay in remediation of environmental contamination of real property at such facilities is preventing transfer and private development of such property.

"(2) Each department, agency, or instrumentality of the United States, in cooperation with local communities, should expeditiously identify real property that offers the greatest opportunity for reuse and redevelopment on each facility under the jurisdiction of the department, agency, or instrumentality which operations are terminating.

"(3) Remedial actions, including remedial investigations and feasibility studies, and corrective actions at such Federal facilities should be expedited in a manner to facilitate environmental protection and the sale or transfer of such excess real property for the purpose of mitigating adverse economic effects on the surrounding community.

"(4) Each department, agency, or instrumentality of the United States, in accordance with applicable law, should make available without delay such excess real property.

"(5) In the case of any real property owned by the United States and transferred to another person, the United States Government should remain responsible for conducting any remedial action or corrective action necessary to protect human health and the environment with respect to any hazardous substance or petroleum product or its derivatives, including aviation fuel and motor oil, that was present on such real property at the time of transfer."

APPLICABILITY

Pub. L. 99–499, title I, § 120(b), Oct. 17, 1986, 100 Stat. 1671, provided that: "Section 120 of CERCLA (42 U.S.C. 9620) shall not apply to any response action or remedial action for which a plan is under development by the Department of Energy on the date of enactment of this Act (Oct. 17, 1986) with respect to facilities—

"(1) owned or operated by the United States and subject to the jurisdiction of such Department; or

"(2) located in St. Charles and St. Louis counties, Missouri, or the city of St. Louis, Missouri, and

"(3) published in the National Priorities List.

In preparing such plans, the Secretary of Energy shall consult with the Administrator of the Environmental Protection Agency."

§ 9621. Cleanup standards

(a) Selection of remedial action

The President shall select appropriate remedial actions determined to be necessary to be carried out under section 9604 of this title or secured under section 9606 of this title which are in accordance with this section and, to the extent practicable, the national contingency plan, and which provide for cost-effective response. In evaluating the cost effectiveness of proposed alternative remedial actions, the President shall take into account the total short- and long-term costs of such actions, including the costs of operation and maintenance for the entire period during which such activities will be required.

(b) General rules

(1) Remedial actions in which treatment which permanently and significantly reduces the volume, toxicity or mobility of the hazardous substances, pollutants, and contaminants is a principal element, are to be preferred over remedial actions not involving such treatment. The off-site transport and disposal of hazardous substances or contaminated materials without such treatment should be the least favored alternative remedial action where practicable treatment technologies are available. The President shall conduct an assessment of permanent solutions and alternative treatment technologies or resource recovery technologies that, in whole or in part, will result in a permanent and significant decrease in the toxicity, mobility, or volume of the hazardous substance, pollutant, or contaminant. In making such assessment, the President shall specifically address the long-term effectiveness of various alternatives. In assessing alternative remedial actions, the President shall, at a minimum, take into account:

(A) the long-term uncertainties associated with land disposal;

(B) the goals, objectives, and requirements of the Solid Waste Disposal Act [42 U.S.C. 6901 et seq.];

(C) the persistence, toxicity, mobility, and propensity to bioaccumulate of such hazardous substances and their constituents;

(D) short- and long-term potential for adverse health effects from human exposure;

(E) long-term maintenance costs;

(F) the potential for future remedial action costs if the alternative remedial action in question were to fail; and

(G) the potential threat to human health and the environment associated with excavation, transportation, and disposal, or containment.

The President shall select a remedial action that is protective of human health and the environment, that is cost effective, and that utilizes permanent solutions and alternative treatment technologies or resource recovery technologies to the maximum extent practicable. If the President selects a remedial action not appropriate for a preference under this subsection, the President shall publish an explanation as to why a remedial action involving such reductions was not selected.

(2) The President may select an alternative remedial action meeting the objectives of this
subsection whether or not such action has been achieved in practice at any other facility or site that has similar characteristics. In making such a selection, the President may take into account the degree of support for such remedial action by parties interested in such site.

(c) Review

If the President selects a remedial action that results in any hazardous substances, pollutants, or contaminants remaining at the site, the President shall review such remedial action no less often than each 5 years after the initiation of such remedial action to assure that human health and the environment are being protected by the remedial action being implemented. In addition, if upon such review it is the judgment of the President that action is appropriate at such site in accordance with section 9604 or 9606 of this title, the President shall take or require such action. The President shall report to the Congress a list of facilities for which such reviews are required, the results of all such reviews, and any actions taken as a result of such reviews.

(d) Degree of cleanup

(1) Remedial actions selected under this section or otherwise required or agreed to by the President under this chapter shall attain a degree of cleanup of hazardous substances, pollutants, and contaminants released into the environment and of control of further release at a minimum which assures protection of human health and the environment. Such remedial actions shall be relevant and appropriate under the circumstances presented by the release or threatened release of such substance, pollutant, or contaminant.

(2)(A) With respect to any hazardous substance, pollutant or contaminant that will remain onsite, if—


(ii) any promulgated standard, requirement, criteria, or limitation under a State environmental or facility siting law that is more stringent than any Federal standard, requirement, criteria, or limitation contained in a program approved, authorized or delegated by the Administrator under a statute cited in subparagraph (A), and that has been identified to the President by the State in a timely manner, is legally applicable to the hazardous substance or pollutant or contaminant concerned or is relevant and appropriate under the circumstances of the release or threatened release of such hazardous substance or pollutant or contaminant, the remedial action selected under section 9604 of this title or secured under section 9606 of this title shall require, at the completion of the remedial action, a level or standard of control for such hazardous substance or pollutant or contaminant which at least attains such legally applicable or relevant and appropriate standard, requirement, criteria, or limitation. Such remedial action shall require a level or standard of control which at least attains Maximum Contaminant Level Goals established under the Safe Drinking Water Act [42 U.S.C. 300f et seq.] and water quality criteria established under section 304 or 303 of the Clean Water Act [33 U.S.C. 1314, 1313], where such goals or criteria are relevant and appropriate under the circumstances of the release or threatened release.

(B)(i) In determining whether or not any water quality criteria under the Clean Water Act [33 U.S.C. 1251 et seq.] is relevant and appropriate under the circumstances of the release or threatened release, the President shall consider the designated or potential use of the surface or groundwater, the environmental media affected, the purposes for which such criteria were developed, and the latest information available.

(ii) For the purposes of this section, a process for establishing alternate concentration limits to those otherwise applicable for hazardous constituents in groundwater under subparagraph (A) may not be used to establish applicable standards under this paragraph if the process assumes a point of human exposure beyond the boundary of the facility, as defined at the conclusion of the remedial investigation and feasibility study, except where—

(I) there are known and projected points of entry of such groundwater into surface water; and

(II) on the basis of measurements or projections, there is or will be no statistically significant increase of such constituents from such groundwater in such surface water at the point of entry or at any point where there is reason to believe accumulation of constituents may occur downstream; and

(III) the remedial action includes enforceable measures that will preclude human exposure to the contaminated groundwater at any point between the facility boundary and all known ana projected points of entry of such groundwater into surface water.

then the assumed point of human exposure may be at such known and projected points of entry. (C)(i) Clause (ii) of this subparagraph shall be applicable only in cases where, due to the President’s selection, in compliance with subsection (b)(4), of a proposed remedial action which does not permanently and significantly reduce the volume, toxicity, or mobility of hazardous substances, pollutants, or contaminants, the proposed disposition of waste generated by or associated with the remedial action selected by the President is land disposal in a State referred to in clause (ii).

(ii) Except as provided in clauses (iii) and (iv), a State standard, requirement, criteria, or limitation (including any State siting standard or requirement) which could effectively result in the statewide prohibition of land disposal of hazardous substances, pollutants, or contaminants shall not apply.

(iii) Any State standard, requirement, criteria, or limitation referred to in clause (ii)
shall apply where each of the following conditions is met:

(I) The State standard, requirement, criteria, or limitation is of general applicability and was adopted by formal means.

(II) The State standard, requirement, criteria, or limitation was adopted on the basis of hydrologic, geologic, or other relevant considerations and was not adopted for the purpose of precluding onsite remedial actions or other land disposal for reasons unrelated to protection of human health and the environment.

(III) The State arranges for, and assures payment of the incremental costs of utilizing, a facility for disposition of the hazardous substances, pollutants, or contaminants concerned.

(iv) Where the remedial action selected by the President does not conform to a State standard and the State has initiated a law suit against the Environmental Protection Agency prior to May 1, 1986, to seek to have the remedial action conform to such State standard, the President shall conform the remedial action to the State standard. The State shall assure the availability of an offsite facility for such remedial action.

(3) In the case of any removal or remedial action involving the transfer of any hazardous substance or pollutant or contaminant offsite, such hazardous substance or pollutant or contaminant shall only be transferred to a facility which is operating in compliance with section 3004 and 3005 of the Solid Waste Disposal Act [42 U.S.C. 6921 et seq.] or other applicable Federal law and all applicable State requirements. Such substance or pollutant or contaminant may be transferred to a land disposal facility only if the President determines that both of the following requirements are met:

(A) The unit to which the hazardous substance or pollutant or contaminant is transferred is not releasing any hazardous waste, or constituent thereof, into the groundwater or surface water or soil.

(B) All such releases from other units at the facility are being controlled by a corrective action program approved by the Administrator under subtitle C of the Solid Waste Disposal Act [42 U.S.C. 6921 et seq.].

The President shall notify the owner or operator of such facility of determinations under this paragraph.

(4) The President may select a remedial action meeting the requirements of paragraph (1) that does not attain a level or standard of control at least equivalent to a legally applicable or relevant and appropriate standard, requirement, criteria, or limitation as required by paragraphs (2) (including subparagraph (B) thereof), if the President finds that—

(A) the remedial action selected is only part of a total remedial action that will attain such level or standard of control when completed;

(B) compliance with such requirement at that facility will result in greater risk to human health and the environment than alternative options;

(C) compliance with such requirements is technically impracticable from an engineering perspective;

(D) the remedial action selected will attain a standard of performance that is equivalent to that required under the otherwise applicable standard, requirement, criteria, or limitation, through use of another method or approach;

(E) with respect to a State standard, requirement, criteria, or limitation, the State has not consistently applied (or demonstrated the intention to consistently apply) the standard, requirement, criteria, or limitation in similar circumstances at other remedial actions within the State; or

(F) in the case of a remedial action to be undertaken solely under section 9604 of this title using the Fund, selection of a remedial action that attains such level or standard of control will not provide a balance between the need for protection of public health and welfare and the environment at the facility under consideration, and the availability of amounts from the Fund to respond to other sites which present or may present a threat to public health or welfare or the environment, taking into consideration the relative immediacy of such threats.

The President shall publish such findings, together with an explanation and appropriate documentation.

(e) Permits and enforcement

(1) No Federal, State, or local permit shall be required for the portion of any removal or remedial action conducted entirely onsite, where such remedial action is selected and carried out in compliance with this section.

(2) A State may enforce any Federal or State standard, requirement, criteria, or limitation to which the remedial action is required to conform under this chapter in the United States district court for the district in which the facility is located. Any consent decree shall require the parties to attempt expeditiously to resolve disagreements concerning implementation of the remedial action informally with the appropriate Federal and State agencies. Where the parties agree, the consent decree may provide for administrative enforcement. Each consent decree shall also contain stipulated penalties for violations of the decree in an amount not to exceed $25,000 per day, which may be enforced by either the President or the State. Such stipulated penalties shall not be construed to impair or affect the authority of the court to order compliance with the specific terms of any such decree.

(f) State involvement

(1) The President shall promulgate regulations providing for substantial and meaningful involvement by each State in initiation, development, and selection of remedial actions to be undertaken in that State. The regulations, at a minimum, shall include each of the following:

(A) State involvement in decisions whether to perform a preliminary assessment and site inspection.

(B) Allocation of responsibility for hazard ranking system scoring.
(C) State concurrence in deleting sites from the National Priorities List.

(D) State participation in the long-term planning process for all remedial sites within the State.

(E) A reasonable opportunity for States to review and comment on each of the following:
   (i) The remedial investigation and feasibility study and all data and technical documents leading to its issuance.
   (ii) The planned remedial action identified in the remedial investigation and feasibility study.
   (iii) The engineering design following selection of the final remedial action.
   (iv) Other technical data and reports relating to implementation of the remedy.
   (v) Any proposed finding or decision by the President to exercise the authority of subsection (d)(4).

(F) Notice to the State of negotiations with potentially responsible parties regarding the scope of any response action at a facility in the State and an opportunity to participate in such negotiations and, subject to paragraph (2), be a party to any settlement.

(G) Notice to the State and an opportunity to comment on the President’s proposed plan for remedial action as well as on alternative plans under consideration. The President’s proposed decision regarding the selection of remedial action shall be accompanied by a response to the comments submitted by the State, including an explanation regarding any decision under subsection (d)(4) on compliance with promulgated State standards. A copy of such response shall also be provided to the State.

(H) Prompt notice and explanation of each proposed action to the State in which the facility is located.

Prior to the promulgation of such regulations, the President shall provide notice to the State of negotiations with potentially responsible parties regarding the scope of any response action at a facility in the State, and such State may participate in such negotiations and, subject to paragraph (2), any settlements.

(3)(A) This paragraph shall apply to remedial actions at facilities owned or operated by a department, agency, or instrumentality of the United States. At least 30 days prior to the publication of the President’s final remedial action plan, if the President proposes to select a remedial action that does not attain a legally applicable or relevant and appropriate standard, requirement, criteria, or limitation, under the authority of subsection (d)(4), the President shall provide an opportunity for the State to concur or not concur in such selection. If the State concurs, or does not act within 30 days, the remedial action may proceed.

(B) If the State does not concur in such selection as provided in subparagraph (A), and desires to have the remedial action conform to such standard, requirement, criteria, or limitation, the State may maintain an action as follows:
   (i) If the President has notified the State of selection of such a remedial action, the State may bring an action within 30 days of such notification for the sole purpose of determining whether the finding of the President is supported by substantial evidence. Such action shall be brought in the United States district court for the district in which the facility is located.
   (ii) If the State establishes, on the administrative record, that the President’s finding is not supported by substantial evidence, the remedial action shall be modified to conform to such standard, requirement, criteria, or limitation.
   (iii) If the State fails to establish that the President’s finding was not supported by substantial evidence and if the State pays, within 60 days of judgment, the additional costs attributable to meeting such standard, requirement, criteria, or limitation, the remedial action shall be selected to meet such standard, requirement, criteria, or limitation. If the State fails to pay within 60 days, the remedial action selected by the President shall proceed through completion.

(C) Nothing in this section precludes, and the court shall not enjoin, the Federal agency from taking any remedial action unrelated to or not inconsistent with such standard, requirement, criteria, or limitation.


This chapter, referred to in subsec. (d)(1) and (e)(2), was in the original “this Act”, meaning Pub. L. 96–510, Dec. 11, 1980, 94 Stat. 2767, known as the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 9601 of this title and Tables.


The Safe Drinking Water Act, referred to in subsec. (d)(2)(A), is title XIV of act July 1, 1944, as added Dec. 16, 1974, Pub. L. 88–521, § 3(b), 88 Stat. 1600, which is classified generally to chapter XII (§ 300f et seq.) of this title. For complete classification of this Act to the Code, see Short Title note set out under section 3003 of Title 15 and Tables.

The Clean Air Act, referred to in subsec. (d)(2)(A)(ii), is act July 14, 1955, ch. 360, 69 Stat. 322, which is classified generally to chapter 5 (§ 1601 et seq.) of this title. For complete classification of this Act to the Code, see Short Title note set out under section 1621 of this title and Tables.

The Clean Water Act, referred to in subsec. (d)(2)(A)(i), (3), is act June 28, 1948, ch. 588, as amended generally by Pub. L. 92–500, § 2(a), Dec. 18, 1972, 86 Stat. 1618, also known as the Federal Water Pollution Control Act, which is classified generally to chapter 52 (§ 1361 et seq.) of Title 33. For complete classification of this Act to the Code, see Short Title note set out under section 1321 of Title 33 and Tables.


Effective date Pub. L. 96–510, title I, § 121(b), Oct. 17, 1980, 96 Stat. 1678, provided that: “With respect to section 121 of CERCLA [this section], as added by this section—

“(1) The requirements of section 121 of CERCLA shall not apply to any remedial action for which the Record of Decision (hereinafter in this section referred to as the ‘ROD’) was signed, or the consent decree was lodged, before date of enactment [Oct. 17, 1986].

“(2) If the ROD was signed, or the consent decree lodged, within the 30-day period immediately following enactment of the Act [Oct. 17, 1986], the Administrator shall certify in writing that the portion of the remedial action covered by the ROD or consent decree complies to the maximum extent practicable with section 121 of CERCLA.

Any ROD signed before enactment of this Act [Oct. 17, 1986] and reopened after enactment of this Act to modify or supplement the selection of remedy shall be subject to the requirements of section 121 of CERCLA.”

For termination, effective May 15, 2000, of provisions of law requiring submittal to Congress of any annual, semiannual, or other regular periodic report listed in House Document No. 103–7 (in which the report under subsection (d) appears to be the report listed as the 15th item on page 201, see section 3003 of Pub. L. 104–66, as amended, set out as a note under section 1113 of Title 31, Money and Finance.

§ 9622. Settlements

(a) Authority to enter into agreements

The President, in his discretion, may enter into an agreement with any person (including the owner or operator of the facility from which a release or substantial threat of release emanates, or any other potentially responsible person), to perform any response action (including any action described in section 9604(b) of this title) if the President determines that such action will be done properly by such person. Whenever practicable and in the public interest, as determined by the President, the President shall act to facilitate agreements under this section that are in the public interest and consistent with the National Contingency Plan in order to expedite effective remedial actions and minimize litigation. If the President decides not to use the procedures in this section, the President shall notify in writing potentially responsible parties at the facility of such decision and the reasons why use of the procedures is inappropriate. A decision of the President to use or not to use the procedures in this section is not subject to judicial review.

(b) Agreements with potentially responsible parties

(1) Mixed funding

An agreement under this section may provide that the President will reimburse the parties to the agreement from the Fund, with interest, for certain costs of actions under the agreement that the parties have agreed to perform but which the President has agreed to finance. In any case in which the President provides such reimbursement, the President shall make all reasonable efforts to recover the amount of such reimbursement under section 9607 of this title or under other relevant authorities.

(2) Reviewability

The President’s decisions regarding the availability of fund financing under this subsection shall not be subject to judicial review under subsection (d).

(3) Retention of funds

If, as part of any agreement, the President will be carrying out any action and the parties will be paying amounts to the President, the President may, notwithstanding any other provision of law, retain and use such amounts for purposes of carrying out the agreement.

(4) Future obligation of Fund

In the case of a completed remedial action pursuant to an agreement described in paragraph (1), the Fund shall be subject to an obligation for subsequent remedial actions at the same facility but only to the extent that such
subsequent actions are necessary by reason of the failure of the original remedial action. Such obligation shall be in a proportion equal to, but not exceeding, the proportion contributed by the Fund for the original remedial action. The Fund’s obligation for such future remedial action may be met through Fund expenditures or through payment, following settlement or enforcement action, by parties who were not signatories to the original agreement.

(e) Effect of agreement

(1) Liability
Whenever the President has entered into an agreement under this section, the liability to the United States under this chapter of each party to the agreement, including any future liability to the United States, arising from the release or threatened release that is the subject of the agreement shall be limited as provided in the agreement pursuant to a covenant not to sue in accordance with subsection (f). A covenant not to sue may provide that future liability to the United States of a settling potentially responsible party under the agreement may be limited to the same proportion as that established in the original settlement agreement. Nothing in this section shall limit or otherwise affect the authority of any court to review in the consent decree process under subsection (d) any covenant not to sue contained in an agreement under this section. In determining the extent to which the liability of parties to an agreement shall be limited pursuant to a covenant not to sue, the President shall be guided by the principle that a more complete covenant not to sue shall be provided for a more permanent remedy undertaken by such parties.

(2) Actions against other persons
If an agreement has been entered into under this section, the President may take any action under section 9606 of this title against any person who is not a party to the agreement, once the period for submitting a proposal under subsection (e)(2)(B) has expired. Nothing in this section shall be construed to affect either of the following:

(A) The liability of any person under section 9606 or 9607 of this title with respect to any costs or damages which are not included in the agreement.

(B) The authority of the President to maintain an action under this chapter against any person who is not a party to the agreement.

(d) Enforcement

(1) Cleanup agreements

(A) Consent decree
Whenever the President enters into an agreement under this section with any potentially responsible party with respect to remedial action under section 9606 of this title, following approval of the agreement by the Attorney General, except as otherwise provided in the case of certain administrative settlements referred to in subsection (g), the agreement shall be entered in the appropriate United States district court as a consent decree. The President need not make any finding regarding an imminent and substantial endangerment to the public health or the environment in connection with any such agreement or consent decree.

(B) Effect
The entry of any consent decree under this subsection shall not be construed to be an acknowledgment by the parties that the release or threatened release concerned constitutes an imminent and substantial endangerment to the public health or welfare or the environment. Except as otherwise provided in the Federal Rules of Evidence, the participation by any party in the process under this section shall not be considered an admission of liability for any purpose, and the fact of such participation shall not be admissible in any judicial or administrative proceeding, including a subsequent proceeding under this section.

(C) Structure
The President may fashion a consent decree so that the entering of such decree and compliance with such decree or with any determination or agreement made pursuant to this section shall not be considered an admission of liability for any purpose.

(2) Public participation

(A) Filing of proposed judgment
At least 30 days before a final judgment is entered under paragraph (1), the proposed judgment shall be filed with the court.

(B) Opportunity for comment
The Attorney General shall provide an opportunity to persons who are not named as parties to the action to comment on the proposed judgment before its entry by the court as a final judgment. The Attorney General shall consider, and file with the court, any written comments, views, or allegations relating to the proposed judgment. The Attorney General may withdraw or withhold its consent to the proposed judgment if the comments, views, and allegations concerning the judgment disclose facts or considerations which indicate that the proposed judgment is inappropriate, improper, or inadequate.

(3) 9604(b) agreements
Whenever the President enters into an agreement under this section with any potentially responsible party with respect to action under section 9604(b) of this title, the President shall issue an order or enter into a decree settling forth the obligations of such party. The United States district court for the district in which the release or threatened release occurs may enforce such order or decree.

(e) Special notice procedures

(1) Notice
Whenever the President determines that a period of negotiation under this subsection would facilitate an agreement with potentially responsible parties for taking response
action (including any action described in section 9604(b) of this title) and would expedite remedial action, the President shall so notify all such parties and shall provide them with information concerning each of the following:

(A) The names and addresses of potentially responsible parties (including owners and operators and other persons referred to in section 9607(a) of this title), to the extent such information is available.

(B) To the extent such information is available, the volume and nature of substances contributed by each potentially responsible party identified at the facility.

(C) A ranking by volume of the substances at the facility, to the extent such information is available.

The President shall make the information referred to in this paragraph available in advance of notice under this paragraph upon the request of a potentially responsible party in accordance with procedures provided by the President. The provisions of subsection (e) of section 9604 of this title regarding protection of confidential information apply to information provided under this paragraph. Disclosure of information generated by the President under this section to persons other than the Congress, or any duly authorized Committee thereof, is subject to other privileges or protections provided by law, including (but not limited to) those applicable to attorney work product. Nothing contained in this paragraph or in other provisions of this chapter shall be construed, interpreted, or applied to diminish the required disclosure of information under other provisions of this or other Federal or State laws.

(2) Negotiation

(A) Moratorium

Except as provided in this subsection, the President may not commence action under section 9604(b) of this title or take any action under section 9606 of this title for 120 days after providing notice and information under this subsection with respect to such action. Except as provided in this subsection, the President may not commence a remedial investigation and feasibility study under section 9604(b) of this title for 90 days after providing notice and information under this subsection with respect to such action. The President may commence any additional studies or investigations authorized under section 9604(b) of this title, including remedial design, during the negotiation period.

(B) Proposals

Persons receiving notice and information under paragraph (1) of this subsection with respect to action under section 9606 of this title shall have 60 days from the date of receipt of such notice to make a proposal to the President for undertaking or financing the action under section 9604(b) of this title. Persons receiving notice and information under paragraph (1) of this subsection with respect to action under section 9604(b) of this title shall have 60 days from the date of receipt of such notice to make a proposal to the President for undertaking or financing the action under section 9604(b) of this title.

(C) Additional parties

If an additional potentially responsible party is identified during the negotiation period or after an agreement has been entered into under this subsection concerning a release or threatened release, the President may bring the additional party into the negotiation or enter into a separate agreement with such party.

(3) Preliminary allocation of responsibility

(A) In general

The President shall develop guidelines for preparing nonbinding preliminary allocations of responsibility. In developing these guidelines the President may include such factors as the President considers relevant, such as: volume, toxicity, mobility, strength of evidence, ability to pay, litigative risks, public interest considerations, precedential value, and inequities and aggravating factors. When it would expedite settlements under this section and remedial action, the President may, after completion of the remedial investigation and feasibility study, provide a nonbinding preliminary allocation of responsibility which allocates percentages of the total cost of response among potentially responsible parties at the facility.

(B) Collection of information

To collect information necessary or appropriate for performing the allocation under subparagraph (A) or for otherwise implementing this section, the President may by subpoena require the attendance and testimony of witnesses and the production of reports, papers, documents, answers to questions, and other information that the President deems necessary. Witnesses shall be paid the same fees and mileage that are paid witnesses in the courts of the United States. In the event of contumacy or failure or refusal of any person to obey any such subpoena, any district court of the United States in which venue is proper shall have jurisdiction to order any such person to obey such an order of the court as a contempt thereof.

(C) Effect

The nonbinding preliminary allocation of responsibility shall not be admissible as evidence in any proceeding, and no court shall have jurisdiction to review the nonbinding preliminary allocation of responsibility. The nonbinding preliminary allocation of responsibility shall not constitute an apportionment or other statement on the divisibility of harm or causation.

(D) Costs

The costs incurred by the President in producing the nonbinding preliminary allocation of responsibility shall be reimbursed by the potentially responsible parties whose offer is accepted by the President. Where an
offer under this section is not accepted, such costs shall be considered costs of response.

(E) Decision to reject offer

Where the President, in his discretion, has provided a nonbinding preliminary allocation of responsibility and the potentially responsible parties have made a substantial offer providing for response to the President which he rejects, the reasons for the rejection shall be provided in a written explanation. The President’s decision to reject such an offer shall not be subject to judicial review.

(4) Failure to propose

If the President determines that a good faith proposal for undertaking or financing action under section 9606 of this title has not been submitted within 60 days of the provision of notice pursuant to this subsection, the President may thereafter commence action under section 9604(a) of this title or take an action against any person under section 9606 of this title. If the President determines that a good faith proposal for undertaking or financing action under section 9604(b) of this title has not been submitted within 60 days after the provision of notice pursuant to this subsection, the President may thereafter commence action under section 9604(b) of this title.

(5) Significant threats

Nothing in this subsection shall limit the President’s authority to undertake response or enforcement action regarding a significant threat to public health or the environment within the negotiation period established by this subsection.

(6) Inconsistent response action

When either the President, or a potentially responsible party pursuant to an administrative order or consent decree under this chapter, has initiated a remedial investigation and feasibility study for a particular facility under this chapter, no potentially responsible party may undertake any remedial action at the facility unless such remedial action has been authorized by the President.

(f) Covenant not to sue

(1) Discretionary covenants

The President may, in his discretion, provide any person with a covenant not to sue concerning any liability to the United States under this chapter, including future liability, resulting from a release or threatened release of a hazardous substance addressed by a remedial action, whether that action is onsite or offsite, if each of the following conditions is met:

(A) The covenant not to sue is in the public interest.

(B) The covenant not to sue would expedite response action consistent with the National Contingency Plan under section 9606 of this title.

(C) The person is in full compliance with a consent decree under section 9606 of this title (including a consent decree entered into in accordance with this section) for response to the release or threatened release concerned.

(D) The response action has been approved by the President.

(2) Special covenants not to sue

In the case of any person to whom the President is authorized under paragraph (1) of this subsection to provide a covenant not to sue, for the portion of remedial action—

(A) which involves the transport and secure disposal offsite of hazardous substances in a facility meeting the requirements of sections 6924(c), (d), (e), (f), (g), (m), (o), (p), (u), and (v) and 6925(c) of this title, where the President has rejected a proposed remedial action that is consistent with the National Contingency Plan that does not include such offsite disposal and has thereafter required offsite disposal; or

(B) which involves the treatment of hazardous substances so as to destroy, eliminate, or permanently immobilize the hazardous constituents of such substances, such that, in the judgment of the President, the substances no longer present any current or currently foreseeable future significant risk to public health, welfare or the environment, no byproduct of the treatment or destruction process presents any significant hazard to public health, welfare or the environment, and all byproducts are themselves treated, destroyed, or contained in a manner which assures that such byproducts do not present any current or currently foreseeable future significant risk to public health, welfare or the environment.

In the case of any person to whom the President shall provide such person with a covenant not to sue with respect to future liability to the United States under this chapter for a future release or threatened release of hazardous substances from such facility, and a person provided such covenant not to sue shall not be liable to the United States under section 9606 or 9607 of this title with respect to such release or threatened release at a future time.

(3) Requirement that remedial action be completed

A covenant not to sue concerning future liability to the United States shall not take effect until the President certifies that remedial action has been completed in accordance with the requirements of this chapter at the facility that is the subject of such covenant.

(4) Factors

In assessing the appropriateness of a covenant not to sue under paragraph (1) and any condition to be included in a covenant not to sue under paragraph (1) or (2), the President shall consider whether the covenant or condition is in the public interest on the basis of such factors as the following:

(A) The effectiveness and reliability of the remedy, in light of the other alternative remedies considered for the facility concerned.

(B) The nature of the risks remaining at the facility.
(C) The extent to which performance standards are included in the order or decree.

(D) The extent to which the response action provides a complete remedy for the facility, including a reduction in the hazardous nature of the substances at the facility.

(E) The extent to which the technology used in the response action is demonstrated to be effective.

(F) Whether the Fund or other sources of funding would be available for any additional remedial actions that might eventually be necessary at the facility.

(G) Whether the remedial action will be carried out, in whole or in significant part, by the responsible parties themselves.

(5) Satisfactory performance

Any covenant not to sue under this subsection shall be subject to the satisfactory performance by such party of its obligations under the agreement concerned.

(6) Additional condition for future liability

(A) Except for the portion of the remedial action which is subject to a covenant not to sue under paragraph (2) or under subsection (g) (relating to de minimis settlements), a covenant not to sue a person concerning future liability to the United States shall include an exception to the covenant that allows the President to sue such person concerning future liability resulting from the release or threatened release that is the subject of the covenant where such liability arises out of conditions which are unknown at the time the President certifies under paragraph (3) that remedial action has been completed at the facility concerned.

(B) In extraordinary circumstances, the President may determine, after assessment of relevant factors such as those referred to in paragraph (4) and volume, toxicity, mobility, strength of evidence, ability to pay, litigative risks, public interest considerations, precedent, value, and inequities and aggravating factors, not to include the exception referred to in subparagraph (A) if other terms, conditions, or requirements of the agreement containing the covenant not to sue are sufficient to provide all reasonable assurances that public health and the environment will be protected from any future releases at or from the facility.

(C) The President is authorized to include any provisions allowing future enforcement action under section 9606 or 9607 of this title that in the discretion of the President are necessary and appropriate to assure protection of public health, welfare, and the environment.

(g) De minimis settlements

(1) Expedited final settlement

Whenever practicable and in the public interest, as determined by the President, the President shall as promptly as possible reach a final settlement with a potentially responsible party in an administrative or civil action under section 9606 or 9607 of this title if such settlement involves only a minor portion of the response costs at the facility concerned and, in the judgment of the President, the conditions in either of the following subparagraph (A) or (B) are met:

(A) Both of the following are minimal in comparison to other hazardous substances at the facility:

(i) The amount of the hazardous substances contributed by that party to the facility.

(ii) The toxic or other hazardous effects of the substances contributed by that party to the facility.

(B) The potentially responsible party—

(i) is the owner of the real property on or in which the facility is located;

(ii) did not conduct or permit the generation, transportation, storage, treatment, or disposal of any hazardous substance at the facility; and

(iii) did not contribute to the release or threat of release of a hazardous substance at the facility through any action or omission.

This subparagraph (B) does not apply if the potentially responsible party purchased the real property with actual or constructive knowledge that the property was used for the generation, transportation, storage, treatment, or disposal of any hazardous substance.

(2) Covenant not to sue

The President may provide a covenant not to sue with respect to the facility concerned to any party who has entered into a settlement under this subsection unless such a covenant would be inconsistent with the public interest as determined under subsection (f).

(3) Expedited agreement

The President shall reach any such settlement or grant any such covenant not to sue as soon as possible after the President has available the information necessary to reach such a settlement or grant such a covenant.

(4) Consent decree or administrative order

A settlement under this subsection shall be entered as a consent decree or embodied in an administrative order setting forth the terms of the settlement. In the case of any facility where the total response costs exceed $500,000 (excluding interest), if the settlement is embodied as an administrative order, the order may be issued only with the prior written approval of the Attorney General. If the Attorney General or his designee has not approved or disapproved the order within 30 days of this referral, the order shall be deemed to be approved unless the Attorney General and the Administrator have agreed to extend the time. The district court for the district in which the release or threatened release occurs may enforce any such administrative order.

(5) Effect of agreement

A party who has resolved its liability to the United States under this subsection shall not be liable for claims for contribution regarding matters addressed in the settlement. Such settlement does not discharge any of the other
potentially responsible parties unless its terms so provide, but it reduces the potential liability of the others by the amount of the settlement.

(6) Settlements with other potentially responsible parties
Nothing in this subsection shall be construed to affect the authority of the President to reach settlements with other potentially responsible parties under this chapter.

(7) Reduction in settlement amount based on limited ability to pay
(A) In general
The condition for settlement under this paragraph is that the potentially responsible party is a person who demonstrates to the President an inability or a limited ability to pay response costs.

(B) Considerations
In determining whether or not a demonstration is made under subparagraph (A) by a person, the President shall take into consideration the ability of the person to pay response costs and still maintain its basic business operations, including consideration of the overall financial condition of the person and demonstrable constraints on the ability of the person to raise revenues.

(C) Information
A person requesting settlement under this paragraph shall promptly provide the President with all relevant information needed to determine the ability of the person to pay response costs.

(D) Alternative payment methods
If the President determines that a person is unable to pay its total settlement amount at the time of settlement, the President shall consider such alternative payment methods as may be necessary or appropriate.

(8) Additional conditions for expedited settlements
(A) Waiver of claims
The President shall require, as a condition for settlement under this subsection, that a potentially responsible party waive all of the claims (including a claim for contribution under this chapter) that the party may have against other potentially responsible parties for response costs incurred with respect to the facility, unless the President determines that requiring a waiver would be unjust.

(B) Failure to comply
The President may decline to offer a settlement to a potentially responsible party under this subsection if the President determines that the potentially responsible party has failed to comply with any request for access or information or an administrative subpoena issued by the President under this chapter or has impeded or is impeding, through action or inaction, the performance of a response action with respect to the facility.

(C) Responsibility to provide information and access
A potentially responsible party that enters into a settlement under this subsection shall not be relieved of the responsibility to provide any information or access requested in accordance with subsection (e)(3)(B) or section 9604(e) of this title.

(9) Basis of determination
If the President determines that a potentially responsible party is not eligible for settlement under this subsection, the President shall provide the reasons for the determination in writing to the potentially responsible party that requested a settlement under this subsection.

(10) Notification
As soon as practicable after receipt of sufficient information to make a determination, the President shall notify any person that the President determines is eligible under paragraph (1) of the person’s eligibility for an expedited settlement.

(11) No judicial review
A determination by the President under paragraph (7), (8), (9), or (10) shall not be subject to judicial review.

(12) Notice of settlement
After a settlement under this subsection becomes final with respect to a facility, the President shall promptly notify potentially responsible parties at the facility that have not resolved their liability to the United States of the settlement.

(h) Cost recovery settlement authority
(1) Authority to settle
The head of any department or agency with authority to undertake a response action under this chapter pursuant to the national contingency plan may consider, compromise, and settle a claim under section 9607 of this title for costs incurred by the United States Government if the claim has not been referred to the Department of Justice for further action. In the case of any facility where the total response costs exceed $500,000 (excluding interest), any claim referred to in the preceding sentence may be compromised and settled only with the prior written approval of the Attorney General.

(2) Use of arbitration
Arbitration in accordance with regulations promulgated under this subsection may be used as a method of settling claims of the United States where the total response costs for the facility concerned do not exceed $500,000 (excluding interest). After consultation with the Attorney General, the department or agency head may establish and publish regulations for the use of arbitration or settlement under this subsection.

(3) Recovery of claims
If any person fails to pay a claim that has been settled under this subsection, the department or agency head shall request the Attorney General to bring a civil action in an ap-
propriate district court to recover the amount of such claim, plus costs, attorneys’ fees, and interest from the date of the settlement. In such an action, the terms of the settlement shall not be subject to review.

(4) Claims for contribution
A person who has resolved its liability to the United States under this subsection shall not be liable for claims for contribution regarding matters addressed in the settlement. Such settlement shall not discharge any of the other potentially liable persons unless its terms so provide, but it reduces the potential liability of the others by the amount of the settlement.

(i) Settlement procedures

(1) Publication in Federal Register
At least 30 days before any settlement (including any settlement arrived at through arbitration) may become final under subsection (h), or under subsection (g) in the case of a settlement embodied in an administrative order, the head of the department or agency which has jurisdiction over the proposed settlement shall publish in the Federal Register notice of the proposed settlement. The notice shall identify the facility concerned and the parties to the proposed settlement.

(2) Comment period
For a 30-day period beginning on the date of publication of notice under paragraph (1) of a proposed settlement, the head of the department or agency which has jurisdiction over the proposed settlement shall provide an opportunity for persons who are not parties to the proposed settlement to file written comments relating to the proposed settlement.

(3) Consideration of comments
The head of the department or agency shall consider all comments filed under paragraph (2) in determining whether or not to consent to the proposed settlement and may withdraw or withhold consent to the proposed settlement if such comments disclose facts or considerations which indicate the proposed settlement is inappropriate, improper, or inadequate.

(j) Natural resources

(1) Notification of trustee
Where a release or threatened release of any hazardous substance that is the subject of negotiations under this section may have resulted in damages to natural resources under the trusteeship of the United States, the President shall notify the Federal natural resource trustee of the negotiations and shall encourage the participation of such trustee in the negotiations.

(2) Covenant not to sue
An agreement under this section may contain a covenant not to sue under section 9607(a)(4)(C) of this title for damages to natural resources under the trusteeship of the United States resulting from the release or threatened release of hazardous substances that is the subject of the agreement, but only if the Federal natural resource trustee has agreed in writing to such covenant. The Federal natural resource trustee may agree to such covenant if the potentially responsible party agrees to undertake appropriate actions necessary to protect and restore the natural resources damaged by such release or threatened release of hazardous substances.

(k) Section not applicable to vessels
The provisions of this section shall not apply to releases from a vessel.

(l) Civil penalties
A potentially responsible party which is a party to an administrative order or consent decree entered pursuant to an agreement under this section or section 9620 of this title (relating to Federal facilities) or which is a party to an agreement under section 9620 of this title and which fails or refuses to comply with any term or condition of the order, decree or agreement shall be subject to a civil penalty in accordance with section 9609 of this title.

(m) Applicability of general principles of law
In the case of consent decrees and other settlements under this section (including covenants not to sue), no provision of this chapter shall be construed to preclude or otherwise affect the applicability of general principles of law regarding the setting aside or modification of consent decrees or other settlements.

§ 9623. Reimbursement to local governments

(a) Application
Any general purpose unit of local government for a political subdivision which is affected by a
release or threatened release at any facility may apply to the President for reimbursement under this section.

(b) Reimbursement

(1) Temporary emergency measures

The President is authorized to reimburse local community authorities for expenses incurred (before or after October 17, 1986) in carrying out temporary emergency measures necessary to prevent or mitigate injury to human health or the environment associated with the release or threatened release of any hazardous substance or pollutant or contaminant. Such measures may include, where appropriate, security fencing to limit access, response to fires and explosions, and other measures which require immediate response at the local level.

(2) Local funds not supplanted

Reimbursement under this section shall not supplant local funds normally provided for response.

(c) Amount

The amount of any reimbursement to any local authority under subsection (b)(1) may not exceed $25,000 for a single response. The reimbursement under this section with respect to a single facility shall be limited to the units of political subdivision in which the facility is located.

(d) Procedure

Reimbursements authorized pursuant to this section shall be in accordance with rules promulgated by the Administrator within one year after October 17, 1986.


References to Text

This chapter, referred to in text, was in the original “this Act”, meaning Pub. L. 96–510, Dec. 11, 1980, 94 Stat. 2767, known as the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 9601 of this title and Tables.

§ 9625. Section 6921(b)(3)(A)(i) waste

(a) Revision of hazard ranking system

This section shall apply only to facilities which are not included or proposed for inclusion on the National Priorities List and which contain substantial volumes of waste described in section 6921(b)(3)(A)(i) of this title. As expeditiously as practicable, the President shall revise the hazard ranking system in effect under the National Contingency Plan with respect to such facilities in a manner which assures appropriate consideration of each of the following site-specific characteristics of such facilities:

(1) The quantity, toxicity, and concentrations of hazardous constituents which are present in such waste and a comparison thereof with other wastes.

(2) The extent of, and potential for, release of such hazardous constituents into the environment.

(3) The degree of risk to human health and the environment posed by such constituents.

(b) Inclusion prohibited

Until the hazard ranking system is revised as required by this section, the President may not include on the National Priorities List any facility which contains substantial volumes of waste described in section 6921(b)(3)(A)(i) of this title on the basis of an evaluation made principally on the volume of such waste and not on the concentrations of the hazardous constituents of such waste. Nothing in this section shall be construed to affect the President’s authority to include any such facility on the National Priorities List based on the presence of other substances at such facility or to exercise any other authority of this chapter with respect to such other substances.


References to Text

This chapter, referred to in subsec. (b), was in the original “this Act”, meaning Pub. L. 96–510, Dec. 11,
§ 9626. Indian tribes

(a) Treatment generally

The governing body of an Indian tribe shall be afforded substantially the same treatment as a State with respect to the provisions of section 9603(a) of this title (regarding notification of releases), section 9604(c)(2) of this title (regarding consultation on remedial actions), section 9604(e) of this title (regarding access to information), section 9604(d) of this title (regarding health authorities) and section 9605 of this title (regarding roles and responsibilities under the national contingency plan and submittal of priorities for remedial action, but not including the provision regarding the inclusion of at least one facility per State on the National Priorities List).

(b) Community relocation

Should the President determine that proper remedial action is the permanent relocation of tribal members away from a contaminated site because it is cost effective and necessary to protect their health and welfare, such finding must be concurred in by the affected tribal government before relocation shall occur. The President, in cooperation with the Secretary of the Interior, shall also assure that all benefits of the relocation program are provided to the affected tribe and that alternative land of equivalent value is available and satisfactory to the tribe. Any lands acquired for relocation of tribal members shall be held in trust by the United States for the benefit of the tribe.

(c) Study

The President shall conduct a survey, in consultation with the Indian tribes, to determine the extent of hazardous waste sites on Indian lands. Such survey shall be included within a report which shall make recommendations on the program needs of tribes under this chapter, with particular emphasis on how tribal participation in the administration of such programs can be maximized. Such report shall be submitted to Congress along with the President’s budget request for fiscal year 1988.

(d) Limitation

Notwithstanding any other provision of this chapter, no action under this chapter by an Indian tribe shall be barred until the later of the following:

(1) The applicable period of limitations has expired.

(2) 2 years after the United States, in its capacity as trustee for the tribe, gives written notice to the governing body of the tribe that it will not present a claim or commence an action on behalf of the tribe or fails to present a claim or commence an action within the time limitations specified in this chapter.

material, or the product to be made from the recyclable material could have been a replacement or substitute for a product made, in whole or in part, from a virgin raw material.

(5) For transactions occurring 90 days or more after November 29, 1999, the person exercised reasonable care to determine that the facility where the recyclable material was handled, processed, reclaimed, or otherwise managed by another person (hereinafter in this section referred to as a "consuming facility") was in compliance with substantive (not procedural or administrative) provisions of any Federal, State, or local environmental law or regulation, or compliance order or decree issued pursuant thereto, applicable to the handling, processing, reclamation, storage, or other management activities associated with recyclable material.

(6) For purposes of this subsection, "reasonable care" shall be determined using criteria that include (but are not limited to)—

(A) the price paid in the recycling transaction;

(B) the ability of the person to detect the nature of the consuming facility's operations concerning its handling, processing, reclamation, or other management activities associated with recyclable material; and

(C) the result of inquiries made to the appropriate Federal, State, or local environmental agency (or agencies) regarding the consuming facility's past and current compliance with substantive (not procedural or administrative) provisions of any Federal, State, or local environmental law or regulation, or compliance order or decree issued pursuant thereto, applicable to the handling, processing, reclamation, storage, or other management activities associated with the recyclable material. For the purposes of this paragraph, a requirement to obtain a permit pursuant thereto, regarding the storage, transport, management, or other activities associated with the recyclable materials shall be deemed to be a substantive provision.

(d) Transactions involving scrap metal

(1) Transactions involving scrap metal shall be deemed to be arranging for recycling if the person who arranged for the transaction (by selling recyclable material or otherwise arranging for the recycling of recyclable material) can demonstrate by a preponderance of the evidence that at the time of the transaction—

(A) the person met the criteria set forth in subsection (c) with respect to the scrap metal; or

(B) with respect to transactions involving scrap metal that the Administrator promulgates under the Solid Waste Disposal Act [42 U.S.C. 6901 et seq.] subsequent to November 29, 1999, and with regard to transactions occurring after the effective date of such regulations or standards; and

(C) the person did not melt the scrap metal prior to the transaction.

(2) For purposes of paragraph (1)(C), melting of scrap metal does not include the thermal separation of 2 or more materials due to differences in their melting points (referred to as "sweating").

(3) For purposes of this subsection, the term "scrap metal" means bits and pieces of metal parts (e.g., bars, turnings, rods, sheets, wire) or metal pieces that may be combined together with bolts or soldering (e.g., radiators, scrap automobiles, railroad box cars), which when worn or superfluous can be recycled, except for scrap metals that the Administrator excludes from this definition by regulation.

(e) Transactions involving batteries

Transactions involving spent lead-acid batteries, spent nickel-cadmium batteries, or other spent batteries shall be deemed to be arranging for recycling if the person who arranged for the transaction (by selling recyclable material or otherwise arranging for the recycling of recyclable material) can demonstrate by a preponderance of the evidence that at the time of the transaction—

(1) the person met the criteria set forth in subsection (c) with respect to the spent lead-acid batteries, spent nickel-cadmium batteries, or other spent batteries, but the person did not recover the valuable components of such batteries; and

(2)(A) with respect to transactions involving lead-acid batteries, the person was in compliance with applicable Federal environmental regulations or standards, and any amendments thereto, regarding the storage, transport, management, or other activities associated with the recycling of spent lead-acid batteries; and

(B) with respect to transactions involving nickel-cadmium batteries, Federal environmental regulations or standards are in effect regarding the storage, transport, management, or other activities associated with the recycling of spent nickel-cadmium batteries, and the person was in compliance with applicable regulations or standards or any amendments thereto; or

(C) with respect to transactions involving other spent batteries, Federal environmental regulations or standards are in effect regarding the storage, transport, management, or other activities associated with the recycling of such batteries, and the person was in compliance with applicable regulations or standards or any amendments thereto.

(f) Exclusions

(1) The exemptions set forth in subsections (c), (d), and (e) shall not apply if—

(A) the person had an objectively reasonable basis to believe at the time of the recycling transaction—

(i) that the recyclable material would not be recycled;

(ii) that the recyclable material would be burned as fuel, or for energy recovery or incineration; or

(iii) for transactions occurring before 90 days after November 29, 1999, that the consuming facility was not in compliance with a substantive (not procedural or administrative) provision of any Federal, State, or local environmental law or regulation, or compliance order or decree issued pursuant
(l) Limitation on statutory construction

Nothing in this section shall be construed to—
(1) affect any defenses or liabilities of any person to whom subsection (a)(1) does not apply; or
(2) create any presumption of liability against any person to whom subsection (a)(1) does not apply.


References in Text


Superfund Recycling Equity: Purposes

Pub. L. 106–113, div. B, §1000(a)(9) [title VI, §6001(a)], Nov. 29, 1999, 113 Stat. 1536, 1501A–598, provided that—“The purposes of this section [enacting this section] are—
(1) to promote the reuse and recycling of scrap material in furtherance of the goals of waste minimization and natural resource conservation while protecting human health and the environment;
(2) to create greater equity in the statutory treatment of recycled versus virgin materials; and
(3) to remove the disincentives and impediments to recycling created as an unintended consequence of the 1980 Superfund liability provisions.”

§9628. State response programs

(a) Assistance to States

(1) In general

(A) States

The Administrator may award a grant to a State or Indian tribe that—
(i) has a response program that includes each of the elements, or is taking reasonable steps to include each of the elements, listed in paragraph (2); or
(ii) is a party to a memorandum of agreement with the Administrator for voluntary response programs.

(B) Use of grants by States

(i) In general

A State or Indian tribe may use a grant under this subsection to establish or enhance the response program of the State or Indian tribe.

(ii) Additional uses

In addition to the uses under clause (i), a State or Indian tribe may use a grant under this subsection to—
(I) capitalize a revolving loan fund for brownfield remediation under section 9604(k)(3) of this title;
(II) purchase insurance or develop a risk sharing pool, an indemnity pool, or insurance mechanism to provide financing for response actions under a State response program; or
(III) assist small communities, Indian tribes, rural areas, or disadvantaged...
areas in carrying out activities described in section 9604(k)(7)(A) of this title with respect to brownfield sites.

(iii) Small communities, Indian tribes, rural areas, and disadvantaged areas

(I) In general

To make grants to States or Indian tribes under clause (ii)(III), the Administrator may use, in addition to amounts available to carry out this subsection, not more than $1,500,000 of the amounts made available to carry out section 9604(k)(7) of this title in each fiscal year.

(II) Limitation

Each grant made under subclause (I) may be not more than $20,000.

(III) Inclusion in other grants

The Administrator may, at the request of a State or Indian tribe, include a grant under this clause in any other grant to the State or Indian tribe made under this subsection.

(iv) Definitions

In this subparagraph:

(I) Disadvantaged area

The term “disadvantaged area” means a community with an annual median household income that is less than 80 percent of the statewide annual median household income, as determined by the President based on the latest available decennial census.

(II) Small community

The term “small community” means a community with a population of not more than 15,000 individuals, as determined by the President based on the latest available decennial census.

(2) Elements

The elements of a State or Indian tribe response program referred to in paragraph (1)(A)(i) are the following:

(A) Timely survey and inventory of brownfield sites in the State.

(B) Oversight and enforcement authorities or other mechanisms, and resources, that are adequate to ensure that—

(i) a response action will—

(I) protect human health and the environment; and

(II) be conducted in accordance with applicable Federal and State law; and

(ii) if the person conducting the response action fails to complete the necessary response activities, including operation and maintenance or long-term monitoring activities, the necessary response activities are completed.

(C) Mechanisms and resources to provide meaningful opportunities for public participation, including—

(i) public access to documents that the State, Indian tribe, or party conducting the cleanup is relying on or developing in making cleanup decisions or conducting site activities;

(ii) prior notice and opportunity for comment on proposed cleanup plans and site activities; and

(iii) a mechanism by which—

(I) a person that is or may be affected by a release or threatened release of a hazardous substance, pollutant, or contaminant at a brownfield site located in the community in which the person works or resides may request the conduct of a site assessment; and

(II) an appropriate State official shall consider and appropriately respond to a request under subclause (I).

(D) Mechanisms for approval of a cleanup plan, and a requirement for verification by and certification or similar documentation from the State, an Indian tribe, or a licensed site professional to the person conducting a response action indicating that the response is complete.

(3) Funding

There is authorized to be appropriated to carry out this subsection $50,000,000 for each of fiscal years 2019 through 2023.

(b) Enforcement in cases of a release subject to State program

(1) Enforcement

(A) In general

Except as provided in subparagraph (B) and subject to subparagraph (C), in the case of an eligible response site at which—

(i) there is a release or threatened release of a hazardous substance, pollutant, or contaminant; and

(ii) a person is conducting or has completed a response action regarding the specific release that is addressed by the response action that is in compliance with the State program that specifically governs response actions for the protection of public health and the environment,

the President may not use authority under this chapter to take an administrative or judicial enforcement action under section 9606(a) of this title or to take a judicial enforcement action to recover response costs under section 9607(a) of this title against the person regarding the specific release that is addressed by the response action.

(B) Exceptions

The President may bring an administrative or judicial enforcement action under this chapter during or after completion of a response action described in subparagraph (A) with respect to a release or threatened release at an eligible response site described in that subparagraph if—

(i) the State requests that the President provide assistance in the performance of a response action;

(ii) the Administrator determines that contamination has migrated or will migrate across a State line, resulting in the need for further response action to protect human health or the environment, or the President determines that contamination
has migrated or is likely to migrate onto property subject to the jurisdiction, custody, or control of a department, agency, or instrumentality of the United States and may impact the authorized purposes of the Federal property; (iii) after taking into consideration the response activities already taken, the Administrator determines that—

(I) a release or threatened release may present an imminent and substantial endangerment to public health or welfare or the environment; and

(II) additional response actions are likely to be necessary to address, prevent, limit, or mitigate the release or threatened release; or

(iv) the Administrator, after consultation with the State, determines that information, that on the earlier of the date on which cleanup was approved or completed, was not known by the State, as recorded in documents prepared or relied on in selecting or conducting the cleanup, has been discovered regarding the contamination or conditions at a facility such that the contamination or conditions at the facility present a threat requiring further remediation to protect public health or welfare or the environment. Consultation with the State shall not limit the ability of the Administrator to make this determination.

(C) Public record

The limitations on the authority of the Administrator under subparagraph (A) apply only at sites in States that maintain, update not less than annually, and make available to the public a record of sites, by name and location, at which response actions have been completed in the previous year and are planned to be addressed under the State program that specifically governs response actions for the protection of public health and the environment in the upcoming year. The public record shall identify whether or not the site, on completion of the response action, will be suitable for unrestricted use and, if not, shall identify the institutional controls relied on in the remedy. Each State and tribe receiving financial assistance under subsection (a) shall maintain and make available to the public a record of sites as provided in this paragraph.

(D) EPA notification

(i) In general

In the case of an eligible response site at which there is a release or threatened release of a hazardous substance, pollutant, or contaminant and for which the Administrator intends to carry out an action that may be barred under subparagraph (A), the Administrator shall—

(I) notify the State of the action the Administrator intends to take; and

(II) after taking into consideration the response activities already taken, the Administrator determines that—

(i) the release at the eligible response site is or has been subject to a cleanup conducted under a State program; and

(ii) the State is planning to abate the release or threatened release, any actions that are planned.

(iii) Immediate Federal action

The Administrator may take action immediately after giving notification under clause (i) without waiting for a State reply under clause (ii) if the Administrator determines that one or more exceptions under subparagraph (B) are met.

(E) Report to Congress

Not later than 90 days after the date of initiation of any enforcement action by the President under clause (ii), (iii), or (iv) of subparagraph (B), the President shall submit to Congress a report describing the basis for the enforcement action, including specific references to the facts demonstrating that enforcement action is permitted under subparagraph (B).

(2) Savings provision

(A) Costs incurred prior to limitations

Nothing in paragraph (1) precludes the President from seeking to recover costs incurred prior to January 11, 2002, or during a period in which the limitations of paragraph (1)(A) were not applicable.

(B) Effect on agreements between States and EPA

Nothing in paragraph (1)—

(i) modifies or otherwise affects a memorandum of agreement, memorandum of understanding, or any similar agreement relating to this chapter between a State agency or an Indian tribe and the Administrator that is in effect on or before January 11, 2002 (which agreement shall remain in effect, subject to the terms of the agreement); or

(ii) limits the discretionary authority of the President to enter into or modify an agreement with a State, an Indian tribe, or any other person relating to the implementation by the President of statutory authorities.

(3) Effective date

This subsection applies only to response actions conducted after February 15, 2001.

(c) Effect on Federal laws

Nothing in this section affects any liability or response authority under any Federal law, including—

(1) this chapter, except as provided in subsection (b); and

(2) the Solid Waste Disposal Act (42 U.S.C. 6901 et seq.);
(3) the Federal Water Pollution Control Act (33 U.S.C. 1251 et seq.);
(4) the Toxic Substances Control Act (15 U.S.C. 2601 et seq.); and
(5) the Safe Drinking Water Act (42 U.S.C. 300f et seq.).


REFERENCES IN TEXT
This chapter, referred to in subsec. (b)(1)(A), (B), (2)(B)(i) and (c)(1), was in the original “this Act”, meaning Pub. L. 96–510, Dec. 11, 1980, 94 Stat. 2767, known as the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 9601 of this title and Tables.


The Federal Water Pollution Control Act, referred to in subsec. (c)(3), is act June 30, 1948, ch. 738, as amended generally by Pub. L. 92–500, §2, Oct. 18, 1972, 86 Stat. 816, which is classified generally to chapter 26 (§1251 et seq.) of this title, Navigation and Navigable Waters, for complete classification of this Act to the Code, see Short Title note set out under section 1251 of Title 33 and Tables.

The Toxic Substances Control Act, referred to in subsec. (c)(4), is Pub. L. 92–500, §2, Oct. 18, 1972, 86 Stat. 816, which is classified generally to chapter 26 (§1251 et seq.) of this title, Commerce and Trade. For complete classification of this Act to the Code, see Short Title note set out under section 1251 of Title 15 and Tables.

The Safe Drinking Water Act, referred to in subsec. (c)(5), is title XIV of act July 1, 1944, as added Dec. 16, 1974, Pub. L. 93–523, §2(a), 88 Stat. 1660, which is classified generally to subchapter XII (§300f et seq.) of chapter 53 (§2601 et seq.) of this title, which is classified generally to chapter 53 (§2601 et seq.) of Title 26, Internal Revenue Code.

AMENDMENTS
Subsec. (a)(3), Pub. L. 115–141, §15, amended subsec. (a) generally. Prior to amendment, text read as follows: ’’There is authorized to be appropriated for carrying out this subsection $50,000,000 for each of fiscal years 2002 through 2006.’’

SUBCHAPTER III—MISCELLANEOUS PROVISIONS


EFFECTIVE DATE OF REPEAL

PART B—POST-CLOSURE LIABILITY TRUST FUND


EFFECTIVE DATE OF REPEAL
Pub. L. 99–499, title V, §514(c), Oct. 17, 1986, 100 Stat. 1767, provided that:

“(1) IN GENERAL.—The amendments made by this section (repealing this section and sections 4681 and 4682 of Title 26, Internal Revenue Code) shall take effect on October 1, 1983.

“(2) WAIVER OF STATUTE OF LIMITATIONS.—If on the date of the enactment of this Act (Oct. 17, 1986) (or at any time within 1 year after such date of enactment) refund or credit of any overpayment of tax resulting from the application of this section is barred by any law or rule of law, refund or credit of such overpayment shall, nevertheless, be made or allowed if claim therefor is filed before the date 1 year after the date of the enactment of this Act.”

SUBCHAPTER III—MISCELLANEOUS PROVISIONS

§9651. Reports and studies

(a) Implementation experiences; identification and disposal of waste

(1) The President shall submit to the Congress, within four years after December 11, 1980, a comprehensive report on experience with the implementation of this chapter including, but not limited to—

(A) the extent to which the chapter and Fund are effective in enabling Government to respond to and mitigate the effects of releases of hazardous substances;

(B) a summary of past receipts and disbursements from the Fund;

(C) a projection of any future funding needs remaining after the expiration of authority to collect taxes, and of the threat to public health, welfare, and the environment posed by the projected releases which create any such needs;

(D) the record and experience of the Fund in recovering Fund disbursements from liable parties;

(E) the record of State participation in the system of response, liability, and compensation established by this chapter;

(F) the impact of the taxes imposed by subchapter II1 of this chapter on the Nation’s balance of trade with other countries;

(G) an assessment of the feasibility and desirability of a schedule of taxes which would take into account one or more of the following: the likelihood of a release of a hazardous

1See References in Text note below.
substance, the degree of hazard and risk of harm to public health, welfare, and the environ-
ment resulting from any such release, incen-
tives to proper handling, recycling, incin-
eration, and neutralization of hazardous wastes, and disincentives to improper or illegal handling or disposal of hazardous mate-
rials, administrative and reporting burdens on Government and industry, and the extent to which the tax burden falls on the substances and parties which create the problems ad-
dressed by this chapter. In preparing the re-
port, the President shall consult with appro-
priate Federal, State, and local agencies, af-
fected industries and claimants, and such other interested parties as he may find useful. Based upon the analyses and consultation re-
quired by this subsection, the President shall also include in the report any recommenda-
tions for legislative changes he may deem nec-
essary for the better efectuation of the pur-
poses of this chapter, including but not lim-
ited to recommendations concerning author-
ization levels, taxes, State participation, li-
bility and liability limits, and financial re-
 sponsibility provisions for the Response Trust 
Fund and the Post-closure Liability Trust Fund; 

(2) The Administrator of the Environmental Protection Agency (in consultation with the Secretary of the Treasury) shall submit to the Congress (i) within four years after December 11, 1980, a report identifying additional wastes desig-
ated by rule as hazardous after the effective date of this chapter and pursuant to section 3001 of the Solid Waste Disposal Act [42 U.S.C. 6921] and recommendations on appropriate tax rates for such wastes for the Post-closure Liability Trust Fund. The report shall, in addition, rec-
ommend a tax rate, considering the quantity and potential danger to human health and the environment posed by the disposal of any wastes which the Administrator, pursuant to sub-
section 3001(b)(2)(B) and subsection 3001(b)(3)(A) of the Solid Waste Disposal Act of 1980 [42 U.S.C. 6921(b)(2)(B) and 6921(b)(3)(A)], has determined should be subject to regulation under subtitle C of such Act [42 U.S.C. 6921 et seq.], (ii) within three years after December 11, 1980, a report on the necessity for and the adequacy of the revenue raised, in relation to estimated future re-
quirements, of the Post-closure Liability Trust Fund.

(b) Private insurance protection 

The President shall conduct a study to deter-
mine (1) whether adequate private insurance protection is available on reasonable terms and con-
tions to the owners and operators of ves-
sels and facilities subject to liability under sec-
tion 9607 of this title, and (2) whether the mar-
ket for such insurance is sufficiently competi-
tive to assure purchasers of features such as a reasonable range of deductibles, coinsurance provisions, and exclusions. The President shall sub-
mit the results of his study, together with his recommendations, within two years of De-
cember 11, 1980, and shall submit an interim re-
port on his study within one year of December 11, 1980.

(c) Regulations respecting assessment of dam-
ages to natural resources 

(1) The President, acting through Federal offi-
cials designated by the National Contingency Plan published under section 9605 of this title, shall study and, not later than two years after December 11, 1980, shall promulgate regulations for the assessment of damages for injury to, de-
struction of, or loss of natural resources result-
ing from a release of oil or a hazardous sub-
stance for the purposes of this chapter and sec-
tion 1321(f)(4) and (5) of title 33. Notwithstanding the failure of the President to promulgate the regulations required under this subsection on the required date, the President shall promul-
gate such regulations not later than 6 months after October 17, 1986.

(2) Such regulations shall specify (A) standard procedures for simplified assessments requiring minimal field observation, including establishing measures of damages based on units of dis-
charge or release or units of affected area, and (B) alternative protocols for conducting assess-
ments in individual cases to determine the type and extent of short- and long-term injury, de-
struction, or loss. Such regulations shall iden-
tify the best available procedures to determine such damages, including both direct and indirect injury, destruction, or loss and shall take into consideration factors including, but not limited to, replacement value, use value, and ability of the ecosystem or resource to recover.

(3) Such regulations shall be reviewed and re-
vised as appropriate every two years.

(d) Issues, alternatives, and policy consider-
ations involving selection of locations for 

waste treatment, storage, and disposal facili-
ties 

The Administrator of the Environmental Pro-
tection Agency shall, in consultation with other Federal agencies and appropriate representa-
tives of State and local governments and non-
governmental agencies, conduct a study and re-
port to the Congress within two years of Decem-
ber 11, 1980, on the issues, alternatives, and policy considerations involved in the selection of locations for hazardous waste treatment, stor-
age, and disposal facilities. This study shall in-
clude— 

(A) an assessment of current and projected treatment, storage, and disposal capacity needs and shortfalls for hazardous waste by management category on a State-by-State basis; 

(B) an evaluation of the appropriateness of a regional approach to siting and designing haz-
ardous waste management facilities and the identifica-
tion of hazardous waste management needs; 

(C) solicitation and analysis of proposals for 

the construction and operation of hazardous
(e) Adequacy of existing common law and statutory remedies

(1) In order to determine the adequacy of existing common law and statutory remedies in providing legal redress for harm to man and the environment caused by the release of hazardous substances into the environment, there shall be submitted to the Congress a study within twelve months of December 11, 1980.

(2) This study shall be conducted with the assistance of the American Bar Association, the American Law Institute, the Association of American Trial Lawyers, and the National Association of State Attorneys General with the President of each entity selecting three members from each organization to conduct the study. The study chairman and one reporter shall be elected from among the twelve members of the study group.

(3) As part of their review of the adequacy of existing common law and statutory remedies, the study group shall evaluate the following:

(A) the nature, adequacy, and availability of existing remedies under present law in compensating for harm to man from the release of hazardous substances;

(B) the nature of barriers to recovery (particularly with respect to burdens of going forward and of proof and relevancy) and the role such barriers play in the legal system;

(C) the scope of the evidentiary burdens placed on the plaintiff in proving harm from the release of hazardous substances, particularly in light of the scientific uncertainty over causation with respect to—

(i) carcinogens, mutagens, and teratogens, and

(ii) the human health effects of exposure to low doses of hazardous substances over long periods of time;

(D) the nature and adequacy of existing remedies under present law in providing compensation for damages to natural resources from the release of hazardous substances;

(E) the scope of liability under existing law and the consequences, particularly with respect to obtaining insurance, of any changes in such liability;

(F) barriers to recovery posed by existing statutes of limitations.

(4) The report shall be submitted to the Congress with appropriate recommendations. Such recommendations shall explicitly address—

(A) the need for revisions in existing statutory or common law, and

(B) whether such revisions should take the form of Federal statutes or the development of a model code which is recommended for adoption by the States.

(5) The Fund shall pay administrative expenses incurred for the study. No expenses shall be available to pay compensation, except expenses on a per diem basis for the one reporter, but in no case shall the total expenses of the study exceed $300,000.

(f) Modification of national contingency plan

The President, acting through the Administrator of the Environmental Protection Agency, the Secretary of Transportation, the Administrator of the Occupational Safety and Health Administration, and the Director of the National Institute for Occupational Safety and Health shall study and, not later than two years after December 11, 1980, shall modify the national contingency plan to provide for the protection of the health and safety of employees involved in response actions.

(g) Insurability study

(1) Study by Comptroller General

The Comptroller General of the United States, in consultation with the persons described in paragraph (2), shall undertake a study to determine the insurability, and effects on the standard of care, of the liability of each of the following:

(A) Persons who generate hazardous substances: liability for costs and damages under this chapter.

(B) Persons who own or operate facilities: liability for costs and damages under this chapter.

(C) Persons liable for injury to persons or property caused by the release of hazardous substances into the environment.

(2) Consultation

In conducting the study under this subsection, the Comptroller General shall consult with the following:

(A) Representatives of the Administrator.

(B) Representatives of persons described in subparagraphs (A) through (C) of the preceding paragraph.

(C) Representatives (i) of groups or organizations comprised generally of persons adversely affected by releases or threatened releases of hazardous substances and (ii) of groups organized for protecting the interests of consumers.

(D) Representatives of property and casualty insurers.

(E) Representatives of reinsurers.

(F) Persons responsible for the regulation of insurance at the State level.

(3) Items evaluated

The study under this section shall include, among other matters, an evaluation of the following:

(A) Current economic conditions in, and the future outlook for, the commercial market for insurance and reinsurance.
Chapter and sections 4611, 4612, 4661, 4662, 4681, and 4682 of the Revenue Act of 1980, which enacted subchapter II of this chapter, section 6911a of this title, and sections 1 and 4611 of Title 26. For complete classification of this title and sections 1 and 4611 of Title 26, see Short Title note set out under section 6901 of this title and Tables.

References in Text

This chapter, referred to in subsecs. (a)(1)(A), (E), (G), (c)(1), and (g), was in the original "this Act", meaning Pub. L. 96–510, Dec. 11, 1980, 94 Stat. 2767, as amended, known as the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, which enacted this chapter, section 6911a of this title, and sections 4611, 4612, 4661, 4662, 4681, and 4682 of Title 26, Internal Revenue Code, amended section 6911 of this title, section 3004 of Title 33, Navigation and Navigable Waters, and section 11901 of Title 49, Transportation, and enacted provisions set out as notes under section 6901 of this title and sections 1 and 4611 of Title 26. For complete classification of this Act to the Code, see Short Title note set out under section 6901 of this title and Tables.

Subchapter II of this chapter, referred to in subsec. (a)(1)(F), was in the original "title II of this Act", meaning title II of Pub. L. 96–510, Dec. 11, 1980, 94 Stat. 2767, known as the Hazardous Substance Response Revenue Act of 1980, which enacted subchapter II of this chapter and sections 4611, 4612, 4661, 4662, 4681, and 4682 of Title 26, Sections 221 to 223 and 232 of Pub. L. 96–510, which were classified to sections 9631 to 9633 and 9641 of this title, comprising subchapter II of this chapter, were repealed by Pub. L. 99–499, title V, §§314(b), 517(c)(1), Oct. 17, 1986, 100 Stat. 1767, 1774. For complete classification of title II to the Code, see Short Title of 1980 Amendment note set out under section 1 of Title 26 and Tables.

For effective date of this chapter, referred to in subsec. (a)(2), see section 9652 of this title.

Subsection 3001(b)(2)(B) and subsection 3001(b)(3)(A) of the Solid Waste Disposal Act of 1980, referred to in subsec. (a)(2), probably mean section 3001(b)(2)(B) and (3)(A) of the Solid Waste Disposal Act, as amended by the Solid Waste Disposal Act Amendments of 1980, which enacted section 6921(b)(2)(B) and (3)(A) of this title.


Codification

Subsec. (h) of this section, which required the Administrator of the Environmental Protection Agency to submit an annual report to Congress and the Comptroller General of the United States each October, was in the Act as originally enacted, and was redesignated as subsection (h) effective October 17, 1986. The following subsection (h) was added by Pub. L. 99–514, §208, Oct. 22, 1986: "The Comptroller General shall submit a report to the Congress on the results of the study required under subsection (a) of this section, which shall be effective on December 11, 1986. The report shall—

(A) contain information on the status of the implementation of this chapter, the progress achieved in implementing this chapter, the fiscal year covered by the report, and the progress achieved in implementing this chapter during the preceding fiscal year, the Inspector General of the Agency to review the report for reasonableness and accuracy and submit to Congress, as a part of that report, a report on the results of the review, and required the appropriate authorizing committees of Congress to conduct oversight hearings to ensure that this chapter is being implemented according to the purposes of this chapter and congressional intent in enacting this chapter, terminated, effective May 15, 2000, pursuant to section 3003 of Pub. L. 104–66, as amended, set out as a note under section 1113 of Title 31, Money and Finance. See also, the 5th item on page 164 of House Document No. 103–7.

Amendments


Subsec. (c)(1). Pub. L. 99–499, §107(d)(3), inserted at end "Notwithstanding the failure of the President to promulgate the regulations required under this subsection on the required date, the President shall promulgate such regulations not later than 6 months after October 17, 1986."


§9652. Effective dates; savings provisions

(a) Unless otherwise provided, all provisions of this chapter shall be effective on December 11, 1980.

(b) Any regulation issued pursuant to any provision of this chapter and congressional intent in enacting this chapter, shall be deemed to be a regulation issued pursuant to the authority of this chapter and shall remain in full force and effect unless or until superseded by new regulations issued thereunder.

(c) Any regulation—

(1) respecting financial responsibility,

(2) issued pursuant to any provision of law repealed or superseded by this chapter, and

(3) in effect on the date immediately preceding the effective date of this chapter shall be deemed to be a regulation issued pursuant to...
the authority of this chapter and shall remain in full force and effect unless or until superseded by new regulations issued thereunder.

(d) Nothing in this chapter shall affect or modify in any way the obligations or liabilities of any person under other Federal or State law, including common law, with respect to releases of hazardous substances or other pollutants or contaminants. The provisions of this chapter shall not be considered, interpreted, or construed in any way as reflecting a determination, in part or whole, of policy regarding the inapplicability of strict liability, or strict liability doctrines, to activities relating to hazardous substances, pollutants, or contaminants or other such activities.


REFERENCES IN TEXT

This chapter, referred to in subsecs. (a), (b), (c)(2), (3), and (d), was in the original “this Act”, meaning Pub. L. 96–510, Dec. 11, 1980, 94 Stat. 2767, known as the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 9601 of this title and Tables.


EFFECTIVE DATE OF REPEAL

Repeal effective Jan. 1, 1987, see section 511(c) of Pub. L. 99–499, set out as an Effective Date of 1986 Amendment note under section 4611 of Title 26, Internal Revenue Code.

§ 9654. Applicability of Federal water pollution control funding, etc., provisions

(a) Omitted

(b) One-half of the unobligated balance remaining before December 11, 1980, under subsection (k) of section 1321 of title 33 and all sums appropriated under section 1364(b) of title 33 shall be transferred to the Fund established under subchapter II of this chapter.

(c) In any case in which any provision of section 1321 of title 33 is determined to be in conflict with any provisions of this chapter, the provisions of this chapter shall apply.


REFERENCES IN TEXT

Subsection (k) of section 1321 of title 33, referred to in subsec. (b), was repealed by Pub. L. 101–380, title V, §§514(b), 517(c)(1), Oct. 17, 1986, 100 Stat. 2767, 2774. For complete classification of title II to the Code, see Short Title note set out under section 1 of Title 26 and Tables.

This chapter, referred to in subsec. (c), was in the original “this Act”, meaning Pub. L. 96–510, Dec. 11, 1980, 94 Stat. 2767, known as the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 9601 of this title and Tables.

CODIFICATION

Subsec. (a) of this section repealed section 1364(b) of Title 33, Navigation and Navigable Waters.

§ 9655. Legislative veto of rule or regulation

(a) Transmission to Congress upon promulgation or repromulgation of rule or regulation; disapproval procedures

Notwithstanding any other provision of law, simultaneously with promulgation or repromulgation of any rule or regulation under authority of subchapter I of this chapter, the head of the department, agency, or instrumentality promulgating such rule or regulation shall transmit a copy thereof to the Secretary of the Senate and the Clerk of the House of Representatives. Except as provided in subsection (b) of this section, the rule or regulation shall not become effective, if—

(1) within ninety calendar days of continuous session of Congress after the date of promulgation, both Houses of Congress adopt a concurrent resolution, the matter after the resolving clause of which is as follows: “That Congress disapproves the rule or regulation promulgated by the … dealing with the matter of …”, the blank spaces therein being appropriately filled; or

(2) within sixty calendar days of continuous session of Congress after the date of promulgation, one House of Congress adopts such a concurrent resolution and transmits such resolution to the other House, and such resolution is not disapproved by such other House within thirty calendar days of continuous session of Congress after such transmission.

(b) Approval; effective dates

If, at the end of sixty calendar days of continuous session of Congress after the date of promulgation of a rule or regulation, no committee of either House of Congress has reported or been discharged from further consideration of a concurrent resolution disapproving the rule or regulation and neither House has adopted such a resolution, the rule or regulation may go into effect immediately. If, within such sixty calendar days, such a committee has reported or been discharged from further consideration of such a resolution, or either House has adopted such a resolution, the rule or regulation may go into effect not sooner than ninety calendar days of continuous session of Congress after such rule is prescribed unless disapproved as provided in subsection (a) of this section.
(c) Sessions of Congress as applicable
For purposes of subsections (a) and (b) of this section—
(1) continuity of session is broken only by an adjournment of Congress sine die; and
(2) the days on which either House is not in session because of an adjournment of more than three days to a day certain are excluded in the computation of thirty, sixty, and ninety calendar days of continuous session of Congress.

(d) Congressional inaction on, or rejection of, resolution of disapproval
Congressional inaction on, or rejection of, a resolution of disapproval shall not be deemed an expression of approval of such rule or regulation.


§ 9656. Transportation of hazardous substances; listing as hazardous material; liability for release
(a) Each hazardous substance which is listed or designated as provided in section 9601(14) of this title shall, within 30 days after October 17, 1986, or at the time of such listing or designation, whichever is later, be listed and regulated as a hazardous material under chapter 51 of title 49.

(b) A common or contract carrier shall be liable under other law in lieu of section 9607 of this title for damages or remedial action resulting from the release of a hazardous substance during the course of transportation which commenced prior to the effective date of the listing and regulation of such substance as a hazardous material under chapter 51 of title 49, or for substances listed pursuant to subsection (a) of this section, prior to the effective date of such listing:

Provided, however, That this subsection shall not apply where such a carrier can demonstrate that he did not have actual knowledge of the identity or nature of the substance released.


Codification
In subsecs. (a) and (b), “chapter 51 of title 49” substituted for “the Hazardous Materials Transportation Act (49 U.S.C. 1801 et seq.)” on authority of Pub. L. 103–272, §§ 6(b), July 5, 1994, 108 Stat. 1378, the first section of which enacted subtitles II, III, and V to X of Title 49, Transportation.

Amendments
1986—Subsec. (a). Pub. L. 99–499, § 202(a), substituted “within 30 days after October 17, 1986” for “within ninety days after December 11, 1980” and inserted “and regulated” before “as a hazardous material”.

Subsec. (b). Pub. L. 99–499, § 202(b), inserted “and regulation” after “prior to the effective date of the listing”.

§ 9657. Separability; contribution
If any provision of this chapter, or the application of any provision of this chapter to any person or circumstance, is held invalid, the application of such provision to other persons or circumstances and the remainder of this chapter shall not be affected thereby. If an administrative settlement under section 9622 of this title has the effect of limiting any person’s right to obtain contribution from any party to such settlement, and if the effect of such limitation would constitute a taking without just compensation in violation of the fifth amendment of the Constitution of the United States, such person shall not be entitled, under other laws of the United States, to recover compensation from the United States for such taking, but in any such case, such limitation on the right to obtain contribution shall be treated as having no force and effect.


References in Text
This chapter, referred to in text, was in the original “this Act”, meaning Pub. L. 96–510, Dec. 11, 1980, 94 Stat. 2767, as amended, known as the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, which enacted this chapter, section 6911a of this title and sections 6911, 6912, 4611, 4612, 4613, 4621, 4622, 4623, and 4624 of Title 49, Transportation, and enacted provisions set out as notes under section 9611 of this title and sections 1 and 4611 of Title 26. For complete classification of this Act to the Code, see Short Title note set out under section 9601 of this title and Tables.

Amendments
1986—Pub. L. 99–499 inserted sentence at end relating to administrative settlements under section 9622 of this title which have effect of limiting any person’s right to obtain contribution from any party to such settlement.

§ 9658. Actions under State law for damages from exposure to hazardous substances
(a) State statutes of limitations for hazardous substance cases

(1) Exception to State statutes
In the case of any action brought under State law for personal injury, or property damages, which are caused or contributed to by exposure to any hazardous substance, or pollutant or contaminant, released into the environment from a facility, if the applicable limitations period for such action (as specified in the State statute of limitations or under common law) provides a commencement date which is earlier than the federally required commencement date, such period shall commence at the federally required commencement date in lieu of the date specified in such State statute.

(2) State law generally applicable
Except as provided in paragraph (1), the statute of limitations established under State law shall apply in all actions brought under State law for personal injury, or property damages, which are caused or contributed to by exposure to any hazardous substance, or pollutant or contaminant, released into the environment from a facility.
(3) Actions under section 9607

Nothing in this section shall apply with respect to any cause of action brought under section 9607 of this title.

(b) Definitions

As used in this section—

(1) Subchapter I terms

The terms used in this section shall have the same meaning as when used in subchapter I of this chapter.

(2) Applicable limitations period

The term “applicable limitations period” means the period specified in a statute of limitations during which a civil action referred to in subsection (a)(1) may be brought.

(3) Commencement date

The term “commencement date” means the date specified in a statute of limitations as the beginning of the applicable limitations period.

(4) Federally required commencement date

(A) In general

Except as provided in subparagraph (B), the term “federally required commencement date” means the date the plaintiff knew (or reasonably should have known) that the personal injury or property damages referred to in subsection (a)(1) were caused or contributed to by the hazardous substance or pollutant or contaminant concerned.

(B) Special rules

In the case of a minor or incompetent plaintiff, the term “federally required commencement date” means the later of the date referred to in subparagraph (A) or the following:

(i) In the case of a minor, the date on which the minor reaches the age of majority, as determined by State law, or has a legal representative appointed.

(ii) In the case of an incompetent individual, the date on which such individual becomes competent or has had a legal representative appointed.


§ 9659. Citizens suits

(a) Authority to bring civil actions

Except as provided in subsections (d) and (e) of this section and in section 9613(h) of this title (relating to timing of judicial review), any person may commence a civil action on his own behalf—

(1) against any person (including the United States and any other governmental instrumentality or agency, to the extent permitted by the eleventh amendment to the Constitution) who is alleged to be in violation of any standard, regulation, condition, requirement, or order which has become effective pursuant to this chapter (including any provision of an agreement under section 9620 of this title, relating to Federal facilities); or

(2) against the President or any other officer of the United States (including the Administrator of the Environmental Protection Agency and the Administrator of the ATSDR) where there is alleged a failure of the President or of such other officer to perform any act or duty under this chapter, including an act or duty under section 9620 of this title (relating to Federal facilities), which is not discretionary with the President or such other officer.

Paragraph (2) shall not apply to any act or duty under the provisions of section 9660 of this title (relating to research, development, and demonstration).

(b) Venue

(1) Actions under subsection (a)(1)

Any action under subsection (a)(1) shall be brought in the district court for the district in which the alleged violation occurred.

(2) Actions under subsection (a)(2)

Any action brought under subsection (a)(2) may be brought in the United States District Court for the District of Columbia.

(c) Relief

The district court shall have jurisdiction in actions brought under subsection (a)(1) to enforce the standard, regulation, condition, requirement, or order concerned (including any provision of an agreement under section 9620 of this title), to order such action as may be necessary to correct the violation, and to impose any civil penalty provided for the violation. The district court shall have jurisdiction in actions brought under subsection (a)(2) to order the President or other officer to perform the act or duty concerned.

(d) Rules applicable to subsection (a)(1) actions

(1) Notice

No action may be commenced under subsection (a)(1) before 60 days after the plaintiff has given notice of the violation to each of the following:

(A) The President.

(B) The State in which the alleged violation occurs.

(C) Any alleged violator of the standard, regulation, condition, requirement, or order concerned (including any provision of an agreement under section 9620 of this title).

Notice under this paragraph shall be given in such manner as the President shall prescribe by regulation.

(2) Diligent prosecution

No action may be commenced under paragraph (1) of subsection (a) if the President has commenced and is diligently prosecuting an action under this chapter, or under the Solid Waste Disposal Act [42 U.S.C. 6901 et seq.] to require compliance with the standard, regula-
tion, condition, requirement, or order concerned (including any provision of an agreement under section 9620 of this title).

(e) Rules applicable to subsection (a)(2) actions

No action may be commenced under paragraph (2) of subsection (a) before the 60th day following the date on which the plaintiff gives notice to the Administrator or other department, agency, or instrumentality that the plaintiff will commence such action. Notice under this subsection shall be given in such manner as the President shall prescribe by regulation.

(f) Costs

The court, in issuing any final order in any action brought pursuant to this section, may award costs of litigation (including reasonable attorney and expert witness fees) to the prevailing or the substantially prevailing party whenever the court determines such an award is appropriate. The court may, if a temporary restraining order or preliminary injunction is sought, require the filing of a bond or equivalent security in accordance with the Federal Rules of Civil Procedure.

(g) Intervention

In any action under this section, the United States or the State, or both, if not a party may intervene as a matter of right. For other provisions regarding intervention, see section 9613 of this title.

(h) Other rights

This chapter does not affect or otherwise impair the rights of any person under Federal, State, or common law, except with respect to the timing of review as provided in section 9613(h) of this title or as otherwise provided in section 9658 of this title (relating to actions under State law).

(i) Definitions

The terms used in this section shall have the same meanings as when used in subchapter I.


REFERENCES IN TEXT

This chapter, referred to in subsecs. (a), (d)(2), and (h), was in the original “this Act”, meaning Pub. L. 96–510, Dec. 11, 1980, 94 Stat. 2767, known as the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, which is classified principally to chapter 11 of this title and Tables.

§ 9660. Research, development, and demonstration

(a) Hazardous substance research and training

(1) Authorities of Secretary

The Secretary of Health and Human Services (hereinafter in this subsection referred to as the Secretary), in consultation with the Administrator, shall establish and support a basic research and training program (through grants, cooperative agreements, and contracts) consisting of the following:

(A) Basic research (including epidemiologic and ecologic studies) which may include each of the following:

(i) Advanced techniques for the detection, assessment, and evaluation of the effects on human health of hazardous substances.

(ii) Methods to assess the risks to human health presented by hazardous substances.

(iii) Methods and technologies to detect hazardous substances in the environment and basic biological, chemical, and physical methods to reduce the amount and toxicity of hazardous substances.

(B) Training, which may include each of the following:

(i) Short courses and continuing education for State and local health and environmental agency personnel and other personnel engaged in the handling of hazardous substances, in the management of facilities at which hazardous substances are located, and in the evaluation of the hazards to human health presented by such facilities.

(ii) Graduate or advanced training in environmental and occupational health and safety and in the public health and engineering aspects of hazardous waste control.

(iii) Graduate training in the geosciences, including hydrogeology, geological engineering, geophysics, geochemistry, and related fields necessary to meet professional personnel needs in the public and private sectors and to effectuate the purposes of this chapter.

(2) Director of NIEHS

The Director of the National Institute for Environmental Health Sciences shall cooperate fully with the relevant Federal agencies referred to in subparagraph (A) of paragraph (3) in carrying out the purposes of this section.

(3) Recipients of grants, etc.

A grant, cooperative agreement, or contract may be made or entered into under paragraph (1) with an accredited institution of higher education. The institution may carry out the research or training under the grant, cooperative agreement, or contract through contracts, including contracts with any of the following:

(A) Generators of hazardous wastes.

(B) Persons involved in the detection, assessment, evaluation, and treatment of hazardous substances.

(C) Owners and operators of facilities at which hazardous substances are located.

(D) State and local governments.

(4) Procedures

In making grants and entering into cooperative agreements and contracts under this subsection, the Secretary shall act through the Director of the National Institute for Environmental Health Sciences. In considering the al-
location of funds for training purposes, the Director shall ensure that at least one grant, cooperative agreement, or contract shall be awarded for training described in each of clauses (i), (ii), and (iii) of paragraph (1)(B). Where applicable, the Director may choose to operate training activities in cooperation with the Director of the National Institute for Occupational Safety and Health. The procedures applicable to grants and contracts under title IV of the Public Health Service Act [42 U.S.C. 281 et seq.] shall be followed under this subsection.

(5) Advisory council

To assist in the implementation of this subsection and to aid in the coordination of research and demonstration and training activities funded from the Fund under this section, the Secretary shall appoint an advisory council (hereinafter in this subsection referred to as the “Advisory Council”) which shall consist of representatives of the following:

(A) The relevant Federal agencies.
(B) The chemical industry.
(C) The toxic waste management industry.
(D) Institutions of higher education.
(E) State and local health and environmental agencies.
(F) The general public.

(6) Planning

Within nine months after October 17, 1986, the Secretary, acting through the Director of the National Institute for Environmental Health Sciences, shall issue a plan for the implementation of paragraph (1). The plan shall include priorities for actions under paragraph (1) and include research and training relevant to scientific and technological issues resulting from site specific hazardous substance response experience. The Secretary shall, to the maximum extent practicable, take appropriate steps to coordinate program activities under this plan with the activities of other Federal agencies in order to avoid duplication of effort. The plan shall be consistent with the need for the development of new technologies for meeting the goals of response actions in accordance with the provisions of this chapter. The Advisory Council shall be provided an opportunity to review and comment on the plan and priorities and assist appropriate coordination among the relevant Federal agencies referred to in subparagraph (A) of paragraph (5).

(b) Alternative or innovative treatment technology research and demonstration program

(1) Establishment

The Administrator is authorized and directed to carry out a program of research, evaluation, testing, development, and demonstration of alternative or innovative treatment technologies (hereinafter in this subsection referred to as the “program”) which may be utilized in response actions to achieve more permanent protection of human health and welfare and the environment.

(2) Administration

The program shall be administered by the Administrator, acting through an office of technology demonstration and shall be coordinated with programs carried out by the Office of Solid Waste and Emergency Response and the Office of Research and Development.

(3) Contracts and grants

In carrying out the program, the Administrator is authorized to enter into contracts and cooperative agreements with, and make grants to, persons, public entities, and nonprofit private entities which are exempt from tax under section 501(c)(3) of title 26. The Administrator shall, to the maximum extent possible, enter into appropriate cost sharing arrangements under this subsection.

(4) Use of sites

In carrying out the program, the Administrator may arrange for the use of sites at which a response may be undertaken under section 9604 of this title for the purposes of carrying out research, testing, evaluation, development, and demonstration projects. Each such project shall be carried out under such terms and conditions as the Administrator shall require to assure the protection of human health and the environment and to assure adequate control by the Administrator of the research, testing, evaluation, development, and demonstration activities at the site.

(5) Demonstration assistance

(A) Program components

The demonstration assistance program shall include the following:

(i) The publication of a solicitation and the evaluation of applications for demonstration projects utilizing alternative or innovative technologies.

(ii) The selection of sites which are suitable for the testing and evaluation of innovative technologies.

(iii) The development of detailed plans for innovative technology demonstration projects.

(iv) The supervision of such demonstration projects and the providing of quality assurance for data obtained.

(v) The evaluation of the results of alternative innovative technology demonstration projects and the determination of whether or not the technologies used are effective and feasible.

(B) Solicitation

Within 90 days after October 17, 1986, and no less often than once every 12 months thereafter, the Administrator shall publish a solicitation for innovative or alternative technologies at a stage of development suitable for full-scale demonstrations at sites at which a response action may be undertaken under section 9604 of this title. The purpose of any such project shall be to demonstrate the use of an alternative or innovative treatment technology with respect to hazardous substances or pollutants or contaminants which are located at the site or which are to be removed from the site. The solicitation notice shall prescribe information to be included in the application, including tech-
technical and economic data derived from the applicant's own research and development efforts, and other information sufficient to permit the Administrator to assess the technology's potential and the types of remedial action to which it may be applicable.

(C) Applications

Any person and any public or private non-profit entity may submit an application to the Administrator in response to the solicitation. The application shall contain a proposed demonstration plan setting forth how and when the project is to be carried out and such other information as the Administrator may require.

(D) Project selection

In selecting technologies to be demonstrated, the Administrator shall fully review the applications submitted and shall consider at least the criteria specified in paragraph (7). The Administrator shall select or refuse to select a project for demonstration under this subsection within 90 days of receiving the completed application for such project. In the case of a refusal to select the project, the Administrator shall notify the applicant within such 90-day period of the reasons for his refusal.

(E) Site selection

The Administrator shall propose 10 sites at which a response may be undertaken under section 9604 of this title to be the location of any demonstration project under this subsection within 60 days after the close of the public comment period. After an opportunity for notice and public comment, the Administrator shall select such sites and projects. In selecting any such site, the Administrator shall take into account the applicant's technical data and preferences either for onsite operation or for utilizing the site as a source of hazardous substances or pollutants or contaminants to be treated off-site.

(F) Demonstration plan

Within 60 days after the selection of the site under this paragraph to be the location of a demonstration project, the Administrator shall establish a final demonstration plan for the project, based upon the demonstration plan contained in the application for the project. Such plan shall clearly set forth how and when the demonstration project will be carried out.

(G) Supervision and testing

Each demonstration project under this subsection shall be performed by the applicant, or by a person satisfactory to the applicant, under the supervision of the Administrator. The Administrator shall enter into a written agreement with each applicant granting the Administrator the responsibility and authority for testing procedures, quality control, monitoring, and other measurements necessary to determine and evaluate the results of the demonstration project. The Administrator may pay the costs of testing, monitoring, quality control, and other measurements required by the Administrator to determine and evaluate the results of the demonstration project, and the limitations established by subparagraph (J) shall not apply to such costs.

(H) Project completion

Each demonstration project under this subsection shall be completed within such time as is established in the demonstration plan.

(I) Extensions

The Administrator may extend any deadline established under this paragraph by mutual agreement with the applicant concerned.

(J) Funding restrictions

The Administrator shall not provide any Federal assistance for any part of a full-scale field demonstration project under this subsection to any applicant unless such applicant can demonstrate that it cannot obtain appropriate private financing on reasonable terms and conditions and cannot carry out such demonstration project without such Federal assistance. The total Federal funds for any full-scale field demonstration project under this subsection shall not exceed 50 percent of the total cost of such project estimated at the time of the award of such assistance. The Administrator shall not expend more than $10,000,000 for assistance under the program in any fiscal year and shall not expend more than $3,000,000 for any single project.

(6) Field demonstrations

In carrying out the program, the Administrator shall initiate or cause to be initiated at least 10 field demonstration projects of alternative or innovative treatment technologies at sites at which a response may be undertaken under section 9604 of this title, in fiscal year 1987 and each of the succeeding three fiscal years. If the Administrator determines that 10 field demonstration projects under this subsection cannot be initiated consistent with the criteria set forth in paragraph (7) in any of such fiscal years, the Administrator shall transmit to the appropriate committees of Congress a report explaining the reasons for his inability to conduct such demonstration projects.

(7) Criteria

In selecting technologies to be demonstrated under this subsection, the Administrator shall, consistent with the protection of human health and the environment, consider each of the following criteria:

(A) The potential for contributing to solutions to those waste problems which pose the greatest threat to human health, which cannot be adequately controlled under present technologies, or which otherwise pose significant management difficulties.

(B) The availability of technologies which have been sufficiently developed for field demonstration and which are likely to be cost-effective and reliable.

(C) The availability and suitability of sites for demonstrating such technologies, taking
§ 9660

(9) Training committee.

section is not authority to withhold information and disclosure thereof shall be punishable under section 1905 of title 18. This subsection shall include, but not be limited to, the results of such research.

(8) Technology transfer

In carrying out the program, the Administrator shall conduct a technology transfer program including the development, collection, evaluation, coordination, and dissemination of information relating to the utilization of alternative or innovative treatment technologies for response actions. The Administrator shall establish and maintain a central reference library for such information. The information maintained by the Administrator shall be made available to the public, subject to the provisions of section 552 of title 5 and section 1905 of title 18, and to other Government agencies in a manner that will facilitate its dissemination; except, that upon a showing satisfactory to the Administrator by any person that any information or portion thereof obtained under this subsection by the Administrator directly or indirectly from such person, would, if made public, divulge—

(A) trade secrets; or

(B) other proprietary information of such person,

the Administrator shall not disclose such information and disclosure thereof shall be punishable under section 1905 of title 18. This subsection is not authority to withhold information from Congress or any committee of Congress upon the request of the chairman of such committee.

(9) Training

The Administrator is authorized and directed to carry out, through the Office of Technology Demonstration, a program of training and an evaluation of training needs for each of the following:

(A) Training in the procedures for the handling and removal of hazardous substances for employees who handle hazardous substances.

(B) Training in the management of facilities at which hazardous substances are located and in the evaluation of the hazards to human health presented by such facilities for State and local health and environment agency personnel.

(10) Definition

For purposes of this subsection, the term “alternative or innovative treatment technologies” means those technologies, including proprietary or patented methods, which permanently alter the composition of hazardous waste through chemical, biological, or physical means so as to significantly reduce the toxicity, mobility, or volume (or any combination thereof) of the hazardous waste or contaminated materials being treated. The term also includes technologies that characterize or assess the extent of contamination, the chemical and physical character of the contaminants, and the stresses imposed by the contaminants on complex ecosystems at sites.

(c) Hazardous substance research

The Administrator may conduct and support, through grants, cooperative agreements, and contracts, research with respect to the detection, assessment, and evaluation of the effects on and risks to human health of hazardous substances and detection of hazardous substances in the environment. The Administrator shall coordinate such research with the Secretary of Health and Human Services, acting through the advisory council established under this section, in order to avoid duplication of effort.

(d) University hazardous substance research centers

(1) Grant program

The Administrator shall make grants to institutions of higher learning to establish and operate not fewer than 5 hazardous substance research centers in the United States. In carrying out the program under this subsection, the Administrator should seek to have established and operated 10 hazardous substance research centers in the United States.

(2) Responsibilities of centers

The responsibilities of each hazardous substance research center established under this subsection shall include, but not be limited to, the conduct of research and training relating to the manufacture, use, transportation, disposal, and management of hazardous substances and publication and dissemination of the results of such research.

(3) Applications

Any institution of higher learning interested in receiving a grant under this subsection shall submit to the Administrator an application in such form and containing such information as the Administrator may require by regulation.

(4) Selection criteria

The Administrator shall select recipients of grants under this subsection on the basis of the following criteria:

(A) The hazardous substance research center shall be located in a State which is representative of the needs of the region in which such State is located for improved hazardous waste management.

(B) The grant recipient shall be located in an area which has experienced problems with hazardous substance management.

(C) There is available to the grant recipient for carrying out this subsection demonstrated research resources.

(D) The capability of the grant recipient to provide leadership in making national and regional contributions to the solution of both long-range and immediate hazardous substance management problems.

(E) The grant recipient shall make a commitment to support ongoing hazardous substance research programs with budgeted institutional funds of at least $100,000 per year.
(F) The grant recipient shall have an interdisciplinary staff with demonstrated expertise in hazardous substance management and research.

(G) The grant recipient shall have a demonstrated ability to disseminate results of hazardous substance research and educational programs through an interdisciplinary continuing education program.

(H) The projects which the grant recipient proposes to carry out under the grant are necessary and appropriate.

(5) Maintenance of effort

No grant may be made under this subsection in any fiscal year unless the recipient of such grant enters into such agreements with the Administrator as the Administrator may require to ensure that such recipient will maintain its aggregate expenditures from all other sources for establishing and operating a regional hazardous substance research center and related research activities carried out by the grant recipient.

(7) Limitation on use of funds

No funds made available to carry out this subsection shall be used for acquisition of real property (including buildings) or construction of any building.

(8) Administration through the Office of the Administrator

Administrative responsibility for carrying out this subsection shall be in the Office of the Administrator.

(9) Equitable distribution of funds

The Administrator shall allocate funds made available to carry out this subsection equitably among the regions of the United States.

(10) Technology transfer activities

Not less than five percent of the funds made available to carry out this subsection for any fiscal year shall be available to carry out technology transfer activities.

(e) Report to Congress

At the time of the submission of the annual budget request to Congress, the Administrator shall submit to the appropriate committees of the House of Representatives and the Senate and to the advisory council established under subsection (a), a report on the progress of the research, development, and demonstration program authorized by subsection (b), including an evaluation of each demonstration project completed in the preceding fiscal year; findings with respect to the efficacy of such demonstrated technologies in achieving permanent and significant reductions in risk from hazardous wastes, the costs of such demonstration projects, and the potential applicability of, and projected costs for, such technologies at other hazardous substance sites.

(f) Saving provision

Nothing in this section shall be construed to affect the provisions of the Solid Waste Disposal Act [42 U.S.C. 6901 et seq.].

(g) Small business participation

The Administrator shall ensure, to the maximum extent practicable, an adequate opportunity for small business participation in the program established by subsection (b).

References in Text

This chapter, referred to in subsections (a)(1)(B)(ii), (6), was in the original “this Act”, meaning Pub. L. 96–510, Dec. 11, 1980, 94 Stat. 2767, known as the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 9601 of this title and Tables.

The Public Health Service Act, referred to in subsection (a)(4), is act July 1, 1944, ch. 373, 58 Stat. 682. Title IV of the Public Health Service Act is classified generally to subchapter III (§ 281 et seq.) of chapter 6A of this title. For complete classification of this Act to the Code, see Short Title note set out under section 201 of this title and Tables.


Amendments


Methamphetamine Remediation Research

Pub. L. 110–143, Dec. 21, 2007, 121 Stat. 1215, provided that:

“SECTION 1. SHORT TITLE.

“This Act may be cited as the ‘Methamphetamine Remediation Research Act of 2007’.

“SEC. 2. FINDINGS.

“The Congress finds the following:

“(1) Methamphetamine use and production is growing rapidly throughout the United States.

“(2) Materials and residues remaining from the production of methamphetamine pose novel environmental problems in locations where methamphetamine laboratories have been closed.

“(3) There has been little standardization of measures for determining when the site of a closed methamphetamine laboratory has been successfully remediated.

“(4) Initial cleanup actions are generally limited to removal of hazardous substances and contaminated materials that pose an immediate threat to public health or the environment. It is not uncommon for significant levels of contamination to be found throughout residential structures after a methamphetamine laboratory has closed, partially because of a lack of knowledge of how to achieve an effective cleanup.

“(5) Data on methamphetamine laboratory-related contaminants of concern are very limited, and clean-
up standards do not currently exist. In addition, procedures for sampling and analysis of contaminants need to be researched and developed.

Many States are struggling with establishing remediation guidelines and programs to address the rapidly expanding number of methamphetamine laboratories being closed each year.

"SEC. 3. VOLUNTARY GUIDELINES.

"(a) Establishment of Voluntary Guidelines.—Not later than one year after the date of enactment of this Act [Dec. 21, 2007], the Administrator of the Environmental Protection Agency (in this Act referred to as the ‘Administrator’), in consultation with the National Institute of Standards and Technology, shall establish voluntary guidelines, based on the best currently available scientific knowledge, for the remediation of former methamphetamine laboratories, including guidelines regarding preliminary site assessment and the remediation of residual contaminants.

"(b) Considerations.—In developing the voluntary guidelines under subsection (a), the Administrator shall consider, at a minimum—

"(1) relevant standards, guidelines, and requirements found in Federal, State, and local laws and regulations;

"(2) the varying types and locations of former methamphetamine laboratories; and

"(3) the expected cost of carrying out any proposed guidelines.

"(c) States.—The voluntary guidelines should be designed to assist State and local governments in the development and the implementation of legislation and other policies to apply state-of-the-art knowledge and research results to the remediation of former methamphetamine laboratories. The Administrator shall work with State and local governments and other relevant non-Federal agencies and organizations, including through the conference described in section 5, to promote and encourage the appropriate adoption of the voluntary guidelines.

"(d) Updating the Guidelines.—The Administrator shall periodically update the voluntary guidelines as the Administrator, in consultation with States and other interested parties, determines to be necessary and appropriate to incorporate research findings and other new knowledge.

"SEC. 4. RESEARCH PROGRAM.

"The Administrator shall establish a program of research to support the development and revision of the voluntary guidelines described in section 3. Such research shall—

"(1) identify methamphetamine laboratory-related chemicals of concern;

"(2) assess the types and levels of exposure to chemicals of concern identified under paragraph (1), including routine and accidental exposures, that may present a significant risk of adverse biological effects and the research necessary to better address biological effects and to minimize adverse human exposures;

"(3) evaluate the performance of various methamphetamine laboratory cleanup and remediation techniques; and

"(4) support other research priorities identified by the Administrator in consultation with States and other interested parties.

"SEC. 5. TECHNOLOGY TRANSFER CONFERENCE.

"(a) Conference.—Not later than 90 days after the date of enactment of this Act [Dec. 21, 2007], and at least every third year thereafter, the Administrator shall convene a conference of appropriate State agencies, as well as individuals or organizations involved in research and other activities directly related to the environmental, or biological impacts of former methamphetamine laboratories. The conference should be a forum for the Administrator to provide information on the guidelines developed under section 3 and on the latest findings from the research program described in section 4, and for the non-Federal participants to provide information on the problems and needs of States and localities and their experience with guidelines developed under section 3.

"(b) Report.—Not later than 3 months after each conference, the Administrator shall submit a report to the Congress that summarizes the proceedings of the conference, including a summary of any recommendations or concerns raised by the non-Federal participants and how the Administrator intends to respond to them. The report shall also be made widely available to the general public.

"SEC. 6. RESIDUAL EFFECTS STUDY.

"(a) Study.—Not later than 6 months after the date of enactment of this Act [Dec. 21, 2007], the Administrator shall enter into an arrangement with the National Academy of Sciences for a study of the status and quality of research on the residual effects of methamphetamine laboratories. The study shall identify research gaps and recommend an agenda for the research program described in section 4. The study shall pay particular attention to the need for research on the impacts of methamphetamine laboratories on—

"(1) the residents of buildings where such laboratories are, or were, located, with particular emphasis given to biological impacts on children; and

"(2) first responders.

"(b) Report.—Not later than 3 months after the completion of the study, the Administrator shall transmit to Congress a report on how the Administrator will use the results of the study to carry out the activities described in sections 3 and 4.

"SEC. 7. METHAMPHETAMINE DETECTION RESEARCH AND DEVELOPMENT PROGRAM.

"The Director of the National Institute of Standards and Technology, in consultation with the Administrator, shall support a research program to develop—

"(1) new methamphetamine detection technologies, with emphasis on field test kits and site detection; and

"(2) appropriate standard reference materials and validation procedures for methamphetamine detection testing.

"SEC. 8. SAVINGS CLAUSE.

"Nothing in this Act shall be construed to affect or limit the application of, or any obligation to comply with, any State or Federal environmental law or regulation, including the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601 et seq.) and the Solid Waste Disposal Act (42 U.S.C. 6901 et seq.).

"SEC. 9. AUTHORIZATION OF APPROPRIATIONS.

"(a) Environmental Protection Agency.—There are authorized to be appropriated to the Environmental Protection Agency to carry out this Act $800,000 for each of the fiscal years 2007 and 2008.

"(b) National Institute of Standards and Technology.—There are authorized to be appropriated to the National Institute of Standards and Technology to carry out this Act $750,000 for each of the fiscal years 2007 and 2008.

GULF COAST HAZARDOUS SUBSTANCE RESEARCH, DEVELOPMENT, AND DEMONSTRATION CENTER
Pub. L. 99–499, title I, §118(i), Oct. 17, 1986, 100 Stat. 1660, provided that:

"(1) Establishment of Hazardous Substance Research, Development, and Demonstration Center.—The Administrator shall establish a hazardous substance research, development, and demonstration center (hereinafter in this subsection referred to as the ‘Center’) for the purpose of conducting research to aid in more effective hazardous substance response and waste management throughout the Gulf Coast.

"(2) Purposes of the Center.—The Center shall carry out a program of research, evaluation, testing, development, and demonstration of alternative or inno-
vative technologies which may be utilized in response actions or in normal handling of hazardous wastes to achieve better protection of human health and the environment.

"(3) OPERATION OF CENTER.—(A) For purposes of operating the Center, the Administrator is authorized to enter into contracts and cooperative agreements with, and make grants to, a university related institute involved with the improvement of waste management. Such institute shall be located in Jefferson County, Texas.

"(B) The Center shall be authorized to make grants, accept contributions, and enter into agreements with universities located in the States of Texas, Louisiana, Mississippi, Alabama, and Florida in order to carry out the purposes of the Center.

"(4) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Administrator for purposes of carrying out this subsection for fiscal years beginning after September 30, 1986, not more than $5,000,000.''

**Title 42—The Public Health and Welfare**

PACIFIC NORTHWEST HAZARDOUS SUBSTANCE RESEARCH, DEVELOPMENT, AND DEMONSTRATION CENTER


"(1) ESTABLISHMENT.—The Administrator shall establish a hazardous substance research, development, and demonstration center (hereinafter in this subsection referred to as the 'Center') for the purpose of conducting research to aid in more effective hazardous substance response in the Pacific Northwest.

"(2) PURPOSES OF CENTER.—The Center shall carry out a program of research, evaluation, testing, development, and demonstration of alternative or innovative technologies which may be utilized in response actions to achieve more permanent protection of human health and welfare and the environment.

"(3) OPERATION OF CENTER.—

"(A) NONPROFIT ENTITY.—For the purposes of operating the Center, the Administrator is authorized to enter into contracts and cooperative agreements with, and make grants to, a nonprofit private entity as defined in section 201(1) of Public Law 96–517 [probably means section 201(1) of Title 35, Patents, which was enacted by section 6(a) of Pub. L. 96–517, Dec. 12, 1980, 94 Stat. 3020] which entity shall agree to provide the basic technical and management personnel. Such nonprofit private entity shall also agree to provide at least two permanent research facilities, one of which shall be located in Benton County, Washington, and one of which shall be located in Clallam County, Washington.

"(B) AUTHORITY.—The Center shall be authorized to make grants, accept contributions, and enter into agreements with universities located in the States of Washington, Oregon, Idaho, and Montana in order to carry out the purposes of the Center.

"(4) HAZARDOUS WASTE RESEARCH AT THE HANFORD SITE.—

"(A) INTERAGENCY AGREEMENTS.—The Administrator and the Secretary of Energy are authorized to enter into interagency agreements with one another for the purpose of providing for research, evaluation, testing, development, and demonstration into alternative or innovative technologies to characterize and assess the nature and extent of hazardous waste (including radioactive mixed waste) contamination at the Hanford site, in the State of Washington.

"(B) FUNDING.—There is authorized to be appropriated to the Secretary of Energy for purposes of carrying out this paragraph for fiscal years beginning after September 30, 1986, not more than $5,000,000. All sums appropriated under this subparagraph shall be provided to the Administrator by the Secretary of Energy, pursuant to the interagency agreement entered into under subparagraph (A), for the purpose of the Administrator entering into contracts and cooperative agreements with, and making grants to, the Center in order to carry out the research, evaluation, testing, development, and demonstration described in paragraph (1).

"(5) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to the Administrator for purposes of carrying out this subsection (other than paragraph (4)) for fiscal years beginning after September 30, 1986, not more than $5,000,000.''

**Congressional Statement of Purpose**

Pub. L. 99–499, title II, § 209(a), Oct. 17, 1986, 100 Stat. 1708, provided that: "The purposes of this section [enabling this section] are as follows:

"(1) To establish a comprehensive and coordinated Federal program of research, development, demonstration, and training for the purpose of promoting the development of alternative and innovative treatment technologies that can be used in response actions under the CERCLA program, to provide incentives for the development and use of such technologies, and to improve the scientific capability to assess, detect and evaluate the effects on and risks to human health from hazardous substances.

"(2) To establish a basic university research and education program within the Department of Health and Human Services and a research, demonstration, and training program within the Environmental Protection Agency.

"(3) To reserve certain funds from the Hazardous Substance Trust Fund to support a basic research program within the Department of Health and Human Services, and an applied and developmental research program within the Environmental Protection Agency.

"(4) To enhance the Environmental Protection Agency's internal research capabilities related to CERCLA activities, including site assessment and technology evaluation.

"(5) To provide incentives for the development of alternative and innovative treatment technologies in a manner that supplements or coordinates with, but does not compete with or duplicate, private sector development of such technologies.''

**Termination of Advisory Councils**

Advisory councils established after Jan. 5, 1973, to terminate not later than the expiration of the 2-year period beginning on the date of their establishment, unless, in the case of a council established by the President or an officer of the Federal Government, such council is renewed by appropriate action prior to the expiration of such 2-year period, or in the case of a council established by the Congress, its duration is otherwise provided by law. See sections 3(2) and 14 of Pub. L. 92–463, Oct. 6, 1972, 86 Stat. 770, 776, set out in the Appendix to Title 5, Government Organization and Employees.

§ 9660a. Grant program

(1) Grant purposes

Grants for the training and education of workers who are or may be engaged in activities related to hazardous waste removal or containment or emergency response may be made under this section.

(2) Administration

Grants under this section shall be administered by the National Institute of Environmental Health Sciences.

(3) Grant recipients

Grants shall be awarded to nonprofit organizations which demonstrate experience in implementing and operating worker health and safety training and education programs and demonstrate the ability to reach and involve in training programs target populations of workers...
who are or will be engaged in hazardous waste removal or containment or emergency response operations.


Codification

Section was enacted as part of the Superfund Amendments and Reauthorization Act of 1986, and not as part of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 which comprises this chapter.

§ 9661. Love Canal property acquisition

(a) Acquisition of property in Emergency Declaration Area

The Administrator of the Environmental Protection Agency (hereinafter referred to as the “Administrator”) may make grants not to exceed $2,500,000 to the State of New York (or to any duly constituted public agency or authority thereof) for purposes of acquisition of private property in the Love Canal Emergency Declaration Area. Such acquisition shall include (but shall not be limited to) all private property within the Emergency Declaration Area, including non-owner occupied residential properties, commercial, industrial, public, religious, non-profit, and vacant properties.

(b) Procedures for acquisition

No property shall be acquired pursuant to this section unless the property owner voluntarily agrees to such acquisition. Compensation for any property acquired pursuant to this section shall be based upon the fair market value of the property as it existed prior to the emergency declaration. Valuation procedures for property acquired with funds provided under this section shall be in accordance with those set forth in the agreement entered into between the New York State Disaster Preparedness Commission and the Love Canal Revitalization Agency on October 9, 1980.

(c) State ownership

The Administrator shall not provide any funds under this section for the acquisition of any properties pursuant to this section unless a public agency or authority of the State of New York first enters into a cooperative agreement with the Administrator providing assurances deemed adequate by the Administrator that the State or an agency created under the laws of the State shall take title to the properties to be so acquired.

(d) Maintenance of property

The Administrator shall enter into a cooperative agreement with an appropriate public agency or authority of the State of New York under which the Administrator shall maintain or arrange for the maintenance of all properties within the Emergency Declaration Area that have been acquired by any public agency or authority of the State. Ninety (90) percent of the costs of such maintenance shall be paid by the Administrator. The remaining portion of such costs shall be paid by the State (unless a credit is available under section 9604(c) of this title).

The Administrator is authorized, in his discretion, to provide technical assistance to any public agency or authority of the State of New York in order to implement the recommendations of the habitability and land-use study in order to put the land within the Emergency Declaration Area to its best use.

(e) Habitability and land use study

The Administrator shall conduct or cause to be conducted a habitability and land-use study. The study shall—

1. assess the risks associated with inhabiting the Love Canal Emergency Declaration Area;
2. compare the level of hazardous waste contamination in that Area to that present in other comparable communities; and
3. assess the potential uses of the land within the Emergency Declaration Area, including but not limited to residential, industrial, commercial and recreational, and the risks associated with such potential uses.

The Administrator shall publish the findings of such study and shall work with the State of New York to develop recommendations based upon the results of such study.

(f) Funding

For purposes of section 9611 of this title [and 9631(c) of this title], the expenditures authorized by this section shall be treated as a cost specified in section 9611(c) of this title.

(g) Response

The provisions of this section shall not affect the implementation of other response actions within the Emergency Declaration Area that the Administrator has determined (before October 17, 1986) to be necessary to protect the public health or welfare or the environment.

(h) Definitions

For purposes of this section:

1. Emergency Declaration Area

The terms “Emergency Declaration Area” and “Love Canal Emergency Declaration Area” mean the Emergency Declaration Area as defined in section 950, paragraph (2) of the General Municipal Law of the State of New York, Chapter 259, Laws of 1980, as in effect on October 17, 1986.

2. Private property

As used in subsection (a), the term “private property” means all property which is not owned by a department, agency, or instrumentality of—
(A) the United States, or
(B) the State of New York (or any public agency or authority thereof).


References in Text


¹See References in Text note below.
§ 9672. State laws; scope of subchapter

(a) State laws

Nothing in this subchapter shall be construed to affect either (i) the tort law or the law governing the interpretation of insurance contracts of any State. The definitions of pollution liability and pollution liability insurance under any State law shall not be applied for the purposes of this subchapter, including recognition or qualification of risk retention groups or purchasing groups.

(b) Scope of subchapter

The authority to offer or to provide insurance under this subchapter shall be limited to coverage of pollution liability risks and this subchapter does not authorize a risk retention group or purchasing group to provide coverage of any other line of insurance.
§ 9673. Risk retention groups

(a) Exemption

Except as provided in this section, a risk retention group shall be exempt from the following:

(1) A State law, rule, or order which makes unlawful, or regulates, directly or indirectly, the operation of a risk retention group.

(2) A State law, rule, or order which requires or permits a risk retention group to participate in any insurance insolvency guaranty association to which an insurer licensed in the State is required to belong.

(3) A State law, rule, or order which requires any insurance policy issued to a risk retention group or any member of the group to be countersigned by an insurance agent or broker residing in the State.

(4) A State law, rule, or order which otherwise discriminates against a risk retention group or any of its members.

(b) Exceptions

(1) State laws generally applicable

Nothing in subsection (a) shall be construed to affect the applicability of State laws generally applicable to persons or corporations. The State in which a risk retention group is chartered may regulate the formation and operation of the group.

(2) State regulations not subject to exemption

Subsection (a) shall not apply to any State law which requires a risk retention group to do any of the following:

(A) Comply with the unfair claim settlement practices law of the State.

(B) Pay, on a nondiscriminatory basis, applicable premium and other taxes which are levied on admitted insurers and surplus line insurers, brokers, or policyholders under the laws of the State.

(C) Participate, on a nondiscriminatory basis, in any mechanism established or authorized under the law of the State for the equitable apportionment among insurers of pollution liability insurance losses and expenses incurred on policies written through such mechanism.

(D) Submit to the appropriate authority reports and other information required of licensed insurers under the laws of a State relating solely to pollution liability insurance losses and expenses.

(E) Register with and designate the State insurance commissioner as its agent solely for the purpose of receiving service of legal documents or process.

(F) Furnish, upon request, such commissioner a copy of any financial report submitted by the risk retention group to the commissioner of the chartering or licensing jurisdiction.

(G) Submit to an examination by the State insurance commissioner in any State in which the group is doing business to determine the group’s financial condition, if—

(i) the commissioner has reason to believe the risk retention group is in a financially impaired condition; and

(ii) the commissioner of the jurisdiction in which the group is chartered has not begun or has refused to initiate an examination of the group.

(H) Comply with a lawful order issued in a delinquency proceeding commenced by the State insurance commissioner if the commissioner of the jurisdiction in which the group is chartered has failed to initiate such a proceeding after notice of a finding of financial impairment under subparagraph (G).

(c) Application of exemptions

The exemptions specified in subsection (a) apply to—

(1) pollution liability insurance coverage provided by a risk retention group for—

(A) such group; or

(B) any person who is a member of such group;

(2) the sale of pollution liability insurance coverage for a risk retention group; and

(3) the provision of insurance related services or management services for a risk retention group or any member of such a group.

(d) Agents or brokers

A State may require that a person acting, or offering to act, as an agent or broker for a risk retention group obtain a license from that State, except that a State may not impose any qualification or requirement which discriminates against a nonresident agent or broker.

§ 9674. Purchasing groups

(a) Exemption

Except as provided in this section, a purchasing group is exempt from the following:

(1) A State law, rule, or order which prohibits the establishment of a purchasing group.

(2) A State law, rule, or order which makes it unlawful for an insurer to provide or offer to provide insurance on a basis providing, to a purchasing group or its member, advantages, based on their loss and expense experience, not afforded to other persons with respect to rates, policy forms, coverages, or other matters.

(3) A State law, rule, or order which prohibits a purchasing group or its member from purchasing insurance on the group basis described in paragraph (2) of this subsection.

(4) A State law, rule, or order which prohibits a purchasing group from obtaining insurance on a group basis because the group has not been in existence for a minimum period of time or because any member has not belonged to the group for a minimum period of time.

(5) A State law, rule, or order which requires that a purchasing group must have a minimum number of members, common ownership or affiliation, or a certain legal form.

(6) A State law, rule, or order which requires that a certain percentage of a purchasing group must obtain insurance on a group basis.

(7) A State law, rule, or order which requires that any insurance policy issued to a purchas-
ing group or any members of the group be countersigned by an insurance agent or broker residing in that State.

(b) Application of exemptions

The exemptions specified in subsection (a) apply to the following:

(1) Pollution liability insurance, and comprehensive general liability insurance which includes this coverage, provided to—

(A) a purchasing group; or

(B) any person who is a member of a purchasing group.

(2) The sale of any one of the following to a purchasing group or a member of the group:

(A) Pollution liability insurance and comprehensive general liability coverage.

(B) Insurance related services.

(C) Management services.

(c) Agents or brokers

A State may require that a person acting, or offering to act, as an agent or broker for a purchasing group obtain a license from that State, except that a State may not impose any qualification or requirement which discriminates against a nonresident agent or broker.

(8) A State law, rule, or order which otherwise discriminate\(^1\) against a purchasing group or any of its members.

§ 9675. Applicability of securities laws

(a) Ownership interests

The ownership interests of members of a risk retention group shall be considered to be—

(1) exempted securities for purposes of section 77f of title 15 and for purposes of section 78j of title 15, and

(2) securities for purposes of the provisions of section 77q of title 15 and the provisions of section 78j of title 15.

(b) Investment Company Act

A risk retention group shall not be considered to be an investment company for purposes of the Investment Company Act of 1940 (15 U.S.C. 80a–1 et seq.).

(c) Blue sky law

The ownership interests of members in a risk retention group shall not be considered securities for purposes of any State blue sky law.

\(^1\) So in original. Probably should be “discriminates”.

§ 9701. Congressional findings and declaration of policy

(a) The Congress finds that—

(1) nuclear energy is one of the two major energy sources available for electric energy production in the United States during the balance of the twentieth century;

(2) continued development of nuclear power is dependent upon maintaining an extremely high level of safety in the operation of nuclear plants, and on public recognition that these facilities do not constitute a significant threat to human health or safety;

(3) it is the responsibility of utilities, as owners and operators of nuclear power plants, to assure that such plants are designed and operated safely and reliably; and

(4) a proper role of the Federal Government in assuring nuclear power plant safety, in addition to its regulatory function, is the conduct of a research, development, and demonstration program to provide important scientific and technical information which can contribute to sound design and safe operation of these plants.

(b) It is declared to be the policy of the United States and the purpose of this chapter to establish a research, development, and demonstration program for developing practical improvements in the generic safety of nuclear power plants during the next five years, beginning in the fiscal year 1981. The objectives of such program shall be—

(1) to reduce the likelihood and severity of potentially serious nuclear power plant accidents; and

(2) to reduce the likelihood of disrupting the population in the vicinity of nuclear power plants as the result of nuclear power plant accidents.

Nothing in this chapter shall be construed as preventing the Secretary from undertaking projects or activities, in addition to those specified in this chapter, which appropriately further the purpose and objectives set forth in this subsection. Nothing in this chapter shall authorize the Secretary to assume responsibility for the management, cleanup or repair of any commercial nuclear power plant. Nothing in this chapter shall be construed as limiting the authority of the Secretary under any other law.

\(^1\) So in original. Probably should be “discriminates”.

§ 9702. Definitions.

§ 9703. Research, development, and demonstration program: establishment; purposes; implementation.


§ 9706. Dissemination of information.

§ 9707. Comprehensive program management plan.

§ 9708. Authorization of appropriations.
§ 9702. Definitions

For purposes of this chapter—

(1) the term “Secretary” means the Secretary of Energy;

(2) the term “Government agency” means any department, agency, commission, or independent establishment in the executive branch of the Federal Government, or any corporation, wholly or partly owned by the United States, which is an instrumentality of the United States, or any board, bureau, division, service, office, officer, authority, administration, or other establishment in the executive branch of the Federal Government;

(3) the term “Commission” means the Nuclear Regulatory Commission; and

(4) the term “Advisory Committee” means the Advisory Committee on Reactor Safeguards established by section 2039 of this title.


§ 9703. Research, development, and demonstration program; establishment; purposes; implementation

(a) The Secretary shall establish a research, development, and demonstration program to carry out the purpose of this chapter. As part of such program, the Secretary shall at a minimum—

(1) refine further the assessment of risk factors associated with the generic design and operation of nuclear powerplants to determine the degree and consequences of propagation of failures of systems, subsystems, and components, including consideration of the interaction between the primary and secondary systems;

(2) develop potentially cost-beneficial changes in the generic design and operation of nuclear powerplants that can (A) significantly reduce the risks from unintentional release of radioactive material from the various engineered barriers of nuclear powerplants and (B) reduce the radiation exposure to workers during plant operation and maintenance;

(3) develop potentially cost-beneficial generic methods and designs that will significantly improve the performance of operators of nuclear powerplants under routine, abnormal, and accident conditions;

(4) identify the effect of total or partial automation of generic plant systems on reactor safety, operation, reliability, economics, and operator performance;

(5) conduct further experimental investigations under abnormal operational and postulated accident conditions primarily for light water reactors to determine the consequences of such conditions. These investigations shall include, but not be limited to, the following:

(A) fuel failure at higher than standard burn-up levels;

(B) fuel-cladding interactions;

(C) fuel and cladding interactions with coolant under various temperatures and pressures;

(D) thermohydraulic behavior in the reactor core;

(E) mechanisms to suppress and control the generation of hydrogen gas;

(F) improved instrumentation for monitoring reactor cores;

(G) engineered-barrier failure modes; and

(H) fission product release and transport from failed fuel;

(6) provide for the examination and analysis of any nuclear powerplant fuel, component, or system which the Secretary deems to offer significant benefit in safety analysis and which is made available to the Secretary for a nominal cost, such as $1: Provided, however, That the Secretary shall accept only the number of samples of such fuel, component, or system necessary to carry out such examination and analysis; and

(7) identify the aptitudes, training, and manning levels which are necessary to assure reliable operator performance under normal, abnormal, and emergency conditions.

(b) In carrying out the generic safety research, development, and demonstration program established under this chapter, the Secretary—

(1) shall coordinate with the Commission and, to the extent necessary, enter into a new memorandum of understanding or revise existing memoranda for the purpose of eliminating unnecessary duplication and avoiding programmatic conflict with any reactor safety research program of the Commission, including the Improved Safety Systems Research program;

(2) shall, to the extent practical, coordinate his activities with such other Government agencies, foreign governments, and industry as he deems appropriate to utilize their expertise, to minimize duplication of effort, and to ensure that information useful for improved concepts applicable to nuclear powerplant safety can be applied in a timely manner. The Secretary may enter into agreements and memoranda of understanding to accomplish these ends, but no such agreement shall have the effect of delaying the development and implementation of programs authorized under this chapter;

(3) shall utilize, to the extent feasible, underutilized federally owned research reactors and facilities, along with the associated personnel, to maintain existing capabilities and to ensure that the research is generic in nature; and

(4) shall make such recommendations as are practical to minimize the complexity of nuclear powerplant systems, including secondary systems, and operations.


TRANSFER OF FUNCTIONS

For transfer of certain functions from Nuclear Regulatory Commission to Chairman thereof, see Reorg. Plan No. 1 of 1980, 45 F.R. 40561, 94 Stat. 3385, set out as a note under section 5641 of this title.

§ 9704. National reactor engineering simulator feasibility study

(a) Consultative requirements; purpose

The Secretary, in consultation with the Commission and the Advisory Committee, shall ini-
tiate a study of the need for and feasibility of establishing a reactor engineering simulator facility at a national laboratory, for the primary purpose of fostering research in generic design improvements and simplifications through the simulation of the performance of various types of light water reactors under a wide variety of abnormal conditions and postulated accident conditions.

(b) Applicability of relevant factors

In performing the study, the Secretary shall consider relevant factors including, but not limited to:

(1) the potential advantages that would accrue from the establishment of such a facility;
(2) the extent to which such a facility would further the generic safety research and development program established by this chapter;
(3) the extent to which such a facility can be established by nongovernmental entities;
(4) the opportunities for cost sharing by nongovernmental entities in the construction and operation of such a facility;
(5) the importance of such a facility in emergencies to limit the extent of any future nuclear powerplant excursions;
(6) the potential for international cooperation in the establishment and operation of such a facility; and
(7) the appropriate national laboratory for siting such a facility.

(c) Report to Congressional committees

The Secretary shall, by January 1, 1982, submit to the Committee on Science and Technology of the House of Representatives and the Committee on Energy and Natural Resources of the Senate a report characterizing the study and the resulting conclusions and recommendations.


§ 9705. Federal Nuclear Operations Corps’ study

(a) Cooperation and coordination requirements; purpose

The Secretary, in cooperation with the Nuclear Regulatory Commission, shall initiate a study as to the sufficiency of efforts in the United States to provide specially trained professionals to operate the controls of nuclear powerplants and other facilities in the back-end of the nuclear fuel cycle. In carrying out the study, the Secretary shall coordinate his activities with the ongoing programs of the utility industry and other Federal governmental agencies for obtaining high standards of operator performance.

(b) Assessments

(1) In conducting the study the Secretary shall assess the desirability and feasibility of creating a Federal Corps of such professionals to inspect and supervise such operations.
(2) The assessment shall consider the establishment of an academy to train Corps professionals in all aspects of nuclear technology, nuclear operations, nuclear regulatory and related law, and health science.
(3) The assessment shall include the appropriate organizational approach for the establishment of a Federal Corps within the executive branch.

(c) Report to Congress

The Secretary shall complete the study within one year after December 22, 1980, and shall submit a report along with his recommendations to the Congress.


§ 9706. Dissemination of information

The Secretary shall assure that full and complete safety-related information resulting from any project or other activity conducted under this chapter is made available in a timely manner to appropriate committees of Congress, Federal, State, and local authorities, relevant segments of private industry, the scientific community, and the public.


§ 9707. Comprehensive program management plan

(a) Preparation; scope; consultative requirements

The Secretary is authorized and directed to prepare a comprehensive program management plan for the conduct of research, development, and demonstration activities under this chapter consistent with the provisions of section 9703 of this title. In the preparation of such plan, the Secretary shall consult with the Commission and the Advisory Committee and with the heads of such other Government agencies and such public and private organizations as he deems appropriate.

(b) Transmission to Congressional committees; revisions

The Secretary shall transmit the comprehensive program management plan along with any comments by the Commission on the plan to the Committee on Science and Technology of the House of Representatives and the Committee on Energy and Natural Resources and the Committee on Environment and Public Works of the Senate within twelve months after December 22, 1980. Revisions to the plan shall be transmitted to such committees whenever deemed appropriate by the Secretary.


Amendments

1995—Subsec. (c). Pub. L. 104–66 struck out subsec. (c) which directed Secretary of Energy to transmit to Con-
gness, concurrently with submission of President’s annual budget to Congress, detailed description of comprehensive plan as then in effect.

CHANGE OF NAME

Committee on Science and Technology of House of Representatives changed to Committee on Science, Space, and Technology of House of Representatives by House Resolution No. 5, One Hundred Twelfth Congress, Jan. 5, 2011.

TRANSFER OF FUNCTIONS

For transfer of certain functions from Nuclear Regulatory Commission to Chairman thereof, see Reorg. Plan No. 1 of 1980, 45 F.R. 40961, 94 Stat. 3585, set out as a note under section 5641 of this title.

§ 9708. Authorization of appropriations

There is authorized to be appropriated to the Secretary to carry out this chapter such sums as may be authorized by legislation hereafter enacted.


CHAPTER 105—COMMUNITY SERVICES PROGRAMS

SUBCHAPTER I—COMMUNITY ECONOMIC DEVELOPMENT

Sec. 9801. Statement of purpose.
9802. “Community development corporation” defined.
9803. Repealed.
9804. Advisory Community Investment Board.

PART A—URBAN AND RURAL SPECIAL IMPACT PROGRAMS

9805. Statement of purpose.
9806. Establishment and scope of programs.
9807. Financial assistance requirements.
9808. Federal share; amount; availability; ownership of property acquired with Federal financial assistance.

PART B—SPECIAL RURAL PROGRAMS

9809. Statement of purpose.
9810. Financial assistance to low-income families, local cooperative associations, and local public or private nonprofit organizations or entities; amount, purposes, etc.
9811. Limitation on assistance.

PART C—DEVELOPMENT LOANS TO COMMUNITY ECONOMIC DEVELOPMENT PROGRAMS

9812a. Interest rates payable on certain rural development loans; assignment of loan contracts.
9813. Model Community Economic Development Finance Corporation; establishment; functions.

PART D—SUPPORTIVE PROGRAMS AND ACTIVITIES

9814. Training and technical assistance.
9815. Small Business Administration and Department of Commerce economic development programs; regulations.
9816. Department of Housing and Urban Development programs.
9817. Department of Agriculture; Rural Development Administration programs.
9818. Coordination and eligibility.
9819. Evaluation of programs; implementation and funding, etc.; research and demonstration projects; implementation and purposes.
9820. Grants to plan economic development and cooperative programs.

SEC.
9821. Nondiscrimination provisions.
9822. Availability of certain appropriated funds.

SUBCHAPTER II—HEAD START PROGRAMS

9831. Statement of purpose.
9832. Definitions.
9833. Financial assistance for Head Start programs.
9834. Authorization of appropriations.
9835. Allotment of funds.
9835a. Repealed.
9836. Designation of Head Start agencies.
9836a. Standards; monitoring of Head Start agencies and programs.
9837. Powers and functions of Head Start agencies.
9837b. Head Start collaboration; State early education and care.
9838. Submission of plans to chief executive officer.
9839. Administrative requirements and standards.
9840. Participation in Head Start programs.
9840a. Early Head Start programs.
9841. Appeals, notice, hearing, and mediation; alternative agency for Indian tribe.
9842. Records and audits.
9843. Technical assistance and training.
9843a. Staff qualifications and development.
9844. Research, demonstrations, and evaluation.
9845. Repealed.
9846. Reports.
9846a, 9847. Repealed.
9848. Comparability of wages.
9849. Nondiscrimination provisions.
9850. Limitation with respect to certain unlawful activities.
9851. Political activities.
9852. Advance funding.
9852a. Parental consent requirement for nonemergency intrusive physical examinations.
9852b. Centers of Excellence in Early Childhood.
9853. General provisions.

SUBCHAPTER II–A—HEAD START TRANSITION PROJECT

9855 to 9855g. Repealed.

SUBCHAPTER II–B—CHILD CARE AND DEVELOPMENT BLOCK GRANT

9857. Short title and purposes.
9858. Authorization of appropriations.
9858a. Establishment of block grant program.
9858b. Lead agency.
9858c. Application and plan.
9858d. Limitations on State allotments.
9858e. Limitations on use of financial assistance for certain purposes.
9858f. Criminal background checks.
9858g. Administration and enforcement.
9858h. Payments.
9858i. Reports and audits.
9858j. Reports, hotline, and Web site.
9858k. Limitations on use of financial assistance for certain purposes.
9858l. Nondiscrimination.
9858m. Amounts reserved; allotments.
9858n. Definitions.
9858o. Parental rights and responsibilities. Severability.
9858p. Miscellaneous provisions.
9858q. Studies on waiting lists.

SUBCHAPTER II–C—CHILD CARE SAFETY AND HEALTH GRANTS

9859. Definitions.
9859a. Authorization of appropriations.
9859b. Programs.
9859c. Amounts reserved; allotments.
9859d. State applications.
§ 9801. Statement of purpose

The purpose of this subchapter is to encourage the development of special programs by which the residents of urban and rural low-income areas may, through self-help and mobilization of the community at large, with appropriate Federal assistance, improve the quality of their economic and social participation in community life in such a way as to contribute to the elimination of poverty and the establishment of permanent economic and social benefits.

$9802  TITLE 42—THE PUBLIC HEALTH AND WELFARE

§ 9802. “Community development corporation” defined

For purposes of this subchapter, the term “community development corporation” means a nonprofit organization responsible to residents of the area it serves which is receiving financial assistance under part A and any organization more than 50 percent of which is owned by such an organization, or otherwise controlled by such an organization, or designated by such an organization for the purpose of this subchapter.


§9804. Advisory Community Investment Board

(a) National Community Investment Board; functions, composition, etc.

(1) The President is authorized to establish a National Advisory Community Investment Board (hereinafter in this section referred to as the “Investment Board”). Such Investment Board shall be composed of 15 members appointed, for staggered terms of 3 years without regard to the civil service laws, by the President, in consultation with the Secretary of Health and Human Services (hereinafter referred to as the “Secretary”). Such members shall be representative of the investment and community development fields of endeavor related to this subchapter. The Investment Board shall meet at the call of the chairperson, but not less often than 3 times each year. The Secretary and the administrator of community economic development programs shall be ex officio members of the Investment Board.

(2) The Secretary shall carry out the provisions of this subchapter through an appropriate office.

(b) Function

The Investment Board shall promote cooperation between private investors and businesses and community development corporation projects through—

(1) advising the Secretary and the community development corporations on ways to facilitate private investment;
§ 9805. Statement of purpose

The purpose of this part is to establish special programs of assistance to nonprofit private locally initiated community development corporations which (1) are directed to the solution of the critical problems existing in particular communities or neighborhoods (defined without regard to political or other subdivisions or boundaries) within those urban and rural areas having concentrations or substantial numbers of low-income persons; (2) are of sufficient size, scope, and duration to have an appreciable impact in such communities, neighborhoods, and rural areas in arresting tendencies toward dependency, chronic unemployment, and community deterioration; (3) hold forth the prospect of continuing to have such impact after the termination of financial assistance under this part; and (4) provide financial and other assistance to start, expand, or locate enterprises in or near the area to be served so as to provide employment and ownership opportunities for residents of such areas, including those who are disadvantaged in the labor market because of their limited speaking, reading, and writing abilities in the English language.


§ 9806. Establishment and scope of programs

(a) The Secretary is authorized to provide financial assistance in the form of grants to nonprofit and for-profit community development corporations and other affiliated and supportive agencies and organizations associated with qualifying community development corporations for the payment of all or part of the cost of programs which are designed to carry out the purposes of this part. Financial assistance shall be provided so that each community economic development program is of sufficient size, scope, and duration to have an appreciable impact on the area served. Such programs may include—

(1) community business and commercial development programs, including (A) programs which provide financial and other assistance (including equity capital) to start, expand, or locate businesses in or near the area served so as to provide employment and ownership opportunities for residents of such areas; and (B) programs for small businesses located in or owned by residents of such areas;

(2) community physical development programs, including industrial parks and housing activities, which contribute to an improved environment and which create new training, employment and ownership opportunities for residents of such area;

(3) training and public service employment programs and related services for unemployed or low-income persons which support and complement community development programs financed under this part, including, without limitation, activities such as the activities described in title I of the Workforce Investment Act of 1998; and

(4) social service programs which support and complement community business and commercial development programs financed under this part, including child care, educational services, health services, credit counseling, energy conservation, recreation services, and programs for the maintenance of housing facilities.

(b) The Secretary shall conduct programs assisted under this part so as to contribute, on an equitable basis between urban and rural areas, to the elimination of poverty and the establishment of permanent economic and social benefits in such areas.


REFERENCES IN TEXT


1 See References in Text note below.
§ 9807 TITLE 42—THE PUBLIC HEALTH AND WELFARE Page 7198


AMENDMENTS

1998—Subsec. (a)(3). Pub. L. 105–277, §101(f) [title VIII, §405(f)(31)], struck out “the Job Training Partnership Act” after “activities described in”. Pub. L. 105–277, §101(f) [title VIII, §405(d)(40)], substituted “activities such as the activities described in the Job Training Partnership Act or title I of the Workforce Investment Act of 1998” for “activities such as those described in the Comprehensive Employment and Training Act”.

EFFECTIVE DATE OF 1998 AMENDMENT


§ 9807. Financial assistance requirements

(a) Conditions

The Secretary, under such regulations as the Secretary may establish, shall not provide financial assistance for any community economic development program under this part unless the Secretary determines that—

(1) such community development corporation is responsible to residents of the area served (A) through a governing body not less than 50 percent of the members of which are area residents; and (B) in accordance with such other guidelines as may be established by the Secretary, except that the composition of the governing bodies of organizations owned or controlled by the community development corporation need not be subject to such residency requirement;

(2) the program will be appropriately coordinated with local planning under this subchapter with housing and community development programs, with employment and training programs, and with other relevant planning for physical and human resources in the areas served;

(3) adequate technical assistance is made available and committed to the programs being supported;

(4) such financial assistance will materially further the purposes of this part;

(5) the applicant is fulfilling or will fulfill a need for services, supplies, or facilities which is otherwise not being met;

(6) all projects and related facilities will, to the maximum feasible extent, be located in the areas served;

(7) projects will, where feasible, promote the development of entrepreneurial and management skills and the ownership or participation in ownership of assisted businesses and housing, cooperatively or otherwise, by residents of the area served;

(8) projects will be planned and carried out with the fullest possible participation of resident or local businessmen and representatives of financial institutions, including participation through contract, joint venture, partnership, stock ownership or membership on the governing boards or advisory councils of such projects consistent with the self-help purposes of this subchapter;

(9) no participant will be employed on projects involving political parties, or the construction, operation, or maintenance of so much of any facility as is used or to be used for sectarian instruction or as a place for religious worship;

(10) the program will not result in the displacement of employed workers or impair existing contracts for services, or result in the substitution of Federal or other funds in connection with work that would otherwise be performed;

(11) the rates of pay for time spent in work training and education, and other conditions of employment, will be appropriate and reasonable in the light of such factors as the type of work, geographical region, and proficiency of the participant;

(12) the program will, to the maximum extent feasible, contribute to the occupational development or upward mobility of individual participants;

(13) preference will be given to low-income or economically disadvantaged residents of the areas served in filling jobs and training opportunities; and

(14) training programs carried out in connection with projects financed under this part shall be designed wherever feasible to provide those persons who successfully complete such training with skills which are also in demand in communities, neighborhoods, or rural areas other than those for which programs are established under this part.

(b) Relocations substantially increasing unemployment

Financial assistance under this section shall not be extended to assist in the relocation of establishments from one location to another if such relocation would result in a substantial increase in unemployment in the area of original location.

(c) Community economic development program; application; specification of goals

Financial assistance for commercial development under this part shall not be extended until the community economic development program that has applied for assistance under this subchapter has specified in some detail its development goals and its development timetable. The Secretary, in providing continued financial assistance to a community economic development program, shall give serious consideration to the experience such program has had in meeting development goals or in adhering to development timetables.

§ 9808. Federal share; amount; availability; ownership of property acquired with Federal financial assistance

(a)(1) Assistance provided under this subchapter to any program described in section 9807(a) of this title shall not exceed 90 percent of the cost of such program, including costs of administration, unless the Secretary determines that the assistance in excess of such percentage is required in furtherance of the purposes of this subchapter. Non-Federal contributions may be in cash or in kind, fairly evaluated, including but not limited to plant, equipment, and services.

(2) The assistance referred to in paragraph (1) shall be made available (A) for deposit to the order of grantees which have demonstrated successful program performance, under conditions which the Secretary deems appropriate, within 30 days following approval of the grant agreement by the Secretary and such grantee; or (B) whenever the Secretary deems appropriate, in accordance with applicable rules and regulations prescribed by the Secretary of the Treasury, and including any other conditions which the Secretary of Health and Human Services deems appropriate, within 30 days following approval of the grant agreement by the Secretary and such grantee.

(b) Property acquired as a result of capital investments made by any community development corporation with funds granted as its Federal share of the cost of programs carried out under this subchapter, and the proceeds from the sale of such property, shall become the property of the community development corporation and shall not be considered to be Federal property. The Federal Government retains the right to direct that on severance of the grant relationship the assets purchased with grant funds shall continue to be used for the original purpose for which they were granted.


PART B—SPECIAL RURAL PROGRAMS

§ 9809. Statement of purpose

It is the purpose of this part to meet the special economic needs of rural communities or areas with concentrations or substantial numbers of low-income persons by providing support to self-help programs which promote economic development and independence, as a supplement to existing similar programs conducted by other departments and agencies of the Federal Government. Such programs should encourage low-income families to pool their talents and resources so as to create and expand rural economic enterprise.


§ 9810. Financial assistance to low-income families, local cooperative associations, and local public or private nonprofit organizations or entities; amount, purposes, etc.

(a) The Secretary is authorized to provide financial assistance, including loans having a maximum maturity of fifteen years and in amounts not resulting in an aggregate principal indebtedness of more than $3,500 at any one time, to any low-income rural family where, in the judgment of the Secretary, such financial assistance has a reasonable possibility of effecting a permanent increase in the income of such families, or will contribute to the improvement of their living or housing conditions, by assisting or permitting them to—

(1) acquire or improve real estate or reduce encumbrances or erect improvements thereon;

(2) operate or improve the operation of farms not larger than family sized, including but not limited to the purchase of feed, seed, fertilizer, livestock, poultry, and equipment; or

(3) participate in cooperative associations, or finance nonagricultural enterprises which will enable such families to supplement their income.

(b) The Secretary is authorized to provide financial assistance to local cooperative associations or local public and private nonprofit organizations or agencies in rural areas containing concentrations or substantial numbers of low-income persons for the purpose of defraying all or part of the costs of establishing and operating cooperative programs for farming, purchasing, marketing, processing, and to improve their income as producers and their purchasing power as consumers, and to provide such essentials as credit and health services. Costs which may be defrayed shall include—

(1) administrative costs of staff and overhead;

(2) costs of planning and developing new enterprises;

(3) costs of acquiring technical assistance; and

(4) initial capital where it is determined by the Secretary that the poverty of the families participating in the program and the social conditions of the rural area require such assistance.


§ 9811. Limitation on assistance

No financial assistance shall be provided under this part unless the Secretary determines that—

(1) any cooperative association receiving assistance has a minimum of fifteen active members, a majority of which are low-income rural persons;

(2) adequate technical assistance is made available and committed to the programs being supported;

(3) such financial assistance will materially further the purposes of this part; and

(4) the applicant is fulfilling or will fulfill a need for services, supplies, or facilities which is otherwise not being met.


1 So in original. Probably should be “nonagricultural”.
PART C—DEVELOPMENT LOANS TO COMMUNITY ECONOMIC DEVELOPMENT PROGRAMS

§9812. Development loan fund

(a) Authorities, scope, and purposes; conditions; interest rate repayment

The Secretary is authorized to make or guarantee loans (either directly or in cooperation with banks or other organizations through agreements to participate on an immediate or deferred basis) to community development corporations, to families and local cooperatives and the designated supportive organizations of cooperatives eligible for financial assistance under this subchapter, to private nonprofit organizations receiving assistance under chapter 106 of this title, or to public and private nonprofit organizations or agencies, for business facilities and community development projects, including community development credit unions, which the Secretary determines will carry out the purposes of this part. No loans, guarantees, or other financial assistance shall be provided under this section unless the Secretary determines that—

(1) there is reasonable assurance of repayment of the loan;

(2) the loan is not otherwise available on reasonable terms from private sources or other Federal, State, or local programs; and

(3) the amount of the loan, together with other funds available, is adequate to assure completion of the project or achievement of the purposes for which the loan is made.

Loans made by the Secretary pursuant to this section shall bear interest at a rate not less than a rate determined by the Secretary of the Treasury taking into consideration the average market yield on outstanding Treasury obligations of comparable maturity, plus such additional charge, if any, toward covering other costs of the program as the Secretary of Health and Human Services may determine to be consistent with its purposes, except that, for the 5 years following the date in which funds are initially available to the borrower, the rate of interest shall be set at a rate considered appropriate by the Secretary in light of the particular needs of the borrower, which rate shall not be lower than 1 percent. All such loans shall be repayable within a period of not more than 30 years.

(b) Adjustment of interest rates, moratorium on principal and interest, etc.

The Secretary is authorized to adjust interest rates, grant moratoriums on repayment of principal and interest, collect or compromise any obligations held by the Secretary, and to take such other actions in respect to such loans as the Secretary shall determine to be necessary or appropriate, consistent with the purposes of this section.

(c) Establishment, funding, etc.

(1) To carry out the lending and guaranty functions authorized under this part, there shall be established a Development Loan Fund consisting of two separate accounts, one of which shall be a revolving fund called the Rural Development Loan Fund and the other of which shall be a revolving fund called the Community Development Loan Fund. The capital of each such revolving fund shall remain available until expended.

(2) The Rural Development Loan Fund shall consist of the remaining funds provided for in part A of title III of the Economic Opportunity Act of 1964 (42 U.S.C. 2841 et seq.), as in effect on September 19, 1972, and such amounts as may be deposited in such fund by the Secretary out of funds made available from appropriations for purposes of carrying out this part. The Secretary shall utilize the services of the Farmers Home Administration, or the Rural Development Administration in administering such fund.

(3) The Community Development Loan Fund shall consist of such amounts as may be deposited in such fund by the Secretary out of funds made available from appropriations for purposes of carrying out this subchapter. The Secretary may make deposits in the Community Development Loan Fund in any fiscal year in which the Secretary has made available for grants to community development corporations under this subchapter not less than $50,000,000 out of funds made available from appropriations for purposes of carrying out this subchapter.


REFERENCES IN TEXT

Chapter 106 of this title, referred to in subsec. (a), was in the original "subtitle B of this title", meaning subtitle B (§671 et seq.) of title VI of Pub. L. 97–35, Aug. 13, 1981, 95 Stat. 511, as amended, known as the Community Services Block Grant Act, which is classified generally to chapter 106 (§1901 et seq.) of this title. For complete classification of this Act to the Code, see Short Title Note set out under section 9001 of this title and Tables.


AMENDMENTS

1990—Subsec. (c)(2). Pub. L. 101–624 inserted "or the Rural Development Administration" after "Farmers Home Administration".

TRANSFER OF FUNCTIONS

Functions relating to administration of Community Development Credit Union Revolving Loan Fund transferred from Secretary of Health and Human Services to National Credit Union Administration by Pub. L. 99–609, set out as a note under section 9622 of this title.

§9812a. Interest rates payable on certain rural development loans; assignment of loan contracts

(a) Modification of interest rates

Notwithstanding any other provision of law—

(1) any outstanding loan made after December 31, 1982, by the Secretary of Health and Human Services; or

(2) any loan made after September 30, 1986;
with moneys from the Rural Development Loan Fund established by section 9812(c)(1) of this title or with funds available (before October 27, 1998) under section 9910(a) of this title (as in effect before October 27, 1998) to an intermediary borrower shall bear interest at a fixed rate equal to the rate of interest that was in effect on the date of issuance for loans made in 1980 with such moneys or such funds if the weighted average rate of interest for all loans made after December 31, 1982, by such intermediary borrower with such moneys or such funds does not exceed the sum of 6 percent and the rate of interest payable under this subsection by such intermediary borrower.

(b) Assignment of certain loan contracts

Any contract for a loan made during the period beginning on December 31, 1982, and ending on September 30, 1986, with—

(1) moneys from the Rural Development Loan Fund established by section 9812(c)(1) of this title; or

(2) funds available (before October 27, 1998) under section 9910(a) of this title (as in effect before October 27, 1998);

to an intermediary borrower that is a county government may be assigned by such borrower to an entity to which such loan could have been made for the purpose for which such contract was made. Any entity to which such contract is so assigned shall be substituted as a party to such contract and shall be obligated to carry out such contract and the purpose for which such contract was made.


REFERENCES IN TEXT


CODIFICATION

Section was enacted as part of the Human Services Reauthorization Act of 1986, and not as part of the Community Economic Development Act of 1981 which comprises this subchapter.

AMENDMENTS


Subsec. (b)(2). Pub. L. 105–285, § 202(c)(2), inserted “(before October 27, 1998)” after “funds available” and “(as in effect before October 27, 1998)” after “9910(a) of this title”.

EFFECTIVE DATE


TRANSFER OF LOAN BY UTAH OR OHIO LOCAL PUBLIC BODY TO NONPROFIT CORPORATION

Pub. L. 99–500, § 101(a) [title VI, § 640], Oct. 18, 1986, 100 Stat. 1783, 1783–35, and Pub. L. 99–591, § 101(a) [title VI, § 640], Oct. 30, 1986, 100 Stat. 3341, 3341–35, purported to amend section 623B(b)(2) of the Community Economic Development Act of 1981, a nonexistent section of that Act (Pub. L. 99–35, title VI, § 611 et seq.), by adding at the end thereof the following new sentence: “Notwithstanding any other provision of law, any Utah or Ohio local public body to which a loan was made after December 31, 1982, from the Rural Development Loan Fund may, at the discretion of such local public body and with the approval of the Secretary of Health and Human Services, transfer such loan to a nonprofit corporation designated by such body to serve as an intermediary borrower and to carry out the purposes of the loan.”

§ 9813. Model Community Economic Development Finance Corporation; establishment; functions

To the extent he deems appropriate, the Secretary shall utilize funds available under this part to prepare a plan of action for the establishment of a Model Community Economic Development Finance Corporation to provide a user-controlled independent and professionally operated long-term financing vehicle with the principal purpose of providing financial support for community economic development corporations, cooperatives, other affiliated and supportive agencies and organizations associated with community economic development corporations, and other entities eligible for assistance under this subchapter.


PART D—SUPPORITIVE PROGRAMS AND ACTIVITIES

§ 9814. Training and technical assistance

(a) Grants, contracts, and other arrangements; preconditions

The Secretary shall provide, directly or through grants, contracts, or other arrangements, such technical assistance and training of personnel as may be required to effectively implement the purposes of this subchapter. No financial assistance shall be provided to any public or private organization under this section unless the Secretary provides the beneficiaries of these services with opportunity to participate in the selection of and to review the quality and utility of the services furnished them by such organization.

(b) Technical assistance to community development corporations and urban and rural cooperatives

Technical assistance to community development corporations and both urban and rural cooperatives may include planning, management, legal assistance or support, preparation of feasibility studies, product development, marketing, and the provision of stipends to encourage skilled professionals to engage in full-time activities under the direction of a community organization financially assisted under this subchapter.

(c) Training for employees of community development corporations and employees and members of urban and rural cooperatives

Training for employees of community development corporations and for employees and mem-
bers of urban and rural cooperatives shall include on-the-job training, classroom instruction, and scholarships to assist them in development, managerial, entrepreneurial, planning, and other technical and organizational skills which will contribute to the effectiveness of programs assisted under this subchapter.


§ 9815. Small Business Administration and Department of Commerce economic development programs; regulations

(a)(1) Funds granted under this subchapter which are invested directly or indirectly, in a small investment company, local development company, limited small business investment company, or small business investment company licensee under section 681(d) of title 15 shall be included as “private paid-in capital and paid-in surplus”, “combined paid-in capital and paid-in surplus”, and “paid-in capital” for purposes of sections 682, 683, and 686, respectively, of title 15.

(2) Not later than 90 days after August 13, 1981, the Administrator of the Small Business Administration, after consultation with the Secretary, shall promulgate regulations to ensure the availability to community development corporations of such programs as shall further the purposes of this subchapter, including programs under section 637(a) of title 15.

(b)(1) Areas selected for assistance under this subchapter shall be deemed “redevelopment areas” within the meaning of section 401 of the Public Works and Economic Development Act of 1965, shall qualify for assistance under the provisions of title I and title II of such Act, and shall be deemed to have met the overall economic development program requirements of section 202(b) of such Act.

(2) Not later than 90 days after August 13, 1981, the Secretary of Commerce shall prescribe regulations which will ensure that community development corporations and cooperatives shall qualify for assistance and shall be eligible to receive such assistance under all such programs of the Economic Development Administration as shall further the purposes of this subchapter.


REFERENCES IN TEXT


So in original. Probably should be “Public”.

CAPACITY BUILDING FOR COMMUNITY DEVELOPMENT AND AFFORDABLE HOUSING


“(a) IN GENERAL.—The Secretary is authorized to provide assistance through the National Community Development Initiative, Local Initiatives Support Corporation, The Enterprise Foundation, Habitat for Humanity, and Youthbuild USA to develop the capacity and ability of community development corporations and community housing development organizations to undertake community development and affordable housing projects and programs.

“(b) FORM OF ASSISTANCE.—Assistance under this section may be used for—

“(1) training, education, support, and advice to enhance the technical and administrative capabilities of community development corporations and community housing development organizations;

§ 9816. Department of Housing and Urban Development programs

The Secretary of Housing and Urban Development, after consultation with the Secretary, shall take all necessary steps to assist community development corporations and local cooperative associations to qualify for and receive (1) such assistance in connection with technical assistance, counseling to tenants and homeowners, and loans to sponsors of low-income and moderate-income housing under section 106 of the Housing and Urban Development Act of 1968 [12 U.S.C. 1701i], as amended by section 811 of the Housing and Community Development Act of 1974; (2) such land for housing and business location and expansion under title I of the Housing and Community Development Act of 1974 [42 U.S.C. 5301 et seq.]; and (3) such funds for comprehensive planning under section 701 of the Housing Act of 1954, as amended by section 401 of the Housing and Community Development Act of 1974, as shall further the purposes of this subchapter.


REFERENCES IN TEXT

Section 811 of the Housing and Community Development Act of 1974, referred to in text, is section 811 of Pub. L. 93–383, Aug. 22, 1974, 88 Stat. 735, which amended section 1701i of Title 12, Banks and Banking.


Section 401 of the Housing and Community Development Act of 1974, referred to in text, is section 401 of Pub. L. 93–383, title IV, Aug. 22, 1974, 88 Stat. 686, subsecs. (a) and (b) of which amended section 461 of former Title 40, Public Buildings, Property, and Works, and prior to its repeal by Pub. L. 97–35, and subsec. (c) of which amended section 460 of former Title 40.

See References in Text note below.

See References in Text note below.
“(2) loans, grants, or predevelopment assistance to community development corporations and community housing development organizations to carry out community development and affordable housing activities that benefit low-income families; and

“(3) such other activities as may be determined by the National Community Development Initiative, Local Initiatives Support Corporation, The Enterprise Foundation, Habitat for Humanity, and YouthBuild USA in consultation with the Secretary.

“(c) Matching Requirement.—Assistance provided under this section shall be matched from private sources in an amount equal to 3 times the amount made available under this section.

“(d) Implementation.—The Secretary shall by notice establish such requirements as may be necessary to carry out the provisions of this section. The notice shall take effect upon issuance.

“(e) Authorization.—There are authorized to be appropriated $25,000,000 for fiscal year 1994 to carry out this section.”

§ 9817. Department of Agriculture; Rural Development Administration programs

The Secretary of Agriculture or, where appropriate, the Administrator of the Farmers Home Administration, or of the Rural Development Administration, after consultation with the Secretary of Health and Human Services, shall take all necessary steps to ensure that community development corporations and local cooperative associations shall qualify for and shall receive—

(1) such assistance in connection with housing development under the Housing Act of 1949, as amended [42 U.S.C. 1441 et seq.];

(2) such assistance in connection with housing, business, industrial, and community development under the Consolidated Farmers Home Administration Act of 1961 [7 U.S.C. 1921 et seq.] and the Rural Development Act of 1972; and

(3) such further assistance under all such programs of the United States Department of Agriculture; as shall further the purposes of this subchapter.


REFERENCES IN TEXT

The Housing Act of 1949, referred to in par. (1), is act July 15, 1949, ch. 338, 63 Stat. 413, as amended, which is classified principally to chapter 8A (§1441 et seq.) of this title. For complete classification of this Act to the Code, see Short Title note set out under section 1441 of this title and Tables.


AMENDMENTS

1990—Pub. L. 101–624 substituted “Department of Agriculture; Rural Development Administration programs” for “Department of Agriculture and Farmers Home Administration programs” in section catchline and inserted “; or of the Rural Development Administration” after “of the Farmers Home Administration” in text.

§ 9818. Coordination and eligibility

(a) The Secretary shall take all necessary and appropriate steps to encourage Federal departments and agencies and State and local governments to make grants, provide technical assistance, enter into contracts, and generally support and cooperate with community development corporations and local cooperative associations.

(b) Eligibility for assistance under other Federal programs shall not be denied to any applicant on the ground that it is a community development corporation or any other entity assisted under this subchapter.


§ 9819. Evaluation of programs; implementation and funding, etc.; research and demonstration projects; implementation and purposes

(a) Each program for which grants are made under this subchapter shall provide for a thorough evaluation of the effectiveness of the program in achieving its purposes, which evaluation shall be conducted by such public or private organizations as the Secretary in consultation with existing grantees familiar with programs carried out under the Community Services Block Grant Act [42 U.S.C. 9901 et seq.] may designate, and all or part of the costs of evaluation may be paid from funds appropriated to carry out this part. In evaluating the performance of any community development corporation funded under part A, the criteria for evaluation shall be based upon such program objectives, goals, and priorities as are consistent with the purposes of this subchapter and were set forth by such community development corporation in its proposal for funding as approved and agreed upon by or as subsequently modified from time to time by mutual agreement between the Secretary and such community development corporation.

(b) The Secretary shall conduct, either directly or through grants or other arrangements, research and demonstration projects designed to suggest new programs and policies to achieve the purposes of this subchapter in such ways as to provide opportunities for employment, ownership, and a better quality of life for low-income residents.


REFERENCES IN TEXT

The Community Services Block Grant Act, referred to in subsec. (a), is subtitle B (§671 et seq.) of title VI of Pub. L. 97–35, Aug. 13, 1981, 95 Stat. 511, as amended, which is classified generally to chapter 106 (§9901 et seq.) of this title. For complete classification of this Act to the Code, see Short Title note set out under section 9901 of this title and Tables.

§ 9820. Grants to plan economic development and cooperative programs

In order to facilitate the purposes of this subchapter, the Secretary is authorized to provide
financial assistance to any public or private nonprofit agency or organization for planning of community economic development programs and cooperative programs under this subchapter.

§ 9821. Nondiscrimination provisions

(a) The Secretary shall not provide financial assistance for any program, project, or activity under this subchapter unless the grant or contract with respect thereto specifically provides that no person with responsibilities in the operation thereof will discriminate with respect to any such program, project, or activity because of race, creed, color, national origin, sex, political affiliation, or beliefs.

(b) No person in the United States shall on the ground of sex be excluded from participation in, be denied the benefits of, be subjected to discrimination under, or be denied employment in connection with any program or activity receiving assistance under this subchapter. The Secretary shall enforce the provisions of the preceding sentence in accordance with section 2000d–1 of this title. Section 2000d–2 of this title shall apply with respect to any action taken by the Secretary to enforce such sentence. This section shall not be construed as affecting any other legal remedy that a person may have if such person is excluded from participation in, denied the benefits of, subjected to discrimination under, or denied employment in connection with, any program, project, or activity receiving assistance under this subchapter.

§ 9822. Availability of certain appropriated funds

Funds appropriated to the Rural Development Loan Fund under title VII of the Economic Opportunity Act of 1964 [42 U.S.C. 2961 et seq.] (as in effect on August 12, 1981), and interest accumulated in such fund, shall be deposited in the Rural Development Loan Fund established under subsection (c) of this Act, and shall not be construed as affecting the validity of any right, duty, or obligation of the United States or any other person arising under or pursuant to any contract, loan, or other instrument or agreement which was in effect on the day before the date of the enactment of this Act

REFERENCES IN TEXT

CODIFICATION
“August 12, 1981” substituted in text for “the day before the date of the enactment of this Act”. 

TRANSFER OF COMMUNITY DEVELOPMENT CREDIT UNION REVOLVING LOAN FUND
Pub. L. 99–609, Nov. 6, 1986, 100 Stat. 3475, provided that:

“SECTION 1. SHORT TITLE.
“(a) The Secretary shall not provide financial assistance for any program, project, or activity under this subchapter unless the grant or contract with respect thereto specifically provides that no person with responsibilities in the operation thereof will discriminate with respect to any such program, project, or activity because of race, creed, color, national origin, sex, political affiliation, or beliefs.

(b) No person in the United States shall on the ground of sex be excluded from participation in, be denied the benefits of, be subjected to discrimination under, or be denied employment in connection with any program or activity receiving assistance under this subchapter. The Secretary shall enforce the provisions of the preceding sentence in accordance with section 2000d–1 of this title. Section 2000d–2 of this title shall apply with respect to any action taken by the Secretary to enforce such sentence. This section shall not be construed as affecting any other legal remedy that a person may have if such person is excluded from participation in, denied the benefits of, subjected to discrimination under, or denied employment in connection with, any program, project, or activity receiving assistance under this subchapter.


§ 9821. Nondiscrimination provisions

(a) The Secretary shall not provide financial assistance for any program, project, or activity under this subchapter unless the grant or contract with respect thereto specifically provides that no person with responsibilities in the operation thereof will discriminate with respect to any such program, project, or activity because of race, creed, color, national origin, sex, political affiliation, or beliefs.

(b) No person in the United States shall on the ground of sex be excluded from participation in, be denied the benefits of, be subjected to discrimination under, or be denied employment in connection with any program or activity receiving assistance under this subchapter. The Secretary shall enforce the provisions of the preceding sentence in accordance with section 2000d–1 of this title. Section 2000d–2 of this title shall apply with respect to any action taken by the Secretary to enforce such sentence. This section shall not be construed as affecting any other legal remedy that a person may have if such person is excluded from participation in, denied the benefits of, subjected to discrimination under, or denied employment in connection with, any program, project, or activity receiving assistance under this subchapter.

§ 9822. Availability of certain appropriated funds

Funds appropriated to the Rural Development Loan Fund under title VII of the Economic Opportunity Act of 1964 [42 U.S.C. 2961 et seq.] (as in effect on August 12, 1981), and interest accumulated in such fund, shall be deposited in the Rural Development Loan Fund established under section 633 of the Omnibus Budget Reconciliation Act of 1981 [42 U.S.C. 9822] shall continue to be available to the Board to carry out the purposes of the Fund.

“(b) CONTINUED AVAILABILITY OF APPROPRIATED FUNDS.—All funds appropriated to the Fund and interest accumulated in the Fund which continue to be available under section 633 of the Omnibus Budget Reconciliation Act of 1981 [42 U.S.C. 9822] shall continue to be available to the Board to carry out the purposes of the Fund.

“(c) TRANSFER OF ASSETS; ETC.—The Secretary shall transfer to the National Credit Union Administration all assets, liabilities, grants, contracts, property, records, and funds held, used, arising from, or available from the Secretary in connection with the administration of the Fund before the end of the 60-day period beginning on the date of the enactment of this Act [Nov. 6, 1986].

“(d) SAVINGS PROVISIONS.—

“(1) REGULATIONS.—Any regulations prescribed by the Secretary in connection with the administration of the Fund shall continue in effect until superseded by regulations prescribed by the Board.

“(2) EXISTING RIGHTS, DUTIES, AND OBLIGATIONS NOT AFFECTED.—Subsection (a) shall not be construed as affecting the validity of any right, duty, or obligation of the United States or any other person arising under or pursuant to any contract, loan, or other instrument or agreement which was in effect on the day before the date of the enactment of this Act [Nov. 6, 1986].

“(3) CONTINUATION OF SUITS.—No action or other proceeding commenced by or against the Secretary in connection with the administration of the Fund shall abate by reason of the enactment of this Act, except that the Board shall be substituted for the Secretary as a party to any such action or proceeding.

“(e) DEFINITIONS.—For purposes of this section—

“(1) BOARD.—The term ‘Board’ means the National Credit Union Administration Board.

“(2) FUND.—The term ‘Fund’ means the Community Development Credit Union Revolving Loan Fund established under title VII of the Economic Opportunity Act of 1964 [see References in Text note above] (as in effect before the date of the enactment of the Omnibus Budget Reconciliation Act of 1981 [Aug. 13, 1981].

“(3) SECRETARY.—The term ‘Secretary’ means the Secretary of Health and Human Services.”

SUBCHAPTER II—HEAD START PROGRAMS

CODIFICATION
§ 9831. Statement of purpose

It is the purpose of this subchapter to promote the school readiness of low-income children by enhancing their cognitive, social, and emotional development—

(1) in a learning environment that supports children's growth in language, literacy, mathematics, science, social and emotional functioning, creative arts, physical skills, and approaches to learning; and

(2) through the provision to low-income children and their families of health, educational, nutritional, social, and other services that are determined, based on family needs assessments, to be necessary.


AMENDMENTS

2007—Pub. L. 110–134 amended section generally. Prior to amendment, text read as follows: “It is the purpose of this subchapter to promote school readiness by enhancing the social and cognitive development of low-income children and their families, of health, educational, nutritional, social, and other services that are determined, based on family needs assessments, to be necessary.”


EFFECTIVE DATE OF 1990 AMENDMENT


SHORT TITLE

For short title of this subchapter as the “Head Start Act”, see section 635 of Pub. L. 97–35, set out as a note under section 9801 of this title.

PERSCHOOL DEVELOPMENT GRANTS

Pub. L. 114–95, title IX, § 9212, Dec. 10, 2015, 129 Stat. 2152, provided that:

“(a) PURPOSES.—The purposes of this section are—

“(1) to assist States to develop, update, or implement a strategic plan that facilitates collaboration and coordination among existing programs of early childhood care and education in a mixed delivery system across the State designed to prepare low-income and disadvantaged children to enter kindergarten and to improve transitions from such system into the local educational agency or elementary school that serves such children, by—

“(A) more efficiently using existing Federal, State, local, and non-governmental resources to align and strengthen the delivery of existing programs;

“(B) coordinating the delivery models and funding streams existing in the State’s mixed delivery system; and

“(C) developing recommendations to better use existing resources in order to improve—

“(i) the overall participation of children in a mixed delivery system of Federal, State, and local early childhood education programs;

“(ii) program quality while maintaining availability of services;

“(iii) parental choice among existing programs; and

“(iv) school readiness for children from low-income and disadvantaged families, including during such children’s transition into elementary school;

“(2) to encourage partnerships among Head Start providers, State and local governments, Indian tribes and tribal organizations, private entities (including faith- and community-based entities), and local educational agencies, to improve coordination, program quality, and delivery of services; and

“(3) to maximize parental choice among a mixed delivery system of early childhood education program providers.

“(b) DEFINITIONS.—In this section:

“(1) ESEA DEFINITIONS.—The terms ‘elementary school’, ‘local educational agency’, and ‘State’ have the meanings given the terms in section 8101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7801).

“(2) CENTER OF EXCELLENCE IN EARLY CHILDHOOD.—The term ‘Center of Excellence in Early Childhood’ means a Center of Excellence in Early Childhood designated under section 657B(b) of the Head Start Act (20 U.S.C. 9862(b)).

“(3) EARLY CHILDHOOD EDUCATION PROGRAM.—The term ‘early childhood education program’ has the meaning given the term in section 103 of the Higher Education Act of 1965 (20 U.S.C. 1003).

“(4) EXISTING PROGRAM.—The term ‘existing program’ means a Federal, State, local, or privately-funded early childhood education program that—

“(A) was operating in the State on the day before the date of enactment of this Act [Dec. 10, 2015]; or

“(B) began operating in the State at any time on or after the date of enactment of this Act through funds that were not provided by a grant under this section.

“(5) MIXED DELIVERY SYSTEM.—The term ‘mixed delivery system’ means a system—

“(A) of early childhood education services that are delivered through a combination of programs, providers, and settings (such as Head Start, licensed family and center-based child care programs, public schools, and community-based organizations); and

“(B) that is supported with a combination of public funds and private funds.

“(6) SECRETARY.—The term ‘Secretary’ means the Secretary of Health and Human Services.

“(7) STATE ADVISORY COUNCIL.—The term ‘State Advisory Council’ means a State Advisory Council on Early Childhood Education and Care designated or established under section 642B(d)(1)(A) of the Head Start Act (42 U.S.C. 987b(d)(1)(A)).

“(c) GRANTS AUTHORIZED.—

“(1) IN GENERAL.—From amounts made available under subsection (k), the Secretary, jointly with the Secretary of Education, shall award grants to States to enable the States to carry out the activities described in subsection (f).

“(2) AWARD BASIS.—Grants under this subsection shall be awarded—

“(A) on a competitive basis; and

“(B) with priority for States that meet the requirements of subsection (e).

“(3) DURATION OF GRANTS.—A grant awarded under paragraph (1) shall be for a period of not more than
§ 9831

1 year and may be renewed by the Secretary, jointly with the Secretary of Education, under subsection (g).

"(4) MATCHING REQUIREMENT.—Each State that receives a grant under this section shall provide funds from non-Federal sources (which may be provided in cash or in kind) to carry out the activities supported by the grant, in an amount equal to not less than 30 percent of the amount of such grant.

"(d) INITIAL APPLICATION.—A State desiring a grant under subsection (c)(1) shall submit an application at such time and in such manner as the Secretary may reasonably require. The application shall contain—

"(1) an identification of the State entity that the Governor of the State has appointed to be responsible for duties under this section;

"(2) a description of how such State entity proposes to accomplish the activities described in subsection (f) (including programs operated by Indian tribes and tribal organizations, and private entities (including faith-based and community-based entities) that would improve coordination, program quality, and delivery of services; 

"(3) a description of the Federal, State, and local programs in the State for which such State entity proposes to facilitate activities described in subsection (f), including—

"(a) programs carried out under the Head Start Act (42 U.S.C. 9801 et seq.) [42 U.S.C. 9831 et seq.], including the Early Head Start programs carried out under such Act;

"(b) child care programs carried out under the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9858 et seq.) (42 U.S.C. 9657 et seq.) or section 418 of the Social Security Act (42 U.S.C. 618); and

"(C) other Federal, State, and local programs of early learning and development, early childhood education, and child care, operating in the State (including programs operated by Indian tribes and tribal (if applicable) agencies responsible for administering such programs);

"(5) a description of how the State plans to sustain activities and the proposed activities described in subsection (f), including—

"(A) the availability and quality of existing programs in the State, including such programs serving the most vulnerable or underserved populations and children in rural areas;

"(B) the extent practicable, the unduplicated number of children being served in existing programs; and

"(C) the extent practicable, the unduplicated number of children awaiting service in such programs.

"(2) Developing a strategic plan that recommends collaboration, coordination, and quality improvement activities (including activities to improve children’s transition from early childhood education programs into elementary schools) among existing programs in the State and local educational agencies.

"(3) Maximizing parental choice and knowledge about the State’s mixed delivery system of existing programs and providers by—

"(A) ensuring that parents are provided information about the variety of early childhood education programs for children from birth to kindergarten entry in the State’s mixed delivery system; and

"(B) promoting and increasing involvement by parents and family members, including families of low-income and disadvantaged children, in the development of their children and the transition of such children from an early childhood education program into an elementary school.

"(4) Sharing best practices among early childhood education program providers in the State to increase collaboration and efficiency of services, including to improve transitions from such programs to elementary school.

"(5) Activities described in paragraphs (1) and (2) have been completed, improving the overall quality of early childhood education programs in the State, including by developing and implementing evidence-based practices that meet the requirements of section 8101(21)(A)(ii) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7901(21)(A)(ii)), to improve professional development for early childhood education providers and educational opportunities for children.

"(g) RENEWAL GRANTS.—

"(1) IN GENERAL.—The Secretary, jointly with the Secretary of Education, may fund available under subsection (k) to award renewal grants to
States described in paragraph (2) to enable such States to continue activities described in subsection (f) and to carry out additional activities described in paragraph (6).

`````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````````
“(1) a description of the activities conducted through the use of subgrant funds, including, where appropriate, measurable areas of program improvement and better use of existing resources; and

“(ii) best practices from the use of subgrant funds, including how to better serve the most vulnerable, underserved, and rural populations.

“(I) RULES OF CONSTRUCTION.—

“(1) LIMITATIONS ON FEDERAL INTERFERENCE.—Nothing in this section shall be construed to authorize the Secretary or the Secretary of Education to establish any criterion for grants made under this section that specifies, defines, or prescribes—

“(A) early learning and development guidelines, standards, or specific assessments, including the standards or measures that States use to develop, implement, or improve such guidelines, standards, or assessments;

“(B) specific measures or indicators of quality early learning and care, including—

“(i) the systems that States use to assess the quality of early childhood education programs and providers, school readiness, and achievement; and

“(ii) the term ‘high-quality’ as it relates to early learning, development, or care;

“(C) early learning or preschool curriculum, program of instruction, or instructional content;

“(D) teacher and staff qualifications and salaries;

“(E) class sizes and ratios of children to instructional staff;

“(F) any new requirement that an early childhood education program is required to meet that is not explicitly authorized in this section;

“(G) the scope of programs, including length of program day and length of program year; and

“(H) any aspect or parameter of a teacher, principal, other school leader, or staff evaluation system within a State, local educational agency, or early childhood education program.

“(2) LIMITATION ON GOVERNMENTAL REQUIREMENTS.—Nothing in this section shall be construed to authorize the Secretary, Secretary of Education, the State, or any other governmental agency to alter requirements for existing programs for which coordination and alignment activities are recommended under this section, or to force programs to adhere to any recommendations developed through this program. The Secretary, Secretary of Education, State, or other governmental agency may only take an action described in the preceding sentence as otherwise authorized under Federal, State, or local law.

“(3) planning and transition.—Nothing in this section shall be construed to authorize the Secretary of Education to have sole decision-making or regulatory authority in carrying out the program authorized under this section.

“(I) planning and transition.—

“(1) in general.—The recipient of an award for a preschool development grant for development or expansion under such program as it existed on the day before the date of enactment of this Act may continue to receive funds in accordance with the terms of such existing award.

“(2) transition.—The Secretary, jointly with the Secretary of Education, shall take such steps as are necessary to ensure an orderly transition to, and implementation of, the program under this section from the preschool development grants for development or expansion program as such program was operating prior to the date of enactment of this Act, in accordance with subsection (k).

“(K) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary of Health and Human Services to carry out this section $250,000,000 for each of fiscal years 2017 through 2020.”

REVIEW OF FEDERAL EARLY CHILDHOOD EDUCATION PROGRAMS

Pub. L. 114–95, title IX, §9213, Dec. 10, 2015, 129 Stat. 2160, provided that:

“(a) In General.—The Secretary of Health and Human Services, in consultation with the heads of all Federal agencies that administer Federal early childhood education programs, shall conduct an interdepartmental review of all early childhood education programs for children less than 6 years of age in order to—

“(1) develop a plan for the elimination of overlapping programs, as identified by the Government Accountability Office’s 2012 annual report (GAO–12–342SP);

“(2) determine if the activities conducted by States using grant funds from preschool development grants under section 9212 [set out above] have led to better utilization of resources; and

“(3) make recommendations to Congress for streamlining all such programs.

“(b) report and updates.—The Secretary of Health and Human Services, in consultation with the heads of all Federal agencies that administer Federal early childhood education programs, shall—

“(1) not later than 2 years after the date of enactment of this Act [Dec. 10, 2015], prepare and submit to the Committee on Health, Education, Labor, and Pensions of the Senate and the Committee on Education and the Workforce of the House of Representatives a detailed report that—

“(A) outlines the efficiencies that can be achieved by, and specific recommendations for, eliminating overlap and fragmentation among all Federal early childhood education programs;

“(B) explains how the use by States of preschool development grant funds under section 9212 has led to the better utilization of resources; and

“(C) builds upon the review of Federal early learning and care programs required under section 13 of the Child Care and Development Block Grant Act of 2014 (Public Law 113–186; 128 Stat. 2002); and

“(2) annually prepare and submit to such Committees a detailed update of the report described in paragraph (1).”

§9322. Definitions

For purposes of this subchapter:

(1) the term “child with a disability” means—

(A) a child with a disability, as defined in section 1401(3) of title 20; and

(B) an infant or toddler with a disability, as defined in section 1432(5) of title 20.

(2) the term “deficiency” means—

(A) a systemic or substantial material failure of an agency in an area of performance that the Secretary determines involves—

(i) a threat to the health, safety, or civil rights of children or staff;

(ii) a denial to parents of the exercise of their full roles and responsibilities related to program operations;

(iii) a failure to comply with standards related to early childhood development and health services, family and community partnerships, or program design and management;

(iv) the misuse of funds received under this subchapter;

(v) loss of legal status (as determined by the Secretary) or financial viability, loss of permits, debarment from receiving Federal grants or contracts, or the improper use of Federal funds; or

(vi) failure to meet any other Federal or State requirement that the agency has shown an unwillingness or inability to correct, after notice from the Secretary, within the period specified;
(B) systemic or material failure of the governing body of an agency to fully exercise its legal and fiduciary responsibilities; or
(C) an unresolved area of noncompliance.

(3) The term “delegate agency” means a public, private nonprofit (including a community-based organization, as defined in section 8101 of the Elementary and Secondary Education Act of 1965 [20 U.S.C. 7801]), or for-profit organization or agency to which a grantee has delegated all or part of the responsibility of the grantee for operating a Head Start program.

(4) The term “family literacy services” means services that are of sufficient intensity in terms of hours, and of sufficient duration, to make sustainable changes in a family, and that integrate all of the following activities:
(A) Interactive literacy activities between parents and their children.
(B) Training for parents regarding how to be the primary teacher for their children and full partners in the education of their children.
(C) Parent literacy training that leads to economic self-sufficiency, and financial literacy.
(D) An age-appropriate education to prepare children for success in school and life experiences.

(5) The term “financial assistance” includes assistance provided by grant, agreement, or contract, and payments may be made in installments and in advance or by way of reimbursement with necessary adjustments on account of overpayments or underpayments.

(6) The term “full calendar year” means all days of the year other than Saturday, Sunday, and a legal public holiday.

(7) The term “full-working-day” means not less than 10 hours per day. Nothing in this paragraph shall be construed to require an agency to provide services to a child who has not reached the age of compulsory school attendance for more than the number of hours per day permitted by State law (including regulation) for the provision of services to such a child.

(8) The term “Head Start classroom” means a group of children supervised and taught by two paid staff members (a teacher and a teacher’s aide or two teachers) and, where possible, a volunteer.

(9) The term “Head Start family day care” means Head Start services provided in a private residence other than the residence of the child receiving such services.

(10) The term “home-based Head Start program” means a Head Start program that provides Head Start services in the private residence of the child receiving such services.

(11) The term “homeless children” has the meaning given the term “homeless children and youths” in section 11491(a)(2) of this title.

(12) The term “Indian tribe” means any tribe, band, nation, pueblo, or other organized group or community of Indians, including any Native village described in section 3(c) of the Alaska Native Claims Settlement Act (43 U.S.C. 1602(c)) or established pursuant to such Act (43 U.S.C. 1601 et seq.), that is recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians.

(13) The term “institution of higher education” has the meaning given the term in section 1001(a) of title 20.

(14) The term “interrater reliability” means the extent to which 2 or more independent raters or observers consistently obtain the same result when using the same assessment tool.

(15) The term “limited English proficient”, used with respect to a child, means a child—
(A)(i) who was not born in the United States or whose native language is a language other than English;
(ii)(I) who is a Native American (as defined in section 8101 of the Elementary and Secondary Education Act of 1965 [20 U.S.C. 7801]), an Alaska Native, or a native resident of an outlying area (as defined in such section 8101); and
(II) who comes from an environment where a language other than English has had a significant impact on the child’s level of English language proficiency; or
(B) whose difficulties in speaking or understanding the English language may be sufficient to deny such child—
(i) the ability to successfully achieve in a classroom in which the language of instruction is English; or
(ii) the opportunity to participate fully in society.

(16) The term “local educational agency” has the meaning given such term in the Elementary and Secondary Education Act of 1965 [20 U.S.C. 6301 et seq.].

(17) The term “migrant or seasonal Head Start program” means—
(A) with respect to services for migrant farmworkers, a Head Start program that serves families who are engaged in agricultural labor and who have changed their residence from one geographic location to another in the preceding 2-year period; and
(B) with respect to services for seasonal farmworkers, a Head Start program that serves families who are engaged primarily in seasonal agricultural labor and who have not changed their residence to another geographic location in the preceding 2-year period.

(18) The term “mobile Head Start program” means the provision of Head Start services utilizing transportable equipment set up in various community-based locations on a routine, weekly schedule, operating in conjunction with home-based Head Start programs, or as a Head Start classroom.

(19) The term “poverty line” means the official poverty line (as defined by the Office of Management and Budget)—

1 So in original.
(A) adjusted to reflect the percentage change in the Consumer Price Index For All Urban Consumers, issued by the Bureau of Labor Statistics, occurring in the 1-year period or other interval immediately preceding the date such adjustment is made; and

(B) adjusted for family size.

(20) The term "principles of scientific research" means principles of research that—

(A) applies rigorous, systematic, and objective methodology to obtain reliable and valid knowledge relevant to education activities and programs;

(B) presents findings and makes claims that are appropriate to and supported by methods that have been employed; and

(C) includes, as appropriate to the research being conducted—

(i) use of systematic, empirical methods that draw on observation or experiment;

(ii) use of data analyses that are adequate to support the general findings;

(iii) reliance on measurements or observational methods that provide reliable and generalizable findings;

(iv) strong claims of causal relationships, only with research designs that eliminate plausible competing explanations for observed results, such as, but not limited to, random assignment experiments;

(v) presentation of studies and methods in sufficient detail and clarity to allow for replication or, at a minimum, to offer the opportunity to build systematically on the findings of the research;

(vi) acceptance by a peer-reviewed journal or critique by a panel of independent experts through a comparably rigorous, objective, and scientific review; and

(vii) consistency of findings across multiple studies or sites to support the generalizability of results and conclusions.

(21) The term "professional development" means high-quality activities that will improve the knowledge and skills of Head Start teachers and staff, as relevant to their roles and functions, in program administration and the provision of services and instruction, as appropriate, in a manner that improves service delivery to enrolled children and their families, including activities that—

(A) are part of a sustained effort to improve overall program quality and outcomes for enrolled children and their families;

(B) are developed or selected with extensive participation of administrators and teachers from Head Start programs;

(C) are developmentally appropriate for the children being served;

(D) include instruction in ways that Head Start teachers and staff may work more effectively with parents, as appropriate;

(E) are designed to give Head Start teachers and staff the knowledge and skills to provide instruction and appropriate support services to children of diverse backgrounds, as appropriate;

(F) may include a 1-day or short-term workshop or conference, if the workshop or conference is consistent with the goals in the professional development plan described in section 9843a(f) of this title and will be delivered by an institution of higher education or other entity, with expertise in delivering training in early childhood development, training in family support, and other assistance designed to improve the delivery of Head Start services; and

(G) in the case of teachers, assist teachers with—

(i) the acquisition of the content knowledge and teaching strategies needed to provide effective instruction and other school readiness services regarding early language and literacy, early mathematics, early science, cognitive skills, approaches to learning, creative arts, physical health and development, and social and emotional development linked to school readiness;

(ii) meeting the requirements in paragraphs (1) and (2) of section 9843a(a) of this title, as appropriate;

(iii) improving classroom management skills, as appropriate;

(iv) advancing their understanding of effective instructional strategies that are—

(I) based on scientifically valid research; and

(II) aligned with—

(aa) the Head Start Child Outcomes Framework developed by the Secretary and, as appropriate, State early learning standards; and

(bb) curricula, ongoing assessments, and other instruction and services, designed to help meet the standards described in section 9836a(a)(1) of this title;

(v) acquiring the knowledge and skills to provide instruction and appropriate language and support services to increase the English language skills of limited English proficient children, as appropriate; or

(vi) methods of teaching children with disabilities, as appropriate.

(22) The term "scientifically based reading research"—

(A) means the application of rigorous, systematic, and objective procedures to obtain valid knowledge relevant to reading development, reading instruction, and reading difficulties; and

(B) shall include research that—

(i) employs systematic, empirical methods that draw on observation or experiment;

(ii) involves rigorous data analyses that are adequate to test the stated hypotheses and justify the general conclusions drawn;

(iii) relies on measurements or observational methods that provide valid data across evaluators and observers and across multiple measurements and observations; and

(iv) has been accepted by a peer-reviewed journal or approved by a panel of independent experts through a comparably rigorous, objective, and scientific review.
(23) The term “scientifically valid research” includes applied research, basic research, and field-initiated research in which the rationale, design, and interpretation are soundly developed in accordance with principles of scientific research.

(24) The term “Secretary” means the Secretary of Health and Human Services.

(25) The term “State” means a State, the Commonwealth of Puerto Rico, the District of Columbia, Guam, American Samoa, the Virgin Islands of the United States, and the Commonwealth of the Northern Mariana Islands. The term includes the Republic of Palau for fiscal years 2008 and 2009, and (if the legislation described in section 9835(a)(2)(B)(v) of this title has not been enacted by September 30, 2009) for fiscal years 2010 through 2012.

(26) The term “unresolved area of non-compliance” means failure to correct a noncompliance item within 120 days, or within such additional time (if any) as is authorized by the Secretary, after receiving from the Secretary notice of such noncompliance item, pursuant to section 9836a(c) of this title.


REFERENCES IN TEXT

The Alaska Native Claims Settlement Act, referred to in par. (12), is Pub. L. 92–203, Dec. 18, 1971, 85 Stat. 888, which is classified generally to chapter 33 (§1601 et seq.) of Title 43, Public Lands. For complete classification of this Act to the Code, see Short Title note set out under section 6301 of Title 20 and Tables.

The Elementary and Secondary Education Act of 1965, referred to in par. (16), is Pub. L. 89–10, Apr. 11, 1965, 79 Stat. 27, which is classified generally to chapter 70 (§6301 et seq.) of Title 20, Education. For complete classification of this Act to the Code, see Short Title note set out under section 6301 of Title 20 and Tables.

AMENDMENTS


Pub. L. 110–134, §3(b)(1), which directed amendment of this section by redesignating pars. (1) to (23) as (1) to (23), (1) (3), (4), (5), (6), (7), (8), (9), (10), (12), (16), (17), (18), (19), (22), (24), (25), (26), respectively, was executed by redesignating pars. (1) to (26) as (1), (3), (4), (5), (6), (7), (8), (9), (10), (12), (16), (17), (18), (19), (22), (24), (25), (26), respectively, as (1), (3), (4), (5), (6), (7), (8), (9), (10), (12), (16), (17), (18), (19), (22), (24), (25), (26), respectively, to reflect the probable intent of Congress.
§ 9833 Financial assistance for Head Start programs

The Secretary may, upon application by an agency which is eligible for designation as a Head Start agency pursuant to section 9836 of this title, provide financial assistance to such agency for a period of 5 years for the planning, conduct, administration, and evaluation of a Head Start program focused primarily upon children from low-income families who have not reached the age of compulsory school attendance which (1) will provide such comprehensive health, education, parental involvement, nutritional, social, and other services as will enable the children to attain their full potential and attain school readiness; and (2) will provide for direct participation of the parents of such children in the development, conduct, and overall program direction at the local level.


Amendments

2007—Pub. L. 110–134 inserted “for a period of 5 years” after “provide financial assistance to such agency”.


1994—Pub. L. 103–252 struck out subsec. (a) designation, in cl. (1), substituted “health, education, parental involvement, nutritional, social, and other services” for “health, nutritional, educational, social, and other services”; and struck out subsec. (b) which read as follows: “For purposes of providing financial assistance under subsection (a) of this section to agencies, the Secretary may not take into consideration whether such agency applies for or receives funds under subchapter V of this chapter.”

1988—Pub. L. 100–297 designated existing provisions as subsec. (a) and added subsec. (b).

Effective Date of 1994 Amendment


Effective Date of 1988 Amendment

For effective date and applicability of amendment by Pub. L. 100–297, see section 6303 of Pub. L. 100–297, set out as a note under section 1071 of Title 20, Education.

§ 9834. Authorization of appropriations

There are authorized to be appropriated to carry out this subchapter (other than section 9852b of this title) $7,350,000,000 for fiscal year 2008, $7,650,000,000 for fiscal year 2009, $7,995,000,000 for fiscal year 2010, and such sums as may be necessary for each of fiscal years 2011 and 2012.


Amendments


Subsec. (b)(1) to (3), Pub. L. 105–285, §105(c), added pars. (1) to (3) and struck out former pars. (1) and (2) which read as follows: “(1) $35,000,000 for each of the fiscal years 1995 through 1998 to—

“(A) carry out the Head Start Transition Project Act; and

“(B) carry out activities authorized under section 9837(d) of this title; and
§ 9835. Allotment of funds

(a) Distribution of appropriations; priorities, etc.

(1) Using the sums appropriated pursuant to section 9834 of this title for a fiscal year, the Secretary shall allocate such sums in accordance with paragraphs (2) through (5).

(2)(A) The Secretary shall determine an amount for each fiscal year for each State that is equal to the amount received through base grants for the prior fiscal year by the Head Start agencies (including Early Head Start agencies) in the State that are not described in clause (ii) or (iii) of subparagraph (B).

(B) The Secretary shall reserve for each fiscal year such sums as are necessary—

(i) to provide each amount determined for a State under subparagraph (A) to the Head Start agencies (including Early Head Start agencies) in the State that are not described in clause (ii) or (iii), by allotting to each agency described in this clause an amount equal to that agency’s base grant for the prior fiscal year;

(ii) to provide an amount for the Indian Head Start programs that is equal to the amount provided for base grants for such programs under this subchapter for the prior fiscal year, by allotting to each Head Start agency (including each Early Head Start agency) administering an Indian Head Start program an amount equal to that agency’s base grant for the prior fiscal year;

(iii) to provide an amount for the migrant and seasonal Head Start programs, on a nationwide basis, that is equal to the amount provided nationwide for base grants for such programs under this subchapter for the prior fiscal year, by allotting to each Head Start agency administering a migrant or seasonal Head Start program an amount equal to that agency’s base grant for the prior fiscal year;

(iv) to provide an amount for each of Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, and the Virgin Islands of the United States (for Head Start agencies (including Early Head Start agencies) in the jurisdiction) that is equal to the amount provided for base grants for such jurisdiction under this subchapter for the prior fiscal year, by allotting to each agency described in this clause an amount equal to that agency’s base grant for the prior fiscal year;

(v) to provide an amount for the Republic of Palau (for Head Start agencies (including Early Head Start agencies) in the jurisdiction) for each of fiscal years 2008 and 2009, and (if legislation approving a new agreement regarding United States assistance for the Republic of Palau has not been enacted by September 30, 2009) for each of fiscal years 2010 through 2012, that is equal to the amount provided for base grants for such jurisdiction under this subchapter for the prior fiscal year, by allotting to each agency described in this clause an amount equal to agency’s base grant for the prior fiscal year; and

(vi) to provide an amount for a collaboration grant under section 9837b(a) of this title for each State, for the Indian Head Start programs, and for the migrant and seasonal Head Start programs, in the same amount as the corresponding collaboration grant provided under this subchapter for fiscal year 2007.

(C)(i) The Secretary shall reserve for each fiscal year an amount that is not less than 2.5 percent and not more than 3 percent of the sums appropriated pursuant to section 9834 of this title for that fiscal year, to fund training and technical assistance activities, from which reserved amount—

(I) the Secretary shall set aside a portion, but not less than 20 percent, to be used to fund
§ 9835 TITLE 42—THE PUBLIC HEALTH AND WELFARE Page 7214

training and technical assistance activities for Early Head Start programs, in accordance with section 9840a(g)(2) of this title; and

(II) the Secretary shall set aside a portion, equal to the rest of the reserved amount, to fund training and technical assistance activities for other Head Start programs, in accordance with section 9843 of this title, of which portion—

(aa) not less than 50 percent shall be made available to Head Start agencies to use directly, which may include at their discretion the establishment of local or regional agreements with community experts, institutions of higher education, or private consultants, to make program improvements identified by such agencies, by carrying out the training and technical assistance activities described in section 9843(d) of this title;

(bb) not less than 25 percent shall be available to the Secretary to support a State-based training and technical assistance system, or a national system, described in section 9843(e) of this title for supporting program quality; and

(cc) the remainder of the portion set aside under this subparagraph shall be available to the Secretary to assist Head Start agencies in meeting and exceeding the standards described in section 9836a(a)(1) of this title by carrying out activities described in subsections (a), (b), (c), (f), and (g) of section 9843 of this title, including helping Head Start programs address weaknesses identified by monitoring activities conducted by the Secretary under section 9836a(c) of this title, except that not less than $3,000,000 of the remainder shall be made available to carry out activities described in section 9843(a)(3)(B)(i)(ii) of this title.

(ii) In determining the portion set aside under clause (i)(I) and the amount reserved under this subparagraph, the Secretary shall consider the number of Early Head Start programs newly funded for that fiscal year.

(D) The Secretary shall reserve not more than $20,000,000 to fund research, demonstration, and evaluation activities under section 9844 of this title, of which not more than $7,000,000 for each of fiscal years 2008 through 2012 shall be available to carry out impact studies under section 9844(g) of this title.

(E) The Secretary shall reserve not more than $42,000,000 for discretionary payments by the Secretary, including payments for all costs (other than compensation of Federal employees) for activities carried out under subsection (c) or (e) of section 9836a of this title.

(F) If the sums appropriated under section 9834 of this title are not sufficient to provide the amounts required to be reserved under subparagraphs (B) through (E), the amounts shall be reduced proportionately.

(G) Nothing in this section shall be construed to deny the Secretary the authority, consistent with sections 9836, 9836a, and 9841 of this title to terminate, suspend, or reduce funding to a Head Start agency.

(3)(A) From any amount remaining for a fiscal year after the Secretary carries out paragraph (2) (referred to in this paragraph as the “remaining amount”), the Secretary shall—

(i) subject to clause (ii)—

(I) provide a cost of living increase for each Head Start agency (including each Early Head Start agency) funded under this subchapter for that fiscal year, to maintain the level of services provided during the prior year; and

(II) subject to subparagraph (B), provide $10,000,000 for Indian Head Start programs (including Early Head Start programs), and $10,000,000 for migrant and seasonal Head Start programs, to increase enrollment in the programs involved;

(ii) subject to clause (iii), if the remaining amount is not sufficient to carry out clause (i)—

(I) for each of fiscal years 2008, 2009, and 2010—

(aa) subject to subparagraph (B), provide 5 percent of that amount for Indian Head Start programs (including Early Head Start programs), and 5 percent of that amount for migrant and seasonal Head Start programs, to increase enrollment in the programs involved; and

(bb) use 90 percent of that amount to provide, for each Head Start agency (including each Early Head Start agency) funded as described in clause (i)(I), the same percentage (but not less than 50 percent) of the cost of living increase described in clause (i); and

(II) for fiscal year 2011 and each subsequent fiscal year—

(aa) provide, for each Head Start agency (including each Early Head Start agency) funded as described in clause (i)(I), the cost of living increase described in clause (I); and

(bb) subject to subparagraph (B), with any portion of the remaining amount that is not used under item (aa), provide equal amounts for Indian Head Start programs (including Early Head Start programs), and for migrant and seasonal Head Start programs, to increase enrollment in the programs involved; and

(iii) if the remaining amount is not sufficient to carry out clause (ii) for the fiscal year involved, use that amount to provide, for each Head Start agency (including each Early Head Start agency) funded as described in clause (i)(I), the same percentage of the cost of living increase described in clause (I).

(B)(i) Notwithstanding any other provision of this paragraph, the Indian Head Start programs shall not receive more than a total cumulative amount of $50,000,000 for all fiscal years, and the migrant and seasonal Head Start programs shall not receive more than a total cumulative amount of $50,000,000 for all fiscal years, under clause (i)(II), and subclauses (I)(aa) and (II)(bb) of clause (ii), of subparagraph (A) (referred to in this subsection as the “special expansion provisions”), to increase enrollment in the programs involved.

(ii)(I) Funds that are appropriated under section 9834 of this title for a fiscal year, and made available to Indian Head Start programs or mi
grant or seasonal Head Start programs under the special expansion provisions, shall remain available until the end of the following fiscal year.

(ii) For purposes of subclause (i)—

(1) if no portion is reallocated under clause (iii), those funds shall remain available to the programs involved; or

(bb) if a portion is reallocated under clause (iii), the portion shall remain available to the recipients of the portion.

(iii) Of the funds made available as described in clause (i), the Secretary shall reallocate the portion that the Secretary determines is unobligated 18 months after the funds are made available. The Secretary shall add that portion to the balance described in paragraph (4), and reallocate the portion in accordance with paragraph (4), for the following fiscal year referred to in clause (ii).

(4)(A) Except as provided in subparagraph (B), from any amount remaining for a fiscal year after the Secretary carries out paragraphs (2) and (3) (referred to in this paragraph as the “balance”), the Secretary shall—

(i) reserve 40 percent to carry out subparagraph (C) and paragraph (5); and

(ii) reserve 45 percent to carry out subparagraph (D); and

(iii) reserve 15 percent (which shall remain available through the end of fiscal year 2012) to provide funds for carrying out section 9837(b)(2) of this title.

(B)(i) Under the circumstances described in clause (ii), from the balance, the Secretary shall—

(I) reserve 45 percent to carry out subparagraph (C) and paragraph (5); and

(II) reserve 55 percent to carry out subparagraph (D).

(ii) The Secretary shall make the reservations described in clause (i) for a fiscal year if—

(I) the total cumulative amount reserved under subparagraph (A)(iii) for all preceding fiscal years equals $100,000,000; or

(II) in the 2-year period preceding such fiscal year, funds were reserved under subparagraph (A)(iii) in an amount that totals not less than $15,000,000 and the Secretary received no approvable applications for such funds.

(iii) The total cumulative amount reserved under subparagraph (A)(iii) for all fiscal years may not be greater than $100,000,000.

(C) The Secretary shall fund the quality improvement activities described in paragraph (5) using the amount reserved under subparagraph (A)(i) or subparagraph (B)(i)(I), as appropriate, of which—

(i) a portion that is less than 10 percent may be reserved by the Secretary to provide funding to Head Start agencies (including Early Head Start agencies) that demonstrate the greatest need for additional funding for such activities, as determined by the Secretary; and

(ii) a portion that is not less than 90 percent shall be reserved by the Secretary to allot, to each Head Start agency (including each Early Head Start agency), an amount that bears the same ratio to such portion as the number of enrolled children served by the agency involved bears to the number of enrolled children served by all the Head Start agencies (including Early Head Start agencies), except that the Secretary shall account for the additional costs of serving children in Early Head Start programs and may consider whether an agency is providing a full-day program or whether an agency is providing a full-year program.

(D) The Secretary shall fund expansion of Head Start programs (including Early Head Start programs) using the amount reserved under subparagraph (A)(ii) or subparagraph (B)(i)(II), as appropriate, of which the Secretary shall—

(i) use 0.2 percent for Head Start programs funded under clause (iv) or (v) of paragraph (2)(B) (other than Early Head Start programs);

(ii) for any fiscal year after the last fiscal year for which Indian Head Start programs receive funds under the special expansion provisions, use 3 percent for Head Start programs funded under paragraph (2)(B)(ii) (other than Early Head Start programs), except that the Secretary may increase that percentage if the Secretary determines that the results of the study conducted under section 9844(k) of this title indicate that the percentage should be increased;

(iii) for any fiscal year after the last fiscal year for which migrant or seasonal Head Start programs receive funds under the special expansion provisions, use 4.5 percent for Head Start programs funded under paragraph (2)(B)(iii) (other than Early Head Start programs), except that the Secretary may increase that percentage if the Secretary determines that the results of the study conducted under section 9844(l) of this title indicate that the percentage should be increased; and

(iv) from the remainder of the reserved amount—

(I) use 50 percent for Head Start programs funded under paragraph (2)(B)(i) (other than Early Head Start programs), of which—

(aa) the covered percentage shall be allocated among the States serving less than 60 percent (as determined by the Secretary) of children who are 3 or 4 years of age from families whose income is below the poverty line, by allocating to each of those States an amount that bears the same relationship to that covered percentage as the number of children who are less than 5 years of age from families whose income is below the poverty line (referred to in this subclause as “young low-income children”) in that State bears to the number of young low-income children in all those States; and

(bb) the remainder shall be allocated proportionately among the States on the basis of the number of young low-income children; and

(II) use 50 percent for Early Head Start programs.

(E) In this paragraph, the term “covered percentage” means—
§ 9835. TITLE 42—THE PUBLIC HEALTH AND WELFARE

(i) for fiscal year 2008, 30 percent;
(ii) for fiscal year 2009, 40 percent;
(iii) for fiscal year 2010, 50 percent;
(iv) for fiscal year 2011, 55 percent; and
(v) for fiscal year 2012, 55 percent.

(5)(A) Not less than 50 percent of the amount reserved under subparagraph (A)(i) or subparagraph (B)(i), as appropriate, of paragraph (4) to carry out quality improvement activities under paragraph (4)(C) and this paragraph shall be used to improve the compensation (including benefits) of educational personnel, family service workers, and child counselors, as described in sections 9839(a) and 9848 of this title, in the manner determined by the Head Start agencies (including Early Head Start agencies) involved, to—

(i) ensure that compensation is adequate to attract and retain qualified staff for the programs involved in order to enhance program quality;
(ii) improve staff qualifications and assist with the implementation of career development programs for staff that support ongoing improvement of their skills and expertise; and
(iii) provide education and professional development to enable teachers to be fully competent to meet the professional standards established under section 9843a(a)(1) of this title, including—

(I) providing assistance to complete post-secondary course work;
(II) improving the qualifications and skills of educational personnel to become certified and licensed as bilingual education teachers, or as teachers of English as a second language; and
(III) improving the qualifications and skills of educational personnel to teach and provide services to children with disabilities.

(B) Any remaining funds from the reserved amount described in subparagraph (A) shall be used to carry out any of the following activities:

(i) Supporting staff training, child counseling, and other services, necessary to address the challenges of children from immigrant, refugee, and asylee families, homeless children, children in foster care, limited English proficient children, children of migrant or seasonal farmworker families, children from families in crisis, children referred to Head Start programs (including Early Head Start programs) by child welfare agencies, and children who are exposed to chronic violence or substance abuse.
(ii) Ensuring that the physical environments of Head Start programs are conducive to providing effective program services to children and families, and are accessible to children with disabilities and other individuals with disabilities.
(iii) Employing additional qualified classroom staff to reduce the child-to-teacher ratio in the classroom and additional qualified family service workers to reduce the family-to-staff ratio for those workers.
(iv) Ensuring that Head Start programs have qualified staff that promote the language skills and literacy growth of children and that provide children with a variety of skills that have been identified, through scientifically based reading research, as predictive of later reading achievement.
(v) Increasing hours of program operation, including—

(I) conversion of part-day programs to full-working-day programs; and
(II) increasing the number of weeks of operation in a calendar year.

(vi) Improving communitywide strategic planning and needs assessments for Head Start programs and collaboration efforts for such programs, including outreach to children described in clause (i).
(vii) Transporting children in Head Start programs safely, except that not more than 10 percent of funds made available to carry out this paragraph may be used for such purposes.
(viii) Improving the compensation and benefits of staff of Head Start agencies, in order to improve the quality of Head Start programs.

(6) No sums appropriated under this subchapter may be combined with funds appropriated under any provision other than this subchapter if the purpose of combining funds is to make a single discretionary grant or a single discretionary payment, unless such sums appropriated under this subchapter are separately identified in such grant or payment and are used for the purposes of this subchapter.

(7) In this subsection:

(A) The term “base grant”, used with respect to a fiscal year, means the amount of permanent ongoing funding (other than funding described in sections 9840a(g)(2)(A)(i) of this title and paragraph (2)(C)(I)(II)(a)(i)) provided to a Head Start agency (including an Early Head Start agency) under this subchapter for that fiscal year.

(B) The term “cost-of-living increase”, used with respect to an agency for a fiscal year, means an increase in the funding for that agency, based on the percentage change in the Consumer Price Index for All Urban Consumers (issued by the Bureau of Labor Statistics) for the prior fiscal year, calculated on the amount of the base grant for that agency for the prior fiscal year.

(C) For the purposes of this subsection, the term “State” does not include Guam, American Samoa, the Virgin Islands of the United States, the Commonwealth of the Northern Mariana Islands, the Federated States of Micronesia, the Republic of the Marshall Islands, and the Republic of Palau.

(b) Federal share

Financial assistance extended under this subchapter for a Head Start program shall not exceed 80 percent of the approved costs of the assisted program or activities, except that the Secretary may approve assistance in excess of such percentage if the Secretary determines that such action is required in furtherance of the purposes of this subchapter. For the purpose of making such determination, the Secretary shall take into consideration with respect to the Head Start program involved—

(1) the lack of resources available in the community that may prevent the Head Start
agency from providing all or a portion of the non-Federal contribution that may be required under this subsection;

(2) the impact of the cost the Head Start agency may incur in initial years it carries out such program;

(3) the impact of an unanticipated increase in the cost the Head Start agency may incur to carry out such program;

(4) whether the Head Start agency is located in a community adversely affected by a major disaster; and

(5) the impact on the community that would result if the Head Start agency ceased to carry out such program.

Non-Federal contributions may be in cash or in kind, fairly evaluated, including plant, equipment, or services. The Secretary shall not require non-Federal contributions in excess of 20 percent of the approved costs of programs or activities assisted under this subchapter.

(e) Services covered

No programs shall be approved for assistance under this subchapter unless the Secretary is satisfied that the services to be provided under such program will be in addition to, and not in substitution for, comparable services previously provided without Federal assistance. The requirement imposed by the preceding sentence shall be subject to such regulations as the Secretary may prescribe.

(d) Enrollment of children with disabilities and provision of services

(1) The Secretary shall establish policies and procedures to ensure that, for fiscal year 2009 and thereafter, not less than 10 percent of the total number of children actually enrolled by each Head Start agency and each delegate agency will be children with disabilities who are determined to be eligible for special education and related services, or early intervention services, as appropriate, as determined under the Individuals with Disabilities Education Act (20 U.S.C. 1400 et seq.), by the State or local agency providing services under section 619 or part C of the Individuals with Disabilities Education Act (20 U.S.C. 1419, 1431 et seq.).

(2) Such policies and procedures shall ensure the provision of early intervening services, such as educational and behavioral services and supports, to meet the needs of children with disabilities, prior to an eligibility determination under the Individuals with Disabilities Education Act.

(3) Such policies and procedures shall require Head Start agencies to provide timely referral and collaborate with the State or local agency providing services under section 619 or part C of the Individuals with Disabilities Education Act to ensure the provision of special education and related services and early intervention services, and the coordination of programmatic efforts, to meet the special needs of such children.

(4) The Secretary shall establish policies and procedures to provide Head Start agencies with waivers of the requirements of paragraph (1) for not more than 3 years. Such policies and procedures shall require Head Start agencies, in order to receive such waivers, to provide evidence demonstrating that the Head Start agencies are making reasonable efforts on an annual basis to comply with the requirements of that paragraph.

(5) Nothing in this subsection shall be construed to limit or create a right to a free appropriate public education under the Individuals with Disabilities Education Act.

(e) Distribution of benefits between residents of rural and urban areas

The Secretary shall adopt appropriate administrative measures to assure that the benefits of this subchapter will be distributed equitably between residents of rural and urban areas.

(f) Guidelines for local service delivery models

(1) Not later than 1 year after December 12, 2007, the Secretary shall establish procedures to enable Head Start agencies to develop locally designed or specialized service delivery models to address local community needs, including models that leverage the capacity and capabilities of the delivery system of early childhood education and development services or programs.

(2) In establishing the procedures the Secretary shall establish procedures to provide for—

(A) the conversion of part-day programs to full-working-day programs or part-day slots to full-working-day slots; and

(B) serving additional infants and toddlers pursuant to section 9840(a)(5) of this title.

(g) Maintenance of current services; expansion of Head Start programs

(1) For the purpose of expanding Head Start programs the Secretary shall take into consideration—

(A) the quality of the applicant’s programs (including Head Start and other child care or child development programs) in existence on the date of the allocation, including, in the case of Head Start programs in existence on the date of the allocation, the extent to which such programs meet or exceed standards described in section 9836(a)(1) of this title and other requirements under this subchapter, and the performance history of the applicant in providing services under other Federal programs (other than the program carried out under this subchapter);

(B) the applicant’s capacity to expand services (including, in the case of Head Start programs in existence on the date of the allocation, whether the applicant accomplished any prior expansions in an effective and timely manner);

(C) the extent to which the applicant has undertaken a communitywide strategic planning and needs assessment involving other entities, including community organizations, and Federal, State, and local public agencies (including the local educational agency liaison designated under section 722(g)(1)(J)(ii) of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11432(g)(1)(J)(ii))), that provide services to children and families, such as—

(i) family support services;

(ii) child abuse prevention services;

(iii) child mental health services;

(iv) services designed to prevent or alleviate child abuse;

(v) child nutrition services; and

(vi) services to address the special needs of children and families, including children with disabilities.

1 So in original. Probably should be followed by a comma.
§ 9835

(3) The provisions of this subsection shall not be construed to restrict the authority of the Secretary to fund alternative program variations authorized under section 1306.35 of title 45 of the Code of Federal Regulations in effect on May 18, 1994.

(f) Frequent relocation of migrant families

(1) With funds made available under this subchapter to expand migrant and seasonal Head Start programs, the Secretary shall give priority to migrant and seasonal Head Start programs that serve eligible children of migrant or seasonal farmworker families whose work requires them to relocate most frequently.

(2) In determining the need and demand for migrant and seasonal Head Start programs (and
services provided through such programs), the Secretary shall consult with appropriate entities, including providers of services for migrant and seasonal Head Start programs. The Secretary shall, after taking into consideration the needs and demand for migrant and seasonal Head Start programs (and such services), ensure that there is an adequate level of such services for eligible children of migrant farmworker families before approving an increase in the allocation of funds provided under this subchapter for unserved eligible children of seasonal farmworker families. In serving the eligible children of seasonal farmworker families, the Secretary shall ensure that services provided by migrant and seasonal Head Start programs do not duplicate or overlap with other Head Start services available to eligible children of such farmworker families.

(3) In carrying out this subchapter, the Secretary shall continue the administrative arrangement at the national level for meeting the needs of Indian children and children of migrant and seasonal farmworker families and shall ensure—

(A) the provision of training and technical assistance by staff with knowledge of and experience in working with such populations; and

(B) the appointment of a national Indian Head Start collaboration director and a national migrant and seasonal Head Start collaboration director.

(4)(A) For the purposes of paragraph (3), the Secretary shall conduct an annual consultation in each affected Head Start region, with tribal governments operating Head Start (including Early Head Start) programs.

(B) The consultations shall be for the purpose of better meeting the needs of Indian, including Alaska Native, children and their families, in accordance with this subchapter, taking into consideration funding allocations, distribution formulas, and other issues affecting the delivery of Head Start services in their geographic locations.

(C) The Secretary shall publish a notification of the consultations in the Federal Register before conducting the consultations.

(D) The Secretary shall ensure that a detailed report of each consultation shall be prepared and made available, within 90 days after the consultation, to all tribal governments receiving funds under this subchapter.

(m) Enrollment and participation of homeless children

The Secretary shall issue rules to establish policies and procedures to remove barriers to the enrollment and participation of homeless children in Head Start programs. Such rules shall require Head Start agencies—

(1) to implement policies and procedures to ensure that homeless children are identified and prioritized for enrollment;

(2) to allow families of homeless children to apply to, enroll in, and attend Head Start programs while required documents, such as proof of residency, immunization and other medical records, birth certificates, and other documents, are obtained within a reasonable time frame; and

(3) to coordinate individual Head Start programs with efforts to implement subtitle B of title VII of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11431 et seq.).

(n) Construction of prerequisites to participation in program

Nothing in this subchapter shall be construed to require a State to establish a publicly funded program of early childhood education and development, or to require any child to participate in such a publicly funded program, including a State-funded preschool program, or to participate in any initial screening before participating in a publicly funded program of early childhood education and development, except as provided under sections 612(a)(3) and 635(a)(5) of the Individuals with Disabilities Education Act (20 U.S.C. 1412(a)(3), 1435(a)(5)).

(o) Curricula

All curricula funded under this subchapter shall be based on scientifically valid research, including age and developmentally appropriate. The curricula shall reflect all areas of child development and learning and be aligned with the Head Start Child Outcomes Framework. Parents shall have the opportunity to examine any such curricula or instructional materials funded under this subchapter.

References in Text

The Individuals with Disabilities Education Act, referred to in subsec. (d), is title VI of Pub. L. 91–230, Apr. 13, 1970, 84 Stat. 175, which is classified generally to chapter 33 (§ 1400 et seq.) of Title 20, Education. Part C of the Act is classified generally to subchapter II (§ 1411 et seq.) of chapter 33 of Title 20. Section 616 of the Act is classified to section 1419 of Title 20. For complete classification of this Act to the Code, see section 1400 of Title 20 and Tables. The McKinney-Vento Homeless Assistance Act, referred to in subsec. (m)(3), is Pub. L. 100–77, July 22, 1987, 101 Stat. 462. Subtitle B of title VII of the Act is classified generally to part B (§11431 et seq.) of subchapter VI of chapter 119 of this title. For complete classification of this Act to the Code, see Short Title note set out under section 11301 of this title and Tables. This subchapter, referred to in subsec. (i), was in the original “this Act” and was translated as reading “this subchapter”, meaning subchapter B (§§635–657) of chapter 8 of subtitle A of title VI of Pub. L. 97–35, Aug. 13, 1981, 95 Stat. 499, known as the Head Start Act, which is classified generally to this subchapter, to reflect the probable intent of Congress.

Amendments

2007—Subsec. (a). Pub. L. 110–134, §6(a), amended subsec. (a) generally. Prior to amendment, subsec. (a) re-
lated to distribution of appropriations, allotment requirements, and priorities for Head Start funds.

Subsec. (c)(A). Pub. L. 110–134, § 6(d)(A), amended subsec. (c) generally. Prior to amendment, text read as follows:

"The Secretary shall establish policies and procedures designed to assure that for fiscal year 1999 and thereafter no less than 10 percent of the total number of enrollment opportunities in Head Start programs in each State shall be available for children with disabilities and that services shall be provided to meet their special needs. Such policies and procedures shall require Head Start agencies to coordinate programmatic efforts with efforts to implement part C and section 619 of the Individuals with Disabilities Education Act (20 U.S.C. § 1411–1414, 1419).

Subsec. (f). Pub. L. 110–134, § 6(c), amended subsec. (f) generally. Prior to amendment, text read as follows:

"The Secretary shall establish policies and procedures designed to assure that for fiscal year 2004, the "Secretary" shall, prior to using such additional funds to serve an increased number of children, allocate such funds in a manner that makes available the funds necessary to maintain the level of services provided during the prior year, taking into consideration the percentage change in the Consumer Price Index for All Urban Consumers, as published by the Bureau of Labor Statistics.

Subsec. (g)(1). Pub. L. 110–134, § 6(d)(1), redesignated former subpars. (g)(1) and (g)(2) as (2) and added par. (1) which read as follows: "In determining the amount of funds reserved pursuant to subparagraph (A) or (B) of subsection (a)(2) of this section to be used for expanding Head Start programs under this subchapter, the Secretary shall take into account, to the extent appropriate, the factors specified in paragraph (2)."

"(2) Notwithstanding subsection (a)(2) of this section, after taking into account paragraph (1), the Secretary may allocate a portion of the remaining additional funds under subsection (a)(2)(A) of this section for the purpose of increasing funds available for activities described in such subsection."
for “related to the development and implementation of quality improvement plans under section 9838a(d)(2) of this title.”, was executed by making the substitution for “related to the developed and implementation of quality improvement plans under section 9838a(d)(2) of this title.”


Subsec. (a)(3)(A)(i). Pub. L. 105–285, §106(a)(2)(A), substituted “60 percent of such excess amount for fiscal year 1999, 50 percent of such excess amount for fiscal year 2000, 47.5 percent of such excess amount for fiscal year 2001, 35 percent of such excess amount for fiscal year 2002, and 25 percent of such excess amount for fiscal year 2003,” for “25 percent of such excess amount;”.


Subsec. (a)(3)(C)(ii). Pub. L. 105–285, §106(a)(2)(C)(ii), substituted “the subparagraph” for “this subparagraph”, “of classroom teachers and other staff” for “of staff”, “qualified staff, including recruitment and retention pursuant to achieving the requirements set forth in section 9841(a) of this title,” for “such staff”, and inserted at end “PREFERENCES in awarding salary increases, in excess of cost-of-living allowances, with such funds shall be granted to classroom teachers and staff who obtain additional training or education related to their responsibilities as employees of a Head Start program.”


Subsec. (g)(2)(A). Pub. L. 105–285, §106(c)(1)(A), inserted before semicolon at end “, and the performance history of the applicant in providing services under other Federal programs (other than the program carried out under this subchapter)”.


Subsec. (g)(2)(D). Pub. L. 105–285, §106(c)(1)(C), inserted before semicolon at end “and the extent to which, and manner in which, the applicant demonstrates the ability to collaborate and participate with other local entities that provide care or preschool services to provide full-working-day full calendar year services.”

Subsec. (g)(2)(E). Pub. L. 105–285, §106(c)(1)(D), substituted “program or any other early childhood program” for “program; and;”.
Subsec. (g)(2)(G). Pub. L. 105–285, §106(c)(1)(E), (F), added subpars. (G) and (H).


Subsec. (l). Pub. L. 105–285, §106(d), designated existing provisions as par. (1), substituted “migrant and seasonal Head Start programs” for “migrant and seasonal farmworker families” to be expended for the activities specified in subparagraph (A) in each subsequent fiscal year for which funds are required by such subparagraph to be reserved, funds and “clause (I)” for “clause (II)”, inserted “for expenditure for activities specified in subparagraph (C)”, and struck out at end “The aggregate amount of grants made under this clause to Head Start agencies in a State for a fiscal year may not exceed the amount allotted under clause (I) for such State for such fiscal year.”

Subsec. (a)(3)(D)(v). Pub. L. 103–252, §105(a)(4)(E), struck out cl. (v) which read as follows: “If a Head Start agency certifies for such fiscal year to the Secretary that it does not need any funds under subparagraph (A), or does not need part of such funds it would otherwise receive under clause (iii) or (iv), then unneeded funds shall be used by the Secretary to make grants under this subparagraph without regard to such agency.”


Pub. L. 103–252, §105(a)(4)(D), substituted “paragraph (2) or (4)” for “paragraphs (2), (4), and (5)”.

Subsec. (a)(4). Pub. L. 103–252, §105(b)(4), redesignated par. (5) as (4), substituted “Subject to section 9834(b) of this title, the Secretary” for “The Secretary”, and struck out former par. (4), which related to the Secretary reserving sums for grants to carry out early childhood intervention programs, known as “Parent-Child Centers”.

Subsec. (a)(5). Pub. L. 103–252, §105(b)(6), added pars. (5) and (6). Former pars. (5) and (6) redesignated (4) and (7), respectively.


Subsec. (g). Pub. L. 103–252, §105(c), designated existing provisions as par. (1) and added pars. (2) and (3).

Subsec. (h). Pub. L. 103–252, §105(d), substituted “Financial assistance provided under this subchapter may be used by each Head Start program to” for “Each Head Start program may”.

Subsec. (j) to (l). Pub. L. 103–252, §105(e), added subsec. (j) to (l).


Subsec. (a)(2)(C). Pub. L. 102–401, §2(k)(1)(A)(III), substituted “such fiscal year” for “any such fiscal year”.

Subsec. (a)(3)(A)(vi). Pub. L. 102–401, §2(k)(1)(A)(II), substituted “paragraph (2) or (4)” for “paragraph (2), (4), and (5)”.


Subsec. (a)(4)(B)(i)(II). Pub. L. 102–401, §2(b), inserted “literacy” after “skills”.


Subsec. (b). Pub. L. 102–401, §2(c), struck out “, in accordance with regulations establishing objective criteria,” after “if the Secretary determines” and inserted after first sentence “For the purpose of making such determination, the Secretary shall take into consideration with respect to the Head Start program involved——” and cls. (1) to (5).

Subsec. (g). Pub. L. 102–401, §2(k)(1)(B), substituted “Price Index For All” for “Price Index for all”.


1991—Subsec. (d). Pub. L. 102–119 substituted “section 1401(a)(1) of title 20” for “paragraph (1) of section 1401 of title 20”.

The references to section 1401 of title 20 included in the description of the Head Start Program under section 9832 of this title are to section 1401(a)(1) and (2) of title 20, inclusive.

**Effective Date of 1994 Amendment**


**Effective Date of 1992 Amendment**


“(a) Effective Dates.—(1) Except as provided in paragraph (2) and subsection (b), this Act [amending this section and sections 9833a to 9839, 9846, 9846a, and 9858n of this title and enacting provisions set out as a note under section 9836 of this title] and the amendments made by this Act shall take effect on the date of the enactment of this Act [Oct. 7, 1992].

“(2) The amendment made by section 2(e)(1) [amending section 9836 of this title] shall take effect on July 30, 1992.

“(b) Application of Amendments.—The amendments made by this Act, other than the amendment made by section 2(e)(1), shall not apply with respect to fiscal years beginning before October 1, 1992.”

**Effective Date of 1990 Amendments**


**Effective Date of 1986 Amendment**


**Effective Date of Repeal**

Repeal effective May 18, 1994, but not applicable to Head Start agencies and other recipients of financial assistance under the Head Start Act (42 U.S.C. 9831 et seq.) until Oct. 1, 1994, see section 127 of Pub. L. 103–252, set out as an Effective Date of 1994 Amendment note under section 9832 of this title.

§ 9836. Designation of Head Start agencies

(a) Authority to designate

(1) In general

The Secretary is authorized to designate as a Head Start agency any local public or pri-
vate nonprofit agency, including community-based and faith-based organizations, or for-profit agency, within a community, pursuant to the requirements of this section.

(2) Interim policy

Notwithstanding paragraph (1), until such time as the Secretary develops and implements the system for designation renewal under this section, the Secretary is authorized to designate as a Head Start agency, any local public or private nonprofit agency, including community-based and faith-based organizations, or for-profit agency, within a community, in the manner and process utilized by the Secretary prior to December 12, 2007.

(b) Application for designation renewal

To be considered for designation renewal, an entity shall submit an application to the Secretary, at such time and in such manner as the Secretary may require.

(c) System for designation renewal

(1) In general

The Secretary shall develop a system for designation renewal that integrates the recommendations of the expert panel convened under paragraph (2) to determine if a Head Start agency is delivering a high-quality and comprehensive Head Start program that meets the educational, health, nutritional, and social needs of the children and families it serves, and meets program and financial management requirements and standards described in section 9836a(a)(1) of this title, based on—

(A) annual budget and fiscal management data;
(B) program reviews conducted under section 9836a(c) of this title;
(C) annual audits required under section 9842 of this title;
(D) classroom quality as measured under section 9836a(a)(2)(F) of this title; and
(E) Program Information Reports.

(2) Expert panel

Not later than 3 months after December 12, 2007, the Secretary shall convene an expert panel of 7 members to make recommendations to the Secretary on the development of a transparent, reliable, and valid system for designation renewal.

(3) Composition of expert panel

The Secretary, in convening such panel, shall appoint the following:

(A)(i) One member, who has demonstrated competency, as evidenced by training, expertise, and experience, in early childhood program accreditation.
(ii) One member, who has demonstrated competency (as so evidenced) in research on early childhood development.
(iii) One member, who has demonstrated competency (as so evidenced) in governance and finance of nonprofit organizations.
(iv) One member, who has demonstrated competency (as so evidenced) in delivery of services to populations of children with special needs and their families.
(v) One member, who has demonstrated competency (as so evidenced) in assessment and evaluation of programs serving young children.
(B) An employee from the Office of Head Start.
(C) An executive director of a Head Start agency.

(4) Expert panel report

Within 9 months after being convened by the Secretary, the expert panel shall issue a report to the Secretary that provides recommendations on a proposed system for designation renewal that takes into account the criteria in subparagraphs (A) through (E) of paragraph (1) to evaluate whether a Head Start agency is fulfilling its mission to deliver a high-quality and comprehensive Head Start program, including adequately meeting its governance, legal, and financial management requirements.

(5) Public comment and consideration

Not later than 3 months after receiving the report described in paragraph (4), the Secretary shall publish a notice describing a proposed system for designation renewal in the Federal Register, including a proposal for the transition to such system, providing at least 90 days for public comment. The Secretary shall review and consider public comments prior to finalizing the system for designation renewal described in this subsection.

(6) Designation renewal system

Not later than 12 months after publishing a notice describing the proposed system under paragraph (5), the Secretary shall implement the system for designation renewal and use that system to determine—

(A) whether a Head Start grantee is successfully delivering a high-quality and comprehensive Head Start program; and
(B) whether the grantee has any unresolved deficiencies found during the last triennial review under section 9836a(c) of this title.

(7) Implementation of the designation renewal system

(A) In general

A grantee who is determined under such system—

(i) to be delivering a high-quality and comprehensive Head Start program shall be designated (consistent with section 9838 of this title) as a Head Start agency for the period of 5 years described in section 9833 of this title;
(ii) to not be delivering a high-quality and comprehensive Head Start program shall be subject to an open competition as described in subsection (d); and
(iii) in the case of an Indian Head Start agency, to not be delivering a high-quality and comprehensive Head Start program shall (notwithstanding clause (ii)) be subject to the requirements of subparagraph (B).

(B) Tribal government consultation and re-evaluation

On making a determination described in subparagraph (A)(iii), the Secretary shall en-
gage in government-to-government consultation with the appropriate tribal government or governments for the purpose of establishing a plan to improve the quality of Head Start programs operated by the Indian Head Start agency. Such plan shall be established and implemented within 6 months after the Secretary’s determination. Not more than 6 months after the implementation of that plan, the Secretary shall re-evaluate the performance of the Indian Head Start agency. If the Indian Head Start agency is still not delivering a high-quality and comprehensive Head Start program, the Secretary shall conduct an open competition as described in subsection (e), subject to the limitations described in subsection (f).

(8) Transparency, reliability, and validity
The Secretary shall ensure the system for designation renewal is fair, consistent, and transparent and is applied in a manner that removes designations, in a timely manner, grantees as Head Start agencies for periods of 5 years if such grantees are delivering high-quality and comprehensive Head Start programs. The Secretary shall periodically evaluate whether the criteria of the system are being applied in a manner that is transparent, reliable, and valid.

(9) Transition
(A) In general
Each Head Start agency shall be reviewed under the system for designation renewal described in paragraph (6), not later than 3 years after the implementation of such system.

(B) Limitation
A Head Start agency shall not be subject to the requirements of the system for designation renewal prior to 18 months after December 12, 2007.

(C) Schedule
The Secretary shall establish and implement a schedule for reviewing each Head Start agency under the system for designation renewal described in paragraph (6), consistent with subparagraphs (A) and (B).

(10) Reports to Congress
The Secretary shall—
(A) make available to the Committee on Education and Labor of the House of Representatives and the Committee on Health, Education, Labor, and Pensions of the Senate the report described in paragraph (4);
(B) concurrently with publishing a notice in the Federal Register as described in paragraph (5), provide a report to the Committee on Education and Labor of the House of Representatives and the Committee on Health, Education, Labor, and Pensions of the Senate that provides a detailed description of the proposed system described in paragraph (5), including a clear rationale for any differences between the proposed system and the recommendations of the expert panel, if any such differences exist; and
(C) prior to implementing the system for designation renewal, provide a report to the Committee on Education and Labor of the House of Representatives and the Committee on Health, Education, Labor, and Pensions of the Senate—
(i) summarizing the public comment on the proposed system and the Secretary’s response to such comment; and
(ii) describing the final system for designation renewal and the plans for implementation of such system.

(d) Designation when no entity is renewed
(1) In general
If no entity in a community is determined to be successfully delivering a high-quality and comprehensive Head Start program, as specified in subsection (c), the Secretary shall, after conducting an open competition, designate for a 5-year period a Head Start agency from among qualified applicants in such community.

(2) Considerations for designation
In selecting from among qualified applicants for designation as a Head Start agency, the Secretary shall consider the effectiveness of each such applicant to provide Head Start services, based on—
(A) any past performance of such applicant in providing services comparable to Head Start services, including how effectively such applicant provided such comparable services;
(B) the plan of such applicant to provide comprehensive health, educational, nutritional, social, and other services needed to aid participating children in attaining their full potential, and to prepare children to succeed in school;
(C) the plan of such applicant to attract and retain qualified staff capable of delivering, including implementing, a high-quality and comprehensive program, including the ability to carry out a research based curriculum aligned with the Head Start Child Outcomes Framework and, as appropriate, State early learning standards;
(D) the ability of such applicant to maintain child-to-teacher ratios and family service worker caseloads that reflect best practices and are tied to high-quality service delivery;
(E) the capacity of such applicant to serve eligible children with—
(i) curricula that are based on scientifically valid research, that are developmentally appropriate, and that promote the school readiness of children participating in the program involved; and
(ii) teaching practices that are based, as appropriate, on scientifically valid research, that are developmentally appropriate, and that promote the school readiness of children participating in the program involved;
(F) the plan of such applicant to meet standards described in section 9836a(a)(1) of this title, with particular attention to the standards described in subparagraphs (A) and (B) of such section;
(G) the proposed budget of the applicant and plan of such applicant to maintain...
strong fiscal controls and cost-effective fiscal management;

(H) the plan of such applicant to coordinate and collaborate with other public or private entities providing early childhood education and development programs and services for young children in the community involved, including—

(i) preschool programs under title I of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6301 et seq.);

(ii) programs under section 619 and part C of the Individuals with Disabilities Education Act (20 U.S.C. 1419, 1431 et seq.);

(iii) State prekindergarten programs;

(iv) child care programs;

(v) the educational programs that the children in the Head Start program involved will enter at the age of compulsory school attendance; and

(vi) local entities, such as a public or school library, for—

(I) conducting reading readiness programs;

(II) developing innovative programs to excite children about the world of books, including providing fresh books in the Head Start classroom;

(III) assisting in literacy training for Head Start teachers; or

(IV) supporting parents and other caregivers in literacy efforts;

(J) the plan of such applicant to coordinate the Head Start program that the applicant proposes to carry out, with public and private entities that are willing to commit resources to assist the Head Start program in meeting its program needs;

(K) the plan of such applicant to—

(I) facilitate the involvement of parents (including grandparents and kinship caregivers, as appropriate) of children participating in the proposed Head Start program, in activities (at home and, if practicable, at the location of the Head Start program) designed to help such parents become full partners in the education of their children;

(ii) to afford such parents the opportunity to participate in the development and overall conduct of the program at the local level, including transportation assistance, as appropriate;

(iii) to offer (directly or through referral to local entities, public and school libraries, and entities carrying out family support programs) to such parents—

(I) family literacy services; and

(II) parenting skills training;

(iv) to offer to parents of participating children substance abuse counseling (either directly or through referral to local entities), if needed, including information on the effect of drug exposure on infants and fetal alcohol syndrome;

(v) at the option of such applicant, to offer (directly or through referral to local entities) to such parents—

(I) training in basic child development (including cognitive, social, and emotional development);

(II) assistance in developing literacy and communication skills;

(III) opportunities to share experiences with other parents (including parent-mentor relationships);

(IV) regular in-home visitation;

(V) health services, including information on maternal depression; or

(VI) any other activity designed to help such parents become full partners in the education of their children;

(vi) to provide, with respect to each participating family, a family needs assessment that includes consultation with such parents (including foster parents, grandparents, and kinship caregivers, where applicable), in a manner and language that such parents can understand, to the extent practicable, about the benefits of parent involvement and about the activities described in this subparagraph in which such parents may choose to become involved (taking into consideration their specific family needs, work schedules, and other responsibilities); and

(vii) to extend outreach to fathers (including father figures), in appropriate cases, in order to strengthen the role of those fathers in families, in the education of young children, and in the Head Start program, by working directly with the fathers through activities such as—

(I) in appropriate cases, including the fathers in home visits and providing opportunities for direct father-child interactions; and

(II) targeting increased male participation in the conduct of the program;

(L) other factors related to the requirements of this subchapter.

(M) the plan of such applicant to meet the needs of limited English proficient children and their families, including procedures to identify such children, plans to provide trained personnel, and plans to provide services to assist the children in making progress toward the acquisition of the English language, while making meaningful progress in attaining the knowledge, skills, abilities, and development described in section 9836a(a)(1)(B) of this title;

(N) the plan of such applicant to meet the diverse needs of the population served;

(O) the plan of such applicant to meet the needs of homeless children, including transportation needs, and the needs of children in foster care; and

(P) other factors related to the requirements of this subchapter.
(3) Priority
In selecting from among qualified applicants for designation as a Head Start agency, the Secretary shall give priority to applicants that have demonstrated capacity in providing effective, comprehensive, and well-coordinated early childhood education and development services and programs to children and their families.

(e) Prohibition against non-Indian Head Start agency receiving a grant for an Indian Head Start program

(1) In general
Notwithstanding any other provision of law, except as provided in paragraph (2), under no condition may a non-Indian Head Start agency receive a grant to carry out an Indian Head Start program.

(2) Exception
In a community in which there is no Indian Head Start agency available for designation to carry out an Indian Head Start program, a non-Indian Head Start agency may receive a grant to carry out an Indian Head Start program but only until such time as an Indian Head Start agency in such community becomes available and is designated pursuant to this section.

(f) Interim provider
If no agency in a community is designated under subsection (d), and there is no qualified applicant in the community, the Secretary shall designate a qualified agency to carry out the Head Start program in the community on an interim basis until a qualified applicant from the community is designated under subsection (d).

(g) Parent and community participation
The Secretary shall require that the practice of significantly involving parents and community residents in the area affected by the program, in the selection of Head Start agencies, be continued.

(h) Community
For purposes of this subchapter, a community may be a city, county, or multicounty or multicounty unit within a State, an Indian reservation (including Indians in an off-reservation area designated by an appropriate tribal government in consultation with the Secretary), or a neighborhood or other area (irrespective of boundaries or political subdivisions) that provides a suitable organizational base and possesses the commonality of interest needed to operate a Head Start program.

(3) Priority
In selecting from among qualified applicants for designation as a Head Start agency, the Secretary shall give priority to applicants that have demonstrated capacity in providing effective, comprehensive, and well-coordinated early childhood education and development services and programs to children and their families.

(e) Prohibition against non-Indian Head Start agency receiving a grant for an Indian Head Start program

(1) In general
Notwithstanding any other provision of law, except as provided in paragraph (2), under no condition may a non-Indian Head Start agency receive a grant to carry out an Indian Head Start program.

(2) Exception
In a community in which there is no Indian Head Start agency available for designation to carry out an Indian Head Start program, a non-Indian Head Start agency may receive a grant to carry out an Indian Head Start program but only until such time as an Indian Head Start agency in such community becomes available and is designated pursuant to this section.

(f) Interim provider
If no agency in a community is designated under subsection (d), and there is no qualified applicant in the community, the Secretary shall designate a qualified agency to carry out the Head Start program in the community on an interim basis until a qualified applicant from the community is designated under subsection (d).

(g) Parent and community participation
The Secretary shall require that the practice of significantly involving parents and community residents in the area affected by the program, in the selection of Head Start agencies, be continued.

(h) Community
For purposes of this subchapter, a community may be a city, county, or multicounty or multicounty unit within a State, an Indian reservation (including Indians in an off-reservation area designated by an appropriate tribal government in consultation with the Secretary), or a neighborhood or other area (irrespective of boundaries or political subdivisions) that provides a suitable organizational base and possesses the commonality of interest needed to operate a Head Start program.

(3) Priority
In selecting from among qualified applicants for designation as a Head Start agency, the Secretary shall give priority to applicants that have demonstrated capacity in providing effective, comprehensive, and well-coordinated early childhood education and development services and programs to children and their families.

Subsec. (d). Pub. L. 105–285, §107(4)(A), inserted in introductory provisions “In selecting from among qualified applicants for designation as a Head Start agency, the Secretary shall give priority to any qualified agency that functioned as a Head Start delegate agency in the community and carried out a Head Start program that the Secretary determines met or exceeded such performance standards and such results-based performance measures.”


Subsec. (d)(7). Pub. L. 105–285, §107(4)(D), amended par. (7) generally. Prior to amendment, par. (7) read as follows: “the plan of such applicant to meet the needs of non-English language background children and their families in the community;”.

Subsec. (d)(8) to (10). Pub. L. 105–285, §107(4)(E)(i), (ii), added subs. (8) and (10) and redesignated former par. (8) as (9).

Subsec. (e). Pub. L. 105–285, §107(5), added subsec. (e) and struck out former subsec. (e) which read as follows: “If, in a community served by a Head Start program, there is no applicant qualified for designation as a Head Start agency to carry out such program, the Secretary may appoint an interim grantee to carry out such program until a qualified applicant is so designated.”


Subsec. (h). Pub. L. 103–252, §107(b)(1), (3), (4), (6), redesignated par. (1)(B) as (2) and realigned margins, substituted “If” for “except that, if” and “paragraph (1)” for “paragraph (A)” and struck out former par. (2) which read as follows: “(2)(A) The Secretary shall conduct a full review of each designated Head Start agency at least once during any fiscal year as well as to initial designations of Head Start agencies.”

Subsec. (i). Pub. L. 103–252, §107(b)(2), (3), redesignated concluding provisions of par. (1) as (3), substituted “this subsection” for “this paragraph”, and struck out former par. (3) which read as follows: “In carrying out a review of each Head Start agency under paragraph (2), the Secretary shall—

(A) to the maximum extent practicable, carry out such review by using employees of the Department of Health and Human Services who are knowledgeable about Head Start programs;

(B) ensure that an employee of the Department of Health and Human Services who is knowledgeable about Head Start programs supervises such review at the site of such agency;

(C) measure the compliance of the programs of such agency with the performance standards in effect under section 9846(b) of this title;”.

Subsec. (j). Pub. L. 103–252, §107(b)(1), struck out par. (4) which read as follows: “The results of a review conducted under this subsection shall not be sufficient alone for the purpose of determining whether to continue, or to discontinue, providing funds to a particular Head Start agency.”

Subsec. (k). Pub. L. 103–252, §107(c)(1)–(3), redesignated provisions of subsection (c)(1)–(3) as (A)–(C), in introductory provisions substituted “If no entity in a community is entitled to the priority specified in subsection (c) of this section,” for “If there is no Head Start agency as described in subsection (c)(2) of this section, and no existing Head Start program serving a community,” and stricken out “Any such designation shall be governed by the program and fiscal requirements, criteria, and standards applicable on September 1, 1983, to then existing Head Start agencies,” after first sentence and “subject to the preceding sentence” after “as a Head Start agency.”


Subsec. (m)(4). Pub. L. 103–252, §107(c)(3)(C), amended par. (4) generally. Prior to amendment, par. (4) read as follows: “the plan of such applicant to involve parents of children who will participate in the proposed Head Start program in appropriate educational services (in accordance with the performance standards in effect under section 9846(b) of this title or through referral of such parents to educational services available in the community) in order to aid their children to attain their full potential;”.


Subsec. (o)(1)(A). Pub. L. 103–252, §107(b)(2), (3), (5), inserted “subject to the provisions of paragraph (2)” after “the provisions of this section”, struck out subpar. (A), inserted “the Secretary makes a finding that the agency involved to meet financial management, and other requirements established by the Secretary,” after “unless”, and redesignated subpar. (B) as par. (2) and concluding provisions as par. (3).

Subsec. (o)(2). Pub. L. 103–252, §107(b)(1), (3), (4), (6), redesignated par. (1)(B) as (2) and realigned margins, substituted “If” for “except that, if” and “paragraph (1)” for “paragraph (A)” and struck out former par. (2) which read as follows: “(2)(A) The Secretary shall conduct a full review of each designated Head Start agency at least once during each 3-year period, and shall determine whether each agency meets program and fiscal requirements established by the Secretary.”

(2)(B) The Secretary shall conduct a review of each newly designated Head Start agency immediately after the completion of the first year such agency carries out a Head Start program.

(2)(C) The Secretary shall conduct followup reviews of Head Start agencies when appropriate.

Subsec. (o)(3). Pub. L. 103–252, §107(b)(1), (5), redesignated existing provisions as subpar. (A) and added subpars. (B) and (C).
§ 9836a. Standards; monitoring of Head Start agencies and programs

(a) Standards

(1) Content of standards

The Secretary shall modify, as necessary, program performance standards by regulation applicable to Head Start agencies and programs under this subchapter, including—

(A) performance standards with respect to services required to be provided, including health, parental involvement, nutritional, and social services, transition activities described in section 9837a of this title, and other services;

(B) scientifically based and developmentally appropriate education performance standards related to school readiness that are based on the Head Start Child Outcomes Framework to ensure that the children participating in the program, at a minimum, develop and demonstrate—

(i) language knowledge and skills, including oral language and listening comprehension;

(ii) literacy knowledge and skills, including phonological awareness, print awareness and skills, and alphabetic knowledge;

(iii) mathematics knowledge and skills;

(iv) science knowledge and skills;

(v) cognitive abilities related to academic achievement and child development;

(vi) approaches to learning related to child development and early learning;

(vii) social and emotional development related to early learning, school success, and social problem solving;

(viii) abilities in creative arts;

(ix) physical development; and

(x) in the case of limited English proficient children, progress toward acquisition of the English language while making meaningful progress in attaining the knowledge, skills, abilities, and development described in clauses (i) through (ix), including progress made through the use of culturally and linguistically appropriate instructional services;

(C) administrative and financial management standards;

(D) standards relating to the condition and location of facilities (including indoor air quality assessment standards, where appropriate) for such agencies, and programs, including regulations that require that the facilities used by Head Start agencies (including Early Head Start agencies and any delegate agencies) for regularly scheduled center-based and combination program option classroom activities—

(i) shall meet or exceed State and local requirements concerning licensing for such facilities; and

(ii) shall be accessible by State and local authorities for purposes of monitoring and ensuring compliance, unless State or local laws prohibit such access; and

(E) such other standards as the Secretary finds to be appropriate.
(2) Considerations regarding standards

In developing any modifications to standards required under paragraph (1), the Secretary shall—

(A) consult with experts in the fields of child development, early childhood education, child health care, family services (including linguistically and culturally appropriate services to non-English speaking children and their families), administration, and financial management, and with persons with experience in the operation of Head Start programs;

(B) take into consideration—

(i) past experience with use of the standards in effect under this subchapter on December 12, 2007;

(ii) changes over the period since October 27, 1998, in the circumstances and problems typically facing children and families served by Head Start agencies;

(iii) recommendations from the study on Developmental Outcomes and Assessments for Young Children by the National Academy of Sciences, consistent with section 9844(j) of this title;

(iv) developments concerning research-based practices with respect to early childhood education and development, children with disabilities, homeless children, children in foster care, and family services, and best practices with respect to program administration and financial management;

(v) projected needs of an expanding Head Start program;

(vi) guidelines and standards that promote child health services and physical development, including participation in outdoor activity that supports children's motor development and overall health and nutrition;

(vii) changes in the characteristics of the population of children who are eligible to participate in Head Start programs, including country of origin, language background, and family structure of such children, and changes in the population and number of such children who are in foster care or are homeless children;

(viii) mechanisms to ensure that children participating in Head Start programs make a successful transition to the schools that the children will be attending;

(ix) the need for Head Start agencies to maintain regular communications with parents, including conducting periodic meetings to discuss the progress of individual children in Head Start programs; and

(x) the unique challenges faced by individual programs, including those programs that are seasonal or short term and those programs that serve rural populations;

(C)(i) review and revise as necessary the standards in effect under this subsection; and

(ii) ensure that any such revisions in the standards will not result in the elimination of or any reduction in quality, scope, or types of health, educational, parental involvement, nutritional, social, or other services required to be provided under such standards as in effect on December 12, 2007; and

(D) consult with Indian tribes, including Alaska Natives, experts in Indian, including Alaska Native, early childhood education and development, linguists, and the National Indian Head Start Directors Association on the review and promulgation of standards under paragraph (1) (including standards for language acquisition and school readiness).

(3) Standards relating to obligations to delegate agencies

In developing any modifications to standards under paragraph (1), the Secretary shall describe the obligations of a Head Start agency to a delegate agency to which the Head Start agency has delegated responsibility for providing services under this subchapter.

(b) Measures

(1) In general

The Secretary, in consultation with representatives of Head Start agencies and with experts in the fields of early childhood education and development, family services, and program management, shall use the study on Developmental Outcomes and Assessments for Young Children by the National Academy of Sciences and other relevant research to inform, revise, and provide guidance to Head Start agencies for utilizing, scientifically based measures that support, as appropriate—

(A) classroom instructional practices;

(B) identification of children with special needs;

(C) program evaluation; and

(D) administrative and financial management practices.

(2) Characteristics of measures

The measures under this subsection shall—

(A) be developmentally, linguistically, and culturally appropriate for the population served;

(B) be reviewed periodically, based on advances in the science of early childhood development;

(C) be consistent with relevant, nationally recognized professional and technical standards related to the assessment of young children;

(D) be valid and reliable in the language in which they are administered;

(E) be administered by staff with appropriate training for such administration;

(F) provide for appropriate accommodations for children with disabilities and children who are limited English proficient;

(G) be high-quality research-based measures that have been demonstrated to assist with the purposes for which they were devised; and

(H) be adaptable, as appropriate, for use in the self-assessment of Head Start agencies, including in the evaluation of administrative and financial management practices.
(3) Use of measures; limitations on use

(A) Use

The measures shall be designed, as appropriate, for the purpose of—

(i) helping to develop the skills, knowledge, abilities, and development described in subsection (a)(1)(B) of children participating in Head Start programs, with an emphasis on measuring skills that scientifically valid research has demonstrated are related to children's school readiness and later success in school;

(ii) improving classroom practices, including reviewing children's strengths and weaknesses and individualizing instruction to better meet the needs of the children involved;

(iii) identifying the special needs of children; and

(iv) improving overall program performance in order to help programs identify problem areas that may require additional training and technical assistance resources.

(B) Limitations

Such measures shall not be used to exclude children from Head Start programs.

(4) Confidentiality

(A) In general

The Secretary, through regulation, shall ensure the confidentiality of any personally identifiable data, information, and records collected or maintained under this subchapter by the Secretary and any Head Start agency. Such regulations shall provide the policies, protections, and rights equivalent to those provided to a parent, student, or educational agency or institution under section 1232g of title 20.

(B) Prohibition on nationwide database

Nothing in this subsection shall be construed to authorize the development of a nationwide database of personally identifiable data, information, or records on children resulting from the use of measures under this subchapter.

(5) Special rule

(A) Prohibition

The use of assessment items and data on any assessment authorized under this subchapter by any agent of the Federal Government is prohibited for the purposes of—

(i) ranking, comparing, or otherwise evaluating individual children for purposes other than research, training, or technical assistance; and

(ii) providing rewards or sanctions for individual children or teachers.

(B) Results

The Secretary shall not use the results of a single assessment as the sole method for assessing program effectiveness or making agency funding determinations at the national, regional, or local level under this subchapter.

(c) Monitoring of local agencies and programs

(1) In general

To determine whether Head Start agencies meet standards described in subsection (a)(1) established under this subchapter with respect to program, administrative, financial management, and other requirements, and in order to help the programs identify areas for improvement and areas of strength as part of their ongoing self-assessment process, the Secretary shall conduct the following reviews of Head Start agencies, including the Head Start programs operated by such agencies:

(A) A full review, including the use of a risk-based assessment approach, of each such agency at least once during each 3-year period.

(B) A review of each newly designated Head Start agency immediately after the completion of the first year such agency carries out a Head Start program.

(C) Followup reviews, including—

(i) return visits to Head Start agencies with 1 or more findings of deficiencies, not later than 6 months after the Secretary provides notification of such findings, or not later than 12 months after such notification if the Secretary determines that additional time is necessary for an agency to address such a deficiency prior to the review; and

(ii) a review of Head Start agencies with significant areas of noncompliance.

(D) Other reviews, including unannounced site inspections of Head Start centers, as appropriate.

(2) Conduct of reviews

The Secretary shall ensure that reviews described in subparagraphs (A) through (C) of paragraph (1)—

(A) are conducted by review teams that—

(i) include individuals who are knowledgeable about Head Start programs and, to the maximum extent practicable, individuals who are knowledgeable about—

(I) other early childhood education and development programs, personnel management, financial accountability, and systems development and monitoring; and

(II) the diverse (including linguistic and cultural) needs of eligible children (including children with disabilities, homeless children, children in foster care, and limited English proficient children) and their families;

(ii) include, to the maximum extent practicable, current or former employees of the Department of Health and Human Services who are knowledgeable about Head Start programs; and

(iii) shall receive periodic training to ensure quality and consistency across reviews;

(B) include as part of the reviews, a review and assessment of program strengths and areas in need of improvement;

(C) include as part of the reviews, a review and assessment of whether programs have...
adequately addressed population and community needs (including those of limited English proficient children and children of migrant or seasonal farmworker families);
(D) include as part of the reviews, an assessment of the extent to which the programs address the communitywide strategic planning and needs assessment described in section 9835(g)(1)(C) of this title;
(E) include information on the innovative and effective efforts of the Head Start agencies to collaborate with the entities providing early childhood and development services or programs in the community and any barriers to such collaboration that the agencies encounter;
(F) include as part of the reviews, a valid and reliable research-based observational instrument, implemented by qualified individuals with demonstrated reliability, that assesses classroom quality, including assessing multiple dimensions of teacher-child interactions that are linked to positive child development and later achievement;
(G) are conducted in a manner that evaluates program performance, quality, and overall operations with consistency and objectivity, are based on a transparent and reliable system of review, and are conducted in a manner that includes periodic interrater reliability checks, to ensure quality and consistency, across and within regions, of the reviews and of noncompliance and deficiency determinations;
(H) in the case of reviews of Early Head Start agencies and programs, are conducted by a review team that includes individuals who are knowledgeable about the developmental needs of young children;
(I) include as part of the reviews a protocol for fiscal management that shall be used to assess compliance with program requirements for—
(i) using Federal funds appropriately;
(ii) using Federal funds specifically to purchase property (consistent with section 9839(f) of this title) and to compensate personnel;
(iii) securing and using qualified financial officer support; and
(iv) reporting financial information and implementing appropriate internal controls to safeguard Federal funds;
(J) include as part of the reviews of the programs, a review and assessment of whether the programs are in conformity with the eligibility requirements under section 9840(a)(1) of this title, including regulations promulgated under such section and whether the programs have met the requirements for the outreach and enrollment policies and procedures, and selection criteria, in such section, for the participation of children in programs assisted under this subchapter;
(K) include as part of the reviews, a review and assessment of whether agencies have adequately addressed the needs of children with disabilities, including whether the agencies involved have met the 10 percent minimum enrollment requirement specified in section 9835(d) of this title and whether the agencies have made sufficient efforts to collaborate with State and local agencies providing services under section 619 or part C of the Individuals with Disabilities Education Act (20 U.S.C. 1419, 1431 et seq.); and
(L) include as part of the reviews, a review and assessment of child outcomes and performance as they relate to agency-determined school readiness goals described in subsection (g)(2), consistent with subsection (b)(5).

(3) Standards relating to obligations to delegate agencies

In conducting a review described in paragraph (1)(A) of a Head Start agency, the Secretary shall determine whether the agency complies with the obligations described in subsection (a)(3). The Secretary shall consider such compliance in determining whether to renew financial assistance to the Head Start agency under this subchapter.

(4) Use of review findings

The findings of a review described in paragraph (1) of a Head Start agency shall, at a minimum—
(A) be presented to the agency in a timely, transparent, and uniform manner that conveys information of program strengths and weaknesses and assists with program improvement; and
(B) be used by the agency to inform the development and implementation of its plan for training and technical assistance.

(d) Evaluations and corrective action for delegate agencies

(1) Procedures

Each Head Start agency shall establish, subject to paragraph (4), procedures relating to its delegate agencies, including—
(A) procedures for evaluating delegate agencies;
(B) procedures for defunding delegate agencies; and
(C) procedures for a delegate agency to appeal a defunding decision.

(2) Evaluation

Each Head Start agency—
(A) shall evaluate its delegate agencies using the procedures established under this subsection; and
(B) shall inform the delegate agencies of the deficiencies identified through the evaluation that are required to be corrected.

(3) Remedies to ensure corrective actions

In the event that the Head Start agency identifies a deficiency for a delegate agency through the evaluation, the Head Start agency shall take action, which may include—
(A) initiating procedures to terminate the designation of the agency unless the agency corrects the deficiency;
(B) conducting monthly monitoring visits to such delegate agency until all deficiencies are corrected or the Head Start agency decides to defund such delegate agency; and
(C) releasing funds to such delegate agency—
(e) Corrective action for Head Start agencies

(1) Determination

If the Secretary determines, on the basis of a review pursuant to subsection (c), that a Head Start agency designated pursuant to this subchapter fails to meet the standards described in subsection (a)(1) or fails to address the communitywide strategic planning and needs assessment, the Secretary shall—

(A) inform the agency of the deficiencies that shall be corrected and identify the assistance to be provided consistent with paragraph (d);

(B) with respect to each identified deficiency, require the agency—

(i) to correct the deficiency immediately, if the Secretary finds that the deficiency threatens the health or safety of staff or program participants or poses a threat to the integrity of Federal funds;

(ii) to correct the deficiency not later than 90 days after the identification of the deficiency if the Secretary finds, in the discretion of the Secretary, that such a 90-day period is reasonable, in light of the nature and magnitude of the deficiency; or

(iii) in the discretion of the Secretary (taking into consideration the seriousness of the deficiency and the time reasonably required to correct the deficiency), to comply with the requirements of paragraph (2) concerning a quality improvement plan; and

(C) initiate proceedings to terminate the designation of the agency unless the agency corrects the deficiency.

(2) Quality improvement plan

(A) Agency and program responsibilities

To retain a designation as a Head Start agency under this subchapter, or in the case of a Head Start program to continue to receive funds from such agency, a Head Start agency that is the subject of a determination described in paragraph (1), or a Head Start program that is determined to have a deficiency under subsection (d)(2) (excluding an agency required to correct a deficiency immediately or during a 90-day period under clause (i) or (ii) of paragraph (1)(B)) shall—

(i) develop in a timely manner, a quality improvement plan that shall be subject to the approval of the Secretary, and in the case of a program, the sponsoring agency, and that shall specify—

(I) the deficiencies to be corrected;

(II) the actions to be taken to correct such deficiencies; and

(III) the timetable for accomplishment of the corrective actions specified; and

(ii) correct each deficiency identified, not later than the date for correction of such deficiency specified in such plan (which shall not be later than 1 year after the date the agency or Head Start program that is determined to have a deficiency received notice of the determination and of the specific deficiency to be corrected).

(B) Secretarial responsibility

Not later than 30 days after receiving from a Head Start agency a proposed quality improvement plan pursuant to subparagraph (A), the Secretary shall either approve such proposed plan or specify the reasons why the proposed plan cannot be approved.

(C) Agency responsibility

Not later than 30 days after receiving from a Head Start program a proposed quality improvement plan pursuant to subparagraph (A), the Head Start agency involved shall either approve such proposed plan or specify the reasons why the proposed plan cannot be approved.

(3) Training and technical assistance

The Secretary shall provide training and technical assistance to Head Start agencies and programs with respect to the development or implementation of such quality improvement plans to the extent the Secretary finds such provision to be feasible and appropriate given available funding and other statutory responsibilities.

(f) Summaries of monitoring outcomes

(1) In general

Not later than 120 days after the end of each fiscal year, the Secretary shall publish a summary report on the findings of reviews conducted under subsection (c) and on the outcomes of quality improvement plans implemented under subsection (e), during such fiscal year.

(2) Report availability

Such report shall be made widely available to—

(A) parents with children receiving assistance under this subchapter—

(i) in an understandable and uniform format; and

(ii) to the extent practicable, in a language that the parents understand; and

(B) the public through means such as—
§ 9836a

1. Distribution through public agencies; and
2. Posting such information on the Internet.

3. Report information

Such report shall contain detailed data—
(A) on compliance with specific standards and measures; and
(B) sufficient to allow Head Start agencies to use such data to improve the quality of their programs.

4. Self-assessments

(a) In general

Not less frequently than once each program year, with the consultation and participation of policy councils and, as applicable, policy committees and, as appropriate, other community members, each Head Start agency, and each delegate agency, that receives financial assistance under this subchapter shall conduct a comprehensive self-assessment of its effectiveness and progress in meeting program goals and objectives and in implementing and complying with standards described in subsection (a)(1).

(b) Goals, reports, and improvement plans

(A) Goals

An agency conducting a self-assessment shall establish agency-determined program goals for improving the school readiness of children participating in a program under this subchapter, including school readiness goals that are aligned with the Head Start Child Outcomes Framework, State early learning standards as appropriate, and requirements and expectations of the schools the children will be attending.

(B) Improvement plan

The agency shall develop, and submit to the Secretary a report containing, an improvement plan approved by the governing body of the agency to strengthen any areas identified in the self-assessment as weaknesses or in need of improvement.

5. Ongoing monitoring

Each Head Start agency (including each Early Head Start agency) and each delegate agency shall establish and implement procedures for the ongoing monitoring of their respective programs, to ensure that the operations of the programs work toward meeting program goals and objectives and standards described in subsection (a)(1).

6. Reduction of grants and redistribution of funds in cases of underenrollment

(a) Definitions

In this subsection:
(A) Actual enrollment

The term “actual enrollment” means, with respect to the program of a Head Start agency, the actual number of children enrolled in such program and reported by the agency (as required in paragraph (2)) in a given month.

(B) Base grant

The term “base grant” has the meaning given in section 9835(a)(7) of this title.

(C) Funded enrollment

The term “funded enrollment” means, with respect to the program of a Head Start agency in a fiscal year, the number of children that the agency is funded to serve through a grant for the program during such fiscal year, as indicated in the grant agreement.

7. Enrollment reporting requirement

Each entity carrying out a Head Start program shall report on a monthly basis to the Secretary and the relevant Head Start agency—
(A) the actual enrollment in such program; and
(B) if such actual enrollment is less than the funded enrollment, any apparent reason for such enrollment shortfall.

8. Secretarial review and plan

The Secretary shall—
(A) on a semiannual basis, determine which Head Start agencies are operating with an actual enrollment that is less than the funded enrollment based on not less than 4 consecutive months of data;
(B) for each such Head Start agency operating a program with an actual enrollment that is less than its funded enrollment, as determined under subparagraph (A), develop, in collaboration with such agency, a plan and timetable for reducing or eliminating underenrollment taking into consideration—
(i) the quality and extent of the outreach, recruitment, and communitywide strategic planning and needs assessment conducted by such agency;
(ii) changing demographics, mobility of populations, and the identification of new underserved low-income populations;
(iii) facilities-related issues that may impact enrollment;
(iv) the ability to provide full-working-day programs, where needed, through funds made available under this subchapter or through collaboration with entities carrying out other early childhood education and development programs, or programs with other funding sources (where available);
(v) the availability and use by families of other early childhood education and development options in the community served; and
(vi) agency management procedures that may impact enrollment; and
(C) provide timely and ongoing technical assistance to each agency described in subparagraph (B) for the purpose of assisting the Head Start agency to implement the plan described in such subparagraph.

9. Implementation

Upon receipt of the technical assistance described in paragraph (3)(C), a Head Start agency shall immediately implement the plan described in paragraph (3)(B). The Secretary shall, where determined appropriate, continue to provide technical assistance to such agency.
(5) Secretarial review and adjustment for chronic underenrollment

(A) In general

If, after receiving technical assistance and developing and implementing the plan as described in paragraphs (3) and (4) for 12 months, a Head Start agency is operating a program with an actual enrollment that is less than 97 percent of its funded enrollment, the Secretary may—

(i) designate such agency as chronically underenrolled; and

(ii) recapture, withhold, or reduce the base grant for the program by a percentage equal to the percentage difference between funded enrollment and actual enrollment for the program for the most recent year for which the agency is determined to be underenrolled under paragraph (3)(A).

(B) Waiver or limitation of reductions

The Secretary may, as appropriate, waive or reduce the percentage recapturing, withholding, or reduction otherwise required by subparagraph (A), if, after the implementation of the plan described in paragraph (3)(B), the Secretary finds that—

(i) the causes of the enrollment shortfall, or a portion of the shortfall, are related to the agency’s serving significant numbers of highly mobile children, or are other significant causes as determined by the Secretary;

(ii) the shortfall can reasonably be expected to be temporary; or

(iii) the number of slots allotted to the agency is small enough that underenrollment does not create a significant shortfall.

(6) Redistribution of funds

(A) In general

Funds held by the Secretary as a result of recapturing, withholding, or reducing a base grant in a fiscal year shall be redistributed by the end of the following fiscal year as follows:

(i) Indian Head Start programs

If such funds are derived from an Indian Head Start program, then such funds shall be redistributed to increase enrollment by the end of the following fiscal year in 1 or more Indian Head Start programs.

(ii) Migrant and seasonal Head Start programs

If such funds are derived from a migrant or seasonal Head Start program, then such funds shall be redistributed to increase enrollment by the end of the following fiscal year in 1 or more programs of the type from which such funds are derived.

(iii) Early Head Start programs

If such funds are derived from an Early Head Start program in a State, then such funds shall be redistributed to increase enrollment by the end of the following fiscal year in 1 or more Early Head Start programs in that State. If such funds are derived from an Indian Early Head Start program, then such funds shall be redistributed to increase enrollment by the end of the following fiscal year in 1 or more Indian Early Head Start programs.

(iv) Other Head Start programs

If such funds are derived from a Head Start program in a State (excluding programs described in clauses (i) through (iii)), then such funds shall be redistributed to increase enrollment by the end of the following fiscal year in 1 or more Head Start programs (excluding programs described in clauses (i) through (iii)) that are carried out in such State.

(B) Adjustment to funded enrollment

The Secretary shall adjust as necessary the requirements relating to funded enrollment indicated in the grant agreement of a Head Start agency receiving redistributed funds under this paragraph.


REFERENCES IN TEXT

The Individuals with Disabilities Education Act, referred to in subsec. (a)(2)(K), is title VI of Pub. L. 91–290, Apr. 13, 1970, 84 Stat. 175. Part C of the Act is classified generally to subchapter III (§ 1431 et seq.) of chapter 33 of Title 20, Education. Section 619 of the Act is classified to section 1418 of Title 20. For complete classification of this Act to the Code, see section 1400 of Title 20 and Tables.

AMENDMENTS


Subsec. (a)(1)(B) to (E), Pub. L. 105–285, § 108(a)(1)(C), (D), added subpar. (B) and redesignated former subpars. (B) to (D) as (C) to (E), respectively.

Subsec. (a)(2). Pub. L. 105–285, § 108(a)(2), (3), redesignated par. (3) as (2) and struck out heading and text of former par. (3).


Subsec. (a)(4)(B)(i). Pub. L. 105–285, § 108(a)(4)(B)(i), struck out “not later than 1 year after May 18, 1994,” before “review” and substituted “this subsection; and” and “section 9846(b) of this title on the day before May 18, 1994, and”.


Subsec. (a)(5). Pub. L. 105–285, § 108(a)(5), substituted “to a delegate agency” for “to an agency (referred to in this subchapter as the ‘delegate agency’)”.

Former par. (4) redesignated (2).
§ 9837. Powers and functions of Head Start agencies

(a) Authority

To be designated as a Head Start agency under this subchapter, an agency shall have authority under its charter or applicable law to receive and administer funds under this subchapter, funds and contributions from private or local public sources that may be used in support of a Head Start program, and funds under any Federal or State assistance program pursuant to which a public or private nonprofit or for-profit agency (as the case may be) organize in accordance with this subchapter, could act as grantee, contractor, or sponsor of projects appropriate for inclusion in a Head Start program. Such an agency shall also be empowered to transfer funds so received, and to delegate powers to other agencies, subject to the powers of its governing board and its overall program responsibilities. The power to transfer funds and delegate powers shall include the power to make transfers and delegations covering component projects in all cases where this will contribute to efficiency and effectiveness or otherwise further program objectives.

(b) Family and community involvement; family services

To be so designated, a Head Start agency shall, at a minimum, do all the following to involve and serve families and communities:

(1) Provide for the regular and direct participation of parents and community residents in the implementation of the Head Start program, including decisions that influence the character of such program, consistent with paragraphs (2)(D) and (3)(C) of subsection (c).

(2) Seek the involvement of parents, community residents, and local business in the design and implementation of the program.

(3) Establish effective procedures—

(A) to facilitate and seek the involvement of parents of participating children in activities designed to help such parents become full partners in the education of their children; and

(B) to afford such parents the opportunity to participate in the design and overall conduct of the program at the local level, including transportation assistance as appropriate.

(4) Offer (directly or through referral to local entities, public and school libraries, and entities carrying out family support programs) to such parents—

(A) family literacy services; and

(B) parenting skills training.

(5) Offer to parents of participating children substance abuse counseling (either directly or through referral to local entities), if needed, including information on the effect of drug exposure on infants and fetal alcohol syndrome.

(6) At the option of such agency, offer (directly or through referral to local entities) to such parents—

(A) training in basic child development (including cognitive, social, and emotional development);

(B) assistance in developing literacy and communication skills;
(7) Provide, with respect to each participating family, a family needs assessment that includes consultation with such parents (including foster parents, grandparents, and kinship caregivers, where applicable), in a manner and language that such parents can understand (to the extent practicable), about the benefits of parent involvement and about the activities described in this subsection in which such parents may choose to become involved (taking into consideration their specific family needs, work schedules, and other responsibilities).

(8) Consider providing services to assist younger siblings of children participating in its Head Start program to obtain health services from other sources.

(9) Perform community outreach to encourage individuals previously unaffiliated with Head Start programs to participate in its Head Start program as volunteers.

(10) A. Inform custodial parents in single-parent families that participate in programs, activities, or services carried out or provided under this subchapter about the availability of child support services for purposes of establishing paternity and acquiring child support.

B. Refer eligible parents to the child support offices of State and local governments.

C. Provide to parents of limited English proficient children outreach and information, in an understandable and uniform format and, to the extent practicable, in a language that the parents can understand.

D. Provide technical and other support needed to enable parents and community residents to secure, on their own behalf, available assistance from public and private sources.

(11) Provide to parents of limited English proficient children outreach and information, in an understandable and uniform format and, to the extent practicable, in a language that the parents can understand.

(12) Provide technical and other support needed to enable parents and community residents to secure, on their own behalf, available assistance from public and private sources.

(13) Promote the continued involvement of the parents (including foster parents, grandparents, and kinship caregivers, as appropriate) of children that participate in Head Start programs in the education of their children upon transition of their children to school, by working with the local educational agency—

A. To provide training to the parents—
   (i) to inform the parents about their rights and responsibilities concerning the education of their children; and
   (ii) to enable the parents

B. To understand and work with schools in order to communicate with teachers and other school personnel;

C. To support the schoolwork of their children; and

D. To participate as appropriate in decisions relating to the education of their children; and

E. To take other actions, as appropriate and feasible, to support the active involvement of the parents with schools, school personnel, and school-related organizations.

(14) Establish effective procedures for timely referral of children with disabilities to the State or local agency providing services under section 619 or part C of the Individuals with Disabilities Education Act (20 U.S.C. 1411, 1431 et seq.), and collaboration with that agency, consistent with section 9835(d)(3) of this title.

(15) Establish effective procedures for providing necessary early intervening services to children with disabilities prior to an eligibility determination by the State or local agency responsible for providing services under section 619 or part C of such Act, consistent with section 9835(d)(2) of this title.

(16) At the option of the Head Start agency, partner with an institution of higher education and a nonprofit organization to provide college students with the opportunity to serve as mentors or reading partners for Head Start participants.

(c) Program governance

Upon receiving designation as a Head Start agency, the agency shall establish and maintain a formal structure for program governance, for the oversight of quality services for Head Start children and families and for making decisions related to program design and implementation. Such structure shall include the following:

(1) Governing body

(A) In general

The governing body shall have legal and fiscal responsibility for the Head Start agency.

(B) Composition

The governing body shall be composed as follows:

(i) Not less than 1 member shall have a background and expertise in fiscal management or accounting.

(ii) Not less than 1 member shall have a background and expertise in early childhood education and development.

(iii) Not less than 1 member shall be a licensed attorney familiar with issues that come before the governing body.

(iv) Additional members shall—

I. Reflect the community to be served

II. Are selected for their expertise in education, business administration, or community affairs.

(v) Exceptions shall be made to the requirements of clauses (i) through (iv) for members of a governing body when those members oversee a public entity and are selected to their positions with the public entity by public election or political appointment.

(vi) If a person described in clause (i), (ii), or (iii) is not available to serve as a member of the governing body, the governing body shall use a consultant, or an other individual with relevant expertise, with the qualifications described in that clause, who shall work directly with the governing body.
(C) Conflict of interest

Members of the governing body shall—

(i) not have a financial conflict of interest with the Head Start agency (including any delegate agency);

(ii) not receive compensation for serving on the governing body or for providing services to the Head Start agency;

(iii) not be employed, nor shall members of their immediate family be employed, by the Head Start agency (including any delegate agency); and

(iv) operate as an entity independent of staff employed by the Head Start agency.

(D) Exception

If an individual holds a position as a result of public election or political appointment, and such position carries with it a concurrent appointment to serve as a member of a Head Start agency governing body, and such individual has any conflict of interest described in clause (ii) or (iii) of subparagraph (C)—

(i) such individual shall not be prohibited from serving on such body and the Head Start agency shall report such conflict to the Secretary; and

(ii) if the position held as a result of public election or political appointment provides compensation, such individual shall not be prohibited from receiving such compensation.

(E) Responsibilities

The governing body shall—

(i) have legal and fiscal responsibility for administering and overseeing programs under this subchapter, including the safeguarding of Federal funds;

(ii) adopt practices that assure active, independent, and informed governance of the Head Start agency, including practices consistent with subsection (d)(1), and fully participate in the development, planning, and evaluation of the Head Start programs involved;

(iii) be responsible for ensuring compliance with Federal laws (including regulations) and applicable State, tribal, and local laws (including regulations); and

(iv) be responsible for other activities, including—

(I) selecting delegate agencies and the service areas for such agencies;

(II) establishing procedures and criteria for recruitment, selection, and enrollment of children;

(III) reviewing all applications for funding and amendments to applications for funding for programs under this subchapter;

(IV) establishing procedures and guidelines for accessing and collecting information described in subsection (d)(2);

(V) reviewing and approving all major policies of the agency, including—

(aa) the annual self-assessment and financial audit;

(bb) such agency’s progress in carrying out the programmatic and fiscal provisions in such agency’s grant application, including implementation of corrective actions; and

(cc) personnel policies of such agencies regarding the hiring, evaluation, termination, and compensation of agency employees;

(VI) developing procedures for how members of the policy council are selected, consistent with paragraph (2)(B);

(VII) approving financial management, accounting, and reporting policies, and compliance with laws and regulations related to financial statements, including the—

(aa) approval of all major financial expenditures of the agency;

(bb) annual approval of the operating budget of the agency;

(cc) selection (except when a financial auditor is assigned by the State under State law or is assigned under local law) of independent financial auditors who shall report all critical accounting policies and practices to the governing body; and

(dd) monitoring of the agency’s actions to correct any audit findings and of other action necessary to comply with applicable laws (including regulations) governing financial statement and accounting practices;

(VIII) reviewing results from monitoring conducted under section 9836a(c) of this title, including appropriate followup activities;

(IX) approving personnel policies and procedures, including policies and procedures regarding the hiring, evaluation, compensation, and termination of the Executive Director, Head Start Director, Director of Human Resources, Chief Fiscal Officer, and any other person in an equivalent position with the agency;

(X) establishing, adopting, and periodically updating written standards of conduct that establish standards and formal procedures for disclosing, addressing, and resolving—

(aa) any conflict of interest, and any appearance of a conflict of interest, by members of the governing body, officers and employees of the Head Start agency, and consultants and agents who provide services or furnish goods to the Head Start agency; and

(bb) complaints, when appropriate; and

(XI) to the extent practicable and appropriate, at the discretion of the governing body, establishing advisory committees to oversee key responsibilities related to program governance and improvement of the Head Start program involved.

(2) Policy council

(A) In general

Consistent with paragraph (1)(E), each Head Start agency shall have a policy coun-
(B) Composition and selection

(i) The policy council shall be elected by the parents of children who are currently enrolled in the Head Start program of the Head Start agency.

(ii) The policy council shall be composed of—

(I) parents of children who are currently enrolled in the Head Start program of the Head Start agency (including any delegate agency), who shall constitute a majority of the members of the policy council; and

(II) members at large of the community served by the Head Start agency (including any delegate agency), who may include parents of children who were formerly enrolled in the Head Start program of the agency.

(C) Conflict of interest

Members of the policy council shall—

(i) not have a conflict of interest with the Head Start agency (including any delegate agency); and

(ii) not receive compensation for serving on the policy council or for providing services to the Head Start agency.

(D) Responsibilities

The policy council shall approve and submit to the governing body decisions about each of the following activities:

(i) Activities to support the active involvement of parents in supporting program operations, including policies to ensure that the Head Start agency is responsive to community and parent needs.

(ii) Program recruitment, selection, and enrollment priorities.

(iii) Applications for funding and amendments to applications for funding for programs under this subchapter, prior to submission of applications described in this clause.

(iv) Budget planning for program expenditures, including policies for reimbursement and participation in policy council activities.

(v) Bylaws for the operation of the policy council.

(vi) Program personnel policies and decisions regarding the employment of program staff, consistent with paragraph (1)(E)(iv)(IX), including standards of conduct for program staff, contractors, and volunteers and criteria for the employment and dismissal of program staff.

(vii) Developing procedures for how members of the policy council of the Head Start agency will be elected.

(viii) Recommendations on the selection of delegate agencies and the service areas for such agencies.

(3) Policy committees

Each delegate agency shall create a policy committee, which shall—

(A) be elected and composed of members, consistent with paragraph (2)(B) (with respect to delegate agencies);

(B) follow procedures to prohibit conflict of interest, consistent with clauses (i) and (ii) of paragraph (2)(C) (with respect to delegate agencies); and

(C) be responsible for approval and submission of decisions about activities as they relate to the delegate agency, consistent with paragraph (2)(D) (with respect to delegate agencies).

(d) Program governance administration

(1) Impasse policies

The Secretary shall develop policies, procedures, and guidance for Head Start agencies concerning—

(A) the resolution of internal disputes, including any impasse in the governance of Head Start programs; and

(B) the facilitation of meaningful consultation and collaboration about decisions of the governing body and policy council.

(2) Conduct of responsibilities

Each Head Start agency shall ensure the sharing of accurate and regular information for use by the governing body and the policy council, about program planning, policies, and Head Start agency operations, including—

(A) monthly financial statements, including credit card expenditures;

(B) monthly program information summaries;

(C) program enrollment reports, including attendance reports for children whose care is partially subsidized by another public agency;

(D) monthly reports of meals and snacks provided through programs of the Department of Agriculture;

(E) the financial audit;

(F) the annual self-assessment, including any findings related to such assessment;

(G) the communitywide strategic planning and needs assessment of the Head Start agency, including any applicable updates;

(H) communication and guidance from the Secretary; and

(I) the program information reports.

(3) Training and technical assistance

Appropriate training and technical assistance shall be provided to the members of the governing body and the policy council to ensure that the members understand the information the members receive and can effectively oversee and participate in the programs of the Head Start agency.

(e) Collaboration and coordination

To be so designated, a Head Start agency shall collaborate and coordinate with public and private entities, to the maximum extent practicable, to improve the availability and quality of services to Head Start children and families, including carrying out the following activities:

(1) Conduct outreach to schools in which children participating in the Head Start pro-
program will enroll following the program, local educational agencies, the local business community, community-based organizations, faith-based organizations, museums, and libraries to generate support and leverage the resources of the entire local community in order to improve school readiness.

(2)(A) In communities where both a public prekindergarten program and a Head Start program operate, collaborate and coordinate activities with the local educational agency or other public agency responsible for the operation of the prekindergarten program and providers of prekindergarten, including outreach activities to identify eligible children.

(B) With the permission of the parents of children enrolled in the Head Start program, regularly communicate with the schools in which the children will enroll following the program, to—

(i) share information about such children;

(ii) collaborate with the teachers in such schools regarding professional development and instructional strategies, as appropriate; and

(iii) ensure a smooth transition to school for such children.

(3) Coordinate activities and collaborate with programs under the Child Care and Development Block Grant Act of 1990 [42 U.S.C. 9857 et seq.], the agencies responsible for administering section 5106a of this title and parts B and E of title IV of the Social Security Act [42 U.S.C. 630 et seq., 670 et seq.], programs under subtitile B of title VII of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11431 et seq.), programs under section 619 and part C of the Individuals with Disabilities Education Act (20 U.S.C. 1419, 1431 et seq.), and other entities providing early childhood education and development programs or services, serving the children and families served by the Head Start agency.

(4) Take steps to coordinate activities with the local educational agency serving the community involved and with schools in which children participating in the Head Start program will enroll following the program, including—

(A) collaborating on the shared use of transportation and facilities, in appropriate cases;

(B) collaborating to reduce the duplication and enhance the efficiency of services while increasing the program participation of underserved populations of eligible children; and

(C) exchanging information on the provision of nonteaching services to such children.

(5) Enter into a memorandum of understanding, not later than 1 year after December 12, 2007, with the appropriate local entity responsible for managing publicly funded preschool programs in the service area of the Head Start agency, that shall—

(A)(i) provide for a review of each of the activities described in clause (ii); and

(ii) include plans to coordinate, as appropriate, activities regarding—

(I) educational activities, curricular objectives, and instruction;

(II) public information dissemination and access to programs for families contacting the Head Start program or any of the preschool programs;

(III) selection priorities for eligible children to be served by programs;

(IV) service areas;

(V) staff training, including opportunities for joint staff training on topics such as academic content standards, instructional methods, curricula, and social and emotional development;

(VI) program technical assistance;

(VII) provision of additional services to meet the needs of working parents, as applicable;

(VIII) communications and parent outreach for smooth transitions to kindergarten as required in paragraphs (3) and (6) of section 9837a(a) of this title;

(IX) provision and use of facilities, transportation, and other program elements; and

(X) other elements mutually agreed to by the parties to such memorandum;

(B) be submitted to the Secretary and the State Director of Head Start Collaboration not later than 30 days after the parties enter into such memorandum, except that—

(i) where there is an absence of publicly funded preschool programs in the service area of a Head Start agency, this paragraph shall not apply; or

(ii) where the appropriate local entity responsible for managing the publicly funded preschool programs is unable or unwilling to enter into such a memorandum, this paragraph shall not apply; and

(C) be revised periodically and renewed biennially by the parties to such memorandum, in alignment with the beginning of the school year.

(f) Quality standards, curricula, and assessment

To be so designated, each Head Start agency shall:

(1) take steps to ensure, to the maximum extent practicable, that children maintain the developmental and educational gains achieved in Head Start programs and build upon such gains in further schooling;

(2) establish a program with the standards set forth in section 9835a(a)(1) of this title, with particular attention to the standards set forth in subparagraphs (A) and (B) of such section;

(3) implement a research-based early childhood curriculum that—

(A) promotes young children's school readiness in the areas of language and cognitive development, early reading and mathematics skills, socio-emotional development, physical development, and approaches to learning;
(B) is based on scientifically valid research and has standardized training procedures and curriculum materials to support implementation;

(C) is comprehensive and linked to ongoing assessment, with developmental and learning goals and measurable objectives;

(D) is focused on improving the learning environment, teaching practices, family involvement, and child outcomes across all areas of development; and

(E) is aligned with the Head Start Child Outcomes Framework developed by the Secretary and, as appropriate, State early learning standards;

(4) implement effective interventions and support services that help promote the school readiness of children participating in the program;

(5) use research-based assessment methods that reflect the characteristics described in section 9836(a)(2) of this title in order to support the educational instruction and school readiness of children in the program;

(6) use research-based developmental screening tools that have been demonstrated to be standardized, reliable, valid, and accurate for the child being assessed, to the maximum extent practicable, for the purpose of meeting the relevant standards described in section 9836(a)(1) of this title;

(7) adopt, in consultation with experts in child development and with classroom teachers, an evaluation to assess whether classroom teachers have mastered the functions discussed in section 9836(a)(1) of this title;

(8) use the information provided from the assessment conducted under section 9836(a)(1)(F) of this title to inform professional development plans, as appropriate, that lead to improved teacher effectiveness;

(9) establish goals and measurable objectives for the provision of health, educational, nutritional, and social services provided under this subchapter and related to the program mission and to promote school readiness; and

(10) develop procedures for identifying children who are limited English proficient, and informing the parents of such children about the instructional services used to help children make progress towards acquiring the knowledge and skills described in section 9836(a)(1)(B) of this title and acquisition of the English language.

(g) Funded enrollment; waiting list

Each Head Start agency shall enroll 100 percent of its funded enrollment and maintain an active waiting list at all times with ongoing outreach to the community and activities to identify underserved populations.

(h) Technical assistance and training plan

In order to receive funds under this subchapter, a Head Start agency shall develop an annual technical assistance and training plan. Such plan shall be based on the agency’s self-assessment, the communitywide strategic planning and needs assessment, the needs of parents and children to be served by such agency, and the results of the reviews conducted under section 9836(a)(c) of this title.

(i) Financial management

In order to receive funds under this subchapter, a Head Start agency shall document strong fiscal controls, including the employment of well-qualified fiscal staff with a history of successful management of a public or private organization.

REFERENCES IN TEXT

The Individuals with Disabilities Education Act, referred to in subsecs. (b)(14), (15), and (e)(3), is title VI of Pub. L. 91–230, Apr. 13, 1970, 84 Stat. 175. Part C of the Act is classified generally to subchapter III (§1431 et seq.) of chapter 33 of Title 20, Education. Section 619 of the Act is classified to section 1419 of Title 20. For complete classification of this Act to the Code, see section 1400 of Title 20 and Tables.


AMENDMENTS


2007—Pub. L. 110–134 amended section generally. Prior to amendment, section related to, in subsec. (a), receipt, administration, and transfer of funds, sponsorship of projects, and delegation of authority, in subsec. (b), participation of parents in decisionmaking and implementation of programs, in subsec. (c), coordination with other agencies, in subsec. (d), transition coordination with schools, and, in subsec. (e), assessment when hiring or evaluating classroom teachers.


ferral to educational services available in the community) in order to aid their children to attain their full potential; (5) establish procedures to seek reimbursement, to the extent feasible, from other agencies for services to which such agency is able to secure the cooperation of parents and schools) to enable children to maintain'' for ''carry out the actions specified in this subsection, to the extent feasible and appropriate in the circumstances (including the extent to which such agency is able to secure the cooperation of parents and schools) to enable children to maintain'' for ''to build'' and inserted ''and educational'' after ''developmental''.

Subsec. (d)(2), (3). Pub. L. 105–285, § 109(4)(B), (C), redesignated pars. (3) and (4) as (2) and (3), respectively, and struck out former par. (2) which related to coordination between Head Start agency and local education agency and schools.


Subsec. (e). Pub. L. 105–285, § 109(5), added subsec. (e). 1994—Subsec. (b). Pub. L. 103–232, § 109(1), amended subsec. (b) generally. Prior to amendment, subsec. (b) read as follows: "In order to be so designated, a Head Start agency must also (1) establish effective procedures by which parents and area residents concerned will be enabled to directly participate in decisions that influence the character of programs affecting their interests; (2) provide for their regular participation in the implementation of such programs; (3) provide technical and other support needed to enable parents and area residents to secure on their own behalf available assistance from public and private sources; (4) involve parents of children participating in its Head Start program in appropriate educational services (in accordance with the performance standards in effect upon section 9846(b) of this title or through referral of such parents to educational services available in the community) in order to aid their children to attain their full potential; (5) establish procedures to seek reimbursement, to the extent feasible, from other agencies for services for which any such other agency is responsible, which are provided to a Head Start participant by the Head Start agency; (6) provide (directly or through referral to educational services available in the community) parents of children participating in its Head Start program with child development and literacy skills training in order to aid their children to attain their full potential; and (7) consider providing services to assist younger siblings of children participating in its Head Start program to obtain health services from other sources.''


Subsec. (c). Pub. L. 101–501, § 109(2), substituted ''with schools that will subsequently serve children in Head Start programs, the State agency responsible for administering section 602(g) of this title, and other programs serving the children and families served by the Head Start agency to carry out the provisions of this subpart'' for ''with other State and local programs serving the children in the Head Start agency to carry out the provisions of this subsection''.


EFFECTIVE DATE OF 2015 AMENDMENT
Amendment by Pub. L. 114–56 effective Dec. 10, 2015, except with respect to certain noncompetitive programs and competitive programs, see section 5 of Pub. L. 114–56, set out as a note under section 6301 of Title 20, Education.

EFFECTIVE DATE OF 1994 AMENDMENT

EFFECTIVE DATE OF 1992 AMENDMENT

EFFECTIVE DATE OF 1990 AMENDMENT

EFFECTIVE DATE OF 1986 AMENDMENT

§ 9837a. Head Start transition and alignment with K–12 education

(a) In general

Each Head Start agency shall take steps to coordinate with the local educational agency serving the community involved and with schools in which children participating in a Head Start program operated by such agency will enroll following such program to promote continuity of services and effective transitions, including—

(1) developing and implementing a systematic procedure for transferring, with parental
consent, Head Start program records for each participating child to the school in which such child will enroll;
(2) establishing ongoing channels of communication between Head Start staff and their counterparts in the schools (including teachers, social workers, local educational agency liaisons designated under section 722(g)(1)(J)(ii) of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11432(g)(1)(J)(ii)), and health staff) to facilitate coordination of programs;
(3) establishing ongoing communications between the Head Start agency and local educational agency for developing continuity of developmentally appropriate curricular objectives (which for the purpose of the Head Start program shall be aligned with the Head Start Child Outcomes Framework and, as appropriate, State early learning standards) and for shared expectations for children’s learning and development as the children transition to school;
(4) organizing and participating in joint training, including transition-related training for school staff and Head Start staff;
(5) establishing comprehensive transition policies and procedures that support children transitioning to school, including by engaging the local educational agency in the establishment of such policies;
(6) conducting outreach to parents and elementary school (such as kindergarten) teachers to discuss the educational, developmental, and other needs of individual children;
(7) helping parents of limited English proficient children understand—
(A) the instructional and other services provided by the school in which such child will enroll after participation in Head Start; and
(B) as appropriate, the information provided to parents of English learners under section 1112(e)(3) of the Elementary and Secondary Education Act of 1965 [20 U.S.C. 6312(e)(3)];
(8) developing and implementing a family outreach and support program, in cooperation with entities carrying out parent and family engagement efforts under title I of the Elementary and Secondary Education Act of 1965 [20 U.S.C. 6301 et seq.], and family outreach and support efforts under subtitle B of title VII of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11431 et seq.), taking into consideration the language needs of parents of limited English proficient children;
(9) assisting families, administrators, and teachers in enhancing educational and developmental continuity and continuity of parental involvement in activities between Head Start services and elementary school classes;
(10) linking the services provided in such Head Start program with educational services, including services relating to language, literacy, and numeracy, provided by such local educational agency;
(11) helping parents (including grandparents and kinship caregivers, as appropriate) to understand the importance of parental involvement in a child’s academic success while teaching them strategies for maintaining parental involvement as their child moves from Head Start to elementary school;
(12) helping parents understand the instructional and other services provided by the school in which their child will enroll after participation in the Head Start program;
(13) developing and implementing a system to increase program participation of underserved populations of eligible children; and
(14) coordinating activities and collaborating to ensure that curricula used in the Head Start program are aligned with—
(A) the Head Start Child Outcomes Framework, as developed by the Secretary; and
(B) State early learning standards, as appropriate, with regard to cognitive, social, emotional, and physical competencies that children entering kindergarten are expected to demonstrate.

(b) Construction

In this section, a reference to a Head Start agency, or its program, services, facility, or personnel, shall not be construed to be a reference to an Early Head Start agency, or its program, services, facility, or personnel.

c) Dissemination and technical assistance

The Secretary, in consultation with the Secretary of Education, shall—
(1) disseminate to Head Start agencies information on effective policies and activities relating to the transition of children from Head Start programs to public schools; and
(2) provide technical assistance to such agencies to promote and assist such agencies to adopt and implement such effective policies and activities.


Amendments


§ 9837b. Head Start collaboration; State early education and care

(a)(1) From amounts made available under section 9835(a)(2)(B)(vi) of this title, the Secretary shall award the collaboration grants described in paragraphs (2), (3), and (4).

(2)(A) The Secretary shall award, upon submission of a written request, a collaboration grant to each State and to each national administrative office serving Indian Head Start programs and migrant or seasonal Head Start programs to facilitate collaboration among Head Start agencies (including Early Head Start agencies) and entities that carry out activities designed to benefit low-income children from birth to school entry, and their families. The national administrative offices shall use the funds made available through the grants to carry out the authorities and responsibilities described in subparagraph (B) and paragraphs (3) and (4), as appropriate.

(B) Grants described in subparagraph (A) shall be used to—

(i) assist Head Start agencies to collaborate with entities involved in State and local planning processes to better meet the needs of low-income children from birth to school entry, and their families;

(ii) assist Head Start agencies to coordinate activities with the State agency responsible for administering the State program carried out under the Child Care and Development Block Grant Act of 1990 [42 U.S.C. 9857 et seq.] and entities providing resource and referral services in the State, to make full-working-day and full calendar year services available to children;

(iii) promote alignment of curricula used in Head Start programs and continuity of services with the Head Start Child Outcomes Framework and, as appropriate, State early learning standards;

(iv) promote better linkages between Head Start agencies and other child and family agencies, including agencies that provide health, mental health, or family services, or other child or family supportive services, such as services provided under section 619 or part C of the Individuals with Disabilities Education Act (20 U.S.C. 1419, 1431 et seq.); and

(v) carry out the activities of the State Director of Head Start Collaboration authorized in paragraph (4).

(3) In order to improve coordination and delivery of early childhood education and development to children in the State, a State that receives a collaboration grant under paragraph (2) shall—

(A) appoint or designate an individual to serve as, or carry out the responsibilities of, the State Director of Head Start Collaboration;

(B) ensure that the State Director of Head Start Collaboration holds a position with sufficient authority and access to ensure that the collaboration described in paragraph (2) is effective and involves a range of State agencies; and

(C) involve the State Head Start Association in the selection of the Director and involve the Association in determinations relating to the ongoing direction of the collaboration office involved.

(4) The State Director of Head Start Collaboration shall—

(A) not later than 1 year after the State receives a collaboration grant under paragraph (2), conduct an assessment that—

(i) addresses the needs of Head Start agencies in the State with respect to collaboration, coordination and alignment of services, and alignment of curricula and assessments used in Head Start programs with the Head Start Child Outcomes Framework and, as appropriate, State early learning standards;

(ii) shall be updated on an annual basis; and

(iii) shall be made available to the general public within the State;

(B) develop a strategic plan that is based on the assessment described in subparagraph (A) that will—

(i) enhance collaboration and coordination of Head Start services by Head Start agencies with other entities providing early childhood education and development (such as child care or services offered by museums), health care, mental health care, welfare, child protective services, education and community service activities, family literacy services, reading readiness programs (including such programs offered by public and school libraries), services relating to children with disabilities, other early childhood education and development for limited English proficient children and homeless children, and services provided for children in foster care and children referred to Head Start programs by child welfare agencies, including agencies and State officials responsible for services described in this clause;

(ii) assist Head Start agencies to develop a plan for the provision of full working-day, full calendar year services for children enrolled in Head Start programs who need such services;

(iii) assist Head Start agencies to align curricula and assessments used in Head Start programs with the Head Start Child Outcomes Framework and, as appropriate, State early learning standards;

(iv) enable Head Start agencies to better access professional development opportunities for Head Start staff, such as by working with Head Start agencies to enable the agencies to meet the degree requirements de-
(C) promote partnerships between Head Start agencies, State and local governments, and the private sector to help ensure that children from low-income families, who are in Head Start programs or are preschool age, are receiving comprehensive services to prepare the children for elementary school;
(D) consult with the chief State school officer, local educational agencies, and providers of early childhood education and development, at both the State and local levels;
(E) promote partnerships between Head Start agencies and other organizations in order to enhance Head Start program quality, including partnerships to promote inclusion of more books in Head Start classrooms;
(G) identify other resources and organizations (both public and private) for the provision of in-kind services to Head Start agencies in the State; and
(H) serve on the State Advisory Council in order to assist the efforts of Head Start agencies to engage in effective coordination and collaboration.
(b)(1)(A) The Governor of the State shall—
(i) designate or establish a council to serve as the State Advisory Council on Early Childhood Education and Care for children from birth to school entry (in this subchapter referred to as the “State Advisory Council”); and
(ii) designate an individual to coordinate activities of the State Advisory Council, as described in subparagraph (D)(i).
(B) The Governor may designate an existing entity in the State to serve as the State Advisory Council, and shall appoint representatives to the State Advisory Council at the Governor’s discretion. In designating an existing entity, the Governor shall take steps to ensure that its membership includes, to the extent possible, representatives consistent with subparagraph (C).
(C) Members of the State Advisory Council shall include, to the maximum extent possible—
(i) a representative of the State agency responsible for child care;
(ii) a representative of the State educational agency;
(iii) a representative of local educational agencies;
(iv) a representative of institutions of higher education in the State;
(v) a representative of local providers of early childhood education and development services;
(vi) a representative from Head Start agencies located in the State, including migrant and seasonal Head Start programs and Indian Head Start programs;
(vii) the State Director of Head Start Collaboration;
(viii) a representative of the State agency responsible for programs under section 619 or part C of the Individuals with Disabilities Education Act (20 U.S.C. 1419, 1431 et seq.);
(ix) a representative of the State agency responsible for health or mental health care; and
(x) representatives of other entities determined to be relevant by the Governor of the State.
(D)(i) The State Advisory Council shall, in addition to any responsibilities assigned to the Council by the Governor of the State—
(I) conduct a periodic statewide needs assessment concerning the quality and availability of early childhood education and development programs and services for children from birth to school entry, including an assessment of the availability of high-quality pre-kindergarten services for low-income children in the State;
(II) identify opportunities for, and barriers to, collaboration and coordination among Federally-funded and State-funded child development, child care, and early childhood education programs and services, including collaboration and coordination among State agencies responsible for administering such programs;
(III) develop recommendations for increasing the overall participation of children in existing Federal, State, and local child care and early childhood education programs, including outreach to underrepresented and special populations;
(IV) develop recommendations regarding the establishment of a unified data collection system for public early childhood education and development programs and services throughout the State;
(V) develop recommendations regarding statewide professional development and career advancement plans for early childhood educators in the State;
(VI) assess the capacity and effectiveness of 2- and 4-year public and private institutions of higher education in the State toward supporting the development of early childhood educators, including the extent to which such institutions have in place articulation agreements, professional development and career advancement plans, and practice or internships for students to spend time in a Head Start or prekindergarten program; and
(VII) make recommendations for improvements in State early learning standards and undertake efforts to develop high-quality comprehensive early learning standards, as appropriate.
(ii) The State Advisory Council shall hold public hearings and provide an opportunity for public comment on the activities described in
clause (i). The State Advisory Council shall submit a statewide strategic report addressing the activities described in clause (i) to the State Director of Head Start Collaboration and the Governor of the State.

(ii) After submission of a statewide strategic report under clause (ii), the State Advisory Council shall meet periodically to review any implementation of the recommendations in such report and any changes in State and local needs.

§ 9837b

(ii) The Secretary shall use the portion reserved under section 9835(a)(4)(A)(iii) of this title to award, on a competitive basis, one-time startup grants of not less than $500,000 to eligible States to enable such States to pay for the Federal share of developing and implementing a plan pursuant to the responsibilities included under paragraph (1)(D)(i). A State that receives funds under this paragraph shall use such funds to facilitate the development or enhancement of high-quality systems of early childhood education and care designed to improve school preparedness through one or more of the following activities—

(i) promoting school preparedness of children from birth through school entry, including activities to encourage families and caregivers to engage in highly interactive, developmentally and age-appropriate activities to improve children’s early social, emotional, and cognitive development, support the transition of young children to school, and foster parental and family involvement in the early education of young children;

(ii) supporting professional development, recruitment, and retention initiatives for early childhood educators;

(iii) enhancing existing early childhood education and development programs and services (in existence on the date on which the grant involved is awarded), including quality improvement activities authorized under the Child Care and Development Block Grant Act of 1990 [42 U.S.C. 9857 et seq.];

(iv) carrying out other activities consistent with the State’s plan and application, pursuant to subparagraph (B).

(B) To be eligible to receive a grant under this paragraph, a State shall prepare and submit to the Secretary a plan and application, pursuant to subparagraph (B).

(i) the statewide strategic report described in paragraph (1)(D)(ii), including a description of the State Advisory Council’s responsibilities under paragraph (1)(D)(i);

(ii) a description, for each fiscal year, of how the State will make effective use of funds available under this paragraph, with funds described in subparagraph (C), to create an early childhood education and care system, by developing or enhancing programs and activities consistent with the statewide strategic report described in paragraph (1)(D)(i);

(iii) a description of the State early learning standards and the State’s goals for increasing the number of children entering kindergarten ready to learn;

(iv) information identifying the agency or joint interagency office, and individual, designated to carry out the activities under this paragraph, which may be the individual designated under paragraph (1)(A)(ii); and

(v) a description of how the State plans to sustain activities under this paragraph beyond the grant period.

(C) The Federal share of the cost of activities proposed to be conducted under subparagraph (A) shall be 30 percent, and the State shall provide the non-Federal share.

(D) Funds made available under this paragraph shall be used to supplement, and not supplant, other Federal, State, and local funds expended to carry out activities related to early childhood education and care in the State.

(E) Not later than 18 months after the date a State receives a grant under this paragraph, the State shall submit an interim report to the Secretary. A State that receives a grant under this paragraph shall submit a final report to the Secretary at the end of the grant period. Each report shall include—

(i) a description of the activities and services carried out under the grant, including the outcomes of such activities and services in meeting the needs described in the periodic needs assessment and statewide strategic report;

(ii) information about how the State used such funds to meet the goals of this subsection through activities to develop or enhance high-quality systems of early childhood education and care, increase effectiveness of delivery systems and use of funds, and enhance existing programs and services;

(iii) information regarding the remaining needs described in the periodic statewide needs assessment and statewide strategic report that have not yet been addressed by the State; and

(iv) any other information that the Secretary may require.

(F) Nothing in this subsection shall be construed to provide the State Advisory Council with authority to modify, supersede, or negate the requirements of this subchapter.


REFERENCES IN TEXT


The Individuals with Disabilities Education Act, referred to in subsecs. (a)(2)(B)(iv) and (b)(1)(C)(viii), is title VI of Pub. L. 91–230, Apr. 13, 1970, 84 Stat. 175. Part C of the Act is classified generally to subchapter III (§1431 et seq.) of chapter 33 of Title 20, Education. Section 619 of the Act is classified to section 1419 of Title 20. For complete classification of this Act to the Code, see section 1400 of Title 20 and Tables.

AMENDMENTS

§ 9838. Submission of plans to chief executive officer
In carrying out the provisions of this subchapter, no contract, agreement, grant, or other assistance shall be made for the purpose of carrying out a Head Start program within a State unless a plan setting forth such proposed contract, agreement, grant, or other assistance has been submitted to the chief executive officer of the State, and such plan has not been disapproved by such officer within 45 days of such submission, or, if disapproved (for reasons other than failure of the program to comply with State health, safety, and child care laws, including regulations applicable to comparable child care programs in the State), has been reconsidered by the Secretary and found by the Secretary to be fully consistent with the provisions and in furtherance of the purposes of this subchapter, as evidenced by a written statement of the Secretary’s findings that is transmitted to such officer. Funds to cover the costs of the proposed contract, agreement, grant, or other assistance shall be obligated from the appropriation which is current at the time the plan is submitted to such officer. This section shall not, however, apply to contracts, agreements, grants, loans, or other assistance to any institution of higher education in existence on August 13, 1981. This section shall not apply to contracts, agreements, grants, loans, or other assistance for Indian Head Start programs or migrant or seasonal Head Start programs.


AMENDMENTS

2007—Pub. L. 110–134 inserted at end “This section shall not apply to contracts, agreements, grants, loans, or other assistance for Indian Head Start programs or migrant or seasonal Head Start programs.”

1998—Pub. L. 105–285, in first sentence, substituted “45 days” for “30 days” and “disapproved (for reasons other than failure of the program to comply with State health, safety, and child care laws, including regulations applicable to comparable child care programs in the State)” for “so disapproved” and inserted “, as evidenced by a written statement of the Secretary’s findings that is transmitted to such officer” before period.

1992—Pub. L. 102–401 substituted “such officer” for “the such officer” in two places.

1990—Pub. L. 101–501 substituted “chief executive officer” for first reference to “Governor” and “such officer” for second and third references to “Governor”.

EFFECTIVE DATE OF 1992 AMENDMENT


EFFECTIVE DATE OF 1990 AMENDMENT


§ 9839. Administrative requirements and standards
(a) Employment practices, nonpartisanship, staff accountability, public access to information, etc.

(1) Each Head Start agency shall observe standards of organization, management, and administration that will ensure, so far as reasonably possible, that all program activities are conducted in a manner consistent with the purposes of this subchapter and the objective of providing assistance effectively, efficiently, and free of any taint of partisan political bias or personal or family favoritism. Each such agency shall establish or adopt rules to carry out this section, which shall include rules to assure full staff accountability in matters governed by law, regulations, or agency policy. Each agency shall also provide for reasonable public access to information, including public hearings at the request of appropriate community groups and reasonable public access to books and records of the agency or other agencies engaged in program activities or operations involving the use of authority or funds for which it is responsible.

(2) Each Head Start agency shall make available to the public a report published at least once in each fiscal year that discloses the following information from the most recently concluded fiscal year, except that reporting such information shall not reveal personally identifiable information about an individual child or parent:

(A) The total amount of public and private funds received and the amount from each source.

(B) An explanation of budgetary expenditures and proposed budget for the fiscal year.

(C) The total number of children and families served, the average monthly enrollment (as a percentage of funded enrollment), and the percentage of eligible children served.

(D) The results of the most recent review by the Secretary and the financial audit.

(E) The percentage of enrolled children that received medical and dental exams.

(F) Information about parent involvement activities.

(G) The agency’s efforts to prepare children for kindergarten.

(H) Any other information required by the Secretary.

(3) Each such agency shall adopt for itself and other agencies using funds or exercising authority for which it is responsible, rules designed to—

(A) establish specific standards governing salaries, salary increases, travel and per diem allowances, and other employee benefits;

(B) assure that only persons capable of discharging their duties with competence and integrity are employed and that employees are promoted or advanced under impartial procedures calculated to improve agency performance and effectiveness;

(C) guard against personal or financial conflicts of interest; and

(D) define employee duties in an appropriate manner that will in any case preclude employees from participating, in connection with the
performance of their duties, in any form of picketing, protest, or other direct action that is in violation of law.

(b) Development and administrative costs of programs

Except as provided in subsection (f), no financial assistance shall be extended under this subchapter in any case in which the Secretary determines that the costs of developing and administering a program assisted under this subchapter exceed 15 percent of the total costs, including the required non-Federal contributions to such costs, of such program. The Secretary shall establish by regulation, criteria for determining (1) the costs of developing and administering such program; and (2) the total costs of such program. In any case in which the Secretary determines that the cost of administering such program does not exceed 15 percent of such total costs but is, in the judgment of the Secretary, excessive, the Secretary shall forthwith require the recipient of such financial assistance to take such steps prescribed by the Secretary as will eliminate such excessive administrative cost, including the sharing by one or more Head Start agencies of a common director and other administrative personnel. The Secretary may waive the limitation prescribed by this subsection for specific periods of time not to exceed 12 months whenever the Secretary determines that such a waiver is necessary in order to carry out the purposes of this subchapter.

(e) Rules and regulations; special or simplified requirements for small agencies; common or joint use of facilities

The Secretary shall prescribe rules or regulations to supplement subsections (a) and (f), which shall be binding on all agencies carrying on Head Start program activities with financial assistance under this subchapter. The Secretary may, where appropriate, establish special or simplified requirements for smaller agencies or agencies operating in rural areas. Policies and procedures shall be established to ensure that indirect costs attributable to the common or joint use of facilities and services by programs assisted under this subchapter and other programs shall be fairly allocated among the various programs which utilize such facilities and services.

(d) Publication and notification of proposed rules, etc.

At least 30 days prior to their effective date, all rules, regulations, and application forms shall be published in the Federal Register and shall be sent to each grantee with the notification that each such grantee has the right to submit comments pertaining thereto to the Secretary prior to the final adoption thereof.

(e) Neutrality concerning union organizing

Funds appropriated to carry out this subchapter shall not be used to assist, promote, or deter union organizing.

(f) Purchase of facility; approval requirements; financial assistance

(1) The Secretary shall establish uniform procedures for Head Start agencies to request approval to purchase facilities, or to request approval of the purchase (after December 31, 1986) of facilities, to be used to carry out Head Start programs. The Secretary shall suspend any proceedings pending against any Head Start agency to claim costs incurred in purchasing such facilities until the agency has been afforded an opportunity to apply for approval of the purchase and the Secretary has determined whether the purchase will be approved. The Secretary shall not be required to repay claims previously satisfied by Head Start agencies for costs incurred in the purchase of such facilities.

(2) Financial assistance provided under this subchapter may not be used by a Head Start agency to purchase a facility (including paying the cost of amortizing the principal, and paying interest on, loans) to be used to carry out a Head Start program unless the Secretary approves a request that is submitted by such agency and contains—

(A) a description of the efforts by the agency to coordinate or collaborate with other providers in the community to seek assistance, including financial assistance, prior to the use of funds under this section;

(B) a description of the site of the facility proposed to be purchased or that was previously purchased;

(C) the plans and specifications of such facility;

(D) information demonstrating that—

(i) the proposed purchase will result, or the previous purchase has resulted, in savings when compared to the costs that would be incurred to acquire the use of an alternative facility to carry out such program; or

(ii) the lack of alternative facilities will prevent, or would have prevented, the operation of such program;

(E) in the case of a request regarding a previously purchased facility, information demonstrating that the facility will be used principally as a Head Start center, or a direct support facility for a Head Start program; and

(F) such other information and assurances as the Secretary may require.

(3) Upon a determination by the Secretary that suitable facilities are not otherwise available to Indian tribes, to carry out Head Start programs, and that the lack of suitable facilities will inhibit the operation of such programs, the Secretary, in the discretion of the Secretary, may authorize the use of financial assistance to make payments for the purchase of facilities owned by such tribes. The amount of such a payment for such a facility shall not exceed the fair market value of the facility.

(g) Payments for capital expenditures

(1) Upon a determination by the Secretary that suitable facilities (including public school facilities) are not otherwise available to Indian tribes, rural communities, and other low-income communities to carry out Head Start programs, that the lack of suitable facilities will inhibit the operation of such programs, and that construction of such facilities is more cost effective than purchase of available facilities or renovation, the Secretary, in the discretion of the Secretary, may authorize the use of financial as-
sistance under this subchapter to make payments for capital expenditures related to facilities that will be used to carry out such programs. The Secretary shall establish uniform procedures for Head Start agencies to request approval for such payments, and shall promote, to the extent practicable, the collocation of Head Start programs with other programs serving low-income children and families.

(2) Such payments may be used for capital expenditures (including paying the cost of amortizing the principal, and paying interest on, loans) such as expenditures for—

(A) construction of facilities that are not in existence on the date of the determination;

(B) major renovation of facilities in existence on such date; and

(C) purchase of vehicles used for programs conducted at the Head Start facilities.

(3) All laborers and mechanics employed by contractors or subcontractors in the construction or renovation of facilities to be used to carry out Head Start programs shall be paid wages at not less than the prevailing on similar construction in the locality, as determined by the Secretary of Labor in accordance with sections 3141–3144, 3146, and 3147 of title 40.

(h) Personnel preferences to Indian tribe members

In all personnel actions of the American Indian Programs Branch of the Head Start Bureau of the Administration for Children and Families, the Secretary shall give the same preference to individuals who are members of an Indian tribe as the Secretary gives to a disabled veteran, as defined in section 2108(3)(C) of title 5. The Secretary shall take such additional actions as may be necessary to promote recruitment of such individuals for employment in the Administration.


Subsecs. (g), (h). Pub. L. 102–401, §2(j)(2), added subsecs. (g) and (h).

1992—Subsec. (b). Pub. L. 102–401, §2(j)(1), substituted “Except as provided in subsection (f), no” for “No”.

Subsec. (c). Pub. L. 102–401, §2(j)(2), substituted “subsections (a) and (f)” for “subsection (a)”.


EFFECTIVE DATE OF 1994 AMENDMENT


EFFECTIVE DATE OF 1992 AMENDMENT


EFFECTIVE DATE OF 1990 AMENDMENT


STUDY OF BENEFITS FOR HEAD START EMPLOYEES

Pub. L. 103–252, title I, §120, May 18, 1994, 108 Stat. 648, provided that:

“(a) STUDY.—The Secretary of Health and Human Services shall conduct a study regarding the benefits available to individuals employed by Head Start agencies under the Head Start Act (42 U.S.C. 9831 et seq.).

“(b) REPORT.—

“(1) PREPARATION.—The Secretary shall prepare a report, containing the results of the study, that—

“(A) describes the benefits, including health care benefits, family and medical leave, and retirement pension benefits, available to such individuals;

“(B) includes recommendations for increasing the access of the individuals to benefits, including access to a retirement pension program; and

“(C) addresses the feasibility of participation by such individuals in the Federal Employees' Retire-
§ 9840. Participation in Head Start programs

(a) Criteria for eligibility

(1) The Secretary shall by regulation prescribe eligibility for the participation of persons in Head Start programs assisted under this subchapter. 

(B) Except as provided in paragraph (2), such regulation shall provide—

(i) that children from low-income families shall be eligible for participation in programs assisted under this subchapter if their families meet the poverty line, if their families are eligible or, in the absence of child care, would potentially be eligible for public assistance;

(ii) that homeless children shall be deemed to be eligible for such participation;

(iii) that programs assisted under this subchapter may include—

(I) to a reasonable extent (but not to exceed 10 percent of participants), participation of children in the area served who would benefit from such programs but who are not eligible under clause (i) or (ii); and

(II) from the area served, an additional 35 percent of participants who are not eligible under clause (i) or (ii) and whose families have incomes below 130 percent of the poverty line, if—

(aa) the Head Start agency involved establishes and implements outreach and enrollment policies and procedures that ensure such agency is meeting the needs of children eligible under clause (i) or (ii); or

(bb) in prioritizing the selection of children to be served, the Head Start agency establishes criteria that provide that the agency will serve children eligible under clause (i) or (ii) prior to serving the children eligible under this subclause;

(iv) that any Head Start agency serving children eligible under clause (iii)(II) shall report annually to the Secretary information on—

(I) how such agency is meeting the needs of children eligible under clause (i) or (ii), in the area served, including local demographic data on families of children eligible under clause (i) or (ii);

(II) the outreach and enrollment policies and procedures established by the agency that ensure the agency is meeting the needs of children eligible under clause (i) or (ii) (or clause (iii)(I) if the child involved has a disability) prior to meeting the needs of children eligible under this subclause; and

(b) in prioritizing the selection of children to be served, the Head Start agency establishes criteria that provide that the agency will serve children eligible under clause (i) or (ii) prior to serving the children eligible under this subclause;

(v) that a child who has been determined to meet the eligibility criteria described in this subparagraph and who is participating in a Head Start program in a program year shall be considered to continue to meet the eligibility criteria through the end of the succeeding program year.

(C) In determining, for purposes of this paragraph, whether a child who has applied for enrollment in a Head Start program meets the eligibility criteria, an entity may consider evidence of family income during the 12 months preceding the month in which the application is submitted, or during the calendar year preceding the calendar year in which the application is submitted, whichever more accurately reflects the needs of the family at the time of application.

(2) Whenever a Head Start program is operated in a community with a population of 1,000 or less individuals and—

(A) there is no other preschool program in the community;

(B) the community is located in a medically underserved area, as designated by the Secretary pursuant to section 254c(b)(3) of this title and is located in a health professional shortage area, as designated by the Secretary pursuant to section 254e(a)(1) of this title;

(C) the community is in a location which, by reason of remoteness, does not permit reasonable access to the types of services described in clauses (A) and (B); and

(D) not less than 50 percent of the families to be served in the community are eligible under the eligibility criteria established by the Secretary under paragraph (1);

the Head Start program in each such locality shall establish the criteria for eligibility, except that no child residing in such community whose family is eligible under such eligibility criteria shall, by virtue of such project’s eligibility criteria, be denied an opportunity to participate in such program. During the period beginning on October 30, 1994, and ending on October 1, 1994, and unless specifically authorized in any statute of the United States enacted after October 30, 1994, the Secretary may not make any change in the method, as in effect on April 25, 1994, of calculating income used to prescribe eligibility for the participation of persons in the Head Start programs assisted under this subchapter if such change would result in any reduction in, or exclusion from, participation of persons in any of such programs.

(3)(A) In this paragraph:

1 So in original. The “(a)” probably should not appear.

2 See References in Text note below.
(i) The term “dependent” has the meaning given to the term in paragraphs (2)(A) and (4)(A)(1) of section 401(a) of title 37.

(ii) The terms “member” and “uniformed services” have the meanings given to the terms in paragraphs (22) and (3), respectively, of section 101 of title 37.

(B) The following amounts of pay and allowance of a member of the uniformed services shall not be considered to be income for purposes of determining the eligibility of a dependent of such member for programs funded under this subchapter:

(i) The amount of any special pay payable under section 310 or 351 of title 37, relating to duty subject to hostile fire or imminent danger.

(ii) The amount of basic allowance payable under section 403 of such title, including any such amount that is provided on behalf of the member for housing that is acquired or constructed under the alternative authority for the acquisition and improvement of military housing under subchapter IV of chapter 169 of title 10 or any other related provision of law.

(4) After demonstrating a need through a communitywide strategic planning and needs assessment, a Head Start agency may apply to the Secretary to convert part-day sessions, particularly consecutive part-day sessions, into full-working-day sessions.

(5)(A) Upon written request and pursuant to the requirements of this paragraph, a Head Start agency may use funds that were awarded under this subchapter to serve children age 3 to compulsory school age, in order to serve infants and toddlers if the agency submits an application to the Secretary containing, as specified in rules issued by the Secretary, all of the following information:

(i) The amount of such funds that are proposed to be used in accordance with section 9840a(b) of this title.

(ii) A communitywide strategic planning and needs assessment demonstrating how the use of such funds would best meet the needs of the community.

(iii) A description of how the needs of pregnant women, and of infants and toddlers, will be addressed in accordance with section 9840a(b) of this title, and with regulations prescribed by the Secretary pursuant to section 9836a of this title in areas including the agency’s approach to child development and provision of health services, approach to family and community partnerships, and approach to program design and management.

(iv) A description of how the needs of eligible children will be met in the community.

(v) Assurances that the agency will participate in technical assistance activities (including planning, start-up site visits, and national training activities) in the same manner as recipients of grants under section 9840a of this title.

(vi) Evidence that the agency meets the same eligibility criteria as recipients of grants under section 9840a of this title.

(B) An application that satisfies the requirements specified in subparagraph (A) shall be approved by the Secretary unless the Secretary finds that—

(i) the agency lacks adequate capacity and capability to carry out an effective Early Head Start program; or

(ii) the information provided under subparagraph (A) is inadequate.

(C) In approving such applications, the Secretary shall take into account the costs of serving persons under section 9840a of this title.

(D) Any Head Start agency with an application approved under subparagraph (B) shall be considered to be an Early Head Start agency and shall be subject to the same rules, regulations, and conditions as apply to recipients of grants under section 9840a of this title, with respect to activities carried out under this paragraph.

(b) Establishment of fee schedule or charging of fees; payment by families willing and able to pay

The Secretary shall not prescribe any fee schedule or otherwise provide for the charging of any fees for participation in Head Start programs, unless such fees are authorized by legislation hereafter enacted. Nothing in this subsection shall be construed to prevent the families of children who participate in Head Start programs who are willing and able to pay the full cost of such participation from doing so. A Head Start agency that provides a Head Start program with full-working-day services in collaboration with other agencies or entities may collect a family copayment to support extended day services if a copayment is required in conjunction with the collaborative. The copayment charged to families receiving services through the Head Start program shall not exceed the copayment charged to families with similar incomes and circumstances who are receiving the services through participation in a program carried out by another agency or entity.

(c) Availability of more than one year of services; children eligible

Each Head Start program operated in a community shall be permitted to provide more than 1 year of Head Start services to eligible children in the State. Each Head Start program operated in a community shall be permitted to recruit and accept applications for enrollment of children throughout the year.

(d) Indian tribes

(1) An Indian tribe that—

(A) operates a Head Start program;

(B) enrolls as participants in the program all children in the community served by the tribe (including a community that is an off-reservation area, designated by an appropriate tribal government, in consultation with the Secretary) from families that meet the low-income criteria prescribed under subsection (a)(1)(A); and

(C) has the resources to enroll additional children in the community who do not meet the low-income criteria; may enroll such additional children in a Head Start program, in accordance with this subsection, if the program predominantly serves children who meet the low-income criteria.
(2) The Indian tribe shall enroll the children in the Head Start program in accordance with such requirements as the Secretary may specify by regulation promulgated after consultation with Indian tribes.

(3) Notwithstanding any other provision of this Act, an Indian tribe or tribes that operates both an Early Head Start program under section 9840a of this title and a Head Start program may, at its discretion, at any time during the grant period involved, reallocate funds between the Early Head Start program and the Head Start program in order to address fluctuations in client populations, including pregnant women and children from birth to compulsory school age. The reallocation of such funds between programs by an Indian tribe or tribes during a year shall not serve as the basis for the Secretary to reduce a base grant (as defined in section 9835(a)(7) of this title) for either program in succeeding years.


REFERENCES IN TEXT

Section 254c of this title, referred to in subsec. (a)(2)(B), was in the original a reference to section 330 of the Public Health Service Act, act July 1, 1944, which was omitted in the general amendment of subpart I (§ 254b et seq.) of part D of subchapter II of chapter 6A of this title by Pub. L. 101–197, § 401(e), Nov. 16, 1994, 104 Stat. 3035. Sections 2 and 3(a) of Pub. L. 101–299 enacted new sections 330 and 330A of act July 1, 1944, which are classified, respectively, to sections 254b and 254c of this title.


AMENDMENTS


2007—Subsec. (a). Pub. L. 110–134, § 141(1)(A), added par. (a)(1) and struck out former par. (1) which related to criteria for eligibility for participation in Head Start programs assisted under this subchapter.

Subsec. (a)(3) to (5). Pub. L. 110–134, § 141(b), added pars. (3) to (5).


Subsec. (d)(3). Pub. L. 110–134, § 143, added par. (3) and struck out former par. (3) which read as follows: “In providing services through a Head Start program to such children, the Indian tribe may not use funds that the Secretary has determined, in accordance with section 9835(g)(3) of this title, are to be used for expanding Head Start programs under this subchapter.”

1996—Subsec. (a)(1). Pub. L. 100–256, § 112(a), substituted “criteria may provide—” for “criteria may provide”, realigned margins of subpars. (A) and (B), in subpar. (B) substituted “shall prescribe, that—” for “shall prescribe, that”; inserted “(i)” before “programs assisted under this subchapter may”; and substituted “paragraph (A); and”, cl. (ii), and concluding provisions for “clause (A).”

Subsec. (b). Pub. L. 105–285, § 112(b), inserted at end “A Head Start agency that provides a Head Start program with full-working-day services in collaboration with other agencies or entities may collect a family copayment to support extended day services if a copayment is required in conjunction with the collaborative. The copayment charged to families receiving services through a program shall not exceed the copayment charged to families with similar incomes and circumstances who are receiving the services through participation in a program carried out by another agency or entity.”

Subsec. (c). Pub. L. 105–285, § 112(c), inserted at end “Each Head Start program operated in a community shall be permitted to recruit and accept applications for enrollment of children throughout the year.”

Subsec. (d)(1)(B). Pub. L. 105–285, § 112(d), substituted “a community that is an off-reservation area, designated by an appropriate tribal government, in consultation with the Secretary for “a community with a near-reservation designation, as defined by the Bureau of Indian Affairs”.

1994—Subsec. (c). Pub. L. 103–253, § 111(1), substituted “shall be permitted to provide more than 1 year of Head Start services to eligible children (age 3 to compulsory school attendance) in the State.” for “may provide more than one year of Head Start services to children from age 3 to age 5 in the State.”


Subsec. (c). Pub. L. 101–501, § 114, inserted at end “The Secretary may not issue or enforce any rule (as defined in section 551(4) of title 5) or guideline that forbids any Head Start agency to carry out a Head Start program in accordance with the authority described in the preceding sentence.”


1984—Subsec. (a)(2). Pub. L. 98–558, § 105(a), inserted at end “During the period beginning on October 30, 1984, and ending on October 1, 1986, and unless specifically authorized in any statute of the United States enacted after October 30, 1984, the Secretary may not make any change in the method, as in effect on April 25, 1984, of calculating income used to prescribe eligibility for the participation of persons in the Head Start programs assisted under this subchapter if such change would result in any reduction in, or exclusion from, participation of persons in any of such programs.”


EFFECTIVE DATE OF 1994 AMENDMENT


EFFECTIVE DATE OF 1990 AMENDMENT


EFFECTIVE DATE OF 1986 AMENDMENT

§ 9840a. Early Head Start programs

(a) In general

The Secretary shall make grants to entities (referred to in this subchapter as “Early Head Start agencies”) in accordance with this section for programs (referred to in this subchapter as “Early Head Start programs”) providing family-centered services for low-income families with very young children designed to promote the development of the children, and to enable their parents to fulfill their roles as parents and to move toward self-sufficiency.

(b) Scope and design of programs

In carrying out a program described in subsection (a), an entity receiving assistance under this section shall—

(1) provide, either directly or through referral, early, continuous, intensive, and comprehensive child development and family support services that will enhance the physical, social, emotional, and intellectual development of participating children;

(2) ensure that the level of services provided to families responds to their needs and circumstances;

(3) promote positive parent-child interactions;

(4) provide services to parents to support their role as parents (including parenting skills training and training in basic child development) and services to help the families move toward self-sufficiency (including educational and employment services, as appropriate);

(5) coordinate services with services provided by programs in the State (including home-based services) and programs in the community (including programs for infants and toddlers with disabilities and programs for homeless infants and toddlers) to ensure a comprehensive array of services (such as health and mental health services and family support services);

(6) ensure that children with documented behavioral problems, including problems involving behavior related to prior or existing trauma, receive appropriate screening and referral;

(7) ensure formal linkages with local Head Start programs in order to provide for continuity of services for children and families;

(8) develop and implement a systematic procedure for transitioning children and parents from an Early Head Start program to a Head Start program or other local early childhood education and development program;

(9) establish channels of communication between staff of the Early Head Start program, and staff of a Head Start program or other local providers of early childhood education and development programs, to facilitate the coordination of programs;

(10) in the case of a Head Start agency that operates a program and that also provides Head Start services through the age of mandatory school attendance, ensure that children and families participating in the program receive such services through such age;

(11) ensure formal linkages with providers of early intervention services for infants and toddlers with disabilities under the Individuals with Disabilities Education Act (20 U.S.C. 1400 et seq.), with the State interagency coordinating council, as established in part C of the Individuals with Disabilities Education Act (20 U.S.C. 1431 et seq.), and with the agency responsible for administering section 5106 of this title;

(12) meet such other requirements concerning design and operation of the program described in subsection (a) as the Secretary may establish.

(c) Persons eligible to participate

Persons who may participate in programs described in subsection (a) include—

(1) pregnant women; and

(2) families with children under age 3; who meet the eligibility criteria specified in section 9840(a)(1) of this title, including the criteria specified in section 9840(a)(1)(B)(ii) of this title.

(d) Eligible service providers

To be eligible to receive assistance under this section, an entity shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require. Entities that may apply to carry out activities under this section include—

(1) entities operating Head Start programs under this subchapter;

(2) entities operating Indian Head Start programs or migrant or seasonal Head Start programs; and

(3) other public entities, and nonprofit or for-profit private entities, including community-based and faith-based organizations, capable of providing child and family services that meet the standards for participation in programs under this subchapter and meet such other appropriate requirements relating to the activities under this section as the Secretary may establish.

(e) Selection of grant recipients

The Secretary shall award grants under this section on a competitive basis to applicants meeting the criteria specified in subsection (d) (giving priority to entities with a record of providing early, continuous, and comprehensive childhood development and family services).

(f) Distribution

In awarding grants to eligible applicants under this section, the Secretary shall—

(1) ensure an equitable national geographic distribution of the grants; and

(2) award grants to applicants proposing to serve communities in rural areas and to applicants proposing to serve communities in urban areas.

(g) Monitoring, training, technical assistance, and evaluation

(1) Requirement

In order to ensure the successful operation of programs assisted under this section, the Secretary shall use funds made available under section 9835(a)(2)(E) of this title to monitor the operation of such programs, and funds made available under section 9835(a)(2)(C)(i)(I) of this title to provide training and technical assistance.
assistance tailored to the particular needs of such programs, consistent with section 9835(c) of this title.

(2) Training and technical assistance

(A) Activities

Of the portion set aside under section 9835(a)(2)(C)(I) of this title—

(i) not less than 50 percent shall be made available to Early Head Start agencies to use directly, which may include, at their discretion, the establishment of local or regional agreements with community experts, institutions of higher education, or private consultants, for training and technical assistance activities in order to make program improvements identified by such agencies;

(ii) not less than 25 percent shall be available to the Secretary to support a State-based training and technical assistance system, or a national system, described in section 9843(e) of this title, including infant and toddler specialists, to support Early Head Start agencies, consistent with subparagraph (B); and

(iii) the remainder of such amount shall be made available to the Secretary to assist Early Head Start agencies in meeting and exceeding the standards described in section 9836a(a)(1) of this title (directly, or through grants, contracts, or other agreements or arrangements with an entity with demonstrated expertise relating to infants, toddlers, and families) by—

(I) providing ongoing training and technical assistance to Early Head Start agencies, including developing training and technical assistance materials and resources to support program development and improvement and best practices in providing services to children and families served by Early Head Start programs;

(II) supporting a national network of infant and toddler specialists designed to improve the quality of Early Head Start programs; 

(III) providing ongoing training and technical assistance on Early Head Start program development and improvement for regional staff charged with monitoring and overseeing the administration of the program carried out under this section; and

(IV) if funds remain after the activities described in subclauses (I), (II), and (III) are carried out, carry out 1 or more of the following activities:

(aa) Providing support and program planning and implementation assistance for new Early Head Start agencies, including for agencies who want to use funds as described in section 9840(a)(5) of this title to serve infants and toddlers;

(bb) Creating special training and technical assistance initiatives targeted to serving high-risk populations, such as children in the child welfare system and homeless children.

(cc) Providing professional development designed to increase program participation for underserved populations of eligible children.

(B) Contracts

For the purposes of supporting a State-based system, as described in subparagraph (A)(ii), that will meet the needs of Early Head Start agencies and provide high-quality, sustained, and intensive training and technical assistance on programming for infants and toddlers to Early Head Start agencies, and in order to help such agencies meet or exceed the standards described in section 9836a(a)(1) of this title, the Secretary shall—

(i) use funds reserved under subparagraph (A)(ii) in combination with funds reserved under section 9835(a)(2)(C)(I)(II)(bb) of this title to ensure the contracts described in section 9843(e)(1) of this title provide for a minimum of 1 full-time specialist with demonstrated expertise in the development of infants and toddlers; and

(ii) ensure that such contracts and the services provided in the contracts are integrated with and augment the contracts awarded and services provided under section 9843(e) of this title;

(h) Center-based staff

The Secretary shall—

(1) ensure that, not later than September 30, 2010, all teachers providing direct services to children and families participating in Early Head Start programs located in Early Head Start centers, have a minimum of a child development associate credential, and have been trained (or have equivalent coursework) in early childhood development; and

(2) establish staff qualification goals to ensure that not later than September 30, 2012, all such teachers have been trained (or have equivalent coursework) in early childhood development with a focus on infant and toddler development.

(i) Staff qualifications and development

(1) Home visitor staff standards

In order to further enhance the quality of home visiting services provided to families of children participating in home-based, center-based, or combination program options under this subchapter, the Secretary shall establish standards for training, qualifications, and the conduct of home visits for home visitor staff in Early Head Start programs.

(2) Contents of standards

The standards for training, qualifications, and the conduct of home visits shall include content related to—

(A) structured child-focused home visiting that promotes parents’ ability to support the child’s cognitive, social, emotional, and physical development;

(B) effective strengths-based parent education, including methods to encourage parents as their child’s first teachers;

(C) early childhood development with respect to children from birth through age 3;

(D) methods to help parents promote emergent literacy in their children from birth
through age 3, including use of research-based strategies to support the development of literacy and language skills for children who are limited English proficient;

(E) ascertaining what health and development services the family receives and working with providers of these services to eliminate gaps in service by offering annual health, vision, hearing, and developmental screening for children from birth to entry into kindergarten, when needed;

(F) strategies for helping families coping with crisis; and

(G) the relationship of health and well-being of pregnant women to prenatal and early child development.


REFERENCES IN TEXT

The Individuals with Disabilities Education Act, referred to in subsec. (b)(11), is title VI of Pub. L. 91–230, Apr. 13, 1970, 84 Stat. 175, which is classified generally to chapter 33 (§1400 et seq.) of Title 20, Education. Part C of the Act is classified generally to subchapter III (§1451 et seq.) of chapter 33 of Title 20. For complete classification of this Act to the Code, see section 1400 of Title 20 and Tables.

AMENDMENTS


Subsec. (a). Pub. L. 110–134, §15(2), substituted “The Secretary shall make grants to entities (referred to in this subchapter as ‘Early Head Start agencies’) in accordance with this section for programs (referred to in this subchapter as ‘Early Head Start programs’)” for “The Secretary shall make early intervention grants, in accordance with the provisions of this section for programs”.

Subsec. (b)(4). Pub. L. 110–134, §15(3)(A), added par. (4) and struck out former par. (4) which read as follows: “provide services to parents to support their role as parents and to help the families move toward self-sufficiency (including educational and employment services as appropriate);”.

Subsec. (b)(5). Pub. L. 110–134, §15(3)(B), added par. (5) and struck out former par. (5) which read as follows: “coordinate services with services provided by programs in the State and programs in the community (including programs for infants and toddlers with disabilities) to ensure a comprehensive array of services (such as health and mental health services);”.


Subsec. (b)(8). (9). Pub. L. 110–134, §15(3)(E), redesignated par. (8) as (9) and (9) as (11) and (12), respectively.


Subsec. (b)(11). Pub. L. 110–134, §15(3)(F), added par. (11) and struck out former par. (11) which read as follows: “ensure formal linkages with the agencies and entities described in section 644(b) of the Individuals with Disabilities Education Act (20 U.S.C. 1444(b)) and providers of early intervention services for infants and toddlers with disabilities under the Individuals with Disabilities Education Act (20 U.S.C. 1400 et seq.); and”.


Subsec. (c). Pub. L. 110–134, §15(4), substituted “eligibility criteria specified in section 9840a(a)(1) of this title, including the criteria specified in section 9840a(a)(1)(B)(ii) of this title” for “income criteria specified for families in section 9840a(a)(1) of this title” in concluding provisions.

Subsec. (d)(1) to (3). Pub. L. 110–134, §15(5), added pars. (1) to (3) and struck out former pars. (1) and (2) which read as follows: “(1) entities operating Head Start programs under this subchapter; and

“(2) other public entities, and nonprofit or for-profit private entities, capable of providing child and family services that meet the standards for participation in programs under this subchapter and meet such other appropriate requirements relating to the activities under this section as the Secretary may establish.”.

Subsec. (e). Pub. L. 110–134, §15(6), substituted “The Secretary shall award grants under this section” for “From the portion specified in section 9855(a)(6) of this title, the Secretary shall award grants under this sub-section”.

Subsec. (g). Pub. L. 110–134, §15(7), added subsec. (g) which related to monitoring, training, technical assistance, and evaluation of programs assisted under this section.

Subsec. (h), (i). Pub. L. 110–134, §15(8), added subsecs. (h) and (i).


Subsec. (a). Pub. L. 105–285, §113(2), substituted “provisions of this section for” for “provisions of this section for—,” struck out par. (1) designation before “programs providing”, substituted “self-sufficiency;” for “self-sufficiency; and”, and struck out par. (2) which read as follows: “provision of training and technical assistance to entities carrying out programs, and evaluation of programs, that were supported under the Comprehensive Child Development Act (42 U.S.C. 9831 et seq.), as in effect on the day before May 18, 1994.”

Subsec. (b)(5). Pub. L. 105–285, §113(3)(A), inserted “(including programs for infants and toddlers with disabilities)” after “community”.


Subsec. (b)(8), (9). Pub. L. 105–285, §113(3)(C), (D), added par. (8) and redesignated former par. (8) as (9).


Subsec. (c)(2). Pub. L. 105–285, §113(4)(B), substituted “3;” for “3 (or under age 5, in the case of children served by an entity specified in subsection (e)(3) of this section);”.

Subsec. (d). Pub. L. 105–285, §113(5), inserted “and” at end of par. (1), redesignated par. (3) as (2), inserted “or for-profit” after “non-profit”, and struck out former par. (2) which read as follows: “entities that, on the day before the date of enactment of this section, were operating—

“(A) Parent-Child Centers receiving financial assistance under section 9835(a)(4) of this title, as in effect on such date; or

“(B) programs receiving financial assistance under the Comprehensive Child Development Act, as in effect on such date; and”.

Subsec. (e). Pub. L. 105–285, §113(6), struck out “other” before “grant recipients” in heading and substituted “From the portion specified in section 9855(a)(6) of this title,” for “From the balance remaining of the portion specified in section 9835(a)(6) of this title, after making grants to the eligible entities specified in subsection (e) of this section,” in text.

Pub. L. 105–285, §113(7), redesignated subsec. (f) as (e) and struck out heading and text of former subsec. (e) which related to time-limited priority for certain entities.

Subsecs. (f), (g). Pub. L. 105–285, §113(7), (10), added subsec. (g) and redesignated former subsec. (g) as (f). Former subsec. (f) redesignated (e).
§ 9841. Appeals, notice, hearing, and mediation; alternative agency for Indian tribe

(a) Notice requirements; suspension or termination of assistance stayed pending hearing; mediation

The Secretary shall prescribe—

(1) procedures to assure that financial assistance under this subchapter shall not be suspended, except in emergency situations, unless the recipient agency has been given reasonable notice and opportunity to show cause why such action should not be taken;

(2) procedures to assure that financial assistance under this subchapter may be terminated or reduced, and an application for refunding may be denied, after the recipient has been afforded reasonable notice and opportunity for a full and fair hearing, including—

(A) a right to file a notice of appeal of a decision not later than 30 days after notice of the decision from the Secretary; and

(B) access to a full and fair hearing of the appeal, not later than 120 days after receipt by the Secretary of the notice of appeal;

(4) procedures (including mediation procedures) are developed and published, to be used in order to—

(A) resolve in a timely manner conflicts potentially leading to an adverse action between—

(i) recipients of financial assistance under this subchapter; and

(ii) delegate agencies, or policy councils of Head Start agencies;

(B) avoid the need for an administrative hearing on an adverse action; and

(C) prohibit a Head Start agency from expending financial assistance awarded under this subchapter for the purpose of paying legal fees, or other costs incurred, pursuant to an appeal under paragraph (3);

(5) procedures to assure that the Secretary may suspend financial assistance to a recipient under this subchapter—

(A) except as provided in subparagraph (B), for not more than 30 days; or

(B) in the case of a recipient under this subchapter that has multiple and recurring deficiencies for 180 days or more and has not made substantial and significant progress toward meeting the goals of the grantee’s quality improvement plan or eliminating all deficiencies identified by the Secretary, during the hearing of an appeal described in paragraph (3), for any amount of time; and

(6) procedures to assure that in cases where a Head Start agency prevails in a decision under paragraph (4), the Secretary may determine and provide a reimbursement to the Head Start agency for fees deemed reasonable and customary.

(b) Notification of conflict by Head Start agency to regional office

In prescribing procedures for the mediation described in subsection (a)(4), the Secretary shall specify—

(1) the date by which a Head Start agency engaged in a conflict described in subsection (a)(4) will notify the appropriate regional office of the Department of the conflict; and

(2) a reasonable period for the mediation.

(c) Timeline for administrative hearing

The Secretary shall also specify—

(1) a timeline for an administrative hearing, if necessary, on an adverse action; and

(2) a timeline by which the person conducting the administrative hearing shall issue a decision based on the hearing.

(d) Termination of designation not stayed upon appeal

In any case in which a termination, reduction, or suspension of financial assistance under this subchapter is upheld in an administrative hearing under this section, such termination, reduction, or suspension shall not be stayed pending any judicial appeal of such administrative decision.

(e) Establishment of alternative agency by Indian tribe

(1) The Secretary shall by regulation specify a process by which an Indian tribe may identify and establish an alternative agency, and request that the alternative agency be designated under section 9836 of this title as the Head Start agency providing services to the tribe, if—

(A) the Secretary terminates financial assistance under this section, for any amount of time; and

(B) the tribe would otherwise be precluded from providing such services to the members of the tribe.

(2) The regulation required by this subsection shall prohibit such designation of an alternative agency that includes an employee who—

(A) served on the administrative staff or program staff of the agency described in paragraph (1)(A); and

(B) was responsible for a deficiency that—

(i) relates to the performance standards or financial management standards described in section 9836a(a)(1) of this title; and

(ii) was the basis for the termination of financial assistance described in paragraph (1)(A);
as determined by the Secretary after providing the notice and opportunity described in subsection (a)(3).


AMENDMENTS

2007—Subsec. (a). Pub. L. 110–134, §16(1), struck out “(3) financial assistance under this subchapter shall—“ after “(a).”


Subsecs. (b) to (e). Pub. L. 103–252, §113(b), added subsecs. (b) to (e) and struck out former subsec. (b) which read as follows: “The Secretary shall prescribe, including records and audits under this subchapter shall keep such records as the Secretary shall prescribe, including records which fully disclose the amount and disposition by such recipient of the proceeds of such financial assistance, the total cost of the project or undertaking in connection with which such financial assistance is given or used, the amount of that portion of the cost of the project or undertaking supplied by other sources, and such other records as will facilitate an effective audit.

(b) The Secretary and the Comptroller General of the United States, or any of their duly authorized representatives, shall have access for the purpose of audit and examination to any books, documents, papers, and records of the recipients that are pertinent to the financial assistance received under this subchapter.

(c) Each recipient of financial assistance under this subchapter shall—

(1) maintain, and annually submit to the Secretary, a complete accounting of the recipient’s administrative expenses (including a detailed statement identifying the amount of financial assistance provided under this subchapter used to pay expenses for salaries and compensation and the amount (if any) of other funds used to pay such expenses);

(2) not later than 30 days after the date of completion of an audit conducted in the manner and to the extent provided in chapter 75 of title 31 (commonly known as the “Single Audit Act of 1984”), submit to the Secretary a copy of the audit management letter and of any audit findings as they relate to the Head Start program; and

(3) provide such additional documentation as the Secretary may require.


AMENDMENTS


§9843. Technical assistance and training

(a) Secretarial training and technical assistance

(1) Authority

From the funds provided under section 9835(a)(2)(C)(i) of this title, the Secretary shall provide, directly or through grants, contracts, or other agreements or arrangements as the Secretary considers appropriate, technical assistance and training for Head Start programs for the purposes of improving program quality and helping prepare children to succeed in school.

(2) Process

The process for determining the technical assistance and training activities to be carried out under this section shall—

(A) ensure that the needs of local Head Start agencies and programs relating to improving program quality and to program expansion are addressed to the maximum extent practicable; and

(B) incorporate mechanisms to ensure responsiveness to local needs, including an ongoing procedure for obtaining input from the individuals and agencies carrying out Head Start programs.

(3) Activities

In providing training and technical assistance and for allocating resources for such assistance under this section, the Secretary shall—

(A) give priority consideration to—

(i) activities to correct program and management deficiencies identified
through reviews carried out pursuant to section 9836a(c) of this title (including the provision of assistance to local programs in the development of quality improvement plans under section 9836a(d)(2) of this title); (ii) assisting Head Start agencies in ensuring the school readiness of children; and (iii) activities that supplement those funded with amounts provided under section 9836a(a)(5)(B) of this title to address the training and career development needs of classroom staff (including instruction for providing services to children with disabilities and non-classroom staff, including home visitors and other staff working directly with families, including training relating to increasing parent involvement and services designed to increase family literacy and improve parenting skills; and 

(B) to the maximum extent practicable—

(I) assist Head Start agencies in the development of collaborative initiatives with States and other entities within the States, to foster effective professional development systems for early childhood education and development services;

(ii) provide technical assistance and training, either directly or through a grant, contract, or cooperative agreement with an entity that has experience in the development and operation of successful family literacy services programs, for the purpose of—

(I) assisting Head Start agencies providing family literacy services, in order to improve the quality of such family literacy services; and

(II) enabling those Head Start agencies that demonstrate effective provision of family literacy services, based on improved outcomes for children and their parents, to provide technical assistance and training to other Head Start agencies and to service providers that work in collaboration with such agencies to provide family literacy services;

(iii) assist Head Start agencies and programs in conducting and participating in communitywide strategic planning and needs assessments, including the needs of homeless children and their families, and in conducting self-assessments;

(iv) assist Head Start agencies and programs in developing and implementing full-working-day and full calendar year programs where community need is clearly identified and making the transition to such programs, with particular attention to involving parents and programming for children throughout the day, and assist the agencies and programs in expediting the sharing of information about innovative models for providing full-working-day, full calendar year services for children;

(v) assist Head Start agencies in better serving the needs of families with very young children, including providing support and program planning and implementation assistance for Head Start agencies that apply to serve or are serving additional infants and toddlers, in accordance with section 9840(a)(5) of this title;

(vi) assist Head Start agencies and programs in the development of sound management practices, including financial management procedures;

(vii) assist in efforts to secure and maintain adequate facilities for Head Start programs;

(viii) assist Head Start agencies in developing innovative program models, including mobile and home-based programs;

(ix) provide support for Head Start agencies (including policy councils and policy committees) that meet the standards described in section 9836a(a) of this title but that have, as documented by the Secretary through reviews conducted pursuant to section 9836a(c) of this title, programmatic, quality, and fiscal issues to address;

(x) assist Head Start agencies and programs in improving outreach to, increasing program participation of, and improving the quality of services available to meet the unique needs of—

(I) homeless children;

(II) limited English proficient children and their families, particularly in communities that have experienced a large percentage increase in the population of limited English proficient individuals, as measured by the Bureau of the Census; and

(III) children with disabilities, particularly if such program’s enrollment opportunities or funded enrollment for children with disabilities is less than 10 percent;

(xi) assist Head Start agencies and programs to increase the capacity of classroom staff to meet the needs of eligible children in Head Start classrooms that are serving both children with disabilities and children without disabilities;

(xii) assist Head Start agencies and programs to address the unique needs of programs located in rural communities, including—

(I) removing barriers related to the recruitment and retention of Head Start teachers in rural communities;

(II) developing innovative and effective models of professional development for improving staff qualifications and skills for staff living in rural communities;

(III) removing barriers related to outreach efforts to eligible families in rural communities;

(IV) removing barriers to parent involvement in Head Start programs in rural communities;

(V) removing barriers to providing home visiting services in rural communities; and

(VI) removing barriers to obtaining health screenings for Head Start participants in rural communities;

1 So in original. Probably should be followed by a closing parenthesis.
(b) Additional support

The Secretary shall provide, either directly or through grants, contracts or other arrangements, funds from section 9835(a)(2)(C)(i)(II)(aa) of this title shall be used by a Head Start agency to provide high-quality, sustained, and intensive training and technical assistance as follows:

1. For 1 or more of the following:
   - Activities that ensure that Head Start programs meet or exceed the standards described in section 9836a(a)(1) of this title.
   - Activities that ensure that Head Start programs have qualified staff who can promote prevention of childhood obesity by integrating developmentally appropriate research-based initiatives that stress the importance of physical activity and healthy, nutritional choices in daily classroom and family routines.
   - Activities to improve the management and implementation of Head Start services and systems, including direct training for expert consultants working with staff.
   - Activities that help ensure that Head Start programs have qualified staff who can promote language skills and literacy growth of children who can provide children with a variety of skills that have been identified as predictive of later reading achievement, school success, and the skills, knowledge, abilities, development, and progress described in section 9836a(a)(1)(B)(ii) of this title.
   - Activities to improve staff qualifications and to assist with the implementation of career development programs and to encourage the staff to continually improve their skills and expertise, including developing partnerships with programs that recruit, train, place, and support college students in Head Start centers to deliver an innovative early learning program to preschool children.
   - Activities that help ensure that the arrangement, condition, and implementation of Head Start services necessary to address the needs of children enrolled in Head Start programs, including children from families in crises, children who experience chronic violence or homelessness, children who experience substance abuse in their families, and children under 3 years of age, where applicable.
   - Activities to provide training necessary to improve the qualifications of Head Start staff and to support staff training, child counseling, health services, and other services necessary to address the needs of children enrolled in Head Start programs, including children from families in crises, children who experience chronic violence or homelessness, children who experience substance abuse in their families, and children under 3 years of age, where applicable.
   - Activities to provide classes or in-service-type programs to improve or enhance parenting skills, job skills, and adult and family literacy, including financial literacy, or training to become a classroom aide or bus driver in a Head Start program.

2. To support enhanced early language and literacy development of children in Head Start programs, and to provide the children with high-quality oral language skills and with environments that are rich in literature in which
to acquire language and early literacy skills. Each Head Start agency, in consultation with the State-based training and technical assistance system, as appropriate, shall ensure that:

(A) all of the agency’s Head Start teachers receive ongoing training in language and emergent literacy (referred to in this subsection as “literacy training”), including appropriate curricula and assessment to improve instruction and learning;

(B) such literacy training shall include training in methods to promote vocabulary development and phonological awareness (including phonemic awareness) in a developmentally, culturally, and linguistically appropriate manner and support children’s development in their native language;

(C) the literacy training shall include training in how to work with parents to enhance positive language and early literacy development at home;

(D) the literacy training shall include specific methods to best address the needs of children who are limited English proficient;

(E) the literacy training shall include training on how to best address the language and literacy needs of children with disabilities, including training on how to work with specialists in language development;

and

(F) the literacy training shall be tailored to the early childhood literacy background and experience of the teachers involved;

except that funds made available under section 9835(a)(2)(C)(i) of this title shall not be used for long-distance travel expenses for training activities available locally or regionally or for training activities substantially similar to locally or regionally available training activities.

(e) State-based training and technical assistance system

For the purposes of delivering a State-based training and technical assistance system (which may include a consortium of 2 or more States within a region) or a national system in the case of migratory or seasonal Head Start and Indian Head Start programs, as described in section 9835(a)(2)(C)(i) of this title, that will meet the needs of local grantees, as determined by such grantees, and provide high-quality, sustained, and intensive training and technical assistance to Head Start agencies and programs in order to improve their capacity to deliver services that meet or exceed the standards described in section 9836a(a)(1) of this title, the Secretary shall—

(1) enter into contracts in each State with 1 or more entities that have a demonstrated expertise in supporting the delivery of high-quality early childhood education and development programs, except that contracts for a consortium of 2 or more States within a geographic region may be entered into if such a system is more appropriate to better meet the needs of local grantees within a region, as determined by such grantees;

(2) ensure that the entities described in subparagraph (1) determine the types of services to be provided through consultation with—

(A) local Head Start agencies (including Indian Head Start agencies and migrant or seasonal Head Start agencies, as appropriate);

(B) the State Head Start collaboration office; and

(C) the State Head Start Association;

(3) encourage States to supplement the funds authorized in section 9835(a)(2)(C)(i)(II)(bb) of this title with Federal, State, or local funds other than funds made available under this subchapter, to expand training and technical assistance activities beyond Head Start agencies to include other providers of other early childhood education and development programs within a State;

(4) provide a report to the Committee on Education and Labor of the House of Representatives and the Committee on Health, Education, Labor, and Pensions of the Senate, not later than 90 days after the end of the fiscal year, summarizing the funding for such contracts and the activities carried out thereunder;

(5) periodically evaluate the effectiveness of the delivery of services in each State in promoting program quality; and

(6) ensure that in entering into such contracts as described in paragraph (1), such entities will address the needs of grantees in both urban and rural communities.

(f) Indoor air quality

The Secretary shall consult with appropriate Federal agencies and other experts, as appropriate, on issues of air quality related to children’s health and inform Head Start agencies of existing programs or combination of programs that provide methods for improving indoor air quality.

(g) Career advancement partnership program

(1) Authority

From amounts allocated under section 9835(a)(2)(C) of this title the Secretary is authorized to award demonstration grants, for a period of not less than 5 years, to historically Black colleges and universities, Hispanic-serving institutions, and Tribal Colleges and Universities—

(A) to implement education programs that increase the number of associate, baccalaureate, and graduate degrees in early childhood education and related fields that are earned by Head Start agency staff members, parents of children served by such agencies, and members of the communities involved;

(B) to provide assistance for stipends and costs related to tuition, fees, and books for enrolling Head Start agency staff members, parents of children served by such an agency, and members of the communities involved in courses required to complete the degree and certification requirement to become teachers in early childhood education and related fields;

(C) to develop program curricula to promote high-quality services and instruction to children with diverse backgrounds, including—
(i) in the case of historically Black colleges and universities, to help Head Start Agency staff members develop skills and expertise needed to teach in programs serving large numbers of African American children; (ii) in the case of Hispanic-serving institutions, to help Head Start Agency staff members develop skills and expertise needed to teach in programs serving large numbers of Hispanic children, including programs to develop the linguistic skills and expertise needed to teach in programs serving a large number of children with limited English proficiency; and (iii) in the case of Tribal Colleges and Universities, to help Head Start Agency staff members develop skills and expertise needed to teach in programs serving large numbers of Indian children, including programs concerning tribal culture and language;

(D) to provide other activities to upgrade the skills and qualifications of educational personnel to meet the professional standards in subsection (a) to better promote high-quality services and instruction to children and parents from populations served by historically Black colleges and universities, Hispanic-serving institutions, or Tribal Colleges and Universities;

(E) to provide technology literacy programs for Indian Head Start agency staff members and families of children served by such agency; and

(F) to develop and implement the programs described under subparagraph (A) in technology-mediated formats, including through such means as distance learning and use of advanced technology, as appropriate.

(2) Other assistance

The Secretary shall, using resources within the Department of Health and Human Services—

(A) provide appropriate technical assistance to historically Black colleges and universities, Hispanic-serving institutions, and Tribal Colleges and Universities receiving grants under this section, including coordinating with the White House Initiative on historically Black colleges and universities; and

(B) ensure that the American Indian Programs Branch of the Office of Head Start of the Administration for Children and Families of the Department of Health and Human Services can effectively administer the programs under this section and provide appropriate technical assistance to Tribal Colleges and Universities under this section.

(3) Application

Each historically Black college or university, Hispanic-serving institution, or Tribal College or University desiring a grant under this section shall submit an application, in partnership with at least 1 Head Start agency enrolling large numbers of students from the populations served by historically Black colleges and universities, Hispanic-serving institutions, or Tribal Colleges and Universities, to the Secretary, at each such time, in such manner, and containing such information as the Secretary may require, including a certification that the institution of higher education has established a formal partnership with 1 or more Head Start agencies for the purposes of conducting the activities described in paragraph (1).

(4) Definitions

In this subsection:

(A) The term “Hispanic-serving institution” has the meaning given such term in section 1101a of title 20.

(B) The term “historically Black college or university” has the meaning given the term “part B institution” in section 1061(2) of title 20.

(C) The term “Tribal College or University” has the meaning given such term in section 1059c(b) of title 20.

(5) Teaching requirement

A student at an institution receiving a grant under this subsection who receives assistance under a program funded under this subsection shall teach in a center-based Head Start program for a period of time equivalent to the period for which they received assistance or shall repay such assistance.


Amendments


Subsec. (c)(1). Pub. L. 105–285, §114(a)(2)(A), amended par. (1) generally. Prior to amendment, par. (1) read as follows: “give priority consideration to activities to correct program and management deficiencies identified through reviews pursuant to section 9836a(c) of this title (including the provision of assistance to local programs in the development of quality improvement plans under section 9836a(d)(2) of this title);”.

Subsec. (c)(2). Pub. L. 105–285, §114(a)(2)(B), inserted “supplement amounts provided under section 9835(a)(3)(C)(ii) of this title in order to” after “(2)”.


Pub. L. 105–285, §114(a)(2)(C), inserted “and implementing” after “developing” and substituted “the day, and assist the agencies and programs in expediting the
sharing of information about innovative models for providing full-working-day, full calendar year services for children" for "a longer day" before semicolon.


Subsec. (c)(9), (10). Pub. L. 105–285, § 114(a)(2)(F), redesignated par. (7) as (9) and (8) as (9) and (10), respectively.

Subsec. (c)(11). Pub. L. 105–285, § 114(a)(2)(H), added subsec. (e), inserted "including services to promote the acquisition of the English language" after "non-English language background children".

1994—Pub. L. 103–252, § 114(1), substituted "Technical assistance and training for Technical assistance, training, and staff qualifications" in section catchline. Subsec. (a). Pub. L. 103–252, § 114(3)(A), redesignated as subsec. (e) the last sentence which read as follows: "The Secretary shall provide, either directly or through grants or other arrangements, funds from programs authorized under this subchapter to support an organization to administer a centralized child development and national assessment program leading to recognized credentials for personnel working in early childhood development and child care programs, training for personnel providing services to non-English language background children, training for personnel in helping children cope with community violence, and resource access projects for personnel working with disabled children."

Pub. L. 103–252, § 114(2), substituted "(2) training for specialized or other personnel needed in connection with Head Start programs, in accordance with the process, and the provisions for allocating resources, set forth in subsections (b) and (c) of this section. The Secretary shall provide, either directly or through grants or other arrangements," for "(2) training for specialized or other personnel needed in connection with Head Start programs, including":

Subsec. (b), Pub. L. 103–252, § 114(d), (5), added subsec. (b) and struck out former subsec. (b) which related to teacher qualifications and waiver of same.

Subsec. (c). Pub. L. 103–252, § 114(4), (5), added subsec. (c) and struck out former subsec. (c) which related to Secretary developing systematic approach to training Head Start personnel and reporting on such approach to Congress.

Subsec. (d). Pub. L. 103–252, § 114(6), inserted at end "Special consideration shall be given to entities that have demonstrated effectiveness in educational programming for preschool children that includes components for parental involvement, care provider training, and developmentally appropriate related activities."

Subsec. (e), Pub. L. 103–252, § 114(b), redesignated last sentence of subsec. (a) as (e).

1992—Subsec. (a)(2). Pub. L. 102–586, § 7(b)(1), substituted "funds from programs authorized under this subchapter to support an organization to administer a centralized child development and national assessment program leading to recognized credentials for personnel working in early childhood development and child care programs, training for personnel providing services to non-English language background children, training for personnel in helping children cope with community violence, and resource access projects for personnel working with disabled" for "a centralized child development training and national assessment program which may be administered at the State or local level leading to recognized credentials for such personnel, training for personnel providing services to non-English language background children, and resource access projects for personnel of handicapped".

1990—Pub. L. 101–501 substituted "Technical assistance, training, and staff qualifications" for "Technical assistance and training" in section catchline, designated existing provisions as subsec. (a), inserted "training for personnel providing services to non-English language background children," after "such personnel," in cl. (2), and added subsec. (b).

1984—Pub. L. 98–558 substituted "shall" for "may" and inserted provision including a centralized child development training and national assessment program.

**Effective Date of 2015 Amendment**

Amendment by Pub. L. 114–95 effective Dec. 10, 2015, except with respect to certain noncompetitive programs and competitive programs, as amended by Pub. L. 114–95, set out as a note under section 6301 of Title 20, Education.

**Effective Date of 1994 Amendment**


**Effective Date of 1990 Amendment**


**Head Start Training Improvement**

Pub. L. 102–586, § 7(a), Nov. 4, 1992, 106 Stat. 5034, provided that: "It is the purpose of this section—

(1) to promote continued access for Head Start and other early childhood staff to the Child Development Associate credential;

(2) to increase the ability of Head Start staff to address the problems facing Head Start families;

(3) to create a systematic approach to training, thereby improving the quality of Head Start instruction and using training funds more efficiently and effectively; and

(4) to allow the use of training funds for creative approaches to learning for children."

§ 9843a. Staff qualifications and development

(a) Classroom teachers

(1) Professional requirements

(1) The Secretary shall ensure that each Head Start classroom in a center-based program is assigned 1 teacher who has demonstrated competency to perform functions that include—

(A) planning and implementing learning experiences that advance the intellectual and physical development of children, including improving the readiness of children for school by developing their literacy, phonemic, and print awareness, their understanding and use of language, their understanding and use of increasingly complex and varied vocabulary, their appreciation of books, their understanding of early math and early science, their problem-solving abilities, and their approaches to learning;

(B) establishing and maintaining a safe, healthy learning environment;

(C) supporting the social and emotional development of children; and

(D) encouraging the involvement of the families of the children in a Head Start program and supporting the development of re-
(2) Degree requirements

(A) Head Start teachers

The Secretary shall ensure that not later than September 30, 2013, at least 50 percent of Head Start teachers nationwide in center-based programs have—

(i) a baccalaureate or advanced degree in early childhood education; or

(ii) a baccalaureate or advanced degree and coursework equivalent to a major relating to early childhood education, with experience teaching preschool-age children.

(B) Additional staff

The Secretary shall ensure that, not later than September 30, 2013, all—

(i) Head Start education coordinators, including those that serve as curriculum specialists, nationwide in center-based programs—

(1) have the capacity to offer assistance to other teachers in the implementation and adaptation of curricula to the group and individual needs of children in a Head Start classroom; and

(2) have—

(aa) a baccalaureate or advanced degree in early childhood education; or

(bb) a baccalaureate or advanced degree and coursework equivalent to a major relating to early childhood education, with experience teaching preschool-age children; and

(ii) Head Start teaching assistants nationwide in center-based programs have—

(I) at least a child development associate credential;

(II) enrolled in a program leading to an associate or baccalaureate degree; or

(III) enrolled in a child development associate credential program to be completed within 2 years.

(C) Progress

(i) Implementation

The Secretary shall—

(I) require Head Start agencies to—

(aa) describe continuing progress each year toward achieving the goals described in subparagraphs (A) and (B); and

(bb) annually submit to the Secretary a report indicating the number and percentage of classroom personnel described in subparagraphs (A) and (B) in center-based programs with child development associate credentials or associate, baccalaureate, or advanced degrees;

(II) compile and submit a summary of all program reports described in subclause (I)(bb) to the Committee on Education and Labor of the House of Representatives and the Committee on Health, Education, Labor, and Pensions of the Senate; and

(III) not impose any penalties or sanctions on any individual Head Start agency, program, or staff in the monitoring of local agencies and programs under this subchapter not meeting the requirements of subparagraph (A) or (B).

(D) Construction

In this paragraph a reference to a Head Start agency, or its program, services, facility, or personnel, shall not be considered to be a reference to an Early Head Start agency, or its program, services, facility, or personnel.

(3) Alternative credentialing and degree requirements

The Secretary shall ensure that, for center-based programs, each Head Start classroom that does not have a teacher who meets the qualifications described in clause (i) or (ii) of paragraph (2)(A) is assigned one teacher who has the following during the period specified:

(A) Through September 30, 2011—

(i) a child development associate credential that is appropriate to the age of children being served in center-based programs;

(ii) a State-awarded certificate for preschool teachers that meets or exceeds the requirements for a child development associate credential;

(iii) an associate degree in early childhood education;

(iv) an associate degree in a related field and coursework equivalent to a major relating to early childhood education, with experience teaching preschool-age children; or

(v) a baccalaureate degree and has been admitted into the Teach For America program, passed a rigorous early childhood content exam, such as the Praxis II, participated in a Teach For America summer training institute that includes teaching preschool children, and is receiving ongoing professional development and support from Teach For America’s professional staff.

(B) As of October 1, 2011—

(i) an associate degree in early childhood education;

(ii) an associate degree in a related field and coursework equivalent to a major relating to early childhood education, with experience teaching preschool-age children; or

(iii) a baccalaureate degree and has been admitted into the Teach For America program, passed a rigorous early childhood content exam, such as the Praxis II, participated in a Teach For America summer training institute that includes teaching preschool children, and is receiving ongoing professional development and support from Teach For America’s professional staff.

(4) Waiver

On request, the Secretary shall grant—

(A) through September 30, 2011, a 180-day waiver ending on or before September 30,
§ 9843a  TITLE 42—THE PUBLIC HEALTH AND WELFARE

2011, of the requirements of paragraph (3)(A) for a Head Start agency that can demonstrate that the agency has attempted unsuccessfully to recruit an individual who has the qualifications described in any of clauses (i) through (iv) of paragraph (3)(A) with respect to an individual who—
(i) is enrolled in a program that grants a credential, certificate, or degree described in clauses (i) through (iv) of paragraph (3)(A); and
(ii) will receive such credential, certificate, or degree under the terms of such program not later than 180 days after beginning employment as a teacher with such agency; and

(B) as of October 1, 2011, a 3-year waiver of the requirements of paragraph (3)(B) for a Head Start agency that can demonstrate that—
(i) the agency has attempted unsuccessfully to recruit an individual who has the qualifications described in clause (i) or (ii) of such paragraph, with respect to an individual who is enrolled in a program that grants a degree described in clause (i) or (ii) of such paragraph and will receive such degree in a reasonable time; and
(ii) each Head Start classroom has a teacher who has, at a minimum—
(I) a child development associate credential that is appropriate to the age of children being served in center-based programs; or
(II) a State-awarded certificate for preschool teachers that meets or exceeds the requirements for a child development associate credential.

(5) Teacher in-service requirement

Each Head Start teacher shall attend not less than 15 clock hours of professional development per year. Such professional development shall be high-quality, sustained, intensive, and classroom-focused in order to have a positive and lasting impact on classroom instruction and the teacher’s performance in the classroom, and regularly evaluated by the program for effectiveness.

(6) Service requirements

The Secretary shall establish requirements to ensure that, in order to enable Head Start agencies to comply with the requirements of paragraph (2)(A), individuals who receive financial assistance under this subchapter to pursue a degree described in paragraph (2)(A) shall—
(A) teach or work in a Head Start program for a minimum of 3 years after receiving the degree; or
(B) repay the total or a prorated amount of the financial assistance received based on the length of service completed after receiving the degree.

(7) Use of funds

The Secretary shall require that any Federal funds provided directly or indirectly to comply with paragraph (2)(A) shall be used toward degrees awarded by an institution of higher education, as defined by section 1001 or 1002 of title 20.

(b) Mentor teachers

(1) “Mentor teacher” defined; function

For purposes of this subsection, the term “mentor teacher” means an individual responsible for observing and assessing the classroom activities of a Head Start program and providing on-the-job guidance and training to the Head Start program staff and volunteers, in order to improve the qualifications and training of classroom staff, to maintain high quality education services, and to promote career development, in Head Start programs.

(2) Requirement

In order to assist Head Start agencies in establishing positions for mentor teachers, the Secretary shall—

(A) provide technical assistance and training to enable Head Start agencies to establish such positions;
(B) give priority consideration, in providing assistance pursuant to subparagraph (A), to Head Start programs that have substantial numbers of new classroom staff or that are experiencing difficulty in meeting applicable education standards;
(C) encourage Head Start programs to give priority consideration for such positions to Head Start teachers at the appropriate level of career advancement in such programs; and
(D) promote the development of model curricula, designed to ensure the attainment of appropriate competencies of mentor teachers in Head Start programs.

(c) Family service workers

To improve the quality and effectiveness of staff providing in-home and other services (including needs assessment, development of service plans, family advocacy, and coordination of service delivery) to families of children participating in Head Start programs, the Secretary, in coordination with concerned public and private agencies and organizations examining the issues of standards and training for family service workers, shall—

(1) review, and, as necessary, revise or develop new qualification standards for Head Start staff providing such services;
(2) review, and, as necessary, revise or develop maximum caseload requirements, as suggested by best practices;
(3) promote the development of model curricula (on subjects including parenting training and family literacy) designed to ensure the attainment of appropriate competencies by individuals working or planning to work in the field of early childhood and family services;
(4) promote the establishment of a credential that indicates attainment of the competencies and that is accepted nationwide; and
(5) promote the use of appropriate strategies to meet the needs of special populations (including populations of limited English proficient children).

(d) Head Start Fellowships

(1) Authority

The Secretary may establish a program of fellowships, to be known as “Head Start Fel-
(2) Purpose

The fellowship program established under this subsection shall be designed to enhance the ability of Head Start Fellows to make significant contributions to programs authorized under this subchapter, by providing opportunities to expand their knowledge and experience through exposure to activities, issues, resources, and new approaches, in the field of child development and family services.

(3) Assignments of Fellows

(A) Placement sites

Fellowship positions under the fellowship program may be located (subject to subparagraphs (B) and (C))—

(i) in agencies of the Department of Health and Human Services administering programs authorized under this subchapter (in national or regional offices of such agencies);

(ii) in local Head Start agencies and programs;

(iii) in institutions of higher education;

(iv) in public or private entities and organizations concerned with services to children and families; and

(v) in other appropriate settings.

(B) Limitation for Fellows other than Head Start employees

A Head Start Fellow who is not an employee of a local Head Start agency or program may be placed only in a fellowship position located in an agency or program specified in clause (i) or (ii) of subparagraph (A).

(C) No placement in lobbying organizations

Head Start Fellowship positions may not be located in any agency (including a center) whose primary purpose, or one of whose major purposes, is to influence Federal, State, or local legislation.

(4) Selection of Fellows

Head Start Fellowships shall be awarded on a competitive basis to individuals (other than Federal employees) selected from among applicants who are working, on the date of application, in local Head Start programs or otherwise working in the field of child development and children and family services.

(5) Duration

Head Start Fellowships shall be for terms of 1 year, and may be renewed for a term of 1 additional year.

(6) Authorized expenditures

From amounts made available under section 9835(a)(2)(E) of this title, the Secretary is authorized to make expenditures of not to exceed $1,000,000 for any fiscal year, for stipends and other reasonable expenses of the fellowship program.

(7) Status of Fellows

Except as otherwise provided in this paragraph, Head Start Fellows shall not be considered to be employees or otherwise in the service or employment of the Federal Government.

Head Start Fellows shall be considered to be employees for purposes of compensation for injuries under chapter 81 of title 5. Head Start Fellows assigned to positions located in agencies specified in paragraph (3)(A)(i) shall be considered employees in the executive branch of the Federal Government for the purposes of chapter 11 of title 18 and for purposes of any administrative standards of conduct applicable to the employees of the agency to which they are assigned.

(8) Regulations

The Secretary shall promulgate regulations to carry out this subsection.

(e) Model staffing plans

Not later than 1 year after May 18, 1994, the Secretary, in consultation with appropriate public agencies, private agencies, and organizations and with individuals with expertise in the field of children and family services, shall develop model staffing plans to provide guidance to local Head Start agencies and programs on the numbers, types, responsibilities, and qualifications of staff required to operate a Head Start program.

(f) Professional development plans

Each Head Start agency and program shall create, in consultation with an employee, a professional development plan for all full-time Head Start employees who provide direct services to children and shall ensure that such plans are regularly evaluated for their impact on teacher and staff effectiveness. The agency and the employee shall implement the plan to the extent feasible and practicable.

(g) Staff recruitment and selection procedures

Before a Head Start agency employs an individual, such agency shall—

(1) conduct an interview of such individual;

(2) verify the personal and employment references provided by such individual; and

(3) obtain—

(A) a State, tribal, or Federal criminal record check covering all jurisdictions where the grantee provides Head Start services to children;

(B) a State, tribal, or Federal criminal record check as required by the law of the jurisdiction where the grantee provides Head Start services; or

(C) a criminal record check as otherwise required by Federal law.

Amendments


read as follows: “In order to improve the quality and effectiveness of staff providing in-home and other services (including needs assessment, development of service plans, family advocacy, and coordination of service delivery) to families of children participating in Head Start programs, the Secretary, in coordination with concerned public and private agencies and organizations examining the issues of standards and training for family service workers, shall—

“(1) review and, as necessary, revise or develop new qualification standards for Head Start staff providing such services;

“(2) promote the development of model curricula (on subjects including parenting training and family literacy) designed to ensure the attainment of appropriate competencies by individuals working or planning to work in the field of early childhood and family services; and

“(3) promote the establishment of a credential that indicates attainment of the competencies and that is accepted nationwide.”


1996—Subsec. (a). Pub. L. 105–285, § 115(1), amended heading and text of subsec. (a) generally. Prior to amendment, subsec. (a) required Secretary to ensure that not later than Sept. 30, 1996, each Head Start classroom in a center-based program was assigned a teacher with certain specified credentials and gave Secretary limited authority to waive that requirement. Subsec. (b)(2)(B). Pub. L. 105–285, § 115(2), substituted “staff or that are” for “staff, that are” and struck out “. or that lack staff of a similar cultural background to that of the participating children and their families” before semicolon.

Effective Date
Section effective May 18, 1994, but not applicable to Head Start agencies and other recipients of financial assistance under the Head Start Act (42 U.S.C. 9831 et seq.) until Oct. 1, 1994, see section 127 of Pub. L. 103–252, set out as an Effective Date of 1994 Amendment note under section 9832 of this title.

§ 9844. Research, demonstrations, and evaluation

(a) In general

(1) Requirement; general purposes

The Secretary shall carry out a continuing program of research, demonstration, and evaluation activities, in order to—

(A) foster continuous improvement in the quality of the Head Start programs under this subchapter and in their effectiveness in enabling participating children and their families to succeed in school and otherwise; and

(B) use the Head Start programs to develop, test, and disseminate new ideas based on existing scientifically valid research, for addressing the needs of low-income preschool children (including children with disabilities, homeless children, children who have been abused or neglected, and children in foster care) and their families and communities (including demonstrations of innovative non-center-based program models such as home-based and mobile programs), and otherwise to further the purposes of this subchapter.

(2) Plan

The Secretary shall develop, and periodically update, a plan governing the research, demonstration, and evaluation activities under this section.

(b) Conduct of research, demonstration, and evaluation activities

The Secretary, in order to conduct research, demonstration, and evaluation activities under this section—

(1) may carry out such activities directly, or through grants to, or contracts or cooperative agreements with, public or private entities;

(2) shall, to the extent appropriate, undertake such activities in collaboration with other Federal agencies, and with non-Federal agencies, conducting similar activities;

(3) shall ensure that evaluation of activities in a specific program or project is conducted by persons not directly involved in the operation of such program or project;

(4) may require Head Start agencies to provide for independent evaluations;

(5) may approve, in appropriate cases, community-based cooperative research and evaluation efforts to enable Head Start programs to collaborate with qualified researchers not directly involved in program administration or operation; and

(6) may collaborate with organizations with expertise in inclusive educational strategies for preschoolers with disabilities.

(c) Consultation and collaboration

In carrying out activities under this section, the Secretary shall—

(1) consult with—

(A) individuals from relevant academic disciplines;

(B) individuals who are involved in the operation of Head Start programs and individuals who are involved in the operation of other child and family service programs; and

(C) individuals from other Federal agencies, and individuals from organizations, involved with children and families, ensuring that the individuals described in this subparagraph reflect the multicultural nature of the children and families served by the Head Start programs and the multidisciplinary nature of the Head Start programs;

(2) whenever feasible and appropriate, obtain the views of persons participating in and served by programs and projects assisted under this subchapter with respect to activities under this section; and

(3) establish, to the extent appropriate, working relationships with the faculties of institutions of higher education, as defined in section 1001 of title 20, located in the area in which any evaluation under this section is being conducted, unless there is no such institution of higher education willing and able to participate in such evaluation.

(d) Specific objectives

The research, demonstration, and evaluation activities under this subchapter shall include components designed to—

(1) permit ongoing assessment of the quality and effectiveness of the programs under this subchapter;
(2) establish evaluation methods that measure the effectiveness and impact of family literacy services program models, including models for the integration of family literacy services with Head Start services;

(3) contribute to developing knowledge concerning factors associated with the quality and effectiveness of Head Start programs and in identifying ways in which services provided under this subchapter may be improved;

(4) assist in developing knowledge concerning the factors that promote or inhibit healthy development and effective functioning of children and their families both during and following participation in a Head Start program;

(5) (A) identify successful strategies that promote good oral health and provide effective linkages to quality dental services through pediatric dental referral networks, for infants and toddlers participating in Early Head Start programs and children participating in other Head Start programs; and

(B) identify successful strategies that promote good vision health through vision screenings for such infants, toddlers, and children, and referrals for appropriate followup care for those identified as having a vision problem;

(6) permit comparisons of children and families participating in Head Start programs with children and families receiving other child care, early childhood education and development or services programs and with other appropriate control groups;

(7) contribute to understanding the characteristics and needs of population groups eligible for services provided under this subchapter and the impact of such services on the individuals served and the communities in which such services are provided;

(8) provide for disseminating and promoting the use of the findings from such research, demonstration, and evaluation activities;

(9) promote exploration of areas in which knowledge is insufficient, and that will otherwise contribute to fulfilling the purposes of this subchapter; and

(10)(A) contribute to understanding the impact of Head Start services delivered in classrooms which include both children with disabilities and children without disabilities, on all of the children; and

(B) disseminate promising practices for increasing the availability and quality of such services and such classrooms.

(e) Longitudinal studies

In developing priorities for research, demonstration, and evaluation activities under this section, the Secretary shall give special consideration to longitudinal studies that—

(1) examine the developmental progress of children and their families both during and following participation in a Head Start program, including the examination of factors that contribute to or detract from such progress;

(2) examine factors related to improving the quality of the Head Start programs and the

preparation the programs provide for children and their families to function effectively in schools and other settings in the years following participation in such a program; and

(3) as appropriate, permit comparison of children and families participating in Head Start programs with children and families receiving other early childhood education and development services or programs, and with other appropriate control groups.

(f) Ownership of results

The Secretary shall take necessary steps to ensure that all studies, reports, proposals, and data produced or developed with Federal funds under this subchapter shall become the property of the United States.

(g) National Head Start impact research

(1) Expert panel

(A) In general

The Secretary shall appoint an independent panel consisting of experts in program evaluation and research, education, and early childhood programs—

(i) to review, and make recommendations on, the design and plan for the research (whether conducted as a single assessment or as a series of assessments) described in paragraph (2), within 1 year after October 27, 1998;

(ii) to maintain and advise the Secretary regarding the progress of the research; and

(iii) to comment, if the panel so desires, on the interim and final research reports submitted under paragraph (7).

(B) Travel expenses

The members of the panel shall not receive compensation for the performance of services for the panel, but shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5, while away from their homes or regular places of business in the performance of services for the panel.

(2) General authority

After reviewing the recommendations of the expert panel, the Secretary shall make a grant to, or enter into a contract or cooperative agreement with, an organization to conduct independent research that provides a national analysis of the impact of Head Start programs. The Secretary shall ensure that the organization shall have expertise in program evaluation, and research, education, and early childhood programs.

(3) Designs and techniques

The Secretary shall ensure that the research uses rigorous methodological designs and techniques (based on the recommendations of the expert panel), including longitudinal designs, control groups, nationally recognized standardized measures, and random selection and assignment, as appropriate. The Secretary may provide that the research shall be con-
ducted as a single comprehensive assessment or as a group of coordinated assessments designed to provide, when taken together, a national analysis of the impact of Head Start programs.

(4) Programs
The Secretary shall ensure that the research focuses primarily on Head Start programs that operate in the 50 States, the Commonwealth of Puerto Rico, or the District of Columbia and that do not specifically target special populations.

(5) Analysis
The Secretary shall ensure that the organization conducting the research—
(A)(i) determines if, overall, the Head Start programs have impacts consistent with their primary goal of increasing the social competence of children, by increasing the everyday effectiveness of the children in dealing with their present environments and future responsibilities, and increasing their school readiness;
(ii) considers whether the Head Start programs—
(I) enhance the growth and development of children in cognitive, emotional, and physical health areas;
(II) strengthen families as the primary nurturers of their children; and
(III) ensure that children attain school readiness; and
(iii) examines—
(I) the impact of the Head Start programs on increasing access of children to such services as educational, health, and nutritional services, and linking children and families to needed community services; and
(II) how receipt of services described in subclause (I) enriches the lives of children and families participating in Head Start programs;
(B) examines the impact of Head Start programs on participants on the date the participants leave Head Start programs, at the end of kindergarten and at the end of first grade (whether in public or private school), by examining a variety of factors, including educational achievement, referrals for special education or remedial course work, and absenteeism;
(C) makes use of random selection from the population of all Head Start programs described in paragraph (4) in selecting programs for inclusion in the research; and
(D) includes comparisons of individuals who participate in Head Start programs with control groups (including comparison groups) composed of—
(i) individuals who participate in other early childhood programs (such as public or private preschool programs and day care); and
(ii) individuals who do not participate in any other early childhood program.

(6) Consideration of sources of variation
In designing the research, the Secretary shall, to the extent practicable, consider addressing possible sources of variation in impact of Head Start programs, including variations in impact related to such factors as—
(A) Head Start program operations;
(B) Head Start program quality;
(C) the length of time a child attends a Head Start program;
(D) the age of the child on entering the Head Start program;
(E) the type of organization (such as a local educational agency or a community action agency) providing services for the Head Start program;
(F) the number of hours and days of program operation of the Head Start program (such as whether the program is a full-working-day, full calendar year program, a part-day program, or a part-year program); and
(G) other characteristics and features of the Head Start program (such as geographic location, location in an urban or a rural service area, or participant characteristics), as appropriate.

(7) Reports
(A) Submission of interim reports
The organization shall prepare and submit to the Secretary two interim reports on the research. The first interim report shall describe the design of the research, and the rationale for the design, including a description of how potential sources of variation in impact of Head Start programs have been considered in designing the research. The second interim report shall describe the status of the research and preliminary findings of the research, as appropriate.

(B) Submission of final report
The organization shall prepare and submit to the Secretary a final report containing the findings of the research.

(C) Transmittal of report to Congress
Not later than September 30, 2009, the Secretary shall transmit the final report to the Committee on Education and Labor of the House of Representatives and the Committee on Health, Education, Labor, and Pensions of the Senate.

(8) Definition
In this subsection, the term “impact”, used with respect to a Head Start program, means a difference in an outcome for a participant in the program that would not have occurred without the participation in the program.

(h) Limited English proficient children
(1) Study
Not later than 1 year after December 12, 2007, the Secretary shall conduct a study on the status of limited English proficient children and their families participating in Head Start programs (including Early Head Start programs).

(2) Report
The Secretary shall prepare and submit to the Committee on Education and Labor of the House of Representatives and the Committee on Health, Education, Labor, and Pensions of
the Senate, not later than September 30, 2010, a report containing the results of the study, including information on—
(A) the demographics of limited English proficient children from birth through age 5, including the number of such children receiving Head Start services and Early Head Start services, and the geographic distribution of children described in this subparagraph;
(B) the nature of the Head Start services and of the Early Head Start services provided to limited English proficient children and their families, including the types, content, duration, intensity, and costs of family services, language assistance, and educational services;
(C) procedures in Head Start programs and Early Head Start programs for the assessment of language needs and the transition of limited English proficient children to kindergarten, including the extent to which such programs meet the requirements of section 9837a of this title for limited English proficient children;
(D) the qualifications and training provided to Head Start teachers and Early Head Start teachers who serve limited English proficient children and their families;
(E) the languages in which Head Start teachers and Early Head Start teachers are fluent, in relation to the population, and instructional needs, of the children served;
(F) the rate of progress made by limited English proficient children and their families in Head Start programs and in Early Head Start programs, including—
(i) the rate of progress made by limited English proficient children toward meeting the additional educational standards described in section 9836a(a)(1)(B)(ii) of this title while enrolled in such programs;
(ii) a description of the type of assessment or assessments used to determine the rate of progress made by limited English proficient children;
(iii) the correlation between such progress and the type and quality of instructional and educational programs provided to limited English proficient children; and
(iv) the correlation between such progress and the health and family services provided by such programs to limited English proficient children and their families; and
(G) the extent to which Head Start programs and Early Head Start programs make use of funds under section 9835(a)(2)(D) of this title to improve the quality of such services provided to limited English proficient children and their families.
(i) Research and evaluation activities relevant to diverse communities
For purposes of conducting the study described in subsection (b), activities described in section 9835(i)(5)(A) of this title, and other research and evaluation activities relevant to limited English proficient children and their families, migrant and seasonal farmworker families, and other families from diverse populations served by Head Start programs, the Secretary shall award, on a competitive basis, funds from amounts made available under section 9835(a)(2)(D) of this title to 1 or more organizations with a demonstrated capacity for serving and studying the populations involved.
(j) Review of assessments
(1) Application of study
When the study on Developmental Outcomes and Assessments for Young Children by the National Academy of Sciences is made available to the Secretary, the Secretary shall—
(A) integrate the results of the study, as appropriate and in accordance with paragraphs (2) and (3), into each assessment used in Head Start programs; and
(B) use the results of the study to develop, inform, and revise as appropriate the standards and measures described in section 9836a of this title, consistent with section 9836a(a)(2)(C)(ii) of this title.
(2) Inform and revise
In informing and revising any assessment used in the Head Start programs, the Secretary shall—
(A) receive recommendations from the Panel on Developmental Outcomes and Assessments for Young Children of the National Academy of Sciences; and
(B) with respect to the development or refinement of such assessment, ensure—
(i) consistency with relevant, nationally recognized professional and technical standards;
(ii) validity and reliability for all purposes for which assessments under this subchapter are designed and used;
(iii) developmental and linguistic appropriateness of such assessments for children assessed, including children who are limited English proficient; and
(iv) that the results can be used to improve the quality of, accountability of, and training and technical assistance in, Head Start programs.
(3) Additional requirements
The Secretary, in carrying out the process described in paragraph (2), shall ensure that—
(A) staff administering any assessments under this subchapter have received appropriate training to administer such assessments;
(B) appropriate accommodations for children with disabilities and children who are limited English proficient are made;
(C) the English and Spanish (and any other language, as appropriate) forms of such assessments are valid and reliable in the languages in which they are administered; and
(D) such assessments are not used to exclude children from Head Start programs.
(4) Suspended implementation of national reporting system
The Secretary shall suspend implementation and terminate further development and use of the National Reporting System.
(k) Indian Head Start study
The Secretary shall—
(1) work in collaboration with the Head Start agencies that carry out Indian Head Start programs, the Indian Head Start collaboration director, and other appropriate entities, including tribal governments and the National Indian Head Start Directors Association—

(A) to undertake a study or set of studies designed to focus on the American Indian and Alaska Native Head Start-eligible population, with a focus on issues such as curriculum development, availability and need for services, appropriate research methodologies and measures for these populations, and best practices for teaching and educating American Indian and Alaska Native Head Start Children;

(B) to accurately determine the number of children nationwide who are eligible to participate in Indian Head Start programs each year;

(C) to document how many of these children are receiving Head Start services each year;

(D) to the extent practicable, to ensure that access to Indian Head Start programs for eligible children is comparable to access to other Head Start programs for other eligible children; and

(E) to make the funding decisions required in section 9855(a)(4)(D)(ii) of this title, after completion of the studies required in that section, taking into account—

(i) the Federal government’s unique trust responsibility to American Indians and Alaska Natives;

(ii) limitations faced by tribal communities in accessing non-Federal sources of funding to supplement Federal funding for early childhood programs; and

(iii) other factors that uniquely and adversely impact children in American Indian and Alaska Native communities such as highly elevated poverty, unemployment and violent crime rates, as well as depressed levels of educational achievement and limited access to non-Federal health, social and educational resources;

(2) in carrying out paragraph (1), consult with the Secretary of Education about the Department of Education’s systems for collecting and reporting data about, and maintaining records on, American Indian and Alaska Native students;

(3) not later than 9 months after the effective date of this subsection, publish in the Federal Register a notice of how the Secretary plans to carry out paragraph (1) and shall provide a period for public comment. To the extent practicable, the Secretary shall consider comments received before submitting a report to the Congress;

(4) not later than 1 year after the effective date of this subsection, submit a report to the Committee on Education and Labor of the House of Representatives and the Committee on Health, Education, Labor, and Pensions of the Senate, detailing how the Department of

Health and Human Services plans to carry out paragraph (1);

(5) through regulation, ensure the confidentiality of any personally identifiable data, information, and records collected or maintained by the Secretary, by Head Start agencies that carry out Indian Head Start programs, and by State Directors of Head Start Collaboration, by the Indian Head Start Collaboration Project Director and by other appropriate entities pursuant to this subsection (such regulations shall provide the policies, protections, and rights equivalent to those provided a parent, student, or educational agency or institution under section 1232g of title 20); and

(6) ensure that nothing in this subsection shall be construed to authorize the development of a nationwide database of personally identifiable information on individuals involved in studies or other collections of data under this subsection.

(I) Migrant and seasonal Head Start program study

(1) Data

In order to increase access to Head Start services for children of migrant and seasonal farmworkers, the Secretary shall work in collaboration with providers of migrant and seasonal Head Start programs, the Secretary of Agriculture, the Secretary of Labor, the Bureau of Migrant Health, and the Secretary of Education to—

(A) collect, report, and share data, within a coordinated system, on children of migrant and seasonal farmworkers and their families, including health records and educational documents of such children, in order to adequately account for the number of children of migrant and seasonal farmworkers who are eligible for Head Start services and determine how many of such children receive the services; and

(B) identify barriers that prevent children of migrant and seasonal farmworkers who are eligible for Head Start services from accessing Head Start services, and develop a plan for eliminating such barriers, including certain requirements relating to tracking, health records, and educational documents, and increasing enrollment.

(2) Publication of plan

Not later than 1 year after December 12, 2007, the Secretary shall publish in the Federal Register a notice about how the Secretary plans to implement the activities identified in paragraph (1) and shall provide a period for public comment. To the extent practicable, the Secretary shall consider comments received before implementing any of the activities identified in paragraph (1).

(3) Report

Not later than 18 months after December 12, 2007, and annually thereafter, the Secretary shall submit a report to the Committee on Education and Labor of the House of Representatives and the Committee on Health, Education, Labor, and Pensions of the Senate detailing how the Secretary plans to imple-
ment the activities identified in paragraph (1), including the progress made in reaching out to and serving eligible children of migrant and seasonal farmworkers, and information on States where such children are still under-served.

(4) Protection of confidentiality

The Secretary shall, through regulation, ensure the protection of the confidentiality of any personally identifiable data, information, and records collected or maintained by the Secretary, by Head Start agencies that carry out migrant or seasonal Head Start programs, by the State director of Head Start Collaboration, and by the Migrant and Seasonal Farmworker Collaboration project Director (such regulations shall provide the policies, protections, and rights equivalent to those provided a parent, student, or educational agency or institution under section 1232g of title 20).

(5) Rule of construction

Nothing in this subsection shall be construed to authorize the development of a nationwide database of personally identifiable data, information, or records on individuals involved in studies or other collections of data under this subsection.

(m) Program emergency preparedness

(1) Purpose

The purpose of this subsection is to evaluate the emergency preparedness of the Head Start programs, including Early Head Start programs, and make recommendations for how Head Start shall enhance its readiness to respond to an emergency.

(2) Study

The Secretary shall evaluate the Federal, State, and local preparedness of Head Start programs, including Early Head Start programs, to respond appropriately in the event of a large-scale emergency, such as the hurricanes Katrina, Rita, and Wilma, the terrorist attacks of September 11, 2001, or other incidents where assistance may be warranted under the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.).

(3) Report to Congress

Not later than 18 months after December 12, 2007, the Secretary shall prepare and submit to Committee on Education and Labor of the House of Representatives and the Committee on Health, Education, Labor, and Pensions of the Senate a report containing the results of the evaluation required under paragraph (2), including:

(A) recommendations for improvements to Federal, State, and local preparedness and response capabilities to large-scale emergencies, including those that were developed in response to hurricanes Katrina, Rita, and Wilma, as they relate to Head Start programs, including Early Head Start programs, and the Secretary’s plan to implement such recommendations;

(B) an evaluation of the procedures for informing families of children in Head Start programs about the program protocols for response to a large-scale emergency, including procedures for communicating with such families in the event of a large-scale emergency;

(C) an evaluation of such procedures for staff training on State and local evacuation and emergency protocols; and

(D) an evaluation of procedures for Head Start agencies and the Secretary to coordinate with appropriate Federal, State, and local emergency management agencies in the event of a large-scale emergency and recommendations to improve such procedures.


REFERENCES IN TEXT

The effective date of this subsection, referred to in subsec. (k)(3), (4), probably means the date of enactment of Pub. L. 110–134, which enacted subsec. (k) of this section and was approved Dec. 12, 2007.


AMENDMENTS

2007—Subsec. (a)(1)(B). Pub. L. 110–134, § 20(1), amended subpar. (B) generally. Prior to amendment, subpar. (B) read as follows: “use the Head Start programs to develop, test, and disseminate new ideas and approaches for addressing the needs of low-income preschool children (including children with disabilities) and their families and communities (including demonstrations of innovative noncenter-based program models such as home-based and mobile programs), and otherwise to further the purposes of this subchapter.”

Subsec. (d). Pub. L. 110–134, § 20(2)(F), struck out concluding provisions which read as follows: “The Secretary shall ensure that an appropriate entity carries out a study described in paragraph (9), and prepares and submits to the appropriate committees of Congress a report containing the results of the study, not later than September 30, 2002.”


Pub. L. 110–134, § 20(2)(C), substituted “early childhood education and development or services programs” for “early childhood education, or child development services”.

Subsec. (d)(6). Pub. L. 110–134, § 20(2)(D), redesignated pars. (5) and (6) as (6) and (7), respectively. Former par. (7) redesignated (8).


Subsec. (d)(9). Pub. L. 110–134, § 20(2)(B), (D), redesignated par. (8) as (9) and struck out former par. (9) which read as follows: “study the experiences of small, medium, and large States with Head Start programs in order to permit comparisons of children participating in the programs with eligible children who did not participate in the programs, which study—

“(A) may include the use of a data set that existed prior to the initiation of the study; and
“(B) shall compare the educational achievement, social adaptation, and health status of the participating children and the eligible nonparticipating children; and”

Subsec. (d)(10). Pub. L. 110–134, § 20(2)(B), added par. (10) and struck out former par. (10) which provided for using the Survey of Income and Program Participation to conduct certain analyses, the National Longitudinal Survey of Youth to examine certain outcomes, and the Survey of Program Dynamics to begin certain annual reporting.

Subsec. (e)(3). Pub. L. 110–134, § 20(3), substituted “early childhood education and development services or programs” for “child care, early childhood education, or child development services”.

Subsec. (g)(7)(c). Pub. L. 110–134, § 20(4), amended subpar. (C) generally. Prior to amendment, text read as follows:

“(I) IN GENERAL.—The Secretary shall transmit, to the committees described in clause (ii), the first interim report by September 30, 1999, the second interim report by September 30, 2001, and the final report by September 30, 2003.

“(ii) COMMITTEES.—The committees referred to in clause (i) are the Committee on Education and the Workforce of the House of Representatives and the Committee on Labor and Human Resources of the Senate.”

Subsecs. (h) to (m). Pub. L. 110–134, § 20(5), added subsecs. (h) to (m) and struck out former subsec. (h) which related to quality improvement study.

1998—Subsec. (c)(5). Pub. L. 105–244 substituted “section 1001” for “section 1141(a)”.


Subsec. (d)(2). Pub. L. 105–285, § 116(1)(C), (D), added par. (2) and redesignated former pars. (2) to (7) as (3) to (8), respectively.

Subsec. (d)(9). Pub. L. 105–285, § 116(1)(A), (B), (E), added pars. (9) and (10).

Subsecs. (g), (h). Pub. L. 105–285, § 116(2), added subsecs. (g) and (h).

1994—Pub. L. 103–252 substituted “Research, demonstrations, and evaluations” for “Research, demonstration, pilot projects, studies, and reports” in section catchline and amended text generally, substituting provisions requiring Secretary to conduct a research, demonstration, and evaluation program to continually improve Head Start programs and develop innovative ways to further purposes of this subchapter, consult with others on the program, consider longitudinal studies in developing priorities for program, and ensure all products of program become United States property and defining objectives of program, for provisions authorizing the Secretary to provide financial assistance through contracts and grants for research, demonstration or pilot projects to develop new approaches to further purposes of this subchapter, directing Secretary to establish plan for approval of such projects, restricting combination of funds appropriated under this subchapter with other appropriations to make a single grant, requiring Secretary to conduct study of approaches to provide early, continuous, and comprehensive intervention to low-income or at-risk children and study of family day care in compliance with performance standards and to report results of studies to Congress.


§ 9846. Reports

(a) Status of children

At least once during every 2-year period, the Secretary shall prepare and submit to the Committee on Education and Labor of the House of Representatives and the Committee on Health, Education, Labor, and Pensions of the Senate, a report concerning the status of children (including children with disabilities, limited English proficient children, homeless children, children in foster care, and children participating in Indian Head Start programs and migrant or seasonal Head Start programs) in Head Start programs, including the number of children and the services being provided to such children. Such report shall include—

(1) a statement for the then most recently concluded fiscal year specifying—

(A) the amount of funds received by Head Start agencies designated under section 9836 of this title to provide Head Start services in a period before such fiscal year; and

(B) the amount of funds received by Head Start agencies newly designated under section 9836 of this title to provide such services in such fiscal year;

(2) a description of the distribution of Head Start services relative to the distribution of children who are eligible to participate in Head Start programs, including geographic distribution within States, and information on the number of children served under this sub-
section, disaggregated by type of eligibility criterion;
(3) a statement identifying how funds made available under section 9835(a) of this title were distributed and used at national, regional, and local levels;
(4) a statement specifying the amount of funds provided by the State, and by local sources, to carry out Head Start programs;
(5) cost per child and how such cost varies by region;
(6) a description of the level and nature of participation of parents in Head Start programs as volunteers and in other capacities;
(7) information concerning Head Start staff, including salaries, education, training, experience, and staff turnover;
(8) information concerning children participating in programs that receive Head Start funding, including information on family income, racial and ethnic background, homelessness, whether the child is in foster care or was referred by a child welfare agency, disability, and receipt of benefits under part A of title IV of the Social Security Act [42 U.S.C. 601 et seq.];
(9) the use and source of funds to extend Head Start services to operate full-day and year-round;
(10) using data from the monitoring conducted under section 9836a(c) of this title—
   (A) a description of the extent to which programs funded under this subchapter comply with performance standards and regulations in effect under this subchapter;
   (B) a description of the types and condition of facilities in which such programs are located;
   (C) the types of organizations that receive Head Start funds under such programs; and
   (D) the number of children served under each program option;
(11) the information contained in the documents entitled “Program Information Report” and “Head Start Cost Analyses System” (or any document similar to either), prepared with respect to Head Start programs;
(12) a description of the types of services provided to children and their families, both on-site and through referrals, including health, mental health, dental care, vision care, parenting education, physical fitness, and literacy training;
(13) a summary of information concerning the research, demonstration, and evaluation activities conducted under section 9844 of this title, including—
   (A) a status report on ongoing activities; and
   (B) results, conclusions, and recommendations, not included in any previous report, based on completed activities; and
(14) a study of the delivery of Head Start programs to Indian children living on and near Indian reservations, to children of Alaska Natives, and to children of migrant and seasonal farmworker families.

Promptly after submitting such report to the Committee on Education and Labor of the House of Representatives and the Committee on Health, Education, Labor, and Pensions of the Senate, the Secretary shall publish in the Federal Register a notice indicating that such report is available to the public and specifying how such report may be obtained.

(b) Facilities
At least once during every 5-year period, the Secretary shall prepare and submit, to the Committee on Education and Labor of the House of Representatives and the Committee on Health, Education, Labor, and Pensions of the Senate, a report concerning the condition, location, and ownership of facilities used, or available to be used, by Indian Head Start agencies (including Alaska Native Head Start agencies) and Native Hawaiian Head Start agencies.

(c) Fiscal protocol

(1) In general
The Secretary shall conduct an annual review to assess whether the design and implementation of the triennial reviews described in section 9836a(c) of this title include compliance procedures that provide reasonable assurances that Head Start agencies are complying with applicable fiscal laws and regulations.

(2) Report
Not later than 30 days after the date the Secretary completes the annual review under paragraph (1), the Secretary shall report the findings and conclusions of the annual review to the Committee on Education and Labor of the House of Representatives and the Committee on Health, Education, Labor, and Pensions of the Senate.

(d) Disability-related services

(1) In general
The Secretary shall track the provision of disability-related services for children, in order to—
   (A) determine whether Head Start agencies are making timely referrals to the State or local agency responsible for providing services under section 619 or part C of the Individuals with Disabilities Education Act (20 U.S.C. 1419, 1431 et seq.);
   (B) identify barriers to timely evaluations and eligibility determinations by the State or local agency responsible for providing services under section 619 or part C of the Individuals with Disabilities Education Act; and
   (C) determine under what circumstances and for what length of time Head Start agencies are providing disability-related services for children who have not been determined under the Individuals with Disabilities Education Act (20 U.S.C. 1400 et seq.) to be children with disabilities.

(2) Report
Not later than 1 year after December 12, 2007, the Secretary shall provide a report to the Committee on Education and Labor of the House of Representatives and the Committee on Health, Education, Labor, and Pensions of the Senate on the activities described in paragraph (1).
(e) Evaluation and recommendations regarding obesity prevention

Not later than 1 year after December 12, 2007, the Secretary shall submit to the Committee on Education and Labor of the House of Representatives and the Committee on Health, Education, Labor, and Pensions of the Senate a report on the Secretary’s progress in assisting program efforts to prevent and reduce obesity in children who participate in Head Start programs, including progress on implementing initiatives within the Head Start program to prevent and reduce obesity in such children.


REFERENCES IN TEXT


CODE

Secs. (c) to (e). Pub. L. 110–134, §118(a)(1), struck out subsec. (a) (to which related to evaluations of programs under this subchapter to determine impact and effectiveness, adherence to Head Start performance standards, persons or entities assisting in evaluations, Secretary obtaining views of program participants, publication and submission of results to congressional committees, and all studies and evaluation material remaining property of the United States).

Subsec. (a). Pub. L. 103–252, §118(a)(2)–(4), struck out subsec. (g) designation, substituted “monitoring conducted under section 9836a(c) of this title” for “evaluations conducted under section 9836a(c) of this title” in par. (10), and added pars. (13) and (14).

1992—Subsec. (g), Pub. L. 102–401 struck out “[‘‘1’’] before ‘‘At least’’ at beginning of subsec. and substituted ‘‘physical’’ for ‘‘physical’’ in par. (12).

1990—Subsec. (c)(2), Pub. L. 101–501, §118, inserted at end “The Secretary is encouraged to provide funds for community-based cooperative research efforts to enable Head Start directors to conduct evaluations of their programs with the assistance of qualified research workers not directly involved in the administration of the program or project operation.”


1984—Subsec. (b), Pub. L. 98–558 substituted “not result in the elimination of nor any reduction in the scope or type of health, education, parental involvement, social or other services required to be provided under the standards” for “result in standards which are no less comprehensive than those” in second sentence.

EFFECTIVE DATE OF 1994 AMENDMENT


EFFECTIVE DATE OF 1992 AMENDMENT


EFFECTIVE DATE OF 1990 AMENDMENT


TERMINATION OF REPORTING REQUIREMENTS

For termination, effective May 15, 2000, of provisions of law requiring submission to Congress of any annual, semiannual, or other regular periodic report listed in House Document No. 103–7 (in which the 4th item on page 79 identifies a reporting provision which, as subsequently amended, is contained in subsec. (a) of this section), see section 3003 of Pub. L. 104–66, as amended, set out as a note under section 1113 of Title 31, Money and Finance.


The Secretary shall take such action as may be necessary to assure that persons employed in carrying out programs financed under this subchapter shall not receive compensation at a rate which is (1) in excess of the average rate of compensation paid in the area where the program is carried out to a substantial number of the persons providing substantially comparable services in the area of the person's immediately preceding employment, whichever is higher; or (2) less than the minimum wage rate prescribed in section 206(a)(1) of title 29. The Secretary shall encourage Head Start agencies to provide compensation according to salary scales that are based on training and experience.

(b) Limitation

(1) In general

Notwithstanding any other provision of law, no Federal funds may be used to pay any part of the compensation of an individual employed by a Head Start agency, if such compensation, including non-Federal funds, exceeds an amount equal to the rate payable for level II of the Executive Schedule under section 5313 of title 5.

(2) Compensation

In this subsection, the term "compensation"—

(A) includes salary, bonuses, periodic payments, severance pay, the value of any vacation time, the value of a compensatory or paid leave benefit not excluded by subparagraph (B), and the fair market value of any employee perquisite or benefit not excluded by subparagraph (B); and

(B) excludes any Head Start agency expenditure for a health, medical, life insurance, disability, retirement, or any other employee welfare or pension benefit.

§ 9850. Limitation with respect to certain unlawful activities

No individual employed or assigned by or in any Head Start agency or other agency assisted under this subchapter shall, pursuant to or during the performance of services rendered in connection with any program or activity conducted or assisted under this subchapter by such Head Start agency or such other agency, plan, initiate, participate in, or otherwise aid or assist in the conduct of any unlawful demonstration, rioting, or civil disturbance.

§ 9851. Political activities

(a) State or local agency

For purposes of chapter 15 of title 5, any agency which assumes responsibility for planning, developing, and coordinating Head Start programs and receives assistance under this subchapter shall be deemed to be a State or local agency. For purposes of clauses (1) and (2) of section 1502(a) of such title, any agency receiving assistance under this subchapter shall be deemed to be a State or local agency.

(b) Restrictions

(1) In general

A program assisted under this subchapter, and any individual employed by, or assigned to or in, a program assisted under this subchapter (during the hours in which such individual is working on behalf of such program), shall not engage in—

(A) any partisan or nonpartisan political activity or any other political activity associated with a candidate, or contending faction or group, in an election for public or party office; or

(B) any activity to provide voters or prospective voters with transportation to the polls or similar assistance in connection with any such election.

(2) Registration

No funds appropriated under this subchapter may be used to conduct voter registration activities. Nothing in this subchapter prohibits the availability of Head Start facilities during hours of operation for the use of any nonpartisan organization to increase the number of eligible citizens who register to vote in elections for Federal office.

(3) Rules and regulations

The Secretary, after consultation with the Director of the Office of Personnel Management, may issue rules and regulations to provide for the enforcement of this section, which may include provisions for summary suspension of assistance or other action necessary to permit enforcement on an emergency basis.

§ 9852. Advance funding

For the purpose of affording adequate notice of funding available under this subchapter, appropriations for carrying out this subchapter are authorized to be included in an appropriation Act for the fiscal year preceding the fiscal year for which they are available for obligation.

§ 9852a. Parental consent requirement for nonemergency intrusive physical examinations

(a) Definition

The term “nonemergency intrusive physical examination” means, with respect to a child, a physical examination that—

(1) is not immediately necessary to protect the health or safety of the child involved or the health or safety of another individual; and

(2) requires incision or is otherwise invasive, or involves exposure of private body parts.

(b) Requirement

A Head Start agency shall obtain written parental consent before administration of any nonemergency intrusive physical examination of a child in connection with participation in a program under this subchapter.

(c) Rule of construction

Nothing in this section shall be construed to prohibit agencies from using established methods, for handling cases of suspected or known child abuse and neglect, that are in compliance with applicable Federal, State, or tribal law.

§ 9852b. Centers of Excellence in Early Childhood

(a) Definition

In this section, the term “center of excellence” means a Center of Excellence in Early Childhood designated under subsection (b).

(b) Designation and bonus grants

The Secretary shall, subject to the availability of funds under this section, establish a program under which the Secretary shall—

(1) designate not more than 200 exemplary Head Start agencies (including Early Head Start agencies, Indian Head Start agencies, and migrant and seasonal Head Start agencies) as Centers of Excellence in Early Childhood; and

(2) make bonus grants to the centers of excellence to carry out the activities described in subsection (d).
(c) Application and designation

(1) Application

(A) Nomination and submission

(i) In general

To be eligible to receive a designation as a center of excellence under subsection (b), except as provided in clause (ii), a Head Start agency in a State shall be nominated by the Governor of the State, after selection for nomination by such Governor through a competitive process, and shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require.

(ii) Indian and migrant and seasonal Head Start programs

In the case of an Indian Head Start agency or a migrant or seasonal Head Start agency, to be eligible to receive a designation as a center of excellence under subsection (b), such an agency shall be nominated by the head of the appropriate regional office of the Department of Health and Human Services and shall submit an application to the Secretary in accordance with clause (i).

(B) Contents

At a minimum, the application shall include—

(i) evidence that the Head Start program carried out by the agency involved has significantly improved the school readiness of children who have participated in the program;

(ii) evidence that the program meets or exceeds standards described in section 9836a(a)(1) of this title, as evidenced by the results of monitoring reviews described in section 9836a(c) of this title, and has no findings of deficiencies in the preceding 3 years;

(iii) evidence that the program is making progress toward meeting the requirements described in section 9843a of this title;

(iv) an assurance that the Head Start agency will develop a collaborative partnership with the State (or a State agency) and other providers of early childhood education and development programs and services in the local community involved to conduct activities under subsection (d);

(v) a nomination letter from the Governor, or appropriate regional office, demonstrating the agency’s ability to provide the coordination, transition, and training services of the program to be carried out under the bonus grant involved, including coordination of activities with State and local agencies that provide early childhood education and development to children and families in the community served by the agency, and carry out the activities described under subsection (d)(1); and

(vi) a description of how the center involved, in order to expand accessibility and continuity of quality early childhood education and development services and programs, will coordinate activities, as appropriate, assisted under this section with—

(I) programs carried out under subchapter II-B;

(II) the Early Head Start programs carried out under section 9840a of this title;

(III) preschool programs carried out under title I of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6301 et seq.);

(IV) programs carried out under section 619 and part C of the Individuals with Disabilities Education Act (20 U.S.C. 1419, 1431 et seq.);

(V) State prekindergarten programs; and

(VI) other programs of early childhood education and development.

(2) Selection

In selecting agencies to designate as centers of excellence under subsection (b), the Secretary shall designate not less than 1 from each of the 50 States, the District of Columbia, an Indian Head Start program, a migrant or seasonal Head Start program, and the Commonwealth of Puerto Rico.

(3) Priority

In making bonus grant determinations under this section, the Secretary shall give priority to agencies that, through their applications, demonstrate that their programs are of exceptional quality and would serve as exemplary models for programs in the same geographic region. The Secretary may also consider the populations served by the applicants, such as agencies that serve large proportions of families of limited English proficient children or other underserved populations, and may make bonus grants to agencies that do an exceptional job meeting the needs of children in such populations.

(4) Term of designation

(A) In general

Subject to subparagraph (B), the Secretary shall designate a Head Start agency as a center of excellence for a 5-year term. During the period of that designation, subject to the availability of appropriations, the agency shall be eligible to receive a bonus grant under subsection (b).

(B) Revocation

The Secretary may revoke an agency’s designation under subsection (b) if the Secretary determines that the agency is not demonstrating adequate performance or has had findings of deficiencies described in paragraph (1)(B)(ii).

(5) Amount of bonus grant

The Secretary shall base the amount of funding provided through a bonus grant made under subsection (b) to a center of excellence on the number of children eligible for Head Start services in the community involved. The Secretary shall, subject to the availability of funding, make such a bonus grant in an amount of not less than $200,000 per year.
(d) Use of funds

A center of excellence that receives a bonus grant under subsection (b)—

(1) shall use not less than 15 percent of the funds made available through the bonus grant to disseminate to other Head Start agencies in the State involved, best practices for achieving early academic success, including—

(A) best practices for achieving school readiness, including developing early literacy and mathematics skills, for children at risk for school difficulties;

(B) best practices for achieving the acquisition of the English language for limited English proficient children, if appropriate to the population served; and

(C) best practices for providing high-quality comprehensive services for eligible children and their families;

(2) may use the funds made available through the bonus grant—

(A) to provide Head Start services to additional eligible children;

(B) to better meet the needs of working families in the community served by the center by serving more children in existing Early Head Start programs (existing as of the date the center is designated under this section) or in full-working-day, full calendar year Head Start programs;

(C) to further coordinate early childhood education and development programs and services and social services available in the community served by the center for at-risk children (birth through age 8), their families, and pregnant women;

(D) to provide professional development for Head Start teachers and staff, including joint training for Head Start teachers and staff, child care providers, public and private preschool and elementary school teachers, and other providers of early childhood education and development programs;

(E) to provide effective transitions between Head Start programs and elementary schools and to facilitate ongoing communication between Head Start and elementary school teachers concerning children receiving Head Start services to improve the teachers’ ability to work effectively with low-income, at-risk children and their families;

(F) to develop or maintain partnerships with institutions of higher education and nonprofit organizations, including community-based organizations, that recruit, train, place, and support college students to serve as mentors and reading partners to preschool children in Head Start programs; and

(G) to carry out other activities determined by the center to improve the overall quality of the Head Start program carried out by the agency and the program carried out under the bonus grant involved.

(e) Research and reports

(1) Research

The Secretary shall, subject to the availability of funds to carry out this subsection, award a grant or contract to an independent organization to conduct research on the ability of the centers of excellence to use the funds received under this section to improve the school readiness of children receiving Head Start services, and to positively impact school results in the earliest grades. The organization shall also conduct research to measure the success of the centers of excellence at encouraging the center’s delegate agencies, additional Head Start agencies, and other providers of early childhood education and development programs in the communities involved to meet measurable improvement goals, particularly in the area of school readiness.

(2) Research report

Not later than 48 months after December 12, 2007, the organization shall prepare and submit to the Secretary and Congress a report containing the results of the research described in paragraph (1).

(3) Reports to the Secretary

Each center of excellence shall submit an annual report to the Secretary, at such time and in such manner as the Secretary may require, that contains a description of the activities the center carried out with funds received under this section, including a description of how such funds improved services for children and families.

(f) Authorization of appropriations

There are authorized to be appropriated such sums as may be necessary for each of fiscal years 2008 through 2012 to make bonus grants to centers of excellence under subsection (b) to carry out activities described in subsection (d) and research and report activities described in subsection (e).


REFERENCES IN TEXT


The Individuals with Disabilities Education Act, referred to in subsec. (c)(1)(B)(vi)(IV), is title VI of Pub. L. 91–230, Apr. 13, 1970, 84 Stat. 175. Part C of the Act is classified generally to subchapter III (§1431 et seq.) of chapter 33 of Title 20, Education. Section 619 of the Act is classified to section 1419 of Title 20. For complete classification of this Act to the Code, see section 1400 of Title 20 and Tables.

AMENDMENTS

2015—Subsec. (c)(1)(B)(vi)(III) to (VII). Pub. L. 114–95 redesignated subcls. (IV) to (VII) as (III) to (VI), respectively, in subcl. (III) as redesignated, struck out “‘the Elementary and Secondary Education Act of 1965’ for ‘‘that Act’” and struck out former subcl. (III) which read as follows: “Early Reading First and Even Start programs carried out under subparts 2 and 3 of title I of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6791 et seq., 6831 et seq.).”

EFFECTIVE DATE OF 2015 AMENDMENT

Amendment by Pub. L. 114–95 effective Dec. 10, 2015, except with respect to certain noncompetitive pro-
grams and competitive programs, see section 5 of Pub. L. 114–95, set out as a note under section 6301 of Title 20, Education.

§ 9852c. General provisions

(a) Limitation

Nothing in this subchapter shall be construed to authorize or permit the Secretary or any employee or contractor of the Department of Health and Human Services to mandate, direct, or control, the selection of a curriculum, a program of instruction, or instructional materials, for a Head Start program.

(b) Special rule

Nothing in this subchapter shall be construed to authorize or permit the Secretary or any employee or contractor of the Department of Health and Human Services to mandate, direct, or control, the provision of a Head Start program or a local educational agency to require the other to select or implement a specific curriculum or program of instruction.

(c) Definition

In this subchapter, the term “health”, when used to refer to services or care provided to enrolled children, their parents, or their siblings, shall be interpreted to refer to both physical and mental health.


SUBCHAPTER II–A—HEAD START TRANSITION PROJECT


SUBCHAPTER II–B—CHILD CARE AND DEVELOPMENT BLOCK GRANT

CODIFICATION


§ 9857. Short title and purposes

(a) Short title

This subchapter may be cited as the “Child Care and Development Block Grant Act of 1990”.

(b) Purposes

The purposes of this subchapter are—

(1) to allow each State maximum flexibility in developing child care programs and policies that best suit the needs of children and parents within that State;

(2) to promote parental choice to empower working parents to make their own decisions regarding the child care services that best suit their family’s needs;

(3) to encourage States to provide consumer education information to help parents make informed choices about child care services and to promote involvement by parents and family members in the development of their children in child care settings;

(4) to assist States in delivering high-quality, coordinated early childhood care and education services to maximize parents’ options and support parents trying to achieve independence from public assistance;

(5) to assist States in improving the overall quality of child care services and programs by implementing the health, safety, licensing, training, and oversight standards established in this subchapter and in State law (including State regulations);

(6) to improve child care and development of participating children; and

(7) to increase the number and percentage of low-income children in high-quality child care settings.


CODIFICATION

Subsection (a) of this section was formerly set out as a note under section 9801 of this title. Subsection (b) of this section was formerly set out as a note under section 9838 of this title.

AMENDMENTS

2014—Pub. L. 113–186 amended section generally. Prior to amendment, text read as follows:

“(a) SHORT TITLE.—This subchapter may be cited as the ‘Child Care and Development Block Grant Act of 1990’.

“(b) GOALS.—The goals of this subchapter are—

“(1) to allow each State maximum flexibility in developing child care programs and policies that best suit the needs of children and parents within such State;

“(2) to promote parental choice to empower working parents to make their own decisions on the child care that best suits their family’s needs;

“(3) to encourage States to provide consumer education information to help parents make informed choices about child care;

“(4) to assist States to provide child care to parents trying to achieve independence from public assistance; and
“(5) to assist States in implementing the health, safety, licensing, and registration standards established in State regulations.”


$9858. Authorization of appropriations

There is authorized to be appropriated to carry out this subchapter—

$2,360,000,000 for fiscal year 2015, $2,478,000,000 for fiscal year 2016, $2,539,950,000 for fiscal year 2017, $2,603,448,750 for fiscal year 2018, $2,668,534,969 for fiscal year 2019, and $2,748,591,018 for fiscal year 2020.


AMENDMENTS

2014—Pub. L. 113–186 substituted “subchapter” for “section” in section caption, inserted proviso as subsec. (a), inserted heading, and added subsec. (b)

1996—Pub. L. 104–193 reenacted section catchline, designated existing provisions as subsec. (a), inserted heading, and added subsec. (b)


EFFECTIVE DATE OF 1996 AMENDMENT

Pub. L. 104–193, title VI, §615, Aug. 22, 1996, 110 Stat. 2277, provided that:

“(a) IN GENERAL.—Except as provided in subsection (b), this title (see Short title of 1996 Amendment note set out under section 9801 of this title) and the amendments made by this title shall take effect on October 1, 1996.

“(b) EXCEPTION.—The amendment made by section 603(a) (amending this section) shall take effect on the date of enactment of this Act (Aug. 22, 1996).”

SMALL BUSINESS CHILD CARE GRANT PROGRAM


“(a) ESTABLISHMENT.—The Secretary of Health and Human Services (referred to in this section as the ‘Secretary’) shall establish a program to award grants to States, on a competitive basis, to assist States in providing funds to encourage the establishment and operation of employer-operated child care programs.

“(b) APPLICATION.—To be eligible to receive a grant under this section, a State shall prepare and submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require, including an assurance that the funds required under subsection (c) will be provided.

“(c) AMOUNT AND PERIOD OF GRANT.—The Secretary shall determine the amount of a grant to a State under this section based on the population of the State as compared to the population of all States receiving grants under this section. The Secretary shall make the grant for a period of 3 years.

“(d) USE OF FUNDS.—

“(1) IN GENERAL.—A State shall use amounts provided under a grant awarded under this section to provide assistance to small businesses (or consortia formed in accordance with paragraph (2) located in the State to enable the small businesses (or consortia) to establish and operate child care programs. Such assistance may include—

“(A) technical assistance in the establishment of a child care program;

“(B) assistance for the startup costs related to a child care program;

“(C) assistance for the training of child care providers;

“(D) scholarships for low-income wage earners;

“(E) the provision of services to care for sick children or to provide care to school-aged children;

“(F) the entering into of contracts with local resource and referral organizations or local health departments;

“(G) assistance for care for children with disabilities;

“(H) payment of expenses for renovation or operation of a child care facility; or

“(I) assistance for any other activity determined appropriate by the State.

“(2) APPLICATION.—In order for a small business or consortium to be eligible to receive assistance from a State under this section, the small business involved shall prepare and submit to the State an application at such time, in such manner, and containing such information as the State may require.

“(3) PREFERENCE.—

“(A) IN GENERAL.—In providing assistance under this section, a State shall give priority to an applicant that desires to form a consortium to provide child care in a geographic area within the State where such care is not generally available or accessible.

“(B) CONSORTIUM.—For purposes of subparagraph (A), a consortium shall be made up of 2 or more entities that shall include small businesses and that may include large businesses, nonprofit agencies or organizations, local governments, or other appropriate entities.

“(4) LIMITATIONS.—With respect to grant funds received under this section, a State may not provide in excess of $500,000 in assistance from such funds to any single applicant.

“(e) MATCHING REQUIREMENT.—To be eligible to receive a grant under this section, a State shall provide assurances to the Secretary that, with respect to the costs to be incurred by a covered entity receiving assistance in carrying out activities under this section, the covered entity will make available (directly or through donations from public or private entities) non-Federal contributions to such costs in an amount equal to—

“(1) for the first fiscal year in which the covered entity receives such assistance, not less than 50 percent of such costs ($1 for each $1 of assistance provided to the covered entity under the grant);

“(2) for the second fiscal year in which the covered entity receives such assistance, not less than 66 percent of such costs ($2 for each $1 of assistance provided to the covered entity under the grant); and

“(3) for the third fiscal year in which the covered entity receives such assistance, not less than 75 percent of such costs ($3 for each $1 of assistance provided to the covered entity under the grant).

“(f) REQUIREMENTS OF PROVIDERS.—To be eligible to receive assistance under a grant awarded under this section, a child care provider—

“(1) who receives assistance from a State shall comply with all applicable State and local licensing and regulatory requirements and all applicable health and safety standards in effect in the State; and
“(2) who receives assistance from an Indian tribe or tribal organization shall comply with all applicable regulatory standards.

(2) STATE-LEVEL ACTIVITIES.—A State may not retain more than 3 percent of the amount described in subsection (c) for State administration and other State-level activities.

(3) ADMINISTRATION.—

(1) STATE RESPONSIBILITY.—A State shall have responsibility for administering a grant awarded for the State under this section and for monitoring covered entities that receive assistance under such grant.

(2) AUDITS.—A State shall require each covered entity receiving assistance under a grant awarded under this section to conduct an annual audit with respect to the activities of the covered entity. Such audits shall be submitted to the State.

(3) MISUSE OF FUNDS.—

(A) REPAYMENT.—If the State determines, through an audit or otherwise, that a covered entity receiving assistance under a grant awarded under this section has misused the assistance, the State shall notify the Secretary of the misuse. The Secretary, upon such a notification, may seek from such a covered entity the repayment of an amount equal to the amount of any such misused assistance plus interest.

(B) APPEALS PROCESS.—The Secretary shall by regulation provide for an appeals process with respect to repayments under this paragraph.

(i) REPORTING REQUIREMENTS.—

(1) 2-YEAR STUDY.—

(A) IN GENERAL.—Not later than 2 years after the date on which the Secretary first awards grants under this section, the Secretary shall conduct a study to determine—

(i) the capacity of covered entities to meet the child care needs of communities within States;

(ii) the kinds of consortia that are being formed with respect to child care at the local level to carry out programs funded under this section; and

(iii) who is using the programs funded under this section and the income levels of such individuals.

(B) REPORT.—Not later than 28 months after the date on which the Secretary first awards grants under this section, the Secretary shall prepare and submit to the appropriate committees of Congress a report on the results of the study conducted in accordance with subparagraph (A).

(ii) FOUR-YEAR STUDY.—

(A) IN GENERAL.—Not later than 4 years after the date on which the Secretary first awards grants under this section, the Secretary shall conduct a study to determine the number of child care facilities that are funded through covered entities that received assistance through a grant awarded under this section and that remain in operation, and the extent to which such facilities are meeting the child care needs of the individuals served by such facilities.

(B) REPORT.—Not later than 52 months after the date on which the Secretary first awards grants under this section, the Secretary shall prepare and submit to the appropriate committees of Congress a report on the results of the study conducted in accordance with subparagraph (A).

(3) INDIAN COMMUNITY.—The term ‘Indian community’ means a community served by an Indian tribe or tribal organization.

(4) INDIAN TRIBE; TRIBAL ORGANIZATION.—The terms ‘Indian tribe’ and ‘tribal organization’ have the meanings given the terms in section 668P of the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 938n).

(4) SMALL BUSINESS.—The term ‘small business’ means an employer who employed an average of at least 2 but not more than 50 employees on the business days during the preceding calendar year.

(5) STATE.—The term ‘State’ has the meaning given the term in section 658P of the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 938n).

(6) APPLICATION TO INDIAN TRIBES AND TRIBAL ORGANIZATIONS.—In this section:

(1) IN GENERAL.—Except as provided in subsection (1)(1), and in paragraphs (2) and (3), the term ‘State’ includes an Indian tribe or tribal organization.

(2) GEOGRAPHIC REFERENCES.—The term ‘State’ includes an Indian community in subsections (c) (the second and third place the term appears), (d)(1) (the second place the term appears), and (1)(1)(A)(i).

(3) STATE-LEVEL ACTIVITIES.—The term ‘State-level activities’ includes activities at the tribal level.

(i) AUTHORIZATION OF APPRAISALS.—

(1) IN GENERAL.—There is authorized to be appropriated to carry out this section, $50,000,000 for the period of fiscal years 2008 through 2012.

(2) STUDIES AND ADMINISTRATION.—With respect to the total amount appropriated for such period in accordance with this subsection, not more than $2,500,000 of that amount may be used for expenditures related to conducting studies required under, and the administration of, this section.

(4) TERMINATION OF PROGRAM.—The program established under subsection (a) shall terminate on September 30, 2012.

GOALS OF SUBCHAPTER


AMENDMENTS


§ 9858b. Establishment of block grant program

The Secretary is authorized to make grants to States in accordance with the provisions of this subchapter.


(a) Designation

The Governor of a State desiring to receive a grant under this subchapter shall designate an agency (which may be an appropriate collaborative agency), or establish a joint interagency office, that complies with the requirements of subsection (b) to serve as the lead agency for the State under this subchapter.

(b) Duties

(1) In general

The lead agency shall—

(A) administer, directly or through other governmental or nongovernmental agencies,
§ 9858c. Application and plan

(a) Application

To be eligible to receive assistance under this subchapter, a State shall prepare and submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary shall by rule require, including—

(1) an assurance that the State will comply with the requirements of this subsection; and

(2) a State plan that meets the requirements of subsection (c).

(b) Period covered by plan

The State plan contained in the application under subsection (a) shall be designed to be implemented during a 3-year period.

(c) Requirements of a plan

(1) Lead agency

The State plan shall identify the lead agency designated or established under section 9858b of this title.

(2) Policies and procedures

The State plan shall:

(A) Parental choice of providers

Provide assurances that—

(i) the parent or parents of each eligible child within the State who receives or is offered child care services for which financial assistance is provided under this subchapter are given the option either—

(I) to enroll such child with a child care provider that has a grant or contract for the provision of such services; or

(II) to receive a child care certificate as defined in section 9656n(2) of this title;

(ii) in cases in which the parent selects the option described in clause (i)(I), the child will be enrolled with the eligible provider selected by the parent to the maximum extent practicable; and

(iii) child care certificates offered to parents selecting the option described in clause (i)(II) shall be of a value commensurate with the subsidy value of child care services provided under the option described in clause (i)(I); and

provide a detailed description of the procedures the State will implement to carry out the requirements of this subparagraph.

(B) Unlimited parental access

Certify that procedures are in effect within the State to ensure that child care providers who provide services for which assistance is made available under this subchapter afford parents unlimited access to their children and to the providers caring for their children, during the normal hours of operation of such providers and whenever such children are in the care of such providers, and provide a detailed description of such procedures.

(C) Parental complaints

Certify that the State maintains a record of substantiated parental complaints and makes information regarding such parental complaints available to the public on re-
quest and provide a detailed description of how such record is maintained and is made available.

(D) Monitoring and inspection reports

The plan shall include a certification that the State, not later than 1 year after the State has in effect the policies and practices described in subparagraph (K)(i), will make public by electronic means, in a consumer-friendly and easily accessible format, organized by provider, the results of monitoring and inspection reports, including those due to major substantiated complaints about failure to comply with this subchapter and State child care policies, as well as the number of deaths, serious injuries, and instances of substantiated child abuse that occurred in child care settings each year, for eligible child care providers within the State. The results shall also include information on the date of such an inspection, and, where applicable, information on corrective action taken.

(E) Consumer and provider education information

The plan shall include a certification that the State will collect and disseminate (which dissemination may be done, except as otherwise specified in this subparagraph, through resource and referral organizations or other means as determined by the State) to parents of eligible children, the general public, and, where applicable, providers—

(i) information about the availability of the full diversity of child care services that will promote informed child care choices and that concerns—

(I) the availability of child care services provided through programs authorized by this subchapter and, if feasible, other child care services and other programs provided in the State for which the family may be eligible, as well as the availability of financial assistance to obtain child care services in the State;

(II) if available, information about the quality of providers, as determined by the State, that can be provided through a Quality Rating and Improvement System;

(III) information, made available through a State Web site, describing the State processes for conducting background checks, and monitoring and inspections, of child care providers, and the offenses that prevent individuals and entities from serving as child care providers in the State;

(IV) other programs for which families that receive child care services for which financial assistance is provided under this subchapter may be eligible, including the program of block grants to States for temporary assistance for needy families established under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.), Head Start and Early Head Start programs carried out under the Head Start Act (42 U.S.C. 9831 et seq.), the program carried out under the Low-Income Home Energy Assistance Act of 1981 (42 U.S.C. 8621 et seq.), the supplemental nutrition assistance program established under the Food and Nutrition Act of 2008 (7 U.S.C. 2011 et seq.), the special supplemental nutrition program for women, infants, and children established under section 1766 of this title, the child and adult care food program established under section 1766 of this title, and the Medicaid and State children’s health insurance programs under titles XIX and XXI of the Social Security Act (42 U.S.C. 1396 et seq., 1397aa et seq.);

(V) programs carried out under section 619 and part C of the Individuals with Disabilities Education Act (20 U.S.C. 1419, 1431 et seq.);

(VI) research and best practices concerning children’s development, including social and emotional development, early childhood development, and meaningful parent and family engagement, and physical health and development (particularly healthy eating and physical activity); and

(VII) the State policies regarding the social-emotional behavioral health of young children, which may include positive behavioral intervention and support models, and policies on expulsion of preschool-aged children, in early childhood programs receiving assistance under this subchapter; and

(ii) information on developmental screenings, including—

(I) information on existing (as of the date of submission of the application containing the plan) resources and services the State can deploy, including the coordinated use of the Early and Periodic Screening, Diagnosis, and Treatment program under the Medicaid program carried out under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.) and developmental screening services available under section 619 and part C of the Individuals with Disabilities Education Act (20 U.S.C. 1419, 1431 et seq.), in conducting developmental screenings and providing referrals to services, when appropriate, for children who receive assistance under this subchapter; and

(II) a description of how a family or eligible child care provider may utilize the resources and services described in subclause (I) to obtain developmental screenings for children who receive assistance under this subchapter who may be at risk for cognitive or other developmental delays, which may include social, emotional, physical, or linguistic delays.

(F) Compliance with State licensing requirements

(i) In general

The plan shall include a certification that the State involved has in effect li-
licensing requirements applicable to child care services provided within the State, and provide a detailed description of such requirements and of how such requirements are effectively enforced.

(ii) License exemption

If the State uses funds received under this subchapter to support a child care provider that is exempt from the corresponding licensing requirements described in clause (i), the plan shall include a description stating why such licensing exemption does not endanger the health, safety, or development of children who receive services from child care providers who are exempt from such requirements.

(G) Training and professional development requirements

(i) In general

The plan shall describe the training and professional development requirements that are in effect within the State designed to enable child care providers to promote the social, emotional, physical, and cognitive development of children and to improve the knowledge and skills of the child care workforce. Such requirements shall be applicable to child care providers that provide services for which assistance is provided in accordance with this subchapter.

(ii) Requirements

The plan shall provide an assurance that such training and professional development—

(I) shall be conducted on an ongoing basis, provide for a progression of professional development (which may include encouraging the pursuit of postsecondary education), reflect current research and best practices relating to the skills necessary for the child care workforce to meet the developmental needs of participating children, and improve the quality of, and stability within, the child care workforce;

(II) shall be developed in consultation with the State Advisory Council on Early Childhood Education and Care (designated or established pursuant to section 642B(b)(1)(A)(i) of the Head Start Act (42 U.S.C. 9837b(b)(1)(A)(i))), and may engage training providers in aligning training opportunities with the State’s training framework;

(III) incorporates knowledge and application of the State’s early learning and developmental guidelines (where applicable), the State’s health and safety standards, and incorporates social-emotional behavior intervention models, which may include positive behavior intervention and support models;

(IV) shall be accessible to providers supported through Indian tribes or tribal organizations that receive assistance under this subchapter; and

(V) to the extent practicable, are appropriate for a population of children that includes—

(aa) different age groups;

(bb) English learners;

(cc) children with disabilities; and

(dd) Native Americans, including Indians, as the term is defined in section 5304 of title 25 (including Alaska Natives within the meaning of that term), and Native Hawaiians (as defined in section 7517 of title 20).

(iii) Information

The plan shall include the number of hours of training required for eligible providers and caregivers to engage in annually, as determined by the State.

(iv) Construction

The Secretary shall not require an individual or entity that provides child care services for which assistance is provided in accordance with this subchapter to acquire a credential to provide such services. Nothing in this section shall be construed to prohibit a State from requiring a credential.

(H) Child-to-provider ratio standards

(i) Standards

The plan shall describe child care standards for child care services for which assistance is made available in accordance with this subchapter, appropriate to the type of child care setting involved, to provide for the safety and developmental needs of the children served, that address—

(I) group size limits for specific age populations, as determined by the State;

(II) the appropriate ratio between the number of children and the number of providers, in terms of the age of the children in child care, as determined by the State; and

(III) required qualifications for such providers, as determined by the State.

(ii) Construction

The Secretary may offer guidance to States on child-to-provider ratios described in clause (i) according to setting and age group, but shall not require that the State maintain specific group size limits for specific age populations or child-to-provider ratios for providers who receive assistance in accordance with subchapter.

(I) Health and safety requirements

The plan shall include a certification that there are in effect within the State, under State or local law, requirements designed to protect the health and safety of children that are applicable to child care providers that provide services for which assistance is made available in accordance with this subchapter. Such requirements—

(I) shall relate to matters including health and safety topics consisting of—

(aa) the prevention and control of infectious diseases (including immunization)
and the establishment of a grace period that allows homeless children and children in foster care to receive services under this subchapter while their families (including foster families) are taking any necessary action to comply with immunization and other health and safety requirements;

(II) prevention of sudden infant death syndrome and use of safe sleeping practices;

(III) the administration of medication, consistent with standards for parental consent;

(IV) the prevention of and response to emergencies due to food and allergic reactions;

(V) building and physical premises safety, including identification of and protection from hazards that can cause bodily injury such as electrical hazards, bodies of water, and vehicular traffic;

(VI) prevention of shaken baby syndrome and abusive head trauma;

(VII) emergency preparedness and response planning for emergencies resulting from a natural disaster, or a man-caused event (such as violence at a child care facility), within the meaning of those terms under section 5195a(a)(1) of this title;

(VIII) the handling and storage of hazardous materials and the appropriate disposal of biocontaminants;

(IX) for providers that offer transportation, if applicable, appropriate precautions in transporting children;

(X) first aid and cardiopulmonary resuscitation; and

(XI) minimum health and safety training, to be completed pre-service or during an orientation period in addition to ongoing training, appropriate to the provider setting involved that addresses each of the requirements relating to matters described in subclauses (I) through (X); and

(ii) may include requirements relating to nutrition, access to physical activity, or any other subject area determined by the State to be necessary to promote child development or to protect children’s health and safety.

(J) Compliance with state and local health and safety requirements

The plan shall include a certification that procedures are in effect to ensure that child care providers within the State, that provide services for which assistance is made available in accordance with this subchapter, comply with all applicable State and local health and safety requirements as described in subparagraph (I).

(K) Enforcement of licensing and other regulatory requirements

(i) Certification

The plan shall include a certification that the State, not later than 2 years after November 19, 2014, shall have in effect policies and practices, applicable to licensing or regulating child care providers that provide services for which assistance is made available in accordance with this subchapter and the facilities of those providers, that—

(I) ensure that individuals who are hired as licensing inspectors in the State are qualified to inspect those child care providers and facilities and have received training in related health and safety requirements, and are trained in all aspects of the State’s licensure requirements;

(II) require licensing inspectors (or qualified inspectors designated by the lead agency) of those child care providers and facilities to perform inspections, with—

(aa) not less than 1 prelicensure inspection, for compliance with health, safety, and fire standards, of each such child care provider and facility in the State; and

(bb) not less than annually, an inspection (which shall be unannounced) of each such child care provider and facility in the State for compliance with all child care licensing standards, which shall include an inspection for compliance with health, safety, and fire standards (inspectors may inspect for compliance with all 3 standards at the same time);

(III) require the ratio of licensing inspectors to such child care providers and facilities in the State to be maintained at a level sufficient to enable the State to conduct inspections of such child care providers and facilities on a timely basis in accordance with Federal, State, and local law; and

(IV) require licensing inspectors (or qualified inspectors designated by the lead agency) of child care providers and facilities to perform an annual inspection of each license-exempt provider in the State receiving funds under this subchapter unless the provider is an eligible child care provider as described in section 9858m(6)(B) of this title) for compliance with health, safety, and fire standards, at a time to be determined by the State.

(ii) Construction

The Secretary may offer guidance to a State, if requested by the State, on a research-based minimum standard regarding ratios described in clause (i)(III) and provide technical assistance to the State on meeting the minimum standard within a reasonable time period, but shall not prescribe a particular ratio.

(L) Compliance with child abuse reporting requirements

The plan shall include a certification that child care providers within the State will comply with the child abuse reporting requirements of section 5106a(b)(2)(B)(1) of this title.
(M) Meeting the needs of certain populations

The plan shall describe how the State will develop and implement strategies (which may include alternative reimbursement rates to child care providers, the provision of direct contracts or grants to community-based organizations, offering child care certificates to parents, or other means determined by the State) to increase the supply and improve the quality of child care services for—

(i) children in underserved areas;
(ii) infants and toddlers;
(iii) children with disabilities, as defined by the State; and
(iv) children who receive care during nontraditional hours.

(N) Protection for working parents

(i) Minimum period

(I) 12-month period

The plan shall demonstrate that each child who receives assistance under this subchapter in the State will be considered to meet all eligibility requirements for such assistance and will receive such assistance, for not less than 12 months before the State or designated local entity redetermines the eligibility of the child under this subchapter, regardless of a temporary change in the ongoing status of the child’s parent as working or attending a job training or educational program or a change in family income for the child’s family, if that family income does not exceed 85 percent of the State median income for a family of the same size.

(II) Fluctuations in earnings

The plan shall demonstrate how the State’s or designated local entity’s processes for initial determination and redetermination of such eligibility take into account irregular fluctuations in earnings.

(ii) Redetermination process

The plan shall describe the procedures and policies that are in place to ensure that working parents (especially parents in families receiving assistance under the program of block grants to States for temporary assistance for needy families under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.)) are not required to unduly disrupt their employment in order to comply with the State’s or designated local entity’s requirements for redetermination of eligibility for assistance provided in accordance with this subchapter.

(iii) Period before termination

At the option of the State, the plan shall demonstrate that the State will not terminate assistance provided to carry out this subchapter based on a factor consisting of a parent’s loss of work or cessation of attendance at a job training or educational program for which the family was receiving assistance, without continuing the assistance for a reasonable period of time, of not less than 3 months, after such loss or cessation in order for the parent to engage in a job search and resume work, or resume attendance at a job training or educational program, as soon as possible.

(iv) Graduated phaseout of care

The plan shall describe the policies and procedures that are in place to allow for provision of continued assistance to carry out this subchapter, at the beginning of a new eligibility period under clause (i)(I), for children of parents who are working or attending a job training or educational program and whose family income exceeds the State’s income limit to initially qualify for such assistance, if the family income for the family involved does not exceed 85 percent of the State median income for a family of the same size.

(O) Coordination with other programs

(i) In general

The plan shall describe how the State, in order to expand accessibility and continuity of care, and assist children enrolled in early childhood programs to receive full-day services, will efficiently, and to the extent practicable, coordinate the services supported to carry out this subchapter with programs operating at the Federal, State, and local levels for children in preschool programs, tribal early childhood programs, and other early childhood programs, including those serving infants and toddlers with disabilities, homeless children, and children in foster care.

(ii) Optional use of combined funds

If the State elects to combine funding for the services supported to carry out this subchapter with funding for any program described in clause (i), the plan shall describe how the State will combine the multiple sets of funding and use the combined funding.

(iii) Rule of construction

Nothing in clause (i) shall be construed to affect the priority of children described in clause (i) to receive full-day prekindergarten or Head Start program services.

(P) Public-private partnerships

The plan shall demonstrate how the State encourages partnerships among State agencies, other public agencies, Indian tribes and tribal organizations, and private entities, including faith-based and community-based organizations, to leverage existing service delivery systems (as of the date of the submission of the application containing the plan) for child care and development services and to increase the supply and quality of child care services for children who are less than 13 years of age, such as by implementing voluntary shared services alliance models.

(Q) Priority for low-income populations

The plan shall describe the process the State proposes to use, with respect to invest-
ments made to increase access to programs providing high-quality child care and development services, to give priority for those investments to children of families in areas that have significant concentrations of poverty and unemployment and that do not have such programs.

(R) Consultation

The plan shall include a certification that the State has developed the plan in consultation with the State Advisory Council on Early Childhood Education and Care designated or established pursuant to section 642B(b)(1)(A)(i) of the Head Start Act (42 U.S.C. 9837b(b)(1)(A)(i)).

(S) Payment practices

The plan shall include—

(i) a certification that the payment practices of child care providers in the State that serve children who receive assistance under this subchapter reflect generally accepted payment practices of child care providers in the State that serve children who do not receive assistance under this subchapter, so as to provide stability of funding and encourage more child care providers to serve children who receive assistance under this subchapter; and

(ii) an assurance that the State will, to the extent practicable, implement enrollment and eligibility policies that support the fixed costs of providing child care services by delinking provider reimbursement rates from an eligible child’s occasional absences due to holidays or unforeseen circumstances such as illness.

(T) Early learning and developmental guidelines

(i) In general

The plan shall include an assurance that the State will maintain or implement early learning and developmental guidelines (or develop such guidelines if the State does not have such guidelines as of November 19, 2014) that are appropriate for children from birth to kindergarten entry, describing what such children should know and be able to do, and covering the essential domains of early childhood development for use statewide by child care providers. Such guidelines shall—

(I) be research-based, developmentally appropriate, and aligned with entry to kindergarten;

(II) be implemented in consultation with the state educational agency and the State Advisory Council on Early Childhood Education and Care (designated or established pursuant to section 642B(b)(1)(A)(i) of the Head Start Act (42 U.S.C. 9837b(b)(1)(A)(i)); and

(III) be updated as determined by the State.

(ii) Prohibition on use of funds

The plan shall include an assurance that funds received by the State to carry out this subchapter will not be used to develop or implement an assessment for children that—

(I) will be the sole basis for a child care provider being determined to be ineligible to participate in the program carried out under this subchapter;

(II) will be used as the primary or sole basis to provide a reward or sanction for an individual provider;

(III) will be used as the primary or sole method for assessing program effectiveness; or

(IV) will be used to deny children eligibility to participate in the program carried out under this subchapter.

(iii) Exceptions

Nothing in this subchapter shall preclude the State from using a single assessment as determined by the State for children for—

(I) supporting learning or improving a classroom environment;

(II) targeting professional development to a provider;

(III) determining the need for health, mental health, disability, developmental delay, or family support services;

(IV) obtaining information for the quality improvement process at the State level; or

(V) conducting a program evaluation for the purposes of providing program improvement and parent information.

(iv) No Federal control

Nothing in this section shall be construed to authorize an officer or employee of the Federal Government to—

(I) mandate, direct, control, or place conditions (outside of what is required by this subchapter) around adopting a State’s early learning and developmental guidelines developed in accordance with this section;

(II) establish any criterion that specifies, defines, prescribes, or places conditions (outside of what is required by this subchapter) on a State adopting standards or measures that a State uses to establish, implement, or improve such guidelines, related accountability systems, or alignment of such guidelines with education standards; or

(III) require a State to submit such guidelines for review.

(U) Disaster preparedness

(i) In general

The plan shall demonstrate the manner in which the State will address the needs of children in child care services provided through programs authorized under this subchapter, including the need for safe child care, for the period before, during, and after a state of emergency declared by the Governor or a major disaster or emer-
§ 9858c

(3) Use of block grant funds

prove the quality of child care services.

strengthen the business practices of child care providers, the local resource and referral organizations, the State resource and referral system, and the State Advisory Council on Early Childhood Education and Care as provided for under section 642B(b) of the Head Start Act (42 U.S.C. 9837b(b)).

(iii) Disaster plan components

The components of the disaster plan, for such an emergency or disaster, shall include—

(I) evacuation, relocation, shelter-in-place, and lock-down procedures, and procedures for communication and reunification with families, continuity of operations, and accommodation of infants and toddlers, children with disabilities, and children with chronic medical conditions;

(II) guidelines for the continuation of child care services in the period following the emergency or disaster, which may include the provision of emergency and temporary child care services, and temporary operating standards for child care providers during that period; and

(III) procedures for staff and volunteer emergency preparedness training and practice drills.

(V) Business technical assistance

The plan shall describe how the State will develop and implement strategies to strengthen the business practices of child care providers to expand the supply, and improve the quality of, child care services.

(3) Use of block grant funds

(A) General requirement

The State plan shall provide that the State will use the amounts provided to the State for each fiscal year under this subchapter in accordance with subparagraphs (B) through (D).

(B) Child care services and related activities

(i) In general

The State shall use amounts provided to the State for each fiscal year under this subchapter for child care services on a sliding fee scale basis, activities that improve the quality or availability of such services, activities that improve access to child care services, including the use of procedures to permit enrollment (after an initial eligibility determination) of homeless children while required documentation is obtained, training and technical assistance on identifying and serving homeless children and their families, and specific outreach to homeless families, and any other activity that the State determines to be appropriate to meet the purposes of this subchapter (which may include an activity described in clause (ii)), with priority being given for services provided to children of families with very low family incomes (taking into consideration family size) and to children with special needs.

(ii) Report by the Assistant Secretary for Children and Families

(I) In general

Not later than September 30 of the first full fiscal year after November 19, 2014, and September 30 of each fiscal year thereafter, the Secretary (acting through the Assistant Secretary for Children and Families of the Department of Health and Human Services) shall prepare a report that contains a determination about whether each State uses amounts provided to such State for the fiscal year involved under this subchapter in accordance with the priority for services described in clause (i).

(II) Penalty for noncompliance

For any fiscal year that the report of the Secretary described in subclause (I) indicates that a State has failed to give priority for services in accordance with clause (i), the Secretary shall—

(aa) inform the State that the State has until the date that is 6 months after the Secretary has issued such report to fully comply with clause (i); and

(bb) provide the State an opportunity to modify the State plan of such State, to make the plan consistent with the requirements of clause (i), and resubmit such State plan to the Secretary not later than the date described in item (aa); and

(cc) if the State does not fully comply with clause (i) and item (bb), by the date described in item (aa), withhold 5 percent of the funds that would otherwise be allocated to that State in accordance with this subchapter for the first full fiscal year after that date.

(III) Waiver for extraordinary circumstances

Notwithstanding subclause (II) the Secretary may grant a waiver to a State for one year to the penalty applied in subclause (II) if the Secretary determines there are extraordinary circumstances, such as a natural disaster, that prevent the State from complying with clause (i). If the Secretary does grant a waiver to a State under this section, the Secretary shall, within 30 days of granting such waiver, submit a report to the appropriate congressional committees on the circumstances of the waiver including the stated reason from the State on the need for a waiver, the expected im-
(iii) Child care resource and referral system

(I) In general

A State may use amounts described in clause (i) to establish or support a system of local or regional child care resource and referral organizations that is coordinated, to the extent determined appropriate by the State, by a statewide public or private nonprofit, community-based or regionally based, lead child care resource and referral organization.

(II) Local or regional organizations

The local or regional child care resource and referral organizations supported as described in subclause (I) shall—

(aa) provide parents in the State with consumer education information referred to in paragraph (2)(E) (except as otherwise provided in that paragraph), concerning the full range of child care options (including faith-based and community-based child care providers), analyzed by provider, including child care provided during non-traditional hours and through emergency child care centers, in their political subdivisions or regions;

(bb) to the extent practicable, work directly with families who receive assistance under this subchapter to offer the families support and assistance, using information described in item (aa), to make an informed decision about which child care providers they will use, in an effort to ensure that the families are enrolling their children in the most appropriate child care setting to suit their needs and one that is of high quality (as determined by the State);

(cc) collect data and provide information on the coordination of services and supports, including services under section 619 and part C of the Individuals with Disabilities Education Act (20 U.S.C. 1419, 1431 et seq.), for children with disabilities (as defined in section 602 of such Act (20 U.S.C. 1401));

(dd) collect data and provide information on the supply of and demand for child care services in political subdivisions or regions within the State and submit such information to the State;

(ee) work to establish partnerships with public agencies and private entities, including faith-based and community-based child care providers, to increase the supply and quality of child care services in the State; and

(ff) as appropriate, coordinate their activities with the activities of the State lead agency and local agencies that administer funds made available in accordance with this subchapter.

(C) Limitation on administrative costs

Not more than 5 percent of the aggregate amount of funds available to the State to carry out this subchapter by a State in each fiscal year may be expended for administrative costs incurred by such State to carry out all of its functions and duties under this subchapter. As used in the preceding sentence, the term “administrative costs” shall not include the costs of providing direct services.

(D) Assistance for certain families

A State shall ensure that a substantial portion of the amounts available (after the State has complied with the requirement of section 418(b)(2) of the Social Security Act [42 U.S.C. 618(b)(2)] with respect to each of the fiscal years 2015 through 2020\(^8\) to the State to carry out activities under this subchapter in each fiscal year is used to provide assistance to low-income working families including or in addition to families with children described in clause (i), (ii), (iii), or (iv) of paragraph (2)(M).

(E) Direct services

From amounts provided to a State for a fiscal year to carry out this subchapter, the State shall—

(i) reserve the minimum amount required to be reserved under section 9858e of this title, and the funds for costs described in subparagraph (C); and

(ii) from the remainder, use not less than 70 percent to fund direct services (provided by the State) in accordance with paragraph (2)(A).

(4) Payment rates

(A) In general

The State plan shall certify that payment rates for the provision of child care services for which assistance is provided in accordance with this subchapter are sufficient to ensure equal access for eligible children to child care services that are comparable to child care services in the State or substate area involved that are provided to children whose parents are not eligible to receive assistance under this subchapter or to receive child care assistance under any other Federal or State program, and shall provide a summary of the facts relied on by the State to determine that such rates are sufficient to ensure such access.

(B) Survey

The State plan shall—

(i) demonstrate that the State has, after consulting with the State Advisory Council on Early Childhood Education and Care designated or established in section 622B(b)(1)(A)(i) of the Head Start Act (42 U.S.C. 9837(b)(1)(A)(i)), local child care program administrators, local child care resource and referral agencies, and other

\(^8\)So in original. A closing parenthesis probably should appear.
appropriate entities, developed and conducted (not earlier than 2 years before the date of the submission of the application containing the State plan) a statistically valid and reliable survey of the market rates for child care services in the State (that reflects variations in the cost of child care services by geographic area, type of provider, and age of child) or an alternative methodology, such as a cost estimation model, that has been developed by the State lead agency;

(ii) demonstrate that the State prepared a detailed report containing the results of the State market rates survey or alternative methodology conducted pursuant to clause (i), and made the results of the survey or alternative methodology widely available (not later than 30 days after the completion of such survey or alternative methodology) through periodic means, including posting the results on the Internet;

(iii) describe how the State will set payment rates for child care services, for which assistance is provided in accordance with this subchapter—

(I) in accordance with the results of the market rates survey or alternative methodology conducted pursuant to clause (i);

(II) taking into consideration the cost of providing higher quality child care services than were provided under this subchapter before November 19, 2014; and

(III) without, to the extent practicable, reducing the number of families in the State receiving such assistance to carry out this subchapter, relative to the number of such families on November 19, 2014; and

(iv) describe how the State will provide for timely payment for child care services provided under this subchapter.

(C) Construction

(i) No private right of action

Nothing in this paragraph shall be construed to create a private right of action if the State acted in accordance with this paragraph.

(ii) No prohibition of certain different rates

Nothing in this subchapter shall be construed to prevent a State from differentiating the payment rates described in subparagraph (B)(iii) on the basis of such factors as—

(I) geographic location of child care providers (such as location in an urban or rural area);

(II) the age or particular needs of children (such as the needs of children with disabilities and children served by child protective services);

(III) whether the providers provide child care services during weekend and other nontraditional hours; or

(IV) the State’s determination that such differentiated payment rates may enable a parent to choose high-quality child care that best fits the parent’s needs.

(5) Sliding fee scale

The State plan shall provide that the State will establish and periodically revise, by rule, a sliding fee scale that provides for cost sharing (that is not a barrier to families receiving assistance under this subchapter) by the families that receive child care services for which assistance is provided under this subchapter.

(d) Approval of application

The Secretary shall approve an application that satisfies the requirements of this section.

References in Text


Amendments


Subsec. (c)(1). Pub. L. 113–186, §5(b)(1), inserted “or established” after “designated”.

and struck out former par. (4). Prior to amendment, text read as follows: “Provide assurances that consumer education information will be made available to parents and the general public within the State concerning licensing and regulatory requirements, complaint procedures, and policies and practices relative to child care services within the State.”


Subsec. (c)(2)(F). Pub. 113–186, § 605(2)(A)(vi), (vii), substituted “Certify” for “Provide assurances”. Subsec. (c)(2)(H). Pub. L. 104–193, § 605(2)(A)(viii), added subpar. (H) and struck out former subpar. (H), text read as follows: “Provide assurances that if the State reduces the level of standards applicable to child care services provided in the State on November 5, 1990, the State shall inform the Secretary of the rationale for such reduction in the annual report of the State described in section 9858f of this title.”

Subsec. (c)(2)(I). Pub. L. 104–193, § 605(2)(A)(ix), struck out heading and text of subpar. (I). Text read as follows: “Provide assurances that not later than 18 months after the date of the submission of the application under this section, the State will complete a full review of the law applicable to, and the licensing and regulatory requirements and policies of, any licensing agency that regulates child care services and programs in the State unless the State has reviewed such law, requirements, and policies in the 3-year period ending on November 5, 1990.”

Subsec. (c)(2)(J). Pub. L. 104–193, § 605(2)(A)(x), struck out heading and text of subpar. (J), text read as follows: “Provide assurances that funds received under this subchapter by the State will be used only to supplement, not to supplant, the amount of Federal, State, and local funds otherwise expended for the support of child care services and related programs in the State.”

Subsec. (c)(3)(A). Pub. L. 104–193, § 605(2)(B)(i), substituted “subparagraphs (B) through (D)” for “subparagraphs (B) and (C)”.

Subsec. (c)(3)(B). Pub. L. 104–193, § 605(2)(B)(ii), inserted “related activities” and, after “activities designed to improve the quality of, availability of” inserted “and funding methods provided for in subsection (c)(2)(A) of this section”, substituted “special needs”, “for special needs; and”, and struck out cl. (ii) which read as follows: “activities designed to improve the availability and quality of child care.”

Subsec. (c)(3)(C). Pub. L. 104–193, § 605(2)(B)(iii), amended heading and text of subpar. (C) generally, prior to amendment, text read as follows: “The State shall reserve 25 percent of the amount provided to the State for each fiscal year under this subchapter to carry out activities designed to improve the quality of child care (as described in section 9858e of this title) and to provide before- and after-school and early childhood development services (as described in section 9858f of this title).”


Subsec. (c)(4)(A). Pub. L. 104–193, § 605(2)(C), substituted “State plan shall certify” for “State plan shall
provide assurances", inserted "and shall provide a summary of the facts relied on by the State to determine that such rates are sufficient to ensure such access after "Federal or State programs", and struck out at end "Such payment rates shall take into account the variations in the costs of providing child care in different settings and to children of different age groups, and the additional costs of providing child care for children with special needs."


Effective Date of 2015 Amendment
Amendment by Pub. L. 114–96 effective Dec. 10, 2015, except with respect to certain noncompetitive programs and competitive programs, see section 5 of Pub. L. 114–95, set out as a note under section 6301 of Title 20, Education.

Effective Date of 1997 Amendment

Effective Date of 1996 Amendment

§ 9858d. Limitations on State allotments
(a) No entitlement to contract or grant
Nothing in this subchapter shall be construed—

(1) to entitle any child care provider or recipient of a child care certificate to any contract, grant or benefit; or

(2) to limit the right of any State to impose additional limitations or conditions on contracts or grants funded under this subchapter.

(b) Construction of facilities

(1) In general
Except as provided for in section 9858m(c)(6) of this title, no funds made available under this subchapter shall be expended for the purchase or improvement of land, or for the purchase, construction, or permanent improvement (other than minor remodeling) of any building or facility.

(2) Sectarian agency or organization
In the case of a sectarian agency or organization, no funds made available under this subchapter may be used for the purposes described in paragraph (1) except to the extent that renovation or repair is necessary to bring the facility of such agency or organization into compliance with health and safety requirements referred to in section 9858(c)(2)(I) of this title.

(b) Activities
Funds reserved under subsection (a) shall be used to carry out no fewer than one of the following activities that will improve the quality of child care services provided in the State:

(1) Supporting the training and professional development of the child care workforce through activities such as those included under section 9858(c)(2)(G) of this title, in addition to—

(A) offering training and professional development opportunities for child care pro-
providers that relate to the use of scientifically-based, developmentally-appropriate and age-appropriate strategies to promote the social, emotional, physical, and cognitive development of children, including those related to nutrition and physical activity, and offering specialized training for child care providers caring for those populations prioritized in section 9858c(c)(2)(Q) of this title, and children with disabilities; (B) incorporating the effective use of data to drive program improvement; (C) including effective behavior management strategies and training, including positive behavior interventions and support models, that promote positive social and emotional development and reduce challenging behaviors, including reducing expulsions of preschool-aged children for such behaviors; (E) providing training and outreach on engaging parents and families in culturally and linguistically appropriate ways to expand their knowledge, skills, and capacity to become meaningful partners in supporting their children's positive development; (F) providing training corresponding to the nutritional and physical activity needs of children to promote healthy development; (G) providing training or professional development for child care providers regarding the early neurological development of children; and (H) connecting child care staff members of child care providers with available Federal and State financial aid, or other resources, that would assist child care staff members in pursuing relevant postsecondary training. (2) Improving upon the development or implementation of the early learning and developmental guidelines described in section 9858c(c)(2)(T) of this title by providing technical assistance to eligible child care providers that enhances the cognitive, physical, social and emotional development, including early childhood development, of participating preschool and school-aged children and supports their overall well-being. (3) Developing, implementing, or enhancing a tiered quality rating system for child care providers and services, which may— (A) support and assess the quality of child care providers in the State; (B) build on State licensing standards and other State regulatory standards for such providers; (C) be designed to improve the quality of different types of child care providers and services; (D) describe the safety of child care facilities; (E) build the capacity of State early childhood programs and communities to promote parents' and families' understanding of the State's early childhood system and the ratings of the programs in which the child is enrolled; (F) provide, to the maximum extent practicable, financial incentives and other sup-
ports designed to expand the full diversity of child care options and help child care providers improve the quality of services; and (G) accommodate a variety of distinctive approaches to early childhood education and care, including but not limited to, those practiced in faith-based settings, community-based settings, child-centered settings, or similar settings that offer a distinctive approach to early childhood development. (4) Improving the supply and quality of child care programs and services for infants and toddlers through activities, which may include— (A) establishing or expanding high-quality community or neighborhood-based family and child development centers, which may serve as resources to child care providers in order to improve the quality of early childhood services provided to infants and toddlers from low-income families and to help eligible child care providers improve their capacity to offer high-quality, age-appropriate care to infants and toddlers from low-income families; (B) establishing or expanding the operation of community or neighborhood-based family child care networks; (C) promoting and expanding child care providers' ability to provide developmentally appropriate services for infants and toddlers through training and professional development; coaching and technical assistance on this age group's unique needs from statewide networks of qualified infant-toddler specialists; and improved coordination with early intervention specialists who provide services for infants and toddlers with disabilities under part C of the Individuals with Disabilities Education Act (20 U.S.C. 1431 et seq.); (D) if applicable, developing infant and toddler components within the State's quality rating system described in paragraph (3) for child care providers for infants and toddlers, or the development of infant and toddler components in a State's child care licensing regulations or early learning and development guidelines; (E) improving the ability of parents to access transparent and easy to understand consumer information about high-quality infant and toddler care; and (F) carrying out other activities determined by the State to improve the quality of infant and toddler care provided in the State, and for which there is evidence that the activities will lead to improved infant and toddler health and safety, infant and toddler cognitive and physical development, or infant and toddler well-being, including providing health and safety training (including training in safe sleep practices, first aid, and cardiopulmonary resuscitation) for providers and caregivers. (5) Establishing or expanding a statewide system of child care resource and referral services. (6) Facilitating compliance with State requirements for inspection, monitoring, train-

---

1 So in original. No subpar. (D) has been enacted.
§ 9858f

TITLED 42—THE PUBLIC HEALTH AND WELFARE

Page 7294

The Individuals with Disabilities Education Act, referred to in subsec. (b)(4)(C), is title VI of Pub. L. 91-230, Apr. 13, 1970, 84 Stat. 77. Part C of the Act is classified generally to subchapter III (§1431 et seq.) of chapter 33 of Title 20, Education. For complete classification of this Act to the Code, see section 1400 of Title 20 and Tables.

Amendments

1992—Pub. L. 102–401 reenacted section catchline without change and amended text generally, substituting current provisions for provisions requiring State receiving financial assistance under this subchapter to utilize not less than 20 percent of such assistance for one or more of following: resource and referral programs, grants or loans to assist in meeting State and local standards, monitoring of compliance with licensing and regulatory requirements, training, or improving salaries or other compensation to staff.

1996—Pub. L. 104–193 reenacted section catchline without change and amended text generally, substituting current provisions for provisions requiring State receiving financial assistance under this subchapter to utilize not less than 4 percent of the amount of such funds for activities that are designed to provide comprehensive consumer education to parents and the public, activities that increase parental choice, and activities designed to improve the quality and availability of child care (such as resource and referral services).

1994—Pub. L. 103–227 added section 101–508, title V, § 5082(2), Nov. 5, 1990, 104 Stat. 1959; Pub. L. 102–586, § 8(c)(1), Nov. 7, 1992, 106 Stat. 1564; Pub. L. 102–401, Pub. L. 102–586 amended text generally. Prior to amendment, text read as follows: "A State that receives funds to carry out this subchapter for a fiscal year, shall use not less than 4 percent of the amount of such funds for activities that are designed to provide comprehensive consumer education to parents and the public, activities that increase parental choice, and activities designed to improve the quality and availability of child care (such as resource and referral services)."

1992—Pub. L. 102–401 amended section generally. Prior to amendment, text read as follows: "A State that receives funds to carry out this subchapter for a fiscal year, shall use not less than 4 percent of the amount of such funds for activities that are designed to provide comprehensive consumer education to parents and the public, activities that increase parental choice, and activities designed to improve the quality and availability of child care (such as resource and referral services)."

Effective Date of 1996 Amendment


§ 9858f. Criminal background checks

(a) In general

A State that receives funds to carry out this subchapter shall have in effect—

(1) requirements, policies, and procedures to require and conduct criminal background checks for child care staff members (including prospective child care staff members) of child care providers described in subsection (c)(1); and

(2) licensing, regulation, and registration requirements, as applicable, that prohibit the employment of child care staff members as described in subsection (c).

(b) Requirements

A criminal background check for a child care staff member under subsection (a) shall include—

(1) a search of the State criminal and sex offender registry or repository in the State where the child care staff member resides, and each State where such staff member resided during the preceding 5 years;

(2) a search of State-based child abuse and neglect registries and databases in the State where the child care staff member resides, and each State where such staff member resided during the preceding 5 years;

(3) a search of the National Crime Information Center;

(4) a Federal Bureau of Investigation fingerprint check using the Integrated Automated Fingerprint Identification System; and

(5) a search of the National Sex Offender Registry established under the Adam Walsh

ing, and health and safety, and with State licensing standards.

(7) Evaluating and assessing the quality and effectiveness of child care programs and services offered in the State, including evaluating how such programs positively impact children.

(8) Supporting child care providers in the voluntary pursuit of accreditation by a nationally accredited body with demonstrated, valid, and reliable program standards of high quality.

(9) Supporting State or local efforts to develop or adopt high-quality program standards relating to health, mental health, nutrition, physical activity, and physical development.

(e) Technical assistance

The Secretary shall offer technical assistance, in accordance with section 9858f(a)(3) of this title, which may include technical assistance through the use of grants or cooperative agreements, to States for the activities described in subsection (b) at the request of the State.

(f) Construction

Nothing in this section shall be construed as providing the Secretary the authority to regulate, direct, dictate, or place conditions (outside of what is required by this subchapter) on a State adopting specific State child care quality activities or progress in implementing those activities.


(c) Prohibitions

(1) Child care staff members

A child care staff member shall be ineligible for employment by a child care provider that is receiving assistance under this subchapter if such individual—

(A) refuses to consent to the criminal background check described in subsection (b);

(B) knowingly makes a materially false statement in connection with such criminal background check;

(C) is registered, or is required to be registered, on a State sex offender registry or repository or the National Sex Offender Registry established under the Adam Walsh Child Protection and Safety Act of 2006 (42 U.S.C. 16901 et seq.); or

(D) has been convicted of a felony consisting of—

(i) murder, as described in section 1111 of title 18;

(ii) child abuse or neglect;

(iii) a crime against children, including child pornography;

(iv) spousal abuse;

(v) a crime involving rape or sexual assault;

(vi) kidnapping;

(vii) arson;

(viii) physical assault or battery; or

(ix) subject to subsection (e)(4), a drug-related offense committed during the preceding 5 years; or

(E) has been convicted of a violent misdemeanor committed as an adult against a child, including the following crimes: child abuse, child endangerment, sexual assault, or of a misdemeanor involving child pornography.

(2) Child care providers

A child care provider described in subsection (i)(1) shall be ineligible for assistance provided in accordance with this subchapter if the provider employs a staff member who is ineligible for employment under paragraph (1).

(d) Submission of requests for background checks

(1) In general

A child care provider covered by subsection (c) shall submit a request, to the appropriate State agency designated by a State, for a criminal background check described in subsection (b), for each child care staff member (including prospective child care staff members) of the provider.

(2) Staff members

Subject to paragraph (4), in the case of an individual who became a child care staff member before November 19, 2014, the provider shall submit such a request—

(A) prior to the last day described in subsection (j)(1); and

(B) not less often than once during each 5-year period following the first submission date under this paragraph for that staff member.

(3) Prospective staff members

Subject to paragraph (4), in the case of an individual who is a prospective child care staff member on or after November 19, 2014, the provider shall submit such a request—

(A) prior to the date the individual becomes a child care staff member of the provider; and

(B) not less than once during each 5-year period following the first submission date under this paragraph for that staff member.

(4) Background check for another child care provider

A child care provider shall not be required to submit a request under paragraph (2) or (3) for a child care staff member if—

(A) the staff member received a background check described in subsection (b)—

(i) within 5 years before the latest date on which such a submission may be made; and

(ii) while employed by or seeking employment by another child care provider within the State;

(B) the State provided to the first provider a qualifying background check result, consistent with this subchapter, for the staff member; and

(C) the staff member is employed by a child care provider within the State, or has been separated from employment from a child care provider within the State for a period of not more than 180 consecutive days.

(e) Background check results and appeals

(1) Background check results

The State shall carry out the request of a child care provider for a criminal background check as expeditiously as possible, but not to exceed 45 days after the date on which such request was submitted, and shall provide the results of the criminal background check to such provider and to the current or prospective staff member.

(2) Privacy

(A) In general

The State shall provide the results of the criminal background check to the provider in a statement that indicates whether a child care staff member (including a prospective child care staff member) is eligible or ineligible for employment described in subsection (c), without revealing any disqualifying crime or other related information regarding the individual.

(B) Ineligible staff member

If the child care staff member is ineligible for such employment due to the background check, the State will, when providing the results of the background check, include information related to each disqualifying crime, in a report to the staff member or prospective staff member.

(C) Public release of results

No State shall publicly release or share the results of individual background checks,
except States may release aggregated data by crime as listed under subsection (c)(1)(D) from background check results, as long as such data is not personally identifiable information.

(3) Appeals
(A) In general
The State shall provide for a process by which a child care staff member (including a prospective child care staff member) may appeal the results of a criminal background check conducted under this section to challenge the accuracy or completeness of the information contained in such member’s criminal background report.

(B) Appeals process
The State shall ensure that—
(i) each child care staff member shall be given notice of the opportunity to appeal;
(ii) a child care staff member will receive instructions about how to complete the appeals process if the child care staff member wishes to challenge the accuracy or completeness of the information contained in such member’s criminal background report; and
(iii) the appeals process is completed in a timely manner for each child care staff member.

(4) Review
The State may allow for a review process through which the State may determine that a child care staff member (including a prospective child care staff member) disqualifed for a crime specified in subsection (c)(1)(D)(ix) is eligible for employment described in subsection (c)(1), notwithstanding subsection (c). The review process shall be consistent with title VII of the Civil Rights Act of 1964 (42 U.S.C. 2000e et seq.).

(5) No private right of action
Nothing in this section shall be construed to create a private right of action if a provider has acted in accordance with this section.

(f) Fees for background checks
Fees that a State may charge for the costs of processing applications and administering a criminal background check as required by this section shall not exceed the actual costs to the State for the processing and administration.

(g) Transparency
The State must ensure that the policies and procedures under this section are published on the Web site (or otherwise publicly available venue in the absence of a Web site) of the State and the Web sites of local lead agencies.

(h) Construction
(1) Disqualification for other crimes
Nothing in this section shall be construed to prevent a State from disqualifying individuals as child care staff members based on their conviction for crimes not specifically listed in this section that bear upon the fitness of an individual to provide care for and have responsibility for the safety and well-being of children.

(2) Rights and remedies
Nothing in this section shall be construed to alter or otherwise affect the rights and remedies provided for child care staff members residing in a State that disqualifies individuals as child care staff members for crimes not specifically provided for under this section.

(i) Definitions
In this section—
(1) the term “child care provider” means a center-based child care provider, a family child care provider, or another provider of child care services for compensation and on a regular basis that—
(A) is not an individual who is related to all children for whom child care services are provided; and
(B) is licensed, regulated, or registered under State law or receives assistance provided under this subchapter; and
(2) the term “child care staff member” means an individual (other than an individual who is related to all children for whom child care services are provided)—
(A) who is employed by a child care provider for compensation; or
(B) whose activities involve the care or supervision of children for a child care provider or unsupervised access to children who are cared for or supervised by a child care provider.

(j) Effective date
(1) In general
A State that receives funds under this subchapter shall meet the requirements of this section for the provision of criminal background checks for child care staff members described in subsection (d)(1) not later than the last day of the second full fiscal year after November 19, 2014.

(2) Extension
The Secretary may grant a State an extension of time, of not more than 1 fiscal year, to meet the requirements of this section if the State demonstrates a good faith effort to comply with the requirements of this section.

(3) Penalty for noncompliance
Except as provided in paragraphs (1) and (2), for any fiscal year that a State fails to comply substantially with the requirements of this section, the Secretary shall withhold 5 percent of the funds that would otherwise be allocated to that State in accordance with this subchapter for the following fiscal year.

References in Text
§ 9858g. Administration and enforcement

(a) Administration

The Secretary shall—

(1) coordinate all activities of the Department of Health and Human Services relating to child care, and, to the maximum extent practicable, coordinate such activities with similar activities of other Federal entities;

(2) collect, publish, and make available to the public a listing of State child care standards at least once every 3 years;

(3) provide technical assistance, such as business technical assistance, as described in section 9858c(c)(2)(V) of this title, to States (which may include providing assistance on a reimbursable basis) which shall be provided by qualified experts on practices grounded in scientifically valid research, where appropriate, to carry out this subchapter;

(4) disseminate, for voluntary informational purposes, information on practices that scientifically valid research indicates are most successful in improving the quality of programs that receive assistance with this subchapter; and

(5) after consultation with the heads of any other Federal agencies involved, issue guidance and disseminate information on best practices regarding the use of funding combined by States as described in section 9858c(c)(2)(O)(ii) of this title, consistent with laws other than this subchapter.

(b) Enforcement

(1) Review of compliance with State plan

The Secretary shall review and monitor State compliance with this subchapter and the plan approved under section 9858c(c) of this title for the State.

(2) Noncompliance

(A) In general

If the Secretary, after reasonable notice to a State and opportunity for a hearing, finds that—

(i) there has been a failure by the State to comply substantially with any provision or requirement set forth in the plan approved under section 9858c(c) of this title for the State; or

(ii) in the operation of any program for which assistance is provided under this subchapter there is a failure by the State to comply substantially with any provision of this subchapter;

the Secretary shall notify the State of the finding and shall require that the State reimburse the Secretary for any funds that were improperly expended for purposes prohibited or not authorized by this subchapter, that the Secretary deduct from the administrative portion of the State allotment for the following fiscal year an amount that is less than or equal to any improperly expended funds, or a combination of such options.

(B) Additional sanctions

In the case of a finding of noncompliance made pursuant to subparagraph (A), the Secretary may, in addition to imposing the sanctions described in such subparagraph, impose other appropriate sanctions, including recoupment of money improperly expended for purposes prohibited or not authorized by this subchapter, and disqualification from the receipt of financial assistance under this subchapter.

(C) Notice

The notice required under subparagraph (A) shall include a specific identification of any additional sanction being imposed under subparagraph (B).

(3) Issuance of rules

The Secretary shall establish by rule procedures for—

(A) receiving, processing, and determining the validity of complaints concerning any failure of a State to comply with the State plan or any requirement of this subchapter; and

(B) imposing sanctions under this section.

(c) Request for relief

(1) In general

The Secretary may waive for a period of not more than three years any provision under this subchapter or sanctions imposed upon a State in accordance with subsection (b)(2) upon the State’s request for such a waiver if the Secretary finds that—

(A) the request describes one or more conflicting or duplicative requirements preventing the effective delivery of child care services to justify a waiver, extraordinary circumstances, such as natural disaster or financial crisis, or an extended period of time for a State legislature to enact legislation to implement the provisions of this subchapter;

(B) such circumstances included in the request prevent the State from complying with any statutory or regulatory requirements of this subchapter;

(C) the waiver will, by itself, contribute to or enhance the State’s ability to carry out the purposes of this subchapter; and,1

(D) the waiver will not contribute to inconsistency with the objectives of this law.

(2) Contents

Such request shall be provided to the Secretary in writing and will—

(A) detail each sanction or provision within this subchapter that the State seeks relief from;

1 So in original. The comma probably should not appear.
(B) describe how a waiver from that sanction or provision of this subchapter will, by itself, improve delivery of child care services for children in the State; and

(C) certify that the health, safety, and well-being of children served through assistance received under this subchapter will not be compromised as a result of the waiver.

(3) Approval

Within 90 days after the receipt of a State’s request under this subsection, the Secretary shall inform the State of approval or disapproval of the request. If the plan is disapproved, the Secretary shall, at this time, inform the State, the Committee on Education and the Workforce of the House of Representatives, and the Committee on Health, Education, Labor, and Pensions of the Senate of the reasons for the disapproval and give the State the opportunity to amend the request. The Secretary shall, at this time, inform the State of approval or disapproval of the request. If the plan is disapproved, the Secretary shall, at this time, in paragraph (7).

(4) External conditions

The Secretary shall require or impose any new or additional requirements in exchange for receipt of a waiver if such requirements are not specified in this subchapter.

(5) Duration

The Secretary may approve a request under this subsection for a period not to exceed three years, unless a renewal is granted under paragraph (7).

(6) Termination

The Secretary shall terminate approval of a request for a waiver authorized under this subsection if the Secretary determines, after notice and opportunity for a hearing, that the performance of a State granted relief under this subsection has been inadequate, or if such relief is no longer necessary to achieve its original purposes.

(7) Renewal

The Secretary may approve or disapprove a request from a State for renewal of an existing waiver under this subchapter for a period no longer than one year. A State seeking to renew their waiver approval must inform the Secretary of this intent no later than 30 days prior to the expiration date of the waiver. The State shall re-certify in its extension request any provisions in paragraph (2) of this subchapter, and shall also explain the need for additional time of relief from such sanction(s) or provisions approved under this law as provided in this subchapter.

(8) Restrictions

Nothing in this subchapter shall be construed as providing the Secretary the authority to permit States to alter the eligibility requirements for eligible children, including work requirements, job training, or educational program participation, that apply to the parents of eligible children under this subchapter.

Nothing in this subsection shall be construed to allow the Secretary to waive anything related to his or her authority under this subchapter.

2014—Subsec. (a)(2). Pub. L. 113–186, § 8(a)(1), inserted a comma after “publish” and struck out “and” at end. Subsec. (a)(3). Pub. L. 113–186, § 8(a)(2), added par. (3) and struck out former par. (3) which read as follows: “provide technical assistance to assist States to carry out this subchapter, including assistance on a reimbursable basis.”


1996—Subsec. (b)(1). Pub. L. 104–193, § 609(1), struck out “,” and shall have the power to terminate payments to the State in accordance with paragraph (2)” before period at end.

Subsec. (b)(2)(A). Pub. L. 104–193, § 609(2), in closing provisions, substituted before period at end “finding and that no further payments may be made to such State under this subchapter (or, in the case of noncompliance in the operation of a program or activity, that no further payments to the State will be made with respect to such program or activity) until the Secretary is satisfied that there is no longer any such failure to comply or that the noncompliance will be promptly corrected” for “finding and that no further payments may be made to such State under this subchapter (or, in the case of noncompliance in the operation of a program or activity, that no further payments to the State will be made with respect to such program or activity) until the Secretary is satisfied that there is no longer any such failure to comply or that the noncompliance will be promptly corrected”.


CHANGE OF NAME

Committee on Education and the Workforce of House of Representatives changed to Committee on Education and Labor of House of Representatives by House Resolution No. 6, One Hundred Sixteenth Congress, Jan. 9, 2019.

EFFECTIVE DATE OF 1996 AMENDMENT


§ 9858h. Payments

(a) In general

Subject to the availability of appropriations, a State that has an application approved by the Secretary under section 9858(i) of this title shall be entitled to a payment under this section for each fiscal year in an amount equal to its allotment under section 9858m of this title for such fiscal year.
§ 9858i. Reports and audits

(a) Reports

(1) Collection of information by States

(A) In general

A State that receives funds to carry out this subchapter shall collect the information described in subparagraph (B) on a monthly basis.

(B) Required information

The information required under this subparagraph shall include, with respect to a family unit receiving assistance under this subchapter information concerning—

(i) family income;

(ii) county of residence;

(iii) the gender, race, and age of children receiving such assistance;

(iv) whether the head of the family unit is a single parent;

(v) the sources of family income, including:

(I) employment, including self-employment;

(II) cash or other assistance under—

(aa) the temporary assistance for needy families program under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.); and

(bb) a State program for which State spending is counted toward the maintenance of effort requirement under section 409(a)(7) of the Social Security Act (42 U.S.C. 609(a)(7));

(III) housing assistance;

(IV) assistance under the Food and Nutrition Act of 2008 [7 U.S.C. 2011 et seq.]; and

(V) other assistance programs;

(vi) the number of months the family has received benefits;

(vii) the type of child care in which the child was enrolled (such as family child care, home care, or center-based child care);

(viii) whether the child care provider involved was a relative;

(ix) the cost of child care for such families;

(x) the average hours per month of such care; and

(xi) whether the children receiving assistance under this subchapter are homeless children;

during the period for which such information is required to be submitted.

(C) Submission to Secretary

A State described in subparagraph (A) shall, on a quarterly basis, submit the information required to be collected under subparagraph (B) to the Secretary.

(D) Use of samples

(i) Authority

A State may comply with the requirement to collect the information described in subparagraph (B) through the use of disaggregated case record information on a sample of families selected through the use of scientifically acceptable sampling methods approved by the Secretary.

(ii) Sampling and other methods

The Secretary shall provide the States with such case sampling plans and data collection procedures as the Secretary

1So in original. Probably should be followed by a comma.
shall submit a copy of the audit to the legislature of the State and to the Secretary.

(4) Repayment of amounts

Each State shall repay to the United States any amounts determined through an audit under this subsection not to have been expended in accordance with this subchapter, or the Secretary may offset such amounts against any other amount to which the State is or may be entitled under this subchapter.


REFERENCES IN TEXT


AMENDMENTS

2014—Subsec. (a)(1)(B)(xi). Pub. L. 113–186, § 8(c)(1), which directed amendment of par. (1)(B) by adding cl. (xi) “at the end,” was executed by adding cl. (xi) after cl. (x), to reflect the probable intent of Congress and the presence of concluding provisions in par. (1)(B).


Subsec. (a)(2)(E). Pub. L. 113–186, § 8(c)(2)(C), which directed substitution of “; and” for period at end, was executed by making the substitution for semicolon at end, to reflect the probable intent of Congress and the presence of concluding provisions in par. (2).

Subsec. (a)(2)(F). Pub. L. 113–186, § 8(c)(2)(D), which directed amendment of par. (2) by adding subpar. (F) “at the end,” was executed by adding subpar. (F) after subpar. (E), to reflect the probable intent of Congress and the presence of concluding provisions in par. (2).


1997—Subsec. (a)(1)(B)(iv). Pub. L. 105–33, § 602(2)(A)(1)(I), added cl. (iv) and struck out former cl. (iv) which read as follows: “whether the family includes only one parent”.


(b) Audits

(1) Requirement

A State shall, after the close of each program period covered by an application approved under section 9858c(d) of this title audit its expenditures during such program period from amounts received under this subchapter.

(2) Independent auditor

Audits under this subsection shall be conducted by an entity that is independent of the State that receives assistance under this subchapter and be in accordance with generally accepted auditing principles.

(3) Submission

Not later than 30 days after the completion of an audit under this subsection, the State

So in original.

So in original. The period probably should be a semicolon.
including the amount obtained from (and separately identified)—” in introductory provisions.

Subsec. (a)(1)(B)(v)(II). Pub. L. 105–33, § 5602(2)(A)(i)(II)(b), added subcl. (II) and struck out former subcl. (II) which read as follows: “cash or other assistance under part A of title IV of the Social Security Act.”


Subsec. (a)(1)(D). Pub. L. 105–33, § 5602(2)(A)(i)(ii), added subpar. (D) and struck out heading and text of former subpar. (D). Text read as follows: “The Secretary may disapprove the information collected by a State under this paragraph if the State uses sampling methods to collect such information.”


Subsec. (a). Pub. L. 104–193, § 611(2), amended heading and text of subsec. (a) generally. Prior to amendment, text related to requirement of reports by Dec. 31, 1992, and annually thereafter, which include specification of expenditures under section 9858c(c)(3) of this title, data on fulfillment of child care needs, description of improvements in affordability and availability, description of review of State licensing and regulatory requirements and policies and results of review, explanation of any reductions in child care standards, and description of standards and health and safety requirements applicable to providers.

Subsec. (b)(1). Pub. L. 104–193, § 611(2)(3)(A), substituted “an application approved” for “a application approved”.

Subsec. (b)(2). Pub. L. 104–193, § 611(2)(3)(B), substituted “the State that receives” for “any agency administering activities that receive”.

Subsec. (b)(4). Pub. L. 104–193, § 611(2)(3)(C), substituted “entitled under this subchapter” for “entities under this subchapter”.


**Effective Date of 2008 Amendment**

**Effective Date of 1997 Amendment**

**Effective Date of 1996 Amendment**

§ 9858j. Reports, hotline, and Web site

(a) Report by Secretary

Not later than July 31, 2016, and biennially thereafter, the Secretary shall prepare and submit to the Committee on Education and the Workforce of the House of Representatives and the Committee on Health, Education, Labor, and Pensions of the Senate a report that contains a summary and analysis of the data and information provided to the Secretary in the State reports submitted under section 9858i of this title. Such report shall include an assessment, and where appropriate, recommendations for the Congress concerning efforts that should be undertaken to improve the access of the public to quality and affordable child care in the United States. Such report shall contain a determination around whether each State that uses amounts provided under this subchapter has compiled with the priority for services described in sections 9858c(c)(2)(Q) and 9858c(c)(3)(B) of this title.

(b) National toll-free hotline and Web site

(1) In general

The Secretary shall operate, directly or through the use of grants or contracts, a national toll-free hotline and Web site, to—

(A) develop and disseminate publicly available child care consumer education information for parents and help parents access safe and quality child care services in their community, with a range of price options, that best suits their family’s needs; and

(B) to allow persons to report (anonymously if desired) suspected child abuse or neglect, or violations of health and safety requirements, by an eligible child care provider that receives assistance under this subchapter or a member of the provider’s staff.

(2) Requirements

The Secretary shall ensure that the hotline and Web site meet the following requirements:

(A) Referral to local child care providers

The Web site shall be hosted by “childcare.gov”. The Web site shall enable a child care consumer to enter a zip code and obtain a referral to local child care providers described in subparagraph (B) within a specified search radius.

(B) Information

The Web site shall provide to consumers, directly or through linkages to State databases, at a minimum:

(i) a localized list of all eligible child care providers, differentiating between licensed and license-exempt providers;

(ii) any provider-specific information from a Quality Rating and Improvement System or information about other quality indicators, to the extent the information is publicly available and to the extent practicable;

(iii) any other provider-specific information about compliance with licensing, and health and safety requirements, to the extent the information is publicly available and to the extent practicable;

(iv) referrals to local resource and referral organizations from which consumers can find more information about child care providers; and

(v) State information about child care subsidy programs and other financial supports available to families.

\[1\] So in original. Probably should be “suit”.
(C) Nationwide capacity
The Web site and hotline shall have the capacity to help families in every State and community in the Nation.

(D) Information at all hours
The Web site shall provide, to parents and families, access to information about child care services 24 hours a day.

(E) Services in different languages
The Web site and hotline shall ensure the widest possible access to services for families who speak languages other than English.

(F) High-quality consumer education and referral
The Web site and hotline shall ensure that families have access to easy-to-understand child care consumer education and referral services.

(3) Prohibition
Nothing in this subsection shall be construed to allow the Secretary to compel States to provide additional data and information that is currently (as of November 19, 2014) not publicly available, or is not required by this subchapter, unless such additional data are related to the purposes and scope of this subchapter, and are subject to a notice and comment period of no less than 90 days.

(2) any services for which such students receive academic credit toward graduation; or
(3) any instructional services which supplant or duplicate the academic program of any public or private school.


AMENDMENTS

§ 9858k. Nondiscrimination
(a) Religious nondiscrimination
(1) Construction
(A) In general
Except as provided in subparagraph (B), nothing in this section shall be construed to modify or affect the provisions of any other Federal law or regulation that relates to discrimination in employment on the basis of religion.

(B) Exception
A sectarian organization may require that employees adhere to the religious tenets and teachings of such organization, and such organization may require that employees adhere to rules for-
for child care slots that are not funded directly with assistance provided under this subchapter because such children or their family members participate on a regular basis in other activities of the organization that owns or operates such provider.

(3) Employment in general

(A) Prohibition

A child care provider that receives assistance under this subchapter shall not discriminate in employment on the basis of the religion of the prospective employee if such employee’s primary responsibility is or will be working directly with children in the provision of child care services.

(B) Qualified applicants

If two or more prospective employees are qualified for any position with a child care provider receiving assistance under this subchapter, nothing in this section shall prohibit such child care provider from employing a prospective employee who is already participating on a regular basis in other activities of the organization that owns or operates such provider.

(C) Present employees

This paragraph shall not apply to employees of child care providers receiving assistance under this subchapter if such employees are employed with the provider on November 5, 1990.

(4) Employment and admission practices

Notwithstanding paragraphs (1)(B), (2), and (3), if assistance provided under this subchapter, and any other Federal or State program, amounts to 90 percent or more of the operating budget of a child care provider that receives such assistance, the Secretary shall not permit such provider to receive any further assistance under this subchapter unless the grant or contract relating to the financial assistance, or the employment and admissions policies of the provider, specifically provides that no person with responsibilities in the operation of the child care program, project, or activity of the provider will discriminate against any individual in employment, if such employee’s primary responsibility is or will be working directly with children in the provision of child care, or admissions because of the religion of such individual.

(b) Effect on State law

Nothing in this subchapter shall be construed to supersede or modify any provision of a State constitution or State law that prohibits the expenditure of public funds in or by sectarian institutions, except that no provision of a State constitution or State law shall be construed to prohibit the expenditure in or by sectarian institutions of any Federal funds provided under this subchapter.


§ 9858m. Amounts reserved; allotments

(a) Amounts reserved

(1) Territories and possessions

The Secretary shall reserve not to exceed one half of 1 percent of the amount appropriated under this section for payments to Indian tribes and tribal organizations with applications approved under subsection (c).

(2) Indians tribes

(A) In general

The Secretary shall reserve not less than 2 percent of the amount appropriated under section 9858 of this title for payments described in subparagraph (A), for a fiscal year (referred to in this subchapter as the “reservation year”) if—

(i) the amount appropriated under section 9858 of this title for the reservation year is greater than the amount appropriated under section 9858 of this title for fiscal year 2014; and

(ii) the Secretary ensures that the amount allotted to States under subsection (b) for the reservation year is not less than the amount allotted to States under subsection (b) for fiscal year 2014.

(3) National toll-free hotline and Web site

The Secretary shall reserve up to $1,500,000 of the amount appropriated under this subchapter for each fiscal year for the operation of a national toll-free hotline and Web site, under section 9858g(b) of this title.

(4) Technical assistance

The Secretary shall reserve up to ½ of 1 percent of the amount appropriated under this subchapter for each fiscal year to support technical assistance and dissemination activities under paragraphs (3) and (4) of section 9858g(a) of this title.

(5) Research, demonstration, and evaluation

The Secretary may reserve ½ of 1 percent of the amount appropriated under this subchapter for each fiscal year to conduct research and demonstration activities, as well as periodic external, independent evaluations of the impact of the program described by this subchapter on increasing access to child care services and improving the safety and quality of child care

1So in original. Probably should be “Indian”.
§ 9858m

TITLE 42—THE PUBLIC HEALTH AND WELFARE

Page 7304

of child care services, using scientifically valid research methodologies, and to disseminate the key findings of those evaluations widely and on a timely basis.

(b) State allotment

(1) General rule

From the amounts appropriated under section 9858 of this title for each fiscal year remaining after reservations under subsection (a), the Secretary shall allot to each State an amount equal to the sum of—

(A) an amount that bears the same ratio to 50 percent of such remainder as the product of the young child factor of the State and the allotment percentage of the State bears to the sum of the corresponding products for all States; and

(B) an amount that bears the same ratio to 50 percent of such remainder as the product of the school lunch factor of the State and the allotment percentage of the State bears to the sum of the corresponding products for all States.

(2) Young child factor

The term “young child factor” means the ratio of the number of children in the State under 5 years of age to the number of such children in all States as provided by the most recent annual estimates of population in the States by the Census Bureau of the Department of Commerce.

(3) School lunch factor

The term “school lunch factor” means the ratio of the number of children in the State who are receiving free or reduced price lunches under the school lunch program established under the Richard B. Russell National School Lunch Act (42 U.S.C. 1751 et seq.) to the number of such children in all the States as determined annually by the Department of Agriculture.

(4) Allotment percentage

(A) In general

The allotment percentage for a State is determined by dividing the per capita income of all individuals in the United States, by the per capita income of all individuals in the State.

(B) Limitations

If an allotment percentage determined under subparagraph (A)—

(i) exceeds 1.2 percent, then the allotment percentage of that State shall be considered to be 1.2 percent; and

(ii) is less than 0.8 percent, then the allotment percentage of the State shall be considered to be 0.8 percent.

(C) Per capita income

For purposes of subparagraph (A), per capita income shall be—

(i) determined at 2-year intervals;

(ii) applied for the 2-year period beginning on October 1 of the first fiscal year beginning on the date such determination is made; and

(iii) equal to the average of the annual per capita incomes for the most recent period of 3 consecutive years for which satisfactory data are available from the Department of Commerce at the time such determination is made.

(c) Payments for benefit of Indian children

(1) General authority

From amounts reserved under subsection (a)(2), the Secretary may make grants to or enter into contracts with Indian tribes or tribal organizations that submit applications under this section, for the planning and carrying out of programs or activities consistent with the purposes of this subchapter.

(2) Applications and requirements

An application for a grant or contract under this section shall provide that:

(A) Coordination

The applicant will coordinate, to the maximum extent feasible, with the lead agency in the State or States in which the applicant will carry out programs or activities under this section.

(B) Services on reservations

In the case of an applicant located in a State other than Alaska, California, or Oklahoma, programs and activities under this section will be carried out on the Indian reservation for the benefit of Indian children.

(C) Reports and audits

The applicant will make such reports on, and conduct such audits of, programs and activities under a grant or contract under this section as the Secretary may require.

(D) Licensing and standards

In lieu of any licensing and regulatory requirements applicable under State or local law, the Secretary, in consultation with Indian tribes and tribal organizations, shall develop minimum child care standards that shall be applicable to Indian tribes and tribal organizations receiving assistance under this subchapter. Such standards shall appropriately reflect Indian tribe and tribal organization needs and available resources, and shall include standards requiring a reservation of funds for activities to improve the quality of child care services provided to Indian children.

(3) Consideration of secretarial approval

In determining whether to approve an application for a grant or contract under this section, the Secretary shall take into consideration—

(A) the availability of child care services provided in accordance with this subchapter by the State or States in which the applicant proposes to carry out a program to provide child care services; and

(B) whether the applicant has the ability (including skills, personnel, resources, community support, and other necessary components) to satisfactorily carry out the proposed program or activity.
(4) Three-year limit
Grants or contracts under this section shall be for periods not to exceed 3 years.

(5) Dual eligibility of Indian children
The awarding of a grant or contract under this section for programs or activities to be conducted in a State or States shall not affect the eligibility of any Indian child to receive services provided or to participate in programs and activities carried out under a grant to the State or States under this subchapter.

(6) Construction or renovation of facilities
(A) Request for use of funds
An Indian tribe or tribal organization may submit to the Secretary a request to use amounts provided under this subsection for construction or renovation purposes.

(B) Determination
With respect to a request submitted under subparagraph (A), and except as provided in subparagraph (C), upon a determination by the Secretary that adequate facilities are not otherwise available to an Indian tribe or tribal organization to enable such tribe or organization to carry out child care programs in accordance with this subchapter, and that the lack of such facilities will inhibit the operation of such programs in the future, the Secretary may permit the tribe or organization to use assistance provided under this subsection to make payments for the construction or renovation of facilities that will be used to carry out such programs.

(C) Limitation
(i) In general
Except as provided in clause (ii), the Secretary may not permit an Indian tribe or tribal organization to use amounts provided under this subsection for construction or renovation if the use will result in a decrease in the level of child care services provided by the Indian tribe or tribal organization as compared to the level of child care services provided by the Indian tribe or tribal organization in the fiscal year preceding the year for which the determination under subparagraph (B) is being made.

(ii) Waiver
The Secretary shall waive the limitation described in clause (i) if—
(I) the Secretary determines that the decrease in the level of child care services provided by the Indian tribe or tribal organization is temporary; and
(II) the Indian tribe or tribal organization submits to the Secretary a plan that demonstrates that after the date on which the construction or renovation is completed—
(aa) the level of child care services will increase; or
(bb) the quality of child care services will improve.

(D) Uniform procedures
The Secretary shall develop and implement uniform procedures for the solicitation and consideration of requests under this paragraph.

(d) Data and information
The Secretary shall obtain from each appropriate Federal agency, the most recent data and information necessary to determine the allotments provided for in subsection (b).

(e) Reallotments
(1) In general
Any portion of the allotment under subsection (b) to a State that the Secretary determines is not required to carry out a State plan approved under section 9858c(d) of this title, in the period for which the allotment is made available, shall be reallocated by the Secretary to other States in proportion to the original allotments to the other States.

(2) Limitations
(A) Reduction
The amount of any reallocation to which a State is entitled to under paragraph (1) shall be reduced to the extent that it exceeds the amount that the Secretary estimates will be used in the State to carry out a State plan approved under section 9858c(d) of this title.

(B) Reallocations
The amount of such reduction shall be similarly reallocated among States for which no reduction in an allotment or reallocation is required by this subsection.

(3) Amounts reallocated
For purposes of any other section of this subchapter, any amount reallocated to a State under this subsection shall be considered to be part of the allotment made under subsection (b) to the State.

(4) Indian tribes or tribal organizations
Any portion of a grant or contract made to an Indian tribe or tribal organization under subsection (c) that the Secretary determines is not being used in a manner consistent with the provisions of this subchapter in the period for which the grant or contract is made available, shall be allotted by the Secretary to other tribes or organizations that have submitted applications under subsection (c) in accordance with their respective needs.

(f) “State” defined
For the purposes of this section, the term “State” includes only the 50 States, the District of Columbia, and the Commonwealth of Puerto Rico.

(References in text
The Richard B. Russell National School Lunch Act, referred to in subsec. (b)(3), is act June 4, 1946, ch. 281,
§ 9858n. Definitions

As used in this subchapter:

(1) Caregiver

The term “caregiver” means an individual who provides a service directly to an eligible child on a person-to-person basis.

(2) Child care certificate

The term “child care certificate” means a certificate (that may be a check or other disbursement) that is issued by a State or local government under this subchapter directly to a parent who may use such certificate only as payment for child care services or as a deposit for child care services if such a deposit is required of other children being cared for by the provider. Nothing in this subchapter shall preclude the use of such certificates for sectarian child care services if freely chosen by the parent. For purposes of this subchapter, child care certificates shall not be considered to be grants or contracts.

(3) Child with a disability

The term “child with a disability” means—

(A) a child with a disability, as defined in section 602 of the Individuals with Disabilities Education Act (20 U.S.C. 1401);

(B) a child who is eligible for early intervention services under part C of the Individuals with Disabilities Education Act (20 U.S.C. 1431 et seq.);

(C) a child who is less than 13 years of age and who is eligible for services under section 794 of title 29; and

(D) a child with a disability, as defined by the State involved.

(4) Eligible child

The term “eligible child” means an individual—

(A) who is less than 13 years of age;

(B) whose family income does not exceed 85 percent of the State median income for a family of the same size, and whose family assets do not exceed $1,000,000 (as certified by a member of such family); and

(C) who—

(i) resides with a parent or parents who are working or attending a job training or educational program; or

(ii) is receiving, or needs to receive, protective services and resides with a parent or parents not described in clause (i).

(5) English learner

The term “English learner” means an individual who is an English learner, as defined in section 7801 of title 20, or who is limited English proficient, as defined in section 9832 of this title.

(6) Eligible child care provider

The term “eligible child care provider” means—

(A) a center-based child care provider, a group home child care provider, a family child care provider, or other provider of child care services for compensation that—

(i) is licensed, regulated, or registered under State law as described in section 9858c(c)(2)(F) of this title; and

(ii) satisfies the State and local requirements, including those referred to in section 9858c(c)(2)(D) of this title;

and

(B) a child care provider that is 18 years of age or older who provides child care services only to eligible children who are, by affinity or consanguinity, or by court decree, the grandchild, great grandchild, sibling (if such provider lives in a separate residence), niece, or nephew of such provider, if such provider complies with any applicable requirements that govern child care provided by the relative involved.

(7) Family child care provider

The term “family child care provider” means one individual who provides child care...
services for fewer than 24 hours per day, as the sole caregiver, and in a private residence.

(8) Indian tribe

The term ‘‘Indian tribe’’ has the meaning given it in section 5304(e) of title 25.

(9) Lead agency

The term ‘‘lead agency’’ means the agency designated or established under section 9858(a) of this title.

(10) Parent

The term ‘‘parent’’ includes a legal guardian, foster parent, or other person standing in loco parentis.

(11) Scientifically valid research

The term ‘‘scientifically valid research’’ includes applied research, basic research, and field-initiated research, for which the rationale, design, and interpretation are soundly developed in accordance with principles of scientific research.

(12) Secretary

The term ‘‘Secretary’’ means the Secretary of Health and Human Services unless the context specifies otherwise.

(13) Sliding fee scale

The term ‘‘sliding fee scale’’ means a system of cost sharing by a family based on income and size of the family.

(14) State

The term ‘‘State’’ means any of the several States, the District of Columbia, the Virgin Islands of the United States, the Commonwealth of Puerto Rico, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands.

(15) Tribal organization

(A) In general

The term ‘‘tribal organization’’ has the meaning given it in section 5304(f) of title 25.

(B) Other organizations

Such term includes a Native Hawaiian Organization, as defined in section 4909(4) of title 20 and a private nonprofit organization established for the purpose of serving youth who are Indians or Native Hawaiians.


AMENDMENTS

2015—Par. (5). Pub. L. 114–95 substituted ‘‘an individual who is an English learner, as defined in section 7801 of title 20, or who is limited English proficient, as defined in section 9832 of this title’’ for ‘‘an individual who is limited English proficient, as defined in section 7801 of title 20 or section 9832 of this title’’. 2014—Pars. (3), (4). Pub. L. 113–196, §101(a), added pars. (3) and (4) and struck out former par. (4) which defined ‘‘eligible child’’. Par. (5). Pub. L. 113–186, §10(3), added par. (5). Former par. (5) redesignated (6). Par. (6). Pub. L. 113–186, §10(2), (4). redesignated par. (5) as (6) and substituted ‘‘9858c(c)(2)(F)’’ for ‘‘9858(c)(2)(D)’’ in subpar. (A)(i) and ‘‘9858c(c)(2)(E)’’ for ‘‘9858(c)(2)(F)’’ in subpar. (A)(ii). Former par. (6) redesignated (7). Pars. (7), (8). Pub. L. 113–186, §10(2), redesignated pars. (6) and (7) as (7) and (8), respectively. Former pars. (7) and (8) redesignated (8) and (9), respectively. Par. (9). Pub. L. 113–186, §10(2), (5), redesignated par. (8) as (9) and substituted ‘‘designated or established under section 9858(a)’’ for ‘‘designated under section 9858(a)’’. Former par. (9) redesignated (10). Par. (10). Pub. L. 113–186, §10(2), (6), redesignated par. (9) as (10) and inserted ‘‘, foster parent,’’ after ‘‘guardian’’. Pars. (11) to (15). Pub. L. 113–186, §10(7), (8), added par. (11) and redesignated former pars. (11) to (14) as (12) to (15), respectively.

1997—Par. (13). Pub. L. 105–33 substituted ‘‘and’’ for ‘‘or’’ after ‘‘American Samoa.’’. 1996—Par. (2). Pub. L. 104–193, §614(1), in first sentence, inserted ‘‘or as a deposit for child care services if such a deposit is required of other children being cared for by the provider’’ after ‘‘payment for child care services’’.

Par. (3). Pub. L. 104–193, §614(2), struck out heading and text of par. (3). Text read as follows: ‘‘The term ‘elementary school’ means a day or residential school that provides secondary education, as determined under State law.’’ Par. (4)(B). Pub. L. 104–193, §614(3), substituted ‘‘85 percent’’ for ‘‘75 percent’’. Par. (5)(B). Pub. L. 104–193, §614(4), inserted ‘‘great grandchild, sibling (if such provider lives in a separate residence),’’ after ‘‘grandchild,.’’, struck out ‘‘is registered and’’ after ‘‘such provider’’, and substituted ‘‘any applicable requirements’’ for ‘‘any State requirements’’.

Par. (10). Pub. L. 104–193, §614(5), struck out heading and text of par. (10). Text read as follows: ‘‘The term ‘secondary school’ means a day or residential school which provides secondary education, as determined under State law.’’. Par. (13). Pub. L. 104–193, §614(6), inserted ‘‘or’’ after ‘‘Samoa,’’ and struck out ‘‘, and the Trust Territory of the Pacific Islands’’ after ‘‘Northern Mariana Islands’’.


Par. (7). Pub. L. 102–586, §8(c)(2)(A), as amended by Pub. L. 103–171, which directed the amendment of par. (7) by substituting ‘‘section 5304(e) of title 25’’ for ‘‘section 5305(b) of title 25’’, could not be executed because the words ‘‘section 5304(b) of title 25’’ did not appear subsequent to execution of the amendment by Pub. L. 102–401, §3(b)(1). See below.

Pub. L. 102–401, §3(b)(1), substituted ‘‘section 5304(e) of title 25’’ for ‘‘section 5304(b) of title 25’’. REFERENCES IN TEXT

The Individuals with Disabilities Education Act, referred to in par. (3)(B), is title VI of Pub. L. 91–230, Apr. 13, 1970, 84 Stat. 175. Part C of the Act is classified generally to subchapter III (§1431 et seq.) of chapter 33 of Title 20, Education. For complete classification of this Act to the Code, see section 1400 of Title 20 and Tables.

1 See References in Text note below.
§ 9858o  TITLE 42—THE PUBLIC HEALTH AND WELFARE  Page 7308

Par. (14). Pub. L. 102–586, §8(c)(2)(B), as amended by Pub. L. 103–171, which directed the amendment of par. (14) by substituting “section 5304(l) of title 25” for “section 5304(c) of title 25”, could not be executed because the words “section 5304(c) of title 25” did not appear subsequent to execution of the amendment by Pub. L. 102–401, §3(b)(2). See below.

Pub. L. 102–401, §3(b)(2), substituted “section 5304(c) of title 25” for “section 5304(c) of title 25”.  

Effective Date of 2015 Amendment  
Amendment by Pub. L. 114–95 effective Dec. 10, 2015, except with respect to certain noncompetitive programs and competitive programs, see section 5 of Pub. L. 114–95, set out as a note under section 6301 of Title 20, Education.  

Effective Date of 1997 Amendment  

Effective Date of 1996 Amendment  

Effective Date of 1992 Amendments  


§ 9858o. Parental rights and responsibilities  
(a) In general  
Nothing in this subchapter shall be construed or applied in any manner to infringe on or usurp the moral and legal rights and responsibilities of parents or legal guardians.  

(b) Parental rights to use child care certificates  
Nothing in this subchapter shall be construed in a manner—  
(1) to favor or promote the use of grants and contracts for the receipt of child care services under this subchapter over the use of child care certificates; or  
(2) to disfavor or discourage the use of such certificates for the purchase of child care services, including those services provided by private or nonprofit entities, such as faith-based providers.  


AMENDMENTS  

§ 9858q. Miscellaneous provisions  
Notwithstanding any other law, the value of any child care provided or arranged (or any amount received as payment for such care or reimbursement for costs incurred for such care) under this subchapter shall not be treated as income for purposes of any other Federal or Federally-assisted program that bases eligibility, or the amount of benefits, on need.  


AMENDMENTS  

Effective Date  
Section effective Nov. 4, 1992, but not applicable with respect to the fiscal years beginning before Oct. 1, 1992, see section 8(d) of Pub. L. 102–586, set out as an Effective Date of 1992 Amendment note under section 9858h of this title.  

§ 9858r. Studies on waiting lists  
(a) Study  
The Comptroller General of the United States shall conduct studies to determine, for each State, the number of families that—  
(1) are eligible to receive assistance under the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9857 et seq.);  
(2) have applied for the assistance, identified by the type of assistance requested; and  
(3) have been placed on a waiting list for the assistance.  

(b) Report  
The Comptroller General shall prepare a report containing the results of each study and shall submit the report to the Committee on Health, Education, Labor and Pensions of the Senate, and the Committee on Education and the Workforce of the House of Representatives—  
(1) not later than 2 years after November 19, 2014; and  
(2) every 2 years thereafter.  

(c) Definition  
In this section, the term “State” has the meaning given the term in section 658P of the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9858n).
§ 9859. Definitions

In this subchapter:

(1) Child with a disability; infant or toddler with a disability

The terms “child with a disability” and “infant or toddler with a disability” have the meanings given the terms in sections 1401 and 1421 of title 20.

(2) Eligible child care provider

The term “eligible child care provider” means a provider of child care services for compensation, including a provider of care for a school-age child during non-school hours, that—

(A) is licensed, regulated, registered, or otherwise legally operating, under State and local law; and

(B) satisfies the State and local requirements, applicable to the child care services the provider provides.

(3) Secretary

The term “Secretary” means the Secretary of Health and Human Services.

(4) State

The term “State” means any of the several States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the United States Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands.

§ 9859a. Authorization of appropriations

There are authorized to be appropriated to carry out this subchapter $200,000,000 for fiscal year 2001, and such sums as may be necessary for each subsequent fiscal year.
§ 9859d. Use of funds

(a) In general

A State that receives an allotment under section 9859c of this title shall use the funds made available through the allotment to carry out two or more activities consisting of—

(1) providing training and education to eligible child care providers on preventing injuries and illnesses in children, and promoting health-related practices;

(2) strengthening licensing, regulation, or registration standards for eligible child care providers;

(3) assisting eligible child care providers in meeting licensing, regulation, or registration standards, including rehabilitating the facilities of the providers, in order to bring the facilities into compliance with the standards;

(4) enforcing licensing, regulation, or registration standards for eligible child care providers, including holding increased unannounced inspections of the facilities of those providers;

(5) providing health consultants to provide advice to eligible child care providers;

(6) assisting eligible child care providers in enhancing the ability of the providers to serve children with disabilities and infants and toddlers with disabilities;

(7) conducting criminal background checks for eligible child care providers and other individuals who have contact with children in the facilities of the providers;

(8) providing information to parents on what factors to consider in choosing a safe and healthy child care setting; or

(9) assisting in improving the safety of transportation practices for children enrolled in child care programs with eligible child care providers.

(b) Supplement, not supplant

Funds appropriated pursuant to the authority of this subchapter shall be used to supplement and not supplant other Federal, State, and local public funds expended to provide services for eligible individuals.

§ 9859f. Reports

Each State that receives an allotment under section 9859c of this title shall annually prepare and submit to the Secretary a report that describes—

(1) the activities carried out with funds made available through the allotment; and

(2) the progress made by the State toward achieving the goals described in the application submitted by the State under section 9859d of this title.
SUBCHAPTER III—FOLLOW THROUGH PROGRAMS

PART I—DIRECT SERVICES


PART II—PROGRAM IMPROVEMENT


PART III—GENERAL AND ADMINISTRATIVE PROVISIONS


SUBCHAPTER IV—GRANTS TO STATES FOR PLANNING AND DEVELOPMENT OF DEPENDENT CARE PROGRAMS AND FOR OTHER PURPOSES

CODIFICATION


§ 9871. Authorization of appropriations

For the purpose of making allotments to States to carry out the activities described in section 9874 of this title, there is authorized to be appropriated $13,000,000 for fiscal year 1995.


AMENDMENTS

1994—Pub. L. 103–252 substituted ‘‘is authorized’’ for ‘‘are authorized to be appropriated’’ ‘‘15,000,000 for fiscal year 1995’’ for ‘‘are authorized to be appropriated $20,000,000 for each of the fiscal years 1990 and 1991, and such sums as may be necessary for fiscal years 1992, 1993, and 1994’’.


1986—Pub. L. 99–425 amended section generally. Prior to amendment, section read as follows: ‘‘For the purpose of allotments to States to carry out the activities described in section 9874 of this title, there are authorized to be appropriated $20,000,000 for each of the fiscal years 1985 and 1986.’’

EFFECTIVE DATE OF 1994 AMENDMENT


EFFECTIVE DATE OF 1990 AMENDMENT


EFFECTIVE DATE OF 1986 AMENDMENT


SHORT TITLE

For short title of this subchapter as the ‘‘State Dependent Care Development Grants Act’’, see section 6701 of Pub. L. 97–35, set out as a note under section 8601 of this title.

§ 9872. Allotments

(a) From the amounts appropriated under section 9871 of this title for each fiscal year, the Secretary shall allot to each State an amount
which bears the same ratio to the total amount appropriated under such section for such fiscal year as the population of the State bears to the population of all States, except that no State may receive less than $50,000 in each fiscal year.

(b) For the purpose of the exception contained in subsection (a), the term “State” does not include Guam, American Samoa, the Virgin Islands, the Trust Territory of the Pacific Islands, and the Commonwealth of the Northern Mariana Islands.


Termination of Trust Territory of the Pacific Islands

For the purpose of the exception contained in subsection (a), the term “State” does not include Guam, American Samoa, the Virgin Islands, the Trust Territory of the Pacific Islands, and the Commonwealth of the Northern Mariana Islands.


§ 9873. Payments under allotments to States

The Secretary shall make payments, as provided by section 6503(a) of title 31, to each State from its allotments under section 9872 of this title from amounts appropriated under section 9871 of this title.


§ 9874. Use of allotments

(a) Referral systems; information; contents

(1) Subject to the provisions of subsections (c) and (d), amounts paid to a State under section 9873 of this title from its allotment under section 9872 of this title may be used for the planning, development, establishment, operation, expansion, or improvement by the States, directly, or by grant or contract, with public agencies or private nonprofit organizations of programs to furnish school-age child care services before and after school. Amounts so paid to a State and used for the operation of such child care services shall be designated to enable children whose families lack adequate financial resources, to participate in before or after school child care programs.

(b) School-age child care services; assurances; estimates

(1) Subject to the provisions of subsections (c) and (d), amounts paid to a State under section 9873 of this title from its allotment under section 9872 of this title may be used for the planning, development, establishment, operation, expansion, or improvement by the States, directly, or by grant or contract, with public agencies or private nonprofit organizations of programs to furnish school-age child care services before and after school. Amounts so paid to a State and used for the operation of such child care services shall be designated to enable children, whose families lack adequate financial resources, to participate in before or after school child care programs.

(2) The State, with respect to the uses of funds described in paragraph (1) of this subsection shall—

(A) provide assurances, in the case of an applicant that is not a State or local educational agency, that the applicant has or will enter into an agreement with the State or local educational agency, institution of higher education or community center containing provisions for—

(i) the use of facilities for the provision of before or after school child care services (including such use during holidays and vacation periods),

(ii) the restrictions, if any, on the use of such space, and

(iii) the times when the space will be available for the use of the applicant;

(B) provide an estimate of the costs of the establishment of the child care service program in the facilities;

(C) provide assurances that the parents of school-age children will be involved in the development and implementation of the program for which assistance is sought under this Act;¹

(D) provide assurances that the applicant is able and willing to seek to enroll racially, ethnically, and economically diverse school-age children, as well as handicapped school-age children, in the child care service program for which assistance is sought under this Act;¹

(E) provide assurances that the child care program is in compliance with State and local child care licensing laws and regulations governing day care services for school-age children to the extent that such regulations are appropriate to the age group served; and

(F) provide such other assurances as the chief executive officer of the State may reasonably require to carry out this Act.¹

(c) Percentage of allotment; waiver

(1) Except as provided in paragraph (2), of the allotment to each State in each fiscal year—

(A) 40 percent shall be available for the activities described in subsection (a); and

(B) 60 percent shall be available for the activities described in subsection (b).

¹So in original. Probably should be “subjectater”.

Termination of the Trust Territory of the Pacific Islands

For termination of the Trust Territory of the Pacific Islands, see note set out preceding section 1681 of Title 48, Territories and Insular Possessions.
(2) For any fiscal year the Secretary may waive the percentage requirements specified in paragraph (1) on the request of a State if such State demonstrates to the satisfaction of the Secretary—

(A) that the amount of funds available as a result of one of such percentage requirements is not needed in such fiscal year for the activities for which such amount is so made available; and

(B) the adequacy of the alternative percentages, relative to need, the State specifies the State will apply with respect to all of the activities referred to in paragraph (1) if such waiver is granted.

(d) Prohibition; use of amounts

A State may not use amounts paid to it under this subchapter to—

(1) make cash payments to intended recipients of dependent care services including child care services;

(2) pay for construction or renovation; or

(3) satisfy any requirement for the expenditure of non-Federal funds as a condition for the receipt of Federal funds.

(e) Federal share; cost of administration

(1) The Federal share of any project supported under this subchapter shall be not more than 75 percent.

(2) Not more than 10 percent of the allotment of each State under this subchapter may be available for the cost of administration.

(f) Duplication of services

Projects supported under this section to plan, develop, establish, expand, operate, or improve a State or local resource and referral system or before or after school child care program shall not duplicate any services which are provided before October 30, 1984, by the State or locality which will be served by such system.

(g) Technical assistance to States; planning and operational activities

The Secretary may provide technical assistance to States in planning and carrying out activities under this subchapter.

References in text

This Act, referred to in subsec. (b)(2)(C), (D), (F), is Pub. L. 97–35, known as the Omnibus Budget Reconciliation Act of 1981, but probably should have been "this subchapter", meaning subchapter E of chapter 8 of subtitle A of title VI of Pub. L. 97–35, known as the State Dependent Care Development Grants Act, which is classified to this subchapter.

Amendments


Subsec. (b)(1). Pub. L. 101–501, §§303(a)(2), (3), 305(a)(2), struck out "for fiscal year 1985 and fiscal year 1986", before "may be used", inserted "operation," after "establishment," struck out "in public or private school facilities or in community centers in communities" after "before and after school", and inserted at end "‘Amounts so paid to a State and used for the operation of such child care services shall be designed to enable children, whose families lack adequate financial resources, to participate in before or after school child care programs.’".


Subsec. (b)(2)(F). Pub. L. 101–501, §305(a)(3)(B), substituted "chief executive officer of the State" for "Governor" and struck out "the provisions of" before "this Act".

Subsec. (c). Pub. L. 101–501, §302, designated existing provision as par. (1), redesignated pars. (1) and (2) as subs. (A) and (B), respectively, struck out "Except as provided in paragraph (2), of "for ‘Of”, and added par. (2).

Subsec. (d). Pub. L. 101–501, §303(b), redesignated pars. (2), (4), and (5) as (1), (2), and (3), respectively, and struck out former pars. (1) and (3) which read as follows:

"(1) pay the costs of operation of any resource and referral system or before or after school child care program established, expanded, or improved under subsection (a) of this section;

(2) subsidize the direct provision of dependent care services including child care services;"

Subsec. (d)(1). Pub. L. 101–501, §305(a)(4), which directed the substitution of "subsections (a) and (b) of this section" for "subsection (a) of this section", could not be executed because of the intervening amendment by Pub. L. 101–501, §303(b), see above.


Subsec. (g). Pub. L. 101–501, §304(a)(6), substituted "carrying out activities" for "operating activities to be carried out".

1986—Subsec. (a). Pub. L. 99–425, §302(a), designated existing provisions as par. (1), substituted "system may include" for "system shall include", redesignated cls. (1) to (7) as (A) to (G), respectively, struck out last sentence which read as follows: "In carrying out clause (7) of the previous sentence, no information shall be included with respect to any dependent care services which are not provided in compliance with the laws of the State and localities in which such services are provided", and added par. (2).

Subsec. (b)(1). Pub. L. 99–425, §302(b)(1), struck out "where school facilities are not available" after "centers in communities".


Effective date of 1990 Amendment


Effective date of 1986 Amendment


§9875. Application and description of activities; requirements

(a) Applications

(1) In order to receive an allotment under section 9872 of this title, each State shall submit an application to the Secretary. Each such application shall be in such form and submitted by such date as the Secretary shall require.

(2) Each application required under paragraph (1) for an allotment under section 9872 of this title shall contain assurances that the State will meet the requirements of subsection (b).
§ 9876  TITLE 42—THE PUBLIC HEALTH AND WELFARE  Page 7314

(b) Certifications

As part of the annual application required by subsection (a), the chief executive officer of each State shall—

(1) certify that the State agrees to use the funds allotted to it under section 9872 of this title in accordance with the requirements of this subchapter; and

(2) certify that the State agrees that Federal funds made available under section 9873 of this title for any period will be so used as to supplement and increase the level of State, local, and other non-Federal funds that would in the absence of such Federal funds be made available for the programs and activities for which funds are provided under that section and will in no event supplant such State, local, and other non-Federal funds.

The Secretary may not prescribe for a State the manner of compliance with the requirements of this subsection.

c (c) Description; intended use of payments; comments; revision

(1) The chief executive officer of a State shall, as part of the application required by subsection (a), also prepare and furnish the Secretary (in accordance with such form as the Secretary shall provide) with a description of the intended use of the payments the State will receive under section 9873 of this title, including information on the programs and activities to be supported. The description shall be made public within the State in such manner as to facilitate comment from any person (including any Federal or other public agency) during development of the description and after its transmittal. The description shall be revised (consistent with this section and after its transmittal. The description shall be made public within the State in such manner as to facilitate comment from any person (including any Federal or other public agency) during development of the description and after its transmittal. The description shall be revised (consistent with this section and after its transmittal. The description shall be made public within the State in such manner as to facilitate comment from any person (including any Federal or other public agency) during development of the description and after its transmittal. The description shall be revised (consistent with this section and after its transmittal. The description shall be made public within the State in such manner as to facilitate comment from any person (including any Federal or other public agency) during development of the description and after its transmittal. The description shall be revised (consistent with this section and after its transmittal. The description shall be made public within the State in such manner as to facilitate comment from any person (including any Federal or other public agency) during development of the description and after its transmittal. The description shall be revised (consistent with this section and after its transmittal. The description shall be made public within the State in such manner as to facilitate comment from any person (including any Federal or other public agency) during development of the description and after its transmittal.

(2) The chief executive officer of each State shall, in before and after school child care programs assisted under this subchapter; and

(B) the characteristics of the children so served including age levels, handicapped condition, income level of families in such programs;

(C) the salary level and benefits paid to employees in such child care programs; and

(D) the number of clients served in resource and referral systems assisted under this subchapter, and the types of assistance they requested.

(d) Application to Public Health Service Act

Except where inconsistent with the provisions of this subchapter, the provisions of section 1903(b) [42 U.S.C. 300w–2(b)], paragraphs (1) through (5) of section 1906(a), [42 U.S.C. 300w–5(a)], and sections 1906(b), 1907, 1908, and 1909 [42 U.S.C. 300w–5(b), 300w–6, 300w–7, 300w–8] of the Public Health Service Act shall apply to this subchapter in the same manner as such pro-

See References in Text note below.
the Elementary and Secondary Education Act of 1965.1
(5) the term “institute of higher education” has the same meaning given that term under section 1001 of title 20;
(6) the term “local educational agency” has the same meaning given that term under section 7801 of title 20;
(7) the term “school-age children” means children aged five through thirteen, except that in any State in which by State law children at an earlier age are provided free public education, the age provided in State law shall be substituted for age five;
(8) the term “school facilities” means classrooms and related facilities used for the provision of education;
(9) the term “Secretary” means the Secretary of Health and Human Services;
(10) the term “State” means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, the Federated States of Micronesia, the Republic of the Marshall Islands, Palau, and the Commonwealth of the Northern Mariana Islands; and
(11) the term “State educational agency” has the meaning given that term under section 7801 of title 20.


REFERENCES IN TEXT


Section 7801 of title 20, referred to in par. (11), was in the original a reference to section 9101 of Pub. L. 89–10, which was renumbered section 8101 by Pub. L. 94–404, title VIII, §8001(a)(1), Dec. 12, 1975, 89 Stat. 844.

AMENDMENTS


2000—Par. (3). Pub. L. 106–402 substituted “section 15002 of this title” for “section 6001(7) of this title”.

1998—Par. (5). Pub. L. 105–244, which directed amendment of section 670G(5) of the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9877(5)) by substituting “section 1001” for “section 114(a)(1)”, was executed to this section, which is section 670G(5) of subchapter E of chapter 8 of subtitle A of title VI of Pub. L. 97–35, known as the State Dependent Care Development Grants Act, to reflect the probable intent of Congress.

1See References in Text note below.


1986—Par. (7). Pub. L. 99–425 inserted “, except that in any State which by State law children at an earlier age are provided free public education, the age provided in State law shall be substituted for age five”, without effect as to provisions effective before Oct. 1, 1986.

EFFECTIVE DATE OF 2015 AMENDMENT

Amendment by Pub. L. 114–95 effective Dec. 10, 2015, except with respect to certain noncompetitive programs and competitive programs, see section 5 of Pub. L. 114–95, set out as a note under section 6301 of Title 20, Education.

EFFECTIVE DATE OF 2002 AMENDMENT

Amendment by Pub. L. 107–110 effective Jan. 8, 2002, except with respect to certain noncompetitive programs and competitive programs, see section 5 of Pub. L. 107–110, set out as an Effective Date note under section 6301 of Title 20, Education.

EFFECTIVE DATE OF 1998 AMENDMENT


EFFECTIVE DATE OF 1990 AMENDMENT


EFFECTIVE DATE OF 1986 AMENDMENT


SUBCHAPTER V—COMPREHENSIVE CHILD DEVELOPMENT PROGRAM


Section 9882. Pub. L. 97–35, title VI, §670Q, as added Pub. L. 100–297, title II, §2503, Apr. 28, 1988, 102 Stat. 326, prescribes Secretary from taking into consideration, when making a grant under former section 9881, whether or not the applicant had applied or received funds under subchapter II of this chapter, relating to the Head Start program.


directed Secretary to carry out this subchapter through the administrative entity used to carry out subchapter II of this chapter.


**Effective Date of Repeal**

Repeal effective May 18, 1994, but not applicable to Head Start agencies and other recipients of financial assistance under the Head Start Act (42 U.S.C. 9831 et seq.) are repealed.’’

**Comprehensive Child Development Centers Act of 1988 (42 U.S.C. 9801 note) and the Consolidation of Child Development Programs**

Pub. L. 100–297, title II, part E, §2502, Apr. 28, 1988, 102 Stat. 325, provided that it is the purpose of part E of title II of Pub. L. 100–297 to provide financial assistance to projects that target support infants and young children from low-income families, enhance their development, and provide support for their parents and other family members, prior to repeal by Pub. L. 103–252, title I, §112(b)(1), May 18, 1994, 108 Stat. 640, 641.

**Consolidation of Child Development Programs**

Pub. L. 103–252, title I, §112(b)(1), May 18, 1994, 108 Stat. 640, provided that: “In recognition that the Comprehensive Child Development Centers Act (enacting this subchapter, amending section 9833 of this title, and enacting provisions set out as notes under this section and section 9801 of this title] has demonstrated positive results, and that its purposes and functions have been consolidated into section 645A of the Head Start Act (42 U.S.C. 9840a), the Comprehensive Child Development Centers Act of 1988 (42 U.S.C. 9801 note) and the Comprehensive Child Development Act (42 U.S.C. 9881 et seq.) are repealed.”

**CHAPTER 106—COMMUNITY SERVICES BLOCK GRANT PROGRAM**

**Sec. References.**

9924. Demonstration partnership agreements addressing needs of poor.

9926. Projects to expand the number of job opportunities available to certain low-income individuals.

**Codification**


**§9901. Purposes and goals**

The purposes of this chapter are—

(1) to provide assistance to States and local communities, working through a network of community action agencies and other neighborhood-based organizations, for the reduction of poverty, the revitalization of low-income communities, and the empowerment of low-income families and individuals in rural and urban areas to become fully self-sufficient (particularly families who are attempting to transition off a State program carried out under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.)); and

(2) to accomplish the goals described in paragraph (1) through—

(A) the strengthening of community capabilities for planning and coordinating the use of a broad range of Federal, State, local, and other assistance (including private resources) related to the elimination of poverty, so that this assistance can be used in a manner responsive to local needs and conditions;

(B) the organization of a range of services related to the needs of low-income families and individuals, so that these services may have a measurable and potentially major impact on the causes of poverty in the community and may help the families and individuals to achieve self-sufficiency;

(C) the greater use of innovative and effective community-based approaches to attacking the causes and effects of poverty and of community breakdown;

(D) the maximum participation of residents of the low-income communities and members of the groups served by programs assisted through the block grants made under this chapter to empower such residents and members to respond to the unique problems and needs within their communities; and

(E) the broadening of the resource base of programs directed to the elimination of poverty so as to secure a more active role in the provision of services for—

(i) private, religious, charitable, and neighborhood-based organizations; and
(ii) individual citizens, and business, labor, and professional groups, who are able to influence the quantity and quality of opportunities and services for the poor.


REFERENCES IN TEXT


Prior Provisions


For complete classification of this Act to the Code, see section 601 et seq. of subchapter IV of chapter 7 of this title.

§ 9902. Definitions

In this chapter:

(1) Eligible entity; family literacy services

(A) Eligible entity

The term “eligible entity” means an entity—

(i) that is an eligible entity described in paragraph (1) (as in effect on the day before October 27, 1998) as of the day before October 27, 1998, or is designated by the process described in section 9909 of this title (including an organization serving migrant or seasonal farmworkers that is so described or designated); and

(ii) has a tripartite board or other mechanism described in subsection (a) or (b), as appropriate, of section 9910 of this title.

(B) Family literacy services

The term “family literacy services” has the meaning given the term in section 9832 of this title.

(2) Poverty line

The term “poverty line” means the official poverty line defined by the Office of Management and Budget based on the most recent data available from the Bureau of the Census. The Secretary shall revise annually (or at any shorter interval the Secretary determines to be feasible and desirable) the poverty line, which shall be used as a criterion of eligibility in the community services block grant program established under this chapter. The required revision shall be accomplished by multiplying the official poverty line by the percentage change in the Consumer Price Index for All Urban Consumers during the annual or other interval immediately preceding the time at which the revision is made. Whenever a State determines that it serves the objectives of the block grant program established under this chapter, the State may revise the poverty line to not exceed 125 percent of the official poverty line otherwise applicable under this paragraph.

(3) Private, nonprofit organization

The term “private, nonprofit organization” includes a religious organization, to which the provisions of section 9920 of this title shall apply.

(4) Secretary

The term “Secretary” means the Secretary of Health and Human Services.

(5) State

The term “State” means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, the United States Virgin Islands, American Samoa, and the Commonwealth of the Northern Mariana Islands.


Prior Provisions


§ 9903. Authorization of appropriations

(a) In general

There are authorized to be appropriated such sums as may be necessary for each of fiscal years 1999 through 2003 to carry out the provisions of this chapter (other than sections 9922 and 9923 of this title).

(b) Reservations

Of the amounts appropriated under subsection (a) for each fiscal year, the Secretary shall reserve—
§ 9904. Establishment of block grant program

The Secretary is authorized to establish a community services block grant program and make grants through the program to States to ameliorate the causes of poverty in communities within the States.


PRIOR PROVISIONS


§ 9905. Distribution to territories

(a) Apportionment

The Secretary shall apportion the amount reserved under section 9903(b)(1) of this title for each fiscal year on the basis of need among Guam, American Samoa, the United States Virgin Islands, and the Commonwealth of the Northern Mariana Islands.

(b) Application

Each jurisdiction to which subsection (a) applies may receive a grant under this section for the amount apportioned under subsection (a) on submitting to the Secretary, and obtaining approval of, an application, containing provisions that describe the programs for which assistance is sought under this section, that is prepared in accordance with, and contains the information described in, section 9908 of this title.


PRIOR PROVISIONS

Prior sections 9905a and 9905a were omitted in the general amendment of this chapter by Pub. L. 101–501, title IV, § 404(c), Nov. 3, 1990, 104 Stat. 1252, related to procedures for review of termination or reduction of funding.

§ 9906. Allotments and payments to States

(a) Allotments in general

The Secretary shall, from the amount appropriated under section 9903(a) of this title for each fiscal year that remains after the Secretary makes the reservations required in section 9903(b) of this title, allot to each State (subject to section 9911 of this title) an amount that describe the programs for which assistance is sought under this section, is prepared in accordance with, and contains the information described in, section 9908 of this title, except—

(1) that no State shall receive less than 1⁄4 of 1 percent of the amount appropriated under section 9903(a) of this title for such fiscal year; and

(2) as provided in subsection (b).

(b) Allotments in years with greater available funds

Subject to paragraphs (2) and (3), if the amount appropriated under section 9903(a) of this title for a fiscal year that remains after the Secretary makes the reservations required in section 9903(b) of this title exceeds $345,000,000, the Secretary shall allot to each State not less than 1⁄2 of 1 percent of the amount appropriated under section 9903(a) of this title for such fiscal year.

(2) Maintenance of fiscal year 1990 levels

Paragraph (1) shall not apply with respect to a fiscal year if the amount allotted under subsection (a) to any State for that year is less than the amount allotted under section 9903(a)(1) of this title (as in effect on September 30, 1989) to such State for fiscal year 1990.

(3) Maximum allotments

The amount allotted under paragraph (1) to a State for a fiscal year shall be reduced, if necessary, so that the aggregate amount allotted to such State under such paragraph and subsection (a) does not exceed 140 percent of the aggregate amount allotted to such State

1 See References in Text note below.
under the corresponding provisions of this chapter for the preceding fiscal year.

(c) Payments

The Secretary shall make grants to eligible States for the allotments described in subsections (a) and (b). The Secretary shall make payments for the grants in accordance with section 6303(a) of title 31.

(d) Definition

In this section, the term “State” does not include Guam, American Samoa, the United States Virgin Islands, and the Commonwealth of the Northern Mariana Islands.


REFERENCES IN TEXT


PRIOR PROVISIONS


§ 9907. Uses of funds

(a) Grants to eligible entities and other organizations

(1) In general

Not less than 90 percent of the funds made available to a State under section 9905 or 9906 of this title shall be used by the State to make grants for the purposes described in section 9901 of this title to eligible entities.

(2) Obligational authority

Funds distributed to eligible entities through grants made in accordance with paragraph (1) for a fiscal year shall be available for obligation during that fiscal year and the succeeding fiscal year, subject to paragraph (3).

(3) Recapture and redistribution of unobligated funds

(A) Amount

Beginning on October 1, 2000, a State may recapture and redistribute funds distributed to an eligible entity through a grant made under paragraph (1) for a fiscal year if such unobligated funds exceed 20 percent of the amount so distributed to such eligible entity for such fiscal year.

(B) Redistribution

In redistributing funds recaptured in accordance with this paragraph, States shall redistribute such funds to an eligible entity, or require the original recipient of the funds to redistribute the funds to a private, non-profit organization, located within the community served by the original recipient of the funds, for activities consistent with the purposes of this chapter.

(b) Statewide activities

(1) Use of remainder

If a State uses less than 100 percent of the grant or allotment received under section 9905 or 9906 of this title to make grants under subsection (a), the State shall use the remainder of the grant or allotment under section 9905 or 9906 of this title (subject to paragraph (2)) for activities that may include—

(A) providing training and technical assistance to those entities in need of such training and assistance;

(B) coordinating State-operated programs and services, and at the option of the State, locally-operated programs and services, targeted to low-income children and families with services provided by eligible entities and other organizations funded under this chapter, including detailing appropriate employees of State or local agencies to entities funded under this chapter, to ensure increased access to services provided by such State or local agencies;

(C) supporting statewide coordination and communication among eligible entities;

(D) analyzing the distribution of funds made available under this chapter within the State to determine if such funds have been targeted to the areas of greatest need;

(E) supporting asset-building programs for low-income individuals, such as programs supporting individual development accounts;

(F) supporting innovative programs and activities conducted by community action agencies or other neighborhood-based organizations to eliminate poverty, promote self-sufficiency, and promote community revitalization;

(G) supporting State charity tax credits as described in subsection (c); and

(H) supporting other activities, consistent with the purposes of this chapter.

(2) Administrative cap

No State may spend more than the greater of $55,000, or 5 percent, of the grant received under section 9905 of this title or State allotment received under section 9906 of this title for administrative expenses, including monitoring activities. Funds to be spent for such expenses shall be taken from the portion of the grant under section 9905 of this title or State allotment that remains after the State makes grants to eligible entities under subsection (a). The cost of activities conducted under paragraph (1)(A) shall not be considered to be administrative expenses. The startup cost and cost of administrative activities conducted under subsection (c) shall be considered to be administrative expenses.

(c) Charity tax credit

(1) In general

Subject to paragraph (2), if there is in effect under State law a charity tax credit, the State may use for any purpose the amount of the allotment that is available for expenditure under subsection (b).

(2) Limit

The aggregate amount a State may use under paragraph (1) during a fiscal year shall not exceed 100 percent of the revenue loss of the State during the fiscal year that is attributable to the charity tax credit, as determined by the Secretary of the Treasury without re-
gard to any such revenue loss occurring before January 1, 1999.

(3) Definitions and rules

In this subsection:

(A) Charity tax credit

The term “charity tax credit” means a nonrefundable credit against State income tax (or, in the case of a State that does not impose an income tax, a comparable benefit) that is allowable for contributions, in cash or in kind, to qualified charities.

(B) Qualified charity

(i) In general

The term “qualified charity” means any organization—

(aa) described in section 501(c)(3) of title 26 and exempt from tax under section 501(a) of such title;

(bb) an eligible entity; or

(cc) a public housing agency as defined in section 1437a(b)(6) of this title;

(ii) Certain contributions to collection organizations treated as contributions to qualified charity

(I) In general

A contribution to a collection organization shall be treated as a contribution to a qualified charity if the donor designates in writing that the contribution is for the qualified charity.

(II) Collection organization

The term “collection organization” means an organization described in section 501(c)(3) of such title and exempt from tax under section 501(a) of such title—

(aa) that solicits and collects gifts and grants that, by agreement, are distributed to qualified charities;

(bb) that distributes to qualified charities at least 90 percent of the gifts and grants the organization receives that are designated for such qualified charities; and

(cc) that meets the requirements of clause (vi).

(iii) Charity must primarily assist poor individuals

(I) In general

An organization meets the requirements of this clause only if the appropriate State authority reasonably expects that the predominant activity of such organization will be the provision of direct services within the United States to individuals and families whose annual incomes generally do not exceed 185 percent of the poverty line in order to prevent or alleviate poverty among such individuals and families.

(II) No recordkeeping in certain cases

An organization shall not be required to establish or maintain records with respect to the incomes of individuals and families for purposes of subclause (I) if such individuals or families are members of groups that are generally recognized as including substantially only individuals and families described in subclause (I).

(III) Food aid and homeless shelters

Except as otherwise provided by the appropriate State authority, for purposes of subclause (I), services to individuals in the form of—

(aa) donations of food or meals; or

(bb) temporary shelter to homeless individuals;

shall be treated as provided to individuals described in subclause (I) if the location and provision of such services are such that the service provider may reasonably conclude that the beneficiaries of such services are predominantly individuals described in subclause (I).

(iv) Minimum expense requirement

(I) In general

An organization meets the requirements of this clause only if the appropriate State authority reasonably expects that the annual poverty program expenses of such organization will not be less than 75 percent of the annual aggregate expenses of such organization.

(II) Poverty program expense

For purposes of subclause (I)—

(aa) In general

The term “poverty program expense” means any expense in providing direct services referred to in clause (iii).

(bb) Exceptions

Such term shall not include any management or general expense, any expense for the purpose of influencing legislation (as defined in section 4911(d) of title 26), any expense for the purpose of fundraising, any expense for a legal service provided on behalf of any individual referred to in clause (iii), any expense for providing tuition assistance relating to compulsory school attendance, and any expense that consists of a payment to an affiliate of the organization.

(v) Reporting requirement

The information required to be furnished under this clause about an organization is—

(I) the percentages determined by dividing the following categories of the organization’s expenses for the year by the total expenses of the organization for the
year: expenses for direct services, management expenses, general expenses, fundraising expenses, and payments to affiliates; and
(II) the category or categories (including food, shelter, education, substance abuse prevention or treatment, job training, or other) of services that constitute predominant activities of the organization.

(vi) Additional requirements for collection organizations

The requirements of this clause are met if the organization—
(1) maintains separate accounting for revenues and expenses; and
(II) makes available to the public information on the administrative and fundraising costs of the organization, and information as to the organizations receiving funds from the organization and the amount of such funds.

(vii) Special rule for States requiring tax uniformity

In the case of a State—
(I) that has a constitutional requirement of tax uniformity; and
(II) that, as of December 31, 1997, imposed a tax on personal income with—
(aa) a single flat rate applicable to all earned and unearned income (except insofar as any amount is not taxed pursuant to tax forgiveness provisions); and
(bb) no generally available exemptions or deductions to individuals;

the requirement of paragraph (2) shall be treated as met if the amount of the credit described in paragraph (2) is limited to a uniform percentage (but not greater than 25 percent) of State personal income tax liability (determined without regard to credits).

(4) Limitation on use of funds for startup and administrative activities

Except to the extent provided in subsection (b)(2), no part of the aggregate amount a State uses under paragraph (1) may be used to pay the cost of the startup and administrative activities conducted under this subsection.

(5) Prohibition on use of funds for legal services or tuition assistance

No part of the aggregate amount a State uses under paragraph (1) may be used to provide legal services or to provide tuition assistance related to compulsory education requirements (not including tuition assistance for tutoring, camps, skills development, or other supplemental services or training).

(6) Prohibition on supplanting funds

No part of the aggregate amount a State uses under paragraph (1) may be used to supplant non-Federal funds that would be available, in the absence of Federal funds, to offset a revenue loss of the State attributable to a charity tax credit.

§ 9908  TITLE 42—THE PUBLIC HEALTH AND WELFARE  Page 7322

ing to transition off a State program carried out under part A of title IV of the Social Security Act;

(ii) to secure and retain meaningful employment;

(iii) to attain an adequate education, with particular attention toward improving literacy skills of the low-income families in the communities involved, which may include carrying out family literacy initiatives;

(iv) to make better use of available income;

(v) to obtain and maintain adequate housing and a suitable living environment;

(vi) to obtain emergency assistance through loans, grants, or other means to meet immediate and urgent family and individual needs; and

(vii) to achieve greater participation in the affairs of the communities involved, including the development of public and private grassroots partnerships with local law enforcement agencies, local housing authorities, private foundations, and other public and private partners to—

(I) document best practices based on successful grassroots intervention in urban areas, to develop methodologies for widespread replication; and

(II) strengthen and improve relationships with local law enforcement agencies, which may include participation in activities such as neighborhood or community policing efforts;

(B) to address the needs of youth in low-income communities through youth development programs that support the primary role of the family, give priority to the prevention of youth problems and crime, and promote increased community coordination and collaboration in meeting the needs of youth, and support development and expansion of innovative community-based youth development programs that have demonstrated success in preventing or reducing youth crime, such as—

(i) programs for the establishment of violence-free zones that would involve youth development and intervention models (such as models involving youth mediation, youth mentoring, life skills training, job creation, and entrepreneurship programs); and

(ii) after-school child care programs; and

(C) to make more effective use of, and to coordinate with, other programs related to the purposes of this chapter (including State welfare reform efforts);

(2) a description of how the State intends to use discretionary funds made available from the remainder of the grant or allotment described in section 9907(b) of this title in accordance with this chapter, including a description of how the State will support innovative community and neighborhood-based initiatives related to the purposes of this chapter;

(3) information provided by eligible entities in the State, containing—

(A) a description of the service delivery system, for services provided or coordinated with funds made available through grants made under section 9907(a) of this title, targeted to low-income individuals and families in communities within the State;

(B) a description of how linkages will be developed to fill identified gaps in the services, through the provision of information, referrals, case management, and followup consultations;

(C) a description of how funds made available through grants made under section 9907(a) of this title will be coordinated with other public and private resources; and

(D) a description of how the local entity will use the funds to support innovative community and neighborhood-based initiatives related to the purposes of this chapter, which may include familyhood initiatives and other initiatives with the goal of strengthening families and encouraging effective parenting;

(4) an assurance that eligible entities in the State will provide, on an emergency basis, for the provision of such supplies and services, nutritious foods, and related services, as may be necessary to counteract conditions of starvation and malnutrition among low-income individuals;

(5) an assurance that the State and the eligible entities in the State will coordinate, and establish linkages between, governmental and other social services programs to assure the effective delivery of such services to low-income individuals and to avoid duplication of such services, and a description of how the State and the eligible entities will coordinate the provision of employment and training activities, as defined in section 3 of the Workforce Innovation and Opportunity Act [29 U.S.C. 3102], in the State and in communities with entities providing activities through statewide and local workforce development systems under such Act;

(6) an assurance that the State will ensure coordination between antipoverty programs in each community in the State, and ensure, where appropriate, that emergency energy crisis intervention programs under title XXVI [42 U.S.C. 8621 et seq.] (relating to low-income home energy assistance) are conducted in such community;

(7) an assurance that the State will permit and cooperate with Federal investigations undertaken in accordance with section 9916 of this title;

(8) an assurance that any eligible entity in the State that received funding in the previous fiscal year through a community services block grant made under this chapter will not have its funding terminated under this chapter, or reduced below the proportional share of funding the entity received in the previous fiscal year unless, after providing notice and an opportunity for a hearing on the record, the State determines that cause exists for such termination or such reduction, subject to review by the Secretary as provided in section 9915(b) of this title;

(9) an assurance that the State and eligible entities in the State will, to the maximum ex-
tent possible, coordinate programs with and form partnerships with other organizations serving low-income residents of the communities and members of the groups served by the State, including religious organizations, charitable groups, and community organizations;

(10) an assurance that the State will require each eligible entity in the State to establish procedures under which a low-income individual, community organization, or religious organization, or representative of low-income individuals that considers its organization, or low-income individuals, to be inadequately represented on the board (or other mechanism) of the eligible entity to petition for adequate representation;

(11) an assurance that the State will secure from each eligible entity in the State, as a condition to receipt of funding by the entity through a community services block grant made under this chapter for a program, a community action plan (which shall be submitted to the Secretary, at the request of the Secretary, with the State plan) that includes a community-needs assessment for the community served, which may be coordinated with community-needs assessments conducted for other programs;

(12) an assurance that the State and all eligible entities in the State will, not later than fiscal year 2001, participate in the Results Oriented Management and Accountability System, another performance measure system for which the Secretary facilitated development pursuant to section 9917(b) of this title, or an alternative system for measuring performance and results that meets the requirements of that section, and a description of outcome measures to be used to measure eligible entity performance in promoting self-sufficiency, family stability, and community revitalization; and

(13) information describing how the State will carry out the assurances described in this subsection.

(c) Funding termination or reductions

For purposes of making a determination in accordance with subsection (b)(8) with respect to—

(1) a funding reduction, the term “cause” includes—

(A) a statewide redistribution of funds provided through a community services block grant under this chapter to respond to—

(i) the results of the most recently available census or other appropriate data;

(ii) the designation of a new eligible entity; or

(iii) severe economic dislocation; or

(B) the failure of an eligible entity to comply with the terms of an agreement or a State plan, or to meet a State requirement, as described in section 9915(a) of this title; and

(2) a termination, the term “cause” includes the failure of an eligible entity to comply with the terms of an agreement or a State plan, or to meet a State requirement, as described in section 9915(a) of this title.

(d) Procedures and information

The Secretary may prescribe procedures for the purpose of assessing the effectiveness of eligible entities in carrying out the purposes of this chapter.

(e) Revisions and inspection

(1) Revisions

The chief executive officer of each State may revise any plan prepared under this section and shall submit the revised plan to the Secretary.

(2) Public inspection

Each plan or revised plan prepared under this section shall be made available for public inspection within the State in such a manner as will facilitate review of, and comment on, the plan.

(f) Transition

For fiscal year 2000, to be eligible to receive a grant or allotment under section 9905 or 9906 of this title, a State shall prepare and submit to the Secretary an application and State plan in accordance with the provisions of this chapter (as in effect on the day before October 27, 1998), rather than the provisions of subsections (a) through (c) relating to applications and plans.

References in Text

the State and in communities with entities providing activities through statewide and local workforce development systems under such Act” for “the eligible entities will coordinate the provision of employment and training activities, as defined in section 101 of such Act, in the State and in communities with entities providing activities through statewide and local workforce investment systems under the Workforce Investment Act of 1998”.

**Effective Date of 2014 Amendment**

Amendment by Pub. L. 113–128 effective on the first day of the first full program year after July 22, 2014 (July 1, 2015), see section 506 of Pub. L. 113–128, set out as an Effective Date note under section 3101 of Title 29, Labor.

§ 9909. Designation and redesignation of eligible entities in unserved areas

(a) Qualified organization in or near area

(1) In general

If any geographic area of a State is not, or ceases to be, served by an eligible entity under this chapter, and if the chief executive officer of the State decides to serve such area, the chief executive officer may solicit applications from, and designate as an eligible entity—

(A) a private nonprofit organization (which may include an eligible entity) that is geographically located in the unserved area, that is capable of providing a broad range of services designed to eliminate poverty and foster self-sufficiency, and that meets the requirements of this chapter; and

(B) a private nonprofit eligible entity that is geographically located in an area contiguous to or within reasonable proximity of the unserved area and that is already providing related services in the unserved area.

(2) Requirement

In order to serve as the eligible entity for the area, an entity described in paragraph (1)(B) shall agree to add additional members to the board of the entity to ensure adequate representation—

(A) in each of the three required categories described in subparagraphs (A), (B), and (C) of section 9910(a)(2) of this title, by members that reside in the community comprised by the unserved area; and

(B) in the category described in section 9910(a)(2)(B) of this title, by members that reside in the neighborhood to be served.

(b) Special consideration

In designating an eligible entity under subsection (a), the chief executive officer shall grant the designation to an organization of demonstrated effectiveness in meeting the goals and purposes of this chapter and may give priority, in granting the designation, to eligible entities that are providing related services in the unserved area, consistent with the needs identified by a community-needs assessment.

(c) No qualified organization in or near area

If no private, nonprofit organization is identified or determined to be qualified under subsection (a) to serve the unserved area as an eligible entity the chief executive officer may designate an appropriate political subdivision of the State to serve as an eligible entity for the area. In order to serve as the eligible entity for that area, the political subdivision shall have a board or other mechanism as required in section 9910(b) of this title.


Prior Provisions


A prior section 676A of Pub. L. 97–35 was classified to section 9905a of this title, prior to the general amendment of this chapter by Pub. L. 105–285.

§ 9910. Tripartite boards

(a) Private nonprofit entities

(1) Board

In order for a private, nonprofit entity to be considered to be an eligible entity for purposes of section 9902(1) of this title, the entity shall administer the community services block grant program through a tripartite board described in paragraph (2) that fully participates in the development, planning, implementation, and evaluation of the program to serve low-income communities.

(2) Selection and composition of board

The members of the board referred to in paragraph (1) shall be selected by the entity and the board shall be composed so as to assure that—

(A) ½ of the members of the board are elected public officials, holding office on the date of selection, or their representatives, except that if the number of such elected officials reasonably available and willing to serve on the board is less than ½ of the membership of the board, membership on the board of appointive public officials or their representatives may be counted in meeting such ½ requirement;

(B)(i) not fewer than ½ of the members are persons chosen in accordance with democratic selection procedures adequate to assure that these members are representative of low-income individuals and families in the neighborhood served; and

(ii) each representative of low-income individuals and families selected to represent a specific neighborhood within a community under clause (i) resides in the neighborhood represented by the member; and

(C) the remainder of the members are officials or members of business, industry, labor, religious, law enforcement, education, or other major groups and interests in the community served.

(b) Public organizations

In order for a public organization to be considered to be an eligible entity for purposes of section 9902(1) of this title, the entity shall administer the community services block grant program through—

(1) a tripartite board, which shall have members selected by the organization and shall be
composed so as to assure that not fewer than 1/2 of the members are persons chosen in accordance with democratic selection procedures adequate to assure that these members—

(A) are representative of low-income individuals and families in the neighborhood served;

(B) reside in the neighborhood served; and

(C) are able to participate actively in the development, planning, implementation, and evaluation of programs funded under this chapter;

(2) another mechanism specified by the State to assure decisionmaking and participation by low-income individuals in the development, planning, implementation, and evaluation of programs funded under this chapter.


Prior Provisions

Prior sections 9910 and 9910a were omitted in the general amendment of this chapter by Pub. L. 105-285.


A prior section 9910b, Pub. L. 99-495, title IV, §408, Sept. 30, 1986, 100 Stat. 972, as amended, which related to demonstration partnership agreements addressing needs of poor, was transferred to section 9925 of this title.


§9911. Payments to Indian tribes

(a) Reservation

If, with respect to any State, the Secretary—

(1) receives a request from the governing body of an Indian tribe or tribal organization within the State that assistance under this chapter be made directly to such tribe or organization; and

(2) determines that the members of such tribe or tribal organization would be better served by means of grants made directly to provide benefits under this chapter,

the Secretary shall reserve from amounts that would otherwise be allotted to such State under section 9906 of this title for the fiscal year the amount determined under subsection (b).

(b) Determination of reserved amount

The Secretary shall reserve for the purpose of subsection (a) from amounts that would otherwise be allotted to such State, not less than 10 percent of an amount that bears the same ratio to the State allotment for the fiscal year involved as the population of all eligible Indians for whom a determination has been made under subsection (a) bears to the population of all individuals eligible for assistance through a community services block grant made under this chapter in such State.

(c) Awards

The sums reserved by the Secretary on the basis of a determination made under subsection (a) shall be made available by grant to the Indian tribe or tribal organization serving the individuals for whom a determination has been made.

(d) Plan

In order for an Indian tribe or tribal organization to be eligible for a grant award for a fiscal year under this section, the tribe or organization shall submit to the Secretary a plan for such fiscal year that meets such criteria as the Secretary may prescribe by regulation.

(e) Definitions

In this section:

(1) Indian tribe; tribal organization

The terms “Indian tribe” and “tribal organization” mean a tribe, band, or other organized group recognized in the State in which the tribe, band, group resides, or considered by the Secretary of the Interior, to be an Indian tribe or an Indian organization for any purpose.

(2) Indian

The term “Indian” means a member of an Indian tribe or of a tribal organization.


Prior Provisions


A prior section 677 of Pub. L. 97-35 was classified to section 9906 of this title, prior to the general amendment of this chapter by Pub. L. 105-285.

§9912. Office of Community Services

(a) Office

The Secretary shall carry out the functions of this chapter through an Office of Community Services, which shall be established in the Department of Health and Human Services. The Office shall be headed by a Director.
§ 9913. Training, technical assistance, and other activities

(a) Activities

The Secretary shall carry out functions of this chapter through grants, contracts, or cooperative agreements.


§ 9913. Training, technical assistance, and other activities

(a) Activities

(1) In general

The Secretary shall use amounts reserved in section 9903(b)(2) of this title—

(A) for training, technical assistance, planning, evaluation, and performance measurement, to assist States in carrying out corrective action activities and monitoring (to correct programmatic deficiencies of eligible entities), and for reporting and data collection activities, related to programs carried out under this chapter; and

(B) to distribute amounts in accordance with subsection (c).

(2) Grants, contracts, and cooperative agreements

The activities described in paragraph (1)(A) may be carried out by the Secretary through grants, contracts, or cooperative agreements with appropriate entities.

(b) Terms and technical assistance process

The process for determining the training and technical assistance to be carried out under this section shall—

(1) ensure that the needs of eligible entities and programs relating to improving program quality (including quality of financial management practices) are addressed to the maximum extent feasible; and

(2) incorporate mechanisms to ensure responsiveness to local needs, including an ongoing procedure for obtaining input from the national and State networks of eligible entities.

(c) Distribution requirement

(1) In general

The amounts reserved under section 9903(b)(2)(A) of this title for activities to be carried out under this subsection shall be distributed to eligible entities, organizations, or associations described in paragraph (2) for the purpose of improving program quality (including quality of financial management practices), management information and reporting systems, and measurement of program results, and for the purpose of ensuring responsiveness to identified local needs.

(2) Eligible entities, organizations, or associations

Eligible entities, organizations, or associations described in this paragraph shall be eligible entities, or statewide or local organizations or associations, with demonstrated expertise in providing training to individuals and organizational on methods of effectively addressing the needs of low-income families and communities.


§ 9914. Monitoring of eligible entities

(a) In general

In order to determine whether eligible entities meet the performance goals, administrative standards, financial management requirements, and other requirements of a State, the State shall conduct the following reviews of eligible entities:

(1) A full onsite review of each such entity at least once during each 3-year period.

(2) An onsite review of each newly designated entity immediately after the completion of the first year in which such entity receives funds through the community services block grant program.

(3) Followup reviews including prompt return visits to eligible entities, and their programs, that fail to meet the goals, standards, and requirements established by the State.

(4) Other reviews as appropriate, including reviews of entities with programs that have had other Federal, State, or local grants (other than assistance provided under this chapter) terminated for cause.

(b) Requests

The State may request training and technical assistance from the Secretary as needed to comply with the requirements of this section.

(c) Evaluations by the Secretary

The Secretary shall conduct in several States in each fiscal year evaluations (including investigations) of the use of funds received by the States under this chapter in order to evaluate compliance with the provisions of this chapter, and especially with respect to compliance with section 9903(b) of this title. The Secretary shall submit, to each State evaluated, a report containing the results of such evaluations, and recommendations of improvements designed to enhance the benefit and impact of the activities carried out with such funds for people in need. On receiving the report, the State shall submit to the Secretary a plan of action in response to the recommendations contained in the report. The results of the evaluations shall be submitted annually to the Chairperson of the Committee on Education and the Workforce of the House of Representatives and the Chairperson of the Committee on Labor and Human Resources of the Senate as part of the report submitted by the Secretary in accordance with section 9917(b)(2) of this title.

§ 9915. Corrective action; termination and reduction of funding

(a) Determination

If the State determines, on the basis of a final decision in a review pursuant to section 9914 of this title, that an eligible entity fails to comply with the terms of an agreement, or the State plan, to provide services under this chapter or to meet appropriate standards, goals, and other requirements established by the State (including performance objectives), the State shall—

(1) inform the entity of the deficiency to be corrected;
(2) require the entity to correct the deficiency;
(3)(A) offer training and technical assistance, if appropriate, to help correct the deficiency, and prepare and submit to the Secretary a report describing the training and technical assistance offered; or
(B) if the State determines that such training and technical assistance are not appropriate, prepare and submit to the Secretary a report stating the reasons for the determination;
(4)(A) at the discretion of the State (taking into account the seriousness of the deficiency and the time reasonably required to correct the deficiency), allow the entity to develop and implement, within 60 days after being informed of the deficiency, a quality improvement plan to correct such deficiency within a reasonable period of time, as determined by the State; and
(B) not later than 30 days after receiving from an eligible entity a proposed quality improvement plan pursuant to subparagraph (A), either approve such proposed plan or specify the reasons why the proposed plan cannot be approved; and
(5) after providing adequate notice and an opportunity for a hearing, initiate proceedings to terminate the designation of or reduce the funding under this chapter of the eligible entity unless the entity corrects the deficiency.

(b) Review

A determination to terminate the designation or reduce the funding of an eligible entity is reviewable by the Secretary. The Secretary shall, upon request, review such a determination. The review shall be completed not later than 90 days after the Secretary receives from the State all necessary documentation relating to the determination to terminate the designation or reduce the funding. If the review is not completed within 90 days, the determination of the State shall become final at the end of the 90th day.

(c) Direct assistance

Whenever a State violates the assurances contained in section 9908(b)(8) of this title and terminates or reduces the funding of an eligible entity prior to the completion of the State hearing described in that section and the Secretary’s review as required in subsection (b), the Secretary is authorized to provide financial assistance under this chapter to the eligible entity affected until the violation is corrected. In such a case, the grant or allotment for the State under section 9905 or 9906 of this title for the earliest appropriate fiscal year shall be reduced by an amount equal to the funds provided under this subsection to such eligible entity.

§ 9916. Fiscal controls, audits, and withholding

(a) Fiscal controls, procedures, audits, and inspections

(1) In general

A State that receives funds under this chapter shall—

(A) establish fiscal control and fund accounting procedures necessary to assure the proper disbursement of and accounting for Federal funds paid to the State under this chapter, including procedures for monitoring the funds provided under this chapter;
(B) ensure that cost and accounting standards of the Office of Management and Budget apply to a recipient of the funds under this chapter;
(C) subject to paragraph (2), prepare, at least every year, an audit of the expenditures of the State of amounts received under this chapter and amounts transferred to carry out the purposes of this chapter; and
(D) make appropriate books, documents, papers, and records available to the Secretary and the Comptroller General of the United States, or any of their duly authorized representatives, for examination, copying, or mechanical reproduction on or off the premises of the appropriate entity upon a reasonable request for the items.

(2) Audits

(A) In general

Subject to subparagraph (B), each audit required by subsection (a)(1)(C) shall be conducted by an entity independent of any agency administering activities or services carried out under this chapter and shall be conducted in accordance with generally accepted accounting principles.

(B) Single audit requirements

Audits shall be conducted under this paragraph in the manner and to the extent provided in chapter 75 of title 31 (commonly known as the “Single Audit Act Amendments of 1996’’).

(C) Submission of copies

Within 30 days after the completion of each such audit in a State, the chief executive officer of the State shall submit a copy of such audit to any eligible entity that was the subject of the audit at no charge, to the legislature of the State, and to the Secretary.
§ 9917  Accountability and reporting requirements

(a) State accountability and reporting requirements

(1) Performance measurement

(A) In general

By October 1, 2001, each State that receives funds under this chapter shall participate, and shall ensure that all eligible entities in the State participate, in a performance measurement system, which may be a performance measurement system for which the Secretary facilitated development pursuant to subsection (b), or an alternative system that the Secretary is satisfied meets the requirements of subsection (b).

(B) Local agencies

The State may elect to have local agencies that are subcontractors of the eligible entities under this chapter participate in the performance measurement system. If the State makes that election, references in this section to eligible entities shall be considered to include the local agencies.

(2) Annual report

Each State shall annually prepare and submit to the Secretary a report on the measured performance of the State and the eligible entities in the State. Prior to the participation of the State in the performance measurement system, the State shall include in the report any information collected by the State relating to such performance. Each State shall also include in the report an accounting of the expenditure of funds received by the State through the community services block grant program, including an accounting of funds spent on administrative costs by the State and the eligible entities, and funds spent by eligible entities on the direct delivery of local services, and shall include information on the number of and characteristics of clients served under this chapter in the State, based on data collected from the eligible entities. The State shall also include in the report a summary describing the training and technical assistance offered by the State under section 9915(a)(3) of this title during the year covered by the report.

(b) Secretary’s accountability and reporting requirements

(1) Performance measurement

The Secretary, in collaboration with the States and with eligible entities throughout the Nation, shall facilitate the development of one or more model performance measurement systems, which may be used by the States and by eligible entities to measure their performance in carrying out the requirements of this chapter and in achieving the goals of their community action plans. The Secretary shall provide technical assistance, including support for the enhancement of electronic data systems, to States and to eligible entities to enhance their capability to collect and report data for such a system and to aid in their participation in such a system.

(2) Reporting requirements

At the end of each fiscal year beginning after September 30, 1999, the Secretary shall, directly or by grant or contract, prepare a report containing—

(A) a summary of the planned use of funds by each State, and the eligible entities in the State, under the community services block grant program, as contained in each State plan submitted pursuant to section 9908 of this title;

(B) a description of how funds were actually spent by the State and eligible entities in the State, including a breakdown of funds spent on administrative costs and on the direct delivery of local services by eligible entities;

(C) information on the number of entities eligible for funds under this chapter, the number of low-income persons served under this chapter, and such demographic data on the low-income populations served by eligible entities as is determined by the Secretary to be feasible;

(D) a comparison of the planned uses of funds for each State and the actual uses of the funds;
§ 9918. Limitations on use of funds

(a) Construction of facilities

(1) Limitations

Except as provided in paragraph (2), grants made under this chapter (other than amounts reserved under section 9903(b)(3) of this title) may not be used by the State, or by any other person with which the State makes arrangements to carry out the purposes of this chapter, for the purchase or improvement of land, or the purchase, construction, or permanent improvement (other than low-cost residential weatherization or other energy-related home repairs) of any building or other facility.

(2) Waiver

The Secretary may waive the limitation contained in paragraph (1) upon a State request for such a waiver, if the Secretary finds that the request describes extraordinary circumstances to justify the purchase of land or the construction of facilities (or the making of permanent improvements) and that permitting the waiver will contribute to the ability of the State to carry out the purposes of this chapter.

(b) Political activities

(1) Treatment as a State or local agency

For purposes of chapter 15 of title 5, any entity that assumes responsibility for planning, developing, and coordinating activities under this chapter and receives assistance under this chapter shall be deemed to be a State or local agency. For purposes of paragraphs (1) and (2) of section 1502(a) of such title, any entity receiving assistance under this chapter shall be deemed to be a State or local agency.

(2) Prohibitions

Programs assisted under this chapter shall not be carried on in a manner involving the use of program funds, the provision of services, or the employment or assignment of personnel, in a manner supporting or resulting in the identification of such programs with—

(A) any partisan or nonpartisan political activity or any political activity associated with a candidate, or contending faction or group, in an election for public or party office;

(B) any activity to provide voters or prospective voters with transportation to the polls or similar assistance in connection with any such election; or

(C) any voter registration activity.

(3) Rules and regulations

The Secretary, after consultation with the Office of Personnel Management, shall issue rules and regulations to provide for the enforcement of this subsection, which shall include provisions for summary suspension of assistance or other action necessary to permit enforcement on an emergency basis.

(c) Nondiscrimination

(1) In general

No person shall, on the basis of race, color, national origin, or sex be excluded from participation in, be denied the benefits of, or be subjected to discrimination under, any program or activity funded in whole or in part with funds made available under this chapter. Any prohibition against discrimination on the basis of age under the Age Discrimination Act of 1975 (42 U.S.C. 6101 et seq.) or with respect to an otherwise qualified individual with a disability as provided in section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), or title II of the Americans with Disabilities Act of 1990 (42 U.S.C. 12131 et seq.) shall also apply to any such program or activity.

(2) Action of Secretary

Whenever the Secretary determines that a State that has received a payment under this chapter has failed to comply with paragraph (1) or an applicable regulation, the Secretary shall notify the chief executive officer of the State and shall request that the officer secure compliance. If within a reasonable period of time, not to exceed 60 days, the chief executive officer fails or refuses to secure compliance, the Secretary is authorized to—

(A) refer the matter to the Attorney General with a recommendation that an appropriate civil action be instituted;
§ 9919. Drug and child support services and referrals

(a) Drug testing and rehabilitation

(1) In general

Nothing in this chapter shall be construed to prohibit a State from testing participants in programs, activities, or services carried out or provided under this chapter for controlled substances. A State that conducts such testing shall inform the participants who test positive for any of such substances about the availability of treatment or rehabilitation services and refer such participants for appropriate treatment or rehabilitation services.

(2) Administrative expenses

Any funds provided under this chapter expended for such testing shall be considered to be expended for administrative expenses and shall be subject to the limitation specified in section 9907(b)(2) of this title.

(3) Definition

In this subsection, the term "controlled substance" has the meaning given the term in section 802 of title 21.

(b) Child support services and referrals

During each fiscal year for which an eligible entity receives a grant under section 9907 of this title, such entity shall—

(1) inform custodial parents in single-parent families that participate in programs, activities, or services carried out or provided under this chapter about the availability of child support services; and

(2) refer eligible parents to the child support offices of State and local governments.


§ 9920. Operational rule

(a) Religious organizations included as non-governmental providers

For any program carried out by the Federal Government, or by a State or local government under this chapter, the government shall consider, on the same basis as other nongovernmental organizations, religious organizations to provide the assistance under the program, so long as the program is implemented in a manner consistent with the Establishment Clause of the First Amendment to the Constitution. Neither the Federal Government nor a State or local government receiving funds under this chapter shall discriminate against an organization that provides assistance under, or applies to provide assistance under, this chapter, on the basis that the organization has a religious character.

(b) Religious character and independence

(1) In general

A religious organization that provides assistance under a program described in subsection (a) shall retain its religious character and control over the definition, development, practice, and expression of its religious beliefs.

(2) Additional safeguards

Neither the Federal Government nor a State or local government shall require a religious organization—

(A) to alter its form of internal governance, except (for purposes of administration of the community services block grant program) as provided in section 9910 of this title; or

(B) to remove religious art, icons, scriptural, or other symbols;

in order to be eligible to provide assistance under a program described in subsection (a).

(3) Employment practices

A religious organization's exemption provided under section 2000e–1 of this title regarding employment practices shall not be affected by its participation in, or receipt of funds from, programs described in subsection (a).

(c) Limitations on use of funds for certain purposes

No funds provided directly to a religious organization to provide assistance under any program described in subsection (a) shall be expended for sectarian worship, instruction, or proselytization.
(d) Fiscal accountability
   (1) In general
      Except as provided in paragraph (2), any religious organization providing assistance under any program described in subsection (a) shall be subject to the same regulations as other nongovernmental organizations to account in accord with generally accepted accounting principles for the use of such funds provided under such program.
   (2) Limited audit
      Such organization shall segregate government funds provided under such program into a separate account. Only the government funds shall be subject to audit by the government.

(e) Treatment of eligible entities and other intermediate organizations
   If an eligible entity or other organization (referred to in this subsection as an “intermediate organization”), acting under a contract, or grant or other agreement, with the Federal Government or a State or local government, is given the authority under the contract or agreement to select nongovernmental organizations to provide assistance under the programs described in subsection (a), the intermediate organization shall have the same duties under this section as the government.


PRIOR PROVISIONS
A prior section 679 of Pub. L. 97–35 was classified to section 9908 of this title, prior to the general amendment of this chapter by Pub. L. 105–285.

§ 9921. Discretionary authority of Secretary
(a) Grants, contracts, arrangements, loans, and guarantees
   (1) In general
      The Secretary shall, from funds reserved under section 9903(b)(3) of this title, make grants, loans, or guarantees to States and public agencies and private, nonprofit organizations, or enter into contracts or jointly financed cooperative arrangements with States and public agencies and private, nonprofit organizations (and for-profit organizations, to the extent specified in paragraph (2)(E)) for each of the objectives described in paragraphs (2) through (4).

   (2) Community economic development
      (A) Economic development activities
         The Secretary shall make grants described in paragraph (1) on a competitive basis to private, nonprofit organizations that are community development corporations to provide technical and financial assistance for economic development activities designed to address the economic needs of low-income individuals and families by creating employment and business development opportunities.

         (B) Consultation
            The Secretary shall exercise the authority provided under subparagraph (A) after consultation with other relevant Federal officials.

      (C) Governing boards
         For a community development corporation to receive funds to carry out this paragraph, the corporation shall be governed by a board that shall consist of residents of the community and business and civic leaders and shall have as a principal purpose planning, developing, or managing low-income housing or community development projects.

      (D) Geographic distribution
         In making grants to carry out this paragraph, the Secretary shall take into consideration the geographic distribution of funding among States and the relative proportion of funding among rural and urban areas.

      (E) Reservation
         Of the amounts made available to carry out this paragraph, the Secretary may reserve not more than 1 percent for each fiscal year to make grants to private, nonprofit organizations or to enter into contracts with private, nonprofit or for-profit organizations to provide technical assistance to aid community development corporations in developing or implementing activities funded to carry out this paragraph and to evaluate activities funded to carry out this paragraph.

   (3) Rural community development activities
      The Secretary shall provide the assistance described in paragraph (1) for rural community development activities, which shall include providing—

         (A) grants to private, nonprofit corporations to enable the corporations to provide assistance concerning home repair to rural low-income families and concerning planning and developing low-income rural rental housing units; and

         (B) grants to multistate, regional, private, nonprofit organizations to enable the organizations to provide training and technical assistance to small, rural communities concerning meeting their community facility needs.

   (4) Neighborhood innovation projects
      The Secretary shall provide the assistance described in paragraph (1) for neighborhood innovation projects, which shall include providing grants to neighborhood-based private, nonprofit organizations to test or assist in the development of new approaches or methods that will aid in overcoming special problems identified by communities or neighborhoods or otherwise assist in furthering the purposes of this chapter, and which may include providing assistance for projects that are designed to serve low-income individuals and families who are not being effectively served by other programs.

(b) Evaluation
   The Secretary shall require all activities receiving assistance under this section to be evaluated for their effectiveness. Funding for such evaluations shall be provided as a stated percentage of the assistance or through a separate
grant awarded by the Secretary specifically for the purpose of evaluation of a particular activity or group of activities.

(c) Annual report

The Secretary shall compile an annual report containing a summary of the evaluations required in subsection (b) and a listing of all activities assisted under this section. The Secretary shall annually submit the report to the Chairperson of the Committee on Education and the Workforce of the House of Representatives and the Chairperson of the Committee on Labor and Human Resources of the Senate.


Prior Provisions

A prior section 680 of Pub. L. 97–35 was classified to section 9909 of this title, prior to the general amendment of this chapter by Pub. L. 105–285.

Change of Name

Committee on Education and the Workforce of House of Representatives changed to Committee on Education and Labor of House of Representatives by House Resolution No. 6, One Hundred Sixteenth Congress, Jan. 9, 2019.

Committee on Labor and Human Resources of Senate changed to Committee on Health, Education, Labor, and Pensions of Senate by Senate Resolution No. 20, One Hundred Sixth Congress, Jan. 19, 1999.

Procedures To Permit Grant Funds or Intangible Property Acquired by Grant Funds To Become Sole Property of Grantees

Pub. L. 116–94, div. A, title II, Dec. 20, 2019, 133 Stat. 2572, provided in part: “That the Secretary of Health and Human Services shall establish procedures regarding the disposition of intangible assets and program income that permit such assets acquired with, and program income derived from, grant funds authorized under section 680 of the CSBG Act [Community Services Block Grant Act, 42 U.S.C. 9921] to become the sole property of such grantees after a period of not more than 12 years after the end of the grant period for any activity consistent with section 680(a)(2)(A) of the CSBG Act [42 U.S.C. 9921(a)(2)(A)]; Provided further, That intangible assets in the form of loans, equity investments and other debt instruments, and program income may be used by grantees for any eligible purpose consistent with section 680(a)(2)(A) of the CSBG Act: Provided further, That these procedures shall apply to such grant funds made available after November 29, 1999.”

Similar provisions were contained in the following prior appropriation acts:


§ 9922. Community food and nutrition programs

(a) Grants

The Secretary may, through grants to public and private, nonprofit agencies, provide for community-based, local, statewide, and national programs—

(1) to coordinate private and public food assistance resources, wherever the grant recipient involved determines such coordination to be inadequate, to better serve low-income populations;

(2) to assist low-income communities to identify potential sponsors of child nutrition programs and to initiate such programs in underserved or unserved areas; and

(3) to develop innovative approaches at the State and local level to meet the nutrition needs of low-income individuals.

(b) Allotments and distribution of funds

(1) Not to exceed $6,000,000 in appropriations

Of the amount appropriated for a fiscal year to carry out this section (but not to exceed $6,000,000), the Secretary shall distribute funds for grants under subsection (a) as follows:

(A) Allotments

From a portion equal to 60 percent of such amount (but not to exceed $3,600,000), the Secretary shall allot for grants to eligible agencies for statewide programs in each State the amount that bears the same ratio to such portion as the low-income and unemployed population of such State bears to the low-income and unemployed population of all the States.

(B) Competitive grants

From a portion equal to 40 percent of such amount (but not to exceed $2,400,000), the Secretary shall make grants on a competitive basis to eligible agencies for local and statewide programs.

(2) Greater available appropriations

Any amounts appropriated for a fiscal year to carry out this section in excess of $6,000,000 shall be allotted as follows:

(A) Allotments

The Secretary shall use 40 percent of such excess to allot for grants under subsection (a) to eligible agencies for statewide programs in each State an amount that bears the same ratio to 40 percent of such excess as the low-income and unemployed population of such State bears to the low-income and unemployed population of all the States.

(B) Competitive grants for local and statewide programs

The Secretary shall use 40 percent of such excess to make grants under subsection (a)
on a competitive basis to eligible agencies for local and statewide programs.

(C) Competitive grants for nationwide programs

The Secretary shall use the remaining 20 percent of such excess to make grants under subsection (a) on a competitive basis to eligible agencies for nationwide programs, including programs benefitting Indians, as defined in section 9911 of this title, and migrant or seasonal farmworkers.

(3) Eligibility for allotments for statewide programs

To be eligible to receive an allotment under paragraph (1)(A) or (2)(A), an eligible agency shall demonstrate that the proposed program is statewide in scope and represents a comprehensive and coordinated effort to alleviate hunger within the State.

(4) Minimum allotments for statewide programs

(A) In general

From the amounts allotted under paragraphs (1)(A) and (2)(A), the minimum total allotment for each State for each fiscal year shall be—

(i) $15,000 if the total amount appropriated to carry out this section is not less than $7,000,000 but less than $10,000,000;

(ii) $20,000 if the total amount appropriated to carry out this section is not less than $10,000,000 but less than $15,000,000; or

(iii) $30,000 if the total amount appropriated to carry out this section is not less than $15,000,000.

(B) Definition

In this paragraph, the term “State” does not include Guam, American Samoa, the United States Virgin Islands, and the Commonwealth of the Northern Mariana Islands.

(5) Maximum grants

From funds made available under paragraphs (1)(B) and (2)(B) for any fiscal year, the Secretary may not make grants under subsection (a) to an eligible agency in an aggregate amount exceeding $300,000.

(c) Report

For each fiscal year, the Secretary shall prepare and submit, to the Committee on Education and the Workforce of the House of Representatives and the Committee on Labor and Human Resources of the Senate, a report concerning the grants made under this section. Such report shall include—

(1) a list of grant recipients;

(2) information on the amount of funding awarded to each grant recipient; and

(3) a summary of the activities performed by the grant recipients with funding awarded under this section and a description of the manner in which such activities meet the objectives described in subsection (a).

(d) Authorization of appropriations

There are authorized to be appropriated to carry out this section such sums as may be necessary for each of fiscal years 1999 through 2003.


PRIOR PROVISIONS

A prior section 681 of Pub. L. 97–35 was classified to section 9910 of this title, prior to the general amendment of this chapter by Pub. L. 105–285.

CHANGE OF NAME

Committee on Education and the Workforce of House of Representatives changed to Committee on Education and Labor of House of Representatives by House Resolution No. 6, One Hundred Sixteenth Congress, Jan. 9, 2019.

Committee on Labor and Human Resources of Senate changed to Committee on Health, Education, Labor, and Pensions of Senate by Senate Resolution No. 20, One Hundred Sixth Congress, Jan. 19, 1999.

§ 9923. National or regional programs designed to provide instructional activities for low-income youth

(a) General authority

The Secretary is authorized to make a grant to an eligible service provider to administer national or regional programs to provide instructional activities for low-income youth. In making such a grant, the Secretary shall give priority to eligible service providers that have demonstrated ability to operate such a program.

(b) Program requirements

Any instructional activity carried out by an eligible service provider receiving a grant under this section shall be carried out on the campus of an institution of higher education (as defined in section 1141(a) of title 20) and shall include—

(1) access to the facilities and resources of such an institution;

(2) an initial medical examination and follow-up referral or treatment, without charge, for youth during their participation in such activity;

(3) at least one nutritious meal daily, without charge, for participating youth during each day of participation;

(4) high quality instruction in a variety of sports (that shall include swimming and that may include dance and any other high quality recreational activity) provided by coaches and teachers from institutions of higher education and from elementary and secondary schools (as defined in section 7801 of title 20); and

(5) enrichment instruction and information on matters relating to the well-being of youth, to include educational opportunities and information on study practices, education for the prevention of drug and alcohol abuse, and information on health and nutrition, career opportunities, and family and job responsibilities.

(c) Advisory committee; partnerships

The eligible service provider shall, in each community in which a program is funded under this section—

1 See References in Text note below.
(1) ensure that—
(A) a community-based advisory committee is established, with representatives from local youth, family, and social service organizations, schools, entities providing park and recreation services, and other community-based organizations serving high-risk youth; or
(B) an existing community-based advisory board, commission, or committee with similar membership is utilized to serve as the committee described in subparagraph (A); and
(2) enter into formal partnerships with youth-serving organizations or other appropriate social service entities in order to link program participants with year-round services in their home communities that support and continue the objectives of this chapter.

(d) Eligible providers
A service provider that is a national private, nonprofit organization, a coalition of such organizations, or a private, nonprofit organization applying jointly with a business concern shall be eligible to apply for a grant under this section if—
(1) the applicant has demonstrated experience in operating a program providing instruction to low-income youth;
(2) the applicant agrees to contribute an amount (in cash or in kind, fairly evaluated) of not less than 25 percent of the amount requested, for the program funded through the grant;
(3) the applicant agrees to use no funds from a grant authorized under this section for administrative expenses; and
(4) the applicant agrees to comply with the regulations or program guidelines promulgated by the Secretary for use of funds made available through the grant.

(e) Application process
To be eligible to receive a grant under this section, a service provider shall submit to the Secretary, for approval, an application at such time, in such manner, and containing such information as the Secretary may require.

(f) Promulgation of regulations or program guidelines
The Secretary shall promulgate regulations or program guidelines to ensure funds made available through a grant made under this section are used in accordance with the objectives of this chapter.

(g) Authorization of appropriations
There are authorized to be appropriated $15,000,000 for each of fiscal years 1999 through 2003 for grants to carry out this section.


Any reference in any provision of law to the poverty line set forth in section 624 or 625 of the Economic Opportunity Act of 1964 shall be construed to be a reference to the poverty line defined in section 9902 of this title. Except as otherwise provided, any reference in any provision of law to any community action agency designated under title II of the Economic Opportunity Act of 1964 shall be construed to be a reference to an entity eligible to receive funds under the community services block grant program.


REFERENCES IN TEXT
The Economic Opportunity Act of 1964, referred to in text, is Pub. L. 88–452, Aug. 20, 1964, 78 Stat. 508, as amended. Title II of the Act was classified generally to subchapter II (§2781 et seq.) of chapter 34 of this title prior to repeal by Pub. L. 97–35, title VI, §683(a), Aug. 13, 1981, 95 Stat. 519. Section 625 of the Act, which was subsequently renumbered section 624 of the Act and related to the poverty line, was classified to section 2971d of this title, prior to repeal by section 683(a) of Pub. L. 97–35. For complete classification of this Act to the Code, see Tables.

PRIOR PROVISIONS
A prior section 682 of Pub. L. 97–35 was classified to section 9910c of this title, prior to the general amendment of this chapter by Pub. L. 105–285.

Another prior section 682 of Pub. L. 97–35 was renumbered section 684, and was classified to section 9912 of this title, prior to the general amendment of this chapter by Pub. L. 105–285.


Effective Date of 2015 Amendment
Amendment by Pub. L. 114–95 effective Dec. 10, 2015, except with respect to certain noncompetitive programs and competitive programs, see section 5 of Pub. L. 114–95, set out as a note under section 6301 of Title 20, Education.

Effective Date of 2002 Amendment
Amendment by Pub. L. 107–110 effective Jan. 8, 2002, except with respect to certain noncompetitive programs and competitive programs, see section 5 of Pub. L. 107–110, set out as an Effective Date note under section 6301 of Title 20, Education.

§ 9924. References

Any reference in any provision of law to the poverty line set forth in section 624 or 625 of the Economic Opportunity Act of 1964 shall be construed to be a reference to the poverty line defined in section 9902 of this title. Except as otherwise provided, any reference in any provision of law to any community action agency designated under title II of the Economic Opportunity Act of 1964 shall be construed to be a reference to an entity eligible to receive funds under the community services block grant program.

§ 9925. Demonstration partnership agreements addressing needs of poor

(a) General authority

(1) In order to stimulate the development of new approaches to provide for greater self-sufficiency of the poor, to test and evaluate such new approaches, to disseminate project results and evaluation findings so that such approaches can be replicated, and to strengthen the integration, coordination, and redirection of activities to promote maximum self-sufficiency among the poor, the Secretary may make grants from funds appropriated under subsection (e) to eligible entities for the development and implementation of new and innovative approaches to deal with particularly critical needs or problems of the poor which are common to a number of communities. Grants may be made only with respect to applications which—

(A) involve activities which can be incorporated into or be closely coordinated with eligible entities’ ongoing programs;

(B) involve significant new combinations of resources or new and innovative approaches involving partnership agreements;

(C) are structured in a way that will, within the limits of the type of assistance or activities contemplated, most fully and effectively promote the purposes of the Community Services Block Grant Act [42 U.S.C. 9901 et seq.]; and

(D) contain an assurance that the applicant for such grants will obtain an independent, methodologically sound evaluation of the effectiveness of the activities carried out with such grant and will submit such evaluation to the Secretary.

(2) No grant may be made under this section unless an application is submitted to the Secretary at such time, in such manner, and containing or accompanied by such information, as the Secretary may require.

(3) Initial and subsequent grant awards may fully fund projects for periods of up to 3 years.

(b) Federal share: limitations

(1) (A) Subject to subparagraph (B), grants awarded pursuant to this section shall be used for programs and shall not exceed 50 percent of the cost of such programs.

(B) After the first funding period for which an eligible entity receives a grant under this section to carry out a program, the amount of a subsequent grant made under this section to such entity to carry out such program may not exceed 80 percent of the amount of the grant previously received by such entity under this section to carry out such program.

(2) Non-Federal contributions may be in cash or in kind, fairly evaluated, including but not limited to plant, equipment, or services.

(3) Not more than one grant in each fiscal year may be made to any eligible entity, and no grant may exceed $350,000. Not more than 2 grants may be made under this section to an eligible entity to carry out a particular program.

(3) Notwithstanding subsection (b), such grants shall not exceed 80 percent of the cost of such programs.

(4) Such grants made under this subsection on a competitive basis shall be based on an annual competition determined by the Secretary. Grants made under this subsection shall not exceed $500,000.

(d) Dissemination of results

As soon as practicable, but not later than 180 days after the end of the fiscal year in which a recipient of a grant under this section completes the expenditure of such grant, the Secretary shall prepare and make available to each State and each eligible entity a description of the program carried out with such grant, any relevant information developed and results achieved, and a summary of the evaluation of such program received under subsection (a)(1)(D) so as to provide a model of innovative programs for other eligible entities.

(e) Replication of programs

(1) The Secretary shall annually identify programs that receive grants under this section that demonstrate a significant potential for dealing with particularly critical needs or problems of the poor that exist in a number of communities.
(2) Not less than 10 percent, and not more than 25 percent, of the funds appropriated for each fiscal year to carry out this section shall be available to make grants under this section to replicate in additional geographic areas programs identified under paragraph (1).

(f) Omitted

(g) Definitions

As used in this section—

(1) the term "eligible entity" has the same meaning given such term by section 673(1) of the Community Services Block Grant Act (42 U.S.C. 9902(1)), except that such term includes an organization that serves migrant and seasonal farm workers and that receives a grant under the Community Services Block Grant Act (42 U.S.C. 9901 et seq.) in the fiscal year preceding the fiscal year for which such organization requests a grant under this section; and

(2) the term "Secretary" means the Secretary of Health and Human Services.

(h) Authorization of appropriations

(1) There are authorized to be appropriated $30,000,000 for fiscal year 1995, and such sums as may be necessary for fiscal years 1996, 1997, and 1998, to carry out this section.

(2) Of the amounts appropriated for this section, not less than 30 percent and not more than 40 percent shall be used to carry out the programs authorized under subsection (c).

(3) In addition to sums which are required to carry out the evaluation, reporting, and dissemination of results under subsections (a), (c), (d), and (f), the Secretary is authorized to reserve up to 2 percent of the amounts appropriated pursuant to subparagraphs (1) and (2) for administration of the program as well as for planning and technical assistance.


REFERENCES IN TEXT

The Community Services Block Grant Act, referred to in subsecs. (a)(1)(C) and (g)(1), is subtitle B (§ 671 et seq.) of title VI of Pub. L. 97–35, Aug. 13, 1981, 95 Stat. 511, as amended, which is classified generally to this chapter (§ 9901 et seq.). For complete classification of this Act to the Code, see Short Title note set out under section 9901 of this title and Tables.

Subsection (f) of this section, referred to in subsec. (h)(3), was omitted from the Code.

CODIFICATION

Subsec. (f) of this section, which required the Secretary to submit to the Committee on Education and Labor of the House of Representatives and the Committee on Labor and Human Resources of the Senate an annual report describing programs for which grants were made under this section in the most recently completed fiscal year and the evaluations received under subsec. (a)(1)(D) of this section in such fiscal year, describing the methods used by the Secretary to comply with subsec. (d) of this section, making recommendations regarding the suitability of carrying out such programs with funds made available under other Federal laws, and describing each program identified under subsec. (d)(1) of this section or replicated under subsection (e)(2) of this section and identifying the geographical location where such program was carried out, terminated, effective May 15, 2000, pursuant to section 3003 of Pub. L. 104–66, as amended, set out as a note under section 1113 of Title 31, Money and Finance. See, also, the 4th item on page 98 of House Document No. 103–7.

Section was formerly classified to section 9910b of this title.

Section was enacted as part of the Human Services Reauthorization Act of 1986, and not as part of the Community Services Block Grant Act which comprises this chapter.

AMENDMENTS


Subsec. (b)(1)(B). Pub. L. 103–252, § 207(2), substituted "After the first funding period" for "After the first fiscal year".

Subsec. (c)(1). Pub. L. 103–252, § 207(3)(A), amended par. (1) generally. Prior to amendment, par. (1) read as follows: "In addition to the grant programs described in subsection (a) of this section, the Secretary shall make grants to eligible entities for the purpose of demonstrating new and innovative approaches to addressing the problems of, and providing opportunities for leadership development, community involvement, and educational success to, disadvantaged persons between the ages of 14 and 25 from populations experiencing conditions such as a high poverty rate, high unemployment, high dropout rate, low labor force participation, low enrollment in college or participation in other post high school training classes, high incidence of involvement in violence, and a high rate of incarceration. Services provided through approaches funded by such grants may include assessment and development of employability plans, remedial education, motivational activities, life skills instruction, community service, mentoring, access to information on available financial aid, campus visits, career education, cultural enrichment, and employment training, placement, and follow-up."

Subsec. (c)(4). Pub. L. 103–252, § 207(3)(B), amended par. (4) generally. Prior to amendment, par. (4) read as follows: "Such grants shall be made annually on such terms and conditions as the Secretary shall specify to those entities that serve the populations described in paragraph (1) and that are located within those areas where such populations are concentrated."

Subsec. (h). Pub. L. 103–252, § 207(4), amended heading and text of subsec. (h) generally. Prior to amendment, text read as follows:

"(1) There are authorized to be appropriated $10,000,000 for fiscal year 1991, and such sums as may be necessary for each of the fiscal years 1992, 1993, and 1994, to carry out this section (other than subsection (c) of this section).

"(2) There are authorized to be appropriated $10,000,000 for fiscal year 1991 and such sums as may be necessary in each of the fiscal years 1992 through 1994, to carry out subsection (c) of this section."

1990—Subsecs. (c) to (e), Pub. L. 101–501, § 601(2), (3), added subsec. (c) and redesignated former subsecs. (c) and (d) as (d) and (e), respectively. Former subsec. (e) redesignated (f).

Subsec. (f). Pub. L. 101–501, § 601(1), (2), redesignated subsec. (e) as (f) and substituted "subsection (d)" for "subsection (c)" in par. (2) and "subsection (e)(2)" for "subsection (d)(2)" in par. (4). Former subsec. (f) redesignated (g).

Subsec. (g). Pub. L. 101–501, § 601(2), redesignated subsec. (f) as (g). Former subsec. (g) redesignated (h).

Subsec. (h). Pub. L. 101–501, §§ 601(2), 602, redesignated subsec. (g) as (h), designated existing provisions as par. (1), substituted "$10,000,000 for fiscal year 1991, and such sums as may be necessary for each of the fiscal years

1 See References in Text note below.
1992, 1993, and 1994” for: “$5,000,000 for each of the fiscal years 1987, 1988, and 1989, and $7,000,000 for fiscal year 1990”, inserted “(other than subsection (c) of this section)” before period at end, and added par. (2).

Subsec. (a)(1). Pub. L. 101–204, § 705(a)(1), substituted “stimulate the development of new approaches to provide for greater self-sufficiency of the poor, to test and evaluate such new approaches, to disseminate project results and evaluation findings so that such approaches can be replicated, and to strengthen the integration, coordination, and redirection of activities to promote maximum self-sufficiency among the poor” for “provide for the self-sufficiency of the Nation’s poor”.


Subsec. (b)(1). Pub. L. 101–204, § 705(b)(1), designated existing provisions as subpar. (A), substituted “Subject to subparagraph (B), grants” for “Grants”, struck out “new” before “programs” wherever appearing, and added subpar. (B).

Subsec. (b)(3). Pub. L. 101–204, § 705(b)(2), inserted “in each fiscal year” after “than one grant”, substituted “$350,000” for “$250,000”, and inserted at end “Not more than 2 grants may be made under this section to an eligible entity to carry out a particular program.”

Subsec. (c). Pub. L. 101–204, § 705(c), amended subsec. (c) generally. Prior to amendment, subsec. (c) read as follows: “As soon as practicable, but no later than 90 days after the expiration of the fiscal year for which any grant is awarded under this section, the Secretary shall prepare and make available upon request to each State and eligible entity descriptions of the demonstration programs assisted under this section, and any relevant information developed and results achieved, so as to provide models for innovative programs to other eligible entities.”

Subsecs. (d), (e), Pub. L. 101–204, § 705(f)(2), added subsecs. (d) and (e). Former subsecs. (d) and (e) redesignated (f) and (g), respectively.

Subsec. (f). Pub. L. 101–204, § 705(d), (f)(1), redesignated subsec. (d) as (f) and inserted before semicolon in par. (1) “, except that such term includes an organization that serves migrant and seasonal farm workers and that receives a grant under the Community Services Block Grant Act (42 U.S.C. 9901 et seq.) in the fiscal year preceding the fiscal year for which such organization requests a grant under this section”,

Subsec. (g). Pub. L. 101–204, § 705(e), (f)(1), redesignated subsec. (e) as (g), substituted “are” for “is”, and inserted “$7,000,000 for fiscal year 1990,” after “1989.”.

**Effective Date of 1994 Amendment**


**Effective Date of 1990 Amendment**


**Effective Date**


§ 9926. Projects to expand the number of job opportunities available to certain low-income individuals

(a) In general

The Secretary of Health and Human Services (in this section referred to as the “Secretary”) shall enter into agreements with nonprofit organizations (including community development corporations) submitting applications under this section for the purpose of conducting projects in accordance with subsection (b) to create employment opportunities for certain low-income individuals.

(b) Nature of project

(1) Each nonprofit organization conducting a project under this section shall provide technical and financial assistance to private employers in the community to assist them in creating employment and business opportunities for those individuals eligible to participate in the projects as described in this subsection.

(2) For purposes of this section, a nonprofit organization is any organization (including a community development corporation) exempt from taxation under section 501(a) of title 26 by reason of paragraph (3) or (4) of section 501(c) of such title.

(3) A low-income individual eligible to participate in a project conducted under this section is any individual eligible to receive assistance under the program funded part A of title IV of the Social Security Act [42 U.S.C. 601 et seq.] of the State in which the individual resides and any other individual whose income level does not exceed 100 percent of the official poverty line as defined by the Office of Management and Budget and revised in accordance with section 9902(2) of this title.

(c) Content of applications; selection priority

(1) Each nonprofit organization submitting an application under this section shall, as part of such application, describe—

(A) the technical and financial assistance that will be made available under the project conducted under this section;

(B) the geographic area to be served by the project;

(C) the percentage of low-income individuals (as described in subsection (b)) and individuals receiving assistance under a State program funded under part A of title IV of the Social Security Act [42 U.S.C. 601 et seq.] in the area to be served by the project; and

(D) unemployment rates in the geographic areas to be served and (to the extent practicable) the jobs available and skills necessary to fill those vacancies in such areas.

(2) In approving applications under this section, the Secretary shall give priority to applications proposing to serve those areas containing the highest percentage of individuals receiving assistance under a State program funded under part A of title IV of the Social Security Act [42 U.S.C. 601 et seq.] in the area to be served by the project.

(d) Administration

Each nonprofit organization participating in a project conducted under this section shall provide assurances in its agreement with the Secretary that it has or will have a cooperative relationship with the agency responsible for administering the State program funded under part A of title IV of the Social Security Act [42 U.S.C. 601 et seq.] in the area served by the project.

(e) Authorization of appropriations

For the purpose of conducting projects under this section, there is authorized to be appro-
printed an amount not to exceed $25,000,000 for any fiscal year.


REFERENCES IN TEXT

The Social Security Act, referred to in subsecs. (b)(3), (c)(1)(C), (2), and (d), is act Aug. 14, 1935, ch. 531, 49 Stat. 620, as amended. Part A of title IV of the Act is classified generally to part A (§601 et seq.) of subchapter IV of chapter 7 of this title. For complete classification of this Act to the Code, see section 1305 of this title and Tables.

AMENDMENTS

1997—Subsec. (c)(1)(C), (2). Pub. L. 105–33 which directed the amendment of Pub. L. 104–193, §112(5), was executed to that section as if the amendment were retroactive to the effective date of the amendment by Pub. L. 104–193 to reflect the probable intent of Congress. See 1996 Amendment notes below. 1996—Pub. L. 104–193, §112(1), struck out “Demonstration” before “projects” in section catchline. Subsec. (a). Pub. L. 104–193, §112(2), (3), substituted “shall enter into agreements with” for “in each of the fiscal years 1990, 1991, and 1992, shall enter into agreements with” and “conducting projects” for “conducting demonstration projects”.


Subsec. (c)(2). Pub. L. 104–193, §112(5)(B), as amended by Pub. L. 105–33, substituted “assistance under a State program funded under part A of title IV of the Social Security Act” for “aid to families with dependent children under title IV of such Act”.

Subsec. (d). Pub. L. 104–193, §112(2), (6), struck out “demonstration” after “organization participating in a” and substituted “the State program funded under part A of title IV of the Social Security Act” for “job opportunities and basic skills training program (as provided for under title IV of the Social Security Act)”.

Subsecs. (e) to (g). Pub. L. 104–193, §112(7), added subsec. (e) and struck out former subsec. (e) which related to duration of demonstration projects under this section, subsec. (f) which required evaluation of the success of each demonstration project, and subsec. (g) which authorized appropriations for the conduct of demonstration projects for each of fiscal years 1990 to 1996.

1994—Subsec. (e). Pub. L. 103–432, §261(a)(1), substituted “6-year period” for “4-year period”.


Subsec. (e). Pub. L. 101–508, §5063(2), substituted “September 30 of the fiscal year specified in the agreement described in subsection (a) of this section” for “September 30, 1989”.

EFFECTIVE DATE OF 1996 AMENDMENT

Amendment by Pub. L. 104–193 effective July 1, 1997, with transition rules relating to State options to accelerate such date, rules relating to claims, actions, and proceedings commenced before such date, rules relating to closing out of accounts for terminated or substantially modified programs and continuity in office of Assistant Secretary for Family Support, and provisions relating to termination of entitlement under AFDC program, see section 116 of Pub. L. 104–193, as amended, set out as an Effective Date note under section 601 of this title.

EFFECTIVE DATE OF 1994 AMENDMENT


CHAPTER 107—CONSUMER-PATIENT RADIATION HEALTH AND SAFETY

Sec.

10001. Statement of findings.

10002. Statement of purpose.

10003. Definitions.

10004. Promulgation of standards.

10005. Model statute.

10006. Compliance.


10008. Applicability to Federal agencies.

$10001. Statement of findings

The Congress finds that—

(1) it is in the interest of public health and safety to minimize unnecessary exposure to potentially hazardous radiation due to medical and dental radiologic procedures;

(2) it is in the interest of public health and safety to have a continuing supply of adequately educated persons and appropriate accreditation and certification programs administered by State governments;

(3) the protection of the public health and safety from unnecessary exposure to potentially hazardous radiation due to medical and dental radiologic procedures and the assurance of efficacious procedures are the responsibility of State and Federal governments;

(4) persons who administer radiologic procedures, including procedures at Federal facilities, should be required to demonstrate competence by reason of education, training, and experience; and

(5) the administration of radiologic procedures and the effect on individuals of such procedures have a substantial and direct effect upon United States interstate commerce.


SHORT TITLE

§ 10002. Statement of purpose

It is the purpose of this chapter to—

(1) provide for the establishment of minimum standards by the Federal Government for the accreditation of educational programs for persons who administer radiologic procedures and for the certification of such persons; and

(2) insure that medical and dental radiologic procedures are consistent with rigorous safety precautions and standards.

§ 10003. Definitions

Unless otherwise expressly provided, for purposes of this chapter, the term—

(1) “radiation” means ionizing and nonionizing radiation in amounts beyond normal background levels from sources such as medical and dental radiologic procedures;

(2) “radiologic procedure” means any procedure or article intended for use in—

(A) the diagnosis of disease or other medical or dental conditions in humans (including diagnostic X-rays or nuclear medicine procedures); or

(B) the cure, mitigation, treatment, or prevention of disease in humans;

that achieves its intended purpose through the emission of radiation;

(3) “radiologic equipment” means any radiation electronic product which emits or detects radiation and which is used or intended for use to—

(A) diagnose disease or other medical or dental conditions (including diagnostic X-ray equipment); or

(B) cure, mitigate, treat, or prevent disease in humans;

that achieves its intended purpose through the emission or detection of radiation;

(4) “practitioner” means any licensed doctor of medicine, osteopathy, dentistry, podiatry, or chiropractic, who prescribes radiologic procedures for other persons;

(5) “persons who administer radiologic procedures” means any person, other than a practitioner, who intentionally administers radiation to other persons for medical purposes, and includes medical radiologic technologists (including dental hygienists and assistants), radiation therapy technologists, and nuclear medicine technologists;

(6) “Secretary” means the Secretary of Health and Human Services; and

(7) “State” means the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands, the Virgin Islands, Guam, American Samoa, and the Trust Territory of the Pacific Islands.


§ 10004. Promulgation of standards

(a) Within twelve months after August 13, 1981, the Secretary, in consultation with the Radiation Policy Council, the Secretary of Veterans Affairs, the Administrator of the Environmental Protection Agency, appropriate agencies of the States, and appropriate professional organizations, shall by regulation promulgate minimum standards for the accreditation of educational programs to train individuals to perform radiologic procedures. Such standards shall distinguish between programs for the education of (1) medical radiologic technologists (including radiographers), (2) dental auxiliaries (including dental hygienists and assistants), (3) radiation therapy technologists, (4) nuclear medicine technologists, and (5) such other kinds of health auxiliaries who administer radiologic procedures as the Secretary determines appropriate. Such standards shall not be applicable to educational programs for practitioners.

(b) Within twelve months after August 13, 1981, the Secretary, in consultation with the Radiation Policy Council, the Secretary of Veterans Affairs, the Administrator of the Environmental Protection Agency, interested agencies of the States, and appropriate professional organizations, shall by regulation promulgate minimum standards for the certification of persons who administer radiologic procedures. Such standards shall distinguish between certification of (1) medical radiologic technologists (including radiographers), (2) dental auxiliaries (including dental hygienists and assistants), (3) radiation therapy technologists, (4) nuclear medicine technologists, and (5) such other kinds of health auxiliaries who administer radiologic procedures as the Secretary determines appropriate. Such standards shall include minimum certification criteria for individuals regarding education, practical experience, successful passage of required examinations, and such other criteria as the Secretary shall deem necessary for the adequate qualification of individuals to administer radiologic procedures. Such standards shall not apply to practitioners.

(1991—Subsecs. (a), (b). Pub. L. 102–54 substituted “Secretary of Veterans Affairs” for “Administrator of Veterans’ Affairs”.

§ 10005. Model statute

In order to encourage the administration of accreditation and certification programs by the States, the Secretary shall prepare and transmit to the States a model statute for radiologic procedure safety. Such model statute shall provide that—

(1) it shall be unlawful in a State for individuals to perform radiologic procedures unless such individuals are certified by the State to perform such procedures; and

(2) any educational requirements for certification of individuals to perform radiologic procedures shall be limited to educational programs accredited by the State.
§ 10006. Compliance

(a) Implementation by Secretary

The Secretary shall take all actions consistent with law to effectuate the purposes of this chapter.

(b) Accreditation or certification program

A State may utilize an accreditation or certification program administered by a private entity if—

(1) such State delegates the administration of the State accreditation or certification program to such private entity;

(2) such program is approved by the State;

(3) such program is consistent with the minimum Federal standards promulgated under this chapter for such program.

(c) Noncompliance; proposed legislative changes

Absent compliance by the States with the provisions of this chapter within three years after August 13, 1981, the Secretary shall report to the Congress recommendations for legislative changes considered necessary to assure the States’ compliance with this chapter.


(e) Existing standards and guidelines

Notwithstanding any other provision of this section, in the case of a State which has, prior to the effective date of standards and guidelines promulgated pursuant to this chapter, established standards for the accreditation of educational programs and certification of radiologic technologists, such State shall be deemed to be in compliance with the conditions of this section unless the Secretary determines, after notice and hearing, that such State standards do not meet the minimum standards prescribed by the Secretary or are inconsistent with the purposes of this chapter.


§ 10007. Federal radiation guidelines

The Secretary shall, in conjunction with the Radiation Policy Council, the Secretary of Veterans Affairs, the Administrator of the Environmental Protection Agency, appropriate agencies of the States, and appropriate professional organizations, promulgate Federal radiation guidelines with respect to radiologic procedures. Such guidelines shall—

(1) determine the level of radiation exposure due to radiologic procedures which is unnecessary and specify the techniques, procedures, and methods to minimize such unnecessary exposure;

(2) provide for the elimination of the need for retakes of diagnostic radiologic procedures;

(3) provide for the elimination of unproductive screening programs;

(4) provide for the optimum diagnostic information with minimum radiologic exposure; and

(5) include the therapeutic application of radiation to individuals in the treatment of disease, including nuclear medicine applications.


§ 10008. Applicability to Federal agencies

(a) Except as provided in subsection (b), each department, agency, and instrumentality of the executive branch of the Federal Government shall comply with standards promulgated pursuant to this chapter.

(b) The Secretary of Veterans Affairs, through the Under Secretary for Health of the Department of Veterans Affairs, shall, to the maximum extent feasible consistent with the responsibilities of such Secretary and Under Secretary for Health under title 38, prescribe regulations making the standards promulgated pursuant to this chapter applicable to the provision of radiologic procedures in facilities over which that Secretary has jurisdiction. In prescribing and implementing regulations pursuant to this subsection, the Secretary of Veterans Affairs shall consult with the Secretary in order to achieve the maximum possible coordination of the regulations, standards, and guidelines, and the implementation thereof, which the Secretary and the Secretary of Veterans Affairs prescribe under this chapter.


§ 10007. Federal radiation guidelines

The Secretary shall, in conjunction with the Radiation Policy Council, the Secretary of Veterans Affairs, the Administrator of the Environmental Protection Agency, appropriate agencies of the States, and appropriate professional organizations, promulgate Federal radiation guidelines with respect to radiologic procedures. Such guidelines shall—

(1) determine the level of radiation exposure due to radiologic procedures which is unnecessary and specify the techniques, procedures, and methods to minimize such unnecessary exposure;

(2) provide for the elimination of the need for retakes of diagnostic radiologic procedures;

(3) provide for the elimination of unproductive screening programs;

(4) provide for the optimum diagnostic information with minimum radiologic exposure; and

(5) include the therapeutic application of radiation to individuals in the treatment of disease, including nuclear medicine applications.


Amendments


§ 10008. Applicability to Federal agencies

(a) Except as provided in subsection (b), each department, agency, and instrumentality of the executive branch of the Federal Government shall comply with standards promulgated pursuant to this chapter.

(b) The Secretary of Veterans Affairs, through the Under Secretary for Health of the Department of Veterans Affairs, shall, to the maximum extent feasible consistent with the responsibilities of such Secretary and Under Secretary for Health under title 38, prescribe regulations making the standards promulgated pursuant to this chapter applicable to the provision of radiologic procedures in facilities over which that Secretary has jurisdiction. In prescribing and implementing regulations pursuant to this subsection, the Secretary of Veterans Affairs shall consult with the Secretary in order to achieve the maximum possible coordination of the regulations, standards, and guidelines, and the implementation thereof, which the Secretary and the Secretary of Veterans Affairs prescribe under this chapter.


Amendments


1991—Subsec. (b). Pub. L. 102–54 substituted “The Secretary of Veterans Affairs, through the Chief Medical Director of the Department of Veterans Affairs, shall, to the maximum extent feasible consistent with the responsibilities of such Secretary and Chief Medical Director under title 38,” for “(i) The Administrator of Veterans’ Affairs, through the Chief Medical Director of the Veterans’ Administration, shall, to the maximum extent feasible consistent with the responsibilities of such Administrator and Chief Medical Director under subtitle 38,” “over which that Secretary,” for “over which the Administrator”, and “Secretary of Veterans Affairs” for “Administrator” wherever else appearing, and struck out pars. (2) and (3) which read as follows:

“(2) Not later than 180 days after standards are promulgated by the Secretary pursuant to this chapter,
the Administrator of Veterans' Affairs shall submit to the appropriate committees of Congress a full report with respect to the regulations (including guidelines, policies, and procedures thereunder) prescribed pursuant to paragraph (1) of this subsection. Such report shall include—

"(A) an explanation of any inconsistency between standards made applicable by such regulations and the standards promulgated by the Secretary pursuant to this chapter;

"(B) an account of the extent, substance, and results of consultations with the Secretary respecting the prescription and implementation of regulations by the Administrator; and

"(C) such recommendations for legislation and administrative action as the Administrator determines are necessary and desirable.

"(3) The Administrator of Veterans' Affairs shall publish the report required by paragraph (2) in the Federal Register."

CHAPTER 108—NUCLEAR WASTE POLICY

Sec.
1001. Definitions.
1002. Separability.
1003. Territories and possessions.
1004. Ocean disposal.
1005. Limitation on spending authority.
1006. Protection of classified national security information.
1007. Applicability to atomic energy defense activities.
1008. Applicability to transportation.

SUBCHAPTER I—DISPOSAL AND STORAGE OF HIGH-LEVEL RADIOACTIVE WASTE, SPENT NUCLEAR FUEL, AND LOW-LEVEL RADIOACTIVE WASTE

10121. State and affected Indian tribe participation in development of proposed repositories for defense waste.

PART A—REPOSITORY FOR DISPOSAL OF HIGH-LEVEL RADIOACTIVE WASTE AND SPENT NUCLEAR FUEL

1031. Findings and purposes.
1032. Recommendation of candidate sites for site characterization.
1033. Site characterization.
1034. Site approval and construction authorization.
1035. Review of repository site selection.
1036. Participation of States.
1037. Consultation with States and affected Indian tribes.
1038. Participation of Indian tribes.
1040. Expedited authorizations.
1041. Certain standards and criteria.
1042. Disposal of spent nuclear fuel.
1043. Title to material.
1044. Consideration of effect of acquisition of water rights.
1045. Termination of certain provisions.

PART B—INTERIM STORAGE PROGRAM

1051. Findings and purposes.
1052. Available capacity for interim storage of spent nuclear fuel.
1053. Interim at-reactor storage.
1054. Licensing of facility expansions and transfers.
1055. Storage of spent nuclear fuel.
1056. Interim Storage Fund.
1057. Transportation.

PART C—MONITORED RETRIEVABLE STORAGE

1061. Monitored retrievable storage.
1062. Authorization of monitored retrievable storage.

Sec.
1063. Monitored Retrievable Storage Commission.
1064. Survey.
1065. Site selection.
1066. Notice of disapproval.
1067. Benefits agreement.
1068. Construction authorization.
1069. Financial assistance.

PART D—LOW-LEVEL RADIOACTIVE WASTE


PART E—REDIRECTION OF NUCLEAR WASTE PROGRAM

1072. Selection of Yucca Mountain site.
1072a. Siting a second repository.

PART F—BENEFITS

1073. Benefits agreements.
1073a. Content of agreements.
1073b. Review Panel.
1073c. Termination.

PART G—OTHER BENEFITS

1074. Consideration in siting facilities.

PART H—TRANSPORTATION

1075. Transportation.

SUBCHAPTER II—RESEARCH, DEVELOPMENT, AND DEMONSTRATION REGARDING DISPOSAL OF HIGH-LEVEL RADIOACTIVE WASTE AND SPENT NUCLEAR FUEL

10191. Purpose.
10192. Applicability.
10193. Identification of sites.
10194. Siting research and related activities.
10195. Test and evaluation facility siting review and reports.
10196. Federal agency actions.
10197. Research and development on disposal of high-level radioactive waste.
10198. Research and development on spent nuclear fuel.
10199. Payments to States and Indian tribes.
10200. Study of research and development needs for monitored retrievable storage proposal.
10201. Judicial review.
10202. Research on alternatives for permanent disposal of high-level radioactive waste.
10203. Technical assistance to non-nuclear weapon states in field of spent fuel storage and disposal.
10204. Subseabed disposal.

SUBCHAPTER III—OTHER PROVISIONS RELATING TO RADIOACTIVE WASTE

10221. Mission plan.
10223. Alternative means of financing.
10225. Location of test and evaluation facility.
10226. Nuclear Regulatory Commission training authorization.

SUBCHAPTER IV—NUCLEAR WASTE NEGOTIATOR

10241. "State" defined.
10243. Duties of Negotiator.
10244. Environmental assessment of sites.
10245. Site characterization; licensing.
10246. Monitored retrievable storage.
10247. Environmental impact statement.
10248. Administrative powers of Negotiator.
10249. Cooperation of other departments and agencies.
10250. Termination of Office.
§ 10101. Definitions

For purposes of this chapter:

(1) The term ‘‘Administrator’’ means the Administrator of the Environmental Protection Agency.

(2) The term ‘‘affected Indian tribe’’ means any Indian tribe—

(A) within whose reservation boundaries a monitored retrievable storage facility, test and evaluation facility, or a repository for high-level radioactive waste or spent fuel is proposed to be located;

(B) whose federally defined possessory or usage rights to other lands outside of the reservation’s boundaries arising out of congressionally ratified treaties may be substantially and adversely affected by the locating of such a facility: Provided, That the Secretary of the Interior finds, upon the petition of the appropriate governmental officials of the tribe, that such effects are both substantial and adverse to the tribe;¹

(3) The term ‘‘atomic energy defense activity’’ means any activity of the Secretary performed in whole or in part in carrying out any of the following functions:

(A) naval reactors development;

(B) weapons activities including defense inertial confinement fusion;

(C) verification and control technology;

(D) defense nuclear materials production;

(E) defense nuclear waste and materials by-products management;

(F) defense nuclear materials security and safeguards and security investigations; and

(G) defense research and development.

(4) The term ‘‘candidate site’’ means an area, within a geologic and hydrologic system, that is recommended by the Secretary under section 10132 of this title for site characterization, approved by the President under section 10132 of this title for site characterization, or undergoing site characterization under section 10133 of this title.

(5) The term ‘‘civilian nuclear activity’’ means any atomic energy activity other than an atomic energy defense activity.

(6) The term ‘‘civilian nuclear power reactor’’ means a civilian nuclear powerplant required to be licensed under section 2133 or 2134(b) of this title.

(7) The term ‘‘Commission’’ means the Nuclear Regulatory Commission.

¹So in original. The semicolon probably should be a period.

(8) The term ‘‘Department’’ means the Department of Energy.

(9) The term ‘‘disposal’’ means the emplacement in a repository of high-level radioactive waste, spent nuclear fuel, or other highly radioactive material with no foreseeable intent of recovery, whether or not such emplacement permits the recovery of such waste.

(10) The terms ‘‘disposal package’’ and ‘‘package’’ mean the primary container that holds, and is in contact with, solidified high-level radioactive waste, spent nuclear fuel, or other radioactive materials, and any overpacks that are emplaced at a repository.

(11) The term ‘‘engineered barriers’’ means manmade components of a disposal system designed to prevent the release of radionuclides into the geologic medium involved. Such term includes the high-level radioactive waste form, high-level radioactive waste canisters, and other materials placed over and around such canisters.

(12) The term ‘‘high-level radioactive waste’’ means—

(A) the highly radioactive material resulting from the reprocessing of spent nuclear fuel, including liquid waste produced directly in reprocessing and any solid material derived from such liquid waste that contains fission products in sufficient concentrations; and

(B) other highly radioactive material that the Commission, consistent with existing law, determines by rule requires permanent isolation.

(13) The term ‘‘Federal agency’’ means any Executive agency, as defined in section 105 of title 5.

(14) The term ‘‘Governor’’ means the chief executive officer of a State.

(15) The term ‘‘Indian tribe’’ means any Indian tribe, band, nation, or other organized group or community of Indians recognized as eligible for the services provided to Indians by the Secretary of the Interior because of their status as Indians, including any Alaska Native village, as defined in section 3(c) of the Alaska Native Claims Settlement Act (43 US.C. 1602(c)).

(16) The term ‘‘low-level radioactive waste’’ means radioactive material that—

(A) is not high-level radioactive waste, spent nuclear fuel, transuranic waste, or by-product material as defined in section 2014(c)(2) of this title; and

(B) the Commission, consistent with existing law, classifies as low-level radioactive waste.

(17) The term ‘‘Office’’ means the Office of Civilian Radioactive Waste Management established in section 10224 of this title.

(18) The term ‘‘repository’’ means any system licensed by the Commission that is intended to be used for, or may be used for, the permanent deep geologic disposal of high-level radioactive waste and spent nuclear fuel, whether or not such system is designed to permit the recovery, for a limited period during
initial operation, of any materials placed in such system. Such term includes both surface and subsurface areas at which high-level radioactive waste and spent nuclear fuel handling activities are conducted.

(19) The term "reservation" means—
(A) any Indian reservation or dependent Indian community referred to in clause (a) or (b) of section 1151 of title 18; or
(B) any land selected by an Alaska Native village or regional corporation under the provisions of the Alaska Native Claims Settlement Act (43 U.S.C. 1601 et seq.).

(20) The term "Secretary" means the Secretary of Energy.

(21) The term "site characterization" means—
(A) sitting research activities with respect to a test and evaluation facility at a candidate site; and
(B) activities, whether in the laboratory or in the field, undertaken to establish the geologic condition and the ranges of the parameters of a candidate site relevant to the location of a repository, including borings, surface excavations, excavations of exploratory shafts, limited subsurface lateral excavations and borings, and in situ testing needed to evaluate the suitability of a candidate site for the location of a repository, but not including preliminary borings and geophysical testing needed to assess whether site characterization should be undertaken.

(22) The term "siting research" means activities, including borings, surface excavations, shaft excavations, subsurface lateral excavations and borings, and in situ testing, to determine the suitability of a site for a test and evaluation facility.

(23) The term "spent nuclear fuel" means fuel that has been withdrawn from a nuclear reactor following irradiation, the constituent elements of which have not been separated by reprocessing.

(24) The term "State" means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Northern Mariana Islands, the Trust Territory of the Pacific Islands, and any other territory or possession of the United States.

(25) The term "storage" means retention of high-level radioactive waste, spent nuclear fuel, or transuranic waste with the intent to recover such waste or fuel for subsequent use, processing, or disposal.

(26) The term "Storage Fund" means the Interim Storage Fund established in section 10156(c) of this title.

(27) The term "test and evaluation facility" means an at-depth, prototypic, underground cavity with subsurface lateral excavations extending from a central shaft that is used for research and development purposes, including the development of data and experience for the safe handling and disposal of solidified high-level radioactive waste, transuranic waste, or spent nuclear fuel.

(28) The term "unit of general local government" means any borough, city, county, parish, town, township, village, or other general purpose political subdivision of a State.

(29) The term "Waste Fund" means the Nuclear Waste Fund established in section 10222(c) of this title.

(30) The term "Yucca Mountain site" means the candidate site in the State of Nevada recommended by the Secretary to the President under section 10132(b)(1)(B) of this title on May 27, 1986.

(31) The term "affected unit of local government" means any unit of local government with jurisdiction over the site of a repository or a monitored retrievable storage facility. Such term may, at the discretion of the Secretary, include units of local government that are contiguous with such unit.

(32) The term "Negotiator" means the Nuclear Waste Negotiator.

(33) As used in subchapter IV, the term "Office" means the Office of the Nuclear Waste Negotiator established under subchapter IV of this chapter.

(34) The term "monitored retrievable storage facility" means the storage facility described in section 10161(b)(1) of this title.


REFERENCES IN TEXT

Section 10224 of this title, referred to in par. (17), was in the original a reference to section 306 of Pub. L. 97–425, which is classified to section 10225 of this title, and was translated as section 10224 of this title as the probable intent of Congress, in view of the Office of Civilian Radioactive Waste Management being established by section 10224 of this title.


Section 10156(c) of this title, referred to in par. (26), was in the original a reference to section 137(c) of Pub. L. 97–425, which is classified to section 10157(c) of this title, and has been translated as section 10156(c) of this title as the probable intent of Congress, in view of the Interim Storage Fund being established by section 10156(c) of this title.

AMENDMENTS

1987—Pars. (30) to (34) added section 100–202 amended section 100–203 amended section 101(d) of this title.

SHORT TITLE OF 1987 AMENDMENT

§ 10102. Separability

If any provision of this chapter, or the application of such provision to any person or circumstance, is held invalid, the remainder of this chapter, or the application of such provision to persons or circumstances other than those as to which it is held invalid, shall not be affected thereby.


§ 10103. Territories and possessions

Nothing in this chapter shall be deemed to repeal, modify, or amend the provisions of section 1491 of title 48.


§ 10104. Ocean disposal

Nothing in this chapter shall be deemed to affect the Marine Protection, Research, and Sanctionary Act of 1972 (33 U.S.C. 1401 et seq.).


REFERENCES IN TEXT


§ 10105. Limitation on spending authority

The authority under this chapter to incur indebtedness, or enter into contracts, obligating amounts to be expended by the Federal Government shall be effective for any fiscal year only to such extent or in such amounts as are provided in advance by appropriation Acts.


§ 10106. Protection of classified national security information

Nothing in this chapter shall require the release or disclosure to any person or to the Commission of any classified national security information.


§ 10107. Applicability to atomic energy defense activities

(a) Atomic energy defense activities

Subject to the provisions of subsection (c), the provisions of this chapter shall not apply with respect to any atomic energy defense activity or to any facility used in connection with any such activity.

(b) Evaluation by President

(1) Not later than 2 years after January 7, 1983, the President shall evaluate the use of disposal capacity at one or more repositories to be developed under part A of subchapter I for the disposal of high-level radioactive waste resulting from atomic energy defense activities. Such evaluation shall take into consideration factors relating to cost efficiency, health and safety, regulation, transportation, public acceptability, and national security.

(2) Unless the President finds, after conducting the evaluation required in paragraph (1), that the development of a repository for the disposal of high-level radioactive waste resulting from atomic energy defense activities only is required, taking into account all of the factors described in such subsection, the Secretary shall proceed promptly with arrangement for the use of one or more of the repositories to be developed under part A of subchapter I for the disposal of such waste. Such arrangements shall include the allocation of costs of developing, constructing, and operating this repository or repositories. The costs resulting from permanent disposal of high-level radioactive waste from atomic energy defense activities shall be paid by the Federal Government, into the special account established under section 10222 of this title.

(3) Any repository for the disposal of high-level radioactive waste resulting from atomic energy defense activities only shall (A) be subject to licensing under section 5842 of this title; and (B) comply with all requirements of the Commission for the siting, development, construction, and operation of a repository.
(c) Applicability to certain repositories

The provisions of this chapter shall apply with respect to any repository not used exclusively for the disposal of high-level radioactive waste or spent nuclear fuel resulting from atomic energy defense activities, research and development activities of the Secretary, or both.


§ 10108. Applicability to transportation

Nothing in this chapter shall be construed to affect Federal, State, or local laws pertaining to the transportation of spent nuclear fuel or high-level radioactive waste.


SUBCHAPTER I—DISPOSAL AND STORAGE OF HIGH-LEVEL RADIOACTIVE WASTE, SPENT NUCLEAR FUEL, AND LOW-LEVEL RADIOACTIVE WASTE

§ 10121. State and affected Indian tribe participation in development of proposed repositories for defense waste

(a) Notification to States and affected Indian tribes

Notwithstanding the provisions of section 10107 of this title, upon any decision by the Secretary or the President to develop a repository for the disposal of high-level radioactive waste or spent nuclear fuel resulting exclusively from atomic energy defense activities, research and development activities of the Secretary, or both, and before proceeding with any site-specific investigations with respect to such repository, the Secretary shall notify the Governor and legislature of the State in which such repository is proposed to be located, or the governing body of the affected Indian tribe on whose reservation such repository is proposed to be located, as the case may be, of such decision.

(b) Participation of States and affected Indian tribes

Following the receipt of any notification under subsection (a), the State or Indian tribe involved shall be entitled, with respect to the proposed repository involved, to rights of participation and consultation identical to those provided in sections 10135 through 10138 of this title, except that any financial assistance authorized to be provided to such State or affected Indian tribbe under section 10136(c) or 10138(b) of this title shall be made from amounts appropriated to the Secretary for purposes of carrying out this section.


PART A—REPOSITORIES FOR DISPOSAL OF HIGH-LEVEL RADIOACTIVE WASTE AND SPENT NUCLEAR FUEL

§ 10131. Findings and purposes

(a) The Congress finds that—

(1) radioactive waste creates potential risks and requires safe and environmentally acceptable methods of disposal;

(2) a national problem has been created by the accumulation of (A) spent nuclear fuel from nuclear reactors; and (B) radioactive waste from (i) reprocessing of spent nuclear fuel; (ii) activities related to medical research, diagnosis, and treatment; and (iii) other sources;

(3) Federal efforts during the past 30 years to devise a permanent solution to the problems of civilian radioactive waste disposal have not been adequate;

(4) while the Federal Government has the responsibility to provide for the permanent disposal of high-level radioactive waste and such spent nuclear fuel as may be disposed of in order to protect the public health and safety and the environment, the costs of such disposal should be the responsibility of the generators and owners of such waste and spent fuel;

(5) the generators and owners of high-level radioactive waste and spent nuclear fuel have the primary responsibility to provide for, and the responsibility to pay the costs of, the interim storage of such waste and spent fuel until such waste and spent fuel is accepted by the Secretary of Energy in accordance with the provisions of this chapter;

(6) State and public participation in the planning and development of repositories is essential in order to promote public confidence in the safety of disposal of such waste and spent fuel; and

(7) high-level radioactive waste and spent nuclear fuel have become major subjects of public concern, and appropriate precautions must be taken to ensure that such waste and spent fuel do not adversely affect the public health and safety and the environment for this or future generations.

(b) The purposes of this part are—

(1) to establish a schedule for the siting, construction, and operation of repositories that will provide a reasonable assurance that the public and the environment will be adequately protected from the hazards posed by high-level radioactive waste and such spent nuclear fuel as may be disposed of in a repository;

(2) to establish the Federal responsibility, and a definite Federal policy, for the disposal of such waste and spent fuel;

(3) to define the relationship between the Federal Government and the State governments with respect to the disposal of such waste and spent fuel;

(4) to establish a Nuclear Waste Fund, composed of payments made by the generators and owners of such waste and spent fuel, that will ensure that the costs of carrying out activities relating to the disposal of such waste and spent fuel will be borne by the persons responsible for generating such waste and spent fuel.


§ 10132. Recommendation of candidate sites for site characterization

(a) Guidelines

Not later than 180 days after January 7, 1983, the Secretary, following consultation with the Council on Environmental Quality, the Adminis-
trator of the Environmental Protection Agency, the Director of the United States Geological Survey, and interested Governors, and the concurrence of the Commission shall issue general guidelines for the recommendation of sites for repositories. Such guidelines shall specify detailed geologic considerations that shall be primary criteria for the selection of sites in various geologic media. Such guidelines shall specify factors that qualify or disqualify any site from development as a repository, including factors pertaining to the location of valuable natural resources, hydrology, geophysics, seismic activity, and atomic energy defense activities, proximity to water supplies, proximity to populations, the effect upon the rights of users of water, and proximity to components of the National Park System, the National Wildlife Refuge System, the National Wild and Scenic Rivers System, the National Wilderness Preservation System, or National Forest Lands. Such guidelines shall take into consideration the proximity to sites where high-level radioactive waste and spent nuclear fuel is generated or temporarily stored and the transportation and safety factors involved in moving such waste to a repository. Such guidelines shall specify population factors that will disqualify any site from development as a repository if any surface facility of such repository would be located (i) in a highly populated area; or (ii) adjacent to an area 1 mile by 1 mile having a population of not less than 1,000 individuals. Such guidelines also shall require the Secretary to consider the cost and impact of transporting to the repository site the solidified high-level radioactive waste and spent fuel to be disposed of in the repository and the advantages of regional distribution in the siting of repositories. Such guidelines shall require the Secretary to consider the various geologic media in which sites for repositories may be located and, to the extent practicable, to recommend sites in different geologic media. The Secretary shall use guidelines established under this subsection in considering candidate sites for recommendation under subsection (b). The Secretary may revise such guidelines from time to time, consistent with the provisions of this subsection.

(b) Recommendation by Secretary to President

(1)(A) Following the issuance of guidelines under subsection (a) and consultation with the Governors of affected States, the Secretary shall nominate at least 5 sites that he determines suitable for site characterization for selection of the first repository site.

(B) Subsequent to such nomination, the Secretary shall recommend to the President 3 of the nominated sites not later than January 1, 1985 for characterization as candidate sites.

(C) Such recommendations under subparagraph (B) shall be consistent with the provisions of section 10225 of this title.

(D) Each nomination of a site under this subsection shall be accompanied by an environmental assessment, which shall specify a detailed statement of the basis for such recommendation and of the probable impacts of the site characterization activities planned for such site, and a discussion of alternative activities relating to site characterization that may be undertaken to avoid such impacts. Such environmental assessment shall include—

(i) an evaluation by the Secretary as to whether such site is suitable for site characterization under the guidelines established under subsection (a);

(ii) an evaluation by the Secretary as to whether such site is suitable for development as a repository under each such guideline that does not require site characterization as a prerequisite for application of such guideline;

(iii) an evaluation by the Secretary of the effects of the site characterization activities at such site on the public health and safety and the environment;

(iv) a reasonable comparative evaluation by the Secretary of such site with other sites and locations that have been considered;

(v) a description of the decision process by which such site was recommended; and

(vi) an assessment of the regional and local impacts of locating the proposed repository at such site.

(E)(1) The issuance of any environmental assessment under this paragraph shall be considered to be a final agency action subject to judicial review in accordance with the provisions of chapter 7 of title 5 and section 10139 of this title. Such judicial review shall be limited to the sufficiency of such environmental assessment with respect to the items described in clauses (i) through (vi) of subparagraph (E).

(F) Each environmental assessment prepared under this paragraph shall be made available to the public.

(G) Before nominating a site, the Secretary shall notify the Governor and legislature of the State in which such site is located, or the governing body of the affected Indian tribe where such site is located, as the case may be, of such nomination and the basis for such nomination.

(2) Before nominating any site the Secretary shall hold public hearings in the vicinity of such site to inform the residents of the area in which such site is located of the proposed nomination of such site and to receive their comments. At such hearings, the Secretary shall also solicit and receive any recommendations of such residents with respect to issues that should be addressed in the environmental assessment described in paragraph (1) and the site characterization plan described in section 10133(b)(1) of this title.

(3) In evaluating the sites nominated under this section prior to any decision to recommend a site as a candidate site, the Secretary shall use available geophysical, geologic, geochemical and hydrologic, and other information and shall not conduct any preliminary borings or excavations at a site unless (i) such preliminary borings or excavations activities were in progress on January 7, 1983, or (ii) the Secretary certifies that such available information from other sources, in the absence of preliminary borings or excavations, will not be adequate to satisfy applicable requirements of this chapter or any other law:

Provided. That preliminary borings or

1 So in original. There is no cl. (ii).

2 So in original. Probably should be “subparagraph (D)”
excavations under this section shall not exceed a diameter of 6 inches.

(c) Presidential review of recommended candidate sites

(1) The President shall review each candidate site recommendation made by the Secretary under subsection (b). Not later than 60 days after the submission by the Secretary of a recommendation of a candidate site, the President, in his discretion, may either approve or disapprove such candidate site, and shall transmit any such decision to the Secretary and to either the Governor and legislature of the State in which such candidate site is located, or the governing body of the affected Indian tribe where such candidate site is located, as the case may be. If, during such 60-day period, the President fails to approve or disapprove such candidate site, or fails to invoke his authority under paragraph (2) to delay his decision, such candidate site shall be considered to be approved, and the Secretary shall notify the candidate site involved by the end of such 6-month period, of his intent to invoke such authority. If the President invokes such authority under subsection (b) of this section, the Secretary may continue, as he determines necessary, to identify and study other sites to determine their suitability for site characterization, in accordance with the procedures described in this section.

(2) The President may delay for not more than 6 months his decision under paragraph (1) to approve or disapprove a candidate site, upon determining that the information provided with the recommendation of the Secretary is insufficient to permit a decision within the 60-day period referred to in paragraph (1). The President may invoke his authority under this paragraph by submitting written notice to the Congress, within such 60-day period, of his intent to invoke such authority. If the President invokes such authority, but fails to approve or disapprove the candidate site involved by the end of such 6-month period, such candidate site shall be considered to be approved, and the Secretary shall notify such Governor and legislature, or governing body of the affected Indian tribe, of the approval of such candidate site by reason of the inaction of the President.

(d) Preliminary activities

Except as otherwise provided in this section, each activity of the President or the Secretary under this section shall be considered to be a preliminary decisionmaking activity. No such activity shall require the preparation of an environmental impact statement under section 102(2)(C) of the National Environmental Policy Act of 1969 (42 U.S.C. 4332(2)(C)), or to require any environmental review under subparagraph (E) or (F) of section 102(2) of such Act.

§ 10133. Site characterization

(a) In general

The Secretary shall carry out, in accordance with the provisions of this section, appropriate
site characterization activities at the Yucca Mountain site. The Secretary shall consider fully the comments received under subsection (b)(2) and section 10132(b)(2) of this title and shall, to the maximum extent practicable and in consultation with the Governor of the State of Nevada, conduct site characterization activities in a manner that minimizes any significant adverse environmental impacts identified in such comments or in the environmental assessment submitted under subsection (b)(1).1

(b) Commission and States

(1) Before proceeding to sink shafts at the Yucca Mountain site, the Secretary shall submit for such candidate site to the Commission and to the Governor or legislature of the State of Nevada, for their review and comment—

(A) a general plan for site characterization activities to be conducted at such candidate site, which plan shall include—

(i) a description of such candidate site;

(ii) a description of such site characterization activities, including the following: the extent of planned excavations, plans for any onsite testing with radioactive or nonradioactive material, plans for any investigation activities that may affect the capability of such candidate site to isolate high-level radioactive waste and spent nuclear fuel, and plans to control any adverse, safety-related impacts from such site characterization activities;

(iii) plans for the decontamination and decommissioning of such candidate site, and for the mitigation of any significant adverse environmental impacts caused by site characterization activities if it is determined unsuitable for application for a construction authorization for a repository;

(iv) criteria to be used to determine the suitability of such candidate site for the location of a repository, developed pursuant to section 10132(a) of this title; and

(v) any other information required by the Commission;

(B) a description of the possible form or packaging for the high-level radioactive waste and spent nuclear fuel to be emplaced in such repository, a description, to the extent practicable, of the relationship between such waste form or packaging and the geologic medium of such site, and a description of the activities being conducted by the Secretary with respect to such possible waste form or packaging or such relationship; and

(C) a conceptual repository design that takes into account likely site-specific requirements.

(2) Before proceeding to sink shafts at the Yucca Mountain site, the Secretary shall (A) make available to the public the site characterization plan described in paragraph (1); and (B) hold public hearings in the vicinity of such candidate site to inform the residents of the area in which such candidate site is located of such plan and to receive their comments.

(3) During the conduct of site characterization activities at the Yucca Mountain site, the Secretary shall report not less than once every 6 months to the Commission and to the Governor and legislature of the State of Nevada, on the nature and extent of such activities and the information developed from such activities.

(c) Restrictions

(1) The Secretary may conduct at the Yucca Mountain site only such site characterization activities as the Secretary considers necessary to provide the data required for evaluation of the suitability of such site for an application to be submitted to the Commission for a construction authorization for a repository at such site, and for compliance with the National Environmental Policy Act of 1969 (42 U.S.C. 4221 et seq.).

(2) In conducting site characterization activities—

(A) the Secretary may not use any radioactive material at a site unless the Commission concurs that such use is necessary to provide data for the preparation of the required environmental reports and an application for a construction authorization for a repository at such site; and

(B) if any radioactive material is used at a site—

(i) the Secretary shall use the minimum quantity necessary to determine the suitability of such site for a repository, but in no event more than the curie equivalent of 10 metric tons of spent nuclear fuel; and

(ii) such radioactive material shall be fully retrievable.

(3) If the Secretary at any time determines the Yucca Mountain site to be unsuitable for development as a repository, the Secretary shall—

(A) terminate all site characterization activities at such site;

(B) notify the Congress, the Governor and legislature of Nevada of such termination and the reasons for such termination;

(C) remove any high-level radioactive waste, spent nuclear fuel, or other radioactive materials at or in such site as promptly as practicable;

(D) take reasonable and necessary steps to reclaim the site and to mitigate any significant adverse environmental impacts caused by site characterization activities at such site;

(E) suspend all future benefits payments under part F with respect to such site; and

(F) report to Congress not later than 6 months after such determination the Secretary’s recommendations for further action to assure the safe, permanent disposal of spent nuclear fuel and high-level radioactive waste, including the need for new legislative authority.

(d) Preliminary activities

Each activity of the Secretary under this section that is in compliance with the provisions of subsection (c) shall be considered a preliminary decisionmaking activity. No such activity shall require the preparation of an environmental impact statement under section 102(2)(C) of the National Environmental Policy Act of 1969 (42 U.S.C. 4321(2)(C)), or to3 require any environ-

1 See References in Text note below.

2 So in original. Probably should read “Congress and the”.

3 So in original. The word “to” probably should not appear.
mental review under subparagraph (E) or (F) of section 102(2) of such Act.


REFERENCES IN TEXT

Subsection (b)(1), referred to in subsec. (a), probably means subsec. (b)(1) of section 1032 of this title, which relates to nomination of 'repository sites' for radioactive waste and submission of environmental assessments for those sites.


AMENDMENTS

1987—Subsec. (a). Pub. L. 100–202 and Pub. L. 100–203, §5011(e)(2), which contained identical amendments directing that "the Yucca Mountain site" be substituted for "beginning" and all that follows through "geological media", were executed by substituting "the Yucca Mountain site" for "beginning with the candidate sites that have been approved under section 1032 of this title and are located in various geologic media as the probable site of ultimate disposal".

Subsec. (b)(1). Pub. L. 100–202 and Pub. L. 100–203, §5011(f)(1), amended par. (1) identically, substituting "the Yucca Mountain site" for "any candidate site", and "the Governor or legislature of the State of Nevada" for "either the Governor and legislature of the State in which such candidate site is located, or the governing body of the affected Indian tribe involved".

Subsec. (b)(3). Pub. L. 100–202 and Pub. L. 100–203, §5011(f)(3), amended par. (3) identically, substituting "the Yucca Mountain site" for "a candidate site", striking "the" before "Governor", and substituting "the State of Nevada" for "the State in which such candidate site is located, or the governing body of the affected Indian tribe where such candidate site is located, as the case may be".

Subsec. (c)(1). Pub. L. 100–202 and Pub. L. 100–203, §5011(g)(1), added par. (1) identically, substituting "the Yucca Mountain site" for "any candidate site", "suitability of such site" for "suitability of such candidate site", and "repository at such site" for "repository at such candidate site".

Subsec. (c)(2). Pub. L. 100–202 and Pub. L. 100–203, §5011(g)(2), amended par. (2) identically, striking out "candidate" before "site" in two places in subpar. (A) and in two places in subpar. (B).

Subsec. (c)(3), (4). Pub. L. 100–202 and Pub. L. 100–203, §5011(g)(3), amended subsec. (c) identically, adding par. (3) and striking out former pars. (3) and (4) which read as follows:

"(3) If site characterization activities are terminated at a candidate site for any reason, the Secretary shall (A) notify the Congress, the Governors and legislatures of all States in which candidate sites are located, and the governing bodies of all affected Indian tribes where candidate sites are located, of such termination and the reasons for such termination; and (B) remove any high-level radioactive waste, spent nuclear fuel, or other radioactive materials at or in such candidate site as promptly as practicable.

“(4) If a site is determined to be unsuitable for application for a construction authorization for a repository, the Secretary shall take reasonable and necessary steps to reclaim the site and to mitigate any significant adverse environmental impacts caused by site characterization activities.”

§10134. Site approval and construction authorization

(a) Hearings and Presidential recommendation

(1) The Secretary shall hold public hearings in the vicinity of the Yucca Mountain site, for the purposes of informing the residents of the area of such consideration and receiving their comments regarding the possible recommendation of such site. If, upon completion of such hearings and completion of site characterization activities at the Yucca Mountain site, under section 10133 of this title, the Secretary decides to recommend approval of such site to the President, the Secretary shall notify the Governor and legislature of the State of Nevada, of such decision. No sooner than the expiration of the 30-day period following such notification, the Secretary shall submit to the President a recommendation that the President approve such site for the development of a repository. Any such recommendation by the Secretary shall be based on the record of information developed by the Secretary under section 10133 of this title and this section, including the information described in subparagraph (A) through subparagraph (G). Together with any recommendation of a site under this paragraph, the Secretary shall make available to the public, and submit to the President, a comprehensive statement of the basis of such recommendation, including the following:

(A) a description of the proposed repository, including preliminary engineering specifications for the facility;

(B) a description of the waste form or packaging proposed for use at such repository, and an explanation of the relationship between such waste form or packaging and the geologic medium of such site;

(C) a discussion of data, obtained in site characterization activities, relating to the safety of such site;

(D) a final environmental impact statement prepared for the Yucca Mountain site pursuant to subsection (f) and the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.), together with comments made concerning such environmental impact statement by the Secretary of the Interior, the Council on Environmental Quality, the Administrator, and the Commission, except that the Secretary shall not be required in any such environmental impact statement to consider the need for a repository, the alternatives to geological disposal, or alternative sites to the Yucca Mountain site;

(E) preliminary comments of the Commission concerning the extent to which the at-depth site characterization analysis and the waste form proposal for such site seem to be sufficient for inclusion in any application to be submitted by the Secretary for licensing of such site as a repository;

(F) the views and comments of the Governor and legislature of any State, or the governing
body of any affected Indian tribe, as determined by the Secretary, together with the response of the Secretary to such views;

(G) such other information as the Secretary considers appropriate; and

(b) any impact report submitted under section 10136(c)(2)(B) of this title by the State of Nevada.

(2)(A) If, after recommendation by the Secretary, the President considers the Yucca Mountain site qualified for application for a construction authorization for a repository, the President shall submit a recommendation of such site to Congress.

(B) The President shall submit with such recommendation a copy of the statement for such site prepared by the Secretary under paragraph (1).

(3)(A) The President may not recommend the approval of the Yucca Mountain site unless the Secretary has recommended to the President under paragraph (1) approval of such site and has submitted to the President a statement for such site as required under such paragraph.

(B) No recommendation of a site by the President under this subsection shall require the preparation of an environmental impact statement under section 102(2)(C) of the National Environmental Policy Act of 1969 (42 U.S.C. 4332(2)(C)), or to require any environmental review under subparagraph (E) or (F) of section 102(2) of such Act.

(b) Submission of application

If the President recommends to the Congress the Yucca Mountain site under subsection (a) and the site designation is permitted to take effect under section 10135 of this title, the Secretary shall submit to the Commission an application for the site designation is effective under such section the date on which the recommendation of the Secretary has recommended to the President, together with the recommendation or disapproving the issuance of a construction authorization not later than the expiration of 3 years after the date of the submission of such application, except that the Commission may extend such deadline by not more than 12 months if, not less than 30 days before such deadline, the Commission complies with the reporting requirements established in subsection (e)(2). The Commission decision approving the first such application shall prohibit the emplacement in the first repository of a quantity of spent fuel containing in excess of 70,000 metric tons of heavy metal or a quantity of solidified high-level radioactive waste resulting from the reprocessing of such a quantity of spent fuel until such time as a second repository is in operation. In the event that a monitored retrievable storage facility, approved pursuant to part C of this subchapter, shall be located, or is planned to be located, within 50 miles of the first repository, then the Commission decision approving the first such application shall prohibit the emplacement of a quantity of spent fuel containing in excess of 70,000 metric tons of heavy metal or a quantity of solidified high-level radioactive waste resulting from the reprocessing of spent fuel in both the repository and monitored retrievable storage facility until such time as a second repository is in operation.

(e) Project decision schedule

(1) The Secretary shall prepare and update, as appropriate, in cooperation with all affected Federal agencies, a project decision schedule that portrays the optimum way to attain the operation of the repository, within the time periods specified in this part. Such schedule shall include a description of objectives and a sequence of deadlines for all Federal agencies required to take action, including an identification of the activities in which a delay in the start, or completion, of such activities will cause a delay in beginning repository operation.

(2) Any Federal agency that determines that it cannot comply with any deadline in the project decision schedule, or fails to so comply, shall submit to the Secretary and to the Congress a written report explaining the reason for its failure or expected failure to meet such deadline, the reason why such agency could not reach an agreement with the Secretary, the estimated time for completion of the activity or activities involved, the associated effect on its other deadlines in the project decision schedule, and any recommendations it may have or actions it intends to take regarding any improvements in its operation or organization, or changes to its statutory directives or authority, so that it will be able to mitigate the delay involved. The Secretary, within 30 days after receiving any such report, shall file with the Congress his response to such report, including the reasons why the Secretary could not amend the project decision schedule to accommodate the Federal agency involved.

(f) Environmental impact statement

(1) Any recommendation made by the Secretary under this section shall be considered a
major Federal action significantly affecting the quality of the human environment for purposes of the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.). A final environmental impact statement prepared by the Secretary shall accompany any recommendation to the President to approve a site for a repository.

(2) With respect to the requirements imposed by the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.), compliance with the procedures and requirements of this chapter shall be deemed adequate consideration of the need for a repository, the time of the initial availability of a repository, and all alternatives to the isolation of high-level radioactive waste and spent nuclear fuel in a repository.

(3) For purposes of complying with the requirements of the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) and this section, the Secretary need not consider alternate sites to the Yucca Mountain site for the repository to be developed under this part.

(4) Any environmental impact statement prepared in connection with a repository proposed to be constructed by the Secretary under this part shall, to the extent practicable, be adopted by the Commission in connection with the issuance by the Commission of a construction authorization and license for such repository. To the extent such statement is adopted by the Commission, such adoption shall be deemed to also satisfy the responsibilities of the Commission under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) and no further consideration shall be required, except that nothing in this subsection shall affect any independent responsibilities of the Commission to protect the public health and safety under the Atomic Energy Act of 1954 (42 U.S.C. 2011 et seq.).

(5) Nothing in this chapter shall be construed to amend or otherwise detract from the licensing requirements of the Nuclear Regulatory Commission established in title II of the Energy Reorganization Act of 1974 (42 U.S.C. 5841 et seq.).

(6) In any such statement prepared with respect to the repository to be constructed under this part, the Nuclear Regulatory Commission need not consider the need for a repository, the time of initial availability of a repository, alternate sites to the Yucca Mountain site, or non-geologic alternatives to such site.

REFERENCE IN TEXT


approval of such recommendation, a recommendation of another site for the first or subsequent repository." Subsec. (b), Pub. L. 100–202 and Pub. L. 100–203, §5011(i), amended subsec. (b) identically, substituting "the Yucca Mountain site" for "a site for a repository" and "State of Nevada" for "State in which such site is located, or the governing body of the affected Indian tribe where such site is located, as the case may be." Subsec. (d), Pub. L. 100–202 and Pub. L. 100–203, §5011(j), amended subsec. (d) identically, substituting "than the expiration" for "than— (1) January 1, 1989, for the first such application, and January 1, 1992 for the second such application; or (2) the expiration" and "subsection (e)(2)" for "subsection (e)(2); whichever occurs later".

Subsec. (e)(1), Pub. L. 100–202 and Pub. L. 100–203, §5011(k), amended par. (1) identically, substituting "operation of the repository" for "operation of the repository involved.

Subsec. (f), Pub. L. 100–202 and Pub. L. 100–203, §5011(l), generally amended subsec. (f) identically, substituting provisions consisting of pars. (1) to (6) for former provisions consisting of single unnumbered par.

Termination of Reporting Requirements
For termination, effective May 15, 2000, of provisions of law requiring submittal to Congress of any annual, semiannual, or other regular periodic report listed in House Document No. 103–7 (in which a report required under subsec. (c) of this section is listed as the 17th item on page 186), see section 3003 of Pub. L. 104–66, as amended, set out as a note under section 1113 of Title 31, Money and Finance.

Viability Assessment of Yucca Mountain Site
Pub. L. 104–206, title III, Sept. 30, 1996, 110 Stat. 2995, provided in part: "That no later than September 30, 1998, the Secretary shall provide to the President and to the Congress a viability assessment of the Yucca Mountain site. The viability assessment shall include: (1) the preliminary design concept for the critical elements for the repository and waste package; (2) a total system performance assessment, based upon the design concept and the scientific data and analysis available by September 30, 1998, describing the probable behavior of the repository in the Yucca Mountain geological setting relative to the overall system performance standards; (3) a plan and cost estimate for the remaining work required to complete a license application; and (4) an estimate of the costs to construct and operate the repository in accordance with the design concept."

§10135. Review of repository site selection
(a) "Resolution of repository siting approval" defined
For purposes of this section, the term "resolution of repository siting approval" means a joint resolution of the Congress, the matter after the resolving clause of which is as follows: "That there hereby is approved the site at ... for a repository, with respect to which a notice of disapproval was submitted by ... on ...: The first blank space in such resolution shall be filled with the name of the geographic location of the proposed site of the repository to which such resolution pertains; the second blank space in such resolution shall be filled with the designation of the State Governor and legislature or Indian tribe governing body submitting the notice of disapproval to which such resolution pertains; and the last blank space in such resolution shall be filled with the date of such submission.

(b) State or Indian tribe petitions
The designation of a site as suitable for application for a construction authorization for a repository shall be effective at the end of the 60-day period beginning on the date that the President recommends such site to the Congress under section 10134 of this title, unless the Governor and legislature of the State in which such site is located, or the governing body of an Indian tribe on whose reservation such site is located, as the case may be, has submitted to the Congress a notice of disapproval under section 10136 or 10138 of this title. If any such notice of disapproval has been submitted, the designation of such site shall not be effective except as provided under subsection (c).

(c) Congressional review of petitions
If any notice of disapproval of a repository site designation has been submitted to the Congress under section 10136 or 10138 of this title after a recommendation for approval of such site is made by the President under section 10134 of this title, such site shall be disapproved unless, during the first period of 90 calendar days of continuous session of the Congress after the date of the receipt by the Congress of such notice of disapproval, the Congress passes a resolution of repository siting approval in accordance with this subsection approving such site, and such resolution thereafter becomes law.

(d) Procedures applicable to Senate
(1) The provisions of this subsection are enacted by the Congress—
(A) as an exercise of the rulemaking power of the Senate, and as such they are deemed a part of the rules of the Senate, but applicable only with respect to the procedure to be followed in the Senate in the case of resolutions of repository siting approval, and such provisions supersede other rules of the Senate only to the extent that they are inconsistent with such other rules; and
(B) with full recognition of the constitutional right of the Senate to change the rules (so far as relating to the procedure of the Senate) at any time, in the same manner and to the same extent as in the case of any other rule of the Senate.

(2) Not later than the first day of session following the day on which any notice of disapproval of a repository site selection is submitted to the Congress under section 10136 or 10138 of this title, a resolution of repository siting approval shall be introduced (by request) in the Senate by the chairman of the committee to which such notice of disapproval is referred, or by a Member or Members of the Senate designated by such chairman.

(B) Upon introduction, a resolution of repository siting approval shall be referred to the appropriate committee or committees of the Senate by the President of the Senate, and all such resolutions with respect to the same repository site shall be referred to the same committee or committees. Upon the expiration of 60 calendar days of continuous session after the introduction of the first resolution of repository siting approval with respect to any site, each committee to which such resolution was referred shall make its recommendations to the Senate.
(3) If any committee to which is referred a resolution of siting approval introduced under paragraph (2)(A), or, in the absence of such a resolution, any other resolution of siting approval introduced with respect to the site involved, has not reported such resolution at the end of 60 days of continuous session of Congress after introduction of such resolution, such committee shall be deemed to be discharged from further consideration of such resolution, and such resolution shall be placed on the appropriate calendar of the Senate.

(4)(A) When each committee to which a resolution of siting approval has been referred has reported, or has been deemed to be discharged from further consideration of a resolution described in paragraph (3), it shall at any time thereafter be in order (even though a previous motion to the same effect has been disagreed to) for any Member of the Senate to move to proceed to the consideration of such resolution. Such motion shall be highly privileged and shall not be debatable. Such motion shall not be subject to amendment, to a motion to postpone, or to a motion to proceed to the consideration of other business. A motion to reconsider the vote by which such motion is agreed to or disagreed to shall not be in order. If a motion to proceed to the consideration of such resolution is agreed to, such resolution shall remain the unfinished business of the Senate until disposed of.

(B) Debate on a resolution of siting approval, and on all debatable motions and appeals in connection with such resolution, shall be limited to not more than 10 hours, which shall be divided equally between Members favoring and Members opposing such resolution. A motion further to limit debate shall be in order and shall not be debatable. Such motion shall not be subject to amendment, to a motion to postpone, or to a motion to proceed to the consideration of other business, and a motion to recommit such resolution shall not be in order. A motion to reconsider the vote by which such resolution is agreed to or disagreed to shall not be in order.

(C) Immediately following the conclusion of the debate on a resolution of siting approval, and a single quorum call at the conclusion of such debate if requested in accordance with the rules of the Senate, the vote on final approval of such resolution shall occur.

(D) Appeals from the decisions of the Chair relating to the application of the rules of the Senate to the procedure relating to a resolution of siting approval shall be decided without debate.

(5) If the Senate receives from the House a resolution of repository siting approval with respect to any site, then the following procedure shall apply:

(A) The resolution of the House with respect to such site shall not be referred to a committee.

(B) With respect to the resolution of the Senate with respect to such site—

(i) the procedure with respect to that or other resolutions of the Senate with respect to such site shall be the same as if no resolution from the House with respect to such site had been received; but

(ii) on any vote on final passage of a resolution of the Senate with respect to such site, a resolution from the House with respect to such site where the text is identical shall be automatically substituted for the resolution of the Senate.

(e) Procedures applicable to House of Representatives

(1) The provisions of this section are enacted by the Congress—

(A) as an exercise of the rulemaking power of the House of Representatives, and as such they are deemed a part of the rules of the House, but applicable only with respect to the procedure to be followed in the House in the case of resolutions of repository siting approval, and such provisions supersede other rules of the House only to the extent that they are inconsistent with such other rules; and

(B) with full recognition of the constitutional right of the House to change the rules (so far as relating to the procedure of the House) at any time, in the same manner and to the same extent as in the case of any other rule of the House.

(2) Resolutions of repository siting approval shall upon introduction, be immediately referred by the Speaker of the House to the appropriate committee or committees of the House. Any such resolution received from the Senate shall be held at the Speaker's table.

(3) Upon the expiration of 60 days of continuous session after the introduction of the first resolution of repository siting approval with respect to any site, each committee to which such resolution was referred shall be discharged from further consideration of such resolution, and such resolution shall be referred to the appropriate calendar, unless such resolution or an identical resolution was previously reported by each committee to which it was referred.

(4) It shall be in order for the Speaker to recognize a Member favoring a resolution to call up a resolution of repository siting approval after it has been on the appropriate calendar for 5 legislative days. When any such resolution is called up, the House shall proceed to its immediate consideration and the Speaker shall recognize a Member calling up such resolution and a Member opposed to such resolution for 2 hours of debate in the House, to be equally divided and controlled by such Members. When such time has expired, the previous question shall be considered as ordered on the resolution to adoption without intervening motion. No amendment to any such resolution shall be in order, nor shall it be in order to move to reconsider the vote by which such resolution is agreed to or disagreed to.

(5) If the House receives from the House a resolution of repository siting approval with respect to any site, then the following procedure shall apply:

(A) The resolution of the Senate with respect to such site shall not be referred to a committee.

(B) With respect to the resolution of the House with respect to such site—

(i) the procedure with respect to that or other resolutions of the House with respect

1 So in original. Probably should be “subsection”.


to such site shall be the same as if no resolution from the Senate with respect to such site had been received; but

(ii) on any vote on final passage of a resolution of the House with respect to such site, a resolution from the Senate with respect to such site where the text is identical shall be automatically substituted for the resolution of the House.

(f) Computation of days

For purposes of this section—

(1) continuity of session of Congress is broken only by an adjournment sine die; and

(2) the days on which either House is not in session because of an adjournment of more than 3 days to a day certain are excluded in the computation of the 90-day period referred to in subsection (c) and the 60-day period referred to in subsections (d) and (e).

(g) Information provided to Congress

In considering any notice of disapproval submitted to the Congress under section 10136 or 10138 of this title, the Congress may obtain any comments of the Commission with respect to such notice of disapproval. The provision of such comments by the Commission shall not be construed as binding the Commission with respect to any licensing or authorization action concerning the repository involved.


Yucca Mountain, Nevada Repository Site

Pub. L. 107–200, July 23, 2002, 116 Stat. 735, provided: "That there hereby is approved the site at Yucca Mountain, Nevada, for a repository, with respect to which site had been received; but Governor or legislature of the State of Nevada and any affected unit of local government—

(i) to review activities taken under this part with respect to the Yucca Mountain site for purposes of determining any potential economic, social, public health and safety, and environmental impacts of a repository on such State, or affected unit of local government and its residents;

(ii) to develop a request for impact assistance under paragraph (2);

(iii) to engage in any monitoring, testing, or evaluation activities with respect to site characterization programs with regard to such site;

(iv) to provide information to Nevada residents regarding any activities of such State, the Secretary, or the Commission with respect to such site; and

(v) to request information from, and make comments and recommendations to, the Secretary regarding any activities taken under this part with respect to such site.

(C) Any salary or travel expense that would ordinarily be incurred by such State or affected unit of local government—

(1) Unless otherwise provided by State law, the Governor or legislature of such State shall have authority to submit a notice of disapproval to the Congress under paragraph (2). In any case in which State law provides for submission of any such notice of disapproval by any other person or entity, any reference in this part to the Governor or legislature of such State shall be considered to refer instead to such other person or entity.

(2) Upon the submission by the President to the Congress of a recommendation of a site for a repository, the Governor or legislature of the State in which such site is located may disapprove the site designation and submit to the Congress a notice of disapproval. Such Governor or legislature may submit such a notice of disapproval to the Congress not later than the 60 days after the date that the President recommends such site to the Congress under section 10134 of this title. A notice of disapproval shall be considered to be submitted to the Congress on the date of the transmittal of such notice of disapproval to the Speaker of the House and the President pro tempore of the Senate. Such notice of disapproval shall be accompanied by a statement of reasons explaining why such Governor or legislature disapproved the recommended repository site involved.

(3) The authority of the Governor or legislature of each State under this subsection shall not be applicable with respect to any site located on a reservation.

(c) Financial assistance

(1)(A) The Secretary shall make grants to the State of Nevada and any affected unit of local government for the purposes of participating in activities required by this section and section 10137 of this title or authorized by written agreement entered into pursuant to section 10137(c) of this title. Any salary or travel expense that would ordinarily be incurred by such State or affected unit of local government, may not be considered eligible for funding under this paragraph.

(B) The Secretary shall make grants to the State of Nevada and any affected unit of local government for purposes of enabling such State or affected unit of local government—

(1) to review activities taken under this part with respect to the Yucca Mountain site for purposes of determining any potential economic, social, public health and safety, and environmental impacts of a repository on such State, or affected unit of local government and its residents;

(ii) to develop a request for impact assistance under paragraph (2);

(iii) to engage in any monitoring, testing, or evaluation activities with respect to site characterization programs with regard to such site;

(iv) to provide information to Nevada residents regarding any activities of such State, the Secretary, or the Commission with respect to such site; and

(v) to request information from, and make comments and recommendations to, the Secretary regarding any activities taken under this part with respect to such site.

(C) Any salary or travel expense that would ordinarily be incurred by the State of Nevada or any affected unit of local government may not be considered eligible for funding under this paragraph.

(2)(A)(i) The Secretary shall provide financial and technical assistance to the State of Nevada, and any affected unit of local government requesting such assistance.

(ii) Such assistance shall be designed to mitigate the impact on such State or affected unit of local government of the development of such repository and the characterization of such site.
(iii) Such assistance to such State or affected unit of local government of such State shall commence upon the initiation of site characterization activities.

(B) The State of Nevada and any affected unit of local government may request assistance under this subsection by preparing and submitting to the Secretary a report on the economic, social, public health and safety, and environmental impacts that are likely to result from site characterization activities at the Yucca Mountain site. Such report shall be submitted to the Secretary after the Secretary has submitted to the State a general plan for site characterization activities under section 10133(b) of this title.

(C) As soon as practicable after the Secretary has submitted such site characterization plan, the Secretary shall seek to enter into a binding agreement with the State of Nevada setting forth—

(1) the amount of assistance to be provided under this subsection to such State or affected unit of local government; and

(2) the procedures to be followed in providing such assistance.

(3)(A) In addition to financial assistance provided under paragraphs (1) and (2), the Secretary shall grant to the State of Nevada and any affected unit of local government an amount each fiscal year equal to the amount such State or affected unit of local government, respectively, would receive if authorized to tax site characterization activities at such site, and the development and operation of such repository, as such State or affected unit of local government taxes the non-Federal real property and industrial activities occurring within such State or affected unit of local government.

(B) Such grants shall continue until such time as all such activities, development, and operation are terminated at such site.

(4)(A) The State of Nevada or any affected unit of local government may not receive any grant under paragraph (1) after the expiration of the 1-year period following—

(i) the date on which the Secretary notifies the Governor and legislature of the State of Nevada of the termination of site characterization activities at the site in such State; or

(ii) the date on which the Yucca Mountain site is disapproved under section 10135 of this title; or

(iii) the date on which the Commission disapproves an application for a construction authorization for a repository at such site;

whichever occurs first.

(B) The State of Nevada or any affected unit of local government may not receive any further assistance under paragraph (2) with respect to a site if repository construction activities or site characterization activities at such site are terminated by the Secretary or if such activities are permanently enjoined by any court.

(C) At the end of the 2-year period beginning on the effective date of any license to receive and possess for a repository in a State, no Federal funds, shall be made available to such State or affected unit of local government under paragraph (1) or (2), except for—

(i) such funds as may be necessary to support activities related to any other repository located in, or proposed to be located in, such State, and for which a license to receive and possess has not been in effect for more than 1 year;

(ii) such funds as may be necessary to support State activities pursuant to agreements or contracts for impact assistance entered into, under paragraph (2), by such State with the Secretary during such 2-year period; and

(iii) such funds as may be provided under an agreement entered into under subchapter IV.

(5) Financial assistance authorized in this subsection shall be made out of amounts held in the Waste Fund.

(6) No State, other than the State of Nevada, may receive financial assistance under this subsection after December 22, 1987.

(d) Additional notification and consultation

Whenever the Secretary is required under any provision of this chapter to notify or consult with the governing body of an affected Indian tribe where a site is located, the Secretary shall also notify or consult with, as the case may be, the Governor of the State in which such reservation is located.

Amendments

1987—Subsec. (c). Pub. L. 100–202 and Pub. L. 100–203 generally amended subsec. (c) identically, substituting provisions consisting of pars. (1) to (6) for former provisions consisting of pars. (1) to (5).

§ 10137. Consultation with States and affected Indian tribes

(a) Provision of information

(1) The Secretary, the Commission, and other agencies involved in the construction, operation, or regulation of any aspect of a repository in a State shall provide to the Governor and legislature of such State, and to the governing body of any affected Indian tribe, timely and complete information regarding determinations or plans made with respect to the site characterization siting, development, design, licensing, construction, operation, regulation, or decommissioning of such repository.

(2) Upon written request for such information by the Governor or legislature of such State, or by the governing body of any affected Indian tribe, as the case may be, the Secretary shall provide a written response to such request within 30 days of the receipt of such request. Such response shall provide the information requested or, in the alternative, the reasons why the information cannot be so provided. If the Secretary fails to so respond within such 30 days, the Governor or legislature of such State, or the governing body of any affected Indian tribe, as the case may be, may transmit a formal written objection to such failure to respond to the President. If the President or Secretary fails to respond to such written request within 30 days of the re-
cept by the President of such formal written objection, the Secretary shall immediately suspend all activities in such State authorized by this part, and shall not renew such activities until the Governor or legislature of such State, or the governing body of any affected Indian tribe, as the case may be, has received the written response to such written request required by this subsection.

(b) Consultation and cooperation

In performing any study of an area within a State for the purpose of determining the suitability of such area for a repository pursuant to section 10132(c) of this title, and in subsequently developing and loading any repository within such State, the Secretary shall consult and cooperate with the Governor and legislature of such State and the governing body of any affected Indian tribe in an effort to resolve the concerns of such State and any affected Indian tribe regarding the public health and safety, environmental, and economic impacts of any such repository. In carrying out his duties under this part, the Secretary shall take such concerns into account to the maximum extent feasible and as specified in written agreements entered into under subsection (c).

(c) Written agreement

Not later than 60 days after (1) the approval of a site for site characterization for such a repository under section 10132(c) of this title, or (2) the written request of the State or Indian tribe in any affected State notified under section 10136(a) of this title to the Secretary, whichever first occurs, the Secretary shall seek to enter into a separate binding written agreement, and shall begin negotiations, with such State and, where appropriate, to enter into a separate binding agreement with the governing body of any affected Indian tribe, setting forth (but not limited to) the procedures under which the requirements of subsections (a) and (b), and the provisions of such written agreement, shall be carried out. Any such written agreement shall not affect the authority of the Commission under existing law. Each such written agreement shall, to the maximum extent feasible, be completed not later than 6 months after such notification. Such written agreement shall specify procedures—

(1) by which such State or governing body of an affected Indian tribe, as the case may be, may study, determine, comment on, and make recommendations with regard to the possible public health and safety, environmental, social, and economic impacts of any such repository;

(2) by which the Secretary shall consider and respond to comments and recommendations made by such State or governing body of an affected Indian tribe, including the period in which the Secretary shall so respond;

(3) by which the Secretary and such State or governing body of an affected Indian tribe may review or modify the agreement periodically;

(4) by which such State or governing body of an affected Indian tribe is to submit an impact report and request for impact assistance under section 10136(c) of this title or section 10138(b) of this title, as the case may be;

(5) by which the Secretary shall assist such State, and the units of general local government in the vicinity of the repository site, in resolving the offsite concerns of such State and units of general local government, including, but not limited to, questions of State liability arising from incidents, necessary road upgrading and access to the site, ongoing emergency preparedness and emergency response, monitoring of transportation of high-level radioactive waste and spent nuclear fuel through such State, conduct of baseline health studies of inhabitants in neighboring communities near the repository site and reasonable periodic monitoring thereafter, and monitoring of the repository site upon any decommissioning and decontamination;

(6) by which the Secretary shall consult and cooperate with such State on a regular, ongoing basis and provide for an orderly process and timely schedule for State review and evaluation, including identification in the agreement of key events, milestones, and decision points in the activities of the Secretary at the potential repository site;

(7) by which the Secretary shall notify such State prior to the transportation of any high-level radioactive waste and spent nuclear fuel into such State for disposal at the repository site;

(8) by which such State may conduct reasonable independent monitoring and testing of activities on the repository site, except that such monitoring and testing shall not unreasonably interfere with or delay onsite activities;

(9) for sharing, in accordance with applicable law, of all technical and licensing information, the utilization of available expertise, the facilitating of permit procedures, joint project review, and the formulation of joint surveillance and monitoring arrangements to carry out applicable Federal and State laws;

(10) for public notification of the procedures specified under the preceding paragraphs; and

(11) for resolving objections of States and affected Indian tribes at any stage of the planning, siting, development, construction, operation, or closure of such a facility within such State through negotiation, arbitration, or other appropriate mechanisms.

(d) On-site representative

The Secretary shall offer to any State, Indian tribe or unit of local government within whose jurisdiction a site for a repository or monitored retrievable storage facility is located under this subchapter an opportunity to designate a representative to conduct on-site oversight activities at such site. Reasonable expenses of such representatives shall be paid out of the Waste Fund.


1 So in original. Probably should be “locating”.
2 So in original. The comma probably should not appear.
§ 10138. Participation of Indian tribes

(a) Participation of Indian tribes in repository siting decisions

Upon the submission by the President to the Congress of a recommendation of a site for a repository located on the reservation of an affected Indian tribe, the governing body of such Indian tribe may disapprove the site designation and submit to the Congress a notice of disapproval. The governing body of such Indian tribe may submit such a notice of disapproval to the Congress not later than the 60 days after the date that the President recommends such site to the Congress under section 10134 of this title. A notice of disapproval shall be considered to be submitted to the Congress under section 10134 of this title for the purpose of participating in activities required by section 10137 of this title or to request information from, and make comments and recommendations to, the Secretary regarding any activities taken under this part with respect to such site.

(b) Financial assistance

(1) The Secretary shall make grants to each affected tribe notified under section 10136(a) of this title for the purpose of participating in activities required by section 10137 of this title or authorized by written agreement entered into pursuant to section 10137(c) of this title. Any salary or travel expense that would ordinarily be incurred by such Indian tribe with respect to such site and before the recommendation of such site shall be considered eligible for funding under this paragraph.

(2) The Secretary shall make grants to each affected Indian tribe where a site for a repository is approved under section 10135 of this title; and following the initiation of construction activities at such site.

(3) Any affected Indian tribe desiring assistance under this paragraph shall prepare and submit to the Secretary a report on any economic, social, public health and safety, and environmental impacts that are likely as a result of the development of a repository at a site on the reservation of such Indian tribe. Such report shall be submitted to the Secretary following the completion of site characterization activities at such site and before the recommendation of such site to the President by the Secretary for application for a construction authorization for a repository. As soon as practicable following the granting of a construction authorization for such repository, the Secretary shall seek to enter into a binding agreement with the Indian tribe involved setting forth the amount of assistance to be provided to such Indian tribe under this paragraph and the procedures to be followed in providing such assistance.

(4) The Secretary shall grant to each affected Indian tribe where a site for a repository is approved under section 10132(c) of this title an amount each fiscal year equal to the amount such Indian tribe would receive were it authorized to tax site characterization activities at such site, and the development and operation of such repository, as such Indian tribe taxes the other commercial activities occurring on such reservation. Such grants shall continue until such time as all such activities, development, and operation are terminated at such site.

(5) An affected Indian tribe may not receive any grant under paragraph (4).

So in original. Probably should be designated "(5)(A)".

AMENDMENTS

1995—Subsec. (c). Pub. L. 104–66 struck out after third sentence "if such written agreement is not completed within such period, the Secretary shall report to the Congress in writing within 30 days on the status of negotiations to develop such agreement and the reasons why such agreement has not been completed. Prior to submission of such report to the Congress, the Secretary shall transmit such report to the Governor of such State or the governing body of such affected Indian tribe, as the case may be, for their review and comments. Such comments shall be included in such report prior to submission to the Congress.".

(iii) the date on which the Commission disapproves an application for a construction authorization for a repository at such site; 2

(iv) December 22, 1987;

whichever occurs first, unless there is another candidate site on the reservation of such Indian tribe that is approved under section 10132(c) of this title and with respect to which the actions described in clauses (i), (ii), and (iii) have not been taken.

(B) An affected Indian tribe may not receive any further assistance under paragraph (2) with respect to a site if repository construction activities at such site are terminated by the Secretary or if such activities are permanently enjoined by any court.

(C) At the end of the 2-year period beginning on the effective date of any license to receive and possess for a repository at a site on the reservation of an affected Indian tribe, no Federal funds shall be made available under paragraph (1) or (2) to such Indian tribe, except for—

(i) such funds as may be necessary to support activities of such Indian tribe related to any other repository where a license to receive and possess has not been in effect for more than 1 year; and

(ii) such funds as may be necessary to support activities of such Indian tribe pursuant to agreements or contracts for impact assistance entered into, under paragraph (2), by such Indian tribe with the Secretary during such 2-year period.

(6) Financial assistance authorized in this subsection shall be made out of amounts held in the Nuclear Waste Fund established in section 10222 of this title.


AMENDMENTS


§ 10139. Judicial review of agency actions

(a) Jurisdiction of United States courts of appeals

(1) Except for review in the Supreme Court of the United States, the United States courts of appeals shall have original and exclusive jurisdiction over any civil action—

(A) for review of any final decision or action of the Secretary, the President, or the Commission under this part;

(B) alleging the failure of the Secretary, the President, or the Commission to make any decision, or take any action, required under this part;

(C) challenging the constitutionality of any decision made, or action taken, under any provision of this part;

(D) for review of any environmental impact statement prepared pursuant to the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) with respect to any action under this part, or as required under section 10155(c)(1) of this title, or alleging a failure to prepare such statement with respect to any such action;

(E) for review of any environmental assessment prepared under section 10132(b)(1) or 10155(c)(2) of this title; or

(F) for review of any research and development activity under subchapter II.

(2) The venue of any proceeding under this section shall be in the judicial circuit in which the petitioner involved resides or has its principal office, or in the United States Court of Appeals for the District of Columbia.

(c) Deadline for commencing action

A civil action for judicial review described under subsection (a)(1) may be brought not later than the 180th day after the date of the decision or action or failure to act involved, as the case may be, except that if a party shows that he did not know of the decision or action complained of (or of the failure to act), and that a reasonable person acting under the circumstances would not have known, such party may bring a civil action not later than the 180th day after the date such party acquired actual or constructive knowledge of such decision, action, or failure to act.


REFERENCES IN TEXT


§ 10140. Expedited authorizations

(a) Issuance of authorizations

(1) To the extent that the taking of any action related to the site characterization of a site or the construction or initial operation of a repository under this part requires a certificate, right-of-way, permit, lease, or other authorization from a Federal agency or officer, such agency or officer shall issue or grant any such authorization at the earliest practicable date, to the extent permitted by the applicable provisions of law administered by such agency or officer. All actions of a Federal agency or officer with respect to consideration of applications or requests for the issuance or grant of any such authorization shall be expedited, and any such application or request shall take precedence over any similar applications or requests not related to such repositories.

(2) The provisions of paragraph (1) shall not apply to any certificate, right-of-way, permit, lease, or other authorization issued or granted by, or requested from, the Commission.

(b) Terms of authorizations

Any authorization issued or granted pursuant to subsection (a) shall include such terms and conditions as—

2 So in original. Probably should be followed by “or”.

1 So in original. No subsec. (b) has been enacted.
conditions as may be required by law, and may include terms and conditions permitted by law.


§ 10141. Certain standards and criteria

(a) Environmental Protection Agency standards

Not later than 1 year after January 7, 1983, the Administrator, pursuant to authority under other provisions of law, shall, by rule, promulgate generally applicable standards for protection of the general environment from offsite releases from radioactive material in repositories.

(b) Commission requirements and criteria

(1)(A) Not later than January 1, 1984, the Commission, pursuant to authority under other provisions of law, shall, by rule, promulgate technical requirements and criteria that it will apply, under the Atomic Energy Act of 1954 (42 U.S.C. 2011 et seq.) and the Energy Reorganization Act of 1974 (42 U.S.C. 5801 et seq.), in approving or disapproving—

(i) applications for authorization to construct repositories;

(ii) applications for licenses to receive and possess spent nuclear fuel and high-level radioactive waste in such repositories; and

(iii) applications for authorization for closure and decommissioning of such repositories.

(B) Such criteria shall provide for the use of a system of multiple barriers in the design of the repository and shall include such restrictions on the retrievability of the solidified high-level radioactive waste and spent fuel emplaced in the repository as the Commission deems appropriate.

(C) Such requirements and criteria shall not be inconsistent with any comparable standards promulgated by the Administrator under subsection (a).

(2) For purposes of this chapter, nothing in this section shall be construed to prohibit the Commission from promulgating requirements and criteria under paragraph (1) before the Administrator promulgates standards under subsection (a). If the Administrator promulgates standards under subsection (a) after requirements and criteria are promulgated by the Commission under paragraph (1), such requirements and criteria shall be revised by the Commission if necessary to comply with paragraph (1)(C).

(c) Environmental impact statement

The promulgation of standards or criteria in accordance with the provisions of this section shall not require the preparation of an environmental impact statement under section 102(2)(C) of the National Environmental Policy Act of 1969 (42 U.S.C. 4332(2)(C)), or to require any environmental review under subparagraph (E) or (F) of section 102(2) of such Act.


REFERENCES IN TEXT


NUCLEAR WASTE STORAGE AND DISPOSAL AT YUCCA MOUNTAIN SITE


“(a) ENVIRONMENTAL PROTECTION AGENCY STANDARDS.—

“(1) PROMULGATION.—Notwithstanding the provisions of section 121(a) of the Nuclear Waste Policy Act of 1982 (42 U.S.C. 10141(a)), section 161 b. of the Atomic Energy Act of 1954 (42 U.S.C. 2201(b)), and any other authority of the Administrator to set generally applicable standards for the Yucca Mountain site, the Administrator shall, upon and consistent with the findings and recommendations of the National Academy of Sciences, promulgate, by rule, public health and safety standards for protection of the public from releases from radioactive materials stored or disposed of in the repository at the Yucca Mountain site. Such standards shall prescribe the maximum annual effective dose equivalent to individual members of the public from releases to the accessible environment from radioactive materials stored or disposed of in the repository. The standards shall be promulgated not later than 1 year after the Administrator receives the findings and recommendations of the National Academy of Sciences under paragraph (2) and shall be the only such standards applicable to the Yucca Mountain site.

“(2) STUDY BY NATIONAL ACADEMY OF SCIENCES.—Within 90 days after the date of the enactment of this Act (Oct. 24, 1992), the Administrator shall contract with the National Academy of Sciences to conduct a study to provide, by not later than December 31, 1993, findings and recommendations on reasonable standards for protection of the public health and safety, including—

“(A) whether a health-based standard based upon doses to individual members of the public from releases to the accessible environment (as that term is defined in the regulations contained in subpart B of part 191 of title 40, Code of Federal Regulations, as in effect on November 18, 1985) will provide a reasonable standard for protection of the health and safety of the general public;

“(B) whether it is reasonable to assume that a system for post-closure oversight of the repository can be developed, based upon active institutional controls, that will prevent an unreasonable risk of breaching the repository’s engineered or geologic barriers or increasing the exposure of individuals to radiation beyond allowable limits; and

“(C) whether it is possible to make scientifically supportable predictions of the probability that the repository’s engineered or geologic barriers will be breached as a result of human intrusion over a period of 10,000 years.

“(3) APPLICABILITY.—The provisions of this section shall apply to the Yucca Mountain site, rather than any other authority of the Administrator to set generally applicable standards for radiation protection.

“(d) NUCLEAR REGULATORY COMMISSION REQUIREMENTS AND CRITERIA.—

“(1) MODIFICATIONS.—Not later than 1 year after the Administrator promulgates standards under subsection (a), the Nuclear Regulatory Commission shall, by rule, modify its technical requirements and criteria under section 121(b) of the Nuclear Waste
§ 10142. Disposal of spent nuclear fuel

Notwithstanding any other provision of this part, any repository constructed on a site approved under this part shall be designed and constructed to permit the retrieval of any spent nuclear fuel placed in such repository, during an appropriate period of operation of the facility, for any reason pertaining to the public health and safety, or the environment, or for the purpose of permitting the recovery of the economically valuable contents of such spent fuel. The Secretary shall specify the appropriate period of operation to have effect at such time as a repository development, construction, and operation of any civilian nuclear power reactor consistent with—

(1) to provide for the utilization of available spent nuclear fuel pools at the site of each civilian nuclear power reactor to the extent practical and the addition of new spent nuclear fuel storage capacity where practical at the site of such reactor; and

(2) to provide, in accordance with the provisions of this part, not more than 1,900 metric tons of capacity for interim storage of spent nuclear fuel for civilian nuclear power reactors that cannot reasonably provide adequate storage capacity at the sites of such reactors when needed to assure the continued, orderly operation of such reactors.

§ 10143. Title to material

Delivery, and acceptance by the Secretary, of any high-level radioactive waste or spent nuclear fuel for a repository constructed under this part shall constitute a transfer to the Secretary of title to such waste or spent fuel.

§ 10144. Consideration of effect of acquisition of water rights

The Secretary shall give full consideration to whether the development, construction, and operation of a repository may require any purchase or other acquisition of water rights that will have a significant adverse effect on the present or future development of the area in which such repository is located. The Secretary shall mitigate any such adverse effects to the maximum extent practicable.

§ 10145. Termination of certain provisions

Sections 10139 and 10140 of this title shall cease to have effect at such time as a repository developed under this part is licensed to receive and possess high-level radioactive waste and spent nuclear fuel.

(a) The Congress finds that—

(1) the persons owning and operating civilian nuclear power reactors have the primary responsibility for providing interim storage of spent nuclear fuel from such reactors, by maximizing, to the extent practical, the effective use of existing storage facilities at the site of each civilian nuclear power reactor, and by adding new onsite storage capacity in a timely manner where practical;

(2) the Federal Government has the responsibility to encourage and expedite the effective use of existing storage facilities and the addition of needed new storage capacity at the site of each civilian nuclear power reactor; and

(3) the Federal Government has the responsibility to provide, in accordance with the provisions of this part, not more than 1,900 metric tons of capacity for interim storage of spent nuclear fuel for civilian nuclear power reactors that cannot reasonably provide adequate storage capacity at the sites of such reactors when needed to assure the continued, orderly operation of such reactors.

(b) The purposes of this part are—

(1) to provide for the utilization of available spent nuclear fuel pools at the site of each civilian nuclear power reactor to the extent practical and the addition of new spent nuclear fuel storage capacity where practical at the site of such reactor; and

(2) to provide, in accordance with the provisions of this part, for the establishment of a federally owned and operated system for the interim storage of spent nuclear fuel at one or more facilities owned by the Federal Government with not more than 1,900 metric tons of capacity to prevent disruptions in the orderly operation of any civilian nuclear power reactor that cannot reasonably provide adequate spent nuclear fuel storage capacity at the site of such reactor when needed.

§ 10152. Available capacity for interim storage of spent nuclear fuel

The Secretary, the Commission, and other authorized Federal officials shall each take such actions as such official considers necessary to encourage and expedite the effective use of available storage, and necessary additional storage, at the site of each civilian nuclear power reactor consistent with—

(1) the protection of the public health and safety, and the environment;
(2) economic considerations;
(3) continued operation of such reactor;
(4) any applicable provisions of law; and
(5) the views of the population surrounding such reactor.

§ 10153. Interim at-reactor storage
The Commission shall, by rule, establish procedures for the licensing of any technology approved by the Commission under section 10198(a) of this title for use at the site of any civilian nuclear power reactor. The establishment of such procedures shall not preclude the licensing, under any applicable procedures or rules of the Commission in effect prior to such establishment, of any technology for the storage of civilian spent nuclear fuel at the site of any civilian nuclear power reactor.

REFERENCES IN TEXT
Section 10198(a) of this title, referred to in text, was in the original a reference to section 219(a) of Pub. L. 97–425, which is classified to section 10199(a) of this title, and has been translated as section 10198(a) of this title as the probable intent of Congress in view of the subject matter of section 10198(a) which relates to development of technologies for storage of spent nuclear fuel, and the subject matter of section 10198(a) which relates to payments to States and Indian tribes.

§ 10154. Licensing of facility expansions and transshipments
(a) Oral argument
In any Commission hearing under section 189 of the Atomic Energy Act of 1954 (42 U.S.C. 2239) on an application for a license, or for an amendment to an existing license, filed after January 7, 1983, to expand the spent nuclear fuel storage capacity at the site of a civilian nuclear power reactor, through the use of high-density fuel storage racks, fuel rod compaction, the transshipment of spent nuclear fuel to another civilian nuclear power reactor within the same utility system, the construction of additional spent nuclear fuel pool capacity or dry storage capacity, or by other means, the Commission shall, at the request of any party, provide an opportunity for oral argument with respect to any matter which the Commission determines to be in controversy among the parties. The oral argument shall be preceded by such discovery procedures as the rules of the Commission shall provide. The Commission shall require each party, including the Commission staff, to submit in written form, at the time of the oral argument, a summary of the facts, data, and arguments upon which such party proposes to rely that are known at such time to such party. Only facts and data in the form of sworn testimony or written submission may be relied upon by the parties during oral argument. Of the materials that may be submitted by the parties during oral argument, the Commission shall only consider those facts and data that are submitted in the form of sworn testimony or written submission.

(b) Adjudicatory hearing
(1) At the conclusion of any oral argument under subsection (a), the Commission shall designate any disputed question of fact, together with any remaining questions of law, for resolution in an adjudicatory hearing only if it determines that—
(A) there is a genuine and substantial dispute of fact which can only be resolved with sufficient accuracy by the introduction of evidence in an adjudicatory hearing; and
(B) the decision of the Commission is likely to depend in whole or in part on the resolution of such dispute.
(2) In making a determination under this subsection, the Commission—
(A) shall designate in writing the specific facts that are in genuine and substantial dispute, the reason why the decision of the agency is likely to depend on the resolution of such facts, and the reason why an adjudicatory hearing is likely to resolve the dispute; and
(B) shall not consider—
(i) any issue relating to the design, construction, or operation of any civilian nuclear power reactor already licensed to operate at such site, or any civilian nuclear power reactor for which a construction permit has been granted at such site, unless the Commission determines that such issue substantially affects the design, construction, or operation of the facility or activity for which such license application, authorization, or amendment is being considered; or
(ii) any siting or design issue fully considered and decided by the Commission in connection with the issuance of a construction permit or operating license for a civilian nuclear power reactor at such site, unless (I) such issue results from any revision of siting or design criteria by the Commission following such decision; and (II) the Commission determines that such issue substantially affects the design, construction, or operation of the facility or activity for which such license application, authorization, or amendment is being considered.
(3) The provisions of paragraph (2)(B) shall apply only with respect to licenses, authorizations, or amendments to licenses or authorizations, applied for under the Atomic Energy Act of 1954 (42 U.S.C. 2011 et seq.) before December 31, 2005.
(4) The provisions of this section shall not apply to the first application for a license or license amendment received by the Commission to expand onsite spent fuel storage capacity by the use of a new technology not previously approved for use at any nuclear powerplant by the Commission.

(c) Judicial review
No court shall hold unlawful or set aside a decision of the Commission in any proceeding described in subsection (a) because of a failure by the Commission to use a particular procedure pursuant to this section unless—
(1) an objection to the procedure used was presented to the Commission in a timely fash-

1 See References in Text note below.
ion or there are extraordinary circumstances that excuse the failure to present a timely objection; and

(2) the court finds that such failure has precluded a fair consideration and informed resolution of a significant issue of the proceeding taken as a whole.


REFERENCES IN TEXT


§ 10155. Storage of spent nuclear fuel

(a) Storage capacity

(1) Subject to section 10107 of this title, the Secretary shall provide, in accordance with subsections (a)(1) and (d), the Secretary shall offer to enter into, and may enter into, contracts under section 10156(a) of this title with any person generating or owning spent nuclear fuel for purposes of providing storage capacity for such spent fuel under this section only if the Commission determines that—

(A) adequate storage capacity to ensure the continued orderly operation of the civilian nuclear power reactor at which such spent nuclear fuel is generated cannot reasonably be provided by the person owning and operating such reactor at such site, or at the site of any other civilian nuclear power reactor operated by such person, and such capacity cannot be made available in a timely manner through any method described in subparagraph (B); and

(B) such person is diligently pursuing licensed alternatives to the use of Federal storage capacity for the storage of spent nuclear fuel expected to be generated by such person in the future, including—

(i) expansion of storage facilities at the site of any civilian nuclear power reactor operated by such person;

(ii) construction of new or additional storage facilities at the site of any civilian nuclear power reactor operated by such person;

(iii) acquisition of modular or mobile spent nuclear fuel storage equipment, including spent nuclear fuel storage casks, for use at the site of any civilian nuclear power reactor operated by such person; and

(iv) transshipment to another civilian nuclear power reactor owned by such person.

(2) Storage capacity authorized by paragraph (1) shall not be provided at any Federal or non-Federal site within which there is a candidate site for a repository. The restriction in the preceding sentence shall only apply until such time as the Secretary decides that such candidate site is no longer a candidate site under consideration for development as a repository.

(3) In selecting methods of providing storage capacity under paragraph (1), the Secretary shall consider the timeliness of the availability of each such method and shall seek to minimize the transportation of spent nuclear fuel, the public health and safety impacts, and the costs of providing such storage capacity.

(4) In providing storage capacity through any method described in paragraph (1), the Secretary shall comply with any applicable requirements for licensing or authorization of such method, except as provided in paragraph (1)(A)(i).

(5) The Secretary shall ensure that storage capacity is made available under paragraph (1) when needed, as determined on the basis of the storage needs specified in contracts entered into under section 10156(a) of this title, and shall accept upon request any spent nuclear fuel as covered under such contracts.

(b) Contracts

(1) Subject to the capacity limitation established in subsections (a)(1) and (d), the Secretary shall offer to enter into, and may enter into, contracts under section 10156(a) of this title with any person generating or owning spent nuclear fuel for purposes of providing storage capacity for such spent fuel under this section only if the Commission determines that—

(A) adequate storage capacity to ensure the continued orderly operation of the civilian nuclear power reactor at which such spent nuclear fuel is generated cannot reasonably be provided by the person generating or holding title to spent nuclear fuel, at the site of any civilian nuclear power reactor operated by such person, and such capacity cannot be made available in a timely manner through any method described in subparagraph (B); and

(B) such person is diligently pursuing licensed alternatives to the use of Federal storage capacity for the storage of spent nuclear fuel expected to be generated by such person in the future, including—

(i) expansion of storage facilities at the site of any civilian nuclear power reactor operated by such person;

(ii) construction of new or additional storage facilities at the site of any civilian nuclear power reactor operated by such person;

(iii) acquisition of modular or mobile spent nuclear fuel storage equipment, including spent nuclear fuel storage casks, for use at the site of any civilian nuclear power reactor operated by such person; and

(iv) transshipment to another civilian nuclear power reactor owned by such person.

(2) In making the determination described in paragraph (1)(A), the Commission shall ensure maintenance of a full core reserve storage capability at the site of the civilian nuclear power reactor involved unless the Commission determines that maintenance of such capability is not necessary for the continued orderly operation of such reactor.

(3) The Commission shall complete the determinations required in paragraph (1) with respect to any request for storage capacity not later than 6 months after receipt of such request by the Commission.
(c) Environmental review

(1) The provision of 300 or more metric tons of storage capacity at any one Federal site under subsection (a)(1)(A) shall be considered to be a major Federal action requiring preparation of an environmental impact statement under section 102(2)(C) of the National Environmental Policy Act of 1969 (42 U.S.C. 4332(2)(C)).

(2)(A) The Secretary shall prepare, and make available to the public, an environmental assessment of the probable impacts of any provision of less than 300 metric tons of storage capacity at any one Federal site under subsection (a)(1)(A) that requires the modification or expansion of any facility at the site, and a discussion of alternative activities that may be undertaken to avoid such impacts. Such environmental assessment shall include—

(i) an estimate of the amount of storage capacity to be made available at such site;
(ii) an evaluation as to whether the facilities to be used at such site are suitable for the provision of such storage capacity;
(iii) a description of activities planned by the Secretary with respect to the modification or expansion of the facilities to be used at such site;
(iv) an evaluation of the effects of the provision of such storage capacity at such site on the public health and safety, and the environment;
(v) a reasonable comparative evaluation of current information with respect to such site and facilities and other sites and facilities available for the provision of such storage capacity;
(vi) a description of any other sites and facilities that have been considered by the Secretary for the provision of such storage capacity; and
(vii) an assessment of the regional and local impacts of providing such storage capacity at such site, including the impacts on transportation.

(B) The issuance of any environmental assessment under this paragraph shall be considered to be a final agency action subject to judicial review in accordance with applicable laws of all technical and licensing information, the utilization of available expertise, the facilitating of permitting procedures, joint project review, and the formulation of joint surveillance and monitoring arrangements to carry out applicable Federal and State laws. The cooperative agreement also shall include a detailed plan or schedule of milestones, decision points and opportunities for State or eligible Tribal Council review and objection. Such cooperative agreement shall provide procedures for negotiating and resolving objections of the State and affected Tribal Council in any stage of planning, development, modification, expansion, operation, or closure of storage capacity at a site or facility within such State. The terms of any cooperative agreement shall not affect the authority of the Nuclear Regulatory Commission under existing law.

(3) The cooperative agreement shall include, but need not be limited to, the sharing in accordance with applicable law of all technical and licensing information, the utilization of available expertise, the facilitating of permitting procedures, joint project review, and the formulation of joint surveillance and monitoring arrangements to carry out applicable Federal and State laws. The cooperative agreement also shall include a detailed plan or schedule of milestones, decision points and opportunities for State or eligible Tribal Council review and objection. Such cooperative agreement shall provide procedures for negotiating and resolving objections of the State and affected Tribal Council in any stage of planning, development, modification, expansion, operation, or closure of storage capacity at a site or facility within such State. The terms of any cooperative agreement shall not affect the authority of the Nuclear Regulatory Commission under existing law.

(4) For the purpose of this subsection, “process of consultation and cooperation” means a methodology by which the Secretary (A) keeps the State and eligible Tribal Council fully and currently informed about the aspects of the project related to any potential impact on the public health and safety and environment; (B) solicits, receives, and evaluates concerns and objections of such State and Council with regard to such aspects of the project; and (C) works diligently and cooperatively to resolve, through arbitration or other appropriate mechanisms, such concerns and objections. The process of consultation and cooperation shall not include the grant of a right to any State or Tribal Council to exercise an absolute veto of any aspect of the planning, development, modification, expansion, or operation of the project.

(5) The Secretary and the State and affected Tribal Council shall seek to conclude the agree-
ment required by paragraph (2) as soon as practicable, but not later than 180 days following the date of notification of the selection under paragraph (2). The Secretary shall periodically report to the Congress thereafter on the status of the agreements approved under paragraph (3). Any report to the Congress on the status of negotiations of such agreement by the Secretary shall be accompanied by comments solicited by the Secretary from the State and eligible Tribal Councils.

(A) Upon deciding to provide an aggregate of 300 or more metric tons of storage capacity under subsection (a)(1) at any one site, the Secretary shall notify the Governor and legislature of the State where such site is located, or the governing body of the Indian tribe in whose reservation such site is located, as the case may be, of such decision. During the 60-day period following receipt of notification by the Secretary of his decision to provide an aggregate of 300 or more metric tons of storage capacity at any one site, the Governor or legislature of the State in which such site is located, or the governing body of the affected Indian tribe where such site is located, as the case may be, may disapprove the provision of 300 or more metric tons of storage capacity at the site involved and submit to the Congress a notice of such disapproval. A notice of disapproval shall be considered to be submitted to the Congress on the date of the transmission of such notice of disapproval to the Speaker of the House and the President pro tempore of the Senate. Such notice of disapproval shall be accompanied by a statement of reasons explaining why the provision of such storage capacity at such site was disapproved by such Governor or legislature or the governing body of such Indian tribe.

(B) Unless otherwise provided by State law, the Governor or legislature of each State shall have authority to submit a notice of disapproval to the Congress under subparagraph (A). In any case in which State law provides for submission of any such notice of disapproval by any other person or entity, any reference in this part to the Governor or legislature of such State shall be considered to refer instead to such other person or entity.

(C) The authority of the Governor and legislature of each State under this paragraph shall not be applicable with respect to any site located on a reservation.

(D) If any notice of disapproval is submitted to the Congress under subparagraph (A), the proposed provision of 300 or more metric tons of storage capacity at the site involved shall be disapproved unless, during the first period of 90 calendar days of continuous session of the Congress following the date of the receipt by the Congress of such notice of disapproval, the Congress passes a resolution approving such proposed provision of storage capacity in accordance with the procedures established in this paragraph and subsections (d) through (f) of section 10135 of this title to a resolution of repository siting approval shall be considered to refer to the resolution described in such subparagraph.

(E) For purposes of the consideration of any resolution described in subparagraph (D), each reference in subsections (d) and (e) of section 10135 of this title to a resolution of repository siting approval shall be considered to refer to the resolution described in such subparagraph.

(7) As used in this section, the term "affected Tribal Council" means the governing body of any Indian tribe within whose reservation boundaries there is located a potentially acceptable site for interim storage capacity of spent nuclear fuel from civilian nuclear power reactors, or within whose boundaries a site for such capacity is selected by the Secretary, or whose federally defined possessory or usage rights to other lands outside of the reservation's boundaries arising out of congressionally ratified treaties, as determined by the Secretary of the Interior pursuant to a petition filed with him by the appropriate governmental officials of such tribe, may be substantially and adversely affected by the establishment of any such storage capacity.

(e) Limitations

Any spent nuclear fuel stored under this section shall be removed from the storage site or facility involved as soon as practicable, but in any event, not later than 3 years following the date on which a repository or monitored retrievable storage facility developed under this chapter is available for disposal of such spent nuclear fuel.

(f) Report

The Secretary shall annually prepare and submit to the Congress a report on any plans of the Secretary for providing storage capacity under this section. Such report shall include a description of the specific manner of providing such storage selected by the Secretary, if any. The Secretary shall prepare and submit the first such report not later than 1 year after January 7, 1983.

(g) Criteria for determining adequacy of available storage capacity

Not later than 90 days after January 7, 1983, the Commission pursuant to section 533 of the Administrative Procedures Act [5 U.S.C. 533], shall propose, by rule, procedures and criteria for making the determination required by subsection (b) that a person owning and operating a civilian nuclear power reactor cannot reasonably provide adequate spent nuclear fuel storage capacity at the civilian nuclear power reactor site when needed to ensure the continued orderly operation of such reactor. Such criteria shall ensure the maintenance of a full core re-
serve storage capability at the site of such reactor unless the Commission determines that maintenance of such capability is not necessary for the continued orderly operation of such reactor. Such criteria shall identify the feasibility of reasonably providing such adequate spent nuclear fuel storage capacity, taking into account economic, technical, regulatory, and public health and safety factors, through the use of high-density fuel storage racks, fuel rod compaction, transshipment of spent nuclear fuel to another civilian nuclear power reactor within the same utility system, construction of additional spent nuclear fuel pool capacity, or such other technologies as may be approved by the Commission.

(h) Application

Notwithstanding any other provision of law, nothing in this chapter shall be construed to encourage, authorize, or require the private or Federal use, purchase, lease, or other acquisition of any storage facility located away from the site of any civilian nuclear power reactor and not owned by the Federal Government on January 7, 1983.

(i) Coordination with research and development program

To the extent available, and consistent with the provisions of this section, the Secretary shall provide spent nuclear fuel for the research and development program authorized in section 10198 of this title from spent nuclear fuel received by the Secretary for storage under this section. Such spent nuclear fuel shall not be subject to the provisions of subsection (e).


REFERENCES IN TEXT


Section 10198 of this title, referred to in subsec. (1), was in the original a reference to section 217 of Pub. L. 97–425, which is classified to section 10197 of this title, and has been translated as section 10196 of this title as the probable intent of Congress in view of section 10198(c)(2) which directs the Secretary to provide spent nuclear fuel for the research and development program authorized by section 10198(c) of this title from spent nuclear fuel received by the Secretary for storage under section 10155 of this title.

TERMINATION OF REPORTING REQUIREMENTS

For termination, effective May 15, 2000, of provisions of law requiring submittal to Congress of any annual, semiannual, or other regular periodic report listed in House Document No. 103–7 (in which reports required under subsecs. (d)(5) and (f) of this section are listed as the 12th and 13th items on page 83), see section 3003 of Pub. L. 104–66, as amended, set out as a note under section 1113 of Title 31, Money and Finance.

§ 10156. Interim Storage Fund

(a) Contracts

(1) During the period following January 7, 1983, but not later than January 1, 1990, the Secretary is authorized to enter into contracts with persons who generate or own spent nuclear fuel resulting from civilian nuclear activities for the storage of such spent nuclear fuel in any storage capacity provided under this part: Provided, however, That the Secretary shall not enter into contracts for spent nuclear fuel in amounts in excess of the available storage capacity specified in section 10155(a) of this title. Those contracts shall provide that the Federal Government will (1) take title at the civilian nuclear power reactor site, to such amounts of spent nuclear fuel from the civilian nuclear power reactor as the Commission determines cannot be stored onsite, (2) transport the spent nuclear fuel to a federally owned and operated interim away-from-reactor storage facility, and (3) store such fuel in the facility pending further processing, storage, or disposal. Each such contract shall (A) provide for payment to the Secretary of fees determined in accordance with the provisions of this section; and (B) specify the amount of storage capacity to be provided for the person involved.

(2) The Secretary shall undertake a study and, not later than 180 days after January 7, 1983, submit to the Congress a report, establishing payment charges that shall be calculated on an annual basis, commencing on or before January 1, 1984. Such payment charges and the calculation thereof shall be published in the Federal Register, and shall become effective not less than 30 days after publication. Each payment charge published in the Federal Register under this subparagraph shall remain effective for a period of 12 months from the effective date as the charge for the cost of the interim storage of any spent nuclear fuel. The report of the Secretary shall specify the method and manner of collection (including the rates and manner of payment) and any legislative recommendations determined by the Secretary to be appropriate.

(3) Fees for storage under this part shall be established on a non-discriminatory basis. The fees to be paid by each person entering into a contract with the Secretary under this subsection shall be based upon an estimate of the pro rata costs of storage and related activities under this part with respect to such person, including the acquisition, construction, operation, and maintenance of any facilities under this part.

(4) The Secretary shall establish in writing criteria setting forth the terms and conditions under which such storage services shall be made available.

(5) Except as provided in section 10157 of this title, nothing in this chapter or any other Act requires the Secretary, in carrying out the responsibilities of this section, to obtain a license or permit to possess or own spent nuclear fuel.

(b) Limitation

No spent nuclear fuel generated or owned by any department of the United States referred to
in section 101 or 102 of title 5 may be stored by the
Secretary in any storage capacity provided under this part unless such department transfers to the Secretary, for deposit in the Interim Storage Fund, amounts equivalent to the fees that would be paid to the Secretary under the contracts referred to in this section if such spent nuclear fuel were generated by any other person.

(c) Establishment of Interim Storage Fund

There hereby is established in the Treasury of the United States a separate fund, to be known as the Interim Storage Fund. The Storage Fund shall consist of—

(1) all receipts, proceeds, and recoveries realized by the Secretary under subsections (a), (b), and (e), which shall be deposited in the Storage Fund immediately upon their realization;

(2) any appropriations made by the Congress to the Storage Fund; and

(3) any unexpended balances available on January 7, 1983, for functions or activities necessary or incident to the interim storage of civilian spent nuclear fuel, which shall automatically be transferred to the Storage Fund on such date.

(d) Use of Storage Fund

The Secretary may make expenditures from the Storage Fund, subject to subsection (e), for any purpose necessary or appropriate to the conduct of the functions and activities of the Secretary, or the provision or anticipated provision of services, under this part, including—

(1) the identification, development, licensing, construction, operation, decommissioning, and post-decommissioning maintenance and monitoring of any interim storage facility provided under this part;

(2) the administrative cost of the interim storage program;

(3) the costs associated with acquisition, design, modification, replacement, operation, and construction of facilities at an interim storage site, consistent with the restrictions in section 10156 of this title;

(4) the cost of transportation of spent nuclear fuel; and

(5) impact assistance as described in subsection (e).

(e) Impact assistance

(1) Beginning the first fiscal year which commences after January 7, 1983, the Secretary shall make annual impact assistance payments to a State or appropriate unit of local government, or both, in order to mitigate social or economic impacts occasioned by the establishment and subsequent operation of any interim storage capacity within the jurisdictional boundaries of such government or governments and authorized under this part: Provided, however, That such impact assistance payments shall not exceed (A) ten per centum of the costs incurred in paragraphs (1) and (2), or (B) $15 per kilogram of spent fuel, whichever is less:

(2) Payments made available to States and units of local government pursuant to this section shall be—

(A) allocated in a fair and equitable manner with a priority to those States or units of local government suffering the most severe impacts; and

(B) utilized by States or units of local governments only for (i) planning, (ii) construction and maintenance of public services, (iii) provision of public services related to the providing of such interim storage authorized under this subchapter, and (iv) compensation for loss of taxable property equivalent to that if the storage had been provided under private ownership.

(3) Such payments shall be subject to such terms and conditions as the Secretary determines necessary to ensure that the purposes of this subsection shall be achieved. The Secretary shall issue such regulations as may be necessary to carry out the provisions of this subsection.

(4) Payments under this subsection shall be made available solely from the fees determined under subsection (a).

(5) The Secretary is authorized to consult with States and appropriate units of local government in advance of commencement of establishment of storage capacity authorized under this part in an effort to determine the level of the payment such government would be eligible to receive pursuant to this subsection.

(6) As used in this subsection, the term “unit of local government” means a county, parish, township, municipality, and shall include a borough existing in the State of Alaska on January 7, 1983, and any other unit of government below the State level which is a unit of general government as determined by the Secretary.

(f) Administration of Storage Fund

(1) The Secretary of the Treasury shall hold the Storage Fund and, after consultation with the Secretary, annually report to the Congress on the financial condition and operations of the Storage Fund during the preceding fiscal year.

(2) The Secretary shall submit the budget of the Storage Fund to the Office of Management and Budget triennially along with the budget of the Department of Energy submitted at such time in accordance with chapter 11 of title 31. The budget of the Storage Fund shall consist of estimates made by the Secretary of expenditures from the Storage Fund and other relevant financial matters for the succeeding 3 fiscal years, and shall be included in the Budget of the United States Government. The Secretary may make expenditures from the Storage Fund, subject to appropriations which shall remain available until expended. Appropriations shall be subject to triennial authorization.

(3) If the Secretary determines that the Storage Fund contains at any time amounts in excess of current needs, the Secretary may request the Secretary of the Treasury to invest such amounts, or any portion of such amounts as the Secretary determines to be appropriate, in obligations of the United States—

(A) having maturities determined by the Secretary of the Treasury to be appropriate to the needs of the Storage Fund; and

(B) bearing interest at rates determined to be appropriate by the Secretary of the Treasury, taking into consideration the current av-
erage market yield on outstanding marketable obligations of the United States with remaining periods to maturity comparable to the maturities of such investments, except that the interest rate on such investments shall not exceed the average interest rate applicable to existing borrowings.

(4) Receipts, proceeds, and recoveries realized by the Secretary under this section, and expenditures of amounts from the Storage Fund, shall be exempt from annual apportionment under the provisions of subchapter II of chapter 15 of title 31.

(5) If at any time the moneys available in the Storage Fund are insufficient to enable the Secretary to discharge his responsibilities under this part, the Secretary shall issue to the Secretary of the Treasury obligations in such forms and denominations bearing such maturities, and subject to such terms and conditions as may be agreed to by the Secretary and the Secretary of the Treasury. The total of such obligations shall not exceed amounts provided in appropriation Acts. Redemption of such obligations shall be made by the Secretary from moneys available in the Storage Fund. Such obligations shall bear interest at a rate determined by the Secretary of the Treasury, which shall be not less than a rate determined by taking into consideration the average market yield on outstanding marketable obligations of the United States of comparable maturities during the month preceding the issuance of the obligations under this paragraph. The Secretary of the Treasury shall purchase any issued obligations, and for such purpose the Secretary of the Treasury is authorized to use as a public debt transaction the proceeds from the sale of any securities issued under chapter 31 of title 31, and the purposes for which securities may be issued under such Act are extended to include any purchase of such obligations. The Secretary of the Treasury may at any time sell any of the obligations acquired by him under this paragraph. All redemptions, purchases, and sales by the Secretary of the Treasury of obligations under this paragraph shall be treated as public debt transactions of the United States.

(6) Any appropriations made available to the Storage Fund for any purpose described in subsection (d) shall be repaid into the general fund of the Treasury, together with interest from the date of availability of the appropriations until the date of repayment. Such interest shall be paid on the cumulative amount of appropriations available to the Storage Fund, less the average undisbursed cash balance in the Storage Fund account during the fiscal year involved. The rate of such interest shall be determined by the Secretary of the Treasury taking into consideration the average market yield during the month preceding each fiscal year on outstanding marketable obligations of the United States of comparable maturity. Interest payments may be deferred with the approval of the Secretary of the Treasury, but any interest payments so deferred shall themselves bear interest.


References in Text

Such Act, referred to in subsec. (f)(5), probably means chapter 31 of Title 31, Money and Finance.

Termination of Reporting Requirements

For termination, effective May 15, 2000, of provisions in subsec. (f)(1) of this section relating to annual report to Congress, see section 3003 of Pub. L. 104–66, as amended, set out as a note under section 1113 of Title 31, Money and Finance, and the 1st item on page 140 of House Document No. 103–7.

§ 10157. Transportation

(a)(1) Transportation of spent nuclear fuel under section 10156(a) of this title shall be subject to licensing and regulation by the Commission and by the Secretary of Transportation as provided for transportation of commercial spent nuclear fuel under existing law.

(2) The Secretary, in providing for the transportation of spent nuclear fuel under this chapter, shall utilize by contract private industry to the fullest extent possible in each aspect of such transportation. The Secretary shall use direct Federal services for such transportation only upon a determination of the Secretary of Transportation, in consultation with the Secretary, that private industry is unable or unwilling to provide such transportation services at reasonable cost.


Part C—Monitored Retrievable Storage

§ 10161. Monitored retrievable storage

(a) Findings

The Congress finds that—

(1) long-term storage of high-level radioactive waste or spent nuclear fuel in monitored retrievable storage facilities is an option for providing safe and reliable management of such waste or spent fuel;

(2) the executive branch and the Congress should proceed as expeditiously as possible to consider fully a proposal for construction of one or more monitored retrievable storage facilities to provide such long-term storage;

(3) the Federal Government has the responsibility to ensure that site-specific designs for such facilities are available as provided in this section;

(4) the generators and owners of the high-level radioactive waste and spent nuclear fuel to be stored in such facilities have the responsibility to pay the costs of the long-term storage of such waste and spent fuel; and

(5) disposal of high-level radioactive waste and spent nuclear fuel in a repository developed under this chapter should proceed regardless of any construction of a monitored retrievable storage facility pursuant to this section.

(b) Submission of proposal by Secretary

(1) On or before June 1, 1985, the Secretary shall complete a detailed study of the need for and feasibility of, and shall submit to the Congress a proposal for, the construction of one or

---

2See References in Text note below.

1So in original. No subsec. (b) has been enacted.
more monitored retrievable storage facilities for high-level radioactive waste and spent nuclear fuel. Each such facility shall be designed—

(A) to accommodate spent nuclear fuel and high-level radioactive waste resulting from civil nuclear activities;

(B) to permit continuous monitoring, management, and maintenance of such spent fuel and waste for the foreseeable future;

(C) to provide for the ready retrieval of such spent fuel and waste for further processing or disposal; and

(D) to safely store such spent fuel and waste as long as may be necessary by maintaining such facility through appropriate means, including any required replacement of such facility.

(2) Such proposal shall include—

(A) the establishment of a Federal program for the siting, development, construction, and operation of facilities capable of safely storing high-level radioactive waste and spent nuclear fuel, which facilities are to be licensed by the Commission;

(B) a plan for the funding of the construction and operation of such facilities, which plan shall provide that the costs of such activities shall be borne by the generators and owners of the high-level radioactive waste and spent nuclear fuel to be stored in such facilities;

(C) site-specific designs, specifications, and cost estimates sufficient to (i) solicit bids for the construction of the first such facility; (ii) support congressional authorization of such facility; and (iii) enable completion and operation of such facility as soon as practicable following congressional authorization of such facility; and

(D) a plan for integrating facilities constructed pursuant to this section with other storage and disposal facilities authorized in this chapter.

(3) In formulating such proposal, the Secretary shall consult with the Commission and the Administrator, and shall submit their comments on such proposal to the Congress at the time such proposal is submitted.

(4) The proposal shall include, for the first such facility, at least 5 alternative sites and at least 5 alternative combinations of such proposed sites and facility designs consistent with the criteria of paragraph (1). The Secretary shall recommend the combination among the alternatives that the Secretary deems preferable. The environmental assessment under subsection (c) shall include a full analysis of the relative advantages and disadvantages of all 5 such alternative combinations of proposed sites and proposed facility designs.

(c) Environmental impact statements

(1) Preparation and submission to the Congress of the proposal required in this section shall not require the preparation of an environmental impact statement under section 102(2)(C) of the National Environmental Policy Act of 1969 (42 U.S.C. 4332(2)(C)). The Secretary shall prepare, in accordance with regulations issued by the Secretary implementing such Act [42 U.S.C. 4321 et seq.], an environmental assess-
§ 10163. Monitored Retrievable Storage Commission

(a) Establishment

(1)(A) There is established a Monitored Retrievable Storage Review Commission (hereinafter in this section referred to as the “MRS Commission”), that shall consist of 3 members who shall be appointed by and serve at the pleasure of the President pro tempore of the Senate and the Speaker of the House of Representatives.

(B) Members of the MRS Commission shall be appointed not later than 30 days after December 22, 1987, from among persons who as a result of training, experience and attainments are exceptionally well qualified to evaluate the need for a monitored retrievable storage facility as a part of the Nation’s nuclear waste management system.

(C) The MRS Commission shall prepare a report on the need for a monitored retrievable storage facility as a part of a national nuclear waste management system that achieves the purposes of this chapter. In preparing the report under this subparagraph, the MRS Commission shall—

(i) review the status and adequacy of the Secretary’s evaluation of the systems advantages and disadvantages of bringing such a facility into the national nuclear waste disposal system;

(ii) obtain comment and available data on monitored retrievable storage from affected parties, including States containing potentially acceptable sites;

(iii) evaluate the utility of a monitored retrievable storage facility from a technical perspective; and

(iv) make a recommendation to Congress as to whether such a facility should be included in the national nuclear waste management system in order to achieve the purposes of this chapter, including meeting needs for packaging and handling of spent nuclear fuel, improving the flexibility of the repository development schedule, and providing temporary storage of spent nuclear fuel accepted for disposal.

(2) In preparing the report and making its recommendation under paragraph (1) the MRS Commission shall compare such a facility to the alternative of at-reactor storage of spent nuclear fuel prior to disposal of such fuel in a repository under this chapter. Such comparison shall take into consideration the impact on—

(A) repository design and construction;

(B) waste package design, fabrication and standardization;

(C) waste preparation;

(D) waste transportation systems;

(E) the reliability of the national system for the disposal of radioactive waste;

(F) the ability of the Secretary to fulfill contractual commitments of the Department under this chapter to accept spent nuclear fuel for disposal; and

(G) economic factors, including the impact on the costs likely to be imposed on ratepayers of the Nation’s electric utilities for...

So in original. No subsec. (b) has been enacted.
temporary at-reactor storage of spent nuclear fuel prior to final disposal in a repository, as well as the costs likely to be imposed on rate-payers of the Nation’s electric utilities in building and operating such a facility.

(3) The report under this subsection, together with the recommendation of the MRS Commission, shall be transmitted to Congress on November 1, 1989.

(4)(A)(i) Each member of the MRS Commission shall be paid at the rate provided for level III of the Executive Schedule for each day (including travel time) such member is engaged in the work of the MRS Commission, and shall receive travel expenses, including per diem in lieu of subsistence, in the manner as is permitted under sections 5702 and 5703 of title 5.

(ii) The MRS Commission may appoint and fix compensation, not to exceed the rate of basic pay payable for GS–18 of the General Schedule, for such staff as may be necessary to carry out its functions.

(B)(i) The MRS Commission may hold hearings, sit and act at such times and places, take such testimony and receive such evidence as the MRS Commission considers appropriate. Any member of the MRS Commission may administer oaths or affirmations to witnesses appearing before the MRS Commission.

(ii) The MRS Commission may request any Executive agency, including the Department, to furnish such assistance or information, including records, data, files, or documents, as the Commission considers necessary to carry out its functions. Unless prohibited by law, such agency shall promptly furnish such assistance or information.

(iii) To the extent permitted by law, the Administrator of the General Services Administration shall, upon request of the MRS Commission, provide the MRS Commission with necessary administrative services, facilities, and support on a reimbursable basis.

(iv) The MRS Commission may procure temporary and intermittent services from experts and consultants to the same extent as is authorized by section 3109(b) of title 5 at rates and under such rules as the MRS Commission considers reasonable.

(C) The MRS Commission shall cease to exist 60 days after the submission to Congress of the report required under this subsection.

§ 10164. Survey

After the MRS Commission submits its report to the Congress under section 10163 of this title, the Secretary may conduct a survey and evaluation of potentially suitable sites for a monitored retrievable storage facility. In conducting such survey and evaluation, the Secretary shall consider the extent to which siting a monitored retrievable storage facility at each site surveyed would—

(1) enhance the reliability and flexibility of the system for the disposal of spent nuclear fuel and high-level radioactive waste established under this chapter;

(2) minimize the impacts of transportation and handling of such fuel and waste;

(3) provide for public confidence in the ability of such system to safely dispose of the fuel and waste;

(4) impose minimal adverse effects on the local community and the local environment;

(5) provide a high probability that the facility will meet applicable environmental, health, and safety requirements in a timely fashion;

(6) provide such other benefits to the system for the disposal of spent nuclear fuel and high-level radioactive waste as the Secretary deems appropriate; and

(7) unduly burden a State in which significant volumes of high-level radioactive waste resulting from atomic energy defense activities are stored.

§ 10165. Site selection

(a) In general

The Secretary may select the site evaluated under section 10164 of this title that the Secretary determines on the basis of available information to be the most suitable for a monitored retrievable storage facility that is an integral part of the system for the disposal of spent nuclear fuel and high-level radioactive waste established under this chapter.

(b) Limitation

The Secretary may not select a site under subsection (a) until the Secretary recommends to the President the approval of a site for development as a repository under section 10134(a) of this title.
(c) Site specific activities
The Secretary may conduct such site specific activities at each site surveyed under section 10164 of this title as he determines may be necessary to support an application to the Commission for a license to construct a monitored retrievable storage facility at such site.

(d) Environmental assessment
Site specific activities and selection of a site under this section shall not require the preparation of an environmental impact statement under section 102(2)(C) of the National Environmental Policy Act of 1969 (42 U.S.C. 4321(2)(C)). The Secretary shall prepare an environmental assessment with respect to such selection in accordance with regulations issued by the Secretary implementing such Act (42 U.S.C. 4321 et seq.). Such environmental assessment shall be based upon available information regarding alternative technologies for the storage of spent nuclear fuel and high-level radioactive waste. The Secretary shall submit such environmental assessment to the Congress at the time such site is selected.

(e) Notification before selection
(1) At least 6 months before selecting a site under subsection (a), the Secretary shall notify the Governor and legislature of the State in which such site is located, or the governing body of the affected Indian tribe where such site is located, as the case may be, of such potential selection and the basis for such selection.
(2) Before selecting any site under subsection (a), the Secretary shall hold at least one public hearing in the vicinity of such site to solicit any recommendations of interested parties with respect to issues raised by the selection of such site.

(f) Notification of selection
The Secretary shall promptly notify Congress and the appropriate State or Indian tribe of the selection under subsection (a).

(g) Limitation
No monitored retrievable storage facility authorized pursuant to section 10162(b) of this title may be constructed in the State of Nevada.


REFERENCES IN TEXT

CODIFICATION

§ 10168. Construction authorization
(a) Environmental impact statement
(1) Once the selection of a site is effective under section 10166 of this title, the requirements of the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) shall apply with respect to construction of a monitored retrievable storage facility, except that any environmental impact statement prepared with respect to such facility shall not be required to consider the need for such facility or any alternative to the design criteria for such facility set forth in section 10161(b)(1) of this title.
(2) Nothing in this section shall be construed to limit the consideration of alternative facility designs consistent with the criteria described in section 10161(b)(1) of this title in any environ-

1So in original. Probably should be “section.”.
mental impact statement, or in any licensing procedure of the Commission, with respect to any monitored retrievable storage facility authorized under section 10162(b) of this title.

(b) Application for construction license

Once the selection of a site for a monitored retrievable storage facility is effective under section 10166 of this title, the Secretary may submit an application to the Commission for a license to construct such a facility as part of an integrated nuclear waste management system and in accordance with the provisions of this section and applicable agreements under this chapter affecting such facility.

(c) Licensing

Any monitored retrievable storage facility authorized pursuant to section 10162(b) of this title shall be subject to licensing under section 5842(3) of this title. In reviewing the application filed by the Secretary for licensing of such facility, the Commission may not consider the need for such facility or any alternative to the design criteria for such facility set forth in section 10161(b)(1) of this title.

(d) Licensing conditions

Any license issued by the Commission for a monitored retrievable storage facility under this section shall provide that—

(1) construction of such facility may not begin until the Commission has issued a license for the construction of a repository under section 10135(d) of this title;

(2) construction of such facility or acceptance of spent nuclear fuel or high-level radioactive waste shall be prohibited during such time as the repository license is revoked by the Commission or construction of the repository ceases;

(3) the quantity of spent nuclear fuel or high-level radioactive waste at the site of such facility at any one time may not exceed 10,000 metric tons of heavy metal until a repository under this chapter first accepts spent nuclear fuel or solidified high-level radioactive waste; and

(4) the quantity of spent nuclear fuel or high-level radioactive waste at the site of such facility at any one time may not exceed 15,000 metric tons of heavy metal.

§ 10169. Financial assistance

The provisions of section 10136(c) or 10138(b) of this title with respect to grants, technical assistance, and other financial assistance shall apply to the State, to affected Indian tribes and to affected units of local government in the case of a monitored retrievable storage facility in the same manner as for a repository.


CODIFICATION


PART D—LOW-LEVEL RADIOACTIVE WASTE

§ 10171. Financial arrangements for low-level radioactive waste site closure

(a) Financial arrangements

(1) The Commission shall establish by rule, regulation, or order, after public notice, and in accordance with section 2231 of this title, such standards and instructions as the Commission may deem necessary or desirable to ensure in the case of each license for the disposal of low-level radioactive waste that an adequate bond, surety, or other financial arrangement (as determined by the Commission) will be provided by a licensee to permit completion of all requirements established by the Commission for the decontamination, decommissioning, site closure, and reclamation of sites, structures, and equipment used in conjunction with such low-level radioactive waste. Such financial arrangements shall be provided and approved by the Commission, or, in the case of sites within the boundaries of any agreement State under section 2021 of this title, by the appropriate State or State entity, prior to issuance of licenses for low-level radioactive waste disposal or, in the case of licenses in effect on January 7, 1983, prior to termination of such licenses.

(2) If the Commission determines that any long-term maintenance or monitoring, or both, will be necessary at a site described in paragraph (1), the Commission shall ensure before termination of the license involved that the licensee has made available such bonding, surety, or other financial arrangements as may be necessary to ensure that any necessary long-term maintenance or monitoring needed for such site will be carried out by the person having title and custody for such site following license termination.

(b) Title and custody

(1) The Secretary shall have authority to assume title and custody of low-level radioactive waste and the land on which such waste is disposed of, upon request of the owner of such waste and land and following termination of the license issued by the Commission for such disposal, if the Commission determines that—

(A) the requirements of the Commission for site closure, decommissioning, and decontamination have been met by the licensee involved and that such licensee is in compliance with the provisions of subsection (a);
(B) such title and custody will be transferred to the Secretary without cost to the Federal Government; and
(C) Federal ownership and management of such site is necessary or desirable in order to protect the public health and safety, and the environment.

(2) If the Secretary assumes title and custody of any such waste and land under this subsection, the Secretary shall maintain such waste and land in a manner that will protect the public health and safety, and the environment.

(c) Special sites

If the low-level radioactive waste involved is the result of a licensed activity to recover zirconium, hafnium, and rare earths from source material, the Secretary, upon request of the owner of the site involved, shall assume title and custody of such waste and the land on which it is disposed when such site has been decontaminated and stabilized in accordance with the requirements established by the Commission and when such owner has made adequate financial arrangements approved by the Commission for the long-term maintenance and monitoring of such site.


PART E—REDIRECTION OF NUCLEAR WASTE PROGRAM

§ 10172. Selection of Yucca Mountain site

(a) In general

(1) The Secretary shall provide for an orderly phase-out of site specific activities at all candidate sites other than the Yucca Mountain site.

(2) The Secretary shall terminate all site specific activities (other than reclamation activities) at all candidate sites, other than the Yucca Mountain site, within 90 days after December 22, 1987.

(b) Eligibility to enter into benefits agreement

Effective on December 22, 1987, the State of Nevada shall be eligible to enter into a benefits agreement with the Secretary under section 10173 of this title.


CODIFICATION


§ 10172a. Siting a second repository

(a) Congressional action required

The Secretary may not conduct site-specific activities with respect to a second repository unless Congress has specifically authorized and appropriated funds for such activities.

(b) Report

The Secretary shall report to the President and to Congress on or after January 1, 2007, but not later than January 1, 2010, on the need for a second repository.

(c) Termination of granite research

Not later than 6 months after December 22, 1987, the Secretary shall phase out in an orderly manner funding for all research programs in existence on December 22, 1987, designed to evaluate the suitability of crystalline rock as a potential repository host medium.

(d) Additional siting criteria

In the event that the Secretary at any time after December 22, 1987, considers any sites in crystalline rock for characterization or selection as a repository, the Secretary shall consider (as a supplement to the siting guidelines under section 10132 of this title) such potentially disqualifying factors as—

(1) seasonal increases in population;
(2) proximity to public drinking water supplies, including those of metropolitan areas; and
(3) the impact that characterization or siting decisions would have on lands owned or placed in trust by the United States for Indian tribes.


CODIFICATION


PART F—BENEFITS

§ 10173. Benefits agreements

(a) In general

(1) The Secretary may enter into a benefits agreement with the State of Nevada concerning a repository or with a State or an Indian tribe concerning a monitored retrievable storage facility for the acceptance of high-level radioactive waste or spent nuclear fuel in that State or on the reservation of that tribe, as appropriate.

(2) The State or Indian tribe may enter into such an agreement only if the State Attorney General or the appropriate governing authority of the Indian tribe or the Secretary of the Interior, in the absence of an appropriate governing authority, as appropriate, certifies to the satisfaction of the Secretary that the laws of the State or Indian tribe provide adequate authority for that entity to enter into the benefits agreement.

(3) Any benefits agreement with a State under this section shall be negotiated in consultation with affected units of local government in such State.

(4) Benefits and payments under this part may be made available only in accordance with a benefits agreement under this section.

(b) Amendment

A benefits agreement entered into under subsection (a) may be amended only by the mutual consent of the parties to the agreement and terminated only in accordance with section 10173c of this title.

(c) Agreement with Nevada

The Secretary shall offer to enter into a benefits agreement with the Governor of Nevada.
Any benefits agreement with a State under this subsection shall be negotiated in consultation with any affected units of local government in such State.

(d) **Monitored retrievable storage**

The Secretary shall offer to enter into a benefits agreement relating to a monitored retrievable storage facility with the governing body of the Indian tribe on whose reservation the site for such facility is located, or, if the site is not located on a reservation, with the Governor of the State in which the site is located and in consultation with affected units of local government in such State.

(e) **Limitation**

Only one benefits agreement for a repository and only one benefits agreement for a monitored retrievable storage facility may be in effect at any one time.

(f) **Judicial review**

Decisions of the Secretary under this section are not subject to judicial review.


§ 10173a. **Content of agreements**

(a) **In general**

(1) In addition to the benefits to which a State, an affected unit of local government or Indian tribe is entitled under this subchapter, the Secretary shall make payments to a State or Indian tribe that is a party to a benefits agreement under section 10173 of this title in accordance with the following schedule:

<table>
<thead>
<tr>
<th>Event</th>
<th>MRS</th>
<th>Repository</th>
</tr>
</thead>
<tbody>
<tr>
<td>(A) Annual payments prior to first spent fuel receipt</td>
<td>5</td>
<td>10</td>
</tr>
<tr>
<td>(B) Annual payments after first spent fuel receipt until closure of the facility</td>
<td>10</td>
<td>20</td>
</tr>
</tbody>
</table>

(2) For purposes of this section, the term—

(A) “MRS” means a monitored retrievable storage facility.

(B) “spent fuel” means high-level radioactive waste or spent nuclear fuel, and

(C) “first spent fuel receipt” does not include receipt of spent fuel or high-level radioactive waste for purposes of testing or operational demonstration.

(3) Annual payments prior to first spent fuel receipt under paragraph (1)(A) shall be made on the date of execution of the benefits agreement and thereafter on the anniversary date of such execution. Annual payments after the first spent fuel receipt until closure of the facility under paragraph (1)(C) shall be made on the anniversary date of such first spent fuel receipt.

(4) If the first spent fuel payment under paragraph (1)(B) is made within six months after the last annual payment prior to the receipt of spent fuel under paragraph (1)(A), such first spent fuel payment under paragraph (1)(B) shall be reduced by an amount equal to one-twelfth of such annual payment under paragraph (1)(A) for each full month less than six that has not elapsed since the last annual payment under paragraph (1)(A).

(5) Notwithstanding paragraph (1), (2), or (3), no payment under this section may be made before January 1, 1989, and any payment due under this subchapter before January 1, 1989, shall be made on or after such date.

(6) Except as provided in paragraph (7), the Secretary may not restrict the purposes for which the payments under this section may be used.

(7)(A) Any State receiving a payment under this section shall transfer an amount equal to not less than one-third of the amount of such payment to affected units of local government of such State.

(B) A plan for this transfer and appropriate allocation of such portion among such governments shall be included in the benefits agreement under section 10173 of this title covering such payments.

(C) In the event of a dispute concerning such plan, the Secretary shall resolve such dispute, consistent with this chapter and applicable State law.

(b) **Contents**

A benefits agreement under section 10173 of this title shall provide that—

(1) a Review Panel be established in accordance with section 10173b of this title;

(2) the State or Indian tribe that is party to such agreement waive its rights under this subchapter to disapprove the recommendation of a site for a repository;

(3) the parties to the agreement shall share with one another information relevant to the licensing process for the repository or monitored retrievable storage facility, as it becomes available;

(4) the State or Indian tribe that is party to such agreement participate in the design of the repository or monitored retrievable storage facility and in the preparation of documents required under law or regulation governing the effects of the facility on the public health and safety; and

(5) the State or Indian tribe waive its rights, if any, to impact assistance under sections 10136(c)(1)(B)(ii), 10136(c)(2), 10138(b)(2)(A)(ii), and 10138(b)(3) of this title.

(c) **Payments by Secretary**

The Secretary shall make payments to the States or affected Indian tribes under a benefits agreement under this section from the Waste Fund. The signature of the Secretary on a valid benefits agreement under section 10173 of this title shall constitute a commitment by the United States to make payments in accordance with such agreement.
§ 10173b. Review Panel

(a) In general

The Review Panel required to be established by section 10173a(b)(1) of this title shall consist of a Chairman selected by the Secretary in consultation with the Governor of the State or governing body of the Indian tribe, as appropriate, that is party to such agreement and 6 other members as follows:

(1) 2 members selected by the Governor of such State or governing body of such Indian tribe;
(2) 2 members selected by units of local government affected by the repository or monitored retrievable storage facility;
(3) 1 member to represent persons making payments into the Waste Fund, to be selected by the Secretary; and
(4) 1 member to represent other public interests, to be selected by the Secretary.

(b) Terms

(1) The members of the Review Panel shall serve for terms of 4 years each.
(2) Members of the Review Panel who are not full-time employees of the Federal Government, shall receive a per diem compensation for each day spent conducting work of the Review Panel, including their necessary travel or other expenses while engaged in the work of the Review Panel.
(3) Expenses of the Panel shall be paid by the Secretary from the Waste Fund.

(c) Duties

The Review Panel shall—

(1) advise the Secretary on matters relating to the proposed repository or monitored retrievable storage facility, including issues relating to design, construction, operation, and decommissioning of the facility;
(2) evaluate performance of the repository or monitored retrievable storage facility, as it considers appropriate;
(3) recommend corrective actions to the Secretary;
(4) assist in the presentation of State or affected Indian tribe and local perspectives to the Secretary; and
(5) participate in the planning for and the review of preoperational data on environmental, demographic, and socioeconomic conditions of the site and the local community.

(d) Information

The Secretary shall promptly make available any information in the Secretary's possession requested by the Panel or its Chairman.

(e) Federal Advisory Committee Act

The requirements of the Federal Advisory Committee Act shall not apply to a Review Panel established under this subchapter.

So in original.
impacts of locating a repository at the Yucca Mountain site, including the recommendations of the Secretary for mitigation of such impacts and a statement of which impacts should be dealt with by the Federal Government, which should be dealt with by the State with State resources, including the benefits payments under section 10173a of this title, and which should be a joint Federal-State responsibility. The report under this subsection shall include the analysis of the Secretary of the authorities available to mitigate these impacts and the appropriate sources of funds for such mitigation.

(b) Impacts to be considered

Potential impacts to be addressed in the report under this subsection shall include impacts on—

(1) education, including facilities and personnel for elementary and secondary schools, community colleges, vocational and technical schools and universities;
(2) public health, including the facilities and personnel for treatment and distribution of water, the treatment of sewage, the control of pests and the disposal of solid waste;
(3) law enforcement, including facilities and personnel for the courts, police and sheriff’s departments, district attorneys and public defenders and prisons;
(4) fire protection, including personnel, the construction of fire stations, and the acquisition of equipment;
(5) medical care, including emergency services and hospitals;
(6) cultural and recreational needs, including facilities and personnel for libraries and museums and the acquisition and expansion of parks;
(7) distribution of public lands to allow for the timely expansion of existing, or creation of new, communities and the construction of necessary residential and commercial facilities;
(8) vocational training and employment services;
(9) social services, including public assistance programs, vocational and physical rehabilitation programs, mental health services, and programs relating to the abuse of alcohol and controlled substances;
(10) transportation, including any roads, terminals, airports, bridges, or railways associated with the facility and the repair and maintenance of roads, terminals, airports, bridges, or railways damaged as a result of the construction, operation, and closure of the facility;
(11) equipment and training for State and local personnel in the management of accidents involving high-level radioactive waste;
(12) availability of energy;
(13) tourism and economic development, including the potential loss of revenue and future economic growth; and
(14) other needs of the State and local governments that would not have arisen but for the characterization of the site and the construction, operation, and eventual closure of the repository facility.

1So in original. The word “this” probably should not appear.
high-level radioactive waste, and the development of the facilities to demonstrate dry storage of spent nuclear fuel; and

(3) to provide for an improved cooperative role between the Federal Government and States, affected Indian tribes, and units of general local government in the siting of a test and evaluation facility.


§ 10192. Applicability

The provisions of this subchapter are subject to section 10107 of this title and shall not apply to facilities that are used for the disposal of high-level radioactive waste, low-level radioactive waste, transuranic waste, or spent nuclear fuel resulting from atomic energy defense activities.


§ 10193. Identification of sites

(a) Guidelines

Not later than 6 months after January 7, 1983, and notwithstanding the failure of other agencies to promulgate standards pursuant to applicable law, the Secretary, in consultation with the Commission, the Director of the United States Geological Survey, the Administrator, the Council on Environmental Quality, and such other Federal agencies as the Secretary considers appropriate, is authorized to issue, pursuant to section 533 of title 5, general guidelines for the selection of a site for a test and evaluation facility. Under such guidelines the Secretary shall specify factors that qualify or disqualify a site for development as a test and evaluation facility, including factors pertaining to the location of valuable natural resources, hydrogeophysics, seismic activity, and atomic energy defense activities, proximity to water supplies, proximity to populations, the effect upon the rights of users of water, and proximity to components of the National Park System, the National Wildlife Refuge System, the National Wild and Scenic Rivers System, the National Wilderness Preservation System, or National Forest Lands. Such guidelines shall require the Secretary to consider the various geologic media in which the site for a test and evaluation facility may be located and, to the extent practicable, to identify sites in different geologic media. The Secretary shall use guidelines established under this subsection in considering and selecting sites under this subchapter.

(b) Site identification by Secretary

(1) Not later than 1 year after January 7, 1983, and following promulgation of guidelines under subsection (a), the Secretary is authorized to identify 3 or more sites, at least 2 of which shall be in different geologic media in the continental United States, and at least 1 of which shall be in media other than salt. Subject to Commission requirements, the Secretary shall give preference to sites for the test and evaluation facility in media possessing geochemical characteristics that retard aqueous transport of radionuclides. In order to provide a greater possible protection of public health and safety as operating experience is gained at the test and evaluation facility, and with the exception of the primary areas under review by the Secretary on January 7, 1983, for the location of a test and evaluation facility or repository, all sites identified under this subsection shall be more than 15 statute miles from towns having a population of greater than 1,000 persons as determined by the most recent census unless such sites contain high-level radioactive waste prior to identification under this subchapter. Each identification of a site shall be supported by an environmental assessment, which shall include a detailed statement of the basis for such identification and of the probable impacts of the siting research activities planned for such site, and a discussion of alternative activities relating to siting research that may be undertaken to avoid such impacts. Such environmental assessment shall include—

(A) an evaluation by the Secretary as to whether such site is suitable for siting research under the guidelines established under subsection (a);

(B) an evaluation by the Secretary of the effects of the siting research activities at such site on the public health and safety and the environment;

(C) a reasonable comparative evaluation by the Secretary of such site with other sites and locations that have been considered;

(D) a description of the decision process by which such site was recommended; and

(E) an assessment of the regional and local impacts of locating the proposed test and evaluation facility at such site.

(2) When the Secretary identifies a site, the Secretary shall as soon as possible notify the Governor of the State in which such site is located, or the governing body of the affected Indian tribe where such site is located, of such identification and the basis of such identification. Additional sites for the location of the test and evaluation facility authorized in section 10222(d) of this title may be identified after such 1 year period, following the same procedure as if such sites had been identified within such period.


CHANGE OF NAME

§ 10194. Siting research and related activities

(a) In general

Not later than 30 months after the date on which the Secretary completes the identification of sites under section 10193 of this title, the Secretary is authorized to conduct sufficient evaluation of 3 sites to select a site for expanded siting research activities and for other activities under section 10198 of this title. The Secretary is authorized to conduct such preconstruction activities relative to such site selection for the
stand and evaluation facility as he deems appropriate. Additional sites for the location of the test and evaluation facility authorized in section 10222(d) of this title may be evaluated after such 30-month period, following the same procedures as if such sites were to be evaluated within such period.

(b) Public meetings and environmental assessment

Not later than 6 months after the date on which the Secretary completes the identification of sites under section 10193 of this title, and before beginning siting research activities, the Secretary shall hold at least 1 public meeting in the vicinity of each site to inform the residents of the area of the activities to be conducted at such site and to receive their views.

(c) Restrictions

Except as provided in section 10198 of this title with respect to a test and evaluation facility in conducting siting research activities pursuant to subsection (a)--

(1) the Secretary shall use the minimum quantity of high-level radioactive waste or other radioactive materials, if any, necessary to achieve the test or research objectives;

(2) the Secretary shall ensure that any radioactive material used or placed on a site shall be fully retrievable; and

(3) upon termination of siting research activities at a site for any reason, the Secretary shall remove any radioactive material at or in the site as promptly as practicable.

(d) Title to material

The Secretary may take title, in the name of the Federal Government, to the high-level radioactive waste, spent nuclear fuel, or other radioactive material emplaced in a test and evaluation facility. If the Secretary takes title to any active material emplaced in a test and evaluation facility, the Federal Government, to the high-level radioactive waste, spent nuclear fuel, or other radioactive materials, if any, quantity of high-level radioactive waste or other radioactive material used or placed on a site shall be fully retrievable; and

radioactive material used or placed on a site shall be fully retrievable; and

(3) upon termination of siting research activities at a site for any reason, the Secretary shall remove any radioactive material at or in the site as promptly as practicable.

Title 42—The Public Health and Welfare

§ 10195. Test and evaluation facility siting review and reports

(a) Consultation and cooperation

The Governor of a State, or the governing body of an affected Indian tribe, notified of a site identification under section 10193 of this title shall have the right to participate in a process of consultation and cooperation as soon as the site involved has been identified pursuant to such section and throughout the life of the test and evaluation facility. For purposes of this section, the term “process of consultation and cooperation” means a methodology—

(1) by which the Secretary—

(A) keeps the Governor or governing body involved fully and currently informed about any potential economic or public health and safety impacts in all stages of the siting, development, construction, and operation of a test and evaluation facility;

(B) solicits, receives, and evaluates concerns and objections of such Governor or governing body with regard to such test and evaluation facility on an ongoing basis; and

(C) works diligently and cooperatively to resolve such concerns and objections; and

(2) by which the State or affected Indian tribe involved can exercise reasonable independent monitoring and testing of onsite activities related to all stages of the siting, development, construction and operation of the test and evaluation facility, except that any such monitoring and testing shall not unreasonably interfere with onsite activities.

(b) Written agreements

The Secretary shall enter into written agreements with the Governor of the State in which an identified site is located or with the governing body of any affected Indian tribe where an identified site is located in order to expedite the consultation and cooperation process. Any such written agreement shall specify—

(1) procedures by which such Governor or governing body may study, determine, comment on, and make recommendations with regard to the possible health, safety, and economic impacts of the test and evaluation facility;

(2) procedures by which the Secretary shall consider and respond to comments and recommendations made by such Governor or governing body, including the period in which the Secretary shall so respond;

(3) the documents the Department is to submit to such Governor or governing body, the timing for such submissions, the timing for such Governor or governing body to identify public health and safety concerns and the process to be followed to try to eliminate those concerns;

(4) procedures by which the Secretary and either such Governor or governing body may review or modify the agreement periodically; and

(5) procedures for public notification of the procedures specified under subparagraphs (A) through (D).

(c) Limitation

Except as specifically provided in this section, nothing in this subchapter is intended to grant any State or affected Indian tribe any authority with respect to the siting, development, or loading of the test and evaluation facility.

§ 10196. Federal agency actions

(a) Cooperation and coordination

Federal agencies shall assist the Secretary by cooperating and coordinating with the Secretary in the preparation of any necessary reports under this subchapter and the mission plan under section 10221 of this title.

(b) Environmental review

(1) No action of the Secretary or any other Federal agency required by this subchapter or section 10221 of this title with respect to a test and evaluation facility to be taken prior to the initiation of onsite construction of a test and
evaluation facility shall require the preparation of an environmental impact statement under section 102(2)(C) of the Environmental Policy Act of 1969 (42 U.S.C. § 4322(2)(C)), or to require the preparation of environmental reports, except as otherwise specifically provided for in this subchapter.

(2) The Secretary and the heads of all other Federal agencies shall, to the maximum extent possible, avoid duplication of efforts in the preparation of reports under the National Environmental Policy Act of 1969 (42 U.S.C. § 4321 et seq.).


REFERENCES IN TEXT


§ 10197. Research and development on disposal of high-level radioactive waste

(a) Purpose

Not later than 64 months after January 7, 1983, the Secretary is authorized to, to the extent practicable, begin at a site evaluated under section 10194 of this title, as part of and as an extension of siting research activities of such site under such section, the mining and construction of a test and evaluation facility. Prior to the mining and construction of such facility, the Secretary shall prepare an environmental assessment. The purpose of such facility shall be—

(1) to supplement and focus the repository site characterization process;

(2) to provide the conditions under which known technological components can be integrated to demonstrate a functioning repository-like system;

(3) to provide a means of identifying, evaluating, and resolving potential repository licensing issues that could not be resolved during the siting research program conducted under section 10192 of this title;

(4) to validate, under actual conditions, the scientific models used in the design of a repository;

(5) to refine the design and engineering of repository components and systems and to confirm the predicted behavior of such components and systems;

(6) to supplement the siting data, the generic and specific geological characteristics developed under section 10194 of this title relating to isolating disposal materials in the physical environment of a repository;

(7) to evaluate the design concepts for packaging, handling, and emplacement of high-level radioactive waste and spent nuclear fuel at the design rate; and

(8) to establish operating capability without exposing workers to excessive radiation.

(b) Design

The Secretary shall design each test and evaluation facility—

(1) to be capable of receiving not more than 100 full-sized canisters of solidified high-level radioactive waste (which canisters shall not exceed an aggregate weight of 100 metric tons), except that spent nuclear fuel may be used instead of such waste if such waste cannot be obtained under reasonable conditions;

(2) to permit full retrieval of solidified high-level radioactive waste, or other radioactive material used by the Secretary for testing, upon completion of the technology demonstration activities; and

(3) based upon the principle that the high-level radioactive waste, spent nuclear fuel, or other radioactive material involved shall be isolated from the biosphere in such a way that the initial isolation is provided by engineered barriers functioning as a system with the geologic environment.

(c) Operation

(1) Not later than 88 months after January 7, 1983, the Secretary shall begin an in situ testing program at the test and evaluation facility in accordance with the mission plan developed under section 10221 of this title, for purposes of—

(A) conducting in situ tests of bore hole sealing, geologic media fracture sealing, and room closure to establish the techniques and performance for isolation of high-level radioactive waste, spent nuclear fuel, or other radioactive materials from the biosphere;

(B) conducting in situ tests with radioactive sources and materials to evaluate and improve reliable models for radionuclide migration, adsorption, and containment within the engineered barriers and geologic media involved, if the Secretary finds there is reasonable assurance that such radioactive sources and materials will not threaten the use of such site as a repository;

(C) conducting in situ tests to evaluate and improve models for ground water or brine flow through fractured geologic media;

(D) conducting in situ tests under conditions representing the real time and the accelerated time behavior of the engineered barriers within the geologic environment involved;

(E) conducting in situ tests to evaluate the effects of heat and pressure on the geologic media involved, on the hydrology of the surrounding area, and on the integrity of the disposal packages;

(F) conducting in situ tests under both normal and abnormal repository conditions to establish safe design limits for disposal packages and to determine the effects of the gross release of radionuclides into surroundings, and the effects of various credible failure modes, including—

(i) seismic events leading to the coupling of aquifers through the test and evaluation facility;

(ii) thermal pulses significantly greater than the maximum calculated; and

(iii) human intrusion creating a direct pathway to the biosphere; and

(G) conducting such other research and development activities as the Secretary considers appropriate, including such activities necessary to obtain the use of high-level radio-

---

1 So in original. Probably should be “10194".
active waste, spent nuclear fuel, or other radioactive materials (such as any highly radioactive material from the Three Mile Island nuclear powerplant or from the West Valley Demonstration Project) for test and evaluation purposes, if such other activities and reasonably necessary to support the repository program and if there is reasonable assurance that the radioactive sources involved will not threaten the use of such site as a repository.

(2) The in situ testing authorized in this subsection shall be designed to ensure that the suitability of the site involved for licensing by the Commission as a repository will not be adversely affected.

(d) Use of existing Department facilities

During the conducting of siting research activities under section 10194 of this title and for such period thereafter as the Secretary considers appropriate, the Secretary shall use Department facilities owned by the Federal Government on January 7, 1983, for the conducting of generically applicable tests regarding packaging, handling, and emplacement technology for solidified high-level radioactive waste and spent nuclear fuel from civilian nuclear activities.

(e) Engineered barriers

The system of engineered barriers and selected geology used in a test and evaluation facility shall have a design life at least as long as that which the Commission requires by regulations issued under this chapter, or under the Atomic Energy Act of 1954 (42 U.S.C. 2011 et seq.), for repositories.

(f) Role of Commission

(1)(A) Not later than 1 year after January 7, 1983, the Secretary and the Commission shall reach a written understanding establishing the procedures for review, consultation, and coordination in the planning, construction, and operation of the test and evaluation facility under this section. Such understanding shall establish a schedule, consistent with the deadlines set forth in this subchapter, for submission by the Secretary of, and review by the Commission of and necessary action on—

(i) the mission plan prepared under section 10221 of this title; and

(ii) such reports and other information as the Commission may reasonably require to evaluate any health and safety impacts of the test and evaluation facility.

(B) Such understanding shall also establish the conditions under which the Commission may have access to the test and evaluation facility for the purpose of assessing any public health and safety concerns that it may have. No shafts may be excavated for the test and evaluation until the Secretary and the Commission enter into such understanding.

(2) Subject to section 10225 of this title, the test and evaluation facility, and the facilities authorized in this section, shall be constructed and operated as research, development, and demonstration facilities, and shall not be subject to licensing under section 5842 of this title.

(3)(A) The Commission shall carry out a continuing analysis of the activities undertaken under this section to evaluate the adequacy of the consideration of public health and safety issues.

(B) The Commission shall report to the President, the Secretary, and the Congress as the Commission considers appropriate with respect to the conduct of activities under this section.

(g) Environmental review

The Secretary shall prepare an environmental impact statement under section 102(2)(C) of the National Environmental Policy Act of 1969 (42 U.S.C. § 4332(2)(C)) prior to conducting tests with radioactive materials at the test and evaluation facility. Such environmental impact statement shall incorporate, to the extent practicable, the environmental assessment prepared under subsection (a). Nothing in this subsection may be construed to limit siting research activities conducted under section 10194 of this title. This subsection shall apply only to activities performed exclusively for a test and evaluation facility.

(h) Limitations

(1) If the test and evaluation facility is not located at the site of a repository, the Secretary shall obtain the concurrence of the Commission with respect to the decontamination and decommissioning of such facility.

(2) If the test and evaluation facility is not located at a candidate site or repository site, the Secretary shall conduct only the portion of the in situ testing program required in subsection (c) determined by the Secretary to be useful in carrying out the purposes of this chapter.

(3) The operation of the test and evaluation facility shall terminate not later than—

(A) 5 years after the date on which the initial repository begins operation; or

(B) at such time as the Secretary determines that the continued operation of a test and evaluation facility is not necessary for research, development, and demonstration purposes;

whichever occurs sooner.

(4) Notwithstanding any other provisions of this subsection, as soon as practicable following any determination by the Secretary, with the concurrence of the Commission, that the test and evaluation facility is unsuitable for continued operation, the Secretary shall take such actions as are necessary to remove from such site any radioactive material placed on such site as a result of testing and evaluation activities conducted under this section. Such requirement may be waived if the Secretary, with the concurrence of the Commission, finds that short-term testing and evaluation activities using radioactive material will not endanger the public health and safety.


REFERENCES IN TEXT

The Atomic Energy Act of 1954, referred to in subsec. (e), is act Aug. 1, 1946, ch. 724, as added by act Aug. 30, 1954, ch. 1073, § 1, 68 Stat. 919, which is classified principally to chapter 23 (§ 5841 et seq.) of this title. For complete classification of this Act to the Code, see

See References in Text note below.
§ 10198. Research and development on spent nuclear fuel

(a) Demonstration and cooperative programs

The Secretary shall establish a demonstration program, in cooperation with the private sector, for the dry storage of spent nuclear fuel at civilian nuclear power reactor sites, with the objective of establishing one or more technologies that the Commission may, by rule, approve for use at the sites of civilian nuclear power reactors without, to the maximum extent practicable, the need for additional site-specific approvals by the Commission. Not later than 1 year after January 7, 1993, the Secretary shall select at least 1, but not more than 3, sites evaluated under section 10194 of this title at such power reactors. In selecting such site or sites, the Secretary shall give preference to civilian nuclear power reactors that will soon have a shortage of interim storage capacity for spent nuclear fuel. Subject to reaching agreement as provided in subsection (b), the Secretary shall undertake activities to assist such power reactors with demonstration projects at such sites, which may use one of the following types of alternate storage technologies: spent nuclear fuel storage casks, caissons, or silos. The Secretary shall also undertake a cooperative program with civilian nuclear power reactors to encourage the development of the technology for spent nuclear fuel rod consolidation in existing power reactor water storage basins.

(b) Cooperative agreements

To carry out the programs described in subsection (a), the Secretary shall enter into a cooperative agreement with each utility involved that specifies, at a minimum, that—

(1) such utility shall select the alternate storage technique to be used, make the land and spent nuclear fuel available for the dry storage demonstration, submit and provide site-specific documentation for a license application to the Commission, obtain a license relating to the facility involved, construct such facility, operate such facility after licensing, pay the costs required to construct such facility, and pay all costs associated with the operation and maintenance of such facility; and

(2) the Secretary shall provide, on a cost-sharing basis, consultative and technical assistance, including design support and generic licensing documentation, to assist such utility in obtaining the construction authorization and appropriate license from the Commission; and

(3) the Secretary shall provide generic research and development of alternative spent nuclear fuel storage techniques to enhance utility-provided, at-reactor storage capabilities, if authorized in any other provision of this chapter or in any other provision of law.

(c) Dry storage research and development

(1) The consultative and technical assistance referred to in subsection (b)(2) may include, but shall not be limited to, the establishment of a research and development program for the dry storage of not more than 300 metric tons of spent nuclear fuel at facilities owned by the Federal Government on January 7, 1983. The purpose of such program shall be to collect necessary data to assist the utilities involved in the licensing process.

(2) To the extent available, and consistent with the provisions of section 10155 of this title, the Secretary shall provide spent nuclear fuel for the research and development program authorized in this subsection from spent nuclear fuel received by the Secretary for storage under section 10155 of this title. Such spent nuclear fuel shall not be subject to the provisions of section 10155(e) of this title.

(d) Funding

The total contribution from the Secretary from Federal funds and the use of Federal facilities or services shall not exceed 25 percent of the total costs of the demonstration program authorized in subsection (a), as estimated by the Secretary. All remaining costs of such program shall be paid by the utilities involved or shall be provided by the Secretary from the Interim Storage Fund established in section 10156 of this title.

(e) Relation to spent nuclear fuel storage program

The spent nuclear fuel storage program authorized in section 10155 of this title shall not be construed to authorize the use of research development or demonstration facilities owned by the Department unless—

(1) a period of 30 calendar days (not including any day in which either House of Congress is not in session because of adjournment of more than 3 calendar days to a day certain) has passed after the Secretary has transmitted to the Committee on Science, Space, and Technology of the House of Representatives and the Committee on Energy and Natural Resources of the Senate a written report containing a full and complete statement concerning (A) the facility involved; (B) any necessary modifications; (C) the cost thereof; and (D) the impact on the authorized research and development program; or

(2) each such committee, before the expiration of such period, has transmitted to the Secretary a written notice to the effect that such committee has no objection to the proposed use of such facility.

§ 10199. Payments to States and Indian tribes

(a) Payments

Subject to subsection (b), the Secretary shall make payments to each State or affected Indian
tribe that has entered into an agreement pursuant to section 10195 of this title. The Secretary shall pay an amount equal to 100 percent of the expenses incurred by such State or Indian tribe in engaging in any monitoring, testing, evaluation, or other consultation and cooperation activity under section 10195 of this title with respect to any site. The amount paid by the Secretary under this paragraph shall not exceed $3,000,000 per year from the date on which the site involved was identified to the date on which the decontamination and decommission of the facility is complete pursuant to section 10197(b) of this title. Any such payment may only be made to a State in which a potential site for a test and evaluation facility has been identified under section 10193 of this title, or to an affected Indian tribe where the potential site has been identified under such section.

(b) Limitation

The Secretary shall make any payment to a State under subsection (a) only if such State agrees to provide, to each unit of general local government within the jurisdictional boundaries of which the potential site or effectively selected site involved is located, at least one-tenth of the payments made by the Secretary to such State under such subsection. A State or affected Indian tribe receiving any payment under subsection (a) shall otherwise have discretion to use such payment for whatever purpose it deems necessary, including the State or tribal activities pursuant to agreements entered into in accordance with section 10195 of this title. Annual payments shall be prorated on a 365-day basis to the specified dates.

§ 10201. Judicial review

Judicial review of research and development activities under this subchapter shall be in accordance with the provisions of section 10139 of this title.

§ 10202. Research on alternatives for permanent disposal of high-level radioactive waste

The Secretary shall continue and accelerate a program of research, development, and investigation of alternative means and technologies for the permanent disposal of high-level radioactive waste from civilian nuclear activities and Federal research and development activities except that funding shall be made from amounts appropriated to the Secretary for purposes of carrying out this section. Such program shall include examination of various waste disposal options.

§ 10203. Technical assistance to non-nuclear weapon states in field of spent fuel storage and disposal

(a) Statement of policy

It shall be the policy of the United States to cooperate with and provide technical assistance to non-nuclear weapon states in the field of spent fuel storage and disposal.

(b) Publication of joint notice; update

(1) Within 90 days of January 7, 1983, the Secretary and the Commission shall publish a joint notice in the Federal Register stating that the United States is prepared to cooperate with and provide technical assistance to non-nuclear weapon states in the fields of at-reactor spent fuel storage; away-from-reactor spent fuel storage; monitored, retrievable spent fuel storage; geologic disposal of spent fuel; and the health, safety, and environmental regulation of such activities. The notice shall summarize the resources that can be made available for international cooperation and assistance in these fields through existing programs of the Department and the Commission, including the availability of: (i) data from past or ongoing research and development projects; (ii) consultations with expert Department or Commission personnel or contractors; and (iii) liaison with private business entities and organizations working in these fields.

(2) The joint notice described in the preceding subparagraph shall be updated and reissued annually for 5 succeeding years.

(c) Notification to non-nuclear weapon states; expressions of interest

Following publication of the annual joint notice referred to in paragraph (2), the Secretary of State shall inform the governments of non-nuclear weapon states and, as feasible, the organizations operating nuclear powerplants in such states, that the United States is prepared to cooperate with and provide technical assistance to non-nuclear weapon states in the fields of spent fuel storage and disposal, as set forth in the joint notice. The Secretary of State shall also solicit expressions of interest from non-nuclear weapon state governments and non-nuclear weapon state nuclear power reactor operators concerning their participation in expanded United States cooperation and technical assistance programs in these fields. The Secretary of State shall transmit any such expressions of interest to the Department and the Commission.

(d) Funding requests

With his budget presentation materials for the Department and the Commission for fiscal years 1984 through 1989, the President shall include

1So in original. Probably should be “paragraph (2) of subsection (b).”
funding requests for an expanded program of cooperation and technical assistance with non-nuclear weapon states in the fields of spent fuel storage and disposal as appropriate in light of expressions of interest in such cooperation and assistance on the part of non-nuclear weapon state governments and non-nuclear weapon state nuclear power reactor operators.

(e) "Non-nuclear weapon state" defined

For the purposes of this subsection, the term "non-nuclear weapon state" shall have the same meaning as that set forth in article IX of the Treaty on the Non-Proliferation of Nuclear Weapons (21 U.S.C. 438).

(f) Unauthorized actions

Nothing in this subsection shall authorize the Department or the Commission to take any action not authorized under existing law.


References in Text

The Treaty on the Non-Proliferation of Nuclear Weapons, referred to in subsection (e), is set out in 21 U.S.C. 438.

§ 10224. Subseabed disposal


(b) Office of Subseabed Disposal Research

(1) There is hereby established an Office of Subseabed Disposal Research within the Office of Science of the Department of Energy. The Office shall be headed by the Director, who shall be a member of the Senior Executive Service appointed by the Director of the Office of Science, and compensated at a rate determined by applicable law.

(2) The Director of the Office of Subseabed Disposal Research shall be responsible for carrying out research, development, and demonstration activities on all aspects of subseabed disposal of high-level radioactive waste and spent nuclear fuel, subject to the general supervision of the Secretary. The Director of the Office shall be directly responsible to the Director of the Office of Science, and the first such Director shall be appointed within 30 days of December 22, 1987.

(3) In carrying out his responsibilities under this chapter, the Secretary may make grants to, or enter into contracts with, the Subseabed Consortium described in subsection (d) of this section, and other persons.

(4)(A) Within 60 days of December 22, 1987, the Secretary shall establish a university-based Subseabed Consortium involving leading oceanographic universities and institutions, national laboratories, and other organizations to investigate the technical and institutional feasibility of subseabed disposal.

(B) The Subseabed Consortium shall develop a research plan and budget to achieve the following objectives by 1995:

(i) demonstrate the capacity to identify and characterize potential subseabed disposal sites;

(ii) develop conceptual designs for a subseabed disposal system, including estimated costs and institutional requirements; and

(iii) identify and assess the potential impacts of subseabed disposal on the human and marine environment.

(C) In 1990, and again in 1995, the Subseabed Consortium shall report to Congress on the progress being made in achieving the objectives of paragraph (2).


Conformations


Amendments

1998—Subsec. (b)(1). Pub. L. 105–245 which directed the substitution of "Science" for "Energy Research", was executed by making the substitution in two places to reflect the probable intent of Congress.


1995—Subsec. (a). Pub. L. 104–66 struck out subsec. (a) which required Secretary of Energy to report to Congress on subseabed disposal of spent nuclear fuel and high-level radioactive waste.

Subsec. (b)(5). Pub. L. 104–66 struck out par. (5) which read as follows: "The Director of the Office of Subseabed Disposal Research shall annually prepare and submit a report to the Congress on the activities and expenditures of the Office."

Subchapter III—Other Provisions Relating to Radioactive Waste

§ 10221. Mission plan

(a) Contents of mission plan

The Secretary shall prepare a comprehensive report, to be known as the mission plan, which shall provide an informational basis sufficient to permit informed decisions to be made in carrying out the repository program and the research, development, and demonstration programs required under this chapter. The mission plan shall include—

(1) an identification of the primary scientific, engineering, and technical information, including any necessary demonstration of engineering or systems integration, with respect to the siting and construction of a test and evaluation facility and repositories;

(2) an identification of any information described in paragraph (1) that is not available because of any unresolved scientific, engineering, or technical questions, or undemonstrated engineering or systems integration, a schedule including specific major milestones for the research, development, and technology demonstration program required under this chapter and any additional activities to be undertaken to provide such information, a schedule for the activities necessary to achieve important programmatic milestones, and an estimate of the costs required to carry out such research, development, and demonstration programs;
§ 10222

TITLE 42—THE PUBLIC HEALTH AND WELFARE

Page 7384

(3) an evaluation of financial, political, legal, or institutional problems that may impede the implementation of this chapter, the plans of the Secretary to resolve such problems, and recommendations for any necessary legislation to resolve such problems;

(4) any comments of the Secretary with respect to the purpose and program of the test and evaluation facility;

(5) a discussion of the significant results of research and development programs conducted and the implications for each of the different geologic media under consideration for the siting of repositories, and, on the basis of such information, a comparison of the advantages and disadvantages associated with the use of such media for repository sites;

(6) the guidelines issued under section 10132(a) of this title;

(7) a description of known sites at which site characterization activities should be undertaken, a description of each site characterization activities, including the extent of planned excavations, plans for onsite testing with radioactive or nonradioactive material, plans for any investigations activities which may affect the capability of any such site to isolate high-level radioactive waste or spent nuclear fuel, plans to control any adverse, safety-related impacts from such site characterization activities, and plans for the decontamination and decommissioning of such site if it is determined unsuitable for licensing as a repository;

(8) an identification of the process for solidifying high-level radioactive waste or packaging spent nuclear fuel, including a summary and analysis of the data to support the selection of the solidification process and packaging techniques, an analysis of the requirements for the number of solidification packaging facilities needed, a description of the state of the art for the materials proposed to be used in packaging such waste or spent fuel and the availability of such materials including impacts on strategic supplies and any requirements for new or reactivated facilities to produce any such materials needed, and a description of a plan, and the schedule for implementing such plan, for an aggressive research and development program to provide when needed a high-integrity disposal package at a reasonable price;

(9) an estimate of (A) the total repository capacity required to safely accommodate the disposal of all high-level radioactive waste and spent nuclear fuel expected to be generated through December 31, 2020, in the event that no commercial reprocessing of spent nuclear fuel occurs, as well as the repository capacity that will be required of such reprocessing does occur; (B) the number and type of repositories required to be constructed to provide such disposal capacity; (C) a schedule for the construction of such repositories; and (D) an estimate of the period during which each repository listed in such schedule will be accepting high-level radioactive waste or spent nuclear fuel for disposal;

(10) an estimate, on an annual basis, of the costs required (A) to construct and operate the repositories anticipated to be needed under paragraph (9) based on each of the assumptions referred to in such paragraph; (B) to construct and operate a test and evaluation facility, or any other facilities, other than repositories described in subparagraph (A), determined to be necessary; and (C) to carry out any other activities under this chapter; and

(11) an identification of the possible adverse economic and other impacts to the State or Indian tribe involved that may arise from the development of a test and evaluation facility or repository at a site.

(b) Submission of mission plan

(1) Not later than 15 months after January 7, 1983, the Secretary shall submit a draft mission plan to the States, the affected Indian tribes, the Commission, and other Government agencies as the Secretary deems appropriate for their comments.

(2) In preparing any comments on the mission plan, such agencies shall specify with precision any objections that they may have. Upon submission of the mission plan to such agencies, the Secretary shall publish a notice in the Federal Register of the submission of the mission plan and of its availability for public inspection, and, upon receipt of any comments of such agencies respecting the mission plan, the Secretary shall publish a notice in the Federal Register of the receipt of comments and of the availability of the comments for public inspection. If the Secretary does not revise the mission plan to meet objections specified in such comments, the Secretary shall publish in the Federal Register a detailed statement for not so revising the mission plan.

(3) The Secretary, after reviewing any other comments made by such agencies and revising the mission plan to the extent that the Secretary may consider to be appropriate, shall submit the mission plan to the appropriate committees of the Congress not later than 17 months after January 7, 1983. The mission plan shall be used by the Secretary at the end of the first period of 30 calendar days (not including any day on which either House of Congress is not in session because of adjournment of more than 3 calendar days to a day certain) following receipt of the mission plan by the Congress.


§ 10222. Nuclear Waste Fund

(a) Contracts

(1) In the performance of his functions under this chapter, the Secretary is authorized to enter into contracts with any person who generates or holds title to high-level radioactive waste, or spent nuclear fuel, of domestic origin for the acceptance of title, subsequent transportation, and disposal of such waste or spent fuel. Such contracts shall provide for payment to the Secretary of fees pursuant to paragraphs (2) and (3) sufficient to offset expenditures described in subsection (d).

(2) For electricity generated by a civilian nuclear power reactor and sold on or after the date 90 days after January 7, 1983, the fee under para-
graph (1) shall be equal to 1.0 mil per kilowatt-hour.

(3) For spent nuclear fuel, or solidified high-level radioactive waste derived from spent nuclear fuel, which was used to generate electricity in a civilian nuclear power reactor prior to the application of the fee under paragraph (2) to such reactor, the Secretary shall, not later than 90 days after January 7, 1983, establish a 1 time fee per kilogram of heavy metal in spent nuclear fuel, or in solidified high-level radioactive waste. Such fee shall be in an amount equivalent to an average charge of 1.0 mil per kilowatt-hour for electricity generated by such spent nuclear fuel, or such solidified high-level waste derived therefrom, to be collected from any person delivering such spent nuclear fuel or high-level waste, pursuant to section 10143 of this title, to the Federal Government. Such fee shall be paid to the Treasury of the United States and shall be deposited in the separate fund established by this subsection (c). In paying such a fee, the person delivering spent fuel, or solidified high-level radioactive wastes derived therefrom, to the Federal Government shall have no further financial obligation to the Federal Government for the long-term storage and permanent disposal of such spent fuel, or the solidified high-level radioactive waste derived therefrom.

(4) Not later than 180 days after January 7, 1983, the Secretary shall establish procedures for the collection and payment of the fees established by paragraph (2) and paragraph (3). The Secretary shall annually review the amount of the fees established by paragraphs (2) and (3) above to evaluate whether collection of the fee will provide sufficient revenues to offset the costs as defined in subsection (d) herein. In the event the Secretary determines that either insufficient or excess revenues are being collected, in order to recover the costs incurred by the Federal Government that are specified in subsection (d), the Secretary shall propose an adjustment to the fee to insure full cost recovery. The Secretary shall immediately transmit this proposal for such an adjustment to Congress. The adjusted fee proposed by the Secretary shall be effective after a period of 90 days of continuous session have elapsed following the receipt of such transmittal unless during such 90-day period either House of Congress adopts a resolution disapproving the Secretary’s proposed adjustment in accordance with the procedures set forth for congressional review of an energy action under section 6421 of this title.

(5) Contracts entered into under this section shall provide that—

(A) following commencement of operation of a repository, the Secretary shall take title to the high-level radioactive waste or spent nuclear fuel involved as expeditiously as practicable upon the request of the generator or owner of such waste or spent fuel; and

(B) in return for the payment of fees established by this section, the Secretary, beginning not later than January 31, 1998, will dispose of the high-level radioactive waste or spent nuclear fuel involved as provided in this subchapter.1

(6) The Secretary shall establish in writing criteria setting forth the terms and conditions under which such disposal services shall be made available.

(b) Advance contracting requirement

(1) (A) The Commission shall not issue or renew a license to any person to use a utilization or production facility under the authority of section 2133 or 2134 of this title unless—

(i) such person has entered into a contract with the Secretary under this section; or

(ii) the Secretary affirms in writing that such person is actively and in good faith negotiating with the Secretary for a contract under this section.

(B) The Commission, as it deems necessary or appropriate, may require as a precondition to the issuance or renewal of a license under section 2133 or 2134 of this title that the applicant for such license shall have entered into an agreement with the Secretary for the disposal of high-level radioactive waste and spent nuclear fuel that may result from the use of such license.

(2) Except as provided in paragraph (1), no spent nuclear fuel or high-level radioactive waste generated or owned by any person (other than a department of the United States referred to in section 101 or 102 of title 5) may be disposed of by the Secretary in any repository constructed under this chapter unless the generator or owner of such spent fuel or waste has entered into a contract with the Secretary under this section by not later than—

(A) June 30, 1983; or

(B) the date on which such generator or owner commences generation of, or takes title to, such spent fuel or waste;

whichever occurs later.

(3) The rights and duties of a party to a contract entered into under this section may be assignable with transfer of title to the spent nuclear fuel or high-level radioactive waste involved.

(4) No high-level radioactive waste or spent nuclear fuel generated or owned by any department of the United States referred to in section 101 or 102 of title 5 may be disposed of by the Secretary in any repository constructed under this chapter unless the generator or owner of such spent fuel or waste has entered into a contract with the Secretary, for deposit in the Nuclear Waste Fund, amounts equivalent to the fees that would be paid to the Secretary under the contracts referred to in this section if such waste or spent fuel were generated by any other person.

(c) Establishment of Nuclear Waste Fund

There hereby is established in the Treasury of the United States a separate fund, to be known as the Nuclear Waste Fund. The Waste Fund shall consist of—

(1) all receipts, proceeds, and recoveries realized by the Secretary under subsections (a), (b), and (e), which shall be deposited in the Waste Fund immediately upon their realization;

(2) any appropriations made by the Congress to the Waste Fund; and

(3) any unexpended balances available on January 7, 1983, for functions or activities nec-

---

1 See References in Text note below.
(d) Use of Waste Fund

The Secretary may make expenditures from the Waste Fund, subject to subsection (e), only for purposes of radioactive waste disposal activities under subchapters I and II, including—

(1) the identification, development, licensing, construction, operation, decommissioning, and post-decommissioning maintenance and monitoring of any repository, monitored 2 retrievable storage site 3 or test and evaluation facility constructed under this chapter;

(2) the conducting of nongeneric research, development, and demonstration activities under this chapter;

(3) the administrative cost of the radioactive waste disposal program;

(4) any costs that may be incurred by the Secretary in connection with the transportation, treating, or packaging of spent nuclear fuel or high-level radioactive waste to be disposed of in a repository, to be stored in a monitored 2 retrievable storage site 3 or to be used in a test and evaluation facility;

(5) the costs associated with acquisition, design, modification, replacement, operation, and construction of facilities at a repository site or a test and evaluation facility site and necessary or incidental to such repository, monitored 2 retrievable storage facility 3 or test and evaluation facility; and

(6) the provision of assistance to States, units of local government, and Indian tribes under sections 10136, 10138, and 10199 of this title.

No amount may be expended by the Secretary under this subchapter 1 for the construction or expansion of any facility unless such construction or expansion is expressly authorized by this or subsequent legislation. The Secretary hereby is authorized to construct one repository and one test and evaluation facility.

(e) Administration of Waste Fund

(1) The Secretary of the Treasury shall hold the Waste Fund and, after consultation with the Secretary, annually report to the Congress on the financial condition and operations of the Waste Fund during the preceding fiscal year.

(2) The Secretary shall submit the budget of the Waste Fund to the Office of Management and Budget triennially along with the budget of the Department of Energy submitted at such time in accordance with chapter 11 of title 31. The budget of the Waste Fund shall consist of the estimates made by the Secretary of expenditures from the Waste Fund and other relevant financial matters for the succeeding 3 fiscal years, and shall be included in the Budget of the United States Government. The Secretary may make expenditures from the Waste Fund, subject to appropriations which shall remain available until expended. Appropriations shall be subject to triennial authorization.

(3) If the Secretary determines that the Waste Fund contains at any time amounts in excess of current needs, the Secretary may request the Secretary of the Treasury to invest such amounts, or any portion of such amounts as the Secretary determines to be appropriate, in obligations of the United States—

(A) having maturities determined by the Secretary of the Treasury to be appropriate to the needs of the Waste Fund; and

(B) bearing interest at rates determined to be appropriate by the Secretary of the Treasury, taking into consideration the current average market yield on outstanding marketable obligations of the United States with remaining periods to maturity comparable to the maturities of such investments, except that the interest rate on such investments shall not exceed the average interest rate applicable to existing borrowings.

(4) Receipts, proceeds, and recoveries realized by the Secretary under this section, and expenditures of amounts from the Waste Fund, shall be exempt from annual apportionment under the provisions of subchapter II of chapter 15 of title 31.

(5) If at any time the moneys available in the Waste Fund are insufficient to enable the Secretary to discharge his responsibilities under this subchapter, the Secretary shall issue to the Secretary of the Treasury obligations in such forms and denominations, bearing such maturities, and subject to such terms and conditions as may be agreed to by the Secretary and the Secretary of the Treasury. The total of such obligations shall not exceed amounts provided in appropriation Acts. Redemption of such obligations shall be made by the Secretary from moneys available in the Waste Fund. Such obligations shall bear interest at a rate determined by the Secretary of the Treasury, which shall be not less than a rate determined by taking into consideration the average market yield on outstanding marketable obligations of the United States of comparable maturities during the month preceding the issuance of the obligations under this paragraph. The Secretary of the Treasury shall purchase any issued obligations, and for such purpose the Secretary of the Treasury is authorized to use as a public debt transaction the proceeds from the sale of any securities issued under chapter 31 of title 31, and the purposes for which securities may be issued under such Act are extended to include any purchase of such obligations. The Secretary of the Treasury may at any time sell any of the obligations acquired by him under this paragraph. All redemptions, purchases, and sales by the Secretary of the Treasury of obligations under this paragraph shall be treated as public debt transactions of the United States.

(6) Any appropriations made available to the Waste Fund for any purpose described in subsection (d) shall be repaid into the general fund of the Treasury, together with interest from the date of availability of the appropriations until the date of repayment. Such interest shall be paid on the cumulative amount of appropriations available to the Waste Fund, less the average undisbursed cash balance in the Waste Fund account during the fiscal year involved.
rate of such interest shall be determined by the Secretary of the Treasury taking into consideration the average market yield during the month preceding each fiscal year on outstanding marketable obligations of the United States of comparable maturity. Interest payments may be deferred with the approval of the Secretary of the Treasury, but any interest payments so deferred shall themselves bear interest.


REFERENCES IN TEXT

Subsection (c), referred to in subsec. (a)(3), was in the original "subsection (c) 126(b)" and was translated as subsection (c) as the probable intent of Congress in view of the establishment of the Nuclear Waste Fund by subsec. (c) of this section and the absence of a section 126 in Pub. L. 97–425.

This subchapter, referred to in subsecs. (a)(5)(B), (d), and (e)(5), was in the original "this subtitle", and was translated as this subchapter to reflect the probable intent of Congress because title III of Pub. L. 97–425, which enacted this subchapter, does not contain subtitles.

Such Act, referred to in subsec. (e)(5), probably means chapter 31 of Title 31, Money and Finance.

TERMINATION OF REPORTING REQUIREMENTS

For termination, effective May 15, 2000, of provisions in subsec. (e)(1) of this section relating to annual report to Congress, see section 3003 of Pub. L. 104–66, as amended, set out as a note under section 1113 of Title 31, Money and Finance, and the 4th item on page 143 of House Document No. 103–7.

§10223. Alternative means of financing

The Secretary shall undertake a study with respect to alternative approaches to managing the construction and operation of all civilian radioactive waste management facilities, including the feasibility of establishing a private corporation for such purposes. In conducting such study, the Secretary shall consult with the Director of the Office of Management and Budget, the Chairman of the Commission, and such other Federal agency representatives as may be appropriate. Such study shall be completed, and a report containing the results of such study shall be submitted to the Congress, within 1 year after January 7, 1983.


§10224. Office of Civilian Radioactive Waste Management

(a) Establishment

There hereby is established within the Department of Energy an Office of Civilian Radioactive Waste Management. The Office shall be headed by a Director, who shall be appointed by the President, by and with the advice and consent of the Senate, and who shall be compensated at the rate payable for level IV of the Executive Schedule under section 5315 of title 5.

(b) Functions of Director

The Director of the Office shall be responsible for carrying out the functions of the Secretary under this chapter, subject to the general supervision of the Secretary. The Director of the Office shall be directly responsible to the Secretary.

(c) Annual report to Congress

The Director of the Office shall annually prepare and submit to the Congress a comprehensive report on the activities and expenditures of the Office.

(d) Audit by GAO

If requested by either House of the Congress (or any committee thereof) or if considered necessary by the Comptroller General, the Government Accountability Office shall conduct an audit of the Office, in accord with such regulations as the Comptroller General may prescribe. The Comptroller General shall have access to such books, records, accounts, and other materials of the Office as the Comptroller General determines to be necessary for the preparation of such audit. The Comptroller General shall submit a report on the results of each audit conducted under this section.


AMENDMENTS


1995—Subsec. (d). Pub. L. 104–66 amended heading and text of subsec. (d) generally. Prior to amendment, text read as follows: “The Comptroller General of the United States shall annually make an audit of the Office, in accordance with such regulations as the Comptroller General may prescribe. The Comptroller General shall have access to such books, records, accounts, and other materials of the Office as the Comptroller General determines to be necessary for the preparation of such audit. The Comptroller General shall submit to the Congress a report on the results of each audit conducted under this section.”

TERMINATION OF REPORTING REQUIREMENTS

For termination, effective May 15, 2000, of provisions in subsec. (c) of this section relating to annual submittal of report to Congress, see section 3003 of Pub. L. 104–66, as amended, set out as a note under section 1113 of Title 31, Money and Finance, and the 13th item on page 91 of House Document No. 103–7.

§10225. Location of test and evaluation facility

(a) Report to Congress

Not later than 1 year after January 7, 1983, the Secretary shall transmit to the Congress a report setting forth whether the Secretary plans to locate the test and evaluation facility at the site of a repository.

(b) Procedures

(1) If the test and evaluation facility is to be located at any candidate site or repository site (A) site selection and development of such facility shall be conducted in accordance with the procedures and requirements established in subchapter I with respect to the site selection and development of repositories; and (B) the Secretary may not commence construction of any surface facility for such test and evaluation facility prior to issuance by the Commission of a construction authorization for a repository at the site involved.

(2) No test and evaluation facility may be converted into a repository unless site selection and
development of such facility was conducted in accordance with the procedures and requirements established in subchapter I with respect to the site selection and development of repositories.1

(3) The Secretary may not commence construction of a test and evaluation facility at a candidate site or site recommended as the location for a repository prior to the date on which the designation of such site is effective under section 10135 of this title.


§ 10226. Nuclear Regulatory Commission training authorization

The Nuclear Regulatory Commission is authorized and directed to promulgate regulations, or other appropriate Commission regulatory guidance, for the training and qualifications of civilian nuclear powerplant operators, supervisors, technicians and other appropriate operating personnel. Such regulations or guidance shall establish simulator training requirements for applicants for civilian nuclear powerplant operator licenses and for operator requalification programs; requirements governing NRC administration of requalification examinations; requirements for operating tests at civilian nuclear powerplant simulators, and instructional requirements for civilian nuclear powerplant licensee personnel training programs. Such regulations or other regulatory guidance shall be promulgated by the Commission within the 12-month period following January 7, 1983, and the Commission within the 12-month period following January 7, 1983, shall submit a report to Congress setting forth the actions the Commission has taken with respect to fulfilling its obligations under this section.


SUBCHAPTER IV—NUCLEAR WASTE NEGOTIATOR

§ 10241. “State” defined

For purposes of this subchapter, the term “State” means each of the several States and the District of Columbia.


Codification

Amendments
1988—Subsec. (a). Pub. L. 100–507 amended subsec. (a) generally. Prior to amendment, subsec. (a) read as follows: “There is established within the Executive Office of the President the Office of the Nuclear Waste Negotiator.”

§ 10242. Office of Nuclear Waste Negotiator

(a) Establishment

There is established the Office of the Nuclear Waste Negotiator that shall be an independent establishment in the executive branch.

(b) Nuclear Waste Negotiator

(1) The Office shall be headed by a Nuclear Waste Negotiator who shall be appointed by the President, by and with the advice and consent of the Senate. The Negotiator shall hold office at the pleasure of the President, and shall be compensated at the rate provided for level III of the Executive Schedule in section 5314 of title 5.

(2) The Negotiator shall attempt to find a State or Indian tribe willing to host a repository or monitored retrievable storage facility at a technically qualified site on reasonable terms and shall negotiate with any State or Indian tribe which expresses an interest in hosting a repository or monitored retrievable storage facility.


Codification

Amendments
1988—Subsec. (a). Pub. L. 100–507 amended subsec. (a) generally. Prior to amendment, subsec. (a) read as follows: “There is established within the Executive Office of the President the Office of the Nuclear Waste Negotiator.”

§ 10243. Duties of Negotiator

(a) Negotiations with potential hosts

(1) The Negotiator shall—

(A) seek to enter into negotiations on behalf of the United States, with—

(i) the Governor of any State in which a potential site is located; and

(ii) the governing body of any Indian tribe on whose reservation a potential site is located; and

(B) attempt to reach a proposed agreement between the United States and any such State or Indian tribe specifying the terms and conditions under which such State or tribe would agree to host a repository or monitored retrievable storage facility within such State or reservation.

(2) In any case in which State law authorizes any person or entity other than the Governor to negotiate a proposed agreement under this section on behalf of the State, any reference in this subchapter to the Governor shall be considered to refer instead to such other person or entity.

(b) Consultation with affected States, subdivisions of States, and tribes

In addition to entering into negotiations under subsection (a), the Negotiator shall consult with any State, affected unit of local government, or any Indian tribe that the Negotiator determines may be affected by the siting
of a repository or monitored retrievable storage facility and may include in any proposed agreement such terms and conditions relating to the interest of such States, affected units of local government, or Indian tribes as the Negotiator determines to be reasonable and appropriate.

(c) Consultation with other Federal agencies

The Negotiator may solicit and consider the comments of the Secretary, the Nuclear Regulatory Commission, or any other Federal agency on the suitability of any potential site for site characterization. Nothing in this subsection shall be construed to require the Secretary, the Nuclear Regulatory Commission, or any other Federal agency to make a finding that any such site is suitable for site characterization.

(d) Proposed agreement

(1) The Negotiator shall submit to the Congress any proposed agreement between the United States and a State or Indian tribe negotiated under subsection (a) and an environmental assessment prepared under section 10244(a) of this title for the site concerned.

(2) Any such proposed agreement shall contain such terms and conditions (including such financial and institutional arrangements) as the Negotiator and the host State or Indian tribe determine to be reasonable and appropriate and shall contain such provisions as are necessary to preserve any right to participation or compensation of such State, affected unit of local government, or Indian tribe under sections 10136(c), 10137, and 10138(b) of this title.

(3)(A) No proposed agreement entered into under this section shall have legal effect unless enacted into Federal law.

(B) A State or Indian tribe shall enter into an agreement under this section in accordance with the laws of such State or tribe. Nothing in this section may be construed to prohibit the disapproval of a proposed agreement between a State and the United States under this section by a referendum or an act of the legislature of such State.

(4) Notwithstanding any proposed agreement under this section, the Secretary may construct a repository or monitored retrievable storage facility at a site agreed to under this subchapter only if authorized by the Nuclear Regulatory Commission in accordance with the Atomic Energy Act of 1954 (42 U.S.C. 2011 et seq.), title II of the Energy Reorganization Act of 1982 (42 U.S.C. 5841 et seq.) and any other law applicable to authorization of such construction.

(e) Public availability

Each environmental assessment prepared under subsection (a) shall be made available to the public.

(f) Evaluation of sites

(1) In preparing an environmental assessment for any repository or monitored retrievable storage facility site, the Secretary shall conduct any preliminary borings or excavations at any site that is the subject of such assessment unless—

(A) such preliminary boring or excavation activities were in progress on or before December 22, 1987; or

(B) the Secretary certifies that, in the absence of preliminary borings or excavations, adequate information will not be available to satisfy the requirements of this chapter or any other law.
(2) No preliminary boring or excavation conducted under this section shall exceed a diameter of 40 inches.


Codification

§ 10245. Site characterization; licensing

(a) Site characterization

Upon enactment of legislation to implement an agreement to site a repository negotiated under section 10243(a) of this title, the Secretary shall conduct appropriate site characterization activities for the site that is the subject of such agreement subject to the conditions and terms of such agreement. Any such site characterization activities shall be conducted in accordance with section 10133 of this title, except that references in such section to the Yucca Mountain site and the State of Nevada shall be deemed to refer to the site that is the subject of the agreement and the State or Indian tribe entering into the agreement.

(b) Licensing

(1) Upon the completion of site characterization activities carried out under subsection (a), the Secretary shall submit to the Nuclear Regulatory Commission an application for construction authorization for a repository at such site.

(2) The Nuclear Regulatory Commission shall consider an application for a construction authorization for a repository or monitored retrievable storage facility in accordance with the laws applicable to such applications, except that the Nuclear Regulatory Commission shall issue a final decision approving or disapproving the issuance of a construction authorization not later than 3 years after the date of the submission of such application.


Codification

§ 10246. Monitored retrievable storage

(a) Construction and operation

Upon enactment of legislation to implement an agreement negotiated under section 10243(a) of this title to site a monitored retrievable storage facility, the Secretary shall construct and operate such facility as part of an integrated nuclear waste management system in accordance with the terms and conditions of such agreement.

(b) Financial assistance

The Secretary may make grants to any State, Indian tribe, or affected unit of local government to assess the feasibility of siting a monitored retrievable storage facility under this section at a site under the jurisdiction of such State, tribe, or affected unit of local government.


Codification

§ 10247. Environmental impact statement

(a) In general

Issuance of a construction authorization for a repository or monitored retrievable storage facility under section 10245(b) of this title shall be considered a major Federal action significantly affecting the quality of the human environment for purposes of the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.).

(b) Preparation

A final environmental impact statement shall be prepared by the Secretary under such Act and shall accompany any application to the Nuclear Regulatory Commission for a construction authorization.

(c) Adoption

(1) Any such environmental impact statement shall, to the extent practicable, be adopted by the Nuclear Regulatory Commission, in accordance with section 1506.3 of title 40, Code of Federal Regulations, in connection with the issuance of a construction authorization and license for such repository or monitored retrievable storage facility.

(2)(A) In any such statement prepared with respect to a repository to be constructed under this subchapter at the Yucca Mountain site, the Nuclear Regulatory Commission need not consider the need for a repository, the time of initial availability of a repository, alternate sites to the Yucca Mountain site, or nongeologic alternatives to such site.

(B) In any such statement prepared with respect to a repository to be constructed under this subchapter at a site other than the Yucca Mountain site, the Nuclear Regulatory Commission need not consider the need for a repository, the time of initial availability of a repository, or nongeologic alternatives to such site but shall consider the Yucca Mountain site as an alternate to such site in the preparation of such statement.


Codification

References in Text

The National Environmental Policy Act of 1969, referred to in subsecs. (a) and (b), is Pub. L. 91–190, Jan. 1, 1970, 83 Stat. 852, as amended, which is classified generally to chapter 55 (§4321 et seq.) of this title. For complete classification of this Act to the Code, see Short Title note set out under section 4321 of this title and Tables.
§ 10248. Administrative powers of Negotiator

In carrying out his functions under this subchapter, the Negotiator may—
(1) appoint such officers and employees as he determines to be necessary and prescribe their duties;
(2) obtain services as authorized by section 3109 of title 5, at rates not to exceed the rate prescribed for grade GS–18 of the General Schedule by section 5332 of title 5;
(3) promulgate such rules and regulations as may be necessary to carry out such functions;
(4) utilize the services, personnel, and facilities of other Federal agencies (subject to the consent of the head of any such agency);
(5) for purposes of performing administrative functions under this subchapter, and to the extent funds are appropriated, enter into and perform such contracts, leases, cooperative agreements, or other transactions as may be necessary and on such terms as the Negotiator determines to be appropriate, with any agency or instrumentality of the United States, or with any public or private person or entity;
(6) accept voluntary and uncompensated services, notwithstanding the provisions of section 1342 of title 31;
(7) adopt an official seal, which shall be judicially noticed;
(8) use the United States mails in the same manner and under the same conditions as other departments and agencies of the United States;
(9) hold such hearings as are necessary to determine the views of interested parties and the general public; and
(10) appoint advisory committees under the Federal Advisory Committee Act (5 U.S.C. App.).

References in Text
The Federal Advisory Committee Act, referred to in paragraph (10), is Pub. L. 92–463, Oct. 6, 1972, 86 Stat. 770, as amended, which is set out in the Appendix to Title 5, Government Organization and Employees.

Codification

References in Other Laws to GS–16, 17, or 18 Pay Rates

References in laws to the rates of pay for GS–16, 17, or 18, or to maximum rates of pay under the General Schedule, to be considered references to rates payable under specified sections of Title 5, Government Organization and Employees, see section 529 [title 1, §161(c)(1)] of Pub. L. 101–509, set out in a note under section 5376 of Title 5.

§ 10249. Cooperation of other departments and agencies

Each department, agency, and instrumentality of the United States, including any independent agency, may furnish the Negotiator such information as he determines to be necessary to carry out his functions under this subchapter.

Codification

AMENDMENTS
1992—Pub. L. 102–466 substituted “7 years” for “5 years”.

§ 10251. Authorization of appropriations

Notwithstanding subsection (d) of section 10222 of this title, and subject to subsection (e) of such section, there are authorized to be appropriated for expenditures from amounts in the Waste Fund established in subsection (c) of such section, such sums as may be necessary to carry out the provisions of this subchapter.

Codification

SUBCHAPTER V—NUCLEAR WASTE TECHNICAL REVIEW BOARD

§ 10261. Definitions

As used in this subchapter:
(1) The term “Chairman” means the Chairman of the Nuclear Waste Technical Review Board.
(2) The term “Board” means the Nuclear Waste Technical Review Board established under section 10262 of this title.

Codification

§ 10262. Nuclear Waste Technical Review Board

(a) Establishment

There is established a Nuclear Waste Technical Review Board that shall be an independent establishment within the executive branch.
§ 10263 Members

(1) The Board shall consist of 11 members who shall be appointed by the President not later than 90 days after December 22, 1987, from among persons nominated by the National Academy of Sciences in accordance with paragraph (3).

(2) The President shall designate a member of the Board to serve as chairman.

§ 10264 Investigatory powers

(a) Hearings

Upon request of the Chairman or a majority of the members of the Board, the Board may hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence, as the Board considers appropriate. Any member of the Board may administer oaths or affirmations to witnesses appearing before the Board.

(b) Production of documents

(1) Upon the request of the Chairman or a majority of the members of the Board, and subject to existing law, the Secretary (or any contractor of the Secretary) shall provide the Board with such records, files, papers, data, or information as may be necessary to respond to any inquiry of the Board under this subchapter.

(2) Subject to existing law, information obtainable under paragraph (1) shall not be limited to final work products of the Secretary, but shall include drafts of such products and documentation of work in progress.

§ 10265 Compensation of members

(a) In general

Each member of the Board shall be paid at the rate of pay payable for level III of the Executive Schedule for each day (including travel time) such member is engaged in the work of the Board.

(b) Travel expenses

Each member of the Board may receive travel expenses, including per diem in lieu of subsistence, in the same manner as is permitted under sections 5702 and 5703 of title 5.

References in Text

Level III of the Executive Schedule, referred to in subsec. (a), is set out in section 5314 of Title 5, Government Organization and Employees.
§ 10266. Staff

(a) Clerical staff

(1) Subject to paragraph (2), the Chairman may appoint and fix the compensation of such clerical staff as may be necessary to discharge the responsibilities of the Board.

(2) Clerical staff shall be appointed subject to the provisions of title 5 governing appointments in the competitive service, and shall be paid in accordance with the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates.

(b) Professional staff

(1) Subject to paragraphs (2) and (3), the Chairman may appoint and fix the compensation of such professional staff as may be necessary to discharge the responsibilities of the Board.

(2) Not more than 10 professional staff members may be appointed under this subsection.

(3) Professional staff members may be appointed without regard to the provisions of title 5 governing appointments in the competitive service, and may be paid without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates, except that no individual so appointed may receive pay in excess of the annual rate of basic pay payable for GS–18 of the General Schedule.

(c) Additional support

Upon the request of the Chairman, the Board may secure directly from the head of any department or agency of the United States information necessary to enable it to carry out this subchapter.

(d) Mails

The Board may use the United States mails in the same manner and under the same conditions as other departments and agencies of the United States.

(e) Experts and consultants

Subject to such rules as may be prescribed by the Board, the Chairman may procure temporary and intermittent services under section 3109(b) of title 5, but at rates for individuals not to exceed the daily equivalent of the maximum annual rate of basic pay payable for GS–18 of the General Schedule.

§ 10267. Support services

(a) General services

To the extent permitted by law and requested by the Chairman, the Administrator of General Services shall provide the Board with necessary administrative services, facilities, and support on a reimbursable basis.

(b) Accounting, research, and technology assessment services

The Comptroller General, the Librarian of Congress, and the Director of the Office of Technology Assessment shall, to the extent permitted by law and subject to the availability of funds, provide the Board with such facilities, support, funds and services, including staff, as may be necessary for the effective performance of the functions of the Board.

§ 10268. Report

The Board shall report not less than 2 times per year to Congress and the Secretary its findings, conclusions, and recommendations. The first such report shall be submitted not later than 12 months after December 22, 1987.

§ 10269. Authorization of appropriations

(a) General services

The Comptroller General, the Librarian of Congress, and the Director of the Office of Technology Assessment shall, to the extent permitted by law and subject to the availability of funds, provide the Board with such facilities, support, funds and services, including staff, as may be necessary for the effective performance of the functions of the Board.

(b) Accounting, research, and technology assessment services

The Comptroller General, the Librarian of Congress, and the Director of the Office of Technology Assessment shall, to the extent permitted by law and subject to the availability of funds, provide the Board with such facilities, support, funds and services, including staff, as may be necessary for the effective performance of the functions of the Board.  

(c) Additional support

Upon the request of the Chairman, the Board may secure directly from the head of any department or agency of the United States information necessary to enable it to carry out this subchapter.

(d) Mails

The Board may use the United States mails in the same manner and under the same conditions as other departments and agencies of the United States.

(e) Experts and consultants

Subject to such rules as may be prescribed by the Board, the Chairman may procure temporary and intermittent services under section 3109(b) of title 5, but at rates for individuals not to exceed the daily equivalent of the maximum annual rate of basic pay payable for GS–18 of the General Schedule.

References in Other Laws to GS–16, 17, or 18 Pay Rates

References in laws to the rates of pay for GS–16, 17, or 18, or to maximum rates of pay under the General Schedule, to be considered references to rates payable under specified sections of Title 5, Government Organization and Employees, see section 529 (title I, §101(c)(1)) of Pub. L. 101–509, set out in a note under section 5376 of Title 5.

Termination of Reporting Requirements

For termination, effective May 15, 2000, of provisions of this section relating to reporting to Congress 2 times per year, see section 3003 of Pub. L. 104–66, as amended, set out as a note under section 1113 of Title 31, Money and Finance, and the last item on page 186 of House Document No. 103–7.

Authorization of appropriations

Notwithstanding subsection (d) of section 10222 of this title, and subject to subsection (e) of such section, there are authorized to be appropriated for expenditures from amounts in the Waste Fund established in subsection (c) of such section such sums as may be necessary to carry out the provisions of this subchapter.
CHAPTER 109—WATER RESOURCES RESEARCH

The Congress finds and declares that—

(1) the existence of an adequate supply of water of good quality for the production of materials and energy for the Nation’s needs and for the efficient use of the Nation’s energy and water resources is essential to national economic stability and growth, and to the well-being of the people;

(2) the management of water resources is closely related to maintaining environmental quality, productivity of natural resources and agricultural systems, and social well-being;

(3) there is an increasing threat of impairment to the quantity and quality of surface and groundwater resources;

(4) the Nation’s capabilities for technological assessment and planning and for policy formulation for water resources must be strengthened at the Federal, State, and local governmental levels;

(5) there should be a continuing national investment in water and related research and technology commensurate with growing national needs;

(6) it is necessary to provide for the research and development of technology for the conversion of saline and other impaired waters to a quality suitable for municipal, industrial, agricultural, recreational, and other beneficial uses;

(7) the Nation must provide programs to strengthen research and associated graduate education because the pool of scientists, engineers, and technicians trained in fields related to water resources constitutes an invaluable natural resource which should be increased, fully utilized, and regularly replenished; and

(8) long-term planning and policy development are essential to ensure the availability of an abundant supply of high quality water for domestic and other uses; and

(9) the States must have the research and problem-solving capacity necessary to effectively manage their water resources.

"(b) PURPOSES.—The purposes of this section are—

"(1) to optimize the production of energy resources—

"(A) by minimizing the quantity of produced water; and

"(B) by facilitating the use of produced water for irrigation and other purposes without adversely affecting water quality or the environment; and

"(2) to demonstrate means of accomplishing those results.

"(c) DEFINITIONS.—In this section:

"(1) LOWER BASIN STATE.—The term ‘Lower Basin State’ means any of the States of—

"(A) Arizona;

"(B) California; and

"(C) Nevada.

"(2) PRODUCED WATER.—The term ‘produced water’ means water from an underground source that is brought to the surface as part of the process of exploitation for, or development of—

"(A) oil;

"(B) natural gas;

"(C) coalbed methane; or

"(D) any other substance to be used as an energy source.

"(3) SECRETARY.—The term ‘Secretary’ means the Secretary of the Interior.

"(4) UPPER BASIN STATE.—The term ‘Upper Basin State’ means any of the States of—

"(A) Colorado;

"(B) New Mexico;

"(C) Utah; and

"(D) Wyoming.

"(d) IDENTIFICATION OF PROBLEMS AND SOLUTIONS.—

"(1) STUDY.—The Secretary shall conduct a study to identify—

"(A) the technical, economic, environmental, and other obstacles to reducing the quantity of produced water;

"(B) the technical, economic, environmental, legal, and other obstacles to increasing the extent to which produced water can be used for irrigation and other purposes without adversely affecting water quality, public health, or the environment;

"(C) the legislative, administrative, and other actions that could reduce or eliminate the obstacles identified in subparagraphs (A) and (B); and

"(D) the costs and benefits associated with reducing or eliminating the obstacles identified in subparagraphs (A) and (B).

"(2) REPORT.—Not later than 1 year after the date of enactment of this Act [May 8, 2008], the Secretary shall submit to the Committee on Natural Resources of the House of Representatives and the Committee on Energy and Natural Resources of the Senate a report describing the results of the study under paragraph (1).

"(e) IMPLEMENTATION.—

"(1) GRANTS.—Subject to the availability of appropriations, the Secretary shall provide financial assistance for the development of facilities, technologies, and processes to demonstrate the feasibility, effectiveness, and safety of—

"(A) optimizing energy resource production by reducing the quantity of produced water generated; or

"(B) increasing the extent to which produced water may be recovered and made suitable for use for irrigation, municipal, or industrial uses, or other purposes without adversely affecting water quality or the environment.

"(2) LIMITATIONS.—Assistance under this subsection—

"(A) shall be provided for—

"(i) at least 1 project in each of the Upper Basin States; and

"(ii) at least 1 project in at least 1 of the Lower Basin States;

"(B) shall not exceed $1,000,000 for any project; and

"(C) shall be used to pay not more than 50 percent of the total cost of a project;

"(D) shall not be used for the operation or maintenance of any facility; and

"(E) may be in addition to assistance provided by the Federal Government pursuant to other provisions of law.

"(f) CONSULTATION, ADVICE, AND COMMENTS.—In carrying out this section, including in preparing the report required under subsection (d)(2) and establishing criteria to be used in connection with an award of financial assistance under subsection (e), the Secretary shall—

"(1) consult with the Secretary of Energy, the Administrator of the Environmental Protection Agency, and appropriate Governors and local officials;

"(2)(A) review any relevant information developed in connection with research carried out by others, including research carried out pursuant to subtitle J of title IX of the Energy Policy Act of 2005 (former) 42 U.S.C. 16371 et seq.; and

"(B) to the extent the Secretary determines to be advisable, include that information in the report required under subsection (d)(2); and

"(3) seek the advice of—

"(A) individuals with relevant professional or academic expertise; and

"(B) individuals or representatives of entities with industrial experience, particularly experience relating to production of oil, natural gas, coalbed methane, or other energy resources (including geothermal resources); and

"(4) solicit comments and suggestions from the public.

"(g) RELATION TO OTHER LAWS.—Nothing in this section supersedes, modifies, abrogates, or limits—

"(1) the effect of any State law or any interstate authority or compact relating to—

"(A) any use of water; or

"(B) the regulation of water quantity or quality; or

"(2) the applicability or effect of any Federal law (including regulations).

"(h) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated—

"(1) $1,000,000 to carry out subsection (d); and

"(2) $7,500,000 to carry out subsection (e)."

"SEC. 2. DEFINITIONS.

"As used in this Act:

"(1) DESALINATION OR DESALTING.—The terms ‘desalination’ or ‘desalting’ mean the use of any process or technique for the removal and, when feasible, adaptation to beneficial use, of organic and inorganic elements and compounds from saline or biologically impaired waters, by itself or in conjunction with other processes.

"(2) SALINE WATER.—The term ‘saline water’ means sea water, brackish water, and other mineralized or chemically impaired water.

"(3) UNITED STATES.—The term ‘United States’ means the States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, and the territories and possessions of the United States.

"(4) USABLE WATER.—The term ‘usable water’ means water of a high quality suitable for environmental enhancement, agricultural, industrial, municipal,
and other beneficial consumptive or nonconsumptive uses.

"(5) Secretary.—The term 'Secretary' means the Secretary of the Interior.

"SEC. 3. AUTHORIZATION OF RESEARCH AND STUDIES.

"(a) In General.—In order to determine the most cost-effective and technologically efficient means by which usable water can be produced from saline water or water otherwise impaired or contaminated, the Secretary is authorized to award grants and to enter into contracts, to the extent provided in advance in appropriation Acts, to conduct, encourage, and assist in the financing of research to develop processes for converting saline water into water suitable for beneficial uses. Awards of research grants and contracts under this section shall be made on the basis of a competitive, merit-reviewed process. Research and study topics authorized by this section include—

"(1) investigating desalination processes;

"(2) ascertaining the optimum mix of investment and operating costs;

"(3) determining the best designs for different conditions of operation;

"(4) investigating methods of increasing the economic efficiency of desalination processes through dual-purpose co-facilities with other processes involving the use of water;

"(5) conducting or contracting for technical work, including the design, construction, and testing of pilot systems and test beds, to develop desalting processes and concepts;

"(6) studying methods for the recovery of byproducts resulting from desalination to offset the costs of treatment and to reduce environmental impacts from those byproducts;

"(7) salinity modeling and toxicity analysis of brine discharges, cost reduction strategies for constructing and operating desalination facilities, and the horticultural effects of desalinated water used for irrigation;

"(8) development of metrics to analyze the costs and benefits of desalination relative to other sources of water (including costs and benefits related to associated infrastructure, energy use, environmental impacts, and diversification of water supplies); and

"(9) development of design and siting specifications that avoid or minimize, adverse economic and environmental impacts.

"(b) Project Recommendations and Reports to the Congress.—As soon as practicable and within three years after the date of enactment of this Act (Oct. 11, 1996), the Secretary shall recommend to Congress desalination demonstration projects or full-scale desalination projects to carry out the purposes of this Act and to further evaluate and implement the results of research and studies conducted under the authority of this section. Recommendations for projects shall be accompanied by reports on the engineering and economic feasibility of proposed projects and their environmental impacts.

"(c) Authority To Engage Others.—In carrying out research and studies authorized in this section, the Secretary may engage the necessary personnel, industrial or engineering firms, Federal laboratories, water resources research and technology institutes, other facilities, and educational institutions suitable to conduct investigations and studies authorized under this section.

"(d) Alternative Technologies.—In carrying out the purposes of this Act, the Secretary shall ensure that at least three separate technologies are evaluated and demonstrated for the purposes of accomplishing desalination.

"(e) Prioritization.—In carrying out this section, the Secretary shall prioritize funding for research—

"(1) to reduce energy consumption and lower the cost of desalination, including chloride control;

"(2) to reduce the environmental impacts of seawater desalination and develop technology and strategies to minimize those impacts;

"(3) to improve existing reverse osmosis and membrane technology;

"(4) to carry out basic and applied research on next generation desalination technologies, including improved energy recovery systems and renewable energy-powered desalination systems that could significantly reduce desalination costs;

"(5) to develop portable or modular desalination units capable of providing temporary emergency water supplies for domestic or military deployment purposes; and

"(6) to develop and promote innovative desalination technologies, including chloride control, identified by the Secretary.

"SEC. 4. DESALINATION DEMONSTRATION AND DEVELOPMENT.

"(a) In General.—In order to further demonstrate the feasibility of desalination processes investigated either independently or in research conducted pursuant to section 3, the Secretary shall administer and conduct a demonstration and development program for water desalination and related activities, including the following:

"(1) Desalination Plants and Modules.—Conduct or contract for technical work, including the design, construction, and testing of plants and modules to develop desalination processes and concepts.

"(A) In general.—Subject to the requirements of this subsection, the Secretary of the Interior may participate in an eligible desalination project in an amount equal to not more than 25 percent of the total cost of the eligible desalination project.

"(B) Eligible Desalination Project.—The term 'eligible desalination project' means any project in a Reclamation State, that—

"(I) involves an ocean or brackish water desalination facility either constructed, operated and maintained; or sponsored by any State, department of a State, subdivision of a State or public agency organized pursuant to a State law; and

"(ii) provides a Federal benefit in accordance with the reclamation laws (including regulations).

"(C) State Role.—Participation by the Secretary of the Interior in an eligible desalination project under this subsection shall not occur unless—

"(I) the project is included in a state-approved plan or federal participation has been requested by the Governor of the State in which the eligible desalination project is located; and

"(II) sufficient non-Federal funding is available to complete the eligible desalination project; and

"(III) the eligible desalination project sponsors are financially solvent; and

"(d) Environmental Laws.—When participating in an eligible desalination project under this subsection, the Secretary shall comply with all applicable environmental laws, including the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.).

"(E) Information.—When participating in an eligible desalination project under this subsection, the Secretary of the Interior—

"(1) may rely on reports prepared by the sponsor of the eligible desalination project, including feasibility (or equivalent) studies, environmental analyses, and other pertinent reports and analyses; but
SEC. 6. TECHNICAL AND ADMINISTRATIVE ASSISTANCE.

The Secretary may:

(1) accept technical and administrative assistance from States and public or private agencies in connection with studies, surveys, location, construction, operation, and other work relating to the desalting of water; and

(2) enter into contracts or agreements stating the purposes for which the assistance is contributed and providing for the sharing of costs between the Secretary and any such agency.

SEC. 7. COST SHARING.

"The Federal share of the cost of a research, study, or demonstration project or a desalination development project or activity carried out under this Act shall not exceed 50 percent of the total cost of the project or research or study activity. A Federal contribution in excess of 25 percent for a project carried out under this Act may not be made unless the Secretary determines that the project is not feasible without such increased Federal contribution. The Secretary shall prescribe appropriate procedures to implement the provisions of this section. Costs of operation, maintenance, repair, and rehabilitation of facilities funded under the authority of this Act shall be non-Federal responsibilities.

SEC. 8. AUTHORIZATION OF APPROPRIATIONS.

(a) SECTION 3.—There are authorized to be appropriated to carry out section 3 of this Act $5,000,000 per year for fiscal years 1997 through 2021. Of these amounts, up to $1,000,000 in each fiscal year may be awarded to institutions of higher education, including United States-Mexico binational research foundations and interuniversity research programs established by the two countries, for research grants without any cost-sharing requirement.

(b) SECTION 4.—There are authorized to be appropriated to carry out section 4 of this Act $3,000,000 for each of fiscal years 2017 through 2021.

SEC. 9. CONSULTATION AND COORDINATION.

(a) CONSULTATION.—In carrying out the provisions of this Act, the Secretary shall consult with the heads of other Federal agencies, including the Secretary of the Army, which have experience in conducting desalination research or operating desalination facilities.

(b) COORDINATION OF FEDERAL DESALINATION RESEARCH AND DEVELOPMENT.—The White House Office of Science and Technology Policy shall develop a coordinated strategic plan that—

(1) establishes priorities for future Federal investments in desalination; (2) coordinates the activities of Federal agencies involved in desalination, including the Bureau of Reclamation, the Corps of Engineers, the United States Army Tank Automotive Research, Development and Engineering Center, the National Science Foundation, the Office of Naval Research, the Department of Energy, the United States Geological Survey, the Environmental Protection Agency, and the National Oceanic and Atmospheric Administration;

(3) strengthens research and development cooperation with international partners, such as the State of Israel, in the area of desalination technology; and

(4) promotes public-private partnerships to develop a framework for assessing needs for, and to optimize siting and design of, future ocean desalination projects.

(c) OTHER DESALINATION PROGRAMS.—The authorization provided for in this Act shall not prohibit other agencies from carrying out separately authorized programs for desalination research or operations.
§ 10301

TITLE 42—THE PUBLIC HEALTH AND WELFARE

Page 7398

"(1) plan for the development of an adequate supply of water in the region;
"(2) develop and provide information and technical assistance concerning water management practices to agricultural producers in the region;
"(3) examine alternatives for the development of an adequate supply of water for the region; and
"(4) develop water-conservation management practices which are efficient for agricultural producers in the region.

"(b) The Water Resources Research Act [of 1984] (Public Law 98-242) [see Short Title note above] is amended by adding at the end thereof the following new title:

"TITLe III—OGAllALA AQUIFER RESEARCH AND DEVELOPMENT

"S. 301. (a) There is hereby established the High Plains Study Council composed of:
"(1) one of each State of the High Plains region (defined for the purposes of this title as the States of Colorado, Kansas, Nebraska, New Mexico, Oklahoma, South Dakota, Texas, and Wyoming and referred to hereinafter in this title as the "High Plains region"), or a designee of the Governor;
"(2) a representative of the Department of Agriculture; and
"(3) a representative of the Secretary.

"(b) The Council established pursuant to this section shall—

"(1) review research work being performed by each State committee established under section 302 of this Act; and
"(2) coordinate such research efforts to avoid duplication of research and to assist in the development of research plans within each State of the High Plains region that will benefit the research needs of the entire region.

"S. 302. (a) The Secretary shall establish within each State of the High Plains region an Ogallala aquifer technical advisory committee (hereinafter in this title referred to as the "State committee"). Each State committee shall be composed of no more than seven members, including—

"(1) a representative of the United States Department of Agriculture;
"(2) a representative of the Secretary; and
"(3) at the appointment of the Governor of the State, five representatives from agencies of that State having jurisdiction over water resources, the agricultural community, the State Water Research Institute (as designated under this Act [see Short Title note above]), and others with a special interest or expertise in water resources.

"(b) The State committee established pursuant to subsection (a) of this section shall—

"(1) review existing State laws and institutions concerning water management and, where appropriate, recommend changes to improve State or local management capabilities and more efficiently use the waters of such State, if such a review is not already being undertaken by the State;
"(2) establish, in coordination with other State committees, State priorities for research and demonstration projects involving water resources; and
"(3) provide public information, education, extension, and technical assistance on the need for water conservation and information on proven and cost-effective water management.

"(c) Each State committee established pursuant to this section shall elect a chairman, and shall meet at least once every three months at the call of the chairman, unless the chairman determines, after consultation with a majority of the members of the committee, that such a meeting is not necessary to achieve the purposes of this section.

"S. 303. The Secretary shall annually allocate among the States of the High Plains region funds authorized to be appropriated for this section for research in—

"(1) water-use efficiency;
"(2) cultural methods;
"(3) irrigation technologies;
"(4) water-efficient crops; and
"(5) water and soil conservation.

"Funds distributed under this section shall be allocated to each State committee for use by institutions of higher education within each State. To qualify for funds under this section an institution of higher education shall submit a proposal to the State committee describing the costs, methods, and goals of the proposed research. Proposals shall be selected by the State committee on the basis of merit.

"S. 304. The Secretary shall annually divide funds authorized to be appropriated under this section among the States of the High Plains region for research into—

"(1) precipitation management;
"(2) weather modification;
"(3) aquifer recharge opportunities;
"(4) saline water use;
"(5) desalination technologies;
"(6) salt tolerant crops; and
"(7) ground water recovery.

"Funds distributed under this section shall be allocated by the Secretary to the State committee for distribution to institutions of higher education within such State. To qualify for a grant under this section, an institution of higher education shall submit a research proposal to the State committee describing the costs, methods, and goals of the proposed research. Proposals shall be selected by the State committee on the basis of merit.

"S. 305. The Secretary shall annually allocate among the States of the High Plains region funds authorized to be appropriated under this section for grants to farmers for demonstration projects for—

"(1) water-efficient irrigation technologies and practices;
"(2) soil and water conservation management systems; and
"(3) the growing and marketing of more water-efficient crops.

"Grants under this section shall be made by each State committee in amounts not to exceed 75 percent of the cost of each demonstration project. To qualify for a grant under this section, a farmer shall submit a proposal to the State committee describing the costs, methods, and goals of the proposed project. Proposals shall be selected by the State committee on the basis of merit. Each State committee shall monitor each demonstration project to assure proper implementation and make the results of the project available to other State committees.

"S. 306. The Secretary, acting through the United States Geological Survey and in cooperation with the States of the High Plains region, is authorized and directed to monitor the levels of the Ogallala aquifer, and report biennially to Congress. [As amended Pub. L. 104-66, title I, §1082(a)(1), Dec. 21, 1995, 109 Stat. 721.]

"S. 307. The amount of any allocation of funds to a State under this title shall not exceed 75 percent of the cost of carrying out the purposes for which the grant is made.

"S. 308. Not later than one year after the date of enactment of this title [Nov. 17, 1986], and at intervals of 2 years thereafter, the Secretary shall prepare and transmit to Congress a report on activities undertaken under this title. [As amended Pub. L. 104-66, title I, §1082(a)(2), Dec. 21, 1995, 109 Stat. 721.]

"S. 309. (a) For each of the fiscal years ending September 30, 1987, through September 30, 1995, the following sums are authorized to be appropriated to the Secretary to implement the following sections of this title, and such sums shall remain available until expended:

"(1) $600,000 for the purposes of section 302;
"(2) $4,300,000 for the purposes of section 303;
"(3) $2,200,000 for the purposes of section 304;
"(4) $3,300,000 for the purposes of section 305; and
"(5) $600,000 for the purposes of section 306.

"(b) Funds made available under this title for distribution to the States of the High Plains region shall...
be distributed equally among the States."


[For termination, effective May 15, 2000, of provisions of law requiring submittal of reports to a Congress of any annual, semiannual, or other regular periodic report listed in House Document No. 103–7 (in which the 17th and 18th items on page 72 identify reporting provisions which, as subsequently amended, are contained in sections 306, 308, and 309 of Pub. L. 98–242, set out in the note above), see section 3003 of Pub. L. 101–66, as amended, set out as a note under section 1119 of Title 31, Money and Finance.]

**Desalting Plants**


(1) The Secretary of the Interior is authorized and directed to demonstrate the engineering and economic viability of membrane and phase-change desalting processes. Such demonstrations shall include the study, design, construction, operation, and maintenance of desalting plants at locations in the United States (which may include the District of Columbia, the Commonwealth of Puerto Rico, American Samoa, Guam, the Virgin Islands, the Mariana Islands, and the Trust Territory of the Pacific Islands): Provided, That at least two such plants shall demonstrate desalting of brackish ground water: And provided further, That the plants constructed pursuant to this section shall be for the purpose of showing that the technology being demonstrated is ready for application; such plants shall be sufficient to demonstrate the specific application of the technology, and shall be significantly different in operation and process so as not to duplicate any other demonstration plant constructed pursuant to this section. The Secretary is further authorized to conduct such demonstrations or any portion thereof by means of cooperative agreements (as defined and authorized by former 41 U.S.C. 504 et seq. (the Federal Grant and Cooperative Agreement Act of 1977; Public Law 95–224) (see 31 U.S.C. 6301 et seq.)) with duly authorized non-Federal public entities. Title to demonstration facilities constructed by the non-Federal public entity under a cooperative agreement shall vest in the non-Federal public entity.

(2) Funds appropriated pursuant to the authority provided by this section (this note) may not be expended until thirty calendar days (excluding days on which either the House of Representatives or the Senate is not in session because of an adjournment of more than three calendar days to a day certain) have elapsed following transmittal of a report to the chairman of the Committee on Interior and Insular Affairs (now Committee on Natural Resources) of the House of Representatives and the chairman of the Committee on Environment and Public Works of the United States Senate. Such report shall present information that includes, but is not limited to, how the plant being proposed differs from others, if any, already constructed under this section, the location of the demonstration plant, the characteristics of the water proposed to be desalinated, the process to be utilized, the water supply problems confronting the area in which the plant will be located, alternative sources of water and their probable cost, the capacity of the plant, the initial investment cost of the demonstration plant, the annual operating cost of the demonstration plant, the source of energy for the plant and its cost, the means of reject brine disposal and its environmental consequences, and the unit cost of product water, considering the amortization of all components of the demonstration plant and ancillary facilities. Such report shall be accompanied by a proposed contract (or cooperative agreement) between the Secretary and a duly authorized non-Federal entity, in which such entity shall agree to provide, without being limited to, necessary water rights, water supplies, rights-of-way, power source interconnections, brine disposal facilities, land, construction, ancillary facilities, and the operation and maintenance of such demonstration, access to the demonstration and its operating data will not be denied to the Secretary or his representatives. The period of participation by the Secretary in the operation and maintenance of any such demonstration shall be four years. The Secretary is authorized to include in the proposed contract a provision for conveying, as appropriate, and in such amounts as are appropriate, rights, title, and interest of the Federal Government in the demonstration project to the non-Federal public entity.

(3) There is authorized to be appropriated, to remain available until expended, for the fiscal year ending September 30, 1978, and thereafter, the sum of $50,000,000 to finance the total Federal share of the cost of the demonstration plants authorized by this section; such cost to include, without being limited to, necessary water rights, water supplies, rights-of-way, power source interconnections, brine disposal facilities, construction, ancillary facilities, and the operation and maintenance costs for the four-year period of Federal participation in such costs.

(4) When appropriations have been made for the commencement or continuation of design, construction, or operation and maintenance of any demonstration plant authorized under this Act (this note), the Secretary may, in connection with such design, construction, or operation and maintenance, enter into contracts and cooperative agreements for miscellaneous services, for materials and supplies, as well as for construction, which may cover such periods of time as the Secretary may consider necessary but in which the liability of the United States shall be contingent upon appropriations being made therefor.

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

§10302. Congressional declaration of purpose

It is the purpose of this chapter to assist the Nation and the States in augmenting their water resources science and technology as a way to—

1. assure supplies of water sufficient in quantity and quality to meet the Nation's expanding needs for the production of food, materials, and energy;

2. discover practical solutions to the Nation's water and water resources related problems, particularly those problems related to impaired water quality;

3. assure the protection and enhancement of environmental and social values in connection with water resources management and utilization;

4. promote the interest of State and local governments as well as private industry in research and the development of technology that will reclaim waste water and to convert saline and other impaired waters to waters suitable for municipal, industrial, agricultural, recreational, and other beneficial uses;

5. promote more effective coordination of the Nation's water resources research program;

6. promote the development of a cadre of trained research scientists, engineers, and technicians for future water resources problems; and
§ 10303. Water resources research and technology institutes

(a) Establishment; designation of site by State legislature or Governor

Subject to the approval of the Secretary of the Interior (hereafter in this chapter referred to as the “Secretary”) under this section, one water resources research and technology institute, center, or equivalent agency (hereafter in this chapter referred to as the “institute”) may be established in each State (as used in this chapter, the term “State” includes the Commonwealth of Puerto Rico, the District of Columbia, the Virgin Islands, Guam, American Samoa, the Commonwealth of the Mariana Islands and the Federated States of Micronesia) at a college or university which was established in accordance with the Act approved July 2, 1862 (12 Stat. 503) [7 U.S.C. 301 et seq.], or at some other institute designated by act of the legislature of the State concerned. If there is more than one such college or university in a State established in accordance with such Act of July 2, 1862, the institute in such State shall, in the absence of a designation to the contrary by act of the legislature of the State, be established at the one such college or university designated by the Governor of the State. Two or more States may cooperate in the establishment of a single institute or regional institute, in which event the sums otherwise allocated to institutes in each of the cooperating States shall be paid to such single or regional institute.

(b) Scope of research; other activities; cooperation and coordination

Each institute shall—

(1) plan, conduct, or otherwise arrange for computer applied and peer reviewed research that fosters—

(A) improvements in water supply reliability;

(B) the exploration of new ideas that—

(i) address water problems; or

(ii) expand understanding of water and water-related phenomena;

(C) the entry of new research scientists, engineers, and technicians into water resources fields; and

(D) the dissemination of research results to water managers and the public.¹

(2) cooperate closely with other colleges and universities in the State that have demonstrated capabilities for research, information dissemination, and graduate training in order to develop a statewide program designed to resolve State and regional water and related land problems.

Each institute shall also cooperate closely with other institutes and other organizations in the region to increase the effectiveness of the institutes and for the purpose of promoting regional coordination.

(c) Grants; matching funds

From the sums appropriated pursuant to subsection (f) of this section, each institute shall make grants to each institute to be matched on a basis of no less than 2 non-Federal dollars for every 1 Federal dollar, such sums to be used only for the reimbursement of the direct cost expenditures incurred for the conduct of the water resources research program.

(d) Submission and approval of water research program; requisite assurances

Prior to and as a condition of the receipt each fiscal year of funds appropriated under subsection (f) of this section, each institute shall submit to the Secretary for his approval a water research program that includes assurances, satisfactory to the Secretary, that such program was developed in close consultation and collaboration with the director of the State’s department of water resources or similar agency, other leading water resources officials within the State, and interested members of the public.

The program described in the preceding sentence shall include plans to promote research, training, information dissemination, and other activities meeting the needs of the State and Nation, and shall encourage regional cooperation among institutes in research into areas of water management, development, and conservation that have a regional or national character.

(e) Evaluation of water resources research program

The Secretary shall conduct a careful and detailed evaluation of each institute at least once every 3 years to determine that the quality and relevance of its water resources research and its effectiveness at producing measured results and applied water supply research as an institution for planning, conducting, and arranging for research warrants its continued support under this section. If, as a result of any such evaluation, the Secretary determines that an institute does not qualify for further support under this section, then no further grants to the institute may be made until the institute’s qualifications are reestablished to the satisfaction of the Secretary.

(f) Authorization of appropriations in general

(1) There is authorized to be appropriated to carry out this section, to remain available until

---

¹So in original. The period probably should be “,” and “.”.
expend. $12,000,000 for each of fiscal years 2007 through 2011.

(2) Any sums appropriated under this subsection but which fail to be obligated by the close of the fiscal year for which they were appropriated shall be transferred by the Secretary and available for obligation during the succeeding fiscal year under the terms of subsection (g) of this section.

(g) Additional appropriations where research focused on water problems of interstate nature

(1) There is further authorized to be appropriated to the Secretary of the Interior the sum of $6,000,000 for each of fiscal years 2007 through 2011 only for reimbursement of the direct cost expenses of additional research or synthesis of the results of research by institutes which focuses on water problems and issues of a regional or interstate nature beyond those of concern only to a single State and which relate to specific program priorities identified jointly by the Secretary and the institutes. Such funds when appropriated shall be matched on a not less than dollar-for-dollar basis by funds made available to institutes or groups of institutes, by States or other non-Federal sources. Funds made available under this subsection shall remain available until expended.

(2) Research funds made available under this subsection shall be made on a competitive basis subject to the merit of the proposal, the opportunity such funds will provide for training of water resources scientists or professionals.

(h) Coordination

(1) In general

To carry out this chapter, the Secretary—

(A) shall encourage other Federal departments, agencies (including agencies within the Department of the Interior), and instrumentalities to use and take advantage of the expertise and capabilities that are available through the institutes established by this section, on a cooperative or other basis;

(B) shall encourage cooperation and coordination with other Federal programs concerned with water resources problems and issues;

(C) may enter into contracts, cooperative agreements, and other transactions without regard to section 6101 of title 41;

(D) may accept funds from other Federal departments, agencies (including agencies within the Department of the Interior), and instrumentalities to pay for and add to grants made, and contracts entered into, by the Secretary;

(E) may promulgate such regulations as the Secretary considers appropriate; and

(F) may support a program of internships for qualified individuals at the undergraduate and graduate levels to carry out the educational and training objectives of this chapter.

(2) Reports

The Secretary shall report to Congress annually on coordination efforts with other Federal departments, agencies, and instrumentalities under paragraph (1). As part of the annual budget submission to Congress, the Secretary shall also provide a crosscut budget detailing the expenditures on activities listed under subsection (a)(1) and a report which details the level of applied research and the results of the activities authorized by this chapter, including potential and actual—

(A) increases in annual water supplies;

(B) increases in annual water yields;

(C) advances in water infrastructure and water quality improvements; and

(D) methods for identifying, and determining the effectiveness of, treatment technologies and efficiencies.

(3) Relationship to State rights

Nothing in this chapter shall preempt the rights and authorities of any State with respect to its water resources or management of those resources.


REFERENCES IN TEXT

This chapter, referred to in subsecs. (a) and (h), was in the original ‘‘this Act’’, meaning Pub. L. 98-242, Mar. 22, 1984, 98 Stat. 97, known as the Water Resources Research Act of 1984, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 10301 of this title and Tables.

Act approved July 2, 1862, referred to in subsec. (a), is act July 2, 1862, ch. 139, 12 Stat. 503, popularly known as the ‘‘Morrill Act’’ and also as the ‘‘First Morrill Act’’, which is classified generally to subchapter I (§301 et seq.) of chapter 13 of Title 7, Agriculture. For complete classification of this Act to the Code, see Short Title note set out under section 301 of Title 7 and Tables.

AMENDMENTS

2007—Subsec. (b)(1). Pub. L. 109-471, §2(a), amended par. (1) generally. Prior to amendment, par. (1) read as follows: ‘‘plan, conduct, or otherwise arrange for competent research that fosters (A) the entry of new research scientists into the water resources fields, (B) the training and education of future water scientists, engineers, and technicians, (C) the preliminary exploration for qualified individuals at the undergraduate and graduate levels to carry out the educational and training objectives of this chapter.’’

Subsec. (c). Pub. L. 109-471, §2(b), substituted ‘‘3’’ for ‘‘5’’ and inserted ‘‘at producing measured results and applied water supply research’’ after ‘‘effectiveness’’.

Subsec. (f)(1). Pub. L. 109-471, §2(c), amended par. (1) generally. Prior to amendment, par. (1) read as follows: ‘‘For the purpose of carrying out this section, there is authorized to be appropriated to the Secretary the sum of $9,000,000 for fiscal year 2001, $10,000,000 for each of fiscal years 2002 and 2003, and $12,000,000 for each of fiscal years 2004 and 2005, such sums to remain available until expended.’’

Subsec. (g)(1). Pub. L. 109-471, §2(d), substituted ‘‘$6,000,000 for each of fiscal years 2007 through 2011’’ for
§ 10304  TITLE 42—THE PUBLIC HEALTH AND WELFARE

"$3,000,000 for fiscal year 2001, $4,000,000 for each of fiscal years 2002 and 2003, and $5,000,000 for each of fiscal years 2004 and 2005".

Subsec. (h)(2). Pub. L. 109–471, § 2(e), substituted "Reports" for "Report" in heading and inserted after first sentence "As part of the annual budget submission to Congress, the Secretary shall also provide a crosscut budget detailing the expenditures on activities listed under subsection (a)(1) and a report which details the level of applied research and the results of the activities authorized by this chapter, including potential and actual—" and subpars. (A) to (D).

2000—Subsec. (f)(1). Pub. L. 106–374, § 1, substituted "$3,000,000 for each of fiscal years 2002 and 2003, and $5,000,000 for each of fiscal years 2004 and 2005" for "$5,000,000 for each fiscal year 1996, $7,000,000 for each of fiscal years 1997 and 1998, and $9,000,000 for each of fiscal years 1999 and 2000".

Subsec. (g)(1). Pub. L. 106–374, § 2, in first sentence, substituted "$3,000,000 for fiscal year 2001, $4,000,000 for each of fiscal years 2002 and 2003, and $5,000,000 for each of fiscal years 2004 and 2005" for "$3,000,000 for each of fiscal years 1996 through 2000".

1996—Subsec. (c). Pub. L. 104–147, § 3, substituted "$2,000,000 for each of fiscal years 1996 through 2000" for "one non-Federal dollar for every Federal dollar during the fiscal years ending September 30, 1985, and September 30, 1986, one and one-half non-Federal dollars for each Federal dollar during the fiscal years ending September 30, 1987, and September 30, 1988, and two non-Federal dollars for each Federal dollar during the fiscal year ending September 30, 1989 and thereafter".

Subsec. (f)(1). Pub. L. 104–147, § 4, substituted "of $5,000,000 for fiscal year 1996, $7,000,000 for each of fiscal years 1997 and 1998, and $9,000,000 for each of fiscal years 1999 and 2000" for "of $10,000,000 for each of the fiscal years ending September 30, 1989, through September 30, 1995, and thereafter".

Subsec. (g)(1). Pub. L. 104–147, § 5, substituted "of $3,000,000,000 for each of the fiscal years 1996 through 2000" for "of $5,000,000,000 for each of the fiscal years 1991, 1992, 1993, 1994, and 1995".

Subsec. (b). Pub. L. 104–147, § 6, added subsec. (b).

1990—Subsec. (a). Pub. L. 101–397, § 1(b), substituted "Federated States of Micronesia" for "Trust Territory of the Pacific Islands".

Subsec. (b)(1). Pub. L. 101–397, § 1(d), amended par. (1) generally. Prior to amendment, par. (1) read as follows: "plan, conduct, or otherwise arrange for competent research with respect to water resources, including investigation of or experiments on either a basic or practical nature, or both; promote the dissemination and application of the results of these efforts; and provide for the training of scientists and engineers through such research, investigations, and experiments, and".

Subsec. (c). Pub. L. 101–397, § 1(e), substituted for period at end "and thereafter, such sums to be used only for the reimbursement of the direct cost expenditures incurred for the conduct of the water resources research program.".

Subsec. (e). Pub. L. 101–397, § 1(f), amended subsec. (e) generally, substituting provisions directing that evaluation be conducted at least once every 5 years for provisions directing evaluation within two years after establishment of institute and at least once every four years thereafter and striking out provisions relating to composition and function of evaluation team and setting forth criteria for determination.


Subsec. (f)(2). Pub. L. 101–397, § 1(h), substituted reference to subsec. (g) of this section for reference to section 10303 of this title.

Subsec. (g). Pub. L. 101–397, § 1(m), added subsec. (g).

SUBSEC. (H) 10304. Research concerning water resource-related problems deemed to be in national interest

(a) Grants; matching funds

(1) In addition to the grants authorized by section 10303 of this title, the Secretary is authorized to make grants on a dollar-for-dollar matching basis, to the institutes established under such section, as well as other qualified educational institutions, private foundations, private firms, individuals, and agencies of local or State government for research concerning any aspect of a water resource-related problem which the Secretary may deem to be in the national interest. Such grants shall be made with such advice and review by peer or other expert groups of appropriate interdisciplinary composition as the Secretary deems appropriate on the basis of the merits of the project and the need for the knowledge such project is expected to produce upon completion.

(2) Research funded under this section should to the extent possible utilize the best qualified graduate students so the Nation profits from the education and training benefits resulting from the use of the latest in technological developments in solving water problems.

(b) Applications for grants

Each application for a grant under this section shall state the nature of the project to be undertaken, the period during which it will be pursued, the qualifications of the personnel who will direct and conduct it, the importance of the project to the Nation as well as to the region and State concerned, its relation to other research projects previously or currently being pursued, and the extent to which it will provide an opportunity for the training of water resources scientists.

(c) Authorization of appropriations

There is authorized to be appropriated to the Secretary the sum of $10,000,000 for the purpose of carrying out this section for each of the fiscal years ending September 30, 1985, through September 30, 1995, such sums to remain available until expended.
§ 10305. Development of water-related technology

(a) Grants; matching funds

(1) The Secretary shall make grants in addition to those authorized under sections 10303 and 10304 of this title for technology development concerning any aspect of water resources including water-related technology which the Secretary deems to be of State, regional, or national importance. Activities funded under this section may be carried out by educational institutions, private firms, foundations, individuals, or agencies of State or local government. Care shall be taken to protect proprietary information of private individuals or firms associated with the technology.

(2) The Secretary may establish any condition for the matching of funds by the recipient of any grant or contract under this section which the Secretary considers to be in the best interest of the Nation concerning the information transfer and technology needs of the Nation. However, in the case of institutes established by section 10303 of this title no match greater than that required under section 10303 of this title may be required.

(b) Applications for grants

Each application for a grant under this section shall state the nature of the project to be undertaken, the qualifications of the personnel who will direct and conduct it, facilities of the organization performing any technology development, the importance of the project to the Nation, region, and State concerned, and the potential benefit to be accrued.

(c) Authorization of appropriations

There is authorized to be appropriated to the Secretary the sum of $6,000,000 for the purpose of carrying out this section for each of the fiscal years ending September 30, 1990, through September 30, 1995; such sums to remain available until expended.

§ 10306. Administrative costs

From the sums appropriated pursuant to this chapter, not more than 7.5 per centum shall be utilized for administrative costs.

§ 10307. Types of research and development

The type of research and development to be undertaken under the authority of sections 10303 and 10305 of this title and to be encouraged by the institutes established under section 10303 of this title shall include the following:

1. Aspects of the hydrologic cycle;
2. Supply and demand for water;
3. Depletion, contamination, and degradation of groundwater supplies;
4. Conservation and best use of available supplies of water and methods of increasing such supplies;
5. Water reuse;
6. Demineralization of saline and other impaired waters;
7. Improvements in the productivity of water when used for agricultural, municipal, and commercial purposes;
8. The economic, legal, engineering, social, recreational, biological, geographic, ecological, and other aspects of water quality and quantity problems;
9. Scientific information dissemination activities, including identifying, assembling, and interpreting the results of scientific and engineering research on water resources problems; and
10. Providing means for improved communication of research results, having due regard for the varying conditions and needs for the respective States and regions.

§ 10308. Patent policy

Notwithstanding any other provision of law, the Secretary shall be governed by the provisions of sections 5908 (except subsections (l) and
(n)) and §509 of this title with respect to patent policy and to the definition of title to and licensing of inventions made or conceived in the course of work performed, or under any contract or grant made, pursuant to this chapter. Subject to such patent policy, all research or development contracted for, sponsored, cosponsored, or authorized under authority of this chapter shall be provided in such manner that all information, data, and know-how, regardless of their nature or mediums, resulting from such research and development shall (with such exceptions and limitations, if any, as the Secretary may find to be necessary in the interest of national defense) be usefully available for practice by the general public.


REFERENCES IN TEXT

This chapter, referred to in text, was in the original ‘‘this Act’’, meaning Pub. L. 98–242, Mar. 22, 1984, 98 Stat. 97, known as the Water Resources Research Act of 1984, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 10301 of this title and Tables.

§ 10309. New spending authority; amounts provided in advance

Any new spending authority described in subsection (c)(2)(A) or (B) of section 651 of title 2 which is provided under this chapter shall be effective for any fiscal year only to such extent or in such amounts as are provided in advance in appropriations Acts.


REFERENCES IN TEXT

Section 651 of title 2, referred to in text, was amended by Pub. L. 105–33, title X, §10116(a)(3), (5), Aug. 5, 1997, 111 Stat. 691, by striking out subsec. (c) and redesignating, for purposes of statutory references, former subsec. (d) as (c).

This chapter, referred to in text, was in the original ‘‘this Act’’, meaning Pub. L. 98–242, Mar. 22, 1984, 98 Stat. 97, known as the Water Resources Research Act of 1984, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 10301 of this title and Tables.

CHAPTER 109A—MEMBRANE PROCESSES RESEARCH

Sec.
10341. Findings.
10342. Research program.
10343. Goals of research program.
10344. Coordination with other research.
10345. Authorization of appropriations.

§ 10341. Findings

The Congress finds that—

(1) there is an increasing threat of impairment to the quantity and quality of the Nation’s water resources due to, among other things, growing national needs, recurring drought in the Western States, point and nonpoint source pollution, and saltwater intrusion into existing groundwater supplies;

(2) many communities in the United States have water supplies containing high salinity levels or contaminants which pose health risks;

(3) the Nation needs to develop economical processes to treat existing water supplies that are contaminated;

(4) it is necessary to provide for research into new techniques to reclaim waste water and to convert saline and other contaminated waters to a quality suitable for municipal, industrial, agricultural, recreational, and other beneficial uses;

(5) there is very little Federal funding being applied to basic research in the field of treatment of contaminated water through membrane processes; and

(6) the treatment of contaminated water through membrane processes will solve a wide variety of water treatment problems, including compliance with the Federal Water Pollution Control Act [33 U.S.C. 1251 et seq.] and the Safe Drinking Water Act [42 U.S.C. 300f et seq.].


REFERENCES IN TEXT

The Federal Water Pollution Control Act, referred to in par. (6), is act June 30, 1948, ch. 758, as amended generally by Pub. L. 92–500, §2, Oct. 18, 1972, 86 Stat. 816, which is classified generally to chapter 26 (§1251 et seq.) of Title 33, Navigation and Navigable Waters. For complete classification of this Act to the Code, see Short Title note set out under section 1251 of Title 33 and Tables.

The Safe Drinking Water Act, referred to in par. (6), is title XIV of act July 1, 1944, as added Dec. 16, 1974, Pub. L. 93–523, §2(a), 88 Stat. 1666, as amended, which is classified generally to subchapter XII (§300f et seq.) of chapter 6A of this title. For complete classification of this Act to the Code, see Short Title note set out under section 201 of this title and Tables.

SHORT TITLE


§ 10342. Research program

The Director of the National Science Foundation shall establish a basic research program on membranes and membrane processes. Such program may be carried out through awarding grants, entering into contracts or cooperative agreements, or direct research.


§ 10343. Goals of research program

The goals of the research program established under section 10342 of this title shall be—

(1) the development of membranes resistant to degradation, bacterial or otherwise, thereby extending the life of such membranes;

(2) the development of membranes useful for the efficient and cost effective treatment of contaminated water; and

(3) the development of innovative technologies for membrane processes.

§ 10344. Coordination with other research

The research program established under section 10342 of this title shall be carried out in coordination with any other related Federal research efforts.


§ 10345. Authorization of appropriations

There are authorized to be appropriated to the Director of the National Science Foundation, from sums otherwise authorized to be appropriated, $2,500,000 for fiscal year 1993, for carrying out this chapter.


CHAPTER 109B—SECURE WATER

Sec. 10361. Findings.
10362. Definitions.
10363. Reclamation climate change and water program.
10364. Water management improvement.
10365. Hydroelectric power assessment.
10366. Climate change and water intragovernmental panel.
10368. National water availability and use assessment program.
10369. Research agreement authority.
10370. Effect.

§ 10361. Findings

Congress finds that—

(1) adequate and safe supplies of water are fundamental to the health, economy, security, and ecology of the United States;

(2) systematic data-gathering with respect to, and research and development of, the water resources of the United States will help ensure the continued existence of sufficient quantities of water to support—

(A) increasing populations;

(B) economic growth;

(C) irrigated agriculture;

(D) energy production; and

(E) the protection of aquatic ecosystems;

(3) global climate change poses a significant challenge to the protection and use of the water resources of the United States due to an increased uncertainty with respect to the timing, form, and geographical distribution of precipitation, which may have a substantial effect on the supplies of water for agricultural, hydroelectric power, industrial, domestic supply, and environmental needs;

(4) although States bear the primary responsibility and authority for managing the water resources of the United States, the Federal Government should support the States, as well as regional, local, and tribal governments, by carrying out—

(A) nationwide data collection and monitoring activities;

(B) relevant research; and

(C) activities to increase the efficiency of the use of water in the United States;

(5) Federal agencies that conduct water management and related activities have a responsibility—

(A) to take a lead role in assessing risks to the water resources of the United States (including risks posed by global climate change); and

(B) to develop strategies—

(i) to mitigate the potential impacts of each risk described in subparagraph (A); and

(ii) to help ensure that the long-term water resources management of the United States is sustainable and will ensure sustainable quantities of water;

(6) it is critical to continue and expand research and monitoring efforts—

(A) to improve the understanding of the variability of the water cycle; and

(B) to provide basic information necessary—

(i) to manage and efficiently use the water resources of the United States; and

(ii) to identify new supplies of water that are capable of being reclaimed; and

(7) the study of water use is vital—

(A) to the understanding of the impacts of human activity on water and ecological resources; and

(B) to the assessment of whether available surface and groundwater supplies will be available to meet the future needs of the United States.


§ 10362. Definitions

In this section: 1

(1) Administrator

The term “Administrator” means the Administrator of the National Oceanic and Atmospheric Administration.

(2) Advisory Committee

The term “Advisory Committee” means the National Advisory Committee on Water Information established—

(A) under the Office of Management and Budget Circular 92–01; and

(B) to coordinate water data collection activities.

(3) Assessment program

The term “assessment program” means the water availability and use assessment program established by the Secretary under section 10368(a) of this title.

(4) Climate division

The term “climate division” means 1 of the 359 divisions in the United States that represent 2 or more regions located within a State that are as climatically homogeneous as possible, as determined by the Administrator.

(5) Commissioner

The term “Commissioner” means the Commissioner of Reclamation.

(6) Director

The term “Director” means the Director of the United States Geological Survey.

1 So in original. Probably should be a reference to this chapter.
(7) Eligible applicant
   The term "eligible applicant" means any State, Indian tribe, irrigation district, water district, or other organization with water or power delivery authority.

(8) Federal Power Marketing Administration
   The term "Federal Power Marketing Administration" means—
   (A) the Bonneville Power Administration;
   (B) the Southeastern Power Administration;
   (C) the Southwestern Power Administration; and
   (D) the Western Area Power Administration.

(9) Hydrologic accounting unit
   The term "hydrologic accounting unit" means 1 of the 352 river basin hydrologic accounting units used by the United States Geological Survey.

(10) Indian tribe
   The term "Indian tribe" has the meaning given the term in section 5304 of title 25.

(11) Major aquifer system
   The term "major aquifer system" means a groundwater system that is—
   (A) identified as a significant groundwater system by the Director; and
   (B) included in the Groundwater Atlas of the United States, published by the United States Geological Survey.

(12) Major reclamation river basin
   (A) In general
      The term "major reclamation river basin" means each major river system (including tributaries)—
      (i) that is located in a service area of the Bureau of Reclamation; and
      (ii) at which is located a federally authorized project of the Bureau of Reclamation.
   (B) Inclusions
      The term "major reclamation river basin" includes—
      (i) the Colorado River;
      (ii) the Columbia River;
      (iii) the Klamath River;
      (iv) the Missouri River;
      (v) the Rio Grande;
      (vi) the Sacramento River;
      (vii) the San Joaquin River; and
      (viii) the Truckee River.

(13) Non-Federal participant
   The term "non-Federal participant" means—
   (A) a State, regional, or local authority;
   (B) an Indian tribe or tribal organization; or
   (C) any other qualifying entity, such as a water conservation district, water conservancy district, or rural water district or association, or a nongovernmental organization.

(14) Panel
   The term "panel" means the climate change and water intragovernmental panel established by the Secretary under section 10366(a) of this title.

(15) Program
   The term "program" means the regional integrated sciences and assessments program—
   (A) established by the Administrator; and
   (B) that is comprised of 8 regional programs that use advances in integrated climate sciences to assist decisionmaking processes.

(16) Secretary
   (A) In general
      Except as provided in subparagraph (B), the term "Secretary" means the Secretary of the Interior.
   (B) Exceptions
      The term "Secretary" means—
      (i) in the case of sections 10363, 10364, and 10369 of this title, the Secretary of the Interior (acting through the Commissioner); and
      (ii) in the case of sections 10367 and 10368 of this title, the Secretary of the Interior (acting through the Director).

(17) Service area
   The term "service area" means any area that encompasses a watershed that contains a federally authorized reclamation project that is located in any State or area described in section 391 of title 43.

§ 10363. Reclamation climate change and water program

(a) In general
   The Secretary shall establish a climate change adaptation program—
   (1) to coordinate with the Administrator and other appropriate agencies to assess each effect of, and risk resulting from, global climate change with respect to the quantity of water resources located in a service area; and
   (2) to ensure, to the maximum extent possible, that strategies are developed at watershed and aquifer system scales to address potential water shortages, conflicts, and other impacts to water users located at, and the environment of, each service area.

(b) Required elements
   In carrying out the program described in subsection (a), the Secretary shall—
   (1) coordinate with the United States Geological Survey, the National Oceanic and Atmospheric Administration, the program, and each appropriate State water resource agency, to ensure that the Secretary has access to the best available scientific information with respect to presently observed and projected future impacts of global climate change on water resources;
   (2) assess specific risks to the water supply of each major reclamation river basin, including any risk relating to—
      (A) a change in snowpack;
      (B) changes in the timing and quantity of runoff;
(C) changes in groundwater recharge and discharge; and
(D) any increase in—
    (i) the demand for water as a result of increasing temperatures; and
    (ii) the rate of reservoir evaporation;
(3) with respect to each major reclamation river basin, analyze the extent to which
    changes in the water supply of the United States will impact—
    (A) the ability of the Secretary to deliver water to the contractors of the Secretary;
    (B) hydroelectric power generation facilities;
    (C) recreation at reclamation facilities;
    (D) fish and wildlife habitat;
    (E) applicable species listed as an endangered, threatened, or candidate species
        under the Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.);
    (F) water quality issues (including salinity levels of each major reclamation river basin);
    (G) flow and water dependent ecological resiliency; and
    (H) flood control management;
(4) in consultation with appropriate non-Federal participants, consider and develop
    appropriate strategies to mitigate each impact
    of water supply changes analyzed by the Secretary under paragraph (3), including strategies relating to—
    (A) the modification of any reservoir storage or operating guideline in existence as of
        March 30, 2009;
    (B) the development of new water management, operating, or habitat restoration plans;
    (C) water conservation;
    (D) improved hydrologic models and other decision support systems; and
    (E) groundwater and surface water storage needs; and
(5) in consultation with the Director, the Administrator, the Secretary of Agriculture
    (acting through the Chief of the Natural Resources Conservation Service), and applicable State
    water resource agencies, develop a monitoring plan to acquire and maintain water resources data—
    (A) to strengthen the understanding of water supply trends; and
    (B) to assist in each assessment and analysis conducted by the Secretary under paragraphs (2) and (3).
(e) Reporting
Not later than 2 years after March 30, 2009, and every 5 years thereafter, the Secretary shall submit to the appropriate committees of Congress a report that describes—
(1) each effect of, and risk resulting from, global climate change with respect to the
    quantity of water resources located in each major reclamation river basin;
(2) the impact of global climate change with respect to the operations of the Secretary in
    each major reclamation river basin;
(3) each mitigation and adaptation strategy considered and implemented by the Secretary
    to address each effect of global climate change described in paragraph (1);
(4) each coordination activity conducted by the Secretary with—
    (A) the Director;
    (B) the Administrator;
    (C) the Secretary of Agriculture (acting through the Chief of the Natural Resources Conservation Service); or
    (D) any appropriate State water resource agency; and
(5) the implementation by the Secretary of the monitoring plan developed under subsection (b)(5).
(d) Feasibility studies
(1) Authority of Secretary
The Secretary, in cooperation with any non-Federal participant, may conduct 1 or more studies to determine the feasibility and impact on ecological resiliency of implementing each mitigation and adaptation strategy described in subsection (c)(3), including the construction of any water supply, water management, environmental, or habitat enhancement water infrastructure that the Secretary determines to be necessary to address the effects of global climate change on water resources located in each major reclamation river basin.
(2) Cost sharing
(A) Federal share
    (i) In general
        Except as provided in clause (ii), the Federal share of the cost of a study described in paragraph (1) shall not exceed 50 percent of the cost of the study.
    (ii) Exception relating to financial hardship
        The Secretary may increase the Federal share of the cost of a study described in paragraph (1) to exceed 50 percent of the cost of the study if the Secretary determines that, due to a financial hardship, the non-Federal participant of the study is unable to contribute an amount equal to 50 percent of the cost of the study.
(B) Non-Federal share
The non-Federal share of the cost of a study described in paragraph (1) may be provided in the form of any in-kind services that substantially contribute toward the completion of the study, as determined by the Secretary.
(e) No effect on existing authority
Nothing in this section amends or otherwise affects any existing authority under reclamation laws that govern the operation of any Federal reclamation project.
(f) Authorization of appropriations
There are authorized to be appropriated such sums as are necessary to carry out this section for each of fiscal years 2009 through 2023, to remain available until expended.

References in Text
§ 10364. Water management improvement

(a) Authorization of grants and cooperative agreements

(1) Authority of Secretary

The Secretary may provide any grant to, or enter into an agreement with, any eligible applicant to assist the eligible applicant in planning, designing, or constructing any improvement—

(A) to conserve water;
(B) to increase water use efficiency;
(C) to facilitate water markets;
(D) to enhance water management, including increasing the use of renewable energy in the management and delivery of water;
(E) to accelerate the adoption and use of advanced water treatment technologies to increase water supply;
(F) to prevent the decline of species that the United States Fish and Wildlife Service and National Marine Fisheries Service have proposed for listing under the Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.) (or candidate species that are being considered by those agencies for such listing but are not yet the subject of a proposed rule);
(G) to accelerate the recovery of threatened species, endangered species, and designated critical habitats that are adversely affected by Federal reclamation projects or are subject to a recovery plan or conservation plan under the Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.) under which the Commissioner of Reclamation has implementation responsibilities; or

(H) to carry out any other activity—

(i) to address any climate-related impact to the water supply of the United States that increases ecological resiliency to the impacts of climate change; or
(ii) to prevent any water-related crisis or conflict at any watershed that has a nexus to a Federal reclamation project located in a service area.

(2) Application

To be eligible to receive a grant, or enter into an agreement with the Secretary under paragraph (1), an eligible applicant shall—

(A) be located within—

(i) the States and areas referred to in section 391 of title 43;
(ii) the State of Alaska; or
(iii) the State of Hawaii; and

(B) submit to the Secretary an application that includes a proposal of the improvement or activity to be planned, designed, constructed, or implemented by the eligible applicant.

(3) Requirements of grants and cooperative agreements

(A) Compliance with requirements

Each grant and agreement entered into by the Secretary with any eligible applicant under paragraph (1) shall be in compliance with each requirement described in subparagraphs (B) through (F).

(B) Agricultural operations

(i) In general

Except as provided in clause (ii), in carrying out paragraph (1), the Secretary shall not provide a grant, or enter into an agreement, for an improvement to conserve irrigation water unless the eligible applicant agrees not—

(I) to use any associated water savings to increase the total irrigated acreage of the eligible applicant; or

(II) to otherwise increase the consumptive use of water in the operation of the eligible applicant, as determined pursuant to the law of the State in which the operation of the eligible applicant is located.

(ii) Indian tribes

In the case of an eligible applicant that is an Indian tribe, in carrying out paragraph (1), the Secretary shall not provide a grant, or enter into an agreement, for an improvement to conserve irrigation water unless the Indian tribe agrees not—

(I) to use any associated water savings to increase the total irrigated acreage more than the water right of that Indian tribe, as determined by—

(aa) a court decree;
(bb) a settlement;
(cc) a law; or
(dd) any combination of the authorities described in items (aa) through (cc); or

(II) to otherwise increase the consumptive use of water more than the water right of the Indian tribe described in subclause (I).

(C) Nonreimbursable funds

Any funds provided by the Secretary to an eligible applicant through a grant or agreement under paragraph (1) shall be nonreimbursable.

(D) Title to improvements

If an infrastructure improvement to a federally owned facility is the subject of a grant or other agreement entered into between the Secretary and an eligible applicant under paragraph (1), the Federal Government shall continue to hold title to the facility and improvements to the facility.

(E) Cost sharing

(i) Federal share

The Federal share of the cost of any infrastructure improvement or activity that is the subject of a grant or other agreement entered into between the Secretary and an eligible applicant under paragraph (1) shall not exceed 50 percent of the cost of the infrastructure improvement or activity.

(ii) Calculation of non-Federal share

In calculating the non-Federal share of the cost of an infrastructure improvement
or activity proposed by an eligible applicant through an application submitted by the eligible applicant under paragraph (2), the Secretary shall—

(I) consider the value of any in-kind services that substantially contributes toward the completion of the improvement or activity, as determined by the Secretary; and

(II) not consider any other amount that the eligible applicant receives from a Federal agency.

(iii) Maximum amount

The amount provided to an eligible applicant through a grant or other agreement under paragraph (1) shall be not more than $5,000,000.

(iv) Operation and maintenance costs

The non-Federal share of the cost of operating and maintaining any infrastructure improvement that is the subject of a grant or other agreement entered into between the Secretary and an eligible applicant under paragraph (1) shall be 100 percent.

(F) Liability

(i) In general

Except as provided under chapter 171 of title 28 (commonly known as the “Federal Tort Claims Act”), the United States shall not be liable for monetary damages of any kind for any injury arising out of an act, omission, or occurrence that arises in relation to any facility created or improved under this section, the title of which is not held by the United States.

(ii) Tort Claims Act

Nothing in this section increases the liability of the United States beyond that provided in chapter 171 of title 28 (commonly known as the “Federal Tort Claims Act”).

(b) Research agreements

(1) Authority of Secretary

The Secretary may enter into 1 or more agreements with any university, nonprofit research institution, or organization with water or power delivery authority to fund any research activity that is designed—

(A) to conserve water resources;

(B) to increase the efficiency of the use of water resources; or

(C) to enhance the management of water resources, including increasing the use of renewable energy in the management and delivery of water.

(2) Terms and conditions of Secretary

(A) In general

An agreement entered into between the Secretary and any university, institution, or organization described in paragraph (1) shall be subject to such terms and conditions as the Secretary determines to be appropriate.

(B) Availability

The agreements under this subsection shall be available to all Reclamation projects and programs that may benefit from project-specific or programmatic cooperative research and development.

(c) Mutual benefit

Grants or other agreements made under this section may be for the mutual benefit of the United States and the entity that is provided the grant or enters into the cooperative agreement.

(d) Relationship to project-specific authority

This section shall not supersede any existing project-specific funding authority.

(e) Authorization of appropriations

There is authorized to be appropriated to carry out this section $330,000,000, to remain available until expended.

(f) Authorization of appropriations

There is authorized to be appropriated to carry out this section $330,000,000, to remain available until expended.

(g) Authorization of appropriations

There is authorized to be appropriated to carry out this section $330,000,000, to remain available until expended.

(h) Authorization of appropriations

There is authorized to be appropriated to carry out this section $330,000,000, to remain available until expended.

(i) Authorization of appropriations

There is authorized to be appropriated to carry out this section $330,000,000, to remain available until expended.

(j) Authorization of appropriations

There is authorized to be appropriated to carry out this section $330,000,000, to remain available until expended.

(k) Authorization of appropriations

There is authorized to be appropriated to carry out this section $330,000,000, to remain available until expended.

(l) Authorization of appropriations

There is authorized to be appropriated to carry out this section $330,000,000, to remain available until expended.

(m) Authorization of appropriations

There is authorized to be appropriated to carry out this section $330,000,000, to remain available until expended.

(n) Authorization of appropriations

There is authorized to be appropriated to carry out this section $330,000,000, to remain available until expended.

(o) Authorization of appropriations

There is authorized to be appropriated to carry out this section $330,000,000, to remain available until expended.

(p) Authorization of appropriations

There is authorized to be appropriated to carry out this section $330,000,000, to remain available until expended.

(q) Authorization of appropriations

There is authorized to be appropriated to carry out this section $330,000,000, to remain available until expended.

(r) Authorization of appropriations

There is authorized to be appropriated to carry out this section $330,000,000, to remain available until expended.

(s) Authorization of appropriations

There is authorized to be appropriated to carry out this section $330,000,000, to remain available until expended.

(t) Authorization of appropriations

There is authorized to be appropriated to carry out this section $330,000,000, to remain available until expended.

(u) Authorization of appropriations

There is authorized to be appropriated to carry out this section $330,000,000, to remain available until expended.

(v) Authorization of appropriations

There is authorized to be appropriated to carry out this section $330,000,000, to remain available until expended.

(w) Authorization of appropriations

There is authorized to be appropriated to carry out this section $330,000,000, to remain available until expended.

(x) Authorization of appropriations

There is authorized to be appropriated to carry out this section $330,000,000, to remain available until expended.

(y) Authorization of appropriations

There is authorized to be appropriated to carry out this section $330,000,000, to remain available until expended.

(z) Authorization of appropriations

There is authorized to be appropriated to carry out this section $330,000,000, to remain available until expended.

(§ 10365) Hydroelectric power assessment

(a) Duty of Secretary of Energy

The Secretary of Energy, in consultation with the Administrator of each Federal Power Mar-
(b) Access to appropriate data

(1) In general

In carrying out each assessment under subsection (a), the Secretary of Energy shall consult with the United States Geological Survey, the National Oceanic and Atmospheric Administration, the program, and each appropriate State water resource agency, to ensure that the Secretary of Energy has access to the best available scientific information with respect to presently observed impacts and projected future impacts of global climate change on water supplies that are used to produce hydroelectric power.

(2) Access to data for certain assessments

In carrying out each assessment under subsection (a), with respect to the Bonneville Power Administration and the Western Area Power Administration, the Secretary of Energy shall consult with the Commissioner to access data and other information that—

(A) is collected by the Commissioner; and

(B) the Secretary of Energy determines to be necessary for the conduct of the assessment.

(c) Report

Not later than 2 years after March 30, 2009, and every 5 years thereafter, the Secretary of Energy shall submit to the appropriate committees of Congress a report that describes—

(1) in general, and risk resulting from, global climate change with respect to—

(A) water supplies used for hydroelectric power generation; and

(B) power supplies marketed by each Federal Power Marketing Administration, pursuant to—

(i) long-term power contracts;

(ii) contingent capacity contracts; and

(iii) short-term sales; and

(2) each recommendation of the Administrator of each Federal Power Marketing Administration relating to any change in any operation or contracting practice of each Federal Power Marketing Administration to address each effect and risk described in paragraph (1), including the use of purchased power to meet long-term commitments of each Federal Power Marketing Administration.

(d) Authority

The Secretary of Energy may enter into contracts, grants, or other agreements with appropriate entities to carry out this section.

(e) Costs

(1) Nonreimbursable

Any costs incurred by the Secretary of Energy in carrying out this section shall be nonreimbursable.

(2) PMA costs

Each Federal Power Marketing Administration shall incur costs in carrying out this section only to the extent that appropriated funds are provided by the Secretary of Energy for that purpose.

(f) Authorization of appropriations

There are authorized to be appropriated such sums as are necessary to carry out this section for each of fiscal years 2009 through 2023, to remain available until expended.


§10366. Climate change and water intragovernmental panel

(a) Establishment

The Secretary and the Administrator shall establish and lead a climate change and water intragovernmental panel—

(1) to review the current scientific understanding of each impact of global climate change on the quantity and quality of freshwater resources of the United States; and

(2) to develop any strategy that the panel determines to be necessary to improve observational capabilities, expand data acquisition, or take other actions—

(A) to increase the reliability and accuracy of modeling and prediction systems to benefit water managers at the Federal, State, and local levels; and

(B) to increase the understanding of the impacts of climate change on aquatic ecosystems.

(b) Membership

The panel shall be comprised of—

(1) the Secretary;

(2) the Director;

(3) the Administrator;

(4) the Secretary of Agriculture (acting through the Under Secretary for Natural Resources and Environment);

(5) the Commissioner;

(6) the Secretary of the Army, acting through the Chief of Engineers;

(7) the Administrator of the Environmental Protection Agency; and

(8) the Secretary of Energy.

(c) Review elements

In conducting the review and developing the strategy under subsection (a), the panel shall consult with State water resource agencies, the Advisory Committee, drinking water utilities, water research organizations, and relevant water user, environmental, and other nongovernmental organizations—

(1) to assess the extent to which the conduct of measures of streamflow, groundwater levels, soil moisture, evapotranspiration rates, evaporation rates, snowpack levels, precipitation amounts, flood risk, and glacier mass is necessary to improve the understanding of the Federal Government and the States with respect to each impact of global climate change on water resources;

(2) to identify data gaps in current water monitoring networks that must be addressed to improve the capability of the Federal Government and the States to measure, analyze, and predict changes to the quality and quan-
tity of water resources, including flood risks, that are directly or indirectly affected by global climate change;
(3) to establish data management and communication protocols and standards to increase the quality and efficiency by which each Federal agency acquires and reports relevant data;
(4) to consider options for the establishment of a data portal to enhance access to water resource data—
(A) relating to each nationally significant freshwater watershed and aquifer located in the United States; and
(B) that is collected by each Federal agency and any other public or private entity for each nationally significant freshwater watershed and aquifer located in the United States;
(5) to facilitate the development of hydrologic and other models to integrate data that reflects groundwater and surface water interactions; and
(6) to apply the hydrologic and other models developed under paragraph (5) to water resource management problems identified by the panel, including the need to maintain or improve ecological resiliency at watershed and aquifer system scales.

(d) Report
Not later than 2 years after March 30, 2009, the Secretary shall submit to the appropriate committees of Congress a report that describes the review conducted, and the strategy developed, by the panel under subsection (a).

(e) Demonstration, research, and methodology development projects

(1) Authority of Secretary
The Secretary, in consultation with the panel and the Advisory Committee, may provide grants to, or enter into any contract, cooperative agreement, interagency agreement, or other transaction with, an appropriate entity to carry out any demonstration, research, or methodology development project that the Secretary determines to be necessary to assist in the implementation of the strategy developed by the panel under subsection (a).

(2) Requirements
(A) Maximum amount of Federal share
The Federal share of the cost of any demonstration, research, or methodology development project that is the subject of any grant, contract, cooperative agreement, interagency agreement, or other transaction entered into between the Secretary and an appropriate entity under paragraph (1) shall not exceed $1,000,000.

(B) Report
An appropriate entity that receives funds from a grant, contract, cooperative agreement, interagency agreement, or other transaction entered into between the Secretary and the appropriate entity under paragraph (1) shall submit to the Secretary a report describing the results of the demonstration, research, or methodology development project conducted by the appropriate entity.

(f) Authorization of appropriations
(1) In general
There is authorized to be appropriated to carry out subsections (a) through (d) $2,000,000 for each of fiscal years 2009 through 2011, to remain available until expended.

(2) Demonstration, research, and methodology development projects
There is authorized to be appropriated to carry out subsection (e) $10,000,000 for the period of fiscal years 2009 through 2013, to remain available until expended.


§ 10367. Water data enhancement by United States Geological Survey

(a) National streamflow information program

(1) In general
The Secretary, in consultation with the Advisory Committee and the Panel and consistent with this section, shall proceed with implementation of the national streamflow information program, as reviewed by the National Research Council in 2004.

(2) Requirements
In conducting the national streamflow information program, the Secretary shall—
(A) measure streamflow and related environmental variables in nationally significant watersheds—
(i) in a reliable and continuous manner; and
(ii) to develop a comprehensive source of information on which public and private decisions relating to the management of water resources may be based;
(B) provide for a better understanding of hydrologic extremes (including floods and droughts) through the conduct of intensive data collection activities during and following hydrologic extremes;
(C) establish a base network that provides resources that are necessary for—
(i) the monitoring of long-term changes in streamflow; and
(ii) the conduct of assessments to determine the extent to which each long-term change monitored under clause (i) is related to global climate change;
(D) integrate the national streamflow information program with data collection activities of Federal agencies and appropriate State water resource agencies (including the National Integrated Drought Information System)—
(i) to enhance the comprehensive understanding of water availability;
(ii) to improve flood-hazard assessments;
(iii) to identify any data gap with respect to water resources; and
(iv) to improve hydrologic forecasting; and
(E) incorporate principles of adaptive management in the conduct of periodic reviews.
of information collected under the national streamflow information program to assess whether the objectives of the national streamflow information program are being adequately addressed.

(3) Improved methodologies
The Secretary shall—
(A) improve methodologies relating to the analysis and delivery of data; and
(B) investigate, develop, and implement new methodologies and technologies to estimate or measure streamflow in a more cost-efficient manner.

(4) Network enhancement
(A) In general
Not later than 10 years after March 30, 2009, in accordance with subparagraph (B), the Secretary shall—
(i) increase the number of streamgages funded by the national streamflow information program to a quantity of not less than 4,700 sites; and
(ii) ensure all streamgages are flood-hardened and equipped with water-quality sensors and modernized telemetry.

(B) Requirements of sites
Each site described in subparagraph (A) shall conform with the National Streamflow Information Program plan as reviewed by the National Research Council.

(5) Federal share
The Federal share of the national streamgaging network established pursuant to this subsection shall be 100 percent of the cost of carrying out the national streamgaging network.

(6) Authorization of appropriations
(A) In general
Except as provided in subparagraph (B), there are authorized to be appropriated such sums as are necessary to carry out the national streamflow information program for the period of fiscal years 2009 through 2023, to remain available until expended.

(B) Network enhancement funding
There is authorized to be appropriated to carry out the network enhancements described in paragraph (4) $10,000,000 for each of fiscal years 2009 through 2019, to remain available until expended.

(b) National groundwater resources monitoring
(1) In general
The Secretary shall develop a systematic groundwater monitoring program for each major aquifer system located in the United States.

(2) Program elements
In developing the monitoring program described in paragraph (1), the Secretary shall—
(A) establish appropriate criteria for monitoring wells to ensure the acquisition of long-term, high-quality data sets, including, to the maximum extent possible, the inclusion of real-time instrumentation and reporting;
(B) in coordination with the Advisory Committee and State and local water resource agencies—
(i) assess the current scope of groundwater monitoring based on the access availability and capability of each monitoring well in existence as of March 30, 2009; and
(ii) develop and carry out a monitoring plan that maximizes coverage for each major aquifer system that is located in the United States; and
(C) prior to initiating any specific monitoring activities within a State after March 30, 2009, consult and coordinate with the applicable State water resource agency with jurisdiction over the aquifer that is the subject of the monitoring activities, and comply with all applicable laws (including regulations) of the State.

(3) Program objectives
In carrying out the monitoring program described in paragraph (1), the Secretary shall—
(A) provide data that is necessary for the improvement of understanding with respect to surface water and groundwater interactions;
(B) by expanding the network of monitoring wells to reach each climate division, support the groundwater climate response network to improve the understanding of the effects of global climate change on groundwater recharge and availability; and
(C) support the objectives of the assessment program.

(4) Improved methodologies
The Secretary shall—
(A) improve methodologies relating to the analysis and delivery of data; and
(B) investigate, develop, and implement new methodologies and technologies to estimate or measure groundwater recharge, discharge, and storage in a more cost-efficient manner.

(5) Federal share
The Federal share of the monitoring program described in paragraph (1) may be 100 percent of the cost of carrying out the monitoring program.

(6) Priority
In selecting monitoring activities consistent with the monitoring program described in paragraph (1), the Secretary shall give priority to those activities for which a State or local governmental entity agrees to provide for a substantial share of the cost of establishing or operating a monitoring well or other measuring device to carry out a monitoring activity.

(7) Authorization of appropriations
There are authorized to be appropriated such sums as are necessary to carry out this subsection for the period of fiscal years 2009 through 2023, to remain available until expended.

(c) Brackish groundwater assessment
(1) Study
The Secretary, in consultation with State and local water resource agencies, shall con-
duct a study of available data and other relevant information—
(A) to identify significant brackish groundwater resources located in the United States; and
(B) to consolidate any available data relating to each groundwater resource identified under subparagraph (A).

(2) Report
Not later than 2 years after March 30, 2009, the Secretary shall submit to the appropriate committees of Congress a report that includes—
(A) a description of each—
(i) significant brackish aquifer that is located in the United States (including 1 or more maps of each significant brackish aquifer that is located in the United States);
(ii) data gap that is required to be addressed to fully characterize each brackish aquifer described in clause (i); and
(iii) current use of brackish groundwater that is supplied by each brackish aquifer described in clause (i); and
(B) a summary of the information available as of March 30, 2009, with respect to each brackish aquifer described in subparagraph (A)(i) (including the known level of total dissolved solids in each brackish aquifer).

(3) Authorization of appropriations
There is authorized to be appropriated to carry out this subsection $3,000,000 for the period of fiscal years 2009 through 2011, to remain available until expended.

(d) Improved water estimation, measurement, and monitoring technologies

(1) Authority of Secretary
The Secretary may provide grants on a non-reimbursable basis to appropriate entities with expertise in water resource data acquisition and reporting, including Federal agencies, the Water Resources Research Institutes and other academic institutions, and private entities, to—
(A) investigate, develop, and implement new methodologies and technologies to estimate or measure water resources data in a cost-efficient manner; and
(B) improve methodologies relating to the analysis and delivery of data.

(2) Priority
In providing grants to appropriate entities under paragraph (1), the Secretary shall give priority to appropriate entities that propose the development of new methods and technologies for—
(A) predicting and measuring streamflows;
(B) estimating changes in the storage of groundwater;
(C) improving data standards and methods of analysis (including the validation of data entered into geographic information system databases);
(D) measuring precipitation and potential evapotranspiration; and
(E) water withdrawals, return flows, and consumptive use.

(3) Partnerships
In recognition of the value of collaboration to foster innovation and enhance research and development efforts, the Secretary shall encourage partnerships, including public-private partnerships, between and among Federal agencies, academic institutions, and private entities to promote the objectives described in paragraph (1).

(4) Authorization of appropriations
There is authorized to be appropriated to carry out this subsection $5,000,000 for each of fiscal years 2009 through 2019.

§ 10368. National water availability and use assessment program

(a) Establishment
The Secretary, in coordination with the Advisory Committee and State and local water resource agencies, shall establish a national assessment program to be known as the "national water availability and use assessment program"—
(1) to provide a more accurate assessment of the status of the water resources of the United States;
(2) to assist in the determination of the quality of water that is available for beneficial uses;
(3) to assist in the determination of the quantity of the water resources of the United States;
(4) to identify long-term trends in water availability;
(5) to use each long-term trend described in paragraph (4) to provide a more accurate assessment of the change in the availability of water in the United States; and
(6) to develop the basis for an improved ability to forecast the availability of water for future economic, energy production, and environmental uses.

(b) Program elements

(1) Water use
In carrying out the assessment program, the Secretary shall conduct any appropriate activity to carry out an ongoing assessment of water use in hydrologic accounting units and major aquifer systems located in the United States, including—
(A) the maintenance of a comprehensive national water use inventory to enhance the level of understanding with respect to the effects of spatial and temporal patterns of water use on the availability and sustainable use of water resources;
(B) the incorporation of water use science principles, with an emphasis on applied research and statistical estimation techniques in the assessment of water use;
(C) the integration of any dataset maintained by any other Federal or State agency into the dataset maintained by the Secretary; and
(D) a focus on the scientific integration of any data relating to water use, water flow,
or water quality to generate relevant information relating to the impact of human activity on water and ecological resources.

(2) Water availability

In carrying out the assessment program, the Secretary shall conduct an ongoing assessment of water availability by—

(A) developing and evaluating nationally consistent indicators that reflect each status and trend relating to the availability of water resources in the United States, including—

(i) surface water indicators, such as streamflow and surface water storage measures (including lakes, reservoirs, perennial snowfields, and glaciers);

(ii) groundwater indicators, including groundwater level measurements and changes in groundwater levels due to—

(1) natural recharge;

(2) withdrawals;

(3) saltwater intrusion;

(4) mine dewatering;

(V) land drainage;

(VI) artificial recharge; and

(VII) other relevant factors, as determined by the Secretary; and

(iii) impaired surface water and groundwater supplies that are known, accessible, and used to meet ongoing water demands;

(B) maintaining a national database of water availability data that—

(i) is comprised of maps, reports, and other forms of interpreted data;

(ii) provides electronic access to the archived data of the national database; and

(iii) provides for real-time data collection; and

(C) developing and applying predictive modeling tools that integrate groundwater, surface water, and ecological systems.

(c) Grant program

(1) Authority of Secretary

The Secretary may provide grants to State water resource agencies to assist State water resource agencies in—

(A) developing water use and availability datasets that are integrated with each appropriate dataset developed or maintained by the Secretary; or

(B) integrating any water use or water availability dataset of the State water resource agency into each appropriate dataset developed or maintained by the Secretary.

(2) Criteria

To be eligible to receive a grant under paragraph (1), a State water resource agency shall demonstrate to the Secretary that the data will be capable of integration with any national dataset; and

(A) is in compliance with each quality and conformity standard established by the Secretary to ensure that the data will be capable of integration with any national dataset; and

(B) will enhance the ability of the officials of the State or the State water resource agency to carry out each water management and regulatory responsibility of the officials of the State in accordance with each applicable law of the State.

(3) Maximum amount

The amount of a grant provided to a State water resource agency under paragraph (1) shall be an amount not more than $250,000.

(d) Report

Not later than December 31, 2012, and every 5 years thereafter, the Secretary shall submit to the appropriate committees of Congress a report that provides a detailed assessment of—

(1) the current availability of water resources in the United States, including—

(A) historic trends and annual updates of river basin inflows and outflows;

(B) surface water storage;

(C) groundwater reserves; and

(D) estimates of undeveloped potential resources (including saline and brackish water and wastewater);

(2) significant trends affecting water availability, including each documented or projected impact to the availability of water as a result of global climate change;

(3) the withdrawal and use of surface water and groundwater by various sectors, including—

(A) the agricultural sector;

(B) municipalities;

(C) the industrial sector;

(D) thermoelectric power generators; and

(E) hydroelectric power generators;

(4) significant trends relating to each water use sector, including significant changes in water use due to the development of new energy supplies;

(5) significant water use conflicts or shortages that have occurred or are occurring; and

(6) each factor that has caused, or is causing, a conflict or shortage described in paragraph (5).

(e) Authorization of appropriations

(1) In general

There is authorized to be appropriated to carry out subsections (a), (b), and (d) $20,000,000 for each of fiscal years 2009 through 2023, to remain available until expended.

(2) Grant program

There is authorized to be appropriated to carry out subsection (c) $12,500,000 for the period of fiscal years 2009 through 2013, to remain available until expended.


§ 10369. Research agreement authority

The Secretary may enter into contracts, grants, or cooperative agreements, for periods not to exceed 5 years, to carry out research within the Bureau of Reclamation.

§ 10370. Effect
(a) In general
Nothing in this chapter supersedes or limits any existing authority provided, or responsibility conferred, by any provision of law.
(b) Effect on State water law
(1) In general
Nothing in this chapter preempts or affects any—
(A) State water law; or
(B) interstate compact governing water.
(2) Compliance required
The Secretary shall comply with applicable State water laws in carrying out this chapter.

§ 10402. Definitions

§ 10403. Authorization of appropriations

§ 10404. Authority of Secretary

§ 10405. Allotment of funds

§ 10406. Formula grants to States

§ 10407. State application

§ 10408. Subgrants and uses of funds

§ 10409. Grants for Indian tribes

§ 10410. National resource centers and training and technical assistance centers

§ 10411. Grants to State Domestic Violence Coalitions

§ 10412. Specialized services for abused parents and their children

§ 10413. National domestic violence hotline grant

§ 10414. Domestic Violence Prevention Enhancement and Leadership Through Alliances (DELTA)

§ 10415 to 10421. Repealed, Transferred, or Omitted


§ 10402. Definitions

§ 10403. Authorization of appropriations

§ 10404. Authority of Secretary

§ 10405. Allotment of funds

§ 10406. Formula grants to States

§ 10407. State application

§ 10408. Subgrants and uses of funds

§ 10409. Grants for Indian tribes

§ 10410. National resource centers and training and technical assistance centers

§ 10411. Grants to State Domestic Violence Coalitions

§ 10412. Specialized services for abused parents and their children

§ 10413. National domestic violence hotline grant

§ 10414. Domestic Violence Prevention Enhancement and Leadership Through Alliances (DELTA)

§ 10415 to 10421. Repealed, Transferred, or Omitted


§ 10402. Definitions

§ 10403. Authorization of appropriations

§ 10404. Authority of Secretary

§ 10405. Allotment of funds

§ 10406. Formula grants to States

§ 10407. State application

§ 10408. Subgrants and uses of funds

§ 10409. Grants for Indian tribes

§ 10410. National resource centers and training and technical assistance centers

§ 10411. Grants to State Domestic Violence Coalitions

§ 10412. Specialized services for abused parents and their children

§ 10413. National domestic violence hotline grant

§ 10414. Domestic Violence Prevention Enhancement and Leadership Through Alliances (DELTA)

§ 10415 to 10421. Repealed, Transferred, or Omitted


§ 10402. Definitions

§ 10403. Authorization of appropriations

§ 10404. Authority of Secretary

§ 10405. Allotment of funds

§ 10406. Formula grants to States

§ 10407. State application

§ 10408. Subgrants and uses of funds

§ 10409. Grants for Indian tribes

§ 10410. National resource centers and training and technical assistance centers

§ 10411. Grants to State Domestic Violence Coalitions

§ 10412. Specialized services for abused parents and their children

§ 10413. National domestic violence hotline grant

§ 10414. Domestic Violence Prevention Enhancement and Leadership Through Alliances (DELTA)

§ 10415 to 10421. Repealed, Transferred, or Omitted


§ 10402. Definitions

In this chapter:

(1) Alaska Native

The term “Alaska Native” has the meaning given the term “Native” in section 1602 of title 43.

(2) Dating violence

The term “dating violence” has the meaning given such term in section 12291(a) of this title.

(3) Domestic violence

The term “domestic violence” has the meaning given such term in section 12291(a) of this title.

(4) Family violence

The term “family violence” means any act or threatened act of violence, including any forceful detention of an individual, that—

(A) results or threatens to result in physical injury; and

(B) is committed by a person against another individual (including an elderly individual) to or with whom such person—
(i) is related by blood;  
(ii) is or was related by marriage or is or  
was otherwise legally related; or  
(iii) is or was lawfully residing.  

(5) Indian; Indian tribe; tribal organization  
The terms “Indian”, “Indian tribe”, and  
“tribal organization” have the meanings given  
such terms in section 5304 of title 25.  

(6) Native Hawaiian  
The term “Native Hawaiian” has the mean -  
ging given the term in section 7517 of title 20.  

(7) Personally identifying information  
The term “personally identifying informa -  
tion” has the meaning given the term in sec -  
tion 12291(a) of this title.  

(8) Secretary  
The term “Secretary” means the Secretary  
of Health and Human Services.  

(9) Shelter  
The term “shelter” means the provision of  
temporary refuge and supportive services in  
compliance with applicable State law (includ -  
ing regulation) governing the provision, on a  
regular basis, of shelter, safe homes, meals,  
and supportive services to victims of family  
violence, domestic violence, or dating vio -  
lence, and their dependents.  

(10) State  
The term “State” means each of the several  
States, the District of Columbia, the Common -  
wealth of Puerto Rico, and, except as other -  
wise provided, Guam, American Samoa, the  
United States Virgin Islands, and the Common -  
wealth of the Northern Mariana Islands.  

(11) State Domestic Violence Coalition  
The term “State Domestic Violence Coal -  
tion” means a statewide nongovernmental  
nonprofit private domestic violence organiza -  
tion that—  

(A) has a membership that includes a ma -  
ajority of the primary-purpose domestic vio -  
lence service providers in the State;  

(B) has board membership that is rep -  
resentative of primary-purpose domestic vio -  
lence service providers, and which may in -  
clude representatives of the communities in  
in which the services are being provided in the  
State;  

(C) has as its purpose to provide education,  
support, and technical assistance to such  
service providers to enable the providers to  
establish and maintain shelter and support -  
tive services for victims of domestic violence  
and their dependents; and  

(D) serves as an information clearing -  
house, primary point of contact, and re -  
source center on domestic violence for the  
State and supports the development of pol -  
icies, protocols, and procedures to enhance  
domestic violence intervention and preven -  
tion in the State.  

(12) Supportive services  
The term “supportive services” means serv -  
ces for adult and youth victims of family vio -  
lence, domestic violence, or dating violence,  
and dependents exposed to family violence, do -  
mestic violence, or dating violence, that are  
designed to—  

(A) meet the needs of such victims of fam -  
ily violence, domestic violence, or dating  
violeance, and their dependents, for short -  
term, transitional, or long-term safety; and  

(B) provide counseling, advocacy, or assist -  
ance for victims of family violence, domestic  
violence, or dating violence, and their de -  
pendents.  

(13) Tribally designated official  
The term “tribally designated official”  
means an individual designated by an Indian  
tribe, tribal organization, or nonprofit private  
organization authorized by an Indian tribe, to  
administer a grant under section 10409 of this  
title.  

(14) Underserved populations  
The term “underserved populations” has the  
meaning given the term in section 12291(a) of  
this title. For the purposes of this chapter, the  
Secretary has the same authority to deter -  
mine whether a population is an underserved  
population as the Attorney General has under  
that section 12291(a)\(^1\) of this title.  

(Pub. L. 98–457, title III, § 302, as added Pub. L.  
3484; amended Pub. L. 114–95, title IX, § 9215(ii), Dec.  
10, 2015, 129 Stat. 2175.)  

Prior Provisions  
A prior section 10402, Pub. L. 98–457, title III, § 303,  
Oct. 9, 1984, 98 Stat. 1757; Pub. L. 100–294, title III, § 302,  
Apr. 25, 1988, 102 Stat. 124; Pub. L. 103–205, title III,  
§§ 303–306(a), 310, 311(a), May 28, 1995, 109 Stat. 201–203;  
25, 2003, 117 Stat. 835, 836, related to authorization of State  
grants, prior to the general amendment of this chapter  
A prior section 392 of Pub. L. 98–457 was classified to  
section 10410 of this title prior to the general amend -  
ment of this chapter by Pub. L. 111–320.  

Amendments  
2015—Par. (6). Pub. L. 114–95 made technical amend -  
ment to reference in original act which appears in text  
as reference to 7517 of title 20.  

Effective Date of 2015 Amendment  
Amendment by Pub. L. 114–95 effective Dec. 10, 2015,  
extcept with respect to certain noncompetitive pro -  
grams and competitive programs, see section 5 of Pub. L.  
114–95, set out as a note under section 6301 of Title 20,  
Education.  

§ 10403. Authorization of appropriations  
(a) Formula grants to States  
(1) In general  
There is authorized to be appropriated to  
carry out sections 10401 through 10412 of this  
title, $175,000,000 for each of fiscal years 2011  
through 2015.  

(2) Allocations  
(A) Formula grants to States  
(i) Reservation of funds  
For any fiscal year for which the amounts appropriated under paragraph (1)
exceed $130,000,000, not less than 25 percent of such excess funds shall be made available to carry out section 10412 of this title.

(ii) Formula grants

Of the amounts appropriated under paragraph (1) for a fiscal year and not reserved under clause (i), not less than 70 percent shall be used for making grants under section 10406(a) of this title.

(B) Grants to tribes

Of the amounts appropriated under paragraph (1) for a fiscal year and not reserved under subparagraph (A)(i), not less than 10 percent shall be used to carry out section 10409 of this title.

(C) Technical assistance and training centers

Of the amounts appropriated under paragraph (1) for a fiscal year and not reserved under subparagraph (A)(i), not less than 6 percent shall be used by the Secretary for making grants under section 10410 of this title.

(D) Grants for State Domestic Violence Coalitions

Of the amounts appropriated under paragraph (1) for a fiscal year and not reserved under subparagraph (A)(i), not less than 10 percent of such amounts shall be used by the Secretary for making grants under section 10411 of this title.

(E) Administration, evaluation and monitoring

Of the amount appropriated under paragraph (1) for a fiscal year and not reserved under subparagraph (A)(i), not more than 2.5 percent shall be used by the Secretary for evaluation, monitoring, and other administrative costs under this chapter.

(b) National domestic violence hotline

There is authorized to be appropriated to carry out section 10413 of this title $3,500,000 for each of fiscal years 2011 through 2015.

(c) Domestic Violence Prevention Enhancement and Leadership Through Alliances

There is authorized to be appropriated to carry out section 10414 of this title $6,000,000 for each of fiscal years 2011 through 2015.

§ 10404. Authority of Secretary

(a) Authorities

In order to carry out the provisions of this chapter, the Secretary is authorized to—

(1) appoint and fix the compensation of such personnel as are necessary;
(2) procure, to the extent authorized by section 3109 of title 5, such temporary and intermittent services of experts and consultants as are necessary;
(3) make grants to eligible entities or enter into contracts with for-profit or nonprofit nongovernmental entities and establish reporting requirements for such grantees and contractors;
(4) prescribe such regulations and guidance as are reasonably necessary in order to carry out the objectives and provisions of this chapter, including regulations and guidance on implementing new grant conditions established or provisions modified by amendments made to this chapter by the CAPTA Reauthorization Act of 2010, to ensure accountability and transparency of the actions of grantees and contractors, or as determined by the Secretary to be reasonably necessary to carry out this chapter; and
(5) coordinate programs within the Department of Health and Human Services, and seek to coordinate those programs with programs administered by other Federal agencies, that involve or affect efforts to prevent family violence, domestic violence, and dating violence or the provision of assistance for adult and youth victims of family violence, domestic violence, or dating violence.

(b) Administration

The Secretary shall—

(1) assign 1 or more employees of the Department of Health and Human Services to carry out the provisions of this chapter, including carrying out evaluation and monitoring under this chapter, which employees shall, prior to such appointment, have expertise in the field of family violence and domestic violence prevention and services and, to the extent practicable, have expertise in the field of dating violence;
(2) provide technical assistance in the conduct of programs for the prevention and treatment of family violence, domestic violence, and dating violence;
(3) provide for and coordinate research into the most effective approaches to the intervention in and prevention of family violence, domestic violence, and dating violence, by—
(A) consulting with experts and program providers within the family violence, domestic violence, and dating violence field to identify gaps in research and knowledge, establish research priorities, and disseminate research findings;
(B) collecting and reporting data on the provision of family violence, domestic violence, and dating violence services, including assistance and programs supported by Federal funds made available under this chapter and by other governmental or nongovernmental sources of funds; and
(C) coordinating family violence, domestic violence, and dating violence research efforts within the Department of Health and Human Services with relevant research administered or carried out by other Federal
§ 10405

T I T L E 4 2 — T H E P U B L I C H E A L T H A N D W E L F A R E

§ 10405

(a) In general

From the sums appropriated under section 10403 of this title and available for grants to States under section 10406(a) of this title for any fiscal year—

(1) Guam, American Samoa, the United States Virgin Islands, and the Commonwealth of the Northern Mariana Islands shall each be allotted not less than \( \frac{1}{6} \) of 1 percent of the amounts available for grants under section 10406(a) of this title for the fiscal year for which the allotment is made; and

(2) each State shall be allotted for a grant under section 10406(a) of this title, \$600,000, with the remaining funds to be allotted to each State in an amount that bears the same ratio to such remaining funds as the population of such State bears to the population of all States.

(b) Population

For the purpose of this section, the population of each State, and the total population of all the States, shall be determined by the Secretary on the basis of the most recent census data available to the Secretary, and the Secretary shall use for such purpose, if available, the annual interim current census data produced by the Secretary of Commerce pursuant to section 181 of title 13.

(c) Ratable reduction

If the sums appropriated under section 10403 of this title for any fiscal year and available for grants to States under section 10406(a) of this title are not sufficient to pay in full the total amounts that all States are entitled to receive under subsection (a) for such fiscal year, then the maximum amounts that all States are entitled to receive under subsection (a) for such fiscal year shall be ratably reduced. In the event that additional funds become available for making such grants for any fiscal year during which the preceding sentence is applicable, such reduced amounts shall be increased on the same basis as they were reduced.

(d) Reallotment

If, at the end of the sixth month of any fiscal year for which sums are appropriated under section 10403 of this title, the amount allotted to a State has not been made available to such State in a grant under section 10406(a) of this title because of the failure of such State to meet the requirements for such a grant, then the Secretary shall reallocate such amount to States that meet such requirements.

(e) Continued availability of funds

All funds allotted to a State for a fiscal year under this section, and made available to such State in a grant under section 10406(a) of this title, shall remain available for obligation by the State until the end of the following fiscal year. All such funds that are not obligated by the State by the end of the following fiscal year shall be made available to the Secretary for discretionary activities under section 10414 of this title. Such funds shall remain available for obligation, and for expenditure by a recipient of the funds under section 10414 of this title, for not more than 1 year from the date on which the funds are made available to the Secretary.

(f) Definition

In subsection (a)(2), the term "State" does not include any jurisdiction specified in subsection (a)(1).

References in Text


Prior Provisions

§10406. Formula grants to States

(a) Formula grants to States

The Secretary shall award grants to States in order to assist in supporting the establishment, maintenance, and expansion of programs and projects—

(1) to prevent incidents of family violence, domestic violence, and dating violence;

(2) to provide immediate shelter, supportive services, and access to community-based programs for victims of family violence, domestic violence, or dating violence, and their dependents; and

(3) to provide specialized services for children exposed to family violence, domestic violence, or dating violence, underserved populations, and victims who are members of racial and ethnic minority populations.

(b) Administrative expenses

(1) Administrative costs

Each State may use not more than 5 percent of the grant funds for State administrative costs.

(2) Subgrants to eligible entities

The State shall use the remainder of the grant funds to make subgrants to eligible entities for approved purposes as described in section 10408 of this title.

(c) Grant conditions

(1) Approved activities

In carrying out the activities under this chapter, grantees and subgrantees may collaborate with and provide information to Federal, State, local, and tribal public officials and agencies, in accordance with limitations on disclosure of confidential or private information as described in paragraph (5), to develop and implement policies to reduce or eliminate family violence, domestic violence, and dating violence.

(2) Discrimination prohibited

(A) Application of civil rights provisions

For the purpose of applying the prohibitions against discrimination on the basis of age under the Age Discrimination Act of 1975 (42 U.S.C. 6101 et seq.), on the basis of disability under section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), on the basis of sex under title IX of the Education Amendments of 1972 (20 U.S.C. 1681 et seq.), or on the basis of race, color, or national origin under title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d et seq.), programs and activities funded in whole or in part with funds made available under this chapter are considered to be programs and activities receiving Federal financial assistance.

(B) Prohibition on discrimination on basis of sex, religion

(i) In general

No person shall on the ground of sex or religion be excluded from participation in, be denied the benefits of, or be subject to discrimination under, any program or activity funded in whole or in part with funds made available under this chapter. Nothing in this chapter shall require any such program or activity to include any individual in any program or activity without taking into consideration that individual's sex in those certain instances where sex is a bona fide occupational qualification or programmatic factor reasonably necessary to the normal or safe operation of that particular program or activity.

(ii) Enforcement

The Secretary shall enforce the provisions of clause (i) in accordance with section 602 of the Civil Rights Act of 1964 (42 U.S.C. 2000d–1). Section 603 of such Act (42 U.S.C. 2000d–2) shall apply with respect to any action taken by the Secretary to enforce such clause.

(iii) Construction

This subparagraph shall not be construed as affecting any legal remedy provided under any other provision of law.

(C) Enforcement authorities of Secretary

Whenever the Secretary finds that a State, Indian tribe, or other entity that has received financial assistance under this chapter has failed to comply with a provision of law referred to in subparagraph (A), with subparagraph (B), or with an applicable regulation (including one prescribed to carry out subparagraph (B)), the Secretary shall notify the chief executive officer of the State involved or the tribally designated official of the tribe involved and shall request such officer or official to secure compliance. If, within a reasonable period of time, not to exceed 60 days, the chief executive officer or official fails or refuses to secure compliance, the Secretary may—

(i) refer the matter to the Attorney General with a recommendation that an appropriate civil action be instituted;

(ii) exercise the powers and functions provided by title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d et seq.), the Age Discrimination Act of 1975 (42 U.S.C. 6101 et seq.), sections 504 and 505 of the Rehabilitation Act of 1973 (29 U.S.C. 794, 794a), or title IX of the Education Amendments of 1972 (20 U.S.C. 1681 et seq.), as may be applicable; or

(iii) take such other action as may be provided by law.

(D) Enforcement authority of Attorney General

When a matter is referred to the Attorney General pursuant to subparagraph (C)(i), or whenever the Attorney General has reason to believe that a State, an Indian tribe, or an entity described in subparagraph (C) is engaged in a pattern or practice in violation of a provision of law referred to in subparagraph (A) or in violation of subparagraph (B), the Attorney General may bring a civil
action in any appropriate district court of the United States for such relief as may be appropriate, including injunctive relief.

(3) Income eligibility standards

No income eligibility standard may be imposed upon individuals with respect to eligibility for assistance or services supported with funds appropriated to carry out this chapter. No fees may be levied for assistance or services provided with funds appropriated to carry out this chapter.

(4) Match

No grant shall be made under this section to any entity other than a State or an Indian tribe unless the entity agrees that, with respect to the costs to be incurred by the entity in carrying out the program or project for which the grant is awarded, the entity will make available (directly or through donations from public or private entities) non-Federal contributions in an amount that is not less than $1 for every $5 of Federal funds provided under the grant. The non-Federal contributions required under this paragraph may be in cash or in kind.

(5) Nondisclosure of confidential or private information

(A) In general

In order to ensure the safety of adult, youth, and child victims of family violence, domestic violence, or dating violence, and their families, grantees and subgrantees under this chapter shall protect the confidentiality and privacy of such victims and their families.

(B) Nondisclosure

Subject to subparagraphs (C), (D), and (E), grantees and subgrantees shall not—

(i) disclose any personally identifying information collected in connection with services requested (including services utilized or denied), through grantees' and subgrantees' programs; or

(ii) reveal personally identifying information without informed, written, reasonably time-limited consent by the person about whom information is sought, whether for this program or any other Federal or State grant program, which consent—

(I) shall be given by—

(aa) the person, except as provided in item (bb) or (cc);

(bb) in the case of an unemancipated minor, the minor and the minor’s parent or guardian; or

(cc) in the case of an individual with a guardian, the individual’s guardian; and

(II) may not be given by the abuser or suspected abuser of the minor or individual with a guardian, or the abuser or suspected abuser of the other parent of the minor.

(C) Release

If release of information described in subparagraph (B) is compelled by statutory or court mandate—

(i) grantees and subgrantees shall make reasonable attempts to provide notice to victims affected by the release of the information; and

(ii) grantees and subgrantees shall take steps necessary to protect the privacy and safety of the persons affected by the release of the information.

(D) Information sharing

Grantees and subgrantees may share—

(i) nonpersonally identifying information, in the aggregate, regarding services to their clients and demographic nonpersonally identifying information in order to comply with Federal, State, or tribal reporting, evaluation, or data collection requirements;

(ii) court-generated information and law enforcement-generated information contained in secure, governmental registries for protective order enforcement purposes; and

(iii) law enforcement- and prosecution-generated information necessary for law enforcement and prosecution purposes.

(E) Oversight

Nothing in this paragraph shall prevent the Secretary from disclosing grant activities authorized in this chapter to the Committee on Education and Labor of the House of Representatives and the Committee on Education, Workforce and Income Security of the Senate and exercising congressional oversight authority. In making all such disclosures, the Secretary shall protect the confidentiality of individuals and omit personally identifying information, including location information about individuals and shelters.

(F) Statutorily permitted reports of abuse or neglect

Nothing in this paragraph shall prohibit a grantee or subgrantee from reporting abuse and neglect, as those terms are defined by law, where mandated or expressly permitted by the State or Indian tribe involved.

(G) Preemption

Nothing in this paragraph shall be construed to supersede any provision of any Federal, State, tribal, or local law that provides greater protection than this paragraph for victims of family violence, domestic violence, or dating violence.

(H) Confidentiality of location

The address or location of any shelter facility assisted under this chapter that otherwise maintains a confidential location shall, except with written authorization of the person or persons responsible for the operation of such shelter, not be made public.

(6) Supplement not supplant

Federal funds made available to a State or Indian tribe under this chapter shall be used to supplement and not supplant other Federal, State, tribal, and local public funds expended to provide services and activities that promote the objectives of this chapter.
(d) Reports and evaluation

Each grantee shall submit an annual performance report to the Secretary at such time as shall be reasonably required by the Secretary. Such performance report shall describe the grantee and subgrantee activities that have been carried out with grant funds made available under subsection (a) or section 10409 of this title, contain an evaluation of the effectiveness of such activities, and provide such additional information as the Secretary may reasonably require.


REFERENCES IN TEXT


The Education Amendments of 1972, referred to in subsec. (c)(2)(A), (C)(ii), is Pub. L. 92–318, June 23, 1972, 86 Stat. 235. Title IX of the Act, known as the Patsy Takemoto Mink Equal Opportunity in Education Act, is classified principally to chapter 38 (§ 1681 et seq.) of Title 20, Education. For complete classification of title IX to the Code, see Short Title note set out under section 1681 of Title 20 and Tables.


PRIOR PROVISIONS


A prior section 306 of Pub. L. 98–457 was classified to section 10405 of this title prior to the general amendment of this chapter by Pub. L. 111–320.

§ 10407. State application

(a) Application

(1) In general

The chief executive officer of a State seeking funds under section 10406(a) of this title or a tribally designated official seeking funds under section 10406(a) of this title shall submit an application to the Secretary at such time and in such manner as the Secretary may reasonably require.

(2) Contents

Each such application shall—

(A) provide a description of the procedures that have been developed to ensure compliance with the provisions of sections 10406(c) and 10408(d) of this title;

(B) provide, with respect to funds described in paragraph (1), assurances that—

(i) not more than 5 percent of such funds will be used for administrative costs;

(ii) the remaining funds will be distributed to eligible entities as described in section 10408(a) of this title for approved activities as described in section 10408(b) of this title; and

(iii) in the distribution of funds by a State under section 10408(a) of this title, the State will give special emphasis to the support of community-based projects of demonstrated effectiveness, that are carried out by nonprofit private organizations and that—

(I) have as their primary purpose the operation of shelters for victims of family violence, domestic violence, and dating violence, and their dependents; or

(II) provide counseling, advocacy, and self-help services to victims of family violence, domestic violence, and dating violence, and their dependents;

(C) in the case of an application submitted by a State, provide an assurance that there will be an equitable distribution of grants and grant funds within the State and between urban and rural areas within such State;

(D) in the case of an application submitted by a State, provide an assurance that the State will consult with and provide for the participation of the State Domestic Violence Coalition in the planning and monitoring of the distribution of grants to eligible entities as described in section 10408(a) of this title and the administration of the grant programs and projects;

(E) describe how the State or Indian tribe will involve community-based organizations, whose primary purpose is to provide culturally appropriate services to underserved populations, including how such community-based organizations can assist the State or Indian tribe in addressing the unmet needs of such populations;

(F) describe how activities and services provided by the State or Indian tribe are designed to reduce family violence, domestic violence, and dating violence, including how funds will be used to provide shelter, supportive services, and prevention services in accordance with section 10408(b) of this title;

(G) specify the State agency or tribally designated official to be designated as responsible for the administration of programs and activities relating to family violence, domestic violence, and dating violence, that are carried out by the State or Indian tribe under this chapter, and for coordination of related programs within the jurisdiction of the State or Indian tribe;

(H) provide an assurance that the State or Indian tribe has a law or procedure to bar an abuser from a shared household or a household of the abused person, which may include eviction laws or procedures, where appropriate; and

(I) meet such requirements as the Secretary reasonably determines are necessary to carry out the objectives and provisions of this chapter.

(b) Approval of application

(1) In general

The Secretary shall approve any application that meets the requirements of subsection (a) and section 10406 of this title. The Secretary shall not disapprove any application under
this subsection unless the Secretary gives the applicant reasonable notice of the Secretary’s intention to disapprove and a 6-month period providing an opportunity for correction of any deficiencies.

(2) Correction of deficiencies

The Secretary shall give such notice, within 45 days after the date of submission of the application, if any of the provisions of subsection (a) or section 10406 of this title have not been satisfied in such application. If the State or Indian tribe does not correct the deficiencies in such application within the 6-month period following the receipt of the Secretary’s notice, the Secretary shall withhold payment of any grant funds under section 10406 of this title to such State or under section 10409 of this title to such Indian tribe until the State or Indian tribe provides documentation that the deficiencies have been corrected.

(3) State or tribal Domestic Violence Coalition participation in determinations of compliance

State Domestic Violence Coalitions, or comparable coalitions for Indian tribes, shall be permitted to participate in determining whether grantees for corresponding States or Indian tribes are in compliance with subsection (a) and section 10406(c) of this title, except that no funds made available under section 10411 of this title shall be used to challenge a determination about whether a grantee is in compliance with, or to seek the enforcement of, the requirements of this chapter.

(4) Failure to report; nonconforming expenditures

The Secretary shall suspend funding for an approved application if the applicant fails to submit an annual performance report under section 10406(d) of this title, or if funds are expended for purposes other than those set forth in section 10406(b) of this title, after following the procedures set forth in paragraphs (1), (2), and (3).

§ 10408. Subgrants and uses of funds

(a) Subgrants

A State that receives a grant under section 10406(a) of this title shall use grant funds described in section 10406(b)(2) of this title to provide subgrants to eligible entities for programs and projects within such State, that is designed to prevent incidents of family violence, domestic violence, and dating violence by providing immediate shelter and supportive services for adult and youth victims of family violence, domestic violence, or dating violence (and their dependents), and that may provide prevention services to prevent future incidents of family violence, domestic violence, and dating violence.

(b) Use of funds

(1) In general

Funds awarded to eligible entities under subsection (a) shall be used to provide shelter, supportive services, or prevention services to adult and youth victims of family violence, domestic violence, or dating violence, and their dependents, which may include—

(A) provision, on a regular basis, of immediate shelter and related supportive services to adult and youth victims of family violence, domestic violence, or dating violence, and their dependents, including paying for the operating and administrative expenses of the facilities for such shelter;

(B) assistance in developing safety plans, and supporting efforts of victims of family violence, domestic violence, or dating violence to make decisions related to their ongoing safety and well-being;

(C) provision of individual and group counseling, peer support groups, and referral to community-based services to assist family violence, domestic violence, and dating violence victims, and their dependents, in recovering from the effects of the violence;

(D) provision of services, training, technical assistance, and outreach to increase awareness of family violence, domestic violence, and dating violence, and increase the accessibility of family violence, domestic violence, and dating violence services;

(E) provision of culturally and linguistically appropriate services;

(F) provision of services for children exposed to family violence, domestic violence, or dating violence, including age-appropriate counseling, supportive services, and services for the nonabusing parent that support that parent’s role as a caregiver, which may, as appropriate, include services that work with the nonabusing parent and child together;

(G) provision of advocacy, case management services, and information and referral services, concerning issues related to family violence, domestic violence, or dating violence intervention and prevention, including—

(i) assistance in accessing related Federal and State financial assistance programs;

(ii) legal advocacy to assist victims and their dependents;

(iii) medical advocacy, including provision of referrals for appropriate health care services (including mental health, alcohol, and drug abuse treatment), but which shall not include reimbursement for any health care services;

(iv) assistance locating and securing safe and affordable permanent housing and homelessness prevention services;

So in original. Probably should be “are”.


PRIOR PROVISIONS


A prior section 307 of Pub. L. 98-457 was classified to section 10406 of this title prior to the general amendment of this chapter by Pub. L. 111-320.

§ 10408. Subgrants and uses of funds

(a) Subgrants

A State that receives a grant under section 10406(a) of this title shall use grant funds described in section 10406(b)(2) of this title to provide subgrants to eligible entities for programs and projects within such State, that is designed

PRIORITY MODIFICATIONS: Prior sections 10408 and 10409 were consolidated into section 10408.
(v) provision of transportation, child care, respite care, job training and employment services, financial literacy services and education, financial planning, and related economic empowerment services; and

(vi) parenting and other educational services for victims and their dependents; and

(H) prevention services, including outreach to underserved populations.

(2) Shelter and supportive services

Not less than 70 percent of the funds distributed by a State under subsection (a) shall be distributed to entities for the primary purpose of providing immediate shelter and supportive services to adult and youth victims of family violence, domestic violence, or dating violence, and their dependents, as described in paragraph (1)(A). Not less than 25 percent of the funds distributed by a State under subsection (a) shall be distributed to entities for the purpose of providing supportive services and prevention services as described in subparagraphs (B) through (H) of paragraph (1).

(c) Eligible entities

To be eligible to receive a subgrant from a State under this section, an entity shall be—

(1) a local public agency, or a nonprofit private organization (including faith-based and charitable organizations, community-based organizations, tribal organizations, and voluntary associations), that assists victims of family violence, domestic violence, or dating violence, and their dependents, and has a documented history of effective work concerning family violence, domestic violence, or dating violence; or

(2) a partnership of 2 or more agencies or organizations that includes—

(A) an agency or organization described in paragraph (1); and

(B) an agency or organization that has a demonstrated history of serving populations in their communities, including providing culturally appropriate services.

(d) Conditions

(1) Direct payments to victims or dependants

No funds provided under this chapter may be used as direct payment to any victim of family violence, domestic violence, or dating violence, or to any dependent of such victim.

(2) Voluntarily accepted services

Receipt of supportive services under this chapter shall be voluntary. No condition may be applied for the receipt of emergency shelter as described in subsection (b)(1)(A).


References to Text

Executive Order No. 13175, referred to in subsec. (a), was set out as a note under section 1501 of Title 25, Indians, prior to editorial reclassification as a note under section 5301 of Title 25.

Prior Provisions


A prior section 308 of Pub. L. 98–457 was classified to section 10407 of this title prior to the general amendment of this chapter by Pub. L. 111–320.

§ 10409. Grants for Indian tribes

(a) Grants authorized

The Secretary, in consultation with tribal governments pursuant to Executive Order No. 13175 (25 U.S.C. 450 note) and in accordance with section 202(d) of title 42, shall continue to award grants for Indian tribes from amounts appropriated under section 10403(a)(2)(B) of this title to carry out this section.

(b) Eligible entities

To be eligible to receive a grant under this section, an entity shall be an Indian tribe, or a tribal organization or nonprofit private organization authorized by an Indian tribe. An Indian tribe shall have the option to authorize a tribal organization or a nonprofit private organization to submit an application and administer the grant funds awarded under this section.

(c) Conditions

Each recipient of a grant shall comply with requirements that are consistent with the requirements applicable to grantees under section 10406 of this title.

(d) Grantee application

To be eligible to receive a grant under this section, an entity shall submit an application to the Secretary under section 10407 of this title at such time, in such manner, and containing such information as the Secretary determines to be essential to carry out the objectives and provisions of this chapter. The Secretary shall approve any application that meets requirements consistent with the requirements of section 10406(c) of this title and section 10407(a) of this title.

(e) Use of funds

An amount provided under a grant to an eligible entity shall be used for services described in section 10408(b) of this title.

§ 10410. National resource centers and training and technical assistance centers

(a) Purpose and grants authorized

(1) Purpose

The purpose of this section is to provide resource information, training, and technical assistance relating to the objectives of this chapter to improve the capacity of individuals, organizations, governmental entities, and communities to prevent family violence, domestic violence, and dating violence and to provide effective intervention services.

(2) Grants authorized

From the amounts appropriated under this chapter and reserved under section 10403(a)(2)(C) of this title, the Secretary—

(A) shall award grants to eligible entities for the establishment and maintenance of—

(i) 2 national resource centers (as provided for in subsection (b)(1)); and

(ii) at least 7 special issue resource centers addressing key areas of domestic violence, and intervention and prevention (as provided for in subsection (b)(2)); and

(B) may award grants to—

(i) State resource centers to reduce disparities in domestic violence in States with high proportions of Indian (including Alaska Native) or Native Hawaiian populations (as provided for in subsection (b)(3)); and

(ii) support training and technical assistance that address emerging issues related to family violence, domestic violence, or dating violence, to entities demonstrating related expertise.

(b) Domestic violence resource centers

(1) National resource centers

In accordance with subsection (a)(2), the Secretary shall award grants to eligible entities for—

(A) a National Resource Center on Domestic Violence, which shall—

(i) offer a comprehensive array of technical assistance and training resources to Federal, State, and local governmental agencies, domestic violence service providers, community-based organizations, and other professionals and interested parties, related to domestic violence service programs and research, including programs and research related to victims and their children who are exposed to domestic violence; and

(ii) maintain a central resource library in order to collect, prepare, analyze, and disseminate information and statistics related to—

(I) the incidence and prevention of family violence and domestic violence; and

(II) the provision of shelter, supportive services, and prevention services to adult and youth victims of domestic violence (including services to prevent repeated incidents of violence); and

(B) a National Indian Resource Center Addressing Domestic Violence and Safety for Indian Women, which shall—

(i) offer a comprehensive array of technical assistance and training resources to Indian tribes and tribal organizations, specifically designed to enhance the capacity of the tribes and organizations to respond to domestic violence and the findings of section 901 of the Violence Against Women and Department of Justice Reauthorization Act of 2005 (42 U.S.C. 3796gg–10 note); ¹

(ii) enhance the intervention and prevention efforts of Indian tribes and tribal organizations to respond to domestic violence and increase the safety of Indian women in support of the purposes of section 902 of the Violence Against Women and Department of Justice Reauthorization Act of 2005 [42 U.S.C. 3796gg–10 note]; ¹

and

(iii) coordinate activities with other Federal agencies, offices, and grantees that address the needs of Indians (including Alaska Natives), and Native Hawaiians that experience domestic violence, including the Office of Justice Services at the Bureau of Indian Affairs, the Indian Health Service of the Department of Health and Human Services, and the Office on Violence Against Women of the Department of Justice.

(2) Special issue resource centers

In accordance with subsection (a)(2)(A)(ii), the Secretary shall award grants to eligible entities for special issue resource centers, which shall be national in scope and shall provide information, training, and technical assistance to State and local domestic violence service providers. Each special issue resource center shall focus on enhancing domestic violence intervention and prevention efforts in at least one of the following areas:

(A) The response of the criminal and civil justice systems to domestic violence victims, which may include the response to the use of the self-defense plea by domestic violence victims and the issuance and use of protective orders.

(B) The response of child protective service agencies to victims of domestic violence and their dependents and child custody issues in domestic violence cases.

(C) The response of the interdisciplinary health care system to victims of domestic violence and access to health care resources for victims of domestic violence.

(D) The response of mental health systems, domestic violence service programs, and other related systems and programs to victims of domestic violence and to their children who are exposed to domestic violence.

(E) In the case of 3 specific resource centers, enhancing domestic violence interven-

¹ See References in Text note below.
tion and prevention efforts for victims of domestic violence who are members of racial and ethnic minority groups, to enhance the cultural and linguistic relevancy of service delivery, resource utilization, policy, research, technical assistance, community education, and prevention initiatives.

(3) State resource centers to reduce tribal disparities

(A) In general
In accordance with subsection (a)(2), the Secretary may award grants to eligible entities for State resource centers, which shall provide statewide information, training, and technical assistance to Indian tribes, tribal organizations, and local domestic violence service organizations serving Indians (including Alaska Natives) or Native Hawaiians, in a culturally sensitive and relevant manner.

(B) Requirements
An eligible entity shall use a grant provided under this paragraph—

(i) to offer a comprehensive array of technical assistance and training resources to Indian tribes, tribal organizations, and providers of services to Indians (including Alaska Natives) or Native Hawaiians, specifically designed to enhance the capacity of the tribes, organizations, and providers to respond to domestic violence, including offering the resources in States in which the population of Indians (including Alaska Natives) or Native Hawaiians exceeds 2.5 percent of the total population of the State;

(ii) to coordinate all projects and activities with the national resource center described in paragraph (1)(B), including projects and activities that involve working with nontribal State and local governments to enhance their capacity to understand the unique needs of Indians (including Alaska Natives) and Native Hawaiians; and

(iii) to provide comprehensive community education and domestic violence prevention initiatives in a culturally sensitive and relevant manner.

(c) Eligibility

(1) In general
To be eligible to receive a grant under subsection (b)(1)(A) or subparagraph (A), (B), (C), or (D) of subsection (b)(2), an entity shall be a nonprofit private organization that focuses primarily on domestic violence and that—

(A) provides documentation to the Secretary demonstrating experience working directly on issues of domestic violence, and (in the case of an entity seeking a grant under subsection (b)(2)) demonstrating experience working directly in the corresponding specific special issue area described in subsection (b)(2);

(B) includes on the entity’s advisory board representatives who are from domestic violence service programs and who are geographically and culturally diverse; and

(C) demonstrates the strong support of domestic violence service programs from across the Nation for the entity’s designation as a national resource center or a special issue resource center, as appropriate.

(2) National Indian Resource Center
To be eligible to receive a grant under subsection (b)(1)(B), an entity shall be a tribal organization or a nonprofit private organization that focuses primarily on issues of domestic violence within Indian tribes and that submits documentation to the Secretary demonstrating—

(A) experience working with Indian tribes and tribal organizations to respond to domestic violence and the findings of section 901 of the Violence Against Women and Department of Justice Reauthorization Act of 2005 (42 U.S.C. 3796gg–10 note); 1

(B) experience providing Indian tribes and tribal organizations with assistance in developing tribally-based prevention and intervention services addressing domestic violence and the safety of Indian women consistent with the purposes of section 902 of the Violence Against Women and Department of Justice Reauthorization Act of 2005 (42 U.S.C. 3796gg–10 note); 1

(C) strong support for the entity’s designation as the National Indian Resource Center Addressing Domestic Violence and Safety for Indian Women from advocates working within Indian tribes to address domestic violence and the safety of Indian women;

(D) a record of demonstrated effectiveness in assisting Indian tribes and tribal organizations with prevention and intervention services addressing domestic violence; and

(E) the capacity to serve Indian tribes (including Alaska Native villages and regional and village corporations) across the United States.

(3) Special issue resource centers concerned with racial and ethnic minority groups
To be eligible to receive a grant under subsection (b)(2)(E), an entity shall be an entity that—

(A) is a nonprofit private organization that focuses primarily on issues of domestic violence in a racial or ethnic community, or is a public or private nonprofit educational institution that has a domestic violence institute, center, or program related to culturally specific issues in domestic violence; and

(B)(i) has documented experience in the areas of domestic violence prevention and services, and experience relevant to the specific racial or ethnic population to which information, training, technical assistance, and outreach would be provided under the grant;

(ii) demonstrates the strong support, of advocates from across the Nation who are working to address domestic violence; and

(iii) has a record of demonstrated effectiveness in enhancing the cultural and linguistic relevancy of service delivery.
§ 10411. Grants to State Domestic Violence Coalitions

(a) Grants

The Secretary shall award grants for the funding of State Domestic Violence Coalitions.

(b) Allotment of funds

(1) In general

From the amount appropriated under section 10403(a)(2)(D) of this title for each fiscal year, the Secretary shall allot to each of the 50 States, the District of Columbia, the Commonwealth of Puerto Rico, and each of the covered territories an amount equal to 1% of the amount so appropriated for such fiscal year.

(2) Definition

For purposes of this subsection, the term “covered territories” means Guam, American Samoa, the United States Virgin Islands, and the Commonwealth of the Northern Mariana Islands.

(c) Application

Each State Domestic Violence Coalition desiring a grant under this section shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary determines to be essential to carry out the objectives of this section. The application submitted by the coalition for the grant shall provide documentation of the coalition's work, satisfactory to the Secretary, demonstrating that the coalition:

(1) meets all of the applicable requirements set forth in this chapter; and

(2) demonstrates the ability to conduct appropriately all activities described in this section, as indicated by—

(A) documented experience in administering Federal grants to conduct the activities described in subsection (d); or

(B) a documented history of active participation in the activities described in paragraphs (1), (3), (4), and (5) of subsection (d) and a demonstrated capacity to conduct the activities described in subsection (d)(2).

(d) Use of funds

A coalition that receives a grant under this section shall use the grant funds for administration and operations to further the purposes of family violence, domestic violence, and dating violence intervention and prevention, through activities that shall include—

(1) working with local family violence, domestic violence, and dating violence service providers and providers of direct services to encourage appropriate and comprehensive responses to family violence, domestic violence, and dating violence against adults or youth within the State involved, including providing training and technical assistance and conducting State needs assessments;

(2) participating in planning and monitoring the distribution of subgrants and subgrant funds within the State under section 10408(a) of this title;

(3) working in collaboration with service providers and community-based organizations to address the needs of family violence, domestic violence, and dating violence victims, and their dependents, who are members of racial and ethnic minority populations and underserved populations;

(4) collaborating with and providing information to entities in such fields as housing, health care, mental health, social welfare, or business to support the development and implementation of effective policies, protocols, and programs that address the safety and support needs of adult and youth victims of family violence, domestic violence, or dating violence;

(5) encouraging appropriate responses to cases of family violence, domestic violence, or dating violence against adults or youth, in-
cluding by working with judicial and law enforcement agencies;
(6) working with family law judges, criminal court judges, child protective service agencies, and children’s advocates to develop appropriate responses to child custody and visitation issues in cases of child exposure to family violence, domestic violence, or dating violence and in cases in which—
(A) family violence, domestic violence, or dating violence is present; and
(B) Indian abuse is present;
(7) providing information to the public about prevention of family violence, domestic violence, and dating violence, including information targeted to underserved populations; and
(8) collaborating with Indian tribes and tribal organizations (and corresponding Native Hawaiian groups or communities) to address the needs of Indian (including Alaska Native) and Native Hawaiian victims of family violence, domestic violence, or dating violence, as applicable in the State.

(e) Limitation on use of funds
A coalition that receives a grant under this section shall not be required to use funds received under this chapter for the purposes described in paragraph (5) or (6) of subsection (d) if the coalition provides an annual assurance to the Secretary that the coalition is—
(1) using funds received under section 2001(c)(1) of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3796gg(c)(1)) for such purposes; and
(2) coordinating the activities carried out by the coalition under subsection (d) with the State’s activities under part T of title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3796gg et seq.) that address those purposes.

(f) Prohibition on lobbying
No funds made available to entities under this section shall be used, directly or indirectly, to influence the issuance, amendment, or revocation of any executive order or similar promulgation by any Federal, State, or local agency, or to undertake to influence the passage or defeat of any legislation by Congress, or by any State or local legislative body, or State proposals by initiative petition, except that the representatives of the entity may testify or make other appropriate communication—
(1) when formally requested to do so by a legislative body, a committee, or a member of the body or committee; or
(2) in connection with legislation or appropriations directly affecting the activities of the entity.

(g) Reports and evaluation
Each entity receiving a grant under this section shall submit a performance report to the Secretary at such time as shall be reasonably required by the Secretary. Such performance report shall describe the activities that have been carried out with such grant funds, contain an evaluation of the effectiveness of such activities, and provide such additional information as the Secretary may reasonably require.

(h) Indian representatives
For purposes of this section, a State Domestic Violence Coalition may include representatives of Indian tribes and tribal organizations.

References in Text
The Omnibus Crime Control and Safe Streets Act of 1968, referred to in subsec. (e), is Pub. L. 90–351, June 19, 1968, 82 Stat. 197. Section 2001 of the Act was classified to section 3796gg of this title, prior to editorial reclassification and renumbering as section 10441 of Title 34, Crime Control and Law Enforcement. Part T of title I of the Act was classified generally to subchapter XII–H (§3796gg et seq.) of chapter 46 of this title, prior to editorial reclassification and renumbering as subchapter XIX (§10441 et seq.) of chapter 101 of Title 34. For complete classification of this Act to the Code, see Short Title of 1968 Act note set out under section 10101 of Title 34 and Tables.

Prior Provisions

A prior section 311 of Pub. L. 98–457 was classified to section 10410 of this title prior to the general amendment of this chapter by Pub. L. 111–320.

§10412. Specialized services for abused parents and their children

(a) In general
(1) Program
The Secretary shall establish a grant program to expand the capacity of family violence, domestic violence, and dating violence service programs and community-based programs to prevent future domestic violence by addressing, in an appropriate manner, the needs of children exposed to family violence, domestic violence, or dating violence.

(2) Grants
The Secretary may make grants to eligible entities through the program established under paragraph (1) for periods of not more than 2 years. If the Secretary determines that an entity has received such a grant and been successful in meeting the objectives of the grant application submitted under subsection (c), the Secretary may renew the grant for an additional period of not more than 2 years.

(b) Eligible entities
To be eligible to receive a grant under this section, an entity shall be a local agency, a nonprofit private organization (including faith-based and charitable organizations, community-based organizations, and voluntary associations), or a tribal organization, with a demonstrated record of serving victims of family violence, domestic violence, or dating violence and their children.

(c) Application
An entity seeking a grant under this section shall submit an application to the Secretary at

1 See References in Text note below.
such time, in such manner, and containing such information as the Secretary may reasonably require, including—

(1) a description of how the entity will prioritize the safety of, and confidentiality of information about—

(A) victims of family violence, victims of domestic violence, and victims of dating violence; and

(B) children of victims described in subparagraph (A);

(2) a description of how the entity will provide developmentally appropriate and age-appropriate services, and culturally and linguistically appropriate services, to the victims and children; and

(3) a description of how the entity will ensure that professionals working with the children receive the training and technical assistance appropriate and relevant to the unique needs of children exposed to family violence, domestic violence, or dating violence.

(d) Use of funds

An entity that receives a grant under this section for a family violence, domestic violence, and dating violence service or community-based program described in subsection (a)—

(1) shall use the funds made available through the grant—

(A) to provide direct counseling, appropriate services consistent with subsection (c)(2), or advocacy on behalf of victims of family violence, domestic violence, or dating violence and their children, including coordinating services with services provided by the child welfare system;

(B) to provide services for nonabusing parents to support those parents’ roles as caregivers and their roles in responding to the social, emotional, and developmental needs of their children; and

(C) where appropriate, to provide the services described in this subsection while working with such a nonabusing parent and child together; and

(2) may use the funds made available through the grant—

(A) to provide early childhood development and mental health services;

(B) to coordinate activities with and provide technical assistance to community-based organizations serving victims of family violence, domestic violence, or dating violence or children exposed to family violence, domestic violence, or dating violence; and

(C) to provide additional services and referrals to services for children, including child care, transportation, educational support, respite care, supervised visitation, or other necessary services.

(e) Reports and evaluation

Each entity receiving a grant under this section shall submit a performance report to the Secretary at such time as shall be reasonably required by the Secretary. Such performance report shall describe the activities that have been carried out with such grant funds, contain an evaluation of the effectiveness of such activities, and provide such additional information as the Secretary may reasonably require.

§ 10413. National domestic violence hotline grant

(a) In general

The Secretary shall award a grant to 1 or more private entities to provide for the ongoing operation of a 24-hour, national, toll-free telephone hotline to provide information and assistance to adult and youth victims of family violence, domestic violence, or dating violence, family and household members of such victims, and persons affected by the victimization. The Secretary shall give priority to applicants with experience in operating a hotline that provides assistance to adult and youth victims of family violence, domestic violence, or dating violence.

(b) Term

The Secretary shall award a grant under this section for a period of not more than 5 years.

(c) Conditions on payment

The provision of payments under a grant awarded under this section shall be subject to annual approval by the Secretary and subject to the availability of appropriations for each fiscal year to make the payments.

(d) Application

To be eligible to receive a grant under this section, an entity shall submit an application to the Secretary that shall—

(1) contain such agreements, assurances, and information, be in such form, and be submitted in such manner, as the Secretary shall prescribe;

(2) include a complete description of the applicant’s plan for the operation of a national domestic violence hotline, including descriptions of—

(A) the training program for hotline personnel, including technology training to ensure that all persons affiliated with the hotline are able to effectively operate any technological systems used by the hotline;

(B) the hiring criteria and qualifications for hotline personnel;

(C) the methods for the creation, maintenance, and updating of a resource database;

(D) a plan for publicizing the availability of the hotline;

(E) a plan for providing service to non-English speaking callers, including service through hotline personnel who have non-English language capability;

(F) a plan for facilitating access to the hotline by persons with hearing impairments; and
(G) a plan for providing assistance and referrals to youth victims of domestic violence and for victims of dating violence who are minors, which may be carried out through a national teen dating violence hotline;

(3) demonstrate that the applicant has recognized expertise in the area of family violence, domestic violence, or dating violence and a record of high quality service to victims of family violence, domestic violence, or dating violence, including a demonstration of support from advocacy groups and State Domestic Violence Coalitions;

(4) demonstrate that the applicant has the capacity and the expertise to maintain a domestic violence hotline and a comprehensive database of service providers;

(5) demonstrate the ability to provide information and referrals for callers, directly connect callers to service providers, and employ crisis interventions meeting the standards of family violence, domestic violence, and dating violence providers;

(6) demonstrate that the applicant has a commitment to diversity and to the provision of services to underserved populations, including to ethnic, racial, and non-English speaking minorities, in addition to older individuals and individuals with disabilities;

(7) demonstrate that the applicant complies with nondisclosure requirements as described in section 10406(c)(5) of this title and follows comprehensive quality assurance practices; and

(8) contain such other information as the Secretary may require.

(e) Hotline activities

(1) In general

An entity that receives a grant under this section for activities described, in whole or in part, in subsection (a) shall use funds made available through the grant to establish and operate a 24-hour, national, toll-free telephone hotline to provide information and assistance to adult and youth victims of family violence, domestic violence, or dating violence, and other individuals described in subsection (a).

(2) Activities

In establishing and operating the hotline, the entity—

(A) shall contract with a carrier for the use of a toll-free telephone line;

(B) shall employ, train (including providing technology training), and supervise personnel to answer incoming calls, provide counseling and referral services for callers on a 24-hour-a-day basis, and directly connect callers to service providers;

(C) shall assemble and maintain a database of information relating to services for adult and youth victims of family violence, domestic violence, or dating violence to which callers may be referred throughout the United States, including information on the availability of shelters and supportive services for victims of family violence, domestic violence, or dating violence;

(D) shall widely publicize the hotline throughout the United States, including to potential users;

(E) shall provide assistance and referrals to meet the needs of underserved populations and individuals with disabilities;

(F) shall provide assistance and referrals for youth victims of domestic violence and for victims of dating violence who are minors, which may be carried out through a national teen dating violence hotline;

(G) may provide appropriate assistance and referrals for family and household members of victims of family violence, domestic violence, or dating violence, and persons affected by the victimization described in subsection (a); and

(H) at the discretion of the hotline operator, may provide assistance, or referrals for counseling or intervention, for identified adult and youth perpetrators, including self-identified perpetrators, of family violence, domestic violence, or dating violence, but shall not be required to provide such assistance or referrals in any circumstance in which the hotline operator fears the safety of a victim may be impacted by an abuser or suspected abuser.

(f) Reports and evaluation

The entity receiving a grant under this section shall submit a performance report to the Secretary at such time as shall be reasonably required by the Secretary. Such performance report shall describe the activities that have been carried out with such grant funds, contain an evaluation of the effectiveness of such activities, and provide such additional information as the Secretary may reasonably require.


PRIOR PROVISIONS


§ 10414. Domestic Violence Prevention Enhancement and Leadership Through Alliances (DELTA)

(a) In general

The Secretary shall enter into cooperative agreements with State Domestic Violence Coalitions for the purposes of establishing, operating, and maintaining local community projects to prevent family violence, domestic violence, and dating violence, including violence committed by and against youth, using a coordinated community response model and through prevention and education programs.

(b) Term

The Secretary shall enter into a cooperative agreement under this section for a period of not more than 5 fiscal years.

(c) Conditions on payment

The provision of payments under a cooperative agreement under this section shall be subject to—

(1) annual approval by the Secretary; and
(d) Eligibility
To be eligible to enter into a cooperative agreement under this section, an organization shall—
(1) be a State Domestic Violence Coalition; and
(2) include representatives of pertinent sectors of the local community, which may include—
(A) health care providers and State or local health departments;
(B) the education community;
(C) the faith-based community;
(D) the criminal justice system;
(E) family violence, domestic violence, and dating violence service program advocates;
(F) human service entities such as State child services divisions;
(G) business and civic leaders; and
(H) other pertinent sectors.

(e) Applications
An organization that desires to enter into a cooperative agreement under this section shall submit to the Secretary an application, in such form and in such manner as the Secretary shall require, that—
(1) demonstrates the capacity of the applicant, who may enter into a partnership with a local family violence, domestic violence, or dating violence service provider or community-based organization, to undertake the project involved;
(2) demonstrates that the project will include a coordinated community response to improve and expand prevention strategies through increased communication and coordination among all affected sectors of the local community;
(3) includes a complete description of the applicant’s plan for the establishment and implementation of the coordinated community response, including a description of—
(A) the method to be used for identification and selection of an administrative committee made up of persons knowledgeable about comprehensive family violence, domestic violence, and dating violence prevention planning to oversee the project, hire staff, assure compliance with the project outline, and secure annual evaluation of the project;
(B) the method to be used for identification and selection of project staff and a project council consisting of representatives of the various community sectors who will chair subcommittees of the project council, each of which will focus on 1 of the sectors;
(4) demonstrates that the applicant has experience in providing, or the capacity to provide, prevention-focused training and technical assistance;
(5) demonstrates that the applicant has the capacity to carry out collaborative community initiatives to prevent family violence, domestic violence, and dating violence; and
(6) contains such other information, agreements, and assurances as the Secretary may require.

(f) Geographical dispersion
The Secretary shall enter into cooperative agreements under this section with organizations in States geographically dispersed throughout the Nation.

(g) Use of funds
(1) In general
An organization that enters into a cooperative agreement under subsection (a) shall use the funds made available through the agreement to establish, operate, and maintain comprehensive family violence, domestic violence, and dating violence prevention programming.

(2) Technical assistance, evaluation and monitoring
The Secretary may use a portion of the funds provided under this section to—
(A) provide technical assistance;
(B) monitor the performance of organizations carrying out activities under the cooperative agreements; and
(C) conduct an independent evaluation of the program carried out under this section.

(3) Requirements
In establishing and operating a project under this section, an eligible organization shall—
(A) establish protocols to improve and expand family violence, domestic violence, and dating violence prevention and intervention strategies within affected community sectors described in subsection (d)(2);
(B) develop comprehensive prevention plans to coordinate prevention efforts with other community sectors;
(C) provide for periodic evaluation of the project, and analysis to assist in replication of the prevention strategies used in the project in other communities, and submit a report under subsection (h) that contains the evaluation and analysis;
(D) develop, replicate, or conduct comprehensive, evidence-informed primary prevention programs that reduce risk factors and promote protective factors that reduce the likelihood of family violence, domestic violence, and dating violence, which may include—
(i) educational workshops and seminars;
(ii) training programs for professionals;
(iii) the preparation of informational material;
(iv) developmentally appropriate education programs;

(v) other efforts to increase awareness of the facts about, or to help prevent, family violence, domestic violence, and dating violence; and
(vi) the dissemination of information about the results of programs conducted under this subparagraph;
(E) utilize evidence-informed prevention program planning; and

(F) recognize, in applicable cases, the needs of underserved populations, racial and linguistic populations, and individuals with disabilities.

(h) Reports and evaluation

Each organization entering into a cooperative agreement under this section shall submit a performance report to the Secretary at such time as shall be reasonably required by the Secretary. Such performance report shall describe activities that have been carried out with the funds made available through the agreement, contain an evaluation of the effectiveness of such activities, and provide such additional information as the Secretary may reasonably require. The Secretary shall make the evaluations received under this subsection publicly available on the Department of Health and Human Services website. The reports shall also be submitted to the Committee on Education and Labor of the House of Representatives and the Committee on Health, Education, Labor, and Pensions of the Senate.


§10420. Transferred

CODIFICATION

Section 10420 was editorially reclassified as section 12464 of Title 34, Crime Control and Law Enforcement.

§10421. Omitted

CODIFICATION


CHAPTER 111—EMERGENCY FEDERAL LAW ENFORCEMENT ASSISTANCE

Sec. 10501 to 10513. Repealed or Transferred.

§10501. Transferred

CODIFICATION

Section 10501 was editorially reclassified as section 50101 of Title 34, Crime Control and Law Enforcement.

§10502. Transferred

CODIFICATION

Section 10502 was editorially reclassified as section 50102 of Title 34, Crime Control and Law Enforcement.

§10503. Transferred

CODIFICATION

Section 10503 was editorially reclassified as section 50103 of Title 34, Crime Control and Law Enforcement.

§10504. Transferred

CODIFICATION

Section 10504 was editorially reclassified as section 50104 of Title 34, Crime Control and Law Enforcement.

§10505. Transferred

CODIFICATION

Section 10505 was editorially reclassified as section 50105 of Title 34, Crime Control and Law Enforcement.

§10506. Transferred

CODIFICATION

Section 10506 was editorially reclassified as section 50106 of Title 34, Crime Control and Law Enforcement.

§10507. Transferred

CODIFICATION

Section 10507 was editorially reclassified as section 50107 of Title 34, Crime Control and Law Enforcement.

§10508. Transferred

CODIFICATION

Section 10508 was editorially reclassified as section 50108 of Title 34, Crime Control and Law Enforcement.


§ 10510. Transferred

CODIFICATION

Section 10510 was editorially reclassified as section 50109 of Title 34, Crime Control and Law Enforcement.

§ 10511. Transferred

CODIFICATION

Section 10511 was editorially reclassified as section 50110 of Title 34, Crime Control and Law Enforcement.

§ 10512. Transferred

CODIFICATION

Section 10512 was editorially reclassified as section 50111 of Title 34, Crime Control and Law Enforcement.

§ 10513. Transferred

CODIFICATION

Section 10513 was editorially reclassified as section 50112 of Title 34, Crime Control and Law Enforcement.

§ 10503a. Transferred

CODIFICATION

Section 10503a was editorially reclassified as section 20108 of Title 34, Crime Control and Law Enforcement.

§ 10503b. Transferred

CODIFICATION

Section 10503b was editorially reclassified as section 20109 of Title 34, Crime Control and Law Enforcement.

§ 10503c. Transferred

CODIFICATION

Section 10503c was editorially reclassified as section 20110 of Title 34, Crime Control and Law Enforcement.

§ 10503d. Transferred

CODIFICATION

Section 10503d was editorially reclassified as section 20111 of Title 34, Crime Control and Law Enforcement.

§ 10503e. Transferred

CODIFICATION

Section 10503e was editorially reclassified as section 20110 of Title 34, Crime Control and Law Enforcement.

§ 10503f. Transferred

CODIFICATION

Section 10503f was editorially reclassified as section 20111 of Title 34, Crime Control and Law Enforcement.

§ 10504. Transferred

CODIFICATION

Section 10504 was editorially reclassified as section 20112 of Title 34, Crime Control and Law Enforcement.


§ 10507. Transferred

CODIFICATION

Section 10507 was editorially reclassified as section 20112 of Title 34, Crime Control and Law Enforcement.

§ 10508. Transferred

CODIFICATION

Section 10508 was editorially reclassified as section 20113 of Title 34, Crime Control and Law Enforcement.

§ 10509. Transferred

CODIFICATION

Section 10509 was editorially reclassified as section 20114 of Title 34, Crime Control and Law Enforcement.

CHAPTER 112—VICTIM COMPENSATION AND ASSISTANCE

Sec.
10601 to 10605. Transferred.
10606. Repealed.
10607 to 10609. Transferred.

§ 10601. Transferred

CODIFICATION

Section 10601 was editorially reclassified as section 20101 of Title 34, Crime Control and Law Enforcement.

§ 10602. Transferred

CODIFICATION

Section 10602 was editorially reclassified as section 20102 of Title 34, Crime Control and Law Enforcement.

§ 10603. Transferred

CODIFICATION

Section 10603 was editorially reclassified as section 20103 of Title 34, Crime Control and Law Enforcement.

§ 10603a. Transferred

CODIFICATION

Section 10603a was editorially reclassified as section 20104 of Title 34, Crime Control and Law Enforcement.

§ 10603b. Transferred

CODIFICATION

Section 10603b was editorially reclassified as section 20105 of Title 34, Crime Control and Law Enforcement.

§ 10603c. Transferred

CODIFICATION

Section 10603c was editorially reclassified as section 20106 of Title 34, Crime Control and Law Enforcement.

§ 10603d. Transferred

CODIFICATION

Section 10603d was editorially reclassified as section 20107 of Title 34, Crime Control and Law Enforcement.

CHAPTER 113—STATE JUSTICE INSTITUTE

Sec.
10701. Definitions.
10702. Establishment of Institute; duties.
10703. Board of Directors.
10704. Officers and employees.
10705. Grants and contracts.
10706. Limitations on grants and contracts.
10707. Restrictions on activities of Institute.
10708. Administrative provisions.
10709. Presidential coordination.
10710. Records and reports.
10711. Audits.
10713. Authorization of appropriations.

§ 10701. Definitions

As used in this chapter, the term—
(1) "Board" means the Board of Directors of the Institute;
(2) "Director" means the Executive Director of the Institute;
(3) "Governor" means the Chief Executive Officer of a State;
(4) "Institute" means the State Justice Institute;
(5) "recipient" means any grantee, contractor, or recipient of financial assistance under this chapter;
(6) "State" means any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Northern Mariana Islands, the Trust Territory of the Pacific Islands, and any other territory or possession of the United States;
(7) "Supreme Court" means the highest appellate court within a State unless, for the purposes of this chapter, a constitutionally or legislatively established judicial council acts in place of that court; and
(8) "domestic violence" means—
(A) any action that constitutes—
(i) attempting to cause or intentionally, knowingly, or recklessly causing bodily injury or physical illness;
(ii) rape, sexual assault, or causing involuntary deviate sexual intercourse;
(iii) placing by physical menace another in fear of imminent serious bodily injury; or
(iv) the infliction of false imprisonment; if such action is taken by one of 2 spouses, former spouses, or sexual or intimate partners against the other spouse, former spouse, or partner and the 2 of whom share biological parenthood of, have adopted, are legal custodians of, or are stepparents of a minor child; or
(B) physically or sexually abusing such minor child if such abuse is inflicted by either of such spouses, former spouses, or partners.

References in Text
This chapter, referred to in text, was in the original "this title", meaning title II of Pub. L. 98–620, Nov. 8, 1984, 98 Stat. 3336, known as the State Justice Institute Act of 1984, which is classified principally to this chapter. For complete classification of title II to the Code, see Short Title note below and Tables.

Amendments

Effective Date
Pub. L. 98–620, title II, § 201, Nov. 8, 1984, 98 Stat. 3336, provided that: "This title [enacting this chapter and amending section 620 of Title 28, Judiciary and Judicial Procedure] may be cited as the 'State Justice Institute Act of 1984'."

Short Title
Pub. L. 98–620, title II, § 202, Nov. 8, 1984, 98 Stat. 3336, provided that: "This title [enacting this chapter and amending section 620 of Title 28, Judiciary and Judicial Procedure] may be cited as the 'State Justice Institute Reauthorization Act of 2004'."

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

§10702. Establishment of Institute; duties
(a) Establishment; purpose; incorporation; powers
There is established a private nonprofit corporation which shall be known as the State Justice Institute. The purpose of the Institute shall be to further the development and adoption of improved judicial administration in State courts in the United States. The Institute may be incorporated in any State pursuant to section 10703(a)(6) of this title. To the extent consistent with the provisions of this chapter, the Institute may exercise the powers conferred upon a nonprofit corporation by the laws of the State in which it is incorporated.

(b) Duties
The Institute shall—
(1) direct a national program of assistance designed to assure each person ready access to a fair and effective system of justice by providing funds to—
(A) State courts;
(B) national organizations which support and are supported by State courts; and
(C) any other nonprofit organization that will support and achieve the purposes of this chapter;
(2) foster coordination and cooperation with the Federal judiciary in areas of mutual concern;
(3) promote recognition of the importance of the separation of powers doctrine to an independent judiciary; and
(4) encourage education for judges and support personnel of State court systems through national and State organizations, including universities.

(c) Duplication of functions; responsibility of State agencies
The Institute shall not duplicate functions adequately performed by existing nonprofit organizations and shall promote, on the part of agencies of State judicial administration, responsibility for the success and effectiveness of State court improvement programs supported by Federal funding.

(d) Maintenance of offices in State of incorporation; agent for receipt of service of process
The Institute shall maintain its principal offices in the State in which it is incorporated and shall maintain therein a designated agent to accept service of process for the Institute. Notice to or service upon the agent shall be deemed notice to or service upon the Institute.
(e) Tax status of Institute and programs assisted thereby

The Institute, and any program assisted by the Institute, shall be eligible to be treated as an organization described in section 170(c)(2)(B) of title 26 and as an organization described in section 501(c)(3) of title 26 which is exempt from taxation under section 501(a) of title 26. If such treatments are conferred in accordance with the provisions of title 26, the Institute, and programs assisted by the Institute, shall be subject to all provisions of title 26 relevant to the conduct of organizations exempt from taxation.

(f) Rules, regulations, etc.; notice and comment

The Institute shall afford notice and reasonable opportunity for comment to interested parties prior to issuing rules, regulations, guidelines, and instructions under this chapter, and it shall publish in the Federal Register all rules, regulations, guidelines, and instructions.

(AMENDMENTS)

1992—Subsec. (f). Pub. L. 102–520 struck out at end "The publication of a substantive rule shall not be made less than thirty days before the effective date of such rule, except as otherwise provided by the Institute for good cause found and published with the rule."

1988—Subsec. (f). Pub. L. 100–702 made substantially identical amendments, striking out "at least thirty days prior to their effective date," after "Federal Register" and inserting sentence at end relating to publication of a substantive rule.

1986—Subsec. (e). Pub. L. 99–514 substituted "Internal Revenue Code of 1986" for "Internal Revenue Code of 1984" wherever appearing, for which purposes of codification was translated as "title 26" thus requiring no change in text.

(Amendments)

1922—Subsec. (f). Pub. L. 98–620 and Pub. L. 100–702 made substantially identical amendments, striking out "at least thirty days prior to their effective date," after "Federal Register" and inserting sentence at end relating to publication of a substantive rule.

1988—Subsec. (f). Pub. L. 100–702 made substantially identical amendments, striking out "at least thirty days prior to their effective date," after "Federal Register" and inserting sentence at end relating to publication of a substantive rule.

1992—Subsec. (f). Pub. L. 102–520 struck out at end "The publication of a substantive rule shall not be made less than thirty days before the effective date of such rule, except as otherwise provided by the Institute for good cause found and published with the rule."

Effective Date

Section effective Oct. 1, 1985, see section 216 of Pub. L. 98–620, set out as a note under section 10701 of this title.

BATTERED WOMEN’S TESTIMONY

Pub. L. 102–527, Oct. 27, 1992, 106 Stat. 3459, provided that:

"SECTION 1. SHORT TITLE."

"This Act may be cited as the 'Battered Women's Testimony Act of 1992'."

"SEC. 2. AUTHORITY OF STATE JUSTICE INSTITUTE."

"The State Justice Institute shall—"

"(1) collect nationwide and analyze information regarding—"

"(A) the admissibility and quality of expert testimony on the experiences of battered women offered as part of the defense in criminal cases under State law, and—"

"(B) sources of, and methods to obtain, funds to pay costs incurred to provide such testimony, particularly in cases involving indigent women defendants,"

"(2) develop training materials to assist—"

"(A) battered women, operators of domestic violence shelters, battered women's advocates, and attorneys to use such expert testimony in appropriate cases, particularly appropriate cases involving indigent women defendants, and"

"(B) individuals with expertise in the experiences of battered women to develop skills appropriate to providing such expert testimony, and"

"(3) disseminate such information and such training materials, and provide related technical assistance, to battered women, such operators, such advocates, such attorneys, and such individuals."

"SEC. 3. ADMINISTRATIVE PROVISIONS."

"For purposes of this Act—"

"(1) subsections (d) and (e) of section 206 of the State Justice Institute Act of 1984 [42 U.S.C. 10705(d), (e)], and"

"(2) subsections (a) and (b) of section 207 of such Act [42 U.S.C. 10706(a), (b)], shall apply in the same manner as such subsections apply with respect to grants and contracts made under such Act [42 U.S.C. 10701 et seq.]."

"SEC. 4. AUTHORIZATION OF APPROPRIATIONS."

"There is authorized to be appropriated $600,000 to carry out this Act.'"
mit to him another list of qualified individuals. Prior to consulting with or submitting a list to the President, the Conference of Chief Justices shall obtain and consider the recommendations of all interested organizations and individuals concerned with the administration of justice and the objectives of this chapter.

(4) In addition to those members appointed under paragraph (3), the President shall appoint four members from the public sector to serve on the Board.

(5) The President shall make the initial appointments of members of the Board under this subsection within ninety days after October 1, 1985. In the case of any other appointment of a member, the President shall make the appointment not later than ninety days after the previous term expires or the vacancy occurs, as the case may be. The Conference of Chief Justices shall submit lists of candidates under paragraph (3) in a timely manner so that the appointments can be made within the time periods specified in this paragraph.

(6) The initial members of the Board of Directors shall be the incorporators of the Institute and shall determine the State in which the Institute is to be incorporated.

(b) Term of office

(1) Except as provided in paragraph (2), the term of each voting member of the Board shall be three years. Each member of the Board shall continue to serve until the successor to such member has been appointed and qualified.

(2) Five of the members first appointed by the President shall serve for a term of two years. Any member appointed to serve an unexpired term which has arisen by virtue of the death, disability, retirement, or resignation of a member shall be appointed only for such unexpired term, but shall be eligible for reappointment.

(3) The term of initial members shall commence from the date of the first meeting of the Board, and the term of each member other than an initial member shall commence from the date of termination of the preceding term.

(c) Reappointment

No member shall be reappointed to more than two consecutive terms immediately following such member’s initial term.

(d) Compensation; reimbursement for expenses

Members of the Board shall serve without compensation, but shall be reimbursed for actual and necessary expenses incurred in the performance of their official duties.

(e) Status of members of Board as officers and employees of United States

The members of the Board shall not, by reason of such membership, be considered officers or employees of the United States.

(f) Voting rights of Board members; quorum; action of Board on concurrence of majority

Each member of the Board shall be entitled to one vote. A simple majority of the membership shall constitute a quorum for the conduct of business. The Board shall act upon the concurrence of a simple majority of the membership present and voting.

(g) Chairman; initial selection and term of office; subsequent annual election

The Board shall select from among the voting members of the Board a chairman, the first of whom shall serve for a term of three years. Thereafter, the Board shall annually elect a chairman from among its voting members.

(h) Grounds for removal of members

A member of the Board may be removed by a vote of seven members for malfeasance in office, persistent neglect of, or inability to discharge duties, or for any offense involving moral turpitude, but for no other cause.

(i) Quarterly meetings of Board; special meetings

Regular meetings of the Board shall be held quarterly. Special meetings shall be held from time to time upon the call of the chairman, acting at his own discretion or pursuant to the petition of any seven members.

(j) Open meetings

All meetings of the Board, any executive committee of the Board (on any occasion on which that committee has been delegated the authority to act on behalf of the Board), and any council established in connection with this chapter, shall be open and subject to the requirements and provisions of section 552b of title 5 relating to open meetings.

(k) Duties and functions of Board

In its direction and supervision of the activities of the Institute, the Board shall:

(1) establish policies and develop such programs for the Institute that will further the achievement of its purpose and performance of its functions;

(2) establish policy and funding priorities and issue rules, regulations, guidelines, and instructions pursuant to such priorities;

(3) appoint and fix the duties of the Executive Director of the Institute, who shall serve at the pleasure of the Board and shall be a nonvoting ex officio member of the Board;

(4) present to other Government departments, agencies, and instrumentalities whose programs or activities relate to the administration of justice in the State judiciaries of the United States, the recommendations of the Institute for the improvement of such programs or activities;

(5) consider and recommend to both public and private agencies aspects of the operation of the State courts of the United States considered worthy of special study; and

(6) award grants and enter into cooperative agreements or contracts pursuant to section 10705(a) of this title.


REFERENCES IN TEXT

This chapter, referred to in subsecs. (a)(3) and (i), was in the original "this title", meaning title II of Pub. L. 98–620, Nov. 8, 1984, 98 Stat. 3336, known as the State Justice Institute Act of 1984, which is classified principally to this chapter. For complete classification of title II to the Code, see Short Title note set out under section 10701 of this title and Tables.
§ 10704 Officers and employees

(a) Duties of Director; appointment and removal of employees; political tests or qualifications prohibited

(1) The Director, subject to general policies established by the Board, shall supervise the activities of persons employed by the Institute and may appoint and remove such employees as he determines necessary to carry out the purposes of the Institute. The Director shall be responsible for the executive and administrative operations of the Institute, and shall perform such duties as are delegated to such Director by the Board and the Institute.

(2) No political test or political qualification shall be used in selecting, appointing, promoting, or taking any other personnel action with respect to any officer, agent, or employee of the Institute, or in selecting or monitoring any grantee, contractor, person, or entity receiving financial assistance under this chapter.

(b) Compensation

Officers and employees of the Institute shall be compensated at rates determined by the Board, but not in excess of the rate of level V of the Executive Schedule specified in section 5316 of title 5.

(c) Status of Institute as department, agency, or instrumentality of Federal Government; authority of Office of Management and Budget

(1) Except as otherwise specifically provided in this chapter, the Institute shall not be considered a department, agency, or instrumentality of the Federal Government.

(2) This chapter does not limit the authority of the Office of Management and Budget to review and submit comments upon the Institute’s annual budget request at the time it is transmitted to the Congress.

(3) The Institute may purchase goods and services from the General Services Administration in order to carry out its functions.

(d) Status of officers and employees of Institute as officers and employees of United States

(1) Except as provided in paragraph (2), officers and employees of the Institute shall not be considered officers or employees of the United States.

(2) Officers and employees of the Institute shall be considered officers and employees of the United States solely for the purposes of the following provisions of title 5: Subchapter I of chapter 81 (relating to compensation for work injuries); chapters 83 and 84 (relating to civil service retirement); chapter 87 (relating to life insurance); and chapter 89 (relating to health insurance), notwithstanding section 8914 of such title. The Institute shall make contributions under the provisions referred to in this subsection at the same rates applicable to agencies of the Federal Government.

(e) Freedom of information requirements

The Institute and its officers and employees shall be subject to the provisions of section 552 of title 5 relating to freedom of information.

§ 10705 Grants and contracts

(a) Authority of Institute; purposes of grants

The Institute is authorized to award grants and enter into cooperative agreements or contracts, in a manner consistent with subsection (b), in order to—

(1) conduct research, demonstrations, or special projects pertaining to the purposes described in this chapter, and provide technical assistance and training in support of tests, demonstrations, and special projects;

(2) serve as a clearinghouse and information center, where not otherwise adequately provided, for the preparation, publication, and dissemination of information regarding State judicial systems;

(3) participate in joint projects with other agencies, including the Federal Judicial Center, with respect to the purposes of this chapter;

(4) evaluate, when appropriate, the programs and projects carried out under this chapter to determine their impact upon the quality of criminal, civil, and juvenile justice and the extent to which they have met or failed to meet the purposes and policies of this chapter;
(5) encourage and assist in the furtherance of judicial education;
(6) encourage, assist, and serve in a consulting capacity to State and local justice system agencies in the development, maintenance, and coordination of criminal, civil, and juvenile justice programs and services; and
(7) be responsible for the certification of national programs that are intended to aid and improve State judicial systems.

(b) Priority in making awards; alternative recipients; approval of applications; receipt and administration of funds; accountability
The Institute is empowered to award grants and enter into cooperative agreements or contracts as follows:

(1) The Institute may award grants to or enter into cooperative agreements or contracts with—
(A) State and local courts and their agencies;
(B) national nonprofit organizations controlled by, operating in conjunction with, and serving the judicial branches of State governments; and
(C) national nonprofit organizations for the education and training of judges and support personnel of the judicial branch of State governments.

(2) The Institute may, if the objective can better be served thereby, award grants to or enter into cooperative agreements or contracts with—
(A) other nonprofit organizations with expertise in judicial administration;
(B) institutions of higher education;
(C) individuals, partnerships, firms, or corporations; and
(D) private agencies with expertise in judicial administration.

(3) Upon application by an appropriate State or local agency or institution and if the arrangements to be made by such agency or institution will provide services which could not be provided adequately through nongovernmental arrangements, the Institute may award a grant or enter into a cooperative agreement or contract with a unit of State or local government other than a court.

(4) The Institute may enter into contracts with Federal agencies to carry out the purposes of this chapter.

(5) Each application for funding by a State or local court shall be approved, consistent with State law, by the State’s supreme court, or its designated agency or council, which shall receive, administer, and be accountable for all funds awarded by the Institute to such courts.

(c) Permissible uses of funds
Funds available pursuant to grants, cooperative agreements, or contracts awarded under this section may be used—

(1) to assist State and local court systems in establishing appropriate procedures for the selection and removal of judges and other court personnel and in determining appropriate levels of compensation;
(2) to support education and training programs for judges and other court personnel, for the performance of their general duties and for specialized functions, and to support national and regional conferences and seminars for the dissemination of information on new developments and innovative techniques;
(3) to conduct research on alternative means for using judicial and nonjudicial personnel in court decisionmaking activities, to implement demonstration programs to test innovative approaches, and to conduct evaluations of their effectiveness;
(4) to support studies of the appropriateness of efficacy of court organization and financing structures in particular States, and to enable States to implement plans for improved court organization and finance;
(5) to support State court planning and budgeting staffs and to provide technical assistance in resource allocation and service forecasting techniques;
(6) to support studies of the adequacy of court management systems in State and local courts and to implement and evaluate innovative responses to problems of record management, data processing, court personnel management, reporting and transcription of court proceedings, and juror utilization and management;
(7) to collect and compile statistical data and other information on the work of the courts and on the work of other agencies which relate to and affect the work of courts;
(8) to conduct studies of the causes of trial and appellate court delay in resolving cases, and to establish and evaluate experimental programs for reducing case processing time;
(9) to develop and test methods for measuring the performance of judges and courts and to conduct experiments in the use of such measures to improve the functioning of such judges and courts;
(10) to support studies of court rules and procedures, discovery devices, and evidentiary standards, to identify problems with the operation of such rules, procedures, devices, and standards, to devise alternative approaches to better reconcile the requirements of due process with the need for swift and certain justice, and to test the utility of those alternative approaches;
(11) to support studies of the outcomes of cases in selected subject matter areas to identify instances in which the substance of justice meted out by the courts diverges from public expectations of fairness, consistency, or equity, to propose alternative approaches to the resolving of cases in problem areas, and to test and evaluate those alternatives;
(12) to support programs to increase court responsiveness to the needs of citizens through citizen education, improvement of court treatment of witnesses, victims, and jurors, and development of procedures for obtaining and using measures of public satisfaction with court processes to improve court performance;
(13) to test and evaluate experimental approaches to providing increased citizen access to justice, including processes which reduce the cost of litigating common grievances and

1 So in original. Probably should be “and”. 
alternative techniques and mechanisms for resolving disputes between citizens;
(14) conduct not more than 5 projects at an aggregate cost of not to exceed $600,000—
(A) to investigate, and carry out research regarding State judicial decisions relating to child custody litigation involving domestic violence;
(B) to develop training curricula to assist State courts to develop an understanding of, and appropriate responses to, child custody litigation involving domestic violence; and
(C) to disseminate the results of the investigation and research carried out under subparagraph (A), and the curricula developed under subparagraph (B), to State courts; and
(15) to carry out such other programs, consistent with the purposes of this chapter, as may be deemed appropriate by the Institute.

(d) Matching fund requirements
The Institute shall incorporate in any grant, cooperative agreement, or contract awarded under this section in which a State or local court (or other unit of State or local government) is the recipient, the requirement that the recipient provide a match, from private or public sources, not less than 50 per centum of the total cost of such grant, cooperative agreement, or contract, except that such requirement may be waived in exceptionally rare circumstances upon the approval of the chief justice of the highest court of the State and a majority of the Board of Directors.

(e) Compliance monitoring and evaluation by Institute
The Institute shall monitor and evaluate, or provide for independent evaluations of, programs supported in whole or in part under this chapter, the bylaws of the Institute, and the applicable rules, regulations, and guidelines promulgated pursuant to this chapter, are carried out.

(f) Independent study of financial and technical assistance programs
The Institute shall provide for an independent study of the financial and technical assistance programs under this chapter.

(4) conduct not to exceed $600,000—
(A) to investigate, and carry out research regarding State judicial decisions relating to child custody litigation involving domestic violence;
(B) to develop training curricula to assist State courts to develop an understanding of, and appropriate responses to, child custody litigation involving domestic violence; and
(C) to disseminate the results of the investigation and research carried out under subparagraph (A), and the curricula developed under subparagraph (B), to State courts; and
Subsec. (b)(4). Pub. L. 102–572, § 802(2), inserted "to" after "award grants".
Subsec. (b)(3). Pub. L. 102–572, § 802(3), added par. (3) and struck out former par. (3) which read as follows: "Upon application by an appropriate Federal, State, or local agency or institution and if the arrangements to be made by such agency or institution will provide services which could not be provided adequately through nongovernmental arrangements, the Institute may award a grant or enter into a cooperative agreement or contract with a unit of Federal, State, or local government other than a court."
Subsec. (b)(4), (5). Pub. L. 102–572, § 802(4), (5), added par. (4) and redesignated former par. (4) as (5).
Subsec. (c)(3). Pub. L. 102–528, § 3(2), struck out "judicial and" before "nonjudicial" the second place appearing.
Subsec. (c)(4) to (6). Pub. L. 102–528, § 3(2)(B), redesignated par. (6) as (7). Former par. (7) redesignated (8).
Subsec. (c)(8) to (12). Pub. L. 102–528, § 3(2)(B), redesignated pars. (7) to (11) as (8) to (12), respectively. Former par. (12) redesignated (13).
Pub. L. 102–528, § 2, added par. (13) and redesignated former par. (13) as (14).
Pub. L. 102–528, § 2, redesignated par. (13) as (14).
Pub. L. 100–690, § 7321(b)(3)(A), inserted "judicial and" before "nonjudicial".
Subsec. (c)(4) to (15). Pub. L. 100–702, § 603(2), (3), which directed the striking out of par. (4) and redesignation of pars. (5) to (15) as (4) to (14), respectively, was executed by striking out par. (4) and redesignating pars. (5) to (14) as (4) to (13), respectively. In view of the intervening redesignation of pars. (5) to (15) as (4) to (14), respectively, by Pub. L. 100–690, § 7321(b)(3)(C). See below. Prior to amendment, par. (4) read as follows: "To support studies of the appropriateness and efficacy of court organizations and financing structures in particular States, and to enable States to implement plans for improved court organization and finance."
Pub. L. 100–690, § 7321(b)(3)(B), (C), redesignated pars. (5) to (15) as (4) to (14), respectively, and struck out former par. (4) which read as follows: "To assist State and local courts in meeting requirements of Federal law applicable to recipients of Federal funds;"
Subsec. (d). Pub. L. 100–702, § 604, which directed the substitution of "court (or other unit of State or local government)" for "judicial system", could not be executed due to prior amendment by Pub. L. 100–690, § 7321(b)(4). See below.
Pub. L. 100–690, § 7321(b)(4), substituted "court (or other unit of State or local government)" for "judicial system".

Effective Date
Section effective Oct. 1, 1985, see section 216 of Pub. L. 98–620, set out as a note under section 10701 of this title.

§ 10706. Limitations on grants and contracts
(a) Duties of Institute
With respect to grants made and contracts or cooperative agreements entered into under this chapter, the Institute shall—
(1) ensure that no funds made available to recipients by the Institute shall be used at any time, directly or indirectly, to influence the issuance, amendment, or revocation of any Executive order or similar promulgation by any Federal, State, or local agency, or to undertake to influence the passage or defeat of any legislation or constitutional amendment by the Congress of the United States, or by any State or local legislative body, or by any State proposal by initiative petition, or of any referendum, unless a governmental agency, legislative body, a committee, or a member thereof—

(A) requests personnel of the recipients to testify, draft, or review measures or to make representations to such agency, body, committee, or member; or

(B) is considering a measure directly affecting the activities under this chapter of the recipient or the Institute; and

(2) ensure all personnel engaged in grant, cooperative agreement or contract assistance activities supported in whole or part by the Institute refrain, while so engaged, from any partisan political activity.

(b) Use of funds for training programs for advocacy of nonjudicial public policies or encouraging nonjudicial political activities

No funds made available by the Institute under this chapter, either by grant, cooperative agreement, or contract, may be used to support or conduct training programs for the purpose of advocating particular nonjudicial public policies or encouraging nonjudicial political activities.

(c) Authority coextensive with appropriation Acts

The authorization to enter into cooperative agreements, contracts or any other obligation under this chapter shall be effective only to the extent, and in such amounts, as are provided in advance in appropriation Acts.

(d) Prohibited uses of funds

To ensure that funds made available under this chapter are used to supplement and improve the operation of State courts, rather than to support basic court services, funds shall not be used—

(1) to supplant State or local funds currently supporting a program or activity; or

(2) to construct court facilities or structures, except to remodel existing facilities to demonstrate new architectural or technological techniques, or to provide temporary facilities for new personnel or for personnel involved in a demonstration or experimental program.


Effective Date

Section effective Oct. 1, 1985, see section 216 of Pub. L. 100–702, set out as a note under section 17101 of this title.

§ 10707. Restrictions on activities of the Institute

(a) Litigation; interference with independence of State judiciary; funding of State judicial system activities other than pursuant to this chapter; legislative lobbying

The Institute shall not—

(1) participate in litigation unless the Institute or a recipient of the Institute is a party, and shall not participate on behalf of any client other than itself;

(2) interfere with the independent nature of any State judicial system or allow financial assistance to be used for the funding of regular judicial and administrative activities of any State judicial system other than pursuant to the terms of any grant, cooperative agreement, or contract with the Institute, consistent with the requirements of this chapter; or

(3) undertake to influence the passage or defeat of any legislation by the Congress of the United States or by any State or local legislative body, except that personnel of the Institute may testify or make other appropriate communication—

(A) when formally requested to do so by a legislative body, committee, or a member thereof;

(B) in connection with legislation or appropriations directly affecting the activities of the Institute; or

(C) in connection with legislation or appropriations dealing with improvements in the State judiciary, consistent with the provisions of this chapter.

(b) Issuance of shares of stock; declaration of dividends; compensation for services; reimbursement for expenses; political activities

(1) The Institute shall have no power to issue any shares of stock, or to declare or pay any dividends.

(2) No part of the income or assets of the Institute shall enure to the benefit of any director, officer, or employee, except as reasonable compensation for services or reimbursement for expenses.

(3) Neither the Institute nor any recipient shall contribute or make available Institute funds or program personnel or equipment to any political party or association, or the campaign of any candidate for public or party office.

(4) The Institute shall not contribute or make available Institute funds or program personnel
or equipment for use in advocating or opposing any ballot measure, initiative, or referendum.

(c) Identification of Institute with political activities

Officers and employees of the Institute or of recipients shall not at any time intentionally identify the Institute or the recipient with any partisan or nonpartisan political activity associated with a political party or association, or the campaign of any candidate for public or party office.


REFERENCES IN TEXT

This chapter, referred to in subsec. (a), was in the original “this title”, meaning title II of Pub. L. 98–620, Nov. 8, 1984, 98 Stat. 3336, known as the State Justice Institute Act of 1984, which is classified principally to this chapter. For complete classification of title II to the Code, see Short Title note set out under section 10701 of this title and Tables.

EFFECTIVE DATE

Section effective Oct. 1, 1985, see section 216 of Pub. L. 98–620, set out as a note under section 10701 of this title.

§ 10708. Administrative provisions

(a) The Institute shall prescribe procedures to ensure that financial assistance under this chapter shall not be suspended unless the grantee, contractor, person, or entity receiving financial assistance under this chapter has been given reasonable notice and opportunity to show cause why such actions should not be taken.

(b) Except as provided by Federal law other than this chapter, no officer or employee of the Institute, and no recipient of assistance under this chapter, may use or reveal any research or statistical information furnished under this chapter by any person and identifiable to any specific private person for any purpose other than the purpose for which the information was obtained in accordance with this chapter. Such information and copies thereof shall be immune from legal process, and shall not, without the consent of the person furnishing such information, be admitted as evidence or used for any purpose in any action, suit, or other judicial, legislative, or administrative proceedings.


REFERENCES IN TEXT

This chapter, referred to in text, was in the original “this title”, meaning title II of Pub. L. 98–620, Nov. 8, 1984, 98 Stat. 3336, known as the State Justice Institute Act of 1984, which is classified principally to this chapter. For complete classification of title II to the Code, see Short Title note set out under section 10701 of this title and Tables.

AMENDMENTS

1988—Pub. L. 100–702 substituted “Administrative provisions” for “Special procedures” in section catchline, and amended text generally, changing structure of section from a single unlettered paragraph to one consisting of subsecs. (a) and (b).
This chapter, referred to in subsecs. (a) and (b), was in the original "this title", meaning title II of Pub. L. 98–620, Nov. 8, 1984, 98 Stat. 3336, known as the State Justice Institute Act of 1984, which is classified principally to this chapter. For complete classification of title II to the Code, see Short Title note set out under section 10701 of this title and Tables.

**Effective Date**

Section effective Oct. 1, 1985, see section 216 of Pub. L. 98–620, set out as a note under section 10701 of this title.

§ 10711. Audits

(a) Time and place of audits; standards; availability of books, accounts, facilities, etc., to auditors; filing of report and availability for public inspection

(1) The accounts of the Institute shall be audited annually. Such audits shall be conducted in accordance with generally accepted auditing standards by independent certified public accountants who are certified by a regulatory authority of the jurisdiction in which the audit is undertaken.

(2) The audits shall be conducted at the place or places where the accounts of the Institute are normally kept. All books, accounts, financial records, reports, files, and other papers or property belonging to or in use by the Institute and necessary to facilitate the audit shall be made available to the person or persons conducting the audits. The full facilities for verifying transactions with the balances and securities held by depositories, fiscal agents, and custodians shall be afforded to any such person.

(3) The report of the annual audit shall be filed with the Government Accountability Office and shall be available for public inspection during business hours at the principal office of the Institute.

(b) Additional audits; requirements; reports and recommendations to Congress and Attorney General

(1) In addition to the annual audit, the financial transactions of the Institute for any fiscal year during which Federal funds are available to finance any portion of its operations may be audited by the Government Accountability Office in accordance with such rules and regulations as may be prescribed by the Comptroller General of the United States.

(2) Any such audit shall be conducted at the place or places where accounts of the Institute are normally kept. The representatives of the Government Accountability Office shall have access to all books, accounts, financial records, reports, files, and other papers or property belonging to or in use by the Institute and necessary to facilitate the audit. The full facilities for verifying transactions with the balances and securities held by depositories, fiscal agents, and custodians shall be afforded to such representatives. All such books, accounts, financial records, reports, files, and other papers or property of the Institute shall remain in the possession and custody of the Institute throughout the period beginning on the date such possession or custody commences and ending three years after such date, but the Government Accountability Office may require the retention of such books, accounts, financial records, reports, files, and other papers or property for a longer period under section 3523(c) of title 31.

(3) A report of such audit shall be made by the Comptroller General to the Congress and to the Attorney General, together with such recommendations with respect thereto as the Comptroller General deems advisable.

(c) Annual audits by Institute or recipients; reports; submission of copies to Comptroller General; inspection of books, accounts, etc.; availability of audit reports for public inspection

(1) The Institute shall conduct, or require each recipient to provide for, an annual fiscal audit. The report of each such audit shall be maintained for a period of at least five years at the principal office of the Institute.

(2) The Institute shall submit to the Comptroller General of the United States copies of such reports, and the Comptroller General may, in addition, inspect the books, accounts, financial records, files, and other papers or property belonging to or in use by such grantee, contractor, person, or entity, which relate to the disposition or use of funds held by the Institute. Such audit reports shall be available for public inspection during regular business hours, at the principal office of the Institute.

§ 10712. Report by Attorney General

Not later than October 1, 2002, the Attorney General, in consultation with the Federal Judicial Center, shall transmit to the Committees on the Judiciary of the Senate and the House of Representatives a report on the effectiveness of the Institute in carrying out the duties specified in section 10702(b) of this title. Such report shall include an assessment of the cost effectiveness of the program as a whole and, to the extent practicable, of individual grants, an assessment of whether the restrictions and limitations specified in sections 10706 and 10707 of this title have been respected, and such recommendations as the Attorney General, in consultation with the Federal Judicial Center, deems appropriate.

**Amendments**


**Effective Date**

Section effective Oct. 1, 1985, see section 216 of Pub. L. 98–620, set out as a note under section 10701 of this title.

**Amendments**


**References in Text**

§ 10713. Authorization of appropriations

There are authorized to be appropriated to carry out the purposes of this chapter, $7,000,000 for each of fiscal years 2005, 2006, 2007, and 2008. Amounts appropriated for each such year are to remain available until expended.


AMENDMENTS


References in Text

This chapter, referred to in text, was in the original "this title", meaning title II of Pub. L. 98–620, Nov. 8, 1984, 98 Stat. 3336, known as the State Justice Institute Act of 1984, which is classified principally to this chapter. For complete classification of title II to the Code, see Short Title note set out under section 10701 of this title and Tables.
Subsec. (a)(2) to (4). Pub. L. 102–173, §3, added par. (2) and redesignated former pars. (2) and (3) as (3) and (4), respectively.
Subsec. (b). Pub. L. 102–173, §104(2), substituted “individuals with mental illness” for “mentally ill individuals” in three places.

**Short Title of 1991 Amendment**


**Short Title of 1988 Amendment**

Pub. L. 100–509, §1, Oct. 20, 1988, 102 Stat. 2543, provided that: “This Act [amending sections 10802, 10804 to 10807, 10821, 10824, 10826, 10827, 10841, and 10851 of this title and enacting provisions set out as a note under section 10827 of this title] may be cited as the ‘Protection and Advocacy for Mentally Ill Individuals Amendments Act of 1988’.”

**SUPERSEDURE OF BALANCED BUDGET PROVISIONS**


### § 10802. Definitions

For purposes of this subchapter:

(1) The term “abuse” means any act or failure to act by an employee of a facility rendering care or treatment which was performed, or which was failed to be performed, knowingly, recklessly, or intentionally, and which caused, or may have caused, injury or death to an individual with mental illness, and includes acts such as—

(A) the rape or sexual assault of an individual with mental illness;

(B) the striking of an individual with mental illness;

(C) the use of excessive force when placing an individual with mental illness in bodily restraints; and

(D) the use of bodily or chemical restraints on an individual with mental illness which is not in compliance with Federal and State laws and regulations.

(2) The term “eligible system” means the system established in a State to protect and advocate the rights of persons with developmental disabilities under subtitle C of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6042 et seq.).

(3) The term “facilities” may include, but need not be limited to, hospitals, nursing homes, community facilities for individuals with mental illness, board and care homes, homeless shelters, and jails and prisons.

(4) The term “individual with mental illness” means, except as provided in section 10804(d) of this title, an individual—

(A) who has a significant mental illness or emotional impairment, as determined by a mental health professional qualified under the laws and regulations of the State; and

(B)(i) (I) who is an inpatient or resident in a facility rendering care or treatment, even if the whereabouts of such inpatient or resident are unknown;

(ii) who satisfies the requirements of subparagraph (A) and lives in a community setting, including their own home.

(5) The term “neglect” means a negligent act or omission by any individual responsible for providing services in a facility rendering care or treatment which caused or may have caused injury or death to an individual with mental illness at risk of injury or death, and includes an act or omission such as the failure to establish or carry out an appropriate individual program plan or treatment plan for an individual with mental illness, the failure to provide adequate nutrition, clothing, or health care to an individual with mental illness, or the failure to provide a safe environment for an individual with mental illness, including the failure to maintain adequate numbers of appropriately trained staff.

(6) The term “Secretary” means the Secretary of Health and Human Services.

(7) The term “State” means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, the Commonwealth of the Northern Mariana Islands, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands.

(8) The term “American Indian consortium” means a consortium established under part C of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6042 et seq.).

### REFERENCES IN TEXT


So in original.

So in original.

See References in Text note below.

**AMENDMENTS**


1991—Par. (1). Pub. L. 102–173, §10(1), substituted “individual with mental illness” for “mentally ill individual” wherever appearing in pars. (3) to (7). Pub. L. 102–173 added par. (3), redesignated former pars. (3) to (6) as (4) to (7), respectively, and substituted “individual with mental illness” for “mentally ill individual” wherever appearing in pars. (4) and (5).

1988—Par. (1). Pub. L. 100–509, §3(1), inserted “or death” after “caused, injury.”

Par. (3)(B). Pub. L. 100–509, §3(2), designated existing provisions as cl. (i), redesignated former cls. (i) to (iii) as subscls. (I) to (III), respectively, of cl. (i), and added cl. (i).


**REFERENCES IN TEXT**


So in original. The comma probably should not appear.

See References in Text note below.


AMENDMENTS


1988—Subsec. (a)(2). Pub. L. 100–509, §7(a), substituted "including, in particular, groups run by individuals who have received or are receiving mental health services, or the family members of such individuals, which" for "which, on May 23, 1986".

Subsec. (b)(2). Pub. L. 100–509, §7(b)(1), substituted 

§ 10805. System requirements

(a) Authority; independent status; access to facilities and records; advisory council; annual report; grievance procedure

A system established in a State under section 10803 of this title to protect and advocate the rights of individuals with mental illness shall—

(1) have the authority to—

(A) investigate incidents of abuse and neglect of individuals with mental illness if the incidents are reported to the system or if there is probable cause to believe that the incidents occurred;

(B) pursue administrative, legal, and other appropriate remedies to ensure the protection of individuals with mental illness who are receiving care or treatment in the State; and

(C) pursue administrative, legal, and other remedies on behalf of an individual who—

(i) was a individual with mental illness; and

(ii) is a resident of the State,

but only with respect to matters which occur within 90 days after the date of the discharge of such individual from a facility providing care or treatment;

(2) be independent of any agency in the State which provides treatment or services (other than advocacy services) to individuals with mental illness;

(3) have access to facilities in the State providing care or treatment;

(4) in accordance with section 10806 of this title, have access to all records of—

(A) any individual who is a client of the system if such individual, or the legal guardian, conservator, or other legal representative of such individual, has authorized the system to have such access;

(B) any individual (including an individual who has died or whose whereabouts are unknown)—

(i) who by reason of the mental or physical condition of such individual is unable to authorize the system to have such access;

(ii) who does not have a legal guardian, conservator, or other legal representative, or for whom the legal guardian is the State; and

(iii) with respect to whom a complaint has been received by the system or

respect to whom as a result of monitoring or other activities (either of which result from a complaint or other evidence) there is probable cause to believe that such individual has been subject to abuse or neglect; and

(C) any individual with a mental illness, who has a legal guardian, conservator, or other legal representative, with respect to whom a complaint has been received by the system or with respect to whom there is probable cause to believe the health or safety of the individual is in serious and immediate jeopardy, whenever—

(i) such representative has been contacted by such system upon receipt of the name and address of such representative;

(ii) such system has offered assistance to such representative to resolve the situation; and

(iii) such representative has failed or refused to act on behalf of the individual;

(5) have an arrangement with the Secretary and the agency of the State which administers the State plan under title XIX of the Social Security Act [42 U.S.C. 1396 et seq.] for the furnishing of the information required by subsection (b);

(6) establish an advisory council—

(A) which will advise the system on policies and priorities to be carried out in protecting and advocating the rights of individuals with mental illness;

(B) which shall include attorneys, mental health professionals, individuals from the public who are knowledgeable about mental illness, a provider of mental health services, individuals who have received or are receiving mental health services, and family members of such individuals, and at least 60 percent the membership of which shall be comprised of individuals who have received or are receiving mental health services who or who are family members of such individuals; and

(C) which shall be chaired by an individual who has received or is receiving mental health services or who is a family member of such an individual;

(7) on January 1, 1987, and January 1 of each succeeding year, prepare and transmit to the Secretary and the head of the State mental health agency of the State in which the system is located, and make publicly available, a report describing the activities, accomplishments, and expenditures of the system during the most recently completed fiscal year, including a section prepared by the advisory council that describes the activities of the council and its assessment of the operations of the system;

(8) on an annual basis, provide the public with an opportunity to comment on the priorities established by, and the activities of, the system;

(9) establish a grievance procedure for clients or prospective clients of the system to assure that individuals with mental illness have full access to the services of the system and for individuals who have received or are receiving mental health services, family mem-

\footnote{So in original. Probably should be "an".}
bers of such individuals with mental illness, or representatives of such individuals or family members to assure that the eligible system is operating in compliance with the provisions of this subchapter and subchapter III; and

(10) not use allotments provided to a system in a manner inconsistent with section 14404 of this title.

(b) Annual survey report; plan of corrections
The Secretary and the agency of a State which administers its State plan under title XIX of the Social Security Act [42 U.S.C. 1396 et seq.] shall provide the eligible system of the State with a copy of each annual survey report and plan of corrections for cited deficiencies made pursuant to titles XVIII and XIX of the Social Security Act [42 U.S.C. 1395 et seq., 1396 et seq.] with respect to any facility rendering care or treatment to individuals with mental illness in the State in which such system is located. A report or plan shall be made available within 30 days after the completion of the report or plan.

(c) Governing authority

(1)(A) Each system established in a State, through allotments received under section 10803 of this title, to protect and advocate the rights of individuals with mental illness shall have a governing authority.

(B) In States in which the governing authority is organized as a private non-profit entity with a multi-member governing board, or a public system with a multi-member governing board, such governing board shall be selected according to the policies and procedures of the system.

The governing board shall be composed of—

(i) members (to be selected no later than October 1, 1990) who broadly represent or are knowledgeable about the needs of the clients served by the system; and

(ii) in the case of a governing authority organized as a private non-profit entity, members who broadly represent or are knowledgeable about the needs of the clients served by the system including the chairperson of the advisory council of such system.

As used in this subparagraph, the term “members who broadly represent or are knowledgeable about the needs of the clients served by the system” shall be construed to include individuals who have received or are receiving mental health services and family members of such individuals.

(2) The governing authority established under paragraph (1) shall—

(A) be responsible for the planning, design, implementation, and functioning of the system; and

(B) consistent with subparagraph (A), jointly develop the annual priorities of the system with the advisory council.

(2016—Subsec. (a)(7). Pub. L. 114–255 substituted “is located, and make publicly available, a report” for “is located a report”.


1991—Subsec. (a). Pub. L. 102–173, § 10, substituted “individual with mental illness” for “mentally ill individual” and “individuals with mental illness” for “mentally ill individuals” wherever appearing.

Subsec. (a)(4). Pub. L. 102–173, § 6(a), inserted “as a result of monitoring or other activities (either of which result from a complaint or other evidence)” before “there is” in subpar. (B)(iii) and added subpar. (C).

Subsec. (a)(6). Pub. L. 102–173, § 6(b), substituted “60 percent” for “one-half” in subpar. (B) and added subpar. (C).

Subsec. (a)(9). Pub. L. 102–173, § 6(c), inserted before period at end “and for individuals who have received or are receiving mental health services, family members of such individuals with mental illness, or representatives of such individuals or family members to assure that the eligible system is operating in compliance with the provisions of this subchapter and subchapter III.”

Subsec. (b). Pub. L. 102–173, § 102(2), substituted “individuals with mental illness” for “mentally ill individuals”.

Subsec. (c)(1). Pub. L. 102–173, §§ 6(d), 10(2), substituted “individuals with mental illness” for “mentally ill individuals” in subpar. (A) and inserted at end of subpar. (B) “As used in this subparagraph, the term ‘members who broadly represent or are knowledgeable about the needs of the clients served by the system’ shall be construed to include individuals who have received or are receiving mental health services and family members of such individuals.”

1988—Subsec. (a)(4)(B). Pub. L. 100–509, § 6(a), inserted “(including an individual who has died or whose whereabouts are unknown)” after “any individual”.


Subsec. (a)(7). Pub. L. 100–509, § 5, substituted “including a section prepared by the advisory council that describes the activities of the council and its assessment of the operations of the system;” for period at end.

Subsec. (a)(8), (9). Pub. L. 100–509, § 7(c), added pars. (8) and (9).


Effective Date of 1997 Amendment
Amendment by Pub. L. 105–12 effective Apr. 30, 1997, and applicable to Federal payments made pursuant to obligations incurred after Apr. 30, 1997, for items and services provided on or after such date, subject to also being applicable with respect to contracts entered into, renewed, or extended after Apr. 30, 1997, as well as contracts entered into before Apr. 30, 1997, to the extent permitted under such contracts, see section 11 of Pub. L. 105–12, set out as an Effective Date note under section 14401 of this title.

§ 10806. Access to records

(a) An eligible system which, pursuant to section 10805(a)(4) of this title, has access to records which, under Federal or State law, are required to be maintained in a confidential manner by a provider of mental health services, shall, except as provided in subsection (b), maintain the confidentiality of such records to the same extent as is required of the provider of such services.

(b)(1) Except as provided in paragraph (2), an eligible system which has access to records pur-
suant to section 10805(a)(4) of this title may not disclose information from such records to the individual who is the subject of the information if the mental health professional responsible for supervising the provision of mental health services to such individual has provided the system with a written determination that disclosure of such information to such individual would be detrimental to such individual's health.

(2)(A) If disclosure of information has been denied under paragraph (1) to an individual—

(i) such individual;

(ii) the legal guardian, conservator, or other legal representative of such individual; or

(iii) an eligible system, acting on behalf of an individual described in subparagraph (B), may select another mental health professional to review such information and to determine if disclosure of such information would be detrimental to such individual's health. If such mental health professional determines, based on professional judgment, that disclosure of such information would not be detrimental to the health of such individual, the system may disclose such information to such individual.

(B) An eligible system may select a mental health professional under subparagraph (A)(iii) on behalf of—

(i) an individual whose legal guardian is the State; or

(ii) an individual who has a legal guardian, conservator, or other legal representative other than the State if such guardian, conservator, or representative does not, within a reasonable time after such individual is denied access to information under paragraph (1), select a mental health professional under subparagraph (A) to review such information.

(C) If the laws of a State prohibit an eligible system from obtaining access to the records of individuals with mental illness in accordance with section 10805(a)(4) of this title and this section shall not apply to such system before—

(i) the date such system is no longer subject to such a prohibition; or

(ii) the expiration of the 2-year period beginning on May 23, 1986, whichever occurs first.

(3)(A) As used in this section, the term "records" includes reports prepared by any staff of a facility rendering care and treatment or reports prepared by an agency charged with investigating reports of incidents of abuse, neglect, and injury occurring at such facility that describe incidents of abuse, neglect, and injury occurring at such facility and the steps taken to investigate such incidents, and discharge planning records.

(B) An eligible system shall have access to the type of records described in subparagraph (A) in accordance with the provisions of subsection (a) and paragraphs (1) and (2) of subsection (b).

Sec. 10821. Applications

(a) Submission for allotment; contents

No allotment may be made under this subchapter to an eligible system unless an application therefor is submitted to the Secretary. Each such application shall contain—

(1) assurances that amounts paid to such system from an allotment under this subchapter will be used to supplement and not to supplant the level of non-Federal funds available in the State in which such system is established to protect and advocate the rights of individuals with mental illness;

(2) assurances that such system will have a staff which is trained or being trained to provide advocacy services to individuals with mental illness and to work with family members of clients served by the system where the individuals with mental illness are minors, legally competent and do not object, and legally incompetent and the legal guardians, conservators, or other legal representatives are family members;

(3) assurances that such system, and any State agency or nonprofit organization with which such system may enter into a contract under section 10804(a) of this title, will not, in the case of any individual who has a legal guardian, conservator, or representative other than the State, take actions which are duplicative of actions taken on behalf of such individual by such guardian, conservator, or rep-

1 So in original. Probably should be "an".
resentative unless such guardian, conservator, or representative requests the assistance of such system; and
(4) such other information as the Secretary may by regulation prescribe.

(b) Satisfaction of requirements regarding trained staff
The assurance required under subsection (a)(2) regarding trained staff may be satisfied through the provision of training by individuals who have received or are receiving mental health services and family members of such individuals.

(c) Duration of applications and assurances
Applications submitted under this section shall remain in effect for a 4-year period, and the assurances required under this section shall be for the same 4-year period.


AMENDMENTS


EFFECTIVE DATE OF 1992 AMENDMENT
Amendment by Pub. L. 102–321 effective Oct. 1, 1992, with provision for programs providing financial assistance, see section 801(c), (d) of Pub. L. 102–321, set out as a note under section 10822 of this title.

§ 10822. Allotment formula and reallocations

(a)(1)(A) Except as provided in paragraph (2) and subject to the availability of appropriations under section 10827 of this title, the Secretary shall make allotments under section 10803 of this title from amounts appropriated under section 10827 of this title for a fiscal year to eligible systems on the basis of a formula prescribed by the Secretary which is based equally—
(i) on the population of each State in which there is an eligible system; and
(ii) on the population of each such State weighted by its relative per capita income.

(B) For purposes of subparagraph (A)(ii), the term “relative per capita income” means the quotient of the per capita income of the United States and the per capita income of the State, except that if the State is Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, the Marshall Islands, the Federated States of Micronesia, the Republic of Palau, or the Virgin Islands, the quotient shall be considered to be one.

(2)(A) The minimum amount of the allotment of an eligible system shall be the product (rounded to the nearest $100) of the appropriate base amount determined under subparagraph (B) and the factor specified in subparagraph (C).

(B) For purposes of subparagraph (A), the appropriate base amount—
(i) for American Samoa, Guam, the Marshall Islands, the Federated States of Micronesia, the Commonwealth of the Northern Mariana Islands, the Republic of Palau, and the Virgin Islands, is $139,300; and
(ii) for any other State, is $260,000.

(C) The factor specified in this subparagraph is the ratio of the amount appropriated under section 10827 of this title for the fiscal year for which the allotment is being made to the amount appropriated under such section for fiscal year 1995.

(D) If the total amount appropriated for a fiscal year is at least $25,000,000, the Secretary shall make an allotment in accordance with subparagraph (A) to the eligible system serving the American Indian consortium.

(2) The amount of an allotment to an eligible system for a fiscal year which the Secretary determines will not be required by the system during the period for which it is available shall be available for reallocation by the Secretary to other eligible systems with respect to which such a determination has not been made.

(3) The Secretary shall make reallocations under paragraphs (1) and (2) on such date or dates as the Secretary may fix (but not earlier than 30 days after the Secretary has published notice of the intention of the Secretary to make such reallocation in the Federal Register). A reallocation to an eligible system shall be made in proportion to the original allotment of such system for such fiscal year, but with such proportionate amount for such system being reduced to the extent it exceeds the sum the Secretary estimates such system needs and will be able to use during such period. The total of such reductions shall be similarly reallocated among eligible systems whose proportionate amounts were not so reduced. Any amount so reallocated to an eligible system for a fiscal year shall be deemed to be a part of its allotment under subsection (a) for such fiscal year.


AMENDMENTS
2000—Subsec. (a)(1)(B). Pub. L. 106–310, § 3206(e)(1), substituted “Marshall Islands, the Federated States of...
Micronesia, the Republic of Palau” for “Trust Territory of the Pacific Islands”;

Subsec. (a)(2), Pub. L. 106–310, §3206(d)(4), amended par. (2) generally. Prior to amendment, par. (2) specified minimum amounts of allotments to eligible systems of each State, the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, the Trust Territory of the Pacific Islands, and the Virgin Islands based on whether the total amount appropriated in a fiscal year was at least $13,000,000 or less than $13,000,000.

Subsec. (a)(3), Pub. L. 106–310, §3206(e)(2), struck out par. (3) which read as follows: “In any case in which the total amount appropriated under section 10827 of this title for a fiscal year exceeds the total amount appropriated under such section, as in effect on October 19, 1988, for the preceding fiscal year by a percentage greater than the most recent percentage change in the Consumer Price Index published by the Secretary of Labor under section 720(c)(1) of title 29, the Secretary shall increase each of the allotments under clauses (i)(II) and (ii)(II) of subparagraph (A) and clauses (i) and (ii) of subparagraph (B) of paragraph (2) by an amount which bears the same ratio to the amount of such minimum allotment (including any increases in such minimum allotment under this paragraph for prior fiscal years) as the amount which is equal to the difference between—

(A) the total amount appropriated under section 10827 of this title for the fiscal year for which the increase in minimum allotment is made, minus;

(B) the total amount appropriated under section 10827 of this title for the immediately preceding fiscal year.

The increase in minimum allotment is made, minus;

(B) the total amount appropriated under section 10827 of this title for the immediately preceding fiscal year.

1986—Subsec. (a)(2). Pub. L. 100–509, §7(e)(1), amended par. (2) generally. Prior to amendment, par. (2) generally. Prior to amendment, par. (2) specified—

(A) the amount of the allotment of the eligible system of each of the several States, the District of Columbia, and the Commonwealth of Puerto Rico shall not be less than $125,000; and

(B) the amount of the allotment of the eligible system of Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, the Trust Territory of the Pacific Islands, and the Virgin Islands shall not be less than $57,000.”


§ 10823. Payments under allotments

For each fiscal year, the Secretary shall make payments to each eligible system from its allotment under this subchapter. Any amount paid to an eligible system for a fiscal year and remaining unobligated at the end of such year shall remain available to such system for the next fiscal year for the purposes for which it was made.


§ 10824. Reports by Secretary

(a) The Secretary shall include in each report required under section 15005 of this title a separate statement which contains—

1. a description of the activities, accomplishments, and expenditures of systems to protect and advocate the rights of individuals with mental illness supported with payments from allotments under this subchapter, including—

(A) a description of the total number of individuals with mental illness served by such systems;

(b) a description of the types of activities undertaken by such systems;

(C) a description of the types of facilities providing care or treatment with respect to which such activities are undertaken;

(D) a description of the manner in which such activities are initiated; and

(E) a description of the accomplishments resulting from such activities;

(2) a description of—

(A) systems to protect and advocate the rights of individuals with mental illness supported with payments from allotments under this subchapter;

(B) activities conducted by States to protect and advocate such rights;

(C) mechanisms established by residential facilities for individuals with mental illness to protect and advocate such rights; and

(D) the coordination among such systems, activities, and mechanisms;

(3) a specification of the number of systems established with allotments under this subchapter and of whether each such system was established by a public or nonprofit private entity;

(4) recommendations for activities and services to improve the protection and advocacy of the rights of individuals with mental illness and a description of needs for such activities and services which have not been met by systems established under this subchapter; and

(5) using data from the existing required annual program progress reports submitted by each system funded under this subchapter, a detailed accounting for each such system of how funds are spent, disaggregated according to whether the funds were received from the Federal Government, the State government, a local government, or a private entity.

(b) In preparing each statement required by subsection (a), the Secretary shall use and include information submitted to the Secretary in the reports required under section 10805(a)(7) of this title.


AMENDMENTS


§ 10823. Technical assistance

The Secretary shall use not more than 2 percent of the amounts appropriated under section 10827 of this title to provide technical assistance to eligible systems with respect to activities carried out under this subchapter, consistent with requests by such systems for such assistance.

§ 10826. Administration

(a) In general

The Secretary shall carry out this subchapter through the Administrator of the Substance Abuse and Mental Health Services Administration.

(b) Regulations

Not later than 6 months after November 27, 1991, the Secretary shall promulgate final regulations to carry out this subchapter and subchapter III.

§ 10827. Authorization of appropriations

There are authorized to be appropriated for allotments under this subchapter, $19,500,000 for fiscal year 1992, and such sums as may be necessary for each of the fiscal years 1993 through 2003.

§ 10841. Restatement of bill of rights

It is the sense of the Congress that, as previously stated in title V of the Mental Health Systems Act [42 U.S.C. 9501 et seq.], each State should review and revise, if necessary, its laws to ensure that mental health patients receive the protection and services they require, and that in making such review and revision, States should take into account the recommendations of the President’s Commission on Mental Health and the following:

(1) A person admitted to a program or facility for the purpose of receiving mental health services should be accorded the following:

(A) The right to appropriate treatment and related services in a setting and under conditions that—

(i) are the most supportive of such person’s personal liberty; and

(ii) restrict such liberty only to the extent necessary consistent with such person’s treatment needs, applicable requirements of law, and applicable judicial orders.

(B) The right to an individualized, written, treatment or service plan (such plan to be developed promptly after admission of such person), the right to treatment based on such plan, the right to periodic review and reassessment of treatment and related service needs, and the right to appropriate revision of such plan, including any revision necessary to provide a description of mental health services that may be needed after such person is discharged from such program or facility.

(C) The right to ongoing participation, in a manner appropriate to such person’s capabilities, in the planning of mental health services to be provided such person (including the right to participate in the development and periodic revision of the plan described in subparagraph (B)), and, in connection with such participation, the right to be provided with a reasonable explanation, in terms and language appropriate to such person’s condition and ability to understand, of—

(i) such person’s general mental condition and, if such program or facility has provided a physical examination, such person’s general physical condition;

(ii) the objectives of treatment;

(iii) the nature and significant possible adverse effects of recommended treatments;

(iv) the reasons why a particular treatment is considered appropriate;

(v) the reasons why access to certain visitors may not be appropriate; and

(vi) any appropriate and available alternative treatments, services, and types of providers of mental health services.

(D) The right not to receive a mode or course of treatment, established pursuant to the treatment plan, in the absence of such
person’s informed, voluntary, written consent to such mode or course of treatment, except treatment—

(i) during an emergency situation if such treatment is pursuant to or documented contemporaneously by the written order of a responsible mental health professional; or

(ii) as permitted under applicable law in the case of a person committed by a court to a treatment program or facility.

(E) The right not to participate in experimentation in the absence of such person’s informed, voluntary, written consent, the right to appropriate protections in connection with such participation, including the right to a reasonable explanation of the procedure to be followed, the benefits to be expected, the relative advantages of alternative treatments, and the potential discomforts and risks, and the right and opportunity to revoke such consent.

(F) The right to freedom from restraint or seclusion, other than as a mode or course of treatment or restraint or seclusion during an emergency situation if such restraint or seclusion is pursuant to or documented contemporaneously by the written order of a responsible mental health professional.

(G) The right to a humane treatment environment that affords reasonable protection from harm and appropriate privacy to such person with regard to personal needs.

(H) The right to confidentiality of such person’s records.

(I) The right to access, upon request, to such person’s mental health care records, except such person may be refused access to—

(i) information in such records provided by a third party under assurance that such information shall remain confidential; and

(ii) specific material in such records if the health professional responsible for the mental health services concerned has made a determination in writing that such access would be detrimental to such person’s health, except that such material may be made available to a similarly licensed health professional selected by such person and such health professional may, in the exercise of professional judgment, provide such person with access to any or all parts of such material or otherwise disclose the information contained in such material to such person.

(J) The right, in the case of a person admitted on a residential or inpatient care basis, to converse with others privately, to have convenient and reasonable access to the telephone and mail, and to see visitors during regularly scheduled hours, except that, if a mental health professional treating such person determines that denial of access to a particular visitor is necessary for treatment purposes, such mental health professional may, for a specific, limited, and reasonable period of time, deny such access if such mental health professional has ordered such denial in writing and such order has been incorporated in the treatment plan for such person. An order denying such access should include the reasons for such denial.

(K) The right to be informed promptly at the time of admission and periodically thereafter, in language and terms appropriate to such person’s condition and ability to understand, of the rights described in this section.

(L) The right to assert grievances with respect to infringement of the rights described in this section, including the right to have such grievances considered in a fair, timely, and impartial grievance procedure provided for or by the program or facility.

(M) Notwithstanding subparagraph (J), the right of access to (including the opportunities and facilities for private communication with) any available—

(i) rights protection service within the program or facility;

(ii) rights protection service within the State mental health system designed to be available to such person;

(iii) system established under subchapter I to protect and advocate the rights of individuals with mental illness; and

(iv) qualified advocate;

for the purpose of receiving assistance to understand, exercise, and protect the rights described in this section and in other provisions of law.

(N) The right to exercise the rights described in this section without reprisal, including reprisal in the form of denial of any applicable, available treatment.

(O) The right to referral as appropriate to other providers of mental health services upon discharge.

(2)(A) The rights described in this section should be in addition to and not in derogation of any other statutory or constitutional rights.

(B) The rights to confidentiality of and access to records as provided in subparagraphs (H) and (I) of paragraph (1) should remain applicable to records pertaining to a person after such person’s discharge from a program or facility.

(3)(A) No otherwise eligible person should be denied admission to a program or facility for mental health services as a reprisal for the exercise of the rights described in this section.

(B) Nothing in this section should—

(i) obligate an individual mental health or health professional to administer treatment contrary to such professional’s clinical judgment;

(ii) prevent any program or facility from discharging any person for whom the provision of appropriate treatment, consistent with the clinical judgment of the mental health professional primarily responsible for such person’s treatment, is or has become impossible as a result of such person’s refusal to consent to such treatment;

(iii) require a program or facility to admit any person who, while admitted on prior occasions to such program or facility, has repeatedly frustrated the purposes of such ad-
§ 10851. Construction of subchapters I and II; “individual with mental illness” defined

(a) Subchapters I and II shall not be construed as establishing any new rights for individuals with mental illness.

(b) For purposes of this section, the term “individual with mental illness” has the same meaning as in section 10802(3) of this title.

References in Text
Section 10802(3) of this title, referred to in subsec. (b), was redesignated section 10804(2) of this title by Pub. L. 100–197–173, § 4(1), Nov. 27, 1991, 105 Stat. 1217.

Amendments
1991—Pub. L. 100–197–173, substituted “individuals with mental illness” for “mentally ill individuals” in subsec. (a) and “individual with mental illness” for “mentally ill individual” in subsec. (b).

CHAPTER 115—CHILD DEVELOPMENT ASSOCIATE SCHOLARSHIP ASSISTANCE PROGRAM

Sec.
10901. Authority of Secretary to make grants.
10902. Application for grants.
10903. Definitions.
10904. Annual report by States; contents; manner of payments pursuant to grants.
10905. Authorization of appropriations.

§ 10901. Authority of Secretary to make grants

The Secretary is authorized to make a grant for any fiscal year to any State receiving a grant under title XX of the Social Security Act [42 U.S.C. 1397 et seq.] for such fiscal year to enable such State to award scholarships to eligible individuals within the State who are candidates for the Child Development Associate credential.

References in Text
The Social Security Act, referred to in text, is act Aug. 14, 1935, ch. 531, 49 Stat. 620, as amended. Title XX of the Social Security Act is classified principally to subchapter XX (§ 1397 et seq.) of chapter 7 of this title. For complete classification of this Act to the Code, see Short Title note set out under section 9601 of this title and Tables.

Effective Date

1 See References in Text note below.
§ 10902. Application for grants

(a) Application required

A State desiring to participate in the grant program established by this chapter shall submit an application to the Secretary in such form as the Secretary may require.

(b) Contents of applications

A State’s application shall contain appropriate assurances that—

1. scholarship assistance made available with funds provided under this chapter will be awarded to—
   (A) only to eligible individuals;
   (B) on the basis of the financial need of such individuals; and
   (C) in amounts sufficient to cover the cost of application, assessment, and credentialing (including, at the option of the State, any training necessary for credentialing) for the Child Development Associate credential for such individuals;

2. not more than 35 percent of the funds received under this chapter by a State may be used to provide scholarship assistance under paragraph (1) to cover the cost of training described in paragraph (1)(C); and

3. not more than 10 percent of the funds received by the State under this chapter will be used for the costs of administering the program established in such State to award such assistance.

(c) Equitable distribution

In making grants under this chapter, the Secretary shall—

1. distribute such grants equitably among States; and

2. ensure that the needs of rural and urban areas are appropriately addressed.

§ 10904. Annual report by States; contents; manner of payments pursuant to grants

(a) Reporting

Each State receiving grants under this chapter shall annually submit to the Secretary information on the number of eligible individuals assisted under the grant program, and their positions and salaries before and after receiving the Child Development Associate credential.

(b) Payments

Payments pursuant to grants made under this chapter may be made in installments, and in advance or by way of reimbursement, with necessary adjustments on account of overpayments or underpayments, as the Secretary may determine.

§ 10905. Authorization of appropriations

There are authorized to be appropriated to carry out this chapter such sums as may be necessary for fiscal year 1995.

AMENDMENTS

1990—Par. (1). Pub. L. 101–501, § 502(1), substituted “130 percent of the lower living standard income level” for “poverty line, as defined in section 9902(2) of this title”.

(b)(2) and redesignated former pars. (2) and (3) as (3) and (4), respectively.

EFFECTIVE DATE OF 1990 AMENDMENT


§ 10903. Definitions

For purposes of this chapter—

1. the term “eligible individual” means a candidate for the Child Development Associate 

2. the term “Secretary” means the Secretary of Health and Human Services; and

3. the term “State” means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, the Commonwealth of the Northern Mariana Islands, the Marshall Islands, the Federated States of Micronesia, and Palau.

AMENDMENTS

1990—Subsec. (b)(1)(C). Pub. L. 101–501, § 501(a), (b)(1), inserted “(including, at the option of the State, any training necessary for credentialing)” after “credentialing” and struck out “and” at end. 

EFFECTIVE DATE OF 1990 AMENDMENT


EFFECTIVE DATE


AMENDMENTS
1994—Pub. L. 103–252 substituted “to carry out this chapter such sums as may be necessary for fiscal year 1995” for “$1,500,000 for fiscal year 1990, $3,000,000 for fiscal year 1991, and such sums as may be necessary for fiscal years 1992, 1993, and 1994 for carrying out this chapter.”

1990—Pub. L. 101–501 substituted “are authorized” for “is authorized”, inserted “, $3,000,000 for fiscal year 1991, and such sums as may be necessary for fiscal years 1992, 1993, and 1994” after “1990”, and directed the substitution of “fiscal year” for “each of the fiscal years 1987, 1988, and 1989, and”, which was executed by making the substitution for “each of the fiscal years 1987, 1988, 1989, and” to reflect the probable intent of Congress.

Effective Date of 1994 Amendment

Effective Date of 1990 Amendment

Effective Date

CHAPTER 116—EMERGENCY PLANNING AND COMMUNITY RIGHT-TO-KNOW

SUBCHAPTER I—EMERGENCY PLANNING AND NOTIFICATION

Sec.
11001. Establishment of State commissions, planning districts, and local committees.
11002. Substances and facilities covered and notification.
11003. Comprehensive emergency response plans.
11004. Emergency notification.
11005. Emergency training and review of emergency systems.

SUBCHAPTER II—REPORTING REQUIREMENTS

11021. Material safety data sheets.
11022. Emergency and hazardous chemical inventory forms.
11023. Toxic chemical release forms.

SUBCHAPTER III—GENERAL PROVISIONS

11041. Relationship to other law.
11042. Trade secrets.
11043. Provision of information to health professionals, doctors, and nurses.
11044. Public availability of plans, data sheets, forms, and followup notices.
11045. Enforcement.
11046. Civil actions.
11047. Exemption.
11048. Regulations.
11049. Definitions.
11050. Authorization of appropriations.

§11001. Establishment of State commissions, planning districts, and local committees

(a) Establishment of State emergency response commissions
Not later than six months after October 17, 1986, the Governor of each State shall appoint a State emergency response commission. The Governor may designate as the State emergency response commission one or more existing emergency response organizations that are State-sponsored or appointed. The Governor shall, to the extent practicable, appoint persons to the State emergency response commission who have technical expertise in the emergency response field. The State emergency response commission shall appoint local emergency planning committees under subsection (c) and shall supervise and coordinate the activities of such organizations, as sect. The State emergency response commission shall establish procedures for receiving and processing requests from the public for information under section 11044 of this title, including tier II information under section 11022 of this title. Such procedures shall include the designation of an official to serve as coordinator for information. If the Governor of any State does not designate a State emergency response commission within such period, the Governor shall operate as the State emergency response commission until the Governor makes such designation.

(b) Establishment of emergency planning districts
Not later than nine months after October 17, 1986, the State emergency response commission shall designate emergency planning districts in order to facilitate preparation and implementation of emergency plans. Where appropriate, the State emergency response commission may designate existing political subdivisions or multi-jurisdictional planning organizations as such districts. In emergency planning areas that involve more than one State, the State emergency response commissions of all potentially affected States may designate emergency planning districts and local emergency planning committees by agreement. In making such designation, the State emergency response commission shall indicate which facilities subject to the requirements of this subchapter are within such emergency planning district.

(c) Establishment of local emergency planning committees
Not later than 30 days after designation of emergency planning districts or 10 months after October 17, 1986, whichever is earlier, the State emergency response commission shall appoint members of a local emergency planning committee for each emergency planning district. Each committee shall include, at a minimum, representatives from each of the following groups or organizations: elected State and local officials; law enforcement, civil defense, firefighting, first aid, health, local environmental, hospital, and transportation personnel; broadcast and print media; community groups; and owners and operators of facilities subject to the require-
ments of this subchapter. Such committee shall appoint a chairperson and shall establish rules by which the committee shall function. Such rules shall include provisions for public notification of committee activities, public meetings to discuss the emergency plan, public comments, response to such comments by the committee, and distribution of the emergency plan. The local emergency planning committee shall establish procedures for receiving and processing requests from the public for information under section 11044 of this title, including tier II information under section 11022 of this title. Such procedures shall include the designation of an official to serve as coordinator for information.

(d) Revisions

A State emergency response commission may revise its designations and appointments under subsections (b) and (c) as it deems appropriate. Interested persons may petition the State emergency response commission to modify the membership of a local emergency planning committee.


§11002. Substances and facilities covered and notification

(a) Substances covered

(1) In general

A substance is subject to the requirements of this subchapter if the substance is on the list published under paragraph (2).

(2) List of extremely hazardous substances

Within 30 days after October 17, 1986, the Administrator shall publish a list of extremely hazardous substances. The list shall be the same as the list of substances published in November 1985 by the Administrator in Appendix A of the “Chemical Emergency Preparedness Program Interim Guidance”.

(3) Thresholds

(A) At the time the list referred to in paragraph (2) is published the Administrator shall—

(i) publish an interim final regulation establishing a threshold planning quantity for each substance on the list, taking into account the criteria described in paragraph (4), and

(ii) initiate a rulemaking in order to publish final regulations establishing a threshold planning quantity for each substance on the list.

(B) The threshold planning quantities may, at the Administrator’s discretion, be based on classes of chemicals or categories of facilities.

(C) If the Administrator fails to publish an interim final regulation establishing a threshold planning quantity for a substance within 30 days after October 17, 1986, the threshold planning quantity for the substance shall be 2 pounds until such time as the Administrator publishes regulations establishing a threshold for the substance.

(4) Revisions

The Administrator may revise the list and thresholds under paragraphs (2) and (3) from time to time. Any revisions to the list shall take into account the toxicity, reactivity, volatility, dispersability, combustibility, or flammability of a substance. For purposes of the preceding sentence, the term “toxicity” shall include any short- or long-term health effect which may result from a short-term exposure to the substance.

(b) Facilities covered

(1) Except as provided in section 11004 of this title, a facility is subject to the requirements of this subchapter if a substance on the list referred to in subsection (a) is present at the facility in an amount in excess of the threshold planning quantity established for such substance.

(2) For purposes of emergency planning, a Governor or a State emergency response commission may designate additional facilities which shall be subject to the requirements of this subchapter, if such designation is made after public notice and opportunity for comment. The Governor or State emergency response commission shall notify the facility concerned of any facility designation under this paragraph.

(c) Emergency planning notification

Not later than seven months after October 17, 1986, the owner or operator of each facility subject to the requirements of this subchapter by reason of subsection (b)(1) shall notify the State emergency response commission for the State in which such facility is located that such facility is subject to the requirements of this subchapter. Thereafter, if a substance on the list of extremely hazardous substances referred to in subsection (a) first becomes present at such facility in excess of the threshold planning quantity established for such substance, or if there is a revision of such list and the facility has present a substance on the revised list in excess of the threshold planning quantity established for such substance, the owner or operator of the facility shall notify the State emergency response commission and the local emergency planning committee within 60 days after such acquisition or revision that such facility is subject to the requirements of this subchapter.

(d) Notification of Administrator

The State emergency response commission shall notify the Administrator of facilities subject to the requirements of this subchapter by notifying the Administrator of—
§ 11003. Comprehensive emergency response plans

(a) Plan required

Each local emergency planning committee shall complete preparation of an emergency plan in accordance with this section not later than two years after October 17, 1986. The committee shall review such plan once a year, or more frequently as changed circumstances in the community or at any facility may require.

(b) Resources

Each local emergency planning committee shall evaluate the need for resources necessary to develop, implement, and exercise the emergency plan, and shall make recommendations with respect to additional resources that may be required and the means for providing such additional resources.

(c) Plan provisions

Each emergency plan shall include (but is not limited to) each of the following:

1. Identification of facilities subject to the requirements of this subchapter and subject to additional risk due to their proximity to facilities subject to the requirements of this subchapter, such as hospitals or natural gas facilities.
2. Methods and procedures to be followed by facility owners and operators and local emergency and medical personnel to respond to any release of such substances.
3. Designation of a community emergency coordinator and facility emergency coordinators, who shall make determinations necessary to implement the plan.
4. Procedures providing reliable, effective, and timely notification by the facility emergency coordinators and the community emergency coordinator to persons designated in the emergency plan, and to the public, that a release has occurred (consistent with the emergency notification requirements of section 11004 of this title).
5. Methods for determining the occurrence of a release, and the area or population likely to be affected by such release.
6. A description of emergency equipment and facilities in the community and at each facility in the community subject to the requirements of this subchapter, and an identification of the persons responsible for such equipment and facilities.
7. Evacuation plans, including provisions for a precautionary evacuation and alternative traffic routes.
8. Training programs, including schedules for training of local emergency response and medical personnel.
9. Methods and schedules for exercising the emergency plan.

(d) Providing of information

For each facility subject to the requirements of this subchapter:

1. Within 30 days after establishment of a local emergency planning committee for the emergency planning district in which such facility is located, or within 11 months after October 17, 1986, whichever is earlier, the owner or operator of the facility shall notify the emergency planning committee (or the Governor if there is no committee) of a facility representative who will participate in the emergency planning process as a facility emergency coordinator.
2. The owner or operator of the facility shall promptly inform the emergency planning committee of any relevant changes occurring at such facility as such changes occur or are expected to occur.
3. Upon request from the emergency planning committee, the owner or operator of the facility shall promptly provide information to such committee necessary for developing and implementing the emergency plan.

(e) Review by State emergency response commission

After completion of an emergency plan under subsection (a) for an emergency planning district, the local emergency planning committee shall submit a copy of the plan to the State emergency response commission of each State in which such district is located. The commission shall review the plan and make recommendations to the committee on revisions of the plan that may be necessary to ensure coordination of such plan with emergency response plans of other emergency planning districts. To the maximum extent practicable, such review shall not delay implementation of such plan.

(f) Guidance documents

The national response team, as established pursuant to the National Contingency Plan as established under section 9005 of this title, shall publish guidance documents for preparation and implementation of emergency plans. Such documents shall be published not later than five months after October 17, 1986.

(g) Review of plans by regional response teams

The regional response teams, as established pursuant to the National Contingency Plan as established under section 9005 of this title, may review and comment upon an emergency plan or other issues related to preparation, implementation, or exercise of such a plan upon request of a local emergency planning committee. Such review shall not delay implementation of the plan.

§ 11004. Emergency notification

(a) Types of releases

(1) 11002(a) substance which requires CERCLA notice

If a release of an extremely hazardous substance referred to in section 11002(a) of this title occurs from a facility at which a hazardous chemical is produced, used, or stored, and such release requires a notification under section 103(a) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9603(a)) (hereafter in this section referred to as ‘‘CERCLA’’) (42 U.S.C. 9601 et seq.), the owner or operator of the facility shall immediately provide notice as described in subsection (b).

(2) Other 11002(a) substance

If a release of an extremely hazardous substance referred to in section 11002(a) of this title occurs from a facility at which a hazardous chemical is produced, used, or stored, and such release is not subject to the notification requirements under section 103(a) of CERCLA (42 U.S.C. 9603(a)), the owner or operator of the facility shall immediately provide notice as described in subsection (b), but only if the release—

(A) is not a federally permitted release as defined in section 101(10) of CERCLA (42 U.S.C. 9601(10)),

(B) is in an amount in excess of a quantity which the Administrator has determined (by regulation) requires notice, and

(C) occurs in a manner which would require notification under section 103(a) of CERCLA (42 U.S.C. 9603(a)).

Unless and until superseded by regulations establishing a quantity for an extremely hazardous substance described in this paragraph, a quantity of 1 pound shall be deemed that quantity the release of which requires notice as described in subsection (b).

(3) Non-11002(a) substance which requires CERCLA notice

If a release of a substance which is not on the list referred to in section 11002(a) of this title occurs from a facility at which a hazardous chemical is produced, used, or stored, and such release requires notification under section 103(a) of CERCLA (42 U.S.C. 9603(a)), the owner or operator shall provide notice as follows:

(A) If the substance is one for which a reportable quantity has been established under section 102(a) of CERCLA (42 U.S.C. 9602(a)), the owner or operator shall provide notice as described in subsection (b).

(B) If the substance is one for which a reportable quantity has not been established under section 102(a) of CERCLA (42 U.S.C. 9602(a))—

(i) Until April 30, 1988, the owner or operator shall provide, for releases of one pound or more of the substance, the same notice to the community emergency coordinator for the local emergency planning committee, at the same time and in the same form, as notice is provided to the National Response Center under section 103(a) of CERCLA (42 U.S.C. 9603(a)).

(ii) On and after April 30, 1988, the owner or operator shall provide, for releases of one pound or more of the substance, the notice as described in subsection (b).

(4) Exempted releases

This section does not apply to any release which results in exposure to persons solely within the site or sites on which a facility is located.

(b) Notification

(1) Recipients of notice

Notice required under subsection (a) shall be given immediately after the release by the owner or operator of a facility (by such means as telephone, radio, or in person) to the community emergency coordinator for the local emergency planning committees, if established pursuant to section 11001(c) of this title, for any area likely to be affected by the release and to the State emergency response commission of any State likely to be affected by the release. With respect to transportation of a substance subject to the requirements of this section, or storage incident to such transportation, the notice requirements of this section with respect to a release shall be satisfied by dialing 911 or, in the absence of a 911 emergency telephone number, calling the operator.

(2) Contents

Notice required under subsection (a) shall include each of the following (to the extent known at the time of the notice and so long as no delay in responding to the emergency results):

(A) The chemical name or identity of any substance involved in the release.

(B) An indication of whether the substance is on the list referred to in section 11002(a) of this title.

(C) An estimate of the quantity of any such substance that was released into the environment.

(D) The time and duration of the release.

(E) The medium or media into which the release occurred.

(F) Any known or anticipated acute or chronic health risks associated with the emergency and, where appropriate, advice regarding medical attention necessary for exposed individuals.

(G) Proper precautions to take as a result of the release, including evacuation (unless such information is readily available to the community emergency coordinator pursuant to the emergency plan).

(H) The name and telephone number of the person or persons to be contacted for further information.

(c) Followup emergency notice

As soon as practicable after a release which requires notice under subsection (a), such owner or operator shall provide a written followup emergency notice (or notices, as more information becomes available) setting forth and updating the information required under subsection (b), and including additional information with respect to—

(1) actions taken to respond to and contain the release,
§ 11005. Emergency training and review of emergency systems

(a) Emergency training

(1) Programs

Officials of the United States Government carrying out existing Federal programs for emergency training are authorized to specifically provide training and education programs for Federal, State, and local personnel in hazard mitigation, emergency preparedness, fire prevention and control, disaster response, long-term disaster recovery, national security, technological and natural hazards, and emergency processes. Such programs shall provide special emphasis for such training and education with respect to hazardous chemicals.

(2) State and local program support

There is authorized to be appropriated to the Federal Emergency Management Agency for each of the fiscal years 1987, 1988, 1989, and 1990, $5,000,000 for making grants to support programs of State and local governments, and to support university-sponsored programs, which are designed to improve emergency planning, preparedness, mitigation, response, and recovery capabilities. Such programs shall provide special emphasis with respect to emergencies associated with hazardous chemicals. Such grants may not exceed 80 percent of the cost of any such program. The remaining 20 percent of such costs shall be funded from non-Federal sources.

(3) Other programs

Nothing in this section shall affect the availability of appropriations to the Federal Emergency Management Agency for any programs carried out by such agency other than the programs referred to in paragraph (2).

(b) Review of emergency systems

(1) Review

The Administrator shall initiate, not later than 30 days after October 17, 1986, a review of emergency systems for monitoring, detecting, and preventing releases of extremely hazardous substances at representative domestic facilities that produce, use, or store extremely hazardous substances. The Administrator may select representative extremely hazardous substances from the substances on the list referred to in section 11002(a) of this title for the...
purposes of this review. The Administrator shall report interim findings to the Congress not later than seven months after October 17, 1986, and issue a final report of findings and recommendations to the Congress not later than 18 months after October 17, 1986. Such report shall be prepared in consultation with the States and appropriate Federal agencies.

(2) Report

The report required by this subsection shall include the Administrator’s findings regarding each of the following:

(A) The status of current technological capabilities to (i) monitor, detect, and prevent, in a timely manner, significant releases of extremely hazardous substances, (ii) determine the magnitude and direction of the hazard posed by each release, (iii) identify specific substances, (iv) provide data on the specific chemical composition of such releases, and (v) determine the relative concentrations of the constituent substances.

(B) The status of public emergency alert devices or systems for providing timely and effective public warning of an accidental release of extremely hazardous substances into the environment, including releases into the atmosphere, surface water, or groundwater from facilities that produce, store, or use significant quantities of such extremely hazardous substances.

(C) The technical and economic feasibility of establishing, maintaining, and operating perimeter alert systems for detecting releases of such extremely hazardous substances into the atmosphere, surface water, or groundwater, at facilities that manufacture, use, or store significant quantities of such substances.

(3) Recommendations

The report required by this subsection shall also include the Administrator’s recommendations for—

(A) initiatives to support the development of new or improved technologies or systems that would facilitate the timely monitoring, detection, and prevention of releases of extremely hazardous substances, and

(B) improving devices or systems for effectively alerting the public in a timely manner, in the event of an accidental release of such extremely hazardous substances.


TRANSFER OF FUNCTIONS

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

For transfer of functions, personnel, assets, and liabilities of the Federal Emergency Management Agency, including the functions of the Director of the Federal Emergency Management Agency relating thereto, to the Secretary of Homeland Security, and for treatment of related references, see former section 318(1) and sections 551(d), 552(d), and 557 of Title 6, Domestic Security, and the Department of Homeland Security Reor-
§ 11022

Emergency and hazardous chemical inventory forms

(a) Basic requirement

(1) The owner or operator of any facility which is required to prepare or have available a material safety data sheet for a hazardous chemical under the Occupational Safety and Health Act of 1970 [29 U.S.C. 651 et seq.] and regulations promulgated under that Act shall prepare and submit an emergency and hazardous chemical inventory form (hereafter in this chapter referred to as an “inventory form”) to each of the following:

(A) The appropriate local emergency planning committee.
(B) The State emergency response commission.
(C) The fire department with jurisdiction over the facility.

(2) The inventory form containing tier I information (as described in subsection (d)(1)) shall be submitted on or before March 1, 1988, and annually thereafter on March 1, and shall contain data with respect to the preceding calendar year. The preceding sentence does not apply if an owner or operator provides, by the same deadline and with respect to the same calendar year, tier II information (as described in subsection (d)(2)) to the recipients described in paragraph (1).

(3) An owner or operator may meet the requirements of this section with respect to a hazardous chemical which is a mixture by doing one of the following:

(A) Providing information on the inventory form on each element or compound in the mixture which is a hazardous chemical. If more than one mixture has the same element or compound, only one listing on the inventory form for the element or compound at the facility is necessary.
(B) Providing information on the inventory form on the mixture itself.

(b) Thresholds

The Administrator may establish threshold quantities for hazardous chemicals below which no facility shall be subject to the provisions of this section. The threshold quantities may, in the Administrator’s discretion, be based on classes of chemicals or categories of facilities.

(c) Hazardous chemicals covered

A hazardous chemical subject to the requirements of this section is any hazardous chemical included in the definition of hazardous chemical as set forth in subsection (b) of section 11021 of this title.
for which a material safety data sheet or a listing is required under section 11021 of this title.

(d) Contents of form

(1) Tier I information

(A) Aggregate information by category

An inventory form shall provide the information described in subparagraph (B) in aggregate terms for hazardous chemicals in categories of health and physical hazards as set forth under the Occupational Safety and Health Act of 1970 [29 U.S.C. 651 et seq.] and regulations promulgated under that Act.

(B) Required information

The information referred to in subparagraph (A) is the following:

(i) An estimate (in ranges) of the maximum amount of hazardous chemicals in each category present at the facility at any time during the preceding calendar year.

(ii) An estimate (in ranges) of the average daily amount of hazardous chemicals in each category present at the facility during the preceding calendar year.

(iii) The general location of hazardous chemicals in each category.

(C) Modifications

For purposes of reporting information under this paragraph, the Administrator may—

(i) modify the categories of health and physical hazards as set forth under the Occupational Safety and Health Act of 1970 [29 U.S.C. 651 et seq.] and regulations promulgated under that Act by requiring information to be reported in terms of groups of hazardous chemicals which present similar hazards in an emergency, or

(ii) require reporting on individual hazardous chemicals of special concern to emergency response personnel.

(2) Tier II information

An inventory form shall provide the following additional information for each hazardous chemical present at the facility, but only upon request and in accordance with subsection (e):

(A) The chemical name or the common name of the chemical as provided on the material safety data sheet.

(B) An estimate (in ranges) of the maximum amount of the hazardous chemical present at the facility at any time during the preceding calendar year.

(C) An estimate (in ranges) of the average daily amount of the hazardous chemical present at the facility during the preceding calendar year.

(D) A brief description of the manner of storage of the hazardous chemical.

(E) The location at the facility of the hazardous chemical.

(F) An indication of whether the owner elects to withhold location information of a specific hazardous chemical from disclosure to the public under section 11044 of this title.

(e) Availability of tier II information

(1) Availability to State commissions, local committees, and fire departments

Upon request by a State emergency response commission, a local emergency planning committee, or a fire department with jurisdiction over the facility, the owner or operator of a facility shall provide tier II information, as described in subsection (d), to the person making the request. Any such request shall be with respect to a specific facility.

(2) Availability to other State and local officials

A State or local official acting in his or her official capacity may have access to tier II information by submitting a request to the State emergency response commission or the local emergency planning committee. Upon receipt of a request for tier II information, the State commission or local committee shall, pursuant to paragraph (1), request the facility owner or operator for the tier II information and make available such information to the official.

(3) Availability to public

(A) In general

Any person may request a State emergency response commission or local emergency planning committee for tier II information relating to the preceding calendar year with respect to a facility. Any such request shall be in writing and shall be with respect to a specific facility.

(B) Automatic provision of information to public

Any tier II information which a State emergency response commission or local emergency planning committee has in its possession shall be made available to a person making a request under this paragraph in accordance with section 11044 of this title. If the State emergency response commission or local emergency planning committee does not have the tier II information in its possession, upon a request for tier II information the State emergency response commission or local emergency planning committee shall, pursuant to paragraph (1), request the facility owner or operator for tier II information with respect to a hazardous chemical which a facility has stored in an amount in excess of 10,000 pounds present at the facility at any time during the preceding calendar year and make such information available in accordance with section 11044 of this title to the person making the request.

(C) Discretionary provision of information to public

In the case of tier II information which is not in the possession of a State emergency response commission or local emergency planning committee and which is with respect to a hazardous chemical which a facility has stored in an amount less than 10,000 pounds present at the facility at any time during the preceding calendar year, a request from a person must include the gen-
eral need for the information. The State emergency response commission or local emergency planning committee may, pursuant to paragraph (1), request the facility owner or operator for the tier II information on behalf of the person making the request. Upon receipt of any information requested on behalf of such person, the State emergency response commission or local emergency planning committee shall make the information available in accordance with section 11044 of this title to the person.

(D) Response in 45 days

A State emergency response commission or local emergency planning committee shall respond to a request for tier II information under this paragraph no later than 45 days after the date of receipt of the request.

(4) Availability to community water systems

(A) In general

An affected community water system may have access to tier II information by submitting a request to the State emergency response commission or the local emergency planning committee. Upon receipt of a request for tier II information, the State commission or local committee shall, pursuant to paragraph (1), request the facility owner or operator for the tier II information and make available such information to the affected community water system.

(B) Definition

In this paragraph, the term "affected community water system" means a community water system (as defined in section 300f(15) of this title) that receives supplies of drinking water from a source water area, delineated under section 300j–13 of this title, in which a facility that is required to prepare and submit an inventory form under subsection (a)(1) is located.

(f) Fire department access

Upon request to an owner or operator of a facility which files an inventory form under this section by the fire department with jurisdiction over the facility, the owner or operator of the facility shall allow the fire department to conduct an on-site inspection of the facility and shall provide to the fire department specific location information on hazardous chemicals at the facility.

(g) Format of forms

The Administrator shall publish a uniform format for inventory forms within three months after October 17, 1986. If the Administrator does not publish such forms, owners and operators of facilities subject to the requirements of this section shall provide the information required under this section by letter.


§ 11023. Toxic chemical release forms

(a) Basic requirement

The owner or operator of a facility subject to the requirements of this section shall complete a toxic chemical release form as published under subsection (g) for each toxic chemical listed under subsection (c) that was manufactured, processed, or otherwise used in quantities exceeding the toxic chemical threshold quantity established by subsection (f) during the preceding calendar year at such facility. Such form shall be submitted to the Administrator and to an official or officials of the State designated by the Governor on or before July 1, 1988, and annually thereafter on July 1 and shall contain data reflecting releases during the preceding calendar year.

(b) Covered owners and operators of facilities

(1) In general

(A) The requirements of this section shall apply to owners and operators of facilities that have 10 or more full-time employees and that are in Standard Industrial Classification Codes 20 through 39 (as in effect on July 1, 1985) and that manufactured, processed, or otherwise used a toxic chemical listed under subsection (c) in excess of the quantity of that toxic chemical established under subsection (f) during the calendar year for which a release form is required under this section.

(B) The Administrator may add or delete Standard Industrial Classification Codes for purposes of subparagraph (A), but only to the extent necessary to provide that each Standard Industrial Code to which this section applies is relevant to the purposes of this section.

(C) For purposes of this section—

(i) The term "manufacture" means to produce, prepare, import, or compound a toxic chemical.

(ii) The term "process" means the preparation of a toxic chemical, after its manufacture, for distribution in commerce—

(I) in the same form or physical state as, or in a different form or physical state from, that in which it was received by the person so preparing such chemical, or

(II) as part of an article containing the toxic chemical.

(2) Discretionary application to additional facilities

The Administrator, on his own motion or at the request of a Governor of a State (with regard to facilities located in that State), may apply the requirements of this section to the owners and operators of any particular facility that manufactures, processes, or otherwise
uses a toxic chemical listed under subsection (c) if the Administrator determines that such action is warranted on the basis of toxicity of the toxic chemical, proximity to other facilities that release the toxic chemical or to population centers, the history of releases of such chemical at such facility, or such other factors as the Administrator deems appropriate.

(c) Toxic chemicals covered

The toxic chemicals subject to the requirements of this section are—

(1) the chemicals on the list in Committee Print Number 99–169 of the Senate Committee on Environment and Public Works, titled “Toxic Chemicals Subject to Section 313 of the Emergency Planning and Community Right-To-Know Act of 1986” [42 U.S.C. 11023] (including any revised version of the list as may be made pursuant to subsection (d) or (e)); and

(2) the chemicals included on such list under subsections (b)(1), (c)(1), and (d)(3) of section 8921 of title 15.

(d) Revisions by Administrator

(1) In general

The Administrator may by rule add or delete a chemical from the list described in subsection (c) at any time.

(2) Additions

A chemical may be added if the Administrator determines, in his judgment, that there is sufficient evidence to establish any one of the following:

(A) The chemical is known to cause or can reasonably be anticipated to cause significant adverse acute human health effects at concentration levels that are reasonably likely to exist beyond facility site boundaries as a result of continuous, or frequently recurring, releases.

(B) The chemical is known to cause or can reasonably be anticipated to cause in humans—

(i) cancer or teratogenic effects, or

(ii) serious or irreversible—

(I) reproductive dysfunctions,

(II) neurological disorders,

(III) heritable genetic mutations, or

(IV) other chronic health effects.

(C) The chemical is known to cause or can reasonably be anticipated to cause, because of—

(i) its toxicity,

(ii) its toxicity and persistence in the environment, or

(iii) its toxicity and tendency to bioaccumulate in the environment,

a significant adverse effect on the environment of sufficient seriousness, in the judgment of the Administrator, to warrant reporting under this section. The number of chemicals included on the list described in subsection (c) on the basis of the preceding sentence may constitute in the aggregate no more than 25 percent of the total number of chemicals on the list.

A determination under this paragraph shall be based on generally accepted scientific principles or laboratory tests, or appropriately designed and conducted epidemiological or other population studies, available to the Administrator.

(3) Deletions

A chemical may be deleted if the Administrator determines there is not sufficient evidence to establish any of the criteria described in paragraph (2).

(4) Effective date

Any revision made on or after January 1 and before December 1 of any calendar year shall take effect beginning with the next calendar year. Any revision made on or after December 1 of any calendar year and before January 1 of the next calendar year shall take effect beginning with the calendar year following such next calendar year.

(e) Petitions

(1) In general

Any person may petition the Administrator to add or delete a chemical from the list described in subsection (c) on the basis of the criteria in subparagraph (A) or (B) of subsection (d)(2). Within 180 days after receipt of a petition, the Administrator shall take one of the following actions:

(A) Initiate a rulemaking to add or delete the chemical to the list, in accordance with subsection (d)(2) or (d)(3).

(B) Publish an explanation of why the petition is denied.

(2) Governor petitions

A State Governor may petition the Administrator to add or delete a chemical from the list described in subsection (c) on the basis of the criteria in subparagraph (A), (B), or (C) of subsection (d)(2). In the case of such a petition from a State Governor to delete a chemical, the petition shall be treated in the same manner as a petition received under paragraph (1) to delete a chemical. In the case of such a petition from a State Governor to add a chemical, the chemical will be added to the list within 180 days after receipt of the petition, unless the Administrator—

(A) initiates a rulemaking to add the chemical to the list, in accordance with subsection (d)(2), or

(B) publishes an explanation of why the Administrator believes the petition does not meet the requirements of subsection (d)(2) for adding a chemical to the list.

(f) Threshold for reporting

(1) Toxic chemical threshold amount

The threshold amounts for purposes of reporting toxic chemicals under this section are as follows:

(A) With respect to a toxic chemical used at a facility, 10,000 pounds of the toxic chemical per year.

(B) With respect to a toxic chemical manufactured or processed at a facility—

(i) For the toxic chemical release form required to be submitted under this sec-

1So in original. Probably should be „calendar‟.
(1) Information required

Not later than June 1, 1987, the Administrator shall publish a uniform toxic chemical release form for facilities covered by this section. If the Administrator does not publish such a form, owners and operators of facilities subject to the requirements of this section shall provide the information required under this subsection by letter postmarked on or before the date on which the form is due. Such form shall—

(A) provide for the name and location of, and principal business activities at, the facility;

(B) include an appropriate certification, signed by a senior official with management responsibility for the person or persons completing the report, regarding the accuracy and completeness of the report; and

(C) provide for submission of each of the following items of information for each listed toxic chemical known to be present at the facility:

(i) Whether the toxic chemical at the facility is manufactured, processed, or otherwise used, and the general category or categories of use of the chemical.

(ii) An estimate of the maximum amounts (in ranges) of the toxic chemical present at the facility at any time during the preceding calendar year.

(iii) For each wastestream, the waste treatment or disposal methods employed, and an estimate of the treatment efficiency typically achieved by such methods for that wastestream.

(iv) The annual quantity of the toxic chemical entering each environmental medium.

(2) Use of available data

In order to provide the information required under this section, the owner or operator of a facility may use readily available data (including monitoring data) collected pursuant to other provisions of law, or, where such data are not readily available, reasonable estimates of the amounts involved. Nothing in this section requires the monitoring or measurement of the quantities, concentration, or frequency of any toxic chemical released into the environment beyond that monitoring and measurement required under other provisions of law or regulation. In order to assure consistency, the Administrator shall require that data be expressed in common units.

(h) Use of release form

The release forms required under this section are intended to provide information to the Federal, State, and local governments and the public, including citizens of communities surrounding covered facilities. The release form shall be available, consistent with section 11044(a) of this title, to inform persons about releases of toxic chemicals to the environment; to assist governmental agencies, researchers, and other persons in the conduct of research and data gathering; to aid in the development of appropriate regulations, guidelines, and standards; and for other similar purposes.

(i) Modifications in reporting frequency

(1) In general

The Administrator may modify the frequency of submitting a report under this section, but the Administrator may not modify the frequency to be any more often than annually. A modification may apply, either nationally or in a specific geographic area, to the following:

(A) All toxic chemical release forms required under this section.

(B) A class of toxic chemicals or a category of facilities.

(C) A specific toxic chemical.

(D) A specific facility.

(2) Requirements

A modification may be made under paragraph (1) only if the Administrator—

(A) makes a finding that the modification is consistent with the provisions of subsection (h), based on—

(i) experience from previously submitted toxic chemical release forms, and

(ii) determinations made under paragraph (3), and

(B) the finding is made by a rulemaking in accordance with section 553 of title 5.

(3) Determinations

The Administrator shall make the following determinations with respect to a proposed modification before making a modification under paragraph (1):

(A) The extent to which information relating to the proposed modification provided on the toxic chemical release forms has been used by the Administrator or other agencies of the Federal Government, States, local governments, health professionals, and the public.

(B) The extent to which the information is readily available to potential users from other sources, such as State reporting programs, and (ii) provided to the Administrator under another Federal law or through a State program.

(C) The extent to which the modification would impose additional and unreasonable costs on or before July 1, 1988, 75,000 pounds of the toxic chemical per year.

(ii) For the form required to be submitted on or before July 1, 1989, 50,000 pounds of the toxic chemical per year.

(iii) For the form required to be submitted on or before July 1, 1990, and for each form thereafter, 25,000 pounds of the toxic chemical per year.

§11023 TITLE 42—THE PUBLIC HEALTH AND WELFARE
burdens on facilities subject to the reporting requirements under this section.

(4) 5-year review
Any modification made under this subsection shall be reviewed at least once every 5 years. Such review shall examine the modification and ensure that the requirements of paragraphs (2) and (3) still justify continuation of the modification. Any change to a modification reviewed under this paragraph shall be made in accordance with this subsection.

(5) Notification to Congress
The Administrator shall notify Congress of an intention to initiate a rulemaking for a modification under this subsection. After such notification, the Administrator shall delay initiation of the rulemaking for at least 12 months, but no more than 24 months, after the date of such notification.

(6) Judicial review
In any judicial review of a rulemaking which establishes a modification under this subsection, a court may hold unlawful and set aside agency action, findings, and conclusions found to be unsupported by substantial evidence.

(7) Applicability
A modification under this subsection may apply to a calendar year or other reporting period beginning no earlier than January 1, 1993.

(8) Effective date
Any modification made on or after January 1 and before December 1 of any calendar year shall take effect beginning with the next calendar year. Any modification made on or after December 1 of any calendar year and before January 1 of the next calendar year shall take effect beginning with the calendar year following such next calendar year.

(j) EPA management of data
The Administrator shall establish and maintain in a computer data base a national toxic chemical inventory based on data submitted to the Administrator under this section. The Administrator shall make these data accessible by computer telecommunication and other means.

(k) Report
Not later than June 30, 1991, the Comptroller General, in consultation with the Administrator and appropriate officials in the States, shall submit to the Congress a report including each of the following:

(1) A description of the steps taken by the Administrator and the States to implement the requirements of this section, including steps taken to make information collected under this section available to and accessible by the public.

(2) A description of the extent to which the information collected under this section has been used by the Environmental Protection Agency, other Federal agencies, the States, and the public, and the purposes for which the information has been used.

(3) An identification and evaluation of options for modifications to the requirements of this section for the purpose of making information collected under this section more useful.

(l) Mass balance study

(1) In general
The Administrator shall arrange for a mass balance study to be carried out by the National Academy of Sciences using mass balance information collected by the Administrator under paragraph (3). The Administrator shall submit to Congress a report on such study no later than 5 years after October 17, 1986.

(2) Purposes
The purposes of the study are as follows:
(A) To assess the value of mass balance analysis in determining the accuracy of information on toxic chemical releases.
(B) To assess the value of obtaining mass balance information, or portions thereof, to determine the waste reduction efficiency of different facilities, or categories of facilities, including the effectiveness of toxic chemical regulations promulgated under laws other than this chapter.
(C) To assess the utility of such information for evaluating toxic chemical management practices at facilities, or categories of facilities, covered by this section.
(D) To determine the implications of mass balance information collection on a national scale similar to the mass balance information collection carried out by the Administrator under paragraph (3), including implications of the use of such collection as part of a national annual quantity toxic chemical release program.

(3) Information collection
(A) The Administrator shall acquire available mass balance information from States which currently conduct (or during the 5 years after October 17, 1986 initiate) a mass balance-oriented annual quantity toxic chemical release program. If information from such States provides an inadequate representation of industry classes and categories to carry out the purposes of the study, the Administrator also may acquire mass balance information necessary for the study from a representative number of facilities in other States.
(B) Any information acquired under this section shall be available to the public, except that upon a showing satisfactory to the Administrator by any person that the information (or a particular part thereof) to which the Administrator or any officer, employee, or representative has access under this section if made public would divulge information entitled to protection under section 1905 of title 18, such information or part shall be considered confidential in accordance with the purposes of that section, except that such information or part may be disclosed to other officers, employees, or authorized representatives of the United States concerned with carrying out this section.
(C) The Administrator may promulgate regulations prescribing procedures for collecting
mass balance information under this paragraph.

(D) For purposes of collecting mass balance information under subparagraph (A), the Administrator may require the submission of information by a State or facility.

(4) Mass balance definition

For purposes of this subsection, the term “mass balance” means an accumulation of the annual quantities of chemicals transported to a facility, produced at a facility, consumed at a facility, released from a facility, accumulated at a facility, released from a facility, and transported from a facility as a waste or as a commercial product or byproduct or component of a commercial product or byproduct.


AMENDMENTS

2019—Subsec. (c). Pub. L. 116–92 substituted “are—” and “(1) the chemicals” for “are those chemicals”, and added par. (2).

EXPEDITING COMMUNITY RIGHT-TO-KNOW INITIATIVES

Memorandum of President of the United States, Aug. 8, 1995, 60 F.R. 41791, provided:

Memorandum for the Administrator of the Environmental Protection Agency and the Heads of Executive Departments and Agencies

The Emergency Planning and Community Right-to-Know Act of 1986 (42 U.S.C. 11001–11050) (“EPCRA”) and the Pollution Prevention Act of 1990 (42 U.S.C. 13101–13109) provide an innovative approach to protecting public health and the environment by ensuring that communities are informed about the toxic chemicals being released into the air, land, and water by manufacturing facilities. I am committed to the effective implementation of this law, because Community Right-to-Know protections provide a basic informational tool to encourage informed community-based environmental decision making and provide a strong incentive for businesses to find their own ways of preventing pollution.

The laws provide the Environmental Protection Agency with substantial authority to add to the Toxics Release Inventory under EPCRA: (1) new chemicals; (2) new classes of industrial facilities; and (3) additional types of information concerning toxic chemical use at facilities. Community Right-to-Know should be enhanced wherever possible as appropriate. EPA currently is engaged in an on-going process to address potential facility expansion and the collection of use information. I am committed to a full and open process on the policy issues posed by EPA’s exercise of these authorities.

So that consideration of these issues can be fully accomplished during this Administration, I am directing the Administrator of the Environmental Protection Agency, in consultation with the Office of Management and Budget and appropriate Federal agencies with applicable technical and functional expertise, as necessary, to take the following actions:

(a) Continuation on an expedited basis of the public notice and comment rulemaking proceedings to consider whether, as appropriate and consistent with section 313(b) of EPCRA, 42 U.S.C. 11023(b), to add to the list of Standard Industrial Classification (“SIC”) Code designations of 20 through 39 (as in effect on July 1, 1985). For SIC Code designations, see “Standard Industrial Classification Manual” published by the Office of Management and Budget. EPA shall complete the rulemaking process on an accelerated schedule.

(b) Development and implementation of an expedited, open, and transparent process for consideration of reporting under EPCRA on information on the use of toxic chemicals at facilities, including information on mass balance, materials accounting, or other chemical use date (data), pursuant to section 313(b)(1)(A) of EPCRA, 42 U.S.C. 11023(b)(1)(A). EPA shall report on the progress of this effort by October 1, 1995, with a goal of obtaining sufficient information to be able to make informed judgments concerning implementation of any appropriate program.

These actions should continue unless specifically prohibited by law. The head of each executive department or agency shall assist the Environmental Protection Agency in implementing this directive as quickly as possible.

This directive is for the internal management of the executive branch and does not create any right or benefit, substantive or procedural, enforceable by any party against the United States, its agencies or instrumentalities, its officers or employees, or any person.

The Director of the Office of Management and Budget is authorized and directed to publish this Memorandum in the Federal Register.

WILLIAM J. CLINTON.

SUBCHAPTER III—GENERAL PROVISIONS

§11041. Relationship to other law

(a) In general

Nothing in this chapter shall—

(1) preempt any State or local law,

(2) except as provided in subsection (b), otherwise affect any State or local law or the authority of any State or local government to adopt or enforce any State or local law, or

(3) affect or modify in any way the obligations or liabilities of any person under other Federal law.

(b) Effect on MSDS requirements

Any State or local law enacted after August 1, 1985, which requires the submission of a material safety data sheet from facility owners or operators shall require that the data sheet be identical in content and format to the data sheet required under subsection (a) of section 11021 of this title. In addition, a State or locality may require the submission of information which is supplemental to the information required on the data sheet (including information on the location and quantity of hazardous chemicals present at the facility), through additional sheets attached to the data sheet or such other means as the State or locality considers appropriate.


§11042. Trade secrets

(a) Authority to withhold information

(1) General authority

(A) With regard to a hazardous chemical, an extremely hazardous substance, or a toxic chemical, any person required under section 11005(d)(2), 11003(d)(3), 11021, 11022, or 11023 of this title to submit information to any other person may withhold from such submission the specific chemical identity (including the chemical name and other specific identification), as defined in regulations prescribed by the Administrator under subsection (c), if the person complies with paragraph (2).

(B) Any person withholding the specific chemical identity shall, in the place on the
submittal where the chemical identity would normally be included, include the generic class or category of the hazardous chemical, extremely hazardous substance, or toxic chemical (as the case may be).

(2) Requirements

(A) A person is entitled to withhold information under paragraph (1) if such person—

(i) claims that such information is a trade secret, on the basis of the factors enumerated in subsection (b),

(ii) includes in the submittal referred to in paragraph (1) an explanation of the reasons why such information is claimed to be a trade secret, based on the factors enumerated in subsection (b), including a specific description of why such factors apply, and

(iii) submits to the Administrator a copy of such submittal, and the information withheld from such submittal.

(B) In submitting to the Administrator the information required by subparagraph (A)(iii), a person withholding information under this subsection may—

(i) designate, in writing and in such manner as the Administrator may prescribe by regulation, the information which such person believes is entitled to be withheld under paragraph (1), and

(ii) submit such designated information separately from other information submitted under this subsection.

(3) Limitation

The authority under this subsection to withhold information shall not apply to information which the Administrator has determined, in accordance with subsection (c), is not a trade secret.

(b) Trade secret factors

No person required to provide information under this chapter may claim that the information is entitled to protection as a trade secret under subsection (a) unless such person shows each of the following:

(1) Such person has not disclosed the information to any other person, other than a member of a local emergency planning committee, an officer or employee of the United States or a State or local government, an employee of such person, or a person who is bound by a confidentiality agreement, and such person has taken reasonable measures to protect the confidentiality of such information and intends to continue to take such measures.

(2) The information is not required to be disclosed, or otherwise made available, to the public under any other Federal or State law.

(3) Disclosure of the information is likely to cause substantial harm to the competitive position of such person.

(4) The chemical identity is not readily discoverable through reverse engineering.

(c) Trade secret regulations

As soon as practicable after October 17, 1986, the Administrator shall prescribe regulations to implement this section. With respect to subsection (b)(4), such regulations shall be equivalent to comparable provisions in the Occupational Safety and Health Administration Hazard Communication Standard (29 C.F.R. 1910.1200) and any revisions of such standard prescribed by the Secretary of Labor in accordance with the final ruling of the courts of the United States in United Steelworkers of America, AFL-CIO-CLC v. Thorne G. Aughtcr.

(d) Petition for review

(1) In general

Any person may petition the Administrator for the disclosure of the specific chemical identity of a hazardous chemical, an extremely hazardous substance, or a toxic chemical which is claimed as a trade secret under this section. The Administrator may, in the absence of a petition under this paragraph, initiate a determination, to be carried out in accordance with this subsection, as to whether information withheld constitutes a trade secret.

(2) Initial review

Within 30 days after the date of receipt of a petition under paragraph (1) (or upon the Administrator’s initiative), the Administrator shall review the explanation filed by a trade secret claimant under subsection (a)(2) and determine whether the explanation presents assertions which, if true, are sufficient to support a finding that the specific chemical identity is a trade secret.

(3) Finding of sufficient assertions

(A) If the Administrator determines pursuant to paragraph (2) that the explanation presents sufficient assertions to support a finding that the specific chemical identity is a trade secret, the Administrator shall notify the trade secret claimant that he has 30 days to supplement the explanation with detailed information to support the assertions.

(B) If the Administrator determines, after receipt of any supplemental supporting detailed information under subparagraph (A), that the assertions in the explanation are true and that the specific chemical identity is a trade secret, the Administrator shall so notify the petitioner and the petitioner may seek judicial review of the determination.

(C) If the Administrator determines, after receipt of any supplemental supporting detailed information under subparagraph (A), that the assertions in the explanation are not true and that the specific chemical identity is not a trade secret, the Administrator shall notify the trade secret claimant that the Administrator intends to release the specific chemical identity. The trade secret claimant has 30 days in which he may appeal the Administrator’s determination under this subparagraph to the Administrator. If the Administrator does not reverse his determination under this subparagraph in such an appeal by the trade secret claimant, the trade secret claimant 1 may seek judicial review of the determination.

(4) Finding of insufficient assertions

(A) If the Administrator determines pursuant to paragraph (2) that the explanation pre-

1 So in original. Probably should be “claimant.”
sents insufficient assertions to support a finding that the specific chemical identity is a trade secret, the Administrator shall notify the trade secret claimant that he has 30 days to appeal the determination to the Administrator, or, upon a showing of good cause, amend the original explanation by providing supplementary assertions to support the trade secret claim.

(B) If the Administrator does not reverse his determination under subparagraph (A) after an appeal or an examination of any supplementary assertions under subparagraph (A), the Administrator shall so notify the trade secret claimant and the trade secret claimant may seek judicial review of the determination.

(C) If the Administrator reverses his determination under subparagraph (A) after an appeal or an examination of any supplementary assertions under subparagraph (A), the procedures under paragraph (3) of this subsection apply.

(e) Exception for information provided to health professionals

Nothing in this section, or regulations adopted pursuant to this section, shall authorize any person to withhold information which is required to be provided to a health professional, a doctor, or a nurse in accordance with section 11043 of this title.

(f) Providing information to Administrator; availability to public

Any information submitted to the Administrator under subsection (a)(2) or subsection (d)(3) (except a specific chemical identity) shall be available to the public, except that upon a showing satisfactory to the Administrator by any person that the information (or a particular part thereof) to which the Administrator has access under this section if made public would divulge information entitled to protection under section 1905 of title 18, such information or part shall be considered confidential in accordance with the purposes of that section, except that such information or part may be disclosed to other officers, employees, or authorized representatives of the United States concerned with carrying out this chapter.

(g) Information provided to State

Upon request by a State, acting through the Governor of the State, the Administrator shall provide to the State any information obtained under subsection (a)(2) and subsection (d)(3).

(h) Information on adverse effects

(1) In any case in which the identity of a hazardous chemical or an extremely hazardous substance is claimed as a trade secret, the Governor or State emergency response commission established under section 11001 of this title shall identify the adverse health effects associated with the hazardous chemical or extremely hazardous substance and shall assure that such information is provided to any person requesting information about such hazardous chemical or extremely hazardous substance.

(2) In any case in which the identity of a toxic chemical is claimed as a trade secret, the Administrator shall identify the adverse health and environmental effects associated with the toxic chemical and shall assure that such information is included in the computer database required by section 11023(j) of this title and is provided to any person requesting information about such toxic chemical.

(i) Information provided to Congress

Notwithstanding any limitation contained in this section or any other provision of law, all information reported to or otherwise obtained by the Administrator (or any representative of the Administrator) under this chapter shall be made available to a duly authorized committee of the Congress upon written request by such a committee.


§ 11043. Provision of information to health professionals, doctors, and nurses

(a) Diagnosis or treatment by health professional

An owner or operator of a facility which is subject to the requirements of section 11021, 11022, or 11023 of this title shall provide the specific chemical identity, if known, of a hazardous chemical, extremely hazardous substance, or a toxic chemical to any health professional who requests such information in writing if the health professional provides a written statement of need under this subsection and a written confidentiality agreement under subsection (d). The written statement of need shall be a statement that the health professional has a reasonable basis to suspect that—

(1) the information is needed for purposes of diagnosis or treatment of an individual,

(2) the individual or individuals being diagnosed or treated have been exposed to the chemical concerned, and

(3) knowledge of the specific chemical identity of such chemical will assist in diagnosis or treatment.

Following such a written request, the owner or operator to whom such request is made shall promptly provide the requested information to the health professional. The authority to withhold the specific chemical identity of a chemical under section 11042 of this title when such information is a trade secret shall not apply to information required to be provided under this subsection, subject to the provisions of subsection (d).

(b) Medical emergency

An owner or operator of a facility which is subject to the requirements of section 11021, 11022, or 11023 of this title shall provide a copy of a material safety data sheet, an inventory form, or a toxic chemical release form, including the specific chemical identity, if known, of a hazardous chemical, extremely hazardous substance, or a toxic chemical, to any treating physician or nurse who requests such information if such physician or nurse determines that—

(1) a medical emergency exists,

(2) the specific chemical identity of the chemical concerned is necessary for or will as-
sistent in emergency or first-aid diagnosis or treatment, and
(3) the individual or individuals being diagnosed or treated have been exposed to the chemical concerned.

Immediately following such a request, the owner or operator to whom such request is made shall provide the requested information to the physician or nurse. The authority to withhold the specific chemical identity of a chemical from a material safety data sheet, an inventory form, or a toxic chemical release form under section 11042 of this title when such information is a trade secret shall not apply to information required to be provided to a treating physician or nurse under this subsection. No written confidentiality agreement or statement of need shall be required as a precondition of such disclosure, but the owner or operator disclosing such information may require a written confidentiality agreement in accordance with subsection (d) and a statement setting forth the items listed in paragraphs (1) through (3) as soon as circumstances permit.

(c) Preventive measures by local health professionals

(1) Provision of information

An owner or operator of a facility subject to the requirements of section 11021, 11022, or 11023 of this title shall provide the specific chemical identity, if known, of a hazardous chemical, an extremely hazardous substance, or a toxic chemical to any health professional (such as a physician, toxicologist, or epidemiologist) —

(A) who is a local government employee or a person under contract with the local government, and

(B) who requests such information in writing and provides a written statement of need under paragraph (2) and a written confidentiality agreement under subsection (d).

Following such a written request, the owner or operator to whom such request is made shall promptly provide the requested information to the local health professional. The authority to withhold the specific chemical identity of a chemical under section 11042 of this title when such information is a trade secret shall not apply to information required to be provided under this subsection, subject to the provisions of subsection (d).

(2) Written statement of need

The written statement of need shall be a statement that describes with reasonable detail one or more of the following health needs for the information:

(A) To assess exposure of persons living in a local community to the hazards of the chemical concerned.

(B) To conduct or assess sampling to determine exposure levels of various population groups.

(C) To conduct periodic medical surveillance of exposed population groups.

(D) To provide medical treatment to exposed individuals or population groups.

(E) To conduct studies to determine the health effects of exposure.

(F) To conduct studies to aid in the identification of a chemical that may reasonably be anticipated to cause an observed health effect.

(d) Confidentiality agreement

Any person obtaining information under subsection (a) or (c) shall, in accordance with such subsection (a) or (c), be required to agree in a written confidentiality agreement that he will not use the information for any purpose other than the health needs asserted in the statement of need, except as may otherwise be authorized by the terms of the agreement or by the person providing such information. Nothing in this subsection shall preclude the parties to a confidentiality agreement from pursuing any remedies to the extent permitted by law.

(e) Regulations

As soon as practicable after October 17, 1986, the Administrator shall promulgate regulations describing criteria and parameters for the statement of need under subsection 1(a) and (c) and the confidentiality agreement under subsection (d).

§ 11044. Public availability of plans, data sheets, forms, and followup notices

(a) Availability to public

Each emergency response plan, material safety data sheet, list described in section 11021(a)(2) of this title, inventory form, toxic chemical release form, and followup emergency notice shall be made available to the general public, consistent with section 11042 of this title, during normal working hours at the location or locations designated by the Administrator, Governor, State emergency response commission, or local emergency planning committee, as appropriate. Upon request by an owner or operator of a facility subject to the requirements of section 11022 of this title, the State emergency response commission and the appropriate local emergency planning committee shall withhold from disclosure under this section the location of any specific chemical required by section 11022(d)(2) of this title to be contained in an inventory form as tier II information.

(b) Notice of public availability

Each local emergency planning committee shall annually publish a notice in local newspapers that the emergency response plan, material safety data sheets, and inventory forms have been submitted under this section. The notice shall state that followup emergency notices may subsequently be issued. Such notice shall announce that members of the public who wish to review any such plan, sheet, form, or followup notice may do so at the location designated under subsection (a).


1 So in original. Probably should be “subsections”.
§ 11045. Enforcement

(a) Civil penalties for emergency planning

The Administrator may order a facility owner or operator (except an owner or operator of a facility designated under section 11002(b)(2) of this title) to comply with section 11002(c) of this title and section 11003(d) of this title. The United States district court for the district in which the facility is located shall have jurisdiction to enforce the order, and any person who violates or fails to obey such an order shall be liable to the United States for a civil penalty of not more than $25,000 for each day in which such violation occurs or such failure to comply continues.

(b) Civil, administrative, and criminal penalties for emergency notification

(1) Class I administrative penalty

(A) A civil penalty of not more than $25,000 per violation may be assessed by the Administrator in the case of a violation of the requirements of section 11004 of this title.

(B) No civil penalty may be assessed under this subsection unless the person accused of the violation is given notice and opportunity for a hearing with respect to the violation.

(C) In determining the amount of any penalty assessed pursuant to this subsection, the Administrator shall take into account the nature, circumstances, extent and gravity of the violation or violations and, with respect to the violator, ability to pay, any prior history of such violations, the degree of culpability, economic benefit or savings (if any) resulting from the violation, and such other matters as justice may require.

(2) Class II administrative penalty

A civil penalty of not more than $25,000 per day for each day during which the violation continues may be assessed by the Administrator in the case of a violation of the requirements of section 11004 of this title. In the case of a second or subsequent violation the amount of such penalty may be not more than $75,000 for each day during which the violation continues. Any civil penalty under this subsection constitutes a separate violation.

(3) Judicial assessment

The Administrator may bring an action in the United States District Court for the district in which the person from whom the penalty is sought resides or in which such person's principal place of business is located.

(4) Criminal penalties

Any person who knowingly and willfully fails to provide notice in accordance with section 11004 of this title shall, upon conviction, be fined not more than $25,000 or imprisoned for not more than two years, or both (or in the case of a second or subsequent conviction, shall be fined not more than $50,000 or imprisoned for not more than five years, or both).

(c) Civil and administrative penalties for reporting requirements

(1) Any person (other than a governmental entity) who violates any requirement of section 11022 or 11023 of this title shall be liable to the United States for a civil penalty in an amount not to exceed $25,000 for each such violation.

(2) Any person (other than a governmental entity) who violates any requirement of section 11021 or 11043(b) of this title, and any person who fails to furnish to the Administrator information required under section 11042(a)(2) of this title shall be liable to the United States for a civil penalty in an amount not to exceed $10,000 for each such violation.

(3) Each day a violation described in paragraph (1) or (2) continues shall, for purposes of this subsection, constitute a separate violation.

(4) The Administrator may assess any civil penalty for which a person is liable under this subsection by administrative order or may bring an action to assess and collect the penalty in the United States district court for the district in which the person from whom the penalty is sought resides or in which such person's principal place of business is located.

(d) Civil, administrative, and criminal penalties with respect to trade secrets

(1) Civil and administrative penalty for frivolous claims

If the Administrator determines—

(A)(i) under section 11042(d)(4) of this title that an explanation submitted by a trade secret claimant presents insufficient assertions to support a finding that a specific chemical identity is a trade secret, or (ii) after receiving supplemental supporting detailed information under section 11042(d)(3)(A) of this title, that the specific chemical identity is not a trade secret; and

(B) that the trade secret claim is frivolous, the trade secret claimant is liable for a penalty of $25,000 per claim. The Administrator may assess the penalty by administrative order or may bring an action in the appropriate district court of the United States to assess and collect the penalty.

(2) Criminal penalty for disclosure of trade secret information

Any person who knowingly and willfully divulges or discloses any information entitled to protection under section 11042 of this title shall, upon conviction, be subject to a fine of not more than $20,000 or to imprisonment not to exceed one year, or both.

1 So in original. Probably should not be capitalized.
(e) Special enforcement provisions for section 11043

Whenever any facility owner or operator required to provide information under section 11043 of this title to a health professional who has requested such information fails or refuses to provide such information in accordance with such section, such health professional may bring an action in the appropriate United States district court to require such facility owner or operator to provide the information. Such court shall have jurisdiction to issue such orders and take such other action as may be necessary to enforce the requirements of section 11043 of this title.

(f) Procedures for administrative penalties

(1) Any person against whom a civil penalty is assessed under this section may obtain review thereof in the appropriate district court of the United States by filing a notice of appeal in such court within 30 days after the date of such order and by simultaneously sending a copy of such notice by certified mail to the Administrator. The Administrator shall promptly file in such court a certified copy of the record upon which such violation was found or such penalty imposed. If any person fails to pay an assessment of a civil penalty after it has become final and unappealable order or after the appropriate court has entered final judgment in favor of the United States, the Administrator may request the Attorney General of the United States to institute a civil action in an appropriate district court of the United States to collect the penalty, and such court shall have jurisdiction to hear and decide any such action. In hearing such action, the court shall have authority to review the violation and the assessment of the civil penalty on the record.

(2) The Administrator may issue subpoenas for the attendance and testimony of witnesses and the production of relevant papers, books, or documents in connection with hearings under this section. In case of contumacy or refusal to obey a subpoena issued pursuant to this paragraph and served upon any person, the district court of the United States for any district in which such person is found, resides, or transacts business, upon application by the United States and after notice to such person, shall have jurisdiction to issue an order requiring such person to appear and give testimony before the administrative law judge or to appear and produce documents before the administrative law judge, or both, and any failure to obey such order of the court may be punished by such court as a contempt thereof.


§ 11046. Civil actions

(a) Authority to bring civil actions

(1) Citizen suits

Except as provided in subsection (e), any person may commence a civil action on his own behalf against the following:

(A) An owner or operator of a facility for failure to do any of the following:

(i) Submit a followup emergency notice under section 11004(c) of this title.

(ii) Submit a material safety data sheet or a list under section 11021(a) of this title.

(iii) Complete and submit an inventory form under section 11022(a) of this title containing tier I information as described in section 11022(d)(1) of this title unless such requirement does not apply by reason of the second sentence of section 11022(a)(2) of this title.

(iv) Complete and submit a toxic chemical release form under section 11023(a) of this title.

(B) The Administrator for failure to do any of the following:

(i) Publish inventory forms under section 11022(g) of this title.

(ii) Respond to a petition to add or delete a chemical under section 11023(e)(1) of this title within 180 days after receipt of the petition.

(iii) Publish a toxic chemical release form under 11023(g)(1) of this title.

(iv) Establish a computer database in accordance with section 11023(f) of this title.

(v) Promulgate trade secret regulations under section 11042(c) of this title.

(vi) Render a decision in response to a petition under section 11042(d) of this title within 9 months after receipt of the petition.

(C) The Administrator, a State Governor, or a State emergency response commission, for failure to provide a mechanism for public availability of information in accordance with section 11044(a) of this title.

(D) A State Governor or a State emergency response commission for failure to respond to a request for tier II information under section 11022(e)(3) of this title within 120 days after the date of receipt of the request.

(2) State or local suits

(A) Any State or local government may commence a civil action against an owner or operator of a facility for failure to do any of the following:

(i) Provide notification to the emergency response commission in the State under section 11002(c) of this title.

(ii) Submit a material safety data sheet or a list under section 11021(a) of this title.

(iii) Complete and submit a toxic chemical release form under section 11023(g) of this title.

(iv) Establish a computer database in accordance with section 11023(f) of this title.

(v) Promulgate trade secret regulations under section 11042(c) of this title.

(vi) Render a decision in response to a petition under section 11042(d) of this title.

(B) Any State emergency response commission or local emergency planning committee may commence a civil action against an owner or operator of a facility for failure to provide information under section 11003(d) of this title or for failure to submit tier II information under section 11022(e)(1) of this title.

(C) Any State may commence a civil action against the Administrator for failure to pro-

1 So in original. Probably should be preceded by "section".
§ 11047. Exemption

(a) By the United States

In any action under this section the United States or the State, or both, if not a party, may intervene as a matter of right.

(b) By persons

In any action under this section, any person may intervene as a matter of right when such person has a direct interest which is or may be adversely affected by the action and the disposition of the action may, as a practical matter, impair or impede the person’s ability to protect that interest unless the Administrator or the State shows that the person’s interest is adequately represented by existing parties in the action.


References in Text


The Federal Rules of Civil Procedure, referred to in subsec. (f), are set out in the Appendix to Title 28, Judiciary and Judicial Procedure.

§ 11047. Exemption

Except as provided in section 11004 of this title, this chapter does not apply to the transportation, including the storage incident to such transportation, of any substance or chemical subject to the requirements of this chapter, including the transportation and distribution of natural gas.


§ 11048. Regulations

The Administrator may prescribe such regulations as may be necessary to carry out this chapter.


§ 11049. Definitions

For purposes of this chapter—

(1) Administrator

The term “Administrator” means the Administrator of the Environmental Protection Agency.

(2) Environment

The term “environment” includes water, air, and land and the interrelationship which exists among and between water, air, and land and all living things.

(3) Extremely hazardous substance

The term “extremely hazardous substance” means a substance on the list described in section 11002(a)(2) of this title.

(4) Facility

The term “facility” means all buildings, equipment, structures, and other stationary.
items which are located on a single site or on contiguous or adjacent sites and which are owned or operated by the same person (or by any person which controls, is controlled by, or under common control with, such person). For purposes of section 11004 of this title, the term includes motor vehicles, rolling stock, and aircraft.

(5) Hazardous chemical

The term “hazardous chemical” has the meaning given such term by section 11021(e) of this title.

(6) Material safety data sheet

The term “material safety data sheet” means the sheet required to be developed under section 1910.1200(g) of title 29 of the Code of Federal Regulations, as that section may be amended from time to time.

(7) Person

The term “person” means any individual, trust, firm, joint stock company, corporation (including a government corporation), partnership, association, State, municipality, commission, political subdivision of a State, or interstate body.

(8) Release

The term “release” means any spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping, or disposing into the environment (including the abandonment or discarding of barrels, containers, and other closed receptacles) of any hazardous chemical, extremely hazardous substance, or toxic chemical.

(9) State

The term “State” means any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the United States Virgin Islands, the Northern Mariana Islands, and any other territory or possession over which the United States has jurisdiction.

(10) Toxic chemical

The term “toxic chemical” means a substance on the list described in section 11023(c) of this title.

§ 11050. Authorization of appropriations

There are authorized to be appropriated for fiscal years beginning after September 30, 1986, such sums as may be necessary to carry out this chapter.

§ 11051. Definitions

The Congress finds the following:

(1) The increasing occurrence of medical malpractice and the need to improve the quality of medical care have become nationwide problems that warrant greater efforts than those that can be undertaken by any individual State.

(2) There is a national need to restrict the ability of incompetent physicians to move from State to State without disclosure or discovery of the physician’s previous damaging or incompetent performance.

(3) This nationwide problem can be remedied through effective professional peer review.

(4) The threat of private money damage liability under Federal laws, including treble damage liability under Federal antitrust law, unreasonably discourages physicians from participating in effective professional peer review.

(5) There is an overriding national need to provide incentive and protection for physicians engaging in effective professional peer review.

§ 11111. Professional review

(a) In general

(1) Limitation on damages for professional review actions

If a professional review action (as defined in section 11151(9) of this title) of a professional review body meets all the standards specified in section 11112(a) of this title, except as provided in subsection (b),

(A) the professional review body,

(B) any person acting as a member or staff to the body,
§11112  TITLE 42—THE PUBLIC HEALTH AND WELFARE  Page 7474

(C) any person under a contract or other formal agreement with the body, and

(D) any person who participates with or assists the body with respect to the action,

shall not be liable in damages under any law of the United States or of any State (or political subdivision thereof) with respect to the action. The preceding sentence shall not apply to damages under any law of the United States or any State relating to the civil rights of any person or persons, including the Civil Rights Act of 1964, 42 U.S.C. 2000e, et seq., and the Civil Rights Acts, 42 U.S.C. 1981, et seq. Nothing in this paragraph shall prevent the United States or any Attorney General of a State from bringing an action, including an action under section 15c of title 15, where such an action otherwise authorized.

(2) Protection for those providing information to professional review bodies

Notwithstanding any other provision of law, no person (whether as a witness or otherwise) providing information to a professional review body regarding the competence or professional conduct of a physician shall be held, by reason of having provided such information, to be liable in damages under any law of the United States or of any State (or political subdivision thereof) unless such information is false and the person providing it knew that such information was false.

(b) Exception

If the Secretary has reason to believe that a health care entity has failed to report information in accordance with section 11133(a) of this title, the Secretary shall conduct an investigation. If, after providing notice of noncompliance, an opportunity to correct the noncompliance, and an opportunity for a hearing, the Secretary determines that a health care entity has failed substantially to report information in accordance with section 11133(a) of this title, the Secretary shall publish the name of the entity in the Federal Register. The protections of subsection (a)(1) shall not apply to an entity the name of which is published in the Federal Register under the previous sentence with respect to professional review actions of the entity commenced during the 3-year period beginning 30 days after the date of publication of the name.

(c) Treatment under State laws

(1) Professional review actions taken on or after October 14, 1989

Except as provided in paragraph (2), subsection (a) shall apply to State laws in a State only for professional review actions commenced on or after October 14, 1989.

(2) Exceptions

(A) State early opt-in

Subsection (a) shall apply to State laws in a State for actions commenced before October 14, 1989, if the State by legislation elects such treatment.

(B) Effective date of election

An election under State law is not effective, for purposes of, for actions commenced before the effective date of the State law, which may not be earlier than the date of the enactment of that law.

(2) Professional review actions taken on or after October 14, 1989

Before the effective date of the State law, which may not be earlier than the date of the enactment of that law.


REFERENCES IN TEXT


AMENDMENTS


1987—Subsec. (c)(2)(B), (C). Pub. L. 100–177, § 402(c), as added by Pub. L. 101–239, redesignated subpar. (C) as (B), struck out “subparagraphs (A) and (B)” after “for purposes of”, and struck out former subpar. (B) which read as follows: “Subsection (a) of this section shall not apply to State laws in a State for actions commenced on or after October 14, 1989, if the State by legislation elects such treatment.”

EFFECTIVE DATE OF 1987 AMENDMENT

Amendment by Pub. L. 100–177 effective Nov. 14, 1986, see section 402(d) of Pub. L. 100–177, as renumbered and amended, set out as a note under section 11137 of this title.

EFFECTIVE DATE


§11112. Standards for professional review actions

(a) In general

For purposes of the protection set forth in section 11111(a) of this title, a professional review action must be taken—

(1) in the reasonable belief that the action was in the furtherance of quality health care,

(2) after a reasonable effort to obtain the facts of the matter,

(3) after adequate notice and hearing procedures are afforded to the physician involved or after such other procedures as are fair to the physician under the circumstances, and

(4) in the reasonable belief that the action was warranted by the facts known after such reasonable effort to obtain facts and after meeting the requirement of paragraph (3).

A professional review action shall be presumed to have met the preceding standards necessary for the protection set out in section 11111(a) of this title unless the presumption is rebutted by a preponderance of the evidence.

(b) Adequate notice and hearing

A health care entity is deemed to have met the adequate notice and hearing requirement of
subsection (a)(3) with respect to a physician if the following conditions are met (or are waived voluntarily by the physician): (1) Notice of proposed action

The physician has been given notice stating—

(A) (i) that a professional review action has been proposed to be taken against the physician, (ii) reasons for the proposed action, and (iii) that the physician has the right to request a hearing on the proposed action, and (B) any time limit (of not less than 30 days) within which to request such a hearing, and

(C) a summary of the rights in the hearing under paragraph (3).

(2) Notice of hearing

If a hearing is requested on a timely basis under paragraph (1)(B), the physician involved must be given notice stating—

(A) the place, time, and date, of the hearing, which date shall not be less than 30 days after the date of the notice, and (B) a list of the witnesses (if any) expected to testify at the hearing on behalf of the professional review body.

(3) Conduct of hearing and notice

If a hearing is requested on a timely basis under paragraph (1)(B)—

(A) subject to subparagraph (B), the hearing shall be held (as determined by the health care entity)—

(i) before an arbitrator mutually acceptable to the physician and the health care entity; (ii) before a hearing officer who is appointed by the entity and who is not in direct economic competition with the physician involved; or (iii) before a panel of individuals who are appointed by the entity and are not in direct economic competition with the physician involved;

(B) the right to the hearing may be forfeited if the physician fails, without good cause, to appear;

(C) in the hearing the physician involved has the right—

(i) to representation by an attorney or other person of the physician’s choice; (ii) to have a record made of the proceedings, copies of which may be obtained by the physician upon payment of any reasonable charges associated with the preparation thereof; (iii) to call, examine, and cross-examine witnesses, (iv) to present evidence determined to be relevant by the hearing officer, regardless of its admissibility in a court of law, and (v) to submit a written statement at the close of the hearing; and

(D) upon completion of the hearing, the physician involved has the right—

(i) to receive the written recommendation of the arbitrator, officer, or panel, including a statement of the basis for the recommendations, and (ii) to receive a written decision of the health care entity, including a statement of the basis for the decision.

A professional review body’s failure to meet the conditions described in this subsection shall not, in itself, constitute failure to meet the standards of subsection (a)(3).

(c) Adequate procedures in investigations or health emergencies

For purposes of section 11111(a) of this title, nothing in this section shall be construed as—

(1) requiring the procedures referred to in subsection (a)(3)—

(A) where there is no adverse professional review action taken, or (B) in the case of a suspension or restriction of clinical privileges, for a period of not longer than 14 days, during which an investigation is being conducted to determine the need for a professional review action; or

(2) precluding an immediate suspension or restriction of clinical privileges, subject to subsequent notice and hearing or other adequate procedures, where the failure to take such an action may result in an imminent danger to the health of any individual.


§ 11113. Payment of reasonable attorneys’ fees and costs in defense of suit

In any suit brought against a defendant, to the extent that a defendant has met the standards set forth under section 11112(a) of this title and the defendant substantially prevails, the court shall, at the conclusion of the action, award to a substantially prevailing party defending against any such claim the cost of the suit attributable to such claim, including a reasonable attorney’s fee, if the claim, or the claimant’s conduct during the litigation of the claim, was frivolous, unreasonable, without foundation, or in bad faith. For the purposes of this section, a defendant shall not be considered to have substantially prevailed when the plaintiff obtains an award for damages or permanent injunctive or declaratory relief.


§ 11114. Guidelines of Secretary

The Secretary may establish, after notice and opportunity for comment, such voluntary guidelines as may assist the professional review bodies in meeting the standards described in section 11112(a) of this title.


§ 11115. Construction

(a) In general

Except as specifically provided in this subchapter, nothing in this subchapter shall be construed as changing the liabilities or immunities under law or as preempting or overriding any State law which provides incentives, immunities, or protection for those engaged in a profes-
sional review action that is in addition to or greater than that provided by this subchapter.

(b) Scope of clinical privileges

Nothing in this subchapter shall be construed as requiring health care entities to provide clinical privileges to any or all classes or types of physicians or other licensed health care practitioners.

(c) Treatment of nurses and other practitioners

Nothing in this subchapter shall be construed as affecting, or modifying any provision of Federal or State law, with respect to activities of professional review bodies regarding nurses, other licensed health care practitioners, or other health professionals who are not physicians.

(d) Treatment of patient malpractice claims

Nothing in this chapter shall be construed as affecting in any manner the rights and remedies afforded patients under any provision of Federal or State law to seek redress for any harm or injury suffered as a result of negligent treatment or care by any physician, health care practitioner, or health care entity, or as limiting any defenses or immunities available to any physician, health care practitioner, or health care entity.


AMENDMENTS


1987—Subsec. (a). Pub. L. 100–177, § 402(c), as added Pub. L. 100–177, title IV, § 402(c), as added Pub. L. 100–177, title IV, § 402(c), as added Pub. L. 100–177, title IV, § 402(c), as added Pub. L. 100–177, title IV, § 402(c), as added by Pub. L. 101–239, inserted before period at end “or as precluding or overriding any State law which provides incentives, immunities, or protection for those engaged in a professional review action that is in addition to or greater than that provided by this subchapter”. Effective Date of 1987 Amendment

Amendment by Pub. L. 100–177 effective Nov. 14, 1986, see section 402(d) of Pub. L. 100–177, as renumbered and amended, set out as a note under section 11137 of this title.

SUBCHAPTER II—REPORTING OF INFORMATION

§ 11131. Requiring reports on medical malpractice payments

(a) In general

Each entity (including an insurance company) which makes payment under a policy of insurance, self-insurance, or otherwise in settlement (or partial settlement) of, or in satisfaction of a judgment in, a medical malpractice action or claim shall report, in accordance with section 11134 of this title, information respecting the payment and circumstances thereof.

(b) Information to be reported

The information to be reported under subsection (a) includes—

(1) the name of any physician or licensed health care practitioner for whose benefit the payment is made;

(2) the amount of the payment,

(3) the name (if known) of any hospital with which the physician or practitioner is affiliated or associated,

(4) a description of the acts or omissions and injuries or illnesses upon which the action or claim was based, and

(5) such other information as the Secretary determines is required for appropriate interpretation of information reported under this section.

(c) Sanctions for failure to report

Any entity that fails to report information on a payment required to be reported under this section shall be subject to a civil money penalty of not more than $30,000 for each such payment involved. Such penalty shall be imposed and collected in the same manner as civil money penalties under subsection (a) of section 1320a–7a of this title are imposed and collected under that section.

(d) Report on treatment of small payments

The Secretary shall study and report to Congress, not later than two years after November 14, 1986, on whether information respecting small payments should continue to be required to be reported under subsection (a) and whether information respecting all claims made concerning a medical malpractice action should be required to be reported under such subsection.


§ 11132. Reporting of sanctions taken by Boards of Medical Examiners

(a) In general

(1) Actions subject to reporting

Each Board of Medical Examiners—

(A) which revokes or suspends (or otherwise restricts) a physician’s license or censures, reprimands, or places on probation a physician, for reasons relating to the physician’s professional competence or professional conduct, or

(B) to which a physician’s license is surrendered,

shall report, in accordance with section 11134 of this title, the information described in paragraph (2).

(2) Information to be reported

The information to be reported under paragraph (1) is—

(A) the name of the physician involved,

(B) a description of the acts or omissions or other reasons (if known) for the revocation, suspension, or surrender of license, and

(C) such other information respecting the circumstances of the action or surrender as the Secretary deems appropriate.

(b) Failure to report

If, after notice of noncompliance and providing opportunity to correct noncompliance, the Secretary determines that a Board of Medical Examiners has failed to report information in accordance with subsection (a), the Secretary shall designate another qualified entity for the reporting of information under section 11133 of this title.
§ 11133. Reporting of certain professional review actions taken by health care entities

(a) Reporting by health care entities

(1) On physicians

Each health care entity which—

(A) takes a professional review action that adversely affects the clinical privileges of a physician for a period longer than 30 days;

(B) accepts the surrender of clinical privileges of a physician—

(i) while the physician is under an investigation by the entity relating to possible incompetence or improper professional conduct, or

(ii) in return for not conducting such an investigation or proceeding; or

(C) in the case of such an entity which is a professional society, takes a professional review action which adversely affects the membership of a physician in the society, shall report to the Board of Medical Examiners, in accordance with section 11134(a) of this title, the information described in paragraph (3).

(2) Permissive reporting on other licensed health care practitioners

A health care entity may report to the Board of Medical Examiners, in accordance with section 11134(a) of this title, the information described in paragraph (3) in the case of a licensed health care practitioner who is not a physician, if the entity would be required to report such information under paragraph (1) with respect to the physician if the practitioner were a physician.

(3) Information to be reported

The information to be reported under this subsection is—

(A) the name of the physician or practitioner involved,

(B) a description of the acts or omissions or other reasons for the action or, if known, for the surrender, and

(C) such other information respecting the circumstances of the action or surrender as the Secretary deems appropriate.

(b) Reporting by Board of Medical Examiners

Each Board of Medical Examiners shall report, in accordance with section 11134(a) of this title, the information reported to it under subsection (a) and known instances of a health care entity’s failure to report information under subsection (a)(1).

(c) Sanctions

(1) Health care entities

A health care entity that fails substantially to meet the requirement of subsection (a)(1) shall lose the protections of section 11111(a)(1) of this title if the Secretary publishes the name of the entity under section 11111(b) of this title.

(2) Board of Medical Examiners

If, after notice of noncompliance and providing an opportunity to correct noncompliance, the Secretary determines that a Board of Medical Examiners has failed to report information in accordance with subsection (b), the Secretary shall designate another qualified entity for the reporting of information under subsection (b).

(d) References to Board of Medical Examiners

Any reference in this subchapter to a Board of Medical Examiners includes, in the case of a Board in a State that fails to meet the reporting requirements of section 11132(a) of this title or subsection (b), a reference to such other qualified entity as the Secretary designates.

§ 11134. Form of reporting

(a) Timing and form

The information required to be reported under sections 11131, 11132(a), and 11133 of this title shall be reported regularly (but not less often than monthly) and in such form and manner as the Secretary prescribes. Such information shall first be required to be reported on a date (not later than one year after November 14, 1986) specified by the Secretary.

(b) To whom reported

The information required to be reported under sections 11131, 11132(a), and 11133(b) of this title shall be reported to the Secretary, or, in the Secretary’s discretion, to an appropriate private or public agency which has made suitable arrangements with the Secretary with respect to receipt, storage, protection of confidentiality, and dissemination of the information under this subchapter.

(c) Reporting to State licensing boards

(1) Malpractice payments

Information required to be reported under section 11131 of this title shall also be reported to the appropriate State licensing board (or boards) in the State in which the medical malpractice claim arose.

(2) Reporting to other licensing boards

Information required to be reported under section 11133(b) of this title shall also be reported to the appropriate State licensing board in the State in which the health care entity is located if it is not otherwise reported to such board under subsection (b).

§ 11135. Duty of hospitals to obtain information

(a) In general

It is the duty of each hospital to request from the Secretary (or the agency designated under section 11134(b) of this title), on and after the date information is first required to be reported under section 11134(a) of this title—1

(1) at the time a physician or licensed health care practitioner applies to be on the medical staff (courtesy or otherwise) of, or for clinical

---

1 So in original. The closing parenthesis probably should not appear.
§ 11136. Disclosure and correction of information

With respect to the information reported to the Secretary (or the agency designated under section 11134(b) of this title) under this subchapter respecting a physician or other licensed health care practitioner, the Secretary shall, by regulation, provide for—
(1) disclosure of the information, upon request, to the physician or practitioner, and
(2) procedures in the case of disputed accuracy of the information.

§ 11137. Miscellaneous provisions

(a) Providing licensing boards and other health care entities with access to information

The Secretary (or the agency designated under section 11134(b) of this title) shall, upon request, provide information reported under this subchapter respecting a physician or other licensed health care practitioner to State licensing boards, to hospitals, and to other health care entities (including health maintenance organizations) that have entered (or may be entering) into an employment or affiliation relationship with the physician or practitioner or to which the physician or practitioner has applied for clinical privileges or appointment to the medical staff.

(b) Confidentiality of information

(1) In general

Information reported under this subchapter is considered confidential and shall not be disclosed (other than to the physician or practitioner involved) except with respect to professional review activity, as necessary to carry out subsections (b) and (c) of section 11135 of this title (as specified in regulations by the Secretary), or in accordance with regulations of the Secretary promulgated pursuant to subsection (a). Nothing in this subsection shall prevent the disclosure of such information by a party which is otherwise authorized, under applicable State law, to make such disclosure.

(2) Penalty for violations

Any person who violates paragraph (1) shall be subject to a civil money penalty of not more than $10,000 for each such violation involved. Such penalty shall be imposed and collected in the same manner as civil money penalties under subsection (a) of section 1320a–7a of this title are imposed and collected under that section.

(c) Relief from liability for reporting

No person or entity (including the agency designated under section 11134(b) of this title) shall be held liable in any civil action with respect to activities in the furtherance of the quality of health care.

(d) Interpretation of information

In interpreting information reported under this subchapter, payment in settlement of a medical malpractice action or claim shall not be construed as creating a presumption that medical malpractice has occurred.

AMENDMENTS

1987—Subsec. (b)(1). Pub. L. 100–177, § 402(a)(1), substituted “as necessary to carry out subsections (b) and (c) of section 11135 of this title (as specified in regula-

1 So in original. Probably should be followed by another closing parenthesis.
tions by the Secretary)" for "with respect to medical malpractice actions" and inserted at end "Information reported under this subchapter that is in a form that does not permit the identification of any particular health care entity, physician, other health care practitioner, or patient shall not be considered confidential. The Secretary (or the agency designated under section 11134(b) of this title), on application by any person, shall prepare such information in such form and shall disclose such information in such form."


"(1) In general.—The amendments made by subsections (a) and (c) [amending this section and sections 11134(b) of this title] shall become effective on the date of enactment of this Act [Dec. 1, 1987]."

Effective Date of 1987 Amendment

"(1) In general.—The amendments made by subsections (a) and (c) [amending this section and sections 1111 and 1115 of this title] shall become effective on November 14, 1986.

"(2) FEES.—The amendment made by subsection (b) [amending this section] shall become effective on the date of enactment of this Act [Dec. 1, 1987]."

Subchapter III—Definitions and Reports

§ 11151. Definitions

In this chapter:

(1) The term "adversely affecting" includes reducing, restricting, suspending, revoking, denying, or failing to renew clinical privileges or membership in a health care entity.

(2) The term "Board of Medical Examiners" includes a body comparable to such a Board (as determined by the State) with responsibility for the licensing of physicians and also includes a subdivision of such a Board or body.

(3) The term "clinical privileges" includes privileges, membership on the medical staff, and the other circumstances pertaining to the furnishing of medical care under which a physician or other licensed health care practitioner is permitted to furnish such care by a health care entity.

(4)(A) The term "health care entity" means—

(i) a hospital that is licensed to provide health care services by the State in which it is located,

(ii) an entity (including a health maintenance organization or group medical practice) that provides health care services and that follows a formal peer review process for the purpose of furthering quality health care (as determined under regulations of the Secretary), and

(iii) subject to subparagraph (B), a professional society (or committee thereof) of physicians or other licensed health care practitioners that follows a formal peer review process for the purpose of furthering quality health care (as determined under regulations of the Secretary).

(B) The term "health care entity" does not include a professional society (or committee thereof) if, within the previous 5 years, the society has been found by the Federal Trade Commission or any court to have engaged in any anti-competitive practice which had the effect of restricting the practice of licensed health care practitioners.

(5) The term "hospital" means an entity described in paragraphs (1) and (7) of section 1395x(e) of this title.

(6) The terms "licensed health care practitioner" and "practitioner" mean, with respect to a State, an individual (other than a physician) who is licensed or otherwise authorized by the State to provide health care services.

(7) The term "medical malpractice action or claim" means a written claim or demand for payment based on a health care provider's furnishing (or failure to furnish) health care services, and includes the filing of a cause of action, based on the law of tort, brought in any court of any State or the United States seeking monetary damages.

(8) The term "physician" means a doctor of medicine or osteopathy or a doctor of dental surgery or medical dentistry legally authorized to practice medicine and surgery or dentistry by a State (or any individual who, without authority holds himself or herself out to be so authorized).

(9) The term "professional review action" means an action or recommendation of a professional review body which is taken or made in the conduct of professional review activity, which is based on the competence or professional conduct of an individual physician (which conduct affects or could affect adversely the health or welfare of a patient or patients), and which affects (or may affect) adversely the clinical privileges, or membership in a professional society, of the physician. Such term includes a formal decision of a professional review body not to take an action or make a recommendation described in the previous sentence and also includes professional review activities relating to a professional review action. In this chapter, an action is not considered to be based on the competence or professional conduct of a physician if the action is primarily based on—

(A) the physician's association, or lack of association, with a professional society or association,

(B) the physician's fees or the physician's advertising or engaging in other competitive acts intended to solicit or retain business,

(C) the physician's participation in prepaid group health plans, salaried employment, or any other manner of delivering health services whether on a fee-for-service or other basis,

(D) a physician's association with, supervision of, delegation of authority to, support for, training of, or participation in a private group practice with, a member or members of a particular class of health care practitioners or professional, or

(E) any other matter that does not relate to the competence or professional conduct of a physician.

(10) The term "professional review activity" means an activity of a health care entity with respect to an individual physician—
(A) to determine whether the physician may have clinical privileges with respect to, or membership in, the entity,
(B) to determine the scope or conditions of such privileges or membership,
(C) to change or modify such privileges or membership.

(11) The term “professional review body” means a health care entity and the governing body or any committee of a health care entity which conducts professional review activity, and includes any committee of the medical staff of such an entity when assisting the governing body in a professional review activity.

(12) The term “Secretary” means the Secretary of Health and Human Services.

(13) The term “State” means the 50 States, the District of Columbia, Puerto Rico, the Virgin Islands, Guam, American Samoa, and the Northern Mariana Islands.

(14) The term “State licensing board” means, with respect to a physician or health care provider in a State, the agency of the State which is primarily responsible for the licensing of the physician or provider to furnish health care services.


§ 11152. Reports and memoranda of understanding

(a) Annual reports to Congress

The Secretary shall report to Congress, annually during the three years after November 14, 1986, on the implementation of this chapter.

(b) Memoranda of understanding

The Secretary of Health and Human Services shall seek to enter into memoranda of understanding with the Secretary of Defense and the Administrator of Veterans’ Affairs to apply the provisions of subchapter II of this chapter to hospitals and other facilities and health care providers under the jurisdiction of the Secretary or Administrator, respectively. The Secretary shall report to Congress, not later than two years after November 14, 1986, on any such memoranda and on the cooperation among such officials in establishing such memoranda.

(c) Memorandum of understanding with Drug Enforcement Administration

The Secretary of Health and Human Services shall seek to enter into a memorandum of understanding with the Administrator of Drug Enforcement relating to providing for the reporting by the Administrator to the Secretary of information respecting physicians and other practitioners whose registration to dispense controlled substances has been suspended or revoked under section 824 of title 21. The Secretary shall report to Congress, not later than two years after November 14, 1986, on any such memorandum and on the cooperation between the Secretary and the Administrator in establishing such a memorandum.

(3) studies estimate that between one-half and two-thirds of patients in nursing homes meet the clinical and mental status criteria for dementia;

(4) the cost of caring for individuals with Alzheimer’s disease and related dementias is great, and conservative estimates range between $38,000,000,000 and $42,000,000,000 per year solely for direct costs;

(5) progress in the neurosciences and behavioral sciences has demonstrated the interdependence and mutual reinforcement of basic science, clinical research, and services research for Alzheimer’s disease and related dementias;

(6) programs initiated as part of the Decade of the Brain are likely to provide significant progress in understanding the fundamental mechanisms underlying the causes of, and treatments for, Alzheimer’s disease and related dementias;

(7) although substantial progress has been made in recent years in identifying possible leads to the causes of Alzheimer’s disease and related dementias, and more progress can be expected in the near future, there is little likelihood of a breakthrough in the immediate future that would eliminate or substantially reduce—

(A) the number of individuals with the disease and dementias; or
(B) the difficulties of caring for the individuals;

(8) the responsibility for care of individuals with Alzheimer’s disease and related dementias falls primarily on their families, and the care is financially and emotionally devastating;

(9) attempts to reduce the emotional and financial burden of caring for dementia patients is impeded by a lack of knowledge about such patients, how to care for such patients, the costs associated with such care, the effectiveness of various modes of care, the quality and type of care necessary at various stages of the disease, and other appropriate services that are needed to provide quality care;

(10) the results of the little research that has been undertaken concerning dementia has been inadequate or the results have not been widely disseminated;

(11) more knowledge is needed concerning—

(A) the epidemiology of, and the identification of risk factors for, Alzheimer’s disease and related dementias;

(B) the development of methods for early diagnosis, functional assessment, and psychological evaluation of individuals with Alzheimer’s disease for the purpose of monitoring the course of the disease and developing strategies for improving the quality of life for such individuals;

(C) the understanding of the optimal range and cost-effectiveness of community and institutional services for individuals with Alzheimer’s disease and related dementias and their families, particularly with respect to the design, delivery, staffing, and mix of such services and the coordination of such services with other services, and with respect to the relationship of formal to informal support services;

(D) the understanding of optimal methods to combine formal support services provided by health care professionals with informal support services provided by family, friends, and neighbors of individuals with Alzheimer’s disease, and the identification of ways family caregivers can be sustained through interventions to reduce psychological and social problems and physical problems induced by stress;

(E) existing data that are relevant to Alzheimer’s disease and related dementias; and

(F) the costs incurred in caring for individuals with Alzheimer’s disease and related dementias;

(12) it is imperative to provide appropriate coordination of the efforts of the Federal Government in the provision of services for individuals with Alzheimer’s disease and related dementias;

(13) it is important to increase the understanding of Alzheimer’s disease and related dementias by the diverse range of personnel involved in the care of individuals with such disease and dementias; and

(14) it is imperative that the Social Security Administration be provided information pertaining to Alzheimer’s disease and related dementias, particularly for personnel in such Administration involved in the establishment and updating of criteria for determining whether an individual is under a disability for purposes of titles II and XVI of the Social Security Act [42 U.S.C. 401 et seq., 1381 et seq.]


REFERENCES IN TEXT
The Social Security Act, referred to in par. (14), is act Aug. 14, 1935, ch. 531, 49 Stat. 620, as amended. Titles II and XVI of the Act are classified generally to subchapters II (§ 401 et seq.) and XVI (§ 1381 et seq.), respectively, of chapter 7 of this title. For complete classification of this Act to the Code, see section 1305 of this title and Tables.

AMENDMENTS
1992—Pars. (4) to (14). Pub. L. 102–507 added pars. (4) to (8), redesignated former pars. (7) to (12) as (9) to (14), respectively, and struck out former pars. (4) to (6) which read as follows:”

“(4) the care for individuals with Alzheimer’s disease and related dementias falls primarily on their families, and such care is very often financially and emotionally devastating;

“(5) the cost of caring for individuals with Alzheimer’s disease and related dementias is great, and conservative estimates range between $38,000,000,000 and $42,000,000,000 per year solely for direct costs;

“(6) although substantial progress has been made in recent years in identifying possible leads to the causes of Alzheimer’s disease and related dementias and more progress can be expected in the near future, there is little likelihood of a breakthrough in the foreseeable future that would eliminate or substantially reduce the number of individuals with such disease and dementias or the difficulties of caring for such individuals.”

SHORT TITLE OF 2011 AMENDMENT
In this Act, the term "Alzheimer's" means Alzheimer's disease and related dementias.
(f) Data sharing

Secretary of Health and Human Services, or the

(1) 2 Alzheimer’s patient advocates;
(2) 2 Alzheimer’s caregivers;
(3) 2 health care providers;
(4) 2 representatives of State health departments;
(5) 2 researchers with Alzheimer’s-related expertise in basic, translational, clinical, or drug development science; and
(6) 2 voluntary health association representatives, including a national Alzheimer’s disease organization that has demonstrated experience in research, care, and patient services, and a State-based advocacy organization that provides services to families and professionals, including information and referral, support groups, care consultation, education, and safety services.

(3) Meetings

The Advisory Council shall meet quarterly and such meetings shall be open to the public.

(4) Advice

The Advisory Council shall advise the Secretary of Health and Human Services, or the Secretary’s designee.

(5) Annual report

The Advisory Council shall provide to the Secretary of Health and Human Services, or the Secretary’s designee and Congress—

(A) an initial evaluation of all federally funded efforts in Alzheimer’s research, clinical care, and institutional-, home-, and community-based programs and their outcomes;
(B) initial recommendations for priority actions to expand, eliminate, coordinate, or condense programs based on the program’s performance, mission, and purpose;
(C) initial recommendations to—
   (i) reduce the financial impact of Alzheimer’s on—
      (I) Medicare and other federally funded programs; and
      (II) families living with Alzheimer’s disease; and
   (ii) improve health outcomes; and
   (D) annually thereafter, an evaluation of the implementation, including outcomes, of the recommendations, including priorities if necessary, through an updated national plan under subsection (d)(2).

(6) Termination

The Advisory Council shall terminate on December 31, 2025.

(f) Data sharing

Agencies both within the Department of Health and Human Services and outside of the Department that have data relating to Alzheimer’s shall share such data with the Secretary of Health and Human Services, or the Secretary’s designee, to enable the Secretary, or the Secretary’s designee, to complete the report described in subsection (g).

(g) Annual report

The Secretary of Health and Human Services, or the Secretary’s designee, shall submit to Congress—

(1) an annual report that includes an evaluation of all federally funded efforts in Alzheimer’s research, clinical care, and institutional-, home-, and community-based programs and their outcomes;
(2) an evaluation of all federally funded programs based on program performance, mission, and purpose related to Alzheimer’s disease;
(3) recommendations for—
   (A) priority actions based on the evaluation conducted by the Secretary and the Advisory Council to—
      (i) reduce the financial impact of Alzheimer’s on—
         (I) Medicare and other federally funded programs; and
         (II) families living with Alzheimer’s disease; and
      (ii) improve health outcomes;
   (B) implementation steps; and
   (C) priority actions to improve the prevention, diagnosis, treatment, care, institutional-, home-, and community-based programs of Alzheimer’s disease for individuals with Alzheimer’s disease and their caregivers; and
   (4) an annually updated national plan.

(h) Sunset

The Project shall expire on December 31, 2025.


References in Text

This Act, referred to in subsecs. (a), (b), and (e)(1), is Pub. L. 111–375, Jan. 4, 2011, 124 Stat. 4100, known as the National Alzheimer’s Project Act, which enacted this subchapter and provisions set out as a note under section 11225 of this title. For complete classification of this Act to the Code, see Short Title of 2010 Amendment note set out under section 11221 of this title and Tables.

Codification

Section was enacted as part of the National Alzheimer’s Project Act, and not as part of the Alzheimer’s Disease and Related Dementias Research Act of 1992 which comprises this chapter.

Annual Budget Estimate

Pub. L. 113–235, div. G, title II, § 230, Dec. 16, 2014, 128 Stat. 2492, provided that: “Hereafter, for each fiscal year through fiscal year 2025, the Director of the National Institutes of Health shall prepare and submit directly to the President for review and transmittal to Congress, after reasonable opportunity for comment, but without change, by the Secretary of Health and Human Services and the Advisory Council on Alzheimer’s Research, Care, and Services, an annual budget estimate (including an estimate of the number and type of personnel needs for the Institutes) for the initiatives of the National Institutes of Health pursuant to the National Alzheimer’s Plan, as required under section 2(d)(2) of Public Law 111–375 [42 U.S.C. 11225(d)(2)].”
SUBCHAPTER IV—RESEARCH RELATING TO SERVICES FOR INDIVIDUALS WITH ALZHEIMER'S DISEASE AND RELATED DEMENTIAS AND THEIR FAMILIES

CODIFICATION
Pub. L. 100–607, title I, §142(c)(1)(B), (D), (2)(C), Nov. 4, 1988, 102 Stat. 3057, redesignated former subchapter V as IV and struck out heading for subchapter IV "AWARDS FOR LEADERSHIP AND EXCELLENCE IN ALZHEIMER'S DISEASE AND RELATED DEMENTIAS", consisting of sections 11231 and 11232, and struck out heading for part I "RESPONSIBILITIES OF NATIONAL INSTITUTE ON AGING", consisting of sections 11241 to 11243.

§ 11231. Transferred


§§ 11241, 11242. Transferred

Section, Pub. L. 99–660, title IX, §941, Nov. 14, 1986, 100 Stat. 3809, which provided for Director to disseminate results of such research to professional entities and the public, was redesignated section 445C of the Public Health Service Act by Pub. L. 100–607, title I, §142(a), Nov. 4, 1988, 102 Stat. 3057, and is classified to section 285e–4 of this title.


PART 1—RESPONSIBILITIES OF NATIONAL INSTITUTE OF MENTAL HEALTH

CODIFICATION
Pub. L. 100–607, title I, §142(c)(2)(C), (D), Nov. 4, 1988, 102 Stat. 3057, redesignated part 2 as 1 and struck out former part I heading "RESPONSIBILITIES OF NATIONAL INSTITUTE ON AGING".

§ 11251. Research program and plan

(a) Grants for research

The Director of the National Institute of Mental Health shall conduct, or make grants for the conduct of, research relevant to appropriate services and specialized care for individuals with Alzheimer's disease and related dementias and their families.

(b) Preparation of plan; contents; revision

The Director of the National Institute of Mental Health shall—

(1) ensure that the research conducted under subsection (a) includes research concerning:

(A) mental health services and treatment modalities relevant to the mental, behavioral, and psychological problems associated with Alzheimer's disease and related dementias;

(B) the most effective methods for providing comprehensive multidimensional assessments to obtain information about the current functioning of, and needs for the care of, individuals with Alzheimer's disease and related dementias;

(C) the optimal range, types, and cost-effectiveness of services and specialized care for individuals with Alzheimer's disease and related dementias and for their families, in community and residential settings (including home care, day care, and respite care), and in institutional settings, particularly with respect to—

(i) the design of the services and care;

(ii) appropriate staffing for the provision of the services and care;

(iii) the timing of the services and care during the progression of the disease or dementias; and

(iv) the appropriate mix and coordination of the services and specialized care;

(D) the efficacy of various special care units in the United States for individuals with Alzheimer's disease and related dementias with informal support services provided for such individuals by their families, friends, and neighbors, including services such as day care services, respite care services, home care services, nursing home services, and other residential services and care, and an evaluation of the services actually used for such individuals and the sources of payment for such services;

(F) methods to sustain family members who provide care for individuals with Alzheimer's disease and related dementias through interventions to reduce psychological and social problems and physical problems induced by stress; and

(G) improved methods to deliver services for individuals with Alzheimer's disease and related dementias and their families, including services such as outreach services, comprehensive assessment and care management services, outpatient treatment services, home care services, respite care services, adult day care services, partial hospitalization services, nursing home services, and other residential services and care; and
ensure that the research is coordinated with, and uses, to the maximum extent feasible, resources of, other Federal programs relating to Alzheimer’s disease and dementia, including centers supported under section 285e–2 of this title, supported by the National Institute of Mental Health on the psychopathology of the elderly, relevant activities of the Administration on Aging, other programs and centers involved in research on Alzheimer’s disease and related dementias supported by the Department, and other programs relating to Alzheimer’s disease and related dementias which are planned or conducted by Federal agencies other than the Department, State or local agencies, community organizations, or private foundations.


Prior Provisions
A prior section 931 of Pub. L. 99–660, which was classified to section 11232 of this title, was redesignated section 445B of the Public Health Service Act by section 142(a) of Pub. L. 100–607, and is classified to section 285e–4 of this title.

Amendments

Subsec. (b). Pub. L. 102–507, §7(a)(2), designated par. (1) as entire subsec. and redesignated former par. (1)(A) as par. (1), former par. (1)(A)(i) to (vi) as par. (1)(A) to (G), respectively, former par. (1)(A)(iv)(I) to (IV) as par. (1)(A)(iv) to (IV), respectively, and former par. (1)(B) as par. (2).

Subsec. (b)(1). Pub. L. 102–507, §7(a)(1)(C)(i), substituted “The Director of the National Institute of Mental Health shall prepare and transmit to the Chairman of the Council a plan for the research to be conducted under subsection (a) of this section. The plan shall be submitted to the Chairman of the Council such revisions of such plan as the Director considers appropriate.”

Subsec. (c). Pub. L. 102–507, §7(a)(1)(A), struck out subsec. (c) which read as follows: “In preparing and revising the plan required by subsection (b) of this section, the Director of the National Institute of Mental Health shall consult with the Chairman of the Council and the heads of agencies within the Department.”

§11253. Dissemination
The Director of the National Institute of Mental Health shall disseminate the results of research conducted under this part to appropriate professional entities and to the public.


Prior Provisions
A prior section 932 of Pub. L. 99–660 was classified to section 11232 of this title prior to repeal by section 142(c)(1)(A) of Pub. L. 100–607.

§11253. Authorization of appropriations
There are authorized to be appropriated to carry out this part such sums as may be necessary for each of the fiscal years 1992 through 1996.


Amendments
1992—Pub. L. 102–507 amended section generally. Prior to amendment, section read as follows: “To carry out this part, there are authorized to be appropriated $2,000,000 for each of fiscal years 1988 through 1991.”

Part 2—Responsibilities of Agency for Healthcare Research and Quality

Codification


§11261. Research program

(a) Grants for research
The Director of the Agency for Healthcare Research and Quality shall conduct, or make grants for the conduct of, research relevant to appropriate services for individuals with Alzheimer’s disease and related dementias and for their families.

(b) Research subjects
The Director of the Agency for Healthcare Research and Quality shall ensure that research conducted under subsection (a) shall include research—
(1) concerning improving the organization, delivery, and financing of services for individuals with Alzheimer’s disease and related dementias and for their families, including research on—
   (A) the design, staffing, and operation of special care units for the individuals in institutional settings, as well as individuals in home care, day care, and respite care; and
   (B) the exploration and enhancement of services such as home care, day care, and respite care, that provide alternatives to institutional care;
(2) concerning the costs incurred by individuals with Alzheimer’s disease and related dementias by their families in obtaining services, particularly services that are essential to the individuals and that are not generally required by other patients under long-term care programs;
(3) concerning the costs, cost-effectiveness, and effectiveness of various interventions to provide services for individuals with Alzheimer’s disease and related dementias and for their families; (4) conducted in consultation with the Director of the National Institute on Aging and the Commissioner of the Administration on Aging, concerning the role of physicians in caring for persons with Alzheimer’s disease and related dementias and for their families, including the role of a physician in connecting such persons with appropriate health care and supportive services, including those supported through State and area agencies on aging designated under section 3025(a)(1) and (2)(A) of this title; and
(5) conducted in consultation with the Director of the National Institute on Aging and the Commissioner of the Administration on Aging, concerning legal and ethical issues, including issues associated with special care units, fac-
ing individuals with Alzheimer’s disease and related dementias and facing their families.

(1) Within 6 months after November 14, 1986, the Administrator of the Centers for Medicare & Medicaid Services shall conduct, or make grants for the conduct of, research relevant to Alzheimer’s disease and related dementias and their families.
(2) The Administrator of the Centers for Medicare & Medicaid Services shall disseminate the results of research conducted under this part to appropriate professional entities and to the public.

There are authorized to be appropriated funds to carry out this part such sums as may be necessary for each of the fiscal years 1992 through 1996.

2,000,000 for each of fiscal years 1988 through 1991.’’

The Administrator of the Centers for Medicare & Medicaid Services shall conduct, or make grants for the conduct of, research relevant to Alzheimer’s disease and related dementias and their families.
(b) Preparation of plan; contents; revision
(1) Within 6 months after November 14, 1986, the Administrator of the Centers for Medicare & Medicaid Services shall prepare and transmit to the Chairman of the Council a plan for research to be conducted under (a).1 The plan shall—
   (A) provide for a determination of the types of services required by individuals with Alzheimer’s disease and related dementias and their families to allow such individuals to remain living at home or in a community-based setting;
   (B) provide for a determination of the costs of providing needed services to individuals with Alzheimer’s disease and related dementias and their families, including the expenditures for institutional, home, and community-based services and the source of payment for such expenditures;
   (C) provide for an assessment of the adequacy of benefits provided through the Medicare and Medicaid programs and through private health insurance for needed services for

1 So in original. The words “as well as individuals in institutional settings,” probably should not appear.

1 So in original. Probably should be preceded by “subsection”.

§ 11262. Dissemination

The Director of the National Center for Health Services Research and Health Care Technology Assessment shall disseminate the results of research conducted under this part to appropriate professional entities and to the public.

(1) concerning improving the organization, delivery, and financing of services for individuals with Alzheimer’s disease and related dementias and for their families, including research on—
   (A) the design, staffing, and operation of special care units for the individuals in institutional settings, as well as individuals in home care, day care, and respite care; and
   (B) the exploration and enhancement of services such as home care, day care, and respite care, that provide alternatives to institutional care;
(2) concerning the costs incurred by individuals with Alzheimer’s disease and related dementias and by their families in obtaining services, particularly services that are essential to the individuals and that are not generally required by other patients under long-term care programs;
(3) concerning the costs, cost-effectiveness, and effectiveness of various interventions to provide services for individuals with Alzheimer’s disease and related dementias and for their families; (4) conducted in consultation with the Director of the National Institute on Aging and the Commissioner of the Administration on Aging, concerning the role of physicians in caring for persons with Alzheimer’s disease and related dementias and for their families, including the role of a physician in connecting such persons with appropriate health care and supportive services, including those supported through State and area agencies on aging designated under section 3025(a)(1) and (2)(A) of this title; and
(5) conducted in consultation with the Director of the National Institute on Aging and the Commissioner of the Administration on Aging, concerning legal and ethical issues, including issues associated with special care units, fac-
ing individuals with Alzheimer’s disease and related dementias and facing their families.

(1) Within 6 months after November 14, 1986, the Administrator of the Centers for Medicare & Medicaid Services shall conduct, or make grants for the conduct of, research relevant to Alzheimer’s disease and related dementias and their families.
(b) Preparation of plan; contents; revision
(1) Within 6 months after November 14, 1986, the Administrator of the Centers for Medicare & Medicaid Services shall prepare and transmit to the Chairman of the Council a plan for research to be conducted under (a).1 The plan shall—
   (A) provide for a determination of the types of services required by individuals with Alzheimer’s disease and related dementias and their families to allow such individuals to remain living at home or in a community-based setting;
   (B) provide for a determination of the costs of providing needed services to individuals with Alzheimer’s disease and related dementias and their families, including the expenditures for institutional, home, and community-based services and the source of payment for such expenditures;
   (C) provide for an assessment of the adequacy of benefits provided through the Medicare and Medicaid programs and through private health insurance for needed services for

1 So in original. The words “as well as individuals in institutional settings,” probably should not appear.
individuals with Alzheimer’s disease and related dementias and their families; and

(D) provide for a determination of the costs to the Medicare and Medicaid programs and to private health insurers (if available) of providing covered benefits to individuals with Alzheimer’s disease and related dementias and their families.

(2) Within one year after transmitting the plan required under paragraph (1), and annually thereafter, the Administrator of the Centers for Medicare & Medicaid Services shall prepare and transmit to the Chairman of the Council such revisions of such plan as the Administrator considers appropriate.

(c) Consultation for preparation and revision of plan

In preparing and revising the plan required by subsection (b), the Administrator of the Centers for Medicare & Medicaid Services shall consult with the Chairman of the Council and the heads of agencies within the Department.

AMENDMENTS


§ 11272. Dissemination

The Administrator of the Centers for Medicare & Medicaid Services shall disseminate the results of research conducted under this part to appropriate professional entities and to the public.

AMENDMENTS


§ 11273. Authorization of appropriations

To carry out this part, there are authorized to be appropriated $2,000,000 for each of fiscal years 1988 through 1991.

AMENDMENTS


§§ 11281, 11282. Transferred

Section 11281, Pub. L. 99–660, title IX, § 951, Nov. 14, 1986, 100 Stat. 3813, which provided for establishment of Clearinghouse on Alzheimer’s Disease, was redesignated subsection (a) of section 445E of the Public Health Service Act by Pub. L. 100–607, title I, § 142(a), Nov. 4, 1988, 102 Stat. 3057, and was classified to section 285e–7 of this title.

Section 11282, Pub. L. 99–660, title IX, § 952, Nov. 14, 1986, 100 Stat. 3813, which provided for dissemination project to be conducted by national organization representing individuals with Alzheimer’s disease and related dementias, was redesignated section 445F of the Public Health Service Act by Pub. L. 100–607, title I, § 142(a), Nov. 4, 1988, 102 Stat. 3057, and was classified to section 285e–8 of this title.


SUBCHAPTER V—EDUCATIONAL ACTIVITIES

CODIFICATION

Pub. L. 100–607, title I, § 142(c)(1)(C), (D), Nov. 4, 1988, 102 Stat. 3057, redesignated subchapter VII as V, struck out heading for subchapter VI “DISSEMINATION”, consisting of sections 11281 to 11283 of this title, and redesignated former subchapter V as IV.

§ 11291. Providing information for personnel of Social Security Administration

(a) The Secretary shall develop a mechanism to ensure the prompt provision of the most current information concerning Alzheimer’s disease and related dementias to the Commissioner of Social Security, particularly information which will increase the understanding of personnel of the Social Security Administration concerning such disease and dementia.

(b) The Commissioner of Social Security shall ensure that information received under subsection (a) is provided to personnel of the Social Security Administration, particularly personnel involved in the process of determining, for purposes of titles II and XVI of the Social Security Act [42 U.S.C. 401 et seq., 1381 et seq.], whether an individual is under a disability.

REFERENCES IN TEXT

The Social Security Act, referred to in subsec. (b), is act Aug. 14, 1935, ch. 531, 49 Stat. 620, as amended. Titles II and XVI of the Social Security Act are classified generally to subchapters II (§ 401 et seq.) and XVI (§ 1381 et seq.), respectively, of chapter 7 of this title. For complete classification of this Act to the Code, see section 1305 of this title and Tables.

§ 11292. Education of public, individuals with Alzheimer’s disease and their families, and health and long-term care providers

(a) Training models grants

(1) Grants

The Director of the National Institute on Aging may award grants to eligible entities to assist the entities in developing and evaluating model training programs—

(A) for—

(i) health care professionals, including mental health professionals;
§ 11293. Education programs for safety and transportation personnel

The Director of the National Institute on Aging through centers supported under section 285e–2 of this title, training academies, and continuing education programs, shall conduct education and information dissemination activities concerning the special problems of individuals with Alzheimer’s disease and their families. Such activities shall be designed to enhance the understanding of such problems by individuals who provide care for individuals with Alzheimer’s disease and related dementias, including physicians, nurses, psychologists, social workers, occupational therapists, nursing home administrators, nurses, and health care aides.

§ 11294. Authorization of appropriations

(a) To carry out sections 11291 and 11293 of this title, there are authorized to be appropriated $1,000,000 for each of the fiscal years 1988 through 1991.

(b) There are authorized to be appropriated such sums as may be necessary for each of the fiscal years 1992 through 1996, to carry out section 11292 of this title.

REMARKS IN TEXT


AMENDMENTS

1992—Pub. L. 102–507 amended section generally. Prior to amendment, section read as follows: “The Director of the National Institute on Aging, through centers supported under section 285e–2 of this title, professional associations, and continuing education programs, shall conduct education and information dissemination activities concerning the special problems of individuals with Alzheimer’s disease and their families. Such activities shall be designed to enhance the understanding of such problems by individuals who provide care for individuals with Alzheimer’s disease and related dementias, including physicians, nurses, psychologists, social workers, occupational therapists, nursing home administrators, nurses, and health care aides.”
AMENDMENTS
1992—Pub. L. 102–507 designated existing provisions as subsec. (a), substituted “sections 11291 and 11293 of this title” for “this subchapter”, and added subsec. (b).

CHAPTER 119—HOMELESS ASSISTANCE

SUBCHAPTER I—GENERAL PROVISIONS

Sec. 11301. Findings and purpose.
11302. General definition of homeless individual.
11303. Funding availability and limitations.

SUBCHAPTER II—UNITED STATES INTERAGENCY COUNCIL ON HOMELESSNESS

11311. Establishment.
11312. Membership.
11313. Functions.
11314. Director and staff.
11315. Powers.
11316. Transfer of functions.
11317. Definitions.
11318. Authorization of appropriations.
11319. Termination.
11320. Encouragement of State involvement.

SUBCHAPTER III—FEDERAL EMERGENCY MANAGEMENT FOOD AND SHELTER PROGRAM

PART A—ADMINISTRATIVE PROVISIONS

11331. Emergency Food and Shelter Program National Board.
11332. Local boards.
11334. Records and audit of National Board and recipients of assistance.
11335. Annual report.

PART B—EMERGENCY FOOD AND SHELTER GRANTS

11341. Grants by Director.
11342. Retention of interest earned.
11343. Purposes of grants.
11344. Limitation on certain costs.
11345. Disbursement of funds.
11346. Program guidelines.

PART C—GENERAL PROVISIONS

11351. Definitions.
11352. Authorization of appropriations.

SUBCHAPTER IV—HOUSING ASSISTANCE

PART A—GENERAL PROVISIONS

11360. Definitions.
11360a. Collaborative applicants.
11361. Housing affordability strategy.
11361a. Preventing involuntary family separation.
11361b. Technical assistance.
11362. Discharge coordination policy.
11363. Protection of personally identifying information by victim service providers.
11364. Authorization of appropriations.
11364a. Availability of amounts recaptured from appropriated funds.

PART B—EMERGENCY SOLUTIONS GRANTS PROGRAM

11371. Definitions.
11372. Grant assistance.
11372a. Amount and allocation of assistance.
11373. Allocation and distribution of assistance.
11374. Eligible activities.
11375. Responsibilities of recipients.
11376. Administrative provisions.
11377. Repealed.

Chapter 119—Homeless Assistance

Part 1—General Provisions

(a) Findings

The Congress finds that—
(1) the Nation faces an immediate and unprecedented crisis due to the lack of shelter
for a growing number of individuals and families, including elderly persons, handicapped persons, families with children, Native Americans, and veterans;

(2) the problem of homelessness has become more severe and, in the absence of more effective efforts, is expected to become dramatically worse, endangering the lives and safety of the homeless;

(3) the causes of homelessness are many and complex, and homeless individuals have diverse needs;

(4) there is no single, simple solution to the problem of homelessness because of the different subpopulations of the homeless, the different causes of and reasons for homelessness, and the different needs of homeless individuals;

(5) due to the record increase in homelessness, States, units of local government, and private voluntary organizations have been unable to meet the basic human needs of all the homeless and, in the absence of greater Federal assistance, will be unable to protect the lives and safety of all the homeless in need of assistance; and;

(6) the Federal Government has a clear responsibility and an existing capacity to fulfill a more effective and responsible role to meet the basic human needs and to engender respect for the human dignity of the homeless.

(b) Purpose

It is the purpose of this chapter—

(1) to establish the United States Interagency Council on Homelessness;

(2) to use public resources and programs in a more coordinated manner to meet the critically urgent needs of the homeless of the Nation; and

(3) to provide funds for programs to assist the homeless, with special emphasis on elderly persons, handicapped persons, families with children, Native Americans, and veterans.


REFERENCES IN TEXT

This chapter, referred to in subsec. (b), was in the original “this Act”, meaning Pub. L. 100–77, July 22, 1987, 101 Stat. 482, known as the McKinney-Vento Homeless Assistance Act, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out below and Tables.

AMENDMENTS


SHORT TITLE OF 2009 AMENDMENT


SHORT TITLE OF 2002 AMENDMENT


SHORT TITLE OF 1994 AMENDMENT


SHORT TITLE OF 1993 AMENDMENT

Pub. L. 103–120, §1, Oct. 27, 1993, 107 Stat. 1144, provided that: “This Act [amending sections 1490c and 12723 of this title and sections 1701z–11, 1721, and 1735f–9 of Title 12, Banks and Banking, enacting provisions set out as notes under this section and sections 1437f, 1990c, and 9816 of this title, and amending a provision set out as a note under section 1437f of this title] may be cited as the ‘HUD Demonstration Act of 1993’.”

SHORT TITLE OF 1992 AMENDMENT

Pub. L. 102–550, title XIV, §1401, Oct. 28, 1992, 106 Stat. 4012, provided that: “This Act [amending sections 11381 to 11384, and 11389 of this title and parts D to F of title B, Banks and Banking, enacting provisions set out as notes under this section and sections 11361, 11386a, 11386b, 11386c, 11386d, 11386e, 11386f, 11387, 11388, 11389, and 11390 of this title, and amending provisions set out as notes under section 1437f of this title, and provisions set out as a note under section 1437f of this title] may be cited as the ‘Stewart B. McKinney Homeless Housing Assistance Amendments Act of 1992’.”

SHORT TITLE OF 1990 AMENDMENT

Pub. L. 101–645, §1(a), Nov. 29, 1990, 104 Stat. 4673, provided that: “This Act [amending sections 5118 to 5118e, 11411, 11421, 11422, 11423, 11424, 11425, and 11426 of this title, enacting section 1703a of Title 29, Labor, enacting provisions set out as notes under section 11361 and under sections 11361, 11381, 11389, and 11390 of this title] may be cited as the ‘Base Closure Community Redevelopment and Homeless Assistance Act of 1990’.”

SHORT TITLE OF 1989 AMENDMENT

Pub. L. 101–645, §1(a), Nov. 29, 1990, 104 Stat. 4673, provided that: “This Act [amending sections 1350 to 1355, 11411, 11421, 11422, 11423, 11424, 11425, and 11426 of this title, enacting section 1703a of Title 29, Labor, amending sections 256, 2900b–2, 2900c–21 to 2900cc–35, 11302, 11312, 11318, 11332, 11332, 11411, 11421, 11431 to 11435, 11440, 11449, 11450, 11452, and 11463 of this title, enacting provisions set out as notes under this section, sections 11318, 11332, 11341, and 11463 of this title, and enacting provisions set out as a note under section 1437f of this title] may be cited as the ‘Base Closure Community Redevelopment and Homeless Assistance Act of 1990’.”

SHORT TITLE OF 1989 AMENDMENT

Pub. L. 101–645, title VI, §601, Nov. 29, 1990, 104 Stat. 4674, provided that: “This Act [amending sections 5118 to 5118e, 11411, 11421, 11422, 11423, 11424, 11425, and 11426 of this title, amending section 1703a of Title 29, Labor, amending sections 256, 2900b–2, 2900c–21 to 2900cc–35, 11302, 11312, 11318, 11332, 11332, 11411, 11421, 11431 to 11435, 11440, 11449, 11450, 11452, and 11463 of this title, enacting provisions set out as notes under this section, sections 11318, 11332, 11341, and 11463 of this title, and enacting provisions set out as a note under section 1437f of this title] may be cited as the ‘Stewart B. McKinney Homeless Housing Assistance Amendments Act of 1990’.”

SHORT TITLE OF 1988 AMENDMENT

Pub. L. 100–628, §1(a), Nov. 7, 1988, 102 Stat. 3224, provided that: “This Act [amending sections 3544, 11320, and
11402 of this title and sections 1583, 1791 to 1791j of Title 29, Labor, amending sections 254e, 256, 290b–2, 290c–21, 290c–28, 290c–29, 290c–35, 290c–36, 290e–1, 290e–6, 290e–10, 1457l, 1457t, 1457t–1, 1470l, 1480, 1484 to 1486, 1490c, 3001, 3015, 3021, 3025 to 3027, 3031, 3033a, 3056e, 4013, 4121, 4622, 5302, 5304, 5306, 5318, 5003, 11304, 11313, 11318, 11319, 11322, 11316, 11373 to 11375, 11377, 11379, 11385, 11398, 11399, 11394, 11401, 11411, 11421, 11432, 11433, 11435, 11447, 11449, 11452 to 11464, and 11501 of this title, sections 1451, 1701b, 1701c–11, 1709, 1710, 1715s–1a, 1715z–2, 1717z–29, 1717z, 2005, and 2806 of Title 12, Banks and Banking, sections 1701 and 1719 of Title 15, Commerce and Trade, and sections 49, 49a, 49d to 49j, 49h–1, 1502, 1504, 1505, 1514, 1516, 1513, and 1602 of Title 29, amending provisions set out as notes under this section and sections 290aa–3, 1472, 1490m, and 4822 of this title, sections 1701c–2, 1709, 1715z–2, and 2802 of Title 12, and section 49 of Title 29 may be cited as the ‘‘Stewart B. McKinney Homeless Assistance Amendments of 1998’’.

SHORT TITLE


REFERENCES TO STEWART B. MCKINNEY HOMELESS ASSISTANCE ACT


INNOVATIVE HOMELESS INITIATIVES DEMONSTRATION PROGRAM

Pub. L. 103–120, §2, Oct. 27, 1993, 107 Stat. 1144, as amended by Pub. L. 104–330, title V, §506(b), Oct. 26, 1996, 110 Stat. 4045, directed Secretary of Housing and Urban Development, through cooperative efforts in partnership with other levels of government and the private sector, including nonprofit organizations, foundations, and communities, to demonstrate methods of assisting homeless individuals and families (including homeless individuals who have AIDS or who are infected with HIV), through a variety of activities, including the coordination of efforts and the filling of gaps in available services and resources, directed Secretary to provide comprehensive homeless demonstration grants and innovative project funding, and provided for submission of reports and authorization of appropriations, prior to repeal by Pub. L. 103–129, §2(g), Oct. 27, 1993, 107 Stat. 1148.

STRATEGY TO ELIMINATE UNFIT TRANSIENT FACILITIES

Pub. L. 101–625, title VIII, §825, Nov. 28, 1990, 104 Stat. 4356, as amended by Pub. L. 102–550, title XIV, §1412, Oct. 28, 1992, 106 Stat. 4039, directed Secretary of Housing and Urban Development, not more than 9 months after Oct. 28, 1992, to identify the States and units of general local government using unfit transient facilities as housing for homeless families with children and develop and publish in the Federal Register a strategy to eliminate such use by July 1, 1994, and in developing such strategy, to consult with the Secretary of the Department of Health and Human Services, the Administrator of the Federal Emergency Management Agency, the other appropriate Federal officials, appropriate States and units of general local government, major organizations representing homeless persons and other experts.
For purposes of this chapter, the terms "homeless", "homeless individual", and "homeless person" means—

(1) an individual or family who lacks a fixed, regular, and adequate nighttime residence;

(2) an individual or family with a primary nighttime residence that is a public or private place not designed for or ordinarily used as a regular sleeping accommodation for human beings, including a car, park, abandoned building, bus or train station, airport, or camping ground;

(3) an individual or family living in a supervised publicly or privately operated shelter designated to provide temporary living arrangements (including hotels and motels paid for by Federal, State, or local government programs for low-income individuals or by charitable organizations, congregate shelters, and transitional housing);

(4) an individual who resided in a shelter or place not meant for human habitation and who is exiting an institution where he or she temporarily resided;

(A) will imminently lose their housing, including housing they own, rent, or live in without paying rent, are sharing with others, and rooms in hotels or motels not paid for by Federal, State, or local government programs for low-income individuals or by charitable organizations, as evidenced by—

(i) a court order resulting from an eviction action that notifies the individual or family that they must leave within 14 days;

(ii) the individual or family having a primary nighttime residence that is a room in a hotel or motel and where they lack the resources necessary to reside there for more than 14 days; or

(iii) credible evidence indicating that the owner or renter of the housing will not allow the individual or family to stay for more than 14 days, and any oral statement from an individual or family seeking homeless assistance that is found to be credible shall be considered credible evidence for purposes of this clause;

(B) has no subsequent residence identified; and

(C) lacks the resources or support networks needed to obtain other permanent housing; and

(5) an individual or family who—

(A) will imminently lose their housing, including housing they own, rent, or live in without paying rent, are sharing with others, and rooms in hotels or motels not paid for by Federal, State, or local government programs for low-income individuals or by charitable organizations, as evidenced by—

(i) a court order resulting from an eviction action that notifies the individual or family that they must leave within 14 days;

(ii) the individual or family having a primary nighttime residence that is a room in a hotel or motel and where they lack the resources necessary to reside there for more than 14 days; or

(iii) credible evidence indicating that the owner or renter of the housing will not allow the individual or family to stay for more than 14 days, and any oral statement from an individual or family seeking homeless assistance that is found to be credible shall be considered credible evidence for purposes of this clause;

(B) has no subsequent residence identified; and

(C) lacks the resources or support networks needed to obtain other permanent housing; and

(6) unaccompanied youth and homeless families with children and youth defined as homeless under other Federal statutes who—

(A) have experienced a long-term period without living independently in permanent housing,

(B) have experienced persistent instability as measured by frequent moves over such period, and

(C) can be expected to continue in such status for an extended period of time because of chronic disabilities, chronic physical health or mental health conditions, substance addiction, histories of domestic violence or childhood abuse, the presence of a child or youth with a disability, or multiple barriers to employment.

(b) Domestic violence and other dangerous or life-threatening conditions

Notwithstanding any other provision of this section, the Secretary shall consider to be homeless any individual or family who is fleeing, or is attempting to flee, domestic violence, dating violence, sexual assault, stalking, or other dangerous or life-threatening conditions in the individual’s or family’s current housing situation, including where the health and safety of children are jeopardized, and who have no other residence and lack the resources or support networks to obtain other permanent housing.

(c) Income eligibility

(1) In general

A homeless individual shall be eligible for assistance under any program provided by this chapter, only if the individual complies with the income eligibility requirements otherwise applicable to such program.

(2) Exception

Notwithstanding paragraph (1), a homeless individual shall be eligible for assistance under title I of the Workforce Innovation and Opportunity Act [29 U.S.C. 3111 et seq.].

(d) Exclusion

For purposes of this chapter, the term “homeless” or “homeless individual” does not include any individual imprisoned or otherwise detained pursuant to an Act of the Congress or a State law.

(e) Persons experiencing homelessness

Any references in this chapter to homeless individuals (including homeless persons) or homeless groups (including homeless persons) shall be
considered to include, and to refer to, individuals experiencing homelessness or groups experiencing homelessness, respectively.


REFERENCES IN TEXT

This chapter, referred to in subsecs. (a), (c)(1), (d), and (e), was in the original "this Act", meaning Pub. L. 100–77, July 22, 1987, 101 Stat. 482, known as the McKinney-Vento Homeless Assistance Act, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 11301 of this title and Tables.


AMENDMENTS

2014—Subsec. (c)(2). Pub. L. 113–128 substituted "a homeless individual shall be eligible for assistance under title I of the Workforce Innovation and Opportunity Act, for a homeless individual shall be eligible for assistance under title I of the Workforce Investment Act of 1998".

2009—Pub. L. 111–22 added subsecs. (a), (b), and (e), redesignated former subsecs. (b) and (c) as (c) and (d), respectively, and struck out former subsec. (a) which defined "homeless" or "homeless individual or homeless person".

1998—Subsec. (b)(2). Pub. L. 105–277, § 101(f) [title VIII, § 405(d)(32)], struck out "the Job Training Partnership Act or" after "assistance under".


REGULATIONS

Pub. L. 111–22, div. B, § 1003(b), May 20, 2009, 123 Stat. 1666, provided that: "Not later than the expiration of the 6-month period beginning upon the date of the enactment of this Act, the Secretary of Housing and Urban Development shall issue regulations that provide sufficient guidance to recipients of funds under title IV of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11360 et seq.) to allow uniform and consistent implementation of the requirements of section 103 of such Act (42 U.S.C. 11302), as amended by subsection (a) of this section. This subsection shall take effect on the date of the enactment of this division."

CLARIFICATION OF EFFECT ON OTHER LAWS

Pub. L. 111–22, div. B, § 1003(c), May 20, 2009, 123 Stat. 1666, provided that: "This section [amending this section and enacting provisions set out as a note under this section] and the amendments made by this section to section 103 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11302) may not be construed to affect, alter, limit, annul, or supersede any other provision of Federal law providing a definition of 'homeless', 'homeless individual', or 'homeless person' for purposes other than such Act (42 U.S.C. 11301 et seq.), except to the extent that such provision refers to such section 103 or the definition provided in such section 103."
sistance Act, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 11301 of this title and Tables.


The Balanced Budget and Emergency Deficit Control Act of 1985, referred to in subsec. (c), is title II of Pub. L. 99–177, Dec. 12, 1985, 99 Stat. 1038, as amended, which enacted chapter 20 (§900 et seq.) and sections 654 to 656 of Title 2, amended section 911 of this title, sections 602, 622, 631 to 642, and 651 to 653 of Title 2, and sections 1194 to 1196, and 1198 of Title 31, Money and Finance, repealed section 661 of Title 2, enacted provisions set out as notes under section 911 of this title and section 900 of Title 2, and amended provisions set out as a note under section 621 of Title 2. For complete classification of this Act to the Code, see Short Title note set out under section 900 of Title 2 and Tables.

**BUDGET COMPLIANCE**

Pub. L. 100–628, title I, §101, Nov. 7, 1988, 102 Stat. 3227, provided that:

“(a) IN GENERAL.—This Act and the amendments made by this Act (see Short Title of 1988 Amendment note set out under section 11301 of this title) may not be construed to provide for new budget authority, budget outlays, or new entitlement authority, for fiscal year 1989 or 1990 in excess of the appropriate aggregate levels established by the concurrent resolution on the budget for such fiscal year for the programs authorized by this Act and the amendments made by this Act.

“(b) DEFINITIONS.—For purposes of this section, the terms ‘budget authority’, ‘budget outlays’, ‘concurrent resolution on the budget’, and ‘entitlement authority’ have the meanings given such terms in section 3 of the Congressional Budget Act of 1974 (2 U.S.C. 621).”

**§ 11304. Evaluation by Comptroller General**

The Comptroller General of the United States may evaluate the disbursement and use of the amounts made available by appropriation Acts under the authorizations in subchapters III and IV.


**AMENDMENTS**

1996—Pub. L. 104–316 substituted “may” for “shall annually” and struck out “,” and the word “and” at end, inserted “shall annually evaluate” for “shall evaluate” and “submits to Congress an annual summary of the status of each program authorized under this chapter” before period at end. Pub. L. 100–628 substituted “An Annual program summary for ‘Audits’ in section catchline and, in text, substituted ‘shall annually evaluate’ for ‘shall evaluate’ and ‘submit to Congress an annual summary of the status of each program authorized under this chapter for ‘submit a report to the Congress setting forth the findings of such evaluation, upon the expiration of the 4-month and 12-month periods beginning on July 22, 1987’.”

**SUBCHAPTER II—UNITED STATES INTERAGENCY COUNCIL ON HOMELESSNESS**

**CODIFICATION**


**§ 11311. Establishment**

There is established in the executive branch an independent establishment to be known as the United States Interagency Council on Homelessness whose mission shall be to coordinate the Federal response to homelessness and to create a national partnership at every level of government and with the private sector to reduce and end homelessness in the nation while maximizing the effectiveness of the Federal Government in contributing to the end of homelessness.


**AMENDMENTS**

2009—Pub. L. 111–22 inserted before period at end “whose mission shall be to coordinate the Federal response to homelessness and to create a national partnership at every level of government and with the private sector to reduce and end homelessness in the nation while maximizing the effectiveness of the Federal Government in contributing to the end of homelessness”.


**EFFECTIVE DATE OF 2009 AMENDMENT**

Pub. L. 111–22, div. B, §1004(b), May 20, 2009, 123 Stat. 1668, provided that: “The amendments made by subsection (a) [enacting section 11316 of this title, amending this section and sections 11312, 11313, and 11315 of this title, and repealing former section 11315 of this title] shall take effect on, and shall apply beginning on, the date of the enactment of this division [May 20, 2009].”

**§ 11312. Membership**

(a) Members

The Council shall be composed of the following members:

(1) The Secretary of Agriculture, or the designee of the Secretary.
(2) The Secretary of Commerce, or the designee of the Secretary.
(3) The Secretary of Defense, or the designee of the Secretary.
(4) The Secretary of Education, or the designee of the Secretary.
(5) The Secretary of Energy, or the designee of the Secretary.
(6) The Secretary of Health and Human Services, or the designee of the Secretary.
(7) The Secretary of Housing and Urban Development, or the designee of the Secretary.
(8) The Secretary of the Interior, or the designee of the Secretary.
(9) The Secretary of Labor, or the designee of the Secretary.
(10) The Secretary of Transportation, or the designee of the Secretary.
(11) The Secretary of Veterans Affairs, or the designee of the Secretary.
(12) The Chief Executive Officer of the Corporation for National and Community Service, or the designee of the Chief Executive Officer.
(13) The Administrator of the Federal Emergency Management Agency, or the designee of the Administrator.
The Council shall elect a Chairperson and a Vice Chairperson from among its members. The positions of Chairperson and Vice Chairperson shall rotate among its members on an annual basis.

(c) Meetings

The Council shall meet at the call of its Chairperson or a majority of its members, but not less often than four times each year, and the rotation of the positions of Chairperson and Vice Chairperson required under subsection (b) shall occur at the first meeting of each year.

(d) Prohibition of additional pay

Members of the Council shall receive no additional pay, allowances, or benefits by reason of their service on the Council.

(e) Administration

The Executive Director of the Council shall report to the Chairman of the Council.

2000—Subsec. (b). Pub. L. 106–377 inserted at end “The positions of Chairperson and Vice Chairperson shall rotate among its members on an annual basis.”

1993—Subsec. (a)(12). Pub. L. 103–82 added par. (12) and struck out former par. (12) which read as follows: “The Director of the ACTION Agency, or the designee of the Director.”

1990—Subsec. (a)(11) to (15). Pub. L. 101–645 added par. (11), redesignated former pars. (11) to (14) as (12) to (15), respectively, and struck out former par. (15) which read as follows: “The Administrator of Veterans’ Affairs, or the designee of the Administrator.”

CHANGE OF NAME


EFFECTIVE DATE OF 2009 AMENDMENT

Amendment by Pub. L. 111–22 effective on, and applicable beginning on, May 20, 2009, see section 1004(b) of Pub. L. 111–22, set out as a note under section 11311 of this title.

EFFECTIVE DATE OF 1993 AMENDMENT

Amendment by Pub. L. 103–82 effective Apr. 4, 1994, see section 496(b) of Pub. L. 103–82, set out as a note under section 8332 of Title 5, Government Organization and Employees.

TRANSFER OF FUNCTIONS

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

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

§ 11313. Functions

(a) Duties

The Council shall—

(1) not later than 12 months after May 20, 2009, develop, make available for public comment, and submit to the President and to Congress a National Strategic Plan to End Homelessness, and shall update such plan annually;

(2) review all Federal activities and programs to assist homeless individuals;

(3) take such actions as may be necessary to reduce duplication among programs and activities by Federal agencies to assist homeless individuals;

(4) monitor, evaluate, and recommend improvements in programs and activities to assist homeless individuals conducted by Fed-
eral agencies, State and local governments, and private voluntary organizations;
(5) provide professional and technical assistance (by not less than 5, but in no case more than 10, regional coordinators employed by the Council, each having responsibility for interaction and coordination of the activities of the Council within the 10 standard Federal regions) to States, local governments, and other public and private nonprofit organizations, in order to enable such governments and organizations to—
(A) interpret regulations and assist in the application process for Federal assistance, including grants;
(B) provide assistance on the ways in which Federal programs, other than those authorized under this chapter, may best be coordinated to complement the objectives of this chapter;
(C) develop recommendations and program ideas based on regional specific issues in serving the homeless population; and
(D) establish a schedule for biennial regional workshops to be held by the Council in each of the 10 standard Federal regions to further carry out and provide the assistance described in subparagraphs (A), (B), and (C) and other appropriate assistance as necessary, of which—
(i) not less than 5 such workshops shall be held by September 30, 1989; and
(ii) at least 1 such workshop shall be held in each of the 10 Federal regions every 2 years, beginning on September 30, 1988;
(6) encourage the creation of State Inter-agency Councils on Homelessness and the formulation of jurisdictional 10-year plans to end homelessness at State, city, and county levels;
(7) annually obtain from Federal agencies their identification of consumer-oriented entitlement and other resources for which persons experiencing homelessness may be eligible and the agencies' identification of improvements to ensure access; develop mechanisms to ensure access by persons experiencing homelessness to all Federal, State, and local programs for which the persons are eligible, and to verify collaboration among entities within a community that receive Federal funding under programs targeted for persons experiencing homelessness, and other programs for which persons experiencing homelessness are eligible, including mainstream programs identified by the Government Accountability Office in the reports entitled “Homelessness: Coordination and Evaluation of Programs Are Essential”; issued February 26, 1999, and “Homelessness: Barriers to Using Mainstream Programs”; issued July 6, 2000;
(8) conduct research and evaluation related to its functions as defined in this section;
(9) develop joint Federal agency and other initiatives to fulfill the goals of the agency;
(9) collect and disseminate information relating to homeless individuals;
(10) prepare the annual reports required in subsection (c)(2);
(11) prepare and distribute to States (including State contact persons), local governments, and other public and private nonprofit organizations, a bimonthly bulletin that describes the Federal resources available to them to assist the homeless, including current or future regulations regarding application deadlines and appropriate persons to contact in each Federal agency providing the resources;
(12) develop constructive alternatives to criminalizing homelessness and laws and policies that prohibit sleeping, sitting, resting, or lying in public spaces when there are no suitable alternatives, result in the destruction of a homeless person's property without due process, or are selectively enforced against homeless persons; and
(13) not later than the expiration of the 6-month period beginning upon completion of the study requested in a letter to the Acting Comptroller General from the Chair and Ranking Member of the House Financial Services Committee and several other members regarding various definitions of homelessness in Federal statutes, convene a meeting of representatives of all Federal agencies and committees of the House of Representatives and the Senate having jurisdiction over any Federal program to assist homeless individuals or families, local and State governments, academic researchers who specialize in homelessness, nonprofit housing and service providers that receive funding under any Federal program to assist homeless individuals or families, organizations advocating on behalf of such nonprofit providers and homeless persons receiving housing or services under any such Federal program, and homeless persons receiving housing or services under any such Federal program, at which meeting such representatives shall discuss all issues relevant to whether the definitions of “homeless” under paragraphs (1) through (4) of section 11302(a) of this title, as amended by section 1003 of the Homeless Emergency Assistance and Rapid Transition to Housing Act of 2009, should be modified by the Congress, including whether there is a compelling need for a uniform definition of homelessness under Federal law, the extent to which the differences in such definitions create barriers for individuals to accessing services and to collaboration between agencies, and the relative availability, and barriers to access by persons defined as homeless, of mainstream programs identified by the Government Accountability Office in the two reports identified in paragraph (7) of this subsection; and shall submit transcripts of such meeting, and any majority and dissenting recommendations from such meetings, to each committee of the House of Representatives and the Senate having jurisdiction over any Federal program to assist homeless individuals or families not later than the expiration of the 60-day period beginning upon conclusion of such meeting.

(b) Authority
In carrying out subsection (a), the Council may—
(1) arrange national, regional, State, and local conferences for the purpose of developing

1 So in original. Two pars. (9) have been enacted.
and coordinating effective programs and activities to assist homeless individuals and pay for expenses of attendance at meetings which are concerned with the functions or activities for which the appropriation is made; 2
(2) publish a newsletter concerning Federal, State, and local programs that are effectively meeting the needs of homeless individuals.

(c) Reports

(1) Within 90 days after July 22, 1987, and annually thereafter, the head of each Federal agency that is a member of the Council shall prepare and transmit to the Congress and the Council a report that describes—
(A) each program to assist homeless individuals administered by such agency and the number of homeless individuals served by such program;
(B) impediments, including any statutory and regulatory restrictions, to the use by homeless individuals of each such program and to obtaining services or benefits under each such program; and
(C) efforts made by such agency to increase the opportunities for homeless individuals to obtain shelter, food, and supportive services.

(2) The Council shall prepare and transmit to the President and the Congress an annual report that—
(A) assesses the nature and extent of the problems relating to homelessness and the needs of homeless individuals;
(B) provides a comprehensive and detailed description of the activities and accomplishments of the Federal Government in resolving the problems and meeting the needs assessed pursuant to subparagraph (A);
(C) describes the accomplishments and activities of the Council, in working with Federal, State, and local agencies and public and private organizations in order to provide assistance to homeless individuals;
(D) assesses the level of Federal assistance necessary to adequately resolve the problems and meet the needs assessed pursuant to subparagraph (A); and
(E) specifies any recommendations of the Council for appropriate and necessary legislative and administrative actions to resolve such problems and meet such needs.

(d) Notification of other Federal agencies

If, in monitoring and evaluating programs and activities to assist homeless individuals conducted by other Federal agencies, the Council determines that any significant problem, abuse, or deficiency exists in the administration of the program or activity of any Federal agency, the Council shall submit a notice of the determination to the Council to the Inspector General of the Federal agency (or the head of the Federal agency, in the case of a Federal agency that has no Inspector General).

(e) Program timetables

Not later than 90 days after November 7, 1988, the head of each Federal agency that is a member of the Council and responsible for admin-

2So in original. Probably should be followed by "and".
“(a) IN GENERAL.—The Secretary of Housing and Urban Development and the Secretary of Veterans Affairs, in coordination with the United States Interagency Council on Homelessness, shall submit annually to the Committees of the Congress specified in subsection (b), together with the annual reports required by such Secretaries under section 203(c)(1) of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11313(c)(1)), a supplemental report that includes the following information with respect to the preceding year:

(1) The same information, for such preceding year, that was included with respect to 2010 in the report by the Secretary of Housing and Urban Development and the Secretary of Veterans Affairs entitled ‘Veterans Homelessness: A Supplemental Report to the 2010 Annual Homeless Assessment Report to Congress’.

(2) Information regarding the activities of the Department of Housing and Urban Development relating to veterans during such preceding year, as follows:

(A) The number of veterans provided assistance under the housing choice voucher program for Veterans Affairs supported housing under section 8(0)(19) of the United States Housing Act of 1937 (42 U.S.C. 1437c(0)(19)), the socioeconomic characteristics of such homeless veterans, and the number, types, and locations of entities contracted under such section to administer the vouchers.

(B) A summary description of the special considerations made for veterans under public housing agency plans submitted pursuant to section 5A of the United States Housing Act of 1937 (42 U.S.C. 1437c–1) and under comprehensive housing affordability strategies submitted pursuant to section 105 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12705).

(C) A description of the activities of the Special Assistant for Veterans Affairs of the Department of Housing and Urban Development.

(D) A description of the efforts of the Department of Housing and Urban Development and the other members of the United States Interagency Council on Homelessness to coordinate the delivery of housing and services to veterans.

(E) The cost to the Department of Housing and Urban Development of administering the programs and activities relating to veterans.

(F) Any other information that the Secretary of Housing and Urban Development and the Secretary of Veterans Affairs consider relevant in assessing the programs and activities of the Department of Housing and Urban Development relating to veterans.

(3) COMMITTEES.—The Committees of the Congress specified in this subsection are as follows:

(1) The Committee on Banking, Housing, and Urban Affairs of the Senate.

(2) The Committee on Veterans’ Affairs of the Senate.

(3) The Committee on Appropriations of the Senate.

(4) The Committee on Financial Services of the House of Representatives.

(5) The Committee on Veterans’ Affairs of the House of Representatives.

(6) The Committee on Appropriations of the House of Representatives.

PERSONNEL FROM FEDERAL DEPARTMENTS AND AGENCIES

Pub. L. 102–389, title III, Oct. 6, 1992, 106 Stat. 1608, provided in part: ‘‘That the Council shall carry out its duties in the 10 standard Federal regions under section 203(a)(4) of such Act (now 42 U.S.C. 11313(a)(5)) only through detail, on a non-reimbursable basis, of employees of the departments and agencies represented on the Council pursuant to section 203(a) of such Act (42 U.S.C. 11313(a)).’’

Similar provisions were contained in the following prior appropriations acts:


EXECUTIVE ORDER NO. 12848

Ex. Ord. No. 12848, May 19, 1993, 58 F.R. 29517, required Federal member agencies acting through the Interagency Council on the Homeless to develop a single coordinated Federal plan for breaking the cycle of existing homelessness and for preventing future homelessness and to submit the plan to the President no later than 9 months after May 19, 1993.
(b) Delegation
Any member or employee of the Council may, if authorized by the Council, take any action that the Council is authorized to take in this subchapter.

(c) Information
The Council may secure directly from any Federal agency such information as may be necessary to enable the Council to carry out this subchapter. Upon request of the Chairperson of the Council, the head of such agency shall furnish such information to the Council.

(d) Donations
The Council may accept, use, and dispose of gifts or donations of services or property, both real and personal, public and private, without fiscal year limitation, for the purpose of aiding or facilitating the work of the Council.

(e) Mails
The Council may use the United States mails in the same manner and under the same conditions as other Federal agencies.

§11316. Transfer of functions

(a) Transfers from HHS Task Force
The Council shall be the successor to the Federal Task Force on the Homeless of the Department of Health and Human Services. The property, records, and undistributed program funds of the Task Force shall be transferred to the Council.

(b) Termination of HHS Task Force
The Secretary of Health and Human Services shall terminate the Federal Task Force on the Homeless of the Department of Health and Human Services as soon as practicable following the first meeting of the Council.

§11317. Definitions
For purposes of this subchapter:

(1) The term “Council” means the United States Interagency Council on Homelessness established in section 11311 of this title.

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

§11318. Authorization of appropriations

There are authorized to be appropriated to carry out this subchapter $3,000,000 for fiscal year 2010 and such sums as may be necessary for fiscal years 2011. Any amounts appropriated to carry out this subchapter shall remain available until expended.

§11319. Termination

The Council shall cease to exist, and the requirements of this subchapter shall terminate, on October 1, 2028.

Prior Provisions


Prior Effective Date

Section effective on, and applicable beginning on, May 20, 2009, see section 1004(b) of Pub. L. 111–22, set out as an Effective Date of 2009 Amendment note under section 11311 of this title.

§11319. Termination

The Council shall cease to exist, and the requirements of this subchapter shall terminate, on October 1, 2028.

Prior Provisions


Effective Date

Section effective on, and applicable beginning on, May 20, 2009, see section 1004(b) of Pub. L. 111–22, set out as an Effective Date of 2009 Amendment note under section 11311 of this title.
§ 11331. Emergency Food and Shelter Program
National Board

(a) Establishment

There is established to carry out the provisions of this subchapter the Emergency Food and Shelter Program National Board. The Administrator of the Federal Emergency Management Agency shall constitute the National Board in accordance with subsection (b) in administering the program under this subchapter.

(b) Members

The National Board shall consist of the Director and 6 members appointed by the Director. The initial members of the National Board shall be appointed by the Director not later than 30 days after July 22, 1987. Each such member shall be appointed from among individuals nominated by 1 of the following organizations:

1. The United Way of America.
2. The Salvation Army.
3. The National Council of Churches of Christ in the U.S.A.
4. Catholic Charities U.S.A.
5. The Council of Jewish Federations, Inc.
6. The American Red Cross.

(c) Chairperson

The Director shall be the Chairperson of the National Board.

(d) Other activities

Except as otherwise specifically provided in this subchapter, the National Board shall establish its own procedures and policies for the conduct of its affairs.

(e) Transfers from previous national board

Upon the appointment of members to the National Board under subsection (b)—

1. the national board constituted under the emergency food and shelter program established pursuant to section 101(g) of Public Law 99–500 or Public Law 99–591 shall cease to exist; and
2. the personnel, property, records, and undistributed program funds of such national board shall be transferred to the National Board.

REFERENCES IN TEXT

Par. (7) of section 11313(a) of this title, referred to in subsec. (a), was redesignated par. (11) of section 11313(a) by Pub. L. 111–22, div. B, §1004(a)(5)(A), May 20, 2009, 123 Stat. 1467.

CHANGE OF NAME


TRANSFER OF FUNCTIONS

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

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

§ 11332. Local boards

(a) Establishment

Each locality designated by the National Board shall constitute a local board for the purpose of determining how program funds allotted to the locality will be distributed. The local board shall consist, to the extent practicable, of representatives of the same organizations as the National Board, except that the mayor or other appropriate heads of government will replace the Federal members, and except that each local board administering program funds for a locality within which is located a reservation (as such term is defined in section 1452(d) of title 25, or a portion thereof, shall include a board member who is a member of an Indian tribe (as such term is defined in section 5302(a)(17) of this title). The chairperson of the local board shall be elected by a majority of the members of the local board. Local boards are encouraged to expand participation of other private nonprofit organizations on the local board.

(b) Responsibilities

Each local board shall—

(1) determine which private nonprofit organizations or public organizations of the local government in the individual locality shall receive grants to act as service providers;
(2) monitor recipient service providers for program compliance;
(3) reallocate funds among service providers;
(4) ensure proper reporting; and
(5) coordinate with other Federal, State, and local government assistance programs available in the locality.


AMENDMENTS

1990—Subsec. (a). Pub. L. 101–645 inserted before period at end of second sentence “, and except that each local board administering program funds for a locality within which is located a reservation (as such term is defined in section 1452(d) of title 25, or a portion thereof, shall include a board member who is a member of an Indian tribe (as such term is defined in section 5302(a)(17) of this title)”, in subsec. (b). Pub. L. 101–645 inserted before period at end of second sentence “, and except that each local board administering program funds for a locality within which is located a reservation (as such term is defined in section 1452(d) of title 25, or a portion thereof, shall include a board member who is a member of an Indian tribe (as such term is defined in section 5302(a)(17) of this title)”. See section 315(a)(1) of Title 6, Domestic Security.

IMPLEMENTATION OF 1990 AMENDMENT

Pub. L. 101–645, title II, § 202(b), Nov. 29, 1990, 104 Stat. 675, provided that: “Each local board under the Emergency Food and Shelter Program whose membership shall include a member of an Indian tribe by reason of the amendment made by subsection (a) [amending this section] shall comply with the requirement made by such amendment not later than the expiration of the 30-day period beginning on the date of the enactment of this Act (Nov. 29, 1990).”

§ 11333. Role of Federal Emergency Management Agency

(a) In general

The Director shall provide the National Board with administrative support and act as Federal liaison to the National Board.

(b) Specific support activities

The Director shall—

(1) make available to the National Board, upon request, the services of the legal counsel and Inspector General of the Federal Emergency Management Agency;
(2) assign clerical personnel to the National Board on a temporary basis; and
(3) conduct audits of the National Board annually and at such other times as may be appropriate.


TRANSFER OF FUNCTIONS

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

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

§ 11334. Records and audit of National Board and recipients of assistance

(a) Annual independent audit of National Board

(1) The accounts of the National Board shall be audited annually in accordance with gener-
ally accepted auditing standards by independent certified public accountants or independent licensed public accountants certified or licensed by a regulatory authority of a State or other political subdivision of the United States. The audits shall be conducted at the place or places where the accounts of the National Board are normally kept. All books, accounts, financial records, reports, files, and all other papers, things, or property belonging to or in use by the National Board and necessary to facilitate the audits shall be made available to the persons conducting the audits, and full facilities for verifying transactions with any assets held by depositories, fiscal agents, and custodians shall be afforded to such person or persons.

(2) The report of each such independent audit shall be included in the annual report required in section 11335 of this title. Such report shall set forth the scope of the audit and include such statements as are necessary to present fairly the assets and liabilities of the National Board, surplus or deficit, with an analysis of the changes during the year, supplemented in reasonable detail by a statement of the income and expenses of the National Board during the year, and a statement of the application of funds, together with the opinion of the independent auditor of such statements.

(b) Access to records of recipients of assistance

(1) Each recipient of assistance under this subchapter shall keep such records as may be reasonably necessary to fully disclose the amount and the disposition by such recipient of the proceeds of such assistance, the total cost of the project or undertaking in connection with which such assistance is given or used, and the amount and nature of that portion of the cost of the project or undertaking supplied by other sources, and such other records as will facilitate an effective audit.

(2) The National Board, or any of its duly authorized representatives, shall have access for the purpose of audit and examination to any books, documents, papers, and records of the recipient that are pertinent to assistance received under this subchapter.

(c) Authority of Comptroller General

The Comptroller General of the United States, or any of the duly authorized representatives of the Comptroller General, shall also have access to any books, documents, papers, and records of the National Board and recipients for such purpose.


§ 11335. Annual report

The National Board shall transmit to the Congress an annual report covering each year in which it conducts activities with funds made available under this subchapter.


Termination of Reporting Requirements

For termination, effective May 15, 2000, of provisions of law requiring submittal to Congress of any annual, semiannual, or other regular periodic report listed in House Document No. 103–7 (in which a report required under this section is listed in the 4th item on page 169), see section 3003 of Pub. L. 104–66, as amended, set out as a note under section 1113 of Title 31, Money and Finance.

PART B—EMERGENCY FOOD AND SHELTER GRANTS

§ 11341. Grants by Director

Not later than 30 days following the date on which appropriations become available to carry out this part, the Director shall award a grant for the full amount that the Congress appropriated for the program under this part to the National Board for the purpose of providing emergency food and shelter to needy individuals through private nonprofit organizations and local governments in accordance with section 11343 of this title.


Transfer of Functions

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

For transfer of functions, personnel, assets, and liabilities of the Federal Emergency Management Agency, including the functions of the Director of the Federal Emergency Management Agency relating thereto, to the Secretary of Homeland Security, and for treatment of related references, see former section 3191 and sections 551(d), 552(d), and 557 of Title 6, Domestic Security, and the Department of Homeland Security Reorganization Plan of November 25, 2002, as modified, set out as a note under section 522 of Title 6.

§ 11342. Retention of interest earned

Interest accrued on the balance of any grant to the National Board shall be available to the National Board for reallocation, and total administrative costs shall be determined based on the total amount of funds available, including interest and any private contributions that are made to the National Board.


§ 11343. Purposes of grants

(a) Eligible activities

Grants to the National Board may be used—

(1) to supplement and expand ongoing efforts to provide shelter, food, and supportive services for homeless individuals with sensitivity to the transition from temporary shelter to permanent homes, and attention to the special needs of homeless individuals with mental and physical disabilities and illnesses, and to facilitate access for homeless individuals to other sources of services and benefits;

(2) to strengthen efforts to create more effective and innovative local programs by providing funding for them; and

(3) to conduct minimum rehabilitation of existing mass shelter or mass feeding facilities, but only to the extent necessary to make fa-
ilities safe, sanitary, and bring them into compliance with local building codes.

(b) Limitations on activities

(1) The National Board may only provide funding provided under this part for—
   (A) programs undertaken by private nonprofit organizations and local governments; and
   (B) programs that are consistent with the purposes of this subchapter.

(2) The National Board may not carry out programs directly.


§ 11344. Limitation on certain costs

Not more than 5 percent of the total amount appropriated for the emergency food and shelter program for each fiscal year may be expended for the costs of administration.


§ 11345. Disbursement of funds

Any amount made available by appropriation Acts under this subchapter shall be disbursed by the National Board before the expiration of the 3-month period beginning on the date on which such amount becomes available.


§ 11346. Program guidelines

(a) Guidelines

The National Board shall establish written guidelines for carrying out the program under this part, including—

(1) methods for identifying localities with the highest need for emergency food and shelter assistance;

(2) methods for determining the amount and distribution to such localities;

(3) eligible program costs, including maximum flexibility in meeting currently existing needs;

(4) guidelines specifying the responsibilities and reporting requirements of the National Board, its recipients, and service providers;

(5) guidelines requiring each private nonprofit organization and local government carrying out a local emergency food and shelter program with amounts provided under this part, to the maximum extent practicable, to involve homeless individuals and families, through employment, volunteer services, or otherwise, in providing emergency food and shelter and in otherwise carrying out the local program; and

(6) guidelines requiring each private nonprofit organization and local government carrying out a local emergency food and shelter program with amounts provided under this part to provide for the participation of not less than 1 homeless individual or former homeless individual on the board of directors or other equivalent policy making entity of the organization or governmental agency to the extent that such entity considers and makes policies and decisions regarding the local program of the organization or locality; except that such guidelines may grant waivers to applicants unable to meet such requirement if the organization or government agrees to otherwise consult with homeless or formerly homeless individuals in considering and making such policies and decisions.

(b) Publication

Guidelines established under subsection (a) shall be published annually, and whenever modified, in the Federal Register. The National Board shall not be subject to the procedural rulemaking requirements of subchapter II of chapter 5 of title 5.


AMENDMENTS


PART C—GENERAL PROVISIONS

§ 11351. Definitions

For purposes of this subchapter:

(1) The term “Director” means the Administrator of the Federal Emergency Management Agency.

(2) The term “emergency shelter” means a facility all or a part of which is used or designed to be used to provide temporary housing.

(3) The term “locality” means a unit of general purpose local government.

(4) The term “locality” means the geographical area within the jurisdiction of a local government.

(5) The term “National Board” means the Emergency Food and Shelter Program National Board.

(6) The term “private nonprofit organization” means an organization—

(A) no part of the net earnings of which inures to the benefit of any member, founder, contributor, or individual;

(B) that has a voluntary board;

(C) that has an accounting system, or has designated a fiscal agent in accordance with requirements established by the Director; and

(D) that practices nondiscrimination in the provision of assistance.

(7) The term “State” means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Northern Mariana Islands, the Trust Territory of the Pacific Islands, and any other territory or possession of the United States.


CHANGE OF NAME

“Administrator of the Federal Emergency Management Agency” substituted for “Director of the Federal

TRANSFER OF FUNCTIONS

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

For transfer of functions, personnel, assets, and liabilities of the Federal Emergency Management Agency, including the functions of the Director of the Federal Emergency Management Agency relating thereto, to the Secretary of Homeland Security, and for treatment of related references, see former sections 313(1) and 357 of Title 6, Domestic Security, and the Department of Homeland Security Reorganization Plan of November 25, 2002, as modified, set out as a note under section 542 of Title 6.

TERMINATION OF TRUST TERRITORY OF THE PACIFIC ISLANDS

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

§ 11352. Authorization of appropriations

There are authorized to be appropriated to carry out this subchapter $180,000,000 for fiscal year 1993 and $187,560,000 for fiscal year 1994.

§ 11353. Amendments

1992—Pub. L. 102–550 amended section generally. Prior to amendment, section read as follows: “There are authorized to be appropriated to carry out this subchapter $150,000,000 for each of fiscal years 1991 and 1992.”

1990—Pub. L. 101–465 amended section generally. Prior to amendment, section read as follows: “There are authorized to be appropriated to carry out this subchapter $129,000,000 for fiscal year 1989 and $131,000,000 for fiscal year 1990.”

1989—Pub. L. 100–628 amended section generally, substituting “$1,000,000 for fiscal year 1989 and $134,000,000 for fiscal year 1990” for “$15,000,000 for fiscal year 1987 and $124,000,000 for fiscal year 1988”.

SUBCHAPTER IV—HOUSING ASSISTANCE

§ 11360. Definitions

For purposes of this subchapter:

(1) At risk of homelessness

The term “at risk of homelessness” means, with respect to an individual or family, that the individual or family—

(A) has income below 30 percent of median income for the geographic area;

(B) has insufficient resources immediately available to attain housing stability; and

(C)(i) has moved frequently because of economic reasons;

(ii) is living in the home of another because of economic hardship;

(iii) has been notified that their right to occupy their current housing or living situation will be terminated;

(iv) lives in a hotel or motel;

(v) lives in severely overcrowded housing;

(vi) is exiting an institution; or

(vii) otherwise lives in housing that has characteristics associated with instability and an increased risk of homelessness.

Such term includes all families with children and youth defined as homeless under other Federal statutes.

(2) Chronically homeless

(A) In general

The term “chronically homeless” means, with respect to an individual or family, that the individual or family—

(i) is homeless and lives or resides in a place not meant for human habitation, a safe haven, or in an emergency shelter;

(ii) has been homeless and living or residing in a place not meant for human habitation, a safe haven, or in an emergency shelter continuously for at least 1 year or on at least 4 separate occasions in the last 3 years; and

(iii) has an adult head of household (or a minor head of household if no adult is present in the household) with a diagnosable substance use disorder, serious mental illness, developmental disability (as defined in section 15002 of this title), post traumatic stress disorder, cognitive impairments resulting from a brain injury, or chronic physical illness or disability, including the co-occurrence of 2 or more of those conditions.

(B) Rule of construction

A person who currently lives or resides in an institutional care facility, including a jail, substance abuse or mental health treatment facility, hospital or other similar facility, and has resided there for fewer than 90 days shall be considered chronically homeless if such person met all of the requirements described in subparagraph (A) prior to entering that facility.
(3) Collaborative applicant
The term “collaborative applicant” means an entity that—
(A) carries out the duties specified in section 11360a of this title;
(B) serves as the applicant for project sponsors who jointly submit a single application for a grant under part C in accordance with a collaborative process; and
(C) if the entity is a legal entity and is awarded such grant, receives such grant directly from the Secretary.

(4) Collaborative application
The term “collaborative application” means an application for a grant under part C that—
(A) satisfies section 11382 of this title; and
(B) is submitted to the Secretary by a collaborative applicant.

(5) Consolidated Plan
The term “Consolidated Plan” means a comprehensive housing affordability strategy and community development plan required in part 91 of title 24, Code of Federal Regulations.

(6) Eligible entity
The term “eligible entity” means, with respect to a part, a public entity, a private entity, or an entity that is a combination of public and private entities, that is eligible to directly receive grant amounts under such part.

(7) Families with children and youth defined as homeless under other Federal statutes
The term “families with children and youth defined as homeless under other Federal statutes” means any children or youth that are defined as “homeless” under any Federal statute other than this part, but are not defined as homeless under section 11302 of this title, and shall also include the parent, parents, or guardian of such children or youth under part B of subchapter VI this\(^{1}\) chapter (42 U.S.C. 11431 et seq.).

(8) Geographic area
The term “geographic area” means a State, metropolitan city, urban county, town, village, or other nonentitlement area, or a combination or consortia of such, in the United States, as described in section 5306 of this title.

(9) Homeless individual with a disability
(A) In general
The term “homeless individual with a disability” means an individual who is homeless, as defined in section 11302 of this title, and has a disability that—
(I) is expected to be long-continuing or of indefinite duration;
(II) substantially impedes the individual’s ability to live independently;
(III) could be improved by the provision of more suitable housing conditions; and
(IV) is a physical, mental, or emotional impairment, including an impairment caused by alcohol or drug abuse, post traumatic stress disorder, or brain injury;

(B) Rule
Nothing in clause (iii) of subparagraph (A) shall be construed to limit eligibility under clause (i) or (ii) of subparagraph (A).

(10) Legal entity
The term “legal entity” means—
(A) an entity described in section 501(c)(3) of title 26 and exempt from tax under section 501(a) of such title;
(B) an instrumentality of State or local governments; or
(C) a consortium of instrumentalities of State or local governments that has constituted itself as an entity.

(11) Metropolitan city; urban county; nonentitlement area
The terms “metropolitan city”, “urban county”, and “nonentitlement area” have the meanings given such terms in section 5302(a) of this title.

(12) New
The term “new” means, with respect to housing, that no assistance has been provided under this subchapter for the housing.

(13) Operating costs
The term “operating costs” means expenses incurred by a project sponsor operating transitional housing or permanent housing under this subchapter with respect to—
(A) the administration, maintenance, repair, and security of such housing;
(B) utilities, fuel, furnishings, and equipment for such housing; or
(C) coordination of services as needed to ensure long-term housing stability.

(14) Outpatient health services
The term “outpatient health services” means outpatient health care services, mental health services, and outpatient substance abuse services.

(15) Permanent housing
The term “permanent housing” means community-based housing without a designated length of stay, and includes both permanent supportive housing and permanent housing without supportive services.

(16) Personally identifying information
The term “personally identifying information” means individually identifying information for or about an individual, including information likely to disclose the location of a victim of domestic violence, dating violence, sexual assault, or stalking, including—
(A) a first and last name;
(B) a home or other physical address;
(C) contact information (including a postal, e-mail or Internet protocol address, or telephone or facsimile number);
(D) a social security number; and
(E) any other information, including date of birth, racial or ethnic background, or reli-
gious affiliation, that, in combination with any other non-personally identifying information, would serve to identify any individual.

(17) Private nonprofit organization
The term “private nonprofit organization” means an organization—
(A) no part of the net earnings of which inures to the benefit of any member, founder, contributor, or individual;
(B) that has a voluntary board;
(C) that has an accounting system, or has designated a fiscal agent in accordance with requirements established by the Secretary; and
(D) that practices nondiscrimination in the provision of assistance.

(18) Project
The term “project” means, with respect to activities carried out under part C, eligible activities described in section 11383(a) of this title, undertaken pursuant to a specific endeavor, such as serving a particular population or providing a particular resource.

(19) Project-based
The term “project-based” means, with respect to rental assistance, that the assistance is provided pursuant to a contract that—
(A) is between—
(i) the recipient or a project sponsor; and
(ii) an owner of a structure that exists as of the date the contract is entered into; and
(B) provides that rental assistance payments shall be made to the owner and that the units in the structure shall be occupied by eligible persons for not less than the term of the contract.

(20) Project sponsor
The term “project sponsor” means, with respect to proposed eligible activities, the organization directly responsible for carrying out the proposed eligible activities.

(21) Recipient
Except as used in part B, the term “recipient” means an eligible entity who—
(A) submits an application for a grant under section 11382 of this title that is approved by the Secretary;
(B) receives the grant directly from the Secretary to support approved projects described in the application; and
(C) serves as a project sponsor for the projects; or
(ii) awards the funds to project sponsors to carry out the projects.

(22) Secretary
The term “Secretary” means the Secretary of Housing and Urban Development.

(23) Serious mental illness
The term “serious mental illness” means a severe and persistent mental illness or emotional impairment that seriously limits a person’s ability to live independently.

(24) Solo applicant
The term “solo applicant” means an entity that is an eligible entity, directly submits an application for a grant under part C to the Secretary, and, if awarded such grant, receives such grant directly from the Secretary.

(25) Sponsor-based
The term “sponsor-based” means, with respect to rental assistance, that the assistance is provided pursuant to a contract that—
(A) is between—
(i) the recipient or a project sponsor; and
(ii) an independent entity that—
(I) is a private organization; and
(II) owns or leases dwelling units; and
(B) provides that rental assistance payments shall be made to the independent entity and that eligible persons shall occupy such assisted units.

(26) State
Except as used in part B, the term “State” means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, the United States Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, the Trust Territory of the Pacific Islands, and any other territory or possession of the United States.

(27) Supportive services
The term “supportive services” means services that address the special needs of people served by a project, including—
(A) the establishment and operation of a child care services program for families experiencing homelessness;
(B) the establishment and operation of an employment assistance program, including providing job training;
(C) the provision of outpatient health services, food, and case management;
(D) the provision of assistance in obtaining permanent housing, employment counseling, and nutritional counseling;
(E) the provision of outreach services, advocacy, life skills training, and housing search and counseling services;
(F) the provision of mental health services, trauma counseling, and victim services;
(G) the provision of assistance in obtaining other Federal, State, and local assistance available for residents of supportive housing (including mental health benefits, employment counseling, and medical assistance, but not including major medical equipment);
(H) the provision of legal services for purposes including requesting reconsiderations and appeals of veterans and public benefit claim denials and resolving outstanding warrants that interfere with an individual’s ability to obtain and retain housing;
(i) transportation services that facilitate an individual’s ability to obtain and maintain employment; and
(ii) health care; and
(J) other supportive services necessary to obtain and maintain housing.

(28) Tenant-based
The term “tenant-based” means, with respect to rental assistance, assistance that—
The term "transitional housing" means housing the purpose of which is to facilitate the movement of individuals and families experiencing homelessness to permanent housing within 24 months or such longer period as the Secretary determines necessary.

The term "underserved populations" includes populations underserved because of geographic location, underserved racial and ethnic populations, populations underserved because of special needs (such as language barriers, disabilities, alienage status, or age), and any other population determined to be underserved by the Secretary, as appropriate.

The term "victim service provider" means a private nonprofit organization whose primary mission is to provide services to victims of domestic violence, dating violence, sexual assault, or stalking. Such term includes rape crisis centers, battered women's shelters, domestic violence transitional housing programs, and other programs.

The term "victim services" means services that assist domestic violence, dating violence, sexual assault, or stalking victims, including services offered by rape crisis centers and domestic violence shelters, and other organizations, with a documented history of effective work concerning domestic violence, dating violence, sexual assault, or stalking.

Prior provisions

A prior section 401 of Pub. L. 100–77 was renumbered section 463 and is classified to section 11361 of this title.

Effective date

Section effective on the earlier of 18 months after May 20, 2009, or 3 months after publication of certain final regulations by Secretary of Housing and Urban Development, see section 1303 of Pub. L. 111–22, set out as an Effective Date of 2009 Amendment note under section 11302 of this title.

Termination of Trust Territory of the Pacific Islands

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

HEARTH Act Technical Corrections

Pub. L. 112–141, div. F, title II, § 100261, July 6, 2012, 126 Stat. 978, provided that: "For purposes of title IV of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11360 et seq.,—''(1) the term 'local government' includes an instrumentality of a unit of general purpose local government other than a public housing agency that is established pursuant to legislation and designated by the chief executive to act on behalf of the local government with regard to activities funded under such title IV and includes a combination of general purpose local governments, such as an association of governments, that is recognized by the Secretary of Housing and Urban Development;—''(2) the term 'State' includes any instrumentality of any of the several States designated by the Governor to act on behalf of the State and does not include the District of Columbia;—''(3) for purposes of environmental review, the Secretary of Housing and Urban Development shall continue to permit assistance and projects to be treated as assistance for special projects that are subject to section 305(c) of the Multifamily Housing Property Disposition Reform Act of 1994 (42 U.S.C. 3547), and subject to the regulations issued by the Secretary of Housing and Urban Development to implement such section; and—''(4) a metropolitan city and an urban county that each receive an allocation under such title IV and are located within a geographic area that is covered by a single continuum of care may jointly request the Secretary of Housing and Urban Development to permit the urban county or the metropolitan city, as agreed to by such county and city, to receive and administer their combined allocations under a single grant.''

Definitions

For provisions relating to definitions of "State" and "local government" as used in this section, see section 100261 of Pub. L. 112–141, set out as a HEARTH Act Technical Corrections note above.

§ 11360a. Collaborative applicants

(a) Establishment and designation

A collaborative applicant shall be established for a geographic area by the relevant parties in that geographic area to—

(1) submit an application for amounts under this part; and

(2) perform the duties specified in subsection (f) and, if applicable, subsection (g).

(b) No requirement to be a legal entity

An entity may be established to serve as a collaborative applicant under this section without being a legal entity.
(c) Remedial action

If the Secretary finds that a collaborative applicant for a geographic area does not meet the requirements of this section, or if there is no collaborative applicant for a geographic area, the Secretary may take remedial action to ensure fair distribution of grant amounts under part C to eligible entities within that area. Such measures may include designating another body as a collaborative applicant, or permitting other eligible entities to apply directly for grants.

(d) Construction

Nothing in this section shall be construed to displace conflict of interest or government fair practices laws, or their equivalent, that govern applicants for grant amounts under parts B and C.

(e) Appointment of agent

Subject to paragraph (2), a collaborative applicant may designate an agent to—

(A) apply for a grant under section 11382(c) of this title;
(B) receive and distribute grant funds awarded under part C; and
(C) perform other administrative duties.

(2) Retention of duties

Any collaborative applicant that designates an agent pursuant to paragraph (1) shall regardless of such designation retain all of its duties and responsibilities under this subchapter.

(f) Duties

A collaborative applicant shall—

(1) design a collaborative process for the development of an application under part C, and for evaluating the outcomes of projects for which funds are awarded under part B, in such a manner as to provide information necessary for the Secretary—

(A) to determine compliance with—
(i) the program requirements under section 11386 of this title; and
(ii) the selection criteria described under section 11386a of this title; and
(B) to establish priorities for funding projects in the geographic area involved;
(2) participate in the Consolidated Plan for the geographic area served by the collaborative applicant; and
(3) ensure operation of, and consistent participation by, project sponsors in a community-wide homeless management information system (in this subsection referred to as “HMIS”) that—

(A) collects unduplicated counts of individuals and families experiencing homelessness;
(B) analyzes patterns of use of assistance provided under parts B and C for the geographic area involved;
(C) provides information to project sponsors and applicants for needs analyses and funding priorities; and

(4) is developed in accordance with standards established by the Secretary, including standards that provide for—

(i) encryption of data collected for purposes of HMIS;
(5) documentation, including keeping an accurate accounting, proper usage, and disclosure, of HMIS data;
(6) access to HMIS data by staff, contractors, law enforcement, and academic researchers;
(7) rights of persons receiving services under this subchapter;
(8) criminal and civil penalties for unlawful disclosure of data; and
(9) such other standards as may be determined necessary by the Secretary.

(g) Unified funding

(1) In general

In addition to the duties described in subsection (f), a collaborative applicant shall receive from the Secretary and distribute to other project sponsors in the applicable geographic area funds for projects to be carried out by such other project sponsors, if—

(A) the collaborative applicant—
(i) applies to undertake such collection and distribution responsibilities in an application submitted under this part; and
(ii) is selected to perform such responsibilities by the Secretary; or

(B) the Secretary designates the collaborative applicant as the unified funding agency in the geographic area, after—

(i) a finding by the Secretary that the applicant—
(II) would serve the purposes of this chapter as they apply to the geographic area; and
(ii) the Secretary provides the collaborative applicant with the technical assistance necessary to perform such responsibilities as such assistance is agreed to by the collaborative applicant.

(2) Required actions by a unified funding agency

A collaborative applicant that is either selected or designated as a unified funding agency for a geographic area under paragraph (1) shall—

(A) require each project sponsor who is funded by a grant received under part C to establish such fiscal control and fund accounting procedures as may be necessary to assure the proper disbursal of, and accounting for, Federal funds awarded to the project sponsor under part C in order to ensure that all financial transactions carried out under part C are conducted, and records maintained, in accordance with generally accepted accounting principles; and

(B) arrange for an annual survey, audit, or evaluation of the financial records of each project carried out by a project sponsor funded by a grant received under part C.

(h) Conflict of interest

No board member of a collaborative applicant may participate in decisions of the collaborative applicant concerning the award of a grant, or provision of other financial benefits, to such member or the organization that such member represents.
Housing affordability strategy

Assistance may be made under this subchapter only if the grantee certifies that it is following—

(1) a consolidated plan which has been approved by the Secretary in accordance with section 12705 of this title (referred to in such section as a "comprehensive housing affordability strategy"), or

(2) a comprehensive homeless assistance plan which was approved by the Secretary during the 180-day period beginning on November 28, 1990, or during such longer period as may be prescribed by the Secretary in any case for good cause.

REFERENCES IN TEXT

This chapter, referred to in subsec. (g)(1)(B)(i)(II), was in the original "this Act", meaning Pub. L. 100–77, July 22, 1987, 101 Stat. 482, known as the McKinney-Vento Homeless Assistance Act, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 11301 of this title and Tables.

PRIOR PROVISIONS

A prior section 402 of Pub. L. 100–77 was renumbered section 416 and is classified to section 11362 of this title.

EFFECTIVE DATE

Section effective on the earlier of 18 months after May 20, 2009, or 3 months after publication of certain final regulations by Secretary of Housing and Urban Development, see section 1503 of Pub. L. 111–22, set out as an Effective Date of 2009 Amendment note under section 11302 of this title.

§ 11361. Housing affordability strategy

Assistance may be made under this subchapter only if the grantee certifies that it is following—

(1) a consolidated plan which has been approved by the Secretary in accordance with section 12705 of this title (referred to in such section as a "comprehensive housing affordability strategy"), or

(2) a comprehensive homeless assistance plan which was approved by the Secretary during the 180-day period beginning on November 28, 1990, or during such longer period as may be prescribed by the Secretary in any case for good cause.

Amendment by Pub. L. 111–22 effective on October 1, 1991."
established a transitional housing demonstration program and directed Secretary of Housing and Urban Development to submit to Congress, not later than 3 months after the end of fiscal year 1967, an interim report summarizing activities under this program during such fiscal year and, not later than 6 months after the end of fiscal year 1968, a final report summarizing such activities, established an emergency shelter grants program to make grants to States, units of local government, and private nonprofit organizations providing assistance to the homeless, and appropriated $15,000,000 for fiscal year 1987, to remain available until expended, to carry out both programs.

§ 11361a. Preventing involuntary family separation

(a) In general

After the expiration of the 2-year period that begins upon May 20, 2009, and except as provided in subsection (b), any project sponsor receiving funds under this subchapter to provide emergency shelter, transitional housing, or permanent housing to families with children under age 18 shall not deny admission to any family based on the age of any child under age 18.

(b) Exception

Notwithstanding the requirement under subsection (a), project sponsors of transitional housing receiving funds under this subchapter may target transitional housing resources to families with children of a specific age only if the project sponsor—

(1) operates a transitional housing program that has a primary purpose of implementing an evidence-based practice that requires that housing units be targeted to families with children in a specific age group; and

(2) provides such assurances, as the Secretary shall require, that an equivalent appropriate alternative living arrangement for the whole family or household unit has been secured.


CODIFICATION

Section 1103 of Pub. L. 111–22, which directed amendment of subtitle A of the McKinney-Vento Homeless Assistance Act by adding this section after section 404, was executed by adding this section following section 404 (42 U.S.C. 11361a) of subtitle A of title IV of Pub. L. 100–77 (this part), to reflect the probable intent of Congress.

EFFECTIVE DATE

Section effective on the earlier of 18 months after May 20, 2009, or 3 months after publication of certain final regulations by Secretary of Housing and Urban Development, see section 1503 of Pub. L. 111–22, set out as an Effective Date of 2009 Amendment note under section 11302 of this title.

§ 11362. Discharge coordination policy

The Secretary may not provide a grant under this subchapter for any governmental entity serving as an applicant unless the applicant agrees to develop and implement, to the maximum extent practicable and where appropriate, policies and protocols for the discharge of persons from publicly funded institutions or systems of care (such as health care facilities, foster care or other youth facilities, or correction programs and institutions) in order to prevent such discharge from immediately resulting in homelessness for such persons.


§ 11363. Protection of personally identifying information by victim service providers

In the course of awarding grants or implementing programs under this subchapter, the Secretary shall instruct any victim service provider that is a recipient or subgrantee not to disclose for purposes of the Homeless Management Information System any personally identifying information about any client. The Secretary may, after public notice and comment, require or ask such recipients and subgrantees to disclose for purposes of the Homeless Management Information System non-personally identifying information that has been de-identified, encrypted, or otherwise encoded. Nothing in this section shall be construed to supersede any provision of any Federal, State, or local law that provides greater protection than this subsection for victims of domestic violence, dating violence, sexual assault, or stalking.
§ 11364. Authorization of appropriations

There are authorized to be appropriated to carry out this subchapter $2,200,000,000 for fiscal year 2010 and such sums as may be necessary for fiscal year 2011.

§ 11364a. Availability of amounts recaptured from appropriated funds

(a) Amounts recaptured from funds appropriated for this or any succeeding fiscal year under the heading ‘Department of Housing and Urban Development—Community Planning and Development—Homeless Assistance Grants’ shall become available until expended not later than the end of the fifth fiscal year after the last fiscal year for which such funds are available and shall be available, in addition to rental assistance amounts that were recaptured and made available until expended under such heading by any prior Act, and in addition to such other funds as may be available for such purposes, for the following purposes:

(1) For grants under the Continuum of Care program under subtitle C of title IV of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11381 et seq.);

(2) For grants under the Emergency Solutions Grant program under subtitle B of title IV of such Act (42 U.S.C. 11371 et seq.);

(3) Not less than 10 percent of the amounts shall be used only for grants in rural areas under the Continuum of Care program, to include activities eligible under the Rural Housing Stability Assistance program under section 491 of such Act (42 U.S.C. 11408) that are not otherwise eligible under the Continuum of Care program; and

(4) Not less than 10 percent of the amounts shall be for emergency solutions grants for disaster areas as authorized by subsection (c).

(b) Prior to the use of any recaptured amounts referred to in subsection (a), including competing, awarding, or obligating such amounts, the Secretary shall submit a plan in accordance with subsection (a) that specifies the planned use of any such amounts to the Committees on Appropriations of the House of Representatives and the Senate, and receive prior written approval of such plan, except that use of amounts in the plan for the purposes specified in subsection (a)(4) may begin once such plan is submitted to such Committees.

(c)(1) The Secretary may make grants under the Emergency Solutions Grants program under subtitle B of title IV of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11371 et seq.) to States or local governments to address the needs of homeless individuals or families or individuals or families at risk of homelessness in areas affected by a major disaster declared pursuant to the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.) on or after December 20, 2019, whose needs are not otherwise served or fully met by existing Federal disaster relief programs, including the Transitional Sheltering Assistance program under such Act (42 U.S.C. 5170b).

(2) For purposes of grants under paragraph (1), the Secretary may suspend all consultation, citizen participation, and matching requirements.

REFERENCES IN TEXT

The McKinney-Vento Homeless Assistance Act, referred to in subsecs. (a)(1), (2), and (c)(1), is Pub. L. 100–77, July 22, 1987, 101 Stat. 482. Subtitle B of title IV of the Act is classified generally to part B (§ 11371 et seq.) of this subchapter. Subtitle C of title IV of the Act is classified generally to part C (§ 11381 et seq.) of this subchapter. For complete classification of this Act to the Code, see Short Title note set out under section 11301 of this title and Tables.

The Robert T. Stafford Disaster Relief and Emergency Assistance Act, referred to in subsec. (c)(1), is Pub. L. 93–288, May 22, 1974, 88 Stat. 143, which is classified principally to chapter 68 (§ 5121 et seq.) of this title. For complete classification of this Act to the Code, see Short Title note set out under section 5121 of this title and Tables.

CODIFICATION

Section was enacted as part of the Department of Housing and Urban Development Appropriations Act, 2020, and also as part of the Transportation, Housing and Urban Development, and Related Agencies Appropriations Act, 2020, and the Further Consolidated Appropriations Act, 2020, and not as part of the McKinney-Vento Homeless Assistance Act which comprises this chapter.
§ 11371. Definitions

For purposes of this part:

(1) The term "local government" means a unit of general purpose local government.

(2) The term "locality" means the geographical area within the jurisdiction of a local government.

(3) The term "metropolitan city" has the meaning given such term in section 5302 of this title.

(4) The term "operating costs" means expenses incurred by a recipient operating a facility assisted under this part with respect to—

(A) the administration, maintenance, repair, and security of such housing; and

(B) utilities, fuels, furnishings, and equipment for such housing.

(5) The term "private nonprofit organization" means a secular or religious organization described in section 501(c) of title 26 that is exempt from taxation under subtitle A of title 26, has an accounting system and a voluntary board, and practices nondiscrimination in the provision of assistance.

(6) The term "recipient" means any governmental or private nonprofit entity that is approved by the Secretary as to financial responsibility.

(7) The term "Secretary" means the Secretary of Housing and Urban Development.

(8) The term "State" means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Northern Marianas Islands, the Trust Territory of the Pacific Islands, and any other territory or possession of the United States.

(9) The term "urban county" has the meaning given such term in section 5302 of this title.

§ 11372. Grant assistance

(A) In general

Of the amount made available to carry out this part and part C for a fiscal year, the Secretary shall allocate nationally 20 percent of such amount for activities described in section 11374 of this title. The Secretary shall be required to certify that such allocation will not adversely affect the renewal of existing projects under this part and part C for those individuals or families who are homeless.

(b) Allocation


Termination of Trust Territory of the Pacific Islands

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

Definitions

For provisions relating to definitions of "State" and "local government" as used in this section, see section 106261 of Pub. L. 112–141, set out as a HEARTH Act Technical Corrections note under section 11360 of this title.

§ 11372a. Amount and allocation of assistance

(a) In general

Of the amount made available to carry out this part and part C for a fiscal year, the Secretary shall allocate nationally 20 percent of such amount for activities described in section 11374 of this title. The Secretary shall be required to certify that such allocation will not adversely affect the renewal of existing projects under this part and part C for those individuals or families who are homeless.

(b) Allocation

An entity that receives a grant under section 11372 of this title, and serves an area that includes 1 or more geographic areas (or portions of such areas) served by collaborative applicants that submit applications under part C, shall allocate the funds made available through the grant to carry out activities described in section 11374 of this title, in consultation with the collaborative applicants.
§ 11373. Allocation and distribution of assistance

(a) In general

The Secretary shall allocate assistance under this part to metropolitan cities, urban counties, and States (for distribution to local governments and private nonprofit organizations in the States) in a manner that ensures that the percentage of the total amount available under this part for any fiscal year that is allocated to any State, metropolitan city, or urban county is equal to the percentage of the total amount available for section 5306 of this title for such prior fiscal year that is allocated to such State, metropolitan city, or urban county.

(b) Minimum allocation requirement

If, under the allocation provisions applicable under this part, any metropolitan city or urban county would receive a grant of less than 0.05 percent of the amounts appropriated under section 11364 of this title and made available to carry out this part for any fiscal year, such amount shall instead be reallocated to the State, except that any city that is located in a State that does not have counties as local governments, that has a population greater than 40,000 but less than 50,000 as used in determining the fiscal year 1987 community development block grant program allocation, and that was allocated in excess of $1,000,000 in community development block grant funds in fiscal year 1987, shall receive directly the amount allocated to such city under subsection (a).

(c) Distribution to nonprofit organizations, public housing agencies, and local redevelopment authorities

Any local government receiving assistance under this part may distribute all or a portion of such assistance to private nonprofit organizations providing assistance to homeless individuals, to public housing agencies (as defined under section 1437a(b)(6) of this title), or to local redevelopment authorities (as defined under State law). Any State receiving assistance under this part may distribute all or a portion of such assistance to public housing agencies (as defined under section 1437a(b)(6) of this title), or to public housing agencies, and local redevelopment authorities.

(d) Reallocation of funds

(1) The Secretary shall, not less than once during each fiscal year, reallocate any assistance provided under this part that is unused or returned or that becomes available under subsection (b).

(2) If a city or county eligible for a grant under subsection (a) fails to obtain approval of its comprehensive plan during the 90-day period following the date funds authorized by this part first become available for allocation during any fiscal year, the amount that the city or county would have received shall be available to the State in which the city or county is located if the State has obtained approval of its comprehensive plan. Any amounts that cannot be allocated to a State under the preceding sentence shall be reallocated to other States, counties, and cities that demonstrate extraordinary need or large numbers of homeless individuals, as determined by the Secretary.

(3) If a State fails to obtain approval of its comprehensive plan during the 90-day period following the date funds authorized by this part first become available for allocation during any fiscal year, the amount that the State would have received shall be reallocated to other States and to cities and counties as applicable, that demonstrate extraordinary need or large numbers of homeless individuals, as determined by the Secretary.

(e) Allocations to territories

In addition to the other allocations required in this section, the Secretary shall (for amounts appropriated after July 22, 1987) allocate assistance under this part to the Virgin Islands, Guam, American Samoa, the Northern Mariana Islands, the Trust Territory of the Pacific Islands, and any other territory or possession of the United States, in accordance with an allocation formula established by the Secretary.

Prior provisions

A prior section 414 of Pub. L. 100–77 was classified to section 11374 of this title prior to renumbering as section 415 and repeal by Pub. L. 111–22.

Amendments

2016—Subsec. (c), Pub. L. 114–201, inserted “public housing agencies, and local redevelopment authorities” after “organizations” in heading and inserted “to public housing agencies (as defined under section 1437a(b)(6) of this title), or to local redevelopment authorities (as defined under State law)” before period at end of first sentence.

2015—Subsec. (d)(1), Pub. L. 114–94 substituted “once” for “twice”.

2009—Subsec. (b), Pub. L. 111–22, § 1201(5), substituted “amounts appropriated under section 11361 of this title and made available to carry out this part for any” for “amounts appropriated to carry out this part for any”.

1996—Subsec. (a), Pub. L. 104–330, § 506(a)(3)(A), struck out “; and to Indian tribes,” after “in the States)” and “; or for Indian tribes” after “or urban county” in two places.

Subsec. (c), Pub. L. 104–330, § 506(a)(3)(B), struck out “or Indian tribe” after “‘Any local government’”.

Subsec. (d)(3), Pub. L. 104–330, § 506(a)(3)(C)(ii), struck out “; or other Indian tribes,” after “‘cities’”.

Pub. L. 104–330, § 506(a)(3)(C)(i), which directed amendment of par. (3) by striking “; or Indian tribe” each place it appeared, was executed by striking “or Indian tribe” after “‘State’ in two places to reflect the probable intent of Congress.
1990—Subsec. (a), Pub. L. 101–625, §§832(f)(3), inserted ‘‘, and to Indian tribes,’’ after ‘‘(States)’’ and ‘‘, or for Indian tribes’’ after ‘‘urban county’’ in two places.

Subsec. (c), Pub. L. 101–625, §832(f)(4), inserted ‘‘or Indian tribe’’ after ‘‘local government’’.

Subsec. (d)(3), Pub. L. 101–625, §832(f)(5), inserted ‘‘or Indian tribe’’ after ‘‘State’’ in two places and ‘‘, or other Indian tribes, as applicable,’’ after ‘‘counties’’.

1988—Subsec. (a), Pub. L. 100–628, §421(a), inserted ‘‘and private nonprofit organizations’’ after ‘‘local governments’’.

Subsec. (c), Pub. L. 100–628, §421(b), inserted at end ‘‘Any State receiving assistance under this part may distribute all or a portion of such assistance to private nonprofit organizations providing assistance to homeless individuals, if the local government for the locality in which the project is located certifies that it approves of the project.’’

Effective Date of 2009 Amendment

Amendment by Pub. L. 111–22 effective on the earlier of 18 months after May 20, 2009, or 3 months after publication of certain final regulations by Secretary of Housing and Urban Development, see section 1503 of Pub. L. 111–22, set out as a note under section 11302 of this title.

Effective Date of 1996 Amendment


Amendment by Pub. L. 104–330 applicable with respect to amounts made available for assistance under this subchapter for fiscal year 1996 and fiscal years thereafter, see section 506(c) of Pub. L. 104–330, set out as a note under section 11371 of this title.

Termination of Trust Territory of the Pacific Islands

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

§ 11374. Eligible activities

(a) In general

Assistance provided under section 11372 of this title may be used for the following activities:

(1) The renovation, major rehabilitation, or conversion of buildings to be used as emergency shelters.

(2) The provision of essential services related to emergency shelter or street outreach, including services concerned with employment, health, education, family support services for homeless youth, substance abuse services, victim services, or mental health services, if—

(A) such essential services have not been provided by the local government during any part of the immediately preceding 12-month period or the Secretary determines that the local government is in a severe financial deficit; or

(B) the use of assistance under this part would complement the provision of those essential services.

(3) Maintenance, operation, insurance, provision of utilities, and provision of furnishings related to emergency shelter.

(4) Provision of rental assistance to provide short-term or medium-term housing to homeless individuals or families or individuals or families at risk of homelessness. Such rental assistance may include tenant-based or project-based rental assistance.

(5) Housing relocation or stabilization services for homeless individuals or families or individuals or families at risk of homelessness, including housing search, mediation or outreach to property owners, legal services, credit repair, providing security or utility deposits, utility payments, rental assistance for a final month at a location, assistance with moving costs, or other activities that are effective at—

(A) stabilizing individuals and families in their current housing; or

(B) quickly moving such individuals and families to other permanent housing.

(b) Maximum allocation for emergency shelter activities

A grantee of assistance provided under section 11372 of this title for any fiscal year may not use an amount of such assistance for activities described in paragraphs (1) through (3) of subsection (a) that exceeds the greater of—

(1) 50 percent of the aggregate amount of such assistance provided for the grantee for such fiscal year; or

(2) the amount expended by such grantee for such activities during fiscal year 1988 most recently completed before the effective date under section 1503 of the Homeless Emergency Assistance and Rapid Transition to Housing Act of 2009.


References in Text


Prior Provisions


Another prior section 415 of Pub. L. 100–77 was renumbered section 416 and is classified to section 11375 of this title.

Effective Date

Section effective on the earlier of 18 months after May 20, 2009, or 3 months after publication of certain final regulations by Secretary of Housing and Urban Development, see section 1503 of Pub. L. 111–22, set out as an Effective Date of 2009 Amendment note under section 11302 of this title.

Report by Comptroller General

Pub. L. 100–628, title IV, §§423(b), Nov. 7, 1988, 102 Stat. 3232, required the Comptroller General to conduct a

1So in original. Probably should be “the fiscal year”. 
§ 11375. Responsibilities of recipients

(a) Matching amounts

(1) Except as provided in paragraph (2), each recipient under this part shall be required to supplement the assistance provided under this part with an equal amount of funds from sources other than this part. Each recipient shall certify to the Secretary its compliance with this paragraph, and shall include with such certification a description of the sources and amounts of such supplemental funds.

(2) Each recipient under this part that is a State shall be required to supplement the assistance provided under this part with an amount of funds from sources other than this part equal to the difference between the amount received under this part and $100,000. If the amount received by the State is $100,000 or less, the State may not be required to supplement the assistance provided under this part.

(b) Administration of assistance

Each recipient shall act as the fiscal agent of the Secretary with respect to assistance provided to such recipient.

(c) Certifications on use of assistance

Each recipient shall certify to the Secretary that—

(1) it will—

(A) in the case of assistance involving major rehabilitation or conversion, maintain any building for which assistance is used under this part as a shelter for homeless individuals and families for not less than a 10-year period;

(B) in the case of assistance involving rehabilitation (other than major rehabilitation or conversion), maintain any building for which assistance is used under this part as a shelter for homeless individuals and families for not less than a 3-year period; or

(C) in the case of assistance involving solely activities described in paragraphs (2) and (3) of section 11374(a)

1 of this title, provide services or shelter to homeless individuals and families for the period during which such assistance is provided, without regard to a particular site or structure as long as the same general population is served;

(2) any renovation carried out with assistance under this part shall be sufficient to ensure that the building involved is safe and sanitary;

(3) it will assist homeless individuals in obtaining—

(A) appropriate supportive services, including permanent housing, medical and mental health treatment, counseling, supervision, and other services essential for achieving independent living; and

(B) other Federal, State, local, and private assistance available for such individuals;

(4) in the case of a recipient that is a State, it will obtain any matching amounts required under subsection (a) in a manner so that local governments, agencies, and local nonprofit organizations receiving assistance from the grant that are least capable of providing the recipient State with such matching amounts receive the benefit of the $100,000 subtrahend under subsection (a)(2); and

(5) it will develop and implement procedures to ensure the confidentiality of records pertaining to any individual provided family violence prevention or treatment services under any project assisted under this part and that the address or location of any family violence shelter project assisted under this part will, except with written authorization of the person or persons responsible for the operation of such shelter, not be made public;

(6) activities undertaken by the recipient with assistance under this part are consistent with any housing strategy submitted by the grantee in accordance with section 12708 of this title; and

(7) to the maximum extent practicable, it will involve, through employment, volunteer services, or otherwise, homeless individuals and families in constructing, renovating, maintaining, and operating facilities assisted under this part, in providing services assisted under this part, and in providing services for occupants of facilities assisted under this part.

(d) Participation of homeless individuals

The Secretary shall, by regulation, require each recipient that is not a State to provide for the participation of not less than 1 homeless individual or former homeless individual on the board of directors or other equivalent policy-making entity of such recipient, to the extent that such entity considers and makes policies and decisions regarding any facility, services, or other assistance of the recipient assisted under this part. The Secretary may grant waivers to recipients unable to meet the requirement under the preceding sentence if the recipient agrees to otherwise consult with homeless or formerly homeless individuals in considering and making such policies and decisions.

(e) Termination of assistance

If an individual or family who receives assistance under this part from a recipient violates program requirements, the recipient may terminate assistance in accordance with a formal process established by the recipient that recognizes the rights of individuals affected, which may include a hearing.

(f) Participation in HMIS

The Secretary shall ensure that recipients of funds under this part ensure the consistent participation by emergency shelters and homelessness prevention and rehousing programs in any applicable community-wide homeless management information system.
§ 11376  TITLE 42—THE PUBLIC HEALTH AND WELFARE  Page 7516


REFERENCES IN TEXT


PRIOR PROVISIONS

A prior section 416 of Pub. L. 100–77 was renumbered section 417 and is classified to section 11376 of this title.

AMENDMENTS


1992—Subsec. (c). Pub. L. 102–550, §1402(b), in par. (1), substituted a semicolon for period at end, in par. (3), struck out “and” at end, in par. (4), inserted “it will” after “State,” and struck out “and” at end, in par. (5), inserted “it will” before “develop” and substituted a semicolon for period at end, redesignated par. (4), relating to consistency of activities undertaken with assistance under this part, as (6) and substituted “and” for period at end, and added par. (7).


1990—Subsec. (a)(1). Pub. L. 101–632, §832(e)(1)(A), substituted “Except as provided in paragraph (2), each” for “Each”.

Subsec. (a)(2), (3). Pub. L. 101–625, §832(e)(1)(B), (c), added par. (2) and redesignated former par. (2) as (3).

Subsec. (c)(2), (3). Pub. L. 101–625, §832(e)(2)(a), (b), (h)(1), (2), amended subsec. (c) identically, striking “and” at end of par. (2) and substituting “and” for period at end of par. (3).

Subsec. (c)(4). Pub. L. 101–625, §832(h)(3), added (after par. (5)) par. (4) relating to consistency of activities undertaken with assistance under this part.

Pub. L. 101–625, §832(e)(2)(C), added par. (4) relating to matching funds obtained by State recipients of assistance under this part.


1988—Subsec. (c)(1). Pub. L. 100–628 amended par. (1) generally. Prior to amendment, par. (1) read as follows: “it will maintain any building for which assistance is used under this part as a shelter for homeless individuals for not less than a 3-year period or for not less than a 10-year period if such assistance is used for the major rehabilitation or conversion of such building.”

 EFFECTIVE DATE OF 2009 AMENDMENT

Amendment by Pub. L. 111–22 effective on the earlier of 18 months after May 20, 2009, or 3 months after publication of certain final regulations by Secretary of Housing and Urban Development, see section 1503 of Pub. L. 111–22, set out as a note under section 11302 of this title.

 EFFECTIVE DATE OF 1996 AMENDMENT


Amendment by Pub. L. 104–330 applicable with respect to amounts made available for assistance under this subchapter for fiscal year 1998 and fiscal years thereafter, see section 506(c) of Pub. L. 104–330, set out as a note under section 11371 of this title.

§ 11376. Administrative provisions

(a) Regulations

Not later than 60 days after July 22, 1987, the Secretary shall by notice establish such requirements as may be necessary to carry out the provisions of this part. Such requirements shall be subject to section 553 of title 5. The Secretary shall issue requirements based on the initial notice before the expiration of the 12-month period following July 22, 1987. Prior to the issuance of such requirements in final form, the requirements established by the Secretary implementing the provisions of the emergency shelter grants program under the provisions made effective by section 101(g) of Public Law 99–500 or Public Law 99–591 shall govern the emergency shelter grants program under this part.

(b) Initial allocation of assistance

Not later than the expiration of the 60-day period following the date of enactment of a law providing appropriations to carry out this part, the Secretary shall notify each State, metropolitan city, and urban county that is to receive a direct grant of its allocation of assistance under this part. Such assistance shall be allocated and may be used notwithstanding any failure of the Secretary to issue requirements under subsection (a).

(c) Minimum standards of habitability

The Secretary shall prescribe such minimum standards of habitability as the Secretary determines to be appropriate to ensure that emergency shelters assisted under this section are environments that provide appropriate privacy, safety, and sanitary and other health-related conditions for homeless persons and families. Grantees are authorized to establish standards of habitability in addition to those prescribed by the Secretary.


REFERENCES IN TEXT

The emergency shelter grants program under the provisions made effective by section 101(g) of Public Law 99–500 or Public Law 99–591, referred to in subsec. (a), means the emergency shelter grants program authorized by title V of H.R. 5313 [Department of Housing and Urban Development—Independent Agencies Appropriations Act, 1987], as incorporated by reference by section 101(g) of Pub. L. 99–500 and 99–591, and enacted into law by section 106 of Pub. L. 100–202, which is set out as a note under section 11361 of this title.

PRIOR PROVISIONS

A prior section 417 of Pub. L. 100–77 was classified to section 11377 of this title, prior to repeal by Pub. L. 111–22.
AMENDMENTS
1990—Subsec. (b), Pub. L. 101–625, § 832(f)(7), inserted “Indian tribe,” after “State,”.
Subsec. (c). Pub. L. 101–625, § 832(g), added subsec. (c).

EFFECTIVE DATE OF 1996 AMENDMENT
Amendment by Pub. L. 104–330 applicable with respect to amounts made available for assistance under this subchapter for fiscal year 1998 and fiscal years thereafter, see section 506(c) of Pub. L. 104–330, set out as a note under section 11371 of this title.


EFFECTIVE DATE OF REPEAL
Repeal effective on the earlier of 18 months after May 20, 2009, or 3 months after publication of certain final regulations by Secretary of Housing and Urban Development, see section 1503 of Pub. L. 111–22, set out as an Effective Date of 2009 Amendment note under section 11302 of this title.

§ 11378. Administrative costs
A recipient may use up to 7.5 percent of any annual grant received under this part for administrative purposes. A recipient State shall share the amount available for administrative purposes pursuant to the preceding sentence with local governments funded by the State.

AMENDMENTS
2009—Pub. L. 111–22 substituted “7.5 percent” for “5 percent”.

EFFECTIVE DATE OF 2009 AMENDMENT
Amendment by Pub. L. 111–22 effective on the earlier of 18 months after May 20, 2009, or 3 months after publication of certain final regulations by Secretary of Housing and Urban Development, see section 1503 of Pub. L. 111–22, set out as a note under section 11302 of this title.

PART C—CONTINUUM OF CARE PROGRAM
CONSTRUCTION

§ 11381. Purposes
The purposes of this part are—
(1) to promote community-wide commitment to the goal of ending homelessness;
(2) to provide funding for efforts by non-profit providers and State and local governments to quickly rehouse homeless individuals and families while minimizing the trauma and dislocation caused to individuals, families, and communities by homelessness;
(3) to promote access to, and effective utilization of, mainstream programs described in section 11313(a)(7) of this title and programs funded with State or local resources; and
(4) to optimize self-sufficiency among individuals and families experiencing homelessness.

PRIOR PROVISIONS


EFFECTIVE DATE
Section effective on the earlier of 18 months after May 20, 2009, or 3 months after publication of certain final regulations by Secretary of Housing and Urban Development, see section 1503 of Pub. L. 111–22, set out as an Effective Date of 2009 Amendment note under section 11302 of this title.

TRANSITIONAL PROVISION
Pub. L. 102–550, title XIV, § 1403(b), Oct. 28, 1992, 106 Stat. 4021, as amended by Pub. L. 106–400, § 2, Oct. 30, 2000, 114 Stat. 1675, provided that: “Notwithstanding the amendment made by subsection (a) [adding part C and repealing former parts C and D of this subchapter], before the date of the effectiveness of the regulations issued under section 427 of the McKinney-Vento Homeless Assistance Act [42 U.S.C. 11387] (as amended by subsection (a) of this section) the Secretary may make grants under the provisions of subtitles C and D of (title IV of) the McKinney-Vento Homeless Assistance Act [former parts C and D of this subchapter], as in effect immediately before the enactment of this Act [Oct. 28, 1992]. Any grants made before such effective date shall be subject to the provisions of such subtitles.”

DEMONSTRATION PROJECTS TO REDUCE NUMBER OF HOMELESS FAMILIES IN WELFARE HOTELS
Pub. L. 100–628, title IX, § 903, Nov. 1, 1988, 102 Stat. 3258, as amended by Pub. L. 104–193, title I, § 110(b), Aug. 22, 1996, 110 Stat. 2171, authorized Secretary of Health and Human Services to carry out 2 or 3 demonstration projects to provide housing in transitional facilities for homeless families who are recipients of assistance under a State program funded by part A of subchapter IV of chapter 7 of this title and who reside in commercial or similar transient facilities and authorized appropriations of not more than $30,000,000 for the grants for fiscal year 1990.

DEFINITION
For provisions relating to definition of “local government” as used in this section, see section 100261 of Pub. L. 112–141, set out as a HEARTH Act Technical Corrections note under section 11360 of this title.

§ 11382. Continuum of care applications and grants
(a) Projects
The Secretary shall award grants, on a competitive basis, and using the selection criteria
(b) Notification of funding availability
The Secretary shall release a notification of funding availability for grants awarded under this part for a fiscal year not later than 3 months after the date of the enactment of the appropriate Act making appropriations for the Department of Housing and Urban Development for such fiscal year.

(c) Applications
(1) Submission to the Secretary
To be eligible to receive a grant under subsection (a), a project sponsor or unified funding agency in a geographic area shall submit an application to the Secretary at such time and in such manner as the Secretary may require, and containing such information as the Secretary determines necessary—
(A) to determine compliance with the program requirements and selection criteria under this part; and
(B) to establish priorities for funding projects in the geographic area.
(2) Announcement of awards
(A) In general
Except as provided in subparagraph (B), the Secretary shall announce, within 5 months after the last date for the submission of applications described in this subsection for a fiscal year, the grants conditionally awarded under subsection (a) for that fiscal year.
(B) Transition
For a period of up to 2 years beginning after the effective date under section 1503 of the Homeless Emergency Assistance and Rapid Transition to Housing Act of 2009, the Secretary shall announce, within 6 months after the last date for the submission of applications described in this subsection for a fiscal year, the grants conditionally awarded under subsection (a) for that fiscal year.

(d) Obligation, distribution, and utilization of funds
(1) Requirements for obligation
(A) In general
Not later than 9 months after the announcement referred to in subsection (c)(2), each recipient or project sponsor shall meet all requirements for the obligation of those funds, including site control, matching funds, and environmental review requirements, except as provided in subparagraphs (B) and (C).
(B) Acquisition, rehabilitation, or construction
Not later than 24 months after the announcement referred to in subsection (c)(2), each recipient or project sponsor seeking the obligation of funds for acquisition of housing, rehabilitation of housing, or construction of new housing for a grant announced under subsection (c)(2) shall meet all requirements for the obligation of those funds, including site control, matching funds, and environmental review requirements.
(C) Extensions
At the discretion of the Secretary, and in compelling circumstances, the Secretary may extend the date by which a recipient or project sponsor shall meet the requirements described in subparagraphs (A) and (B) if the Secretary determines that compliance with the requirements was delayed due to factors beyond the reasonable control of the recipient or project sponsor. Such factors may include difficulties in obtaining site control for a proposed project, completing the process of obtaining secure financing for the project, obtaining approvals from State or local governments, or completing the technical submission requirements for the project.
(2) Obligation
Not later than 45 days after a recipient or project sponsor meets the requirements described in paragraph (1), the Secretary shall obligate the funds for the grant involved.
(3) Distribution
A recipient that receives funds through such a grant—
(A) shall distribute the funds to project sponsors (in advance of expenditures by the project sponsors); and
(B) shall distribute the appropriate portion of the funds to a project sponsor not later than 45 days after receiving a request for such distribution from the project sponsor.
(4) Expenditure of funds
The Secretary may establish a date by which funds made available through a grant announced under subsection (c)(2) for a homeless assistance project shall be entirely expended by the recipient or project sponsors involved. The date established under this paragraph shall not occur before the expiration of the 24-month period beginning on the date that funds are obligated for activities described under paragraphs (1) or (2) of section 11383(a) of this title. The Secretary shall recapture the funds not expended by such date. The Secretary shall reallocate the funds for another homeless assistance and prevention project that meets the requirements of this part to be carried out, if possible and appropriate, in the same geographic area as the area served through the original grant.

(e) Renewal funding for unsuccessful applicants
The Secretary may renew funding for a specific project previously funded under this part that the Secretary determines meets the purposes of this part, and was included as part of a total application that met the criteria of subsection (c), even if the application was not selected to receive grant assistance. The Secretary may renew the funding for a period of not more than 1 year, and under such conditions as the Secretary determines to be appropriate.

1So in original. Probably should be "paragraph".
(f) Considerations in determining renewal funding
When providing renewal funding for leasing, operating costs, or rental assistance for permanent housing, the Secretary shall make adjustments proportional to increases in the fair market rents in the geographic area.

(g) More than 1 application for a geographic area
If more than 1 collaborative applicant applies for funds for a geographic area, the Secretary shall award funds to the collaborative applicant with the highest score based on the selection criteria set forth in section 11386a of this title.

(h) Appeals
(1) In general
The Secretary shall establish a timely appeal procedure for grant amounts awarded or denied under this part pursuant to a collaborative application or solo application for funding.

(2) Process
The Secretary shall ensure that the procedure permits appeals submitted by entities carrying out homeless housing and services projects (including emergency shelters and homelessness prevention programs), and all other applicants under this part.

(i) Solo applicants
A solo applicant may submit an application to the Secretary for a grant under subsection (a) and be awarded such grant on the same basis as such grants are awarded to other applicants based on the criteria described in section 11386a of this title, but only if the Secretary determines that the solo applicant has attempted to participate in the continuum of care process but was not permitted to participate in a reasonable manner. The Secretary may award such grants directly to such applicants in a manner determined to be appropriate by the Secretary.

(j) Flexibility to serve persons defined as homeless under other Federal laws
(1) In general
A collaborative applicant may use not more than 10 percent of funds awarded under this part (continuum of care funding) for any of the types of eligible activities specified in paragraphs (1) through (7) of section 11383(a) of this title to serve families with children and youth defined as homeless under other Federal statutes, or homeless families with children and youth defined as homeless under section 11302(a)(6) of this title only pursuant to paragraph (1) of this subsection and such families and children shall not otherwise be considered as homeless for purposes of this part.

(2) Limitations
The 10 percent limitation under paragraph (1) shall not apply to collaborative applicants in which the rate of homelessness, as calculated in the most recent point in time count, is less than one-tenth of 1 percent of total population.

(3) Treatment of certain populations
(A) In general
Notwithstanding section 11302(a) of this title and subject to subparagraph (B), funds awarded under this part may be used for eligible activities to serve unaccompanied youth and homeless families and children defined as homeless under section 11302(a)(6) of this title from qualifying for, and being treated for purposes of this part as, at risk of homelessness or from eligibility for any projects, activities, or services carried out using amounts provided under this part for which individual or families that are at risk of homelessness are eligible.


References in Text

Prior Provisions


Effective Date
Section effective on the earlier of 18 months after May 20, 2009, or 3 months after publication of certain final regulations by Secretary of Housing and Urban Development, see section 1503 of Pub. L. 111–22, set out as an Effective Date of 2009 Amendment note under section 11302 of this title.

Definition
For provisions relating to definition of “local government” as used in this section, see section 100261 of Pub. L. 112–141, set out as a HEARTH Act Technical Corrections note under section 11309 of this title.

§ 11383. Eligible activities
(a) In general
Grants awarded under section 11382 of this title to qualified applicants shall be used to
carry out projects that serve homeless individuals or families that consist of one or more of the following eligible activities:

(1) Construction of new housing units to provide transitional or permanent housing.

(2) Acquisition or rehabilitation of a structure to provide transitional or permanent housing, other than emergency shelter, or to provide supportive services.

(3) Leasing of property, or portions of property, not owned by the recipient or project sponsor involved, for use in providing transitional or permanent housing, or providing supportive services.

(4) Provision of rental assistance to provide transitional or permanent housing to eligible persons. The rental assistance may include tenant-based, project-based, or sponsor-based rental assistance. Project-based rental assistance, sponsor-based rental assistance, and operating cost assistance contracts carried out by project sponsors receiving grants under this section may, at the discretion of the applicant and the project sponsor, have an initial term of 15 years, with assistance for the first 5 years paid with funds authorized for appropriation under this chapter, and assistance for the remainder of the term treated as a renewal of an expiring contract as provided in section 11386c of this title. Project-based rental assistance may include rental assistance to preserve existing permanent supportive housing for homeless individuals and families.

(5) Payment of operating costs for housing units assisted under this part or for the preservation of housing that will serve homeless individuals and families and for which another form of assistance is expiring or otherwise no longer available.

(6) Supportive services for individuals and families who are currently homeless, who have been homeless in the prior six months but are currently residing in permanent housing, or who were previously homeless and are currently residing in permanent supportive housing.

(7) Provision of rehousing services, including housing search, mediation or outreach to property owners, credit repair, providing security or utility deposits, rental assistance for a final month at a location, assistance with moving costs, or other activities that—

(A) are effective at moving homeless individuals and families immediately into housing; or

(B) may benefit individuals and families who in the prior 6 months have been homeless, but are currently residing in permanent housing.

(8) In the case of a collaborative applicant that is a legal entity, performance of the duties described under section 11360a(f)(3) of this title.

(9) Operation of, participation in, and ensuring consistent participation by project sponsors in, a community-wide homeless management information system.

(10) In the case of a collaborative applicant that is a legal entity, payment of administrative costs related to meeting the requirements described in paragraphs (1) and (2) of section 11360a(f) of this title, for which the collaborative applicant may use not more than 3 percent of the total funds made available in the geographic area under this part for such costs.

(11) In the case of a collaborative applicant that is a unified funding agency under section 11360a(g) of this title, payment of administrative costs related to meeting the requirements of that section, for which the unified funding agency may use not more than 3 percent of the total funds made available in the geographic area under this part for such costs, in addition to funds used under paragraph (10).

(12) Payment of administrative costs to project sponsors, for which each project sponsor may use not more than 10 percent of the total funds made available to that project sponsor through this part for such costs.

(b) Minimum grant terms

The Secretary may impose minimum grant terms of up to 5 years for new projects providing permanent housing.

(c) Use restrictions

(1) Acquisition, rehabilitation, and new construction

A project that consists of activities described in paragraph (1) or (2) of subsection (a) shall be operated for the purpose specified in the application submitted for the project under section 11382 of this title for not less than 15 years.

(2) Other activities

A project that consists of activities described in any of paragraphs (3) through (12) of subsection (a) shall be operated for the purpose specified in the application submitted for the project under section 11382 of this title for the duration of the grant period involved.

(3) Conversion

If the recipient or project sponsor carrying out a project that provides transitional or permanent housing submits a request to the Secretary to carry out instead a project for the direct benefit of low-income persons, and the Secretary determines that the initial project is no longer needed to provide transitional or permanent housing, the Secretary may approve the project described in the request and authorize the recipient or project sponsor to carry out that project.

(d) Repayment of assistance and prevention of undue benefits

(1) Repayment

If a recipient or project sponsor receives assistance under section 11382 of this title to carry out a project that consists of activities described in paragraph (1) or (2) of subsection (a) and the project ceases to provide transitional or permanent housing—

(A) earlier than 10 years after operation of the project begins, the Secretary shall require the recipient or project sponsor to repay 100 percent of the assistance; or

(B) not earlier than 10 years, but earlier than 15 years, after operation of the project begins, the Secretary shall require the recipient or project sponsor to repay 20 percent of
the assistance for each of the years in the 15-year period for which the project fails to provide that housing.

(2) Prevention of undue benefits

Except as provided in paragraph (3), if any property is used for a project that receives assistance under subsection (a) and consists of activities described in paragraph (1) or (2) of subsection (a), and the sale or other disposition of the property occurs before the expiration of the 15-year period beginning on the date that operation of the project begins, the recipient or project sponsor who received the assistance shall comply with such terms and conditions as the Secretary may prescribe to prevent the recipient or project sponsor from unduly benefitting from such sale or disposition.

(3) Exception

A recipient or project sponsor shall not be required to make the repayments, and comply with the terms and conditions, required under paragraph (1) or (2) if—

(A) the sale or disposition of the property used for the project results in the use of the property for the direct benefit of very low-income persons;

(B) all of the proceeds of the sale or disposition are used to provide transitional or permanent housing meeting the requirements of this part;

(C) project-based rental assistance or operating cost assistance from any Federal program or an equivalent State or local program is no longer made available and the project is meeting applicable performance standards, provided that the portion of the project that had benefitted from such assistance continues to meet the tenant income and rent restrictions for low-income units under section 42(g) of title 26; or

(D) there are no individuals and families in the geographic area who are homeless, in which case the project may serve individuals and families at risk of homelessness.

e) Staff training

The Secretary may allow reasonable costs associated with staff training to be included as part of the activities described in subsection (a).

(f) Eligibility for permanent housing

Any project that receives assistance under subsection (a) and that provides project-based or sponsor-based permanent housing for homeless individuals or families with a disability, including projects that meet the requirements of subsection (a) and subsection (d)(2)(A) of section 11386b of this title may also serve individuals who had previously met the requirements for such project prior to moving into a different permanent housing project.

(g) Administration of rental assistance

Provision of permanent housing rental assistance shall be administered by a State, unit of general local government, private nonprofit organization, or public housing agency.


REFERENCES IN TEXT

This chapter, referred to in subsec. (a)(4), was in the original “this Act”, meaning Pub. L. 100–77, July 22, 1987, 101 Stat. 482, known as the McKinney-Vento Homeless Assistance Act, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 11301 of this title and Tables.

PRIOR PROVISIONS


AMENDMENTS


EFFECTIVE DATE

Section effective on the earlier of 18 months after May 20, 2009, or 3 months after publication of certain final regulations by Secretary of Housing and Urban Development, see section 1503 of Pub. L. 111–22, set out as an Effective Date of 2009 Amendment note under section 11302 of this title.

DEFINITION

For provisions relating to definition of “local government” as used in this section, see section 100261 of Pub. L. 112–141, set out as a HEARTH Act Technical Corrections note under section 11360 of this title.

§ 11384. Incentives for high-performing communities

(a) Designation as a high-performing community

(1) In general

The Secretary shall designate, on an annual basis, which collaborative applicants represent high-performing communities.

(2) Consideration

In determining whether to designate a collaborative applicant as a high-performing community under paragraph (1), the Secretary shall establish criteria to ensure that the requirements described under paragraphs (1)(B) and (2)(B) of subsection (d) are measured by comparing homeless individuals and families under similar circumstances, in order to encourage projects in the geographic area to serve homeless individuals and families with more severe barriers to housing stability.

(3) 2-year phase in

In each of the first 2 years after the effective date under section 1503 of the Homeless Emergency Assistance and Rapid Transition to Housing Act of 2009, the Secretary shall des-
§ 11384  TITLE 42—THE PUBLIC HEALTH AND WELFARE

ignat not more than 10 collaborative applicants as high-performing communities.

(4) Excess of qualified applicants

If, during the 2-year period described under paragraph (2), more than 10 collaborative applicants could qualify to be designated as high-performing communities, the Secretary shall designate the 10 that have, in the discretion of the Secretary, the best performance based on the criteria described under subsection (d).

(5) Time limit on designation

The designation of any collaborative applicant as a high-performing community under this subsection shall be effective only for the year in which such designation is made. The Secretary, on an annual basis, may renew any such designation.

(b) Application

(1) In general

A collaborative applicant seeking designation as a high-performing community under subsection (a) shall submit an application to the Secretary at such time, and in such manner as the Secretary may require.

(2) Content of application

In any application submitted under paragraph (1), a collaborative applicant shall include in such application—

(A) a report showing how any money received under this part in the preceding year was expended; and

(B) information that such applicant can meet the requirements described under subsection (d).

(3) Publication of application

The Secretary shall—

(A) publish any report or information submitted in an application under this section in the geographic area represented by the collaborative applicant; and

(B) seek comments from the public as to whether the collaborative applicant seeking designation as a high-performing community meets the requirements described under subsection (d).

(c) Use of funds

Funds awarded under section 11382(a) of this title to a project sponsor who is located in a high-performing community may be used—

(1) for any of the eligible activities described in section 11383 of this title; or

(2) for any of the eligible activities described in paragraphs (4) and (5) of section 11374(a) of this title.

(d) Definition of high-performing community

For purposes of this section, the term “high-performing community” means a geographic area that demonstrates through reliable data that all five of the following requirements are met for that geographic area:

(1) Term of homelessness

The mean length of episodes of homelessness for that geographic area—

(A) is less than 20 days; or

(B) for individuals and families in similar circumstances in the preceding year was at least 10 percent less than in the year before.

(2) Families leaving homelessness

Of individuals and families—

(A) who leave homelessness, fewer than 5 percent of such individuals and families become homeless again at any time within the next 2 years; or

(B) in similar circumstances who leave homelessness, the percentage of such individuals and families who become homeless again within the next 2 years has decreased by at least 20 percent from the preceding year.

(3) Community action

The communities that compose the geographic area have—

(A) actively encouraged homeless individuals and families to participate in homeless assistance services available in that geographic area; and

(B) included each homeless individual or family who sought homeless assistance services in the data system used by that community for determining compliance with this subsection.

(4) Effectiveness of previous activities

If recipients in the geographic area have used funding awarded under section 11382(a) of this title for eligible activities described under section 11374(a) of this title in previous years based on the authority granted under subsection (c), that such activities were effective at reducing the number of individuals and families who became homeless in that community.

(5) Flexibility to serve persons defined as homeless under other Federal laws

With respect to collaborative applicants exercising the authority under section 11382(j) of this title to serve homeless families with children and youth defined as homeless under other Federal statutes, effectiveness in achieving the goals and outcomes identified in subsection 1 11386a(b)(1)(F) of this title according to such standards as the Secretary shall promulgate.

(e) Cooperation among entities

A collaborative applicant designated as a high-performing community under this section shall cooperate with the Secretary in distributing information about successful efforts within the geographic area represented by the collaborative applicant to reduce homelessness.


REFERENCES IN TEXT


1 So in original. Probably should be “section”.

§ 11385. Supportive services

(a) In general

To the extent practicable, each project shall provide supportive services for residents of the project and homeless persons using the project, which may be designed by the recipient or participants.

(b) Requirements

Supportive services provided in connection with a project shall address the special needs of individuals (such as homeless persons with disabilities and homeless families with children) intended to be served by a project.

(c) Services

Supportive services may include such activities as (A) establishing and operating a child care services program for homeless families, (B) establishing and operating an employment assistance program, (C) providing outpatient health services, food, and case management, (D) providing assistance in obtaining permanent housing, employment counseling, and nutritional counseling, (E) providing security arrangements necessary for the protection of residents of supportive housing and for homeless persons using the housing or project, (F) providing assistance in obtaining other Federal, State, and local assistance available for such residents (including mental health benefits, employment counseling, and medical assistance, but not including major medical equipment), and (G) providing other appropriate services.

(d) Provision of services

Services provided pursuant to this section may be provided directly by the recipient or by contract with other public or private service providers. Such services may be provided to homeless individuals who do not reside in supportive housing.

(e) Coordination with Secretary of Health and Human Services

(1) Approval

Promptly upon receipt of any application for assistance under this part that includes the provision of outpatient health services, the Secretary of Housing and Urban Development shall consult with the Secretary of Health and Human Services with respect to the proposed outpatient health services. If, within 45 days of such consultation, the Secretary of Health and Human Services determines that the proposal for delivery of the outpatient health services does not meet guidelines for determining the appropriateness of such proposed services, the Secretary of Housing and Urban Development may require resubmission of the application and, and the Secretary of Housing and Urban Development may not approve such portion of the application unless and until such portion has been resubmitted in a form that the Secretary of Health and Human Services determines meets such guidelines.

(2) Guidelines

The Secretary of Housing and Urban Development and the Secretary of Health and Human Services shall jointly establish guidelines for determining the appropriateness of proposed outpatient health services under this section. Such guidelines shall include any provisions necessary to enable the Secretary of Housing and Urban Development to meet the time limits under this part for the final selection of applications for assistance.

§ 11386. Program requirements

(a) Site control

The Secretary shall require that each application include reasonable assurances that the applicant will own or have control of a site for the proposed project not later than the expiration of the 12-month period beginning upon notification of an award for grant assistance, unless the application proposes providing supportive housing assistance under section 11383(a)(3) of this title or housing that will eventually be owned or controlled by the families and individuals served. An applicant may obtain ownership or control of a suitable site different from the site specified in the application. If any recipient or project sponsor fails to obtain ownership or control of the site within 12 months after notification of an award for grant assistance, the grant shall be recaptured and reallocated under this part.

(b) Required agreements

The Secretary may not provide assistance for a proposed project under this part unless the collaborative applicant involved agrees—

(1) to ensure the operation of the project in accordance with the provisions of this part;

(2) to monitor and report to the Secretary the progress of the project;
(3) to ensure, to the maximum extent practicable, that individuals and families experiencing homelessness are involved, through employment, provision of volunteer services, or otherwise, in constructing, rehabilitating, maintaining, and operating facilities for the project and in providing supportive services for the project; 
(4) to require certification from all project sponsors that—
(A) they will maintain the confidentiality of records pertaining to any individual or family provided family violence prevention or treatment services through the project;
(B) that the address or location of any family violence shelter project assisted under this part will not be made public, except with written authorization of the person responsible for the operation of such project;
(C) they will establish policies and practices that are consistent with, and do not restrict the exercise of rights provided by, part B of subchapter VI [42 U.S.C. 11431 et seq.], and other laws relating to the provision of educational and related services to individuals and families experiencing homelessness;
(D) in the case of programs that provide housing or services to families, they will designate a staff person to be responsible for ensuring that children being served in the program are enrolled in school and connected to appropriate services in the community, including early childhood programs such as Head Start, part C of the Individuals with Disabilities Education Act [20 U.S.C. 1431 et seq.], and programs authorized under part B of subchapter VI of this chapter (42 U.S.C. 11431 et seq.); and
(E) they will provide data and reports as required by the Secretary pursuant to the Act; 
(5) if a collaborative applicant is a unified funding agency under section 11360a(g) of this title and receives funds under this part to carry out the payment of administrative costs described in section 11383(a)(11) of this title, to establish such fiscal control and fund accounting procedures as may be necessary to assure the proper disbursement of, and accounting for, such funds in order to ensure that all financial transactions carried out with such funds are conducted, and records maintained, in accordance with generally accepted accounting principles;
(6) to monitor and report to the Secretary the provision of matching funds as required by section 11386d of this title;
(7) to take the educational needs of children into account when families are placed in emergency or transitional shelter and will, to the maximum extent practicable, place families with children as close as possible to their school of origin so as not to disrupt such children’s education; and
(8) to comply with such other terms and conditions as the Secretary may establish to carry out this part in an effective and efficient manner.

(c) Occupancy charge
Each homeless individual or family residing in a project providing supportive housing may be required to pay an occupancy charge in an amount determined by the recipient or project sponsor providing the project, which may not exceed the amount determined under section 1137a(a) of this title. Occupancy charges paid may be reserved, in whole or in part, to assist residents in moving to permanent housing.

(d) Flood protection standards
Flood protection standards applicable to housing acquired, rehabilitated, constructed, or assisted under this part shall be no more restrictive than the standards applicable under Executive Order No. 11988 (May 24, 1977) to the other programs under this subchapter.

(e) Participation of homeless individuals
The Secretary shall, by regulation, require each recipient or project sponsor to provide for the participation of not less than 1 homeless individual or former homeless individual on the board of directors or other equivalent policy-making entity of the recipient or project sponsor, to the extent that such entity considers and makes policies and decisions regarding any project, supportive services, or assistance provided under this part. The Secretary may grant waivers to applicants unable to meet the requirement under the preceding sentence if the applicant agrees to otherwise consult with homeless or formerly homeless individuals in considering and making such policies and decisions.

(f) Limitation on use of funds
No assistance received under this part (or any State or local government funds used to supplement such assistance) may be used to replace other State or local funds previously used, or designated for use, to assist homeless persons.

(g) Termination of assistance
If an individual or family who receives assistance under this part (not including residents of an emergency shelter) from a recipient violates program requirements, the recipient may terminate assistance in accordance with a formal process established by the recipient that recognizes the rights of individuals receiving such assistance to due process of law, which may include a hearing.

References to Tables

References in Text

The Individuals with Disabilities Education Act, referred to in subsec. (b)(4)(D), is title VI of Pub. L. 91–230, Apr. 13, 1970, 84 Stat. 175. Part C of the Act is classified generally to subchapter III (§1431 et seq.) of chapter 33 of Title 20, Education. For complete classification of this Act to the Code, see section 1400 of Title 20 and Tables.

The Act, referred to in subsec. (b)(4)(E), probably means ‘‘this Act’’, Pub. L. 100–77, July 22, 1987, 101 Stat. 482, known as the McKinney-Vento Homeless Assistance Act, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 11301 of this title and Tables.
Executive Order No. 11988, referred to in subsec. (d), is set out as a note under section 4321 of this title.

PRIOR PROVISIONS


AMENDMENTS

2009—Subsecs. (a), (b), Pub. L. 111–22, §1304(1), added subsecs. (a) and (b) and struck out former subsecs. (a) and (b) which related to applications and selection criteria, respectively.

Subsec. (c), Pub. L. 111–22, §1304(1)–(3), redesignated subsec. (d) as (c), substituted “recipient or project sponsor” for “recipient” in first sentence, and struck out former subsec. (c) which related to required agreements.

Subsec. (d), Pub. L. 111–22, §1304(5), redesignated subsec. (f) as (d). Former subsec. (d) redesignated (c).

Subsec. (e), Pub. L. 111–22, §1304(4)–(6), redesignated subsec. (g) as (e), substituted “recipient or project sponsor” for “recipient” in two places in first sentence, and struck out former subsec. (e). Text of subsec. (e) read as follows: “Each recipient shall be required to supplement the amount of assistance provided under paragraphs (1) and (2) of section 11383(a) of this title with an equal amount of funds from sources other than this part.”

Subsec. (f), Pub. L. 111–22, §1304(5), redesignated subsec. (h) as (f). Former subsec. (f) redesignated (d).

Subsec. (g), Pub. L. 111–22, §1304(8), redesignated subsec. (j) as (g). Former subsec. (g) redesignated (e).

Subsec. (h), Pub. L. 111–22, §1304(5), redesignated subsec. (h) as (f).

Subsec. (i), Pub. L. 111–22, §1304(7), struck out subsec. (i). Text read as follows: “No recipient may use more than 5 percent of a grant received under this part for administrative purposes.”

Subsec. (j), Pub. L. 111–22, §1304(8), redesignated subsec. (j) as (g).

EFFECTIVE DATE OF 2009 AMENDMENT

Amendment by Pub. L. 111–22 effective on the earlier of 18 months after May 20, 2009, or 3 months after publication of certain final regulations by Secretary of Housing and Urban Development, see section 1503 of Pub. L. 111–22, set out as a note under section 11302 of this title.

DEFINITION

For provisions relating to definition of “local government” as used in this section, see section 100261 of Pub. L. 112–141, set out as a HEARTH Act Technical Corrections note under section 11360 of this title.

§11386a. Selection criteria

(a) In general

The Secretary shall award funds to recipients through a national competition between geographic areas based on criteria established by the Secretary.

(b) Required criteria

(1) In general

The criteria established under subsection (a) shall include—

(A) the previous performance of the recipient regarding homelessness, including performance related to funds provided under section 11372 of this title (except that recipients applying from geographic areas where no funds have been awarded under this part, or under parts C, D, E, or F of subchapter IV of this chapter, as in effect prior to May 20, 2009, shall receive full credit for performance under this subparagraph), measured by criteria that shall be announced by the Secretary, that shall take into account barriers faced by individual homeless people, and that shall include—

(i) the length of time individuals and families remain homeless;

(ii) the extent to which individuals and families who leave homelessness experience additional spells of homelessness;

(iii) the thoroughness of grantees in the geographic area in reaching homeless individuals and families;

(iv) overall reduction in the number of homeless individuals and families;

(v) jobs and income growth for homeless individuals and families;

(vi) success at reducing the number of individuals and families who become homeless;

(vii) other accomplishments by the recipient related to reducing homelessness; and

(viii) for collaborative applicants that have exercised the authority under section 11382(j) of this title to serve families with children and youth defined as homeless under other Federal statutes, success in achieving the goals and outcomes identified in subsection (b)(1)(F);

(B) the plan of the recipient, which shall describe—

(i) how the number of individuals and families who become homeless will be reduced in the community;

(ii) how the length of time that individuals and families remain homeless will be reduced;

(iii) how the recipient will collaborate with local education authorities to assist in the identification of individuals and families who become or remain homeless and are informed of their eligibility for services under part B of subchapter VI of this chapter (42 U.S.C. 11341 et seq.);

(iv) the extent to which the recipient will—

(I) address the needs of all relevant subpopulations;

(II) incorporate comprehensive strategies for reducing homelessness, including the interventions referred to in section 11386b(d) of this title;

(III) set quantifiable performance measures;

(IV) set timelines for completion of specific tasks;

(V) identify specific funding sources for planned activities; and

(VI) identify an individual or body responsible for overseeing implementation of specific strategies; and

(v) whether the recipient proposes to exercise authority to use funds under section 11382(j) of this title, and if so, how the recipient will achieve the goals and outcomes identified in subsection (b)(1)(F);

(C) the methodology of the recipient used to determine the priority for funding local
projects under section 11382(c)(1) of this title, including the extent to which the priority-setting process—

(i) uses periodically collected information and analysis to determine the extent to which each project has resulted in rapid return to permanent housing for those served by the project, taking into account the severity of barriers faced by the people the project serves;

(ii) considers the full range of opinions from individuals or entities with knowledge of homelessness in the geographic area or an interest in preventing or ending homelessness in the geographic area;

(iii) is based on objective criteria that have been publicly announced by the recipient; and

(iv) is open to proposals from entities that have not previously received funds under this part;

(D) the extent to which the amount of assistance to be provided under this part to the recipient will be supplemented with resources from other public and private sources, including mainstream programs identified by the Government Accountability Office in the two reports described in section 11313(a)(7) of this title;

(E) demonstrated coordination by the recipient with the other Federal, State, local, private, and other entities serving individuals and families experiencing homelessness and at risk of homelessness in the planning and operation of projects;

(F) for collaborative applicants exercising the authority under section 11382(j) of this title to serve homeless families with children and youth defined as homeless under the Federal statutes, program goals and outcomes, which shall include—

(i) preventing homelessness among the subset of such families with children and youth who are at highest risk of becoming homeless, as such term is defined for purposes of this subchapter; or

(ii) achieving independent living in permanent housing among such families with children and youth, especially those who have a history of doubled-up and other temporary housing situations or are living in a temporary housing situation due to lack of available and appropriate emergency shelter, through the provision of eligible assistance that directly contributes to achieving such results including assistance to address chronic disabilities, chronic physical health or mental health conditions, substance addiction, histories of domestic violence or childhood abuse, or multiple barriers to employment; and

(G) such other factors as the Secretary determines to be appropriate to carry out this part in an effective and efficient manner.

(2) Additional criteria

In addition to the criteria required under paragraph (1), the criteria established under paragraph (1) shall also include the need within the geographic area for homeless services, determined as follows and under the following conditions:

(A) Notice

The Secretary shall inform each collaborative applicant, at a time concurrent with the release of the notice of funding availability for the grants, of the pro rata estimated grant amount under this part for the geographic area represented by the collaborative applicant.

(B) Amount

(i) Formula

Such estimated grant amounts shall be determined by a formula, which shall be developed by the Secretary, by regulation, not later than the expiration of the 2-year period beginning upon May 20, 2009, that is based upon factors that are appropriate to allocate funds to meet the goals and objectives of this part.

(ii) Combinations or consortia

For a collaborative applicant that represents a combination or consortium of cities or counties, the estimated need amount shall be the sum of the estimated need amounts for the cities or counties represented by the collaborative applicant.

(iii) Authority of Secretary

Subject to the availability of appropriations, the Secretary shall increase the estimated need amount for a geographic area if necessary to provide 1 year of renewal funding for all expiring contracts entered into under this part for the geographic area.

(3) Homelessness counts

The Secretary shall not require that communities conduct an actual count of homeless people other than those described in paragraphs (1) through (4) of section 11302(a) of this title.

(c) Adjustments

The Secretary may adjust the formula described in subsection (b)(2) as necessary—

(1) to ensure that each collaborative applicant has sufficient funding to renew all qualified projects for at least one year; and

(2) to ensure that collaborative applicants are not discouraged from replacing renewal projects with new projects that the collaborative applicant determines will better be able to meet the purposes of this chapter.


REFERENCES IN TEXT

This chapter, referred to in subsec. (c)(2), was in the original “this Act”, meaning Pub. L. 100–77, July 22, 1987, 101 Stat. 482, known as the McKinney-Vento Homeless Assistance Act. For complete classification of this Act to the Code, see Short Title note set out under section 11301 of this title and Tables.

PRIOR PROVISIONS

A prior section 427 of Pub. L. 100–77 was renumbered section 433 and is classified to section 11387 of this title.

**Effective Date**

Section effective on the earlier of 18 months after May 20, 2009, or 3 months after publication of certain final regulations by Secretary of Housing and Urban Development, see section 1503 of Pub. L. 111–22, set out as an Effective Date of 2009 Amendment note under section 11302 of this title.

§ 11386b. Allocation of amounts and incentives for specific eligible activities

(a) Minimum allocation for permanent housing for homeless individuals and families with disabilities

(1) In general

From the amounts made available to carry out this part for a fiscal year, a portion equal to not less than 30 percent of the sums made available to carry out part B and this part, shall be used for permanent housing for homeless individuals with disabilities and homeless families that include such an individual who is an adult or a minor head of household if no adult is present in the household.

(2) Calculation

In calculating the portion of the amount described in paragraph (1) that is used for activities that are described in paragraph (1), the Secretary shall not count funds made available to renew contracts for existing projects under section 11386c of this title.

(3) Adjustment

The 30 percent figure in paragraph (1) shall be reduced proportionately based on need under section 11386a(b)(2) of this title in geographic areas for which subsection (e) applies in regard to subsection (d)(2)(A).

(4) Suspension

The requirement established in paragraph (1) shall be suspended for any year in which funding available for grants under this part after making the allocation established in paragraph (1) would not be sufficient to renew for 1 year all existing grants that would otherwise be fully funded under this part.

(5) Termination

The requirement established in paragraph (1) shall terminate upon a finding by the Secretary that since the beginning of 2001 at least 150,000 new units of permanent housing for homeless individuals and families with disabilities have been funded under this part.

(b) Set-aside for permanent housing for homeless families with children

From the amounts made available to carry out this part for a fiscal year, a portion equal to not less than 10 percent of the sums made available to carry out part B and this part for that fiscal year shall be used to provide or secure permanent housing for homeless families with children.

(c) Treatment of amounts for permanent or transitional housing

Nothing in this chapter may be construed to establish a limit on the amount of funding that an applicant may request under this part for acquisition, construction, or rehabilitation activities for the development of permanent housing or transitional housing.

(d) Incentives for proven strategies

(1) In general

The Secretary shall provide bonuses or other incentives to geographic areas for using funding under this part for activities that have been proven to be effective at reducing homelessness generally, reducing homelessness for a specific subpopulation, or achieving homelessness prevention and independent living goals as set forth in section 11386a(b)(1)(P) of this title.

(2) Rule of construction

For purposes of this subsection, activities that have been proven to be effective at reducing homelessness generally or reducing homelessness for a specific subpopulation includes—

(A) permanent supportive housing for chronically homeless individuals and families;

(B) for homeless families, rapid rehousing services, short-term flexible subsidies to overcome barriers to rehousing, support services concentrating on improving incomes to pay rent, coupled with performance measures emphasizing rapid and permanent rehousing and with leveraging funding from mainstream family service systems such as Temporary Assistance for Needy Families and Child Welfare services; and

(C) any other activity determined by the Secretary, based on research and after notice and comment to the public, to have been proven effective at reducing homelessness generally, reducing homelessness for a specific subpopulation, or achieving homelessness prevention and independent living goals as set forth in section 11386a(b)(1)(P) of this title.

(3) Balance of incentives for proven strategies

To the extent practicable, in providing bonuses or incentives for proven strategies, the Secretary shall seek to maintain a balance among strategies targeting homeless individuals, families, and other subpopulations. The Secretary shall not implement bonuses or incentives that specifically discourage collaborative applicants from exercising their flexibility to serve families with children and youth defined as homeless under other Federal statutes.

(e) Incentives for successful implementation of proven strategies

If any geographic area demonstrates that it has fully implemented any of the activities described in subsection (d) for all homeless individuals and families or for all members of subpopulations for whom such activities are targeted, that geographic area shall receive the bonus or incentive provided under subsection (d), but may use such bonus or incentive for any
eligible activity under either section 11383 of this title or paragraphs (4) and (5) of section 11374(a) of this title for homeless people generally or for the relevant subpopulation.


References in Text
This chapter, referred to in subsec. (c), was in the original "this Act", meaning Pub. L. 100–77, July 22, 1987, 101 Stat. 482, known as the McKinney-Vento Homeless Assistance Act. For complete classification of this Act to the Code, see Short Title note set out under section 11301 of this title and Tables.

Prior Provisions
A prior section 428 of Pub. L. 100–77 was renumbered section 434 and is classified to section 11388 of this title.


Effective Date
Section effective on the earlier of 18 months after May 20, 2009, or 3 months after publication of certain final regulations by Secretary of Housing and Urban Development, see section 1503 of Pub. L. 111–22, set out as an Effective Date of 2009 Amendment note under section 11302 of this title.

§ 11386c. Renewal funding and terms of assistance for permanent housing

(a) In general
Renewal of expiring contracts for leasing, rental assistance, or operating costs for permanent housing contracts may be funded either—

1. under the appropriations account for this subchapter; or

2. the section 8 [42 U.S.C. 1437f] project-based rental assistance account.

(b) Renewals

The sums made available under subsection (a) shall be available for the renewal of contracts in the case of tenant-based assistance, successive 1-year terms, and in the case of project-based assistance, successive terms of up to 15 years at the discretion of the applicant or project sponsor and subject to the availability of annual appropriations, for rental assistance and housing operation costs associated with permanent housing projects funded under this part, or under part C or F (as in effect on the day before the effective date of the Homeless Emergency Assistance and Rapid Transition to Housing Act of 2009). The Secretary shall determine whether to renew a contract for such a permanent housing project on the basis of certification by the collaborative applicant for the geographic area that—

1. there is a demonstrated need for the project; and

2. the project complies with program requirements and appropriate standards of housing quality and habitability, as determined by the Secretary.

(c) Construction

Nothing in this section shall be construed as prohibiting the Secretary from renewing contracts under this part in accordance with criteria set forth in a provision of this part other than this section.


References in Text
The effective date of the Homeless Emergency Assistance and Rapid Transition to Housing Act of 2009, referred to in subsec. (b), probably means the general effective date under section 1503 of Pub. L. 111–22, which is set out as an Effective Date of 2009 Amendment note under section 11302 of this title.

Prior Provisions

Effective Date
Section effective on the earlier of 18 months after May 20, 2009, or 3 months after publication of certain final regulations by Secretary of Housing and Urban Development, see section 1503 of Pub. L. 111–22, set out as an Effective Date of 2009 Amendment note under section 11302 of this title.

§ 11386d. Matching funding

(a) In general

A collaborative applicant in a geographic area in which funds are awarded under this part shall specify contributions from any source other than a grant awarded under this part, including renewal funding of projects assisted under parts C, D, and F of this subchapter as in effect before the effective date under section 1503 of the Homeless Emergency Assistance and Rapid Transition to Housing Act of 2009, that shall be made available in the geographic area in an amount equal to not less than 25 percent of the funds provided to recipients in the geographic area, except that grants for leasing shall not be subject to any match requirement.

(b) Limitations on in-kind match

The cash value of services provided to the residents or clients of a project sponsor by an entity other than the project sponsor may count toward the contributions in subsection (a) only when documented by a memorandum of understanding between the project sponsor and the other entity that such services will be provided.

(c) Countable activities

The contributions required under subsection (a) may consist of—

1. funding for any eligible activity described under section 11383 of this title; and

2. subject to subsection (b), in-kind provision of services of any eligible activity described under section 11383 of this title.


References in Text
The effective date of the Homeless Emergency Assistance and Rapid Transition to Housing Act of 2009, referred to
in subsec. (a), is section 1503 of Pub. L. 111–22, which is set out as an Effective Date of 2009 Amendment note under section 11302 of this title.

Effective Date
Section effective on the earlier of 18 months after May 20, 2009, or 3 months after publication of certain final regulations by Secretary of Housing and Urban Development, see section 1503 of Pub. L. 111–22, set out as an Effective Date of 2009 Amendment note under section 11302 of this title.

§ 11386e. Appeal procedure
(a) In general
With respect to funding under this part, if certification of consistency with the consolidated plans is unreasonable withheld from an applicant who has submitted an application for such certification, such applicant may appeal such decision to the Secretary.

(b) Procedure
The Secretary shall establish a procedure to process the appeals described in subsection (a).

(c) Determination
Not later than 45 days after the date of receipt of an appeal described in subsection (a), the Secretary shall determine if certification was unreasonable withheld. If such certification was unreasonable withheld, the Secretary shall review such application and determine if such applicant shall receive funding under this part.

Prior Provisions

Effective Date
Section effective on the earlier of 18 months after May 20, 2009, or 3 months after publication of certain final regulations by Secretary of Housing and Urban Development, see section 1503 of Pub. L. 111–22, set out as an Effective Date of 2009 Amendment note under section 11302 of this title.

§ 11386f. Geographic areas
(a) Requirement to define
For purposes of this part, the term “geographic area” shall have such meaning as the Secretary shall by notice provide.

(b) Issuance of notice
Not later than the expiration of the 90-day period beginning on July 29, 2016, the Secretary shall issue a notice setting forth the definition required by subsection (a).

Prior Provisions
A prior section 432 of Pub. L. 100–77 was renumbered section 433 and is classified to section 11388 of this title.


A prior section 433 of Pub. L. 100–77 was renumbered section 434 and is classified to section 11388 of this title.


§ 11388. Reports to Congress
The Secretary shall submit a report to the Congress annually, summarizing the activities carried out under this part and setting forth the findings, conclusions, and recommendations of the Secretary as a result of the activities. The report shall be submitted not later than 4 months after the end of each fiscal year (except that, in the case of fiscal year 1993, the report shall be submitted not later than 6 months after the end of the fiscal year).

Prior Provisions

A prior section 434 of Pub. L. 100–77 was renumbered section 435 and is classified to section 11388 of this title.

Prior Provisions

Prior Provisions


Prior Provisions
Prior sections 11391 to 11407h, consisting of former parts D to F of this subchapter which related to safe havens for homeless individuals demonstration program, miscellaneous provisions, and shelter plus care programs, respectively, were repealed by Pub. L. 111–22, div. B, title V, § 1501, May 20, 2009, 123 Stat. 1701, effective on the earlier of 18 months after May 20, 2009, or 3 months after publication of certain final regulations by Secretary of Housing and Urban Development, see section 111–22, set out as an Effective Date of 2009 Amendment note under section 11302 of this title.


Another prior section 11393, Pub. L. 100–77, title IV, § 433, July 22, 1987, 101 Stat. 507, which related to establishment of regulations for program to provide supplemental assistance for facilities to assist the homeless, was repealed by Pub. L. 102–550, § 1403(a).


§ 11408. Rural housing stability grant program

(a) Establishment

The Secretary of Housing and Urban Development shall establish and carry out a rural housing stability grant program. In carrying out the program, the Secretary may award grants to eligible organizations in lieu of grants under part C in order to pay for the Federal share of the cost of—

(1) rehousing or improving the housing situations of individuals and families who are homeless or in the worst housing situations in the geographic area;

(2) stabilizing the housing of individuals and families who are in imminent danger of losing housing; and

(3) improving the ability of the lowest-income residents of the community to afford stable housing.

(b) Use of funds

(1) In general

An eligible organization may use a grant awarded under subsection (a) to provide, in rural areas—

(A) rent, mortgage, or utility assistance after 2 months of nonpayment in order to prevent eviction, foreclosure, or loss of utility service;

(B) security deposits, rent for the first month of residence at a new location, and relocation assistance;

(C) short-term emergency lodging in motels or shelters, either directly or through vouchers;

(D) construction of new housing units to provide transitional or permanent housing to homeless individuals and families and individuals and families at risk of homelessness;

(E) acquisition or rehabilitation of a structure to provide supportive services or to provide transitional or permanent housing, other than emergency shelter, to homeless individuals and families and individuals and families at risk of homelessness;

(F) leasing of property, or portions of property, not owned by the recipient or project sponsor involved, for use in providing transitional or permanent housing to homeless individuals and families and individuals and families at risk of homelessness, or providing supportive services to such homeless and at-risk individuals and families;

(G) provision of rental assistance to provide transitional or permanent housing to homeless individuals and families and individuals and families at risk of homelessness, or providing supportive services to such homeless and at-risk individuals and families;

(H) payment of operating costs for housing units assisted under this subchapter;

(I) rehabilitation and repairs such as insulation, window repair, door repair, roof repair, and repairs that are necessary to make premises habitable;

(J) development of comprehensive and coordinated support services that use and supplement, as needed, community networks of services, including—

(i) outreach services to reach eligible recipients;

(ii) case management;

(iii) housing counseling;

(iv) budgeting;

(v) job training and placement;

(vi) primary health care;

(vii) mental health services;

(viii) substance abuse treatment;

(ix) child care;

(x) transportation;

(xi) emergency food and clothing;

(xii) family violence services;

(xiii) education services;

(xiv) moving services;

(xv) entitlement assistance; and

(xvi) referrals to veterans services and legal services; and

(K) costs associated with making use of Federal inventory property programs to

Prior provisions

A prior part D, consisting of sections 11391 to 11399, which related to safe havens for homeless individuals demonstration program, was repealed by Pub. L. 111–22, div. B, title IV, § 1401(1), title V, § 1502(c)(1)(B), May 20, 2009, 123 Stat. 1701, effective on the earlier of 18 months after May 20, 2009, or 3 months after publication of certain final regulations by Secretary of Housing and Urban Development, see section 1503 of Pub. L. 111–22, set out as an Effective Date of 2009 Amendment note under section 11302 of this title.

Prior provisions

A prior part D, consisting of sections 11391 to 11397, which related to safe havens for homeless individuals demonstration program, was repealed by Pub. L. 111–22, div. B, title IV, § 1401(1), title V, § 1502(c)(1)(B), May 20, 2009, 123 Stat. 1701, effective on the earlier of 18 months after May 20, 2009, or 3 months after publication of certain final regulations by Secretary of Housing and Urban Development, see section 1503 of Pub. L. 111–22, set out as an Effective Date of 2009 Amendment note under section 11302 of this title. See notes set out under former section 11399 of this title.

Effective date of repeal

Repeal effective on the earlier of 18 months after May 20, 2009, or 3 months after publication of certain final regulations by Secretary of Housing and Urban Development, see section 1503 of Pub. L. 111–22, set out as an Effective Date of 2009 Amendment note under section 11302 of this title.

Part D—Rural housing stability assistance program

Codification

house homeless families, including the program established under subchapter V of this chapter and the Single Family Property Disposition Program established pursuant to section 1710(p) of title 12.

(2) Capacity building activities

Not more than 20 percent of the funds transferred under subsection (l)(1) for a fiscal year may be used by eligible organizations for capacity building activities, including payment of operating costs and staff retention.

(c) Award of grants

(1) Communities with populations of less than 10,000

(A) Set aside

In awarding grants under subsection (a) for a fiscal year, the Secretary shall make available not less than 50 percent of the funds transferred under subsection (l)(1) for the fiscal year for grants to eligible organizations serving communities that have populations of less than 10,000.

(B) Priority within set aside

In awarding grants in accordance with subparagraph (A), the Secretary shall give priority to eligible organizations serving communities with populations of less than 5,000.

(2) Communities without significant Federal assistance

In awarding grants under subsection (a), including grants awarded in accordance with paragraph (1), the Secretary shall give priority to eligible organizations serving communities not currently receiving significant Federal assistance under this chapter.

(3) State limit

In awarding grants under subsection (a) for a fiscal year, the Secretary shall not award to eligible organizations within a State an aggregate sum of more than 10 percent of the funds transferred under subsection (l)(1), for the fiscal year.

(d) Application

In order to be eligible to receive a grant under subsection (a), an organization shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require. The application shall include, at a minimum—

(1) a description of the target population and geographic area to be served;
(2) a description of the types of assistance to be provided;
(3) an assurance that the assistance to be provided is closely related to the identified needs of the target population;
(4) a description of the existing assistance available to the target population, including Federal, State, and local programs, and a description of the manner in which the organization will coordinate with and expand existing assistance or provide assistance not available in the immediate area;
(5) an agreement by the organization that the organization will collect data on the projects conducted by the organization, including assistance provided, number and characteristics of persons served, and causes of homelessness for persons served;
(6) a description of how individuals and families who are homeless or who have the lowest incomes in the community will be involved by the organization through employment, volunteer services, and otherwise, in providing, operating, and rehabilitating housing assisted under this section and in providing services assisted under this section and services for occupants of housing assisted under this section;
(7) a description of consultations that took place within the community to ascertain the most important uses for funding under this section, including the involvement of potential beneficiaries of the project; and
(8) a description of the extent and nature of homelessness and of the worst housing situations in the community.

(e) Eligible organizations

Organizations eligible to receive a grant under subsection (a) shall include private nonprofit entities and county and local governments.

(f) Matching funding

(1) In general

An organization eligible to receive a grant under subsection (a) shall specify matching contributions from any source other than a grant awarded under this part, that shall be made available in the geographic area in an amount equal to not less than 25 percent of the funds provided for the project or activity, except that grants for leasing shall not be subject to any match requirement.

(2) Limitations on in-kind match

The cash value of services provided to the beneficiaries or clients of an eligible organization by an entity other than the organization may count toward the contributions in paragraph (1) only when documented by a memorandum of understanding between the organization and the other entity that such services will be provided.

(3) Countable activities

The contributions required under paragraph (1) may consist of—

(A) funding for any eligible activity described under subsection (b); and
(2) subject to paragraph (2), in-kind provision of services of any eligible activity described under subsection (b).

(g) Selection criteria

The Secretary shall establish criteria for selecting recipients of grants under subsection (a), including—

(1) the participation of potential beneficiaries of the project in assessing the need for, and importance of, the project in the community;
(2) the degree to which the project addresses the most harmful housing situations present in the community;
(3) the degree of collaboration with others in the community to meet the goals described in subsection (a);
(4) the performance of the organization in improving housing situations, taking account
of the severity of barriers of individuals and families served by the organization;
(5) for organizations that have previously received funding under this section, the extent of improvement in homelessness and the worst housing situations in the community since such funding began;
(6) the need for such funds, as determined by the formula established under section 11386a(b)(2) of this title; and
(7) any other relevant criteria as determined by the Secretary.

(h) Evaluation

(1) In general

Not later than 18 months after funding is first made available pursuant to the amendments made by title IV of the Homeless Emergency Assistance and Rapid Transition to Housing Act of 2009, the Secretary shall conduct an evaluation of the program to—
(A) determine the effectiveness of the program in meeting the goals described in subsection (a) in the area served; and
(B) determine the types of assistance needed to meet the goals described in subsection (a) in rural areas.

(2) Report

Not later than 24 months after funding is first made available pursuant to the amendments made by title IV of the Homeless Emergency Assistance and Rapid Transition to Housing Act of 2009, the Secretary shall submit to Congress the evaluation of the program conducted under paragraph (1), including recommendations for any Federal administrative or legislative changes that may be necessary to improve the ability of rural communities to meet the goals described in subsection (a).

(i) Technical assistance

The Secretary shall provide technical assistance to eligible organizations in developing programs in accordance with this section, and in gaining access to other Federal resources that may be used to assist homeless persons in rural areas. Such assistance may be provided through regional workshops, and may be provided directly or through grants to, or contracts with, nongovernmental entities.

(j) Termination of assistance

If an individual or family who receives assistance under this section violates requirements of the assistance program provided by the organization receiving a grant under this section, the organization may terminate assistance in accordance with a formal process established by the organization that recognizes the rights of individuals receiving such assistance to due process of law, which may include a hearing.

(k) Definitions

For purposes of this section:

(1) Program

The term “program” means the rural housing stability grant program established under this section.

(2) Rural area; rural community

The terms “rural area” and “rural community” mean—

(A) any area or community, respectively, no part of which is within an area designated as a standard metropolitan statistical area by the Office of Management and Budget;
(B) any area or community, respectively, that is—
(i) within an area designated as a metropolitan statistical area or considered as part of a metropolitan statistical area; and
(ii) located in a county where at least 75 percent of the population is rural; or
(C) any area or community, respectively, located in a State that has population density of less than 3 persons per square mile (as reported in the most recent decennial census), and of which at least 1.25 percent of the total acreage of such State is under Federal jurisdiction, provided that no metropolitan city (as such term is defined in section 5302 of this title) in such State is the sole beneficiary of the grant amounts awarded under this section.

(3) Secretary

The term “Secretary” means the Secretary of Housing and Urban Development.

(l) Program funding

(1) In general

The Secretary shall determine the total amount of funding attributable under section 11386a(b)(2) of this title to meet the needs of any geographic area in the Nation that applies for funding under this section. The Secretary shall transfer any amounts determined under this subsection from the Community Homeless Assistance Program and consolidate such transferred amounts for grants under this section, except that the Secretary shall transfer an amount not less than 5 percent of the amount available under part C for grants under this section. Any amounts so transferred and not used for grants under this section due to an insufficient number of applications shall be transferred to be used for grants under part C.

(2) Availability

Any amount paid to a grant recipient for a fiscal year that remains unobligated at the end of the year shall remain available to the recipient for the purposes for which the payment was made for the next fiscal year. The Secretary shall take such action as may be necessary to recover any amount not obligated by the recipient at the end of the second fiscal year, and shall redistribute the amount to another eligible organization.

(m) Determination of funding source

For any fiscal year, in addition to funds awarded under part B, funds under this subchapter to be used in a city or county shall only be awarded under either part C or part D.

References in Text

This chapter, referred to in subsec. (c)(2), was in the original “this Act”, meaning Pub. L. 100–77, July 22,
1987, 101 Stat. 482, known as the McKinney-Vento Homeless Assistance Act, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 11301 of this title and Tables.


AMENDMENTS

2009—Pub. L. 111–22, §1401(2)(A), substituted “Rural housing stability grant program” for “Rural homelessness grant program” in section catchline.

Subsec. (a). Pub. L. 111–22, §1401(2)(B)(i), (ii), substituted “rural housing stability grant program” and inserted “in lieu of grants under part C” after “eligible organizations” in introductory provisions.

Subsec. (b)(1) to (3). Pub. L. 111–22, §1401(2)(B)(ii), added paras. (1) to (3) and struck out former paras. (1) to (3) which read as follows:

“(1) assisting programs providing direct emergency assistance to homeless individuals and families; ““(2) providing homelessness prevention assistance to individuals and families at risk of becoming homeless; and ““(3) assisting individuals and families in obtaining access to permanent housing and supportive services.”

Subsec. (b)(1)(D) to (K). Pub. L. 111–22, §1401(2)(C), added subpars. (D) to (H), redesignated former subpars. (E) to (G) as (I) to (K), respectively, and struck out former subpar. (D) which read as follows: “transitional housing”.

Subsecs. (b)(2), (c)(1)(A), (3). Pub. L. 111–22, §1401(2)(D), (E), substituted “transferred” for “appropriated”.

Subsec. (d)(6). Pub. L. 111–22, §1401(2)(F)(i)(I), substituted “a description of how individuals and families who are homeless or who have the lowest incomes in the community will be involved by the organization” for “an agreement by the organization that, to the maximum extent practicable, the organization will involve homeless individuals and families”.  

Subsec. (d)(7), (8). Pub. L. 111–22, §1401(2)(F)(i)(II), (III), added paras. (7) and (8).  

Subsecs. (f), (g). Pub. L. 111–22, §1401(2)(G), added subsecs. (f) and (g) and struck out former subsecs. (f) and (g) which related to the Federal share of the costs of providing assistance and participation of homeless individuals, respectively.

Subsec. (h)(1). Pub. L. 111–22, §1401(2)(H)(i)–(iii), substituted “Not later than 18 months after funding is first made available pursuant to the amendments made by title IV of the Homeless Emergency Assistance and Rapid Transition to Housing Act of 2009, the’’ for “The’’ in introductory provisions, “meeting the goals described in subsection (a)’’ for “providing housing and other assistance to homeless persons’’ in subpar. (A), and “meet the goals described in subsection (a) in rural areas’’ for “address homelessness in rural areas’’ in subpar. (B).

Subsec. (h)(2). Pub. L. 111–22, §1401(2)(H)(iv), substituted “Not later than 24 months after funding is first made available pursuant to the amendment made by title IV of the Homeless Emergency Assistance and Rapid Transition to Housing Act of 2009, the’’ for “The’’, struck out “,” not later than 18 months after the date on which the Secretary first makes grants under the program, ‘’ after “Congress’’, and substituted “meet the goals described in subsection (a)’’ for “prevent and respond to homelessness’’.

Subsec. (k)(1). Pub. L. 111–22, §1401(2)(I)(i), substituted “rural housing stability grant program” for “rural homelessness grant program”.

Subsec. (k)(2)(B)(ii). Pub. L. 111–22, §1401(2)(I)(ii), substituted “county where at least 75 percent of the population is rural’’ or “for rural census tract’’.


Subsec. (l)(1). Pub. L. 111–22, §1401(2)(J)(ii), added par. (1) and struck out former par. (1). Prior to amendment, text read as follows: “There are authorized to be appropriated to carry out this section $30,000,000 for fiscal year 1998 and $31,200,000 for fiscal year 1999.”


1996—Subsec. (e). Pub. L. 104–330 struck out “. Indian tribes (as such term is defined in section 5902(a) of this title),” after “nonprofit entities”.  

EFFECTIVE DATE OF 2009 AMENDMENT

Amendment by Pub. L. 111–22 effective on the earlier of 18 months after May 20, 2009, or 3 months after publication of certain final regulations by Secretary of Housing and Urban Development, see section 1503 of Pub. L. 111–22, set out as a note under section 11302 of this title.

EFFECTIVE DATE OF 1996 AMENDMENT


Amendment by Pub. L. 104–330 applicable with respect to amounts made available for assistance under this subchapter for fiscal year 1998 and fiscal years thereafter, see section 506(c) of Pub. L. 104–330, set out as a note under section 11371 of this title.

DEFINITION

For provisions relating to definition of “local government” as used in this section, see section 100261 of Pub. L. 112–141, set out as a HEARTH Act Technical Corrections note under section 11369 of this title.

§ 11408a. Use of FMHA inventory for transitional housing for homeless persons and for turnkey housing

(a) In general

The Secretary of Agriculture (in this section referred to as the “Secretary”) shall, on a priority basis, lease or sell program and nonprogram inventory properties held by the Secretary under title V of the Housing Act of 1949 [42 U.S.C. 1471 et seq.]—

(1) to provide transitional housing; and

(2) to provide transitional housing for tenants of such transitional housing and for eligible families.

(b) Priority

The priority uses of inventory property under this section shall not have a higher priority than—

(1) the disposition of such property by sale to eligible families; or

(2) the disposition of such property by transfer for use as rental housing by eligible families.

(c) Transitional housing

(1) Leases authorized

The Secretary shall lease inventory properties to public agencies and nonprofit organizations to provide transitional housing for homeless families and individuals and to provide such agencies the option to provide turnkey housing opportunities for homeless persons and other inadequately housed families.

(2) Rental to eligible families

A public agency or nonprofit organization may rent housing leased to it under paragraph
(d) Lease procedures

(1) Identification of property

Upon receipt by the Secretary of written notification from a public agency or nonprofit organization that it proposes to lease a property for the purpose of providing transitional housing or for the purpose of providing transitional housing and turnkey housing opportunities, the Secretary shall—
(A) withdraw the property from the market for not more than 30 days for the purpose of negotiations under subparagraph (B); (B) negotiate a lease agreement with the organization or agency; and (C) if a lease is agreed to, commence the repairs necessary to make the property meet standards for decent, safe, and sanitary housing.

(2) Lease terms

A lease of inventory property under this section shall—
(A) be for a period of not more than 10 years;
(B) provide for the payment of $1 for the 10-year lease; and
(C) provide the nonprofit organization or public agency—
(i) the right to use the property for transitional housing; and
(ii) the option to arrange for the sale of the property to an eligible purchaser.

(e) Purchase procedures

(1) Identification of property

Upon receipt by the Secretary of written notification from a public agency or nonprofit organization that it proposes to purchase a property for the purpose of providing transitional housing and turnkey housing opportunities, the Secretary shall—
(A) withdraw the property from the market for not more than 30 days for the purpose of negotiations under subparagraph (B); (B) negotiate a purchase agreement with the organization or agency; and (C) if a purchase agreement is agreed to, commence the repairs necessary to make the property meet standards for decent, safe, and sanitary housing.

(2) Purchase terms

A purchase of inventory property under this section shall provide for a purchase price equal to not more than the fair market value of the property minus 10 percent.

(f) Employment of homeless individuals

A public agency or nonprofit organization may lease or purchase property under this section only if the agency or organization, to the maximum extent practicable, involves homeless individuals and families, through employment, volunteer services, or otherwise, in maintaining, operating, and renovating any properties leased or acquired under this section and in providing any services for occupants of properties assisted under this section.

(g) Participation of homeless individuals

(1) In general

The Secretary shall, by regulation, require each public agency and nonprofit organization leasing or purchasing property under this section to provide for the participation of not less than 1 homeless individual or former homeless individual on the board of directors or other equivalent policy making entity of such agency or organization, to the extent that such organization or applicant considers and makes policies and decisions regarding any property acquired under this section.

(2) Waiver

The Secretary may grant a waiver to a public agency or nonprofit organization that is unable to meet the requirement of paragraph (1), if the agency or organization agrees to otherwise consult with homeless or formerly homeless individuals in considering and making such policies and decisions.

(h) Budget compliance

The authority provided to the Secretary under this section shall be effective only to the extent approved in advance in appropriations Acts.

REFERENCES IN TEXT

The Housing Act of 1949, referred to in subsecs. (a) and (c)(2), is act July 15, 1949, ch. 338, 63 Stat. 413, as amended. Title V of the Act is classified generally to subchapter III (§1471 et seq.) of chapter 8A of this title. For complete classification of this Act to the Code, see Short Title note set out under section 1441 of this title and Tables.

SUBCHAPTER V—IDENTIFICATION AND USE OF SURPLUS FEDERAL PROPERTY

§11411. Use of unutilized and underutilized public buildings and real property to assist the homeless

(a) Identification of suitable property

The Secretary of Housing and Urban Development shall, on a quarterly basis, request information from each landholding agency regarding Federal public buildings and other Federal real properties (including fixtures) that are excess property or surplus property or that are described as unutilized or underutilized in surveys by the heads of landholding agencies under section 524(a)(2) and (3) of title 40. No later than 25 days after receiving a request from the Secretary, the head of each landholding agency shall transmit such information to the Secretary. No later than 30 days after receiving such information, the Secretary shall identify which of those buildings and other properties are suitable for use to assist the homeless.

(b) Availability of property

(1) The Secretary shall promptly notify each Federal agency with respect to any property of that agency that the Secretary has identified
under subsection (a). No later than 45 days after receipt of such a notice, the head of the appropriate landholding agency shall transmit to the Secretary the agency’s response to property identifications contained in such notification, which shall include—

(A) in the case of unutilized or underutilized property—
   (i) a statement of intention to determine the property excess to the agency’s needs;
   (ii) a statement of intention to make the property available for use to assist the homeless; or
   (iii) a statement of the reasons (including a full explanation of the need) the property cannot be determined excess to the agency’s needs or made available for use to assist the homeless; and

(B) in the case of excess property—
   (i) a statement that there is no other compelling Federal need for the property and, therefore, the property will be determined surplus; or
   (ii) a statement that there is further and compelling Federal need for the property (including a full explanation of such need) that, therefore, the property is not presently available for use to assist the homeless.

(2) All properties identified by the Secretary under subsection (a) shall be available for application—

(A) in the case of property other than surplus property, for use to assist the homeless in accordance with the provisions of this section;

(B) in the case of surplus property, for use to assist the homeless either in accordance with this section or as a public health use in accordance with section 550(a)–(d) of title 40; and

(C) in the case of surplus property, the provision of permanent housing with or without supportive services is an eligible use to assist the homeless under this section.

(3) The Secretary shall maintain a written public record of—

(A) the identification of buildings and other properties by the Secretary under this subsection and the reasons for such identifications; and

(B) the responses of landholding agencies to such identifications.

(c) Publication of properties

(1)(A) No later than 15 days after the last day of the 45-day period provided for under subsection (b)(1), the Secretary shall publish on the Web site of the Department of Housing and Urban Development or the General Services Administration—

   (i) a list of all properties reviewed by the Secretary under subsection (a); and

   (ii) a list of all properties that are available under subsection (b)(2) for application for use to assist the homeless.

(B) Each publication of properties shall include a description and the location of each property (including the address and zip code) and the current classification of each property as unutilized, underutilized, excess property, or surplus property.

(C) The Secretary shall make available to the public upon request all information in the possession of the Department of Housing and Urban Development (other than valuation information), regardless of format, about all properties reviewed and not identified as being suitable for use to assist the homeless, including the reasons such properties were not so identified.

(D) The Secretary shall publish separately, on an annual basis, all properties identified as being suitable for use to assist the homeless, but reported to be unavailable, and the reasons such properties were unavailable.

(2)(A) No later than 15 days after the last day of the 45-day period provided for under subsection (b)(1), the Secretary shall transmit a copy of the list of available properties published under paragraph (1)(A)(ii) to the United States Interagency Council on Homelessness. The Council shall immediately distribute to all State and regional homeless coordinators area-relevant portions of the list.

(B) The Secretary, the Administrator, and the Secretary of Health and Human Services shall make such efforts as are necessary to ensure the widest possible dissemination of the information on such list.

(C) The Secretary shall establish a toll-free number to provide the public with specific information about properties on such list.

(3) The Secretary shall make available to the public upon request all information (other than valuation information) regardless of format in the possession of the Department of Housing and Urban Development about the properties published under paragraph (1)(A), including environmental assessment data. The Secretary shall maintain a current list of agency contacts for making referrals of inquiries for information about specific properties.

(4)(A) On December 31 of each year, the head of each landholding agency shall report to the Secretary the current availability status and the current classification of each property controlled by the agency, that—

   (i) was included in a list published in that year by the Secretary under paragraph (1)(A)(ii); and

   (ii) remains available for application for use to assist the homeless or has become available for application during that year.

(B) No later than February 15 each year, the Secretary shall publish in the Federal Register a list of all properties reported under subparagraph (A) for the preceding year and the current classification of the properties.

(C) For purposes of subparagraph (A), property shall not be considered to remain available for application for use to assist the homeless after the 60-day holding period provided under subsection (d) if—

   (i) an application for or written expression of interest in the property is made under any law for use of the property for any purpose; or

   (ii) the Administrator receives a bona fide offer to purchase the property or advertises for the sale of the property by public auction.

(d) Holding period

(1) Properties published under subsection (c)(1)(A)(ii) as available for application for use
to assist the homeless shall not be available for any other purpose for a period of 30 days beginning on the date of such publication.

(2) If written notice of intent to apply for such a property for use to assist the homeless is received by the Secretary of Health and Human Services within the 30-day period described under paragraph (1), such property may not be made available for any other purpose until the date the Secretary of Health and Human Services or other appropriate landholding agency has completed action on the application submitted under subsection (e) with respect to that written notice of intent.

(3) Property that is reviewed by the Secretary under subsection (a) and that is not identified by the Secretary as being suitable for use to assist the homeless may not be made available for any other purpose for 20 days after the determination of unsuitability to allow for review of the determination at the request of the representative of the homeless. The Secretary shall disseminate immediately this information to the regional offices of the Department of Housing and Urban Development and to the United States Intergency Council on Homelessness. If no such review of the determination is requested within the 20-day period, such property will not be included in subsequent publications unless the landholding agency makes changes to the property (e.g., improvements) that may change the unsuitable determination and the Secretary subsequently determines the property is suitable.

(4)(A) Written notice of intent to apply for a property published under subsection (c)(1)(A)(ii) may be filed at any time after the 30-day period described in paragraph (1) has expired. In such case, an application submitted pursuant to the notice may be approved for disposal for use to assist the homeless only if the property remains available for application for use to assist the homeless. If the property remains available, the use to assist the homeless shall be given priority of consideration over other competing disposal opportunities under sections 541–555 of title 40, except as provided in subsection (f)(3)(A).

(B) Surplus property for which an application has been approved shall be assigned promptly to the representative of the homeless that submitted the application.

(e) Application for property

(1) A representative of the homeless may submit an application to the Secretary of Health and Human Services for any property that is published under subsection (c)(1)(A)(ii) as available for application for use to assist the homeless.

(2)(A) No later than 75 days after the submission of written notice of intent to apply for a property, an applicant shall submit an initial application to the Secretary of Health and Human Services. The Secretary of Health and Human Services shall, with the concurrence of the appropriate landholding agency, grant reasonable extensions.

(B) An initial application shall set forth—

(i) the services that will be offered;

(ii) the need for the services; and

(iii) the experience of the applicant that demonstrates the ability to provide the services.

(3) No later than 10 days after receipt of an initial application, the Secretary of Health and Human Services shall review, make all determinations, and complete all actions on the application. The Secretary of Health and Human Services shall maintain a written public record of all actions taken in response to an application.

(4) If the Secretary of Health and Human Services approves an initial application, the applicant has 45 days in which to provide a final application that sets forth a reasonable plan to finance the approved program.

(5) No later than 15 days after receipt of the final application, the Secretary of Health and Human Services shall review, make a final determination, and complete all actions on the final application. The Secretary of Health and Human Services shall maintain a public record of all actions taken in response to an application.

(f) Making property available to representatives of homeless

(1) Subject to the provisions of this subsection, property for which the Secretary of Health and Human Services has approved an application under subsection (e) shall be made promptly available, at the applicant’s discretion, by permit or lease, or by deed as a public health use under section 550(a)–(d) of title 40, to the representative of the homeless that submitted the application.

(2) Unutilized or underutilized property that is the subject of an agency’s statement of intention under subsection (b)(1)(A)(ii) shall be made promptly available by the appropriate landholding agency to the approved applicant by lease or permit for a term of not less than 1 year, unless the applicant requests a shorter term.

(3)(A) In disposing of surplus property by deed or lease under sections 541–555 of title 40, the Administrator and the Secretary of Health and Human Services shall give priority of consideration to uses to assist the homeless, unless the Administrator or the Secretary of Health and Human Services determines that a competing request for the property under section 550 of title 40 is so meritorious and compelling as to outweigh the needs of the homeless.

(B) Whenever the Administrator or the Secretary of Health and Human Services makes a determination under subparagraph (A), the Administrator or the Secretary of Health and Human Services shall transmit to the appropriate committees of the Congress an explanatory statement detailing the need satisfied by conveyance of the surplus property and the reasons for determining that such need was so meritorious and compelling as to outweigh the needs of the homeless.

(4) For any property made available by lease to a representative of the homeless before November 29, 1990, the Secretary of Health and Human Services may, upon written request by the representative, convey such property by deed to the representative in accordance with,
and subject to the requirements of, section 550 of title 40. The lease term shall not be affected if a deed is not granted.

(g) Records

The Secretary shall maintain a written public record of—

(1) the reasons for determinations of the Secretary under this section that property is suitable or unsuitable for use to assist the homeless; and

(2) the responses of landholding agencies under subsection (b)(1).

(h) Applicability to property under base closure process


(2) For provisions relating to the use to assist the homeless of buildings and property located at certain military installations approved for closure under such Act, or under title II of the Defense Authorization Amendments and Base Closure and Realignment Act (Public Law 100–526; 10 U.S.C. 2687 note), before October 25, 1994, see section 2(e) of Base Closure Community Redevelopment and Homeless Assistance Act of 1994.

(i) Definitions

For purposes of this section—

(1) the term "Administrator" means the Administrator of General Services;

(2) each of the terms "excess property" and "surplus property" has the meaning given under subsection (b)(1).

(3) the term "landholding agency" means a Federal department or agency with statutory authority to control real property;

(4) the term "period of 30 days" for "period of 60 days".

(5) the term "Secretary" means the Secretary of Housing and Urban Development, except as otherwise provided.

(2) The term "Administrator" means the Administrator of General Services; "period of 30 days" for "period of 60 days".

(2) the responses of landholding agencies under subsection (b)(1).

(h) Codification


AMENDMENTS

2016—Subsec. (b)(2). Pub. L. 114–287, § 22(1), struck out subpar. (A) designation after par. (2) designation, redesignated cls. (i) and (ii) as subpars. (A) and (B), respectively, and added subpar. (C).


Subsec. (d)(1). Pub. L. 114–287, § 22(3)(A), substituted "period of 30 days" for "period of 60 days".

Subsec. (d)(2). Pub. L. 114–287, § 22(3)(B), substituted "30–day period" for "60-day period".

Subsec. (d)(3). Pub. L. 114–287, § 22(3)(C), inserted at end "If no such review of the determination is requested within the 20–day period, such property will not be included in subsequent publications unless the landholding agency makes changes to the property (e.g. improvements) that may change the unsuitable determination and the Secretary subsequently determines the property is suitable.

Subsec. (d)(4). Pub. L. 114–287, § 22(3)(B), substituted "30–day period" for "60-day period".

Subsec. (e)(2). Pub. L. 114–287, § 22(4)(A), designated existing provisions as subpar. (A) designated '75 days' for '90 days'.

Subsec. (e)(3). Pub. L. 114–287, § 22(4)(B), substituted '10 days after receipt of an initial application' for '25 days after receipt of a completed application'.


Subsec. (f)(5). Pub. L. 114–287, § 22(4)(C), added par. (4) and (5).

Subsec. (g)(4). Pub. L. 114–287, § 22(5), substituted "available, at the applicant's discretion, by" for "available by".

Subsec. (h). Pub. L. 114–287, § 22(4)(B), substituted "available, at the applicant's discretion, by" for "available by".

“(1) no application or written expression of interest has been made under any law for use of the property for any purpose; and

“(2) the Administrator has not received a bona fide offer to purchase the property or advertised for the sale of the property by public auction.”

Subsec. (f)(2). Pub. L. 102–484, § 2823(b), inserted “or” after “Unutilized”.

1990—Pub. L. 101–645 amended section generally, substituting present provisions consisting of subsecs. (a) to (h) for former provisions consisting of subsecs. (a) to (e).


Subsec. (a). Pub. L. 100–628, § 501(2), substituted “unutilized or underutilized” for “underutilized” in heading and text and inserted “; within 2 months after collecting such information,” before “shall identify” in text.

Subsec. (b)(1). Pub. L. 100–628, § 501(3)(A), inserted “or ‘to make the property available, on an interim basis, for use as facilities to assist the homeless’ after ‘agency’s need’.”

Subsec. (b)(2). Pub. L. 100–628, § 501(3)(B), inserted before period at end “or made available on an interim basis for use as facilities to assist the homeless”.


Subsec. (d)(1). Pub. L. 100–628, § 501(4)(B), amended par. (1) generally. Prior to amendment, par. (1) read as follows: “Federal buildings or property may be made available under this section only through the use of leases for at least 1 year. Ownership of the buildings and property shall not be transferred from the Federal Government.”

Subsec. (d)(2). Pub. L. 100–628, § 501(4)(C), substituted “With respect to property identified under subsection (a) which has been designated as surplus property,” for “To permit leases of surplus Federal buildings and other real property under this section.”

Effectiveness Date of 1990 Amendment

Pub. L. 101–645, title IV, § 401(b), Nov. 29, 1990, 104 Stat. 4723, provided that: “The amendment made by subsection (a) [amending this section] shall be effective 90 days after the date of the enactment of this Act [Nov. 29, 1990].”

Regulations


Exemption of Department of Defense Off-Site Use and Off-Site Removal Only Non-Movable Property From Certain Excess Property Disposal Requirements


“(a) IN GENERAL.—Excess or unutilized or underutilized non-mobile property of the Department of Defense that is situated on non-excess land shall be exempt from the requirements of title V of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11411 et seq.) upon a determination by the head of the department, agency, or other element of the Department having jurisdiction of the property that—

“(1) the property is not feasible to relocate;

“(2) the property is located in an area to which the general public is denied access in the interest of national security; and

“(3) the exemption would facilitate the efficient disposal of excess property or result in more efficient real property management.

“(b) CONSULTATION.—Before making an initial determination under the authority in subsection (a), and periodically thereafter, the head of a department, agency, or other element of the Department shall consult with the Executive Director of the United States Interagency Council on Homelessness on types of non-mobile properties that may be feasible for relocation and suitable to assist the homeless.

“(c) REPORTING REQUIREMENT.—

“(1) IN GENERAL.—If any head of a department, agency, or other element of the Department makes a determination under subsection (a) during a fiscal year, not later than 90 days after the end of that fiscal year, the Secretary of Defense shall submit to the appropriate committees of Congress a report listing all the buildings, facilities, and other properties for which a determination was made under that subsection during that fiscal year.

“(2) FORM.—Any report under paragraph (1) shall be submitted in unclassified form, but may include a classified annex.

“(3) APPROPRIATE COMMITTEES OF CONGRESS DETERMINATIONS.—In this subsection, the term ‘appropriate committees of Congress’ means—

“(A) the Committee on Armed Services, the Committee on Banking, Housing, and Urban Affairs, and the Committee on Homeland Security and Governmental Affairs of the Senate; and

“(B) the Committee on Armed Services, the Committee on Financial Services, and the Committee on Oversight and Government Reform [now Committee on Oversight and Reform] of the House of Representatives.

“(d) SUNSET.—The authority under subsection (a) shall expire on September 30, 2021.

Consultation and Report Regarding Use of National Guard Facilities as Overnight Shelters for Homeless Individuals


“(a) USE OF AVAILABLE SPACE AT NATIONAL GUARD FACILITIES.—The Secretary of Housing and Urban Development shall consult with the chief executive officers of the States and the Secretary of Defense to determine the availability of space at National Guard facilities for use by homeless organizations in providing overnight shelter for homeless persons and families. The Secretary of Housing and Urban Development shall determine the availability of space at National Guard facilities for use by homeless organizations in providing overnight shelter for homeless persons and families. The Secretary of Housing and Urban Development shall determine the availability of space at National Guard facilities for use by homeless organizations in providing overnight shelter for homeless persons and families. The Secretary of Housing and Urban Development shall determine the availability of space at National Guard facilities for use by homeless organizations in providing overnight shelter for homeless persons and families.

“(b) LIMITATIONS.—In consultations under this section, the Secretary of Housing and Urban Development shall determine—

“(1) the number and capacity of such facilities that may be made available for shelters for homeless persons and families without adversely affecting the military or emergency service preparedness of the State or the United States; and

“(2) whether any available space is suitable for use as an overnight shelter for homeless individuals or can, with minor repairs, be made suitable for that use.

“(c) REPORT.—The Secretary of Housing and Urban Development shall submit to the Congress, not later than the expiration of the 1-year period beginning on the date of the enactment of this Act (Oct. 28, 1992), a report regarding the consultations and determinations made by the Secretary under this section. The report shall include any recommendations of the Secretary regarding the need for, and feasibility of, using National Guard facilities for homeless shelters and any recom-
mandations of the Secretary for administrative or legislative action to provide for such use.”

**Unutilized and Underutilized Property for Purposes of 1990 Amendment**

Pub. L. 101–645, title IV, §401(c), Nov. 29, 1990, 104 Stat. 4722, as amended by Pub. L. 106–400, §2, Oct. 30, 2000, provided that: “For purposes of section 501 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11411) (as amended by this Act) the terms ‘unutilized’ and ‘underutilized’ when used to describe property have the same meaning such terms had before the date of the enactment of this Act (Nov. 29, 1990) under such section 501.”

§11412. Making surplus personal property available to nonprofit agencies

(a) Omitted

(b) Requirement for notification

Within 90 days after July 22, 1987, the Administrator of General Services shall require each State agency administering a State plan under section 549(a)–(e) of title 40 to make generally available information about surplus personal property which may be used in the provision of food, shelter, or other services to homeless individuals.

(c) Costs

Surplus personal property identified pursuant to this section shall be made available to providers of assistance to homeless individuals by a State agency distributing such property at (1) a nominal cost to such organization or (2) at no cost when the Administrator agrees to reimburse the State agency for the costs of care and handling of such property.


**Codification**


**SUBCHAPTER VI—EDUCATION AND TRAINING**

**PART A—ADULT EDUCATION FOR HOMELESS**


**Effective Date of Repeal**


**PART B—EDUCATION FOR HOMELESS CHILDREN AND YOUTHS**

§11431. Statement of policy

The following is the policy of the Congress:

1. Each State educational agency shall ensure that each child of a homeless individual and each homeless youth has equal access to the same free, appropriate public education, including a public preschool education, as provided to other children and youths.

2. In any State where compulsory residency requirements or other requirements, in laws, regulations, practices, or policies, may act as a barrier to the identification of, or the enrollment, attendance, or success in school of, homeless children and youths, the State educational agency and local educational agencies in the State will review and undertake steps to revise such laws, regulations, practices, or policies to ensure that homeless children and youths are afforded the same free, appropriate public education as provided to other children and youths.

3. Homelessness is not sufficient reason to separate students from the mainstream school environment.

4. Homeless children and youths should have access to the education and other services that such children and youths need to ensure that such children and youths have an opportunity to meet the same challenging State academic standards to which all students are held.


**Prior Provisions**


**Amendments**

2015—Par. (2). Pub. L. 114–95, §9101(1), substituted “in any State where compulsory residency requirements or other requirements, in laws, regulations, practices, or policies, may act as a barrier to the identification of, or the enrollment, attendance, or success in school of, homeless children and youths, the State educational agency and local educational agencies in the State will review” for “in any State that has a compulsory residency requirement as a component of the State’s compulsory school attendance laws or other laws, regulations, practices, or policies that may act as a barrier to the enrollment, attendance, or success in school of homeless children and youths, the State will review”.

Par. (3). Pub. L. 114–95, §9101(2), struck out “alone” after “Homelessness”. 

Page 7542
$11432  TITLE 42—THE PUBLIC HEALTH AND WELFARE  Page 7542


Effective Date of 2015 Amendment
Pub. L. 114–95, title IX, §9077, Dec. 10, 2015, 129 Stat. 2137, provided that: “Except as provided in section 9105(b) [set out as a note under section 11434a of this title] or as otherwise provided in this Act [see Tables for classification], this title [probably means “this part”, meaning part A (§§9101–9107) of title IX of Pub. L. 114–95, amending this section and sections 11432 to 11435 of this title and enacting provisions set out as notes under section 11434a of this title] and the amendments made by this title take effect on October 1, 2016.”

Effective Date
Section effective Jan. 8, 2002, except with respect to certain noncompetitive programs and competitive programs, see section 5 of Pub. L. 107–110, set out as a note under section 6301 of Title 20, Education.

§11432. Grants for State and local activities for the education of homeless children and youths

(a) General authority

The Secretary is authorized to make grants to States in accordance with the provisions of this section to enable such States to carry out the activities described in subsections (d) through (g).

(b) Grants from allotments

The Secretary shall make the grants to States from the allotments made under subsection (c)(1).

(c) Allocation and reservations

(1) Allocation

(A) Subject to subparagraph (B), the Secretary is authorized to allot to each State an amount that bears the same ratio to the amount appropriated for such year under section 11435 of this title that remains after the Secretary reserves funds under paragraph (2) and uses funds to carry out section 11434(d) and (h) of this title, as the amount allocated under section 1122 of the Elementary and Secondary Education Act of 1965 [20 U.S.C. 6322] to the State for that fiscal year bears to the total amount allocated under section 1122 of such Act to all States for that year, except that no State shall receive less than the greater of—

(i) $150,000;

(ii) one-fourth of 1 percent of the amount appropriated under section 11435 of this title for that year; or

(iii) the amount such State received under this section for fiscal year 2001.

(B) If there are insufficient funds in a fiscal year to allot to each State the minimum amount under subparagraph (A), the Secretary shall ratably reduce the allotments to all States based on the proportionate share that each State received under this subsection for the preceding fiscal year.

(2) Reservations

(A) The Secretary is authorized to reserve 0.1 percent of the amount appropriated for each fiscal year under section 11435 of this title to be allocated by the Secretary among the United States Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands, according to their respective need for assistance under this part, as determined by the Secretary.

(B)(i) The Secretary shall transfer 1 percent of the amount appropriated for each fiscal year under section 11435 of this title to the Department of the Interior for programs for Indian students served by schools funded by the Secretary of the Interior, as determined under the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450 et seq.), that are consistent with the purposes of the programs described in this part.

(ii) The Secretary and the Secretary of the Interior shall enter into an agreement, consistent with the requirements of this part, for the distribution and use of the funds described in clause (i) under terms that the Secretary determines best meet the purposes of the programs described in this part. Such agreement shall set forth the plans of the Secretary of the Interior for the use of the amounts transferred, including appropriate goals, objectives, and milestones.

(3) State defined

For purposes of this subsection, the term “State” does not include the United States Virgin Islands, Guam, American Samoa, or the Commonwealth of the Northern Mariana Islands.

(d) Activities

Grants under this section shall be used for the following:

(1) To carry out the policies set forth in section 11431 of this title in the State.

(2) To provide services and activities to improve the identification of homeless children and youths (including preschool-aged homeless children) and enable such children and youths to enroll in, attend, and succeed in school, including, if appropriate, in preschool programs.

(3) To establish or designate in the State educational agency an Office of the Coordinator for Education of Homeless Children and Youths that can sufficiently carry out the duties described for the Office in this part in accordance with subsection (f).

(4) To prepare and carry out the State plan described in subsection (g).

(5) To develop and implement professional development programs for liaisons designated under subsection (g)(1)(J)(ii) and other local educational agency personnel—

(A) to improve their identification of homeless children and youths; and

(B) to heighten the awareness of the liaisons and personnel of, and their capacity to respond to, specific needs in the education of homeless children and youths.

(e) State and local subgrants

(1) Minimum disbursements by States

From the sums made available each year to a State through grants under subsection (a) to carry out this part, the State educational agency shall distribute not less than 75 per-
cent in subgrants to local educational agencies for the purposes of carrying out section 11433 of this title, except that States funded at the minimum level set forth in subsection (c)(1) shall distribute not less than 50 percent in subgrants to local educational agencies for the purposes of carrying out section 11433 of this title.

(2) Use by State educational agency

A State educational agency may use the grant funds remaining after the State educational agency distributes subgrants under paragraph (1) to conduct activities under subsection (f) directly or through grants or contracts.

(3) Prohibition on segregating homeless students

(A) In general

Except as provided in subparagraph (B) and section 11433(a)(2)(B)(ii) of this title, in providing a free public education to a homeless child or youth, no State receiving funds under this part shall segregate such child or youth in a separate school, or in a separate program within a school, based on such child’s or youth’s status as homeless.

(B) Exception

Notwithstanding subparagraph (A), paragraphs (1)(J)(i) and (3) of subsection (g), section 11433(a)(2) of this title, and any other provision of this part relating to the placement of homeless children or youths in schools, a State that has a separate school for homeless children or youths that was operated in fiscal year 2000 in a covered county shall be eligible to receive funds under this part for programs carried out in such school if—

(i) the school meets the requirements of subparagraph (C);

(ii) any local educational agency serving a school that the homeless children and youths enrolled in the separate school are eligible to attend meets the requirements of subparagraph (E); and

(iii) the State is otherwise eligible to receive funds under this part.

(C) School requirements

For the State to be eligible under subparagraph (B) to receive funds under this part, the school described in such subparagraph shall—

(i) provide written notice, at the time any child or youth seeks enrollment in such school, and at least twice annually while the child or youth is enrolled in such school, to the parent or guardian of the child or youth (or, in the case of an unaccompanied youth, the youth) that—

(I) shall be signed by the parent or guardian (or youth); and

(II) sets forth the general rights provided under this part;

(III) specifically states—

(aa) the choice of schools homeless children and youths are eligible to attend, as provided in subsection (g)(3)(A); and

(bb) that no homeless child or youth is required to attend a separate school for homeless children or youths;

(cc) that homeless children and youths shall be provided comparable services described in subsection (g)(4), including transportation services, educational services, and meals through school meals programs; and

(dd) that homeless children and youths should not be stigmatized by school personnel; and

(II) coordinate with the local educational agency with jurisdiction for the school selected by the parent or guardian (or youth), to provide transportation and other necessary services;

(iii) ensure that the parent or guardian (or, in the case of an unaccompanied youth, the youth) receive the information required by this subparagraph in a manner and form understandable to such parent or guardian (or youth), including, if necessary and to the extent feasible, in the native language of such parent or guardian (or youth); and

(iv) demonstrate in the school’s application for funds under this part that such school—

(I) is complying with clauses (i) and (ii); and

(II) is meeting (as of the date of submission of the application) the same Federal and State standards, regulations, and mandates as other public schools in the State (such as complying with section 1111 of the Elementary and Secondary Education Act of 1965 [20 U.S.C. 6311] and providing a full range of education and related services, including services applicable to students with disabilities);

(D) School ineligibility

A separate school described in subparagraph (B) that fails to meet the standards, regulations, and mandates described in subparagraph (C)(iv)(II) shall not be eligible to receive funds under this part for programs carried out in such school after the first date of such failure.

(E) Local educational agency requirements

For the State to be eligible to receive the funds described in subparagraph (B), the local educational agency described in subparagraph (B)(ii) shall—

(i) implement a coordinated system for ensuring that homeless children and youth
operate with the Secretary and the State Coordinator for Education of Homeless Children and Youths established in the State under subsection (d)(3), and shall comply with any requests for information by the Secretary and State Coordinator for such State.

(iii) Submission
The Secretary shall submit the report described in clause (i) to—
(I) the President;
(II) the Committee on Education and the Workforce of the House of Representatives; and
(III) the Committee on Health, Education, Labor, and Pensions of the Senate.

(G) Definition
For purposes of this paragraph, the term “covered county” means—
(I) San Joaquin County, California;
(II) Orange County, California;
(iii) San Diego County, California; and
(iv) Maricopa County, Arizona.

(f) Functions of the Office of the Coordinator
The Coordinator for Education of Homeless Children and Youths established in each State shall—
(1) gather and make publicly available reliable, valid, and comprehensive information on—
(A) the number of homeless children and youths identified in the State, which shall be posted annually on the State educational agency’s website;
(B) the nature and extent of the problems homeless children and youths have in gaining access to public preschool programs and to public elementary schools and secondary schools;
(C) the difficulties in identifying the special needs and barriers to the participation and achievement of such children and youths;
(D) any progress made by the State educational agency and local educational agencies in the State in addressing such problems and difficulties; and
(E) the success of the programs under this part in identifying homeless children and youths and allowing such children and youths to enroll in, attend, and succeed in, school;
(2) develop and carry out the State plan described in subsection (g);
(3) collect data for and transmit to the Secretary, at such time and in such manner as the Secretary may reasonably require, a report containing information necessary to assess the educational needs of homeless children and youths within the State, including data necessary for the Secretary to fulfill the responsibilities under section 11434(h) of this title;
(4) in order to improve the provision of comprehensive education and related services to homeless children and youths and their families, coordinate activities and collaborate with—

(I) are advised of the choice of schools provided in subsection (g)(3)(A);
(II) are immediately enrolled, in accordance with subsection (g)(3)(C), in the school selected under subsection (g)(3)(A); and
(III) are promptly provided necessary services described in subsection (g)(4), including transportation, to allow homeless children and youths to exercise their choices of schools under subsection (g)(3)(A);
(ii) document that written notice has been provided;
(I) in accordance with subparagraph (C)(i) for each child or youth enrolled in a separate school under subparagraph (B); and
(II) in accordance with subsection (g)(6)(A)(vi);
(iii) prohibit schools within the agency’s jurisdiction from referring homeless children or youths to, or requiring homeless children and youths to enroll in or attend, a separate school described in subparagraph (B);
(iv) identify and remove any barriers that exist in schools within the agency’s jurisdiction that may have contributed to the creation or existence of separate schools described in subparagraph (B); and
(v) not use funds received under this part to establish—
(I) new or additional separate schools for homeless children or youths; or
(II) new or additional sites for separate schools for homeless children or youths, other than the sites occupied by the schools described in subparagraph (B) in fiscal year 2000.

(F) Report

(i) Preparation
The Secretary shall prepare a report on the separate schools and local educational agencies described in subparagraph (B) that receive funds under this part in accordance with this paragraph. The report shall contain, at a minimum, information on—
(I) compliance with all requirements of this paragraph;
(II) barriers to school access in the school districts served by the local educational agencies;
(III) the progress the separate schools are making in integrating homeless children and youths into the mainstream school environment, including the average length of student enrollment in such schools; and
(IV) the progress the separate schools are making in helping all students meet the challenging State academic standards.

(ii) Compliance with information requests
For purposes of enabling the Secretary to prepare the report, the separate schools and local educational agencies shall co-
(A) educators, including teachers, special education personnel, administrators, and child development and preschool program personnel;

(B) providers of services to homeless children and youths and their families, including public and private child welfare and social services agencies, law enforcement agencies, juvenile and family courts, agencies providing mental health services, domestic violence agencies, child care providers, runaway and homeless youth centers, and providers of services and programs funded under the Runaway and Homeless Youth Act (42 U.S.C. 5701 et seq.); 1

(C) providers of emergency, transitional, and permanent housing to homeless children and youths, and their families, including public housing agencies, shelter operators, operators of transitional housing facilities, and providers of transitional living programs for homeless youths;

(D) local educational agency liaisons designated under subsection (g)(J)(ii) for homeless children and youths; and

(E) community organizations and groups representing homeless children and youths and their families;

(5) provide technical assistance to and conduct monitoring of local educational agencies in coordination with local educational agency liaisons designated under subsection (g)(J)(ii), to ensure that local educational agencies comply with the requirements of subsection (e)(3) and paragraphs (3) through (7) of subsection (g);

(6) provide professional development opportunities for local educational agency personnel and the local educational agency liaison designated under subsection (g)(J)(ii) to assist such personnel and liaison in identifying and meeting the needs of homeless children and youths, and provide training on the definitions of terms related to homelessness specified in sections 11302, 11360, and 11434a of this title to the liaison; and

(7) respond to inquiries from parents and guardians of homeless children and youths, and (in the case of unaccompanied youths) such youths, to ensure that each child or youth who is the subject of such an inquiry receives the full protections and services provided by this part.

(g) State plan

(1) In general

For any State desiring to receive a grant under this part, the State educational agency shall submit to the Secretary a plan to provide for the education of homeless children and youths within the State. Such plan shall include the following:

(A) A description of how such children and youths are (or will be) given the opportunity to meet the same challenging State academic standards as all students are expected to meet;

(B) A description of the procedures the State educational agency will use to identify such children and youths in the State and to assess their needs.

(C) A description of procedures for the prompt resolution of disputes regarding the educational placement of homeless children and youths.

(D) A description of programs for school personnel (including liaisons designated under subparagraph (J)(ii), principals and other school leaders, attendance officers, teachers, enrollment personnel, and specialized instructional support personnel) to heighten the awareness of such school personnel of the specific needs of homeless children and youths, including such children and youths who are runaway and homeless youths.

(E) A description of procedures that ensure that homeless children and youths who meet the relevant eligibility criteria are able to participate in Federal, State, or local nutrition programs.

(F) A description of procedures that ensure that—

(i) homeless children have access to public preschool programs, administered by the State educational agency or local educational agency, as provided to other children in the State;

(ii) youths described in section 11434a(2) of this title and youths separated from public schools are identified and accorded equal access to appropriate secondary education and support services, including by identifying and removing barriers that prevent youths described in this clause from receiving appropriate credit for full or partial coursework satisfactorily completed while attending a prior school, in accordance with State, local, and school policies; and

(iii) homeless children and youths who meet the relevant eligibility criteria do not face barriers to accessing academic and extracurricular activities, including magnet school, summer school, career and technical education, advanced placement, online learning, and charter school programs, if such programs are available at the State and local levels.

(G) Strategies to address problems identified in the report provided to the Secretary under subsection (f)(3).

(H) Strategies to address other problems with respect to the education of homeless children and youths, including problems resulting from enrollment delays that are caused by—

(i) requirements of immunization and other required health records;

(ii) residency requirements;

(iii) lack of birth certificates, school records, or other documentation;

(iv) guardianship issues; or

(v) uniform or dress code requirements.

(I) A demonstration that the State educational agency and local educational agencies in the State have developed, and shall review and revise, policies to remove barriers to the identification of homeless children and youths, and the enrollment and retention of homeless children and youths in
schools in the State, including barriers to enrollment and retention due to outstanding fees or fines, or absences.

(J) Assurances that the following will be carried out:
(i) The State educational agency and local educational agencies in the State will adopt policies and practices to ensure that homeless children and youths are not stigmatized or segregated on the basis of their status as homeless.
(ii) The local educational agencies will designate an appropriate staff person, able to carry out the duties described in paragraph (5)(A), who may also be a coordinator for other Federal programs, as a local educational agency liaison for homeless children and youths.
(iii) The State and the local educational agencies in the State will adopt policies and practices to ensure that transportation is provided, at the request of the parent or guardian (or in the case of an unaccompanied youth, the liaison), to and from the school of origin (as determined under paragraph (3)), in accordance with the following, as applicable:
(I) If the child or youth continues to live in the area served by the local educational agency in which the school of origin is located, the child’s or youth’s transportation to and from the school of origin shall be provided or arranged by the local educational agency in which the school of origin is located.
(II) If the child’s or youth’s living arrangements in the area served by the local educational agency of origin terminate and the child or youth, though continuing the child’s or youth’s education in the school of origin, begins living in an area served by another local educational agency, the local educational agency of origin and the local educational agency in which the child or youth is living shall agree upon a method to apportion the responsibility and costs for providing the child or youth with transportation to and from the school of origin. If the local educational agencies are unable to agree upon such method, the responsibility and costs for transportation shall be shared equally.
(iv) The State and the local educational agencies in the State will adopt policies and practices to ensure participation by liaisons described in clause (ii) in professional development and other technical assistance activities provided pursuant to paragraphs (5) and (6) of subsection (f), as determined appropriate by the Office of the Coordinator.
(K) A description of how youths described in section 11434(a)(2) of this title will receive assistance from counselors to advise such youths, and prepare and improve the readiness of such youths for college.

(2) Compliance
(A) In general
Each plan adopted under this subsection shall also describe how the State will ensure that local educational agencies in the State will comply with the requirements of paragraphs (3) through (7).

(B) Coordination
Such plan shall indicate what technical assistance the State will furnish to local educational agencies and how compliance efforts will be coordinated with the local educational agency liaisons designated under paragraph (1)(J)(ii).

(3) Local educational agency requirements
(A) In general
The local educational agency serving each child or youth to be assisted under this part shall, according to the child’s or youth’s best interest—
(i) continue the child’s or youth’s education in the school of origin for the duration of homelessness—
(I) in any case in which a family becomes homeless between academic years or during an academic year; and
(II) for the remainder of the academic year, if the child or youth becomes permanently housed during an academic year; or
(ii) enroll the child or youth in any public school that nonhomeless students who live in the attendance area in which the child or youth is actually living are eligible to attend.

(B) School stability
In determining the best interest of the child or youth under subparagraph (A), the local educational agency shall—
(i) presume that keeping the child or youth in the school of origin is in the child’s or youth’s best interest, except when doing so is contrary to the request of the child’s or youth’s parent or guardian, or (in the case of an unaccompanied youth) the youth;
(ii) consider student-centered factors related to the child’s or youth’s best interest, including factors related to the impact of mobility on achievement, education, health, and safety of homeless children and youth, giving priority to the request of the child’s or youth’s parent or guardian or (in the case of an unaccompanied youth) the youth;
(iii) if, after conducting the best interest determination based on consideration of the presumption in clause (i) and the student-centered factors in clause (ii), the local educational agency determines that it is not in the child’s or youth’s best interest to attend the school of origin or the school requested by the parent or guardian, or (in the case of an unaccompanied youth) the youth, provide the child’s or youth’s parent or guardian or the unaccompanied youth with a written explanation of the reasons for its determination, in a manner and form understandable to such parent, guardian, or unaccompanied youth, including information regarding the right to appeal under subparagraph (E); and
(iv) in the case of an unaccompanied youth, ensure that the local educational agency liaison designated under paragraph (1)(J)(ii) assists in placement or enrollment decisions under this subparagraph, gives priority to the views of such unaccompanied youth, and provides notice to such youth of the right to appeal under subparagraph (E).

(C) Immediate enrollment

(i) In general

The school selected in accordance with this paragraph shall immediately enroll the homeless child or youth, even if the child or youth—

(I) is unable to produce records normally required for enrollment, such as previous academic records, records of immunization and other required health records, proof of residency, or other documentation; or

(II) has missed application or enrollment deadlines during any period of homelessness.

(ii) Relevant academic records

The enrolling school shall immediately contact the school last attended by the child or youth to obtain relevant academic and other records.

(iii) Relevant health records

If the child or youth needs to obtain immunizations or other required health records, the enrolling school shall immediately refer the parent or guardian of the child or youth, or (in the case of an unaccompanied youth) the youth, to the local educational agency liaison designated under paragraph (1)(J)(ii), who shall assist in obtaining necessary immunizations or screenings, or immunization or other required health records, in accordance with subparagraph (D).

(D) Records

Any record ordinarily kept by the school, including immunization or other required health records, academic records, birth certificates, guardianship records, and evaluations for special services or programs, regarding each homeless child or youth shall be maintained—

(i) so that the records involved are available, in a timely fashion, when a child or youth enters a new school or school district; and

(ii) in a manner consistent with section 1232g of title 20.

(E) Enrollment disputes

If a dispute arises over eligibility, or school selection or enrollment in a school—

(i) the child or youth shall be immediately enrolled in the school in which enrollment is sought, pending final resolution of the dispute, including all available appeals;

(ii) the parent or guardian of the child or youth or (in the case of an unaccompanied youth) the youth shall be provided with a written explanation of any decisions related to school selection or enrollment made by the school, the local educational agency, or the State educational agency involved, including the rights of the parent, guardian, or unaccompanied youth to appeal such decisions;

(iii) the parent, guardian, or unaccompanied youth shall be referred to the local educational agency liaison designated under paragraph (1)(J)(ii), who shall carry out the dispute resolution process as described in paragraph (1)(C) as expeditiously as possible after receiving notice of the dispute; and

(iv) in the case of an unaccompanied youth, the liaison shall ensure that the youth is immediately enrolled in the school in which the youth seeks enrollment pending resolution of such dispute.

(F) Placement choice

The choice regarding placement shall be made regardless of whether the child or youth lives with the homeless parents or has been temporarily placed elsewhere.

(G) Privacy

Information about a homeless child’s or youth’s living situation shall be treated as a student education record, and shall not be deemed to be directory information, under section 1232g of title 20.

(H) Contact information

Nothing in this part shall prohibit a local educational agency from requiring a parent or guardian of a homeless child or youth to submit contact information.

(I) School of origin defined

In this paragraph:

(i) In general

The term “school of origin” means the school that a child or youth attended when permanently housed or the school in which the child or youth was last enrolled, including a preschool.

(ii) Receiving school

When the child or youth completes the final grade level served by the school of origin, as described in clause (i), the term “school of origin” shall include the designated receiving school at the next grade level for all feeder schools.

(4) Comparable services

Each homeless child or youth to be assisted under this part shall be provided services comparable to services offered to other students in the school selected under paragraph (3), including the following:

(A) Transportation services.

(B) Educational services for which the child or youth meets the eligibility criteria, such as services provided under title I of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6301 et seq.) or similar State or local programs, educational programs for children with disabilities, and educational programs for English learners.
(C) Programs in career and technical education.
(D) Programs for gifted and talented students.
(E) School nutrition programs.

(5) Coordination

(A) In general

Each local educational agency serving homeless children and youths that receives assistance under this part shall coordinate—

(i) the provision of services under this part with local social services agencies and other agencies or entities providing services to homeless children and youths and their families, including services and programs funded under the Runaway and Homeless Youth Act (42 U.S.C. 5701 et seq.); and

(ii) transportation, transfer of school records, and other interdistrict activities, with other local educational agencies.

(B) Housing assistance

If applicable, each State educational agency and local educational agency that receives assistance under this part shall coordinate with State and local housing agencies responsible for developing the comprehensive housing affordability strategy described in section 12705 of this title to minimize educational disruption for children and youths who become homeless.

(C) Coordination purpose

The coordination required under subparagraphs (A) and (B) shall be designed to—

(i) ensure that all homeless children and youths are promptly identified;

(ii) ensure that all homeless children and youths have access to, and are in reasonable proximity to, available education and related support services; and

(iii) raise the awareness of school personnel and service providers of the effects of short-term stays in a shelter and other challenges associated with homelessness.

(D) Homeless children and youths with disabilities

For children and youths who are to be assisted both under this part, and under the Individuals with Disabilities Education Act (20 U.S.C. 1400 et seq.) or section 794 of title 29, each local educational agency shall coordinate the provision of services under this part with the provision of programs for children with disabilities served by that local educational agency and other involved local educational agencies.

(6) Local educational agency liaison

(A) Duties

Each local educational agency liaison for homeless children and youths, designated under paragraph (1)(J)(ii), shall ensure that—

(i) homeless children and youths are identified by school personnel through outreach and coordination activities with other entities and agencies;

(ii) homeless children and youths are enrolled in, and have a full and equal opportunity to succeed in, schools of that local educational agency;

(iii) homeless families and homeless children and youths have access to and receive educational services for which such families, children, and youths are eligible, including services through Head Start programs (including Early Head Start programs) under the Head Start Act (42 U.S.C. 9831 et seq.), early intervention services under part C of the Individuals with Disabilities Education Act (20 U.S.C. 1431 et seq.), and other preschool programs administered by the local educational agency;

(iv) homeless families and homeless children and youths receive referrals to health care services, dental services, mental health and substance abuse services, housing services, and other appropriate services;

(v) the parents or guardians of homeless children and youths are informed of the educational and related opportunities available to their children and are provided with meaningful opportunities to participate in the education of their children;

(vi) public notice of the educational rights of homeless children and youths is disseminated in locations frequented by parents or guardians of such children and youths, and unaccompanied youths, including schools, shelters, public libraries, and soup kitchens, in a manner and form understandable to the parents and guardians of homeless children and youths, and unaccompanied youths;

(vii) enrollment disputes are mediated in accordance with paragraph (3)(E);

(viii) the parent or guardian of a homeless child or youth, and any unaccompanied youth, is fully informed of all transportation services, including transportation to the school of origin, as described in paragraph (1)(J)(iii), and is assisted in accessing transportation to the school that is selected under paragraph (3)(A);

(ix) school personnel providing services under this part receive professional development and other support; and

(x) unaccompanied youths—

(I) are enrolled in school;

(II) have opportunities to meet the same challenging State academic standards as the State establishes for other children and youth, including through implementation of the procedures under paragraph (1)(F)(ii); and

(III) are informed of their status as independent students under section 1087vv of title 20 and that the youths may obtain assistance from the local educational agency liaison to receive verification of such status for purposes of the Free Application for Federal Student Aid described in section 1090 of title 20.

(B) Notice

State Coordinators established under subsection (d)(3) and local educational agencies
shall inform school personnel, service providers, advocates working with homeless families, parents and guardians of homeless children and youths, and homeless children and youths of the duties of the local educational agency liaisons, and publish an annually updated list of the liaisons on the State educational agency’s website.

(C) Local and State coordination

Local educational agency liaisons for homeless children and youths shall, as a part of their duties, coordinate and collaborate with State Coordinators and community and school personnel responsible for the provision of education and related services to homeless children and youths. Such coordination shall include collecting and providing to the State Coordinator the reliable, valid, and comprehensive data needed to meet the requirements of paragraphs (1) and (3) of subsection (f).

(D) Homeless status

A local educational agency liaison designated under paragraph (1)(D)(ii) who receives training described in subsection (C)(6) may affirm, without further agency action by the Department of Housing and Urban Development, that a child or youth who is eligible for and participating in a program provided by the local educational agency, or the immediate family of such a child or youth, who meets the eligibility requirements of this chapter for a program or service authorized under subchapter IV, is eligible for such program or service.

(7) Review and revisions

(A) In general

Each State educational agency and local educational agency that receives assistance under this part shall review and revise any policies that may act as barriers to the identification of homeless children and youths or the enrollment of homeless children and youths in schools that are selected under paragraph (3).

(B) Consideration

In reviewing and revising such policies, consideration shall be given to issues concerning transportation, immunization, residency, birth certificates, school records and other documentation, and guardianship.

(C) Special attention

Special attention shall be given to ensuring the identification, enrollment, and attendance of homeless children and youths who are not currently attending school.


REFERENCES IN TEXT

The Indian Self-Determination and Education Assistance Act (25 U.S.C. 450 et seq.), referred to in subsec. (c)(2)(B)(ii), is Pub. L. 93–638, Jan. 4, 1975, 88 Stat. 2203, which was classified principally to subchapter II (§ 450 et seq.) of chapter 14 of Title 25, Indians, prior to editorial reclassification as chapter 46 (§ 5301 et seq.) of Title 25. For complete classification of this Act to the Code, see Short Title note set out under section 5301 of Title 25 and Tables.

The Runaway and Homeless Youth Act, referred to in subsecs. (f)(4)(B) and (g)(5)(A)(i), is title III of Pub. L. 93–415, Sept. 7, 1974, 88 Stat. 1129, which was classified generally to subchapter III (§ 5701 et seq.) of chapter 72 of this title, prior to editorial reclassification and renumbering as subchapter III (§ 12201 et seq.) of chapter 111 of Title 34, Crime Control and Law Enforcement. For complete classification of this Act to the Code, see Short Title note of 1974 Act note set out under section 10101 of Title 34 and Tables.

The Elementary and Secondary Education Act of 1965, referred to in subsec. (g)(4)(B), is Pub. L. 89–10, Apr. 11, 1965, 79 Stat. 27. Title I of the Act is classified generally to subchapter I (§ 6303 et seq.) of chapter 70 of Title 20, Education. For complete classification of this Act to the Code, see Short Title note set out under section 6301 of Title 20 and Tables.

The Individuals with Disabilities Education Act, referred to in subsec. (g)(5)(D), (6)(A)(iii), is title VI of Pub. L. 91–230, Apr. 13, 1970, 84 Stat. 175, which is classified generally to chapter 33 (§ 1400 et seq.) of Title 20, Education. Part C of the Act is classified generally to subchapter III (§ 1431 et seq.) of chapter 33 of Title 20. For complete classification of this Act to the Code, see section 1400 of Title 20 and Tables.

The Head Start Act, referred to in subsec. (g)(6)(A)(iii), is subchapter B (§ 835 et seq.) of chapter 8 of subtitle A of title VI of Pub. L. 97–35, Aug. 13, 1981, 95 Stat. 499, which is classified generally to subchapter II (§ 9891 et seq.) of chapter 185 of Title 42. For complete classification of this Act to the Code, see Short Title note set out under section 9801 of this title and Table.

This chapter, referred to in subsec. (g)(6)(D), was in the original “this Act”, meaning Pub. L. 100–77, July 22, 1987, 101 Stat. 482, known as the McKinney-Vento Homeless Assistance Act. For complete classification of this Act to the Code, see Short Title note set out under section 11301 of this title and Table.

PRIORITY PROVISIONS


AMENDMENTS

2015—Subsec. (b). Pub. L. 114–95, § 9102(1), added subsec. (b) and struck out former subsec. (b). Prior to amendment, text read as follows: “No State may receive a grant under this section unless the State educational agency submits an application to the Secretary at such time, in such manner, and containing or accompanied by such information as the Secretary may reasonably require."

Subsec. (d)(2). Pub. L. 114–95, § 9102(2)(A), substituted “To provide services and activities to improve the identification of homeless children and youths (including preschool-aged homeless children) and enable” for “To provide activities for, and services to, homeless children, including preschool-aged homeless children, and youths that enable” and “or, if” for “or”.

Subsec. (d)(3). Pub. L. 114–95, § 9102(2)(B), substituted “designate in the State educational agency an Office of Education” for “designate an office of the State educational agency as an Office of Education”.
the Coordinator for Education of Homeless Children and Youths that can sufficiently carry out the duties described for the Office in this part in accordance with subsection (f), for “designate an Office of Coordinator for Education of Homeless Children and Youths in the State educational agency in accordance with subsection (f) of this section.”

Subsec. (d)(5). Pub. L. 114–95, §9102(2)(C), added par. (5) and struck out former par. (5) which read as follows:

“To develop and implement professional development programs for school personnel to heighten their awareness of, and capacity to respond to, specific problems in the education of homeless children and youths.”

Subsec. (e)(1). Pub. L. 114–95, §9102(3)(A), inserted “a State through grants under subsection (a) to” after “each year to”.

Subsec. (e)(2). Pub. L. 114–95, §9102(3)(B), substituted “the grant funds remaining after the State educational agency distributes subgrants under paragraph (1)” for “funds made available for State use under this part”.


Subsec. (e)(3)(F)(xiii)(II). Pub. L. 114–95, §9102(3)(C)(ii), added the “The” for “Not later than 2 years after January 8, 2002, the”.

Subsec. (f). Pub. L. 114–95, §9102(4), added subsec. (f) and struck out former subsec. (f) which related to the functions of the Office of Coordinator.

Subsec. (g). Pub. L. 114–95, §9102(5), added subsec. (g) and struck out former subsec. (g) which related to State plans to provide for the education of homeless children and youths.

Subsec. (h). Pub. L. 114–95, §9102(6), struck out subsec. (h) which related to emergency assistance for certain individuals who become homeless due to home foreclosure.


CHANGE OF NAME

Committee on Education and the Workforce of House of Representatives changed to Committee on Education and Labor of House of Representatives by House Resolution No. 6, One Hundred Sixteenth Congress, Jan. 9, 2019.

EFFECTIVE DATE OF 2015 AMENDMENT

Amendment by Pub. L. 114–95 effective Oct. 1, 2016, see section 9107 of Pub. L. 114–95, set out as a note under section 11431 of this title.

EFFECTIVE DATE

Section effective Jan. 8, 2002, except as otherwise provided in section 11432(e)(3)(B) of this title, shall not provide services in settings within a school that segregate homeless children and youths from other children and youths, except as necessary for short periods of time—

(I) for health and safety emergencies; or

(II) to provide temporary, special, and supplementary services to meet the unique needs of homeless children and youths.

(3) Requirement

Services provided under this section shall not replace the regular academic program and shall be designed to expand upon or improve services provided as part of the school’s regular academic program.

(4) Duration of grants

Grants made under this section shall be for terms of not to exceed 3 years.

(b) Application

A local educational agency that desires to receive a subgrant under this section shall submit an application to the State educational agency at such time, in such manner, and containing or accompanied by such information as the State educational agency may reasonably require. Such application shall include the following:

(1) An assessment of the educational and related needs of homeless children and youths in the area served by such agency (which may be undertaken as part of needs assessments for other disadvantaged groups);

(2) A description of the services and programs for which assistance is sought to address the needs identified in paragraph (1);

(3) An assurance that the local educational agency’s combined fiscal effort per student, or the aggregate expenditures of that agency and the State with respect to the provision of free public education by such agency for the fiscal year preceding the fiscal year for which the determination is made, was not less than 90 percent of such combined fiscal effort or ag-
ggregate expenditures for the second fiscal year preceding the fiscal year for which the determination is made.

(4) An assurance that the applicant complies with, or will use requested funds to comply with, paragraphs (d) through (f) of section 11432(g) of this title.

(5) A description of policies and procedures, consistent with section 11432(e)(3) of this title, that the agency will implement to ensure that activities carried out by the agency will not isolate or stigmatize homeless children and youths.

(6) An assurance that the local educational agency will collect and promptly provide data required by the State Coordinator pursuant to paragraphs (1) and (3) of section 11432(f) of this title.

(7) An assurance that the local educational agency will meet the requirements of section 11432(g)(3) of this title.

(c) Awards

(1) In general

The State educational agency shall, in accordance with the requirements of this part and from amounts made available to it under section 11435 of this title, make competitive subgrants to local educational agencies that submit applications under subsection (b). Such subgrants shall be awarded on the basis of the need for such agencies for assistance under this part and the quality of the applications submitted.

(2) Need

In determining need under paragraph (1), the State educational agency may consider the number of homeless children and youths enrolled in early childhood education and other preschool programs, elementary schools, and secondary schools, within the area served by the local educational agency, and shall consider the needs of such children and youths and the ability of the local educational agency to meet such needs. The State educational agency may also consider the following:

(A) The extent to which the proposed use of funds will facilitate the identification, enrollment, retention, and educational success of homeless children and youths.

(B) The extent to which the application reflects coordination with other local and State agencies that serve homeless children and youths.

(C) The extent to which the applicant exhibits in the application and in current practice (as of the date of submission of the application) a commitment to education for all homeless children and youths.

(D) Such other criteria as the State agency determines appropriate.

(3) Quality

In determining the quality of applications under paragraph (1), the State educational agency shall consider the following:

(A) The applicant’s needs assessment under subsection (b)(1) and the likelihood that the program presented in the application will meet such needs.

(B) The types, intensity, and coordination of the services to be provided under the program.

(C) The extent to which the applicant will promote meaningful involvement of parents or guardians of homeless children or youths in the education of their children.

(D) The extent to which homeless children and youths will be integrated into the regular education program.

(E) The quality of the applicant’s evaluation plan for the program.

(F) The extent to which services provided under this part will be coordinated with other services available to homeless children and youths and their families.

(G) The extent to which the local educational agency will use the subgrant to leverage resources, including by maximizing nonsubgrant funding for the position of the liaison described in section 11432(g)(1)(J)(i)(I) of this title and the provision of transportation.

(H) How the local educational agency will use funds to serve homeless children and youths under section 1113(c)(3) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6313(c)(3)).

(I) The extent to which the applicant’s program meets such other measures as the State educational agency considers indicative of a high-quality program, such as the extent to which the local educational agency will provide case management or related services to unaccompanied youths.

(d) Authorized activities

A local educational agency may use funds awarded under this section for activities that carry out the purpose of this part, including the following:

(1) The provision of tutoring, supplemental instruction, and enriched educational services that are linked to the achievement of the same challenging State academic standards as the State establishes for other children and youths.

(2) The provision of expedited evaluations of the strengths and needs of homeless children and youths, including needs and eligibility for programs and services (such as educational programs for gifted and talented students, children with disabilities, and English learners, services provided under title I of the Elementary and Secondary Education Act of 1965 [20 U.S.C. 6801 et seq.] or similar State or local programs, programs in career and technical education, and school nutrition programs).

(3) Professional development and other activities for educators and specialized instructional support personnel that are designed to heighten the understanding and sensitivity of such personnel to the needs of homeless children and youths under this part, and the specific educational needs of runaway and homeless youths.

(4) The provision of referral services to homeless children and youths for medical, dental, mental, and other health services.

(5) The provision of assistance to defray the excess cost of transportation for students under section 11432(g)(4)(A) of this title, not otherwise provided through Federal, State, or
local funding, where necessary to enable students to attend the school selected under section 11432(g)(3) of this title.

(6) The provision of developmentally appropriate early childhood education programs, not otherwise provided through Federal, State, or local funding, for preschool-aged homeless children.

(7) The provision of services and assistance to attract, engage, and retain homeless children and youths, particularly homeless children and youths who are not enrolled in school, in public school programs and services provided to nonhomeless children and youths.

(8) The provision for homeless children and youths of before- and after-school, mentoring, and summer programs in which a teacher or other qualified individual provides tutoring, homework assistance, and supervision of educational activities.

(9) If necessary, the payment of fees and other costs associated with tracking, obtaining, and transferring records necessary to enroll homeless children and youths in school, including birth certificates, immunization or other required health records, academic records, guardianship records, and evaluations for special programs or services.

(10) The provision of education and training to the parents and guardians of homeless children and youths about the rights of, and resources available to, such children and youths, and other activities designed to increase the meaningful involvement of parents and guardians of homeless children or youths in the education of such children or youths.

(11) The development of coordination between schools and agencies providing services to homeless children and youths, as described in section 11432(g)(5) of this title.

(12) The provision of specialized instructional support services (including violence prevention counseling) and referrals for such services.

(13) Activities to address the particular needs of homeless children and youths that may arise from domestic violence and parental mental health or substance abuse problems.

(14) The adaptation of space and purchase of supplies for any nonschool facilities made available under subsection (a)(2) to provide services under this subsection.

(15) The provision of school supplies, including those supplies to be distributed at shelters or temporary housing facilities, or other appropriate locations.

(16) The provision of other extraordinary or emergency assistance needed to enable homeless children and youths to attend school and participate fully in school activities.


AMENDMENTS


Subsec. (b)(5), (7). Pub. L. 114–95, §9103(2), added pars. (6) and (7).


Subsec. (c)(2)(B). Pub. L. 114–95, §9103(3)(A)(iii), substituted “application reflects coordination with other local and State agencies that serve homeless children and youths,” for “application—

(i) reflects coordination with other local and State agencies that serve homeless children and youths; and

(ii) describes how the applicant will meet the requirements of section 11432(g)(3) of this title.”

Subsec. (c)(2)(C). Pub. L. 114–95, §9103(3)(A)(iv), inserted “(as of the date of submission of the application)” after “practice”.

Subsec. (c)(3)(C). Pub. L. 114–95, §9103(3)(B)(i), substituted “direct” for “indirect”;

Subsec. (c)(3)(D). Pub. L. 114–95, §9103(3)(B)(ii), substituted “into” for “within”.

Subsec. (c)(3)(G), (H). Pub. L. 114–95, §9103(3)(B)(v), added subpars. (G) and (H). Former subpar. (G) redesignated (I).

Subsec. (c)(3)(I). Pub. L. 114–95, §9103(3)(B)(II), redesignated subpar. (G) as (I) and substituted “The extent to which the applicant’s program meets such” for “Such”.

Subsec. (c)(4). Pub. L. 114–95, §9103(3)(C), struck out par. (4). Text read as follows: “Grants awarded under this section shall be for terms not to exceed 3 years.”

Subsec. (d)(1). Pub. L. 114–95, §9104(1), substituted “the same challenging State academic standards as” for “the same challenging State academic content standards and challenging State student academic achievement standards”.

Subsec. (d)(2). Pub. L. 114–95, §9104(4)(B), substituted “English learners’” for “students with limited English proficiency” and “career” for “vocational”.

Subsec. (d)(3). Pub. L. 114–95, §9104(1)(C), substituted “specialized instructional support” for “pupil services”.

Subsec. (d)(7). Pub. L. 114–95, §9104(1)(D), substituted “particularly homeless children and youths who are not enrolled in school,” for “and unaccompanied youths.”

Subsec. (d)(9). Pub. L. 114–95, §9104(1)(E), substituted “other required health” for “medical”.

REFERENCES IN TEXT

Subsec. (d)(10). Pub. L. 114–95, §9103(4)(F), substituted “parents and guardians” for “parents” and inserted before period at end “and, and other activities designed to increase the meaningful involvement of parents and guardians of homeless children or youths in the education of such children or youths”.

Subsec. (d)(12). Pub. L. 114–95, §9103(4)(G), substituted “specialized instructional support services” for “pupil services”.

Subsec. (d)(13). Pub. L. 114–95, §9103(4)(H), inserted before period at end “and parental mental health or substance abuse problems”.

Subsec. (d)(16). Pub. L. 114–95, §9103(4)(I), inserted before period at end “and participate fully in school activities”.

Effective Date of 2015 Amendment
Amendment by Pub. L. 114–95 effective Oct. 1, 2016, see section 9107 of Pub. L. 114–95, set out as a note under section 11431 of this title.

§11434. Secretarial responsibilities

(a) Review of State plans

In reviewing the State plan submitted by a State educational agency under section 11432(g) of this title, the Secretary shall use a peer review process and shall evaluate whether State laws, policies, and practices described in such plan adequately address the problems of homeless children and youths relating to access to education and placement as described in such plan.

(b) Technical assistance

The Secretary shall provide support and technical assistance to a State educational agency to assist such agency in carrying out its responsibilities under this part, if requested by the State educational agency.

(c) Notice

(1) In general

The Secretary shall, before the next school year that begins after December 10, 2015, update and disseminate nationwide the public notice described in this subsection (as in effect prior to such date) of the educational rights of homeless children and youths.

(2) Dissemination

The Secretary shall disseminate the notice nationwide to all Federal agencies, and grant recipients, serving homeless families or homeless children and youths.

(d) Evaluation, dissemination, and technical assistance

The Secretary shall conduct evaluation, dissemination, and technical assistance activities for programs designed to meet the educational needs of homeless elementary and secondary school students, and may use funds appropriated under section 11435 of this title to conduct such activities.

(e) Submission and distribution

The Secretary shall require applications for grants under this part to be submitted to the Secretary not later than the expiration of the 120-day period beginning on the date that funds are available for purposes of making such grants and shall make such grants not later than the expiration of the 180-day period beginning on such date.

(f) Determination by Secretary

The Secretary, based on the information received from the States and information gathered by the Secretary under subsection (h), shall determine the extent to which State educational agencies are ensuring that each homeless child and homeless youth has access to a free appropriate public education, as described in section 11431(1) of this title. The Secretary shall provide support and technical assistance to State educational agencies, concerning areas in which documented barriers to a free appropriate public education persist.

(g) Guidelines

The Secretary shall develop, issue, and publish in the Federal Register, not later than 60 days after December 10, 2015, guidelines concerning ways in which a State—

(1) may assist local educational agencies to implement the provisions related to homeless children and youths amended by that Act; and

(2) may review and revise State policies and procedures that may present barriers to the identification of homeless children and youths, and the enrollment, attendance, and success of homeless children and youths in school.

(h) Information

(1) In general

From funds appropriated under section 11435 of this title, the Secretary shall, directly or through grants, contracts, or cooperative agreements, periodically collect and disseminate data and information regarding—

(A) the number and primary nighttime residence of homeless children and youths in all areas served by local educational agencies;

(B) the education and related services such children and youths receive;

(C) the extent to which the needs of homeless children and youths are being met; and

(D) such other data and information as the Secretary determines to be necessary and relevant to carry out this part.

(2) Coordination

The Secretary shall coordinate such collection and dissemination with other agencies and entities that receive assistance and administer programs under this part.

(i) Report

Not later than 4 years after December 10, 2015, the Secretary shall prepare and submit to the President and the Committee on Education and the Workforce of the House of Representatives and the Committee on Health, Education, Labor, and Pensions of the Senate a report on the status of education of homeless children and youths, which shall include information on—

(1) the education of homeless children and youths; and

(2) the actions of the Secretary and the effectiveness of the programs supported under this part.
Amendments to the Elementary and Secondary Education Act of 1965

1. The terms "enroll" and "enrollment" include attending classes and participating fully in school activities.
2. The term "homeless children and youths" means individuals who lack a fixed, regular, and adequate nighttime residence (within the meaning of section 11302(a)(1) of the title) and (B) includes—(i) children and youths who are sharing the housing of other persons due to loss of housing, economic hardship, or a similar reason; are living in motels, hotels, trailer parks, or camping grounds due to the lack of alternative adequate accommodations; are living in emergency or transitional shelters; or are abandoned in hospitals; (ii) children and youths who have a primary nighttime residence that is a public or private place not designed for or ordinarily used as a regular sleeping accommodation for human beings (within the meaning of section 11302(a)(2)(C) of this title); (iii) children and youths who are living in cars, parks, public spaces, abandoned buildings, substandard housing, bus or train stations, or similar settings; and (iv) migratory children (as such term is defined in section 673 of this Act). Qualify as homeless for the purposes of this part because the children are living in circumstances described in clauses (i) through (iii).
3. The terms "local educational agency" and "State educational agency" have the meanings given such terms in section 7801 of title 20.
4. The term "Secretary" means the Secretary of Education.
5. The term "State" means each of the States, the District of Columbia, and the Commonwealth of Puerto Rico.
6. The term "unaccompanied youth" includes a homeless child or youth not in the physical custody of a parent or guardian.

References to Other Acts

Sections 114-95 of this Act, referred to in section 1302 of this Act, were added by Pub. L. 111-22, div. B, §1003(a)(2), May 22, 2010.

References in Text

See References in Text note below.
20, 2009, 123 Stat. 1664, and, as so amended, section 11302(a)(2) of this title no longer contains a subpar. (C).

PRIOR PROVISIONS


AMENDMENTS

2015—Par. (2)(B)(1). Pub. L. 114–95, §9105(a)(1), inserted ‘‘or’’ before ‘‘are abandoned’’ and struck out ‘‘or are awaiting foster care placement’’; after ‘‘hospitals’’.

Par. (3). Pub. L. 114–95, §9105(a)(2), which directed technical amendment to reference in original act which appears in text as reference to section 7801 of title 20, could not be executed because of the intervening amendment by Pub. L. 114–95, §9215(zz). See above and Effective Date of 2015 Amendment notes below.

Par. (6). Pub. L. 114–95, §9105(a)(3), substituted ‘‘homeless child or youth not’’ for ‘‘youth not’’.

Effective Date of 2015 Amendment

Amendment by section 9215(zz) of Pub. L. 114–95 effective Dec. 10, 2015, except with respect to certain noncompetitive programs and competitive programs, see section 5 of Pub. L. 114–95, set out as a note under section 6301 of this title.

Pub. L. 114–95, title IX, §9106(b), Dec. 10, 2015, 129 Stat. 2137, provided that:

‘‘(1) IN GENERAL.—In the case of a State that is not a covered State, the amendment made by subsection (a)(1) shall take effect on the date that is 1 year after the date of enactment of this Act [Dec. 10, 2015].

‘‘(2) COVERED STATE.—In the case of a covered State, the amendment made by subsection (a)(1) shall take effect on the date that is 2 years after the date of enactment of this Act.’’

Amendment by section 9105(a) of Pub. L. 114–95 effective Oct. 1, 2016, except as provided in section 9105(b) of Pub. L. 114–95 (set out above), see section 9107 of Pub. L. 114–95, set out as a note under section 11431 of this title.

Effective Date

Section effective Jan. 8, 2002, except with respect to certain noncompetitive programs and competitive programs, see section 5 of Pub. L. 107–110, set out as a note under section 6301 of Title 20, Education.

Definition of Covered State

Pub. L. 114–95, title IX, §9105(c), Dec. 10, 2015, 129 Stat. 2137, provided that: ‘‘For purposes of this section [amending this section and enacting provisions set out as a note above] the term ‘covered State’ means a State that has a statutory law that defines or describes the phrase ‘awaiting foster care placement’, for purposes of a program under subtitle B of title VII of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11431 et seq.).’’

§11433. Authorization of appropriations

There are authorized to be appropriated to carry out this part $85,000,000 for each of fiscal years 2017 through 2020.


PRIOR PROVISIONS


AMENDMENTS

2015—Pub. L. 114–95, §9106, amended section generally. Prior to amendment, text read as follows: ‘‘For the purpose of carrying out this part, there are authorized to be appropriated $100,000,000 for fiscal year 2009 and such sums as may be necessary for each subsequent fiscal year:

2008—Pub. L. 110–289 substituted ‘‘$100,000,000 for fiscal year 2009 and such sums as may be necessary for each subsequent fiscal year’’ for ‘‘$70,000,000 for fiscal year 2002 and such sums as may be necessary for each of fiscal years 2003 through 2007’’.

Effective Date of 2015 Amendment

Amendment by Pub. L. 114–95 effective Oct. 1, 2016, see section 9107 of Pub. L. 114–95, set out as a note under section 11431 of this title.

Effective Date

Section effective Jan. 8, 2002, except with respect to certain noncompetitive programs and competitive programs, see section 5 of Pub. L. 107–110, set out as a note under section 6301 of Title 20, Education.

Part C—Job Training for Homeless


dite the reintegration of homeless veterans into the labor force.


PART D—EMERGENCY COMMUNITY SERVICES


Effective Date of Repeal
Repeal effective July 1, 1999, see section 199(c)(2)(A) of Pub. L. 105–220, as amended, set out as a note under section 11421 of this title.

PART E—MISCELLANEOUS PROVISIONS


Effective Date of Repeal
Repeal effective July 1, 1999, see section 199(c)(2)(A) of Pub. L. 105–220, as amended, set out as a note under section 11421 of this title.

CHAPTER 120—ENTERPRISE ZONE DEVELOPMENT

Sec.
11501. Designation of enterprise zones.
11502. Evaluation and reporting requirements.
11503. Interaction with other Federal programs.
11504. Waiver or modification of housing and community development rules in enterprise zones.
11505. Coordination with CDBG and UDAG programs.

§ 11501. Designation of enterprise zones

(a) Designation of zones

(1) “Enterprise zone” defined
For purposes of this section, the term “enterprise zone” means any area that—
(A) is nominated by one or more local governments and the State or States in which it is located for designation as an enterprise zone (in this section referred to as a “nominated area”); and
(B) the Secretary of Housing and Urban Development designates as an enterprise zone, after consultation with—
(i) the Secretaries of Agriculture, Commerce, Labor, and the Treasury, the Director of the Office of Management and Budget, and the Administrator of the Small Business Administration; and

(ii) in the case of an area on an Indian reservation, the Secretary of the Interior.

(2) Number of designations

(A) In general

The Secretary of Housing and Urban Development may designate not more than 100 nominated areas as enterprise zones.

(B) Minimum designation in rural areas

Of the areas designated under subparagraph (A), not less than \( \frac{1}{3} \) shall be areas that—

(i) are within a local government jurisdiction or jurisdictions with a population of less than 50,000 (as determined under the most recent census data available);

(ii) are outside of a metropolitan statistical area (as designated by the Director of the Office of Management and Budget); or

(iii) that are determined by the Secretary, after consultation with the Secretary of Commerce, to be rural areas.

(3) Areas designated based solely on degree of poverty

(A) In general

Except as provided in subparagraph (B), the Secretary shall designate (i) the nominated areas with the highest average ranking with respect to the criteria set forth in subparagraphs (C) and (D) of subsection (c)(3), and the 1 criterion set forth in subparagraph (E)(i) or (E)(ii) of subsection (c)(3) that gives an area a higher ranking; and (ii) for areas described in paragraph (2)(B), the nominated areas with the highest ranking with respect to the 1 criterion set forth in subparagraph (C), (D), (E)(i), or (E)(ii) of subsection (c)(3) that gives an area a higher ranking. For purposes of the preceding sentence, an area shall be ranked within each such criterion on the basis of the amount by which the area exceeds such criterion, with the area that exceeds such criterion by the greatest amount given the highest ranking.

(B) Exception where inadequate course of action, etc.

An area shall not be designated under subparagraph (A) if the Secretary determines that the course of action with respect to such area is inadequate.

(C) Separate application to rural and other areas

Subparagraph (A) shall be applied separately with respect to areas described in paragraph (2)(B) and to other areas.

(4) Limitation on designations

(A) Publication of regulations

Before designating any area as an enterprise zone, the Secretary shall prescribe by regulation not later than 4 months following February 5, 1988, after consultation with the officials described in paragraph (1)(B)—

(i) the procedures for nominating an area under paragraph (1)(A);

(ii) the parameters relating to the size and population characteristics of an enterprise zone; and

(iii) the manner in which nominated areas will be evaluated based on the criteria specified in subsection (d).

(B) Time limitations

The Secretary shall designate nominated areas as enterprise zones only during the 24-month period beginning on the 1st day of the 1st month following the month in which the date of the enactment of the Housing and Community Development Act of 1992 occurs.

(C) Procedural rules

The Secretary shall not make any designation under paragraph (1) unless—

(i) the local governments and the State in which the nominated area is located have the authority—

(I) to nominate such area for designation as an enterprise zone;

(II) to make the State and local commitments under subsection (d); and

(III) to provide assurances satisfactory to the Secretary that such commitments will be fulfilled;

(ii) a nomination therefor is submitted in such a manner and in such form, and contains such information, as the Secretary shall by regulation prescribe;

(iii) the Secretary determines that any information furnished is reasonably accurate; and

(iv) the State and local governments certify that no portion of the area nominated is already included in an enterprise zone or in an area otherwise nominated to be an enterprise zone.

(5) Nomination process for Indian reservations

In the case of a nominated area on an Indian reservation, the reservation governing body (as determined by the Secretary of the Interior) shall be deemed to be both the State and local governments with respect to such area.

(b) Period for which designation is in effect

(1) In general

Any designation of an area as an enterprise zone shall remain in effect during the period beginning on the date of the designation and ending on the earliest of—

(A) December 31 of the 24th calendar year following the calendar year in which such date occurs;

(B) the termination date designated by the Secretary of Housing and Urban Development; and

(C) the date the Secretary revokes such designation under paragraph (2).

(2) Revocation of designation

The Secretary, after consultation with the officials described in subsection (a)(1)(B) and a hearing on the record involving officials of the State or local government involved, may revoke the designation of an area if the Sec-
(e) Area and eligibility requirements

(1) In general
The Secretary may make a designation of any nominated area under subsection (a)(1) only if it meets the requirements of paragraphs (2) and (3).

(2) Area requirements
A nominated area meets the requirements of this paragraph if—
(A) the area is within the jurisdiction of the local government;
(B) the boundary of the area is continuous; and
(C) the area—
   (i) has a population, as determined by the most recent census data available, of not less than—
      (I) 4,000 if any portion of such area (other than a rural area described in subsection (a)(2)(B)) is located within a metropolitan statistical area (as designated by the Director of the Office of Management and Budget) with a population of 50,000 or more; or
      (II) 1,000 in any other case; or
   (ii) is entirely within an Indian reservation (as determined by the Secretary of the Interior).

(3) Eligibility requirements
For purposes of paragraph (1), a nominated area meets the requirements of this paragraph if the State and local governments in which it is located certify and the Secretary, after such review of supporting data as he deems appropriate, accepts such certification, that—
(A) the area is one of pervasive poverty, unemployment, and general distress;
(B) the area is located wholly within the jurisdiction of a local government that is eligible for Federal assistance under section 5318 of this title, as in effect on October 28, 1992;
(C) the unemployment rate, as determined by the appropriate available data, was not less than 1.5 times the national unemployment rate for that period;
(D) the poverty rate (as determined by the Bureau of the Census for the purpose of defining poverty areas) within the area was not less than 20 percent for the period to which such data relate; and
(E) the area meets at least one of the following criteria:
   (i) Not less than 70 percent of the households living in the area have incomes below 80 percent of the median income of households of the local government (determined in the same manner as under section 5318 of this title).
   (ii) The population of the area decreased by 20 percent or more between 1970 and 1980 (as determined from the most recent census data available).

(4) Eligibility requirements for rural areas
For purposes of paragraph (1), a nominated area that is a rural area described in subsection (a)(2)(B) meets the requirements of paragraph (3) if the State and local governments in which it is located certify and the Secretary, after such review of supporting data as he deems appropriate, accepts such certification, that the area meets—
(A) the criteria set forth in subparagraphs (A) and (B) of paragraph (3); and
(B) not less than one of the criteria set forth in the other subparagraphs of paragraph (3).

(d) Required State and local commitments

(1) In general
No nominated area shall be designated as an enterprise zone unless the local government and the State in which it is located agree in writing that, during any period during which the area is an enterprise zone, such governments will follow a specified course of action designed to reduce the various burdens borne by employers or employees in such area. A course of action shall not be treated as meeting the requirements of this paragraph unless the course of action include provisions described in not less than 4 of the subparagraphs of paragraph (2).

(2) Course of action
The course of action under paragraph (1) may be implemented by both such governments and private nongovernmental entities, may be funded from proceeds of any program administered by the Secretary of Housing and Urban Development or of any program administered by the Secretary of Agriculture under title V of the Housing Act of 1949 [42 U.S.C. 1471 et seq.], and may include, but is not limited to—
(A) a reduction of tax rates or fees applying within the enterprise zone;
(B) an increase in the level of public services, or in the efficiency of the delivery of public services, within the enterprise zone;
(C) actions to reduce, remove, simplify, or streamline paperwork requirements within the enterprise zone;
(D) involvement in the program by public authorities or private entities, organizations, neighborhood associations, and community groups, particularly those within the nominated area, including a written commitment to provide jobs and job training for, and technical, financial, or other assistance to, employers, employees, and residents of the nominated area;
(E) the giving of special preference to contractors owned and operated by members of any minority; and
(F) the gift (or sale at below fair market value) of surplus land in the enterprise zone to neighborhood organizations agreeing to operate a business on the land.

(3) Recognition of past efforts
In evaluating courses of action agreed to by any State or local government, the Secretary
shall take into account the past efforts of such State or local government in reducing the various burdens borne by employers and employees in the area involved.

(4) Prohibition of assistance for business relocations

(A) In general

The course of action implemented under paragraph (1) may not include any action to assist—

(i) any establishment relocating from one area to another area; or

(ii) any subcontractor whose purpose is to divest, or whose economic success is dependent upon divesting, any other contractor or subcontractor of any contract customarily performed by such other contractor or subcontractor.

(B) Exception

The limitations established in subparagraph (A) shall not be construed to prohibit assistance for the expansion of an existing business entity through the establishment of a new branch, affiliate, or subsidiary if the Secretary—

(i) finds that the establishment of the new branch, affiliate, or subsidiary will not result in an increase in unemployment in the area of original location or in any other area where the existing business entity conducts business operations; and

(ii) has no reason to believe that the new branch, affiliate, or subsidiary is being established with the intention of closing down the operations of the existing business entity in the area of its original location or in any other area where the existing business entity conducts business operations.

(e) Definitions

For purposes of this section:

(1) Government

If more than one government seeks to nominate an area as an enterprise zone, any reference to, or requirement of, this section shall apply to all such governments.

(2) Local government

The term “local government” means—

(A) any county, city, town, township, parish, village, or other general purpose political subdivision of a State;

(B) any combination of political subdivisions described in subparagraph (A) recognized by the Secretary; and

(C) the District of Columbia.

(3) Secretary

The term “Secretary” means the Secretary of Housing and Urban Development.

(4) State

The term “State” includes Puerto Rico, the Virgin Islands, Guam, American Samoa, the Northern Mariana Islands, and any other possession of the United States.

References in Text


Amendments

1992—Subsec. (a)(4)(B). Pub. L. 102–550, §834(a)(1), substituted “the date of the enactment of the Housing and Community Development Act of 1992 occurs” for “the effective date of the regulations described in subparagraph (A) occurs”.


Subsec. (a)(3)(A). Pub. L. 100–628, §1090(a), amended first sentence generally. Prior to amendment, first sentence read as follows: “Except as provided in subparagraph (B), the Secretary shall designate the nominated areas with the highest average ranking with respect to the criteria set forth in subparagraphs (C), (D), and (E) of subsection (c)(3) of this section.”

Regulations

Pub. L. 100–628, title X, §1090(c), Nov. 7, 1988, 102 Stat. 3283, provided that: “Not later than 30 days after the date of the enactment of this Act [Nov. 7, 1988], the Secretary of Housing and Urban Development shall revise the regulations issued by the Secretary to carry out title VII of the Housing and Community Development Act of 1987 (42 U.S.C. 15101 et seq.) by issuing a final regulation, effective upon the date of publication, that carries out the amendments made by this section [amending this section].”

§ 11502. Evaluation and reporting requirements

Not later than the close of the 4th calendar year after the year in which the Secretary of Housing and Urban Development first designates areas as enterprise zones pursuant to the amendments made by section 834 of the Housing and Community Development Act of 1992, and at the close of each 4th calendar year thereafter, the Secretary shall prepare and submit to the Congress a report on the effects of such designation in accomplishing the purposes of this chapter.


References in Text

Section 834 of the Housing and Community Development Act of 1992, referred to in text, is section 834 ofPub. L. 102–550, which amended this section and section 11501 of this title.

Amendments


Termination of Reporting Requirements

For termination, effective May 15, 2000, of provisions of this section relating to quadrennial submittal of report to Congress, see section 3003 of Pub. L. 104–66, as amended, set out as a note under section 1113 of Title
§ 11503. Interaction with other Federal programs

(a) Coordination with relocation assistance

The designation of an enterprise zone under section 11501 of this title shall not—

(1) constitute approval of a Federal or federally assisted program or project (within the meaning of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 U.S.C. 4601 et seq.)); or

(2) entitle any person displaced from real property located in such zone to any rights or any benefits under such Act.

(b) Enterprise zones treated as labor surplus areas

Any area that is designated as an enterprise zone under section 11501 of this title shall be treated for all purposes under Federal law as a labor surplus area.


REFERENCES IN TEXT


§ 11504. Waiver or modification of housing and community development rules in enterprise zones

(a) In general

Upon the written request of the governments that designated and approved an area that has been designated as an enterprise zone under section 11501 of this title, the Secretary of Housing and Urban Development (or, with respect to any rule issued under title V of the Housing Act of 1949 (42 U.S.C. 1471 et seq.), the Secretary of Agriculture) may, in order to further the job creation, community development, or economic revitalization objectives of the zone, waive or modify all or part of any rule that the Secretary has authority to promulgate, as such rule pertains to the carrying out of projects, activities, or undertakings within the zone.

(b) Limitation

No provision of this section may be construed to authorize the Secretary to waive or modify any rule adopted to carry out a statute or Executive order that prohibits, or the purpose of which is to protect persons against, discrimination on the basis of race, color, religion, sex, marital status, national origin, age, or handicap.

(c) Submission of requests

A request under subsection (a) shall specify the rule or rules to be waived or modified and the change proposed, and shall briefly describe why the change would promote the achievement of the job creation, community development, or economic revitalization objectives of the enterprise zone. If a request is made to the Secretary of Agriculture, the requesting governments shall send a copy of the request to the Secretary of Housing and Urban Development at the time the request is made.

(d) Consideration of requests

In considering a request, the Secretary shall weigh the extent to which the proposed change is likely to further job creation, community development, or economic revitalization within the enterprise zone against the effect the change is likely to have on the underlying purposes of applicable statutes in the geographic area that would be affected by the change. The Secretary shall approve the request whenever the Secretary finds, in the discretion of the Secretary, that the public interest that the proposed change would serve in furthering such job creation, community development or economic revitalization outweighs the public interest that continuation of the rule unchanged would serve in furthering such underlying purposes. The Secretary shall not approve any request to waive or modify a rule if that waiver or modification would—

(1) directly violate a statutory requirement; or

(2) be likely to present a significant risk to the public health, including environmental health or safety.

(e) Notice of disapproval

If a request is disapproved, the Secretary shall inform the requesting governments in writing of the reasons therefor and shall, to the maximum extent possible, work with such governments to develop an alternative, consistent with the standards contained in subsection (d).

(f) Period for determination

The Secretary shall discharge the responsibilities of the Secretary under this section in an expeditious manner, and shall make a determination on requests not later than 90 days after their receipt.

(g) Applicable procedures

A waiver or modification of a rule under subsection (a) shall not be considered to be a rule, rulemaking, or regulation under chapter 5 of title 5. To facilitate reaching a decision on any requested waiver or modification, the Secretary may seek the views of interested parties and, if the views are to be sought, determine how they should be obtained and to what extent, if any, they should be taken into account in considering the request. The Secretary shall publish a notice in the Federal Register stating any waiver or modification of a rule under this section.

(h) Effect of subsequent amendment of rules

In the event that the Secretary proposes to amend a rule for which a waiver or modification under this section is in effect, the Secretary shall not change the waiver or modification to impose additional requirements unless the Secretary determines, consistent with standards contained in subsection (d), that such action is necessary.

(i) Expiration of waivers and modifications

No waiver or modification of a rule under this section shall remain in effect for a longer period
than the period for which the enterprise zone designation remains in effect for the area in which the waiver or modification applies.

(j) Definitions

For purposes of this section:

(1) Rule

The term “rule” means—

(A) any rule as defined in section 551(4) of title 5; or

(B) any rulemaking conducted on the record after opportunity for an agency hearing pursuant to sections 556 and 557 of title 5.

(2) Secretary

The term “Secretary” means the Secretary of Housing and Urban Development or, with respect to any rule issued under title V of the Housing Act of 1949 [42 U.S.C. 1471 et seq.], the Secretary of Agriculture.


REFERENCES IN TEXT

The Housing Act of 1949, referred to in subsecs. (a) and (j)(2), is act July 15, 1949, ch. 338, 63 Stat. 413, as amended. Title V of the Housing Act of 1949 is classified generally to subchapter III (§1471 et seq.) of chapter 8A of this title. For complete classification of this Act to the Code, see Short Title note set out under section 1441 of this title and Tables.

§ 11505. Coordination with CDBG and UDAG programs

It is the policy of the Congress that amounts provided under the community development block grant and urban development action grant programs under title I of the Housing and Community Development Act of 1974 [42 U.S.C. 5301 et seq.] shall not be reduced in any fiscal year in which the provisions of this chapter are in effect.


REFERENCES IN TEXT


CHAPTER 121—INTERNATIONAL CHILD ABDUCTION REMEDIES

Sec. 11601 to 11611. Transferred or Repealed.

§§ 11601 to 11610. Transferred

CODIFICATION

Section 11601, Pub. L. 100–300, §2, Apr. 29, 1988, 102 Stat. 437, which provided findings and declarations related to the International Child Abduction Remedies Act, was transferred to section 9001 of Title 22, Foreign Relations and Intercourse. Section 11602, Pub. L. 100–300, §3, Apr. 29, 1988, 102 Stat. 437, which provided definitions, was transferred to section 9002 of Title 22.

Section 11603, Pub. L. 100–300, §4, Apr. 29, 1988, 102 Stat. 438, which related to judicial remedies, was transferred to section 9003 of Title 22.

Section 11604, Pub. L. 100–300, §5, Apr. 29, 1988, 102 Stat. 439, which related to provisional remedies, was transferred to section 9004 of Title 22.

Section 11605, Pub. L. 100–300, §6, Apr. 29, 1988, 102 Stat. 439, which related to admissibility of documents, was transferred to section 9005 of Title 22.


Section 11607, Pub. L. 100–300, §8, Apr. 29, 1988, 102 Stat. 440, which related to costs and fees, was transferred to section 9007 of Title 22.

Section 11608, Pub. L. 100–300, §9, Apr. 29, 1988, 102 Stat. 440, which related to collection, maintenance, and dissemination of information, was transferred to section 9008 of Title 22.


Section 11609, Pub. L. 100–300, §10, Apr. 29, 1988, 102 Stat. 441, which related to an interagency coordinating group, was transferred to section 9010 of Title 22.

Section 11610, Pub. L. 100–300, §11, Apr. 29, 1988, 102 Stat. 442, which related to authorization of appropriations, was transferred to section 9011 of Title 22.


CHAPTER 122—NATIVE HAWAIIAN HEALTH CARE

Sec. 11701. Findings.

11702. Declaration of policy.

11703. Comprehensive health care master plan for Native Hawaiians.

11704. Functions of Papa Ola Lokahi.

11705. Native Hawaiian health care systems.

11706. Administrative grant for Papa Ola Lokahi.

11707. Assignment of personnel.

11708. Administration of grants and contracts.

11709. Native Hawaiian health scholarships.


11711. Definitions.

11712. Rule of construction.

11713. Compliance with Budget Act.

11714. Severability.

CODIFICATION

As originally enacted, this chapter was comprised of Pub. L. 100–579 (§§1–12) and subtitle D (§§2301–2312) of title II of Pub. L. 100–690, which enacted substantially identical sections and which were both known as the Native Hawaiian Health Care Act of 1988. Pub. L. 102–396, title IX, §9168, Oct. 6, 1992, 106 Stat. 1948, subsequently amended the Act generally. As so amended, the Act was renamed the Native Hawaiian Health Care Improvement Act and consists of sections 1 to 16 which enacted this chapter, repealed section 1621d of Title 25, Indians, and enacted provisions set out as a Short Title note under section 11701 of this title. For purposes of codification, sections 1 to 16 are considered to be sections of Pub. L. 100–579 only.

§ 11701. Findings

The Congress finds that:
§ 11701

(1) Native Hawaiians comprise a distinct and unique indigenous people with a historical continuity to the original inhabitants of the Hawaiian archipelago whose society was organized as a Nation prior to the arrival of the first nonindigenous people in 1778.

(2) The Native Hawaiian people are determined to preserve, develop and transmit to future generations their ancestral territory, and their cultural identity in accordance with their own spiritual and traditional beliefs, customs, practices, language, and social institutions.

(3) The constitution and statutes of the State of Hawaii:
   (A) acknowledge the distinct land rights of Native Hawaiian people as beneficiaries of the public lands trust; and
   (B) reaffirm and protect the unique right of the Native Hawaiian people to practice and perpetuate their cultural and religious customs, beliefs, practices, and language.

(4) At the time of the arrival of the first nonindigenous people in Hawaii in 1778, the Native Hawaiian people lived in a highly organized, self-sufficient, subsistence social system based on communal land tenure with a sophisticated language, culture, and religion.

(5) A unified monarchical government of the Hawaiian Islands was established in 1810 under Kamehameha I, the first King of Hawaii.

(6) Throughout the 19th century and until 1893, the United States: (A) recognized the independence of the Hawaiian Nation; (B) extended full and complete diplomatic recognition to the Hawaiian Government; and (C) entered into treaties and conventions with the Hawaiian monarchs to govern commerce and navigation in 1826, 1842, 1849, 1875 and 1887.

(7) In the year 1893, the United States Minister assigned to the sovereign and independent Kingdom of Hawaii, John L. Stevens, conspired with a small group of non-Hawaiian residents of the Kingdom, including citizens of the United States, to overthrow the indigenous and lawful Government of Hawaii.

(8) In pursuance of that conspiracy, the United States Minister and the naval representative of the United States caused armed naval forces of the United States to invade the sovereign Hawaiian Nation in support of the overthrow of the indigenous and lawful Government of Hawaii and the United States Minister thereupon extended diplomatic recognition of a provisional government formed by the conspirators without the consent of the native people of Hawaii or the lawful Government of Hawaii in violation of treaties between the two nations and of international law.

(9) In a message to Congress on December 18, 1893, then President Grover Cleveland reported fully and accurately on these illegal actions, and acknowledged that by these acts, described by the President as acts of war, the government of a peaceful and friendly people was overthrown, and the President concluded that a "substantial wrong has thus been done which a due regard for our national character as well as the rights of the injured people required that we should endeavor to repair".

(10) Queen Lili'uokalani, the lawful monarch of Hawaii, and the Hawaiian Patriotic League, representing the aboriginal citizens of Hawaii, promptly petitioned the United States for redress of these wrongs and for restoration of the indigenous government of the Hawaiian nation, but this petition was not acted upon.

(11) In 1898, the United States annexed Hawaii through the Newlands Resolution without the consent of or compensation to the indigenous people of Hawaii or their sovereign government who were thereby denied the mechanism for expression of their inherent sovereignty through self-government and self-determination, their lands and ocean resources.

(12) Through the Newlands Resolution and the 1900 Organic Act, the United States Congress received 1.75 million acres of lands formerly owned by the Crown and Government of the Hawaiian Kingdom and exempted the lands from then existing public land laws of the United States by mandating that the revenue and proceeds from these lands be "used solely for the benefit of the inhabitants of the Hawaiian Islands for education and other public purposes", thereby establishing a special trust relationship between the United States and the inhabitants of Hawaii.

(13) In 1921, Congress enacted the Hawaiian Homes Commission Act, 1920 which designated 200,000 acres of the ceded public lands for exclusive homesteading by Native Hawaiians, thereby affirming the trust relationship between the United States and the Native Hawaiians, as expressed by then Secretary of the Interior Franklin K. Lane who was cited in the Committee Report of the United States House of Representatives Committee on Territories as stating, "One thing that impressed me . . . was the fact that the natives of the islands who are our wards, I should say, and for whom in a sense we are trustees, are falling off rapidly in numbers and many of them are in poverty.".

(14) In 1938, the United States Congress again acknowledged the unique status of the Hawaiian people by including in the Act of June 20, 1938 (52 Stat. 781 et seq.), a provision to lease lands within the extension to Native Hawaiians and to permit fishing in the area "only by native Hawaiian residents of said area or of adjacent villages and by visitors under their guidance".

(15) Under the Act entitled "An Act to provide for the admission of the State of Hawaii into the Union", approved March 18, 1959 (73 Stat. 4), the United States transferred responsibility for the administration of the Hawaiian Home Lands to the State of Hawaii but reaffirmed the trust relationship which existed between the United States and the Hawaiian people by retaining the exclusive power to enforce the trust, including the power to approve land exchanges, and legislative amendments affecting the rights of beneficiaries under such Act.

(16) Under the Act entitled "An Act to provide for the admission of the State of Hawaii into the Union", approved March 18, 1959 (73 Stat. 4), the United States transferred responsibility for administration over portions of the
ceded public lands trust not retained by the United States to the State of Hawaii but reaffirmed the trust relationship which existed between the United States and the Hawaiian people by retaining the legal responsibility of the State for the betterment of the conditions of Native Hawaiians under section 5(f) of the Act entitled "An Act to provide for the admission of the State of Hawaii into the Union", approved March 18, 1959 (73 Stat. 4, 6).

(17) The authority of the Congress under the United States Constitution to legislate in matters affecting the aboriginal or indigenous peoples of the United States includes the authority to legislate in matters affecting the native peoples of Alaska and Hawaii.

(18) In furtherance of the trust responsibility for the betterment of the conditions of Native Hawaiians, the United States has established a program for the provision of comprehensive health promotion and disease prevention services to maintain and improve the health status of the Hawaiian people.


(20) The United States has also recognized and reaffirmed the trust relationship to the Hawaiian people through legislation which authorizes the provision of services to Native Hawaiians, specifically, the Older Americans Act of 1965 [42 U.S.C. 3001 et seq.], the Developmental Disabilities Assistance and Bill of Rights Act Amendments of 1987, the Veterans' Benefits and Services Act of 1988, the Rehabilitation Act of 1973 [29 U.S.C. 701 et seq.], the Native Hawaiian Health Care Act of 1988, the Health Professions Reauthorization Act of 1988, the Nursing Shortage Reduction and Education Extension Act of 1992, the Handicapped Programs Technical Amendments Act of 1988, the Indian Health Care Amendments of 1988, and the Disadvantaged Minority Health Improvement Act of 1990.

(21) The United States has also affirmed the historical and unique legal relationship to the Hawaiian people by authorizing the provision of services to Native Hawaiians to address problems of alcohol and drug abuse under the Anti-Drug Abuse Act of 1986.

(22) Despite such services, the unmet health needs of the Native Hawaiian people are severe, and the health status of Native Hawaiians continues to be far below that of the general population of the United States.


References in Text
The Newlands Resolution, referred to in pars. (11) and (12), is act July 7, 1898, No. 55, 30 Stat. 750. For complete classification of this act to the Code, see Tables.

The 1990 Organic Act, referred to in par. (12), probably means the Hawaiian Organic Act, Pub. L. 100–690, ch. 339, 31 Stat. 141, as amended, which was classified principally to chapter 3 (§ 491 et seq.) of Title 48, Territories and Insular Possessions, and was omitted from the Code. For complete classification of this Act to the Code, see Tables.

The Hawaiian Homes Commission Act, 1920, referred to in par. (13), is act July 9, 1921, ch. 42, 42 Stat. 108, as amended, which was classified generally to sections 491 to 718 of Title 48 and was omitted from the Code.

Act of June 20, 1938, referred to in par. (14), is act June 20, 1938, ch. 530, 52 Stat. 781, which is classified to sections 391b–1, 391b–2, 392c, 396, and 396a of Title 16, Conservation. For complete classification of this Act to the Code, see Tables.

An Act to provide for the admission of the State of Hawaii into the Union, referred to in pars. (15) and (16), is Pub. L. 86–3, Mar. 18, 1959, 73 Stat. 4, as amended, popularly known as the Hawaii Statehood Admissions Act, which is set out as a note preceding former section 491 of Title 48, Territories and Insular Possessions. For complete classification of this Act to the Code, see Tables.

The Native American Graves Protection and Repatriation Act of 1990, referred to in par. (19), is Pub. L. 101–185, Nov. 28, 1989, 103 Stat. 1336, which is classified generally to subchapter VIII (§ 3001 et seq.) of chapter 34 of this title. For complete classification of this Act to the Code, see section 3001 of Title 20, Education. For complete classification of this Act to the Code, see Short Title note set out under section 80q of Title 20 and Tables.

The Native American Graves Protection and Repatriation Act, referred to in par. (19), is Pub. L. 101–601, Nov. 16, 1990, 104 Stat. 3048, which is classified principally to chapter 32 (§ 3001 et seq.) of Title 25, Indians. For complete classification of this Act to the Code, see Short Title note set out under section 3001 of Title 25 and Tables.

The Older Americans Act of 1965, referred to in par. (20), is Pub. L. 89–73, July 14, 1965, 79 Stat. 218, as amended, which is classified generally to chapter 35 (§ 3001 et seq.) of this title. For complete classification of this Act to the Code, see Short Title note set out under section 3001 of this title and Tables.


§ 11702. Declaration of policy

(a) Congress

The Congress hereby declares that it is the policy of the United States in fulfillment of its special responsibilities and legal obligations to the indigenous people of Hawaii resulting from the unique and historical relationship between the United States and the Government of the indigenous people of Hawaii—

(1) to raise the health status of Native Hawaiians to the highest possible health level; and

(2) to provide existing Native Hawaiian health care programs with all resources necessary to effectuate this policy.

(b) Intent of Congress

It is the intent of the Congress that the Nation meet the following health objectives with respect to Native Hawaiians by the year 2000:

(1) Reduce coronary heart disease deaths to no more than 100 per 100,000.

(2) Reduce stroke deaths to no more than 20 per 100,000.

(3) Increase control of high blood pressure to at least 50 percent of people with high blood pressure.

(4) Reduce blood cholesterol to an average of no more than 200 mg/dL.

(5) Slow the rise in lung cancer deaths to achieve a rate of no more than 42 per 100,000.

(6) Reduce breast cancer deaths to no more than 20.6 per 100,000 women.

(7) Increase Pap tests every 1 to 3 years to at least 83 percent of women age 18 and older.

(8) Increase fecal occult blood testing every 1 to 2 years to at least 50 percent of people age 50 and older.

(9) Reduce diabetes-related deaths to no more than 34 per 100,000.

(10) Reduce the most severe complications of diabetes as follows:

(A) end-stage renal disease to no more than 1.4 in 1,000;

(B) blindness to no more than 1.4 in 1,000;

(C) lower extremity amputation to no more than 4.9 in 1,000;

(D) perinatal mortality to no more than 2 percent; and

(E) major congenital malformations to no more than 4 percent.

(11) Reduce infant mortality to no more than 7 deaths per 1,000 live births.

(12) Reduce low birth weight to no more than 5 percent of live births.

(13) Increase first trimester prenatal care to at least 90 percent of live births.

(14) Reduce teenage pregnancies to no more than 50 per 1,000 girls age 17 and younger.

(15) Reduce unintended pregnancies to no more than 30 percent of pregnancies.

(16) Increase to at least 60 percent the proportion of primary care providers who provide age-appropriate preconception care and counseling.

(17) Increase years of healthy life to at least 65 years.

(18) Eliminate financial barriers to clinical preventive services.

(19) Increase childhood immunization levels to at least 90 percent of 2-year-olds.

(20) Reduce the prevalence of dental caries to no more than 35 percent of children by age 8.

(21) Reduce untreated dental caries so that the proportion of children with untreated car-
les (in permanent or primary teeth) is no more than 20 percent among children age 6 through 8 and no more than 15 percent among adolescents age 15.

22. Reduce edentulism to no more than 20 percent in people age 65 and older.

23. Increase moderate daily physical activity to at least 30 percent of the population.

24. Reduce sedentary lifestyles to no more than 15 percent of the population.

25. Reduce overweight to a prevalence of no more than 20 percent of the population.

26. Reduce dietary fat intake to an average of 30 percent of calories or less.

27. Increase to at least 75 percent the proportion of primary care providers who provide nutrition assessment and counseling or referral to qualified nutritionists or dieticians.

28. Reduce cigarette smoking prevalence to no more than 15 percent of adults.

29. Reduce initiation of smoking to no more than 15 percent by age 20.

30. Reduce alcohol-related motor vehicle crash deaths to no more than 8.5 per 100,000 adjusted for age.

31. Reduce alcohol use by school children age 12 to 17 to less than 13 percent.

32. Reduce marijuana use by youth age 18 to 25 to less than 8 percent.

33. Reduce cocaine use by youth aged 18 to 25 to less than 3 percent.

34. Confin e HIV infection to no more than 800 per 100,000.

35. Reduce gonorrhea infections to no more than 225 per 100,000.

36. Reduce syphilis infections to no more than 10 per 100,000.

37. Reduce significant hearing impairment to a prevalence of no more than 82 per 1,000.

38. Reduce acute middle ear infections among children age 4 and younger, as measured by days of restricted activity or school absenteeism, to no more than 105 days per 100 children.

39. Reduce indigenous cases of vaccine-preventable diseases as follows:

(A) Diphtheria among individuals age 25 and younger to 6.

(B) Tetanus among individuals age 25 and younger to 0.

(C) Polio (wild-type virus) to 0.

(D) Measles to 0.

(E) Rubella to 0.

(F) Congenital Rubella Syndrome to 0.

(G) Mumps to 500; and

(H) Pertussis to 1,000; and

40. Reduce significant visual impairment to a prevalence of no more than 30 per 1,000.

(c) Report

The Secretary shall submit to the President, for inclusion in each report required to be transmitted to the Congress under section 11710 of this title, a report on the progress made in each area toward meeting each of the objectives described in subsection (b).

§ 11704. Functions of Papa Ola Lokahi

(a) Responsibility

Papa Ola Lokahi shall be responsible for the—

(1) coordination, implementation, and updating, as appropriate, of the comprehensive

[1] So in original. Probably should be "age".

[2] So in original. Probably should be "prevalence".

[3] So in original. The "" and "" probably should be a period.
health care master plan developed pursuant to section 11703 of this title;

(2) training for the persons described in section 11705(c)(1)(B) of this title;

(3) identification of and research into the diseases that are most prevalent among Native Hawaiians, including behavioral, biomedical, epidemiological, and health services; and

(4) the development of an action plan outlining the contributions that each member organization of Papa Ola Lokahi will make in carrying out the policy of this chapter.

(b) Special project funds

Papa Ola Lokahi is authorized to receive special project funds that may be appropriated for the purpose of research on the health status of Native Hawaiians or for the purpose of addressing the health care needs of Native Hawaiians.

c) Clearinghouse

Papa Ola Lokahi shall serve as a clearinghouse for:

(1) the collection and maintenance of data associated with the health status of Native Hawaiians;

(2) the identification and research into diseases affecting Native Hawaiians;

(3) the availability of Native Hawaiian project funds, research projects and publications;

(4) the collaboration of research in the area of Native Hawaiian health; and

(5) the timely dissemination of information pertinent to the Native Hawaiian health care systems.

d) Coordination of programs and services

Papa Ola Lokahi shall, to the maximum extent possible, coordinate and assist the health care programs and services provided to Native Hawaiians.

e) Technical support

Papa Ola Lokahi shall act as a statewide infrastructure to provide technical support and coordination of training and technical assistance to the Native Hawaiian health care systems.

f) Relationships with other agencies

Papa Ola Lokahi is authorized to enter into agreements or memoranda of understanding with relevant agencies or organizations that are capable of providing resources or services to the Native Hawaiian health care systems.


Codification

The 1992 amendment is based on section 1 of S. 2681, One Hundred Second Congress, as passed by the Senate on Aug. 7, 1992, and enacted into law by section 9168 of Pub. L. 102–396, as passed by the Senate on August 7, 1992, to reflect the probable intent of Congress.
are not specifically referred to in paragraph (1) of this subsection.

(3) The health care services referred to in paragraphs (1) and (2) which are provided under grants or contracts under subsection (a)(1) may be provided by traditional Native Hawaiian healers.

(4) **HEALTH AND EDUCATION.**—In order to enable privately funded organizations to continue to supplement public efforts to provide educational programs designed to improve the health, capability, and well-being of Native Hawaiians and to continue to provide health services to Native Hawaiians, notwithstanding any other provision of Federal or State law, it shall be lawful for the private educational organization identified in section 7512(16) of title 20 (as such section was in effect on the day before December 10, 2015) to continue to provide health services to Native Hawaiians, notwithstanding any other provision with, not more than 5 Native Hawaiian health care systems—

(d) **Limitation of number of entities**

During a fiscal year, the Secretary under this chapter may make a grant to, or hold a contract with, not more than 5 Native Hawaiian health care systems.

(e) **Matching funds**

(1) The Secretary may not make a grant or provide funds pursuant to a contract under subsection (a)(1) to a Native Hawaiian health care system—

(A) in an amount exceeding 83.3 percent of the costs of providing health services under the grant or contract; and

(B) unless the Native Hawaiian health care system agrees that the Native Hawaiian health care system or the State of Hawaii will make available, directly or through donations to the Native Hawaiian health care system, non-Federal contributions toward such costs in an amount equal to not less than $1 (in cash or in kind under paragraph (2)) for each $5 of Federal funds provided in such grant or contract.

(2) Non-Federal contributions required in paragraph (1) may be in cash or in kind, fairly evaluated, including plant, equipment, or services. Amounts provided by the Federal Government or services assisted or subsidized to any significant extent by the Federal Government may not be included in determining the amount of such non-Federal contributions.

(3) The Secretary may waive the requirement established in paragraph (1) if—

(A) the Native Hawaiian health care system involved is a nonprofit private entity described in subsection (b); and

(B) the Secretary, in consultation with Papa Ola Lokahi, determines that it is not feasible for the Native Hawaiian health care system to comply with such requirement.

(f) **Restriction on use of grant and contract funds**

The Secretary may not make a grant to, or enter into a contract with, any entity under subsection (a)(1) unless the entity agrees that, amounts received pursuant to such subsection will not, directly or through contract, be expended—

(1) for any purpose other than the purposes described in subsection (c);

(2) to provide inpatient services;

(3) to make cash payments to intended recipients of health services; or

(4) to purchase or improve real property (other than minor remodeling of existing improvements to real property) or to purchase major medical equipment.

(g) **Limitation on charges for services**

The Secretary may not make a grant, or enter into a contract with, any entity under subsection (a)(1) unless the entity agrees that, whether health services are provided directly or through contract—

(1) health services under the grant or contract will be provided without regard to ability to pay for the health services; and

(2) the entity will impose a charge for the delivery of health services, and such charge—

(A) will be made according to a schedule of charges that is made available to the public, and

(B) will be adjusted to reflect the income of the individual involved.

(h) **Authorization of appropriations**

(1) There are authorized to be appropriated such sums as may be necessary for fiscal years 1993 through 2019 to carry out subsection (a)(1).

(2) There are authorized to be appropriated such sums as may be necessary to carry out subsection (a)(2).


Amendments by Pub. L. 111–148 are based on section 202(a), (b)(1), of title II of S. 1990, One Hundred Eleventh Congress, as reported by the Committee on Indian Affairs of the Senate in Dec. 2009, which was enacted into law by section 10221(a) of Pub. L. 111–148.

The 1992 amendment is based on section 1 of S. 2831, One Hundred Second Congress, as passed by the Senate on Aug. 7, 1992, and enacted into law by section 9168 of Pub. L. 102–366. Section 9168, which referred to S. 2831, as passed by the Senate on “September 12, 1992”, has been treated as referring to S. 2831, as passed by the Senate on Aug. 7, 1992, to reflect the probable intent of Congress.

Amendments by Pub. L. 100–579 and Pub. L. 100–690 enacted identical sections. The text of this section is based on section 6 of Pub. L. 100–579, as subsequently amended.”
educational programs and services to Native Hawaiians (as defined in section 7517 of title 20) and to others” for “private educational organization identified in section 7512(16) of title 20 to continue to offer its educational programs and services to Native Hawaiians (as defined in section 7517 of title 20) first and to others”. 2010—Subsec. (c)(4). Pub. L. 111–148, which directed the amendment of section 6(c) of the Native Hawaiian Health Care Act of 1988 by adding par. (4), was executed by making the amendment to this section, which is section 6 of the Native Hawaiian Health Improvement Act, to reflect the probable intent of Congress.

Subsec. (h)(1). Pub. L. 111–148, which directed the amendment of section 6(h)(1) of the Native Hawaiian Health Care Act of 1988 by substituting “2019” for “2001”, was executed by making the amendment to this section, which is section 6 of the Native Hawaiian Health Improvement Act, to reflect the probable intent of Congress.


Effective Date of 2015 Amendment
Amendment by Pub. L. 114–95 effective Dec. 10, 2015, except with respect to certain noncompetitive programs and competitive programs, see section 5 of Pub. L. 114–95, set out as a note under section 6301 of Title 20, Education.

Effective Date of 2010 Amendment
Section 202(b)(2) of title II of S. 1790, One Hundred Eleventh Congress, as reported by the Committee on Indian Affairs of the Senate in Dec. 2009, which was enacted into law by Pub. L. 111–148, set out as a note under section 6301 of Title 20, Education.

§ 11706. Administrative grant for Papa Ola Lokahi

(a) In general
In addition to any other grant or contract under this chapter, the Secretary may make grants to, or enter into contracts with, Papa Ola Lokahi for—

(1) coordination, implementation, and updating (as appropriate) of the comprehensive health care master plan developed pursuant to section 11703 of this title;

(2) training for the persons described in section 11705(c)(1)(B) of this title;

(3) identification of and research into the diseases that are most prevalent among Native Hawaiians, including behavioral, biomedical, epidemiological, and health services;

(4) the development of an action plan outlining the contributions that each member organization of Papa Ola Lokahi will make in carrying out the policy of this chapter;

(5) a clearinghouse function for—

(A) the collection and maintenance of data associated with the health status of Native Hawaiians;

(B) the identification and research into diseases affecting Native Hawaiians; and

(C) the availability of Native Hawaiian project funds, research projects and publications;

(6) the coordination of the health care programs and services provided to Native Hawaiians; and

(7) the administration of special project funds.

(b) Authorization of appropriations
There are authorized to be appropriated such sums as may be necessary for fiscal years 1993 through 2019 to carry out subsection (a).


Codification
Amendment by Pub. L. 111–148 is based on section 202(a) of title II of S. 1790, One Hundred Eleventh Congress, as reported by the Committee on Indian Affairs of the Senate in Dec. 2009, which was enacted into law by section 10221(a) of Pub. L. 111–148.

The 1992 amendment is based on section 1 of S. 2681, One Hundred Second Congress, as passed by the Senate on Aug. 7, 1992, and enacted into law by section 9168 of Pub. L. 102–396, Section 9168, which referred to S. 2681, as passed by the Senate on “September 12, 1992”, has been treated as referring to S. 2681, as passed by the Senate on Aug. 7, 1992, to reflect the probable intent of Congress.

Pub. L. 100–579 and Pub. L. 100–690 enacted substantially identical sections. The text of this section is based on section 7 of Pub. L. 100–579, as subsequently amended.

Amendments
2010—Subsec. (b). Pub. L. 111–148, which directed the amendment of section 7(b) of the Native Hawaiian Health Care Act of 1988 by substituting “2019” for “2001”, was executed by making the amendment to this section, which is section 7 of the Native Hawaiian Health Care Improvement Act, to reflect the probable intent of Congress.


§ 11707. Administration of grants and contracts

(a) Terms and conditions
The Secretary shall include in any grant made or contract entered into under this chapter such terms and conditions as the Secretary considers necessary or appropriate to ensure that the objectives of such grant or contract are achieved.

(b) Periodic review
The Secretary shall periodically evaluate the performance of, and compliance with, grants and contracts under this chapter.

(c) Administrative requirements
The Secretary may not make a grant or enter into a contract under this chapter with an entity unless the entity—

(1) agrees to establish such procedures for fiscal control and fund accounting as may be necessary to ensure proper disbursement and accounting with respect to the grant or contract;

(2) agrees to ensure the confidentiality of records maintained on individuals receiving health services under the grant or contract;

(3) with respect to providing health services to any population of Native Hawaiians, a substantial portion of which has a limited ability to speak the English language—

(A) has developed and has the ability to carry out a reasonable plan to provide health services under the grant or contract;
through individuals who are able to communicate with the population involved in the language and cultural context that is most appropriate; and

(B) has designated at least one individual, fluent in both English and the appropriate language, to assist in carrying out the plan;

(4) with respect to health services that are covered in the plan of the State of Hawaii approved under title XIX of the Social Security Act [42 U.S.C. 1396 et seq.]—

(A) if the entity will provide under the grant or contract any such health services directly—

(i) the entity has entered into a participation agreement under such plans; and

(ii) the entity is qualified to receive payments under such plan; and

(B) if the entity will provide under the grant or contract any such health services through a contract with an organization—

(i) the organization has entered into a participation agreement under such plan; and

(ii) the organization is qualified to receive payments under such plan; and

(5) agrees to submit to the Secretary and to Papa Ola Lokahi an annual report that describes the utilization and costs of health services provided under the grant or contract (including the average cost of health services per user) and that provides such other information as the Secretary determines to be appropriate.

(d) Contract evaluation

(1) If, as a result of evaluations conducted by the Secretary, the Secretary determines that an entity has not complied with or satisfactorily performed a contract entered into under section 11705 of this title, the Secretary shall, prior to renewing such contract, attempt to resolve the areas of noncompliance or unsatisfactory performance. If the Secretary determines that such noncompliance or unsatisfactory performance cannot be resolved and prevented in the future, the Secretary shall not renew such contract with such entity and is authorized to enter into a contract under section 11706 of this title with another entity referred to in section 11705(b) of this title that provides services to the same population of Native Hawaiians which is served by the entity whose contract is not renewed by reason of this subsection.

(2) In determining whether to renew a contract entered into with an entity under this chapter, the Secretary shall consider the results of the evaluation under this section.

(3) All contracts entered into by the Secretary under this chapter shall be in accordance with all Federal contracting laws and regulations except that, in the discretion of the Secretary, such contracts may be negotiated without advertising and may be exempted from the provisions of sections 3131 and 3133 of title 40.

(4) Payments made under any contract entered into under this chapter may be made in advance, by means of reimbursement, or in installments and shall be made on such conditions as the Secretary deems necessary to carry out the purposes of this chapter.

(e) Limitation on use of funds for administrative expenses

Except for grants and contracts under section 11706 of this title, the Secretary may not grant to, or enter into a contract with, an entity under this chapter unless the entity agrees that the entity will not expend more than 10 percent of amounts received pursuant to this chapter for the purpose of administering the grant or contract.

(f) Report

(1) For each fiscal year during which an entity receives or expends funds pursuant to a grant or contract under this chapter, such entity shall submit to the Secretary and to Papa Ola Lokahi a quarterly report on—

(A) activities conducted by the entity under the grant or contract;

(B) the amounts and purposes for which Federal funds were expended; and

(C) such other information as the Secretary may request.

(2) The reports and records of any entity which concern any grant or contract under this chapter shall be subject to audit by the Secretary, the Inspector General of the Department of Health and Human Services, and the Comptroller General of the United States.

(g) Annual private audit

The Secretary shall allow as a cost of any grant made or contract entered into under this chapter the cost of an annual private audit conducted by a certified public accountant.

REFERENCES IN TEXT


Title XIX of the Act is classified generally to subchapter XIX (§1396 et seq.) of chapter 7 of this title. For complete classification of this Act to the Code, see section 1305 of this title and Tables.

CODIFICATION


The 1992 amendment is based on section 1 of S. 2681, One Hundred Second Congress, as passed by the Senate on Aug. 7, 1992, and enacted into law by section 9168 of Pub. L. 102–396, Section 9168, which referred to S. 2681, as passed by the Senate on “‘September 12, 1992’”, has been treated as referring to S. 2681, as passed by the Senate on Aug. 7, 1992, to reflect the probable intent of Congress.

Public L. 100–579 and Pub. L. 100–690 enacted substantially identical sections. The text of this section is based on section 8 of Pub. L. 100–579, as subsequently amended.

AMENDMENTS

1992—Pub. L. 102–396 amended section generally. Prior to amendment, section defined terms for purposes of this chapter.
§ 11708. Assignment of personnel
(a) In general
The Secretary is authorized to enter into an agreement with any entity under which the Secretary is authorized to assign personnel of the Department of Health and Human Services with expertise identified by such entity to such entity on detail for the purposes of providing comprehensive health promotion and disease prevention services to Native Hawaiians.

(b) Applicable Federal personnel provisions
Any assignment of personnel made by the Secretary under any agreement entered into under the authority of subsection (a) shall be treated as an assignment of Federal personnel to a local government that is made in accordance with subchapter VI of chapter 33 of title 5.


CODIFICATION
The 1992 amendment is based on section 1 of S. 2681, One Hundred Second Congress, as passed by the Senate on “September 12, 1992”, has been treated as referring to S. 2681, as passed by the Senate on Aug. 7, 1992, and enacted into law by section 9168 of Pub. L. 102–396, which referred to S. 2681, as passed by the Senate on “September 12, 1992”, has been treated as referring to S. 2681, as passed by the Senate on Aug. 7, 1992, to reflect the probable intent of Congress. Pub. L. 100–579 and Pub. L. 100–690 enacted substantially identical sections. The text of this section is based on section 9 of Pub. L. 100–579, as subsequently amended.

AMENDMENTS

§ 11709. Native Hawaiian health scholarships
(a) Eligibility
Subject to the availability of funds appropriated under the authority of subsection (c) of this section, the Secretary shall provide funds through a direct grant or a cooperative agreement to Papa Ola Lokahi for the purpose of providing scholarship assistance to students who—
(1) meet the requirements of paragraphs (1), (3), and (4) of section 254(b) of this title, and
(2) are Native Hawaiians.

(b) Terms and conditions
(1) The scholarship assistance provided under subsection (a) of this section shall be provided under the same terms and subject to the same conditions, regulations, and rules that apply to scholarship assistance provided under section 254f of this title, provided that—
(A) the provision of scholarships in each type of health care profession training shall correspond to the need for each type of health care professional identified in the Native Hawaiian comprehensive health care master plan implemented under section 11705 of this title to serve the Native Hawaiian health care systems, as identified by Papa Ola Lokahi;
(B) the primary health services covered under the scholarship assistance program under this section shall be the services included under the definition of that term under section 11711(8) of this title;
(C) to the maximum extent practicable, the Secretary shall select scholarship recipients from a list of eligible applicants submitted by the Papa Ola Lokahi;
(D) the obligated service requirement for each scholarship recipient shall be fulfilled through the full-time clinical or nonclinical practice of the health profession of the scholarship recipient, in an order of priority that would provide for practice—
(i) first, in any one of the five Native Hawaiian health care systems; and
(ii) second, in—
(I) a health professional shortage area or medically underserved area located in the State of Hawaii; or
(II) a geographic area or facility that is—
(aa) located in the State of Hawaii; and
(bb) has a designation that is similar to a designation described in subclause (I) made by the Secretary, acting through the Public Health Service;
(E) the provision of counseling, retention and other support services shall not be limited to scholarship recipients, but shall also include recipients of other scholarship and financial aid programs enrolled in appropriate health professions training programs; and
(F) the obligated service requirement for a scholarship recipient shall not be performed by the recipient through membership in the National Health Service Corps; and
(G) the requirements of sections 254d through 254k of this title, section 254m of this title, other than subsection (b)(5) of that section, and section 254n of this title applicable to scholarship assistance provided under section 254f of this title shall not apply to the scholarship assistance provided under subsection (a) of this section.
(2) The Native Hawaiian Health Scholarship program shall not be administered by or through the Indian Health Service.

(c) Authorization of appropriations
There are authorized to be appropriated such sums as may be necessary for fiscal years 1993 through 2019 for the purpose of funding the scholarship assistance provided under subsection (a) of this section.


CODIFICATION
Amendment by Pub. L. 111–148 is based on section 202(a) of title II of S. 1790, One Hundred Eleventh Congress, as reported by the Committee on Indian Affairs of the Senate in Dec. 2009, which was enacted into law by section 10221(a) of Pub. L. 111–148. Section enacted by section 1 of S. 2681, One Hundred Second Congress, as passed by the Senate on Aug. 7, 1992, which was enacted into law by section 9168 of Pub. L. 102–396.

1 So in original. The comma probably should be a semicolon.
L. 102–396. Section 9168, which referred to S. 2681, as passed by the Senate on “September 12, 1992,” has been treated as referring to S. 2681, as passed by the Senate on Aug. 7, 1992, to reflect the probable intent of Congress.

PRIOR PROVISIONS


A prior section 10 of Pub. L. 100–579 repealed former section 1621d of Title 25, Indians.

AMENDMENTS

2010—Subsec. (c). Pub. L. 111–148, which directed the amendment of section 18(c) of the Native Hawaiian Health Care Act of 1988 by substituting “2011” for “2001”, was executed by making the amendment to this section, which is section 10 of the Native Hawaiian Health Care Improvement Act, to reflect the probable intent of Congress.


Subsec. (b)(1). Pub. L. 107–116, §514(a)(2), which directed the substitution of “Papa Ola Lokahi” for “Kamehameha School/Bishop Estate”, was executed by making the substitution for “Kamehameha School/Bishop Estate” to reflect the probable intent of Congress.

1998—Subsec. (a)(1). Pub. L. 105–156, §12(a), which directed amendment of subsec. (a)(1) by substituting “meet the requirements of paragraphs (1), (3), and (4) of section 254(b) of this title” for “meet the requirements of section 254(b) of this title”, was executed by making the substitution for “meet the requirements of section 254(b) of this title”, to reflect the probable Intent of Congress.


Subsec. (b)(1)(B). Pub. L. 105–156, §12(b)(2), (3), added subpar. (B) and redesignated former subpar. (B) as (C).


Subsec. (b)(1)(D). Pub. L. 105–156, §12(b)(4), added subpar. (D) and struck out former subpar. (D) which read as follows: “the obligated service requirement for each scholarship recipient shall be fulfilled through service, in order of priority, in (i) any one of the five Native Hawaiian health care systems, or (ii) health professions shortage areas, medically underserved areas, or geographic areas or facilities similarly designated by the United States Public Health Service in the State of Hawaii; and”.

Pub. L. 105–156, §12(b)(2), redesignated subpar. (C) as (D). Former subpar. (D) redesignated (E).


Subsec. (b)(1)(F). (G). Pub. L. 105–156, §12(b)(5), (6), added subpars. (F) and (G).

§ 11711. Definitions

For purposes of this chapter:

(1) Disease prevention

The term “disease prevention” includes—

(A) immunizations,

(B) control of high blood pressure,

(C) control of sexually transmittable diseases,

(D) prevention and control of diabetes,

(E) control of toxic agents,

(F) control of tobacco smoking,

(G) reduction in the misuse of alcohol and drugs,

(H) improvement of nutrition,

(I) educational programs with the mission of improving the health, capability, and well-being of Native Hawaiians, and

(J) education of Native Hawaiians.

(2) Health promotion

The term “health promotion” includes—

(A) a citizen of the United States, and

(B) Native Hawaiian, which are at a parity with the health services available to, and the health status of, the general population.


CODIFICATION

The 1992 amendment is based on section 1 of S. 2681, One Hundred Second Congress, as passed by the Senate on Aug. 7, 1992, and enacted into law by section 9168 of Pub. L. 102–396, Section 9168, which referred to S. 2681, as passed by the Senate on “September 12, 1992”, has been treated as referring to S. 2681, as passed by the Senate on Aug. 7, 1992, to reflect the probable intent of Congress.

Section was formerly classified to section 11709 of this title prior to the general amendment of this chapter by Pub. L. 102–396.

Pub. L. 100–579 and Pub. L. 100–690 enacted substantially identical sections. The text of this section is based on section 11 of Pub. L. 100–579, as subsequently amended.

PRIOR PROVISIONS


AMENDMENTS


§ 11711. Definitions

For purposes of this chapter:

(1) Disease prevention

The term “disease prevention” includes—

(A) immunizations,

(B) control of high blood pressure,

(C) control of sexually transmittable diseases,

(D) prevention and control of diabetes,

(E) control of toxic agents,

(F) control of tobacco smoking,

(G) reduction in the misuse of alcohol and drugs,

(H) improvement of nutrition,

(I) educational programs with the mission of improving the health, capability, and well-being of Native Hawaiians, and

(J) education of Native Hawaiians.

(2) Health promotion

The term “health promotion” includes—

(A) a citizen of the United States, and

(B) Native Hawaiian, which are at a parity with the health services available to, and the health status of, the general population.


CODIFICATION

The 1992 amendment is based on section 1 of S. 2681, One Hundred Second Congress, as passed by the Senate on Aug. 7, 1992, and enacted into law by section 9168 of Pub. L. 102–396, Section 9168, which referred to S. 2681, as passed by the Senate on “September 12, 1992”, has been treated as referring to S. 2681, as passed by the Senate on Aug. 7, 1992, to reflect the probable intent of Congress.

Section was formerly classified to section 11709 of this title prior to the general amendment of this chapter by Pub. L. 102–396.

Pub. L. 100–579 and Pub. L. 100–690 enacted substantially identical sections. The text of this section is based on section 11 of Pub. L. 100–579, as subsequently amended.

PRIOR PROVISIONS


AMENDMENTS

(B) a descendant of the aboriginal people, who prior to 1778, occupied and exercised sovereignty in the area that now constitutes the State of Hawaii, as evidenced by—
(i) genealogical records,
(ii) Kupuna (elders) or Kama'aina (long-term community residents) verification, or
(iii) birth records of the State of Hawaii.

(4) Native Hawaiian health center

The term “Native Hawaiian health center” means an entity—
(A) which is organized under the laws of the State of Hawaii,
(B) which provides or arranges for health care services through practitioners licensed by the State of Hawaii, where licensure requirements are applicable,
(C) which is a public or nonprofit private entity, and
(D) in which Native Hawaiian health practitioners significantly participate in the planning, management, monitoring, and evaluation of health services.

(5) Native Hawaiian organization

The term “Native Hawaiian organization” means any organization—
(A) which serves the interests of Native Hawaiians,
(B) which is—
(i) recognized by Papa Ola Lokahi for the purpose of planning, conducting, or administering programs (or portions of programs) authorized under this chapter for the benefit of Native Hawaiians, and
(ii) certified by Papa Ola Lokahi as having the qualifications and capacity to provide the services and meet the requirements under the contract the Native Hawaiian health care system enters into with the Secretary or the grant the Native Hawaiian health care system receives from the Secretary pursuant to this chapter,
(C) in which Native Hawaiian health practitioners significantly participate in the planning, management, monitoring, and evaluation of health services, and
(D) which is a public or nonprofit private entity.

(6) Native Hawaiian health care system

The term “Native Hawaiian health care system” means an entity—
(A) which is organized under the laws of the State of Hawaii,
(B) which provides or arranges for health care services through practitioners licensed by the State of Hawaii, where licensure requirements are applicable,
(C) which is a public or nonprofit private entity,
(D) in which Native Hawaiian health practitioners significantly participate in the planning, management, monitoring, and evaluation of health care services,
(E) which may be composed of as many Native Hawaiian health centers as necessary to meet the health care needs of each island’s Native Hawaiians, and
(F) which is—
(i) recognized by Papa Ola Lokahi for the purpose of planning, conducting, or administering programs, or portions of programs, authorized by this chapter for the benefit of Native Hawaiians, and
(ii) certified by Papa Ola Lokahi as having the qualifications and the capacity to provide the services and meet the requirements under the contract the Native Hawaiian health care system enters into with the Secretary or the grant the Native Hawaiian health care system receives from the Secretary pursuant to this chapter.

(7) Papa Ola Lokahi

(A) The term “Papa Ola Lokahi” means an organization composed of—
(i) E Ola Mau;
(ii) the Office of Hawaiian Affairs of the State of Hawaii;
(iii) Alu Like Inc.;
(iv) the University of Hawaii;
(v) the Office of Hawaiian Health of the Hawaii State Department of Health;
(vi) Ho’ola Lahui Hawaii, or a health care system serving the island of Kaua‘i and Ni‘ihau, and which may be composed of as many health care centers as are necessary to meet the health care needs of the Native Hawaiians of those islands;
(vii) Ke Ola Mamo, or a health care system serving the island of O‘ahu, and which may be composed of as many health care centers as are necessary to meet the health care needs of the Native Hawaiians of that island;
(viii) Na Pu‘uwai or a health care system serving the islands of Moloka‘i and Lana‘i, and which may be composed of as many health care centers as are necessary to meet the health care needs of the Native Hawaiians of those islands;
(ix) Hui No Ke Ola Pono, or a health care system serving the island of Maui, and which may be composed of as many health care centers as are necessary to meet the health care needs of the Native Hawaiians of that island;
(x) Hui Malama Ola Ha‘Oliwi or a health care system serving the island of Hawaii, and which may be composed of as many health care centers as are necessary to meet the health care needs of the Native Hawaiians of that island; and
(xi) such other member organizations as the Board of Papa Ola Lokahi may admit from time to time, based upon satisfactory demonstration of a record of contribution to the health and well-being of Native Hawaiians, and upon satisfactory development of a mission statement in relation to this chapter, including clearly defined goals and objectives, a 5-year action plan outlining the contributions that each organization will make in carrying out the policy of this chapter, and an estimated budget.

(B) Such term does not include any such organization identified in subparagraph (A) if the Secretary determines that such organization has not developed a mission statement with clearly defined goals and objectives, or the contributions the organization will make to the Native Hawaiian health care systems, and an action plan for carrying out those goals and objectives.
(8) Primary health services
The term “primary health services” means—
(A) services of physicians, physicians’ assistants, nurse practitioners, and other health professionals;
(B) diagnostic laboratory and radiologic services;
(C) preventive health services (including children's eye and ear examinations to determine the need for vision and hearing correction, perinatal services, well child services, and family planning services);
(D) emergency medical services;
(E) transportation services as required for adequate patient care;
(F) preventive dental services; and
(G) pharmaceutical services, as may be appropriate for particular health centers.

(9) Secretary
The term “Secretary” means the Secretary of Health and Human Services.

(10) Traditional Native Hawaiian healer
The term “traditional Native Hawaiian healer” means a practitioner—
(A) who—
   (i) is of Hawaiian ancestry, and
   (ii) has the knowledge, skills, and experience in direct personal health care of individuals,
   and
(B) whose knowledge, skills, and experience are based on demonstrated learning of Native Hawaiian healing practices acquired by—
   (i) direct practical association with Native Hawaiian elders, and
   (ii) oral traditions transmitted from generation to generation.


CODIFICATION


§ 11712. Rule of construction
Nothing in this chapter shall be construed to restrict the authority of the State of Hawaii to license health practitioners.


CODIFICATION
Section enacted by section 1 of S. 2681, One Hundred Second Congress, as passed by the Senate on Aug. 7, 1992, which was enacted into law by section 9168 of Pub. L. 102–396. Section 9168, which referred to S. 2681, as passed by the Senate on “September 12, 1992”, has been treated as referring to S. 2681, as passed by the Senate on Aug. 7, 1992, to reflect the probable intent of Congress.

§ 11713. Compliance with Budget Act
Any new spending authority (described in subsection (c)(2)(A) or (B) of section 651 of title 2) which is provided under this chapter shall be effective for any fiscal year only to such extent or in such amounts as are provided in appropriation Acts.


REFERENCES IN TEXT
Section 651 of title 2, referred to in text, was amended by Pub. L. 106–53, title X, § 10116(a)(3), Aug. 5, 1997, 111 Stat. 691, by striking out subsec. (c) and redesignating former subsec. (d) as (c).

CODIFICATION
Section enacted by section 1 of S. 2681, One Hundred Second Congress, as passed by the Senate on Aug. 7, 1992, which was enacted into law by section 9168 of Pub. L. 102–396. Section 9168, which referred to S. 2681, as passed by the Senate on “September 12, 1992”, has been treated as referring to S. 2681, as passed by the Senate on Aug. 7, 1992, to reflect the probable intent of Congress.

§ 11714. Severability
If any provision of this chapter, or the application of any such provision to any person or circumstances is held to be invalid, the remainder of this chapter, and the application of such provision or amendment to persons or circumstances other than those to which it is held invalid, shall not be affected thereby.


CODIFICATION
Section enacted by section 1 of S. 2681, One Hundred Second Congress, as passed by the Senate on Aug. 7, 1992, which was enacted into law by section 9168 of Pub. L. 102–396. Section 9168, which referred to S. 2681, as passed by the Senate on “September 12, 1992”, has been treated as referring to S. 2681, as passed by the Senate on Aug. 7, 1992, to reflect the probable intent of Congress.

1 See References in Text note below.
for the purpose of preventing or reducing the participation of youth in activities of gangs that commit drug-related crimes, and
(8) to provide technical assistance to eligible organizations in planning and implementing drug abuse education, prevention, rehabilitation, and referral programs for youth who are members of gangs that commit drug-related crimes.


AMENDMENTS

EFFECTIVE DATE OF 1991 AMENDMENT

§ 11802. Application for grants and contracts

(a) Submission of applications

Any agency, organization, institution, or individual desiring to receive a grant, or to enter into a contract, under section 11801 of this title shall submit to the Secretary an application at such time, in such manner, and containing or accompanied by such information as the Secretary may require by rule.

(b) Contents of application

Each application for assistance under this subchapter shall—
(1) set forth a project or activity for carrying out one or more of the purposes specified in section 11801 of this title and specifically identify each such purpose such project or activity is designed to carry out,
(2) provide that such project or activity shall be administered by or under the supervision of the applicant,
(3) provide for the proper and efficient administration of such project or activity,
(4) provide for regular evaluation of the operation of such project or activity,
(5) provide that regular reports on such project or activity shall be submitted to the Secretary, and
(6) provide such fiscal control and fund accounting procedures as may be necessary to ensure prudent use, proper disbursement, and accurate accounting of funds received under this subchapter.

(Pub. L. 100–690, title III, §3502, Nov. 18, 1988, 102 Stat. 4254.)

§ 11803. Approval of applications

In selecting among applications submitted under section 11802(a) of this title, the Secretary shall give priority to applicants who propose to carry out projects and activities—
(1) for the purposes specified in section 11801 of this title in geographical areas in which frequent and severe drug-related crimes are committed by gangs whose membership is composed primarily of youth, and
§ 11804. Coordination with juvenile justice programs

The Secretary shall coordinate the program established by section 11801 of this title with the programs and activities carried out under the Juvenile Justice and Delinquency Prevention Act of 1974 (34 U.S.C. 11101 et seq.) and with the programs and activities of the Attorney General, to ensure that all such programs and activities are complementary and not duplicative.

(Pub. L. 100–690, title III, § 3504, Nov. 18, 1988, 102 Stat. 4255.)

REFERENCES IN TEXT

The Juvenile Justice and Delinquency Prevention Act of 1974, referred to in text, is Pub. L. 93–415, Sept. 7, 1974, 88 Stat. 1109, which was classified principally to chapter 72 (§ 5601 et seq.) of Title 34, Crime Control and Law Enforcement. For complete classification of this Act to the Code, see Short Title of 1974 Act note set out under section 11101 of Title 34 and Tables.

§ 11805. Authorization of appropriations

To carry out this subchapter, there are authorized to be appropriated $16,000,000 for fiscal year 1992 and such sums as may be necessary for fiscal years 1993 and 1994.


AMENDMENTS

1991—Pub. L. 102–132 substituted “$16,000,000 for fiscal year 1992 and such sums as may be necessary for fiscal years 1993 and 1994” for “$15,000,000 for the fiscal year 1989 and such sums as may be necessary for each of the fiscal years 1990 and 1991”.

EFFECTIVE DATE OF 1991 AMENDMENT


§ 11806. Annual report

Not later than 180 days after the end of each fiscal year, the Secretary shall submit, to the Speaker of the House of Representatives and the President pro tempore of the Senate, a report describing—

(1) the types of projects and activities for which grants and contracts were made under this subchapter for such fiscal year;

(2) the number and characteristics of the youth and families served by such projects and activities, and

(3) each of such projects and activities the Secretary considers to be exemplary.


§ 11821. Establishment of program

(a) Program aims

The Secretary shall make grants to public and private nonprofit agencies, organizations, and institutions to carry out research, demonstration, and services projects designed—

(1) to provide individual, family, and group counseling to runaway youth and their families and to homeless youth for the purpose of preventing or reducing the illicit use of drugs by such youth,

(2) to develop and support peer counseling programs for runaway and homeless youth related to the illicit use of drugs,

(3) to develop and support community education activities related to illicit use of drugs by runaway and homeless youth, including outreach to youth individually,

(4) to provide to runaway and homeless youth in rural areas assistance (including the development of community support groups) related to the illicit use of drugs,

(5) to provide to individuals involved in providing services to runaway and homeless youth, information and training regarding issues related to the illicit use of drugs by runaway and homeless youth,

(6) to support research on the illicit drug use by runaway and homeless youth, and the effects on such youth of drug abuse by family members, and any correlation between such use and attempts at suicide, and

(7) to improve the availability and coordination of local services related to drug abuse, for runaway and homeless youth.

(b) Priority

In selecting among applicants for grants under subsection (a), the Secretary shall give priority to agencies and organizations that have experience in providing services to runaway and homeless youth.

(c) Limitation

Grants under this section may be made for a period not to exceed 3 years.

(Pub. L. 100–690, title III, § 3511, Nov. 18, 1988, 102 Stat. 4255.)

§ 11822. Annual report

Not later than 180 days after the end of a fiscal year for which funds are appropriated to carry out this subchapter, the Secretary shall submit to the President, the Speaker of the House of Representatives, and the President pro tempore of the Senate a report that contains—

(1) a description of the types of projects and activities for which grants were made under this subchapter for such fiscal year,

(2) a description of the number and characteristics of the youth and families served by such projects and activities, and
§ 11823

§ 11823. Authorization of appropriations

To carry out this subchapter, there are authorized to be appropriated $15,000,000 for fiscal year 1989 and such sums as may be necessary for fiscal years 1990 and 1991.

§ 11824. Applications

(a) Submission of application

Any State, unit of local government (or combination of units of local government), agency, organization, institution, or individual desiring to receive a grant, or enter into a contract, under this subchapter shall submit an application at such time, in such manner, and containing or accompanied by such information as may be prescribed by the Federal officer who is authorized to make such grant or enter into such contract (hereinafter in this subchapter referred to as the `appropriate Federal officer’).

(b) Contents of application

In accordance with guidelines established by the appropriate Federal officer, each application for assistance under this subchapter shall—

1. set forth a project or activity for carrying out one or more of the purposes for which such grant or contract is authorized to be made and expressly identify each such purpose such project or activity is designed to carry out.

2. provide that such project or activity shall be administered by or under the supervision of the applicant.

3. provide for the proper and efficient administration of such project or activity.

4. provide for regular evaluation of such project or activity.

5. provide that regular reports on such project or activity shall be sent to the appropriate Federal officer, and

6. provide for such fiscal control and fund accounting procedures as may be necessary to ensure prudent use, proper disbursement, and accurate accounting of funds received under this subchapter.

§ 11825. Review of applications

(a) Consideration of factors

In reviewing applications submitted under this subchapter, the appropriate Federal officer shall consider—

1. the relative cost and effectiveness of the proposed project or activity in carrying out purposes for which the requested grant or contract is authorized to be made;

2. the extent to which such project or activity will incorporate new or innovative techniques;

3. the increase in capacity of the State or the public or nonprofit private agency, organization, institution, or individual involved to provide services to address the illicit use of drugs by runaway and homeless youth;

4. the extent to which such project or activity serves communities which have high rates of illicit drug use by juveniles (including runaway and homeless youth);

5. the extent to which such project or activity will provide services in geographical areas where similar services are unavailable or in short supply, and

6. the extent to which such project or activity will increase the level of services, or coordinate other services, in the community available to eligible youth.

(b) Competitive process

1. Applications submitted under this subchapter shall be selected for approval through a competitive process to be established by rule by the appropriate Federal officer. As part of such a process, such officer shall publish a notice in the Federal Register—

   (A) announcing the availability of funds to carry out this subchapter,

   (B) stating the general criteria applicable to the selection of applicants to receive such funds, and

   (C) describing the procedures applicable to submitting and reviewing applications for such funds.

2. As part of such process, each application referred to in subsection (a) shall be subject to peer review by individuals (excluding officers and employees of the Department of Justice and the Department of Health and Human Services) who have expertise in the subject matter related to the project or activity proposed in such application.

(c) Expedited review

The appropriate Federal officer shall expedite the consideration of an application referred to...
in subsection (a) if the applicant demonstrates, to the satisfaction of the officer, that the failure to expedite such consideration would prevent the effective implementation of the project or activity set forth in such application.


REFERENCES IN TEXT

This subchapter, referred to in subsec. (b)(1)(A), was in the original “this part” and was translated as reading “this chapter” to reflect the probable intent of Congress because subtitle B of title III of Pub. L. 100–690, which comprises subchapters I to III of this chapter, does not contain parts.

AMENDMENTS


Subsec. (c). Pub. L. 101–204, § 1001(b)(2), substituted “such officer” for “Administrator”.

SUBCHAPTER III—COMMUNITY PROGRAM

§ 11841. Community youth activity program

(a) Block grant program

The Secretary of Health and Human Services shall make grants to eligible States to enable such States to carry out the activities described in subsection (e).

(b) Application

(1) In general

To be eligible to receive a grant under this section, a State, acting on its own behalf or on behalf of a person, shall submit to the Secretary an application that contains such information and is in such form as may be required by the Secretary.

(2) Demonstration of need

In the application submitted under paragraph (1), the State shall demonstrate a need for the activities described in subsection (e) and provide a description of those activities and projects that will receive financial assistance from a grant made under this section to the State.

(c) Amount of grant

(1) Minimum amount

Each State that submits for a fiscal year an application under subsection (b) that meets the requirements of the Secretary shall, subject to the availability of appropriations, receive a grant in an amount determined in accordance with paragraph (3).

(2) Programs of national significance

Of amounts appropriated or otherwise available to carry out this section for any fiscal year, the Secretary shall reserve 5 percent to be provided for activities and projects of national significance or projects expected to have a significant impact in preventing the abuse of drugs by youth.

(3) Specified appropriations

(A) In general

Of the aggregate amount appropriated under subsection (g) for any fiscal year and after reserving the amount required by paragraph (2), the Secretary shall—

(i) allot—

(I) 25 percent equally among the eligible States if such amount is less than $40,000,000; or

(II) $250,000 to each eligible State if such amount equals or exceeds $40,000,000;

(ii) allot one-half of 1 percent of such amount on the basis of need among Guam, American Samoa, the Virgin Islands of the United States, the Commonwealth of the Northern Mariana Islands, and the Trust Territory of the Pacific Islands; and

(iii) set aside the remainder to be disbursed as described in subparagraph (B).

For purposes of this subparagraph, the term “State” does not include Guam, American Samoa, the Virgin Islands of the United States, the Commonwealth of the Northern Mariana Islands, and the Trust Territory of the Pacific Islands.

(B) Remainder

Amounts referred to in subparagraph (A)(iii) shall be used by the Secretary to make grants, on a competitive basis and taking into consideration with respect to the States—

(i) the highest proportions of school-aged youth who are at risk of drug abuse;

(ii) if a tangible need has been identified by the State involved; and

(iii) if the State involved has proposed the funding of additional projects targeted at the areas of highest need;

to carry out the activities and projects that are consistent with the activities described in subsection (e)(1). The activities and projects for which such grants are made shall be selected by the Secretary from among proposed activities and projects submitted to the Secretary by the States. Such grants shall be made to the States for redistribution to the persons on whose behalf the State submitted an application under subsection (b).

(d) Priority

In making grants under this section, the Secretary shall give priority to—

(1) projects aimed at youth who are not in school or who are at risk of dropping out of school;

(2) projects that seek to reinvolve dropouts in educational programs, involve youth community-based activities, develop training or employment opportunities for dropouts, or provide youth with alternatives to drug abuse;

(3) projects to provide after-school, vacation, and weekend activities designed to give youth opportunities to actively participate in a variety of activities, including youth sports programs;

1 So in original. The word “the” probably should not appear.

1 So in original. Probably should be “who are”.

11841
(4) activities and projects that are consistent with activities and projects described in subsection (e)(1) and that include participation by the business community;

(5) projects that provide outreach to individuals of all ages who are at high risk of involvement with drug abuse;

(6) projects targeted to communities with the most serious drug abuse problems to enable such communities to develop programs that coordinate Federal, State, and local efforts to develop comprehensive, long-term, community-wide prevention and education strategies;

(7) projects that seek to involve youth who are members of gangs or who may join a gang, in—

(A) educational programs;

(B) community-based activities;

(C) training or employment opportunities; or

(D) other alternatives to gang involvement;

(8) programs for unsupervised children before and after school, including—


(B) athletic activities;

(C) creative activities; and

(D) other programs designed to reduce the risk of drug abuse; and

(9) projects that seek to inform youth regarding the existence and operation of the projects referred to in paragraph (7).

(e) Activities and projects

Financial assistance may be provided with a grant received under subsection (a) ² under this section by a State as follows:

(1) Community services and partnerships

Such assistance may be provided for community services and partnerships designed to develop community activities targeted at drug abuse prevention through education, training, and recreation projects. Such services may be provided by, and such partnerships may be entered into with—

(A) local educational agencies;

(B) law enforcement agencies;

(C) community-based organizations;

(D) community action agencies;

(E) local or State recreational departments; or

(F) business organizations; and

in consultation with local and State health departments and with community health or mental health centers when appropriate. Such assistance may be provided to any entity described in subparagraphs (A) through (F), either individually or in partnerships. Applications for such assistance shall include a description of the method to be used to evaluate the impact the particular service or partnership is designed to have on the drug abuse problem within the community.

(2) Other activities and projects

Such assistance may be provided to carry out projects or activities that are consistent with the activities and projects described in paragraph (1).

(f) Project evaluations

The Secretary shall provide for the evaluation of activities and projects conducted with financial assistance received under this section. Applications for grants under this section shall include a description of the method to be used in evaluating the impact such activities and programs have on the drug abuse problem within the communities in which such activities and projects are carried out.

(g) Authorization of appropriations

To carry out this section, there are authorized to be appropriated $40,000,000 for fiscal year 1989, $55,000,000 for fiscal year 1990, $60,000,000 for fiscal year 1991, $66,550,000 for fiscal year 1992, and $73,205,000 for fiscal year 1993.


REFERENCES IN TEXT


AMENDMENTS


1998—Subsec. (c)(2). Pub. L. 105–285 struck out “, such as activities authorized by section 9910(a)(2)(F) of this title,” after “national significance”.


1989—Subsec. (b)(2). Pub. L. 101–93, §4(1)(A), substituted “subsection (e)” for “subsection (c)(3)(B) and (e)”.


Subsec. (d). Pub. L. 101–226, which directed amendment of section 3521(d) of the National Narcotics Leadership Act of 1988 by adding par. (8) and redesignating former par. (8) as (9), was executed to section 3521(d) of Pub. L. 100–690, the Anti-Drug Abuse Act of 1988, as the probable intent of Congress. Subtitle A (§1001–1012) of title I of Pub. L. 100–690 is the National Narcotics Leadership Act of 1988.

EFFECTIVE DATE OF 2015 AMENDMENT

Amendment by Pub. L. 114–95 effective Dec. 10, 2015, except with respect to certain noncompetitive programs and competitive programs, see section 3 of Pub. L. 114–95, set out as a note under section 6301 of Title 20, Education.
§ 11851. Definitions

(a) the term "community based" has the meaning given it in section 11103(1) of title 34,

(b) the term "controlled substance analogue" has the meaning given it in section 802(6) of title 21,

(c) the term "drug" means—

(A) a beverage containing alcohol,

(B) a controlled substance, or

(C) a controlled substance analogue,

(d) the term "Director" means the Chief Executive Officer of the Corporation for National and Community Service,

(e) the term "illicit" means unlawful or injurious,

(f) the term "institution of higher education" has the meaning given it in section 1001 of title 20,

(g) the term "Secretary" means—

(A) the Secretary of Education for purposes of subtitle A (other than section 3201),

(B) the Secretary of Agriculture for purposes of the amendments made by section 3201, and

(C) the Secretary of Health and Human Services for purposes of subtitle B,

(h) the term "mandatory'' has the meaning given it in section 11103(15) of title 34, and

(i) the term "unit of general local government'' has the meaning given it in section 11103(8) of title 34.


References in Text

This title, referred to in introductory provisions, means title III of Pub. L. 100–690, Nov. 18, 1988, 102 Stat. 4244, which enacted this chapter and sections 3156–1, 3201, and 3227 of Title 20, Education, and amended sections 1786, 4994, and 5081 of this title and sections 3156a, 3181, 3191 to 3195, 3197, 3212, and 3222 of Title 20. For complete classification of title III to the Code, see Tables.

Subtitle A (other than section 3201), referred to in par. (9)(A), is subtitle A (§§ 3101–3402) of title III of Pub. L. 100–690, Nov. 18, 1988, 102 Stat. 4245, which enacted former sections 3156–1, 3201, and 3227 of Title 20, and amended sections 3156a, 3181, 3191 to 3195, 3197, 3212, and 3222 of Title 20. For complete classification of subtitle A to the Code, see Tables.

Section 3201, referred to in par. (9)(A), (B), is section 3201 of Pub. L. 100–690, title III, Nov. 18, 1988, 102 Stat. 4246, which amended section 1786 of this title.

Subtitle B, referred to in par. (9)(C), is subtitle B (§§ 3501–3522) of title III of Pub. L. 100–690, Nov. 18, 1988, 102 Stat. 4254, which enacted subchapters I to III of this chapter. For complete classification of subtitle B to the Code, see Tables.

Section 11103(b) of title 34, referred to in par. (12), was subsequently amended, and no longer defines "unit of general local government". However, it now defines "unit of local government".

Amendments

1998—Par. (7). Pub. L. 105–244 substituted "section 1001" for "section 1141(a)".

1993—Par. (5). Pub. L. 103–82 added par. (5) and struck out former par. (5) which read as follows: "the term ‘Director’ means the Director of the ACTION Agency,”.

1989—Pub. L. 101–204 redesignated pars. (2) to (13) as (1) to (12), respectively, and struck out former par. (1) which read as follows: “the term ‘Administrator’ means the Administrator of the Office of Juvenile Justice and Delinquency Prevention.”

Effective Date of 1998 Amendment

Chapter 124—Public Housing Drug Elimination

Subchapter I—Public and Assisted Housing Drug Elimination

§ 11901. Congressional findings

11901. Congressional findings.
11902. Authority to make grants.
11903. Eligible activities.
11903a. Repealed.
11904. Applications.
11905. Definitions.
11906. Reports.
11907. Monitoring.
11908. Authorization of appropriations.
11909. Repealed.

Effective Date of 1993 Amendment

Amendment by Pub. L. 103–82 effective Apr. 4, 1994, see section 406(b) of Pub. L. 103–82, set out as a note under section 8332 of Title 5, Government Organization and Employees.

Chapter 124—Public Housing Drug Elimination

Subchapter I—Public and Assisted Housing Drug Elimination

§ 11901. Congressional findings

The Congress finds that—

1. The Federal Government has a duty to provide public and other federally assisted low-income housing that is decent, safe, and free from illegal drugs;

2. Public and other federally assisted low-income housing in many areas suffers from rampant drug-related or violent crime;

3. Drug dealers are increasingly imposing a reign of terror on public housing tenants;

4. The increase in drug-related crime not only leads to murders, muggings, and other forms of violence against tenants, but also to a deterioration of the physical environment that requires substantial government expenditures; and

5. Local law enforcement authorities often lack the resources to deal with the drug problem in public housing, particularly in light of the recent reductions in Federal aid to cities.

Effective Date of 1998 Amendment

Amendment by title V of Pub. L. 105–276 effective and applicable beginning upon Oct. 1, 1999, except as otherwise provided, with provision that Secretary may implement amendment before such date, except to extent that such amendment provides otherwise, and with savings provision, see section 503 of Pub. L. 105–276, set out as a note under section 1437 of this title.

Short Title of 1998 Amendment

Pub. L. 105–276, title V, § 586(a), Oct. 21, 1998, 112 Stat. 2646, provided that: "This section [enacting sections 11906 to 11909 of this title, amending this section and sections 11902, 11903, 11904, and 11905 of this title, and repealing sections 11906 to 11909 of this title] may be cited as the 'Public and Assisted Housing Drug Elimination Program Amendments of 1998'."

Short Title of 1994 Amendment


Short Title


Pub. L. 100–690, title V, § 5141, Nov. 18, 1988, 102 Stat. 4903, provided that: "This chapter [chapter 3 (§§ 5141–5146) of subtitle C of title V of Pub. L. 100–690, enacting subchapter II of this chapter] may be cited as the 'Drug-Free Public Housing Act of 1988'."

§ 11902. Authority to make grants

(a) In general

The Secretary of Housing and Urban Development, in accordance with the provisions of this subchapter, may make grants to public housing agencies, public housing resident management corporations that are principally managing, as determined by the Secretary, public housing
projects owned by public housing agencies, recipients of assistance under the Native American Housing Assistance and Self-Determination Act of 1996 [25 U.S.C. 4101 et seq.], Indian tribes and private, for-profit and nonprofit owners of federally assisted low-income housing for use in eliminating drug-related and violent crime.

(b) Consortia

Subject to terms and conditions established by the Secretary, public housing agencies may form consortia for purposes of applying for grants under this subchapter.

†

REFERENCES IN TEXT


AMENDMENTS


1996—Pub. L. 104–330 struck out “(including Indian Housing Authorities)” after “grants to public housing agencies” and inserted “tribally designated housing entities” before “and private”.

1992—Pub. L. 102–550 inserted “; public housing resident management corporations that are principally managing, as determined by the Secretary, public housing projects owned by public housing agencies,” after “Authorities”.

1990—Pub. L. 101–625 amended section generally. Prior to amendment, section read as follows: “The Secretary of Housing and Urban Development, in accordance with the provisions of this subchapter, may make grants to public housing agencies (including Indian housing authorities) for use in eliminating drug-related crime in public housing projects.”

EFFECTIVE DATE OF 1998 AMENDMENT

Amendment by title V of Pub. L. 105–276 effective and applicable beginning upon Oct. 1, 1999, except as otherwise provided, with provision that Secretary may implement amendment before such date, except to extent that such amendment provides otherwise, and with savings provision, see section 503 of Pub. L. 105–276, set out as a note under section 1437 of this title.

EFFECTIVE DATE OF 1996 AMENDMENT


§ 11903. Eligible activities

(a) Public and assisted housing

Grants under this subchapter may be used in public housing or other federally assisted low-income housing projects for—

(1) the employment of security personnel;

(2) reimbursement of local law enforcement agencies for additional security and protective services;

(3) physical improvements which are specifically designed to enhance security;

(4) the employment of one or more individuals—

(A) to investigate drug-related or violent crime in and around the real property comprising any public or other federally assisted low-income housing project; and

(B) to provide evidence relating to such crime in any administrative or judicial proceeding;

(5) the provision of training, communications equipment, and other related equipment for use by voluntary tenant patrols acting in cooperation with local law enforcement officials;

(6) programs designed to reduce use of drugs in and around public or other federally assisted low-income housing projects, including drug-abuse prevention, intervention, referral, and treatment programs;

(7) where a public housing agency, an Indian tribe, or recipient of assistance under the Native American Housing Assistance and Self-Determination Act of 1996 [25 U.S.C. 4101 et seq.] receives a grant, providing funding to nonprofit resident management corporations and resident councils to develop security and drug abuse prevention programs involving site residents; and

(8) sports programs and sports activities that serve primarily youths from public or other federally assisted low-income housing projects and are operated in conjunction with, or in furtherance of, an organized program or plan designed to reduce or eliminate drugs and drug-related problems in and around such projects.

(b) Other PHA-owned housing

Notwithstanding any other provision of this subchapter, grants under this subchapter may be used to eliminate drug-related crime in and around housing owned by public housing agencies that is not public housing assisted under the United States Housing Act of 1937 [42 U.S.C. 1437 et seq.] and is not otherwise federally assisted, for the activities described in paragraphs (1) through (7) of subsection (a), but only if—

(1) the housing is located in a high intensity drug trafficking area designated pursuant to section 1504 of title 21; and

(2) the public housing agency owning the housing demonstrates, to the satisfaction of the Secretary, that drug-related or violent activity in or around the housing has a detrimental effect on or about the real property comprising any public or other federally assisted low-income housing.

**REFERENCES IN TEXT**


Section 1504 of title 21, referred to in subsec. (b)(1), was repealed by Pub. L. 100–690, title I, § 1009, Nov. 18, 1990, 102 Stat. 4188, as amended.

**AMENDMENTS**


Subsec. (b)(2). Pub. L. 105–276, § 586(d)(2)(B), substituted “drug-related or violent activity in or around” for “drug-related activity at”.

1996—Subsec. (a)(7). Pub. L. 104–330 inserted “tribally designated housing entity” after “public housing agency” and struck out “public housing” after “non-profit”.

1992—Pub. L. 102–550 designated existing provisions as subsec. (a), inserted heading, inserted “where a public housing agency receives a grant,” in par. (7), and added subsec. (b).

1990—Pub. L. 101–625 amended section generally. Prior to amendment, section read as follows: “A public housing agency may use a grant under this subchapter for—

(1) the employment of security personnel in public housing projects;

(2) reimbursement of local law enforcement agencies for additional security and protective services for public housing projects;

(3) physical improvements in public housing projects which are specifically designed to enhance security;

(4) the employment of 1 or more individuals—

(A) to investigate drug-related crime on or about the real property comprising any public housing project; and

(B) to provide evidence relating to any such crime in any administrative or judicial proceeding;

(5) the provision of training, communications equipment, and other related equipment for use by voluntary public housing tenant patrols acting in cooperation with local law enforcement officials;

(6) innovative programs designed to reduce use of drugs in and around public housing projects; and

(7) providing funding to nonprofit public housing resident management corporation and tenant councils to develop security and drug abuse prevention programs involving site residents.”

**AMENDMENTS**

1998—Pub. L. 105–276 inserted applicable beginning upon Oct. 1, 1999, except as otherwise provided, with provision that Secretary may implement amendment before such date, except to extent that such amendment provides otherwise, and with savings provision, see section 503 of Pub. L. 105–276, set out as a note under section 1437 of this title.

**AMENDMENTS**


**AMENDMENTS**


(a) In general

To receive a grant under this subchapter, a public housing agency, a public housing resident management corporation, an Indian tribe 1 a recipient of assistance under the Native American Housing Assistance and Self-Determination Act of 1996 (25 U.S.C. 4101 et seq.), or an owner of federally assisted low-income housing shall submit an application to the Secretary, at such time, in such manner, and accompanied by such additional information as the Secretary may reasonably require. Such application shall include a plan for addressing the problem of drug-related or violent crime in and around of the housing administered or owned by the applicant for which the application is being submitted, which plan shall be coordinated with and may be included in the public housing agency plan submitted to the Secretary pursuant to section 1437c–1 of this title.

(b) One-year renewable grants

(1) In general

An eligible applicant that is a public housing agency may apply for a 1-year grant under this subchapter that, subject to the availability of appropriated amounts, shall be renewed annually for a period of not more than 4 additional years, except that such renewal shall be contingent upon the Secretary finding, upon an annual or more frequent review, that the grantee agency is performing under the terms of the grant and applicable laws in a satisfac-

---

1 So in original. Probably should be followed by a comma.

2 So in original.
ory manner and meets such other requirements as the Secretary may prescribe. The Secretary may adjust the amount of any grant received or renewed under this paragraph to take into account increases or decreases in amounts appropriated for these purposes or such other factors as the Secretary determines to be appropriate.

(2) Eligibility and preference

The Secretary may not provide assistance under this subchapter to an applicant that is a public housing agency unless—

(A) the agency will use the grants to continue or expand activities eligible for assistance under this subchapter, as in effect immediately before the effective date under section 503(a) of the Quality Housing and Work Responsibility Act of 1996, in which case the Secretary shall provide preference to such applicant; except that preference under this subparagraph shall not preclude selection by the Secretary of other meritorious applications that address urgent or serious crime problems nor be construed to require continuation of activities determined by the Secretary to be unworthy of continuation; or

(B) the agency is in the class established under paragraph (3).

(3) PHAs having urgent or serious crime problems

The Secretary shall, by regulations issued after notice and opportunity for public comment, set forth criteria for establishing a class of public housing agencies that have urgent or serious crime problems. The Secretary may reserve a portion of the amount appropriated to carry out this subchapter in each fiscal year only for grants for public housing agencies in such class, except that any amounts from such portion reserved that are not obligated to agencies in the class shall be made available only for agencies that are subject to a preference under paragraph (2)(A).

(4) Inapplicability to federally assisted low-income housing

The provisions of this subsection shall not apply to federally assisted low-income housing.

(c) Criteria

The Secretary shall approve applications under subsection (b) that are not subject to a preference under subsection (b)(2)(A) on the basis of thresholds or criteria such as—

(1) the extent of the drug-related or violent crime problem in and around the public or federally assisted low-income housing project or projects proposed for assistance;

(2) the quality of the plan to address the crime problem in the public or federally assisted low-income housing project or projects proposed for assistance, including the extent to which the plan includes initiatives that can be sustained over a period of several years;

(3) the capability of the applicant to carry out the plan; and

(4) the extent to which tenants, the local government and the local community support and participate in the design and implementation of the activities proposed to be funded under the application.

(d) Federally assisted low-income housing

In addition to the selection criteria specified in subsection (c), the Secretary may establish other criteria for the evaluation of applications submitted by owners of federally assisted low-income housing, except that such additional criteria shall be designed only to reflect—

(1) relevant differences between the financial resources and other characteristics of public housing authorities and owners of federally assisted low-income housing, or

(2) relevant differences between the problem of drug-related or violent crime in public housing and the problem of drug-related or violent crime in federally assisted low-income housing.

(e) High intensity drug trafficking areas

In evaluating the extent of the drug-related crime problem pursuant to subsection (c), the Secretary may consider whether housing projects proposed for assistance are located in a high intensity drug trafficking area designated pursuant to section 1504 of title 21.


REFERENCES IN TEXT


Section 503(a) of the Quality Housing and Work Responsibility Act of 1996, referred to in subsec. (b)(2)(A), is section 503(a) of Pub. L. 105–276, which is set out as an Effective Date of 1998 Amendment note under section 1417 of this title.

Section 1504 of title 21, referred to in subsec. (e), was repealed by Pub. L. 100–690, title I, § 1009, Nov. 18, 1988, 102 Stat. 4188, as amended.

AMENDMENTS

1998—Subsec. (a). Pub. L. 105–276, § 586(e)(1), substituted “recipient of assistance under the Native American Housing Assistance and Self-Determination Act of 1996” for “tribally designated housing entity” in first sentence and “or violent crime in and around” for “crime on the premises” in second sentence, and inserted before period at end “, which plan shall be coordinated with and may be included in the public housing agency plan submitted to the Secretary pursuant to section 1457c–1 of this title”.

Pub. L. 105–276, § 220(3), inserted “an Indian tribe” after “resident management corporation,”.

Subsec. (b), Pub. L. 105–276, § 586(e)(5), (6), added subsec. (b) and redesignated former subsec. (b) as (c).

Pub. L. 105–276, § 586(e)(2)(A), inserted introductory provisions and struck out former introductory provisions which read as follows: “Except as provided by subsections (c) and (d) of this section the Secretary shall approve applications under this subchapter based exclusively on—”.

See References in Text note below.

Subsec. (c). Pub. L. 105–276, § 586(e)(5), redesignated subsec. (b) as (c), Former subsec. (c) redesignated (d).


§ 11905. Definitions

For the purposes of this subchapter:

(1) Controlled substance

The term “controlled substance” has the meaning given such term in section 802 of title 21.

(2) Drug-related crime

The term “drug-related crime” means the illegal manufacture, sale, distribution, use, or possession with intent to manufacture, sell, distribute, or use a controlled substance.

(3) Secretary

The term “Secretary” means the Secretary of Housing and Urban Development.

(4) Federally assisted low-income housing

The term “federally assisted low-income housing” means housing assisted under—

(A) section 1715(d)(3), section 1715(d)(4), or 17152–1 of title 12;

(B) section 1701s of title 12; or

(C) section 1437f of this title.

(5) Recipient

The term “recipient”, when used in reference to the Native American Housing Assistance and Self-Determination Act of 1996 [25 U.S.C. 4101 et seq.], has the meaning given such term in section 4 of such Act [25 U.S.C. 4103].

(6) Indian tribe

The term “Indian tribe” has the meaning given the term in section 4(12) of the Native American Housing Assistance and Self-Determination Act of 1996, 25 U.S.C. 4103(12).


REFERENCES IN TEXT


AMENDMENTS

1999—Par. (4)(D). Pub. L. 106–74, § 227(a), as added by Pub. L. 106–113, struck out subpar. (D) which read as follows: “the Native American Housing Assistance and Self-Determination Act.”

1998—Par. (5). Pub. L. 105–276, § 586(f), added par. (5) and struck out heading and text of former par. (5). Text read as follows: “The term ‘tribally designated housing entity’ has the meaning given such term in section 4 of the Native American Housing Assistance and Self-Determination Act of 1996.”


EFFECTIVE DATE OF 1999 AMENDMENT

Pub. L. 106–74, title II, § 227(b), as added by Pub. L. 106–113, div. A, title I, § 175(d), Nov. 29, 1999, 113 Stat. 1534, provided that: “The amendments made by subsection (a) [amending this section] shall be construed to have taken effect on October 21, 1998.”

EFFECTIVE DATE OF 1998 AMENDMENT

Amendment by title V of Pub. L. 105–276 effective and applicable beginning upon Oct. 1, 1999, except as otherwise provided, with provision that Secretary may implement amendment before such date, except to extent that such amendment provides otherwise, and with savings provision, see section 503 of Pub. L. 105–276, set out as a note under section 1437 of this title.

EFFECTIVE DATE OF 1996 AMENDMENT


§ 11906. Reports

(a) Grantee reports

The Secretary shall require grantees under this subchapter to provide periodic reports that include the obligation and expenditure of grant funds, the progress made by the grantee in implementing the plan described in section 11904(a) of this title, and any change in the incidence of drug-related crime in projects assisted under this subchapter.
(b) HUD reports

The Secretary shall submit a report to the Congress not later than 18 months after October 21, 1998, describing the system used to distribute funding to grantees under this section, which shall include descriptions of—

(1) the methodology used to distribute amounts made available under this subchapter among public housing agencies, including provisions used to provide for renewals of ongoing programs funded under this subchapter; and

(2) actions taken by the Secretary to ensure that amounts made available under this subchapter are not used to fund baseline local government services, as described in section 11907(b) of this title.

c) Notice of funding awards

The Secretary shall cause to be published in the Federal Register notice of all grants awards made pursuant to this subchapter, which shall identify the grantees and the amount of the grants. Such notice shall be published not less frequently than annually.

(2) Description

Each public housing agency that receives grant amounts under this subchapter shall de-
ment shall promptly take any actions available under law or regulation that are necessary—
(1) to bring such contract into compliance; or
(2) to terminate the contract.
“(d) **Effective Date.**—This section shall take effect on the date of the enactment of this Act [Oct. 21, 1998].”

§ 11908. Authorization of appropriations

(a) **In general**
There are authorized to be appropriated to carry out this subchapter $310,000,000 for fiscal year 1999, and such sums as may be necessary for fiscal years 2000, 2001, 2002, and 2003.

(b) **Set-aside for federally assisted low-income housing**
Of any amounts made available in any fiscal year to carry out this subchapter not more than 6.25 percent shall be available for grants for federally assisted low-income housing.

(c) **Set-aside for technical assistance and program oversight**
Of any amounts appropriated in any fiscal year to carry out this subchapter, amounts shall be available to the extent provided in appropriations Acts to provide training, technical assistance, contract expertise, program oversight, program assessment, execution, and other assistance for or on behalf of public housing agencies, recipients of assistance under the Native American Housing Assistance and Self-Determination Act of 1996 [25 U.S.C. 4101 et seq.], resident organizations, and officials of the Department (including training and the cost of necessary travel for participants in such training, by or to officials and employees of the Department and of public housing agencies, and to residents and to other eligible grantees). Assistance and other activities carried out using amounts made available under this subsection may be provided directly or indirectly by grants, contracts, or cooperative agreements.


**References in Text**

The Native American Housing Assistance and Self-Determination Act of 1996, referred to in subsec. (c), is Pub. L. 104–330, Oct. 26, 1996, 110 Stat. 4016, as amended, which is classified principally to chapter 43 (§ 4101 et seq.), resident organizations, and officials of the Department (including training and the cost of necessary travel for participants in such training, by or to officials and employees of the Department and of public housing agencies, and to residents and to other eligible grantees). Assistance and other activities carried out using amounts made available under this subsection may be provided directly or indirectly by grants, contracts, or cooperative agreements.


**Prior Provisions**

A prior section 11908, Pub. L. 100–690, title V, § 5129, Nov. 18, 1988, 102 Stat. 4303; Pub. L. 101–625, title V, §§ 538(k), 581(a), Nov. 28, 1990, 104 Stat. 4205, 4246, related to auditing and monitoring of programs funded under this subchapter, prior to repeal by Pub. L. 105–276, title V, §§ 503, 586(g), Oct. 21, 1998, 112 Stat. 2621, 2649, effective and applicable beginning upon Oct. 1, 1999, except as otherwise provided, with provision that Secretary may implement the repeal before such date, except to extent otherwise provided, and with savings provision.

**Effective Date**
Section effective and applicable beginning upon Oct. 1, 1999, except as otherwise provided, with provision that Secretary may implement section before such date, except to extent otherwise provided, see section 503 of Pub. L. 105–276, set out as an Effective Date of 1998 Amendment note under section 1437 of this title.
12 months after November 18, 1988, by a national training unit established by the Secretary.

(Pub. L. 100–690, title V, § 5144, Nov. 18, 1988, 102 Stat. 4303.)

§ 11924. Definitions
For purposes of this subchapter:

(1) Controlled substance
The term “controlled substance” has the meaning given such term in section 802 of title 21.

(2) Secretary
The term “Secretary” means the Secretary of Housing and Urban Development.

(Pub. L. 100–690, title V, § 5145, Nov. 18, 1988, 102 Stat. 4304.)

§ 11925. Regulations
Not later than 6 months after November 18, 1988, the Secretary shall issue any regulations necessary to carry out this subchapter.

(Pub. L. 100–690, title V, § 5146, Nov. 18, 1988, 102 Stat. 4304.)

CHAPTER 125—RENEWABLE ENERGY AND ENERGY EFFICIENCY TECHNOLOGY COMPETITIVENESS

Sec.
12001. Finding, purpose, and general authority.
12002. Definitions.
12003. National goals and multiyear funding for Federal wind, photovoltaics, and solar thermal programs.
12004. Energy efficiency authorizations.
12005. Demonstration and commercial application projects.
12006. Reports.
12007. No antitrust immunity or defenses.

§ 12001. Finding, purpose, and general authority
(a) Finding
The Congress finds that it is in the national security and economic interest of the United States to foster greater efficiency in the use of available energy supplies and greater use of renewable energy technologies.

(b) Purpose
It is the purpose of this chapter to authorize the Secretary of Energy, acting in accordance with section 13541 of this title, to pursue an aggressive national program of research, development, demonstration, and commercial application of renewable energy and energy efficiency technologies in order to ensure a stable and secure future energy supply by—

(1) achieving as soon as practicable cost competitive use of those technologies without need of Federal financial incentives;
(2) establishing long-term Federal research goals and multiyear funding levels;
(3) directing the Secretary to undertake initiatives to improve the ability of the private sector to commercialize in the near term renewable energy and energy efficiency technologies; and
(4) fostering collaborative efforts involving the private sector through government support of a program of demonstration and commercial application projects.

(c) General authority
The Secretary, acting in accordance with section 13541 of this title, is authorized and directed to—

(1) pursue a program of research, demonstration, and commercial application with the private sector, to achieve the purpose of this chapter, including the goals established under section 12003 of this title; and
(2) undertake demonstration and commercial application projects as provided in section 12005 of this title.


REFERENCES IN TEXT
This chapter, referred to in subsecs. (b) and (c)(1), was in the original “this Act”, meaning Pub. L. 101–218, Dec. 11, 1989, 103 Stat. 1859, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note below and Tables.

AMENDMENTS
Subsec. (c). Pub. L. 102–486, § 1202(d)(3), substituted “section 13541 of this title, is authorized and directed to—” and pars. (1) and (2) for “the authority contained in the Federal Nonnuclear Energy Research and Development Act of 1974 (42 U.S.C. 5901–5920) and other law applicable to the Secretary—

“(1) is authorized and directed to—

“(A) pursue a program of research, development, and demonstration, including the use of joint ventures with the private sector, to achieve the purpose of this chapter, including the goals established under section 12003 of this title; and
“(B) undertake joint ventures as provided in section 12005 of this title; and
“(2) is authorized to undertake, from time to time, joint ventures in technology areas other than those set forth in section 12005(c) of this title, subject to the conditions set forth in section 12005(b) of this title.”

SHORT TITLE

§ 12002. Definitions
As used in this chapter—

(1) the term “invention” means an invention or discovery that is patented or for which a patent may be obtained under title 35, or any novel variety of plant that is protected or for which plant variety protection may be obtained under the Plant Variety Protection Act...
(7 U.S.C. 2321 et seq.) and that is conceived or reduced to practice as a result of work under an agreement entered into under this chapter;

(2) the term "non-Federal person" means an entity located in the United States, the controlling interest (as defined by the Secretary) of which is held by persons of the United States, including—

(A) a for-profit business;
(B) a private foundation;
(C) a nonprofit organization such as a university;
(D) a trade or professional society; and
(E) a unit of State or local government;

(3) the term "Secretary" means the Secretary of Energy;

(4) the term "small business", with respect to a participant in any demonstration and commercial application project under this chapter, means a private firm that does not exceed the numerical size standard promulgated by the Small Business Administration under section 632(a) of title 15 for the Standard Industrial Classification (SIC) code designated by the Secretary of Energy as the primary business activity to be undertaken in the demonstration and commercial application project;

(5) the term "source reduction" means any practice which—

(A) reduces the amount of any hazardous substance, pollutant, or contaminant entering any waste stream or otherwise released into the environment, including fugitive emissions, prior to recycling, treatment, or disposal; and

(B) reduces the hazards to the public health and the environment associated with the release of such substances, pollutants, or contaminants, including equipment or technology modifications, process or procedure modifications, reformulation or redesign of products, substitution of raw materials, and improvements in housekeeping, maintenance, training, and inventory control, but not including any practice which alters the physical, chemical, or biological characteristics or the volume of a hazardous substance, pollutant, or contaminant through a process or activity which itself is not integral to and necessary for the production of a product or the providing of a service;¹

(6) the term "United States" means the several States, the District of Columbia, the Commonwealth of Puerto Rico, the United States Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, and any other Commonwealth, territory, or possession of the United States.


(a) National goals

The following are declared to be the national goals for the wind, photovoltaics, and solar thermal energy programs being carried out by the Secretary:

(1) Wind

(A) In general, the goals for the Wind Energy Research Program include improving design methodologies and developing more reliable and efficient wind turbines to increase the cost competitiveness of wind energy. Research efforts shall emphasize—

(i) activities that address near-term technical problems and assist private sector exploitation of market opportunities of the wind energy industry;

(ii) developing technologies such as advanced airfoils and variable speed generators to increase wind turbine output and reduce maintenance costs by decreasing structural stress and fatigue;

(iii) increasing the basic knowledge of aerodynamics, structural dynamics, fatigue, and electrical systems interactions as applied to wind energy technology; and

(iv) improving the compatibility of electricity produced from wind farms with conventional utility needs.

(B) Specific goals for the Wind Energy Research Program shall be to—

(i) reduce average wind energy costs to 3 to 5 cents per kilowatt hour by 1995;

(ii) reduce capital costs of new wind energy systems to $500 to $750 per kilowatt of installed capacity by 1995;

(iii) reduce operation and maintenance costs for wind energy systems to less than one cent per kilowatt hour by 1995; and

¹So in original. Probably should be ""; and"".
(iv) increase capacity factors for new wind energy systems to 25 to 35 percent by 1995.

(2) Photovoltaics

(A) In general, the goals of the Photovoltaic Energy Systems Program shall include improving the reliability and conversion efficiencies of and lowering the costs of photovoltaic conversion. Research efforts shall emphasize advancements in the performance, stability, and durability of photovoltaic materials.

(B) Specific goals of the Photovoltaic Energy Systems Program shall be to—
   (i) improve operational reliability of photovoltaic modules to 30 years by 1995;
   (ii) increase photovoltaic conversion efficiencies by 20 percent by 1995;
   (iii) decrease new photovoltaic module direct manufacturing costs to $800 per kilowatt by 1995; and
   (iv) increase cost efficiency of photovoltaic power production to 10 cents per kilowatt hour by 1995.

(3) Solar thermal

(A) In general, the goal of the Solar Thermal Energy Systems Program shall be to advance research and development to a point where solar thermal technology is cost-competitive with conventional energy sources, and to promote the integration of this technology into the production of industrial process heat and the conventional utility network. Research and development shall emphasize development of a thermal storage technology to provide capacity for shifting power to periods of demand when full insolation is not available; improvements in receivers, energy conversion devices, and innovative concentrators using stretch membranes, lenses, and other materials; and exploration of advanced manufacturing techniques.

(B) Specific goals of the Solar Thermal Energy Systems Program shall be to—
   (i) reduce solar thermal costs for industrial process heat to $9.00 per million Btu by 1995; and
   (ii) average solar thermal costs for electricity to 4 to 5 cents per kilowatt hour by 1995.

(4) Alcohol from biomass

(A) In general, the goal of the Alcohol From Biomass Program shall be to advance research and development to a point where alcohol from biomass technology is cost-competitive with conventional hydrocarbon transportation fuels, and to promote the integration of this technology into the transportation fuel sector of the economy.

(B)(i) Specific goals for producing ethanol from biomass shall be to—
   (I) reduce the cost of alcohol to 70 cents per gallon;
   (II) improve the overall biomass carbohydrates conversion efficiency to 91 percent;
   (III) reduce the capital cost component of the cost of alcohol to 23 cents per gallon; and
   (IV) reduce the operating and maintenance component of the cost of alcohol to 47 cents per gallon.

(ii) Specific goals for producing methanol from biomass shall be to—
   (I) reduce the cost of alcohol to 47 cents per gallon; and
   (II) reduce the capital component of the cost of alcohol to 16 cents per gallon.

(5) Other technologies


(b) Amended goals

Whenever the Secretary determines that any of the goals established under this section is no longer appropriate, the Secretary shall notify Congress, as part of a report submitted under section 12006 of this title, of the reason for the determination and provide an amended goal that is consistent with the purpose stated in section 12001(b) of this title.

(c) Authorizations

There are authorized to be appropriated to the Secretary for the following renewable energy research, development, and demonstration programs: the Wind Energy Research Program, the Photovoltaic Energy Systems Program, the Solar Thermal Energy Systems Program, the Biofuels Energy Systems Program, the Hydrogen Energy Systems Program, the Solar Buildings Energy Systems Program, the Ocean Energy Systems Program, and the Geothermal Energy Systems Program—

(1) not to exceed $113,000,000 for fiscal year 1991, of which—
   (A) not to exceed $39,000,000 shall be available for the Photovoltaic Energy Systems Program;
   (B) not to exceed $19,000,000 shall be available for the Geothermal Energy Systems Program; and
   (C) not to exceed $4,000,000 shall be available for the Hydrogen Energy Systems Program;

(2) not to exceed $121,000,000 for fiscal year 1992, of which—
   (A) not to exceed $40,000,000 shall be available for the Photovoltaic Energy Systems Program;
   (B) not to exceed $20,500,000 shall be available for the Geothermal Energy Systems Program; and
   (C) not to exceed $5,000,000 shall be available for the Hydrogen Energy Systems Program.

Each of the President’s annual budget requests submitted to Congress after December 11, 1989, shall include as separate line items each of the categories of renewable energy programs described in this subsection.

§ 12004. Energy efficiency authorizations

There are authorized to be appropriated to the Secretary for the following energy efficiency research, development, and demonstration programs: transportation, industrial, buildings and community systems, multi-sector, and policy and management—

(1) not to exceed $201,100,000 for fiscal year 1991, of which—

(A) not to exceed $88,300,000 shall be available for the transportation program; and

(B) not to exceed $53,500,000 shall be available for the industrial program; and

(2) not to exceed $210,600,000 for fiscal year 1992, of which—

(A) not to exceed $71,000,000 shall be available for the transportation program; and

(B) not to exceed $54,700,000 shall be available for the industrial program.


§ 12005. Demonstration and commercial application projects

(a) Purpose

The purpose of this section is to direct the Secretary to further the commercialization of renewable energy and energy efficiency technologies through a five-year program.

(b) Demonstration and commercial application projects

(1) Establishment

(A) The Secretary shall solicit proposals for demonstration and commercial application projects for renewable energy and energy efficiency technologies pursuant to subsection (c).

Such projects may include projects for—

(i) the production and sale of electricity, thermal energy, or other forms of energy using a renewable energy technology;

(ii) increasing the efficiency of energy use; and

(iii) improvements in, or expansion of, facilities for the manufacture of renewable energy or energy efficiency technologies.

(B) Requirements.—Each project selected under this section shall include at least one for-profit business. Activities supported under this section shall be performed in the United States. Each project under this section shall require the manufacture and reproduction substantially within the United States for commercial sale of any invention or product that may result from the project.

(2) Forms of financial assistance

(A) In supporting projects selected under subsection (c), the Secretary may choose from among the forms of agreements described in section 13541 of this title.

(B) In supporting projects selected under subsection (c), the Secretary may also enter into agreements with private lenders to pay a portion of the interest on loans made for such projects.

(3) Cost sharing

Cost sharing for projects under this section shall be conducted according to the procedures described in section 13542(b) and (c) of this title.

(4) Advisory Committee

(A) The Secretary shall establish an Advisory Committee on Demonstration and Commercial Application of Renewable Energy and Energy Efficiency Technologies (in this chapter referred to as the “Advisory Committee”) to advise the Secretary on the development of the solicitation and evaluation criteria for projects under this section, and on otherwise carrying out his responsibilities under this section. The Secretary shall appoint members to the Advisory Committee, including at least one member representing—

(i) the Secretary of Commerce;

(ii) the National Laboratories of the Department of Energy;

(iii) the Solar Energy Research Institute;

(iv) the Electric Power Research Institute;

(v) the Gas Research Institute;

(vi) the National Institute of Building Sciences;

(vii) the National Institute of Standards and Technology;

(viii) associations of firms in the major renewable energy manufacturing industries; and

(ix) associations of firms in the major energy efficiency manufacturing industries.

Nothing in this subparagraph shall be construed to require the Secretary to reestablish the Advisory Committee in place under this subsection as of October 24, 1992, or to perform again any duties performed by such advisory committee before October 24, 1992.

(B) Not later than 18 months after October 24, 1992, the Advisory Committee shall provide the Secretary with a report assessing the implementation of the program under this section, including specific recommendations for improvements or changes to the program and solicitation process. The Secretary shall transmit such report and, if any, the Secretary’s recommendations to the Congress.
(c) Selection of projects
   (1) Solicitation
      (A) Not later than 9 months after October 24, 1992, the Secretary shall solicit proposals for projects under this section. The Secretary may make additional solicitations for proposals if the Secretary determines that such solicitations are necessary to carry out this section.
      (B) A solicitation for proposals under this paragraph shall establish a closing date for receipt of proposals. The Secretary may, if necessary, extend the closing date for receipt of proposals for a period not to exceed 90 days.
      (C) Each solicitation under this paragraph shall include a description of the criteria, developed by the Secretary, according to which proposals will be evaluated. In developing such criteria, the Secretary shall consider—
         (i) the need for Federal involvement to commercialize the technology or speed commercialization of the technology;
         (ii) the potential for the technology to have significant market penetration;
         (iii) the potential energy efficiency gains or energy supply contributions of the technology;
         (iv) potential environmental improvements associated with the technology;
         (v) the export potential of the technology;
         (vi) the likelihood that the proposal is technically sufficient to achieve the objective of the solicitation;
         (vii) the degree to which non-Federal financial participation is involved in the proposal;
         (viii) the business and financial history of the proposer or proposers; and
         (ix) any other factor the Secretary considers appropriate.
   (2) Project technologies
      Projects under this section may include the following technologies:
      (A) Conversion of cellulosic biomass to liquid fuels.
      (B) Ethanol and ethanol byproduct processes.
      (C) Direct combustion or gasification of biomass.
      (D) Biofuels energy systems.
      (E) Photovoltaics, including utility scale and remote applications.
      (F) Solar thermal, including solar water heating.
      (G) Wind energy.
      (H) High temperature and low temperature geothermal energy.
      (I) Fuel cells, including transportation and stationary applications.
      (J) Nondefense high-temperature superconducting electricity technology.
      (K) Source reduction technology.
      (L) Factory-made housing.
      (M) Advanced district cooling.
   (3) Project selection
      The Secretary shall, within 120 days after the closing date established under paragraph (1)(B), select proposals to receive financial assistance under this section. In selecting proposals under this paragraph, the Secretary shall—
         (A) consider each proposal's ability to meet the criteria developed pursuant to paragraph (1)(C); and
         (B) attempt to achieve technological and geographic diversity.
   (d) Authorization of appropriations
      There are authorized to be appropriated to the Secretary for carrying out this section $50,000,000 for fiscal year 1994.

REFERENCES IN TEXT
This chapter, referred to in subsec. (b)(4)(A), was in the original “this Act”, meaning Pub. L. 101–218, Dec. 11, 1989, 103 Stat. 1863, known as the Renewable Energy and Energy Efficiency Technology Competitiveness Act of 1989, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 12001 of this title and Tables.

AMENDMENTS
1992—Pub. L. 102–486 amended section generally, substituting provisions relating to demonstration and commercial application projects for renewable energy and energy efficiency technologies for provisions relating to use of joint ventures to further commercialization of renewable energy and energy efficiency technologies.

TERMINATION OF ADVISORY COMMITTEES
Advisory committees established after Jan. 5, 1973, to terminate not later than the expiration of the 2-year period beginning on the date of their establishment, unless, in the case of a committee established by the President or an officer of the Federal Government, such committee is renewed by appropriate action prior to the expiration of such 2-year period, or in the case of a committee established by Congress, its duration is otherwise provided by law. See sections 3(2) and 14 of Pub. L. 92–463, Oct. 6, 1972, 86 Stat. 770, 776, set out in the Appendix to Title 5, Government Organization and Employees.

§ 12006. Reports
   (a) Report by Secretary
      One year after December 11, 1989, and annually thereafter, the Secretary shall report to Congress on the programs and projects supported under this chapter and the progress being made toward accomplishing the goals and purposes set forth in this chapter.
   (b) National renewable energy and energy efficiency management plan
      (1) The Secretary, in consultation with the Advisory Committee, shall prepare a three-year management plan to be administered and carried out by the Secretary in the conduct of activities under this chapter.
      (2) After opportunity for public comment and consideration, as appropriate, of such comment, the Secretary shall publish the plan.
      (3) In addition to describing the Secretary's intentions for administering this chapter, the plan shall include a comprehensive strategy for assisting the private sector—
         (A) in commercializing the renewable energy and energy efficiency technologies developed under this chapter; and
(B) in meeting competition from foreign suppliers of products derived from renewable energy and energy efficiency technologies.

(4) The plan shall address the role of federally-assisted research, development, and demonstration in the achievement of applicable national policy goals of the National Energy Policy Plan required under section 7321 of this title and the plan developed under section 5905 of this title.

(5) In addition, the Plan 1 shall—

(A) contain a detailed assessment of program needs, objectives, and priorities for each of the programs authorized under section 12005 of this title;

(B) use a uniform prioritization methodology to facilitate cost-benefit analyses of proposals in various program areas;

(C) establish milestones for setting forth specific technology transfer activities under each program area;

(D) include annual and five-year cost estimates for individual programs under this chapter; and

(E) identify program areas for which funding levels have been changed from the previous year’s Plan.

(6) Within one year after October 24, 1992, the Secretary shall submit a revised management plan under this section to Congress. Thereafter, the Secretary shall submit a management plan every three years at the time of submittal of the President’s annual budget submission to the Congress.

(c) Report on options

As part of the first report submitted under subsection (a), the Secretary shall submit to Congress a report analyzing options available to the Secretary under existing law to assist the private sector with the timely commercialization of wind, photovoltaic, solar thermal, biofuels, hydrogen, solar buildings, ocean, geothermal, low-head hydro, and energy storage renewable energy technologies and energy efficiency technologies through emphasis on development and demonstration assistance to specific technologies in the research, development, and demonstration programs of the Department of Energy that are near commercial application.


REFERENCES IN TEXT

This chapter, referred to in text, was in the original “this Act”, meaning Pub. L. 101–218, Dec. 11, 1989, 103 Stat. 1859, known as the Renewable Energy and Energy Efficiency Technology Competitiveness Act of 1989, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 12001 of this title and Tables.

CHAPTER 126—EQUAL OPPORTUNITY FOR INDIVIDUALS WITH DISABILITIES

PART A—PROHIBITION AGAINST DISCRIMINATION AND OTHER GENERALLY APPLICABLE PROVISIONS

§ 12101. Findings and purpose

§ 12102. Definition of disability

§ 12103. Additional definitions

§ 12104. Definition of disability

§ 12105. Enforcement

§ 12106. Discrimination

§ 12107. Subchapter II—Public Services

PART B—ACTIONS APPLICABLE TO PUBLIC TRANSPORTATION PROVIDED BY PUBLIC ENTITIES CONSIDERED DISCRIMINATORY

§ 12110. Public transportation other than by aircraft or certain rail operations


1 So in original. Probably should not be capitalized.
§ 12101. Findings and purpose

(a) Findings

The Congress finds that—

(1) physical or mental disabilities in no way diminish a person’s right to fully participate in all aspects of society, yet many people with physical or mental disabilities have been precluded from doing so because of discrimination; others who have a record of a disability or are regarded as having a disability also have been subjected to discrimination;

(2) historically, society has tended to isolate and segregate individuals with disabilities, and, despite some improvements, such forms of discrimination against individuals with disabilities continue to be a serious and pervasive social problem;

(3) discrimination against individuals with disabilities persists in such critical areas as employment, housing, public accommodations, education, transportation, communication, recreation, institutionalization, health services, voting, and access to public services;

(4) unlike individuals who have experienced discrimination on the basis of race, color, sex, national origin, religion, or age, individuals who have experienced discrimination on the basis of disability have often had no legal recourse to redress such discrimination;

(5) individuals with disabilities continually encounter various forms of discrimination, including outright intentional exclusion, the discriminatory effects of architectural, transportation, and communication barriers, overprotective rules and policies, failure to make modifications to existing facilities and practices, exclusionary qualification standards and criteria, segregation, and relegation to lesser services, programs, activities, benefits, jobs, or other opportunities;

(6) census data, national polls, and other studies have documented that people with disabilities, as a group, occupy an inferior status in our society, and are severely disadvantaged socially, vocationally, economically, and educationally;

(7) the Nation’s proper goals regarding individuals with disabilities are to assure equality of opportunity, full participation, independent living, and economic self-sufficiency for such individuals; and

(8) the continuing existence of unfair and unnecessary discrimination and prejudice denies people with disabilities the opportunity to compete on an equal basis and to pursue those opportunities for which our free society is justifiably famous, and costs the United States billions of dollars in unnecessary expenses resulting from dependency and non-productivity.

(b) Purpose

It is the purpose of this chapter—

(1) to provide a clear and comprehensive national mandate for the elimination of discrimination against individuals with disabilities;

(2) to provide clear, strong, consistent, enforceable standards addressing discrimination against individuals with disabilities;

(3) to ensure that the Federal Government plays a central role in enforcing the standards established in this chapter on behalf of individuals with disabilities; and

(4) to invoke the sweep of congressional authority, including the power to enforce the fourteenth amendment and to regulate commerce, in order to address the major areas of discrimination faced day-to-day by people with disabilities.


REFERENCES IN TEXT

This chapter, referred to in subsec. (b), was in the original “this Act”, meaning Pub. L. 101–336. July 26, 1990, 104 Stat. 327, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out below and Tables.

AMENDMENTS

2008—Subsec. (a)(1). Pub. L. 110–325, §3(1), amended par. (1) generally. Prior to amendment, par. (1) read as follows: “some 43,000,000 Americans have one or more physical or mental disabilities, and this number is in-
creasing as the population as a whole is growing older;”.

Subsec. (a)(7) to (9), Pub. L. 110–325, §3(2), (3), redesignated subsec. (8) and (9) as (7) and (8), respectively, and struck out former par. (7) which read as follows: “individuals with disabilities are a discrete and insular minority who have been faced with restrictions and limitations, subjected to a history of purposeful unequal treatment, and relegated to a position of political powerlessness in our society, based on characteristics that are beyond the control of such individuals and result from stereotypic assumptions not truly indicative of the individual ability of such individuals to participate in, and contribute to, society.”

Effective Date of 2008 Amendment


Short Title of 2008 Amendment

Pub. L. 110–325, §1, Sept. 25, 2008, 122 Stat. 3553, provided that: “This Act [enacting sections 12103 and 12135a of this title, amending this section, sections 12102, 12111 to 12114, 12201, and 12206 to 12213 of this title, section 705 and former section 706 of Title 29, Labor, and enacting provisions set out as notes under this section and section 705 of Title 29] may be cited as the ‘ADA Amendments Act of 2008’.”

Short Title

Pub. L. 101–336, §1(a), July 26, 1990, 104 Stat. 327, provided that: “This Act [enacting chapter 47, Telecommunications, amending section 706 of Title 29, Labor, and sections 152, 221, and 611 of Title 47, and enacting provisions set out as notes under sections 12111, 12131, 12141, 12161, and 12181 of this title] may be cited as the ‘Americans with Disabilities Act of 1990’. ”

Findings and Purposes of Pub. L. 110–325

Pub. L. 110–325, §2, Sept. 25, 2008, 122 Stat. 3553, provided that:

“(a) Findings.—Congress finds that—

“(1) in enacting the Americans with Disabilities Act of 1990 (ADA) [42 U.S.C. 12101 et seq.], Congress intended that the Act ‘provide a clear and comprehensive national mandate for the elimination of discrimination against individuals with disabilities’ and provide broad coverage;

“(2) in enacting the ADA, Congress recognized that physical and mental disabilities in no way diminish a person’s right to fully participate in society, but that people with physical or mental disabilities are frequently precluded from doing so because of prejudice, antiquated attitudes, or the failure to remove societal and institutional barriers;

“(3) while Congress expected that the definition of disability under the ADA would be interpreted consistently with how courts had applied the definition of a handicapped individual under the Rehabilitation Act of 1973 [29 U.S.C. 701 et seq.], that expectation has not been fulfilled;

“(4) the holdings of the Supreme Court in Sutton v. United Air Lines, Inc., 527 U.S. 471 (1999) and its companion cases have narrowed the broad scope of protection intended to be afforded by the ADA, thus eliminating protection for many individuals whom Congress intended to protect;

“(5) the holding of the Supreme Court in Toyota Motor Manufacturing, Kentucky, Inc. v. Williams, 534 U.S. 184 (2002) further narrowed the broad scope of protection intended to be afforded by the ADA;

“(6) as a result of these Supreme Court cases, lower courts have incorrectly found in individual cases that people with a range of substantially limiting impairments are not people with disabilities; and

“(7) in particular, the Supreme Court, in the case of Toyota Motor Manufacturing, Kentucky, Inc. v. Williams, 534 U.S. 184 (2002), interpreted the term ‘substantially limits’ to require a greater degree of limitation than was intended by Congress; and

“(8) Congress finds that the current Equal Employment Opportunity Commission ADA regulations defining the term ‘substantially limits’ as ‘significantly restricted’ are inconsistent with congressional intent, by expressing a standard that is less demanding than was intended by Congress; and

“(b) Purposes.—The purposes of this Act [see Short Title of 2008 Amendment note above] are—

“(1) to carry out the ADA’s objectives of providing ‘a clear and comprehensive national mandate for the elimination of discrimination’ and ‘clear, strong, consistent, enforceable standards addressing discrimination’ by reinstating a broad scope of protection to be available under the ADA;

“(2) to reject the requirement enunciated by the Supreme Court in Sutton v. United Air Lines, Inc., 527 U.S. 471 (1999) with regard to coverage under the third prong of the definition of disability and to reinstate the reasoning of the Supreme Court in School Board of Nassau County v. Arline, 490 U.S. 273 (1987) which set forth a broad view of the third prong of the definition of handicap under the Rehabilitation Act of 1973;

“(3) to reject the standards enunciated by the Supreme Court in Toyota Motor Manufacturing, Kentucky, Inc. v. Williams, 534 U.S. 184 (2002), that the terms ‘substantially’ and ‘major’ in the definition of disability under the ADA need to be interpreted strictly to create a demanding standard for qualifying as disabled, and that to be substantially limited in performing a major life activity under the ADA ‘an individual must have an impairment that prevents or severely restricts the individual from doing activities that are of central importance to most people’s daily lives’;

“(4) to reject the standards enunciated by the Supreme Court in the case of Toyota Motor Manufacturing, Kentucky, Inc. v. Williams, 534 U.S. 184 (2002) for ‘substantially limits’, and applied by lower courts in numerous decisions, has created an inappropriately high level of discretion necessary to obtain coverage under the ADA, to convey that it is the intent of Congress that the primary object of attention in cases brought under the ADA should be whether entities covered under the ADA have complied with their obligations, and to convey that the question of whether an individual’s impairment is a disability under the ADA should not demand extensive analysis; and

“(5) to convey congressional intent that the standard created by the Supreme Court in the case of Toyota Motor Manufacturing, Kentucky, Inc. v. Williams, 534 U.S. 184 (2002) for ‘substantially limits’, and applied by lower courts in numerous decisions, has created an inappropriately high level of discretion necessary to obtain coverage under the ADA, to convey that it is the intent of Congress that the primary object of attention in cases brought under the ADA should be whether entities covered under the ADA have complied with their obligations, and to convey that the question of whether an individual’s impairment is a disability under the ADA should not demand extensive analysis; and

“(6) to express Congress’ expectation that the Equal Employment Opportunity Commission will revise that portion of its current regulations that defines the term ‘substantially limits’ as ‘significantly restricted’ to be consistent with this Act, including the amendments made by this Act.”

Study by General Accounting Office of Existing Disability-Related Employment Incentives

Pub. L. 106–170, title III, §303(a), Dec. 17, 1999, 113 Stat. 2003, provided that, as soon as practicable after Dec. 17, 1999, the Comptroller General was to undertake a study to assess existing tax credits and other disability-related employment incentives under the Americans with Disabilities Act of 1990 (42 U.S.C. 12101 et seq.) and other Federal laws, specifically addressing the extent to which such credits and other incentives would encourage employers to hire and retain individuals with disabilities; and that, not later than 3 years after Dec. 17, 1999, the Comptroller General was to transmit to the appropriate congressional committees a written report presenting the results of the study, including any appropriate recommendations for legislative or administrative changes.
§ 12102. Definition of disability

As used in this chapter:

(1) Disability

The term “disability” means, with respect to an individual—
(A) a physical or mental impairment that substantially limits one or more major life activities of such individual;
(B) a record of such an impairment; or
(C) being regarded as having such an impairment (as described in paragraph (3)).

(2) Major life activities

(A) In general

For purposes of paragraph (1), major life activities include, but are not limited to, caring for oneself, performing manual tasks, seeing, hearing, eating, sleeping, walking, standing, lifting, bending, speaking, breathing, learning, reading, concentrating, thinking, communicating, and working.

(B) Major bodily functions

For purposes of paragraph (1), a major life activity also includes the operation of a major bodily function, including but not limited to, functions of the immune system, normal cell growth, digestive, bowel, bladder, neurological, brain, respiratory, circulatory, endocrine, and reproductive functions.

(3) Regarded as having such an impairment

For purposes of paragraph (1)(C):

(A) An individual meets the requirement of “being regarded as having such an impairment” if the individual establishes that he or she has been subjected to an action prohibited under this chapter because of an actual or expected duration of 6 months or less.

(B) Paragraph (1)(C) shall not apply to impairments that are transitory and minor. A transitory impairment is an impairment with an actual or expected duration of 6 months or less.

(4) Rules of construction regarding the definition of disability

The definition of “disability” in paragraph (1) shall be construed in accordance with the following:

(A) The definition of disability in this chapter shall be construed in favor of broad coverage of individuals under this chapter, to the maximum extent permitted by the terms of this chapter.

(B) The term “substantially limits” shall be interpreted consistently with the findings and purposes of the ADA Amendments Act of 2008.

(C) An impairment that substantially limits one major life activity need not limit other major life activities in order to be considered a disability.

(D) An impairment that is episodic or in remission is a disability if it would substantially limit a major life activity when active.

(E)(i) The determination of whether an impairment substantially limits a major life activity shall be made without regard to the ameliorative effects of mitigating measures such as—
(1) medication, medical supplies, equipment, or appliances, low-vision devices (which do not include ordinary eyeglasses or contact lenses), prosthetics including limbs and devices, hearing aids and cochlear implants or other implantable hearing devices, mobility devices, or oxygen therapy equipment and supplies;
(II) use of assistive technology;
(III) reasonable accommodations or auxiliary aids or services; or
(IV) learned behavioral or adaptive neurological modifications.

(ii) The ameliorative effects of the mitigating measures of ordinary eyeglasses or contact lenses shall be considered in determining whether an impairment substantially limits a major life activity.

(iii) As used in this subparagraph—
(I) the term “ordinary eyeglasses or contact lenses” means lenses that are intended to fully correct visual acuity or eliminate refractive error; and
(II) the term “low-vision devices” means devices that magnify, enhance, or otherwise augment a visual image.

§ 12103. Additional definitions

As used in this chapter:

(1) Auxiliary aids and services

The term “auxiliary aids and services” includes—

(A) qualified interpreters or other effective methods of communicating to individuals with hearing impairments;

(B) qualified readers, taped texts, or other effective methods of making visually delivered materials available to individuals with visual impairments;
(C) acquisition or modification of equipment or devices; and
(D) other similar services and actions.

(2) State
The term “State” means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands of the United States, the Trust Territory of the Pacific Islands, and the Commonwealth of the Northern Mariana Islands.”.


REFERENCES IN TEXT
This chapter, referred to in text, was in the original “this Act”, meaning Pub. L. 101–336, July 26, 1990, 104 Stat. 327, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 12101 of this title and Tables.

Effective Date
Section effective Jan. 1, 2009, see section 8 of Pub. L. 110–325, set out as an Effective Date of 2008 Amendment note under section 705 of Title 29, Labor.

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

SUBCHAPTER I—EMPLOYMENT

§ 12111. Definitions
As used in this subchapter:

(1) Commission

(2) Covered entity
The term “covered entity” means an employer, employment agency, labor organization, or joint labor-management committee.

(3) Direct threat
The term “direct threat” means a significant risk to the health or safety of others that cannot be eliminated by reasonable accommodation.

(4) Employee
The term “employee” means an individual employed by an employer. With respect to employment in a foreign country, such term includes an individual who is a citizen of the United States.

(5) Employer
(A) In general
The term “employer” means a person engaged in an industry affecting commerce who has 15 or more employees for each working day in each of 20 or more calendar weeks in the current or preceding calendar year, and any agent of such person, except that, for two years following the effective date of this subchapter, an employer means a person engaged in an industry affecting commerce who has 25 or more employees for each working day in each of 20 or more calendar weeks in the current or preceding year, and any agent of such person.

(B) Exceptions
The term “employer” does not include—
(i) the United States, a corporation wholly owned by the government of the United States, or an Indian tribe; or
(ii) a bona fide private membership club (other than a labor organization) that is exempt from taxation under section 501(c) of title 26.

(6) Illegal use of drugs
(A) In general
The term “illegal use of drugs” means the use of drugs, the possession or distribution of which is unlawful under the Controlled Substances Act [21 U.S.C. 801 et seq.]. Such term does not include the use of a drug taken under supervision by a licensed health care professional, or other uses authorized by the Controlled Substances Act or other provisions of Federal law.

(B) Drugs
The term “drug” means a controlled substance, as defined in schedules I through V of section 202 of the Controlled Substances Act [21 U.S.C. 812].

(7) Person, etc.
The terms “person”, “labor organization”, “employment agency”, “commerce”, and “industry affecting commerce”, shall have the same meaning given such terms in section 2000e of this title.

(8) Qualified individual
The term “qualified individual” means an individual who, with or without reasonable accommodation, can perform the essential functions of the employment position that such individual holds or desires. For the purposes of this subchapter, consideration shall be given to the employer’s judgment as to what functions of a job are essential, and if an employer has prepared a written description before advertising or interviewing applicants for the job, this description shall be considered evidence of the essential functions of the job.

(9) Reasonable accommodation
The term “reasonable accommodation” may include—
(A) making existing facilities used by employees readily accessible to and usable by individuals with disabilities; and
(B) job restructuring, part-time or modified work schedules, reassignment to a vacant position, acquisition or modification of equipment or devices, appropriate adjustment or modifications of examinations, training materials or policies, the provision of qualified readers or interpreters, and other similar accommodations for individuals with disabilities.

(10) Undue hardship
(A) In general
The term “undue hardship” means an action requiring significant difficulty or ex-
Amendment by Pub. L. 102–166 inapplicable to conduct occurring before Nov. 21, 1991, see section 109(c) of Pub. L. 102–166, set out as a note under section 2000e of this title.

**Effective Date**

§12112. Discrimination

(a) General rule

No covered entity shall discriminate against a qualified individual on the basis of disability in regard to job application procedures, the hiring, advancement, or discharge of employees, employee compensation, job training, and other terms, conditions, and privileges of employment.

(b) Construction

As used in subsection (a), the term "discriminate against a qualified individual on the basis of disability" includes—

(1) limiting, segregating, or classifying a job applicant or employee in a way that adversely affects the opportunities or status of such applicant or employee because of the disability of such applicant or employee;

(2) participating in a contractual or other arrangement or relationship that has the effect of subjecting a covered entity's qualified applicant or employee with a disability to the discrimination prohibited by this subchapter (such relationship includes a relationship with an employment or referral agency, labor union, an organization providing training and apprenticeship programs);

(3) utilizing standards, criteria, or methods of administration—

(A) that have the effect of discrimination on the basis of disability; or

(B) that perpetuate the discrimination of others who are subject to common administrative control;

(4) excluding or otherwise denying equal jobs or benefits to a qualified individual because of the known disability of an individual with whom the qualified individual is known to have a relationship or association;

(5)(A) not making reasonable accommodations to the known physical or mental limitations of an otherwise qualified individual with a disability who is an applicant or employee, unless such covered entity can demonstrate that the accommodation would impose an undue hardship on the operation of the business of such covered entity; or

(B) denying employment opportunities to a job applicant or employee who is an otherwise qualified individual with a disability, if such denial is based on the need of such covered entity to make reasonable accommodation to the physical or mental impairments of the employee or applicant;

(6) using qualification standards, employment tests or other selection criteria that
screen out or tend to screen out an individual with a disability or a class of individuals with disabilities unless the standard, test or other selection criteria, as used by the covered entity, is shown to be job-related for the position in question and is consistent with business necessity; and

(7) failing to select and administer tests concerning employment in the most effective manner to ensure that, when such test is administered to a job applicant or employee who has a disability that impairs sensory, manual, or speaking skills, such test results accurately reflect the skills, aptitude, or whatever other factor of such applicant or employee that such test purports to measure, rather than reflecting the impaired sensory, manual, or speaking skills of such employee or applicant (except where such skills are the factors that the test purports to measure).

(c) Covered entities in foreign countries

(1) In general

It shall not be unlawful under this section for a covered entity to take any action that constitutes discrimination under this section with respect to an employee in a workplace in a foreign country if compliance with this section would cause such covered entity to violate the law of the foreign country in which such workplace is located.

(2) Control of corporation

(A) Presumption

If an employer controls a corporation whose place of incorporation is a foreign country, any practice that constitutes discrimination under this section and is engaged in by such corporation shall be presumed to be engaged in by such employer.

(B) Exception

This section shall not apply with respect to the foreign operations of an employer that is a foreign person not controlled by an American employer.

(C) Determination

For purposes of this paragraph, the determination of whether an employer controls a corporation shall be based on—

(i) the interrelation of operations;

(ii) the common management;

(iii) the centralized control of labor relations; and

(iv) the common ownership or financial control, of the employer and the corporation.

(d) Medical examinations and inquiries

(1) In general

The prohibition against discrimination as referred to in subsection (a) shall include medical examinations and inquiries.

(2) Preemployment

(A) Prohibited examination or inquiry

Except as provided in paragraph (3), a covered entity shall not conduct a medical examination or make inquiries of a job applicant as to whether such applicant is an individual with a disability or as to the nature or severity of such disability.

(B) Acceptable inquiry

A covered entity may make preemployment inquiries into the ability of an applicant to perform job-related functions.

(3) Employment entrance examination

A covered entity may require a medical examination after an offer of employment has been made to a job applicant and prior to the commencement of the employment duties of such applicant, and may condition an offer of employment on the results of such examination, if—

(A) all entering employees are subjected to such an examination regardless of disability;

(B) information obtained regarding the medical condition or history of the applicant is collected and maintained on separate forms and in separate medical files and is treated as a confidential medical record, except that—

(i) supervisors and managers may be informed regarding necessary restrictions on the work or duties of the employee and necessary accommodations;

(ii) first aid and safety personnel may be informed, when appropriate, if the disability might require emergency treatment; and

(iii) government officials investigating compliance with this chapter shall be provided relevant information on request; and

(C) the results of such examination are used only in accordance with this subchapter.

(4) Examination and inquiry

(A) Prohibited examinations and inquiries

A covered entity shall not require a medical examination and shall not make inquiries of an employee as to whether such employee is an individual with a disability or as to the nature or severity of the disability, unless such examination or inquiry is shown to be job-related and consistent with business necessity.

(B) Acceptable examinations and inquiries

A covered entity may conduct voluntary medical examinations, including voluntary medical histories, which are part of an employee health program available to employees at that work site. A covered entity may make inquiries into the ability of an employee to perform job-related functions.

(C) Requirement

Information obtained under subparagraph (B) regarding the medical condition or history of any employee are subject to the requirements of subparagraphs (B) and (C) of paragraph (3).

References in Text

July 26, 1990, 104 Stat. 327, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 12101 of this title and Tables.

AMENDMENTS

2008—Subsec. (a). Pub. L. 110–325, § 5(a)(1), substituted “on the basis of disability” for “with a disability because of the disability of such individual”.


1991—Subsecs. (c), (d). Pub. L. 102–166 added subsec. (c) and redesignated former subsec. (c) as (d).

Effective Date of 2008 Amendment

Effective Date of 1991 Amendment
Amendment by Pub. L. 102–166 inapplicable to conduct occurring before Nov. 21, 1991, see section 106(c) of Pub. L. 102–166, set out as a note under section 2000e of this title.

© 2008 American Legal Publishing Corporation

§ 12113. Defenses

(a) In general

It may be a defense to a charge of discrimination under this chapter that an alleged application of qualification standards, tests, or selection criteria that screen out or tend to screen out or otherwise deny a job or benefit to an individual with a disability has been shown to be job-related and consistent with business necessity, and such performance cannot be accomplished by reasonable accommodation, as required under this subchapter.

(b) Qualification standards

The term “qualification standards” may include a requirement that an individual shall not pose a direct threat to the health or safety of other individuals in the workplace.

(c) Qualification standards and tests related to uncorrected vision

Notwithstanding section 12102(4)(E)(ii) of this title, a covered entity shall not use qualification standards, employment tests, or other selection criteria based on an individual’s uncorrected vision unless the standard, test, or other selection criteria, as used by the covered entity, is shown to be job-related for the position in question and consistent with business necessity.

(d) Religious entities

(1) In general

This subchapter shall not prohibit a religious corporation, association, educational institution, or society from giving preference in employment to individuals of a particular religion to perform work connected with the carrying on by such corporation, association, educational institution, or society of its activities.

(2) Religious tenets requirement

Under this subchapter, a religious organization may require that all applicants and employees conform to the religious tenets of such organization.

(e) List of infectious and communicable diseases

(1) In general

The Secretary of Health and Human Services, not later than 6 months after July 26, 1990, shall—

(A) review all infectious and communicable diseases which may be transmitted through handling the food supply;

(B) publish a list of infectious and communicable diseases which are transmitted through handling the food supply;

(C) publish the methods by which such diseases are transmitted; and

(D) widely disseminate such information regarding the list of diseases and their modes of transmissibility1 to the general public.

Such list shall be updated annually.

(2) Applications

In any case in which an individual has an infectious or communicable disease that is transmitted to others through the handling of food, that is included on the list developed by the Secretary of Health and Human Services under paragraph (1), and which cannot be eliminated by reasonable accommodation, a covered entity may refuse to assign or continue to assign such individual to a job involving food handling.

(3) Construction

Nothing in this chapter shall be construed to preempt, modify, or amend any State, county, or local law, ordinance, or regulation applicable to food handling which is designed to protect the public health from individuals who pose a significant risk to the health or safety of others, which cannot be eliminated by reasonable accommodation, a covered entity may refuse to assign or continue to assign such individual to a job involving food handling.

(f) 1991 Amendments


© 2008 American Legal Publishing Corporation

References in Text

This chapter, referred to in subsecs. (a) and (e)(3), was in the original “this Act”, meaning Pub. L. 101–336, July 26, 1990, 104 Stat. 337, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 12101 of this title and Tables.

Amendments

2008—Subsecs. (c) to (e). Pub. L. 110–325 added subsec. (c) and redesignated former subsds. (c) and (d) as (d) and (e), respectively.

Effective Date of 2008 Amendment

Effective Date
Section effective 24 months after July 26, 1990, see section 108 of Pub. L. 101–336, set out as a note under section 12111 of this title.

1 So in original. Probably should be “transmissibility”. 
§ 12114. Illegal use of drugs and alcohol

(a) Qualified individual with a disability

For purposes of this subchapter, a qualified individual with a disability shall not include any employee or applicant who is currently engaging in the illegal use of drugs, or has otherwise been rehabilitated successfully and is no longer engaging in such use;

(b) Rules of construction

Nothing in subsection (a) shall be construed to exclude as a qualified individual with a disability an individual who—

(1) has successfully completed a supervised drug rehabilitation program and is no longer engaging in the illegal use of drugs; or

(2) is participating in a supervised rehabilitation program and is no longer engaging in such use; or

(3) is erroneously regarded as engaging in such use, but is not engaging in such use;

except that it shall not be a violation of this chapter for a covered entity to adopt or administer reasonable policies or procedures, including but not limited to drug testing, designed to ensure that an individual described in paragraph (1) or (2) is no longer engaging in the illegal use of drugs.

c) Authority of covered entity

A covered entity—

(1) may prohibit the illegal use of drugs and the use of alcohol at the workplace by all employees;

(2) may require that employees shall not be under the influence of alcohol or be engaging in the illegal use of drugs at the workplace;

(3) may require that employees behave in conformance with the requirements established under chapter 81 of title 41;

(4) may hold an employee who engages in the illegal use of drugs or who is an alcoholic to the same qualification standards for employment or job performance and behavior that such entity holds other employees, even if any unsatisfactory performance or behavior is related to the drug use or alcoholism of such employee; and

(5) may, with respect to Federal regulations regarding alcohol and the illegal use of drugs, require that—

(A) employees comply with the standards established in such regulations of the Department of Defense, if the employees of the covered entity are employed in an industry subject to such regulations, including complying with regulations (if any) that apply to employment in sensitive positions in such an industry, in the case of employees of the covered entity who are employed in such positions (as defined in the regulations of the Department of Transportation);

(B) employees comply with the standards established in such regulations of the Nuclear Regulatory Commission, if the employees of the covered entity are employed in an industry subject to such regulations, including complying with regulations (if any) that apply to employment in sensitive positions (as defined in the regulations of the Nuclear Regulatory Commission).

d) Drug testing

(1) In general

For purposes of this subchapter, a test to determine the illegal use of drugs shall not be considered a medical examination.

(2) Construction

Nothing in this subchapter shall be construed to encourage, prohibit, or authorize the conducting of drug testing for the illegal use of drugs by job applicants or employees or making employment decisions based on such test results.

e) Transportation employees

Nothing in this subchapter shall be construed to encourage, prohibit, restrict, or authorize the otherwise lawful exercise by entities subject to the jurisdiction of the Department of Transportation of authority to—

(1) test employees of such entities in, and applicants for, positions involving safety-sensitive duties for the illegal use of drugs and for on-duty impairment by alcohol; and

(2) remove such persons who test positive for illegal use of drugs and on-duty impairment by alcohol pursuant to paragraph (1) from safety-sensitive duties in implementing subsection (c).


References in Text

This chapter, referred to in subsec. (b), was in the original “this Act”, meaning Pub. L. 101–336, July 26, 1990, 104 Stat. 327, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 12101 of this title and Tables.

Codification


Amendments

2008—Subsec. (a). Pub. L. 110–325 substituted “a qualified individual with a disability shall” for “the term ‘qualified individual with a disability’ shall”.

Effective Date of 2008 Amendment

§ 12115. Posting notices

Every employer, employment agency, labor organization, or joint labor-management committee covered under this subchapter shall post notices in an accessible format to applicants, employees, and members describing the applicable provisions of this chapter, in the manner prescribed by section 2000e–10 of this title.


References in Text

This chapter, referred to in text, was in the original "this Act", meaning Pub. L. 101–336, July 26, 1990, 104 Stat. 327, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 12111 of this title and Tables.

Effective Date

Section effective 24 months after July 26, 1990, see section 108 of Pub. L. 101–336, set out as a note under section 12111 of this title.

§ 12116. Regulations

Not later than 1 year after July 26, 1990, the Commission shall issue regulations in an accessible format to carry out this subchapter in accordance with subchapter II of chapter 5 of title 5.


Effective Date

Section effective 24 months after July 26, 1990, see section 108 of Pub. L. 101–336, set out as a note under section 12111 of this title.

§ 12117. Enforcement

(a) Powers, remedies, and procedures

The powers, remedies, and procedures set forth in sections 2000e–4, 2000e–5, 2000e–6, 2000e–8, and 2000e–9 of this title shall be the powers, remedies, and procedures this subchapter provides to the Commission, to the Attorney General, or to any person alleging discrimination on the basis of disability in violation of any provision of this chapter, or regulations promulgated under section 12116 of this title, concerning employment.

(b) Coordination


References in Text

This chapter, referred to in subsec. (a), was in the original "this Act", meaning Pub. L. 101–336, July 26, 1990, 104 Stat. 327, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 12101 of this title and Tables.


Effective Date

Section effective 24 months after July 26, 1990, see section 108 of Pub. L. 101–336, set out as a note under section 12111 of this title.

SUBCHAPTER II—PUBLIC SERVICES

PART A—PROHIBITION AGAINST DISCRIMINATION AND OTHER GENERALLY APPLICABLE PROVISIONS

§ 12131. Definitions

As used in this subchapter:

(1) Public entity

The term "public entity" means—

(A) any State or local government;

(B) any department, agency, special purpose district, or other instrumentality of a State or States or local government; and

(C) the National Railroad Passenger Corporation, and any commuter authority (as defined in section 24102(4) of title 49).

(2) Qualified individual with a disability

The term "qualified individual with a disability" means an individual with a disability who, with or without reasonable modifications to rules, policies, or practices, the removal of architectural, communication, or transportation barriers, or the provision of auxiliary aids and services, meets the essential eligibility requirements for the receipt of services or the participation in programs or activities provided by a public entity.


References in Text

Section 24102 of title 49, referred to in par. (1)(C), was subsequently amended, and section 24102(4) no longer defines "commuter authority". However, such term is defined elsewhere in that section.

1 See References in Text note below.
CODIFICATION
In par. (1)(C), "section 24102(4) of title 49" substituted for "section 103(8) of the Rail Passenger Act," on authority of Pub. L. 103–272, § 6(b), July 5, 1994, 108 Stat. 1378, the first section of which enacted subtitles II, III, and V to X of Title 49, Transportation.

EFFECTIVE DATE

"(a) GENERAL RULE— Except as provided in subsection (b), this subtitle [subtitle A (§§ 201–205) of title II of the ADA [42 U.S.C. 12131 et seq.], particularly cooperatively with States to achieve the goals of Title II, III, and V to X of Title 49, Transportation.

Exception
Pub. L. 101–336, title II, § 204 (§ 12134 of this title) shall become effective on the date of enactment of this Act."

EX. ORD. NO. 12317. COMMUNITY-BASED ALTERNATIVES FOR INDIVIDUALS WITH DISABILITIES
Ex. Ord. No. 12317, June 18, 2001, 66 F.R. 33155, provided:

By the authority vested in me as President by the Constitution and the laws of the United States of America, and in order to place qualified individuals with disabilities in community settings whenever appropriate, it is hereby ordered as follows:

Sec. 1. Policy. This order is issued consistent with the following findings and principles:

(a) The United States is committed to community-based alternatives for individuals with disabilities and recognizes that such services advance the best interests of Americans.
(b) The United States seeks to ensure that America’s community-based programs effectively foster independence and participation in the community for Americans with disabilities.
(c) Unjustified isolation or segregation of qualified individuals with disabilities through institutionalization is a form of disability-based discrimination prohibited by Title II of the Americans With Disabilities Act of 1990 (ADA), 42 U.S.C. 12101 [12131 et seq.]. States must avoid disability-based discrimination unless doing so would fundamentally alter the nature of the service, program, or activity provided by the State.
(d) In Olmstead v. L.C., 527 U.S. 581 (1999) (the ‘Olmstead decision’), the Supreme Court construed Title II of the ADA [42 U.S.C. 12131 et seq.] to require States to place qualified individuals with mental disabilities in community settings, rather than in institutions, whenever treatment professionals determine that such placement is appropriate, the affected persons do not oppose such placement, and the State can reasonably accommodate the placement, taking into account the resources available to the State and the needs of others with disabilities.
(e) The Federal Government must assist States and localities to implement swiftly the Olmstead decision, so as to help ensure that all Americans have the opportunity to live close to their families and friends, to live more independently, to engage in productive employment, and to participate in community life.

Sec. 2. Swift Implementation of the Olmstead Decision: Agency Responsibilities. (a) The Attorney General, the Secretaries of Health and Human Services, Education, Labor, and Housing and Urban Development, and the Commissioner of the Social Security Administration shall work cooperatively to ensure that the Olmstead decision is implemented in a timely manner. Specifically, the designated agencies should work with States to help them assess their compliance with the Olmstead decision and the ADA [42 U.S.C. 12101 et seq.] in providing services to qualified individuals with disabilities in community-based settings, as long as such services are appropriate to the needs of those individuals. These agencies should provide technical guidance and work cooperatively with States to achieve the goals of Title II of the ADA [42 U.S.C. 12131 et seq.], particularly where States have chosen to develop comprehensive, effectively working plans to provide services to qualified individuals with disabilities in the most integrated settings. These agencies should also ensure that existing Federal resources are used in the most effective manner to support the goals of the ADA. The Secretary of Health and Human Services shall take the lead in coordinating these efforts.

(b) The Attorney General, the Secretaries of Health and Human Services, Education, Labor, and Housing and Urban Development, and the Commissioner of the Social Security Administration shall evaluate the policies, programs, statutes, and regulations of their respective agencies to determine whether any should be revised or modified to improve the availability of community-based services for qualified individuals with disabilities. The review shall focus on identifying affected populations, improving the flow of information about supports in the community, and removing barriers that impede opportunities for community placement. The review should ensure the involvement of consumers, advocacy organizations, providers, and relevant agency representatives. Each agency head should report to the President, through the Secretary of Health and Human Services, with the results of their evaluation within 120 days.
(c) The Attorney General and the Secretary of Health and Human Services shall fully enforce Title II of the ADA, including investigating and resolving complaints filed on behalf of individuals who allege that they have been the victims of unjustified institutionalization. Whenever possible, the Department of Justice and the Department of Health and Human Services should work cooperatively with States to resolve these complaints, and should use alternative dispute resolution to bring these complaints to a quick and constructive resolution.

(d) The agency actions directed by this order shall be done consistent with this Administration’s budget.

Sec. 3. Judicial Review. Nothing in this order shall affect any otherwise available judicial review of agency action. This order is intended only to improve the internal management of the Federal Government and does not create any right or benefit, substantive or procedural, enforceable at law or equity by a party against the United States, its agencies or instrumentalities, its officers or employees, or any other person.

GEORGE W. BUSH.

§ 12132. Discrimination
Subject to the provisions of this subchapter, no qualified individual with a disability shall, by reason of such disability, be excluded from participation in or be denied the benefits of the services, programs, or activities of a public entity, or be subjected to discrimination by any such entity.


EFFECTIVE DATE
Section effective 18 months after July 26, 1990, see section 205(a) of Pub. L. 101–336, set out as a note under section 12131 of this title.

§ 12133. Enforcement
The remedies, procedures, and rights set forth in section 794a of title 29 shall be the remedies, procedures, and rights this subchapter provides to any person alleging discrimination on the basis of disability in violation of section 12132 of this title.

§ 12141. Definitions

section 205(a) of Pub. L. 101–336, set out as a note under section 12131 of this title.

§ 12142. Regulations

(a) In general

Not later than 1 year after July 26, 1990, the Attorney General shall promulgate regulations in an accessible format that implement this part. Such regulations shall not include any matter within the scope of the authority of the Secretary of Transportation under section 12143, 12148, or 12164 of this title.

(b) Relationship to other regulations

Except for “program accessibility, existing facilities”, and “communications”, regulations under subsection (a) shall be consistent with this chapter and with the coordination regulations under part 41 of title 28, Code of Federal Regulations (as promulgated by the Department of Health, Education, and Welfare on January 13, 1976), applicable to recipients of Federal financial assistance under section 794 of title 29. With respect to “program accessibility, existing facilities”, and “communications”, such regulations shall be consistent with regulations and analysis as in part 39 of title 29 of the Code of Federal Regulations, applicable to federally conducted activities under section 794 of title 29.

(c) Standards

Regulations under subsection (a) shall include standards applicable to facilities and vehicles covered by this part, other than facilities, stations, rail passenger cars, and vehicles covered by part B. Such standards shall be consistent with the minimum guidelines and requirements issued by the Architectural and Transportation Barriers Compliance Board in accordance with section 12203(a) of this title.


REFERENCES IN TEXT

This chapter, referred to in subsec. (b), was in the original “this Act”, meaning Pub. L. 101–336, July 26, 1990, 104 Stat. 327, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 12101 of this title and Tables.

§ 12143. Public Entities Operating Fixed Route Systems

The term “public school transportation” means transportation by schoolbus vehicles of schoolchildren, personnel, and equipment to and from a public elementary or secondary school and school-related activities.

The term “Secretary” means the Secretary of Transportation.


§ 12144. Public Entities Operating Fixed Route Systems

(a) Purchase and lease of new vehicles

It shall be considered discrimination for purposes of section 12132 of this title and section 794 of title 29 for a public entity which operates a fixed route system to purchase or lease a new bus, a new rapid transit vehicle, or other new vehicle to be used on such system, if the solicitation for such purchase or lease is made after the 30th day following July 26, 1990, and if such bus, rail vehicle, or other vehicle is not readily accessible to and usable by individuals with disabilities, including individuals who use wheelchairs.

(b) Purchase and lease of used vehicles

Subject to subsection (c)(1), it shall be considered discrimination for purposes of section 12132 of this title and section 794 of title 29 for a public entity which operates a fixed route system to purchase or lease, after the 30th day following
of title 29 for a public entity which operates a fixed route system (other than a system which provides solely commuter bus service) to fail to provide with respect to the operations of its fixed route system, in accordance with this section, paratransit and other special transportation services to individuals with disabilities, including individuals who use wheelchairs, that are sufficient to provide to such individuals a level of service (1) which is comparable to the level of designated public transportation services provided to individuals without disabilities using such system; or (2) in the case of response time, which is comparable, to the extent practicable, to the level of designated public transportation services provided to individuals without disabilities using such system.

(b) Issuance of regulations
Not later than 1 year after July 26, 1990, the Secretary shall issue final regulations to carry out this section.

(c) Required contents of regulations
(1) Eligible recipients of service
The regulations issued under this section shall require each public entity which operates a fixed route system to provide the paratransit and other special transportation services required under this section—
(A)(i) to any individual with a disability who is unable, as a result of a physical or mental impairment (including a vision impairment) and without the assistance of another individual (except an operator of a wheelchair lift or other boarding assistance device), to board, ride, or disembark from any vehicle on the system which is readily accessible to and usable by individuals with disabilities;
(ii) to any individual with a disability who needs the assistance of a wheelchair lift or other boarding assistance device, to board, ride, or disembark from any vehicle which is readily accessible to and usable by individuals with disabilities;
(iii) to any individual with a disability who has a specific impairment-related condition which prevents such individual from traveling to a boarding location or from a disembarking location on such system;
(B) to one other individual accompanying the individual with a disability provided that space for these additional individuals is available on the paratransit vehicle carrying the individual with a disability and that the transportation of such additional individuals will not result in a denial of service to individuals with disabilities.

For purposes of clauses (i) and (ii) of subparagraph (A), boarding or disembarking from a
vehicle does not include travel to the boarding location or from the disembarking location.

(2) Service area
The regulations issued under this section shall require the provision of paratransit and special transportation services required under this section in the service area of each public entity which operates a fixed route system, other than any portion of the service area in which the public entity solely provides commuter bus service.

(3) Service criteria
Subject to paragraphs (1) and (2), the regulations issued under this section shall establish minimum service criteria for determining the level of services to be required under this section.

(4) Undue financial burden limitation
The regulations issued under this section shall provide that, if the public entity is able to demonstrate to the satisfaction of the Secretary that the provision of paratransit and other special transportation services otherwise required under this section would impose an undue financial burden on the public entity, the public entity, notwithstanding any other provision of this section (other than paragraph (5)), shall only be required to provide such services to the extent that providing such services would not impose such a burden.

(5) Additional services
The regulations issued under this section shall establish circumstances under which the Secretary may require a public entity to provide, notwithstanding paragraph (4), paratransit and other special transportation services under this section beyond the level of paratransit and other special transportation services which would otherwise be required under paragraph (4).

(6) Public participation
The regulations issued under this section shall require that each public entity which operates a fixed route system hold a public hearing, provide an opportunity for public comment, and consult with individuals with disabilities in preparing its plan under paragraph (7).

(7) Plans
The regulations issued under this section shall require that each public entity which operates a fixed route system—

(A) within 18 months after July 26, 1990, submit to the Secretary, and commence implementation of, a plan for providing paratransit and other special transportation services which meets the requirements of this section; and

(B) on an annual basis thereafter, submit to the Secretary, and commence implementation of, a plan for providing such services.

(8) Provision of services by others
The regulations issued under this section shall—

(A) require that a public entity submitting a plan to the Secretary under this section identify in the plan any person or other public entity which is providing a paratransit or other special transportation service for individuals with disabilities in the service area to which the plan applies; and

(B) provide that the public entity submitting the plan does not have to provide under the plan such service for individuals with disabilities.

(9) Other provisions
The regulations issued under this section shall include such other provisions and requirements as the Secretary determines are necessary to carry out the objectives of this section.

(d) Review of plan
(1) General rule
The Secretary shall review a plan submitted under this section for the purpose of determining whether or not such plan meets the requirements of this section, including the regulations issued under this section.

(2) Disapproval
If the Secretary determines that a plan reviewed under this subsection fails to meet the requirements of this section, the Secretary shall disapprove the plan and notify the public entity which submitted the plan of such disapproval and the reasons therefor.

(3) Modification of disapproved plan
Not later than 90 days after the date of disapproval of a plan under this subsection, the public entity which submitted the plan shall modify the plan to meet the requirements of this section and shall submit to the Secretary, and commence implementation of, such modified plan.

(e) "Discrimination" defined
As used in subsection (a), the term "discrimination" includes—

(1) a failure of a public entity to which the regulations issued under this section apply to submit, or commence implementation of, a plan in accordance with subsections (c)(6) and (c)(7);

(2) a failure of such entity to submit, or commence implementation of, a modified plan in accordance with subsection (d)(3);

(3) submission to the Secretary of a modified plan under subsection (d)(3) which does not meet the requirements of this section; or

(4) a failure of such entity to provide paratransit or other special transportation services in accordance with the plan or modified plan the public entity submitted to the Secretary under this section.

(f) Statutory construction
Nothing in this section shall be construed as preventing a public entity—

(1) from providing paratransit or other special transportation services at a level which is greater than the level of such services which are required by this section;

(2) from providing paratransit or other special transportation services in addition to those paratransit and special transportation services required by this section, or
§ 12144. Public entity operating a demand responsive system

If a public entity operates a demand responsive system, it shall be considered discrimination, for purposes of section 12132 of this title and section 794 of title 29, for such entity to purchase or lease a new vehicle for use on such system, for which a solicitation is made after the 30th day following July 26, 1990, that is not readily accessible to and usable by individuals with disabilities, including individuals who use wheelchairs, unless such system, when viewed in its entirety, provides a level of service to such individuals equivalent to the level of service such system provides to individuals without disabilities.

§ 12145. Temporary relief where lifts are unavailable

(a) Granting

With respect to the purchase of new buses, a public entity may apply for, and the Secretary may temporarily relieve such public entity from the obligation under section 12142(a) or 12144 of this title to purchase new buses that are readily accessible to and usable by individuals with disabilities if such public entity demonstrates to the satisfaction of the Secretary—

(1) that the initial solicitation for new buses made by the public entity specified that all new buses were to be lift-equipped and were to be otherwise accessible to and usable by individuals with disabilities;

(2) the unavailability from any qualified manufacturer of hydraulic, electromechanical, or other lifts for such new buses;

(3) that the public entity seeking temporary relief has made good faith efforts to locate a qualified manufacturer to supply the lifts to the manufacturer of such buses in sufficient time to comply with such solicitation; and

(4) that any further delay in purchasing new buses necessary to obtain such lifts would significantly impair transportation services in the community served by the public entity.

(b) Duration and notice to Congress

Any relief granted under subsection (a) shall be limited in duration by a specified date, and the appropriate committees of Congress shall be notified of any such relief granted.

(c) Fraudulent application

If, at any time, the Secretary has reasonable cause to believe that any relief granted under subsection (a) was fraudulently applied for, the Secretary shall—

(1) cancel such relief if such relief is still in effect; and

(2) take such other action as the Secretary considers appropriate.

§ 12146. New facilities

For purposes of section 12132 of this title and section 794 of title 29, it shall be considered discrimination for a public entity to construct a new facility to be used in the provision of designated public transportation services unless such facility is readily accessible to and usable by individuals with disabilities, including individuals who use wheelchairs.

§ 12147. Alterations of existing facilities

(a) General rule

With respect to alterations of an existing facility or part thereof used in the provision of designated public transportation services that affect or could affect the usability of the facility or part thereof, it shall be considered discrimination, for purposes of section 12132 of this title and section 794 of title 29, for a public entity to fail to make such alterations (or to ensure that the alterations are made) in such a manner that, to the maximum extent feasible, the altered portions of the facility are readily accessible to and usable by individuals with disabilities, including individuals who use wheelchairs, upon the completion of such alterations. Where the public entity is undertaking an alteration that affects or could affect usability of or access to an area of the facility containing a primary function, the entity shall also make the alterations in such a
manner that, to the maximum extent feasible, the path of travel to the altered area and the bathrooms, telephones, and drinking fountains serving the altered area, are readily accessible to and usable by individuals with disabilities, including individuals who use wheelchairs, upon completion of such alterations, where such alterations to the path of travel or the bathrooms, telephones, and drinking fountains serving the altered area are not disproportionate to the overall alterations in terms of cost and scope (as determined under criteria established by the Attorney General).

(b) Special rule for stations

(1) General rule

For purposes of section 12132 of this title and section 794 of title 29, it shall be considered discrimination for a public entity that provides designated public transportation to fail, in accordance with the provisions of this subsection, to make key stations (as determined under criteria established by the Secretary by regulation) in rapid rail and light rail systems readily accessible to and usable by individuals with disabilities, including individuals who use wheelchairs.

(2) Rapid rail and light rail key stations

(A) Accessibility

Except as otherwise provided in this paragraph, all key stations (as determined under criteria established by the Secretary by regulation) in rapid rail and light rail systems shall be made readily accessible to and usable by individuals with disabilities, including individuals who use wheelchairs, as soon as practicable but in no event later than the last day of the 3-year period beginning on July 26, 1990.

(B) Extension for extraordinarily expensive structural changes

The Secretary may extend the 3-year period under subparagraph (A) up to a 30-year period for key stations in a rapid rail or light rail system which stations need extraordinarily expensive structural changes to, or replacement of, existing facilities; except that by the last day of the 20th year following July 26, 1990, at least 5% of such key stations must be readily accessible to and usable by individuals with disabilities.

(3) Plans and milestones

The Secretary shall require the appropriate public entity to develop and submit to the Secretary a plan for compliance with this subsection—

(A) that reflects consultation with individuals with disabilities affected by such plan and the results of a public hearing and public comments on such plan, and

(B) that establishes milestones for achievement of the requirements of this subsection.

(§ 12148. Public transportation programs and activities in existing facilities and one car per train rule)

(a) Public transportation programs and activities in existing facilities

(1) In general

With respect to existing facilities used in the provision of designated public transportation services, it shall be considered discrimination, for purposes of section 12132 of this title and section 794 of title 29, for a public entity to fail to operate a designated public transportation program or activity conducted in such facilities so that, when viewed in the entirety, the program or activity is readily accessible to and usable by individuals with disabilities.

(2) Exception

Paragraph (1) shall not require a public entity to make structural changes to existing facilities in order to make such facilities accessible to individuals who use wheelchairs, unless and to the extent required by section 12147(a) of this title (relating to alterations) or section 12147(b) of this title (relating to key stations).

(3) Utilization

Paragraph (1) shall not require a public entity to which paragraph (2) applies, to provide to individuals who use wheelchairs services made available to the general public at such facilities when such individuals could not utilize or benefit from such services provided at such facilities.

(b) One car per train rule

(1) General rule

Subject to paragraph (2), with respect to 2 or more vehicles operated as a train by a light or rapid rail system, for purposes of section 12132 of this title and section 794 of title 29, it shall be considered discrimination for a public entity to fail to have at least 1 vehicle per train that is accessible to individuals with disabilities, including individuals who use wheelchairs, as soon as practicable but in no event later than the last day of the 5-year period beginning on the effective date of this section.

(2) Historic trains

In order to comply with paragraph (1) with respect to the remanufacture of a vehicle of historic character which is to be used on a segment of a light or rapid rail system which is included on the National Register of Historic Places, if making such vehicle readily accessible to and usable by individuals with disabilities would significantly alter the historic character of such vehicle, the public entity which operates such system only has to make (or to purchase or lease a remanufactured vehicle with) those modifications which are necessary to meet the requirements of section 12142(c)(1) of this title and which do not significantly alter the historic character of such vehicle.
§ 12149

REGULATIONS

Subpart I—Intercity and Commuter Rail

(a) In general

As used in this subpart:

(1) Commuter authority

The term "commuter authority" means—

(A) in the case of a station more than 50 percent of which is owned by a public entity, such public entity;

(B) in the case of a station more than 50 percent of which is owned by a private party, the persons providing intercity or commuter rail transportation to such station, as allocated on an equitable basis by regulation by the Secretary of Transportation; and

(C) in a case where no party owns more than 50 percent of a station, the persons providing intercity or commuter rail transportation to such station and the owners of the station, other than private party owners, as allocated on an equitable basis by regulation by the Secretary of Transportation.

(2) Commuter rail transportation

The term "commuter rail transportation" means transportation provided by the National Railroad Passenger Corporation.

(3) Intercity rail transportation

The term "intercity rail transportation" means transportation provided under sections 24102(4) and 24102(5) of title 49.

(4) Rail passenger car

The term "rail passenger car" means transportation provided by the National Railroad Passenger Corporation.

(5) Responsible person

The term "responsible person" means—

(A) in the case of a station more than 50 percent of which is owned by a public entity, such public entity;

(B) in the case of a station more than 50 percent of which is owned by a private party, the persons providing intercity or commuter rail transportation to such station, as allocated on an equitable basis by regulation by the Secretary of Transportation; and

(C) in a case where no party owns more than 50 percent of a station, the persons providing intercity or commuter rail transportation to such station and the owners of the station, other than private party owners, as allocated on an equitable basis by regulation by the Secretary of Transportation.

(6) Station

The term "station" means the portion of a property located appurtenant to a right-of-way on which intercity or commuter rail transportation is operated, where such portion is used by the general public and is related to the provision of such transportation, including passenger platforms, designated waiting areas, ticketing areas, restrooms, and, where a public entity providing rail transportation owns the property, concession areas, to the extent that such public entity exercises control over the selection, design, construction, or alteration of the property, but such term does not include flag stops.

§ 12150

INTERIM ACCESSIBILITY REQUIREMENTS

If final regulations have not been issued pursuant to section 12149 of this title, for new construction or alterations for which a valid and appropriate State or local building permit is obtained prior to the issuance of final regulations under such section, and for which the construction or alteration authorized by such permit begins within one year of the receipt of such permit and is completed under the terms of such permit, compliance with the Uniform Federal Accessibility Standards in effect at the time the building permit is issued shall suffice to satisfy the requirement that facilities be readily accessible to and usable by persons with disabilities as required under sections 12146 and 12147 of this title, except that, if such final regulations have not been issued one year after the Architectural and Transportation Barriers Compliance Board has issued the supplemental minimum guidelines required under section 12204(a) of this title, compliance with such supplemental minimum guidelines shall be necessary to satisfy the requirement that facilities be readily accessible to and usable by persons with disabilities prior to issuance of the final regulations.

§ 12161

DEFINITIONS

As used in this subpart:

(1) Commuter authority

The term "commuter authority" has the meaning given such term in section 24102(4) of title 49.

(2) Commuter rail transportation

The term "commuter rail transportation" has the meaning given the term "commuter rail passenger transportation" in section 24102(5) of title 49.

(3) Intercity rail transportation

The term "intercity rail transportation" means transportation provided by the National Railroad Passenger Corporation.

(4) Rail passenger car

The term "rail passenger car" means, with respect to intercity rail transportation, single-level and bi-level coach cars, single-level and bi-level dining cars, single-level and bi-level sleeping cars, single-level and bi-level lounge cars, and food service cars.

(5) Responsible person

The term "responsible person" means—

(A) in the case of a station more than 50 percent of which is owned by a public entity, such public entity;

(B) in the case of a station more than 50 percent of which is owned by a private party, the persons providing intercity or commuter rail transportation to such station, as allocated on an equitable basis by regulation by the Secretary of Transportation; and

(C) in a case where no party owns more than 50 percent of a station, the persons providing intercity or commuter rail transportation to such station and the owners of the station, other than private party owners, as allocated on an equitable basis by regulation by the Secretary of Transportation.

(6) Station

The term "station" means the portion of a property located appurtenant to a right-of-way on which intercity or commuter rail transportation is operated, where such portion is used by the general public and is related to the provision of such transportation, including passenger platforms, designated waiting areas, ticketing areas, restrooms, and, where a public entity providing rail transportation owns the property, concession areas, to the extent that such public entity exercises control over the selection, design, construction, or alteration of the property, but such term does not include flag stops.
of this Act [July 26, 1990].

become effective 18 months after the date of enactment of this Act.

section (b), this part [part II (§§ 241–246) of subtitle B of title 49, Transportation.

Title 42, subtitle II, title II, § 246, July 26, 1990, 104 Stat. 103–272, §6(b), July 5, 1994, 108 Stat. 1378, the first section of which enacted subtitles II, III, and V to X of Title 49, Transportation.

AMENDMENTS
1996—Par. (2). Pub. L. 104–287 substituted “commuter rail passenger transportation” for “commuter service”.

EFFECTIVE DATE
Pub. L. 101–336, title II, §246, July 26, 1990, 104 Stat. 333, provided that:

“(a) GENERAL RULE.—Except as provided in subsection (b), this part [part II (§§241–246) of subtitle B of title II of Pub. L. 101–336, enacting this subpart] shall become effective 18 months after the date of enactment of this Act (July 26, 1990).

(b) EXCEPTION.—Sections 242 and 244 [sections 12162 and 12164 of this title] shall become effective on the date of enactment of this Act.’’

§12162. Intercity and commuter rail actions considered discriminatory

(a) Intercity rail transportation

(1) One car per train rule

It shall be considered discrimination for purposes of section 2132 of this title and section 794 of title 29 for a person who provides intercity rail transportation to fail to have at least one passenger car per train that is readily accessible to and usable by individuals with disabilities, including individuals who use wheelchairs, in accordance with regulations issued under section 12164 of this title, as soon as practicable, but in no event later than 5 years after July 26, 1990.

(2) New intercity cars

(A) General rule

Except as otherwise provided in this subsection with respect to individuals who use wheelchairs, it shall be considered discrimination for purposes of section 2132 of this title and section 794 of title 29 for a person to purchase or lease any new rail passenger cars for use in intercity rail transportation, and for which a solicitation is made later than 30 days after July 26, 1990, unless all such rail cars are readily accessible to and usable by individuals with disabilities, including individuals who use wheelchairs, as prescribed by the Secretary of Transportation in regulations issued under section 12164 of this title.

(B) Special rule for single-level passenger coaches for individuals who use wheelchairs

Single-level passenger coaches shall be required to—

(i) be able to be entered by an individual who uses a wheelchair;

(ii) have space to park and secure a wheelchair;

(iii) have a seat to which a passenger in a wheelchair can transfer, and a space to fold and store such passenger’s wheelchair; and

(iv) have a restroom usable by an individual who uses a wheelchair, only to the extent provided in paragraph (3).

(C) Special rule for single-level dining cars for individuals who use wheelchairs

Single-level dining cars shall not be required to—

(i) be able to be entered from the station platform by an individual who uses a wheelchair; or

(ii) have a restroom usable by an individual who uses a wheelchair if no restroom is provided in such car for any passenger.

(D) Special rule for bi-level dining cars for individuals who use wheelchairs

Bi-level dining cars shall not be required to—

(i) be able to be entered by an individual who uses a wheelchair;

(ii) have space to park and secure a wheelchair;

(iii) have a seat to which a passenger in a wheelchair can transfer, or a space to fold and store such passenger’s wheelchair; or

(iv) have a restroom usable by an individual who uses a wheelchair.

(3) Accessibility of single-level coaches

(A) General rule

It shall be considered discrimination for purposes of section 2132 of this title and section 794 of title 29 for a person who provides intercity rail transportation to fail to have on each train which includes one or more single-level rail passenger coaches—

(i) a number of spaces—

(I) to park and secure wheelchairs (to accommodate individuals who wish to remain in their wheelchairs) equal to not less than one-half of the number of single-level rail passenger coaches in such train; and

(II) to fold and store wheelchairs (to accommodate individuals who wish to transfer to coach seats) equal to not less than one-half of the number of single-level rail passenger coaches in such train,

as soon as practicable, but in no event later than 5 years after July 26, 1990; and

(ii) a number of spaces—

(I) to park and secure wheelchairs (to accommodate individuals who wish to remain in their wheelchairs) equal to not less than the total number of single-level rail passenger coaches in such train; and

(II) to fold and store wheelchairs (to accommodate individuals who wish to transfer to coach seats) equal to not less than the total number of single-level rail passenger coaches in such train,
§ 12162

(4) Food service

(A) Single-level dining cars

On any train in which a single-level dining car is used to provide food service—

(i) if such single-level dining car was purchased after July 26, 1990, table service in such car shall be provided to a passenger who uses a wheelchair if—

(I) the car adjacent to the end of the dining car through which a wheelchair may enter is itself accessible to a wheelchair;

(II) such passenger can exit to the platform from the car such passenger occupies, move down the platform, and enter the adjacent accessible car described in subclause (I) without the necessity of the train being moved within the station; and

(III) space to park and secure a wheelchair is available in the dining car at the time such passenger wishes to eat (if such passenger wishes to remain in a wheelchair), or space to store and fold a wheelchair is available in the dining car at the time such passenger wishes to eat (if such passenger wishes to transfer to a dining car seat); and

(ii) appropriate auxiliary aids and services, including a hard surface on which to eat, shall be provided to ensure that other equivalent food service is available to individuals who use wheelchairs, including individuals who use wheelchairs, and to passengers traveling with such individuals.

Unless not practicable, a person providing intercity rail transportation shall place an accessible car adjacent to the end of a dining car described in clause (i) through which an individual who uses a wheelchair may enter.

(B) Bi-level dining cars

On any train in which a bi-level dining car is used to provide food service—

(i) if such train includes a bi-level lounge car purchased after July 26, 1990, table service in such lounge car shall be provided to individuals who use wheelchairs and to other passengers; and

(ii) appropriate auxiliary aids and services, including a hard surface on which to eat, shall be provided to ensure that other equivalent food service is available to individuals with disabilities, including individuals who use wheelchairs, and to passengers traveling with such individuals.

(b) Commuter rail transportation

(1) One car per train rule

It shall be considered discrimination for purposes of section 12132 of this title and section 794 of title 29 for a person who provides commuter rail transportation to fail to have at least one passenger car per train that is readily accessible to and usable by individuals with disabilities, including individuals who use wheelchairs, in accordance with regulations issued under section 12104 of this title, as soon as practicable, but in no event later than 5 years after July 26, 1990.

(2) New commuter rail cars

(A) General rule

It shall be considered discrimination for purposes of section 12132 of this title and section 794 of title 29 for a person who purchases or leases any new rail passenger cars for use in commuter rail transportation, unless all such rail cars are readily accessible to and usable by individuals with disabilities, including individuals who use wheelchairs, as prescribed by the Secretary of Transportation in regulations issued under section 12104 of this title.

(B) Accessibility

For purposes of section 12132 of this title and section 794 of title 29, a requirement that a rail passenger car used in commuter rail transportation be accessible to or readily accessible to and usable by individuals with disabilities, including individuals who use wheelchairs, shall not be construed to require—

(i) a restroom usable by an individual who uses a wheelchair if no restroom is provided in such car for any passenger;

(ii) space to fold and store a wheelchair; or

(iii) a seat to which a passenger who uses a wheelchair can transfer.

(c) Used rail cars

It shall be considered discrimination for purposes of section 12132 of this title and section 794 of title 29 for a person to purchase or lease a used rail passenger car for use in intercity or commuter rail transportation, unless such person makes demonstrated good faith efforts to purchase or lease a used rail car that is readily accessible to and usable by individuals with disabilities, including individuals who use wheelchairs, as prescribed by the Secretary of Transportation in regulations issued under section 12104 of this title.
(d) Remanufactured rail cars
(1) Remanufacturing
It shall be considered discrimination for purposes of section 12132 of this title and section 794 of title 29 for a person to remanufacture a rail passenger car for use in intercity or commuter rail transportation so as to extend its usable life for 10 years or more, unless the rail car, to the maximum extent feasible, is made readily accessible to and usable by individuals with disabilities, including individuals who use wheelchairs, as prescribed by the Secretary of Transportation in regulations issued under section 12164 of this title.

(2) Purchase or lease
It shall be considered discrimination for purposes of section 12132 of this title and section 794 of title 29 for a person to purchase or lease a remanufactured rail passenger car for use in intercity or commuter rail transportation unless such car was remanufactured in accordance with paragraph (1).

(e) Stations
(1) New stations
It shall be considered discrimination for purposes of section 12132 of this title and section 794 of title 29 for a person to build a new station for use in intercity or commuter rail transportation that is not readily accessible to and usable by individuals with disabilities, including individuals who use wheelchairs, as prescribed by the Secretary of Transportation in regulations issued under section 12164 of this title.

(2) Existing stations
(A) Failure to make readily accessible
(i) General rule
It shall be considered discrimination for purposes of section 12132 of this title and section 794 of title 29 for a responsible person to fail to make existing stations in the intercity rail transportation system, and existing key stations in commuter rail transportation systems, readily accessible to and usable by individuals with disabilities, including individuals who use wheelchairs, as prescribed by the Secretary of Transportation in regulations issued under section 12164 of this title.

(ii) Period for compliance
(I) Intercity rail
All stations in the intercity rail transportation system shall be made readily accessible to and usable by individuals with disabilities, including individuals who use wheelchairs, as soon as practicable, but in no event later than 20 years after July 26, 1990.

(II) Commuter rail
Key stations in commuter rail transportation systems shall be made readily accessible to and usable by individuals with disabilities, including individuals who use wheelchairs, as soon as practicable but in no event later than 3 years after July 26, 1990, except that the time limit may be extended by the Secretary of Transportation up to 20 years after July 26, 1990, in a case where the raising of the entire passenger platform is the only means available of attaining accessibility or where other extraordinarily expensive structural changes are necessary to attain accessibility.

(iii) Designation of key stations
Each commuter authority shall designate the key stations in its commuter rail transportation system, in consultation with individuals with disabilities and organizations representing such individuals, taking into consideration such factors as high ridership and whether such station serves as a transfer or feeder station. Before the final designation of key stations under this clause, a commuter authority shall hold a public hearing.

(iv) Plans and milestones
The Secretary of Transportation shall require the appropriate person to develop a plan for carrying out this subparagraph that reflects consultation with individuals with disabilities and organizations representing such individuals, and that establishes milestones for achievement of the requirements of this subparagraph.

(B) Requirement when making alterations
(i) General rule
It shall be considered discrimination, for purposes of section 12132 of this title and section 794 of title 29, with respect to alterations that affect or could affect the usability of the station or part thereof, for the responsible person, owner, or person in control of the station to fail to make the alterations in such a manner that, to the maximum extent feasible, the altered portions of the station are readily accessible to and usable by individuals with disabilities, including individuals who use wheelchairs, upon completion of such alterations.

(ii) Alterations to a primary function area
It shall be considered discrimination, for purposes of section 12132 of this title and section 794 of title 29, with respect to alterations that affect or could affect the usability of or access to an area of the station containing a primary function, for the responsible person, owner, or person in control of the station to fail to make the alterations in such a manner that, to the maximum extent feasible, the path of travel to the altered area, and the bathrooms, telephones, and drinking fountains serving the altered area, are readily accessible to and usable by individuals with disabilities, including individuals who use wheelchairs, upon completion of such alterations, where such alterations to the path of travel or the bathrooms, telephones, and drinking fountains serving the altered area are not disproportionate to the over-
(C) Required cooperation

It shall be considered discrimination for purposes of section 12132 of this title and section 794 of title 29 for an owner, or person in control, of a station governed by subparagraph (A) or (B) to fail to provide reasonable cooperation to a responsible person with respect to such station in that responsible person's efforts to comply with such subparagraph. An owner, or person in control, of a station shall be liable to a responsible person for any failure to provide reasonable cooperation as required by this subparagraph.

Failure to receive reasonable cooperation required by this subparagraph shall not be a defense to a claim of discrimination under this chapter.


References in Text

This chapter, referred to in subsec. (e)(2)(C), was in the original “this Act”, meaning Pub. L. 101–336, July 26, 1990, 104 Stat. 327, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 12101 of this title and Tables.

Effective Date

Section effective July 26, 1990, see section 246(b) of Pub. L. 101–336, set out as a note under section 12161 of this title.

§ 12163. Conformance of accessibility standards

Accessibility standards included in regulations issued under this subpart shall be consistent with the minimum guidelines issued by the Architectural and Transportation Barriers Compliance Board under section 12204(a) of this title.


Effective Date

Section effective 18 months after July 26, 1990, see section 246(a) of Pub. L. 101–336, set out as a note under section 12161 of this title.

§ 12164. Regulations

Not later than 1 year after July 26, 1990, the Secretary of Transportation shall issue regulations, in an accessible format, necessary for carrying out this subpart.


Effective Date

Section effective July 26, 1990, see section 246(b) of Pub. L. 101–336, set out as a note under section 12161 of this title.

§ 12165. Interim accessibility requirements

(a) Stations

If final regulations have not been issued pursuant to section 12164 of this title, for new construction or alterations for which a valid and appropriate State or local building permit is obtained prior to the issuance of final regulations under such section, and for which the construction or alteration authorized by such permit begins within one year of the receipt of such permit and is completed under the terms of such permit, compliance with the Uniform Federal Accessibility Standards in effect at the time the building permit is issued shall suffice to satisfy the requirement that stations be readily accessible to and usable by persons with disabilities as required under section 12162(e) of this title, except that, if such final regulations have not been issued one year after the Architectural and Transportation Barriers Compliance Board has issued the supplemental minimum guidelines required under section 12204(a) of this title, compliance with such supplemental minimum guidelines shall be necessary to satisfy the requirement that stations be readily accessible to and usable by persons with disabilities prior to issuance of the final regulations.

(b) Rail passenger cars

If final regulations have not been issued pursuant to section 12164 of this title, a person shall be considered to have complied with the requirements of section 12162(a) through (d) of this title that a rail passenger car be readily accessible to and usable by individuals with disabilities, if the design for such car complies with the laws and regulations (including the Minimum Guidelines and Requirements for Accessible Design and such supplemental minimum guidelines as are issued under section 12204(a) of this title) governing accessibility of such cars, to the extent that such laws and regulations are not inconsistent with this subpart and are in effect at the time such design is substantially completed.


Effective Date

Section effective 18 months after July 26, 1990, see section 246(a) of Pub. L. 101–336, set out as a note under section 12161 of this title.

Subchapter III—Public Accommodations and Services Operated by Private Entities

§ 12181. Definitions

As used in this subchapter:

(1) Commerce

The term “commerce” means travel, trade, traffic, commerce, transportation, or communication—

(A) among the several States;

(B) between any foreign country or any territory or possession and any State; or

(C) between points in the same State but through another State or foreign country.

(2) Commercial facilities

The term “commercial facilities” means facilities—

(A) that are intended for nonresidential use; and

(B) whose operations will affect commerce.

Such term shall not include railroad locomotives, railroad freight cars, railroad ca-
booses, railroad cars described in section 12162 of this title or covered under this subchapter, railroad rights-of-way, or facilities that are covered or expressly exempted from coverage under the Fair Housing Act of 1968 (42 U.S.C. 3601 et seq.).

(3) Demand responsive system
The term “demand responsive system” means any system of providing transportation of individuals by a vehicle, other than a system which is a fixed route system.

(4) Fixed route system
The term “fixed route system” means a system of providing transportation of individuals (other than by aircraft) on which a vehicle is operated along a prescribed route according to a fixed schedule.

(5) Over-the-road bus
The term “over-the-road bus” means a bus characterized by an elevated passenger deck located over a baggage compartment.

(6) Private entity
The term “private entity” means any entity other than a public entity (as defined in section 12131(1) of this title).

(7) Public accommodation
The following private entities are considered public accommodations for purposes of this subchapter, if the operations of such entities affect commerce—

(A) an inn, hotel, motel, or other place of lodging, except for an establishment located within a building that contains not more than five rooms for rent or hire and that is actually occupied by the proprietor of such establishment as the residence of such proprietor;

(B) a restaurant, bar, or other establishment serving food or drink;

(C) a motion picture house, theater, concert hall, stadium, or other place of exhibition or entertainment;

(D) an auditorium, convention center, lecture hall, or other place of public gathering;

(E) a bakery, grocery store, clothing store, hardware store, shopping center, or other sales or rental establishment;

(F) a laundromat, dry-cleaner, bank, barber shop, beauty shop, travel service, shoe repair service, funeral parlor, gas station, office of an accountant or lawyer, pharmacy, insurance office, professional office of a health care provider, hospital, or other service establishment;

(G) a terminal, depot, or other station used for specified public transportation;

(H) a museum, library, gallery, or other place of public display or collection;

(I) a park, zoo, amusement park, or other place of recreation;

(J) a nursery, elementary, secondary, undergraduate, or postgraduate private school, or other place of education;

(K) a day care center, senior citizen center, homeless shelter, food bank, adoption agency, or other social service center establishment; and

(L) a gymnasium, health spa, bowling alley, golf course, or other place of exercise or recreation.

(8) Rail and railroad
The terms “rail” and “railroad” have the meaning given the term “railroad” in section 20102(1) of title 49.

(9) Readily achievable
The term “readily achievable” means easily accomplishable and able to be carried out without much difficulty or expense. In determining whether an action is readily achievable, factors to be considered include—

(A) the nature and cost of the action needed under this chapter;

(B) the overall financial resources of the facility or facilities involved in the action; the number of persons employed at such facility; the effect on expenses and resources, or the impact otherwise of such action upon the operation of the facility;

(C) the overall financial resources of the covered entity; the overall size of the business of a covered entity with respect to the number of its employees; the number, type, and location of its facilities; and

(D) the type of operation or operations of the covered entity, including the composition, structure, and functions of the workforce of such entity; the geographic separateness, administrative or fiscal relationship of the facility or facilities in question to the covered entity.

(10) Specified public transportation
The term “specified public transportation” means transportation by bus, rail, or any other conveyance (other than by aircraft) that provides the general public with general or special service (including charter service) on a regular and continuing basis.

(11) Vehicle
The term “vehicle” does not include a rail passenger car, railroad locomotive, railroad freight car, railroad caboose, or a railroad car described in section 12162 of this title or covered under this subchapter.


References in Text
The Fair Housing Act of 1968, referred to in par. (2), probably means the Fair Housing Act, title VIII of Pub. L. 90–284, Apr. 11, 1968, 82 Stat. 81, as amended, which is classified principally to subchapter I of chapter 45 (§ 3601 et seq.) of this title. For complete classification of this Act to the Code, see Short Title note set out under section 12101 and Tables. Section 20102(1) of title 49, referred to in par. (8), was redesignated section 20102(2) and a new section 20102(1) was added by Pub. L. 110–432, div. A, §§ 2(b)(1), (2), Oct. 16, 2008, 122 Stat. 4850. This chapter, referred to in par. (9)(A), was in the original “‘this Act’”, meaning Pub. L. 101–336, July 26, 1990, 104 Stat. 337, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 12101 of this title and Tables.

Codification
In par. (8), “section 20102(1) of title 49” substituted for “‘section 202(e) of the Federal Railroad Safety Act of

1 See References in Text note below.
§ 12182  TITLE 42—THE PUBLIC HEALTH AND WELFARE  Page 7614


“(a) GENERAL RULE.—Except as provided in subsections (b) and (c), this title [enacting this subchapter] shall become effective 18 months after the date of the enactment of this Act [July 26, 1990].

“(b) CIVIL ACTIONS.—Except for any civil action brought for a violation of section 303 [section 12183 of this title], no civil action shall be brought for any act or omission described in section 302 [section 12182 of this title] which occurs—

“(1) during the first 6 months after the effective date, against businesses that employ 25 or fewer employees and have gross receipts of $1,000,000 or less; and

“(2) during the first year after the effective date, against businesses that employ 10 or fewer employees and have gross receipts of $500,000 or less.

“(c) EXCEPTION.—Sections 302(a) [section 12182(a) of this title] for purposes of section 302(b)(2)(B) and (C) only, 304(a) [section 12184(a) of this title] for purposes of section 304(b)(3) only, 305 [section 12185 of this title], and 306 [section 12186 of this title] shall take effect on the date of the enactment of this Act [July 26, 1990].”

§ 12182. Prohibition of discrimination by public accommodations

(a) General rule

No individual shall be discriminated against on the basis of disability in the full and equal enjoyment of the goods, services, facilities, privileges, advantages, or accommodations of any place of public accommodation by any person who owns, leases (or leases to), or operates a place of public accommodation.

(b) Construction

(1) General prohibition

(A) Activities

(i) Denial of participation

It shall be discriminatory to subject an individual or class of individuals on the basis of a disability or disabilities of such individual or class, directly, or through contractual, licensing, or other arrangements, to a denial of the opportunity of the individual or class to participate in or benefit from the goods, services, facilities, privileges, advantages, or accommodations of an entity.

(ii) Participation in unequal benefit

It shall be discriminatory to afford an individual or class of individuals, on the basis of a disability or disabilities of such individual or class, directly, or through contractual, licensing, or other arrangements, the most integrated setting appropriate to the needs of the individual.

(B) Administrative methods

It shall be discriminatory to exclude or otherwise deny equal goods, services, facilities, privileges, advantages, or accommodations, or other opportunities to an individual or entity because of the known disability of an individual with whom the individual or entity is known to have a relationship or association.

(2) Specific prohibitions

(A) Discrimination

For purposes of subsection (a), discrimination includes—

(i) the imposition or application of eligibility criteria that screen out or tend to screen out an individual with a disability or any class of individuals with disabilities from fully and equally enjoying any goods, services, facilities, privileges, advantages, or accommodations, unless such criteria can be shown to be necessary for the provision of the goods, services, facilities, privileges, advantages, or accommodations being offered;

(ii) a failure to make reasonable modifications in policies, practices, or proce-
dures, when such modifications are necessary to afford such goods, services, facilities, privileges, advantages, or accommodations to individuals with disabilities, unless the entity can demonstrate that making such modifications would fundamentally alter the nature of such goods, services, facilities, privileges, advantages, or accommodations;

(iii) a failure to take such steps as may be necessary to ensure that no individual with a disability is excluded, denied services, segregated or otherwise treated differently than other individuals because of the absence of auxiliary aids and services, unless the entity can demonstrate that taking such steps would fundamentally alter the nature of the good, service, facility, privilege, advantage, or accommodation being offered or would result in an undue burden;

(iv) a failure to remove architectural barriers, and communication barriers that are structural in nature, in existing facilities, and transportation barriers in existing vehicles and rail passenger cars used by an establishment for transporting individuals (not including barriers that can only be removed through the retrofitting of vehicles or rail passenger cars by the installment of a hydraulic or other lift), where such removal is readily achievable; and

(v) where an entity can demonstrate that the removal of a barrier under clause (iv) is not readily achievable, a failure to make such goods, services, facilities, privileges, advantages, or accommodations available through alternative methods if such methods are readily achievable.

(B) Fixed route system

(i) Accessibility

It shall be considered discrimination for a private entity which operates a fixed route system and which is not subject to section 12184 of this title to purchase or lease a vehicle with a seating capacity in excess of 16 passengers (including the driver), for which solicitations are made after the 30th day following the effective date of this subparagraph, that is not readily accessible to and usable by individuals with disabilities (including individuals who use wheelchairs) unless such entity can demonstrate that such system, when viewed in its entirety, provides a level of service to individuals with disabilities equivalent to that provided to individuals without disabilities.

(ii) Equivalent service

If a private entity which operates a fixed route system and which is not subject to section 12184 of this title purchases or leases a vehicle with a seating capacity of 16 passengers or less (including the driver) for use on such system after the effective date of this subparagraph that is not readily accessible to and usable by individuals with disabilities, including individuals who use wheelchairs, equivalent to the level of service provided to individuals without disabilities.

(C) Demand responsive system

For purposes of subsection (a), discrimination includes—

(i) a failure of a private entity which operates a demand responsive system and which is not subject to section 12184 of this title to operate such system so that, when viewed in its entirety, such system ensures a level of service to individuals with disabilities, including individuals who use wheelchairs, equivalent to the level of service provided to individuals without disabilities; and

(ii) the purchase or lease by such entity for use on such system of a vehicle with a seating capacity in excess of 16 passengers (including the driver), for which solicitations are made after the 30th day following the effective date of this subparagraph, that is not readily accessible to and usable by individuals with disabilities (including individuals who use wheelchairs) unless such entity can demonstrate that such system, when viewed in its entirety, provides a level of service to individuals with disabilities equivalent to that provided to individuals without disabilities.

(D) Over-the-road buses

(i) Limitation on applicability

Subparagraphs (B) and (C) do not apply to over-the-road buses.

(ii) Accessibility requirements

For purposes of subsection (a), discrimination includes—

(1) the purchase or lease of an over-the-road bus which does not comply with the regulations issued under section 12186(a)(2) of this title by a private entity which provides transportation of individuals and which is not primarily engaged in the business of transporting people, and

(2) any other failure of such entity to comply with such regulations.

(3) Specific construction

Nothing in this subchapter shall require an entity to permit an individual to participate in or benefit from the goods, services, facilities, privileges, advantages and accommodations of such entity where such individual poses a direct threat to the health or safety of others. The term “direct threat” means a significant risk to the health or safety of others that cannot be eliminated by a modification of policies, practices, or procedures or by the provision of auxiliary aids or services.


REFERENCES IN TEXT

For the effective date of this subparagraph, referred to in subsec. (b)(2)(B), (C)(ii), see section 310 of Pub. L. 101–336, set out as an Effective Date note under section 12181 of this title.

EFFECTIVE DATE

Section effective 18 months after July 26, 1990, but with subsec. (a) of this section (for purposes of subsec.
§ 12183. New construction and alterations in public accommodations and commercial facilities

(a) Application of term

Except as provided in subsection (b), as applied to public accommodations and commercial facilities, discrimination for purposes of section 12182(a) of this title includes—

(1) a failure to design and construct facilities for first occupancy later than 30 months after July 26, 1990, that are readily accessible to and usable by individuals with disabilities, except where an entity can demonstrate that it is structurally impracticable to meet the requirements of such subsection in accordance with standards set forth or incorporated by reference in regulations issued under this subchapter; and

(2) with respect to a facility or part thereof that is altered by, on behalf of, or for the use of an establishment in a manner that affects or could affect the usability of the facility or part thereof, a failure to make alterations in such a manner that, to the maximum extent feasible, the altered portions of the facility are readily accessible to and usable by individuals with disabilities, including individuals who use wheelchairs. Where the entity is undertaking an alteration that affects or could affect usability of or access to an area of the facility containing a primary function, the entity shall also make the alterations in such a manner that, to the maximum extent feasible, the path of travel to the altered area and the bathrooms, telephones, and drinking fountains serving the altered area, are readily accessible to and usable by individuals with disabilities where such alterations to the path of travel or the bathrooms, telephones, and drinking fountains serving the altered area, are not disproportionate to the overall alterations in terms of cost and scope (as determined under criteria established by the Attorney General).

(b) Elevator

Subsection (a) shall not be construed to require the installation of an elevator for facilities that are less than three stories or have less than 3,000 square feet per story unless the building is a shopping center, a shopping mall, or the professional office of a health care provider or unless the Attorney General determines that a particular category of such facilities requires the installation of elevators based on the usage of such facilities.


§ 12184. Prohibition of discrimination in specified public transportation services provided by private entities

(a) General rule

No individual shall be discriminated against on the basis of disability in the full and equal enjoyment of specified public transportation services provided by a private entity that is primarily engaged in the business of transporting people and whose operations affect commerce.

(b) Construction

For purposes of subsection (a), discrimination includes—

(1) the imposition or application by an entity described in subsection (a) of eligibility criteria that screen out or tend to screen out an individual with a disability or any class of individuals with disabilities from fully enjoying the specified public transportation services provided by the entity, unless such criteria can be shown to be necessary for the provision of the services being offered;

(2) the failure of such entity to—

(A) make reasonable modifications consistent with those required under section 12182(b)(2)(A)(ii) of this title;

(B) provide auxiliary aids and services consistent with the requirements of section 12182(b)(2)(A)(iii) of this title; and

(C) remove barriers consistent with the requirements of section 12182(b)(2)(A) of this title and with the requirements of section 12183(a)(2) of this title;

(3) the purchase or lease by such entity of a new vehicle (other than an automobile, a van with a seating capacity of less than 8 passengers, including the driver, or an over-the-road bus) which is to be used to provide specified public transportation and for which a solicitation is made after the 30th day following the effective date of this section, that is not readily accessible to and usable by individuals with disabilities, including individuals who use wheelchairs; except that the new vehicle need not be readily accessible to and usable by such individuals if the new vehicle is to be used solely in a demand responsive system and if the entity can demonstrate that such system, when viewed in its entirety, provides a level of service to such individuals equivalent to the level of service provided to the general public;

(4)(A) the purchase or lease by such entity of an over-the-road bus which does not comply with the regulations issued under section 12186(a)(2) of this title; and

(B) any other failure of such entity to comply with such regulations; and

(5) the purchase or lease by such entity of a new van with a seating capacity of less than 8 passengers, including the driver, which is to be used to provide specified public transportation and for which a solicitation is made after the 30th day following the effective date of this section that is not readily accessible to or usable by individuals with disabilities, including

1 So in original. Probably should be “an”.

2 So in original. The word “and” probably should not appear.
individuals who use wheelchairs; except that the new van need not be readily accessible to and usable by such individuals if the entity can demonstrate that the system for which the van is being purchased or leased, when viewed in its entirety, provides a level of service to such individuals equivalent to the level of service provided to the general public;

(6) the purchase or lease by such entity of a new rail passenger car that is to be used to provide specified public transportation, and for which a solicitation is made later than 30 days after the effective date of this paragraph, that is not readily accessible to and usable by individuals with disabilities, including individuals who use wheelchairs; and

(7) the remanufacture by such entity of a rail passenger car that is to be used to provide specified public transportation so as to extend its usable life for 10 years or more, or the purchase or lease by such entity of such a rail car, unless the rail car, to the maximum extent feasible, is made readily accessible to and usable by individuals with disabilities, including individuals who use wheelchairs.

(c) Historical or antiquated cars

(1) Exception

To the extent that compliance with subsection (b)(2)(C) or (b)(7) would significantly alter the historic or antiquated character of a historical or antiquated rail passenger car, or a rail station served exclusively by such cars, or would result in violation of any rule, regulation, standard, or order issued by the Secretary of Transportation under the Federal Railroad Safety Act of 1970, such compliance shall not be required.

(2) Definition

As used in this subsection, the term “historical or antiquated rail passenger car” means a rail passenger car—

(A) which is not less than 30 years old at the time of its use for transporting individuals;
(B) the manufacturer of which is no longer in the business of manufacturing rail passenger cars; and
(C) which—

(i) has a consequential association with events or persons significant to the past; or
(ii) embodies, or is being restored to embody, the distinctive characteristics of a type of rail passenger car used in the past, or to represent a time period which has passed.


References in Text

For the effective date of this section, referred to in subsec. (b)(3), (5), see section 310 of Pub. L. 101–336, set out as an Effective Date note under section 12181 of this title.

The effective date of this paragraph, referred to in subsec. (b)(6), is 18 months after July 26, 1990, see section 310(a) of Pub. L. 101–336, set out as an Effective Date note under section 12181 of this title.

The Federal Railroad Safety Act of 1970, referred to in subsec. (c)(1), is title II of Pub. L. 91–438, Oct. 16, 1970, 84 Stat. 791, as amended, which was classified generally to subchapter II (§ 431 et seq.) of chapter 13 of Title 49, Railroads, and was repealed and reenacted in section 5106(c) of Title 5, Government Organization and Employees, section 54a of Title 49, Railroads, chapter 201 and sections 12130, 12136, 12137, 12139, 12140, and 12141 of Title 49, Transportation, and provisions set out as a note under section 20103 of Title 49 by Pub. L. 103–242, §§ 1(e), 4(b)(1), (1), (t), (7)(b), July 5, 1994, 108 Stat. 862, 891, 893, 905, 1361, 1365, 1372, 1379, the first section of which enacted subtitles II, III, and V to X of Title 49.

Effective Date

Section effective 18 months after July 26, 1990, but with subsec. (a) of this section (for purposes of subsec. (b)(3) only) and subsec. (b)(3) of this section effective July 26, 1990, see section 310(a), (c) of Pub. L. 101–336, set out as a note under section 12181 of this title.

§ 12185. Study

(a) Purposes

The Office of Technology Assessment shall undertake a study to determine—

(1) the access needs of individuals with disabilities to over-the-road buses and over-the-road bus service; and

(2) the most cost-effective methods for providing access to over-the-road buses and over-the-road bus service to individuals with disabilities, particularly individuals who use wheelchairs, through all forms of boarding options.

(b) Contents

The study shall include, at a minimum, an analysis of the following:

(1) The anticipated demand by individuals with disabilities for accessible over-the-road buses and over-the-road bus service;

(2) The degree to which such buses and service, including any service required under sections 12184(b)(4) and 12186(a)(2) of this title, are readily accessible to and usable by individuals with disabilities;

(3) The effectiveness of various methods of providing accessibility to such buses and service to individuals with disabilities;

(4) The cost of providing accessible over-the-road buses and bus service to individuals with disabilities, including consideration of recent technological and cost saving developments in equipment and devices;

(5) Possible design changes in over-the-road buses that could enhance accessibility, including the installation of accessible restrooms which do not result in a loss of seating capacity.

(6) The impact of accessibility requirements on the continuation of over-the-road bus service, with particular consideration of the impact of such requirements on such service to rural communities.

(c) Advisory committee

In conducting the study required by subsection (a), the Office of Technology Assessment shall establish an advisory committee, which shall consist of—

(1) members selected from among private operators and manufacturers of over-the-road buses;

(2) members selected from among individuals with disabilities, particularly individuals
who use wheelchairs, who are potential riders of such buses; and
(3) members selected for their technical expertise on issues included in the study, including manufacturers of boarding assistance equipment and devices.

The number of members selected under each of paragraphs (1) and (2) shall be equal, and the total number of members selected under paragraphs (1) and (2) shall exceed the number of members selected under paragraph (3).

(d) Deadline

The study required by subsection (a), along with recommendations by the Office of Technology Assessment, including any policy options for legislative action, shall be submitted to the President and Congress within 36 months after July 26, 1990. If the President determines that compliance with the regulations issued pursuant to section 12186(a)(2)(B) of this title on or before the applicable deadlines specified in section 12186(a)(2)(B) of this title will result in a significant reduction in intercity over-the-road bus service, the President shall extend each such deadline by 1 year.

(e) Review

In developing the study required by subsection (a), the Office of Technology Assessment shall provide a preliminary draft of such study to the Architectural and Transportation Barriers Compliance Board established under section 792 of title 29. The Board shall have an opportunity to comment on such draft study, and any such comments by the Board made in writing within 120 days after the Board’s receipt of the draft study shall be incorporated as part of the final study required to be submitted under subsection (d).


Effective Date

Section effective July 26, 1990, see section 310(c) of Pub. L. 101–336, set out as a note under section 12181 of this title.

Termination of Advisory Committees

Advisory committees established after Jan. 5, 1973, to terminate not later than the expiration of the 2-year period beginning on the date of their establishment, unless, in the case of a committee established by the President or an officer of the Federal Government, such committee is renewed by appropriate action prior to the expiration of such 2-year period, or in the case of a committee established by Congress, its duration is otherwise provided for by law. See section 14 of Pub. L. 92–463, Oct. 6, 1972, 86 Stat. 770, 776, set out in the Appendix to Title 5, Government Organization and Employees.

§ 12186. Regulations

(a) Transportation provisions

(1) General rule

Not later than 1 year after July 26, 1990, the Secretary of Transportation shall issue regulations in an accessible format to carry out sections 12184(b)(4) and 12182(b)(2)(D)(ii) of this title that require each private entity which uses an over-the-road bus to provide transportation of individuals to provide accessibility to such bus; except that such regulations shall not require any structural changes in over-the-road buses in order to provide access to individuals who use wheelchairs during the effective period of such regulations and shall not require the purchase of boarding assistance devices to provide access to such individuals.

(ii) Effective period

The regulations issued pursuant to this subparagraph shall take effect—
(I) with respect to other providers of transportation (as defined by the Secretary), 3 years after the date of issuance of final regulations under clause (ii); and
(II) with respect to other providers of transportation, 2 years after the date of issuance of such final regulations.

(b) Final requirement

The Secretary shall review the study submitted under section 12185 of this title and any recommendations resulting from such study, each private entity which uses an over-the-road bus to provide transportation to individuals to provide accessibility to such bus to individuals with disabilities, including individuals who use wheelchairs.

(ii) Issuance

Not later than 1 year after the date of the submission of the study under section 12185 of this title, the Secretary shall issue in an accessible format new regulations to carry out sections 12184(b)(4) and 12182(b)(2)(D)(ii) of this title that require, taking into account the purposes of the study under section 12185 of this title and any recommendations resulting from such study, each private entity which uses an over-the-road bus to provide transportation to individuals to provide accessibility to such bus to individuals with disabilities, including individuals who use wheelchairs.

(c) Limitation on requiring installation of accessible restrooms

The regulations issued pursuant to this paragraph shall not require the installation of accessible restrooms in over-the-road buses.
(3) Standards

The regulations issued pursuant to this sub-
section shall include standards applicable to
facilities and vehicles covered by sections
12182(b)(2) and 12184 of this title.

(b) Other provisions

Not later than 1 year after July 26, 1990, the
Attorney General shall issue regulations in an
accessible format to carry out the provisions of
this subchapter not referred to in subsection (a)
that include standards applicable to facilities
and vehicles covered under section 12182 of this
title.

(c) Consistency with ATBCB guidelines

Standards included in regulations issued under
subsections (a) and (b) shall be consistent with
the minimum guidelines and requirements is-
issued by the Architectural and Transportation
Barriers Compliance Board in accordance with
section 12204 of this title.

(d) Interim accessibility standards

(1) Facilities

If final regulations have not been issued pur-
suant to this section, for new construction or
alterations for which a valid and appropriate
State or local building permit is obtained
prior to the issuance of final regulations under
this section, and for which the construction or
alteration authorized by such permit begins
within one year of the receipt of such permit
and is completed under the terms of such per-
mit, compliance with the Uniform Federal Ac-
cessibility Standards in effect at the time the
building permit is issued shall suffice to sat-
ify the requirement that facilities be readily
accessible to and usable by persons with dis-
abilities as required under section 12183 of this
title, except that, if such final regulations
have not been issued one year after the Archi-
tectural and Transportation Barriers Compli-
ance Board has issued the supplemental mini-
 mum guidelines required under section 12204(a)
of this title, compliance with such supple-
mental minimum guidelines shall be necessary
to satisfy the requirement that facilities be
readily accessible to and usable by persons
with disabilities prior to issuance of the final
regulations.

(2) Vehicles and rail passenger cars

If final regulations have not been issued pur-
suant to this section, a private entity shall be
considered to have complied with the require-
ments of this subchapter, if any, that a vehicle
or rail passenger car be readily accessible to
and usable by individuals with disabilities, if
the design for such vehicle or car complies
with the laws and regulations (including the
Minimum Guidelines and Requirements for
Accessible Design and such supplemental mini-
 mum guidelines as are issued under section
12204(a) of this title) governing accessibility of
such vehicles or cars, to the extent that such
laws and regulations are not inconsistent with
this subchapter and are in effect at the time
such design is substantially completed.

1 See in original. The word ‘section’ probably should not ap-
pear.
shall also include requiring the provision of an auxiliary aid or service, modification of a policy, or provision of alternative methods, to the extent required by this subchapter.

(b) Enforcement by Attorney General

(1) Denial of rights

(A) Duty to investigate

(i) In general

The Attorney General shall investigate alleged violations of this subchapter, and shall undertake periodic reviews of compliance of covered entities under this subchapter.

(ii) Attorney General certification

On the application of a State or local government, the Attorney General may, in consultation with the Architectural and Transportation Barriers Compliance Board, and after prior notice and a public hearing at which persons, including individuals with disabilities, are provided an opportunity to testify against such certification, certify that a State law or local building code or similar ordinance that establishes accessibility requirements meets or exceeds the minimum requirements of this chapter for the accessibility and usability of covered facilities under this subchapter. At any enforcement proceeding under this section, such certification by the Attorney General shall be rebuttable evidence that such State law or local ordinance does meet or exceed the minimum requirements of this chapter.

(B) Potential violation

If the Attorney General has reasonable cause to believe that—

(i) any person or group of persons is engaged in a pattern or practice of discrimination under this subchapter; or

(ii) any person or group of persons has been discriminated against under this subchapter and such discrimination raises an issue of general public importance,

the Attorney General may commence a civil action in any appropriate United States district court.

(2) Authority of court

In a civil action under paragraph (1)(B), the court—

(A) may grant any equitable relief that such court considers to be appropriate, including, to the extent required by this subchapter—

(i) granting temporary, preliminary, or permanent relief;

(ii) providing an auxiliary aid or service, modification of policy, practice, or procedure, or alternative method; and

(iii) making facilities readily accessible to and usable by individuals with disabilities;

(B) may award such other relief as the court considers to be appropriate, including monetary damages to persons aggrieved when requested by the Attorney General; and

(C) may, to vindicate the public interest, assess a civil penalty against the entity in an amount—

(i) not exceeding $50,000 for a first violation; and

(ii) not exceeding $100,000 for any subsequent violation.

(3) Single violation

For purposes of paragraph (2)(C), in determining whether a first or subsequent violation has occurred, a determination in a single action, by judgment or settlement, that the covered entity has engaged in more than one discriminatory act shall be counted as a single violation.

(4) Punitive damages

For purposes of subsection (b)(2)(B), the term “monetary damages” and “such other relief” does not include punitive damages.

(5) Judicial consideration

In a civil action under paragraph (1)(B), the court, when considering what amount of civil penalty, if any, is appropriate, shall give consideration to any good faith effort or attempt to comply with this chapter by the entity. In evaluating good faith, the court shall consider, among other factors it deems relevant, whether the entity could have reasonably anticipated the need for an appropriate type of auxiliary aid needed to accommodate the unique needs of a particular individual with a disability.

§ 12189. Examinations and courses

Any person that offers examinations or courses related to applications, licensing, certification, or credentialing for secondary or postsecondary education, professional, or trade purposes shall offer such examinations or courses in a place and manner accessible to persons with disabilities or offer alternative accessible arrangements for such individuals.

 EFFECTIVE DATE
Section effective 18 months after July 26, 1990, see section 310(a) of Pub. L. 101–336, set out as a note under section 12181 of this title.

SUBCHAPTER IV—MISCELLANEOUS PROVISIONS

§ 12201. Construction

(a) In general
Except as otherwise provided in this chapter, nothing in this chapter shall be construed to apply a lesser standard than the standards applied under title V of the Rehabilitation Act of 1973 (29 U.S.C. 790 et seq.) or the regulations issued by Federal agencies pursuant to such title.

(b) Relationship to other laws
Nothing in this chapter shall be construed to invalidate or limit the remedies, rights, and procedures of any Federal law or law of any State or political subdivision of any State or jurisdiction that provides greater or equal protection for the rights of individuals with disabilities than are afforded by this chapter. Nothing in this chapter shall be construed to preclude the prohibition of, or the imposition of restrictions on, smoking in places of employment covered by subchapter I, in transportation covered by subchapter II or III, or in places of public accommodation covered by subchapter III.

(c) Insurance
Subchapters I through III of this chapter and title IV of this Act shall not be construed to prohibit or restrict—

(1) an insurer, hospital or medical service company, health maintenance organization, or any agent, or entity that administers benefit plans, or similar organizations from underwriting risks, classifying risks, or administering such risks that are based on or not inconsistent with State law; or

(2) a person or organization covered by this chapter from establishing, sponsoring, observing or administering the terms of a bona fide benefit plan that are based on underwriting risks, classifying risks, or administering such risks that are based on or not inconsistent with State law; or

(3) a person or organization covered by this chapter from establishing, sponsoring, observing or administering the terms of a bona fide benefit plan that is not subject to State laws that regulate insurance.

Paragraphs (1), (2), and (3) shall not be used as a subterfuge to evade the purposes of subchapter I and III.

(d) Accommodations and services
Nothing in this chapter shall be construed to require an individual with a disability to accept an accommodation, aid, service, opportunity, or benefit which such individual chooses not to accept.

(e) Benefits under State worker's compensation laws
Nothing in this chapter alters the standards for determining eligibility for benefits under State worker's compensation laws or under State and Federal disability benefit programs.

(f) Fundamental alteration
Nothing in this chapter alters the provision of section 12182(b)(2)(A)(ii) of this title, specifying that reasonable modifications in policies, practices, or procedures shall be required, unless an entity can demonstrate that making such modifications in policies, practices, or procedures, including academic requirements in postsecondary education, would fundamentally alter the nature of the goods, services, facilities, privileges, advantages, or accommodations involved.

(g) Claims of no disability
Nothing in this chapter shall provide the basis for a claim by an individual without a disability that the individual was subject to discrimination because of the individual's lack of disability.

(h) Reasonable accommodations and modifications
A covered entity under subchapter I, a public entity under subchapter II, and any person who owns, leases (or leases to), or operates a place of public accommodation under subchapter III, need not provide a reasonable accommodation or a reasonable modification to policies, practices, or procedures to an individual who meets the definition of disability in section 12102(1) of this title solely under subparagraph (C) of such section.


REFERENCES IN TEXT
This chapter, referred to in text, was in the original "this Act", meaning Pub. L. 101–336, July 26, 1990, 104 Stat. 327, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 12101 of this title and Tables.


Title IV of this Act, referred to in subsec. (c), means title IV of Pub. L. 101–336, July 26, 1990, 104 Stat. 366, which enacted section 225 of Title 47, Telecommunications, and amended sections 152, 221, and 611 of Title 47.

AMENDMENTS
2008—Subsecs. (e) to (h). Pub. L. 110–325 added subsecs. (e) to (h).

EFFECTIVE DATE OF 2008 AMENDMENT

§ 12202. State immunity
A State shall not be immune under the eleventh amendment to the Constitution of the
United States from an action in Federal or State court of competent jurisdiction for a violation of this chapter. In any action against a State for a violation of the requirements of this chapter, remedies (including remedies both at law and in equity) are available for such a violation to the same extent as such remedies are available for such a violation in an action against any public or private entity other than a State.


REFERENCES IN TEXT

This chapter, referred to in text, was in the original “this Act”, meaning Pub. L. 101–336, July 26, 1990, 104 Stat. 327, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under §12101 of this title and Tables.

§12203. Prohibition against retaliation and coercion

(a) Retaliation

No person shall discriminate against any individual because such individual has opposed any act or practice made unlawful by this chapter or because such individual made a charge, testified, assisted, or participated in any manner in an investigation, proceeding, or hearing under this chapter.

(b) Interference, coercion, or intimidation

It shall be unlawful to coerce, intimidate, threaten, or interfere with any individual in the exercise or enjoyment of, or on account of his or her having exercised or enjoyed, or on account of his or her having aided or encouraged any other individual in the exercise or enjoyment of, any right granted or protected by this chapter.

(c) Remedies and procedures

The remedies and procedures available under sections 12117, 12133, and 12188 of this title shall be available to aggrieved persons for violations of subsections (a) and (b), with respect to subchapter I, subchapter II and subchapter III, respectively.


REFERENCES IN TEXT

This chapter, referred to in subsecs. (a) and (b), was in the original “this Act”, meaning Pub. L. 101–336, July 26, 1990, 104 Stat. 327, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 12101 of this title and Tables.

CONSTITUTIONALITY


§12204. Regulations by Architectural and Transportation Barriers Compliance Board

(a) Issuance of guidelines

Not later than 9 months after July 26, 1990, the Architectural and Transportation Barriers Compliance Board shall issue minimum guidelines that shall supplement the existing Minimum Guidelines and Requirements for Accessible Design for purposes of subchapters II and III of this chapter.

(b) Contents of guidelines

The supplemental guidelines issued under subsection (a) shall establish additional requirements, consistent with this chapter, to ensure that buildings, facilities, rail passenger cars, and vehicles are accessible, in terms of architecture and design, transportation, and communication, to individuals with disabilities.

(c) Qualified historic properties

(1) In general

The supplemental guidelines issued under subsection (a) shall include procedures and requirements for alterations that will threaten or destroy the historic significance of qualified historic buildings and facilities as defined in 4.1.7(1)(a) of the Uniform Federal Accessibility Standards.

(2) Sites eligible for listing in National Register

With respect to alterations of buildings or facilities that are eligible for listing in the National Register of Historic Places under division A of subtitle III of title 54, the guidelines described in paragraph (1) shall, at a minimum, maintain the procedures and requirements established in 4.1.7(1) and (2) of the Uniform Federal Accessibility Standards.

(3) Other sites

With respect to alterations of buildings or facilities designated as historic under State or local law, the guidelines described in paragraph (1) shall establish procedures equivalent to those established by 4.1.7(1)(b) and (c) of the Uniform Federal Accessibility Standards, and shall require, at a minimum, compliance with the requirements established in 4.1.7(2) of such standards.


REFERENCES IN TEXT

This chapter, referred to in subsecs. (a) and (b), was in the original “this Act”, meaning Pub. L. 101–336, July 26, 1990, 104 Stat. 327, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 12101 of this title and Tables.

AMENDMENTS


§12205. Attorney’s fees

In any action or administrative proceeding commenced pursuant to this chapter, the court or agency, in its discretion, may allow the prevailing party, other than the United States, a reasonable attorney’s fee, including litigation expenses, and costs, and the United States shall be liable for the foregoing the same as a private individual.

§ 12205a. Rule of construction regarding regulatory authority

The authority to issue regulations granted to the Equal Employment Opportunity Commission, the Attorney General, and the Secretary of Transportation under this chapter includes the authority to issue regulations implementing the definitions of disability in section 12102 of this title (including rules of construction) and the definitions in section 12103 of this title, consistent with the ADA Amendments Act of 2008. (Pub. L. 101–336, title V, § 506, as added Pub. L. 110–325, § 6(a)(2), Sept. 25, 2008, 122 Stat. 3558.)

REFERENCES IN TEXT

This chapter, referred to in text, was in the original ‘‘this Act’’, meaning Pub. L. 101–336, July 26, 1990, 104 Stat. 327, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 12101 of this title and Tables.

§ 12206. Technical assistance

(a) Plan for assistance

(1) In general

Not later than 180 days after July 26, 1990, the Attorney General, in consultation with the Chair of the Equal Employment Opportunity Commission, the Secretary of Transportation, the Chair of the Architectural and Transportation Barriers Compliance Board, and the Chairman of the Federal Communications Commission, shall develop a plan to assist entities covered under this chapter, and other Federal agencies, in understanding the responsibility of such entities and agencies under this chapter.

(2) Publication of plan

The Attorney General shall publish the plan referred to in paragraph (1) for public comment in accordance with subchapter II of chapter 5 of title 5 (commonly known as the Administrative Procedure Act).

(b) Agency and public assistance

The Attorney General may obtain the assistance of other Federal agencies in carrying out subsection (a), including the National Council on Disability, the President’s Committee on Employment of People with Disabilities, the Small Business Administration, and the Department of Commerce.

(c) Implementation

(1) Rendering assistance

Each Federal agency that has responsibility under paragraph (2) for implementing this chapter may render technical assistance to individuals and institutions that have rights or duties under the respective subchapter or subchapters of this chapter for which such agency has responsibility.

(2) Implementation of subchapters

(A) Subchapter I

The Equal Employment Opportunity Commission and the Attorney General shall implement the plan for assistance developed under subsection (a), for subchapter I.

(B) Subchapter II

(i) Part A

The Attorney General shall implement such plan for assistance for part A of subchapter II.

(ii) Part B

The Secretary of Transportation shall implement such plan for assistance for part B of subchapter II.

(C) Subchapter III

The Attorney General, in coordination with the Secretary of Transportation and the Chair of the Architectural Transportation Barriers Compliance Board, shall implement such plan for assistance for subchapter III, except for section 12184 of this title, the plan for assistance for which shall be implemented by the Secretary of Transportation.

(D) Title IV

The Chairman of the Federal Communications Commission, in coordination with the Attorney General, shall implement such plan for assistance for title IV.

(3) Technical assistance manuals

Each Federal agency that has responsibility under paragraph (2) for implementing this chapter shall, as part of its implementation responsibilities, ensure the availability and provision of appropriate technical assistance manuals to individuals or entities with rights or duties under this chapter no later than six months after applicable final regulations are published under subchapters I, II, and III and title IV.

(d) Grants and contracts

(1) In general

Each Federal agency that has responsibility under subsection (c)(2) for implementing this chapter may make grants or award contracts to effectuate the purposes of this section, subject to the availability of appropriations. Such grants and contracts may be awarded to individuals, institutions not organized for profit
and no part of the net earnings of which inures to the benefit of any private shareholder or individual (including educational institutions), and associations representing individuals who have rights or duties under this chapter. Contracts may be awarded to entities organized for profit, but such entities may not be the recipients or grants described in this paragraph.

(2) Dissemination of information

Such grants and contracts, among other uses, may be designed to ensure wide dissemination of information about the rights and duties established by this chapter and to provide information and technical assistance about techniques for effective compliance with this chapter.

(e) Failure to receive assistance

An employer, public accommodation, or other entity covered under this chapter shall not be excused from compliance with the requirements of this chapter because of any failure to receive technical assistance under this section, including any failure in the development or dissemination of any technical assistance manual authorized by this section.


References in Text

This chapter, referred to in subsecs. (a)(1), (c)(1), (3), (d), and (e), was in the original “this Act”, meaning Pub. L. 101–336, July 26, 1990, 104 Stat. 327, which is classified principally to this chapter. Title IV of Pub. L. 101–336, July 26, 1990, 104 Stat. 366, which enacted section 225 of Title 47, Telecommunications, and amended sections 152, 221, and 611 of Title 47.

Prior Provisions

A prior section 507 of Pub. L. 101–336 was renumbered section 509 and is classified to section 12209 of this title.

§ 12207. Federal wilderness areas

(a) Study

The National Council on Disability shall conduct a study and report on the effect that wilderness designations and wilderness land management practices have on the ability of individuals with disabilities to use and enjoy the National Wilderness Preservation System as established under the Wilderness Act (16 U.S.C. 1131 et seq.).

(b) Submission of report

Not later than 1 year after July 26, 1990, the National Council on Disability shall submit the report required under subsection (a) to Congress.

(c) Specific wilderness access

(1) In general

Congress reaffirms that nothing in the Wilderness Act [16 U.S.C. 1131 et seq.] is to be construed as prohibiting the use of a wheelchair in a wilderness area by an individual whose

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

disability requires use of a wheelchair, and consistent with the Wilderness Act no agency is required to provide any form of special treatment or accommodation, or to construct any facilities or modify any conditions of lands within a wilderness area in order to facilitate such use.

(2) “Wheelchair” defined

For purposes of paragraph (1), the term “wheelchair” means a device designed solely for use by a mobility-impaired person for locomotion, that is suitable for use in an indoor pedestrian area.


References in Text

The Wilderness Act, referred to in subsecs. (a) and (c)(1), is Pub. L. 88–577, Sept. 3, 1964, 78 Stat. 890, as amended, which is classified generally to chapter 23 (§1131 et seq.) of Title 16, Conservation. For complete classification of this Act to the Code, see Short Title note set out under section 1311 of Title 16 and Tables.

Prior Provisions

A prior section 508 of Pub. L. 101–336 was renumbered section 509 and is classified to section 12208 of this title.

§ 12208. Transvestites

For the purposes of this chapter, the term “disabled” or “disability” shall not apply to an individual solely because that individual is a transvestite.


References in Text

This chapter, referred to in text, was in the original “this Act”, meaning Pub. L. 101–336, July 26, 1990, 104 Stat. 327, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 12101 of this title and Tables.

Prior Provisions

A prior section 509 of Pub. L. 101–336 was renumbered section 510 and is classified to section 12209 of this title.

§ 12209. Instrumentalities of Congress

The Government Accountability Office, the Government Publishing Office, and the Library of Congress shall be covered as follows:

(1) In general

The rights and protections under this chapter shall, subject to paragraph (2), apply with respect to the conduct of each instrumentality of the Congress.

(2) Establishment of remedies and procedures by instrumentalities

The chief official of each instrumentality of the Congress shall establish remedies and procedures to be utilized with respect to the rights and protections provided pursuant to paragraph (1).

(3) Report to Congress

The chief official of each instrumentality of the Congress shall, after establishing remedies
and procedures for purposes of paragraph (2), submit to the Congress a report describing the remedies and procedures.

(4) Definition of instrumentalities

For purposes of this section, the term “instrumentality of the Congress” means the following:


(5) Enforcement of employment rights

The remedies and procedures set forth in section 2000e–16 of this title shall be available to any employee of an instrumentality of the Congress who alleges a violation of the rights and protections under sections 12112 through 12114 of this title that are made applicable by this section, except that the authorities of the Equal Employment Opportunity Commission shall be exercised by the chief official of the instrumentality of the Congress.

(6) Enforcement of rights to public services and accommodations

The remedies and procedures set forth in section 2000e–16 of this title shall be available to any qualified person with a disability who is a visitor, guest, or patron of an instrumentality of Congress and who alleges a violation of the rights and protections under sections 12131 through 12150 of this title or section 12182 or 12183 of this title that are made applicable by this section, except that the authorities of the Equal Employment Opportunity Commission shall be exercised by the chief official of the instrumentality of the Congress.

(7) Construction

Nothing in this section shall alter the enforcement procedures for individuals with disabilities provided in the General Accounting Office Personnel Act of 1980 and regulations promulgated pursuant to that Act.


REFERENCES IN TEXT

This chapter, referred to in par. (1), was in the original “this Act”, meaning Pub. L. 101–336, July 26, 1990, 104 Stat. 327, which is classified principally to this chapter.

The General Accounting Office Personnel Act of 1980, referred to in par. (7), is Pub. L. 96–191, Feb. 15, 1980, 94 Stat. 27, which was classified principally to section 51–1 et seq. of former Title 31, and which was substantially repealed by Pub. L. 97–258, §§ 5(b), Sept. 13, 1982, 96 Stat. 1068, and reenacted by the first section thereof principally in subchapters III (§ 731 et seq.) and IV (§ 751 et seq.) of chapter 7 of Title 31, Money and Finance.

PRIOR PROVISIONS

A prior section 510 of Pub. L. 101–336 was renumbered section 511 and is classified to section 12219 of this title.

Amendments


Pub. L. 104–1, § 201(c)(3)(A), struck out subsecs. (a) and (b) which related to coverage of Senate and House of Representatives with respect to bans on employment discrimination and other discriminatory practices against individuals with disabilities.

Pub. L. 104–1, § 201(c)(3)(B), substituted “The General Accounting Office, the Government Printing Office, and the Library of Congress” for “the following;” for subsec. (c) heading and designated subsec. (c) as entire section.

Pub. L. 104–1, § 201(c)(3)(C), struck out at end “Such remedies and procedures shall apply exclusively, except for the employees who are defined as Senate employees, in section 201(c)(1) of title 2.”

Pub. L. 104–1, § 201(c)(3)(D), struck out “the Architect of the Capitol, the Congressional Budget Office” after “the following””, inserted “and” before “the Library of Congress”, and struck out “the Office of Technology Assessment, and the United States Botanic Garden” before period at end.


Pub. L. 104–1, § 210(g), which directed amendment of this section by adding par. (6), was executed by adding par. (6) after par. (5) to reflect the probable intent of Congress.

Pub. L. 104–1, § 201(c)(3)(E), redesignated par. (5) as (7).

1991—Subsec. (a)(2). Pub. L. 102–166, § 315(1), redesignated par. (6) as (2) and struck out former par. (2) which read as follows: “APPLICATION TO SENATE EMPLOYMENT.—The rights and protections provided pursuant to this chapter, the Civil Rights Act of 1990 (S. 2104, 101st Congress), the Civil Rights Act of 1964 (42 U.S.C. 2000a et seq.), the Age Discrimination in Employment Act of 1967 (29 U.S.C. 621 et seq.), and the Rehabilitation Act of 1973 (29 U.S.C. 701 et seq.) shall apply with respect to employment by the United States Senate.”

Subsec. (a)(3). Pub. L. 102–166, § 315(1), redesignated par. (7) as (3), substituted “2(a)” for “(2)” and “6(A)” and “2” for “(3)(4), (5), (6)(A)” and struck out former par. (3) which read as follows: “INVESTIGATION AND ADJUDICATION OF CLAIMS.—All claims raised by any individual with respect to Senate employment, pursuant to the Acts referred to in paragraph (2), shall be investigated and adjudicated by the Select Committee on Ethics, pursuant to S. Res. 338, 88th Congress, as amended, or such other entity as the Senate may designate.”

Subsec. (a)(4), (5). Pub. L. 102–166, § 315(1), struck out pars. (4) and (5) which read as follows:

“(4) RIGHTS OF EMPLOYEES.—The Committee on Rules and Administration shall ensure that Senate employees are informed of their rights under the Acts referred to in paragraph (2).

“(5) APPLICABLE REMEDIES.—When assigning remedies to individuals found to have a valid claim under the Acts referred to in paragraph (2), the Select Committee on Ethics, or such other entity as the Senate may designate, should to the extent practicable apply the same remedies applicable to all other employees covered by the Acts referred to in paragraph (2). Such remedies shall apply exclusively.”

Subsec. (a)(6), (7). Pub. L. 102–166, § 315(1), redesignated pars. (6) and (7) as (2) and (3), respectively.

Subsec. (c)(2). Pub. L. 102–166, § 315(2), inserted “, except for the employees who are defined as Senate employees,” after “Secretary”. 1

*So in original. The comma probably should not appear.
employees, in section 1201(c)(1) of title 2" after "shall apply exclusively".

CHANGE OF NAME


EFFECTIVE DATE OF 1995 AMENDMENT

Amendment by section 201(c)(3) of Pub. L. 104–1 effective 1 year after Jan. 23, 1995, see section 1311(e) of Title 2, The Congress. Amendment by section 210(g) of Pub. L. 104–1 effective 1 year after transmission to Congress of study under section 1371 of Title 2, see section 1331(i)(2) of Title 2.

EFFECTIVE DATE OF 1991 AMENDMENT


§ 12210. Illegal use of drugs

(a) In general

For purposes of this chapter, the term "individual with a disability" does not include an individual who is currently engaging in the illegal use of drugs, when the covered entity acts on the basis of such use.

(b) Rules of construction

Nothing in subsection (a) shall be construed to exclude as an individual with a disability an individual who—

(1) has successfully completed a supervised drug rehabilitation program and is no longer engaging in the illegal use of drugs, or has otherwise been rehabilitated successfully and is no longer engaging in such use;

(2) is participating in a supervised rehabilitation program and is no longer engaging in such use; or

(3) is erroneously regarded as engaging in such use, but is not engaging in such use);

except that it shall not be a violation of this chapter for a covered entity to adopt or administer reasonable policies or procedures, including but not limited to drug testing, designed to ensure that an individual described in paragraph (1) or (2) is no longer engaging in the illegal use of drugs; however, nothing in this section shall be construed to encourage, prohibit, restrict, or authorize the conducting of testing for the illegal use of drugs.

(c) Health and other services

Notwithstanding subsection (a) and section 12211(b)(3) of this title, an individual shall not be denied health services, or services provided in connection with drug rehabilitation, on the basis of the current illegal use of drugs if the individual is otherwise entitled to such services.

(d) "Illegal use of drugs" defined

(1) In general

The term "illegal use of drugs" means the use of drugs, the possession or distribution of which is unlawful under the Controlled Substances Act [21 U.S.C. 801 et seq.]. Such term does not include the use of a drug taken under supervision by a licensed health care professional, or other uses authorized by the Controlled Substances Act or other provisions of Federal law.

(2) Drugs

The term "drug" means a controlled substance, as defined in schedules I through V of section 202 of the Controlled Substances Act [21 U.S.C. 812].


REFERENCES IN TEXT

This chapter, referred to in subsecs. (a) and (b), was in the original "this Act", meaning Pub. L. 101–336, July 26, 1990, 104 Stat. 327, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 12101 of this title and Tables. The Controlled Substances Act, referred to in subsec. (d)(1), is title II of Pub. L. 91–513, Oct. 27, 1970, 84 Stat. 1242, as amended, which is classified principally to subchapter I (§801 et seq.) of chapter 13 of Title 21, Food and Drugs. For complete classification of this Act to the Code, see Short Title note set out under section 801 of Title 21 and Tables.

PRIOR PROVISIONS

A prior section 511 of Pub. L. 101–336 was renumbered section 512 and is classified to section 12211 of this title.

AMENDMENTS


EFFECTIVE DATE OF 2008 AMENDMENT


§ 12211. Definitions

(a) Homosexuality and bisexuality

For purposes of the definition of "disability" in section 12102(2) of this title, homosexuality and bisexuality are not impairments and as such are not disabilities under this chapter.

(b) Certain conditions

Under this chapter, the term "disability" shall not include—

(1) transvestism, transsexualism, pedophilia, exhibitionism, voyeurism, gender identity disorders not resulting from physical impairments, or other sexual behavior disorders;

(2) compulsive gambling, kleptomania, or pyromania; or

(3) psychoactive substance use disorders resulting from current illegal use of drugs.


REFERENCES IN TEXT

This chapter, referred to in text, was in the original "this Act", meaning Pub. L. 101–336, July 26, 1990, 104 Stat. 327, which is classified principally to this chapter.

* * *

1 See References in Text note below.
For complete classification of this Act to the Code, see Short Title note set out under section 12101 of this title and Tables.

Section 12102 of this title, referred to in subsec. (a), was amended generally by Pub. L. 110–325, §4(a), Sept. 25, 2008, 122 Stat. 3555, and, as so amended, provisions formerly appearing in par. (2) are now contained in par. (1).

PRIOR PROVISIONS
A prior section 512 of Pub. L. 101–336, which amended former section 706 of Title 29, Labor, was renumbered section 515.

§ 12212. Alternative means of dispute resolution

Where appropriate and to the extent authorized by law, the use of alternative means of dispute resolution, including settlement negotiations, conciliation, facilitation, mediation, fact-finding, minitrials, and arbitration, is encouraged to resolve disputes arising under this chapter.


REFERENCES IN TEXT
This chapter, referred to in text, was in the original “this Act”, meaning Pub. L. 101–336, July 26, 1990, 104 Stat. 327, which is classified principally to this chapter.

A prior section 514 of Pub. L. 101–336 was renumbered section 515 and is classified to section 12213 of this title.

§ 12213. Severability

Should any provision in this chapter be found to be unconstitutional by a court of law, such provision shall be severed from the remainder of the chapter, and such action shall not affect the enforceability of the remaining provisions of the chapter.


REFERENCES IN TEXT
This chapter, referred to in text, was in the original “this Act”, meaning Pub. L. 101–336, July 26, 1990, 104 Stat. 327, which is classified principally to this chapter.

A prior section 515 of Pub. L. 101–336 was renumbered section 515 and is classified to section 12213 of this title.

CHAPTER 127—COORDINATED SERVICES FOR CHILDREN, YOUTH, AND FAMILIES

Subchapter I—Establishment of Administration and Awarding of Grants for Programs

Part A—Administration on Children, Youth, and Families

Sec.

12301. Findings.
12302. Definitions.

SUBCHAPTER I—ESTABLISHMENT OF ADMINISTRATION AND AWARDING OF GRANTS FOR PROGRAMS

PART A—ADMINISTRATION ON CHILDREN, YOUTH, AND FAMILIES

12311. Establishment of Administration on Children, Youth, and Families.
12312. Functions of Commissioner.
12313. Federal agency consultations.
12314. Omitted.

12315. Administration.

PART B—GRANTS FOR STATE AND COMMUNITY PROGRAMS FOR CHILDREN, YOUTH, AND FAMILIES

12331. Purpose.
12332. Definitions.
12333. Establishment of programs.
12334. Administration.
12335. State plan.
12336. Independent State body.
12337. State coordination of services.
12338. Supportive services.
12339. Repealed.

PART C—NATIONAL CLEARINGHOUSE

12351. Findings and purpose.
12352. “Family resource and support programs” defined.
12353. Establishment of National Center on Family Resource and Support Programs.
12354. Evaluation.

SUBCHAPTER II—WHITE HOUSE CONFERENCE ON CHILDREN, YOUTH, AND FAMILIES

12371. Findings.
12372. Authority of President and Secretary; final report.
12373. Conference administration.
12374. Conference committees.
12376. Definitions.
12377. Authorization of appropriations.

§ 12301. Findings

Congress finds that—

(1) children and youth are inherently the most valuable resource of the United States;
(2) the welfare, protection, healthy development, and positive role of children and youth in society are essential to the United States;
(3) children and youth deserve love, respect, and guidance, as well as good health, shelter, food, education, productive employment opportunities, and preparation for responsible participation in community life;
(4) children and youth have increasing opportunities to participate in the decisions that affect their lives;
(5) the family is the primary caregiver and source of social learning and must be supported and strengthened;
(6) when a family is unable to ensure the satisfaction of basic needs of children and youth it is the responsibility of society to assist such family; and
(7) it is the joint and several responsibility of the Federal Government, each State, and the political subdivisions of each State to assist children and youth to secure, to the maximum extent practicable, equal opportunity to full and free access to—

(A) the best possible physical and mental health;
(B) adequate and safe physical shelter;
(C) a high level of educational opportunity;
(D) effective training, apprenticeships, opportunities for community service, and productive employment and participation in decisions affecting their lives;
(E) a wide range of civic, cultural, and recreational activities that recognize young Americans as resources and promote self-esteem and a stake in the communities of such Americans; and

(F) comprehensive community services that are efficient, coordinated, readily available, and involve families of young individuals.


**Effective Date**

Section effective Oct. 1, 1990, see section 1001(a) of Pub. L. 101–501, set out as an Effective Date of 1990 Amendment note under section 1621 of this title.

**Short Title**

Pub. L. 101–501, title IX, §901, Nov. 3, 1990, 104 Stat. 1262, provided that: "This title [enacting this chapter] may be cited as the 'Claude Pepper Young Americans Act of 1990'.”


**Performance Partnership Pilots**


"(a) Definitions.—In this section,

"(1) ‘Performance Partnership Pilot’ (or ‘Pilot’) is a project that seeks to identify, through a demonstration, cost-effective strategies for providing services at the State, regional, or local level that—

"(A) involve two or more Federal programs (administered by one or more Federal agencies)—

"(i) which have related policy goals, and

"(ii) at least one of which is administered (in whole or in part) by a State, local, or tribal government; and

"(B) achieve better results for regions, communities, or specific at-risk populations through making better use of the budgetary resources that are available for supporting such programs.

"(2) ‘To improve outcomes for disconnected youth’ means to increase the rate at which individuals between the ages of 14 and 24 (who are low-income and either homeless, in foster care, involved in the juvenile justice system, unemployed, or not enrolled in or at risk of dropping out of an educational institution) achieve success in meeting educational, employment, or other key goals.

"(3) The ‘lead Federal administering agency’ is the Federal agency, to be designated by the Director of the Office of Management and Budget (from among the participating Federal agencies that have statutory responsibility for the Federal discretionary funds that will be used in a Performance Partnership Pilot), that will enter into and administer the particular Performance Partnership Agreement on behalf of that agency and the other participating Federal agencies.

"(b) Use of Discretionary Funds in Fiscal Year 2014.—Federal agencies may use Federal discretionary funds that are made available in this Act (div. H of Pub. L. 113–76, see Tables for classification) to carry out up to 10 Performance Partnership Pilots. Such Pilots shall:

"(1) be designed to improve outcomes for disconnected youth, and

"(2) involve Federal programs targeted on disconnected youth, or designed to prevent youth from disconnecting from school or work, that provide education, training, employment, and other related social services.

"(c) Performance Partnership Agreements.—Federal agencies may use Federal discretionary funds, as authorized in subsection (b), to participate in a Performance Partnership Pilot only in accordance with the terms of a Performance Partnership Agreement that—

"(1) is entered into between—

"(A) the head of the lead Federal administering agency, on behalf of all of the participating Federal agencies (subject to the head of the lead Federal administering agency having received from the heads of each of the other participating agencies their written concurrence for entering into the Agreement), and

"(B) the respective representatives of all of the State, local, or tribal governments that are participating in the Agreement; and

"(2) specifies, at a minimum, the following information:

"(A) the length of the Agreement (which shall not extend beyond September 30, 2018);

"(B) the Federal programs and federally funded services that are involved in the Pilot;

"(C) the Federal discretionary funds that are being used in the Pilot (by the respective Federal account identifier, and the total amount from such account that is being used in the Pilot), and the period (or periods) of availability for obligation (by the Federal Government) of such funds;

"(D) the non-Federal funds that are used in the Pilot, by source (which may include private funds as well as governmental funds) and by amount;

"(E) the State, local, or tribal programs that are involved in the Pilot;

"(F) the populations to be served by the Pilot;

"(G) the cost-effective Federal oversight procedures that will be used for the purpose of maintaining the necessary level of accountability for the use of the Federal discretionary funds;

"(H) the cost-effective State, local, or tribal oversight procedures that will be used for the purpose of maintaining the necessary level of accountability for the use of the Federal discretionary funds;

"(I) the outcome (or outcomes) that the Pilot is designed to achieve;

"(J) the appropriate, reliable, and objective outcome-measurement methodology that the Federal Government and the participating State, local, or tribal governments will use, in carrying out the Pilot, to determine whether the Pilot is achieving, and has achieved, the specified outcomes that the Pilot is designed to achieve, in whole or in part;

"(K) the statutory, regulatory, or administrative requirements related to Federal mandatory programs that are barriers to achieving improved outcomes of the Pilot; and

"(L) in cases where, during the course of the Pilot, it is determined that the Pilot is not achieving the specified outcomes that it is designed to achieve,

"(i) the consequences that will result from such deficiencies with respect to the Federal discretionary funds that are being used in the Pilot, and

"(ii) the corrective actions that will be taken in order to increase the likelihood that the Pilot, upon completion, will have achieved such specified outcomes.

"(d) Agency Head Determinations.—A Federal agency may participate in a Performance Partnership Pilot (including by providing Federal discretionary funds that have been appropriated to such agency) only upon the written determination by the head of such agency that the agency's participation in such Pilot—
“(1) will not result in denying or restricting the eligibility of any individual for any of the services that (in whole or in part) are funded by the agency’s program and Federal discretionary funds that are involved in the Pilot, and

“(2) based on the best available information, will not otherwise adversely affect vulnerable populations or the recipients of such services.

In making this determination, the head of the agency may take into consideration the other Federal discretionary funds that will be used in the Pilot as well as any non-Federal funds (including from private sources as well as governmental sources) that will be used in the Pilot.

“(e) TRANSFER AUTHORITY.—For the purpose of carrying out the Pilot in accordance with the Performance Partnership Agreement, and subject to the written approval of the Director of the Office of Management and Budget, the head of each participating Federal agency may transfer Federal discretionary funds that are being used in the Pilot to an account of the lead Federal administering agency that includes Federal discretionary funds that are being used in the Pilot. Subject to the waiver authority under subsection (f), such transferred funds shall remain available for the same purposes for which such funds were originally appropriated. Provided, That such transferred funds shall remain available for obligation by the Federal Government until the expiration of the period of availability for those Federal discretionary funds (which are being used in the Pilot) that have the longest period of availability, except that any such transferred funds shall not remain available beyond September 30, 2018.

“(f) WAIVER AUTHORITY.—In connection with a Federal agency’s participation in a Performance Partnership Pilot, and subject to the other provisions of this section (including subsection (e)), the head of the Federal agency to which the Federal discretionary funds were appropriated may waive (in whole or in part) the administrative requirement that such agency head—

“(1) is otherwise authorized to waive (in accordance with the terms and conditions of such other authority), and

“(2) is not otherwise authorized to waive, provided that in such case the agency head shall—

“(A) not waive any requirement related to nondiscrimination, wage and labor standards, or allocation of funds to State and substate levels;

“(B) issue a written determination, prior to granting the waiver, with respect to such discretionary funds that the granting of such waiver for purposes of the Pilot—

“(I) is consistent with both—

“(i) the statutory purposes of the Federal program for which such discretionary funds were appropriated, and

“(ii) the other provisions of this section, including the written determination by the agency head issued under subsection (d); and

“(ii) is necessary to achieve the outcomes of the Pilot as specified in the Performance Partnership Agreement, and is no broader in scope than is necessary to achieve such outcomes; and

“(iii) will result in either—

“(I) realizing efficiencies by simplifying reporting burdens or reducing administrative barriers with respect to such discretionary funds, or

“(II) increasing the ability of individuals to obtain access to services that are provided by such discretionary funds; and

“(C) provide at least 60 days advance written notice to the Committees on Appropriations and other committees of jurisdiction in the House of Representatives and the Senate.”

COMMISSION ON CHILD AND FAMILY WELFARE
Pub. L. 102-521, § 5, Oct. 25, 1992, 106 Stat. 3406, provided for establishment, membership, etc., of a Commission on Child and Family Welfare, specified that among other duties the Commission compile information and data on the issues that affect the best interests of children, including domestic issues such as abuse, family relations, services and agencies for children and families, family courts, and juvenile courts, directed Commission to submit to President and Congress an interim report no later than Jan. 1, 1994, and a final report no later than Jan. 1, 1995, containing a detailed statement of the findings and conclusions of the Commission, together with recommendations for such legislation and administrative actions as considered appropriate, and directed that the Commission terminate 90 days after the date it submitted its final report.

EX. ORD. No. 13459. IMPROVING THE COORDINATION AND EFFECTIVENESS OF YOUTH PROGRAMS
Ex. Ord. No. 13459, Feb. 7, 2008, 73 F.R. 8083, provided: By the authority vested in me as President by the Constitution and the laws of the United States of America, and in recognition of the successful interagency collaboration resulting from the Helping America’s Youth initiative, it is hereby ordered as follows:

SECTION 1. Policy. It is the policy of the Federal Government to promote achievement of positive results for at-risk youth through:

(a) enhanced collaboration among government organizations at the Federal, State, and local level, including with faith-based and other community organizations, as well as among families, schools, and communities, in order to leverage existing resources and improve outcomes;

(b) identification and dissemination of promising strategies and practices that have been proven effective through rigorous evaluation; and

(c) online publication of essential information to assist interested citizens and decision-makers, particularly at the community level, to plan, implement, and participate in effective programs for at-risk youth.

SEC. 2. Establishment of the Interagency Working Group on Youth Programs. The Secretary of Health and Human Services (Secretary) shall establish within the Department of Health and Human Services for administrative purposes only, an Interagency Working Group on Youth Programs (Working Group), consistent with this order and reflecting the ongoing interagency collaboration under the Helping America’s Youth initiative.


(a) The Working Group shall consist exclusively of the following members or their designees, who shall be full-time Federal officers or employees:

(i) the Secretary;

(ii) the Attorney General;

(iii) the Secretaries of Defense, the Interior, Agriculture, Commerce, Labor, Housing and Urban Development, and Education;

(iv) the Director of the Office of National Drug Control Policy;

(v) the Chief Executive Officer of the Corporation for National and Community Service; and

(vi) other officers or full-time or permanent part-time employees of the United States, as determined by the Secretary, with the concurrence of the head of the department or agency concerned.

(b) The Secretary (or the Secretary’s designee) shall serve as Chair, and the Attorney General (or the Attorney General’s designee) shall serve as Vice Chair, for a period of 2 years from the date of this order. Subsequent Chairs and Vice Chairs shall be designated by the Secretary on a biennial basis.

(c) In implementing this section, the Chair, and in the Chair’s absence the Vice Chair, shall convene and preside at meetings of the Working Group, determine its agenda, direct its work, and establish and direct subgroups of the Working Group, as appropriate, to deal with particular subject matters, that shall consist exclusively of members of the Working Group or their designees. The Chair, after consultation with the Vice
Chair, shall designate an officer or employee of one of the member departments or agencies to serve as the Executive Secretary of the Working Group. The Executive Secretary shall head any staff assigned to the Working Group and any subgroups thereof, and such staff shall consist exclusively of full-time or permanent part-time Federal employees.

SEC. 4. Functions of the Working Group. Consistent with the policy set forth in section 1 of this order, the Working Group shall:
(a) identify and engage key government and private or nonprofit organizations that can play a role in improving the coordination and effectiveness of programs serving and engaging youth, such as faith-based and other community organizations, businesses, volunteers, and other key constituencies;
(b) develop a new Federal website on youth, built upon the website entitled, "Guide to Helping America's Youth" with the first phase of this website to be launched within 10 months of the date of this order, by:
(i) identifying and assessing the strengths and weaknesses of existing Federal websites focusing on youth-serving entities in order to improve access to the most useful content;
(ii) providing for training to youth-serving entities to enable effective use of the Federal website;
(iii) developing additional strategies and tools and resources accessible through the Federal website that will help promote effective community-based efforts to reduce the factors that put youth at risk and the provision of high-quality services to at-risk youth across the country; and
(iv) developing strategies to ensure that the Federal website is routinely updated, improved, and publicized;
(c) encourage all youth-serving Federal and State agencies, communities, grantees, and organizations to adopt high standards for assessing program results, including through the use of rigorous impact evaluations, as appropriate, so that the most effective practices can be identified and replicated, and ineffective or duplicative programs can be eliminated or reformed;
(d) (i) identify and promote initiatives and activities that merit strong interagency collaboration because of their potential to offer cost-effective solutions to achieve better results for at-risk youth, including volunteer service in concert with the USA Freedom Corps and mentoring in concert with the Federal Mentoring Council; and,
(ii) encourage rigorous evaluations, as appropriate, of such initiatives and activities to ascertain their effectiveness in improving academic, employment, social, and other individual outcomes, and make these findings publicly available, and
(e) annually report to the President, through the Assistant to the President for Domestic Policy, on its work and on the implementation of any recommendations arising from its work, with the first such report to be submitted no later than 6 months after the date of this order.

SEC. 5. Administration of the Working Group. (a) The Secretary shall, to the extent permitted by law, provide administrative support and funding for the Working Group.

With the consent of the Secretary, other member departments and agencies may provide administrative support to the Working Group, to the extent permitted by law and consistent with their statutory authority.

(b) The heads of executive departments and agencies shall provide, as appropriate, such assistance and information as the Secretary may request to implement this order.

(c) The website referred to in section 4(b) of this order shall be funded by contributions from executive departments and agencies to the extent permitted by law and consistent with their statutory authority.

SEC. 6. General Provisions. (a) Nothing in this order shall be construed to impair or otherwise affect:
(i) authority granted by law to a department, agency, or the head thereof; or
(ii) functions of the Director of the Office of Management and Budget relating to budget, administrative, or legislative proposals.

(b) This order shall be implemented consistent with applicable law and subject to the availability of appropriations.

§ 12302. Definitions

As used in this chapter:

(1) Commissioner

The term “Commissioner” means the Commissioner of the Administration on Children, Youth, and Families, as established under section 12311 of this title.

(2) Council

The term “Council” means the Federal Council on Children, Youth, and Families, as established under section 12311(a) of this title.

(3) Nonprofit

The term “nonprofit”, as applied to any agency, institution, or organization, means an agency, institution, or organization that is, or is owned and operated by, one or more corporations or associations, no part of the net earnings of which may lawfully inure to the benefit of any private shareholder or individual.

(4) Secretary

The term “Secretary” means the Secretary of Health and Human Services.

(5) State

The term “State” includes the District of Columbia, the Virgin Islands, Puerto Rico, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, and the Trust Territory of the Pacific Islands.

(6) Young individual

The term “young individual” means any child or youth from birth to 21 years of age.


EFFECTIVE DATE

Section effective Oct. 1, 1990, see section 1001(a) of Pub. L. 101–501, set out as an Effective Date of 1990 Amendment note under section 1651 of this title.

TERMINATION OF TRUST TERRITORY OF THE PACIFIC ISLANDS

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

SUBCHAPTER I—ESTABLISHMENT OF ADMINISTRATION AND AWARDING OF GRANTS FOR PROGRAMS

PART A—ADMINISTRATION ON CHILDREN, YOUTH, AND FAMILIES

§ 12311. Establishment of Administration on Children, Youth, and Families

(a) In general

There is established within the Department of Health and Human Services an Administration on Children, Youth, and Families.
(b) Commissioner

(1) Establishment

(A) In general

The Administration on Children, Youth, and Families, as established under subsection (a), shall be headed by a Commissioner on Children, Youth, and Families.

(B) Omitted

(2) Appointment

The President, by and with the advice and consent of the Senate, shall appoint the Commissioner.


Codification


Effective Date

Section effective Oct. 1, 1990, see section 1001(a) of Pub. L. 101–501, set out as an Effective Date of 1990 Amendment note under section 406(b) of this title.

§ 12312. Functions of Commissioner

(a) In general

The Commissioner shall—

(1) serve as the effective and visible advocate for children, youth, and families within the Department of Health and Human Services and with other departments, agencies, and instrumentalities of the Federal Government by maintaining active review and commenting responsibilities, as appropriate, concerning Federal policies affecting young individuals, and the families of young individuals;

(2) collect and disseminate information related to the problems of young individuals and the families of such individuals;

(3) assist the Secretary in appropriate matters pertaining to young individuals, and the families of such individuals;

(4) administer the grants authorized under this subchapter;

(5) develop plans and conduct research in the field of young individuals, and the families of such individuals;

(6) assist, to the maximum extent practicable, in the establishment and implementation of programs designed to meet the needs of young individuals for supportive services including—

(A) health and mental health services;

(B) housing and shelter assistance;

(C) education and training services;

(D) protective services;

(E) foster care;

(F) teen parenting support;

(G) child care;

(H) family support and preservation;

(I) teen pregnancy prevention and counseling;

(J) counseling on the effects of violence in the communities of such individuals and their families;

(K) recreational and volunteer opportunities; and

(L) comprehensive early childhood development;

(7) provide technical assistance and consultation to States and the political subdivisions of such States with respect to programs for young individuals;

(8) prepare, publish, and disseminate educational materials concerning the welfare of young individuals;

(9) gather statistics concerning young individuals, and the families of such individuals, that other Federal agencies are not collecting;

(10) to the maximum extent practicable coordinate activities carried out or assisted by all departments, agencies, and instrumentalities of the Federal Government with respect to the collection, preparation, and dissemination of information relevant to young individuals and the families of such individuals;

(11) stimulate more effective uses of existing resources and available services for young individuals and the families of such individuals;

(12) develop basic policies and set priorities with respect to the development and operation of programs and activities conducted under this chapter;

(13) convene conferences of authorities and officials of organizations, including Federal, State, and local agencies, and nonprofit private organizations, of programs for children, youth and their families for the development and implementation of policies related to the priorities and purposes of this chapter, including topics such as the establishment of a nationwide network of comprehensive, coordinated services and opportunities for such individuals;

(14) conduct periodic evaluations of the programs and activities related to the purposes of this chapter; and

(15) develop, in coordination with other agencies, methods to ensure adequate training for personnel concerning children, youth and families and to ensure the adequate dissemination of such information to appropriate State and community agencies.

(b) Encouragement of volunteerism

In executing the duties and functions of the Administration under this subchapter and in carrying out the programs and activities authorized under this chapter, the Commissioner, in consultation with the Chief Executive Officer of the Corporation for National and Community Service, shall take necessary steps to coordinate with and seek the advice of voluntary agencies and organizations that provide services related to the purposes of this chapter.


Amendments

1993—Subsec. (b). Pub. L. 103–82 substituted “the Chief Executive Officer of the Corporation for National and Community Service” for “the Director of the ACTION Agency”.

Effective Date of 1993 Amendment

Amendment by Pub. L. 103–82 effective Apr. 4, 1994, see section 406(b) of Pub. L. 103–82, set out as a note.
under section 8332 of Title 5, Government Organization and Employees.

**Effective Date**
Section effective Oct. 1, 1990, see section 1001(a) of Pub. L. 101–501, set out as an Effective Date of 1990 Amendment note under section 8621 of this title.

§ 12313. Federal agency consultations

(a) In general
The Commissioner shall consult and cooperate with the heads of all appropriate Federal agencies or departments administering programs or services that are substantially related to the purposes of this chapter.

(b) Interagency agreements
To the extent practicable, the Commissioner shall facilitate cooperation through the entering into of interagency agreements.


**Effective Date**
Section effective Oct. 1, 1990, see section 1001(a) of Pub. L. 101–501, set out as an Effective Date of 1990 Amendment note under section 8621 of this title.

§ 12314. Omitted

Codification

§ 12315. Administration

(a) Duties of Commissioner
In carrying out this subchapter, the Commissioner is authorized to—

(1) provide consultative services, technical assistance, and short-term training to the independent State bodies;

(2) conduct research and demonstrations;

(3) collect, prepare, publish, and disseminate special educational or informational materials, including reports of the projects for which funds are provided under this subchapter;

(4) provide staff and other technical assistance to the Council;

(5) evaluate the effectiveness of programs authorized under this subchapter and periodically publish analyses of the results of such evaluations; and

(6) not later than 180 days after the end of each fiscal year, prepare and submit, to the President and the chairman of the Committee on Education and Labor of the House of Representatives and the chairman of the Committee on Labor and Human Resources of the Senate, a report concerning the activities carried out under this subchapter and concerning such other activities as the Secretary determines appropriate.

(b) Utilization of services and facilities

(1) In general
Subject to agreements made between the Commissioner and the head of such agency or organization, in carrying out the duties referred to in subsection (a) the Commissioner may utilize the services and facilities of any agency of the Federal Government and of any other public or nonprofit agency or organizations.

(2) Payment
The Commissioner may pay for such services and facilities, in advance or by way of reimbursement, as may be provided in such agreement.

(c) Reservation of funds
Of the aggregate amount appropriated to carry out this chapter in any fiscal year, the Secretary may reserve not more than 10 percent for salaries and expenses of the Administration on Children, Youth, and Families related to the administration of this chapter.


**Change of Name**
Committee on Labor and Human Resources of Senate changed to Committee on Health, Education, Labor, and Pensions of Senate by Senate Resolution No. 20, One Hundred Sixth Congress, Jan. 19, 1999.

**Effective Date**
Section effective Oct. 1, 1990, see section 1001(a) of Pub. L. 101–501, set out as an Effective Date of 1990 Amendment note under section 8621 of this title.

PART B—GRANTS FOR STATE AND COMMUNITY PROGRAMS FOR CHILDREN, YOUTH, AND FAMILIES

§ 12331. Purpose

It is the purpose of this part to encourage and assist State and local agencies to coordinate resources, reduce barriers to services, and develop new capacities to ensure that State and community services designed to serve children, youth, and families are more effective and comprehensive.


**Effective Date**
Section effective Oct. 1, 1990, see section 1001(a) of Pub. L. 101–501, set out as an Effective Date of 1990 Amendment note under section 8621 of this title.

§ 12332. Definitions

As used in this part:

(1) Community referral services
The term “community referral services” means services to assist families in obtaining community resources, including health care, mental health care, employability development and job training, and other social services.

(2) Core services
The term “core services” means—

(A) educational and support services provided to assist parents in acquiring parenting skills, learning about child development, and responding appropriately to the behavior of their children; and

1 So in original. Probably should be “organization.”
(B) the early developmental screening of children to assess any needs of such children and to identify specific types of support that may be provided;
(C) outreach services;
(D) community referral services; and
(E) follow up services.

(3) **Follow up services**

The term “follow up services” means services provided to ensure that necessary services are received by families and are effective in meeting their needs.

(4) **Independent State body**

The term “independent State body” means the entity established under section 12336 of this title.

(5) **Lead agency**

The term “lead agency” means an existing State agency, or other public or nonprofit private entity designated by the chief executive officer of the State as the agency responsible for the development and implementation of local family resource and support programs. Such agency shall have demonstrated ability to work with other State and community based agencies, to provide training and technical assistance, and shall also have a commitment to parental participation in the design and administration of family resource and support programs.

(6) **Other services**

The term “other services” and “other support services” includes—
(A) child care, early childhood development and intervention programs;
(B) employability development services (including skill training);
(C) educational services, such as scholastic tutoring, literacy training, and General Educational Degree (GED) services;
(D) nutritional education;
(E) life management skills training;
(F) peer counseling and crisis intervention, family violence counseling and referrals for such services;
(G) referral for substance abuse counseling and treatment referral; and
(H) referral for primary health and mental health services.

(7) **Outreach services**

The term “outreach services” means services provided to ensure (through home visits or other methods) that parents are aware of and able to participate in family resource and support program activities.


**References in Text**

Section 12339 of this title, referred to in par. (2), was repealed by Pub. L. 103–252, title IV, §401(b)(1), May 18, 1994, 108 Stat. 672.

**Effective Date**

Section effective Oct. 1, 1990, see section 1001(a) of Pub. L. 101–501, set out as an Effective Date of 1990 Amendment note under section 8621 of this title.

§12334. Administration

(a) **In general**

The Commissioner shall administer programs under this part through the Administration on Children, Youth, and Families.

(b) **Technical assistance**

In carrying out this part, the Commissioner may request the technical assistance and cooperation of the Secretary of Education, the Secretary of Labor, the Attorney General, the Secretary of Housing and Urban Development,
the Secretary of Transportation, the Director of the Office of Community Services, and such other agencies and departments of the Federal Government as may be appropriate.


Effective Date
Section effective Oct. 1, 1990, see section 1001(a) of Pub. L. 101–501, set out as an Effective Date of 1990 Amendment note under section 8621 of this title.

§ 12335. State plan

(a) Submission of plan

The chief executive officer of a State, in order to be eligible for grants from an allotment under section 12337, 12338, or 12339 of this title for any fiscal year, shall prepare and submit to the Commissioner a State plan for a 3-year period.

(b) Revisions of plan

Each chief executive officer of a State may make annual revisions of the State plan referred to in subsection (a).

(c) Content of plan

The chief executive officer of a State shall include within the State plan of that State assurances as required under sections 12337, 12338, or 12339 of this title, and a description of the proposed multi-year plans of the State for program development and implementation.

(d) Type of application

A State may apply for funds under one or more of the following categories:

(1) section 12337 of this title;
(2) sections 12337 and 12338 of this title jointly; or
(3) section 12339 of this title.

In the case of each category, the State application and plan shall comply only with the requirements of the appropriate section.

(e) Approval of plan

(1) In general

The Commissioner shall approve any State plan under sections 12337 and 12338 of this title that the Commissioner determines meets the requirements of such sections.

(2) Notice and opportunity to correct deficiencies

The Commissioner shall not make a final determination disapproving any State plan, modifying such plan, or declaring a State to be ineligible to receive funds under sections 12337 and 12338 of this title without previously affording such State reasonable notice and opportunity to correct deficiencies in its application.


References in Text
Section 12339 of this title, referred to in subsections (a), (c), and (d)(3), was repealed by Pub. L. 103–252, title IV, §401(b)(1), May 18, 1994, 108 Stat. 672.

1 See References in Text note below.
2 So in original. Probably should be “section”.2

§ 12336. Independent State body

(a) Designation

A State shall not be eligible to receive a grant from an allotment under section 12337 or 12338 of this title unless—

(1) the chief executive officer of such State designates an independent State body that is composed of—

(A) cabinet level representatives from each agency of such State that has responsibilities for programs affecting young individuals who shall comprise a majority of the independent State body; and

(B) individuals appointed from among—

(i) private nonprofit providers of services to young individuals;

(ii) advocacy and citizens groups concerned with young individuals;

(iii) committees of the legislature of such State that have responsibility for young individuals;

(iv) leaders who are young individuals, including such leaders who are recipients of services provided under this subchapter;

(v) representatives of the business community;

(vi) representatives of employees of providers of services to young individuals;

(vii) representatives of general purpose local government; and

(viii) such staff as shall be necessary to—

(I) develop a State plan to be submitted to the Commissioner for approval under section 12337 of this title;

(II) administer and monitor the State plan within such State;

(III) assist in the coordination of all State activities related to the purpose of the chapter;

(IV) serve as an effective and visible advocate for young individuals by reviewing and commenting on all State plans, budgets, and policies that affect such individuals and the families of such individuals by providing technical assistance to any agency, organization, association, or individual representing the needs of young individuals; and

(2) the independent State body designated under paragraph (1)—

(A) develops a system for the distribution of funds received under sections 12337 and 12338 of this title by the chief executive officer;

(B) submits a description of such system to the Commissioner for review and comment; and

(C) ensures that preference will be given in such distribution of funds to developing or supporting local service delivery systems that—

(i) provide a range of services organized to tailor responses to needs rather than a predetermined array of services;

(ii) are rooted in and part of the communities that such systems are designed to
serve as measured by the degree to which public and private community leaders and young individuals participate in the planning of such systems; and

(iii) demonstrate an ability to develop systematic collaboration among service providers on behalf of children, youth and families, including joint planning, joint financing, joint service delivery, common intake and assessment, and other arrangements that promote more effective service systems for such individuals.

(b) Existing entity

The Commissioner may approve a State plan in which the chief executive officer of the State designates as the independent State body an existing State entity that is comprised of the parties described in subsection (a) and that is authorized to conduct the same range of interagency planning and coordination activities.


**Effective Date**

Section effective Oct. 1, 1990, see section 1001(a) of Pub. L. 101–501, set out as an Effective Date of 1990 Amendment note under section 8621 of this title.

§ 12337. State coordination of services

(a) Authority

The Commissioner shall make grants under this section to States on a formula basis for the purpose of improving the coordination of services provided to children, youth, and families.

(b) Application

To be eligible to receive a grant under this section, the chief executive officer of a State shall prepare and submit to the Commissioner an application containing a plan providing assurances that—

(1) the independent State body is committed to interagency planning that results in statewide policies promoting systematic collaboration among agencies on behalf of young individuals as demonstrated by joint planning, joint financing, joint service delivery, common intake and assessment, and other arrangements that reduce barriers to services and promote more effective local service delivery systems for young individuals;

(2) such plan will be based on needs as identified through an analysis of updated reports (such as “State of the Child” reports) prepared by the State, including detailed information gathered by the State, to the extent practicable, on young individuals and the families of such individuals concerning—

(A) age, sex, race, and ethnicity;

(B) the residences of such individuals;

(C) the incidence of homelessness among such individuals;

(D) the composition of families of such individuals;

(E) the economic situations of such individuals;

(F) the incidence of poverty among such individuals;

(G) experiences in the care of such individuals away from home;

(H) the health of such individuals;

(I) violence in the homes or communities of such individuals;

(J) the nature of the attachment of such individuals to school and work;

(K) dropout rates of such individuals from school; and

(L) the character of the communities in which such individuals reside;

(3) the system to be used for the distribution of funds within the State will require that—

(A) each area have an equal opportunity to apply for or receive funds under this part; and

(B) the public be given an opportunity to express views concerning the development and administration of such plan;

(4) the independent State body will provide an inventory of existing public and private services for children, youth and their families and will evaluate the need for supportive services within the State to address the purposes of this chapter and determine the extent to which existing public and private programs meet such need;

(5) the independent State body will make such reports, in such form, and containing such information, as the Commissioner may require;

(6) such fiscal control and fund accounting procedures will be adopted as may be necessary to ensure proper disbursement of, and accounting for, Federal funds paid under this part to the chief executive officer of the State, including any such funds paid to the recipients of a grant or contract;

(7) the independent State body will conduct periodic evaluations of activities and projects carried out pursuant to this section and section 12338 of this title and will report the results and recommendations to the chief executive officer of the State and the State legislature;

(8) the chief executive officer of the State will provide technical assistance or in-service training opportunities for personnel responsible for carrying out the purposes of this section and section 12338 of this title; and

(9) the chief executive officer of each State will provide for the implementation of the requirements of section 12338 of this title, relating to supportive services.

(c) Use of grants to States

Notwithstanding section 12340(g) of this title, the amounts made available to each State under section 12340(a) of this title may be used to make grants to a State to enable such State to pay such percentages as the independent State body of such State determines to be appropriate, of the cost of administering the State plan of such State including—

(1) the costs of the preparation of such plan and the provision of technical assistance to local areas;

(2) the costs of the evaluation of activities carried out under such plan;

(3) the costs of the collection of data and the carrying out of analyses related to the need for supportive services within the State;
(4) the costs of the dissemination of information obtained under paragraph (3); and
(5) the costs of the provision of short-term training to personnel of public or nonprofit private agencies and organizations engaged in the operation of programs authorized by this part.

(e) Supplement not supplant

Amounts received by a State under this section and section 12338 of this title shall be used only to supplement, not to supplant, the amount of Federal, State, and local funds expended for the purposes for which grants are made under this section and section 12338 of this title. In no event shall such expenditures be used to satisfy the matching requirements of any other Federal program.

(f) Relationship to family resource and support program grants

If a State intends to apply for a grant under section 12339 of this title to be used for the same calendar year as the grant under this section, such State shall include in the application for a grant under this section a description of plans for family resource and support programs and for the coordination of the use of all funds received under this part.


§12338. Supportive services

(a) Authority

The Commissioner shall carry out a program for making grants to a State, that has designated an independent State body under section 12336 of this title and provided for coordinated services under section 12337 of this title, for distribution by the chief executive officer under a State plan approved under section 12337 of this title to demonstrate successful program approaches to fill service gaps identified through State planning and advocacy efforts for families; State coordination; supportive services and section 12338 of this title, relating to grants to States for purpose of implementing family resource and support programs.

(b) Eligible services

The services eligible to be provided under subsection (a) are services—
(1) that are designed to facilitate the provision of comprehensive community based services that are efficient, coordinated, and readily available through such activities as case planning, case management, intake and assessment, and information and referral; and
(2) that serve any of the following purposes—
(A) provide adequate and safe physical shelter to young individuals and the families of such individuals, especially in emergency circumstances;
(B) provide transitional living services to young individuals who are homeless;
(C) enable young individuals to attain and maintain physical and mental well-being;
(D) provide health screening to detect or prevent illnesses, or both, that occur most frequently in young individuals as well as better treatment and counseling;
(E) enhance the development of children to ensure that such children enter school prepared and ready to learn;
(F) promote the highest quality of educational opportunity, especially through dropout prevention programs, remediation for young individuals who have dropped out of school, and vocational education;
(G) provide effective training apprenticeships and employment opportunities;
(H) promote participation in community service and civic, cultural, and recreational activities that value young individuals as resources and promote self-esteem and a stake in the community;
(I) promote the participation of young individuals in decisions concerning planning and managing the lives of such individuals;
(J) encourage young individuals and the families of such individuals to use any community facilities and services that are available to such individuals;
(K) ensure that young individuals who are unable to live with the biological families of such individuals have a safe place to live until such individuals can return home or move into independent adult life; and
(L) prevent the abuse, neglect, or exploitation of young individuals.


§12340. Authorization of appropriation and allotment

(a) Administration on Children, Youth, and Families; State coordination; supportive services

(1) Authorization of appropriations

There are authorized to be appropriated to carry out sections 12337 and 12338 of this title such sums as may be necessary for each of the fiscal years 1995 through 1998.

(2) Availability of appropriation

Of the amount appropriated under paragraph (1) for any fiscal year—
(A) not more than 10 percent shall be available to carry out section 12315 of this title; and
(B) not less than 90 percent shall be available to carry out sections 12337 and 12338 of this title.

So in original. No subsec. (d) has been enacted.

See References in Text note below.
(3) Allotment formula

Except as provided in paragraph (4), from the amount available under paragraph (2)(B) for each fiscal year, a State shall be allotted an amount that bears the same ratio to the amount appropriated for such fiscal year as the population of the State that is under the age of 21 bears to the population of all States that is under the age of 21.

(4) Exceptions

(A) In general

Except as provided in subparagraph (B) and subject to the availability of appropriations under paragraph (1), no State shall be allotted less than $300,000 under the formula established under paragraph (3).

(B) Limitation on allotment

Notwithstanding subparagraph (A), Guam, the Virgin Islands, the Trust Territory of the Pacific Islands, American Samoa, and the Commonwealth of the Northern Marianas Islands shall each be allotted not less than $75,000 under the formula established under paragraph (2).

(b) Determination of age

The number of individuals under the age of 21 in each State shall be determined by the Commissioner on the basis of the most recent data available to the Commissioner.

(c) Transfer of allotted funds

Whenever the Commissioner determines that—

(1) any amount allotted to a State for a fiscal year under section 12337 or 12338 of this title will not be used by such State for carrying out the purpose for which such allotment was made; or

(2) a State has failed to qualify under the State plan required under section 12335 of this title;

the Commissioner shall make such allotment available for carrying out such purposes to other participating States in a proportional manner based on the relative population of the State of individuals under the age of 21.


(e) Limitation

A State shall not use in excess of 10 percent of a grant awarded under section 12338 or 12339 1 of this title for administrative activities at the State level.

(f) Grants for Indians

The Commissioner shall use 1 percent of the amount appropriated under this section for each fiscal year to make allotments to Indian tribes and tribal organizations (such terms having the same meaning given to such terms in section 5304(b) and (c) 1 of title 25) that submit to the Commissioner a plan that meets criteria consistent with the provisions of this part and that comply with other requirements established by the Commissioner.

1 See References in Text note below.

(g) Limitation

Grants made under this subchapter may be used to pay not more than 80 percent of the cost of—

(1) the preparation, administration, and evaluation of State plans under section 12337 of this title;

(2) the development of comprehensive, efficient, coordinated supportive services under section 12338 of this title; and

(3) the development, expansion, and operation of local family support and resource programs under section 12339 1 of this title.

The remaining 20 percent of such cost shall be paid by the State with funds from non-Federal sources.


References in Text

Section 12339 of this title, referred to in subsecs. (e) and (g)(3), was repealed by Pub. L. 103–252, title IV, § 401(b)(1), May 18, 1994, 108 Stat. 672.

Section 5304 of title 25, referred to in subsec. (f), has been amended, and subsecs. (b) and (c) of section 5304 no longer define the terms “Indian tribe” and “tribal organization”. However, such terms are defined elsewhere in that section.

Amendments

1994—Subsec. (a)(1). Pub. L. 103–252, § 402(b)(1), amended par. (1) generally. Prior to amendment, text read as follows: “There are authorized to be appropriated to carry out sections 12315, 12337, and 12338 of this title, $30,000,000 for fiscal year 1991 and such sums as may be necessary for fiscal years 1992, 1993, and 1994. Funds appropriated under this paragraph shall remain available for expenditure in the fiscal year succeeding the fiscal year for which such funds are appropriated.”

Subsec. (d). Pub. L. 103–252, § 402(b)(2), struck out heading and text of subsec. (d). Text read as follows: “There are authorized to be appropriated to carry out section 12339 of this title, $30,000,000 for fiscal year 1991, and such sums as may be necessary for each of the fiscal years 1992 through 1994.”

Effective Date

Section effective Oct. 1, 1990, see section 1001(a) of Pub. L. 101–501, set out as an Effective Date of 1990 Amendment note under section 8621 of this title.

Termination of Trust Territory of the Pacific Islands

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

Part C—National Clearinghouse

§ 12351. Findings and purpose

(a) Findings

Congress finds that—

(1) fundamental changes in the demographics and economics of family life in the United States over the past 20 years have had a profound effect on children and their parents;

(2) since 1966, the number of women working outside the home has increased by 92 percent and the number of two earner families has increased by over 50 percent;

(3) 61 percent of the children born today will live in a single-parent family before reaching
the age of 20, with one out of every three single female heads of households living on income below the Federal poverty level;
(4) one out of every four children under the age of 6 in the United States currently lives below the Federal poverty level;
(5) over the past 10 years, parents have increasingly come together with other parents to organize family resource and support programs that promote healthy child development and increase parental competency, particularly families at risk; and
(6) Federal investment in promoting the development of family resource and support programs will reap long-term benefits for individual families and the nation as a whole.

(b) Purpose

It is the purpose of this part to—
(1) stimulate the development and expansion of family resource and support programs that are prevention oriented;
(2) encourage early intervention of such programs with families to ameliorate problem situations before such situations become crises; and
(3) assist parents in enhancing their children’s development to ensure that their children enter school prepared and ready to learn.


REFERENCES IN TEXT

This part, referred to in subsec. (b), was in the original “this Act”, and was translated as reading “this chapter”, meaning chapter 3 (§§ 955–960) of subtitle A of title IX of Pub. L. 101–501, known as the Family Resource and Support Programs’ means community-based services that offer sustained assistance to families at various stages in their development. Such services shall promote parental competencies and behaviors that will lead to the healthy and positive personal development of parents and children through—
(1) the provision of assistance to build family skills and assist parents in improving their capacities to be supportive and nurturing parents;
(2) the provision of assistance to families to enable such families to use other formal and informal resources and opportunities for assistance that are available within the communities of such families; and
(3) the creation of supportive networks to enhance the childrearing capacity of parents and assist in compensating for the increased social isolation and vulnerability of families.


1 See References in Text note below.
§ 12355. Authorization of appropriations

(a) Establishment of Center

To carry out section 12353 of this title, there are authorized to be appropriated $2,000,000 for each of the fiscal years 1996 through 1998.

(b) Evaluation

To carry out section 12354 of this title, there are authorized to be appropriated $1,000,000 for fiscal year 1995, and such sums as may be necessary for each of the fiscal years 1996 through 1998.


AMENDMENTS

1994—Subsec. (a). Pub. L. 103–252, § 403(b)(1), substituted “$2,000,000” for “$2,300,000 for fiscal year 1996 through 1998” for “$2,000,000 for fiscal year 1995, and such sums as may be necessary for each of the fiscal years 1996 through 1998”.

Subsec. (b). Pub. L. 103–252, § 403(b)(2), substituted “$1,000,000 for fiscal year 1995, and such sums as may be necessary for each of the fiscal years 1992 through 1994” for “$2,000,000 for fiscal year 1991, and such sums as may be necessary for each of the fiscal years 1992 through 1994”.

EFFECTIVE DATE

Section effective Oct. 1, 1990, see section 1001(a) of Pub. L. 101–501, set out as an Effective Date of 1990 Amendment note under section 8621 of this title.

SUBCHAPTER II—WHITE HOUSE CONFERENCE ON CHILDREN, YOUTH, AND FAMILIES

§ 12371. Findings

(a) Findings

The Congress finds that—

(1) children and youth are inherently our most valuable resource and their welfare, protection, healthy development, and positive role in society are essential to the Nation;

(2) children and youth deserve love, respect, and guidance, as well as good health, shelter, food, education, productive work, and preparation for responsible participation in community life;

(3) an increasing opportunity for children and youth to participate in the decisions that affect their lives is essential;

(4) the family is the primary caregiver and the source of social learning which must be supported and strengthened, but when families are unable to ensure the satisfaction of the needs of children and youth, it is society’s responsibility to assist them;

(5) at a minimum, all children and youth need and deserve access to—

(A) the best possible physical and mental health;

(B) adequate and safe physical shelter;

(C) the highest quality of educational opportunity;

(D) effective training, apprenticeships, opportunities for community service, and productive employment;

(E) the widest range of civic, cultural, and recreational activities which recognize young Americans as resources and promote self-esteem and a stake in their communities;

(F) comprehensive community services which are efficient, coordinated, and readily available; and

(G) genuine participation in decisions concerning the planning and managing of their lives; and

(6) there is a great need for a comprehensive national policy with respect to young individuals, designed to engage Federal, State, and local government agencies, youth organizations, and other voluntary organizations.

(b) Statement of policy

It is the policy of the Congress that the Federal Government should work jointly with the States and their citizens to develop recommendations and plans for action to meet the challenge and needs of young individuals.


EFFECTIVE DATE

Section effective Oct. 1, 1990, see section 1001(a) of Pub. L. 101–501, set out as an Effective Date of 1990 Amendment note under section 8621 of this title.

§ 12372. Authority of President and Secretary; final report

(a) Calling of Conference

The President shall call a White House Conference on Children, Youth, and Families in 1993 in order to develop recommendations for further action in the field of children, youth, and families which will further the policy set forth in section 12371(b) of this title. The Conference shall be planned and conducted under the direction of the Secretary in cooperation with the Commissioner and with the heads of such other Federal departments and agencies as are appropriate. Such assistance may include the assignment of personnel.

(b) Purposes of Conference

The purposes of the Conference shall be—

(1) to increase the public awareness of the value and needs of young individuals;

(2) to examine the well-being of young individuals as well as the problems which they face;

(3) to describe the extent to which young individuals with identified needs do not receive services to meet such needs;

(4) to determine the reasons why young individuals are not receiving needed services; and

(5) to develop such specific and comprehensive recommendations for executive and legislative action as may be appropriate to improve the well-being of youth and their families.

(c) Conference participants and delegates

(1) Participants

In order to carry out the purposes of the Conference, the Conference shall bring together—

(A) representatives of Federal, State, and local governments, including representatives of the Government Accountability Office;
(B) professionals who are working in the field of children, youth, and families; and
(C) representatives of the general public, particularly young individuals.

(2) Selection of delegates
The delegates to attend the Conference shall be selected without regard to political affiliation or past partisan activity and shall, to the best of the appointing authority’s ability, be representative of the spectrum of thought in the field of children, youth, and families.


AMENDMENTS

Effective Date
Section effective Oct. 1, 1990, see section 1001(a) of Pub. L. 101–501, set out as an Effective Date of 1990 Amendment note under section 8621 of this title.

§ 12373. Conference administration
(a) Administration
For purposes of carrying out this subchapter, the Secretary shall—

(1) request the cooperation and assistance of the heads of such other Federal departments and agencies as may be appropriate;

(2) furnish all reasonable assistance to State agencies administering programs related to children, youth and families, and to other appropriate organizations, to enable them to organize and conduct conferences in conjunction with the Conference;

(3) prepare and make available for public comment a proposed agenda for the Conference which reflects, to the greatest extent possible, the major issues facing children, youth, and families consistent with subsection (a);

(4) prepare and make available background materials which the Secretary deems necessary for the use of delegates to the Conference; and

(5) engage such additional personnel as may be necessary to carry out this section without regard to provisions of title 5 governing appointments in the competitive service, and without regard to chapter 51 and subchapter III of chapter 53 of title 5 as may be appropriate.

(b) Duties
The Secretary shall, in carrying out the Secretary’s responsibilities and functions under this section, ensure that—

(1) the conferences under subsection (a)(2) will be conducted so as to ensure broad participation of young individuals;

(2) the proposed agenda for the Conference under subsection (a)(3) is published in the Federal Register not less than 180 days before the beginning of the Conference and the proposed agenda is open for public comment for a period of not less than 60 days;

(3) the final agenda for the Conference, taking into consideration the comments received under paragraph (2), is published in the Federal Register and transmitted to the chief executive officers of the States not later than 30 days after the close of the public comment period provided for under paragraph (2);

(b) Duties
The Secretary shall, in carrying out the Secretary’s responsibilities and functions under this section, ensure that—

(1) request the cooperation and assistance of the heads of such other Federal departments and agencies as may be appropriate;

(2) furnish all reasonable assistance to State agencies administering programs related to children, youth and families, and to other appropriate organizations, to enable them to organize and conduct conferences in conjunction with the Conference;

(3) prepare and make available for public comment a proposed agenda for the Conference which reflects, to the greatest extent possible, the major issues facing children, youth, and families consistent with subsection (a);

(4) prepare and make available background materials which the Secretary deems necessary for the use of delegates to the Conference; and

(5) engage such additional personnel as may be necessary to carry out this section without regard to provisions of title 5 governing appointments in the competitive service, and without regard to chapter 51 and subchapter III of chapter 53 of title 5 as may be appropriate.

(b) Duties
The Secretary shall, in carrying out the Secretary’s responsibilities and functions under this section, ensure that—

(1) the conferences under subsection (a)(2) will be conducted so as to ensure broad participation of young individuals;

(2) the proposed agenda for the Conference under subsection (a)(3) is published in the Federal Register not less than 180 days before the beginning of the Conference and the proposed agenda is open for public comment for a period of not less than 60 days;

(3) the final agenda for the Conference, taking into consideration the comments received under paragraph (2), is published in the Federal Register and transmitted to the chief executive officers of the States not later than 30 days after the close of the public comment period provided for under paragraph (2);

(4) the personnel engaged under subsection (a)(5) shall be fairly balanced in terms of points of views represented and shall be appointed without regard to political affiliation or previous partisan activities;

(5) the recommendations of the Conference are not inappropriately influenced by any appointing authority or by any special interest, but will instead be the result of the independent judgment of the Conference; and

(6) to the extent practicable, current and adequate statistical data (including decennial census data) and other information on the well-being of young individuals in the United States are readily available, in advance of the Conference, to the delegates of the Conference, together with such information as may be necessary to evaluate Federal programs and policies relating to children and youth. In carrying out this subparagraph, the Secretary may make grants to, and enter into contracts with, public agencies and nonprofit private organizations.


Effective Date
Section effective Oct. 1, 1990, see section 1001(a) of Pub. L. 101–501, set out as an Effective Date of 1990 Amendment note under section 8621 of this title.

§ 12374. Conference committees
(a) Advisory committee
The Secretary shall establish an advisory committee to the Conference which shall include representatives from the Federal Council on Children, Youth, and Families, public agencies and nonprofit private organizations as appropriate.

(b) Other committees
The Secretary may establish such other committees, including technical committees, as may be necessary to assist in the planning, conducting, and reviewing of the Conference.

(c) Composition of committees
Each committee established under this section shall be composed of professionals and public members, and shall include individuals from low-income families and from minority groups.

(d) Compensation
Members of any committee established under this section (other than any officers or employees of the Federal Government), while attending conferences or meetings of the committee or otherwise serving at the request of the Secretary, shall be entitled to receive compensation at a rate to be fixed by the Secretary, but not to exceed the daily rate payable for GS–18 of the General Schedule under section 5332 of title 5 (including travel time). While away from their homes or regular places of business, such members may be allowed travel expenses, including per diem in lieu of subsistence, as authorized
under section 5703 of such title for persons employed intermittently in Federal Government service.


**Effective Date**

Section effective Oct. 1, 1990, see section 1001(a) of Pub. L. 101–501, set out as an Effective Date of 1990 Amendment note under section 8621 of this title.

**Termination of Advisory Committees**

Advisory committees established after Jan. 5, 1973, to terminate not later than the expiration of the 2-year period beginning on the date of their establishment, unless, in the case of a committee established by the President or an officer of the Federal Government, such committee is renewed by appropriate action prior to the expiration of such 2-year period, or in the case of a committee established by Congress, its duration is otherwise provided by law. See section 14 of Pub. L. 92–463, Oct. 6, 1972, 86 Stat. 776, set out in the Appendix to Title 5, Government Organization and Employees.

**References in Other Laws to GS–16, 17, or 18 Pay Rates**

References in laws to the rates of pay for GS–16, 17, or 18, or to maximum rates of pay under the General Schedule, to be considered references to rates payable under specified sections of Title 5, Government Organization and Employees, see section 529 [title I, §101(c)(1)] of Pub. L. 101–509, set out in a note under section 5376 of Title 5.

§12375. Report of Conference

(a) Proposed report

A proposed report of the Conference which shall include a statement of comprehensive coherent national policy on children, youth, and families together with recommendations for the implementation of such policy, shall be published and submitted to the chief executive officers of the States not later than 180 days following the date on which the Conference is adjourned. The findings and recommendations included in the published proposed report shall be available immediately to the public.

(b) Response to proposed report

The chief executive officers of the States, after reviewing and soliciting recommendations and comments on the proposed report of the Conference, shall submit to the Secretary, not later than 180 days after receiving such report, their views and findings on the recommendations of the Conference.

(c) Final report

Not later than 180 days after submission of the views and comments of the chief executive officers of the States, the Secretary shall—

(1) prepare a final report on the conference, which shall include—

(A) a statement of the policy and recommendations of the Conference;

(B) the views and comments of the chief executive officers of the States; and

(C) the recommendations of the Secretary, after taking into consideration the views and comments of such officers, for administrative and legislative action necessary to implement the recommendations of the Conference; and

(2) publish and transmit such report to the President and the chairman of the Committee on Education and Labor of the House of Representatives and chairman of the Committee on Labor and Human Resources of the Senate.


**Change of Name**

Committee on Labor and Human Resources of Senate changed to Committee on Health, Education, Labor, and Pensions of Senate by Senate Resolution No. 20, One Hundred Sixth Congress, Jan. 19, 1999.

**Effective Date**

Section effective Oct. 1, 1990, see section 1001(a) of Pub. L. 101–501, set out as an Effective Date of 1990 Amendment note under section 8621 of this title.

§12376. Definitions

For purposes of this subchapter—

(1) the term ‘‘Conference’’ means the 1993 White House Conference on Children, Youth, and Families; and

(2) the terms ‘‘child’’, ‘‘youth’’, and ‘‘young individual’’ means an individual who is less than 21 years of age.


**Effective Date**

Section effective Oct. 1, 1990, see section 1001(a) of Pub. L. 101–501, set out as an Effective Date of 1990 Amendment note under section 8621 of this title.

§12377. Authorization of appropriations

(a) Authorization

There are authorized to be appropriated such sums as may be necessary, for each of the fiscal years 1993 and 1994, to carry out this subchapter. Sums appropriated under this subsection shall remain available until the expiration of the 1-year period beginning on the date the Conference is adjourned. New spending authority or authority to enter into contracts as provided in this subchapter shall be effective only to the extent and in such amounts as are provided in advance in appropriations Acts.

(b) Return of unexpended funds

Any funds remaining upon the expiration of the 1-year period referred to in subsection (a) shall be returned to the Treasury of the United States and credited as miscellaneous receipts.


**Effective Date**

Section effective Oct. 1, 1990, see section 1001(a) of Pub. L. 101–501, set out as an Effective Date of 1990 Amendment note under section 8621 of this title.

CHAPTER 128—HYDROGEN RESEARCH, DEVELOPMENT, AND DEMONSTRATION PROGRAM

Sec. 12401. Finding, purposes, and definitions.

12402. Report to Congress.

1 So in original. Probably should be ‘‘mean’’. 
§ 12401. Title of Title 42—The Public Health and Welfare

1996—Title may be cited as the ‘Hydrogen Future Act of 1996’.

§ 12402. Report to Congress

(a) Not later than January 1, 1999, the Secretary shall transmit to Congress a detailed report on the status and progress of the programs authorized under this chapter.

(b) A report under subsection (a) shall include, in addition to any views and recommendations of the Secretary—

(1) an analysis of the effectiveness of the programs authorized under this chapter, to be prepared and submitted to the Secretary by the Hydrogen Technical Advisory Panel established under section 12407 of this title; and

(2) recommendations of the Hydrogen Technical Advisory Panel for any improvements in the program that are needed, including recommendations for additional legislation.

§ 12403. Hydrogen research and development

(a) Program

The Secretary shall conduct a hydrogen research and development program relating to production, storage, transportation, and use of hydrogen, with the goal of enabling the private sector to demonstrate the technical feasibility of using hydrogen for industrial, residential, transportation, and utility applications.

(b) Research

In conducting the program authorized by this section, the Secretary shall—

(1) give particular attention to developing an understanding and resolution of critical technical issues preventing the introduction of hydrogen into the marketplace;

(2) initiate or accelerate existing research in critical technical issues that will contribute to the development of more economic hydrogen production and use, including, but not limited to, critical technical issues with respect to production (giving priority to those production techniques that use renewable energy resources as their primary source of energy for hydrogen production), liquefaction, transmission, distribution, storage, and use (including use of hydrogen in surface transportation); and

(3) survey private sector hydrogen activities and take steps to ensure that research and development activities under this section do not displace or compete with the privately funded hydrogen research and development activities of United States industry.

(c) Innovative energy technologies

The Secretary is authorized to evaluate any reasonable new or improved technology, includ-
(d) Renewable energy systems; hybrid systems

The Secretary is authorized to evaluate any reasonable new or improved technology that could lead or contribute to, or demonstrate the utility of, advanced renewable energy systems or hybrid systems for use in isolated communities that currently import diesel fuel as the primary fuel for electric power production.

(e) Information

The Secretary is authorized to arrange for tests and demonstrations and to disseminate to researchers and developers information, data, and other materials necessary to support the research and development activities authorized under this chapter, consistent with section 12405 of this title.

(f) Federal funding

The Secretary shall carry out the research and development activities authorized under this section only through the funding of research and development proposals submitted by interested persons according to such procedures as the Secretary may require and evaluate on a competitive basis using peer review. Such funding shall be in the form of a grant agreement, procurement contract, or cooperative agreement (as those terms are used in chapter 63 of title 31).

(g) Non-Federal funding

The Secretary shall not consider a proposal submitted by a person from industry unless the proposal contains a certification that reasonable efforts to obtain non-Federal funding for the entire cost of the project have been made, and that such non-Federal funding could not be reasonably obtained. As appropriate, the Secretary shall require a commitment from non-Federal sources of at least 50 percent of the cost of the development portion of such a proposal.

(h) Prohibition on duplicative efforts

The Secretary shall not carry out any activities under this section that unnecessarily duplicate activities carried out elsewhere by the Federal Government or industry.

(i) Federal funding consistent with the Agreement on Subsidies and Countervailing Measures

The Secretary shall establish, after consultation with other Federal agencies, terms and conditions under which Federal funding will be provided under this chapter that are consistent with the Agreement on Subsidies and Countervailing Measures referred to in section 3511(d)(12) of title 19.

AMENDMENTS

1996—Pub. L. 104–271 amended section generally, substituting present provisions for provisions which stated in subsec. (a) the Secretary was to conduct a research and development program for development of a domestic hydrogen fuel production capability; subsec. (b) attention was to be given to research of critical technical issues; subsec. (c) renewable energy priority; subsec. (d) new technologies; and subsec. (e) gathering and dissemination of information to support research and development efforts.

FUEL CELLS

Pub. L. 104–271, title II, Oct. 9, 1996, 110 Stat. 3307, provided that:

"SEC. 201. INTEGRATION OF FUEL CELLS WITH HYDROGEN PRODUCTION SYSTEMS.

"(a) Not later than 180 days after the date of enactment of this section (Oct. 9, 1996), and subject to the availability of appropriations made specifically for this section, the Secretary of Energy shall solicit proposals for projects to prove the feasibility of integrating fuel cells with—

"(1) photovoltaic systems for hydrogen production; or

"(2) systems for hydrogen production from solid waste via gasification or steam reforming.

"(b) Each proposal submitted in response to the solicitation under this section shall be evaluated on a competitive basis using peer review. The Secretary is not required to make an award under this section in the absence of a meritorious proposals. [sic]

"(c) The Secretary shall give preference, in making an award under this section, to proposals that—

"(1) are submitted jointly from consortia including academic institutions, industry, State or local governments, and Federal laboratories; and

"(2) reflect proven experience and capability with technologies relevant to the systems described in subsections (a)(1) and (a)(2).

"(d) In the case of a proposal involving development or demonstration, the Secretary shall require a commitment from non-Federal sources of at least 50 percent of the cost of the development or demonstration portion of the proposal.

"(e) The Secretary shall establish, after consultation with other Federal agencies, terms and conditions under which Federal funding will be provided under this title that are consistent with the Agreement on Subsidies and Countervailing Measures referred to in section 101(d)(12) of the Uruguay Round Agreement Act (19 U.S.C. 3511(d)(12)).

"SEC. 202. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated, for activities under this section [title], a total of $50,000,000 for fiscal years 1997 and 1998, to remain available until September 30, 1999."

§ 12404. Demonstrations

(a) Requirement

The Secretary shall conduct demonstrations of critical technologies, preferably in self-contained locations, so that technical and non-technical parameters can be evaluated to best determine commercial applicability of the technology.

(b) Small-scale demonstrations

Concurrently with activities conducted pursuant to section 12403 of this title, the Secretary shall conduct small-scale demonstrations of hydrogen technology at self-contained sites.

(c) Non-Federal funding

The Secretary shall require a commitment from non-Federal sources of at least 50 percent of the cost of any demonstration conducted under this section.
§ 12405. Technology transfer program

(a) Program

The Secretary shall conduct a program designed to accelerate wider application of hydrogen production, storage, utilization, and other technologies available in near term as a result of aerospace experience as well as other research progress by transferring critical technologies to the private sector. The Secretary shall direct the program with the advice and assistance of the Hydrogen Technical Advisory Panel established under section 12407 of this title. The objective in seeking this advice is to increase participation of private industry in the demonstration of near commercial applications through cooperative research and development arrangements, joint ventures or other appropriate arrangements involving the private sector.

(b) Information

The Secretary, in carrying out the program authorized by subsection (a), shall—

(1) undertake an inventory and assessment of hydrogen technologies and their commercial capability to economically produce, store, or utilize hydrogen in aerospace, transportation, electric utilities, petrochemical, chemical, merchant hydrogen, and other industrial sectors; and

(2) develop a National Aeronautics Space Administration, Department of Energy, and industry information exchange program to improve technology transfer for—

(A) application of aerospace experience by industry;

(B) application of research progress by industry and aerospace;

(C) application of commercial capability of industry by aerospace; and

(D) expression of industrial needs to research organizations.

The information exchange program may consist of workshops, publications, conferences, and a data base for the use by the public and private sectors. The Secretary shall also foster the exchange of generic, nonproprietary information and technology, developed pursuant to this chapter, among industry, academia, and the Federal Government, to help the United States economy attain the economic benefits of this information and technology.


§ 12406. Coordination and consultation

(a) Secretary's responsibility

The Secretary shall have overall management responsibility for carrying out programs under this chapter. In carrying out such programs, the Secretary, consistent with such overall management responsibility—

(1) shall use the expertise of the National Aeronautics and Space Administration and the Department of Transportation; and

(2) may use the expertise of any other Federal agency in accordance with subsection (b) in carrying out any activities under this chapter, to the extent that the Secretary determines that any such agency has capabilities which would allow such agency to contribute to the purpose of this chapter.

(b) Assistance

The Secretary may, in accordance with subsection (a), obtain the assistance of any department, agency, or instrumentality of the Executive branch of the Federal Government upon written request, on a reimbursable basis or otherwise and with the consent of such department, agency, or instrumentality. Each such request shall identify the assistance the Secretary deems necessary to carry out any duty under this chapter.

(c) Consultation

The Secretary shall consult with the Administrator of the National Aeronautics and Space Administration, the Administrator of the Environmental Protection Agency, the Secretary of Transportation, and the Hydrogen Technical Advisory Panel established under section 12407 of this title in carrying out his authorities pursuant to this chapter.


REFERENCES IN TEXT

This chapter, the first time appearing in subsec. (a)(2), was in the original "this title", and was translated as reading "this Act" meaning Pub. L. 101–566, to reflect the probable intent of Congress, because Pub. L. 101–566 is not divided into titles.

§ 12407. Technical panel

(a) Establishment

There is hereby established the Hydrogen Technical Advisory Panel (the "technical panel"), to advise the Secretary on the programs under this chapter.

(b) Membership

The technical panel shall be appointed by the Secretary and shall be comprised of such representatives from domestic industry, universities, professional societies, Government laboratories, financial, environmental, and other organizations as the Secretary deems appropriate based on his assessment of the technical and other qualifications of such representatives. Appointments to the technical panel shall be made within 90 days after November 15, 1990. The technical panel shall have a chairman, who shall be elected by the members from among their number.

(c) Cooperation

The heads of the departments, agencies, and instrumentalities of the Executive branch of the

1 See References in Text note below.
Federal Government shall cooperate with the technical panel in carrying out the requirements of this section and shall furnish to the technical panel such information as the technical panel deems necessary to carry out this section.

(d) Review
The technical panel shall review and make any necessary recommendations to the Secretary on the following items—
1. the implementation and conduct of programs under this chapter; and
2. the economic, technological, and environmental consequences of the deployment of hydrogen production and use systems.

(e) Support
The Secretary shall provide such staff, funds and other support as may be necessary to enable the technical panel to carry out the functions described in this section.


Amendments
1996—Subsec. (d)(3). Pub. L. 104–271 struck out par. (3) which read as follows: “comments on and recommendations for improvements in the comprehensive 5-year program management plan required under section 12402 of this title.”

Termination of Advisory Panels
Advisory panels established after Jan. 5, 1973, to terminate not later than the expiration of the 2-year period beginning on the date of their establishment, unless, in the case of a panel established by the President or an officer of the Federal Government, such panel is renewed by appropriate action prior to the expiration of such 2-year period, or in the case of a panel established by Congress, its duration is otherwise provided for by law. See sections 3(2) and 14 of Pub. L. 92–463, Oct. 6, 1972, 86 Stat. 770, 776, set out in the Appendix to Title 5, Government Organization and Employees.

§ 12408. Authorization of appropriations
There is hereby authorized to be appropriated to carry out the purposes of this chapter (in addition to any amounts made available for such purposes under other Acts)—
1. $3,000,000 for the fiscal year 1992;
2. $7,000,000 for the fiscal year 1993;
3. $10,000,000 for the fiscal year 1994;
4. $14,500,000 for fiscal year 1996;
5. $20,000,000 for fiscal year 1997;
6. $25,000,000 for fiscal year 1998;
7. $30,000,000 for fiscal year 1999;
8. $35,000,000 for fiscal year 2000; and
9. $40,000,000 for fiscal year 2001.


Amendments
§ 12501

TITLE 42—THE PUBLIC HEALTH AND WELFARE

12601a. Transfer of funds; notice to Congress.
12602a. Certifications of successful completion of terms of service.
12603. Determination of the amount of the educational award from the Trust.
12604. Disbursement of educational awards.
12605. Repealed.
12606. Approval process for approved positions.

Division E—National Civilian Community Corps

12611. Purpose.
12612. Establishment of National Civilian Community Corps Program.
12613. National service program.
12614. Summer national service program.
12615. National Civilian Community Corps.
12616. Training.
12617. Service projects.
12618. Authorized benefits for Corps members.
12619. Administrative provisions.
12620. Status of Corps members and Corps personnel under Federal law.
12621. Contract and grant authority.
12622. Responsibilities of Department of Defense.
12623. Advisory Board.
12624. Evaluations.
12625. Repealed.
12626. Definitions.

Division F—Administrative Provisions

12631. Family and medical leave.
12632. Reports.
12633. Supplementation.
12634. Prohibition on use of funds.
12635. Nondiscrimination.
12636. Notice, hearing, and grievance procedures.
12637. Nonduplication and nondisplacement.
12638. State Commissions on National and Community Service.
12639. Evaluation.
12639a. Civic Health Assessment and volunteering research and evaluation.
12640. Engagement of participants.
12641. Contingent extension.
12642. Partnerships with schools.
12643. Rights of access, examination, and copying.
12644. Drug-free workplace requirements.
12644a. Availability of assistance.
12644b. Consolidated application and reporting requirements.
12645. Sustainability.
12645a. Grant periods.
12645b. Generation of volunteers.
12645c. Limitation on program grant costs.
12645d. Matching funds for severely economically distressed communities.
12645e. Audits and reports.
12645g. Criminal history checks.

Division G—Corporation for National and Community Service

12651. Corporation for National and Community Service.
12651a. Board of Directors.
12651b. Authorities and duties of the Board of Directors.
12651c. Chief Executive Officer.
12651d. Authorities and duties of the Chief Executive Officer.
12651e. Officers.
12651f. Employees, consultants, and other personnel.
12651g. Administration.
12651h. Corporation State offices.
12651i. VISTA Advance Payments Revolving Fund.
12651j. Assignment to State Commissions.

Sec.
12651k. Study of involvement of veterans.

Division H—Investment for Quality and Innovation

PART I—ADDITIONAL CORPORATION ACTIVITIES TO SUPPORT NATIONAL SERVICE

12652. Additional Corporation activities to support national service.
12653. Presidential awards for service.
12653a. ServeAmerica Fellowships.
12653b. Silver Scholarships and Encore Fellowships.
12653c. Repealed.

PART II—NATIONAL SERVICE RESERVE CORPS

12653d. National Service Reserve Corps.

PART III—SOCIAL INNOVATION FUNDS PILOT PROGRAM

12653e. National service programs clearinghouses.
12653f. Volunteer generation fund.

PART IV—NATIONAL SERVICE PROGRAMS CLEARINGHOUSES; VOLUNTEER GENERATION FUND

12653g. National service programs clearinghouses.
12653h. Volunteer generation fund.

PART V—NONPROFIT CAPACITY BUILDING PROGRAM

12653i. Nonprofit capacity building.

Division I—American Conservation and Youth Service Corps

12654. General authority.
12654a. Limitation on purchase of capital equipment.
12654b. State application.
12654c. Focus of programs.
12654d. Related programs.
12654e. Public lands or Indian lands.
12654f. Training and education services.
12654g. Repealed.
12654h. Preference for certain projects.
12654i. Age and citizenship criteria for enrollment.
12654k. Use of volunteers.
12654l. Repealed.
12654m. Living allowance.
12654n. Federal and State employee status.

Division J—Miscellaneous

12655. General authority.
12655a. Limitation on purchase of capital equipment.
12655b. State application.
12655c. Focus of programs.
12655d. Related programs.
12655e. Public lands or Indian lands.
12655f. Training and education services.
12655g. Repealed.
12655h. Preference for certain projects.
12655i. Age and citizenship criteria for enrollment.
12655j. Use of volunteers.
12655k. Repealed.
12655l. Living allowance.
12655m. Joint programs.
12655n. Federal and State employee status.

Division K—Training and Technical Assistance

12656. Urban Youth Corps.

Division L—Training and Technical Assistance

12657. Training and technical assistance.

SUBCHAPTER II—POINTS OF LIGHT FOUNDATION

12661 to 12664. Repealed.

SUBCHAPTER III—PROJECTS HONORING VICTIMS OF TERRORIST ATTACKS

12671. Projects.

SUBCHAPTER IV—AUTHORIZATION OF APPROPRIATIONS

12681. Authorization of appropriations.
12682. Actions under national service laws to be subject to availability of appropriations.

§ 12501. Findings and purpose

(a) Findings

The Congress finds the following:

(1) Throughout the United States, there are pressing unmet human, educational, environmental, and public safety needs.

(2) Americans desire to affirm common responsibilities and shared values, and join together in positive experiences, that transcend race, religion, gender, age, disability, region, income, and education.

(3) The rising costs of postsecondary education are putting higher education out of reach for an increasing number of citizens.
(4) Americans of all ages can improve their communities and become better citizens through service to the United States.

(5) Nonprofit organizations, local governments, States, and the Federal Government are already supporting a wide variety of national service programs that deliver needed services in a cost-effective manner.

(6) Residents of low-income communities, especially youth and young adults, can be empowered through their service, and can help provide future community leadership.

(b) Purpose

It is the purpose of this chapter to—

(1) meet the unmet human, educational, environmental, and public safety needs of the United States, without displacing existing workers;

(2) renew the ethic of civic responsibility and the spirit of community and service throughout the varied and diverse communities of the United States;

(3) expand educational opportunity by rewarding individuals who participate in national service with an increased ability to pursue higher education or job training;

(4) encourage citizens of the United States, regardless of age, income, geographic location, or disability, to engage in full-time or part-time national service;

(5) reinvent government to eliminate duplication, support locally established initiatives, require measurable goals for performance, and offer flexibility in meeting those goals;

(6) expand and strengthen existing national service programs with demonstrated experience in providing structured service opportunities with visible benefits to the participants and community;

(7) build on the existing organizational service infrastructure of Federal, State, and local programs, agencies, and communities to expand full-time and part-time service opportunities for all citizens;

(8) provide benefits to the communities in which national service is performed;

(9) expand and strengthen service-learning programs through year-round opportunities, including opportunities during the summer months, to improve the education of children and youth and to maximize the benefits of national and community service, in order to renew the ethic of civic responsibility and the spirit of community for children and youth throughout the United States;

(10) assist in coordinating and strengthening Federal and other service opportunities, including opportunities for participation in emergency and disaster preparedness, relief, and recovery;

(11) increase service opportunities for the Nation’s retiring professionals, including such opportunities for those retiring from the science, technical, engineering, and mathematics professions, to improve the education of the Nation’s youth and keep America competitive in the global knowledge economy, and to further utilize the experience, knowledge, and skills of older individuals;

(12) encourage the continued service of the alumni of the national service programs, including service in times of national need;

(13) encourage individuals age 55 or older to partake of service opportunities;

(14) focus national service on the areas of national need such service has the capacity to address, such as improving education, increasing energy conservation, improving the health status of economically disadvantaged individuals, and improving economic opportunity for economically disadvantaged individuals;

(15) recognize and increase the impact of social entrepreneurs and other nonprofit community organizations in addressing national and local challenges;

(16) increase public and private investment in nonprofit community organizations that are effectively addressing national and local challenges and encourage such organizations to replicate and expand successful initiatives;

(17) leverage Federal investments to increase State, local, business, and philanthropic resources to address national and local challenges;

(18) support institutions of higher education that engage students in community service activities and provide high-quality service-learning opportunities; and

(19) recognize the expertise veterans can offer to national service programs, expand the participation of the veterans in the national service programs, and assist the families of veterans and members of the Armed Forces on active duty.


REFERENCES IN TEXT

This chapter, referred to in subsec. (b), was in the original “this Act”, meaning Pub. L. 101–610, Nov. 16, 1990, 104 Stat. 3127, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out below and Tables.

AMENDMENTS

2009—Subsec. (b)(2). Pub. L. 111–13, § 1101(1), substituted “community and service throughout the varied and diverse communities of” for “community throughout”.


Subsec. (b)(7). Pub. L. 111–13, § 1101(4)(A), substituted “programs, agencies, and communities” for “programs and agencies”.

Subsec. (b)(9) to (19). Pub. L. 111–13, § 1101(4)(B)–(6), added paras. (9) to (19).

1993—Pub. L. 103–82 amended section generally, substituting provisions relating to findings and purposes for former provisions setting forth the purposes of this chapter.

EFFECTIVE DATE OF 2009 AMENDMENT


SHORT TITLE OF 2009 AMENDMENT

Pub. L. 111–13, § 1(a), Apr. 21, 2009, 123 Stat. 1460, provided that: “This Act [see Tables for classification] may be cited as the ‘Serve America Act’.”

SHORT TITLE OF 2002 AMENDMENT

III of this chapter] may be cited as the ‘Unity in the Spirit of America Act’ or the ‘USA Act’.

**SHORT TITLE OF 1994 AMENDMENT**

Pub. L. 103–304, §1, Aug. 23, 1994, 108 Stat. 1565, provided that: “This Act [amending sections 4953, 5024, 12591, 12592, 12615, 12616, 12622, 12651d, 12653, and 12655n of this title and enacting provisions set out as a note under section 4953 of this title] may be cited as the ‘King Holiday and Service Act of 1994’.”

**SHORT TITLE OF 1993 AMENDMENT**


**SHORT TITLE OF 1992 AMENDMENT**

Pub. L. 102–10, §1, Mar. 12, 1991, 105 Stat. 29, provided that: “This Act [amending sections 2451 to 2454 of this title, and enacting provisions set out as notes under this section and section 24301 of Title 49, Transportation] may be cited as the ‘National and Community Service Technical Amendment Act of 1992’.”

**SHORT TITLE OF 1991 AMENDMENT**

Pub. L. 101–610, §1(a), Nov. 16, 1990, 104 Stat. 3127, provided that: “This Act [enacting section 12645 of this title, amending sections 5091m, 12511, 12522, 12523, 12527, 12531, 12542 to 12544, 12553, 12575, 12576, 12602, 12638, and 12651 of this title, and repealing section 12556 of this title] may be cited as the ‘National and Community Service Technical Amendments Act of 1991’.”

**SHORT TITLE**

Pub. L. 101–610, title I, subtitle B (§§110–118), Nov. 16, 1990, 104 Stat. 3132, which provided that: “This Act [enacting section 12645 of this title, amending sections 5091m, 12511, 12522, 12523, 12524, 12527, 12531, 12542 to 12544, 12548, 12553, 12575, 12576, 12602, 12638, and 12651 of this title, and repealing section 12556 of this title] may be cited as the ‘National and Community Service Technical Amendments Act of 1990’.”


Pub. L. 101–610, title I, subtitle D (§§140–150), Nov. 16, 1990, 104 Stat. 3155, which provided that such subtitle (enacting former part D (§§12571–12580) of subchapter I of this chapter) be cited as the ‘National and Community Service Act’, was omitted in the general amendment of part D (now division D) by Pub. L. 103–82, title I, §102(a), Sept. 21, 1993, 107 Stat. 786.


**COMPLIANCE WITH BUY AMERICAN ACT**

Pub. L. 103–82, title V, §501, Sept. 21, 1993, 107 Stat. 922, provided that: “No funds appropriated pursuant to this Act (see Tables for classification) (including the amendments made by this Act) may be expended by an entity unless the entity agrees that in expending the assistance the entity will comply with sections 2 through 4 of the Act of March 3, 1933 (41 U.S.C. 10a–10c; popularly known as the ‘Buy America Act’ [see 41 U.S.C. 8301 et seq.]).”

**SENSE OF CONGRESS; REQUIREMENT REGARDING NOTICE**

Pub. L. 103–82, title V, §502, Sept. 21, 1993, 107 Stat. 923, provided that: “(a) PURCHASE OF AMERICAN-MADE EQUIPMENT AND PRODUCTS.—In the case of any equipment or product that may be authorized to be purchased with financial assistance provided under this Act (see Tables for classification) (including the amendments made by this Act), it is the sense of the Congress that entities receiving such assistance should, in expending the assistance, purchase only American-made equipment and products.

(b) NOTICE TO RECIPIENTS OF ASSISTANCE.—In providing financial assistance under this Act (including the amendments made by this Act), the Secretary of Education shall provide to each recipient of the assistance a notice describing the statement made in subsection (a) by the Congress.”

**PROHIBITION OF CONTRACTS WITH PERSONS FALSELY LABELING PRODUCTS AS MADE IN AMERICA**

Pub. L. 103–82, title V, §503, Sept. 21, 1993, 107 Stat. 923, provided that: “If it has been finally determined by a court or Federal agency that any person intentionally affixed a label bearing a ‘Made in America’ inscription, or any inscription with the same meaning, to any product sold in or shipped to the United States that is not made in the United States, the person shall be ineligible to receive any contract or subcontract made with funds appropriated to carry out this Act, pursuant to the debarment, suspension, and ineligibility procedures described in sections 9.400 through 9.409 of title 48, Code of Federal Regulations.”

**EX. OR. NO. 13254, ESTABLISHING THE USA FREEDOM CORPS**


By the authority vested in me as President by the Constitution and the laws of the United States of America, it is hereby ordered as follows:

**SECTION 1. Policy.** Building on our Nation’s rich tradition of citizen service, this Administration’s policy is to foster a culture of responsibility, service, and citizenship by promoting, expanding, and enhancing public service opportunities for Americans and other people and opportunities readily available to citizens from all geographic areas, professions, and walks of life. More specifically, this Administration encourages all Americans to serve their country for the equivalent of at least 2 years (4,000 hours) over their lifetimes. Toward those ends, the executive departments, agencies, and offices constituting the USA Freedom Corps shall coordinate and strengthen Federal and other service opportunities, including opportunities for participation in homeland security preparedness and response, other areas of public and social service, and international service. The executive branch departments, agencies, and offices also will work with State and local governments and private entities to foster and encourage participation in public and social service programs, as appropriate.

**SECTION 2. USA Freedom Corps.** The USA Freedom Corps shall be an interagency initiative, bringing together executive branch departments, agencies, and offices with public service programs and components, including but not limited to programs and components with the following functions:
(i) recruiting, mobilizing, and encouraging all Americans to engage in public service;
(ii) providing concrete opportunities to engage in public service;
(iii) providing the public with access to information about public service opportunities through Federal programs and elsewhere; and
(iv) providing recognition and awards to volunteers and other participants in public service programs.

Sect. 3. USA Freedom Corps Council. (a) Establishment and Mission. There shall be a USA Freedom Corps Council (Council) chaired by the President and composed of heads of executive branch departments, agencies, and offices, which shall have the following functions:
(i) serving as a forum for Federal officials responsible for public service programs to coordinate and improve public service programs and activities administered by the executive branch;
(ii) working to encourage all Americans to engage in public service, whether through Federal programs or otherwise;
(iii) advising the President and heads of executive branch departments, agencies, and offices concerning the optimization of current Federal programs to enhance public service opportunities;
(iv) coordinating public outreach and publicity of citizen service opportunities provided by Federal programs;
(v) encouraging schools, universities, private public service organizations, and other non-Federal entities to foster and reward public service;
(vi) studying the availability of public service opportunities provided by the Federal Government and elsewhere; and
(vii) tracking progress in participation in public service programs.

(b) Membership. In addition to the Chair, the members of the Council shall be the heads of the executive branch departments, agencies, and offices listed below, or their designees, and such other officers of the executive branch as the President may from time to time designate. Every member of the Council or designee shall be a full-time or permanent part-time officer or employee of the Federal Government. Members shall not be compensated for their service on the Council in addition to the salaries they receive as employees or officers of the Federal Government.
(i) Vice President;
(ii) Attorney General;
(iii) Secretary of State;
(iv) Secretary of Health and Human Services;
(v) Secretary of Commerce;
(vi) Secretary of Education;
(vii) Secretary of Veterans Affairs;
(viii) Secretary of Homeland Security;
(ix) Chief Executive Officer of the Corporation for National and Community Service;
(x) Director of the Peace Corps;
(xi) Administrator of the United States Agency for International Development;
(xii) Director of the USA Freedom Corps Office; and
(xiii) Director of the Office of Faith-Based and Community Initiatives.

(c) Chair. The President shall be the Chair of the USA Freedom Corps Council, and in his absence, the Vice President shall serve as Chair. The Director of the USA Freedom Corps Office may, at the President’s direction, preside over meetings of the Council in the President’s and Vice President’s absence.

(d) Honorary Co-Chair. The President may, from time to time, designate an Honorary Co-Chair or Co-Chairs, who shall serve in an advisory role to the Council and to the President on matters considered by the Council. Any Honorary Co-Chair shall be a full-time or permanent part-time employee or officer of the Federal Government.

(e) Meetings. The Council shall meet at the President’s direction. The Director of the USA Freedom Corps Office shall be responsible, at the President’s direction, for determining the agenda, ensuring that necessary papers are prepared, and recording Council actions and Presidential decisions.

(f) Responsibilities of Executive Branch Departments, Agencies, and Offices.
(i) Members of the Council shall remain responsible for overseeing the programs administered by their respective departments, agencies, and offices. Each such department, agency, and office will retain the authority and responsibility to administer those programs according to law;
(ii) Each executive branch department, agency, or office with responsibility for programs relating to the functions and missions of the USA Freedom Corps as described in section 2 of this order shall be responsible for identifying those public service opportunities and coordinating with the USA Freedom Corps Council to ensure that such programs are, if appropriate, publicized and encouraged by the Council; and
(iii) Upon the request of the Chair, and to the extent permitted by law, the heads of executive branch departments and agencies shall provide the Council with relevant information.

Sect. 4. USA Freedom Corps Office. (a) General. The USA Freedom Corps also shall be supported by a USA Freedom Corps Office (Office), which shall be a component of the White House Office. The USA Freedom Corps Office shall have a Director who shall be appointed by the President. The Director shall be assisted by an appropriate staff within the White House Office.

(b) Presidential Recognition to Participants in USA Freedom Corps Programs. In addition to supporting and facilitating the functions of the Council listed in section 3 of this order, the Office shall support the President in providing recognition to volunteers and other participants in programs and activities relating to the functions and missions of the USA Freedom Corps as described in section 2 of this order.

Sect. 5. General Provisions. (a) The White House Office shall provide the Council and Office with such funding and administrative support, to the extent permitted by law and subject to the availability of appropriations, as directed by the Chief of Staff to the President to carry out the provisions of this order.

(b) This order does not alter the existing authorities or roles of executive branch departments, agencies, or offices. Nothing in this order shall supersede any requirement made by or under law.

(c) This order does not create any right or benefit, substantive or procedural, enforceable at law or equity, against the United States, its departments, agencies, or other entities, its officers or employees, or any other person.

GEORGE W. BUSH.

EX. ORD. NO. 13331. NATIONAL AND COMMUNITY SERVICE PROGRAMS
Ex. Ord. No. 13331, Feb. 27, 2004, 69 F.R. 9911, provided:
By the authority vested in me as President by the Constitution and the laws of the United States of America, and to strengthen the ability of programs authorized under the national service laws to build and reinforce a culture of service, citizenship, and responsibility throughout our Nation, and to institute reforms to improve accountability and efficiency in the administration of those programs, it is hereby ordered as follows:

SECTION 1. Definitions. For purposes of this order:
(a) “National service laws” means the National and Community Service Act of 1990 (42 U.S.C. 12501 et seq.) and the Domestic Volunteer Service Act of 1973 (42 U.S.C. 4990 et seq.);
(b) “National and community service programs” means those programs authorized under the national service laws;
(c) “Policies governing programs authorized under the national service laws” refers to all policies, programs, guidelines, and regulations, including official guidance and internal agency procedures and practices, that are issued by the Corporation for National and
Executive Officer should address, at a minimum, the following objectives:

- National and community service programs should support and encourage greater engagement of American volunteers;
- National and community service programs should be more responsive to State and local needs;
- National and community service programs should make Federal support more accountable and more effective; and
- National and community service programs should expand opportunities for involvement of faith-based and other community organizations.

**Sect. 3. Agency Implementation.** (a) The Chief Executive Officer of the Corporation for National and Community Service (Chief Executive Officer) shall, in coordination with the USA Freedom Corps Council, review and evaluate existing policies governing national and community service programs in order to assess the consistency of such policies with the fundamental principles and policymaking criteria described in section 2 of this order.

(b) The Chief Executive Officer shall ensure that all policies governing national and community service programs issued by the Corporation are consistent with the fundamental principles and policymaking criteria described in section 2 of this order. To that end, the Chief Executive Officer shall, to the extent permitted by law, amend all such existing policies to ensure that they are consistent with the fundamental principles and policymaking criteria articulated in section 2 of this order; and

(c) In developing implementation steps, the Chief Executive Officer should address, at a minimum, the following objectives:

- National and community service programs should leverage Federal resources to maximize support from the private sector and from State and local governments, with an emphasis on reforms that enhance programmatic flexibility, reduce administrative burdens, and calibrate Federal assistance to the respective needs of recipient organizations;
- National and community service programs should leverage Federal resources to enable the recruitment and effective management of a larger number of volunteers than is currently possible;
- National and community service programs should increase efforts to expand opportunities for, and strengthen the capacity of, faith-based and other community organizations in building and strengthening an infrastructure to support volunteers that meet community needs;
- National and community service programs should adopt performance measures to identify those practices that merit replication and further investment, as well as to ensure accountability;
- National and community service programs should, consistent with the principles of Federalism and the constitutional role of the States and Indian tribes, promote innovation, flexibility, and results at all levels of government;
- National and community service programs based in schools should employ tutors who meet required paraprofessional qualifications, and use such practices and methodologies as are required for supplemental educational services;
- National and community service programs should foster a lifetime of citizenship and civic engagement among those who serve;
- National and community service programs should avoid or eliminate practices that displace volunteers who are not supported under the national service laws; and
- Guidelines for the selection of national and community service programs should recognize the importance of professional corps programs in light of the fundamental principles and policymaking criteria set forth in this order.

**Sect. 4. Management Reforms.** (a) The Corporation should implement internal management reforms to strengthen its oversight of national and community service programs through enforcement of performance and compliance standards and other management tools.

(b) Management reforms should include, but should not be limited to, the following:

- Institutionalized changes to the budgetary and grant-making processes to ensure that financial commitments remain within available resources;
- Enhanced accounting and management systems that would ensure compliance with fiscal restrictions and provide timely, accurate, and readily available information about enrollment in AmeriCorps and about funding and obligations incurred for all national and community service programs;
- Assurance by the Chief Executive Officer and the Chief Financial Officer in the Corporation's Management Representation Letter that its financial statements, including the Statement of Budgetary Resources, are accurate and reliable; and
- Management reforms that tie employee performance to fiscal responsibility, attainment of management goals, and professional conduct.

**Sect. 5. Report.** Within 180 days after the date of this order, the Chief Executive Officer shall report to the President, through the Assistant to the President and Director of the USA Freedom Corps Office, the actions the Corporation proposes to undertake to accomplish the objectives set forth in this order.

**Sect. 6. Judicial Review.** This order is not intended to, and does not, create any right or benefit, substantive or procedural, enforceable at law or in equity by a party against the United States, its departments, agencies, or other entities, its officers or employees, or any other person.

**GeorGe W. Bush.**

**Expanding National Service Through Partnerships To Advance Government Priorities**

Memorandum of President of the United States, July 15, 2013, 78 S.C. 43747, provided:

**Memorandum for the Heads of Executive Departments and Agencies**

Service has always been integral to the American identity. Our country was built on the belief that all of us, working together, can make this country a better place for all. That spirit remains as strong and integral to our identity today as at our country’s founding. Since its creation 20 years ago, the Corporation for National and Community Service (CNCS) has been the Federal agency charged with leading and expanding national service. The Edward M. Kennedy Serve America Act of 2009 (SAA) expanded CNCS’s authority to create opportunities for more Americans to serve. This landmark, bipartisan legislation focuses national service on six areas: emergency and disaster services; economic opportunity; education; environmental stewardship; healthy futures; and veterans and military families. The SAA provides greater opportunities for CNCS to partner with other executive departments and agencies (agencies) and with the private sector to utilize national service to address these critical areas.

National service and volunteering can be effective solutions to national challenges and can have positive and lasting impacts that reach beyond the immediate service experience. Americans engaged in national
service make an intensive commitment to tackle unmet national and local needs by working through non-profit, faith-based, and community organizations. Solutions can help Americans gain valuable skills, pursue higher education, and jumpstart their careers, which can provide immediate and long-term benefits to those individuals, as well as the communities in which they serve.

Americans are ready and willing to serve. Applications from Americans seeking to engage in national service programs far exceed the number of available positions. By creating new partnerships between agencies and CNCS that expand national service opportunities in areas aligned with agency missions, we can utilize the American spirit of service to improve lives and communities, expand economic and educational opportunities, enhance agencies’ capacity to achieve their missions, efficiently use tax dollars, help individuals develop skills that will enable them to prepare for long-term careers, and build a pipeline to employment inside and outside the Federal Government.

Therefore, by the authority vested in me as President by the Constitution and the laws of the United States of America, and in order to expand the positive impact of national service, I hereby direct the following:

SECTION 1. Establishing a Task Force on Expanding National Service. There is established a Task Force on Expanding National Service, to be co-chaired by the Chief Executive Officer of CNCS and the Director of the Domestic Policy Council, which shall include representatives from agencies and offices that administer programs and develop policies that include the six focus areas set forth in the SAA. The Task Force shall include representatives from:

(a) the Department of Defense;
(b) the Department of Justice;
(c) the Department of the Interior;
(d) the Department of Agriculture;
(e) the Department of Commerce;
(f) the Department of Labor;
(g) the Department of Health and Human Services;
(h) the Department of Housing and Urban Development;
(i) the Department of Transportation;
(j) the Department of Energy;
(k) the Department of Education;
(l) the Department of Veterans Affairs;
(m) the Department of Homeland Security;
(n) the Peace Corps;
(o) the National Science Foundation;
(p) the Office of Personnel Management;
(q) the Environmental Protection Agency;
(r) the White House Office of Cabinet Affairs; and
(e) such other agencies and offices as the co-chairs may designate.

SIRC. 2. Mission and Function of the Task Force. (a) The Task Force shall:

(i) identify existing, and, if appropriate, recommend new, policies or practices that support the expansion of national service and volunteer opportunities that align with the SAA and agency priorities;

(ii) make recommendations on the most effective way to coordinate national service and volunteering programs across the Federal Government;

(iii) identify and develop opportunities for inter-agency agreements between CNCS and other agencies to support the expansion of national service and volunteering;

(iv) identify and develop public-private partnerships to support the expansion of national service and volunteering;

(v) identify and develop strategies to use innovation and technology to facilitate the ability of the public to participate in national service and volunteering activities; and

(vi) develop a mechanism to evaluate the effectiveness and cost-effectiveness of national service and volunteering interventions in achieving agency priorities, and aggregate and disseminate the results of that evaluation.

(b) Within 18 months of the date of this memorandum, the Task Force shall provide the President with a report on the progress made with respect to the functions set forth in subsection (a) of this section.

SIRC. 3. Facilitating National Service and Volunteering Partnerships. (a) Each agency on the Task Force shall:

(i) within 180 days of the date of this memorandum, consult with CNCS about how existing authorities and CNCS programs can be used to enter into interagency and public-private partnerships that allow for meaningful national service and volunteering opportunities, including participating in AmeriCorps, and help the agency achieve its mission;

(ii) work with CNCS to evaluate the effectiveness and cost-effectiveness of such partnerships; and

(iii) work with CNCS to identify ways in which the agency’s national service participants and volunteers can develop transferable skills, and also how national service can serve as a pipeline to employment inside and outside the Federal Government.

(b) Where practicable, agencies may consider entering into interagency agreements with CNCS to share program development and funding responsibilities, as authorized under 42 U.S.C. 12511(b)(1).

SIRC. 4. Recruitment of National Service Participants in the Civilian Career Services. In order to provide national service participants a means to pursue additional opportunities to continue their public service through career civilian service, the Office of Personnel Management shall, within 120 days of the date of this memorandum, issue guidance to agencies on developing and improving Federal recruitment strategies for participants in national service.

SIRC. 5. General Provisions. (a) Nothing in this memorandum shall be construed to impair or otherwise affect:

(i) the authority granted by law or Executive Order to an agency, or the head thereof; or

(ii) the functions of the Director of the Office of Management and Budget relating to budgetary, administrative, or legislative proposals.

(b) This memorandum shall be implemented consistent with applicable law and subject to the availability of appropriations.

(c) This memorandum is not intended to, and does not, create any right or benefit, substantive or procedural, enforceable at law or in equity by any party against the United States, its departments, agencies, or entities, its officers, employees, or agents, or any other person.

(d) The Chief Executive Officer of CNCS is hereby authorized and directed to publish this memorandum in the Federal Register.

BARACK OBAMA.

SUBCHAPTER I—NATIONAL AND COMMUNITY SERVICE STATE GRANT PROGRAM

Division A—General Provisions

§ 12511. Definitions

For purposes of this subchapter:

(1) Adult volunteer

The term “adult volunteer” means an individual, such as an older adult, an individual with a disability, a parent, or an employee of a business or public or private nonprofit organization, who—

(A) works without financial remuneration in an educational institution to assist students or out-of-school youth; and

(B) is beyond the age of compulsory school attendance in the State in which the educational institution is located.

(2) Alaska Native-serving institution

The term “Alaska Native-serving institution” has the meaning given the term in section 1059d(b) of title 20.
§ 12511

(3) Approved national service position

The term “approved national service position” means a national service position for which the Corporation has approved the provision of a national service educational award described in section 12603 of this title as one of the benefits to be provided for successful service in the position.

(4) Approved silver scholar position

The term “approved silver scholar position” means a position, in a program described in section 12653(c)(8) of this title, for which the Corporation has approved the provision of a silver scholarship educational award as one of the benefits to be provided for successful service in the position.

(5) Approved summer of service position

The term “approved summer of service position” means a position, in a program described in section 12663(c)(8) of this title, for which the Corporation has approved the provision of a summer of service educational award as one of the benefits to be provided for successful service in the position.

(6) Asian American and Native American Pacific Islander-serving institution

The term “Asian American and Native American Pacific Islander-serving institution” means an American Pacific Islander-serving institution as one of the benefits to be provided for successful service in the position.

(7) Authorizing committees

The term “authorizing committees” means the Committee on Education and Labor of the House of Representatives and the Committee on Education and Labor of the Senate.

(8) Carry out

The term “carry out”, when used in connection with a national service program, means the planning, establishment, operation, expansion, or replication of the program.

(9) Chief Executive Officer

The term “Chief Executive Officer”, except when used to refer to the chief executive officer of a State, means the Chief Executive Officer of the Corporation appointed under section 12572 of this title.

(10) Community-based agency

The term “community-based agency” means a private nonprofit organization (including a church or other religious entity) that—

(A) is representative of a community or a significant segment of a community; and

(B) is engaged in meeting human, educational, environmental, or public safety community needs.

(11) Community-based entity

The term “community-based entity” means a public or private nonprofit organization that—

(A) has experience with meeting unmet human, educational, environmental, or public safety needs; and

(B) meets other such criteria as the Chief Executive Officer may establish.

(12) Corporation

The term “Corporation” means the Corporation for National and Community Service established under section 12651 of this title.

(13) Disadvantaged youth

The term “disadvantaged youth” includes those youth who are economically disadvantaged and 1 or more of the following:

(A) Who are out-of-school youth, including out-of-school youth who are unemployed.

(B) Who are in or aging out of foster care.

(C) Who have limited English proficiency.

(D) Who are homeless or who have run away from home.

(E) Who are at-risk to leave secondary school without a diploma.

(F) Who are former juvenile offenders or at risk of delinquency.

(G) Who are individuals with disabilities.

(14) Economically disadvantaged

The term “economically disadvantaged” means, with respect to an individual, an individual who is determined by the Chief Executive Officer to be low-income according to the latest available data from the Department of Commerce.

(15) Elementary school

The term “elementary school” has the same meaning given such term in section 7801 of title 20.

(16) Encore service program

The term “encore service program” means a program, carried out by an eligible entity as described in subsection (a), (b), or (c) of section 12572 of this title, that—

(A) involves a significant number of participants age 55 or older in the program; and

(B) takes advantage of the skills and experience that such participants offer in the design and implementation of the program.

(17) Hispanic-serving institution

The term “Hispanic-serving institution” has the same meaning given such term in section 1101a(a) of title 20.

(18) Historically black college or university

The term “historically black college or university” means a part B institution, as defined in section 1061 of title 20.

(19) Indian

The term “Indian” means a person who is a member of an Indian tribe, or is a “Native”, as defined in section 1602(b) of title 43.

(20) Indian lands

The term “Indian lands” means any real property owned by an Indian tribe, any real property held in trust by the United States for an Indian or Indian tribe, and any real property held by an Indian or Indian tribe that is subject to restrictions on alienation imposed by the United States.

(21) Indian tribe

The term “Indian tribe” means—

(A) an Indian tribe, band, nation, or other organized group or community, including—

(i) any Native village, as defined in section 1602(c) of title 43, whether organized
traditionally or pursuant to the Act of June 18, 1934 (commonly known as the “Indian Reorganization Act”); 48 Stat. 984, chapter 576; 25 U.S.C. 461 et seq.;\(^1\) and
(ii) any Regional Corporation or Village Corporation, as defined in subsection (g) or (j), respectively, of section 1602 of title 43, that is recognized as eligible for the special programs and services provided by the United States under Federal law to Indians because of their status as Indians; and
(B) any tribal organization controlled, sanctioned, or chartered by an entity described in subparagraph (A).

(22) Individual with a disability
Except as provided in section 12635(a) of this title, the term “individual with a disability” has the meaning given the term in section 705(20)(B) of title 29.

(23) Institution of higher education
The term “institution of higher education” has the same meaning given such term in section 254b(b)(3) of this title.

(24) Local educational agency
The term “local educational agency” has the same meaning given such term in section 7801 of title 20.

(25) Medically underserved population
The term “medically underserved population” has the meaning given that term in section 1059f(b) of title 20.

(26) National service laws
The term “national service laws” means this chapter and the Domestic Volunteer Service Act of 1973 (42 U.S.C. 4950 et seq.).

(27) Native American-serving, nontribal institution
The term “Native American-serving, nontribal institution” has the meaning given the term in section 1059(b) of title 20.

(28) Native Hawaiian-serving institution
The term “Native Hawaiian-serving institution” has the meaning given the term in section 1059d(b) of title 20.

(29) Out-of-school youth
The term “out-of-school youth” means an individual who—
(A) has not attained the age of 27;
(B) has not completed college or the equivalent thereof; and
(C) is not enrolled in an elementary or secondary school or institution of higher education.

(30) Participant
(A) In general
The term “participant” means—
(i) for purposes of division C, an individual in an approved national service position; and
(ii) for purposes of any other provision of this chapter, an individual enrolled in a program that receives assistance under this subchapter.

(B) Rule
A participant shall not be considered to be an employee of the organization receiving assistance under the national service laws through which the participant is engaging in service.

(31) Partnership program
The term “partnership program” means a program through which an adult volunteer, a public or private nonprofit organization, an institution of higher education, or a business assists a local educational agency.

(32) Predominantly Black Institution
The term “Predominantly Black Institution” has the meaning given the term in section 1059e of title 20.

(33) Principles of scientific research
The term “principles of scientific research” means principles of research that—
(A) apply rigorous, systematic, and objective methodology to obtain reliable and valid knowledge relevant to the subject matter involved;
(B) present findings and make claims that are appropriate to, and supported by, the methods that have been employed; and
(C) include, appropriate to the research being conducted—
(i) use of systematic, empirical methods that draw on observation or experiment;
(ii) use of data analyses that are adequate to support the general findings;
(iii) reliance on measurements or observational methods that provide reliable and generalizable findings;
(iv) strong claims of causal relationships, only with research designs that eliminate plausible competing explanations for observed results, such as, but not limited to, random-assignment experiments;
(v) presentation of studies and methods in sufficient detail and clarity to allow for replication or, at a minimum, to offer the opportunity to build systematically on the findings of the research;
(vi) acceptance by a peer-reviewed journal or critique by a panel of independent experts through a comparably rigorous, objective, and scientific review; and
(vii) consistency of findings across multiple studies or sites to support the generality of results and conclusions.

(34) Program
The term “program”, unless the context otherwise requires, and except when used as part of the term “academic program”, means a program described in section 12629(a) of this title (other than a program referred to in paragraph (3)(B) of such section), 12561a, or 12561b(1), or subsection (a), (b), or (c) of section 12572 of this title, or in paragraph (1) or (2) of section 12612(b) of this title, section 12653h of this title, or an activity that could be funded under section 12639a, 12653, 12653o, 12653p, or 12657 of this title.

\(^1\) See References in Text note below.
§ 12511
(35) Project
The term "project" means an activity, carried out through a program that receives assistance under this subchapter, that results in a specific identifiable service or improvement that otherwise would not be done with existing funds, and that does not duplicate the routine services or functions of the employer to whom participants are assigned.

(36) Qualified organization
The term "qualified organization" means a public or private nonprofit organization with experience working with school-age youth that meets such criteria as the Chief Executive Officer may establish.

(37) School-age youth
The term "school-age youth" means—
(A) individuals between the ages of 5 and 17, inclusive; and
(B) children with disabilities, as defined in section 602(3) of the Individuals with Disabilities Education Act (20 U.S.C. 1401(3)), who receive services under part B of such Act [20 U.S.C. 1411 et seq.].

(38) Scientifically valid research
The term "scientifically valid research" includes applied research, basic research, and field-initiated research in which the rationale, design, and interpretation are soundly developed in accordance with principles of scientific research.

(39) Secondary school
The term "secondary school" has the same meaning given such term in section 7801 of title 20.

(40) Service-learning
The term "service-learning" means a method—
(A) under which students or participants learn and develop through active participation in thoughtfully organized service that—
(i) is conducted in and meets the needs of a community;
(ii) is coordinated with an elementary school, secondary school, institution of higher education, or community service program, and with the community; and
(iii) helps foster civic responsibility; and
(B) that—
(i) is integrated into and enhances the academic curriculum of the students, or the educational components of the community service program in which the participants are enrolled; and
(ii) provides structured time for the students or participants to reflect on the service experience.

(41) Service-learning coordinator
The term "service-learning coordinator" means an individual who provides services as described in subsection (a)(3) or (b) of section 12523 of this title.

(42) Service sponsor
The term "service sponsor" means an organization, or other entity, that has been selected to provide a placement for a participant.

(43) State
The term "State" means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, the United States Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands.

(44) State Commission
The term "State Commission" means a State Commission on National and Community Service maintained by a State pursuant to section 12638 of this title. Except when used in section 12638 of this title, the term includes an alternative administrative entity for a State approved by the Corporation under such section to act in lieu of a State Commission.

(45) State educational agency
The term "State educational agency" has the same meaning given such term in section 7801 of title 20.

(46) Student
The term "student" means an individual who is enrolled in an elementary or secondary school or institution of higher education on a full- or part-time basis.

(47) Territory
The term "territory" means the United States Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands.

(48) Tribally controlled college or university
The term "tribally controlled college or university" has the meaning given such term in section 1801 of title 25.

(49) Veteran
The term "veteran" has the meaning given the term in section 101 of title 38.

REFERENCES IN TEXT
Act of June 18, 1934 (commonly known as the "Indian Reorganization Act"); 48 Stat. 941, chapter 576; 25 U.S.C. 461 et seq.), referred to in par. (21)(A)(i), is act June 18, 1934, ch. 576, 48 Stat. 941, which was classified generally to subchapter V (§461 et seq.) of chapter 14 of Title 25, Indians, prior to editorial reclassification as chapter 45 (§5101 et seq.) of Title 25. For complete classification of this Act to the Code, see Short Title note set out under section 5101 of Title 25 and Tables.

This chapter, referred to in pars. (26) and (30)(A)(ii), was in the original "this Act", meaning Pub. L. 101–610, Nov. 16, 1990, 104 Stat. 3127, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 12501 of this title and Tables.

Section 198G, referred to in par. (34), is unidentifiable in the original, since Pub. L. 101–510 does not contain a section 198G.

The Individuals with Disabilities Education Act, referred to in par. (37)(B), is title VI of Pub. L. 91–230, Apr. 13, 1970, 84 Stat. 175. Part B of the Act is classified generally to subchapter II (§1411 et seq.) of chapter 33 of Title 20, Education. For complete classification of this Act to the Code, see section 1400 of Title 20 and Tables.

AMENDMENTS

2015— Pars. (15), (24), (39), (45). Pub. L. 114–95 made technical amendment to reference to original act which appears in text as reference to section 7801 of title 20.

2009—Pub. L. 111–13, §1102(b), redesignated pars. (1) to (49) as (1), (3), (8), (9), (10), (12), (14), (15), (19), (20), (21), (22), (23), (24), (26), (29), (30), (31), (34), (36), (37), (39), (40), (41), (42), (43), (44), (45), (46), (47), (5), (6), (7), (11), (13), (16), (17), (18), (23), (27), (28), (32), (33), (36), (38), (47), (48), and (49), respectively, and rearranged pars. in numerical order.

Par. (3). Pub. L. 111–13, §1102(a)(1), struck out “described in section 12572 of this title” after “service program”.

Par. (13). Pub. L. 111–13, §1102(a)(2), which directed substitution of “sections 1001(a) and 1002(a)(1) of this title” for “section 1001(a) of title 20”, was executed by making the substitution for “section 1001 of title 20” to reflect the probable intent of Congress.

Par. (17)(B). Pub. L. 111–13, §1102(a)(3), substituted “organization receiving assistance under the national service laws through which the participant is engaging in service” for “program in which the participant is enrolled”.

Par. (19). Pub. L. 111–13, §1102(a)(4), substituted “section 12523(a) of this title” for “section 12521(a) of this title”, struck out “12542(a),” after “(3)(B) of such section,”, substituted “12561a, or 12561(b)(1), or subsection (a), (b), (c) or section 12572 of this title,” for “12561b(1), or 12572(a) of this title,”, inserted “section 12635b of this title, 12653c of this title, 198G, 12653h of this title, or 12653k of this title,” after “section 12612(b) of this title,”, and substituted “12635a, 12653c, 12653g, 12653h, 12653o, or 12653q” for “12653c, 12653c, or 12653q”.


Par. (24). Pub. L. 111–13, §1102(a)(6), substituted “section 12523 of this title” for “section 12521 of this title”.

Par. (26). Pub. L. 111–13, §1102(a)(7), struck out “The term also includes Palau, until such time as the Compact of Free Association is ratified.” at end.

Pars. (30) to (49). Pub. L. 111–13, §1102(a)(8), added pars. (30) to (49).

2004—Pub. L. 113–1, §1102(a)(9), substituted “section 602” for “section 602a(1)” and “1401” for “1401(a)(1)”.

2002— Pars. (8), (14), (22), (28). Pub. L. 107–110 substituted “section 7801 of title 20” for “section 8801 of title 20”.


1992—Pub. L. 102–384, §3(1), added par. (29) and struck out former par. (29) which read as follows: “The term ‘summer program’ means a youth corps program authorized under this subchapter that is limited to the months of June, July, and August.”

Par. (30). Pub. L. 102–384, §3(2), substituted “living allowances” for “stipends”.


Par. (8). Pub. L. 102–10, §3(2), (3), redesignated par. (7) as (8) and inserted “an Indian or” before “Indian tribes” in two places. Former par. (6) redesignated (9).

Pars. (9) to (13). Pub. L. 102–10, §3(2), redesignated pars. (8) to (12) as (9) to (13), respectively. Former par. (13) redesignated (14).

Par. (14). Pub. L. 102–10, §3(2), (4), redesignated par. (13) as (14) and inserted at end “Participants shall not be considered employees of the program.” Former par. (14) redesignated (15).

Pars. (15) to (22). Pub. L. 102–10, §3(2), redesignated pars. (14) to (21) as (15) to (22), respectively. Former par. (22) redesignated (23).

Par. (23). Pub. L. 102–10, §3(3), which directed the substitution of “participants” for “students or out of school youth”, was executed by making the substitution for “students or out of school youth” to reflect the probable intent of Congress.


Par. (24). Pub. L. 102–10, §3(2), redesignated par. (23) as (24) and in heading and text substituted “participant” for “member”. Former par. (24) redesignated (25).


Par. (30). Pub. L. 102–10, §3(2), (7), redesignated par. (29) as (30) and inserted “corps” after “youth service”.

EFFECTIVE DATE OF 2015 AMENDMENT

Amendment by Pub. L. 114–95 effective Dec. 10, 2015, except with respect to certain noncompetitive programs and competitive programs, see section 5 of Pub. L. 114–95, set out as a note under section 6301 of Title 20, Education.

EFFECTIVE DATE OF 2009 AMENDMENT


EFFECTIVE DATE OF 2002 AMENDMENT

Amendment by Pub. L. 107–110 effective Jan. 8, 2002, except with respect to certain noncompetitive programs and competitive programs, see section 5 of Pub. L. 107–110, set out as an Effective Date note under section 6301 of Title 20, Education.

EFFECTIVE DATE OF 1998 AMENDMENT


EFFECTIVE DATE OF 1993 AMENDMENT


Section, Pub. L. 101–610, title I, §102, Nov. 16, 1990, 104 Stat. 3152, authorized Commission to make grants to carry out programs under parts B, C, D, and E of this subchapter.
§ 12513 Study of program effectiveness

(a) In general
Not later than 12 months after April 21, 2009, the Comptroller General of the United States shall develop performance measures for each program receiving Federal assistance under the national service laws.

(b) Contents
The performance measures developed under subsection (a) shall:
(1) to the maximum extent practicable draw on research-based, quantitative data;
(2) take into account program purpose and program design;
(3) include criteria to evaluate the cost effectiveness of programs receiving assistance under the national service laws;
(4) include criteria to evaluate the administration and management of programs receiving Federal assistance under the national service laws; and
(5) include criteria to evaluate oversight and accountability of recipients of assistance through such programs under the national service laws.

(c) Report
Not later than 2 years after the development of the performance measures under subsection (a), and every 5 years thereafter, the Comptroller General of the United States shall prepare and submit to the authorizing committees and the Corporation’s Board of Directors a report containing an assessment of each such program with respect to the performance measures developed under subsection (a).

(d) Definitions
In this section:

(1) In general
The terms “authorizing committees”, “Corporation”, and “national service laws” have the meanings given in section 12511 of this title.

(2) Program
The term “program” means an entire program carried out by the Corporation under the national service laws, such as the entire AmeriCorps program carried out under subtitle C.

(1) State
The term “State” means each of the several States, the District of Columbia, and the Commonwealth of Puerto Rico.

(2) State educational agency
The term “State educational agency” means—
(A) a State educational agency (as defined in section 12511 of this title) of a State; or

(B) for a State in which a State educational agency described in subparagraph (A) has designated a statewide entity under section 12523(e) of this title, that designated statewide entity.


REFERENCES IN TEXT

Section 12523(e) of this title, referred to in par. (2)(B), probably should be a reference to section 12523(d) of this title, which relates to designation of a statewide entity to carry out the functions of the State educational agency. Section 12523(e) relates to consultation of the Corporation with the Secretary of Education.

PRIOR PROVISIONS


EFFECTIVE DATE

Section effective Oct. 1, 2009, see section 6101(a) of Pub. L. 111–13, set out as an Effective Date of 2009 Amendment note under section 4950 of this title.

§12523. Assistance to States, territories, and Indian tribes

(a) Allotments to States, territories, and Indian tribes

The Corporation, in consultation with the Secretary of Education, may make allotments to State educational agencies, territories, and Indian tribes to pay for the Federal share of—

(1) planning and building the capacity within the State, territory, or Indian tribe involved to implement service-learning programs that are based principally in elementary schools and secondary schools, including—

(A) providing training and professional development for teachers, supervisors, personnel from community-based entities (particularly with regard to the recruitment, utilization, and management of participants), and trainers, to be conducted by qualified individuals or organizations that have experience with service-learning;

(B) developing service-learning curricula, consistent with State or local academic content standards, to be integrated into academic programs, including curricula for an age-appropriate learning component that provides participants an opportunity to analyze and apply their service experiences;

(C) forming local partnerships described in paragraph (2) or (4)(D) to develop school-based service-learning programs in accordance with this part;

(D) devising appropriate methods for research on and evaluation of the educational value of service-learning and the effect of service-learning activities on communities;

(E) establishing effective outreach and dissemination of information to ensure the broadest possible involvement of community-based entities with demonstrated effectiveness in working with school-age youth in their communities; and

(F) establishing effective outreach and dissemination of information to ensure the broadest possible participation of schools throughout the State, throughout the territory, or serving the Indian tribe involved with particular attention to schools implementing comprehensive support and improvement activities or targeted support and improvement activities under section 631(d) of title 20;

(2) implementing, operating, or expanding school-based service-learning programs, which may include paying for the cost of the recruitment, training, supervision, placement, salaries, and benefits of service-learning coordinators, through distribution by State educational agencies, territories, and Indian tribes of Federal funds made available under this part to projects operated by local partnerships among—

(A) local educational agencies; and

(B) 1 or more community partners that—

(i) shall include a public or private nonprofit organization that—

(I) has a demonstrated expertise in the provision of services to meet unmet human, education, environmental, or public safety needs;

(II) will make projects available for participants, who shall be students; and

(III) was in existence at least 1 year before the date on which the organization submitted an application under section 12525 of this title; and

(ii) may include a private for-profit business, private elementary school or secondary school, or Indian tribe (except that an Indian tribe distributing funds to a project under this paragraph is not eligible to be part of the partnership operating that project);

(3) planning of school-based service-learning programs, through distribution by State educational agencies, territories, and Indian tribes of Federal funds made available under this part to local educational agencies and Indian tribes, which planning may include paying for the cost of—

(A) the salaries and benefits of service-learning coordinators; or

(B) the recruitment, training and professional development, supervision, and placement of service-learning coordinators who may be participants in a program under division C or receive a national service educational award under division D, who may be participants in a project under section 5001 of this title, or who may participate in a Youthbuild program under section 3226 of title 29,

who will identify the community partners described in paragraph (2)(B) and assist in the

1See References in Text note below.
design and implementation of a program described in paragraph (2);
(4) implementing, operating, or expanding school-based service-learning programs to utilize adult volunteers in service-learning to improve the education of students, through distribution by State educational agencies, territories, and Indian tribes of Federal funds made available under this part to—
(A) local educational agencies;
(B) Indian tribes (except that an Indian tribe distributing funds under this paragraph is not eligible to be a recipient of those funds);
(C) public or private nonprofit organizations; or
(D) partnerships or combinations of local educational agencies, and entities described in subparagraph (B) or (C); and
(5) developing, as service-learning programs, civic engagement programs that promote a better understanding of—
(A) the principles of the Constitution, the heroes of United States history (including military heroes), and the meaning of the Pledge of Allegiance;
(B) how the Nation's government functions; and
(C) the importance of service in the Nation's character.

(b) Duties of service-learning coordinator
A service-learning coordinator referred to in paragraph (2) or (3) of subsection (a) shall provide services to a local partnership described in subsection (a)(2) or entity described in subsection (a)(3), respectively, that may include—
(1) providing technical assistance and information to, and facilitating the training of, teachers and assisting in the planning, development, execution, and evaluation of service-learning in their classrooms;
(2) assisting local partnerships described in subsection (a)(2) in the planning, development, and execution of service-learning projects, including summer of service programs;
(3) assisting schools and local educational agencies in developing school policies and practices that support the integration of service-learning into the curriculum; and
(4) carrying out such other duties as the local partnership or entity, respectively, may determine to be appropriate.

c) Related expenses
An entity that receives financial assistance under this part from a State, territory, or Indian tribe may, in carrying out the activities described in subsection (a), use such assistance to pay for the Federal share of reasonable costs related to the supervision of participants, program administration, transportation, insurance, and evaluations and for other reasonable expenses related to the activities.
(d) Special rule
A State educational agency described in section 12522(2)(A) of this title may designate a statewide entity (which may be a community-based entity) with demonstrated experience in supporting or implementing service-learning programs, to receive the State educational agency's allotment under this part, and carry out the functions of the agency under this part.

(e) Consultation with Secretary of Education
The Corporation is authorized to enter into agreements with the Secretary of Education for initiatives (and may use funds authorized under section 12681(a)(6) of this title to enter into the agreements if the additional costs of the initiatives are warranted) that may include—
(1) identification and dissemination of research findings on service-learning and scientifically valid research based practices for service-learning; and
(2) provision of professional development opportunities that—
(A) improve the quality of service-learning instruction and delivery for teachers both preservice and in-service, personnel from community-based entities and youth workers; and
(B) create and sustain effective partnerships for service-learning programs between local educational agencies, community-based entities, businesses, and other stakeholders.

PRIOR PROVISIONS

AMENDMENTS
2015—Subsec. (a)(1)(F). Pub. L. 114–95 substituted “implementing comprehensive support and improvement activities or targeted support and improvement activities under section 6311(d) of title 20” for “not making adequate yearly progress for two or more consecutive years under section 6311 of title 20”.
2014—Subsec. (a)(3)(B). Pub. L. 113–128 substituted “who may participate in a Youthbuild program under section 3226 of title 29” for “or who may participate in a Youthbuild program under section 2918a of title 29”.

EFFECTIVE DATE OF 2015 AMENDMENT
Amendment by Pub. L. 114–95 effective Dec. 10, 2015, except with respect to certain noncompetitive programs and competitive programs, see section 5 of Pub. L. 114–95, set out as a note under section 6301 of Title 20, Education.

EFFECTIVE DATE OF 2014 AMENDMENT
Amendment by Pub. L. 113–128 effective on the first day of the first full program year after July 22, 2014 (July 1, 2015), see section 506 of Pub. L. 113–128, set out as an Effective Date note under section 3101 of Title 29, Labor.
§ 12524. Allotments

(a) Indian tribes and territories

Of the amounts appropriated to carry out this part for any fiscal year, the Corporation shall reserve an amount of not less than 2 percent and not more than 3 percent for payments to Indian tribes, the United States Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands, to be allotted in accordance with their respective needs.

(b) Allotments through States

(1) In general

After reserving an amount under subsection (a), the Corporation shall use the remainder of the funds appropriated to carry out this part for the fiscal year as follows:

(A) Allotments based on school-age youth

From 50 percent of such remainder, the Corporation shall allot to each State an amount that bears the same ratio to 50 percent of such remainder as the number of school-age youth in the State bears to the total number of school-age youth in all States.

(B) Allotments based on allocations under Elementary and Secondary Education Act of 1965

From 50 percent of such remainder, the Corporation shall allot to each State an amount that bears the same ratio to 50 percent of such remainder as the allocation to the State for the previous fiscal year under title I of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6301 et seq.) bears to the total of such allocations to all States.

(2) Minimum amount

For any fiscal year for which amounts appropriated for this division exceed $50,000,000, the minimum allotment to each State under paragraph (1) shall be $75,000.

(c) Reallocation

If the Corporation determines that the allotment of a State, territory, or Indian tribe under this section will not be required for a fiscal year because the State, territory, or Indian tribe did not submit and receive approval of an application for the allotment under section 12525 of this title, the Corporation shall make the allotment for such State, territory, or Indian tribe available for grants to community-based entities to carry out service-learning programs as described in section 12523(b) of this title in such State, in such territory, or for such Indian tribe. After community-based entities apply for grants from the allotment, by submitting an application at such time and in such manner as the Corporation requires, and receive approval, the remainder of such allotment shall be available for reallocation to such other States, territories, or Indian tribes with approved applications submitted under section 12525 of this title as the Corporation may determine to be appropriate.

(Effective Date)

Section effective Oct. 1, 2009, see section 6101(a) of Pub. L. 111–13, set out as an Effective Date of 2009 Amendment note under section 4950 of this title.

§ 12525. Applications

(a) Applications to Corporation for allotments

(1) In general

To be eligible to receive an allotment under section 12524 of this title, a State, acting through the State educational agency, territory, or Indian tribe shall prepare and submit to the Corporation an application at such time and in such manner as the Chief Executive Officer may reasonably require, and obtain approval of the application.

(2) Contents

An application for an allotment under section 12523 of this title shall include—

(A) a proposal for a 3-year plan promoting service-learning, which shall contain such information as the Chief Executive Officer may reasonably require, including how the applicant will integrate service opportunities into the academic program of the participants;

(B) information about the criteria the State educational agency, territory, or Indian tribe will use to evaluate and grant approval to applications submitted under subsection (b), including an assurance that the State educational agency, territory, or Indian tribe will comply with the requirement in section 12526(a) of this title;

(C) assurances about the applicant’s efforts to—

(i) ensure that students of different ages, races, sex, ethnic groups, disabilities, and economic backgrounds have opportunities to serve together;

(ii) include any opportunities for students, enrolled in schools or programs of education providing elementary or secondary education, to participate in service-learning programs and ensure that such service-learning programs include opportunities for such students to serve together;


References in Text

The Elementary and Secondary Education Act of 1965, referred to in subsec. (b)(1)(B), is Pub. L. 89–10, Apr. 11, 1965, 79 Stat. 27. Title I of the Act is classified generally to subchapter I (§6301 et seq.) of chapter 70 of Title 20, Education. For complete classification of this Act to the Code, see Short Title note set out under section 6301 of Title 20 and Tables.

Prior Provisions


Effective Date

Section effective Oct. 1, 2009, see section 6101(a) of Pub. L. 111–13, set out as an Effective Date of 2009 Amendment note under section 4950 of this title.
§ 12526

TITLE 42—THE PUBLIC HEALTH AND WELFARE
Page 7660

(§ 12526)

(12526)

(12523(a)(5) of this title. Section 12521 does not contain

subsections.

(b)(1)(E), probably should be a reference to section

added Pub. L. 103–82, title I, § 103(a)(2), Sept. 21, 1993, 107

111–13, title I, § 1201, Apr. 21, 2009, 123 Stat. 1471.)

(Pub. L. 101–610, title I, § 114, as added Pub. L.

111–13, title I, § 1201, Apr. 21, 2009, 123 Stat. 1472.)

(1) In general

Any—

(A) qualified organization, Indian tribe,
territory, local educational agency, for-prof-

it business, private elementary school or

secondary school, or institution of higher

education that desires to receive financial

assistance under this subpart 1 from a State,
territory, or Indian tribe for an activity de-

scribed in section 12523(a)(1) of this title;

(B) partnership described in section

12523(a)(2) of this title that desires to receive

such assistance from a State, territory, or

Indian tribe for an activity described in sec-

tion 12523(a)(2) of this title;

(C) entity described in section 12523(a)(3) of

this title that desires to receive such assis-
tance from a State, territory, or Indian tribe

for an activity described in such section;

(D) entity or partnership described in sec-

tion 12523(a)(4) of this title that desires to

receive such assistance from a State, terri-

tory, or Indian tribe for an activity de-

scribed in such section; and

(E) entity that desires to receive such

assistance from a State, territory, or Indian

tribe for an activity described in section

12521(a)(5) 2 of this title,

shall prepare, submit to the State educational

agency for the State, territory, or Indian

tribe, and obtain approval of, an application

for the program.

(2) Submission

Such application shall be submitted at such
time and in such manner, and shall contain

such information, as the agency, territory, or

Indian tribe may reasonably require.

(Pub. L. 101–610, title I, § 113, as added Pub. L.

111–13, title I, § 1201, Apr. 21, 2009, 123 Stat. 1471.)

REFERENCES IN TEXT

Section 12521(a)(5) of this title, referred to in subsec.

(b)(1)(E), probably should be a reference to section

12523(a)(5) of this title. Section 12521 does not contain

subsections.

PRIOR PROVISIONS

A prior section 12525, Pub. L. 101–610, title I, § 113, as

added Pub. L. 103–82, title I, § 103(a)(2), Sept. 21, 1993, 107

Stat. 829, related to submission and contents of State

or tribal applications, prior to the general amendment

of this part by Pub. L. 111–13.


Oct. 5, 1992, 106 Stat. 1455, related to priority applica-
tions and private school participation, prior to repeal

by Pub. L. 103–82, § 100(a)(2).

A prior section 113 of Pub. L. 101–610 was classified to

section 12523 of this title prior to repeal by Pub. L.

103–82.

EFFECTIVE DATE

Section effective Oct. 1, 2009, see section 6101(a) of

Pub. L. 111–13, set out as an Effective Date of 2009

Amendment note under section 4950 of this title.

§ 12526. Consideration of applications

(a) Criteria for local applications

In providing assistance under this part, a

State educational agency, territory, or Indian

tribe (or the Corporation if section 12524(c) of

this title applies) shall consider criteria with re-

spect to sustainability, replicability, innova-
tion, and quality of programs.

(b) Priority for local applications

In providing assistance under this part, a

State educational agency, territory, or Indian

tribe (or the Corporation if section 12524(c) of

this title applies) shall give priority to entities

that submit applications under section 12525 of

described in section 12521 of this title that are in the greatest need of assistance, such

as programs targeting low-income areas or serv-
ing economically disadvantaged youth.

(c) Rejection of applications to Corporation

If the Corporation rejects an application sub-

mitted by a State, territory, or Indian tribe

under section 12525 of this title for an allotment,

the Corporation shall promptly notify the State,
territory, or Indian tribe of the reasons for the

rejection of the application. The Corporation

shall provide the State, territory, or Indian

tribe with a reasonable opportunity to revise

and resubmit the application and shall provide

technical assistance, if needed, to the State, ter-

ritory, or Indian tribe as part of the resubmis-

sion process. The Corporation shall promptly re-

consider such resubmitted application.

(Pub. L. 101–610, title I, § 114, as added Pub. L.

111–13, title I, § 1201, Apr. 21, 2009, 123 Stat. 1472.)

PRIOR PROVISIONS

A prior section 12526, Pub. L. 101–610, title I, § 114, as

added Pub. L. 103–82, title I, § 103(a)(2), Sept. 21, 1993, 107

Stat. 829, related to preparation, submission, and ap-

proval of local applications, prior to the general

amendment of this part by Pub. L. 111–13.


project contributions, prior to repeal by Pub. L. 103–82,

§ 103(a)(2).

A prior section 114 of Pub. L. 101–610 was classified to

section 12524 of this title prior to repeal by Pub. L.

103–82.

EFFECTIVE DATE

Section effective Oct. 1, 2009, see section 6101(a) of

Pub. L. 111–13, set out as an Effective Date of 2009

Amendment note under section 4950 of this title.

1 See in original. Probably should be “this part”.
2 See References in Text note below.
§ 12527. Participation of students and teachers from private schools
(a) In general
To the extent consistent with the number of students in the State, in the territory, or served by the Indian tribe or in the school district of the local educational agency involved who are enrolled in private nonprofit elementary schools and secondary schools, such State, territory, or Indian tribe, or agency shall (after consultation with appropriate private school representatives) make provision—

(1) for the inclusion of services and arrangements for the benefit of such students so as to allow for the equitable participation of such students in the programs implemented to carry out the objectives and provide the benefits described in this part; and

(2) for the training of the teachers of such students so as to allow for the equitable participation of such teachers in the programs implemented to carry out the objectives and provide the benefits described in this part.

(b) Waiver
If a State, territory, Indian tribe, or local educational agency is prohibited by law from providing for the participation of students or teachers from private nonprofit schools as required by subsection (a), or if the Corporation determines that a State, territory, Indian tribe, or local educational agency substantially fails or is unwilling to provide for such participation on an equitable basis, the Chief Executive Officer shall waive such requirements and shall arrange for the provision of services to such students and teachers.


PRIOR PROVISIONS


A prior section 115 of Pub. L. 101–610 was classified to section 12525 of this title prior to repeal by Pub. L. 103–82.

EFFECTIVE DATE
Section effective Oct. 1, 2009, see section 6101(a) of Pub. L. 111–13, set out as an Effective Date of 2009 Amendment note under section 4950 of this title.

§ 12528. Federal, State, and local contributions
(a) Corporation share
(1) In general
The Corporation share of the cost of carrying out a program for which a grant is made from an allotment under this part—

(A) for new grants may not exceed 80 percent of the total cost of the program for the first year of the grant period, 65 percent for the second year, and 50 percent for each remaining year; and

(B) for continuing grants, may not exceed 50 percent of the total cost of the program.

(2) Noncorporation contribution
In providing for the remaining share of the cost of carrying out such a program, each recipient of such a grant under this part—

(A) shall provide for such share through a payment in cash or in kind, fairly evaluated, including facilities, equipment, or services; (B) except as provided in subparagraph (C), may provide for such share through Federal, State, or local sources, including private funds or donated services; and

(C) may not provide for such share through Federal funds made available under title I of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6311 et seq.) (20 U.S.C. 6301 et seq.) or the Individuals with Disabilities Education Act (20 U.S.C. 1400 et seq.).

(b) Waiver
The Chief Executive Officer may waive the requirements of subsection (a) in whole or in part with respect to any such program for any fiscal year, on a determination that such a waiver would be equitable due to a lack of resources at the local level.


REFERENCES IN TEXT
The Elementary and Secondary Education Act of 1965, referred to in subsec. (a)(2)(C), is Pub. L. 89–10, Apr. 11, 1965, 79 Stat. 27. Title I of the Act is classified generally to chapter 1 (§6301 et seq.) of chapter 70 of Title 20, Education. For complete classification of this Act to the Code, see Short Title note set out under section 6301 of Title 20 and Tables.

The Individuals with Disabilities Education Act, referred to in subsec. (a)(2)(C), is title VI of Pub. L. 91–290, Apr. 13, 1970, 84 Stat. 175, which is classified generally to chapter 33 (§1400 et seq.) of Title 20, Education. For complete classification of this Act to the Code, see section 1400 of Title 20 and Tables.

PRIOR PROVISIONS

A prior section 116 of Pub. L. 101–610 was classified to section 12529 of this title prior to the general amendment of this part by Pub. L. 111–13.

Another prior section 116 of Pub. L. 101–610 was classified to section 12526 of this title prior to repeal by Pub. L. 103–82.

EFFECTIVE DATE
Section effective Oct. 1, 2009, see section 6101(a) of Pub. L. 111–13, set out as an Effective Date of 2009 Amendment note under section 4950 of this title.

§ 12529. Limitations on uses of funds
Not more than 6 percent of the amount of assistance received by a State, territory, or Indian tribe that is the original recipient of an allotment under this part for a fiscal year may be used to pay, in accordance with such standards as the Corporation may issue, for administrative costs, incurred by that recipient.


PRIOR PROVISIONS
STAT. 832, related to Federal, State, and local contributions, prior to the general amendment of this part by

Another prior section 117 of Pub. L. 101–610 was classified to section 12541 of this title prior to repeal by Pub. L. 103–82.

Another prior section 117 of Pub. L. 101–610 was classified to section 12527 of this title prior to transfer to Pub. L. 103–82.

Prior sections 12530, 12531, 12541 to 12547, and 12551, comprising former subpart B of this part relating to community-based service programs for school-age youth and former subpart C of this part relating to establishment of a service-learning clearinghouse, were omitted in the general amendment of this part by Pub. L. 111–13.


Another prior section 12543, Pub. L. 101–610, title I, § 112, Nov. 16, 1990, 104 Stat. 3140, as amended, which related to applications for assistance by States, Indian tribes and other local applicants, was renumbered section 199A of Pub. L. 101–610 by Pub. L. 103–82, § 101(a), and transferred to section 12655n of this title.


Another prior section 12546, Pub. L. 101–610, title I, § 125, Nov. 16, 1990, 104 Stat. 3144, which related to administration of related programs, was renumbered section 199E of Pub. L. 101–610 by Pub. L. 103–82, § 101(a), and transferred to section 12655k of this title.


Another prior section 12551, Pub. L. 101–610, title I, § 126, Nov. 16, 1990, 104 Stat. 3144, which related to program activities on public or Indian lands, was renumbered section 199F of Pub. L. 101–610 by Pub. L. 103–82, § 101(a), and transferred to section 12655l of this title.

Another prior section 12548, Pub. L. 101–610, title I, § 128, Nov. 16, 1990, 104 Stat. 3146, as amended, which related to amount of award and matching requirement, was renumbered section 199I of Pub. L. 101–610 by Pub. L. 103–82, § 101(a), and transferred to section 12655m of this title.

Another prior section 12549, Pub. L. 101–610, title I, § 129, Nov. 16, 1990, 104 Stat. 3146, which related to preference of certain projects, was successively renumbered section 199J, then 199H, of Pub. L. 101–610 by Pub. L. 103–82, § 101(a), (e)(8)(B), and transferred to section 12655n of this title.

Another prior section 12550, Pub. L. 101–610, title I, § 130, Nov. 16, 1990, 104 Stat. 3146, as amended, which related to age and citizenship criteria for enrollment, was successively renumbered section 199K, then 199J, of Pub. L. 101–610 by Pub. L. 103–82, § 101(a), (e)(8)(B), and transferred to section 12655o of this title.

Another prior section 12551, Pub. L. 101–610, title I, § 131, Nov. 16, 1990, 104 Stat. 3147, which related to age and citizenship criteria for enrollment, was successively renumbered section 199L, then 199K, of Pub. L. 101–610 by Pub. L. 103–82, § 101(a), (e)(8)(B), and transferred to section 12655p of this title.

Another prior section 12552, Pub. L. 101–610, title I, § 132, Nov. 16, 1990, 104 Stat. 3147, which related to post-service benefits, was renumbered section 199L of Pub. L. 101–610 by Pub. L. 103–82, § 101(a), (e)(8)(B), and transferred to section 12655q of this title.

Another prior section 12553, Pub. L. 101–610, title I, § 133, Nov. 16, 1990, 104 Stat. 3147, as amended, which related to living allowance, was successively renumbered section 199M, then 199K, of Pub. L. 101–610 by Pub. L. 103–82, § 101(a), (e)(8)(B), and transferred to section 12655r of this title.

Another prior section 12554, Pub. L. 101–610, title I, § 134, Nov. 16, 1990, 104 Stat. 3148, which related to joint programs, was successively renumbered section 199N, then 199L, of Pub. L. 101–610 by Pub. L. 103–82, § 101(a), (e)(8)(B), and transferred to section 12655s of this title.

Another prior section 12555, Pub. L. 101–610, title I, § 135, Nov. 16, 1990, 104 Stat. 3149, which related to Federal and State employee status, was successively renumbered section 199O, then 199N, of Pub. L. 101–610 by Pub. L. 103–82, § 101(a), (e)(8)(B), and transferred to section 12655t of this title.


Effective Date

Section effective Oct. 1, 2009, see section 6101(a) of Pub. L. 111–13, set out as an Effective Date of 2009 Amendment note under section 4950 of this title.

 EFFECTIVE DATE

Section effective Oct. 1, 2009, see section 6101(a) of Pub. L. 111–13, set out as an Effective Date of 2009 Amendment note under section 4950 of this title.
PART II—HIGHER EDUCATION INNOVATIVE PROGRAMS FOR COMMUNITY SERVICE

§ 12561. Higher education innovative programs for community service

(a) Purpose

It is the purpose of this part to expand participation in community service by supporting innovative community service programs through service-learning carried out through institutions of higher education, acting as civic institutions to meet the human, educational, environmental, or public safety needs of neighboring communities.

(b) General authority

The Corporation, in consultation with the Secretary of Education, is authorized to make grants to, and enter into contracts with, institutions of higher education (including a consortium of such institutions), and partnerships comprised of such institutions and of other public or private nonprofit organizations, to pay for the Federal share of the cost of—

(1) enabling such an institution or partnership to create or expand an organized community service program that—

(A) engenders a sense of social responsibility and commitment to the community in which the institution is located;

(B) provides projects for participants, who shall be students, faculty, administration, or staff of the institution, or residents of the community; and

(C) the institution or partnership may coordinate with service-learning curricula being offered in the academic curricula at the institution of higher education or at 1 or more members of the partnership;

(2) supporting student-initiated and student-designed community service projects through the program;

(3) strengthening the leadership and instructional capacity of institutions of higher education and their faculty, with respect to service-learning, by—

(A) including service-learning as a key component of the preservice teacher curricula of the institution to strengthen the instructional capacity of teachers to provide service-learning at the elementary and secondary levels;

(B) including service-learning as a component of other curricula or academic programs (other than education curricula or programs), such as curricula or programs relating to nursing, medicine, criminal justice, or public policy; and

(C) encouraging the faculty of the institution to use service-learning methods throughout their curriculum;

(4) facilitating the integration of community service carried out under the program into academic curricula, including integration of clinical programs into the curriculum for students in professional schools, so that students can obtain credit for their community service projects;

(5) supplementing the funds available to carry out work-study programs under part C of title IV of the Higher Education Act of 1965 (42 U.S.C. 2751 et seq.) 1 to support service-learning and community service through the community service program;

(6) strengthening the service infrastructure within institutions of higher education in the United States through the program; and

(7) providing for the training of teachers, prospective teachers, related education personnel, and community leaders in the skills necessary to develop, supervise, and organize service-learning.

(c) Federal, State, and local contributions

(1) Federal share

(A) In general

The Federal share of the cost of carrying out a program for which assistance is provided under this part may not exceed 50 percent of the total cost of the program.

(B) Non-Federal contribution

In providing for the remaining share of the cost of carrying out such a program, each recipient of a grant or contract under this part—

(i) shall provide for such share through a payment in cash or in kind, fairly evaluated, including facilities, equipment, or services; and

(ii) may provide for such share through State sources or local sources, including private funds or donated services.

(2) Waiver

The Chief Executive Officer may waive the requirements of paragraph (1) in whole or in part with respect to any such program for any fiscal year if the Corporation determines that such a waiver would be equitable due to a lack of available financial resources at the local level.

(d) Application for grant

(1) Submission

To receive a grant or enter into a contract under this part, an institution or partnership shall prepare and submit to the Corporation, an application at such time, in such manner, and containing such information and assurances as the Corporation may reasonably require, and obtain approval of the application. In requesting applications for assistance under this part, the Corporation shall specify such required information and assurances.

(2) Contents

An application submitted under paragraph (1) shall contain, at a minimum—

(A) assurances that—

(i) prior to the placement of a participant, the applicant will consult with the appropriate local labor organization, if any, representing employees in the area who are engaged in the same or similar work as that proposed to be carried out by such program, to prevent the displacement and protect the rights of such employees; and

(ii) the applicant will comply with the nonduplication and nondisplacement pro-

---

1 See References in Text note below.
visions of section 12637 of this title and the notice, hearing, and grievance procedures required by section 12636 of this title; and
(B) such other assurances as the Chief Executive Officer may reasonably require.
(e) Special consideration
To the extent practicable, in making grants and entering into contracts under subsection (b), the Corporation shall give special consideration to applications submitted by, or applications from partnerships including, institutions serving primarily low-income populations, including—
(1) Alaska Native-serving institutions;
(2) Asian American and Native American Pacific Islander-serving institutions;
(3) Hispanic-serving institutions;
(4) historically black colleges and universities;
(5) Native American-serving, nontribal institutions;
(6) Native Hawaiian-serving institutions;
(7) Predominantly black institutions;
(8) tribally controlled colleges and universities; and
(9) community colleges serving predominately minority populations.
(f) Considerations
In making grants and entering into contracts under subsection (b), the Corporation shall take into consideration whether the applicants submit applications containing proposals that—
(1) demonstrate the commitment of the institution of higher education involved, other than by demonstrating the commitment of the students, to supporting the community service projects carried out under the program;
(2) specify the manner in which the institution will promote faculty, administration, and staff participation in the community service projects;
(3) specify the manner in which the institution will provide service to the community through organized programs, including, where appropriate, clinical programs for students in professional schools and colleges;
(4) describe any partnership that will participate in the community service projects, such as a partnership comprised of—
(A) the institution;
(B)(i) a community-based agency;
(ii) a local government agency; or
(iii) a nonprofit entity that serves or involves school-age youth, older adults, or low-income communities; and
(C)(i) a student organization;
(ii) a department of the institution; or
(iii) a group of faculty comprised of different departments, schools, or colleges at the institution;
(5) demonstrate community involvement in the development of the proposal and the extent to which the proposal will contribute to the goals of the involved community members;
(6) demonstrate a commitment to perform community service projects in underserved urban and rural communities;
(7) describe research on effective strategies and methods to improve service utilized in the design of the projects;
(8) specify that the institution or partnership will use the assistance provided through the grant or contract to strengthen the service infrastructure in institutions of higher education;
(9) with respect to projects involving delivery of services, specify projects that involve leadership development of school-age youth; or
(10) describe the needs that the proposed projects are designed to address, such as housing, economic development, infrastructure, health care, job training, education, crime prevention, urban planning, transportation, information technology, or child welfare.
(g) Federal work-study
To be eligible for assistance under this part, an institution of higher education shall demonstrate that it meets the minimum requirements under section 443(b)(2)(A) of the Higher Education Act of 1965 (42 U.S.C. 2753(b)(2)(A)) relating to the participation of students employed under part C of title IV of the Higher Education Act of 1965 (42 U.S.C. 2751 et seq.) (relating to Federal Work-Study programs) in community service activities, or has received a waiver of those requirements from the Secretary of Education.
(h) Definition
Notwithstanding section 12511 of this title, as used in this part, the term “student” means an individual who is enrolled in an institution of higher education on a full- or part-time basis.
(i) National service educational award
A participant in a program funded under this part shall be eligible for the national service educational award described in division D, if the participant served in an approved national service position.

REFERENCES IN TEXT

PRIORITY OF PROVISIONS
A prior section 118 of Pub. L. 101–610 was classified to section 12551 of this title prior to the general amendment of part I of this division by Pub. L. 111–13.

AMENDMENTS
2009—Subsec. (a). Pub. L. 111–13, § 1202(b)(1), inserted “through service-learning” after “community service programs”.

\(^{1}\)So in original. Probably should not be capitalized.


Subsec. (b)(3), Pub. L. 111–13, §1202(b)(2)(C)(i), substituted “institutions of higher education and their faculty” for “teachers at the elementary, secondary, and postsecondary levels” in introductory provisions.

Subsec. (b)(3)(A), Pub. L. 111–13, §1202(b)(2)(C)(ii), substituted “curricula of the institution to strengthen the instructional capacity of teachers to provide service-learning at the elementary and secondary levels;” for “education of the institution; and”.

Subsec. (b)(3)(B), (C), Pub. L. 111–13, §1202(b)(2)(C)(iii), (iv), added subpar. (B) and redesignated former subpar. (B) as (C).

Subsecs. (c) to (i), Pub. L. 111–13, §1202(b)(3)–(5), added subsecs. (c) to (h), redesignated former subsec. (f) as (i), and struck out former subsecs. (c), (d), (e), and (g) which related to Federal share of the cost, grant application, applicant priority, and definition of “student”, respectively.

**Effective Date of 2009 Amendment**


**Effective Date**

Section effective Oct. 1, 1993, see section 123 of Pub. L. 103–82, set out as an Effective Date of 1993 Amendment note under section 1701 of Title 16, Conservation.

§12561a. Campuses of Service

(a) In general

The Corporation, after consultation with the Secretary of Education, may annually designate not more than 25 institutions of higher education as Campuses of Service, from among institutions nominated by State Commissions.

(b) Applications for nomination

(1) In general

To be eligible for a nomination to receive designation under subsection (a), and have an opportunity to apply for funds under subsection (d) for a fiscal year, an institution of higher education in a State shall submit an application to the State Commission at such time in such manner, and containing such information as the State Commission may require.

(2) Contents

At a minimum, the application shall include information specifying—

(A)(i) the number of undergraduate and, if applicable, graduate service-learning courses offered at such institution for the most recent full academic year preceding the fiscal year for which designation is sought; and

(ii) the number and percentage of undergraduate students and, if applicable, the number and percentage of graduate students at such institution who were enrolled in the corresponding courses described in clause (i), for such preceding academic year;

(B) the percentage of undergraduate students engaging in and, if applicable, the percentage of graduate students engaging in activities providing community services, as defined in section 411(c) of the Higher Education Act of 1965 (42 U.S.C. 2751(c)), during such preceding academic year, the quality of such activities, and the average amount of time spent, per student, engaged in such activities;

(C) for such preceding academic year, the percentage of Federal work-study funds made available to the institution under part C of title IV of the Higher Education Act of 1965 (42 U.S.C. 2751 et seq.) that is used to compensate students employed in providing community services, as so defined, and a description of the efforts the institution undertakes to make available to students opportunities to provide such community services and be compensated through such work-study funds;

(D) at the discretion of the institution, information demonstrating the degree to which recent graduates of the institution, and all graduates of the institution, have obtained full-time public service employment in the nonprofit sector or government, with a private nonprofit organization or a Federal, State, or local public agency; and

(E) any programs the institution has in place to encourage or assist graduates of the institution to pursue careers in public service in the nonprofit sector or government.

(c) Nominations and designation

(1) Nomination

(A) In general

A State Commission that receives applications from institutions of higher education under subsection (b) may nominate, for designation under subsection (a), not more than 3 such institutions of higher education, consisting of—

(i) not more than one 4-year public institution of higher education;

(ii) not more than one 4-year private institution of higher education; and

(iii) not more than one 2-year institution of higher education.

(B) Submission

The State Commission shall submit to the Corporation the name and application of each institution nominated by the State Commission under subparagraph (A).

(2) Designation

The Corporation shall designate, under subsection (a), not more than 25 institutions of higher education from among the institutions nominated under paragraph (1). In making the designations, the Corporation shall, if feasible, designate various types of institutions, including institutions from each of the categories of institutions described in clauses (i), (ii), and (iii) of paragraph (1)(A).

(d) Awards

(1) In general

Using sums reserved under section 12681(a)(1)(C) of this title for Campuses of Service, the Corporation shall provide an award of funds to institutions designated under subsection (c), to be used by the institutions to develop or disseminate service-learning models and information on best practices
regarding service-learning to other institutions of higher education.

(2) Plan
To be eligible to receive funds under this subsection, an institution designated under subsection (c) shall submit a plan to the Corporation describing how the institution intends to use the funds to develop or disseminate service-learning models and information on best practices regarding service-learning to other institutions of higher education.

(3) Allocation
The Corporation shall determine how the funds reserved under section 12681(a)(1)(C) of this title for Campuses of Service for a fiscal year will be allocated among the institutions submitting acceptable plans under paragraph (2). In determining the amount of funds to be allocated to such an institution, the Corporation shall consider the number of students at the institution, the quality and scope of the plan submitted by the institution under paragraph (2), and the institution’s current (as of the date of submission of the plan) strategies to encourage or assist students to pursue public service careers in the nonprofit sector or government.


REFERENCES IN TEXT
The Higher Education Act of 1965, referred to in subsec. (b)(2)(C), is Pub. L. 89–329, Nov. 8, 1965, 79 Stat. 1219. Part C of title IV of the Act was formerly classified generally to part C (§2751 et seq.) of subchapter I of chapter 34 of this title prior to transfer to part C (§1087–51 et seq.) of subchapter IV of chapter 28 of Title 20, Education. Section 441 of the Act was transferred from section 2751 of this title to section 1087–51 of Title 20. For complete classification of this Act to the Code, see Short Title note set out under section 1001 of Title 20 and Tables.

EFFECTIVE DATE
Section effective Oct. 1, 2009, see section 610(a) of Pub. L. 111–13, set out as an Effective Date of 2009 Amendment note under section 4960 of this title.

PART III—INNOVATIVE AND COMMUNITY-BASED SERVICE-LEARNING PROGRAMS AND RESEARCH

§12563. Innovative and community-based service-learning programs and research

(a) Definitions
In this part:

(1) Eligible entity
The term “eligible entity” means a State educational agency, a State Commission, a territory, an Indian tribe, an institution of higher education, or a public or private nonprofit organization (including community-based entities), a public or private elementary school or secondary school, a local educational agency, a consortium of such entities, or a consortium of 2 or more such entities and a for-profit organization.

(2) Eligible partnership
The term “eligible partnership” means a partnership that—

(A) shall include—
(i) 1 or more community-based entities that have demonstrated records of success in carrying out service-learning programs with economically disadvantaged students, and that meet such criteria as the Chief Executive Officer may establish; and
(ii) a local educational agency for which—
(I) a high number or percentage, as determined by the Corporation, of the students served by the agency are economically disadvantaged students; and
(II) the four-year adjusted cohort graduation rate (as defined in section 7801 of title 20) for the secondary school students served by the agency is less than 70 percent; and

(B) may also include—
(i) a local government agency that is not described in subparagraph (A);
(ii) the office of the chief executive officer of a unit of general local government;
(iii) an institution of higher education;
(iv) a State Commission or State educational agency; or
(v) more than 1 local educational agency described in subclause (I).

(3) Youth engagement zone
The term “youth engagement zone” means the area in which a youth engagement zone program is carried out.

(4) Youth engagement zone program
The term “youth engagement zone program” means a service-learning program in which members of an eligible partnership collaborate to provide coordinated school-based or community-based service-learning opportunities—

(A) in order to address a specific community challenge;
(B) for an increasing percentage of out-of-school youth and secondary school students served by a local educational agency; and
(C) in circumstances under which—
(i) not less than 90 percent of such students participate in service-learning activities as part of the program; or
(ii) service-learning is a part of the curriculum in all of the secondary schools served by the local educational agency.

(b) General authority
From the amounts appropriated to carry out this part for a fiscal year, the Corporation may make grants (which may include approved summer of service positions in the case of a grant for a program described in subsection (c)(2)(B)) and fixed-amount grants (in accordance with section 12581(l) of this title) to eligible entities or eligible partnerships, as appropriate, for programs and activities described in subsection (c).

(c) Authorized activities
Funds under this part may be used to—

(1) integrate service-learning programs into the science, technology, engineering, and mathematics (referred to in this part as “STEM”) curricula at the elementary, second-
ary, postsecondary, or postbaccalaureate levels in coordination with practicing or retired
STEM professionals;

(2) involve students in service-learning programs focusing on energy conservation in their community, including conducting educational outreach on energy conservation and working to improve energy efficiency in low-income housing and in public spaces;

(3) involve students in service-learning programs in emergency and disaster preparedness;

(4) involve students in service-learning programs aimed at improving access to and obtaining the benefits from computers and other emerging technologies, including improving such access for individuals with disabilities, in low-income or rural communities, in senior centers and communities, in schools, in libraries, and in other public spaces;

(5) involve high school age youth in the mentoring of middle school youth while involving all participants in service-learning to seek to meet unmet human, educational, environmental, public safety, or emergency and disaster preparedness needs in their community;

(6) conduct research and evaluations on service-learning, including service-learning in middle schools, and disseminate such research and evaluations widely;

(7) conduct innovative and creative activities as described in section 12523(a) of this title;

(8) establish or implement summer of service programs (giving priority to programs that enroll youth who will be enrolled in any of grades 6 through 9 at the end of the summer concerned) during the summer months (including recruiting, training, and placing service-learning coordinators)—

(A) for youth who will be enrolled in any of grades 6 through 12 at the end of the summer concerned; and

(B) for community-based service-learning projects—

(i) that shall—

(I) meet unmet human, educational, environmental (including energy conservation and stewardship), and emergency and disaster preparedness and other public safety needs; and

(II) be intensive, structured, supervised, and designed to produce identifiable improvements to the community;

(ii) that may include the extension of academic year service-learning programs into the summer months; and

(iii) under which a student who completes 100 hours of service as described in section 12602(b)(2) of this title, shall be eligible for a summer of service educational award of $500 or $750 as described in sections 12602(a)(2)(C) and 12603(d) of this title;

(9) establish or implement youth engagement zone programs in youth engagement zones, for students in secondary schools served by local educational agencies for which a majority of such students do not participate in service-learning activities that are—

(A) carried out by eligible partnerships; and

(B) designed to—

(i) involve all students in secondary schools served by the local educational agency in service-learning to address a specific community challenge;

(ii) improve student engagement, including student attendance and student behavior, and student achievement, graduation rates, and college-going rates at secondary schools; and

(iii) involve an increasing percentage of students in secondary school and out-of-school youth in the community in school-based or community-based service-learning activities each year, with the goal of involving all students in secondary schools served by the local educational agency and involving an increasing percentage of the out-of-school youth in service-learning activities; and

(10) conduct semester of service programs that—

(A) provide opportunities for secondary school students to participate in a semester of coordinated school-based or community-based service-learning opportunities for a minimum of 70 hours (of which at least a third will be spent participating in field-based activities) over a semester, to address specific community challenges;

(B) engage as participants high percentages or numbers of economically disadvantaged students;

(C) allow participants to receive academic credit, for the time spent in the classroom and in the field for the program, that is equivalent to the academic credit for any class of equivalent length and with an equivalent time commitment; and

(D) ensure that the classroom-based instruction component of the program is integrated into the academic program of the local educational agency involved; and

(11) carry out any other innovative service-learning programs or research that the Corporation considers appropriate.

(d) Applications

To be eligible to receive a grant to carry out a program or activity under this part, an entity or partnership, as appropriate, shall prepare and submit to the Corporation an application at such time and in such manner as the Chief Executive Officer may reasonably require, and obtain approval of the application.

(e) Priority

In making grants under this part, the Corporation shall give priority to applicants proposing to—

(1) involve students and community stakeholders in the design and implementation of service-learning programs carried out using funds received under this part;

(2) implement service-learning programs in low-income or rural communities; and

(3) utilize adult volunteers, including tapping the resources of retired and retiring
adults, in the planning and implementation of service-learning programs.

(f) Requirements

(1) Term
Each program or activity funded under this part shall be carried out over a period of 3 years, which may include 1 planning year. In the case of a program funded under this part, the 3-year period may be extended by 1 year, if the program meets performance levels established in accordance with section 12639(k) of this title and any other criteria determined by the Corporation.

(2) Collaboration encouraged
Each entity carrying out a program or activity funded under this part shall, to the extent practicable, collaborate with entities carrying out programs under this division, division C, and titles I and II of the Domestic Volunteer Service Act of 1973 (42 U.S.C. 4951 et seq., 5001 et seq.).

(3) Evaluation
Not later than 4 years after the effective date of the Serve America Act, the Corporation shall conduct an independent evaluation of the programs and activities carried out using funds made available under this part, and determine best practices relating to service-learning and recommendations for improvement of those programs and activities. The Corporation shall widely disseminate the results of the evaluations, and information on the best practices and recommendations to the service community through multiple channels, including the Corporation’s Resource Center or a clearinghouse of effective strategies.


References in Text

For the effective date of the Serve America Act, referred to in subsec. (f)(3), as Oct. 1, 2009, see section 6101(a) of Pub. L. 111–13, set out as an Effective Date of 2009 Amendment note under section 4950 of this title.

Effective Date
Section effective Oct. 1, 2009, see section 6101(a) of Pub. L. 111–13, set out as an Effective Date of 2009 Amendment note under section 4950 of this title.

Part IV—Repealed


Section, Pub. L. 101–610, title I, §120, as added Pub. L. 111–13, title I, §120, Apr. 21, 2009, 123 Stat. 1483, provided for a 10-year longitudinal study and reports on the impact of the activities carried out under this division.

Division C—National Service Trust Program

Prior Provisions

Part I—Investment in National Service

§12571. Authority to provide assistance and approved national service positions

(a) Provision of assistance
Subject to the availability of appropriations for this purpose, the Corporation for National and Community Service may make grants to States, subdivisions of States, territories, Indian tribes, public or private nonprofit organizations, and institutions of higher education for the purpose of assisting the recipients of the grants—

(1) to carry out full- or part-time national service programs, including summer programs, described in subsection (a), (b), or (c) of section 12572 of this title; and

(2) to make grants in support of other national service programs described in subsection (a), (b), or (c) of section 12572 of this title that are carried out by other entities.

(b) Restrictions on agreements with Federal agencies

(1) Agreements authorized
The Corporation may enter into an interagency agreement (other than a grant agreement) with another Federal agency to support a national service program carried out or otherwise supported by the agency. The Corporation, in entering into the interagency agreement may approve positions as approved national service positions for a program carried out or otherwise supported by the agency.

(2) Prohibition on grants
The Corporation may not provide a grant under this section to a Federal agency.

(3) Consultation with State Commissions
A Federal agency carrying out or supporting a national service program shall consult with the State Commissions for those States in
which projects will be conducted through that program in order to ensure that the projects do not duplicate projects conducted by State or local national service programs.

(4) Support for other national service programs

A Federal agency that enters into an inter-agency agreement under paragraph (1) shall, in an appropriate case, enter into a contract or cooperative agreement with an entity that is carrying out a national service program in a State that is in existence in the State as of the date of the contract or cooperative agreement and is of high quality, in order to support the national service program.

(5) Application of requirements

A requirement under this chapter that applies to an entity receiving assistance under this section (other than a requirement limited to an entity receiving assistance under subsection (a)) shall be considered to apply to a Federal agency that enters into an inter-agency agreement under this subsection, even though no Federal agency may receive financial assistance under such an agreement.

(c) Provision of approved national service positions

As part of the provision of assistance under subsection (a), and in providing approved national service positions under subsection (b), the Corporation shall—

(1) approve the provision of national service educational awards described in division D for the participants who serve in national service programs carried out using such assistance; and

(2) deposit in the National Service Trust established in section 12601(a) of this title an amount equal to the product of—

(A) the value of a national service educational award under section 12603 of this title; and

(B) the total number of approved national service positions to be provided or otherwise approved.

(d) Five percent limitation on administrative costs

(1) Limitation

Not more than 5 percent of the amount of assistance provided to the original recipient of a grant or transfer of assistance under subsection (a) for a fiscal year may be used to pay for administrative costs incurred by—

(A) the recipient of the assistance; and

(B) national service programs carried out or supported with the assistance.

(2) Rules on use

The Corporation may by rule prescribe the manner and extent to which—

(A) assistance provided under subsection (a) may be used to cover administrative costs; and

(B) that portion of the assistance available to cover administrative costs should be distributed between—

(i) the original recipient of the grant or transfer of assistance under such subsection; and

(ii) national service programs carried out or supported with the assistance.

(e) Matching funds requirements

(1) Requirements

Except as provided in section 12594 of this title, the Corporation share of the cost (including the costs of member living allowances, employment-related taxes, health care coverage, and workers’ compensation and other necessary operation costs) of carrying out a national service program that receives the assistance under subsection (a), whether the assistance is provided directly or as a subgrant from the original recipient of the assistance, may not exceed 75 percent of such cost.

(2) Calculation

In providing for the remaining share of the cost of carrying out a national service program, the program—

(A) shall provide for such share through a payment in cash or in kind, fairly evaluated, including facilities, equipment, or services; and

(B) may provide for such share through State sources, local sources, or other Federal sources (other than the use of funds made available under the national service laws).

(3) Cost of health care

In providing a payment in cash under paragraph (2)(A) as part of providing for the remaining share of the cost of carrying out a national service program, the program may count not more than 85 percent of the cost of providing a health care policy described in section 12594(d)(2) of this title toward such share.

(4) Waiver

The Corporation may waive in whole or in part the requirements of paragraph (1) with respect to a national service program in any fiscal year if the Corporation determines that such a waiver would be equitable due to a lack of available financial resources at the local level.

(5) Other Federal funds

(A) Recipient report

A recipient of assistance under this section (other than a recipient of assistance through a fixed-amount grant in accordance with section 12381(l) of this title) shall report to the Corporation the amount and source of any Federal funds used to carry out the program for which the assistance is made available other than those provided by the Corporation.

(B) Corporation report

The Corporation shall report to the authorizing committees on an annual basis information regarding each recipient of such assistance that uses Federal funds other than those provided by the Corporation to carry out such a program, including the amounts and sources of the other Federal funds.

(f) Plan for approved national service positions

The Corporation shall—
(1) develop a plan to—
   (A) establish the number of the approved national service positions as 88,000 for fiscal year 2010;
   (B) increase the number of the approved positions to—
      (i) 115,000 for fiscal year 2011;
      (ii) 140,000 for fiscal year 2012;
      (iii) 170,000 for fiscal year 2013;
      (iv) 200,000 for fiscal year 2014;
      (v) 210,000 for fiscal year 2015;
      (vi) 235,000 for fiscal year 2016; and
      (vii) 250,000 for fiscal year 2017;
   (C) ensure that the increases described in subparagraph (B) are achieved through an appropriate balance of full- and part-time service positions;

(2) not later than 1 year after April 21, 2009, submit a report to the authorizing committees on the status of the plan described in paragraph (1); and

(3) subject to the availability of appropriations and quality service opportunities, implement the plan described in paragraph (1).


REFERENCES IN TEXT

This chapter, referred to in subsec. (b)(5), was in the original “this Act”, meaning Pub. L. 101-610, Nov. 16, 1990, 104 Stat. 3127, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 12501 of this title.

PRIOR PROVISIONS


A prior section 121 of Pub. L. 101-610 was renumbered section 199A, and is classified to section 12655 of this title.

AMENDMENTS


Subsec. (a)(1), (2). Pub. L. 111-13, § 1301(1)(B), substituted “subsection (a), subsection (b), subsection (c), and in providing approved national service positions under subsection (b),” for “subsection (a)” in introductory provisions of par. (1) and in par. (2)(A).

Subsec. (e)(1). Pub. L. 111-13, § 1301(5)(A), substituted “Corporation share of the cost (including the costs of member living allowances, employment-related taxes, health care coverage, and workers’ compensation and other necessary operation costs)” for “Federal share of the cost”.


Effective Date of 2009 Amendment


Effective Date

Section effective Oct. 1, 1993, see section 123 of Pub. L. 103-82, set out as an Effective Date of 1993 Amendment note under section 1701 of Title 16, Conservation.

OVERALL MINIMUM SHARE REQUIREMENT

Pub. L. 116-94, div. A, title IV, § 402, Dec. 20, 2019, 133 Stat. 2599, provided that: “AmeriCorps programs receiving grants under the National Service Trust program shall meet an overall minimum share requirement of 24 percent for the first 3 years that they receive AmeriCorps funding, and thereafter shall meet the overall minimum share requirement as provided in section 2521.60 of title 45, Code of Federal Regulations, without regard to the operating costs match requirement in section 121(e)(42 U.S.C. 12571(e)) or the member support Federal share limitations in section 140 of the 1990 Act [National and Community Service Act of 1990, 42 U.S.C. 12594], and subject to partial waiver consistent with section 2521.70 of title 45, Code of Federal Regulations.”

Similar provisions were contained in the following prior appropriation acts:


§ 12572. National service programs eligible for program assistance

(a) National service corps

The recipient of a grant under section 12571(a) of this title and a Federal agency operating or supporting a national service program under section 12571(b) of this title shall use a portion of the financial assistance or positions involved, directly or through subgrants to other entities, to support or carry out the following national service corps or programs, as full- or part-time corps or programs, to address unmet needs:

(1) Education Corps

(A) In general

The recipient may carry out national service programs through an Education Corps that identifies and meets unmet educational needs within communities through activities such as those described in subparagraph (B) and improves performance on the indicators described in subparagraph (C).

(B) Activities

An Education Corps described in this paragraph may carry out activities such as—

(i) tutoring, or providing other academic support to elementary school and secondary school students;
(ii) improving school climate;
(iii) mentoring students, including adult or peer mentoring;
(iv) linking needed integrated services and comprehensive supports with students, their families, and their public schools;
(v) providing assistance to a school in expanding the school day by strengthening the quality of staff and expanding the academic programming offered in an expanded learning time initiative, a program of a 21st century community learning center (as defined in section 7171 of title 20), or a high-quality after-school program;
(vi) assisting schools and local educational agencies in improving and expanding high-quality service-learning programs that keep students engaged in schools by carrying out programs that provide specialized training to individuals in service-learning, and place the individuals (after such training) in positions as service-learning coordinators, to facilitate service-learning in programs eligible for funding under part I of division B;
(vii) assisting students in being prepared for college-level work;
(viii) involving family members of students in supporting teachers and students;
(ix) conducting a preprofessional training program in which students enrolled in an institution of higher education—

(I) receive training (which may include classes containing service-learning) in specified fields including early childhood education and care, elementary and secondary education, and other fields such as those relating to health services, criminal justice, environmental stewardship and conservation, or public safety;
(II) perform service related to such training outside the classroom during the school term and during summer or other vacation periods; and
(III) agree to provide service upon graduation to meet unmet human, educational, environmental, or public safety needs related to such training;
(x) assisting economically disadvantaged students in navigating the college admissions process;
(xi) providing other activities, addressing unmet educational needs, that the Corporation may designate; or
(xii) providing skilled musicians and artists to promote greater community unity through the use of music and arts education and engagement through work in low-income communities, and education, health care, and therapeutic settings, and other work in the public domain with citizens of all ages.

(C) Education Corps indicators

The indicators for a corps program described in this paragraph are—

(i) student engagement, including student attendance and student behavior;
(ii) student academic achievement;
(iii) four-year adjusted cohort graduation rate (as defined in section 7801 of title 20);
(iv) rate of college enrollment and continued college enrollment for recipients of a high school diploma;
(v) any additional indicator relating to improving education for students that the Corporation, in consultation (as appropriate) with the Secretary of Education, establishes; or
(vi) any additional local indicator (applicable to a particular recipient and on which an improvement in performance is needed) relating to improving education for students, that is approved by the Corporation or a State Commission.

(2) Healthy Futures Corps

(A) In general

The recipient may carry out national service programs through a Healthy Futures Corps that identifies and meets unmet health needs within communities through activities such as those described in subparagraph (B) and improves performance on the indicators described in subparagraph (C).

(B) Activities

A Healthy Futures Corps described in this paragraph may carry out activities such as—

(i) assisting economically disadvantaged individuals in navigating the health services system;
(ii) assisting individuals in obtaining access to health services, including oral health services, for themselves or their children;
(iii) educating economically disadvantaged individuals and individuals who are...
members of medically underserved populations about, and engaging individuals described in this clause in, initiatives regarding navigating the health services system and regarding disease prevention and health promotion, with a particular focus on common health conditions, chronic diseases, and conditions, for which disease prevention and health promotion measures exist and for which socioeconomic, geographic, and racial and ethnic health disparities exist;

(iv) improving the literacy of patients regarding health, including oral health;

(v) providing translation services at clinics and in emergency rooms to improve health services;

(vi) providing services designed to meet the health needs of rural communities, including the recruitment of youth to work in health professions in such communities;

(vii) assisting in health promotion interventions that improve health status, and helping people adopt and maintain healthy lifestyles and habits to improve health status;

(viii) addressing childhood obesity through in-school and after-school physical activities, and providing nutrition education to students, in elementary schools and secondary schools; or

(ix) providing activities, addressing unmet health needs, that the Corporation may designate.

(C) Healthy Futures Corps indicators

The indicators for a corps program described in this paragraph are—

(i) access to health services among economically disadvantaged individuals and individuals who are members of medically underserved populations;

(ii) access to health services for uninsured individuals, including such individuals who are economically disadvantaged children;

(iii) participation, among economically disadvantaged individuals and individuals who are members of medically underserved populations, in disease prevention and health promotion initiatives, particularly those with a focus on addressing common health conditions, addressing chronic diseases, and decreasing health disparities;

(iv) literacy of patients regarding health;

(v) any additional indicator, relating to improving or protecting the health of economically disadvantaged individuals and individuals who are members of medically underserved populations, that the Corporation, in consultation (as appropriate) with the Secretary of Health and Human Services and the Director of the Centers for Disease Control and Prevention, establishes; or

(vi) any additional local indicator (applicable to a particular recipient and on which an improvement in performance is needed) relating to improving or protecting the health of economically disadvantaged individuals and individuals who are members of medically underserved populations, that is approved by the Corporation or a State Commission.

(3) Clean Energy Service Corps

(A) In general

The recipient may carry out national service projects through a Clean Energy Service Corps that identifies and meets unmet environmental needs within communities through activities such as those described in subparagraph (B) and improves performance on the indicators described in subparagraph (C).

(B) Activities

A Clean Energy Service Corps described in this paragraph may carry out activities such as—

(i) weatherizing and retrofitting housing units for low-income households to significantly improve the energy efficiency and reduce carbon emissions of such housing units;

(ii) building energy-efficient housing units in low-income communities;

(iii) conducting energy audits for low-income households and recommending ways for the households to improve energy efficiency;

(iv) providing clean energy-related services designed to meet the needs of rural communities;

(v) working with schools and youth programs to educate students and youth about ways to reduce home energy use and improve the environment, including conducting service-learning projects to provide such education;

(vi) assisting in the development of local recycling programs;

(vii) renewing and rehabilitating national and State parks and forests, city parks, county parks and other public lands, and trails owned or maintained by the Federal Government or a State, including planting trees, carrying out reforestation, carrying out forest health restoration measures, carrying out erosion control measures, fire hazard reduction measures, and rehabilitation and maintenance of historic sites and structures throughout the national park system, and providing trail enhancements, rehabilitation, and repairs;

(viii) cleaning and improving rivers maintained by the Federal Government or a State;

(ix) carrying out projects in partnership with the National Park Service, designed to renew and rehabilitate national park resources and enhance services and learning opportunities for national park visitors, and nearby communities and schools;

(x) providing service through a full-time, year-round youth corps program or full-time summer youth corps program, such as a conservation corps or youth service corps program that—

(I) undertakes meaningful service projects with visible public benefits, in-
including projects involving urban renewal, sustaining natural resources, or improving human services;

(II) includes as participants youths and young adults who are age 16 through 25, including out-of-school youth and other disadvantaged youth (such as youth who are aging out of foster care, youth who have limited English proficiency, homeless youth, and youth who are individuals with disabilities), who are age 16 through 25; and

(III) provides those participants who are youth and young adults with—

(a) team-based, highly structured, and adult-supervised work experience, life skills, education, career guidance and counseling, employment training, and support services including mentoring; and

(bb) the opportunity to develop citizenship values and skills through service to their community and the United States;

(xi) carrying out other activities, addressing unmet environmental and workforce needs, that the Corporation may designate.

(C) Clean Energy Service Corps indicators

The indicators for a corps program described in this paragraph are—

(i) the number of housing units of low-income households weatherized or retrofitted to significantly improve energy efficiency and reduce carbon emissions;

(ii) annual energy costs (to determine savings in those costs) at facilities where participants have provided service;

(iii) the number of students and youth receiving education or training in energy-efficient and environmentally conscious practices;

(iv) the number of acres of national parks, State parks, city parks, county parks, or other public lands, that are cleaned or improved; and

(v) any additional indicator relating to clean energy, the reduction of greenhouse gas emissions, or education and skill attainment for clean energy jobs, that the Corporation, in consultation (as appropriate) with the Administrator of the Environmental Protection Agency, the Secretary of Energy, the Secretary of the Interior, or the Secretary of Labor, as appropriate, establishes; or

(vi) any additional local indicator (applicable to a particular recipient and on which an improvement in performance is needed) relating to clean energy, the reduction of greenhouse gas emissions, or education or skill attainment for clean energy jobs, that is approved by the Corporation or a State Commission.

(4) Veterans Corps

(A) In general

The recipient may carry out national service programs through a Veterans Corps that identifies and meets unmet needs of veterans and members of the Armed Forces who are on active duty through activities such as those described in subparagraph (B) and improves performance on the indicators described in subparagraph (C).

(B) Activities

A Veterans Corps described in this paragraph may carry out activities such as—

(i) promoting community-based efforts to meet the unique needs of military families while a family member is deployed and upon that family member's return home;

(ii) recruiting veterans, particularly returning veterans, into service opportunities, including opportunities that utilize their military experience;

(iii) assisting veterans in developing their educational opportunities (including opportunities for professional certification, licensure, or credentials), coordinating activities with and assisting State and local agencies administering veterans education benefits, and coordinating activities with and assisting entities administering veterans programs with internships and fellowships that could lead to employment in the private and public sectors;

(iv) promoting efforts within a community to serve the needs of veterans and members of the Armed Forces who are on active duty, including helping veterans file benefits claims and assisting Federal agencies in providing services to veterans, and sending care packages to Members of the Armed Forces who are deployed;

(v) assisting veterans in developing mentoring relationships with economically disadvantaged students;

(vi) developing projects to assist veterans with disabilities, veterans who are unemployed, older veterans, and veterans in rural communities, including assisting veterans described in this clause with transportation; or

(vii) other activities, addressing unmet needs of veterans, that the Corporation may designate.

(C) Veterans' Corps indicators

The indicators for a corps program described in this paragraph are—

(i) the number of housing units created for veterans;

(ii) the number of veterans who pursue educational opportunities;

(iii) the number of veterans receiving professional certification, licensure, or credentials;

(iv) the number of veterans engaged in service opportunities;

(v) the number of military families assisted by organizations while a family member is deployed and upon that family member's return home;
(vi) the number of economically disadvantaged students engaged in mentoring relationships with veterans;
(vii) the number of projects designed to meet identifiable public needs of veterans, especially veterans with disabilities, veterans who are unemployed, older veterans, and veterans in rural communities;
(viii) any additional indicator that relates to education or skill attainment that assists in providing veterans with the skills to address identifiable public needs, or that relates to improving the lives of veterans, members of the Armed Forces on active duty, and of families of the veterans and the members on active duty, and that the Corporation, in consultation (as appropriate) with the Secretary of Veterans Affairs, establishes; or
(ix) any additional local indicator (applicable to a particular recipient and on which an improvement in performance is needed) relating to the education or skill attainment, or the improvement, described in clause (viii), that is approved by the Corporation or a State Commission.

(5) Opportunity Corps

(A) In general

The recipient may carry out national service programs through an Opportunity Corps that identifies and meets unmet needs relating to economic opportunity for economically disadvantaged individuals within communities, through activities such as those described in subparagraph (B) and improves performance on the indicators described in subparagraph (C).

(B) Activities

An Opportunity Corps described in this paragraph may carry out activities such as—
(i) providing financial literacy education to economically disadvantaged individuals, including financial literacy education with regard to credit management, financial institutions including banks and credit unions, and utilization of savings plans;
(ii) assisting in the construction, rehabilitation, or preservation of housing units, including energy efficient homes, for economically disadvantaged individuals;
(iii) assisting economically disadvantaged individuals, including homeless individuals, in finding placement in and maintaining housing;
(iv) assisting economically disadvantaged individuals in obtaining access to health services for themselves or their children;
(v) assisting individuals in obtaining information about Federal, State, local, or private programs or benefits focused on assisting economically disadvantaged individuals, economically disadvantaged children, or low-income families;
(vi) facilitating enrollment in and completion of job training for economically disadvantaged individuals;
(vii) assisting economically disadvantaged individuals in obtaining access to job placement assistance;
(viii) carrying out a program that seeks to eliminate hunger in low-income communities and rural areas through service in projects—
(I) involving food banks, food pantries, and nonprofit organizations that provide food during emergencies;
(II) seeking to address the long-term causes of hunger through education and the delivery of appropriate services;
(III) providing training in basic health, nutrition, and life skills necessary to alleviate hunger in communities and rural areas; or
(IV) assisting individuals in obtaining information about federally supported nutrition programs;
(ix) addressing issues faced by home-bound citizens, such as needs for food deliveries, legal and medical services, nutrition information, and transportation;
(x) implementing an E-Corps program that involves participants who provide services in a community by developing and assisting in carrying out technology programs that seek to increase access to technology and the benefits of technology in such community; and
(xi) carrying out other activities, addressing unmet needs relating to economic opportunity for economically disadvantaged individuals, that the Corporation may designate.

(C) Opportunity Corps indicators

The indicators for a corps program described in this paragraph are—
(i) the degree of financial literacy among economically disadvantaged individuals;
(ii) the number of housing units built or improved for economically disadvantaged individuals or low-income families;
(iii) the number of economically disadvantaged individuals with access to job training and other skill enhancement;
(iv) the number of economically disadvantaged individuals with access to information about job placement services;
(v) any additional indicator relating to improving economic opportunity for economically disadvantaged individuals that the Corporation, in consultation (as appropriate) with the Secretary of Health and Human Services, the Secretary of Labor, the Secretary of Housing and Urban Development, and the Secretary of the Treasury, establishes; or
(vi) any additional local indicator (applicable to a particular recipient and on which an improvement in performance is needed) that is approved by the Corporation or a State Commission.

(b) National service programs

(1) In general

The recipient of a grant under section 12571(a) of this title and a Federal agency operating or supporting a national service pro-
program under section 12571(b) of this title may use the financial assistance or positions involved, directly or through subgrants to other entities, to carry out national service programs and model programs under this subsection that are focused on meeting community needs and improve performance on the indicators described in paragraph (3).

(2) Programs

The programs may include the following types of national service programs:

(A) A community service program designed to meet the needs of rural communities, using teams or individual placements to address development needs of rural communities, including addressing rural poverty, or the need for health services, education, or job training.

(B) A program—
(i) that engages participants in public health, emergency and disaster preparedness, and other public safety activities;
(ii) that may include the recruitment of qualified participants for, and placement of the participants in, positions to be trainees as law enforcement officers, firefighters, search and rescue personnel, or emergency medical service workers; and
(iii) that may engage Federal, State, and local stakeholders, in collaboration, to organize more effective responses to issues of public health, emergencies and disasters, and other public safety issues.

(C) A program that seeks to expand the number of mentors for disadvantaged youths and other youths (including by recruiting high school- and college-age individuals to enter into mentoring relationships), either through—
(i) provision of direct mentoring services;
(ii) provision of supportive services to direct mentoring service organizations (in the case of a partnership);
(iii) the creative utilization of current and emerging technologies to connect youth with mentors; or
(iv) supporting mentoring partnerships (including statewide and local mentoring partnerships that strengthen direct service mentoring programs) by—
(I) increasing State resources dedicated to mentoring;
(II) supporting the creation of statewide and local mentoring partnerships and programs of national scope through collaborative efforts between entities such as local or direct service mentoring partnerships, or units of State or local government; and
(III) assisting direct service mentoring programs.

(D) A program—
(i) in which not less than 75 percent of the participants are disadvantaged youth;
(ii) that may provide life skills training, employment training, educational counseling, assistance to complete a secondary school diploma or its recognized equivalent, counseling, or a mentoring relationship with an adult volunteer; and
(iii) for which, in awarding financial assistance and approved national service positions, the Corporation shall give priority to programs that engage retirees to serve as mentors.

(E) A program—
(i) that reengages court-involved youth and adults with the goal of reducing recidivism;
(ii) that may create support systems beginning in correctional facilities; and
(iii) that may have life skills training, employment training, an education program (including a program to complete a secondary school diploma or its recognized equivalent), educational and career counseling, and postprogram placement services.

(F) A demonstration program—
(i) that has as 1 of its primary purposes the recruitment and acceptance of court-involved youth and adults as participants, volunteers, or members; and
(ii) that may serve any purpose otherwise permitted under this chapter.

(G) A program that provides education or job training services that are designed to meet the needs of rural communities.

(H) A program that seeks to expand the number of mentors for youth in foster care through—
(i) the provision of direct academic mentoring services for youth in foster care;
(ii) the provision of supportive services to mentoring service organizations that directly provide mentoring to youth in foster care, including providing training of mentors in child development, domestic violence, foster care, confidentiality requirements, and other matters related to working with youth in foster care; and
(iii) supporting foster care mentoring partnerships, including statewide and local mentoring partnerships that strengthen direct service mentoring programs.

(I) Such other national service programs addressing unmet human, educational, environmental, or public safety needs as the Corporation may designate.

(3) Indicators

The indicators for a program described in this subsection are the indicators described in subparagraph (C) of paragraphs 3 (1), (2), (3), (4), or (5) of subsection (a) or any additional local indicator (applicable to a participant or recipient and on which an improvement in performance is needed) relating to meeting unmet community needs, that is approved by the Corporation or a State Commission.

(c) Program models for service corps

(1) In general

In addition to any activities described in subparagraph (B) of paragraphs (1) through (5)
of subsection (a), and subsection (b)(2), a recipient of a grant under section 12571(a) of this title and a Federal agency operating or supporting a national service program under section 12571(b) of this title may directly or through grants or subgrants to other entities carry out a national service corps program through the following program models:

(A) A community corps program that meets unmet health, veteran, and other human, educational, environmental, or public safety needs and promotes greater community unity through the use of organized teams of participants of varied social and economic backgrounds, skill levels, physical and developmental capabilities, ages, ethnic backgrounds, or genders.

(B) A service program that—
   (i) recruits individuals with special skills or provides specialized preservice training to enable participants to be placed individually or in teams in positions in which the participants can meet such unmet needs; and
   (ii) if consistent with the purposes of the program, brings participants together for additional training and other activities designed to foster civic responsibility, increase the skills of participants, and improve the quality of the service provided.

(C) A campus-based program that is designed to provide substantial service in a community during the school term and during summer or other vacation periods through the use of—
   (i) students who are attending an institution of higher education, including students participating in a work-study program assisted under part C of title IV of the Higher Education Act of 1965 (42 U.S.C. 2751 et seq.); 4
   (ii) teams composed of students described in clause (i); or
   (iii) teams composed of a combination of such students and community residents.

(D) A professional corps program that recruits and places qualified participants in positions—
   (i) as teachers, nurses and other health care providers, police officers, early childhood development staff, engineers, or other professionals providing service to meet human, educational, environmental, or public safety needs in communities with an inadequate number of such professionals;
   (ii) for which the salary may exceed the maximum living allowance authorized in subsection (a)(2) of section 12594 of this title, as provided in subsection (c) of such section; and
   (iii) that are sponsored by public or private employers who agree to pay 100 percent of the salaries and benefits (other than any national service educational award under division D) of the participants.

(E) A program that provides opportunities for veterans to participate in service projects.

(F) A program carried out by an intermediary that builds the capacity of local nonprofit and faith-based organizations to expand and enhance services to meet local or national needs.

(G) Such other program models as may be approved by the Corporation or a State Commission, as appropriate.

(2) Program models within corps

A recipient of financial assistance or approved national service positions for a corps program described in subsection (a) may use the assistance or positions to carry out the corps program, in whole or in part, using a program model described in this subsection. The corps program shall meet the applicable requirements of subsection (a) and this subsection.

(d) Qualification criteria to determine eligibility

(1) Establishment by Corporation

The Corporation shall establish qualification criteria for different types of national service programs for the purpose of determining whether a particular national service program should be considered to be a national service program eligible to receive assistance or approved national service positions under this division.

(2) Consultation

In establishing qualification criteria under paragraph (1), the Corporation shall consult with organizations and individuals with extensive experience in developing and administering effective national service programs or regarding the delivery of veteran services, and other human, educational, environmental, or public safety services, to communities or persons.

(3) Application to subgrants

The qualification criteria established by the Corporation under paragraph (1) shall also be used by each recipient of assistance under section 12571(a) of this title that uses any portion of the assistance to conduct a grant program to support other national service programs.

(4) Encouragement of intergenerational components of programs

The Corporation shall encourage national service programs eligible to receive assistance or approved national service positions under this division to establish, if consistent with the purposes of the program, an intergenerational component of the program that combines students, out-of-school youths, disadvantaged youth, and older adults as participants to provide services to address unmet human, educational, environmental, or public safety needs.

(e) Priorities for certain corps

In awarding financial assistance and approved national service positions to eligible entities proposed to carry out the corps described in subsection (a)—

(1) in the case of a corps described in subsection (a)(2)—
(A) the Corporation may give priority to eligible entities that propose to provide support for participants who, after completing service under this section, will undertake careers to improve performance on health indicators described in subsection (a)(2)(C); and

(B) the Corporation shall give priority to eligible entities that propose to carry out national service programs in medically underserved areas (as designated individually, by the Secretary of Health and Human Services as an area with a shortage of personal health services); and

(2) in the case of a corps described in subsection (a)(3), the Corporation shall give priority to eligible entities that propose to recruit individuals for the Clean Energy Service Corps so that significant percentages of participants in the Corps are economically disadvantaged individuals, and provide to such individuals support services and education and training to develop skills needed for clean energy jobs for which there is current demand or projected future demand.

(f) National service priorities

(1) Establishment

(A) By Corporation

In order to concentrate national efforts on meeting human, educational, environmental, or public safety needs and to achieve the other purposes of this chapter, the Corporation, after reviewing the strategic plan approved under section 12651b(g)(1),² of this title shall establish, and may periodically alter, priorities regarding the types of national service programs and corps to be assisted under section 12581 of this title and the purposes for which such assistance may be used.

(B) By States

Consistent with paragraph (4), States shall establish, and through the national service plan process described in section 12638(e)(1) of this title, periodically alter priorities as appropriate regarding the national service programs to be assisted under section 12581(e) of this title. The State priorities shall be subject to Corporation review as part of the application process under section 12582 of this title.

(2) Notice to applicants

The Corporation shall provide advance notice to potential applicants of any national service priorities to be in effect under this subsection for a fiscal year. The notice shall specifically include—

(A) a description of any alteration made in the priorities since the previous notice; and

(B) a description of the national service programs that are designated by the Corporation under section 12655(d)(2) of this title as eligible for priority consideration in the next competitive distribution of assistance under section 12571(a) of this title.

(3) Regulations

The Corporation shall by regulation establish procedures to ensure the equitable treatment of national service programs that—

(A) receive funding under this division for multiple years; and

(B) would be adversely affected by annual revisions in such national service priorities.

(4) Application to subgrants

Any national service priorities established by the Corporation under this subsection shall also be used by each recipient of funds under section 12571(a) of this title that uses any portion of the assistance to conduct a grant program to support other national service programs.

(g) Consultation on indicators

The Corporation shall consult with the Secretary of Education, the Secretary of Health and Human Services, the Director of the Centers for Disease Control and Prevention, the Secretary of Energy, the Secretary of Veterans Affairs, the Secretary of the Interior, the Administrator of the Environmental Protection Agency, the Secretary of Labor, the Secretary of Housing and Urban Development, and the Secretary of the Treasury, as appropriate, in developing additional indicators for the corps and programs described in subsections (a) and (b).

(h) Requirements for tutors

(1) In general

Except as provided in paragraph (2), the Corporation shall require that each recipient of assistance under the national service laws that operates a tutoring program involving elementary school or secondary school students certifies that individuals serving in approved national service positions as tutors in such program have—

(A) obtained their high school diplomas; and

(B) successfully completed pre- and in-service training for tutors.

(2) Exception

The requirements in paragraph (1) do not apply to an individual serving in an approved national service position who is enrolled in an elementary school or secondary school and is providing tutoring services through a structured, school-managed cross-grade tutoring program.

(i) Requirements for tutoring programs

Each tutoring program that receives assistance under the national service laws shall—

(1) offer a curriculum that is high quality, research-based, and consistent with the State academic content standards required by section 6311 of title 20 and the instructional program of the local educational agency; and

(2) offer high quality, research-based pre- and in-service training for tutors.

(j) Citizenship training

The Corporation shall establish guidelines for recipients of assistance under the national service laws, that are consistent with the principles on which citizenship programs administered by U.S. Citizenship and Immigration Services are based, relating to the promotion of citizenship and civic engagement among participants in approved national service positions and approved summer of service positions, and appropriate to
the age, education, and experience of the participants.

(k) Report
Not later than 60 days after the end of each fiscal year for which the Corporation makes grants under section 12571(a) of this title, the Corporation shall prepare and submit to the authorizing committees a report containing—

(1) information describing how the Corporation allocated financial assistance and approved national service positions among eligible entities proposed to carry out corps and national service programs described in this section for that fiscal year;

(2) information describing the amount of financial assistance and the number of approved national service positions the Corporation provided to each corps and national service program described in this section for that fiscal year;

(3) a measure of the extent to which the corps and national service programs improved performance on the corresponding indicators; and

(4) information describing how the Corporation is coordinating—

(A) the national service programs funded under this section; with

(B) applicable programs, as determined by the Corporation, carried out under division B of this subchapter, and part A of title I and parts A and B of title II of the Domestic Volunteer Service Act of 1973 (42 U.S.C. 4951 et seq., 5001, 5011) that improve performance on those indicators or otherwise address identified community needs.


REFERENCES IN TEXT
This chapter, referred to in subsecs. (b)(2)(F)(i) and (f)(1)(A), was in the original "this Act," meaning Pub. L. 101–610, Nov. 16, 1990, 104 Stat. 3127, which is classified generally to parts A (§5001) and B (§5011 et seq.) of subchapter I of chapter 34 of this title prior to transfer to part C of this subchapter, and parts A and B of title II of the Act are classified generally to parts A (§4951 et seq.) and B (§4951 et seq.) of subchapter II of chapter 66 of this title. Parts A and B of title II of the Act are classified generally to parts A (§4951 et seq.) and B (§5001, 5011) of division D of title II of the Act that are carried out under division E of title II of the Act, respectively, of subchapter IV of chapter 28 of Title 20, Education. For complete classification of this Act to the Code, see Short Title note set out under section 1701 of Title 16, Conservation.

The Corporation may approve of any of the following service positions as an approved national service position that includes the national service educational award described in division D as one of the benefits to be provided for successful service in the position:

(1) A position for a participant in a national service program described in subsection (a), (b), or (c) of section 12572 of this title that receives assistance under subsection (a) of section 12571 of this title.

(2) A position for a participant in a program that—

(A) is carried out by a State, a subdivision of a State, a territory, an Indian tribe, a public or private nonprofit organization, an institution of higher education, or a Federal agency (under an interagency agreement described in section 12571(b) of this title); and

(B) would be eligible to receive assistance under section 12572(a) of this title, based on criteria established by the Corporation, but has not applied for such assistance.

(3) A position involving service as a VISTA volunteer under title I of the Domestic Volunteer Service Act of 1973 (42 U.S.C. 4951 et seq.).

(4) A position facilitating service-learning in a program described in section 12572(a)(1)(B)(v) of this title that is eligible for assistance under part I of division B.

(5) A position for a participant in the National Civilian Community Corps under division E.

AMENDMENTS
2015—Subsec. (a)(1)(C)(ii). Pub. L. 114–95 substituted "four-year adjusted cohort graduation rate (as defined in section 7801 of title 20)" for "secondary school graduation rates as defined in section 611(b)(2)(C)(v)(i) of title 20 and as clarified in applicable regulations promulgated by the Department of Education".

2009—Pub. L. 111–13 substituted "National" for "Types of national" in section catchline and amended text generally. Prior to amendment, section enumerated eligible types of national service programs, set forth qualification criteria to determine eligibility, and required establishment of priorities regarding national service programs.

EFFECTIVE DATE OF 2015 AMENDMENT
Amendment by Pub. L. 114–95 effective Dec. 10, 2015, except with respect to certain noncompetitive programs and competitive programs, see section 5 of Pub. L. 114–95, set out as a note under section 6301 of Title 20, Education.

EFFECTIVE DATE OF 2009 AMENDMENT

EFFECTIVE DATE
Section effective Oct. 1, 1993, see section 123 of Pub. L. 103–82, set out as an Effective Date of 1993 Amendment note under section 1701 of Title 16, Conservation.

§12573. Types of national service positions eligible for approval for national service educational awards

The Corporation may approve of any of the following service positions as an approved national service position that includes the national service educational award described in division D as one of the benefits to be provided for successful service in the position:

(1) A position for a participant in a national service program described in subsection (a), (b), or (c) of section 12572 of this title that receives assistance under subsection (a) of section 12571 of this title.

(2) A position for a participant in a program that—

(A) is carried out by a State, a subdivision of a State, a territory, an Indian tribe, a public or private nonprofit organization, an institution of higher education, or a Federal agency (under an interagency agreement described in section 12571(b) of this title); and

(B) would be eligible to receive assistance under section 12572(a) of this title, based on criteria established by the Corporation, but has not applied for such assistance.

(3) A position involving service as a VISTA volunteer under title I of the Domestic Volunteer Service Act of 1973 (42 U.S.C. 4951 et seq.).

(4) A position facilitating service-learning in a program described in section 12572(a)(1)(B)(v) of this title that is eligible for assistance under part I of division B.

(5) A position for a participant in the National Civilian Community Corps under division E.

PRIOR PROVISIONS

A prior section 122 of Pub. L. 101–610 was renumbered section 199B, and is classified to section 12655a of this title.
(6) A position involving service as a crew leader in a youth corps program or a similar position supporting a national service program that receives an approved national service position.

(7) A position involving service in the ServeAmerica Fellowship program carried out under section 12653b of this title.

(8) Such other national service positions as the Corporation considers to be appropriate.


REFERENCES IN TEXT

Title I of the Act is classified generally to subchapter I (§ 4591 et seq.) of chapter 66 of this title. For complete classification of this Act to the Code, see Short Title note set out under section 4950 of this title and Tables.

PRIOR PROVISIONS

A prior section 123 of Pub. L. 101–610 was renumbered section 199C, and is classified to section 12655b of this title.

AMENDMENTS
2009—Par. (1). Pub. L. 111–13, § 1303(1), substituted “subsection (a), (b), or (c) of section 12572” for “section 12572(a)” and struck out “or (b)” before “of section 12571”.

Par. (2)(A). Pub. L. 111–13, § 1303(2), inserted “a territory,” after “subdivision of a State,” and substituted “Federal agency (under an interagency agreement described in section 12571(b) of this title)” for “Federal agency”.


Par. (5). Pub. L. 111–13, § 1303(4), inserted “National” before “Civilian Community Corps”.

Par. (7). (8). Pub. L. 111–13, § 1303(5), (6), added par. (7) and redesignated former par. (7) as (8).

EFFECTIVE DATE OF 2009 AMENDMENT

EFFECTIVE DATE
Section effective Oct. 1, 1993, see section 123 of Pub. L. 103–82, set out as an Effective Date of 1993 Amendment note under section 1701 of Title 16, Conservation.

§ 12574. Types of program assistance

(a) Planning assistance
The Corporation may provide assistance under section 12571 of this title to a qualified applicant that submits an application under section 12582 of this title for the establishment, operation, or expansion of a national service program. Assistance provided in accordance with this subsection may cover a period of not more than 3 years, but may be renewed by the Corporation upon consideration of a new application under section 12582 of this title.

(b) Operational assistance
The Corporation may provide assistance under section 12571 of this title to a qualified applicant that submits an application under section 12582 of this title for the establishment, operation, or expansion of a national service program. Assistance provided in accordance with this subsection may cover a period of not more than 3 years, but may be renewed by the Corporation upon consideration of a new application under section 12582 of this title.

(c) Replication assistance
The Corporation may provide assistance under section 12571 of this title to a qualified applicant that submits an application under section 12582 of this title for the expansion of a proven national service program to another geographical location. Assistance provided in accordance with this subsection may cover a period of not more than 3 years, but may be renewed by the Corporation upon consideration of a new application under section 12582 of this title.

(d) Application to subgrants
The requirements of this section shall apply to any State or other applicant receiving assistance under section 12571 of this title that proposes to conduct a grant program using the assistance to support other national service programs.


PRIOR PROVISIONS

A prior section 124 of Pub. L. 101–610 was renumbered section 199D, and is classified to section 12655c of this title.

EFFECTIVE DATE
Section effective Oct. 1, 1993, see section 123 of Pub. L. 103–82, set out as an Effective Date of 1993 Amendment note under section 1701 of Title 16, Conservation.


PRIOR PROVISIONS
A prior section 125 of Pub. L. 101–610 was renumbered section 199E, and is classified to section 12655d of this title.

EFFECTIVE DATE OF REPEAL
Repeal effective Oct. 1, 2009, see section 610(a) of Pub. L. 111–13, set out as an Effective Date of 2009 Amendment note under section 4950 of this title.

§ 12576. Other special assistance

(a) Support for State Commissions

(1) Grants authorized

From amounts appropriated for a fiscal year pursuant to the authorization of appropriation
in section 12681(a)(5) of this title, the Corporation may make a grant in an amount between $250,000 and $1,000,000 to a State to assist the State to establish or operate the State Commission on National and Community Service required to be established by the State under section 12638 of this title.

(2) Matching requirement

In making a grant to a State under this subsection, the Corporation shall require the State to agree to provide matching funds from non-Federal sources of not less than $1 for every $1 provided by the Corporation through the grant.

(3) Alternative

Notwithstanding paragraph (2), the Chief Executive Officer may permit a State that demonstrates hardship or a new State Commission to meet alternative matching requirements for such a grant as follows:

(A) First $100,000

For the first $100,000 of grant funds provided by the Corporation, the State involved shall not be required to provide matching funds.

(B) Amounts greater than $100,000

For grant amounts of more than $100,000 and not more than $250,000 provided by the Corporation, the State shall agree to provide matching funds from non-Federal sources of not less than $1 for every $2 provided by the Corporation, in excess of $100,000.

(C) Amounts greater than $250,000

For grant amounts of more than $250,000 provided by the Corporation, the State shall agree to provide matching funds from non-Federal sources of not less than $1 for every $1 provided by the Corporation, in excess of $250,000.

(b) Disaster service

The Corporation may undertake activities, including activities carried out through part A of title I of the Domestic Volunteer Service Act of 1973 (42 U.S.C. 4951 et seq.), to involve programs that receive assistance under the national service laws in disaster relief efforts, and to support, including through mission assignments under the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.), nonprofit organizations and public agencies responding to the needs of communities experiencing disasters.

(c) Challenge grants for national service programs

(1) Assistance authorized

The Corporation may make challenge grants under this subsection to programs supported under the national service laws.

(2) Selection criteria

The Corporation shall develop criteria for the selection of recipients of challenge grants under this subsection, so as to make the grants widely available to a variety of programs that—

(A) are high-quality national service programs; and

(B) are carried out by entities with demonstrated experience in establishing and implementing projects that provide benefits to participants and communities.

(3) Amount of assistance

A challenge grant under this subsection may provide, for an initial 3-year grant period, not more than $1 of assistance under this subsection for each $1 in cash raised from private sources by the program supported under the national service laws in excess of amounts required to be provided by the program to satisfy matching funds requirements. After an initial 3-year grant period, a grant under this subsection may provide not more than $1 of assistance under this subsection for each $2 in cash raised from private sources by the program in excess of amounts required to be provided by the program to satisfy matching funds requirements. The Corporation may permit the use of local or State funds under this paragraph in lieu of cash raised from private sources if the Corporation determines that such use would be equitable due to a lack of available private funds at the local level. The Corporation shall establish a ceiling on the amount of assistance that may be provided to a national service program under this subsection.


REFERENCES IN TEXT


The Robert T. Stafford Disaster Relief and Emergency Assistance Act, referred to in subsec. (b), is Pub. L. 93–288, May 22, 1974, 88 Stat. 143, which is classified principally to chapter 68 (§5121 et seq.) of this title. For complete classification of this Act to the Code, see Short Title note set out under section 5121 of this title and Tables.

PRIORITY PROVISIONS

Prior sections 12576 to 12580, which related to national and community service, were omitted in the general amendment of subtitlE D of title I of Pub. L. 101–610 [former part D of this subchapter] by Pub. L. 103–82, §110(a).


A prior section 126 of Pub. L. 101–610 was renumbered section 199F and is classified to section 12655e of this title.


§ 12581. Provision of assistance and approved national service positions

(a) One percent allotment for certain territories

Of the funds allocated by the Corporation for provision of assistance under section 12571(a) of this title for a fiscal year, the Corporation shall reserve 1 percent for grants to the United States Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands upon approval by the Corporation of an application submitted under section 12580 of this title. The Corporation shall allot for a grant to each such territory under this subsection for a fiscal year an amount that bears the same ratio to 1 percent of the allocated funds for that fiscal year as the population of the territory bears to the total population of all such territories.

(b) Allotment for Indian tribes

Of the funds allocated by the Corporation for provision of assistance under section 12571(a) of this title for a fiscal year, the Corporation shall reserve at least 1 percent for grants to Indian tribes to be allotted by the Corporation on a competitive basis.

(c) Reservation of approved positions

The Corporation shall ensure that each individual selected during a fiscal year for assignment as a VISTA volunteer under title I of the Domestic Volunteer Service Act of 1973 (42 U.S.C. 4951 et seq.) or as a participant in the National Civilian Community Corps Program under division E shall receive the national service educational award described in division D if the individual satisfies the eligibility requirements for the award. Funds for approved national service positions required by this paragraph for a fiscal year shall be deducted from the total funding for approved national service positions to be available for distribution under subsections (d) and (e) for that fiscal year.

(d) Allotment for competitive grants

(1) In general

Of the funds allocated by the Corporation for provision of assistance under section 12571(a) of this title for a fiscal year and subject to section 12585(d)(3) of this title, the Corporation shall reserve not more than 62.7 percent for grants awarded on a competitive basis to States specified in subsection (e)(1) for national service programs, to nonprofit organizations seeking to operate a national service program in 2 or more of those States, and to Indian tribes.

(2) Equitable treatment

In the consideration of applications for such grants, the Corporation shall ensure the equitable treatment of applicants from urban areas, applicants from rural areas, applicants of diverse sizes (as measured by the number of participants served), applicants from States, and applicants from national nonprofit organizations.

(3) Encore service programs

In making grants under this subsection for a fiscal year, the Corporation shall make an effort to allocate not less than 10 percent of the financial assistance and approved national service positions provided through the grants for that fiscal year to eligible entities proposing to carry out encore service programs, unless the Corporation does not receive a sufficient number of applications of adequate quality to justify making that percentage available to those eligible entities.

(4) Corps programs

In making grants under this subsection for a fiscal year, the Corporation—

(A) shall select 2 or more of the national service corps described in section 12572(a) of this title to receive grants under this subsection; and

(B) may select national service programs described in section 12572(b) of this title to receive such grants.
§ 12581

(e) Allotment to certain States on formula basis

(1) Grants

Of the funds allocated by the Corporation for provision of assistance under section 12571(a) of this title for a fiscal year, the Corporation shall make a grant to each of the several States, the District of Columbia, and the Commonwealth of Puerto Rico that submits an application under section 12582 of this title that is approved by the Corporation.

(2) Allotments

The Corporation shall allot for a grant to each such State under this subsection for a fiscal year an amount that bears the same ratio to 35.3 percent of the allocated funds for that fiscal year as the population of the State bears to the total population of the several States, the District of Columbia, and the Commonwealth of Puerto Rico, in compliance with paragraph (3).

(3) Minimum amount

Notwithstanding paragraph (2), the minimum grant made available to each State approved by the Corporation under paragraph (1) for each fiscal year shall be at least $600,000, or 0.5 percent of the amount allocated for the State formula under this subsection for the fiscal year, whichever is greater.

(f) Effect of failure to apply

If a State or territory fails to apply for, or fails to give notice to the Corporation of its intent to apply for, an allotment under this section, or the Corporation does not approve the application consistent with section 12585 of this title, the Corporation may use the amount that would have been allotted under this section to the State or territory to—

(1) make grants (and provide approved national service positions in connection with such grants) to other community-based entities under section 12571 of this title that propose to carry out national service programs in such State or territory; and

(2) make reallocations to other States or territories with approved applications submitted under section 12582 of this title, from the allotment funds not used to make grants as described in paragraph (1).

(g) Application required

The Corporation shall make an allotment of assistance (including the provision of approved national service positions) to a recipient under this section only pursuant to an application submitted by a State or other applicant under section 12582 of this title.

(h) Approval of positions subject to available funds

The Corporation may not approve positions as approved national service positions under this division for a fiscal year in excess of the number of such positions for which the Corporation has sufficient available funds in the National Service Trust for that fiscal year, taking into consideration funding needs for national service educational awards under division D based on completed service. If appropriations are insufficient to provide the maximum allowable national service educational awards under division D for all eligible participants, the Corporation is authorized to make necessary and reasonable adjustments to program rules.

(i) Sponsorship of approved national service positions

(1) Sponsorship authorized

The Corporation may enter into agreements with persons or entities who offer to sponsor national service positions for which the person or entity will be responsible for supplying the funds necessary to provide a national service educational award. The distribution of those approved national service positions shall be made pursuant to the agreement, and the creation of those positions shall not be taken into consideration in determining the number of approved national service positions to be available for distribution under this section.

(2) Deposit of contribution

Funds provided pursuant to an agreement under paragraph (1) shall be deposited in the National Service Trust established in section 12601 of this title until such time as the funds are needed.

(j) Reservation of funds for special assistance

(1) Reservation

From amounts appropriated for a fiscal year pursuant to the authorization of appropriations in section 12681(a)(2) of this title and allocated to carry out this division and subject to the limitation in such section, the Corporation may reserve such amount as the Corporation considers to be appropriate for the purpose of making assistance available under subsections (b) and (c) of section 12576 of this title.

(2) Limitation

The amount reserved under paragraph (1) for a fiscal year may not exceed $10,000,000.

(3) Timing

The Corporation shall reserve such amount, and any amount reserved under subsection (k) from funds appropriated and allocated to carry out this division, before allocating funds for the provision of assistance under any other provision of this division.

(k) Reservation of funds to increase the participation of individuals with disabilities

(1) Reservation

To make grants to public or private nonprofit organizations to increase the participation of individuals with disabilities in national service and for demonstration activities in furtherance of this purpose, and subject to the limitation in paragraph (2), the Chief Executive Officer shall reserve not less than 2 percent from the amounts, appropriated to carry out this division and divisions D, E, and H for each fiscal year.

(2) Limitation

The amount reserved under paragraph (1) for a fiscal year may not exceed $20,000,000.

(3) Remainder

The Chief Executive Officer may use the funds reserved under paragraph (1), and not
Authority for fixed-amount grants

(1) In general

(A) Authority

From amounts appropriated for a fiscal year to provide financial assistance under the national service laws, the Corporation may provide assistance in the form of fixed-amount grants in an amount determined by the Corporation under paragraph (2) rather than on the basis of actual costs incurred by a program.

(B) Limitation

Other than fixed-amount grants to support programs described in section 12581a of this title, for the 1-year period beginning on the effective date of the Serve America Act, the Corporation may provide assistance in the form of fixed-amount grants to programs that only offer full-time positions.

(2) Determination of amount of fixed-amount grants

A fixed-amount grant authorized by this subsection shall be in an amount determined by the Corporation that is—

(A) significantly less than the reasonable and necessary costs of administering the program supported by the grant; and

(B) based on an amount per individual enrolled in the program receiving the grant, taking into account—

(i) the capacity of the entity carrying out the program to manage funds and achieve programmatic results;

(ii) the number of approved national service positions, approved silver scholar positions, or approved summer of service positions for the program, if applicable;

(iii) the proposed design of the program;

(iv) whether the program provides service to, or involves the participation of, disadvantaged youth or otherwise would reasonably incur a relatively higher level of costs; and

(v) such other factors as the Corporation may consider under section 12585 of this title in considering applications for assistance.

(3) Requirements for grant recipients

In awarding a fixed-amount grant under this subsection, the Corporation—

(A) shall require the grant recipient—

(i) to return a pro rata amount of the grant funds based upon the difference between the number of hours served by a participant and the minimum number of hours for completion of a term of service (as established by the Corporation);

(ii) to report on the program's performance on standardized measures and performance levels established by the Corporation;

(iii) to cooperate with any evaluation activities undertaken by the Corporation; and

(iv) to provide assurances that additional funds will be raised in support of the program, in addition to those received under the national service laws; and

(B) may adopt other terms and conditions that the Corporation considers necessary or appropriate based on the relative risks (as determined by the Corporation) associated with any application for a fixed-amount grant.

(4) Other requirements not applicable

Limitations on administrative costs and matching fund documentation requirements shall not apply to fixed-amount grants provided in accordance with this subsection.

(5) Rule of construction

Nothing in this subsection shall relieve a grant recipient of the responsibility to comply with the requirements of chapter 75 of title 31 or other requirements of Office of Management and Budget Circular A–133.

References in Text


For the effective date of the Serve America Act, referred to in subsec. (b)(2), as Oct. 1, 2009, see section 6101(a) of Pub. L. 111–13, set out as an Effective Date of 2009 Amendment note under section 4950 of this title.

Prior Provisions

A prior section 129 of Pub. L. 101–610 was renumbered section 196H and is classified to section 12655h of this title.

Amendments

2009—Pub. L. 111–13 amended section generally. Prior to amendment, section consisted of subsecs. (a) to (g) relating to allotments of assistance and approved national service positions to States and Indian tribes, reservation of the national service educational award for eligible individuals in approved positions, reservation of amounts appropriated as considered appropriate for special assistance, competitive distribution of remaining funds, application requirement, approval of positions subject to available funds, and sponsorship of approved national service positions.

Effective Date of 2009 Amendment


Effective Date

Section effective Oct. 1, 1993, see section 123 of Pub. L. 103–82, set out as an Effective Date of 1993 Amendment note under section 1701 of Title 16, Conservation.

§ 12581a. Educational awards only program

(a) In general

From amounts appropriated for a fiscal year to provide financial assistance under this division and consistent with the restriction in subsection (b), the Corporation may, through fixed-amount grants (in accordance with section
§ 12582. Application for assistance and approved national service positions

(a) Time, manner, and content of application

To be eligible to receive assistance under section 12581 of this title, provide operational support to programs that receive approved national service positions but do not receive funds under section 12571(a) of this title.

(b) Limit on Corporation grant funds

The Corporation may provide the operational support under this section for a program in an amount that is not more than $300 per individual enrolled in an approved national service position, or not more than $1,000 per such individual if at least 50 percent of the persons enrolled in the program are disadvantaged youth.

(c) Inapplicable provisions

The following provisions shall not apply to programs funded under this section:

(1) The limitation on administrative costs under section 12571(d) of this title.

(2) The matching funds requirements under section 12571(e) of this title.

(3) The living allowance and other benefits under sections 12583(e) and 12594 of this title (other than individualized support services for participants with disabilities under section 12594(f) of this title).

In order to have adequate information upon which to consider an application under section 12585 of this title, the Corporation may require the following information to be provided in an application submitted under subsection (a):

(1) A description of the national service programs proposed to be carried out directly by the applicant using assistance provided under section 12571 of this title.

(2) A description of the national service programs that are selected by the applicant to receive a grant using assistance requested under section 12571 of this title and a description of the process and criteria by which the programs were selected.

(3) A description of other funding sources to be used, or sought to be used, for the national service programs referred to in paragraphs (1) and (2), and, if the application is submitted for the purpose of seeking a renewal of assistance, a description of the success of the programs in reducing their reliance on Federal funds.

(4) A description of the extent to which the projects to be conducted using the assistance will address unmet human, educational, environmental, or public safety needs and produce a direct benefit for the community in which the projects are performed.

(5) A description of the plan to be used to recruit participants, including youth who are individuals with disabilities and economically disadvantaged young men and women, for the national service programs referred to in paragraphs (1) and (2).

(6) A description of the manner in which the national service programs referred to in paragraphs (1) and (2) build on existing programs, including Federal programs.

(7) A description of the manner in which the national service programs referred to in paragraphs (1) and (2) will involve participants—

(A) in projects that build an ethic of civic responsibility and produce a positive change in the lives of participants through training and participation in meaningful service experiences and opportunities for reflection on such experiences; and

(B) in leadership positions in implementing and evaluating the program.

(8) Measurable goals for the national service programs referred to in paragraphs (1) and (2), and a strategy to achieve such goals, in terms of—

(A) the impact to be made in meeting unmet human, educational, environmental, or public safety needs; and

(B) the service experience to be provided to participants in the programs.

(9) A description of the manner and extent to which the national service programs referred to in paragraphs (1) and (2) conform to the national service priorities established by the Corporation under section 12572(f) of this title.

(10) A description of the past experience of the applicant in operating a comparable program or in conducting a grant program in support of other comparable service programs.

(11) A description of the type and number of proposed service positions in which participants will receive the national service educational award described in division D and a description of the manner in which approved national service positions will be apportioned by the applicant.

(12) A description of the manner and extent to which participants, representatives of the community served, community-based agencies with a demonstrated record of experience in providing services, municipalities and governments of counties in which such a community is located, and labor organizations contributed to the development of the national service programs referred to in paragraphs (1) and (2), including the identity of the individual representing each appropriate labor organization (if any) who was consulted and the nature of the consultation.

(13) Such other information as the Corporation may reasonably require.

(c) Required application information

An application submitted under subsection (a) shall contain the following information:
(1) A description of the proposed positions into which participants will be placed using the assistance provided under section 12571 of this title.

(2) A description of the proposed minimum qualifications that individuals shall meet to become participants in such programs.

(3) In the case of a nonprofit organization intending to operate programs in 2 or more States, a description of the manner in which and extent to which the organization consulted with the State Commissions of each State in which the organization intends to operate and the nature of the consultation.

(d) Additional required application information

An application submitted under subsection (a) for programs described in 12572(a) of this title shall also contain—

(1) measurable goals, to be used for annual measurements of the program’s performance on 1 or more of the corresponding indicators described in section 12572 of this title;

(2) information describing how the applicant proposes to utilize funds to improve performance on the corresponding indicators utilizing participants, including describing the activities in which such participants will engage to improve performance on those indicators;

(3) information identifying the geographical area in which the eligible entity proposing to carry out the program proposes to use funds to improve performance on the corresponding indicators, and demographic information on the students or individuals, as appropriate, in such area, and statistics demonstrating the need to improve such indicators in such area; and

(4) if applicable, information on how the eligible entity will work with other community-based entities to carry out activities to improve performance on the corresponding indicators using such funds.

(e) Application to receive only approved national service positions

(1) Applicability of subsection

This subsection shall apply in the case of an application in which—

(A) the applicant is not seeking assistance under section 12571(a) of this title, but requests national service educational awards for individuals serving in service positions described in section 12573 of this title; or

(B) the applicant requests national service educational awards for service positions described in section 12573 of this title, but the positions are not positions in a national service program described in subsection (a), (b), or (c) of section 12572 of this title for which assistance may be provided under section 12571(a) of this title.

(2) Special application requirements

For the applications described in paragraph (1), the Corporation shall establish special application requirements in order to determine—

(A) whether the service positions meet unmet human, educational, environmental, or public safety needs and meet the criteria for assistance under this division; and

(B) whether the Corporation should approve the positions as approved national service positions.

(f) Special rule for State applicants

(1) Submission by State Commission

The application of a State for approved national service positions or for a grant under section 12571(a) of this title shall be submitted by the State Commission.

(2) Competitive selection

The application of a State shall contain an assurance that all assistance provided under section 12571(a) of this title to the State will be used to support national service programs that were or will be selected by the State on a competitive basis. In making such competitive selections, the State shall seek to ensure the equitable allocation within the State of assistance and approved national service positions provided under this division to the State taking into consideration such factors as the location of the programs applying to the State, population density, and economic distress.

(3) Assistance to non-State entities

The application of a State shall also contain an assurance that not less than 60 percent of the assistance will be used to make grants in support of national service programs other than national service programs carried out by a State agency. The Corporation may permit a State to deviate from the percentage specified by this subsection if the State has not received a sufficient number of acceptable applications to comply with the percentage.

(g) Special rule for certain applicants

(1) Written concurrence

In the case of an applicant that proposes to also serve as the service sponsor, the application shall include the written concurrence of any local labor organization representing employees of the service sponsor who are engaged in the same or substantially similar work as that proposed to be carried out.

(2) Applicant defined

For purposes of this subsection, the term “applicant” means—

(A) a State, subdivision of a State, territory, Indian tribe, public or private nonprofit organization, or institution of higher education submitting an application under this section; or

(B) an entity applying for assistance or approved national service positions through a grant program conducted using assistance provided to a State, subdivision of a State, territory, Indian tribe, public or private nonprofit organization, or institution of higher education under section 12571 of this title.

(h) Limitation on same project receiving multiple grants

Unless specifically authorized by law, the Corporation may not provide more than 1 grant under the national service laws for a fiscal year to support the same project under the national service laws.

PRIOR PROVISIONS

A prior section 130 of Pub. L. 101–610 was renumbered section 1901 and is classified to section 12655 of this title.

AMENDMENTS

2009—Subsec. (a). Pub. L. 111–13, §1308(1), substituted "section 12571(a)" for "section 12571", inserted "territory," after "assistance, a State,", and substituted "or institution of higher education" for "or institution of higher education, or Federal agency".

Subsec. (b)(9). Pub. L. 111–13, §1308(2)(A), substituted "section 12572(f)", for "section 12572(c)".

Subsec. (b)(12). Pub. L. 111–13, §1308(2)(B), inserted "municipalities and governments of counties in which such a community is located," after "providing services..."

Subsec. (c)(1). Pub. L. 111–13, §1308(3)(A), substituted "proposed positions" for "jobs or positions" and a period for ";", including descriptions of specific tasks to be performed by such participants.

Subsec. (c)(2). Pub. L. 111–13, §1308(3)(B), inserted "proposed" before "minimum".

Subsec. (c)(3). Pub. L. 111–13, §1308(3)(C), added par. (3).

Subsec. (d). Pub. L. 111–13, §1308(5), added subsec. (d) and redesignated former subsec. (d) as (e).

Subsec. (d)(1). Pub. L. 111–13, §1308(4), substituted "section 12571" in subpars. (A) and (B) and "section 12571" in subpars. (a) and (b), or (c) of section 12572" for "section 12572(a)" in subpar. (B).

Subsec. (e). Pub. L. 111–13, §1308(5)(A), redesignated subsec. (f) as (e). Former subsec. (f) redesignated (g).

Subsec. (g). Pub. L. 111–13, §1308(6), which directed substitution of "were or will be selected" for "were selected" in par. (2)(A), was executed by making the substitution in par. (2) to reflect the probable intent of Congress because par. (2) does not contain subpars. (A) and (B). Former subsec. (g), Pub. L. 111–13, §1308(5), redesignated subsec. (f) as (g). Former subsec. (g) redesignated (h).

Subsec. (h)(1). Pub. L. 111–13, §1308(7)(A), substituted "an applicant" for "a program applicant".


Subsec. (g)(2)(A), (B), Pub. L. 111–13, §1308(7)(B)(iii), (iv), inserted "territory," after "subdivision of a State," and substituted "or institution of higher education" for "institution of higher education, or Federal agency".

Subsec. (h). Pub. L. 111–13, §1308(5), (8), redesignated subsec. (g) as (h) and amended subsec. (h) generally. Prior to amendment, text read as follows: "The Corporation shall reject an application submitted under this section if a project proposed to be conducted using assistance requested by the applicant is already described in another application pending before the Corporation."

EFFECTIVE DATE OF 2009 AMENDMENT


EFFECTIVE DATE

Section effective Oct. 1, 1993, see section 123 of Pub. L. 103–82, set out as an Effective Date of 1993 Amendment note under section 1701 of Title 16, Conservation. §12583. National service program assistance requirements

(a) Impact on communities

An application submitted under section 12582 of this title shall include an assurance by the applicant that any national service program carried out by the applicant using assistance provided under section 12571 of this title and any national service program supported by a grant made by the applicant using such assistance will—

(1) address unmet human, educational, environmental, or public safety needs through services that provide a direct benefit to the community in which the service is performed; and

(2) comply with the nonduplication and nonplacement requirements of section 12637 of this title and the grievance procedure requirements of section 12636(f) of this title.

(b) Impact on participants

An application submitted under section 12582 of this title shall also include an assurance by the applicant that any national service program carried out by the applicant using assistance provided under section 12571 of this title and any national service program supported by a grant made by the applicant using such assistance will—

(1) provide participants in the national service program with the training, skills, and knowledge necessary for the projects that participants are called upon to perform;

(2) provide support services to participants, such as the provision of appropriate information and support—

(A) to those participants who are completing a term of service and making the transition to other educational and career opportunities; and

(B) to those participants who are school dropouts in order to assist those participants in earning the equivalent of a high school diploma; and

(3) provide, if appropriate, structured opportunities for participants to reflect on their service experiences.

(c) Consultation

An application submitted under section 12582 of this title shall also include an assurance by the applicant that any national service program carried out by the applicant using assistance provided under section 12571 of this title and any national service program supported by a grant made by the applicant using such assistance will—

(1) provide in the design, recruitment, and operation of the program for broad-based input from—

(A) the community served, the municipality and government of the county (if appropriate) in which the community is located, and potential participants in the program; and

(B) community-based agencies with a demonstrated record of experience in providing services and local labor organizations representing employees of service sponsors, if...
these entities exist in the area to be served by the program;

(2) prior to the placement of participants, consult with the appropriate local labor organization, if any, representing employees in the area who are engaged in the same or similar work as that proposed to be carried out by such program to ensure compliance with the nondisplacement requirements specified in section 12637 of this title; and

(3) in the case of a program that is not funded through a State (including a national service program that a nonprofit organization seeks to operate in 2 or more States), consult with and coordinate activities with the State Commission for each State in which the program will operate, and the Corporation shall obtain confirmation from the State Commission that the applicant seeking assistance under this chapter has consulted with and coordinated with the State Commission when seeking to operate the program in that State.

(d) Evaluation and performance goals

(1) In general

An application submitted under section 12582 of this title shall also include an assurance by the applicant that the applicant will—

(A) arrange for an independent evaluation of any national service program carried out using assistance provided to the applicant under section 12571 of this title or, with the approval of the Corporation, conduct an internal evaluation of the program;

(B) apply measurable performance goals and evaluation methods (such as the use of surveys of participants and persons served), which are to be used as part of such evaluation to determine the impact of the program—

(i) on communities and persons served by the projects performed by the program;

(ii) on participants who take part in the projects; and

(iii) in such other areas as the Corporation may require; and

(C) cooperate with any evaluation activities undertaken by the Corporation.

(2) Evaluation

Subject to paragraph (3), the Corporation shall develop evaluation criteria and performance goals applicable to all national service programs carried out with assistance provided under section 12571 of this title and any national service program supported by a grant made by the applicant using such assistance will select a portion of the participants for the program from among prospective participants recruited by the Corporation or State Commissions under section 12592(d) of this title. The Corporation may specify a minimum percentage of participants to be selected from the national leadership pool established under section 12592(e) of this title and may vary the percentage for different types of national service programs.


References in Text

This chapter, referred to in subsec. (c)(3), was in the original “this Act”, meaning Pub. L. 101–610, Nov. 16, 1990, 104 Stat. 3127, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 12501 of this title and Tables.

Prior Provisions

A prior section 131 of Pub. L. 101–610 was renumbered section 199J and is classified to section 12655j of this title.

Amendments

2009—Subsec. (c)(1)(A). Pub. L. 111–13, § 1309(1), added subpar. (A) and struck out former subpar. (A) which read as follows: “the community served and potential participants in the program; and”.

Subsec. (c)(3). Pub. L. 111–13, § 1309(2), added par. (3) and struck out former par. (3) which read as follows: “in the case of a program that is not funded through a State, consult with and coordinate activities with the State Commission for the State in which the program operates.”

Effective Date of 2009 Amendment


Effective Date

Section effective Oct. 1, 1993, see section 123 of Pub. L. 103–82, set out as an Effective Date of 1993 Amendment note under section 1701 of Title 16, Conservation.
§ 12584. Ineligible service categories

(a) In general

Except as provided in subsection (b), an application submitted to the Corporation under section 12582 of this title shall include an assurance by the applicant that any national service program carried out using assistance provided under section 12571 of this title and any approved national service position provided to an applicant will not be used to perform service that provides a direct benefit to any—

(1) business organized for profit;
(2) labor union;
(3) partisan political organization;
(4) organization engaged in religious activities, unless such service does not involve the use of assistance provided under section 12571 of this title or participants—
   (A) to give religious instruction;
   (B) to conduct worship services;
   (C) to provide instruction as part of a program that includes mandatory religious education or worship;
   (D) to construct or operate facilities devoted to religious instruction or worship or to maintain facilities primarily or inherently devoted to religious instruction or worship; or
   (E) to engage in any form of proselytization; or
(5) nonprofit organization that fails to comply with the restrictions contained in section 501(c) of title 26, except that nothing in this section shall be construed to prevent participants from engaging in advocacy activities undertaken at their own initiative.

(b) Regional Corporation

The requirement of subsection (a) relating to an assurance regarding direct benefits to businesses organized for profit shall not apply with respect to a Regional Corporation, as defined in section 3(g) of the Alaska Native Claims Settlement Act (43 U.S.C. 1602(g)), that is established in accordance with such Act (43 U.S.C. 1601 et seq.) as a for-profit corporation but that is engaging in nonprofit activities:


§ 12584a. Prohibited activities and ineligible organizations

(a) Prohibited activities

An approved national service position under this division may not be used for the following activities:

(1) Attempting to influence legislation.
(2) Organizing or engaging in protests, petitions, boycotts, or strikes.
(3) Assisting, promoting, or deterring union organizing.
(4) Impairing existing contracts for services or collective bargaining agreements.
(5) Engaging in partisan political activities, or other activities designed to influence the outcome of an election to Federal office or the outcome of an election to a State or local public office.
(6) Participating in, or endorsing, events or activities that are likely to include advocacy for or against political parties, political platforms, political candidates, proposed legislation, or elected officials.
(7) Engaging in religious instruction, conducting worship services, providing instruction as part of a program that includes mandatory religious instruction or worship, constructing or operating facilities devoted to religious instruction or worship, maintaining facilities primarily or inherently devoted to religious instruction or worship, or engaging in any form of proselytization, consistent with section 12584 of this title.
(8) Consistent with section 12584 of this title, providing a direct benefit to any—
   (A) business organized for profit;
   (B) labor union;
   (C) partisan political organization;
   (D) nonprofit organization that fails to comply with the restrictions contained in section 501(c) of title 26, except that nothing in this section shall be construed to prevent participants from engaging in advocacy activities undertaken at their own initiative; and
   (E) organization engaged in the religious activities described in paragraph (7), unless the position is not used to support those religious activities.
(9) Providing abortion services or referrals for receipt of such services.
(10) Conducting a voter registration drive or using Corporation funds to conduct a voter registration drive.
(11) Carrying out such other activities as the Corporation may prohibit.

(b) Ineligibility

No assistance provided under this division may be provided to any organization that has violated a Federal criminal statute.

(c) Nondisplacement of employed workers or other volunteers

A participant in an approved national service position under this division may not be directed to perform any services or duties, or to engage in any activities, prohibited under the nonduplication, nondisplacement, or nonsupplantation requirements relating to employees and volunteers in section 12637 of this title.
§ 12585. Consideration of applications

(a) Corporation consideration of certain criteria

The Corporation shall apply the criteria described in subsections (c) and (d) in determining whether—

(1) to approve an application submitted under section 12582 of this title and provide assistance under section 12571 of this title to the applicant; and

(2) to approve service positions described in the application as national service positions that include the national service educational award described in division D and provide such approved national service positions to the applicant.

(b) Application to subgrants

(1) In general

A State or other entity that uses assistance provided under section 12571(a) of this title to support national service programs selected on a competitive basis to receive a share of the assistance shall use the criteria described in subsections (c) and (d) when considering an application submitted by a national service program to receive a portion of such assistance or an approved national service position.

(2) Contents

The application of the State or other entity under section 12582 of this title shall contain—

(A) a certification that the State or other entity used these criteria in the selection of national service programs to receive assistance;

(B) a description of the positions into which participants will be placed using such assistance, including descriptions of specific tasks to be performed by such participants; and

(C) a description of the minimum qualifications that individuals shall meet to become participants in such programs.

(c) Assistance criteria

The criteria required to be applied in evaluating applications submitted under section 12582 of this title are as follows:

(1) The quality of the national service program proposed to be carried out directly by the applicant or supported by a grant from the applicant;

(2) The innovative aspects of the national service program, and the feasibility of replicating the program;

(3) The sustainability of the national service program, based on evidence such as the existence—

(A) of strong and broad-based community support for the program; and

(B) of multiple funding sources or private funding for the program;

(4) The quality of the leadership of the national service program, the past performance of the program, and the extent to which the program builds on existing programs;

(5) The extent to which participants of the national service program are recruited from among residents of the communities in which projects are to be conducted, and the extent to which participants and community residents are involved in the design, leadership, and operation of the program;

(6) The extent to which projects would be conducted in the following areas where they are needed most:

(A) Communities designated as empowerment zones or redevelopment areas, targeted for special economic incentives, or otherwise identifiable as having high concentrations of low-income people.

(B) Areas that are environmentally distressed.

(C) Areas adversely affected by Federal actions related to the management of Federal lands that result in significant regional job losses and economic dislocation.

(D) Areas adversely affected by reductions in defense spending or the closure or realignment of military installations.

(E) Areas that have an unemployment rate greater than the national average unemployment for the most recent 12 months for which satisfactory data are available.

(7) In the case of applicants other than States, the extent to which the application is consistent with the application under section 12582 of this title in which the projects would be conducted.

(d) Other considerations

(1) Geographic diversity

The Corporation shall ensure that recipients of assistance provided under section 12571 of this title are geographically diverse and include projects to be conducted in those urban and rural areas in a State with the highest rates of poverty.

(2) Priorities

The Corporation may designate, under such criteria as may be established by the Corporation, certain national service programs or types of national service programs described in subsection (a), (b), or (c) of section 12572 of this title for priority consideration in the competitive distribution of funds under section 12581(d) of this title. In designating national service programs to receive priority, the Corporation may include—

(A) national service programs that—

(i) conform to the national service priorities in effect under section 12572(f) of this title;

(ii) are innovative; and

(iii) are well established in 1 or more States at the time of the application and are proposed to be expanded to additional States using assistance provided under section 12571 of this title;

(B) grant programs in support of other national service programs if the grant pro-
programs are to be conducted by nonprofit organizations with demonstrated and extensive expertise in the provision of services to meet human, educational, environmental, or public safety needs; and
(C) professional corps programs described in section 12572(c)(1)(D) of this title.

(3) Additional priority

In making a competitive distribution of funds under section 12581(d) of this title, the Corporation may give priority consideration to a national service program that is—

(A) proposed in an application submitted by a State Commission; and
(B) not one of the types of programs described in paragraph (2),

if the State Commission provides an adequate explanation of the reasons why it should not be a priority of such State to carry out any of such types of programs in the State.

(4) Review panel

The Corporation shall—

(A) establish panels of experts for the purpose of securing recommendations on applications submitted under section 12582 of this title for more than $250,000 in assistance, or for national service positions that would require more than $250,000 in national service educational awards; and
(B) consider the opinions of such panels prior to making such determinations.

(e) Emphasis on areas most in need

In making assistance available under section 12571 of this title and in providing approved national service positions under section 12573 of this title, the Corporation shall ensure that not less than 50 percent of the total amount of assistance to be distributed to States under subsections (d) and (e) of section 12581 of this title for a fiscal year is provided to carry out or support national service programs and projects that—

(1) are conducted in any of the areas described in subsection (c)(6) or on Federal or other public lands, to address unmet human, educational, environmental, or public safety needs in such areas or on such lands; and
(2) place a priority on the recruitment of participants who are residents of any of such areas or Federal or other public lands.

(f) Views of State Commission

In making competitive awards under section 12581(d) of this title, the Corporation shall solicit and consider the views of a State Commission regarding any application for assistance to carry out a national service program within the State.

(g) Rejection of State applications

(1) Notification of State applicants

If the Corporation rejects an application submitted by a State Commission under section 12582 of this title for funds described in section 12581(e) of this title, the Corporation shall promptly notify the State Commission of the reasons for the rejection of the application.

(2) Resubmission and reconsideration

The Corporation shall provide a State Commission notified under paragraph (1) with a reasonable opportunity to revise and resubmit the application. At the request of the State Commission, the Corporation shall provide technical assistance to the State Commission as part of the resubmission process. The Corporation shall promptly reconsider an application resubmitted under this paragraph.

(3) Reallocation

The amount of any State’s allotment under section 12581(e) of this title for a fiscal year that the Corporation determines will not be provided for that fiscal year shall be available for distribution by the Corporation as provided in section 12581(f) of this title.


PRIORITY PROVISIONS

A prior section 133 of Pub. L. 101–610 was renumbered section 199K and is classified to section 12655 of this title.

AMENDMENTS

Subsec. (d)(2). Pub. L. 111–13, § 1311(2)(A)(i), substituted “subsection (a), (b), or (c) of section 12572” for “subsection (a)” and “section 12581(d)” for “section 12581(d)(2)” in introductory provisions.
Subsec. (d)(2)(A) to (D). Pub. L. 111–13, § 1311(2)(A)(ii), added subpars. (A) to (D) and struck out former subpars. (A) to (G), which set forth programs the Corporation could include in designating national service programs to receive priority.
Subsec. (e). Pub. L. 111–13, § 1311(3), substituted “subsections (d) and (e) of section 12581” for “subsections (a) and (d)(1) of section 12581” in introductory provisions.
Former subsec. (f) redesignated (g).
Subsec. (f)(1). Pub. L. 111–13, § 1311(4)(A), substituted “section 12581(e)” for “section 12581(a)(1)”, “section 12581(e)” for “section 12581(a)” and “section 12581(f) of this title” for “paragraph (3) of subsection (f)”. Subsec. (g). Pub. L. 111–13, § 1311(5), redesignated subsec. (f) as (g).

EFFECTIVE DATE OF 2009 AMENDMENT


EFFECTIVE DATE

Section effective Oct. 1, 1993, see section 123 of Pub. L. 103–82, set out as an Effective Date of 1993 Amendment note under section 1701 of Title 16, Conservation.

PART III—NATIONAL SERVICE PARTICIPANTS

§ 12591. Description of participants

(a) In general

For purposes of this division, an individual shall be considered to be a participant in a national service program carried out using assistance provided under section 12571 of this title if the individual—

(1) meets such eligibility requirements, directly related to the tasks to be accomplished, as may be established by the program;
Title 42—The Public Health and Welfare

§ 12592

Selection of national service participants

(a) Selection process

Subject to subsections (b) and (c) and section 12583(f) of this title, the actual recruitment and selection of an individual to serve in a national service program receiving assistance under section 12571 of this title or to fill an approved national service position shall be conducted by the entity to which the assistance and approved national service positions are provided.

(b) Nondiscrimination and nonpolitical selection of participants

The recruitment and selection of individuals to serve in national service programs receiving assistance under section 12571 of this title or to fill approved national service positions shall be consistent with the requirements of section 12635 of this title.

(c) Second term

Acceptance into a national service program to serve a second term of service under section 12593 of this title shall only be available to individuals who perform satisfactorily in their first term of service.

(d) Recruitment and placement

The Corporation and each State Commission shall establish a system to recruit individuals who desire to perform national service and to assist the placement of these individuals in approved national service positions, which may include positions available under titles I and II of the Domestic Volunteer Service Act of 1973 (42 U.S.C. 4951 et seq. [and 5000 et seq.]). The Corporation and State Commissions shall disseminate information regarding available approved national service positions through cooperation with secondary schools, institutions of higher education, employment service offices, State vocational rehabilitation agencies within the meaning of the Rehabilitation Act of 1973 (29 U.S.C. 701 et seq.) and other State agencies that primarily serve individuals with disabilities, and other appropriate entities, particularly those organizations that provide outreach to disadvantaged youths and youths who are individuals with disabilities.

(e) National leadership pool

(1) Selection and training

From among individuals recruited under subsection (d), the Corporation may select individuals with significant leadership potential, as determined by the Corporation, to receive special training to enhance their leadership ability. The leadership training shall be provided by the Corporation directly or through a grant or contract.

(2) Emphasis on certain individuals

In selecting individuals to receive leadership training under this subsection, the Corporation shall make special efforts to select individuals who have served—

(A) in the Peace Corps;
(B) as VISTA volunteers;
(C) as participants in national service programs receiving assistance under section 12571 of this title, particularly those who were considered, at the time of their service, disadvantaged youth;
(D) as participants in programs receiving assistance under part D of this subchapter, as in effect on the day before September 21, 1993; or
(E) as members of the Armed Forces of the United States and who were honorably discharged from such service.

(3) Assignment
At the request of a program that receives assistance under the national service laws, the Corporation may assign an individual who receives leadership training under paragraph (1) to work with the program in a leadership position and carry out assignments not otherwise performed by regular participants. An individual assigned to a program shall be considered to be a participant of the program.

(f) Evaluation of service
The Corporation shall issue regulations regarding the manner and criteria by which the service of a participant shall be evaluated to determine whether the service is satisfactory and successful for purposes of eligibility for a second term of service or a national service educational award.


REFERENCES IN TEXT


AMENDMENTS
2009—Subsec. (a). Pub. L. 111–13, § 1313(1), substituted “conducted by the entity” for “conducted by the State, subdivision of a State, Indian tribe, public or private nonprofit organization, institution of higher education, Federal agency, or other entity”.
Subsec. (e)(2)(C). Pub. L. 111–13, § 1313(2), inserted “, particularly those who were considered, at the time of their service, disadvantaged youth” before semicolon at end.

EFFECTIVE DATE OF 2009 AMENDMENT

§ 12593. Terms of service

Effective Date
Section effective Oct. 1, 1993, see section 123 of Pub. L. 103–82, set out as an Effective Date of 1993 Amendment note under section 1701 of Title 16, Conservation.

§ 12593. Terms of service

(a) In general
As a condition of receiving a national service education award under division D, a participant in an approved national service position shall be required to perform full- or part-time national service for at least one term of service specified in subsection (b).

(b) Term of service

(1) Full-time service
An individual performing full-time national service in an approved national service position shall agree to participate in the program sponsoring the position for not less than 1,700 hours during a period of not more than 1 year.

(2) Part-time service
Except as provided in paragraph (3), an individual performing part-time national service in an approved national service position shall agree to participate in the program sponsoring the position for not less than 900 hours during a period of not more than 2 years.

(3) Reduction in hours of part-time service
The Corporation may reduce the number of hours required to be served to successfully complete part-time national service to a level determined by the Corporation, except that any reduction in the required term of service shall include a corresponding reduction in the amount of any national service educational award that may be available under division D with regard to that service.

(4) Extension of term for disaster purposes

(A) Extension
An individual in an approved national service position performing service directly related to disaster relief efforts may continue in a term of service for a period of 90 days beyond the period otherwise specified in, as appropriate, this subsection or section 12613(d) of this title or in section 4954 of this title.

(B) Single term of service
A period of service performed by an individual in an originally-agreed to term of service and service performed under this paragraph shall constitute a single term of service for purposes of subsections (b)(1) and (c) of section 12602 of this title.

(C) Benefits
An individual performing service under this paragraph may continue to receive a living allowance and other benefits under section 12594 of this title but may not receive an additional national service educational award under section 12596 of this title.

(c) Release from completing term of service

(1) Release authorized
A recipient of assistance under section 12571 of this title or a program sponsoring an ap-
proved national service position may release a participant from completing a term of service in the position—

(A) for compelling personal circumstances as determined by the organization responsible for granting the release, if the participant has otherwise performed satisfactorily and has completed at least 15 percent of the term of service; or

(B) for cause.

(2) Effect of release for compelling circumstances

If a participant eligible for release under paragraph (1)(A) is serving in an approved national service position, the recipient of assistance under section 12571 of this title or a program sponsoring an approved national service position may elect—

(A) to grant such release and certify the participant’s eligibility for that portion of the national service educational award corresponding to the portion of the term of service actually completed, as provided in section 12593(c) of this title; or

(B) to permit the participant to temporarily suspend performance of the term of service for a period of up to 2 years (and such additional period as the Corporation may allow for extenuating circumstances) and, upon completion of such period, to complete the remainder of the term of service and obtain the entire national service educational award.

(3) Effect of release for cause

A participant released for cause may not receive any portion of the national service educational award.


AMENDMENTS

2009—Subsec. (b)(1). Pub. L. 111–13, §1314(1)(A), struck out “not less than 9 months and” before “not more than 1 year”.

Subsec. (b)(2). Pub. L. 111–13, §1314(1)(B), substituted “during a period of not more than 2 years.” for “during a period of—

(A) not more than 2 years; or

(B) not more than 3 years if the individual is enrolled in an institute of higher education while performing all or a portion of the service.”


Subsec. (c)(1)(A). Pub. L. 111–13, §1314(2)(A), substituted “as determined by the organization responsible for granting the release, if the participant has otherwise performed satisfactorily and has completed at least 15 percent of the term of service” for “as demonstrated by the participant”.

Subsec. (c)(2)(A). Pub. L. 111–13, §1314(2)(B)(i), substituted “certify the participant’s eligibility for that portion of the national service educational award” for “provide to the participant that portion of the national service educational award”.

Subsec. (c)(2)(B). Pub. L. 111–13, §1314(2)(B)(ii), struck out “to allow return to the program with which the individual was serving in order” before “to complete the remainder.”

§12594. Living allowances for national service participants

(a) Provision of living allowance

(1) Living allowance required

Subject to paragraphs (2) and (3), a national service program carried out using assistance provided under section 12571 of this title shall provide to each participant who participates on a full-time basis in the program a living allowance in an amount equal to or greater than the average annual subsistence allowance provided to VISTA volunteers under section 4955 of this title.

(2) Maximum living allowance

Except as provided in subsection (c), the total amount of an annual living allowance that may be provided to a participant in a national service program shall not exceed 200 percent of the average annual subsistence allowance provided to VISTA volunteers under section 4955 of this title.

(3) Federal work-study students

The living allowance that may be provided under paragraph (1) to an individual whose term of service includes hours for which the individual receives a Federal work-study award under part C of title IV of the Higher Education Act of 1965 (42 U.S.C. 2751 et seq.) shall be reduced by the amount of the individual’s Federal work-study award.

(4) Proration of living allowance

The amount provided as a living allowance under this subsection shall be prorated in the case of a participant who is authorized to serve a term of service that is less than 12 months.

(5) Waiver or reduction of living allowance

The Corporation may waive or reduce the requirement of paragraph (1) with respect to such national service program if such program demonstrates that—

(A) such requirement is inconsistent with the objectives of the program; and

(B) the amount of the living allowance that will be provided to each full-time participant is sufficient to meet the necessary costs of living (including food, housing, and transportation) in the area in which the program is located.

(6) Exemption

The requirement of paragraph (1) shall not apply to any program that was in existence on September 21, 1993.

(b) Coverage of certain employment-related taxes

To the extent a national service program that receives assistance under section 12571 of this title is subject, with respect to the participants in the program, to the taxes imposed on an em-
employer under sections 3111 and 3301 of title 26 and taxes imposed on an employer under a workmen's compensation act, the assistance provided to the program under section 12571 of this title may be used to pay the taxes described in this subsection.

(c) Exception from maximum living allowance for certain assistance

A professional corps program described in section 12572(c)(1)(D) of this title that desires to provide a living allowance in excess of the maximum allowance authorized in subsection (a)(2) may still apply for such assistance, except that—

(1) any assistance provided to the applicant under section 12571 of this title may not be used to pay for any portion of the allowance; and

(2) the national service program shall be operated directly by the applicant and shall meet urgent, unmet human, educational, environmental, or public safety needs, as determined by the Corporation.

(d) Health insurance

(1) In general

A State or other recipient of assistance under section 12571 of this title shall provide or make available a basic health care policy for each full-time participant in a national service program carried out or supported using the assistance, if the participant is not otherwise covered by a health care policy. The Corporation shall establish minimum standards that all plans must meet in order to qualify for payment under this part, any circumstances in which an alternative health care policy may be substituted for the basic health care policy, and mechanisms to prohibit participants from dropping existing coverage.

(2) Option

A State or other recipient of assistance under section 12571 of this title shall provide or make available a health care policy for participants that does not meet all of the standards established by the Corporation if the fair market value of such policy is equal to or greater than the fair market value of a plan that meets the minimum standards established by the Corporation, and is consistent with other applicable laws.

(e) Child care

(1) Availability

A State or other recipient of assistance under section 12571 of this title shall—

(A) make child care available for children of each full-time participant who needs child care in order to participate in a national service program carried out or supported by the recipient using the assistance; or

(B) provide a child care allowance to each full-time participant in a national service program who needs such assistance in order to participate in the program.

(2) Guidelines

The Corporation shall establish guidelines regarding the circumstances under which child care shall be made available under this subsection and the value of any allowance to be provided.

(f) Individualized support services

A State or other recipient of assistance under section 12571 of this title shall provide reasonable accommodation, including auxiliary aids and services (as defined in section 12102(1) of this title), based on the individualized need of a participant who is a qualified individual with a disability (as defined in section 12111(8) of this title).


REFERENCES IN TEXT

The Higher Education Act of 1965, referred to in subsec. (a)(3), is Pub. L. 89–329, Nov. 8, 1965, 79 Stat. 1219. Part C of title IV of the Act was formerly classified generally to part C (§ 2751 et seq.) of subchapter I of chapter 34 of this title prior to transfer to part C (§ 1087–51 et seq.) of chapter 26 of Title 20, Education. For complete classification of this Act to the Code, see Short Title note set out under section 1001 of Title 20 and Tables.

Section 12102 of this title, referred to in subsec. (f), was amended generally by Pub. L. 110–325, §4(a), Sept. 25, 2008, 122 Stat. 3555, and, as so amended, no longer defines “auxiliary aids and services”. However, such term is defined in section 12101(1) of this title.

PRIOR PROVISIONS

A prior section 140 of Pub. L. 101–610 was set out as a note under section 12501 of this title, prior to the general amendment of subtitle D of title I of Pub. L. 101–610 (former part D of this subchapter) by Pub. L. 103–82, §102(a).

AMENDMENTS

2009—Subsec. (a)(1). Pub. L. 111–13, §1315(1)(A), substituted “paragraphs (2) and (3)” for “paragraph (3)”. Subsec. (a)(2), (3). Pub. L. 111–13, §1315(1)(B)–(D), added par. (3), redesignated former par. (3) as (2), and struck out former par. (2). Text of former par. (2) read as follows: “The amount of the annual living allowance provided under paragraph (1) that may be paid using assistance provided under section 12571 of this title and using any other Federal funds shall not exceed 85 percent of the total average annual provided to VISTA volunteers under section 4953 of this title.” Subsec. (a)(4). Pub. L. 111–13, §1315(1)(E), substituted “a term of service that is less than 12 months” for “a reduced term of service under section 12593(b)(3) of this title”. Subsec. (b). Pub. L. 111–13, §1315(2), substituted “may be used to pay the taxes described in this subsection” for “shall include an amount sufficient to cover 85 percent of such taxes based upon the lesser of—

(1) the total average annual subsistence allowance provided to VISTA volunteers under section 4955 of this title; and

(2) the annual living allowance established by the program.” Subsec. (c). Pub. L. 111–13, §1315(3), substituted “section 12572(c)(1)(D)” for “section 12572(a)(8)” and “subsection (a)(2)” for “subsection (a)(3) of this section” in introductory provisions, redesignated par. (3) as (2), and struck out former par. (2) which read as follows: “the applicant shall apply for such assistance only by submitting an application to the Corporation for assistance on a competitive basis; and” Subsec. (d)(1). Pub. L. 111–13, §1315(4)(A), substituted “shall provide or make available” for “shall provide” and struck out second sentence which read as follows:
“Not more than 85 percent of the cost of a premium shall be provided by the Corporation, with the remaining cost paid by the entity receiving assistance under section 12571 of this title.”

Subsec. (d)(2), Pub. L. 111–13, §1315(d)(B), substituted “provide from its own funds” for “provide from its own funds”.

Subsecs. (g) and (h), Pub. L. 111–13, §1315(e), struck out subsec. (g) which allowed waiver in whole or in part of limitation on Federal share and limited number of terms of service for federally subsidized living allowance, respectively.

**Effective Date of 2009 Amendment**


**Effective Date**

Section effective Oct. 1, 1993, see section 123 of Pub. L. 103–82, set out as an Effective Date of 1993 Amendment note under section 1701 of Title 16, Conservation.

§12595. National service educational awards

(a) Eligibility generally

A participant in a national service program carried out using assistance provided to an applicant under section 12571 of this title shall be eligible for the national service educational award described in division D if the participant—

(1) serves in an approved national service position; and

(2) satisfies the eligibility requirements specified in section 12602 of this title with respect to service in that approved national service position.

(b) Special rule for VISTA volunteers

A VISTA volunteer who serves in an approved national service position shall be ineligible for a national service educational award if the VISTA volunteer accepts the stipend authorized under section 4955(a)(1) of this title.


**Prior Provisions**


**Effective Date**

Section effective Oct. 1, 1993, see section 123 of Pub. L. 103–82, set out as an Effective Date of 1993 Amendment note under section 1701 of Title 16, Conservation.

Division D—National Service Trust and Provision of Educational Awards

**Codification**

Subtitle D of title I of Pub. L. 101–610, comprising this division, was formerly classified to part D (§12571 et seq.) of this subchapter prior to the general amendment by Pub. L. 103–82, §102(a).


§12601. Establishment of the National Service Trust

(a) Establishment

There is established in the Treasury of the United States an account to be known as the National Service Trust. The Trust shall consist of—

(1) from the amounts appropriated to the Corporation and made available to carry out this division, such amounts as the Corporation may designate to be available for the payment of—

(A) national service educational awards, summer of service educational awards, and silver scholar educational awards; and

(B) interest expenses pursuant to section 12604(e) of this title;

(2) any amounts received by the Corporation as gifts, bequests, devises, or otherwise pursuant to section 12651g(a)(2) of this title, if the terms of such donations direct that the donated amounts be deposited in the National Service Trust;

(3) any amounts recovered by the Corporation pursuant to section 12602a of this title; and

(4) the interest on, and proceeds from the sale or redemption of, any obligations held by the Trust.

(b) Investment of Trust

It shall be the duty of the Secretary of the Treasury to invest in full the amounts appropriated to the Trust. Except as otherwise expressly provided in instruments concerning a gift, bequest, devise, or other donation and agreed to by the Corporation, such investments may be made only in interest-bearing obligations of the United States or in obligations guaranteed as to both principal and interest by the United States. For such purpose, such obligations may be acquired on original issue at the issue price or by purchase of outstanding obligations at the market price. Any obligation acquired by the Trust may be sold by the Secretary at the market price.

(c) Expenditures from Trust

Amounts in the Trust shall be available, to the extent provided for in advance by appropriation, for—

(1) payments of national service educational awards, summer of service educational awards, and silver scholar educational awards in accordance with section 12604 of this title; and

(2) payments of interest in accordance with section 12604(e) of this title.

(d) Reports to the authorizing committees on receipts and expenditures

Not later than March 1 of each year, the Corporation shall submit a report to the authorizing committees on the financial status of the Trust during the preceding fiscal year. Such report shall—

(1) specify the amount deposited to the Trust from the most recent appropriation to the Corporation, the amount received by the Corporation as gifts, bequests, devises, or otherwise pursuant to section 12651g(a)(2) of this title during the period covered by the report, and any amounts obtained by the Trust pursuant to subsection (a)(3);

(2) identify the number of individuals who are currently performing service to qualify, or have qualified, for national service educational awards, summer of service educational awards, or silver scholar awards;
(3) identify the number of individuals whose expectation to receive national service educational awards, summer of service educational awards, or silver scholar awards during the period covered by the report—
(A) has been reduced pursuant to section 12603(c) of this title; or
(B) has lapsed pursuant to section 12602(d) of this title; and
(4) estimate the number of additional approved national service positions, additional approved summer of service positions, and additional approved silver scholar positions that the Corporation will be able to make available on the basis of any accumulated surplus in the Trust above the amount required to provide national service educational awards, summer of service educational awards, or silver scholar awards to individuals identified under paragraph (2), including any amounts available as a result of the circumstances referred to in paragraph (3).


PRIOR PROVISIONS
A prior section 12601, Pub. L. 101–610, title I, § 156, Nov. 16, 1990, 104 Stat. 3156, related to authority of Commission on National and Community Service to make grants to States or Indian tribes for creation of innovative volunteer and community service programs, prior to repeal by Pub. L. 103–82, § 104(a).
A prior section 145 of Pub. L. 101–610 was classified to section 12575 of this title prior to the general amendment of subtitle D of title I of Pub. L. 101–610 (former part D of this subchapter) by Pub. L. 103–82, § 102(a).

AMENDMENTS
Subsec. (a)(1)(A). Pub. L. 111–13, § 1401(b)(1)(A)(i), inserted “, summer of service educational awards, and silver scholar educational awards” after “national service educational awards”.
Subsec. (a)(2). Pub. L. 111–13, § 1401(b)(1)(B)(i), substituted “pursuant to section 12601a(a)(2) of this title” after “the terms of such donations direct” in section 12601a(a)(2) of this title, and added par. (3) and redesignated former par. (3) as (4).
Subsec. (c). Pub. L. 111–13, § 1401(b)(2), substituted “for—” for “for payments of national service educational awards in accordance with section 12604 of this title,” and added pars. (1) and (2).
Subsec. (d). Pub. L. 111–13, § 1401(b)(3)(A), (B), substituted “the authorizing committees” for “Congress” in heading and “the authorizing committees” for “the Congress” in introductory provisions.
Subsec. (d)(2), (3). Pub. L. 111–13, § 1401(b)(3)(C), inserted “additional approved summer service positions, and additional approved silver scholar positions” after “additional approved national service positions”, struck out “under division C of this subchapter” after “make available”, and inserted “, summer of service educational awards, or silver scholar awards” after “national service educational awards”.

EFFECTIVE DATE OF 2009 AMENDMENT

EFFECTIVE DATE
Section effective Oct. 1, 1993, see section 123 of Pub. L. 103–82, set out as an Effective Date of 1993 Amendment note under section 1701 of Title 16, Conservation.

SEGLER AMERICORPS EDUCATION AWARD
Pub. L. 109–234, title VII, § 7014, June 15, 2006, 120 Stat. 484, provided that: “Any national service educational award described in subtitle D of title I of the National and Community Service Act of 1990 (42 U.S.C. 12601 et seq.), made with funds appropriated to, funds transferred to, or interest accumulated in the National Service Trust, shall hereafter be known as a ‘Segler AmeriCorps Education Award’.”

§ 12601a. Transfer of funds; notice to Congress
For fiscal year 2009 and thereafter, in addition to amounts otherwise provided to the National Service Trust, at no later than the end of the fifth fiscal year after the fiscal year for which funds are appropriated or otherwise made available, unobligated balances of appropriations available for grants under the National Service Trust Program under subtitle C of title I of the 1990 Act (42 U.S.C. 12571 et seq.) during such fiscal year may be transferred to the National Service Trust after notice is transmitted to the Committees on Appropriations of the House of Representatives and the Senate, if such funds are initially obligated before the expiration of their period of availability.


REFERENCES IN TEXT

CODIFICATION
Section was enacted as part of the appropriation act cited as the credit to this section, and not as part of the National and Community Service Act of 1990 which comprises this chapter.

SIMILAR PROVISIONS
Similar provisions were contained in the following prior appropriation act:

§ 12602. Individuals eligible to receive an educational award from the Trust
(a) Eligible individuals
An individual shall receive a national service educational award, summer of service educational award, or silver scholar educational award from the National Service Trust if the organization responsible for the individual’s supervision in a national service program certifies that the individual—
(1) met the applicable eligibility requirements for the approved national service posi-
tion, approved silver scholar position, or approved summer of service position, as appropriate, in which the individual served;

(2) (A) for a full-time or part-time national service educational award, successfully completed the required term of service described in subsection (b)(1) in the approved national service position;

(B) for a partial educational award in accordance with section 12593(c) of this title—

(i) satisfactorily performed prior to being granted a release for compelling personal circumstances under such section; and

(ii) completed at least 15 percent of the required term of service described in subsection (b) for the approved national service position;

(C) for a summer of service educational award, successfully completed the required term of service described in subsection (b)(2) in an approved summer of service position, as certified through a process determined by the Corporation through regulations consistent with section 12592(f) of this title; or

(D) for a silver scholar educational award, successfully completed the required term of service described in subsection (b)(3) in an approved silver scholar position, as certified through a process determined by the Corporation through regulations consistent with section 12592(f) of this title; and

(3) is a citizen or national of the United States or lawful permanent resident alien of the United States.

(b) Term of service

(1) Approved national service position

The term of service for an approved national service position shall not be less than the full- or part-time term of service specified in section 12593(b) of this title.

(2) Approved summer of service position

The term of service for an approved summer of service position shall not be less than 100 hours of service during the summer months.

(3) Approved silver scholar position

The term of service for an approved silver scholar position shall be not less than 350 hours during a 1-year period.

(c) Limitation on receipt of national service educational awards

An individual may not receive, through national service educational awards and silver scholar educational awards, more than an amount equal to the aggregate value of 2 such awards for full-time service. The value of summer of service educational awards that an individual receives shall have no effect on the aggregate value of the national service educational awards the individual may receive.

(d) Time for use of educational award

(1) In general

Subject to paragraph (2), an individual eligible to receive a national service educational award or a silver scholar educational award under this section may not use such award after the end of the 7-year period beginning on the date the individual completes the term of service in an approved national service position or an approved silver scholar position, as applicable, that is the basis of the award. Subject to paragraph (2), an individual eligible to receive a summer of service educational award under this section may not use such award after the end of the 10-year period beginning on the date the individual completes the term of service in an approved summer of service position that is the basis of the award.

(2) Exception

The Corporation may extend the period within which an individual may use a national service educational award, summer of service educational award, or silver scholar educational award if the Corporation determines that the individual—

(A) was unavoidably prevented from using the national service educational award, summer of service educational award, or silver scholar educational award during the original 7-year period, or 10-year period, as appropriate; or

(B) performed another term of service in an approved national service position, approved summer of service position, or approved silver scholar position during that period.

(3) Term for transferred educational awards

For purposes of applying paragraphs (1) and (2)(A) to an individual who is eligible to receive an educational award as a designated individual (as defined in section 12604(f)(8) of this title), references to a seven-year period shall be considered to be references to a 10-year period that begins on the date the individual who transferred the educational award to the designated individual completed the term of service in the approved national service position or approved silver scholar position that is the basis of the award.

(e) Suspension of eligibility for drug-related offenses

(1) In general

An individual who, after qualifying under this section or under section 12593(c)(8) of this title as an eligible individual, has been convicted under any Federal or State law of the possession or sale of a controlled substance shall not be eligible to receive a national service educational award, a summer of service educational award, or a silver scholar educational award during the period beginning on the date of such conviction and ending after the interval specified in the following table:

<table>
<thead>
<tr>
<th>Possession of a controlled substance</th>
<th>Ineligibility period</th>
</tr>
</thead>
<tbody>
<tr>
<td>1st conviction</td>
<td>1 year</td>
</tr>
<tr>
<td>2nd conviction</td>
<td>2 years</td>
</tr>
<tr>
<td>3rd conviction</td>
<td>indefinite</td>
</tr>
</tbody>
</table>

The sale of a controlled substance:

| 1st conviction | 2 years |
| 2nd conviction | indefinite |

(2) Rehabilitation

An individual whose eligibility has been suspended under paragraph (1) shall resume eli-
bility before the end of the period determined under such paragraph if the individual satisfactorily completes a drug rehabilitation program that complies with such criteria as the Corporation shall prescribe for purposes of this paragraph.

(3) First convictions

An individual whose eligibility has been suspended under paragraph (1) and is convicted of a first offense may resume eligibility before the end of the period determined under such paragraph if the individual demonstrates that he or she has enrolled or been accepted for enrollment in a drug rehabilitation program described in paragraph (2).

(4) “Controlled substance” defined

As used in this subsection, the term “controlled substance” has the meaning given in section 802(6) of title 21.

(5) Effective date

This subsection shall be effective upon publication by the Corporation in the Federal Register of criteria prescribed under paragraph (2).

(f) Authority to establish demonstration programs

The Corporation may establish by regulation demonstration programs for the creation and evaluation of innovative volunteer and community service programs:


Prior Provisions


A prior section 146 or Pub. L. 101–610 was classified to section 4950 of this title; and


Subsec. (e)(1). Pub. L. 111–13, §1402(6), inserted “or under section 12563(c)(8) of this title” after “qualifying under this section” and “a, a summer of service educational award, or silver scholar educational award” after “national service educational award”.

1994—Subsec. (a)(3). Pub. L. 103–304 struck out second par. (3) which read as follows: “has received a high school diploma, or the equivalent of such diploma, at the time the individual uses the national service educational award—

“(A) has received a high school diploma, or the equivalent of such diploma;

“(B) is enrolled at an institution of higher education on the basis of meeting the standard described in paragraph (1) or (2) of subsection (a) of section 1091 of title 20 and meets the requirements of subsection (a) of such section; or

“(C) has received a waiver described in section 12591(c) of this title and”.

Subsec. (b). Pub. L. 111–13, §1402(3), designated existing provisions as par. (1), inserted par. (1) heading, and added pars. (2) and (3).

Subsec. (c). Pub. L. 111–13, §1402(4), added subsec. (c) and struck out former subsec. (c). Prior to amendment, text read as follows: “Although an individual may serve more than 2 terms of service described in subsection (b) of this section in an approved national service position, the individual shall receive a national service educational award from the National Service Trust only on the basis of the first and second of such terms of service.”


Subsec. (d)(2). Pub. L. 111–13, §1402(5)(B)(i), (ii), inserted “summer of service educational award, or silver scholar educational award” after “national service educational award” and “or an approved silver scholar position, as applicable,” after “approved national service position”, and “Subject to paragraph (2), an individual eligible to receive a summer of service educational award under this section may not use such award after the end of the 10-year period beginning on the date the individual completes the term of service in an approved summer of service position that is the basis of the award.” at end.


Subsec. (d)(2)(B). Pub. L. 111–13, §1402(5)(B)(ii), inserted “summer of service educational award, or silver scholar educational award” after “national service educational award” and “or 10-year period, as appropriate” after “7-year period”.

Subsec. (d)(2)(C). Pub. L. 111–13, §1402(5)(B)(iii), inserted “approved summer of service position, or approved silver scholar position” after “approved national service position”.


Subsec. (e)(1). Pub. L. 111–13, §1402(6), inserted “under section 12563(c)(8) of this title” after “qualifying under this section” and “a, a summer of service educational award, or silver scholar educational award” after “national service educational award”.

1993—Subsec. (a)(3). Pub. L. 103–304 struck out second par. (3) which read as follows: “has received a high school diploma, or the equivalent of such diploma, at the time the individual uses the national service educational award, unless this requirement has been waived based on an individual education assessment conducted by the program; and

Effective Date of 2009 Amendment


Effective Date

Section effective Oct. 1, 1993, see section 123 of Pub. L. 103–82, set out as an Effective Date of 1993 Amendment note under section 1701 of Title 16, Conservation.

Study To Evaluate the Effectiveness of Agency Coordination

Pub. L. 111–13, title I, §1711, Apr. 21, 2009, 123 Stat. 1550, provided that:

---

**Date of Amendment**


**Effective Date**

Section effective Oct. 1, 1993, see section 123 of Pub. L. 103–82, set out as an Effective Date of 1993 Amendment note under section 1701 of Title 16, Conservation.

**Study to Evaluate the Effectiveness of Agency Coordination**

Pub. L. 111–13, title I, §1711, Apr. 21, 2009, 123 Stat. 1550, provided that:
“(a) STUDY.—In order to reduce administrative burdens and lower costs for national service programs carried out under the national service laws, the Corporation shall conduct a study to determine the feasibility and effectiveness of implementing a data matching system under which the statements of an individual declaring that such individual is in compliance with the requirements of section 146(a)(3) of the National and Community Service Act of 1990 (42 U.S.C. 12602(a)(3)) shall be verified by the Corporation by comparing information provided by the individual with information relevant to such a declaration in the possession of other Federal agencies. Such study shall—

“(1) review the feasibility of—

“(A) expanding, and participating in, the data matching conducted by the Department of Education with the Social Security Administration and the Department of Homeland Security, pursuant to section 484(g) of the Higher Education Act of 1965 (20 U.S.C. 1091(g)); or

“(B) establishing a comparable system of data matching with the Social Security Administration and the Department of Homeland Security; and

“(2) identify—

“(A) the costs, for both the Corporation and the other Federal agencies identified in paragraph (1), associated with expanding or establishing such a system of data matching;

“(B) the benefits or detriments of such an expanded or comparable system both for the Corporation and for the other Federal agencies so identified;

“(C) strategies for ensuring the privacy and security of participant information that is shared between Federal agencies and organizations receiving assistance under the national service laws;

“(D) the information that needs to be shared in order to fulfill the eligibility requirements of section 146(a)(3) of the National and Community Service Act of 1990 (42 U.S.C. 12602(a)(3));

“(E) an alternative system through which an individual’s compliance with section 146(a)(3) of such Act may be verified, should such an expanded or comparable system fail to verify the individual’s declaration of compliance; and

“(F) recommendations for implementation of such an expanded or comparable system.

“(b) CONSULTATION.—The Corporation shall carry out the study in consultation with the Secretary of Education, the Commissioner of the Social Security Administration, the Secretary of Homeland Security, and other Federal agencies, entities, and individuals that the Corporation considers appropriate.

“(c) REPORT.—Not later than 9 months after the effective date of this Act [for general effective date of Pub. L. 111–13 as Oct. 1, 2009, see Effective Date of 2009 Amendment note under section 4950 of this title], the Corporation shall submit to the authorizing committees a report on the results of the study required by subsection (a) and a plan for implementation of a pilot data matching program using promising strategies and approaches identified in such study, if the Corporation determines such program to be feasible.

“(d) PILOT PROGRAM.—From amounts made available to carry out this section, the Corporation may develop and carry out a pilot data matching program based on the report submitted under subsection (c).

“(e) DISBURSEMENTS.—In this section, the terms ‘Corporation’, ‘authorizing committees’, and ‘national service laws’ have the meanings given in the terms in section 101 of the National and Community Service Act of 1990 (42 U.S.C. 12511).”

§ 12602a. Certifications of successful completion of terms of service

(a) Certifications

In making any authorized disbursement from the National Service Trust in regard to an eligible individual (including disbursement for a designated individual, as defined in section 12604(f)(8) of this title, due to the service of an eligible individual) under section 12602 of this title who served in an approved national service position, an approved summer of service position, or an approved silver scholar position, the Corporation shall rely on a certification. The certification shall be made by the entity that selected the individual for and supervised the individual in the approved national service position in which such individual successfully completed a required term of service, in a national service program.

(b) Effect of erroneous certifications

If the Corporation determines that the certification under subsection (a) is erroneous or incorrect, the Corporation shall assess against the national service program a charge for the amount of any associated payment or potential payment from the National Service Trust. In assessing the amount of the charge, the Corporation shall consider the full facts and circumstances surrounding the erroneous or incorrect certification.


Effective Date

Section effective Oct. 1, 2009, see section 6101(a) of Pub. L. 111–13, set out as an Effective Date of 2009 Amendment note under section 4950 of this title.

§ 12603. Determination of the amount of the educational award

(a) Amount for full-time national service

Except as provided in subsection (c), an individual described in section 12602(a) of this title who successfully completes a required term of full-time national service in an approved national service position shall receive a national service educational award having a value equal to the maximum amount of a Federal Pell Grant under section 1070a of title 20 that a student eligible for such Grant may receive in the aggregate (without regard to whether the funds are provided through discretionary or mandatory appropriations), for the award year for which the national service position is approved by the Corporation.

(b) Amount for part-time national service

Except as provided in subsection (c), an individual described in section 12602(a) of this title who successfully completes a required term of part-time national service in an approved national service position shall receive a national service educational award having a value equal to 50 percent of value of the national service educational award determined under subsection (a).

(c) Award for partial completion of service

If an individual serving in an approved national service position is released in accordance with section 12593(c)(1)(A) of this title from completing the full-time or part-time term of service agreed to by the individual, the Corporation may provide the individual with that portion of the national service educational award approved
for the individual that corresponds to the quantity of the term of service actually completed by the individual.

(d) Amount for summer of service

An individual described in section 12602(a) of this title who successfully completes a required summer of service term shall receive a summer of service educational award having a value, for each of not more than 2 of such terms of service, equal to $500 (or, at the discretion of the Chief Executive Officer, equal to $750 in the case of a participant who is economically disadvantaged).

(e) Amount for silver scholars

An individual described in section 12602(a) of this title who successfully completes a required silver scholar term shall receive a silver scholar educational award having a value of $1,000.

Amendments


Subsec. (a). Pub. L. 111–13, § 1404(2), amended subsec. (a) generally. Prior to amendment, text read as follows: "Except as provided in subsection (c) of this section, an individual described in section 12602(a) of this title who successfully completes a required term of full-time national service in an approved national service position shall receive a national service educational award having a value, for each of not more than 2 of such terms of service, equal to 90 percent of—"

"(1) one-half of an amount equal to the aggregate basic educational assistance allowance provided in section 3015(b)(1) of title 38 (as in effect on July 28, 1993), for the period referred to in section 3013(a)(1) of such title (as in effect on July 28, 1993), for a member of the Armed Forces who is entitled to such an allowance under section 3011 of such title and whose initial obligated period of active duty is 2 years; less"

"(2) one-half of the aggregate basic contribution required to be made by the member in section 3011(b) of such title (as in effect on July 28, 1993)."

Subsec. (b). Pub. L. 111–13, § 1404(3), struck out "", for each of not more than 2 of such terms of service,"" after ""having a value"".

Subsecs. (d), (e), Pub. L. 111–13, § 1404(4), added subsecs. (d) and (e).

Prior Provisions


Effective Date of 2009 Amendment


Effective Date

Section effective Oct. 1, 1993, see section 123 of Pub. L. 103–82, set out as an Effective Date of 1993 Amendment note under section 1701 of Title 16, Conservation.

§ 12604. Disbursement of educational awards

(a) In general

Amounts in the Trust shall be available—

(1) to repay student loans in accordance with subsection (b); (2) to pay all or part of the cost of attendance or other educational expenses at an institution of higher education in accordance with subsection (c); (3) to pay expenses incurred in participating in an approved school-to-work program in accordance with subsection (d); (4) to pay expenses incurred in enrolling in an educational institution or training establishment that is approved under chapter 36 of title 38, or other applicable provisions of law, for offering programs of education, apprenticeship, or on-the-job training for which educational assistance may be provided by the Secretary of Veterans Affairs; and

(5) to pay interest expenses in accordance with regulations prescribed pursuant to subsection (e).

(b) Use of educational award to repay outstanding student loans

(1) Application by eligible individuals

An eligible individual under section 12602 of this title who desires to apply the national service educational award of the individual, an eligible individual under section 12602(a) of this title who served in a summer of service program and desires to apply that individual’s summer of service educational award, or an eligible individual under section 12602(a) of this title who served in a silver scholar program and desires to apply that individual’s silver scholar educational award, to the repayment of qualified student loans shall submit, in a manner prescribed by the Corporation, an application to the Corporation that—

(A) identifies, or permits the Corporation to identify readily, the holder or holders of such loans; (B) indicates, or permits the Corporation to determine readily, the amounts of principal and interest outstanding on the loans; (C) specifies, if the outstanding balance is greater than the amount disbursed under paragraph (2), which of the loans the individual prefers to be paid by the Corporation; and

(D) contains or is accompanied by such other information as the Corporation may require.

(2) Disbursement of repayments

Upon receipt of an application from an eligible individual of an application that complies with paragraph (1), the Corporation shall, as promptly as practicable consistent with paragraph (5), disburse the amount of the national service educational award, the summer of service educational award, or the silver scholar educational award, as applicable, that the eligible individual has earned. Such disbursement shall be made by check or other means that is payable to the holder of the loan and requires the endorsement or other certification by the eligible individual.

(3) Application of disbursed amounts

If the amount disbursed under paragraph (2) is less than the principal and accrued interest on any qualified student loan, such amount shall be applied according to the specified priorities of the individual.

(4) Reports by holders

Any holder receiving a loan payment pursuant to this subsection shall submit to the Cor-
poration such information as the Corporation may require to verify that such payment was applied in accordance with this subsection and any regulations prescribed to carry out this subsection.

(5) Notification of individual

The Corporation upon disbursing the national service educational award, the summer of service educational award, or the silver scholar educational award, as applicable, shall notify the individual of the amount paid for each outstanding loan and the date of payment.

(6) Authority to aggregate payments

The Corporation may, by regulation, provide for the aggregation of payments to holders under this subsection.

(7) “Qualified student loans” defined

As used in this subsection, the term “qualified student loans” means—

(A) any loan made, insured, or guaranteed pursuant to title IV of the Higher Education Act of 1965 (20 U.S.C. 1070 et seq.), other than a loan to a parent of a student pursuant to section 428B of such Act (20 U.S.C. 1078–2);

(B) any loan made pursuant to title VII or VIII of the Public Health Service Act [42 U.S.C. 292 et seq., 296 et seq.]; and

(C) any loan (other than a loan described in subparagraph (A) or (B)) determined by an institution of higher education to be necessary to cover a student’s educational expenses and made, insured, or guaranteed by—

(i) an eligible lender, as defined in section 435 of the Higher Education Act of 1965 (20 U.S.C. 1085);

(ii) the direct student loan program under part D of title IV of such Act (20 U.S.C. 1087a et seq.); or

(iii) a State agency; or

(iv) a lender otherwise determined by the Corporation to be eligible to receive disbursements from the National Service Trust.

(8) “Holder” defined

As used in this subsection, the term “holder” with respect to any eligible loan means the original lender or, if the loan is subsequently sold, transferred, or assigned to some other person, and such other person acquires a legally enforceable right to receive payments from the borrower, such other person.

(c) Use of educational awards to pay current educational expenses

(1) Application by eligible individual

An eligible individual under section 12602 of this title who desires to apply the individual’s national service educational award, an eligible individual under section 12602(a) of this title who desires to apply the individual’s summer of service educational award, or an eligible individual under section 12602(a) of this title who served in a silver scholar program and desires to apply that individual’s silver scholar educational award, to the payment of current full-time or part-time educational expenses shall, on a form prescribed by the Corporation, submit an application to the institution of higher education in which the student will be enrolled that contains such information as the Corporation may require to verify the individual’s eligibility.

(2) Submission of requests for payment by institutions

An institution of higher education that receives one or more applications that comply with paragraph (1) shall submit to the Corporation a statement, in a manner prescribed by the Corporation, that—

(A) identifies each eligible individual filing an application under paragraph (1) for a disbursement of the individual’s national service educational award, summer of service educational award, or silver scholar educational award, as applicable, under this subsection;

(B) specifies the amounts for which such eligible individuals are, consistent with paragraph (6), qualified for disbursement under this subsection;

(C) certifies that—

(i) the institution of higher education has in effect a program participation agreement under section 437 of the Higher Education Act of 1965 (20 U.S.C. 1094); and

(ii) the institution’s eligibility to participate in any of the programs under title IV of such Act (20 U.S.C. 1070 et seq.) has not been limited, suspended, or terminated; and

(iii) individuals using national service educational awards, summer of service educational awards, or silver scholar educational awards, as applicable, received under this division to pay for educational costs do not comprise more than 15 percent of the total student population of the institution; and

(D) contains such provisions concerning financial compliance as the Corporation may require.

(3) Disbursement of payments

Upon receipt of a statement from an institution of higher education that complies with paragraph (2), the Corporation shall, subject to paragraph (4), disburse the total amount of the national service educational awards or summer of service educational awards, or silver scholar educational awards for which eligible individuals who have submitted applications to that institution under paragraph (1) are scheduled to receive. Such disbursement shall be made by check or other means that is payable to the institution and requires the endorsement or other certification by the eligible individual.

(4) Multiple disbursements required

The total amount required to be disbursed to an institution of higher education under paragraph (3) for any period of enrollment shall be disbursed by the Corporation in 2 or more installments, none of which exceeds ½ of such

So in original. Probably should be followed by a comma.
total amount. The interval between the first and second such installment shall not be less than ½ of such period of enrollment, except as necessary to permit the second installment to be paid at the beginning of the second semester, quarter, or similar division of such period of enrollment.

(5) Refund rules

The Corporation shall, by regulation, provide for the refund to the Corporation (and the crediting to the national service educational award, summer of service educational award, or silver scholar educational award, as applicable, of an eligible individual) of amounts disbursed to institutions for the benefit of eligible individuals who withdraw or otherwise fail to complete the period of enrollment for which the assistance was provided. Such regulations shall be consistent with the fair and equitable refund policies required of institutions pursuant to section 484B of the Higher Education Act of 1965 (20 U.S.C. 1091b).

Amounts refunded to the Trust pursuant to this paragraph may be used by the Corporation to fund additional approved national service positions under division C, additional approved summer of service positions, and additional approved silver scholar positions.

(6) Maximum award

The portion of an eligible individual’s total available national service educational award, summer of service educational award, or silver scholar educational award that may be disbursed under this subsection for any period of enrollment shall not exceed the difference between—

(A) the eligible individual’s cost of attendance and other educational expenses for such period of enrollment, determined in accordance with section 472 of the Higher Education Act of 1965 (20 U.S.C. 1087f); and

(B) the student’s estimated financial assistance for such period under part A of title IV of such Act (20 U.S.C. 1070 et seq.).

(d) Use of educational award to participate in approved school-to-work programs

The Corporation shall by regulation provide for the payment of national service educational awards, summer of service educational awards, and silver scholar educational awards to permit eligible individuals to participate in school-to-work programs approved by the Secretaries of Labor and Education.

(e) Interest payments during forbearance on loan repayment

The Corporation shall provide by regulation for the payment on behalf of an eligible individual of interest that accrues during a period for which such individual has obtained forbearance in the repayment of a qualified student loan (as defined in subsection (b)(7)), if the eligible individual successfully completes the individual’s required term of service (as determined under section 12602(b) of this title). Such regulations shall be prescribed after consultation with the Secretary of Education.

(f) Transfer of educational awards

(1) In general

An individual who is eligible to receive a national service educational award or silver scholar educational award due to service in a program described in paragraph (2) may elect to receive the award (in the amount described in the corresponding provision of section 12603 of this title) and transfer the award to a designated individual. Subsections (b), (c), and (d) shall apply to the designated individual in lieu of the individual who is eligible to receive the national service educational award or silver scholar educational award, except that amounts refunded to the account under subsection (c)(5) on behalf of a designated individual may be used by the Corporation to fund additional placements in the national service program in which the eligible individual who transferred the national service educational award or silver scholar educational award participated for such award.

(2) Conditions for transfer

An educational award may be transferred under this subsection if—

(A)(i) the award is a national service educational award for service in a national service program that receives a grant under division C; and

(ii) before beginning the term of service involved, the eligible individual is age 55 or older; or

(B) the award is a silver scholarship educational award under section 12653c(a) of this title.

(3) Modification or revocation

(A) In general

An individual transferring an educational award under this subsection may, on any date on which a portion of the educational award remains unused, modify or revoke the transfer of the educational award with respect to that portion.

(B) Notice

A modification or revocation of the transfer of an educational award under this paragraph shall be made by the submission of written notice to the Corporation.

(4) Prohibition on treatment of transferred award as marital property

An educational award transferred under this subsection may not be treated as marital property, or the asset of a marital estate, subject to division in a divorce or other civil proceeding.

(5) Death of transferor

The death of an individual transferring an educational award under this subsection shall not affect the use of the educational award by the child, foster child, or grandchild to whom the educational award is transferred if such educational award is transferred prior to the death of the individual.

(6) Procedures to prevent waste, fraud, or abuse

The Corporation shall establish requirements to prevent waste, fraud, or abuse in con-
lection with the transfer of an educational award and to protect the integrity of the educational award under this subsection.

(7) Technical assistance

The Corporation may, as appropriate, provide technical assistance, to individuals and eligible entities carrying out national service programs, concerning carrying out this subsection.

(8) Definition of a designated individual

In this subsection, the term “designated individual” is an individual—

(A) whom an individual who is eligible to receive a national service educational award or silver scholar educational award due to service in a program described in paragraph (2) designates to receive the educational award;

(B) who meets the eligibility requirements of paragraphs (3) and (4) of section 12602(a) of this title; and

(C) who is a child, foster child, or grandchild of the individual described in subparagraph (A).

(g) Exception

With the approval of the Chief Executive Officer, an approved national service program funded under section 12571 of this title, may offer participants the option of waiving their right to receive a national service educational award, summer of service educational award, or silver scholar educational award, as appropriate, in order to receive an alternative post-service benefit funded by the program entirely with non-Federal funds.

(h) “Institution of higher education” defined

Notwithstanding section 12511 of this title, for purposes of this section the term “institution of higher education” has the meaning provided by section 102 of the Higher Education Act of 1965 [20 U.S.C. 1002].

(References in Text)

The Higher Education Act of 1965, referred to in subsecs. (b)(7)(A), (C)(i) and (C)(ii) and (d)(2)(C)(ii), (6)(B), is Pub. L. 89–329, Nov. 8, 1965, 79 Stat. 1219. Title IV of the Act is classified generally to subchapter IV (§ 1070 et seq.) of chapter 28 of Title 20, Education. Parts A and D of title IV of the Act are classified generally to parts A (§ 1070 et seq.) and D (§ 1087a et seq.), respectively, of subchapter IV of chapter 28 of Title 20. For complete classification of this Act to the Code, see Short Title note set out under section 1001 of Title 20 and Tables.

The Public Health Service Act, referred to in subsec. (b)(7)(B), is July 1, 1944, ch. 373, 58 Stat. 682. Titles VII and VIII of the Act are classified generally to subchapters V (§ 292 et seq.) and VI (§ 296 et seq.), respectively, of chapter 6A of this title. For complete classification of this Act to the Code, see Short Title note set out under section 201 of this title and Tables.

Prior Provisions

A prior section 148 of Pub. L. 101–610 was classified to section 12578 of this title prior to the general amendment of subtitle D of title I of Pub. L. 101–610 (former part D of this subchapter) by Pub. L. 103–82, § 102(a).

Amendments

2009—Pub. L. 111–13, § 1405(1), substituted section catchline for former section catchline. Subsec. (a)(2) to (5). Pub. L. 111–13, § 1405(2), substituted “cost of attendance or other educational expenses” for “cost of attendance” in par. (2), added par. (4), and redesignated former par. (4) as (5). Subsec. (b)(1). Pub. L. 111–13, § 1405(3)(A), inserted “an eligible individual under section 12602(a) of this title who served in a summer of service program and desires to apply that individual’s summer of service educational award, or an eligible individual under section 12602(a) of this title that served in a silver scholar program and desires to apply that individual’s silver scholar educational award,” after “the national service educational award of the individual in introductory provisions. Subsec. (b)(2). Pub. L. 111–13, § 1405(3)(B), inserted “the summer of service educational award, or the silver scholar educational award, as applicable,” after “the national service educational award.” Subsec. (b)(5). Pub. L. 111–13, § 1405(3)(C), inserted “the summer of service educational award, or the silver scholar educational award, as applicable” after “the national service educational award.”

Subsec. (b)(7)(A), Pub. L. 111–13, § 1405(4)(A), inserted “an eligible individual under section 12602(a) of this title who desires to apply the individual’s summer of service educational award, or an eligible individual under section 12602(a) of this title that served in a silver scholar program and desires to apply that individual’s summer of service educational award,” after “national service educational award.”

Subsec. (c)(2)(A), Pub. L. 111–13, § 1405(4)(B)(ii), inserted “summer of service educational award, or silver scholar educational award, as applicable,” after “the national service educational award.”

Subsec. (c)(2)(C)(i). Pub. L. 111–13, § 1405(4)(B)(ii), inserted “summer of service educational awards, as applicable,” after “national service educational awards”. Subsec. (c)(5). Pub. L. 111–13, § 1405(4)(C), inserted “summer of service educational awards, or silver scholar educational awards” after “national service educational awards”. Subsec. (c)(5). Pub. L. 111–13, § 1405(4)(D), inserted “summer of service educational award, or silver scholar educational award, as applicable,” after “national service educational award” and “additional approved summer of service positions, and additional approved silver scholar positions” before period at end. Subsec. (c)(6). Pub. L. 111–13, § 1405(4)(E)(i), inserted “summer of service educational award, or silver scholar educational award” after “national service educational award” in introductory provisions. Subsec. (c)(6)(A). Pub. L. 111–13, § 1405(4)(E)(i), inserted “and other educational expenses” after “cost of attendance”. Subsec. (c)(6)(B). Pub. L. 111–13, § 1405(4)(E)(ii), added subpar. (B) and struck out former subpar. (B) which read as follows: “the sum of—

(i) the student’s estimated financial assistance for such period under part A of title IV of such Act (20 U.S.C. 1070 et seq.); and

(ii) the student’s veterans’ education benefits, determined in accordance with section 480(c) of such Act (20 U.S.C. 1087v(c)).”

Subsec. (d). Pub. L. 111–13, § 1405(5), inserted “summer of service educational awards, and silver scholar educational awards” after “national service educational awards”. Subsec. (e). Pub. L. 111–13, § 1405(6), substituted “section (b)(7)” for “subsection (b)(6)”.

Subsec. (f). Pub. L. 111–13, § 1405(8), added subsec. (f). Former subsec. (f) redesignated (g). Pub. L. 111–13, § 1405(7), substituted “Chief Executive Officer” for “Director” and inserted “summer of serv-
ice educational award, or silver scholar educational award, as appropriate,” after “national service educational award.”

Subsecs. (g), (h), Pub. L. 111–13, §1405(b), redesignated subsecs. (f) and (g) as (g) and (h), respectively.


**Effective Date of 2009 Amendment**


**Effective Date of 1998 Amendment**


**Effective Date**

Section effective Oct. 1, 1993, see section 123 of Pub. L. 103–82, set out as an Effective Date of 1993 Amendment note under section 1701 of Title 16, Conservation.


**Effective Date of Repeal**

Repeal effective Oct. 1, 2009, see section 6101(a) of Pub. L. 111–13, set out as an Effective Date of 2009 Amendment note under section 4950 of this title.

§ 12606. Approval process for approved positions

(a) Timing and recording requirements

(1) In general

Notwithstanding divisions C, D, and H, and any other provision of law, in approving a position as an approved national service position, an approved summer of service position, or an approved silver scholar position, the Corporation—

(A) shall approve the position at the time the Corporation—

(i) enters into an enforceable agreement with an individual participant to serve in a program carried out under division E of this subchapter, section 12653b or 12653c(a) of this title, or under title I of the Domestic Volunteer Service Act of 1973 (42 U.S.C. 4951 et seq.), a summer of service program described in section 12563(c)(8) of this title, or a silver scholarship program described in section 12653c(a) of this title; or

(ii) except as provided in clause (i), awards a grant to (or enters into a contract or cooperative agreement with) an entity to carry out a program for which such a position is approved under section 12573 of this title; and

(B) shall record as an obligation an estimate of the net present value of the national service educational award, summer of service educational award, or silver scholar educational award associated with the position, based on a formula that takes into consideration historical rates of enrollment in such a program, and of earning and using national service educational awards, summer of service educational awards, or silver scholar educational awards, as appropriate, for such a program and remain available.

(2) Formula

In determining the formula described in paragraph (1)(B), the Corporation shall consult with the Director of the Congressional Budget Office.

(3) Certification report

The Chief Executive Officer of the Corporation shall annually prepare and submit to the authorizing committees a report that contains a certification that the Corporation is in compliance with the requirements of paragraph (1).

(4) Approval

The requirements of this subsection shall apply to each approved national service position, approved summer of service position, or approved silver scholarship position that the Corporation approves—

(A) during fiscal year 2010; and

(B) during any subsequent fiscal year.

(b) Reserve account

(1) Establishment and contents

(A) Establishment

Notwithstanding divisions C, D, and H, and any other provision of law, within the National Service Trust established under section 12601 of this title, the Corporation shall establish a reserve account.

(B) Contents

To ensure the availability of adequate funds to support the awards of approved national service positions, approved summer of service positions, and approved silver scholar positions, for each fiscal year, the Corporation shall place in the account—

(i) during fiscal year 2010, a portion of the funds that were appropriated for fiscal year 2010 or a previous fiscal year under section 12681 of this title or section 501 of the Domestic Volunteer Service Act of 1973 (42 U.S.C. 5081), were made available to carry out division C, D, or E of this subchapter, section 12653b or 12653c(a) of this title, subtitle A of title I of the Domestic Volunteer Service Act of 1973, or summer of service programs described in section 12563(c)(8) of this title, and remain available; and

(ii) during fiscal year 2011 or a subsequent fiscal year, a portion of the funds that were appropriated for that fiscal year under section 12681 of this title or section 501 of the Domestic Volunteer Service Act of 1973 (42 U.S.C. 5081), were made available to carry out division C, D, or E of this subchapter, section 12653b or 12653c(a) of this title, subtitle A of title I of the Domestic Volunteer Service Act of 1973, or summer of service programs described in section 12563(c)(8) of this title, and remain available.

1 See References in Text note below.
(2) Obligation

The Corporation shall not obligate the funds in the reserve account until the Corporation—
(A) determines that the funds will not be needed for the payment of national service educational awards associated with previously approved national service positions, summer of service educational awards associated with previously approved summer of service positions, and silver scholar educational awards associated with previously approved silver scholar positions; or
(B) obligates the funds for the payment of national service educational awards for such previously approved national service positions, summer of service educational awards for such previously approved summer of service positions, or silver scholar educational awards for such previously approved silver scholar positions, as applicable.

(c) Audits

The accounts of the Corporation relating to the appropriated funds for approved national service positions, approved summer of service positions, and approved silver scholar positions, and the records demonstrating the manner in which the Corporation has recorded estimates described in subsection (a)(1)(B) as obligations, shall be audited annually by independent certified public accountants or independent licensed public accountants certified or licensed by a regulatory authority of a State or other political subdivision of the United States in accordance with generally accepted auditing standards. A report containing the results of each such independent audit shall be included in the annual report required by subsection (a)(3).

(d) Availability of amounts

Except as provided in subsection (b), all amounts included in the National Service Trust under paragraphs (1), (2), and (3) of section 12601(a) of this title shall be available for payments of national service educational awards, summer of service educational awards, or silver scholar educational awards under section 12604 of this title.

(2) Obligation

The Corporation shall not obligate the funds in the reserve account until the Corporation—
(A) determines that the funds will not be needed for the payment of national service educational awards associated with previously approved national service positions, summer of service educational awards associated with previously approved summer of service positions, and silver scholar educational awards associated with previously approved silver scholar positions; or
(B) obligates the funds for the payment of national service educational awards for such previously approved national service positions, summer of service educational awards for such previously approved summer of service positions, or silver scholar educational awards for such previously approved silver scholar positions, as applicable.

(c) Audits

The accounts of the Corporation relating to the appropriated funds for approved national service positions, approved summer of service positions, and approved silver scholar positions, and the records demonstrating the manner in which the Corporation has recorded estimates described in subsection (a)(1)(B) as obligations, shall be audited annually by independent certified public accountants or independent licensed public accountants certified or licensed by a regulatory authority of a State or other political subdivision of the United States in accordance with generally accepted auditing standards. A report containing the results of each such independent audit shall be included in the annual report required by subsection (a)(3).

(d) Availability of amounts

Except as provided in subsection (b), all amounts included in the National Service Trust under paragraphs (1), (2), and (3) of section 12601(a) of this title shall be available for payments of national service educational awards, summer of service educational awards, or silver scholar educational awards under section 12604 of this title.

References in Text


Prior Provisions

A prior section 149 of Pub. L. 101–610 was classified to section 12579 of this title prior to the general amendment of section A of title I of Pub. L. 101–610 (former part D of this subchapter) by Pub. L. 103–82, §102(a).

Effective Date

Section effective Oct. 1, 2009, see section 610(a) of Pub. L. 111–13, set out as an Effective Date of 2009 Amendment note under section 4950 of this title.

Division E—National Civilian Community Corps

Codification


Prior Provisions


§ 12611. Purpose

It is the purpose of this division to authorize the operation of, and support for, residential and other service programs that combine the best practices of civilian service with the best aspects of military service, including leadership and team building, to meet national and community needs. The needs to be met under such programs include those needs related to—
(1) natural and other disasters;
(2) infrastructure improvement;
(3) environmental stewardship and conservation;
(4) energy conservation; and
(5) urban and rural development.


Codification

Section was formerly classified to section 12653 of this title prior to renumbering by Pub. L. 103–82, §104(b).

Prior Provisions


Amendments

2009—Pub. L. 111–13 amended section generally. Prior to amendment, section provided that the purpose of this division was to authorize the establishment of a Civilian Community Corps to provide a basis for certain determinations.

Effective Date of 2009 Amendment


§ 12612. Establishment of National Civilian Community Corps Program

(a) In general

The Corporation may establish the National Civilian Community Corps Program to carry out the purpose of this division.
(b) Program components

Under the National Civilian Community Corps Program authorized by subsection (a), the members of a National Civilian Community Corps shall receive training and perform service in at least one of the following two program components:

1. A national service program.
2. A summer national service program.

(c) Residential components

Both programs referred to in subsection (b) may include a residential component.


CODIFICATION

Section was formerly classified to section 12653a of this title prior to renumbering by Pub. L. 103–82, §104(b).

Prior Provisions


Amendments


Subsec. (b). Pub. L. 111–13, §1502(3), substituted “National Civilian Community Corps Program” for “Civilian Community Corps Demonstration Program” and “a National Civilian Community Corps” for “a Civilian Community Corps”.

Subsec. (c). Pub. L. 111–13, §1502(4), added subsec. (c) and struck out former subsec. (c). Prior to amendment, text read as follows: “Both program components are residential programs. The members of the Corps in each program shall reside with other members of the Corps in Corps housing during the periods of the members’ agreed service.”


Effective Date of 2009 Amendment


Effective Date of 1993 Amendment

Amendment by section 402(b)(2) of Pub. L. 103–82 effective Oct. 1, 1993, see section 406(a) of Pub. L. 103–82, set out as a note under section 5061 of this title.

Report and Study Requirements

Pub. L. 102–484, div. A, title X, §1092(b), Oct. 23, 1992, 106 Stat. 2534, as amended by Pub. L. 103–82, title I, §104(e)(1)(B), (C), title IV, §402(a)(1), Sept. 21, 1993, 107 Stat. 919, related to a progress report to be submitted to the appropriate committees of Congress assessing the activities undertaken in establishing and administering Civilian Community Corps camps and analyzing the level of coordination of Corps activities with other activities of other departments or agencies of the Federal Government and a report to be submitted to the appropriate committees of Congress concerning the desirability and feasibility of establishing the Civilian Community Corps as an independent agency of the Federal Government.

Coordination of Programs


“(a) Coordinated Administration.—To the maximum extent practicable, the Secretary of the National Guard Bureau, the Board of Directors and Chief Executive Officer of the Corporation for National and Community Service, and the Director of the Civilian Community Corps shall coordinate the National Guard Youth Opportunities Program established pursuant to section 1091 [of Pub. L. 102–484, 32 U.S.C. 501 note] and the Civilian Community Corps Demonstration Program established pursuant to the authorization contained in section 152 of the National and Community Service Act of 1990 [42 U.S.C. 12612] (as added by section 1092(a)).

“(b) Objectives.—The officials referred to in subsection (a) shall ensure that:

“(1) the programs referred to in subsection (a) are conducted in a manner in relationship to each other that the public benefit of those programs is maximized;

“(2) to the maximum extent appropriate to meet the needs of program participants, persons who complete participation in the National Guard Youth Opportunities Program and are eligible and apply to participate in the Civilian Community Corps under the Civilian Community Corps Demonstration Program are accepted for participation in that Program; and

“(3) the programs referred to in subsection (a) are conducted simultaneously in competition with each other in the same immediate area of the United States only when the population of eligible participants in that area is sufficient to justify the simultaneous conduct of such programs in that area.”

§12613. National service program

(a) In general

Under the national service program component of the National Civilian Community Corps Program authorized by section 12612(a) of this title, eligible young people shall work in teams on National Civilian Community Corps projects.

(b) Eligible participants

A person shall be eligible for selection for the national service program if the person—

1. is, or will be, at least 18 years of age on or before December 31 of the calendar year in which the individual enrolls in the Corps, but is not more than 24 years of age as of the date the individual begins participating in the program; and

2. is a high school graduate or has not received a high school diploma or its equivalent.

(c) Diverse backgrounds of participants

In selecting persons for the national service program, the Director shall endeavor to ensure that participants are from economically, geographically, and ethnically diverse backgrounds. The Director shall take appropriate steps, including through outreach and recruitment activities, to increase the percentage of participants in the program who are disadvantaged youth to 50 percent of all participants by year 2012. The Director shall report to the authorizing committees biennially on such steps, any challenges faced, and the annual participation rates of disadvantaged youth in the program.
(d) Period of participation

Persons desiring to participate in the national service program shall enter into an agreement with the Director to participate in the Corps for a period of not less than nine months and not more than one year, as specified by the Director, and may renew the agreement for not more than one additional such period.


CODIFICATION
Section was formerly classified to section 12653b of this title prior to renumbering by Pub. L. 103–82, §104(b).

PRIOR PROVISIONS

AMENDMENTS

Subsec. (b)(1). Pub. L. 111–13, §1503(2), added par. (1) and struck out former par. (1) which read as follows: ‘‘(1) is at least 16 and not more than 24 years of age; and’’.

Subsec. (c). Pub. L. 111–13, §1503(3), substituted ‘‘backgrounds’’ for ‘‘backgrounds’’ in heading and inserted at end ‘‘The Director shall take appropriate steps, including through outreach and recruitment activities, to increase the percentage of participants in the program who are disadvantaged youth to 50 percent of all participants by year 2012. The Director shall report to the authorizing committees biennially on such steps, any challenges faced, and the annual participation rates of disadvantaged youth in the program. ’’.

Subsecs. (d), (e). Pub. L. 111–13, §1503(4), (5), redesignated subsec. (e) as (d) and struck out former subsec. (d). Text of former subsec. (d) read as follows: ‘‘To the extent practicable, at least 50 percent of the participants in the national service program shall be economically disadvantaged youths.’’

1993—Subsec. (a). Pub. L. 103–82, §104(e)(2)(A), substituted ‘‘section 12612(a)’’ for ‘‘section 12633a(a)’’.

EFFECTIVE DATE OF 2009 AMENDMENT

EFFECTIVE DATE OF 1993 AMENDMENT

§ 12615. National Civilian Community Corps

(a) Director

Upon the establishment of the National Civilian Community Corps Program, the National Civilian Community Corps shall be under the direction of the Director appointed pursuant to section 12619(a)(1) of this title.

(b) Membership in National Civilian Community Corps

(1) Participants to be members

Persons selected to participate in the national service program or the summer national service program components of the Program shall become members of the National Civilian Community Corps.

(2) Selection of members

The Director or the Director’s designee shall select individuals for membership in the Corps.
(3) Application for membership

To be selected to become a Corps member an individual shall submit an application to the Director or to any other office as the Director may designate, at such time, in such manner, and containing such information as the Director shall require. At a minimum, the application shall contain information about the work experience of the applicant and sufficient information to enable the Director, or the campus director of the appropriate campus, to determine whether selection of the applicant for membership in the Corps is appropriate.

(4) Team leaders

(A) In general

The Director may select individuals with prior supervisory or service experience to be team leaders within units in the National Civilian Community Corps, to perform service that includes leading and supervising teams of Corps members. Each team leader shall be selected without regard to the age limitation under section 12613(b) of this title.

(B) Rights and benefits

A team leader shall be provided the same rights and benefits applicable to other Corps members, except that the Director may increase the limitation on the amount of the living allowance under section 12618(b) of this title by not more than 10 percent for a team leader.

(c) Organization of Corps into units

(1) Units

The Corps shall be divided into permanent units. Each Corps member shall be assigned to a unit.

(2) Unit leaders

The leader of each unit shall be selected from among persons in the permanent cadre established pursuant to section 12619(c)(2) of this title. The designated leader shall accompany the unit throughout the period of agreed service of the members of the unit.

(d) Campuses

(1) Units to be assigned to campuses

The units of the Corps shall be grouped together as appropriate in campuses for operational, support, and boarding purposes. The Corps campus for a unit shall be in a facility or central location established as the operational headquarters and boarding place for the unit. Corps members may be housed in the campuses.

(2) Campus director

There shall be a campus director for each campus. The campus director is the head of the campus.

(3) Eligible site for campus

A campus shall be cost effective and may, upon the completion of a feasibility study, be located in a facility referred to in section 12622(c) of this title.

(e) Distribution of units and campuses

The Director shall ensure that the Corps units and campuses are cost effective and are distributed in urban areas and rural areas such that each Corps unit in a region can be easily deployed for disaster and emergency response to such region.

(f) Standards of conduct

(1) In general

The campus director of each campus shall establish and enforce standards of conduct to promote proper moral and disciplinary conditions in the campus.

(2) Sanctions

Under procedures prescribed by the Director, the campus director of a campus may—

(A) transfer a member of the Corps in that campus to another unit or campus if the campus director determines that the retention of the member in the member's unit or in the campus director's campus will jeopardize the enforcement of the standards or diminish the opportunities of other Corps members in that unit or campus, as the case may be; or

(B) dismiss a member of the Corps from the Corps if the campus director determines that retention of the member in the Corps will jeopardize the enforcement of the standards or diminish the opportunities of other Corps members.

(3) Appeals

Under procedures prescribed by the Director, a member of the Corps may appeal to the Director a determination of a campus director to transfer or dismiss the member. The Director shall provide for expeditious disposition of appeals under this paragraph.
§ 12616. Training

(a) Common curriculum

Each member of the National Civilian Community Corps shall be provided with between three and six weeks of training that includes a comprehensive service-learning curriculum designed to promote team building, discipline, leadership, work ethic, training, citizenship, and physical conditioning. The Director shall ensure that, to the extent practicable, each member of the Corps is trained in CPR, first aid, and other skills related to disaster preparedness and response.

(b) Advanced service training

(1) National service program

Members of the Corps participating in the national service program shall receive advanced training in basic, project-specific skills that the members will use in performing their community service projects, including a focus on energy conservation, environmental stewardship or conservation, infrastructure improvement, urban and rural development, or disaster preparedness needs, as appropriate.

(2) Summer national service program

Members of the Corps participating in the summer national service program shall not receive advanced training referred to in paragraph (1) but, to the extent practicable, may receive other training.

(c) Training personnel

(1) In general

Members of the cadre appointed under section 12619(c)(2) of this title shall provide the training for the members of the Corps, including, as appropriate, advanced service training and ongoing training throughout the members’ periods of agreed service.

(2) Coordination with other entities

Members of the cadre may provide, either directly or through grants, contracts, or cooperative agreements, the advanced service training referred to in subsection (b)(1) in coordination with vocational or technical schools, other employment and training providers, existing youth service programs, other qualified individuals, or organizations with expertise in training youth, including disadvantaged youth, in the skills described in such subsection.

(d) Facilities

The training may be provided at installations and other facilities of the Department of Defense, and at National Guard facilities, identified under section 12622(c) of this title.

(2) Coordination with other entities

Members of the cadre may provide, either directly or through grants, contracts, or cooperative agreements, the advanced service training referred to in subsection (b)(1) in coordination with vocational or technical schools, other employment and training providers, existing youth service programs, other qualified individuals, or organizations with expertise in training youth, including disadvantaged youth, in the skills described in such subsection.

(3) Training personnel

(1) In general

Members of the cadre appointed under section 12619(c)(2) of this title shall provide the training for the members of the Corps, including, as appropriate, advanced service training and ongoing training throughout the members’ periods of agreed service.

(2) Coordination with other entities

Members of the cadre may provide, either directly or through grants, contracts, or cooperative agreements, the advanced service training referred to in subsection (b)(1) in coordination with vocational or technical schools, other employment and training providers, existing youth service programs, other qualified individuals, or organizations with expertise in training youth, including disadvantaged youth, in the skills described in such subsection.

(3) Training facilities

The training may be provided at installations and other facilities of the Department of Defense, and at National Guard facilities, identified under section 12622(c) of this title.

(4) Coordination with other entities

Members of the cadre may provide, either directly or through grants, contracts, or cooperative agreements, the advanced service training referred to in subsection (b)(1) in coordination with vocational or technical schools, other employment and training providers, existing youth service programs, other qualified individuals, or organizations with expertise in training youth, including disadvantaged youth, in the skills described in such subsection.

(5) Training personnel

(1) In general

Members of the cadre appointed under section 12619(c)(2) of this title shall provide the training for the members of the Corps, including, as appropriate, advanced service training and ongoing training throughout the members’ periods of agreed service.

(2) Coordination with other entities

Members of the cadre may provide, either directly or through grants, contracts, or cooperative agreements, the advanced service training referred to in subsection (b)(1) in coordination with vocational or technical schools, other employment and training providers, existing youth service programs, other qualified individuals, or organizations with expertise in training youth, including disadvantaged youth, in the skills described in such subsection.

(3) Training facilities

The training may be provided at installations and other facilities of the Department of Defense, and at National Guard facilities, identified under section 12622(c) of this title.

(4) Coordination with other entities

Members of the cadre may provide, either directly or through grants, contracts, or cooperative agreements, the advanced service training referred to in subsection (b)(1) in coordination with vocational or technical schools, other employment and training providers, existing youth service programs, other qualified individuals, or organizations with expertise in training youth, including disadvantaged youth, in the skills described in such subsection.

(5) Training personnel

(1) In general

Members of the cadre appointed under section 12619(c)(2) of this title shall provide the training for the members of the Corps, including, as appropriate, advanced service training and ongoing training throughout the members’ periods of agreed service.

(2) Coordination with other entities

Members of the cadre may provide, either directly or through grants, contracts, or cooperative agreements, the advanced service training referred to in subsection (b)(1) in coordination with vocational or technical schools, other employment and training providers, existing youth service programs, other qualified individuals, or organizations with expertise in training youth, including disadvantaged youth, in the skills described in such subsection.

(3) Training facilities

The training may be provided at installations and other facilities of the Department of Defense, and at National Guard facilities, identified under section 12622(c) of this title.

(4) Coordination with other entities

Members of the cadre may provide, either directly or through grants, contracts, or cooperative agreements, the advanced service training referred to in subsection (b)(1) in coordination with vocational or technical schools, other employment and training providers, existing youth service programs, other qualified individuals, or organizations with expertise in training youth, including disadvantaged youth, in the skills described in such subsection.

§ 126216. Training

(a) Common curriculum

Each member of the National Civilian Community Corps shall be provided with between three and six weeks of training that includes a comprehensive service-learning curriculum designed to promote team building, discipline, leadership, work ethic, training, citizenship, and physical conditioning. The Director shall ensure that, to the extent practicable, each member of the Corps is trained in CPR, first aid, and other skills related to disaster preparedness and response.

(b) Advanced service training

(1) National service program

Members of the Corps participating in the national service program shall receive advanced training in basic, project-specific skills that the members will use in performing their community service projects, including a focus on energy conservation, environmental stewardship or conservation, infrastructure improvement, urban and rural development, or disaster preparedness needs, as appropriate.

(2) Summer national service program

Members of the Corps participating in the summer national service program shall not receive advanced training referred to in paragraph (1) but, to the extent practicable, may receive other training.

(c) Training personnel

(1) In general

Members of the cadre appointed under section 12619(c)(2) of this title shall provide the training for the members of the Corps, including, as appropriate, advanced service training and ongoing training throughout the members’ periods of agreed service.

(2) Coordination with other entities

Members of the cadre may provide, either directly or through grants, contracts, or cooperative agreements, the advanced service training referred to in subsection (b)(1) in coordination with vocational or technical schools, other employment and training providers, existing youth service programs, other qualified individuals, or organizations with expertise in training youth, including disadvantaged youth, in the skills described in such subsection.

(3) Training facilities

The training may be provided at installations and other facilities of the Department of Defense, and at National Guard facilities, identified under section 12622(c) of this title.

(4) Coordination with other entities

Members of the cadre may provide, either directly or through grants, contracts, or cooperative agreements, the advanced service training referred to in subsection (b)(1) in coordination with vocational or technical schools, other employment and training providers, existing youth service programs, other qualified individuals, or organizations with expertise in training youth, including disadvantaged youth, in the skills described in such subsection.
ice training referred to in subsection (b)(1) of this section in coordination with vocational or technical schools, other employment and training providers, existing youth service programs, or other qualified individuals.’’

Subsec. (d). Pub. L. 111–13, §1506(4), substituted ‘‘section 12622(a)(3)’’ for ‘‘section 12653k(a)(3)’’.

1993—Subsec. (c)(1). Pub. L. 103–82, §104(e)(2)(D)(1), substituted ‘‘section 12619(c)(2)’’ for ‘‘section 12653h(c)(2)’’.

Subsec. (d). Pub. L. 103–82, §104(e)(2)(D)(1), substituted ‘‘section 12622(a)(3)’’ for ‘‘section 12653k(a)(3)’’.

§ 12617. Service projects

(a) Project requirements

The service projects carried out by the National Civilian Community Corps shall—

(1) meet an identifiable public need, with specific emphasis on projects in support of infrastructure improvement, energy conservation, and urban and rural development;

(2) emphasize the performance of community service activities that provide meaningful community benefits and opportunities for service-learning and skills development;

(3) to the maximum extent practicable, encourage work to be accomplished in teams of diverse individuals working together; and

(4) include continued education and training in various technical fields.

(b) Project proposals

(1) Development of proposals

(A) Specific executive departments

Upon the establishment of the Program, the Secretary of Agriculture, the Secretary of the Interior, the Secretary of Housing and Urban Development, the Administrator of the Environmental Protection Agency, the Administrator of the Federal Emergency Management Agency, the Secretary of Energy, the Secretary of Transportation, and the Chief of the Forest Service shall develop proposals for Corps projects pursuant to guidance which the Director shall prescribe.

(B) Other sources

Other public and private organizations and agencies, including community-based entities and representatives of local communities in the vicinity of a Corps campus, may develop proposals for projects for a Corps campus. Corps members shall also be encouraged to identify projects for the Corps.

(2) Consultation requirements

The process for developing project proposals under paragraph (1) shall include consultation with the Corporation, representatives of local communities, State Commissions, and persons involved in other youth service programs.

(c) Project selection, organization, and performance

(1) Selection

The campus director of a Corps campus shall select the projects to be performed by the members of the Corps assigned to the units in that campus. The campus director shall select projects from among the projects proposed or identified pursuant to subsection (b).

(2) Innovative local arrangements for project performance

The Director shall encourage campus directors to negotiate with representatives of local communities, to the extent practicable, innovative arrangements for the performance of projects. The arrangements may provide for cost-sharing and the provision by the communities of in-kind support and other support.


CODIFICATION

Section was formerly classified to section 12653f of this title prior to renumbering by Pub. L. 103–82, §104(b).

PRIOR PROVISIONS

A prior section 157 of Pub. L. 101–610 was classified to section 12602 of this title prior to repeal by Pub. L. 103–82, §104(a).

AMENDMENTS


Subsec. (a)(1). Pub. L. 111–13, §1507(1)(B), inserted ‘‘…, with specific emphasis on projects in support of infrastructure improvement, energy conservation, and urban and rural development’’ before semicolon at end.

Subsec. (a)(2). Pub. L. 111–13, §1507(1)(C), substituted ‘‘…service-learning’’ for ‘‘service-learning’’.

Subsec. (b)(1)(A). Pub. L. 111–13, §1507(2)(A)(ii), substituted ‘‘the Secretary of Housing and Urban Development, the Administrator of the Environmental Protection Agency, the Administrator of the Federal Emergency Management Agency, the Secretary of Energy, the Secretary of Transportation, and the Chief of the Forest Service’’ for ‘‘and the Secretary of Housing and Urban Development’’.


Subsec. (b)(2). Pub. L. 111–13, §1507(2)(B), inserted ‘‘State Commissions,’’ before ‘‘and persons involved in other youth service programs’’.

Subsec. (c)(1). Pub. L. 111–13, §1507(3)(A), substituted ‘‘campus director of a Corps campus’’ for ‘‘superintendent of a Corps camp’’ and ‘‘campus. The campus director’’ for ‘‘camp. The superintendent’’.

Subsec. (c)(2). Pub. L. 111–13, §1507(3)(B), substituted ‘‘campus directors’’ for ‘‘camp superintendents’’.

1993—Subsec. (b)(1)(A). Pub. L. 103–82, §403(b), substituted ‘‘Director’’ for ‘‘Director of the Civilian Community Corps’’.

Subsec. (b)(2). Pub. L. 103–82, §402(b)(2), substituted ‘‘Corporation’’ for ‘‘Commission on National and Community Service’’.
The period.

In general

The Director shall provide for members of the National Civilian Community Corps to receive benefits authorized by this section.

Living allowance

The Director shall provide a living allowance to members of the Corps for the period during which such members are engaged in training or any activity on a Corps project. The Director shall establish the amount of the allowance at any amount not in excess of the amount equal to 100 percent of the poverty line that is applicable to a family of two (as defined by the Office of Management and Budget and revised annually in accordance with section 9902(2) of this title).\(^1\)

Other authorized benefits

While receiving training or engaging in service projects as members of the National Civilian Community Corps, members may be provided the following benefits, as the Director determines appropriate:

1. Allowances for travel expenses, personal expenses, and other expenses.
2. Quarters.
3. Subsistence.
4. Transportation.
5. Equipment.
6. Uniforms.
7. Supplies.
8. Other services determined by the Director to be consistent with the purposes of the Program.

Supportive services

As the Director determines appropriate, the Director may provide each member of the Corps with health care services, child care services, counseling services, and other supportive services.

Post-service benefits

Upon completion of the agreed period of service with the Corps, a member shall elect to receive the educational assistance under subsection (f) or the cash benefit under subsection (g).

National service educational awards

A Corps member who successfully completes a period of agreed service in the Corps may receive the national service educational award described in division D if the Corps member—

1. serves in an approved national service position; and
2. satisfies the eligibility requirements specified in section 12602 of this title with respect to service in that approved national service position.

Alternative benefit

If a Corps member who successfully completes a period of agreed service in the Corps is ineligible for the national service educational award described in division D, the Director may provide for the provision of a suitable alternative benefit for the Corps member.

Effective Date of 2009 Amendment


Effective Date of 1993 Amendment

Amendment by section 402(b)(2) of Pub. L. 103–82 effective Oct. 1, 1993, see section 406(a) of Pub. L. 103–82, set out as a note under section 5061 of this title.

§ 12618. Authorized benefits for Corps members

(a) In general

The Director shall provide for members of the National Civilian Community Corps to receive authorized benefits under section 4950 of this title.

(c) Other authorized benefits

While receiving training or engaging in service projects as members of the National Civilian Community Corps, members may be provided benefits authorized by this section.

(b) Living allowance

The Director shall provide a living allowance to members of the Corps for the period during which such members are engaged in training or any activity on a Corps project. The Director shall establish the amount of the allowance at any amount not in excess of the amount equal to 100 percent of the poverty line that is applicable to a family of two (as defined by the Office of Management and Budget and revised annually in accordance with section 9902(2) of this title).\(^1\)

(e) Post-service benefits

Upon completion of the agreed period of service with the Corps, a member shall elect to receive the educational assistance under subsection (f) or the cash benefit under subsection (g).

(f) National service educational awards

A Corps member who successfully completes a period of agreed service in the Corps may receive the national service educational award described in division D if the Corps member—

1. serves in an approved national service position; and
2. satisfies the eligibility requirements specified in section 12602 of this title with respect to service in that approved national service position.

(g) Alternative benefit

If a Corps member who successfully completes a period of agreed service in the Corps is ineligible for the national service educational award described in division D, the Director may provide for the provision of a suitable alternative benefit for the Corps member.

1 So in original. A closing parenthesis probably should precede the period.
§ 12619 TITLE 42—THE PUBLIC HEALTH AND WELFARE

(1) monitor the overall operation of the National Civilian Community Corps;
(2) coordinate the activities of the Corps with other youth service programs administered by the Corporation; and
(3) carry out any other activities determined appropriate by the Board.

c) Staff
(1) Director
(A) Appointment
Upon the establishment of the Program, the Chief Executive Officer shall appoint a Director. The Director may be selected from among retired commissioned officers of the Armed Forces of the United States.

(B) Duties
The Director shall—
(i) design, develop, and administer the National Civilian Community Corps programs;
(ii) be responsible for managing the daily operations of the Corps; and
(iii) report to the Chief Executive Officer.

(C) Authority to employ staff
The Director may employ such staff as is necessary to carry out this division. The Director shall, to the maximum extent practicable, utilize in staff positions personnel who are detailed from departments and agencies of the Federal Government and, to the extent the Director considers appropriate, shall request and accept detail of personnel from such departments and agencies in order to do so.

(2) Permanent cadre
(A) Establishment
The Chief Executive Officer shall establish a permanent cadre that includes the Director and other appointed supervisors and training instructors for National Civilian Community Corps programs.

(B) Appointment
The Chief Executive Officer shall consider the recommendations of the Director in appointing the other members of the permanent cadre.

(C) Employment considerations
In appointing individuals to cadre positions, the Chief Executive Officer shall—
(i) give consideration to retired, discharged, and other inactive members and former members of the Armed Forces recommended under section 12622(b) of this title;
(ii) give consideration to former VISTA, Peace Corps, and youth service program personnel;
(iii) ensure that the cadre is comprised of males and females of diverse ethnic, economic, professional, and geographic backgrounds;
(iv) give consideration to retired and other former law enforcement, fire, rescue, and emergency personnel, and other individuals with backgrounds in disaster preparedness, relief, and recovery; and
(v) consider applicants' experience in other youth service programs.

(D) Community service credit
Service as a member of the cadre shall be considered as a community service opportunity for purposes of section 4403 of the National Defense Authorization Act for Fiscal Year 1993.

(E) Training
The Director shall provide to other members of the permanent cadre appropriate training in youth development techniques, including techniques for working with and enhancing the development of disadvantaged youth, and the principles of service-learning. All members of the permanent cadre shall be required to participate in the training.

(3) Inapplicability of certain civil service laws
The Director, other members of the permanent cadre, and the other staff personnel shall be appointed without regard to the provisions of title 5 governing appointments in the competitive service. The rates of pay of such persons may be established without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title. In the case of a member of the permanent cadre who was recommended for appointment in accordance with 12622(b)(1) of this title and is entitled to retired or retainer pay, section 5332 of title 5 shall not apply to reduce the member's retired or retainer pay by reason of the member being paid as a member of the cadre.

(4) Voluntary services
Notwithstanding any other provision of law, the Director may accept the voluntary services of individuals. While away from their homes or regular places of business on the business of the Corps, such individuals may be allowed travel expenses, including per diem in lieu of subsistence, in the same amounts and to the same extent, as authorized under section 5703 of title 5 for persons employed intermittently in Federal Government service.

References in Text
Section 4403 of the National Defense Authorization Act for Fiscal Year 1993, referred to in subsec. (c)(2)(D), is section 4403 of Pub. L. 102–484 which is set out as a note under section 5703 of Title 5, United States Code.

1 So in original. Probably should be preceded by “section”.
2 See References in Text note below.
CODIFICATION

Section was formerly classified to section 12653h of this title prior to renumbering by Pub. L. 103–82, § 104(b).

AMENDMENTS

2018—Subsec. (c)(2)(D). Pub. L. 115–232 struck out “and as employment with a public service or community service organization for purposes of section 464 of that Act” before period at end.


Subsec. (a)(1). Pub. L. 111–13, § 1509(1)(B), inserted “including those” before “recommended” and “National” before “Civilian Community Corps”.


Subsec. (c)(1)(B). Pub. L. 111–13, § 1509(3)(A), inserted “the Chief Executive Officer” for “the Director”.


Subsec. (c)(2)(B), Pub. L. 111–13, § 1509(3)(B)(ii), substituted “The Chief Executive Officer shall consider the recommendations of the Director in appointing the other members” for “The Director shall appoint the members”.

Subsec. (c)(2)(C). Pub. L. 111–13, § 1509(3)(B)(iii)(I), substituted “the Chief Executive Officer” for “the Director” in introductory provisions.

Subsec. (c)(2)(C)(i). Pub. L. 111–13, § 1509(3)(B)(iii)(II), substituted “supervision” for “section 12622(b)”.


Subsec. (c)(2)(E). Pub. L. 111–13, § 1509(3)(B)(v), substituted “to other members” for “to members”, inserted “including techniques for working with and enhancing the development of disadvantaged youth,” after “techniques”, and substituted “service-learning” for “service-learning”.

Subsec. (c)(3). Pub. L. 111–13, § 1509(3)(C), substituted “other members” for “the members” and “12622(b)(1)” for “section 12622(a)(2)”.


Subsec. (c)(3). Pub. L. 103–337 inserted at end “In the case of a member of the permanent cadre who was recommended for appointment in accordance with section 12622(a)(2) of this title and is entitled to retired or retainer pay, section 5532 of this title shall not apply to reduce the member’s retired or retainer pay by reason of the member being paid as a member of the cadre.”

1993—Subsec. (a). Pub. L. 103–82, § 403(a)(1)(A), (B), substituted “Supervision” for “Board” in heading and “The Chief Executive Officer shall monitor” for “The Board shall monitor” and “the Chief Executive Officer shall” for “the Board shall—” in introductory provisions.


Subsec. (a)(1). Pub. L. 103–82, § 403(a)(1)(B), (C), substituted “by the Board” for “by the Director” and “the Chief Executive Officer” for “the Board”.

Subsec. (a)(2). Pub. L. 103–82, § 104(e)(2)(E)(i)(II), substituted “section 12611” for “section 12653a”.

Subsec. (b). Pub. L. 103–82, § 404(a)(2), substituted “Monitoring and coordination” for “Executive Director” in heading and “The Chief Executive Officer shall” for “The Executive Director of the Commission on National and Community Service shall” in introductory provisions.

Subsec. (b)(2). Pub. L. 103–82, § 402(b)(1), substituted “by the Corporation” for “by the Commission”.

Subsec. (c)(1)(A). Pub. L. 103–82, § 403(a)(3)(A), (b), substituted “the Chief Executive Officer shall appoint a Director” for “‘the Board, in consultation with the Executive Director, shall appoint a Director of the Civilian Community Corps’”.

Subsec. (c)(1)(B)(iii). Pub. L. 103–82, § 403(a)(3)(B), substituted “the Chief Executive Officer” for “‘the Board through the Executive Director’”.


EFFECTIVE DATE OF 2009 AMENDMENT


EFFECTIVE DATE OF 1993 AMENDMENT


§ 12620 Status of Corps members and Corps personnel under Federal law

(a) In general

Except as otherwise provided in this section, members of the National Civilian Community Corps shall not, by reason of their status as such members, be considered Federal employees or be subject to the provisions of law relating to Federal employment.

(b) Work-related injuries

(1) In general

For purposes of chapter 1 of chapter 81 of title 5 relating to the compensation of Federal employees for work injuries, members of the Corps shall be considered as employees of the United States within the meaning of the term “employee”, as defined in section 5001 of such title.

(2) Special rule

In the application of the provisions of subchapter I of chapter 81 of title 5 to a person referred to in paragraph (1), the person shall not be considered to be in the performance of duty while absent from the person’s assigned post of duty unless the absence is authorized in accordance with procedures prescribed by the Director.

(c) Tort claims procedure

An employee of the Corps shall be considered an employee of the United States for purposes of chapter 171 of title 28 relating to tort claims liability and procedure.


CODIFICATION

Section was formerly classified to section 12653i of this title prior to renumbering by Pub. L. 103–82, § 104(b).

PRIOR PROVISIONS

A prior section 160 of Pub. L. 101–610 was classified to section 12611 of this title prior to repeal by Pub. L. 103–82, § 104(a).
§ 12621. Contract and grant authority

(a) Programs

The Director may, by contract or grant, provide for any public or private organization to carry out the National Civilian Community Corps program.

(b) Equipment and facilities

(1) Federal and National Guard property

The Director shall enter into agreements, as necessary, with the Secretary of Defense, the Governor of a State, territory or commonwealth, or the commanding general of the District of Columbia National Guard, as the case may be, to utilize—

(A) equipment of the Department of Defense and equipment of the National Guard; and

(B) Department of Defense facilities and National Guard facilities identified pursuant to section 12622(c) of this title.

(2) Other property

The Director may enter into contracts or agreements for the use of other equipment or facilities to the extent practicable to train and house members of the National Civilian Corps and leaders of Corps units.

(1) Federal and National Guard property

(2) Other property


CODIFICATION

Section was formerly classified to section 12653j of this title prior to renumbering by Pub. L. 103–82, § 104(b).

PRIORITY PROVISIONS


A prior section 161 of Pub. L. 101–610 was classified to section 12612 of this title prior to repeal by Pub. L. 103–82.

AMENDMENTS

2009—Subsec. (a), Pub. L. 111–13, § 1511(1), substituted “carry out the National Civilian Community Corps program” for “perform any program function under this division”.

Subsec. (b)(1)(B), Pub. L. 111–13, § 1511(2)(A), substituted “section 12622(c)” for “section 12622(a)(3)”.

Subsec. (b)(2), Pub. L. 111–13, § 1511(2)(B), inserted “National” before “Community Corps”.


EFFECTIVE DATE OF 2009 AMENDMENT


§ 12622. Responsibilities of Department of Defense

(a) Liaison office

(1) Establishment

Upon the establishment of the Program, the Secretary of Defense shall establish an office to provide for liaison between the Secretary and the National Civilian Community Corps.

(2) Duties

The office shall provide assistance in the coordination of Department of Defense activities with the Corps.

(b) Corps cadre

(1) List of recommended personnel

Upon the establishment of the Program, the Secretary of Defense, in consultation with the liaison office established under subsection (a) shall develop a list of individuals from which individuals may be selected for appointment by the Director in the permanent cadre of Corps personnel. Such personnel shall be selected from among members and former members of the Armed Forces referred to in section 12611(3) of this title who are commissioned officers, noncommissioned officers, former commissioned officers, or former noncommissioned officers.

(2) Recommendations regarding grade and pay

The Secretary of Defense shall recommend to the Director an appropriate rate of pay for each person recommended for the cadre pursuant to this subsection.

(3) Contribution for retired member’s pay

If a listed individual receiving retired or retainer pay is appointed to a position in the cadre and the rate of pay for that individual is established at the amount equal to the difference between the active duty pay and allowances which that individual would receive if ordered to active duty and the amount of the individual’s retired or retainer pay, the Secretary of Defense shall pay, by transfer to the Corporation from amounts available for pay of active duty members of the Armed Forces, the amount equal to 50 percent of that individual’s rate of pay for service in the cadre.

(c) Facilities

Upon the establishment of the Program, the Secretary of Defense shall identify military installations and other facilities of the Department of Defense and, in consultation with the adjutants generals of the State National Guards, National Guard facilities that may be used, in whole or in part, by the National Civilian Community Corps for training or housing Corps members. The Secretary of Defense shall carry out this subsection in consultation with the liaison office established under subsection (a).

1 See References in Text note below.
(d) Information regarding Corps


REFERENCES IN TEXT

Section 12611 of this title, referred to in subsec. (b)(1), was amended generally by Pub. L. 111–13, title I, §1501, Apr. 21, 2009, 123 Stat. 1521, and section 12611(3) no longer relates to members and former members of the Armed Forces.

CODIFICATION

Section was formerly classified to section 12653k of this title prior to renumbering by Pub. L. 103–82, §104(b).

PRIOR PROVISIONS


A prior section 162 of Pub. L. 101–610 was classified to section 12613 of this title prior to repeal by Pub. L. 103–82.

AMENDMENTS

2018—Subsec. (a)(2), Pub. L. 115–232 substituted “shall provide” for “shall—

“A) in order to assist in the recruitment of personnel for appointment in the permanent cadre, make available to the Director information in the registry established by section 1143a of title 10; and

“B) provide other”.

2009—Pub. L. 111–13, §1512(b)(2)–(5), substituted “Liaison office” for “Secretary of Defense” as subsec. (a) heading, struck out part. (1) heading “Liaison office” after subsec. (a) heading, redesignated subpars. (A) and (B) of former subsec. (a)(1) as pars. (1) and (2), respectively, of subsec. (a), redesignated cls. (i) and (ii) of former subsec. (a)(1)(B) as subpars. (A) and (B), respectively, of subsec. (a)(2), redesignated former pars. (2) to (4) of subsec. (a) as subsecs. (b) to (d), respectively, redesignated former subpars. (A) to (C) of former subsec. (a)(2) as pars. (1) to (3), respectively, of subsec. (b), and realigned margins.


Subsec. (a)(2)(A). Pub. L. 111–13, §1512(a)(1)(B), substituted “from which individuals may be selected for appointment by the Director” for “to be recommended for appointment”.


Subsec. (b). Pub. L. 111–13, §1512(a)(2), struck out subsec. (b), Text read as follows: “Upon the establishment of the Program, the Secretary of Labor shall identify and establish a system for the recruitment of persons to serve as members of the Civilian Community Corps. In carrying out this subsection, the Secretary of Labor may utilize the Employment Service Agency or the Office of Job Training.”

Subsec. (b)(1). Pub. L. 111–13, §1512(b)(5)(B), substituted “subsection (a)” for “paragraph (1)”.

Subsec. (b)(2). Pub. L. 111–13, §1512(b)(5)(C), substituted “subsection” for “paragraph”.

Subsec. (c). Pub. L. 111–13, §1512(b)(6), substituted “this subsection” for “this paragraph” and “subsection (a)” for “paragraph (1)”.


EFFECTIVE DATE OF 2009 AMENDMENT


EFFECTIVE DATE OF 1993 AMENDMENT


Amendment by section 402(b)(2) of Pub. L. 103–82 effective Oct. 1, 1993, see section 4906(a) of Pub. L. 103–82, set out as a note under section 5061 of this title.

§12623. Advisory Board

(a) Establishment and purpose

There shall be established a National Civilian Community Corps Advisory Board to advise the Director concerning the administration of this division and to assist the Corps in responding rapidly and efficiently in times of natural and other disasters. The Advisory Board members shall help coordinate activities with the Corps as appropriate, including the mobilization of volunteers and coordination of volunteer centers to help local communities recover from the effects of natural and other disasters.

(b) Membership

The Advisory Board shall be composed of the following members:

(1) The Secretary of Labor.

(2) The Secretary of Defense.

(3) The Secretary of the Interior.

(4) The Secretary of Agriculture.

(5) The Secretary of Education.

(6) The Secretary of Housing and Urban Development.

(7) The Chief of the National Guard Bureau.


(9) The Secretary of Transportation.

(10) The Chief of the Forest Service.

(11) The Administrator of the Environmental Protection Agency.

(12) The Secretary of Energy.

(13) Individuals appointed by the Director from among persons who are broadly representative of educational institutions, voluntary organizations, public and private organizations, youth, and labor unions.

(14) The Chief Executive Officer.

(c) Inapplicability of termination requirement

Section 14 of the Federal Advisory Committee Act (5 U.S.C. App.) shall not apply to the Advisory Board.

REFERENCES IN TEXT
Section 14 of the Federal Advisory Committee Act, referred to in subsec. (c), is section 14 of Pub. L. 92–463, Organization and Employees.

CODIFICATION
Section was formerly classified to section 12653/ of this title prior to renumbering by Pub. L. 103–82.

PRIOR PROVISIONS

A prior section 163 of Pub. L. 101–610 was classified to section 12614 of this title prior to repeal by Pub. L. 103–82.

AMENDMENTS
2009—Subsec. (a). Pub. L. 111–13, §1513(1), substituted “There shall be” for “Upon the establishment of the Program, there shall also be”, inserted “National” before “Civilian Community Corps Advisory Board”, and substituted “to assist the Corps in responding rapidly and efficiently in times of natural and other disasters. The Advisory Board members shall help coordinate activities with the Corps as appropriate, including the mobilization of volunteers and coordination of volunteer centers to help local communities recover from the effects of natural and other disasters,” for “to assist in the development and administration of the Corps.”

Subsec. (b)(8) to (12). Pub. L. 111–13, §1513(2)(B), added pars. (8) to (12). Former pars. (8) and (9) redesignated (13) and (14), respectively.

Subsec. (b)(13). Pub. L. 111–13, §1513(2)(A), (C), redesignated par. (8) as (13) and substituted “public and private organizations,” for “industry,”.


1993—Subsec. (a). Pub. L. 103–82, §402(b)(2), substituted “Director” for “Director of the Civilian Community Corps”.

Subsec. (b)(9). Pub. L. 103–82, §402(b)(3), substituted “Chief Executive Officer” for “Chair of the Commission on National and Community Service”.


date of 2009 Amendment

date of 1993 Amendment
Amendment by section 402(b)(2) of Pub. L. 103–82 effective Oct. 1, 1993, see section 496(a) of Pub. L. 103–82, set out as a note under section 5061 of this title.


Section was formerly classified to section 12653n of this title prior to renumbering by section 104(b) of Pub. L. 103–82.

Effective Date of Repeal
Repeal effective Oct. 1, 2009, see section 6101(a) of Pub. L. 111–13, set out as an Effective Date of 2009 Amendment note under section 4950 of this title.

§ 12626. Definitions

In this division:

(1) Board

The term “Board” means the Board of Directors of the Corporation.

(2) Campus director

The term “campus director”, with respect to a Corps campus, means the head of the campus under section 12615(d) of this title.

(3) Corps

The term “Corps” means the National Civilian Community Corps required under section 12615 of this title as part of the National Civilian Community Corps Program.
(4) Corps campus

The term “Corps campus” means the facility or central location established as the operational headquarters and boarding place for particular Corps units.

(5) Corps members

The term “Corps members” means persons receiving training and participating in projects under the National Civilian Community Corps Program.

(6) Director

The term “Director” means the Director of the National Civilian Community Corps.

(7) Institution of higher education

The term “institution of higher education” has the meaning given that term in section 1001 of title 20.

(8) Program

The term “Program” means the National Civilian Community Corps Program established pursuant to section 12612 of this title.

(9) Service-learning

The term “service-learning”, with respect to Corps members, means a method—

(A) under which Corps members learn and develop through active participation in thoughtfully organized service experiences that meet actual community needs;

(B) that provides structured time for a Corps member to think, talk, or write about what the Corps member did and saw during an actual service activity;

(C) that provides Corps members with opportunities to use newly acquired skills and knowledge in real life situations in their own communities; and

(D) that helps to foster the development of a sense of caring for others, good citizenship, and civic responsibility.

(10) Unit

The term “unit” means a unit of the Corps referred to in section 12615(c) of this title.

(CORPS CAMP) The term “Corps camp” means the facility or central location established as the operational headquarters and boarding place for particular Corps units.

CORPS CAMP

The term “Corps camp” means the facility or central location established as the operational headquarters and boarding place for particular Corps units.

Former par. (4) redesignated (5).

Par. (5). Pub. L. 111–13, §1516(2)(B), (D), redesignated par. (4) as (5) and substituted “National Civilian Community Corps Program” for “Civilian Community Corps Demonstration Program”. Former par. (5) redesignated (6).


Par. (8). Pub. L. 111–13, §1516(2)(F), which directed substitution of “The term ‘Program’ means the National Civilian Community Corps Program” for “The terms ‘Civilian Community Corps Program’ and ‘Program’ mean the Civilian Community Corps Demonstration Program” to reflect the probable intent of Congress.

Pub. L. 111–13, §1516(2)(B), redesignated par. (7) as (8). Former par. (8) redesignated (9).


Pub. L. 111–13, §1516(2)(A), (B), redesignated par. (8) as (9) and struck out former par. (9). Text read as follows: “The term ‘superintendent’, with respect to a Corps camp, means the head of the camp under section 12615(d) of this title.”

1998—Par. (6). Pub. L. 105–244 substituted “section 1001” for “section 1141(a)”.

1999—Par. (1). Pub. L. 103–82, §402(b)(2), substituted “Commission” for “Commission on National and Community Service”.

Par. (2). Pub. L. 103–82, §104(e)(2)(H)(i), substituted “section 12615” for “section 12634”.

Par. (6). Pub. L. 103–82, §403(a)(4), which directed amendment of par. (6) of this section by striking par. (6) and redesignating par. (7) of this section as (6) was executed by redesignating par. (7) of this section as (6) and striking out former par. (6) which defined “Executive Director” as Executive Director of Commission on National and Community Service, to reflect the probable intent of Congress.

Par. (7). Pub. L. 103–82, §403(a)(4)(B), which directed amendment of par. (6) of this section by redesignating par. (6) as (7) was executed by redesignating par. (8) of this section as (7), to reflect the probable intent of Congress. Former par. (7) redesignated (6).

Par. (8). Pub. L. 103–82, §403(a)(4)(B), which directed amendment of par. (6) of this section by redesignating par. (9) as (8) was executed by redesignating par. (9) of this section as (8), to reflect the probable intent of Congress. Former par. (8) redesignated (7).

Par. L. 103–82, §104(e)(2)(H)(ii), substituted “section 12615(d)” for “section 12634a”.

Par. (9). Pub. L. 103–82, §403(a)(4)(B), which directed amendment of par. (6) of this section by redesignating par. (10) as (9) was executed by redesigning par. (10) of this section as (9), to reflect the probable intent of Congress. Former par. (9) redesignated (8).

Par. (10). Pub. L. 103–82, §403(a)(4)(B), which directed amendment of par. (6) of this section by redesignating par. (11) as (10) was executed by redesigning par. (11) of this section as (10), to reflect the probable intent of Congress. Former par. (10) redesignated (9).

Par. L. 103–82, §104(e)(2)(H)(iii), substituted “section 12615(d)” for “section 12634d”.

Par. (11). Pub. L. 103–82, §403(a)(4)(B), which directed amendment of par. (6) of this section by redesignating...
**§ 12631** TITLED 42—THE PUBLIC HEALTH AND WELFARE

par. (11) as (10) was executed by redesignating par. (11) of this section as (10), to reflect the probable intent of Congress. Pub. L. 103–82, §104(e)(2)(H)(iv), substituted “section 12615(c)” for “section 12635d(c)”.

**Effective Date of 2009 Amendment**

**Effective Date of 1998 Amendment**

**Effective Date of 1993 Amendment**

Amendment by section 402(b)(2) of Pub. L. 103–82 effective Oct. 1, 1993, see section 406(a) of Pub. L. 103–82, set out as a note under section 5061 of this title.

**Division F—Administrative Provisions**

**§ 12631. Family and medical leave**

(a) **Participants in private, State, and local projects**

For purposes of title I of the Family and Medical Leave Act of 1993 [29 U.S.C. 2611 et seq.], if—

(A) a participant has provided service for the period required by section 101(2)(A)(i) (29 U.S.C. 2611(2)(A)(i)), and has met the hours of service requirement of section 101(2)(A)(ii), of such Act with respect to a project authorized under the national service laws; and

(B) the service sponsor of the project is an employer described in section 101(4) of such Act (other than an employing agency within the meaning of subchapter V of chapter 63 of title 5),

the participant shall be considered to be an eligible employee of the service sponsor.

(b) **Participants in Federal projects**

For purposes of subchapter V of chapter 63 of title 5, if—

(A) a participant has provided service for the period required by section 6311(1)(B) of such title with respect to a project; and

(B) the service sponsor of the project is an employing agency within the meaning of such subchapter,

the participant shall be considered to be an employee of the service sponsor.

(c) **Treatment of absence**

The period of any absence of a participant from a service position pursuant to title I of the Family and Medical Leave Act of 1993 [29 U.S.C. 2611 et seq.] or subchapter V of chapter 63 of title 5 shall not be counted toward the completion of the term of service of the participant under section 12593 of this title.


**References in Text**
The Family and Medical Leave Act of 1993, referred to in subsecs. (a) and (c), is Pub. L. 101–3, Feb. 5, 1993, 107 Stat. 6. Title I of the Act is classified generally to subchapter I (§2611 et seq.) of chapter 28 of Title 29, Labor. For complete classification of this Act to the Code, see Short Title note set out under section 2601 of Title 29 and Tables.

**Amendments**

2009—Subsec. (a)(1). Pub. L. 111–13 substituted “with respect to a project authorized under the national service laws” for “with respect to a project”.

1993—Pub. L. 103–82 amended section generally, substituting provisions relating to family and medical leave for provisions relating to limitation on number of grants under this subchapter.

**Effective Date of 2009 Amendment**

**Effective Date of 1993 Amendment**

**§ 12632. Reports**

(a) **State reports**

(1) In general

Each State receiving assistance under this subchapter shall prepare and submit, to the Corporation, an annual report concerning the use of assistance provided under this subchapter and the status of the national and community service programs that receive assistance under such subchapter in such State.

(2) **Local grantees**

Each State may require local grantees to supply such information to the State as is necessary to enable the State to complete the report required under paragraph (1), including a comparison of actual accomplishments with the goals established for the program, the number of participants in the program, the number of service hours generated, and the existence of any problems, delays or adverse conditions that have affected or will affect the attainment of program goals.

(3) **Report demonstrating compliance**

(A) **In general**

Each State receiving assistance under this subchapter shall include information in the report required under paragraph (1) that demonstrates the compliance of the State with the provisions of this chapter, including section 12637 of this title.

(B) **Local grantees**

Each State may require local grantees to supply such information to the State as is necessary to enable the State to comply with the requirement of paragraph (1).

(4) **Availability of report**

Reports submitted under paragraph (1) shall be made available to the public on request.

(b) **Report to Congress by Corporation**

(1) **In general**

Not later than 120 days after the end of each fiscal year, the Corporation shall prepare and
submit, to the authorizing committees, the Committee on Appropriations of the House of Representatives, and the Committee on Appropriations of the Senate, a report concerning the programs that receive assistance under the national service laws.

(2) Content

Reports submitted under paragraph (1) shall contain a summary of the information contained in the State reports submitted under subsection (a), and shall reflect the findings and actions taken as a result of any evaluation conducted by the Corporation.


REFERENCES IN TEXT

This chapter, referred to in subsec. (a)(3)(A), was in the original “this Act”, meaning Pub. L. 101–610, Nov. 16, 1990, 104 Stat. 3127, known as the National and Community Service Act of 1990, which is classified principally to this subchapter. For complete classification of this Act to the Code, see Short Title note set out under section 12501 of this title and Tables.

AMENDMENTS

2011—Subsec. (c). Pub. L. 112–81 struck out subsec. (c). Prior to amendment, text read as follows:

“(1) STUDY.—The Secretary of Defense shall annually conduct a study of the effect of the programs carried out under this subchapter on recruitment for the Armed Forces.

“(2) REPORT.—The Secretary of Defense shall annually submit a report to the authorizing committees, the Committee on Armed Services of the House of Representatives, and the Committee on Armed Services of the Senate containing the findings of the study described in paragraph (1) and such recommendations for legislative and administrative reform as the Secretary may determine to be appropriate.”

2009—Subsec. (b)(1), Pub. L. 111–13, §1602(1), which directed substitution of “authorizing committees, the Committee on Appropriations of the House of Representatives, and the Committee on Appropriations of the Senate” for “appropriate authorizing and appropriation Committees of Congress”, was executed by making the substitution for “appropriate authorizing and appropriation Committees of Congress” to reflect the probable intent of Congress.

Subsec. (c)(2), Pub. L. 111–13, §1602(2), substituted “the authorizing committees, the Committee on Armed Services of the House of Representatives, and the Committee on Armed Services of the Senate” for “the appropriate committees of Congress”.

1993—Subsec. (a)(1), Pub. L. 103–82, §402(b)(1), substituted “Corporation” for “Commission”.

Subsec. (a)(3)(A), Pub. L. 103–82, 114 Stat. 3127, substituted “section 12637” for “sections 12637 and 12523(9)”.

Subsec. (b), Pub. L. 103–82, §114(2)(A), substituted “Report to Congress by Corporation” for “Report to Congress in heading.”

Subsec. (b)(1), Pub. L. 103–82, §402(b)(1), substituted “Corporation” for “Commission”.

Subsec. (b)(2), Pub. L. 103–82, §402(b)(1), substituted “Corporation” for “Commission”.

Subsec. (c), Pub. L. 103–82, §114(3), added subsec. (c).

EFFECTIVE DATE OF 2009 AMENDMENT


EFFECTIVE DATE OF 1993 AMENDMENT


Amendment by section 402(b)(1) of Pub. L. 103–82 effective Oct. 1, 1993, see section 496(a) of Pub. L. 103–82, set out as a note under section 5061 of this title.

§ 12633. Supplementation

(a) In general

Assistance provided under this subchapter shall be used to supplement the level of State and local public funds expended for services of the type assisted under this subchapter in the previous fiscal year.

(b) Aggregate expenditure

Subsection (a) shall be satisfied, with respect to a particular program, if the aggregate expenditure for such program for the fiscal year in which services are to be provided will not be less than the aggregate expenditure for such program in the previous fiscal year, excluding the amount of Federal assistance provided and any other amounts used to pay the remainder of the costs of programs assisted under this subchapter.


§ 12634. Prohibition on use of funds

(a) Prohibited uses

No assistance made available under a grant under this subchapter shall be used to provide religious instruction, conduct worship services, or engage in any form of proselytization.

(b) Political activity

Assistance provided under this subchapter shall not be used by program participants and program staff to—

(1) assist, promote, or deter union organizing; or

(2) finance, directly or indirectly, any activity designed to influence the outcome of an election to Federal office or the outcome of an election to a State or local public office.

(c) Contracts or collective bargaining agreements

A program that receives assistance under this subchapter shall not impair existing contracts for services or collective bargaining agreements.

(d) Referrals for Federal assistance

A program may not receive assistance under the national service laws for the sole purpose of referring individuals to Federal assistance programs or State assistance programs funded in part by the Federal Government.


AMENDMENTS


EFFECTIVE DATE OF 2009 AMENDMENT

§ 12635. Nondiscrimination

(a) In general

(1) Basis

An individual with responsibility for the operation of a project that receives assistance under this subchapter shall not discriminate against a participant in, or member of the staff of, such project on the basis of race, color, national origin, sex, age, or political affiliation of such participant or member, or on the basis of disability, if the participant or member is a qualified individual with a disability.

(2) "Qualified individual with a disability" defined

As used in paragraph (1), the term "qualified individual with a disability" has the meaning given in section 12111(8) of this title.

(b) Federal financial assistance


(c) Religious discrimination

(1) In general

Except as provided in paragraph (2), an individual with responsibility for the operation of a project that receives assistance under this subchapter shall not discriminate on the basis of religion against a participant in such project or a member of the staff of such project who is paid with funds received under this subchapter.

(2) Exception

Paragraph (1) shall not apply to the employment, with assistance provided under this subchapter, of any member of the staff, of a project that receives assistance under this subchapter, who was employed by the organization operating the project on the date the grant under this subchapter was awarded.

(d) Rules and regulations

The Chief Executive Officer shall promulgate rules and regulations to provide for the enforcement of this section that shall include provisions for summary suspension of assistance for not more than 30 days, on an emergency basis, until notice and an opportunity to be heard can be provided.


REFERENCES IN TEXT


The Education Amendments of 1972, referred to in subsec. (b), is Pub. L. 92–318, June 23, 1972, 86 Stat. 235, as amended. Title IX of the Act, known as the Patsy Takemoto Mink Equal Opportunity in Education Act, is classified principally to chapter 38 (§ 1681 et seq.) of Title 20, Education. For complete classification of title IX to the Code, see Short Title note set out under section 1681 of Title 20 and Tables.

The Age Discrimination Act of 1975, referred to in subsec. (b), is title III of Pub. L. 94–135, Nov. 28, 1975, 89 Stat. 728, as amended, which is classified generally to chapter 76 (§ 6101 et seq.) of this title. For complete classification of this Act to the Code, see Short Title note set out under section 6101 of this title and Tables.

AMENDMENTS

1993—Pub. L. 103–82 amended section generally, making revisions relating to discrimination based on disability, the laws for which assistance under this subchapter constitutes Federal financial assistance, and the responsibility for promulgating regulations.

EFFECTIVE DATE OF 1993 AMENDMENT


§ 12636. Notice, hearing, and grievance procedures

(a) In general

(1) Suspension of payments

The Corporation may in accordance with the provisions of this subchapter, suspend or terminate payments under a contract or grant providing assistance under this subchapter, or revoke the designation of positions, related to the grant or contract, as approved national service positions, whenever the Corporation determines there is a material failure to comply with this subchapter or the applicable terms and conditions of any such grant or contract issued pursuant to this subchapter.

(2) Procedures to ensure assistance

The Corporation shall prescribe procedures to ensure that—

(A) assistance provided under this subchapter shall not be suspended for failure to comply with the applicable terms and conditions of this subchapter except, in emergency situations, a suspension may be granted for 1 or more periods of 30 days not to exceed a total of 90 days; and

(B) assistance provided under this subchapter shall not be terminated or revoked for failure to comply with applicable terms and conditions of this subchapter unless the recipient of such assistance has been afforded reasonable notice and opportunity for a full and fair hearing.

(b) Hearings

Hearings or other meetings that may be necessary to fulfill the requirements of this section shall be held at locations convenient to the recipient of assistance under this subchapter.

(c) Transcript or recording

A transcript or recording shall be made of a hearing conducted under this section and shall be available for inspection by any individual.
(d) State legislation

Nothing in this subchapter shall be construed to preclude the enactment of State legislation providing for the implementation, consistent with this subchapter, of the programs administered under this subchapter.

(e) Construction

Nothing in this subchapter shall be construed to link performance of service with receipt of Federal student financial assistance, other than assistance provided pursuant to this chapter.

(f) Grievance procedure

(1) In general

An entity that receives assistance under this subchapter shall establish and maintain a procedure for the filing and adjudication of grievances from participants, labor organizations, and other interested individuals concerning projects that receive assistance under this subchapter, including grievances regarding proposed placements of such participants in such projects.

(2) Deadline for grievances

Except for a grievance that alleges fraud or criminal activity, a grievance shall be made not later than 1 year after the date of the alleged occurrence of the event that is the subject of the grievance.

(3) Deadline for hearing and decision

(A) Hearing

A hearing on any grievance conducted under this subsection shall be conducted not later than 30 days after the filing of such grievance.

(B) Decision

A decision on any such grievance shall be made not later than 60 days after the filing of such grievance.

(4) Arbitration

(A) In general

(i) Jointly selected arbitrator

In the event of a decision on a grievance that is adverse to the party who filed such grievance, or 60 days after the filing of such grievance if no decision has been reached, such party shall be permitted to submit such grievance to binding arbitration before a qualified arbitrator who is jointly selected and independent of the interested parties.

(ii) Appointed arbitrator

If the parties cannot agree on an arbitrator, the Chief Executive Officer shall appoint an arbitrator from a list of qualified arbitrators within 15 days after receiving a request for such appointment from one of the parties to the grievance.

(B) Deadline for proceeding

An arbitration proceeding shall be held not later than 45 days after the request for such arbitration proceeding, or, if the arbitrator is appointed by the Chief Executive Officer in accordance with subparagraph (A)(ii), not later than 30 days after the appointment of such arbitrator.

(C) Deadline for decision

A decision concerning a grievance shall be made not later than 30 days after the date such arbitration proceeding begins.

(D) Cost

(i) In general

Except as provided in clause (ii), the cost of an arbitration proceeding shall be divided evenly between the parties to the arbitration.

(ii) Exception

If a participant, labor organization, or other interested individual described in paragraph (1) prevails under a binding arbitration proceeding, the State or local applicant described in paragraph (1) that is a party to such grievance shall pay the total cost of such proceeding and the attorneys' fees of such participant, labor organization, or individual, as the case may be.

(5) Proposed placement

If a grievance is filed regarding a proposed placement of a participant in a project that receives assistance under this subchapter, such placement shall not be made unless the placement is consistent with the resolution of the grievance pursuant to this subsection.

(6) Remedies

Remedies for a grievance filed under this subsection include—

(A) suspension of payments for assistance under this subchapter;

(B) termination of such payments;

(C) prohibition of the placement described in paragraph (5);

(D) in a case in which the grievance is filed by an individual applicant or participant—

(i) the applicant's selection or the participant's reinstatement, as the case may be; and

(ii) other changes in the terms and conditions of service applicable to the individual; and

(E) in a case in which the grievance involves a violation of subsection (a) or (b) of section 12637 of this title and the employer of the displaced employee is the recipient of assistance under this subchapter—

(i) reinstatement of the displaced employee to the position held by such employee prior to displacement;

(ii) payment of lost wages and benefits of the displaced employee;

(iii) reestablishment of other relevant terms, conditions, and privileges of employment of the displaced employee; and

(iv) such equitable relief as is necessary to correct any violation of subsection (a) or (b) of section 12637 of this title or to make the displaced employee whole.

(7) Enforcement

Suits to enforce arbitration awards under this section may be brought in any district court of the United States having jurisdiction of the parties, without regard to the amount in controversy and without regard to the citizenship of the parties.
§ 12637  TITLE 42—THE PUBLIC HEALTH AND WELFARE

(1) a note under section 1701 of Title 16, Conservation.

Oct. 1, 1993, see section 123 of Pub. L. 103–82, set out as

to the Code, see Short Title note set out under section

original ''this Act'', meaning Pub. L. 101–610, Nov. 16,

1990, 104 Stat. 3127, known as the National and Commu-

(2) Service opportunities

A service opportunity shall not be created under the national service laws that will in-

in any manner on the promotional oppor-

portunity of an employed individual.

(3) Limitation on services

(A) Duplication of services

A participant in a program receiving as-

stance under the national service laws shall not perform any services or duties or

engage in activities that would otherwise be performed by an employee as part of the as-

signed duties of such employee.

(B) Supplantation of hiring

A participant in any program receiving as-

tance under the national service laws shall not perform any services or duties, or engage in activities, that—

(i) will supplant the hiring of employed workers;

(ii) are services, duties, or activities with respect to which an individual has recall rights pursuant to a collective bar-

gaining agreement or applicable personnel procedures.

(C) Duties formerly performed by another

employee

A participant in any program receiving as-

tance under the national service laws shall not perform services or duties that have been performed by or were assigned to any—

(i) presently employed worker;

(ii) employee who recently resigned or was discharged;

(iii) employee who—

(I) is subject to a reduction in force; or

(II) has recall rights pursuant to a collective bargaining agreement or applicable personnel procedures;

(iv) employee who is on leave (terminal, temporary, vacation, emergency, or sick); or

(y) employee who is on strike or who is being locked out.

(c) Labor market information

The Secretary of Labor shall make available to the Corporation and to any program agency under this subchapter such labor market information as is appropriate for use in carrying out the purposes of this subchapter.

(d) Treatment of benefits

Allowances, earnings, and payments to indi-

viduals participating in programs that receive assistance under this subchapter shall not be con-

sidered to be income for the purposes of de-

termining eligibility for and the amount of in-

come transfer and in-kind aid furnished under any Federal or federally assisted program based on need, other than as provided under the Social Security Act (42 U.S.C. 301 et seq.).

References in Text

This chapter, referred to in subsec. (e), was in the original ‘‘this Act’’, meaning Pub. L. 101–610, Nov. 16, 1990, 104 Stat. 3127, known as the National and Community Service Act of 1990, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 12501 of this title and Tables.

Amendments


Subsec. (f)(1). Pub. L. 111–13, § 1604(1), substituted before period at end ‘‘other than assistance provided pursuant to this chapter’’.

EFFECTIVE DATE OF 2009 AMENDMENT


EFFECTIVE DATE OF 1993 AMENDMENT


§ 12637. Nonduplication and nondisplacement

(a) Nonduplication

(1) In general

Assistance provided under the national service laws shall be used only for a program that does not duplicate, and is in addition to, an activity otherwise available in the locality of such program.

(2) Private nonprofit entity

Assistance made available under the national service laws shall not be provided to a private nonprofit entity to conduct activities that are the same or substantially equivalent to activities provided by a State or local government agency that such entity resides in, unless the requirements of subsection (b) are met.

(b) Nondisplacement

(1) In general

An employer shall not displace an employee, position, or volunteer (other than a partici-

pant under the national service laws), including partial displacement such as reduction in hours, wages, or employment benefits, as a result of the use by such employer of a particip-

ant in a program receiving assistance under the national service laws.

(2) Service opportunities

A service opportunity shall not be created under the national service laws that will in-

fringe in any manner on the promotional oppor-

portunity of an employed individual.

(3) Limitation on services

(A) Duplication of services

A participant in a program receiving as-

stance under the national service laws shall not perform any services or duties or engage in activities that would otherwise be performed by an employee as part of the assigned duties of such employee.

(B) Supplantation of hiring

A participant in any program receiving as-

tance under the national service laws shall not perform any services or duties, or engage in activities, that—

(i) will supplant the hiring of employed workers; or

(ii) are services, duties, or activities with respect to which an individual has recall rights pursuant to a collective bar-

gaining agreement or applicable personnel procedures.

(C) Duties formerly performed by another

employee

A participant in any program receiving as-

tance under the national service laws shall not perform services or duties that have been performed by or were assigned to any—

(i) presently employed worker;

(ii) employee who recently resigned or was discharged;

(iii) employee who—

(I) is subject to a reduction in force; or

(II) has recall rights pursuant to a collective bargaining agreement or applicable personnel procedures;

(iv) employee who is on leave (terminal, temporary, vacation, emergency, or sick); or

(y) employee who is on strike or who is being locked out.

(c) Labor market information

The Secretary of Labor shall make available to the Corporation and to any program agency under this subchapter such labor market information as is appropriate for use in carrying out the purposes of this subchapter.

(d) Treatment of benefits

Allowances, earnings, and payments to indi-

viduals participating in programs that receive assistance under this subchapter shall not be con-

sidered to be income for the purposes of de-

termining eligibility for and the amount of in-

come transfer and in-kind aid furnished under any Federal or federally assisted program based on need, other than as provided under the Social Security Act (42 U.S.C. 301 et seq.).
(e) Standards of conduct

Programs that receive assistance under this subchapter shall establish and stringently enforce standards of conduct at the program site to promote proper moral and disciplinary conditions.

(f) Parental involvement

(1) In general

Programs that receive assistance under the national service laws shall consult with the parents or legal guardians of children in developing and operating programs that include and serve children.

(2) Parental permission

Programs that receive assistance under the national service laws shall, before transporting minor children, provide the children’s parents with written permission for the transportation and obtain the parents' written permission for such transportation, consistent with State law.

References in Text

The Social Security Act, referred to in subsec. (d), is act Aug. 14, 1935, ch. 531, 49 Stat. 620, which is classified generally to chapter 7 (§ 301 et seq.) of this title. For complete classification of this Act to the Code, see section 1305 of this title and Tables.

AMENDMENTS

2009—Subsec. (a)(1), (2). Pub. L. 111–13, §1605(1), substituted “under the national service laws” for “under this subchapter”.

Subsec. (b)(1). Pub. L. 111–13, §1605(1), (2), substituted “employee, position, or volunteer (other than a participant under the national service laws)” for “employee or position” and “under the national service laws” for “under this subchapter”.

Subsec. (b)(2), (3). Pub. L. 111–13, §1605(1), substituted “under the national service laws” for “under this subchapter” wherever appearing.


1998—Subsec. (d). Pub. L. 105–277 amended heading and text of subsec. (d) generally. Prior to amendment, text read as follows: “Section 142(b) of the Job Training Partnership Act shall apply to the projects conducted under this subchapter as such projects were conducted under the Job Training Partnership Act.”

1993—Subsec. (b)(3)(B). Pub. L. 103–82, §117(1), amended heading and text of subpar. (B) generally. Prior to amendment, text read as follows: “A participant in any program receiving assistance under this subchapter shall not perform any services or duties or engage in activities that will supplant the hiring of employed workers.”

Subsec. (b)(3)(C)(i). Pub. L. 103–82, §117(2), amended cl. (i) generally. Prior to amendment, cl. (i) read as follows: “employee who is subject to a reduction in force.”

Subsec. (c). Pub. L. 103–82, §402(b)(1), substituted “Corporation” for “Commission”.  

EFFECTIVE DATE OF 2009 AMENDMENT


§ 12638. State Commissions on National and Community Service

(a) Existence required

(1) State Commission

Except as provided in paragraph (2), to be eligible to receive a grant or allotment under division B or C or to receive a distribution of approved national service positions under division C, a State shall maintain a State Commission on National and Community Service that satisfies the requirements of this section.

(2) Alternative administrative entity

The chief executive officer of a State may apply to the Corporation for approval to use an alternative administrative entity to carry out the duties otherwise entrusted to a State Commission under this chapter. The chief executive officer shall ensure that any alternative administrative entity used in lieu of a State Commission provides for the individuals described in paragraph (1), and some of the individuals described in paragraph (2), of subsection (c) to play a significant policymaking role in carrying out the duties otherwise entrusted to a State Commission, including the submission of applications on behalf of the State under section 12582 of this title.

(b) Appointment and size

Except as provided in subsection (c)(3), the members of a State Commission for a State shall be appointed by the chief executive officer of the State. A State Commission shall consist of not fewer than 15, and not more than 25, voting members, and any ex officio nonvoting members, as described in paragraph (3) or (4) of subsection (c).

(c) Composition and membership

(1) Required members

The State Commission for a State shall include as voting members at least one of each of the following individuals:

(A) An individual with expertise in the educational, training, and development needs of youth, particularly disadvantaged youth.

(B) An individual with experience in promoting the involvement of older adults in service and voluntarism.

(C) A representative of community-based agencies or community-based organizations within the State.

(D) The head of the State educational agency.

(E) A representative of local governments in the State.

(F) A representative of local labor organizations in the State.

(G) A representative of business.

(H) An individual between the ages of 16 and 25 who is a participant or supervisor in a program.
(d) Miscellaneous matters

(1) Membership balance

The chief executive officer of a State shall ensure, to the maximum extent practicable, that the membership of the State Commission for the State is diverse with respect to race, ethnicity, age, gender, and disability characteristics. Not more than 50 percent of the voting members of a State Commission, plus one additional member, may be from the same political party.

(2) Terms

Each member of the State Commission for a State shall serve for a term of 3 years, except that the chief executive officer of a State shall initially appoint a portion of the members to terms of 1 year and 2 years.

(3) Vacancies

If a vacancy occurs on a State Commission, a new member shall be appointed by the chief executive officer of the State and serve for the remainder of the term for which the predecessor of such member was appointed. The vacancy shall not affect the power of the remaining members to execute the duties of the State Commission.

(4) Compensation

A member of a State Commission or alternative administrative entity shall not receive any additional compensation by reason of service on the State Commission or alternative administrative entity, except that the State may authorize the reimbursement of travel expenses, including a per diem in lieu of subsistence, in the same manner as other employees serving intermittently in the service of the State.

(5) Chairperson

The voting members of a State Commission shall elect one of the voting members to serve as chairperson of the State Commission.

(6) Limitation on member participation

(A) General limitation

Except as provided in subparagraph (B), a voting member of the State Commission or of an alternative administrative entity shall not participate in the administration of the grant program (including any discussion or decision regarding the provision of assistance or approved national service positions, or the continuation, suspension, or termination of such assistance or such positions, to any program or entity) described in subsection (e)(9) if—

(i) a grant application relating to such program is pending before the Commission (or such entity); and

(ii) the application was submitted by a program or entity of which such member is, or in the 1-year period before the submission of such application was, an officer, director, trustee, full-time volunteer, or employee.

(B) Exception

If, as a result of the operation of subparagraph (A), the number of voting members of the Commission (or of such entity) is insufficient to establish a quorum for the purpose of administering such program, then voting members excluded from participation by subparagraph (A) may participate in the administration of such program, notwithstanding the limitation in subparagraph (A), to the extent permitted by regulations issued under section 12651d(b)(12) of this title by the Corporation.

(C) Rule of construction

Subparagraph (A) shall not be construed to limit the authority of any voting member of the Commission (or of such entity) to participate in—

(i) discussion of, and hearing and forums on—

(I) the general duties, policies, and operations of the Commission (or of such entity); or

(II) the general administration of such program; or

(ii) similar general matters relating to the Commission (or such entity).
(e) Duties of a State Commission

The State Commission or alternative administrative entity for a State shall be responsible for the following duties:

(1) Preparation of a national service plan for the State that—
   (A) is developed, through an open and public process (such as through regional forums, hearings, and other means) that provides for maximum participation and input from the private sector, organizations, and public agencies, using service and volunteerism as strategies to meet critical community needs, including service through programs funded under the national service laws;
   (B) covers a 3-year period, the beginning of which may be set by the State;
   (C) is subject to approval by the chief executive officer of the State;
   (D) includes measurable goals and outcomes for the State national service programs in the State consistent with the performance levels for national service programs as described in section 12639(k) of this title;
   (E) ensures outreach to diverse community-based agencies that serve underrepresented populations, through established networks and registries at the State level, or through the development of such networks and registries;
   (F) provides for effective coordination of funding applications submitted by the State and other organizations within the State under the national service laws;
   (G) is updated annually, reflecting changes in practices and policies that will improve the coordination and effectiveness of Federal, State, and local resources for service and volunteerism within the State;
   (H) ensures outreach to, and coordination with, municipalities (including large cities) and county governments regarding the national service laws; and
   (I) contains such information as the State Commission considers to be appropriate or as the Corporation may require.

(2) Preparation of the applications of the State under section 12582 of this title for financial assistance.

(3) Assistance in the preparation of the application of the State educational agency for assistance under section 12525 of this title.

(4) Preparation of the application of the State under section 12582 of this title for the approval of service positions that include the national service educational award described in division D.

(5) Make recommendations to the Corporation with respect to priorities for programs receiving assistance under the Domestic Volunteer Service Act of 1973 (42 U.S.C. 4950 et seq.).

(6) Make technical assistance available to enable applicants for assistance under section 12571 of this title—
   (A) to plan and implement service programs; and
   (B) to apply for assistance under the national service laws using, if appropriate, information and materials available through a clearinghouse established under section 12653a 1 of this title.

(7) Assistance in the provision of health care and child care benefits under section 12594 of this title to participants in national service programs that receive assistance under section 12571 of this title.

(8) Development of a State system for the recruitment and placement of participants in programs that receive assistance under the national service laws and dissemination of information concerning national service programs that receive such assistance or approved national service positions.

(9) Administration of the grant program in support of national service programs that is conducted by the State using assistance provided to the State under section 12571 of this title, including selection, oversight, and evaluation of grant recipients.

(10) Development of projects, training methods, curriculum materials, and other materials and activities related to national service programs that receive assistance directly from the Corporation (to be made available in a case in which such a program requests such a project, method, material, or activity) or from the State using assistance provided under section 12571 of this title, for use by programs that request such projects, methods, materials, and activities.

(f) Relief from administrative requirements

Upon approval of a State plan submitted under subsection (e)(1), the Chief Executive Officer may waive for the State, or specify alternatives for the State to, administrative requirements (other than statutory provisions) otherwise applicable to grants made to States under the national service laws, including those requirements identified by the State as impeding the coordination and effectiveness of Federal, State, and local resources for service and volunteerism within the State.

(g) State service plan for adults age 55 or older

(1) In general

Notwithstanding any other provision of this section, to be eligible to receive a grant or allotment under division B or C or to receive a distribution of approved national service positions under division C, a State shall work with appropriate State agencies and private entities to develop a comprehensive State service plan for service by adults age 55 or older.

(2) Matters included

The State service plan shall include—

(A) recommendations for policies to increase service for adults age 55 or older, including how to best use such adults as sources of social capital, and how to utilize their skills and experience to address community needs;

(B) recommendations to the State agency (as defined in section 3002 of this title) on—
   (i) a marketing outreach plan to businesses; and
   (ii) outreach to—

1 See References in Text note below.
§ 12638

TITLE 42—THE PUBLIC HEALTH AND WELFARE

(1) nonprofit organizations;
(II) the State educational agency;
(III) institutions of higher education; and
(IV) other State agencies;
(C) recommendations for civic engagement and multigenerational activities, such as—
(i) early childhood education and care, family literacy, and after school programs; and
(ii) respite services for adults age 55 or older and caregivers; and
(iii) transitions for older adults age 55 or older to purposeful work in their post-career lives; and
(D) recommendations for encouraging the development of Encore service programs in the State.

(3) Knowledge base
The State service plan shall incorporate the current knowledge base (as of the time of the plan) regarding—
(A) the economic impact of the roles of workers age 55 or older in the economy;
(B) the social impact of the roles of such workers in the community; and
(C) the health and social benefits of active engagement for adults age 55 or older.

(4) Publication
The State service plan shall be made available to the public and be transmitted to the Chief Executive Officer.

(h) Activity ineligible for assistance
A State Commission or alternative administrative entity may not directly carry out any national service program that receives assistance programs under the Corporation, including the duties described in paragraphs (1) through (4) of subsection (e).

(3) Rejection
The Corporation may reject a State Commission if the Corporation determines that the composition, membership, or duties of the State Commission do not comply with the requirements of this section. The Corporation may reject a request to use an alternative administrative entity in lieu of a State Commission if the Corporation determines that the entity does not provide for the individuals described in paragraph (1), and some of the individuals described in paragraph (2), of subsection (c) to play a significant policymaking role in carrying out the duties otherwise entrusted to a State Commission under this chapter with the activities of other State agencies that administer Federal financial assistance programs under the Community Services Block Grant Act (42 U.S.C. 9901 et seq.) or other appropriate Federal financial assistance programs.

(4) Resubmission and reconsideration
The Corporation shall provide a State notified under paragraph (3) with a reasonable opportunity to revise the rejected State Commission or alternative administrative entity. At the request of the State, the Corporation shall provide technical assistance to the State as part of the revision process. The Corporation shall promptly reconsider any resubmission of a notification under paragraph (1) or application to use an alternative administrative entity under paragraph (2).

(5) Subsequent changes
This subsection shall also apply to any change in the composition or duties of a State Commission or an alternative administrative entity made after approval of the State Commission or the alternative administrative entity.

(6) Rights
An alternative administrative entity approved by the Corporation under this subsection shall have the same rights as a State Commission.

(k) Coordination

(1) Coordination with other State agencies
The State Commission or alternative administrative entity for a State shall coordinate the activities of the Commission or entity under this chapter with the activities of other State agencies that administer Federal financial assistance programs under the Community Services Block Grant Act (42 U.S.C. 9901 et seq.) or other appropriate Federal financial assistance programs.

(2) Coordination with volunteer service programs
(A) In general
The State Commission or alternative administrative entity for a State shall coordinate functions of the Commission or entity
(including recruitment, public awareness, and training activities) with such functions of any division of the Corporation that carries out volunteer service programs in the State.

(B) Agreement

In coordinating functions under this paragraph, such Commission or entity, and such division, may enter into an agreement to—

(i) carry out such a function jointly;

(ii) to assign responsibility for such a function to the Commission or entity; or

(iii) to assign responsibility for such a function to the division.

(C) Information

The State Commission or alternative entity for a State, and the head of any such division, shall exchange information about—

(i) the programs carried out in the State by the Commission, entity, or division, as appropriate; and

(ii) opportunities to coordinate activities.

(f) Liability

(1) Liability of State

Except as provided in paragraph (2)(B), a State shall agree to assume liability with respect to any claim arising out of or resulting from any act or omission by a member of the State Commission or alternative administrative entity of the State, within the scope of the service of the member on the State Commission or alternative administrative entity.

(2) Other claims

(A) In general

A member of the State Commission or alternative administrative entity shall have no personal liability with respect to any claim arising out of or resulting from any act or omission by such person, within the scope of the service of the member on the State Commission or alternative administrative entity.

(B) Limitation

This paragraph shall not be construed to limit personal liability for criminal acts or omissions, willful or malicious misconduct, acts or omissions for private gain, or any other act or omission outside the scope of the service of such member on the State Commission or alternative administrative entity.

(3) Effect on other law

This subsection shall not be construed—

(A) to affect any other immunities and protections that may be available to such member under applicable law with respect to such service;

(B) to affect any other right or remedy against the State under applicable law, or against any person other than a member of the State Commission or alternative administrative entity; or

(C) to limit or alter in any way the immunities that are available under applicable law for State officials and employees not described in this subsection.


REFERENCES IN TEXT

This chapter, referred to in subsecs. (a)(2) and (k)(1), was in the original “this Act”, meaning Pub. L. 101–610, Nov. 16, 1990, 104 Stat. 3127, known as the National and Community Service Act of 1990, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 12501 of this title and Tables.

The Domestic Volunteer Service Act of 1973, referred to in subsecs. (c)(2)(E) and (e)(5), is Pub. L. 93–113, Oct. 1, 1973, 87 Stat. 394, which is classified principally to chapter 66 (§4950 et seq.) of this title. For complete classification of this Act to the Code, see Short Title note set out under section 4950 of this title and Tables. Section 12653a of this title, referred to in subsec. (e)(6)(B), was in the original “section 198A”, meaning section 198A of Pub. L. 101–610, as added by section 104(c) of Pub. L. 103–82, which was repealed, and section 198B was redesignated section 198A, by Pub. L. 111–13, title I, §1809(a)(1), (b), Apr. 21, 2009, 123 Stat. 1534. Provisions similar to section 12653a are now contained in section 12653a of this title.


PRIORITY PROVISIONS


AMENDMENTS


Subsec. (c)(1)(I). Pub. L. 111–13, §1606(2)(A), substituted “subsection (a), (b), or (c) of section 12572 of this title.” for “section 12572(a) of this title, such as a youth corps program described in section 12572(a)(2) of this title.”


Subsec. (c)(3). Pub. L. 111–13, §1606(3), struck out “, unless the State permits the representative to serve as a voting member of the State Commission or alternative administrative entity before period at end.”


Subsec. (e)(1). Pub. L. 111–13, §1606(5)(A), added par. (1) and struck out former par. (1) which related to preparation of a national service plan for the State.

Subsec. (e)(2). Pub. L. 111–13, §1606(5)(B), substituted “section 12562” for “sections 12543 and 12562.”

Subssecs. (f) to (l). Pub. L. 111–13, §1606(6), (7), added subssecs. (f) and (g) and redesignated former subssecs. (f) to (j) as (h) to (l), respectively.

1999—Subsec. (i)(2)(A). Pub. L. 103–82, §405(p)(1), substituted “the Corporation” for “ACTION, or of the Corporation” before “that carries out”.

EFFECTIVE DATE OF 2009 AMENDMENT

The Corporation shall ensure that programs that receive assistance under division C are evaluated to determine their effectiveness in—

1. recruiting and enrolling diverse participants in such programs, consistent with the requirements of section 12575 of this title, based on economic background, race, ethnicity, age, marital status, education levels, and disability;

2. promoting the educational achievement of each participant in such programs, based on earning a high school diploma or the equivalent of such diploma and the future enrollment and completion of increasingly higher levels of education;

3. encouraging each participant to engage in public and community service after completion of the program based on career choices and service in other service programs such as the Volunteers in Service to America Program and National Senior Service Corps programs established under the Domestic Volunteer Service Act of 1973 (42 U.S.C. 2500 et seq.), the Peace Corps (as established by the Peace Corps Act (22 U.S.C. 2501 et seq.)), the military, and part-time volunteer service;

4. promoting of positive attitudes among each participant regarding the role of such participant in solving community problems based on the view of such participant regarding the personal capacity of such participant to improve the lives of others, the responsibilities of such participant as a citizen and community member, and other factors;

5. enabling each participant to finance a lesser portion of the higher education of such participant through student loans;

6. providing services and projects that benefit the community;

7. supplying additional volunteer assistance to community agencies without overloading such agencies with more volunteers than can effectively be utilized;

8. providing services and activities that could not otherwise be performed by employed workers and that will not supplant the hiring of, or result in the displacement of, employed workers or impair the existing contracts of such workers; and

9. attracting a greater number of citizens to engage in service that benefits the community.

See References in Text note below.
(h) Obtaining information
   (1) In general
   In conducting the evaluations required under this section, the Corporation may require each program participant and State or local applicant to provide such information as may be necessary to carry out the requirements of this section.
   (2) Confidentiality
      (A) In general
      The Corporation shall maintain the confidentiality of information acquired under this subsection regarding individual participants.
      (B) Disclosure
      (i) Consent
      The content of any information described in subparagraph (A) may be disclosed with the prior written consent of the individual participant with respect to whom the information is maintained.
      (ii) Aggregate information
      The Corporation may disclose information about the aggregate characteristics of such participants.
      (i) Independent evaluation and report of demographics of national service participants and communities
      (1) Independent evaluation
         (A) In general
         The Corporation shall, on an annual basis, arrange for an independent evaluation of the programs assisted under division C.
         (B) Participants
         (i) In general
         The entity conducting such evaluation shall determine the demographic characteristics of the participants in such programs.
         (ii) Characteristics
         The entity shall determine, for the year covered by the evaluation, the total number of participants in the programs, and the number of participants within the programs in each State, by sex, age, economic background, education level, ethnic group, disability classification, and geographic region.
         (iii) Categories
         The Corporation shall determine appropriate categories for analysis of each of the characteristics referred to in clause (ii) for purposes of such an evaluation.
      (C) Communities
      In conducting the evaluation, the entity shall determine the amount of assistance provided under section 12371 of this title during the year that has been expended for projects conducted under the programs in areas described in section 12585(c)(6) of this title.
      (2) Report
      The entity conducting the evaluation shall submit a report to the President, the authorizing committees, the Corporation, and each State Commission containing the results of the evaluation—
      (A) with respect to the evaluation covering the year beginning on September 21, 1993, not later than 18 months after September 21, 1993; and
      (B) with respect to the evaluation covering each subsequent year, not later than 18 months after the first day of each such year.
      (j) Reserved program funds for accountability
      Notwithstanding any other provision of law, in addition to amounts appropriated to carry out this section, the Corporation may reserve not more than 1 percent of the total funds appropriated for a fiscal year under section 12681 of this title and sections 501 and 502 of the Domestic Volunteer Service Act of 1973 [42 U.S.C. 5081, 5082] to support program accountability activities under this section.
      (k) Performance levels
      The Corporation shall, in consultation with each recipient of assistance under the national service laws, establish performance levels for such recipient to meet during the term of the assistance. The performance levels may include, for each national service program carried out by the recipient, performance levels based on the following performance measures:
      (1) Number of participants enrolled in the program and completing terms of service, as compared to the stated participation and retention goals of the program.
      (2) Number of volunteers recruited from the community in which the program was implemented.
      (3) If applicable based on the program design, the number of individuals receiving or benefitting from the service conducted.
      (4) Number of disadvantaged and underrepresented youth participants.
      (5) Measures of the sustainability of the program and the projects supported by the program, including measures to ascertain the level of community support for the program or projects.
      (6) Measures to ascertain the change in attitude toward civic engagement among the participants and the beneficiaries of the service.
      (7) Other quantitative and qualitative measures as determined to be appropriate by the recipient of assistance and the Corporation.
      (l) Corrective action plans
      (1) In general
      A recipient of assistance under the national service laws that fails, as determined by the Corporation, to meet or exceed the performance levels agreed upon under subsection (k) for a national service program, shall reach an agreement with the Corporation on a corrective action plan to meet such performance levels.
      (2) Assistance
      (A) New program
      For a program that has received assistance under the national service laws for less than 3 years and for which the recipient is failing to meet or exceed the performance levels
agreed upon under subsection (k), the Corporation shall—
(i) provide technical assistance to the recipient to address targeted performance problems relating to the performance levels for the program; and
(ii) require the recipient to submit quarterly reports on the program’s progress toward meeting the performance levels for the program to—
(I) the appropriate State, territory, or Indian tribe; and
(II) the Corporation.

(m) Failure to meet performance levels
If, after a period for correction as approved by the Corporation in accordance with subsection (i), a recipient of assistance under the national service laws fails to meet or exceed the performance levels agreed upon under subsection (k), the Corporation shall require the recipient to submit quarterly reports on the program’s progress toward the performance levels for the program to—
(I) the appropriate State, territory, or Indian tribe; and
(ii) the Corporation.

(n) Reports
The Corporation shall submit to the authorizing committees not later than 2 years after April 21, 2009, and annually thereafter, a report containing information on the number of—
(1) recipients of assistance under the national service laws implementing corrective action plans under subsection (i)(1);
(2) recipients for which the Corporation provides technical assistance for a program under subsection (i)(2)(A)(i);
(3) recipients for which the Corporation terminates assistance for a program under subsection (m);
(4) entities whose application for assistance under a national service law was rejected; and
(5) recipients meeting or exceeding their performance levels under subsection (k).

References in Text
Section 12375 of this title, referred to in subsec. (g)(1), was in the original a reference to section 145 of Pub. L. 101–610. Section 145 of Pub. L. 101–610 was omitted in the general amendment of subtitle D of title I of Pub. L. 101–610 (former part D of this subchapter) by Pub. L. 103–42, title I, § 102(a), Sept. 21, 1993, 107 Stat. 336; Pub. L. 103–82 enacted a new section 125 of Pub. L. 101–610, relating to training and technical assistance, and a new section 145, relating to establishment of the National Service Trust, which are classified to sections 12575 and sections 12601, respectively, of this title. Provisions relating to the eligibility of individuals for participation in national service programs are now contained in section 12561 et seq. of this title.


The Peace Corps Act, referred to in subsec. (g)(3), is Pub. L. 87–293, Sept. 22, 1961, 75 Stat. 612, which is classified principally to chapter 34 (§ 2501 et seq.) of Title 22, Foreign Relations and Intercourse. For complete classification of that Act to the Code, see Short Title note set out under section 2501 of Title 22 and Tables.

Amendments
2009—Subsec. (a). Pub. L. 111–13, § 1607(1), amended subsec. (a) generally. Prior to amendment, subsec. (a) directed the Corporation to provide, through grants or contracts, for continuing evaluation of programs receiving assistance under the national service laws to determine the effectiveness and costs of various program models and, with respect to programs authorized under division C, to determine the impact of those programs on the recruitment ability of VISTA and National Senior Volunteer Corps programs, each regular component of the Armed Forces, each of the reserve components of the Armed Forces, and the Peace Corps.


Subsec. (g)(9). Pub. L. 111–13, § 1607(2)(B), substituted “to engage in service that benefits the community,” for “to public service, including service in the active and reserve components of the Armed Forces, the National Guard, the Peace Corps (as established by the Peace Corps Act (22 U.S.C. 2501 et seq.), and the VISTA and National Senior Volunteer Corps programs established under the Domestic Volunteer Service Act of 1973 (22 U.S.C. 4950 et seq.),”.


Subsecs. (j) to (n). Pub. L. 111–13, § 1607(4), added subsecs. (j) to (n).

1996—Subsec. (a)(2). Pub. L. 104–106 substituted “section 10101 of title 10” for “section 216(a) of title 5”.


Pub. L. 103–82, § 402(a)(1), substituted “the national service laws” for “this subchapter” in introductory provisions.

Subsec. (a)(2), Pub. L. 103–82, § 118(1)(A), substituted “with respect to the programs authorized under division C of this subchapter” for “for purposes of the reports required by subsection (j) of this section” in introductory provisions.


Subsec. (b). Pub. L. 103–82, § 402(b)(1), substituted “Corporation” for “Commission”.

Subsec. (d). Pub. L. 103–82, § 402(b)(1), substituted “Corporation” for “Commission”.

AMENDMENTS
2009—Subsec. (a). Pub. L. 111–13, § 1607(1), amended subsec. (a) generally. Prior to amendment, subsec. (a) directed the Corporation to provide, through grants or contracts, for continuing evaluation of programs receiving assistance under the national service laws to determine the effectiveness and costs of various program models and, with respect to programs authorized under division C, to determine the impact of those programs on the recruitment ability of VISTA and National Senior Volunteer Corps programs, each regular component of the Armed Forces, each of the reserve components of the Armed Forces, and the Peace Corps.
(a) Definition of partnership

In this section, the term ‘‘partnership’’ means the Corporation, acting in conjunction with (consistent with the terms of an agreement entered into between the Corporation and the National Conference) the National Conference on Citizenship referred to in section 150701 of title 30 to carry out this section.

(b) In general

The partnership shall facilitate the establishment of a Civic Health Assessment by—

(1) after identifying public and private sources of civic health data, selecting a set of civic health indicators, in accordance with subsection (c), that shall comprise the Civic Health Assessment;

(2) obtaining civic health data relating to the Civic Health Assessment, in accordance with subsection (d); and

(3) conducting related analyses, and reporting the data and analyses, as described in paragraphs (4) and (5) of subsection (d) and subsections (e) and (f).

(c) Selection of indicators for Civic Health Assessment

(1) Identifying sources

The partnership shall select a set of civic health indicators that shall comprise the Civic Health Assessment. In making such selection, the partnership—

(A) shall identify public and private sources of civic health data;

(B) shall explore collaborating with other similar efforts to develop national indicators in the civic health domain; and

(C) may sponsor a panel of experts, such as one convened by the National Academy of Sciences, to recommend civic health indicators and data sources for the Civic Health Assessment.

(2) Technical advice

At the request of the partnership, the Director of the Bureau of the Census and the Commissioner of Labor Statistics shall provide technical advice to the partnership on the selection of the indicators for the Civic Health Assessment.

(3) Updates

The partnership shall periodically update and update the Civic Health Assessment, and may expand or modify the indicators described in subsection (d)(1) as necessary to carry out the purposes of this section.

(d) Data on the indicators

(1) Sponsored data collection

In identifying the civic health indicators for the Civic Health Assessment, and obtaining data for the Assessment, the partnership may sponsor the collection of data for the Assessment or for the various civic health indicators being considered for inclusion in the Assessment, including indicators related to—

(A) volunteering and community service;

(B) voting and other forms of political and civic engagement;

(C) charitable giving;

(D) connecting to civic groups and faith-based organizations;

(E) interest in employment, and careers, in the nonprofit sector; and

(F) social enterprise and innovation.

(2) Data from statistical agencies

The Director of the Bureau of the Census and the Commissioner of Labor Statistics shall collect, to the extent practicable, data to inform the Civic Health Assessment, and shall report data from such collection to the partnership. In determining the data to be collected, the Director and the Commissioner shall examine privacy issues, response rates, and other relevant issues.

(3) Sources of data

To obtain data for the Civic Health Assessment, the partnership shall consider—
(A) data collected through public and private sources; and
(B) data collected by the Bureau of the Census, through the Current Population Survey, or by the Bureau of Labor Statistics, in accordance with paragraph (2).

(4) Demographic characteristics
The partnership shall seek to obtain data for the Civic Health Assessment that will permit the partnership to analyze the data by age group, race and ethnicity, education level, and other demographic characteristics of the individuals involved.

(5) Other issues
In obtaining data for the Civic Health Assessment, the partnership may also obtain such information as may be necessary to analyze—
(A) the role of Internet technology in strengthening and inhibiting civic activities;
(B) the role of specific programs in strengthening civic activities;
(C) the civic attitudes and activities of new citizens and immigrants; and
(D) other areas related to civic activities.

(e) Reporting of data
(1) In general
The partnership shall, not less than once each year, prepare a report containing—
(A) detailed data obtained under subsection (d), including data on the indicators comprising the Civic Health Assessment; and
(B) the analyses described in paragraphs (4) and (5) of subsection (d), to the extent practicable based on the data, the partnership is able to obtain.

(2) Aggregation and presentation
The partnership shall, to the extent practicable, aggregate the data on the civic health indicators comprising the Civic Health Assessment by community, by State, and nationally. The report described in paragraph (1) shall present the aggregated data in a form that enables communities and States to assess their civic health, as measured on each of the indicators comprising the Civic Health Assessment, and compare those measures with comparable measures of other communities and States.

(3) Submission
The partnership shall submit the report to the authorizing committees, and make the report available to the general public on the Corporation’s website.

(f) Public input
The partnership shall—
(1) identify opportunities for public dialogue and input on the Civic Health Assessment; and
(2) hold conferences and forums to discuss the implications of the data and analyses reported under subsection (e).

(g) Volunteering research and evaluation
(1) Research
The partnership shall provide for baseline research and tracking of domestic and international volunteering, and baseline research and tracking related to relevant data on the indicators described in subsection (d). In providing for the research and tracking under this subsection, the partnership shall consider data from the Supplements to the Current Populations Surveys conducted by the Bureau of the Census for the Bureau of Labor Statistics, and data from other public and private sources, including other data collected by the Bureau of the Census and the Bureau of Labor Statistics.

(2) Impact research and evaluation
The partnership shall sponsor an independent evaluation of the impact of domestic and international volunteering, including an assessment of best practices for such volunteering, and methods of improving such volunteering through enhanced collaboration among—
(A) entities that recruit, manage, support, and utilize volunteers;
(B) institutions of higher education; and
(C) research institutions.

(h) Database prohibition
Nothing in this chapter shall be construed to authorize the development, implementation, or maintenance of a Federal database of personally identifiable information on individuals participating in data collection for sources of information under this section.


REFERENCES IN TEXT
This chapter, referred to in subsec. (h), was in the original “this Act”, meaning Pub. L. 101–610, Nov. 16, 1990, 104 Stat. 3127, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 12501 of this title and Tables.

EFFECTIVE DATE
Section effective Oct. 1, 2009, see section 6101(a) of Pub. L. 111–13, set out as an Effective Date of 2009 Amendment note under section 4950 of this title.

§ 12640. Engagement of participants
A State shall not engage a participant to serve in any program that receives assistance under this subchapter unless and until amounts have been appropriated under section 12681 of this title for the provision of national service educational awards and for the payment of other necessary expenses and costs associated with such participant.


AMENDMENTS
1993—Pub. L. 103–82 substituted “national service educational awards” for “post-service benefits”.

EFFECTIVE DATE OF 1993 AMENDMENT

§ 12641. Contingent extension
Section 1226a of title 20 shall apply to this chapter.
§ 12642. Partnerships with schools

The head of each Federal agency and department shall design and implement a comprehensive strategy to involve employees of such agencies and departments in partnership programs with elementary schools and secondary schools. Such strategy shall include—

(1) a review of existing programs to identify and expand the opportunities for such employees to be adult volunteers in schools and for students and out-of-school youth;

(2) the designation of a senior official in each such agency and department who will be responsible for establishing partnership and youth service programs in each such agency and department and for developing partnership and youth service programs;

(3) the encouragement of employees of such agencies and departments to participate in partnership programs and other service projects;

(4) the annual recognition of outstanding service programs operated by Federal agencies; and

(5) the encouragement of businesses and professional firms to include community service among the factors considered in making hiring, compensation, and promotion decisions.

Amendments

2014—Pub. L. 113–188 struck out subsec. (a) designating and heading before “The head of each Federal agency” and struck out subsec. (b) which required submission of reports to the Corporation and to Congress.

2009—Subsec. (b). Pub. L. 111–13 amended subsec. (b) generally. Prior to amendment, text read as follows: “Not later than 180 days after November 16, 1990, and on a regular basis thereafter, the head of each Federal agency and department shall prepare and submit, to the appropriate Committees of Congress, a report concerning the implementation of this section.’’


Effective Date of 2009 Amendment


Effective Date of 1993 Amendment


§ 12643. Rights of access, examination, and copying

(a) Comptroller General

Consistent with otherwise applicable law, the Comptroller General, or any of the duly authorized representatives of the Comptroller General, shall have access to, and the right to examine and copy, any books, documents, papers, records, and other recorded information in any form—

(1) within the possession or control of the Corporation or any State or local government, territory, Indian tribe, or public or private nonprofit organization receiving assistance directly or indirectly under this chapter; and

(2) that the Comptroller General, or his representative, considers necessary to the performance of an evaluation, audit, or review.

(b) Chief Financial Officer

Consistent with otherwise applicable law, the Chief Financial Officer of the Corporation shall have access to, and the right to examine and copy, any books, documents, papers, records, and other recorded information in any form—

(1) within the possession or control of the Corporation or any State or local government, territory, Indian tribe, or public or private nonprofit organization receiving assistance directly or indirectly under this chapter; and

(2) that relates to the duties of the Chief Financial Officer.

(c) Inspector General

Consistent with otherwise applicable law, the Inspector General of the Corporation shall have access to, and the right to examine and copy, any books, documents, papers, records, and other recorded information in any form—

(1) within the possession or control of the Corporation or any State or local government, territory, Indian tribe, or public or private nonprofit organization receiving assistance directly or indirectly under the national service laws; and

(2) that relates to—

(A) such assistance; and


1 So in original. Probably should be followed by a comma.
§ 12644. Drug-free workplace requirements

All programs receiving grants under this subchapter shall be subject to the Drug-Free Workplace Requirements for Federal Grant Recipients under sections 8101 and 8103 to 8106 of title 41.


CODIFICATION


§ 12644a. Availability of assistance

A reference in division C, D, E, or H of this subchapter regarding an entity eligible to receive direct or indirect assistance to carry out a national service program shall include a non-profit organization promoting competitive and non-competitive sporting events involving individuals with disabilities (including the Special Olympics), which enhance the quality of life for individuals with disabilities.


REFERENCES IN TEXT

This chapter, referred to in subsecs. (a)(1) and (b)(1), was in the original “this Act”, meaning Pub. L. 101–610, Nov. 16, 1990, 104 Stat. 3127, known as the National and Community Service Act of 1990, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 12001 of this title and Tables.


AMENDMENTS


Subsec. (b). Pub. L. 111–13, §1611(2), substituted “consistent with otherwise applicable law, the” for “The” in introductory provisions and inserted “territory” after “local government,” in par. (1).


1993—Pub. L. 103–82 amended section generally, substituting provision relating to rights of access, examination, and copying for provision relating to service as tutors.

EFFECTIVE DATE OF 2009 AMENDMENT


EFFECTIVE DATE OF 1993 AMENDMENT


§ 12644b. Consolidated application and reporting requirements

(a) In general

To promote efficiency and eliminate duplicative requirements, the Corporation shall consolidate or modify application procedures and reporting requirements for programs, projects, and activities funded under the national service laws.

(b) Report to Congress

Not later than 18 months after the effective date of the Serve America Act, the Corporation shall submit to the authorizing committees a report containing information on the actions taken to consolidate or modify the application procedures and reporting requirements for programs, projects, and activities funded under the national service laws, including a description of the procedures for consultation with recipients of the funding.


REFERENCES IN TEXT

For the effective date of the Serve America Act, referred to in subsec. (b), as Oct. 1, 2009, see section 6101(a) of Pub. L. 111–13, set out as an Effective Date of 2009 Amendment note under section 4950 of this title.

PRIOR PROVISIONS

A prior section 185 of Pub. L. 101–610 amended sections 1070a–6 and 1087vv of title 20 prior to repeal by section 122(a) of Pub. L. 103–82.

EFFECTIVE DATE

Section effective Oct. 1, 2009, see section 6101(a) of Pub. L. 111–13, set out as an Effective Date of 2009 Amendment note under section 4950 of this title.

§ 12645. Sustainability

The Corporation, after consultation with State Commissions and recipients of assistance, may set sustainability goals for projects or programs under the national service laws, so that recipients of assistance under the national service laws are carrying out sustainable projects or programs. Such sustainability goals shall be in writing and shall be used—

(1) to build the capacity of the projects or programs that receive assistance under the national service laws to meet community needs;

(2) in providing technical assistance to recipients of assistance under the national service laws regarding acquiring and leveraging non-Federal funds for support of the projects or programs that receive such assistance; and

(3) to determine whether the projects or programs, receiving such assistance, are generating sufficient community support.


PRIOR PROVISIONS

(e) Waiver authority and reporting requirement

(1) Waiver

The Chief Executive Officer may increase the limitation under subsection (a) to not more than $19,500 per full-time equivalent position if necessary to meet the compelling needs of a particular program, such as—

(A) exceptional training needs for a program serving disadvantaged youth;

(B) the need to pay for increased costs relating to the participation of individuals with disabilities;

(C) the needs of tribal programs or programs located in the territories; and

(D) the need to pay for start-up costs associated with a first-time recipient of assistance under a program of the national service laws.

(2) Reports

The Chief Executive Officer shall report to the authorizing committees annually on all limitations increased under this subsection, with an explanation of the compelling needs justifying such increases.

§ 12645d. Matching funds for severely economically distressed communities

(a) In general

Notwithstanding any other provision of law, a severely economically distressed community that receives assistance from the Corporation for any program under the national service laws shall not be subject to any requirements to provide matching funds for any such program, and the Federal share of such assistance for such a community may be 100 percent.

(b) Severely economically distressed community

For the purposes of this section, the term “severely economically distressed community” means—

(1) an area that has a mortgage foreclosure rate, home price decline, and unemployment rate all of which are above the national average for such rates or level, for the most recent 12 months for which satisfactory data are available; or

(2) a residential area that lacks basic living necessities, such as water and sewer systems, electricity, paved roads, and safe, sanitary housing.

§ 12645d
§ 12645e. Audits and reports

The Corporation shall comply with applicable audit and reporting requirements as provided in the Chief Financial Officers Act of 1990 (31 U.S.C. 901 note; Public Law 101–576) and chapter 91 of title 31 (commonly known as the “Government Corporation Control Act”). The Corporation shall report to the authorizing committees any failure to comply with such requirements.


REFERENCES IN TEXT


Effective Date

Section effective Oct. 1, 2009, see section 6101(a) of Pub. L. 111–13, set out as an Effective Date of 2009 Amendment note under section 4950 of this title.

§ 12645f. Restrictions on Federal Government and use of Federal funds

(a) General prohibition

Nothing in the national service laws shall be construed to authorize an employee of the Federal Government to mandate, direct, or control a State, local educational agency, or school’s curriculum, program of instruction, or allocation of State or local resources, or mandate a State or any subdivision thereof to spend any funds or incur any costs not paid for under this chapter.

(b) Prohibition on endorsement of curriculum

Notwithstanding any other prohibition of Federal law, no funds provided to the Corporation under this chapter may be used by the Corporation to endorse, approve, or sanction any curriculum designed to be used in an elementary school or secondary school.

(c) Prohibition on requiring Federal approval or certification standards

Notwithstanding any other provision of Federal law, not 1 State shall be required to have academic content or student academic achievement standards approved or certified by the Federal Government, in order to receive assistance under this chapter.


REFERENCES IN TEXT

This chapter, referred to in text, was in the original “this Act”, meaning Pub. L. 101–610, Nov. 15, 1990, 104 Stat. 3127, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 12501 of this title and Tables.

Effective Date

Section effective Oct. 1, 2009, see section 6101(a) of Pub. L. 111–13, set out as an Effective Date of 2009 Amendment note under section 4950 of this title.

§ 12645g. Criminal history checks

(a) In general

Each entity selecting individuals to serve in a position in which the individuals receive a living allowance, stipend, national service educational award, or salary through a program receiving assistance under the national service laws, shall, subject to regulations and requirements established by the Corporation, conduct criminal history checks for such individuals.

(b) Requirements

A criminal history check under subsection (a) shall, except in cases approved for good cause by the Corporation, include—

(1) a name-based search of the National Sex Offender Registry established under the Adam Walsh Child Protection and Safety Act of 2006 (42 U.S.C. 16901 et seq.); and

(2)(A) a search of the State criminal registry or repository in the State in which the program is operating and the State in which the individual resides at the time of application; or

(B) submitting fingerprints to the Federal Bureau of Investigation for a national criminal history background check.

(c) Eligibility prohibition

An individual shall be ineligible to serve in a position described under subsection (a) if such individual—

(1) refuses to consent to the criminal history check described in subsection (b);

(2) makes a false statement in connection with such criminal history check;

(3) is registered, or is required to be registered, on a State sex offender registry or the National Sex Offender Registry established under the Adam Walsh Child Protection and Safety Act of 2006 (42 U.S.C. 16901 et seq.); or

(4) has been convicted of murder, as described in section 1111 of title 18.

(d) Special rule for individuals working with vulnerable populations

(1) In general

Notwithstanding subsection (b), on and after the date that is 2 years after April 21, 2009, a criminal history check under subsection (a) for each individual described in paragraph (2) shall, except for an entity described in paragraph (3), include—

(A) a name-based search of the National Sex Offender Registry established under the Adam Walsh Child Protection and Safety Act of 2006 (42 U.S.C. 16901 et seq.); 1

(B) a search of the State criminal registry or repository in the State in which the program is operating and the State in which the individual resides at the time of application; and

(C) submitting fingerprints to the Federal Bureau of Investigation for a national criminal history background check.

(2) Individuals with access to vulnerable populations

An individual with access to vulnerable populations—

1 See References in Text note below.
§ 12651. Corporation for National and Community Service

There is established a Corporation for National and Community Service that shall administer the programs established under the national service laws. The Corporation shall be a Government corporation, as defined in section 103 of title 5.


Prior Provisions


AMENDMENTS

1993—Pub. L. 103–82, §203(a)(1)(B), which directed amendment of section 191 of title I of the National and Community Service Act of 1990 by substituting ‘‘the national service laws’’ for ‘‘this chapter’’, was executed to this section, which is section 191 of subtitle G of title I of the National Community Service Act of 1990, to reflect the probable intent of Congress.

Effective Date of 1993 Amendment

Pub. L. 103–82, title II, §203(d), Sept. 21, 1993, 107 Stat. 896, provided that:

‘‘(1) IN GENERAL.—Except as provided in paragraph (2), this section [amending this section and sections 12651b to 12651d, 12651f, and 12651g of this title, repealing sections 5041 and 5042 of this title, and enacting provisions set out below], and the amendments made by this section, shall take effect—

‘‘(A) 18 months after the date of enactment of this Act [Sept. 21, 1993]; or

‘‘(B) on such earlier date as the President shall determine to be appropriate and announce by proclamation published in the Federal Register.

‘‘(2) TRANSITION.—Subsection (c)(10) [set out below] shall take effect on the date of enactment of this Act [Sept. 21, 1993].’’


Effective Date

Pub. L. 103–82, title II, §202(1), Sept. 21, 1993, 107 Stat. 891, provided that:

‘‘(1) IN GENERAL.—Except as provided in paragraph (2), or paragraph (2) or (3) of subsection (g) [amending sections 8F and 9 of the Inspector General Act of 1978, Pub. L. 95–452, set out in the Appendix to Title 5, Government Organization and Employees, and enacting provisions set out as notes under sections 8F and 9 of such act], the amendments made by this section [enacting this division and section 8E of the Inspector General Act of 1978, Pub. L. 95–452, set out in the Appendix to Title 5, providing section 5091 of this title, sections 4, 8F, 8G, 9, and 11 of the Inspector General Act of 1978, Pub. L. 95–452, set out in the Appendix to Title 5, sections 9101 and 9105 of Title 31, Money and Finance, section 410 of Title 39, Postal Service, and section 414 of former Title 40, Public Buildings, Property, and Works] shall take effect on October 1, 1993.

‘‘(2) ESTABLISHMENT AND APPOINTMENT AUTHORITIES.—Sections 191, 192, and 193 of the National and Community Service Act of 1990 (42 U.S.C. 12651, 12651d, 12651c), as added by subsection (a), shall take effect on the date of enactment of this Act [Sept. 21, 1993].’’

Transfer of Functions of Commission on National and Community Service

Pub. L. 103–82, title II, §202(c), Sept. 21, 1993, 107 Stat. 888, provided that:

‘‘(1) DEFINITIONS.—For purposes of this subsection, unless otherwise provided or indicated by the context, each term specified in section 203(c)(1) [set out below] shall have the meaning given the term in such section.

‘‘(2) TRANSFER OF FUNCTIONS.—There are transferred to the Corporation the functions that the Board of Directors or Executive Director of the Commission on National and Community Service exercised before the ef-
Section 12651 TITLE 42—THE PUBLIC HEALTH AND WELFARE

Page 7738

Effective date of this subsection (including all related functions of any officer or employee of the Commission).

(a) APPLICATION.—The provisions of paragraphs (3) through (10) of section 203(c) [set out below] shall apply with respect to the transfer described in paragraph (2), except that—

(i) for purposes of such application, references to the term ‘ACTION Agency’ shall be deemed to be references to the Commission on National and Community Service; and

(ii) paragraph (10) of such section shall not preclude the transfer of the members of the Board of Directors of the Corporation to the Corporation if, on the effective date of this subsection, the Board of Directors of the Corporation has not been confirmed.”

Transfer of Functions from ACTION Agency

Pub. L. 103–82, title II, § 203(c), Sept. 21, 1993, 107 Stat. 892, provided that:

“(1) DEFINITIONS.—For purposes of this subsection, unless otherwise provided or indicated by the context—

(A) the term ‘Chief Executive Officer’ means the Chief Executive Officer of the Corporation;

(B) the term ‘Corporation’ means the Corporation for National and Community Service, established under section 191 of the National and Community Service Act of 1990 [42 U.S.C. 12651];

(C) the term ‘Federal agency’ has the meaning given to the term ‘agency’ by section 551(1) of title 5, United States Code;

(D) the term ‘function’ means any duty, obligation, power, authority, responsibility, right, privilege, activity, or program; and

(E) the term ‘office’ includes any office, administration, agency, institute, unit, organizational entity, or component thereof.

(2) TRANSFER OF FUNCTIONS.—There are transferred to the Corporation the functions that the Director of the ACTION Agency exercised before the effective date of this subsection [see Effective Date of 1993 Amendment note above] (including all related functions of any officer or employee of the ACTION Agency).

(3) DETERMINATIONS OF CERTAIN FUNCTIONS BY THE OFFICE OF MANAGEMENT AND BUDGET.—If necessary, the Office of Management and Budget shall make any determinations of the functions that are transferred under paragraph (2).

(4) REORGANIZATION.—The Chief Executive Officer is authorized to allocate or reallocate any function transferred under paragraph (2) among the officers of the Corporation.

(5) TRANSFER AND ALLOCATIONS OF APPROPRIATIONS AND APPROPRIATION PROCESS PERSONNEL.—Except as otherwise provided in this subsection, the personnel employed in connection with, and the assets, liabilities, contracts, property, records, and unexpended balances of appropriations, authorizations, transfers, and other funds held, arising from, available to, or to be made available in connection with the functions transferred by this subsection, subject to section 1531 of title 31, United States Code, shall be transferred to the Corporation. Unexpended funds transferred pursuant to this paragraph shall be used only for the purposes for which the funds were originally appropriated and appropriated.

(6) INCIDENTAL TRANSFER.—The Director of the Office of Management and Budget, at such time or times as the Director shall provide, is authorized to make such determinations as may be necessary with regard to the functions transferred by this subsection, and to make such additional incidental dispositions of personnel, assets, liabilities, grants, contracts, property, records, and unexpended balances of appropriations, authorizations, transfers, and other funds held, used, arising from, available to, or to be made available in connection with such functions, as may be necessary to carry out the provisions of this subsection. The Director of the Office of Management and Budget shall provide for the termination of the affairs of all entities terminated by this subsection and for such further measures and dispositions as may be necessary to effectuate the purposes of this subsection.

(7) EFFECT ON PERSONNEL.—

(A) IN GENERAL.—Except as otherwise provided by this subsection, the transfer pursuant to this subsection of full-time personnel (except special Government employees) and part-time personnel holding permanent positions shall be to positions in the Corporation subject to section 155(a) of the National and Community Service Act of 1990 [42 U.S.C. 12651f(a)], as added by section 203(a) of this Act, and shall not cause any such employee to be separated or reduced in grade or compensation, or to have the benefits of the employee reduced, for 1 year after the date of transfer of such employee under this subsection, and such transfer shall be deemed to be a transfer of functions for purposes of section 3503 of title 5, United States Code.

(B) EXECUTIVE SCHEDULE POSITIONS.—Except as otherwise provided in this subsection, any person who, on the day preceding the effective date of this subsection [see Effective Date of 1993 Amendment note above], held a position compensated in accordance with the Executive Schedule prescribed in chapter 53 of title 5, United States Code, and who, without a break in service, is appointed in the Corporation to a position having duties comparable to the duties performed immediately preceding such appointment shall continue to be compensated in such new position at not less than the rate provided for such previous position, for the duration of the service of such person in such new position.

(C) TERMINATION OF CERTAIN POSITIONS.—Positions whose incumbents are appointed by the President, by and with the advice and consent of the Senate, the functions of which are transferred by this subsection, shall terminate on the effective date of this subsection.

(8) SAVINGS PROVISIONS.—

(A) CONTINUING EFFECT OF LEGAL DOCUMENTS.—All orders, determinations, rules, regulations, permits, agreements, grants, contracts, certificates, licenses, registrations, privileges, and other administrative actions—

(i) that have been issued, made, granted, or allowed to become effective by the President, any Federal agency or official thereof, or by a court of competent jurisdiction, in the performance of functions that are transferred under this subsection; and

(ii) that are in effect at the time this subsection takes effect [see Effective Date of 1993 Amendment note above], or were final before the effective date of this subsection and are to become effective on or after the effective date of this subsection, shall continue in effect according to their terms until modified, terminated, superseded, set aside, or revoked in accordance with law by the President, the Chief Executive Officer, or other authorized official, a court of competent jurisdiction, or by operation of law.

(B) PROCEEDINGS NOT AFFECTED.—The provisions of this subsection shall not affect any proceedings, including notices of proposed rulemaking, or any application for any license, permit, certificate, or financial assistance pending before the ACTION Agency at the time this subsection takes effect, with respect to functions transferred by this subsection. Such proceedings and applications shall be continued. Orders shall be issued in such proceedings, appeals shall be taken therefrom, and payments shall be made pursuant to such orders, as if this subsection had not been enacted, and orders issued in any such proceedings shall continue in effect until modified, terminated, superseded, or revoked by a duly authorized official, by a court of competent jurisdiction, or by operation of law. Nothing in this subparagraph shall be deemed to prohibit the discontinuance of any such proceeding under the same terms and conditions and to the same extent that such proceeding could...
have been discontinued or modified if this subsection had not been enacted.

(C) SUITS NOT AFFECTED.—The provisions of this subsection shall not affect suits commenced before the effective date of this subsection, and in all such suits, proceedings shall be had, appeals taken, and judgments rendered in the same manner and with the same effect as if this subsection had not been enacted.

(D) NONABATEMENT OF ACTIONS.—No suit, action, or other proceeding commenced by or against the ACTION Agency, or by or against any individual in the official capacity of such individual as an officer of the ACTION Agency, shall abate by reason of the enactment of this subsection.

(E) PLANNING STUDY.—The Corporation shall prepare and submit to Congress a business plan which shall include a description of the plans of the Corporation for national and Community Service conducted the first meeting of the Board. The service of such individuals as members of the Board of Directors of such Commission, and the employment of such individuals as special Government employees, shall terminate on such date.

BUSINESS PLAN FOR CORPORATION FOR NATIONAL AND COMMUNITY SERVICE

Pub. L. 103-82. title II, §204, Sept. 21, 1993, 107 Stat. 885, provided that:

(a) BUSINESS PLAN REQUIRED.—

(1) IN GENERAL.—The Corporation for National and Community Service (referred to in this section as the ‘Corporation’) shall prepare and submit to Congress a business plan. The Corporation may not provide assistance under section 121 of the National and Community Service Act of 1990 [42 U.S.C. 12561d], as added by subsection (a) of this section, continue to perform such functions until the date on which the Board of Directors of the Corporation for National and Community Service conducts the first meeting of the Board.

(b) REQUIRED ELEMENTS OF BUSINESS PLAN.—

(1) ALLOCATION OF FUNDS.—The business plan shall contain—

(A) a description of the manner in which the Corporation will allocate funds for programs carried out by the Corporation after October 1, 1993; and

(B) information on the principal offices and officers of the Corporation that will allocate such funds; and

(C) information that indicates how accountability for such funds can be determined, in terms of the office or officer responsible for such funds.

(2) INVESTIGATIVE AND AUDIT FUNCTIONS.—The business plan shall include a description of the plans of the Corporation—

(A) to ensure continuity, during the transition period, and after the transition period, in the investigative and audit functions carried out by the Inspector General of ACTION prior to such period, consistent with the Inspector General Act of 1978 (5 U.S.C. App.); and

(B) to carry out investigative and audit functions and implement financial management controls regarding programs carried out by the Corporation after October 1, 1993, consistent with the Inspector General Act of 1978, including a specific description of—

(i) the manner in which the Office of Inspector General shall be established in the Corporation, in accordance with section 191(a) of the National Community Service Act of 1990 [42 U.S.C. 12651(e)], as added by section 202 of this Act; and

(ii)
“(ii) the manner in which grants made by the Corporation shall be audited by such Office and the financial management controls that shall apply with regard to such grants and programs.

"(3) ACCOUNTABILITY MEASURES.—The business plan shall include a detailed description of the accountability measures to be established by the Corporation to ensure that the funds are expended in accordance with the projects for which they are granted.

"(4) INFORMATION RESOURCES.—The business plan shall include a description of an information resource management program that will support the program and financial management needs of the Corporation.

"(5) CORPORATION STAFFING AND INTEGRATION OF ACTION.—

"(A) TRANSFERS.—The business plan shall include a report on the progress and plans of the President for transferring the functions, programs, and related personnel of ACTION to the Corporation, and shall include a timetable for the transfer.

"(B) DETAILS AND ASSIGNMENTS.—The report shall specify the number of ACTION employees detailed or assigned to the Corporation, and describe the hiring activity of the Corporation, during the transition period.

"(C) STRUCTURE.—The business plan shall include a description of the organizational structure of the Corporation during the transition period.

"(D) STAFFING.—The business plan shall include a description of—

"(i) measures to ensure adequate staffing during the transition period with respect to programs carried out by the Corporation after October 1, 1993; and

"(ii) the responsibilities and authorities of the Managing Directors and other key personnel of the Corporation.

"(E) SENIOR EXECUTIVE SERVICE.—The business plan shall include—

"(i) an explanation of the number of the employees of the Corporation who will be paid at or above the rate of pay for level 1 of the Senior Executive Service Schedule under section 5382 of title 5, United States Code; and

"(ii) information justifying such pay for such employees.

"(6) DOPULATION OF FUNCTIONS.—The business plan shall include a description of the measures that the Corporation is taking or will take to minimize duplication of functions in the Corporation caused by the transfer of the functions of the Commission on National and Community Service, and the transfer of the functions of ACTION, to the Corporation. This description shall address functions at both the national and State levels.

"(c) DEFINITION.—The term ‘transition period’ means the period beginning on October 1, 1993 and ending on the eighteenth day before the effective date of section 203(c)(2) [see Effective Date of 1993 Amendment note above].

PROC. NO. 6662. TRANSFER OF FUNCTIONS OF ACTION AGENCY TO CORPORATION FOR NATIONAL AND COMMUNITY SERVICE

PROC. No. 6662, Apr. 4, 1994, 59 F.R. 16507.

On September 21, 1993, I had the honor of signing into law the National and Community Service Trust Act of 1993 (Pub. L. 103-82, see Tables for classification), which created the Corporation for National and Community Service. The Corporation was designed to involve Americans of all ages and backgrounds in community projects to address many of our Nation’s most important needs—from educating our children to ensuring public safety to protecting our environment. It was chartered to foster civic responsibility, strengthening the ties that bind us together as a people, while providing educational opportunities for those who make the commitment to serve. In the few short months since the Corporation’s establishment, enormous progress has been made toward the achievement of these invaluable goals. Final regulations have been published governing the Corporation’s new grant programs, grant application packages have been developed, and a national recruitment effort has begun. As a result of intensive outreach efforts, most states have already established State Commissions on National and Community Service, and many local programs, national nonprofit organizations, institutions of higher education, and Federal agencies are eager to participate. Grant competitions have begun for a summer program that will focus on our Nation’s public safety concerns, and all community service grant competitions will be completed by this summer. Finally, the Corporation has established the National Civilian Community Corps, which will take advantage of closed and down-sized military bases to launch environmental clean-up and preservation efforts.

The ACTION Agency, provided for by the Domestic Volunteer Service Act of 1973 (42 U.S.C. 4950 et seq.), has worked closely with the Corporation, sharing its many years of experience in engaging Americans in service to their communities. Because the Corporation’s initiatives and those programs operated by the ACTION Agency involve similar goals, the National and Community Service Trust Act calls for the merger of ACTION with the Corporation no later than March 22, 1995. To build upon the tremendous accomplishments already achieved by the Corporation, and to facilitate the further development of community service programs across the country, I am pleased to order that the functions of the Director of the ACTION Agency be transferred to the Corporation for National and Community Service.

NOW, THEREFORE, I, WILLIAM J. CLINTON, President of the United States of America, acting under the authority vested in me by the Constitution and the laws of the United States of America, including but not limited to sections 203(c)(2) and (d)(1)(B) of the National and Community Service Trust Act of 1993 [set out above], proclaim that all functions of the Director of the ACTION Agency are hereby transferred to the Corporation for National and Community Service, effective April 4, 1994. IN WITNESS WHEREOF, I have hereunto set my hand this fourth day of April, in the year of our Lord nineteen hundred and ninety-four, and of the Independence of the United States of America the two hundred and eighteenth.

WILLIAM J. CLINTON.

EX. ORD. No. 12819. ESTABLISHING PRESIDENTIAL YOUTH AWARD FOR COMMUNITY SERVICE

EX. Ord. No. 12819, Oct. 28, 1992, 57 F.R. 49669, provided:--

By the authority vested in me as President by the Constitution and the laws of the United States of America, including section 12651 of title 42 of the United States Code [see 42 U.S.C. 12651a], it is hereby ordered as follows:

SECTION 1. A youth award for community service is hereby established. The award shall recognize outstanding voluntary community service contributions made by individuals between the ages of 5 and 22.

SEC. 2. The Director of the White House Office of National Service shall establish the criteria for the award. The criteria shall be based upon participation in voluntary community service activity. The award may be bestowed upon any eligible individual who meets the established criteria.

SEC. 3. The selection process for the award shall be administered by the Commission on National and Community Service and the White House Office of National Service. Such other individuals and entities as the Director of the White House Office of National Service deems appropriate may participate in the selection process.

SEC. 4. The award shall be presented by the President, his designee or designees, or individuals designated by the Director of the White House Office of National Service.
SEC. 5. The name and design of the award shall be approved by the President upon the recommendation of the Director of the White House Office of National Service.

GEORGE BUSH.

EX. ORD. NO. 13285, PRESIDENT'S COUNCIL ON SERVICE AND CIVIC PARTICIPATION
By the authority vested in me as President by the Constitution and the laws of the United States of America, and in order to encourage the recognition of volunteer service and civic participation by all Americans, and especially America’s youth, it is hereby ordered as follows:

SECTION 1. The President’s Council on Service and Civic Participation. (a) There is hereby established within the Corporation for National and Community Services [Service] (CNCS) the President’s Council on Service and Civic Participation (Council).

(b) The Council shall be composed of up to 25 members, including representatives of America’s youth, appointed by the President. Each member shall serve for a term of 2 years and may continue to serve after the expiration of their term until a successor is appointed. The President shall designate one member to serve as Chair and one member to serve as Vice Chair. Subject to the direction of the Chief Executive Officer of the CNCS, the Chair, and in the Chair’s absence the Vice Chair, shall convene and preside at the meetings of the Council, determine its agenda, and direct its work.

(c) To conduct and vote on official business during meetings, the Council must convene a quorum of at least 10 Council members.


(a) The mission and functions of the Council shall be to:

(i) promote volunteer service and civic participation in American society;

(ii) encourage the recognition of outstanding volunteer service through the presentation of the President’s Volunteer Service Award by Council members and Certifying Organizations, thereby encouraging more such activity;

(iii) promote the efforts and needs of local non-profits and volunteer organizations, including volunteer centers;

(iv) promote greater public access to information about existing volunteer opportunities, including via the Internet;

(v) assist with the promotion of Federally administered volunteer programs and the link that they have to increasing and strengthening community volunteer service;

(vi) promote increased and sustained private sector sponsorship of and engagement in volunteer service.

(b) In carrying out its mission, the Council shall:

(i) encourage broad participation in the President’s Volunteer Service Award program by qualified individuals and groups, especially students in primary schools, secondary schools, and institutions of higher learning;

(ii) exchange information and ideas with interested individuals and organizations on ways to expand and improve volunteer service and civic participation;

(iii) advise the Chief Executive Officer of the CNCS on broad dissemination, especially among schools and youth organizations, of information regarding recommended practices for the promotion of volunteer service and civic participation, and other relevant educational and promotional materials;

(iv) monitor and advise the Chief Executive Officer of the CNCS on the need for the enhancement of materials disseminated pursuant to subsection 2(b)(iii) of this order; and

(v) make recommendations from time to time to the President, through the Director of the USA Freedom Corps, on ways to encourage greater levels of volunteer service and civic participation by individuals, schools, and organizations.

Sec. 3. Administration. (a) Each Federal agency, to the extent permitted by law and subject to the availability of appropriations, shall furnish such information and assistance to the Council as the Council may, with the approval of the Director of the USA Freedom Corps, request.

(b) The members of the Council shall serve without compensation for their work on the Council. Members of the Council who are not officers or employees of the United States may receive travel expenses, including per diem in lieu of subsistence, as authorized by law for persons serving intermittently in the Government (5 U.S.C. 5701-5707).

(c) To the extent permitted by law, the Chief Executive Officer of the CNCS shall furnish the Council with necessary staff, supplies, facilities, and other administrative services and shall pay the expenses of the Council.

(d) The Chief Executive Officer of the CNCS shall appoint an Executive Director to head the staff of the Council.

(e) The Council, with the approval of the Chief Executive Officer of the CNCS, may establish subcommittees of the Council, consisting exclusively of members of the Council, as appropriate to aid the Council in carrying out its mission under this order.

Sec. 4. General Provisions. (a) Insofar as the Federal Advisory Committee Act, as amended (5 U.S.C. App.) (Act), may apply to the administration of any portion of this order, any functions of the President under the Act, except that of reporting to the Congress, shall be performed by the Chief Executive Officer of CNCS in accordance with the guidelines and procedures issued by the Administrator of General Services.

(b) Unless further extended by the President, this order shall expire on June 30, 2009.

(c) This order is not intended to, and does not, create any right or benefit, substantive or procedural, enforceable at law or in equity, by any party against the United States, its departments, agencies, or entities, its officers, employees, or agents, or any other person.

GEORGE W. BUSH.

§ 12651a. Board of Directors

(a) Composition

(1) In general

There shall be in the Corporation a Board of Directors (referred to in this division as the “Board”) that shall be composed of—

(A) 15 members, including an individual between the ages of 16 and 25 who—

(i) has served in a school-based or community-based service-learning program; or

(ii) is or was a participant or a supervisor in a program;

(b) In carrying out its mission, the Council shall:

(i) encourage broad participation in the President’s Volunteer Service Award program by qualified individuals and groups, especially students in primary schools, secondary schools, and institutions of higher learning;

(ii) exchange information and ideas with interested individuals and organizations on ways to expand and improve volunteer service and civic participation;

(iii) advise the Chief Executive Officer of the CNCS on broad dissemination, especially among schools and youth organizations, of information regarding recommended practices for the promotion of volunteer service and civic participation, and other relevant educational and promotional materials;

(iv) monitor and advise the Chief Executive Officer of the CNCS on the need for the enhancement of materials disseminated pursuant to subsection 2(b)(iii) of this order; and

(v) make recommendations from time to time to the President, through the Director of the USA Freedom Corps, on ways to encourage greater levels of volunteer service and civic participation by individuals, schools, and organizations.

Sec. 3. Administration. (a) Each Federal agency, to the extent permitted by law and subject to the availability of appropriations, shall furnish such information and assistance to the Council as the Council may, with the approval of the Director of the USA Freedom Corps, request.

(b) The members of the Council shall serve without compensation for their work on the Council. Members of the Council who are not officers or employees of the United States may receive travel expenses, including per diem in lieu of subsistence, as authorized by law for persons serving intermittently in the Government (5 U.S.C. 5701-5707).

(c) To the extent permitted by law, the Chief Executive Officer of the CNCS shall furnish the Council with necessary staff, supplies, facilities, and other administrative services and shall pay the expenses of the Council.

(d) The Chief Executive Officer of the CNCS shall appoint an Executive Director to head the staff of the Council.

(e) The Council, with the approval of the Chief Executive Officer of the CNCS, may establish subcommittees of the Council, consisting exclusively of members of the Council, as appropriate to aid the Council in carrying out its mission under this order.

Sec. 4. General Provisions. (a) Insofar as the Federal Advisory Committee Act, as amended (5 U.S.C. App.) (Act), may apply to the administration of any portion of this order, any functions of the President under the Act, except that of reporting to the Congress, shall be performed by the Chief Executive Officer of CNCS in accordance with the guidelines and procedures issued by the Administrator of General Services.

(b) Unless further extended by the President, this order shall expire on June 30, 2009.

(c) This order is not intended to, and does not, create any right or benefit, substantive or procedural, enforceable at law or in equity, by any party against the United States, its departments, agencies, or entities, its officers, employees, or agents, or any other person.

GEORGE W. BUSH.

§ 12651a. Board of Directors

(a) Composition

(1) In general

There shall be in the Corporation a Board of Directors (referred to in this division as the “Board”) that shall be composed of—

(A) 15 members, including an individual between the ages of 16 and 25 who—

(i) has served in a school-based or community-based service-learning program; or

(ii) is or was a participant or a supervisor in a program;

(b) In carrying out its mission, the Council shall:

(i) encourage broad participation in the President’s Volunteer Service Award program by qualified individuals and groups, especially students in primary schools, secondary schools, and institutions of higher learning;

(ii) exchange information and ideas with interested individuals and organizations on ways to expand and improve volunteer service and civic participation;

(iii) advise the Chief Executive Officer of the CNCS on broad dissemination, especially among schools and youth organizations, of information regarding recommended practices for the promotion of volunteer service and civic participation, and other relevant educational and promotional materials;

(iv) monitor and advise the Chief Executive Officer of the CNCS on the need for the enhancement of materials disseminated pursuant to subsection 2(b)(iii) of this order; and

(v) make recommendations from time to time to the President, through the Director of the USA Freedom Corps, on ways to encourage greater levels of volunteer service and civic participation by individuals, schools, and organizations.

Sec. 3. Administration. (a) Each Federal agency, to the extent permitted by law and subject to the availability of appropriations, shall furnish such information and assistance to the Council as the Council may, with the approval of the Director of the USA Freedom Corps, request.

(b) The members of the Council shall serve without compensation for their work on the Council. Members of the Council who are not officers or employees of the United States may receive travel expenses, including per diem in lieu of subsistence, as authorized by law for persons serving intermittently in the Government (5 U.S.C. 5701-5707).

(c) To the extent permitted by law, the Chief Executive Officer of the CNCS shall furnish the Council with necessary staff, supplies, facilities, and other administrative services and shall pay the expenses of the Council.

(d) The Chief Executive Officer of the CNCS shall appoint an Executive Director to head the staff of the Council.

(e) The Council, with the approval of the Chief Executive Officer of the CNCS, may establish subcommittees of the Council, consisting exclusively of members of the Council, as appropriate to aid the Council in carrying out its mission under this order.

Sec. 4. General Provisions. (a) Insofar as the Federal Advisory Committee Act, as amended (5 U.S.C. App.) (Act), may apply to the administration of any portion of this order, any functions of the President under the Act, except that of reporting to the Congress, shall be performed by the Chief Executive Officer of CNCS in accordance with the guidelines and procedures issued by the Administrator of General Services.

(b) Unless further extended by the President, this order shall expire on June 30, 2009.

(c) This order is not intended to, and does not, create any right or benefit, substantive or procedural, enforceable at law or in equity, by any party against the United States, its departments, agencies, or entities, its officers, employees, or agents, or any other person.

GEORGE W. BUSH.
§ 12651b TITITLE 42—THE PUBLIC HEALTH AND WELFARE

(D) so that the Board shall be diverse according to race, ethnicity, age, gender, and disability characteristics; and

(E) so that no more than 50 percent of the appointed members of the Board, plus 1 additional appointed member, are from a single political party.

(3) Ex officio members
The Secretary of Education, the Secretary of Health and Human Services, the Secretary of Labor, the Secretary of the Interior, the Secretary of Agriculture, the Secretary of Housing and Urban Development, the Secretary of Defense, the Attorney General, the Director of the Peace Corps, the Administrator of the Environmental Protection Agency, and the Chief Executive Officer shall serve as ex officio nonvoting members of the Board.

(b) Officers
(1) Chairperson
The President shall appoint a member of the Board to serve as the initial Chairperson of the Board. Each subsequent Chairperson shall be elected by the Board from among its members.

(2) Vice Chairperson
The Board shall elect a Vice Chairperson from among its membership.

(3) Other officers
The Board may elect from among its membership such additional officers of the Board as the Board determines to be appropriate.

(c) Terms
Subject to subsection (e), each appointed member shall serve for a term of 5 years.

(d) Vacancies
If a vacancy occurs on the Board, a new member shall be appointed by the President, by and with the advice and consent of the Senate, and serve for the remainder of the term for which the predecessor of such member was appointed. The vacancy shall not affect the power of the remaining members to execute the duties of the Board.

(e) Service until appointment of successor
A voting member of the Board whose term has expired may continue to serve on the Board until the date on which the member’s successor takes office, which period shall not exceed 1 year.

Amendments
2009—Subsec. (c). Pub. L. 111–13, § 1701(1), added subsec. (c) and struck out former subsec. (c), which provided term lengths for members first appointed to the Board.

Effective Date of 2009 Amendment

§ 12651b. Authorities and duties of the Board of Directors

(a) Meetings
The Board shall meet not less often than 3 times each year. The Board shall hold additional meetings at the call of the Chairperson of the Board, or if 6 members of the Board request such meetings in writing.

(b) Quorum
A majority of the appointed members of the Board shall constitute a quorum.

(c) Authorities of officers
(1) Chairperson
The Chairperson of the Board may call and conduct meetings of the Board.

(2) Vice Chairperson
The Vice Chairperson of the Board may conduct meetings of the Board in the absence of the Chairperson.

(d) Expenses
While away from their homes or regular places of business on the business of the Board, members of such Board shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5 for persons employed intermittently in the Government service.

(e) Special Government employees
For purposes of the provisions of chapter 11 of part 1 of title 18, and any other provision of Federal law, a member of the Board (to whom such provisions would not otherwise apply except for this subsection) shall be a special Government employee.

(f) Status of members
(1) Tort claims
For the purposes of the tort claims provisions of chapter 171 of title 28, a member of the Board shall be considered to be a Federal employee.

(2) Other claims
A member of the Board shall have no personal liability under Federal law with respect to any claim arising out of or resulting from any act or omission by such person, within the scope of the service of the member on the Board, in connection with any transaction involving the provision of financial assistance by the Corporation. This paragraph shall not be construed to limit personal liability for criminal acts or omissions, willful or malicious misconduct, acts or omissions for private gain, or any other act or omission outside the scope of the service of such member on the Board.

(3) Effect on other law
This subsection shall not be construed—

(A) to affect any other immunities and protections that may be available to such
member under applicable law with respect to such transactions;

(B) to affect any other right or remedy against the Corporation, against the United States under applicable law, or against any person other than a member of the Board participating in such transactions; or

(C) to limit or alter in any way the immunities that are available under applicable law for Federal officials and employees not described in this subsection.

(g) Duties

The Board shall have responsibility for setting overall policy for the Corporation and shall—

(1) review and approve the strategic plan described in section 12651d(b)(1) of this title, and annual updates of the plan, and review the budget proposal in advance of submission to the Office of Management and Budget;

(2) review and approve the proposal described in section 12651d(b)(2)(A) of this title, with respect to the grants, allotments, contracts, financial assistance, payment, and positions referred to in such section;

(3) review and approve the proposal described in section 12651d(b)(3)(A) of this title, regarding the regulations, standards, policies, procedures, programs, and initiatives referred to in such section;

(4) review and approve the evaluation plan described in section 12651d(b)(4)(A) of this title;

(5)(A) review, and advise the Chief Executive Officer regarding, the actions of the Chief Executive Officer with respect to the personnel of the Corporation, and with respect to such standards, policies, procedures, programs, and initiatives as are necessary or appropriate to carry out the national service laws;

(B) inform the Chief Executive Officer of any aspects of the actions of the Chief Executive Officer that are not in compliance with the annual strategic plan referred to in paragraph (1), the proposals referred to in paragraphs (2) and (3), or the plan referred to in paragraph (4), or are not consistent with the objectives of the national service laws; and

(C) review the performance of the Chief Executive Officer annually and forward a report on that review to the President;

(6) receive any report as provided under subsection (b), (c), or (d) of section 8E 1 of the Inspector General Act of 1978;

(7) make recommendations relating to a program of research for the Corporation with respect to national and community service programs, including service-learning programs;

(8) advise the President and the authorizing committees concerning developments in national and community service that merit the attention of the President and the authorizing committees;

(9) ensure effective dissemination of information regarding the programs and initiatives of the Corporation;

(10) notwithstanding any other provision of law—

(A) make grants to or contracts with Federal and other public departments or agen-

1See References in Text note below.


The Federal Advisory Committee Act, referred to in subsec. (h), is Pub. L. 92–463, Oct. 6, 1972, 86 Stat. 770, as amended, which is set out in the Appendix to Title 5.

Amendments
2009—Subsec. (g). Pub. L. 111–13, §203(a)(1)(B), substituted “shall have responsibility for setting overall policy for the Corporation and shall—” for “shall—” in introductory provisions.

Subsec. (g)(1). Pub. L. 111–13, §1702(2), inserted “, and review the budget proposal in advance of submission to the Office of Management and Budget” before semicolon at end.


Subsec. (g)(8). Pub. L. 111–13, §1702(4), substituted “the authorizing committees” for “the Congress” in two places.

Subsec. (g)(10). Pub. L. 111–13, §1702(5), added par. (10) and struck out former par. (10) which read as follows: “notwithstanding any other provision of law, make grants to or contracts with Federal or other public departments or agencies and private nonprofit organizations for the assignment or referral of volunteers under the provisions of the Domestic Volunteer Service Act of 1973 (except as provided in section 106 of the Domestic Volunteer Service Act of 1973), which may provide that the agency or organization shall pay all or a part of the costs of the program; and”.


1993—Subsec. (g)(5)(A), (B). Pub. L. 103–82, §203(a)(1)(B), which directed amendment of section 192A(g)(5) of subtitle I of the National and Community Service Act of 1990 by substituting “the national service laws” for “this chapter”, was executed to subsec. (c) of this section, which is section 193 of subtitle G of title I of the National and Community Service Act of 1990, to reflect the probable intent of Congress.


Pub. L. 103–82, §203(a)(1)(B), which directed amendment of section 192A(g)(10) of subtitle I of the National and Community Service Act of 1990 by substituting “the national service laws” for “this chapter”, was executed to subsec. (g)(10) of this section, which is section 192A of subtitle G of title I of the National Community Service Act of 1990, to reflect the probable intent of Congress.

Subsec. (g)(11). Pub. L. 103–82, §203(a)(2)(B), redesignated par. (10) as (11)

Effective Date of 2009 Amendment

Effective Date of 1993 Amendment
Amendment by section 203(a)(1)(B), (2) of Pub. L. 103–82 effective Apr. 4, 1994, see section 203(d) of Pub. L. 103–82, set out as a note under section 12651 of this title.

$12651c. Chief Executive Officer
(a) Appointment
The Corporation shall be headed by an individual who shall serve as Chief Executive Officer of the Corporation, and who shall be appointed by the President, by and with the advice and consent of the Senate.

(b) Compensation
The Chief Executive Officer shall be compensated at the rate provided for level III of the Executive Schedule under section 5314 of Title 5, plus 3 percent.

(c) Regulations
The Chief Executive Officer shall prescribe such rules and regulations as are necessary or appropriate to carry out the national service laws.

Effective Date of 2009 Amendment

Effective Date of 1993 Amendment
Amendment by section 203(a)(1)(B) of Pub. L. 103–82 effective Apr. 4, 1994, see section 203(d) of Pub. L. 103–82, set out as a note under section 12651 of this title.

Regulations
Pub. L. 111–13, title VI, §6101(b), Apr. 21, 2009, 123 Stat. 1600, provided that: “Effective on the date of enactment of this Act [Apr. 21, 2009], the Chief Executive Officer of the Corporation for National and Community Service may issue such regulations as may be necessary to carry out this Act [see Short Title of this 2009 Amendment note set out under section 12651 of this title and the amendments made by this Act.”

$12651d. Authorities and duties of the Chief Executive Officer
(a) General powers and duties
The Chief Executive Officer shall be responsible for the exercise of the powers and the discharge of the duties of the Corporation that are
not reserved to the Board, and shall have authority and control over all personnel of the Corporation, except as provided in section 8E of the Inspector General Act of 1978.

(b) Duties

In addition to the duties conferred on the Chief Executive Officer under any other provision of the national service laws, the Chief Executive Officer, in collaboration with the State Commissions, shall—

(1) prepare and submit to the Board a strategic plan, including a plan for having 50 percent of all approved national service positions be full-time positions by 2012, every 3 years, and annual updates of the plan, for the Corporation with respect to the major functions and operations of the Corporation;

(2)(A) prepare and submit to the Board a proposal with respect to such grants and allotments, contracts, other financial assistance, and designation of positions as approved national service positions, as are necessary or appropriate to carry out the national service laws; and

(B) after receiving and reviewing an approved proposal under section 12651b(g)(2) of this title, make such grants and allotments, enter into such contracts, award such other financial assistance, make such payments (in lump sum or installments, and in advance or by way of reimbursement, and in the case of financial assistance otherwise authorized under the national service laws, with necessary adjustments on account of overpayments and underpayments), and designate such positions as approved national service positions, approved summer of service positions, and approved silver scholar positions as are necessary or appropriate to carry out the national service laws;

(3)(A) prepare and submit to the Board a proposal regarding, the regulations established under section 12651(b)(3)(A) of this title, and such other standards, policies, procedures, programs, and initiatives as are necessary or appropriate to carry out the national service laws; and

(B) after receiving and reviewing an approved proposal under section 12651b(g)(3) of this title—

(i) establish such standards, policies, and procedures as are necessary or appropriate to carry out the national service laws; and

(ii) establish and administer such programs and initiatives as are necessary or appropriate to carry out the national service laws;

(4)(A) prepare and submit to the Board a plan for the evaluation of programs established under the national service laws, in accordance with section 12639 of this title; and

(B) after receiving an approved proposal under section 12651b(g)(4) of this title—

(i) establish measurable performance goals and objectives for such programs, in accordance with section 12639 of this title; and

(ii) provide for periodic evaluation of such programs to assess the manner and extent to which the programs achieve the goals and objectives, in accordance with such section;

(5) consult with appropriate Federal agencies in administering the programs and initiatives;

(6) suspend or terminate payments and positions described in paragraph (2)(B), in accordance with section 12636 of this title;

(7) prepare and submit to the authorizing committees and the Board an annual report on actions taken to achieve the goal of having 50 percent of all approved national service positions be full-time positions by 2012 as described in paragraph (1), including an assessment of the progress made toward achieving that goal and the actions to be taken in the coming year toward achieving that goal;

(8) prepare and submit to the Board an annual report, and such interim reports as may be necessary, describing the major actions of the Chief Executive Officer with respect to the personnel of the Corporation, and with respect to such standards, policies, procedures, programs, and initiatives;

(9) inform the Board of, and provide an explanation to the Board regarding, any substantial differences regarding the implementation of the national service laws between—

(A) the actions of the Chief Executive Officer; and

(B)(i) the strategic plan approved by the Board under section 12651b(g)(1) of this title; and

(ii) the proposals approved by the Board under paragraph (2) or (3) of section 12651b(g) of this title; or

(iii) the evaluation plan approved by the Board under section 12651b(g)(4) of this title;

(10) prepare and submit to the authorizing committees an annual report, and such interim reports as may be necessary, describing—

(A) the services referred to in paragraph (1), and the money and property referred to in paragraph (2), of section 12651a(a) of this title that have been accepted by the Corporation;

(B) the manner in which the Corporation used or disposed of such services, money, and property; and

(C) information on the results achieved by the programs funded under the national service laws during the year preceding the year in which the report is prepared;

(11) provide for studies (including the evaluations described in subsection (f) and demonstrations that evaluate, and prepare and submit to the Board periodically, a report containing recommendations regarding, issues related to—

(A) the administration and organization of programs authorized under the national service laws or under Public Law 91–378 [16 U.S.C. 1701 et seq.] (referred to in this subparagraph as “service programs”), including—

(i) whether the State and national priorities, as described in section 12572(f)(1) of this title, designed to meet unmet human, education, environmental, or public safety needs are being addressed by this chapter;
(ii) the manner in which—
(I) educational and other outcomes of both stipended and nonstipended service and service-learning are defined and measured in such service programs; and
(II) such outcomes should be defined and measured in such service programs;
(iii) whether stipended service programs, and service programs providing educational benefits in return for service, should focus on economically disadvantaged individuals or at-risk youth or whether such programs should include a mix of individuals, including individuals from middle- and upper-income families;
(iv) the role and importance of stipends and educational benefits in achieving desired outcomes in the service programs;
(v) the potential for cost savings and coordination of support and oversight services from combining functions performed by ACTION State offices and State Commissions;
(vi) the implications of the results from such studies and demonstrations for authorized funding levels for the service programs; and
(vii) other issues that the Director determines to be relevant to the administration and organization of the service programs; and
(B) the number, potential consolidation, and future organization of national service or domestic volunteer service programs that are authorized under Federal law, including VISTA, service corps assisted under division C and other programs authorized by this chapter, programs administered by the Public Health Service, the Department of Defense, or other Federal agencies, programs regarding teacher corps, and programs regarding work-study and higher education loan forgiveness or forbearance programs authorized by the Higher Education Act of 1965 (20 U.S.C. 1001 et seq.) related to community service;
(12) for purposes of section 12638(d)(6)(B) of this title, issue regulations to waive the disqualification of members of the Board and members of the State Commissions selectively in a random, nondiscretionary manner and only to the extent necessary to establish the quorum involved, including rules that forbid each member of the Board and each voting member of a State Commission to participate in any discussion or decision regarding the provision of assistance or approved national service positions, or the continuation, suspension, or termination of such assistance or such positions, to any program or entity of which such member of the Board or such member of the State Commission is, or in the 1-year period before the submission of the application referred to in such section was, an officer, director, trustee, full-time volunteer, or employee;
(13) bolster the public awareness of and recruitment efforts for the wide range of service opportunities for citizens of all ages, regardless of socioeconomic status or geographic location, through a variety of methods, including—
(A) print media;
(B) the Internet and related emerging technologies;
(C) television;
(D) radio;
(E) presentations at public or private forums;
(F) other innovative methods of communication; and
(G) outreach to offices of economic development, State employment security agencies, labor organizations and trade associations, local educational agencies, institutions of higher education, agencies and organizations serving veterans and individuals with disabilities, and other institutions or organizations from which participants for programs receiving assistance from the national service laws can be recruited;
(14) identify and implement methods of recruitment to—
(A) increase the diversity of participants in the programs receiving assistance under the national service laws; and
(B) increase the diversity of service sponsors of programs desired to receive assistance under the national service laws;
(15) coordinate with organizations of former participants of national service programs for service opportunities that may include capacity building, outreach, and recruitment for programs receiving assistance under the national service laws;
(16) collaborate with organizations with demonstrated expertise in supporting and accommodating individuals with disabilities, including institutions of higher education, to identify and implement methods of recruitment to increase the number of participants who are individuals with disabilities in the programs receiving assistance under the national service laws;
(17) identify and implement recruitment strategies and training programs for bilingual volunteers in the National Senior Service Corps under title II of the Domestic Volunteer Service Act of 1973 [42 U.S.C. 5000 et seq.];
(18) collaborate with organizations that have established volunteer recruitment programs to increase the recruitment capacity of the Corporation;
(19) where practicable, provide application materials in languages other than English for individuals with limited English proficiency who wish to participate in a national service program;
(20) collaborate with the training and technical assistance programs described in division K with respect to the activities described in section 12657(b) of this title;²
(21) coordinate the clearinghouses described in section 12653o of this title;
(22) coordinate with entities receiving funds under division C in establishing the National Service Reserve Corps under section 12653h of

²So in original. The closing parenthesis probably should not appear.
this title, through which alumni of the national service programs and veterans can serve in disasters and emergencies (as such terms are defined in section 12653h(a) of this title);\(^1\)

(23) identify and implement strategies to increase awareness among Indian tribes of the types and availability of assistance under the national service laws, increase Native American participation in programs under the national service laws, collect information on challenges facing Native American communities, and designate a Strategic Advisor for Native American Affairs to be responsible for the execution of those activities under the national service laws;

(24) conduct outreach to ensure the inclusion of economically disadvantaged individuals in national service programs and activities authorized under the national service laws; and

(25) ensure that outreach, awareness, and recruitment efforts are consistent with the Americans with Disabilities Act of 1990 (42 U.S.C. 12101 et seq.) and section 794 of title 29.

(c) Powers

In addition to the authority conferred on the Chief Executive Officer under any other provision of the national service laws, the Chief Executive Officer may—

(1) establish, alter, consolidate, or discontinue such organizational units or components within the Corporation as the Chief Executive Officer considers necessary or appropriate, consistent with Federal law, and shall, to the maximum extent practicable, consolidate such units or components of the divisions of the Corporation described in section 12651e(a)(3) of this title as may be appropriate to enable the two divisions to coordinate common support functions;

(2) with the approval of the President, arrange with and reimburse the heads of other Federal agencies for the performance of any of the provisions of the national service laws;

(3) with their consent, utilize the services and facilities of Federal agencies with or without reimbursement, and, with the consent of any State, or political subdivision of a State, accept and utilize the services and facilities of the agencies of such State or subdivisions without reimbursement;

(4) allocate and expend funds made available under the national service laws;

(5) disseminate, without regard to the provisions of section 3204 of title 38, data and information, in such form as the Chief Executive Officer shall determine to be appropriate to public agencies, private organizations, and the general public;

(6) collect or compromise all obligations to or held by the Chief Executive Officer and all legal or equitable rights accruing to the Chief Executive Officer in connection with the payment of obligations in accordance with chapter 37 of title 31 (commonly known as the “Federal Claims Collection Act of 1966”);

(7) file a civil action in any court of record of any State having general jurisdiction or in any district court of the United States, with respect to a claim arising under this chapter;

(8) exercise the authorities of the Corporation under section 12651g of this title;

(9) consolidate the reports to the authorizing committees required under the national service laws, and the report required under section 9106 of title 31, into a single report, and submit the report to the authorizing committees on an annual basis;

(10) obtain the opinions of peer reviewers in evaluating applications to the Corporation for assistance under this subchapter; and

(11) generally perform such functions and take such steps consistent with the objectives and provisions of the national service laws, as the Chief Executive Officer determines to be necessary or appropriate to carry out such provisions.

(d) Delegation

(1) “Function” defined

As used in this subsection, the term “function” means any duty, obligation, power, authority, responsibility, right, privilege, activity, or program.

(2) In general

Except as otherwise prohibited by law or provided in the national service laws, the Chief Executive Officer may delegate any function under the national service laws, and authorize such successive redelegations of such function as may be necessary or appropriate. No delegation of a function by the Chief Executive Officer under this subsection or under any other provision of the national service laws shall relieve such Chief Executive Officer of responsibility for the administration of such function.

(3) Function of Board

The Chief Executive Officer may not delegate a function of the Board without the permission of the Board.

(e) Actions

In an action described in subsection (c)(7)—

(1) a district court referred to in such subsection shall have jurisdiction of such a civil action without regard to the amount in controversy;

(2) such an action brought by the Chief Executive Officer shall survive notwithstanding any change in the person occupying the office of Chief Executive Officer or any vacancy in that office;

(3) no attachment, injunction, garnishment, or other similar process, mesne or final, shall be issued against the Chief Executive Officer or the Board or property under the control of the Chief Executive Officer or the Board; and

(4) nothing in this section shall be construed to except litigation arising out of activities under this chapter from the application of sections 569, 517, 547, and 2679 of title 28.

(f) Evaluations

(1) Evaluation of living allowance

The Corporation shall arrange for an independent evaluation to determine the levels of living allowances paid in all programs under divisions C and I, individually, by State, and by region. Such evaluation shall determine the effects that such living allowances have had on the ability of individuals to participate in such programs.
§ 12651d

(2) Evaluation of success of investment in national service

(A) Evaluation required

The Corporation shall arrange for the independent evaluation of the operation of division C to determine the levels of participation of economically disadvantaged individuals in national service programs carried out or supported using assistance provided under section 12571 of this title.

(B) Period covered by evaluation

The evaluation required by this paragraph shall cover the period beginning on the date the Corporation first makes a grant under section 12571 of this title, and ending on a date that is as close as is practicable to the the\(^{3}\) first date that a report is submitted under subsection (b)(11) after the effective date of the Serve America Act.

(C) Income levels of participants

The evaluating entity shall determine the total income of each participant who serves, during the period covered by the evaluation, in a national service program carried out or supported using assistance provided under section 12571 of this title or in an approved national service position. The total income of the participant shall be determined as of the date the participant was first selected to participate in such a program and shall include family total income unless the evaluating entity determines that the participant was independent at the time of selection.

(D) Assistance for distressed areas

The evaluating entity shall also determine the amount of assistance provided under section 12571 of this title during the period covered by the report that has been expended for projects conducted in areas of economic distress described in section 12585(c)(6) of this title.

(E) Definitions

As used in this paragraph:

(i) Independent

The term “independent” has the meaning given in the term in section 480(d) of the Higher Education Act of 1965 (20 U.S.C. 1087vv(d)).

(ii) Total income

The term “total income” has the meaning given in the term in section 480(a) of the Higher Education Act of 1965 (20 U.S.C. 1087vv(a)).

(g) Recruitment and public awareness functions

(1) Effort

The Chief Executive Officer shall ensure that the Corporation, in carrying out the recruiting and public awareness functions of the Corporation, shall expend at least the level of effort on recruitment and public awareness activities related to the programs carried out under the Domestic Volunteer Service Act of 1973 (42 U.S.C. 4950 et seq.) as ACTION expended on recruitment and public awareness activities related to programs under the Domestic Volunteer Service Act of 1973 during fiscal year 1993.

(2) Personnel

The Chief Executive Officer shall assign or hire, as necessary, such additional national, regional, and State personnel to carry out such recruiting and public awareness functions as may be necessary to ensure that such functions are carried out in a timely and effective manner. The Chief Executive Officer shall give priority in the hiring of such additional personnel to individuals who have formerly served as volunteers in the programs carried out under the Domestic Volunteer Service Act of 1973 [42 U.S.C. 4950 et seq.] or similar programs, and to individuals who have specialized experience in the recruitment of volunteers.

(3) Funds

For the first fiscal year after the effective date of this subsection, and for each fiscal year thereafter, for the purpose of carrying out such recruiting and public awareness functions, the Chief Executive Officer shall obligate not less than 1.5 percent of the amounts appropriated for the fiscal year under section 501(a) of the Domestic Volunteer Service Act of 1973 [42 U.S.C. 5081(a)].

(h) Authority to contract with businesses

The Chief Executive Officer may, through contracts or cooperative agreements, carry out the marketing duties described in subsection (b)(13), with priority given to those entities that have established expertise in the recruitment of disadvantaged youth, members of Indian tribes, and older adults.

(i) Campaign to solicit funds

The Chief Executive Officer may conduct a campaign to solicit funds to conduct outreach and recruitment campaigns to recruit a diverse population of service sponsors and, and participants in, programs and projects receiving assistance under the national service laws.


REFERENCES IN TEXT


This chapter, referred to in subsecs. (b)(11)(A)(1), (B), (C)(7), and (e)(4), was in the original “this Act”, meaning Pub. L. 101–610, Nov. 16, 1990, 104 Stat. 3127, which is classified principally to this chapter. For complete

\(^{3}\)So in original.
classification of this Act to the Code, see Short Title note set out under section 12501 of this title and Table.


For complete classification of this Act to the Code, see Short Title note set out under section 1001 of Title 20 and Table.


Title II of the Domestic Volunteer Service Act of 1973, referred to in subsec. (c)(10), (11), is Pub. L. 93-113, which is classified to chapter 66 (§4950 et seq.) of this title.


For the effective date of this subsection, referred to in subsec. (g)(3), see Effective Date of 1993 Amendment note below.

AMENDMENTS

2009—Subsec. (b). Pub. L. 111-13, §1704(3), substituted “, in collaboration with the State Commissions, shall” for “shall” in introductory provisions.

Subsec. (b)(1), Pub. L. 111-13, §1704(1)(B), inserted “, including a plan for having 50 percent of all approved national service positions be full-time positions by 2012.” after “a strategic plan.”

Subsec. (b)(2)(B), Pub. L. 111-13, §1704(1)(C), inserted “approved summer of service positions, and approved silver scholar positions” after “approved national service positions”.

Subsec. (b)(7) to (9), Pub. L. 111-13, §1704(1)(D), (E), added par. (7) and redesignated former pars. (7) and (8) as (8) and (9), respectively. Former par. (9) redesignated (10).

Subsec. (b)(10). Pub. L. 111-13, §1704(1)(D), (F), redesignated par. (9) as (10) and substituted “authorizing committees” for “appropriate committees of Congress” in introductory provisions. Former par. (10) redesignated (11).


Subsec. (b)(11)(A)(i). Pub. L. 111-13, §1704(1)(G)(i), substituted “national priorities, as described in section 12572(c)(1) of this title, designed to meet the” and struck out “described in section 12572(c)(1) of this title” after “public safety needs.”

Subsec. (b)(12) to (25). Pub. L. 111-13, §1704(1)(D), (G)(iii)-(I), redesignated par. (11) as (12) and added pars. (13) to (25).


Subsec. (c)(10), (11). Pub. L. 111-13, §1704(2)(A)(ii)-(C), added par. (10) and redesignated former par. (10) as (11), Subsec. (c)(12)(B). Pub. L. 111-13, §1704(3), substituted “the first date that a report is submitted under subsection (b)(11) after the effective date of the Serve America Act” for “date specified in subsection (b)(10) of this section”.

Subsecs. (h), (i). Pub. L. 111-13, §1704(4), added subsec. (h) and (i).

§ 12651f  TITLE 42—THE PUBLIC HEALTH AND WELFARE  Page 7750

(A) report directly to the Chief Executive Officer regarding financial management matters;
(B) oversee all financial management activities relating to the programs and operations of the Corporation;
(C) develop and maintain an integrated accounting and financial management system for the Corporation, including financial reporting and internal controls;
(D) develop and maintain any joint financial management systems with the Department of Education necessary to carry out the programs of the Corporation; and
(E) direct, manage, and provide policy guidance and oversight of the financial management personnel, activities, and operations of the Corporation.

(d) Assistant Directors for VISTA and National Senior Service Corps

(1) Appointment

One of the Managing Directors appointed under subsection (a) shall, in accordance with applicable provisions of title 5, appoint 4 Assistant Directors who shall report directly to such Managing Director, of which—

(A) 1 Assistant Director shall be responsible for programs carried out under part A [42 U.S.C. 4951 et seq.] and B of title I of the Domestic Volunteer Service Act of 1973 (the Volunteers in Service to America (VISTA) program) and other antipoverty programs under title I of that Act [42 U.S.C. 4951 et seq.];
(B) 1 Assistant Director shall be responsible for programs carried out under part B of title II of that Act [42 U.S.C. 5001 et seq.] (relating to the Retired Senior Volunteer Program);
(C) 1 Assistant Director shall be responsible for programs carried out under part C of title II of that Act [42 U.S.C. 5013] (relating to the Foster Grandparent Program); and
(D) 1 Assistant Director shall be responsible for programs carried out under part D of title II of that Act [42 U.S.C. 5014] (relating to the Senior Companion Program).

(2) Effective date for exercise of authority

Each Assistant Director appointed pursuant to paragraph (1) may exercise the authority assigned to each such Director only after the effective date of section 203(c)(2) of the National and Community Service Trust Act of 1993.


Section 203(c)(2) of the National and Community Service Trust Act of 1993, referred to in subsec. (d)(2), is section 203(c)(2) of Pub. L. 103–82, which is set out as a note under section 12651 of this title. For the effective date of section 203(c)(2) of this Act, see section 203(d) of Pub. L. 103–82, set out as an Effective Date of 1993 Amendment note under section 12651 of this title.

AMENDMENTS

2012—Subsec. (a)(1). Pub. L. 112–166 struck out "", by and with the advice and consent of the Senate" after "President".

2009—Subsec. (c). Pub. L. 111–13 added par. (1), redesignated par. (3) as (2), and struck out former pars. (1) and (2) which read as follows: " '(1) OFFICE.—There shall be in the Corporation a Chief Financial Officer, who shall be appointed by the President, by and with the advice and consent of the Senate.

' '(2) COMPENSATION.—The Chief Financial Officer shall be compensated at the rate provided for level IV of the Executive Schedule under section 5315 of title 5.' "

2009—Subsec. (b)(3). Pub. L. 110–410 struck out par. (3). Text read as follows: "The Inspector General shall be compensated at the rate provided for level IV of the Executive Schedule under section 5315 of title 5."

EFFECTIVE DATE OF 2012 AMENDMENT

Amendment by Pub. L. 112–166 effective 60 days after Aug. 10, 2012, and applicable to appointments made on and after that effective date, including any nomination pending in the Senate on that date, see section 6(a) of Pub. L. 112–166, set out as a note under section 113 of Title 6, Domestic Security.

EFFECTIVE DATE OF 2009 AMENDMENT


EFFECTIVE DATE

Section effective Oct. 1, 1993, see section 202(i) of Pub. L. 103–82, set out as a note under section 12651 of this title.

§ 12651f. Employees, consultants, and other personnel

(a) Employees

Except as provided in subsection (b), section 12651e(d) of this title, and section 8E of the Inspector General Act of 1978, the Chief Executive Officer shall, in accordance with applicable provisions of title 5, appoint and determine the compensation of such employees as the Chief Executive Officer determines to be necessary to carry out the duties of the Corporation.

(b) Alternative personnel system

(1) Authority

The Chief Executive Officer may designate positions in the Corporation as positions to...
which the Chief Executive Officer may make appointments, and for which the Chief Executive Officer may determine compensation, without regard to the provisions of title 5 governing appointments in the competitive service, and without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates, to the extent the Chief Executive Officer determines that such a designation is appropriate and desirable to further the effective operation of the Corporation. The Chief Executive Officer may provide for appointments to such positions to be made on a limited term basis.

(2) Appointment in the competitive service after employment under alternative personnel system

The Director of the Office of Personnel Management may grant competitive status for appointment to the competitive service, under such conditions as the Director may prescribe, to an employee who is appointed under this subsection and who is separated from the Corporation (other than by removal for cause).

(3) Selection and compensation system

(A) Establishment of system

The Chief Executive Officer, after obtaining the approval of the Director of the Office of Personnel Management, shall issue regulations establishing a selection and compensation system for employees of the Corporation appointed under paragraph (1). In issuing such regulations, the Chief Executive Officer shall take into consideration the need for flexibility in such a system.

(B) Application

The Chief Executive Officer shall appoint and determine the compensation of employees in accordance with the selection and compensation system established under subparagraph (A).

(C) Selection

The system established under subparagraph (A) shall provide for the selection of employees—

(i) through a competitive process; and

(ii) on the basis of the qualifications of applicants and the requirements of the positions.

(D) Compensation

The system established under subparagraph (A) shall include a scheme for the classification of positions in the Corporation. The system shall require that the compensation of an employee be determined in part on the basis of the job performance of the employee, and in a manner consistent with the principles described in section 5301 of title 5. The rate of compensation for each employee compensated under the system shall not exceed the annual rate of basic pay payable for level IV of the Executive Schedule under section 5315 of title 5.

(e) Corporation representative in each State

(1) Designation of representative

The Corporation shall designate 1 employee of the Corporation for each State or group of States to serve as the representative of the Corporation in the State or States and to assist the Corporation in carrying out the activities described in the national service laws in the State or States.

(2) Duties

The representative designated under this subsection for a State or group of States shall serve as the liaison between—

(A) the Corporation and the State Commission that is established in the State or States;

(B) the Corporation and any subdivision of a State, territory, Indian tribe, public or private nonprofit organization, or institution of higher education, in the State or States, that is awarded a grant under section 12571 of this title directly from the Corporation; and

(C) after the effective date of section 209(c)(2) of the National and Community Service Trust Act of 1993, the State Commission and the Corporation employee responsible for programs under the Domestic Volunteer Service Act of 1973 [42 U.S.C. 4950 et seq.] in the State, if the employee is not the representative described in paragraph (1) for the State.

(3) Nonvoting member of State Commission

The representative designated under this subsection for a State or group of States shall also serve as a nonvoting member of the State Commission established in the State or States, as described in section 12638(c)(3) of this title.

(4) Compensation

If the employee designated under paragraph (1) is an employee whose appointment was made pursuant to subsection (b), the rate of compensation for such employee may not exceed the maximum rate of basic pay payable for GS–13 of the General Schedule under section 5332 of title 5.

(d) Consultants

The Chief Executive Officer may procure the temporary and intermittent services of experts and consultants and compensate the experts and consultants in accordance with section 3109(b) of title 5.

(e) Details of personnel

The head of any Federal department or agency may detail on a reimbursable basis, or on a nonreimbursable basis for not to exceed 180 calendar days during any fiscal year, as agreed upon by the Chief Executive Officer and the head of the Federal agency, any of the personnel of that department or agency to the Corporation to assist the Corporation in carrying out the duties of the Corporation under the national service laws. Any detail shall not interrupt or otherwise affect the civil service status or privileges of the Federal employee.

(f) Advisory committees

(1) Establishment

The Chief Executive Officer, acting upon the recommendation of the Board, may establish advisory committees in the Corporation to ad-
vise the Board with respect to national service issues, such as the type of programs to be established or assisted under the national service laws, priorities and criteria for such programs, and methods of conducting outreach for, and evaluation of, such programs. 

(2) Composition

Such an advisory committee shall be composed of members appointed by the Chief Executive Officer, with such qualifications as the Chief Executive Officer may specify.

(3) Expenses

Members of such an advisory committee may be allowed travel expenses as described in section 12651b(d) of this title.

(4) Staff

(A) In general

Except as provided in subparagraph (B), the Chief Executive Officer is authorized to appoint and fix the compensation of such staff as the Chief Executive Officer determines to be necessary to carry out the functions of the advisory committee, without regard to—

(i) the provisions of title 5 governing appointments in the competitive service; and

(ii) the provisions of chapter 51 and subchapter III of chapter 53 of title 5 relating to classification and General Schedule pay rates.

(B) Compensation

If a member of the staff appointed under subparagraph (A) was appointed without regard to the provisions described in clauses (i) and (ii) of subparagraph (A), the rate of compensation for such member may not exceed the maximum rate of basic pay payable for GS–13 of the General Schedule under section 5332 of title 5.

(g) Personal services contracts

The Corporation may enter into personal services contracts to carry out research, evaluation, and public awareness related to the national service laws.


REFERENCES IN TEXT


Section 208(c)(2) of the National and Community Service Trust Act of 1993, referred to in subsec. (c)(2)(C), is section 208(c)(2) of Pub. L. 103–82, which is set out as a note under section 12651 of this title. For the effective date of section 208(c)(2) of this Act, see section 208(d) of Pub. L. 103–82, set out as an Effective Date of 1993 Amendment note under section 12651 of this title.


PRIOR PROVISIONS
A prior section 195 of Pub. L. 101–610 was renumbered section 151 by Pub. L. 103–82 and is classified to section 12611 of this title.

AMENDMENTS


Subsec. (c)(3). Pub. L. 111–13, § 1706(1)(B), substituted “Nonvoting member” for “Member” in heading and inserted “nonvoting” before “member” in text.


1993—Subsecs. (c)(1)(A), (e). Pub. L. 103–82, § 203(a)(1)(B), which directed amendment of section 195(c) and (e) of subtitle I of the National and Community Service Act of 1990 by substituting “the national service laws” for “this chapter”, was executed to subsecs. (c)(1) and (e) of this section, which is section 195 of subtitle G of title I of the National Community Service Act of 1990, to reflect the probable intent of Congress.

EFFECTIVE DATE OF 2009 AMENDMENT

EFFECTIVE DATE OF 1993 AMENDMENT
Amendment by section 203(a)(1)(B) of Pub. L. 103–82 effective Apr. 4, 1994, see section 203(d) of Pub. L. 103–82, set out as a note under section 12651 of this title.

EFFECTIVE DATE
Section effective Oct. 1, 1993, see section 202(i) of Pub. L. 103–82, set out as a note under section 12651 of this title.

§ 12651g. Administration

(a) Donations

(1) Services

(A) Organizations and individuals

Notwithstanding section 1342 of title 31, the Corporation may solicit and accept the services of organizations and individuals (other than participants) to assist the Corporation in carrying out the duties of the Corporation under the national service laws, and may provide to such individuals the travel expenses described in section 12651b(d) of this title.

(B) Limitation

A person who provides assistance, either individually or as a member of an organization, in accordance with subparagraph (A) shall not be considered to be a Federal employee and shall not be subject to the provisions of law relating to Federal employment, including those relating to hours of work, rates of compensation, leave, unemployment compensation, and Federal employee benefits, except that—

(i) for the purposes of the tort claims provisions of chapter 171 of title 28, such a person shall be considered to be a Federal employee; and

(ii) for the purposes of subsection (g) of title 81 of title 5 relating to compensation to Federal employees for work injuries, such persons shall be considered to be Federal employees.
employees, as defined in section 8101(1)(B) of title 5 and the provisions of such subchapter shall apply; and

(ii) for purposes of the provisions of chapter 11 of part I of title 18, such a person (to whom such provisions would not otherwise apply except for this subsection) shall be a special Government employee.

(C) Inherently governmental function

(i) In general

Such a person shall not carry out an inherently governmental function.

(ii) Regulations

The Chief Executive Officer shall promulgate regulations to carry out this subparagraph.

(iii) “Inherently governmental function” defined

As used in this subparagraph, the term “inherently governmental function” means any activity that is so intimately related to the public interest as to mandate performance by an officer or employee of the Federal Government, including an activity that requires either the exercise of discretion in applying the authority of the Government or the use of value judgment in making a decision for the Government.

(2) Property

(A) In general

The Corporation may solicit, accept, hold, administer, use, and dispose of, in furtherance of the purposes of the national service laws, donations of any money or property, real, personal, or mixed, tangible or intangible, received by gift, devise, bequest, or otherwise. Donations accepted under this subparagraph shall be used as nearly as possible in accordance with the terms, if any, of such donation.

(B) Status of contribution

Any donation accepted under subparagraph (A) shall be considered to be a gift, devise, or bequest to, or for the use of, the United States.

(C) Rules

The Chief Executive Officer shall establish written rules to ensure that the solicitation, acceptance, holding, administration, and use of property described in subparagraph (A)—

(i) will not reflect unfavorably upon the ability of the Corporation, or of any officer or employee of the Corporation, to carry out the responsibilities or official duties of the Corporation in a fair and objective manner; and

(ii) will not compromise the integrity of the programs of the Corporation or any official or employee of the Corporation involved in such programs.

(D) Disposition

Upon completion of the use by the Corporation of any property accepted pursuant to subparagraph (A) (other than money or monetary proceeds from sales of property so accepted), such completion shall be reported to the General Services Administration and such property shall be disposed of in accordance with title II of the Federal Property and Administrative Services Act of 1949.1

(b) Contracts

Subject to chapters 1 to 11 of title 40 and division C (except sections 3302, 3307(e), 3501(b), 3509, 3906, 4710, and 4711) of subtitle I of title 41, the Corporation may enter into contracts, and cooperative and interagency agreements, with Federal and State agencies, private firms, institutions, and individuals to conduct activities necessary to assist the Corporation in carrying out the duties of the Corporation under the national service laws.

(c) Office of Management and Budget

Appropriate circulars of the Office of Management and Budget shall apply to the Corporation.


REFERENCES IN TEXT

The Federal Property and Administrative Services Act of 1949, referred to in subsec. (a)(2)(D), is act June 30, 1949, ch. 288, 63 Stat. 377. Title II of the Act, which was classified principally to subchapter II (§§ 481, 483, 484, 485, 486, 487 to 490, 491, 492) of chapter 10 and section 758 of former Title 40, Public Buildings, Property, and Works, was repealed by Pub. L. 107–217, § 6(b), Aug. 21, 2002, 116 Stat. 1304, which Act enacted Title 40, Public Buildings, Property, and Works. For disposition of sections of former Title 40 to revised Title 40, see Table preceding section 101 of Title 40. For complete classification of this Act to the Code, see Tables.

CODIFICATION


AMENDMENTS

2009—Subsec. (a)(1)(A). Pub. L. 111–13, § 1707(1)(A), added subpar. (A) and struck out former subpar. (A). Prior to amendment, text read as follows: “Notwithstanding section 1342 of title 31, the Corporation may solicit and accept the voluntary services of individuals to assist the Corporation in carrying out the duties of the Corporation under the national service laws, and may provide to such individuals the travel expenses described in section 12651(b)(d) of this title.”

Subsec. (a)(1)(B). Pub. L. 111–13, § 1707(1)(B)(i), substituted “A person who provides assistance, either individually or as a member of an organization, in accordance with subparagraph (A)” for “Such a volunteer” in introductory provisions.

Subsec. (a)(1)(B)(ii). Pub. L. 111–13, § 1707(1)(B)(ii), substituted “such a person” for “a volunteer under this division”.

Subsec. (a)(1)(B)(iii). Pub. L. 111–13, § 1707(1)(B)(iii), substituted “such persons” for “volunteers under this division”.

Subsec. (a)(1)(B)(iv). Pub. L. 111–13, § 1707(1)(B)(iv), substituted “such a person” for “such a volunteer”.

1 See References in Text note below.
Subsec. (a)(1)(C)(i). Pub. L. 111–13, §1707(1)(C), substituted “Such a person” for “Such a volunteer”.

Subsec. (a)(3). Pub. L. 111–13, §1707(2), struck out par. (3). Text read as follows: “As used in this subsection, the term ‘volunteer’ does not include a participant.”

1993—Subsecs. (a)(1)(A), (2)(A), (b). Pub. L. 103–82, §303(a)(1)(B), which directed amendment of section 196(a) and (b) of subtitle I of the National and Community Service Act of 1990 by substituting “the national service laws” for “this chapter”, was executed to subsecs. (a)(1)(A), (2)(A) and (b) of this section, which is section 196 of subtitle G of title I of the National Community Service Act of 1990, to reflect the probable intent of Congress.

**Effective Date of 2009 Amendment**

**Effective Date of 1993 Amendment**
Amendment by section 203(a)(1)(B) of Pub. L. 103–82 effective Apr. 4, 1994, see section 203(d) of Pub. L. 103–82, set out as a note under section 12651 of this title.

**Effective Date**
Section effective Oct. 1, 1993, see section 202(i) of Pub. L. 103–82, set out as a note under section 12651 of this title.

§ 12651h. Corporation State offices

(a) In general
The Chief Executive Officer shall establish and maintain a decentralized field structure that provides for an office of the Corporation for each State. The office for a State shall be located in, or in reasonable proximity to, such State. Only one such office may carry out the duties described in subsection (b) with respect to a State at any particular time. Such State office may be directed by the representative designated under section 12651f(c) of this title.

(b) Duties
Each State office established pursuant to subsection (a) shall—

1. provide to the State Commissions established under section 12638 of this title technical and other assistance for the development and implementation of national service plans under section 12638(e)(1) of this title;

2. provide to community-based agencies and other entities within the State technical assistance for the preparation of applications for assistance under the national service laws, utilizing, as appropriate, information and materials provided by the clearinghouses established pursuant to section 12653a of this title;

3. provide to the State Commission and other entities within the State support and technical assistance necessary to assure the existence of an effective system of recruitment, placement, and training of volunteers within the State;

4. monitor and evaluate the performance of all programs and projects within the State that receive assistance under the national service laws; and

5. perform such other duties and functions as may be assigned or delegated by the Chief Executive Officer.

REFERENCES IN TEXT
Section 12653a of this title, referred to in subsec. (b)(2), was in the original “section 196A,” meaning section 198A of Pub. L. 101–610, as added by section 104(c) of Pub. L. 103–82, which was repealed, and section 198B was redesignated section 198A, by Pub. L. 111–13, title I, §1803(a)(1), (b), Apr. 21, 2009, 123 Stat. 1554. Provisions similar to section 12653a are now contained in section 12653 of this title.

**Effective Date**
Section effective Oct. 1, 1993, see section 202(i) of Pub. L. 103–82, set out as a note under section 12651 of this title.

§ 12651i. VISTA Advance Payments Revolving Fund

Notwithstanding section 101, 1 the level for “Corporation for National and Community Service, Domestic Volunteer Service Programs, Operating Expenses” shall be $316,550,000, of which $3,500,000 shall be for establishment in the Treasury of a VISTA Advance Payments Revolving Fund (in this section referred to as the “Fund”) for the Corporation for National and Community Service which, in addition to reimbursements collected from eligible public agencies and private nonprofit organizations pursuant to cost-share agreements, shall be available until expended to make advance payments in furtherance of title I of the Domestic Volunteer Service Act of 1973 [42 U.S.C. 4951 et seq.]; Provided, That up to 10 percent of funds appropriated to carry out title I of such Act may be transferred to the Fund if the Chief Executive Officer of the Corporation for National and Community Service determines that the amounts in the Fund are not sufficient to cover expenses of the Fund: Provided further, That the Corporation for National and Community Service shall provide detailed information on the activities and financial status of the Fund during the preceding fiscal year in the annual congressional budget justifications to the Committees on Appropriations of the House of Representatives and the Senate.


REFERENCES IN TEXT
Section 101, referred to in text, is section 101 of title I of div. B of Pub. L. 109–289, as added by Pub. L. 110–5, §2, Feb. 15, 2007, 121 Stat. 8. Subsec. (b) of section 101 is classified as a note under this section. Subsecs. (a) and (c) of section 101 are not classified to the Code.


MODIFICATION
Section was enacted as part of the Continuing Appropriations Resolution, 2007, and not as part of the National and Community Service Act of 1990 which comprises this chapter.

1 See References in Text note below.

\[^1\] See References in Text note below.
§ 12651j. Assignment to State Commissions

(a) Assignment

In accordance with section 12651(d)(1) of this title, the Chief Executive Officer may assign to State Commissions specific programmatic functions upon a determination that such an assignment will increase efficiency in the operation or oversight of a program under the national service laws. In carrying out this section, and before executing any assignment of authority, the Corporation shall seek input from and consult Corporation employees, State Commissions, State educational agencies, and other interested stakeholders.

(b) Report

Not later than 2 years after the effective date of the Serve America Act, the Corporation shall submit a report to the authorizing committees describing the consultation process described in subsection (a), including the stakeholders consulted, the recommendation of stakeholders, and any actions taken by the Corporation under this section.

§ 12651k. Study of involvement of veterans

(a) Study and report

The Corporation shall conduct a study and submit a report to the authorizing committees, not later than 3 years after the effective date of the Serve America Act, on—

(1) the number of veterans serving in national service programs historically by year;
(2) strategies being undertaken to identify the specific needs of veterans, including any goals set by the Corporation for veterans participating in the service programs;
(3) the impact of the strategies described in paragraph (2) and the Veterans Corps on enabling greater participation by veterans in the national service programs carried out under the national service laws;
(4) how existing programs and activities carried out under the national service laws could be improved to serve veterans, veterans service organizations, families of active-duty military, including gaps in services to veterans;
(5) the extent to which existing programs and activities carried out under the national service laws are coordinated and recommendations to improve such coordination including the methods for ensuring the efficient financial organization of services directed towards veterans; and
(6) how to improve utilization of veterans as resources and volunteers.

(b) Consultation

In conducting the studies and preparing the reports required under this subsection, the Corporation shall consult with veterans' service organizations, the Secretary of Veterans Affairs, State veterans agencies, the Secretary of Defense, as appropriate, and other individuals and entities the Corporation considers appropriate.

References to in subsec. (b), as Oct. 1, 2009, see section 6101(a) of Pub. L. 111–13, set out as an Effective Date of 2009 Amendment note under section 4950 of this title.

References in Text

For the effective date of the Serve America Act, referred to in subsec. (a), as Oct. 1, 2009, see section 6101(a) of Pub. L. 111–13, set out as an Effective Date of 2009 Amendment note under section 4950 of this title.

Effective Date

Section effective Oct. 1, 2009, see section 6101(a) of Pub. L. 111–13, set out as an Effective Date of 2009 Amendment note under section 4950 of this title.

§ 12653. Additional Corporation activities to support national service

(a) Methods of conducting activities

The Corporation may carry out this section directly (except as provided in subsection (g)) or through grants, contracts, and cooperative agreements with other entities.

(b) Innovation and quality improvement

The Corporation may undertake activities to address emergent needs through summer programs and other activities, and to support service-learning programs and national service programs, including—

(1) programs, including programs for rural youth, under division B or C;
(2) employer-based retiree programs;
(3) intergenerational programs;
(4) programs involving individuals with disabilities as participants providing service; and
(5) programs sponsored by Governors.

(c) Conferences and materials

The Corporation may organize and hold conferences, and prepare and publish materials, to disseminate information and promote the sharing of information among programs for the purpose of improving the quality of programs and projects.

(d) Research

The Corporation may support research on national service, including service-learning.
(e) Youth leadership
The Corporation may support activities to enhance the ability of youth and young adults to play leadership roles in national service.

(f) National program identity
The Corporation may support the development and dissemination of materials, including training materials, and arrange for uniforms and insignia, designed to promote unity and shared features among programs that receive assistance under the national service laws.

(g) Global Youth Service Day

(1) Designation
April 24, 2009, and April 23, 2010, are each designated as “Global Youth Service Days”. The President is authorized and directed to issue a proclamation calling on the people of the United States to observe the day with appropriate youth-led community improvement and service-learning activities.

(2) Federal activities
In order to observe Global Youth Service Day at the Federal level, the Corporation and other Federal departments and agencies may organize and carry out appropriate youth-led community improvement and service-learning activities.

(3) Activities
The Corporation and other Federal departments and agencies may make grants to public or private nonprofit organizations with demonstrated ability to carry out appropriate activities, in order to support such activities on Global Youth Service Day.

(h) Assistance for Head Start
The Corporation may make grants to, and enter into contracts and cooperative agreements with, public or nonprofit private agencies and organizations that receive grants or contracts under the Foster Grandparent Program (part B of title II of the Domestic Volunteer Service Act of 1973 [42 U.S.C. 5011 et seq.]), for projects of the type described in section 211(a) of such Act [42 U.S.C. 5011] operating under memoranda of agreement with the Corporation, for the purpose of increasing the number of low-income individuals who provide services under such program to children who participate in Head Start programs under the Head Start Act [42 U.S.C 9831 et seq.]

(i) Martin Luther King, Jr., Service Day

(1) Assistance
The Corporation may make grants to eligible entities described in paragraph (2) to pay for the Federal share of the cost of planning and carrying out service opportunities in conjunction with the Federal legal holiday honoring the birthday of Martin Luther King, Jr. Such service opportunities shall consist of activities reflecting the life and teachings of Martin Luther King, Jr., such as cooperation and understanding among racial and ethnic groups, nonviolent conflict resolution, equal economic and educational opportunities, and social justice.

(2) Eligible entities
Any entity otherwise eligible for assistance under the national services laws shall be eligible to receive a grant under this subsection.


(k) September 11th Day of Service

(1) Federal activities
The Corporation may organize and carry out appropriate ceremonies and activities, which may include activities that are part of the broader Call to Service Campaign under subsection (j), in order to observe the September 11th National Day of Service and Remembrance at the Federal level.

(2) Activities
The Corporation may make grants and provide other support to community-based organizations to assist in planning and carrying out appropriate service, charity, and remembrance opportunities in conjunction with the September 11th National Day of Service and Remembrance.

(3) Consultation
The Corporation may consult with and make grants or provide other forms of support to nonprofit organizations with expertise in representing families of victims of the September 11, 2001 terrorist attacks and other impacted constituencies, and in promoting the establishment of September 11 as an annually recognized National Day of Service and Remembrance.

(4) Federal share
Grants provided under this subsection to an eligible entity to support the planning and carrying out of a service opportunity in conjunction with the Federal legal holiday honoring the birthday of Martin Luther King, Jr., together with all other Federal funds used to plan or carry out the service opportunity, may not exceed 30 percent of the cost of planning and carrying out the service opportunity.

(5) Calculation of entity contributions
In determining the non-Federal share of the costs of planning and carrying out a service opportunity supported by a grant under this subsection, the Corporation shall consider in-kind contributions (including facilities, equipment, and services) made to plan or carry out the service opportunity.

(j) Call to Service Campaign
Not later than 180 days after April 21, 2009, the Corporation shall conduct a nationwide “Call To Service” campaign, to encourage all people of the United States, regardless of age, race, ethnicity, religion, or economic status, to engage in full- or part-time national service, long- or short-term public service in the nonprofit sector or government, or volunteering. In conducting the campaign, the Corporation may collaborate with other Federal agencies and entities, State Commissions, Governors, nonprofit and faith-based organizations, businesses, institutions of higher education, elementary schools, and secondary schools.

2009—Pub. L. 111–13, § 1802(b)(1), redesignated subsec. (m), and substituted “youth-led community improvement and service-learning activities” for “appropriate ceremonies and activities”.
2009—Pub. L. 111–13, § 1802(b)(1)(B) substituted “Global Youth” for “National Youth”.
2001—Pub. L. 107–70, § 305, Sept. 21, 2001, redesignated subsec. (g) as (l), and substituted “Global Youth Service Days” for “National Youth Service Day”.
1997—Pub. L. 104–34, § 2(b), Sept. 1, 1995, redesignated subsec. (g) as (l), and substituted “youth leadership” for “youth leadership”. The President, acting through the Corporation, may make Presidential awards for service to individuals providing significant service, and to outstanding service programs.

2) individuals and programs
Notwithstanding section 12511 of this title—
(A) an individual receiving an award under this subsection need not be a participant in a program authorized under this chapter; and
(B) a program receiving an award under this subsection need not be a program authorized under this chapter.

3) nature of award
In making an award under this section to an individual or program, the President, acting through the Corporation—
(A) is authorized to incur necessary expenses for the honorific recognition of the individual or program; and
(B) is not authorized to make a cash award to such individual or program.

(b) information
The President, acting through the Corporation, shall ensure that information concerning individuals and programs receiving awards under this section is widely disseminated.

References in text
This chapter, referred to in subsec. (a)(2), was in the original “this Act”, meaning Pub. L. 101–610, Nov. 16, 1990, 104 Stat. 3127, which is classified principally to this chapter. (For complete classification of this Act to the Code, see Short Title note set out under section 12501 of this title and Tables.

$12653a. presidential awards for service
(a) presidential awards
(1) in general
The President, acting through the Corporation, may make Presidential awards for service to individuals providing significant service, and to outstanding service programs.

(2) individuals and programs
Notwithstanding section 12511 of this title—

A) an individual receiving an award under this subsection need not be a participant in a program authorized under this chapter; and

B) a program receiving an award under this subsection need not be a program authorized under this chapter.

(3) nature of award
In making an award under this section to an individual or program, the President, acting through the Corporation—

A) is authorized to incur necessary expenses for the honorific recognition of the individual or program; and

B) is not authorized to make a cash award to such individual or program.

(b) information
The President, acting through the Corporation, shall ensure that information concerning individuals and programs receiving awards under this section is widely disseminated.

References in text
This chapter, referred to in subsec. (a)(2), was in the original “this Act”, meaning Pub. L. 101–610, Nov. 16, 1990, 104 Stat. 3127, which is classified principally to this chapter. (For complete classification of this Act to the Code, see Short Title note set out under section 12501 of this title and Tables.

Effective date
Section effective Oct. 1, 1999, see section 123 of Pub. L. 103–82, set out as an Effective Date of 1993 Amendment under section 1701 of Title 16, Conservation.

Executive order No. 13560

§12653a. Presidential awards for service
(a) Presidential awards
(1) In general
The President, acting through the Corporation, may make Presidential awards for service to individuals providing significant service, and to outstanding service programs.

(2) Individuals and programs
Notwithstanding section 12511 of this title—

A) an individual receiving an award under this subsection need not be a participant in a program authorized under this chapter; and

B) a program receiving an award under this subsection need not be a program authorized under this chapter.

(3) Nature of award
In making an award under this section to an individual or program, the President, acting through the Corporation—

A) is authorized to incur necessary expenses for the honorific recognition of the individual or program; and

B) is not authorized to make a cash award to such individual or program.

(b) Information
The President, acting through the Corporation, shall ensure that information concerning individuals and programs receiving awards under this section is widely disseminated.

References in text
This chapter, referred to in subsec. (a)(2), was in the original “this Act”, meaning Pub. L. 101–610, Nov. 16, 1990, 104 Stat. 3127, which is classified principally to this chapter. (For complete classification of this Act to the Code, see Short Title note set out under section 12501 of this title and Tables.

Effective date

Effective date
Section effective Oct. 1, 1993, see section 123 of Pub. L. 103–82, set out as an Effective Date of 1993 Amendment under section 1701 of Title 16, Conservation.

Executive order No. 13560

§12653a. Presidential awards for service
(a) Presidential awards
(1) In general
The President, acting through the Corporation, may make Presidential awards for service to individuals providing significant service, and to outstanding service programs.

(2) Individuals and programs
Notwithstanding section 12511 of this title—

A) an individual receiving an award under this subsection need not be a participant in a program authorized under this chapter; and

B) a program receiving an award under this subsection need not be a program authorized under this chapter.

(3) Nature of award
In making an award under this section to an individual or program, the President, acting through the Corporation—

A) is authorized to incur necessary expenses for the honorific recognition of the individual or program; and

B) is not authorized to make a cash award to such individual or program.

(b) Information
The President, acting through the Corporation, shall ensure that information concerning individuals and programs receiving awards under this section is widely disseminated.

References in text
This chapter, referred to in subsec. (a)(2), was in the original “this Act”, meaning Pub. L. 101–610, Nov. 16, 1990, 104 Stat. 3127, which is classified principally to this chapter. (For complete classification of this Act to the Code, see Short Title note set out under section 12501 of this title and Tables.

Effective date

Effective date
Amendment by section 405(p)(2) of Pub. L. 103–82 effective Apr. 4, 1994, see section 406(b) of Pub. L. 103–82, set out as a note under section 8332 of Title 5, Government Organization and Employees.

Executive date
Section effective Oct. 1, 1993, see section 123 of Pub. L. 103–82, set out as an Effective Date of 1993 Amendment under section 1701 of Title 16, Conservation.

Executive order No. 13560
§ 12653b  TITLE 42—THE PUBLIC HEALTH AND WELFARE  Page 7758

CODIFICATION
Section was formerly classified to section 12653b of this title.

PRIOR PROVISIONS


AMENDMENTS

EFFECTIVE DATE OF 2009 AMENDMENT

EFFECTIVE DATE

§ 12653b. ServeAmerica Fellowships

(a) Definitions
In this section:

(1) Area of national need
The term “area of national need” means an area involved in efforts to—
(A) improve education in schools for economically disadvantaged students;
(B) expand and improve access to health care;
(C) improve energy efficiency and conserve natural resources;
(D) improve economic opportunities for economically disadvantaged individuals; or
(E) improve disaster preparedness and response.

(2) Eligible fellowship recipient
The term “eligible fellowship recipient” means an individual who is selected by a State Commission under subsection (c) and, as a result of such selection, is eligible for a ServeAmerica Fellowship.

(3) Fellow
The term “fellow” means an eligible fellowship recipient who is awarded a ServeAmerica Fellowship and is designated a fellow under subsection (e)(2).

(4) Small service sponsor organization
The term “small service sponsor organization” means a service sponsor organization described in subsection (d)(1) that has not more than 10 full-time employees and 10 part-time employees.

(b) Grants
(1) In general
From the amounts appropriated under section 12681(a)(4)(B) of this title and allotted under paragraph (2)(A), the Corporation shall make grants (including financial assistance and a corresponding allotment of approved national service positions), to the State Commission of each of the several States, the District of Columbia, and the Commonwealth of Puerto Rico with an application approved under this section, to enable such State Commissions to award ServeAmerica Fellowships under subsection (e).

(2) Allotment; administrative costs
(A) Allotment
The amount allotted to a State Commission for a fiscal year shall be equal to an amount that bears the same ratio to the amount appropriated under section 12681(a)(4)(B) of this title, as the population of the State bears to the total population of the several States, the District of Columbia, and the Commonwealth of Puerto Rico.

(B) Reallotment
If a State Commission does not apply for an allotment under this subsection for any fiscal year, or if the State Commission’s application is not approved, the Corporation shall reallocate the amount of the State Commission’s allotment to the remaining State Commissions in accordance with subparagraph (A).

(C) Administrative costs
Of the amount allotted to a State Commission under subparagraph (A), not more than 1.5 percent of such amount may be used for administrative costs.

(3) Number of positions
The Corporation shall—
(A) establish or increase the number of approved national service positions under this subsection during each of fiscal years 2010 through 2014; and
(B) establish the number of approved positions at 500 for fiscal year 2010; and
(C) increase the number of the approved positions to—
(i) 750 for fiscal year 2011;
(ii) 1,000 for fiscal year 2012;
(iii) 1,250 for fiscal year 2013; and
(iv) 1,500 for fiscal year 2014.

(4) Uses of grant funds
(A) Required uses
A grant awarded under this subsection shall be used to enable fellows to carry out service projects in areas of national need.

(B) Permitted uses
A grant awarded under this subsection may be used for—
(i) oversight activities and mechanisms for the service sites of the fellows, as determined necessary by the State Commission or the Corporation, which may include site visits;
(ii) activities to augment the experience of fellows, including activities to engage the fellows in networking opportunities with other national service participants; and
(iii) recruitment or training activities for fellows.

(5) Applications
To be eligible to receive a grant under this subsection, a State Commission shall submit an application to the Corporation at such time, in such manner, and containing such information as the Corporation may require, including information on the criteria and procedures that the State Commission will use for overseeing ServeAmerica Fellowship placements for service projects, under subsection (e).

(c) Eligible fellowship recipients
(1) Application
(A) In general
An applicant desiring to become an eligible fellowship recipient shall submit an application to a State Commission that has elected to participate in the program authorized under this section, at such time and in such manner as the Commission may require, and containing the information described in subparagraph (B) and such additional information as the Commission may require. An applicant may submit such application to only 1 State Commission for a fiscal year.

(B) Contents
The Corporation shall specify information to be provided in an application submitted under this subsection, which—
(i) shall include—
(I) a description of the area of national need that the applicant intends to address in the service project;
(II) a description of the skills and experience the applicant has to address the area of national need;
(III) a description of the type of service the applicant plans to provide as a fellow; and
(IV) information identifying the local area within the State served by the Commission in which the applicant plans to serve for the service project; and

(ii) may include, if the applicant chooses, the size of the registered service sponsor organization with which the applicant hopes to serve.

(2) Selection
Each State Commission shall—
(A) select, from the applications received by the State Commission for a fiscal year, the number of eligible fellowship recipients that may be supported for that fiscal year based on the amount of the grant received by the State Commission under subsection (b); and

(B) make an effort to award one-third of the fellowships available to the State Commission for a fiscal year, based on the number of eligible fellowship recipients, the size of the registered service sponsor organization with which the applicant hopes to serve.

(d) Service sponsor organizations
(1) In general
Each service sponsor organization shall—
(A) be a nonprofit organization;
(B) satisfy qualification criteria established by the Corporation or the State Commission, including standards relating to organizational capacity, financial management, and programmatic oversight;
(C) not be a recipient of other assistance, approved national service positions, or approved summer of service positions under the national service laws; and
(D) at the time of registration with a State Commission, enter into an agreement providing that the service sponsor organization shall—
(i) abide by all program requirements;
(ii) provide an amount described in subsection (e)(3)(b) for each fellow serving with the organization through the ServeAmerica Fellowship;
(iii) be responsible for certifying whether each fellow serving with the organization successfully completed the ServeAmerica Fellowship, and record and certify in a manner specified by the Corporation the number of hours served by a fellow for purposes of determining the fellow’s eligibility for benefits; and
(iv) provide timely access to records relating to the ServeAmerica Fellowship to the State Commission, the Corporation, and the Inspector General of the Corporation.

(2) Registration
(A) Requirement
No service sponsor organization may receive a fellow under this section until the organization registers with the State Commission.

(B) Clearinghouse
The State Commission shall maintain a list of registered service sponsor organizations on a public website.

(C) Revocation
If a State Commission determines that a service sponsor organization is in violation of any of the applicable provisions of this section—
(i) the State Commission shall revoke the registration of the organization;
(ii) the organization shall not be eligible to receive assistance, approved national service positions, or approved summer of service positions under this subchapter for not less than 5 years; and
(iii) the State Commission shall have the right to remove a fellow from the organization and relocate the fellow to another site.

(e) Fellows
(1) In general
To be eligible to participate in a service project as a fellow and receive a ServeAmerica Fellowship, an applicant desiring to become an eligible fellowship recipient shall—
(i) meet all program requirements; and
(ii) provide an amount described in subsection (e)(3)(b) for each fellow serving with the organization through the ServeAmerica Fellowship.

(1) Selection
Each State Commission shall—
(A) select, from the applications received by the State Commission for a fiscal year, the number of eligible fellowship recipients that may be supported for that fiscal year based on the amount of the grant received by the State Commission under subsection (b); and

(B) make an effort to award one-third of the fellowships available to the State Commission for a fiscal year, based on the number of eligible fellowship recipients, the size of the registered service sponsor organization with which the applicant hopes to serve.

(d) Service sponsor organizations
(1) In general
Each service sponsor organization shall—
(A) be a nonprofit organization;
(B) satisfy qualification criteria established by the Corporation or the State Commission, including standards relating to organizational capacity, financial management, and programmatic oversight;
(C) not be a recipient of other assistance, approved national service positions, or approved summer of service positions under the national service laws; and
(D) at the time of registration with a State Commission, enter into an agreement providing that the service sponsor organization shall—
(i) abide by all program requirements;
(ii) provide an amount described in subsection (e)(3)(b) for each fellow serving with the organization through the ServeAmerica Fellowship;
(iii) be responsible for certifying whether each fellow serving with the organization successfully completed the ServeAmerica Fellowship, and record and certify in a manner specified by the Corporation the number of hours served by a fellow for purposes of determining the fellow’s eligibility for benefits; and
(iv) provide timely access to records relating to the ServeAmerica Fellowship to the State Commission, the Corporation, and the Inspector General of the Corporation.

(2) Registration
(A) Requirement
No service sponsor organization may receive a fellow under this section until the organization registers with the State Commission.

(B) Clearinghouse
The State Commission shall maintain a list of registered service sponsor organizations on a public website.

(C) Revocation
If a State Commission determines that a service sponsor organization is in violation of any of the applicable provisions of this section—
(i) the State Commission shall revoke the registration of the organization;
(ii) the organization shall not be eligible to receive assistance, approved national service positions, or approved summer of service positions under this subchapter for not less than 5 years; and
(iii) the State Commission shall have the right to remove a fellow from the organization and relocate the fellow to another site.

(e) Fellows
(1) In general
To be eligible to participate in a service project as a fellow and receive a ServeAmerica Fellowship, an applicant desiring to become an eligible fellowship recipient shall—
(i) meet all program requirements; and
(ii) provide an amount described in subsection (e)(3)(b) for each fellow serving with the organization through the ServeAmerica Fellowship.

(1) Selection
Each State Commission shall—
(A) select, from the applications received by the State Commission for a fiscal year, the number of eligible fellowship recipients that may be supported for that fiscal year based on the amount of the grant received by the State Commission under subsection (b); and

(B) make an effort to award one-third of the fellowships available to the State Commission for a fiscal year, based on the number of eligible fellowship recipients, the size of the registered service sponsor organization with which the applicant hopes to serve.

(d) Service sponsor organizations
(1) In general
Each service sponsor organization shall—
(A) be a nonprofit organization;
(B) satisfy qualification criteria established by the Corporation or the State Commission, including standards relating to organizational capacity, financial management, and programmatic oversight;
(C) not be a recipient of other assistance, approved national service positions, or approved summer of service positions under the national service laws; and
(D) at the time of registration with a State Commission, enter into an agreement providing that the service sponsor organization shall—
(i) abide by all program requirements;
(ii) provide an amount described in subsection (e)(3)(b) for each fellow serving with the organization through the ServeAmerica Fellowship;
(iii) be responsible for certifying whether each fellow serving with the organization successfully completed the ServeAmerica Fellowship, and record and certify in a manner specified by the Corporation the number of hours served by a fellow for purposes of determining the fellow’s eligibility for benefits; and
(iv) provide timely access to records relating to the ServeAmerica Fellowship to the State Commission, the Corporation, and the Inspector General of the Corporation.

(2) Registration
(A) Requirement
No service sponsor organization may receive a fellow under this section until the organization registers with the State Commission.

(B) Clearinghouse
The State Commission shall maintain a list of registered service sponsor organizations on a public website.

(C) Revocation
If a State Commission determines that a service sponsor organization is in violation of any of the applicable provisions of this section—
(i) the State Commission shall revoke the registration of the organization;
(ii) the organization shall not be eligible to receive assistance, approved national service positions, or approved summer of service positions under this subchapter for not less than 5 years; and
(iii) the State Commission shall have the right to remove a fellow from the organization and relocate the fellow to another site.

(e) Fellows
(1) In general
To be eligible to participate in a service project as a fellow and receive a ServeAmerica Fellowship, an applicant desiring to become an eligible fellowship recipient shall—
(i) meet all program requirements; and
(ii) provide an amount described in subsection (e)(3)(b) for each fellow serving with the organization through the ServeAmerica Fellowship.

1So in original. Probably should be “(e)(3)(B)’’.

-1-
Fellowship, an eligible fellowship recipient shall—

(A) within 3 months after being selected as an eligible fellowship recipient by a State Commission, select a registered service sponsor organization described in subsection (d)—

(i) with which the recipient is interested in serving under this section; and

(ii) that is located in the State served by the State Commission;

(B) enter into an agreement with the organization—

(i) that specifies the service the recipient will provide if the placement is approved; and

(ii) in which the recipient agrees to serve for 1 year on a full-time or part-time basis (as determined by the Corporation); and

(C) submit such agreement to the State Commission.

(2) Award

Upon receiving the eligible fellowship recipient’s agreement under paragraph (1), the State Commission shall award a ServeAmerica Fellowship to the recipient and designate the recipient as a fellow.

(3) Fellowship amount

(A) In general

From amounts received under subsection (b), each State Commission shall award each of the State’s fellows a ServeAmerica Fellowship amount that is equal to 50 percent of the amount of the average annual VISTA subsistence allowance.

(B) Amount from service sponsor organization

(i) In general

Except as provided in clause (ii) and subparagraph (E), the service sponsor organization shall award to the fellow serving such organization an amount that will ensure that the total award received by the fellow for service in the service project (consisting of such amount and the ServeAmerica Fellowship amount the fellow receives under subparagraph (A)) is equal to or greater than 70 percent of the average annual VISTA subsistence allowance.

(ii) Small service sponsor organizations

In the case of a small service sponsor organization, the small service sponsor organization may decrease the amount of the service sponsor organization award required under clause (i) to not less than an amount that will ensure that the total award received by the fellow for service in the service project (as calculated in clause (i)) is equal to or greater than 60 percent of the average annual VISTA subsistence allowance.

(C) Maximum living allowance

The total amount that may be provided to a fellow under this subparagraph shall not exceed 100 percent of the average annual VISTA subsistence allowance.

(D) Proration of amount

In the case of a fellow who is authorized to serve a part-time term of service under the agreement described in paragraph (1)(B)(ii), the amount provided to a fellow under this paragraph shall be prorated accordingly.

(E) Waiver

The Corporation may allow a State Commission to waive the amount required under subparagraph (B) from the service sponsor organization for a fellow serving the organization if—

(i) such requirement is inconsistent with the objectives of the ServeAmerica Fellowship program; and

(ii) the amount provided to the fellow under subparagraph (A) is sufficient to meet the necessary costs of living (including food, housing, and transportation) in the area in which the ServeAmerica Fellowship program is located.

(F) Definition

In this paragraph, the term “average annual VISTA subsistence allowance” means the total average annual subsistence allowance provided to VISTA volunteers under section 4955 of this title.

(f) Compliance with ineligible service categories

Service under a ServeAmerica Fellowship shall comply with section 12584(a) of this title. For purposes of applying that section to this subsection, a reference to assistance shall be considered to be a reference to assistance provided under this section.

(g) Reports

Each service sponsor organization that receives a fellow under this section shall, on a bi-weekly basis, report to the Corporation on the number of hours served and the services provided by that fellow. The Corporation shall establish a web portal for the organizations to use in reporting the information.

(h) Educational awards

A fellow who serves in a service project under this section shall be considered to have served in an approved national service position and, upon meeting the requirements of section 12603 of this title for full-time or part-time national service, shall be eligible for a national service educational award described in such section. The Corporation shall transfer an appropriate amount of funds to the National Service Trust to provide for the national service educational award for such fellow.


Prior Provisions

A prior section 12653b, Pub. L. 101–610, title I, §198B, as added Pub. L. 103–82, title I, §104(c), Sept. 21, 1993, 107 Stat. 862, which related to Presidential awards for service to individuals providing significant service and to outstanding service programs, was renumbered section 198A of Pub. L. 101–610 by Pub. L. 111–13, title I, §1803(b), Apr. 21, 2009, 123 Stat. 1554, and transferred to section 12653a of this title.

§ 12653c. Silver Scholarships and Encore Fellowships

(a) Silver Scholarship Grant Program

(1) Establishment

The Corporation may award fixed-amount grants (in accordance with section 12581(l) of this title) to community-based entities to carry out a Silver Scholarship Grant Program for individuals age 55 or older, in which such individuals complete not less than 350 hours of service in a year carrying out projects of national need and receive a Silver Scholarship in the form of a $1,000 national service educational award. Under such a program, the Corporation shall establish criteria for the types of the service required to be performed to receive such award.

(2) Term

Each program funded under this subsection shall be carried out over a period of 3 years (which may include 1 planning year), with a 1-year extension possible, if the program meets performance levels developed in accordance with section 12639(k) of this title and any other criteria determined by the Corporation.

(3) Applications

To be eligible for a grant under this subsection, a community-based entity shall—

(A) submit to the Corporation an application at such time and in such manner as the Chief Executive Officer may reasonably require; and

(B) be a listed organization as described in subsection (b)(4).

(4) Collaboration encouraged

A community-based entity awarded a grant under this subsection is encouraged to collaborate with programs funded under title II of the Domestic Volunteer Service Act of 1973 [42 U.S.C. 5001 et seq.] in carrying out this program.

(5) Eligibility for fellowship

An individual is eligible to receive a Silver Scholarship if the community-based entity certifies to the Corporation that the individual has completed not less than 350 hours of service under this section in a 1-year period.

(6) Transfer to trust

The Corporation shall transfer an appropriate amount of funds to the National Service Trust to provide for the national service educational award for each silver scholar under this subsection.

(7) Support services

A community-based entity receiving a fixed-amount grant under this subsection may use a portion of the grant to provide transportation services to an eligible individual to allow such individual to participate in a service project.

(b) Encore Fellowships

(1) Establishment

The Corporation may award 1-year Encore Fellowships to enable individuals age 55 or older to—

(A) carry out service projects in areas of national need; and

(B) receive training and development in order to transition to full- or part-time public service in the nonprofit sector or government.

(2) Program

In carrying out the program, the Corporation shall—

(A) maintain a list of eligible organizations for which Encore Fellows may be placed to carry out service projects through the program and shall provide the list to all Fellowship recipients; and

(B) at the request of a Fellowship recipient—

(i) determine whether the requesting recipient is able to meet the service needs of a listed organization, or another organization that the recipient requests in accordance with paragraph (5)(B), for a service project; and

(ii) upon making a favorable determination under clause (i), award the recipient with an Encore Fellowship, and place the recipient with the organization as an Encore Fellow under paragraph (5)(C).

(3) Eligible recipients

(A) In general

An individual desiring to be selected as a Fellowship recipient shall—

(i) be an individual who—

(I) is age 55 or older as of the time the individual applies for the program; and

(II) is not engaged in, but who wishes to engage in, full- or part-time public service in the nonprofit sector or government; and

(ii) submit an application to the Corporation, at such time, in such manner, and containing such information as the Corporation may require, including—

(I) a description of the area of national need that the applicant hopes to address through the service project;

(II) a description of the skills and experience the applicant has to address an area of national need; and

(III) information identifying the region of the United States in which the applicant wishes to serve.

(B) Selection basis

In determining which individuals to select as Fellowship recipients, the Corporation shall—

(i) select not more than 10 individuals from each State; and

(ii) give priority to individuals with skills and experience for which there is an

1 So in original.
ongoing high demand in the nonprofit sector and government.

(4) Listed organizations

To be listed under paragraph (2)(A), an organization shall—

(A) be a nonprofit organization; and

(B) submit an application to the Corporation at such time, in such manner, and containing such information as the Corporation may require, including—

(i) a description of—

(I) the services and activities the organization carries out generally;

(II) the area of national need that the organization seeks to address through a service project; and

(III) the services and activities the organization seeks to carry out through the proposed service project;

(ii) a description of the skills and experience that an eligible Encore Fellowship recipient needs to be placed with the organization as an Encore Fellow for the service project;

(iii) a description of the training and leadership development the organization shall provide an Encore Fellow placed with the organization to assist the Encore Fellow in obtaining a public service job in the nonprofit sector or government after the period of the Encore Fellowship; and

(iv) evidence of the organization's financial stability.

(5) Placement

(A) Request for placement with listed organizations

To be placed with a listed organization in accordance with paragraph (2)(B) for a service project, an eligible Encore Fellowship recipient shall submit an application for such placement to the Corporation at such time, in such manner, and containing such information as the Corporation may require.

(B) Request for placement with other organization

An eligible Encore Fellowship recipient may apply to the Corporation to serve the recipient's Encore Fellowship year with a nonprofit organization that is not a listed organization. Such application shall be submitted to the Corporation at such time, in such manner, and containing such information as the Corporation shall require, and shall include—

(i) an identification and description of—

(I) the organization;

(II) the area of national need the organization seeks to address; and

(III) the services or activities the organization carries out to address such area of national need;

(ii) a description of the services the eligible Encore Fellowship recipient shall provide for the organization as an Encore Fellow; and

(iii) a letter of support from the leader of the organization, including—

(I) a description of the organization's need for the eligible Encore Fellowship recipient's services; (II) evidence that the organization is financially sound;

(III) an assurance that the organization will provide training and leadership development to the eligible Encore Fellowship recipient if placed with the organization as an Encore Fellow, to assist the Encore Fellow in obtaining a public service job in the nonprofit sector or government after the period of the Encore Fellowship; and

(iv) a description of the training and leadership development to be provided to the Encore Fellowship recipient if so placed.

(C) Placement and award of Fellowship

If the Corporation determines that the eligible Encore Fellowship recipient is able to meet the service needs (including skills and experience to address an area of national need) of the organization that the eligible fellowship recipient requests under subparagraph (A) or (B), the Corporation shall—

(i) approve the placement of the eligible Encore Fellowship recipient with the organization;

(ii) award the eligible Encore Fellowship recipient an Encore Fellowship for a period of 1 year and designate the eligible Encore Fellowship recipient as an Encore Fellow; and

(iii) in awarding the Encore Fellowship, make a payment, in the amount of $11,000, to the organization to provide living expenses to the Encore Fellow for the year in which the Encore Fellow agrees to serve.

(6) Matching funds

An organization that receives an Encore Fellow under this subsection shall agree to provide, for the living expenses of the Encore Fellow during the year of service, non-Federal contributions in an amount equal to not less than $1 for every $1 of Federal funds provided to the organization for the Encore Fellow through the Encore Fellowship.

(7) Training and assistance

Each organization that receives an Encore Fellow under this subsection shall provide training, leadership development, and assistance to the Encore Fellow, and conduct oversight of the service provided by the Encore Fellow.

(8) Leadership development

Each year, the Corporation shall convene current and former Encore Fellows to discuss the Encore Fellows' experiences related to service under this subsection and discuss strategies for increasing leadership and careers in public service in the nonprofit sector or government.

(c) Evaluations

The Corporation shall conduct an independent evaluation of the programs authorized under subsections (a) and (b) and widely disseminate the results, including recommendations for improvement, to the service community through multiple channels, including the Corporation's
Resource Center or a clearinghouse of effective strategies.


REFERENCES IN TEXT

PRIOR PROVISIONS


Effective Date
Section effective Oct. 1, 2009, see section 6101(a) of Pub. L. 111–13, set out as an Effective Date of 2009 Amendment note under section 4950 of this title.


Prior sections 12653d to 12653g were renumbered by Pub. L. 103–82, §104(b), and transferred as follows:


Effective Date of Repeal
Repeal effective Oct. 1, 2009, see section 6101(a) of Pub. L. 111–13, set out as an Effective Date of 2009 Amendment note under section 4950 of this title.

Part II—National Service Reserve Corps

§12653h. National Service Reserve Corps

(a) Definitions

In this section—

(1) the term “National Service Reserve Corps member” means an individual who—

(A) has completed a term of national service or is a veteran;

(B) has successfully completed training described in subsection (c) within the previous 2 years;

(C) completes not less than 10 hours of volunteering each year (which may include the training session described in subparagraph (B)); and

(D) has indicated interest to the Corporation in responding to disasters and emergencies in a timely manner through the National Service Reserve Corps; and

(2) the term “term of national service” means a term or period of service under section 12573 of this title.

(b) Establishment of National Service Reserve Corps

(1) In general

In consultation with the Federal Emergency Management Agency, the Corporation shall establish a National Service Reserve Corps to prepare and deploy National Service Reserve Corps members to respond to disasters and emergencies in support of national service programs and other requesting programs and agencies.

(2) Grants or contracts

In carrying out this section, the Corporation may enter into a grant or contract with an organization experienced in responding to disasters or in coordinating individuals who have completed a term of national service or are veterans, or may directly deploy National Service Reserve Corps members, as the Corporation determines necessary.

(c) Annual training

The Corporation shall conduct or coordinate annual training sessions, consistent with the training requirements of the Federal Emergency Management Agency, for individuals who have completed a term of national service or are veterans, and who wish to join the National Service Reserve Corps.

(d) Designation of organizations

(1) In general

The Corporation shall designate organizations with demonstrated experience in responding to disasters or emergencies, including through using volunteers, for participation in the program under this section.

(2) Requirements

The Corporation shall ensure that every designated organization is—

(A) prepared to respond to disasters or emergencies;

(B) prepared and able to utilize National Service Reserve Corps members in responding to disasters or emergencies; and

(C) willing to respond in a timely manner when notified by the Corporation of a disaster or emergency.

(e) Databases

The Corporation shall develop or contract with an outside organization to develop—
§ 12653h  TITLE 42—THE PUBLIC HEALTH AND WELFARE  Page 7764

(1) a database of all National Service Reserve Corps members; and
(2) a database of all nonprofit organizations that have been designated by the Corporation under subsection (d).

(f) Deployment of National Service Reserve Corps

(1) Major disasters or emergencies

If a major disaster or emergency is declared by the President pursuant to section 102 of the Robert T. Stafford Disaster Relief and Assistance Act (42 U.S.C. 5122), the Administrator of the Federal Emergency Management Agency, in consultation with the Corporation, may task the National Service Reserve Corps to assist in response.

(2) Other disasters or emergencies

For a disaster or emergency that is not declared a major disaster or emergency under section 102 of the Robert T. Stafford Disaster Relief and Assistance Act (42 U.S.C. 5122), the Corporation may directly, or through a grant or contract, deploy the National Service Reserve Corps.

(3) Deployment

Under paragraph (1) or (2), the Corporation may—
(A) deploy interested National Service Reserve Corps members on assignments of not more than 30 days to assist with local needs related to preparing or recovering from the incident in the affected area, either directly or through organizations designated under subsection (d);
(B) make travel arrangements for the deployed National Service Reserve Corps members to the site of the incident; and
(C) provide funds to those organizations that are responding to the incident with deployed National Service Reserve Corps members, to enable the organizations to coordinate and provide housing, living stipends, and insurance for those deployed members.

(4) Allowance

Any amounts that are utilized by the Corporation from funds appropriated under section 12681(a)(4)(D) of this title to carry out paragraph (1) for a fiscal year shall be kept in a separate fund. Any amounts in such fund that are not used during a fiscal year shall remain available to use to pay National Service Reserve Corps members an allowance, determined by the Corporation, for out-of-pocket expenses.

(5) Information

(A) National service participants

The Corporation, the State Commissions, and entities receiving financial assistance for programs under division C of this subchapter, or under part A of title I of the Domestic Volunteer Service Act of 1973 (42 U.S.C. 4951 et seq.), shall inform participants about the National Service Reserve Corps upon the participants’ completion of their term of national service.

(B) Veterans

The Secretary of Veterans Affairs, in consultation with the Secretary of Defense, shall inform veterans who are recently discharged, released, or separated from the Armed Forces about the National Service Reserve Corps.

(6) Coordination

In deploying National Service Reserve Corps members under this subsection, the Corporation shall—
(A) avoid duplication of activities directed by the Federal Emergency Management Agency; and
(B) consult and, as appropriate, partner with Citizen Corps programs and other local disaster agencies, including State and local emergency management agencies, voluntary organizations active in disaster, State Commissions, and similar organizations, in the affected area.


REFERENCES IN TEXT


Division C of this subchapter, referred to in subsection (f)(5)(A), was in the original “subtitle C of this Act” which was translated as meaning subtitle C of title I of Pub. L. 101–610, to reflect the probable intent of Congress.


PRIOR PROVISIONS


EFFECTIVE DATE

Section effective Oct. 1, 2009, see section 610(a) of Pub. L. 111–13, set out as an Effective Date of 2009 Amendment note under section 4950 of this title.
§ 12653k. Funds
(a) Findings
Congress finds the following:
(1) Social entrepreneurs and other nonprofit community organizations are developing innovative and effective solutions to national and local challenges.
(2) Increased public and private investment in replicating and expanding proven effective solutions, and supporting new solutions, developed by social entrepreneurs and other nonprofit community organizations could allow those entrepreneurs and organizations to replicate and expand proven initiatives, and support new initiatives, in communities.
(3) A network of Social Innovation Funds could leverage Federal investments to increase State, local, business, and philanthropic resources to address national and local challenges.
(b) Purposes
The purposes of this section are—
(1) to recognize and increase the impact of social entrepreneurs and other nonprofit community organizations in tackling national and local challenges;
(2) to stimulate the development of a network of Social Innovation Funds that will increase private and public investment in nonprofit community organizations that are effectively addressing national and local challenges to allow such organizations to replicate and expand proven initiatives or support new initiatives;
(3) to assess the effectiveness of such Funds in—
(A) leveraging Federal investments to increase State, local, business, and philanthropic resources to address national and local challenges;
(B) providing resources to replicate and expand effective initiatives; and
(C) seeding experimental initiatives focused on improving outcomes in the areas described in subsection (f)(3); and
(4) to strengthen the infrastructure to identify, invest in, replicate, and expand initiatives with effective solutions to national and local challenges.
(c) Definitions
In this section:
(1) Community organization
The term “community organization” means a nonprofit organization that carries out innovative, effective initiatives to address community challenges.
(2) Covered entity
The term “covered entity” means—
(A) an existing grantmaking institution (existing as of the date on which the institution applies for a grant under this section); or
(B) a partnership between—
(i) such an existing grantmaking institution; and
(ii) an additional grantmaking institution, a State Commission, or a chief executive officer of a unit of general local government.
(3) Issue area
The term “issue area” means an area described in subsection (f)(3).
(d) Program
From the amounts appropriated to carry out this section that are not reserved under subsections (l) and (m), the Corporation shall establish a Social Innovation Funds grant program to make grants on a competitive basis to eligible entities for Social Innovation Funds.
(e) Periods; amounts
The Corporation shall make such grants for periods of 5 years, and may renew the grants for additional periods of 5 years, in amounts of not less than $1,000,000 and not more than $10,000,000 per year.
(f) Eligibility
To be eligible to receive a grant under subsection (d), an entity shall—
(1) be a covered entity;
(2) propose to focus on—
(A) serving a specific local geographical area; or
(B) addressing a specific issue area;
(3) propose to focus on improving measurable outcomes relating to—
(A) education for economically disadvantaged elementary or secondary school students;
(B) child and youth development;
(C) reductions in poverty or increases in economic opportunity for economically disadvantaged individuals;
(D) health, including access to health services and health education;
(E) resource conservation and local environmental quality;
(F) individual or community energy efficiency;
(G) civic engagement; or
(H) reductions in crime;
(4) have an evidence-based decisionmaking strategy, including—
(A) use of evidence produced by prior rigorous evaluations of program effectiveness including, where available, well-implemented randomized controlled trials; and
(B) a well-articulated plan to—
(i) replicate and expand research-proven initiatives that have been shown to produce sizeable, sustained benefits to participants or society; or
(II) support new initiatives with a substantial likelihood of significant impact; or
(ii) partner with a research organization to carry out rigorous evaluations to assess the effectiveness of such initiatives; and
(5) have appropriate policies, as determined by the Corporation, that protect against con-
flict of interest, self-dealing, and other improper practices.

(g) Application

To be eligible to receive a grant under subsection (d) for national leveraging capital, an eligible entity shall submit an application to the Corporation at such time, in such manner, and containing such information as the Corporation may specify, including, at a minimum—

(1) an assurance that the eligible entity will—

(A) use the funds received through that capital in order to make subgrants to community organizations that will use the funds to replicate or expand proven initiatives, or support new initiatives, in low-income communities;

(B) in making decisions about subgrants for communities, consult with a diverse cross section of community representatives in the decisions, including individuals from the public, nonprofit private, and for-profit private sectors; and

(C) make subgrants of a sufficient size and scope to enable the community organizations to build their capacity to manage initiatives, and sustain replication or expansion of the initiatives;

(2) an assurance that the eligible entity will not make any subgrants to the parent organizations of the eligible entity, a subsidiary organization of the parent organization, or, if the eligible entity applied for funds under this section as a partnership, any member of the partnership;

(3) an identification of, as appropriate—

(A) the specific local geographical area referred to in subsection (f)(2)(A) that the eligible entity is proposing to serve; or

(B) the issue area referred to in subsection (f)(2)(B) that the eligible entity will address, and the geographical areas that the eligible entity is likely to serve in addressing such issue area;

(4)(A) information identifying the issue areas in which the eligible entity will work to improve measurable outcomes;

(B) statistics on the needs related to those issue areas in, as appropriate—

(i) the specific local geographical area described in paragraph (3)(A); or

(ii) the geographical areas described in paragraph (3)(B), including statistics demonstrating that those geographical areas have high need in the specific issue area that the eligible entity is proposing to address; and

(C) information on the specific measurable outcomes related to the issue areas involved that the eligible entity will seek to improve;

(5) information describing the process by which the eligible entity selected, or will select, community organizations to receive the subgrants, to ensure that the community organizations—

(A) are institutions—

(i) with proven initiatives and a demonstrated track record of achieving specific outcomes related to the measurable outcomes for the eligible entity; or

(ii) that articulate a new solution with a significant likelihood for substantial impact;

(B) articulate measurable outcomes for the use of the subgrant funds that are connected to the measurable outcomes for the eligible entity;

(C) will use the funds to replicate, expand, or support their initiatives;

(D) provide a well-defined plan for replicating, expanding, or supporting the initiatives funded;

(E) can sustain the initiatives after the subgrant period concludes through reliable public revenues, earned income, or private sector funding;

(F) have strong leadership and financial and management systems;

(G) are committed to the use of data collection and evaluation for improvement of the initiatives;

(H) will implement and evaluate innovative initiatives, to be important contributors to knowledge in their fields; and

(I) will meet the requirements for providing matching funds specified in subsection (k);

(6) information about the eligible entity, including its experience managing collaborative initiatives, or assessing applicants for grants and evaluating the performance of grant recipients for outcome-focused initiatives, and any other relevant information;

(7) a commitment to meet the requirements of subsection (i) and a plan for meeting the requirements, including information on any funding that the eligible entity has secured to provide the matching funds required under that subsection;

(8) a description of the eligible entity's plan for providing technical assistance and support, other than financial support, to the community organizations that will increase the ability of the community organizations to achieve their measurable outcomes;

(9) information on the commitment, institutional capacity, and expertise of the eligible entity concerning—

(A) collecting and analyzing data required for evaluations, compliance efforts, and other purposes;

(B) supporting relevant research; and

(C) submitting regular reports to the Corporation, including information on the initiatives of the community organizations, and the replication or expansion of such initiatives;

(10) a commitment to use data and evaluations to improve the eligible entity's own model and to improve the initiatives funded by the eligible entity; and

(11) a commitment to cooperate with any evaluation activities undertaken by the Corporation.

(h) Selection criteria

In selecting eligible entities to receive grants under subsection (d), the Corporation shall—

(1) select eligible entities on a competitive basis;
(2) select eligible entities on the basis of the quality of their selection process, as described in subsection (g)(5), the capacity of the eligible entities to manage Social Innovation Funds, and the potential of the eligible entities to sustain the Funds after the conclusion of the grant period; 
(3) include among the grant recipients eligible entities that propose to provide subgrants to serve communities (such as rural low-income communities) that the eligible entities can demonstrate are significantly philanthropically underserved;

(4) select a geographically diverse set of eligible entities; and

(5) take into account broad community perspectives and support.

(i) Matching funds for grants

(1) In general

The Corporation may not make a grant to an eligible entity under subsection (d) for a Social Innovation Fund unless the entity agrees that, with respect to the cost described in subsection (d) for that Fund, the entity will make available matching funds in an amount equal to not less than $1 for every $1 of funds provided under the grant.

(2) Additional requirements

(A) Type and sources

The eligible entity shall provide the matching funds in cash. The eligible entity shall provide the matching funds from State, local, or private sources, which may include State or local agencies, businesses, private philanthropic organizations, or individuals.

(B) Eligible entities including State Commissions or local government offices

(i) In general

In a case in which a State Commission, a local government office, or both entities are a part of the eligible entity, the State involved, the local government involved, or both entities, respectively, shall contribute not less than 30 percent and not more than 50 percent of the matching funds.

(ii) Local government office

In this subparagraph, the term “local government office” means the office of the chief executive officer of a unit of general local government.

(3) Reduction

The Corporation may reduce by 50 percent the matching funds required by paragraph (1) for an eligible entity serving a community (such as a rural low-income community) that the eligible entity can demonstrate is significantly philanthropically underserved.

(j) Subgrants

(1) Subgrants authorized

An eligible entity receiving a grant under subsection (d) is authorized to use the funds made available through the grant to award, on a competitive basis, subgrants to expand or replicate proven initiatives, or support new initiatives with a substantial likelihood of success, to—

(A) community organizations serving low-income communities within the specific local geographical area described in the eligible entity’s application in accordance with subsection (g)(3)(A); or

(B) community organizations addressing a specific issue area described in the eligible entity’s application in accordance with subsection (g)(3)(B), in low-income communities in the geographical areas described in the application.

(2) Periods; amounts

The eligible entity shall make such subgrants for periods of not less than 3 and not more than 5 years, and may renew the subgrants for such periods, in amounts of not less than $100,000 per year.

(3) Applications

To be eligible to receive a subgrant from an eligible entity under this section, including receiving a payment for that subgrant each year, a community organization shall submit an application to an eligible entity that serves the specific local geographical area, or geographical areas, that the community organization proposes to serve, at such time, in such manner, and containing such information as the eligible entity may require, including—

(A) a description of the initiative the community organization carries out and plans to replicate or expand, or of the new initiative the community organization intends to support, using funds received from the eligible entity, and how the initiative relates to the issue areas in which the eligible entity has committed to work in the eligible entity’s application, in accordance with subsection (g)(4)(A);

(B) data on the measurable outcomes the community organization has improved, and information on the measurable outcomes the community organization seeks to improve by replicating or expanding a proven initiative or supporting a new initiative, which shall be among the measurable outcomes that the eligible entity identified in the eligible entity’s application, in accordance with subsection (g)(4)(C);

(C) an identification of the community in which the community organization proposes to carry out an initiative, which shall be within a local geographical area described in the eligible entity’s application in accordance with subparagraph (A) or (B) of subsection (g)(3), as applicable;

(D) a description of the evidence-based decisionmaking strategies the community organization uses to improve the measurable outcomes, including—

(i) use of evidence produced by prior rigorous evaluations of program effectiveness including, where available, well-implemented randomized controlled trials; or

(ii) a well-articulated plan to conduct, or partner with a research organization to conduct, rigorous evaluations to assess the effectiveness of initiatives addressing national or local challenges;

(E) a description of how the community organization uses data to analyze and improve its initiatives;
§ 12653k

[93x748]§ 12653k  TITLE 42—THE PUBLIC HEALTH AND WELFARE  Page 7768

(F) specific evidence of how the community organization will meet the requirements for providing matching funds specified in subsection (k);

(G) a description of how the community organization will sustain the replicated or expanded initiative after the conclusion of the subgrant period; and

(H) any other information the eligible entity may require, including information necessary for the eligible entity to fulfill the requirements of subsection (g)(5).

(k) Matching funds for subgrants

(1) In general

An eligible entity may not make a subgrant to a community organization under this section for an initiative described in subsection (j)(3)(A) unless the organization agrees that, with respect to the cost of carrying out that initiative, the organization will make available, on an annual basis, matching funds in an amount equal to not less than $1 for every $1 of funds provided under the subgrant. If the community organization fails to make such matching funds available for a fiscal year, the eligible entity shall not make payments for the remaining fiscal years of the subgrant period, notwithstanding any other provision of this part.

(2) Types and sources

The community organization shall provide the matching funds in cash. The community organization shall provide the matching funds from State, local, or private sources, which may include funds from State or local agencies or private sector funding.

(l) Direct support

(1) Program authorized

The Corporation may use not more than 10 percent of the funds appropriated for this section to award grants to community organizations serving low-income communities or addressing a specific issue area in geographical areas that have the highest need in that issue area, to enable such community organizations to replicate or expand proven initiatives or support new initiatives.

(2) Terms and conditions

A grant awarded under this subsection shall be subject to the same terms and conditions as a subgrant awarded under subsection (j).

(3) Application; matching funds

Paragraphs (2) and (3) of subsection (j) and subsection (k) shall apply to a community organization receiving or applying for a grant under this subsection in the same manner as such subsections apply to a community organization receiving or applying for a subgrant under subsection (j), except that references to a subgrant shall mean a grant and references to an eligible entity shall mean the Corporation.

(m) Research and evaluation

(1) In general

The Corporation may reserve not more than 5 percent of the funds appropriated for this section for a fiscal year to support, directly or through contract with an independent entity, research and evaluation activities to evaluate the eligible entities and community organizations receiving grants under subsections (d) and (l) and the initiatives supported by the grants.

(2) Research and evaluation activities

(A) Research and reports

(i) In general

The entity carrying out this subsection shall collect data and conduct or support research with respect to the eligible entities and community organizations receiving grants under subsections (d) and (l), and the initiatives supported by such eligible entities and community organizations, to determine the success of the program carried out under this section in replicating, expanding, and supporting initiatives, including—

(I) the success of the initiatives in improving measurable outcomes; and

(II) the success of the program in increasing philanthropic investments in philanthropically underserved communities.

(ii) Reports

The Corporation shall submit periodic reports to the authorizing committees including—

(I) the data collected and the results of the research under this subsection;

(II) information on lessons learned about best practices from the activities carried out under this section, to improve those activities; and

(III) a list of all eligible entities and community organizations receiving funds under this section.

(iii) Public information

The Corporation shall annually post the list described in clause (ii)(III) on the Corporation’s website.

(B) Technical assistance

The Corporation shall, directly or through contract, provide technical assistance to the eligible entities and community organizations that receive grants under subsections (d) and (l).

(C) Knowledge management

The Corporation shall, directly or through contract, maintain a clearinghouse for information on best practices resulting from initiatives supported by the eligible entities and community organizations.

(D) Reservation

Of the funds appropriated under section 12681(a)(4)(E) of this title for a fiscal year, not more than 5 percent may be used to carry out this subsection.


PRIOR PROVISIONS

23, 1992, 106 Stat. 2531, which set out other departments' responsibilities to the Corps, was renumbered section 162 of Pub. L. 101–610 and transferred to section 12622 of this title.

Prior sections 12653m to 12653n were renumbered by section 104(b) of Pub. L. 103–82 and transferred as follows:


**Effective Date**

Section effective Oct. 1, 2009, see section 6101(a) of Pub. L. 111–13, set out as an Effective Date of 2009 Amendment note under section 4950 of this title.

**PART IV—NATIONAL SERVICE PROGRAMS CLEARINGHOUSES; VOLUNTEER GENERATION FUND**

### §12653o. National service programs clearinghouses

**(a) In general**

The Corporation shall provide assistance, by grant, contract, or cooperative agreement, to entities with expertise in the dissemination of information through clearinghouses to establish 1 or more clearinghouses for information regarding the national service laws, which shall include information on service-learning and on service through other programs receiving assistance under the national service laws.

**(b) Function of clearinghouse**

Such a clearinghouse may—

1. assist entities carrying out State or local service-learning and national service programs with needs assessments and planning;
2. conduct research and evaluations concerning service-learning or programs receiving assistance under the national service laws, except that such clearinghouse may not conduct such research and evaluations if the recipient of the grant, contract, or cooperative agreement establishing the clearinghouse under this section is receiving funds for such purpose under part III of division B or under this division (not including this section);
3. (A) provide leadership development and training to State and local service-learning program administrators, supervisors, service sponsors, and participants; and
4. (B) provide training to persons who can provide the leadership development and training described in subparagraph (A); (4) facilitate communication among—
   A. entities carrying out service-learning programs and programs offered under the national service laws; and
   B. participants in such programs;

5. provide and disseminate information and curriculum materials relating to planning and operating service-learning programs and programs offered under the national service laws, to States, territories, Indian tribes, and local entities eligible to receive financial assistance under the national service laws;
6. provide and disseminate information regarding methods to make service-learning programs and programs offered under the national service laws accessible to individuals with disabilities;
7. disseminate applications in languages other than English;
8. (A) gather and disseminate information on successful service-learning programs and programs offered under the national service laws, components of such successful programs, innovative curricula related to service-learning, and service-learning projects; and
9. (B) coordinate the activities of the clearinghouse with appropriate entities to avoid duplication of effort;
10. make recommendations to State and local entities on quality controls to improve the quality of service-learning programs and programs offered under the national service laws;
11. assist organizations in recruiting, screening, and placing a diverse population of service-learning coordinators and program sponsors;
12. disseminate effective strategies for working with disadvantaged youth in national service programs, as determined by organizations with an established expertise in working with such youth; and
13. carry out such other activities as the Chief Executive Officer determines to be appropriate.


**Prior Provisions**


**Effective Date**

Section effective Oct. 1, 2009, see section 6101(a) of Pub. L. 111–13, set out as an Effective Date of 2009 Amendment note under section 4950 of this title.

### §12653p. Volunteer generation fund

**(a) Grants authorized**

Subject to the availability of appropriations for this section, the Corporation may make grants to State Commissions and nonprofit organizations for the purpose of assisting the State Commissions and nonprofit organizations to—

1. develop and carry out volunteer programs described in subsection (c); and
2. make subgrants to support and create new local community-based entities that recruit, manage, or support volunteers as described in such subsection.
(b) Application

(1) In general

Each State Commission or nonprofit organization desiring a grant under this section shall submit an application to the Corporation at such time, in such manner, and accompanied by such information as the Corporation may reasonably require.

(2) Contents

Each application submitted pursuant to paragraph (1) shall contain—

(A) a description of the program that the applicant will provide;

(B) an assurance that the applicant will annually collect information on—

(i) the number of volunteers recruited for activities carried out under this section, the type and amount of activities carried out by such volunteers; and

(ii) the number of volunteers managed or supported using funds received under this section, and the type and amount of activities carried out by such volunteers;

(C) a description of the outcomes the applicant will use to annually measure and track performance with regard to—

(i) activities carried out by volunteers; and

(ii) volunteers recruited, managed, or supported; and

(D) such additional assurances as the Corporation determines to be essential to ensure compliance with the requirements of this section.

(c) Eligible volunteer programs

A State Commission or nonprofit organization receiving a grant under this section shall use the assistance—

(1) directly to carry out volunteer programs or to develop and support community-based entities that recruit, manage, or support volunteers, by carrying out activities consistent with the goals of the subgrants described in paragraph (2); or

(2) through subgrants to community-based entities to carry out volunteer programs or develop and support such entities that recruit, manage, or support volunteers, through 1 or more of the following types of subgrants:

(A) A subgrant to a community-based entity for activities that are consistent with the priorities set by the State’s national service plan as described in section 12638(e) of this title, or by the Corporation.

(B) A subgrant to recruit, manage, or support volunteers to a community-based entity such as a volunteer coordinating agency, a nonprofit resource center, a volunteer training clearinghouse, an institution of higher education, or a collaborative partnership of faith-based and community-based organizations.

(C) A subgrant to a community-based entity that provides technical assistance and support to—

(i) strengthen the capacity of local volunteer infrastructure organizations;

(ii) address areas of national need (as defined in section 12633b(a) of this title); and

(iii) expand the number of volunteers nationally.

(d) Allocation of funds

(1) In general

Of the funds allocated by the Corporation for provision of assistance under this section for a fiscal year—

(A) the Corporation shall use 50 percent of such funds to award grants, on a competitive basis, to State Commissions and nonprofit organizations for such fiscal year; and

(B) the Corporation shall use 50 percent of such funds make an allotment to the State Commissions of each of the several States, the District of Columbia, and the Commonwealth of Puerto Rico based on the formula described in subsections (e) and (f) of section 12851 of this title, subject to paragraph (2).

(2) Minimum grant amount

In order to ensure that each State Commission is able to improve efforts to recruit, manage, or support volunteers, the Corporation may determine a minimum grant amount for allotments under paragraph (1)(B).

(e) Limitation on administrative costs

Not more than 5 percent of the amount of any grant provided under this section for a fiscal year may be used to pay for administrative costs incurred by either the recipient of the grant or any community-based entity receiving assistance or a subgrant under such grant.

(f) Matching fund requirements

The Corporation share of the cost of carrying out a program that receives assistance under this section, whether the assistance is provided directly or as a subgrant from the original recipient of the assistance, may not exceed—

(1) 80 percent of such cost for the first year in which the recipient receives such assistance;

(2) 70 percent of such cost for the second year in which the recipient receives such assistance;

(3) 60 percent of such cost for the third year in which the recipient receives such assistance; and

(4) 50 percent of such cost for the fourth year in which the recipient receives such assistance and each year thereafter.

1So in original. No cl. (ii) has been enacted.

2So in original. Probably should be preceded by “to”.

Nonprofit capacity building

(a) Definitions

In this section:
(1) Intermediary nonprofit grantee

The term "intermediary nonprofit grantee" means an intermediary nonprofit organization that receives a grant under subsection (b).

(2) Intermediary nonprofit organization

The term "intermediary nonprofit organization" means an experienced and capable nonprofit entity with meaningful prior experience in providing organizational development assistance, or capacity building assistance, focused on small and midsize nonprofit organizations.

(3) Nonprofit

The term "nonprofit", used with respect to an entity or organization, means—
(A) an entity or organization described in section 501(c)(3) of title 26 and exempt from taxation under section 501(a) of such title; and
(B) an entity or organization described in paragraph (1) or (2) of section 170(c) of such title.

(4) State

The term "State" means each of the several States, and the District of Columbia.

(b) Grants

The Corporation shall establish a Nonprofit Capacity Building Program to make grants to intermediary nonprofit organizations to serve as intermediary nonprofit grantees. The Corporation shall make the grants to enable the intermediary nonprofit grantees to pay for the Federal share of the cost of delivering organizational development assistance, including training on best practices, financial planning, grantwriting, and compliance with the applicable tax laws, for small and midsize nonprofit organizations, especially those nonprofit organizations facing resource hardship challenges. Each of the grantees shall match the grant funds by providing a non-Federal share as described in subsection (f).

(c) Amount

To the extent practicable, the Corporation shall make such a grant to an intermediary nonprofit organization in each State, and shall make such grant in an amount of not less than $200,000.

(d) Application

To be eligible to receive a grant under this section, an intermediary nonprofit organization shall submit an application to the Corporation at such time, in such manner, and containing such information as the Corporation may require. The intermediary nonprofit organization shall submit in the application information demonstrating that the organization has secured sufficient resources to meet the requirements of subsection (f).

(e) Preference and considerations

(1) Preference

In making such grants, the Corporation shall give preference to intermediary nonprofit organizations seeking to become intermediary nonprofit grantees in areas where nonprofit organizations face significant resource hardship challenges.

(2) Considerations

In determining whether to make a grant the Corporation shall consider—
(A) the number of small and midsize nonprofit organizations that will be served by the grant;
(B) the degree to which the activities proposed to be provided through the grant will assist a wide number of nonprofit organizations within a State, relative to the proposed amount of the grant; and
(C) the quality of the organizational development assistance to be delivered by the intermediary nonprofit grantee, including the qualifications of its administrators and representatives, and its record in providing services to small and midsize nonprofit organizations.

(f) Federal share

(1) In general

The Federal share of the cost as referenced in subsection (b) shall be 50 percent.

(2) Non-Federal share

(A) In general

The non-Federal share of the cost as referenced in subsection (b) shall be 50 percent and shall be provided in cash.

(B) Third party contributions

(i) In general

Except as provided in clause (ii), an intermediary nonprofit grantee shall provide the non-Federal share of the cost through contributions from third parties. The third parties may include charitable grantmaking entities and grantmaking vehicles within existing organizations, entities of corporate philanthropy, corporations, individual donors, and regional, State, or local government agencies, or other non-Federal sources.

(ii) Exception

If the intermediary nonprofit grantee is a private foundation (as defined in section 509(a) of title 26), a donor advised fund (as defined in section 4966(d)(2) of such title), an organization which is described in section 4966(d)(4)(A)(i) of such title, or an organization which is described in section 4966(d)(4)(B) of such title, the grantee shall provide the non-Federal share from within that grantee’s own funds.

(iii) Maintenance of effort, prior year third-party funding levels

For purposes of maintaining private sector support levels for the activities specified by this program, a non-Federal share that includes donations by third parties shall be composed in a way that does not decrease prior levels of funding from the same third parties granted to the non-profit intermediary grantee in the preceding year.

(g) Reservation

Of the amount authorized to provide financial assistance under this division, there shall be made available to carry out this section...
$5,000,000 for each of fiscal years 2010 through 2014. 


**Effective Date**

Section effective Oct. 1, 2009, see section 6101(a) of Pub. L. 111–13, set out as an Effective Date of 2009 Amendment note under section 4950 of this title.

**Division I—American Conservation and Youth Service Corps**

**Codification**

Subtitle I of title I of Pub. L. 101–610, comprising this division, was formerly classified to part C (§ 12541 et seq.) of this subchapter prior to the general amendment by Pub. L. 103–82, §101(a).

**§ 12655. General authority**

The Corporation may make grants to States or local applicants and may transfer funds to the Secretary of Agriculture or to the Secretary of the Interior for the creation or expansion of full-time, part-time, year-round, or summer, youth corps programs. To the extent practicable, the Corporation shall apply the provisions of division C in making grants under this section.


**Codification**

Section was formerly classified to section 12541 of this title prior to renumbering by Pub. L. 103–82, §101(a).

**Amendments**


**Effective Date of 1993 Amendment**


**§ 12655b. State application**

(a) Submission

To be eligible to receive a grant under this division, a State or Indian tribe (or a local applicant if section 12655 of this title applies) shall prepare and submit to the Corporation, an application at such time, in such manner, and containing such information as the Corporation may reasonably require.

(b) General content

An application submitted under subsection (a) shall describe—

(1) any youth corps program proposed to be conducted directly by such applicant with assistance provided under this division; and

(2) any grant program proposed to be conducted by such State with assistance provided under this division for the benefit of entities within such State.


**Codification**

Section was formerly classified to section 12543 of this title prior to renumbering by Pub. L. 103–82, §101(a).

**Amendments**

1993—Subsec. (a). Pub. L. 103–82, §101(e)(1), substituted “Corporation” for “Commission”, substituted “or to the Secretary of the Interior” for “, to the Secretary of the Interior, or to the Director of ACTION”, struck out “under section 12512 of this title” after “may make grants”, and inserted at end “To the extent practicable, the Corporation shall apply the provisions of division C in making grants under this section.”

1992—Pub. L. 102–384 amended section generally. Prior to amendment, section read as follows: “The Corporation may make grants under section 12512 of this title to States or local applicants, to the Secretary of Agriculture, to the Secretary of the Interior, or to the Director of ACTION for the creation or expansion of full-time or summer youth corps programs.”

**Effective Date of 1993 Amendment**


**§ 12655a. Limitation on purchase of capital equipment**

Not to exceed 10 percent of the amount of assistance made available to a program agency under this division shall be used for the purchase of major capital equipment.


**Codification**

Section was formerly classified to section 12542 of this title prior to renumbering by Pub. L. 103–82, §101(a).

**Amendments**


**Effective Date of 1993 Amendment**

§ 12655c. Focus of programs

(a) In general

Programs that receive assistance under this division may carry out activities that—

(1) in the case of conservation corps programs, focus on—
   (A) conservation, rehabilitation, and the improvement of wildlife habitat, rangelands, parks, and recreational areas;
   (B) urban and rural revitalization, historical and cultural site preservation, and reforestation of both urban and rural areas;
   (C) fish culture, wildlife habitat maintenance and improvement, and other fishery assistance;
   (D) road and trail maintenance and improvement;
   (E) erosion, flood, drought, and storm damage assistance and controls;
   (F) stream, lake, waterfront harbor, and port improvement;
   (G) wetlands protection and pollution control;
   (H) insect, disease, rodent, and fire prevention and control;
   (I) the improvement of abandoned railroad beds and rights-of-way;
   (J) energy conservation projects, renewable resource enhancement, and recovery of biomass;
   (K) reclamation and improvement of strip-mined land;
   (L) forestry, nursery, and cultural operations; and
   (M) making public facilities accessible to individuals with disabilities.

(2) in the case of youth service corps programs, include participant service in—
   (A) State, local, and regional governmental agencies;
   (B) nursing homes, hospices, senior centers, hospitals, local libraries, parks, recreational facilities, child and adult day care centers, programs serving individuals with disabilities, and schools;
   (C) law enforcement agencies, and penal and probation systems;
   (D) private nonprofit organizations that primarily focus on social service such as community action agencies;
   (E) activities that focus on the rehabilitation or improvement of public facilities, neighborhood improvements, literacy training that benefits educationally disadvantaged individuals, weatherization of and basic repairs to low-income housing including housing occupied by older adults, energy conservation (including solar energy technologies), removal of architectural barriers to access by individuals with disabilities to public facilities, activities that focus on drug and alcohol abuse education, prevention and treatment, and conservation, maintenance, or restoration of natural resources on publicly held lands; and
   (F) any other nonpartisan civic activities and services that the Corporation determines to be of a substantial social benefit in

meeting unmet human, educational, or environmental needs (particularly needs related to poverty) or in the community where volunteer service is to be performed;

(3) encompass the focuses and services described in both paragraphs (1) and (2).

(b) Limitation on service

No participant shall perform any specific activity for more than a 6-month period. No participant shall remain enrolled in programs assisted under this division for more than 24 months.

§ 12655d. Related programs

An activity administered under the authority of the Secretary of Health and Human Services, that is operated for the same purpose as a program eligible to be carried out under this division, is encouraged to use services available under this division.

§ 12655e. Public lands or Indian lands

(a) Limitation

To be eligible to receive assistance through a grant provided under this division, a program shall carry out activities on public lands or Indian lands, or result in a public benefit.

(b) Review of applications

In reviewing applications submitted under section 12655b of this title that propose programs or projects to be carried out on public lands or In-
§ 101(a).

this title prior to renumbering by Pub. L. 103–82, appropriate, refer such participants for testing for available records or simplified assessment their entrance into the program, using any educational level of participants at the time of (b) Enhancement of skills specific learning disabilities.

means or methodology and shall, where appro-

(c) Consistency

A program carried out with assistance provided under this division for conservation, rehabilitation, or improvement of any public lands or Indian lands shall be consistent with—

(1) the provisions of law and policies relating to the management and administration of such lands, and all other applicable provisions of law; and

(2) all management, operational, and other plans and documents that govern the administration of such lands.

(d) Participation by other conservation programs

Any land or water conservation program (or any related program) administered in any State under the authority of any Federal program is encouraged to use services available under this part 1 to carry out its program.


REFERENCES IN TEXT

This part, referred to in subsec. (d), is unidentifiable in the original because subtitle I (§§199 to 199O) of title I of Pub. L. 101–610 does not contain parts.

CODIFICATION

Section was formerly classified to section 12546 of this title prior to renumbering by Pub. L. 103–82, §101(a).

AMENDMENTS

1993—Subsec. (b). Pub. L. 103–82, §101(e)(1), (6), substituted “Corporation” for “Commission” and “section 12655b of this title” for “section 12548 of this title”.

EFFECTIVE DATE OF 1993 AMENDMENT


§ 12655f. Training and education services

(a) Assessment of skills

Each program agency shall assess the educational level of participants at the time of their entrance into the program, using any available records or simplified assessment means or methodology and shall, where appropriate, refer such participants for testing for specific learning disabilities.

(b) Enhancement of skills

Each program agency shall, through the programs and activities administered under this division, enhance the educational skills of participants.

(c) Provision of pre-service and in-service training and education

(1) Requirement

Each program agency shall use not less than 10 percent of the assistance made available to such agency under this division in each fiscal year to provide pre-service and in-service training and educational materials and services for participants in such a program. Program participants shall be provided with information concerning the benefits to the community that result from the activities undertaken by such participants.

(2) Agreements for academic study

A program agency may enter into arrangements with academic institutions or education providers, including—

(A) local education agencies;

(B) community colleges;

(C) 4-year colleges;

(D) area vocational-technical schools; and

(E) community based organizations;

to evaluate the basic skills of participants and to make academic study available to participants to enable such participants to upgrade literacy skills, to obtain high school diplomas or the equivalent of such diplomas, to obtain college degrees, or to enhance employable skills.

(3) Counseling

Career and educational guidance and counseling shall be provided to a participant during a period of in-service training as described in this subsection. Each graduating participant shall be provided with counseling with respect to additional study, job skills training or employment and shall be provided job placement assistance where appropriate.

(4) Priority for participants without high school diplomas

A program agency shall give priority to participants who have not obtained a high school diploma or the equivalent of such diploma, in providing services under this subsection.

(d) Standards and procedures

(1) Consistency with State and local requirements

Appropriate State and local officials shall certify that standards and procedures with respect to the awarding of academic credit and the certification of educational attainment in programs conducted under subsection (c) are consistent with the requirements of applicable State and local law and regulations.

(2) Academic standards

The standards and procedures described in paragraph (1) shall provide that an individual serving in a program that receives assistance under this division—

(A) who is not a high school graduate, participate in an educational curriculum so that such individual can earn a high school diploma or the equivalent of such diploma; and

(B) may arrange to receive academic credit in recognition of the education and skills obtained from service satisfactorily completed.


1 See References in Text note below.

Section was formerly classified to section 12547 of this title prior to renumbering by Pub. L. 103–82, §101(a).

§ 12655h. Preference for certain projects

(a) In general

In the consideration of applications submitted under section 12655b of this title, the Corporation shall give preference to programs that—

(1) will provide long-term benefits to the public;
(2) will instill a work ethic and a sense of public service in the participants;
(3) will be labor intensive, and involve youth operating in crews;
(4) can be planned and initiated promptly; and
(5) will enhance skills development and educational level and opportunities for the participants.

(b) Special rule

In the consideration of applications under this division the Corporation shall ensure the equitable treatment of both urban and rural areas.

§ 12655i. Age and citizenship criteria for enrollment

(a) Age and citizenship

Enrollment in programs that receive assistance under this division shall be limited to individuals who, at the time of enrollment, are—

(1) not less than 16 years nor more than 25 years of age, except that summer programs may include individuals not less than 14 years nor more than 21 years of age at the time of the enrollment of such individuals; and
(2) citizens or nationals of the United States or lawful permanent resident aliens of the United States.

(b) Participation of disadvantaged youth

Programs that receive assistance under this division shall ensure that educationally and economically disadvantaged youth, including youth in foster care who are becoming too old for foster care, youth with disabilities, youth with limited English proficiency, youth with limited basic skills or learning disabilities and homeless youth, are offered opportunities to enroll.

(c) Special corps members

Notwithstanding subsection (a)(1), program agencies may enroll a limited number of special corps members over age 25 so that the corps may draw on their special skills to fulfill the purposes of this chapter. Programs are encouraged to consider senior citizens as special corps members.

(d) Joint projects with senior citizens organizations

Program agencies shall use not more than 2 percent of amounts received under this division to conduct joint projects with senior citizens organizations to enable senior citizens to serve as mentors for youth participants.

(e) Construction

Nothing in subsection (a) shall be construed to prohibit any program agency from limiting enrollment to any age subgroup within the range specified in subsection (a)(1).

§ 12655j. Use of volunteers

Program agencies may use volunteer services for purposes of assisting projects carried out under this division and may expend funds made available for those purposes to the agency, including funds made available under this division, to provide for services or costs incidental to the utilization of such volunteers, including...
transportation, supplies, lodging, recruiting, training, and supervision. The use of volunteer services under this section shall be subject to the condition that such use does not result in the displacement of any participant.


CODIFICATION
Section was formerly classified to section 12551 of this title prior to renumbering by Pub. L. 103–82, § 101(a).


EFFECTIVE DATE OF REPEAL
Repeal effective Oct. 1, 1993, see section 123 of Pub. L. 103–82, set out as an Effective Date of 1993 Amendment note under section 1701 of Title 16, Conservation.

§ 12655f. Living allowance
(a) Full-time service
(1) Living allowance required
Subject to paragraph (3), each participant in a full-time youth corps program that receives assistance under this division shall receive a living allowance in an amount equal to or greater than the average annual subsistence allowance provided to VISTA volunteers under section 4955 of this title.

(2) Limitation on Federal share
The amount of the annual living allowance provided under paragraph (1) that may be paid using assistance provided under this division, section 12371 of this title, and any other Federal funds shall not exceed 85 percent of the total average annual subsistence allowance provided to VISTA volunteers under section 4955 of this title.

(3) Maximum living allowance
The total amount of an annual living allowance that may be provided to a participant in a full-time youth corps program that receives assistance under this division shall not exceed 200 percent of the average annual subsistence allowance provided to VISTA volunteers under section 4955 of this title.

(4) Waiver or reduction of living allowance
The Corporation may waive or reduce the requirement of paragraph (1) with respect to such national service program if such program demonstrates that—

(A) such requirement is inconsistent with the objectives of the program; and

(B) the amount of the living allowance that will be provided to each full-time participant is sufficient to meet the necessary costs of living (including food, housing, and transportation) in the area in which the program is located.

(5) Exemption
The requirement of paragraph (1) shall not apply to any program that was in existence on September 21, 1993.

(b) Reduction in existing program benefits
(1) In general
Nothing in this section shall be construed to require a program in existence on November 16, 1990, to decrease any stipends, salaries, or living allowances provided to participants under such program so long as the amount of any such stipends, salaries, or living allowances that is in excess of the levels provided for in this section are paid from non-Federal sources.

(2) Fair Labor Standards Act of 1938
For purposes of the Fair Labor Standards Act of 1938 [29 U.S.C. 201 et seq.], residential youth corps programs under this division will be considered an organized camp.

(c) Health insurance
In addition to the living allowance provided under subsection (a), program agencies are encouraged to provide health insurance to each participant in a full-time youth corps program who does not otherwise have access to health insurance.

(d) Facilities, services, and supplies
(1) In general
The program agency may deduct, from amounts provided under subsection (a) to a participant, a reasonable portion of the costs of the rates for any room and board that is provided for such participant at a residential facility. Such deducted funds shall be deposited into rollover accounts that shall be used solely to defray the costs of room and board for participants.

(2) Evaluation
The program agency shall establish the amount of the deductions and rates under paragraph (1) after evaluating the costs of providing such room and board to the participant.

(3) Duties of program agency
A program agency may provide facilities, quarters, and board and shall provide limited and emergency medical care, transportation from administrative facilities to work sites, accommodations for individuals with disabilities, and other appropriate services, supplies, and equipment to each participant.

(4) Other Federal agencies
(A) In general
The Corporation may provide services, facilities, supplies, and equipment, including any surplus food and equipment available from other Federal programs, to any program agency carrying out projects under this division.

(B) Secretary of Defense
Whenever possible, the Corporation shall make arrangements with the Secretary of Defense to have logistical support provided by a military installation near the work

Page 7776 TITLE 42—THE PUBLIC HEALTH AND WELFARE
site, including the provision of temporary tent centers where needed, and other supplies and equipment.

5 Health and safety standards

The Corporation and program agencies shall establish standards and enforcement procedures concerning the health and safety of participants for all projects, consistent with Federal, State, and local health and safety standards.


References in Text

The Fair Labor Standards Act of 1938, referred to in subsec. (b)(2), is act June 25, 1938, ch. 676, 52 Stat. 1060, as amended, which is classified principally to chapter 8 of Title 29 and Tables.

Sections 201 of Title 29 (§ 201 et seq.) of Title 29, Labor. For complete classification of this Act to the Code, see section 201 of Title 29 and Tables.

Codification

Section was formerly classified to section 12553 of this title prior to renumbering by Pub. L. 103–82, § 101(a).

Amendments

1993—Subsec. (a). Pub. L. 103–82, § 101(d), added pars. (1) to (5) and struck out former pars. (1) and (2) which read as follows:

“(1) IN GENERAL.—From assistance provided under this part, each participant in a full-time youth corps program that receives assistance under this part shall receive a living allowance of not more than an amount equal to 100 percent of the poverty line for a family of two (as defined in section 9902(2) of this title).

“(2) NON-FEDERAL SOURCES.—Notwithstanding paragraph (1), a program agency may provide participants with additional amounts that are made available from non-Federal sources.”

Subsec. (d)(4)(A), (B), (5). Pub. L. 103–82, § 101(e)(1), substituted “Corporation” for “Commission”.

1991—Subsec. (d)(1). Pub. L. 102–10 substituted “section (a)” for “subsections (a) and (c)”.

Effective Date of 1993 Amendment


§ 12655m. Joint programs

(a) Development

The Corporation may develop, in cooperation with the heads of other Federal agencies, regulations designed to permit, where appropriate, joint programs in which activities supported with assistance made available under this division are coordinated with activities supported with assistance made available under programs administered by the heads of such agencies (including title I of the Workforce Investment and Opportunity Act of 1998).”


Effective Date of 2014 Amendment

Amendment by Pub. L. 113–128 effective on the first day of the first full program year after July 22, 2014 (July 1, 2015), see section 506 of Pub. L. 113–128, set out as an Effective Date note under section 3101 of Title 5, Government Organization and Employees.

(b) Standards

Regulations promulgated under subsection (a) shall establish standards for the approval of joint programs that meet both the purposes of this subchapter and the purposes of such statutes under which assistance is made available to support such projects.

(c) Operation of management agreements

Program agencies may enter into contracts and other appropriate arrangements with local government agencies and nonprofit organizations for the operation or management of any projects or facilities under the program.

(d) Coordination

The Corporation and program agencies carrying out programs under this division shall coordinate the programs with related Federal, State, local, and private activities.


References in Text


Codification

Section was formerly classified to section 12554 of this title prior to renumbering by Pub. L. 103–82, § 101(a).

Prior Provisions

A prior section 199L of Pub. L. 101–610 was classified to section 12655k of this title prior to repeal by Pub. L. 103–82, § 101(e)(8)(A).

Amendments

2014—Subsec. (a). Pub. L. 113–128 substituted “coordinated with activities supported with assistance made available under programs administered by the heads of such agencies (including title I of the Workforce Innovation and Opportunity Act)” for “coordinated with activities supported with assistance made available under programs administered by the heads of such agencies (including title I of the Workforce Investment Act of 1998)”.


Effective Date of 1998 Amendment

§ 12655n. Federal and State employee status

(a) In general

Participants and crew leaders shall be responsible to, or be the responsibility of, the program agency administering the program on which such participants, crew leaders, and volunteers work.

(b) Non-Federal employees

(1) In general

Except as otherwise provided in this subsection, a participant or crew leader in a program that receives assistance under this division shall not be considered a Federal employee and shall not be subject to the provisions of law relating to Federal employment.

(2) Work-related injury

For purposes of subchapter I of chapter 81 of title 5, relating to the compensation of Federal employees for work injuries, a participant or crew leader serving in a program that receives assistance under this division shall be considered an employee of the United States within the meaning of the term “employee” as defined in section 8101 of title 5 and the provision of that subchapter shall apply, except—

(A) the term “performance of duty”, as used in such subchapter, shall not include an act of a participant or crew leader while absent from the assigned post of duty of such participant or crew leader, except while participating in an activity authorized by or under the direction and supervision of a program agency (including an activity while on pass or during travel to or from such post of duty); and

(B) compensation for disability shall not begin to accrue until the day following the date that the employment of the injured participant or crew leader is terminated.

(3) Tort claims procedure

For purposes of purposes of subchapter I of chapter 81 of title 5, relating to tort claims procedure, a participant or crew leader assigned to a youth corps program for which a grant has been made to the Secretary of Agriculture, Secretary of the Interior, or the Director of ACTION, shall be considered an employee of the United States within the meaning of the term “employee of the government” as defined in section 2671 of such title.

(4) Allowance for quarters

For purposes of section 5911 of title 5, relating to allowances for quarters, a participant or crew leader shall be considered an employee of the United States within the meaning of the term “employee” as defined in paragraph (3) of subsection (a) of such section.

(c) Availability of appropriation

Contract authority under this division shall be subject to the availability of appropriations. As-
(4) Urban youth corps have established a good record of rehabilitating, reclaiming, and beautifying these kinds of resources in a cost-efficient manner, especially when they have worked in partnership with government housing, public works, and transportation authorities and agencies.

(b) Purpose
It is the purpose of this section—
(1) to perform, in a cost-effective manner, appropriate service projects to rehabilitate, reclaim, beautify, and improve public housing and public works and transportation facilities and resources in urban areas suffering from high rates of poverty where work will not be performed by existing employees;
(2) to assist government housing, public works, and transportation authorities and agencies;
(3) to expose young people in the United States to public service while furthering their understanding and appreciation of their community;
(4) to expand educational opportunity for individuals who participate in the Urban Youth Corps established by this section by providing them with an increased ability to pursue post-secondary education or job training; and
(5) to stimulate interest among young people in the United States in lifelong service to their communities and the United States.

(c) Definitions
For purposes of this section:
(1) Appropriate service project
The term “appropriate service project” means any project for the rehabilitation, reclamation, or beautification of urban public housing and public works and transportation resources or facilities.
(2) Corps and Urban Youth Corps
The term “Corps” and “Urban Youth Corps” mean the Urban Youth Corps established under subsection (d)(1).
(3) Qualified urban youth corps
The term “qualified urban youth corps” means any program established by a State or local government or by a nonprofit organization that—
(A) is capable of offering meaningful, full-time, productive work for individuals between the ages of 16 and 25, inclusive, in an urban or public works or transportation setting;
(B) gives participants a mix of work experience, basic and life skills, education, training, and support services; and
(C) provides participants with the opportunity to develop citizenship values and skills through service to their communities and the United States.
(4) Secretary
The term “Secretary” means the Secretary of Housing and Urban Development or the Secretary of Transportation.
(5) State
The term “State” means any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, the Virgin Islands of the United States, American Samoa, and the Commonwealth of the Northern Mariana Islands.

(d) Establishment of Urban Youth Corps
(1) Establishment
There is hereby established in the Department of Housing and Urban Development and the Department of Transportation an Urban Youth Corps. The Corps shall consist of individuals between the ages of 16 and 25, inclusive, who are enrolled as participants in the Corps by the Secretary of Housing and Urban Development and the Secretary of Transportation. To be eligible for enrollment in the Corps, an individual shall satisfy the criteria specified in section 139(b) of the National and Community Service Act of 1990 [42 U.S.C. 12599(b)]. The Secretaries may enroll such individuals in the Corps without regard to the civil service and classification laws, rules, or regulations of the United States. The Secretaries may establish a preference for the enrollment in the Corps of individuals who are economically, physically, or educationally disadvantaged.

(2) Use of qualified urban youth corps
The Secretaries are authorized to enter into contracts and cooperative agreements with any qualified urban youth corps to perform appropriate service projects described in paragraph (3). As part of the Urban Youth Corps established in the Department of Transportation, the Secretary of Transportation may make grants to States (and through States to local governments) for the purpose of establishing, operating, or supporting qualified urban youth corps that will perform appropriate service projects relating to transportation resources or facilities.

(3) Service projects
The Secretaries may each utilize the Corps or any qualified urban youth corps to carry out appropriate service projects that the Secretary involved is authorized to carry out under other authority of law involving public housing projects or public works resources or facilities.

(4) Preference for certain projects
In selecting an appropriate service project to be carried out under this section, the Secretaries shall give a preference to those projects which—
(A) will provide long-term benefits to the public;
(B) will instill in the participant a work ethic and a sense of public service;
(C) will be labor intensive;
(D) can be planned and initiated promptly; and
(E) will provide academic, experiential, or community education opportunities.

(5) Consistency
Each appropriate service project carried out under this section in any public housing project or public works resource or facility shall be consistent with the provisions of law.
and policies relating to the management and administration of such projects, facilities, or resources, with all other applicable provisions of law, and with all management, operational, and other plans and documents which govern the administration of such projects, facilities, or resources.

(e) Living allowances

The Secretaries shall provide each participant in the Urban Youth Corps with a living allowance in an amount not to exceed the maximum living allowance authorized by section 140(a)(3) of the National and Community Service Act of 1990 for participants in a national service program assisted under subtitle C of title I of such Act [42 U.S.C. 12571 et seq.].

(f) Terms of service

Each participant in the Urban Youth Corps shall agree to participate in the Corps for a term of service established by the Secretary involved, consistent with the terms of service required under section 139(b) of the National and Community Service Act of 1990 [42 U.S.C. 12593(b)] for participants in a national service program assisted under subtitle C of title I of such Act [42 U.S.C. 12571 et seq.].

(g) Educational awards

(1) Eligibility

Each participant in the Urban Youth Corps shall be eligible for a national service educational award in the manner prescribed in subtitle D of title I of the National and Community Service Act of 1990 [42 U.S.C. 12601 et seq.] if such participant complies with such requirements as may be established under this subtitle by the Secretary involved respecting eligibility for the award. The period during which the award may be used, the purposes for which the award may be used, and the amount of the award shall be determined as provided under such subtitle.

(2) Forbearance in the collection of Stafford loans

For purposes of section 1078 of title 20, in the case of borrowers who are participants in the Urban Youth Corps, upon written request, a lender shall grant a borrower forbearance on such terms as are otherwise consistent with the regulations of the Secretary of Education, during periods in which the borrower is serving as such a participant and eligible for a national service educational award under paragraph (1).

(h) Nondisplacement

The nondisplacement requirements of section 177 of the National and Community Service Act of 1990 [42 U.S.C. 12637] shall be applicable to all activities carried out by the Urban Youth Corps and to all activities carried out under this section by a qualified urban youth corps.

(i) Cost sharing

(1) Projects by qualified urban youth corps

The Secretaries are each authorized to pay not more than 75 percent of the costs of any appropriate service project carried out pursuant to this section by a qualified urban youth corps. The remaining 25 percent of the costs of such a project may be provided from non-federal sources in the form of funds, services, facilities, materials, equipment, or any combination of the foregoing.

(2) Donations

The Secretaries are each authorized to accept donations of funds, services, facilities, materials, or equipment for the purposes of operating the Urban Youth Corps and carrying out appropriate service projects by the Corps. However, nothing in this section shall be construed to require any cost sharing for any project carried out directly by the Corps.

(3) Funds available under National and Community Service Act

In order to carry out the Urban Youth Corps or to support qualified urban youth corps under this section, the Secretaries shall be eligible to apply for and receive assistance under section 121(b) of the National and Community Service Act of 1990 [42 U.S.C. 12571(b)].


REFERENCES IN TEXT

Section 140(a)(3) of the National and Community Service Act of 1990, referred to in subsec. (e), was redesignated section 140(a)(2) of the Act by Pub. L. 111–13, title I, §1315(1)(C), Apr. 21, 2009, 123 Stat. 1511, and is classified to section 12594(a)(2) of this title.

The National and Community Service Act of 1990, referred to in subsecs. (e), (f), and (g)(1), is Pub. L. 101–610, Nov. 16, 1990, 104 Stat. 3127. Subtitles C and D of title I of the Act are classified generally to divisions C (§12571 et seq.) and D (§12601 et seq.), respectively, of this subchapter. For complete classification of this Act to the Code, see Short Title note set out under section 12501 of this title and Tables.

CODIFICATION

Section was enacted as part of the National and Community Service Trust Act of 1993, and not as part of the National and Community Service Act of 1990 which comprises this chapter.

EFFECTIVE DATE

Section effective Oct. 1, 1993, see section 123 of Pub. L. 103–82, set out as an Effective Date of 1993 Amendment note under section 1701 of Title 16, Conservation.

Division K—Training and Technical Assistance

§ 12657. Training and technical assistance

(a) In general

The Corporation shall, directly or through grants, contracts, or cooperative agreements (including through State Commissions), conduct appropriate training for and provide technical assistance to—

(1) programs receiving assistance under the national service laws; and

(2) entities (particularly entities in rural areas and underserved communities) that desire to—

(A) carry out or establish national service programs; or

(B) apply for assistance (including sub-grants) under the national service laws.

1 See References in Text note below.
(b) Activities included

Such training and technical assistance activities may include—

(1) providing technical assistance to entities applying to carry out national service programs or entities carrying out national service programs;

(2) promoting leadership development in national service programs;

(3) improving the instructional and programmatic quality of national service programs;

(4) developing the management and budgetary skills of individuals operating or overseeing national service programs, including developing skills to increase the cost effectiveness of the programs under the national service laws;

(5) providing for or improving the training provided to the participants in programs under the national service laws;

(6) facilitating the education of individuals participating in national service programs in risk management procedures, including the training of participants in appropriate risk management practices;

(7) training individuals operating or overseeing national service programs—

(A) in volunteer recruitment, management, and retention to improve the abilities of such individuals to use participants and other volunteers in an effective manner, which training results in high-quality service and the desire of participants and volunteers to continue to serve in other capacities after the program is completed;

(B) in program evaluation and performance measures to inform practices to augment the capacity and sustainability of the national service programs; or

(C) to effectively accommodate individuals with disabilities to increase the participation of individuals with disabilities in national service programs, which training may utilize funding from the reservation of funds under section 12581(k) of this title to increase the participation of individuals with disabilities;

(8) establishing networks and collaboration among employers, educators, and other key stakeholders in the community to further leverage resources to increase local participation in national service programs, and to coordinate community-wide planning and service with respect to national service programs;

(9) providing training and technical assistance for the National Senior Service Corps, including providing such training and technical assistance to programs receiving assistance under section 5001 of this title; and

(10) carrying out such other activities as the Chief Executive Officer determines to be appropriate.

c) Priority

In carrying out this section, the Corporation shall give priority to programs under the national service laws and entities eligible to establish such programs that seek training or technical assistance and that—

(1) seek to carry out high-quality programs where the services are needed most;
(2) Identified projects
The administrative organization may identify approximately the estimated number of community-based national and community service projects that meet the requirements of subsection (d). The administrative organization may name projects in honor of victims described in subsection (b)(1)(A), after obtaining the permission of an appropriate member of the victim’s family and the entity carrying out the project.

(c) Eligible entities
To be eligible to have a project named under this section, the entity carrying out the project shall be a political subdivision of a State, a business, a nonprofit organization (which may be a religious organization), an Indian tribe, or an institution of higher education.

(d) Projects
The administrative organization shall name, under this section, projects—

(1) that advance the goals of unity, and improving the quality of life in communities; and
(2) that will be planned, or for which implementation will begin, within a reasonable period after January 10, 2002, as determined by the administrative organization.

(e) Website and database
The administrative organization shall create and maintain websites and databases, to describe projects named under this section and serve as appropriate vehicles for recognizing the projects.


PRIOR PROVISIONS


A prior section 12673, Pub. L. 101–610, title IV, § 403, Nov. 16, 1990, 104 Stat. 3185, provided that model Good Samaritan Food Donation Act was intended only to serve as model law for enactment by States, District of Columbia, Commonwealth of Puerto Rico, and territories and possessions of United States, and that enactment of section 12672 of this title was to have no force or effect in law, prior to repeal by Pub. L. 104–210, § 1(a)(1), Oct. 1, 1996, 110 Stat. 3011.

AMENDMENTS
2009—Subsec. (a). Pub. L. 111–13, § 1831(b)(1), substituted “term ‘administrative organization’ means a nonprofit private organization that enters into an agreement with the Corporation to carry out this section,” for “term ‘Foundation’ means the Points of Light Foundation funded under section 301, or another nonprofit private organization, that enters into an agreement with the Corporation to carry out this section,”.

Subsecs. (b), (d), (e). Pub. L. 111–13, § 1831(b)(2), substituted “administrative organization” for “Foundation” wherever appearing.
assistance under division C of subchapter I and to provide national service educational awards under division D of subchapter I for the number of participants described in section 12571(f)(1) of this title for each such fiscal year.

(3) Division E
(A) In general
There are authorized to be appropriated to operate the National Civilian Community Corps and provide financial assistance under division E of subchapter I, such sums as may be necessary for each of fiscal years 2010 through 2014.

(B) Priority
Notwithstanding any other provision of this chapter, in obligating the amounts made available pursuant to the authorization of appropriations in this paragraph, priority shall be given to programs carrying out activities in areas for which the President has declared the existence of a major disaster, in accordance with section 5170 of this title, including a major disaster as a consequence of Hurricane Katrina or Rita.

(4) Division H
(A) Authorization
There are authorized to be appropriated such sums as may be necessary for each of fiscal years 2010 through 2014 to provide financial assistance under division H of subchapter I.

(B) Section 12653b
Of the amount authorized under subparagraph (A) for a fiscal year, such sums as may be necessary shall be made available to provide financial assistance under section 12653b of this title and to provide national service educational awards under division D of subchapter I to the number of participants in national service positions established or increased as provided in section 12653(b)(3) of this title for such year.

(C) Section 12653c
Of the amount authorized under subparagraph (A) for a fiscal year, $12,000,000 shall be made available to provide financial assistance under section 12653b of this title and to provide national service educational awards under division D of subchapter I.

(D) Section 12653h
Of the amount authorized under subparagraph (A) for a fiscal year, such sums as may be necessary shall be made available to provide financial assistance under section 12653b of this title.

(E) Section 12653k
Of the amount authorized under subparagraph (A), there shall be made available to carry out section 12653k of this title—
(i) $50,000,000 for fiscal year 2010;
(ii) $60,000,000 for fiscal year 2011;
(iii) $70,000,000 for fiscal year 2012;
(iv) $80,000,000 for fiscal year 2013; and
(v) $100,000,000 for fiscal year 2014.

(F) Section 12653p
Of the amount authorized under subparagraph (A), there shall be made available to carry out section 12653p of this title—

(i) $50,000,000 for fiscal year 2010;
(ii) $60,000,000 for fiscal year 2011;
(iii) $70,000,000 for fiscal year 2012;
(iv) $80,000,000 for fiscal year 2013; and
(v) $100,000,000 for fiscal year 2014.

(5) Administration
(A) In general
There are authorized to be appropriated for the administration of this chapter, including financial assistance under section 12576(a) of this title, such sums as may be necessary for each of fiscal years 2010 through 2014.

(B) Corporation
Of the amounts appropriated under subparagraph (A) for a fiscal year, a portion shall be made available to provide financial assistance under section 12576(a) of this title.

(6) Evaluation, training, and technical assistance
Notwithstanding paragraphs (1), (2), and (4) and any other provision of law, of the amounts appropriated for a fiscal year under divisions B, C, and H of subchapter I of this chapter and under titles I and II of the Domestic Volunteer Service Act of 1973 [42 U.S.C. 4951 et seq., 5000 et seq.], the Corporation shall reserve not more than 2.5 percent to carry out sections 12529(e) and 12639a of this title and division K of subchapter I, of which $1,000,000 shall be used by the Corporation to carry out section 12639a of this title. Notwithstanding subsection (b), amounts so reserved shall be available only for the fiscal year for which the amounts are reserved.

(b) Availability of appropriations
Funds appropriated under this section shall remain available until expended.

(Pub. L. 101–610, title V, § 501, Nov. 16, 1990, 104 Stat. 3127, which is classified to the Code, see Short Title note set out under section 4950 of this title and Tables.)

REFERENCES IN TEXT

AMENDMENTS
2009—Subsec. (a). Pub. L. 111–13, § 1841(1), added subsec. (a) and struck out former subsec. (a) which authorized appropriations for subchapter I of this chapter.

1 See References in Text note below.
Subsecs. (b) to (d), Pub. L. 111–13, §1841(2), (3), redesignated subsec. (c) as (b) and struck out former subsec. (b), which authorized appropriations for subchapter II of this chapter, and subsec. (d), which specified the budget function for the appropriations authorized in this section.

1989—Pub. L. 101-166 §1(b), Sept. 21, 1989, 103 Stat. 879, provided that: "The amendment made by subsection (a) [amending this section] shall take effect on October 1, 1993."

§ 12682. Actions under national service laws to be subject to availability of appropriations

No action involving the obligation or expenditure of funds may be taken under one of the national service laws (as defined in section 12511(15) of this title) unless and until the Corporation for National and Community Service has sufficient appropriations available at the time such action is taken to satisfy the obligation to be incurred or make the expenditure to be made.


REFERENCES IN TEXT

Section 12511(15) of this title, referred to in text, was redesignated section 12511(26) by Pub. L. 111–13, title I, §1102(b)(1), Apr. 21, 2009, 123 Stat. 1467.

CODIFICATION

Section enacted as part of the National and Community Service Trust Act of 1990, and not as part of the National and Community Service Act of 1990 which comprises this chapter.

CHAPTER 130—NATIONAL AFFORDABLE HOUSING

SUBCHAPTER I—GENERAL PROVISIONS AND POLICIES

Sec.
12701. National housing goal.
12702. Objective of national housing policy.
12704. Definitions.
12705. State and local housing strategies.

1See References in Text note below.

§ 12705a. Purposes of Removal of Regulatory Barriers to Affordable Housing Act.
§ 12705b. Definition of regulatory barriers to affordable housing.
§ 12705c. Grants for regulatory barrier removal strategies and implementation.
§ 12705d. Regulatory barriers clearinghouse.
§ 12706. Certification.
§ 12707. Citizen participation.
§ 12708. Compliance.
§ 12709. Energy efficiency standards.
§ 12710. Capacity study.
§ 12711. Protection of State and local authority.
§ 12712. 5-year energy efficiency plan.
§ 12713. Eligibility under first-time homebuyer programs.
§ 12714. Repealed.

SUBCHAPTER II—INVESTMENT IN AFFORDABLE HOUSING

§ 12715. Findings.
§ 12722. Purposes.
§ 12723. Coordinated Federal support for housing strategies.
§ 12724. Authorization.
§ 12725. Notice.

PART A—HOME INVESTMENT PARTNERSHIPS

§ 12741. Authority.
§ 12742. Eligible uses of investment.
§ 12743. Development of model programs.
§ 12744. Income targeting.
§ 12745. Qualification as affordable housing.
§ 12746. Participation by States and local governments.
§ 12747. Allocation of resources.
§ 12748. HOME Investment Trust Funds.
§ 12749. Repayment of investment.
§ 12750. Matching requirements.
§ 12751. Private-public partnership.
§ 12752. Distribution of assistance.
§ 12753. Penalties for misuse of funds.
§ 12754. Limitation on jurisdictions under court order.
§ 12755. Tenant and participant protections.
§ 12756. Monitoring of compliance.

PART B—COMMUNITY HOUSING PARTNERSHIP

§ 12771. Set-aside for community housing development organizations.
§ 12772. Project-specific assistance to community housing development organizations.
§ 12773. Housing education and organizational support.
§ 12774. Other requirements.

PART C—OTHER SUPPORT FOR STATE AND LOCAL HOUSING STRATEGIES

§ 12781. Authority.
§ 12782. Priorities for capacity development.
§ 12783. Conditions of contracts.
§ 12784. Research in housing affordability.
§ 12785. REACH: asset recycling information dissemination.

PART D—SPECIFIED MODEL PROGRAMS

§ 12801. General authority.
§ 12802. Rental housing production.
§ 12803. Rental rehabilitation.
§ 12804. Rehabilitation loans.
§ 12805. Sweat equity model program.
§ 12806. Home repair services grants for older and disabled homeowners.
§ 12807. Low-income housing conservation and efficiency grant programs.
§ 12808. Second mortgage assistance for first-time homebuyers.
§ 12809. Rehabilitation of State and local government in rem properties.
12810. Cost-saving building technologies and construction techniques.

PART E—OTHER ASSISTANCE

12821. Omitted.

PART F—GENERAL PROVISIONS

12831. Equal opportunity.
12832. Nondiscrimination.
12833. Audits by Comptroller General.
12834. Uniform recordkeeping and reports to Congress.
12835. Citizen participation.
12836. Labor.
12837. Interstate agreements.
12838. Environmental review.
12839. Termination of existing housing programs.
12840. Suspension of requirements for disaster areas.

SUBCHAPTER III—NATIONAL HOMEOWNERSHIP TRUST DEMONSTRATION

12851. National Homeownership Trust.
12852. Assistance for first-time homebuyers.
12854. Definitions.
12855. Regulations.
12857. Authorization of appropriations.
12858. Transition.
12859. Termination.

SUBCHAPTER IV—HOPE FOR HOMEOWNERSHIP OF MULTIFAMILY AND SINGLE FAMILY HOMES

12860. Authorization of appropriations.

PART A—HOPE FOR HOMEOWNERSHIP OF MULTIFAMILY UNITS

12871. Program authority.
12872. Planning grants.
12873. Implementation grants.
12874. Homeownership program requirements.
12875. Other program requirements.
12876. Definitions.
12877. Exemption.
12878. Limitation on selection criteria.
12879. Implementation.

PART B—HOPE FOR HOMEOWNERSHIP OF SINGLE FAMILY HOMES

12891. Program authority.
12892. Planning grants.
12893. Implementation grants.
12894. Homeownership program requirements.
12895. Other program requirements.
12896. Definitions.
12897. Limitation on selection criteria.
12898. Implementation.
12898a. Enterprise zone homeownership opportunity grants.

PART C—HOPE FOR YOUTH: YOUTHBUILD

12899 to 12899. Repealed.

SUBCHAPTER I—GENERAL PROVISIONS AND POLICIES

§ 12701. National housing goal

The Congress affirms the national goal that every American family be able to afford a decent home in a suitable environment.

(Pub. L. 101–625, title I, § 101, Nov. 28, 1990, 104 Stat. 4079, provided that: ‘‘This Act [see Tables for classification] may be cited as the ‘Cranston-Gonzalez National Affordable Housing Act’.‘‘)

SHORT TITLE

Pub. L. 101–625, title I, § 101, Nov. 28, 1990, 104 Stat. 4079, provided that: ‘‘This title [amending sections 5307, 12705c, and 12705d of this title] may be cited as the ‘Housing Affordability Barrier Removal Act of 2000’.‘‘

SHORT TITLE

Pub. L. 101–625, § 101, Nov. 28, 1990, 104 Stat. 4079, provided that: ‘‘This title [amending sections 5307, 12705c, and 12705d of this title] may be cited as the ‘Housing Affordability Barrier Removal Act of 2000’.‘‘

§ 12702. Objective of national housing policy

The objective of national housing policy shall be to reaffirm the long-established national commitment to decent, safe, and sanitary housing for every American by strengthening a nationwide partnership of public and private institutions able—

(1) to ensure that every resident of the United States has access to decent shelter or assistance in avoiding homelessness;
(2) to increase the Nation’s supply of decent housing that is affordable to low-income and moderate-income families and accessible to job opportunities;
(3) to improve housing opportunities for all residents of the United States, particularly members of disadvantaged minorities, on a nondiscriminatory basis;
(4) to help make neighborhoods safe and livable;
§ 12703. Purposes of Cranston-Gonzalez National Affordable Housing Act

The purposes of this Act are—

1. To help families not owning a home to save for a down payment for the purchase of a home;
2. To retain wherever feasible as housing affordable to low-income families those dwelling units produced for such purpose with Federal assistance;
3. To extend and strengthen partnerships among all levels of government and the private sector, including for-profit and nonprofit organizations, in the production and operation of housing affordable to low-income and moderate-income families;
4. To expand and improve Federal rental assistance for very low-income families; and
5. To increase the supply of supportive housing, which combines structural features and services needed to enable persons with special needs to live with dignity and independence.


REFERENCES IN TEXT

This Act, referred to in text, is Pub. L. 101–625, Nov. 28, 1990, 104 Stat. 4079, known as the Cranston-Gonzalez National Affordable Housing Act. For complete classification of this Act to the Code, see Short Title note set out under section 12701 of this title and Tables.

§ 12704. Definitions

As used in this subchapter and in subchapter II:

1. The term “unit of general local government” means a city, town, township, county, parish, village, or other general purpose political subdivision of a State; the Federated States of Micronesia and Palau, the Marshall Islands, or a general purpose political subdivision thereof; a consortium of such political subdivisions recognized by the Secretary in accordance with section 12746(2) of this title; and any agency or instrumentality thereof that is established pursuant to legislation and designated by the chief executive officer to act on behalf of the jurisdiction with regard to provisions of this Act.

2. The term “State” means any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, or any agency or instrumentality thereof that is established pursuant to legislation and designated by the chief executive officer to act on behalf of the State with regard to the provisions of this Act.

3. The term “jurisdiction” means a State or unit of general local government.

4. The term “participating jurisdiction” means any State or unit of general local government that has been so designated in accordance with section 12746 of this title.

5. The term “nonprofit organization” means any private, nonprofit organization (including a State or locally chartered, nonprofit organization) that—

A. is organized under State or local laws,
B. has no part of its net earnings inuring to the benefit of any member, founder, contributor, or individual,
C. complies with standards of financial accountability acceptable to the Secretary, and
D. has among its purposes significant activities related to the provision of decent housing that is affordable to low-income and moderate-income persons.

6. The term “community housing development organization” means a nonprofit organization as defined in paragraph (5), that—

A. has among its purposes the provision of decent housing that is affordable to low-income and moderate-income persons,
B. maintains, through significant representation on the organization’s governing board and otherwise, accountability to low-income community residents and, to the extent practicable, low-income beneficiaries with regard to decisions on the design, siting, development, and management of affordable housing;
C. has a demonstrated capacity for carrying out activities assisted under this Act; and
D. has a history of serving the local community or communities within which housing to be assisted under this Act is to be located.

In the case of an organization serving more than one county, the Secretary may not require that such organization, to be considered a community housing development organization for purposes of this Act, include as members on the organization’s governing board low-income persons residing in each county served.


8. The term “housing” includes manufactured housing and manufactured housing lots and elderly cottage housing opportunity units that are small, free-standing, barrier-free, energy-efficient, removable, and designed to be installed adjacent to existing 1- to 4-family dwellings.

9. The term “very low-income families” means low-income families whose incomes do not exceed 50 percent of the median family income for the area, as determined by the Secretary with adjustments for smaller and larger families, except that the Secretary may establish income ceilings higher or lower than 50 percent of the median for the area on the basis...
of the Secretary’s findings that such variations are necessary because of prevailing levels of construction costs or fair market rents, or unusually high or low family incomes.

(10) The term "low-income families" means families whose incomes do not exceed 80 percent of the median for the area on the basis of the Secretary’s findings that such variations are necessary because of prevailing levels of construction costs or fair market rents, or unusually high or low family incomes.

(11) The term "families" has the same meaning given that term by section 1437a of this title.

(12) The term "security" has the same meaning as in section 77b of title 15.

(13) The term "displaced homemaker" means an individual who—
(A) is an adult;
(B) has not worked full-time full-year in the labor force for a number of years but has, during such years, worked primarily without remuneration to care for the home and family; and
(C) is unemployed or underemployed and is experiencing difficulty in obtaining or upgrading employment.

(14) The term "first-time homebuyer" means an individual and his or her spouse who have not owned a home during the 3-year period prior to purchase of a home with assistance under subchapter II, except that—
(A) any individual who is a displaced homemaker may not be excluded from consideration as a first-time homebuyer under this paragraph on the basis that the individual, while a homemaker, owned a home with his or her spouse or resided in a home owned by the spouse;
(B) any individual who is a single parent may not be excluded from consideration as a first-time homebuyer under this paragraph on the basis that the individual, while married, owned a home with his or her spouse or resided in a home owned by the spouse;
(C) an individual shall not be excluded from consideration as a first-time homebuyer under this paragraph on the basis that the individual owns or owned, as a principal residence during such 3-year period, a dwelling unit whose structure is—
(i) not permanently affixed to a permanent foundation in accordance with local or other applicable regulations, or
(ii) not in compliance with State, local, or model building codes, and cannot be brought into compliance with such codes for less than the cost of constructing a permanent structure.

(15) The term "single parent" means an individual who—
(A) is unmarried or legally separated from a spouse; and
(B)(i) has 1 or more minor children for whom the individual has custody or joint custody; or
(ii) is pregnant.

(16) The term "Secretary" means the Secretary of Housing and Urban Development, unless otherwise specified in this Act.

(17) The term "substantial rehabilitation" means the rehabilitation of residential property at an average cost in excess of $25,000 per dwelling unit.

(18) The term "public housing agency" has the meaning given the term in section 1437a(b) of this title.

(19) The term "metropolitan city" has the meaning given the term in section 5302(a)(4) of this title.

(20) The term "urban county" has the meaning given the term in section 5302(a)(6) of this title.

(21) The term "certification" means a written assertion, based on supporting evidence, which shall be kept available for inspection by the Secretary, the Inspector General and the public, which assertion shall be deemed to be accurate for purposes of this Act, unless the Secretary determines otherwise after inspecting the evidence and providing due notice and opportunity for comment.

(22) The term "to demonstrate to the Secretary" means to submit to the Secretary a written assertion together with supporting evidence that, in the determination of the Secretary, supports the accuracy of the assertion.

(23) The term "first-time homebuyer under this paragraph on the basis that the individual owns or owned, as a principal residence during such 3-year period, a dwelling unit whose structure is—
(i) not permanently affixed to a permanent foundation in accordance with local or other applicable regulations, or
(ii) not in compliance with State, local, or model building codes, and cannot be brought into compliance with such codes for less than the cost of constructing a permanent structure.

(24) The term "energy efficient mortgage" means a mortgage that provides financing incentives for the purchase of energy efficient homes, or that provides financing incentives to make energy efficiency improvements in existing homes by incorporating the cost of such improvements in the mortgage.

(25) The term "energy efficient mortgage" means a mortgage that provides financing incentives for the purchase of energy efficient homes, or that provides financing incentives to make energy efficiency improvements in existing homes by incorporating the cost of such improvements in the mortgage.


REFERENCES IN TEXT

This Act, referred to in pars. (1), (2), (6), (16), and (21), is Pub. L. 101–625, Nov. 28, 1990, 104 Stat. 4079, as amended, known as the Cranston-Gonzalez National Affordable Housing Act. For complete classification of this Act to the Code, see Short Title note set out under section 12701 of this title and Tables.

AMENDMENTS

1994—Par. (2). Pub. L. 103–233 struck out “and” after “Columbia,” and inserted before period at end “, or

1 So in original. Probably should be “(22)”.

2 So in original. Two pars. (24) have been enacted.
any agency or instrumentality thereof that is established pursuant to legislation and designated by the chief executive officer to act on behalf of the State with respect to the provisions of this Act''.


Par. (8). Pub. L. 102–550, §218, inserted before period at end "and elder cottage housing opportunity units that are small, free-standing, barrier-free, energy-efficient, removable, and designed to be installed adjacent to existing 1- to 4-family dwellings".


Pub. L. 102–486 added par. (24) defining "energy efficient mortgage".


1991—Par. (1). Pub. L. 102–203, §2(1), directed the substitution of "the insular areas" for "Guam, the Northern Marianas Islands, the Virgin Islands, American Samoa, the Federated States of Micronesia and Palau, the Marshall Islands". See 1992 Amendment note above.

Pub. L. 102–229 struck out "Guam, the Northern Mariana Islands, the Virgin Islands, American Samoa," after "of a State":

Par. (24). Pub. L. 102–230, §2(2), directed the addition of a par. (24) to read as follows: "(24) The term 'insular areas' means Guam, the Northern Mariana Islands, the United States Virgin Islands, and American Samoa.''

See 1992 Amendment note above.

Pub. L. 102–229 added par. (24) defining "insular area".

**Effective Date of 1994 Amendment**

Amendment by Pub. L. 103–233 applicable with respect to any amounts made available to carry out subchapter II (§12721 et seq.) of this chapter after Apr. 11, 1994, and any amounts made available to carry out that subchapter before that date that remain uncommitted on that date, with Secretary to issue any regulations necessary to carry out such amendment not later than end of 45-day period beginning on that date, see section 209 of Pub. L. 103–233, set out as a note under section 5301 of this title.

**Effective Date of 1992 Amendment**

Pub. L. 102–550, title II, §211(b), Oct. 28, 1992, 106 Stat. 3757, provided that: "The amendments made by subsection (a) [amending this section and section 12747 of this title] shall apply with respect to fiscal year 1993 and thereafter."


**Regulations**

Pub. L. 102–550, title II, §222, Oct. 28, 1992, 106 Stat. 3762, provided that: "The Secretary of Housing and Urban Development shall issue any final regulations necessary to implement the provisions of this title [enacting section 12810 of this title, amending this section and sections 12705, 12724, 12742, 12745 to 12748, 12750, 12751, 12771, 12773, 12774, 12782, and 12784 of this title, and enacting provisions set out as notes under this section and sections 12746, 12747, and 12750 of this title] and the amendments made by this title not later than the expiration of the 180-day period beginning on the date of the enactment of this Act (Oct. 28, 1992), except as expressly provided otherwise in this title and the amendments made by this title. Such regulations shall be issued after notice and opportunity for public comment pursuant to the provisions of section 553 of title 5, United States Code (notwithstanding subsections (a)(2), (b)(B), and (d)(3) of such section)."

**Transition Rule**

Pub. L. 102–550, title II, §217(b), Oct. 28, 1992, 106 Stat. 3760, provided that: "For the purposes of determining compliance with the requirements of section 104(d) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12704(d)), the Secretary of Housing and Urban Development may provide an exception for organizations that meet the definition of community housing development organization, except for significant representation of low-income community residents on the board, if such organization fulfills such requirement within 6 months of receiving funds under title II of such Act (42 U.S.C. 12721 et seq.) or September 30, 1993, whichever is sooner."

§ 12705. State and local housing strategies

(a) In general

The Secretary shall provide assistance directly to a jurisdiction only if—

1. the jurisdiction submits to the Secretary a comprehensive housing affordability strategy (hereafter in this section referred to as the "housing strategy");

2. the jurisdiction submits annual updates of the housing strategy; and

3. the housing strategy, and any annual update of such strategy, is approved by the Secretary.

The Secretary shall establish such dates and manner for the submission and approval of housing strategies under this section that the Secretary determines will facilitate orderly program management by jurisdictions and provide for timely investment or other use of funds made available under subchapter II of this chapter and other programs requiring submission of a housing strategy. If the Secretary finds there is good cause, the Secretary may provide reasonable extensions of any deadlines for submission of a jurisdiction’s housing strategy.

(b) Contents

A housing strategy submitted under this section shall be in a form that the Secretary determines to be appropriate for the assistance the jurisdiction may be provided and shall—

1. describe the jurisdiction’s estimated housing needs projected for the ensuing 5-year period, and the jurisdiction’s need for assistance for very low-income, low-income, and moderate-income families, specifying such needs for different types of tenure and for different categories of residents, such as very low-income, low-income, and moderate-income families, the elderly, persons with disabilities, single persons, large families, residents of non-metropolitan areas, families who are participating in an organized program to achieve economic independence and self-sufficiency, persons with acquired immunodeficiency syndrome, victims of domestic violence, dating violence, sexual assault, and stalking and other categories of persons residing in or expected to reside in the jurisdiction that the Secretary determines to be appropriate;
(2) describe the nature and extent of homelessness, including rural homelessness, within the jurisdiction, providing an estimate of the special needs of various categories of persons who are homeless or threatened with homelessness, including an inventory of facilities and services that meet such needs within that jurisdiction; and (C) helping homeless persons make the transition to permanent housing and independent living;

(3) describe the significant characteristics of the jurisdiction’s housing market, indicating how those characteristics will influence the use of funds made available for rental assistance, production of new units, rehabilitation of old units, or acquisition of existing units;

(4) explain whether the cost of housing or the incentives to develop, maintain, or improve affordable housing in the jurisdiction are affected by public policies, particularly by policies of the jurisdiction, including tax policies affecting land and other property, land use controls, zoning ordinances, building codes, fees and charges, growth limits, and policies that affect the return on residential investment, and describe the jurisdiction’s strategy to remove or ameliorate negative effects, if any, of such policies, except that, if a State requires a unit of general local government to submit a regulatory barrier assessment that is substantially equivalent to the information required under this paragraph, as determined by the Secretary, the unit of general local government may submit its assessment submitted to the State to the Secretary and shall be considered to have complied with this paragraph;

(5) explain the institutional structure, including private industry, nonprofit organizations, and public institutions, through which the jurisdiction will carry out its housing strategy, assessing the strengths and gaps in that delivery system and describing what the jurisdiction will do to overcome those gaps;

(6) indicate resources from private and non-Federal public sources that are reasonably expected to be made available to carry out the purposes of this Act, explaining how funds made available will leverage those additional resources and identifying, where the jurisdiction deems it appropriate, publicly owned land or property located within the jurisdiction that may be utilized to carry out the purposes of this Act;

(7) set forth the jurisdiction’s plan for investment or other use of housing funds made available under subchapter II of this chapter, the United States Housing Act of 1937 [42 U.S.C. 1437 et seq.], the Housing and Community Development Act of 1974, and the McKinney-Vento Homeless Assistance Act [42 U.S.C. 11301 et seq.], during the ensuing year or such longer period as the Secretary determines to be appropriate, indicating the general priorities for allocating investment geographically within the jurisdiction and among different activities and housing needs;

(8) describe how the jurisdiction’s plan will address the housing needs identified pursuant to subparagraphs 1 and 2, describe the reasons for allocation priorities, and identify any obstacles to addressing underserved needs;

(9) describe the means of cooperation and coordination among the State and any units of general local government in the development, submission, and implementation of their housing strategies;

(10) in the case of a unit of local government, describe the number of public housing units in the jurisdiction, the physical condition of such units, the restoration and revitalization needs of public housing projects within the jurisdiction, the public housing agency’s strategy for improving the management and operation of such public housing, and the public housing agency’s strategy for improving the living environment of low- and very-low-income families residing in public housing;

(11) describe the manner in which the plan of the jurisdiction will help address the needs of public housing;

(12) in the case of a State, describe the strategy to coordinate the Low-Income Tax Credit with development of housing, including public housing, that is affordable to very low-income and low-income families;

(13) describe the jurisdiction’s activities to encourage public housing residents to become more involved in management and participate in homeownership;

(14) describe the standards and procedures according to which the jurisdiction will monitor activities authorized under this Act and ensure long-term compliance with the provisions of this Act;

(15) include a certification that the jurisdiction will affirmatively further fair housing;

(16) include a certification that the jurisdiction has in effect and is following a residential antidisplacement and relocation assistance plan that, in any case of any such displacement in connection with any activity assisted with amounts provided under subchapter II, requires the same actions and provides the same rights as required and provided under a residential antidisplacement and relocation assistance plan under section 104(d) of the Housing and Community Development Act of 1974 [42 U.S.C. 5304(d)] in the event of displacement in connection with a development project assisted under section 106 or 119 of such Act [42 U.S.C. 5306, 5318];

(17) estimate the number of housing units within the jurisdiction that are occupied by low-income families or very low-income families and that contain lead-based paint hazards, as defined in section 4851b of this title, outline the actions proposed or being taken to evaluate and reduce lead-based paint hazards, and describe how lead-based paint hazard reduction will be integrated into housing policies and programs;

(18) include the number of families to whom the jurisdiction will provide affordable hous-

1 So in original. Probably should be “paragraphs”.
§ 12705

The Secretary may provide for the submission of abbreviated housing strategies by jurisdictions that are not otherwise expected to be participating jurisdictions under subchapter II of this chapter. Such an abbreviated housing strategy will be coordinated with other programs and services for which the jurisdiction is responsible and the extent to which they will reduce (or assist in reducing) the number of households with incomes below the poverty line; and

(20) describe the jurisdictions activities to enhance coordination between public and assisted housing providers and private and governmental health, mental health, and service agencies.

(c) Approval

(1) In general

The Secretary shall review the housing strategy upon receipt. Not later than 60 days after receipt by the Secretary, the housing strategy shall be approved unless the Secretary determines before that date that (A) the housing strategy is inconsistent with the purposes of this Act, or (B) the information described in subsection (b) has not been provided in a substantially complete manner. For the purpose of the preceding sentence, the adoption or continuation of a public policy identified pursuant to subsection (b)(4) shall not be a basis for the Secretary's disapproval of a housing strategy. During the 18-month period following November 28, 1990, the Secretary may extend the review period to not longer than 90 days.

(2) Actions in case of disapproval

If the Secretary disapproves the housing strategy, the Secretary shall immediately notify the jurisdiction of such disapproval. Not later than 15 days after the Secretary's disapproval, the Secretary shall inform the jurisdiction in writing of (A) the reasons for disapproval, and (B) actions that the jurisdiction could take to meet the criteria for approval. If the Secretary fails to inform the jurisdiction of the reasons for disapproval within such 15-day period, the housing strategy shall be deemed to have been approved.

(3) Amendments and resubmission

The Secretary shall, for a period of not less than 45 days following the date of first disapproval, permit amendments to, or the resubmission of, any housing strategy that is disapproved. The Secretary shall approve or disapprove a housing strategy not less than 30 days after receipt of such amendments or resubmission.

(d) Coordination of State and local housing strategies

The Secretary may establish such requirements as the Secretary deems appropriate to encourage coordination between and among the housing strategies of a State and any participating jurisdictions within the State, except that a unit of general local government shall not be required to have elements of its housing strategy approved by the State.

(e) Consultation with social service agencies

(1) In general

When preparing a housing strategy for submission under this section, a jurisdiction shall make reasonable efforts to confer with appropriate social service agencies regarding the housing needs of children, elderly persons, persons with disabilities, homeless persons, and other persons served by such agencies.

(2) Lead-based paint hazards

When preparing that portion of a housing strategy required by subsection (b)(16), a jurisdiction shall consult with State or local health and child welfare agencies and examine the existing data related to lead-based paint hazards and poisonings, including health department data on the addresses of housing units in which children have been identified as lead poisoned.

(f) Barrier removal

Not later than 4 months after completion of the final report of the Secretary's Advisory Commission on Regulatory Barriers to Affordable Housing, the Secretary shall submit to the Congress a written report outlining the Secretary's recommendations for legislative and administrative actions to facilitate the removal or modification of excessive, duplicative, or unnecessary regulations or other requirements of Federal, State, or local governments that (1) inflate the costs of or otherwise inhibit the construction, rehabilitation, or management of housing, particularly housing that otherwise could be affordable to low-income and moderate-income families, or (2) contribute to economic or racial discrimination.

(g) Treatment of troubled public housing agencies

(1) Effect of troubled status on CHAS

The comprehensive housing affordability strategy (or any consolidated plan incorporating such strategy) for the State or unit of general local government in which any troubled public housing agency is located shall not be considered to comply with the requirements under this section unless such plan includes a description of the manner in which the State or unit will provide financial or other assistance to such troubled agency in improving its operations to remove such designation.

(2) Definition

For purposes of this subsection, the term "troubled public housing agency" means a
public housing agency that, upon the effective date of the Quality Housing and Work Responsibility Act of 1998, is designated under section 6(j)(2) of the United States Housing Act of 1937 (42 U.S.C. 1437d(j)(2)) as a troubled public housing agency.


REFERENCES IN TEXT

This Act, referred to in subsec. (b)(16), (14) and (c)(1), is Pub. L. 101–625, Nov. 28, 1990, 104 Stat. 4079, known as the Cranston-Gonzalez National Affordable Housing Act. For complete classification of this Act to the Code, see Short Title note set out under section 12701 of this title and Table.


AMENDMENTS


1992—Subsec. (b)(17). Pub. L. 102–550, § 220(a), redesignated par. (16), relating to housing units that contain lead-based paint hazards, as (17). Former par. (17), relating to reducing the number of households within a jurisdiction with incomes below the poverty line, redesignated (19), and former par. (17), relating to activities to enhance coordination, redesignated (20).

Subsec. (b)(18). Pub. L. 105–276, § 583(b)(B), redesignated par. (16), relating to number of families to whom jurisdiction will provide affordable housing, as (18).

Subsec. (b)(19). Pub. L. 105–276, § 583(c), redesignated par. (17), relating to reducing the number of households within a jurisdiction with incomes below the poverty line, as (19).

Subsec. (b)(20). Pub. L. 105–276, § 583(2), redesignated par. (17), relating to activities to enhance coordination, as (20).


Subsec. (b)(2). Pub. L. 102–550, § 220(a), inserted ‘‘, including rural homelessness,’’ after ‘‘extent of homelessness’’ and ‘‘including tabular representation of such information,’’ after ‘‘with homelessness.’’

Subsec. (b)(4). Pub. L. 102–550, § 1206, inserted before semicolon at end ‘‘, except that, if a State requires a unit of general local government to submit a regulatory barrier assessment that is substantially equivalent to the information required under this paragraph, as determined by the Secretary, the unit of general local government may submit its assessment submitted to the State to the Secretary and shall be considered to have complied with this paragraph.’’


Subsec. (b)(9). Pub. L. 102–550, § 220(c)(1), redesignated par. (8) as (9), and redesignated former par. (9) as (10), respectively.


Subsec. (c)(18). Pub. L. 102–550, § 220(b)(3), added at end par. (16) relating to reducing the number of households within a jurisdiction with incomes below the poverty line.

Subsec. (c)(19). Pub. L. 102–550, § 681(2), which directed amendment of subsec. (b) by adding ‘‘after paragraph (16), as added by the preceding provisions of this Act’’, a new par. (17) relating to activities to enhance coordination, was executed by adding that par. (17) after par. (17) (formerly par. (16), relating to reducing the number of households within a jurisdiction with incomes below the poverty line, to reflect the probable intent of Congress.


EFFECTIVE DATE OF 1998 AMENDMENT

Amendment by title V of Pub. L. 105–276 effective and applicable beginning upon Oct. 1, 1999, except as otherwise provided, with provision that Secretary may implement amendment before such date, except to extent that such amendment provides otherwise, and with savings provision, see section 503 of Pub. L. 105–276, set out as a note under section 1437 of this title.
§ 12705a. Purposes of Removal of Regulatory Barriers to Affordable Housing Act

The purposes of sections 12705a to 12705d of this title are—

(1) to encourage State and local governments to further identify and remove regulatory barriers to affordable housing (including barriers that are excessive, unnecessary, duplicative, or exclusionary) that significantly increase housing costs and limit the supply of affordable housing; and

(2) to strengthen the connection between Federal housing assistance and State and local efforts to identify and eliminate regulatory barriers.

By the authority vested in me as President by the Constitution and the laws of the United States of America, it is hereby ordered as follows:

Section 1. Purpose. For many Americans, access to affordable housing is becoming far too difficult. Rising housing costs are forcing families to dedicate larger shares of their monthly incomes to housing. In 2017, approximately 37 million renters and owner households spent more than 30 percent of their incomes on housing, with more than 18 million spending more than half of their incomes on housing. Between 2001 and 2017, the number of renter households as a percent of their incomes toward rent increased by nearly 45 percent. These rising costs are leaving families with fewer resources for necessities such as food, healthcare, clothing, education, and transportation, negatively affecting their quality of life and hindering their access to economic opportunity.

Driving the rise in housing costs is a lack of housing supply to meet demand. Federal, State, local, and tribal governments impose a multitude of regulatory barriers—laws, regulations, and administrative practices—that hinder the development of housing. These regulatory barriers include: overly restrictive zoning and growth management controls; rent controls; cumbersome building and rehabilitation codes; excessive energy and water efficiency mandates; unreasonable maximum-density allowances; historic preservation requirements; overly burdensome wetland or environmental regulations; outdated manufactured-housing regulations and restrictions; undue parking requirements; cumbersome and time-consuming permitting and review procedures; tax policies that discourage investment or reinvestment; overly complex labor requirements; and inordinate impact or developer fees. These regulatory barriers increase the costs associated with development, and, as a result, drive down the supply of affordable housing. They are the leading factor in the growth of housing prices across metropolitan areas in the United States. Many of the markets with the most severe shortages in affordable housing contend with the most restrictive State and local regulatory barriers to development.

These regulatory barriers impede our Nation’s economic growth. Hardworking American families struggle to live in markets where there is an insufficient supply of housing—even in markets generating a significant number of jobs. One recent study suggests that certain regulatory restrictions on housing supply have forced workers to live far away from high-productivity areas with the best available jobs, creating a geographic misallocation of labor between cities that may have decreased the annual economic growth rate in the United States by 36 percent between 1964 and 2009.

Low- and middle-income Americans are often hit the hardest by regulatory barriers to housing development. High housing costs place strains on household budgets, limit educational opportunities, impair workforce mobility, slow job creation, and increase financial risks. Furthermore, studies have consistently identified high housing prices as a primary determinant of homelessness, and research has directly linked more stringent housing market regulation to higher homelessness rates.

To help these populations, in 2018, the Federal Government invested more than $46 billion in rental assistance programs for low-income families—much of which grows at approximately 3 percent per annum while assisting a fixed number of households. The Federal Government provides additional housing support through the tax code, with over $9.1 billion in tax expenditures in Low-Income Housing Tax Credits (LIHTC) to developers of low-income housing. Generally, these Federal tax dollars are focused disproportionately on areas with high-cost and highly regulated housing markets.

But to improve housing affordability in a truly sustainable manner, we need innovative solutions—not simply increases in spending and subsidies for Federal housing. These solutions must address the regulatory barriers that are inhibiting the development of hous-
ing. If we fail to act, Federal subsidies will only continue to mask the true cost of these onerous regulatory barriers, and, as a result, many Americans will not be able to access the opportunities they deserve.

Sect. 2. Policy. It shall be the policy of my Administration to work with Federal, State, local, tribal, and private sector leaders to address, reduce, and remove the multitude of overly burdensome regulatory barriers that artificially raise the cost of housing development and help to cause the lack of housing supply. Increasing the supply of housing by removing overly burdensome regulatory barriers will reduce housing costs, boost economic growth, and provide more Americans with opportunities for economic mobility. In addition, it will strengthen American communities and the quality of services offered in them by allowing hardworking Americans to live in or near the communities they serve.

Sect. 3. White House Council on Eliminating Regulatory Barriers to Affordable Housing. There is hereby established a White House Council on Eliminating Regulatory Barriers to Affordable Housing (Council). The Council shall be chaired by the Secretary of Housing and Urban Development or his designee. The Assistant to the President for Domestic Policy and the Assistant to the President for Economic Policy, or their designees, shall be Vice Chairs.

(a) Membership. In addition to the Chair and Vice Chairs, the Council shall consist of the following officials, or their designees:

(i) the Secretary of the Treasury;
(ii) the Secretary of the Interior;
(iii) the Secretary of Agriculture;
(iv) the Secretary of Labor;
(v) the Secretary of Transportation;
(vi) the Secretary of Energy;
(vii) the Administrator of the Environmental Protection Agency;
(viii) the Director of the Office of Management and Budget;
(ix) the Chairman of the Council of Economic Advisers;
(x) the Deputy Assistant to the President and Director of Intergovernmental Affairs; and
(xi) the heads of such other executive departments and agencies (agencies) and offices as the President, Chair, or Vice Chairs may, from time to time, designate or invite, as appropriate.

(b) Administration. The Vice Chairs shall convene regular meetings of the Council, determine its agenda, and direct its work with the oversight of and in consultation with the Chair. The Department of Housing and Urban Development shall provide funding and administrative support for the Council.

Sect. 4. Mission and Functions of the Council. The Council shall work across agencies and offices, with consideration of existing initiatives, to:

(a) Solicit feedback from State, local, and tribal government officials, as well as relevant private-sector stakeholders, including developers, homebuilders, creditors, real estate professionals, manufacturers, academic researchers, renters, advocates, and homeowners, to:

(i) identify Federal, State, local, and tribal laws, regulations, and administrative practices that artificially raise the costs of housing development and contribute to shortages in housing supply, and

(ii) identify practices and strategies that most successfully reduce and remove burdensome Federal, State, local, and tribal laws, regulations, and administrative practices that artificially raise the costs of housing development, while highlighting actors that successfully implement such practices and strategies;

(b) Evaluate and quantify the effect that various Federal, State, local, and tribal regulatory barriers have on affordable housing development, and the economy in general, and identify ways to improve the data available to the public and private researchers who evaluate such effects, without violating privacy laws or creating unnecessary burdens;

(c) Identify and assess the actions each agency can take under existing authorities to minimize Federal regulatory barriers that unnecessarily raise the costs of housing development;

(d) Assess the actions each agency can take under existing authorities to align, support, and encourage State, local, and tribal efforts to reduce regulatory barriers that unnecessarily raise the costs of housing development; and

(e) Recommend Federal, State, local, and tribal actions and policies that would:

(i) reduce and streamline statutory, regulatory, and administrative burdens at all levels of government that inhibit the development of affordable housing, and

(ii) encourage State, local, and tribal governments to reduce regulatory barriers to the development of affordable housing.

Sect. 5. Reports. The Vice Chairs, on behalf of the Council, and with the oversight of and in consultation with the Chair, shall:

(a) within 12 months of the date of this order [June 25, 2019], submit to the President a report on the Council’s implementation of section 4 of this order; and

(b) submit to the President any subsequent report that the President may request or that the Council may deem appropriate.

Sect. 6. Agency Participation and Response. The heads of agencies and offices shall provide such assistance and information to the Council, consistent with applicable law, as may be necessary to carry out the functions of this order.

Sect. 7. Termination. The Council shall terminate on January 21, 2021, unless extended by the President.

Sect. 8. General Provisions. (a) Nothing in this order shall be construed to impair or otherwise affect:

(i) the authority granted by law to an executive department, agency, or the head thereof; or

(ii) the functions of the Director of the Office of Management and Budget relating to budgetary, administrative, or legislative proposals.

(b) This order shall be implemented consistent with applicable law and subject to the availability of appropriations.

(c) This order is not intended to, and does not, create any right or benefit, substantive or procedural, enforceable at law or in equity by any party against the United States, its departments, agencies, or entities, its officers, employees, or agents, or any other person.

Donald J. Trump.

§ 12705b. Definition of regulatory barriers to affordable housing

For purposes of sections 12705a to 12705d of this title, the terms “regulatory barriers to affordable housing” and “regulatory barriers” mean any public policies (including policies embodied in statutes, ordinances, regulations, or administrative procedures or processes) required to be identified by a jurisdiction in connection with its comprehensive housing affordability strategy under section 12705(b)(4) of this title. Such terms do not include policies relating to rents imposed on a structure by a jurisdiction or policies that have served to create or preserve, or can be shown to create or preserve, housing for low and very low-income families, including displacement protections, demolition controls, replacement housing requirements, relocation benefits, housing trust funds, dedicated funding sources, waiver of local property taxes and builder fees, inclusionary zoning, rental zoning overlays, long-term use restrictions, and rights of first refusal.

REFERENCES IN TEXT

Sections 12705a to 12705d of this title, referred to in text, were in the original “this title”, meaning title XII of Pub. L. 102–550, Oct. 27, 1992, 106 Stat. 3938, known as the Removal of Regulatory Barriers to Affordable Housing Act of 1992, and also as part of the Housing and Community Development Act of 1992, and not as part of the Cranston-Gonzalez National Affordable Housing Act which comprises this chapter.

§ 12705c. Grants for regulatory barrier removal strategies and implementation

(a) Funding

There is authorized to be appropriated for grants under subsections (b) and (c) such sums as may be necessary for each of fiscal years 2001, 2002, 2003, 2004, and 2005.

(b) Grant authority

The Secretary may make grants to States and units of general local government (including consortia of such governments) for the costs of developing and implementing strategies to remove regulatory barriers to affordable housing, including the costs of—

1. identifying, assessing, and monitoring State and local regulatory barriers;
2. identifying State and local policies including laws and regulations that permit or encourage regulatory barriers;
3. developing legislation to provide State local, or regional programs to reduce regulatory barriers and developing a strategy for adoption of such legislation;
4. developing model State or local standards and ordinances to reduce regulatory barriers and assisting in the adoption and use of the standards and ordinances;
5. carrying out the simplification and consolidation of administrative procedures and processes constituting regulatory barriers to affordable housing, including the issuance of permits; and
6. providing technical assistance and information to units of general local government for implementation of legislative and administrative reform programs to remove regulatory barriers to affordable housing.


(d) Definitions

For purposes of this section, the terms “regulatory barriers to affordable housing” and “regulatory barriers” have the meaning given such terms in section 12705b of this title.

(e) Application and selection

The Secretary shall provide for the form and manner of applications for grants under this section, which shall describe how grant amounts will assist the State or unit of general local government in developing and implementing strategies to remove regulatory barriers to affordable housing. The Secretary shall establish criteria for approval of applications under this subsection and such criteria shall require that grant amounts be used in a manner consistent with the strategy contained in the comprehensive housing affordability strategy for the jurisdiction pursuant to section 12705(b)(4) of this title.

(f) Selection of grantees

To the extent amounts are made available to carry out this section, the Secretary shall provide grants on a competitive basis to eligible grantees based on the proposed uses of such amounts, as provided in applications under subsection (e).

(g) Coordination with clearinghouse

Each State and unit of general local government receiving a grant under this section, shall consult, coordinate, and exchange information with the clearinghouse established under section 12705d of this title.

(h) Reports to Secretary

Each State and unit of general local government receiving a grant under this section shall submit a report to the Secretary, not less than 12 months after receiving the grant, describing any activities carried out with the grant amounts. The report shall contain an assessment of the impact of any regulatory barriers identified by the grantee on the housing patterns of minorities.

REFERENCES IN TEXT

Subsection (c) of this section, referred to in subsec. (a), was repealed by Pub. L. 106–569, title I, § 102(c), Dec. 27, 2000, 114 Stat. 2947.

Amendments

2000—Subsec. (a). Pub. L. 106–569, § 102(a), amended heading and text of subsec. (a) generally. Prior to amendment, text read as follows: “The amounts set aside under section 5306 of this title for the purpose of this subsection shall be available for grants under subsection (b) and (c) of this section.”

Subsec. (b). Pub. L. 106–569, § 102(b)(1), (2), substituted “Grant authority” for “State grants” in heading and inserted “and units of general local government (including consortia of such governments)” after “States” in introductory provisions.

Subsec. (b)(3). Pub. L. 106–569, § 102(b)(3), substituted “State, local, or regional programs to reduce” for “a State program to reduce State and local”. 

Subsec. (b)(4). Pub. L. 106–569, § 102(b)(4), inserted “or local” after “State”.

Subsec. (b)(5). Pub. L. 106–569, § 102(b)(5), struck out “State” before “administrative procedures”.

1 See References in Text note below.
§ 12705d. Regulatory barriers clearinghouse

(a) Establishment

The Secretary of Housing and Urban Development shall establish a clearinghouse to serve as a national repository to receive, collect, process, assemble, and disseminate information regarding—

(1) State and local laws, regulations, and policies affecting the development, maintenance, improvement, availability, or cost of affordable housing (including tax policies affecting land and other property, land use controls, zoning ordinances, building codes, fees and charges, growth limits, and policies that affect the return on investment in residential property), and the prevalence and effects on affordable housing of such laws, regulations, and policies;

(2) State and local activities, strategies, and plans to remove or ameliorate the negative effects, if any, of such laws, regulations, and policies, including particularly innovative or successful activities, strategies, and plans; and

(3) State and local strategies, activities and plans that promote affordable housing and housing desegregation, including particularly innovative or successful strategies, activities, and plans.

(b) Functions

The clearinghouse established under subsection (a) shall—

(1) respond to inquiries from State and local governments, other organizations, and individuals requesting information regarding State and local laws, regulations, policies, activities, strategies, and plans described in subsection (a);

(2) provide assistance in identifying, examining, and understanding such laws, regulations, policies, activities, strategies, and plans; and

(3) by making available through a World Wide Web site of the Department, by electronic mail, or otherwise, provide to each housing agency of a unit of general local government that serves an area having a population greater than 100,000, an index of all State and local strategies and plans submitted under subsection (a) to the clearinghouse, which—

(A) shall describe the types of barriers to affordable housing that the strategy or plan title was designed to ameliorate or remove; and

(B) shall, not later than 30 days after submission to the clearinghouse of any new strategy or plan, be updated to include the new strategy or plan submitted.

(c) Organization

The clearinghouse under this section shall be established within the Office of Policy Development of the Department of Housing and Urban Development and shall be under the direction of the Assistant Secretary for Policy Development and Research.

(d) Timing

The clearinghouse under this section (as amended by section 103 of the Housing Affordability Barrier Removal Act of 2000) shall be established and commence carrying out the functions of the clearinghouse under this section not later than 1 year after December 27, 2000. The Secretary of Housing and Urban Development may comply with the requirements under this section by reestablishing the clearinghouse which was originally established to comply with this section and updating and improving such clearinghouse to the extent necessary to comply with the requirements of this section as in effect pursuant to the enactment of such Act.

References in Text


Codification

Section was enacted as part of the Removal of Regulatory Barriers to Affordable Housing Act of 1992, and also as part of the Housing and Community Development Act of 1992, and not as part of the Cranston-Gonzalez National Affordable Housing Act which comprises this chapter.

Amendments

2000—Subsec. (c). Pub. L. 106–569, § 102(c), struck out text of subsec. (c) which related to local grants.

Subsec. (e). Pub. L. 106–569, § 102(d), substituted “and such criteria shall require that grant amounts be used in a manner consistent with the strategy contained in the comprehensive housing affordability strategy for the jurisdiction pursuant to section 12705(b)(4) of this title” for “and for the selection of units of general local government to receive grants under subsection (f)(2) of this section” before period at end.

Subsec. (f). Pub. L. 106–569, § 102(e), amended heading and text of subsec. (f) generally, substituting provisions relating to selection of grantees for provisions relating to allocation of amounts.
panied by a certification by an appropriate State or local public official that the proposed housing activities are consistent with the housing strategy of the jurisdiction to be served.


REFERENCES IN TEXT

The McKinney-Vento Homeless Assistance Act, referred to in text, is Pub. L. 100–77, July 22, 1987, 101 Stat. 482, as amended, which is classified principally to chapter 119 (§11301 et seq.) of this title. For complete classification of this Act to the Code, see Short Title note set out under section 11301 of this title and Tables.

AMENDMENTS

§ 12707. Citizen participation
(a) In general
Before submitting a housing strategy under this section, a jurisdiction shall—
(1) make available to its citizens, public agencies, and other interested parties information concerning the amount of assistance the jurisdiction expects to receive and the range of investment or other uses of such assistance that the jurisdiction may undertake;
(2) publish a proposed housing strategy in a manner that, in the determination of the Secretary, affords affected citizens, public agencies, and other interested parties a reasonable opportunity to examine its content and to submit comments on the proposed housing strategy;
(3) hold one or more public hearings to obtain the views of citizens, public agencies, and other interested parties on the housing needs of the jurisdiction; and
(4) provide citizens, public agencies, and other interested parties with reasonable access to records regarding any uses of any assistance the jurisdiction may have received during the preceding 5 years.

(b) Notice and comment
Before submitting any performance report or substantial amendment to a housing strategy under this section, a participating jurisdiction shall provide citizens with reasonable notice of, and opportunity to comment on, such performance report or substantial amendment prior to its submission.

(c) Consideration of comments
A participating jurisdiction shall consider any comments or views of citizens in preparing a final housing strategy, amendment to a housing strategy or performance report for submission. A summary of such comments or views shall be attached when a housing strategy, amendment to a housing strategy or performance report is submitted. The submitted housing strategy, amendment, or report shall be made available to the public.

(d) Regulations
The Secretary shall by regulation establish procedures appropriate and practicable for providing a fair hearing and timely resolution of citizen complaints related to housing strategies or performance reports.


§ 12708. Compliance
(a) Performance reports
(1) In general
Each participating jurisdiction shall annually review and report, in a form acceptable to the Secretary, on the progress it has made in carrying out its housing strategy, which report shall include an evaluation of the jurisdiction’s progress in meeting its goal established in section 12705(b)(15) of this title, and information on the number and types of households served, including the number of very low-income, low-income, and moderate-income persons served and the racial and ethnic status of persons served that will be assisted with funds made available.

(2) Submission
The Secretary shall (A) establish dates for submission of reports under this subsection, and (B) review such reports and make such recommendations as the Secretary deems appropriate to carry out the purposes of this Act.

(3) Failure to report
If a jurisdiction fails to submit a report satisfactory to the Secretary in a timely manner, assistance to the jurisdiction under subchapter II of this chapter or the other programs referred to in section 12706 of this title may be—
(A) suspended until a report satisfactory to the Secretary is submitted; or
(B) withdrawn and reallocated if the Secretary finds, after notice and opportunity for a hearing, that the jurisdiction will not submit a satisfactory report.

(b) Performance review by Secretary
(1) In general
The Secretary shall ensure that activities of each jurisdiction required to submit a housing strategy under section 12705 of this title are reviewed not less frequently than annually. Such review shall include, insofar as practicable, on-site visits by employees of the Department of Housing and Urban Development and shall include an assessment of the jurisdiction’s—
(A) management of funds made available under programs administered by the Secretary; or
(B) compliance with its housing strategy;

1 So in original. The words “this section” probably should be “section 12705 of this title”.

1 See References in Text note below.
(C) accuracy in the preparation of performance reports under subsection (a); and
(D) efforts to ensure that housing assisted under programs administered by the Secretary are in compliance with contractual arrangements and the requirements of law.

(2) Report by Secretary

The Secretary shall report on the performance review in writing. The Secretary shall give the jurisdiction not less than 30 days to review and comment on the report. After taking into consideration the comments of the jurisdiction, the Secretary may revise the report and shall make the jurisdiction's comments and the report, with any revisions, readily available to the public within 30 days after receipt of the jurisdiction's comments.

(c) Review by courts

The adequacy of information submitted under section 12705(b)(4) of this title shall not be reviewable by any Federal, State, or other court. Review of a housing strategy by any Federal, State, or other court shall be limited to determining whether the process of development and the content of the strategy are in substantial compliance with the requirements of this Act. During the pendency of any action challenging the adequacy of a housing strategy or the action of the Secretary in approving a strategy, the court shall not have the authority to enjoin activities taken by the jurisdiction to implement an approved housing strategy. Any housing assisted during the pendency of such action shall not be subject to any order of the court resulting from such action.


REFERENCES IN TEXT


This Act, referred to in subsecs. (a)(2) and (c), is Pub. L. 101–625, Nov. 28, 1990, 104 Stat. 4078, known as the Cranston-Gonzalez National Affordable Housing Act. For complete classification of this Act to the Code, see Short Title note set out under section 12700 of this title and Tables.

§ 12709. Energy efficiency standards

(a) Establishment

(1) In general

The Secretary of Housing and Urban Development and the Secretary of Agriculture shall, not later than September 30, 2006, jointly establish, by rule, energy efficiency standards for—

(A) new construction of public and assisted housing and single family and multifamily residential housing (other than manufactured homes) subject to mortgages insured under the National Housing Act [12 U.S.C. 1701 et seq.];

(B) new construction of single family housing (other than manufactured homes) subject to mortgages insured, guaranteed, or held in trust predatory lending; and

(C) rehabilitation and new construction of public and assisted housing funded by HOPE VI revitalization grants under section 1437v of this title.

(2) Contents

Such standards shall meet or exceed the requirements of the 2006 International Energy Conservation Code (hereafter in this section referred to as "the 2006 IECC"), or, in the case of multifamily high rises, the requirements of the American Society of Heating, Refrigerating, and Air-Conditioning Engineers Standard 90.1–2004 (hereafter in this section referred to as "ASHRAE Standard 90.1–2004"), and shall be cost-effective with respect to construction and operating costs on a life-cycle cost basis. In developing such standards, the Secretaries shall consult with an advisory task force composed of homebuilders, national, State, and local housing agencies (including public housing agencies), energy agencies, building code organizations and agencies, energy efficiency organizations, utility organizations, low-income housing organizations, and other parties designated by the Secretaries.

(b) International Energy Conservation Code

If the Secretaries have not, by September 30, 2006, established energy efficiency standards under subsection (a), all new construction and rehabilitation of housing specified in such subsection shall meet the requirements of the 2006 IECC, or, in the case of multifamily high rises, the requirements of ASHRAE Standard 90.1–2004.

(c) Revisions of the International Energy Conservation Code

If the requirements of the 2006 IECC, or, in the case of multifamily high rises, ASHRAE Standard 90.1–2004, are revised at any time, the Secretaries shall, not later than 1 year after such revision, amend the standards established under subsection (a) to meet or exceed the requirements of such revised code or standard unless the Secretaries determine that compliance with such revised code or standard would not result in a significant increase in energy efficiency or would not be technologically feasible or economically justified.

(d) Failure to amend the standards

If the Secretary of Housing and Urban Development and the Secretary of Agriculture have not, within 1 year after the requirements of the 2006 IECC or the ASHRAE Standard 90.1–2004 are revised, amended the standards or made a determination under subsection (c), all new construction and rehabilitation of housing specified in subsection (a) shall meet the requirements of the revised code or standard if—

(1) the Secretary of Housing and Urban Development or the Secretary of Agriculture make a determination that the revised codes do not negatively affect the availability or affordability of new construction of assisted housing and single family and multifamily residential housing (other than manufactured homes) subject to mortgages insured under the National Housing Act (12 U.S.C. 1701 et seq.) or

2006, established energy efficiency standards under subsection (a); and

The requirements of ASHRAE Standard 90.1–2004 are revised at any time, the Secretaries may revise the standards or made a determination that compliance with such revised code or standard unless

(1) in the case of multifamily high rises, ASHRAE Standard 90.1–2004, are revised at any time, the Sec-

(2) contents

Such standards shall meet or exceed the requirements of the 2006 International Energy Conservation Code (hereafter in this section referred to as "the 2006 IECC"), or, in the case of multifamily high rises, the requirements of the American Society of Heating, Refrigerating, and Air-Conditioning Engineers Standard 90.1–2004 (hereafter in this section referred to as "ASHRAE Standard 90.1–2004"), and shall be cost-effective with respect to construction and operating costs on a life-cycle cost basis. In developing such standards, the Secretaries shall consult with an advisory task force composed of homebuilders, national, State, and local housing agencies (including public housing agencies), energy agencies, building code organizations and agencies, energy efficiency organizations, utility organizations, low-income housing organizations, and other parties designated by the Secretaries.

(b) international energy conservation code

If the Secretaries have not, by September 30, 2006, established energy efficiency standards under subsection (a), all new construction and rehabilitation of housing specified in such subsection shall meet the requirements of the 2006 IECC, or, in the case of multifamily high rises, the requirements of ASHRAE Standard 90.1–2004.

(c) revisions of the international energy conservation code

If the requirements of the 2006 IECC, or, in the case of multifamily high rises, ASHRAE Standard 90.1–2004, are revised at any time, the Secretaries shall, not later than 1 year after such revision, amend the standards established under subsection (a) to meet or exceed the requirements of such revised code or standard unless the Secretaries determine that compliance with such revised code or standard would not result in a significant increase in energy efficiency or would not be technologically feasible or economically justified.

(d) failure to amend the standards

If the Secretary of Housing and Urban Development and the Secretary of Agriculture have not, within 1 year after the requirements of the 2006 IECC or the ASHRAE Standard 90.1–2004 are revised, amended the standards or made a determination under subsection (c), all new construction and rehabilitation of housing specified in subsection (a) shall meet the requirements of the revised code or standard if—

(1) the Secretary of Housing and Urban Development or the Secretary of Agriculture make a determination that the revised codes do not negatively affect the availability or affordability of new construction of assisted housing and single family and multifamily residential housing (other than manufactured homes) subject to mortgages insured under the National Housing Act (12 U.S.C. 1701 et seq.) or
insured, guaranteed, or made by the Secretary of Agriculture under title V of the Housing Act of 1949 (42 U.S.C. 1471 et seq.), respectively; and

(2) the Secretary of Energy has made a determination under section 6833 of this title that the revised code or standard would improve energy efficiency.


REFERENCES IN TEXT

The National Housing Act, referred to in subsecs. (a)(1)(A) and (d)(1), is act June 27, 1934, ch. 847, 48 Stat. 1246, which is classified principally to chapter 13 (§1701 et seq.) of Title 12, Banks and Banking. For complete classification of this Act to the Code, see section 1701 note set out under section 1441 of this title, the 2003 International Energy Conservation Code, 1992, or, with respect to rehabilitation and new construction of public and assisted housing funded by HOPE VI revitalization grants under section 1437v of this title, the 2003 International Energy Conservation Code after “Model Energy Code” in heading and “,”, and inserted “and the International Energy Conservation Code” after “Model Energy Code” in heading and “,”, or, with respect to rehabilitation and new construction of public and assisted housing funded by HOPE VI revitalization grants under section 1437v of this title, the 2003 International Energy Conservation Code” after “90.1–1989” in text.

1992—Pub. L. 102–486 amended section generally. Prior to amendment, section read as follows: “The Secretary of Housing and Urban Development shall, not later than one year after November 28, 1990, promulgate energy efficiency standards for new construction of public and assisted housing and single-family and multifamily residential housing (other than manufactured homes) subject to mortgages under the National Housing Act. Such standards shall meet or exceed the provisions of the most recent edition of the Model Energy Code of the Council of American Building Officials and shall be cost-effective with respect to construction and operating costs. In developing such standards the Secretary shall consult with an advisory task force composed of homebuilders, national, State, and local housing agencies (including public housing agencies), energy agencies and building code organizations and agencies, energy efficiency organizations, utility organizations, low-income housing organizations, and other parties designated by the Secretary.”

EFFECTIVE DATE OF 2007 AMENDMENT

Amendment by Pub. L. 110–140 effective on the date that is 1 day after Dec. 19, 2007, see section 1601 of Pub. L. 110–140, set out as an Effective Date note under section 1624 of Title 2, The Congress.

§ 12710. Capacity study

(a) In general

The Secretary shall ensure that the Department of Housing and Urban Development has adequate capacity and resources, including staff and training programs, to carry out its mission and responsibilities to implement the provisions of this Act, including the ability of the Department to carry out the multifamily mortgage insurance program, and the ability to respond to areas identified as “material weaknesses” by the Office of the Inspector General in financial audits or other reports.

(b) Report

Not later than 60 days after November 28, 1990, and annually thereafter, the Secretary shall prepare and submit to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Banking, Finance and Urban Affairs of the House of Representatives a report detailing the Department’s plan to maintain such capacity, together with any recommendations for legislative and administrative action as the Secretary determines to be appropriate.


REFERENCES IN TEXT

This Act, referred to in subsec. (a), is Pub. L. 101–625, Nov. 28, 1990, 104 Stat. 4079, known as the Cranston-Gonzalez National Affordable Housing Act. For complete classification of this Act to the Code, see Short Title note set out under section 12701 of this title and Tables.
AMENDMENTS
1992—Subsec. (a). Pub. L. 102–505 struck out “, and” after “responsibilities” and substituted for period at end “and the ability to respond to areas identified as ‘material weaknesses’ by the Office of the Inspector General in financial audits or other reports.”

CHANGE OF NAME
Committee on Banking, Finance and Urban Affairs of House of Representatives treated as referring to Committee on Banking and Financial Services of House of Representatives by section 1(a) of Pub. L. 104–14, set out as a note preceding section 21 of Title 2, The Congress, Committee on Banking and Financial Services of House of Representatives abolished and replaced by Committee on Financial Services of House of Representatives, and jurisdiction over matters relating to securities and exchanges and insurance generally transferred from Committee on Energy and Commerce of House of Representatives by House Resolution No. 5, One Hundred Seventh Congress, Jan. 3, 2001.

§ 12711. Protection of State and local authority
Notwithstanding any other provision of this subchapter or subchapter II, the Secretary shall not establish any criteria for allocating or denying funds made available under programs administered by the Secretary based on the adoption, continuation, or discontinuation by a jurisdiction of any public policy, regulation, or law that is (1) adopted, continued, or discontinued in accordance with the jurisdiction’s duly established authority, and (2) not in violation of any Federal law.


§ 12712. 5-year energy efficiency plan
(a) Establishment
The Secretary of Housing and Urban Development shall establish a plan for activities to be undertaken and policies to be adopted by the Secretary within the 5-year period beginning upon the submission of the plan to the Congress under subsection (d) to provide for, encourage, and improve energy efficiency in newly constructed, rehabilitated, and existing housing. In developing the plan, the Secretary shall consider, as appropriate, any energy assessments under section 944.

(b) Initial plan
The Secretary of Housing and Urban Development shall establish the first plan under this section not later than the expiration of the 1-year period beginning on November 28, 1990.

(c) Updates
The Secretary of Housing and Urban Development shall revise and update the plan under this section not less than once for each 2-year period, the first such 2-year period beginning on the date of the submission of the initial plan under subsection (b) to the Congress (as provided in subsection (d)). Each such update shall revise the plan for the 5-year period beginning upon the submission of the updated plan to the Congress.

(d) Submission to Congress
The Secretary of Housing and Urban Development shall submit the initial plan established under subsection (b) and any updated plans under subsection (c) to the Congress not later than the date by which such plans are to be established or updated under such paragraphs.


REFERENCES IN TEXT
Section 944, referred to in subsec. (a), is section 944 of Pub. L. 101–625, which is set out below.

CODIFICATION
Section was enacted as part of title IX of the Cranston-Gonzalez National Affordable Housing Act, and not as part of title I of such Act which comprises this subchapter.

BUDGET-NEUTRAL DEMONSTRATION PROGRAM FOR ENERGY AND WATER CONSERVATION IMPROVEMENTS AT MULTIFAMILY RESIDENTIAL UNITS

“(a) Establishment.—The Secretary of Housing and Urban Development (in this section referred to as the ‘Secretary’) shall establish a demonstration program under which the Secretary may execute budget-neutral, performance-based agreements in fiscal years 2016 through 2019 that result in a reduction in energy or water costs with such entities as the Secretary determines to be appropriate under which the entities shall carry out projects for energy or water conservation improvements at not more than 20,000 residential units in multifamily buildings participating in—

“(1) the project-based rental assistance program under section 8 of the United States Housing Act of 1937 (42 U.S.C. 1437f), other than assistance provided under section 8(o) of that Act;

“(2) the supportive housing for the elderly program under section 202 of the Housing Act of 1959 (12 U.S.C. 1701q); or

“(3) the supportive housing for persons with disabilities program under section 811(d)(2) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 8013(d)(2)).

“(b) Requirements.—

“(1) Payments contingent on savings.—

“(A) In general.—The Secretary shall provide to an entity a payment under an agreement under this section only during applicable years for which an energy or water cost savings is achieved with respect to the applicable multifamily portfolio of properties, as determined by the Secretary, in accordance with subparagraph (B).

“(B) Payment methodology.—

“(i) In general.—Each agreement under this section shall include a pay-for-success provision that—

“(I) shall serve as a payment threshold for the term of the agreement; and

“(II) requires that payments shall be contingent on realized cost savings associated with reduced utility consumption in the participating properties.

“(ii) Limitations.—A payment made by the Secretary under an agreement under this section—

“(I) shall be contingent on documented utility savings; and

“(II) shall not exceed the utility savings achieved by the date of the payment, and not previously paid, as a result of the improvements made under the agreement.

“(C) Third-party verification.—Savings payments made by the Secretary under this section shall be based on a measurement and verification protocol that includes at least—

“(i) establishment of a weather-normalized and occupancy-normalized utility consumption baseline established pre-retrofit;
“(ii) annual third-party confirmation of actual utility consumption and cost for utilities;
“(iii) annual third-party validation of the tenant utility allowances in effect during the applicable year and vacancy rates for each unit type; and
“may “(iv) annual third-party determination of savings to the Secretary.
An agreement under this section with an entity shall provide that the entity shall cover costs associated with third-party verification under this subparagraph.

”(2) TERMS OF PERFORMANCE-BASED AGREEMENTS.—A performance-based agreement under this section shall include—
“(A) the period that the agreement will be in effect and during which payments may be made, which may not be longer than 12 years;
“(B) the performance measures that will serve as payment thresholds during the term of the agreement;
“(C) an audit protocol for the properties covered by the agreement;
“(D) a requirement that payments shall be contingent on realized cost savings associated with reduced utility consumption in the participating properties; and
“(E) such other requirements and terms as determined to be appropriate by the Secretary.

”(3) ENTITY ELIGIBILITY.—The Secretary shall—
“(A) establish a competitive process for entering into agreements under this section; and
“(B) enter into such agreements only with entities that, either jointly or individually, demonstrate significant experience relating to—
“(i) financing or operating properties receiving assistance under a program identified in subsection (a);
“(ii) oversight of energy or water conservation programs, including oversight of contractors; and
“(iii) raising capital for energy or water conservation improvements from charitable organizations or private investors.

”(4) GEOGRAPHICAL DIVERSITY.—Each agreement entered into under this section shall provide for the inclusion of properties with the greatest feasible regional and State variance.

”(5) PROPERTIES.—A property may only be included in the demonstration under this section only if the property is subject to affordability restrictions for at least 15 years after the date of the completion of any conservation improvements made to the property under the demonstration program. Such restrictions may be made through an extended affordability agreement for the property under a new housing assistance payments contract with the Secretary of Housing and Urban Development or through an enforceable covenant with the owner of the property.

”(c) PLAN AND REPORTS.—
“(1) PLAN.—Not later than 90 days after the date of enactment of this Act [Dec. 4, 2015], the Secretary shall submit to the Committees on Appropriations and Financial Services of the House of Representatives and the Committees on Appropriations and Banking, Housing, and Urban Affairs of the Senate a detailed plan for the implementation of this section.

”(2) REPORTS.—Not later than 1 year after the date of enactment of this Act, and annually thereafter, the Secretary shall—
“(A) conduct an evaluation of the program under this section; and
“(B) submit to Congress a report describing each evaluation conducted under subparagraph (A).

”(d) FUNDING.—For each fiscal year during which an agreement under this section is in effect, the Secretary may use to carry out this section any funds appropriated to the Secretary for the renewal of contracts under a program described in subsection (a).

ENERGY ASSESSMENT REPORT
Pub. L. 101–625, title IX, § 941, Nov. 28, 1990, 104 Stat. 4415, directed Secretary of Housing and Urban Development to submit a report to Congress, not later than one year after Nov. 28, 1990, assessing any activity undertaken by the Secretary to increase energy efficiency in existing housing, such report to include an analysis of the Aug. 15, 1990, DOE-HUD program to expand energy efficiency and increase affordability of federally-assisted housing, and provided that in such report Secretary of Housing and Urban Development (in consultation with the Secretary of Energy) was to establish, and include a description of, a standard measure by which changes over time in residential energy efficiency could be compared.

UNIFORM MORTGAGE FINANCING PLAN FOR ENERGY EFFICIENCY

“(a) UNIFORM PLAN.—The Secretary of Housing and Urban Development, in consultation with the Secretary of Energy, shall promulgate a uniform plan to make housing more affordable through energy efficient mortgages (as such term is defined in section 104 of this Act (42 U.S.C. 12704)). The plan shall be promulgated not later than 2 years after the date of the enactment of the Cranston-Gonzalez National Affordable Housing Act (Nov. 28, 1990).

“(b) TASK FORCE.—To develop the plan, the Secretary shall form a task force to make recommendation[s] on financing energy efficiency in private mortgages, through the policies of Federal agencies and federally chartered financial institutions, mortgage bankers, homebuilders, real estate brokers, private mortgage insurers, energy suppliers, and nonprofit housing and energy organizations. The task force shall include, but not be limited to, individuals representing the Federal Housing Administration mortgage programs of the Department of Housing and Urban Development, the Farmers Home Administration mortgage loan and insurance programs of Department of Agriculture, the Federal Home Loan Mortgage Corporation, and the Federal National Mortgage Association. The Task Force shall determine whether notifying potential home purchasers of the availability of energy efficient mortgages would promote energy efficiency in residential buildings, and if so, the Task Force shall recommend appropriate notification guidelines, and agencies and organizations referred to in the preceding sentence are authorized to implement such guidelines.”

ENERGY EFFICIENCY DEMONSTRATION
Pub. L. 101–625, title IX, § 961, Nov. 28, 1990, 104 Stat. 4424, directed Secretary of Housing and Urban Development to establish a program to demonstrate various methods of improving the energy efficiency of existing housing, provided for funding, provided that the demonstration determine appropriate design, improvement, and rehabilitation methods and practices for increasing residential energy efficiency in housing already constructed, and directed Secretary, as soon as practicable after Sept. 30, 1991, to submit to Congress a report setting forth the findings and recommendations of the Secretary as a result of the demonstration.

§ 12713. Eligibility under first-time homebuyer programs

(a) Eligibility of displaced homemakers and single parents for Federal assistance for first-time homebuyers

(1) Displaced homemakers

No individual who is a displaced homemaker may be denied eligibility under any Federal program to assist first-time homebuyers on the basis that the individual, while a homemaker, owned a home with his or her spouse or resided in a home owned by the spouse.
(2) Single parents

No individual who is a single parent may be denied eligibility under any Federal program to assist first-time homebuyers on the basis that the individual, while married, owned a home with his or her spouse or resided in a home owned by the spouse.

(b) Definitions

For purposes of this section:

(1) Displaced homemaker

The term “displaced homemaker” means an individual who—

(A) is an adult;

(B) has not worked full-time, full-year in the labor force for a number of years but has, during such years, worked primarily without remuneration to care for the home and family; and

(C) is unemployed or underemployed and is experiencing difficulty in obtaining or upgrading employment.

(2) First-time homebuyer

The term “first-time homebuyer” means an individual who has never, or has not during a specified period of time, had any present ownership interest in a principal residence.

(3) Single parent

The term “single parent” means an individual who—

(A) is unmarried or legally separated from a spouse; and

(B) (i) has 1 or more minor children for whom the individual has custody or joint custody; or

(ii) is pregnant.

c) Applicability

This section shall apply to any Federal program to assist first-time homebuyers, unless the program is exempted from this section by a statute that amends this subsection or explicitly refers to this subsection.


CODIFICATION

Section was enacted as part of title IX of the Cranston-Gonzalez National Affordable Housing Act, and not as part of title I of such Act which comprises this subchapter.


Section, Pub. L. 101–625, title IX, § 957, Nov. 28, 1990, 104 Stat. 422, related to maximum annual limitation on rent increases resulting from employment.

EFFECTIVE DATE OF REPEAL

Pub. L. 104–99, title IV, § 404(a), Jan. 26, 1996, 110 Stat. 44, provided in part that this section is repealed retroactive to Nov. 28, 1990, and shall be of no effect.

ECONOMIC INDEPENDENCE

Pub. L. 102–550, title IX, § 923, Oct. 28, 1992, 106 Stat. 3884, which provided that Secretary of Housing and Urban Development was to immediately implement section 12714 of this title and that other Federal agencies authorized to assist low-income families were to take similar steps to encourage economic independence and the accumulation of assets, was repealed retroactive to Oct. 28, 1992, by Pub. L. 104–99, title IV, § 404(b), Jan. 26, 1996, 110 Stat. 44, which further provided that section 923 of Pub. L. 102–550 was to be of no effect.

SUBCHAPTER II—INVESTMENT IN AFFORDABLE HOUSING

§ 12721. Findings

The Congress finds that—

(1) the Nation has not made adequate progress toward the goal of national housing policy, as set out in the Housing Act of 1949 [42 U.S.C. 1441 et seq.] and reaffirmed in the Housing and Urban Development Act of 1968, which would provide decent, safe, sanitary, and affordable living environments for all Americans;

(2) the supply of affordable rental housing is diminishing;

(3) the Tax Reform Act of 1986 removed major tax incentives for the production of affordable rental housing;

(4) the living environments of an increasing number of Americans have deteriorated over the past several years as a result of reductions in Federal assistance to low-income and moderate-income families;

(5) many Americans face the possibility of homelessness unless Federal, State, and local governments work together with the private sector to develop and rehabilitate the housing stock of the Nation to provide decent, safe, sanitary, and affordable housing for very low-income and low-income families;

(6) reliable Federal leadership is needed to achieve an adequate supply of affordable housing for all Americans;

(7) to achieve the goal of national housing policy, there is a need to strengthen nationwide a cost-effective community-based housing partnership designed to—

(A) expand the supply of rental housing that is affordable to very low-income and low-income families;

(B) improve homeownership opportunities for low-income families,

(C) carry out comprehensive housing strategies tailored to local housing market conditions, and

(D) protect the Federal, State, and local investment in low-income housing to ensure affordability of the housing for the remaining useful life of the property;

(8) direct assistance to expand the supply of affordable rental housing should be provided in a way that is more cost-effective and targeted than tax incentives;

(9) much of the Nation’s housing system works very well and provides a strong base on which national housing policy should build;

(10) an increasing number of States and local governments have been successful in producing cost-effective low-income and moderate-income housing by working in partnership with the private sector, including nonprofit community development corporations, community action agencies, neighborhood housing services corporations, trade unions, groups sponsored by religious organizations, limited
§ 12722

The purposes of this subchapter are—

(1) to expand the supply of decent, safe, sanitary, and affordable housing, with primary attention to rental housing, for very low-income and low-income Americans;

(2) to mobilize and strengthen the abilities of States and units of general local government throughout the United States to design and implement strategies for achieving an adequate supply of decent, safe, sanitary, and affordable housing;

(3) to provide participating jurisdictions, on a coordinated basis, with the various forms of Federal housing assistance, including capital investment, mortgage insurance, rental assistance, and other Federal assistance, needed—

(A) to expand the supply of decent, safe, sanitary, and affordable housing;

(B) to make new construction, rehabilitation, substantial rehabilitation, and acquisition of such housing feasible; and

(C) to promote the development of partnerships among the Federal Government, States and units of general local government, private industry, and nonprofit organizations able to utilize effectively all available resources to provide more of such housing;

(4) to make housing more affordable for very low-income and low-income families through the use of tenant-based rental assistance;

(5) to develop and refine, on an ongoing basis, a selection of model programs incorporating the most effective methods for providing decent, safe, sanitary, and affordable housing, and accelerate the application of such methods where appropriate throughout the United States to achieve the prudent and efficient use of funds made available under this subchapter;

(6) to expand the capacity of nonprofit community housing development organizations to develop and manage decent, safe, sanitary, and affordable housing;

(7) to ensure that Federal investment produces housing stock that is available and affordable to low-income families for the property’s remaining useful life, is appropriate to the neighborhood surroundings, and, wherever appropriate, is mixed income housing;

(8) to principal the investment of private capital and the use of private sector resources in the provision of decent, safe, sanitary, and affordable housing;

(9) to allocate Federal funds for investment in affordable housing among participating jurisdictions by formula allocation;

(10) to leverage those funds insofar as practicable with State and local matching contributions and private investment;

(11) to establish for each participating jurisdiction a HOME Investment Trust Fund with a line of credit for investment in affordable housing, with repayments back to its HOME Investment Trust Fund being made available for reinvestment by the jurisdiction;

(12) to provide credit enhancement for affordable housing by utilizing the capacities of existing agencies and mortgage finance institutions when most efficient and supplementing their activities when appropriate; and

(13) to assist very low-income and low-income families to obtain the skills and knowledge necessary to become responsible homeowners and tenants.


REFERENCES IN TEXT

The Housing Act of 1949, referred to in par. (1), is act July 15, 1949, ch. 338, 63 Stat. 413, as amended, which is classified principally to chapter 8A (§ 1441 et seq.) of this title. For complete classification of this Act to the Code, see Short Title note set out under section 1441 of this title and Tables.


SHORT TITLE

For short title of this subchapter as the "HOME Investment Partnerships Act", see Short Title note set out under section 12701 of this title.

§ 12723. Coordinated Federal support for housing strategies

The Secretary shall make assistance under this subchapter available to participating jurisdictions, through the Office of the Assistant Secretary for Housing-FHA Commissioner of the Department of Housing and Urban Development, to the maximum extent practicable, in coordination with mortgage insurance, rental assistance, and other housing assistance appropriate to the
efficient and timely completion of activities under this subchapter.


§ 12724. Authorization

There are authorized to be appropriated to carry out this subchapter $2,086,000,000 for fiscal year 1993, and $2,173,612,000 for fiscal year 1994, of which—

(1) not more than $14,000,000 for fiscal year 1993, and $25,000,000 for fiscal year 1994, shall be for community housing partnership activities authorized under section 12773 of this title; and

(2) not more than $11,000,000 for fiscal year 1993, and $22,000,000 for fiscal year 1994, shall be for activities in support of State and local housing strategies authorized under part C.


AMENDMENTS

1993—Pub. L. 103–120 substituted “$25,000,000 for fiscal year 1994” for “$14,000,000 for fiscal year 1994” in par. (1) and “$32,000,000 for fiscal year 1994” for “$11,000,000 for fiscal year 1994” in par. (2).

1992—Pub. L. 102–550 amended section generally. Prior to amendment, section read as follows: “There are authorized to be appropriated to carry out this subchapter $1,000,000,000 for fiscal year 1991, and $2,086,000,000 for fiscal year 1992, of which—

‘‘(1) not more than $14,000,000 for fiscal year 1991, and $25,000,000 for fiscal year 1992, shall be for community housing partnership activities authorized under section 12773 of this title; and

‘‘(2) not more than $11,000,000 for fiscal year 1991, and $22,000,000 for fiscal year 1992, shall be for activities in support of State and local housing strategies authorized under part C of this subchapter.’’

§ 12725. Notice

The Secretary shall issue regulations to implement the provisions of this subchapter after notice and an opportunity for comment pursuant to section 553 of title 5. Such regulations shall become effective not later than 180 days after November 28, 1990.


PART A—HOME INVESTMENT PARTNERSHIPS

§ 12741. Authority

The Secretary is authorized to make funds available to participating jurisdictions for investment to increase the number of families served with decent, safe, sanitary, and affordable housing and expand the long-term supply of affordable housing in accordance with provisions of this part.


§ 12742. Eligible uses of investment

(a) Housing uses

(1) In general

Funds made available under this part may be used by participating jurisdictions to pro-

vide incentives to develop and support affordable rental housing and homeownership affordability through the acquisition, new construction, rehabilitation, or moderate or substantial rehabilitation of affordable housing, including real property acquisition, site improvement, conversion, demolition, and other expenses, including financing costs, relocation expenses of any displaced persons, families, businesses, or organizations, to provide for the payment of reasonable administrative and planning costs, to provide for the payment of operating expenses of community housing development organizations, and to provide tenant-based rental assistance. For the purpose of this part, the term “affordable housing” includes permanent housing for disabled homeless persons, transitional housing, and single room occupancy housing.

(2) Preference to rehabilitation

A participating jurisdiction shall give preference to rehabilitation of substandard housing unless the jurisdiction determines that—

(A) such rehabilitation is not the most cost effective way to meet the jurisdiction’s need to expand the supply of affordable housing; and

(B) the jurisdiction’s housing needs cannot be met through rehabilitation of the available stock.

The Secretary shall not restrict a participating jurisdiction’s choice of rehabilitation, substantial rehabilitation, new construction, reconstruction, acquisition, or other eligible housing use unless such restriction is explicitly authorized under section 12753(2) of this title.

(3) Tenant-based rental assistance

(A) In general

A participating jurisdiction may use funds provided under this part for tenant-based rental assistance only if—

(i) the jurisdiction certifies that the use of funds under this part for tenant-based rental assistance is an essential element of the jurisdiction’s annual housing strategy for expanding the supply, affordability, and availability of decent, safe, sanitary, and affordable housing, and specifies the local market conditions that lead to the choice of this option; and

(ii) the tenant-based rental assistance is provided in accordance with written tenant selection policies and criteria that are consistent with the purposes of providing housing to very low- and low-income families and are reasonably related to preference rules established under section 1437d(c)(4)(A)1 of this title.

(B) Fair share not affected

A jurisdiction’s section 8 [42 U.S.C. 1437f] fair share allocation shall be unaffected by the use of assistance under this subchapter.

(C) 24-month contracts

Rental assistance contracts made available with assistance under this subchapter

1 See References in Text note below.
shall be for not more than 24 months, except that assistance to a family may be renewed.

(D) Use of section 1437f assistance

In any case where assistance under section 1437f of this title becomes available to a participating jurisdiction, recipients of rental assistance under this subchapter shall qualify for tenant selection preferences to the same extent as when they received the rental assistance under this subchapter. A rental assistance program under this subchapter shall meet minimum criteria prescribed by the Secretary, such as housing quality standards and standards regarding the reasonableness of the rent.

(E) Security deposit assistance

A jurisdiction using funds provided under this part for tenant-based rental assistance may use such funds to provide loans or grants to very low- and low-income families for security deposits for rental of dwelling units. Assistance under this subparagraph does not preclude assistance under any other provision of this paragraph.

(4) Redesignated (3)

(5) Lead-based paint hazards

A participating jurisdiction may use funds provided under this part for the evaluation and reduction of lead-based paint hazards, as defined in section 4851b of this title.

(b) Investments

Participating jurisdictions shall have discretion to invest funds made available under this part as equity investments, interest-bearing loans or advances, noninterest-bearing loans or advances, interest subsidies or other forms of assistance that the Secretary has determined to be consistent with the purposes of this subchapter. Each participating jurisdiction shall have the right to establish the terms of assistance.

(c) Administrative costs

In each fiscal year, each participating jurisdiction may use not more than 10 percent of the funds made available under this part for administrative costs of persons engaged in administering and managing activities assisted with funds made available under this part.

(d) Prohibited uses

Funds made available under this part may not be used to—

(1) defray any administrative cost of a participating jurisdiction that exceed the amount specified under subsection (c),

(2) provide tenant-based rental assistance for the special purposes of the existing section 8 [42 U.S.C. 1437f] program, including replacing public housing that is demolished or disposed of, preserving federally assisted housing, assisting in the disposition of housing owned or held by the Secretary, preventing displacement from rental rehabilitation projects, or extending or renewing tenant-based assistance under section 1437f of this title,

(3) provide non-Federal matching contributions required under any other Federal program,

(4) provide assistance authorized under section 1437g of this title,

(5) carry out activities authorized under section 1437g(d)(1) of this title, or

(6) provide assistance to eligible low-income housing under the Emergency Low Income Housing Preservation and Resident Homeownership Act of 1996 [12 U.S.C. 4101 et seq.].

(e) Cost limits

(1) In general

The Secretary shall establish limits on the amount of funds under this part that may be invested on a per unit basis. For multifamily housing, such limits shall not be less than the per unit dollar amount limitations set forth in section 1715(i)(3)(i) of title 12, as such limitations may be adjusted in accordance therewith, except that for purposes of this subsection the Secretary shall, by regulation, increase the per unit dollar amount limitations in any geographical area by an amount, not to exceed 140 percent, that equals the amount by which the costs of multifamily housing construction in the area exceed the national average of such costs. The limits shall be established on a market-by-market basis, with adjustments made for number of bedrooms, and shall reflect the actual cost of new construction, reconstruction, or rehabilitation of housing that meets applicable State and local housing and building codes and the cost of land, including necessary site improvements. Adjustments shall be made annually to reflect inflation. Separate limits may be set for different eligible activities.

(2) Criteria

In calculating per unit limits, the Secretary shall take into account that assistance under this subchapter is intended to—

(A) provide nonluxury housing with suitable amenities;

(B) operate effectively in all jurisdictions;

(C) facilitate mixed-income housing; and

(D) reflect the costs associated with meeting the special needs of tenants or homeowners that the housing is designed to serve.

(3) Consultation

In calculating cost limits, the Secretary shall consult with organizations that have expertise in the development of affordable housing, including national nonprofit organizations and national organizations representing private development firms and State and local governments.

(f) Certification of compliance

The requirements of section 3545(d) of this title shall be satisfied by a certification by a participating jurisdiction to the Secretary that the combination of Federal assistance provided to any housing project shall not be any more than is necessary to provide affordable housing.

(g) Limitation on operating assistance

A participating jurisdiction may not use more than 5 percent of its allocation under this part
for the payment of operating expenses for community housing development organizations.


REFERENCES IN TEXT

Section 1437g(d)(4)(A) of this title, referred to in subsec. (a)(3)(A)(ii), was in the original “section 6(c)(4)(A) of the Housing Act of 1937”, and was translated as reading “section 6(c)(4)(A) of the United States Housing Act of 1937”, as act Sept. 1, 1937, ch. 896, to reflect the probable intent of Congress.

Section 1437g(d)(1) of this title, referred to in subsec. (d)(5), was in the original “section 9(d)(1) of the Housing Act of 1937”, and was translated as reading “section 9(d)(1) of the United States Housing Act of 1937”, as act Sept. 1, 1937, ch. 896, to reflect the probable intent of Congress.

The Emergency Low Income Housing Preservation Act of 1987, referred to in subsec. (d)(6), is title II of Pub. L. 100–242, Pub. L. 98–222, Pub. L. 102–550, 106 Stat. 1877, as amended, which was classified principally as a note under section 1715 of Title 12, Banks and Banking. Title II of Pub. L. 100–242, was amended generally by Pub. L. 101–625, title VI, §§601(a), Nov. 28, 1990, 104 Stat. 4249, and is now known as the Low-Income Housing Preservation and Resident Homeownership Act of 1990, which is classified principally to chapter 42 (§4101 et seq.) of Title 12. For complete classification of this Act to the Code, see Short Title note set out under section 4101 of Title 12 and Tables.

AMENDMENTS


1992—Subsec. (a)(1). Pub. L. 102–550, §207(a), inserted “to provide for the payment of reasonable administrative and planning costs, to provide for the payment of operating expenses of community housing development organizations,” after “or organizations,”

Pub. L. 102–550, §385, inserted at end “For the purpose of this part, the term ‘affordable housing’ includes permanent housing for disabled homeless persons, transitional housing, and single room occupancy housing.”

Subsec. (a)(2). Pub. L. 102–550, §207(b), struck out under paragraph (3) of this subsection or after “authorized” in concluding provisions.

Subsec. (a)(3). Pub. L. 102–550, §207(b), added cl. (ii) of par. (3)(A) and struck out former cl. (i) which read as follows: “the tenant-based rental assistance is provided to persons from the waiting lists eligible for section 8 assistance in accordance with the applicable preferences provided,”


Pub. L. 102–550, §203(a)(2), (3), redesignated par. (4) as (3) and struck out former par. (3) which provided for conditions for new construction of housing.


Former subsec. (c) redesignated (d).

Pub. L. 102–550, §207(b)(1), inserted before comma at end of par. (1) “that exceed the amount specified under subsection (c)”.

Subsec. (d). Pub. L. 102–550, §207(b)(2), redesignated subsec. (c) as (d). Former subsec. (d) redesignated (e).

Pub. L. 102–550, §207, inserted after first sentence of par. (1) “For multifamily housing, such limits shall not be less than the per unit dollar amount limitations set forth in section 1715(d)(3)(i) of title 12, as such limitations may be adjusted in accordance therewith, except that for purposes of this subsection the Secretary shall, by regulation, increase the per unit dollar amount limitations in any geographical area by an amount, not to exceed 140 percent, that equals the amount by which the costs of multifamily housing construction in the area exceed the national average of such costs.”

Subsecs. (e), (f). Pub. L. 102–550, §207(b)(3), redesignated subsecs. (d) and (e) as (e) and (f), respectively.

Subsec. (g). Pub. L. 102–550, §207(d), added subsec. (g).

EFFECTIVE DATE OF 1998 AMENDMENT

Amendment by title V of Pub. L. 105–276 effective and applicable beginning upon Oct. 1, 1999, except as otherwise provided, with provision that Secretary may implement amendment before such date, except to extent that such amendment provides otherwise, and with savings provision, see section 503 of Pub. L. 105–276, set out as a note under section 1437 of this title.

EFFECTIVE DATE OF 1992 AMENDMENT

Amendment by sections 203–207 of Pub. L. 102–550 applicable to unexpended funds allocated under subchapter II of this chapter in fiscal year 1992, except as otherwise specifically provided, see section 229 of Pub. L. 102–550, set out as a note under section 12704 of this title.

§12743. Development of model programs

(a) In general

The Secretary shall—

(1) in cooperation with participating jurisdictions, government-sponsored mortgage finance corporations, nonprofit organizations, the private sector, and other appropriate parties, develop, test, evaluate, refine, and, as necessary, replace a selection of model programs designed to carry out the purposes of this subchapter;

(2) make available to participating jurisdictions alternative model programs, which shall include suggested guidelines, procedures, forms, legal documents and such other elements as the Secretary determines to be appropriate;

(3) assure, insofar as is feasible, the availability of an appropriate variety of model programs designed for local market conditions, housing problems, project characteristics, and managerial capacities as they differ among participating jurisdictions;

(4) negotiate and enter into agreements with agencies of the Federal Government, participating jurisdictions, private financial institutions, government-sponsored mortgage finance corporations, nonprofit organizations, and other entities to provide such services, products, or financing as may be required for the implementation of a model program;

(5) provide detailed information on model programs as requested by participating jurisdictions, private financial institutions, developers, nonprofit organizations, and other interested parties; and

(6) encourage the use of such model programs to achieve efficiency, economies of scale, and effectiveness in the investment of funds made available under this part through third-party training, printed materials, and such other means of support as the Secretary determines will achieve the purpose of this subchapter.

(b) Adoption of programs

Except as provided in section 12753(2) of this title, each participating jurisdiction shall have the discretion to adopt one or more model pro-
grams, adapt one or more model programs to its own requirements, design additional forms of assistance by itself or in cooperation with other participating jurisdictions, and suggest additional model programs for adoption by the Secretary as the participating jurisdiction may deem appropriate, and the Secretary may assist a participating jurisdiction in adopting, adapting, or designing one or more model programs.

(c) Part D programs

The selection of model programs to be made available for adoption or adaptation shall include programs meeting the criteria set forth in part D.


§ 12744. Income targeting

Each participating jurisdiction shall invest funds made available under this part within each fiscal year so that—

(1) with respect to rental assistance and rental units—

(A) not less than 90 percent of (i) the families receiving such rental assistance are families whose incomes do not exceed 60 percent of the median family income for the area, as determined by the Secretary with adjustments for smaller and larger families, except that the Secretary may establish income ceilings higher or lower than 60 percent of the median for the area on the basis of the Secretary’s findings that such variations are necessary because of prevailing levels of construction cost or fair market rent, or unusually high or low family income) at the time of occupancy or at the time funds are invested, whichever is later, or (ii) the dwelling units assisted with such funds are occupied by families having such incomes; and

(B) the remainder of (i) the families receiving such rental assistance are households that qualify as low-income families (other than families described in subparagraph (A)) at the time of occupancy or at the time funds are invested, whichever is later, or (ii) the dwelling units assisted with such funds are occupied by such households;

(2) with respect to homeownership assistance, 100 percent of such funds are invested with respect to dwelling units that are occupied by households that qualify as low-income families; and

(3) all such funds are invested with respect to housing that qualifies as affordable housing under section 12745 of this title.


AMENDMENTS

1998—Par. (2). Pub. L. 105–276 struck out “at the time of occupancy or at the time funds are invested, whichever is later” before “(ii)”. 1994—Par. (1)(A). Pub. L. 103–233, §202(1), substituted “(i) the families receiving such rental assistance are” for “such funds are invested with respect to dwelling

units that are occupied by”, “,”, or “” for “,”, and “” before cl. (ii), and added cl. (ii).

Par. (1)(B). Pub. L. 103–233, §202(2), substituted “(i) the families receiving such rental assistance are” for “such funds are invested with respect to dwelling units that are occupied by” and added cl. (ii).

§ 12745. Qualification as affordable housing

(a) Rental housing

(1) Qualification

Housing that is for rental shall qualify as affordable housing under this subchapter only if the housing—

(A) bears rents not greater than the lesser of (i) the existing fair market rent for comparable units in the area as established by the Secretary under section 1437f of this title, or (ii) a rent that does not exceed 30 percent of the adjusted income of a family whose income equals 65 percent of the median income for the area, as determined by the Secretary, with adjustment for number of bedrooms in the unit, except that the Secretary may establish income ceilings higher or lower than 65 percent of the median for the area on the basis of the Secretary’s findings that such variations are necessary because of prevailing levels of construction costs or fair market rents, or unusually high or low family incomes;

(B) has not less than 20 percent of the units (i) occupied by very low-income families who pay as a contribution toward rent (excluding any Federal or State rental subsidy provided on behalf of the family) not more than 30 percent of the family’s monthly adjusted income as determined by the Secretary, or (ii) occupied by very low-income families and bearing rents not greater than the gross rent for rent-restricted residential units as determined under section 42(g)(2) of title 26;

(C) is occupied only by households that qualify as low-income families;

(D) is not refused for leasing to a holder of a voucher or certificate of eligibility under section 1437f of this title because of the status of the prospective tenant as a holder of such voucher or certificate of eligibility;

(E) will remain affordable, according to binding commitments satisfactory to the Secretary, for the remaining useful life of the property, as determined by the Secretary, without regard to the term of the

§ 12745a. Effective date of 1998 amendment

Pub. L. 105–276, title V, §599B(c), Oct. 21, 1998, 112 Stat. 2660, provided that: “The amendments made by this section [amending this section and section 12745 of this title] are made on, and shall apply beginning upon, the date of the enactment of this Act [Oct. 21, 1998].”

§ 12745c. Effective date of 1994 amendment

Amendment by Pub. L. 103–233 applicable with respect to any amounts made available to carry out this subchapter after Apr. 11, 1994, and any amounts made available to carry out this subchapter before that date that remain uncommitted on that date, with Secretary to issue any regulations necessary to carry out such amendment not later than end of 45-day period beginning on that date, see section 209 of Pub. L. 103–233, set out as a note under section 5301 of this title.

§ 12745d. Effective date of 1998 amendment

Effective Date of 1998 Amendment

Effective Date of 1994 Amendment

Amendment by Pub. L. 103–233 applicable with respect to any amounts made available to carry out this subchapter after Apr. 11, 1994, and any amounts made available to carry out this subchapter before that date that remain uncommitted on that date, with Secretary to issue any regulations necessary to carry out such amendment not later than end of 45-day period beginning on that date, see section 209 of Pub. L. 103–233, set out as a note under section 5301 of this title.

§ 12745e. Effective date of 1994 amendment

Amendment by Pub. L. 103–233 applicable with respect to any amounts made available to carry out this subchapter after Apr. 11, 1994, and any amounts made available to carry out this subchapter before that date that remain uncommitted on that date, with Secretary to issue any regulations necessary to carry out such amendment not later than end of 45-day period beginning on that date, see section 209 of Pub. L. 103–233, set out as a note under section 5301 of this title.
mortgage or to transfer of ownership, or for
such other period that the Secretary deter-
mines is the longest feasible period of time
consistent with sound economics and the
purposes of this Act, except upon a fore-
closure by a lender (or upon other transfer in
lieu of foreclosure) if such action (i) recog-
nizes any contractual or legal rights of pub-
lic agencies, nonprofit sponsors, or others to
take actions that would avoid termination
of low-income affordability in the case of
foreclosure or transfer in lieu of foreclosure,
and (ii) is not for the purpose of avoiding low
income affordability restrictions, as deter-
mined by the Secretary; and
(F) if newly constructed, meets the energy
efficiency standards promulgated by the
Secretary in accordance with section 12709 of
this title.

(2) Adjustment of qualifying rent
The Secretary may adjust the qualifying
rent established for a project under subpar-
agraph (A) of paragraph (1), only if the Sec-
retary finds that such adjustment is necessary
to support the continued financial viability of
the project and only by such amount as the
Secretary determines is necessary to maintain
continued financial viability of the project.

(3) Increases in tenant income
Housing shall qualify as affordable housing
despite a temporary noncompliance with sub-
paragraph (B) or (C) of paragraph (1) if such
noncompliance is caused by increases in the
incomes of existing tenants and if actions sat-
sactory to the Secretary are being taken to
ensure that all vacancies are filled in accord-
ance with paragraph (1) until such noncompli-
ance is corrected. Tenants who no longer qual-
ify as low-income families shall pay as rent
the lesser of the amount payable by the tenant
under State or local law or 30 percent of the
family’s adjusted monthly income, as recerti-
fied annually. The preceding sentence shall
not apply with respect to funds made available
under this Act for units that have been allo-
cated a low-income housing tax credit by a
housing credit agency pursuant to section 42
of title 26.

(4) Mixed-income project
Housing that accounts for less than 100 per-
cent of the dwelling units in a project shall
qualify as affordable housing if such housing
meets the criteria of this section.

(5) Mixed-use project
Housing in a project that is designed in part
for uses other than residential use shall qual-
ify as affordable housing if such housing meets
the criteria of this section.

(6) Waiver of qualifying rent
(A) In general
For the purpose of providing affordable hous-
ing appropriate for families described in
paragraph (B) or (C) of paragraph (1) if such
noncompliance is corrected. Tenants who no long-
er qualify as low-income families shall pay as rent
the lesser of the amount payable by the tenant
under State or local law or 30 percent of the
family’s adjusted monthly income, as recerti-
fied annually. The preceding sentence shall
not apply with respect to funds made available
under this Act for units that have been allo-
cated a low-income housing tax credit by a
housing credit agency pursuant to section 42
of title 26.

(b) Homeownership
Housing that is for homeownership shall qual-
ify as affordable housing under this subchapter
only if the housing—
(1) has an initial purchase price that does
not exceed 95 percent of the median purchase
price for the area, as determined by the Sec-
retary with such adjustments for differences
in structure, including whether the housing is
single-family or multifamily, and for new and
old housing as the Secretary determines to be
appropriate;
(2) is the principal residence of an owner
whose family qualifies as a low-income fam-
ily—
(A) in the case of a contract to purchase
existing housing, at the time of purchase;
(B) in the case of a lease-purchase agree-
ment for existing housing or for housing to
be constructed, at the time the agreement is
signed; or
(C) in the case of a contract to purchase
housing to be constructed, at the time the
contract is signed;
(3) is subject to resale restrictions that are
established by the participating jurisdiction
and determined by the Secretary to be appro-
priate to—
(A) allow for subsequent purchase of the
property only by persons who meet the
qualifications specified under paragraph (2),
at a price which will—
(i) provide the owner with a fair return
on investment, including any improve-
ments, and
(ii) ensure that the housing will remain
affordable to a reasonable range of low-in-
come homebuyers; or

(i) the unit is occupied by such a family,
on whose behalf tenant-based assistance is
provided under section 1437f of this title;
(ii) the rent for the unit is not greater
than the existing fair market rent for
comparable units in the area, as estab-
lished by the Secretary under section 1437f
of this title; and
(iii) the Secretary determines that the
waiver, together with waivers under this
paragraph for other dwelling units in the
project, will result in the use of amounts
described in clause (iii) in an effective
manner that will improve the provision of
affordable housing for such families.

(B) Eligible families
A family described in this subparagraph is
a family that consists of at least one elderly
person (who is the head of household) and
one or more of such person’s grand2 chil-
dren, great grandchildren, great nieces,
great nephews, or great great grandchildren
(as defined by the Secretary), but does not
include any parent of such grandchildren,
great grandchildren, great nieces, great
nephews, or great great grandchildren. Such
term includes any such grandchildren, great
grandchildren, great nieces, great nephews,
or great great grandchildren who have been
legally adopted by such elderly person.

1 So in original. Probably should be “grandchildren”.

2 So in original.
(B) recapture the investment provided under this subchapter in order to assist other persons in accordance with the requirements of this subchapter, except where there are no net proceeds or where the net proceeds are insufficient to repay the full amount of the assistance; and

(4) if newly constructed, meets the energy efficiency standards promulgated by the Secretary in accordance with section 12709 of this title.


REFERENCES IN TEXT


AMENDMENTS


1998—Subsec. (b)(2). Pub. L. 105–276 amended par. (2) generally. Prior to amendment, par. (2) read as follows: “is the principal residence of an owner whose family qualifies as a low-income family at the time of purchase”;

1994—Subsec. (b)(3). Pub. L. 103–233, §203(a), redesignated par. (4) as (3) and struck out former par. (3) which read as follows: “is made available for initial purchase only to first-time homebuyers”;

Subsec. (b)(3)(B). Pub. L. 103–233, §203(b), substituted “subchapter” for “subsection” after “requirements of this”;

Subsec. (b)(4), (5). Pub. L. 103–233, §203(a)(2), redesignated paras. (4) and (5) as (3) and (4), respectively.


Subsec. (a)(1)(E). Pub. L. 102–550, §206(b), inserted before semicolon”, except upon a foreclosure by a lender (or upon other transfer in lieu of foreclosure) if such action (i) recognizes any contractual or legal rights of public agencies, nonprofit sponsors, or others to take actions that would avoid termination of low-income affordability in the case of foreclosure or transfer in lieu of foreclosure, and (ii) is not for the purpose of avoiding low income affordability restrictions, as determined by the Secretary”;

Subsec. (a)(3). Pub. L. 102–550, §206(a)(2), (3), substituted “the lesser of the amount payable by the tenant under State or local law or” for “not less than” in second sentence and inserted at end “The preceding sentence shall not apply with respect to funds made available under this Act for units that have been allocated a low-income housing tax credit by a housing credit agency pursuant to section 42 of title 26.”

Subsec. (b)(4). Pub. L. 102–550, §209, added par. (4) and struck out former par. (4) which read as follows: “is made available for subsequent purchase only—

“(A) to persons who meet the qualifications specified under paragraph (2), and

“(B) at a price consistent with guidelines that are established by the participating jurisdiction and determined by the Secretary to be appropriate—

“(i) to provide the owner with a fair return on investment, including any improvements, and

“(ii) to ensure that the housing will remain affordable to a reasonable range of low income homebuyers; and”.

Effective Date of 1998 Amendment

Amendment by Pub. L. 105–276 made on, and applicable beginning upon, Oct. 21, 1998, see section 599B(c) of Pub. L. 105–276, set out as a note under section 1274(c) of this title.

Effective Date of 1994 Amendment

Amendment by Pub. L. 103–233 applicable with respect to any amounts made available to carry out this subchapter after Apr. 11, 1994, and any amounts made available to carry out this subchapter before that date that remain uncommitted on that date, with Secretary to issue any regulations necessary to carry out such amendment not later than end of 45-day period beginning on that date, see section 209 of Pub. L. 103–233, set out as a note under section 5301 of this title.

Effective Date of 1992 Amendment

Amendment by Pub. L. 102–550 applicable to unexpended funds allocated under subchapter II of this chapter in fiscal year 1992, except as otherwise specifically provided, see section 223 of Pub. L. 102–550, set out as a note under section 12704 of this title.

HOME INVESTMENT PARTNERSHIPS PROGRAM

Pub. L. 114–113, div. L, title II, Dec. 18, 2015, 129 Stat. 2878, provided in part: “That with respect to funds made available under this heading [HOME INVESTMENT PARTNERSHIPS PROGRAM, see 129 Stat. 2878] pursuant to such Act [probably means title II of Pub. L. 101–625] and funds provided in prior and subsequent appropriations acts that were or are used by community land trusts for the development of affordable homeownership housing pursuant to section 215(b) of such Act [42 U.S.C. 12745(b)], such community land trusts, notwithstanding section 215(b)(3)(A) of such Act [42 U.S.C. 12745(b)(3)(A)], may hold and exercise purchase options, rights of first refusal or other preemptive rights to purchase the housing to preserve affordability, including but not limited to the right to purchase the housing in lieu of foreclosure”.

§12746. Participation by States and local governments

The Secretary shall designate a State or unit of general local government to be a participating jurisdiction when it complies with procedures that the Secretary shall establish by regulation, which procedures shall only provide for the following:

(1) Allocation

Not later than 20 days after funds to carry out this part become available (or, during the first year after November 28, 1990, not later than 20 days after (A) funds to carry out this part are provided in an appropriations Act, or (B) regulations to implement this part are promulgated, whichever is later), the Secretary shall allocate funds in accordance with section 12747 of this title and promptly notify each jurisdiction receiving a formula allocation of its share.

(2) Consortia

A consortium of geographically contiguous units of general local government shall be deemed to be a unit of general local government for purposes of this subchapter if the Secretary determines that the consortium—

(A) has sufficient authority and administrative capability to carry out the purposes
of this subchapter on behalf of its member jurisdictions, and

(B) will, according to a written certification by the State (or States, if the consortium includes jurisdictions in more than one State) direct its activities to alleviation of housing problems within the State or States.

(3) Eligibility

(A) Except as provided in paragraph (10), a jurisdiction receiving a formula allocation under section 12747 of this title shall be eligible to become a participating jurisdiction if its formula allocation is $750,000 or greater, or if the Secretary finds that—

(i) the jurisdiction has a local housing authority and has demonstrated a capacity to carry out provisions of this part, and

(ii) the State has authorized the Secretary to transfer to the jurisdiction a portion of the State’s allocation that is equal to or greater than the difference between the jurisdiction’s formula allocation and $750,000, or the State or jurisdiction has made available from the State’s or jurisdiction’s own sources an equal amount for use by the jurisdiction in conformance with the provisions of this part.

(B) If a jurisdiction has met the requirements of subparagraph (A), the jurisdiction’s formula allocation for a fiscal year shall subsequently be deemed to equal the sum of the jurisdiction’s allocation under section 12747(a)(1) of this title and the amount made available to the jurisdiction under subparagraph (A)(ii).

(4) Notification

If an eligible jurisdiction notifies the Secretary in writing, not later than 30 days after receiving notification under paragraph (1), of its intention to become a participating jurisdiction, the Secretary shall reserve an amount equal to the jurisdiction’s allocation (plus any reallocations for which the jurisdiction is eligible under section 12747(d)(1) of this title) pending the jurisdiction’s designation as a participating jurisdiction. The Secretary shall reallocate, in accordance with paragraph (6) of this section, any funds reserved under the previous sentence if the Secretary determines that the jurisdiction will not meet the requirements for designation as a participating jurisdiction within a reasonable period of time.

(5) Submission of strategy

Not later than 90 days after providing notification under paragraph (4), an eligible jurisdiction shall submit to the Secretary a comprehensive housing affordability strategy in accordance with section 12705 of this title.

(6) Reallocation

If the Secretary determines that a jurisdiction has failed to meet the requirements of the previous 3 paragraphs or if the Secretary, after providing for amendments and resubmissions in accordance with section 12705(c)(3) of this title, disapproves the jurisdiction’s comprehensive housing affordability strategy, the Secretary shall reallocate any funds reserved for the jurisdiction as follows:

(A) State

If a State has failed to meet the requirements, the Secretary shall—

(i) make any funds reserved for the State available by direct reallocation among applications submitted by units of general local government within the State or consortia that include units of general local government within the State, insofar as approveable applications meeting the selection criteria under section 12747(c) of this title are received within 12 months after the funds become available for the direct reallocation, and

(ii) reallocate the remainder by formula in accordance with section 12747(b) of this title.

(B) Local

If a unit of general local government has failed to meet the requirements and is located in a State that is a participating jurisdiction, the Secretary shall reallocate to the State any funds reserved for the locality, with preference going to the provision of affordable housing within the locality.

(C) Direct reallocation

If a unit of general local government has failed to meet the requirements and is located in a State that is not a participating jurisdiction, the Secretary shall—

(i) make any funds reserved for the locality available for use within the State by direct reallocation among units of general local government and community housing development organizations, insofar as approveable applications meeting the selection criteria under section 12747(c) of this title are received within 12 months after the funds become available for the direct reallocation with priority going to applications for affordable housing within the locality, and

(ii) reallocate the remainder in accordance with section 12747(b) of this title.

(D) Certain jurisdictions deemed to be participating jurisdictions

If a State or unit of general local government is meeting the requirements of paragraphs (3), (4), and (5), it shall be deemed to be a participating jurisdiction for purposes of reallocation under this paragraph.

(7) Designation

The Secretary shall designate an eligible jurisdiction to be a participating jurisdiction as soon as its comprehensive housing affordability strategy is approved in accordance with section 12705 of this title.

(8) Continuous designation

Once a State or unit of general local government is designated a participating jurisdiction, it shall remain a participating jurisdiction for subsequent fiscal years, except as provided in paragraph (9). The provisions of paragraphs (3) through (6) shall not apply to participating jurisdictions.

(9) Revocation

The Secretary may revoke a jurisdiction’s designation as a participating jurisdiction if—
(A) the Secretary finds, after reasonable notice and opportunity for hearing, that the jurisdiction is unwilling or unable to carry out the provisions of this subchapter, or

(B) the jurisdiction’s allocation falls below $750,000 for 3 consecutive years, below $625,000 for 2 consecutive years, or the jurisdiction does not receive a formula allocation of $500,000 or more in any 1 year, except as provided in paragraph (10).

If a jurisdiction’s designation as a participating jurisdiction is revoked, any remaining line of credit in the jurisdiction’s HOME Investment Trust Fund established under section 12748 of this title shall be reallocated in accordance with paragraph (6) of this section.

(10) Threshold reduction

If the amount appropriated pursuant to section 12724 of this title for any fiscal year is less than $1,500,000,000, then this section shall be applied during that year—

(A) by substituting “$500,000” for “$750,000” both places it appears in paragraph (3); and

(B) by substituting “$500,000”, “$410,000”, and “$335,000” for “$750,000”, “$625,000”, and “$500,000”, respectively, where they appear in paragraph (9).


AMENDMENTS


EFFECTIVE DATE OF 1992 AMENDMENT

Amendment by Pub. L. 102–550 applicable to unexpended funds allocated under subchapter II of this chapter in fiscal year 1992, except as otherwise specifically provided, see section 223 of Pub. L. 102–550, set out as a note under section 12704 of this title.

APPLICABILITY OF GRANT THRESHOLDS

Pub. L. 102–550, title II, §202(c), Oct. 28, 1992, 106 Stat. 3752, provided that: “Notwithstanding any other provision of law, the grant thresholds provided for in section 216 (42 U.S.C. 12746), as amended by this section, and the grant thresholds provided for in section 217(b) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12747(b)), as amended by this section, shall apply.”

§ 12747. Allocation of resources

(a) In general

(1) States and units of general local government

After reserving amounts under paragraph (3) for the insular areas, the Secretary shall allocate funds approved in an appropriation Act to carry out this subchapter by formula as provided in subsection (b). Of the funds made available under the preceding sentence, the Secretary shall initially allocate 60 percent among units of general local government and 40 percent among States.


(3) Insular areas

For each fiscal year, of any amounts approved in appropriation Acts to carry out this subchapter, the Secretary shall reserve for grants to the insular areas the greater of (A) $750,000, or (B) 0.2 percent of the amounts appropriated under such Acts. The Secretary shall provide for the distribution of amounts reserved under this paragraph among the insular areas pursuant to specific criteria for such distribution, which shall be contained in a regulation issued by the Secretary.

(b) Formula allocation

(1) In general

(A) Basic formula

The Secretary shall establish a regulation an allocation formula that reflects each jurisdiction’s share of total need among eligible jurisdictions for an increased supply of affordable housing for very low-income and low-income families of different size, as identified by objective measures of inadequate housing supply, substandard housing, the number of low-income families in housing likely to be in need of rehabilitation, the costs of producing housing, poverty, and the relative fiscal incapacity of the jurisdiction to carry out housing activities eligible under section 12742 of this title without Federal assistance. Allocation among units of general local government shall take into account the housing needs of metropolitan cities, urban counties, and approved consortia of units of general local government.

(B) Source of data

The data to be used for formula allocation of funds within a fiscal year shall be data obtained from a standard source that are available to the Secretary 90 days prior to the beginning of that fiscal year.

(C) Use of basic formula

The basic formula established under subparagraph (A) shall be used for all formula allocations and reallocations provided for in this part.

(D) Weights

When allocation is made among States, the Secretary shall apply the formula in subparagraph (A) giving 20 percent weight to measures of need for the whole State and 80 percent weight to measures of need among units of general local government that are not receiving an allocation under section 12746(1) of this title.

(E) Adjustments

In developing the basic formula in subparagraph (A), the Secretary shall (i) avoid the allocation of an excessively large share of amounts made available under this part to any one State or unit of general local government, and (ii) adjust the basic formula to provide for any unusual circumstances that might affect the allocation of funds.

1 See 1992 Amendment note below.

2 So in original. Probably should be “by”.

3 So in original. Probably should be “jurisdictions”. 

4 See also section 12746(2) of this title.
government, and (ii) take into account the need for a geographic distribution of amounts made available under this part that appropriately reflects the housing need in each region of the Nation.

(F) Consultation

The Secretary shall develop the formula in subparagraph (A) in ongoing consultation with (i) the Subcommittees on Housing and Urban Development of the Committee on Banking, Housing, and Urban Affairs of the Senate, (ii) the Subcommittee on Housing and Community Development of the Committee on Banking, Finance and Urban Affairs of the House of Representatives, and (iii) organizations representing States and units of general local government. Not less than 60 days prior to publishing a formula for comment, the Secretary shall submit to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Banking, Finance and Urban Affairs of the House of Representatives a copy of the formula the Secretary intends to propose.

(2) Minimum State allocation

(A) In general

If the formula, when applied to funds approved under this section in appropriations Acts for a fiscal year, would allocate less than $3,000,000 to any State, the allocation for such State shall be $3,000,000, and the increase shall be deducted pro rata from the allocations of other States.

(B) Increased minimum allocation

If no unit of general local government within a State receives an allocation under paragraph (3), the State’s allocation shall be increased by $500,000. Priority for use of such increased allocation shall go to the provision of affordable housing within the boundaries of metropolitan cities, urban counties, and approved consortia within the State, based on the need for such funds. The increased allocation to a State under the preceding sentence shall be derived by a pro rata deduction from the allocations to units of general local government in all States, except that such pro rata deduction shall not reduce the allocation of any unit of general local government below $500,000.

(3) Minimum local allocation

The Secretary shall allocate funds available for formula allocation to units of general local government that, as of the end of the previous fiscal year, qualify as metropolitan cities, urban counties, and consortia approved by the Secretary in accordance with section 12746(2) of this title so that, when all such funds are initially allocated by formula, jurisdictions that are allocated an amount of $500,000 or more, and participating jurisdictions (other than consortia that fail to renew the membership of all of their member jurisdictions) that are allocated an amount less than $500,000, shall receive an allocation. Prior to announcing initial allocations, the Secretary shall successively recalculate the allocations to jurisdictions under this subsection so that the maximum number of such jurisdictions can receive initial allocations, except as provided in paragraph (4).

(4) Threshold reduction

If the amount appropriated pursuant to section 12724 of this title for any fiscal year is less than $1,500,000,000, then this section shall be applied during that year by substituting “$335,000” for “$500,000” where it appears in paragraph (3).

(c) Criteria for direct reallocation

The Secretary shall establish objective criteria for making direct reallocations to any participating jurisdiction and other eligible entities. A jurisdiction shall be eligible for a direct reallocation under this subsection only if the jurisdiction, in a form acceptable to the Secretary, submits an application that demonstrates to the satisfaction of the Secretary that the jurisdiction is engaged, or has made good faith efforts to engage, in cooperative efforts between the State and appropriate participating jurisdictions within the State to develop, coordinate, and implement housing strategies under this subchapter. The Secretary shall by regulation establish objective selection criteria for such direct reallocations, which criteria shall take into account—

1. the applicant’s demonstrated commitment to expand the supply of affordable rental housing, including units developed by public housing agencies, as indicated by the additional number of units of affordable housing made available through production or rehabilitation within the previous 2 years, making adjustment for regional variations in construction and rehabilitation costs and giving special consideration to the number of additional units made available under this subchapter through production or rehabilitation, including units developed by public housing agencies, in relation to the amounts made available under this program;

2. the applicant’s actions that—

   (A) direct funds made available under this part to benefit very low-income families, with a range of incomes, in amounts that exceed the income targeting requirements of section 12744 of this title, with extra consideration given for activities that expand the supply of affordable housing for very low-income families whose incomes do not exceed 30 percent of the median family income for the area, as determined by the Secretary;

   (B) apply the tenant selection preference categories applicable under section 1437f of this title to the selection of tenants for housing assisted under this part;

   (C) provide matching resources in excess of funds required under section 12750 of this title; and

   (D) stimulate a high degree of investment and participation in development by the private sector, including nonprofit organizations; and

3. the degree to which the applicant is pursuing policies that—

   (A) make existing housing more affordable;
§ 12747  TITLE 42—THE PUBLIC HEALTH AND WELFARE  Page 7812

(B) remove or ameliorate any negative effects that public policies identified by the applicant pursuant to section 12705(b)(4) of this title may have on the cost of housing or the incentives to develop, maintain, or improve affordable housing in the jurisdiction;  
(C) preserve the affordability of privately-owned housing that is vulnerable to conversion, demolition, disinvestment, or abandonment;  
(D) increase the supply of housing that is affordable to very low-income and low-income persons, particularly in areas that are accessible to expanding job opportunities; and  
(E) remedy the effects of discrimination and improve housing opportunities for disadvantaged minorities.  

(d) Reallocations

(1) In general

The Secretary shall make any reallocations periodically throughout each fiscal year so as to ensure that all funds to be reallocated are made available to eligible jurisdictions as soon as possible, consistent with orderly program administration. Jurisdictions eligible for such reallocations shall include participating jurisdictions and jurisdictions meeting the requirements of paragraphs (3), (4), and (5) of section 12746 of this title.

(2) Commitments

The Secretary shall establish procedures according to which participating jurisdictions may make commitments to invest funds made available under this section. Such procedures shall provide for appropriate stages of commitment of funds to a project from initial reservation through binding commitment. Notwithstanding any other provision of this subchapter, funds that the Secretary determines are needed to fulfill binding commitments shall not be available for reallocation.

(3) Limitation

Unless otherwise specified in this part, any reallocation of funds from a State shall be made only among all participating States, and any reallocation of funds from units of general local government shall be made only among all participating units of general local government.


AMENDMENTS

1997—Subsec. (b)(3). Pub. L. 105–65, in first sentence, substituted "jurisdictions that are allocated an amount of $500,000 or more, and participating jurisdictions (other than consortia that fail to renew the membership of all of their member jurisdictions) that are allocated an amount less than $500,000, shall receive an allocation" for "only those jurisdictions that are allocated an amount of $500,000 or greater shall receive an allocation".

1996—Subsec. (a)(1). Pub. L. 104–330, §505(a)(1)(A), struck out "reserving amounts under paragraph (2) for Indian tribes and after" after "After".

Subsec. (a)(2). Pub. L. 104–330, §505(a)(1)(B), struck out heading and text of par. (2). Text read as follows: "For each fiscal year, of the amount approved in an appropriations Act to carry out this subchapter, the Secretary shall reserve for grants to Indian tribes the greater of (A) $750,000, or (B) 0.2 percent of the amounts appropriated under such Acts. The Secretary shall provide for the distribution of amounts reserved under this paragraph among the insular areas pursuant to specific criteria for such distribution. The criteria shall be contained in a regulation promulgated by the Secretary after notice and public comment.".

Subsec. (a)(3). Pub. L. 105–65, §211(a)(2)(A), added first sentence and struck out former first sentence which read as follows: "For each fiscal year, of any amounts approved in appropriations Acts to carry out this subchapter, the Secretary shall reserve for grants to the insular areas the greater of (A) $750,000, or (B) 0.2 percent of the amounts appropriated under such Acts. The Secretary shall provide for the distribution of amounts reserved under this paragraph among the insular areas pursuant to specific criteria for such distribution. The criteria shall be contained in a regulation promulgated by the Secretary after notice and public comment.

Subsec. (a)(4). Pub. L. 105–65, §211(a)(2)(B), struck out par. (3), as added by Pub. L. 102–389, added first sentence and struck out former first sentence which read as follows: "For each fiscal year, of any amounts approved in appropriations Acts to carry out this subchapter, the Secretary shall reserve for grants to the insular areas the greater of (A) $750,000, or (B) 0.2 percent of the amounts appropriated under such Acts. The Secretary shall provide for the distribution of amounts reserved under this paragraph among the insular areas pursuant to specific criteria for such distribution. The criteria shall be contained in a regulation promulgated by the Secretary after notice and public comment.


Subsec. (a)(6). Pub. L. 105–65, §211(a)(2)(C), struck out par. (3), as added by Pub. L. 102–389, §211(a)(2)(D), and Pub. L. 102–389 both added new pars. (3) related to insular areas. The text reflects the par. (3) added by Pub. L. 102–550. The par. (3) added by Pub. L. 102–389 read as follows: "For each fiscal year, of any amounts approved in appropriations Acts to carry out this subchapter, the Secretary shall reserve for grants to the insular areas the greater of (A) $750,000, or (B) 0.2 percent of the amounts appropriated under such Acts. The Secretary shall provide for the distribution of amounts reserved under this paragraph among the insular areas pursuant to specific criteria for such distribution. The criteria shall be contained in a regulation promulgated by the Secretary after notice and public comment.

Subsec. (b)(1). Pub. L. 102–229 and Pub. L. 102–230, §1(2), added first sentence and struck out former first sentence which read as follows: "(A) In general.—For each fiscal year, of any amount approved in an appropriations Act to carry out this subchapter, the Secretary shall reserve for grants to the insular areas an amount that reflects—

(i) their share of the total population of eligible jurisdictions; and

(ii) any adjustments that the Secretary determines are reasonable in light of available data that are related to factors set forth in subsection (b)(2) of this section.

(B) Specific criteria.—The Secretary shall provide for the distribution of amounts reserved under this paragraph among the insular areas in accordance with specific criteria to be set forth in a regulation promulgated by the Secretary after notice and public comment.

(C) Transitional provisions.—For fiscal year 1992, the reservation for insular areas specified in subparagraph (A) shall be made from any funds which become available for reallocation in accordance with the provisions of section 12746(a)(4) of this title.

Subsec. (b)(2). Pub. L. 102–550, §211(a)(2)(B), struck out par. (3), as added by Pub. L. 102–229, which read as follows: "For each fiscal year, of any amounts approved in appropriations Acts to carry out this subchapter, the Secretary shall reserve for grants to the insular areas the greater of (A) $750,000, or (B) 0.5 percent of the amounts appropriated under such Acts. The Secretary shall provide for the distribution of amounts reserved under this paragraph among the insular areas pursuant to specific criteria for such distribution. The criteria shall be contained in a regulation promulgated by the Secretary after notice and public comment.

Subsec. (b)(3). Pub. L. 102–550, §203(b)(1), (6), redesignated subpar. (B) as (A) and struck out former sub-
par. (A) which provided for a formula for allocation of funds for production of affordable rental housing through new construction or substantial rehabilitation. Pub. L. 102-229 added cl. (iii) reading as follows: "(Notwithstanding clauses (i) and (ii), any jurisdiction receiving amounts made available under such clause may, at the discretion of the jurisdiction, use such amounts for other eligible uses in accordance with section 12742 of this title if the jurisdiction determines that such use will better meet the housing needs within the jurisdiction. This clause shall be effective only with respect to funds provided under the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1992 (Public Law 102-139; 105 Stat. 744), which suspends the requirement of contributions by participating jurisdictions, and shall become ineffective if such requirement is reimposed."

Subsec. (b)(1)(B). Pub. L. 102-550, § 203(b)(6), redesignated subparagraphs (A) and (B) as (B) and (C), respectively. Former subpar. (B) redesignated (A).


Pub. L. 102-550, § 203(b)(2), substituted "The basic formula established under subparagraph (A)" for "Except as provided in subparagraph (A), the basic formula established under subparagraph (B)".


Pub. L. 102-550, § 203(b)(3), substituted "formula in subparagraph (A)" for "formulas in subparagraph (B)".


Pub. L. 102-550, § 203(b)(4), substituted "basic formula in subparagraph (A)" for "basic formula in subparagraph (B)" and struck out at end "If a jurisdiction receives an allocation under subparagraph (A), the Secretary shall make such adjustments in the jurisdiction's allocation under the formula in subparagraph (B) as may be necessary to ensure that the combined effect of the formulas in subparagraphs (A) and (B) does not reduce the allocation of any jurisdiction below the allocation it would receive if allocations were made according to the formula under subparagraph (B) alone."


Pub. L. 102-550, § 203(b)(5), substituted "formula in subparagraph (A)" for "formulas in subparagraphs (A) and (B)".

Subsec. (b)(3). Pub. L. 102-550, § 202(b)(1), inserted before period at end ", except as provided in paragraph (4)".


Subsec. (a)(3). Pub. L. 102-229 and Pub. L. 102-230, § 1(2), which were enacted on the same day, both added new pars. (3) relating to insular areas.

CHANGE OF NAME

Committee on Banking, Finance and Urban Affairs of House of Representatives treated as referring to Committee on Banking and Financial Services of House of Representatives by section 1(a) of Pub. L. 104-14, set out as a note preceding section 21 of Title 2, The Congress, Committee on Banking and Financial Services of House of Representatives abolished and replaced by Committee on Financial Services of House of Representatives, and jurisdiction over matters relating to securities and exchanges and insurance generally transferred from Committee on Energy and Commerce of House of Representatives by House Resolution No. 5, One Hundred Seventh Congress, Jan. 3, 2001.

$12748.


date of 1996 Amendment

Amendment by Pub. L. 104-330 effective Oct. 1, 1997, except as otherwise expressly provided, see section 107 of Pub. L. 104-330, set out as an Effective Date note under section 4101 of Title 25, Indians.


Effective Date of 1992 Amendment

Amendment by section 211(a)(2) of Pub. L. 102-550 applicable with respect to fiscal year 1993 and thereafter, see section 211(b) of Pub. L. 102-550, set out as a note under section 12704 of this title.

Amendment by sections 202(b) and 203(b) of Pub. L. 102-550 applicable to unexpended funds allocated under subchapter II of this chapter in fiscal year 1992, except as otherwise specifically provided, see section 233 of Pub. L. 102-550, set out as a note under section 12704 of this title.


date of 1992 Amendment

Amendment by section 211(a)(2) of Pub. L. 102-550 applicable with respect to fiscal year 1993 and thereafter, see section 211(b) of Pub. L. 102-550, set out as a note under section 12704 of this title.


date of 1996 Amendment

Amendment by Pub. L. 104-330 effective Oct. 1, 1997, except as otherwise expressly provided, see section 107 of Pub. L. 104-330, set out as an Effective Date note under section 4101 of Title 25, Indians.


Effective Date of 1992 Amendment

Amendment by section 211(a)(2) of Pub. L. 102-550 applicable with respect to fiscal year 1993 and thereafter, see section 211(b) of Pub. L. 102-550, set out as a note under section 12704 of this title.

Amendment by sections 202(b) and 203(b) of Pub. L. 102-550 applicable to unexpended funds allocated under subchapter II of this chapter in fiscal year 1992, except as otherwise specifically provided, see section 233 of Pub. L. 102-550, set out as a note under section 12704 of this title.

Applicability of Grant Thresholds

Grant thresholds provided for in subsec. (b) of this section as amended by Pub. L. 102-550 to apply notwithstanding any other provision of law, see section 202(c) of Pub. L. 102-550, set out as a note under section 12746 of this title.

Expedited Issuance of Regulation

Pub. L. 102-550, title II, § 211(a)(3), Oct. 26, 1992, 106 Stat. 3767, provided that: "The regulation referred to in the amendment made by paragraph (2)(D) [amending this section] shall take effect not later than the expiration of the 90-day period beginning on the date of the enactment of this Act [Oct. 28, 1992]. The regulation shall not be subject to the requirements of subsections (b) and (c) of section 533 of title 5, United States Code, or section 7(o) of the Department of Housing and Urban Development Act [42 U.S.C. 3535(o)]."

HOME Investment Trust Funds

(a) Establishment

The Secretary shall establish for each participating jurisdiction a HOME Investment Trust Fund, which shall be an account (or accounts as provided in section 12749(c) of this title) for use solely to invest in affordable housing within the participating jurisdiction's boundaries or within the boundaries of contiguous jurisdictions in joint projects which serve residents from both jurisdictions in accordance with the provisions of this part.

(b) Line of credit

The Secretary shall establish a line of credit in the HOME Investment Trust Fund of each participating jurisdiction, which line of credit shall include—

(1) funds allocated or reallocated to the participating jurisdiction under section 12747 of this title, and

(2) any payment or repayment made pursuant to section 12749 of this title.

(c) Reductions

A participating jurisdiction's line of credit shall be reduced by—

(1) funds drawn from the HOME Investment Trust Fund by the participating jurisdiction,

(2) funds expiring under subsection (g), and
§ 12749. Repayment of investment

(a) In general
Any repayment of funds drawn from a jurisdiction’s HOME Investment Trust Fund, and any payment of interest or other return on the investment of such funds, shall be deposited in such jurisdiction’s HOME Investment Trust Fund, except that, if the jurisdiction is not a participating jurisdiction when such payment or repayment is made, the amount of such payment or repayment shall be reallocated in accordance with section 12747(d) of this title.

(b) Assurance of repayment
Each participating jurisdiction shall enter into an agreement with the Secretary ensuring that funds invested in affordable housing under this part are repayable when the housing no longer qualifies as affordable housing. Any repayment under the preceding sentence shall be for deposit in the HOME Investment Trust Fund of the jurisdiction making the investment; except that if such jurisdiction is not a participating jurisdiction when such repayment is made, the amount of such repayment shall be reallocated in accordance with section 12747(d) of this title.

(c) Availability
The Secretary shall take such actions as are necessary to ensure that any repayments deposited in a HOME Investment Trust Fund in accordance with this section shall be immediately available to the participating jurisdiction for investment subject to the provisions of this part that apply to funds that are allocated under section 12747 of this title. Actions authorized under the preceding sentence may include authorizing the establishment for a participating jurisdiction of a HOME Investment Trust Fund account outside of the Federal Government that, under arrangements satisfactory to the Secretary, shall be used solely to invest in affordable housing within the participating jurisdiction’s boundaries in accordance with the provisions of this subchapter. Such accounts shall be established in such a manner that repayments are not receipts or collections of the Federal Government.


§ 12750. Matching requirements

(a) Contribution
Each participating jurisdiction shall make contributions to housing that qualifies as affordable housing under this subchapter that total, throughout a fiscal year, not less than 25 percent of the funds drawn from the jurisdiction’s HOME Investment Trust Fund in such fiscal year. Such contributions shall be in addition to any amounts made available under section 12746(3)(A)(ii) of this title.

(b) Recognition

(1) In general
A contribution shall be recognized for purposes of subsection (a) only if it—

(A) is made with respect to housing that qualifies as affordable housing under section 12745 of this title; or

(B) is made with respect to any portion of a project not less than 50 percent of the units of which qualify as affordable housing under section 12745 of this title.

Amendments
1992—Subsec. (a). Pub. L. 102–550, § 221, inserted “or within the boundaries of contiguous jurisdictions in joint projects which serve residents from both jurisdictions” after “boundaries”. Subsec. (g). Pub. L. 102–550, § 203(c), substituted “‘If’” for “‘Except as provided in section 12747(b)(1)(A)(i) of this title, if’”.

Effective Date of 1992 Amendment
Amendment by Pub. L. 102–550 applicable to unexpended funds allocated under subchapter II of this chapter in fiscal year 1992, except as otherwise specifically provided, see section 223 of Pub. L. 102–550, set out as a note under section 12704 of this title.

§ 12749. Repayment of investment

(a) In general
Any repayment of funds drawn from a jurisdiction’s HOME Investment Trust Fund, and any repayment of interest or other return on the investment of such funds, shall be deposited in such jurisdiction’s HOME Investment Trust Fund, except that, if the jurisdiction is not a participating jurisdiction when such payment or repayment is made, the amount of such payment or repayment shall be reallocated in accordance with section 12747(d) of this title.

(b) Assurance of repayment
Each participating jurisdiction shall enter into an agreement with the Secretary ensuring that funds invested in affordable housing under this part are repayable when the housing no longer qualifies as affordable housing. Any repayment under the preceding sentence shall be for deposit in the HOME Investment Trust Fund of the jurisdiction making the investment; except that if such jurisdiction is not a participating jurisdiction when such repayment is made, the amount of such repayment shall be reallocated in accordance with section 12747(d) of this title.

(c) Availability
The Secretary shall take such actions as are necessary to ensure that any repayments deposited in a HOME Investment Trust Fund in accordance with this section shall be immediately available to the participating jurisdiction for investment subject to the provisions of this part that apply to funds that are allocated under section 12747 of this title. Actions authorized under the preceding sentence may include authorizing the establishment for a participating jurisdiction of a HOME Investment Trust Fund account outside of the Federal Government that, under arrangements satisfactory to the Secretary, shall be used solely to invest in affordable housing within the participating jurisdiction’s boundaries in accordance with the provisions of this subchapter. Such accounts shall be established in such a manner that repayments are not receipts or collections of the Federal Government.


§ 12750. Matching requirements

(a) Contribution
Each participating jurisdiction shall make contributions to housing that qualifies as affordable housing under this subchapter that total, throughout a fiscal year, not less than 25 percent of the funds drawn from the jurisdiction’s HOME Investment Trust Fund in such fiscal year. Such contributions shall be in addition to any amounts made available under section 12746(3)(A)(ii) of this title.

(b) Recognition

(1) In general
A contribution shall be recognized for purposes of subsection (a) only if it—

(A) is made with respect to housing that qualifies as affordable housing under section 12745 of this title; or

(B) is made with respect to any portion of a project not less than 50 percent of the units of which qualify as affordable housing under section 12745 of this title.

Amendments
1992—Subsec. (a). Pub. L. 102–550, § 221, inserted “or within the boundaries of contiguous jurisdictions in joint projects which serve residents from both jurisdictions” after “boundaries”. Subsec. (g). Pub. L. 102–550, § 203(c), substituted “‘If’” for “‘Except as provided in section 12747(b)(1)(A)(i) of this title, if’”.

Effective Date of 1992 Amendment
Amendment by Pub. L. 102–550 applicable to unexpended funds allocated under subchapter II of this chapter in fiscal year 1992, except as otherwise specifically provided, see section 223 of Pub. L. 102–550, set out as a note under section 12704 of this title.

§ 12749. Repayment of investment

(a) In general
Any repayment of funds drawn from a jurisdiction’s HOME Investment Trust Fund, and any repayment of interest or other return on the investment of such funds, shall be deposited in such jurisdiction’s HOME Investment Trust Fund, except that, if the jurisdiction is not a participating jurisdiction when such payment or repayment is made, the amount of such payment or repayment shall be reallocated in accordance with section 12747(d) of this title.

(b) Assurance of repayment
Each participating jurisdiction shall enter into an agreement with the Secretary ensuring that funds invested in affordable housing under this part are repayable when the housing no longer qualifies as affordable housing. Any repayment under the preceding sentence shall be for deposit in the HOME Investment Trust Fund of the jurisdiction making the investment; except that if such jurisdiction is not a participating jurisdiction when such repayment is made, the amount of such repayment shall be reallocated in accordance with section 12747(d) of this title.

(c) Availability
The Secretary shall take such actions as are necessary to ensure that any repayments deposited in a HOME Investment Trust Fund in accordance with this section shall be immediately available to the participating jurisdiction for investment subject to the provisions of this part that apply to funds that are allocated under section 12747 of this title. Actions authorized under the preceding sentence may include authorizing the establishment for a participating jurisdiction of a HOME Investment Trust Fund account outside of the Federal Government that, under arrangements satisfactory to the Secretary, shall be used solely to invest in affordable housing within the participating jurisdiction’s boundaries in accordance with the provisions of this subchapter. Such accounts shall be established in such a manner that repayments are not receipts or collections of the Federal Government.


§ 12750. Matching requirements

(a) Contribution
Each participating jurisdiction shall make contributions to housing that qualifies as affordable housing under this subchapter that total, throughout a fiscal year, not less than 25 percent of the funds drawn from the jurisdiction’s HOME Investment Trust Fund in such fiscal year. Such contributions shall be in addition to any amounts made available under section 12746(3)(A)(ii) of this title.

(b) Recognition

(1) In general
A contribution shall be recognized for purposes of subsection (a) only if it—

(A) is made with respect to housing that qualifies as affordable housing under section 12745 of this title; or

(B) is made with respect to any portion of a project not less than 50 percent of the units of which qualify as affordable housing under section 12745 of this title.

Amendments
1992—Subsec. (a). Pub. L. 102–550, § 221, inserted “or within the boundaries of contiguous jurisdictions in joint projects which serve residents from both jurisdictions” after “boundaries”. Subsec. (g). Pub. L. 102–550, § 203(c), substituted “‘If’” for “‘Except as provided in section 12747(b)(1)(A)(i) of this title, if’”.

Effective Date of 1992 Amendment
Amendment by Pub. L. 102–550 applicable to unexpended funds allocated under subchapter II of this chapter in fiscal year 1992, except as otherwise specifically provided, see section 223 of Pub. L. 102–550, set out as a note under section 12704 of this title.

§ 12749. Repayment of investment

(a) In general
Any repayment of funds drawn from a jurisdiction’s HOME Investment Trust Fund, and any repayment of interest or other return on the investment of such funds, shall be deposited in such jurisdiction’s HOME Investment Trust Fund, except that, if the jurisdiction is not a participating jurisdiction when such payment or repayment is made, the amount of such payment or repayment shall be reallocated in accordance with section 12747(d) of this title.

(b) Assurance of repayment
Each participating jurisdiction shall enter into an agreement with the Secretary ensuring that funds invested in affordable housing under this part are repayable when the housing no longer qualifies as affordable housing. Any repayment under the preceding sentence shall be for deposit in the HOME Investment Trust Fund of the jurisdiction making the investment; except that if such jurisdiction is not a participating jurisdiction when such repayment is made, the amount of such repayment shall be reallocated in accordance with section 12747(d) of this title.

(c) Availability
The Secretary shall take such actions as are necessary to ensure that any repayments deposited in a HOME Investment Trust Fund in accordance with this section shall be immediately available to the participating jurisdiction for investment subject to the provisions of this part that apply to funds that are allocated under section 12747 of this title. Actions authorized under the preceding sentence may include authorizing the establishment for a participating jurisdiction of a HOME Investment Trust Fund account outside of the Federal Government that, under arrangements satisfactory to the Secretary, shall be used solely to invest in affordable housing within the participating jurisdiction’s boundaries in accordance with the provisions of this subchapter. Such accounts shall be established in such a manner that repayments are not receipts or collections of the Federal Government.

(2) Administrative expenses

Contributions for administrative expenses may not be recognized for purposes of subsection (a).

(c) Form

Such contributions may be in the form of—

(1) cash contributions from non-Federal resources, which may not include funds from a grant made under section 5306(b) or section 5306(d) of this title;

(2) the value of taxes, fees, or other charges that are normally and customarily imposed but are waived, foregone, or deferred in a manner that achieves affordability of housing assisted under this subchapter;

(3) the value of land or other real property as appraised according to procedures acceptable to the Secretary;

(4) the value of investment in on-site and off-site infrastructure directly required for affordable housing assisted under this subchapter;

(5) the value of investment in on-site and off-site infrastructure directly required for affordable housing assisted under this subchapter;

(6) up to—

(A) 50 percent of proceeds from bond financing validly issued by a State or local government, agency or instrumentality thereof, or political subdivision thereof, and repayable with revenues derived from a multifamily affordable housing project financed, and

(B) 25 percent of proceeds from bond financing validly issued by a State or local government, agency or instrumentality thereof, or political subdivision thereof, and repayable with revenues derived from a single-family project financed,

but not more than 25 percent of the contribution required under subsection (a) may be derived from these sources;

(7) the reasonable value of any site-preparation and construction materials and any donated or voluntary labor in connection with the site-preparation for, or construction or rehabilitation of, affordable housing; and

(8) such other contributions to affordable housing as the Secretary considers appropriate.

(d) Reduction of requirement

(1) In general

The Secretary shall reduce the matching requirement under subsection (a) with respect to any funds drawn from a jurisdiction's HOME Investment Trust Fund Account during a fiscal year by—

(A) 50 percent for a jurisdiction that certifies that it is in fiscal distress; and

(B) 100 percent for a jurisdiction that certifies that it is in severe fiscal distress.

(2) Definitions

For purposes of this section—

(A) "fiscal distress" means a jurisdiction other than a State that satisfies 1 of the distress criteria set forth in paragraph (3); and

(B) "severe fiscal distress" means a jurisdiction other than a State that satisfies both of the distress criteria set forth in paragraph (3).

(3) Distress criteria

For purposes of a jurisdiction other than a State certifying that it is distressed, the following criteria shall apply:

(A) Poverty rate

The average poverty rate in the jurisdiction for the calendar year immediately preceding the year in which its fiscal year begins was equal to or greater than 125 percent of the average national poverty rate during such calendar year (as determined according to information of the Bureau of the Census).

(B) Per capita income

The average per capita income in the jurisdiction for the calendar year immediately preceding the year in which its fiscal year begins was less than 75 percent of the average national per capita income during such calendar year (as determined according to information of the Bureau of the Census).

(4) States

In determining the degree to which a jurisdiction that is a State is distressed, the Secretary shall take into consideration the State's fiscal capacity and expenditure needs as determined by a national organization which compiles the relevant data.

(5) Waiver in disaster areas

If a participating jurisdiction is located in an area in which a declaration of a disaster pursuant to the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.) is in effect for any part of a fiscal year, the Secretary may reduce the matching requirement for that fiscal year under subsection (a) with respect to any funds drawn from a jurisdiction's HOME Investment Trust Fund Account during that fiscal year by up to 100 percent.

References in text


Amendments

1994—Subsec. (a). Pub. L. 103–233 amended heading and text of subsec. (a) generally. Prior to amendment, text read as follows: "Each participating jurisdiction shall make contributions to housing that qualifies as affordable housing under this subchapter that total, throughout a fiscal year, not less than—

(1) 25 percent of the total funds drawn from the jurisdiction's HOME Investment Trust Fund in that fiscal year with respect to rental assistance, housing rehabilitation and substantial rehabilitation; and

(2) 30 percent of the total funds drawn from the jurisdiction's HOME Investment Trust Fund in that fiscal year with respect to new construction. Such contributions shall be in addition to any amounts made available under section 1274(h)(3)(A)(ii) of this title."

Subsec. (a)(1). Pub. L. 102–550, §210(a)(1), substituted “‘housing rehabilitation and substantial rehabilitation; and’” for “‘and housing rehabilitation;’”.

Subsec. (a)(2). Pub. L. 102–550, §210(a)(2), substituted “‘30’” for “‘33’” and “‘new construction,’” for “‘substantial rehabilitation; and’”.

Subsec. (a)(3). Pub. L. 102–550, §210(a)(3), struck out par. (3) which read as follows: “30 percent of the total funds drawn from the jurisdiction’s HOME Investment Trust Fund in that fiscal year with respect to new construction.”

(b)(2). Pub. L. 102–550, §207(c)(1), substituted “may not be recognized for purposes of subsection (a)” for “shall be recognized only up to an amount equal to 7 percent of funds provided for investment under this subchapter.”

Subsec. (c)(2). Pub. L. 102–550, §207(c)(2), redesignated par. (3) as (2) and struck out former par. (2) which read as follows: “payment of administrative expenses, as defined by the Secretary, from non-Federal resources, which may include funds from a grant made under section 5308(b) or section 5308(d) of this title.”

Subsec. (c)(3). Pub. L. 102–550, §207(c)(1), which directed the striking of “and” at end of par. (4), was executed by striking “and” at end of par. (3) to reflect the probable intent of Congress and the redesignation of par. (4) as (3). See below.

Pub. L. 102–550, §207(c)(2)(B), redesignated par. (4) as (3). Former par. (3) redesignated (2).

Subsec. (c)(4). Pub. L. 102–550, §207(c)(2)(b), which directed the substitution of a semicolon for the period at end of par. (5), was executed by making the substitution at end of par. (4) to reflect the probable intent of Congress and the redesignation of par. (5) as (4). See below.


Subsec. (c)(6)(b) to (8). Pub. L. 102–550, §207(c)(3), added pars. (6) to (8).

Subsec. (d). Pub. L. 102–550, §210(c), added subsec. (d) and struck out former subsec. (d) which read as follows: “If a jurisdiction demonstrates to the satisfaction of the Secretary that a reduction in the matching requirement specified in subsection (a) of this section is necessary to permit the jurisdiction to carry out the purposes of this subchapter, the Secretary may reduce the matching requirement during a period not to exceed 1 year after the jurisdiction is first designated as a participating jurisdiction.”

Effective Date of 1994 Amendment

Amendment by Pub. L. 103–233 applicable with respect to any amounts made available to carry out this subchapter after Apr. 11, 1994, and any amounts made available to carry out this subchapter before that date that remain uncommitted on that date, with Secretary to issue any regulations necessary to carry out such amendment not later than end of 60-day period beginning on that date, see section 206 of Pub. L. 103–233, set out as a note under section 5301 of this title.

Effective Date of 1992 Amendment


Amendment by section 207(c) of Pub. L. 102–550 applicable to unexpended funds allocated under subchapter II of this chapter in fiscal year 1992, except as otherwise specifically provided, see section 223 of Pub. L. 102–550, set out as a note under section 12704 of this title.

§ 12751. Private-public partnership

Each participating jurisdiction shall make all reasonable efforts, consistent with the purposes of this subchapter, to maximize participation by the private sector, including nonprofit organizations and for-profit entities, in the implementation of the jurisdiction’s housing strategy, including participation in the financing, development, rehabilitation and management of affordable housing. Nothing in the previous sentence shall preclude public housing authorities from fully participating in the implementation of a jurisdiction’s housing strategy.


§ 12752. Distribution of assistance

(a) Local

Each participating jurisdiction shall, insofar as is feasible, distribute assistance under this part geographically within its boundaries and among different categories of housing need, according to the priorities of need identified in the jurisdiction’s approved housing strategy.

(b) State

Participating States shall be responsible for distributing assistance throughout the State according to the State’s assessment of the geographical distribution of the housing need within the State, as identified in the State’s approved housing strategy. Participating States shall distribute assistance to rural areas in amounts that take into account the nonmetropolitan share of the State’s total population and objective measures of rural housing need, such as poverty and substandard housing, as set forth in the State’s housing strategy approved under section 12705 of this title. To the extent the need is within the boundaries of a participating unit of general local government, the State and the unit of general local government shall coordinate activities to address that need.


§ 12753. Penalties for misuse of funds

If the Secretary finds after reasonable notice and opportunity for hearing that a participating jurisdiction has failed to comply substantially with any provision of this part and until the Secretary is satisfied that there is no longer any such failure to comply, the Secretary shall reduce the line of credit in the participating jurisdiction’s HOME Investment Trust Fund by the amount of any expenditures that were not in accordance with the requirements of this subchapter, and the Secretary may—

(1) prevent withdrawals from the participating jurisdiction’s HOME Investment Trust Fund for activities affected by such failure to comply;

(2) restrict the participating jurisdiction’s activities under this subchapter to activities that conform to one or more model programs
§ 12754. Limitation on jurisdictions under court order

(a) In general

Notwithstanding any other provision of this Act, the Secretary shall ensure that funds provided under this part are not employed to carry out housing remedies or to pay fines, penalties, or costs associated with an action in which—

(1) a participating jurisdiction has been adjudicated, by a Federal, State, or local court, to be in violation of title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d et seq.), the Fair Housing Act (42 U.S.C. 3601 et seq.), or any other Federal, State, or local law promoting fair housing or prohibiting discrimination, or

(2) a settlement has been entered into in any case where claims of such violations have been asserted against a participating jurisdiction, except to the extent permitted by subsection (b).

(b) Remedial use of funds permitted

In the case of settlement described in subsection (a)(2), a jurisdiction may use funds provided under this Act to carry out housing remedies with eligible activities.

§ 12755. Tenant and participant protections

(a) Lease

The lease between a tenant and an owner of affordable housing assisted under this subchapter for rental shall be for not less than one year, unless by mutual agreement between the tenant and the owner, and shall contain such terms and conditions as the Secretary shall determine to be appropriate.

(b) Termination of tenancy

An owner shall not terminate the tenancy or refuse to renew the lease of a tenant of rental housing assisted under this subchapter except for serious or repeated violation of the terms and conditions of the lease, for violation of applicable Federal, State, or local law, or for other good cause. Any termination or refusal to renew must be preceded by not less than 30 days by the owner’s service upon the tenant of a written notice specifying the grounds for the action. Such 30-day waiting period is not required if the grounds for the termination or refusal to renew involve a direct threat to the safety of the tenants or employees of the housing, or an imminent and serious threat to the property (and the termination or refusal to renew is in accordance with the requirements of State or local law).

(c) Maintenance and replacement

The owner of rental housing assisted under this subchapter shall maintain the premises in compliance with all applicable housing quality standards and local code requirements.

(d) Tenant selection

The owner of rental housing assisted under this subchapter shall adopt written tenant selection policies and criteria that—

(1) are consistent with the purpose of providing housing for very low-income and low-income families,

(2) are reasonably related to program eligibility and the applicant’s ability to perform contractual agreements with owners and otherwise, shall ensure long-term compliance with applicable Federal, State, or local law, or for other good cause.

§ 12756. Monitoring of compliance

(a) Enforceable agreements

Each participating jurisdiction, through binding contractual agreements with owners and otherwise, shall ensure long-term compliance with the provisions of this subchapter. Such measures shall provide for (1) enforcement of the provisions of this subchapter by the jurisdiction or by the intended beneficiaries, and (2) remedies for the breach of such provisions.

(b) Periodic monitoring

Each participating jurisdiction, not less frequently than annually, shall review the activi-
ties of owners of affordable housing assisted under this subchapter for rental to assess compliance with the requirements of this subchapter. Such review shall include on-site inspection to determine compliance with housing codes and other applicable regulations. The results of each review shall be included in the jurisdiction's performance report submitted to the Secretary under section 12708(a) of this title and made available to the public.

(c) Special procedures for certain projects

In the case of small-scale or scattered site housing, the Secretary may provide for such streamlined procedures for achieving the purposes of this section as the Secretary determines to be appropriate.


PART B—COMMUNITY HOUSING PARTNERSHIP

§ 12771. Set-aside for community housing development organizations

(a) In general

For a period of 24 months after funds under part A are made available to a jurisdiction, the jurisdiction shall reserve not less than 15 percent of such funds for investment only in housing to be developed, sponsored, or owned by community housing development organizations. Each participating jurisdiction shall make reasonable efforts to identify community housing development organizations that are capable or can reasonably be expected to become capable of carrying out elements of the jurisdiction's housing strategy and to encourage such community housing development organizations to do so. If during the first 24 months of its participation under this subchapter, a participating jurisdiction is unable to identify a sufficient number of capable community housing development organizations, then up to 20 percent of the funds allocated to that jurisdiction under this section, but not to exceed $150,000, may be made available to carry out activities that develop the capacity of community housing development organizations in that jurisdiction.

(Pub. L. 102–550, §212(a), substituted “24” for “18”.

(b) Recapture and reuse

If any funds reserved under subsection (a) remain uninvested for a period of 24 months, then the Secretary shall deduct such funds from the line of credit in the participating jurisdiction's HOME Investment Trust Fund and make such funds available by direct reallocation (1) to other participating jurisdictions for affordable housing developed, sponsored or owned by community housing development organizations, or (2) to nonprofit intermediary organizations to carry out activities that develop the capacity of community housing development organizations consistent with section 12773 of this title, with preference to community housing development organizations serving the jurisdiction from which the funds were recaptured.

(c) Direct reallocation criteria

Insofar as practicable, direct reallocations under this section shall be made according to the selection criteria established under section 12747(c) of this title.


AMENDMENTS

1992—Subsec. (a). Pub. L. 102–550 substituted “24” for “18” in first sentence and inserted after second sentence “If during the first 24 months of its participation under this subchapter, a participating jurisdiction is unable to identify a sufficient number of capable community housing development organizations, then up to 20 percent of the funds allocated to that jurisdiction under this section, but not to exceed $150,000, may be made available to carry out activities that develop the capacity of community housing development organizations in that jurisdiction.”

Subsec. (b). Pub. L. 102–550, §212(a), substituted “24” for “18”.

EFFECTIVE DATE OF 1992 AMENDMENT

Amendment by Pub. L. 102–550 applicable to unexpended funds allocated under subchapter II of this chapter in fiscal year 1992, except as otherwise specifically provided, see section 223 of Pub. L. 102–550, set out as a note under section 12704 of this title.

§ 12772. Project-specific assistance to community housing development organizations

(a) In general

Amounts reserved under section 12771 of this title may be used for activities eligible under section 12742 of this title and, in amounts not to exceed 10 percent of the amounts so reserved, for other activities specified under this section.

(b) Project-specific technical assistance and site control loans

(1) In general

Amounts reserved under section 12771 of this title may be used to provide technical assistance and site control loans to community housing development organizations in the early stages of site development for an eligible project. Such loans shall not exceed amounts that the jurisdiction determines to be customary and reasonable project preparation costs allowable under paragraph (2).

(2) Allowable expenses

A loan under this subsection may be provided to cover project expenses necessary to determine project feasibility (including costs of an initial feasibility study), consulting fees, costs of preliminary financial applications, legal fees, architectural fees, engineering fees, engagement of a development team, site control and title clearance.

(3) Repayment

A community housing development organization that receives a loan under this subsection shall repay the loan to the participating jurisdiction's HOME Investment Trust Fund from construction loan proceeds or other project income. The participating jurisdiction may waive repayment of the loan in part or in whole, if there are impediments to project development that the participating jurisdiction determines are reasonably beyond the control of the borrower.
(c) Project-specific seed money loans

(1) In general

Amounts reserved under section 12771 of this title may be used to provide loans to community housing development organizations to cover preconstruction project costs that the jurisdiction determines to be customary and reasonable, including, but not limited to the costs of obtaining firm construction loan commitments, architectural plans and specifications, zoning approvals, engineering studies and legal fees.

(2) Eligible sponsors

A loan under this subsection may be provided only to a community housing development organization that has, with respect to the project concerned, site control, a preliminary financial commitment, and a capable development team.

(3) Repayment

A community housing development organization that receives a loan under this subsection shall repay the loan to the jurisdiction's HOME Investment Trust Fund from construction loan proceeds or other project income. The participating jurisdiction may waive repayment of the loan, in whole or in part, if there are impediments to project development that the participating jurisdiction determines are reasonably beyond the control of the borrower.


§ 12773. Housing education and organizational support

(a) In general

The Secretary is authorized to provide education and organizational support assistance, in conjunction with other assistance made available under this part, to:

(1) to facilitate the education of low-income homeowners and tenants;

(2) to promote the ability of community housing development organizations, including community land trusts, to maintain, rehabilitate and construct housing for low-income and moderate-income families in conformance with the requirements of this subchapter; and

(3) to achieve the purposes under paragraphs (1) and (2) by helping women who reside in low- and moderate-income neighborhoods rehabilitate and construct housing in the neighborhoods.

(b) Eligible activities

Assistance under this section may be used only for the following eligible activities:

(1) Organizational support

Organizational support assistance may be made available to community housing development organizations to cover operational expenses and to cover expenses for training and technical, legal, engineering and other assistance to the board of directors, staff, and members of the community housing development organization.

(2) Housing education

Housing education assistance may be made available to community housing development organizations to cover expenses for providing or administering programs for educating, counseling, or organizing homeowners and tenants who are eligible to receive assistance under other provisions of this subchapter.

(3) Program-wide support of nonprofit development and management

Technical assistance, training, and continuing support may be made available to eligible community housing development organizations for managing and conserving properties developed under this subchapter.

(4) Benevolent loan funds

Technical assistance may be made available to increase the investment of private capital in housing for very low-income families, particularly by encouraging the establishment of benevolent loan funds through which private financial institutions will accept deposits at below-market interest rates and make those funds available at favorable rates to developers of low-income housing and to low-income homebuyers.

(5) Community development banks and credit unions

Technical assistance may be made available to establish privately owned, local community development banks and credit unions to finance affordable housing.

(6) Community land trusts

Organizational support, technical assistance, education, training, and continuing support under this subsection may be made available to community land trusts (as such term is defined in subsection (f)) and to community groups for the establishment of community land trusts.

(7) Facilitating women in homebuilding professions

Technical assistance may be made available to businesses, unions, and organizations involved in construction and rehabilitation of housing in low- and moderate-income areas to assist women residing in the area to obtain jobs involving such activities, which may include facilitating access by such women to, and providing, apprenticeship and other training programs regarding nontraditional skills, recruiting women to participate in such programs, providing continuing support for women at job sites, counseling and educating businesses regarding suitable work environments for women, providing information to such women regarding opportunities for establishing small housing construction and rehabilitation businesses, and providing materials and tools for training such women (in an amount not exceeding 10 percent of any assistance provided under this paragraph). The Secretary shall give priority under this paragraph to providing technical assistance for organizations rehabilitating single family or multi-family housing owned or controlled by the Secretary pursuant to title II of the National
Housing Act [12 U.S.C. 1707 et seq.] and which have women members in occupations in which women constitute 25 percent or less of the total number of workers in the occupation (in this section referred to as “nontraditional occupations”).

(c) Delivery of assistance

The Secretary shall provide this assistance only through contract—

(1) with a nonprofit intermediary organization that, in the determination of the Secretary—

(A) customarily provides, in more than one community, services related to the provision of decent housing that is affordable to low-income and moderate-income persons or the revitalization of deteriorating neighborhoods;

(B) has demonstrated experience in providing a range of assistance (such as financing, technical assistance, construction and property management assistance, capacity building and training) to community housing development organizations or similar organizations that engage in community revitalization;

(C) has demonstrated the ability to provide technical assistance and training for community-based developers of affordable housing;

(D) has described the uses to which such assistance will be put and the intended beneficiaries of the assistance; and

(E) in the case of activities under subsection (b)(7), is a community-based organization (as such term is defined in section 4 of the Job Training Partnership Act) or public housing agency, which has demonstrated experience in preparing women for apprenticeship training in construction or administering programs for training women for construction or other nontraditional occupations (and such organizations may use assistance for activities under such subsection to employ women in housing construction and rehabilitation activities to the extent that the organization has the capacity to conduct such activities); or

(2) with another organization, if a participating jurisdiction demonstrates that the organization is qualified to carry out eligible activities and that the jurisdiction would not be served in a timely manner by intermediaries specified under paragraph (1).

Contracts under paragraph (2) shall be for activities specified in an application from the participating jurisdiction, which application shall include a certification that the activities are necessary to the effective implementation of the participating jurisdiction’s housing strategy.

(d) Limitations

Contracts under this section with any one contractor for a fiscal year may not—

(1) exceed 40 percent of the amount appropriated for this section for such fiscal year; or

(2) provide more than 20 percent of the operating budget (which shall not include funds that are passed through to community housing development organizations) of the contracting organization for any one year.

(e) Single-State contractors

Not less than 25 percent of the funds made available for this section in an appropriations Act in any fiscal year shall be made available for eligible contractors that have worked primarily in one State. The Secretary shall provide assistance under this section, to the extent applications are submitted and approved, to contractors in each of the geographic regions having a regional office of the Department of Housing and Urban Development.

(f) “Community land trust” defined

For purposes of this section, the term “community land trust” means a community housing development organization (except that the requirements under subparagraphs (C) and (D) of section 12704(6) of this title shall not apply for purposes of this subsection)—

(1) that is not sponsored by a for-profit organization;

(2) that is established to carry out the activities under paragraph (3);

(3) that—

(A) acquires parcels of land, held in perpetuity, primarily for conveyance under long-term ground leases;

(B) transfers ownership of any structural improvements located on such leased parcels to the lessees; and

(C) retains a preemptive option to purchase any such structural improvement at a price determined by formula that is designed to ensure that the improvement remains affordable to low- and moderate-income families in perpetuity;

(4) whose corporate membership that is open to any adult resident of a particular geographic area specified in the bylaws of the organization; and

(5) whose board of directors—

(A) includes a majority of members who are elected by the corporate membership; and

(B) is composed of equal numbers of (i) lessees pursuant to paragraph (3)(B), (ii) corporate members who are not lessees, and (iii) any other category of persons described in the bylaws of the organization.


References in Text

The National Housing Act, referred to in subsec. (b)(7), is act June 27, 1940, ch. 947, 48 Stat. 1246. Title II of the Act is classified principally to subchapter II (§1707 et seq.) of chapter 13 of Title 12, Banks and Banking. For complete classification of this Act to the Code, see section 1701 of Title 12 and Tables. Section 4 of the Job Training Partnership Act, referred to in subsec. (c)(1)(E), which was classified to section 1503 of Title 29, Labor, was repealed by Pub. L. 105–220, title I, §199(b)(2), (c)(2)(B), Aug. 7, 1998, 112 Stat. 1059, effective July 1, 2000. Pursuant to former section 2940(b) of Title 29, references to a provision of the Job Training Partnership Act, effective Aug. 7, 1998, were deemed to refer to that provision or the corresponding provision of the Workforce Investment Act of 1998, Pub. L. 105–220, Aug. 7, 1998, 112 Stat. 936, and, effective July 1, 2000, were deemed to refer to the corresponding provi-

AMENDMENTS

Subsec. (e). Pub. L. 111-8, § 229(2), substituted ‘‘25’’ for ‘‘30’’.
Subsec. (e). Pub. L. 102-550, § 213(b)(4), inserted at end ‘‘The Secretary shall provide assistance under this section, to the extent applications are submitted and approved, to contractors in each of the geographic regions having a regional office of the Department of Housing and Urban Development.’’

EFFECTIVE DATE OF 1992 AMENDMENT

Amendment by Pub. L. 102-550 applicable to unexpended funds allocated under subchapter II of this chapter in fiscal year 1992, except as otherwise specifically provided, see section 223 of Pub. L. 102-550, set out as a note under section 12704 of this title.

§ 12774. Other requirements

(a) Tenant participation plan

A community housing development organization that receives assistance under this part shall provide a plan for and follow a program of tenant participation in management decisions and shall adhere to a fair lease and grievance procedure approved by the participating jurisdiction.

(b) Limitation on assistance

A community housing development organization may not receive assistance under this subchapter for any fiscal year in an amount that provides more than 50 percent of the organization’s total operating budget in the fiscal year or $50,000 annually, whichever is greater.

(c) Adjustments of other assistance

The Secretary shall take account of assistance provided to a project under this part when adjusting other assistance to be provided to the project as required by section 354(d) of this title.


EFECTIVE DATE OF 1992 AMENDMENT

Amendment by Pub. L. 102-550 applicable to unexpended funds allocated under subchapter II of this chapter in fiscal year 1992, except as otherwise specifically provided, see section 223 of Pub. L. 102-550, set out as a note under section 12704 of this title.

PART C—OTHER SUPPORT FOR STATE AND LOCAL HOUSING STRATEGIES

§ 12781. Authority

The Secretary shall, insofar as is feasible through contract with eligible organizations, develop the capacity of participating jurisdictions, State and local housing finance agencies, nonprofit organizations and for-profit corporations, working in partnership, to identify and meet needs for an increased supply of decent, affordable housing.


§ 12782. Priorities for capacity development

To carry out section 12781 of this title, the Secretary shall provide assistance under this part to—

(1) facilitate the exchange of information that would help participating jurisdictions carry out the purposes of this subchapter, including information on program design, housing finance, land use controls, and building construction techniques;

(2) improve the ability of States and units of general local government to design and implement comprehensive housing affordability strategies, particularly those States and units of general local government that are relatively inexperienced in the development of affordable housing;

(3) encourage private lenders and for-profit developers of low-income housing to participate in public-private partnerships to achieve the purposes of this subchapter;

(4) improve the ability of States and units of general local government, community housing development organizations, private lenders, and for-profit developers of low-income housing to incorporate energy efficiency into the planning, design, financing, construction, and operation of affordable housing;

(5) facilitate the establishment and efficient operation of employer-assisted housing programs through research, technical assistance and demonstration projects; and

(6) facilitate the establishment and efficient operation of land bank programs, under which title to vacant and abandoned parcels of real estate located in or causing blighted neighborhoods is cleared for use consistent with the purposes of this subchapter.


AMENDMENTS

§ 12783. Conditions of contracts

(a) Eligible organizations

The Secretary shall carry out this part insofar as practicable through contract with—

(1) a participating jurisdiction or agency thereof;

(2) a public purpose organization established pursuant to State or local legislation and responsible to the chief elected official of a participating jurisdiction;

(3) an agency or authority established by two or more participating jurisdictions to carry out activities consistent with the purposes of this subchapter;

(4) a national or regional nonprofit organization that has a membership comprised predominantly of entities or officials of entities that qualify under paragraph (1), (2), or (3); or

(5) a professional and technical services company or firm that has demonstrated capacity to provide services under this part.

(b) Contract terms

Contracts under this part shall be for not more than 3 years and shall provide not more than 20 percent of the operating budget of the contracting organization in any one year. Within any fiscal year, contracts with any one organization may not be entered into for a total of more than 40 percent of the funds appropriated under this part in that fiscal year.


AMENDMENTS

2009—Subsec. (b). Pub. L. 111–8 substituted “40 percent of the funds” for “20 percent of the funds”.

§ 12784. Research in housing affordability

The Secretary is authorized to support, through contracts with eligible organizations and otherwise, such research and to publish such reports as will assist in the achievement of the purposes of this subchapter. Activities authorized by the previous sentence may include an ongoing analysis of the impact of public policies at the Federal, State, and local levels, both individually and in the aggregate, on the incentives to expand and maintain the supply of energy-efficient affordable housing in the United States, particularly in areas with severe problems of housing affordability, through the use of cost-saving innovative building technology and construction techniques. For purposes of this section, agencies of the United States, government-sponsored mortgage finance corporations, and qualified research organizations shall be included as eligible organizations in addition to eligible organizations specified under section 12783 of this title.


$12785. REACH: asset recycling information dissemination

(a) In general

The Secretary shall make available upon request by any participating jurisdiction a list of eligible properties that are located within the jurisdiction and that are owned or controlled by the Department of Housing and Urban Development to facilitate the purchase, development, or rehabilitation of such properties with assistance made available under this subchapter.

(b) Eligible properties

An eligible property under this section shall—

(1) be an unoccupied single-family or multifamily dwelling, such that acquisition and rehabilitation of the dwelling would not result in the displacement of any residents of the dwelling; and

(2) have an appraised value that does not exceed (A) in the case of a 1- to 4-family dwelling, 95 percent of the median purchase price for the area for such dwellings, as determined by the Secretary, or (B) in the case of a dwelling with more than 4 units, the applicable maximum dollar amount limitation under section 1715(d)(3)(ii) of title 12 for elevator-type structures.

(2) Maximum amount of advance

An advance under this model program shall not exceed 50 percent of the total costs associated with the construction, acquisition, or substantial rehabilitation of the project, as determined by the participating jurisdiction.

(3) Terms of repayment

(A) Interest payments

(i) In general

Under the model program, advances shall be repaid with interest calculated at a rate of no more than 3 percent per year, as determined by the participating jurisdiction to be appropriate. Interest shall begin to accrue 1 year after the completion of the construction, acquisition, or substantial rehabilitation of the project and shall be payable in annual installments.

(ii) Exception

Interest and any accrued interest shall be payable only from the surplus cash flow of the project, after a minimum return on equity determined by the participating jurisdiction to be appropriate. As used in the previous sentence, the term “surplus cash flow” means the cash flow of the project after the payment of all amounts due under the first mortgage, operating expenses, and required replacement reserves, as determined by the participating jurisdiction.

(B) Additional interest payments

Under the model program, for any year in which the sum of the surplus cash flow of a project and the return on equity exceeds all interest payments due under subparagraph (A), 50 percent of the excess surplus cash flow shall be paid to the participating jurisdiction's HOME Investment Trust Fund as additional interest.

(C) Principal and unpaid interest

The principal amount of an advance under the model program, and any interest remaining unpaid pursuant to subparagraph (A)(ii) shall be repayable when the housing no longer qualifies as affordable housing in accordance with section 12749(b) of this title.

(b) Selection guidelines

(1) In general

The Secretary shall establish guidelines for the selection of projects by participating jurisdictions. Such guidelines shall be designed to select projects in areas and for markets demonstrating the greatest need for the production of affordable rental housing.

(2) Specific requirements

The selection guidelines may include—

(A) the extent of the shortage of rental housing in the area that is available to low-income families;

(B) the extent large families with children will be served by the project;

(C) the extent to which the project provides congregate facilities and has available supportive services that will permit elderly or handicapped residents who become frail and are in need of assistance in living to continue to reside in the project;

(D) the extent of very low-income and low-income occupancy in excess of the income targeting requirements in section 12744 of this title;

(E) the extent of the project sponsor’s commitment of equity to the project (except that this criterion shall not apply to or affect the selection of applications submitted by public housing agencies and nonprofit entities);

(F) the extent of the project sponsor’s commitment of equity to the project in comparison to the value of all public assistance for the project, including assistance under this subchapter, other Federal assistance and financing, and State and local government contributions (except that this criterion shall not apply to or affect the selection of applications submitted by public housing agencies and nonprofit entities);

(G) the extent of non-Federal public or private assistance to the project;

(H) the extent to which the project provides supportive services for persons with disabilities; and

(I) any other factor determined by the Secretary to be appropriate.

(c) Guidelines

The Secretary shall publish guidelines for the model program under this section not later than 180 days after November 28, 1990.


§ 12803. Rental rehabilitation

(a) In general

The Secretary shall make available a model program to support the rehabilitation of privately owned rental housing located in neighborhoods where the median income does not exceed 80 percent of the area median as determined by the Secretary and where rents can reasonably be expected not to change materially over an extended period of time.

(b) Amount of subsidy

The amount of the rehabilitation subsidy shall be moderate and shall generally not exceed 50 percent of the total costs associated with the rehabilitation of the housing.

(c) Additional restrictions

The guidelines of the model program shall generally comport with the additional protections and restrictions specified under section 1437o(c)\(^1\) of this title.


\(^1\) See References in Text note below.

References in Text

Section 1437o of this title, referred to in subsec. (c), was repealed by Pub. L. 101–625, title II, § 289(b), Nov. 28, 1990, 104 Stat. 4128.
§ 12804. Rehabilitation loans

(a) In general

The Secretary shall make available a model program to provide direct loans to finance the rehabilitation of low and moderate income single family and multifamily residential properties.

(b) Condition of loans

The Secretary shall establish terms and conditions to ensure that such loans are acceptable risks, taking into consideration the need for rehabilitation, the security for the loan and the ability of the borrower to repay the loan. The Secretary may establish the interest rate for loans under the model program, which shall include special interest rates for loans to borrowers with incomes below 80 percent of the area median income.

(c) Additional restrictions

Guidelines for the model program may require that the property—

(1) be located in an area that contains a substantial number of dwellings in need of rehabilitation;

(2) the property is residential and owner-occupied; and

(3) the property is in need of rehabilitation or concentrated code enforcement within a reasonable time, and the rehabilitation of such property is consistent with a local plan for rehabilitation or code enforcement.

Additional guidelines for the model program shall generally comport with the additional protections and restrictions specified under section 1452b of this title.


References in Text

Section 1452b of this title, referred to in subsec. (c), was repealed by Pub. L. 101–625, title II, § 289(b)(1), Nov. 12, 1990, 104 Stat. 4128, which is classified to section 1490c(b)(1) of this title.

§ 12805. Sweat equity model program

(a) In general

The Secretary shall make available a model program to provide grants to public and private nonprofit organizations and community housing development organizations to provide technical and supervisory assistance to low-income and very low-income families, including the homeless, in acquiring, rehabilitating, and constructing housing by the self-help housing method.

(b) Rehabilitation of properties

The program shall target for rehabilitation properties which have been acquired by the Federal, State, or local governments.

(c) Homeownership opportunities through sweat equity

(1) The program shall utilize the skilled or unskilled labor of eligible families in exchange for acquisition of the property.

(2) Training shall be provided to eligible families in building and home maintenance skills.

(d) Rental opportunities through sweat equity

(1) The program shall include rental opportunities for eligible families which will help expand the stock of affordable housing which is most appropriate for the target group.

(2) The use of the tenant’s skilled or unskilled labor shall be encouraged in lieu of or as a supplement to rent payments by the tenant.

(e) “Self-help housing” defined

The term “self-help housing” means the same as in section 1490c of this title.

(f) Additional restrictions

The guidelines for the model program shall generally comport with the additional protections and restrictions specified under section 1490c of this title.


Assistance for Self-Help Housing Providers


References in Text

Section 1452b of this title, referred to in subsec. (c), was amended by Pub. L. 101–625, title II, § 255, Nov. 28, 1990, 104 Stat. 4121, which is classified to section 1490c(b)(1) of this title.

So in original. The words “the property” probably should not appear.

See References in Text note below.
the Secretary shall immediately notify the applicable Committees in writing of such determination and any proposed changes for such goals or this section.

(9) NATIONAL COMPETITION.—The Secretary shall select organizations and consortia referred to in subsection (a) to receive grants through a national competitive process, which the Secretary shall establish.

(10) PURPOSE.—Amounts from grants made under this section, including any recaptured amounts, shall be used only for eligible expenses in connection with developing new decent, safe, and sanitary nonluxury dwellings in the United States for families and persons who otherwise would be unable to afford to purchase a dwelling.

(11) ELIGIBLE EXPENSES.—For purposes of paragraph (1), the term ‘eligible expenses’ means costs only for the following activities:

(A) LAND ACQUISITION.—Acquiring land (including financing and closing costs), which may include reimbursing an organization, consortium, or affiliate, upon approval of any required environmental review, for nongrant amounts of the organization, consortium, or affiliate advanced before such review to acquire land.

(B) INFRASTRUCTURE IMPROVEMENT.—Installing, extending, constructing, rehabilitating, or otherwise improving utilities and other infrastructure. Such term does not include any costs for the rehabilitation, improvement, or construction of dwellings.

(12) ENSURE ELIGIBILITY AND ACQUISITION.—Grants under this section shall be made only pursuant to a grant agreement entered into by the Secretary and the organization or consortia receiving the grant, which shall—

(I) require such organization or consortia to use grant amounts only as provided in this section;

(II) require the organization or consortia to use the grant amounts in a manner that results in national geographic diversity; and

(III) provide that the Secretary shall recapture any amounts from amounts made available for fiscal year 1996 to carry out this section, including any recaptured amounts, shall be used only for eligible expenses in connection with developing new decent, safe, and sanitary nonluxury dwellings in the United States for families and persons who otherwise would be unable to afford to purchase a dwelling.

(3) Fulfillment of Grant Agreement.—If the Secretary determines that an organization or consortia awarded a grant under this section has not, within 24 months after grant amounts first made available to the organization or consortia (or, in the case of grant amounts from amounts made available for fiscal year 1996 to carry out this section and grant amounts provided to a local affiliate of the organization or consortia that is developing five or more dwellings in connection with such grant amounts, within 36 months), substantially fulfilled the obligations under the grant agreement, including development of the appropriate number of dwellings under the agreement, the Secretary shall use any such undisbursed amounts remaining from such grant for other grants in accordance with this section.

(4) Records and Audits.—During the period beginning upon the making of a grant under this section and ending upon close-out of the grant under subsection (l), the Secretary shall—

(I) require such records and adopt such administrative practices as the Secretary may require to ensure compliance with the provisions of this section and the grant agreement; and

(II) provide for the organization or consortia to develop a specific and reasonable number of dwellings using the grant amounts, which number shall be established taking into consideration costs and economic conditions in the areas in which the dwellings will be developed, in no case shall be less than 30.

(5) Reimbursement for Nongrant Amounts.—The Secretary shall immediately notify the applicable Committees in writing of such determination and any proposed changes for such goals or this section, including any recaptured amounts, shall be used only for eligible expenses in connection with developing new decent, safe, and sanitary nonluxury dwellings in the United States for families and persons who otherwise would be unable to afford to purchase a dwelling.
this section, the grantees, the housing developed in connection with the grant amounts, and the purposes for which the grant amounts were used.

(c) Definitions.—For purposes of this section, the following definitions shall apply:

(1) Applicable Committees.—The term ‘applicable Committees’ means the Committee on Banking and Financial Services [now Committee on Financial Services] of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate.

(2) Secretary.—The term ‘Secretary’ means the Secretary of Housing and Urban Development.

(3) United States.—The term ‘United States’ includes the States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands, Guam, the Virgin Islands, American Samoa, and any other territory or possession of the United States.

(4) Authorization of Appropriations.—There are authorized to be appropriated to carry out this section such sums as may be necessary for fiscal year 2001.

(5) Regulations.—The Secretary shall issue any final regulations necessary to carry out this section not later than 30 days after the date of the enactment of this Act [Mar. 28, 1996]. The regulations shall take effect upon issuance and may not exceed, in length, 5 full pages in the Federal Register.

[F. L. 105-276, title V, § 599(b), Oct. 21, 1998, 112 Stat. 2664, provided that: ‘Notwithstanding the amendments made by subsection (a) [amending section 11 of Pub. L. 104-120, set out above], any grant under section 11 of the Housing Opportunity Program Extension Act of 1996 [Pub. L. 104-120] (42 U.S.C. 12805 note) from amounts appropriated in fiscal year 1998 or any prior fiscal year shall be governed by the provisions of such section 11 as in effect immediately before the enactment of this Act [Oct. 21, 1998], except that the amendments made by paragraphs (8) and (9) of subsection (a) of this section shall apply to such grantees.’]

Funding for Self-Help Housing Assistance, National Cities in Schools Community Development Program, and Capacity Building Through National Community Development Initiative

Pub. L. 104-120, 112, Mar. 28, 1996, 110 Stat. 845, provided that:

‘(a) Authority to Use Assisted Housing Amounts.—To the extent and for the purposes specified in subsection (b), the Secretary of Housing and Urban Development may use amounts in the account of the Department of Housing and Urban Development known as the Annual Contributions for Assisted Housing account, but only such amounts which—

‘(1) have been appropriated for a fiscal year that occurs before the fiscal year for which the Secretary uses the amounts; and

‘(2) have been obligated before becoming available for use under this section.

‘(b) Fiscal Year 1996.—Of the amounts described in subsection (a), $50,000,000 shall be available to the Secretary of Housing and Urban Development for fiscal year 1996 in the following amounts for the following purposes:

‘(1) Self-Help Housing Assistance.—$40,000,000 for carrying out section 11 of this Act [set out above].

‘(2) National Cities in Schools Community Development Program.—$10,000,000 for carrying out section 906 of the Housing and Community Development Act of 1992 [Public Law 102-550; 106 Stat. 3887].

‘(3) Capacity Building Through National Community Development Initiative.—$10,000,000 for carrying out section 4 of the HUD Demonstration Act of 1993 [42 U.S.C. 9816 note].’

§ 12806. Home repair services grants for older and disabled homeowners

(a) In general

The Secretary shall make available a model program to provide home repair services for older homeowners and disabled homeowners, including such services as the examination of homes, repair services, and follow-up to ensure the continued effectiveness of the repairs provided.

(b) Eligible recipients

Home repair services shall be provided to homeowners who—

(1) own and reside in the dwellings for which services are provided;

(2) are older or disabled; and

(3) are members of low-income families.

(c) Permitted restrictions

Guidelines for the model program shall require that—

(1) assisted dwelling units be the primary residence of the homeowner for whom services are provided;

(2) preferences be provided for (A) very low-income families, and (B) individuals with intense need characterized by noneconomic factors such as physical and mental disabilities, language barriers, and cultural, social, or geographical isolation caused by racial or ethnic status that restricts the ability of an individual to perform normal daily tasks or that threatens the capacity of the individual to live independently;

(3) any fees charged be based on the income of the individual receiving the home repair services.


§ 12807. Low-income housing conservation and efficiency grant programs

(a) In general

The Secretary shall make available a model program to provide safe, energy-efficient affordable housing for low-income persons.

(b) Activities

The model program shall provide for—

(1) identification of housing that is—

(A) owned and occupied by low-income families who have received, are currently receiving, or are scheduled to receive assistance under the weatherization assistance for low-income persons program under part A of title IV of the Energy Conservation and Production Act [42 U.S.C. 6861 et seq.] (or a comparable Federal or State program);

(B) in danger of becoming uninhabitable within a 5-year period because of structural weaknesses or problems; and

(C) not sufficiently sound to permit energy conservation improvements without other repair or rehabilitation measures to protect such energy investments;

(2) repairs that will significantly prolong the habitability of units identified under paragraph (1), including roofing, electrical, plumbing, furnace, and foundation repairs or re-
placement that will prolong the use of the unit as a safe and energy-efficient residence for low-income persons; and

(3) reasonable steps to ensure that any units so repaired will remain occupied by persons or families eligible for assistance under this subchapter.


REFERENCES IN TEXT


§12808. Second mortgage assistance for first-time homebuyers

(a) In general

The Secretary shall make available a model program under which units of general local government provide loans (secured by second mortgages) with deferred payment of interest and principal to first-time homebuyers.

(b) Homeownership counseling

The program under this section shall provide for homeownership counseling to first-time homebuyers assisted, which shall include—

(1) counseling before and after purchase of the property;
(2) assisting first-time homebuyers in identifying the most suitable and affordable properties;
(3) providing homebuyers with financial management assistance;
(4) assisting homebuyers in understanding mortgage transactions and home sales contracts; and
(5) assisting homebuyers with eliminating any credit problems that may prevent the homebuyers from purchasing the property.

(c) Eligibility requirements

Deferred payment loans secured by second mortgages may be provided under the model program under this section if—

(1) the homebuyer assisted is a first-time homebuyer;
(2) the property secured by the second mortgage is a single-family residence and is the principal residence of the homebuyer; and
(3) the principal obligation of the deferred payment loan secured by a second mortgage does not exceed 30 percent of the acquisition price of the residence to the homebuyer.

(d) Payment terms

(1) Period of deferral

The payment of any principal and interest on a loan under this section shall be deferred for not less than the 5-year period beginning on the date of the acquisition of the residence by the homebuyer.

(2) Interest rate

The interest rate on the unpaid balance of a loan under this section shall be at least 4 percent.

(3) Repayment period

A deferred payment loan secured by a second mortgage shall be repayable over the 15-year period beginning at the end of the deferral period.

(e) Security

A deferred payment loan assisted with amount provided under a grant under this section shall be secured by a lien on the property involved, which lien shall be subordinate to the first mortgage on the property.


§12809. Rehabilitation of State and local government in rem properties

(a) In general

The Secretary shall make available a model program under which States and units of general local government may convert in rem properties to provide affordable permanent housing for the homeless by leasing such properties to nonprofit organizations and permitting such organizations to rehabilitate the properties.

(b) Target

The program shall target vacant properties for rehabilitation by nonprofit organizations.


§12810. Cost-saving building technologies and construction techniques

(a) In general

The Secretary shall make available a model program to utilize cost-saving building technologies and construction techniques for purposes of providing homeownership and rental opportunities under this subchapter.

(b) Selection criteria

The Secretary shall establish criteria for participating jurisdictions to select projects for assistance under the model program which may include—

(1) the extent to which innovative, cost-saving building and construction technologies are utilized;
(2) the extent to which innovative, cost-saving construction techniques are utilized;
(3) the extent to which units will be made available to low-income families and individuals;
(4) the extent to which non-Federal public or private assistance is utilized; and
(5) any other factor, determined by the Secretary to be appropriate.

(c) Guidelines

The Secretary shall publish guidelines for the model program under this section not later than 180 days after October 28, 1992.

(d) Report

The Secretary shall submit a biennial report to the Congress on the utilization of the model program under this section.

1So in original. Probably should be “amounts”. 

**Effective Date**

Section applicable to unexpended funds allocated under subchapter II of this chapter in fiscal year 1992, except as otherwise specifically provided, see section 223 of Pub. L. 102–550, set out as an Effective Date of 1992 Amendment note under section 12704 of this title.

**PART E—OTHER ASSISTANCE**

**Codification**


**§ 12821. Omitted**

**Codification**


**PART F—GENERAL PROVISIONS**

**§ 12831. Equal opportunity**

(a) Solicitation of contracts

Each participating jurisdiction shall prescribe procedures acceptable to the Secretary to establish and oversee a minority outreach program within each such jurisdiction to ensure the inclusion, to the maximum extent possible, of minorities and women, and entities owned by minorities and women, including, without limitation, real estate firms, construction firms, appraisal firms, management firms, financial institutions, investment banking firms, underwriters, accountants, and providers of legal services, in all contracts, entered into by the participating jurisdiction with such persons or entities, public and private, in order to facilitate the activities of the participating jurisdiction to provide affordable housing authorized under this Act or any other Federal housing law applicable to such jurisdiction.

(b) Report to Congress

Before the end of the 180-day period beginning on the date the first allocation of funds is made under section 12747 of this title, the Secretary shall submit to the Congress a report containing a description of the actions taken by each participating jurisdiction pursuant to subsection (a) and such recommendations for administrative and legislative action as the Secretary may determine to be appropriate to carry out the purposes of such subsection.


**References in Text**

This Act, referred to in subsec. (a), is Pub. L. 101–625, Nov. 28, 1990, 104 Stat. 4079, known as the Cranston-Gonzalez National Affordable Housing Act. For complete classification of this Act to the Code, see Short Title note set out under section 12701 of this title and Tables.

**§ 12832. Nondiscrimination**

No person in the United States shall on the grounds of race, color, national origin, religion, or sex be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded in whole or in part with funds made available under this subchapter. Any prohibition against discrimination on the basis of age under the Age Discrimination Act of 1975 [42 U.S.C. 6101 et seq.] or with respect to an otherwise qualified handicapped individual as provided in section 794 of title 29 shall also apply to any such program or activity. The Secretary may waive this section in connection with the use of funds made available under this subchapter on lands set aside under the Hawaiian Homes Commission Act, 1920 (42 Stat. 108).


**References in Text**

The Age Discrimination Act of 1975, referred to in text, is title III of Pub. L. 94–135, Nov. 28, 1975, 89 Stat. 726, as amended, which is classified generally to chapter 7 (§6101 et seq.) of this title. For complete classification of this Act to the Code, see Short Title note set out under section 6101 of this title and Tables.

The Hawaiian Homes Commission Act, 1920, referred to in text, is act July 9, 1921, ch. 42, 42 Stat. 108, as amended, which was classified generally to sections 691 to 718 of Title 48, Territories and Insular Possessions, and was omitted from the Code.

**Amendments**

1996—Pub. L. 104–204 inserted at end “The Secretary may waive this section in connection with the use of funds made available under this subchapter on lands set aside under the Hawaiian Homes Commission Act, 1920 (42 Stat. 108).”

**§ 12833. Audits by Comptroller General**

(a) Audits of HOME Investment Partnerships program

The Comptroller General, when the Comptroller General deems it to be appropriate or when requested by the Committee on Banking, Housing, and Urban Affairs of the Senate or the Committee on Banking, Finance and Urban Affairs of the House of Representatives, shall conduct a full financial audit of the records of the HOME Investment Partnerships program for any fiscal year. The report of the Comptroller General shall be submitted promptly to the Secretary and the Congress and shall be published.

(b) Audits of recipients

The financial transactions of participating jurisdictions and of other recipients of funds provided under this subchapter may, insofar as they relate to funds provided under this subchapter, be audited by the Government Accountability Office under such rules and regulations as may be prescribed by the Comptroller General of the United States. The representatives of the Government Accountability Office shall have access to all books, accounts, records, reports, files, and other papers, things, or property belonging to or in use by such recipients pertaining to such financial transactions and necessary to facilitate the audit.

AMENDMENTS


Subsec. (a). Pub. L. 103–233, §205(4), struck out after first sentence “The initiation of an audit for a fiscal year under the previous sentence shall obviate the requirement for an audit by an independent accounting firm under paragraph (a) for that fiscal year.”

Pub. L. 103–233, §205(5)(B), redesignated subsec. (b)(1) as (a) and realigned margins.

Pub. L. 103–233, §205(2), struck out heading and text of subsec. (a). Text read as follows: “The Secretary, except as provided in paragraph (b)(1), shall contract annually with an independent accounting firm to provide for a full financial audit of the records of the HOME Investment Partnerships program for each fiscal year. Funds available for departmental administrative purposes may be used to provide for such audits. Each audit shall be performed as soon as practicable after the close of the fiscal year and in accordance with generally accepted Government auditing standards approved by the Comptroller General of the United States (hereinafter referred to as the ‘Comptroller General’), and shall be consistent with the requirements of sections 9105 and 9106 of title 31. The Secretary shall promptly submit the report of the independent accounting firm to the Congress, consistent with the requirements of section 9106 of title 31, and such report shall be published. The requirement for an audit under this section shall be in lieu of the requirement for an audit by the Comptroller General under section 918(a) of title 31.

Subsec. (b). (A) Pub. L. 103–233, §205(3), struck out heading “AUDITS BY THE COMPTROLLER GENERAL.—”, redesignated subsec. (b)(2) as (b), and realigned margins.

CHANGE OF NAME

Committee on Banking, Finance and Urban Affairs of House of Representatives treated as referring to Committee on Banking and Financial Services of House of Representatives by section 1(a) of Pub. L. 104–14, set out as a note preceding section 21 of Title 2. The Congress, Committee on Banking and Financial Services of House of Representatives abolished and replaced by Committee on Financial Services of House of Representatives, and jurisdiction over matters relating to securities and exchanges and insurance generally transferred from Committee on Energy and Commerce of House of Representatives by House Resolution No. 5, One Hundred Seventh Congress, Jan. 3, 2001.

EFFECTIVE DATE OF 1994 AMENDMENT

Amendment by Pub. L. 103–233 applicable with respect to any amounts made available to carry out this subchapter after Apr. 11, 1994, and any amounts made available to carry out this subchapter before that date that remain uncommitted on that date, with Secretary to issue any regulations necessary to carry out such amendment not later than end of 45-day period beginning on that date, see section 209 of Pub. L. 103–233, set out as a note under section 5301 of this title.

§12834. Uniform recordkeeping and reports to Congress

(a) Uniform requirements

The Secretary shall develop and establish uniform recordkeeping, performance reporting, and auditing requirements for use by participating jurisdictions.

(b) Omitted


CODIFICATION

Subsec. (b) of this section, which required the Secretary to make an annual report to Congress that summarizes and assesses the results of reports provided under this section, terminated, effective May 15, 2000, pursuant to section 3003 of Pub. L. 104–66, as amended, set out as a note under section 1113 of Title 31, Money and Finance. See also, the 3rd item on page 162 of House Document No. 103–7.

§12835. Citizen participation

The Secretary shall ensure that each participating jurisdiction, and each jurisdiction seeking to become a participating jurisdiction, complies with the requirements of section 12707 of this title.


§12836. Labor

(a) In general

Any contract for the construction of affordable housing with 12 or more units assisted with funds made available under this part shall contain a provision requiring that not less than the wages prevailing in the locality, as predeter-

(b) Waiver

Subsection (a) shall not apply if the individual receives no compensation or is paid expenses, reasonable benefits, or a nominal fee to perform the services for which the individual volunteered and such persons are not otherwise employed at any time in the construction work.


CODIFICATION


§12837. Interstate agreements

The consent of the Congress is hereby given to any two or more States to enter into agreements or compacts, not in conflict with any law of the United States, for cooperative efforts and mutual assistance in support of activities authorized under this subchapter as they pertain to interstate areas and to localities within such States, and to establish such agencies, joint or otherwise, as they may deem desirable for making such agreements and compacts effective.

§ 12838. Environmental review

(a) In general

In order to assure that the policies of the National Environmental Policy Act of 1969 [42 U.S.C. 4321 et seq.] and other provisions of law which further the purposes of such Act (as specified in regulations issued by the Secretary) are most effectively implemented in connection with the expenditure of funds under this subchapter, and to assure to the public undiminished protection of the environment, the Secretary, in lieu of the environmental protection procedures otherwise applicable, may under regulations provide for the release of funds for particular projects to jurisdictions or insular areas under this subchapter who assume all of the responsibilities for environmental review, decisionmaking, and action pursuant to such Act, and such other provisions of law as the regulations of the Secretary specify, that would apply to the Secretary were he to undertake such projects as Federal projects. The Secretary shall issue regulations to carry out this section only after consultation with the Council on Environmental Quality. The regulations shall provide—

(1) for the monitoring of the environmental reviews performed under this section;

(2) in the discretion of the Secretary, to facilitate training for the performance of such reviews; and

(3) for the suspension or termination of the assumption under this section.

The Secretary’s duty under the preceding sentence shall not be construed to limit or reduce any responsibility assumed by a State or unit of general local government with respect to any particular release of funds.

(b) Procedure

The Secretary shall approve the release of funds subject to the procedures authorized by this section only if, at least 15 days prior to such approval and prior to any commitment of funds to such projects the jurisdiction or insular area has submitted to the Secretary a request for such release accompanied by a certification which meets the requirements of subsection (c). The Secretary’s approval of any such certification shall be deemed to satisfy his responsibilities under the National Environmental Policy Act of 1969 [42 U.S.C. 4321 et seq.] and such other provisions of law as the regulations of the Secretary specify insofar as those responsibilities relate to the releases of funds for projects to be carried out pursuant thereto which are covered by such certification.

(c) Certification

A certification under the procedures authorized by this section shall—

(1) be in a form acceptable to the Secretary,

(2) be executed by the chief executive officer or other officer of the recipient of assistance under this subchapter qualified under regulations of the Secretary,

(3) specify that the recipient of assistance under this subchapter has fully carried out its responsibilities as described under subsection (a), and

(4) specify that the certifying officer (A) consents to assume the status of a responsible Federal official under the National Environmental Policy Act of 1969 [42 U.S.C. 4321 et seq.] and each provision of law specified in regulations issued by the Secretary as such provisions of such Act or other such provision of law apply pursuant to subsection (a), and (B) is authorized and consents on behalf of the jurisdiction or insular area and himself to accept the jurisdiction of the Federal courts for the purpose of enforcement of his responsibilities as such an official.

(d) Assistance to units of general local government from a State

In the case of assistance to units of general local government from a State, the State shall perform those actions of the Secretary described in subsection (b) and the performance of such actions shall be deemed to satisfy the Secretary’s responsibilities referred to in the second sentence of such subsection.

(1) be in a form acceptable to the Secretary,

(2) in the discretion of the Secretary, to facilitate training for the performance of such reviews; and

(3) for the suspension or termination of the assumption under this section.

The Secretary’s duty under the preceding sentence shall not be construed to limit or reduce any responsibility assumed by a State or unit of general local government with respect to any particular release of funds.

References in Text

The National Environmental Policy Act of 1969, referred to in subsecs. (a), (b), and (c)(4), is Pub. L. 91–190, Jan. 1, 1970, 83 Stat. 812, as amended, which is classified generally to chapter 55 (§ 4321 et seq.) of this title. For complete classification of this Act to the Code, see Short Title note set out under section 4321 of this title and Tables.

Amendments


Subsecs. (b), (c)(4). Pub. L. 104–330, § 505(a)(2)(B), (C), struck out “, Indian tribe,” after “the jurisdiction”.

1994—Subsec. (a). Pub. L. 103–233, § 206(1), substituted “jurisdictions, Indian tribes, or insular areas” for “participating jurisdictions” and inserted before period at end “The regulations shall provide—

“(1) for the monitoring of the environmental reviews performed under this section;

“(2) in the discretion of the Secretary, to facilitate training for the performance of such reviews; and

“(3) for the suspension or termination of the assumption under this section.

The Secretary’s duty under the preceding sentence shall not be construed to limit or reduce any responsibility assumed by a State or unit of general local government with respect to any particular release of funds.”

Subsec. (b). Pub. L. 103–233, § 206(2), substituted “jurisdiction, Indian tribe, or insular area” for “participating jurisdiction”.

Subsec. (c)(4)(B). Pub. L. 103–233, § 206(3), substituted “jurisdiction, Indian tribe, or insular area” for “participating jurisdiction”.

Subsec. (d). Pub. L. 103–233, § 206(4), substituted “Assistance to units of general local government from a State” for “Assistance to a State” in heading and “In the case of assistance to units of general local government from a State” for “In the case of assistance to States” in text.

Effective Date of 1996 Amendment

Amendment by Pub. L. 104–330 applicable with respect to amounts made available for assistance under this subchapter for fiscal year 1998 and fiscal years thereafter, see section 565(b) of Pub. L. 104–330, set out as a note under section 12747 of this title.

EFFECTIVE DATE OF 1994 AMENDMENT

Amendment by Pub. L. 103–235 applicable with respect to any amounts made available to carry out this subchapter after Apr. 11, 1994, and any amounts made available to carry out this subchapter before that date that remain uncommitted on that date, with Secretary to issue any regulations necessary to carry out such amendment not later than end of 45-day period beginning on that date, see section 209 of Pub. L. 103–235, set out as a note under section 5301 of this title.

§ 12839. Termination of existing housing programs

(a) In general

Except with respect to projects and programs for which binding commitments have been entered into prior to October 1, 1991, no new grants or loans shall be made after October 1, 1991, under—

(1) section 17 of the United States Housing Act of 1937 [42 U.S.C. 1437c];

(2) section 312 of the Housing Act of 1964 [42 U.S.C. 1452b];

(3) title VI of the Housing and Community Development Act of 1963; and

(4) section 8(e)(2) of the United States Housing Act of 1937 [42 U.S.C. 1437f(e)(2)], except for funds allocated under such section for single room occupancy dwellings as authorized by title IV of the McKinney-Vento Homeless Assistance Act [42 U.S.C. 11360 et seq.]; and

(b) Repeals

(1) In general

Except as provided in paragraph (2), effective on October 1, 1991, the provisions of law referred to in subsection (a) are repealed.

(2) No effect on SRO program

The provision of law referred to in subsection (a)(4) shall remain in effect with respect to single room occupancy dwellings as authorized by title IV of the McKinney-Vento Homeless Assistance Act [42 U.S.C. 11360 et seq.].

(c) Disposition of repayments

Any amounts received on or after October 1, 1991, as repayments or recaptures in connection with the programs referred to in subsection (a) and any other amounts for such programs that remain or become unobligated on or after such date, shall be paid into the general fund of the Treasury.


References in Text


The McKinney-Vento Homeless Assistance Act, referred to in subsections (a)(4) and (b)(2), is Pub. L. 100–242.

July 22, 1987, 101 Stat. 482. Title IV of the Act is classified generally to subchapter IV (§ 11380 et seq.) of chapter 119 of this title. For complete classification of this Act to the Code, see Short Title note set out under section 11301 of this title and Tables.

AMENDMENTS


§ 12840. Suspension of requirements for disaster areas

For funds designated under this subchapter by a recipient to address the damage in an area for which the President has declared a disaster under title IV of the Robert T. Stafford Disaster Relief and Emergency Assistance Act [42 U.S.C. 5170 et seq.], the Secretary may suspend all statutory requirements for purposes of assistance under this subchapter for that area, except for those related to public notice of funding availability, nondiscrimination, fair housing, labor standards, environmental standards, and low-income housing affordability.


References in Text


EFFECTIVE DATE

Section applicable with respect to any amounts made available to carry out this subchapter after Apr. 11, 1994, and any amounts made available to carry out this subchapter before that date that remain uncommitted on that date, with Secretary to issue any regulations necessary to carry out this section not later than end of 45-day period beginning on that date, see section 209 of Pub. L. 103–235, set out as an Effective Date of 1994 Amendment note under section 5301 of this title.

SUBCHAPTER III—NATIONAL HOMEOWNERSHIP TRUST DEMONSTRATION

§ 12851. National Homeownership Trust

(a) Establishment

There is established the National Homeownership Trust, which shall be in the Department of Housing and Urban Development and shall provide assistance to first-time homebuyers in accordance with this subchapter.

(b) Board of Directors

The Trust shall be governed by a Board of Directors, which shall be composed of—

(1) the Secretary of Housing and Urban Development, who shall be the chairperson of the Board;

(2) the Secretary of the Treasury;

(3) the chairperson of the Board of Directors of the Federal Deposit Insurance Corporation;

(4) the chairperson of the Federal Housing Finance Board;

(5) the chairperson of the Board of Directors of the Federal National Mortgage Association; and

(6) the chairperson of the Board of Directors of the Federal Home Loan Mortgage Corporation; and
§ 12852

(7) 1 individual representing consumer interests, who shall be appointed by the President of the United States, by and with the advice and consent of the Senate.

(c) Powers of Trust
The Trust shall have the same powers as the powers given the Government National Mortgage Association in section 1723a(a) of title 12.

(d) Travel and per diem
Members of the Board of Directors shall receive no additional compensation by reason of service on the Board, but shall be allowed travel expenses, including per diem in lieu of subsistence, as provided for employees of the Federal Government or in the same manner as persons employed intermittently in the Government service are allowed under section 5703 of title 5, as appropriate.

(e) Director and staff
(1) Director
The Board of Directors may appoint an executive director of the Trust and fix the compensation of the executive director, which shall be paid from amounts in the National Homeownership Trust Fund.

(2) Staff
Subject to such rules as the Board of Directors may prescribe, the Trust may appoint and hire such staff and provide for offices as may be necessary to carry out its duties. The Trust may fix the compensation of the staff, which shall be paid from amounts in the National Homeownership Trust Fund.


SHORT TITLE
For short title of this subchapter as the “National Homeownership Trust Act”, see Short Title note set out under section 12701 of this title.

§ 12852. Assistance for first-time homebuyers
(a) In general
The Trust shall provide assistance payments for first-time homebuyers (including homebuyers buying shares in limited equity cooperatives) in the following manners:

(1) Interest rate buydowns
Assistance payments so that the rate of interest payable on the mortgages by the homebuyers does not exceed 6 percent.

(2) Downpayment assistance
Assistance payments to provide amounts for downpayments (including closing costs and other costs payable at the time of closing) on mortgages for such homebuyers.

(3) Assistance in connection with mortgage revenue bonds financing
Interest rate buydowns and downpayment assistance in the manner provided in subsection (e).

(4) Second mortgage assistance
Assistance payments to provide loans (secured by second mortgages) with deferred payment of interest and principal; and 1

(5) Capitalization of revolving loan funds
Grants to public organizations or agencies to establish revolving loan funds to provide homeownership assistance to eligible first-time homebuyers consistent with the requirements of this subchapter. Such grants shall be matched by an equal amount of local investment in such revolving loan funds. Any proceeds or repayments from loans made under this paragraph shall be returned to the revolving loan fund established under this paragraph to be used for purposes related to this section.

(b) Eligibility requirements
Assistance payments under this subchapter may be made only to homebuyers and for mortgages meeting the following requirements:

(1) First-time homebuyer
The homebuyer is an individual who—
(A) (and whose spouse) has had no ownership in a principal residence during the 3-year period ending on the date of purchase of the property with respect to which assistance payments are made under this subchapter;
(B) is a displaced homemaker who, except for owning a home with his or her spouse or residing in a home owned by the spouse, meets the requirements of subparagraph (A);
(C) is a single parent who, except for owning a home with his or her spouse or residing in a home owned by the spouse while married, meets the requirements of subparagraph (A); or
(D) meets the requirements of subparagraph (A), (B), or (C), except for owning, as a principal residence, a dwelling unit whose structure is—
(i) not permanently affixed to a permanent foundation in accordance with local or other applicable regulations; or
(ii) not in compliance with State, local, or model building codes, or other applicable codes, and cannot be brought into compliance with such codes for less than the cost of constructing a permanent structure.

(2) Maximum income of homebuyer
The aggregate annual income of the homebuyer and the members of the family of the homebuyer residing with the homebuyer, for the 12-month period preceding the date of the application of the homebuyer for assistance under this subchapter, does not exceed—
(A) 95 percent of the median income for a family of 4 persons (adjusted by family size) in the applicable metropolitan statistical area (or such other area that the Board of Directors determines for areas outside of metropolitan statistical areas); or
(B) 115 percent of such median income (adjusted by family size) in the case of an area that is subject to a high cost area mortgage limit under title II of the National Housing Act [12 U.S.C. 1707 et seq.].

The Board of Directors shall provide for certification of such income for purposes of initial eligibility for assistance payments under this subchapter and shall provide for recer-
The homebuyer (and spouse, where applicable) shall certify that the homebuyer has made a good faith effort to obtain a mortgage and has been denied because the annual income of the homebuyer and the members of the family of the homebuyer residing with the homebuyer is insufficient.

(4) Principal residence

The property securing the mortgage is a single-family residence or unit in a cooperative and is the principal residence of the homebuyer.

(5) Maximum mortgage amount

The principal obligation of the mortgage does not exceed the principal amount that could be insured with respect to the property under the National Housing Act [12 U.S.C. 1701 et seq.].

(6) Maximum interest rate

The interest payable on the mortgage is established at a fixed rate that does not exceed a maximum rate of interest established by the Trust taking into consideration prevailing interest rates on similar mortgages.

(7) Responsible mortgagee

The mortgage has been made to, and is held by, a mortgagee that is federally insured or that is otherwise approved by the Trust as responsible and able to service the mortgage properly.

(8) Minimum downpayment

For a first-time homebuyer to receive downpayment assistance under subsection (a)(2), the homebuyer shall have paid not less than 1 percent of the cost of acquisition of the property (excluding any mortgage insurance premium paid at the time the mortgage is insured), as such cost is estimated by the Board of Directors.

(c) Terms of assistance

(1) Security

Assistance payments under this subchapter shall be secured by a lien on the property involved. The lien shall be subordinate to all mortgages existing on the property on the date on which the first assistance payment is made.

(2) Repayment upon sale

Assistance payments under this subchapter shall be repayable from the net proceeds of the sale, without interest, upon the sale of the property for which the assistance payments are made. If the sale results in no net proceeds or the net proceeds are insufficient to repay the amount of the assistance payments in full, the Board of Directors shall release the lien to the extent that the debt secured by the lien remains unpaid.

(3) Repayment upon increased income

If the aggregate annual income of the homebuyer (and family of the homebuyer) assisted under this subchapter exceeds the applicable maximum income allowable under subsection (b)(2) for any 2-year period after such assistance is provided, the Board of Directors may provide for the repayment, on a monthly basis, of all or a portion of such assistance payments, based on the amount of assistance provided and the income of the homebuyer (and family of the homebuyer).

(4) Repayment if property ceases to be principal residence

If the property for which assistance payments are made ceases to be the principal residence of the first-time homebuyer (or the family of the homebuyer), the Board of Directors may provide for the repayment of all or a portion of the assistance payments.

(5) Available assistance

The Trust may make assistance payments under paragraphs (1) and (2) of subsection (a) with respect to a single mortgage of an eligible homebuyer.

(d) Allocation formula

Amounts available in any fiscal year for assistance under this subchapter shall be allocated for homebuyers in each State on the basis of the need of eligible first-time homebuyers in each State for such assistance in comparison with the need of eligible first-time homebuyers for such assistance among all States.

(e) Assistance in connection with housing financed with mortgage revenue bonds

(1) Authority

The Trust shall provide assistance for first-time homebuyers in the form of interest rate buydowns and downpayment assistance under this subsection. Such assistance shall be available only with respect to mortgages for the purchase of residences (A) financed with the proceeds of a qualified mortgage bond (as such term is defined in section 143 of title 26), or (B) for which a credit is allowable under section 25 of title 26.

(2) Eligibility

To be eligible for assistance under this subsection, homebuyers and mortgages shall also meet the requirements under subsection (b) of this section, except that—

(A) the certification under subsection (b)(2) shall not be required for assistance under this subsection;

(B) the provisions of subsection (b)(3) shall not apply to assistance under this section; and

(C) the aggregate income of the homebuyer and the members of the family of the homebuyer residing with the homebuyer, for the 12-month period preceding the date of the application of the homebuyer for assistance under this subsection, shall not exceed 80 percent of the median income for a family of 4 persons (as adjusted for family size) in the applicable metropolitan statistical area.

(3) Limitation of assistance

Notwithstanding subsection (a), assistance payments for first-time homebuyers under this subsection shall be provided in the following manners:
(A) Interest rate buydowns

Assistance payments to decrease the rate of interest payable on the mortgages by the homebuyers, in an amount not exceeding—

(1) in the first year of the mortgage, 2.0 percent of the total principal obligation of the mortgage;

(2) in the second year of the mortgage, 1.5 percent of the total principal obligation of the mortgage;

(3) in the third year of the mortgage, 1.0 percent of the total principal obligation of the mortgage; and

(4) in the fourth year of the mortgage, 0.5 percent of the total principal obligation of the mortgage.

(B) Downpayment assistance

Assistance payments to provide amounts for downpayments on mortgages by the homebuyers, in an amount not exceeding 2.5 percent of the principal obligation of the mortgage.

(3) Availability

The Trust may make assistance payments under subparagraphs (A) and (B) of paragraph (3) with respect to a single mortgage of a homebuyer.

Amendments


Subsec. (a)(4), (5). Pub. L. 102–550, § 182(e), added pars. (4) and (5).


§ 12853. National Homeownership Trust Fund

(a) Establishment

There is established in the Treasury of the United States a revolving fund, to be known as the National Homeownership Trust Fund.

(b) Assets

The Fund shall consist of—

(1) any amount approved in appropriation Acts under section 12857 of this title for purposes of carrying out this subchapter;

(2) any amount received by the Trust as repayment for payments made under this subchapter; and

(3) any amount received by the Trust under subsection (d).

(c) Use of amounts

The Fund shall, to the extent approved in appropriations Acts, be available to the Trust for purposes of carrying out this subchapter.

(d) Investment of excess amounts

Any amounts in the Fund determined by the Trust to be in excess of the amounts currently required to carry out the provisions of this subchapter shall be invested by the Trust in obligations of, or obligations guaranteed as to both principal and interest by, the United States or any agency of the United States.

(e) Demonstration programs

Using not more than $20,000,000 of any amounts appropriated for the Fund under section 12857 of this title in fiscal year 1991, the Secretary shall carry out demonstration programs for combining housing activities and economic development activities, as follows:

(1) In Milwaukee, Wisconsin, in an amount not to exceed $4,200,000, for development, rehabilitation, and revitalization of 2 vacant structures in a blighted minority neighborhood.

(2) In Washington, District of Columbia, in an amount not to exceed $10,000,000, for nonprofit neighborhood-based groups to acquire and rehabilitate vacant public and private housing for resale or rent to low- and moderate-income families and to the extent of and subject to engage in neighborhood-based economic development activities.

(3) In Philadelphia, Pennsylvania, in an amount not to exceed $1,000,000, for technical assistance and organizational support for a community development corporation that is a city-wide public/private partnership engaged in the provision of technical assistance to neighborhood community development corporations.

(4) In other areas, as the Secretary may determine.

Amendments


Subsec. (a)(4), (5). Pub. L. 102–550, § 182(e), added pars. (4) and (5).


§ 12854. Definitions

For purposes of this subchapter:

(1) Board of Directors

The term “Board of Directors” or “Board” means the Board of Directors of the National Homeownership Trust under section 12851(b) of this title.

(2) Displaced homemaker

The term “displaced homemaker” means an individual who—

(A) is an adult;

(B) has not worked full-time full-year in the labor force for a number of years, but has during such years, worked primarily without remuneration to care for the home and family; and

(C) is unemployed or underemployed and is experiencing difficulty in obtaining or upgrading employment.

(3) Fund

The term “Fund” means the National Homeownership Trust Fund established in section 12853 of this title.

(4) Single parent

The term “single parent” means an individual who—

(A) is unmarried or legally separated from a spouse; and
subsection approved, to reflect the probable intent of Congress, be -
meaning section 309 of Pub. L. 101–625, to reflect the probable intent of Congress, not later than the expiration of the 90-
test which the individual has custody or joint -
(ii) is pregnant.
(5) State
The term ‘‘State’’ means the States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands, Guam, the Virgin Islands, American Samoa, the Trust Territory of the Pacific Islands, and any other territory or possession of the United States.
(6) Trust
The term ‘‘Trust’’ means the National Homeownership Trust established in section 12851 of this title.

§ 12855. Regulations
The Board of Directors shall issue any regulations necessary to carry out this subchapter.

§ 12856. Report
The Board of Directors shall submit to the Congress, not later than the expiration of the 90-
ties authorized under part A, of which up to

§ 12857. Authorization of appropriations
There are authorized to be appropriated for assistance payments under this subchapter $320,665,000 for fiscal year 1993 and $542,533,555 for fiscal year 1994, of which such sums as may be necessary shall be available in each such fiscal year for use under section 12852(e) of this title. Any amount appropriated under this section shall be deposited in the Fund and shall remain available until expended, subject to the provisions of section 12858 of this title.

§ 12858. Transition
(a) Authority of Secretary
Upon the termination of the Trust as provided in section 12859 of this title, the Secretary of Housing and Urban Development shall exercise any authority of the Board of Directors and the Trust in accordance with the provisions of this subchapter as may be necessary to provide for the conclusion of the outstanding affairs of the Trust.

(b) Applicability of Trust provisions
Any assistance under this subchapter shall, after termination of the Trust, be subject to the provisions of this subchapter that would have applied to such assistance if the termination had not occurred.

(c) Certification of Fund to Treasury
Upon a determination by the Secretary of Housing and Urban Development that the National Homeownership Trust Fund is no longer necessary, the Secretary shall certify any amounts remaining in the Fund to the Secretary of the Treasury and the Secretary of the Treasury shall deposit into the general fund of the Treasury as miscellaneous receipts any amounts remaining in the Fund.

§ 12859. Termination
The Trust shall terminate September 30, 1994.

The Trust shall terminate September 30, 1994.

1 See References in Text note below.
2 So in original. Probably should be ‘‘such’’. 
§12871. Program authority

(a) In general

The Secretary is authorized to make—

(1) planning grants to enable applicants to develop homeownership programs; and

(2) implementation grants to enable applicants to carry out homeownership programs.

(b) Authority to reserve housing assistance

In connection with a grant under this part, the Secretary may reserve authority to provide assistance under section 1437f of this title to the extent necessary to provide rental assistance for a nonpurchasing tenant who resides in the project on the date the Secretary approves the application for an implementation grant, for use by the tenant in another project.


REFERENCES IN TEXT

This title, referred to in introductory provisions of subsec. (a) and (b), is title IV of Pub. L. 101–625, Nov. 28, 1990, 104 Stat. 4148, known as the Homeownership and Opportunity Through HOPE Act, which enacted this subchapter and subchapter II–A (§1437aaa et seq.) of chapter 8 of this title, amended sections 1437c, 1437f, 1437p, 1437r, and 1437s of this title and section 1709 of Title 12, Banks and Banking, and enacted provisions set out as notes under sections 1437c, 1437aa, and 1437aaa of this title. For complete classification of title IV to the Code, see Short Title note set out under section 1437f of this title and Tables.

The United States Housing Act of 1937, referred to in subsecs. (a)(1), (b)(1), and (c), is act Sept. 1, 1937, ch. 666, as revised generally by Pub. L. 93–383, title II, §203(a), Aug. 22, 1974, 88 Stat. 653. Title III of the Act is classified generally to subchapter II–A (§1437aaa et seq.) of chapter 8 of this title. For complete classification of this Act to the Code, see Short Title note set out under section 1437 of this title and Tables.

AMENDMENTS

2006—Subsec. (a). Pub. L. 109–281 struck out the second sentence, which read as follows: “Of the amounts appropriated pursuant to this subsection, up to $40,000,000, but not less than 5 percent, shall be available for activities authorized under part C of this subchapter.”

Subsec. (b). Pub. L. 109–281 struck out the second sentence, which read as follows: “Of the amounts appropriated pursuant to this subsection, up to $41,600,000, but not less than 5 percent, shall be available for activities authorized under part C of this subchapter.”

GAO AUDIT OF TECHNICAL ASSISTANCE CONTRACTS


PART A—HOPE FOR HOMEOWNERSHIP OF MULTIFAMILY UNITS

§12871. Program authority

(a) In general

The Secretary is authorized to make—

(1) planning grants to enable applicants to develop homeownership programs; and

(2) implementation grants to enable applicants to carry out homeownership programs.

(b) Authority to reserve housing assistance

In connection with a grant under this part, the Secretary may reserve authority to provide assistance under section 1437f of this title to the extent necessary to provide rental assistance for a nonpurchasing tenant who resides in the project on the date the Secretary approves the application for an implementation grant, for use by the tenant in another project.


REFERENCES IN TEXT

This part, referred to in subsec. (b), was in the original “this subtitle”, meaning subtitle B (§§421–431) of title IV of Pub. L. 101–625, Nov. 28, 1990, 104 Stat. 4162, which enacted this part and amended section 1709 of Title 12, Banks and Banking.

AMENDMENTS

1992—Subsec. (c). Pub. L. 102–550 struck out subsec. (c) which read as follows: “AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated for grants under this part $51,000,000 for fiscal year 1991 and $290,000,000 for fiscal year 1992. Any amounts appropriated pursuant to this subsection shall remain available until expended.”
§ 12872. Planning grants
(a) Grants
The Secretary is authorized to make planning grants to applicants for the purpose of developing homeownership programs under this part. The amount of a planning grant under this section may not exceed $200,000, except that the Secretary may for good cause approve a grant in a higher amount.

(b) Eligible activities
Planning grants may be used for activities to develop homeownership programs (which may include programs for cooperative ownership), including—

(1) development of resident management corporations and resident councils;
(2) training and technical assistance of applicants related to the development of a specific homeownership program;
(3) studies of the feasibility of a homeownership program;
(4) inspection for lead-based paint hazards, as required by section 4622(a) of this title;
(5) preliminary architectural and engineering work;
(6) tenant and homebuyer counseling and training;
(7) planning for economic development, job training, and self-sufficiency activities that promote economic self-sufficiency for homebuyers and homeowners under the homeownership program;
(8) development of security plans; and
(9) preparation of an application for an implementation grant under this part.

(c) Application
(1) Form and procedures
An application for a planning grant shall be submitted by an applicant in such form and in accordance with such procedures as the Secretary shall establish.

(2) Minimum requirements
The Secretary shall require that an application contain at a minimum—

(A) a request for a planning grant, specifying the activities proposed to be carried out, the schedule for completing the activities, the personnel necessary to complete the activities, and the amount of the grant requested;
(B) a description of the applicant and a statement of its qualifications;
(C) identification and description of the eligible property involved, and a description of the composition of the tenants, including family size and income;
(D) a certification by the public official responsible for submitting the comprehensive housing affordability strategy under section 12705 of this title that the proposed activities are consistent with the approved housing strategy of the State or unit of general local government within which the project is located (or, during the first 12 months after November 22, 1990, that the application is consistent with such other existing State or local housing plan or strategy that the Secretary shall determine to be appropriate); and

(d) Selection criteria
The Secretary shall, by regulation, establish selection criteria for a national competition for assistance under this section, which shall include—

(1) the qualifications or potential capabilities of the applicant;
(2) the extent of tenant interest in the development of a homeownership program for the property;
(3) the potential of the applicant for developing a successful and affordable homeownership program and the suitability of the property for homeownership;
(4) national geographic diversity among housing for which applicants are selected to receive assistance; and
(5) such other factors that the Secretary shall require that (in the determination of the Secretary) are appropriate for purposes of carrying out the program established by this part in an effective and efficient manner.


REFERENCES IN TEXT
The Fair Housing Act, referred to in subsec. (c)(2)(E), is title VIII of Pub. L. 90–284, Apr. 11, 1968, 82 Stat. 81, as amended, which is classified principally to subchapter I (§3601 et seq.) of chapter 45 of this title. For complete classification of this Act to the Code, see Short Title note set out under section 3601 of this title and Tables.


AMENDMENTS
1992—Subsec. (b)(4) to (9). Pub. L. 102–550 added par. (4) and redesignated former pars. (4) to (8) as (5) to (9), respectively.

§ 12873. Implementation grants
(a) Grants
The Secretary is authorized to make implementation grants to applicants for the purpose of carrying out homeownership programs approved under this part.

(b) Eligible activities
Implementation grants may be used for activities to carry out homeownership programs (in—
§ 12873

§ 12873 TITLE 42—THE PUBLIC HEALTH AND WELFARE

including programs for cooperative ownership, including the following activities:

(1) Architectural and engineering work.
(2) Acquisition of the eligible property for the purpose of transferring ownership to eligible families in accordance with a homeownership program that meets the requirements under this part.
(3) Rehabilitation of any property covered by the homeownership program, in accordance with standards established by the Secretary.
(4) Abatement of lead-based paint hazards, as required by section 4822(a) of this title.
(5) Administrative costs of the applicant, which may not exceed 15 percent of the amount of the assistance provided under this section.
(6) Development of resident management corporations and resident management councils, but only if the applicant has not received assistance under section 128721 of this title for such activities.
(7) Counseling and training of homebuyers and homeowners under the homeownership program.
(8) Relocation of tenants who elect to move.
(9) Any necessary temporary relocation of tenants during rehabilitation.
(10) Planning for establishment of for- or not-for-profit small businesses by or on behalf of residents, job training, and other activities that promote economic self-sufficiency of homebuyers and homeowners of the property covered by the homeownership program and economic development of the neighborhood.
(11) Funding of operating expenses and replacement reserves of the property covered by the homeownership program.
(12) Legal fees.
(13) Defraying costs for the ongoing training needs of the recipient that are related to developing and carrying out the homeownership program.
(14) Economic development activities that promote economic self-sufficiency of homebuyers, residents, and homeowners under the homeownership program.

(e) Matching funding

(1) In general

Each recipient shall assure that contributions equal to not less than 33 percent of the grant amounts made available under this section, excluding any amounts provided for post-sale operating expense, shall be provided from non-Federal sources to carry out the homeownership program.

(2) Form

Such contributions may be in the form of—

(A) cash contributions from non-Federal resources, which may not include funds from a grant made under section 5306(b) or section 5306(d) of this title;
(B) payment of administrative expenses, as defined by the Secretary, from non-Federal resources, including funds from a grant made under section 5306(b) or section 5306(d) of this title;
(C) the value of taxes, fees, or other charges that are normally and customarily imposed but are waived, foregone, or deferred in a manner that facilitates the implementation of a homeownership program assisted under this part;
(D) the value of land or other real property as appraised according to procedures acceptable to the Secretary;
(E) the value of investment in on-site and off-site infrastructure required for a homeownership program assisted under this part; or
(F) such other in-kind contributions as the Secretary may approve.

Contributions for administrative expenses shall be recognized only up to an amount equal to 7 percent of the total amount of grants made available under this section.

(d) Application

(1) Form and procedure

An application for an implementation grant shall be submitted by an applicant in such form and in accordance with such procedures as the Secretary shall establish.

(2) Minimum requirements

The Secretary shall require that an application contain at a minimum—

(A) a request for an implementation grant, specifying the amount of the grant requested and its proposed uses;
(B) if applicable, an application for assistance under section 1437f of this title, specifying the proposed uses of such assistance and the period during which the assistance will be needed;
(C) a description of the qualifications and experience of the applicant in providing low-income housing;
(D) a description of the proposed homeownership program, consistent with section 128741 of this title and the other requirements of this part, specifying the activities proposed to be carried out and their estimated costs, identifying reasonable schedules for carrying it out, and demonstrating the program will comply with the affordability requirements under section 12874(b)1 of this title;
(E) identification and description of the property involved, and a description of the composition of the tenants, including family size and income;
(F) a description of and commitment for the resources that are expected to be made available to provide the matching funding required under subsection (c) and of other resources that are expected to be made available in support of the homeownership program;
(G) identification and description of the financing proposed for any (i) rehabilitation and (ii) acquisition (I) of the property, by an entity for transfer to eligible families, and (II) by eligible families of ownership interests in, or shares representing, units in the project;

1 See References in Text note below.

2 So in original. Two subsecs. (d) have been enacted.
(H) the proposed sales price, the basis for
such price determination, and terms to an
entity, if any, that will purchase the prop-
erty for resale to eligible families;
(I) the proposed sales prices, if any, and
terms to eligible families;
(J) any proposed restrictions on the resale
of units under a homeownership program;
(K) identification and description of the
entity that will operate and manage the
property;
(L) a certification by the public official re-
ponsible for submitting the comprehensive
housing affordability strategy under section
12705 of this title that the proposed activi-
ties are consistent with the approved hous-
ing strategy of the State or unit of general
local government within which the project is
located (or, during the first 12 months after
November 28, 1990, that the application is
consistent with such other existing State or
local housing plan or strategy that the Sec-
retary shall determine to be appropriate); and
(M) a certification that the applicant will
comply with the requirements of the Fair
Housing Act [42 U.S.C. 3601 et seq.], title VI
of the Civil Rights Act of 1964 [42 U.S.C.
2000d et seq.], section 504 of the Rehabilita-
tion Act of 1973 [29 U.S.C. 794], and the Age
Discrimination Act of 1975 [42 U.S.C. 6101 et
seq.], and will affirmatively further fair hous-
ing.

(d) Selection criteria
The Secretary shall establish selection cri-
tera for assistance under this section, which
shall include—
(1) the qualifications or potential capabili-
ties of the applicant;
(2) the feasibility of the homeownership
program;
(3) the extent of tenant interest in the de-
velopment of a homeownership program for the
property;
(4) the potential for developing an affordable
homeownership program and the suitability of
the property for homeownership;
(5) national geographic diversity among
housing for which applicants are selected to
receive assistance;
(6) the extent to which a sufficient supply of
affordable rental housing of the type assisted
under this title exists in the locality, so that
the implementation of the homeownership
program will not appreciably reduce the num-
ber of such rental units available to residents
currently residing in such units or eligible for
residency in such units; and
(7) such other factors as the Secretary deter-
mines to be appropriate for purposes of carry-
ning out the program established by the part
in an effective and efficient manner.

(e) Approval
The Secretary shall notify each applicant, not
later than 6 months after the date of the submis-
sion of the application, whether the application
is approved or not approved. The Secretary may
approve the application for an implementa-
grant with a statement that the application for
the section 8 [42 U.S.C. 1437f] assistance for resi-
dents of the project not purchasing units is con-
ditionally approved, subject to the availability
of appropriations in subsequent fiscal years.

(Pub. L. 101–625, title IV, § 423, Nov. 28, 1990, 104
Stat. 4163; Pub. L. 102–550, title X, § 1012(1)(2),

References in Text
Section 12872 of this title, referred to in subsec. (b)(6),
was in the original “section 322” and was translated as
reading “section 422”, meaning section 422 of Pub. L.
101–625, to reflect the probable intent of Congress. Sec-
section 322 of Pub. L. 101–625 amended section 1708 of Title
12, Banks and Banking.

Section 12874 of this title and section 12874(b) of this
refers to the original “section 324” and “section 324(b)”, respectively, and
were translated as reading “section 424” and “section
424(b)”, respectively, meaning section 424 of Pub. L.
101–625, to reflect the probable intent of Congress. Sec-
section 324 of Pub. L. 101–625, which proposed an amend-
ment to section 1709 of Title 12, never took effect pur-
suant to section 351 of Pub. L. 101–625. Such section 324
did not contain a subsec. (b).

The Fair Housing Act, referred to in subsec. (d)(2)(M),
is title VIII of Pub. L. 90–361, Apr. 11, 1968, 82 Stat. 101,
as amended, which is classified principally to sub-
chapter I (§ 3601 et seq.) of chapter 45 of this title. For
complete classification of this Act to the Code, see
Short Title note set out under section 3601 of this title and
Tables.

(d)(2)(M), is title VIII of Pub. L. 90–361, Apr. 11, 1968, 82 Stat. 101,
as amended. Title VI of the Act is classified generally to
subchapter V (§ 2000d et seq.) of chapter 21 of this title.
For complete classification of this Act to the Code, see
Short Title note set out under section 2000a of this title
and Tables.

The Age Discrimination Act of 1975, referred to in
subsec. (d)(2)(M), is title III of Pub. L. 94–135, Nov. 28,
1975, 89 Stat. 728, as amended, which is classified gener-
ally to chapter 76 (§ 6101 et seq.) of this title. For com-
plete classification of this Act to the Code, see
Short Title note set out under section 6101 of this title and
Tables.

This title, referred to in subsec. (d)(6), means title IV
of Pub. L. 101–625, known as the Homeownership and
Opportunity Through HOPE Act, and probably should
have been “this title”, meaning subtitle B
(§ 421–431) of title IV of Pub. L. 101–625, which is classified
principally to this part. For complete classification of
this title IV to the Code, see Short Title note set out under
section 1457aaa of this title and Tables.

Amendments
(4) and redesignated former pars. (4) to (13) as (5) to (14),
respectively.

§ 12874. Homeownership program requirements
(a) In general
A homeownership program under this part
shall provide for acquisition by eligible families
of ownership interest in, or shares representing,
the units in an eligible property under any ar-
rangement determined by the Secretary to be
appropriate, such as cooperative ownership (in-
cluding limited equity cooperative ownership)
and fee simple ownership (including condominium
ownership), for occupancy by the eligible families.

(b) Affordability
A homeownership program under this part
shall provide for the establishment of sales

So in original. Probably should be “this”.
prices (including principal, insurance, taxes, and interest and closing costs) for initial acquisition of the property, and for sales to eligible families, such that the eligible family shall not be required to expend more than 30 percent of the adjusted income of the family per month to complete a sale under the homeownership program.

(c) Plan

A homeownership program under this part shall provide, and include a plan, for—

(1) identifying and selecting eligible families to participate in the homeownership program;
(2) providing relocation assistance to families who elect to move;
(3) ensuring continued affordability by tenants, homebuyers, and homeowners in the property; and
(4) providing ongoing training and counseling for homebuyers and homeowners.

(d) Acquisition and rehabilitation limitation

Acquisition or rehabilitation of a property under a homeownership program under this part may not consist of acquisition or rehabilitation of less than all of the units in the property. The provisions of this subsection may be waived upon a finding by the Secretary that the sale of less than all of the units in a project is feasible and will not result in a hardship to any tenants of the project who are not included in the homeownership program.

(e) Financing

(1) In general

The application shall identify and describe the proposed financing for (A) any rehabilitation, and (B) acquisition (i) of the project, where applicable, by an entity for transfer to eligible families, and (ii) by eligible families of ownership interests in, or shares representing, units in the project. Financing may include use of the implementation grant, sale for cash, or other sources of financing (subject to applicable requirements), including conventional mortgage loans and mortgage loans insured under title II of the National Housing Act [12 U.S.C. 1707 et seq.].

(2) Prohibition against pledges

Property transferred under this part shall not be pledged as collateral for debt or otherwise encumbered except when the Secretary determines that—

(A) such encumbrance will not threaten the long-term availability of the property for occupancy by low-income families;
(B) neither the Federal Government nor the public housing agency will be exposed to undue risks related to action that may have to be taken pursuant to paragraph (3); and
(C) any debt obligation can be serviced from project income, including operating assistance; and

(D) the proceeds of such encumbrance will be used only to meet housing standards in accordance with subsection (f) or to make such additional capital improvements as the Secretary determines to be consistent with the purposes of this part.

(3) Opportunity to cure

Any lender that provides financing in connection with a homeownership program under this part shall give the public housing agency, resident management corporation, individual owner, or other appropriate entity a reasonable opportunity to cure a financial default before foreclosing on the property, or taking other action as a result of the default.

(f) Housing quality standards

The application shall include a plan ensuring that the unit—

(1) will be free from any defects that pose a danger to health or safety before transfer of an ownership interest in, or shares representing, a unit to an eligible family; and
(2) will, not later than 2 years after the transfer to an eligible family, meet minimum housing standards established by the Secretary for the purpose of this title.

(g) Protection of nonpurchasing families

(1) In general

No tenant residing in a dwelling unit in a property on the date the Secretary approves an application for an implementation grant may be evicted by reason of a homeownership program approved under this part.

(2) Rental assistance

If a tenant decides not to purchase a unit, or is not qualified to do so, the Secretary shall, subject to the availability of appropriations, ensure that rental assistance under section 1437f of this title is available for use by each otherwise qualified tenant in that or another property.

(3) Relocation assistance

The recipient shall also inform each such tenant that if the tenant chooses to move, the recipient will pay relocation assistance in accordance with the approved homeownership program.


REFERENCES IN TEXT

The National Housing Act, referred to in subsec. (e)(1), is act June 27, 1934, ch. 847, 48 Stat. 1246, as amended. Title II of the Act is classified principally to subchapter II ([§1707 et seq.]) of chapter 13 of Title 12, Banks and Banking. For complete classification of this Act to the Code, see section 1701 of Title 12 and Tables.

This title, referred to in subsec. (f)(2), is title IV of Pub. L. 101–625, Nov. 28, 1990, 104 Stat. 4148, known as the Homeownership and Opportunity Through HOPE Act, which enacted this subchapter and subchapter II–A ([§1437aaa et seq.]) of chapter 8 of this title, amended sections 1437c, 1437f, 1437l, 1437p, 1437r, and 1437s of this title and section 1709 of Title 12, and enacted provisions set out as notes under sections 1437c, 1437aa, and 1437aaa of this title. For complete classification of title IV to the Code, see Short Title note set out under section 1437aaa of this title and Tables.

Section 1437f of this title, referred to in subsec. (g)(2), was in the original “section 8”, and was translated as reading “section 8 of the United States Housing Act of 1937” to reflect the probable intent of Congress.

§ 12875. Other program requirements

(a) Preferences

In selecting eligible families for homeownership, the recipient shall give a first preference.

1 See References in Text note below.
(b) Cost limitations

The Secretary may establish cost limitations on eligible activities under this part, subject to the provisions of this part.

(c) Use of proceeds from sales to eligible families

The entity that transfers ownership interests in, or shares representing, units to eligible families, or another entity specified in the approved application, shall use the proceeds, if any, from the initial sale for the cost of the homeownership program, including operating expenses, improvements to the project, business opportunities for low-income families, supportive services related to the homeownership program, additional homeownership opportunities, and other activities approved by the Secretary.

(d) Restrictions on resale by homeowners

(1) In general

(A) Transfer permitted

A homeowner under a homeownership program may transfer the homeowner’s ownership interest in, or shares representing, the unit, except that a homeownership program may establish restrictions on the resale of units under the program.

(B) Right to purchase

Where a resident management corporation, resident council, or cooperative has jurisdiction over the unit, the corporation, council, or cooperative shall have the right to purchase the ownership interest in, or shares representing, the unit from the homeowner for the amount specified in a firm contract between the homeowner and a prospective buyer. If such an entity does not have jurisdiction over the unit or elects not to purchase and if the prospective buyer is not a low-income family, the public housing agency or the implementation grant recipient shall have the right to purchase the ownership interest in, or shares representing, the unit for the same amount.

(C) Promissory note required

The homeowner shall execute a promissory note equal to the difference between the market value and the purchase price, payable to the public housing agency or other entity designated in the homeownership plan, together with a mortgage securing the obligation of the note.

(2) 6 years or less

In the case of a transfer within 6 years of the acquisition under the program, the homeownership program shall provide for appropriate restrictions to assure that an eligible family may not receive any undue profit. The plan shall provide for limiting the family’s consideration for its interest in the property to the total of—

(A) the contribution to equity paid by the family;

(B) the value, as determined by such means as the Secretary shall determine through regulation, of any improvements installed at the expense of the family during the family’s tenure as owner; and

(C) the appreciated value determined by an inflation allowance at a rate which may be based on a cost-of-living index, an income index, or market index as determined by the Secretary through regulation and agreed to by the purchaser and the entity that transfers ownership interests in, or shares representing, units to eligible families (or another entity specified in the approved application), at the time of initial sale, and applied against the contribution to equity.

Such an entity may, at the time of initial sale, enter into an agreement with the family to set a maximum amount which this appreciation may not exceed.

(3) 6–20 years

In the case of a transfer during the period beginning 6 years after the acquisition and ending 20 years after the acquisition, the homeownership program shall provide for the recapture by the Secretary or the program of an amount equal to the amount of the declining balance on the note described in paragraph (1)(C).

(4) Use of recaptured funds

Fifty percent of any portion of the net sales proceeds that may not be retained by the homeowner under the plan approved pursuant to this subsection shall be paid to the entity that transferred ownership interests in, or shares representing, units to eligible families, or another entity specified in the approved application, for use for improvements to the project, business opportunities for low-income families, supportive services related to the homeownership program, additional homeownership opportunities, and other activities approved by the Secretary. The remaining 50 percent shall be returned to the Secretary for use under this part, subject to limitations contained in Appropriations Acts. Such entity shall keep and make available to the Secretary all records necessary to calculate accurately payments due the Secretary under this subsection.

(e) Third party rights

The requirements under this part regarding quality standards, resale, or transfer of the ownership interest of a homeowner shall be judicially enforceable against the grant recipient with respect to actions involving rehabilitation, and against purchasers of property under this subsection or their successors in interest with respect to other actions by affected low-income families, resident management corporations, resident councils, public housing agencies, and any agency, corporation, or authority of the United States Government. The parties specified in the preceding sentence shall be entitled to reasonable attorney fees upon prevailing in any such judicial action.

(f) Dollar limitation on economic development activities

Not more than an aggregate of $250,000 from amounts made available under sections 12872
and 12873 of this title may be used for economic development activities under sections 12872(b)(6) and 12873(b)(9) of this title for any project.

(g) Timely homeownership

Recipients shall transfer ownership of the property to tenants within a specified period of time that the Secretary determines to be reasonable. During the interim period when the property continues to be operated and managed as rental housing, the recipient shall utilize written tenant selection policies and criteria that are approved by the Secretary as consistent with the purpose of improving housing opportunities for low-income families. The recipient shall promptly notify in writing any rejected applicant of the grounds for any rejection.

(h) Records and audit of recipients of assistance

(1) In general

Each recipient shall keep such records as may be reasonably necessary to fully disclose the amount and the disposition by such recipient of the proceeds of assistance received under this part (and any proceeds from financing obtained or sales under subsections (c) and (d)), the total cost of the homeownership program in connection with which such assistance is given or used, and the amount and nature of that portion of the program supplied by other sources, and such other sources as will facilitate an effective audit.

(2) Access by Secretary

The Secretary shall have access for the purpose of audit and examination to any books, documents, papers, and records of the recipient that are pertinent to assistance received under this part.

(3) Access by Comptroller General

The Comptroller General of the United States, or any of the duly authorized representatives of the Comptroller General, shall also have access for the purpose of audit and examination to any books, documents, papers, and records of the recipient that are pertinent to assistance received under this part.

(i) Certain entities not eligible

Any entity that assumes, as determined by the Secretary, a mortgage covering eligible property in connection with the acquisition of the property from an owner under this section must comply with any low-income affordability restrictions for the remaining term of the mortgage. This requirement shall only apply to an owner, such as a cooperative association, that, as determined by the Secretary, intends to own the housing on a permanent basis.

References in Text

Sections 12872(b)(6) and 12873(b)(9) of this title, referred to in subsec. (f), were redesignated sections 12872(b)(7) and 12873(b)(10) of this title, respectively, by Pub. L. 102–550, title X, § 1012(i), Oct. 28, 1992, 106 Stat. 12872(b)(7) and 12873(b)(10) of this title, respectively, by

§ 12876. Definitions

For purposes of this part:

1 See References in Text note below.
(C) has a democratically elected governing board, elected by the tenants of the housing.

(10) The term ‘‘Secretary’’ means the Secretary of Housing and Urban Development.


REFERENCES IN TEXT

This title, referred to in par. (8), means title IV of Pub. L. 101–625, known as the Homeownership and Opportunity Through HOPE Act, and probably should have been ‘‘this subtitle’’, meaning subtitle B (§§ 421–431) of title IV of Pub. L. 101–625, which is classified principally to section 1437aaa of this title and Tables.

AMENDMENTS
Par. (3)(D). Pub. L. 102–550, § 181(e), (h), inserted ‘‘the Federal Deposit Insurance Corporation, the Secretary of Defense, the Secretary of Transportation, the General Services Administration, any other Federal agency,’’ after ‘‘Corporation,’’ and ‘‘or an agency or instrumentality thereof’’ before period at end.

§ 12877. Exemption

Eligible property covered by a homeownership program approved under this part shall not be subject to—

(1) the Low-Income Housing Preservation and Resident Homeownership Act of 1990 [12 U.S.C. 4101 et seq.], or

(2) the requirements of section 1701z–11 of title 12 applicable to the sale of projects either at foreclosure or after acquisition by the Secretary.


REFERENCES IN TEXT
The Low-Income Housing Preservation and Resident Homeownership Act of 1990, referred to in par. (1), is title II of Pub. L. 100–242, as amended by Pub. L. 101–625, title VI, § 601(a), Nov. 29, 1990, 104 Stat. 4249, which is classified principally to chapter 42 (§ 4101 et seq.) of Title 12, Banks and Banking. For complete classification of this Act to the Code, see Short Title note set out under section 4101 of Title 12 and Tables.

§ 12878. Limitation on selection criteria

In establishing criteria for selecting applicants to receive assistance under this part, the Secretary may not establish any selection criterion or criteria that grant or deny such assistance to an applicant (or have the effect of granting or denying assistance) based on the implementation, continuation, or discontinuation of any public policy, regulation, or law of any jurisdiction in which the applicant or project is located.


§ 12879. Implementation

Not later than the expiration of the 180-day period beginning on the date that funds authorized under this part first become available for obligation, the Secretary shall by notice establish such requirements as may be necessary to carry out the provisions of this part. Such requirements shall be subject to section 553 of title 5. The Secretary shall issue regulations based on the initial notice before the expiration of the 8-month period beginning on the date of the notice.


§ 12880. Report

The Secretary shall no later than December 31, 1995, submit to the Congress a report setting forth—

(1) the number, type and cost of eligible properties transferred pursuant to this part;

(2) the income, race, gender, children and other characteristics of families participating (or not participating) in homeownership programs funded under this part;

(3) the amount and type of financial assistance provided under and in conjunction with this part;

(4) the amount of financial assistance provided under this part that was needed to ensure continued affordability and meet future maintenance and repair costs; and

(5) the recommendations of the Secretary for statutory and regulatory improvements to the program.


AMENDMENTS
1995—Pub. L. 104–66 in section catchline substituted ‘‘Report’’ for ‘‘Annual report’’, and in introductory provisons substituted ‘‘The Secretary shall no later than December 31, 1995,’’ for ‘‘The Secretary shall annually’’.

PART B—HOPE FOR HOMEOWNERSHIP OF SINGLE FAMILY HOMES

§ 12891. Program authority

The Secretary is authorized to make—

(1) planning grants to help applicants develop homeownership programs in accordance with this part; and

(2) implementation grants to enable applicants to carry out homeownership programs in accordance with this part.


AMENDMENTS
1992—Pub. L. 102–550 struck out ‘‘(a) IN GENERAL’’ before ‘‘The Secretary is authorized’’ and subsec. (b) which read as follows: ‘‘AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated for grants under this part $36,000,000 for fiscal year 1991, and $195,000,000 for fiscal year 1992. Any amounts appropriated pursuant to this subsection shall remain available until expended.’’
§ 12892. Planning grants

(a) Grants

The Secretary is authorized to make planning grants to applicants for the purpose of developing homeownership programs under this part. The amount of a planning grant under this section may not exceed $200,000, except that the Secretary may for good cause approve a grant in a higher amount.

(b) Eligible activities

Planning grants may be used for activities to develop homeownership programs (which may include programs for cooperative ownership), including—

1. identifying eligible properties;
2. training and technical assistance of applicants related to the development of a specific homeownership program;
3. studies of the feasibility of specific homeownership programs;
4. inspection for lead-based paint hazards, as required by section 4822(a) of this title;
5. preliminary architectural and engineering work;
6. homebuyer counseling and training;
7. planning for economic development, job training, and self-sufficiency activities that promote economic self-sufficiency for homebuyers and homeowners under the homeownership program;
8. development of security plans; and
9. preparation of an application for an implementation grant under this part.

(c) Application

1. Form and procedures

An application for a planning grant shall be submitted by an applicant in such form and in accordance with such procedures as the Secretary shall establish.

2. Minimum requirements

The Secretary shall require that an application contain at a minimum—

(A) a request for a planning grant, specifying the activities proposed to be carried out, the schedule for completing the activities, the personnel necessary to complete the activities, and the amount of the grant requested;
(B) a description of the applicant and a statement of its qualifications;
(C) identification and description of the eligible properties likely to be involved, and a description of the composition of the potential homebuyers and residents of the areas in which such eligible properties are located, including family size and income;
(D) a certification by the public official responsible for submitting the comprehensive housing affordability strategy under section 12705 of this title that the proposed activities are consistent with the approved housing strategy of the State or unit of general local government within which the project is located (or, during the first 12 months after November 22, 1990, that the application is consistent with such other existing State or local housing plan or strategy that the Secretary shall determine to be appropriate); and

(d) Selection criteria

The Secretary shall, by regulation, establish selection criteria for a national competition for assistance under this section, which shall include—

1. the qualifications or potential capabilities of the applicant;
2. the extent of interest in the development of a homeownership program;
3. the potential of the applicant for developing a successful and affordable homeownership program and the availability and suitability of eligible properties in the applicable geographic area with respect to the application;
4. national geographic diversity among housing for which applicants are selected to receive assistance; and
5. such other factors that the Secretary shall require that (in the determination of the Secretary) are appropriate for purposes of carrying out the program established by this part in an effective and efficient manner.

References to Text

The Fair Housing Act, referred to in subsec. (c)(2)(E), is title VIII of Pub. L. 90–294, Apr. 11, 1968, 82 Stat. 81, as amended, which is classified principally to subchapter I (§3601 et seq.) of chapter 45 of this title. For complete classification of this Act to the Code, see Short Title note set out under section 3601 of this title and Tables.


Amendments

1992—Subsec. (b)(4) to (9). Pub. L. 102–550 added par. (4) and redesignated former pars. (4) to (8) as (5) to (9), respectively.

§ 12893. Implementation grants

(a) Grants

The Secretary is authorized to make implementation grants to applicants for the purpose of carrying out homeownership programs approved under this part.

(b) Eligible activities

Implementation grants may be used for activities to carry out homeownership programs
(which may include programs for cooperative ownership), including the following activities:

(1) Architectural and engineering work.
(2) Acquisition of the property for the purpose of transferring ownership to eligible families in accordance with a homeownership program meeting the requirements of this part.
(3) Rehabilitation of the property covered by the homeownership program, in accordance with standards established by the Secretary.
(4) Abatement of lead-based paint hazards, as required by section 4822(a) of this title.
(5) Administrative costs of the applicant, which may not exceed 15 percent of the amount of assistance provided under this section.
(6) Counseling and training of homebuyers and homeowners under the homeownership program.
(7) Relocation of eligible families who elect to move.
(8) Any necessary temporary relocation of homebuyers during rehabilitation.
(9) Legal fees.
(10) Defraying costs for the ongoing training needs of the recipient that are related to developing and carrying out the homeownership program.
(11) Economic development activities that promote economic self-sufficiency of homebuyers and homeowners under the homeownership program.

(c) Matching funding

(1) In general
Each recipient shall assure that contributions equal to not less than 25 percent of the grant amounts under this section are provided from non-Federal sources to carry out the homeownership program.

(2) Form
Such contributions may be in the form of—
(A) cash contributions from non-Federal resources which may not include funds from a grant made under section 5306(b) or section 5306(d) of this title;
(B) payment of administrative expenses, as defined by the Secretary, from non-Federal resources, including funds from a grant made under section 5306(b) or section 5306(d) of this title;
(C) the value of taxes, fees, or other charges that are normally and customarily imposed but are waived, foregone, or deferred in a manner that facilitates the implementation of a homeownership program assisted under this part;
(D) the value of investment in on-site and off-site infrastructure required for a homeownership program assisted under this part; or
(E) such other in-kind contributions as the Secretary may approve.

Contributions for administrative expenses shall be recognized only up to an amount equal to 7 percent of the total amount of grants made available under this section.

(d) Application

(1) Form and procedure
An application for an implementation grant shall be submitted by an applicant in such form and in accordance with such procedures as the Secretary shall establish.

(2) Minimum requirements
The Secretary shall require that an application contain at a minimum—
(A) a request for an implementation grant, specifying the amount of the grant requested and its proposed use;
(B) a description of the qualifications and experience of the applicant in providing low-income housing;
(C) a description of the proposed homeownership program, consistent with section 12894 of this title and the other requirements of this part specifying the activities proposed to be carried out and their estimated costs, identifying reasonable schedules for carrying it out, and demonstrating that the program will comply with the affordability requirements under section 12894(b) of this title;
(D) an identification and description of the properties to be acquired under the homeownership program and a description of the composition of potential eligible families, including family size and income;
(E) a description of and commitment for the resources that are expected to be made available to provide the matching funding required under subsection (c) and of other resources that are expected to be made available in support of the homeownership program;
(F) identification and description of the financing proposed for any (i) rehabilitation and (ii) acquisition (I) of the project, where applicable, by an entity for transfer to eligible families, and (II) by eligible families of ownership interests in, or shares representing, units in the project;
(G) the proposed sales prices for the properties, the basis for such price determinations, and terms to an entity, if any, that will purchase that property for resale to eligible families;
(H) the proposed sales prices, if any, and terms to eligible families;
(I) identification and description of the entity that will operate and manage the property;
(J) a certification by the public official responsible for submitting the comprehensive housing affordability strategy under section 12705 of this title that the proposed activities are consistent with the approved housing strategy of the State or unit of general local government within which the project is located (or, during the first 12 months after November 28, 1990, that the application is consistent with such other existing State or local housing plan or strategy that the Secretary shall determine to be appropriate); and
(e) Selection criteria

The Secretary shall establish selection criteria for assistance under this part, which shall include—

(1) the ability of the applicant to develop and carry out the proposed homeownership program, taking into account the qualifications and experience of the applicant and the quality of any related ongoing program of the applicant;

(2) the feasibility of the homeownership program;

(3) the quality and viability of the proposed homeownership program;

(4) the extent to which suitable eligible property is available for use under the program in the area to be served, and the extent to which the types of property expected to be covered by the proposed homeownership program are federally owned;

(5) whether the approved comprehensive housing affordability strategy for the jurisdiction within which the eligible property is located includes the proposed homeownership program as one of the general priorities identified pursuant to section 12705(b)(7) of this title;

(6) national geographic diversity among housing for which applicants are selected to receive assistance; and

(7) the extent to which a sufficient supply of affordable rental housing of the type assisted under this part exists in the locality, so that the implementation of the homeownership program will not appreciably reduce the number of such rental units available to residents currently residing in such units or eligible for residency in such units.

(f) Approval


REFERENCES IN TEXT

The Fair Housing Act, referred to in subsec. (d)(2)(K), is title VIII of Pub. L. 90–284, Apr. 11, 1968, 82 Stat. 81, as amended, which is classified principally to subchapter I ($3601 et seq.) of chapter 45 of this title. For complete classification of this Act to the Code, see Short Title note set out under section 3601 of this title and Tables.


AMENDMENTS


1992—Subsec. (b)(4) to (11). Pub. L. 102–550 added par. (4) and redesignated former pars. (4) to (10) as (5) to (11), respectively.

Effective Date of 1994 Amendment

Amendment by Pub. L. 103–233 applicable with respect to any amounts made available to carry out subchapter II (§12721 et seq.) of this chapter after Apr. 11, 1994, and any amounts made available to carry out that subchapter before that date that remain uncommitted on that date, see section 209 of Pub. L. 103–233, set out as a note under section 5301 of this title.

§ 12894. Homeownership program requirements

(a) In general

A homeownership program under this part shall provide for acquisition by eligible families of ownership interests in, or shares representing, units in an eligible property under any arrangement determined by the Secretary to be appropriate, such as cooperative ownership (including limited equity cooperative ownership) and fee simple ownership (including condominium ownership), for occupancy by the eligible families.

(b) Affordability

A homeownership program under this part shall provide for the establishment of sales prices (including principal, insurance, taxes, and interest and closing costs) for initial acquisition of the property, and for sales to eligible families, such that the eligible family shall not be required to expend more than 30 percent of the adjusted income of the family per month to complete a sale under the homeownership program.

(c) Eligible property

A property may not participate in a homeownership program under this part unless all tenants or occupants of the property (at the time of the application for the implementation grant covering the property is filed with the Secretary) participate in the homeownership program.

(d) Plan

A homeownership program under this part shall provide, and include a plan, for—

(1) identifying and selecting eligible families to participate in the homeownership program;

(2) providing relocation assistance to families who elect to move; and

(3) ensuring continued affordability of the property to homebuyers and homeowners.

(e) Housing quality standards

The application shall include a plan ensuring that the unit—

(1) will be free from any defects that pose a danger to health or safety before transfer of an ownership interest in, or shares representing, a unit to an eligible family; and

(2) will, not later than 2 years after the transfer to an eligible family, meet minimum standards for health and safety.

1 So in original. The word “of” probably should not appear.
housing standards established by the Secretary for the purpose of this title.  

(f) Preference for acquisition of vacant units

Each homeownership program under this part shall provide that, in making vacant units eligible for acquisition by eligible families, preference shall be given to eligible families who reside in public or Indian housing:


REFERENCES IN TEXT

This title, referred to in subsec. (e)(2), is title IV of Pub. L. 101–625, Nov. 28, 1990, 104 Stat. 4146, known as the Homeownership and Opportunity Through HOPE Act, which enacted this subchapter and subchapter II–A of this title and section 1709 of Title 12, Banks and Banking, and enacted provisions set out as notes under sections 1437c, 1437aa, and 1437aaa of this title. For complete and enacted provisions set out as notes under sections 1437a, 1437aa, 1437aaa, 1437c, 1437p, and 1437s of this title and section 1709 of Title 12, Banks and Banking, and enacted provisions set out as notes under chapters 3 and 7 of this title, see Short Title note set out under section 1437aaa of this title and Tables.

Amendments


§ 12895. Other program requirements

(a) Cost limitations

The Secretary may establish cost limitations on eligible activities under this part, subject to the provisions of this part.

(b) Use of proceeds from sales to eligible families

Any entity that transfers ownership interests in, or shares representing, units to eligible families, or another entity specified in the approved application, may use the proceeds, if any, from the initial sale for costs of the homeownership program, including operating expenses, improvements to the project, business opportunities for low-income families, supportive services related to the homeownership program, additional homeownership opportunities, and other activities approved by the Secretary.

(c) Restrictions on resale by homeowners

(1) In general

(A) Transfer permitted

A homeowner under a homeownership program may transfer the homeowner’s ownership interest in, or shares representing, the unit, except that a homeownership program may establish restrictions on the resale of units under the program.

(B) Right to purchase

Where a resident management corporation, resident council, or cooperative has jurisdiction over the unit, the corporation, council, or cooperative shall have the right to purchase the ownership interest in, or shares representing, the unit from the homeowner for the amount specified in a firm contract between the homeowner and a prospective buyer. If such an entity does not have jurisdiction over the unit or elects not to purchase and if the prospective buyer is not a low-income family, the public housing agency or the implementation grant recipient shall have the right to purchase the ownership interest in, or shares representing, the unit for the same amount.

(C) Promissory note required

The homeowner shall execute a promissory note equal to the difference between the market value and the purchase price, payable to the public housing agency or other entity designated in the homeownership plan, together with a mortgage securing the obligation of the note.

(2) 6 years or less

In the case of a transfer within 6 years of the acquisition under the program, the homeownership program shall provide for appropriate restrictions to assure that an eligible family may not receive any undue profit. The plan shall provide for limiting the family’s consideration for its interest in the property to the total of—

(A) the contribution to equity paid by the family;

(B) the value, as determined by such means as the Secretary shall determine through regulation, of any improvements installed at the expense of the family during the family’s tenure as owner; and

(C) the appreciated value determined by an inflation allowance at a rate which may be based on a cost-of-living index, an income index, or market index as determined by the Secretary through regulation and agreed to by the purchaser and the entity that transfers ownership interests in, or shares representing, units to eligible families (or another entity specified in the approved application), at the time of initial sale, and applied against the contribution to equity.

Such an entity may, at the time of initial sale, enter into an agreement with the family to set a maximum amount which this appreciation may not exceed.

(3) 6–20 years

In the case of a transfer during the period beginning 6 years after the acquisition and ending 20 years after the acquisition, the homeownership program shall provide for the recapture by the Secretary or the program of an amount equal to the amount of the declining balance on the note described in paragraph (1)(C).

(4) Use of recaptured funds

Fifty percent of any portion of the net sales proceeds that may not be retained by the homeowner under the plan approved pursuant to this subsection shall be paid to the entity that transferred ownership interests in, or shares representing, units to eligible families, or another entity specified in the approved application, for use for improvements to the project, business opportunities for low-income families, supportive services related to the homeownership program, additional homeownership opportunities, and other activities...
approved by the Secretary. The remaining 50 percent shall be returned to the Secretary for use under this part, subject to limitations contained in appropriations Acts. Such entity shall keep and make available to the Secretary all records necessary to calculate accurately payments due the Secretary under this subsection.

(d) Third party rights

The requirements under this part regarding quality standards, resale, or transfer of the ownership interest of a homeowner shall be judicially enforceable against the grant recipient with respect to actions involving rehabilitation, and against purchasers of property under this subsection or their successors in interest with respect to other actions by affected low-income families, resident management corporations, resident councils, public housing agencies, and any agency, corporation, or authority of the United States Government. The parties specified in the preceding sentence shall be entitled to reasonable attorney fees upon prevailing in any such judicial action.

(e) Protection of nonpurchasing families

No tenant residing in a dwelling unit in a property on the date the Secretary approves an application for an implementation grant may be evicted by reason of a homeownership program approved under this part.

(h) Records and audit of recipients of assistance

(1) In general

Each recipient shall keep such records as may be reasonably necessary to fully disclose the amount and the disposition by such recipient of the proceeds of assistance received under this part (and any proceeds from financing obtained or sales under subsections (b) and (c)), the total cost of the homeownership program in connection with which such assistance is given or used, and the amount and nature of that portion of the program supplied by other sources, and such other sources as will facilitate an effective audit.

(2) Access by Secretary

The Secretary shall have access for the purpose of audit and examination to any books, documents, papers, and records of the recipient that are pertinent to assistance received under this part.

(3) Access by Comptroller General

The Comptroller General of the United States, or any of the duly authorized representatives of the Comptroller General, shall also have access for the purpose of audit and examination to any books, documents, papers, and records of the recipient that are pertinent to assistance received under this part.


§ 12896. Definitions

For purposes of this part:

1 See in original. Probably should be “(f)”.

(1) The term “applicant” means a private nonprofit organization, cooperative association, or a public agency (including an agency or instrumentality thereof) in cooperation with a private nonprofit organization.

(2) The term “displaced homemaker” has the same meaning as in section 12704 of this title.

(3) The term “eligible family” means a family or individual who—

(A) has an income that does not exceed 80 percent of the median income for the area, as determined by the Secretary with adjustments for smaller and larger families; and

(B) is a first-time homebuyer.

(4) The term “eligible property” means a single family property, containing no more than four units, that is owned or held by the Secretary, the Secretary of Veterans Affairs, the Secretary of Agriculture, the Resolution Trust Corporation, the Federal Deposit Insurance Corporation, the Secretary of Defense, the Secretary of Transportation, the General Services Administration, any other Federal agency, a State or local government (including any in rem property), or a public housing agency or an Indian housing authority (excluding public or Indian housing under the United States Housing Act of 1937 [42 U.S.C. 1437 et seq.] and including properties held by institutions within the jurisdiction of the Resolution Trust Corporation).

(5) The term “first-time homebuyer” has the same meaning as in section 12704 of this title.

(6) The term “homeownership program” means a program for homeownership under this part.

(7) The term “Indian housing authority” has the meaning given such term in section 3(b)(II)1 of the United States Housing Act of 1937.

(8) The term “low-income family” has the meaning given such term in section 3(b)(2) of the United States Housing Act of 1937 [42 U.S.C. 1437a(b)(2)].

(9) The term “public housing agency” has the meaning given such term in section 3(b)(6) of the United States Housing Act of 1937 [42 U.S.C. 1437a(b)(6)].

(10) The term “recipient” means an applicant approved to receive a grant under this part or such other entity specified in the approved application that will assume the obligations of the recipient under this part.

(11) The term “Secretary” means the Secretary of Housing and Urban Development.

(12) The term “single parent” means an individual who—

(A) is unmarried or legally separated from a spouse; and

(B)(i) has 1 or more minor children for whom the individual has custody or joint custody; or

(ii) is pregnant.


REFERENCES IN TEXT

The United States Housing Act of 1937, referred to in par. (4), is act Sept. 1, 1937, ch. 896, as revised generally

1 See References in Text note below.
§ 12898a. Enterprise zone homeownership opportunity grants

(a) Statement of purpose

It is the purpose of this section—
(1) to encourage homeownership by families in the United States who are not otherwise able to afford homeownership;
(2) to encourage the redevelopment of economically depressed areas; and
(3) to provide better housing opportunities in federally approved and equivalent State-approved enterprise zones.

(b) Definitions

For purposes of this section the following definitions shall apply:

(1) Home

The term “home” means any 1- to 4-family dwelling. Such term includes any dwelling unit in a condominium project or cooperative project consisting of not more than 4 dwelling units, any town house, and any manufactured home.

(2) Metropolitan statistical area

The term “metropolitan statistical area” means a metropolitan statistical area as established by the Office of Management and Budget.

(3) Nonprofit organization

The term “nonprofit organization” means a private nonprofit corporation, or other private nonprofit legal entity, that is approved by the Secretary as to financial responsibility.

(4) Secretary

The term “Secretary” means the Secretary of Housing and Urban Development.

(5) State

The term “State” means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Northern Mariana Islands, the Trust Territory of the Pacific Islands, any other territory or possession of the United States.

(6) Unit of general local government

The term “unit of general local government” means any borough, city, county, parish, town, township, village, or other general purpose political subdivision of a State.

(c) Assistance to nonprofit organizations

(1) In general

The Secretary may provide assistance to nonprofit organizations to carry out enterprise zone homeownership opportunity programs to promote homeownership in federally approved and equivalent State-approved enterprise zones in accordance with the provisions of this section. Such assistance shall be made in the form of grants.

(2) Applications

Applications for assistance under this section shall be made in such form, and in accordance with such procedures, as the Secretary may prescribe.

(d) Eligible uses of assistance

(1) In general

Any nonprofit organization receiving assistance under this section shall use such assistance to provide loans to families purchasing homes constructed or rehabilitated in accordance with an enterprise zone homeownership opportunity program approved under this section.

(2) Specific requirements

Each loan made to a family under this subsection shall—
(A) be secured by a second mortgage held by the Secretary on the property involved;
(B) be in an amount not exceeding $15,000;
(C) bear no interest; and
(D) be repayable to the Secretary upon the sales, lease, or other transfer of such property.

AMENDMENTS

1992—Par. (4). Pub. L. 102–550 inserted “the Federal Deposit Insurance Corporation, the Secretary of Defense, the Secretary of Transportation, the General Services Administration, any other Federal agency,” after “Corporation,” and substituted “(excluding public or Indian housing under the United States Housing Act of 1937 and including)” for “(including scattered site single family properties, and”).

§ 12897. Limitation on selection criteria

In establishing criteria for selecting applicants to receive assistance under this part, the Secretary may not establish any selection criterion or criteria that grant or deny such assistance to an applicant (or have the effect of granting or denying assistance) based on the implementation, continuation, or discontinuation of any public policy, regulation, or law of any jurisdiction in which the applicant or project is located.


§ 12898. Implementation

Not later than the expiration of the 180-day period beginning on the date funds authorized under this part first become available for obligation, the Secretary shall by notice establish such requirements as may be necessary to carry out the provisions of this part. Such requirements shall be subject to section 553 of title 5. The Secretary shall issue regulations based on the initial notice before the expiration of the 8-month period beginning on the date of the notice.


by Pub. L. 93–383, title II, § 201(a), Aug. 22, 1974, 88 Stat. 653, and amended, which is classified generally to chapter 8 (§1437 et seq.) of this title. For complete classification of this Act to the Code, see Short Title note set out under section 1437 of this title and Tables.
(e) Program requirements

(1) In general

Assistance provided under this section may be used only in connection with an enterprise zone homeownership opportunity program of construction or rehabilitation of homes.

(2) Family need

Each family purchasing a home under this section shall—

(A) have a family income on the date of such purchase that is not more than the median income for a family of 4 persons (adjusted for family size) in the metropolitan statistical area in which a federally approved or equivalent State-approved enterprise zone is located; and

(B) not have owned a home during the 3-year period preceding such purchase.

(3) Downpayment

Each family purchasing a home under this section shall make a downpayment of not less than 5 percent of the sale price of such home.

(4) Leasing prohibition

No family purchasing a home under this section may lease such home.

(f) Terms and conditions of assistance

(1) Local consultation

No proposed enterprise zone homeownership opportunity program may be approved by the Secretary under this section unless the applicant involved demonstrates to the satisfaction of the Secretary that—

(A) it has consulted with and received the support of residents of the neighborhood in which such program is to be located; and

(B) it has the approval of each unit of general local government in which such program is to be located.

(2) Program schedule

Each applicant for assistance under this section shall submit to the Secretary an estimated schedule for completion of its proposed enterprise zone homeownership opportunity program, which schedule shall have been agreed to by each unit of general local government in which such program is to be located.

(3) Location

All homes constructed or rehabilitated under such program will be located in federally approved or equivalent State-approved enterprise zones.

(4) Sales contracts

Sales contracts entered into under such program will contain provisions requiring repayment of any loan made under this section upon the sale or other transfer of the home involved, unless the Secretary approves a transfer of such home without repayment (in which case the second mortgage held by the Secretary on such home shall remain in force until such loan is fully repaid).

(g) Program selection criteria

(1) In general

In selecting enterprise zone homeownership opportunity programs for assistance under this section from among eligible programs, the Secretary shall make such selection on the basis of the extent to which—

(A) non-Federal public or private entities will contribute land necessary to make each program feasible;

(B) non-Federal public and private financial or other contributions (including tax abatements, waivers of fees related to development, waivers of construction, development, or zoning requirements, and direct financial contributions) will reduce the cost of home constructed or rehabilitated under each program;

(C) each program will produce the greatest number of units for the least amount of assistance provided under this section, taking into consideration the cost differences among different market areas; and

(D) each program provides for the involvement of local residents in the planning, and construction or rehabilitation, of homes.

(2) Exception

To the extent that non-Federal public entities are prohibited by the law of any State from making any form of contribution described in subparagraph (A) or (B) of paragraph (1), the Secretary shall not consider such form of contribution in evaluating such program.

(h) Regulations

Not later than 180 days after October 28, 1992, the Secretary shall issue final regulations to carry out the provisions of this title. Any such regulations shall be issued in accordance with section 553 of title 5, notwithstanding the provisions of subsection (a)(2) of such section.

(i) Funding

There are authorized to be appropriated to carry out this section $30,000,000 in each of fiscal years 1993 and 1994.


Concodation

Section was enacted as part of the Housing and Community Development Act of 1992, and not as part of subtitle C (§§441–448) of title IV of Pub. L. 101–625 which comprises this part.

Termination of Trust Territory of the Pacific Islands

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

Part C—Hope for Youth: YouthBuild


1 So in original. Probably should be “homes”.

2 So in original. Probably should be “this section.”

TRANSFER OF FUNCTIONS


CHAPTER 131—HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS

Sec. 12901. Purpose.
12902. Definitions.
12903. General authority.
12904. Eligible activities.
12905. Responsibilities of grantees.
12906. Grants for AIDS housing information and coordination services.
12907. AIDS short-term supported housing and services.
12908. Rental assistance.
12909. Single room occupancy dwellings.
12910. Grants for community residences and services.
12911. Report.
12912. Authorization of appropriations.

§ 12901. Purpose

The purpose of this chapter 1 is to provide States and localities with the resources and incentives to devise long-term comprehensive strategies for meeting the housing needs of persons with acquired immunodeficiency syndrome and families of such persons.


REFERENCES IN TEXT

This chapter, referred to in text, was in the original ‘‘this title’’, and was translated as reading ‘‘this subtitle’’, meaning subtitle D (§§ 851–863) of title VIII of Pub. L. 101–625, to reflect the probable intent of Congress.

AMENDMENTS

1992—Pub. L. 102–550 inserted before period at end ‘‘and families of such persons’’.

SHORT TITLE


REGULATIONS


‘‘(1) INTERIM REGULATIONS.—Not later than the expiration of the 30-day period beginning on the date of the enactment of this Act (Oct. 28, 1992), the Secretary of Housing and Urban Development shall submit to the Congress a copy of proposed interim regulations implementing subtitle D of title VIII of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12891 et seq.) (as amended by this section). Not later than the expiration of the 45-day period beginning on the date of the enactment of this Act, but not before the expiration of the 15-day period beginning upon the submission of the proposed interim regulations to the Congress, the Secretary shall publish interim regulations implementing such subtitle (as amended), which shall take effect upon publication.

‘‘(2) FINAL REGULATIONS.—Not later than the expiration of the 90-day period beginning upon the publication of interim regulations under paragraph (1), the Secretary shall issue final regulations implementing subtitle D of title VIII of the Cranston-Gonzalez National Affordable Housing Act (as amended by this section) after notice and opportunity for public comment regarding the interim regulations, pursuant to the provisions of section 553 of title 5, United States Code (notwithstanding subsections (a)(2), (b)(1), and (d)(3) of such section). The duration of the period for public comment under such section 553 shall be not less than 60 days, and the final regulations shall take effect upon issuance.’’

§ 12902. Definitions

For purposes of this chapter:

(1) The term ‘‘acquired immunodeficiency syndrome and related diseases’’ or ‘‘AIDS’’ means the disease of acquired immunodeficiency syndrome or any conditions arising from the etiologic agent for acquired immunodeficiency syndrome.

(2) The term ‘‘applicant’’ means a State, a unit of general local government, or a nonprofit organization eligible to receive assistance under this chapter.

(3) The term ‘‘low-income individual’’ means any individual or family whose incomes do not exceed 80 percent of the median income for the area, as determined by the Secretary of Hous-
§ 12903. General authority

(a) Grants authorized

The Secretary shall, to the extent of amounts approved in appropriations Acts under section 12912 of this title, make grants to States, units of general local government, and nonprofit organizations.

(b) Implementation of eligible activities

A grantee shall carry out eligible activities under section 12904 of this title through project sponsors. Any grantee that is a State that enters into a contract with a nonprofit organization to carry out eligible activities in a locality shall obtain the approval of the unit of general local government for the locality before entering into the contract.

(c) Allocation of resources

(1) Allocation of resources

(A) Allocation formula

The Secretary shall allocate 90 percent of the amount approved in appropriations Acts under section 12912 of this title among States and metropolitan statistical areas as follows:

(I) 75 percent of such amounts among—

(I) cities that are the most populous unit of general local government in a metropolitan statistical area with a population greater than 500,000, as determined on the basis of the most recent census, and with more than 2,000 individuals living with HIV or AIDS, using the data specified in subparagraph (B); and

(II) States with more than 2,000 individuals living with HIV or AIDS outside of metropolitan statistical areas.

(ii) 25 percent of such amounts among States and metropolitan statistical areas

See References in Text note below.

1 See References in Text note below.
(B) Source of data

For purposes of allocating amounts under this paragraph for any fiscal year, the number of individuals living with HIV or AIDS shall be the number of such individuals as confirmed by the Director of the Centers for Disease Control and Prevention, as of December 31 of the most recent calendar year for which such data is available.

(C) Allocation under subparagraph (A)(ii)

For purposes of allocating amounts under subparagraph (A)(ii), the Secretary shall develop a method that accounts for—

(I) differences in housing costs among States and metropolitan statistical areas based on the fair market rental established pursuant to section 1437f(c) of this title or another methodology established by the Secretary through regulation; and

(ii) differences in poverty rates among States and metropolitan statistical areas based on area poverty indexes or another methodology established by the Secretary through regulation.

(2) Maintaining grants

(A) Continued eligibility of fiscal year 2016 grantees

A grantee that received an allocation in fiscal year 2016 shall continue to be eligible for allocations under paragraph (1) in subsequent fiscal years, subject to—

(i) the amounts available from appropriations Acts under section 12912 of this title;

(ii) approval by the Secretary of the most recent comprehensive housing affordability strategy for the grantee approved under section 12705 of this title; and

(iii) the requirements of subparagraph (C).

(B) Adjustments

Allocations to grantees described in subparagraph (A) shall be adjusted annually based on the administrative provisions included in fiscal year 2016 appropriations Acts.

(C) Redetermination of continued eligibility

The Secretary shall redetermine the continued eligibility of a grantee that received an allocation in fiscal year 2016 at least once during the 10-year period following fiscal year 2016.

(D) Adjustment to grants

For each of fiscal years 2017, 2018, 2019, 2020, and 2021, with respect to a grantee that received an allocation in the prior fiscal year, the Secretary shall ensure that the grantee’s share of total formula funds available for allocation does not decrease more than 5 percent nor gain more than 10 percent of the share of the total available formula funds that the grantee received in the preceding fiscal year.

(3) Alternative grantees

(A) Requirements

The Secretary may award funds reserved for a grantee eligible under paragraph (1) to an alternative grantee if—

(I) the grantee submits to the Secretary a written agreement between the grantee and the alternative grantee that describes how the alternative grantee will take actions consistent with the applicable comprehensive housing affordability strategy approved under section 12705 of this title; and

(ii) the Secretary approves the written agreement described in clause (I) and agrees to award funds to the alternative grantee; and

(iii) the written agreement does not exceed a term of 10 years.

(B) Renewal

An agreement approved pursuant to subparagraph (A) may be renewed by the parties with the approval of the Secretary.

(C) Definition

In this paragraph, the term “alternative grantee” means a public housing agency (as defined in section 1437a(b) of this title), a unified funding agency (as defined in section 11360 of this title), a State, a unit of general local government, or an instrumentality of State or local government.

(4) Reallocations

If a State or metropolitan statistical area declines an allocation under paragraph (1)(A), or the Secretary determines, in accordance with criteria specified in regulation, that a State or metropolitan statistical area that is eligible for an allocation under paragraph (1)(A) is unable to properly administer such allocation, the Secretary shall reallocate any funds reserved for such State or metropolitan statistical area as follows:

(A) For funds reserved for a State—

(I) to eligible metropolitan statistical areas within the State on a pro rata basis; or

(ii) if there is no eligible metropolitan statistical area within a State, to metropolitan cities and urban counties within the State that are eligible for grant under section 5306 of this title, on a pro rata basis.

(B) For funds reserved for a metropolitan statistical area, to the State in which the metropolitan statistical area is located.

(C) If the Secretary is unable to make a reallocation under subparagraph (A) or (B), the Secretary shall make such funds available on a pro rata basis under the formula in paragraph (1)(A).

(5) Nonformula allocation

(A) In general

The Secretary shall allocate 10 percent of the amounts appropriated under section 12912 of this title among—

(i) States and units of general local government that do not qualify for allocation of amounts under paragraph (1); and

See References in Text note below.
(i) States, units of general local government, and nonprofit organizations, to fund special projects of national significance.

(B) Selection

In selecting projects under this paragraph, the Secretary shall consider (i) relative numbers of acquired immunodeficiency syndrome cases and per capita acquired immunodeficiency syndrome incidence; (ii) housing needs of eligible persons in the community; (iii) extent of local planning and coordination of housing programs for eligible persons; and (iv) the likelihood of the continuation of State and local efforts.

(C) National significance projects

For the purpose of subparagraph (A)(ii), in selecting projects of national significance the Secretary shall consider (i) the need to assess the effectiveness of a particular model for providing supportive housing for eligible persons; (ii) the innovative nature of the proposed activity; and (iii) the potential replicability of the proposed activity in other similar localities or nationally.

(d) Applications

Funds made available under this section shall be allocated among applications submitted by applicants and approved by the Secretary. Applications for assistance under this section shall be submitted by an applicant in such form and manner as the Secretary determines to be necessary to achieve the purposes of this section.

(e) Additional requirement for metropolitan areas

In addition to the other requirements of this section, to be eligible for a grant pursuant to subsection (c)(1), a city shall provide such assurances as the Secretary may require that any grant amounts received will be allocated among eligible activities in a manner that addresses the needs within the metropolitan statistical area in which the city is located, including areas not within the jurisdiction of the city. Any such city shall coordinate with other units of general local government located within the metropolitan statistical area to provide such assurances and comply with the assurances.

(f) Additional requirement for city formula grantees

In addition to the other requirements of this section, to be eligible for a grant pursuant to subsection (c)(1), a city shall provide such assurances as the Secretary may require that any grant amounts received will be allocated among eligible activities in a manner that addresses the needs within the metropolitan statistical area in which the city is located, including areas not within the jurisdiction of the city. Any such city shall coordinate with other units of general local government located within the metropolitan statistical area to provide such assurances and comply with the assurances.

munodeficiency syndrome outside of metropolitan statistical areas described in subparagraph (A), and "(B) 25 percent among units of general local government in metropolitan statistical areas with populations in excess of 500,000 and more than 1,500 cases of acquired immunodeficiency syndrome, that have a higher than average per capita incidence of acquired immunodeficiency syndrome." Subsec. (c)(3). Pub. L. 102–550, § 606(d)(4)(A), substituted "Nonformula allocation" for "Noneligible grantees" in heading. Subsec. (c)(3)(A). Pub. L. 102–550, § 606(d)(4)(B), added subpar. (A) and struck out former subpar. (A) which read as follows: "In general.—10 percent of the amounts appropriated under section 12912 of this title shall be distributed to grantees and recipients by the Secretary—

"(i) to meet housing needs in States and localities that do not qualify under paragraph (1), or that do qualify under paragraph (1) but do not have an approved housing strategy under section 12705 of this title, and


CHANGE OF NAME


Grants allocated under this chapter shall be available only for approved activities to carry out strategies designed to prevent homelessness among eligible persons. Approved activities shall include activities that—

(1) enable public and nonprofit organizations or agencies to provide housing information to such persons and coordinate efforts to expand housing assistance resources for such persons under section 12906 of this title;

(2) facilitate the development and operation of shelter and services for such persons under section 12907 of this title;

(3) provide rental assistance to such persons under section 12908 of this title;

(4) facilitate (through project-based rental assistance or other means) the moderate rehabilitation of single room occupancy dwellings (SROs) that would be made available only to such persons under section 12909 of this title;

(5) facilitate the development of community residences for eligible persons under section 12910 of this title;

(6) carry out other activities that the Secretary develops in cooperation with eligible States and localities, except that activities developed under this paragraph may be assisted only with amounts provided under section 12903(c)(3) 1 of this title.

The Secretary shall establish standards and guidelines for approved activities. The Secretary shall permit grantees to refine and adapt such standards and guidelines for individual projects, where such refinements and adaptations are made necessary by local circumstances. (Pub. L. 101–625, title VIII, § 855, Nov. 28, 1990, 104 Stat. 4378; Pub. L. 102–550, title VI, § 606(e), (h)(2), (j)(3), Oct. 28, 1992, 106 Stat. 3808, 3810.)

REFERENCES IN TEXT

Section 12903(c)(3) of this title, referred to in par. (6), was redesignated section 12903(c)(5) of this title by Pub. L. 114–201, title VII, § 701(a)(1), July 29, 2016, 130 Stat. 612.

AMENDMENTS


Par. (3). Pub. L. 102–550, § 606(h)(2), struck out "short-term" after "provide".


Par. (6). Pub. L. 102–550, § 606(e), inserted before period at end "; except that activities developed under this paragraph may be assisted only with amounts provided under section 12903(c)(3) of this title".

§ 12905. Responsibilities of grantees

(a) Prohibition of substitution of funds

Amounts received from grants under this chapter may not be used to replace other amounts made available or designated by State or local governments for use for the purposes under this chapter.

(b) Capability

The recipient shall have, in the determination of the grantee or the Secretary, the capacity and capability to effectively administer a grant under this chapter.

(c) Cooperation

The recipient shall agree to cooperate and coordinate in providing assistance under this chapter with the agencies of the relevant State and local governments responsible for services in the area served by the applicant for eligible persons and other public and private organizations and agencies providing services for such eligible persons.

(d) Prohibition of fees

The recipient shall agree that no fee will be charged to any eligible person for any housing or services provided with amounts from a grant under this chapter.

(e) Confidentiality

The recipient shall agree to ensure the confidentiality of the name of any individual assisted with amounts from a grant under this chapter and any other information regarding individuals receiving such assistance.

(f) Financial records

The recipient shall agree to maintain and provide the grantee or the Secretary with financial records sufficient, in the determination of the Secretary, to ensure proper accounting and disbursing of amounts received from a grant under this chapter.

1 See References in Text note below.
§ 12906. Grants for AIDS housing information and coordination services

Grants under this section may only be used for the following activities:

(1) Housing information services

To provide (or contract to provide) counseling, information, and referral services to assist eligible persons to locate, acquire, finance, and maintain housing and meet their housing needs.

(2) Resource identification

To identify, coordinate, and develop housing assistance resources (including conducting preliminary research and making expenditures necessary to determine the feasibility of specific housing-related initiatives) for eligible persons.


AMENDMENTS

§ 12907. AIDS short-term supported housing and services

(a) Use of grants

Any amounts received from grants under this section may only be used to carry out a program to provide (or contract to provide) assistance to eligible persons who are homeless or in need of housing assistance to prevent homelessness, which may include the following activities:

(1) Short-term supported housing

Purchasing, leasing, renovating, repairing, and converting facilities to provide short-term shelter and services.

(2) Short-term housing payments assistance

Providing rent assistance payments for short-term supported housing and rent, mortgage, and utilities payments to prevent homelessness of the tenant or mortgagor of a dwelling.

(3) Supportive services

Providing supportive services to eligible persons assisted under paragraphs (1) and (2), including health, mental health, assessment, permanent housing placement, drug and alcohol abuse treatment and counseling, day care, and nutritional services (except that health services under this paragraph may only be provided to individuals with acquired immunodeficiency syndrome or related diseases), and providing technical assistance to eligible persons to provide assistance in gaining access to benefits and services for homeless individuals provided by the Federal Government and State and local governments.

(4) Operation

Providing for the operation of short-term supported housing provided under this section, including the costs of security, operation insurance, utilities, furnishings, equipment, supplies, and other incidental costs.

(5) Administration

Providing staff to carry out the program under this section (subject to the provisions of section 12905(g) of this title).

(b) Program requirements

(1) Minimum use period for structures

(A) In general

Any building or structure assisted with amounts from a grant under this section shall be maintained as a facility to provide short-term supported housing or assistance for eligible persons—

(i) in the case of assistance involving substantial rehabilitation or acquisition of

See References in Text note below.
the building, for a period of not less than 10 years; and
(ii) in the case of assistance under paragraph (1), (3), or (4) of subsection (a), for a period of not less than 3 years.

(B) Waiver

The Secretary may waive the requirement under subparagraph (A) with respect to any building or structure if the organization or agency that received the grant under which the building was assisted demonstrates, to the satisfaction of the Secretary, that—

(i) the structure is no longer needed to provide short-term supported housing or assistance or the continued operation of the structure for such purposes is no longer feasible; and

(ii) the structure will be used to benefit individuals or families whose incomes do not exceed 80 percent of the median income for the area, as determined by the Secretary, with adjustments for smaller and larger families, except that the Secretary may establish income ceilings higher or lower than 80 percent of the median income for the area if the Secretary finds that such variations are necessary because of prevailing levels of construction costs or unusually high or low family incomes.

(2) Residency and location limitations on short-term supported housing

(A) Residency

A short-term supported housing facility assisted with amounts from a grant under this section may not provide shelter or housing at any single time for more than 50 families or individuals.

(B) Waiver

The Secretary may, as the Secretary determines appropriate, waive the limitation under subparagraph (A) for any program or short-term supported housing facility.

(3) Term of assistance

(A) Supported housing assistance

A program assisted under this section may not provide residence in a short-term housing facility assisted under this section to any individual for a sum of more than 60 days during any 6-month period.

(B) Housing payments assistance

A program assisted under this section may not provide assistance for rent, mortgage, or utilities payments to any individual for rent, mortgage, or utilities costs accruing over a period of more than 21 weeks of any 52-week period.

(C) Waiver

Notwithstanding subparagraphs (A) and (B), the Secretary may waive the applicability of the requirements under such subparagraphs with respect to any individual for which the project sponsor has made a good faith effort to acquire permanent housing (in accordance with paragraph (4)) and has been unable to do so.

(4) Placement

A program assisted under this section shall provide for any individual who has remained in short-term supported housing assisted under the demonstration program, to the maximum extent practicable, the opportunity for placement in permanent housing or an environment appropriate to the health and social needs of the individual.

(5) Presumption for independent living

In providing assistance under this section in any case in which the residence of an individual is appropriate to the needs of the individual, a program assisted under this section shall, when reasonable, provide for assistance in a manner appropriate to maintain the individual in such residence.

(6) Case management services

A program assisted under this section shall provide each individual assisted under the program with an opportunity, if eligible, to receive case management services available from the appropriate social service agencies.

A short-term supported housing facility assisted under this section to provide shelter or housing at any single time for more than 50 families or individuals, a program assisted under this section

(A) Residency

A short-term supported housing facility assisted with amounts from a grant under this section may not provide shelter or housing at any single time for more than 50 families or individuals.

(B) Waiver

The Secretary may, as the Secretary determines appropriate, waive the limitation under subparagraph (A) for “to individuals with acquired immunodeficiency syndrome or related diseases” in introductory provisions.


AMENDMENTS


Subsec. (a)(3). Pub. L. 102–550, § 606(g)(1)(A), (j)(5), substituted “to eligible persons assisted under” for “to individuals assisted under” and inserted before period at end “(except that health services under this paragraph may only be provided to individuals with acquired immunodeficiency syndrome or related diseases), and providing technical assistance to eligible persons to provide assistance in gaining access to benefits and services for homeless individuals provided by the Federal Government and State and local governments”.

Subsec. (a)(4), (5). Pub. L. 102–550, § 606(g)(1)(B), (C), added pars. (4) and (5) and struck out former pars. (4) and (5) which read as follows:

“(4) MAINTENANCE AND ADMINISTRATION.—Providing for maintenance, administration, security, operation, insurance, utilities, furnishings, equipment, supplies, and other incidental costs relating to any short-term supported housing provided under the demonstration program under this section.

“(5) TECHNICAL ASSISTANCE.—Providing technical assistance to such individuals to provide assistance in gaining access to benefits and services for homeless individuals provided by the Federal Government and State and local governments.”


Subsec. (b)(2)(B). Pub. L. 102–550, § 606(g)(2)(A)(ii), (iii), redesignated subpar. (C) as (B) and struck out former subpar. (B) which read as follows: “LOCATION.—A facility for short-term supported housing assisted with amounts from a grant under this section may not be located in or contiguous to any other facility for emergency or short-term housing that is not limited to use by individuals with acquired immunodeficiency syndrome or related diseases.”

Subsec. (b)(2)(C). Pub. L. 102–550, § 606(g)(2)(A)(ii), (iii), substituted “limitation under subparagraph (A)” for “limitations under subparagraphs (A) and (B)” and redesignated subpar. (C) as (B).

§ 12908. Rental assistance

(a) Use of funds

(1) In general

Grants under this section may be used only for assistance to provide rental assistance for low-income eligible persons. Such assistance may be project based or tenant based and shall be provided to the extent practicable in the manner provided for under section 1437f of this title. Grantees shall ensure that the housing provided is decent, safe, and sanitary.

(2) Shared housing arrangements

Grants under this section may be used to assist individuals who elect to reside in shared housing arrangements in the manner provided under section 1437f(p) of this title, except that, notwithstanding such section, assistance under this section may be made available to nonelderly individuals. The Secretary shall issue any standards for shared housing under this paragraph that vary from standards issued under section 1437f(p) of this title only to the extent necessary to provide for circumstances of shared housing arrangements under this paragraph that differ from circumstances of shared housing arrangements for elderly families under section 1437f(p) of this title.

(b) Limitations

A recipient under this section shall comply with the following requirements:

(1) Services

The recipient shall provide for qualified service providers in the area to provide appropriate services to the eligible persons assisted under this section.

(2) Intensive assistance

For any individual with acquired immunodeficiency syndrome or related diseases who requires more care than can be provided in housing assisted under this section, the recipient shall provide for the locating of a care provider who can appropriately care for the individual and referral of the individual to the care provider.

(c) Administrative costs

A project sponsor providing rental assistance under this section may use amounts from any grant received under this section for administrative expenses involved in providing such assistance, subject to the provisions of 12905(g)(2) of this title.


AMENDMENTS


§ 12909. Single room occupancy dwellings

(a) Use of grants

Grants under this section may be used to provide project-based rental assistance or grants to facilitate the development of single room occupancy dwellings. To the extent practicable, a program under this section shall be carried out in the manner provided for under section 1437f(n) of this title.

(b) Limitation

Recipients under this section shall require the provision to individuals assisted under this section of the following assistance:

(1) Services

Appropriate services provided by qualified service providers in the area.

(2) Intensive assistance

For any individual with acquired immunodeficiency syndrome or related diseases who requires more care than can be provided in housing assisted under this section, locating a care provider who can appropriately care for the individual and referral of the individual to the care provider.


REFERENCES IN TEXT


AMENDMENTS


§ 12910. Grants for community residences and services

(a) Grant authority

The Secretary of Housing and Urban Development may make grants to States and metropolitan areas to develop and operate community residences and provide services for eligible persons.

(b) Community residences and services

(1) Community residences

(A) In general

A community residence under this section shall be a multiunit residence designed for eligible persons for the following purposes:

(i) To provide a lower cost residential alternative to institutional care and to prevent or delay the need for institutional care.

(ii) To provide a permanent or transitional residential setting with appropriate services for individuals who require more care than can be provided in housing assisted under this section.

(B) Services

Appropriate services provided by qualified service providers in the area.

(C) Administration

The Secretary shall provide for the administration of the program under this section.

(2) Intensive assistance

For any individual with acquired immunodeficiency syndrome or related diseases who requires more care than can be provided in housing assisted under this section, the recipients under this section shall provide for the locating of a care provider who can appropriately care for the individual and referral of the individual to the care provider.


REFERENCES IN TEXT


AMENDMENTS


1 See References in Text note below.
services that enhances the quality of life for individuals who are unable to live independently.
(iii) To prevent homelessness among eligible persons by increasing available suitable housing resources.
(iv) To integrate eligible persons into local communities and provide services to maintain the abilities of such eligible persons to participate as fully as possible in community life.

(B) Rent

Except to the extent that the costs of providing residence are reimbursed or provided by any other assistance from Federal or non-Federal sources, each resident in a community residence shall pay as rent for a dwelling unit an amount equal to the following:

(i) For low-income individuals, the amount of rent paid under section 3(a) of the United States Housing Act of 1937 (42 U.S.C. 1437a(a)) by a low-income family (as the term is defined in section 3(b)(2) of such Act (42 U.S.C. 1437a(b)(2))) for a dwelling unit assisted under such Act (42 U.S.C. 1437 et seq.).

(ii) For any resident that is not a low-income resident, an amount based on a formula, which shall be determined by the Secretary, under which rent is determined by the income and resources of the resident.

(C) Fees

Fees may be charged for any services provided under subsection (c)(2) to residents of a community residence, except that any fees charged shall be based on the income and resources of the resident and the provision of services to any resident of a community residence may not be withheld because of an inability of the resident to pay such fee.

(D) Section 1437f assistance

Assistance made available under section 8 of the United States Housing Act of 1937 (42 U.S.C. 1437f) may be used in conjunction with a community residence under this subsection for tenant-based assistance.

(2) Services

Services provided with a grant under this section shall consist of services appropriate in assisting eligible persons to enhance their quality of life, enable such individuals to more fully participate in community life, and delay or prevent the placement of such individuals in hospitals or other institutions.

(c) Use of grants

Any amounts received from a grant under this section may be used only as follows:

(1) Community residences

For providing assistance in connection with community residences under subsection (b)(1) for the following activities:

(A) Physical improvements

Construction, acquisition, rehabilitation, conversion, retrofitting, and other physical improvements necessary to make a structure suitable for use as a community residence.

(B) Operating costs

Operating costs for a community residence.

(C) Technical assistance

Technical assistance in establishing and operating a community residence, which may include planning and other pre-development or preconstruction expenses, and expenses relating to community outreach and educational activities regarding acquired immunodeficiency syndrome and related diseases provided for individuals residing in proximity of eligible persons assisted under this chapter.

(D) In-house services

Services appropriate for individuals residing in a community residence, which may include staff training and recruitment.

(2) Services

For providing services under subsection (b)(2) to any individuals assisted under this chapter.

(3) Administrative expenses

For administrative expenses related to the planning and carrying out activities under this section (subject to the provisions of section 12905(g) of this title).

(d) Limitations on use of grants

(1) Community residences

Any jurisdiction that receives a grant under this section may not use any amounts received under the grant for the purposes under subsection (c)(1), except for planning and other expenses preliminary to construction or other physical improvement under subsection (c)(1)(A), unless the jurisdiction certifies to the Secretary, as the Secretary shall require, the following:

(A) Service agreement

That the jurisdiction has entered into a written agreement with service providers qualified to deliver any services included in the proposal under subsection (c) to provide such services to eligible persons assisted by the community residence.

(B) Funding and capability

That the jurisdiction will have sufficient funding for such services and the service providers are qualified to assist eligible persons.

(C) Zoning and building codes

That any construction or physical improvements carried out with amounts received from the grant will comply with any applicable State and local housing codes and licensing requirements in the jurisdiction in which the building or structure is located.

(D) Intensive assistance

That, for any individual with acquired immunodeficiency syndrome or related diseases who resides in a community residence
assisted under the grant and who requires more intensive care than can be provided by the community residence, the jurisdiction will locate for and refer the individual to a service provider who can appropriately care for the individual.

(2) Services

Any jurisdiction that receives a grant under this section may use any amounts received under the grant for the purposes under subsection (c)(2) only for the provision of services by service providers qualified to provide such services to eligible persons.


REFERENCES TO TEXT

The United States Housing Act of 1937, referred to in subsec. (b)(1)(B)(i), is act Sept. 1, 1937, ch. 896, as revised generally to chapter 8 (§1437 et seq.) of this title. For complete classification of this Act to the Code, see Short Title note set out under section 1437 of this title and Tables.

AMENDMENTS


Subsec. (b)(1)(C). Pub. L. 102–550, §606(j)(11)(E)(ii), substituted “eligible persons” for “individuals with acquired immunodeficiency syndrome or related diseases” and “such eligible persons” for “such individuals”.

Subsec. (b)(2). Pub. L. 102–550, §606(j)(11)(E)(iii), which directed the substitution of “eligible persons” for “individuals with acquired immunodeficiency syndrome or related diseases” wherever appearing in subsec. (b), was executed by making the substitution for “individuals with acquired immunodeficiency syndrome or related diseases” in par. (2) to reflect the probable intent of Congress.

Subsec. (c)(1)(C). Pub. L. 102–550, §606(i)(1), inserted before period at end “, and expenses relating to community outreach and educational activities regarding acquired immunodeficiency syndrome and related diseases provided for individuals residing in proximity of eligible persons assisted under this chapter”.

Subsec. (c)(3). Pub. L. 102–550, §606(i)(2), added par. (3) and struck out former par. (3) which read as follows: “For administrative expenses related to the planning and execution of activities under this section, except that a jurisdiction that receives a grant under this section may expend not more than 10 percent of the amount received under the grant for such administrative expenses. Administrative expenses under this paragraph may include expenses relating to community outreach and educational activities regarding acquired immunodeficiency syndrome and related diseases, for staff carrying out activities assisted with a grant under this section and for individuals who reside in proximity of individuals assisted under this chapter.”

Subsec. (d). Pub. L. 102–550, §606(j)(11)(E)(iii), which directed the substitution of “eligible persons” for “individuals with acquired immunodeficiency syndrome or related diseases” wherever appearing in subsec. (d), was executed by making the substitution for “individuals with acquired immunodeficiency syndrome and related diseases” in pars. (1)(B) and (2) to reflect the probable intent of Congress.


EFFECTIVE DATE OF 1998 AMENDMENT

Amendment by title V of Pub. L. 105–276 effective and applicable beginning upon Oct. 1, 1999, except as otherwise provided, with provision that Secretary may implement amendment before such date, except to extent that such amendment provides otherwise, and with savings provision, see section 503 of Pub. L. 105–276, set out as a note under section 1437 of this title.

§12911. Report

Any organization or agency that receives a grant under this chapter shall submit to the Secretary, for any fiscal year in which the organization or agency receives a grant under this chapter, a report describing the use of the amounts received, which shall include the number of individuals assisted, the types of assistance provided, and any other information that the Secretary determines to be appropriate.


§12912. Authorization of appropriations

There are authorized to be appropriated to carry out this chapter $150,000,000 for fiscal year 1993 and $156,300,000 for fiscal year 1994.


AMENDMENTS

1992—Pub. L. 102–550 amended section generally. Prior to amendment, section read as follows: “There are authorized to be appropriated to carry out this chapter $75,000,000 for fiscal year 1991, and $156,500,000 for fiscal year 1992.”

CHAPTER 132—VICTIMS OF CHILD ABUSE

SUBCHAPTER I—IMPROVING INVESTIGATION AND PROSECUTION OF CHILD ABUSE CASES

Sec. 13001 to 13005. Transferred.

SUBCHAPTER II—COURT-APPOINTED SPECIAL ADVOCATE PROGRAM

13011 to 13013. Transferred.

13013a. Omitted.

13014. Transferred.

SUBCHAPTER III—CHILD ABUSE TRAINING PROGRAMS FOR JUDICIAL PERSONNEL AND PRACTITIONERS

13021 to 13024. Transferred.

SUBCHAPTER IV—REPORTING REQUIREMENTS

13031. Transferred.

13032. Repealed.

SUBCHAPTER V—CHILD CARE WORKER EMPLOYEE BACKGROUND CHECKS

13041. Transferred.

SUBCHAPTER VI—TREATMENT FOR JUVENILE OFFENDERS WHO ARE VICTIMS OF CHILD ABUSE OR NEGLECT

13051 to 13055. Repealed.
SUBCHAPTER I—IMPROVING INVESTIGATION AND PROSECUTION OF CHILD ABUSE CASES

§ 13001. Transferred
CODIFICATION
Section 13001 was editorially reclassified as section 20301 of Title 34, Crime Control and Law Enforcement.

§ 13001a. Transferred
CODIFICATION
Section 13001a was editorially reclassified as section 20302 of Title 34, Crime Control and Law Enforcement.

§ 13001b. Transferred
CODIFICATION
Section 13001b was editorially reclassified as section 20303 of Title 34, Crime Control and Law Enforcement.

§ 13002. Transferred
CODIFICATION
Section 13002 was editorially reclassified as section 20304 of Title 34, Crime Control and Law Enforcement.

§ 13003. Transferred
CODIFICATION
Section 13003 was editorially reclassified as section 20305 of Title 34, Crime Control and Law Enforcement.

§ 13004. Transferred
CODIFICATION
Section 13004 was editorially reclassified as section 20306 of Title 34, Crime Control and Law Enforcement.

§ 13005. Transferred
CODIFICATION
Section 13005 was editorially reclassified as section 20307 of Title 34, Crime Control and Law Enforcement.

SUBCHAPTER II—COURT-APPOINTED SPECIAL ADVOCATE PROGRAM

§ 13011. Transferred
CODIFICATION
Section 13011 was editorially reclassified as section 20321 of Title 34, Crime Control and Law Enforcement.

§ 13012. Transferred
CODIFICATION
Section 13012 was editorially reclassified as section 20322 of Title 34, Crime Control and Law Enforcement.

§ 13013. Transferred
CODIFICATION
Section 13013 was editorially reclassified as section 20323 of Title 34, Crime Control and Law Enforcement.

§ 13013a. Omitted

PRIOR PROVISIONS
A prior section 218 of Pub. L. 101–647 was renumbered section 219 and is classified to section 20324 of Title 34, Crime Control and Law Enforcement.

§ 13014. Transferred
CODIFICATION
Section 13014 was editorially reclassified as section 20324 of Title 34, Crime Control and Law Enforcement.

SUBCHAPTER III—CHILD ABUSE TRAINING PROGRAMS FOR JUDICIAL PERSONNEL AND PRACTITIONERS

§ 13021. Transferred
CODIFICATION
Section 13021 was editorially reclassified as section 20331 of Title 34, Crime Control and Law Enforcement.

§ 13022. Transferred
CODIFICATION
Section 13022 was editorially reclassified as section 20332 of Title 34, Crime Control and Law Enforcement.

§ 13023. Transferred
CODIFICATION
Section 13023 was editorially reclassified as section 20333 of Title 34, Crime Control and Law Enforcement.

§ 13024. Transferred
CODIFICATION
Section 13024 was editorially reclassified as section 20334 of Title 34, Crime Control and Law Enforcement.

SUBCHAPTER IV—REPORTING REQUIREMENTS

§ 13031. Transferred
CODIFICATION
Section 13031 was editorially reclassified as section 20341 of Title 34, Crime Control and Law Enforcement.


SUBCHAPTER V—CHILD CARE WORKER EMPLOYEE BACKGROUND CHECKS

§ 13041. Transferred
CODIFICATION
Section 13041 was editorially reclassified as section 20341 of Title 34, Crime Control and Law Enforcement.

Section, Pub. L. 101–647, title II, § 251, Nov. 29, 1990, 104 Stat. 4814, authorized Administrator to make grants to public and nonprofit private organizations to
§ 13101. Findings and policy

(a) Findings

The Congress finds that:

(1) The United States of America annually produces millions of tons of pollution and spends tens of billions of dollars per year controlling this pollution.

(2) There are significant opportunities for industry to reduce or prevent pollution at the source through cost-effective changes in production, operation, and raw materials use. Such changes offer industry substantial savings in reduced raw material, pollution control, and liability costs as well as help protect the environment and reduce risks to worker health and safety.

(3) The opportunities for source reduction are often not realized because existing regulations and the industrial resources they require for compliance, focus upon treatment and disposal, rather than source reduction; existing regulations do not emphasize multimedia management of pollution; and businesses need information and technical assistance to overcome institutional barriers to the adoption of source reduction practices.

(4) Source reduction is fundamentally different and more desirable than waste management and pollution control. The Environmental Protection Agency needs to address the historical lack of attention to source reduction.

(5) As a first step in preventing pollution through source reduction, the Environmental Protection Agency must establish a source reduction program which collects and disseminates information, provides financial assistance to States, and implements the other activities provided for in this chapter.

(b) Policy

The Congress hereby declares it to be the national policy of the United States that pollution should be prevented or reduced at the source whenever feasible; pollution that cannot be prevented should be recycled in an environmentally safe manner; pollution that cannot be prevented or recycled should be treated in an environmentally safe manner whenever feasible; and disposal or other release into the environment should be employed only as a last resort and should be conducted in an environmentally safe manner.

References in Text

This chapter, referred to in subsec. (a)(5), was in the original “this subtitle”, meaning subtitle F (§§6501, 6601–6610) of title VI, Pub. L. 101–508, which is classified generally to this chapter. For complete classification of subtitle F to the Code, see Short Title note below and Tables.

Short Title


§ 13102. Definitions

The term includes equipment or technology substitution of raw materials, and improvements in housekeeping, maintenance, training, or inventory control.

(B) The term “source reduction” does not include any practice which alters the physical, chemical, or biological characteristics or the volume of a hazardous substance, pollutant, or contaminant through a process or activity which itself is not integral to and necessary
for the production of a product or the providing of a service.

(6) The term “multi-media” means water, air, and land.

(7) The term “SIC codes” refers to the 2-digit code numbers used for classification of economic activity in the Standard Industrial Classification Manual.


§ 13103. EPA activities

(a) Authorities

The Administrator shall establish in the Agency an office to carry out the functions of the Administrator under this chapter. The office shall be independent of the Agency’s single-medium program offices but shall have the authority to review and advise such offices on their activities to promote a multi-media approach to source reduction. The office shall be under the direction of such officer of the Agency as the Administrator shall designate.

(b) Functions

The Administrator shall develop and implement a strategy to promote source reduction. As part of the strategy, the Administrator shall—

(1) establish standard methods of measurement of source reduction;

(2) ensure that the Agency considers the effect of its existing and proposed programs on source reduction efforts and shall review regulations of the Agency prior and subsequent to their proposal to determine their effect on source reduction;

(3) coordinate source reduction activities in each Agency Office and coordinate with appropriate offices to promote source reduction practices in other Federal agencies, and generic research and development on techniques and processes which have broad applicability;

(4) develop improved methods of coordinating, streamlining and assuring public access to data collected under Federal environmental statutes;

(5) facilitate the adoption of source reduction techniques by businesses. This strategy shall include the use of the Source Reduction Clearinghouse and State matching grants provided in this chapter to foster the exchange of information regarding source reduction techniques, the dissemination of such information to businesses, and the provision of technical assistance to businesses. The strategy shall also consider the capabilities of various businesses to make use of source reduction techniques;

(6) identify, where appropriate, measurable goals which reflect the policy of this chapter, the tasks necessary to achieve the goals, dates at which the principal tasks are to be accomplished, required resources, organizational responsibilities, and the means by which progress in meeting the goals will be measured;

(8) establish an advisory panel of technical experts comprised of representatives from industry, the States, and public interest groups, to advise the Administrator on ways to improve collection and dissemination of data;

(9) establish a training program on source reduction opportunities, including workshops and guidance documents, for State and Federal permit issuance, enforcement, and inspection officials working within all agency program offices;

(10) identify and make recommendations to Congress to eliminate barriers to source reduction including the use of incentives and disincentives;

(11) identify opportunities to use Federal procurement to encourage source reduction;

(12) develop, test and disseminate model source reduction auditing procedures designed to highlight source reduction opportunities; and

(13) establish an annual award program to recognize a company or companies which operate outstanding or innovative source reduction programs.


§ 13104. Grants to States for State technical assistance programs

(a) General authority

The Administrator shall make matching grants to States for programs to promote the use of source reduction techniques by businesses.

(b) Criteria

When evaluating the requests for grants under this section, the Administrator shall consider, among other things, whether the proposed State program would accomplish the following:

(1) Make specific technical assistance available to businesses seeking information about source reduction opportunities, including funding for experts to provide onsite technical advice to business seeking assistance and to assist in the development of source reduction plans;

(2) Target assistance to businesses for whom lack of information is an impediment to source reduction;

(3) Provide training in source reduction techniques. Such training may be provided through local engineering schools or any other appropriate means.

(c) Matching funds

Federal funds used in any State program under this section shall provide no more than 50 per centum of the funds made available to a State in each year of that State’s participation in the program.

(d) Effectiveness

The Administrator shall establish appropriate means for measuring the effectiveness of the State grants made under this section in promoting the use of source reduction techniques by businesses.

1 So in original. Probably should not be capitalized.
2 So in original. Subsec. (b) enacted without a par. (7).
3 So in original. The period probably should be a semicolon.
4 So in original. Probably should be “businesses”. 
(e) Information
States receiving grants under this section shall make information generated under the grants available to the Administrator.


§ 13105. Source Reduction Clearinghouse

(a) Authority
The Administrator shall establish a Source Reduction Clearinghouse to compile information including a computer data base which contains information on management, technical, and operational approaches to source reduction. The Administrator shall use the clearinghouse to—

(1) serve as a center for source reduction technology transfer;
(2) mount active outreach and education programs by the States to further the adoption of source reduction technologies; and
(3) collect and compile information reported by States receiving grants under section 13104 of this title on the operation and success of State source reduction programs.

(b) Public availability
The Administrator shall make available to the public such information on source reduction as is gathered pursuant to this chapter and such other pertinent information and analysis regarding source reduction as may be available to the Administrator. The data base shall permit entry and retrieval of information to any person.


§ 13106. Source reduction and recycling data collection

(a) Reporting requirements
Each owner or operator of a facility required to file an annual toxic chemical release form under section 11023 of this title for any toxic chemical shall include with each such annual filing a toxic chemical source reduction and recycling report for the preceding calendar year. The toxic chemical source reduction and recycling report shall cover each toxic chemical required to be reported in the annual toxic chemical release form filed by the owner or operator under section 11023(c) of this title. This section shall take effect with the annual report filed under section 11023 of this title for the first full calendar year beginning after November 5, 1990.

(b) Items included in report
The toxic chemical source reduction and recycling report required under subsection (a) shall set forth each of the following on a facility-by-facility basis for each toxic chemical:

(1) The quantity of the chemical entering any waste stream (or otherwise released into the environment) prior to recycling, treatment, or disposal during the calendar year for which the report is filed and the percentage change from the previous year. The quantity reported shall not include any amount reported under paragraph (7). When actual measurements of the quantity of a toxic chemical entering the waste streams are not readily available, reasonable estimates should be made based on best engineering judgment.
(2) The amount of the chemical from the facility which is recycled (at the facility or elsewhere) during such calendar year, the percentage change from the previous year, and the process of recycling used.
(3) The source reduction practices used with respect to that chemical during such year at the facility. Such practices shall be reported in accordance with the following categories unless the Administrator finds other categories to be more appropriate.
(A) Equipment, technology, process, or procedure modifications.
(B) Reformulation or redesign of products.
(C) Substitution of raw materials.
(D) Improvement in management, training, inventory control, materials handling, or other general operational phases of industrial facilities.
(4) The amount expected to be reported under paragraph 2(1) and (2) for the two calendar years immediately following the calendar year for which the report is filed. Such amount shall be expressed as a percentage change from the amount reported in paragraphs (1) and (2).
(5) A ratio of production in the reporting year to production in the previous year. The ratio should be calculated to most closely reflect all activities involving the toxic chemical. In specific industrial classifications subject to this section, where a feedstock or some variable other than production is the primary influence on waste characteristics or volumes, the report may provide an index based on that primary variable for each toxic chemical. The Administrator is encouraged to develop production indexes to accommodate individual industries for use on a voluntary basis.
(6) The techniques which were used to identify source reduction opportunities. Techniques listed should include, but are not limited to, employee recommendations, external and internal audits, participative team management, and material balance audits. Each type of source reduction listed under paragraph (3) should be associated with the techniques or multiples of techniques used to identify the source reduction technique.
(7) The amount of any toxic chemical released into the environment which resulted from a catastrophic event, remedial action, or other one-time event, and is not associated with production processes during the reporting year.
(8) The amount of the chemical from the facility which is treated (at the facility or elsewhere) during such calendar year and the percentage change from the previous year. For the first year of reporting under this subsection, comparison with the previous year is required only to the extent such information is available.

1 So in original. Probably should be "preceding".
2 So in original. Probably should be "paragraphs".
(c) SARA provisions

The provisions of sections 11042, 11045(c), and 11046 of this title shall apply to the reporting requirements of this section in the same manner as to the reports required under section 11023 of this title. The Administrator may modify the form required for purposes of reporting information under section 11023 of this title to the extent he deems necessary to include the additional information required under this section.

(d) Additional optional information

Any person filing a report under this section for any year may include with the report additional information regarding source reduction, recycling, and other pollution control techniques in earlier years.

(e) Availability of data

Subject to section 11042 of this title, the Administrator shall make data collected under this section publicly available in the same manner as the data collected under section 11023 of this title.


REFERENCES IN TEXT


§ 13107. EPA report

(a) Biennial reports

The Administrator shall provide Congress with a report within eighteen months after November 5, 1990, and biennially thereafter, containing a detailed description of the actions taken to implement the strategy to promote source reduction developed under section 13103(b) of this title and of the results of such actions. The report shall include an assessment of the effectiveness of the clearinghouse and grant program established under this chapter in promoting the goals of the strategy, and shall evaluate data gaps and data duplication with respect to data collected under Federal environmental statutes.

(b) Subsequent reports

Each biennial report submitted under subsection (a) after the first report shall contain each of the following:

1. An analysis of the data collected under section 13106 of this title on an industry-by-industry basis for not less than five SIC codes or other categories as the Administrator deems appropriate. The analysis shall begin with those SIC codes or other categories of facilities which generate the largest quantities of toxic chemical waste. The analysis shall include an evaluation of trends in source reduction by industry, firm size, production, or other useful means. Each such subsequent report shall cover five SIC codes or other categories which were not covered in a prior report until all SIC codes or other categories have been covered.

2. An analysis of the usefulness and validity of the data collected under section 13106 of this title for measuring trends in source reduction and the adoption of source reduction by business.

3. Identification of regulatory and non-regulatory barriers to source reduction, and of opportunities for using existing regulatory programs, and incentives and disincentives to promote and assist source reduction.

4. Identification of industries and pollutants that require priority assistance in multimedia source reduction.

5. Recommendations as to incentives needed to encourage investment and research and development in source reduction.

6. Identification of opportunities and development of priorities for research and development in source reduction methods and techniques.

7. An evaluation of the cost and technical feasibility, by industry and processes, of source reduction opportunities and current activities and an identification of any industries for which there are significant barriers to source reduction with an analysis of the basis of this identification.

8. An evaluation of methods of coordinating, streamlining, and improving public access to data collected under Federal environmental statutes.

9. An evaluation of data gaps and data duplication with respect to data collected under Federal environmental statutes.

In the report following the first biennial report provided for under this subsection, paragraphs (3) through (9) may be included at the discretion of the Administrator.


REFERENCES IN TEXT

Section 13103(b) of this title, referred to in subsec. (a), was in the original “section 4(b)” and was translated as reading “section 6604(b)” meaning section 6604(b) of Pub. L. 101–508, because Pub. L. 101–508 has no section 4 but section 6604(b) of Pub. L. 101–508 relates to development of a strategy to promote source reduction.

§ 13108. Savings provisions

(a) Nothing in this chapter shall be construed to modify or interfere with the implementation of title III of the Superfund Amendments and Reauthorization Act of 1986 [42 U.S.C. 11001 et seq.].

(b) Nothing contained in this chapter shall be construed, interpreted or applied to supplant, displace, preempt or otherwise diminish the responsibilities and liabilities under other State or Federal law, whether statutory or common.


REFERENCES IN TEXT

Title III of the Superfund Amendments and Reauthorization Act of 1986, referred to in subsec. (a), is—

1See References in Text note below.

2So in original. Probably should be followed by a period.
CHAPTER 134—ENERGY POLICY

Sec. 13201. “Secretary” defined.

SUBCHAPTER I—ALTERNATIVE FUELS—GENERAL

13211. Definitions.
13212. Minimum Federal fleet requirement.
13213. Refueling.
13214. Federal agency promotion, education, and coordination.
13215. Omitted.
13216. Recognition and incentive awards program.
13217. Measurement of alternative fuel use.
13218. Reports.
13220. Biodiesel fuel use credits.

SUBCHAPTER II—ALTERNATIVE FUELS—NON-FEDERAL PROGRAMS

13231. Public information program.
13232. Labeling requirements.
13233. Data acquisition program.
13234. Federal Energy Regulatory Commission authority to approve recovery of certain expenses in advance.
13235. State and local incentives programs.
13236. Alternative fuel bus program.
13237. Certification of training programs.
13238. Alternative fuel use in nonroad vehicles and engines.
13239. Low interest loan program.

SUBCHAPTER III—AVAILABILITY AND USE OF REPLACEMENT FUELS, ALTERNATIVE FUELS, AND ALTERNATIVE FUELED PRIVATE VEHICLES

13251. Mandate for alternative fuel providers.
13252. Replacement fuel supply and demand program.
13253. Replacement fuel demand estimates and supply information.
13254. Modification of goals; additional rulemaking authority.
13255. Voluntary supply commitments.
13256. Technical and policy analysis.
13257. Fleet requirement program.
13258. Credits.
13259. Secretary’s recommendations to Congress.
13260. Effect on other laws.
13261. Prohibited acts.
13262. Enforcement.
13263. Powers of Secretary.
13263a. Alternative compliance.
13264. Authorization of appropriations.

1 So in original. Probably should not be capitalized.

SUBCHAPTER IV—ELECTRIC MOTOR VEHICLES

Sec.
13271. Definitions.

PART A—ELECTRIC MOTOR VEHICLE COMMERCIAL DEMONSTRATION PROGRAM

13281. Program and solicitation.
13282. Selection of proposals.
13283. Discount payments.
13284. Cost-sharing.
13285. Reports to Congress.
13286. Authorization of appropriations.

PART B—ELECTRIC MOTOR VEHICLE INFRASTRUCTURE AND SUPPORT SYSTEMS DEVELOPMENT PROGRAM

13291. General authority.
13292. Proposals.
13293. Protection of proprietary information.
13294. Compliance with existing law.
13295. Repealed.
13296. Authorization of appropriations.

SUBCHAPTER V—RENEWABLE ENERGY

13311. Purposes.
13312. Renewable energy export technology training.
13314. Study of tax and rate treatment of renewable energy projects.
13315. Data system and energy technology evaluation.
13316. Innovative renewable energy technology transfer program.
13317. Renewable energy production incentive.

PART A—RESEARCH, DEVELOPMENT, DEMONSTRATION, AND COMMERCIAL APPLICATION

13331. Coal research, development, demonstration, and commercial application programs.
13332. Coal-fired diesel engines.
13333. Clean coal, waste-to-energy.
13334. Nonfuel use of coal.
13335. Coal refineries program.
13336. Coalbed methane recovery.
13337. Metallurgical coal development.
13338. Utilization of coal wastes.
13339. Underground coal gasification.
13340. Low-rank coal research and development.
13341. Magnetohydrodynamics.
13342. Oil substitution through coal liquefaction.
13343. Authorization of appropriations.

PART B—CLEAN COAL TECHNOLOGY PROGRAM

13351. Additional clean coal technology solicitations.

PART C—OTHER COAL PROVISIONS

13361. Clean coal technology export promotion and interagency coordination.
13362. Innovative clean coal technology transfer program.
13363. Conventional coal technology transfer.
13364. Study of utilization of coal combustion by-products.
13365. Coal fuel mixtures.
13367. Coal exports.
13368. Ownership of coaled methane.
13369. Establishment of data base and study of transportation rates.
13370. Authorization of appropriations.

SUBCHAPTER VII—GLOBAL CLIMATE CHANGE

13382. Least-cost energy strategy.
13383. Director of Climate Protection.
13384. Assessment of alternative policy mechanisms for addressing greenhouse gas emissions.
<table>
<thead>
<tr>
<th>Sec.</th>
<th>Title</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>13431</td>
<td>General transportation.</td>
<td></td>
</tr>
<tr>
<td>13451</td>
<td>General improved energy efficiency.</td>
<td></td>
</tr>
<tr>
<td>13432</td>
<td>Advanced automotive fuel economy.</td>
<td></td>
</tr>
<tr>
<td>13489</td>
<td>Global Climate Change Response Fund.</td>
<td></td>
</tr>
<tr>
<td>13499</td>
<td>Midcontinent Energy Research Center.</td>
<td></td>
</tr>
<tr>
<td>13503</td>
<td>Supporting research and technical analysis.</td>
<td></td>
</tr>
<tr>
<td>13501</td>
<td>National Advanced Materials Program.</td>
<td></td>
</tr>
<tr>
<td>13502</td>
<td>National Advanced Manufacturing Technologies Program.</td>
<td></td>
</tr>
<tr>
<td>13503</td>
<td>Supporting research and technical analysis.</td>
<td></td>
</tr>
<tr>
<td>13504</td>
<td>Math and science education program.</td>
<td></td>
</tr>
<tr>
<td>13505</td>
<td>Integration of research and development.</td>
<td></td>
</tr>
</tbody>
</table>

**SUBCHAPTER VIII—REDUCTION OF OIL VULNERABILITY**

**PART A—OIL AND GAS SUPPLY ENHANCEMENT**

13411. Enhanced oil recovery.  
13412. Oil shale.  
13413. Natural gas supply.  
13414. Natural gas end-use technologies.  
13415. Midcontinent Energy Research Center.

**PART B—OIL AND GAS DEMAND REDUCTION AND SUBSTITUTION**

13431. General transportation.  
13432. Advanced automotive fuel economy.  
13433. Alternative fuel vehicle program.  
13434. Biofuels user facility.  
13435. Electric motor vehicles and associated equipment research and development.  
13436. Repealed.  
13437. Advanced diesel emissions program.  
13438. Telecommuting study.

**SUBCHAPTER IX—ENERGY AND ENVIRONMENT**

**PART A—IMPROVED ENERGY EFFICIENCY**

13451. General improved energy efficiency.  
13452. Natural gas and electric heating and cooling technologies.  
13453. Pulp and paper.  
13455. Electric drives.  
13456. Improving efficiency in energy-intensive industries.  
13457. Energy efficient environmental program.  
13458. Energy efficient lighting and building centers.

**PART B—ELECTRICITY GENERATION AND USE**

13471. Renewable energy.  
13472. High efficiency heat engines.  
13473. Civilian nuclear waste.  
13474. Fusion energy.  
13475. Fuel cells.  
13476. Environmental restoration and waste management program.  
13477. High-temperature superconductivity program.  
13478. Omitted.  
13479. Spark M. Matsunaga Renewable Energy and Ocean Technology Center.

**PART C—ADVANCED NUCLEAR REACTORS**

13491. Purposes and definitions.  
13492. Program, goals, and plan.  
13493. Commercialization of advanced light water reactor technology.  
13494. Prototype demonstration of advanced nuclear reactor technology.  
13495. Authorization of appropriations.

**SUBCHAPTER X—ENERGY AND ECONOMIC GROWTH**

13501. National Advanced Materials Program.  
13502. National Advanced Manufacturing Technologies Program.  
13503. Supporting research and technical analysis.  
13504. Math and science education program.  
13505. Integration of research and development.
and submit a Statement of Energy Effects to the Administrator of the Office of Information and Regulatory Affairs, Office of Management and Budget, for those that are identified as significant energy actions. 

(b) A Statement of Energy Effects shall consist of a detailed statement by the agency responsible for the significant energy action relating to:

(i) any adverse effects on energy supply, distribution, or use (including a shortfall in supply, price increases, and increased use of foreign supplies) should the proposal be implemented, and

(ii) reasonable alternatives to the action with adverse energy effects and the expected effects of such alternatives on energy supply, distribution, and use.

(c) The Administrator of the Office of Information and Regulatory Affairs shall provide guidance to the agencies on the implementation of this order and shall consult with other agencies as appropriate in the implementation of this order.


(b) Agencies shall publish their Statements of Energy Effects, or a summary thereof, in each related Notice of Proposed Rulemaking and in any resulting Final Rule.

Sect. 4. Definitions. For purposes of this order:

(a) "Regulation" and "rule" have the same meaning as those in Executive Order 12866 [5 U.S.C. 601 note] or any successor order.

(b) "Significant energy action" means any action by an agency (normally published in the Federal Register) that promulgates or is expected to lead to the promulgation of a final rule or regulation, including notices of inquiry, advance notices of proposed rulemaking, and notices of proposed rulemaking.

(i) that is a significant regulatory action under section 60133(a)(1) of title 49, United States Code, that is a significant regulatory action under section 60133(a)(2)(A)–(H) of title 49, United States Code, or a summary thereof, in each related Notice of Proposed Rulemaking; and

(ii) is likely to have a significant adverse effect on the supply, distribution, or use of energy; or

(ii) that is designated by the Administrator of the Office of Information and Regulatory Affairs as a significant energy action.

(c) "Agency" means any authority of the United States that is an "agency" under 44 U.S.C. 3502(1), other than those considered to be independent regulatory agencies, as defined in 44 U.S.C. 3502(5).

Sect. 5. Judicial Review. Nothing in this order shall affect otherwise available judicial review of agency action. This order is intended only to improve the internal management of the Federal Government and does not create any right or benefit, substantive or procedural, at law or equity by a party against the United States, its agencies or instrumentalities, its officers or employees, or any other person.

GEORGE W. BUSH.

EX. ORD. NO. 13212. ACTIONS TO EXPEDITE ENERGY-RELATED PROJECTS


By the authority vested in me as President by the Constitution and the laws of the United States of America, and in order to take additional steps to expedite the increased supply and availability of energy to our Nation, it is hereby ordered as follows:

Section 1. Policy. The increased production and transmission of energy in a safe and environmentally sound manner is essential to the well-being of the American people. In general, it is the policy of this Administration that executive departments and agencies (agencies) shall take appropriate actions, to the extent consistent with applicable law, to expedite projects that will increase the production, transmission, or conservation of energy and projects that will strengthen pipeline safety.

Sect. 2. Actions to Expedite Energy-Related Projects. For energy-related projects (including pipeline safety projects), agencies shall expedite their review of permits or take other actions as necessary to accelerate the completion of such projects, while maintaining safety, public health, and environmental protections. The agencies shall take such actions to the extent permitted by law and regulation, and where appropriate.

Sect. 3. Interagency Task Force. (a) There is established, within the Department of Energy for administrative purposes, an interagency task force (Task Force) to perform the following functions:

(i) monitor and assist agencies in setting up appropriate mechanisms to coordinate Federal, State, tribal, and local permitting in geographic areas where increased permitting activity is expected; and

(ii) perform the functions of the interagency committee for which section 60133 of title 49, United States Code, provides.

(b)(i) The Task Force shall consist exclusively of the following members:

(A) in the performance of all Task Force functions set out in sections 3(a)(i) and (ii) of this order, the Secretary of State, the Treasury, Defense, Agriculture, Housing and Urban Development, Commerce, Transportation, the Interior, Labor, Education, Health and Human Services, Energy, and Veterans Affairs, the Attorney General, the Administrator of the Environmental Protection Agency, the Director of Central Intelligence, the Administrator of General Services, the Director of the Office of Management and Budget, the Chairman of the Council of Economic Advisers, the Assistant to the President for Domestic Policy, the Assistant to the President for Economic Policy, and such other heads of agencies as the Chairman of the Council on Environmental Quality may designate; and

(B) in the performance of the functions to which section 3(a)(iii) of this order refers, the officers listed in section 60133(a)(2)(A)–(H) of title 49, United States Code, and such other representatives of Federal agencies with responsibilities relating to pipeline repair projects as the Chairman of the Council on Environmental Quality may designate.

(ii) A member of the Task Force may designate, to perform the Task Force functions of the member, a full-time officer or employee of that member’s agency or office.

(c) The Chairman of the Council on Environmental Quality shall chair the Task Force.

(d) Consultation in the implementation of this order with State and local officials and other persons who are not full-time or permanent part-time employees of the Federal Government shall be conducted in a manner that elicits fully the individual views of each official or other person consulted, without deliberations or efforts to achieve consensus on advice or recommendations.

(e) This order shall be implemented in a manner consistent with the President’s constitutional authority to supervise the unitary executive branch.

Sect. 4. Judicial Review. Nothing in this order shall affect any otherwise available judicial review of agency action. This order is intended only to improve the internal management of the Federal Government and does not create any right or benefit, substantive or procedural, enforceable at law or equity by a party against the United States, its agencies or instrumentalities, its officers or employees, or any other person.

GEORGE W. BUSH.

Ex. Ord. No. 13783, Mar. 28, 2017, 82 F.R. 16093, provided:

§ 13201

TITLE 42—THE PUBLIC HEALTH AND WELFARE Page 7868

and submit a Statement of Energy Effects to the Administrator of the Office of Information and Regulatory Affairs, Office of Management and Budget, for those that are identified as significant energy actions.

(b) A Statement of Energy Effects shall consist of a detailed statement by the agency responsible for the significant energy action relating to:

(i) any adverse effects on energy supply, distribution, or use (including a shortfall in supply, price increases, and increased use of foreign supplies) should the proposal be implemented, and

(ii) reasonable alternatives to the action with adverse energy effects and the expected effects of such alternatives on energy supply, distribution, and use.

(c) The Administrator of the Office of Information and Regulatory Affairs shall provide guidance to the agencies on the implementation of this order and shall consult with other agencies as appropriate in the implementation of this order.


(b) Agencies shall publish their Statements of Energy Effects, or a summary thereof, in each related Notice of Proposed Rulemaking and in any resulting Final Rule.

Sect. 4. Definitions. For purposes of this order:

(a) "Regulation" and "rule" have the same meaning as those in Executive Order 12866 [5 U.S.C. 601 note] or any successor order.

(b) "Significant energy action" means any action by an agency (normally published in the Federal Register) that promulgates or is expected to lead to the promulgation of a final rule or regulation, including notices of inquiry, advance notices of proposed rulemaking, and notices of proposed rulemaking.

(i) that is a significant regulatory action under section 60133(a)(1) of title 49, United States Code, that is a significant regulatory action under section 60133(a)(2)(A)–(H) of title 49, United States Code, or a summary thereof, in each related Notice of Proposed Rulemaking; and

(ii) is likely to have a significant adverse effect on the supply, distribution, or use of energy; or

(ii) that is designated by the Administrator of the Office of Information and Regulatory Affairs as a significant energy action.

(c) "Agency" means any authority of the United States that is an "agency" under 44 U.S.C. 3502(1), other than those considered to be independent regulatory agencies, as defined in 44 U.S.C. 3502(5).

Sect. 5. Judicial Review. Nothing in this order shall affect otherwise available judicial review of agency action. This order is intended only to improve the internal management of the Federal Government and does not create any right or benefit, substantive or procedural, at law or equity by a party against the United States, its agencies or instrumentalities, its officers or employees, or any other person.

GEORGE W. BUSH.
By the authority vested in me as President by the Constitution and the laws of the United States of America, it is hereby ordered as follows:

1. Policy. (a) It is in the national interest to promote clean and safe development of our Nation’s vast energy resources, while at the same time avoiding regulatory burdens that unnecessarily encumber energy production, constrain economic growth, and prevent job creation. Moreover, the prudent development of these natural resources is essential to ensuring the Nation’s geopolitical security.

(b) It is further in the national interest to ensure that the Nation’s electricity is affordable, reliable, safe, secure, and clean, and that it can be produced from coal, natural gas, nuclear material, flowing water, and other domestic sources, including renewable sources.

(c) Accordingly, it is the policy of the United States that executive departments and agencies (agencies) immediately review existing regulations that potentially burden the development or use of domestically produced energy resources and appropriately suspend, revise, or rescind those that unduly burden the development of domestic energy resources beyond the degree necessary to protect the public interest or otherwise comply with the law.

(d) It further is the policy of the United States that, to the extent permitted by law, all agencies should take appropriate actions to promote clean air and clean water for the American people, while also respecting the proper roles of the Congress and the States concerning these matters in our constitutional republic.

(e) It is also the policy of the United States that necessary and appropriate environmental regulations comply with the law, are of greater benefit than cost, when permissible, achieve environmental improvements for the American people, and are developed through transparent processes that employ the best available peer-reviewed science and economics.

2. Immediate Review of All Agency Actions that Potentially Burden the Safe, Efficient Development of Domestic Energy Resources. (a) The heads of agencies shall review all existing regulations, orders, guidance documents, policies, and any other similar agency actions (collectively, agency actions) that potentially burden the development or use of domestically produced energy resources, with particular attention to oil, natural gas, coal, and nuclear energy resources. Such review shall not include agency actions that are mandated by law, necessary for the public interest, and consistent with the policy set forth in section 1 of this order.

(b) For purposes of this order, “burden” means to unnecessarily obstruct, delay, or otherwise impose significant costs on the siting, permitting, production, utilization, transmission, or delivery of energy resources.

(c) Within 45 days of the date of this order, the head of each agency with agency actions described in subsection (a) of this section shall develop and submit to the Director of the Office of Management and Budget (OMB Director) a plan to carry out the review required by subsection (a) of this section. The plans shall also be sent to the Vice President, the Assistant to the President for Economic Policy, the Assistant to the President for Domestic Policy, and the Chair of the Council on Environmental Quality. The report shall include specific recommendations that, to the extent permitted by law, could alleviate or eliminate aspects of agency actions that burden domestic energy production.

(d) The report shall be finalized within 180 days of the date of this order, unless the OMB Director, in consultation with the other officials who receive the draft final reports, extends that deadline.

(e) The OMB Director, in consultation with the Assistant to the President for Economic Policy, shall be responsible for coordinating the recommended actions included in the agency final reports within the Executive Office of the President.

(f) With respect to any agency action for which specific recommendations are made in a final report pursuant to subsection (e) of this section, the head of the relevant agency shall, as soon as practicable, suspend, revise, or rescind, or publish for notice and comment proposed rules suspending, revising, or rescinding, those actions, as appropriate and consistent with law.

3. Rescission of Certain Energy and Climate-Related Presidential and Regulated Actions. (a) The following Presidential actions are hereby revoked:

(i) Executive Order 13663 of November 1, 2013 (Preparing the United States for the Impacts of Climate Change);

(ii) The Presidential Memorandum of June 25, 2013 (Power Sector Carbon Pollution Standards);

(iii) The Presidential Memorandum of November 3, 2015 (Mitigating Impacts on Natural Resources from Development and Encouraging Related Private Investment); and

(iv) The Presidential Memorandum of September 21, 2016 (Climate Change and National Security).

(b) The following reports shall be rescinded:

(i) The Report of the Executive Office of the President of June 2013 (The President’s Climate Action Plan); and


(d) The heads of all agencies shall identify existing agency actions related to or arising from the Presidential actions listed in subsection (a) of this section, the reports listed in subsection (b) of this section, or the final guidance listed in subsection (c) of this section. Each agency shall, as soon as practicable, suspend, revise, or rescind, or publish for notice and comment proposed rules suspending, revising, or rescinding any such actions, as appropriate and consistent with law and with the policies set forth in section 1 of this order.

4. Review of the Environmental Protection Agency’s “Clean Power Plan” and Related Rules and Agency Actions. (a) The Administrator of the Environmental Protection Agency (Administrator) shall immediately take all steps necessary to review the final rules set forth in subsections (b)(i) and (b)(ii) of this section, and any related rules and guidance issued pursuant to them, for consistency with the policy set forth in section 1 of this order and, if appropriate, shall, as soon as practicable, suspend, revise, or rescind the guidance, or publish for notice and comment proposed rules suspending, revising, or rescinding those rules. In addition, the Administrator shall immediately take all steps necessary to review the proposed rule set forth in subsection (b)(iii) of this section, and, if appropriate, shall, as soon as practicable, determine whether to revise or withdraw the proposed rule.
(b) This section applies to the following final or proposed rules:

(i) The final rule entitled “Carbon Pollution Emission Guidelines for Existing Stationary Sources: Electric Utility Generating Units,” 80 Fed. Reg. 64661 (October 23, 2015) (Clean Power Plan);

(ii) The final rule entitled “Standards of Performance for Greenhouse Gas Emissions from New, Modified, and Reconstructed Stationary Sources: Electric Utility Generating Units,” 80 Fed. Reg. 64509 (October 23, 2015); and


(c) The Administrator shall review and, if appropriate, as soon as practicable, take lawful action to suspend, revise, or rescind, as appropriate and consistent with law, the “Legal Memorandum Accompanying Clean Power Plan for Certain Issues,” which was published in conjunction with the Clean Power Plan.

(d) The Administrator shall promptly notify the Attorney General of any actions taken by the Administrator pursuant to this order related to the rules identified in subsection (b) of this section so that the Attorney General may, as appropriate, provide notice of this order and any such action to any court with jurisdiction over pending litigation related to those rules, and may, in his discretion, request that the court stay the litigation or otherwise delay further litigation, or seek other appropriate relief consistent with this order, pending the completion of the administrative actions described in subsection (a) of this section.

SISC. 5. Review of Estimates of the Social Cost of Carbon, Nitrous Oxide, and Methane for Regulatory Impact Analysis. (a) In order to ensure sound regulatory decision making, it is essential that agencies use estimates of costs and benefits in their regulatory analyses that are based on the best available science and economics.

(b) The Interagency Working Group on Social Cost of Greenhouse Gases (IWG), which was convened by the Council of Economic Advisers and the OMB Director, shall be disbanded, and the following documents issued by the IWG shall be withdrawn as no longer representative of governmental policy:

(i) Technical Support Document: Social Cost of Carbon for Regulatory Impact Analysis Under Executive Order 12866 (February 2010);

(ii) Technical Update of the Social Cost of Carbon for Regulatory Impact Analysis (May 2013);

(iii) Technical Update of the Social Cost of Carbon for Regulatory Impact Analysis (November 2013);

(iv) Technical Update of the Social Cost of Carbon for Regulatory Impact Analysis (July 2015);

(v) Addendum to the Technical Support Document for Social Cost of Carbon: Application of the Methodology to Estimate the Social Cost of Methane and the Social Cost of Nitrous Oxide (August 2016); and


(c) Effective immediately, when monetizing the value of changes in greenhouse gas emissions resulting from regulations, including with respect to the consideration of domestic versus international impacts and the consideration of appropriate discount rates, agencies shall ensure, to the extent permitted by law, that any such estimates are consistent with the guidance contained in OMB Circular A-4, Circular A-94, Circular A-41, Circular A-119, and Circular A-128; the Circulars for OMB Circular A-4, Circular A-94, and Circular A-41, which were issued after notification of public comment and were made available for more than a decade as embodying the best practices for conducting regulatory cost-benefit analysis.

SISC. 6. Federal Land Coal Leasing Moratorium. The Secretary of the Interior shall take all steps necessary and appropriate to amend or withdraw Secretary’s Order 3388 dated January 31, 2016 (Discretionary Programmatic Environmental Impact Statement (PEIS) to Modernize the Federal Coal Program), and to lift any and all moratoria on Federal land coal leasing activities related to Order 3388. The Secretary shall commence Federal coal leasing activities consistent with all applicable laws and regulations.

SISC. 7. Review of Regulations Related to United States Oil and Gas Development. (a) The Administrator shall review the final rule entitled “Oil and Natural Gas Sector: Emission Standards for New, Reconstructed, and Modified Sources,” 81 Fed. Reg. 53824 (June 3, 2016), and any rules and guidance issued pursuant to it, for consistency with the policy set forth in section 1 of this order and, if appropriate, shall, as soon as practicable, suspend, revise, or rescind the guidance, or publish for notice and comment proposed rules suspending, revising, or rescinding those rules.

(b) The Secretary of the Interior shall review the following final rules, and any rules and guidance issued pursuant to them, for consistency with the policy set forth in section 1 of this order and, if appropriate, shall, as soon as practicable, suspend, revise, or rescind the guidance, or publish for notice and comment proposed rules suspending, revising, or rescinding those rules:

(i) The final rule entitled “Oil and Gas: Hydraulic Fracturing on Federal and Indian Lands,” 80 Fed. Reg. 16128 (March 26, 2015);

(ii) The final rule entitled “General Provisions and Non-Federal Oil and Gas Rights,” 81 Fed. Reg. 77972 (November 4, 2016); and

(iii) The final rule entitled “Management of Non-Federal Oil and Gas Rights,” 81 Fed. Reg. 79948 (November 14, 2016); and


(c) The Administrator or the Secretary of the Interior, as applicable, shall promptly notify the Attorney General of any actions taken by them related to the rules identified in subsections (a) and (b) of this section so that the Attorney General may, as appropriate, provide notice of this order and any such action to any court with jurisdiction over pending litigation related to those rules, and may, in his discretion, request that the court stay the litigation or otherwise delay further litigation, or seek other appropriate relief consistent with this order, until the completion of the administrative actions described in subsections (a) and (b) of this section.

SISC. 8. General Provisions. (a) Nothing in this order shall be construed to impair or otherwise affect:

(i) the authority granted by law to an executive department or agency, or the head thereof, or any person.

(ii) the functions of the Director of the Office of Management and Budget relating to budgetary, administrative, or legislative proposals.

(b) This order shall be implemented consistent with applicable law and subject to the availability of appropriations.

(c) This order is not intended to, and does not, create any right or benefit, substantive or procedural, enforceable at law or in equity by any party against the United States, its departments, agencies, or entities, its employees, officers, or agents, or any other person.
records set nearly 5 decades ago and is in all likelihood now the largest producer of crude oil in the world. We are also the world’s leading producer of natural gas, and we have a net expander in 2017 for the first time since 1957. The United States will continue to be the undisputed global leader in crude oil and natural gas production for the foreseeable future.

- **Economic Investment and Advantages**
  - China is already experiencing robust energy projects and that encourage new investment. Enhancing our Nation's energy infrastructure, including facilities for the transmission, distribution, storage, and processing of energy resources, will ensure that our Nation’s vast reserves of these resources can reach vital markets. Doing so will also help families and businesses in States with energy constraints to access affordable and reliable domestic energy resources. By promoting the development of new energy infrastructure, the United States will make energy more affordable, while safeguarding the environment and advancing our Nation’s economic and geopolitical advantages.

- **Clean Water Act Section 401 Water Quality Certification**
  - The Clean Water Act Section 401 Water Quality Certification: A Water Quality Protection Tool for States and Tribes’ (Section 401 Interim Guidance). This review shall also determine whether any provisions thereof should be clarified to be consistent with the policies described in section 2 of this order. This review shall include examination of the existing interim guidance entitled, “Clean Water Act Section 401 Water Quality Certification: A Water Quality Protection Tool for States and Tribes’ (Section 401 Interim Guidance). This review shall also take into account federalism considerations underlying subsection (a) of the Clean Water Act and shall focus on: (a) the need to promote timely Federal-State cooperation and collaboration; (b) the appropriate scope of water quality reviews; and (c) types of conditions that may be appropriate to include in a certification;

- **Issuance of New Guidance**
  - Upon completion of the consultation and review process described in subsection (a) of this section, but no later than 60 days after the date of this order [Apr. 10, 2019], the Administrator of the EPA shall: (i) issue new guidance to States and authorized tribes to supersede the Section 401 Interim Guidance to clarify, at minimum, the items set forth in subsection (a) of this section; and (ii) issue guidance to agencies, consistent with the policies outlined in section 2 of this order, to address the items set forth in subsection (a) of this section.

- **Policy Considerations**
  - It is the policy of the United States to ensure that our Nation’s vast reserves of these resources can reach vital markets. Without it, energy costs will rise and the national energy market will be stifled; job growth will be hampered; and the manufacturing and geopolitical advantages of the United States will erode. To enable the timely construction of the infrastructure needed to move our energy resources through domestic and international commerce, the Federal Government must promote efficient permitting processes and reduce regulatory uncertainties that currently make energy infrastructure projects expensive and that discourage new investment. Enhancing our Nation’s energy infrastructure, including facilities for the transmission, distribution, storage, and processing of energy resources, will ensure that our Nation’s vast reserves of these resources can reach vital markets. Doing so will also help families and businesses in States with energy constraints to access affordable and reliable domestic energy resources. By promoting the development of new energy infrastructure, the United States will make energy more affordable, while safeguarding the environment and advancing our Nation’s economic and geopolitical advantages.

- **Efficient Permitting Processes**
  - Efficient permitting processes and procedures that employ a single point of accountability, avoid duplicative and redundant studies and reviews, and establish clear and reasonable timeframes; (b) regulations that reflect best practices and best-available technologies; (c) timely action on infrastructure projects that advance America’s interests and ability to participate in global energy markets; (d) increased regulatory certainty regarding the development of new energy infrastructure; (e) effective stewardship of America’s natural resources; and (f) support for American ingenuity, the free market, and capitalism.

- **Safety Regulations**
  - The Department of Transportation’s safety regulations for liquefied natural gas (LNG) facilities, found in 49 CFR part 193 (Part 193), apply uniformly to small-scale peak shaving, satellite, temporary, and mobile facilities, as well as to large-scale import and export terminals. Driven by abundant supplies of domestic natural gas, domestic export terminals are in various stages of development, and these modern, large-scale liquefaction facilities bear little resemblance to the small peak shaving facilities common during the original drafting of Part 193 nearly 40 years ago. To achieve the policies set forth in subsection (b) of this order, the Secretary of Transportation shall initiate a rulemaking to update Part 193 and shall finalize such rulemaking no later than 13 months after the date of this order. In developing the proposed regulations, the Secretary of Transportation shall use risk-based standards to the maximum extent practicable.

- **Proximate Firms**
  - In the United States, LNG may be transported by truck and, with approval by the Federal Railroad Administration, by rail in United Nations portable tanks, but Department of Transportation may not authorize LNG transport in rail tank cars. The Secretary of Transportation shall propose for notice and comment a rule, no later than 100 days after the date of this order, that would treat LNG the same as other cryogenic liquids and permit LNG to be transported in approved rail tank cars. The Secretary shall finalize such rulemaking no later than 13 months after the date of this order.

- **Proxy Firms**
  - The Department of Energy’s Office of Public and Government Affairs provides guidance and assistance to DOE agencies and offices on public communications. DOE agencies and offices are responsible for developing and implementing their own public communications strategies and plans. DOE agencies and offices should consult with the Office of Public and Government Affairs before releasing any information to the public or to the media. DOE agencies and offices are responsible for developing and implementing their own public communications strategies and plans.

- **Proxy Firms**
  - The Secretary of Transportation shall initiate a rulemaking to update Part 193 and shall finalize such rulemaking no later than 13 months after the date of this order. In developing the proposed regulations, the Secretary of Transportation shall use risk-based standards to the maximum extent practicable.

- **Proxy Firms**
  - In the United States, LNG may be transported by truck and, with approval by the Federal Railroad Administration, by rail in United Nations portable tanks, but Department of Transportation may not authorize LNG transport in rail tank cars. The Secretary of Transportation shall propose for notice and comment a rule, no later than 100 days after the date of this order, that would treat LNG the same as other cryogenic liquids and permit LNG to be transported in approved rail tank cars. The Secretary shall finalize such rulemaking no later than 13 months after the date of this order.
United States Capital Markets. (a) The majority of financing in the United States is conducted through its capital markets. The United States capital markets are the deepest and most liquid in the world. They benefit from decades of sound regulation grounded in disclosure of information that, under an objective standard, is material to investors and owners seeking to make sound investment decisions. The government is, in many cases, well positioned to provide intergovernmental assistance to State and local governments. To achieve the policies set forth in section 2 of this order, the heads of agencies shall review existing authorities related to the transportation and development of domestically produced energy resources and, within 30 days of the date of this order, report to the Director of the Office of Management and Budget and the Assistant to the President for Economic Policy on how those authorities can be most efficiently and effectively used to advance the policies set forth in this order.

(b) To advance the principles of objective materiality and fiduciary duty, and to achieve the policies set forth in subsections 2(c), (d), and (f) of this order, the Secretary shall, within 180 days of the date of this order, complete a review of existing Department of Labor investments by such plans. The Secretary of Labor shall also, within 180 days of the date of this order, complete a review of available data filed with the Department of Labor by retirement plans subject to the Employee Retirement Income Security Act of 1974 (ERISA) (29 U.S.C. 1001 et seq.) in order to identify whether there are discernible trends with respect to such plans' investments in the energy sector. Within 180 days of the date of this order, the Secretary should provide an update to the Assistant to the President for Economic Policy on any discernable trends in energy investments by such plans. The Secretary of Labor shall also, within 180 days of the date of this order, complete a review of existing Department of Labor guidance on the fiduciary responsibilities for proxy voting to determine whether any such guidance should be rescinded, replaced, or modified to ensure consistency with current law and policies that promote long-term growth and maximize return on ERISA plan assets.

Ssc. 6. Rights-of-Way Renewals or Reauthorizations. The Secretary of Labor, the Secretary of Agriculture, and the Secretary of Commerce approve right-of-way for energy infrastructure through lands owned by or within the jurisdiction or control of the United States. Energy infrastructure right-of-way grants, leases, permits, and agreements routinely include sunset provisions. Operating facilities in expired right-of-way creates legal and operational uncertainties for owners and operators of energy infrastructure. To achieve the policies set forth in section 2 of this order, the Secretaries of the Interior, Agriculture, and Commerce shall:

(a) develop a master agreement for energy infrastructure right-of-way renewals or reauthorizations; and
(b) within 1 year of the date of this order, initiate renewal or reauthorization processes for all expired energy rights-of-way grants, leases, permits, and agreements as determined to be appropriate by the applicable Secretary and to the extent permitted by law.

Ssc. 7. Reports on the Barriers to a National Energy Market. (a) Within 180 days of the date of this order [Apr. 10, 2019], the Secretary of Transportation, in consultation with the Secretary of Energy, shall submit a report to the President, through the Assistant to the President for Economic Policy, regarding the economic and other effects caused by the inability to transport sufficient quantities of natural gas and other domestic energy resources to the States in New England and, as the Secretary of Transportation deems appropriate, to States in other regions of the Nation. This report shall present a description of the barriers to the transportation of natural gas and other domestic energy resources through the west coast of the United States. This report shall assess whether, and to what extent, State, local, tribal, or territorial actions have contributed to such effects.

(b) Within 180 days of the date of this order, the Secretary of Energy, in consultation with the Secretary of Transportation, shall submit a report to the President, through the Assistant to the President for Economic Policy, describing opportunities, through the Federal Government or otherwise, to promote economic growth of the Appalachian region, including gas and other industries. This report also shall assess methods for diversifying the Appalachian economy and promoting workforce development.

Ssc. 9. Report on Economic Growth of the Appalachian Region. Within 180 days of the date of this order, the Secretary of Energy, in consultation with the heads of other agencies, as appropriate, shall submit a report to the President, through the Assistant to the President for Economic Policy, describing opportunities, through the Federal Government or otherwise, to promote economic growth of the Appalachian region, including gas and other industries. This report also shall assess methods for diversifying the Appalachian economy and promoting workforce development.

Ssc. 10. General Provisions. (a) Nothing in this order shall be construed to impair or otherwise affect:

(i) the authority granted by law to an executive department or agency, or the head thereof; or
(ii) the functions of the Director of the Office of Management and Budget relating to budgetary, administrative, or legislative proposals.

(b) This order shall be implemented consistent with applicable law and subject to the availability of appropriations.

Donald J. Trump.
(3) ALTERNATIVE FUELED VEHICLE.—
(A) IN GENERAL.—The term "alternative fueled vehicle" means a dedicated vehicle or a dual fueled vehicle;
(B) INCLUSIONS.—The term "alternative fueled vehicle" includes—
   (i) a new qualified fuel cell motor vehicle (as defined in section 30B(b)(3) of title 26);
   (ii) a new advanced lean burn technology motor vehicle (as defined in section 30B(c)(3) of that title);
   (iii) a new qualified hybrid motor vehicle (as defined in section 30B(d)(3) of that title); and
   (iv) any other type of vehicle that the Administrator demonstrates to the Secretary would achieve a significant reduction in petroleum consumption.  

(4) the term "comparable conventionally fueled motor vehicle" means a motor vehicle which is, as determined by the Secretary—
   (A) commercially available at the time the comparability of the vehicle is being assessed;
   (B) powered by an internal combustion engine that utilizes gasoline or diesel fuel as its fuel source; and
   (C) provides passenger capacity or payload capacity the same or similar to the alternative fueled vehicle to which it is being compared;

(5) "covered person" means a person that owns, operates, leases, or otherwise controls—
   (A) a fleet that contains at least 20 motor vehicles that are centrally fueled or capable of being centrally fueled, and are used primarily within a metropolitan statistical area or a consolidated metropolitan statistical area, as established by the Bureau of the Census, with a 1980 population of 250,000 or more; and
   (B) at least 50 motor vehicles within the United States;

(6) the term "dedicated vehicle" means—
   (A) a dedicated automobile, as such term is defined in section 32901(a)(7) of title 49; or
   (B) a motor vehicle, other than an automobile, that operates solely on alternative fuel; 

(7) the term "domestic" means derived from resources within the several States, the District of Columbia, the Commonwealth of Puerto Rico, the United States Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, or any other Commonwealth, territory, or possession of the United States, including the outer Continental Shelf, as such term is defined in the Outer Continental Shelf Lands Act (43 U.S.C. 1331 et seq.) or from resources within a Nation with which there is in effect a free trade agreement requiring national treatment for trade;

(8) the term "dual fueled vehicle" means—
   (A) dual fueled automobile, as such term is defined in section 32901(a)(6) of title 49; or
   (B) a motor vehicle, other than an automobile, that is capable of operating on alternate fuel and is capable of operating on gasoline or diesel fuel;

(9) the term "fleet" means a group of 20 or more light duty motor vehicles, used primarily in a metropolitan statistical area or consolidated metropolitan statistical area, as established by the Bureau of the Census, with a 1980 population of more than 250,000, that are centrally fueled or capable of being centrally fueled and are owned, operated, leased, or otherwise controlled by a governmental entity or other person who owns, operates, leases, or otherwise controls 50 or more such vehicles, by any person who controls such person, by any person controlled by such person, and by any person under common control with such person, except that such term does not include—
   (A) motor vehicles held for lease or rental to the general public;
   (B) motor vehicles held for sale by motor vehicle dealers, including demonstration motor vehicles;
   (C) motor vehicles used for motor vehicle manufacturer product evaluations or tests;
   (D) law enforcement motor vehicles;
   (E) emergency motor vehicles, including vehicles directly used in the emergency repair of transmission lines and in the restoration of electricity service following power outages, as determined by the Secretary;
   (F) motor vehicles acquired and used for military purposes that the Secretary of Defense has certified to the Secretary must be exempt for national security reasons;
   (G) nonroad vehicles, including farm and construction motor vehicles; or
   (H) motor vehicles which under normal operations are garaged at personal residences at night;

(10) the term "fuel supplier" means—
   (A) any person engaged in the importing, refining, or processing of crude oil to produce motor fuel;
   (B) any person engaged in the importation, production, storage, transportation, distribution, or sale of motor fuel; and
   (C) any person engaged in generating, transmitting, importing, or selling at wholesale or retail electricity;

(11) the term "light duty motor vehicle" means a light duty truck or light duty vehicle, as such terms are defined under section 7550(7) of this title, of less than or equal to 8,500 pounds gross vehicle weight rating;

(12) the term "motor fuel" means any substance suitable as a fuel for a motor vehicle;

(13) the term "motor vehicle" has the meaning given such term under section 7550(2) of this title; and

(14) the term "replacement fuel" means the portion of any motor fuel that is methanol, ethanol, or other alcohols, natural gas, liquefied petroleum gas, hydrogen, coal derived liquid fuels, fuels (other than alcohol) derived from biological materials, electricity (including electricity from solar energy), others, or any other fuel the Secretary determines, by rule, is substantially not petroleum and would yield substantial energy security benefits and substantial environmental benefits.

1 So in original. The period probably should be a semicolon.
2 See References in Text note below.
§ 13212  TITLE 42—THE PUBLIC HEALTH AND WELFARE  Page 7874


REFERENCES IN TEXT
This subchapter, referred to in introductory provisions, was in the original “this title”, meaning title III of Pub. L. 102–486, Oct. 24, 1992, 106 Stat. 2866, which enacted this subchapter, amended section 6374 of this title, and repealed provisions set out as a note under section 6374 of this title. For complete classification of title III to the Code, see Tables.

Subchapter II, referred to in introductory provisions, was in the original “title IV”, meaning title IV of Pub. L. 102–486, Oct. 24, 1992, 106 Stat. 2875, which enacted subchapter II (§13231 et seq.) of this chapter, amended sections 6374a and 6374b and former section 6374c of this title and sections 717, 717a, 2001, 2002, 2006, and 2013 of Title 15, Commerce and Trade, enacted provisions set out as notes under former section 79b and section 717 of Title 15, and repealed provisions set out as a note under section 717c of Title 15. For complete classification of title IV to the Code, see Tables.

Sections 32901(a)(7) of title 49, enacted by Pub. L. 102–486, Oct. 24, 1992, 106 Stat. 2875, which enacted this subchapter, amended section 6374 of this title, substituted “Vehicle Information and Cost Savings Act” and “section 6374 of this title” for “section 32901(a)(7) of title 49” in section 13231(a) of this title, and repealed provisions set out as a note under section 6374 of title 49, respectively, and a new par. (7) was added to section 13212(a) of this title.

Subparagraphs (7) and (8) of section 32901(a) of title 49, referred to in pars. (6)(A) and (8)(A), were redesignated as pars. (8) and (9), respectively, and a new par. (7) was enacted by Pub. L. 110–140, title I, §103(a)(2), (3), Dec. 19, 2007, 121 Stat. 1501.

The Outer Continental Shelf Lands Act, referred to in par. (7), is act Aug. 7, 1953, ch. 345, 67 Stat. 462, which enacted chapter II, amended sections 6374a and 6374b and former section 6374c of this title and sections 717, 717a, 2001, 2002, 2006, and 2013 of Title 15, Commerce and Trade, enacted provisions set out as notes under former section 79b and section 717 of Title 15, and repealed provisions set out as a note under section 717c of Title 15. For complete classification of title IV to the Code, see Tables.

(a) General requirements
(1) The Federal Government shall acquire at least—
(A) 5,000 light duty alternative fueled vehicles in fiscal year 1995;
(B) 7,500 light duty alternative fueled vehicles in fiscal year 1996; and
(C) 10,000 light duty alternative fueled vehicles in fiscal year 1997.
(2) The Secretary shall allocate the acquisitions necessary to meet the requirements under paragraph (1).

(b) Percentage requirements
(1) of the total number of vehicles acquired by a Federal fleet, at least—
(A) 25 percent in fiscal year 1996;
(B) 33 percent in fiscal year 1997;
(C) 50 percent in fiscal year 1998; and
(D) 75 percent in fiscal year 1999 and thereafter.

shall be alternative fueled vehicles.
(2) The Secretary, in consultation with the Administrator of General Services where appropriate, may permit a Federal fleet to acquire a smaller percentage than is required in paragraph (1), so long as the aggregate percentage acquired by all Federal fleets is at least equal to the required percentage.

(c) Allocation of incremental costs
The General Services Administration and any other Federal agency that procures motor vehicles for distribution to other Federal agencies shall allocate the incremental cost of alternative fueled vehicles over the cost of comparable gasoline vehicles across the entire fleet of motor vehicles distributed by such agency.

(d) Application of requirements
The provisions of section 6374 of this title relating to the Federal acquisition of alternative fueled vehicles shall apply to the acquisition of vehicles pursuant to this section.

(e) Resale
The Administrator of General Services shall take all feasible steps to ensure that all alternative fueled vehicles sold by the Federal Government shall remain alternative fueled vehicles at time of sale.

§ 13212. Minimum Federal fleet requirement
(a) General requirements
(1) The Federal Government shall acquire at least—
(A) 5,000 light duty alternative fueled vehicles in fiscal year 1993;
(B) 7,500 light duty alternative fueled vehicles in fiscal year 1994; and
(C) 10,000 light duty alternative fueled vehicles in fiscal year 1995.
(2) The Secretary shall allocate the acquisitions necessary to meet the requirements under paragraph (1).
(3) For purposes of this subsection, the term “Federal fleet” means 20 or more light duty motor vehicles, located in a metropolitan statistical area or consolidated metropolitan statistical area, as established by the Bureau of the Census, with a 1980 population of more than 250,000, that are centrally fueled or capable of being centrally fueled and are owned, operated, leased, or otherwise controlled by or assigned to any Federal executive department, military department, Government corporation, independent establishment, or executive agency, the United States Postal Service, the Congress, the courts of the United States, or the Executive Office of the President. Such term does not include—
(A) motor vehicles held for lease or rental to the general public;
(B) motor vehicles used for motor vehicle manufacturer product evaluations or tests;
(C) law enforcement vehicles;
(D) emergency vehicles;
(E) motor vehicles acquired and used for military purposes that the Secretary of Defense has certified to the Secretary must be exempt for national security reasons; or
(F) nonroad vehicles, including farm and construction vehicles.

(c) Allocation of incremental costs
The General Services Administration and any other Federal agency that procures motor vehicles for distribution to other Federal agencies shall allocate the incremental cost of alternative fueled vehicles over the cost of comparable gasoline vehicles across the entire fleet of motor vehicles distributed by such agency.

(d) Application of requirements
The provisions of section 6374 of this title relating to the Federal acquisition of alternative fueled vehicles shall apply to the acquisition of vehicles pursuant to this section.

(e) Resale
The Administrator of General Services shall take all feasible steps to ensure that all alternative fueled vehicles sold by the Federal Government shall remain alternative fueled vehicles at time of sale.

(f) Vehicle emission requirements
(1) Definitions
In this subsection:
(A) Federal agency
The term “Federal agency” does not include any office of the legislative branch, ex-
cept that it does include the House of Representatives with respect to an acquisition described in paragraph (2)(C).

(B) Medium duty passenger vehicle

The term “medium duty passenger vehicle” has the meaning given that term\(^1\) section 523.2 of title 49 of the Code of Federal Regulations, as in effect on December 19, 2007.

(C) Member’s Representational Allowance

The term “Member’s Representational Allowance” means the allowance described in section 5341(a) of title 2.

(2) Prohibition

(A) In general

Except as provided in subparagraph (B), no Federal agency shall acquire a light duty motor vehicle or medium duty passenger vehicle that is not a low greenhouse gas emitting vehicle.

(B) Exception

The prohibition in subparagraph (A) shall not apply to acquisition of a vehicle if the head of the agency certifies in writing, in a separate certification for each individual vehicle purchased, either—

(I) that no low greenhouse gas emitting vehicle is available to meet the functional needs of the agency and details in writing the functional needs that could not be met with a low greenhouse gas emitting vehicle; or

(II) that the agency has taken specific alternative more cost-effective measures to reduce petroleum consumption that—

(I) have reduced a measured and verified quantity of greenhouse gas emissions equal to or greater than the quantity of greenhouse gas reductions that would have been achieved through acquisition of a low greenhouse gas emitting vehicle over the lifetime of the vehicle; or

(II) will reduce each year a measured and verified quantity of greenhouse gas emissions equal to or greater than the quantity of greenhouse gas reductions that would have been achieved each year through acquisition of a low greenhouse gas emitting vehicle.

(C) Special rule for vehicles provided by funds contained in Members’ Representational Allowance

This paragraph shall apply to the acquisition of a light duty motor vehicle or medium duty passenger vehicle using any portion of a Member’s Representational Allowance, including an acquisition under a long-term lease.

(3) Guidance

(A) In general

Each year, the Administrator of the Environmental Protection Agency shall issue guidance identifying the makes and model numbers of vehicles that are low greenhouse gas emitting vehicles.

(B) Consideration

In identifying vehicles under subparagraph (A), the Administrator shall take into account the most stringent standards for vehicle greenhouse gas emissions applicable to and enforceable against motor vehicle manufacturers for vehicles sold anywhere in the United States.

(C) Requirement

The Administrator shall not identify any vehicle as a low greenhouse gas emitting vehicle if the vehicle emits greenhouse gases at a higher rate than such standards allow for the manufacturer’s fleet average grams per mile of carbon dioxide-equivalent emissions for that class of vehicle, taking into account any emissions allowances and adjustment factors such standards provide.

(g) Authorization of appropriations

There are authorized to be appropriated for carrying out this section, such sums as may be necessary for fiscal years 1993 through 1998, to remain available until expended.


AMENDMENTS

2007—Subsecs. (f), (g). Pub. L. 110–140 added subsec. (f) and redesignated former subsec. (f) as (g).

2005—Subsec. (c). Pub. L. 109–58 substituted “shall” for “may”.

EFFECTIVE DATE OF 2007 AMENDMENT

Amendment by Pub. L. 110–140 effective on the date that is 1 day after Dec. 19, 2007, see section 1601 of Pub. L. 110–140, set out as an Effective Date note under section 1624 of Title 2, The Congress.

EXECUTIVE ORDER NO. 12844

Ex. Ord. No. 12844, Apr. 21, 1993, 58 F.R. 21885, as amended by Ex. Ord. No. 13273, §3(b), Sept. 29, 1995, 60 F.R. 51376, which required the Federal Government to institute a Federal fleet vehicle acquisition program and established the Federal Fleet Conversion Task Force to advise on implementation of the program, was revoked by Ex. Ord. No. 13031, §9, Dec. 13, 1996, 61 F.R. 66531, formerly set out below.

EXECUTIVE ORDER NO. 13031


EXECUTIVE ORDER NO. 13149


§ 13213. Refueling

(a) In general

Federal agencies shall, to the maximum extent practicable, arrange for the fueling of alter-
native fueled vehicles acquired under section 13212 of this title at commercial fueling facilities that offer alternative fuels for sale to the public. If publicly available fueling facilities are not convenient or accessible to the location of Federal alternative fueled vehicles purchased under section 13212 of this title, Federal agencies are authorized to enter into commercial arrangements for the purposes of fueling Federal alternative fueled vehicles, including, as appropriate, purchase, lease, contract, construction, or other arrangements in which the Federal Government is a participant.

(b) Authorization of appropriations

There are authorized to be appropriated to the Secretary for carrying out section such sums as may be necessary for fiscal years 1993 through 1998, to remain available until expended.


§ 13214. Federal agency promotion, education, and coordination

(a) Promotion and education

The Secretary, in cooperation with the Administrator of General Services, shall promote programs and educate officials and employees of Federal agencies on the merits of alternative fueled vehicles. The Secretary, in cooperation with the Administrator of General Services, shall provide and disseminate information to Federal agencies on—

(1) the location of refueling and maintenance facilities available to alternative fueled vehicles in the Federal fleet;

(2) the range and performance capabilities of alternative fueled vehicles;

(3) State and local government and commercial alternative fueled vehicle programs;

(4) Federal alternative fueled vehicle purchases and placements;

(5) the operation and maintenance of alternative fueled vehicles in accordance with the manufacturer's standards and recommendations; and

(6) incentive programs established pursuant to sections 13215 1 and 13216 of this title.

(b) Assistance in procurement and placement

The Secretary, in cooperation with the Administrator of General Services, shall provide guidance, coordination and technical assistance to Federal agencies in the procurement and geographic location of alternative fueled vehicles purchased through the Administrator of General Services. The procurement and geographic location of such vehicles shall comply with the purchase requirements under section 13212 of this title.


REFERENCES IN TEXT

Section 13215 of this title, referred to in subsec. (a)(6), was omitted from the Code since the section ceased to be effective after Oct. 24, 1995.

§ 13215. Omitted

§ 13216. Recognition and incentive awards program

(a) Awards program

The Administrator of General Services shall establish annual awards program to recognize those Federal employees who demonstrate the strongest commitment to the use of alternative fuels and fuel conservation in Federal motor vehicles.

(b) Criteria

The Administrator of General Services shall provide annual awards to Federal employees who best demonstrate a commitment—

(1) to the success of the Federal alternative fueled vehicle program through—

(A) exemplary promotion of alternative fueled vehicle use within Federal agencies;

(B) proper alternative fueled vehicle care and maintenance;

(C) coordination with Federal, State, and local efforts;

(D) innovative alternative fueled vehicle procurement, refueling, and maintenance arrangements with commercial entities;

(E) making regular requests for alternative fueled vehicles for agency use; and

(F) maintaining a high number of alternative fueled vehicles used relative to comparable conventionally fueled motor vehicles used; and

(2) to fuel efficiency in Federal motor vehicle use through the promotion of such measures as increased use of fuel-efficient vehicles, carpooling, ride-sharing, regular maintenance, and other conservation and awareness measures.

(c) Authorization of appropriations

There are authorized to be appropriated for the purpose of carrying out this section more than $35,000 for fiscal year 1994 and such sums as may be necessary for each of the fiscal years 1995 and 1996.


§ 13217. Measurement of alternative fuel use

The Administrator of General Services shall use such means as may be necessary to measure the percentage of alternative fuel use in dual-fueled vehicles procured by the Administrator of General Services. Not later than one year after October 24, 1992, the Secretary, in consultation with the Administrator of General Services, shall issue guidelines to Federal agencies for use in measuring the aggregate percentage of alternative fuel use in dual-fueled vehicles in their fleets.

§ 13218. Reports

(a) Omitted

(b) Compliance report

(1) In general

Not later than February 15, 2006, and annually thereafter for the next 14 years, the head of each Federal agency which is subject to this Act and Executive Order No. 13031 shall prepare, and submit to Congress, a report that—

(A) summarizes the compliance by such Federal agency with the alternative fuel purchasing requirements for Federal fleets under this Act and Executive Order No. 13031; and

(B) includes a plan of compliance that contains specific dates for achieving compliance using reasonable means.

(2) Contents

(A) In general

Each report submitted under paragraph (1) shall include—

(i) any information on any failure to meet statutory requirements or requirements under Executive Order No. 13031;

(ii)(I) any plan of compliance that the agency head is required to submit under Executive Order No. 13031; or

(ii)(II) if a plan of compliance referred to in subclause (I) does not contain specific dates by which the Federal agency is to achieve compliance, a revised plan of compliance that contains specific dates for achieving compliance; and

(iii) any related information the agency head is required to submit to the Director of the Office of Management and Budget under Executive Order No. 13031.

(B) Penultimate report

The penultimate report submitted under paragraph (1) shall include an announcement that the report for the next year shall be the final report submitted under paragraph (1).

(3) Public dissemination of report

Each report submitted under paragraph (1) shall be made public, including—

(A) placing such report on a publicly available website on the Internet; and

(B) publishing the availability of the report, including such website address, in the Federal Register.

References in Text


 Codification

Subsec. (a) of this section, which required the Administrator of General Services to report biennially to Congress on the General Services Administration’s alternative fueled vehicle program under the Energy Policy Act of 1992, terminated, effective May 15, 2000, pursuant to section 3003 of Pub. L. 104–66, as amended, set out as a note under section 1113 of Title 31, Money and Finance. See also, the 4th item on page 173 of House Document No. 105–7.

References in Text

The Clean Air Act Amendments of 1990, referred to in this Act, see Short Title of 1990 Amendment note set out under section 7401 of this title and Tables.

Codification

Subsec. (a) of this section, which required the Postmaster General to biennially submit to Congress a report on the Postal Service’s alternative fueled vehicle program, terminated, effective May 15, 2000, pursuant to section 3003 of Pub. L. 104–66, as amended, set out as a note under section 1113 of Title 31, Money and Finance. See also, the 15th item on page 194 of House Document No. 103–7.

§ 13219. United States Postal Service

(a) Omitted

(b) Coordination

To the maximum extent practicable, the Postmaster General shall coordinate the Postal Service’s alternative fueled vehicle procurement, placement, refueling, and maintenance programs with those at the Federal, State, and local level. The Postmaster General shall communicate, share, and disseminate, on a regular basis, information on such programs with the Secretary, the Administrator of General Services, and heads of appropriate Federal agencies.

(c) Program criteria

The Postmaster General shall consider the following criteria in the procurement and placement of alternative fueled vehicles:

(1) The procurement plans of State and local governments and other public and private institutions.

(2) The current and future availability of refueling and repair facilities.

(3) The reduction in emissions of the Postal fleet.

(4) Whether the vehicle is to be used in a nonattainment area as specified in the Clean Air Act Amendments of 1990.

(5) The operational requirements of the Postal fleet.

(6) The contribution to the reduction in the consumption of oil in the transportation sector.

Codification


1998—Pub. L. 105–388 substituted “Reports” for “General Services Administration report” in section catchline, designated existing provisions as subsec. (a) and inserted heading, and added subsec. (b).

References in Text

§ 13220. Biodiesel fuel use credits

(a) Allocation of credits

(1) In general

The Secretary shall allocate one credit under this section to a fleet or covered person for each qualifying volume of the biodiesel component of fuel containing at least 20 percent biodiesel by volume purchased after the date of the enactment of this section, for use by the fleet or covered person in vehicles owned or operated by the fleet or covered person that weigh more than 8,500 pounds gross vehicle weight rating.

(2) Exceptions

No credits shall be allocated under paragraph (1) for a purchase of biodiesel—

(A) for use in alternative fueled vehicles; or

(B) that is required by Federal or State law.

(3) Authority to modify percentage

The Secretary may, by rule, lower the 20 percent biodiesel volume requirement in paragraph (1) for reasons related to cold start, safety, or vehicle function considerations.

(4) Documentation

A fleet or covered person seeking a credit under this section shall provide written documentation to the Secretary supporting the allocation of a credit to such fleet or covered person under paragraph (1).

(b) Use of credits

(1) In general

At the request of a fleet or covered person allocated a credit under subsection (a), the Secretary shall, for the year in which the purchase of a qualifying volume is made, treat that purchase as the acquisition of one alternative fueled vehicle the fleet or covered person is required to acquire under this subchapter, subchapter II, or subchapter III.

(2) Limitation

Credits allocated under subsection (a) may not be used to satisfy more than 50 percent of the alternative fueled vehicle requirements of a fleet or covered person under this subchapter, subchapter II, and subchapter III. This paragraph shall not apply to a fleet or covered person that is a biodiesel alternative fuel provider described in section 13251(a)(2)(A) of this title.

(c) Credit not a section 13258 credit

A credit under this section shall not be considered a credit under section 13258 of this title.

(d) Issuance of rule

The Secretary shall, before January 1, 1999, issue a rule establishing procedures for the implementation of this section.

(e) Collection of data

The Secretary shall collect such data as are required to make a determination described in subsection (f)(2)(B).

(f) Definitions

For purposes of this section—

(1) the term "biodiesel"—

(A) means a diesel fuel substitute produced from nonpetroleum renewable resources that meets the registration requirements for fuels and fuel additives established by the Environmental Protection Agency under section 7545 of this title;

(B) includes biodiesel derived from—

(i) animal wastes, including poultry fats and poultry wastes, and other waste materials; or

(ii) municipal solid waste and sludges and oils derived from wastewater and the treatment of wastewater; and

(2) the term "qualifying volume" means—

(A) 450 gallons; or

(B) if the Secretary determines by rule that the average annual alternative fuel use in light duty vehicles by fleets and covered persons exceeds 450 gallons or gallon equivalents, the amount of such average annual alternative fuel use.


REFERENCES IN TEXT

The date of the enactment of this section, referred to in subsec. (a)(1), probably means October 21, 1998, the date of the enactment of this section by Pub. L. 105–277, rather than Nov. 13, 1998, the date of the enactment of this section by Pub. L. 105–388.

This subchapter, referred to in subsec. (b), was in the original "this title", meaning title III of Pub. L. 102–486, Oct. 24, 1992, 106 Stat. 2866, which enacted this subchapter, amended section 6374 of this title, and repealed provisions set out as a note under section 6374 of this title. For complete classification of title III to the Code, see Tables.

Subchapter II, referred to in subsec. (b), was in the original "title IV", meaning title IV of Pub. L. 102–486, Oct. 24, 1992, 106 Stat. 2875, which enacted subchapter II (§ 13231 et seq.) of this chapter, amended sections 6374a and 6374b and former section 6374c of this title and sections 717, 717a, 2001, 2002, 2006, and 2013 of Title 15, Commerce and Trade, enacted provisions set out as notes under former section 790 and section 717 of Title 15, and repealed provisions set out as a note under section 717(c) of Title 15. For complete classification of title IV to the Code, see Tables.

CODIFICATION


AMENDMENTS


SUBCHAPTER II—ALTERNATIVE FUELS—NON-FEDERAL PROGRAMS

§ 13231. Public information program

The Secretary, in consultation with appropriate Federal agencies and organizations and other persons with practical experience in the production and use of alternative fuels and alternative fueled vehicles, shall, for the purposes of promoting the use of alternative fuels and alternative fueled vehicles, establish a public infor-
mation program on the benefits and costs of the use of alternative fuels in motor vehicles. Within 18 months after October 24, 1992, the Secretary shall produce and make available an information package for consumers to assist them in choosing among alternative fuels and alternative fueled vehicles. Such information package shall provide relevant and objective information on motor vehicle characteristics and fuel characteristics as compared to gasoline, on a life cycle basis, including environmental performance, energy efficiency, domestic content, cost, maintenance requirements, reliability, and safety. Such information package shall also include information with respect to the conversion of conventional motor vehicles to alternative fueled vehicles. The Secretary shall include such other information as the Secretary determines is reasonable and necessary to help promote the use of alternative fuels in motor vehicles. Such information package shall be updated annually to reflect the most recent available information.


§ 13232. Labeling requirements

(a) Establishment of requirements

The Federal Trade Commission, in consultation with the Secretary, the Administrator of the Environmental Protection Agency, and the Secretary of Transportation, shall, within 18 months after October 24, 1992, issue a notice of proposed rulemaking for a rule to establish uniform labeling requirements, to the greatest extent practicable, for alternative fuels and alternative fueled vehicles, including requirements for appropriate information with respect to costs and benefits, so as to reasonably enable the consumer to make choices and comparisons. Required labeling under the rule shall be simple and, where appropriate, consolidated with other labels providing information to the consumer. In formulating the rule, the Federal Trade Commission shall give consideration to the problems associated with developing and publishing useful and timely cost and benefit information, taking into account lead time, costs, the frequency of changes in costs and benefits that may occur, and other relevant factors. The Commission shall obtain the views of affected industries, consumer organizations, Federal and State agencies, and others in formulating the rule. A final rule shall be issued within 1 year after the notice of proposed rulemaking is issued. Such rule shall be updated periodically to reflect the most recent available information.

(b) Technical assistance and coordination

The Secretary shall provide technical assistance to the Federal Trade Commission in developing labeling requirements under subsection (a). The Secretary shall coordinate activities under this section with activities under section 13223 of this title.


§ 13233. Data acquisition program

(a) Not later than one year after October 24, 1992, the Secretary, through the Energy Information Administration, and in cooperation with appropriate State, regional, and local authorities, shall establish a data collection program to be conducted in at least 5 geographically and climatically diverse regions of the United States for the purpose of collecting data which would be useful to persons seeking to manufacture, convert, sell, own, or operate alternative fueled vehicles or alternative fueling facilities. Such data shall include—

1. identification of the number and types of motor vehicle trips made daily and miles driven per trip, including commuting, business, and recreational trips;

2. the projections of the Secretary as to the most likely combination of alternative fueled vehicle use and other forms of transit, including rail and other forms of mass transit;

3. cost, performance, environmental, energy, and safety data on alternative fuels and alternative fueled vehicles; and

4. other appropriate demographic information and consumer preferences.

(b) The Secretary shall consult with interested parties, including other appropriate Federal agencies, manufacturers, public utilities, owners and operators of fleets of light duty motor vehicles, and State or local governmental entities, to determine the types of data to be collected and analyzed under subsection (a).


§ 13234. Federal Energy Regulatory Commission authority to approve recovery of certain expenses in advance

(a) Natural gas motor vehicles

The Federal Energy Regulatory Commission may, under section 717c of title 15, allow recovery of expenses in advance by natural-gas companies for research, development, and demonstration activities by the Gas Research Institute for projects on the use of natural gas, including fuels derived from natural gas, for transportation, and projects on the use of natural gas to control pollutants and to control emissions from the combustion of other fuels, if the Commission finds that the benefits, including environmental benefits, to existing and future ratepayers resulting from such activities exceed all direct costs to existing and future ratepayers. To the maximum extent practicable, through the establishment of cofunding requirements applicable to such projects, the Commission shall ensure that the costs of such activities shall be provided in part, through contributions of cash, personnel, services, equipment, and other resources, by sources other than the recovery of expenses pursuant to this section.

(b) Electric motor vehicles

The Federal Energy Regulatory Commission may, under section 824d of title 15, allow recovery of expenses in advance by electric utilities for research, development, and demonstration activities by the Electric Power Research Institute for projects on electric motor vehicles, if the Commission finds that the benefits, including environmental benefits, to existing and future ratepayers resulting from such activities
§ 13235  TITLE 42—THE PUBLIC HEALTH AND WELFARE

State and local incentives programs

(a) Establishment of program

(1) The Secretary shall, within one year after October 24, 1992, issue regulations establishing guidelines for comprehensive State alternative fuels and alternative fueled vehicle incentives and program plans designed to accelerate the introduction and use of such fuels and vehicles. Such guideline\(^1\) shall address the development, modification, and implementation of such State plans and shall describe those program elements, as described in paragraph (3), to be addressed in such plans.

(2) The Secretary, after consultation with the Secretary of Transportation and the Administrator of the Environmental Protection Agency, shall invite the Governor of each State to submit to the Secretary a State plan within one year after the effective date of the regulations issued under paragraph (1). Such plan shall include—

(A) provisions designed to result in scheduled progress toward, and achievement of, the goal of introducing substantial numbers of alternative fueled vehicles in such State by the year 2000; and

(B) a detailed description of the requirements, including the estimated cost of implementation, of such plan.

(3) Each proposed State plan, in order to be eligible for Federal assistance under this section, shall describe the manner in which coordination shall be achieved with Federal and local governmental entities in implementing such plan, and shall include an examination of—

(A) exemption from State sales tax or other State or local taxes or surcharges (other than such taxes or surcharges which are dedicated for transportation purposes) with respect to alternative fueled vehicles, alternative fuels, or alternative fueling facilities;

(B) the introduction of alternative fueled vehicles into State-owned or operated motor vehicle fleets;

(C) special parking at public buildings and airport and transportation facilities;

(D) programs of public education to promote the use of alternative fueled vehicles;

(E) the treatment of sales of alternative fuels for use in alternative fueled vehicles;

(F) methods by which State and local governments might facilitate—

(i) the availability of alternative fuels; and

(ii) the ability to recharge electric motor vehicles at public locations;

(G) allowing public utilities to include in rates the incremental cost of—

(i) new alternative fueled vehicles; and

(ii) converting conventional vehicles to operate on alternative fuels; and

(H) such other programs and incentives as the State may describe;

(i) whether accomplishing any of the goals in this subsection would require amendment to State law or regulation, including traffic safety prohibitions;

(J) services provided by municipal, county, and regional transit authorities; and

(K) effects of such a plan on programs authorized by the Intermodal Surface Transportation Efficiency Act of 1991 and amendments made by that Act.

(b) Federal assistance to States

(1) Upon request of the Governor of any State with a plan approved under this section, the Secretary may provide to such State—

(A) information and technical assistance, including model State laws and proposed regulations relating to alternative fueled vehicles;

(B) grants of Federal financial assistance for the purpose of assisting such State in the implementation of such plan or any part thereof; and

(C) grants of Federal financial assistance for the acquisition of alternative fueled vehicles.

(2) In determining whether to approve a State plan submitted under subsection (a), and in determining the amount of Federal financial assistance, if any, to be provided to any State under this subsection, the Secretary shall take into account—

(A) the energy-related and environmental-related impacts, on a life cycle basis, of the introduction and use of alternative fueled vehicles included in the plan compared to conventional motor vehicles;

(B) the number of alternative fueled vehicles likely to be introduced by the year 2000, as a result of successful implementation of the plan; and

(C) such other factors as the Secretary considers appropriate.

§ 13235. State and local incentives programs

(a) Establishment of program

(1) The Secretary shall, within one year after October 24, 1992, issue regulations establishing guidelines for comprehensive State alternative fuels and alternative fueled vehicle incentives and program plans designed to accelerate the introduction and use of such fuels and vehicles. Such guideline\(^1\) shall address the development, modification, and implementation of such State plans and shall describe those program elements, as described in paragraph (3), to be addressed in such plans.

(2) The Secretary, after consultation with the Secretary of Transportation and the Administrator of the Environmental Protection Agency, shall invite the Governor of each State to submit to the Secretary a State plan within one year after the effective date of the regulations issued under paragraph (1). Such plan shall include—

(A) provisions designed to result in scheduled progress toward, and achievement of, the goal of introducing substantial numbers of alternative fueled vehicles in such State by the year 2000; and

(B) a detailed description of the requirements, including the estimated cost of implementation, of such plan.

(3) Each proposed State plan, in order to be eligible for Federal assistance under this section, shall describe the manner in which coordination shall be achieved with Federal and local governmental entities in implementing such plan, and shall include an examination of—

(A) exemption from State sales tax or other State or local taxes or surcharges (other than such taxes or surcharges which are dedicated for transportation purposes) with respect to alternative fueled vehicles, alternative fuels, or alternative fueling facilities;

(B) the introduction of alternative fueled vehicles into State-owned or operated motor vehicle fleets;

(C) special parking at public buildings and airport and transportation facilities;

(D) programs of public education to promote the use of alternative fueled vehicles;

(E) the treatment of sales of alternative fuels for use in alternative fueled vehicles;

(F) methods by which State and local governments might facilitate—

(i) the availability of alternative fuels; and

(ii) the ability to recharge electric motor vehicles at public locations;

(G) allowing public utilities to include in rates the incremental cost of—

(i) new alternative fueled vehicles; and

(ii) converting conventional vehicles to operate on alternative fuels; and

(H) such other programs and incentives as the State may describe;

(i) whether accomplishing any of the goals in this subsection would require amendment to State law or regulation, including traffic safety prohibitions;

(J) services provided by municipal, county, and regional transit authorities; and

(K) effects of such a plan on programs authorized by the Intermodal Surface Transportation Efficiency Act of 1991 and amendments made by that Act.

(b) Federal assistance to States

(1) Upon request of the Governor of any State with a plan approved under this section, the Secretary may provide to such State—

(A) information and technical assistance, including model State laws and proposed regulations relating to alternative fueled vehicles;

(B) grants of Federal financial assistance for the purpose of assisting such State in the implementation of such plan or any part thereof; and

(C) grants of Federal financial assistance for the acquisition of alternative fueled vehicles.

(2) In determining whether to approve a State plan submitted under subsection (a), and in determining the amount of Federal financial assistance, if any, to be provided to any State under this subsection, the Secretary shall take into account—

(A) the energy-related and environmental-related impacts, on a life cycle basis, of the introduction and use of alternative fueled vehicles included in the plan compared to conventional motor vehicles;

(B) the number of alternative fueled vehicles likely to be introduced by the year 2000, as a result of successful implementation of the plan; and

(C) such other factors as the Secretary considers appropriate.

§ 13235. State and local incentives programs

(a) Establishment of program

(1) The Secretary shall, within one year after October 24, 1992, issue regulations establishing guidelines for comprehensive State alternative fuels and alternative fueled vehicle incentives and program plans designed to accelerate the introduction and use of such fuels and vehicles. Such guideline\(^1\) shall address the development, modification, and implementation of such State plans and shall describe those program elements, as described in paragraph (3), to be addressed in such plans.

(2) The Secretary, after consultation with the Secretary of Transportation and the Administrator of the Environmental Protection Agency, shall invite the Governor of each State to submit to the Secretary a State plan within one year after the effective date of the regulations issued under paragraph (1). Such plan shall include—

(A) provisions designed to result in scheduled progress toward, and achievement of, the goal of introducing substantial numbers of alternative fueled vehicles in such State by the year 2000; and

(B) a detailed description of the requirements, including the estimated cost of implementation, of such plan.

(3) Each proposed State plan, in order to be eligible for Federal assistance under this section, shall describe the manner in which coordination shall be achieved with Federal and local governmental entities in implementing such plan, and shall include an examination of—

(A) exemption from State sales tax or other State or local taxes or surcharges (other than such taxes or surcharges which are dedicated for transportation purposes) with respect to alternative fueled vehicles, alternative fuels, or alternative fueling facilities;

(B) the introduction of alternative fueled vehicles into State-owned or operated motor vehicle fleets;

(C) special parking at public buildings and airport and transportation facilities;

(D) programs of public education to promote the use of alternative fueled vehicles;

(E) the treatment of sales of alternative fuels for use in alternative fueled vehicles;

(F) methods by which State and local governments might facilitate—

(i) the availability of alternative fuels; and

(ii) the ability to recharge electric motor vehicles at public locations;

(G) allowing public utilities to include in rates the incremental cost of—

(i) new alternative fueled vehicles; and

(ii) converting conventional vehicles to operate on alternative fuels; and

(H) such other programs and incentives as the State may describe;

(i) whether accomplishing any of the goals in this subsection would require amendment to State law or regulation, including traffic safety prohibitions;

(J) services provided by municipal, county, and regional transit authorities; and

(K) effects of such a plan on programs authorized by the Intermodal Surface Transportation Efficiency Act of 1991 and amendments made by that Act.

(b) Federal assistance to States

(1) Upon request of the Governor of any State with a plan approved under this section, the Secretary may provide to such State—

(A) information and technical assistance, including model State laws and proposed regulations relating to alternative fueled vehicles;

(B) grants of Federal financial assistance for the purpose of assisting such State in the implementation of such plan or any part thereof; and

(C) grants of Federal financial assistance for the acquisition of alternative fueled vehicles.

(2) In determining whether to approve a State plan submitted under subsection (a), and in determining the amount of Federal financial assistance, if any, to be provided to any State under this subsection, the Secretary shall take into account—

(A) the energy-related and environmental-related impacts, on a life cycle basis, of the introduction and use of alternative fueled vehicles included in the plan compared to conventional motor vehicles;

(B) the number of alternative fueled vehicles likely to be introduced by the year 2000, as a result of successful implementation of the plan; and

(C) such other factors as the Secretary considers appropriate.

(3) The Secretary, in consultation with the Administrator of General Services, shall provide assistance to States in procuring alternative fueled vehicles, including coordination with Federal procurements of such vehicles.

(4) The Secretary may not approve a State plan submitted under subsection (a) unless the State agrees to provide at least 20 percent of the

---

\(^1\) So in original. Probably should be “guidelines".
cost of activities for which assistance is provided under paragraph (1).

(c) General provisions

(1) In carrying out this section, the Secretary shall consult with the Secretary of Transportation on matters relating to transportation and with other appropriate Federal and State departments and agencies.

(2) The Secretary shall report annually to the President and the Congress, and shall furnish copies of such report to the Governor of each State participating in the program, on the operation of the program under this section. Such report shall include—

(A) an estimate of the number of alternative fueled vehicles in use in each State;

(B) the degree of each State’s participation in the program;

(C) a description of Federal, State, and local programs undertaken in the various States, whether pursuant to a State plan under this section or not, to provide incentives for introduction of alternative fueled vehicles;

(D) an estimate of the energy and environmental benefits of the program; and

(E) the recommendations of the Secretary, if any, for additional action by the Federal Government.

(d) Definitions

For the purposes of this section, the following definitions apply:

(1) Governor

The term “Governor” means the chief executive of a State.

(2) State

The term “State” means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, the United States Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, and any other Commonwealth, territory, or possession of the United States.

(e) Authorization of appropriations

There are authorized to be appropriated for carrying out this section, $10,000,000 for each of the 5 fiscal years beginning after October 24, 1992.


References in Text


Termination of Reporting Requirements

For termination, effective May 15, 2000, of provisions in subsec. (c)(2) of this section relating to annual reports to Congress, see section 3003 of Pub. L. 104–66, as amended, set out as a note under section 1113 of Title 31, Money and Finance, and the 8th item on page 86 of House Document No. 103–7.

§ 13236. Alternative fuel bus program

(a) Cooperative agreements and joint ventures

(1) The Secretary of Transportation, in consultation with the Secretary, may enter into cooperative agreements and joint ventures proposed by any municipal, county, or regional transit authority in an urban area with a population over 100,000 (according to latest available census information) to demonstrate the feasibility of commercial application, including safety of specific vehicle design, of using alternative fuels for urban buses and other motor vehicles used for mass transit.

(2) The cooperative agreements and joint ventures under paragraph (1) may include interested or affected private firms willing to provide assistance in cash, or in kind, for any such demonstration.

(3) Federal assistance provided under cooperative agreements and joint ventures entered into under paragraph (1) to demonstrate the feasibility of commercial application of using alternative fuels for urban buses shall be in addition to Federal assistance provided under any other law for such purpose.

(b) Limitations

(1) The Secretary of Transportation may not enter into cooperative agreement or joint venture under subsection (a) with any municipal, county, or regional transit authority, unless such government body agrees to provide 20 percent of the costs of such demonstration.

(2) The Secretary of Transportation may grant such priority under this section to any entity that demonstrates that the use of alternative fuels for transportation would have a significant beneficial effect on the environment.

(c) School buses

The Secretary of Transportation may also provide, in accordance with such rules as he may prescribe, financial assistance to any agency, municipality, or political subdivision in an urban area referred to in subsection (a), of any State or the District of Columbia for the purpose of meeting the incremental costs of school buses that are dedicated vehicles and used regularly for such transportation during the school term. Such costs may include the purchase and installation of alternative fuel refueling facilities to be used for school bus refueling, and the conversion of school buses to dedicated vehicles. The Secretary of Transportation may provide such assistance directly to a person who is a contractor of such agency, municipality, or political subdivision, upon the request of the agency, municipality, or political subdivision, and who, under such contract, provides for such transportation. Any conversion under this subsection shall comply with the warranty and safety requirements for alternative fuel conversions contained in section 7587 of this title.

(d) Authorization of appropriations

There are authorized to be appropriated not more than $30,000,000 for each of the fiscal years 1993, 1994, and 1995 for purposes of this section.


References in Text

Section 7587 of this title, referred to in subsec. (c), was in the original “section 247 of the Clean Air Act...”1

1 See References in Text note below.

§ 13237. Certification of training programs

The Secretary shall ensure that the Federal Government establishes and carries out a program for the certification of training programs for technicians who are responsible for motor vehicle installation of equipment that converts gasoline or diesel-fueled motor vehicles into dedicated vehicles or dual fueled vehicles, and for the maintenance of such converted motor vehicles. A training program shall not be certified under the program established under this section unless it provides technicians with instruction on the proper and safe installation procedures and techniques, adherence to specifications (including original equipment manufacturer specifications), motor vehicle operating procedures, emissions testing, and other appropriate mechanical concerns applicable to these motor vehicle conversions. The Secretary shall ensure that, in the development of the program required under this section, original equipment manufacturers, fuel suppliers, companies that convert conventional vehicles to use alternative fuels, and other affected persons are consulted.


§ 13238. Alternative fuel use in nonroad vehicles and engines

(a) Nonroad vehicles and engines

(1) The Secretary shall conduct a study to determine whether the use of alternative fuels in nonroad vehicles and engines would contribute substantially to reduced reliance on imported energy sources. Such study shall be completed, and the results thereof reported to Congress, within 2 years after October 24, 1992.

(2) The study shall assess the potential of nonroad vehicles and engines to run on alternative fuels. Taking into account the nonroad vehicles and engines for which running on alternative fuels is feasible, the study shall assess the potential reduction in reliance on foreign energy sources that could be achieved if such vehicles were to run on alternative fuels.

(3) The report required under paragraph (1) may include the Secretary’s recommendations for encouraging or requiring nonroad vehicles and engines which can feasibly be run on alternative fuels, to utilize such alternative fuels.

(b) Definition of nonroad vehicles and engines

Nonroad vehicles and engines, for purposes of this section, shall include nonroad vehicles and engines used for surface transportation or principally for industrial or commercial purposes, vehicles used for rail transportation, vehicles used at airports, vehicles or engines used for marine purposes, and other vehicles or engines at the discretion of the Secretary.

(c) Designation

Upon completion of the study required pursuant to subsection (a) of this section, the Secretary may designate such vehicles and engines as qualifying for loans pursuant to section 13239 of this title.


§ 13239. Low interest loan program

(a) Establishment

Within 1 year after October 24, 1992, the Secretary shall establish a program for making low interest loans, giving preference to small businesses that own or operate fleets, for—

(1) the conversion of motor vehicles to operation on alternative fuels;

(2) covering the incremental costs of the purchase of motor vehicles which operate on alternative fuels, when compared with purchase costs of comparable conventionally fueled motor vehicles; or

(3) covering the incremental costs of purchase of non-road vehicles and engines designated by the Secretary pursuant to section 13238(c) of this title.

(b) Loan terms

The Secretary, to the extent practicable, shall establish reasonable terms for loans made under this subsection, with preference given to repayment schedules that enable such loans to be repaid by the borrower from the cost differential between gasoline and the alternative fuel on which the motor vehicle operates.

(c) Criteria

In deciding to whom loans shall be made under this subsection, the Secretary shall consider—

(1) the financial need of the applicant; and

(2) the goal of assisting the greatest number of applicants; and

(3) the ability of an applicant to repay the loan, taking into account the fuel cost savings likely to accrue to the applicant.

(d) Priorities

Priority shall be given under this section to fleets where the use of alternative fuels would have a significant beneficial effect on energy security and the environment.

(e) Authorization of appropriations

There are authorized to be appropriated to the Secretary for carrying out this section, $25,000,000 for each of the fiscal years 1993, 1994, and 1995.


SUBCHAPTER III—AVAILABILITY AND USE OF REPLACEMENT FUELS, ALTERNATIVE FUELS, AND ALTERNATIVE FUELED PRIVATE VEHICLES

§ 13251. Mandate for alternative fuel providers

(a) In general

(1) The Secretary shall, before January 1, 1994, issue regulations requiring that of the new light duty motor vehicles acquired by a covered per-
son described in paragraph (2), the following percentages shall be alternative fueled vehicles for the following model years:

1. 30 percent for model year 1996.
2. 50 percent for model year 1997.
3. 70 percent for model year 1998.
4. 90 percent for model year 1999 and thereafter.

For purposes of this section, a person referred to in paragraph (1) is—

(A) a covered person whose principal business is generating, transmitting, importing, or selling at wholesale or retail any alternative fuel other than electricity;

(B) a non-Federal covered person whose principal business is generating, transmitting, importing, or selling at wholesale or retail electricity, the requirements of subsection (a)(1) shall not apply until after December 31, 1997, with respect to electric motor vehicles. Any covered person described in this subsection which plans to acquire electric motor vehicles to comply with the requirements of this section shall so notify the Secretary before January 1, 1996.

(d) Report to Congress

The Secretary shall, before January 1, 1998, submit a report to the Congress providing detailed information on actions taken to carry out this section, and the progress made and problems encountered thereunder.

§ 13252. Replacement fuel supply and demand program

(a) Establishment of program

The Secretary shall establish a program to promote the development and use in light duty motor vehicles of domestic replacement fuels. Such program shall promote the replacement of petroleum motor fuels with replacement fuels to the maximum extent practicable. Such program shall, to the extent practicable, ensure the availability of those replacement fuels that will have the greatest impact in reducing oil imports, improving the health of our Nation's economy and reducing greenhouse gas emissions.

(b) Development plan and production goals

Under the program established under subsection (a), the Secretary, before October 1, 1993, in consultation with the Administrator, the Secretary of Transportation, the Secretary of Agriculture, the Secretary of Commerce, and the heads of other appropriate agencies, shall review appropriate information and—

1. estimate the domestic and nondomestic production capacity for replacement fuels and alternative fueled vehicles needed to implement this section;

2. determine the technical and economic feasibility of achieving the goals of producing sufficient replacement fuels to replace, on an energy equivalent basis—

   (A) at least 10 percent by the year 2000; and

   (B) at least 30 percent by the year 2010, of the projected consumption of motor fuel in the United States for each such year, with at least one half of such replacement fuels being domestic fuels;

3. determine the most suitable means and methods of developing and encouraging the production, distribution, and use of replacement fuels and alternative fueled vehicles in a manner that would meet the program goals described in subsection (a); and

4. identify ways to encourage the development of reliable replacement fuels and alternative fueled vehicle industries in the United States.
States, and the technical, economic, and institutional barriers to such development; and
(5) determine the greenhouse gas emission implications of increasing the use of replacement fuels, including an estimate of the maximum feasible reduction in such emissions from the use of replacement fuels.

The Secretary shall publish in the Federal Register the results of actions taken under this subsection, and provide for an opportunity for public comment.


§ 13253. Replacement fuel demand estimates and supply information

(a) Estimates

Not later than October 1, 1993, and annually thereafter, the Secretary, in consultation with the Administrator, the Secretary of Transportation, and other appropriate State and Federal officials, shall estimate for the following calendar year—
(1) the number of each type of alternative fueled vehicle likely to be in use in the United States;
(2) the probable geographic distribution of such vehicles;
(3) the amount and distribution of each type of replacement fuel; and
(4) the greenhouse gas emissions likely to result from replacement fuel use.

(b) Information

Beginning on October 1, 1994, the Secretary shall annually require—
(1) fuel suppliers to report to the Secretary on the amount of each type of replacement fuel that such supplier—
(A) has supplied in the previous calendar year; and
(B) plans to supply for the following calendar year;
(2) suppliers of alternative fueled vehicles to report to the Secretary on the number of each type of alternative fueled vehicle that such supplier—
(A) has made available in the previous calendar year; and
(B) plans to make available for the following calendar year; and
(3) such fuel suppliers to provide the Secretary information necessary to determine the greenhouse gas emissions from the replacement fuels used, taking into account the entire fuel cycle.

(c) Protection of information

Information provided to the Secretary under subsection (b) shall be subject to applicable provisions of law protecting the confidentiality of trade secrets and business and financial information, including section 1905 of title 18.


§ 13254. Modification of goals; additional rulemaking authority

(a) Examination of goals

Within 3 years after October 24, 1992, and periodically thereafter, the Secretary shall examine the goals established under section 13252(b)(2) of this title, in the context of the program goals stated under section 13252(a) of this title, to determine if the goals under section 13252(b)(2) of this title, including the applicable percentage requirements and dates, should be modified under this section. The Secretary shall publish in the Federal Register the results of each examination under this subsection and provide an opportunity for public comment.

(b) Modification of goals

If, after analysis of information obtained in connection with carrying out subsection (a) or section 13252 of this title, or other information, and taking into account the determination of technical and economic feasibility made under section 13252(b)(2) of this title, the Secretary determines that goals described in section 13252(b)(2) of this title, including the percentage requirements or dates, are not achievable, the Secretary, in consultation with appropriate Federal agencies, shall, by rule, establish goals that are achievable, for purposes of this subchapter. The modification of goals under this section may include changing the target dates specified in section 13252(b)(2) of this title.

(c) Additional rulemaking authority

If the Secretary determines that the achievement of goals described in section 13252(b)(2) of this title would result in a significant and correctable failure to meet the program goals described in section 13252(a) of this title, the Secretary shall issue such additional regulations as are necessary to remedy such failure. The Secretary shall have no authority under this Act to mandate the production of alternative fueled vehicles or to specify, as applicable, the models, lines, or types of, or marketing or pricing practices, policies, or strategies for, vehicles subject to this Act. Nothing in this Act shall be construed to give the Secretary authority to mandate marketing or pricing practices, policies, or strategies for alternative fueled vehicles or to mandate the production or delivery of such fuels.


REFERENCES IN TEXT


§ 13255. Voluntary supply commitments

The Secretary shall, by January 1, 1994, and thereafter, undertake to obtain voluntary commitments in geographically diverse regions of the United States—
(1) from fuel suppliers to make available to the public replacement fuels, including providing for the construction or availability of related fuel delivery systems;
(2) from owners of 10 or more motor vehicles to acquire and use alternative fueled vehicles and alternative fuels; and
(3) from suppliers of alternative fueled vehicles to make available to the public alternative fueled vehicles and to ensure the availability of necessary related services,
in sufficient volume to achieve the goals described in section 13252(b)(2) of this title or as modified under section 13254 of this title, and in order to meet any fleet requirement program established by rule under this subchapter. The Secretary shall periodically report to the Congress on the results of efforts under this section. All voluntary commitments obtained pursuant to this section shall be available to the public, except to the extent provided in applicable provisions of law protecting the confidentiality of trade secrets and business and financial information, including section 1905 of title 18.


§ 13256. Technical and policy analysis

(a) Requirement

Not later than March 1, 1995, and March 1, 1997, the Secretary shall prepare and transmit to the President and the Congress a technical and policy analysis under this section. The Secretary shall utilize the analytical capability and authorities of the Energy Information Administration and such other offices of the Department of Energy as the Secretary considers appropriate.

(b) Purposes

The technical and policy analysis prepared under this section shall be based on the best available data and information obtainable by the Secretary under section 13253 of this title, or otherwise, and on experience under this subchapter and other provisions of law in the development and use of replacement fuels and alternative fueled vehicles, and shall evaluate—

(1) progress made in achieving the goals described in section 13252(b)(2) of this title, as modified under section 13254 of this title;

(2) the actual and potential role of replacement fuels and alternative fueled vehicles in significantly reducing United States reliance on imported oil to the extent of the goals referred to in paragraph (1); and

(3) the actual and potential availability of various domestic replacement fuels and dedicated vehicles and dual fueled vehicles.

(c) Publication

The Secretary shall publish a proposed version of each analysis under this section in the Federal Register for public comment before transmittal to the President and the Congress. Public comment received in response to such publication shall be preserved for use in rulemaking proceedings under section 13257 of this title.


§ 13257. Fleet requirement program

(a) Fleet program purchase goals

(1) Except as provided in paragraph (2), the following percentages of new light duty motor vehicles acquired in each model year for a fleet, other than a Federal fleet, State fleet, or fleet owned, operated, leased, or otherwise controlled by a covered person subject to section 13251 of this title, shall be alternative fueled vehicles:

(A) 20 percent of the motor vehicles acquired in model years 1999, 2000, and 2001;

(B) 30 percent of the motor vehicles acquired in model year 2002;

(C) 40 percent of the motor vehicles acquired in model year 2003;

(D) 50 percent of the motor vehicles acquired in model year 2004;

(E) 60 percent of the motor vehicles acquired in model year 2005; and

(F) 70 percent of the motor vehicles acquired in model year 2006 and thereafter.

(2) The Secretary may not establish percentage requirements higher than those described in paragraph (1). The Secretary may, if appropriate, and pursuant to a rule under subsection (b), establish a lesser percentage requirement for any model year. The Secretary may, by rule, establish a date later than 1998 (or model year 1999) for initiating the fleet requirements under paragraph (1).

(3) The Secretary shall publish an advance notice of proposed rulemaking for the purpose of—

(A) evaluating the progress toward achieving the goals of replacement fuel use described in section 13252(b)(2) of this title, as modified under section 13254 of this title;

(B) identifying the problems associated with achieving those goals;

(C) assessing the adequacy and practicability of those goals; and

(D) considering all actions needed to achieve those goals.

The Secretary shall provide for at least 3 regional hearings on the advance notice of proposed rulemaking, with respect to which official transcripts shall be maintained. The comment period in connection with such advance notice of proposed rulemaking shall be completed within 7 months after publication of the advance notice.

(4) After the completion of such advance notice of proposed rulemaking, the Secretary shall publish in the Federal Register a proposed rule for the rule required under subsection (b), and shall provide for a public comment period, with hearings, of not less than 90 days.

(b) Early rulemaking

(1) Not earlier than 1 year after October 24, 1992, and after carrying out the requirements of subsection (a), the Secretary shall initiate a rulemaking to determine whether a fleet requirement program to begin in calendar year 1998 (when model year 1999 begins), or such other later date as he may select pursuant to subsection (a), is necessary under this section. Such rule, consistent with subsection (a)(1), shall establish the annual applicable model year percentage. No rule under this subsection may be promulgated after December 15, 1996, and be enforceable. A fleet requirement program shall be considered necessary and a rule therefor shall be promulgated if the Secretary finds that—

(A) the goal of replacement fuel use described in section 13252(b)(2)(B) of this title, as modified under section 13254 of this title, is not expected to be actually achieved by 2010, or such other date as is established under section 13254 of this title, by voluntary means or pursuant to this subchapter or any other law without such a fleet requirement program,
taking into consideration the status of the achievement of the interim goal described in section 13252(b)(2)(A) of this title, as modified under section 13254 of this title; (B) such goal is practicable and actually achievable within periods specified in section 13252(b)(2) of this title, as modified under section 13254 of this title, through implementation of such a fleet requirement program in combination with voluntary means and the application of other programs relevant to achieving such goals; and (C) by 1998 (when model year 1999 begins) or the date specified by the Secretary in such rule for initiating a fleet requirement program—
  (i) there exists sufficient evidence to ensure that the fuel and the needed infrastructure, including the supply and deliverability systems, will be installed and located at convenient places in the fleet areas subject to the rule and will be fully operational when the rule is effective to offer a reliable and timely supply of the applicable alternative fuel at reasonable costs (as compared to conventional fuels) to meet the fleet requirement program, as demonstrated through use of the provisions of section 13256(1) of this title regarding voluntary commitments or other adequate, reliable, and convincing forms of agreements, arrangements, or representations that such fuels and infrastructure are in existence or will exist when the rule is effective and will be expanded as the percentages increase annually;
  (ii) there will be a sufficient number of new alternative fueled vehicles from original equipment manufacturers that comply with all applicable requirements of the Clean Air Act [42 U.S.C. 7401 et seq.] and chapter 301 of title 49;
  (iii) such new vehicles will meet the applicable non-Federal and non-State fleet performance requirements of such fleets (including range, passenger or cargo-carrying capacity, reliability, refueling capability, vehicle mix, and economical operation and maintenance); and
  (iv) establishment of a fleet requirement program by rule under this subsection will not result in unfair competitive advantages or disadvantages, or result in undue economic hardship, to the affected fleets.
(2) The Secretary shall not promulgate a rule under this subsection if he is unable to make affirmative findings in the case of each of the subparagraphs under paragraph (1), and each of the clauses under subparagraph (C) of paragraph (1).
(3) If the Secretary does not determine that such program is necessary under this subsection, the provisions of subsection (e) shall apply to the consideration in the future of any fleet requirement program. The record of this rulemaking, including the Secretary's findings, shall be incorporated into a rulemaking under that subsection. If the Secretary determines under this subsection that such program is necessary, the Secretary shall not initiate the later rulemaking under subsection (e).

(c) Advance notice of proposed rulemaking
Not later than April 1, 1998, the Secretary shall publish an advance notice of proposed rulemaking for the purpose of—
(1) evaluating the progress toward achieving the goals of replacement fuel use described in section 13252(b)(2) of this title, as modified under section 13254 of this title, through implementation of such a fleet requirement program in combination with voluntary means and the application of other programs relevant to achieving such goals; and
(2) identifying the problems associated with achieving those goals;
(3) assessing the adequacy and practicability of those goals; and
(4) considering all actions needed to achieve those goals.
The Secretary shall provide for at least 3 regional hearings on the advance notice of proposed rulemaking, with respect to which official transcripts shall be maintained. The comment period in connection with such advance notice of proposed rulemaking shall be completed within 7 months after publication of the advance notice.

(d) Proposed rule
Before May 1, 1999, the Secretary shall publish in the Federal Register a proposed rule for the rule required under subsection (g), and shall provide for a public comment period, with hearings, of not less than 90 days.

(e) Determination
(1) Not later than January 1, 2000, the Secretary shall, through the rule required under subsection (g), determine whether a fleet requirement program is necessary under this section. Such a program shall be considered necessary and a rule therefor shall be promulgated if the Secretary finds that—
  (A) the goal of replacement fuel use described in section 13252(b)(2)(B) of this title, as modified under section 13254 of this title, is not expected to be actually achieved by 2010, or such other date as is established under section 13254 of this title, by voluntary means or pursuant to this subchapter or any other law without such a fleet requirement program, taking into consideration the status of the achievement of the interim goal described in section 13252(b)(2)(A) of this title, as modified under section 13254 of this title; and
  (B) such goal is practicable and actually achievable within periods specified in section 13252(b)(2) of this title, as modified under section 13254 of this title, through implementation of such a fleet requirement program in combination with voluntary means and the application of other programs relevant to achieving such goals.
(2) The rule under subsection (b) or (g) shall also modify the goal described in section 13252(b)(2)(B) of this title and establish a revised goal pursuant to section 13254 of this title if the Secretary determines, based on the proceeding required under subsection (a) or (c), that the goal in effect at the time of that proceeding is inadequate or impracticable, and not expected to be achievable. Such goal as modified and established shall be applicable in making the findings described in paragraph (1). If the Secretary modifies the goal under this paragraph, he may
also modify the percentages stated in subsection (a)(1) or (g)(1) and the minimum percentage stated in subsection (a)(2) or (g)(2) shall be not less than 10 percent.

(f) **Explanation of determination that fleet requirement program is not necessary**

If the Secretary determines, based on findings under subsection (b) or (e), that a fleet requirement program under this section is not necessary, the Secretary shall—

(1) by December 15, 1996, with respect to a rulemaking under subsection (b); and

(2) by January 1, 2000, with respect to a rulemaking under subsection (e), publish such determination in the Federal Register as a final agency action, including an explanation of the findings on which such determination is made and the basis for the determination.

(g) **Fleet requirement program**

(1) If the Secretary determines under subsection (e) that a fleet requirement program is necessary, the Secretary shall, by January 1, 2000, by rule require that, except as provided in paragraph (2), of the total number of new light duty motor vehicles acquired for a fleet, other than a Federal fleet, State fleet, or fleet owned, operated, leased, or otherwise controlled by a covered person under section 13251 of this title—

- (A) 20 percent of the motor vehicles acquired in model year 2002;
- (B) 40 percent of the motor vehicles acquired in model year 2003;
- (C) 60 percent of the motor vehicles acquired in model year 2004; and
- (D) 70 percent of the motor vehicles acquired in model year 2005 and thereafter,

shall be alternative fueled vehicles.

(2) The Secretary may not establish percentage requirements higher than those described in paragraph (1). The Secretary may, if appropriate, and pursuant to a rule under subsection (g), establish a lesser percentage requirement for any model year. The Secretary may, by rule, establish a date later than 2002 (when model year 2003 begins) for initiating the fleet requirements under paragraph (1).

(3) Nothing in this subchapter shall be construed as requiring any fleet to acquire alternative fueled vehicles or alternative fuels that do not meet the normal business requirements and practices of the principal business of the fleet owner.

(4) A vehicle operating only on gasoline that complies with applicable requirements of the Clean Air Act [42 U.S.C. 7401 et seq.] shall not be considered an alternative fueled vehicle under subsection (b) or this subsection, except that the Secretary, as part of the rule under subsection (b) or this subsection, may determine that such vehicle should be treated as an alternative fueled vehicle for purposes of this section, for fleets subject to part C of title II of the Clean Air Act [42 U.S.C. 7581 et seq.], taking into consideration the impact on energy security and the goals stated in section 13252(a) of this title.

(h) **Extension of deadlines**

The Secretary may, by notice published in the Federal Register, extend the deadlines established under subsections (e), (f), (2), and (g) for an additional 90 days if the Secretary is unable to meet such deadlines. Such extension shall not be reviewable.

(i) **Exemptions**

(1) A rule issued under subsection (b), (g), or (o) shall provide for the prompt exemption by the Secretary, through a simple and reasonable process, of any fleet from the requirements of subsection (b), (g), or (o), in whole or in part, if it is demonstrated to the satisfaction of the Secretary that—

- (A) alternative fueled vehicles that meet the normal requirements and practices of the principal business of the fleet owner are not reasonably available for acquisition;
- (B) alternative fuels that meet the normal requirements and practices of the principal business of the fleet owner are not available in the area in which the vehicles are to be operated; or
- (C) in the case of State and local government entities, the application of such requirements would pose an unreasonable financial hardship.

(2) In the case of private fleets, if the motor vehicles, when under normal operations, are garaged at personal residences at night, such motor vehicles shall be exempt from the requirements of subsections (b) and (g).

(j) **Conversions**

Nothing in this subchapter or the amendments made by this subchapter shall require a fleet owner to acquire conversion vehicles.

(k) **Inclusion of law enforcement vehicles and urban buses**

(1) If the Secretary determines, by rule, that the inclusion of fleets of law enforcement motor vehicles in the fleet requirement program established under subsection (g) would contribute to achieving the goal described in section 13252(b)(2)(B) of this title, as modified under section 13254 of this title, and the Secretary finds that such inclusion would not hinder the use of the motor vehicles for law enforcement purposes, the Secretary may include such fleets in such program. The Secretary may only initiate one rulemaking under this paragraph.

(2) If the Secretary determines, by rule, that the inclusion of new urban buses, as defined by the Administrator under title II of the Clean Air Act [42 U.S.C. 7521 et seq.], in a fleet requirement program established under subsection (g) would contribute to achieving the goal described in section 13252(b)(2)(B) of this title, as modified under section 13254 of this title, the Secretary may include such urban buses in such program, if the Secretary finds that such application will be consistent with energy security goals and the needs and objectives of encouraging and facilitating the greater use of such urban buses by the public, taking into consideration the impact of such application on public transit entities. The Secretary may only initiate one rulemaking under this paragraph.

(3) Rulemakings under paragraph (1) or (2) shall be separate from a rulemaking under subsection (g), but may not occur unless a rulemaking is carried out under subsection (g).
§ 13258

TITLE 42—THE PUBLIC HEALTH AND WELFARE

Page 7888

(l) Consideration of factors

In carrying out this section, the Secretary shall take into consideration energy security, costs, safety, lead time requirements, vehicle miles traveled annually, effect on greenhouse gases, technological feasibility, energy requirements, economic impacts, including impacts on workers and the impact on consumers (including users of the alternative fuel for purposes such as for residences, agriculture, process use, and non-fuel purposes) and fleets, the availability of alternative fuels and alternative fueled vehicles, and other relevant factors.

(m) Consultation and participation of other Federal agencies

In carrying out this section and section 13256 of this title, the Secretary shall consult with the Secretary of Transportation, the Administrator, and other appropriate Federal agencies. The Secretary shall provide for the participation of the Secretary of Transportation and the Administrator in the development and issuance of the rule under this section, including the public process concerning such rule.

(n) Petitions

As part of the rule promulgated either pursuant to subsection (b) or (g) of this section, the Secretary shall establish procedures for any fleet owner or operator or motor vehicle manufacturer to request that the Secretary modify or suspend a fleet requirement program established under either subsection nationally, by region, or in an applicable fleet area because, as demonstrated by the petitioner, the infrastructure or fuel supply or distribution system for an applicable alternative fuel is inadequate to meet the needs of a fleet. In the event that the Secretary determines that a modification or suspension of the fleet requirement program on a regional basis would detract from the national or regional character of any fleet requirement program established by rule or would sufficiently diminish the economies of scale for the production of alternative fueled vehicles or alternative fuels and thereby the practicability and effectiveness of such program, the Secretary may only modify or suspend the program nationally. The procedures shall include provisions for notice and public hearings. The Secretary shall deny or grant the petition within 180 days after filing.

(o) Mandatory State fleet programs

(1) Pursuant to a rule promulgated by the Secretary, beginning in calendar year 1985 (when model year 1996 begins), the following percentages of new light duty motor vehicles acquired annually for State government fleets, including agencies thereof, but not municipal fleets, shall be alternative fueled vehicles:

(A) 10 percent of the motor vehicles acquired in model year 1996;

(B) 15 percent of the motor vehicles acquired in model year 1997;

(C) 25 percent of the motor vehicles acquired in model year 1998;

(D) 50 percent of the motor vehicles acquired in model year 1999;

(E) 75 percent of the motor vehicles acquired in model year 2000 and thereafter.

(2)(A) The Secretary shall within 18 months after October 24, 1992, promulgate a rule providing that a State may submit a plan within 12 months after such promulgation containing a light duty alternative fueled vehicle plan for State fleets to meet the annual percentages established under paragraph (1) for the acquisition of light duty motor vehicles. The plan shall provide for the voluntary conversion or acquisition or combination thereof, beyond any acquisition required by this subchapter, of such motor vehicles by State, local, or private fleets, in numbers greater than or equal to the number of State alternative fueled vehicles required pursuant to paragraph (1), and all other relevant factors.


References in Text

The Clean Air Act, referred to in subsecs. (b)(1)(C)(ii), (g)(4), and (k)(2), is act July 14, 1955, ch. 366, 69 Stat. 322, as amended, which is classified generally to chapter 5 (§ 7401 et seq.) of this title. Title II of the Act, known as the National Emission Standards Act, is classified generally to subchapter II (§ 7521 et seq.) of chapter 85 of this title. Part C of title II of the Act is classified generally to part C (§ 7581 et seq.) of chapter 85 of this title. For complete classification of this Act to the Code, see Short Title note set out under section 7401 of this title and Tables.

This subchapter, referred to in subsecs. (b)(1)(A), (e)(1)(A), (g)(3), (j), and (o)(2)(B), was in the original ‘‘this title’’ meaning title V of Pub. L. 102–486, Oct. 24, 1992, 102 Stat. 2887, which is classified generally to this subchapter.

Codification


§ 13258. Credits

(a) Definitions

In this section:

(1) Fuel cell electric vehicle

The term ‘‘fuel cell electric vehicle’’ means an on-road or non-road vehicle that uses a fuel cell (as defined in section 10152 of this title).

(2) Hybrid electric vehicle

The term ‘‘hybrid electric vehicle’’ means a new qualified hybrid motor vehicle (as defined in section 30B(d)(3) of title 26).

(3) Medium- or heavy-duty electric vehicle

The term ‘‘medium- or heavy-duty electric vehicle’’ means an electric, hybrid electric, or
plug-in hybrid electric vehicle with a gross vehicle weight of more than 8,501 pounds.

(4) Neighborhood electric vehicle

The term “neighborhood electric vehicle” means a 4-wheeled on-road or nonroad vehicle that—

(A) has a top attainable speed in 1 mile of more than 20 mph and not more than 25 mph on a paved level surface; and

(B) is propelled by an electric motor and on-board, rechargeable energy storage system that is rechargeable using an off-board source of electricity.

(5) Plug-in electric drive vehicle

The term “plug-in electric drive vehicle” means a vehicle that—

(A) draws motive power from a battery with a capacity of at least 4 kilowatt-hours; (B) can be recharged from an external source of electricity for motive power; and

(C) is a light-, medium-, or heavy duty motor vehicle or nonroad vehicle (as those terms are defined in section 7550 of this title).

(b) In general

(1) Allocation

The Secretary shall allocate a credit to a fleet or covered person that is required to acquire an alternative fueled vehicle under this subchapter, if that fleet or person acquires an alternative fueled vehicle in excess of the number that fleet or person is required to acquire under this subchapter. In the event that a fleet or person acquires an alternative fueled vehicle under such subchapter and that fleet or person acquires an alternative fueled vehicle under this subchapter or acquires an alternative fueled vehicle in excess of the number that fleet or person is required to acquire under this subchapter or acquires an alternative fueled vehicle of the type for which the credit is allocated in the year designated by that fleet or person when determining whether that fleet or person has complied with this subchapter in the year designated. A credit may be counted toward compliance for only one year.

(d) Use of credits

At the request of a fleet or covered person allocated a credit under this section, the Secretary shall treat the credit as the acquisition of one alternative fueled vehicle of the type for which the credit is allocated in the year designated by that fleet or person when determining whether that fleet or person has complied with this subchapter in the year designated. A transferred credit may be counted toward compliance only if the requirement of section 13251(a)(4) of this title is met.

(f) Authorization of appropriations

There are authorized to be appropriated such sums as are necessary to carry out this section for each of fiscal years 2008 through 2013.

(AMENDMENTS)


Subsec. (b). Pub. L. 110–140, § 133(1), redesignated subsec. (a) as (b), designated existing provisions as par. (1), inserted par. heading, and added par. (2). Former subsec. (b) redesignated (c).

Subsec. (c). Pub. L. 110–140, § 133(1), redesignated subsec. (b) as (c) and substituted “subsection (b)” for “subsection (a)”. Former subsec. (c) redesignated (d).

Subsecs. (d), (e). Pub. L. 110–140, § 133(1), redesignated subsecs. (c) and (d) as (d) and (e), respectively.


EFFECTIVE DATE OF 2007 AMENDMENT

Amendment by Pub. L. 110–140 effective on the date that is 1 day after Dec. 19, 2007, see section 1601 of Pub. L. 110–140, set out as an Effective Date note under section 1824 of Title 2, The Congress.
§ 13259. Secretary's recommendations to Congress

(a) Recommendations to require availability or acquisition

If the Secretary determines, under section 13257(f) of this title, that a fleet requirement program under section 13257 of this title is not necessary, the Secretary shall so notify the Congress. If the Secretary so notifies the Congress, the Secretary shall, within 2 years after such notification and by rule, prepare and submit to the Congress recommendations for requirements or incentives for—

(1) fuel suppliers to make available to the public replacement fuels, including providing for the construction or availability of related fuel delivery systems;
(2) suppliers of alternative fueled vehicles to make available to the public alternative fueled vehicles and to ensure the availability of necessary related services; and
(3) motor vehicle drivers to use replacement fuels,

to the extent necessary to achieve such goals of replacement fuel use and to ensure that the availability of alternative fuels and of alternative fueled vehicles are consistent with each other.

(b) Fair and equitable application

In carrying out this section, the Secretary shall recommend the imposition of requirements proportionately on all appropriate fuel suppliers and purchasers of motor fuels and suppliers and purchasers of motor vehicles in a fair and equitable manner.


§ 13260. Effect on other laws

(a) In general

Nothing in this Act or the amendments made by this Act shall be construed to alter, affect, or modify the provisions of the Clean Air Act [42 U.S.C. 7401 et seq.], or regulations issued thereunder.

(b) Compliance by alternative fueled vehicles

Alternative fueled vehicles, whether dedicated vehicles or dual fueled vehicles, and the alternative fuels for operating such vehicles, shall comply with requirements of the Clean Air Act [42 U.S.C. 7401 et seq.] applicable to such vehicles and fuels.


REFERENCES IN TEXT


§ 13261. Prohibited acts

It shall be unlawful for any person to violate any provision of section 13251, 13253(b), 13257, or 13263a of this title, or any regulation issued under such sections.


AMENDMENTS

2005—Pub. L. 109–58 substituted “13257, or 13263a” for “13257”.

§ 13262. Enforcement

(a) Violation

Whoever violates section 13261 of this title shall be subject to a civil penalty of not more than $5,000 for each violation.

(b) Willful violation

Whoever willfully violates section 13261 of this title shall be fined not more than $10,000 for each violation.

(c) Knowing and willful violation following prior violation and penalty

Any person who knowingly and willfully violates section 13261 of this title after having been subjected to a civil penalty for a prior violation of section 13261 of this title shall be fined not more than $50,000.


§ 13263. Powers of Secretary

For the purpose of carrying out subchapter I, subchapter II, this subchapter, and subchapter IV, the Secretary, or the duly designated agent of the Secretary, may hold such hearings, take such testimony, sit and act at such times and places, administer such oaths, and require, by subpoena, the attendance and testimony of such witnesses and the production of such books, papers, correspondence, memorandums, contracts, agreements, or other records as the Secretary of Transportation is authorized to do under section 32910(a)(1) of title 49.


REFERENCES IN TEXT


CODIFICATION

In text, “section 32910(a)(1) of title 49” substituted for “section 505(b)(1) of the Motor Vehicle Information and Cost Savings Act (15 U.S.C. 2005(b)(1))” on authority of
§ 13263a. Alternative compliance

(a) Application for waiver

Any covered person subject to section 13251 of this title or any State subject to section 13257(o) of this title may petition the Secretary for a waiver of the applicable requirements of section 13251 or 13257(o) of this title.

(b) Grant of waiver

The Secretary shall grant a waiver of the requirements of section 13251 or 13257(o) of this title on a showing that the fleet owned, operated, leased, or otherwise controlled by the State or covered person—

(1) will achieve a reduction in the annual consumption of petroleum fuels by the fleet equal to—

(A) the reduction in consumption of petroleum that would result from 100 percent cumulative compliance with the fuel use requirements of section 13251 of this title; or

(B) in the case of an entity covered under section 13257(o) of this title, a reduction equal to the annual consumption by the State entity of alternative fuels if all of the cumulative alternative fuel vehicles of the State entity given credit under section 13258 of this title were to use alternative fuel 100 percent of the time; and

(2) is in compliance with all applicable vehicle emission standards established by the Administrator of the Environmental Protection Agency under the Clean Air Act (42 U.S.C. 7401 et seq.).

(c) Reporting requirement

Not later than December 31 of a model year, any State or covered person granted a waiver under this section for the preceding model year shall submit to the Secretary an annual report—

(1) certifies the quantity of the petroleum motor fuel reduction of the State or covered person during the preceding model year; and

(2) projects the baseline quantity of the petroleum motor fuel reduction of the State or covered person during the following model year.

(d) Revocation of waiver

If a State or covered person that receives a waiver under this section fails to comply with this section, the Secretary—

(1) shall revoke the waiver; and

(2) may impose on the State or covered person a penalty under section 13262 of this title.


REFERENCES IN TEXT

The Clean Air Act, referred to in subsec. (b)(2), is act July 14, 1955, ch. 360, 69 Stat. 322, as amended, which is classified generally to chapter 85 (§ 7401 et seq.) of this title. For complete classification of this Act to the Code, see Short Title note set out under section 7401 of this title and Tables.
(8) the term "motor vehicle" has the meaning given such term under section 7550(2) of this title;  
(9) the term "non-Federal person" means an entity not part of the Federal Government that is either—  
(A) organized under the laws of the United States or the laws of a State of the United States; or  
(B) a unit of State or local government;  
(10) the term "proposer" means a non-Federal person that submits a proposal to conduct a demonstration project under this subsection;  
(11) the term "price differential" means—  
(A) in the case of a purchased electric motor vehicle, the difference between the manufacturer's suggested retail price of such electric motor vehicle and the manufacturer's suggested retail price of a comparable conventionally fueled motor vehicle; and  
(B) in the case of a leased electric motor vehicle, the difference between the monthly lease payment of such electric motor vehicle over the life of the lease and the monthly lease payment of a comparable conventionally fueled motor vehicle over the life of the lease; and  
(12) the term "user" means a person or entity that purchases or leases an electric motor vehicle.

§ 13281. Program and solicitation

(a) Program  
The Secretary shall conduct a program to demonstrate electric motor vehicles and the associated equipment of such vehicles, in consultation with the Electric and Hybrid Vehicle Program Site Operators, manufacturers, the electric utility industry, and such other persons as the Secretary considers appropriate. Such program shall be—  
(1) designed to accelerate the development and use of electric motor vehicles; and  
(2) structured to evaluate the performance of such electric motor vehicles in field operation, including fleet operation, and evaluate the necessary supporting infrastructure.

(b) Solicitation  
(1) Not later than 18 months after October 24, 1992, the Secretary shall solicit proposals to demonstrate electric motor vehicles and associated equipment in one or more eligible metropolitan areas. The Secretary may make additional solicitations for proposals if the Secretary determines that such solicitations are necessary to carry out this part.  
(2)(A) Solicitations for proposals under this subsection shall require the proposer to include a description, including the manufacturer or manufacturers of the electric motor vehicles; the proposed users of the electric motor vehicles; the eligible metropolitan area or areas involved; the number of electric motor vehicles to be demonstrated and their type, characteristics, and life-cycle costs; the price differential; the proposed discount payment; the contributions of State or local governments and other persons to the demonstration project; the type of associated equipment to be demonstrated; the domestic content of the electric motor vehicles and associated equipment; and any other information the Secretary considers appropriate.  
(B) If the proposal includes a lease arrangement, the proposal shall indicate the terms of such lease arrangement for the electric motor vehicles or associated equipment.  
(3) The solicitation for proposals under this subsection shall establish a closing date for receipt of proposals. The Secretary may, if necessary, extend the closing date for receipt of proposals for a period not to exceed 90 days.

§ 13282. Selection of proposals

(a) Selection  
(1) The Secretary, in consultation with the Secretary of Transportation, the Secretary of Commerce, and the Administrator of the Environmental Protection Agency, shall, not later than 120 days after the closing date, established by the Secretary, for receipt of proposals under section 13281 of this title, select at least one, but not more than 10, proposals to receive financial assistance under section 13283 of this title.  
(2) The Secretary may select more than 10 proposals under this section, if the Secretary determines that the total amount of available funds is not likely to be otherwise utilized.  
(3) Any proposal selected under paragraph (1) must satisfy the limitations set forth in section 13283(c) of this title.  
(4) No one project selected under this section shall receive more than 25 percent of the funds authorized under section 13286 of this title.  
(5) A demonstration project may not include electric motor vehicles in more than one eligible metropolitan area, unless the total number of electric motor vehicles in that project is equal to, or greater than, 100.

(b) Criteria  
In selecting a proposal and in negotiating financial assistance under this section, the Secretary shall consider—  
(1) the ability of the manufacturer, directly, indirectly, or in combination with the proposer, to develop, assist in the demonstration of, manufacture, distribute, sell, provide warranties for, service, and ensure the continued availability of parts for, electric motor vehicles in the demonstration project;  
(2) the geographic and climatic diversity of the eligible metropolitan area or areas in which the demonstration project is to be undertaken, when considered in combination with other proposals and other selected demonstration projects;  
(3) the long-term technical and competitive viability of the electric motor vehicles;  
(4) the suitability of the electric motor vehicles for their intended uses;
(5) the environmental effects of the use of the proposed electric motor vehicles;
(6) the price differential and the proposed discount payment;
(7) the extent of involvement of State or local government and other persons in the demonstration project, and whether such involvement will—
   (A) permit a reduction of the Federal cost share per vehicle; or
   (B) otherwise be used to allow the Federal contribution to be provided for a greater number of electric motor vehicles;
(8) the proportion of domestic content of the electric motor vehicles and associated equipment;
(9) the safety of the electric motor vehicles; and
(10) such other criteria as the Secretary considers appropriate.

(c) Conditions
The Secretary shall require that—
(1) as a part of a demonstration project, the user or users of the electric motor vehicles will provide to the proposer and the manufacturer information regarding the operation, maintenance, performance, and use of the electric motor vehicles for 5 years after the beginning of the demonstration project;
(2) the proposer shall provide to the Secretary such information regarding the operation, maintenance, performance, and use of the electric motor vehicles as the Secretary may request during the period of the demonstration project;
(3) in the case of a demonstration project including automobiles or light duty trucks, the number of electric motor vehicles to be included in the demonstration project shall be no less than 50, except that the Secretary may select a demonstration project with fewer than 50 electric motor vehicles if the Secretary determines that selection of such a proposal will ensure that there is geographic or climatic diversity among the proposals selected and that an adequate demonstration to accelerate the development and use of electric motor vehicles can be undertaken with fewer than 50 electric motor vehicles; and
(4) the procurement practices of the manufacturer do not discriminate against United States producers of vehicle parts.


§ 13284. Cost-sharing

(a) Requirement
The Secretary shall require at least 50 percent of the costs directly and specifically related to any project under this part to be from non-Federal sources. Such share may be in the form of cash, personnel, services, equipment, and other resources.

(b) Reduction
The Secretary may reduce the amount of costs required to be provided by non-Federal sources under subsection (a) if the Secretary determines that the reduction is necessary and appropriate—
(1) considering the technological risks involved in the project; and
(2) in order to meet the objectives of this part.


§ 13285. Reports to Congress

(a) Progress reports
The Secretary shall report annually to Congress on the progress being made, through demonstration projects supported under this part, to accelerate the development and use of electric motor vehicles.

(b) Report on encouraging purchase and use of electric motor vehicles
Within 18 months after October 24, 1992, the Secretary shall submit to the Congress a report on methods for encouraging the purchase and use of electric motor vehicles. Such report shall—
(1) address the potential cost of purchasing and maintaining electric motor vehicles, including the initial cost of the batteries and the cost of replacement batteries;
§ 13291. General authority

(a) Program

The Secretary shall undertake a program with one or more non-Federal persons, including fleet operators, for cost-shared research, development, demonstration, or commercial application of an infrastructure and support systems program.

(b) Eligibility

A non-Federal person shall be eligible to receive financial assistance under this part only if such person demonstrates, to the satisfaction of the Secretary, that the person will conduct a project in the United States using domestic labor and materials.

(c) Coordination

Activities under this part shall be coordinated with activities under part A.

§ 13292. Proposals

(a) Solicitation

Not later than one year after October 24, 1992, the Secretary shall solicit proposals from non-Federal persons, including fleet operators, for projects under this part. Within 240 days after proposals have been solicited, the Secretary shall select proposals.

(b) Criteria

(1) The Secretary shall provide financial assistance to more than 10 projects under this part, unless the Secretary determines that the total amount of available funds is not likely to be otherwise used.

(2) The proposals selected by the Secretary shall, to the extent practicable, represent graphically and climatically diverse regions of the United States.

(3) The aggregate Federal financial assistance for each project under this part may not exceed $4,000,000.

(c) Projects

The infrastructure and support systems programs for which projects are selected under this part may address—

(1) the ability to service electric motor vehicles and to provide or service associated equipment;

(2) the installation of charging facilities;

(3) rates and cost recovery for electric utilities who invest in infrastructure capital-related expenditures;

(4) the development of safety and health procedures and guidelines related to battery charging, watering, and emissions;

(5) the conduct of information dissemination programs; and

(6) such other subjects as the Secretary considers necessary in order to address the infrastructure and support systems needed to support the development and use of energy storage technologies, including advanced batteries, and the demonstration of electric motor vehicles.

§ 13293. Protection of proprietary information

(a) In general

In the case of activities, including joint venture activities, under this subchapter, and in the case of any existing or future activities, including joint venture activities, related primarily to battery technology for electric motor vehicles under other provisions of law, where the knowledge resulting from research and development activities conducted pursuant to such activities, including joint venture activities, is for the benefit of the participants (particularly domestic companies) that provide financial resources to a project under this subchapter, the Secretary, for a period of up to 5 years after the development of information that—

(1) results from research and development activities conducted under this subchapter; and

(2) would be a trade secret or commercial or financial information that is privileged or confidential if the information had been obtained from a participant,

shall, notwithstanding any other provision of law, provide appropriate protections against the dissemination of such information to Congress.

(b) “Domestic companies” defined

For purposes of subsection (a), the term “domestic companies” means entities which are substantially involved in the United States in the domestic production of motor vehicles for sale in the United States and have a substantial percentage of their production facilities in the United States.

§ 13294. Compliance with existing law

Nothing in this subchapter shall be deemed to convey to any person, partnership, corporation, or other entity, immunity from civil or criminal liability under any antitrust law or to create defenses to actions under any antitrust law.
RENEWABLE ENERGY

§ 13311. Purposes
The purposes of this subchapter are to promote—
(1) increases in the production and utilization of energy from renewable energy resources;
(2) further advances of renewable energy technologies; and
(3) exports of United States renewable energy technologies and services.

§ 13312. Renewable energy export technology training
(a) Establishment of program
The Secretary, through the Agency for International Development, shall establish a program for the training of individuals from developing countries in the operation and maintenance of renewable energy and energy efficiency technologies in accordance with this section. The Secretary and the Administrator of the Agency for International Development shall, within one year after October 24, 1992, enter into a written agreement to carry out this program.

(b) Purpose
The purpose of the program established under this section shall be to train appropriate persons in the system design, operation, and maintenance of renewable energy and energy efficiency technologies in accordance with this section. The Secretary and the Administrator of the Agency for International Development shall, within one year after October 24, 1992, enter into a written agreement to carry out this program.

(c) Authorization of appropriations
There are authorized to be appropriated to the Secretary $40,000,000 for the 5-year period beginning with the first full fiscal year after October 24, 1992, to remain available until expended.

§ 13313. Renewable Energy Advancement Awards
(a) Authority
The Secretary shall make Renewable Energy Advancement Awards in recognition of developments that advance the practical application of biomass, geothermal, hydroelectric, photovoltaic, solar thermal, ocean thermal, and wind technologies to consumer, utility, or industrial uses, in accordance with this section. Except as provided in subsection (f), Renewable Energy Advancement Awards shall include a cash award.

(b) Selection criteria
The Secretary, in consultation with the Advisory Committee on Demonstration and Commercial Application of Renewable Energy and Energy Efficiency Technologies (in this section referred to as the “Advisory Committee”), under section 12005 of this title, shall develop criteria to be applied in the selection of award recipients under this section. Such criteria shall include the following:
(1) The degree to which the technological development increases the utilization of renewable energy.
(2) The degree to which the development will have a significant impact, by benefitting a large number of people, by reducing the costs of an important industrial process or commercial product or service, or otherwise.
(3) The ingenuity of the development.
(4) Whether the application has significant export potential.
(5) The environmental soundness of the development.

(c) Selection
Beginning in fiscal year 1994, and annually thereafter for a period of 10 years, the Secretary, in consultation with the Advisory Committee, shall select developments described in subsection (a) that are worthy of receiving an award under this section, and shall make such awards.

(d) Eligibility
Awards may be made under this section only to individuals who are United States nationals or permanent resident aliens, or to non-Federal organizations that are organized under the laws of the United States or the laws of a State of the United States.

(e) Authorization of appropriations
There are authorized to be appropriated to the Secretary $50,000 for each of the fiscal years 1994, 1995, and 1996 for carrying out this section.

(f) Awards made in absence of appropriations
The Secretary shall make honorary awards under this section if sufficient funds are not available for financial awards in any fiscal year.

§ 13314. Study of tax and rate treatment of renewable energy projects
(a) The Secretary, in conjunction with State regulatory commissions, shall undertake a study to determine if conventional taxation and
ratemaking procedures result in economic barriers to or incentives for renewable energy power plants compared to conventional power plants.

(b) Within 1 year after October 24, 1992, the Secretary shall submit a report to the Congress on the results of the study undertaken under subsection (a).


§13315. Data system and energy technology evaluation

The Secretary of Commerce, in his or her role as a member of the interagency working group established under section 6276 of this title, shall—

(1) develop a comprehensive data base and information dissemination system, using the National Trade Data Bank and the Commercial Information Management System of the Department of Commerce, that will provide information on the specific energy technology needs of foreign countries, and the technical and economic competitiveness of various renewable energy and energy efficiency products and technologies;

(2) make such information available to industry, Federal and multilateral lending agencies, nongovernmental organizations, host-country and donor-agency officials, and such others as the Secretary of Commerce considers necessary; and

(3) prepare and transmit to the Congress not later than June 1, 1993, and biennially thereafter, a comprehensive report evaluating the full range of energy and environmental technologies necessary to meet the energy needs of foreign countries, including—

(A) information on the specific energy needs of foreign countries;

(B) an inventory of United States technologies and services to meet those needs;

(C) an update on the status of ongoing bilateral and multilateral programs which promote United States exports of renewable energy and energy efficiency products and technologies; and

(D) an evaluation of current programs (and recommendations for future programs) that develop and promote energy efficiency and sustainable use of indigenous renewable energy resources in foreign countries to reduce the generation of greenhouse gases.


§13316. Innovative renewable energy technology transfer program

(a) Establishment of program

The Secretary, through the Agency for International Development, and in consultation with the other members of the interagency working group established under section 6276(d) of this title (in this section referred to as the “interagency working group”), shall establish a renewable energy technology transfer program to carry out the purposes described in subsection (b). Within 150 days after October 24, 1992, the Secretary and the Administrator of the Agency for International Development shall enter into a written agreement to carry out this section. The agreement shall establish a procedure for resolving any disputes between the Secretary and the Administrator regarding the implementation of specific projects. With respect to countries not assisted by the Agency for International Development, the Secretary may enter into agreements with other appropriate Federal agencies. If the Secretary and the Administrator, or the Secretary and an agency described in the preceding sentence, are unable to reach an agreement, each shall send a memorandum to the President outlining an appropriate agreement. Within 90 days after receipt of either memorandum, the President shall determine which version of the agreement shall be in effect. Any agreement entered into under this subsection shall be provided to the appropriate committees of the Congress and made available to the public.

(b) Purposes of program

The purposes of the technology transfer program under this section are to—

(1) reduce the United States balance of trade deficit through the export of United States renewable energy technologies and technological expertise;

(2) retain and create manufacturing and related service jobs in the United States;

(3) encourage the export of United States renewable energy technologies, including services related thereto, to those countries that have a need for developmentally sound facilities to provide energy derived from renewable resources;

(4) develop markets for United States renewable energy technologies to be utilized in meeting the energy and environmental requirements of foreign countries;

(5) better ensure that United States participation in energy-related projects in foreign countries includes participation by United States firms as well as utilization of United States technologies that have been developed or demonstrated in the United States through publicly or privately funded demonstration programs;

(6) ensure the introduction of United States firms and expertise in foreign countries;

(7) provide financial assistance by the Federal Government to foster greater participation by United States firms in the financing, ownership, design, construction, or operation of renewable energy technology projects in foreign countries;

(8) assist foreign countries in meeting their energy needs through the use of renewable energy in an environmentally acceptable manner, consistent with sustainable development policies; and

(9) assist United States firms, especially firms that are in competition with firms in foreign countries, to obtain opportunities to transfer technologies to, or undertake projects in, foreign countries.

(c) Identification

Pursuant to the agreements required by subsection (a), the Secretary, through the Agency
for International Development, and after consultation with the interagency working group, United States firms, and representatives from foreign countries, shall develop mechanisms to identify potential energy projects in host countries, and shall identify a list of such projects within 240 days after October 24, 1992, and periodically thereafter.

(d) Financial mechanisms

(1) Pursuant to the agreements under subsection (a), the Secretary, through the Agency for International Development, shall—

(A) establish appropriate financial mechanisms to increase the participation of United States firms in energy projects utilizing United States renewable energy technologies, and services related thereto, in developing countries;

(B) utilize available financial assistance authorized by this section to counterbalance assistance provided by foreign governments to non-United States firms; and

(C) provide financial assistance to support projects.

(2) The financial assistance authorized by this section may be—

(A) provided in combination with other forms of financial assistance, including non-United States funding that is available to the project; and

(B) utilized to assist United States firms in the development of innovative financing packages for renewable energy technology projects that utilize other financial assistance programs available through the Federal Government.

(3) United States obligations under the Arrangement on Guidelines for Officially Supported Export Credits established through the Organization for Economic Cooperation and Development shall be applicable to this section.

(e) Solicitations for project proposals

(1) Pursuant to the agreements under subsection (a), the Secretary, through the Agency for International Development, within one year after October 24, 1992, and subsequently as appropriate thereafter, shall solicit proposals from United States firms for the design, construction, testing, and operation of the project or projects identified under subsection (c) which propose to utilize a United States renewable energy technology. Each solicitation under this section shall establish a closing date for receipt of proposals.

(2) The solicitation under this subsection shall, to the extent appropriate, be modeled after the RFP No. DE–PS01–90FE62271 Clean Coal Technology IV, as administered by the Department of Energy.

(3) Any solicitation made under this subsection shall include the following requirements:

(A) The United States firm that submits a proposal in response to the solicitation shall have an equity interest in the proposed project.

(B) The project shall utilize a United States renewable energy technology, including services related thereto, in meeting the applicable energy and environmental requirements of the host country.

(C) Proposals for projects shall be submitted by and undertaken with a United States firm, although a joint venture or other teaming arrangement with a non-United States manufacturer or other non-United States entity is permissible.

(f) Assistance to United States firms

Pursuant to the agreements under subsection (a), the Secretary, through the Agency for International Development, and in consultation with the interagency working group, shall establish a procedure to provide financial assistance to United States firms under this section for a project identified under subsection (c) where solicitations for the project are being conducted by the host country or by a multilateral lending institution.

(g) Other program requirements

Pursuant to the agreements under subsection (a), the Secretary, through the Agency for International Development, and in consultation with the working group, shall—

(1) establish eligibility criteria for host countries;

(2) periodically review the energy needs of such countries and export opportunities for United States firms for the development of projects in such countries;

(3) consult with government officials in host countries and, as appropriate, with representatives of utilities or other entities in host countries, to determine interest in and support for potential projects; and

(4) determine whether each project selected under this section is developmentally sound, as determined under the criteria developed by the Development Assistance Committee of the Organization for Economic Cooperation and Development.

(h) Selection of projects

(1) Pursuant to the agreements under subsection (a), the Secretary, through the Agency for International Development, shall, not later than 120 days after receipt of proposals in response to a solicitation under subsection (e), select one or more proposals under this section.

(2) In selecting a proposal under this section, the Secretary, through the Agency for International Development, shall consider—

(A) the ability of the United States firm, in cooperation with the host country, to undertake and complete the project;

(B) the degree to which the equipment to be included in the project is designed and manufactured in the United States;

(C) the long-term technical and competitive viability of the United States technology, and services related thereto, and the ability of the United States firm to compete in the development of additional energy projects using such technology in the host country and in other foreign countries;

(D) the extent of technical and financial involvement of the host country in the project;

(E) the extent to which the proposed project meets the purposes stated in section 13311(b) of this title;

1 So in original. Probably should be section "13316(b)".
§ 13317

(1) the extent of technical, financial, management, and marketing capabilities of the participants in the project, and the commitment of the participants to completion of a successful project in a manner that will facilitate acceptance of the United States technology for future application; and

(2) such other criteria as may be appropriate.

(j) Reports to Congress

The Secretary and the Administrator of the Agency for International Development shall report annually to the Committee on Energy and Natural Resources of the Senate and the appropriate committees of the House of Representatives on the progress being made to introduce renewable energy technologies into foreign countries.

(l) Definitions

For purposes of this section—

(1) the term "host country" means a foreign country which is—

(A) the participant in or the site of the proposed renewable energy technology project; and

(B) either—

(i) classified as a country eligible to participate in development assistance programs of the Agency for International Development pursuant to applicable law or regulation; or

(ii) a developing country.

(2) the term "developing country" includes, but is not limited to, countries in Central and Eastern Europe or in the independent states of the former Soviet Union.

(m) Authorization of appropriations

There are authorized to be appropriated to the Secretary to carry out the program required by this section, $100,000,000 for each of the fiscal years 1993, 1994, 1995, 1996, 1997, and 1998.


§ 13317. Renewable energy production incentive

(a) Incentive payments

(1) For electric energy generated and sold by a qualified renewable energy facility during the incentive period, the Secretary shall make, subject to the availability of appropriations, incentive payments to the owner or operator of such facility.

(2) The amount of such payment made to any such owner or operator shall be as determined under subsection (e).

(3) Payments under this section may only be made upon receipt by the Secretary of an incentive payment application which establishes that the applicant is eligible to receive such payment.

(b) Qualified renewable energy facility

For purposes of this section, a qualified renewable energy facility is a facility which is owned, operated, and thermal), or geothermal energy, except that—

(F) the extent of technical, financial, management, and marketing capabilities of the participants in the project, and the commitment of the participants to completion of a successful project in a manner that will facilitate acceptance of the United States technology for future application; and
Payments may be made under this section for a 10-fiscal year period. Such period shall begin with the fiscal year in which electricity generated from the facility is first eligible for such payments, or in which the Secretary determines that all necessary Federal and State authorizations have been obtained to begin construction of the facility.

(e) Amount of payment

(1) In general

Incentive payments made by the Secretary under this section to the owner or operator of any qualified renewable energy facility shall be based on the number of kilowatt hours of electricity generated from the facility through the use of solar, wind, biomass, landfill gas, livestock methane, ocean (including tidal, wave, current, and thermal), or geothermal energy during the payment period referred to in subsection (d). For any facility, the amount of such payment shall be 1.5 cents per kilowatt hour, adjusted as provided in paragraph (2).

(2) Adjustments

The amount of the payment made to any person under this subsection as provided in paragraph (1) shall be adjusted for inflation for each fiscal year beginning after calendar year 1993 in the same manner as provided in the provisions of section 29(d)(2)(B) of title 26, except that in applying such provisions the calendar year 1993 shall be substituted for calendar year 1979.

(f) Sunset

No payment may be made under this section to any facility after September 30, 2026, and no payment may be made under this section to any facility after a payment has been made with respect to such facility for a 10-fiscal year period.

(g) Authorization of appropriations

There are authorized to be appropriated such sums as are necessary to carry out this section for each of fiscal years 2006 through 2026, to remain available until expended.

References in Text


Amendments

2005—Subsec. (a). Pub. L. 109–58, § 202(a), designated first, second, and third sentences as pars. (1) to (3), respectively, in par. (3) struck out “and which satisfies such other requirements as the Secretary deems necessary” after “receive such payment”, struck out at end “Such application shall be in such form, and shall be submitted at such time, as the Secretary shall establish.”, and added par. (4).

Subsec. (b). Pub. L. 109–58, §202(b), in introductory provisions, substituted “a not-for-profit electric cooperative, a public utility described in section 115 of title 26, a State, Commonwealth, territory, or possession of the United States, or the District of Columbia, or a political subdivision thereof, or an Indian tribal government or subdivision thereof, or a Native Corporation (as defined in section 1602 of title 43),” for “a State or any political subdivision of a State (or an agency, authority, or instrumentality of a State or a political subdivision), by any corporation or association which is wholly owned, directly or indirectly, by one or more of the foregoing, or by a nonprofit electrical cooperative” and inserted “landfill gas, livestock methane, ocean (including tidal, wave, current, and thermal),” after “wind, biomass,”.

Subsec. (c). Pub. L. 109–58, §202(c), substituted “before October 1, 2015” for “during the 10-fiscal year period beginning with the first full fiscal year occurring after October 24, 1992”.

Subsec. (d). Pub. L. 109–58, §202(d), inserted “or, in which the Secretary determines that all necessary Federal and State authorizations have been obtained to begin construction of the facility” after “eligible for such payments”.

Subsec. (e)(1). Pub. L. 109–58, §202(e), inserted “landfill gas, livestock methane, ocean (including tidal, wave, current, and thermal),” after “wind, biomass,”.

Subsec. (f). Pub. L. 109–58, §202(f), substituted “September 30, 2026” for “the expiration of the 20-fiscal year period beginning with the first full fiscal year occurring after October 24, 1992”.

Subsec. (g). Pub. L. 109–58, §202(g), added subsec. (g) and struck out heading and text of former subsec. (g). Text read as follows: “There are authorized to be appropriated to the Secretary for fiscal years 1993, 1994, and 1995 such sums as may be necessary to carry out the purposes of this section.”

Subchapter VI—Coal

Part A—Research, Development, Demonstration, and Commercial Application

§ 13331. Coal research, development, demonstration, and commercial application programs

(a) Establishment

The Secretary shall, in accordance with section 13541 and 13542 of this title, conduct programs for research, development, demonstration, and commercial application on coal-based technologies. Such research, development, demonstration, and commercial application programs shall include the programs established under this part, and shall have the goals and objectives of—

(1) ensuring a reliable electricity supply;

(2) complying with applicable environmental requirements;

(3) achieving the control of sulfur oxides, oxides of nitrogen, air toxics, solid and liquid
§ 13331  TITLE 42—THE PUBLIC HEALTH AND WELFARE

wastes, greenhouse gases, or other emissions resulting from coal use or conversion at levels of proficiency greater than or equal to currently available commercial technology;
(4) achieving the cost competitive conversion of coal into energy forms usable in the transportation sector;
(5) demonstrating the conversion of coal to synthetic gaseous, liquid, and solid fuels;
(6) demonstrating, in cooperation with other Federal and State agencies, the use of coal-derived fuels in mobile equipment, with opportunities for industrial cost sharing participation;
(7) ensuring the timely commercial application of cost-effective technologies or energy production processes or systems utilizing coal which achieve—
(A) greater efficiency in the conversion of coal to useful energy when compared to currently available commercial technology for the use of coal; and
(B) the control of emissions from the utilization of coal; and
(8) ensuring the availability for commercial use of such technologies by the year 2010.

(b) Demonstration and commercial application programs

(1) In selecting either a demonstration project or a commercial application project for financial assistance under this part, the Secretary shall seek to ensure that, relative to otherwise comparable commercially available technologies or products, the selected project will meet one or more of the following criteria:
(A) It will reduce environmental emissions to an extent greater than required by applicable provisions of law.
(B) It will increase the overall efficiency of the utilization of coal, including energy conversion efficiency and, where applicable, production of products derived from coal.
(C) It will be a more cost-effective technological alternative, based on life cycle capital and operating costs per unit of energy produced and, where applicable, costs per unit of product produced.

Priority in selection shall be given to those projects which, in the judgment of the Secretary, best meet one or more of these criteria.

(2) In administering demonstration and commercial application programs authorized by this part, the Secretary shall establish accounting and project management controls that will be adequate to control costs.

(3)(A) Not later than 180 days after October 24, 1992, the Secretary shall establish procedures and criteria for the recoupment of the Federal share of each cost shared demonstration and commercial application project authorized pursuant to this part. Such recoupment shall occur within a reasonable period of time following the date of completion of such project, but not later than 20 years following such date, taking into account the effect of recoupment on—
(i) the commercial competitiveness of the entity carrying out the project;
(ii) the profitability of the project; and
(iii) the commercial viability of the coal-based technology utilized.
(B) The Secretary may at any time waive or defer all or some portion of the recoupment requirement as necessary for the commercial viability of the project.

(4) Projects selected by the Secretary under this part for demonstration or commercial application of a technology shall, in the judgment of the Secretary, be capable of enhancing the state of the art for such technology.

(c) Report

Within 240 days after October 24, 1992, the Secretary shall transmit to the Committee on Energy and Commerce and the Committee on Science, Space, and Technology of the House of Representatives and to the Committee on Energy and Natural Resources of the Senate a report which shall include each of the following:

(1) A detailed description of ongoing research, development, demonstration, and commercial application activities regarding coal-based technologies undertaken by the Department of Energy, other Federal or State government departments or agencies and, to the extent such information is publicly available, other public or private organizations in the United States and other countries.

(2) A listing and analysis of current Federal and State government regulatory and financial incentives that could further the goals of the programs established under this part.

(3) Recommendations regarding the manner in which any ongoing coal-based demonstration and commercial application program might be modified and extended in order to ensure the timely demonstrations of advanced coal-based technologies so as to ensure that the goals established under this section are achieved and that such demonstrated technologies are available for commercial use by the year 2010.

(4) Recommendations, if any, regarding the manner in which the cost sharing demonstrations conducted pursuant to the Clean Coal Program established by Public Law 98–473 might be modified and extended in order to ensure the timely demonstration of advanced coal-based technologies.

(5) A detailed plan for conducting the research, development, demonstration, and commercial application programs to achieve the goals and objectives of subsection (a) of this section, which plan shall include a description of—
(A) the program elements and management structure to be utilized;
(B) the technical milestones to be achieved with respect to each of the advanced coal-based technologies included in the plan; and
(C) the dates at which further deadlines for additional cost sharing demonstrations shall be established.

(d) Status reports

Within one year after transmittal of the report described in subsection (c), and every 2 years thereafter for a period of 6 years, the Secretary shall transmit to the Congress a report that provides a detailed description of the status
of development of the advanced coal-based technologies and the research, development, demonstration, and commercial application activities undertaken to carry out the programs required by this part.

(e) Consultation

In carrying out research, development, demonstration, and commercial application activities under this part, the Secretary shall consult with the National Coal Council and other representatives of the public and private sectors as the Secretary considers appropriate.


REFERENCES IN TEXT


CHANGE OF NAME


§13332. Coal-fired diesel engines

The Secretary shall conduct a program of research, development, demonstration, and commercial application for utilizing coal-derived liquid or gaseous fuels, including ultra-clean coal-water slurries, in diesel engines. The program shall address—

(1) required engine retrofit technology;
(2) coal-fuel production technology;
(3) emission control requirements;
(4) the testing of low-Btu highly reactive fuels;
(5) fuel delivery and storage systems requirements; and
(6) other infrastructure required to support commercial deployment.


§13333. Clean coal, waste-to-energy

The Secretary shall establish a program of research, development, demonstration, and commercial application with respect to the use of solid waste combined with coal as a fuel source for clean coal combustion technologies. The program shall address—

(1) the feasibility of cofiring coal and used vehicle tires in fluidized bed combustion units;
(2) the combined gasification of coal and municipal sludge using integrated gasification combined cycle technology;
(3) the creation of fuel pellets combining coal and material reclaimed from solid waste;
(4) the feasibility of cofiring, in fluidized bed combustion units, waste methane from coal mines, including ventilation air, together with coal or coal wastes; and
(5) other sources of waste and coal mixtures in other applications that the Secretary considers appropriate.


§13334. Nonfuel use of coal

(a) Program

The Secretary shall prepare a plan for and carry out a program of research, development, demonstration, and commercial application with respect to technologies for the nonfuel use of coal, including—

(1) production of coke and other carbon products derived from coal;
(2) production of coal-derived, carbon-based chemical intermediates that are precursors of value-added chemicals and polymers;
(3) production of chemicals from coal-derived synthesis gas;
(4) coal treatment processes, including methodologies such as solvent-extraction techniques that produce low ash, low sulfur, coal-based chemical feedstocks; and
(5) waste utilization, including recovery, processing, and marketing of products derived from sulfur, carbon dioxide, nitrogen, and ash from coal.

(b) Plan contents

The plan described in subsection (a) shall address and evaluate—

(1) the known and potential processes for using coal in the creation of products in the chemical, utility, fuel, and carbon-based materials industries;
(2) the costs, benefits, and economic feasibility of using coal products in the chemical and materials industries, including value-added chemicals, carbon-based products, coke, and waste derived from coal;
(3) the economics of coproduction of products from coal in conjunction with the production of electric power, thermal energy, and fuel;
(4) the economics of the refining of coal and coal byproducts to produce nonfuel products;
(5) the economics of coal utilization in comparison with other feedstocks that might be used for the same purposes;
(6) the steps that can be taken by the public and private sectors to bring about commercialization of technologies developed under the program recommended; and
(7) the past development, current status, and future potential of coal products and processes associated with nonfuel uses of coal.


§13335. Coal refinery program

(a) Program

The Secretary shall conduct a program of research, development, demonstration, and commercial application for coal refining technologies.

(b) Objectives

The program shall include technologies for refining high sulfur coals, low sulfur coals, sub-bi-
§ 13336. Coalbed methane recovery

(a) Study of barriers and environmental and safety aspects

The Secretary, in consultation with the Administrator of the Environmental Protection Agency and the Secretary of the Interior, shall conduct a study of—

(1) technical, economic, financial, legal, regulatory, institutional, or other barriers to coalbed methane recovery, and of policy options for eliminating such barriers; and

(2) the environmental and safety aspects of flaring coalbed methane liberated from coal mines.

Within two years after October 24, 1992, the Secretary shall submit a report to the Congress detailing the results of such study.

(b) Information dissemination

Beginning one year after October 24, 1992, the Secretary, in consultation with the Administrator of the Environmental Protection Agency and the Secretary of the Interior, shall disseminate to the public information on state-of-the-art coalbed methane recovery techniques, including information on costs and benefits.

(c) Demonstration and commercial application program

The Secretary, in consultation with the Administrator of the Environmental Protection Agency and the Secretary of the Interior, shall establish a coalbed methane recovery demonstration and commercial application program, which shall emphasize gas enrichment technology. Such program shall address—

(1) gas enrichment technologies for enriching medium-quality methane recovered from coal mines to pipeline quality;

(2) technologies to use mine ventilation air in nearby power generation facilities, including gas turbines, internal combustion engines, or other coal fired powerplants;

(3) technologies for cofiring methane recovered from mines, including methane from ventilation systems and degasification systems, together with coal in conventional or clean coal technology boilers; and

(4) other technologies for producing and using methane from coal mines that the Secretary considers appropriate.


§ 13337. Metallurgical coal development

(a) Program

The Secretary shall establish a research, development, demonstration, and commercial application program on metallurgical coal utilization for the purpose of developing techniques that will lead to the greater and more efficient utilization of the Nation’s metallurgical coal resources.

(b) Use as boiler fuel

The program referred to in subsection (a) shall include the use of metallurgical coal—

(1) as a boiler fuel for the purpose of generating steam to produce electricity, including blending metallurgical coal with other coals in order to enhance its efficient application as a boiler fuel;

(2) as an ingredient in the manufacturing of steel; and

(3) as a source of pipeline quality coalbed methane.


§ 13338. Utilization of coal wastes

(a) Coal waste utilization program

The Secretary, in consultation with the Secretary of the Interior, shall establish a research, development, demonstration, and commercial application program on coal waste utilization for the purpose of developing techniques that will lead to the greater and more efficient utilization of coal wastes from mining and processing, other than coal ash.

(b) Use as boiler fuel

The program referred to in subsection (a) shall include projects to facilitate the use of coal wastes from mining and processing as a boiler fuel for the purpose of generating steam to produce electricity.


§ 13339. Underground coal gasification

(a) Program

The Secretary shall conduct a research, development, demonstration, and commercial appli-
cification program for underground coal gasification technology for in-situ conversion of coal to a cleaner burning, easily transportable gaseous fuel. The goal and objective of this program shall be to accelerate the development and commercialization of underground coal gasification. In carrying out this program, the Secretary shall give equal consideration to all ranks of coal.

(b) Demonstration projects

As part of the program authorized in subsection (a), the Secretary may solicit proposals for underground coal gasification technology projects to fulfill the goal and objective of subsection (a).


§13340. Low-rank coal research and development

The Secretary shall pursue a program of research and development with respect to the technologies needed to expand the use of low-rank coals which take into account the unique properties of lignites and sub-bituminous coals, including, but not limited to, the following areas—

1. high value-added carbon products;
2. fuel cell applications;
3. emissions control and combustion efficiencies;
4. coal water fuels and underground coal gasification;
5. distillates; and
6. any other technologies which will assist in the development of niche markets for lignites and sub-bituminous coals.


§13341. Magnetohydrodynamics

(a) Program

The Secretary shall carry out a research, development, demonstration, and commercial application program in magnetohydrodynamics. The purpose of this program shall be to determine the adequacy of the engineering and design information completed to date under Department of Energy contracts related to magnetohydrodynamics retrofit systems and to determine whether any further Federal investment in this technology is warranted.

(b) Solicitation of proposals

In order to carry out the program authorized in subsection (a), the Secretary may solicit proposals from the private sector and seek to enter into an agreement with appropriate parties.


§13342. Oil substitution through coal liquefaction

(a) Program direction

The Secretary shall conduct a program of research, development, demonstration, and commercial application for the purpose of developing economically and environmentally acceptable advanced technologies for oil substitution through coal liquefaction.

(b) Program goals

The goals of the program established under subsection (a) shall include—

1. improved resource selection and product quality;
2. the development of technologies to increase net yield of liquid fuel product per ton of coal;
3. an increase in overall thermal efficiency; and
4. a reduction in capital and operating costs through technology improvements.

(c) Proposals

Within 180 days after October 24, 1992, the Secretary shall solicit proposals for conducting activities under this section.


§13343. Authorization of appropriations

There are authorized to be appropriated to the Secretary for conducting this program $278,339,000 for fiscal year 1993 and such sums as may be necessary for fiscal years 1994 through 1997.


PART B—CLEAN COAL TECHNOLOGY PROGRAM

§13351. Additional clean coal technology solicitations

(a) Program design

Additional clean coal technology solicitations described in subsection (b) shall be designed to ensure the timely development of cost-effective technologies or energy production processes or systems utilizing coal that achieve greater efficiency in the conversion of coal to useful energy when compared to currently commercially available technology for the use of coal and the control of emissions from the combustion of coal. Such program shall be designed to ensure, to the greatest extent possible, the availability for commercial use of such technologies by the year 2010.

(b) Additional solicitations

In conducting the Clean Coal Program established by Public Law 98–473, the Secretary shall consider the potential benefits of conducting additional solicitations pursuant to such program and, based on the results of that consideration, may carry out such additional solicitations, which shall be similar in scope and percentage of Federal cost sharing as that provided by Public Law 101–121.


REFERENCES IN TEXT


§ 13361. Clean coal technology export promotion and interagency coordination

(a) Establishment

There shall be established within the Trade Promotion Coordinating Committee (established by the President on May 23, 1990) a Clean Coal Technology Subgroup (in this part referred to as the "CCT Subgroup") to focus interagency efforts on clean coal technologies. The CCT Subgroup shall seek to expand the export and use of clean coal technologies, particularly in those countries which can benefit from gains in the efficiency of, and the control of environmental emissions from, coal utilization.

(b) Membership

The CCT Subgroup shall include 1 member from each agency represented on the Energy, Environment, and Infrastructure Working Group of the Trade Promotion Coordinating Committee as of October 24, 1992. The Secretary shall serve as chair of the CCT Subgroup and shall be responsible for ensuring that the functions of the CCT Subgroup are carried out through its member agencies.

(c) Consultation

(1) In carrying out this section, the CCT Subgroup shall consult with representatives of the United States coal industry, representatives of railroads and other transportation industries, organizations representing workers, the electric utility industry, manufacturers of equipment utilizing clean coal technology, members of organizations formed to further the goals of environmental protection or to promote the development and use of clean coal technologies that are developed, manufactured, or controlled by United States firms, and other appropriate interested members of the public.

(2) The CCT Subgroup shall maintain ongoing liaison with other elements of the Trade Promotion Coordinating Committee relating to clean coal technologies or regions where these technologies could be important, including Eastern Europe, Asia, and the Pacific.

(d) Duties

The Secretary, acting through the CCT Subgroup, shall—

(1) facilitate the establishment of technical training for the consideration, planning, construction, and operation of clean coal technologies by end users and international development personnel;

(2) facilitate the establishment of and, where practicable, cause to be established, consistent with the goals and objectives stated in section 13331(a) of this title, within existing departments and agencies—

(A) financial assistance programs (including grants, loan guarantees, and no interest and low interest loans) to support prefeasibility and feasibility studies for projects that will utilize clean coal technologies; and

(B) loan guarantee programs, grants, and no interest and low interest loans designed to facilitate access to capital and credit in order to finance such clean coal technology projects;

(3) develop and ensure the execution of programs, including the establishment of financial incentives, to encourage and support private sector efforts in exports of clean coal technologies that are developed, manufactured, or controlled by United States firms;

(4) encourage the training in, and understanding of, clean coal technologies by representatives of foreign companies or countries intending to use coal or clean coal technologies by providing technical or financial support for training programs, workshops, and other educational programs sponsored by United States firms;

(5) educate loan officers and other officers of international lending institutions, commercial and energy attaches of the United States, and such other personnel as the CCT Subgroup considers appropriate, for the purposes of providing information about clean coal technologies to foreign governments or potential project sponsors of clean coal technology projects;

(6) develop policies and practices to be conducted by commercial and energy attaches of the United States, and such other personnel as the CCT Subgroup considers appropriate, in order to promote the exports of clean coal technologies to those countries interested in or intending to utilize coal resources;

(7) augment budgets for trade and development programs supported by Federal agencies for the purpose of financially supporting prefeasibility or feasibility studies for projects in foreign countries that will utilize clean coal technologies;

(8) review ongoing clean coal technology projects and review and advise Federal agencies on the approval of planned clean coal technology projects which are sponsored abroad by any Federal agency to determine whether such projects are consistent with the overall goals and objectives of this section;

(9) coordinate the activities of the appropriate Federal agencies in order to ensure that Federal clean coal technology export promotion policies are implemented in a timely fashion;

(10) work with CCT Subgroup member agencies to develop an overall strategy for promoting clean coal technology exports, including setting goals and allocating specific responsibilities among member agencies, consistent with applicable statutes; and

(11) coordinate with multilateral institutions to ensure that United States technologies are properly represented in their projects.

(e) Data and information

(1) The CCT Subgroup, consistent with other applicable provisions of law, shall ensure the development of a comprehensive data base and information dissemination system, using the National Trade Data Bank and the Commercial Information Management System of the Department of Commerce, relating to the availability of clean coal technologies and the potential need for such technologies, particularly in developing
countries and countries making the transition from nonmarket to market economies.

(2) The Secretary, acting through the CCT Subgroup, shall assess and prioritize foreign markets that have the most potential for the export of clean coal technologies that are developed, manufactured, or controlled by United States firms. Such assessment shall include—

(A) an analysis of the financing requirements for clean coal technology projects in foreign countries and whether such projects are dependent upon financial assistance from foreign countries or multilateral institutions;

(B) the availability of other fuel or energy resources that may be available to meet the energy requirements intended to be met by the clean coal technology projects;

(C) the priority of environmental considerations in the selection of such projects;

(D) the technical competence of those entities likely to be involved in the planning and operation of such projects;

(E) an objective comparison of the environmental, energy, and economic performance of each clean coal technology relative to conventional technologies;

(F) a list of United States vendors of clean coal technologies; and

(G) answers to commonly asked questions about clean coal technologies.\(^1\)

The Secretary, acting through the CCT Subgroup, shall make such information available to the House of Representatives and the Senate, and to the appropriate committees of each House of Congress, industry, Federal and international financing organizations, nongovernmental organizations, potential customers abroad, governments of countries where such clean coal technologies might be used, and such other countries as the CCT Subgroup considers appropriate.

(f) Report

Within 180 days after the Secretary submits the report to the Congress as required by section 409 of Public Law 101–549, the Secretary, acting through the CCT Subgroup, shall provide to the appropriate committees of the House of Representatives and the Senate, and to the appropriate committees of each House of Congress, industry, Federal and international financing organizations, nongovernmental organizations, potential customers abroad, governments of countries where such clean coal technologies might be used, and such other countries as the CCT Subgroup considers appropriate.

The Secretary, acting through the CCT Subgroup, shall make such information available to the House of Representatives and the Senate, and to the appropriate committees of each House of Congress, industry, Federal and international financing organizations, nongovernmental organizations, potential customers abroad, governments of countries where such clean coal technologies might be used, and such other countries as the CCT Subgroup considers appropriate.

The purposes of the technology transfer program under this section are to—

(1) reduce the United States balance of trade deficit through the export of United States energy technologies and technological expertise;

(2) retain and create manufacturing and related service jobs in the United States;

(3) encourage the export of United States technologies, including services related there-to, to those countries that have a need for developmentally sound facilities to provide energy derived from coal resources;

(4) develop markets for United States technologies and, where appropriate, United States coal resources to be utilized in meeting the energy and environmental requirements of foreign countries;

(5) better ensure that United States participation in energy-related projects in foreign countries includes participation by United States firms as well as utilization of United States technologies that have been developed or demonstrated in the United States through publicly or privately funded demonstration programs;

(6) provide for the accelerated deployment of United States technologies that will serve to introduce into foreign countries United States

\(^1\) So in original. The comma probably should be a period.
(c) Identification

Pursuant to the agreements required by subsection (a), the Secretary, through the Agency for International Development, and after consultation with the CCT Subgroup, United States firms, and representatives from foreign countries, shall develop mechanisms to identify potential energy projects in foreign countries; assist foreign countries in meeting their energy needs through the use of coal in an environmentally acceptable manner, consistent with sustainable development policies; and assist United States firms, especially firms that are in competition with firms in foreign countries, to obtain opportunities to transfer technologies to, or undertake projects in, foreign countries.

(d) Financial mechanisms

(1) Pursuant to the agreements under subsection (a), the Secretary, through the Agency for International Development, shall—
(A) establish appropriate financial mechanisms to increase the participation of United States firms in energy projects utilizing United States clean coal technologies, and services related thereto, in developing countries and countries making the transition from nonmarket to market economies;
(B) utilize available financial assistance authorized by this section to counterbalance assistance provided by foreign governments to non-United States firms; and
(C) provide financial assistance to support projects, including—
(i) financing the incremental costs of a clean coal technology project attributable only to expenditures to prevent or abate emissions;
(ii) providing the difference between the costs of a conventional energy project in the host country and a comparable project that would utilize a clean coal technology capable of achieving greater efficiency of energy products and improved environmental emissions compared to such conventional project; and
(iii) such other forms of financial assistance as the Secretary, through the Agency for International Development, considers appropriate.

(2) The financial assistance authorized by this section may be—
(A) provided in combination with other forms of financial assistance, including non-
United States funding that is available to the project; and
(B) utilized to assist United States firms to develop innovative financing packages for clean coal technology projects that seek to utilize other financial assistance programs available through other Federal agencies.

(3) United States obligations under the Arrangement on Guidelines for Officially Supported Export Credits established through the Organization for Economic Cooperation and Development shall be applicable to this section.

(e) Solicitations for project proposals

(1) Pursuant to the agreements under subsection (a), the Secretary, through the Agency for International Development, within one year after October 24, 1992, and subsequently as appropriate thereafter, shall solicit proposals from United States firms for the design, construction, testing, and operation of the project or projects identified under subsection (c) which propose to utilize a United States technology. Each solicitation under this section shall establish a closing date for receipt of proposals.

(2) The solicitation under this subsection shall, to the extent appropriate, be modeled after the RFP No. DE-PS01-90FE62271 Clean Coal Technology IV as administered by the Department of Energy.

(3) Any solicitation made under this section shall include the following requirements:
(A) The United States firm that submits a proposal in response to the solicitation shall have an equity interest in the proposed project.
(B) The project shall utilize a United States clean coal technology, including services related thereto, and, where appropriate, United States coal resources, in meeting the applicable energy and environmental requirements of the host country.
(C) Proposals for projects shall be submitted by and undertaken with a United States firm, although a joint venture or other teaming arrangement with a non-United States manufacturer or other non-United States entity is permissible.

(f) Assistance to United States firms

Pursuant to the agreements under subsection (a), the Secretary, through the Agency for International Development, and in consultation with the CCT Subgroup, shall establish a procedure to provide financial assistance to United States firms under this section for a project identified under subsection (c) where solicitations for the project are being conducted by the host country or by a multilateral lending institution.

(g) Other program requirements

Pursuant to the agreements under subsection (a), the Secretary, through the Agency for International Development, and in consultation with the CCT Subgroup, shall—
(1) establish eligibility criteria for countries that will host projects;
(2) periodically review the energy needs of such countries and export opportunities for United States firms for the development of projects in such countries;
(3) consult with government officials in host countries and, as appropriate, with representatives of utilities or other entities in host countries, to determine interest in and support for potential projects; and

(4) determine whether each project selected under this section is developmentally sound, as determined under the criteria developed by the Development Assistance Committee of the Organization for Economic Cooperation and Development.

(h) Selection of projects

(1) Pursuant to the agreements under subsection (a), the Secretary, through the Agency for International Development, shall, not later than 120 days after receipt of proposals in response to a solicitation under subsection (e), select one or more proposals under this section.

(2) In selecting a proposal under this section, the Secretary, through the Agency for International Development, shall consider—

(A) the ability of the United States firm, in cooperation with the host country, to undertake and complete the project;

(B) the degree to which the equipment to be included in the project is designed and manufactured in the United States;

(C) the long-term technical and competitive viability of the United States technology, and services related thereto, and the ability of the United States firm to compete in the development of additional energy projects using such technology in the host country and in other foreign countries;

(D) the extent of technical and financial involvement of the host country in the project;

(E) the extent to which the proposed project meets the goals and objectives stated in section 13331(a) of this title;

(F) the extent of technical, financial, management, and marketing capabilities of the participants in the project, and the commitment of the participants to completion of a successful project in a manner that will facilitate acceptance of the United States technology for future application; and

(G) such other criteria as may be appropriate.

(3) In selecting among proposed projects, the Secretary shall seek to ensure that, relative to otherwise comparable projects in the host country, a selected project will meet 1 or more of the following criteria:

(A) It will reduce environmental emissions to an extent greater than required by applicable provisions of law.

(B) It will increase the overall efficiency of the utilization of coal, including energy conversion efficiency and, where applicable, production of products derived from coal.

(C) It will be a more cost-effective technological alternative, based on life cycle capital and operating costs per unit of energy produced and, where applicable, costs per unit of product produced.

Priority in selection shall be given to those projects which, in the judgment of the Secretary, best meet one or more of these criteria.

(i) United States-Asia Environmental Partnership

Activities carried out under this section shall be coordinated with the United States-Asia Environmental Partnership.

(j) Buy America

In carrying out this section, the Secretary, through the Agency for International Development, and pursuant to the agreements under subsection (a), shall ensure—

(1) the maximum percentage, but in no case less than 50 percent, of the cost of any equipment furnished in connection with a project authorized under this section shall be attributable to the manufactured United States components of such equipment; and

(2) the maximum participation of United States firms.

In determining whether the cost of United States components equals or exceeds 50 percent, the cost of assembly of such United States components in the host country shall not be considered a part of the cost of such United States component.

(k) Reports to Congress

The Secretary and the Administrator of the Agency for International Development shall report annually to the Committee on Energy and Natural Resources of the Senate and the appropriate committees of the House of Representatives on the progress being made to introduce clean coal technologies into foreign countries.

(1) “Host country” defined

For purposes of this section, the term “host country” means a foreign country which is—

(1) the participant in or the site of the proposed clean coal technology project; and

(2) either—

(A) classified as a country eligible to participate in development assistance programs of the Agency for International Development pursuant to applicable law or regulation; or

(B) a developing country or country with an economy in transition from a nonmarket to a market economy.

(m) Authorization of appropriations

There are authorized to be appropriated to the Secretary to carry out the program required by this section, $100,000,000 for each of the fiscal years 1993, 1994, 1995, 1996, 1997, and 1998.


§ 13363. Conventional coal technology transfer

If the Secretary determines that the utilization of a clean coal technology is not practicable for a proposed project and that a United States conventional coal technology would constitute a substantial improvement in efficiency, costs, and environmental performance relative to the technology being used in a developing country or country making the transition from nonmarket to market economies, with significant indigenous coal resources, such technology shall, for purposes of sections 13361 and 13362¹ of

¹ See Reference in Text note below.
§ 13364. Study of utilization of coal combustion byproducts

(a) "Coal combustion byproducts" defined

As used in this section, the term "coal combustion byproducts" means the residues from the combustion of coal including ash, slag, and flue gas desulfurization materials.

(b) Study and report to Congress

(1) The Secretary shall conduct a detailed and comprehensive study on the institutional, legal, and regulatory barriers to increased utilization of coal combustion byproducts by potential governmental and commercial users. Such study shall identify and investigate barriers found to exist at the Federal, State, or local level, which may have limited or may have the foreseeable effect of limiting the quantities of coal combustion byproducts that are utilized. In conducting this study, the Secretary shall consult with other departments and agencies of the Federal Government, appropriate State and local governments, and the private sector.

(2) Not later than one year after October 24, 1992, the Secretary shall submit a report to the Congress containing the results of the study required by paragraph (1) and the Secretary’s recommendations for action to be taken to increase the utilization of coal combustion byproducts. At a minimum, such report shall identify actions that would increase the utilization of coal combustion byproducts in—

(A) bridge and highway construction;
(B) stabilizing wastes;
(C) procurement by departments and agencies of the Federal Government and State and local governments; and
(D) federally funded or federally subsidized procurement by the private sector.


§ 13365. National clearinghouse

(a) Feasibility

(1) The Secretary shall assess the feasibility of establishing a national clearinghouse for the exchange and dissemination of technical information on technology relating to coal and coal-derived fuels.

(2) In assessing the feasibility, the Secretary shall consider whether such a clearinghouse would be appropriate for purposes of—

(A) collecting information and data on technology relating to coal, and coal-derived fuels, which can be utilized to improve environmental quality and increase energy independence;
(B) disseminating to appropriate individuals, governmental departments, agencies, and instrumentalities, institutions of higher education, and other entities, information and data collected pursuant to this section;
(C) maintaining a library of technology publications and treatises relating to technology information and data collected pursuant to this section;
(D) organizing and conducting seminars for government officials, utilities, coal companies, and other entities or institutions relating to technology using coal and coal-derived fuels that will improve environmental quality and increase energy independence;
(E) gathering information on research grants made for the purpose of improving or enhancing technology relating to the use of coal, and coal-derived fuels, which will improve environmental quality and increase energy independence;
(F) translating into English foreign research papers, articles, seminar proceedings, test re-
sults that affect, or could affect, clean coal use technology, and other documents;

(G) encouraging, during the testing of technologies, the use of coal from a variety of domestic sources, and collecting or developing, or both, complete listings of test results using coals from all sources;

(H) establishing and maintaining an index or compilation of research projects relating to clean coal technology carried out throughout the world; and

(I) conducting economic modeling for feasibility of projects.

(b) Authority to establish clearinghouse

Based upon the assessment under subsection (a), the Secretary may establish a clearinghouse.


§13367. Coal exports

(a) Plan

Within 180 days after October 24, 1992, the Secretary of Commerce, in cooperation with the Secretary and other appropriate Federal agencies, shall submit to the appropriate committees of the House of Representatives and the Committee on Energy and Natural Resources of the Senate a plan for expanding exports of coal mined in the United States.

(b) Plan contents

The plan submitted under subsection (a) shall include—

(1) a description of the location, size, and projected growth in potential export markets for coal mined in the United States;

(2) the identification by country of the foreign trade barriers to the export of coal mined in the United States, including foreign coal production and utilization subsidies, tax treatment, labor practices, tariffs, quotas, and other nontariff barriers;

(3) recommendations and a plan for addressing such trade barriers;

(4) an evaluation of existing infrastructure in the United States and any new infrastructure requirements in the United States to support an expansion of exports of coal mined in the United States, including ports, vessels, rail lines, and any other supporting infrastructure; and

(5) an assessment of environmental implications of coal exports and the identification of export opportunities for blending coal mined in the United States with coal indigenous to other countries to enhance energy efficiency and environmental performance.


§13368. Ownership of coalbed methane

(a) Federal lands and mineral rights

In the case of any deposit of coalbed methane where the United States is the owner of the surface estate or where the United States has transferred the surface estate but reserved the subsurface mineral estate, the Secretary of the Interior shall administer this section. This section and the definitions contained herein shall be applicable only on lands within Affected States.

(b) Affected States

Not later than 180 days after October 24, 1992, the Secretary of the Interior, with the participation of the Secretary of Energy, shall publish in the Federal Register a list of Affected States which shall be comprised of States—

(1) in which the Secretary of the Interior, with the participation of the Secretary of Energy, determines that disputes, uncertainty, or litigation exist, regarding the ownership of coalbed methane gas;

(2) in which the Secretary of the Interior, with the participation of the Secretary of Energy, determines that development of significant deposits of coalbed methane gas is being impeded by such existing disputes, uncertainty, or litigation regarding ownership of such coalbed methane gas;

(3) which do not have in effect a statutory or regulatory procedure or existing case law permitting and encouraging the development of coalbed methane gas within that State; and

(4) which do not have extensive development of coalbed methane gas.

The Secretary of the Interior, with the participation of the Secretary of Energy, shall revise such list of Affected States from time to time. Any Affected State shall be deleted from the list of Affected States upon the receipt by the Secretary of the Interior of a Governor’s petition requesting such deletion, a State law requesting such deletion, or a resolution requesting such deletion enacted by the legislative body of the State. A Governor intending to petition the Secretary of the Interior to delete a State from the list of Affected States shall provide the State’s legislative body with 6 months notice of such petition during a legislative session. At the end of such 6-month period, the Governor may petition the Secretary of the Interior to delete a State from the list of Affected States, unless during such 6-month period, the State’s legislative body has enacted a law or resolution disapproving the Governor’s petition. Until the Secretary of the Interior, with the participation of the Secretary of Energy, publishes a different list, the States of West Virginia, Pennsylvania, Kentucky, Ohio, Tennessee, Indiana, and Illinois shall be the Affected States, effective on October 24, 1992. The States of Colorado, Montana, New Mexico, Wyoming, Utah, Virginia, Washington, Mississippi, Louisiana, and Alabama shall not be included on the Secretary of the Interior’s list of Affected States or any extension or revision thereof.

(c) Failure to adopt statutory or regulatory procedure

If an Affected State has not placed in effect, by statute or by regulation, a substantial program promoting the permitting, drilling and production of coalbed methane wells (including pooling arrangements) within that State within 3 years after becoming an Affected State, the Secretary of the Interior, with the participation of the Secretary of Energy, shall administer this
section and shall promulgate such regulations as are necessary to carry out this section in that State.

(d) Implementation by Secretary of the Interior

In implementing this section, the Secretary of the Interior, with the participation of the Secretary of Energy, shall—

(A) consider existing and future coal mining plans,

(B) preserve the mineability of coal seams, and

(C) provide for the prevention of waste and maximization of recovery of coal and coaled methane gas in a manner which will protect the rights of all entities owning an interest in such coaled methane resource.

(e) Spacing

Except where State law in an Affected State contains existing spacing requirements regarding the minimum distance between coaled methane wells and the minimum distance of a coaled methane well from a property line, the Secretary of the Interior shall establish such requirements within 90 days after the assertion of jurisdiction pursuant to subsection (c) of this section.

(f) Spacing units

Applications to establish spacing units for the drilling and operation of coaled methane gas wells may be filed by any entity claiming a coaled methane ownership interest within a proposed spacing unit. Upon receipt and approval of an application, the Secretary of the Interior shall issue an order establishing the boundaries of the coaled methane spacing unit. Spacing units shall generally be uniform in size.

(g) Development under pooling arrangement

Following issuance of an order establishing a spacing unit under subsection (f), and pursuant to an application for pooling filed by the entity claiming a coaled methane ownership interest and proposing to drill a coaled methane gas well, the Secretary of the Interior shall hold a hearing to consider the application for pooling and shall, if the criteria of this section are met, issue an order allowing the proposed pooling of acreage within the designated spacing unit for purposes of drilling and production of coaled methane from the spacing unit. The pooling order shall not be issued before notice or a reasonable and diligent effort to provide notice has been made to each entity which may claim an ownership interest in the coaled methane gas within such spacing unit and each such entity has been offered an opportunity to appear before the Secretary of the Interior at the hearing. Upon issuance of a pooling order, each owner or claimant of an ownership interest shall be allowed to make one of the following elections:

(1) An election to sell or lease its coaled methane ownership interest to the unit operator at a rate determined by the Secretary of the Interior as set forth in the pooling order.

(2) An election to become a participating working interest owner by bearing a share of the costs attributable to the conflicting interests of lessees, plus all proceeds in excess of ongoing operational expenses (including reasonable overhead costs) attributable to conflicting working interests.

(h) Escrow account

(1) Each pooling order issued under subsection (g) shall provide for the establishment of an escrow account into which the payment of costs and proceeds attributable to the conflicting interests shall be deposited and held for the interest of the claimants as follows:

(A) Each participating working interest owner, except for the unit operator, shall deposit in the escrow account its proportionate share of the costs allocable to the ownership interest claimed by each such participating working interest owner as set forth in the pooling order issued by the Secretary of the Interior.

(B) The unit operator shall deposit in the escrow account all proceeds attributable to the conflicting interests of lessees, plus all proceeds in excess of ongoing operational expenses (including reasonable overhead costs) attributable to conflicting working interests.

(2) The Secretary of the Interior shall order payment of principal and accrued interest from the escrow account to all legally entitled entities within 30 days of receipt by the Secretary of the Interior of notification of the final legal determination of entitlement or upon agreement of all entities claiming an ownership interest in the coaled methane gas. Upon such final determination—

(A) each legally entitled participating working interest owner shall receive a proportionate share of the proceeds attributable to the conflicting ownership interest;

(B) each legally entitled nonparticipating working interest owner shall receive a proportionate share of the proceeds attributable to the conflicting working interest, less the cost of being carried as a nonparticipating working interest owner (as determined by the election of the entity under the applicable pooling order);
(C) each entity leasing (or deemed to have leased) its coalbed methane ownership interest to the unit operator shall receive a share of the royalty proceeds (as set out in the applicable pooling order) attributable to the conflicting interests of lessees; and

(D) the unit operator shall receive the costs contributed to the escrow account by each legally entitled participating working interest owner.

The Secretary of the Interior shall enact rules and regulations for the administration and protection of funds delivered to the escrow account.

(i) Approval of Secretary of the Interior

No entity may drill any well for the production of coalbed methane gas from a coal seam, subject to the provisions of subsection (g), in an Affected State unless the drilling of such well has been approved by the Secretary of the Interior.

(j) Authorization to stimulate coal seam

(1) No operator of a coalbed methane well may stimulate a coal seam without the written consent of each entity which, at the time that the coalbed methane operator applies for a drilling permit, is operating a coal mine, or has by virtue of his property rights in the coal the ability to operate a coal mine, located within a horizontal or vertical distance from the point of stimulation as established by the Secretary of the Interior pursuant to paragraph (3) of this subsection. In seeking the coal operator’s consent, a coalbed methane well operator shall provide the coal operator with necessary information about such stimulation, including relevant information to ensure compliance with coal mine safety laws and rules.

(2) In the absence of a written consent pursuant to paragraph (1) and at the request of a coalbed methane operator, the Secretary of the Interior shall make a determination regarding stimulation of a coal seam. Such request shall include an affidavit which shall—

(A) state that an entity from which consent is required pursuant to paragraph (1) has refused to provide written consent;

(B) set forth in detail the efforts undertaken by the applicant to obtain such written consent;

(C) state the known reasons for the consent not being provided;

(D) set forth the conditions and compensation, if any, offered by the applicant as part of the efforts to obtain consent; and

(E) provide prima facie evidence that the method of stimulation proposed by the coalbed methane operator will not (i) cause unreasonable loss or damage to the coal seam considering all factors, including the prospect, taking into consideration the economics of the coal industry, that coal seams for which no actual or proposed mining plans exist will be mined at some future date, or (ii) violate mine safety requirements. If a denial of consent by a coal operator is based on reasons related to safety, the Secretary of the Interior shall seek the views and recommendations of the appropriate State or Federal coal mine safety agency. Any determination by the Secretary of the Interior shall be in accordance with all applicable Federal and State coal mine safety laws and such views and recommendations. A determination by the Secretary of the Interior approving a method of stimulation may include reasonable conditions including, but not limited to, conditions to mitigate, to the extent practicable, economic damage to the coal seam. Any determination approving or denying a method of stimulation by the Secretary of the Interior shall be subject to appeal. Interested entities shall be allowed to participate in and comment on proceedings under this paragraph.

(3) The Secretary of the Interior shall by rule establish, for an Affected State, a region thereof, or a multi-State region comprised of Affected States, the boundaries within which a coalbed methane operator shall be required to obtain written consent from a coal operator pursuant to paragraph (1). Such boundaries shall be stated in terms of a horizontal and a vertical distance from the point of stimulation and shall be determined based on an evaluation of the maximum length, height and depth of fracture producible in a coal seam in such Affected State, region thereof, or multi-State region comprised of Affected States.

(4) The consent required under this subsection shall in no way be deemed to impair, abridge, or affect any contractual rights or objections arising out of a coalbed methane gas contract or coalbed methane gas lease in existence as of October 24, 1992, before the coalbed methane operator and the coal operator, and the existence of such lease or contractual agreement and any extensions or renewals of such lease shall be deemed to fully meet the requirements of this section.

(5) Nothing in this subsection precludes either a coal operator or a coalbed methane operator from seeking in the appropriate State forum compensation for the consequences of a determination by the Secretary of the Interior pursuant to paragraph (2).

(k) Notice and objection

(1) The Secretary of the Interior shall not approve the drilling of any coalbed methane well unless the unit operator has notified each entity which is operating, or has the ability, by virtue of his property rights in the coal, to operate, a coal mine in any portion of the coalbed that would be affected by such well within the distances established pursuant to the rules promulgated under subsection (j)(3). Any notified entity may object to the drilling of such well within 30 days after receipt of a notice. Upon receipt of a timely objection to the drilling of any coalbed methane gas well submitted by a notified entity, the Secretary of the Interior may refuse to approve the drilling of the well based on any of the following:

(A) The proposed activity, due to its proximity to any coal mine opening, shaft, underground workings, or to any proposed extension of the coal mine, would adversely affect any operating, inactive or abandoned coal mine, including any coal mine already surveyed and platted but not yet being operated.

1 See Codification note below.
(B) The proposed activity would not conform with a coal operator’s development plan for an existing or proposed operation.

(C) There would be an unreasonable interference from the proposed activity with present or future coal mining operations, including the ability to comply with other applicable laws and regulations.

(D) The presence of evidence indicating that the proposed drilling activities would be unsafe, taking into consideration the dangers from creeps, squeezes or other disturbances due to the extraction of coal.

(E) The proposed activity would unreasonably interfere with the safe recovery of coal, oil and gas.

(2) In the event the Secretary of the Interior does not approve the drilling of a coalbed methane well pursuant to paragraph (1), the Secretary of the Interior shall consider whether such well could be approved if the unit operator modifies the proposed activities to take into account any of the following:

(A) The proposed activity could instead be reasonably done through an existing or planned pillar of coal, or in close proximity to an existing well or such pillar of coal, taking into consideration surface topography.

(B) The proposed activity could instead be moved to a mined-out area, below the coal outcrop or to some other feasible area.

(C) The unit operator agrees to a drilling moratorium of not more than two years in order to permit completion of coal mining operations.

(D) The practicality of locating the proposed spacing unit or well on a uniform pattern with other spacing units or wells.

(l) Plugging

All coalbed methane wells drilled after October 24, 1992, that penetrate coal seams with remaining reserves shall provide for subsequent safe mining through the well in accordance with standards prescribed by the Secretary of the Interior, in consultation with any Federal and State agencies having authority over coal mine safety. Well plugging costs should be allocated in accordance with State law or private contractual arrangement, as the case may be.

(m) Notice and objection by other parties

The Secretary of the Interior shall not approve the drilling of any coalbed methane well unless such well complies with the spacing and other requirements established by the Secretary of the Interior and each of the following:

(1) The unit operator of such well has notified, or has made a reasonable and diligent effort to notify, all entities claiming ownership of coalbed methane to be drained by such well and provided an opportunity to object in accordance with requirements established by the Secretary of the Interior.

(2) Where conflicting interests exist, an order under subsection (g) establishing pooling requirements has been issued.

The notification requirements of this subsection shall be additional to the notification referred to in subsection (k). The Secretary of the Interior shall establish the conditions under which entities claiming ownership of coalbed methane may object to the drilling of a coalbed methane well.

(n) Venting for safety

Nothing in this section shall be construed to prevent or inhibit the entity which has the right to develop and mine coal in any mine from venting coalbed methane gas to ensure safe mine operations.

(o) Other laws

The Secretary of the Interior shall comply with all applicable Federal and State coal mine safety laws and regulations.

(p) Definitions

As used in this section—

(1) The term “Affected State” means a State listed by the Secretary of the Interior, with the participation of the Secretary of Energy, under subsection (b).

(2) The term “coalbed methane gas” means occluded natural gas produced (or which may be produced) from coalbeds and rock strata associated therewith.

(3) The term “unit operator” means the entity designated in a pooling order to develop a spacing unit by the drilling of one or more wells on the unit.

(4) The term “nonparticipating working interest owner” means a gas or oil owner of a tract included in a spacing unit which elects to share in the operation of the well on a carried basis by agreeing to have its proportionate share of the costs allocable to its interest charged against its share of production of the well in accordance with subsection (f)(3).

(5) The term “participating working interest owner” means a gas or oil owner which elects to bear a share of the risks and costs of drilling, completing, equipping, gathering, operating (including any and all disposal costs)2 plugging, and abandoning a well on a spacing unit and to receive a share of production from the well equal to the proportion which the acreage in the spacing unit it owns or holds under lease bears to the total acreage of the spacing unit.

(6) The term “coal seam” means any stratum of coal 20 inches or more in thickness, unless a stratum of less thickness is being commercially worked, or can in the judgment of the Secretary of the Interior foreseeably3 be commercially worked and will require protection if wells are being drilled through it.


Codification

October 24, 1992, referred to in subsec. (j)(4), was in the original “the effective date of this section”, which was translated as meaning the date of enactment of Pub. L. 102–486, which enacted this section.

Federal Coalbed Methane Regulation


---

2 So in original. Probably should be followed by a comma.
3 So in original. Probably should be “foreseeably”. 
§ 13369. Establishment of data base and study of transportation rates
(a) Data base
The Secretary shall review the information currently collected by the Federal Government and shall determine whether information on transportation rates for rail and pipeline transport of domestic coal, oil, and gas during the period of January 1, 1988, through December 31, 1997, is reasonably available. If he determines that such information is not reasonably available, the Secretary shall establish a data base containing, to the maximum extent practicable, information on all such rates. The confidentiality of contract rates shall be preserved. To obtain data pertaining to rail contract rates, the Secretary shall acquire such data in aggregate form only from the Surface Transportation Board, under terms and conditions that maintain the confidentiality of such rates.

(b) Study
The Energy Information Administration shall determine the extent to which any agency of the Federal Government is studying the rates and distribution patterns of domestic coal, oil, and gas to determine the impact of the Clean Air Act [42 U.S.C. 7401 et seq.] as amended by the Act entitled “An Act to amend the Clean Air Act to provide for attainment and maintenance of health protective national ambient air quality standards, and for other purposes.”, enacted November 15, 1990 (Public Law 101–549), and other Federal policies on such rates and distribution patterns. If the Energy Information Administration finds that no such study is underway, or that reports of the results of such study will not be available to the Congress providing the information specified in this subsection and subsection (a) by the dates established in subsection (c), the Energy Information Administration shall initiate such a study.

(c) Reports to Congress
Within one year after October 24, 1992, the Secretary shall report to the Congress on the determination the Energy Information Administration is required to make under subsection (b). Within three years after October 24, 1992, the Secretary shall submit reports on any data base or study developed under this section. Any such reports shall be updated and resubmitted to the Congress within eight years after October 24, 1992. If the Energy Information Administration has determined pursuant to subsection (b) that another study or studies will provide all or part of the information called for in this section, the Secretary shall transmit the results of that study by the dates established in this subsection, together with his comments.

(d) Consultation with other agencies
The Secretary and the Energy Information Administration shall consult with the Chairmen of the Federal Energy Regulatory Commission and the Surface Transportation Board in implementing this section.


REFERENCES IN TEXT
The Clean Air Act, referred to in subsec. (b), is act July 14, 1955, ch. 360, 69 Stat. 322, as amended, which is classified generally to chapter 85 (§7401 et seq.) of this title. For complete classification of this Act to the Code, see Short Title note set out under section 7401 of this title and Tables.

An Act to amend the Clean Air Act to provide for attainment and maintenance of health protective national ambient air quality standards, and for other purposes, referred to in subsec. (b), is Pub. L. 101–549, Nov. 15, 1990, 104 Stat. 2399, popularly known as the Clean Air Act Amendments of 1990. For complete classification of this Act to the Code, see Short Title of 1990 Amendment note set out under section 7401 of this title and Tables.

AMENDMENTS

EFFECTIVE DATE OF 1995 AMENDMENT
Amendment by Pub. L. 104–88 effective Jan. 1, 1996, see section 2 of Pub. L. 104–88, set out as an Effective Date note under section 1301 of Title 49, Transportation.

§ 13370. Authorization of appropriations
There are authorized to be appropriated to the Secretary for carrying out this part, other than section 13362 of this title, such sums as may be necessary for fiscal years 1993 through 1998.


REFERENCES IN TEXT
Section 13362 of this title, referred to in text, was in the original “section 1322” and was translated as reading “section 1332” meaning section 1332 of Pub. L. 102–486, to reflect the probable intent of Congress, because Pub. L. 102–486 does not contain a section 1322.

SUBCHAPTER VII—GLOBAL CLIMATE CHANGE

§ 13381. Report
Not later than 2 years after October 24, 1992, the Secretary shall submit a report to the Congress that includes an assessment of—

(1) the feasibility and economic, energy, social, environmental, and competitive implications, including implications for jobs, of stabilizing the generation of greenhouse gases in the United States by the year 2005;

(2) the recommendations made in chapter 9 of the 1991 National Academy of Sciences report entitled “Policy Implications of Greenhouse Warming”, including an analysis of the benefits and costs of each recommendation;

(3) the extent to which the United States is responding, compared with other countries, to the recommendations made in chapter 9 of the 1991 National Academy of Sciences report;

1 See References in Text note below.
§ 13382

TITLE 42—THE PUBLIC HEALTH AND WELFARE

Page 7914

(4) the feasibility of reducing the generation of greenhouse gases;

(5) the feasibility and economic, energy, social, environmental, and competitive implications, including implications for jobs, of achieving a 20 percent reduction from 1988 levels in the generation of carbon dioxide by the year 2005 as recommended by the 1988 Toronto Scientific World Conference on the Changing Atmosphere;

(6) the potential economic, energy, social, environmental, and competitive implications, including implications for jobs, of implementing the policies necessary to enable the United States to comply with any obligations under the United Nations Framework Convention on Climate Change or subsequent international agreements.


§ 13382. Least-cost energy strategy

(a) Strategy

The first National Energy Policy Plan (in this subchapter referred to as the “Plan”) under section 7321 of this title prepared and required to be submitted by the President to Congress after February 1, 1993, and each subsequent such Plan, shall include a least-cost energy strategy prepared by the Secretary. In developing the least-cost energy strategy, the Secretary shall take into consideration the economic, energy, social, environmental, and competitive implications, including costs and benefits for jobs, of his choices. Such strategy shall also take into account the report required under section 13381 of this title and relevant Federal, State, and local requirements. Such strategy shall be designed to achieve to the maximum extent practicable and at least-cost to the Nation—

(1) the energy production, utilization, and energy conservation priorities of subsection (d);

(2) the stabilization and eventual reduction in the generation of greenhouse gases;

(3) an increase in the efficiency of the Nation’s total energy use by 30 percent over 1988 levels by the year 2010;

(4) an increase in the percentage of energy derived from renewable resources by 75 percent over 1988 levels by the year 2005; and

(5) a reduction in the Nation’s oil consumption from the 1990 level of approximately 40 percent of total energy use to 35 percent by the year 2005.

(b) Additional contents

The least-cost energy strategy shall also include—

(1) a comprehensive inventory of available energy and energy efficiency resources and their projected costs, taking into account all costs of production, transportation, distribution, and utilization of such resources, including—

(A) coal, clean coal technologies, coal seam methane, and underground coal gasification;

(B) energy efficiency, including existing technologies for increased efficiency in production, transportation, distribution, and utilization of energy, and other technologies that are anticipated to be available through further research and development; and

(C) other energy resources, such as renewable energy, solar energy, nuclear fission, fusion, geothermal, biomass, fuel cells, hydro-power, and natural gas;

(2) a proposed two-year program for ensuring adequate supplies of the energy and energy efficiency resources and technologies described in paragraph (1), and an identification of administrative actions that can be undertaken within existing Federal authority to ensure their adequate supply;

(3) estimates of life-cycle costs for existing energy production facilities;

(4) basecase forecasts of short-term and long-term national energy needs under low and high case assumptions of economic growth; and

(5) an identification of all applicable Federal authorities needed to achieve the purposes of this section, and of any inadequacies in those authorities.

(c) Secretarial consideration

In developing the least-cost energy strategy, the Secretary shall give full consideration to—

(1) the relative costs of each energy and energy efficiency resource based upon a comparison of all direct and quantifiable net costs for the resource over its available life, including the cost of production, transportation, distribution, utilization, waste management, environmental compliance, and, in the case of imported energy resources, maintaining access to foreign sources of supply; and

(2) the economic, energy, social, environmental, and competitive consequences resulting from the establishment of any particular order of Federal priority as determined under subsection (d).

(d) Priorities

The least-cost energy strategy shall identify Federal priorities, including policies that—

(1) implement standards for more efficient use of fossil fuels;

(2) increase the energy efficiency of existing technologies;

(3) encourage technologies, including clean coal technologies, that generate lower levels of greenhouse gases;

(4) promote the use of renewable energy resources, including solar, geothermal, sustainable biomass, hydropower, and wind power;

(5) affect the development and consumption of energy and energy efficiency resources and electricity through tax policy;

(6) encourage investment in energy efficient equipment and technologies; and

(7) encourage the development of energy technologies, such as advanced nuclear fission and nuclear fusion, that produce energy without greenhouse gases as a byproduct, and encourage the deployment of nuclear electric generating capacity.

(e) Assumptions

The Secretary shall include in the least-cost energy strategy an identification of all of the
assumptions used in developing the strategy and priorities thereunder, and the reasons for such assumptions.

(f) Preference
When comparing an energy efficiency resource to an energy resource, a higher priority shall be assigned to the energy efficiency resource whenever all direct and quantifiable net costs for the resource over its available life are equal to the estimated cost of the energy resource.

(g) Public review and comment
The Secretary shall provide for a period of public review and comment of the least-cost energy strategy, for a period of at least 30 days, to be completed at least 60 days before the issuance of such strategy. The Secretary shall also provide for public review and comment before the issuance of any update to the least-cost energy strategy required under this section.


REFERENCES IN TEXT
This subchapter, referred to in subsec. (a), was in the original “this title” meaning title XVI of Pub. L. 102–486, Oct. 24, 1992, 106 Stat. 2999, which enacted this subchapter and repealed sections 7361 to 7364 of this title.

§13383. Director of Climate Protection
Within 6 months after October 24, 1992, the Secretary shall establish, within the Department of Energy, a Director of Climate Protection (in this section referred to as the “Director”). The Director shall—

(1) in the absence of the Secretary, serve as the Secretary’s representative for interagency and multilateral policy discussions of global climate change, including the activities of the Committee on Earth and Environmental Sciences as established by the Global Change Research Act of 1990 (Public Law 101–606) [15 U.S.C. 2921 et seq.] and the Policy Coordinating Committee Working Group on Climate Change;

(2) monitor, in cooperation with other Federal agencies, domestic and international policies for their effects on the generation of greenhouse gases; and

(3) have the authority to participate in the planning activities of relevant Department of Energy programs.


REFERENCES IN TEXT

§13384. Assessment of alternative policy mechanisms for addressing greenhouse gas emissions
Not later than 18 months after October 24, 1992, the Secretary shall transmit a report to Congress containing a comparative assessment of alternative policy mechanisms for reducing the generation of greenhouse gases. Such assessment shall include a short-run and long-run analysis of the social, economic, energy, environmental, competitive, and agricultural costs and benefits, including costs and benefits for jobs and competition, and the practicality of each of the following policy mechanisms:

(1) Various systems for controlling the generation of greenhouse gases, including caps for the generation of greenhouse gases from major sources and emissions trading programs.

(2) Federal standards for energy efficiency for major sources of greenhouse gases, including efficiency standards for power plants, industrial processes, automobile fuel economy, appliances, and buildings, and for emissions of methane.

(3) Various Federal and voluntary incentives programs.


§13385. National inventory and voluntary reporting of greenhouse gases

(a) National inventory
Not later than one year after October 24, 1992, the Secretary, through the Energy Information Administration, shall develop, based on data available to, and obtained by, the Energy Information Administration, an inventory of the national aggregate emissions of each greenhouse gas for each calendar year of the baseline period of 1987 through 1990. The Administrator of the Energy Information Administration shall annually update and analyze such inventory using available data. This subsection does not provide any new data collection authority.

(b) Voluntary reporting

(1) Issuance of guidelines
Not later than 18 months after October 24, 1992, the Secretary shall, after opportunity for public comment, issue guidelines for the voluntary collection and reporting of information on sources of greenhouse gases. Such guidelines shall establish procedures for the accurate voluntary reporting of information on—

(A) greenhouse gas emissions;

(i) for the baseline period of 1987 through 1990; and

(ii) for subsequent calendar years on an annual basis;

(B) annual reductions of greenhouse gas emissions and carbon fixation achieved through any measures, including fuel switching, forest management practices, tree planting, use of renewable energy, manufacture or use of vehicles with reduced greenhouse gas emissions, appliance efficiency, energy efficiency, methane recovery, cogeneration, chlorofluorocarbon capture and replacement, and power plant heat rate improvement;

(C) reductions in greenhouse gas emissions achieved as a result of—

(i) voluntary reductions;

(ii) plant or facility closings; and

(iii) State or Federal requirements; and
(D) an aggregate calculation of greenhouse gas emissions by each reporting entity.

Such guidelines shall also establish procedures for taking into account the differential radiative activity and atmospheric lifetimes of each greenhouse gas.

(2) Reporting procedures

The Administrator of the Energy Information Administration shall develop forms for voluntary reporting under the guidelines established under paragraph (1), and shall make such forms available to entities wishing to report such information. Persons reporting under this subsection shall certify the accuracy of the information reported.

(3) Confidentiality

Trade secret and commercial or financial information that is privileged or confidential shall be protected as provided in section 552(b)(4) of title 5.

(4) Establishment of data base

Not later than 18 months after October 24, 1992, the Secretary, through the Administrator of the Energy Information Administration, shall establish a data base comprised of information voluntarily reported under this subsection. Such information may be used by the reporting entity to demonstrate achieved reductions of greenhouse gases.

(c) Consultation

In carrying out this section, the Secretary shall consult, as appropriate, with the Administrator of the Environmental Protection Agency.


§ 13386. Export of domestic energy resource technologies to developing countries

The Secretary, through the Trade Promotion Coordinating Council, shall develop policies and programs to encourage the export and promotion of domestic energy resource technologies, including renewable energy, energy efficiency, and clean coal technologies, to developing countries.


§ 13387. Innovative environmental technology transfer program

(a) Establishment of program

The Secretary, through the Agency for International Development, and in consultation with the interagency working group established under section 2796(d) of this title (in this section referred to as the “interagency working group”), shall establish a technology transfer program to carry out the purposes described in subsection (b). Within 150 days after October 24, 1992, the Secretary and the Administrator of the Agency for International Development shall enter into a written agreement to carry out this section. The agreement shall establish a procedure for resolving any disputes between the Secretary and the Administrator regarding the implementation of specific projects. With respect to countries not assisted by the Agency for International Development, the Secretary may enter into agreements with other appropriate Federal agencies. If the Secretary and the Administrator, or the Secretary and an agency described in the previous sentence, are unable to reach an agreement, each shall send a memorandum to the President outlining an appropriate agreement. Within 90 days after receipt of either memorandum, the President shall determine which version of the agreement shall be in effect. Any agreement entered into under this subsection shall be provided to the appropriate committees of the Congress and made available to the public.

(b) Purposes of program

The purposes of the technology transfer program under this section are to—

1. reduce the United States balance of trade deficit through the export of United States energy technologies and technological expertise;
2. retain and create manufacturing and related service jobs in the United States;
3. encourage the export of United States technologies, including services related thereto, to those countries that have a need for developmentally sound facilities to provide energy derived from technologies that substantially reduce environmental pollutants, including greenhouse gases;
4. develop markets for United States technologies, including services related thereto, that substantially reduce environmental pollutants, including greenhouse gases, that meet the energy and environmental requirements of foreign countries;
5. better ensure that United States participation in energy-related projects in foreign countries includes participation by United States firms as well as utilization of United States technologies;
6. ensure the introduction of United States firms and expertise in foreign countries;
7. provide financial assistance by the Federal Government to foster greater participation by United States firms in the financing, ownership, design, construction, or operation of technologies or services that substantially reduce environmental pollutants, including greenhouse gases; and
8. assist United States firms, especially firms that are in competition with firms in foreign countries, to obtain opportunities to transfer technologies to, or undertake projects in, foreign countries.

(c) Identification

Pursuant to the agreements required by subsection (a), the Secretary, through the Agency for International Development, and after consultation with the interagency working group, United States firms, and representatives from foreign countries, shall develop mechanisms to identify potential energy projects in host countries that substantially reduce environmental pollutants, including greenhouse gases, and shall identify a list of such projects within 240 days after October 24, 1992, and periodically thereafter.
(d) Financial mechanisms

(1) Pursuant to the agreements under subsection (a), the Secretary, through the Agency for International Development, shall—
(A) establish appropriate financial mechanisms to increase the participation of United States firms in energy projects, and services related thereto, that substantially reduce environmental pollutants, including greenhouse gases in foreign countries;
(B) utilize available financial assistance authorized by this section to counterbalance assistance provided by foreign governments to non-United States firms; and
(C) provide financial assistance to support projects.

(2) The financial assistance authorized by this section may be—
(A) provided in combination with other forms of financial assistance, including non-Federal funding that may be available for the project; and
(B) utilized in conjunction with financial assistance programs available through other Federal agencies.

(3) United States obligations under the Arrangement on Guidelines for Officially Supported Export Credits established through the Organization for Economic Cooperation and Development shall be applicable to this section.

(e) Solicitations for project proposals

(1) Pursuant to the agreements under subsection (a), the Secretary, through the Agency for International Development, within one year after October 24, 1992, and subsequently as appropriate thereafter, shall solicit proposals from United States firms for the design, construction, testing, and operation of the project or projects identified under subsection (c) which propose to utilize a United States technology or service. Each solicitation under this section shall establish a closing date for receipt of proposals.

(2) The solicitation under this subsection shall, to the extent appropriate, be modeled after the RFP No. DE–PS01–90FE62271 Clean Coal Technology IV, as administered by the Department of Energy.

(3) Any solicitation made under this subsection shall include the following requirements:
(A) The United States firm that submits a proposal in response to the solicitation shall have an equity interest in the proposed project.
(B) The project shall utilize a United States technology, including services related thereto, that substantially reduce environmental pollutants, including greenhouse gases, in meeting the applicable energy and environmental requirements of the host country.
(C) Proposals for projects shall be submitted by and undertaken with a United States firm, although a joint venture or other teaming arrangement with a non-United States manufacturer or other non-United States entity is permissible.

(f) Assistance to United States firms

Pursuant to the agreements under subsection (a), the Secretary, through the Agency for International Development, and in consultation with the interagency working group, shall establish a procedure to provide financial assistance to United States firms under this section for a project identified under subsection (c) where solicitations for the project are being conducted by the host country or by a multilateral lending institution.

(g) Other program requirements

Pursuant to the agreements under subsection (a), the Secretary, through the Agency for International Development, and in consultation with the interagency working group, shall—
(1) establish eligibility criteria for countries that will host projects;
(2) periodically review the energy needs of such countries and export opportunities for United States firms for the development of projects in such countries;
(3) consult with government officials in host countries and, as appropriate, with representatives of utilities or other entities in host countries, to determine interest in and support for potential projects; and
(4) determine whether each project selected under this section is developmentally sound, as determined under the criteria developed by the Development Assistance Committee of the Organization for Economic Cooperation and Development.

(h) Eligible technologies

Not later than 6 months after October 24, 1992, the Secretary shall prepare a list of eligible technologies and services under this section. In preparing such a list, the Secretary shall consider fuel cell powerplants, aeroderivitive gas turbines and catalytic combustion technologies for aeroderivative gas turbines, ocean thermal energy conversion technology, anaerobic digester and storage tanks, and other renewable energy and energy efficiency technologies.

(i) Selection of projects

(1) Pursuant to the agreements under subsection (a), the Secretary, through the Agency for International Development, shall, not later than 120 days after receipt of proposals in response to a solicitation under subsection (e), select one or more proposals under this section.

(2) In selecting a proposal under this section, the Secretary, through the Agency for International Development, shall consider—
(A) the ability of the United States firm, in cooperation with the host country, to undertake and complete the project;
(B) the degree to which the equipment to be included in the project is designed and manufactured in the United States;
(C) the long-term technical and competitive viability of the United States technology, and services related thereto, and the ability of the United States firm to compete in the development of additional energy projects using such technology in the host country and in other foreign countries;
(D) the extent of technical and financial involvement of the host country in the project;
(E) the extent to which the proposed project meets the purposes of this section;
(F) the extent of technical, financial, management, and marketing capabilities of the
participants in the project, and the commitment of the participants to completion of a successful project in a manner that will facilitate acceptance of the United States technology or service for future application; and (G) such other criteria as may be appropriate.

(3) In selecting among proposed projects, the Secretary shall seek to ensure that, relative to otherwise comparable projects in the host country, a selected project will meet the following criteria:

(A) It will reduce environmental emissions, including greenhouse gases, to an extent greater than required by applicable provisions of law.

(B) It will be a more cost-effective technological alternative, based on life cycle capital and operating costs per unit of energy produced and, where applicable, costs per unit of product produced.

(C) It will increase the overall efficiency of energy use.

Priority in selection shall be given to those projects which, in the judgment of the Secretary, best meet these criteria.

(j) United States-Asia Environmental Partnership

Activities carried out under this section shall be coordinated with the United States-Asia Environmental Partnership.

(k) Buy America

In carrying out this section, the Secretary, through the Agency for International Development, and pursuant to the agreements under subsection (a), shall ensure—

(1) the maximum percentage, but in no case less than 50 percent, of the cost of any equipment furnished in connection with a project authorized under this section shall be attributable to the manufactured United States components of such equipment; and

(2) the maximum participation of United States firms.

In determining whether the cost of United States components equals or exceeds 50 percent, the cost of assembly of such United States components in the host country shall not be considered a part of the cost of such United States component.

(l) Report to Congress

The Secretary and the Administrator of the Agency for International Development shall report annually to the Committee on Energy and Natural Resources of the Senate and the appropriate committees of the House of Representatives on the progress being made to introduce innovative energy technologies, and services related thereto, that substantially reduce environmental pollutants, including greenhouse gases, into foreign countries.

(m) Definitions

For purposes of this section—

(I) the term “host country” means a foreign country which is—

(A) the participant in or the site of the proposed innovative energy technology project; and

(B) either—

(i) classified as a country eligible to participate in development assistance programs of the Agency for International Development pursuant to applicable law or regulation; or

(ii) a developing country; and

(2) the term “developing country” includes, but is not limited to, countries in Central and Eastern Europe or in the independent states of the former Soviet Union.

(n) Authorization of appropriations

There are authorized to be appropriated to the Secretary to carry out the program required by this section, $100,000,000 for each of the fiscal years 1993, 1994, 1995, 1996, 1997, and 1998.


§ 13388. Global Climate Change Response Fund

(a) Establishment of Fund

The Secretary of the Treasury, in consultation with the Secretary of State, shall establish a Global Climate Change Response Fund to act as a mechanism for United States contributions to assist global efforts in mitigating and adapting to global climate change.

(b) Restrictions on deposits

No deposits shall be made to the Global Climate Change Response Fund until the United States has ratified the United Nations Framework Convention on Climate Change.

(c) Use of Fund

Moneys deposited into the Fund shall be used by the President, to the extent authorized and appropriated under section 2222 of title 22, solely for contributions to a financial mechanism negotiated pursuant to the United Nations Framework Convention on Climate Change, including all protocols or agreements related thereto.

(d) Authorization of appropriations

There are authorized to be appropriated for deposit in the Fund to carry out the purposes of this section, $50,000,000 for fiscal year 1994 and such sums as may be necessary for fiscal years 1995 and 1996.


§ 13389. Greenhouse gas intensity reducing strategies

(a) Definitions

In this section:

(1) Advisory Committee

The term “Advisory Committee” means the Climate Change Technology Advisory Committee established under subsection (f)(1).

(2) Carbon sequestration

The term “carbon sequestration” means the capture of carbon dioxide through terrestrial, geological, biological, or other means, which prevents the release of carbon dioxide into the atmosphere.

(3) Committee

The term “Committee” means the Committee on Climate Change Technology established under subsection (b)(1).
(4) Developing country
The term “developing country” has the meaning given the term in section 13387(m) of this title.

(5) Greenhouse gas
The term “greenhouse gas” means—
(A) carbon dioxide;
(B) methane;
(C) nitrous oxide;
(D) hydrofluorocarbons;
(E) perfluorocarbons; and
(F) sulfur hexafluoride.

(6) Greenhouse gas intensity
The term “greenhouse gas intensity” means the ratio of greenhouse gas emissions to economic output.

(7) National Laboratory
The term “National Laboratory” has the meaning given the term in section 15801(3) of this title.

(b) Committee on Climate Change Technology
(1) In general
Not later than 180 days after August 8, 2005, the President shall establish a Committee on Climate Change Technology to—
(A) integrate current Federal climate reports; and
(B) coordinate Federal climate change technology activities and programs carried out in furtherance of the strategy developed under subsection (c)(1).

(2) Membership
The Committee shall be composed of at least 7 members, including—
(A) the Secretary, who shall chair the Committee;
(B) the Secretary of Commerce;
(C) the Chairman of the Council on Environmental Quality;
(D) the Secretary of Agriculture;
(E) the Administrator of the Environmental Protection Agency;
(F) the Secretary of Transportation;
(G) the Director of the Office of Science and Technology Policy; and
(H) other representatives as may be determined by the President.

(3) Staff
The members of the Committee shall provide such personnel as are necessary to enable the Committee to perform its duties.

(c) National climate change technology policy
(1) In general
Not later than 18 months after August 8, 2005, the Committee shall, based on applicable Federal climate reports, submit to the Secretary and the President a national strategy to promote the deployment and commercialization of greenhouse gas intensity reducing technologies and practices developed through research and development programs conducted by the National Laboratories, other Federal research facilities, institutions of higher education, and the private sector.

(2) Updates
The Committee shall—
(A) at the time of submission of the strategy to the President under paragraph (1), also make the strategy available to the public; and
(B) update the strategy every 5 years, or more frequently as the Committee determines to be necessary.

(d) Climate Change Technology Program
Not later than 180 days after the date on which the Committee is established under subsection (b)(1), the Secretary, in consultation with the Committee, shall establish within the Department of Energy the Climate Change Technology Program to—
(1) assist the Committee in the interagency coordination of climate change technology research, development, demonstration, and deployment to reduce greenhouse gas intensity; and
(2) carry out the programs authorized under this section.

(e) Technology inventory
(1) In general
The Secretary shall conduct and make public an inventory and evaluation of greenhouse gas intensity reducing technologies that have been developed, or are under development, by the National Laboratories, other Federal research facilities, institutions of higher education, and the private sector.

(2) Report
Not later than 180 days after the completion of the inventory under paragraph (1), the Secretary shall submit to Congress a report that includes the results of the completed inventory and any recommendations of the Secretary.

(3) Use
The Secretary shall use the results of the inventory as guidance in the commercialization and deployment of greenhouse gas intensity reducing technologies.

(4) Updated inventory
The Secretary shall—
(A) periodically update the inventory under paragraph (1), including when determined necessary by the Committee; and
(B) make the updated inventory available to the public.

(f) Climate Change Technology Advisory Committee
(1) In general
The Secretary, in consultation with the Committee, may establish under section 7234 of this title a Climate Change Technology Advisory Committee to identify statutory, regulatory, economic, and other barriers to the commercialization and deployment of greenhouse gas intensity reducing technologies and practices in the United States.

(2) Composition
The Advisory Committee shall be composed of the following members, to be appointed by
the Secretary, in consultation with the Committee:

(A) 1 representative shall be appointed from each National Laboratory.

(B) 3 members shall be representatives of energy-producing trade organizations.

(C) 3 members shall represent energy-intensive trade organizations.

(D) 3 members shall represent groups that represent end-use energy and other consumers.

(E) 3 members shall be employees of the Federal Government who are experts in energy technology, intellectual property, and tax.

(F) 3 members shall be representatives of institutions of higher education with expertise in energy technology development that are recommended by the National Academy of Engineering.

(3) Report

Not later than 1 year after August 8, 2005, and annually thereafter, the Advisory Committee shall submit to the Committee a report that describes—

(A) the findings of the Advisory Committee; and

(B) any recommendations of the Advisory Committee for the removal or reduction of barriers to commercialization, deployment, and increasing the use of greenhouse gas intensity reducing technologies and practices.

(g) Greenhouse gas intensity reducing technology deployment

(1) In general

Based on the strategy developed under subsection (c)(1), the technology inventory conducted under subsection (e)(1), the greenhouse gas intensity reducing technology study report submitted under subsection (e)(2), and reports under subsection (f)(3), if any, the Committee shall develop recommendations that would provide for the removal of domestic barriers to the commercialization and deployment of greenhouse gas intensity reducing technologies and practices.

(2) Requirements

In developing the recommendations under paragraph (1), the Committee shall consider in the aggregate—

(A) the cost-effectiveness of the technology;

(B) fiscal and regulatory barriers;

(C) statutory and other barriers; and

(D) intellectual property issues.

(3) Demonstration projects

In developing recommendations under paragraph (1), the Committee may identify the need for climate change technology demonstration projects.

(4) Report

Not later than 18 months after August 8, 2005, the Committee shall submit to the President and Congress a report that—

(A) identifies, based on the report submitted under subsection (f)(3), any barriers to, and commercial risks associated with, the deployment of greenhouse gas intensity reducing technologies; and

(B) includes a plan for carrying out demonstration projects.

(5) Updates

The Committee shall—

(A) at the time of submission of the report to Congress under paragraph (4), also make the report available to the public; and

(B) update the report every 5 years, or more frequently as the Committee determines to be necessary.

(h) Procedures for calculating, monitoring, and analyzing greenhouse gas intensity

The Secretary, in collaboration with the Committee and the National Institute of Standards and Technology, and after public notice and opportunity for comment, shall develop standards and best practices for calculating, monitoring, and analyzing greenhouse gas intensity.

(i) Demonstration projects

(1) In general

The Secretary shall, subject to the availability of appropriations, support demonstration projects that—

(A) increase the reduction of the greenhouse gas intensity to levels below that which would be achieved by technologies being used in the United States as of August 8, 2005;

(B) maximize the potential return on Federal investment;

(C) demonstrate distinct roles in public-private partnerships;

(D) produce a large-scale reduction of greenhouse gas intensity if commercialization occurred; and

(E) support a diversified portfolio to mitigate the uncertainty associated with a single technology.

(2) Cost sharing

In supporting a demonstration project under this subsection, the Secretary shall require cost-sharing in accordance with section 16332 of this title.

(3) Authorization of appropriations

There are authorized to be appropriated such sums as are necessary to carry out this section.

(j) Cooperative research and development agreements

In carrying out greenhouse gas intensity reduction research and technology deployment activities under this subtitle, the Secretary may enter into cooperative research and development agreements under section 3710a of title 15.


REFERENCES IN TEXT

Section 15801(3) of this title, referred to in subsec. (a)(7), was in the original "section 3(3) of the Energy Policy Act of 2005" and was translated as meaning sec-
tion 2(3) of that Act to reflect the probable intent of Congress, because the Energy Policy Act of 2005 does not contain a section 3 and section 2(3) defines “National Laboratory.”

This subtitle, referred to in subsec. (j), appearing in the original, is unidentifiable because title XVI of Pub. L. 102–486, of which this section is a part, does not contain subtitles.

SUBCHAPTER VIII—REDUCTION OF OIL VULNERABILITY

§ 13401. Goals

It is the goal of the United States in carrying out energy supply and energy conservation research and development—

(1) to strengthen national energy security by reducing dependence on imported oil;
(2) to increase the efficiency of the economy by meeting future needs for energy services at the lowest total cost to the Nation, including environmental costs, giving comparable consideration to technologies that enhance energy supply and technologies that improve the efficiency of energy end uses;
(3) to reduce the air, water, and other environmental impacts (including emissions of greenhouse gases) of energy production, distribution, transportation, and utilization, through the development of an environmentally sustainable energy system;
(4) to maintain the technological competitiveness of the United States and stimulate economic growth through the development of advanced materials and technologies;
(5) to foster international cooperation by developing international markets for domestically produced sustainable energy technologies, and by transferring environmentally sound, advanced energy systems and technologies to developing countries to promote sustainable development;
(6) to consider the comparative environmental and public health impacts of the energy to be produced or saved by the specific activities;
(7) to consider the obstacles inherent in private industry’s development of new energy technologies and steps necessary for establishing or maintaining technological leadership in the area of energy and energy efficiency resource technologies; and
(8) to consider the contribution of a given activity to fundamental scientific knowledge.


PART A—OIL AND GAS SUPPLY ENHANCEMENT

§ 13411. Enhanced oil recovery

(a) Program direction

The Secretary shall conduct a 5-year program, in accordance with sections 13541 and 13542 of this title, on technologies to increase the recoverability of domestic oil resources to—

(1) improve reservoir characterization;
(2) improve analysis and field verification;
(3) field test and demonstrate enhanced oil recovery processes, including advanced processes, in reservoirs the Secretary considers to be of high priority, ranked primarily on the basis of oil recovery potential and risk of abandonment;
(4) transfer proven recovery technologies to producers and operators of wells, including stripper wells, that would otherwise be likely to be abandoned in the near term due to declining production;
(5) improve enhanced oil recovery process technology for more economic and efficient oil production;
(6) identify and develop new recovery technologies;
(7) study reservoir properties and how they affect oil recovery from porous media;
(8) improve techniques for meeting environmental requirements;
(9) improve data bases of reservoir and environmental conditions; and
(10) lower lifting costs on stripper wells by utilizing advanced renewable energy technologies such as small wind turbines and others.

(b) Program goals

(1) Near-term priorities

The near-term priorities of the program include preserving access to high potential reservoirs, identifying available technologies that can extend the lifetime of wells and of stripper well property, and developing environmental field operations for waste disposal and injection practices.

(2) Mid-term priorities

The mid-term priorities of the program include developing and testing identified but unproven technologies, and transferring those technologies for widespread use.

(3) Long-term priorities

The long-term priorities of the program include developing advanced techniques to recover oil not recoverable by other techniques.

(c) Accelerated program plan

Within 180 days after October 24, 1992, the Secretary shall prepare and submit to the Congress a plan for carrying out under this section the accelerated field testing of technologies to achieve the priorities stated in subsection (b). In preparing the plan, the Secretary shall consult with appropriate representatives of industry, institutions of higher education, Federal agencies, including national laboratories, and professional and technical societies, and with the Advisory Board established under section 13522 of this title.

(d) Proposals

Within 1 year after October 24, 1992, the Secretary shall solicit proposals for conducting activities under this section.

(e) Consultation

In carrying out the provisions of this section, the Secretary shall consult representatives of the oil and gas industry with respect to innovative research and development proposals to improve oil and gas recovery and shall consider relevant technical data from industry and other research and information centers and institutes.

(f) Authorization of appropriations

There are authorized to be appropriated to the Secretary for carrying out this section, includ-
ing advanced extraction and process technology. $57,250,000 for fiscal year 1993 and $70,000,000 for fiscal year 1994.


§ 13412. Oil shale

(a) Program direction

The Secretary shall conduct a 5-year program, in accordance with sections 13541 and 13542 of this title, on oil shale extraction and conversion, including research and development on both eastern and western shales, as provided in this section.

(b) Program goals

The goals of the program established under this section include—

1. supporting the development of economically competitive and environmentally acceptable technologies to produce domestic supplies of liquid fuels from oil shale;
2. increasing knowledge of environmentally acceptable oil shale waste disposal technologies and practices;
3. increasing knowledge of the chemistry and kinetics of oil shale retorting;
4. increasing understanding of engineering issues concerning the design and scale-up of oil shale extraction and conversion technologies;
5. improving techniques for oil shale mining systems; and
6. providing for cooperation with universities and other private sector entities.

(c) Eastern oil shale program

(1) As part of the program authorized by this section, the Secretary shall carry out a program on oil shale that includes applied research, in cooperation with universities and the private sector, on eastern oil shale that may have the potential to decrease United States dependence on energy imports.

(2) As part of the program authorized by this subsection, the Secretary shall consider the potential benefits of including in that program applied research carried out in cooperation with universities and other private sector entities that are, as of October 24, 1992, engaged in research on eastern oil shale retorting and associated processes.

(3) The program carried out under this subsection shall be cost-shared with universities and the private sector to the maximum extent possible.

(d) Western oil shale program

As part of the program authorized by this section, the Secretary shall carry out a program on extracting oil from western oil shales that includes, if appropriate, establishment and utilization of at least one field testing center for the purpose of testing, evaluating, and developing improvements in oil shale technology at the field test level. In establishing such a center, the Secretary shall consider sites with existing oil shale mining and processing infrastructure and facilities. Sixty days prior to establishing any such field testing center, the Secretary shall submit a report to Congress on the center to be established.

(e) Authorization of appropriations

There are authorized to be appropriated to the Secretary for carrying out this section $5,250,000 for fiscal year 1993 and $6,000,000 for fiscal year 1994.


§ 13413. Natural gas supply

(a) Program direction

The Secretary shall conduct a 5-year program, in accordance with sections 13541 and 13542 of this title, to increase the recoverable natural gas resource base including, but not limited to—

1. more intensive recovery of natural gas from discovered conventional resources;
2. the extraction of natural gas from tight gas sands and devonian shales or other unconventional sources;
3. surface gasification of coal; and
4. recovery of methane from biofuels including municipal solid waste.

(b) Proposals

Within 1 year after October 24, 1992, the Secretary shall solicit proposals for conducting activities under this section.

(c) Cofiring of natural gas and coal

(1) Program

The Secretary shall establish and carry out a 5-year program, in accordance with sections 13541 and 13542 of this title, on cofiring natural gas with coal in utility and large industrial boilers in order to determine optimal natural gas injection levels for both environmental and operational benefits.

(2) Financial assistance

The Secretary shall enter into agreements with, and provide financial assistance to, appropriate parties for application of cofiring technologies to boilers to demonstrate this technology.

(3) Report to Congress

The Secretary shall, before December 31, 1995, submit to the Congress a report on the progress made in carrying out this subsection.

(d) Authorization of appropriations

There are authorized to be appropriated to the Secretary for carrying out this section and sections 13414 and 13415 of this title, $29,745,000 for fiscal year 1993 and $45,000,000 for fiscal year 1994.


§ 13414. Natural gas end-use technologies

The Secretary shall carry out a 5-year program, in accordance with sections 13541 and 13542 of this title, on new and advanced natural gas utilization technologies including, but not limited to—

1. stationary source emissions control and efficiency improvements including combustion systems, industrial processes, cogeneration, and waste fuels; and
2. natural gas storage including increased deliverability from existing gas storage facili-
ties and new capabilities for storage near demand centers, and on-site storage at major energy consuming facilities.


§ 13415. Midcontinent Energy Research Center

(a) Finding

Congress finds that petroleum resources in the midcontinent region of the United States are very large but are being prematurely abandoned.

(b) Purposes

The purposes of this section are to—

(1) improve the efficiency of petroleum recovery;

(2) increase ultimate petroleum recovery; and

(3) delay the abandonment of resources.

(c) Establishment

The Secretary may establish the Midcontinent Energy Research Center (referred to in this section as the “Center”) to—

(1) conduct research in petroleum geology and engineering focused on improving the recovery of petroleum from existing fields and established plays in the upper midcontinent region of the United States; and

(2) ensure that the results of the research described in paragraph (1) are transferred to users.

(d) Research

(1) In general

In conducting research under this section, the Center shall, to the extent practicable, cooperate with agencies of the Federal Government, the States in the midcontinent region of the United States, and the affected industry.

(2) Programs

Research programs conducted by the Center may include—

(A) data base development and transfer of technology;

(B) reservoir management;

(C) reservoir characterization;

(D) advanced recovery methods; and

(E) development of new technology.


PART B—OIL AND GAS DEMAND REDUCTION AND SUBSTITUTION

§ 13431. General transportation

(a) Program direction

The Secretary shall conduct a 5-year program, in accordance with sections 13541 and 13542 of this title, on cost effective technologies to reduce the demand for oil in the transportation sector for all motor vehicles, including existing vehicles, through increased energy efficiency and the use of alternative fuels. Such program shall include a broad range of technological approaches, and shall include field demonstrations of sufficient scale and number in operating environments to prove technical and economic viability to meet the goals stated in section 13401 of this title. Such program shall include the activities required under sections 13432 through 13437 of this title, and ongoing activities of a similar nature at the Department of Energy.

(b) Program plan

Within 180 days after October 24, 1992, the Secretary shall prepare and submit to the Congress a 5-year program plan to guide activities under this part. In preparing the program plan, the Secretary shall consult with appropriate representatives of industry, utilities, institutions of higher education, Federal agencies, including national laboratories, and professional and technical societies.

(c) Proposals

Within 1 year after October 24, 1992, the Secretary shall solicit proposals for conducting activities under this section.

(d) “Alternative fuels” defined

For purposes of this part, the term “alternative fuels” includes natural gas, liquefied petroleum gas, hydrogen, fuels other than alcohol that are derived from biological materials, and any fuel the content of which is at least 85 percent by volume methanol, ethanol, or other alcohol.

(e) Authorization of appropriations

(1) There are authorized to be appropriated to the Secretary for carrying out this part, including all transportation sector energy conservation research and development (other than activities under section 13435 of this title) and all transportation sector biofuels energy systems under solar energy, $119,144,000 for fiscal year 1993 and $160,000,000 for fiscal year 1994.

(2) There are authorized to be appropriated to the Secretary for carrying out section 13435 of this title—

(A) $80,300,000 for fiscal year 1993;

(B) $75,000,000 for fiscal year 1994;

(C) $80,000,000 for fiscal year 1995;

(D) $80,000,000 for fiscal year 1996;

(E) $90,000,000 for fiscal year 1997; and

(F) $100,000,000 for fiscal year 1998.


§ 13432. Advanced automotive fuel economy

(a) Program direction

The Secretary shall conduct a program, in accordance with sections 13541 and 13542 of this title, to supplement ongoing research activities of a similar nature at the Department of Energy, to accelerate the near-term and mid-term development of advanced technologies to improve the fuel economy of light-duty passenger vehicles powered by a piston engine, and hybrid vehicles powered by a combination of piston engine and electric motor.

(b) Program goal

The goal of the program established under subsection (a) shall be to stimulate the development of emerging technologies with the potential to achieve significant improvements in fuel economy while reducing emissions of air pollutants.

(c) Proposals

Within 1 year after October 24, 1992, the Secretary shall solicit proposals for conducting ac-
§ 13433. Alternative fuel vehicle program

(a) Program direction

The Secretary shall carry out a program, in accordance with sections 13541 and 13542 of this title, on techniques related to improving natural gas and other alternative fuel vehicle technology, including—

1. fuel injection;
2. carburetion;
3. manifolding;
4. combustion;
5. power optimization;
6. efficiency;
7. lubricants and detergents;
8. engine durability;
9. ignition, including fuel additives to assist ignition;
10. multifuel engines;
11. emissions control, including catalysts;
12. novel gas compression concepts;
13. advanced storage systems;
14. advanced gaseous fueling technologies; and
15. the incorporation of advanced materials in these areas.

(b) Cooperative agreements and assistance

The Secretary may enter into cooperative agreements with, and provide financial assistance to, public or private entities willing to provide 50 percent of the costs of a program to perform activities under subsection (a).

(c) Definitions

For purposes of this section—

1. the term “alternative fuel vehicle” means a motor vehicle that operates on alternative fuels; and
2. the term “motor vehicle” includes any automobile, truck, bus, van, or other on-road or off-road motor vehicle, including a boat.

§ 13434. Biofuels user facility

(a) The Secretary shall establish a biofuels user facility to expedite industry adoption of biofuels technologies, including production of alcohol fuels from biomass.

(b) The Secretary, through such universities and colleges as the Secretary determines are qualified, shall establish a program, in accordance with sections 13541 and 13542 of this title, with respect to the production and use of diesel fuels from vegetable oils or animal fats. The program shall investigate—

1. the economic feasibility of production of oilseed crops for biofuels purposes; and
2. the establishment of a mobile small-scale oilseed pressing and esterification unit and a stationary small-scale commercial oilseed pressing and esterification unit.

§ 13435. Electric motor vehicles and associated equipment research and development

(a) General

The Secretary shall conduct, pursuant to the Federal Nonnuclear Energy Research and Development Act of 1974 (42 U.S.C. 5901–5920), a research and development program on electric motor vehicles and associated equipment. Such program shall be conducted in cooperation with the electric utility industry, and automobile industry, battery manufacturers, and such other persons as the Secretary considers appropriate.

(b) Comprehensive plan

1. The Secretary shall prepare a comprehensive 5-year program plan for carrying out the purposes of this section. Such comprehensive plan shall be updated biennially for a period of not less than 10 years after October 24, 1992.

2. The comprehensive plan under paragraph (1) shall be prepared in consultation with the Administrator of the Environmental Protection Agency, the Secretary of Transportation, the Secretary of Commerce, the heads of other appropriate Federal agencies, representatives of the electric utility industry, electric motor vehicle manufacturers, the United States automobile industry, and such other persons as the Secretary considers appropriate.

3. The comprehensive plan shall include—

A. a prioritization of research areas critical to the commercialization of electric motor vehicles, including advanced battery technology;
B. the program elements, management structure, and activities, including program responsibilities, of Federal agencies;
C. the program strategies, including technical milestones to be achieved toward specific goals during each fiscal year of the comprehensive plan for all major activities and projects;
D. the estimated costs of individual program elements, including estimated costs for each of the fiscal years of the comprehensive plan for each of the participating Federal agencies;
E. a description of the methods of technology transfer;
F. a proposal for participation by non-Federal entities in the implementation of the comprehensive plan; and
G. such other information as the Secretary considers appropriate.

4. Not later than 180 days after October 24, 1992, the Secretary shall transmit the comprehensive plan to the Congress. Biennial updates shall be submitted to the Congress.

(c) Cooperative agreements

The Secretary, consistent with the comprehensive plan under subsection (b), may enter into cooperative agreements to conduct research and development projects with industry in such areas of technology development as—

1. high efficiency electric power trains, including advanced motors, motor controllers, and hybrid power trains for electric motor vehicle range improvement;
2. light-weight structures for electric motor vehicle weight reduction;
(3) advanced batteries with high energy density and power density, and improved range or recharging cycles for a given unit weight, for electric motor vehicle application;

(4) hybrid power trains incorporating an electric motor and recyclable battery charged by an onboard liquid fuel engine, designed to significantly improve fuel economies while maintaining acceleration characteristics comparable to a conventionally fueled vehicle;

(5) batteries and fuel cells for electric-hybrid vehicle application;

(6) fuel cells and fuel cell systems for primary electric motor vehicle power sources; and

(7) photovoltaics for use with electric motor vehicles.

(d) Solicitation of proposals

(1) Within one year after October 24, 1992, the Secretary shall solicit proposals for cooperative agreements for research and development under subsection (c).

(2) Thereafter, the Secretary may solicit additional proposals for cooperative agreements under subsection (c) if, in the judgment of the Secretary, such cooperative agreements could contribute to the development of electric motor vehicles and associated equipment.

(e) Cost-sharing

(1) The Secretary shall require at least 50 percent of the costs directly and specifically related to any cooperative agreement under this section, other than a cooperative agreement under subsection (j), to be from non-Federal sources. Such share may be in the form of cash, personnel, services, equipment, and other resources.

(2) The Secretary may reduce the amount of costs required to be provided by non-Federal sources under paragraph (1), if the Secretary determines that the reduction is necessary and appropriate—

(A) considering the technological risks involved in the project; and

(B) in order to meet the objectives of this section.

(f) Deployment

(1) The Secretary shall conduct a program designed to accelerate deployment of advanced battery technologies for use with electric motor vehicles.

(2) In carrying out the program authorized by this subsection, the Secretary shall—

(A) undertake an inventory and assessment of advanced battery technologies and electric motor vehicle technologies and the commercial capability of such technologies; and

(B) develop a Federal industry information exchange program to improve the deployment or use of such technologies, which may consist of workshops, publications, conferences, and a database for use by the public and private sectors.

(g) Domestic parts manufacturers

In carrying out this section, the Secretary, in consultation with the Secretary of Commerce, shall issue regulations to ensure that the procurement practices of participating electric motor vehicle and associated equipment manufacturers do not discriminate against the United States manufacturers of vehicle parts.

(h) Hold harmless

Nothing in this section shall be construed to alter, affect, modify, or change any activities or agreements initiated prior to October 24, 1992, with domestic motor vehicle manufacturers through joint venture or consortium agreements regarding batteries for electric motor vehicles.

(i) Consultation

The Secretary shall consult with the Administrator of the Environmental Protection Agency and the Secretary of Transportation in carrying out this section.

(j) Fuel cells for transportation

(1) The Secretary shall develop and implement a comprehensive program of research, development, and demonstration for fuel cells and related systems for transportation applications through the establishment of one or more cooperative programs among industry, government, and research institutions to develop and demonstrate the use of fuel cells as the primary power source for private and mass transit vehicles and other mobile applications.

(2) Research, development, and demonstration activities under this subsection shall be designed to incorporate one or more of the following priorities:

(A) The potential for near-term to mid-term commercialization.

(B) The ability of the systems to use a variety of renewable and nonfossil fuels.

(C) Emission reduction and energy conservation potential.

(D) The potential to utilize fuel cells and fuel cell systems developed under Department of Defense and National Aeronautics and Space Administration programs.

(E) The potential to take maximum practical advantage of advances made in electric motor vehicle research, stationary source fuel cell research, and other research activities authorized by this subchapter.

(3)(A) Research, development, and demonstration projects selected by the Secretary under this subsection shall apply to—

(i) passenger vehicles;

(ii) vans and utility vehicles;

(iii) light rail systems and locomotives;

(iv) trucks, including long-haul trucks, dump trucks, and garbage trucks;

(v) passenger buses;

(vi) non-chlorofluorocarbon mobile refrigeration systems;

(vii) marine vessels, including recreational marine engines; or

(viii) mobile engines and power generation, including recreational generators, and industrial and construction equipment.

(B) The Secretary shall establish programs to undertake research, development, and demonstration activities for the applications listed in clauses (i) through (viii) of subparagraph (A) in each of fiscal years 1993, 1994, 1995, and 1996, based on the priorities established in paragraph (2), so that by the end of the period, research, development, and demonstration activities are
under way for the applications under each such clause. The initiatives authorized and implemented pursuant to this subsection shall be in addition to any other fuel cell programs authorized in existing law.

(k) Definitions

For purposes of this section—

(1) the term “advanced battery technology” means electrochemical storage devices and systems, including fuel cells, and associated technology necessary to charge, discharge, recharge, or regenerate such devices, for use as a source of power for an electric motor vehicle and any other associated equipment;

(2) the term “associated equipment” means equipment necessary for the regeneration, refueling, or recharging of batteries or other forms of electric energy used to power an electric motor vehicle and, in the case of electric-hybrid vehicles, such term includes nonpetroleum-related equipment necessary for, and solely related to, the demonstration of such vehicles;

(3) the term “electric motor vehicle” means a motor vehicle primarily powered by an electric motor that draws current from rechargeable storage batteries, fuel cells, photovoltaic arrays, or other sources of electric current and may include an electric-hybrid vehicle; and

(4) the term “electric-hybrid vehicle” means a vehicle primarily powered by an electric motor that draws current from rechargeable storage batteries, fuel cells, or other sources of electric current and also relies on a non-electric source of power that also operates on or is capable of operating on a nonelectrical source of power.


§ 13437. Advanced diesel emissions program

(a) Program direction

The Secretary shall initiate a 5-year program, in accordance with sections 13431 and 13432 of this title, on diesel engine combustion and engine systems, related advanced materials, and fuels and lubricants to reduce emissions oxides of nitrogen and particulates. Activities conducted under this program shall supplement activities of a similar nature at the Department of Energy. Such program shall include field demonstrations of sufficient scale and number in operating environments to prove technical and economic viability to meet the goal stated in subsection (b).

(b) Program goal

The goal of the program established under subsection (a) shall be to accelerate the ability of United States diesel manufacturers to meet current and future oxides of nitrogen and particulate emissions requirements.

(c) Program plan

Within 180 days after October 24, 1992, the Secretary, in consultation with appropriate representatives of industry, institutions of higher education, Federal agencies, including national laboratories, and professional and technical societies, shall prepare and submit to the Congress a 5-year program plan to guide the activities under this section. Such plan shall be included as part of the plan required by section 13431(b) of this title.

(d) Solicitation of proposals

Within 1 year after October 24, 1992, the Secretary shall solicit proposals for conducting activities consistent with the 5-year program plan.


§ 13438. Telecommuting study

(a) Study

The Secretary, in consultation with the Secretary of Transportation, shall conduct a study of the potential costs and benefits to the energy and transportation sectors of telecommuting. The study shall include—

(1) an estimation of the amount and type of reduction of commuting by form of transportation type and numbers of commuters;

(2) an estimation of the potential number of lives saved;

(3) an estimation of the reduction in environmental pollution, in consultation with the Environmental Protection Agency;

(4) an estimation of the amount and type of reduction of energy use and savings by form of transportation type; and

(5) an estimation of the social impact of widespread use of telecommuting.

(b) Report to Congress

This study shall be completed no more than one hundred and eighty days after October 24, 1992. A report, summarizing the results of the study, shall be transmitted to the United States House of Representatives and the Committee on Energy and Natural Resources of the United
States Senate no more than sixty days after completion of this study.

SUBCHAPTER IX—ENERGY AND ENVIRONMENT

PART A—IMPROVED ENERGY EFFICIENCY

§ 13451. General improved energy efficiency

(a) Program direction

The Secretary shall conduct a 5-year program, in accordance with sections 13451 and 13452 of this title, on cost effective technologies to improve energy efficiency and increase the use of renewable energy in the buildings, industrial, and utility sectors. Such program shall include a broad range of technological approaches, and shall include field demonstrations of sufficient scale and number to prove technical and economic viability to meet the goals stated in section 13401 of this title. Such program shall include the activities required under sections 13452, 13453, 13454, 13455, 13456, and 13457 of this title and section 2106 and ongoing activities of a similar nature at the Department of Energy.


(b) Program goals

The goals of the program established under subsection (a) shall include—

(1) in the buildings sector—
   (A) to accelerate the development of technologies that will increase energy efficiency;
   (B) to increase the use of renewable energy; and
   (C) to reduce environmental impacts;

(2) in the industrial sector—
   (A) to accelerate the development of technologies that will increase energy efficiency in order to improve productivity;
   (B) to increase the use of renewable energy; and
   (C) to reduce environmental impacts; and

(3) in the utility sector—
   (A) to accelerate the development of technologies that will increase energy efficiency; and
   (B) to increase the use of integrated resource planning.

(c) Program plan

Within 180 days after October 24, 1992, the Secretary shall prepare and submit to the Congress a 5-year program plan to guide activities under this part. In preparing the program plan, the Secretary shall consult with appropriate representatives of industry, utilities, institutions of higher education, Federal agencies, including national laboratories, and professional and technical societies.

1 See References in Text note below.

(d) Proposals

Within 1 year after October 24, 1992, the Secretary shall solicit proposals for conducting activities under this section.

(e) Authorization of appropriations

There are authorized to be appropriated to the Secretary for carrying out this part, including all building, industry, and utility sectors energy conservation research and development, and inventions and innovation under energy conservation technical and financial assistance, $178,250,000 for fiscal year 1993 and $275,000,000 for fiscal year 1994.


REFERENCES IN TEXT

Section 2106, referred to in subsec. (a), means section 2106 of Pub. L. 102–486, which amended sections 5103, 5107, 5108, 5110, and 5307 of Title 15, Commerce and Trade.


This part, referred to in subsecs. (c) and (e), was in the original “this subtitle” meaning subtitle A of title XXI of Pub. L. 102–486, Oct. 24, 1992, 106 Stat. 3067, which enacted this part and amended sections 5103, 5107, 5108, 5110, and 5307 of Title 15.

DISTRICT HEATING AND COOLING PROGRAMS


“(a) In General.—The Secretary, in consultation with appropriate industry organizations, shall conduct a study to—

“(1) assess existing district heating and cooling technologies to determine cost-effectiveness, technical performance, energy efficiency, and environmental impacts as compared to alternative methods for heating and cooling buildings;

“(2) estimate the economic value of benefits that may result from implementation of district heating and cooling systems but that are not currently recognized, such as reduced emissions of air pollutants, local economic development, and energy security;

“(3) evaluate the cost-effectiveness, including the economic value referred to in paragraph (2), of cogenerated district heating and cooling technologies compared to other alternatives for generating or conserving electricity;

“(4) assess and make recommendations for reducing institutional and other constraints on the implementation of district heating and cooling systems; and

“(5) evaluate the use of renewable energy systems (as such term is defined in section 415(c) of the Energy Conservation and Production Act (42 U.S.C. 6865(c))) in residential buildings.

“(b) Report.—Not later than 2 years after the date of the enactment of the Energy Policy Act of 2005 [Aug. 8, 2005], the Secretary shall transmit to the Congress a report containing the findings, conclusions and recommendations, if any, of the Secretary for carrying Federal, State, and local programs as a result of the study conducted under subsection (a).”
§ 13452. Natural gas and electric heating and cooling technologies

(a) Program direction

(1) The Secretary shall conduct a 5-year program, in accordance with sections 13541 and 13542 of this title, on energy efficient natural gas and electric heating and cooling technologies for residential and commercial buildings.

(2) The natural gas heating and cooling program shall include activities on—

(A) thermally activated heat pumps, including absorption heat pumps and engine-driven heat pumps; and

(B) other advanced natural gas technologies, including fuel cells for residential and commercial applications.

(3) The electric heating and cooling program shall focus on—

(A) advanced heat pumps;

(B) thermal storage; and

(C) advanced electric HVAC (heating, ventilating, and air conditioning) and refrigeration systems that utilize replacements for chlorofluorocarbons.

(b) Proposals

Within 180 days after October 24, 1992, the Secretary shall solicit proposals for conducting activities under this section.


§ 13453. Pulp and paper

(a) Program direction

The Secretary shall conduct a 5-year program, in accordance with sections 13541 and 13542 of this title, on advanced pulp and paper technologies. Such program shall include activities on energy generation technologies, boilers, combustion processes, pulping processes (excluding de-inking), chemical recovery, causticizing, source reduction processes, and other related technologies that can improve the energy efficiency of, and reduce the adverse environmental impacts of, pulp and papermaking operations. This section does not authorize projects involving the combustion of waste paper, other than gasification.

(b) Proposals

Within 180 days after October 24, 1992, the Secretary shall solicit proposals for conducting activities under this section.


§ 13454. Advanced buildings for 2005

(a) Program direction

The Secretary shall initiate a 5-year program, in accordance with sections 13541 and 13542 of this title, to increase building energy efficiency, while maintaining affordability, by the year 2005. Such program shall include activities on—

(1) building design, design methods, and construction techniques;

(2) building materials, including recycled materials, and components;

(3) on-site energy supply conversion systems such as photovoltaics;

(4) automated energy management systems;

(5) methods of evaluating performance; and

(6) insulation products manufactured with nonozone depleting materials.

(b) Proposals

(1) Solicitation

Within 1 year after October 24, 1992, the Secretary shall solicit proposals for conducting activities under this section.

(2) Contents of proposals

Proposals submitted under this subsection shall include and be judged upon—

(A) evidence of knowledge of current building practices in the United States and in other countries;

(B) an explanation of how the proposal will encourage the commercialization of the technologies resulting from activities in subsection (a);

(C) evidence of consideration of collaboration with Department of Energy national laboratories;

(D) evidence of collaboration with relevant industry or other groups or organizations; and

(E) a demonstration of the ability of the proposers to undertake and complete the project proposed.


§ 13455. Electric drives

(a) Program

The Secretary shall conduct a 5-year program, in accordance with sections 13541 and 13542 of this title, to increase the efficiency of electric drive technologies, including adjustable speed drives, high speed motors, and high efficiency motors.
(b) Proposals
Within 1 year after October 24, 1992, the Secretary shall solicit proposals for projects under this section.


§ 13456. Improving efficiency in energy-intensive industries

(a) Secretarial action
The Secretary, in accordance with sections 13541 and 13542 of this title, shall—
(1) pursue a research, development, demonstration and commercial application program intended to improve energy efficiency and productivity in energy-intensive industries and industrial processes; and
(2) undertake joint ventures to encourage the commercialization of technologies developed under paragraph (1).

(b) Joint ventures
(1) The Secretary shall—
(A) conduct a competitive solicitation for proposals from private firms and investors for such joint ventures under subsection (a)(2); and
(B) provide financial assistance to at least five such joint ventures.

(2) The purpose of the joint ventures shall be to design, test, and demonstrate changes to industrial processes that will result in improved energy efficiency and productivity. The joint ventures may also demonstrate other improvements of benefit to such industries so long as demonstration of energy efficiency improvements is the principal objective of the joint venture.

(3) In evaluating proposals for financial assistance and joint ventures under this section, the Secretary shall consider—
(A) whether the activities conducted under this section improve the quality and energy efficiency of industries or industrial processes;
(B) the regional distribution of the energy-intensive industries and industrial processes; and
(C) whether the proposed joint venture project would be located in the region which has the energy-intensive industry and industrial processes that would benefit from the project.


§ 13457. Energy efficient environmental program

(a) Program direction
The Secretary, in consultation with the Administrator of the Environmental Protection Agency, is authorized to continue to carry out a 5-year program to improve the energy efficiency and cost effectiveness of pollution prevention technologies and processes, including source reduction and waste minimization technologies and processes. The purposes of this section shall be to—

(1) apply a systems approach to minimizing adverse environmental effects of industrial production in the most cost effective and energy efficient manner; and
(2) incorporate consideration of the entire materials and energy cycle with the goal of minimizing adverse environmental impacts.

(b) Identification of opportunities
Within 9 months after October 24, 1992, the Secretary, in consultation with the Administrator of the Environmental Protection Agency, shall identify opportunities for the demonstration of energy efficient pollution prevention technologies and processes.

(c) Report
Within 1 year after October 24, 1992, the Secretary shall submit a report to Congress evaluating the opportunities identified under subsection (b). Such report shall include—

(1) an assessment of the technologies available to increase productivity and simultaneously reduce the consumption of energy and material resources and the production of wastes;
(2) an assessment of the current use of such technologies by industry in the United States;
(3) the status of any such technologies currently being developed, together with projected schedules of their commercial availability;
(4) the energy savings resulting from the use of such technologies;
(5) the environmental benefits of such technologies;
(6) the costs of such technologies;
(7) an evaluation of any existing Federal or State regulatory disincentives for the employment of such technologies; and
(8) an evaluation of any other barriers to the use of such technologies.

In preparing the report required by this subsection, the Secretary shall consult with the Administrator of the Environmental Protection Agency, any other Federal, State, or local official the Secretary considers necessary, representatives of appropriate industries, members of organizations formed to further the goals of environmental protection or energy efficiency, and other appropriate interested members of the public, as determined by the Secretary.

(d) Proposals
Within 1 year after October 24, 1992, the Secretary, in consultation with the Administrator of the Environmental Protection Agency, shall solicit proposals for activities under this section. Proposals selected under this subsection shall demonstrate—

(1) technical viability and cost effectiveness; and
(2) procedures for technology transfer and information outreach during and after completion of the project.


§ 13458. Energy efficient lighting and building centers

(a) Purpose
The purpose of this section is to encourage energy efficiency in buildings through the estab-
lishment of regional centers to promote energy efficient lighting, heating and cooling, and building design.

(b) Grants for establishment

Not later than 18 months after October 24, 1992, the Secretary shall make grants to non-profit institutions, or to consortiums that may include nonprofit institutions, State and local governments, universities, and utilities, to establish or enhance one regional building energy efficiency center (hereafter in this section referred to as a ‘‘regional center’’) in each of the 10 regions served by a Department of Energy regional support office.

(c) Permitted activities

Each regional center established under this section may—

(1) provide information, training, and technical assistance to building professionals such as architects, designers, engineers, contractors, and building code officials, on building energy efficiency methods and technologies, including lighting, heating and cooling, and passive solar;
(2) operate an outreach program to inform such building professionals of the benefits and opportunities of energy efficiency, and of the services of the center;
(3) provide displays demonstrating building energy efficiency methods and technologies, such as lighting, windows, and heating and cooling equipment;
(4) coordinate its activities and programs with other institutions within the region, such as State and local governments, utilities, and educational institutions, in order to support their efforts to promote building energy efficiency;
(5) serve as a clearinghouse to ensure that information about new building energy efficiency technologies, including case studies of successful applications, is disseminated to end-users in the region;
(6) study the building energy needs of the region and make available region-specific energy efficiency information to facilitate the adoption of cost-effective energy efficiency improvements;
(7) assist educational institutions in establishing building energy efficiency engineering and technical programs and curricula; and
(8) evaluate the performance of the center in promoting building energy efficiency.

(d) Application

Any nonprofit institution or consortium interested in receiving a grant under this section shall submit to the Secretary an application in such form and containing such information as the Secretary may require. A lighting or building energy center in existence on October 24, 1992, which is owned and operated by a nonprofit institution or a consortium as described in subsection (b) shall be eligible for a grant under this section.

(e) Selection criteria

The Secretary shall select recipients of grants under this section on the basis of the following criteria:

(1) The capability of the grant recipient to establish a board of directors for the regional center composed of representatives from utilities, State and local governments, building trade and professional organizations, manufacturers, and nonprofit energy and environmental organizations.
(2) The demonstrated or potential resources available to the grant recipient for carrying out this subsection.
(3) The demonstrated or potential ability of the grant recipient to promote building energy efficiency by carrying out the activities specified in subsection (c).
(4) The activities which the grant recipient proposes to carry out under the grant.

(f) Requirement of matching funds

(1) Federal share

The Federal share of a grant under this section shall be no more than 50 percent of the costs of establishing, and no more than 25 percent of the cost of operating the regional center.

(2) Non-Federal contributions

No grant may be made under this section in any fiscal year unless the recipient of such grant enters into such agreements with the Secretary as the Secretary may require to ensure that such recipient will provide the necessary non-Federal contributions. Such non-Federal contributions may be provided by utilities, State and local governments, nonprofit institutions, foundations, corporations, and other non-Federal entities.

(g) Task force

The Secretary shall establish a task force to—

(1) advise the Secretary on activities to be carried out by grant recipients;
(2) review and evaluate programs carried out by grant recipients; and
(3) make recommendations regarding the building energy efficiency center grant program.

(h) Membership terms and administration of task force

(1) In general

The task force shall be composed of approximately 20 members, appointed by the Secretary, with expertise in the area of building energy efficiency, including representatives from—

(A) State or local energy offices;
(B) utilities;
(C) building construction trade or professional associations;
(D) architecture, engineering or professional associations;
(E) building component or equipment manufacturers;
(F) from national laboratories;
(G) building code officials or professional associations; and
(H) nonprofit energy or environmental organizations.

(2) Geographic representation

The Secretary shall ensure that there is broad geographical representation among task force members.

1So in original. The word “from” probably should not appear.
3 Terms
Members shall be appointed for a term of 3 years. A vacancy in the task force shall be filled in the manner in which the original appointment was made.

4 Pay
Members shall serve without pay. Each member shall receive travel expenses, including per diem in lieu of subsistence, in accordance with sections 5702 and 5703 of title 5.

5 Chairperson
The Chairperson and Vice Chairperson of the task force shall be elected by the members.

6 Meetings
The task force shall meet biannually and at the call of the Chairperson.

7 Inapplicability of termination date
Section 14 of the Federal Advisory Committee Act shall not apply to the task force.

(i) Omitted

(j) Authorization of appropriations
There is authorized to be appropriated for purposes of carrying out this section, to remain available until expended, not more than $10,000,000 for each of fiscal years 1994, 1995, and 1996.


REFERENCES IN TEXT
Section 14 of the Federal Advisory Committee Act, referred to in subsec. (h)(7), is section 14 of Pub. L. 92–463, which is set out in the Appendix to Title 5, Government Organization and Employees.

Codification
Subsec. (i) of this section, which required the Secretary for carrying out this section, to be included in the activities of regional centers established under this section, including the degree to which matching funds are being leveraged from private sources to establish and operate such centers, terminated, effective May 16, 2000, pursuant to section 3003 of Pub. L. 104–66, as amended, set out as a note under section 1113 of Title 31, Money and Finance. See also, the 6th item on page 80 of House Document No. 103–7.

Section was enacted as part of title I of the Energy Policy Act, and not as part of title XXI of that Act.

PART E—ELECTRICITY GENERATION AND USE
§ 13471. Renewable energy

(a) Program direction
The Secretary shall conduct a comprehensive 5-year program, in accordance with sections 13541 and 13542 of this title, to provide cost-effective options for the generation of electricity from renewable energy sources for grid and nongrid application, including field demonstrations of sufficient scale and number so as to demonstrate technical and economic feasibility for providing cost effective generation and for meeting the goal stated in section 13401(3) of this title and section 13382(a)(4) of this title.

(b) Program plan
Within 180 days after October 24, 1992, the Secretary shall prepare and submit to the Congress a 5-year program plan to guide the activities under this section. In preparing the program plan, the Secretary shall consult with appropriate representatives of industry, institutions of higher education, Federal agencies, including national laboratories, and professional and technical societies.

(c) Authorization of appropriations
There are authorized to be appropriated to the Secretary for carrying out this section, including all solar energy programs (other than activities under section 13431 of this title), geothermal systems, electric energy systems, and energy storage systems, $208,975,000 for fiscal year 1993 and $275,000,000 for fiscal year 1994.


§ 13472. High efficiency heat engines

(a) Program direction
The Secretary shall conduct a 5-year program, in accordance with sections 13541 and 13542 of this title, to improve the efficiency of heat engines. Such program shall—
(1) include field demonstrations of sufficient scale and number so as to demonstrate technical and economic feasibility;
(2) incorporate materials that increase engine efficiency; and
(3) cover advanced engine designs for electric and industrial power generation for a range of small-, mid-, and large-scale applications, including—
(A) mechanically recuperated gas turbines;
(B) intercooled gas turbines with steam injection or recuperation;
(C) gas turbines utilizing reformed fuels or hydrogen; and
(D) high efficiency, simple cycle gas turbines.

(b) Program goal
The goal of the program established under subsection (a) shall be to develop heat engines that can achieve over 50 percent efficiency in the mid-term.

(c) Program plan
Within 180 days after October 24, 1992, the Secretary shall prepare and submit to the Congress a 5-year program plan, to be included in the plan required under section 13451(c) of this title, to guide the activities under this section. In preparing the program plan, the Secretary shall consult with appropriate representatives of industry, institutions of higher education, Federal agencies, including the Environmental Protection Agency and national laboratories, and professional and technical societies.

(d) Proposals
Within 1 year after October 24, 1992, the Secretary shall solicit proposals for conducting activities under this section.

(e) Authorization of appropriations
There are authorized to be appropriated to the Secretary for carrying out this section such sums as may be necessary to be derived from sums authorized under section 13451(e) of this title.
§ 13473. Civilian nuclear waste

(a) Study

The Secretary shall conduct a study of the potential for minimizing the volume and toxic lifetime of nuclear waste, including an analysis of the viability of existing technologies and an assessment of the extent of research and development required for new technologies.

(b) Program

Based on the results of the study required under subsection (a), the Secretary shall prepare and submit to Congress a 5-year program plan for carrying out a program of research and development on new technologies for minimizing the volume and toxic lifetime of, and thereby mitigating hazards associated with, nuclear waste.

(c) Authorization of appropriations

There are authorized to be appropriated to the Secretary for carrying out this section $4,700,000 for fiscal year 1993 and such sums as may be necessary for fiscal year 1994.

§ 13474. Fusion energy

(a) Program

The Secretary shall conduct a fusion energy 5-year program, in accordance with sections 13541 and 13542 of this title, that by the year 2010 will result in a technology demonstration which verifies the practicability of commercial electric power production.

(b) Program goals

The goals of the program established under subsection (a) shall include:

1. a broad based fusion energy program;
2. United States participation in the Engineering Design Activity of the International Thermonuclear Experimental Reactor (ITER) program and in the related research and technology development efforts;
3. the development of technology for fusion power and industrial participation in the development of such technology;
4. the design and construction of a major new machine for fusion research and technology development consistent with paragraphs (2) and (3); and
5. research and development for Inertial Confinement Fusion Energy and development of a Heavy Ion Inertial Confinement Fusion experiment.

(c) Management plan

1. Within 180 days after October 24, 1992, the Secretary shall prepare a comprehensive management plan for the fusion energy program. The plan shall include specific program objectives, milestones and schedules for technology development, and cost estimates and program management resource requirements.
2. The plan shall also include a description of—
   A. United States participation in the Engineering Design Activity of ITER, including industrial participation;
   B. potential United States participation in the construction and operation of an ITER facility; and
   C. the requirements needed to build and test an inertial fusion energy reactor for the purpose of power production.
3. As part of the plan required under paragraph (1), the Secretary shall evaluate the status of international fusion programs and evaluate whether the Federal Government should initiate efforts to strengthen existing international cooperative agreements in fusion energy or enter into new cooperative agree -

(d) Authorization of appropriations

There are authorized to be appropriated to the Secretary for carrying out this section $339,710,000 for fiscal year 1993 and $380,000,000 for fiscal year 1994.

§ 13475. Fuel cells

(a) Program direction

The Secretary shall conduct a 5-year program, in accordance with sections 13541 and 13542 of this title, on efficient and environmentally benign power generation using fuel cells. The program may include activities on molten carbonate, solid oxide, including tubular, monolithic, and planar technologies, and advanced concepts.

(b) Program goal

The goal of the program established under subsection (a) is the development of cost-effective, efficient, and environmentally benign fuel cell systems which will operate on fossil fuels in multiple end use sectors.

(c) Authorization of appropriations

There are authorized to be appropriated to the Secretary for carrying out this section $51,555,000 for fiscal year 1993 and $56,000,000 for fiscal year 1994.
§ 13476. Environmental restoration and waste management program

(a) Authorization of appropriations

There are authorized to be appropriated to the Secretary for fiscal year 1993 $70,000,000 for the Fast Flux Test Facility to maintain the operational status of the reactor, such sums to be derived from amounts appropriated to the Secretary for the environmental restoration and waste management program.

(b) Long-term missions

The Secretary shall aggressively pursue the development and implementation of long-term missions for the Fast Flux Test Facility. Within 6 months after October 24, 1992, the Secretary shall submit to the Congress a report on the progress made in carrying out this subsection.

§ 13477. High-temperature superconductivity program

(a) Program

The Secretary shall carry out a 5-year program, in accordance with sections 13541 and 13542 of this title, on high-temperature superconducting electric power equipment technologies. Elements of the program shall include, but are not limited to—

1. activities that address the development of high-temperature superconducting materials that have increased electrical current capacity, which shall be the emphasis of the program for the near-term;
2. the development of prototypes, where appropriate, of the major elements of a superconducting electric power system such as motors, generators, transmission lines, transformers, and magnetic energy storage systems;
3. activities that will improve the efficiency of materials performance of higher temperatures and at all magnetic field orientations;
4. development of prototypes based on high-temperature superconducting wire, that operate at the highest temperature possible, and refrigeration systems using cryogenics such as nitrogen;
5. activities that will assist the private sector with designs for more efficient electric power generation and delivery systems which are cost competitive with conventional energy systems; and
6. development of prototypes that have application in both the commercial and defense sectors.

The Secretary is also encouraged to expedite government, laboratory, industry, and university collaborative agreements under existing mechanisms at the Department of Energy in coordination with other Federal agencies.

(b) Authorization of appropriations

There are authorized to be appropriated to the Secretary for carrying out this section $21,900,000 for fiscal year 1993 and such sums as may be necessary for subsequent fiscal years, to be derived from sums authorized under section 13471(c) of this title.

§ 13478. Omitted

Codification


§ 13479. Spark M. Matsunaga Renewable Energy and Ocean Technology Center

(a) Findings

The Congress finds that—

1. the late Spark M. Matsunaga, United States Senator from Hawaii, was a longstanding champion of research and development of renewable energy, particularly wind and ocean energy, photovoltaics, and hydrogen fuels;
2. it was Senator Matsunaga’s vision that renewable energy could provide a sustained source of non-polluting energy and that such forms of alternative energy might ultimately be employed in the production of liquid hydrogen as a transportation fuel and energy storage medium available as an energy export;
3. Senator Matsunaga also believed that research on other aspects of renewable energy and ocean resources, such as advanced materials, could be crucial to full development of energy storage and conversion systems; and
4. Keahole Point, Hawaii is particularly well-suited as a site to conduct renewable energy and associated marine research.

(b) Purpose

It is the purpose of this section to establish the facilities and equipment located at Keahole Point, Hawaii as a cooperative research and development facility, to be known as the Spark M. Matsunaga Renewable Energy and Ocean Technology Center.

(c) Establishment

The facilities and equipment located at Keahole Point, Hawaii are established as the Spark M. Matsunaga Renewable Energy and Ocean Technology Center (in this section referred to as the “Center”).

(d) Administration

(1) Not later than 180 days after October 24, 1992, the Secretary may authorize a cooperative agreement with a qualified research institution to administer the Center.

(2) For the purpose of paragraph (1), a qualified research institution is a research institution located in the State of Hawaii that has demonstrated competence and will be the lead organization in the State in renewable energy and ocean technologies.

(e) Activities

The Center may carry out research, development, educational, and technology transfer activities on—
§ 13491 TITLE 42—THE PUBLIC HEALTH AND WELFARE Page 7934

(1) renewable energy;
(2) energy storage, including the production of hydrogen from renewable energy;
(3) materials applications related to energy and marine environments;
(4) other environmental and ocean research concepts, including sea ranching and global climate change; and
(5) such other matters as the Secretary may direct.

(f) Matching funds
To be eligible for Federal funds under this section, the Center must provide funding in cash or in kind from non-Federal sources for each amount provided by the Secretary.

(g) Authorization of appropriations
There is authorized to be appropriated to the Secretary for carrying out this section such sums as may be necessary, to be derived from sums authorized under section 13471(c) of this title.


PART C—ADVANCED NUCLEAR REACTORS

§ 13491. Purposes and definitions

(a) Purposes

The purposes of this part are—

(1) to require the Secretary to carry out civilian nuclear programs in a way that will lead toward the commercial availability of advanced nuclear reactor technologies; and

(2) to authorize such activities to further the timely availability of advanced nuclear reactor technologies, including technologies that utilize standardized designs or exhibit passive safety features.

(b) Definitions

For purposes of this part—

(1) the term "advanced nuclear reactor technologies" means—

(A) advanced light water reactors that may be commercially available in the near-term, including but not limited to mid-sized reactors with passive safety features for the generation of commercial electric power from nuclear fission; and

(B) other advanced nuclear reactor technologies that may require prototype demonstration prior to commercial availability in the mid- or long-term, including but not limited to high-temperature, gas-cooled reactors and liquid metal reactors, for the generation of commercial electric power from nuclear fission;

(2) the term "Commission" means the Nuclear Regulatory Commission;

(3) the term "standardized design" means a design for a nuclear power plant that may be utilized for a multiple number of units or a multiple number of sites; and

(4) the term "certification" means approval by the Commission of a standardized design.


REFERENCES IN TEXT

This part, referred to in text, was in the original "this subtitle" meaning subtitle C of title XXI of Pub. L. 102–486, Oct. 24, 1992, 106 Stat. 3081, which enacted this part and amended sections 12003 and 12004 of this title.

§ 13492. Program, goals, and plan

(a) Program direction

The Secretary shall conduct a program to encourage the deployment of advanced nuclear reactor technologies that to the maximum extent practicable—

(1) are cost effective in comparison to alternative sources of commercial electric power of comparable availability and reliability, taking into consideration life cycle environmental costs;

(2) facilitate the design, licensing, construction, and operation of a nuclear powerplant using a standardized design;

(3) exhibit enhanced safety features; and

(4) incorporate features that advance the objectives of the Nuclear Non-Proliferation Act of 1978 [22 U.S.C. 2301 et seq.].

(b) Program goals

The goals of the program established under subsection (a) shall include—

(1) for the near-term—

(A) to facilitate the completion, by September 30, 1996, for certification by the Commission of standardized advanced light water reactor technology designs that the Secretary determines have the characteristics described in subsection (a)(1) through (4);

(B) to facilitate the completion of submissions, by September 30, 1996, for preliminary design approvals by the Commission of standardized designs for the modular high-temperature gas-cooled reactor technology and the liquid metal reactor technology; and

(C) to evaluate by September 30, 1996, actinide burn technology to determine if it can reduce the volume of long-lived fission by-products;

(2) for the mid-term—

(A) to facilitate increased efficiency of enhanced safety, advanced light water reactors to produce electric power at the lowest cost to the customer;

(B) to develop advanced reactor concepts that are passively safe and environmentally acceptable; and

(C) to complete necessary research and development on high-temperature gas-cooled reactor technology and liquid metal reactor technology to support the selection, by September 30, 1998, of one or both of those technologies as appropriate for prototype demonstration; and

(3) for the long-term, to complete research and development and demonstration to support the design of advanced reactor technologies capable of providing electric power to a utility grid as soon as practicable but no later than the year 2010.

(c) Program plan

Within 180 days after October 24, 1992, the Secretary shall prepare and submit to the Congress a 5-year program plan to guide the activities
under this section. The program plan shall include schedule milestones, Federal funding requirements, and non-Federal cost sharing requirements. In preparing the program plan, the Secretary shall take into consideration:

1. the need for, and the potential for future adoption by electric utilities or other entities of, advanced nuclear reactor technologies that are available, under development, or have the potential for being developed, for the generation of energy from nuclear fission;
2. how the Federal Government, acting through the Secretary, can be effective in ensuring the availability of such technologies when they are needed;
3. how the Federal Government can most effectively cooperate with the private sector in the accomplishment of the goals set forth in subsection (b); and
4. potential alternative funding sources for carrying out this section.

In preparing the program plan, the Secretary shall consult with appropriate representatives of industry, institutions of higher education, Federal agencies, including national laboratories, and professional and technical societies. The Secretary shall update the program plan annually and submit such update to Congress. Each such update shall describe any activities that are behind schedule, any funding shortfalls, and any other circumstances that might affect the ability of the Secretary to meet the goals set forth in subsection (b).


§ 13493. Commercialization of advanced light water reactor technology

(a) Certification of designs

In order to achieve the goal of certification of completed standardized designs by the Commission by 1996 as set forth in section 13492(b) of this title, the Secretary shall conduct a 5-year program of technical and financial assistance to encourage the development and submission for certification of advanced light water reactor designs which, in the judgment of the Secretary, can be certified by the Commission by no later than the end of fiscal year 1996.

(b) First-of-a-kind engineering

(1) Establishment of program

The Secretary shall conduct a program of Federal financial and technical assistance for the first-of-a-kind engineering design of standardized commercial nuclear powerplants which are included, as of October 24, 1992, in the Department of Energy’s program for certification of advanced light water reactor designs.

(2) Selection criteria

In order to be eligible for assistance under this subsection, an entity shall certify to the satisfaction of the Secretary that—

(A) the entity, or its members, are bona fide entities engaged in the design, engineering, manufacture, construction, or operation of nuclear reactors;
(B) the entity, or its members, have the financial resources necessary for, and fully intend to pursue the design, engineering, manufacture, construction, and operation in the United States of nuclear power plants through completion of construction and into operation;
(C) the design proposed is scheduled for certification by the Commission under the Department of Energy’s program for certification of light water reactor designs; and
(D) at least 50 percent of the funding for the project shall be obtained from non-Federal sources, and a substantial portion of that non-Federal funding shall be obtained from utilities or entities whose primary purpose is the production of electrical power for public consumption.

(3) Program documents

The Secretary shall prepare and submit to the Congress a program document for each design selected under this subsection, specifying goals and objectives, major milestones for achieving those goals and objectives, and the work products to be provided to the Secretary or made available for inspection.

(4) Funding limitations

(A) Before entering into an agreement with an entity under this subsection, the Secretary shall establish a cost ceiling for the contribution of the Federal Government for the project, and shall report such cost ceiling to the Congress.
(B) No entity shall receive assistance under this subsection for a period greater than 4 years.
(C) The aggregate funding provided by the Secretary for projects under this subsection shall not exceed $100,000,000 for the period encompassing fiscal years 1993 through 1997.


CODIFICATION

Subsec. (b)(5) of this section, which required the Secretary to submit annually to Congress a status report on each project receiving assistance under subsec. (b), terminated, effective May 15, 2000, pursuant to section 3003 of Pub. L. 104–66, as amended, set out as a note under section 1113 of Title 31, Money and Finance. See also, the last item on page 85 of House Document No. 103–7.

§ 13494. Prototype demonstration of advanced nuclear reactor technology

(a) Solicitation of proposals

Within 3 years after October 24, 1992, the Secretary shall solicit proposals for carrying out the preliminary engineering design of not more than 2 prototype advanced nuclear reactor technologies developed by the Department of Energy, other than advanced light water reactor technologies, necessary to support a decision on

1 So in original. Probably should be “powerplants”.
whether to recommend construction of a prototype demonstration reactor with the characteristics described in section 13493(a) of this title. Proposals submitted under this subsection shall be for modular design concepts of sufficient size to address requirements related to the certification of a standardized design.

(b) Recommendation to Congress

(1) Not later than September 30, 1998, the Secretary shall submit to Congress recommendations on whether to build one or more prototype demonstration reactors under this section. Such recommendations shall—

(A) specify a preferred technology or technologies;
(B) include detailed information on milestones for construction and operation;
(C) include an estimate of the funding requirements; and
(D) specify the extent and type of non-Federal financial support anticipated.

In developing the recommendations under this paragraph, the Secretary shall provide for public notice and an opportunity for comment, and shall solicit the views of the Commission and other parties with technical expertise the Secretary considers useful in the development of such recommendations.

(2) The prototype demonstration program under this section shall be carried out to the maximum extent practicable with private sector funding. At least 50 percent of the funding for such program shall be non-Federal funding. The extent of non-Federal cost sharing proposed for any demonstration project shall be a criterion for the selection of the project.

c) Selection of technology

Any technology selected by the Secretary for recommendation for prototype demonstration under this section shall to the maximum extent possible exhibit the characteristics set forth in section 13493(a) of this title.


§ 13495. Authorization of appropriations

There are authorized to be appropriated to the Secretary for carrying out this part $212,804,000 for fiscal year 1993 and such sums as may be necessary for fiscal year 1994. Amounts authorized or otherwise made available for program direction, space reactor power systems, advanced radioisotope power systems, and the space exploration initiative under nuclear energy research and development shall be in addition to the amounts authorized in the preceding sentence.


SUBCHAPTER X—ENERGY AND ECONOMIC GROWTH

§ 13501. National Advanced Materials Program

(a) Program direction

The Secretary shall establish a 5-year National Advanced Materials Program, in accordance with sections 13541 and 13542 of this title. Such program shall foster the commercialization of techniques for processing, synthesizing, fabricating, and manufacturing advanced materials and associated components. At a minimum, the Program shall expedite the private sector deployment of advanced materials for use in high performance energy technologies in the industrial, transportation, and buildings sectors that can foster economic growth and competitiveness. The Program shall include field demonstrations of sufficient scale and number to prove technical and economic feasibility.

(b) Program plan

Within 180 days after October 24, 1992, the Secretary, in consultation with appropriate representatives of industry, institutions of higher education, Department of Energy national laboratories, and professional and technical societies, shall prepare and submit to the Congress a 5-year program plan to guide activities under this section. The Secretary shall biennially update and resubmit the program plan to Congress.

c) Proposals

(1) Solicitation

Within 1 year after October 24, 1992, the Secretary shall solicit proposals for conducting activities consistent with the 5-year program plan. Such proposals may be submitted by one or more parties.

(2) Contents of proposals

Proposals submitted under this subsection shall include—

(A) an explanation of how the proposal will expedite the commercialization of advanced materials in energy efficiency or renewable energy in the near-term to mid-term;
(B) evidence of consideration of whether the unique capabilities of Department of Energy national laboratories warrants collaboration with such laboratories, and the extent of such collaboration proposed;
(C) a description of the extent to which the proposal includes collaboration with relevant industry or other groups or organizations; and
(D) evidence of the ability of the proposers to undertake and complete the proposed project.

d) General Services Administration demonstration program

The Secretary, in consultation with the Administrator of General Services, shall establish a program to expedite the use, in goods and services acquired by the General Services Administration, of advanced materials technologies. Such program shall include a demonstration of the use of advanced materials technologies as may be necessary to establish technical and economic feasibility. The Secretary shall transfer funds to the General Services Administration for carrying out this subsection.

e) Authorization of appropriations

There are authorized to be appropriated to the Secretary for carrying out this section such sums as may be necessary, to be derived for energy efficient applications from section 13451(e)
of this title and for renewable applications from section 13471(c) of this title, including Department of Energy national laboratory participation in proposals submitted under subsection (c), and including transferring funds to the General Services Administration.


Termination of Reporting Requirements

For termination, effective May 15, 2000, of provisions in subsec. (b) of this section relating to the biennial re-submitting of the program plan to Congress, see section 3003 of Pub. L. 104–66, as amended, set out as a note under section 1113 of Title 31, Money and Finance, and the 1st item on page 86 of House Document No. 103–7.

§13502. National Advanced Manufacturing Technologies Program

(a) Program direction

The Secretary shall establish a 5-year National Advanced Manufacturing Technologies Program, in accordance with sections 13541 and 13542 of this title. Such program shall foster the commercialization of advanced manufacturing technologies to improve energy efficiency and productivity in manufacturing. At a minimum, the Program shall expedite the private sector deployment of advanced manufacturing technologies to improve productivity, quality, and control in manufacturing processes that can foster economic growth, energy efficiency, and competitiveness. The program shall include field demonstrations of sufficient scale and number to prove technical and economic feasibility.

(b) Program plan

Within 180 days after October 24, 1992, the Secretary, in consultation with appropriate representatives of industry, institutions of higher education, Department of Energy national laboratories, and professional and technical societies, shall prepare and submit to the Congress a 5-year program plan to guide activities under this section. The Secretary shall biennially update and re-submit the program plan to Congress.

(c) Proposals

(1) Solicitation

Within 1 year after October 24, 1992, the Secretary shall solicit proposals for conducting activities consistent with the 5-year program plan. Such proposals may be submitted by one or more parties.

(2) Contents of proposals

Proposals submitted under this subsection shall include—

(A) an explanation of how the proposal will expedite the commercialization of advanced manufacturing technologies to improve energy efficiency in the building, industry, and transportation sectors;

(B) evidence of consideration of whether the unique capabilities of Department of Energy national laboratories warrants collaboration with such laboratories, and the extent of such collaboration proposed;

(C) a description of the extent to which the proposal includes collaboration with relevant industry or other groups or organizations; and

(D) evidence of the ability of the proposers to undertake and complete the proposed project.

(d) Authorization of appropriations

There are authorized to be appropriated to the Secretary for carrying out this section such sums as may be necessary, to be derived from sums authorized under section 13451(e) of this title, including Department of Energy national laboratory participation in proposals submitted under subsection (c).


Termination of Reporting Requirements

For termination, effective May 15, 2000, of provisions in subsec. (b) of this section relating to the biennial re-submitting of the program plan to Congress, see section 3003 of Pub. L. 104–66, as amended, set out as a note under section 1113 of Title 31, Money and Finance, and the 2nd item on page 86 of House Document No. 103–7.

§13503. Supporting research and technical analysis

(a) Basic energy sciences

(1) Program direction

The Secretary shall continue to support a vigorous program of basic energy sciences to provide basic research support for the development of energy technologies. Such program shall focus on the efficient production and use of energy, and the expansion of our knowledge of materials, chemistry, geology, and other related areas of advancing technology development.

(2) User facilities

(A) As part of the program referred to in paragraph (1), the Secretary shall carry out planning, construction, and operation of user facilities to provide special scientific and research capabilities, including technical expertise and support as appropriate, to serve the research needs of our Nation's universities, industry, private laboratories, Federal laboratories, and others. Research institutions or individuals from other nations shall be accommodated at such user facilities in cases where reciprocal accommodations are provided to United States research institutions and individuals or where the Secretary considers such accommodation to be in the national interest.

(B) The construction of the Advanced Photon Source at the Argonne National Laboratory is hereby authorized.

(C) The Secretary shall not change the user fee practice in effect as of October 1, 1991, with respect to user facilities unless the Secretary notifies Congress 90 days before the effective date of any change.

(D) The Secretary shall expedite the design for construction of the Advanced Neutron Source at the Oak Ridge National Laboratory, in order to provide critical research capabilities in support of our national research initiatives for advanced materials and bio-
technology, as well as a broad range of research. Such action shall be consistent with the Basic Energy Sciences Advisory Committee's Technical Evaluation of accelerator and reactor neutron source technologies. Within 90 days after October 24, 1992, the Secretary shall submit to the Congress a plan for such design, including a schedule for construction.

(3) Cost sharing

The Secretary shall not require cost sharing for research and development pursuant to this subsection, except—

(A) as otherwise provided for in cooperative research and development agreements or other agreements entered into under existing law;

(B) for fees for user facilities, as determined by the Secretary; or

(C) in the case of specific projects, where the Secretary determines that the benefits of such research and development accrue to a specific industry or group of industries, in which case cost sharing under section 13542 of this title shall apply.

(b) University and science education

(1) The Secretary shall support programs for improvements and upgrading of university research reactors and associated instrumentation and equipment. Within 1 year after October 24, 1992, the Secretary shall submit to the Congress a report on the condition and status of university research reactors, which includes a 5-year plan for upgrading and improving such facilities, instrumentation capabilities, and related equipment.

(2) The Secretary shall develop a method to evaluate the effectiveness of science and mathematics education programs provided by the Department of Energy and its laboratories, including specific evaluation criteria.

(3)(A)(i) The Director of the Office of Science shall operate an Experimental Program to Stimulate Competitive Research (in this paragraph referred to as “EPSCoR”) as part of the Department of Energy's University and Science Education Programs.

(ii) The objectives of EPSCoR shall be—

(I) to enhance the competitiveness of the peer-review process within academic institutions in eligible States; and

(II) to increase the probability of long-term growth of competitive funding to investigators at institutions from eligible States.

(iii) In order to carry out the objectives stated in clause (ii), EPSCoR shall provide for activities which may include (but not be limited to) competitive research awards and graduate traineeships.

(iv) EPSCoR shall assist those States that—

(I) historically have received relatively little Federal research and development funding; and

(II) have demonstrated a commitment to develop their research bases and improve science and engineering research and education programs at their universities and colleges.

(B) For purposes of this paragraph, the term “eligible States” means States that received a Department-EPSCoR planning or traineeship grant in fiscal year 1991 or fiscal year 1992.

(C) No more than $5,000,000 of the funds appropriated to EPSCoR in any fiscal year, through fiscal year 1997, are authorized to be appropriated for graduate traineeships.

(c) Technology transfer

The Secretary shall support technology transfer activities conducted by the National Laboratories. Within 1 year after October 24, 1992, the Secretary shall submit to the Congress a report on the adequacy of funding for such activities, along with a proposal recommending ways to reduce the length of time required to consummate cooperative research and development agreements.

(d) Facilities support for multiprogram energy laboratories

(1) Facility policy

The Secretary shall develop and implement a least cost strategy for correcting facility problems, closing unneeded facilities, making facility modifications, and building new facilities at multiprogram energy laboratories.

(2) Facility plan

Within 1 year after October 24, 1992, the Secretary shall prepare and submit to the Congress a comprehensive plan for conducting future facility maintenance, making repairs, modifications, and new additions, and constructing new facilities at multiprogram energy laboratories. Such plan shall provide for facilities work in accordance with the following priorities, listed in descending order of priority:

(A) Providing for the safety and health of employees, visitors, and the general public with regard to correcting existing structural, mechanical, electrical, and environmental deficiencies.

(B) Providing for the repair and rehabilitation of existing facilities to keep them in use and prevent deterioration.

(C) Providing engineering design and construction services for those facilities which require modification or additions in order to meet the needs of new or expanded programs.

Such plan shall include plans for new facilities and facility modifications which will be required to meet the Department of Energy's changing missions of the twenty-first century, including schedules and estimates for implementation, and including a section outlining long-term funding requirements consistent with anticipated budgets and annual authorization of appropriations. Such plan shall address the coordination of modernization and consolidation of facilities in order to meet changing mission requirements, and shall provide for annual reports to Congress on accomplishments, conformance to schedules, commitments, and expenditures.

(e) Authorization of appropriations

There are authorized to be appropriated to the Secretary for Supporting Research and Technical Analysis, including Basic Energy Sciences, Energy Research Analysis, University and Science Education, Technology Transfer, Advisory and Oversight Program Direction, and Fa
§ 13504. Math and science education program

(a) Program

The Secretary shall enter into contracts with existing qualified entities to conduct science and mathematics education programs that supplement the Special Programs for Students from Disadvantaged Backgrounds carried out by the Secretary of Education under sections 1070d through 1070d-1d of title 20.1

(b) Purpose

(1) The purpose of the programs shall be to provide support to Federal, State, and private programs designed to promote the participation of low-income and first generation college students in post-secondary science and mathematics education.

(2) Support activities may include—

(A) the development of educational materials;
(B) the training of teachers and counselors;
(C) the establishment of student internships;
(D) the development of seminars on mathematics and science;
(E) tutoring in mathematics and science;
(F) academic counseling;
(G) the development of opportunities for research; and
(H) such other activities that may promote the participation of low-income and first generation college students in post-secondary science and mathematics education.

(c) Support

(1) In carrying out the purpose of this section, the entities may provide support under subsection (b)(2) to—

(A) low-income and first generation college students; and
(B) institutions of higher education, public and private agencies and organizations, and secondary and middle schools that principally benefit low-income students.

(2) The qualified entities shall, to the extent practicable, coordinate support activities under this section with the Secretary of Education and the Secretary.

(d) Cooperation with qualified entities

The Secretary shall cooperate with qualified entities and, to the extent practicable, make available to the entities such personnel, facilities, and other resources of the Department of Energy as may be necessary to carry out the duties of the entities.

(e) Report

Not later than October 1 of each year, the entities shall report to the Secretary, the Secretary of Education, and the Congress on—

(1) progress made to promote the participation of low-income and first generation college students in post-secondary science and mathematics education by—

(A) the qualified entities;
(B) other mathematics and science education programs of the Department of Energy; and
(C) the Special Programs for Students from Disadvantaged Backgrounds of the Department of Education; and

(2) recommendations for such additional actions as may be needed to promote the participation of low-income students in post-secondary science and mathematics education.

(f) Effect on existing programs

The programs in this section shall supplement and be developed in cooperation with the current mathematics and science education programs of the Department of Energy and the Department of Education but shall not supplant them.

(g) "Qualified entity" defined

For purposes of this section, the term "qualified entity" means a nonprofit corporation, association, or institution that has demonstrated special knowledge of, and experience with, the education of low-income and first generation college students and whose primary mission is the operation of national programs that focus on low-income students and provide training and other services to educators.

(h) Authorization of appropriations

There are authorized to be appropriated such sums as may be necessary, to be derived from section 13503(e) of this title and the Environmental Restoration and Waste Management program, to carry out the purposes of this section.

References in Text

Sections 1070d through 1070d-1d of title 20, referred to in subsec. (a), and section 1070d of title 20, referred to in subsec. (b)(1), were repealed by Pub. L. 102–325, title IV, §402(a)(1), July 23, 1992, 106 Stat. 482.

§ 13505. Integration of research and development

Within 180 days after October 24, 1992, the Secretary, in consultation with appropriate representatives of industry, institutions of higher education, Department of Energy national laboratories, and professional and technical societies, shall prepare and submit to Congress a 5-year program plan for improving the integration of basic energy research programs with other energy programs within the Department of Energy. Such program plan shall include—

(1) an evaluation of current procedures and mechanisms used to achieve such integration;
(2) an assessment of the role that the Department of Energy national laboratories play in such integration;
(3) an identification and evaluation of models that could enhance such integration;

1 See References in Text note below.
§ 13506. Definitions

For purposes of this subchapter—

(1) the term "advanced manufacturing technology" means processes, equipment, techniques, practices, and capabilities that are applied for the purpose of—

(A) improving the productivity, quality, or energy efficiency of the design, development, testing, or manufacture of a product; or

(B) expanding the technical capability to design, develop, test, or manufacture a product that is fundamentally different in character from existing products and that will result in improved energy efficiency;

(2) the term "advanced materials" means materials that are processed, synthesized, fabricated, and manufactured to develop high performance properties that exceed the corresponding properties of conventional materials for structural, electronic, magnetic, or photonic applications, or for joining, welding, bonding, or packaging components into complex assemblies, including—

(A) advanced monolithic materials such as metals, ceramics, and polymers;

(B) advanced composite materials such as metal matrix (including intermetallics), polymer matrix, ceramic matrix, continuous fiber ceramic composite, and carbon matrix composites; and

(C) advanced electronic, magnetic, and photonic materials, including superconducting, semiconductor, electrooptic, magnetooptic, thin-film, and special purpose coating materials used in technologies for energy efficiency, renewable energy, or electric power applications; and

(3) the term "United States" means the 50 States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the United States Virgin Islands, Guam, the Northern Mariana Islands, and any other territory or possession of the United States.


SUBCHAPTER XI—POLICY AND ADMINISTRATIVE PROVISIONS

§ 13521. Policy on major construction projects

(a) Report and management plan

The Secretary shall submit to the Congress a report and management plan for any major construction project involving $100,000,000 or more, prior to the expenditure of those funds.

(b) Congressional review

Expenditure of funds for a project described in subsection (a) may be made after a period of 30 calendar days (not including any day on which either House of Congress is not in session because of adjournment of more than 3 calendar days prior to a day certain) has passed after receipt of the report and management plan by Congress.


§ 13522. Energy Research, Development, Demonstration, and Commercial Application Advisory Board

(a) Establishment

The Secretary shall establish an Energy Research, Development, Demonstration, and Commercial Application Advisory Board (hereafter in this section referred to as the "Advisory Board").

(b) Responsibilities

The Advisory Board shall provide impartial technical advice to the Secretary to assist in the development of energy research, development, demonstration, and commercial application plans and reports under sections 5905 and 5914 of this title, and as otherwise provided in subchapters VIII through XI of this chapter. The Advisory Board shall also periodically review such plans and reports and their implementation in relation to the goals stated in section 13401 of this title, and report the results of such review to the Secretary and the Congress. Such report shall be included as part of the report required under section 5914 of this title.

(c) Use of existing advisory board

The Secretary may use an existing advisory board to carry out the responsibilities described in subsection (b).


REFERENCES IN TEXT

Subchapters VIII through XI of this chapter, referred to in subsection (b), was in the original "titles XX through XXIII of this Act", meaning titles XX through XXIII of Pub. L. 102–486, Oct. 24, 1992, 106 Stat. 3097–3092, which enacted subchapters VIII through XI of this chapter and amended sections 5103, 5107, 5108, 5110, 5307, 5905, 12003, 12004, and 12006 of this title.

Section 5914 of this title, referred to in subsec. (b), was omitted from the Code.

TERMINATION OF ADVISORY BOARDS

Advisory boards established after Jan. 5, 1973, to terminate not later than the expiration of the 2-year period beginning on the date of their establishment, unless, in the case of a board established by the President or an officer of the Federal Government, such board is renewed by appropriate action prior to the expiration of such 2-year period, or in the case of a board established by Congress, its duration is otherwise provided by law. See sections 3(2) and 14 of Pub. L. 92–463, Oct.

1 See References in Text note below.
§ 13523. Management plan

(a) Plan preparation

The Secretary, in consultation with the Advisory Board established under section 13522 of this title, shall prepare a management plan for the conduct of research, development, demonstration, and commercial application of energy technologies that is consistent with the goals stated in section 13401 of this title.

(b) Contents of plan

The management plan under subsection (a) shall provide for—

(1) investigation of promising energy and energy efficiency resource technologies that have been identified as potentially significant future contributors to national energy security;

(2) development of energy and energy efficiency resource technologies that have the potential to reduce energy supply vulnerability, and to minimize adverse impacts on the environment, the global climate, and the economy; and

(3) creation of opportunities for export of energy and energy efficiency resource technologies from the United States that can enhance the Nation’s competitiveness.

(c) Energy technology inventory and status report

As part of the management plan, the Secretary, with the advice of the Advisory Board established under section 13522 of this title, shall develop an inventory and status report of technologies to enhance energy supply and to improve the efficiency of energy end uses. The inventory and status report shall include fossil, renewable, nuclear, and energy conservation technologies which have not yet achieved the status of fully reliable and cost-competitive commercial availability, but which the Secretary projects may become available with additional research, development, and demonstration. The inventory and status report shall provide, for each technology—

(1) an assessment of its—

(A) degree of technological maturity; and

(B) principal research, development, and demonstration issues, including—

(i) the barriers posed by capital, operating, and maintenance costs;

(ii) technical performance; and

(iii) potential environmental impacts;

(2) the projected time frame for commercial availability, specifying at a minimum whether the technology will be commercially available in the near-term, mid-term, or long-term, whether there are too many uncertainties to project availability, or whether it is unlikely that the technology will ever be commercial; and

(3) a projection of the future cost-competitiveness of the technology in comparison with alternative technologies to provide the same energy service.

(d) Public comment

The Secretary shall publish the proposed management plan for a written public comment period of at least 90 days. The Secretary shall consider such comments and include a summary thereof in the management plan.

(e) Plan submission

Within one year after October 24, 1992, the Secretary shall submit the first management plan under this section to Congress. Thereafter, the Secretary shall submit a revised management plan biennially, at the time of submittal of the President’s annual budget submission to the Congress.


§ 13524. Costs related to decommissioning and storage and disposal of nuclear waste

(a) Award of contracts

(1) Prime contractors

In awarding contracts to perform nuclear hot cell services, the Secretary, in evaluating bids for such contracts, shall exclude from consideration costs related to the decommissioning of nuclear facilities or the storage and disposal of nuclear waste, if—

(A) one or more of the parties bidding to perform such services is a United States company that is subject to such costs; and

(B) one or more of the parties bidding to perform such services is a foreign company that is not subject to comparable costs.

(2) Subcontractors

Any person awarded a contract subject to the restrictions described in paragraph (1) who subcontracts with a person to perform the services described in such paragraph shall be subject to the same restrictions in evaluating bids among potential subcontractors, as the Secretary was subject to in evaluating bids among prime contractors.

(b) Issuance of regulations

The Secretary shall issue regulations not later than 90 days after October 24, 1992, to carry out the requirements of subsection (a).

(c) Definitions

As used in this section—

(1) the term “costs related to decommissioning of nuclear facilities” means any cost associated with the compliance with regulatory requirements governing the decommissioning of nuclear facilities licensed by the Nuclear Regulatory Commission;

(2) the term “costs related to storage and disposal of nuclear waste” means any costs, whether required by regulation or incurred as a matter of prudent business practice, associated with the storage or disposal of nuclear waste;

(3) the term “nuclear hot cell services” means services related to the examination of, or performance of various operations on, nuclear fuel rods, control assemblies, or other components that are emitting large quantities of ionizing radiation; and

(4) the term “nuclear waste” means any radioactive waste material subject to regulation by the Nuclear Regulatory Commission or the Department of Energy.
§ 13525. Limits on participation by companies

A company shall be eligible to receive financial assistance under subchapters VIII through XI of this chapter only if—

1. the Secretary finds that the company's participation in any program under such subchapters would be in the economic interest of the United States, as evidenced by investments in the United States in research, development, and manufacturing (including, for example, the manufacture of major components or subassemblies in the United States); significant contributions to employment in the United States; an agreement with respect to any technology arising from assistance provided under this section to promote the manufacture within the United States of products resulting from that technology (taking into account the goals of promoting the competitiveness of United States industry), and to procure parts and materials from competitive suppliers; and
2. either—
   (A) the company is a United States-owned company; or
   (B) the Secretary finds that the company is incorporated in the United States and has a parent company which is incorporated in a country which affords to United States-owned companies opportunities, comparable to those afforded to any other company, to participate in any joint venture similar to those authorized under this Act; affords to United States-owned companies local investment opportunities comparable to those afforded to any other company; and affords adequate and effective protection for the intellectual property rights of United States-owned companies.


REFERENCES IN TEXT

Subchapters VIII through XI of this chapter, referred to in text, was in the original “titles XX through XXIII of this Act”, meaning titles XX through XXIII of Pub. L. 102–486, Oct. 24, 1992, 106 Stat. 3097–3099, which enacted subchapters VIII through XI of this chapter and amended sections 5103, 5107, 5108, 5110, 5109, 5905, 12003, 12004, and 12006 of this title.


§ 13526. Uncosted obligations

(a) Report

Along with the submission of each of the President's annual budget requests to Congress, the Secretary shall submit to Congress a report which—

1. identifies the amount of Department of Energy funds that were, as of the end of the previous fiscal year—
   (A) committed uncosted obligations; and
   (B) uncommitted uncosted obligations;
2. specifically describes the purposes for which all such funds are intended; and
3. explains the effect that information contained in the report has had on the annual budget request for the Department of Energy being simultaneously submitted.

(b) Definitions

Within 90 days after October 24, 1992, the Secretary shall submit a report to the Congress containing definitions of the terms “uncosted obligation”, “committed uncosted obligation”, and “uncommitted uncosted obligation” for purposes of reports to be submitted under subsection (a).


SUBCHAPTER XII—MISCELLANEOUS

PART A—GENERAL PROVISIONS

§ 13541. Research, development, demonstration, and commercial application activities

(a) Research, development, and demonstration

(1) Except as otherwise provided in this Act, research, development, and demonstration activities under this Act may be carried out under the procedures of the Federal Nonnuclear Research and Development Act of 1974 (42 U.S.C. 5901–5920), the Atomic Energy Act of 1954 (42 U.S.C. 2011 et seq.), or any other Act under which the Secretary is authorized to carry out such activities, but only to the extent the Secretary is authorized to carry out such activities under each such Act. An objective of any demonstration program under this Act shall be to determine the technical and commercial feasibility of energy technologies.

(2) Except as otherwise provided in this Act, in carrying out research, development, and demonstration programs and activities under this Act, the Secretary may use, to the extent authorized under applicable provisions of law, contracts, cooperative agreements, cooperative research and development agreements under the Stevenson-Wydler Technology Innovation Act of 1980 [15 U.S.C. 3701 et seq.], grants, joint ventures, and any other form of agreement available to the Secretary.

(b) Commercial application

Except as otherwise provided in this Act, in carrying out commercial application programs and commercial application activities under this Act, the Secretary may use, to the extent authorized under applicable provisions of law, contracts, cooperative agreements, cooperative research and development agreements under the Stevenson-Wydler Technology Innovation Act of 1980 [15 U.S.C. 3701 et seq.], grants, joint ventures, and any other form of agreement available to the Secretary. An objective of any commercial application program under this Act shall be to accelerate the transition of technologies from the research and development stage.

(c) “Joint venture” defined

For purposes of this section, the term “joint venture” has the meaning given the term “joint research and development venture” under section 4301(a)(6) and (b) of title 15, except that
such term may apply under this section to research, development, demonstration, and commercial application joint ventures.

(d) Protection of information

Section 12(c)(7) of the Stevenson-Wydler Technology Innovation Act of 1980 [15 U.S.C. 3710a(c)(7)], relating to the protection of information, shall apply to research, development, demonstration, and commercial application programs and activities under this Act.

(e) Guidelines and procedures

The Secretary shall provide guidelines and procedures for the transition, where appropriate, of energy technologies from research through development and demonstration under subsection (a) to commercial application under subsection (b). Nothing in this section shall preclude the Secretary from—

(1) entering into a contract, cooperative agreement, research and development agreement under the Stevenson-Wydler Technology Innovation Act of 1980 [15 U.S.C. 3701 et seq.], grant, joint venture, or any other form of agreement available to the Secretary under this section that relates to research, development, demonstration, and commercial application; or

(2) extending a contract, cooperative agreement, cooperative research and development agreement under the Stevenson-Wydler Technology Innovation Act of 1980, grant, joint venture, or any other form of agreement available to the Secretary that is in effect as of October 24, 1992.

(f) Application of section

This section shall not apply to any contract, cooperative agreement, cooperative research and development agreement under the Stevenson-Wydler Technology Innovation Act of 1980 and any other form of agreement available to the Secretary that is in effect as of October 24, 1992.

§ 3710a(c)(7)

References in Text


§ 13552. Cost sharing

(a) Research and development

Except as otherwise provided in this Act, for research and development programs carried out under this Act, the Secretary shall require a commitment from non-Federal sources of at least 20 percent of the cost of the project. The Secretary may reduce or eliminate the non-Federal requirement under this subsection if the Secretary determines that the research and development is of a basic or fundamental nature.

(b) Demonstration and commercial application

Except as otherwise provided in this Act, the Secretary shall require at least 50 percent of the costs directly and specifically related to any demonstration or commercial application project under this Act to be provided from non-Federal sources. The Secretary may reduce the non-Federal requirement under this subsection if the Secretary determines that the reduction is necessary and appropriate considering the technological risks involved in the project and is necessary to meet the objectives of this Act.

(c) Calculation of amount

In calculating the amount of the non-Federal commitment under paragraph (1) or (2), the Secretary shall include cash, personnel, services, equipment, and other resources.

(d) Tennessee Valley Authority

Funds derived by the Tennessee Valley Authority from its power program may be used for all or part of any cost sharing requirements under this section, except to the extent that such funds are provided by annual appropriation Acts.


References in Text


PART B—OTHER MISCELLANEOUS PROVISIONS


§ 13552. Use of energy futures for fuel purchases

(a) Fuel study

The Secretary shall conduct a study—

(1) to ascertain if the use of energy futures and options contracts could provide cost-effective protection for Government entities (including Government purchases for military purposes and for the Strategic Petroleum Reserve) and consumer cooperatives (or any organization whose purpose is to purchase fuel in bulk) from unanticipated surges in the price of fuel; and
(2) to ascertain how such Government entities or consumer cooperatives may be educated in the prudent use of energy futures and options contracts to maximize their purchasing effectiveness, protect themselves against unanticipated surges in the price of fuel, and minimize fuel costs.

(b) Pilot program

The Secretary shall conduct a pilot program, commencing not later than 30 days after the transmission of the study required in subsection (b), to educate such governmental entities, consumer cooperatives, or other organizations on the prudent and cost-effective use of energy futures and options contracts to increase their protection against unanticipated surges in the price of fuel and thereby increase the efficiency of their fuel purchase or assistance programs.

(c) Authorization of appropriations

There are authorized to be appropriated such sums as may be necessary to carry out this section.


AMENDMENTS

1998—Subsec. (b), referred to in subsec. (b), was repealed and subsec. (c) of this section was redesignated (b) by Pub. L. 105–362, title IV, § 401(f), Nov. 10, 1998, 112 Stat. 3282. See 1998 Amendment note below.

§ 13553. Energy subsidy study

(a) In general

The Secretary shall contract with the National Academy of Sciences to conduct a study of energy subsidies that—

(1) are in effect on October 24, 1992; or

(2) have been in effect prior to October 24, 1992.

(b) Report to Congress

Not later than 18 months after October 24, 1992, the Secretary shall transmit to Congress the results of such study to be accompanied by recommendations for legislation, if any.

(c) Contents

(1) In general

The study shall identify and quantify the direct and indirect subsidies and other legal and institutional factors that influence decisions in the marketplace concerning fuels and energy technologies.

(2) Topics for examination

The study shall examine—

1 See References in Text note below.

1 So in original. The comma probably should not appear.

(A) fuel and technology choices that are—

(i) available on October 24, 1992; or

(ii) reasonably foreseeable on October 24, 1992;

(B) production subsidies for the extraction of raw materials;

(C) subsidies encouraging investment in large capital projects;

(D) indemnification;

(E) fuel cycle subsidies, including waste disposal;

(F) government research and development support; and

(G) other relevant incentives and disincentives.

(d) Authorization of appropriations

There are authorized to be appropriated to carry out this section $500,000 for each of the fiscal years 1993 and 1994.


§ 13554. Tar sands

(a) Policy

It is the policy of the United States to promote the development and production, by all means consistent with sound engineering, economic, and environmental practices, of deposits of tar sands.

(b) “Tar sands” defined

(1) For purposes of this section, the term “tar sands” means any consolidated or unconsolidated rock (other than coal, oil shale, or gilsonite) that either—

(A) contains a hydrocarbonaceous material with a gas-free viscosity, at original reservoir temperature, greater than 10,000 centipoise; or

(B) contains a hydrocarbonaceous material and is produced by mining or quarrying.

(2) Nothing in this section is intended or shall be construed to affect in any way the definition of the term tar sands under any other provision of Federal law.

(c) Study

The Secretary, in consultation with the Secretary of the Interior, shall submit a study to the House of Representatives and the Committee on Energy and Commerce of the House of Representatives and the Committee on Energy and Natural Resources of the Senate identifying tar sand sources, including existing tar sand sources, including existing tar sands waste tailings, and evaluate the environmental benefits of, and the potential for co-production of minerals and metals from, such processes.

(d) Authorization of appropriations

There are authorized to be appropriated such sums as may be necessary for each of the fiscal years 1993 and 1994 to carry out this section.

§ 13555. Consultative Commission on Western Hemisphere Energy and Environment

(a) Findings

The Congress finds that—

(1) there is growing mutual economic interdependence among the countries of the Western Hemisphere;

(2) energy and environmental issues are intrinsically linked and must be considered together when formulating policy on the broader issue of sustainable economic development for the Western Hemisphere as a whole;

(3) when developing their respective energy infrastructures, countries in the Western Hemisphere must consider existing and emerging environmental constraints, and do so in a way that results in sustainable long-term economic growth;

(4) the coordination of respective national energy and environmental policies of the governments of the Western Hemisphere could be substantially improved through regular consultation among these countries;

(5) the development, production and consumption of energy can affect environmental quality, and the environmental consequences of energy-related activities are not confined within national boundaries, but are regional and global in scope;

(6) although the Western Hemisphere is richly endowed with indigenous energy resources, an insufficient energy supply would severely constrain future opportunities for sustainable economic development and growth in each of these member countries; and

(7) the energy markets of the United States are linked with those in other countries of the Western Hemisphere and the world.

(b) "Commission" defined

For purposes of this section, the term "Commission" means the Consultative Commission on Western Hemisphere Energy and Environment.

(c) Negotiations

The President is authorized to direct the United States representative to the Organization of American States to initiate negotiations with the Organization of American States for the establishment of a Consultative Commission on Western Hemisphere Energy and Environment under the auspices of the Organization of American States.

(d) The Commission

In the course of the negotiations, the following shall be pursued:

(1) Objectives

The objectives of the Commission shall be—

(A) to evaluate from the viewpoint of the Western Hemisphere as a whole the energy and environmental situations, trends, and policies of the countries of the participating governments necessary to support sustainable economic development;

(B) to recommend to the participating governments actions, policies, and institutional arrangements that will enhance cooperation and policy coordination among their respective countries in the future development and use of indigenous energy resources and technologies, and in the future development and implementation of measures to protect the environment of the Western Hemisphere; and

(C) to recommend to the participating governments actions and policies that will enhance energy and environmental cooperation and coordination among the countries of the Western Hemisphere and the world.

(2) Composition of Commission

The Commission shall include representatives of—

(A) the respective foreign energy and environmental ministries or departments of the participating governments;

(B) the parliamentary or legislative bodies with legislative responsibilities for energy and environmental matters; and

(C) other governmental and non-governmental observers appointed by the heads of each participating government on the basis of their experience and expertise.

(3) Secretariat

A small secretariat shall be chosen by the participating governments for their expertise in the areas of energy and the environment.

(4) Sunset provision

The Commission’s authority—

(A) shall terminate five years from the date of the agreement under which it was created; and

(B) may be extended for a five-year term at the expiration of the previous term by agreement of the participating governments.

(e) Report

The President shall, within one year after October 24, 1992, report to the Committee on Energy and Commerce and the Committee on Foreign Affairs of the House of Representatives, and to the Committee on Energy and Natural Resources and the Committee on Foreign Relations of the Senate, on the progress toward the establishment of the Commission and achievement of the purposes of this section.


Change of Name

Committee on Energy and Commerce of House of Representatives treated as referring to Committee on Commerce of House of Representatives by section 1(a) of Pub. L. 104–14, set out as a note preceding section 21 of Title 2. The Congress. Committee on Commerce of House of Representatives changed to Committee on Energy and Commerce of House of Representatives, and jurisdiction over matters relating to securities and exchanges and insurance generally transferred to Committee on Financial Services of House of Representatives by House Resolution No. 5, One Hundred Seventh Congress, Jan. 3, 2001.
contracts by each agency under this Act and amendments made by this Act pursuant to competitive procedures within the meaning of either division C (except sections 3302, 3307(e), 3501(b), 3509, 3906, 4710, and 4711) of subtitle I of title 41, or chapter 137 of title 10, shall be expended either with—
(1) small business concerns controlled by socially and economically disadvantaged individuals or women;
(2) historically Black colleges and universities;
(3) colleges and universities having a student body in which more than 20 percent of the students are Hispanic Americans or Native Americans; or
(4) qualified HUBZone small business concerns.

(b) Definitions
For purposes of this section, the following definitions shall apply:
(1) The term “small business concern” has the meaning such term has under section 632 of title 15. However, for purposes of contracts and subcontracts requiring engineering services the applicable size standard shall be that established for military and aerospace equipment and military weapons.
(2) The term “socially and economically disadvantaged individual” has the meaning such term has under section 637(d) of title 15 and relevant subcontracting regulations promulgated pursuant thereto.
(3) The term “qualified HUBZone small business concern” has the meaning given that term in section 632(p) of title 15.

Pursuant thereto.

References in Text

Codification

Amendments

Effective Date of 1997 Amendment

§ 13557. Sense of Congress on risk assessments
It is the sense of Congress that Federal agencies conducting assessments of risks to human health and the environment from energy technology, production, transport, transmission, distribution, storage, use, or conservation activities shall use sound and objective scientific practices in assessing such risks, shall consider the best available science (including peer reviewed studies), and shall include a description of the weight of the scientific evidence concerning such risks.

Pursuant thereto.

Subchapter XIII—Clean Air Coal Program

§ 13571. Purposes
The purposes of this subchapter are to—
(1) promote national energy policy and energy security, diversity, and economic competitiveness benefits that result from the increased use of coal;
(2) mitigate financial risks, reduce the cost of clean coal generation, and increase the marketplace acceptance of clean coal generation and pollution control equipment and processes; and
(3) facilitate the environmental performance of clean coal generation.

Pursuant thereto.

§ 13572. Authorization of program
(a) In general
The Secretary shall carry out a program of financial assistance to—
(1) facilitate the production and generation of coal-based power, through the deployment of clean coal electric generating equipment and processes that, compared to equipment or processes that are in operation on a full scale—
(A) improve—
(i) energy efficiency; or
(ii) environmental performance consistent with relevant Federal and State clean air requirements, including those promulgated under the Clean Air Act (42 U.S.C. 7401 et seq.); and
(B) are not yet cost competitive; and
(2) facilitate the utilization of existing coal-based electricity generation plants through projects that—
(A) deploy advanced air pollution control equipment and processes; and
(B) are designed to voluntarily enhance environmental performance above current applicable obligations under the Clean Air Act and State implementation efforts pursuant to such Act.

(b) Financial criteria
As determined by the Secretary for a particular project, financial assistance under this subchapter shall be in the form of—
§ 13573. Generation projects

(a) Eligible projects

Projects supported under section 13572(a)(1) of this title may include—

(1) equipment or processes previously supported by a Department of Energy program;

(2) advanced combustion equipment and processes that the Secretary determines will be cost-effective and could substantially contribute to meeting environmental or energy needs, including gasification, gasification fuel cells, gasification cogeneration, oxidation combustion techniques, ultra-supercritical boilers, and chemical looping; and

(b) Criteria

The Secretary shall establish criteria for the selection of generation projects under section 13572(a)(1) of this title. The Secretary may modify the criteria as appropriate to reflect improvements in equipment, except that the criteria shall not be modified to be less stringent.

The selection criteria shall include—

(1) equipment and processes beginning in 2006 through 2011 that are projected to achieve a thermal efficiency of—

   (A) 40 percent for coal of more than 9,000 Btu per pound based on higher heating values;

   (B) 38 percent for coal of 7,000 to 9,000 Btu per pound based on higher heating values; and

   (C) 36 percent for coal of less than 7,000 Btu per pound based on higher heating values; except that energy used for coproduction or cogeneration shall not be counted in calculating the thermal efficiency under this paragraph; and

   (2) equipment and processes beginning in 2012 and 2013 that are projected to achieve a thermal efficiency of—

   (A) 45 percent for coal of more than 9,000 Btu per pound based on higher heating values;

   (B) 44 percent for coal of 7,000 to 9,000 Btu per pound based on higher heating values; and

   (C) 40 percent for coal of less than 7,000 Btu per pound based on higher heating values; except that energy used for coproduction or cogeneration shall not be counted in calculating the thermal efficiency under this paragraph.

(c) Program balance and priority

In carrying out the program under section 13572(a)(1) of this title, the Secretary shall ensure, to the extent practicable, that—

(1) between 25 percent and 75 percent of the projects supported are for the sole purpose of electrical generation; and

(2) priority is given to projects that use electrical generation equipment and processes that have been developed and demonstrated and applied in actual production of electricity, but are not yet cost-competitive, and that achieve greater efficiency and environmental performance.

(d) Authorization of appropriations

There are authorized to be appropriated to the Secretary to carry out section 13572(a)(1) of this title—

(1) $250,000,000 for fiscal year 2007;

(2) $350,000,000 for fiscal year 2008;

(3) $400,000,000 for each of fiscal years 2009 through 2012; and

(4) $300,000,000 for fiscal year 2013.

(e) Applicability

No technology, or level of emission reduction, shall be treated as adequately demonstrated for purposes of section 7411 of this title, achievable for purposes of section 7479 of this title, or achievable in practice for purposes of section 7501 of this title solely by reason of the use of such technology, or the achievement of such emission reduction, by one or more facilities receiving assistance under section 13572(a)(1) of this title.

§ 13574. Air quality enhancement program

(a) Eligible projects

Projects supported under section 13572(a)(2) of this title shall—

1 So in original. Probably should be "purposes".
(1) utilize technologies that meet relevant Federal and State clean air requirements applicable to the unit or facility, including being adequately demonstrated for purposes of section 7411 of this title, achievable for purposes of section 7479 of this title, or achievable in practice for purposes of section 7501 of this title; or
(2) utilize equipment or processes that exceed relevant Federal or State clean air requirements applicable to the unit or facilities included in the projects by achieving greater efficiency or environmental performance.

(b) Priority in project selection
In making an award under section 13572(a)(2) of this title, the Secretary shall give priority to—

(1) projects whose installation is likely to result in significant air quality improvements in nonattainment air quality areas or substantially reduce the emission level of criteria pollutants and mercury air emissions;
(2) projects for pollution control that result in the mitigation or collection of more than 1 pollutant; and
(3) projects designed to allow the use of the waste byproducts or other byproducts of the equipment.

(c) Authorization of appropriations
There are authorized to be appropriated to the Secretary to carry out section 13572(a)(2) of this title—

(1) $300,000,000 for fiscal year 2007;
(2) $100,000,000 for fiscal year 2008;
(3) $40,000,000 for fiscal year 2009;
(4) $30,000,000 for fiscal year 2010; and
(5) $30,000,000 for fiscal year 2011.

(d) Applicability
No technology, or level of emission reduction under subsection (a)(2) shall be treated as adequately demonstrated for purpose of Section 7411 of this title, achievable for purposes of section 7479 of this title, or achievable in practice for purposes of section 7501 of this title solely by reason of the use of such technology, or the achievement of such emission reduction, by one or more facilities receiving assistance under section 13572(a)(2) of this title.

(13604. Assisted applications.)

SUBCHAPTER II—AUTHORITY TO PROVIDE PREFERENCES FOR ELDERLY RESIDENTS AND UNITS FOR DISABLED RESIDENTS IN CERTAIN SECTION 8 ASSISTED HOUSING

§ 13601. Compliance by owners as condition of Federal assistance

The Secretary of Housing and Urban Development shall require owners of federally assisted housing (as such term is defined in section 13641(2) of this title), as a condition of receiving housing assistance for such housing, to comply with the procedures and requirements established under this subchapter.

(13601. Compliance by owners as condition of Federal assistance.)

§ 13602. Compliance with criteria for occupancy as requirement for tenancy

In selecting tenants for occupancy of units in federally assisted housing, an owner of such housing shall utilize the criteria for occupancy in federally assisted housing established by the Secretary, by regulation, under section 13603 of this title. If an owner determines that an applicant for occupancy in the housing does not meet such criteria, the owner may deny such applicant occupancy.
§ 13603. Establishment of criteria for occupancy

(a) Task force

(1) Establishment

To assist the Secretary in establishing reasonable criteria for occupancy in federally assisted housing, the Secretary shall establish a task force to review all rules, policy statements, handbooks, technical assistance memoranda, and other relevant documents issued by the Department of Housing and Urban Development on the standards and obligations governing residency in federally assisted housing and make recommendations to the Secretary for the establishment of such criteria for occupancy.

(2) Members

The Secretary shall appoint members to the task force, which shall include individuals representing the interests of owners, managers, and tenants of federally assisted housing, public housing agencies, owner and tenant advocacy organizations, persons with disabilities and disabled families, organizations assisting homeless individuals, and social service, mental health, and other nonprofit service providers who serve federally assisted housing.

(3) Compensation

Members of the task force shall not receive compensation for serving on the task force.

(4) Duties

The task force shall—

(A) review all existing standards, regulations, and guidelines governing occupancy and tenant selection policies in federally assisted housing;

(B) review all existing standards, regulations, and guidelines governing lease provisions and other rules of occupancy for federally assisted housing;

(C) determine whether the standards, regulations, and guidelines reviewed under subparagraphs (A) and (B) provide sufficient guidance to owners and managers of federally assisted housing to—

(i) develop procedures for preselection inquiries sufficient to determine the capacity of applicants to comply with reasonable lease terms and conditions of occupancy;

(ii) utilize leases that prohibit behavior which endangers the health or safety of other tenants or violates the rights of other tenants to peaceful enjoyment of the premises;

(iii) assess the need to provide, and appropriate measures for providing, reasonable accommodations required under the Fair Housing Act [42 U.S.C. 3601 et seq.] and section 794 of title 29 for persons with various types of disabilities; and

(iv) comply with civil rights laws and regulations;

(D) propose criteria for occupancy in federally assisted housing, standards for the reasonable performance and behavior of tenants of federally assisted housing, compliance standards consistent with the reasonable accommodation of the requirements of the Fair Housing Act [42 U.S.C. 3601 et seq.] and section 794 of title 29, standards for compliance with other civil rights laws, and procedures for the eviction of tenants not complying with such standards consistent with section 1437d and 1437f of this title; and

(E) report to the Congress and the Secretary of Housing and Urban Development pursuant to paragraph (7).

(5) Procedure

In carrying out its duties, the task force shall hold public hearings and receive written comments for a period of not less than 60 days.

(6) Support

The Secretary of Housing and Urban Development shall cooperate fully with the task force and shall provide support staff and office space to assist the task force in carrying out its duties.

(7) Reports

Not later than 3 months after October 28, 1992, the task force shall submit to the Secretary and the Congress a preliminary report describing its initial actions. Not later than 6 months after October 28, 1992, the task force shall submit a report to the Secretary and the Congress, which shall include—

(A) a description of its findings; and

(B) recommendations to revise such standards, regulations, and guidelines to provide accurate and complete guidance to owners and managers of federally assisted housing as determined necessary under paragraph (4).

(b) Rulemaking

(1) Authority

The Secretary shall, by regulation, establish criteria for selection of tenants for occupancy in federally assisted housing and lease provisions for such housing.

(2) Standards

The criteria shall provide sufficient guidance to owners and managers of federally assisted housing to enable them to (A) select tenants capable of complying with reasonable lease terms, (B) utilize leases prohibiting behavior which endangers the health or safety of others or violates the rights of other tenants to peaceful enjoyment of the premises, (C) comply with legal requirements to make reasonable accommodations for persons with disabilities, and (D) comply with civil rights laws.

The criteria shall be consistent with the requirements under subsections (k) and (l) of section 1437d of this title and section 1437f(d)(1) of this title and any similar contract and lease requirements for federally assisted housing. In establishing the criteria, the Secretary shall take into consideration the report of the task force under subsection (a)(7).

(3) Procedure

Not later than 90 days after the submission of the final report under subsection (a)(7), the
Secretary shall issue a notice of proposed rulemaking of the regulations under this subsection providing for notice and opportunity for public comment regarding the regulations, pursuant to the provisions of section 553 of title 5 (notwithstanding subsections (a)(2), (b)(B), and (d)(3) of such section). The duration of the period for public comment under such section 553 shall not be less than 60 days. The Secretary shall issue final regulations under this subsection not later than the expiration of the 60-day period beginning upon the conclusion of the comment period, which shall take effect upon issuance.


References in Text
The Fair Housing Act, referred to in subsec. (a)(4)(C)(ii), (D), is title VII of Pub. L. 90–284, Apr. 11, 1968, 82 Stat. 81, as amended, which is classified principally to subchapter I (§ 3601 et seq.) of chapter 45 of this title. For complete classification of this Act to the Code, see Short Title note set out under section 3601 of this title and Tables.

§ 13604. Assisted applications

(a) Authority
The Secretary shall provide that any individual or family applying for occupancy in federally assisted housing may include in the application for the housing the name, address, phone number, and other relevant information of a family member, friend, or social, health, advocacy, or other organization, and that the owner shall treat such information as confidential.

(b) Maintenance of information
The Secretary shall require the owner of any federally assisted housing receiving an application including such information to maintain such information for any applicants who become tenants of the housing, for the purposes of facilitating contact by the owner with such person or organization to assist in providing any services or special care for the tenant and assist in resolving any relevant tenancy issues arising during the tenancy of such tenant.

(c) Limitations
An owner of federally assisted housing may not require any individual or family applying for occupancy in the housing to provide the information described in subsection (a).


SUBCHAPTER II—AUTHORITY TO PROVIDE PREFERENCES FOR ELDERLY RESIDENTS AND UNITS FOR DISABLED RESIDENTS IN CERTAIN SECTION 8 ASSISTED HOUSING

§ 13611. Authority
Notwithstanding any other provision of law, an owner of a covered section 8 housing project (as such term is defined in section 13619 of this title) designed primarily for occupancy by elderly families may, in selecting tenants for units in the project that become available for occupancy, give preference to elderly families who have applied for occupancy in the housing, subject to the requirements of this subchapter.


References in Text
This subchapter, referred to in text, was in the original “this subtitle”, meaning subtitle D of title VI of Pub. L. 102–550, Oct. 28, 1992, 106 Stat. 3823, which enacted this subchapter and amended section 1437f of this title.

§ 13612. Reservation of units for disabled families

(a) Requirement
Notwithstanding any other provision of law, for any project for which an owner gives preference in occupancy to elderly families pursuant to section 13611 of this title, such owner shall (subject to sections 13613, 13614, and 13615 of this title) reserve units in the project for occupancy only by disabled families who are not elderly or near-elderly families (and who have applied for occupancy in the housing) in the number determined under subsection (b).

(b) Number of units
Each owner required to reserve units in a project for occupancy under subsection (a) shall reserve a number of units in the project that is not less than the lesser of—

(1) the number of units equivalent to the higher of—

(A) the percentage of units in the project that were occupied by such disabled families upon October 28, 1992; or

(B) the percentage of units in the project that were occupied by such families upon January 1, 1992; or

(2) 10 percent of the number of units in the project.


§ 13613. Secondary preferences

(a) Insufficient elderly families
If an owner of a covered section 8 housing project in which elderly families are given a preference for occupancy pursuant to section 13611 of this title determines (in accordance with regulations established by the Secretary) that there are insufficient numbers of elderly families who have applied for occupancy in the housing to fill all the units in the project not reserved under section 13612 of this title, the owner may give preference for occupancy of such units to disabled families who are near-elderly families and have applied for occupancy in the housing.

(b) Insufficient non-elderly disabled families
If an owner of a covered section 8 housing project in which elderly families are given a preference for occupancy pursuant to section 13611 of this title determines (in accordance with regulations established by the Secretary) that there are insufficient numbers of disabled families who are not elderly or near-elderly families and have applied for occupancy in the housing to fill all the units in the project reserved under section 13612 of this title, the owner may give
preference for occupancy of units so reserved to disabled families who are near-elderly families and have applied for occupancy in the housing.


REFERENCES IN TEXT
Covered section 8 housing, referred to in text, is defined in section 13619 of this title.

§ 13614. General availability of units

If an owner of a covered section 8 housing project in which disabled families who are near-elderly families are given a preference for occupancy pursuant to subsection (a) or (b) of section 13613 of this title determines (in accordance with regulations established by the Secretary) that there are an insufficient number of such families to fill all the units in the project for which the preference is applicable, the owner shall make such units generally available for occupancy by families who have applied, and are eligible, for occupancy in the housing, without regard to the preferences established pursuant to this subchapter.


REFERENCES IN TEXT
Covered section 8 housing, referred to in text, is defined in section 13619 of this title.

§ 13615. Preference within groups

Among disabled families qualifying for occupancy in units reserved under section 13612 of this title, and among elderly families and near-elderly families qualifying for preference for occupancy pursuant to section 13611 or 13613 of this title, preference for occupancy in units that are assisted under section 1347f of this title shall be given to disabled families according to any preferences established under any system established under section 1347f(d)(1)(A) of this title by the public housing agency.


AMENDMENTS
1996—Pub. L. 105-276 substituted “shall be given to disabled families according to any preferences established under any system established under section 1347f(d)(1)(A) of this title by the public housing agency” for “shall be given to disabled families according to the preferences for occupancy referred to in section 1347f(d)(1)(A) of this title and the first sentence of section 1347f(o)(3)(B) of this title, to elderly families according to such preferences, and to near-elderly families according to such preferences, respectively.”

1996—Pub. L. 104-99, §402(d)(6)(C), (f), temporarily substituted “any preferences” for “the preferences for occupancy referred to in section 1347f(d)(1)(A) of this title and the first sentence of section 1347f(o)(3)(B) of this title, to elderly families according to such preferences, and to near-elderly families according to such preferences, respectively.” See Effective and Termination Dates of 1996 Amendment note below.

EFFECTIVE AND TERMINATION DATES OF 1996 AMENDMENT

§ 13616. Prohibition of evictions

Any tenant who, except for reservation of a percentage of the units of a project pursuant to section 13612 of this title or any preference for occupancy established pursuant to this subchapter, is lawfully residing in a dwelling unit in a covered section 8 housing project, may not be evicted or otherwise required to vacate such unit because of the reservation or preferences or because of any action taken by the Secretary of Housing and Urban Development or the owner of the project pursuant to this subchapter.


REFERENCES IN TEXT
Covered section 8 housing, referred to in text, is defined in section 13619 of this title.

§ 13617. Treatment of covered section 8 housing not subject to elderly preference

If an owner of any covered section 8 housing project designed primarily for occupancy by elderly families does not give preference in occupancy to elderly families as authorized in this subchapter, then elderly families (as such term was defined in section 1437a of this title before October 28, 1992) shall be eligible for occupancy in such housing to the same extent that such families were eligible before October 28, 1992.


REFERENCES IN TEXT
Covered section 8 housing, referred to in text, is defined in section 13619 of this title.

§ 13618. Treatment of other federally assisted housing

(a) Restricted occupancy

An owner of any federally assisted project (or portion of a project) as described in subparagraphs (D), (E), and (F) of section 14341(2) of this title that was designed for occupancy by elderly families may continue to restrict occupancy in such project (or portion) to elderly families in accordance with the rules, standards, and agreements governing occupancy in such housing in effect at the time of the development of the housing.

(b) Prohibition of evictions

Any tenant who is lawfully residing in a dwelling unit in a housing project described in subsection (a) may not be evicted or otherwise required to vacate such unit because of any reservation or preferences under this subchapter or because of any action taken by the Secretary of Housing and Urban Development or the owner of the project pursuant to this subchapter.


§ 13619. “Covered section 8 housing” defined

For purposes of this subchapter, the term “covered section 8 housing” means housing de-
(a) In general

To the extent that amounts are made available for providing service coordinators under this section, the Secretary shall require owners of covered federally assisted housing projects (as such term is defined in subsection (d)) receiving such amounts to provide for employing or otherwise retaining the services of one or more individuals to coordinate the provision of supportive services for elderly and disabled families residing in the projects (in this section referred to as a “service coordinator”). No such elderly or disabled family may be required to accept services.

(b) Responsibilities

Each service coordinator of a covered federally assisted housing project provided pursuant to this subtitle or the amendments made by this subtitle—

(1) shall consult with the owner of the housing, tenants, any tenant organizations, any resident management organizations, service providers, and any other appropriate persons, to identify the particular needs and characteristics of elderly and disabled families who reside in the project and any supportive services related to such needs and characteristics;

(2) shall manage and coordinate the provision of such services for residents of the project;

(3) may provide training to tenants of the project in the obligations of tenancy or coordinate such training;

(4) shall meet the minimum qualifications and standards required under section 8011(d)(4) of this title; and

(5) may carry out other appropriate activities for residents of the project.

(c) Included services

Supportive services referred to under subsection (b)(1) may include health-related services, mental health services, services for nonmedical counseling, meals, transportation, personal care, bathing, toileting, housekeeping, chore assistance, safety, group and socialization activities, assistance with medications (in accordance with any applicable State laws), case management, personal emergency response, education and outreach regarding telemarketing fraud in accordance with the standards issued under subsection (f), and other appropriate services. The services may be provided through any agency of the Federal Government or any other public or private department, agency, or organization.

(d) Covered federally assisted housing

For purposes of this subtitle, the term “covered federally assisted housing” means housing that is federally assisted housing (as such term is defined in section 13641(2) of this title), except that such term does not include housing described in subparagraphs (C) and (D) of such section.

(e) Services for low-income elderly or disabled families residing in vicinity of certain projects

To the extent only that this section applies to service coordinators for covered federally assisted housing described in subparagraphs (B), (C), (D), (E), (F), and (G) of section 13641(2) of this title, any reference in this section to elderly or disabled residents of a project shall be construed to include low-income elderly or disabled families living in the vicinity of such project.

(f) Protection against telemarketing fraud

(1) In general

The Secretary, in coordination with the Secretary of Health and Human Services, shall establish standards for service coordinators in federally assisted housing who are providing education and outreach to elderly persons residing in such housing regarding telemarketing fraud. The standards shall be designed to ensure that such education and outreach informs such elderly persons of the dangers of telemarketing fraud, including an explanation of the dangers of providing bank account, credit card, or other financial or personal information over the telephone to unsolicited callers; (v) how to report suspected attempts at telemarketing fraud; and (vi) their consumer protection rights under Federal law;

(B) provides such other information as the Secretary considers necessary to protect...
such residents against fraudulent telemarketing; and
(C) disseminates the information provided by appropriate means, and in determining such appropriate means, the Secretary shall consider on-site presentations at federally assisted housing, public service announcements, a printed manual or pamphlet, an Internet website, and telephone outreach to residents whose names appear on “mooch lists” confiscated from fraudulent telemarketers.


REFERENCES IN TEXT
This subtitle, referred to in subsecs. (b) and (d), means subtitle E of title VI of Pub. L. 102–550, Oct. 28, 1992, 106 Stat. 3826, which enacted this subchapter, amended sections 1437f, 1437g, and 8011 of this title and section 1701q of Title 12, Banks and Banking, and enacted provisions set out as a note under section 1701q of Title 12.

AMENDMENTS
2000—Subsec. (a). Pub. L. 106–569, § 851(b)(1), in first sentence, substituted “for providing service coordinators under this section,” for “to carry out this subtitle pursuant to the amendments made by this subtitle.”.
Subsec. (c). Pub. L. 106–569, § 851(c)(2)(A), in first sentence, inserted “education and outreach regarding telemarketing fraud in accordance with the standards issued under subsection (f),” after “response.”.
Subsec. (d). Pub. L. 106–569, § 851(b)(2), inserted closing parenthesis after “section 13641(2) of this title”.

Effective Date of 2000 Amendment
Amendment by title VIII of Pub. L. 106–569 effective Dec. 27, 2000, unless effectiveness or applicability upon another date certain is specifically provided for, with provisions relating to effect of regulatory authority, see section 803 of Pub. L. 106–569, set out as a note under section 1701q of Title 12, Banks and Banking.

§ 13632. Grants for costs of providing service coordinators in certain federally assisted housing

(a) Authority
The Secretary may make grants under this section to owners of federally assisted housing projects described in subparagraphs (B), (C), (D), (E), (F), and (G) of section 13641(2) of this title. Any grant amounts shall be used for the costs of employing or otherwise retaining the services of one or more service coordinators under section 13631 of this title to coordinate the provision of any services within the project for residents of the project who are elderly families and disabled families (as such terms are defined in section 13641 of this title). A service coordinator funded with a grant under this section for a project may provide services to low-income elderly or disabled families living in the vicinity of such project.

(b) Application and selection
The Secretary shall provide for the form and manner of applications for grants under this section and for selection of applicants to receive such grants.

(c) Eligible project expense
For any federally assisted housing project described in subparagraph (B), (C), (D), (E), (F), or (G) of section 13641(2) of this title that does not receive a grant under this section, the cost of employing or otherwise retaining the services of one or more service coordinators under section 13631 of this title and not more than 15 percent of the cost of providing services to the residents of the project shall be considered an eligible project expense, but only to the extent that amounts are available from project rent and other income for such costs.


AMENDMENTS
2000—Pub. L. 106–569, § 851(a)(1), substituted “certain federally assisted housing” for “multifamily housing assisted under National Housing Act” in section catch-line.

Subsec. (a). Pub. L. 106–569, § 851(a)(2), substituted “paragraphs (B), (C), (D), (E), (F), and (G) of section 13641(2) of this title” for “paragraphs (E) and (F) of section 13641(2) of this title”, made technical amendment to reference in original act which appears in text as reference to section 13631 of this title, and inserted at end “A service coordinator funded with a grant under this section for a project may provide services to low-income elderly or disabled families living in the vicinity of such project.”.
Subsec. (c). Pub. L. 106–569, § 851(a)(4), redesignated subsec. (d) as (c) and struck out heading and text of former subsec. (c). Text read as follows: “There are authorized to be appropriated for fiscal years 1993 and 1994 such sums as may be necessary for grants under this section.”
Subsec. (d). Pub. L. 106–569, § 851(a)(3), substituted “paragraph (B), (C), (D), (E), (F), or (G) of section 13641(2) of this title” for “paragraph (E) or (F) of section 13641(2) of this title” and made technical amendment to reference in original act which appears in text as reference to section 13631 of this title.

Effective Date of 2000 Amendment
Amendment by title VIII of Pub. L. 106–569 effective Dec. 27, 2000, unless effectiveness or applicability upon another date certain is specifically provided for, with provisions relating to effect of regulatory authority, see section 803 of Pub. L. 106–569, set out as a note under section 1701q of Title 12, Banks and Banking.

SUBCHAPTER IV—GENERAL PROVISIONS

§ 13641. Definitions
For purposes of this title:¹

(1) Elderly, disabled, and near-elderly families
The terms “elderly family”, “disabled family”, and “near-elderly family” have the meanings given the terms under section 3(b)(3) of the United States Housing Act of 1937 (42 U.S.C. 1437a(b)(3)).

(2) Federally assisted housing
The terms “federally assisted housing” and “project” mean—

¹ See References in Text note below.
§ 13642. Applicability

Except as otherwise provided in subheadings B through F of this title and the amendments made by such subtitles, such subtitles and the amendments made by such subtitles shall apply upon the expiration of the 6-month period beginning on October 28, 1992.


REFERENCES IN TEXT

Subtitles B through F of this title, referred to in text, mean subtitles B to F of title VI of Pub. L. 102–550, Oct. 28, 1992, 106 Stat. 3812–3830, which enacted this chapter, amended sections 1437a, 1437c to 1437g, 1437l, 1437f, 1437o, 1438, 8011, 8013, and 12705 of this title and section 1701q of Title 12. Banks and Banking, and enacted provisions set out as notes under section 1437a of this title and section 1701q of Title 12.

§ 13643. Regulations

The Secretary shall issue regulations necessary to carry out subtitles B through F of this title and the amendments made by such subtitles not later than the expiration of the 6-month period beginning on October 28, 1992. The regulations shall be issued after notice and opportunity for public comment pursuant to the provisions of section 553 of title 5 (notwithstanding subsections (a)(2), (b)(B), and (d)(3) of such section).


REFERENCES IN TEXT

Subtitles B through F of this title, referred to in text, mean subtitles B to F of title VI of Pub. L. 102–550, Oct. 28, 1992, 106 Stat. 3812–3830, which enacted this chapter, amended sections 1437a, 1437c to 1437g, 1437l, 1437o, 1438, 8011, 8013, and 12705 of this title and section 1701q of Title 12. Banks and Banking, and enacted provisions set out as notes under section 1437a of this title and section 1701q of Title 12.

SUBCHAPTER V—SAFETY AND SECURITY IN PUBLIC AND ASSISTED HOUSING

§ 13661. Screening of applicants for federally assisted housing

(a) Ineligibility because of eviction for drug crimes

Any tenant evicted from federally assisted housing by reason of drug-related criminal activity (as such term is defined in section 1437a(b) of this title) shall not be eligible for federally assisted housing during the 3-year period beginning on the date of such eviction, unless the evicted tenant successfully completes a rehabilitation program approved by the public housing agency (which shall include a waiver of this subsection if the circumstances leading to eviction no longer exist).
(b) Ineligibility of illegal drug users and alcohol abusers

(1) In general

Notwithstanding any other provision of law, a public housing agency or an owner of federally assisted housing, as determined by the Secretary, shall establish standards that prohibit admission to the program or admission to federally assisted housing for any household with a member—

(A) who the public housing agency or owner determines is illegally using a controlled substance; or

(B) with respect to whom the public housing agency or owner determines that it has reasonable cause to believe that such household member’s illegal use (or pattern of illegal use) of a controlled substance, or abuse (or pattern of abuse) of alcohol, may interfere with the health, safety, or right to peaceful enjoyment of the premises by other residents.

(2) Consideration of rehabilitation

In determining whether, pursuant to paragraph (1)(B), to deny admission to the program or federally assisted housing to any household based on a pattern of illegal use of a controlled substance or a pattern of abuse of alcohol by a household member, a public housing agency or an owner may consider whether such household member—

(A) has successfully completed a supervised drug or alcohol rehabilitation program (as applicable) and is no longer engaging in the illegal use of a controlled substance or abuse of alcohol (as applicable); or

(B) has otherwise been rehabilitated successfully and is no longer engaging in the illegal use of a controlled substance or abuse of alcohol (as applicable); or

(C) is participating in a supervised drug or alcohol rehabilitation program (as applicable) and is no longer engaging in the illegal use of a controlled substance or abuse of alcohol (as applicable).

c) Authority to deny admission to criminal offenders

Except as provided in subsections (a) and (b) of this section and in addition to any other authority to screen applicants, in selecting among applicants for admission to the program or to federally assisted housing, if the public housing agency or owner of such housing (as applicable) determines that an applicant or any member of the applicant’s household is or was, during a reasonable time preceding the date when the applicant household would otherwise be selected for admission, engaged in any drug-related or violent criminal activity or other criminal activity which would adversely affect the health, safety, or right to peaceful enjoyment of the premises by other residents, the owner, or public housing agency employees, the public housing agency or owner may—

(1) deny such applicant admission to the program or to federally assisted housing; and

(2) after the expiration of the reasonable period beginning upon such activity, require the applicant, as a condition of admission to the program or to federally assisted housing, to submit to the public housing agency or owner evidence sufficient (as the Secretary shall by regulation provide) to ensure that the individual or individuals in the applicant’s household who engaged in criminal activity for which denial was made under paragraph (1) have not engaged in any criminal activity during such reasonable period.


Codification

Section was enacted as part of the Quality Housing and Work Responsibility Act of 1998, and not as part of subtitles C to F of title VI of Pub. L. 102-550 which comprise this chapter.

Section is comprised of section 576 of Pub. L. 105-276.

Subsec. (d) of section 576 of Pub. L. 105-276 amended sections 1437d and 1437n of this title.

Effective Date

Section effective and applicable beginning upon Oct. 1, 1999, except as otherwise provided, with provision that Secretary may implement any provision of this section before such date, except to extent otherwise provided, see section 503 of Pub. L. 105-276, set out as an Effective Date of 1998 Amendment note under section 1437 of this title.

§13662. Termination of tenancy and assistance for illegal drug users and alcohol abusers in federally assisted housing

(a) In general

Notwithstanding any other provision of law, a public housing agency or an owner of federally assisted housing (as applicable), shall establish standards or lease provisions for continued assistance or occupancy in federally assisted housing that allow the agency or owner (as applicable) to terminate the tenancy or assistance for any household with a member—

(1) who the public housing agency or owner determines is illegally using a controlled substance; or

(2) whose illegal use (or pattern of illegal use) of a controlled substance, or whose abuse (or pattern of abuse) of alcohol, is determined by the public housing agency or owner to interfere with the health, safety, or right to peaceful enjoyment of the premises by other residents.

(b) Consideration of rehabilitation

In determining whether, pursuant to subsection (a)(2), to terminate tenancy or assistance to any household based on a pattern of illegal use of a controlled substance or a pattern of abuse of alcohol by a household member, a public housing agency or an owner may consider whether such household member—

(1) has successfully completed a supervised drug or alcohol rehabilitation program (as applicable) and is no longer engaging in the illegal use of a controlled substance or abuse of alcohol (as applicable); or

(2) has otherwise been rehabilitated successfully and is no longer engaging in the illegal use of a controlled substance or abuse of alcohol (as applicable); or

(3) is participating in a supervised drug or alcohol rehabilitation program (as applicable)
§ 13663. Ineligibility of dangerous sex offenders for admission to public housing

(a) In general
Notwithstanding any other provision of law, an owner of federally assisted housing shall prohibit admission to such housing for any household that includes any individual who is subject to a lifetime registration requirement under a State sex offender registration program.

(b) Obtaining information
As provided in regulations issued by the Secretary to carry out this section—
(1) a public housing agency shall carry out criminal history background checks on applicants for federally assisted housing and make further inquiry with State and local agencies as necessary to determine whether an applicant for federally assisted housing is subject to a lifetime registration requirement under a State sex offender registration program; and
(2) State and local agencies responsible for the collection or maintenance of criminal history record information or information on persons required to register as sex offenders shall comply with requests of public housing agencies for information pursuant to this section.

(c) Requests by owners for PHAs to obtain information
A public housing agency may take any action under subsection (b) regarding applicants for, or tenants of, federally assisted housing other than federally assisted housing described in subparagraph (A) or (B) of section 13664(a)(2) of this title, but only if the housing is located within the jurisdiction of the agency and the owner of such housing has requested that the agency take such action on behalf of the owner. Upon such a request by the owner, the agency shall take the action requested under subsection (b). The agency may not make any information obtained pursuant to the action under subsection (b) available to the owner but shall perform determinations for the owner regarding screening, lease enforcement, and eviction based on criteria supplied by the owner.

(d) Opportunity to dispute
Before an adverse action is taken with respect to an applicant for federally assisted housing on the basis that an individual is subject to a lifetime registration requirement under a State sex offender registration program, the public housing agency obtaining the record shall provide the tenant or applicant with a copy of the registration information and an opportunity to dispute the accuracy and relevance of that information.

(e) Fee
A public housing agency may be charged a reasonable fee for taking actions under subsection (b). In the case of a public housing agency taking actions on behalf of another owner of federally assisted housing pursuant to subsection (c), the agency may pass such fee on to the owner making the request and may charge an additional reasonable fee for making the request on behalf of the owner.

(f) Records management
Each public housing agency shall establish and implement a system of records management that ensures that any criminal record or information regarding a lifetime registration requirement under a State sex offender registration program that is obtained under this section by the public housing agency is—
(1) maintained confidentially;
(2) not misused or improperly disseminated; and
(3) destroyed, once the purpose for which the record was requested has been accomplished.

§ 13664. Definitions
(a) Definitions
For purposes of this subchapter, the following definitions shall apply:

(1) Drug-related criminal activity
The term “drug-related criminal activity” has the meaning given the term in section 1437a(b) of this title.

(2) Federally assisted housing
The term “federally assisted housing” means a dwelling unit—
(A) in public housing (as such term is defined in section 1437a(b) of this title);
(B) assisted with tenant-based assistance under section 1437f of this title;
(C) in housing that is provided project-based assistance under section 1437f of this title;
title, including new construction and substantial rehabilitation projects;
(D) in housing that is assisted under section 1701q of title 12 (as amended by section 801 of the Cranston-Gonzalez National Affordable Housing Act);
(E) in housing that is assisted under section 1701q of title 12, as such section existed before the enactment of the Cranston-Gonzalez National Affordable Housing Act (November 28, 1990);
(F) in housing that is assisted under section 8013 of this title;
(G) in housing financed by a loan or mortgage insured under section 1715(d)(3) of title 12 that bears interest at a rate determined under the proviso of section 1715(d)(5) of title 12;
(H) in housing insured, assisted, or held by the Secretary or a State or State agency under section 1715e–1 of title 12; or
(I) in housing assisted under section 1484 or 1485 of this title.

(3) Owner

The term "owner" means, with respect to federally assisted housing, the entity or private person (including a cooperative or public housing agency) that has the legal right to lease or sublease dwelling units in such housing.


References in Text


Codification

Section was enacted as part of the Quality Housing and Work Responsibility Act of 1998, and not as part of subtitles C to F of title VI of Pub. L. 106–550 which comprise this chapter.

Effective Date

Section effective and applicable beginning upon Oct. 1, 1999, except as otherwise provided, with provision that Secretary may implement any provision of this section before such date, except to extent otherwise provided, see section 503 of Pub. L. 105–276, set out as an Effective Date of 1998 Amendment note under section 1437 of this title.

CHAPTER 136—VIOLENT CRIME CONTROL AND LAW ENFORCEMENT

SUBCHAPTER I—PRISONS

PART A—VIOLENT OFFENDER INCARCERATION AND TRUTH-IN-SENTENCING INCENTIVE GRANTS

Sec.
13701 to 13713. Transferred.

PART B—MISCELLANEOUS PROVISIONS
13721 to 13727a. Transferred or Omitted.

SUBCHAPTER II—CRIME PREVENTION

PART A—OZONE OF PREVENTION COUNCIL
13741 to 13744. Transferred or Omitted.

PART B—LOCAL CRIME PREVENTION BLOCK GRANT PROGRAM
13751 to 13758. Repealed.

PART C—MODEL INTENSIVE GRANT PROGRAMS
13771 to 13777. Transferred or Omitted.

PART D—FAMILY AND COMMUNITY ENDEAVOR SCHOOLS GRANT PROGRAM
13791 to 13793. Repealed, Transferred, or Omitted.

PART E—ASSISTANCE FOR DELINQUENT AND AT-RISK YOUTH
13801, 13802. Repealed.

PART F—POLICE RECRUITMENT
13811, 13812. Transferred or Omitted.

PART G—NATIONAL COMMUNITY ECONOMIC PARTNERSHIP

SUBPART 1—COMMUNITY ECONOMIC PARTNERSHIP INVESTMENT FUNDS
13821 to 13826. Transferred.

SUBPART 2—EMERGING COMMUNITY DEVELOPMENT CORPORATIONS
13841, 13842. Transferred.

SUBPART 3—MISCELLANEOUS PROVISIONS
13851 to 13853. Transferred or Omitted.

PART H—COMMUNITY-BASED JUSTICE GRANTS FOR PROSECUTORS
13861 to 13863. Transferred or Omitted.

PART I—FAMILY UNITY DEMONSTRATION PROJECT
13881 to 13883. Transferred or Omitted.

SUBPART 1—GRANTS TO STATES
13891 to 13893. Transferred.

SUBPART 2—FAMILY UNITY DEMONSTRATION PROJECT FOR FEDERAL PRISONERS
13901, 13902. Transferred.

PART J—PREVENTION, DIAGNOSIS, AND TREATMENT OF TUBERCULOSIS IN CORRECTIONAL INSTITUTIONS
13911. Transferred.

PART K—GANG RESISTANCE EDUCATION AND TRAINING
13921. Transferred.

SUBCHAPTER III—VIOLENCE AGAINST WOMEN
13923. Transferred.

PART A—SAFE STREETS FOR WOMEN

SUBPART 1—SAFETY FOR WOMEN IN PUBLIC TRANSIT
13931. Transferred.

SUBPART 2—ASSISTANCE TO VICTIMS OF SEXUAL ASSAULT
13941 to 13943. Transferred.

PART B—SAFE HOMES FOR WOMEN

SUBPART 1—CONFIDENTIALITY FOR ABUSED PERSONS
13951. Transferred.

SUBPART 2—DATA AND RESEARCH
13961 to 13963. Transferred.

SUBPART 3—RURAL DOMESTIC VIOLENCE AND CHILD ABUSE ENFORCEMENT
13971. Transferred.

SUBPART 3A—RESEARCH ON EFFECTIVE INTERVENTIONS TO ADDRESS VIOLENCE AGAINST WOMEN
13973. Repealed.

SUBPART 4—TRANSITIONAL HOUSING ASSISTANCE GRANTS FOR VICTIMS OF DOMESTIC VIOLENCE, DATING VIOLENCE, SEXUAL ASSAULT, OR STALKING
13975. Transferred.
‘Pam Lychner Sexual Offender Tracking and Identification Act of 1996’.

Pub. L. 104–145, §1, May 17, 1996, 110 Stat. 1345, provided that: ‘‘This Act [amending former section 14071 of this title] may be cited as ‘Megan’s Law’.’’

SHORT TITLE

§ 13702. Transferred CODIFICATION
Section 13702 was editorially reclassified as section 12102 of Title 34, Crime Control and Law Enforcement.

§ 13703. Transferred CODIFICATION
Section 13703 was editorially reclassified as section 12103 of Title 34, Crime Control and Law Enforcement.

§ 13704. Transferred CODIFICATION
Section 13704 was editorially reclassified as section 12104 of Title 34, Crime Control and Law Enforcement.

§ 13705. Transferred CODIFICATION
Section 13705 was editorially reclassified as section 12105 of Title 34, Crime Control and Law Enforcement.

§ 13706. Transferred CODIFICATION
Section 13706 was editorially reclassified as section 12106 of Title 34, Crime Control and Law Enforcement.

§ 13707. Transferred CODIFICATION
Section 13707 was editorially reclassified as section 12107 of Title 34, Crime Control and Law Enforcement.

§ 13708. Transferred CODIFICATION
Section 13708 was editorially reclassified as section 12108 of Title 34, Crime Control and Law Enforcement.

§ 13709. Transferred CODIFICATION
Section 13709 was editorially reclassified as section 12109 of Title 34, Crime Control and Law Enforcement.

§ 13710. Transferred CODIFICATION
Section 13710 was editorially reclassified as section 12110 of Title 34, Crime Control and Law Enforcement.

§ 13711. Transferred CODIFICATION
Section 13711 was editorially reclassified as section 12111 of Title 34, Crime Control and Law Enforcement.

§ 13712. Transferred CODIFICATION
Section 13712 was editorially reclassified as section 12112 of Title 34, Crime Control and Law Enforcement.
SUBCHAPTER II—CRIME PREVENTION

PART A—OUNCE OF PREVENTION COUNCIL

§ 13741. Transferred
CODIFICATION
Section 13741 was editorially reclassified as section 12131 of Title 34, Crime Control and Law Enforcement.

§ 13742. Transferred
CODIFICATION
Section 13742 was editorially reclassified as section 12132 of Title 34, Crime Control and Law Enforcement.

§ 13743. Transferred
CODIFICATION
Section 13743 was editorially reclassified as section 12133 of Title 34, Crime Control and Law Enforcement.

§ 13744. Omitted
CODIFICATION

PART B—LOCAL CRIME PREVENTION BLOCK GRANT PROGRAM


§ 13751. Transferred
CODIFICATION
Section 13751 was editorially reclassified as section 12141 of Title 34, Crime Control and Law Enforcement.

PART C—MODEL INTENSIVE GRANT PROGRAMS

§ 13771. Transferred
CODIFICATION
Section 13771 was editorially reclassified as section 12142 of Title 34, Crime Control and Law Enforcement.

§ 13772. Transferred
CODIFICATION
Section 13772 was editorially reclassified as section 12143 of Title 34, Crime Control and Law Enforcement.

§ 13773. Transferred
CODIFICATION
Section 13773 was editorially reclassified as section 12144 of Title 34, Crime Control and Law Enforcement.

§ 13774. Transferred
CODIFICATION
Section 13774 was editorially reclassified as section 12145 of Title 34, Crime Control and Law Enforcement.

§ 13776. Transferred
CODIFICATION
Section 13776 was editorially reclassified as section 12146 of Title 34, Crime Control and Law Enforcement.

§ 13777. Transferred
CODIFICATION
Section 13777 was editorially reclassified as section 12147 of Title 34, Crime Control and Law Enforcement.

§ 13791. Transferred
CODIFICATION
Section 13791 was editorially reclassified as section 12161 of Title 34, Crime Control and Law Enforcement.


§ 13793. Omitted

CODIFICATION


PART E—ASSISTANCE FOR DELINQUENT AND AT-RISK YOUTH


Section 13801, Pub. L. 103–322, title III, § 30701, Sept. 13, 1994, 108 Stat. 1855, provided grant authority to the Attorney General to support the development and operation of projects to provide residential services to delinquent and at-risk youth.


PART F—POLICE RECRUITMENT

§ 13811. Transferred

CODIFICATION

Section 13811 was editorially reclassified as section 12171 of Title 34, Crime Control and Law Enforcement.

§ 13812. Omitted

CODIFICATION


PART G—NATIONAL COMMUNITY ECONOMIC PARTNERSHIP

SUBPART 1—COMMUNITY ECONOMIC PARTNERSHIP INVESTMENT FUNDS

§ 13821. Transferred

CODIFICATION

Section 13821 was editorially reclassified as section 12181 of Title 34, Crime Control and Law Enforcement.

§ 13822. Transferred

CODIFICATION

Section 13822 was editorially reclassified as section 12182 of Title 34, Crime Control and Law Enforcement.

§ 13823. Transferred

CODIFICATION

Section 13823 was editorially reclassified as section 12183 of Title 34, Crime Control and Law Enforcement.

§ 13824. Transferred

CODIFICATION

Section 13824 was editorially reclassified as section 12184 of Title 34, Crime Control and Law Enforcement.

§ 13825. Transferred

CODIFICATION

Section 13825 was editorially reclassified as section 12185 of Title 34, Crime Control and Law Enforcement.
§ 13867. Omitted
CODIFICATION

§ 13868. Transferred
CODIFICATION
Section 13868 was editorially reclassified as section 12227 of Title 34, Crime Control and Law Enforcement.

PART I—FAMILY UNITY DEMONSTRATION PROJECT
§ 13881. Transferred
CODIFICATION
Section 13881 was editorially reclassified as section 12241 of Title 34, Crime Control and Law Enforcement.

§ 13882. Transferred
CODIFICATION
Section 13882 was editorially reclassified as section 12242 of Title 34, Crime Control and Law Enforcement.

§ 13883. Omitted
CODIFICATION

SUBPART 1—GRANTS TO STATES
§ 13891. Transferred
CODIFICATION
Section 13891 was editorially reclassified as section 12251 of Title 34, Crime Control and Law Enforcement.

§ 13892. Transferred
CODIFICATION
Section 13892 was editorially reclassified as section 12252 of Title 34, Crime Control and Law Enforcement.

§ 13893. Transferred
CODIFICATION
Section 13893 was editorially reclassified as section 12253 of Title 34, Crime Control and Law Enforcement.

SUBPART 2—FAMILY UNITY DEMONSTRATION PROJECT FOR FEDERAL PRISONERS
§ 13901. Transferred
CODIFICATION
Section 13901 was editorially reclassified as section 12261 of Title 34, Crime Control and Law Enforcement.

§ 13902. Transferred
CODIFICATION
Section 13902 was editorially reclassified as section 12262 of Title 34, Crime Control and Law Enforcement.

PART J—PREVENTION, DIAGNOSIS, AND TREATMENT OF TUBERCULOSIS IN CORRECTIONAL INSTITUTIONS
§ 13911. Transferred
CODIFICATION
Section 13911 was editorially reclassified as section 12271 of Title 34, Crime Control and Law Enforcement.

PART K—GANG RESISTANCE EDUCATION AND TRAINING
§ 13921. Transferred
CODIFICATION
Section 13921 was editorially reclassified as section 12281 of Title 34, Crime Control and Law Enforcement.

SUBCHAPTER III—VIOLENCE AGAINST WOMEN
§ 13925. Transferred
CODIFICATION
Section 13925 was editorially reclassified as section 12291 of Title 34, Crime Control and Law Enforcement.

PART A—SAFE STREETS FOR WOMEN
SUBPART 1—SAFETY FOR WOMEN IN PUBLIC TRANSIT
§ 13931. Transferred
CODIFICATION
Section 13931 was editorially reclassified as section 12311 of Title 34, Crime Control and Law Enforcement.

§ 13942. Transferred
CODIFICATION
Section 13942 was editorially reclassified as section 12312 of Title 34, Crime Control and Law Enforcement.

§ 13943. Transferred
CODIFICATION
Section 13943 was editorially reclassified as section 12313 of Title 34, Crime Control and Law Enforcement.

SUBPART 1—CONFIDENTIALITY FOR ABUSED PERSONS
§ 13951. Transferred
CODIFICATION
Section 13951 was editorially reclassified as section 12321 of Title 34, Crime Control and Law Enforcement.

SUBPART 2—DATA AND RESEARCH
§ 13961. Transferred
CODIFICATION
Section 13961 was editorially reclassified as section 12331 of Title 34, Crime Control and Law Enforcement.

PART B—SAFE HOMES FOR WOMEN
SUBPART 1—DEVELOPMENT OF RESEARCH AGENDA IDENTIFIED BY THE VIOLENCE AGAINST WOMEN ACT OF 1994
Pub. L. 106–386, div. B, title IV, § 1404, Oct. 28, 2000, 114 Stat. 1514, required the Attorney General to direct the National Institute of Justice, in consultation and coordination with the Bureau of Justice Statistics and the National Academy of Sciences, through its National Research Council, to develop a research agenda
based on the recommendations contained in the report entitled "Understanding Violence Against Women" of the National Academy of Sciences and, in consultation with the Secretary of the Department of Health and Human Services, to submit a report to Congress not later than Oct. 28, 2000, which was to include a description of the research agenda, a plan to implement the agenda, and recommendations for priorities in carrying out the agenda to most effectively advance knowledge about and means by which to prevent or reduce violence against women.

§ 13981. Transferred
CODIFICATION
Section 13981 was editorially reclassified as section 12322 of Title 34, Crime Control and Law Enforcement.

§ 13982. Transferred
CODIFICATION
Section 13982 was editorially reclassified as section 12332 of Title 34, Crime Control and Law Enforcement.


SUBPART 2—EDUCATION AND Training FOR JUDGES AND COURT PERSONNEL IN FEDERAL COURTS

§ 14001. Transferred
CODIFICATION
Section 14001 was editorially reclassified as section 12381 of Title 34, Crime Control and Law Enforcement.

§ 14002. Omitted
CODIFICATION
Section 14002 was editorially reclassified as section 12382 of Title 34, Crime Control and Law Enforcement.

PART E—VIOLENCE AGAINST WOMEN ACT IMPROVEMENTS

§ 14011. Transferred
CODIFICATION
Section 14011 was editorially reclassified as section 12391 of Title 34, Crime Control and Law Enforcement.

§ 14012. Omitted
CODIFICATION
Section 14012 was editorially reclassified as section 12392 of Title 34, Crime Control and Law Enforcement.

PART F—DOMESTIC VIOLENCE, HUMAN TRAFFICKING, AND CHILD ABUSE ENFORCEMENT

§ 14015. Omitted
CODIFICATION

§ 13983. Transferred
CODIFICATION
Section 13983 was editorially reclassified as section 12333 of Title 34, Crime Control and Law Enforcement.

§ 13984. Omitted
CODIFICATION
Section 13984 was editorially reclassified as section 12334 of Title 34, Crime Control and Law Enforcement.

SUBPART 3A—RESEARCH ON EFFECTIVE INTERVENTIONS TO ADDRESS VIOLENCE AGAINST WOMEN

CODIFICATION
This subpart was, in the original, chapter 11 of subtitle B of title IV of Pub. L. 103–322, and has been designated as subpart 3a of this part for purposes of codification. Another chapter 11 of subtitle B of title IV of Pub. L. 103–322 is classified to subpart 4 (§ 12351) of part B of subchapter III of chapter 121 of Title 34, Crime Control and Law Enforcement.

§ 13971. Transferred
CODIFICATION
Section 13971 was editorially reclassified as section 12341 of Title 34, Crime Control and Law Enforcement.

SUBPART 3—RURAL DOMESTIC VIOLENCE AND CHILD ABUSE ENFORCEMENT

§ 13975. Transferred
CODIFICATION
Section 13975 was editorially reclassified as section 12351 of Title 34, Crime Control and Law Enforcement.

PART C—CIVIL RIGHTS FOR WOMEN

§ 13981. Transferred
CODIFICATION
Section 13981 was editorially reclassified as section 12361 of Title 34, Crime Control and Law Enforcement.

PART D—EQUAL JUSTICE FOR WOMEN IN COURTS

CODIFICATION
keeping relating to domestic violence, to be submitted to Congress not later than one year after Sept. 13, 1994, was omitted as obsolete.

§ 14016. Transferred
Codification
Section 14016 was editorially reclassified as section 12992 of Title 34, Crime Control and Law Enforcement.

PART F—NATIONAL STALKER AND DOMESTIC VIOLENCE REDUCTION

§ 14031. Transferred
Codification
Section 14031 was editorially reclassified as section 12401 of Title 34, Crime Control and Law Enforcement.

§ 14032. Transferred
Codification
Section 14032 was editorially reclassified as section 12402 of Title 34, Crime Control and Law Enforcement.

§ 14033. Transferred
Codification
Section 14033 was editorially reclassified as section 12403 of Title 34, Crime Control and Law Enforcement.

§ 14034. Transferred
Codification
Section 14034 was editorially reclassified as section 12404 of Title 34, Crime Control and Law Enforcement.

§ 14035. Transferred
Codification
Section 14035 was editorially reclassified as section 12405 of Title 34, Crime Control and Law Enforcement.

§ 14036. Transferred
Codification
Section 14036 was editorially reclassified as section 12406 of Title 34, Crime Control and Law Enforcement.

§ 14037. Transferred
Codification
Section 14037 was editorially reclassified as section 12407 of Title 34, Crime Control and Law Enforcement.

§ 14038. Transferred
Codification
Section 14038 was editorially reclassified as section 12408 of Title 34, Crime Control and Law Enforcement.

§ 14039. Transferred
Codification
Section 14039 was editorially reclassified as section 12409 of Title 34, Crime Control and Law Enforcement.

§ 14040. Transferred
Codification
Section 14040 was editorially reclassified as section 12410 of Title 34, Crime Control and Law Enforcement.

PART G—ENHANCED TRAINING AND SERVICES TO END ABUSE LATER IN LIFE
Codification
This part was, in the original, subtitle H of title IV of Pub. L. 103–322, as added by Pub. L. 106–386, and was redesignated as part G of this subchapter for purposes of codification.

§ 14041. Transferred
Codification
Section 14041 was editorially reclassified as section 12421 of Title 34, Crime Control and Law Enforcement.

§§ 14041a, 14041b. Omitted
Codification
Sections 14041a and 14041b were omitted in the general amendment of this part by Pub. L. 113–4, title II, §204(a), Mar. 7, 2013, 127 Stat. 82.

PART H—DOMESTIC VIOLENCE TASK FORCE
Codification
This part was, in the original, subtitle J of title IV of Pub. L. 103–322, as added by Pub. L. 106–386, and was redesignated as part H of this subchapter for purposes of codification.

§ 14042. Transferred
Codification
Section 14042 was editorially reclassified as section 12431 of Title 34, Crime Control and Law Enforcement.

STUDY OF STATE LAWS REGARDING INSURANCE DISCRIMINATION AGAINST VICTIMS OF VIOLENCE AGAINST WOMEN


STUDY OF UNEMPLOYMENT COMPENSATION FOR VICTIMS OF VIOLENCE AGAINST WOMEN


STUDY OF WORKPLACE EFFECTS FROM VIOLENCE AGAINST WOMEN

Pub. L. 106–386, div. B, title II, §1207, Oct. 28, 2000, 114 Stat. 1507, directed the Attorney General to conduct a national study to identify the impact of State unemployment compensation laws on victims of domestic violence when the victim’s separation from employment is a direct result of the domestic violence and to submit to Congress a report and recommendations based on that study not later than 1 year after Oct. 28, 2000.
designated as part I of this subchapter for purposes of codification.


**Effective Date of Repeal**

Repeal not effective until the beginning of the fiscal year following Mar. 7, 2013, see section 4 of Pub. L. 113–4, set out as an Effective Date of 2013 Amendment note under section 2261 of Title 18, Crimes and Criminal Procedure.

**PART J—PRIVACY PROTECTIONS FOR VICTIMS OF DOMESTIC VIOLENCE, DATING VIOLENCE, SEXUAL VIOLENCE, AND STALKING**

**Codification**

This part was, in the original, subtitle K of title IV of Pub. L. 103–322, as added by Pub. L. 109–162, and was redesignated as part J of this subchapter for purposes of codification.

§§ 14043b–1, Transferred

**Codification**

Section 14043b–1 was editorially reclassified as section 12442 of Title 34, Crime Control and Law Enforcement.

§§ 14043b–2, Transferred

**Codification**

Section 14043b–2 was editorially reclassified as section 12443 of Title 34, Crime Control and Law Enforcement.

§§ 14043b–3, Transferred

**Codification**

Section 14043b–3 was editorially reclassified as section 12444 of Title 34, Crime Control and Law Enforcement.

§§ 14043b–4, Omitted

**Codification**

Section 14043b–4 was omitted as obsolete.

**PART K—SERVICES, EDUCATION, PROTECTION AND JUSTICE FOR YOUNG VICTIMS OF VIOLENCE**

**Codification**

This part was, in the original, subtitle L of title IV of Pub. L. 103–322, as added by Pub. L. 109–162, and was redesignated as part K of this subchapter for purposes of codification.

§ 14043c. Transferred

**Codification**

Section 14043c was editorially reclassified as section 12451 of Title 34, Crime Control and Law Enforcement.


**Effective Date of Repeal**

Repeal not effective until the beginning of the fiscal year following Mar. 7, 2013, see section 4 of Pub. L. 113–4, set out as an Effective Date of 2013 Amendment note under section 2261 of Title 18, Crimes and Criminal Procedure.

**PART L—STRENGTHENING AMERICA’S FAMILIES BY PREVENTING VIOLENCE AGAINST WOMEN AND CHILDREN**

**Codification**

This part was, in the original, subtitle M of title IV of Pub. L. 103–322, as added by Pub. L. 109–162, and was redesignated as part L of this subchapter for purposes of codification.

§§ 14043d–1, Transferred

**Codification**

Section 14043d–1 was editorially reclassified as section 12461 of Title 34, Crime Control and Law Enforcement.

§§ 14043d–2, Transferred

**Codification**

Section 14043d–2 was editorially reclassified as section 12462 of Title 34, Crime Control and Law Enforcement.


**Effective Date of Repeal**

Repeal not effective until the beginning of the fiscal year following Mar. 7, 2013, see section 4 of Pub. L.
$§ 14043e  

PART M—ADDRESSING THE HOUSING NEEDS OF VICTIMS OF DOMESTIC VIOLENCE, DATING VIOLENCE, SEXUAL ASSAULT, AND STALKING  

CODIFICATION

This part was, in the original, subtitle N of title IV of Pub. L. 103–322, as added by Pub. L. 109–162, and was redesignated as part M of this subchapter for purposes of codification.

SUBPART 1—GRANT PROGRAMS

§ 14043e. Transferred

CODIFICATION

Section 14043e was editorially reclassified as section 12471 of Title 34, Crime Control and Law Enforcement.

§ 14043e–1. Transferred

CODIFICATION

Section 14043e–1 was editorially reclassified as section 12472 of Title 34, Crime Control and Law Enforcement.

§ 14043e–2. Transferred

CODIFICATION

Section 14043e–2 was editorially reclassified as section 12473 of Title 34, Crime Control and Law Enforcement.

§ 14043e–3. Transferred

CODIFICATION

Section 14043e–3 was editorially reclassified as section 12474 of Title 34, Crime Control and Law Enforcement.

§ 14043e–4. Transferred

CODIFICATION

Section 14043e–4 was editorially reclassified as section 12475 of Title 34, Crime Control and Law Enforcement.

§ 14043e–11. Transferred

CODIFICATION

Section 14043e–11 was editorially reclassified as section 12491 of Title 34, Crime Control and Law Enforcement.

PART N—NATIONAL RESOURCE CENTER

§ 14043f. Transferred

CODIFICATION

Section 14043f was editorially reclassified as section 12501 of Title 34, Crime Control and Law Enforcement.

PART N–1—SEXUAL ASSAULT SERVICES

§ 14043g. Transferred

CODIFICATION

Section 14043g was editorially reclassified as section 12511 of Title 34, Crime Control and Law Enforcement.

§ 14043g–1. Transferred

CODIFICATION

Section 14043g–1 was editorially reclassified as section 12512 of Title 34, Crime Control and Law Enforcement.

PART N–2—RAPE SURVIVOR CHILD CUSTODY

§ 14043h. Transferred

CODIFICATION

Section 14043h was editorially reclassified as section 21301 of Title 34, Crime Control and Law Enforcement.

§ 14043h–1. Transferred

CODIFICATION

Section 14043h–1 was editorially reclassified as section 21302 of Title 34, Crime Control and Law Enforcement.

§ 14043h–2. Transferred

CODIFICATION

Section 14043h–2 was editorially reclassified as section 21303 of Title 34, Crime Control and Law Enforcement.

§ 14043h–3. Transferred

CODIFICATION

Section 14043h–3 was editorially reclassified as section 21304 of Title 34, Crime Control and Law Enforcement.

§ 14043h–4. Transferred

CODIFICATION

Section 14043h–4 was editorially reclassified as section 21305 of Title 34, Crime Control and Law Enforcement.

§ 14043h–5. Transferred

CODIFICATION

Section 14043h–5 was editorially reclassified as section 21306 of Title 34, Crime Control and Law Enforcement.

§ 14043h–6. Transferred

CODIFICATION

Section 14043h–6 was editorially reclassified as section 21307 of Title 34, Crime Control and Law Enforcement.

§ 14043h–7. Transferred

CODIFICATION

Section 14043h–7 was editorially reclassified as section 21308 of Title 34, Crime Control and Law Enforcement.

PART O—COMBATTING DOMESTIC TRAFFICKING IN PERSONS

§ 14044. Transferred

CODIFICATION

Section 14044 was editorially reclassified as section 20701 of Title 34, Crime Control and Law Enforcement.

§ 14044a. Transferred

CODIFICATION

Section 14044a was editorially reclassified as section 20702 of Title 34, Crime Control and Law Enforcement.

§ 14044b. Transferred

CODIFICATION

Section 14044b was editorially reclassified as section 20703 of Title 34, Crime Control and Law Enforcement.
§ 14044b–1. Transferred

CODIFICATION

Section 14044b–1 was editorially reclassified as section 20711 of Title 34, Crime Control and Law Enforcement.

§ 14044c. Transferred

CODIFICATION

Section 14044c was editorially reclassified as section 20708 of Title 34, Crime Control and Law Enforcement.

§ 14044d. Transferred

CODIFICATION

Section 14044d was editorially reclassified as section 20706 of Title 34, Crime Control and Law Enforcement.

§ 14044e. Transferred

CODIFICATION

Section 14044e was editorially reclassified as section 20707 of Title 34, Crime Control and Law Enforcement.

§ 14044f. Transferred

CODIFICATION

Section 14044f was editorially reclassified as section 20708 of Title 34, Crime Control and Law Enforcement.

§ 14044g. Transferred

CODIFICATION

Section 14044g was editorially reclassified as section 20709 of Title 34, Crime Control and Law Enforcement.

§ 14044h. Transferred

CODIFICATION

Section 14044h was editorially reclassified as section 20711 of Title 34, Crime Control and Law Enforcement.

PART P—MISCELLANEOUS AUTHORITIES

§ 14045. Transferred

CODIFICATION

Section 14045 was editorially reclassified as section 20723 of Title 34, Crime Control and Law Enforcement.

§ 14045a. Transferred

CODIFICATION

Section 14045a was editorially reclassified as section 20724 of Title 34, Crime Control and Law Enforcement.

§ 14045b. Transferred

CODIFICATION

Section 14045b was editorially reclassified as section 20725 of Title 34, Crime Control and Law Enforcement.


Effective Date of Repeal

Repeal not effective until the beginning of the fiscal year following Mar. 7, 2013, see section 4 of Pub. L. 113–4, set out as an Effective Date of 2013 Amendment note under section 2261 of Title 18, Crimes and Criminal Procedure.

§ 14045d. Transferred

CODIFICATION

Section 14045d was editorially reclassified as section 20726 of Title 34, Crime Control and Law Enforcement.

SUBCHAPTER IV—DRUG CONTROL

§ 14051. Transferred

CODIFICATION

Section 14051 was editorially reclassified as section 12521 of Title 34, Crime Control and Law Enforcement.

§ 14052. Transferred

CODIFICATION

Section 14052 was editorially reclassified as section 12522 of Title 34, Crime Control and Law Enforcement.

SUBCHAPTER V—CRIMINAL STREET GANGS

§ 14061. Transferred

CODIFICATION

Section 14061 was editorially reclassified as section 12531 of Title 34, Crime Control and Law Enforcement.

§ 14062. Transferred

CODIFICATION

Section 14062 was editorially reclassified as section 12532 of Title 34, Crime Control and Law Enforcement.

SUBCHAPTER VI—CRIMES AGAINST CHILDREN


Short Title

Subtitle A of title XVII of Pub. L. 103–322, which was classified generally to this subchapter prior to repeal,
was popularly known as the Jacob Wetterling Crimes Against Children and Sexually Violent Offender Registration Act.

SUBCHAPTER VII—RURAL CRIME

§ 14081. Transferred
CODIFICATION
Section 14081 was editorially reclassified as section 12541 of Title 34, Crime Control and Law Enforcement.

§ 14082. Transferred
CODIFICATION
Section 14082 was editorially reclassified as section 12542 of Title 34, Crime Control and Law Enforcement.

§ 14083. Omitted
CODIFICATION
Section, Pub. L. 103–322, title XVIII, § 180104, Sept. 13, 1994, 108 Stat. 2046, which authorized appropriations for the hiring of additional Drug Enforcement Administration agents for fiscal years 1996 to 2000, was omitted as obsolete.

SUBCHAPTER VIII—POLICE CORPS AND LAW ENFORCEMENT OFFICERS TRAINING AND EDUCATION

PART A—POLICE CORPS

§ 14091. Transferred
CODIFICATION
Section 14091 was editorially reclassified as section 12551 of Title 34, Crime Control and Law Enforcement.

§ 14092. Transferred
CODIFICATION
Section 14092 was editorially reclassified as section 12552 of Title 34, Crime Control and Law Enforcement.

§ 14093. Transferred
CODIFICATION
Section 14093 was editorially reclassified as section 12553 of Title 34, Crime Control and Law Enforcement.

§ 14094. Transferred
CODIFICATION
Section 14094 was editorially reclassified as section 12554 of Title 34, Crime Control and Law Enforcement.

§ 14095. Transferred
CODIFICATION
Section 14095 was editorially reclassified as section 12555 of Title 34, Crime Control and Law Enforcement.

§ 14096. Transferred
CODIFICATION
Section 14096 was editorially reclassified as section 12556 of Title 34, Crime Control and Law Enforcement.

§ 14097. Transferred
CODIFICATION
Section 14097 was editorially reclassified as section 12557 of Title 34, Crime Control and Law Enforcement.

§ 14098. Transferred
CODIFICATION
Section 14098 was editorially reclassified as section 12558 of Title 34, Crime Control and Law Enforcement.

§ 14099. Transferred
CODIFICATION
Section 14099 was editorially reclassified as section 12559 of Title 34, Crime Control and Law Enforcement.

CODIFICATION

§ 14101. Omitted
CODIFICATION

PART B—LAW ENFORCEMENT SCHOLARSHIP PROGRAM

§ 14111. Transferred
CODIFICATION
Section 14111 was editorially reclassified as section 12571 of Title 34, Crime Control and Law Enforcement.

§ 14112. Transferred
CODIFICATION
Section 14112 was editorially reclassified as section 12572 of Title 34, Crime Control and Law Enforcement.

§ 14113. Transferred
CODIFICATION
Section 14113 was editorially reclassified as section 12573 of Title 34, Crime Control and Law Enforcement.

§ 14114. Transferred
CODIFICATION
Section 14114 was editorially reclassified as section 12574 of Title 34, Crime Control and Law Enforcement.

§ 14115. Transferred
CODIFICATION
Section 14115 was editorially reclassified as section 12575 of Title 34, Crime Control and Law Enforcement.

§ 14116. Transferred
CODIFICATION
Section 14116 was editorially reclassified as section 12576 of Title 34, Crime Control and Law Enforcement.

§ 14117. Transferred
CODIFICATION
Section 14117 was editorially reclassified as section 12577 of Title 34, Crime Control and Law Enforcement.

§ 14118. Transferred
CODIFICATION
Section 14118 was editorially reclassified as section 12578 of Title 34, Crime Control and Law Enforcement.
§ 14119. Omitted

CODIFICATION


SUBCHAPTER IX—STATE AND LOCAL LAW ENFORCEMENT

EXECUTIVE ORDER No. 13684

Ex. Ord. No. 13684, Dec. 18, 2014, 79 F.R. 76865, which established a President’s Task Force on 21st Century Policing, was editorially reclassified and is set out as a note preceding section 12591 of Title 34, Crime Control and Law Enforcement.

PART A—DNA IDENTIFICATION

§ 14131. Transferred

CODIFICATION

Section 14131 was editorially reclassified as section 12591 of Title 34, Crime Control and Law Enforcement.

§ 14132. Transferred

CODIFICATION

Section 14132 was editorially reclassified as section 12592 of Title 34, Crime Control and Law Enforcement.

§ 14133. Transferred

CODIFICATION

Section 14133 was editorially reclassified as section 12593 of Title 34, Crime Control and Law Enforcement.

§ 14134. Omitted

CODIFICATION


§ 14135. Transferred

CODIFICATION

Section 14135 was editorially reclassified as section 12601 of Title 34, Crime Control and Law Enforcement.

§ 14135a. Transferred

CODIFICATION

Section 14135a was editorially reclassified as section 40702 of Title 34, Crime Control and Law Enforcement.

§ 14135b. Transferred

CODIFICATION

Section 14135b was editorially reclassified as section 40703 of Title 34, Crime Control and Law Enforcement.

§ 14135c. Transferred

CODIFICATION

Section 14135c was editorially reclassified as section 40704 of Title 34, Crime Control and Law Enforcement.

§ 14135d. Transferred

CODIFICATION

Section 14135d was editorially reclassified as section 40705 of Title 34, Crime Control and Law Enforcement.

§ 14135e. Transferred

CODIFICATION

Section 14135e was editorially reclassified as section 40706 of Title 34, Crime Control and Law Enforcement.

§ 14136. Transferred

CODIFICATION

Section 14136 was editorially reclassified as section 40722 of Title 34, Crime Control and Law Enforcement.

§ 14136a. Transferred

CODIFICATION

Section 14136a was editorially reclassified as section 40723 of Title 34, Crime Control and Law Enforcement.

§ 14136b. Transferred

CODIFICATION

Section 14136b was editorially reclassified as section 40721 of Title 34, Crime Control and Law Enforcement.

§ 14136c. Transferred

CODIFICATION

Section 14136c was editorially reclassified as section 40725 of Title 34, Crime Control and Law Enforcement.

§ 14136d. Transferred

CODIFICATION

Section 14136d was editorially reclassified as section 40726 of Title 34, Crime Control and Law Enforcement.

§ 14136e. Transferred

CODIFICATION

Section 14136e was editorially reclassified as section 40727 of Title 34, Crime Control and Law Enforcement.

§ 14136f. Transferred

CODIFICATION

Section 14136f was editorially reclassified as section 40728 of Title 34, Crime Control and Law Enforcement.

§ 14136g. Transferred

CODIFICATION

Section 14136g was editorially reclassified as section 40729 of Title 34, Crime Control and Law Enforcement.

§ 14137. Transferred

CODIFICATION

Section 14137 was editorially reclassified as section 40741 of Title 34, Crime Control and Law Enforcement.

§ 14137a. Transferred

CODIFICATION

Section 14137a was editorially reclassified as section 40742 of Title 34, Crime Control and Law Enforcement.

§ 14137b. Transferred

CODIFICATION

Section 14137b was editorially reclassified as section 40743 of Title 34, Crime Control and Law Enforcement.

§ 14137c. Transferred

CODIFICATION

Section 14137c was editorially reclassified as section 40744 of Title 34, Crime Control and Law Enforcement.

PART B—POLICE PATTERN OR PRACTICE

§ 14141. Transferred

CODIFICATION

Section 14141 was editorially reclassified as section 12601 of Title 34, Crime Control and Law Enforcement.

§ 14142. Transferred

CODIFICATION

Section 14142 was editorially reclassified as section 12602 of Title 34, Crime Control and Law Enforcement.
PART C—IMPROVED TRAINING AND TECHNICAL AUTOMATION


PART D—OTHER STATE AND LOCAL AID


PART E—IMPROVING THE QUALITY OF REPRESENTATION IN STATE CAPITAL CASES

§ 14163. Transferred

CODIFICATION

Section 14163 was editorially reclassified as section 60301 of Title 34, Crime Control and Law Enforcement.

§ 14163a. Transferred

CODIFICATION

Section 14163a was editorially reclassified as section 60302 of Title 34, Crime Control and Law Enforcement.

§ 14163b. Transferred

CODIFICATION

Section 14163b was editorially reclassified as section 60303 of Title 34, Crime Control and Law Enforcement.

§ 14163c. Transferred

CODIFICATION

Section 14163c was editorially reclassified as section 60304 of Title 34, Crime Control and Law Enforcement.

§ 14163d. Transferred

CODIFICATION

Section 14163d was editorially reclassified as section 60305 of Title 34, Crime Control and Law Enforcement.

§ 14163e. Transferred

CODIFICATION

Section 14163e was editorially reclassified as section 60306 of Title 34, Crime Control and Law Enforcement.

PART F—RAFAEL RAMOS AND WENJIAN LIU NATIONAL BLUE ALERT

§ 14165. Transferred

CODIFICATION

Section 14165 was editorially reclassified as section 50501 of Title 34, Crime Control and Law Enforcement.

§ 14165a. Transferred

CODIFICATION

Section 14165a was editorially reclassified as section 50502 of Title 34, Crime Control and Law Enforcement.

§ 14165b. Transferred

CODIFICATION

Section 14165b was editorially reclassified as section 50503 of Title 34, Crime Control and Law Enforcement.
and the President and termination of the Commission, was omitted as obsolete.

§ 14199. Omitted

CODIFICATION

SUBCHAPTER XIII—VIOLENT CRIME REDUCTION TRUST FUND

§ 14211. Transferred

CODIFICATION
Section 14211 was editorially reclassified as section 12631 of Title 34, Crime Control and Law Enforcement.


CODIFICATION

§ 14213. Transferred

CODIFICATION
Section 14213 was editorially reclassified as section 12632 of Title 34, Crime Control and Law Enforcement.

§ 14214. Transferred

CODIFICATION
Section 14214 was editorially reclassified as section 12633 of Title 34, Crime Control and Law Enforcement.

SUBCHAPTER XIV—MISCELLANEOUS

§ 14221. Transferred

CODIFICATION
Section 14221 was editorially reclassified as section 12641 of Title 34, Crime Control and Law Enforcement.

§ 14222. Transferred

CODIFICATION
Section 14222 was editorially reclassified as section 12642 of Title 34, Crime Control and Law Enforcement.

§ 14223. Transferred

CODIFICATION
Section 14223 was editorially reclassified as section 12643 of Title 34, Crime Control and Law Enforcement.

CHAPTER 137—MANAGEMENT OF RECHARGEABLE BATTERIES AND BATTERIES CONTAINING MERCURY

SUBCHAPTER I—GENERALLY

Sec.
14301. Findings.
14302. Definitions.
14303. Information dissemination.
14304. Enforcement.
14305. Information gathering and access.
14306. State authority.
14307. Authorization of appropriations.

SUBCHAPTER II—RECYCLING OF RECHARGEABLE BATTERIES

Sec.
14321. Purpose.
14322. Rechargeable consumer products and labeling.
14323. Requirements.

SUBCHAPTER III—MANAGEMENT OF BATTERIES CONTAINING MERCURY

14331. Purpose.
14332. Limitations on sale of alkaline-manganese batteries containing mercury.
14333. Limitations on sale of zinc-carbon batteries containing mercury.
14334. Limitations on sale of button cell mercuric-oxide batteries.
14335. Limitations on sale of other mercuric-oxide batteries.
14336. New product or use.

SUBCHAPTER I—GENERALLY

§ 14301. Findings

The Congress finds that—
(1) it is in the public interest to—
(A) phase out the use of mercury in batteries and provide for the efficient and cost-effective collection and recycling or proper disposal of used nickel cadmium batteries, small sealed lead-acid batteries, and other regulated batteries; and
(B) educate the public concerning the collection, recycling, and proper disposal of such batteries;
(2) uniform national labeling requirements for regulated batteries, rechargeable consumer products, and product packaging will significantly benefit programs for regulated battery collection and recycling or proper disposal; and
(3) it is in the public interest to encourage persons who use rechargeable batteries to participate in collection for recycling of used nickel-cadmium, small sealed lead-acid, and other regulated batteries.


SHORT TITLE
Pub. L. 104–142, § 1, May 13, 1996, 110 Stat. 1329, provided that: ‘‘This Act [enacting this chapter] may be cited as the ‘Mercury-Containing and Rechargeable Battery Management Act’.’’

Pub. L. 104–142, title I, § 101, May 13, 1996, 110 Stat. 1332, provided that: ‘‘This title [enacting subchapter II of this chapter] may be cited as the ‘Rechargeable Battery Recycling Act’.’’

Pub. L. 104–142, title II, § 201, May 13, 1996, 110 Stat. 1336, provided that: ‘‘This title [enacting subchapter III of this chapter] may be cited as the ‘Mercury-Containing Battery Management Act’.’’

§ 14302. Definitions

For purposes of this chapter:
(1) Administrator

The term ‘‘Administrator’’ means the Administrator of the Environmental Protection Agency.

(2) Button cell

The term ‘‘button cell’’ means a button- or coin-shaped battery.

(3) Easily removable

The term ‘‘easily removable’, with respect to a battery, means detachable or removable at the end of the life of the battery—
(A) from a consumer product by a consumer with the use of common household tools; or
(B) by a retailer of replacements for a battery used as the principal electrical power source for a vehicle.

(4) **Mercuric-oxide battery**

The term “mercuric-oxide battery” means a battery that uses a mercuric-oxide electrode.

(5) **Rechargeable battery**

The term “rechargeable battery”—

(A) means 1 or more voltaic or galvanic cells, electrically connected to produce electric energy, that is designed to be recharged for repeated uses; and

(B) includes any type of enclosed device or sealed container consisting of 1 or more such cells, including what is commonly called a battery pack (and in the case of a battery pack, for the purposes of the requirements of easy removability and labeling under section 14322 of this title, means the battery pack as a whole rather than each component individually); but

(C) does not include—

(i) a lead-acid battery used to start an internal combustion engine or as the principal electrical power source for a vehicle, such as an automobile, a truck, construction equipment, a motorcycle, a garden tractor, a golf cart, a wheelchair, or a boat;

(ii) a lead-acid battery used for load leveling or for storage of electricity generated by an alternative energy source, such as a solar cell or wind-driven generator;

(iii) a battery used as a backup power source for memory or program instruction storage, timekeeping, or any similar purpose that requires uninterrupted electrical power in order to function if the primary energy supply fails or fluctuates momentarily; or

(iv) a rechargeable alkaline battery.

(6) **Rechargeable consumer product**

The term “rechargeable consumer product”—

(A) means a product that, when sold at retail, includes a regulated battery as a primary energy supply, and that is primarily intended for personal or household use; but

(B) does not include a product that only uses a battery solely as a source of backup power for memory or program instruction storage, timekeeping, or any similar purpose that requires uninterrupted electrical power in order to function if the primary energy supply fails or fluctuates momentarily.

(7) **Regulated battery**

The term “regulated battery” means a rechargeable battery that—

(A) contains a cadmium or a lead electrode or any combination of cadmium and lead electrodes; or

(B) contains other electrode chemistries and is the subject of a determination by the Administrator under section 14322(d) of this title.

(8) **Remanufactured product**

The term “remanufactured product” means a rechargeable consumer product that has been altered by the replacement of parts, repackaged, or repaired after initial sale by the original manufacturer.


§ 14303. Information dissemination

The Administrator shall, in consultation with representatives of rechargeable battery manufacturers, rechargeable consumer product manufacturers, and retailers, establish a program to provide information to the public concerning the proper handling and disposal of used regulated batteries and rechargeable consumer products with nonremovable batteries.


§ 14304. Enforcement

(a) **Civil penalty**

When on the basis of any information the Administrator determines that a person has violated, or is in violation of, any requirement of this chapter (except a requirement of section 14323 of this title) the Administrator—

(1) in the case of any violation, may issue an order assessing a civil penalty of not more than $10,000 for each violation, or requiring compliance immediately or within a reasonable specified time period, or both; or

(2) in the case of any violation or failure to comply with an order issued under this section, may commence a civil action in the United States district court in the district in which the violation occurred or in the district in which the violator resides for appropriate relief, including a temporary or permanent injunction.

(b) **Contents of order**

An order under subsection (a)(1) shall state with reasonable specificity the nature of the violation.

(c) **Considerations**

In assessing a civil penalty under subsection (a)(1), the Administrator shall take into account the seriousness of the violation and any good faith efforts to comply with applicable requirements.

(d) **Finality of order; request for hearing**

An order under subsection (a)(1) shall become final unless, not later than 30 days after the order is served, a person named in the order requests a hearing on the record.

(e) **Hearing**

On receiving a request under subsection (d), the Administrator shall promptly conduct a hearing on the record.

(f) **Subpoena power**

In connection with any hearing on the record under this section, the Administrator may issue subpoenas for the attendance and testimony of witnesses and for the production of relevant papers, books, and documents.

(g) **Continued violation after expiration of period for compliance**

If a violator fails to take corrective action within the time specified in an order under sub-
section (a)(1), the Administrator may assess a civil penalty of not more than $10,000 for the continued noncompliance with the order.

(h) Savings provision

The Administrator may not take any enforcement action against a person for selling, offering for sale, or offering for promotional purposes to the ultimate consumer a battery or product covered by this chapter that was—

(1) purchased ready for sale to the ultimate consumer; and

(2) sold, offered for sale, or offered for promotional purposes without modification.

The preceding sentence shall not apply to a person—

(A) who is the importer of a battery covered by this chapter, and

(B) who has knowledge of the chemical contents of the battery

when such chemical contents make the sale, offering for sale, or offering for promotional purposes of such battery unlawful under subchapter III of this chapter.


§ 14305. Information gathering and access

(a) Records and reports

A person who is required to carry out the objectives of this chapter, including—

(1) a regulated battery manufacturer;

(2) a rechargeable consumer product manufacturer;

(3) a mercury-containing battery manufacturer; and

(4) an authorized agent of a person described in paragraph (1), (2), or (3),

shall establish and maintain such records and report such information as the Administrator may by regulation reasonably require to carry out the objectives of this chapter.

(b) Access and copying

The Administrator or the Administrator’s authorized representative, on presentation of credentials of the Administrator, may at reasonable times have access to and copy any records required to be maintained under subsection (a).

(c) Confidentiality

The Administrator shall maintain the confidentiality of documents and records that contain proprietary information.


§ 14306. State authority

Nothing in this chapter shall be construed to prohibit a State from enacting and enforcing a standard or requirement that is identical to a standard or requirement established or promulgated under this chapter. Except as provided in sections 14322(e) and 14323 of this title, nothing in this chapter shall be construed to prohibit a State from enacting and enforcing a standard or requirement that is more stringent than a standard or requirement established or promulgated under this chapter.


§ 14307. Authorization of appropriations

There are authorized to be appropriated such sums as are necessary to carry out this chapter.


SUBCHAPTER II—RECYCLING OF RECHARGEABLE BATTERIES

§ 14321. Purpose

The purpose of this subchapter is to facilitate the efficient recycling or proper disposal of used nickel-cadmium rechargeable batteries, used small sealed lead-acid rechargeable batteries, other regulated batteries, and such rechargeable batteries in used consumer products, by—

(1) providing for uniform labeling requirements and streamlined regulatory requirements for regulated battery collection programs; and

(2) encouraging voluntary industry programs by eliminating barriers to funding the collection and recycling or proper disposal of used rechargeable batteries.


§ 14322. Rechargeable consumer products and labeling

(a) Prohibition

(1) In general

No person shall sell for use in the United States a regulated battery that is ready for retail sale or a rechargeable consumer product that is ready for retail sale, if such battery or product was manufactured on or after the date 12 months after May 13, 1996, unless the labeling requirements of subsection (b) are met and, in the case of a regulated battery, the regulated battery—

(A) is easily removable from the rechargeable consumer product; or

(B) is sold separately.

(2) Application

Paragraph (1) does not apply to any of the following:

(A) The sale of a remanufactured product unit unless paragraph (1) applied to the sale of the unit when originally manufactured.

(B) The sale of a product unit intended for export purposes only.

(b) Labeling

Each regulated battery or rechargeable consumer product without an easily removable battery manufactured on or after the date that is 1 year after May 13, 1996, whether produced domestically or imported shall bear the following labels:

(1) 3 chasing arrows or a comparable recycling symbol.

(2)(A) On each regulated battery which is a nickel-cadmium battery, the chemical name or the abbreviation “Ni-Cd” and the phrase “BATTERY MUST BE RECYCLED OR DISPOSED OF PROPERLY.”.

(B) On each regulated battery which is a lead-acid battery, “Pb” or the words “LEAD”, “RETURN”, and “RECYCLE” and if the regu-
lated battery is sealed, the phrase ‘‘BATTERY MUST BE RECYCLED.’’.

(3) On each rechargeable consumer product containing a regulated battery that is not easily removable, the phrase ‘‘CONTAINS NICKEL-Cadmium Battery. Battery MUST BE RECYCLED OR DISPOSED OF PROPERLY.’’ or ‘‘CONTAINS SEALED LEAD BATTERY. BATTERY MUST BE RECYCLED.’’, as applicable.

(4) On the packaging of each rechargeable consumer product, and the packaging of each regulated battery sold separately from such a product, unless the required label is clearly visible through the packaging, the phrase ‘‘CONTAINS NICKEL-CADMIUM BATTERY. BATTERY MUST BE RECYCLED OR DISPOSED OF PROPERLY.’’ or ‘‘CONTAINS SEALED LEAD BATTERY. BATTERY MUST BE RECYCLED.’’, as applicable.

(c) Existing or alternative labeling

(1) Initial period

For a period of 2 years after May 13, 1996, regulated batteries, rechargeable consumer products containing regulated batteries, and rechargeable consumer product packages that are labeled in substantial compliance with subsection (b) shall be deemed to comply with the labeling requirements of subsection (b).

(2) Certification

(A) In general

On application by persons subject to the labeling requirements of subsection (b) or the labeling requirements promulgated by the Administrator under subsection (d), the Administrator shall certify that a different label meets the requirements of subsection (b) or (d), respectively, if the different label—

(i) conveys the same information as the label required under subsection (b) or (d), respectively; or

(ii) conforms with a recognized international standard that is consistent with the overall purposes of this subchapter.

(B) Constructive certification

Failure of the Administrator to object to an application under subparagraph (A) on the ground that a different label does not meet either of the conditions described in subparagraph (A)(i) or (ii) within 120 days after the date on which the application is made shall constitute certification for the purposes of this chapter.

(d) Rulemaking authority of Administrator

(1) In general

If the Administrator determines that other rechargeable batteries having electrode chemistries different from regulated batteries are toxic and may cause substantial harm to human health and the environment if discarded into the solid waste stream for land disposal or incineration, the Administrator may, with the advice and counsel of State regulatory authorities and manufacturers of rechargeable batteries and rechargeable consumer products, and after public comment—

(A) promulgate labeling requirements for the batteries with different electrode chemistries, rechargeable consumer products containing such batteries that are not easily removable, and packaging for the batteries and products; and

(B) promulgate requirements for easy removability of regulated batteries from rechargeable consumer products designed to contain such batteries.

(2) Substantial similarity

The regulations promulgated under paragraph (1) shall be substantially similar to the requirements set forth in subsections (a) and (b).

(e) Uniformity

After the effective dates of a requirement set forth in subsection (a), (b), or (c) or a regulation promulgated by the Administrator under subsection (d), no Federal agency, State, or political subdivision of a State may enforce any easy removability or environmental labeling requirement for a rechargeable battery or rechargeable consumer product that is not identical to the requirement or regulation.

(f) Exemptions

(1) In general

With respect to any rechargeable consumer product, any person may submit an application to the Administrator for an exemption from the requirements of subsection (a) in accordance with the procedures under paragraph (2). The application shall include the following information:

(A) A statement of the specific basis for the request for the exemption.

(B) The name, business address, and telephone number of the applicant.

(2) Granting of exemption

Not later than 60 days after receipt of an application under paragraph (1), the Administrator shall approve or deny the application. On approval of the application the Administrator shall grant an exemption to the applicant. The exemption shall be issued for a period of time that the Administrator determines to be appropriate, except that the period shall not exceed 2 years. The Administrator shall grant an exemption on the basis of evidence supplied to the Administrator that the manufacturer has been unable to commence manufacturing the rechargeable consumer product in compliance with the requirements of this section and with an equivalent level of product performance without the product—

(A) posing a threat to human health, safety, or the environment; or

(B) violating requirements for approvals from governmental agencies or widely recognized private standard-setting organizations (including Underwriters Laboratories).

(3) Renewal of exemption

A person granted an exemption under paragraph (2) may apply for a renewal of the exemption in accordance with the requirements and procedures described in paragraphs (1) and
§ 14332. Limitations on sale of alkaline-manganese batteries containing mercury

No person shall sell, offer for sale, or offer for promotional purposes any alkaline-manganese battery manufactured on or after May 13, 1996, with a mercury content that was intentionally introduced (as distinguished from mercury that may be incidentally present in other materials), except that the limitation on mercury content in alkaline-manganese button cells shall be 25 milligrams of mercury per button cell.


§ 14333. Limitations on sale of zinc-carbon batteries containing mercury

No person shall sell, offer for sale, or offer for promotional purposes any zinc-carbon battery manufactured on or after May 13, 1996, that contains mercury that was intentionally introduced as described in section 14332 of this title.


§ 14334. Limitations on sale of button cell mercuric-oxide batteries

No person shall sell, offer for sale, or offer for promotional purposes any button cell mercuric-oxide battery for use in the United States on or after May 13, 1996.


§ 14335. Limitations on sale of other mercuric-oxide batteries

(a) Prohibition

On or after May 13, 1996, no person shall sell, offer for sale, or offer for promotional purposes a mercuric-oxide battery for use in the United States unless the battery manufacturer, or the importer of such a battery—

(1) identifies a collection site in the United States that has all required Federal, State, and local government approvals, to which persons may send used mercuric-oxide batteries for recycling or proper disposal;

(2) informs each of its purchasers of mercuric-oxide batteries of the collection site identified under paragraph (1); and

(3) informs each of its purchasers of mercuric-oxide batteries of a telephone number that the purchaser may call to get information about sending mercuric-oxide batteries for recycling or proper disposal.

(b) Application of section

This section does not apply to a sale or offer of a mercuric-oxide button cell battery.


§ 14336. New product or use

On petition of a person that proposes a new use for a battery technology described in this subchapter or the use of a battery described in this subchapter in a new product, the Administrator may exempt from this subchapter the new...
use of the technology or the use of such a battery in the new product on the condition, if appropriate, that there exist reasonable safeguards to ensure that the resulting battery or product without an easily removable battery will not be disposed of in an incinerator, composting facility, or landfill (other than a facility regulated under subtitle C of the Solid Waste Disposal Act (42 U.S.C. 6921 et seq.)).


REFERENCES IN TEXT


For complete classification of this Act to the Code, see Short Title note set out under section 6901 of this title and Tables.

CHAPTER 138—ASSISTED SUICIDE FUNDING RESTRICTION

Sec. 14401. Findings and purpose.
14402. Restriction on use of Federal funds under health care programs.
14403. Restriction on use of Federal funds under certain grant programs.
14404. Restriction on use of Federal funds by advocacy programs.
14405. Restriction on use of other Federal funds.
14406. Clarification with respect to advance directives.
14407. Application to District of Columbia.
14408. Relation to other laws.

§ 14401. Findings and purpose

(a) Findings

Congress finds the following:

(1) The Federal Government provides financial support for the provision of and payment for health care services, as well as for advocacy activities to protect the rights of individuals.

(2) Assisted suicide, euthanasia, and mercy killing have been criminal offenses throughout the United States and, under current law, it would be unlawful to provide services in support of such illegal activities.

(3) Because of recent legal developments, it may become lawful in areas of the United States to furnish services in support of such activities.

(4) Congress is not providing Federal financial assistance in support of assisted suicide, euthanasia, and mercy killing and intends that Federal funds not be used to promote such activities.

(b) Purpose

It is the principal purpose of this chapter to continue current Federal policy by providing explicitly that Federal funds may not be used to pay for items and services (including assistance) the purpose of which is to cause (or assist in causing) the suicide, euthanasia, or mercy killing of any individual.


REFERENCES IN TEXT

This chapter, referred to in subsec. (b), was in the original “this Act”, meaning Pub. L. 105–12, Apr. 30, 1997, 111 Stat. 23, known as the Assisted Suicide Funding Restriction Act of 1997. For complete classification of this Act to the Code, see Short Title note set out below and Tables.

EFFECTIVE DATE

Pub. L. 105–12, §11, Apr. 30, 1997, 111 Stat. 29, provided that:

“(a) In General.—The provisions of this Act [see Short Title note below] (and the amendments made by this Act) take effect upon its enactment [Apr. 30, 1997] and apply, subject to subsection (b), to Federal payments made pursuant to obligations incurred after the date of the enactment of this Act for items and services provided on or after such date.

“(b) Application to Contracts.—Such provisions shall apply with respect to contracts entered into, renewed, or extended after the date of the enactment of this Act [Apr. 30, 1997] and shall also apply to a contract entered into before such date to the extent permitted under such contract.”

SHORT TITLE

Pub. L. 105–12, §1(a), Apr. 30, 1997, 111 Stat. 23, provided that: “This Act [enacting this chapter, section 238o of this title, section 1621x of Title 25, Indians, and section 1707 of Title 38, Veterans’ Benefits, amending sections 205, 701, 1395y, 1396a, 1396b, 1396c, 1396d, 2996f, 6022, 6042, 6062, 6082, and 10805 of this title, section 8902 of Title 5, Government Organization and Employees, section 1073 of Title 10, Armed Forces, section 4005 of Title 18, Crimes and Criminal Procedure, section 2504 of Title 22, Foreign Relations and Intercourse, and section 794e of Title 29, Labor, and enacting provisions set out as notes under this section and section 296 of this title] may be cited as the ‘Assisted Suicide Funding Restriction Act of 1997.’”

CONSTRUCTION OF CONFORMING AMENDMENTS

Pub. L. 105–12, §9(p), Apr. 30, 1997, 111 Stat. 29, provided that: “The fact that a law is not amended under this section [enacting section 238o of this title, section 1621x of Title 25, Indians, and section 1707 of Title 38, Veterans’ Benefits, amending sections 205, 701, 1395y, 1396a, 1396b, 1396c, 1396d, 2996f, 6022, 6042, 6062, 6082, and 10805 of this title, section 8902 of Title 5, Government Organization and Employees, section 1073 of Title 10, Armed Forces, section 4005 of Title 18, Crimes and Criminal Procedure, section 2504 of Title 22, Foreign Relations and Intercourse, and section 794e of Title 29, Labor] shall not be construed as indicating that the provisions of this Act [see Short Title note above] do not apply to such a law.”

§ 14402. Restriction on use of Federal funds under health care programs

(a) Restriction on Federal funding of health care services

Subject to subsection (b), no funds appropriated by Congress for the purpose of paying (directly or indirectly) for the provision of health care services may be used—

(1) to provide any health care item or service furnished for the purpose of causing, or for the purpose of assisting in causing, the death of any individual, such as by assisted suicide, euthanasia, or mercy killing;

(2) to pay (directly, through payment of Federal financial participation or other matching payment, or otherwise) for such an item or service, including payment of expenses relating to such an item or service; or

(3) to pay (in whole or in part) for health benefit coverage that includes any coverage of such an item or service or of any expenses relating to such an item or service.
(b) Construction and treatment of certain services

Nothing in subsection (a), or in any other provision of this chapter (or in any amendment made by this chapter), shall be construed to apply to or to affect any limitation relating to—

(1) the withholding or withdrawing of medical treatment or medical care;
(2) the withholding or withdrawing of nutrition or hydration;
(3) abortion; or
(4) the use of an item, good, benefit, or service furnished for the purpose of alleviating pain or discomfort, even if such use may increase the risk of death, so long as such item, good, benefit, or service is not also furnished for the purpose of causing, or the purpose of assisting in causing, death, for any reason.

(c) Limitation on Federal facilities and employees

Subject to subsection (b), with respect to health care items and services furnished—

(1) by or in a health care facility owned or operated by the Federal government, or
(2) by any physician or other individual employed by the Federal government to provide health care services within the scope of the physician’s or individual’s employment,

no such item or service may be furnished for the purpose of causing, or for the purpose of assisting in causing, the death of any individual, such as by assisted suicide, euthanasia, or mercy killing.

(d) List of programs to which restrictions apply

Subsection (a) applies to funds appropriated under or to carry out the following:

(A) Medicare program

Title XVIII of the Social Security Act [42 U.S.C. 1395 et seq.].

(B) Medicaid program

Title XIX of the Social Security Act [42 U.S.C. 1396 et seq.].

(C) Title XX social services block grant

Title XX of the Social Security Act [42 U.S.C. 1396 et seq.].

(D) Maternal and child health block grant program

Title V of the Social Security Act [42 U.S.C. 701 et seq.].

(E) Public Health Service Act

The Public Health Service Act [42 U.S.C. 201 et seq.].

(F) Indian Health Care Improvement Act

The Indian Health Care Improvement Act [25 U.S.C. 1601 et seq.].

(G) Federal employees health benefits program

Chapter 89 of title 5.

(H) Military health care system (including Tricare and CHAMPUS programs)

Chapter 55 of title 10.

(I) Veterans medical care

Chapter 17 of title 38.

(J) Health services for Peace Corps volunteers

Section 2504(e) of title 22.

(K) Medical services for Federal prisoners

Section 4005(a) of title 18.

(2) Federal facilities and personnel

The provisions of subsection (c) apply to facilities and personnel of the following:

(A) Military health care system

The Department of Defense operating under chapter 55 of title 10.

(B) Veterans medical care

The Veterans Health Administration of the Department of Veterans Affairs.

(C) Public Health Service

The Public Health Service.

(3) Nonexclusive list

Nothing in this subsection shall be construed as limiting the application of subsection (a) to the programs specified in paragraph (1) or the application of subsection (c) to the facilities and personnel specified in paragraph (2).


REFERENCES IN TEXT

This chapter, referred to in subsec. (b), was in the original ‘‘this Act’’, meaning Pub. L. 105–12, Apr. 30, 1997, 111 Stat. 23, known as the Assisted Suicide Restriction Act of 1997, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 14401 of this title and Tables.

The Social Security Act, referred to in subsec. (d)(1)(A)–(D), is act Aug. 14, 1935, ch. 531, 49 Stat. 620. Titles V, XVIII, XIX, and XX of the Act are classified generally to subchapters V (§701 et seq.), XVIII (§1395 et seq.), XIX (§1396 et seq.), and XX (§1397 et seq.), respectively, of chapter 7 of this title, respectively. For complete classification of this Act to the Code, see section 1305 of this title and Tables.

The Public Health Service Act, referred to in subsec. (d)(1)(E), is act July 1, 1944, ch. 753, 58 Stat. 682, which is classified generally to chapter 6A (§201 et seq.) of this title. For complete classification of this Act to the Code, see Short Title note set out under section 201 of this title and Tables.

The Indian Health Care Improvement Act, referred to in subsec. (d)(1)(F), is Pub. L. 94–437, Sept. 30, 1976, 90 Stat. 1400, which is classified principally to chapter 18 (§1601 et seq.) of Title 25, Indians. For complete classification of this Act to the Code, see Short Title note set out under section 1601 of Title 25 and Tables.

§ 14403. Restriction on use of Federal funds under certain grant programs

Subject to section 14402(b) of this title (relating to construction and treatment of certain services), no funds appropriated by Congress to carry out subtitle B, D, or E of the Developmental Disabilities Assistance and Bill of Rights Act of 2000 [42 U.S.C. 15021 et seq., 15061 et seq., 15081 et seq.] may be used to support or fund any program or service which has a purpose of assisting in procuring any item, benefit, or service furnished for the purpose of causing, or the purpose of assisting in causing, the death of any individual, such as by assisted suicide, euthanasia, or mercy killing.

REFERENCES IN TEXT


AMENDMENTS


§14404. Restriction on use of Federal funds by advocacy programs

(a) In general

Subject to section 14402(b) of this title (relating to construction and treatment of certain services), no funds appropriated by Congress may be used to assist in, to support, or to fund any activity or service which has a purpose of assisting in, or to bring suit or provide any other form of legal assistance for the purpose of—

(1) securing or funding any item, benefit, program, or service furnished for the purpose of causing, or the purpose of assisting in causing, the suicide, euthanasia, or mercy killing of any individual;

(2) compelling any person, institution, governmental entity to provide or fund any item, benefit, program, or service for such purpose; or

(3) asserting or advocating a legal right to cause, or to assist in causing, the suicide, euthanasia, or mercy killing of any individual.

(b) List of programs to which restrictions apply

(1) In general

Subsection (a) applies to funds appropriated under or to carry out the following:

(A) Protection and advocacy systems under the Developmental Disabilities Assistance and Bill of Rights Act of 2000


(B) Protection and advocacy systems under the Protection and Advocacy for Mentally Ill Individuals Act

The Protection and Advocacy for Mentally Ill Individuals Act of 1986 [42 U.S.C. 10801 et seq.].

(C) Protection and advocacy systems under the Rehabilitation Act of 1973


(D) Ombudsman programs under the Older Americans Act of 1965

Ombudsman programs under the Older Americans Act of 1965 [42 U.S.C. 3001 et seq.].

(E) Legal assistance

Legal assistance programs under the Legal Services Corporation Act [42 U.S.C. 2996 et seq.].

(2) Nonexclusive list

Nothing in this subsection shall be construed as limiting the application of subsection (a) to the programs specified in paragraph (1).

References in Text


The Legal Services Corporation Act, referred to in subsec. (b)(1)(D), is title X of Pub. L. 89–73, July 14, 1965, 79 Stat. 218, as amended, which is classified generally to chapter 35 (§10801 et seq.) of this title. For complete classification of this Act to the Code, see Short Title note set out under section 10801 of this title and Tables.

AMENDMENTS


§14405. Restriction on use of other Federal funds

(a) In general

Subject to section 14402(b) of this title (relating to construction and treatment of certain services) and subsection (b) of this section, no funds appropriated by the Congress shall be used to provide, procure, furnish, or fund any item, good, benefit, activity, or service, furnished or performed for the purpose of causing, or assisting in causing, the suicide, euthanasia, or mercy killing of any individual.
§ 14406. Clarification with respect to advance directives

Subject to section 14402(b) of this title (relating to construction and treatment of certain services), sections 1395ccc(b) and 1396a(w) of this title shall not be construed—

(1) to require any provider or organization, or any employee of such a provider or organization, to inform or counsel any individual regarding any right to obtain an item or service furnished for the purpose of causing, or the purpose of assisting in causing, the death of the individual, such as by assisted suicide, euthanasia, or mercy killing; or

(2) to apply to or to affect any requirement with respect to a portion of an advance directive that directs the purposeful causing of, or the purposeful assisting in causing, the death of any individual, such as by assisted suicide, euthanasia, or mercy killing.


§ 14407. Application to District of Columbia

For purposes of this chapter, the term “funds appropriated by Congress” includes funds appropriated to the District of Columbia pursuant to an authorization of appropriations under title V of the District of Columbia Home Rule Act and the term “Federal government” includes the government of the District of Columbia.


REFERENCES IN TEXT

This chapter, referred to in text, was in the original “this Act”, meaning Pub. L. 105–12, Apr. 30, 1997, 111 Stat. 23, known as the Assisted Suicide Funding Restriction Act of 1997, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 14401 of this title and Tables.

CHAPTER 139—VOLUNTEER PROTECTION

§ 14501. Findings and purpose

(a) Findings

The Congress finds and declares that—

(1) the willingness of volunteers to offer their services is deterred by the potential for liability actions against them;

(2) as a result, many nonprofit public and private organizations and governmental entities, including voluntary associations, social service agencies, educational institutions, and other civic programs, have been adversely affected by the withdrawal of volunteers from boards of directors and service in other capacities;

(3) the contribution of these programs to their communities is thereby diminished, resulting in fewer and higher cost programs than would be obtainable if volunteers were participating;

(4) because Federal funds are expended on useful and cost-effective social service programs, many of which are national in scope, depend heavily on volunteer participation, and represent some of the most successful public-private partnerships, protection of volunteerism through clarification and limitation of the personal liability risks assumed by the volunteer in connection with such participation is an appropriate subject for Federal legislation;

(5) services and goods provided by volunteers and nonprofit organizations would often otherwise be provided by private entities that operate in interstate commerce;

(6) due to high liability costs and unwarranted litigation costs, volunteers and nonprofit organizations face higher costs in purchasing insurance, through interstate insurance markets, to cover their activities; and

(7) clarifying and limiting the liability risk assumed by volunteers is an appropriate subject for Federal legislation because—

(A) of the national scope of the problems created by the legitimate fears of volunteers about frivolous, arbitrary, or capricious lawsuits;

(B) the citizens of the United States depend on, and the Federal Government expends funds on, and provides tax exemptions and other consideration to, numerous social

§ 14502. Preemption and election of State nonapplicability

Sec.

14501. Findings and purpose.

14502. Preemption and election of State nonapplicability.

14503. Limitation on liability for volunteers.

14504. Liability for noneconomic loss.

14505. Definitions.

14506. Liability for economic loss.

14507. Preemption and election of Federal nonapplicability.

§ 14503. Limitation on liability for volunteers

Sec.

14501. Findings and purpose.

14502. Preemption and election of State nonapplicability.

14503. Limitation on liability for volunteers.

14504. Liability for noneconomic loss.

14505. Definitions.

14506. Liability for economic loss.

14507. Preemption and election of Federal nonapplicability.

§ 14504. Liability for noneconomic loss

Sec.

14501. Findings and purpose.

14502. Preemption and election of State nonapplicability.

14503. Limitation on liability for volunteers.

14504. Liability for noneconomic loss.

14505. Definitions.

14506. Liability for economic loss.

14507. Preemption and election of Federal nonapplicability.

§ 14505. Definitions

Sec.

14501. Findings and purpose.

14502. Preemption and election of State nonapplicability.

14503. Limitation on liability for volunteers.

14504. Liability for noneconomic loss.

14505. Definitions.

14506. Liability for economic loss.

14507. Preemption and election of Federal nonapplicability.

§ 14506. Liability for economic loss

Sec.

14501. Findings and purpose.

14502. Preemption and election of State nonapplicability.

14503. Limitation on liability for volunteers.

14504. Liability for noneconomic loss.

14505. Definitions.

14506. Liability for economic loss.

14507. Preemption and election of Federal nonapplicability.

§ 14507. Preemption and election of Federal nonapplicability

Sec.

14501. Findings and purpose.

14502. Preemption and election of State nonapplicability.

14503. Limitation on liability for volunteers.

14504. Liability for noneconomic loss.

14505. Definitions.

14506. Liability for economic loss.

14507. Preemption and election of Federal nonapplicability.

§ 14408. Relation to other laws

The provisions of this chapter supersede other Federal laws (including laws enacted after April 30, 1997) except to the extent such laws specifically supersede the provisions of this chapter.


REFERENCES IN TEXT

This chapter, referred to in text, was in the original “this Act”, meaning Pub. L. 105–12, Apr. 30, 1997, 111 Stat. 23, known as the Assisted Suicide Funding Restriction Act of 1997, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 14401 of this title and Tables.

Chapter, referred to in text, was in the original “this Act”, meaning Pub. L. 105–12, Apr. 30, 1997, 111 Stat. 23, known as the Assisted Suicide Funding Restriction Act of 1997, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 14401 of this title and Tables.

Chapter, referred to in text, was in the original “this Act”, meaning Pub. L. 105–12, Apr. 30, 1997, 111 Stat. 23, known as the Assisted Suicide Funding Restriction Act of 1997, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 14401 of this title and Tables.

Chapter, referred to in text, was in the original “this Act”, meaning Pub. L. 105–12, Apr. 30, 1997, 111 Stat. 23, known as the Assisted Suicide Funding Restriction Act of 1997, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 14401 of this title and Tables.
programs that depend on the services of volunteers;

(C) it is in the interest of the Federal Government to encourage the continued operation of volunteer service organizations and contributions of volunteers because the Federal Government lacks the capacity to carry out all of the services provided by such organizations and volunteers; and

(D) (i) liability reform for volunteers, will promote the free flow of goods and services, lessen burdens on interstate commerce and uphold constitutionally protected due process rights; and

(ii) therefore, liability reform is an appropriate use of the powers contained in article 1, section 8, clause 3 of the United States Constitution, and the fourteenth amendment to the United States Constitution.

(b) Purpose

The purpose of this chapter is to promote the interests of social service program beneficiaries and taxpayers and to sustain the availability of programs, nonprofit organizations, and governmental entities that depend on volunteer contributions by reforming the laws to provide certain protections from liability abuses related to volunteers serving nonprofit organizations and governmental entities.


EFFECTIVE DATE

Pub. L. 105–19, §7, June 18, 1997, 111 Stat. 223, provided that: "(a) In general.—This Act [enacting this chapter] shall take effect 90 days after the date of enactment of this Act [June 18, 1997].

(b) Application.—This Act applies to any claim for harm caused by an act or omission of a volunteer where that claim is filed on or after the effective date of this Act but only if the harm that is the subject of the claim is filed on or after the effective date of this Act.

§14503. Limitation on liability for volunteers

(a) Liability protection for volunteers

Except as provided in subsections (b), (c), and (e), no volunteer of a nonprofit organization or governmental entity shall be liable for harm caused by an act or omission of the volunteer on behalf of the organization or entity if—

(1) the volunteer was acting within the scope of the volunteer’s responsibilities in the nonprofit organization or governmental entity at the time of the act or omission;

(2) if appropriate or required, the volunteer was properly licensed, certified, or authorized by the appropriate authorities for the activities or practice in the State in which the harm occurred, where the activities were or practice was undertaken within the scope of the volunteer’s responsibilities in the nonprofit organization or governmental entity;

(3) the harm was not caused by willful or criminal misconduct, gross negligence, reckless misconduct, or a conscious, flagrant indifference to the rights or safety of the individual harmed by the volunteer; and

(4) the harm was not caused by the volunteer operating a motor vehicle, vessel, aircraft, or other vehicle for which the State requires the operator or the owner of the vehicle, craft, or vessel to—

(A) possess an operator’s license; or

(B) maintain insurance.

(b) Liability protection for pilots that fly for public benefit

Except as provided in subsections (c) and (e), no volunteer of a volunteer pilot nonprofit organization that arranges flights for public benefit shall be liable for harm caused by an act or omission of the volunteer on behalf of the organization if, at the time of the act or omission, the volunteer—

(1) was operating an aircraft in furtherance of the purpose of, and acting within the scope of the volunteer’s responsibilities on behalf of, the nonprofit organization to provide patient and medical transport (including medical transport for veterans), disaster relief, humanitarian assistance, or other similar charitable missions;

(2) was properly licensed and insured for the operation of the aircraft;

(3) was in compliance with all requirements of the Federal Aviation Administration for recent flight experience; and

(4) did not cause the harm through willful or criminal misconduct, gross negligence, reckless misconduct, or a conscious, flagrant indifference to the rights or safety of the individual harmed by the volunteer.

(c) Concerning responsibility of volunteers to organizations and entities

Nothing in this section shall be construed to affect any civil action brought by any nonprofit organization or any governmental entity against any volunteer of such organization or entity.
(d) No effect on liability of organization or entity

Nothing in this section shall be construed to affect the liability of any nonprofit organization or governmental entity with respect to harm caused to any person.

(e) Exceptions to volunteer liability protection

If the laws of a State limit volunteer liability subject to one or more of the following conditions, such conditions shall not be construed as inconsistent with this section:

1. A State law that requires a nonprofit organization or governmental entity to adhere to risk management procedures, including mandatory training of volunteers.
2. A State law that makes the organization or entity liable for the acts or omissions of its volunteers to the same extent as an employer is liable for the acts or omissions of its employees.
3. A State law that makes a limitation of liability inapplicable if the civil action was brought by the organization or governmental entity to adhere to risk management procedures.
4. A State law that makes a limitation of liability applicable only if the nonprofit organization or governmental entity provides a financial secure source of recovery for individuals who suffer harm as a result of actions taken by a volunteer on behalf of the organization or entity. A financially secure source of recovery may be an insurance policy within specified limits, comparable coverage from a risk pooling mechanism, equivalent assets, or alternative arrangements that satisfy the State that the organization or entity will be able to pay for losses up to a specified amount.

(f) Limitation on punitive damages based on actions of volunteers

(1) General rule

Punitive damages may not be awarded against a volunteer in an action brought for harm based on the action of a volunteer acting within the scope of the volunteer’s responsibilities to a nonprofit organization or governmental entity unless the claimant establishes by clear and convincing evidence that the harm was proximately caused by an action of such volunteer which constitutes willful or criminal misconduct, or a conscious, flagrant indifference to the rights or safety of the individual harmed.

(2) Construction

Paragraph (1) does not create a cause of action for punitive damages and does not preempt or supersede any Federal or State law to the extent that such law would further limit the award of punitive damages.

(g) Exceptions to limitations on liability

(1) In general

The limitations on the liability of a volunteer under this chapter shall not apply to any misconduct that—

(A) constitutes a crime of violence (as that term is defined in section 16 of title 18) or act of international terrorism (as that term is defined in section 2331 of title 18) for which the defendant has been convicted in any court;

(B) constitutes a hate crime (as that term is used in the Hate Crime Statistics Act (28 U.S.C. 534 note));

(C) involves a sexual offense, as defined by applicable State law, for which the defendant has been convicted in any court;

(D) involves misconduct for which the defendant has been found to have violated a Federal or State civil rights law; or

(E) where the defendant was under the influence (as determined pursuant to applicable State law) of intoxicating alcohol or any drug at the time of the misconduct.

(2) Rule of construction

Nothing in this subsection shall be construed to effect subsection (a)(3) or (f).

(2018—Subsec. (a). Pub. L. 115–254, § 584(2), in introductory provisions, substituted “subsections (b), (c), and (e)” for “subsections (b) and (d)”.
Subsec. (b). Pub. L. 115–254, § 584(1), (3), added subsec. (b) and redesignated former subsec. (b) to (f) as (c) to (g), respectively.
Subsec. (g)(2). Pub. L. 115–254, § 584(4), substituted “(f)” for “(e)”.

§ 14504. Liability for noneconomic loss

(a) General rule

In any civil action against a volunteer, based on an action of a volunteer acting within the scope of the volunteer’s responsibilities to a nonprofit organization or governmental entity, the liability of the volunteer for noneconomic loss shall be determined in accordance with subsection (b).

(b) Amount of liability

(1) In general

Each defendant who is a volunteer, shall be liable only for the amount of noneconomic loss allocated to that defendant in direct proportion to the percentage of responsibility of that defendant (determined in accordance with paragraph (3)) for the harm to the claimant with respect to which that defendant is liable. The court shall render a separate judgment against each defendant in an amount determined pursuant to the preceding sentence.

(2) Percentage of responsibility

For purposes of determining the amount of noneconomic loss allocated to a defendant who is a volunteer under this section, the trier of

1 See References in Text note below.
§ 14505  TITLE 42—THE PUBLIC HEALTH AND WELFARE  Page 7802

fact shall determine the percentage of responsibility of that defendant for the claimant’s harm.


§ 14505. Definitions
For purposes of this chapter:

(1) Economic loss
The term “economic loss” means any pecuniary loss resulting from harm (including the loss of earnings or other benefits related to employment, medical expense loss, replacement services loss, loss due to death, burial costs, and loss of business or employment opportunities) to the extent recovery for such loss is allowed under applicable State law.

(2) Harm
The term “harm” includes physical, nonphysical, economic, and noneconomic losses.

(3) Noneconomic losses
The term “noneconomic losses” means losses for physical and emotional pain, suffering, inconvenience, physical impairment, mental anguish, disfigurement, loss of enjoyment of life, loss of society and companionship, loss of consortium (other than loss of domestic service), hedonic damages, injury to reputation and all other noneconomic losses of any kind or nature.

(4) Nonprofit organization
The term “nonprofit organization” means—

(A) any organization which is described in section 501(c)(3) of title 26 and exempt from tax under section 501(a) of such title and which does not practice any action which constitutes a hate crime referred to in subsection (b)(1) of the first section of the Hate Crime Statistics Act (28 U.S.C. 534 note); 1 or

(B) any not-for-profit organization which is organized and conducted for public benefit and operated primarily for charitable, civic, educational, religious, welfare, or health purposes and which does not practice any action which constitutes a hate crime referred to in subsection (b)(1) of the first section of the Hate Crime Statistics Act (28 U.S.C. 534 note). 1

(5) State
The term “State” means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Northern Mariana Islands, any other territory or possession of the United States, or any political subdivision of any such State, territory, or possession.

(6) Volunteer
The term “volunteer” means an individual performing services for a nonprofit organization or a governmental entity who does not receive—

(A) compensation (other than reasonable reimbursement or allowance for expenses actually incurred); or

(B) any other thing of value in lieu of compensation, in excess of $500 per year, and such term includes a volunteer serving as a director, officer, trustee, or direct service volunteer.


References in Text
The first section of the Hate Crime Statistics Act, referred to in par. (4), is Pub. L. 101–275, §1, Apr. 23, 1990, 104 Stat. 140, which was set out in a note under section 534 of Title 28, Judiciary and Judicial Procedure, prior to editorial reclassification as section 41305 of Title 34, Crime Control and Law Enforcement.

CHAPTER 140—CRIMINAL JUSTICE IDENTIFICATION, INFORMATION, AND COMMUNICATION

SUBCHAPTER I—CRIME IDENTIFICATION TECHNOLOGY

Sec. 14601. Transferred.

SUBCHAPTER II—EXCHANGE OF CRIMINAL HISTORY RECORDS FOR NONCRIMINAL JUSTICE PURPOSES

14611 to 14616. Transferred.

SUBCHAPTER I—CRIME IDENTIFICATION TECHNOLOGY

§ 14601. Transferred

CODIFICATION
Section 14601 was editorially reclassified as section 40301 of Title 34, Crime Control and Law Enforcement.

§ 14611. Transferred

CODIFICATION
Section 14611 was editorially reclassified as section 40311 of Title 34, Crime Control and Law Enforcement.

§ 14612. Transferred

CODIFICATION
Section 14612 was editorially reclassified as section 40312 of Title 34, Crime Control and Law Enforcement.

§ 14613. Transferred

CODIFICATION
Section 14613 was editorially reclassified as section 40313 of Title 34, Crime Control and Law Enforcement.

§ 14614. Transferred

CODIFICATION
Section 14614 was editorially reclassified as section 40314 of Title 34, Crime Control and Law Enforcement.

§ 14615. Transferred

CODIFICATION
Section 14615 was editorially reclassified as section 40315 of Title 34, Crime Control and Law Enforcement.

§ 14616. Transferred

CODIFICATION
Section 14616 was editorially reclassified as section 40316 of Title 34, Crime Control and Law Enforcement.

1 See References in Text note below.
CHAPTER 140A—JENNIFER'S LAW

Sec. 14661 to 14663. Transferred.
14664. Omitted.
14665. Transferred.

§ 14661. Transferred
CODIFICATION
Section 14661 was editorially reclassified as section 40501 of Title 34, Crime Control and Law Enforcement.

§ 14662. Transferred
CODIFICATION
Section 14662 was editorially reclassified as section 40502 of Title 34, Crime Control and Law Enforcement.

§ 14663. Transferred
CODIFICATION
Section 14663 was editorially reclassified as section 40503 of Title 34, Crime Control and Law Enforcement.

CHAPTER 141—COMMERCIAL SPACE OPPORTUNITIES AND TRANSPORTATION SERVICES


SUBCHAPTER I—PROMOTION OF COMMERCIAL SPACE OPPORTUNITIES

Section, Pub. L. 105–303, title I, § 101, Oct. 28, 1998, 112 Stat. 2845, related to commercialization of Space Station. Subsec. (a) was repealed and reenacted as subsec. (a) of section 50111 of Title 51, National and Commercial Space Programs. Subsec. (b), which required the Administrator to deliver certain studies and reports to Congress, the last of which was required before budget request for fiscal year 2000, was repealed as obsolete.

§ 14712. Repealed or Transferred
CODIFICATION
Section, Pub. L. 105–303, title I, § 104, Oct. 28, 1998, 112 Stat. 2852, which related to promotion of United States Global Positioning System standards, was repealed in part and transferred in part. Subsec. (b) was repealed and reenacted as section 50112 of Title 51, National and Commercial Space Programs, by Pub. L. 111–314, §§ 3, 6, Dec. 18, 2010, 124 Stat. 3328, 3444, which Act enacted Title 51. Subsec. (a) was transferred and is set out as a note under section 50112 of Title 51.

Section 14715, Pub. L. 107–248, title I, § 107, Oct. 23, 1998, 112 Stat. 2853, related to sources of Earth Science data. Subsecs. (a), (b), (d), and (e) were repealed and reenacted as subsections (a), (b), (c), and (d) of section 50115 of Title 51. Subsec. (c), which required the Administrator to submit certain study results to Congress within six months after Oct. 28, 1998, was repealed as obsolete.

SUBCHAPTER II—FEDERAL ACQUISITION OF SPACE TRANSPORTATION SERVICES

Section 14733, Pub. L. 105–303, title II, § 204, Oct. 28, 1998, 112 Stat. 2856, related to potential privatization of the Space Shuttle program. Subsec. (a) was repealed and reenacted as section 50133 of Title 51. Subsec. (b), requiring feasibility study, and subsec. (c), requiring reports to congressional committees within 60 days after Oct. 28, 1998, were repealed as obsolete.

SUBCHAPTER III—COMMERCIAL REUSABLE IN-SPACE TRANSPORTATION

§ 14751. Transferred
CODIFICATION
Section, Pub. L. 107–248, title IX, § 902, Oct. 23, 2002, 116 Stat. 1573, which related to congressional findings, was transferred and is set out as a note under section 50301 of Title 51, National and Commercial Space Programs.


CHAPTER 142—POISON CONTROL CENTER ENHANCEMENT AND AWARENESS

Section 14801, Pub. L. 106–174, § 2, Feb. 25, 2000, 114 Stat. 18, related to congressional findings regarding
poison control centers. See provisions set out as a note under section 300d–71 of this title.

Section 14802, Pub. L. 106–174, § 3, Feb. 25, 2000, 114 Stat. 18, defined “Secretary”.

Section 14803, Pub. L. 106–174, § 4, Feb. 25, 2000, 114 Stat. 18, established a national toll-free number to be used to access regional poison control centers. See section 300d–71 of this title.

Section 14804, Pub. L. 106–174, § 5, Feb. 25, 2000, 114 Stat. 19, established a nationwide media campaign to educate the public and health care providers about poison prevention and the availability of poison control resources in local communities. See section 300d–72 of this title.


§ 14901. Findings and purposes

(a) Findings

Congress recognizes—

(1) the international character of the Convention on Protection of Children and Co-operation in Respect of Intercountry Adoption (done at The Hague on May 29, 1993); and

(2) the need for uniform interpretation and implementation of the Convention in the United States and abroad,

and therefore finds that enactment of a Federal law governing adoptions and prospective adoptions subject to the Convention involving United States residents is essential.

(b) Purposes

The purposes of this chapter are—

(1) to provide for implementation by the United States of the Convention;

(2) to protect the rights of, and prevent abuses against, children, birth families, and adoptive parents involved in adoptions (or prospective adoptions) subject to the Convention, and to ensure that such adoptions are in the children’s best interests; and

(3) to improve the ability of the Federal Government to assist United States citizens seeking to adopt children from abroad and residents of other countries party to the Convention seeking to adopt children from the United States.


REFERENCES IN TEXT

This chapter, referred to in subsec. (b), was in the original “‘this Act’, meaning Pub. L. 106–279, Oct. 6, 2000, 114 Stat. 825, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out below and Tables.

EFFECTIVE DATES; TRANSITION RULE

Pub. L. 106–279, title V, § 505, Oct. 6, 2000, 114 Stat. 844, provided that:

‘‘(a) Effective Dates.—

‘‘(1) Provisions effective upon enactment.—Sections 2, 3, 101 through 103, 202 through 205, 401(a), 403, 405, and 505(a) [enacting this section and sections 14902, 14911 to 14913, 14921, 14931, 14932, 14941(b), (c), 14942, 14944, 14951, 14952, and 14954 of this title and amending section 622 of this title] shall take effect on the date of the enactment of this Act [Oct. 6, 2000].

‘‘(2) Provisions effective upon the entry into force of the Convention.—Subject to subsection (b), the provisions of this Act not specified in paragraph (1) [enacting sections 14914, 14921, 14931, 14932, 14941(b), (c), 14942, 14944, 14951, 14952, and 14954 of this title, amending sections 1101 and 1154 of Title 8, Aliens and Nationality, and enacting provisions set out as notes under this section] shall take effect on the entry into force of the Convention [Convention on Protection of Children and Co-operation in Respect of Intercountry Adoption] for the United States pursuant to Article 46(2)(a) of the Convention [The Convention entered into force for the United States on Apr. 1, 2008.].

‘‘(b) Transition Rule.—The Convention and this Act [see Short Title note below] shall not apply—

‘‘(1) in the case of a child immigrating to the United States, if the application for advance processing of an orphan petition or petition to classify an orphan as an immediate relative for the child is filed before the effective date described in subsection (a)(2); or

‘‘(2) in the case of a child emigrating from the United States, if the prospective adoptive parents of the child initiated the adoption process in their country of residence with the filing of an appropriate application before the effective date described in subsection (a)(2).’’

Short Title of 2013 Amendment

Pub. L. 112–276, § 1, Jan. 14, 2013, 126 Stat. 2466, provided that: ‘‘This Act [enacting section 14925 of this
title, amending sections 14922 and 14943 of this title, and
enacting provisions set out as a note under section 14925 of this title may be cited as the ‘Intercountry Adoption Universal Accreditation Act of 2012’.

SHORT TITLE
Pub. L. 106–279, § 1(a), Oct. 6, 2000, 114 Stat. 825, pro-
vided that: “This Act [enacting this chapter and amend-
ing section 622 of this title and sections 1101 and
1154 of Title 8, Aliens and Nationality] may be cited as
the ‘Intercountry Adoption Act of 2000’.

§ 14902. Definitions
As used in this chapter:
(1) Accredited agency
The term “accredited agency” means an
agency accredited under subchapter II to pro-
vide adoption services in the United States in
cases subject to the Convention.
(2) Accrediting entity
The term “accrediting entity” means an en-
tity designated under section 14922(a) of this
title to accredit agencies and approve persons
under subchapter II.
(3) Adoption service
The term “adoption service” means—
(A) identifying a child for adoption and ar-
ranging an adoption;
(B) securing necessary consent to termi-
nation of parental rights and to adoption;
(C) performing a background study on a
child or a home study on a prospective adop-
tive parent, and reporting on such a study;
(D) making determinations of the best in-
terests of a child and the appropriateness of
adoptive placement for the child;
(E) post-placement monitoring of a case
until final adoption; and
(F) where made necessary by disruption
before final adoption, assuming custody and
providing child care or any other social serv-
ice pending an alternative placement.
The term “providing”, with respect to an
adoption service, includes facilitating the pro-
vision of the service.
(4) Agency
The term “agency” means any person other
than an individual.
(5) Approved person
The term “approved person” means a person
approved under subchapter II to provide adop-
tion services in the United States in cases sub-
ject to the Convention.
(6) Attorney General
Except as used in section 14944 of this title,
the term “Attorney General” means the At-
torney General, acting through the Commiss-
ioner of Immigration and Naturalization.
(7) Central authority
The term “central authority” means the en-
tity designated as such by any Convention
country under Article 6(1) of the Convention.
(8) Central authority function
The term “central authority function” means any duty required to be carried out by a
central authority under the Convention.
(9) Convention
The term “Convention” means the Conven-
tion on Protection of Children and Co-oper-
ation in Respect of Intercountry Adoption, done at The Hague on May 29, 1993.
(10) Convention adoption
The term “Conventional adoption” means an
adoption of a child resident in a foreign coun-
try party to the Convention by a United
States citizen, or an adoption of a child resi-
dent in the United States by an individual re-
siding in another Convention country.
(11) Convention record
The term “Convention record” means any item, collection, or grouping of informa-
tion contained in an electronic or physical docu-
ment, an electronic collection of data, a pho-
tograph, an audio or video tape, or any other
information storage medium of any type what-
ever that contains information about a spe-
cific past, current, or prospective Convention
adoption (regardless of whether the adoption
was made final) that has been preserved in ac-
cordance with section 14941(a) of this title by
the Secretary of State or the Attorney Gen-
eral.
(12) Convention country
The term “Convention country” means a
country party to the Convention.
(13) Other Convention country
The term “other Convention country” means a Convention country other than the
United States.
(14) Person
The term “person” shall have the meaning
provided in section 1 of title 1 and shall not in-
clude any agency of government or tribal gov-
ernment entity.
(15) Person with an ownership or control inter-
est
The term “person with an ownership or con-
trol interest” has the meaning given such
term in section 1320a–3(a)(3) of this title.
(16) Secretary
The term “Secretary” means the Secretary
of State.
(17) State
The term “State” means the 50 States, the
District of Columbia, the Commonwealth of
Puerto Rico, the Commonwealth of the North-
ern Mariana Islands, Guam, and the Virgin Is-
lands.

REFERENCES IN TEXT
This chapter, referred to in introductory provi-
sions, was in the original “this Act”, mean-
ing Pub. L. 106–279, Oct. 6, 2000, 114 Stat. 825, known as the Intercountry Adoption Act of 2000, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 14901 of this title and Tables.
Subchapter II, referred to in pars. (1), (2), and (5), was in the original “title II”, meaning title II of Pub. L. 106–279, Oct. 6, 2000, 114 Stat. 830, which enacted sub-
chapter II of this chapter and amended section 622 of
§ 14911. Designation of central authority

(a) In general

For purposes of the Convention and this chapter—

(1) the Department of State shall serve as the central authority of the United States; and

(2) the Secretary shall serve as the head of the central authority of the United States.

(b) Performance of central authority functions

(1) Except as otherwise provided in this chapter, the Secretary shall be responsible for the performance of all central authority functions for the United States under the Convention and this chapter.

(2) All personnel of the Department of State performing core central authority functions in a professional capacity in the Office of Children’s Issues shall have a strong background in consular affairs, personal experience in international adoptions, or professional experience in international adoptions or child services.

(c) Authority to issue regulations

Except as otherwise provided in this chapter, the Secretary may prescribe such regulations as may be necessary to carry out central authority functions on behalf of the United States.


REFERENCES IN TEXT

This chapter, referred to in subsecs. (a), (b)(1), and (c), was in the original “this Act”, meaning Pub. L. 106–279, Oct. 6, 2000, 114 Stat. 825, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 14901 of this title and Tables.

§ 14912. Responsibilities of the Secretary of State

(a) Liaison responsibilities

The Secretary shall have responsibility for—

(1) liaison with the central authorities of other Convention countries; and

(2) the coordination of activities under the Convention by persons subject to the jurisdiction of the United States.

(b) Information exchange

The Secretary shall be responsible for—

(1) providing the central authorities of other Convention countries with information concerning—

(A) accredited agencies and approved persons, agencies and persons whose accreditation or approval has been suspended or canceled, and agencies and persons who have been temporarily or permanently debarred from accreditation or approval;

(B) Federal and State laws relevant to implementing the Convention; and

(C) any other matters necessary and appropriate for implementation of the Convention;

(2) not later than the date of the entry into force of the Convention for the United States (pursuant to Article 46(2)(a) of the Convention) and at least once during each subsequent calendar year, providing to the central authority of all other Convention countries a notice requesting the central authority of each such country to specify any requirements of such country regarding adoption, including restrictions on the eligibility of persons to adopt, with respect to which information on the prospective adoptive parent or parents in the United States would be relevant;

(3) making responses to notices under paragraph (2) available to—

(A) accredited agencies and approved persons; and

(B) other persons or entities performing home studies under section 14921(b)(1) of this title;

(4) ensuring the provision of a background report (home study) on prospective adoptive parent or parents (pursuant to the requirements of section 14923(b)(1)(A)(ii) of this title), through the central authority of each child’s country of origin, to the court having jurisdiction over the adoption (or, in the case of a child emigrating to the United States for the purpose of adoption, to the competent authority in the child’s country of origin with responsibility for approving the child’s emigration) in adequate time to be considered prior to the granting of such adoption or approval;

(5) providing Federal agencies, State courts, and accredited agencies and approved persons with an identification of Convention countries and persons authorized to perform functions under the Convention in each such country; and

(6) facilitating the transmittal of other appropriate information to, and among, central authorities, Federal and State agencies (including State courts), and accredited agencies and approved persons.

(c) Accreditation and approval responsibilities

The Secretary shall carry out the functions prescribed by the Convention with respect to the accreditation of agencies and the approval of persons to provide adoption services in the United States in cases subject to the Convention as provided in subchapter II. Such functions may not be delegated to any other Federal agency.
§ 14913. Responsibilities of the Attorney General

(d) Additional responsibilities
   The Secretary—
   (1) shall monitor individual Convention adoption cases involving United States citizens; and
   (2) may facilitate interactions between such citizens and officials of other Convention countries on matters relating to the Convention in any case in which an accredited agency or approved person is unwilling or unable to provide such facilitation.

(e) Establishment of registry
   The Secretary and the Attorney General shall jointly establish a case registry of all adoptions involving immigration of children from the United States and emigration of children from other countries to the United States, regardless of whether the adoption occurs under the Convention. Such registry shall permit tracking of pending cases and retrieval of information on both pending and closed cases.

(f) Methods of performing responsibilities
   The Secretary may—
   (1) authorize public or private entities to perform appropriate central authority functions for which the Secretary is responsible, pursuant to regulations or under agreements published in the Federal Register; and
   (2) carry out central authority functions through grants to, or contracts with, any individual or public or private entity, except as may be otherwise specifically provided in this chapter.


References in Text
Subchapter II, referred to in subsec. (c), was in the original "title II", meaning title II of Pub. L. 106–279, Oct. 6, 2000, 114 Stat. 830, which enacted subchapter II of this chapter and amended section 622 of this title. For complete classification of title II to the Code, see Tables. This chapter, referred to in subsec. (f)(2), was in the original "this Act", meaning Pub. L. 106–279, Oct. 6, 2000, 114 Stat. 825, known as the Intercountry Adoption Act of 2000, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 14901 of this title and Tables.

Effective Date
Section effective Oct. 6, 2000, with transition rule, see section 505(a)(1), (b) of Pub. L. 106–279, set out as an Effective Dates; Transition Rule note under section 14901 of this title.

§ 14914. Annual report on intercountry adoptions

(a) Reports required
   Beginning 1 year after the date of the entry into force of the Convention for the United States and each year thereafter, the Secretary, in consultation with the Attorney General and other appropriate agencies, shall submit a report describing the activities of the central authority of the United States under this chapter during the preceding year to the Committee on International Relations, the Committee on Ways and Means, and the Committee on the Judiciary of the House of Representatives and the Committee on Foreign Relations, the Committee on Finance, and the Committee on the Judiciary of the Senate.

(b) Report elements
   Each report under subsection (a) shall set forth with respect to the year concerned, the following:
   (1) The number of intercountry adoptions involving immigration to the United States, regardless of whether the adoption occurred under the Convention, including the country from which each child emigrated, the State to which each child immigrated, and the country in which the adoption was finalized.
   (2) The number of intercountry adoptions involving emigration from the United States, regardless of whether the adoption occurred under the Convention, including the country to which each child immigrated and the State from which each child emigrated.
   (3) The number of Convention placements for adoption in the United States that were disrupted, including the country from which the child emigrated, the age of the child, the date of the placement for adoption, the reasons for the disruption, the resolution of the disruption, the agencies that handled the placement for adoption, and the plans for the child, and in addition, any information regarding disruption or dissolution of adoptions of children from other countries received pursuant to section 622(b)(12) of this title.
   (4) The average time required for completion of a Convention adoption, set forth by country from which the child emigrated.
   (5) The current list of agencies accredited and persons approved under this chapter to provide adoption services.
   (6) The names of the agencies and persons temporarily or permanently debarred under this chapter, and the reasons for the debarment.
   (7) The range of adoption fees charged in connection with Convention adoptions involving immigration to the United States and the median of such fees set forth by the country of origin.


References in Text
This chapter, referred to in text, was in the original "this Act", meaning Pub. L. 106–279, Oct. 6, 2000, 114 Stat. 825, known as the Intercountry Adoption Act of 2000, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 14901 of this title and Tables.
(8) The range of fees charged for accreditation of agencies and the approval of persons in the United States engaged in providing adoption services under the Convention.


REFERENCES IN TEXT
This chapter, referred to in subsecs. (a) and (b)(5), (6), was in the original “‘this Act’, meaning Pub. L. 106–279, Oct. 6, 2000, 114 Stat. 825, known as the Intercountry Adoption Act of 2000, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 14901 of this title and Tables.

AMENDMENTS

CHANGE OF NAME
Committee on International Relations of House of Representatives changed to Committee on Foreign Affairs of House of Representatives by House Resolution No. 6, One Hundred Tenth Congress, Jan. 5, 2007.

EFFECTIVE DATE OF 2006 AMENDMENT
Amendment by Pub. L. 109–288 effective Oct. 1, 2006, and applicable to payments under parts B and E of subchapter IV of chapter 7 of this title for calendar quarters beginning on or after such date, without regard to whether implementing regulations have been promulgated, and with delay permitted if State legislation is required to meet additional requirements, see section 12(a), (b) of Pub. L. 109–288, set out as a note under section 621 of this title.

EFFECTIVE DATE
Section effective upon entry into force for the United States of the Convention on Protection of Children and Co-operation in Respect of Intercountry Adoption, pursuant to Article 46(2)(a) of the Convention, with transition rule, see section 505(a)(2), (b) of Pub. L. 106–279, set out as an Effective Dates; Transition Rule note under section 14901 of this title.

SUBCHAPTER II—PROVISIONS RELATING TO ACCREDITATION AND APPROVAL

§14921. Accreditation or approval required in order to provide adoption services in cases subject to the Convention

(a) In general
Except as otherwise provided in this subchapter, no person may offer or provide adoption services in connection with a Convention adoption in the United States unless that person—

(1) is accredited or approved in accordance with this subchapter; or

(2) is providing such services through or under the supervision and responsibility of an accredited agency or approved person.

(b) Exceptions
Subsection (a) shall not apply to the following:

(1) Background studies and home studies
The performance of a background study on a child or a home study on a prospective adoptive parent, or any report on any such study by a social work professional or organization who is not providing any other adoption serv-

ice in the case, if the background or home study is approved by an accredited agency.

(2) Child welfare services
The provision of a child welfare service by a person who is not providing any other adoption service in the case.

(3) Legal services
The provision of legal services by a person who is not providing any adoption service in the case.

(4) Prospective adoptive parents acting on own behalf
The conduct of a prospective adoptive parent on his or her own behalf in the case, to the extent not prohibited by the law of the State in which the prospective adoptive parent resides.


REFERENCES IN TEXT
This subchapter, referred to in subsec. (a), was in the original “‘this title’, meaning title II of Pub. L. 106–279, Oct. 6, 2000, 114 Stat. 830, which is classified principally to this subchapter. For complete classification of title II to the Code, see Tables.

EFFECTIVE DATE
Section effective upon entry into force for the United States of the Convention on Protection of Children and Co-operation in Respect of Intercountry Adoption, pursuant to Article 462(a) of the Convention, with transition rule, see section 505(a)(2), (b) of Pub. L. 106–279, set out as an Effective Dates; Transition Rule note under section 14901 of this title.

§14922. Process for accreditation and approval; role of accrediting entities

(a) Designation of accrediting entities

(1) In general
The Secretary shall enter into agreements with one or more qualified entities under which such entities will perform the duties described in subsection (b) in accordance with the Convention, this subchapter, and the regulations prescribed under section 14923 of this title, and upon entering into each such agreement shall designate the qualified entity as an accrediting entity.

(2) Qualified entities
In paragraph (1), the term “qualified entity” means—

(A) a nonprofit private entity that has expertise in developing and administering standards for entities providing child welfare services and that meets such other criteria as the Secretary may by regulation establish; or

(B) a public entity (other than a Federal entity), including an agency or instrumentality of State government having responsibility for licensing adoption agencies, that—

(i) has expertise in developing and administering standards for entities providing child welfare services; and

(ii) accredits only agencies located in the State in which the public entity is located; and

...
(iii) meets such other criteria as the Secretary may by regulation establish.

(b) Duties of accrediting entities

The duties described in this subsection are the following:

(1) Accreditation and approval

Accreditation of agencies, and approval of persons, to provide adoption services in the United States in cases subject to the Convention.

(2) Oversight

Ongoing monitoring of the compliance of accredited agencies and approved persons with applicable requirements, including review of complaints against such agencies and persons in accordance with procedures established by the accrediting entity and approved by the Secretary.

(3) Enforcement

Taking of adverse actions (including requiring corrective action, imposing sanctions, and refusing to renew, suspending, or canceling accreditation or approval) for noncompliance with applicable requirements, and notifying the agency or person against whom adverse actions are taken of the deficiencies necessitating the adverse action.

(4) Data, records, and reports

Collection of data, maintenance of records, and reporting to the Secretary, the United States central authority, State courts, and other entities (including on persons and agencies granted or denied approval or accreditation), to the extent and in the manner that the Secretary requires.

(5) Report on use of Federal funding

Not later than 90 days after an accrediting entity receives Federal funding authorized by section 14943 of this title, the entity shall submit a report to the Committee on Foreign Relations of the Senate and the Committee on Foreign Affairs of the House of Representatives that describes—

(A) the amount of such funding the entity received; and

(B) how such funding was, or will be, used by the entity.

c) Remedies for adverse action by accrediting entity

(1) Correction of deficiency

An agency or person who is the subject of an adverse action by an accrediting entity may re-apply for accreditation or approval (or petition for termination of the adverse action) on demonstrating to the satisfaction of the accrediting entity that the deficiencies necessitating the adverse action have been corrected.

(2) No other administrative review

An adverse action by an accrediting entity shall not be subject to administrative review.

(3) Judicial review

An agency or person who is the subject of an adverse action by an accrediting entity may petition the United States district court in the judicial district in which the agency is located or the person resides to set aside the adverse action. The court shall review the adverse action in accordance with section 706 of title 5, and for purposes of such review the accrediting entity shall be considered an agency within the meaning of section 701 of such title.

d) Fees

The amount of fees assessed by accrediting entities for the costs of accreditation shall be subject to approval by the Secretary. Such fees may not exceed the costs of accreditation. In reviewing the level of such fees, the Secretary shall consider the relative size of, the geographic location of, and the number of Convention adoption cases managed by the agencies or persons subject to accreditation or approval by the accrediting entity.


REFERENCES IN TEXT

This subchapter, referred to in subsec. (a)(1), was in the original “this title”, meaning title II of Pub. L. 106-279, Oct. 6, 2000, 114 Stat. 830, which is classified principally to this subchapter. For complete classification of title II to the Code, see Tables.

AMENDMENTS


EFFECTIVE DATE

Section effective Oct. 6, 2000, with transition rule, see section 505(a)(1), (b) of Pub. L. 106-279, set out as an Effective Dates; Transition Rule note under section 14901 of this title.

§ 14923. Standards and procedures for providing accreditation or approval

(a) In general

(1) Promulgation of regulations

The Secretary, shall, by regulation, prescribe the standards and procedures to be used by accrediting entities for the accreditation of agencies and the approval of persons to provide adoption services in the United States in cases subject to the Convention.

(2) Consideration of views

In developing such regulations, the Secretary shall consider any standards or procedures developed or proposed by, and the views of, individuals and entities with interest and expertise in international adoptions and family social services, including public and private entities with experience in licensing and accrediting adoption agencies.

(3) Applicability of notice and comment rules

Subsections (b), (c), and (d) of section 553 of title 5 shall apply in the development and issuance of regulations under this section.

(b) Minimum requirements

(1) Accreditation

The standards prescribed under subsection (a) shall include the requirement that accreditation of an agency may not be provided or continued under this subchapter unless the agency meets the following requirements:
(A) Specific requirements

(i) The agency provides prospective adoptive parents of a child in a prospective Convention adoption a copy of the medical records of the child (which, to the fullest extent practicable, shall include an English-language translation of such records) on a date which is not later than the earlier of the date that is 2 weeks before: (I) the adoption; or (II) the date on which the prospective parents travel to a foreign country to complete all procedures in such country relating to the adoption.

(ii) The agency ensures that a thorough background report (home study) on the prospective adoptive parent or parents has been completed in accordance with the Convention and with applicable Federal and State requirements and transmitted to the Attorney General with respect to each Convention adoption. Each such report shall include a criminal background check and a full and complete statement of all facts relevant to the eligibility of the prospective adopting parent or parents to adopt a child under any requirements specified by the central authority of the child’s country of origin under section 14912(b)(3) of this title, including, in the case of a child emigrating to the United States for the purpose of adoption, the requirements of the child’s country of origin applicable to adoptions taking place in such country. For purposes of this clause, the term “background report (home study)” includes any supplemental statement submitted by the agency to the Attorney General for the purpose of providing information relevant to any requirements specified by the child’s country of origin.

(iii) The agency provides prospective adoptive parents with a training program that includes counseling and guidance for the purpose of promoting a successful international adoption and with applicable Federal and State requirements for the purpose of providing information relative to parents with a training program that is available to the child’s country of origin under section 14912(b)(3) of this title, including, in the case of a child emigrating to the United States for the purpose of adoption, the requirements of the child’s country of origin applicable to adoptions taking place in such country. For purposes of this clause, the term “background report (home study)” includes any supplemental statement submitted by the agency to the Attorney General for the purpose of providing information relevant to any requirements specified by the child’s country of origin.

(iv) The agency employs personnel providing intercountry adoption services on a fee for service basis rather than on a contingent fee basis.

(v) The agency discloses fully its policies and practices, the disruption rates of its placements for intercountry adoption, and all fees charged by such agency for intercountry adoption.

(B) Capacity to provide adoption services

The agency has, directly or through arrangements with other persons, a sufficient number of appropriately trained and qualified personnel, sufficient financial resources, appropriate organizational structure, and appropriate procedures to enable the agency to provide, in accordance with this chapter, all adoption services in cases subject to the Convention.

(C) Use of social service professionals

The agency has established procedures designed to ensure that social service functions requiring the application of clinical skills and judgment are performed only by professionals with appropriate qualifications and credentials.

(D) Records, reports, and information matters

The agency is capable of—

(i) maintaining such records and making such reports as may be required by the Secretary, the United States central authority, and the accrediting entity that accredits the agency;

(ii) cooperating with reviews, inspections, and audits;

(iii) safeguarding sensitive individual information; and

(iv) complying with other requirements concerning information management necessary to ensure compliance with the Convention, this chapter, and any other applicable law.

(E) Liability insurance

The agency agrees to have in force adequate liability insurance for professional negligence and any other insurance that the Secretary considers appropriate.

(F) Compliance with applicable rules

The agency has established adequate measures to comply (and to ensure compliance of their agents and clients) with the Convention, this chapter, and any other applicable law.

(G) Nonprofit organization with state license to provide adoption services

The agency is a private nonprofit organization licensed to provide adoption services in at least one State.

(2) Approval

The standards prescribed under subsection (a) shall include the requirement that a person shall not be approved under this subchapter unless the person is a private for-profit entity that meets the requirements of subparagraphs (A) through (F) of paragraph (1) of this subsection.

(3) Renewal of accreditation or approval

The standards prescribed under subsection (a) shall provide that the accreditation of an agency may be renewed on a showing that the agency or person meets the requirements applicable to original accreditation or approval under this subchapter.

(c) Temporary registration of community based agencies

(1) One-year registration period for medium community based agencies

For a 1-year period after the entry into force of the Convention and notwithstanding subsection (b), the Secretary may provide, in regulations issued pursuant to subsection (a), that an agency may register with the Secretary and be accredited to provide adoption services in the United States in cases subject to the Convention during such period if the
agency has provided adoption services in fewer than 100 intercountry adoptions in the preceding calendar year and meets the criteria described in paragraph (3).

(2) Two-year registration period for small community-based agencies

For a 2-year period after the entry into force of the Convention and notwithstanding subsection (b), the Secretary may provide, in regulations issued pursuant to subsection (a), that an agency may register with the Secretary and be accredited to provide adoption services in the United States in cases subject to the Convention during such period if the agency has provided adoption services in fewer than 50 intercountry adoptions in the preceding calendar year and meets the criteria described in paragraph (3).

(3) Criteria for registration

Agencies registered under this subsection shall meet the following criteria:

(A) The agency is licensed in the State in which it is located and is a nonprofit agency.
(B) The agency has been providing adoption services in connection with intercountry adoptions for at least 3 years.
(C) The agency has demonstrated that it will be able to provide the United States Government with all information related to the elements described in section 14914(b) of this title and provides such information.
(D) The agency has initiated the process of becoming accredited under the provisions of this chapter and is actively taking steps to become an accredited agency.
(E) The agency has not been found to be involved in any improper conduct relating to intercountry adoptions.

§14924. Secretarial oversight of accreditation and approval

(a) Oversight of accrediting entities

The Secretary shall:

(1) monitor the performance by each accrediting entity of its duties under section 14922 of this title and its compliance with the requirements of the Convention, this chapter, other applicable laws, and implementing regulations under this chapter; and

(2) suspend or cancel the designation of an accrediting entity found to be substantially out of compliance with the Convention, this chapter, other applicable laws, or implementing regulations under this chapter.

(b) Suspension or cancellation of accreditation or approval

(1) Secretary's authority

The Secretary shall suspend or cancel the accreditation or approval granted by an accrediting entity to an agency or person pursuant to section 14922 of this title when the Secretary finds that—

(A) the agency or person is substantially out of compliance with applicable requirements; and

(B) the accrediting entity has failed or refused, after consultation with the Secretary, to take appropriate enforcement action.

(2) Correction of deficiency

At any time when the Secretary is satisfied that the deficiencies on the basis of which an adverse action is taken under paragraph (1) have been corrected, the Secretary shall—

(A) notify the accrediting entity that the deficiencies have been corrected; and

(B)(i) in the case of a suspension, terminate the suspension; or

(ii) in the case of a cancellation, notify the agency or person that the agency or person may re-apply to the accrediting entity for accreditation or approval.

(c) Debarment

(1) Secretary's authority

On the initiative of the Secretary, or on request of an accrediting entity, the Secretary may temporarily or permanently debar an agency from accreditation or a person from approval under this subchapter, but only if—

(A) there is substantial evidence that the agency or person is out of compliance with applicable requirements; and

(B) there has been a pattern of serious, willful, or grossly negligent failures to comply or other aggravating circumstances indicating that continued accreditation or approval would not be in the best interests of the children and families concerned.

(2) Period of debarment

The Secretary's debarment order shall state whether the debarment is temporary or permanent. If the debarment is temporary, the Secretary shall specify a date, not earlier than 3 years after the date of the order, on or after which the agency or person may apply to the Secretary for withdrawal of the debarment.

(3) Effect of debarment

An accrediting entity may take into account the circumstances of the debarment of an agency or person that has been debarred pursuant to this subsection in considering any subsequent application of the agency or person, or of any other entity in which the agency or person has an ownership or control interest, for accreditation or approval under this subchapter.

(d) Judicial review

A person (other than a prospective adoptive parent), an agency, or an accrediting entity who
is the subject of a final action of suspension, cancellation, or debarment by the Secretary under this subchapter may petition the United States District Court for the District of Columbia or the United States district court in the judicial district in which the person resides or the agency or accrediting entity is located to set aside the action. The court shall review the action in accordance with section 706 of title 5.

(e) Failure to ensure a full and complete home study

(1) In general

Willful, grossly negligent, or repeated failure to ensure the completion and transmission of a background report (home study) that fully complies with the requirements of section 14923(b)(1)(A)(i) of this title shall constitute substantial noncompliance with applicable requirements.

(2) Regulations

Regulations promulgated under section 14923 of this title shall provide for—

(A) frequent and careful monitoring of compliance by agencies and approved persons with the requirements of section 14923(b)(A)(ii) of this title; and

(B) consultation between the Secretary and the accrediting entity where an agency or person has engaged in substantial noncompliance with the requirements of section 14923(b)(A)(i) of this title, unless the accrediting entity has taken appropriate corrective action and the noncompliance has not recurred.

(3) Repeated failures to comply

Repeated serious, willful, or grossly negligent failures to comply with the requirements of section 14923(b)(1)(A)(ii) of this title by an agency or person after consultation between Secretary and the accrediting entity with respect to previous noncompliance by such agency or person shall constitute a pattern of serious, willful, or grossly negligent failures to comply under subsection (c)(1)(B).

(4) Failure to comply with certain requirements

A failure to comply with the requirements of section 14923(b)(1)(A)(i) of this title shall constitute a serious failure to comply under subsection (c)(1)(B) unless it is shown by clear and convincing evidence that such noncompliance had neither the purpose nor the effect of determining the outcome of a decision or proceeding by a court or other competent authority in the United States or the child’s country of origin.


REFERENCES IN TEXT

This chapter, referred to in subsec. (a), was in the original “this Act”, meaning Pub. L. 106–279, Oct. 6, 2000, 114 Stat. 825, as classified principally to this subchapter. For complete classification of this Act to the Code, see Short Title note set out under section 14901 of this title and Tables.

1 So in original. Probably should be section “14923(b)(1)(A)(ii)”.

This subchapter, referred to in subsecs. (c)(1), (3) and (d), was in the original “this title”, meaning title II of Pub. L. 106–279, Oct. 6, 2000, 114 Stat. 838, which is classified principally to this subchapter. For complete classification of title II to the Code, see Tables.

EFFECTIVE DATE

Section effective Oct. 6, 2000, with transition rule, see section 505(a)(1), (b) of Pub. L. 106–279, set out as an Effective Dates; Transition Rule note under section 14901 of this title.

§ 14925. Universal accreditation requirements

(a) In general

The provisions of title II and section 404 of the Intercountry Adoption Act of 2000 [42 U.S.C. 14901 et seq. (42 U.S.C. 14944)], and related implementing regulations, shall apply to any person offering or providing adoption services in connection with a child described in section 1101(b)(1)(F) of title 8, to the same extent as they apply to the offering or provision of adoption services in connection with a Convention adoption. The Secretary of State, the Secretary of Homeland Security, the Attorney General (with respect to section 404(b) of the Intercountry Adoption Act of 2000 [42 U.S.C. 14944(b)]), and the accrediting entities shall have the duties, responsibilities, and authorities under title II and title IV of the Intercountry Adoption Act of 2000 [42 U.S.C. 14921 et seq., 14941 et seq.] and related implementing regulations with respect to a person offering or providing such adoption services, irrespective of whether such services are offered or provided in connection with a Convention adoption.

(b) Effective date

The provisions of this section shall take effect 18 months after January 14, 2013.

(c) Transition rule

This Act shall not apply to a person offering or providing adoption services as described in subsection (a) in the case of a prospective adoption in which—

(1) an application for advance processing of an orphan petition or petition to classify an orphan as an immediate relative for a child is filed before the date that is 180 days after January 14, 2013; or

(2) the prospective adoptive parents of a child have initiated the adoption process with the filing of an appropriate application in a foreign country sufficient such that the Secretary of State is satisfied before the date that is 180 days after January 14, 2013.


REFERENCES IN TEXT

The Intercountry Adoption Act of 2000, referred to in subsec. (a), is Pub. L. 106–279, Oct. 6, 2000, 114 Stat. 825. Title II of the Act is classified principally to this subchapter, and title IV of the Act is classified generally to subchapter IV (§ 14941 et seq.) of this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 14901 of this title and Tables.

§ 14931. Adoptions of children immigrating to the United States

(a) Legal effect of certificates issued by the Secretary of State

(1) Issuance of certificates by the Secretary of State

The Secretary of State shall, with respect to each Convention adoption, issue a certificate to the adoptive citizen parent domiciled in the United States that the adoption has been granted or, in the case of a prospective adoptive citizen parent, that legal custody of the child has been granted to the citizen parent for purposes of emigration and adoption, pursuant to the Convention and this chapter. If the Secretary of State—

(A) receives appropriate notification from the central authority of such child’s country of origin; and

(B) has verified that the requirements of the Convention and this chapter have been met with respect to the adoption.

(2) Legal effect of certificates

If appended to an original adoption decree, the certificate described in paragraph (1) shall be treated by Federal and State agencies, courts, and other public and private persons and entities as conclusive evidence of the facts certified therein and shall constitute the certification required by section 1194(d)(2) of title 8.

(b) Legal effect of Convention adoption finalized in another Convention country

A final adoption in another Convention country, certified by the Secretary of State pursuant to subsection (a) of this section or section 14932(c) of this title, shall be recognized as a final valid adoption for purposes of all Federal, State, and local laws of the United States.

(c) Condition on finalization of Convention adoption by State court

In the case of a child who has entered the United States from another Convention country for the purpose of adoption, an order declaring the adoption final shall not be entered unless the Secretary of State has issued the certificate provided for in subsection (a) with respect to the adoption.

§ 14941. Access to Convention records
(a) Preservation of Convention records
(1) In general
Not later than 180 days after October 6, 2000, the Secretary, in consultation with the Attorney General, shall issue regulations that establish procedures and requirements in accordance with the Convention and this section for the preservation of Convention records.

(b) Applicability of notice and comment rules
Subsections (b), (c), and (d) of section 553 of title 5 shall apply in the development and issuance of regulations under this section.

(b) Access to Convention records
(1) Prohibition
Except as provided in paragraph (2), the Secretary or the Attorney General may disclose a Convention record, and access to such a record may be provided in whole or in part, only if such record is maintained under the authority of the Immigration and Nationality Act [8 U.S.C. 1101 et seq.] and disclosure of, or access to, such record is permitted or required by applicable Federal law.

(2) Exception for administration of the Convention
A Convention record may be disclosed, and access to such a record may be provided, in whole or in part, among the Secretary, the Attorney General, central authorities, accredited agencies, and approved persons, only to the extent necessary to administer the Convention or this chapter.

(3) Penalties for unlawful disclosure
Unlawful disclosure of all or part of a Convention record shall be punishable in accordance with applicable Federal law.

(c) Access to non-Convention records
Disclosure of, access to, and penalties for unlawful disclosure of, adoption records that are not Convention records, including records of adoption proceedings conducted in the United States, shall be governed by applicable State law.


REFERENCES IN TEXT
This chapter, referred to in subsec. (c), was in the original “this Act”, meaning Pub. L. 106–279, title IV, Oct. 6, 2000, 114 Stat. 841, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 14901 of this title and Tables.

Effective Date
Section effective upon entry into force for the United States of the Convention on Protection of Children and Co-operation in Respect of Intercountry Adoption, pursuant to Article 46(1)(a) of the Convention, with transition rule, see section 553(a)(2), (b) of Pub. L. 106–279, set out as an Effective Dates; Transition Rule note under section 14901 of this title.

REFERENCES IN TEXT
The Immigration and Nationality Act, referred to in subsec. (b)(2), was in the original “this Act”, meaning Pub. L. 106–279, title IV, Oct. 6, 2000, 114 Stat. 825, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 14901 of this title and Tables.

Effective Date
Subsec. (a) of this section effective Oct. 6, 2000, and subsecs. (b) and (c) of this section effective upon entry
into force for the United States of the Convention on Protection of Children and Co-operation in Respect of Intercountry Adoption, pursuant to Article 46(2)(a) of the Convention, with transition rule, see section 505 of Pub. L. 106–279, set out as an Effective Dates; Transition Rule note under section 14901 of this title.

§ 14942. Documents of other Convention countries

Documents originating in any other Convention country and related to a Convention adoption case shall require no authentication in order to be admissible in any Federal, State, or local court in the United States, unless a specific and supported claim is made that the documents are false, have been altered, or are otherwise unreliable.


Effective Date

Section effective upon entry into force for the United States of the Convention on Protection of Children and Cooperation in Respect of Intercountry Adoption, pursuant to Article 46(2)(a) of the Convention, with transition rule, see section 505 of Pub. L. 106–279, set out as an Effective Dates; Transition Rule note under section 14901 of this title.

§ 14943. Authorization of appropriations; collection of fees

(a) Authorization of appropriations

(1) In general

There are authorized to be appropriated such sums as may be necessary to agencies of the Federal Government implementing the Convention and the provisions of this chapter.

(2) Availability of funds

Amounts appropriated pursuant to paragraph (1) are authorized to remain available until expended.

(b) Assessment of fees

(1) The Secretary may charge a fee for new or enhanced services that will be undertaken by the Department of State to meet the requirements of this chapter with respect to intercountry adoptions under the Convention and comparable services with respect to other intercountry adoptions. Such fee shall be prescribed by regulation and shall not exceed the cost of such services.

(2) Fees collected under paragraph (1) shall be retained and deposited as an offsetting collection to any Department of State appropriation to recover the costs of providing such services. Such fees shall remain available for obligation until expended.


References in Text

This chapter, referred to in text, was in the original “this Act”, meaning Pub. L. 106–279, Oct. 6, 2000, 114 Stat. 825, known as the Intercountry Adoption Act of 2000, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 14901 of this title and Tables.

§ 14944. Enforcement

(a) Civil penalties

Any person who—

(1) violates section 14921 of this title;

(2) makes a false or fraudulent statement, or misrepresentation, with respect to a material fact, or offers, gives, solicits, or accepts inducement by way of compensation, intended to influence or affect in the United States or a foreign country—

(A) a decision by an accrediting entity with respect to the accreditation of an agency or approval of a person under subchapter II;

(B) the relinquishment of parental rights or the giving of parental consent relating to the adoption of a child in a case subject to the Convention; or

(C) a decision or action of any entity performing a central authority function; or

(3) engages another person as an agent, whether in the United States or in a foreign country, who in the course of that agency takes any of the actions described in paragraph (1) or (2), shall be subject, in addition to any other penalty that may be prescribed by law, to a civil money penalty of not more than $50,000 for a first violation, and not more than $100,000 for each succeeding violation.

(b) Civil enforcement

(1) Authority of Attorney General

The Attorney General may bring a civil action to enforce subsection (a) against any person in any United States district court.

(2) Factors to be considered in imposing penalties

In imposing penalties the court shall consider the gravity of the violation, the degree of culpability of the defendant, and any history of prior violations by the defendant.

(c) Criminal penalties

Whoever knowingly and willfully violates paragraph (1) or (2) of subsection (a) shall be subject to a fine of not more than $250,000, imprisonment for not more than 5 years, or both.

§ 14951. Recognition of Convention adoptions

Subject to Article 24 of the Convention, adoptions concluded between two other Convention countries that meet the requirements of Article 23 of the Convention and that became final before the date of entry into force of the Convention for the United States shall be recognized thereafter in the United States and given full effect. Such recognition shall include the specific effects described in Article 26 of the Convention.


Effective Date

Section effective upon entry into force for the United States of the Convention on Protection of Children and Co-operation in Respect of Intercountry Adoption, pursuant to Article 462(a) of the Convention, with transition rule, see section 505(a)(2), (b) of Pub. L. 106–279, set out as an Effective Dates; Transition Rule note under section 14901 of this title.

SUBCHAPTER V—GENERAL PROVISIONS

§ 14952. Special rules for certain cases

(a) Authority to establish alternative procedures for adoption of children by relatives

To the extent consistent with the Convention, the Secretary may establish by regulation alternative procedures for the adoption of children by individuals related to them by blood, marriage, or adoption, in cases subject to the Convention.

(b) Waiver authority

(1) In general

Notwithstanding any other provision of this chapter, to the extent consistent with the Convention, the Secretary may, on a case-by-case basis, waive applicable requirements of this chapter or regulations issued under this chapter, in the interests of justice or to prevent grave physical harm to the child.

(2) Nondelegation

The authority provided by paragraph (1) may not be delegated.


References in Text

This chapter, referred to in subsec. (b)(1), was in the original “this Act”, meaning Pub. L. 106–279, Oct. 6, 2000, 114 Stat. 825, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 14901 of this title and Tables.

Effective Date

Section effective Oct. 6, 2000, with transition rule, see section 505(a)(1), (b) of Pub. L. 106–279, set out as an Effective Dates; Transition Rule note under section 14901 of this title.

§ 14953. Relationship to other laws

(a) Preemption of inconsistent State law

The Convention and this chapter shall not be construed to preempt any provision of the law of any State or political subdivision thereof, or prevent a State or political subdivision thereof from enacting any provision of law with respect to the subject matter of the Convention or this chapter, except to the extent that such provision of State law is inconsistent with the Convention or this chapter, and then only to the extent of the inconsistency.

(b) Applicability of the Indian Child Welfare Act

The Convention and this chapter shall not be construed to affect the application of the Indian Child Welfare Act of 1978 (25 U.S.C. 1901 et seq.).

(c) Relationship to other laws

Sections 3506(c), 3507, and 3512 of title 42 shall not apply to information collection for purposes of sections 14914, 14922(b)(4), and 14932(d) of this title or for use as a Convention record as defined in this chapter.


References in Text

This chapter, referred to in text, was in the original “this Act”, meaning Pub. L. 106–279, Oct. 6, 2000, 114 Stat. 825, known as the Intercountry Adoption Act of 2000, which is classified principally to this chapter.

The Convention and this chapter shall not be construed to create a private right of action to seek administrative or judicial relief, except to the extent expressly provided in this chapter.


References in Text

This chapter, referred to in text, was in the original “this Act”, meaning Pub. L. 106–279, Oct. 6, 2000, 114 Stat. 825, known as the Intercountry Adoption Act of 2000, which is classified principally to this chapter.
complete classification of this Act to the Code, see Short Title note set out under section 14901 of this title and Tables.

Effective Date
Section effective upon entry into force for the United States of the Convention on Protection of Children and Co-operation in Respect of Intercountry Adoption, pursuant to Article 46(2)(a) of the Convention, with transition rule, see section 505(a)(2), (b) of Pub. L. 106–279, set out as an Effective Dates; Transition Rule note under section 14901 of this title.

CHAPTER 144—DEVELOPMENTAL DISABILITIES ASSISTANCE AND BILL OF RIGHTS

SUBCHAPTER I—PROGRAMS FOR INDIVIDUALS WITH DEVELOPMENTAL DISABILITIES

PART A—GENERAL PROVISIONS

Sec.
15001. Findings, purposes, and policy.
15002. Definitions.
15003. Records and audits.
15004. Responsibilities of the Secretary.
15005. Reports of the Secretary.
15006. State control of operations.
15007. Employment of individuals with disabilities.
15008. Construction.
15009. Rights of individuals with developmental disabilities.

PART B—FEDERAL ASSISTANCE TO STATE COUNCILS ON DEVELOPMENTAL DISABILITIES

Sec.
15021. Purpose.
15022. State allotments.
15023. Payments to the States for planning, administration, and services.
15024. State plan.
15025. State Councils on Developmental Disabilities and designated State agencies.
15026. Federal and non-Federal share.
15027. Withholding of payments for planning, administration, and services.
15028. Appeals by States.
15029. Authorization of appropriations.

PART C—PROTECTION AND ADVOCACY OF INDIVIDUAL RIGHTS

Sec.
15041. Purpose.
15042. Allotments and payments.
15043. System required.
15044. Administration.
15045. Authorization of appropriations.

PART D—NATIONAL NETWORK OF UNIVERSITY CENTERS FOR EXCELLENCE IN DEVELOPMENTAL DISABILITIES EDUCATION, RESEARCH, AND SERVICE

Sec.
15061. Grant authority.
15062. Grant awards.
15063. Purpose and scope of activities.
15064. Applications.
15065. Definition.
15066. Authorization of appropriations.

PART E—PROJECTS OF NATIONAL SIGNIFICANCE

Sec.
15081. Purpose.
15082. Grant authority.
15083. Authorization of appropriations.

SUBCHAPTER II—FAMILY SUPPORT

Sec.
15091. Findings, purposes, and policy.
15092. Definitions and special rule.
15093. Grants to States.
15094. Application.
15095. Designation of the lead entity.
15096. Authorized activities.
15097. Reporting.

$ 15001. Findings, purposes, and policy

(a) Findings

Congress finds that—
(1) disability is a natural part of the human experience that does not diminish the right of individuals with developmental disabilities to live independently, to exert control and choice over their own lives, and to fully participate in and contribute to their communities through full integration and inclusion in the economic, political, social, cultural, and educational mainstream of United States society;
(2) in 1999, there were between 3,200,000 and 4,500,000 individuals with developmental disabilities in the United States, and recent studies indicate that individuals with developmental disabilities comprise between 1.2 and 1.65 percent of the United States population;
(3) individuals whose disabilities occur during their developmental period frequently have severe disabilities that are likely to continue indefinitely;
(4) individuals with developmental disabilities often encounter discrimination in the provision of critical services, such as services in the areas of emphasis (as defined in section 15002 of this title);
(5) individuals with developmental disabilities are at greater risk than the general population of abuse, neglect, financial and sexual exploitation, and the violation of their legal and human rights;
(6) a substantial portion of individuals with developmental disabilities and their families do not have access to appropriate support and services, including access to assistive technology, from generic and specialized service systems, and remain unserved or underserved;
(7) individuals with developmental disabilities often require lifelong community services, individualized supports, and other forms of assistance, that are most effective when provided in a coordinated manner;
(8) there is a need to ensure that services, supports, and other assistance are provided in a culturally competent manner, that ensures that individuals from racial and ethnic minority backgrounds are fully included in all activities provided under this subchapter;
(9) family members, friends, and members of the community can play an important role in
enhancing the lives of individuals with developmental disabilities, especially when the family members, friends, and community members are provided with the necessary community services, individualized supports, and other forms of assistance.

(10) current research indicates that 88 percent of individuals with developmental disabilities live with their families or in their own households;

(11) many service delivery systems and communities are not prepared to meet the impending needs of the 479,862 adults with developmental disabilities who are living at home with parents who are 60 years old or older and who serve as the primary caregivers of the adults;

(12) in almost every State, individuals with developmental disabilities are waiting for appropriate services in their communities, in the areas of emphasis;

(13) the public needs to be made more aware of the capabilities and competencies of individuals with developmental disabilities, particularly in cases in which the individuals are provided with necessary services, supports, and other assistance;

(14) as increasing numbers of individuals with developmental disabilities are living, learning, working, and participating in all aspects of community life, there is an increasing need for a well trained workforce that is able to provide the services, supports, and other forms of direct assistance required to enable the individuals to carry out those activities;

(15) there needs to be greater effort to recruit individuals from minority backgrounds into professions serving individuals with developmental disabilities and their families;

(16) the goals of the Nation properly include a goal of providing individuals with developmental disabilities with the information, skills, opportunities, and support to—

(A) make informed choices and decisions about their lives;

(B) live in homes and communities in which such individuals can exercise their full rights and responsibilities as citizens;

(C) pursue meaningful and productive lives;

(D) contribute to their families, communities, and States, and the Nation;

(E) have interdependent friendships and relationships with other persons;

(F) live free of abuse, neglect, financial and sexual exploitation, and violations of their legal and human rights; and

(G) achieve full integration and inclusion in society, in an individualized manner, consistent with the unique strengths, resources, priorities, concerns, abilities, and capabilities of each individual; and

(17) as the Nation, States, and communities maintain and expand community living options for individuals with developmental disabilities, there is a need to evaluate the access to those options by individuals with developmental disabilities and the effects of those options on individuals with developmental disabilities.

(b) Purpose

The purpose of this subchapter is to assure that individuals with developmental disabilities and their families participate in the design of and have access to needed community services, individualized supports, and other forms of assistance that promote self-determination, independence, productivity, and inclusion in all facets of community life, through culturally competent programs authorized under this subchapter, including specifically—

(1) State Councils on Developmental Disabilities in each State to engage in advocacy, capacity building, and systemic change activities that—

(A) are consistent with the purpose described in this subsection and the policy described in subsection (c); and

(B) contribute to a coordinated, consumer- and family-centered, consumer- and family-directed, comprehensive system that includes needed community services, individualized supports, and other forms of assistance that promote self-determination for individuals with developmental disabilities and their families;

(2) protection and advocacy systems in each State to protect the legal and human rights of individuals with developmental disabilities;

(3) University Centers for Excellence in Developmental Disabilities Education, Research, and Service—

(A) to provide interdisciplinary pre-service preparation and continuing education of students and fellows, which may include the preparation and continuing education of leadership, direct service, clinical, or other personnel to strengthen and increase the capacity of States and communities to achieve the purpose of this subchapter;

(B) to provide community services—

(i) that provide training and technical assistance for individuals with developmental disabilities, their families, professionals, paraprofessionals, policymakers, students, and other members of the community; and

(ii) that may provide services, supports, and assistance for the persons described in clause (i) through demonstration and model activities;

(C) to conduct research, which may include basic or applied research, evaluation, and the analysis of public policy in areas that affect or could affect, either positively or negatively, individuals with developmental disabilities and their families; and

(D) to disseminate information related to activities undertaken to address the purpose of this subchapter, especially dissemination of information that demonstrates that the network authorized under this part is a national and international resource that includes specific substantive areas of expertise that may be accessed and applied in diverse settings and circumstances; and

(4) funding for—

(A) national initiatives to collect necessary data on issues that are directly or in-
It is the policy of the United States that all programs, projects, and activities receiving assistance under this subchapter shall be carried out in a manner consistent with the principles that—

(1) individuals with developmental disabilities, including those with the most severe developmental disabilities, are capable of self-determination, independence, productivity, and integration and inclusion in all facets of community life, but often require the provision of community services, individualized supports, and other forms of assistance;

(2) individuals with developmental disabilities and their families have competencies, capabilities, and personal goals that should be recognized, supported, and encouraged, and any assistance to such individuals should be provided in an individualized manner, consistent with the unique strengths, resources, priorities, concerns, abilities, and capabilities of such individuals;

(3) individuals with developmental disabilities and their families are the primary decisionmakers regarding the services and supports such individuals and their families receive, including regarding choosing where the individuals live from available options, and play decisionmaking roles in policies and programs that affect the lives of such individuals and their families;

(4) services, supports, and other assistance should be provided in a manner that demonstrates respect for individual dignity, personal preferences, and cultural differences;

(5) specific efforts must be made to ensure that individuals with developmental disabilities from racial and ethnic minority backgrounds and their families enjoy increased and meaningful opportunities to access and use community services, individualized supports, and other forms of assistance available to other individuals with developmental disabilities and their families;

(6) recruitment efforts in disciplines related to developmental disabilities relating to pre-service training, community training, practice, administration, and policymaking must focus on bringing larger numbers of racial and ethnic minorities into the disciplines in order to provide appropriate skills, knowledge, role models, and sufficient personnel to address the growing needs of an increasingly diverse population;

(7) with education and support, communities can be accessible to and responsive to the needs of individuals with developmental disabilities and their families and are enriched by full and active participation in community activities, and contributions, by individuals with developmental disabilities and their families;

(8) individuals with developmental disabilities have access to opportunities and the necessary support to be included in community life, have interdependent relationships, live in homes and communities, and make contributions to their families, communities, and States, and the Nation;

(9) efforts undertaken to maintain or expand community-based living options for individuals with disabilities should be monitored in order to determine and report to appropriate individuals and entities the extent of access by individuals with developmental disabilities to those options and the extent of compliance by entities providing those options with quality assurance standards;

(10) families of children with developmental disabilities need to have access to and use of safe and appropriate child care and before-school and after-school programs, in the most integrated settings, in order to enrich the participation of the children in community life;

(11) individuals with developmental disabilities need to have access to and use of public transportation, in order to be independent and directly contribute to and participate in all facets of community life; and

(12) individuals with developmental disabilities need to have access to and use of recreational, leisure, and social opportunities in the most integrated settings, in order to enrich their participation in community life.


SHORT TITLE


SPECIAL OLYMPICS SPORT AND EMPowerMENT


"SECTION 1. SHORT TITLE.

"This Act may be cited as the 'Special Olympics Sport and Empowerment Act of 2004'.

"SEC. 2. FINDINGS AND PURPOSE.

"(a) FINDINGS.—Congress finds the following:

"(1) Special Olympics celebrates the possibilities of a world where everybody matters, everybody counts, every person has value, and every person has worth.

"(2) The Government and the people of the United States recognize the dignity and value the giftedness of children and adults with an intellectual disability.

"(3) The Government and the people of the United States are determined to end the isolation and stigmatization of people with an intellectual disability.

"(4) For more than 36 years, Special Olympics has encouraged skill, sharing, courage, and joy through year-round sports training and athletic competition for children and adults with intellectual disabilities.

"(5) Special Olympics provides year-round sports training and competitive opportunities to 1,500,000 athletes with intellectual disabilities in 26 sports and plans to expand the joy of participation through sport to hundreds of thousands of people with intellectual disabilities within the United States and worldwide over the next 5 years.

"(6) Recruitment efforts in disciplines related to developmental disabilities relating to pre-service training, community training, practice, administration, and policymaking must focus on bringing larger numbers of racial and ethnic minorities into the disciplines in order to provide appropriate skills, knowledge, role models, and sufficient personnel to address the growing needs of an increasingly diverse population.

"(7) With education and support, communities can be accessible to and responsive to the needs of individuals with developmental disabilities and their families and are enriched by full and active participation in community activities, and contributions, by individuals with developmental disabilities and their families;"
“(6) Special Olympics has demonstrated its ability to provide a major positive effect on the quality of life of people with intellectual disabilities, improving their health and well-being, building their confidence and self-esteem, and giving them a voice to become active and productive members of their communities.

“(7) In society as a whole, Special Olympics has become a vehicle and platform for breaking down artificial barriers, improving public health, changing negative attitudes in education, and helping athletes overcome the prejudice that people with intellectual disabilities face in too many places.

“(8) The Government of the United States enthusiastically supports Special Olympics, recognizes its importance in improving the lives of people with intellectual disabilities, and recognizes Special Olympics as a valued and important component of the global community.

“(b) PURPOSE.—The purposes of this Act are to—

“(1) provide support to Special Olympics to increase athlete participation in and public awareness about the Special Olympics movement;

“(2) dispel negative stereotypes about people with intellectual disabilities;

“(3) build athletic and family involvement through sport; and

“(4) promote the extraordinary gifts of people with intellectual disabilities.

“SEC. 3. ASSISTANCE FOR SPECIAL OLYMPICS.

“(a) EDUCATION ACTIVITIES.—The Secretary of Education may award grants to, or enter into contracts or cooperative agreements with, Special Olympics to carry out the following:

“(1) Activities to promote the expansion of Special Olympics, including activities to increase the participation of individuals with intellectual disabilities within the United States.

“(2) The design and implementation of Special Olympics education programs, including character education and volunteer programs that support the purposes of this Act, that can be integrated into classroom instruction and are consistent with academic content standards.

“(b) INTERNATIONAL ACTIVITIES.—The Secretary of State may award grants to, or enter into contracts or cooperative agreements with, Special Olympics to carry out the following:

“(1) Activities to increase the participation of individuals with intellectual disabilities in Special Olympics outside of the United States.

“(2) Activities to improve the awareness outside of the United States of the abilities and unique contributions that individuals with intellectual disabilities can make to society.

“(c) HEALTHY ATHLETES.—

“(1) IN GENERAL.—The Secretary of Health and Human Services may award grants to, or enter into contracts or cooperative agreements with, Special Olympics for the implementation of on-site health assessments, screening for health problems, health education, data collection, and referrals to direct health care services.

“(2) COORDINATION.—Activities under paragraph (1) shall be coordinated with private health providers, existing authorized programs of State and local jurisdictions, or the Department of Health and Human Services, as applicable.

“(d) LIMITATION.—Amounts appropriated to carry out this section shall not be used for direct treatment of disease, health conditions, or mental health conditions. Nothing in the preceding sentence shall be construed to limit the use of non-Federal funds by Special Olympics.

“SEC. 4. APPLICATION AND ANNUAL REPORT.

“(a) APPLICATION.—

“(1) In general.—To be eligible for a grant, contract, or cooperative agreement under subsection (a), (b), or (c) of section 3, Special Olympics shall submit an application at such time, in such manner, and containing such information as the Secretary of Education, Secretary of State, or Secretary of Health and Human Services, as applicable, may require.

“(2) CONTENT.—At a minimum, an application under this subsection shall contain the following:

“(A) ACTIVITIES.—A description of activities to be carried out with the grant, contract, or cooperative agreement.

“(B) MEASURABLE GOALS.—Information on specific measurable goals and objectives to be achieved through activities carried out with the grant, contract, or cooperative agreement.

“(b) ANNUAL REPORT.—

“(1) IN GENERAL.—As a condition on receipt of any funds under subsection (a), (b), or (c) of section 3, Special Olympics shall agree to submit an annual report at such time, in such manner, and containing such information as the Secretary of Education, Secretary of State, or Secretary of Health and Human Services, as applicable, may require.

“(2) CONTENT.—At a minimum, each annual report under this subsection shall describe the degree to which progress has been made toward meeting the goals and objectives described in the applications submitted under subsection (a).

“SEC. 5. AUTHORIZATION OF APPROPRIATIONS.

“There are authorized to be appropriated—

“(1) for grants, contracts, or cooperative agreements under section 3(a), such sums as may be necessary for fiscal year 2017 and each of the 4 succeeding fiscal years;

“(2) for grants, contracts, or cooperative agreements under section 3(b), such sums as may be necessary for fiscal year 2017 and each of the 4 succeeding fiscal years; and

“(3) for grants, contracts, or cooperative agreements under section 3(c), such sums as may be necessary for fiscal year 2017 and each of the 4 succeeding fiscal years.”

EX. ORD. No. 12994, PRESIDENT’S COMMITTEE ON MENTAL RETARDATION


By the authority vested in me as President by the Constitution and the laws of the United States of America, and in order to promote full participation of people with intellectual disabilities in their communities, it is hereby ordered as follows:

1. Committee Continued and Responsibilities Expanded. The President’s Committee on Mental Retardation, with expanded membership and expanded responsibilities, and renamed the President’s Committee for People with Intellectual Disabilities (Committee), is hereby continued in operation.

2. Composition of Committee. (a) The Committee shall be composed of the following members:

(1) The Attorney General;
(2) The Secretary of the Interior;
(3) The Secretary of Commerce;
(4) The Secretary of Labor;
(5) The Secretary of Health and Human Services;
(6) The Secretary of Housing and Urban Development;
(7) The Secretary of Transportation;
(8) The Secretary of Education;
(9) The Secretary of Homeland Security;
(10) The Chief Executive Officer of the Corporation for National and Community Service;
(11) The Commissioner of Social Security;
(12) The Chairman of the Equal Employment Opportunity Commission;
(13) The Chairperson of the National Council on Disability; and
(14) No more than 21 other members who shall be appointed to the Committee by the President. These citizen members shall consist of individuals who represent
a broad spectrum of perspectives, experience, and expertise on intellectual disabilities; persons with intellectual disabilities and members of families with a child or adult with intellectual disabilities; and persons employed in either the public or the private sector. Except as the President may from time to time otherwise direct, appointees under this paragraph shall serve for two-year terms, except that an appointment made to fill a vacancy occurring before the expiration of a term shall be made for the balance of the unexpired term.

(b) The President shall designate the Chair of the Committee from the 21 citizen members. The Chair shall preside over meetings of the Committee and represent the Committee on appropriate occasions.

Sect. 5. Functions of the Committee. (a) Consistent with subsection (c) of this section, the Committee shall:

(1) provide such advice concerning intellectual disabilities as the President or the Secretary of Health and Human Services may request; and

(2) provide advice to the President concerning the following for people with intellectual disabilities:

(A) expansion of educational opportunities;
(B) promotion of homeownership;
(C) assurance of workplace integration;
(D) improvement of transportation options;
(E) expansion of full access to community living; and
(F) increasing access to assistive and universally designed technologies.

(b) The Committee shall provide an annual report to the President through the Secretary of Health and Human Services. Such additional reports may be made as the President may direct or as the Committee may deem appropriate.

(c) The members shall advise the President and carry out their advisory role consistent with the requirements of the Federal Advisory Committee Act, as amended (5 U.S.C. App.).

Sect. 4. Cooperation by Agencies. The heads of Federal departments and agencies shall:

(a) designate, when requested by the Secretary of Health and Human Services, an officer or employee of a department or agency to serve as a liaison with the Committee; and

(b) furnish such information and assistance to the Committee, to the extent permitted by law, as the Secretary of Health and Human Services may request to assist the Committee in performing its functions under this order.

Sect. 5. Administration. (a) The Department of Health and Human Services shall provide the Committee with necessary staff support, administrative services and facilities, and funding, to the extent permitted by law.

(b) Each member of the Committee, except any member who receives other compensation from the United States Government, may receive compensation for each day engaged in the work of the Committee, as authorized by law (5 U.S.C. 3109), and may also receive travel expenses, including per diem in lieu of subsistence, as authorized by law (5 U.S.C. 5701–5707), for persons employed intermittently in the Government service. Committee members with disabilities may be compensated for attendant expenses, consistent with Government procedures and practices.

(c) The Secretary of Health and Human Services shall perform such other functions with respect to the Committee as may be required by the Federal Advisory Committee Act, as amended (5 U.S.C. App.), except that of reporting to the Congress.

Sect. 6. General. (a) Nothing in this order shall be construed as subjecting any Federal agency, or any function vested by law in, assigned pursuant to law to, any Federal agency, to the authority of the Committee or as abrogating or restricting any such function in any manner.

(b) This order is not intended to, and does not, create any right or benefit, substantive or procedural, enforceable at law or in equity by any party against the United States, its departments, agencies, instrumentalities, or entities, its officers or employees, or any other person.

Extension of Term of President’s Committee for People with Intellectual Disabilities

Term of the President’s Committee for People with Intellectual Disabilities extended until Sept. 30, 2021, by Ex. Ord. No. 13699, Sept. 27, 2019, 84 F.R. 52743, set out as a note under section 14 of the Federal Advisory Committee Act in the Appendix to Title 5, Government Organization and Employees.

Previous extensions of term of the President’s Committee for People with Intellectual Disabilities (formerly President’s Committee on Mental Retardation) were contained in the following prior Executive Orders:

Ex. Ord. No. 13811, Sept. 29, 2017, 82 F.R. 46993, extended term until Sept. 30, 2019,
Ex. Ord. No. 13708, Sept. 30, 2015, 80 F.R. 60271, extended term until Sept. 30, 2017,
Ex. Ord. No. 13652, Sept. 30, 2013, 78 F.R. 61817, extended term until Sept. 30, 2015,

§ 15002. Definitions

In this subchapter:

(1) American Indian Consortium

The term “American Indian Consortium” means any confederation of 2 or more recognized American Indian tribes, created through the official action of each participating tribe, that has a combined total resident population of 150,000 enrolled tribal members and a contiguous territory of Indian lands in 2 or more States.

(2) Areas of emphasis

The term “areas of emphasis” means the areas related to quality assurance activities, education activities and early intervention activities, child care-related activities, health-related activities, employment-related activities, housing-related activities, transportation-related activities, recreation-related activities, and other services available or of-
ferred to individuals in a community, including formal and informal community supports, that affect their quality of life.

(3) Assistive technology device

The term “assistive technology device” means any item, piece of equipment, or product system, whether acquired commercially, modified or customized, that is used to increase, maintain, or improve functional capabilities of individuals with developmental disabilities.

(4) Assistive technology service

The term “assistive technology service” means any service that directly assists an individual with a developmental disability in the selection, acquisition, or use of an assistive technology device. Such term includes:

- (A) conducting an evaluation of the needs of an individual with a developmental disability, including a functional evaluation of the individual in the individual’s customary environment;
- (B) purchasing, leasing, or otherwise providing for the acquisition of an assistive technology device by an individual with a developmental disability;
- (C) selecting, designing, fitting, customizing, adapting, applying, maintaining, repairing or replacing an assistive technology device;
- (D) coordinating and using another therapy, intervention, or service with an assistive technology device, such as a therapy, intervention, or service associated with an education or rehabilitation plan or program;
- (E) providing training or technical assistance for an individual with a developmental disability, or, where appropriate, a family member, guardian, advocate, or authorized representative of an individual with a developmental disability; and
- (F) providing training or technical assistance for professionals (including individuals providing education and rehabilitation services), employers, or other individuals who provide services to, employ, or are otherwise substantially involved in the major life functions of an individual with developmental disabilities.

(5) Center

The term “Center” means a University Center for Excellence in Developmental Disabilities Education, Research, and Service established under part D.

(6) Child care-related activities

The term “child care-related activities” means advocacy, capacity building, and systemic change activities provided to individuals described in paragraph (8)(B) and their families to enhance—

- (A) the development of the individuals to maximize their potential; and
- (B) the capacity of families to meet the special needs of the individuals.

(7) Culturally competent

The term “culturally competent”, used with respect to services, supports, or other assistance, means services, supports, or other assistance that is conducted or provided in a manner that is responsive to the beliefs, inter-

(8) Developmental disability

(A) In general

The term “developmental disability” means a severe, chronic disability of an individual that—

- (i) is attributable to a mental or physical impairment or combination of mental and physical impairments;
- (ii) is manifested before the individual attains age 22;
- (iii) is likely to continue indefinitely;
- (iv) results in substantial functional limitations in 3 or more of the following areas of major life activity:
  - (I) Self-care.
  - (II) Receptive and expressive language.
  - (III) Learning.
  - (IV) Mobility.
  - (V) Self-direction.
  - (VI) Capacity for independent living.
  - (VII) Economic self-sufficiency; and
- (v) reflects the individual’s need for a combination and sequence of special, interdisciplinary, or generic services, individualized supports, or other forms of assistance that are of lifelong or extended duration and are individually planned and coordinated.

(B) Infants and young children

An individual from birth to age 9, inclusive, who has a substantial developmental delay or specific congenital or acquired condition, may be considered to have a developmental disability without meeting 3 or more of the criteria described in clauses (i) through (v) of subparagraph (A) if the individual, without services and supports, has a high probability of meeting those criteria later in life.

(9) Early intervention activities

The term “early intervention activities” means advocacy, capacity building, and systemic change activities provided to infants described in paragraph (8)(B) and their families to enhance—

- (A) the development of the individuals to maximize their potential; and
- (B) the capacity of families to meet the special needs of the individuals.

(10) Education activities

The term “education activities” means advocacy, capacity building, and systemic change activities that result in individuals with developmental disabilities having access to and use of child care services, including before-school, after-school, and out-of-school services, in their communities.

(11) Employment-related activities

The term “employment-related activities” means advocacy, capacity building, and sys-
temic change activities that result in individuals with developmental disabilities acquiring, retaining, or advancing in paid employment, including supported employment or self-employment, in integrated settings in a community.

(12) Family support services

(A) In general

The term “family support services” means services, supports, and other assistance, provided to families with members who have developmental disabilities, that are designed to—

(i) strengthen the family’s role as primary caregiver;

(ii) prevent inappropriate out-of-home placement of the members and maintain family unity; and

(iii) reunite families with members who have been placed out of the home whenever possible.

(B) Specific services

Such term includes respite care, provision of rehabilitation technology and assistive technology, personal assistance services, parent training and counseling, support for families headed by aging caregivers, vehicular and home modifications, and assistance with extraordinary expenses, associated with the needs of individuals with developmental disabilities.

(13) Health-related activities

The term “health-related activities” means advocacy, capacity building, and systemic change activities that result in individuals with developmental disabilities having access to and use of coordinated health, dental, mental health, and other human and social services, including prevention activities, in their communities.

(14) Housing-related activities

The term “housing-related activities” means advocacy, capacity building, and systemic change activities that result in individuals with developmental disabilities having access to and use of housing and housing supports and services in their communities, including assistance related to renting, owning, or modifying an apartment or home.

(15) Inclusion

The term “inclusion”, used with respect to individuals with developmental disabilities, means the acceptance and encouragement of the presence and participation of individuals with developmental disabilities, by individuals without disabilities, in social, educational, work, and community activities, that enables individuals with developmental disabilities to—

(A) have friendships and relationships with individuals and families of their own choice;

(B) live in homes close to community resources, with regular contact with individuals without disabilities in their communities;

(C) enjoy full access to and active participation in the same community activities and types of employment as individuals without disabilities; and

(D) take full advantage of their integration into the same community resources as individuals without disabilities, living, learning, working, and enjoying life in regular contact with individuals without disabilities.

(16) Individualized supports

The term “individualized supports” means supports that—

(A) enable an individual with a developmental disability to exercise self-determination, be independent, be productive, and be integrated and included in all facets of community life;

(B) are designed to—

(i) enable such individual to control such individual’s environment, permitting the most independent life possible;

(ii) prevent placement into a more restrictive living arrangement than is necessary; and

(iii) enable such individual to live, learn, work, and enjoy life in the community; and

(C) include—

(i) early intervention services;

(ii) respite care;

(iii) personal assistance services;

(iv) family support services;

(v) supported employment services;

(vi) support services for families headed by aging caregivers of individuals with developmental disabilities; and

(vii) provision of rehabilitation technology and assistive technology, and assistive technology services.

(17) Integration

The term “integration”, used with respect to individuals with developmental disabilities, means exercising the equal right of individuals with developmental disabilities to access and use the same community resources as are used by and available to other individuals.

(18) Not-for-profit

The term “not-for-profit”, used with respect to an agency, institution, or organization, means an agency, institution, or organization that is owned or operated by 1 or more corporations or associations, no part of the net earnings of which inures, or may lawfully inure, to the benefit of any private shareholder or individual.

(19) Personal assistance services

The term “personal assistance services” means a range of services, provided by 1 or more individuals, designed to assist an individual with a disability to perform daily activities, including activities on or off a job that such individual would typically perform if such individual did not have a disability. Such services shall be designed to increase such individual’s control in life and ability to perform everyday activities, including activities on or off a job.

(20) Prevention activities

The term “prevention activities” means activities that address the causes of develop-
mental disabilities and the exacerbation of functional limitation, such as activities that—
(A) eliminate or reduce the factors that cause or predispose individuals to developmental disabilities or that increase the prevalence of developmental disabilities;
(B) increase the early identification of problems to eliminate circumstances that create or increase functional limitations; and
(C) mitigate against the effects of developmental disabilities throughout the lifespan of an individual.

(21) Productivity
The term “productivity” means—
(A) engagement in income-producing work that is measured by increased income, improved employment status, or job advancement; or
(B) engagement in work that contributes to a household or community.

(22) Protection and advocacy system
The term “protection and advocacy system” means a protection and advocacy system established in accordance with section 15043 of this title.

(23) Quality assurance activities
The term “quality assurance activities” means advocacy, capacity building, and systemic change activities that result in improved consumer- and family-centered quality assurance and that result in systems of quality assurance and consumer protection that—
(A) include monitoring of services, supports, and assistance provided to an individual with developmental disabilities that ensures that the individual—
(i) will not experience abuse, neglect, sexual or financial exploitation, or violation of legal or human rights; and
(ii) will not be subject to the inappropriate use of restraints or seclusion;
(B) include training in leadership, self-advocacy, and self-determination for individuals with developmental disabilities, their families, and their guardians to ensure that those individuals—
(i) will not experience abuse, neglect, sexual or financial exploitation, or violation of legal or human rights; and
(ii) will not be subject to the inappropriate use of restraints or seclusion; or
(C) include activities related to inter-agency coordination and systems integration that result in improved and enhanced services, supports, and other assistance that contribute to and protect the self-determination, independence, productivity, and integration and inclusion in all facets of community life of individuals with developmental disabilities.

(24) Recreation-related activities
The term “recreation-related activities” means advocacy, capacity building, and systemic change activities that result in individuals with developmental disabilities having access to and use of recreational, leisure, and social activities, in their communities.

(25) Rehabilitation technology
The term “rehabilitation technology” means the systematic application of technologies, engineering methodologies, or scientific principles to meet the needs of, and address the barriers confronted by, individuals with developmental disabilities in areas that include education, rehabilitation, employment, transportation, independent living, and recreation. Such term includes rehabilitation engineering, and the provision of assistive technology devices and assistive technology services.

(26) Secretary
The term “Secretary” means the Secretary of Health and Human Services.

(27) Self-determination activities
The term “self-determination activities” means activities that result in individuals with developmental disabilities, with appropriate assistance, having—
(A) the ability and opportunity to communicate and make personal decisions;
(B) the ability and opportunity to communicate choices and exercise control over the type and intensity of services, supports, and other assistance the individuals receive;
(C) the authority to control resources to obtain needed services, supports, and other assistance;
(D) opportunities to participate in, and contribute to, their communities; and
(E) support, including financial support, to advocate for themselves and others, to develop leadership skills, through training in self-advocacy, to participate in coalitions, to educate policymakers, and to play a role in the development of public policies that affect individuals with developmental disabilities.

(28) State
The term “State”, except as otherwise provided, includes, in addition to each of the several States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the United States Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands.

(29) State Council on Developmental Disabilities
The term “State Council on Developmental Disabilities” means a Council established under section 15025 of this title.

(30) Supported employment services
The term “supported employment services” means services that enable individuals with developmental disabilities to perform competitive work in integrated work settings, in the case of individuals with developmental disabilities—
(A)(i) for whom competitive employment has not traditionally occurred; or
(ii) for whom competitive employment has been interrupted or intermittent as a result of significant disabilities; and
(B) who, because of the nature and severity of their disabilities, need intensive sup-
§ 15003. Records and audits

(a) Records

Each recipient of assistance under this subchapter shall keep such records as the Secretary shall prescribe, including—

(1) records that fully disclose—

(A) the amount and disposition by such recipient of the assistance;

(B) the total cost of the project or undertaking in connection with which such assistance is given or used; and

(C) the amount of that portion of the cost of the project or undertaking that is supplied by other sources; and

(2) such other records as will facilitate an effective audit.

(b) Access

The Secretary and the Comptroller General of the United States, or any of their duly authorized representatives, shall have access for the purpose of audit and examination to any books, documents, papers, and records of the recipients of assistance under this subchapter that are pertinent to such assistance.

§ 15004. Responsibilities of the Secretary

(a) Program accountability

(1) In general

In order to monitor entities that received funds under this chapter to carry out activities under parts B, C, and D and determine the extent to which the entities have been responsive to the purpose of this subchapter and have taken actions consistent with the policy described in paragraph (2) of this section, the Secretary shall develop and implement an accountability process as described in this subsection, with respect to activities conducted after October 1, 2001.

(2) Areas of emphasis

The Secretary shall develop a process for identifying and reporting (pursuant to section 15005 of this title) on progress achieved through advocacy, capacity building, and systemic change activities, undertaken by the entities described in paragraph (1), that resulted in individuals with developmental disabilities and their families participating in the design of and having access to needed community services, individualized supports, and other forms of assistance that promote self-determination, independence, productivity, and integration and inclusion in all facets of community life. Specifically, the Secretary shall develop a process for identifying and reporting on progress achieved, through advocacy, capacity building, and systemic change activities, by the entities in the areas of emphasis.

(b) Proposed indicators

Not later than 180 days after October 30, 2000, the Secretary shall develop and publish in the Federal Register for public comment proposed indicators of progress for monitoring how entities described in paragraph (1) have addressed the areas of emphasis described in paragraph (2) in a manner that is responsive to the purpose of this subchapter and consistent with the policy described in section 15001(c) of this title.

(c) Final indicators

Not later than October 1, 2001, the Secretary shall revise the proposed indicators of progress, to the extent necessary based on public comment, and publish final indicators of progress in the Federal Register.

(d) Specific measures

At a minimum, the indicators of progress shall be used to describe and measure—

(i) the satisfaction of individuals with developmental disabilities with the advocacy, capacity building, and systemic change activities provided under parts B, C, and D;

(ii) the extent to which the advocacy, capacity building, and systemic change activities provided through parts B, C, and D result in improvements in—

(1) the ability of individuals with developmental disabilities to make choices and exert control over the type, intensity, and timing of services, supports, and assistance that the individuals have used;

(2) the ability of individuals with developmental disabilities to participate in the full range of community life with persons of the individuals’ choice; and

(3) the ability of individuals with developmental disabilities to access services, supports, and assistance in a manner that ensures that such an individual
is free from abuse, neglect, sexual and financial exploitation, violation of legal and human rights, and the inappropriate use of restraints and seclusion; and

(iii) the extent to which the entities described in paragraph (1) collaborate with each other to achieve the purpose of this subchapter and the policy described in section 15001(c) of this title.

(4) Time line for compliance with indicators of progress

The Secretary shall require entities described in paragraph (1) to meet the indicators of progress described in paragraph (3). For fiscal year 2002 and each year thereafter, the Secretary shall apply the indicators in monitoring entities described in paragraph (1), with respect to activities conducted after October 1, 2001.

(b) Time line for regulations

Except as otherwise expressly provided in this subchapter, the Secretary, not later than 1 year after October 30, 2000, shall promulgate such regulations as may be required for the implementation of this subchapter.

(c) Interagency committee

(1) In general

The Secretary shall maintain the interagency committee authorized in section 6007 of this title as in effect on the day before October 30, 2000, except as otherwise provided in this subsection.

(2) Composition

The interagency committee shall be composed of representatives of—

(A) the Administration on Developmental Disabilities, the Administration on Children, Youth, and Families, the Administration on Aging, and the Health Resources and Services Administration, of the Department of Health and Human Services; and

(B) such other Federal departments and agencies as the Secretary of Health and Human Services considers to be appropriate.

(3) Duties

Such interagency committee shall meet regularly to coordinate and plan activities conducted by Federal departments and agencies for individuals with developmental disabilities.

(4) Meetings

Each meeting of the interagency committee (except for any meetings of any subcommittees of the committee) shall be open to the public. Notice of each meeting, and a statement of the agenda for the meeting, shall be published in the Federal Register not later than 14 days before the date on which the meeting is to occur.


References in Text

This chapter, referred to in subsec. (a)(1), was in the original “this Act”, meaning Pub. L. 106–402, Oct. 30, 2000, 114 Stat. 1677, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 15001 of this title and Tables.

§ 15005. Reports of the Secretary

At least once every 2 years, the Secretary, using information submitted in the reports and information required under parts B, C, D, and E, shall prepare and submit to the President, Congress, and the National Council on Disability, a report that describes the goals and outcomes of programs supported under parts B, C, D, and E. In preparing the report, the Secretary shall provide—

(1) meaningful examples of how the councils, protection and advocacy systems, centers, and entities funded under parts B, C, D, and E, respectively—

(A) have undertaken coordinated activities with each other;

(B) have enhanced the ability of individuals with developmental disabilities and their families to participate in the design of and have access to needed community services, individualized supports, and other forms of assistance that promote self-determination, independence, productivity, and integration and inclusion in all facets of community life;

(C) have brought about advocacy, capacity building, and systemic change activities (including policy reform), and other actions on behalf of individuals with developmental disabilities and their families, including individuals who are traditionally underserved or underserved, particularly individuals who are members of ethnic and racial minority groups and individuals from underserved geographic areas; and

(D) have brought about advocacy, capacity building, and systemic change activities that affect individuals with disabilities other than individuals with developmental disabilities;

(2) information on the extent to which programs authorized under this subchapter have addressed—

(A) protecting individuals with developmental disabilities from abuse, neglect, sexual and financial exploitation, and violations of legal and human rights, so that those individuals are at no greater risk of harm than other persons in the general population; and

(B) reports of deaths of and serious injuries to individuals with developmental disabilities; and

(3) a summary of any incidents of noncompliance of the programs authorized under this subchapter with the provisions of this subchapter, and corrections made or actions taken to obtain compliance.


§ 15006. State control of operations

Except as otherwise specifically provided, nothing in this subchapter shall be construed as
§ 15007. Employment of individuals with disabilities

As a condition of providing assistance under this subchapter, the Secretary shall require that each recipient of such assistance take affirmative action to employ and advance in employment qualified individuals with disabilities on the same terms and conditions required with respect to the employment of such individuals under the provisions of title V of the Rehabilitation Act of 1973 (29 U.S.C. 791 et seq.) and the Americans with Disabilities Act of 1990 (42 U.S.C. 12101 et seq.), that govern employment.


§ 15008. Construction

Nothing in this subchapter shall be construed to preclude an entity funded under this subchapter from engaging in advocacy, capacity building, and systemic change activities for individuals with developmental disabilities that may also have a positive impact on individuals with other disabilities.


§ 15009. Rights of individuals with developmental disabilities

(a) In general

Congress makes the following findings respecting the rights of individuals with developmental disabilities:

(1) Individuals with developmental disabilities have a right to appropriate treatment, services, and habilitation for such disabilities, consistent with section 15001(c) of this title.

(2) The treatment, services, and habilitation for an individual with developmental disabilities should be designed to maximize the potential of the individual and should be provided in the setting that is least restrictive of the individual’s personal liberty.

(3) The Federal Government and the States both have an obligation to ensure that public funds are provided only to institutional programs, residential programs, and other community programs, including educational programs in which individuals with developmental disabilities participate, that—

(A) provide treatment, services, and habilitation that are appropriate to the needs of such individuals; and

(B) meet minimum standards relating to—

(i) provision of care that is free of abuse, neglect, sexual and financial exploitation, and violations of legal and human rights and that subjects individuals with developmental disabilities to no greater risk of harm than others in the general population;

(ii) provision to such individuals of appropriate and sufficient medical and dental services;

(iii) prohibition of the use of physical restraint and seclusion for such an individual unless absolutely necessary to ensure the immediate physical safety of the individual or others, and prohibition of the use of such restraint and seclusion as punishment or as a substitute for a habilitation program;

(iv) prohibition of the excessive use of chemical restraints on such individuals and the use of such restraints as punishment or as a substitute for a habilitation program or in quantities that interfere with services, treatment, or habilitation for such individuals; and

(v) provision for close relatives or guardians of such individuals to visit the individuals without prior notice.

(4) All programs for individuals with developmental disabilities should meet standards—

(A) that are designed to assure the most favorable possible outcome for those served; and

(B)(i) in the case of residential programs serving individuals in need of comprehensive health-related, rehabilitative, assistive technology or rehabilitative services, that are at least equivalent to those standards applicable to intermediate care facilities for the mentally retarded, promulgated in regulations of the Secretary on June 3, 1988, as appropriate, taking into account the size of the institutions and the service delivery arrangements of the facilities of the programs;

(ii) in the case of other residential programs for individuals with developmental disabilities, that assure that—

(I) care is appropriate to the needs of the individuals being served by such programs;

(II) the individuals admitted to facilities of such programs are individuals whose needs can be met through services provided by such facilities; and

(III) the facilities of such programs provide for the humane care of the residents of the facilities, are sanitary, and protect their rights; and

(iii) in the case of nonresidential programs, that assure that the care provided by

1See in original. Probably should be “habilitation”.

1So in original. Probably should be “habilitation”.


Title V of the Act is classified generally to subchapter V of this title.
such programs is appropriate to the individuals served by the programs.

(b) Clarification

The rights of individuals with developmental disabilities described in findings made in this section shall be considered to be in addition to any constitutional or other rights otherwise afforded to all individuals.


PART B—FEDERAL ASSISTANCE TO STATE COUNCILS ON DEVELOPMENTAL DISABILITIES

§ 15021. Purpose

The purpose of this part is to provide for allotments to support State Councils on Developmental Disabilities (referred to individually in this part as a “Council”) in each State to—

(1) engage in advocacy, capacity building, and systemic change activities that are consistent with the purpose described in section 15001(b) of this title and the policy described in section 15001(c) of this title; and

(2) contribute to a coordinated, consumer- and family-centered, consumer- and family-directed, comprehensive system of community services, individualized supports, and other forms of assistance that enable individuals with developmental disabilities to exercise self-determination, be independent, be productive, and be integrated and included in all facets of community life.


§ 15022. State allotments

(a) Allotments

(1) In general

(A) Authority

For each fiscal year, the Secretary shall, in accordance with regulations and this paragraph, allot the sums appropriated for such year under section 15029 of this title among the States on the basis of—

(i) the population;

(ii) the extent of need for services for individuals with developmental disabilities; and

(iii) the financial need, of the respective States.

(B) Use of funds

Sums allotted to the States under this section shall be used to pay for the Federal share of the cost of carrying out projects in accordance with State plans approved under section 15024 of this title for the provision under such plans of services for individuals with developmental disabilities.

(2) Adjustments

The Secretary may make adjustments in the amounts of State allotments based on clauses (i), (ii), and (iii) of paragraph (1)(A) not more often than annually. The Secretary shall notify each State of any adjustment made under this paragraph and the percentage of the total sums appropriated under section 15029 of this title that the adjusted allotment represents not later than 6 months before the beginning of the fiscal year in which such adjustment is to take effect.

(3) Minimum allotment for appropriations less than or equal to $70,000,000

(A) In general

Except as provided in paragraph (4), for any fiscal year the allotment under this section—

(i) to each of American Samoa, Guam, the United States Virgin Islands, or the Commonwealth of the Northern Mariana Islands may not be less than $210,000; and

(ii) to any State not described in clause (i) may not be less than $220,000; and

(B) Reduction of allotment

Notwithstanding subparagraph (A), if the aggregate of the amounts to be allotted to the States pursuant to subparagraph (A) for any fiscal year exceeds the total amount appropriated under section 15029 of this title for such fiscal year, the amount to be allotted to each State for such fiscal year shall be proportionately reduced.

(4) Minimum allotment for appropriations in excess of $70,000,000

(A) In general

In any case in which the total amount appropriated under section 15029 of this title for a fiscal year is more than $70,000,000, the allotment under this section for such fiscal year—

(i) to each of American Samoa, Guam, the United States Virgin Islands, or the Commonwealth of the Northern Mariana Islands may not be less than $220,000; and

(ii) to any State not described in clause (i) may not be less than $450,000, the amount received by the State for the previous year, or the amount of Federal appropriations received in fiscal year 2000, 2001, or 2002, whichever is greater.

(B) Reduction of allotment

The requirements of paragraph (3)(B) shall apply with respect to amounts to be allotted to States under subparagraph (A), in the same manner and to the same extent as such requirements apply with respect to amounts to be allotted to States under paragraph (3)(A).

(5) State supports, services, and other activities

In determining, for purposes of paragraph (1)(A)(ii), the extent of need in any State for services for individuals with developmental disabilities, the Secretary shall take into account the scope and extent of the services, supports, and assistance described, pursuant to section 15024(c)(3)(A) of this title, in the State plan of the State.

(6) Increase in allotments

In any year in which the total amount appropriated under section 15029 of this title for
a fiscal year exceeds the total amount appropriated under such section (or a corresponding provision) for the preceding fiscal year by a percentage greater than the most recent percentage change in the Consumer Price Index published by the Secretary of Labor under section 702(c)(1) of title 29 (if the percentage change indicates an increase), the Secretary shall increase each of the minimum allotments described in paragraphs (3) and (4). The Secretary shall increase each minimum allotment by an amount that bears the same ratio to the amount of such minimum allotment (including any increases in such minimum allotment under this paragraph (or a corresponding provision) for prior fiscal years) as the amount that is equal to the difference between—

(A) the total amount appropriated under section 15029 of this title for the fiscal year for which the increase in the minimum allotment is being made; minus

(B) the total amount appropriated under section 15029 of this title (or a corresponding provision) for the immediately preceding fiscal year,

bears to the total amount appropriated under section 15029 of this title (or a corresponding provision) for such preceding fiscal year.

(b) Unobligated funds

Any amount paid to a State for a fiscal year and remaining unobligated at the end of such year shall remain available to such State for the next fiscal year for the purposes for which such amount was paid.

(c) Obligation of funds

For the purposes of this part, State Interagency Agreements are considered valid obligations for the purpose of obligating Federal funds allotted to the State under this part.

(d) Cooperative efforts between States

If a State plan approved in accordance with section 15024 of this title provides for cooperative or joint effort between or among States or agencies, public or private, in more than 1 State, portions of funds allotted to 1 or more States described in this subsection may be combined in accordance with the agreements between the States or agencies involved.

(e) Reallocations

(1) In general

If the Secretary determines that an amount of an allotment to a State for a period (of a fiscal year or longer) will not be required by the State during the period for the purpose for which the allotment was made, the Secretary may reallocate the amount.

(2) Timing

The Secretary may make such a reallocation from time to time, on such date as the Secretary may fix, but not earlier than 30 days after the Secretary has published notice of the intention of the Secretary to make the reallocation in the Federal Register.

(3) Amounts

The Secretary shall reallocate the amount to other States with respect to which the Secretary has not made that determination. The Secretary shall reallocate the amount in proportion to the original allotments of the other States for such fiscal year, but shall reduce such proportionate amount for any of the other States to the extent the proportionate amount exceeds the sum that the Secretary estimates the State needs and will be able to use during such period.

(4) Reallocation of reductions

The Secretary shall similarly reallocate the total of the reductions among the States whose proportionate amounts were not so reduced.

(5) Treatment

Any amount reallocated to a State under this subsection for a fiscal year shall be deemed to be a part of the allotment of the State under subsection (a) for such fiscal year.

§ 15023. Payments to the States for planning, administration, and services

(a) State plan expenditures

From each State's allotments for a fiscal year under section 15022 of this title, the Secretary shall pay to the State the Federal share of the cost, other than the cost for construction, incurred during such year for activities carried out under the State plan approved under section 15024 of this title. The Secretary shall make such payments from time to time in advance on the basis of estimates by the Secretary of the sums the State will expend for the cost under the State plan. The Secretary shall make such adjustments as may be necessary to the payments on account of previously made underpayments or overpayments under this section.

(b) Designated State agency expenditures

The Secretary may make payments to a State for the portion described in section 15024(c)(5)(B)(vi) of this title in advance or by way of reimbursement, and in such installments as the Secretary may determine.

§ 15024. State plan

(a) In general

Any State desiring to receive assistance under this part shall submit to the Secretary, and obtain approval of, a 5-year strategic State plan under this section.
(b) Planning cycle

The plan described in subsection (a) shall be updated as appropriate during the 5-year period.

(c) State plan requirements

In order to be approved by the Secretary under this section, a State plan shall meet each of the following requirements:

(1) State Council

The plan shall provide for the establishment and maintenance of a Council in accordance with section 15023 of this title and describe the membership of such Council.

(2) Designated State agency

The plan shall identify the agency or office within the State designated to support the Council in accordance with this section and section 15025(d) of this title (referred to in this part as a “designated State agency”).

(3) Comprehensive review and analysis

The plan shall describe the results of a comprehensive review and analysis of the extent to which services, supports, and other assistance are available to individuals with developmental disabilities and their families, and the extent of unmet needs for services, supports, and other assistance for those individuals and their families in the State. The results of the comprehensive review and analysis shall include—

(A) a description of the services, supports, and other assistance being provided to individuals with developmental disabilities and their families under other federally assisted State programs, plans, and policies under which the State operates and in which individuals with developmental disabilities are or may be eligible to participate, including particularly programs relating to the areas of emphasis, including—

(i) medical assistance, maternal and child health care, services for children with special health care needs, children’s mental health services, comprehensive health and mental health services, and institutional care options;

(ii) job training, job placement, worksite accommodation, and vocational rehabilitation, and other work assistance programs; and

(iii) social, child welfare, aging, independent living, and rehabilitation and assistive technology services, and such other services as the Secretary may specify;

(B) a description of the extent to which agencies operating such other federally assisted State programs, including activities authorized under section 3003 or 3004 of title 29, pursue interagency initiatives to improve and enhance community services, individualized supports, and other forms of assistance for individuals with developmental disabilities;

(C) an analysis of the extent to which community services and opportunities related to the areas of emphasis directly benefit individuals with developmental disabilities, especially with regard to their ability to access and use services provided in their communities, to participate in opportunities, activities, and events offered in their communities, and to contribute to community life, identifying particularly—

(i) the degree of support for individuals with developmental disabilities that are attributable to either physical impairment, mental impairment, or a combination of physical and mental impairments;

(ii) criteria for eligibility for services, including specialized services and special adaptation of generic services provided by agencies within the State, that may exclude individuals with developmental disabilities from receiving services described in this clause;

(iii) the barriers that impede full participation of members of unserved and underserved groups of individuals with developmental disabilities and their families;

(iv) the availability of assistive technology, assistive technology services, or rehabilitation technology, or information about assistive technology, assistive technology services, or rehabilitation technology to individuals with developmental disabilities;

(v) the numbers of individuals with developmental disabilities on waiting lists for services described in this subparagraph;

(vi) a description of the adequacy of current resources and projected availability of future resources to fund services described in this subparagraph;

(vii) a description of the adequacy of health care and other services, supports, and assistance that individuals with developmental disabilities who are in facilities receive (based in part on each independent review (pursuant to section 1396a(a)(30)(C) of this title) of an Intermediate Care Facility (Mental Retardation) within the State, which the State shall provide to the Council no later than 30 days after the availability of the review); and

(viii) to the extent that information is available, a description of the adequacy of health care and other services, supports, and assistance that individuals with developmental disabilities who are served through home and community-based waivers (authorized under section 1396n(c) of this title) receive;

(D) a description of how entities funded under parts C and D, through interagency agreements or other mechanisms, collaborated with the entity funded under this part in the State, each other, and other entities to contribute to the achievement of the purpose of this part; and

(E) the rationale for the goals related to advocacy, capacity building, and systemic change to be undertaken by the Council to contribute to the achievement of the purpose of this part.

(4) Plan goals

The plan shall focus on Council efforts to bring about the purpose of this part, by—
(A) specifying 5-year goals, as developed through data driven strategic planning, for advocacy, capacity building, and systemic change related to the areas of emphasis, to be undertaken by the Council, that—
  (i) are derived from the unmet needs of individuals with developmental disabilities and their families identified under paragraph (3); and
  (ii) include a goal, for each year of the grant, to—
     (I) establish or strengthen a program for the direct funding of a State self-advocacy organization led by individuals with developmental disabilities;
     (II) support opportunities for individuals with developmental disabilities who are considered leaders to provide leadership training to individuals with developmental disabilities who may become leaders; and
     (III) support and expand participation of individuals with developmental disabilities in cross-disability and culturally diverse leadership coalitions; and
  (B) for each year of the grant, describing—
      (i) the goals to be achieved through the grant, which, beginning in fiscal year 2002, shall be consistent with applicable indicators of progress described in section 15004(a)(3) of this title;
     (ii) the strategies to be used in achieving each goal; and
     (iii) the method to be used to determine if each goal has been achieved.

(5) Assurances

(A) In general

The plan shall contain or be supported by assurances and information described in subparagraphs (B) through (N) that are satisfactory to the Secretary.

(B) Use of funds

With respect to the funds paid to the State under section 15022 of this title, the plan shall provide assurances that—
  (i) not less than 70 percent of such funds will be expended for activities related to the goals described in paragraph (4);
  (ii) such funds will contribute to the achievement of the purpose of this part in various political subdivisions of the State;
  (iii) such funds will be used to supplement, and not supplant, the non-Federal funds that would otherwise be made available for the purposes for which the funds paid under section 15022 of this title are provided;
  (iv) such funds will be used to complement and augment rather than duplicate or replace services for individuals with developmental disabilities and their families who are eligible for Federal assistance under other State programs;
  (v) part of such funds will be made available by the State to public or private entities;
  (vi) at the request of any State, a portion of such funds provided to such State under this part for any fiscal year shall be available to pay up to $50,000, whichever is less, shall be made available for total expenditures for such purpose by the designated State agency; and
  (vii) not more than 20 percent of such funds will be allocated to the designated State agency for service demonstrations by such agency that—
     (I) contribute to the achievement of the purpose of this part; and
     (II) are explicitly authorized by the Council.

(C) State financial participation

The plan shall provide assurances that there will be reasonable State financial participation in the cost of carrying out the plan.

(D) Conflict of interest

The plan shall provide an assurance that no member of such Council will cast a vote on any matter that would provide direct financial benefit to the member or otherwise give the appearance of a conflict of interest.

(E) Urban and rural poverty areas

The plan shall provide assurances that special financial and technical assistance will be given to organizations that provide community services, individualized supports, and other forms of assistance to individuals with developmental disabilities who live in areas designated as urban or rural poverty areas.

(F) Program accessibility standards

The plan shall provide assurances that programs, projects, and activities funded under the plan, and the buildings in which such programs, projects, and activities are operated, will meet standards prescribed by the Secretary in regulations and all applicable Federal and State accessibility standards, including accessibility requirements of the Americans with Disabilities Act of 1990 (42 U.S.C. 12101 et seq.), section 794d of title 29, and the Fair Housing Act (42 U.S.C. 3601 et seq.).

(G) Individualized services

The plan shall provide assurances that any direct services provided to individuals with developmental disabilities and funded under the plan will be provided in an individualized manner, consistent with the unique strengths, resources, priorities, concerns, abilities, and capabilities of such individual.

(H) Human rights

The plan shall provide assurances that the human rights of the individuals with developmental disabilities (especially individuals without familial protection) who are receiving services under programs assisted under
§ 15025

PUBLIC HEALTH AND WELFARE

this part will be protected consistent with section 15009 of this title (relating to rights of individuals with developmental disabilities).

(I) Minority participation

The plan shall provide assurances that the State has taken affirmative steps to assure that participation in programs funded under this part is geographically representative of the State, and reflects the diversity of the State with respect to race and ethnicity.

(J) Employee protections

The plan shall provide assurances that fair and equitable arrangements (as determined by the Secretary after consultation with the Secretary of Labor) will be provided to protect the interests of employees affected by actions taken under the plan to provide community living activities, including arrangements designed to preserve employee rights and benefits and provide training and retraining of such employees where necessary, and arrangements under which maximum efforts will be made to guarantee the employment of such employees.

(K) Staff assignments

The plan shall provide assurances that the staff and other personnel of the Council, while working for the Council, will be responsible solely for assisting the Council in carrying out the duties of the Council under this part and will not be assigned duties by the designated State agency, or any other agency, office, or entity of the State.

(L) Noninterference

The plan shall provide assurances that the designated State agency, and any other agency, office, or entity of the State, will not interfere with the advocacy, capacity building, and systemic change activities, budget, personnel, State plan development, or plan implementation of the Council, except that the designated State agency shall have the authority necessary to carry out the responsibilities described in section 15025(d)(3) of this title.

(M) State quality assurance

The plan shall provide assurances that the Council will participate in the planning, design or redesign, and monitoring of State quality assurance systems that affect individuals with developmental disabilities.

(N) Other assurances

The plan shall contain such additional information and assurances as the Secretary may find necessary to carry out the provisions (including the purpose) of this part.

(d) Public input and review, submission, and approval

(1) Public input and review

The plan shall be based on public input. The Council shall make the plan available for public review and comment, after providing appropriate and sufficient notice in accessible formats of the opportunity for such review and comment. The Council shall revise the plan to take into account and respond to significant comments.

(2) Consultation with the designated State agency

Before the plan is submitted to the Secretary, the Council shall consult with the designated State agency to ensure that the State plan is consistent with State law and to obtain appropriate State plan assurances.

(3) Plan approval

The Secretary shall approve any State plan and, as appropriate, amendments of such plan that comply with the provisions of subsections (a), (b), and (c) and this subsection. The Secretary may take final action to disapprove a State plan after providing reasonable notice and an opportunity for a hearing to the State.

References in text


Amendments

2004—Subsec. (c)(3)(B). Pub. L. 108–364 substituted “section 3003 or 3004 of title 29” for “section 3011 or 3012 of title 29”.

§ 15025. State Councils on Developmental Disabilities and designated State agencies

(a) In general

Each State that receives assistance under this part shall establish and maintain a Council to undertake advocacy, capacity building, and systemic change activities (consistent with subsections (b) and (c) of section 15001 of this title) that contribute to a coordinated, consumer- and family-centered, consumer- and family-directed, comprehensive system of community services, individualized supports, and other forms of assistance that contribute to the achievement of the purpose of this part. The Council shall have the authority to fulfill the responsibilities described in subsection (c).

(b) Council membership

(1) Council appointments

(A) In general

The members of the Council of a State shall be appointed by the Governor of the State from among the residents of that State.

(B) Recommendations

The Governor shall select members of the Council, at the discretion of the Governor, after soliciting recommendations from orga-
nizations representing a broad range of individuals with developmental disabilities and individuals interested in individuals with developmental disabilities, including the non-State agency members of the Council. The Council may, at the initiative of the Council, or on the request of the Governor, coordinate Council and public input to the Governor regarding all recommendations.

(C) Representation

The membership of the Council shall be geographically representative of the State and reflect the diversity of the State with respect to race and ethnicity.

(2) Membership rotation

The Governor shall make appropriate provisions to rotate the membership of the Council. Such provisions shall allow members to continue to serve on the Council until such members’ successors are appointed. The Council shall notify the Governor regarding membership requirements of the Council, and shall notify the Governor when vacancies on the Council remain unfilled for a significant period of time.

(3) Representation of individuals with developmental disabilities

Not less than 60 percent of the membership of each Council shall consist of individuals who are—

(A)(i) individuals with developmental disabilities;

(ii) parents or guardians of children with developmental disabilities; or

(iii) immediate relatives or guardians of adults with mentally impairing developmental disabilities who cannot advocate for themselves; and

(B) not employees of a State agency that receives funds or provides services under this part, and who are not managing employees (as defined in section 1126(b) of the Social Security Act (42 U.S.C. 1320a–5(b))) of any other entity that receives funds or provides services under this part.

(4) Representation of agencies and organizations

(A) In general

Each Council shall include—

(i) representatives of relevant State entities, including—


(II) Centers in the State; and

(III) the State protection and advocacy system; and

(ii) representatives, at all times, of local and nongovernmental agencies, and private nonprofit groups concerned with services for individuals with developmental disabilities in the State in which such agencies and groups are located.

(B) Authority and limitations

The representatives described in subparagraph (A) shall—

(i) have sufficient authority to engage in policy planning and implementation on behalf of the department, agency, or program such representatives represent; and

(ii) recuse themselves from any discussion of grants or contracts for which such representatives’ departments, agencies, or programs are grantees, contractors, or applicants and comply with the conflict of interest assurance requirement under section 15024(c)(5)(D) of this title.

(5) Composition of membership with developmental disabilities

Of the members of the Council described in paragraph (3)—

(A) ½ shall be individuals with developmental disabilities described in paragraph (3)(A)(i);

(B) ½ shall be parents or guardians of children with developmental disabilities described in paragraph (3)(A)(ii), or immediate relatives or guardians of adults with developmental disabilities described in paragraph (3)(A)(iii); and

(C) ½ shall be a combination of individuals described in paragraph (3)(A).

(6) Institutionalized individuals

(A) In general

Of the members of the Council described in paragraph (5), at least 1 shall be an immediate relative or guardian of an individual with a developmental disability who resides or previously resided in an institution or shall be an individual with a developmental disability who resides or previously resided in an institution.

(B) Limitation

Subparagraph (A) shall not apply with respect to a State if such an individual does not reside in that State.

(c) Council responsibilities

(1) In general

A Council, through Council members, staff, consultants, contractors, or subgrantees, shall have the responsibilities described in paragraphs (2) through (10).

(2) Advocacy, capacity building, and systemic change activities

The Council shall serve as an advocate for individuals with developmental disabilities and conduct or support programs, projects, and activities that carry out the purpose of this part.

(3) Examination of goals

At the end of each grant year, each Council shall—

(A) determine the extent to which each goal of the Council was achieved for that year;

(B) determine to the extent that each goal was not achieved, the factors that impeded the achievement;
(C) determine needs that require amendment of the 5-year strategic State plan required under section 15024 of this title; 
(D) separately determine the information on the self-advocacy goal described in section 15024(c)(4)(A)(ii) of this title; and 
(E) determine customer satisfaction with Council supported or conducted activities. 

(4) State plan development

The Council shall develop the State plan and submit the State plan to the Secretary after consultation with the designated State agency under the State plan. Such consultation shall be solely for the purposes of obtaining State assurances and ensuring consistency of the plan with State law. 

(5) State plan implementation

(A) In general

The Council shall implement the State plan by conducting and supporting advocacy, capacity building, and systemic change activities such as those described in subparagraphs (B) through (L). 

(B) Outreach

The Council may support and conduct outreach activities to identify individuals with developmental disabilities and their families who otherwise might not come to the attention of the Council and assist and enable the individuals and families to obtain services, individualized supports, and other forms of assistance, including access to special adaptation of generic community services or specialized services. 

(C) Training

The Council may support and conduct training for persons who are individuals with developmental disabilities, their families, and personnel (including professionals, para-professionals, students, volunteers, and other community members) to enable such persons to obtain access to, or to provide, community services, individualized supports, and other forms of assistance, including special adaptation of generic community services or specialized services for individuals with developmental disabilities and their families. To the extent that the Council supports or conducts training activities under this subparagraph, such activities shall contribute to the achievement of the purpose of this part. 

(D) Technical assistance

The Council may support and conduct technical assistance activities to assist public and private entities to contribute to the achievement of the purpose of this part. 

(E) Supporting and educating communities

The Council may support and conduct activities to assist neighborhoods and communities to respond positively to individuals with developmental disabilities and their families: 
(i) by encouraging local networks to provide informal and formal supports; 
(ii) through education; and 
(iii) by enabling neighborhoods and communities to offer such individuals and their families access to and use of services, resources, and opportunities. 

(F) Interagency collaboration and coordination

The Council may support and conduct activities to promote interagency collaboration and coordination to better serve, support, assist, or advocate for individuals with developmental disabilities and their families. 

(G) Coordination with related councils, committees, and programs

The Council may support and conduct activities to enhance coordination of services with— 
(i) other councils, entities, or committees, authorized by Federal or State law, concerning individuals with disabilities (such as the State interagency coordinating council established under part C of the Individuals with Disabilities Education Act (20 U.S.C. 1431 et seq.), the State Rehabilitation Council and the Statewide Independent Living Council established under the Rehabilitation Act of 1973 (29 U.S.C. 701 et seq.), the State mental health planning council established under subtitle B of title XIX of the Public Health Service Act (42 U.S.C. 300x et seq.), and the activities authorized under section 3003 or 3004 of title 29, and entities carrying out other similar councils, entities, or committees); 
(ii) parent training and information centers under part D of the Individuals with Disabilities Education Act (20 U.S.C. 1431 et seq.) and other entities carrying out federally funded projects that assist parents of children with disabilities; and 
(iii) other groups interested in advocacy, capacity building, and systemic change activities to benefit individuals with disabilities. 

(H) Barrier elimination, systems design and redesign

The Council may support and conduct activities to eliminate barriers to access and use of community services by individuals with developmental disabilities, enhance systems design and redesign, and enhance citizen participation to address issues identified in the State plan. 

(I) Coalition development and citizen participation

The Council may support and conduct activities to educate the public about the capabilities, preferences, and needs of individuals with developmental disabilities and their families and to develop and support coalitions that support the policy agenda of the Council, including training in self-advocacy, education of policymakers, and citizen leadership skills. 

(J) Informing policymakers

The Council may support and conduct activities to provide information to policy- 

See References in Text note below.
makers by supporting and conducting studies and analyses, gathering information, and developing and disseminating model policies and procedures, information, approaches, strategies, findings, conclusions, and recommendations. The Council may provide the information directly to Federal, State, and local policymakers, including Congress, the Federal executive branch, the Governors, State legislatures, and State agencies, in order to increase the ability of such policymakers to offer opportunities and to enhance or adapt generic services to meet the needs of, or provide specialized services to, individuals with developmental disabilities and their families.

(K) Demonstration of new approaches to services and supports

(i) In general

The Council may support and conduct, on a time-limited basis, activities to demonstrate new approaches to serving individuals with developmental disabilities that are a part of an overall strategy for systemic change. The strategy may involve the education of policymakers and the public about how to deliver effectively, to individuals with developmental disabilities and their families, services, supports, and assistance that contribute to the achievement of the purpose of this part.

(ii) Sources of funding

The Council may carry out this subparagraph by supporting and conducting demonstration activities through sources of funding other than funding provided under this part, and by assisting entities conducting demonstration activities to develop strategies for securing funding from other sources.

(L) Other activities

The Council may support and conduct other advocacy, capacity building, and systemic change activities to promote the development of a coordinated, consumer- and family-centered, consumer- and family-directed, comprehensive system of community services, individualized supports, and other forms of assistance that contribute to the achievement of the purpose of this part.

(6) Review of designated State agency

The Council shall periodically review the designated State agency and activities carried out under this part by the designated State agency and make any recommendations for change to the Governor.

(7) Reports

Beginning in fiscal year 2002, the Council shall annually prepare and transmit to the Secretary a report. Each report shall be in a form prescribed by the Secretary by regulation under section 15004(b) of this title. Each report shall contain information about the progress made by the Council in achieving the goals of the Council (as specified in section 15024(c)(4) of this title), including—

(A) a description of the extent to which the goals were achieved;

(B) a description of the strategies that contributed to achieving the goals;

(C) to the extent to which the goals were not achieved, a description of factors that impeded the achievement;

(D) separate information on the self-advocacy goal described in section 15024(c)(4)(A)(ii) of this title;

(E) as appropriate, an update on the results of the comprehensive review and analysis described in section 15024(c)(3) of this title; and

(F) a description of the adequacy of health care and other services, supports, and assistance that individuals with developmental disabilities in Intermediate Care Facilities (Mental Retardation) receive; and

(G) an accounting of the manner in which funds paid to the State under this part for a fiscal year were expended;

(H) a description of—

(i) resources made available to carry out activities to assist individuals with developmental disabilities that are directly attributable to Council actions; and

(ii) resources made available for such activities that are undertaken by the Council in collaboration with other entities; and

(I) a description of the method by which the Council will widely disseminate the annual report to affected constituencies and the general public and will assure that the report is available in accessible formats.

(8) Budget

Each Council shall prepare, approve, and implement a budget using amounts paid to the State under this part to fund and implement all programs, projects, and activities carried out under this part, including—

(A) conducting such hearings and forums as the Council may determine to be necessary to carry out the duties of the Council; and

(B) reimbursing members of the Council for reasonable and necessary expenses (including expenses for child care and personal assistance services) for attending Council meetings and performing Council duties;

(C) paying a stipend to a member of the Council, if such member is not employed or must forfeit wages from other employment, to attend Council meetings and perform other Council duties;

(D) supporting Council member and staff travel to authorized training and technical assistance activities including in-service training and leadership development activities; and

(E) as determined in Council policy—

(I) reimbursing members of the Council for reasonable and necessary expenses (including expenses for child care and personal assistance services) for attending Council meetings and performing Council duties;

(II) paying a stipend to a member of the Council, if such member is not employed or must forfeit wages from other employment, to attend Council meetings and perform other Council duties;

(III) supporting Council member and staff travel to authorized training and technical assistance activities including in-service training and leadership development activities; and

(F) an accounting of the manner in which funds paid to the State under this part for a fiscal year were expended;
§ 15025

(IV) carrying out appropriate subcontracting activities;

(B) hiring and maintaining such numbers and types of staff (qualified by training and experience) and obtaining the services of such professional, consulting, technical, and clerical staff (qualified by training and experience), consistent with State law, as the Council determines to be necessary to carry out the functions of the Council under this part, except that such State shall not apply hiring freezes, reductions in force, prohibitions on travel, or other policies to the staff of the Council, to the extent that such policies would impact the staff or functions funded with Federal funds, or would prevent the Council from carrying out the functions of the Council under this part; and

(C) directing the expenditure of funds for grants, contracts, interagency agreements that are binding contracts, and other activities authorized by the State plan approved under section 15024 of this title.

(9) Staff hiring and supervision

The Council shall, consistent with State law, recruit and hire a Director of the Council, should the position of Director become vacant, annually evaluate the Director. The Director shall hire, supervise, and annually evaluate the staff of the Council. Council recruitment, hiring, and dismissal of staff shall be conducted in a manner consistent with Federal and State nondiscrimination laws. Dismissal of personnel shall be conducted in a manner consistent with State law and personnel policies.

(10) Staff assignments

The staff of the Council, while working for the Council, shall be responsible solely for assisting the Council in carrying out the duties of the Council under this part and shall not be assigned duties by the designated State agency or any other agency or entity of the State.

(11) Construction

Nothing in this subchapter shall be construed to authorize a Council to direct, control, or exercise any policymaking authority or administrative authority over any program assisted under the Rehabilitation Act of 1973 (29 U.S.C. 701 et seq.) or the Individuals with Disabilities Education Act (20 U.S.C. 1400 et seq.).

(d) Designated State agency

(1) In general

Each State that receives assistance under this part shall designate a State agency that shall, on behalf of the State, provide support to the Council. After April 6, 1994, any designation of a State agency under this paragraph shall be made in accordance with the requirements of this subsection.

(2) Designation

(A) Type of agency

Except as provided in this subsection, the designated State agency shall be—

(i) the Council if such Council may be the designated State agency under the laws of the State;

(ii) a State agency that does not provide or pay for services for individuals with developmental disabilities; or

(iii) a State office, including the immediate office of the Governor of the State or a State planning office.

(B) Conditions for continuation of State service agency designation

(i) Designation before April 6, 1994

If a State agency that provides or pays for services for individuals with developmental disabilities was a designated State agency for purposes of part B of the Developmental Disabilities Assistance and Bill of Rights Act on April 6, 1994, and the Governor of the State (or the legislature, where appropriate and in accordance with State law) determines prior to June 30, 1994, not to change the designation of such agency, such agency may continue to be a designated State agency for purposes of this part.

(ii) Criteria for continued designation

The determination, at the discretion of the Governor (or the legislature, as the case may be), shall be made after—

(I) the Governor has considered the comments and recommendations of the general public and a majority of the non-State agency members of the Council with respect to the designation of such State agency; and

(II) the Governor (or the legislature, as the case may be) has made an independent assessment that the designation of such agency will not interfere with the budget, personnel, priorities, or other action of the Council, and the ability of the Council to serve as an independent advocate for individuals with developmental disabilities.

(C) Review of designation

The Council may request a review of and change in the designation of the designated State agency by the Governor (or the legislature, as the case may be). The Council shall provide documentation concerning the reason the Council desires a change to be made and make a recommendation to the Governor (or the legislature, as the case may be) regarding a preferred designated State agency.

(D) Appeal of designation

After the review is completed under subparagraph (C), a majority of the non-State agency members of the Council may appeal to the Secretary for a review of and change in the designation of the designated State agency. If the ability of the Council to serve as an independent advocate is not assured because of the actions or inactions of the designated State agency.

(3) Responsibilities

(A) In general

The designated State agency shall, on behalf of the State, have the responsibilities described in subparagraphs (B) through (G).
(B) Support services
The designated State agency shall provide required assurances and support services as requested by and negotiated with the Council.

(C) Fiscal responsibilities
The designated State agency shall—
(i) receive, account for, and disburse funds under this part based on the State plan required in section 15024 of this title; and
(ii) provide for such fiscal control and fund accounting procedures as may be necessary to assure the proper disbursement of, and accounting for, funds paid to the State under this part.

(D) Records, access, and financial reports
The designated State agency shall keep and provide access to such records as the Secretary and the Council may determine to be necessary. The designated State agency, if other than the Council, shall provide timely financial reports at the request of the Council regarding the status of expenditures, obligations, and liquidation by the agency or the Council, and the use of the Federal and non-Federal shares described in section 15026 of this title, by the agency or the Council.

(E) Non-Federal share
The designated State agency, if other than the Council, shall provide the required non-Federal share described in section 15026(c) of this title.

(F) Assurances
The designated State agency shall assist the Council in obtaining the appropriate State plan assurances and in ensuring that the plan is consistent with State law.

(G) Memorandum of understanding
On the request of the Council, the designated State agency shall enter into a memorandum of understanding with the Council delineating the roles and responsibilities of the designated State agency.

(4) Use of funds for designated State agency responsibilities

(A) Condition for Federal funding
(i) In general
The Secretary shall provide amounts to a State under section 15024(c)(5)(B)(vi) of this title for a fiscal year only if the State expends an amount from State sources for carrying out the responsibilities of the designated State agency under paragraph (3) for the fiscal year that is not less than the total amount the State expended from such sources for carrying out similar responsibilities for the previous fiscal year.

(ii) Exception
Clause (i) shall not apply in a year in which the Council is the designated State agency.

(B) Support services provided by other agencies
With the agreement of the designated State agency, the Council may use or contract with agencies other than the designated State agency to perform the functions of the designated State agency.

REFERENCES IN TEXT


The Public Health Service Act, referred to in subsec. (c)(5)(G)(i), is act July 1, 1944, ch. 373, 58 Stat. 682, as amended. The reference to subtitle B of title XIX of the Act which is classified generally to part B (§300x et seq.) of subchapter XVII of chapter 6A of this title. For complete classification of this Act to the Code, see Short Title note set out under section 201 of this title and Tables.


AMENDMENTS

§15026. Federal and non-Federal share

(a) Aggregate cost

(1) In general
Except as provided in paragraphs (2) and (3), the Federal share of the cost of all projects in a State supported by an allotment to the State under this part may not be more than 75 percent of the aggregate necessary cost of such projects, as determined by the Secretary.

(2) Urban or rural poverty areas
In the case of projects whose activities or products target individuals with develop-
(1) the Council or agency has failed to comply substantially with any of the provisions required by section 15024 of this title to be included in the State plan, particularly provisions required by paragraphs (4)(A) and (5)(B)(vii) of section 15024(c) of this title, or with any of the provisions required by section 15025(b)(3) of this title; or

(2) the Council or agency has failed to comply substantially with any regulations of the Secretary that are applicable to this part, the Secretary shall notify such Council and agency that the Secretary will not make further payments to the State under section 15022 of this title (or, in the discretion of the Secretary, that further payments to the State under section 15022 of this title for activities for which there is such failure), until the Secretary is satisfied that there will no longer be such failure. Until the Secretary is so satisfied, the Secretary shall make no further payments to the State under section 15022 of this title, or shall limit further payments under section 15022 of this title to such State to activities for which there is no such failure.


§ 15028. Appeals by States

(a) Appeal

If any State is dissatisfied with the Secretary’s action under section 15024(d)(3) or 15027 of this title, such State may appeal to the United States court of appeals for the circuit in which such State is located, by filing a petition with such court not later than 60 days after such action.

(b) Filing

The clerk of the court shall transmit promptly a copy of the petition to the Secretary, or any officer designated by the Secretary for that purpose. The Secretary shall file promptly with the court the record of the proceedings on which the Secretary based the action, as provided in section 2112 of title 28.

(c) Jurisdiction

Upon the filing of the petition, the court shall have jurisdiction to affirm the action of the Secretary or to set the action aside, in whole or in part, temporarily or permanently. Until the filing of the record, the Secretary may modify or set aside the order of the Secretary relating to the action.

(d) Findings and remand

The findings of the Secretary about the facts, if supported by substantial evidence, shall be conclusive, but the court, for good cause shown, may remand the case involved to the Secretary for further proceedings to take further evidence. On remand, the Secretary may make new or modified findings of fact and may modify the previous action of the Secretary, and shall file with the court the record of the further proceedings. Such new or modified findings of fact shall likewise be conclusive if supported by substantial evidence.

(e) Finality

The judgment of the court affirming or setting aside, in whole or in part, any action of the Sec-
§ 15042. Allotments and payments

The commencement of proceedings under this section shall not, unless so specifically ordered by a court, operate as a stay of the Secretary's action.


§ 15029. Authorization of appropriations

(a) Funding for State allotments

Except as described in subsection (b), there are authorized to be appropriated for allotments under section 15022 of this title $76,000,000 for fiscal year 2001 and such sums as may be necessary for each of fiscal years 2002 through 2007.

(b) Reservation for technical assistance

(1) Lower appropriation years

For any fiscal year for which the amount appropriated under subsection (a) is less than $76,000,000, the Secretary shall reserve funds in accordance with section 15083(c) of this title to provide technical assistance to entities funded under this part.

(2) Higher appropriation years

For any fiscal year for which the amount appropriated under subsection (a) is not less than $76,000,000, the Secretary shall reserve not less than $300,000 and not more than 1 percent of the amount appropriated under subsection (a) to provide technical assistance to entities funded under this part.


PART C—PROTECTION AND ADVOCACY OF INDIVIDUAL RIGHTS

§ 15041. Purpose

The purpose of this part is to provide for allotments to support a protection and advocacy system (referred to in this part as a “system”) in each State to protect the legal and human rights of individuals with developmental disabilities in accordance with this part.


§ 15042. Allotments and payments

(a) Allotments

(1) In general

To assist States in meeting the requirements of section 15043(a) of this title, the Secretary shall allot to the States the amounts appropriated under section 15045 of this title and not reserved under paragraph (6). Allotments and reallocations of such sums shall be made on the same basis as the allotments and reallocations are made under subsections (a)(1)(A) and (e) of section 15022 of this title, except as provided in paragraph (2).

(2) Minimum allotments

In any case in which—

(A) the total amount appropriated under section 15045 of this title for a fiscal year is not less than $20,000,000, the allotment under paragraph (1) for such fiscal year—

(i) to each of American Samoa, Guam, the United States Virgin Islands, and the Commonwealth of the Northern Mariana Islands may not be less than $107,000; and

(ii) to any State not described in clause (i) may not be less than $200,000; or

(B) the total amount appropriated under section 15045 of this title for a fiscal year is less than $20,000,000, the allotment under paragraph (1) for such fiscal year—

(i) to each of American Samoa, Guam, the United States Virgin Islands, and the Commonwealth of the Northern Mariana Islands may not be less than $80,000; and

(ii) to any State not described in clause (i) may not be less than $150,000.

(3) Reduction of allotment

Notwithstanding paragraphs (1) and (2), if the aggregate of the amounts to be allotted to the States pursuant to such paragraphs for any fiscal year exceeds the total amount appropriated for such allotments under section 15045 of this title for such fiscal year, the amount to be allotted to each State for such fiscal year shall be proportionately reduced.

(4) Increase in allotments

In any year in which the total amount appropriated under section 15045 of this title for a fiscal year exceeds the total amount appropriated under such section (or a corresponding provision) for the preceding fiscal year by a percentage greater than the most recent percentage change in the Consumer Price Index published by the Secretary of Labor under section 720(c)(1) of title 29 (if the percentage change indicates an increase), the Secretary shall increase each of the minimum allotments described in subparagraphs (A) and (B) of paragraph (2). The Secretary shall increase each of the minimum allotments by an amount that bears the same ratio to the amount of such minimum allotment (including any increases in such minimum allotment under this paragraph (or a corresponding provision) for prior fiscal years) as the amount that is equal to the difference between—

(A) the total amount appropriated under section 15045 of this title for the fiscal year for which the increase in the minimum allotment is being made; minus

(B) the total amount appropriated under section 15045 of this title (or a corresponding provision) for the immediately preceding fiscal year,

bears to the total amount appropriated under section 15045 of this title (or a corresponding provision) for such preceding fiscal year.

(5) Monitoring the administration of the system

In a State in which the system is housed in a State agency, the State may use not more than 5 percent of any allotment under this subsection for the costs of monitoring the administration of the system required under section 15043(a) of this title.
§ 15043 SYSTEM REQUIRED

(a) System required

In order for a State to receive an allotment under part B or this part—
(1) the State shall have in effect a system to protect and advocate the rights of individuals with developmental disabilities;
(2) such system shall—
(A) have the authority to—
(i) pursue legal, administrative, and other appropriate remedies or approaches to ensure the protection of, and advocacy for, the rights of such individuals within the State who are or who may be eligible for treatment, services, or habilitation, or who are being considered for a change in living arrangements, with particular attention to members of ethnic and racial minority groups; and
(ii) provide information on and referral to programs and services addressing the needs of individuals with developmental disabilities;
(B) have the authority to investigate incidents of abuse and neglect of individuals with developmental disabilities if the incidents are reported to the system or if there is probable cause to believe that the incidents occurred;
(C) on an annual basis, develop, submit to the Secretary, and take action with regard to goals (each of which is related to 1 or more areas of emphasis) and priorities, developed through data driven strategic planning, for the system’s activities;

(b) Payment to systems

Notwithstanding any other provision of law, the Secretary shall pay directly to any system in a State that complies with the provisions of this part the amount of the allotment made for the State under this section, unless the system specifies otherwise.

(c) Unobligated funds

Any amount paid to a system under this part for a fiscal year and remaining unobligated at the end of such year shall remain available to such system for the next fiscal year, for the purposes for which such amount was paid.


§ 15043. TECHNICAL ASSISTANCE AND AMERICAN INDIAN CONSORTIUM

(6) Technical assistance and American Indian consortium

In any case in which the total amount appropriated under section 15045 of this title for a fiscal year is more than $24,500,000, the Secretary shall—
(A) use not more than 2 percent of the amount appropriated to provide technical assistance to eligible systems with respect to activities carried out under this part (consistent with requests by such systems for such assistance for the year); and
(B) provide a grant in accordance with section 15043(b) of this title, and in an amount described in paragraph (2)(A)(i), to an American Indian consortium to provide protection and advocacy services.

(D) on an annual basis, provide to the public, including individuals with developmental disabilities attributable to either physical impairment, mental impairment, or a combination of physical and mental impairment, and their representatives, and as appropriate, non-State agency representatives of the State Councils on Developmental Disabilities, and Centers, in the State, an opportunity to comment on—
(i) the goals and priorities established by the system and the rationale for the establishment of such goals; and
(ii) the activities of the system, including the coordination of services with the entities carrying out advocacy programs under the Rehabilitation Act of 1973 (29 U.S.C. 701 et seq.), the Older Americans Act of 1965 (42 U.S.C. 3001 et seq.), and the Protection and Advocacy for Mentally Ill Individuals Act of 1986[1] (42 U.S.C. 10801 et seq.), and with entities carrying out other related programs, including the parent training and information centers funded under the Individuals with Disabilities Education Act (20 U.S.C. 1400 et seq.), and activities authorized under section 3003 or 3004 of title 29;
(E) establish a grievance procedure for clients or prospective clients of the system to ensure that individuals with developmental disabilities have full access to services of the system;
(F) not be administered by the State Council on Developmental Disabilities;
(G) be independent of any agency that provides treatment, services, or habilitation to individuals with developmental disabilities;
(H) have access at reasonable times to any individual with a developmental disability in a location in which services, supports, and other assistance are provided to such an individual, in order to carry out the purpose of this part;
(I) have access to all records of—
(i) any individual with a developmental disability who is a client of the system if such individual, or the legal guardian, conservator, or other legal representative of such individual, has authorized the system to have such access;
(ii) any individual with a developmental disability, in a situation in which—
(I) the individual, by reason of such individual’s mental or physical condition, is unable to authorize the system to have such access;
(II) the individual does not have a legal guardian, conservator, or other legal representative, or the legal guardian of the individual is the State; and
(III) a complaint has been received by the system about the individual with regard to the status or treatment of the individual or, as a result of monitoring or other activities, there is probable cause to believe that such individual has been subject to abuse or neglect; and

(iii) any individual with a developmental disability, in a situation in which—
(I) the individual has a legal guardian, conservator, or other legal representative;
(II) a complaint has been received by the system about the individual with regard to the status or treatment of the individual or, as a result of monitoring or other activities, there is probable cause to believe that such individual has been subject to abuse or neglect;
(III) such representative has been contacted by such system, upon receipt of the name and address of such representative;
(IV) such system has offered assistance to such representative to resolve the situation; and
(V) such representative has failed or refused to act on behalf of the individual;

(J)(i) have access to the records of individuals described in subparagraphs (B) and (I), and other records that are relevant to conducting an investigation, under the circumstances described in those subparagraphs, not later than 3 business days after the system makes a written request for the records involved; and
(ii) have immediate access, not later than 24 hours after the system makes such a request, to the records without consent from another party, in a situation in which services, supports, and other assistance are provided to an individual with a developmental disability—
(I) if the system determines there is probable cause to believe that the health or safety of the individual is in serious and immediate jeopardy; or
(II) in any case of death of an individual with a developmental disability;

(K) hire and maintain sufficient numbers and types of staff (qualified by training and experience) to carry out such system’s functions, except that the State involved shall not apply hiring freezes, reductions in force, prohibitions on travel, or other policies to the staff of the system, to the extent that such policies would impact the staff or functions of the system funded with Federal funds or would prevent the system from carrying out the functions of the system under this part;

(L) have the authority to educate policymakers; and

(M) provide assurances to the Secretary that funds allotted to the State under section 15042 of this title will be used to supplement, and not supplant, the non-Federal funds that would otherwise be made available for the purposes for which the allotted funds are provided;

(3) to the extent that information is available, the State shall provide to the system—
(A) a copy of each independent review, pursuant to section 1396a(a)(30)(C) of this title, of an Intermediate Care Facility (Mental Retardation) within the State, not later than 30 days after the availability of such a review; and
(B) information about the adequacy of health care and other services, supports, and assistance that individuals with developmental disabilities who are served through home and community-based waivers (authorized under section 1396n(c) of this title) receive; and

(4) the agency implementing the system shall not be redesignated unless—
(A) there is good cause for the redesignation;
(B) the State has given the agency notice of the intention to make such redesignation, including notice regarding the good cause for such redesignation, and given the agency an opportunity to respond to the assertion that good cause has been shown;
(C) the State has given timely notice and an opportunity for public comment in an accessible format to individuals with developmental disabilities or their representatives; and
(D) the system has an opportunity to appeal the redesignation to the Secretary, on the basis that the redesignation was not for good cause.

(b) American Indian consortium

Upon application to the Secretary, an American Indian consortium established to provide protection and advocacy services under this part, shall receive funding pursuant to section 15042(a)(6) of this title to provide the services. Such consortium shall be considered to be a system for purposes of this part and shall coordinate the services with other systems serving the same geographic area. The tribal council that designates the consortium shall carry out the responsibilities and exercise the authorities specified for a State in this part, with regard to the consortium.

(c) Record

In this section, the term “record” includes—
(1) a report prepared or received by any staff at any location at which services, supports, or other assistance is provided to individuals with developmental disabilities;
(2) a report prepared by an agency or staff person charged with investigating reports of incidents of abuse or neglect, injury, or death occurring at such location, that describes such incidents and the steps taken to investigate such incidents; and

(3) a discharge planning record.


REFERENCES IN TEXT


The Older Americans Act of 1965, referred to in subsec. (a)(2)(D)(ii), is Pub. L. 89–73, July 14, 1965, 79 Stat. 218, as amended, which is classified generally to chapter 30 (§3001 et seq.) of this title. For complete classi-
fication of this Act to the Code, see Short Title note set out under section 3001 of this title and Tables.


The Individuals with Disabilities Education Act, referred to in subsec. (a)(2)(D)(ii), is title VI of Pub. L. 91–230, Apr. 13, 1970, 84 Stat. 175, as amended, which is classified generally to chapter 33 (§ 1400 et seq.) of Title 20, Education. For complete classification of this Act to the Code, see section 1400 of Title 20 and Tables.

AMENDMENTS

§ 15044. Administration

(a) Governing board

In a State in which the system described in section 15043 of this title is organized as a private nonprofit entity with a multimember governing board, or a public system with a multimember governing board, such governing board shall be selected according to the policies and procedures of the system, except that—

(1)(A) the governing board shall be composed of members who broadly represent or are knowledgeable about the needs of the individuals served by the system;

(B) a majority of the members of the board shall be—

(i) individuals with disabilities, including individuals with developmental disabilities, who are eligible for services, or have received or are receiving services through the system;

(ii) parents, family members, guardians, advocates, or authorized representatives of individuals referred to in clause (i); and

(C) the board may include a representative of the State Council on Developmental Disabilities, the Centers in the State, and the self-advocacy organization described in section 15024(c)(4)(A)(ii)(I) of this title;

(2) not more than ¼ of the members of the governing board may be appointed by the chief executive officer of the State involved, in the case of any State in which such officer has the authority to appoint members of the board;

(3) the membership of the governing board shall be subject to term limits set by the system to ensure rotating membership;

(4) any vacancy in the board shall be filled not later than 60 days after the date on which the vacancy occurs; and

(5) in a State in which the system is organized as a public system without a multimember governing or advisory board, the system shall establish an advisory council—

(A) that shall advise the system on policies and priorities to be carried out in protecting and advocating the rights of individuals with developmental disabilities; and

(B) on which a majority of the members shall be—

(i) individuals with developmental disabilities who are eligible for services, or have received or are receiving services, through the system;

(ii) parents, family members, guardians, advocates, or authorized representatives of individuals referred to in clause (i).

(b) Legal action

(1) In general

Nothing in this subchapter shall preclude a system from bringing a suit on behalf of individuals with developmental disabilities against a State, or an agency or instrumentality of a State.

(2) Use of amounts from judgment

An amount received pursuant to a suit described in paragraph (1) through a court judgment may only be used by the system to further the purpose of this part and shall not be used to augment payments to legal contractors or to award personal bonuses.

(3) Limitation

The system shall use assistance provided under this part in a manner consistent with section 14404 of this title.

(c) Disclosure of information

For purposes of any periodic audit, report, or evaluation required under this part, the Secretary shall not require an entity carrying out a program to disclose the identity of, or any other personally identifiable information related to, any individual requesting assistance under such program.

(d) Public notice of Federal onsite review

The Secretary shall provide advance public notice of any Federal programmatic or administrative onsite review of a system conducted under this part and solicit public comment on the system through such notice. The Secretary shall prepare an onsite visit report containing the results of such review, which shall be distributed to the Governor of the State and to other interested public and private parties. The comments received in response to the public comment solicitation notice shall be included in the onsite visit report.

(e) Reports

Beginning in fiscal year 2002, each system established in a State pursuant to this part shall annually prepare and transmit to the Secretary a report that describes the activities, accomplishments, and expenditures of the system during the preceding fiscal year, including a description of the system’s goals, the extent to which the goals were achieved, barriers to their achievement, the process used to obtain public input, the nature of such input, and how such input was used.


§ 15045. Authorization of appropriations

For allotments under section 15042 of this title, there are authorized to be appropriated $32,000,000 for fiscal year 2001 and such sums as may be necessary for each of fiscal years 2002 through 2007.
PART D—NATIONAL NETWORK OF UNIVERSITY CENTERS FOR EXCELLENCE IN DEVELOPMENTAL DISABILITIES EDUCATION, RESEARCH, AND SERVICE

§ 15061. Grant authority

(a) National network

From appropriations authorized under section 15066(a)(1) of this title, the Secretary shall make 5-year grants to entities in each State designated as University Centers for Excellence in Developmental Disabilities Education, Research, and Service to carry out activities described in section 15063(a) of this title.

(b) National training initiatives

From appropriations authorized under section 15066(a)(1) of this title and reserved under section 15066(a)(2) of this title, the Secretary shall make grants to Centers to carry out activities described in section 15063(b) of this title.

(c) Technical assistance

From appropriations authorized under section 15066(a)(1) of this title and reserved under section 15066(a)(3) of this title (or from funds reserved under section 15083 of this title, as appropriate), the Secretary shall enter into 1 or more cooperative agreements or contracts for the purpose of providing technical assistance described in section 15063(c) of this title.

§ 15062. Grant awards

(a) Existing Centers

(1) In general

In awarding and distributing grant funds under section 15061(a) of this title for a fiscal year, the Secretary, subject to the availability of appropriations and the condition specified in subsection (d), shall award and distribute grant funds in equal amounts of $500,000 (adjusted in accordance with subsection (b)), to each Center that existed during the preceding fiscal year and that meets the requirements of this part, prior to making grants under subsection (c) or (d).

(2) Reduction of award

Notwithstanding paragraph (1), if the aggregate of the funds to be awarded to the Centers pursuant to paragraph (1) for any fiscal year exceeds the total amount appropriated under section 15066 of this title for such fiscal year, the amount to be awarded to each Center for such fiscal year shall be proportionately reduced.

(b) Adjustments

Subject to the availability of appropriations, for any fiscal year following a year in which each Center described in subsection (a) received a grant award of not less than $500,000 under subsection (a) (adjusted in accordance with this subsection), the Secretary shall adjust the awards to take into account the most recent percentage change in the Consumer Price Index published by the Secretary of Labor under section 720(c)(1) of title 29 (if the percentage change indicates an increase), prior to making grants under subsection (c) or (d).

(c) National training initiatives on critical and emerging needs

Subject to the availability of appropriations, for any fiscal year in which each Center described in subsection (a) receives a grant award of not less than $500,000, under subsection (a) (adjusted in accordance with subsection (b)), after making the grant awards, the Secretary shall make grants under section 15061(b) of this title to Centers to pay for the Federal share of the cost of training initiatives related to the unmet needs of individuals with developmental disabilities and their families, as described in section 15063(b) of this title.

(d) Additional grants

For any fiscal year in which each Center described in subsection (a) receives a grant award of not less than $500,000 (adjusted in accordance with subsection (b)), after making the grant awards, the Secretary may make grants under section 15061(a) of this title for activities described in section 15063(a) of this title to additional Centers, or additional grants to Centers, for States or populations that are unserved or underserved by Centers due to such factors as—

(1) population;

(2) a high concentration of rural or urban areas; or

(3) a high concentration of underserved or underserved populations.

§ 15063. Purpose and scope of activities

(a) National network of University Centers for Excellence in Developmental Disabilities Education, Research, and Service

(1) In general

In order to provide leadership in, advise Federal, State, and community policymakers about, and promote opportunities for individuals with developmental disabilities to exercise self-determination, be independent, be productive, and be integrated and included in all facets of community life, the Secretary shall award grants to eligible entities designated as Centers in each State to pay for the Federal share of the cost of the administration and operation of the Centers. The Centers shall be interdisciplinary education, research, and public service units of universities (as defined by the Secretary) or public or not-for-profit entities associated with universities that engage in core functions, described in paragraph (2), addressing, directly or indirectly, 1 or more of the areas of emphasis.

(2) Core functions

The core functions referred to in paragraph (1) shall include the following:

(A) Provision of interdisciplinary pre-service preparation and continuing education of students and fellows, which may include the
preparation and continuing education of leadership, direct service, clinical, or other personnel to strengthen and increase the capacity of States and communities to achieve the purpose of this subchapter.

(b) National training initiatives on critical and emerging needs

(1) Supplemental grants

After consultation with relevant, informed sources, including individuals with developmental disabilities and their families, the Secretary shall award, under section 15061(b) of this title, supplemental grants to Centers to pay for the Federal share of the cost of training initiatives related to the unmet needs of individuals with developmental disabilities and their families. The Secretary shall make the grants on a competitive basis, and for periods of not more than 5 years.

(2) Establishment of consultation process by the Secretary

Not later than 1 year after October 30, 2000, the Secretary shall establish a consultation process that, on an ongoing basis, allows the Secretary to identify and address, through supplemental grants authorized under paragraph (1), training initiatives related to the unmet needs of individuals with developmental disabilities and their families. The Secretary shall make the grants on a competitive basis, and for periods of not more than 5 years.

(c) Technical assistance

In order to strengthen and support the national network of Centers, the Secretary may enter into 1 or more cooperative agreements or contracts to—

(1) assist in national and international dissemination of specific information from multiple Centers and, in appropriate cases, other entities whose work affects the lives of persons with developmental disabilities;

(2) convene experts from multiple Centers to discuss and make recommendations with regard to national emerging needs of individuals with developmental disabilities;

(3) develop portals that link users with every Center’s website; and

(4) facilitate electronic information sharing using state-of-the-art Internet technologies such as real-time online discussions, multi-point video conferencing, and web-based audio/video broadcasts, on emerging topics that impact individuals with disabilities and their families;

(5) serve as a research-based resource for Federal and State policymakers on information concerning and issues impacting individuals with developmental disabilities and entities that assist or serve those individuals; or

(6) undertake any other functions that the Secretary determines to be appropriate;

(D) serve as a research-based resource for Federal and State policymakers on information concerning and issues impacting individuals with developmental disabilities and entities that assist or serve those individuals; or

(6) undertake any other functions that the Secretary determines to be appropriate;

to promote the viability and use of the resources and expertise of the Centers nationally and internationally.


§ 15064. Applications

(a) Applications for core Center grants

(1) In general

To be eligible to receive a grant under section 15061(a) of this title for a Center, an entity shall submit to the Secretary, and obtain approval of, an application at such time, in such manner, and containing such information, as the Secretary may require.

(2) Application contents

Each application described in paragraph (1) shall describe a 5-year plan, including a projected goal related to 1 or more areas of emphasis for each of the core functions described in section 15063(a) of this title.

(3) Assurances

The application shall be approved by the Secretary only if the application contains or is supported by reasonable assurances that the entity designated as the Center will—

(A) meet regulatory standards as established by the Secretary for Centers;

(B) address the projected goals, and carry out goal-related activities, based on data driven strategic planning and in a manner consistent with the objectives of this part, that—

(i) are developed in collaboration with the consumer advisory committee established pursuant to subparagraph (E);

(ii) are consistent with, and to the extent feasible complement and further, the Council goals contained in the State plan submitted under section 15024 of this title and the system goals established under section 15043 of this title; and

(iii) will be reviewed and revised annually as necessary to address emerging trends and needs;
(C) use the funds made available through the grant to supplement, and not supplant, the funds that would otherwise be made available for activities described in section 15063(a) of this title; (D) protect, consistent with the policy specified in section 15001(c) of this title (relating to rights of individuals with developmental disabilities), the legal and human rights of all individuals with developmental disabilities (especially those individuals under State guardianship) who are involved in activities carried out under programs assisted under this part; (E) establish a consumer advisory committee— (i) of which a majority of the members shall be individuals with developmental disabilities and family members of such individuals; (ii) that is comprised of— (I) individuals with developmental disabilities and related disabilities; (II) family members of individuals with developmental disabilities; (III) a representative of the State protection and advocacy system; (IV) a representative of the State Council on Developmental Disabilities; (V) a representative of a self-advocacy organization described in section 15024(c)(4)(A)(ii)(I) of this title; and (VI) representatives of organizations that may include parent training and information centers assisted under section 1471 or 1472 of title 20, entities carrying out activities authorized under section 3003 or 3004 of title 29, relevant State agencies, and other community groups concerned with the welfare of individuals with developmental disabilities and their families; (iii) that reflects the racial and ethnic diversity of the State; and (iv) that shall— (I) consult with the Director of the Center regarding the development of the 5-year plan, and shall participate in an annual review of, and comment on, the progress of the Center in meeting the projected goals contained in the plan, and shall make recommendations to the Director of the Center regarding any proposed revisions of the plan that might be necessary; and (II) meet as often as necessary to carry out the role of the committee, but at a minimum twice during each grant year; (F) to the extent possible, utilize the infrastructure and resources obtained through funds made available under the grant to leverage additional public and private funds to successfully achieve the projected goals developed in the 5-year plan; (G)(i) have a director with appropriate academic credentials, demonstrated leadership, expertise regarding developmental disabilities, significant experience in managing grants and contracts, and the ability to leverage public and private funds; and (ii) allocate adequate staff time to carry out activities related to each of the core functions described in section 15063(a) of this title; and (H) educate, and disseminate information related to the purpose of this subchapter to, the legislature of the State in which the Center is located, and to Members of Congress from such State. (b) Supplemental grant applications pertaining to national training initiatives in critical and emerging needs To be eligible to receive a supplemental grant under section 15061(b) of this title, a Center may submit a supplemental application to the Secretary at such time, in such manner, and containing such information as the Secretary may require, pursuant to the terms and conditions set by the Secretary consistent with section 15063(b) of this title. (c) Peer review (1) In general The Secretary shall require that all applications submitted under this part be subject to technical and qualitative review by peer review groups established under paragraph (2). The Secretary may approve an application under this part only if such application has been recommended by a peer review group that has conducted the peer review required under this paragraph. In conducting the review, the group may conduct onsite visits or inspections of related activities as necessary. (2) Establishment of peer review groups (A) In general The Secretary, acting through the Commissioner of the Administration on Developmental Disabilities, may, notwithstanding— (i) the provisions of title 5 concerning appointments to the competitive service; and (ii) the provisions of chapter 51, and subchapter III of chapter 53 of title 5 concerning classification and General Schedule pay rates; establish such peer review groups and appoint and set the rates of pay of members of such groups. (B) Composition Each peer review group shall include such individuals with disabilities and parents, guardians, or advocates of or for individuals with developmental disabilities, as are necessary to carry out this subsection. (3) Waivers of approval The Secretary may waive the provisions of paragraph (1) with respect to review and approval of an application if the Secretary determines that exceptional circumstances warrant such a waiver. (d) Federal share (1) In general The Federal share of the cost of administration or operation of a Center, or the cost of carrying out a training initiative, supported by a grant made under this part may not be
§ 15065. Definition

(e) Annual report

Each Center shall annually prepare and transmit to the Secretary a report containing—

1. information on progress made in achieving the projected goals of the Center for the previous year, including—
   (A) the extent to which the goals were achieved;
   (B) a description of the strategies that contributed to achieving the goals;
   (C) to the extent to which the goals were not achieved, a description of factors that impeded the achievement; and
   (D) an accounting of the manner in which funds paid to the Center under this part for a fiscal year were expended;

2. information on proposed revisions to the goals; and

3. a description of successful efforts to leverage funds, other than funds made available under this part, to pursue goals consistent with this part.

§ 15066. Authorization of appropriations

(a) Authorization and reservations

(1) Authorization

There are authorized to be appropriated to carry out this part (other than section 15063(c)(4) of this title) $30,000,000 for fiscal year 2001 and such sums as may be necessary for each of fiscal years 2002 through 2007.

(2) Reservation for training initiatives

From any amount appropriated for a fiscal year under paragraph (1) and remaining after each Center described in section 15062(a) of this title has received a grant award of not less than $500,000, as described in section 15062 of this title, the Secretary shall reserve funds for the training initiatives authorized under section 15063(b) of this title.

(3) Reservation for technical assistance

(A) Years before appropriation trigger

For any covered year, the Secretary shall reserve funds in accordance with section 15083(c) of this title to fund technical assistance activities under section 15063(c) of this title (other than section 15063(c)(4) of this title).

(B) Years after appropriation trigger

For any fiscal year that is not a covered year, the Secretary shall reserve not less than $300,000 and not more than 2 percent of the amount appropriated under paragraph (1) to fund technical assistance activities under section 15063(c) of this title (other than section 15063(c)(4) of this title).

(C) Covered year

In this paragraph, the term “covered year” means a fiscal year prior to the first fiscal year for which the amount appropriated under paragraph (1) is not less than $20,000,000.

(b) Limitation

The Secretary may not use, for peer review or other activities directly related to peer review conducted under this part—

1. for fiscal year 2001, more than $300,000 of the funds made available under subsection (a); and

2. for any succeeding fiscal year, more than the amount of funds used for the peer review and related activities in fiscal year 2001, adjusted to take into account the most recent percentage change in the Consumer Price Index published by the Secretary of Labor under section 720(c)(1) of title 29 (if the percentage change indicates an increase).

§ 15081. Purpose

The purpose of this part is to provide grants, contracts, or cooperative agreements for projects of national significance that—

1. create opportunities for individuals with developmental disabilities to directly and fully contribute to, and participate in, all facets of community life; and

2. support the development of national and State policies that reinforce and promote, with the support of families, guardians, advocates, and communities, of individuals with developmental disabilities, the self-determina-
tion, independence, productivity, and integration and inclusion in all facets of community life of such individuals through—

(A) family support activities;
(B) data collection and analysis;
(C) technical assistance to entities funded under parts B and D, subject to the limitations described in sections 15029(b), 15066(a)(3), and 15083(c) of this title; and
(D) other projects of sufficient size and scope that hold promise to expand or improve opportunities for such individuals, including—

(i) projects that provide technical assistance for the development of information and referral systems;
(ii) projects that provide technical assistance to self-advocacy organizations of individuals with developmental disabilities;
(iii) projects that provide education for policymakers;
(iv) Federal interagency initiatives;
(v) projects that enhance the participation of racial and ethnic minorities in public and private sector initiatives in developmental disabilities;
(vi) projects that provide aid to transition youth with developmental disabilities from school to adult life, especially in finding employment and postsecondary education opportunities and in upgrading and changing any assistive technology devices that may be needed as a youth matures;
(vii) initiatives that address the development of community quality assurance systems and the training related to the development, implementation, and evaluation of such systems, including training of individuals with developmental disabilities and their families;
(viii) initiatives that address the needs of aging individuals with developmental disabilities and aging caregivers of adults with developmental disabilities in the community;
(ix) initiatives that create greater access to and use of generic services systems, community organizations, and associations, and initiatives that assist in community economic development;
(x) initiatives that create access to increased living options;
(xi) initiatives that address the challenging behaviors of individuals with developmental disabilities, including initiatives that promote positive alternatives to the use of restraints and seclusion; and
(xii) initiatives that address other areas of emerging need.

(b) Federal interagency initiatives

(1) In general

(A) Authority

The Secretary may—

(i) enter into agreements with Federal agencies to jointly carry out activities described in section 15081(2) of this title or to jointly carry out activities of common interest related to the objectives of such section; and
(ii) transfer to such agencies for such purposes funds appropriated under this part, and receive and use funds from such agencies for such purposes.

(B) Relation to program purposes

Funds transferred or received pursuant to this paragraph shall be used only in accordance with statutes authorizing the appropriation of such funds. Such funds shall be made available through grants, contracts, or cooperative agreements only to recipients eligible to receive such funds under such statutes.

(C) Procedures and criteria

If the Secretary enters into an agreement under this subsection for the administration of a jointly funded project—

(i) the agreement shall specify which agency’s procedures shall be used to award grants, contracts, or cooperative agreements and to administer such awards;
(ii) the participating agencies may develop a single set of criteria for the jointly funded project, and may require applicants to submit a single application for joint review by such agencies; and
(iii) unless the heads of the participating agencies develop joint eligibility requirements, an applicant for an award for the project shall meet the eligibility requirements of each program involved.

(2) Limitation

The Secretary may not construe the provisions of this subsection to take precedence over a limitation on joint funding contained in an applicable statute.

§ 15083. Authorization of appropriations

(a) In general

There are authorized to be appropriated to carry out the projects specified in this section $16,000,000 for fiscal year 2001, and such sums as may be necessary for each of fiscal years 2002 through 2007.

(b) Use of funds

(1) Grants, contracts, and agreements

Except as provided in paragraph (2), the amount appropriated under subsection (a) for each fiscal year shall be used to award grants, or enter into contracts, cooperative agreements, or other agreements, under section 15082 of this title.
(2) Administrative costs

Not more than 1 percent of the amount appropriated under subsection (a) for each fiscal year may be used to provide for the administrative costs (other than compensation of Federal employees) of the Administration on Developmental Disabilities for administering this part and parts B, C, and D, including monitoring the performance of and providing technical assistance to, entities that receive funds under this subchapter.

d) Technical assistance for Councils and Centers

(1) In general

For each covered year, the Secretary shall expend, to provide technical assistance for entities funded under part B or D, an amount from funds appropriated under subsection (a) that is not less than the amount the Secretary expended on technical assistance for entities funded under that part (or a corresponding provision) in the previous fiscal year.

(2) Covered year

In this subsection, the term “covered year” means—

(A) in the case of an expenditure for entities funded under part B, a fiscal year for which the amount appropriated under section 15029(a) of this title is less than $76,000,000; and

(B) in the case of an expenditure for entities funded under part D, a fiscal year prior to the first fiscal year for which the amount appropriated under section 15066(a)(1) of this title is not less than $20,000,000.

References

References in this subsection to part D shall not be considered to include section 15063(c)(4) of this title.

e) Technical assistance on electronic information sharing

In addition to any funds reserved under subsection (c), the Secretary shall reserve $100,000 from the amount appropriated under subsection (a) for each fiscal year to carry out section 15068(c)(4) of this title.

(f) Limitation

For any fiscal year for which the amount appropriated under subsection (a) is not less than $10,000,000, not more than 50 percent of such amount shall be used for activities carried out under section 15068(2)(A) of this title.


SUBCHAPTER II—FAMILY SUPPORT

§ 15091. Findings, purposes, and policy

(a) Findings

Congress makes the following findings:

(1) It is in the best interest of our Nation to preserve, strengthen, and maintain the family.

(2) Families of children with disabilities provide support, care, and training to their children that can save States millions of dollars. Without the efforts of family caregivers, many persons with disabilities would receive care through State-supported out-of-home placements.

(3) Most families of children with disabilities, especially families in underserved and underserved populations, do not have access to family-centered and family-directed services to support such families in their efforts to care for such children at home.

(4) Medical advances and improved health care have increased the life span of many people with disabilities, and the combination of the longer life spans and the aging of family caregivers places a continually increasing demand on the finite service delivery systems of the States.

(5) In 1996, 49 States provided family support initiatives in response to the needs of families of children with disabilities. Such initiatives included the provision of cash subsidies, respite care, and other forms of support. There is a need in each State, however, to strengthen, expand, and coordinate the activities of a system of family support services for families of children with disabilities that is easily accessible, avoids duplication, uses resources efficiently, and prevents gaps in services to families in all areas of the State.

(6) The goals of the Nation properly include the goal of providing to families of children with disabilities the family support services necessary and—

(A) to support the family;

(B) to enable families of children with disabilities to nurture and enjoy their children at home;

(C) to enable families of children with disabilities to make informed choices and decisions regarding the nature of supports, resources, services, and other assistance made available to such families; and

(D) to support family caregivers of adults with disabilities.

(b) Purposes

The purposes of this subchapter are—

(1) to promote and strengthen the implementation of comprehensive State systems of family support services, for families with children with disabilities, that are family-centered and family-directed, and that provide families with the greatest possible decisionmaking authority and control regarding the nature and use of services and support;

(2) to promote leadership by families in planning, policy development, implementation, and evaluation of family support services for families of children with disabilities;

(3) to promote and develop interagency coordination and collaboration between agencies responsible for providing the services; and

(4) to increase the availability of, funding for, access to, and provision of family support services for families of children with disabilities.

(c) Policy

It is the policy of the United States that all programs, projects, and activities funded under this subchapter shall be family-centered and family-directed, and shall be provided in a manner consistent with the goal of providing families of children with disabilities with the sup-
port the families need to raise their children at home.


§ 15092. Definitions and special rule

(a) Definitions

In this subchapter:

(1) Child with a disability

The term “child with a disability” means an individual who—

(A) has a significant physical or mental impairment, as defined pursuant to State policy to the extent that such policy is established without regard to type of disability; or

(B) is an infant or a young child from birth through age 8 and has a substantial developmental delay or specific congenital or acquired condition that presents a high probability of resulting in a disability if services are not provided to the infant or child.

(2) Family

(A) In general

Subject to subparagraph (B), for purposes of the application of this subchapter in a State, the term “family” has the meaning given the term by the State.

(B) Exclusion of employees

The term does not include an employee who, acting in a paid employment capacity, provides services to a child with a disability in an out-of-home setting such as a hospital, nursing home, personal care home, board and care home, group home, or other facility.

(3) Family support for families of children with disabilities

The term “family support for families of children with disabilities” means supports, resources, services, and other assistance provided to families of children with disabilities pursuant to State policy that are designed to—

(A) support families in the efforts of such families to raise their children with disabilities in the home;

(B) strengthen the role of the family as primary caregiver for such children;

(C) prevent involuntary out-of-the-home placement of such children and maintain family unity; and

(D) reunite families with children with disabilities who have been placed out of the home, whenever possible.

(4) Secretary

The term “Secretary” means the Secretary of Health and Human Services.

(5) State

The term “State” means each of the 50 States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the United States Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands.

(6) Systems change activities

The term “systems change activities” means efforts that result in laws, regulations, policies, practices, or organizational structures—

(A) that are family-centered and family-directed;

(B) that facilitate and increase access to, provision of, and funding for, family support services for families of children with disabilities; and

(C) that otherwise accomplish the purposes of this subchapter.

(b) Special rule

References in this subchapter to a child with a disability shall be considered to include references to an individual who is not younger than age 18 who—

(1) has a significant impairment described in subsection (a)(1)(A); and

(2) is residing with and receiving assistance from a family member.


§ 15093. Grants to States

(a) In general

The Secretary shall make grants to States on a competitive basis, in accordance with the provisions of this subchapter, to support systems change activities designed to assist States to develop and implement, or expand and enhance, a statewide system of family support services for families of children with disabilities that accomplishes the purposes of this subchapter.

(b) Award period and grant limitation

No grant shall be awarded under this section for a period of more than 3 years. No State shall be eligible for more than 1 grant under this section.

(c) Amount of grants

(1) Grants to States

(A) Federal matching share

From amounts appropriated under section 15101(a) of this title, the Secretary shall pay to each State that has an application approved under section 15094 of this title, for each year of the grant period, an amount that is—

(i) equal to not more than 75 percent of the cost of the systems change activities to be carried out by the State; and

(ii) not less than $100,000 and not more than $500,000.

(B) Non-Federal share

The non-Federal share of the cost of the systems change activities may be in cash or in kind, fairly evaluated, including plant, equipment, or services.

(2) Calculation of amounts

The Secretary shall calculate a grant amount described in paragraph (1) on the basis of—
(A) the amounts available for making grants under this section; and
(B) the child population of the State concerned.

(d) Priority for previously participating States

For the second and third fiscal years for which amounts are appropriated to carry out this section, the Secretary, in providing payments under this section, shall give priority to States that received payments under this section during the preceding fiscal year.

(e) Priorities for distribution

To the extent practicable, the Secretary shall award grants to States under this section in a manner that—

(1) is geographically equitable;
(2) distributes the grants among States that have differing levels of development of statewide systems of family support services for families of children with disabilities; and
(3) distributes the grants among States that attempt to meet the needs of underserved populations, such as individuals from racial and ethnic minority backgrounds, disadvantaged individuals, individuals with limited English proficiency, and individuals from underserved geographic areas (rural or urban).

(b) Qualifications

In designating the lead entity, the Chief Executive Officer may designate—

(1) an office of the Chief Executive Officer;
(2) a commission appointed by the Chief Executive Officer;
(3) a public agency;
(4) a council established under Federal or State law; or
(5) another appropriate office, agency, or entity.

(a) Designation

The Chief Executive Officer of a State that desires to receive a grant under section 15093 of this title shall designate the office or entity (referred to in this subchapter as the "lead entity") responsible for—

(1) submitting the application described in section 15094 of this title on behalf of the State;
(2) administering and supervising the use of the amounts made available under the grant;
(3) coordinating efforts related to and supervising the preparation of the application;
(4) coordinating the planning, development, implementation (or expansion and enhancement), and evaluation of a statewide system of family support services for families of children with disabilities among public agencies and between public agencies and private agencies, including coordinating efforts related to entering into interagency agreements;
(5) coordinating efforts related to the participation by families of children with disabilities in activities carried out under a grant made under this subchapter; and
(6) submitting the report described in section 15097 of this title on behalf of the State.

(2) distributes the grants among States that

| A State that receives a grant under section 15093 of this title shall use the funds made available through the grant to carry out systems change activities that accomplish the purposes of this subchapter. |

(b) Special rule

In carrying out activities authorized under this subchapter, a State shall ensure that such activities address the needs of families of children with disabilities from unserved or underserved populations.

(a) In general

A State that receives a grant under this subchapter shall provide the technical assistance and information to the lead entity of the State, family members of children with disabilities, organizations, service providers, and policymakers involved with children with disabilities.
§ 15099. Evaluation

(a) In general

The Secretary shall conduct a national evaluation of the program of grants to States authorized by this subchapter.

(b) Purpose

(1) In general

The Secretary shall conduct the evaluation under subsection (a) to assess the status and effects of State efforts to develop and implement, or expand and enhance, statewide systems of family support services for families of children with disabilities in a manner consistent with the provisions of this subchapter. In particular, the Secretary shall assess the impact of such efforts on families of children with disabilities, and recommend amendments to this subchapter that are necessary to assist States to accomplish fully the purposes of this subchapter.

(2) Information systems

The Secretary shall work with the States to develop an information system designed to compile and report, from information provided by the States, qualitative and quantitative descriptions of the impact of the program of grants to States authorized by this subchapter on—

(A) families of children with disabilities, including families from unserved and underserved populations;
(B) access to and funding for family support services for families of children with disabilities;
(C) interagency coordination and collaboration between agencies responsible for providing the services; and
(D) the involvement of families of children with disabilities at all levels of the statewide systems.

(c) Report to Congress

Not later than 2½ years after October 30, 2000, the Secretary shall prepare and submit to the appropriate committees of Congress a report concerning the results of the evaluation conducted under this section.


§ 15100. Projects of national significance

(a) Study by the Secretary

The Secretary shall review Federal programs to determine the extent to which such programs facilitate or impede access to, provision of, and funding for family support services for families of children with disabilities, consistent with the policies described in section 15091 of this title.

(b) Projects of national significance

The Secretary shall make grants or enter into contracts for projects of national significance to support the development of national and State policies and practices related to the development and implementation, or expansion and enhancement, of family-centered and family-directed systems of family support services for families of children with disabilities.


§ 15101. Authorization of appropriations

(a) In general

There are authorized to be appropriated to carry out this subchapter such sums as may be necessary for each of fiscal years 2001 through 2007.

(b) Reservation

(1) In general

The Secretary shall reserve for each fiscal year 10 percent, or $400,000 (whichever is greater), of the amount appropriated pursuant to subsection (a) to carry out—

(A) section 15099 of this title (relating to the provision of technical assistance and information to States); and
(B) section 15099 of this title (relating to the conduct of evaluations).

(2) Special rule

For each year that the amount appropriated pursuant to subsection (a) is $10,000,000 or greater, the Secretary may reserve 5 percent of such amount to carry out section 15100 of this title.

viously would have elected to pursue employment as direct support workers; (C) the failure of wages in the human services sector to keep pace with wages in other service sectors; and (D) the lack of quality training and career advancement opportunities available to direct support workers; and

(3) individuals with developmental disabilities benefit from assistance from direct support workers who are well trained, and benefit from receiving services from professionals who have spent time as direct support workers.


§ 15112. Definitions
In this subchapter:

(1) Developmental disability

The term “developmental disability” has the meaning given the term in section 15002 of this title.

(2) Institution of higher education

The term “institution of higher education” has the meaning given the term in section 1141 of title 20.

(3) Secretary

The term “Secretary” means the Secretary of Health and Human Services.


REFERENCES IN TEXT

Section 1141 of title 20, referred to in par. (2), was repealed by Pub. L. 105–244, §3, title I, §101(b), title VII, §702, Oct. 7, 1998, 112 Stat. 1585, 1616, 1803, effective Oct. 1, 1998. However, the term “institution of higher education” is defined in section 1001 of Title 20, Education.

§ 15113. Reaching up scholarship program

(a) Program authorization

The Secretary may award grants to eligible entities, on a competitive basis, to enable the entities to carry out scholarship programs by providing vouchers for postsecondary education to direct support workers who assist individuals with developmental disabilities residing in diverse settings. The Secretary shall award the grants to pay for the Federal share of the cost of providing the vouchers.

(b) Eligible entity

To be eligible to receive a grant under this section, an entity shall be—

(1) an institution of higher education;
(2) a State agency; or
(3) a consortium of such institutions or agencies.

(c) Application requirements

To be eligible to receive a grant under this section, an eligible entity shall submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require, including a description of—

(1) the basis for awarding the vouchers;
(2) the number of individuals to receive the vouchers; and
(3) the amount of funds that will be made available by the eligible entity to pay for the non-Federal share of the cost of providing the vouchers.

(d) Selection criteria

In awarding a grant under this section for a scholarship program, the Secretary shall give priority to an entity submitting an application that—

(1) specifies that individuals who receive vouchers through the program will be individuals—
(A) who are direct support workers who assist individuals with developmental disabilities residing in diverse settings, while pursuing postsecondary education; and
(B) each of whom verifies, prior to receiving the voucher, that the worker has completed 250 hours as a direct support worker in the past 90 days;
(2) states that the vouchers that will be provided through the program will be in amounts of not more than $2,000 per year;
(3) provides an assurance that the eligible entity (or another specified entity that is not a voucher recipient) will contribute the non-Federal share of the cost of providing the vouchers; and
(4) meets such other conditions as the Secretary may specify.

(e) Federal share

The Federal share of the cost of providing the vouchers shall be not more than 80 percent.


§ 15114. Staff development curriculum authorization

(a) Funding

(1) In general

The Secretary shall award funding, on a competitive basis, through a grant, cooperative agreement, or contract, to a public or private entity or a combination of such entities, for the development, evaluation, and dissemination of a staff development curriculum, and related guidelines, for computer-assisted, competency-based, multimedia, interactive instruction, relating to service as a direct support worker.

(2) Participants

The curriculum shall be developed for individuals who—

(A) seek to become direct support workers who assist individuals with developmental disabilities or are such direct support workers; and
(B) seek to upgrade their skills and competencies related to being a direct support worker.

(b) Application requirements

To be eligible to receive an award under this section, an entity shall submit to the Secretary
an application at such time, in such manner, and containing such information as the Secretary may require, including—

(i) a comprehensive analysis of the content of direct support roles;

(ii) information identifying an advisory group that—

(A) is comprised of individuals with experience and expertise with regard to the support provided by direct support workers, and effective ways to provide the support, for individuals with developmental disabilities in diverse settings; and

(B) will advise the entity throughout the development, evaluation, and dissemination of the staff development curriculum and guidelines;

(iii) information describing how the entity—

(A) develop, field test, and validate a staff development curriculum that—

(i) relates to the appropriate reading level for direct service workers who assist individuals with disabilities;

(ii) allows for multiple levels of instruction;

(iii) provides instruction appropriate for direct support workers who work in diverse settings; and

(iv) is consistent with subsections (b) and (c) of section 15001 of this title and section 15009 of this title;

(B) develop, field test, and validate guidelines for the organizations that use the curriculum that provide for—

(i) providing necessary technical and instructional support to trainers and mentors for the participants;

(ii) ensuring easy access to and use of such curriculum by workers that choose to participate in using, and agencies that choose to use, the curriculum;

(iii) evaluating the proficiency of the participants with respect to the content of the curriculum;

(iv) providing necessary support to the participants to assure that the participants have access to, and proficiency in using, a computer in order to participate in the development, testing, and validation process;

(v) providing necessary technical and instructional support to trainers and mentors for the participants in conjunction with the development, testing, and validation process;

(vi) addressing the satisfaction of participants, individuals with developmental disabilities and their families, providers of services for such individuals and families, and other relevant entities with the curriculum; and

(vii) developing methods to maintain a record of the instruction completed, and the content mastered, by each participant under the curriculum; and

(C) nationally disseminate the curriculum and guidelines, including dissemination through—

(i) parent training and information centers funded under part D of the Individuals with Disabilities Education Act (20 U.S.C. 1451 et seq.);

(ii) community-based organizations of and for individuals with developmental disabilities and their families;

(iii) entities funded under subchapter I;

(iv) centers for independent living;

(v) State educational agencies and local educational agencies;

(vi) entities operating appropriate medical facilities;

(vii) postsecondary education entities; and

(viii) other appropriate entities; and

(4) such other information as the Secretary may require.


REFERENCES IN TEXT

The Individuals with Disabilities Education Act, referred to in subsec. (b)(3)(C)(i), is title VI of Pub. L. 91–230, Apr. 13, 1970, 84 Stat. 175, as amended. Part D of the Act is classified generally to subchapter IV (§1450 et seq.) of chapter 33 of Title 20, Education. For complete classification of this Act to the Code, see section 1400 of Title 20 and Tables.

§ 15115. Authorization of appropriations

(a) Scholarships

There are authorized to be appropriated to carry out section 15113 of this title $800,000 for fiscal year 2001 and such sums as may be necessary for each of fiscal years 2002 through 2007.

(b) Staff development curriculum

There are authorized to be appropriated to carry out section 15114 of this title $800,000 for fiscal year 2001 and such sums as may be necessary for each of fiscal years 2002 and 2003.


CHAPTER 145—PUBLIC SAFETY OFFICER MEDAL OF VALOR AND TRIBUTES

Sec.

15201. Authorization of Medal.
15202. Medal of Valor Board.
15203. Board personnel matters.
15204. Definitions.
15205. Authorization of appropriations.
15207. Consultation requirement.
15208. Law enforcement tribute acts.

§ 15201. Authorization of Medal

After September 1, 2001, the President may award, and present in the name of Congress, a Medal of Valor of appropriate design, with ribbons and appurtenances, to a public safety officer who is cited by the Attorney General, upon the recommendation of the Medal of Valor Review Board, for extraordinary valor above and beyond the call of duty. The Public Safety Medal of Valor shall be the highest national award for valor by a public safety officer.


SHORT TITLE

§ 15202. Medal of Valor Board

(a) Establishment of Board

There is established a Medal of Valor Review Board (hereinafter in this chapter referred to as the “Board”), which shall be composed of 11 members appointed in accordance with subsection (b) and shall conduct its business in accordance with this chapter.

(b) Membership

(1) Members
The members of the Board shall be individuals with knowledge or expertise, whether by experience or training, in the field of public safety, of which—
(A) two shall be appointed by the majority leader of the Senate;
(B) two shall be appointed by the minority leader of the Senate;
(C) two shall be appointed by the Speaker of the House of Representatives;
(D) two shall be appointed by the minority leader of the House of Representatives; and
(E) three shall be appointed by the President, including one with experience in firefighting, one with experience in law enforcement, and one with experience in emergency services.

(2) Term
The term of a Board member shall be 4 years.

(3) Vacancies
Any vacancy in the membership of the Board shall not affect the powers of the Board and shall be filled in the same manner as the original appointment.

(4) Operation of the Board

(A) Chairman
The Chairman of the Board shall be elected by the members of the Board from among the members of the Board.

(B) Meetings
The Board shall conduct its first meeting not later than 90 days after the appointment of the last member appointed of the initial group of members appointed to the Board. Thereafter, the Board shall meet at the call of the Chairman of the Board. The Board shall meet not less often than twice each year.

(C) Voting and rules
A majority of the members shall constitute a quorum to conduct business, but the Board may establish a lesser quorum for conducting hearings scheduled by the Board. The Board may establish by majority vote any other rules for the conduct of the Board’s business, if such rules are not inconsistent with this chapter or other applicable law.

(c) Duties
The Board shall select candidates as recipients of the Medal of Valor from among those applications received by the National Medal of Valor Office. Not more often than once each year, the Board shall present to the Attorney General the name or names of those it recommends as Medal of Valor recipients. In a given year, the Board shall not be required to select any recipients but may not select more than 5 individuals, or groups of individuals, as recipients. The Attorney General may in extraordinary cases increase the number of recipients in a given year. The Board shall set an annual timetable for fulfilling its duties under this chapter.

(d) Hearings

(1) In general
The Board may hold such hearings, sit and act at such times and places, administer such oaths, take such testimony, and receive such evidence as the Board considers advisable to carry out its duties.

(2) Witness expenses
Witnesses requested to appear before the Board may be paid the same fees as are paid to witnesses under section 1821 of title 28. The per diem and mileage allowances for witnesses shall be paid from funds appropriated to the Board.

(e) Information from Federal agencies
The Board may secure directly from any Federal department or agency such information as the Board considers necessary to carry out its duties. Upon the request of the Board, the head of such department or agency may furnish such information to the Board.

(f) Information to be kept confidential
The Board shall not disclose any information which may compromise an ongoing law enforcement investigation or is otherwise required by law to be kept confidential.

References in Text
This chapter, referred to in subsecs. (a), (b)(4)(C), and (c), was in the original “this Act”, meaning Pub. L. 107–12, May 30, 2001, 115 Stat. 20, which enacted this chapter and amended section 2214 of Title 15, Commerce and Trade. For complete classification of this Act to the Code, see Short Title note set out under section 15201 of this title and Tables.

Amendments
2006—Subsec. (c). Pub. L. 109–162 substituted “more than 5 individuals, or groups of individuals, as recipients” for “more than 5 recipients”.

§ 15203. Board personnel matters

(a) Compensation of members

(1) Except as provided in paragraph (2), each member of the Board shall be compensated at a rate equal to the daily equivalent of the annual rate of basic pay prescribed for level IV of the Executive Schedule under section 5315 of title 5 for each day (including travel time) during which such member is engaged in the performance of the duties of the Board.

(2) All members of the Board who serve as officers or employees of the United States, a State,
or a local government, shall serve without compensation in addition to that received for those services.

(b) Travel expenses

The members of the Board shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5, while away from their homes or regular places of business in the performance of service for the Board.


§ 15204. Definitions

In this chapter:

(1) Public safety officer

The term ‘public safety officer’ means a person serving a public agency, with or without compensation, as a firefighter, law enforcement officer, or emergency services officer, as determined by the Attorney General. For the purposes of this paragraph, the term ‘law enforcement officer’ includes a person who is a corrections or court officer or a civil defense officer.

(2) State

The term “State” means each of the several States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Marianas Islands.


REFERENCES IN TEXT

This chapter, referred to in introductory provisions, was in the original “this Act”, meaning Pub. L. 197–12, May 30, 2001, 115 Stat. 20, known as the Public Safety Officer Medal of Valor Act of 2001, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 15201 of this title and Tables.

§ 15205. Authorization of appropriations

There are authorized to be appropriated to the Attorney General such sums as may be necessary to carry out this chapter.


REFERENCES IN TEXT

This chapter, referred to in text, was in the original “this Act”, meaning Pub. L. 197–12, May 30, 2001, 115 Stat. 20, known as the Public Safety Officer Medal of Valor Act of 2001, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 15201 of this title and Tables.

§ 15206. National Medal of Valor Office

There is established within the Department of Justice a National Medal of Valor Office. The Office shall provide staff support to the Board to establish criteria and procedures for the submission of recommendations of nominees for the Medal of Valor and for the final design of the Medal of Valor.


§ 15207. Consultation requirement

The Board shall consult with the Institute of Heraldry within the Department of Defense regarding the design and artistry of the Medal of Valor. The Board may also consider suggestions received by the Department of Justice regarding the design of the medal, including those made by persons not employed by the Department.


§ 15208. Law enforcement tribute acts

(a) Short title

This section may be cited as the “Law Enforcement Tribute Act”.

(b) Findings

Congress finds the following:

(1) The well-being of all citizens of the United States is preserved and enhanced as a direct result of the vigilance and dedication of law enforcement and public safety personnel.

(2) More than 700,000 law enforcement officers, both men and women, at great risk to their personal safety, serve their fellow citizens as guardians of peace.

(3) Nationwide, 51 law enforcement officers were killed in the line of duty in 2000, according to statistics released by the Federal Bureau of Investigation. This number is an increase of 9 from the 1999 total of 42.

(4) In 1999, 112 firefighters died while on duty, an increase of 21 deaths from the previous year.

(5) Every year, 1 in 9 peace officers is assaulted, 1 in 25 is injured, and 1 in 4,400 is killed in the line of duty.

(6) In addition, recent statistics indicate that 83 officers were accidentally killed in the performance of their duties in 2000, an increase of 18 from the 65 accidental deaths in 1999.

(7) A permanent tribute is a powerful means of honoring the men and women who have served our Nation with distinction. However, many law enforcement and public safety agencies lack the resources to honor their fallen colleagues.

(c) Program authorized

From amounts made available to carry out this section, the Attorney General may make grants to States, units of local government, and Indian tribes to carry out programs to honor, through permanent tributes, men and women of the United States who were killed or disabled while serving as law enforcement or public safety officers.

(d) Uses of funds

Grants awarded under this section shall be distributed directly to the State, unit of local government, or Indian tribe, and shall be used for the purposes specified in subsection (c).

(e) $150,000 limitation

A grant under this section may not exceed $150,000 to any single recipient.

(f) Matching funds

(1) The Federal portion of the costs of a program provided by a grant under this section may not exceed 50 percent.
Any funds appropriated by Congress for the activities of any agency of an Indian tribal government or the Bureau of Indian Affairs performing law enforcement or public safety functions on any Indian lands may be used to provide the non-Federal share of a matching requirement funded under this subsection.

Applications
To request a grant under this section, the chief executive of a State, unit of local government, or Indian tribe shall submit an application to the Attorney General at such time, in such manner, and accompanied by such information as the Attorney General may require.

Annual report to Congress
Not later than November 30 of each year, the Attorney General shall submit a report to the Congress regarding the activities carried out under this section. Each such report shall include, for the preceding fiscal year, the number of grants funded under this section, the amount of funds provided under those grants, and the activities for which those funds were used.

Authorization of appropriations
There are authorized to be appropriated to carry out this section $3,000,000 for each of fiscal years 2002 through 2009.

AMENDMENTS

CHAPTER 145A—LAW ENFORCEMENT CONGRESSIONAL BADGE OF BRAVERY

Sec.
15231. Transferred.

SUBCHAPTER I—FEDERAL LAW ENFORCEMENT CONGRESSIONAL BADGE OF BRAVERY

§ 15241. Transferred

AMENDMENTS

CHAPTER 146—ELECTION ADMINISTRATION IMPROVEMENT

Sec.
15301 to 15545. Transferred.

SUBCHAPTER I—PAYMENTS TO STATES FOR ELECTION ADMINISTRATION IMPROVEMENTS AND REPLACEMENT OF PUNCH CARD AND LEVER VOTING MACHINES

§ 15301. Transferred

SUBCHAPTER III—CONGRESSIONAL BADGE OF BRAVERY OFFICE

§ 15261. Transferred

SUBCHAPTER I—FEDERAL LAW ENFORCEMENT CONGRESSIONAL BADGE OF BRAVERY

§ 15241. Transferred

SUBCHAPTER II—STATE AND LOCAL LAW ENFORCEMENT CONGRESSIONAL BADGE OF BRAVERY

§ 15251. Transferred

SUBCHAPTER III—CONGRESSIONAL BADGE OF BRAVERY OFFICE

§ 15261. Transferred
§ 15303. Transferred
CODIFICATION
Section 15303 was editorially reclassified as section 20903 of Title 52, Voting and Elections.

§ 15304. Transferred
CODIFICATION
Section 15304 was editorially reclassified as section 20904 of Title 52, Voting and Elections.

§ 15305. Transferred
CODIFICATION
Section 15305 was editorially reclassified as section 20905 of Title 52, Voting and Elections.

§ 15306. Transferred
CODIFICATION
Section 15306 was editorially reclassified as section 20906 of Title 52, Voting and Elections.

SUBCHAPTER II—COMMISSION
PART A—ESTABLISHMENT AND GENERAL ORGANIZATION
SUBPART 1—ELECTION ASSISTANCE COMMISSION
§ 15321. Transferred
CODIFICATION
Section 15321 was editorially reclassified as section 20921 of Title 52, Voting and Elections.

§ 15322. Transferred
CODIFICATION
Section 15322 was editorially reclassified as section 20922 of Title 52, Voting and Elections.

§ 15323. Transferred
CODIFICATION
Section 15323 was editorially reclassified as section 20923 of Title 52, Voting and Elections.

§ 15324. Transferred
CODIFICATION
Section 15324 was editorially reclassified as section 20924 of Title 52, Voting and Elections.

§ 15325. Transferred
CODIFICATION
Section 15325 was editorially reclassified as section 20925 of Title 52, Voting and Elections.

§ 15326. Transferred
CODIFICATION
Section 15326 was editorially reclassified as section 20926 of Title 52, Voting and Elections.

§ 15327. Transferred
CODIFICATION
Section 15327 was editorially reclassified as section 20927 of Title 52, Voting and Elections.

§ 15328. Transferred
CODIFICATION
Section 15328 was editorially reclassified as section 20928 of Title 52, Voting and Elections.

§ 15329. Transferred
CODIFICATION
Section 15329 was editorially reclassified as section 20929 of Title 52, Voting and Elections.

§ 15330. Transferred
CODIFICATION
Section 15330 was editorially reclassified as section 20930 of Title 52, Voting and Elections.

SUBPART 2—ELECTION ASSISTANCE COMMISSION STANDARDS BOARD AND BOARD OF ADVISORS
§ 15341. Transferred
CODIFICATION
Section 15341 was editorially reclassified as section 20941 of Title 52, Voting and Elections.

§ 15342. Transferred
CODIFICATION
Section 15342 was editorially reclassified as section 20942 of Title 52, Voting and Elections.

§ 15343. Transferred
CODIFICATION
Section 15343 was editorially reclassified as section 20943 of Title 52, Voting and Elections.

§ 15344. Transferred
CODIFICATION
Section 15344 was editorially reclassified as section 20944 of Title 52, Voting and Elections.

§ 15345. Transferred
CODIFICATION
Section 15345 was editorially reclassified as section 20945 of Title 52, Voting and Elections.

§ 15346. Transferred
CODIFICATION
Section 15346 was editorially reclassified as section 20946 of Title 52, Voting and Elections.

SUBPART 3—TECHNICAL GUIDELINES DEVELOPMENT COMMITTEE
§ 15361. Transferred
CODIFICATION
Section 15361 was editorially reclassified as section 20961 of Title 52, Voting and Elections.

§ 15362. Transferred
CODIFICATION
Section 15362 was editorially reclassified as section 20962 of Title 52, Voting and Elections.

PART B—TESTING, CERTIFICATION, DECERTIFICATION, AND RECERTIFICATION OF VOTING SYSTEM HARDWARE AND SOFTWARE
§ 15371. Transferred
CODIFICATION
Section 15371 was editorially reclassified as section 20971 of Title 52, Voting and Elections.
§ 15381. Transferred
Codification
Section 15381 was editorially reclassified as section 20981 of Title 52, Voting and Elections.

§ 15382. Transferred
Codification
Section 15382 was editorially reclassified as section 20982 of Title 52, Voting and Elections.

§ 15383. Transferred
Codification
Section 15383 was editorially reclassified as section 20983 of Title 52, Voting and Elections.

§ 15384. Transferred
Codification
Section 15384 was editorially reclassified as section 20984 of Title 52, Voting and Elections.

§ 15385. Transferred
Codification
Section 15385 was editorially reclassified as section 20985 of Title 52, Voting and Elections.

§ 15386. Transferred
Codification
Section 15386 was editorially reclassified as section 20986 of Title 52, Voting and Elections.

§ 15387. Transferred
Codification
Section 15387 was editorially reclassified as section 20987 of Title 52, Voting and Elections.

PART D—ELECTION ASSISTANCE

SUBPART 1—REQUIREMENTS PAYMENTS

§ 15401. Transferred
Codification
Section 15401 was editorially reclassified as section 21001 of Title 52, Voting and Elections.

§ 15402. Transferred
Codification
Section 15402 was editorially reclassified as section 21002 of Title 52, Voting and Elections.

§ 15403. Transferred
Codification
Section 15403 was editorially reclassified as section 21003 of Title 52, Voting and Elections.

§ 15404. Transferred
Codification
Section 15404 was editorially reclassified as section 21004 of Title 52, Voting and Elections.

§ 15405. Transferred
Codification
Section 15405 was editorially reclassified as section 21005 of Title 52, Voting and Elections.
§ 15452. Transferred
CODIFICATION
Section 15452 was editorially reclassified as section 21052 of Title 52, Voting and Elections.

§ 15453. Transferred
CODIFICATION
Section 15453 was editorially reclassified as section 21053 of Title 52, Voting and Elections.

SUBPART 5—PROTECTION AND ADVOCACY SYSTEMS

§ 15461. Transferred
CODIFICATION
Section 15461 was editorially reclassified as section 21061 of Title 52, Voting and Elections.

§ 15462. Transferred
CODIFICATION
Section 15462 was editorially reclassified as section 21062 of Title 52, Voting and Elections.

SUBPART 6—NATIONAL STUDENT AND PARENT MOCK ELECTION

§ 15471. Transferred
CODIFICATION
Section 15471 was editorially reclassified as section 21071 of Title 52, Voting and Elections.

§ 15472. Transferred
CODIFICATION
Section 15472 was editorially reclassified as section 21072 of Title 52, Voting and Elections.

SUBCHAPTER III—UNIFORM AND NON-DISCRIMINATORY ELECTION TECHNOLOGY AND ADMINISTRATION REQUIREMENTS

PART A—REQUIREMENTS

§ 15481. Transferred
CODIFICATION
Section 15481 was editorially reclassified as section 21081 of Title 52, Voting and Elections.

§ 15482. Transferred
CODIFICATION
Section 15482 was editorially reclassified as section 21082 of Title 52, Voting and Elections.

§ 15483. Transferred
CODIFICATION
Section 15483 was editorially reclassified as section 21083 of Title 52, Voting and Elections.

§ 15484. Transferred
CODIFICATION
Section 15484 was editorially reclassified as section 21084 of Title 52, Voting and Elections.

§ 15485. Transferred
CODIFICATION
Section 15485 was editorially reclassified as section 21085 of Title 52, Voting and Elections.

PART B—VOLUNTARY GUIDANCE

§ 15501. Transferred
CODIFICATION
Section 15501 was editorially reclassified as section 21101 of Title 52, Voting and Elections.

§ 15502. Transferred
CODIFICATION
Section 15502 was editorially reclassified as section 21102 of Title 52, Voting and Elections.

SUBCHAPTER IV—ENFORCEMENT

§ 15511. Transferred
CODIFICATION
Section 15511 was editorially reclassified as section 21111 of Title 52, Voting and Elections.

§ 15512. Transferred
CODIFICATION
Section 15512 was editorially reclassified as section 21112 of Title 52, Voting and Elections.

SUBCHAPTER V—HELP AMERICA VOTE COLLEGE PROGRAM

§ 15521. Transferred
CODIFICATION
Section 15521 was editorially reclassified as section 21121 of Title 52, Voting and Elections.

§ 15522. Transferred
CODIFICATION
Section 15522 was editorially reclassified as section 21122 of Title 52, Voting and Elections.

§ 15523. Transferred
CODIFICATION
Section 15523 was editorially reclassified as section 21123 of Title 52, Voting and Elections.

SUBCHAPTER VI—TRANSFER TO COMMISSION OF FUNCTIONS UNDER CERTAIN LAWS

§ 15531. Transferred
CODIFICATION
Section 15531 was editorially reclassified as section 21131 of Title 52, Voting and Elections.

§ 15532. Transferred
CODIFICATION
Section 15532 was editorially reclassified as section 21132 of Title 52, Voting and Elections.

§ 15533. Transferred
CODIFICATION
Section 15533 was editorially reclassified as section 21133 of Title 52, Voting and Elections.

§ 15534. Transferred
CODIFICATION
Section 15534 was editorially reclassified as section 21134 of Title 52, Voting and Elections.
§ 15541. Transferred
CODIFICATION
Section 15541 was editorially reclassified as section 21141 of Title 52, Voting and Elections.

§ 15542. Transferred
CODIFICATION
Section 15542 was editorially reclassified as section 21142 of Title 52, Voting and Elections.

§ 15543. Transferred
CODIFICATION
Section 15543 was editorially reclassified as section 21143 of Title 52, Voting and Elections.

§ 15544. Transferred
CODIFICATION
Section 15544 was editorially reclassified as section 21144 of Title 52, Voting and Elections.

§ 15545. Transferred
CODIFICATION
Section 15545 was editorially reclassified as section 21145 of Title 52, Voting and Elections.

CHAPTER 147—PRISON RAPE ELIMINATION
Sec.
15601 to 15609. Transferred.

§ 15601. Transferred
CODIFICATION
Section 15601 was editorially reclassified as section 30301 of Title 34, Crime Control and Law Enforcement.

§ 15602. Transferred
CODIFICATION
Section 15602 was editorially reclassified as section 30302 of Title 34, Crime Control and Law Enforcement.

§ 15603. Transferred
CODIFICATION
Section 15603 was editorially reclassified as section 30303 of Title 34, Crime Control and Law Enforcement.

§ 15604. Transferred
CODIFICATION
Section 15604 was editorially reclassified as section 30304 of Title 34, Crime Control and Law Enforcement.

§ 15605. Transferred
CODIFICATION
Section 15605 was editorially reclassified as section 30305 of Title 34, Crime Control and Law Enforcement.

§ 15606. Transferred
CODIFICATION
Section 15606 was editorially reclassified as section 30306 of Title 34, Crime Control and Law Enforcement.

§ 15607. Transferred
CODIFICATION
Section 15607 was editorially reclassified as section 30307 of Title 34, Crime Control and Law Enforcement.

§ 15608. Transferred
CODIFICATION
Section 15608 was editorially reclassified as section 30308 of Title 34, Crime Control and Law Enforcement.

§ 15609. Transferred
CODIFICATION
Section 15609 was editorially reclassified as section 30309 of Title 34, Crime Control and Law Enforcement.

CHAPTER 148—WINDSTORM IMPACT REDUCTION
Sec.
15701. Findings.
15702. Definitions.
15704. National Advisory Committee on Windstorm Impact Reduction.
15705. Savings clause.
15706. Authorization of appropriations.
15707. Coordination.

§ 15701. Findings
The Congress finds the following:
(1) Hurricanes, tropical storms, tornadoes, and thunderstorms can cause significant loss of life, injury, destruction of property, and economic and social disruption. All States and regions are vulnerable to these hazards.
(2) The United States currently sustains several billion dollars in economic damages each year due to these windstorms. In recent decades, rapid development and population growth in high-risk areas has greatly increased overall vulnerability to windstorms.
(3) Improved windstorm impact reduction measures have the potential to reduce these losses through—
(A) cost-effective and affordable design and construction methods and practices;
(B) effective mitigation programs at the local, State, and national level;
(C) improved data collection and analysis and impact prediction methodologies;
(D) engineering research on improving new structures and retrofitting existing ones to better withstand windstorms, atmospheric-related research to better understand the behavior and impact of windstorms on the built environment, and subsequent application of those research results; and
(E) public education and outreach.
(4) There is an appropriate role for the Federal Government in supporting windstorm impact reduction. An effective Federal program in windstorm impact reduction will require interagency coordination, and input from individuals, academia, the private sector, and other interested non-Federal entities.


SHORT TITLE OF 2015 AMENDMENT

SHORT TITLE
Pub. L. 108–360, title II, § 201, Oct. 25, 2004, 118 Stat. 1675, provided that: ‘‘This Act [probably should be ‘this
Impact Reduction Program, the purpose of cooperation with other levels of government, storms through a coordinated Federal effort, in the losses of life and property from wind— which is to achieve major measurable reductions in the losses of life and property from windstorms through a coordinated Federal effort, in cooperation with other levels of government, academia, and the private sector, aimed at improving the understanding of windstorms and their impacts and developing and encouraging the implementation of cost-effective mitigation measures to reduce those impacts.

(b) Responsibilities of Program agencies

(1) Lead agency

The National Institute of Standards and Technology shall have the primary responsibility for planning and coordinating the Program. In carrying out this paragraph, the Director shall—

(A) ensure that the Program includes the necessary components to promote the implementation of windstorm risk reduction measures by Federal, State, and local governments, national standards and model building code organizations, architects and engineers, and others with a role in planning and constructing buildings and lifelines;

(B) support the development of performance-based engineering tools, and work with appropriate groups to promote the commercial application of such tools, including through wind-related model building codes, voluntary standards, and construction best practices;

(C) request the assistance of Federal agencies other than the Program agencies, as necessary to assist in carrying out this chapter;

(D) coordinate all Federal post-windstorm investigations to the extent practicable; and

(E) when warranted by research or investigative findings, issue recommendations to assist in informing the development of model codes, and provide information to Congress on the use of such recommendations.

(2) National Institute of Standards and Technology

In addition to the lead agency responsibilities described under paragraph (1), the National Institute of Standards and Technology shall be responsible for carrying out research and development to improve model building codes, voluntary standards, and best practices for the design, construction, and retrofit of buildings, structures, and lifelines.

(3) National Science Foundation

The National Science Foundation shall support research in—

(A) engineering and the atmospheric sciences to improve the understanding of the behavior of windstorms and their impact on buildings, structures, and lifelines; and

(B) economic and social factors influencing windstorm risk reduction measures.

(4) National Oceanic and Atmospheric Administration

The National Oceanic and Atmospheric Administration shall support atmospheric sciences research to improve the understanding of the behavior of windstorms and their impact on buildings, structures, and lifelines.

(5) Federal Emergency Management Agency

The Federal Emergency Management Agency shall—
(c) Program components

(1) In general

The Program shall consist of three primary mitigation components: improved understanding of windstorms, windstorm impact assessment, and windstorm impact reduction. The components shall be implemented through activities such as data collection and analysis, risk assessment, outreach, technology transfer, and research and development. To the extent practicable, research activities authorized under this chapter shall be peer-reviewed, and the components shall be designed to be complementary to, and avoid duplication of, other public and private hazard reduction efforts.

(2) Understanding of windstorms

Activities to enhance the understanding of windstorms shall include research to improve knowledge of and data collection on the impact of severe wind on buildings, structures, and infrastructure.

(3) Windstorm impact assessment

Activities to improve windstorm impact assessment shall include—

(A) development of mechanisms for collecting and inventorying information on the performance of buildings, structures, and infrastructure in windstorms and improved collection of pertinent information from sources, including the design and construction industry, insurance companies, and building officials;

(B) research, development, and technology transfer to improve loss estimation and risk assessment systems; and

(C) research, development, and technology transfer to improve simulation and computational modeling of windstorm impacts.

(4) Windstorm impact reduction

Activities to reduce windstorm impacts shall include—

(A) development of improved outreach and implementation mechanisms to translate existing information and research findings into cost-effective and affordable practices for design and construction professionals, and State and local officials;

(B) development of cost-effective and affordable windstorm-resistant systems, structures, and materials for use in new construction and retrofit of existing construction; and

(C) outreach and information dissemination related to cost-effective and affordable construction techniques, loss estimation and risk assessment methodologies, and other pertinent information regarding windstorm phenomena to Federal, State, and local officials, the construction industry, and the general public.

(d) Budget activities

The Director of the National Institute of Standards and Technology, the Director of the National Science Foundation, the Director of the National Oceanic and Atmospheric Administration, and the Director of the Federal Emergency Management Agency shall each include in their agency’s annual budget request to Congress a description of their agency’s projected activities under the Program for the fiscal year covered by the budget request, along with an assessment of what they plan to spend on those activities for that fiscal year.

(e) Interagency Coordinating Committee on Windstorm Impact Reduction

(1) Establishment

There is established an Interagency Coordinating Committee on Windstorm Impact Reduction, chaired by the Director or the Director’s designee.

(2) Membership

In addition to the chair, the Committee shall be composed of—

(A) the heads or such designees of—

(i) the Federal Emergency Management Agency;

(ii) the National Oceanic and Atmospheric Administration;

(iii) the National Science Foundation;

(iv) the Office of Science and Technology Policy; and

(v) the Office of Management and Budget; and

(B) the head of any other Federal agency, or such designee, the chair considers appropriate.

(3) Meetings

The Committee shall meet not less than once a year at the call of the Director of the National Institute of Standards and Technology.

(4) General purpose and duties

The Committee shall oversee the planning and coordination of the Program.

(5) Strategic plan

The Committee shall develop and submit to Congress, not later than 1 year after September 30, 2015, a Strategic Plan for the Program that includes—

(A) prioritized goals for the Program that will mitigate against the loss of life and property from future windstorms; and

(B) short-term, mid-term, and long-term research objectives to achieve those goals;
(C) a description of the role of each Program agency in achieving the prioritized goals;
(D) the methods by which progress towards the goals will be assessed; and
(E) an explanation of how the Program will foster the transfer of research results into outcomes, such as improved model building codes.

(6) Progress report
Not later than 18 months after September 30, 2015, the Committee shall submit to the Congress a report on the progress of the Program that includes—
(A) a description of the activities funded under the Program, a description of how these activities align with the prioritized goals and research objectives established in the Strategic Plan, and the budgets, per agency, for these activities;
(B) the outcomes achieved by the Program for each of the goals identified in the Strategic Plan;
(C) a description of any recommendations made to change existing building codes that were the result of Program activities; and
(D) a description of the extent to which the Program has incorporated recommendations from the Advisory Committee on Windstorm Impact Reduction.

(7) Coordinated budget
The Committee shall develop a coordinated budget for the Program, which shall be submitted to the Congress not later than 60 days after the date of the President's budget submission for each fiscal year.


References in Text
This chapter, referred to in subsec. (b)(1)(C), was in the original “this Act” and was translated as reading “this title” to reflect the probable intent of Congress. See below.
This chapter, referred to in subsec. (c)(1), was in the original “this title”, meaning title II of Pub. L. 108–360, Oct. 25, 2004, 118 Stat. 1675, which is classified principally to this chapter. For complete classification of title II to the Code, see Short Title note set out under section 15701 of this title and Tables.

Amendments
2015—Subsecs. (a), (b). Pub. L. 114–52, § 3(1), added subsecs. (a) and (b) and struck out former subsecs. (a) and (b) which related to the establishment and objective of the National Windstorm Impact Reduction Program.
Subsec. (c). Pub. L. 114–52, § 3(1), (2), redesignated subsec. (d) as (c) and struck out former subsec. (c) which established an Interagency Working Group.
Subsecs. (d), (e). Pub. L. 114–52, § 3(2), (3), added subsecs. (d) and (e), redesignated former subsec. (d) as (c), and struck out former subsec. (e) which required an implementation plan from the Interagency Working Group.
Subsec. (f). Pub. L. 114–52, § 3(2), struck out subsec. (f) which required biennial reports on the status of the windstorm impact reduction program.

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

§ 15704. National Advisory Committee on Windstorm Impact Reduction
(a) In general
The Director of the National Institute of Standards and Technology shall establish an Advisory Committee on Windstorm Impact Reduction, which shall be composed of at least 7 and not more than 15 members who are qualified to provide advice on windstorm impact reduction and represent related scientific, architectural, and engineering disciplines, none of whom may be employees of the Federal Government, including—
(1) representatives of research and academic institutions;
(2) industry standards development organizations;
(3) emergency management agencies;
(4) State and local government; and
(5) business communities, including the insurance industry.

(b) Assessments
The Advisory Committee on Windstorm Impact Reduction shall offer assessments and recommendations on—
(1) trends and developments in the natural, engineering, and social sciences and practices of windstorm impact mitigation;
(2) the priorities of the Program’s Strategic Plan;
(3) the coordination of the Program;
(4) the effectiveness of the Program in meeting its purposes; and
(5) any revisions to the Program which may be necessary.

(c) Compensation
The members of the Advisory Committee established under this section shall serve without compensation.

(d) Reports
At least every 2 years, the Advisory Committee shall report to the Director on the assessments carried out under subsection (b) and its recommendations for ways to improve the Program.

(e) Charter
Notwithstanding section 14(b)(2) of the Federal Advisory Committee Act (5 U.S.C. App.), the Advisory Committee shall not be required to file a charter subsequent to its initial charter, filed under section 9(c) of such Act, before the termination date specified in subsection (f) of this section.

(f) Termination
The Advisory Committee shall terminate on September 30, 2017.

(g) Conflict of interest
An Advisory Committee member shall recuse himself from any Advisory Committee activity in which he has an actual pecuniary interest.

Appendix to Title 5, Government Organization and Employees.

Sections 9 and 14 of the Federal Advisory Committee Act, referred to in subsec. (e), are sections 9 and 14, respectively, of Pub. L. 92–463, which are set out in the Appendix to Title 5, Government Organization and Employees.

AMENDMENTS


§ 15705. Savings clause

Nothing in this chapter supersedes any provision of the National Manufactured Housing Construction and Safety Standards Act of 1974 [42 U.S.C. 5401 et seq.]. No design, construction method, practice, technology, material, mitigation methodology, or hazard reduction measure of any kind developed under this chapter shall be required for a home certified under section 616 of the National Manufactured Housing Construction and Safety Standards Act of 1974 (42 U.S.C. 5415), pursuant to standards issued under such Act, without being subject to the consensus development process and rulemaking procedures of that Act.


REFERENCES IN TEXT

This chapter, referred to in text, was in the original "this title", meaning title II of Pub. L. 108–360, Oct. 25, 2004, 118 Stat. 1675, which is classified principally to this chapter. For complete classification of title II to the Code, see Short Title note set out under section 15701 of this title and Tables.


§ 15706. Authorization of appropriations

(a) Federal Emergency Management Agency

There are authorized to be appropriated to the Federal Emergency Management Agency for carrying out this chapter—

(1) $2,266,000 for fiscal year 2015;
(2) $2,266,000 for fiscal year 2016; and
(3) $2,266,000 for fiscal year 2017.


REFERENCES IN TEXT

This chapter, referred to in text, was in the original "this title", meaning title II of Pub. L. 108–360, Oct. 25, 2004, 118 Stat. 1675, which is classified principally to this chapter. For complete classification of title II to the Code, see Short Title note set out under section 15701 of this title and Tables.

AMENDMENTS


TRANSFER OF FUNCTIONS

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

§ 15707. Coordination

The Secretary of Commerce, the Director of the National Institute of Standards and Technology, the Director of the Office of Science and Technology Policy and the heads of other Federal departments and agencies carrying out activities under this chapter and the statutes amended by this chapter shall work together to ensure that research, technologies, and response techniques are shared among the programs authorized in this chapter in order to coordinate the Nation’s efforts to reduce vulnerability to the hazards described in this chapter.


REFERENCES IN TEXT

This chapter, referred to in text, was in the original "this title", meaning title II of Pub. L. 108–360, Oct. 25, 2004, 118 Stat. 1675, which is classified principally to this chapter. For complete classification of title II to the Code, see Short Title note set out under section 15701 of this title and Tables.

CHAPTER 149—NATIONAL ENERGY POLICY AND PROGRAMS

Sec. 15801. Definitions.

SUBCHAPTER I—ENERGY EFFICIENCY

PART A—ENERGY PROGRAMS

15811. Voluntary commitments to reduce industrial energy intensity.
15812. Advanced building efficiency testbed.
15813. Enhancing energy efficiency in management of Federal lands.

PART B—ENERGY ASSISTANCE AND STATE PROGRAMS

15821. Energy efficient appliance rebate programs.
15822. Energy efficient public buildings.
15823. Low income community energy efficiency pilot program.
15824. State Technologies Advancement Collaborative.
SUBCHAPTER II—RENEWABLE ENERGY

PART A—GENERAL PROVISIONS

15851. Assessment of renewable energy resources.
15852. Federal purchase requirement.
15853. Rebate program.
15854. Sugar Cane Ethanol Program.
15855. Grants to improve the commercial value of forest biomass for electric energy, useful heat, transportation fuels, and other commercial purposes.

PART B—GEOTHERMAL ENERGY

15871. Coordination of geothermal leasing and permitting on Federal lands.
15872. Assessment of geothermal energy potential.
15873. Deposit and use of geothermal lease revenues for 5 fiscal years.
15874. Intermountain West Geothermal Consortium.

PART C—HYDROELECTRIC

15881. Hydroelectric production incentives.
15882. Hydroelectric efficiency improvement.

PART D—INSULAR ENERGY

15891. Projects enhancing insular energy independence.

SUBCHAPTER III—OIL AND GAS

PART A—PRODUCTION INCENTIVES

15901. Definition of Secretary.
15902. Program on oil and gas royalties in-kind.
15903. Marginal property production incentives.
15904. Incentives for natural gas production from deep wells in the shallow waters of the Gulf of Mexico.
15905. Royalty relief for deep water production.
15907. Orphaned, abandoned, or idled wells on Federal land.
15908. Preservation of geological and geophysical data.
15909. Gas hydrate production incentive.
15910. Enhanced oil and natural gas production through carbon dioxide injection.
15911. Denali Commission.
15912. Comprehensive inventory of OCS oil and natural gas resources.

PART B—ACCESS TO FEDERAL LANDS

15921. Management of Federal oil and gas leasing programs.
15922. Consultation regarding oil and gas leasing on public land.
15923. Methodology.
15924. Project to improve Federal permit coordination.
15925. Fair market value determinations for linear rights-of-way across public lands and national forests.
15927. Oil shale, tar sands, and other strategic unconventional fuels.

PART C—ENERGY EFFICIENT PRODUCTS

15831. Public energy education program.
15832. Energy efficiency public information initiative.
15833. Energy efficiency pilot program.
15834. Report on failure to comply with deadlines for new or revised energy conservation standards.

PART D—PUBLIC HOUSING

15842. Energy strategy for HUD.

SUBCHAPTER IV—COAL

PART A—CLEAN COAL POWER INITIATIVE

15962. Project criteria.
15964. Clean coal centers of excellence.
15965. Time limit for award; extension.

PART B—CLEAN POWER PROJECTS

15971. Integrated coal/renewable energy system.
15972. Loan to place Alaska clean coal technology facility in service.
15973. Western integrated coal gasification demonstration project.
15974. Coal gasification.
15975. Petroleum coke gasification.
15976. Electron scrubbing demonstration.
15977. Department of Energy transportation fuels from Illinois basin coal.

PART C—FEDERAL COAL LEASES

15991. Inventory requirement.

SUBCHAPTER V—INDIAN ENERGY

16001. Energy efficiency in federally assisted housing.

SUBCHAPTER VI—NUCLEAR MATTERS

PART A—GENERAL NUCLEAR MATTERS

16011. Demonstration hydrogen production at existing nuclear power plants.
16013. Authorization of appropriations.
16014. Standby support for certain nuclear plant delays.

PART B—NEXT GENERATION NUCLEAR PLANT PROJECT

16021. Project establishment.
16022. Project management.
16023. Project organization.
16024. Nuclear Regulatory Commission.
16025. Project timelines and authorization of appropriations.

PART C—NUCLEAR SECURITY

16041. Nuclear facility and materials security.

SUBCHAPTER VII—VEHICLES AND FUELS

PART A—EXISTING PROGRAMS


PART B—HYBRID VEHICLES, ADVANCED VEHICLES, AND FUEL CELL BUSES

SUBPART I—HYBRID VEHICLES

16061. Hybrid vehicles.
16062. Domestic manufacturing conversion grant program.
§ 15707 TITLE 42—THE PUBLIC HEALTH AND WELFARE

SUBPART 2—ADVANCED VEHICLES
16071. Pilot program.
16072. Reports to Congress.
16073. Authorization of appropriations.

SUBPART 3—FUEL CELL BUSES
16081. Fuel cell transit bus demonstration.

PART C—CLEAN SCHOOL BUSES
16091a. Clean school bus program.
16092. Diesel truck retrofit and fleet modernization program.
16093. Fuel cell school buses.

PART D—MISCELLANEOUS
16101. Railroad efficiency.
16102. Diesel fueled vehicles.
16103. Conserve by Bicycling Program.
16104. Reduction of engine idling.
16105. Biodiesel engine testing program.
16106. Ultra-efficient engine technology for aircraft.

PART F—DIESEL EMISSIONS REDUCTION
16131. Definitions.
16132. National grant, rebate, and loan programs.
16133. State grant, rebate, and loan programs.
16134. Evaluation and report.
16135. Outreach and incentives.
16136. Effect of part.
16137. Authorization of appropriations.
16138. EPA authority to accept diesel emissions reduction Supplemental Environmental Projects.
16139. Settlement agreement provisions.

SUBCHAPTER VIII—HYDROGEN
16151. Purposes.
16152. Definitions.
16153. Plan.
16154. Programs.
16156. Technical Advisory Committee.
16157. Demonstration.
16158. Codes and standards.
16159. Disclosure.
16160. Reports.
16161. Solar and wind technologies.
16162. Technology transfer.
16163. Miscellaneous provisions.
16164. Cost sharing.
16165. Savings clause.

SUBCHAPTER IX—RESEARCH AND DEVELOPMENT
16181. Goals.
16182. Definitions.

PART A—ENERGY EFFICIENCY
16191. Energy efficiency.
16194. Building standards.
16195. Secondary electric vehicle battery use program.
16197. Advanced Energy Technology Transfer Centers.

PART B—DISTRIBUTED ENERGY AND ELECTRIC ENERGY SYSTEMS
16211. Distributed energy and electric energy systems.

PART C—RENEWABLE ENERGY
16321. Renewable energy.
16322. Bioenergy program.
16323. Low-cost renewable hydrogen and infrastructure for vehicle propulsion.
16324. Concentrating solar power research program.
16325. Renewable energy in public buildings.

PART D—AGRICULTURAL BIOMASS RESEARCH AND DEVELOPMENT PROGRAMS
16351. Production incentives for cellulosic biofuels.
16352. Education.
16353. Small business bioproduct marketing and certification grants.
16354. Regional bioeconomy development grants.
16355. Preprocessing and harvesting demonstration grants.
16356. Education and outreach.

PART E—NUCLEAR ENERGY
16471. Nuclear energy.
16472. Nuclear energy research programs.
16473. Advanced fuel cycle initiative.
16474. University nuclear science and engineering support.
16474a. Integrated University Program.
16475. Department of Energy civilian nuclear infrastructure and facilities.
16476. Security of nuclear facilities.
16477. High-performance computation and support research.
16478. Enabling nuclear energy innovation.
16479. Budget plan.
16480. Advanced Nuclear Energy Licensing Cost-Share Grant Program.

PART F—FOSSIL ENERGY
16591. Fossil energy.
16591a. Property interests.
16592. Coal and related technologies program.
16593. Carbon capture and sequestration research, development, and demonstration program.
16594. Research and development for coal mining technologies.
16595. Oil and gas research programs.
16596. Low-volume oil and gas reservoir research program.

PART G—SCIENCE
16631. Science.
16632. Fusion energy sciences program.
16633. Solar Fuels Research Initiative.
16634. Hydrogen.
16635. Electricity Storage Research Initiative.
16636. Advanced scientific computing research and development program.
16637. Systems biology program.
16638. Fission and fusion energy materials research program.
16639. Energy and water supplies.
16639a. Spallation Neutron Source.
16641. Facility for Rare Isotope Beams.
16642. Office of Scientific and Technical Information.
16643. Science and engineering education pilot program.
16644. Energy research fellowships.
16645. Science and Technology Scholarship Program.

PART H—INTERNATIONAL COOPERATION
16641. Western Hemisphere energy cooperation.
16451. Definitions.

PART I—RESEARCH ADMINISTRATION AND OPERATIONS

16351. Availability of funds.
16352. Cost sharing.
16353. Merit review of proposals.
16354. External technical review of departmental programs.
16355. National Laboratory designation.
16357. Strategy for facilities and infrastructure.
16358. Strategic research portfolio analysis and coordination plan.
16359. Competitive award of management contracts.
16360. Arctic Engineering Research Center.
16361. Western Michigan demonstration project.
16362. Barrow Geophysical Research Facility.

PART J—ULTRA-DEEPWATER AND UNCONVENTIONAL NATURAL GAS AND OTHER PETROLEUM RESOURCES

16411. Workforce trends and traineeship grants.
16412. Training guidelines for nonnuclear electric energy industry personnel.

SUBCHAPTER XI—PERSONNEL AND TRAINING

16421. Third-party finance.
16422. Western Area Power Administration borrowing authority.
16423. Advanced Power System Technology Incentive Program.

PART B—TRANSMISSION OPERATION IMPROVEMENTS

16431. Federal utility participation in transmission organizations.
16432. Study on the benefits of economic dispatch.

PART C—TRANSMISSION RATE REFORM

16441. Funding new interconnection and transmission upgrades.

PART D—REPEAL OF PUBLIC UTILITY HOLDING COMPANY ACT OF 1935

16451. Definitions.
16452. Federal access to books and records.
16453. State access to books and records.
16454. Exemption authority.
16455. Affiliate transactions.
16456. Applicability.
16457. Effect on other regulations.
16458. Enforcement.
16459. Savings provisions.
16460. Implementation.
16461. Transfer of resources.
16462. Service allocation.
16463. Authorization of appropriations.

Sec. 15801. Definitions

Except as otherwise provided, in this Act:

(1) Department

The term "Department" means the Department of Energy.

(2) Institution of higher education

(A) In general

The term "institution of higher education" has the meaning given the term in section 1001(a) of title 20.

(B) Inclusion

The term "institution of higher education" includes an organization that—

(i) is organized, and at all times thereafter operated, exclusively for the benefit of, to perform the functions of, or to carry
out the functions of one or more organizations referred to in subparagraph (A); and (ii) is operated, supervised, or controlled by or in connection with one or more of those organizations.

(3) National Laboratory

The term “National Laboratory” means any of the following laboratories owned by the Department:
(A) Ames Laboratory.
(B) Argonne National Laboratory.
(C) Brookhaven National Laboratory.
(D) Fermi National Accelerator Laboratory.
(E) Idaho National Laboratory.
(F) Lawrence Berkeley National Laboratory.
(G) Lawrence Livermore National Laboratory.
(H) Los Alamos National Laboratory.
(I) National Energy Technology Laboratory.
(J) National Renewable Energy Laboratory.
(K) Oak Ridge National Laboratory.
(L) Pacific Northwest National Laboratory.
(M) Princeton Plasma Physics Laboratory.
(N) Sandia National Laboratories.
(O) Savannah River National Laboratory.
(P) Stanford Linear Accelerator Center.
(Q) Thomas Jefferson National Accelerator Facility.

(4) Secretary

The term “Secretary” means the Secretary of Energy.

(5) Small business concern

The term “small business concern” has the meaning given the term in section 632 of title 15.

PUBLICATIONS LISTED

Pub. L. 109–58, § 1(a), Aug. 8, 2005, 119 Stat. 594, provided that: “This title [enacting subchapter V of this chapter, section 714h of this title, and section 3501 et seq. of Title 25, Indians, amending provisions set out as notes under section 8101 of Title 7, and section 1902 of Title 30] may be cited as the ‘Sierra National Forest Land Exchange Act of 2006’.”

SHORT TITLE

Pub. L. 109–58, § 1(a), Aug. 8, 2005, 119 Stat. 594, provided that: “This title [enacting subchapter V of this chapter, section 714h of this title, and section 3501 et seq. of Title 25, Indians, amending provisions set out as notes under section 8101 of Title 7, and section 1902 of Title 30] may be cited as the ‘Sierra National Forest Land Exchange Act of 2006’.”

SUBCHAPTER I—ENERGY EFFICIENCY

PART A—FEDERAL PROGRAMS

§ 15811. Voluntary commitments to reduce industrial energy intensity

(a) Definition of energy intensity

In this section, the term “energy intensity” means the primary energy consumed for each unit of physical output in an industrial process.
(b) Voluntary agreements

The Secretary may enter into voluntary agreements with one or more persons in industrial sectors that consume significant quantities of primary energy for each unit of physical output to reduce the energy intensity of the production activities of the persons.

(c) Goal

Voluntary agreements under this section shall have as a goal the reduction of energy intensity by not less than 2.5 percent each year during the period of calendar years 2007 through 2016.

(d) Recognition

The Secretary, in cooperation with other appropriate Federal agencies, shall develop mechanisms to recognize and publicize the achievements of participants in voluntary agreements under this section.

(e) Technical assistance

A person that enters into an agreement under this section and continues to make a good faith effort to achieve the energy efficiency goals specified in the agreement shall be eligible to receive from the Secretary a grant or technical assistance, as appropriate, to assist in the achievement of those goals.

(f) Report

Not later than each of June 30, 2012, and June 30, 2017, the Secretary shall submit to Congress a report that—

(1) evaluates the success of the voluntary agreements under this section; and

(2) provides independent verification of a sample of the energy savings estimates provided by participating firms.


§15812. Advanced Building Efficiency Testbed

(a) Establishment

The Secretary, in consultation with the Administrator of General Services, shall establish an Advanced Building Efficiency Testbed program for the development, testing, and demonstration of advanced engineering systems, components, and materials to enable innovations in building technologies. The program shall evaluate efficiency concepts for government and industry buildings, and demonstrate the ability of next generation buildings to support individual and organizational productivity and health (including by improving indoor air quality) as well as flexibility and technological change to improve environmental sustainability. Such program shall complement and not duplicate existing national programs.

(b) Participants

The program established under subsection (a) shall be led by a university with the ability to combine the expertise from numerous academic fields including, at a minimum, intelligent workplaces and advanced building systems and engineering, electrical and computer engineering, computer science, architecture, urban design, and environmental and mechanical engineering. Such university shall partner with other universities and entities who have established programs and the capability of advancing innovative building efficiency technologies.

(c) Authorization of appropriations

There are authorized to be appropriated to the Secretary to carry out this section $6,000,000 for each of the fiscal years 2006 through 2008, to remain available until expended. For any fiscal year in which funds are expended under this section, the Secretary shall provide one-third of the total amount to the lead university described in subsection (b), and provide the remaining two-thirds to the other participants referred to in subsection (b) on an equal basis.


§15813. Enhancing energy efficiency in management of Federal lands

(a) Sense of the Congress

It is the sense of the Congress that Federal agencies should enhance the use of energy efficient technologies in the management of natural resources.

(b) Energy efficient buildings

To the extent practicable, the Secretary of the Interior, the Secretary of Commerce, and the Secretary of Agriculture shall seek to incorporate energy efficient technologies in public and administrative buildings associated with management of the National Park System, National Wildlife Refuge System, National Forest System, National Marine Sanctuaries System, and other public lands and resources managed by the Secretaries.

(c) Energy efficient vehicles

To the extent practicable, the Secretary of the Interior, the Secretary of Commerce, and the Secretary of Agriculture shall seek to use energy efficient motor vehicles, including vehicles equipped with biodiesel or hybrid engine technologies, in the management of the National Park System, National Wildlife Refuge System, National Forest System, National Marine Sanctuaries System, and other public lands and resources managed by the Secretaries.


Part B—Energy Assistance and State Programs

§15821. Energy efficient appliance rebate programs

(a) Definitions

In this section:

(1) Eligible State

The term “eligible State” means a State that meets the requirements of subsection (b).

(2) Energy Star program

The term “Energy Star program” means the program established by section 6294a of this title.

(3) Residential Energy Star product

The term “residential Energy Star product” means a product for a residence that is rated...
for energy efficiency under the Energy Star program.

(4) State energy office

The term “State energy office” means the State agency responsible for developing State energy conservation plans under section 6322 of this title.

(5) State program

The term “State program” means a State energy efficient appliance rebate program described in subsection (b)(1).

(b) Eligible States

A State shall be eligible to receive an allocation under subsection (c) if the State—

(1) establishes (or has established) a State energy efficient appliance rebate program to provide rebates to residential consumers for the purchase of residential Energy Star products, or products with improved energy efficiency in cold climates, to replace used appliances of the same type;

(2) submits an application for the allocation at such time, in such form, and containing such information as the Secretary may require; and

(3) provides assurances satisfactory to the Secretary that the State will use the allocation to supplement, but not supplant, funds made available to carry out the State program.

(c) Amount of allocations

(1) In general

Subject to paragraph (2), for each fiscal year, the Secretary shall allocate to the State energy office of each eligible State to carry out subsection (c) an amount equal to the product obtained by multiplying the amount made available under subsection (f) for the fiscal year by the ratio that the population of the State in the most recent calendar year for which data are available bears to the total population of all eligible States in that calendar year.

(2) Minimum allocations

For each fiscal year, the amounts allocated under this subsection shall be adjusted proportionately so that no eligible State is allocated a sum that is less than an amount determined by the Secretary.

(d) Use of allocated funds

The allocation to a State energy office under subsection (c) may be used to pay up to 50 percent of the cost of establishing and carrying out a State program.

(e) Issuance of rebates

Rebates may be provided to residential consumers that meet the requirements of the State program. The amount of a rebate shall be determined by the State energy office, taking into consideration—

(1) the amount of the allocation to the State energy office under subsection (c);

(2) the amount of any Federal or State tax incentive available for the purchase of the residential Energy Star product or product with improved energy efficiency in a cold climate; and

(3) the difference between the cost of the residential Energy Star product or product with improved energy efficiency in a cold climate and the cost of an appliance that is not a residential Energy Star product or product with improved energy efficiency in a cold climate, but is of the same type as, and is the nearest capacity, performance, and other relevant characteristics (as determined by the State energy office) to, the residential Energy Star product or product with improved energy efficiency in a cold climate.

(f) Authorization of appropriations

There are authorized to be appropriated to the Secretary to carry out this section $50,000,000 for each of the fiscal years 2006 through 2010.


AMENDMENTS


EFFECTIVE DATE OF 2007 AMENDMENT

Amendment by Pub. L. 110–140 effective on the date that is 1 day after Dec. 19, 2007, see section 1601 of Pub. L. 110–140, set out as an Effective Date note under section 1824 of Title 2, The Congress.

§ 15822. Energy efficient public buildings

(a) Grants

The Secretary may make grants to the State agency responsible for developing State energy conservation plans under section 6322 of this title, or, if no such agency exists, a State agency designated by the Governor of the State, to assist units of local government in the State in improving the energy efficiency of public buildings and facilities—

(1) through construction of new energy efficient public buildings that use at least 30 percent less energy than a comparable public building constructed in compliance with standards prescribed in the most recent version of the International Energy Conservation Code, or a similar State code intended to achieve substantially equivalent efficiency levels; or

(2) through renovation of existing public buildings to achieve reductions in energy use of at least 30 percent as compared to the baseline energy use in such buildings prior to renovation, assuming a 3-year, weather-normalized average for calculating such baseline.

(b) Administration

State energy offices receiving grants under this section shall—

(1) maintain such records and evidence of compliance as the Secretary may require; and

(2) develop and distribute information and materials and conduct programs to provide technical services and assistance to encourage planning, financing, and design of energy effi-
cient public buildings by units of local government.

(c) Authorization of appropriations

For the purposes of this section, there are authorized to be appropriated to the Secretary $30,000,000 for each of fiscal years 2006 through 2010. Not more than 10 percent of appropriated funds shall be used for administration.


§15823. Low income community energy efficiency pilot program

(a) Grants

The Secretary is authorized to make grants to units of local government, private, non-profit community development organizations, and Indian tribe economic development entities to improve energy efficiency; identify and develop alternative, renewable, and distributed energy supplies; and increase energy conservation in low income rural and urban communities.

(b) Purpose of grants

The Secretary may make grants on a competitive basis for—

(1) investments that develop alternative, renewable, and distributed energy supplies;
(2) energy efficiency projects and energy conservation programs;
(3) studies and other activities that improve energy efficiency in low income rural and urban communities;
(4) planning and development assistance for increasing the energy efficiency of buildings and facilities; and
(5) technical and financial assistance to local government and private entities on developing new renewable and distributed sources of power or combined heat and power generation.

(c) Definition

For purposes of this section, the term “Indian tribe” means any Indian tribe, band, nation, or other organized group or community, including any Alaskan Native village or regional or village corporation as defined in or established pursuant to the Alaska Native Claims Settlement Act (43 U.S.C. 1601 et seq.), that is recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians.

(d) Authorization of appropriations

For the purposes of this section there are authorized to be appropriated to the Secretary $20,000,000 for each of fiscal years 2006 through 2008.


References in Text

The Alaska Native Claims Settlement Act, referred to in subsec. (c), is Pub. L. 92-203, Dec. 18, 1971, 85 Stat. 688, as amended, which is classified generally to chapter 33 (§1601 et seq.) of Title 43, Public Lands. For complete classification of this Act to the Code, see Short Title note set out under section 1601 of Title 43 and Tables.

§15824. State Technologies Advancement Collaborative

(a) In general

The Secretary, in cooperation with the States, shall establish a cooperative program for research, development, demonstration, and deployment of technologies in which there is a common Federal and State energy efficiency, renewable energy, and fossil energy interest, to be known as the “State Technologies Advancement Collaborative” (referred to in this section as the “Collaborative”).

(b) Duties

The Collaborative shall—

(1) leverage Federal and State funding through cost-shared activity;
(2) reduce redundancies in Federal and State funding; and
(3) create multistate projects to be awarded through a competitive process.

(c) Administration

The Collaborative shall be administered through an agreement between the Department and appropriate State-based organizations.

(d) Funding sources

Funding for the Collaborative may be provided from—

(1) amounts specifically appropriated for the Collaborative; or
(2) amounts that may be allocated from other appropriations without changing the purpose for which the amounts are appropriated.

(e) Authorization of appropriations

There are authorized to carry out this section such sums as are necessary for each of fiscal years 2006 through 2010.


Part C—Energy Efficient Products

§15831. Public energy education program

(a) In general

Not later than 180 days after August 8, 2005, the Secretary shall convene an organizational conference for the purpose of establishing an ongoing, self-sustaining national public energy education program.

(b) Participants

The Secretary shall invite to participate in the conference individuals and entities representing all aspects of energy production and distribution, including—

(1) industrial firms;
(2) professional societies;
(3) educational organizations;
(4) trade associations; and
(5) governmental agencies.

(c) Purpose, scope, and structure

(1) Purpose

The purpose of the conference shall be to establish an ongoing, self-sustaining national public energy education program to examine and recognize interrelationships between energy sources in all forms, including—
(A) conservation and energy efficiency;
(B) the role of energy use in the economy; and
(C) the impact of energy use on the environment.

(2) Scope and structure
Taking into consideration the purpose described in paragraph (1), the participants in the conference invited under subsection (b) shall design the scope and structure of the program described in subsection (a).

(d) Technical assistance
The Secretary shall provide technical assistance and other guidance necessary to carry out the program described in subsection (a).

(e) Authorization of appropriations
There are authorized to be appropriated such sums as are necessary to carry out this section.


§ 15832. Energy efficiency public information initiative

(a) In general
The Secretary shall carry out a comprehensive national program, including advertising and media awareness, to inform consumers about—
(1) the need to reduce energy consumption during the 4-year period beginning on August 8, 2005;
(2) the benefits to consumers of reducing consumption of electricity, natural gas, and petroleum, particularly during peak use periods;
(3) the importance of low energy costs to economic growth and preserving manufacturing jobs in the United States; and
(4) practical, cost-effective measures that consumers can take to reduce consumption of electricity, natural gas, and gasoline, including—
(A) maintaining and repairing heating and cooling ducts and equipment;
(B) weatherizing homes and buildings;
(C) purchasing energy efficient products; and
(D) proper tire maintenance.

(b) Cooperation
The program carried out under subsection (a) shall—
(1) include collaborative efforts with State and local government officials and the private sector; and
(2) incorporate, to the maximum extent practicable, successful State and local public education programs.

(c) Report
Not later than July 1, 2009, the Secretary shall submit to Congress a report describing the effectiveness of the program under this section.

(d) Termination of authority
The program carried out under this section shall terminate on December 31, 2010.

(e) Authorization of appropriations
There are authorized to be appropriated to carry out this section $90,000,000 for each of fiscal years 2006 through 2010.


§ 15833. Energy efficiency pilot program

(a) In general
The Secretary shall establish a pilot program under which the Secretary provides financial assistance to at least 3, but not more than 7, States to carry out pilot projects in the States for—
(1) planning and adopting statewide programs that encourage, for each year in which the pilot project is carried out—
(A) energy efficiency; and
(B) reduction of consumption of electricity or natural gas in the State by at least 0.75 percent, as compared to a baseline determined by the Secretary for the period preceding the implementation of the program; or
(2) for any State that has adopted a statewide program as of August 8, 2005, activities that reduce energy consumption in the State by expanding and improving the program.

(b) Verification
A State that receives financial assistance under subsection (a)(1) shall submit to the Secretary independent verification of any energy savings achieved through the statewide program.

(c) Authorization of appropriations
There is authorized to be appropriated to carry out this section $5,000,000 for each of fiscal years 2006 through 2010, to remain available until expended.


§ 15834. Report on failure to comply with deadlines for new or revised energy conservation standards

(a) Initial report
The Secretary shall submit a report to Congress regarding each new or revised energy conservation or water use standard which the Secretary has failed to issue in conformance with the deadlines established in the Energy Policy and Conservation Act [42 U.S.C. 6201 et seq.]. Such report shall state the reasons why the Secretary has failed to comply with the deadline for issuances of the new or revised standard and set forth the Secretary’s plan for expeditiously prescribing such new or revised standard. The Secretary’s initial report shall be submitted not later than 6 months following August 8, 2005, and subsequent reports shall be submitted whenever the Secretary determines that additional deadlines for issuance of new or revised standards have been missed.

(b) Implementation report
Every 6 months following the submission of a report under subsection (a) until the adoption of a new or revised standard described in such report, the Secretary shall submit to the Congress an implementation report describing the Secretary’s progress in implementing the Secretary’s plan or the issuance of the new or revised standard.
§ 15841. Energy-efficient appliances

In purchasing appliances, a public housing agency shall purchase energy-efficient appliances that are Energy Star products or FEMP-designated products, as such terms are defined in section 8259b of this title, unless the purchase of energy-efficient appliances is not cost-effective to the agency.


§ 15842. Energy strategy for HUD

The Secretary of Housing and Urban Development shall develop and implement an integrated strategy to reduce utility expenses through cost-effective energy conservation and efficiency measures and energy efficient design and construction of public and assisted housing. The energy strategy shall include the development of energy reduction goals and incentives for public housing agencies. The Secretary shall submit a report to Congress, not later than 1 year after August 8, 2005, on the energy strategy and the actions taken by the Department of Housing and Urban Development to monitor the energy usage of public housing agencies and shall submit an update every 2 years thereafter on progress in implementing the strategy.


SUBCHAPTER II—RENEWABLE ENERGY

PART A—GENERAL PROVISIONS

§ 15851. Assessment of renewable energy resources

(a) Resource assessment

Not later than 6 months after August 8, 2005, and each year thereafter, the Secretary shall review the available assessments of renewable energy resources within the United States, including solar, wind, biomass, ocean (including tidal, wave, current, and thermal), geothermal, and hydroelectric energy resources, and undertake new assessments as necessary, taking into account changes in market conditions, available technologies, and other relevant factors.

(b) Contents of reports

Not later than 1 year after August 8, 2005, and each year thereafter, the Secretary shall publish a report based on the assessment under subsection (a). The report shall contain—

(1) a detailed inventory describing the available amount and characteristics of the renewable energy resources; and

(2) such other information as the Secretary believes would be useful in developing such renewable energy resources, including descriptions of surrounding terrain, population and load centers, nearby energy infrastructure, location of energy and water resources, and available estimates of the costs needed to develop each resource, together with an identification of any barriers to providing adequate transmission for remote sources of renewable energy resources to current and emerging markets, recommendations for removing or addressing such barriers, and ways to provide access to the grid that do not unfairly disadvantage renewable or other energy producers.

(c) Authorization of appropriations

For the purposes of this section, there are authorized to be appropriated to the Secretary $10,000,000 for each of fiscal years 2006 through 2010.


§ 15852. Federal purchase requirement

(a) Requirement

The President, acting through the Secretary, shall seek to ensure that, to the extent economically feasible and technically practicable, of the total amount of electric energy the Federal Government consumes during any fiscal year, the following amounts shall be renewable energy:

(1) Not less than 3 percent in fiscal years 2007 through 2009.

(2) Not less than 5 percent in fiscal years 2010 through 2012.

(3) Not less than 7.5 percent in fiscal year 2013 and each fiscal year thereafter.

(b) Definitions

In this section:

(1) Biomass

The term “biomass” means any lignin waste material that is segregated from other waste materials and is determined to be nonhazardous by the Administrator of the Environmental Protection Agency and any solid, nonhazardous, cellulosic material that is derived from—

(A) any of the following forest-related resources: mill residues, precommercial thinnings, slash, and brush, or nonmerchantable material;

(B) solid wood waste materials, including waste pallets, crates, dunnage, manufacturing and construction wood wastes (other than pressure-treated, chemically-treated, or painted wood wastes), and landscape or right-of-way tree trimmings, but not including municipal solid waste (garbage), gas derived from the biodegradation of solid waste, or paper that is commonly recycled;

(C) agriculture wastes, including orchard tree crops, vineyard, grain, legumes, sugar, and other crop by-products or residues, and livestock waste nutrients; or

(D) a plant that is grown exclusively as a fuel for the production of electricity.

(2) Renewable energy

The term “renewable energy” means electric energy generated from solar, wind, biomass,
landfill gas, ocean (including tidal, wave, current, and thermal), geothermal, municipal solid waste, or new hydroelectric generation capacity achieved from increased efficiency or additions of new capacity at an existing hydroelectric project.

(c) Calculation
For purposes of determining compliance with the requirement of this section, the amount of renewable energy shall be doubled if—
(1) the renewable energy is produced and used on-site at a Federal facility;
(2) the renewable energy is produced on Federal lands and used at a Federal facility; or

(d) Report
Not later than April 15, 2007, and every 2 years thereafter, the Secretary shall provide a report to Congress on the progress of the Federal Government in meeting the goals established by this section.


REFERENCES IN TEXT

Federal Leadership on Energy Management
Memorandum of President of the United States, Dec. 5, 2013, 78 F.R. 75209, which set a renewable energy target and building performance and energy management requirements for Federal agencies, was revoked by Ex. Ord. No. 13693, § 16(b), Mar. 19, 2015, 80 F.R. 15880, for -

§ 15853. Rebate program
(1) Establishment
The Secretary shall establish a program providing rebates for consumers for expenditures made for the installation of a renewable energy system in connection with a dwelling unit or small business.

(2) Amount of rebate
Rebates provided under the program established under paragraph (1) shall be in an amount not to exceed the lesser of—
(A) 25 percent of the expenditures described in paragraph (1) made by the consumer; or
(B) $3,000.

(3) Definition
For purposes of this section, the term “renewable energy system” has the meaning given that term in section 6865(c)(6)(A) of this title.

(4) Authorization of appropriations
There are authorized to be appropriated to the Secretary for carrying out this section, to remain available until expended—
(A) $150,000,000 for fiscal year 2006;
(B) $150,000,000 for fiscal year 2007;
(C) $200,000,000 for fiscal year 2008;
(D) $250,000,000 for fiscal year 2009; and
(E) $250,000,000 for fiscal year 2010.


§ 15854. Sugar Cane Ethanol Program
(a) Definition of program
In this section, the term “program” means the Sugar Cane Ethanol Program established by subsection (b).

(b) Establishment
There is established within the Environmental Protection Agency a program to be known as the “Sugar Cane Ethanol Program”.

(c) Project
(1) In general
Subject to the availability of appropriations under subsection (d), in carrying out the program, the Administrator of the Environmental Protection Agency shall establish a project that is—
(A) carried out in multiple States—
(i) in each of which is produced cane sugar that is eligible for loans under section 7272 of title 7, or a similar subsequent authority; and
(ii) at the option of each such State, that have an incentive program that requires the use of ethanol in the State; and
(B) designed to study the production of ethanol from cane sugar, sugarcane, and sugarcane byproducts.

(2) Requirements
A project described in paragraph (1) shall—
(A) be limited to sugar producers and the production of ethanol in the States of Florida, Louisiana, Texas, and Hawaii, divided equally among the States, to demonstrate that the process may be applicable to cane sugar, sugarcane, and sugarcane byproducts;
(B) include information on the ways in which the scale of production may be replicated once the sugar cane industry has located sites for, and constructed, ethanol production facilities; and
(C) not last more than 3 years.

(d) Authorization of appropriations
There is authorized to be appropriated to carry out this section $36,000,000, to remain available until expended.


§ 15855. Grants to improve the commercial value of forest biomass for electric energy, useful heat, transportation fuels, and other commercial purposes
(a) Definitions
In this section:
(1) Biomass
The term “biomass” means nonmerchantable materials or precommercial thinnings that are byproducts of preventive treatments, such as trees, wood, brush, thinnings, chips, and slash, that are removed—
(b) Biomass commercial use grant program

(1) In general

The Secretary concerned may make grants to persons to offset the cost of projects to develop or research opportunities to improve the use of, or add value to, biomass. In making such grants, the Secretary concerned shall give preference to persons in preferred communities.

(2) Selection

The Secretary concerned shall select a grant recipient under paragraph (1) after giving consideration to—

(A) the anticipated public benefits of the project, including the potential to develop thermal or electric energy resources or affordable energy;

(B) opportunities for the creation or expansion of small businesses and micro-businesses;

(C) the potential for new job creation;

(D) the potential for the project to improve efficiency or develop cleaner technologies for biomass utilization; and

(E) the potential for the project to reduce the hazardous fuels from the areas in greatest need of treatment.

(3) Grant amount

A grant under this subsection may not exceed $500,000.

(d) Authorization of appropriations

There are authorized to be appropriated $50,000,000 for fiscal year 2006 and $35,000,000 for each of fiscal years 2007 through 2016 to carry out this section.

(e) Report

Not later than October 1, 2010, the Secretary of Agriculture, in consultation with the Secretary of the Interior, shall submit to the Committee on Energy and Natural Resources and the Committee on Agriculture, in consultation with the Committee on Energy and Natural Resources, and the Committee on Agriculture of the House of Representatives, a report describing the results of the grant programs authorized by this section. The report shall include the following:

(1) An identification of the size, type, and use of biomass by persons that receive grants under this section.

(2) The distance between the land from which the biomass was removed and the facility that used the biomass.

(3) The economic impacts, particularly new job creation, resulting from the grants to and operation of the eligible operations.
Amendments
2006—Subsec. (d). Pub. L. 109–375 substituted ‘‘$50,000,000 for fiscal year 2006 and $35,000,000 for each of fiscal years 2007 through 2016’’ for ‘‘$50,000,000 for each of the fiscal years 2006 through 2016’’.

Change of Name
Committee on Resources of House of Representatives changed to Committee on Natural Resources of House of Representatives by House Resolution No. 6, One Hundred Tenth Congress, Jan. 5, 2007.

Part B—Geothermal Energy
§ 15871. Coordination of geothermal leasing and permitting on Federal lands
(a) In general
Not later than 180 days after August 8, 2005, the Secretary of the Interior and the Secretary of Agriculture shall enter into and submit to Congress a memorandum of understanding in accordance with this section, the Geothermal Steam Act of 1970 (as amended by this Act) [30 U.S.C. 1001 et seq.], and other applicable laws, regarding coordination of leasing and permitting for geothermal development of public lands and National Forest System lands under their respective jurisdictions.
(b) Lease and permit applications
The memorandum of understanding shall—
(1) establish an administrative procedure for processing geothermal lease applications, including lines of authority, steps in application processing, and time limits for application processing;
(2) establish a 5-year program for geothermal leasing of lands in the National Forest System, and a process for updating that program every 5 years; and
(3) establish a program for reducing the backlog of geothermal lease applications pending on January 1, 2005, by 90 percent within the 5-year period beginning on August 8, 2005, including, as necessary, by issuing leases, rejecting lease applications for failure to comply with the provisions of the regulations under which they were filed, or determining that an original applicant (or the applicant’s assigns, heirs, or estate) is no longer interested in pursuing the lease application.
(c) Data retrieval system
The memorandum of understanding shall establish a joint data retrieval system that is capable of tracking lease and permit applications and providing to the applicant information as to their status within the Departments of the Interior and Agriculture, including an estimate of the time required for administrative action.

References in Text
The Geothermal Steam Act of 1970, referred to in subsec. (a) and (b), is Pub. L. 91–581, Dec. 24, 1970, 84 Stat. 1566, as amended, which is classified principally to chapter 23 (§1001 et seq.) of Title 30, Mineral Lands and Mining. For complete classification of this Act to the Code, see Short Title note set out under section 15801 of this title and Tables.

§ 15872. Assessment of geothermal energy potential
Not later than 3 years after August 8, 2005, and thereafter as the availability of data and developments in technology warrants, the Secretary of the Interior, acting through the Director of the United States Geological Survey and in cooperation with the States, shall—
(1) update the Assessment of Geothermal Resources made during 1978; and
(2) submit to Congress the updated assessment.

§ 15873. Deposit and use of geothermal lease revenues for 5 fiscal years
(a) Deposit of geothermal resources leases
Notwithstanding any other provision of law, amounts received by the United States in the first 5 fiscal years beginning after August 8, 2005, as rentals, royalties, and other payments required under leases under the Geothermal Steam Act of 1970 [30 U.S.C. 1001 et seq.], excluding funds required to be paid to State and county governments, shall be deposited into a separate account in the Treasury.
(b) Use of deposits
Amounts deposited under subsection (a) shall be available to the Secretary of the Interior for expenditure, without further appropriation and without fiscal year limitation, to implement the Geothermal Steam Act of 1970 [30 U.S.C. 1001 et seq.] and this Act.
(c) Transfer of funds
For the purposes of coordination and processing of geothermal leases and geothermal use authorizations on Federal land the Secretary of the Interior may authorize the expenditure or transfer of such funds as are necessary to the Forest Service.

References in Text
The Geothermal Steam Act of 1970, referred to in subsecs. (a) and (b), is Pub. L. 91–581, Dec. 24, 1970, 84 Stat. 1566, as amended, which is classified principally to chapter 23 (§1001 et seq.) of Title 30, Mineral Lands and Mining. For complete classification of this Act to the Code, see Short Title note set out under section 15801 of this title and Tables.

§ 15874. Intermountain West Geothermal Consortium
(a) Participation authorized
The Secretary, acting through the Idaho National Laboratory, may participate in a consor-
Incentive payments

§ 15881. Hydroelectric production incentives

The term “incentive period” means any dam or conduit the construction of which was completed before August 8, 2005, and which does not require any construction or enlargement of impoundment or diversion structures (other than repair or reconstruction) in connection with the installation of a turbine or other generating device.

(3) Conduit

The term “conduit” has the same meaning as when used in section 823a(a)(2) of title 16.

The terms defined in this subsection shall apply without regard to the hydroelectric kilowatt capacity of the facility concerned, without regard to whether the facility uses a dam owned by a governmental or nongovernmental entity, and without regard to whether the facility begins operation on or after August 8, 2005.

(c) Eligibility window

Payments may be made under this section only for electric energy generated from a qualified hydroelectric facility which begins operation during the period of 10 fiscal years beginning with the first full fiscal year occurring after August 8, 2005.

(d) Incentive period

Payments may be made under this section for a period of 10 fiscal years (referred to in this section as the “incentive period”). Such period shall begin with the fiscal year in which electric energy generated from the facility is first eligible for such payments.

(e) Amount of payment

(1) In general

Payments made by the Secretary under this section to the owner or operator of a qualified hydroelectric facility shall be based on the number of kilowatt hours of hydroelectric energy generated by the facility during the incentive period. For any such facility, the amount of such payment shall be 1.8 cents per kilowatt hour (adjusted as provided in paragraph (2)), subject to the availability of appropriations under subsection (g), except that no facility may receive more than $750,000 in 1 calendar year.

(2) Adjustments

The amount of the payment made to any person under this section as provided in paragraph (1) shall be adjusted for inflation for each fiscal year beginning after calendar year 2005 in the same manner as provided in the provisions of section 29(d)(2)(B) of title 26, except that in applying such provisions the calendar year 2005 shall be substituted for calendar year 1979.

(f) Sunset

No payment may be made under this section to any qualified hydroelectric facility after the

---

1 See References in Text note below.
expansion of the period of 20 fiscal years beginning with the first full fiscal year occurring after August 8, 2005, and no payment may be made under this section to any such facility after a payment has been made with respect to such facility for a period of 10 fiscal years.

(g) Authorization of appropriations

There are authorized to be appropriated to the Secretary to carry out the purposes of this section $10,000,000 for each of the fiscal years 2006 through 2015.


§ 15882. Hydroelectric efficiency improvement

(a) Incentive payments

The Secretary shall make incentive payments to the owners or operators of hydroelectric facilities at existing dams to be used to make capital improvements in the facilities that are directly related to improving the efficiency of such facilities by at least 3 percent.

(b) Limitations

Incentive payments under this section shall not exceed 10 percent of the costs of the capital improvement concerned and not more than 1 payment may be made with respect to improvements at a single facility. No payment in excess of $750,000 may be made with respect to improvements at a single facility.

(c) Authorization of appropriations

There are authorized to be appropriated to carry out this section not more than $10,000,000 for each of the fiscal years 2006 through 2015.


PART D—INSULAR ENERGY

§ 15891. Projects enhancing insular energy independence

(a) Project feasibility studies

(1) In general

On a request described in paragraph (2), the Secretary shall conduct a feasibility study of a project to implement a strategy or project identified in the plans submitted to Congress pursuant to section 1492 of title 48 as having the potential to—

(A) significantly reduce the dependence of an insular area on imported fossil fuels; or

(B) provide needed distributed generation to an insular area.

(2) Request

The Secretary shall conduct a feasibility study under paragraph (1) on—

(A) the request of an electric utility located in an insular area that commits to fund at least 10 percent of the cost of the study; and

(B) if the electric utility is located in the Federated States of Micronesia, the Republic of the Marshall Islands, or the Republic of Palau, written support for that request by the President or the Ambassador of the affected freely associated state.

(3) Consultation

The Secretary shall consult with regional utility organizations in—

(A) conducting feasibility studies under paragraph (1); and

(B) determining the feasibility of potential projects.

(4) Feasibility

For the purpose of a feasibility study under paragraph (1), a project shall be determined to be feasible if the project would significantly reduce the dependence of an insular area on imported fossil fuels, or provide needed distributed generation to an insular area, at a reasonable cost.

(b) Implementation

(1) In general

On a determination by the Secretary (in consultation with the Secretary of the Interior) that a project is feasible under subsection (a) and a commitment by an electric utility to operate and maintain the project, the Secretary may provide such technical and financial assistance as the Secretary determines is appropriate for the implementation of the project.

(2) Regional utility organizations

In providing assistance under paragraph (1), the Secretary shall consider providing the assistance through regional utility organizations.

(c) Authorization of appropriations

(1) In general

There are authorized to be appropriated to the Secretary—

(A) $500,000 for each fiscal year for project feasibility studies under subsection (a); and

(B) $4,000,000 for each fiscal year for project implementation under subsection (b).

(2) Limitation of funds received by insular areas

No insular area may receive, during any 3-year period, more than 20 percent of the total funds made available during that 3-year period under subparagraphs (A) and (B) of paragraph (1) unless the Secretary determines that providing funding in excess of that percentage best advances existing opportunities to meet the objectives of this section.


§ 15901. Definition of Secretary

In this part, the term “Secretary” means the Secretary of the Interior.

§ 15902. Program on oil and gas royalties in-kind

(a) Applicability of section

Notwithstanding any other provision of law, this section applies to all royalty in-kind accepted by the Secretary on or after August 8, 2005, under any Federal oil or gas lease or permit under—

(1) section 192 of title 30;
(2) section 1353 of title 43; or
(3) any other Federal law governing leasing of Federal land for oil and gas development.

(b) Terms and conditions

All royalty accruing to the United States shall, on the demand of the Secretary, be paid in-kind. If the Secretary makes such a demand, the following provisions apply to the payment:

(1) Satisfaction of royalty obligation

Delivery by, or on behalf of, the lessee of the royalty amount and quality due under the lease satisfies royalty obligation of the lessee for the amount delivered, except that transportation and processing reimbursements paid to, or deductions claimed by, the lessee shall be subject to review and audit.

(2) Marketable condition

(A) Definition of marketable condition

In this paragraph, the term "in marketable condition" means sufficiently free from impurities and otherwise in a condition that the royalty production will be accepted by a purchaser under a sales contract typical of the field or area in which the royalty production was produced.

(B) Requirement

Royalty production shall be placed in marketable condition by the lessee at no cost to the United States.

(3) Disposition by the Secretary

The Secretary may—

(A) sell or otherwise dispose of any royalty production taken in-kind (other than oil or gas transferred under section 1353(a)(3) of title 43) for not less than the market price; and

(B) transport or process (or both) any royalty production taken in-kind.

(4) Retention by the Secretary

The Secretary may, notwithstanding section 3302 of title 31, retain and use a portion of the revenues from the sale of oil and gas taken in-kind that otherwise would be deposited to miscellaneous receipts, without regard to fiscal year limitation, or may use oil or gas received

15903. Royalty in-kind program

(a) Applicability of section

Except as provided in subparagraph (B), the Secretary may not use revenues from the sale of oil and gas taken in-value for other Federal oil and gas leases.

(b) Terms and conditions

All royalty accruing to the United States shall, on the demand of the Secretary, be paid in-kind. If the Secretary makes such a demand, the following provisions apply to the payment:

(1) Satisfaction of royalty obligation

Delivery by, or on behalf of, the lessee of the royalty amount and quality due under the lease satisfies royalty obligation of the lessee for the amount delivered, except that transportation and processing reimbursements paid to, or deductions claimed by, the lessee shall be subject to review and audit.

(c) Reimbursement of cost

If the lessee, pursuant to an agreement with the United States or as provided in the lease, processes the royalty oil or gas delivered the royalty oil or gas at a point not on or adjacent to the lease area, the Secretary shall:

(1) reimburse the lessee for the reasonable costs of transportation (not including gathering) from the lease to the point of delivery or for processing costs; or

(2) allow the lessee to deduct the transportation or processing costs in reporting and paying royalties in-value for other Federal oil and gas leases.

(d) Benefit to the United States required

The Secretary may receive oil or gas royalties in-kind only if the Secretary determines that receiving royalties in-kind provides benefits to the United States that are greater than or equal to the benefits that are likely to have been received had royalties been taken in-value.

(e) Deduction of expenses

(1) In general

Before making payments under section 191 of title 30 or section 1337(g) of title 43 of revenues derived from the sale of royalty production taken in-kind from a lease, the Secretary shall deduct amounts paid or deducted under subsections (b)(4) and (c) and deposit the amount of the deductions in the miscellaneous receipts of the Treasury.

(f) Accounting for deductions

When the Secretary allows the lessee to deduct transportation or processing costs under subsection (c), the Secretary may not reduce any payments to recipients of revenues derived from any other Federal oil and gas lease as a consequence of that deduction.

(g) Consultation with States

The Secretary—

(1) shall consult with a State before conducting a royalty in-kind program under this part within the State;
§ 15903. Marginal property production incentives

(a) Definition of marginal property

Until such time as the Secretary issues regulations under subsection (e) that prescribe a different definition, in this section, the term “marginal property” means an onshore unit, communication agreement, or lease not within a unit or communication agreement, that produces on average the combined equivalent of less than 15 barrels of oil per well per day or 90,000,000 British thermal units of gas per well per day calculated based on the average over the 3 most recent production months, including only wells that produce on more than half of the days during those 3 production months.

(b) Conditions for reduction of royalty rate

Until such time as the Secretary issues regulations under subsection (e) that prescribe different standards or requirements, the Secretary shall reduce the royalty rate on—

(1) oil production from marginal properties as prescribed in subsection (c) if the spot price of West Texas Intermediate crude oil at Cushing, Oklahoma, is, on average, less than $15 per barrel (adjusted in accordance with the Consumer Price Index for all-urban consumers, United States city average, as published by the Bureau of Labor Statistics) for 90 consecutive trading days; and

(2) gas production from marginal properties as prescribed in subsection (c) if the spot price of natural gas delivered at Henry Hub, Louisiana, is, on average, less than $2.00 per million British thermal units (adjusted in accordance with the Consumer Price Index for all-urban consumers, United States city average, as published by the Bureau of Labor Statistics) for 90 consecutive trading days.

(c) Reduced royalty rate

(1) In general

When a marginal property meets the conditions specified in subsection (b), the royalty rate shall be the lesser of—

(A) 5 percent; or

(B) the applicable rate under any other statutory or regulatory royalty relief provision that applies to the affected production.

(2) Period of effectiveness

The reduced royalty rate under this subsection shall be effective beginning on the first day of the production month following the date on which the applicable condition specified in subsection (b) is met.

(d) Termination of reduced royalty rate

A royalty rate prescribed in subsection (c)(1) shall terminate—

(2) may delegate management of any portion of the Federal royalty in-kind program to the State except as otherwise prohibited by Federal law; and

(3) shall consult annually with any State from which Federal oil or gas royalty is being taken in-kind to ensure, to the maximum extent practicable, that the royalty in-kind program provides revenues to the State greater than or equal to the revenues likely to have been received had royalties been taken in value.

(g) Small refineries

(1) Preference

If the Secretary finds that sufficient supplies of crude oil are not available in the open market to refineries that do not have their own source of supply for crude oil, the Secretary may grant preference to those refineries in the sale of any royalty oil accruing or reserved to the United States under Federal law; and

(2) Disposition to Federal agencies

In disposing of oil under this subsection, the Secretary may, at the discretion of the Secretary, prorate the oil among refineries described in paragraph (1) in the area in which the oil is produced.

(h) Disposition to Federal agencies

(1) Onshore royalty

Any royalty oil or gas taken by the Secretary in-kind from onshore oil and gas leases may be sold at not less than the market price to any Federal agency.

(2) Offshore royalty

Any royalty oil or gas taken in-kind from a Federal oil or gas lease on the outer Continental Shelf may be disposed of only under section 1333 of title 43.

(i) Federal low-income energy assistance programs

(1) Preference

In disposing of royalty oil or gas taken in-kind under this section, the Secretary may grant a preference to any person, including any Federal or State agency, for the purpose of providing additional resources to any Federal low-income energy assistance program.

(2) Report

Not later than 3 years after August 8, 2005, the Secretary shall submit a report to Congress—

(A) assessing the effectiveness of granting preferences specified in paragraph (1); and

(B) providing a specific recommendation on the continuation of authority to grant preferences.

References in Text

This part, referred to in subsec. (f)(1), was in the original “this subtitle”, meaning subtitle E (§§341-357) of title III of Pub. L. 109-58, Aug. 8, 2005, 119 Stat. 697, which enacted this part, amended sections 6504, 6506a, 6507, and 6508 of this title, sections 181 and 226 of Title 30, Mineral Lands and Mining, and section 1337 of Title 43, Public Lands, and enacted provisions set out as a note under section 226 of Title 30. For complete classification of subtitle E to the Code, see Tables.

Amendments

2014—Subsecs. (e) to (j). Pub. L. 113-188 redesignated subsecs. (f) to (j) as (e) to (i), respectively, and struck out former subsec. (e) which required various reports on oil and gas royalties in-kind.

§ 15903. Marginal property production incentives

(a) Definition of marginal property

Until such time as the Secretary issues regulations under subsection (e) that prescribe a different definition, in this section, the term “marginal property” means an onshore unit, communication agreement, or lease not within a unit or communication agreement, that produces on average the combined equivalent of less than 15 barrels of oil per well per day or 90,000,000 British thermal units of gas per well per day calculated based on the average over the 3 most recent production months, including only wells that produce on more than half of the days during those 3 production months.

(b) Conditions for reduction of royalty rate

Until such time as the Secretary issues regulations under subsection (e) that prescribe different standards or requirements, the Secretary shall reduce the royalty rate on—

(1) oil production from marginal properties as prescribed in subsection (c) if the spot price of West Texas Intermediate crude oil at Cushing, Oklahoma, is, on average, less than $15 per barrel (adjusted in accordance with the Consumer Price Index for all-urban consumers, United States city average, as published by the Bureau of Labor Statistics) for 90 consecutive trading days; and

(2) gas production from marginal properties as prescribed in subsection (c) if the spot price of natural gas delivered at Henry Hub, Louisiana, is, on average, less than $2.00 per million British thermal units (adjusted in accordance with the Consumer Price Index for all-urban consumers, United States city average, as published by the Bureau of Labor Statistics) for 90 consecutive trading days.

(c) Reduced royalty rate

(1) In general

When a marginal property meets the conditions specified in subsection (b), the royalty rate shall be the lesser of—

(A) 5 percent; or

(B) the applicable rate under any other statutory or regulatory royalty relief provision that applies to the affected production.

(2) Period of effectiveness

The reduced royalty rate under this subsection shall be effective beginning on the first day of the production month following the date on which the applicable condition specified in subsection (b) is met.

(d) Termination of reduced royalty rate

A royalty rate prescribed in subsection (c)(1) shall terminate—

(2) may delegate management of any portion of the Federal royalty in-kind program to the State except as otherwise prohibited by Federal law; and

(3) shall consult annually with any State from which Federal oil or gas royalty is being taken in-kind to ensure, to the maximum extent practicable, that the royalty in-kind program provides revenues to the State greater than or equal to the revenues likely to have been received had royalties been taken in value.

(g) Small refineries

(1) Preference

If the Secretary finds that sufficient supplies of crude oil are not available in the open market to refineries that do not have their own source of supply for crude oil, the Secretary may grant preference to those refineries in the sale of any royalty oil accruing or reserved to the United States under Federal law; and

(2) Proration among refineries in production area

In disposing of oil under this subsection, the Secretary may, at the discretion of the Secretary, prorate the oil among refineries described in paragraph (1) in the area in which the oil is produced.

(h) Disposition to Federal agencies

(1) Onshore royalty

Any royalty oil or gas taken by the Secretary in-kind from onshore oil and gas leases may be sold at not less than the market price to any Federal agency.

(2) Offshore royalty

Any royalty oil or gas taken in-kind from a Federal oil or gas lease on the outer Continental Shelf may be disposed of only under section 1333 of title 43.

(i) Federal low-income energy assistance programs

(1) Preference

In disposing of royalty oil or gas taken in-kind under this section, the Secretary may grant a preference to any person, including any Federal or State agency, for the purpose of providing additional resources to any Federal low-income energy assistance program.

(2) Report

Not later than 3 years after August 8, 2005, the Secretary shall submit a report to Congress—

(A) assessing the effectiveness of granting preferences specified in paragraph (1); and

(B) providing a specific recommendation on the continuation of authority to grant preferences.

§ 15904. Incentives for natural gas production from deep wells in the shallow waters of the Gulf of Mexico

(a) Royalty incentive regulations for ultra deep gas wells

(1) In general

Not later than 180 days after August 8, 2005, in addition to any other regulations that may provide royalty incentives for natural gas produced from deep wells on oil and gas leases issued pursuant to the Outer Continental Shelf Lands Act (43 U.S.C. 1331 et seq.), the Secretary shall issue regulations granting royalty relief suspension volumes of not less than 35 billion cubic feet with respect to the production of natural gas from ultra deep wells on leases issued in shallow waters less than 400 meters deep located in the Gulf of Mexico wholly west of 87 degrees, 30 minutes west longitude. Regulations issued under this subsection shall be retroactive to the date that the notice of proposed rulemaking is published in the Federal Register.

(2) Suspension volumes

The Secretary may grant suspension volumes of not less than 35 billion cubic feet in any case in which—

(A) the ultra deep well is a sidetrack; or

(B) the lease has previously produced from a previously drilled hole.

(i) In general

The term “ultra deep well” means a well drilled with a perforated interval, the top of which is at least 15,000 feet true vertical depth below the datum at mean sea level.

(ii) Inclusion

The term “sidetrack” includes—

(I) drilling a well from a platform slot reclaimed from a previously drilled well; (II) re-entering and deepening a previously drilled well; and (III) a bypass from a sidetrack, including drilling around material blocking a hole or drilling to straighten a crooked hole.

(b) Royalty incentive regulations for deep gas wells

Not later than 180 days after August 8, 2005, in addition to any other regulations that may pro-
vide royalty incentives for natural gas produced from deep wells on oil and gas leases issued pursuant to the Outer Continental Shelf Lands Act (43 U.S.C. 1331 et seq.), the Secretary shall issue regulations granting royalty relief suspension volumes with respect to production of natural gas from deep wells on leases issued in waters more than 200 meters but less than 400 meters deep located in the Gulf of Mexico wholly west of 87 degrees, 30 minutes west longitude. The suspension volumes for deep wells within 200 to 400 meters of water depth shall be calculated using the same methodology used to calculate the suspension volumes for deep wells in the shallower waters of the Gulf of Mexico, and in no case shall the suspension volumes for deep wells within 200 to 400 meters of water depth be lower than those for deep wells in shallower waters. Regulations issued under this subsection shall be retroactive to the date that the notice of proposed rulemaking is published in the Federal Register.

(c) Limitations

The Secretary may place limitations on the royalty relief granted under this section based on market price. The royalty relief granted under this section shall not apply to a lease for which deep water royalty relief is available.


REFERENCES IN TEXT

The Outer Continental Shelf Lands Act, referred to in subsection (a), is act Aug. 7, 1953, ch. 345, 67 Stat. 462, as amended, which is classified generally to subchapter III (§1331 et seq.) of chapter 29 of Title 43, Public Lands. For complete classification of this Act to the Code, see Short Title note set out under section 1301 of Title 43 and Tables.

§ 15905. Royalty relief for deep water production

(a) In general

Subject to subsections (b) and (c), for each tract located in water depths of greater than 400 meters in the Western and Central Planning Area of the Gulf of Mexico (including the portion of the Eastern Planning Area of the Gulf of Mexico encompassing whole lease blocks lying west of 87 degrees, 30 minutes West longitude), any oil or gas lease sale under the Outer Continental Shelf Lands Act (43 U.S.C. 1331 et seq.) occurring during the 5-year period beginning on August 8, 2005, shall use the bidding system authorized under section 8(a)(1)(H) of the Outer Continental Shelf Lands Act (43 U.S.C. 1337(a)(1)(H)).

(b) Suspension of royalties

The suspension of royalties under subsection (a) shall be established at a volume of not less than—

(1) 5,000,000 barrels of oil equivalent for each lease in water depths of 400 to 800 meters;
(2) 9,000,000 barrels of oil equivalent for each lease in water depths of 800 to 1,600 meters;
(3) 12,000,000 barrels of oil equivalent for each lease in water depths of 1,600 to 2,000 meters; and
(4) 16,000,000 barrels of oil equivalent for each lease in water depths greater than 2,000 meters.

(c) Limitation

The Secretary may place limitations on royalty relief granted under this section based on market price.


REFERENCES IN TEXT

The Outer Continental Shelf Lands Act, referred to in subsection (a), is act Aug. 7, 1953, ch. 345, 67 Stat. 462, as amended, which is classified generally to subchapter III (§1331 et seq.) of chapter 29 of Title 43, Public Lands. For complete classification of this Act to the Code, see Short Title note set out under section 1301 of Title 43 and Tables.

§ 15906. North Slope Science Initiative

(a) Establishment

(1) In general

The Secretary of the Interior shall establish a long-term initiative to be known as the “North Slope Science Initiative” (referred to in this section as the “Initiative”).

(2) Purpose

The purpose of the Initiative shall be to implement efforts to coordinate collection of scientific data that will provide a better understanding of the terrestrial, aquatic, and marine ecosystems of the North Slope of Alaska.

(b) Objectives

To ensure that the Initiative is conducted through a comprehensive science strategy and implementation plan, the Initiative shall, at a minimum—

(1) identify and prioritize information needs for inventory, monitoring, and research activities to address the individual and cumulative effects of past, ongoing, and anticipated development activities and environmental change on the North Slope;
(2) develop an understanding of information needs for regulatory and land management agencies, local governments, and the public;
(3) focus on prioritization of pressing natural resource management and ecosystem information needs, coordination, and cooperation among agencies and organizations;
(4) coordinate ongoing and future inventory, monitoring, and research activities to minimize duplication of effort, share financial resources and expertise, and assure the collection of quality information;
(5) identify priority needs not addressed by agency science programs in effect on August 8, 2005, and develop a funding strategy to meet those needs;
(6) provide a consistent approach to high caliber science, including inventory, monitoring, and research;
(7) maintain and improve public and agency access to—

(A) accumulated and ongoing research; and

(B) contemporary and traditional local knowledge; and

(8) ensure through appropriate peer review that the science conducted by participating agencies and organizations is of the highest technical quality.
(c) Membership

(1) In general
To ensure comprehensive collection of scientific data, in carrying out the Initiative, the Secretary shall consult and coordinate with Federal, State, and local agencies that have responsibilities for land and resource management across the North Slope.

(2) Cooperative agreements
The Secretary shall enter into cooperative agreements with the State of Alaska, the North Slope Borough, the Arctic Slope Regional Corporation, and other Federal agencies as appropriate to coordinate efforts, share resources, and fund projects under this section.

(d) Science technical advisory panel

(1) In general
The Initiative shall include a panel to provide advice on proposed inventory, monitoring, and research functions.

(2) Membership
The panel described in paragraph (1) shall consist of a representative group of not more than 15 scientists and technical experts from diverse professions and interests, including the oil and gas industry, subsistence users, Native Alaskan entities, conservation organizations, wildlife management organizations, and academia, as determined by the Secretary.

(e) Reports
Not later than 3 years after August 8, 2005, and each year thereafter, the Secretary shall publish a report that describes the studies and findings of the Initiative.

(f) Authorization of appropriations
There are authorized to be appropriated such sums as are necessary to carry out this section.


§ 15907. Orphaned, abandoned, or idled wells on Federal land

(a) In general
The Secretary, in cooperation with the Secretary of Agriculture, shall establish a program not later than 1 year after August 8, 2005, to remediate, reclaim, and close orphaned, abandoned, or idled oil and gas wells located on land administered by the land management agencies within the Department of the Interior and the Department of Agriculture.

(b) Activities
The program under subsection (a) shall—

(1) include a means of ranking orphaned, abandoned, or idled wells sites for priority in remediation, reclamation, and closure, based on public health and safety, potential environmental harm, and other land use priorities;

(2) provide for identification and recovery of the costs of remediation, reclamation, and closure from persons or other entities currently providing a bond or other financial assurance required under State or Federal law for an oil or gas well that is orphaned, abandoned, or idled; and

(3) provide for recovery from the persons or entities identified under paragraph (2), or their sureties or guarantors, of the costs of remediating, reclaiming, and closing of such wells.

(c) Cooperation and consultations
In carrying out the program under subsection (a), the Secretary shall—

(1) work cooperatively with the Secretary of Agriculture and the States within which Federal land is located; and

(2) consult with the Secretary of Energy and the Interstate Oil and Gas Compact Commission.

(d) Plan
Not later than 1 year after August 8, 2005, the Secretary, in cooperation with the Secretary of Agriculture, shall submit to Congress a plan for carrying out the program under subsection (a).

(e) Idled well
For the purposes of this section, a well is idled if—

(1) the well has been nonoperational for at least 7 years; and

(2) there is no anticipated beneficial use for the well.

(f) Federal reimbursement for orphaned well reclamation pilot program

(1) Reimbursement for remediating, reclaiming, and closing wells on land subject to a new lease
The Secretary shall carry out a pilot program under which, in issuing a new oil and gas lease on federally owned land on which 1 or more orphaned wells are located, the Secretary—

(A) may require, other than as a condition of the lease, that the lessee remediate, reclaim, and close in accordance with standards established by the Secretary, all orphaned wells on the land leased; and

(B) shall develop a program to reimburse a lessee, through a royalty credit against the Federal share of royalties owed or other means, for the reasonable actual costs of remediating, reclaiming, and closing the orphaned wells pursuant to that requirement.

(2) Reimbursement for reclaiming orphaned wells on other land
In carrying out this subsection, the Secretary—

(A) may authorize any lessee under an oil and gas lease on federally owned land to reclaim in accordance with the Secretary’s standards—

(i) an orphaned well on unleased federally owned land; or

(ii) an orphaned well located on an existing lease on federally owned land for the reclamation of which the lessee is not legally responsible; and

(B) shall develop a program to provide reimbursement of 100 percent of the reasonable actual costs of remediating, reclaiming, and closing the orphaned well, through credits against the Federal share of royalties or other means.
§ 15908. Preservation of geological and geophysical data

(a) Short title

This section may be cited as the “National Geological and Geophysical Data Preservation Program Act of 2005”.

(b) Program

The Secretary shall carry out a National Geological and Geophysical Data Preservation Program in accordance with this section—

1. (1) to archive geologic, geophysical, and engineering data, maps, well logs, and samples;
   (2) to provide a national catalog of such archival material; and
   (3) to provide technical and financial assistance related to the archival material.

(c) Plan

Not later than 1 year after August 8, 2005, the Secretary shall submit to Congress a plan for the implementation of the Program.

(d) Data archive system

(1) Establishment

The Secretary shall establish, as a component of the Program, a data archive system to provide for the storage, preservation, and archiving of subsurface, surface, geological, geophysical, and engineering data and samples. The Secretary, in consultation with the Advisory Committee, shall develop guidelines relating to the data archive system, including the types of data and samples to be preserved.

(2) System components

The system shall be comprised of State agencies that elect to be part of the system and agencies within the Department of the Interior that maintain geological and geophysical data and samples that are designated by the Secretary in accordance with this subsection. The Program shall provide for the storage of data and samples through data repositories operated by such agencies.

(3) Limitation of designation

The Secretary may not designate a State agency as a component of the data archive system unless that agency is the agency that acts as the geological survey in the State.

(4) Data from Federal land

The data archive system shall provide for the archiving of relevant subsurface data and samples obtained from Federal land—

(A) in the most appropriate repository designated under paragraph (2), with preference being given to archiving data in the State in which the data were collected; and

(B) consistent with all applicable law and requirements relating to confidentiality and proprietary data.

e) National catalog

(1) In general

As soon as practicable after August 8, 2005, the Secretary shall develop and maintain, as a component of the Program, a national catalog that identifies—

(A) data and samples available in the data archive system established under subsection (d);

(f) Authorization of appropriations

(1) In general

There are authorized to be appropriated to carry out this section $25,000,000 for each of fiscal years 2006 through 2010.

(2) Use

Of the amounts authorized under paragraph (1), $5,000,000 are authorized for each fiscal year for activities under subsection (f).

(i) Federally drilled wells

Out of any amounts in the Treasury not otherwise appropriated, $10,000,000 for fiscal year 2014, $36,000,000 for fiscal year 2015, and $4,000,000 for fiscal year 2019 shall be made available to the Secretary, without further appropriation and to remain available until expended, to remediate, reclaim, and close abandoned oil and gas wells on current or former National Petroleum Reserve land.


AMENDMENTS

(B) the repository for particular material in the system; and
(C) the means of accessing the material.

(2) Availability
The Secretary shall make the national catalog accessible to the public on the site of the Survey on the Internet, consistent with all applicable requirements related to confidentiality and proprietary data.

(f) Advisory Committee
(1) In general
The Advisory Committee shall advise the Secretary on planning and implementation of the Program.

(2) New duties
In addition to its duties under the National Geologic Mapping Act of 1992 (43 U.S.C. 31a et seq.), the Advisory Committee shall perform the following duties:
(A) Advise the Secretary on developing guidelines and procedures for providing assistance for facilities under subsection (g)(1).
(B) Review and critique the draft implementation plan prepared by the Secretary under subsection (c).
(C) Identify useful studies of data archived under the Program that will advance understanding of the Nation’s energy and mineral resources, geologic hazards, and engineering geology.
(D) Review the progress of the Program in archiving significant data and preventing the loss of such data, and the scientific progress of the studies funded under the Program.
(E) Include in the annual report to the Secretary required under section 5(b)(3) of the National Geologic Mapping Act of 1992 (43 U.S.C. 31d(b)(3)) an evaluation of the progress of the Program toward fulfilling the purposes of the Program under subsection (b).

(g) Financial assistance
(1) Archive facilities
Subject to the availability of appropriations, the Secretary shall provide financial assistance to a State agency that is designated under subsection (d)(2) for providing facilities to archive energy material.

(2) Studies
Subject to the availability of appropriations, the Secretary shall provide financial assistance to any State agency designated under subsection (d)(2) for technical and assistance activities that enhance understanding, interpretation, and use of materials archived in the data archive system established under subsection (d).

(3) Federal share
The Federal share of the cost of an activity carried out with assistance under this subsection shall not be more than 50 percent of the total cost of the activity.

(4) Private contributions
The Secretary shall apply to the non-Federal share of the cost of an activity carried out with assistance under this subsection the value of private contributions of property and services used for that activity.

(h) Report
The Secretary shall include in each report under section 8 of the National Geologic Mapping Act of 1992 (43 U.S.C. 31g)—
(1) a description of the status of the Program;
(2) an evaluation of the progress achieved in developing the Program during the period covered by the report; and
(3) any recommendations for legislative or other action the Secretary considers necessary and appropriate to fulfill the purposes of the Program under subsection (b).

(i) Maintenance of State effort
It is the intent of Congress that the States not use this section as an opportunity to reduce State resources applied to the activities that are the subject of the Program.

(j) Definitions
In this section:

(1) Advisory Committee
The term “Advisory Committee” means the advisory committee established under section 5 of the National Geologic Mapping Act of 1992 (43 U.S.C. 31d).

(2) Program
The term “Program” means the National Geological and Geophysical Data Preservation Program carried out under this section.

(3) Secretary
The term “Secretary” means the Secretary of the Interior, acting through the Director of the United States Geological Survey.

(4) Survey
The term “Survey” means the United States Geological Survey.

(k) Authorization of appropriations
There are authorized to be appropriated to carry out this section $30,000,000 for each of fiscal years 2006 through 2010.

REFERENCES IN TEXT
The National Geologic Mapping Act of 1992, referred to in subsection (f)(2), is Pub. L. 106-286, Aug. 8, 2000, 119 Stat. 1415, and is classified principally to section 31a of Title 43. For complete classification of this Act to the Code, see Short Title note set out under section 31a of Title 43 and Tables.

§ 15909. Gas hydrate production incentive

(a) Purpose
The purpose of this section is to promote natural gas production from the natural gas hydrate resources on the outer Continental Shelf and Federal lands in Alaska by providing royalty incentives.
§ 15910 Enhanced oil and natural gas production through carbon dioxide injection

(a) Production incentive

(1) Findings

Congress finds the following:

(A) Approximately two-thirds of the original oil in place in the United States remains unproduced.

(B) Enhanced oil and natural gas production from the sequestering of carbon dioxide and other appropriate gases has the potential to increase oil and natural gas production.

(C) Capturing and productively using carbon dioxide would help reduce the carbon intensity of the economy.

(2) Purpose

The purpose of this section is—

(A) to promote the capturing, transportation, and injection of produced carbon dioxide, natural carbon dioxide, and other appropriate gases or other matter for sequestration into oil and gas fields; and

(B) to promote oil and natural gas production from the outer Continental Shelf and onshore Federal lands under lease by providing royalty incentives to use enhanced recovery techniques using injection of the substances referred to in subparagraph (A).

(b) Suspension of royalties

(1) In general

The Secretary may grant royalty relief in accordance with this section for natural gas produced from gas hydrate resources under an eligible lease.

(2) Eligible leases

A lease shall be an eligible lease for purposes of this section if—

(A) it is issued under the Outer Continental Shelf Lands Act (43 U.S.C. 1331 et seq.), or is an oil and gas lease issued for onshore Federal lands in Alaska;

(B) it is issued prior to January 1, 2016; and

(C) production under the lease of natural gas from gas hydrate resources commences prior to January 1, 2018.

(3) Amount of relief

The Secretary shall conduct a rulemaking and grant royalty relief under this section as a suspension volume if the Secretary determines that such royalty relief would encourage production of natural gas from gas hydrate resources from an eligible lease. The maximum suspension volume shall be 30 billion cubic feet of natural gas per lease. Such relief shall be in addition to any other royalty relief under any other provision applicable to the lease that does not specifically grant a gas hydrate production incentive. Such royalty suspension volume shall be applied to any eligible production occurring on or after the date of publication of the advanced notice of proposed rulemaking.

(4) Limitation

The Secretary may place limitations on royalty relief granted under this section based on market price.

(c) Application

This section shall apply to any eligible lease issued before, on, or after August 8, 2005.

(d) Rulemakings

(1) Requirement

The Secretary shall publish the advanced notice of proposed rulemaking within 180 days after August 8, 2005, and complete the rulemaking implementing this section within 365 days after August 8, 2005.

(2) Gas hydrate resources defined

Such regulations shall define the term “gas hydrate resources” to include both the natural gas content of gas hydrates within the hydrate stability zone and free natural gas trapped by and beneath the hydrate stability zone.

(e) Review

Not later than 365 days after August 8, 2005, the Secretary, in consultation with the Secretary of Energy, shall carry out a review of, and submit to Congress a report on, further opportunities to enhance production of natural gas from gas hydrate resources on the outer Continental Shelf and on Federal lands in Alaska through the provision of other production incentives or through technical or financial assistance.
ly be produced without the royalty reduction provided under this section.

(4) Amount of relief

The rulemaking shall provide for a suspension volume, which shall not exceed 5,000,000 barrels of oil equivalent for each eligible lease. Such suspension volume shall be applied to any production from an eligible lease occurring on or after the date of publication of any advanced notice of proposed rulemaking under this subsection.

(5) Limitation

The Secretary may place limitations on the royalty reduction granted under this section based on market price.

(6) Application

This section shall apply to any eligible lease issued before, on, or after August 8, 2005.

(c) Demonstration program

(1) Establishment

(A) In general

The Secretary of Energy shall establish a competitive grant program to provide grants to producers of oil and gas to carry out projects to inject carbon dioxide for the purpose of enhancing recovery of oil or natural gas while increasing the sequestration of carbon dioxide.

(B) Projects

The demonstration program shall provide for—

(i) not more than 10 projects in the Willistin Basin in North Dakota and Montana; and

(ii) 1 project in the Cook Inlet Basin in Alaska.

(2) Requirements

(A) In general

The Secretary of Energy shall issue requirements relating to applications for grants under paragraph (1).

(B) Rulemaking

The issuance of requirements under subparagraph (A) shall not require a rulemaking.

(C) Minimum requirements

At a minimum, the Secretary shall require under subparagraph (A) that an application for a grant include—

(i) a description of the project proposed in the application;

(ii) an estimate of the production increase and the duration of the production increase from the project, as compared to conventional recovery techniques, including water flooding;

(iii) an estimate of the carbon dioxide sequestered by project, over the life of the project;

(iv) a plan to collect and disseminate data relating to each project to be funded by the grant;

(v) a description of the means by which the project will be sustainable without Federal assistance after the completion of the term of the grant;

(vi) a complete description of the costs of the project, including acquisition, construction, operation, and maintenance costs over the expected life of the project;

(vii) a description of which costs of the project will be supported by Federal assistance under this section; and

(viii) a description of any secondary or tertiary recovery efforts in the field and the efficacy of water flood recovery techniques used.

(3) Partners

An applicant for a grant under paragraph (1) may carry out a project under a pilot program in partnership with 1 or more other public or private entities.

(4) Selection criteria

In evaluating applications under this subsection, the Secretary of Energy shall—

(A) consider the previous experience with similar projects of each applicant; and

(B) give priority consideration to applications that—

(i) are most likely to maximize production of oil and gas in a cost-effective manner;

(ii) sequester significant quantities of carbon dioxide from anthropogenic sources;

(iii) demonstrate the greatest commitment on the part of the applicant to ensure funding for the proposed project and the greatest likelihood that the project will be maintained or expanded after Federal assistance under this section is completed; and

(iv) minimize any adverse environmental effects from the project.

(5) Demonstration program requirements

(A) Maximum amount

The Secretary of Energy shall not provide more than $3,000,000 in Federal assistance under this subsection to any applicant.

(B) Cost sharing

The Secretary of Energy shall require cost-sharing under this subsection in accordance with section 16352 of this title.

(C) Period of grants

(i) In general

A project funded by a grant under this subsection shall begin construction not later than 2 years after the date of provision of the grant, but in any case not later than December 31, 2010.

(ii) Term

The Secretary shall not provide grant funds to any applicant under this subsection for a period of more than 5 years.

(6) Transfer of information and knowledge

The Secretary of Energy shall establish mechanisms to ensure that the information and knowledge gained by participants in the program under this subsection are transferred among other participants and interested persons, including other applicants that submitted applications for a grant under this subsection.
§ 15911  TITLE 42—THE PUBLIC HEALTH AND WELFARE  Page 8068

(7) Schedule
   (A) Publication
       Not later than 180 days after August 8, 2005, the Secretary of Energy shall publish in the Federal Register, and elsewhere, as appropriate, a request for applications to carry out projects under this subsection.
   (B) Date for applications
       An application for a grant under this subsection shall be submitted not later than 180 days after the date of publication of the request under subparagraph (A).
   (C) Selection
       After the date by which applications for grants are required to be submitted under subparagraph (B), the Secretary of Energy, in a timely manner, shall select, after peer review and based on the criteria under paragraph (4), those projects to be awarded a grant under this subsection.
   (d) Records and inventory
       The Secretary of the Interior, acting through the Bureau of Land Management, shall maintain records on, and an inventory of, the quantity of carbon dioxide stored within Federal mineral leaseholds.
   (e) Authorization of appropriations
       There are authorized to be appropriated such sums as are necessary to carry out this section.

(2) Exceptions
       Paragraph (1) shall not apply to any portion of a Commission meeting for which the Commission, in public session, votes to close the meeting for the reasons described in paragraph (2), (4), (5), or (6) of subsection (c) of section 552b of title 5.

(3) Public notice
   (A) In general
       At least 1 week before a meeting of the Commission, the Commission shall make a public announcement of the meeting that describes—
       (i) the time, place, and subject matter of the meeting;
       (ii) whether the meeting is to be open or closed to the public; and
       (iii) the name and telephone number of an appropriate person to respond to requests for information about the meeting.
   (B) Additional notice
       The Commission shall make a public announcement of any change to the information made available under subparagraph (A) at the earliest practicable time.

(4) Minutes
       The Commission shall keep, and make available to the public, a transcript, electronic recording, or minutes from each Commission meeting, except for portions of the meeting closed under paragraph (2).

(d) Authorization of appropriations
       There is authorized to be appropriated to the Commission not more than $55,000,000 for each of fiscal years 2006 through 2015 to carry out subsection (b).

REFERENCES IN TEXT

§ 15912. Comprehensive inventory of OCS oil and natural gas resources

(a) In general
       The Secretary shall conduct an inventory and analysis of oil and natural gas resources beneath all of the waters of the United States Outer Continental Shelf ("OCS"). The inventory and analysis shall—
       (1) use available data on oil and gas resources in areas offshore of Mexico and Canada
that will provide information on trends of oil and gas accumulation in areas of the OCS; (2) use any available technology, except drilling, but including 3-D seismic technology to obtain accurate resource estimates; (3) analyze how resource estimates in OCS areas have changed over time in regards to gathering geological and geophysical data, initial exploration, or full field development, including areas such as the deepwater and subsalt areas in the Gulf of Mexico; (4) estimate the effect that understated oil and gas resource inventories have on domestic energy investments; and (5) identify and explain how legislative, regulatory, and administrative programs or processes restrict or impede the development of identified resources and the extent that they affect domestic supply, such as moratoria, lease terms and conditions, operational stipulations and requirements, approval delays by the Federal Government and coastal States, and local zoning restrictions for onshore processing facilities and pipeline landings.

(b) Reports

The Secretary shall submit a report to Congress on the inventory of estimates and the analysis of restrictions or impediments, together with any recommendations, within 6 months of August 8, 2005. The report shall be publicly available and updated at least every 5 years.


PART B—ACCESS TO FEDERAL LANDS

§ 15921. Management of Federal oil and gas leasing programs

(a) Timely action on leases and permits

(1) Secretary of the Interior

To ensure timely action on oil and gas leases and applications for permits to drill on land otherwise available for leasing, the Secretary of the Interior (referred to in this section as the ‘‘Secretary’’) shall—

(A) ensure expeditious compliance with section 4332(2)(C) of this title and any other applicable environmental and cultural resources laws;

(B) improve consultation and coordination with the States and the public; and

(C) improve the collection, storage, and retrieval of information relating to the oil and gas leasing activities.

(2) Secretary of Agriculture

To ensure timely action on oil and gas lease applications for permits to drill on land otherwise available for leasing, the Secretary of Agriculture shall—

(A) ensure expeditious compliance with all applicable environmental and cultural resources laws; and

(B) improve the collection, storage, and retrieval of information relating to the oil and gas leasing activities.

(b) Best management practices

(1) In general

Not later than 18 months after August 8, 2005, the Secretary shall develop and implement best management practices to—

(A) improve the administration of the onshore oil and gas leasing program under the Mineral Leasing Act (30 U.S.C. 181 et seq.); and

(B) ensure timely action on oil and gas leases and applications for permits to drill on land otherwise available for leasing.

(2) Considerations

In developing the best management practices under paragraph (1), the Secretary shall consider any recommendations from the review under section 361.1

(3) Regulations

Not later than 180 days after the development of the best management practices under paragraph (1), the Secretary shall publish, for public comment, proposed regulations that set forth specific timeframes for processing leases and applications in accordance with the best management practices, including deadlines for—

(A) approving or disapproving—

(i) resource management plans and related documents;

(ii) lease applications;

(iii) applications for permits to drill; and

(iv) surface use plans; and

(B) related administrative appeals.

(c) Improved enforcement

The Secretary and the Secretary of Agriculture shall improve inspection and enforcement of oil and gas activities, including enforcement of terms and conditions in permits to drill on land under the jurisdiction of the Secretary and the Secretary of Agriculture, respectively.

(d) Authorization of appropriations

In addition to amounts made available to carry out activities relating to oil and gas leasing on public land administered by the Secretary and National Forest System land administered by the Secretary of Agriculture, there are authorized to be appropriated for each of fiscal years 2006 through 2010—

(1) to the Secretary, acting through the Director of the Bureau of Land Management—

(A) $40,000,000 to carry out subsections (a)(1) and (b); and

(B) $20,000,000 to carry out subsection (c);

(2) to the Secretary, acting through the Director of the United States Fish and Wildlife Service, $5,000,000 to carry out subsection (a)(1); and

(3) to the Secretary of Agriculture, acting through the Chief of the Forest Service, $5,000,000 to carry out subsections (a)(2) and (c).


REFERENCES IN TEXT

The Mineral Leasing Act, referred to in subsec. (b)(1)(A), is act Feb. 25, 1920, ch. 85, 41 Stat. 437, as

1 See References in Text note below.
§ 15922 Consultation regarding oil and gas leasing on public land

(a) In general
Not later than 180 days after August 8, 2005, the Secretary of the Interior and the Secretary of Agriculture shall enter into a memorandum of understanding regarding oil and gas leasing on—

(1) public land under the jurisdiction of the Secretary of the Interior; and
(2) National Forest System land under the jurisdiction of the Secretary of Agriculture.

(b) Contents
The memorandum of understanding shall include provisions that—

(1) establish administrative procedures and lines of authority that ensure timely processing of—
(A) oil and gas lease applications;
(B) surface use plans of operation, including steps for processing surface use plans; and
(C) applications for permits to drill consistent with applicable timelines;
(2) eliminate duplication of effort by providing for coordination of planning and environmental compliance efforts;
(3) ensure that lease stipulations are—
(A) applied consistently;
(B) coordinated between agencies; and
(C) only as restrictive as necessary to protect the resource for which the stipulations are applied;
(4) establish a joint data retrieval system that is capable of—
(A) tracking applications and formal requests made in accordance with procedures of the Federal onshore oil and gas leasing program; and
(B) providing information regarding the status of the applications and requests within the Department of the Interior and the Department of Agriculture; and
(5) establish a joint geographic information system mapping system for use in—
(A) tracking surface resource values to aid in resource management; and
(B) processing surface use plans of operation and applications for permits to drill.

§ 15923 Methodology
The Secretary of the Interior shall use the same assessment methodology across all geological provinces, areas, and regions in preparing and issuing national geological assessments to ensure accurate comparisons of geological resources.
(3) Montana/Dakotas State Office, Montana.
(4) Farmington Field Office, New Mexico.
(5) Carlsbad Field Office, New Mexico.
(7) Vernal Field Office, Utah.
(8) Any other State, district, or field office of the Bureau of Land Management determined by the Secretary.

(e) Report to Congress
Not later than February 1 of the first fiscal year beginning after the date of enactment of the National Defense Authorization Act for Fiscal Year 2015 and each February 1 thereafter, the Secretary shall report to the Chairman and ranking minority Member of the Committee on Energy and Natural Resources of the Senate and the Committee on Natural Resources of the House of Representatives, which shall include—
(1) the allocation of funds to each Project office for the previous fiscal year; and
(2) the accomplishments of each Project office relating to the coordination and processing of oil and gas use authorizations during that fiscal year.

(f) Additional personnel
The Secretary shall assign to each field office in subsection (d) any additional personnel that are necessary to ensure the effective implementation of—
(1) the Project; and
(2) other programs administered by the field offices, including inspection and enforcement relating to energy development on Federal land, in accordance with the multiple use mandate of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1701 et seq.).

(g) Omitted

(h) Transfer of funds
For the purposes of coordination and processing of oil and gas use authorizations on Federal land under the administration of the Project offices identified in subsection (d), the Secretary may authorize the expenditure or transfer of such funds as are necessary to—
(1) the United States Fish and Wildlife Service;
(2) the Bureau of Indian Affairs;
(3) the Forest Service;
(4) the Environmental Protection Agency;
(5) the Corps of Engineers; and
(6) the States in which Project offices are located.

(i) Savings provision
Nothing in this section affects—
(1) the operation of any Federal or State law; or
(2) any delegation of authority made by the head of a Federal agency whose employees are participating in the Project.

(Pub. L. 109–58, title III, § 365, Aug. 8, 2005, 90 Stat. 2743, as amended, which is classified generally to chapter 85 (§ 7401 et seq.) of this title. For complete classification of this Act to the Code, see Short Title note set out under section 7401 of this title and Tables.


Codification
Section is comprised of section 365 of Pub. L. 109–58.

Amendments
Subsec. (b)(2). Pub. L. 113–291, § 3021(a)(3), substituted “the States in which Project offices are located” for “the States of Wyoming, Montana, Colorado, Utah, and New Mexico”.
Subsec. (e). Pub. L. 113–291, § 3021(a)(5), added subsec. (e) and struck out former subsec. (e) which required the Secretary to submit to Congress a report about the Pilot Project not later than 3 years after Aug. 8, 2005.
Subsec. (h)(6). Pub. L. 113–291, § 3021(a)(6), added par. (6) and struck out former par. (6) which read as follows: “the States of Wyoming, Montana, Colorado, Utah, and New Mexico.”
Subsec. (i). Pub. L. 113–291, § 3021(a)(7), (8), redesignated subsec. (j) as (i) and struck out former subsec. (i). Prior to amendment, text read as follows: “The period in which the Project is authorized, the Secretary shall not implement a rulemaking that would enable an increase in fees to recover additional costs related to processing drilling-related permit applications and use authorizations.”
Pub. L. 113–291, § 3021(a)(2), substituted “Project” for “Pilot Project”.
2013—Subsec. (d). Pub. L. 113–69 added subsec. (d) and struck out former subsec. (d). Prior to amendment, text
read as follows: “The following Bureau of Land Management Field Offices shall serve as the Pilot Project offices:

“(1) Rawlins, Wyoming.
“(2) Buffalo, Wyoming.
“(3) Miles City, Montana.
“(4) Farmington, New Mexico.
“(5) Carlsbad, New Mexico.
“(7) Vernal, Utah.”

§ 15925. Fair market value determinations for linear rights-of-way across public lands and national forests

(a) Update of fee schedule

Not later than 1 year after August 8, 2005—

(1) the Secretary of the Interior shall update section 2806.20 of title 43, Code of Federal Regulations, as in effect on August 8, 2005, to revise the per acre rental fee zone value schedule by State, county, and type of linear right-of-way use to reflect current values of land in each zone; and

(2) the Secretary of Agriculture shall make the same revision for linear rights-of-way granted, issued, or renewed under title V of the Federal Lands Policy and Management Act of 1976 (43 U.S.C. 1761 et seq.) on National Forest System land.

(b) Fair market value rental determination for linear rights-of-way

The fair market value rent of a linear right-of-way across public lands or National Forest System lands issued under section 504 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1764) or section 185 of title 30 shall be determined in accordance with subpart 2806 of title 43, Code of Federal Regulations, as in effect on August 8, 2005 (including the annual or periodic updates specified in the regulations), and as updated in accordance with subsection (a).


REFERENCES IN TEXT


§ 15926. Energy right-of-way corridors on Federal land

(a) Western States

Not later than 2 years after August 8, 2005, the Secretary of Agriculture, the Secretary of Commerce, the Secretary of Defense, the Secretary of Energy, and the Secretary of the Interior (in this section referred to collectively as “the Secretaries”), in consultation with the Federal Energy Regulatory Commission, States, tribal or local units of governments as appropriate, affected utility industries, and other interested persons, shall consult with each other and shall—

(1) designate, under their respective authorities, corridors for oil, gas, and hydrogen pipelines and electricity transmission and distribution facilities on Federal land in the eleven contiguous Western States (as defined in section 1702(o) of title 43);¹

(2) perform any environmental reviews that may be required to complete the designation of such corridors; and

(3) incorporate the designated corridors into the relevant agency land use and resource management plans or equivalent plans.

(b) Other States

Not later than 4 years after August 8, 2005, the Secretaries, in consultation with the Federal Energy Regulatory Commission, affected utility industries, and other interested persons, shall jointly—

(1) identify corridors for oil, gas, and hydrogen pipelines and electricity transmission and distribution facilities on Federal land in States other than those described in subsection (a); and

(2) schedule prompt action to identify, designate, and incorporate the corridors into the applicable land use plans.

(c) Ongoing responsibilities

The Secretaries, in consultation with the Federal Energy Regulatory Commission, affected utility industries, and other interested parties, shall establish procedures under their respective authorities that—

(1) ensure that additional corridors for oil, gas, and hydrogen pipelines and electricity transmission and distribution facilities on Federal land are promptly identified and designated as necessary; and

(2) expedite applications to construct or modify oil, gas, and hydrogen pipelines and electricity transmission and distribution facilities within such corridors, taking into account prior analyses and environmental reviews undertaken during the designation of such corridors.

(d) Considerations

In carrying out this section, the Secretaries shall take into account the need for upgraded and new electricity transmission and distribution facilities to—

(1) improve reliability;

(2) relieve congestion; and

(3) enhance the capability of the national grid to deliver electricity.

(e) Specifications of corridor

A corridor designated under this section shall, at a minimum, specify the centerline, width, and compatible uses of the corridor.


¹ So in original. A closing parenthesis probably should follow “title 43.”
rity. Countries that harness the power of clean, renewable energy will be best positioned to thrive in the global economy while protecting the environment and increasing prosperity. In order to ensure the growth of America’s clean energy economy and improve energy security, we must modernize and expand our electric transmission grid. Modernizing our grid will improve energy reliability and resiliency, allowing us to minimize power outages and manage cyber-security threats. By diversifying power sources and reducing congestion, a modernized grid will also create cost savings for consumers and support our economic growth.

Modernizing our Nation’s electric transmission grid requires improvements in how transmission lines are sited, permitted, and reviewed. As part of our efforts to improve the performance of Federal siting, permitting, and review processes for infrastructure development, my Administration created a Rapid Response Team for Transmission (RRTT), a collaborative effort involving nine different executive departments and agencies (agencies), which is working to improve the efficiency and effectiveness of transmission siting, permitting, and review, increase interagency coordination and transparency, and increase the predictability of the siting, permitting, and review processes. In furtherance of Executive Order 13604 of March 22, 2012 (Improving Performance of Federal Permitting and Review of Infrastructure Projects), this memorandum builds upon the work of the RRTT to improve the Federal siting, permitting, and review processes for transmission projects. Because a single project may cross multiple governmental jurisdictions over hundreds of miles, robust collaboration among Federal, State, local, and tribal governments must be a critical component of this effort.

An important avenue to improve these processes is the designation of energy right-of-way corridors (energy corridors) on Federal lands. Section 368 of the Energy Policy Act of 2005 (the “Act”) (42 U.S.C. 15926), requires the Secretaries of Agriculture, Commerce, Defense, Energy, and the Interior (Secretaries) to undertake a continued effort to identify and designate such energy corridors. Energy corridors include areas on Federal lands that are most suitable for siting transmission projects because the chosen areas minimize regulatory conflicts and impacts on environmental and cultural resources, and also address concerns of local communities. Designated energy corridors provide an opportunity to co-locate projects and share environmental and cultural resource impact data to reduce overall impacts on environmental and cultural resources and also address concerns of local communities. Designated energy corridors provide an opportunity to co-locate projects and share environmental and cultural resource impact data to reduce overall impacts on environmental and cultural resources and also address concerns of local communities. Designated energy corridors provide an opportunity to co-locate projects and share environmental and cultural resource impact data to reduce overall impacts on environmental and cultural resources and also address concerns of local communities. Designated energy corridors provide an opportunity to co-locate projects and share environmental and cultural resource impact data to reduce overall impacts on environmental and cultural resources and also address concerns of local communities. Designated energy corridors provide an opportunity to co-locate projects and share environmental and cultural resource impact data to reduce overall impacts on environmental and cultural resources and also address concerns of local communities. Designated energy corridors provide an opportunity to co-locate projects and share environmental and cultural resource impact data to reduce overall impacts on environmental and cultural resources and also address concerns of local communities. Designated energy corridors provide an opportunity to co-locate projects and share environmental and cultural resource impact data to reduce overall impacts on environmental and cultural resources and also address concerns of local communities. Designated energy corridors provide an opportunity to co-locate projects and share environmental and cultural resource impact data to reduce overall impacts on environmental and cultural resources and also address concerns of local communities.
SBC. 2. Energy Corridors for the Western States. (a) The Secretaries shall strongly encourage the use of designated energy corridors on Federal land in the Western States where the energy corridors are consistent with the requirements in this memorandum and other applicable requirements, unless it can be demonstrated that a project cannot be constructed within a designated corridor due to resource constraints on Federal lands. Additionally, the Secretaries, pursuant to section 368 of the Act, shall continue to evaluate designated energy corridors to determine the necessity for revisions, deletions, or additions to those energy corridors. Also, the Secretaries, coordinated by the Secretaries of the Interior and Agriculture, shall:

(i) by July 12, 2013, provide to the Steering Committee a plan for producing the Western corridor study and regional corridor assessments (as specified in subsection (a)(ii) and (a)(iii) of this section), which shall include descriptions of timelines and milestones, existing resources to be utilized, plans for collaborating with Member Agencies, and plans for consulting with other Federal agencies, State, local, and tribal governments; affected industries; environmental and community representatives; and other interested parties;

(ii) within 12 months of the completion of the plan pursuant to subsection (a)(i) of this section, provide to the Steering Committee a Western corridor study, which shall assess the utility of the existing designated energy corridors;

(iii) provide to the Steering Committee regional corridor assessments, which shall examine the need for additions, deletions, and revisions to the existing energy corridors for the Western States by region. The regional corridor assessments shall evaluate energy corridors based on the requirements set forth in subsection (a) of section 1, the Report issued pursuant to subsection (b) of section 1, and the Western corridor study. The regional corridor assessments shall be completed promptly, depending on resource availability, with at least the first assessment completed within 12 months of completion of the plan pursuant to subsection (a)(i) of this section; and

(iv) by November 12, 2014, provide to the Steering Committee and the Office of Management and Budget (OMB) an implementation plan for achieving the requirements set forth in subsections (a)(v) and (a)(vi) of this section based on the regional corridor assessments.

The implementation plan shall include timelines and milestones that prioritize coordinated agency actions and a detailed budget;

(v) promptly after the completion of the regional corridor assessments and prioritized based on the availability of resources, undertake coordinated land use planning and environmental and cultural resource review processes to consider additions, deletions, or revisions to the current Western energy corridors, consistent with the requirements set forth in subsection (a) of section 1, the Report required issued pursuant to subsection (b) of section 1, and the Western corridor study; and

(vi) as appropriate, after completing the required environmental and cultural resource analyses, promptly incorporate the designated Western corridor additions, deletions, or revisions and any mitigation plans developed pursuant to subsection (a)(vii) of section 1 into relevant agency land use and resource management plans or equivalent plans prioritized based on the availability of resources.

(b) The Member Agencies, where authorized, shall complete any required land use planning, internal policy and interagency agreements to formalize the designation of energy corridors implemented pursuant to subsection (a)(vi) of this section. The Secretaries and Member Agencies shall also develop and implement a process for expediting applications for projects whose projects are sited primarily within the designated energy corridors in the Western States, and who have committed to implement the necessary mitigation action, including those required under mitigation plans required by subsection (a)(vii) of section 1.

SBC. 3. Energy Corridors for the Non-Western States. The Secretaries, in collaboration with the Member Agencies, shall continue to analyze where energy corridors exist on Federal land in States other than those identified as Western States may be necessary to address the recommendations in the Report issued pursuant to subsection (b) of section 1 and the requirements set forth in subsection (a) of section 1, to expedite the siting, permitting, and review of electric transmission projects on Federal lands in those States. By September 1, 2014, the Secretaries shall provide the Steering Committee with updated recommendations regarding designating energy corridors in those States.

SBC. 4. Improved Transmission Siting, Permitting, and Review Processes. (a) Member Agencies shall develop an integrated, interagency pre-application process for significant onshore electric transmission projects requiring Federal approval. The process shall be designed to:

improve predictability in the Federal siting, permitting, and review processes; encourage early engagement, coordination, and collaboration of Federal, State, local, and tribal governments; non-governmental organizations; and the public; increase the use of integrated project planning early in the siting, permitting, and review processes; facilitate early identification of issues that could diminish the likelihood that projects will ultimately be permitted; promote early planning for integrated and strategic mitigation plans; expedite the siting, permitting, and review processes through a mutual understanding of the needs of all affected Federal agencies, State and tribal governments; and improve environmental and cultural outcomes.

By September 30, 2013, Member Agencies shall provide to the Chief Performance Officer (CPO) and the Chair of the Council on Environmental Quality a plan, including timelines and milestones, for implementing this process.

(b) In implementing Executive Order 13694, Member Agencies shall:

(i) improve siting, permitting, and review processes for all electric transmission projects, both onshore and offshore, requiring Federal approval. Such improvements shall include: increasing efficiency and interagency coordination; increasing accountability; ensuring an efficient decision-making process within each agency; to the extent possible, unifying and harmonizing processes among agencies; improving consistency and transparency within each agency and among all agencies; improving environmental and cultural outcomes; providing mechanisms for early and frequent public and local community outreach; and encouraging innovative mechanisms for mitigation and mitigation at the landscape or watershed scale; and

(ii) facilitate coordination, integration, and harmonization of the siting, permitting, and review processes of Federal, State, local, and tribal governments for transmission projects to reduce the overall regulatory burden while improving environmental and cultural outcomes.

SBC. 5. General Provisions. (a) The Secretaries and the Member Agencies shall coordinate the activities required by this memorandum with the Steering Committee and shall report to the Steering Committee their progress on meeting the milestones identified pursuant to this memorandum, consistent with the plans developed pursuant to sections 2 and 4 of this memorandum. The CPO shall report on the implementation of this memorandum in the report to the President submitted pursuant to section 2(e) of Executive Order 13694.

(b) In carrying out their responsibilities under this memorandum, Member Agencies shall consult relevant independent agencies, including the Federal Energy Regulatory Commission.

(c) This memorandum shall be implemented consistent with applicable law and subject to the availability of appropriations.

(d) This memorandum shall be implemented consistent with Executive Order 13175 of November 6, 2000 (Consultation and Coordination with Indian Tribal
§ 15927. Oil shale, tar sands, and other strategic unconventional fuels

(a) Short title
This section may be cited as the “Oil Shale, Tar Sands, and Other Strategic Unconventional Fuels Act of 2005”.

(b) Declaration of policy
Congress declares that it is the policy of the United States that—

(1) United States oil shale, tar sands, and other unconventional fuels are strategically important domestic resources that should be developed to reduce the growing dependence of the United States on politically and economically unstable sources of foreign oil imports;

(2) the development of oil shale, tar sands, and other strategic unconventional fuels, for research and commercial development, should be conducted in an environmentally sound manner, using practices that minimize impacts; and

(3) development of those strategic unconventional fuels should occur, with an emphasis on sustainability, to benefit the United States while taking into account affected States and communities.

(c) Leasing program for research and development of oil shale and tar sands
In accordance with section 241 of title 30 and any other applicable law, except as provided in this section, not later than 180 days after August 8, 2005, from land otherwise available for leasing, the Secretary of the Interior (referred to in this section as the “Secretary”) shall make available for leasing such land as the Secretary considers to be necessary to conduct research and development activities with respect to technologies for the recovery of liquid fuels from oil shale and tar sands resources on public lands. Prospective public lands within each of the States of Colorado, Utah, and Wyoming shall be made available for such research and development leasing.

(d) Programmatic environmental impact statement and commercial leasing program for oil shale and tar sands

(1) Programmatic environmental impact statement
Not later than 18 months after August 8, 2005, in accordance with section 4332(2)(C) of this title, the Secretary shall complete a programmatic environmental impact statement for a commercial leasing program for oil shale and tar sands resources on public lands, with an emphasis on the most geologically prospective lands within each of the States of Colorado, Utah, and Wyoming.

(2) Final regulation
Not later than 6 months after the completion of the programmatic environmental impact statement under this subsection, the Secretary shall publish a final regulation establishing such program.

(e) Commencement of commercial leasing of oil shale and tar sands
Not later than 180 days after publication of the final regulation required by subsection (d), the Secretary shall consult with the Governors of States with significant oil shale and tar sands resources on public lands, representatives of local governments in such States, interested Indian tribes, and other interested persons, to determine the level of support and interest in the States in the development of tar sands and oil shale resources. If the Secretary finds sufficient support and interest exists in a State, the Secretary may conduct a lease sale in that State under the commercial leasing program regulations. Evidence of interest in a lease sale under this subsection shall include, but not be limited to, appropriate areas nominated for leasing by potential lessees and other interested parties.

(f) Diligent development requirements
The Secretary shall, by regulation, designate work requirements and milestones to ensure the diligent development of the lease.

(g) Initial report by the Secretary of the Interior
Within 90 days after August 8, 2005, the Secretary of the Interior shall report to the Committee on Resources of the House of Representatives and the Committee on Energy and Natural Resources of the Senate on—

(1) the interim actions necessary to—

(A) develop the program, complete the programmatic environmental impact statement, and promulgate the final regulation as required by subsection (d); and

(B) conduct the first lease sales under the program as required by subsection (e); and

(2) a schedule to complete such actions within the time limits mandated by this section.

(h) Task Force

(1) Establishment
The Secretary of Energy, in cooperation with the Secretary of the Interior and the Secretary of Defense, shall establish a task force to develop a program to coordinate and accelerate the commercial development of strategic unconventional fuels, including but not limited to oil shale and tar sands resources within the United States, in an integrated manner.

(2) Composition
The Task Force shall be composed of—

(A) the Secretary of Energy (or the designee of the Secretary); and

(B) the Secretary of the Interior (or the designee of the Secretary of the Interior);
(C) the Secretary of Defense (or the designee of the Secretary of Defense);
(D) the Governors of affected States; and
(E) representatives of local governments in affected areas.

(3) Recommendations

The Task Force shall make such recommendations regarding promoting the development of the strategic unconventional fuels resources within the United States as it may deem appropriate.

(4) Partnerships

The Task Force shall make recommendations with respect to initiating a partnership with the Province of Alberta, Canada, for purposes of sharing information relating to the development and production of oil from tar sands, and similar partnerships with other nations that contain significant oil shale resources.

(5) Reports

(A) Initial report

Not later than 180 days after August 8, 2005, the Task Force shall submit to the President and Congress a report that describes the analysis and recommendations of the Task Force.

(B) Subsequent reports

The Secretary shall provide an annual report describing the progress in developing the strategic unconventional fuels resources within the United States for each of the 5 years following submission of the report provided for in subparagraph (A).

(i) Office of Petroleum Reserves

(1) In general

The Office of Petroleum Reserves of the Department of Energy shall—
(A) coordinate the creation and implementation of a commercial strategic fuel development program for the United States;
(B) evaluate the strategic importance of unconventional sources of strategic fuels to the security of the United States;
(C) promote and coordinate Federal Government actions that facilitate the development of strategic fuels in order to effectively address the energy supply needs of the United States;
(D) identify, assess, and recommend appropriate actions of the Federal Government required to assist in the development and manufacturing of strategic fuels; and
(E) coordinate and facilitate appropriate relationships between private industry and the Federal Government to promote sufficient and timely private investment to commercialize strategic fuels for domestic and military use.

(2) Consultation and coordination

The Office of Petroleum Reserves shall work closely with the Task Force and coordinate its staff support.

(j) Omitted

(k) Interagency coordination and expeditious review of permitting process

(1) Department of the Interior as lead agency

Upon written request of a prospective applicant for Federal authorization to develop a proposed oil shale or tar sands project, the Department of the Interior shall act as the lead Federal agency for the purposes of coordinating all applicable Federal authorizations and environmental reviews. To the maximum extent practicable under applicable Federal law, the Secretary shall coordinate this Federal authorization and review process with any Indian tribes and State and local agencies responsible for conducting any separate permitting and environmental reviews.

(2) Implementing regulations

Not later than 6 months after August 8, 2005, the Secretary shall issue any regulations necessary to implement this subsection.

(l) Cost-shared demonstration technologies

(1) Identification

The Secretary of Energy shall identify technologies for the development of oil shale and tar sands that—
(A) are ready for demonstration at a commercially-representative scale; and
(B) have a high probability of leading to commercial production.

(2) Assistance

For each technology identified under paragraph (1), the Secretary of Energy may provide—
(A) technical assistance;
(B) assistance in meeting environmental and regulatory requirements; and
(C) cost-sharing assistance.

(m) National oil shale and tar sands assessment

(1) Assessment

(A) In general

The Secretary shall carry out a national assessment of oil shale and tar sands resources for the purposes of evaluating and mapping oil shale and tar sands deposits, in the geographic areas described in subparagraph (B). In conducting such an assessment, the Secretary shall make use of the extensive geological assessment work for oil shale and tar sands already conducted by the United States Geological Survey.

(B) Geographic areas

The geographic areas referred to in subparagraph (A), listed in the order in which the Secretary shall assign priority, are—
(i) the Green River Region of the States of Colorado, Utah, and Wyoming;
(ii) the Devonian oil shales and other hydrocarbon-bearing rocks having the nomenclature of “shale” located east of the Mississippi River; and
(iii) any remaining area in the central and western United States (including the State of Alaska) that contains oil shale and tar sands, as determined by the Secretary.
(2) Use of State surveys and universities
In carrying out the assessment under paragraph (1), the Secretary may request assistance from any State-administered geological survey or university.

(n) Land exchanges
(1) In general
To facilitate the recovery of oil shale and tar sands, especially in areas where Federal, State, and private lands are intermingled, the Secretary shall consider the use of land exchanges where appropriate and feasible to consolidate land ownership and mineral interests into manageable areas.

(2) Identification and priority of public lands
The Secretary shall identify public lands containing deposits of oil shale or tar sands within the Green River, Piceance Creek, Uintah, and Washakie geologic basins, and shall give priority to implementing land exchanges within those basins. The Secretary shall consider the geology of the respective basin in determining the optimum size of the lands to be consolidated.

(3) Compliance with section 1716 of title 43
A land exchange undertaken in furtherance of this subsection shall be implemented in accordance with section 1716 of title 43.

(o) Royalty rates for leases
The Secretary shall establish royalties, fees, rentals, bonus, or other payments for leases under this section that shall—
(1) encourage development of the oil shale and tar sands resource; and
(2) ensure a fair return to the United States.

(p) Heavy oil technical and economic assessment
The Secretary of Energy shall update the 1987 technical and economic assessment of domestic heavy oil resources that was prepared by the Interstate Oil and Gas Compact Commission. Such an update should include all of North America and cover all unconventional oil, including heavy oil, tar sands (oil sands), and oil shale.

(q) Omitted

(r) State water rights
Nothing in this section preempts or affects any State water law or interstate compact relating to water.

(s) Authorization of appropriations
There are authorized to be appropriated such sums as are necessary to carry out this section.


Codification
Section is comprised of section 369 of Pub. L. 109–58. Subsecs. (j) and (q) of section 369 of Pub. L. 109–58 enacted section 2026a of Title 10, Armed Forces, and amended the table of sections for chapter 141 of Title 10 and sections 226 and 241 of Title 30, Mineral Lands and Mining.

Amendments

Text read as follows: “Not later than 180 days after August 8, 2005, and annually thereafter, the Secretary shall submit to Congress a report that describes the activities of the Office of Petroleum Reserves carried out under this subsection.”

Change of Name
Committee on Resources of House of Representatives changed to Committee on Natural Resources of House of Representatives by House Resolution No. 6, One Hundred Tenth Congress, Jan. 5, 2007.

§ 15928. Consultation regarding energy rights-of-way on public land

(a) Memorandum of understanding
(1) In general
Not later than 6 months after August 8, 2005, the Secretary of Energy, in consultation with the Secretary of the Interior, the Secretary of Agriculture, and the Secretary of Defense with respect to lands under their respective jurisdictions, shall enter into a memorandum of understanding to coordinate all applicable Federal authorizations and environmental reviews relating to a proposed or existing utility facility. To the maximum extent practicable under applicable law, the Secretary of Energy shall, to ensure timely review and permit decisions, coordinate such authorizations and reviews with any Indian tribes, multi-State entities, and State agencies that are responsible for conducting any separate permitting and environmental reviews of the affected utility facility.

(2) Contents
The memorandum of understanding shall include provisions that—
(A) establish—
(i) a unified right-of-way application form; and
(ii) an administrative procedure for processing right-of-way applications, including lines of authority, steps in application processing, and timeframes for application processing;
(B) provide for coordination of planning relating to the granting of the rights-of-way;
(C) provide for an agreement among the affected Federal agencies to prepare a single environmental review document to be used as the basis for all Federal authorization decisions; and
(D) provide for coordination of use of right-of-way stipulations to achieve consistency.

(b) Natural gas pipelines
(1) In general
With respect to permitting activities for interstate natural gas pipelines, the May 2002 document entitled “Interagency Agreement On Early Coordination Of Required Environmental And Historic Preservation Reviews Conducted In Conjunction With The Issuance Of Authorizations To Construct And Operate Interstate Natural Gas Pipelines Certificated By The Federal Energy Regulatory Commission” shall constitute compliance with subsection (a).
§ 15941. Great Lakes oil and gas drilling ban

No Federal or State permit or lease shall be issued for new oil and gas slant, directional, or offshore drilling in or under one or more of the Great Lakes.


§ 15942. NEPA review

(a) NEPA review

Action by the Secretary of the Interior in managing the public lands, or the Secretary of Agriculture in managing National Forest System Lands, with respect to any of the activities described in subsection (b) shall be subject to a rebuttable presumption that the use of a categorical exclusion under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) (NEPA) would apply if the activity is conducted pursuant to the Mineral Leasing Act (30 U.S.C. 181 et seq.) for the purpose of exploration or development of oil or gas.

(b) Activities described

The activities referred to in subsection (a) are the following:

(1) Individual surface disturbances of less than 5 acres so long as the total surface disturbance on the lease is not greater than 150 acres and site-specific analysis in a document prepared pursuant to NEPA has been previously completed.

(2) Drilling an oil or gas well at a location or well pad site at which drilling has occurred previously within 5 years prior to the date of spudding the well.

(3) Drilling an oil or gas well within a developed field for which an approved land use plan or any environmental document prepared pursuant to NEPA analyzed such drilling as a reasonably foreseeable activity, so long as such plan or document was approved within 5 years prior to the date of spudding the well.

(4) Placement of a pipeline in an approved right-of-way corridor, so long as the corridor was approved within 5 years prior to the date of placement of the pipeline.

(5) Maintenance of a minor activity, other than any construction or major renovation or a building or facility.


REFERENCES IN TEXT


The Mineral Leasing Act, referred to in subsec. (a), is act Feb. 25, 1920, ch. 85, 41 Stat. 437, as amended, which is classified generally to chapter 3A (§ 181 et seq.) of Title 30, Mineral Lands and Mining. For complete classification of this Act to the Code, see Short Title note set out under section 161 of Title 30 and Tables.

PART D—REFINERY REVITALIZATION

§ 15951. Findings and definitions

(a) Findings

Congress finds that—

(1) it serves the national interest to increase petroleum refining capacity for gasoline, heating oil, diesel fuel, jet fuel, kerosene, and petrochemical feedstocks wherever located within the United States, to bring more supply to the markets for the use of the American people;

(2) United States demand for refined petroleum products currently exceeds the country’s petroleum refining capacity to produce such products;

(3) this excess demand has been met with increased imports;

(4) due to lack of capacity, refined petroleum product imports are expected to grow from 7.9 percent to 10.7 percent of total refined product by 2025;

(5) refineries are still subject to significant environmental and other regulations and face several new requirements under the Clean Air Act (42 U.S.C. 7401 et seq.) over the next decade; and

(6) better coordination of Federal and State regulatory reviews may help facilitate siting and construction of new refineries to meet the...
demand in the United States for refined products.

(b) **Definitions**

In this part:

(1) **Administrator**

The term “Administrator” means the Administrator of the Environmental Protection Agency.

(2) **State**

The term “State” means—

(A) a State;

(B) the Commonwealth of Puerto Rico; and

(C) any other territory or possession of the United States.


REFERENCES IN TEXT

The Clean Air Act, referred to in subsec. (a)(5), is act July 14, 1955, ch. 360, 69 Stat. 322, as amended, which is classified generally to chapter 85 (§7401 et seq.) of this title. For complete classification of this Act to the Code, see Short Title note set out under section 7401 of this title and Tables.

§ 15952. Federal-State regulatory coordination and assistance

(a) In general

At the request of the Governor of a State, the Administrator may enter into a refinery permitting cooperative agreement with the State, under which each party to the agreement identifies steps, including timelines, that it will take to streamline the consideration of Federal and State environmental permits for a new refinery.

(b) **Authority under agreement**

The Administrator shall be authorized to—

(1) accept from a refiner a consolidated application for all permits required from the Environmental Protection Agency, to the extent consistent with other applicable law;

(2) enter into memoranda of agreement with other Federal agencies to coordinate consideration of refinery applications and permits among Federal agencies; and

(3) enter into Memoranda of Agreement with a State, under which Federal and State review of refinery permit applications will be coordinated and concurrently considered, to the extent practicable.

(c) **State assistance**

The Administrator is authorized to provide financial assistance to State governments to facilitate the hiring of additional personnel with expertise in fields relevant to consideration of refinery permits.

(d) **Other assistance**

The Administrator is authorized to provide technical, legal, or other assistance to State governments to facilitate their review of applications to build new refineries.


§ 15961. Authorization of appropriations

(a) **Clean coal power initiative**

There are authorized to be appropriated to the Secretary to carry out the activities authorized by this part $200,000,000 for each of fiscal years 2006 through 2014, to remain available until expended.

(b) **Report**

The Secretary shall submit to Congress the report required by this subsection not later than March 31, 2007. The report shall include, with respect to subsection (a), a plan containing—

1. a detailed assessment of whether the aggregate funding levels provided under subsection (a) are the appropriate funding levels for that program;

2. a detailed description of how proposals will be solicited and evaluated, including a list of all activities expected to be undertaken;

3. a detailed list of technical milestones for each coal and related technology that will be pursued; and

4. a detailed description of how the program will avoid problems enumerated in Government Accountability Office reports on the Clean Coal Technology Program. Including problems that have resulted in unspent funds and projects that failed either financially or scientifically.


§ 15962. **Project criteria**

(a) **In general**

To be eligible to receive assistance under this part, a project shall advance efficiency, environmental performance, and cost competitiveness well beyond the level of technologies that are in commercial service or have been demonstrated on a scale that the Secretary determines is sufficient to demonstrate that commercial service is viable as of August 8, 2005.

(b) **Technical criteria for clean coal power initiative**

(1) **Gasification projects**

(A) **In general**

In allocating the funds made available under section 15961(a) of this title, the Secretary shall ensure that at least 70 percent of the funds are used only to fund projects on coal-based gasification technologies, including—

(i) gasification combined cycle;

(ii) gasification fuel cells and turbine combined cycle;

(iii) gasification coproduction;

(iv) hybrid gasification and combustion; and

(v) other advanced coal based technologies capable of producing a concentrated stream of carbon dioxide.

(B) **Technical milestones**

(i) **Periodic determination**

(I) **In general**

The Secretary shall periodically set technical milestones specifying the
emission and thermal efficiency levels that coal gasification projects under this part shall be designed, and reasonably expected, to achieve.

(II) Prescriptive milestones

The technical milestones shall become more prescriptive during the period of the clean coal power initiative.

(ii) 2020 goals

The Secretary shall establish the periodic milestones so as to achieve by the year 2020 coal gasification projects able—

(I)(aa) to remove at least 99 percent of sulfur dioxide; or

(bb) to emit not more than 0.04 pound SO$_2$ per million Btu, based on a 30-day average;

(ii) to emit not more than .05 lbs of NO$_x$ per million Btu;

(III) to achieve at least 95 percent reductions in mercury emissions; and

(IV) to achieve a thermal efficiency of at least—

(aa) 50 percent for coal of more than 9,000 Btu;

(bb) 48 percent for coal of 7,000 to 9,000 Btu; and

(cc) 46 percent for coal of less than 7,000 Btu.

(2) Other projects

(A) Allocation of funds

The Secretary shall ensure that up to 30 percent of the funds made available under section 15961(a) of this title are used to fund projects other than those described in paragraph (1).

(B) Technical milestones

(i) Periodic determination

(I) In general

The Secretary shall periodically establish technical milestones specifying the emission and thermal efficiency levels that projects funded under this paragraph shall be designed, and reasonably expected, to achieve.

(II) Prescriptive milestones

The technical milestones shall become more prescriptive during the period of the clean coal power initiative.

(ii) 2020 goals

The Secretary shall set the periodic milestones so as to achieve by the year 2020 projects able—

(I) to remove at least 97 percent of sulfur dioxide;

(II) to emit no more than .08 lbs of NO$_x$ per million Btu;

(III) to achieve at least 90 percent reductions in mercury emissions; and

(IV) to achieve a thermal efficiency of at least—

(aa) 43 percent for coal of more than 9,000 Btu;

(bb) 41 percent for coal of 7,000 to 9,000 Btu; and

(cc) 39 percent for coal of less than 7,000 Btu.

(3) Consultation

Before setting the technical milestones under paragraphs (1)(B) and (2)(B), the Secretary shall consult with—

(A) the Administrator of the Environmental Protection Agency; and

(B) interested entities, including—

(i) coal producers;

(ii) industries using coal;

(iii) organizations that promote coal or advanced coal technologies;

(iv) environmental organizations;

(v) organizations representing workers; and

(vi) organizations representing consumers.

(4) Existing units

In the case of projects at units in existence on August 8, 2005, in lieu of the thermal efficiency requirements described in paragraphs (1)(B)(ii)(IV) and (2)(B)(ii)(IV), the milestones shall be designed to achieve an overall thermal design efficiency improvement, compared to the efficiency of the unit as operated, of not less than—

(A) 7 percent for coal of more than 9,000 Btu;

(B) 6 percent for coal of 7,000 to 9,000 Btu; or

(C) 4 percent for coal of less than 7,000 Btu.

(5) Administration

(A) Elevation of site

In evaluating project proposals to achieve thermal efficiency levels established under paragraphs (1)(B)(i) and (2)(B)(i) and in determining progress towards thermal efficiency milestones under paragraphs (1)(B)(ii)(IV), (2)(B)(ii)(IV), and (4), the Secretary shall take into account and make adjustments for the elevation of the site at which a project is proposed to be constructed.

(B) Applicability of milestones

In applying the thermal efficiency milestones under paragraphs (1)(B)(ii)(IV), (2)(B)(ii)(IV), and (4) to projects that separate and capture at least 50 percent of the potential emissions of carbon dioxide by a facility, the energy used for separation and capture of carbon dioxide shall not be counted in calculating the thermal efficiency.

(C) Permitted uses

In carrying out this section, the Secretary may give priority to projects that include, as part of the project—

(i) the separation or capture of carbon dioxide; or

(ii) the reduction of the demand for natural gas if deployed.

(e) Financial criteria

The Secretary shall not provide financial assistance under this part for a project unless the recipient documents to the satisfaction of the Secretary that—

(1) the recipient is financially responsible;

(2) the recipient will provide sufficient information to the Secretary to enable the Sec-
retary to ensure that the funds are spent efficiently and effectively; and
(3) a market exists for the technology being demonstrated or applied, as evidenced by statements of interest in writing from potential purchasers of the technology.

(d) Financial assistance
The Secretary shall provide financial assistance to projects that, as determined by the Secretary—
(1) meet the requirements of subsections (a), (b), and (c); and
(2) are likely—
(A) to achieve overall cost reductions in the use of coal to generate useful forms of energy or chemical feedstocks;
(B) to improve the competitiveness of coal among various forms of energy in order to maintain a diversity of fuel choices in the United States to meet electricity generation requirements; and
(C) to demonstrate methods and equipment that are applicable to 25 percent of the electricity generating facilities, using various types of coal, that use coal as the primary feedstock as of August 8, 2005.

(e) Cost-sharing
In carrying out this part, the Secretary shall require cost sharing in accordance with section 16352 of this title.

(f) Scheduled completion of selected projects
(1) In general
In selecting a project for financial assistance under this section, the Secretary shall establish a reasonable period of time during which the owner or operator of the project shall complete the construction or demonstration phase of the project, as the Secretary determines to be appropriate.

(2) Condition of financial assistance
The Secretary shall require as a condition of receipt of any financial assistance under this part that the recipient of the assistance enter into an agreement with the Secretary not to request an extension of the time period established for the project by the Secretary under paragraph (1).

(3) Extension of time period
(A) In general
Subject to subparagraph (B), the Secretary may extend the time period established under paragraph (1) if the Secretary determines, in the sole discretion of the Secretary, that the owner or operator of the project cannot complete the construction or demonstration phase of the project within the time period due to circumstances beyond the control of the owner or operator.

(B) Limitation
The Secretary shall not extend a time period under subparagraph (A) by more than 4 years.

(g) Fee title
The Secretary may vest fee title or other property interests acquired under cost-share clean coal power initiative agreements under this part in any entity, including the United States.

(h) Data protection
For a period not exceeding 5 years after completion of the operations phase of a cooperative agreement, the Secretary may provide appropriate protections (including exemptions from subchapter II of chapter 5 of title 5) against the dissemination of information that—
(1) results from demonstration activities carried out under the clean coal power initiative program; and
(2) would be a trade secret or commercial or financial information that is privileged or confidential if the information had been obtained from and first produced by a non-Federal party participating in a clean coal power initiative project.

(i) Applicability
No technology, or level of emission reduction, solely by reason of the use of the technology, or the achievement of the emission reduction, by 1 or more facilities receiving assistance under this Act, shall be considered to be—
(1) adequately demonstrated for purposes of section 7411 of this title;
(2) achievable for purposes of section 7479 of this title; or
(3) achievable in practice for purposes of section 7501 of this title.


References in Text
This Act, referred to in subsec. (i), is Pub. L. 109–58, Aug. 8, 2005, 119 Stat. 594, as amended, known as the Energy Policy Act of 2005, which enacted this chapter and enacted, amended, and repealed numerous other sections and notes in the Code. For complete classification of this Act to the Code, see Short Title note set out under section 15801 of this title and Tables.

Amendments
2007—Subsec. (b)(1)(B)(ii)(I). Pub. L. 110–140 added subcl. (I) and struck out former subcl. (I) which read as follows: “to remove at least 90 percent of sulfur dioxide;”.

Effective Date of 2007 Amendment
Amendment by Pub. L. 110–140 effective on the date that is 1 day after Dec. 19, 2007, see section 1601 of Pub. L. 110–140, set out as an Effective Date note under section 1824 of Title 2, The Congress.

§ 15963. Report
Not later than 1 year after August 8, 2005, and once every 2 years thereafter through 2014, the Secretary, in consultation with other appropriate Federal agencies, shall submit to Congress a report describing—
(1) the technical milestones set forth in section 15962 of this title and how those milestones ensure progress toward meeting the requirements of subsections (b)(1)(B) and (b)(2) of section 15962 of this title; and
(2) the status of projects funded under this part.

§ 15964. Clean coal centers of excellence

(a) In general
As part of the clean coal power initiative, the Secretary shall award competitive, merit-based grants to institutions of higher education for the establishment of centers of excellence for energy systems of the future.

(b) Basis for grants
The Secretary shall award grants under this section to institutions of higher education that show the greatest potential for advancing new clean coal technologies.


§ 15965. Time limit for award; extension

If a Clean Coal Power Initiative project selected after March 11, 2009, for negotiation under this or any other Act in any fiscal year, is not awarded within 2 years from the date the application was selected, negotiations shall cease and the Federal funds committed to the application shall be retained by the Department for future coal-related research, development and demonstration projects, except that the time limit may be extended at the Secretary’s discretion for matters outside the control of the applicant, or if the Secretary determines that extension of the time limit is in the public interest.


Codification
Section was enacted as part of the Energy and Water Development and Related Agencies Appropriations Act, 2009, and also as part of the Omnibus Appropriations Act, 2009, and not as part of the Energy Policy Act of 2005 which comprises this chapter.

PART B—CLEAN POWER PROJECTS

§ 15971. Integrated coal/renewable energy system

(a) In general
Subject to the availability of appropriations, the Secretary may provide loan guarantees for a project to produce energy from coal of less than 7,000 Btu/lb. using appropriate advanced integrated gasification combined cycle technology, including repowering of existing facilities, that—

(1) is combined with wind and other renewable sources;
(2) minimizes and offers the potential to sequester carbon dioxide emissions; and
(3) provides a ready source of hydrogen for near-site fuel cell demonstrations.

(b) Requirements
The facility—

(1) may be built in stages;
(2) shall have a combined output of at least 200 megawatts at successively more competitive rates; and
(3) shall be located in the Upper Great Plains.

(c) Technical criteria
Technical criteria described in section 15962(b) of this title shall apply to the facility.

(d) Investment tax credits

(1) In general
The loan guarantees provided under this section do not preclude the facility from receiving an allocation for investment tax credits under section 48A of title 26.

(2) Other funding
Use of the investment tax credit described in paragraph (1) does not prohibit the use of other clean coal program funding.


§ 15972. Loan to place Alaska clean coal technology facility in service

(a) Definitions
In this section:

(1) Borrower
The term "borrower" means the owner of the clean coal technology plant.

(2) Clean coal technology plant
The term "clean coal technology plant" means the plant located near Healy, Alaska, constructed under Department cooperative agreement number DE–FC–22–91PC90544.

(3) Cost of a direct loan
The term "cost of a direct loan" has the meaning given the term in section 661a(5)(B) of title 2.

(b) Authorization
Subject to subsection (c), the Secretary shall use amounts made available under subsection (e) to provide the cost of a direct loan to the borrower for purposes of placing the clean coal technology plant into reliable operation for the generation of electricity.

(c) Requirements

(1) Maximum loan amount
The amount of the direct loan provided under subsection (b) shall not exceed $80,000,000.

(2) Determinations by Secretary
Before providing the direct loan to the borrower under subsection (b), the Secretary shall determine that—

(A) the plan of the borrower for placing the clean coal technology plant in reliable operation has a reasonable prospect of success;
(B) the amount of the loan (when combined with amounts available to the borrower from other sources) will be sufficient to carry out the project; and
(C) there is a reasonable prospect that the borrower will repay the principal and interest on the loan.

(3) Interest; term
The direct loan provided under subsection (b) shall bear interest at a rate and for a term that the Secretary determines appropriate, after consultation with the Secretary of the Treasury, taking into account the needs and capacities of the borrower and the prevailing rate of interest for similar loans made by public and private lenders.
(4) Additional terms and conditions

The Secretary may require any other terms and conditions that the Secretary determines to be appropriate.

(d) Use of payments

The Secretary shall retain any payments of principal and interest on the direct loan provided under subsection (b) to support energy research and development activities, to remain available until expended, subject to any other conditions in an applicable appropriations Act.

(e) Authorization of appropriations

There are authorized to be appropriated such sums as are necessary to provide the cost of a direct loan under subsection (b).


§ 15973. Western integrated coal gasification demonstration project

(a) In general

Subject to the availability of appropriations, the Secretary shall carry out a project to demonstrate production of energy from coal mined in the western United States using integrated gasification combined cycle technology (referred to in this section as the “demonstration project”).

(b) Components

The demonstration project—

(1) may include repowering of existing facilities;

(2) shall be designed to demonstrate the ability to use coal with an energy content of not more than 9,000 Btu/lb.; and

(3) shall be capable of removing and sequestering carbon dioxide emissions.

(c) All types of western coals

Notwithstanding the foregoing, and to the extent economically feasible, the demonstration project shall also be designed to demonstrate the ability to use a variety of types of coal (including subbituminous and bituminous coal with an energy content of up to 13,000 Btu/lb.) mined in the western United States.

(d) Location

The demonstration project shall be located in a western State at an altitude of greater than 4,000 feet above sea level.

(e) Cost sharing

The Federal share of the cost of the demonstration project shall be determined in accordance with section 16352 of this title.

(f) Loan guarantees

Notwithstanding subchapter XIII of this chapter and section 13557 of this title. For complete classification of title XIV to the Code, see Tables.

§ 15974. Coal gasification

The Secretary is authorized to provide loan guarantees for a project to produce energy from a plant using integrated gasification combined cycle technology of at least 400 megawatts in capacity that produces power at competitive rates in deregulated energy generation markets and that does not receive any subsidy (direct or indirect) from ratepayers.


§ 15975. Petroleum coke gasification

The Secretary is authorized to provide loan guarantees for at least 5 petroleum coke gasification projects.


§ 15976. Electron scrubbing demonstration

The Secretary shall use $5,000,000 from amounts appropriated to initiate, through the Chicago Operations Office, a project to demonstrate the viability of high-energy electron scrubbing technology on commercial-scale electrical generation using high-sulfur coal.


§ 15977. Department of Energy transportation fuels from Illinois basin coal

(a) In general

The Secretary shall carry out a program to evaluate the commercial and technical viability of advanced technologies for the production of Fischer-Tropsch transportation fuels, and other transportation fuels, manufactured from Illinois basin coal, including the capital modification of existing facilities and the construction of testing facilities under subsection (b).

(b) Facilities

For the purpose of evaluating the commercial and technical viability of different processes for producing Fischer-Tropsch transportation fuels, and other transportation fuels, from Illinois basin coal, the Secretary shall support the use and capital modification of existing facilities and the construction of new facilities at—

(1) Southern Illinois University Coal Research Center;

(2) University of Kentucky Center for Applied Energy Research; and

(3) Energy Center at Purdue University.

(c) Gasification products test center

In conjunction with the activities described in subsections (a) and (b), the Secretary shall construct a test center to evaluate and confirm liquid and gas products from syngas catalysis in order that the system has an output of at least 500 gallons of Fischer-Tropsch transportation fuel per day in a 24-hour operation.

(d) Milestones

(1) Selection of processes

Not later than 180 days after August 8, 2005, the Secretary shall select processes for evalu-
§ 15991. Inventory requirement

(a) Review of assessments

(1) In general

The Secretary of the Interior, in consultation with the Secretary of Agriculture and the Secretary, shall review coal assessments and other available data to identify—

(A) Federal lands with coal resources that are available for development;

(B) the extent and nature of any restrictions on the development of coal resources on Federal lands identified under paragraph (1); and

(C) with respect to areas of such lands for which sufficient data exists, resources of compliant coal and supercompliant coal.

(2) Definitions

For purposes of this subsection—

(A) the term “compliant coal” means coal that contains not less than 1.0 and not more than 1.2 pounds of sulfur dioxide per million Btu; and

(B) the term “supercompliant coal” means coal that contains less than 1.0 pounds of sulfur dioxide per million Btu.

(b) Completion and updating of the inventory

The Secretary—

(1) shall complete the inventory under subsection (a) by not later than 2 years after August 8, 2005; and

(2) shall update the inventory as the availability of data and developments in technology warrant.

(c) Report

The Secretary shall submit to the Committee on Resources of the House of Representatives and to the Committee on Energy and Natural Resources of the Senate and make publicly available—

(1) a report containing the inventory under this section, by not later than 2 years after the effective date of this section; and

(2) each update of such inventory.


REFERENCES IN TEXT

The effective date of this section, referred to in subsec. (c)(1), probably means the date of enactment of Pub. L. 109–58, which enacted this section.

CHANGE OF NAME

Committee on Resources of House of Representatives changed to Committee on Natural Resources of House of Representatives by House Resolution No. 6, One Hundred Tenth Congress, Jan. 5, 2007.

SHORT TITLE

For short title of subtitle D of title IV of Pub. L. 109–58, which enacted this part, as the “Coal Leasing Amendments Act of 2005”, see section 431 of Pub. L. 109–58, set out as a note under section 15801 of this title.

SUBCHAPTER V—INDIAN ENERGY

§ 16001. Energy efficiency in federally assisted housing

The Secretary of Housing and Urban Development shall promote energy conservation in housing that is located on Indian land and assisted with Federal resources through—

(1) the use of energy-efficient technologies and innovations (including the procurement of energy-efficient refrigerators and other appliances);

(2) the promotion of shared savings contracts; and

(3) the use and implementation of such other similar technologies and innovations as the Secretary of Housing and Urban Development considers to be appropriate.


SHORT TITLE

§ 16011. Demonstration hydrogen production at existing nuclear power plants

(a) Demonstration projects

The Secretary shall provide for the establishment of 2 projects in geographic areas that are regionally and climatically diverse to demonstrate the commercial production of hydrogen at existing nuclear power plants.

(b) Economic analysis

Prior to making an award under subsection (a), the Secretary shall determine whether the use of existing nuclear power plants is a cost-effective means of producing hydrogen.

(c) Authorization of appropriations

There are authorized to be appropriated to the Secretary for the purposes of carrying out this section not more than $100,000,000.


§ 16012. Prohibition on assumption by United States Government of liability for certain foreign incidents

(a) In general

Notwithstanding any other provision of law, no officer of the United States or of any department, agency, or instrumentality of the United States Government may enter into any contract or other arrangement, or into any amendment or modification of a contract or other arrangement, the purpose or effect of which would be to directly or indirectly impose liability on the United States Government, or any department, agency, or instrumentality of the United States Government, or to otherwise directly or indirectly require an indemnity by the United States Government, for nuclear incidents occurring in connection with the design, construction, or operation of a production facility or utilization facility in any country whose government has been identified by the Secretary of State as engaged in state sponsorship of terrorist activities (specifically including any country the government of which, as of September 11, 2001, had been determined by the Secretary of State under section 2371(a) of title 22, section 4605(j)(1) of title 50, or section 2780(d) of title 22 to have repeatedly provided support for acts of international terrorism). This section shall not apply to nuclear incidents occurring as a result of missions, carried out under the direction of the Secretary, the Secretary of Defense, or the Secretary of State, that are necessary to safely secure, store, transport, or remove nuclear materials for nuclear safety or nonproliferation purposes.

(b) Definitions

The terms used in this section shall have the same meaning as those terms have under section 2014 of this title, unless otherwise expressly provided in this section.

1 See References in Text note below.

References in Text

See References in Text note below.
(C) Requirement

The Secretary shall not enter into a contract under this section unless the Secretary deposits—

(i) in the Standby Support Program Account established under subparagraph (B), funds appropriated to the Secretary in advance of the contract or a combination of appropriated funds and loan guarantee fees that are in an amount sufficient to cover the loan costs described in subsection (d)(5)(A); and

(ii) in the Standby Support Grant Account established under subparagraph (B), funds appropriated to the Secretary in advance of the contract, paid to the Secretary by the sponsor of the advanced nuclear facility, or a combination of appropriations and payments that are in an amount sufficient 1 cover the costs described in subparagraphs (B), (C), and (D) of subsection (d)(5).

(c) Covered delays

(1) Inclusions

Under each contract authorized by this section, the Secretary shall pay the costs specified in subsection (d), using funds appropriated or collected for the covered costs, if full power operation of the advanced nuclear facility is delayed by—

(A) the failure of the Commission to comply with schedules for review and approval of inspections, tests, analyses, and acceptance criteria established under the combined license or the conduct of preoperational hearings by the Commission for the advanced nuclear facility; or

(B) litigation that delays the commencement of full-power operations of the advanced nuclear facility.

(2) Exclusions

The Secretary may not enter into any contract under this section that would obligate the Secretary to pay any costs resulting from—

(A) the failure of the sponsor to take any action required by law or regulation;

(B) events within the control of the sponsor; or

(C) normal business risks.

(d) Covered costs

(1) In general

Subject to paragraphs (2), (3), and (4), the costs that shall be paid by the Secretary pursuant to a contract entered into under this section are the costs that result from a delay covered by the contract.

(2) Initial 2 reactors

In the case of the first 2 reactors that receive combined licenses and on which construction is commenced, the Secretary shall pay—

(A) 100 percent of the covered costs of delay; but

(B) not more than $500,000,000 per contract.

(3) Subsequent 4 reactors

In the case of the next 4 reactors that receive a combined license and on which construction is commenced, the Secretary shall pay—

(A) 50 percent of the covered costs of delay that occur after the initial 180-day period of covered delay; but

(B) not more than $250,000,000 per contract.

(4) Conditions on payment of certain covered costs

(A) In general

The obligation of the Secretary to pay the covered costs described in subparagraph (B) of paragraph (5) is subject to the Secretary receiving from appropriations or payments from other non-Federal sources amounts sufficient to pay the covered costs.

(B) Non-Federal sources

The Secretary may receive and accept payments from any non-Federal source, which shall be made available without further appropriation for the payment of the covered costs.

(5) Types of covered costs

Subject to paragraphs (2), (3), and (4), the contract entered into under this section for an advanced nuclear facility shall include as covered costs those costs that result from a delay during construction and in gaining approval for fuel loading and full-power operation, including—

(A) principal or interest on any debt obligation of an advanced nuclear facility owned by a non-Federal entity; and

(B) the incremental difference between—

(i) the fair market price of power purchased to meet the contractual supply agreements that would have been met by the advanced nuclear facility but for the delay; and

(ii) the contractual price of power from the advanced nuclear facility subject to the delay.

(e) Requirements

Any contract between a sponsor and the Secretary covering an advanced nuclear facility under this section shall require the sponsor to use due diligence to shorten, and to end, the delay covered by the contract.

(f) Reports

For each advanced nuclear facility that is covered by a contract under this section, the Commission shall submit to Congress and the Secretary quarterly reports summarizing the status of licensing actions associated with the advanced nuclear facility.

(g) Regulations

(1) In general

Subject to paragraphs (2) and (3), the Secretary shall issue such regulations as are necessary to carry out this section.

(2) Interim final rulemaking

Not later than 270 days after August 8, 2005, the Secretary shall issue for public comment...
an interim final rule regulating contracts authorized by this section.

(3) Notice of final rulemaking
Not later than 1 year after August 8, 2005, the Secretary shall issue a notice of final rulemaking regulating the contracts.

(h) Authorization of appropriations
There are authorized to be appropriated such sums as are necessary to carry out this section.


PART B—NEXT GENERATION NUCLEAR PLANT PROJECT

§ 16021. Project establishment
(a) Establishment
The Secretary shall establish a project to be known as the “Next Generation Nuclear Plant Project” (referred to in this part as the “Project”).

(b) Content
The Project shall consist of the research, development, design, construction, and operation of a prototype plant, including a nuclear reactor that—

(1) is based on research and development activities supported by the Generation IV Nuclear Energy Systems Initiative under section 16272(c) of this title; and

(2) shall be used—
(A) to generate electricity;
(B) to produce hydrogen; or
(C) both to generate electricity and to produce hydrogen.


AMENDMENTS
2018—Pub. L. 115–248 substituted “section 16272(c)” for “section 16272(d)”, which had been an editorial translation of a reference in original text to section 942(d) of Pub. L. 109–58.

§ 16022. Project management
(a) Departmental management
(1) In general
The Project shall be managed in the Department by the Office of Nuclear Energy, Science, and Technology.

(2) Generation IV Nuclear Energy Systems program
The Secretary may combine the Project with the Generation IV Nuclear Energy Systems Initiative.

(3) Existing DOE project management expertise
The Secretary may utilize capabilities for review of construction projects for advanced scientific facilities within the Office of Science to track the progress of the Project.

(b) Laboratory management
(1) Lead Laboratory
The Idaho National Laboratory shall be the lead National Laboratory for the Project and shall collaborate with other National Laboratories, institutions of higher education, other research institutes, industrial researchers, and international researchers to carry out the Project.

(2) Industrial partnerships
(A) In general
The Idaho National Laboratory shall organize a consortium of appropriate industrial partners that will carry out cost-shared research, development, design, and construction activities, and operate research facilities, on behalf of the Project.

(B) Cost-sharing
Activities of industrial partners funded by the Project shall be cost-shared in accordance with section 16352 of this title.

(C) Preference
Preference in determining the final structure of the consortium or any partnerships under this part shall be given to a structure (including designating as a lead industrial partner an entity incorporated in the United States) that retains United States technological leadership in the Project while maximizing cost sharing opportunities and minimizing Federal funding responsibilities.

(3) Prototype plant siting
The prototype nuclear reactor and associated plant shall be sited at the Idaho National Laboratory in Idaho.

(4) Reactor test capabilities
The Project shall use, if appropriate, reactor test capabilities at the Idaho National Laboratory.

(5) Other Laboratory capabilities
The Project may use, if appropriate, facilities at other National Laboratories.


§ 16023. Project organization
(a) Major project elements
The Project shall consist of the following major program elements:

(1) High-temperature hydrogen production technology development and validation.

(2) Energy conversion technology development and validation.

(3) Nuclear fuel development, characterization, and qualification.

(4) Materials selection, development, testing, and qualification.

(5) Reactor and balance-of-plant design, engineering, safety analysis, and qualification.

(b) Project phases
The Project shall be conducted in the following phases:

(1) First project phase
A first project phase shall be conducted to—
(A) select and validate the appropriate technology under subsection (a)(1);
(B) carry out enabling research, development, and demonstration activities on tech-
nologies and components under paragraphs (2) through (4) of subsection (a); and 
(C) determine whether it is appropriate to combine electricity generation and hydrogen production in a single prototype nuclear reactor and plant; and 
(D) carry out initial design activities for a prototype nuclear reactor and plant, including development of design methods and safety analytical methods and studies under subsection (a)(5).

(2) Second project phase
A second project phase shall be conducted to—
(A) continue appropriate activities under paragraphs (1) through (5) of subsection (a); 
(B) develop, through a competitive process, a final design for the prototype nuclear reactor and plant; 
(C) apply for licenses to construct and operate the prototype nuclear reactor from the Nuclear Regulatory Commission; and 
(D) construct and start up operations of the prototype nuclear reactor and its associated hydrogen or electricity production facilities.

(c) Project requirements
(1) In general
The Secretary shall ensure that the Project is structured so as to maximize the technical interchange and transfer of technologies and ideas into the Project from other sources of relevant expertise, including—
(A) the nuclear power industry, including nuclear powerplant construction firms, particularly with respect to issues associated with plant design, construction, and operational and safety issues; 
(B) the chemical processing industry, particularly with respect to issues relating to—
(i) the use of process energy for production of hydrogen; and 
(ii) the integration of technologies developed by the Project into chemical processing environments; and 
(C) international efforts in areas related to the Project, particularly with respect to hydrogen production technologies.

(2) International collaboration
(A) In general
The Secretary shall seek international cooperation, participation, and financial contributions for the Project.

(B) Assistance from international partners
The Secretary, through the Idaho National Laboratory, may contract for assistance from specialists or facilities from member countries of the Generation IV International Forum, the Russian Federation, or other international partners if the specialists or facilities provide access to cost-effective and relevant skills or test capabilities.

(C) Partner nations
The Project may involve demonstration of selected project objectives in a partner country.

(D) Generation IV International Forum
The Secretary shall ensure that international activities of the Project are coordinated with the Generation IV International Forum.

(3) Review by Nuclear Energy Research Advisory Committee
(A) In general
The Nuclear Energy Research Advisory Committee of the Department (referred to in this paragraph as the "NERAC") shall—
(i) review all program plans for the Project and all progress under the Project on an ongoing basis; and 
(ii) ensure that important scientific, technical, safety, and program management issues receive attention in the Project and by the Secretary.

(B) Additional expertise
The NERAC shall supplement the expertise of the NERAC or appoint subpanels to incorporate into the review by the NERAC the relevant sources of expertise described under paragraph (1).

(C) Initial review
Not later than 180 days after August 8, 2005, the NERAC shall—
(i) review existing program plans for the Project in light of the recommendations of the document entitled "Design Features and Technology Uncertainties for the Next Generation Nuclear Plant," dated June 30, 2004; and 
(ii) address any recommendations of the document not incorporated in program plans for the Project.

(D) First project phase review
On a determination by the Secretary that the appropriate activities under the first project phase under subsection (b)(1) are nearly complete, the Secretary shall request the NERAC to conduct a comprehensive review of the Project and to report to the Secretary the recommendation of the NERAC concerning whether the Project is ready to proceed to the second project phase under subsection (b)(2).

(E) Transmittal of reports to Congress
Not later than 60 days after receiving any report from the NERAC related to the Project, the Secretary shall submit to the appropriate committees of the Senate and the House of Representatives a copy of the report, along with any additional views of the Secretary that the Secretary may consider appropriate.


§16024. Nuclear Regulatory Commission

(a) In general
In accordance with section 5842 of this title, the Nuclear Regulatory Commission shall have licensing and regulatory authority for any reactor authorized under this part.

(b) Licensing strategy
Not later than 3 years after August 8, 2005, the Secretary and the Chairman of the Nuclear Regulatory Commission shall jointly submit to the
appropriate committees of the Senate and the House of Representatives a licensing strategy for the prototype nuclear reactor, including—

(1) a description of ways in which current licensing requirements relating to light-water reactors need to be adapted for the types of prototype nuclear reactor being considered by the Project;

(2) a description of analytical tools that the Nuclear Regulatory Commission will have to develop to independently verify designs and performance characteristics of components, equipment, systems, or structures associated with the prototype nuclear reactor;

(3) other research or development activities that may be required on the part of the Nuclear Regulatory Commission in order to review a license application for the prototype nuclear reactor; and

(4) an estimate of the budgetary requirements associated with the licensing strategy.

c) Ongoing interaction

The Secretary shall seek the active participation of the Nuclear Regulatory Commission throughout the duration of the Project to—

(1) avoid design decisions that will compromise adequate safety margins in the design of the reactor or impair the accessibility of nuclear safety-related components of the prototype reactor for inspection and maintenance;

(2) develop tools to facilitate inspection and maintenance needed for safety purposes; and

(3) develop risk-based criteria for any future commercial development of a similar reactor architectures.

§ 16025. Project timelines and authorization of appropriations

(a) Target date to complete the first project phase

Not later than September 30, 2011, the Secretary shall—

(1) select the technology to be used by the Project for high-temperature hydrogen production and the initial design parameters for the prototype nuclear plant; or

(2) submit to Congress a report establishing an alternative date for making the selection.

(b) Design competition for second project phase

(1) In general

The Secretary, acting through the Idaho National Laboratory, shall fund not more than 4 teams for not more than 2 years to develop detailed proposals for competitive evaluation and selection of a single proposal for a final design of the prototype nuclear reactor.

(2) Systems integration

The Secretary may structure Project activities in the second project phase to use the lead industrial partner of the competitively selected design under paragraph (1) in a systems integration role for final design and construction of the Project.

c) Target date to complete project construction

Not later than September 30, 2021, the Secretary shall—

(1) complete construction and begin operations of the prototype nuclear reactor and associated energy or hydrogen facilities; or

(2) submit to Congress a report establishing an alternative date for completion.

d) Authorization of appropriations

There is authorized to be appropriated to the Secretary for research and construction activities under this part (including for transfer to the Nuclear Regulatory Commission for activities under section 16024 of this title as appropriate)—

(1) $1,250,000,000 for the period of fiscal years 2006 through 2015; and

(2) such sums as are necessary for each of fiscal years 2016 through 2021.

§ 16041. Nuclear facility and materials security

(a) In general

(1), (2) Omitted

(3) Federal security coordinators

(A) Regional offices

Not later than 18 months after August 8, 2005, the Nuclear Regulatory Commission (referred to in this section as the “Commission”) shall assign a Federal security coordinator, under the employment of the Commission, to each region of the Commission.

(B) Responsibilities

The Federal security coordinator shall be responsible for—

(i) communicating with the Commission and other Federal, State, and local authorities concerning threats, including threats against such classes of facilities as the Commission determines to be appropriate;

(ii) monitoring such classes of facilities as the Commission determines to be appropriate to ensure that they maintain security consistent with the security plan in accordance with the appropriate threat level; and

(iii) assisting in the coordination of security measures among the private security forces at such classes of facilities as the Commission determines to be appropriate and Federal, State, and local authorities, as appropriate.

(b) Backup power for certain emergency notification systems

For any licensed nuclear power plants located where there is a permanent population, as determined by the 2000 decennial census, in excess of 15,000,000 within a 50-mile radius of the power plant, not later than 18 months after August 8, 2005, the Commission shall require that backup power to be available for the emergency notification system of the power plant, including the emergency siren warning system, if the alternating current supply within the 10-mile emergency planning zone of the power plant is lost.
(c), (d) Omitted

(e) Final regulations; waivers

(1) to (3) Omitted

(4) Final regulations

(A) Regulations

(i) In general

Not later than 18 months after August 8, 2005, the Commission, after consultation with States and other stakeholders, shall issue final regulations establishing such requirements as the Commission determines to be necessary to carry out this section and the amendments made by this section.

(ii) Inclusions

The regulations shall include a definition of the term “discrete source” for purposes of paragraphs (3) and (4) of section 2014(e) of this title.

(B) Cooperation

In promulgating regulations under paragraph (1), the Commission shall, to the maximum extent practicable—

(i) cooperate with States; and

(ii) use model State standards in existence on August 8, 2005.

(C) Transition plan

(i) Definition of byproduct material

In this paragraph, the term “byproduct material” has the meaning given the term in paragraphs (3) and (4) of section 2014(e) of this title.

(ii) Preparation and publication

To facilitate an orderly transition of regulatory authority with respect to byproduct material, the Commission, in issuing regulations under subparagraph (A), shall prepare and publish a transition plan for—

(I) States that have not, before the date on which the plan is published, entered into an agreement with the Commission under section 2021(b) of this title; and

(II) States that have entered into an agreement with the Commission under that section before the date on which the plan is published.

(iii) Inclusions

The transition plan under clause (ii) shall include—

(I) a description of the conditions under which a State may exercise authority over byproduct material; and

(II) a statement of the Commission that any agreement covering byproduct material, as defined in paragraph (1) or (2) of section 2014(e) of this title, entered into between the Commission and a State under section 2021(b) of this title before the date of publication of the transition plan shall be considered to in-clude byproduct material, as defined in paragraph (3) or (4) of section 2014(e) of this title, if the Governor of the State certifies to the Commission on the date of publication of the transition plan that—

(aa) the State has a program for licensing byproduct material, as defined in paragraph (3) or (4) of section 2014(e) of this title, that is adequate to protect the public health and safety, as determined by the Commission; and

(bb) the State intends to continue to implement the regulatory responsibility of the State with respect to the byproduct material.

(D) Availability of radiopharmaceuticals

In promulgating regulations under subparagraph (A), the Commission shall consider the impact on the availability of radiopharmaceuticals to—

(i) physicians; and

(ii) patients the medical treatment of which relies on radiopharmaceuticals.

(5) Waivers

(A) In general

Except as provided in subparagraph (B), the Commission may grant a waiver to any entity of any requirement under this section or an amendment made by this section with respect to a matter relating to byproduct material (as defined in paragraphs (3) and (4) of section 2014(e) of this title) if the Commission determines that the waiver is in accordance with the protection of the public health and safety and the promotion of the common defense and security.

(B) Exceptions

(i) In general

The Commission may not grant a waiver under subparagraph (A) with respect to—

(I) any requirement under the amendments made by subsection (c)(1); or

(II) a matter relating to an importation into, or exportation from, the United States for a period ending after the date that is 1 year after August 8, 2005; or

(III) any other matter for a period ending after the date that is 4 years after August 8, 2005.

(ii) Waivers to States

The Commission shall terminate any waiver granted to a State under subparagraph (A) if the Commission determines that—

(I) the State has entered into an agreement with the Commission under section 2021(b) of this title;

(II) the agreement described in subclause (I) covers byproduct material (as described in paragraph (3) or (4) of section 2014(e) of this title); and

(III) the program of the State for licensing such byproduct material is adequate to protect the public health and safety.
§ 16042. Department of Homeland Security consultation

Before issuing a license for a utilization facility, the Nuclear Regulatory Commission shall consult with the Department of Homeland Security concerning the potential vulnerabilities of the location of the proposed facility to terrorist attack.


§ 16051. Joint flexible fuel/hybrid vehicle commercialization initiative

(a) Definitions

In this section:

(1) Eligible entity

The term “eligible entity” means—

(A) a for-profit corporation; (B) a nonprofit corporation; or (C) an institution of higher education.

(2) Program

The term “program” means a program established under subsection (b).

(b) Establishment

The Secretary shall establish a program to improve technologies for the commercialization of—

(1) a combination hybrid/flexible fuel vehicle; or

(2) a plug-in hybrid/flexible fuel vehicle.

(c) Grants

In carrying out the program, the Secretary shall provide grants that give preference to proposals that—

(1) achieve the greatest reduction in miles per gallon of petroleum fuel consumption; (2) achieve not less than 250 miles per gallon of petroleum fuel consumption; and (3) have the greatest potential of commercialization to the general public within 5 years.

(d) Verification

Not later than 90 days after August 8, 2005, the Secretary shall publish in the Federal Register procedures to verify—

(1) the hybrid/flexible fuel vehicle technologies to be demonstrated; and (2) that grants are administered in accordance with this section.

(e) Report

Not later than 260 days after August 8, 2005, and annually thereafter, the Secretary shall submit to Congress a report that—

(1) identifies the grant recipients; (2) describes the technologies to be funded under the program; (3) assesses the feasibility of the technologies described in paragraph (2) in meeting the goals described in subsection (c); (4) identifies applications submitted for the program that were not funded; and (5) makes recommendations for Federal legislation to achieve commercialization of the technology demonstrated.

(f) Authorization of appropriations

There are authorized to be appropriated to carry out this section, to remain available until expended—

(1) $3,000,000 for fiscal year 2006; (2) $7,000,000 for fiscal year 2007; (3) $10,000,000 for fiscal year 2008; and (4) $20,000,000 for fiscal year 2009.


Part B—Hybrid Vehicles, Advanced Vehicles, and Fuel Cell Buses

Subpart 1—Hybrid Vehicles

§ 16061. Hybrid vehicles

The Secretary shall accelerate efforts directed toward the improvement of batteries and other rechargeable energy storage systems, power electronics, hybrid systems integration, and other technologies for use in hybrid vehicles.


§ 16062. Domestic manufacturing conversion grant program

(a) Program

(1) In general

The Secretary shall establish a program to encourage domestic production and sales of efficient hybrid and advanced diesel vehicles and components of those vehicles.

(2) Inclusions

The program shall include grants and loan guarantees under section 16513 of this title to automobile manufacturers and suppliers and hybrid component manufacturers to encourage domestic production of efficient hybrid, plug-in electric hybrid, plug-in electric drive, and advanced diesel vehicles.

(3) Priority

Priority shall be given to the refurbishment or retooling of manufacturing facilities that
§ 16071

TITLE 42—THE PUBLIC HEALTH AND WELFARE

Page 8092

have recently ceased operation or will cease operation in the near future.

(b) Coordination with State and local programs

The Secretary may coordinate implementation of this section with State and local programs designed to accomplish similar goals, including the retention and retraining of skilled workers from the manufacturing facilities, including by establishing matching grant arrangements.

(c) Authorization of appropriations

There are authorized to be appropriated to the Secretary such sums as may be necessary to carry out this section.


AMENDMENTS


Prior to amendment, section related to program to encourage domestic production and sales of efficient hybrid and advanced diesel vehicles and authorization of appropriations.

Subsec. (a)(2). Pub. L. 110–140, §134(a), inserted “and loan guarantees under section 16513 of this title” after “grants”.

EFFECTIVE DATE OF 2007 AMENDMENT

Amendment by Pub. L. 110–140 effective on the date that is 1 day after Dec. 19, 2007, see section 1601 of Pub. L. 110–140, set out as an Effective Date note under section 1624 of Title 2, The Congress.

SUBPART 2—ADVANCED VEHICLES

§ 16071. Pilot program

(a) Establishment

The Secretary, in consultation with the Secretary of Transportation, shall establish a competitive grant pilot program (referred to in this subpart as the “pilot program”), to be administered through the Clean Cities Program of the Department, to provide not more than 30 geographically dispersed project grants to State governments, local governments, or metropolitan transportation authorities to carry out a project or projects for the purposes described in subsection (b).

(b) Grant purposes

A grant under this section may be used for the following purposes:

(1) The acquisition of alternative fueled vehicles or fuel cell vehicles, including—

(A) passenger vehicles (including neighborhood electric vehicles); and

(B) motorized 2-wheel bicycles or other vehicles for use by law enforcement personnel or other State or local government or metropolitan transportation authority employees.

(2) The acquisition of alternative fueled vehicles, hybrid vehicles, or fuel cell vehicles, including—

(A) buses used for public transportation or transportation to and from schools;

(B) delivery vehicles for goods or services; and

(C) ground support vehicles at public airports (including vehicles to carry baggage or push or pull airplanes toward or away from terminal gates).

(3) The acquisition of ultra-low sulfur diesel vehicles.

(4) Installation or acquisition of infrastructure necessary to directly support an alternative fueled vehicle, fuel cell vehicle, or hybrid vehicle project funded by the grant, including fueling and other support equipment.

(5) Operation and maintenance of vehicles, infrastructure, and equipment acquired as part of a project funded by the grant.

(c) Applications

(1) Requirements

(A) In general

The Secretary shall issue requirements for applying for grants under the pilot program.

(B) Minimum requirements

At a minimum, the Secretary shall require that an application for a grant—

(1) be submitted by the head of a State or local government or a metropolitan transportation authority, or any combination thereof, and a registered participant in the Clean Cities Program of the Department; and

(2) include—

(I) a description of the project proposed in the application, including how the project meets the requirements of this subpart;

(II) an estimate of the ridership or degree of use of the project;

(III) an estimate of the air pollution emissions reduced and fossil fuel displaced as a result of the project, and a plan to collect and disseminate environmental data, related to the project to be funded under the grant, over the life of the project;

(IV) a description of how the project will be sustainable without Federal assistance after the completion of the term of the grant;

(V) a complete description of the costs of the project, including construction, operation, and maintenance costs over the expected life of the project;

(VI) a description of which costs of the project will be supported by Federal assistance under this subpart; and

(VII) documentation to the satisfaction of the Secretary that diesel fuel containing sulfur at not more than 15 parts per million is available for carrying out the project, and a commitment by the applicant to use such fuel in carrying out the project.

(2) Partners

An applicant under paragraph (1) may carry out a project under the pilot program in partnership with public and private entities.

(d) Selection criteria

In evaluating applications under the pilot program, the Secretary shall—

(1) consider each applicant’s previous experience with similar projects; and
(2) give priority consideration to applications that—
(A) are most likely to maximize protection of the environment;
(B) demonstrate the greatest commitment on the part of the applicant to ensure funding for the proposed project and the greatest likelihood that the project will be maintained or expanded after Federal assistance under this subpart is completed; and
(C) exceed the minimum requirements of subsection (c)(1)(B)(ii).

(e) Pilot project requirements

(1) Maximum amount
The Secretary shall not provide more than $15,000,000 in Federal assistance under the pilot program to any applicant.

(2) Cost sharing
The Secretary shall not provide more than 50 percent of the cost incurred during the period of the grant, of any project under the pilot program.

(3) Maximum period of grants
The Secretary shall not fund any applicant under the pilot program for more than 5 years.

(4) Deployment and distribution
The Secretary shall seek to the maximum extent practicable to ensure a broad geographic distribution of project sites.

(5) Transfer of information and knowledge
The Secretary shall establish mechanisms to ensure that the information and knowledge gained by participants in the pilot program are transferred among the pilot program participants and to other interested parties, including other applicants that submitted applications.

(f) Schedule

(1) Publication
Not later than 90 days after August 8, 2005, the Secretary shall publish in the Federal Register, Commerce Business Daily, and elsewhere as appropriate, a request for applications to undertake projects under the pilot program. Applications shall be due no later than 180 days after the date of publication of the notice.

(2) Selection
Not later than 180 days after the date by which applications for grants are due, the Secretary shall select by competitive, peer reviewed proposal, all applications for projects to be awarded a grant under the pilot program.

(g) Definitions
For purposes of carrying out the pilot program, the Secretary shall issue regulations defining any term, as the Secretary determines to be necessary.

§ 16072. Reports to Congress

(a) Initial report
Not later than 60 days after the date on which grants are awarded under this subpart, the Secretary shall submit to Congress a report containing—
(1) an identification of the grant recipients and a description of the projects to be funded;
(2) an identification of other applicants that submitted applications for the pilot program; and
(3) a description of the mechanisms used by the Secretary to ensure that the information and knowledge gained by participants in the pilot program are transferred among the pilot program participants and to other interested parties, including other applicants that submitted applications.

(b) Evaluation
Not later than 3 years after August 8, 2005, and annually thereafter until the pilot program ends, the Secretary shall submit to Congress a report containing an evaluation of the effectiveness of the pilot program, including—
(1) an assessment of the benefits to the environment derived from the projects included in the pilot program; and
(2) an estimate of the potential benefits to the environment to be derived from widespread application of alternative fueled vehicles and ultra-low sulfur diesel vehicles.


§ 16073. Authorization of appropriations

There are authorized to be appropriated to the Secretary to carry out this subpart $200,000,000, to remain available until expended.


SUBPART 3—FUEL CELL BUSES

§ 16081. Fuel cell transit bus demonstration

(a) In general
The Secretary, in consultation with the Secretary of Transportation, shall establish a transit bus demonstration program to make competitive, merit-based awards for 5-year projects to demonstrate not more than 25 fuel cell transit buses (and necessary infrastructure) in 5 geographically dispersed localities.

(b) Preference
In selecting projects under this section, the Secretary shall give preference to projects that are most likely to mitigate congestion and improve air quality.

(c) Authorization of appropriations
There are authorized to be appropriated to the Secretary to carry out this section $10,000,000 for each of fiscal years 2006 through 2010.


PART C—CLEAN SCHOOL BUSES

§ 16091. Clean school bus program

(a) Definitions
In this section:

1 This section is substantially identical to section 16091a of this title.
§ 16091

(1) Administrator

The term “Administrator” means the Administrator of the Environmental Protection Agency.

(2) Alternative fuel

The term “alternative fuel” means—

(A) liquefied natural gas, compressed natural gas, liquefied petroleum gas, hydrogen, or propane;

(B) methanol or ethanol at no less than 85 percent by volume; or

(C) biodiesel conforming with standards published by the American Society for Testing and Materials as of August 8, 2005.

(3) Clean school bus

The term “clean school bus” means a school bus with a gross vehicle weight of greater than 14,000 pounds that—

(A) is powered by a heavy duty engine; and

(B) is operated solely on an alternative fuel or ultra-low sulfur diesel fuel.

(4) Eligible recipient

(A) In general

Subject to subparagraph (B), the term “eligible recipient” means—

(i) 1 or more local or State governmental entities responsible for—

(I) providing school bus service to 1 or more public school systems; or

(II) the purchase of school buses;

(ii) 1 or more contracting entities that provide school bus service to 1 or more public school systems; or

(iii) a nonprofit school transportation association.

(B) Special requirements

In the case of eligible recipients identified under clauses (ii) and (iii), the Administrator shall establish timely and appropriate requirements for notice and may establish timely and appropriate requirements for approval by the public school systems that would be served by buses purchased or retrofit using grant funds made available under this section.

(5) Retrofit technology

The term “retrofit technology” means a particular filter or other emissions control equipment that is verified or certified by the Administrator or the California Air Resources Board as an effective emission reduction technology when installed on an existing school bus.

(6) Ultra-low sulfur diesel fuel

The term “ultra-low sulfur diesel fuel” means diesel fuel that contains sulfur at not more than 15 parts per million.

(b) Program for retrofit or replacement of certain existing school buses with clean school buses

(1) Establishment

(A) In general

The Administrator, in consultation with the Secretary and other appropriate Federal departments and agencies, shall establish a program for awarding grants on a competitive basis to eligible recipients for the replacement, or retrofit (including repowering, aftertreatment, and remanufactured engines) of, certain existing school buses.

(B) Balancing

In awarding grants under this section, the Administrator shall, to the maximum extent practicable, achieve an appropriate balance between awarding grants—

(i) to replace school buses; and

(ii) to install retrofit technologies.

(2) Priority of grant applications

(A) Replacement

In the case of grant applications to replace school buses, the Administrator shall give priority to applicants that propose to replace school buses manufactured before model year 1977.

(B) Retrofitting

In the case of grant applications to retrofit school buses, the Administrator shall give priority to applicants that propose to retrofit school buses manufactured in or after model year 1991.

(3) Use of school bus fleet

(A) In general

All school buses acquired or retrofitted with funds provided under this section shall be operated as part of the school bus fleet for which the grant was made for not less than 5 years.

(B) Maintenance, operation, and fueling

New school buses and retrofit technology shall be maintained, operated, and fueled according to manufacturer recommendations or State requirements.

(4) Retrofit grants

The Administrator may award grants for up to 100 percent of the retrofit technologies and installation costs.

(5) Replacement grants

(A) Eligibility for 50 percent grants

The Administrator may award grants for replacement of school buses in the amount of up to one-half of the acquisition costs (including fueling infrastructure) for—

(i) clean school buses with engines manufactured in model year 2005 or 2006 that emit not more than—

(I) 1.8 grams per brake horsepower-hour of non-methane hydrocarbons and oxides of nitrogen; and

(II) .01 grams per brake horsepower-hour of particulate matter; or

(ii) clean school buses with engines manufactured in model year 2007, 2008, or 2009 that satisfy regulatory requirements established by the Administrator for emissions of oxides of nitrogen and particulate matter to be applicable for school buses manufactured in model year 2010.

(B) Eligibility for 25 percent grants

The Administrator may award grants for replacement of school buses in the amount
of up to one-fourth of the acquisition costs (including fueling infrastructure) for—
(i) clean school buses with engines manufactured in model year 2005 or 2006 that emit not more than—
(I) 2.5 grams per brake horsepower-hour of non-methane hydrocarbons and oxides of nitrogen; and
(II) .01 grams per brake horsepower-hour of particulate matter; or
(ii) clean school buses with engines manufactured in model year 2007 or thereafter that satisfy regulatory requirements established by the Administrator for emissions of oxides of nitrogen and particulate matter from school buses manufactured in that model year.

(6) Ultra-low sulfur diesel fuel
(A) In general
In the case of a grant recipient receiving a grant for the acquisition of ultra-low sulfur diesel fuel school buses with engines manufactured in model year 2005 or 2006, the grant recipient shall provide, to the satisfaction of the Administrator—
(i) documentation that diesel fuel containing sulfur at not more than 15 parts per million is available for carrying out the purposes of the grant; and
(ii) a commitment by the applicant to use that fuel in carrying out the purposes of the grant.

(7) Deployment and distribution
The Administrator shall, to the maximum extent practicable—
(A) achieve nationwide deployment of clean school buses through the program under this section; and
(B) ensure a broad geographic distribution of grant awards, with no State receiving more than 10 percent of the grant funding made available under this section during a fiscal year.

(8) Annual report
(A) In general
Not later than January 31 of each year, the Administrator shall submit to Congress a report that—
(i) evaluates the implementation of this section; and
(ii) describes—
(I) the total number of grant applications received;
(II) the number and types of alternative fuel school buses, ultra-low sulfur diesel fuel school buses, and retrofitted buses requested in grant applications;
(III) grants awarded and the criteria used to select the grant recipients;
(IV) certified engine emission levels of all buses purchased or retrofitted under this section;
(V) an evaluation of the in-use emission level of buses purchased or retrofitted under this section; and
(VI) any other information the Administrator considers appropriate.

(c) Education
(1) In general
Not later than 90 days after August 8, 2005, the Administrator shall develop an education outreach program to promote and explain the grant program.

(2) Coordination with stakeholders
The outreach program shall be designed and conducted in conjunction with national school bus transportation associations and other stakeholders.

(3) Components
The outreach program shall—
(A) inform potential grant recipients on the process of applying for grants;
(B) describe the available technologies and the benefits of the technologies;
(C) explain the benefits of participating in the grant program; and
(D) include, as appropriate, information from the annual report required under subsection (b)(8).

(d) Authorization of appropriations
There are authorized to be appropriated to the Administrator to carry out this section, to remain available until expended—
(1) $55,000,000 for each of fiscal years 2006 and 2007; and
(2) such sums as are necessary for each of fiscal years 2008, 2009, and 2010.


§ 16091a. Clean school bus program

(a) Definitions
In this section, the following definitions apply:

(1) Administrator
The term “Administrator” means the Administrator of the Environmental Protection Agency.

(2) Alternative fuel
The term “alternative fuel” means—
(A) liquefied natural gas, compressed natural gas, liquefied petroleum gas, hydrogen, or propane;
(B) methanol or ethanol at no less than 85 percent by volume; or
(C) biodiesel conforming with standards published by the American Society for Testing and Materials as of August 10, 2005.

(3) Clean school bus
The term “clean school bus” means a school bus with a gross vehicle weight of greater than 14,000 pounds that—
(A) is powered by a heavy duty engine; and
(B) is operated solely on an alternative fuel or ultra-low sulfur diesel fuel.

(4) Eligible recipient
(A) In general
Subject to subparagraph (B), the term “eligible recipient” means—

---

3So in original. No subpar. (B) was enacted.

1This section is substantially identical to section 16091 of this title.
§ 16091a  TITLE 42—THE PUBLIC HEALTH AND WELFARE  Page 8096

(i) one or more local or State governmental entities responsible for providing school bus service to one or more public school systems or the purchase of school buses;
(ii) one or more contracting entities that provide school bus service to one or more public school systems; or
(iii) a nonprofit school transportation association.

(B) Special requirements
In the case of eligible recipients identified under clauses (ii) and (iii) of subparagraph (A), the Administrator shall establish timely and appropriate requirements for notice and may establish timely and appropriate requirements for approval by the public school systems that would be served by buses purchased or retrofit using grant funds made available under this section.

(5) Retrofit technology
The term “retrofit technology” means a particulate filter or other emissions control equipment that is verified or certified by the Administrator or the California Air Resources Board as an effective emission reduction technology when installed on an existing school bus.

(6) Secretary
The term “Secretary” means the Secretary of Energy.

(7) Ultra-low sulfur diesel fuel
The term “ultra-low sulfur diesel fuel” means diesel fuel that contains sulfur at not more than 15 parts per million.

(b) Program for retrofit or replacement of certain existing school buses with clean school buses

(1) Establishment
(A) In general
The Administrator, in consultation with the Secretary and other appropriate Federal departments and agencies, shall establish a program for awarding grants on a competitive basis to eligible recipients for the replacement of, retrofit (including repowering, aftertreatment, and remanufactured engines) of, or purchase of alternative fuels for, certain existing school buses. The awarding of grants for the purchase of alternative fuels should be consistent with the historic funding levels of the program for such purchase.

(B) Balancing
In awarding grants under this section, the Administrator shall achieve, to the maximum extent practicable, achieve\(^2\) an appropriate balance between awarding grants—
(i) to replace school buses;
(ii) to install retrofit technologies; and
(iii) to purchase and use alternative fuel.

(2) Priority of grant applications
(A) Replacement
In the case of grant applications to replace school buses, the Administrator shall give priority to applicants that propose to replace school buses manufactured before model year 1977.

(B) Retrofitting
In the case of grant applications to retrofit school buses, the Administrator shall give priority to applicants that propose to retrofit school buses manufactured in or after model year 1991.

(3) Use of school bus fleet

(A) In general
All school buses acquired or retrofitted with funds provided under this section shall be operated as part of the school bus fleet for which the grant was made for not less than 5 years.

(B) Maintenance, operation, and fueling
New school buses and retrofit technology shall be maintained, operated, and fueled according to manufacturer recommendations or State requirements.

(4) Retrofit grants
The Administrator may award grants under this section for up to 100 percent of the retrofit technologies and installation costs.

(5) Replacement grants

(A) Eligibility for 50 percent grants
The Administrator may award grants under this section for replacement of school buses in the amount of up to one-half of the acquisition costs (including fueling infrastructure) for—
(i) clean school buses with engines manufactured in model year 2005 or 2006 that emit not more than—
(I) 1.8 grams per brake horsepower-hour of non-methane hydrocarbons and oxides of nitrogen; and
(II) .01 grams per brake horsepower-hour of particulate matter; or
(ii) clean school buses with engines manufactured in model year 2007, 2008, or 2009 that satisfy regulatory requirements established by the Administrator for emissions of oxides of nitrogen and particulate matter to be applicable for school buses manufactured in model year 2010.

(B) Eligibility for 25 percent grants
The Administrator may award grants under this section for replacement of school buses in the amount of up to one-fourth of the acquisition costs (including fueling infrastructure) for—
(i) clean school buses with engines manufactured in model year 2005 or 2006 that emit not more than—
(I) 2.5 grams per brake horsepower-hour of non-methane hydrocarbons and oxides of nitrogen; and
(II) .01 grams per brake horsepower-hour of particulate matter; or
(ii) clean school buses with engines manufactured in model year 2007 or thereafter that satisfy regulatory requirements established by the Administrator for emis-

\(^2\) So in original. The word “achieve” probably should not appear.
sions of oxides of nitrogen and particulate matter from school buses manufactured in that model year.

(6) Ultra-low sulfur diesel fuel

(A) In general

In the case of a grant recipient receiving a grant for the acquisition of ultra-low sulfur diesel fuel school buses with engines manufactured in model year 2005 or 2006, the grant recipient shall provide, to the satisfaction of the Administrator—

(i) documentation that diesel fuel containing sulfur at not more than 15 parts per million is available for carrying out the purposes of the grant; and

(ii) a commitment by the applicant to use that fuel in carrying out the purposes of the grant.

(7) Deployment and distribution

The Administrator, to the maximum extent practicable, shall—

(A) achieve nationwide deployment of clean school buses through the program under this section; and

(B) ensure a broad geographic distribution of grant awards, with no State receiving more than 10 percent of the grant funding made available under this section during a fiscal year.

(8) Annual report

(A) In general

Not later than January 31 of each year, the Administrator shall submit to Congress a report that—

(i) evaluates the implementation of this section; and

(ii) describes—

(I) the total number of grant applications received;

(II) the number and types of alternative fuel school buses, ultra-low sulfur diesel fuel school buses, and retrofitted buses requested in grant applications;

(III) grants awarded and the criteria used to select the grant recipients;

(IV) certified engine emission levels of all buses purchased or retrofitted under this section;

(V) an evaluation of the in-use emission level of buses purchased or retrofitted under this section; and

(VI) any other information the Administrator considers appropriate.

(c) Education

(1) In general

Not later than 90 days after August 10, 2005, the Administrator shall develop an education outreach program to promote and explain the grant program.

(2) Coordination with stakeholders

The outreach program shall be designed and conducted in conjunction with national school bus transportation associations and other stakeholders.

(3) Components

The outreach program shall—

(A) inform potential grant recipients on the process of applying for grants;

(B) describe the available technologies and the benefits of the technologies;

(C) explain the benefits of participating in the grant program; and

(D) include, as appropriate, information from the annual report required under subsection (b)(8).

(d) Authorization of appropriations

There are authorized to be appropriated to the Administrator to carry out this section, to remain available until expended—

(1) $55,000,000 for each of fiscal years 2006 and 2007; and

(2) such sums as are necessary for each of fiscal years 2008, 2009, and 2010.

(2) Such sums as are necessary for each of fiscal years 2008, 2009, and 2010.


CODIFICATION

Section was enacted as part of the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users or the SAFETEA-LU, and not as part of the Energy Policy Act of 2005 which comprises this chapter.

§ 16092. Diesel truck retrofit and fleet modernization program

(a) Establishment

The Administrator, in consultation with the Secretary, shall establish a program for awarding grants on a competitive basis to public agencies and entities for fleet modernization programs including installation of retrofit technologies for diesel trucks.

(b) Eligible recipients

A grant shall be awarded under this section only to a State or local government or an agency or instrumentality of a State or local government or of two or more State or local governments who will allocate funds, with preference to ports and other major hauling operations.

(c) Awards

(1) In general

The Administrator shall seek, to the maximum extent practicable, to ensure a broad geographic distribution of grants under this section.

(2) Preferences

In making awards of grants under this section, the Administrator shall give preference to proposals that—

(A) will achieve the greatest reductions in emissions of nonmethane hydrocarbons, oxides of nitrogen, and/or particulate matter per proposal or per truck; or

(B) involve the use of Environmental Protection Agency or California Air Resources Board verified emissions control retrofit technology on diesel trucks that operate solely on ultra-low sulfur diesel fuel after September 2006.

(d) Conditions of grant

A grant shall be provided under this section on the conditions that—

(1) trucks which are replacing scrapped trucks and on which retrofit emissions-control technology are to be demonstrated—
§ 16093. Fuel cell school buses

(a) Establishment

The Secretary shall establish a program for entering into cooperative agreements—

(1) with private sector fuel cell bus developers for the development of fuel cell-powered school buses; and

(2) subsequently, with not less than 2 units of local government using natural gas-powered school buses and such private sector fuel cell bus developers to demonstrate the use of fuel cell-powered school buses.

(b) Cost sharing

The non-Federal contribution for activities funded under this section shall be not less than—

(1) 20 percent for fuel infrastructure development activities; and

(2) 50 percent for demonstration activities and for development activities not described in paragraph (1).

(c) Reports to Congress

Not later than 3 years after August 8, 2005, the Secretary shall transmit to Congress a report that—

(1) evaluates the process of converting natural gas infrastructure to accommodate fuel cell-powered school buses; and

(2) assesses the results of the development and demonstration program under this section.

(d) Authorization of appropriations

There are authorized to be appropriated to the Secretary to carry out this section $25,000,000 for the period of fiscal years 2006 through 2009.


PART D—MISCELLANEOUS

§ 16101. Railroad efficiency

(a) Establishment

The Secretary shall (in cooperation with the Secretary of Transportation and the Administrator of the Environmental Protection Agency) establish a cost-shared, public-private research partnership involving the Federal Government, railroad carriers, locomotive manufacturers and equipment suppliers, and the Association of American Railroads, to develop and demonstrate railroad locomotive technologies that increase fuel economy, reduce emissions, and lower costs of operation.

(b) Authorization of appropriations

There are authorized to be appropriated to the Secretary to carry out this section—

(1) $15,000,000 for fiscal year 2006;

(2) $20,000,000 for fiscal year 2007; and

(3) $30,000,000 for fiscal year 2008.


ADVANCED TECHNOLOGY LOCOMOTIVE GRANT PILOT PROGRAM


(a) IN GENERAL.—The Secretary of Transportation, in consultation with the Administrator of the Environmental Protection Agency, shall establish and carry out a pilot program for making grants to railroad carriers (as defined in section 20102 of title 49, United States Code) and State and local governments—

(1) for assistance in purchasing hybrid or other energy-efficient locomotives, including hybrid switch and generator-set locomotives; and

(2) to demonstrate the extent to which such locomotives increase fuel economy, reduce emissions, and lower costs of operation.

(b) LIMITATION.—Notwithstanding subsection (a), no grant under this section may be used to fund the costs of emissions reductions that are mandated under Federal law.

(c) GRANT CRITERIA.—In selecting applicants for grants under this section, the Secretary of Transportation shall consider—

(1) the level of energy efficiency that would be achieved by the proposed project;

(2) the extent to which the proposed project would assist in commercial deployment of hybrid or other energy-efficient locomotive technologies;

(3) the extent to which the proposed project complements other private or governmental partnership efforts to improve air quality or fuel efficiency in a particular area; and

(4) the extent to which the applicant demonstrates innovative strategies and a financial commitment to increasing energy efficiency and reducing greenhouse gas emissions of its railroad operations.
(d) Competitive Grant Selection Process.—

(1) Applications.—A railroad carrier or State or local government seeking a grant under this section shall submit for approval by the Secretary of Transportation an application for the grant containing such information as the Secretary of Transportation may require.

(2) Competitive Selection.—The Secretary of Transportation shall conduct a national solicitation for applications for grants under this section and shall select grantees on a competitive basis.

(e) Federal Share.—The Federal share of the cost of a project under this section shall not exceed 80 percent of the project cost.

(f) Report.—Not later than 3 years after the date of enactment of this Act [Dec. 19, 2007], the Secretary of Transportation shall submit to Congress a report on the results of the pilot program carried out under this section.

(g) Authorization of Appropriations.—There is authorized to be appropriated to the Secretary of Transportation $10,000,000 for each of the fiscal years 2008 through 2011 to carry out this section. Such funds shall remain available until expended."

§ 16102. Diesel fueled vehicles

(a) Definition of tier 2 emission standards

In this section, the term “tier 2 emission standards” means the motor vehicle emission standards that apply to passenger cars, light trucks, and larger passenger vehicles manufactured after the 2003 model year, as issued on February 10, 2000, by the Administrator of the Environmental Protection Agency under sections 7521 and 7545 of this title.

(b) Diesel combustion and after-treatment technologies

The Secretary shall accelerate efforts to improve diesel combustion and after-treatment technologies for use in diesel fueled motor vehicles.

(c) Goals

The Secretary shall carry out subsection (b) with a view toward achieving the following goals:

(1) Developing and demonstrating diesel technologies that, not later than 2010, meet the following standards:

(A) Tier 2 emission standards.

(B) The heavy-duty emissions standards of 2007 that are applicable to heavy-duty vehicles under regulations issued by the Administrator of the Environmental Protection Agency as of August 8, 2005.

(2) Developing the next generation of low-emission, high efficiency diesel engine technologies, including homogeneous charge compression ignition technology.


§ 16103. Conserve by Bicycling Program

(a) Definitions

In this section:

(1) Program

The term “program” means the Conserve by Bicycling Program established by subsection (b).

(2) Secretary

The term “Secretary” means the Secretary of Transportation.

(b) Establishment

There is established within the Department of Transportation a program to be known as the “Conserve by Bicycling Program”.

(c) Projects

(1) In general

In carrying out the program, the Secretary shall establish not more than 10 pilot projects that are—

(A) dispersed geographically throughout the United States; and

(B) designed to conserve energy resources by encouraging the use of bicycles in place of motor vehicles.

(2) Requirements

A pilot project described in paragraph (1) shall—

(A) use education and marketing to convert motor vehicle trips to bicycle trips;

(B) document project results and energy savings (in estimated units of energy conserved); and

(C) facilitate partnerships among interested parties in at least 2 of the fields of—

(i) transportation;

(ii) law enforcement;

(iii) education;

(iv) public health;

(v) environment; and

(vi) energy;

(D) maximize bicycle facility investments;

(E) demonstrate methods that may be used in other regions of the United States; and

(F) facilitate the continuation of ongoing programs that are sustained by local resources.

(3) Cost sharing

At least 20 percent of the cost of each pilot project described in paragraph (1) shall be provided from non-Federal sources.

(d) Energy and bicycling research study

(1) In general

Not later than 2 years after August 8, 2005, the Secretary shall enter into a contract with the National Academy of Sciences for, and the National Academy of Sciences shall conduct a study on the feasibility of converting motor vehicle trips to bicycle trips.

(2) Components

The study shall—

(A) document the results or progress of the pilot projects under subsection (c);

(B) determine the type and duration of motor vehicle trips that people in the United States may feasibly make by bicycle, taking into consideration factors such as—

(i) weather;

(ii) land use and traffic patterns;

(iii) the carrying capacity of bicycles; and

(iv) bicycle infrastructure;

(C) determine any energy savings that would result from the conversion of motor vehicle trips to bicycle trips;

(D) include a cost-benefit analysis of bicycle infrastructure investments; and
§ 16104. Reduction of engine idling

(a) Definitions

In this section:

(1) **Administrator**

The term “Administrator” means the Administrator of the Environmental Protection Agency.

(2) **Advanced truck stop electrification system**

The term “advanced truck stop electrification system” means a stationary system that delivers heat, air conditioning, electricity, or communications, and is capable of providing verifiable and auditable evidence of use of those services, to a heavy-duty vehicle and any occupants of the heavy-duty vehicle with or without relying on components mounted onboard the heavy-duty vehicle for delivery of those services.

(3) **Auxiliary power unit**

The term “auxiliary power unit” means an integrated system that—

(A) provides heat, air conditioning, engine warming, or electricity to components on a heavy-duty vehicle; and

(B) is certified by the Administrator under part 89 of title 40, Code of Federal Regulations (or any successor regulation), as meeting applicable emission standards.

(4) **Heavy-duty vehicle**

The term “heavy-duty vehicle” means a vehicle that—

(A) has a gross vehicle weight rating greater than 8,500 pounds; and

(B) is powered by a diesel engine.

(5) **Idle reduction technology**

The term “idle reduction technology” means an advanced truck stop electrification system, auxiliary power unit, or other technology that—

(A) is used to reduce long-duration idling; and

(B) allows for the main drive engine or auxiliary refrigeration engine to be shut down.

(6) **Energy conservation technology**

The term “energy conservation technology” means any device, system of devices, or equipment that improves the fuel economy.

(7) **Long-duration idling**

(A) **In general**

The term “long-duration idling” means the operation of a main drive engine or auxiliary refrigeration engine, for a period greater than 15 consecutive minutes, at a time at which the main drive engine is not engaged in gear.

(B) **Exclusions**

The term “long-duration idling” does not include the operation of a main drive engine or auxiliary refrigeration engine during a routine stoppage associated with traffic movement or congestion.

(b) **Idle reduction technology benefits, programs, and studies**

(1) **In general**

Not later than 90 days after August 8, 2005, the Administrator shall—

(A)(i) commence a review of the mobile source air emission models of the Environmental Protection Agency used under the Clean Air Act (42 U.S.C. 7401 et seq.) to determine whether the models accurately reflect the emissions resulting from long-duration idling of heavy-duty vehicles and other vehicles and engines; and

(ii) update those models as the Administrator determines to be appropriate; and

(B)(i) commence a review of the emission reductions achieved by the use of idle reduction technology; and

(ii) complete such revisions of the regulations and guidance of the Environmental Protection Agency as the Administrator determines to be appropriate.

(2) **Deadline for completion**

Not later than 180 days after August 8, 2005, the Administrator shall—

(A) complete the reviews under subparagraphs (A)(i) and (B)(i) of paragraph (1); and

(B) prepare and make publicly available one or more reports on the results of the reviews.

(3) **Discretionary inclusions**

The reviews under subparagraphs (A)(i) and (B)(i) of paragraph (1) and the reports under paragraph (2)(B) may address the potential fuel savings resulting from use of idle reduction technology.

(4) **Idle reduction and energy conservation deployment program**

(A) **Establishment**

(i) **In general**

Not later than 90 days after August 8, 2005, the Administrator, in consultation with the Secretary of Transportation shall, through the Environmental Protection Agency’s SmartWay Transport Partnership, establish a program to support deployment of idle reduction and energy conservation technologies.

(ii) **Priority**

The Administrator shall give priority to the deployment of idle reduction and en-

---

1 So in original. Probably should be capitalized.
ergy conservation technologies based on the costs and beneficial effects on air quality and ability to lessen the emission of criteria air pollutants.

(B) Funding

(i) Authorization of appropriations

There are authorized to be appropriated to the Administrator to carry out subparagraph (A) for the purpose of reducing extended idling from heavy-duty vehicles $19,500,000 for fiscal year 2006, $30,000,000 for fiscal year 2007, and $45,000,000 for fiscal year 2008.

(ii) Locomotives

There are authorized to be appropriated to the administrator to carry out subparagraph (A) for the purpose of reducing extended idling from locomotives $10,000,000 for fiscal year 2006, $15,000,000 for fiscal year 2007, and $20,000,000 for fiscal year 2008.

(iii) Cost sharing

Subject to clause (iv), the Administrator shall require at least 50 percent of the costs directly and specifically related to any project under this section to be provided from non-Federal sources.

(iv) Necessary and appropriate reductions

The Administrator may reduce the non-Federal requirement under clause (iii) if the Administrator determines that the reduction is necessary and appropriate to meet the objectives of this section.

(5) Idling location study

(A) In general

Not later than 90 days after August 8, 2005, the Administrator, in consultation with the Secretary of Transportation, shall commence a study to analyze all locations at which heavy-duty vehicles stop for long-duration idling, including—

(i) truck stops;
(ii) rest areas;
(iii) border crossings;
(iv) ports;
(v) transfer facilities; and
(vi) private terminals.

(B) Deadline for completion

Not later than 180 days after August 8, 2005, the Administrator shall—

(i) complete the study under subparagraph (A); and
(ii) prepare and make publicly available one or more reports of the results of the study.

(c) Omitted

(d) Report

Not later than 60 days after the date on which funds are initially awarded under this section, and on an annual basis thereafter, the Administrator shall submit to Congress a report containing—

(1) an identification of the grant recipients, a description of the projects to be funded and the amount of funding provided; and

(2) an identification of all other applicants that submitted applications under the program.


REFERENCES IN TEXT

The Clean Air Act, referred to in subsec. (b)(1)(A)(i), is act July 14, 1955, ch. 360, 69 Stat. 322, as amended, which is classified generally to chapter 85 (§7401 et seq.) of this title. For complete classification of this Act to the Code, see Short Title note set out under section 7401 of this title and Tables.

CODIFICATION

Section is comprised of section 756 of Pub. L. 109–58. Subsec. (c) of section 756 of Pub. L. 109–58 amended section 127 of Title 23, Highways.

§16105. Biodiesel engine testing program

(a) In general

Not later that 1 180 days after August 8, 2005, the Secretary shall initiate a partnership with diesel engine, diesel fuel injection system, and diesel vehicle manufacturers and diesel and biodiesel fuel providers, to include biodiesel testing in advanced diesel engine and fuel system technology.

(b) Scope

The program shall provide for testing to determine the impact of biodiesel from different sources on current and future emission control technologies, with emphasis on—

(1) the impact of biodiesel on emissions warranty, in-use liability, and antitampering provisions;
(2) the impact of long-term use of biodiesel on engine operations;
(3) the options for optimizing these technologies for both emissions and performance when switching between biodiesel and diesel fuel; and
(4) the impact of using biodiesel in these fueling systems and engines when used as a blend with 2006 Environmental Protection Agency-mandated diesel fuel containing a maximum of 15-parts-per-million sulfur content.

(c) Report

Not later than 2 years after August 8, 2005, the Secretary shall provide an interim report to Congress on the findings of the program, including a comprehensive analysis of impacts from biodiesel on engine operation for both existing and expected future diesel technologies, and recommendations for ensuring optimal emissions reductions and engine performance with biodiesel.

(d) Authorization of appropriations

There are authorized to be appropriated $5,000,000 for each of fiscal years 2006 through 2010 to carry out this section.

(e) Definition

For purposes of this section, the term “biodiesel” means a diesel fuel substitute produced from nonpetroleum renewable resources that

\footnote{\textsuperscript{1}So in original. Probably should be “than”.}
meets the registration requirements for fuels and fuel additives established by the Environmental Protection Agency under section 7545 of this title and that meets the American Society for Testing and Materials D6751-02a Standard Specification for Biodiesel Fuel (B100) Blend Stock for Distillate Fuels.


§ 16106. Ultra-efficient engine technology for aircraft

(a) Ultra-efficient engine technology partnership

The Secretary shall enter into a cooperative agreement with the National Aeronautics and Space Administration for the development of ultra-efficient engine technology for aircraft.

(b) Performance objective

The Secretary shall establish the following performance objectives for the program set forth in subsection (a):

(1) A fuel efficiency increase of at least 10 percent.
(2) A reduction in the impact of landing and takeoff nitrogen oxides emissions on local air quality of 70 percent.
(3) Exploring advanced concepts, alternate propulsion, and power configurations, including hybrid fuel cell powered systems.
(4) Exploring the use of alternate fuel in conventional or nonconventional turbine-based systems.

(c) Authorization of appropriations

There are authorized to be appropriated to the Secretary for carrying out this section $50,000,000 for each of the fiscal years 2006, 2007, 2008, 2009, and 2010.


PART E—FEDERAL AND STATE PROCUREMENT

§ 16121. Definitions

In this part:

(1) Fuel cell

The term “fuel cell” means a device that directly converts the chemical energy of a fuel and an oxidant into electricity by electrochemical processes occurring at separate electrodes in the device.

(2) Light-duty or heavy-duty vehicle fleet

The term “light-duty or heavy-duty vehicle fleet” does not include any vehicle designed or procured for combat or combat-related missions.

(3) Stationary; portable

The terms “stationary” and “portable”, when used in reference to a fuel cell, include—

(A) continuous electric power; and
(B) backup electric power.

(4) Task Force

The term “Task Force” means the Hydrogen and Fuel Cell Technical Task Force established under section 16155 of this title.

(5) Technical Advisory Committee

The term “Technical Advisory Committee” means the independent Technical Advisory Committee selected under section 16156 of this title.


§ 16122. Federal and State procurement of fuel cell vehicles and hydrogen energy systems

(a) Purposes

The purposes of this section are—

(1) to stimulate acceptance by the market of fuel cell vehicles and hydrogen energy systems;
(2) to support development of technologies relating to fuel cell vehicles, public refueling stations, and hydrogen energy systems; and
(3) to require the Federal government, which is the largest single user of energy in the United States, to adopt those technologies as soon as practicable after the technologies are developed, in conjunction with private industry partners.

(b) Federal leases and purchases

(1) Requirement

(A) In general

Not later than January 1, 2010, the head of any Federal agency that uses a light-duty or heavy-duty vehicle fleet shall lease or purchase fuel cell vehicles and hydrogen energy systems to meet any applicable energy savings goal described in subsection (c).

(B) Learning demonstration vehicles

The Secretary may lease or purchase appropriate vehicles developed under subsections (a)(10) and (b)(1)(A) of section 16157 of this title to meet the requirement in subparagraph (A).

(2) Costs of leases and purchases

(A) In general

The Secretary, in cooperation with the Task Force and the Technical Advisory Committee, shall pay to Federal agencies (or share the cost under interagency agreements) the difference in cost between—

(i) the cost to the agencies of leasing or purchasing fuel cell vehicles and hydrogen energy systems under paragraph (1); and
(ii) the cost to the agencies of a feasible alternative to leasing or purchasing fuel cell vehicles and hydrogen energy systems, as determined by the Secretary.

(B) Competitive costs and management structures

In carrying out subparagraph (A), the Secretary, in consultation with the agency, may use the General Services Administration or any commercial vendor to ensure—

(i) a cost-effective management structure of the lease of a fuel cell vehicle or hydrogen energy system.

(3) Exception

(A) In general

If the Secretary determines that the head of an agency described in paragraph (1) can—

1So in original. Probably should be capitalized.
not find an appropriately efficient and reliable fuel cell vehicle or hydrogen energy system in accordance with paragraph (1), that agency shall be excepted from compliance with paragraph (1).

(B) Consideration

In making a determination under subparagraph (A), the Secretary shall consider—

(i) the needs of the agency; and

(ii) an evaluation performed by—

(I) the Task Force; or

(II) the Technical Advisory Committee.

(c) Energy savings goals

(1) In general

(A) Regulations

Not later than December 31, 2006, the Secretary shall—

(i) in cooperation with the Task Force, promulgate regulations for the period of 2008 through 2010 that extend and augment energy savings goals for each Federal agency, in accordance with any Executive order issued after March 2000; and

(ii) promulgate regulations to expand the minimum Federal fleet requirement and credit allowances for fuel cell vehicle systems under section 13212 of this title.

(B) Review, evaluation, and new regulations

Not later than December 31, 2010, the Secretary shall—

(i) review the regulations promulgated under subparagraph (A);

(ii) evaluate any progress made toward achieving energy savings by Federal agencies; and

(iii) promulgate new regulations for the period of 2011 through 2015 to achieve additional energy savings by Federal agencies relating to technical and cost-performance standards.

(2) Offsetting energy savings goals

An agency that leases or purchases a fuel cell vehicle or hydrogen energy system in accordance with subsection (b)(1) may use that lease or purchase to count toward an energy savings goal of the agency.

(d) Cooperative program with State agencies

(1) In general

The Secretary may establish a cooperative program with State agencies managing motor vehicle fleets to encourage purchase of fuel cell vehicles by the agencies.

(2) Incentives

In carrying out the cooperative program, the Secretary may offer incentive payments to a State agency to assist with the cost of planning, differential purchases, and administration.

(e) Authorization of appropriations

There is authorized to be appropriated to carry out this section—

(1) $15,000,000 for fiscal year 2008;

(2) $25,000,000 for fiscal year 2009;

(3) $65,000,000 for fiscal year 2010; and

(4) such sums as are necessary for each of fiscal years 2011 through 2015.


§ 16123. Federal procurement of stationary, portable, and micro fuel cells

(a) Purposes

The purposes of this section are—

(1) to stimulate acceptance by the market of stationary, portable, and micro fuel cells; and

(2) to support development of technologies relating to stationary, portable, and micro fuel cells.

(b) Federal leases and purchases

(1) In general

Not later than January 1, 2006, the head of any Federal agency that uses electrical power from stationary, portable, or microportable devices shall lease or purchase a stationary, portable, or micro fuel cell to meet any applicable energy savings goal described in subsection (c).

(2) Costs of leases and purchases

(A) In general

The Secretary, in cooperation with the Task Force and the Technical Advisory Committee, shall pay the cost to Federal agencies (or share the cost under interagency agreements) of leasing or purchasing stationary, portable, or micro fuel cell to meet any applicable energy savings goal described in subsection (c).

(B) Competitive costs and management structures

In carrying out subparagraph (A), the Secretary, in consultation with the agency, may use the General Services Administration or any commercial vendor to ensure—

(i) a cost-effective purchase of a stationary, portable, or micro fuel cell; or

(ii) a cost-effective management structure of the lease of a stationary, portable, or micro fuel cell.

(3) Exception

(A) In general

If the Secretary determines that the head of an agency described in paragraph (1) cannot find an appropriately efficient and reliable stationary, portable, or micro fuel cell in accordance with paragraph (1), that agency shall be excepted from compliance with paragraph (1).

(B) Consideration

In making a determination under subparagraph (A), the Secretary shall consider—

(i) the needs of the agency; and

(ii) an evaluation performed by—

(I) the Task Force; or

(II) the Technical Advisory Committee of the Task Force.

(c) Energy savings goals

An agency that leases or purchases a stationary, portable, or micro fuel cell in accordance with subsection (b)(1) may use that lease or purchase to count toward an energy savings goal.
described in section 16157 of this title that is applicable to the agency.

(d) Authorization of appropriations

There is authorized to be appropriated to carry out this section—

(1) $20,000,000 for fiscal year 2006;
(2) $50,000,000 for fiscal year 2007;
(3) $75,000,000 for fiscal year 2008;
(4) $100,000,000 for fiscal year 2009;
(5) $100,000,000 for fiscal year 2010; and
(6) such sums as are necessary for each of fiscal years 2011 through 2015.


PART F—DIESEL EMISSIONS REDUCTION

§ 16131. Definitions

In this part:

(1) Administrator

The term “Administrator” means the Administrator of the Environmental Protection Agency.

(2) Certified engine configuration

The term “certified engine configuration” means a new, rebuilt, or remanufactured engine configuration—

(A) that has been certified or verified by—

(i) the Administrator; or
(ii) the California Air Resources Board;

(B) that meets or is rebuilt or remanufactured to a more stringent set of engine emissions standards, as determined by the Administrator; and

(C) in the case of a certified engine configuration involving the replacement of an existing engine or vehicle, an engine configuration that replaced an engine that was—

(i) removed from the vehicle; and
(ii) returned to the supplier for remanufacturing to a more stringent set of engine emissions standards or for scrappage.

(3) Eligible entity

The term “eligible entity” means—

(A) a regional, State, local, or tribal agency or port authority with jurisdiction over transportation or air quality;
(B) a nonprofit organization or institution that—

(i) represents or provides pollution reduction or educational services to persons or organizations that own or operate diesel fleets; or
(ii) has, as its principal purpose, the promotion of transportation or air quality; and

(C) any private individual or entity that—

(i) is the owner of record of a diesel vehicle or fleet operated pursuant to a contract, license, or lease with a Federal department or agency or entity described in subparagraph (A); and
(ii) meets such timely and appropriate requirements as the Administrator may establish for vehicle use and for notice to and approval by the Federal department or agency or entity described in subparagraph (A) with respect to which the owner has entered into a contract, license, or lease as described in clause (i).

(4) Emerging technology

The term “emerging technology” means a technology that is not currently, or has not been previously, certified or verified by the Administrator or the California Air Resources Board but for which an approvable application and test plan has been submitted for verification to the Administrator or the California Air Resources Board.

(5) Fleet

The term “fleet” means one or more diesel vehicles or mobile or stationary diesel engines.

(6) Heavy-duty truck

The term “heavy-duty truck” has the meaning given the term “heavy duty vehicle” in section 7521 of this title.

(7) Medium-duty truck

The term “medium-duty truck” has such meaning as shall be determined by the Administrator, by regulation.

(8) State

The term “State” means the several States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, the United States Virgin Islands, American Samoa, and the Commonwealth of the Northern Mariana Islands.

(9) Verified technology

The term “verified technology” means a pollution control technology, including a retrofit technology or auxiliary power unit, that has been verified by—

(A) the Administrator; or
(B) the California Air Resources Board.


AMENDMENTS


EFFECTIVE DATE OF 2011 AMENDMENT

Pub. L. 111–364, § 4, Jan. 4, 2011, 124 Stat. 4061, provided that:

"(a) GENERAL RULE.—Except as provided in subsection (b), the amendments made by section 2 [amending this section and sections 16132 to 16134 and 16137 of this title] shall take effect on October 1, 2011.

(b) EXCEPTION.—The amendments made by subsections (a)(4) and (6) and c(4) of section 2 [amending this section and section 16133 of this title] shall take effect on the date of enactment of this Act [Jan. 4, 2011]."
§ 16132. National grant, rebate, and loan programs

(a) In general
The Administrator shall use 70 percent of the funds made available to carry out this part for each fiscal year to provide grants, rebates, or low-cost revolving loans, as determined by the Administrator, on a competitive basis, to eligible entities, including through contracts entered into under subsection (e) of this section, to achieve significant reductions in diesel emissions in terms of—

1. pollution produced; and
2. diesel emissions exposure, particularly from fleets operating in areas designated by the Administrator as poor air quality areas.

(b) Distribution

(1) In general
The Administrator shall distribute funds made available for a fiscal year under this part in accordance with this section.

(2) Engine configurations and technologies

(A) Certified engine configurations and verified technologies
The Administrator shall provide not less than 95 percent of funds available for a fiscal year under this section to eligible entities for projects using—

1. a certified engine configuration; or
2. a verified technology.

(B) Emerging technologies

(i) In general
The Administrator shall provide not more than 5 percent of funds available for a fiscal year under this section to eligible entities for the development and commercialization of emerging technologies.

(ii) Application and test plan
To receive funds under clause (i), a manufacturer, in consultation with an eligible entity, shall submit for verification to the Administrator or the California Air Resources Board a test plan for the emerging technology, together with a verification application.

(c) Applications

(1) Expedited process

(A) In general
The Administrator shall develop a simplified application process for all applicants under this section to expedite the provision of funds.

(B) Requirements
In developing the expedited process under subparagraph (A), the Administrator—

(i) shall take into consideration the special circumstances affecting small fleet owners; and
(ii) to avoid duplicative procedures, may require applicants to include in an application under this section the results of a competitive bidding process for equipment and installation.

(2) Eligibility

(A) Grants
To be eligible to receive a grant under this section, an eligible entity shall submit to the Administrator an application at such time, in such manner, and containing such information as the Administrator may require.

(B) Rebates and low-cost loans
To be eligible to receive a rebate or a low-cost loan under this section, an eligible entity shall submit an application in accordance with such guidance as the Administrator may establish—

(i) to the Administrator; or
(ii) to an entity that has entered into a contract under subsection (e).

(3) Inclusions
An application under this subsection shall include—

(A) a description of the air quality of the area served by the eligible entity;
(B) the quantity of air pollution produced by the diesel fleets in the area served by the eligible entity;
(C) a description of the project proposed by the eligible entity, including—

(i) any certified engine configuration, verified technology, or emerging technology to be used or funded by the eligible entity; and
(ii) the means by which the project will achieve a significant reduction in diesel emissions;

(D) an evaluation (using methodology approved by the Administrator or the National Academy of Sciences) of the quantifiable and unquantifiable benefits of the emissions reductions of the proposed project;

(E) an estimate of the cost of the proposed project;

(F) a description of the age and expected lifetime control of the equipment used or funded by the eligible entity;

(G) in the case of an application relating to nonroad engines or vehicles, a description of the diesel fuel available in the areas to be served by the eligible entity, including the sulfur content of the fuel; and

(H) provisions for the monitoring and verification of the project.

(4) Priority
In providing a grant, rebate, or loan under this section, the Administrator shall give highest priority to proposed projects that, as determined by the Administrator—

(A) maximize public health benefits;
(B) are the most cost-effective;
(C) serve areas—

(i) with the highest population density;
(ii) that are poor air quality areas, including areas identified by the Administrator as—

(I) in nonattainment or maintenance of national ambient air quality standards for a criteria pollutant; (II) Federal Class I areas; or (III) areas with toxic air pollutant concerns;

(iii) that receive a disproportionate quantity of air pollution from diesel fleets, including truckstops, ports, rail yards, ter-
(d) Use of funds

(1) In general

An eligible entity may use a grant, rebate, or loan provided under this section to fund the costs of—

(A) a retrofit technology (including any incremental costs of a repowered or new diesel engine) that significantly reduces emissions through development and implementation of a certified engine configuration, verified technology, or emerging technology for—

(1) a bus;
(2) a medium-duty truck or a heavy-duty truck;
(3) a marine engine;
(4) a locomotive; or
(5) a nonroad engine or vehicle used in—

(I) construction;
(II) handling of cargo (including at a port or airport);
(III) agriculture;
(IV) mining; or
(V) energy production; or

(B) programs or projects to reduce long-duration idling using verified technology involving a vehicle or equipment described in subparagraph (A).

(2) Regulatory programs

(A) General

Notwithstanding paragraph (1), no grant, rebate, or loan provided, or contract entered into, under this section shall be used to fund the costs of emissions reductions that are mandated under any Federal law, except that this subparagraph shall not apply to a mandate in a State implementation plan approved by the Administrator under the Clean Air Act [42 U.S.C. 7401 et seq.].

(B) Mandated

For purposes of subparagraph (A), voluntary or elective emission reduction measures shall not be considered “mandated”, regardless of whether the reductions are included in the State implementation plan of a State.

(e) Contract programs

(1) Authority

In addition to the use of contracting authority otherwise available to the Administrator, the Administrator may enter into contracts with eligible contractors described in paragraph (2) for the administration of programs for providing rebates or loans, subject to the requirements of this part.

(2) Eligible contractors

The Administrator may enter into a contract under this subsection with a for-profit or nonprofit entity that has the capacity—

(A) to sell diesel vehicles or equipment to, or to arrange financing for, individuals or entities that own a diesel vehicle or fleet; or
(B) to upgrade diesel vehicles or equipment with verified or Environmental Protection Agency-certified engines or technologies, or to arrange financing for such upgrades.

(f) Public notification

Not later than 60 days after the date of the award of a grant, rebate, or loan, the Administrator shall publish on the website of the Environmental Protection Agency—

(1) for rebates and loans provided to the owner of a diesel vehicle or fleet, the total number and dollar amount of rebates or loans provided, as well as a breakdown of the technologies funded through the rebates or loans; and

(2) for other rebates and loans, and for grants, a description of each application for which the grant, rebate, or loan is provided.

REFERENCES IN TEXT

The Clean Air Act, referred to in subsec. (d)(2)(A), is act July 14, 1955, ch. 360, 69 Stat. 322, which is classified generally to chapter 85 (§7401 et seq.) of this title. For complete classification of this Act to the Code, see Short Title note set out under section 7401 of this title and Tables.

AMENDMENTS


Subsec. (a). Pub. L. 111–364, §2(b)(2)(A), substituted “to provide grants, rebates, or low-cost revolving loans, as determined by the Administrator, on a competitive basis, to eligible entities, including through contracts entered into under subsection (e) of this section,” for “to provide grants and low-cost revolving loans, as determined by the Administrator, on a competitive basis, to eligible entities” in introductory provisions.


Subsec. (b)(2). Pub. L. 111–364, §2(b)(3)(A), (B), redesignated par. (3) as (2) and struck out former par. (2). Prior to amendment, text read as follows: “The Administrator shall provide not less than 50 percent of funds available for a fiscal year under this section to eligible entities for the benefit of public fleets.”


Subsec. (b)(2)(B)(ii). Pub. L. 111–364, §2(b)(3)(C)(iii), substituted “a verification application” for “the application under subsection (c)”.


Subsec. (c). Pub. L. 111–364, §2(b)(4)(A), (B), added pars. (1) and (2), redesignated former pars. (2) and (3) as (3) and (4), respectively, and struck out former par. (1).

Prior to amendment, text read as follows: “To receive a grant or loan under this section, an eligible entity shall submit to the Administrator an application at a time, in a manner, and including such information as the Administrator may require.”


minals, construction sites, schools, and distribution centers; or

(iv) that use a community-based multi-stakeholder collaborative process to reduce toxic emissions;

(D) include a certified engine configuration, verified technology, or emerging technology that has a long expected useful life;

(E) will maximize the useful life of any certified engine configuration, verified technology, or emerging technology used or funded by the eligible entity; and

(F) conserve diesel fuel.


Subsec. (c)(4)(E) to (G), Pub. L. 111–364, §2(b)(4)(D)(iii)–(v), inserted "and" at end of subpar. (E), substituted a period for "," and "" in subpar. (F), and struck out subpar. (G) which read as follows: "use diesel fuel with a sulfur content of less than or equal to 15 parts per million, as the Administrator determines to be appropriate."


Subsec. (d)(2)(A), Pub. L. 111–364, §2(b)(5)(B), substituted "grant, rebate, or loan provided, or contract entered into," for "grant or loan provided" and "any Federal law, except that this subparagraph shall not apply to a mandate in a State implementation plan approved by the Administrator under the Clean Air Act" for "Federal, State or local law".

Subsecs. (e), (f), Pub. L. 111–364, §2(b)(6), added subsecs. (e) and (f).

Effective Date of 2011 Amendment


§ 16133. State grant, rebate, and loan programs

(a) In general

Subject to the availability of adequate appropriations, the Administrator shall use 30 percent of the funds made available for a fiscal year under this part to support grant, rebate, and loan programs administered by States that are designed to achieve significant reductions in diesel emissions.

(b) Applications

The Administrator shall—

(1) provide to States guidance for use in applying for grant, rebate, or loan funds under this section, including information regarding—

(A) the process and forms for applications;

(B) permissible uses of funds received; and

(C) the cost-effectiveness of various emission reduction technologies eligible to be carried out using funds provided under this section; and

(2) establish, for applications described in paragraph (1)—

(A) an annual deadline for submission of the applications;

(B) a process by which the Administrator shall approve or disapprove each application; and

(C) a streamlined process by which a State may renew an application described in paragraph (1) for subsequent fiscal years.

(c) Allocation of funds

(1) In general

For each fiscal year, the Administrator shall allocate among States for which applications are approved by the Administrator under subsection (b)(2)(B) funds made available to carry out this section for the fiscal year.

(2) Allocation

(A) In general

Except as provided in subparagraphs (B) and (C), using not more than 20 percent of the funds made available to carry out this part for a fiscal year, the Administrator shall provide to each State qualified for an allocation for the fiscal year an allocation equal to \(\frac{3}{5}\) of the funds made available for that fiscal year for distribution to States under this paragraph.

(B) Certain territories

(i) In general

Except as provided in clause (ii), Guam, the United States Virgin Islands, American Samoa, and the Commonwealth of the Northern Mariana Islands shall collectively receive an allocation equal to \(\frac{3}{5}\) of the funds made available for that fiscal year for distribution to States under this subsection.

(ii) Exception

If any State described in clause (i) does not qualify for an allocation under this paragraph, the share of funds otherwise allocated for that State under clause (i) shall be reallocated pursuant to subparagraph (C).

(C) Reallocation

If any State does not qualify for an allocation under this paragraph, the share of funds otherwise allocated for that State under this paragraph shall be reallocated to each remaining qualified State in an amount equal to the product obtained by multiplying—

(i) the proportion that the population of the State bears to the population of all States described in paragraph (1); by

(ii) the amount otherwise allocatable to the nonqualifying State under this paragraph.

(3) State matching incentive

(A) In general

If a State agrees to match the allocation provided to the State under paragraph (2) for a fiscal year, the Administrator shall provide to the State for the fiscal year an additional amount equal to 50 percent of the allocation of the State under paragraph (2).

(B) Requirements

A State—

(i) may not use funds received under this part to pay a matching share required under this subsection; and

(ii) shall not be required to provide a matching share for any additional amount received under subparagraph (A).

(4) Unclaimed funds

Any funds that are not claimed by a State for a fiscal year under this subsection shall be used to carry out section 16132 of this title.

(d) Administration

(1) In general

Subject to paragraphs (2) and (3) and, to the extent practicable, the priority areas listed in section 16132(c)(3) of this title, a State shall use any funds provided under this section to develop and implement such grant, rebate, and
low-cost revolving loan programs in the State as are appropriate to meet State needs and goals relating to the reduction of diesel emissions.

(2) Apportionment of funds

The chief executive of a State that receives funding under this section may determine the portion of funds to be provided as grants, rebates, or loans.

(3) Use of funds

A grant, rebate, or loan provided under this section shall be used for a project relating to—
(A) a certified engine configuration; or
(B) a verified technology.

(4) Priority

In providing grants, rebates, and loans under this section, a State shall use the priorities in section 16132(c)(4) of this title.

(5) Public notification

Not later than 60 days after the date of the award of a grant, rebate, or loan by a State, the State shall publish on the Web site of the State—
(A) for rebates, grants, and loans provided to the owner of a diesel vehicle or fleet, the total number and dollar amount of rebates, grants, or loans provided, as well as a breakdown of the technologies funded through the rebates, grants, or loans; and
(B) for other rebates, grants, and loans, a description of each application for which the grant, rebate, or loan is provided.


AMENDMENTS

Subsec. (d)(1). Pub. L. 111–364, § 2(c)(5)(A), inserted ‘‘rebate,’’ after ‘‘grant’’.
Subsec. (d)(2). Pub. L. 111–364, § 2(c)(5)(B), inserted ‘‘rebate,’’ after ‘‘grants’’.
Subsec. (d)(3). Pub. L. 111–364, § 2(c)(5)(C), substituted ‘‘grant, rebate, or loan provided under this section shall be used’’ for ‘‘grant or loan provided under this section may be used’’ in introductory provisions.
Subsec. (d)(4), (5). Pub. L. 111–364, § 2(c)(5)(D), added pars. (4) and (5).

2008—Pub. L. 110–255, § 3(b)(2), substituted ‘‘51’’ for ‘‘50’’ and ‘‘1.96 percent’’ for ‘‘2 percent’’ in introductory provisions.

§ 16134. Evaluation and report

(a) In general

Not later than 1 year after the date on which funds are made available under this part, and biennially thereafter, the Administrator shall submit to Congress a report evaluating the implementation of the programs under this part.

(b) Inclusions

The report shall include a description of—
(1) the total number of grant applications received;
(2) each grant, rebate, or loan made under this part, including the amount of the grant, rebate, or loan;
(3) each project for which a grant, rebate, or loan is provided under this part, including the criteria used to select the grant, rebate, or loan recipients;
(4) the actual and estimated air quality and diesel fuel conservation benefits, cost-effectiveness, and cost-benefits of the grant, rebate, and loan programs under this part;
(5) the problems encountered by projects for which a grant, rebate, or loan is provided under this part;
(6) any other information the Administrator considers to be appropriate; and
(7) in the last report sent to Congress before January 1, 2016, an analysis of the need to continue the program, including an assessment of the size of the vehicle and engine fleet that could provide benefits from being retrofitted under this program and a description of the number and types of applications that were not granted in the preceding year.


AMENDMENTS


EFFECTIVE DATE OF 2011 AMENDMENT


§ 16135. Outreach and incentives

(a) Definition of eligible technology

In this section, the term ‘‘eligible technology’’ means—
(1) a verified technology; or
(2) an emerging technology.

(b) Technology transfer program

(1) In general

The Administrator shall establish a program under which the Administrator—
(A) informs stakeholders of the benefits of eligible technologies; and
(B) develops nonfinancial incentives to promote the use of eligible technologies.
(2) Eligible stakeholders

Eligible stakeholders under this section include—

(A) equipment owners and operators;

(B) emission and pollution control technology manufacturers;

(C) engine and equipment manufacturers;

(D) State and local officials responsible for air quality management;

(E) community organizations; and

(F) public health, educational, and environmental organizations.

(c) State implementation plans

The Administrator shall develop appropriate guidance to provide credit to a State for emission reductions in the State created by the use of eligible technologies through a State implementation plan under section 7410 of this title.

(d) International markets

The Administrator, in coordination with the Department of Commerce and industry stakeholders, shall inform foreign countries with air quality problems of the potential of technology developed or used in the United States to provide emission reductions in those countries.


§ 16137. Authorization of appropriations

(a) In general

There is authorized to be appropriated to carry out this part $100,000,000 for each of fiscal years 2012 through 2016, to remain available until expended.

(b) Management and oversight

The Administrator may use not more than 1 percent of the amounts made available under subsection (a) for each fiscal year for management and oversight purposes.


AMENDMENTS

2011—Pub. L. 111–364 amended section generally. Prior to amendment, text read as follows: “There is authorized to be appropriated to carry out this part $200,000,000 for each of fiscal years 2007 through 2011, to remain available until expended.”

EFFECTIVE DATE OF 2011 AMENDMENT


§ 16138. EPA authority to accept diesel emissions reduction Supplemental Environmental Projects

The Administrator of the Environmental Protection Agency (hereinafter, the “Agency”) may accept (notwithstanding sections 3302 and 1301 of title 31) diesel emissions reduction Supplemental Environmental Projects if the projects, as part of a settlement of any alleged violations of environmental law—

(1) protect human health or the environment;

(2) are related to the underlying alleged violations;

(3) do not constitute activities that the defendant would otherwise be legally required to perform; and

(4) do not provide funds for the staff of the Agency or for contractors to carry out the Agency’s internal operations.


CODIFICATION

Section was not enacted as part of the Energy Policy Act of 2005 which comprises this chapter.

§ 16139. Settlement agreement provisions

In any settlement agreement regarding alleged violations of environmental law in which a defendant agrees to perform a diesel emissions reduction Supplemental Environmental Project, the Administrator of the Environmental Protection Agency shall require the defendant to include in the settlement documents a certification under penalty of law that the defendant would have agreed to perform a comparably valued, alternative project other than a diesel emissions reduction Supplemental Environmental Project if the Administrator were precluded by law from accepting a diesel emission reduction Supplemental Environmental Project.

A failure by the Administrator to include this language in such a settlement agreement shall not create a cause of action against the United States under the Clean Air Act (42 U.S.C. 7401 et seq.) or any other law or create a basis for overturning a settlement agreement entered into by the United States.


REFERENCES IN TEXT

The Clean Air Act, referred to in text, is act July 14, 1955, ch. 360, 69 Stat. 322, as amended, which is classified generally to chapter 85 (§ 7401 et seq.) of this title. For complete classification of this Act to the Code, see Short Title note set out under section 7401 of this title and Tables.

§ 16151. Purposes

The purposes of this subchapter are—

(1) to enable and promote comprehensive development, demonstration, and commercialization of hydrogen and fuel cell technology in partnership with industry;
§ 16152. Definitions

In this subchapter:

(1) Fuel cell

The term “fuel cell” means a device that directly converts the chemical energy of a fuel, which is supplied from an external source, and an oxidant into electricity by electrochemical processes occurring at separate electrodes in the device.

(2) Heavy-duty vehicle

The term “heavy-duty vehicle” means a motor vehicle that—

(A) is rated at more than 8,500 pounds gross vehicle weight;
(B) has a curb weight of more than 6,000 pounds; or
(C) has a basic vehicle frontal area in excess of 45 square feet.

(3) Infrastructure

The term “infrastructure” means the equipment, systems, or facilities used to produce, distribute, deliver, or store hydrogen (except for onboard storage).

(4) Light-duty vehicle

The term “light-duty vehicle” means a motor vehicle that is rated at 8,500 or less pounds gross vehicle weight.

(5) Stationary; portable

The terms “stationary” and “portable”, when used in reference to a fuel cell, include—

(A) continuous electric power; and
(B) backup electric power.

(6) Task Force

The term “Task Force” means the Hydrogen and Fuel Cell Technical Task Force established under section 16155 of this title.

(7) Technical Advisory Committee

The term “Technical Advisory Committee” means the independent Technical Advisory Committee established under section 16156 of this title.

§ 16153. Plan

§ 16154. Programs

(a) In general

The Secretary, in consultation with other Federal agencies and the private sector, shall conduct a research and development program on technologies relating to the production, purification, distribution, storage, and use of hydrogen energy, fuel cells, and related infrastructure.

(b) Goal

The goal of the program shall be to demonstrate and commercialize the use of hydrogen for transportation (in light-duty vehicles and heavy-duty vehicles), utility, industrial, commercial, and residential applications.

(c) Focus

In carrying out activities under this section, the Secretary shall focus on factors that are common to the development of hydrogen infrastructure and the supply of vehicle and electric power for critical consumer and commercial applications, and that achieve continuous technical evolution and cost reduction, particularly for hydrogen production, the supply of hydrogen, storage of hydrogen, and end uses of hydrogen that—

(1) steadily increase production, distribution, and end use efficiency and reduce lifecycle emissions;
(2) resolve critical problems relating to catalysts, membranes, storage, lightweight materials, electronic controls, manufacturability, and other problems that emerge from the program;
(3) enhance sources of renewable fuels and biofuels for hydrogen production; and
(4) enable widespread use of distributed electricity generation and storage.

(d) Public education and research

In carrying out this section, the Secretary shall support enhanced public education and re-
search conducted at institutions of higher education in fundamental sciences, application design, and systems concepts (including education and research relating to materials, subsystems, manufacturability, maintenance, and safety) relating to hydrogen and fuel cells.

(e) Activities

The Secretary, in partnership with the private sector, shall conduct programs to address—

(1) production of hydrogen from diverse energy sources, including—
   (A) fossil fuels, which may include carbon capture and sequestration;
   (B) hydrogen-carrier fuels (including ethanol and methanol);
   (C) renewable energy resources, including biomass; and
   (D) nuclear energy;

(2) use of hydrogen for commercial, industrial, and residential electric power generation;

(3) safe delivery of hydrogen or hydrogen-carrier fuels, including—
   (A) transmission by pipeline and other distribution methods; and
   (B) convenient and economic refueling of vehicles either at central refueling stations or through distributed onsite generation;

(4) advanced vehicle technologies, including—
   (A) engine and emission control systems;
   (B) energy storage, electric propulsion, and hybrid systems;
   (C) automotive materials; and
   (D) other advanced vehicle technologies;

(5) storage of hydrogen or hydrogen-carrier fuels, including development of materials for safe and economic storage in gaseous, liquid, or solid form at refueling facilities and onboard vehicles;

(6) development of safe, durable, affordable, and efficient fuel cells, including fuel-flexible fuel cell power systems, improved manufacturing processes, high-temperature membranes, cost-effective fuel processing for natural gas, fuel cell stack and system reliability, low temperature operation, and cold start capability; and

(7) the ability of domestic automobile manufacturers to manufacture commercially available competitive hybrid vehicle technologies in the United States.

(f) Program goals

(1) Vehicles

For vehicles, the goals of the program are—

(A) to enable a commitment by automakers no later than year 2015 to offer safe, affordable, and technically viable hydrogen fuel cell vehicles in the mass consumer market; and

(B) to enable production, delivery, and acceptance by consumers of model year 2020 hydrogen fuel cell and other hydrogen-powered vehicles that will have, when compared to light duty vehicles in model year 2005—
   (i) fuel economy that is substantially higher;
   (ii) substantially lower emissions of air pollutants; and

(III) equivalent or improved vehicle fuel system crash integrity and occupant protection.

(2) Hydrogen energy and energy infrastructure

For hydrogen energy and energy infrastructure, the goals of the program are to enable a commitment not later than 2015 that will lead to infrastructure by 2020 that will provide—

(A) safe and convenient refueling;

(B) improved overall efficiency;

(C) widespread availability of hydrogen from domestic energy sources through—
   (i) production, with consideration of emissions levels;
   (ii) delivery, including transmission by pipeline and other distribution methods for hydrogen; and

(iii) storage, including storage in surface transportation vehicles;

(D) hydrogen for fuel cells, internal combustion engines, and other energy conversion devices for portable, stationary, micro, critical needs facilities, and transportation applications; and

(E) other technologies consistent with the Department’s plan.

(3) Fuel cells

The goals for fuel cells and their portable, stationary, and transportation applications are to enable—

(A) safe, economical, and environmentally sound hydrogen fuel cells;

(B) fuel cells for light duty and other vehicles; and

(C) other technologies consistent with the Department’s plan.

(g) Funding

(1) In general

The Secretary shall carry out the programs under this section using a competitive, merit-based review process and consistent with the Generally Applicable Federal Laws and regulations governing awards of financial assistance, contracts, or other agreements.

(2) Research centers

Activities under this section may be carried out by funding nationally recognized university-based or Federal laboratory research centers.

(h) Hydrogen supply

There are authorized to be appropriated to carry out projects and activities relating to hydrogen production, storage, distribution and dispensing, transport, education and coordination, and technology transfer under this section—

(1) $160,000,000 for fiscal year 2006;

(2) $200,000,000 for fiscal year 2007;

(3) $220,000,000 for fiscal year 2008;

(4) $230,000,000 for fiscal year 2009;

(5) $250,000,000 for fiscal year 2010; and

(6) such sums as are necessary for each of fiscal years 2011 through 2020.

(i) Fuel cell technologies

There are authorized to be appropriated to carry out projects and activities relating to fuel cell technologies under this section—

(a) Establishment

Not later than 120 days after August 8, 2005, the President shall establish an interagency task force chaired by the Secretary with representatives from each of the following:

1. The Office of Science and Technology Policy within the Executive Office of the President.
2. The Department of Transportation.
3. The Department of Defense.
4. The Department of Commerce (including the National Institute of Standards and Technology).
5. The Department of State.
6. The Environmental Protection Agency.
7. The National Aeronautics and Space Administration.
8. Other Federal agencies as the Secretary determines appropriate.

(b) Duties

(1) Planning

The Task Force shall work toward—

(A) a safe, economical, and environmentally sound fuel infrastructure for hydrogen and hydrogen-carrier fuels, including an infrastructure that supports buses and other fleet transportation;
(B) fuel cells in government and other applications, including portable, stationary, and transportation applications;
(C) distributed power generation, including the generation of combined heat, power, and clean fuels including hydrogen;
(D) uniform hydrogen codes, standards, and safety protocols; and
(E) vehicle hydrogen fuel system integrity safety performance.

(2) Activities

The Task Force may organize workshops and conferences, may issue publications, and may create databases to carry out its duties. The Task Force shall—

(A) foster the exchange of generic, nonproprietary information and technology among industry, academia, and government;
(B) develop and maintain an inventory and assessment of hydrogen, fuel cells, and other advanced technologies, including the commercial capability of each technology for the economic and environmentally safe production, distribution, delivery, storage, and use of hydrogen;
(C) integrate technical and other information made available as a result of the programs and activities under this subchapter;
(D) promote the marketplace introduction of infrastructure for hydrogen fuel vehicles; and
(E) conduct an education program to provide hydrogen and fuel cell information to potential end-users.

(c) Agency cooperation

The heads of all agencies, including those whose agencies are not represented on the Task Force, shall cooperate with and furnish information to the Task Force, the Technical Advisory Committee, and the Department.

§ 16156. Technical Advisory Committee

(a) Establishment

The Hydrogen Technical and Fuel Cell Advisory Committee is established to advise the Secretary on the programs and activities under this subchapter.

(b) Membership

(1) Members

The Technical Advisory Committee shall be comprised of not fewer than 12 nor more than 25 members. The members shall be appointed by the Secretary to represent domestic industry, academia, professional societies, government agencies, Federal laboratories, previous advisory panels, and financial, environmental, and other appropriate organizations based on advisory panels, and financial, environmental, and other appropriate organizations based on the Department’s assessment of the technical and other qualifications of Technical Advisory Committee members and the needs of the Technical Advisory Committee.

(2) Terms

The term of a member of the Technical Advisory Committee shall not be more than 3 years. The Secretary may appoint members of the Technical Advisory Committee in a manner that allows the terms of the members serving at any time to expire at spaced intervals so as to ensure continuity in the functioning of the Technical Advisory Committee. A member of the Technical Advisory Committee whose term is expiring may be reappointed.

(3) Chairperson

The Technical Advisory Committee shall have a chairperson, who shall be elected by the members from among their number.

(c) Review

The Technical Advisory Committee shall review and make recommendations to the Secretary on—

(1) the implementation of programs and activities under this subchapter;
(2) the safety, economical, and environmental consequences of technologies for the production, distribution, delivery, storage, or use of hydrogen energy and fuel cells; and
(3) the plan under section 16153 of this title.

(d) Response

(1) Consideration of recommendations

The Secretary shall consider, but need not adopt, any recommendations of the Technical Advisory Committee under subsection (c).

(2) Biennial report

The Secretary shall transmit a biennial report to Congress describing any recommenda-
tions made by the Technical Advisory Committee since the previous report. The report shall include a description of how the Secretary has implemented or plans to implement the recommendations, or an explanation of the reasons that a recommendation will not be implemented. The report shall be transmitted along with the President’s budget proposal.

(e) Support

The Secretary shall provide resources necessary in the judgment of the Secretary for the Technical Advisory Committee to carry out its responsibilities under this subchapter.


§ 16157. Demonstration

(a) In general

In carrying out the programs under this section, the Secretary shall fund a limited number of demonstration projects, consistent with this subchapter and a determination of the maturity, cost-effectiveness, and environmental impacts of demonstration projects, in selecting projects under this subsection, the Secretary shall, to the extent practicable and in the public interest, select projects that—

(1) involve using hydrogen and related products at existing facilities or installations, such as existing office buildings, military bases, vehicle fleet centers, transit bus authorities, or units of the National Park System;

(2) depend on reliable power from hydrogen to carry out essential activities;

(3) lead to the replication of hydrogen technologies and draw such technologies into the marketplace;

(4) include vehicle, portable, and stationary demonstrations of fuel cell and hydrogen-based energy technologies;

(5) address the interdependency of demand for hydrogen fuel cell applications and hydrogen fuel infrastructure;

(6) raise awareness of hydrogen technology among the public;

(7) facilitate identification of an optimum technology among competing alternatives;

(8) address distributed generation using renewable sources;

(9) carry out demonstrations of evolving hydrogen and fuel cell technologies in national parks, remote island areas, and on Indian tribal land, as selected by the Secretary;

(10) carry out a program to demonstrate developmental hydrogen and fuel cell systems for mobile, portable, and stationary uses, using improved versions of the learning demonstrations program concept of the Department including demonstrations involving—

(A) light-duty vehicles;

(B) heavy-duty vehicles;

(C) fleet vehicles;

(D) specialty industrial and farm vehicles; and

(E) commercial and residential portable, continuous, and backup electric power generation;

(11) in accordance with any code or standards developed in a region, fund prototype, pilot fleet, and infrastructure regional hydrogen supply corridors along the interstate highway system in varied climates across the United States; and

(12) fund demonstration programs that explore the use of hydrogen blends, hybrid hydrogen, and hydrogen reformed from renewable agricultural fuels, including the use of hydrogen in hybrid electric, heavier duty, and advanced internal combustion-powered vehicles.

The Secretary shall give preference to projects which address multiple elements contained in paragraphs (1) through (12).

(b) System demonstrations

(1) In general

As a component of the demonstration program under this section, the Secretary shall provide grants, on a cost share basis as appropriate, to eligible entities (as determined by the Secretary) for use in—

(A) devising system design concepts that provide for the use of advanced composite vehicles in programs under section 16122 of this title that—

(i) have as a primary goal the reduction of drive energy requirements;

(ii) after 2010, add another research and development phase, as defined in subsection (c), including the vehicle and infrastructure partnerships developed under the learning demonstrations program concept of the Department; and

(iii) are managed through an enhanced FreedomCAR program within the Department that encourages involvement in cost-shared projects by manufacturers and governments; and

(B) designing a local distributed energy system that—

(i) incorporates renewable hydrogen production, off-grid electricity production, and fleet applications in industrial or commercial service;

(ii) integrates energy or applications described in clause (i), such as stationary, portable, micro, and mobile fuel cells, into a high-density commercial or residential building complex or agricultural community; and

(iii) is managed in cooperation with industry, State, tribal, and local governments, agricultural organizations, and nonprofit generators and distributors of electricity.

(c) Identification of new program requirements

In carrying out the demonstrations under subsection (a), the Secretary, in consultation with the Task Force and the Technical Advisory Committee, shall—

(1) after 2008 for stationary and portable applications, and after 2010 for vehicles, identify new requirements that refine technological concepts, planning, and applications; and

(2) during the second phase of the learning demonstrations under subsection (b)(1)(A)(ii),

1So in original. No par. (2) has been enacted.
redesign subsequent program work to incorporate those requirements.

(d) Authorization of appropriations

There are authorized to be appropriated to carry out this section—

(1) \$185,000,000 for fiscal year 2006;
(2) \$200,000,000 for fiscal year 2007;
(3) \$250,000,000 for fiscal year 2008;
(4) \$300,000,000 for fiscal year 2009;
(5) \$375,000,000 for fiscal year 2010; and
(6) such sums as are necessary for each of fiscal years 2011 through 2020.


§ 16158. Codes and standards

(a) In general

The Secretary, in cooperation with the Task Force, shall provide grants to, or offer to enter into contracts with, such professional organizations, public service organizations, and government agencies as the Secretary determines appropriate to support timely and extensive development of safety codes and standards relating to fuel cell vehicles, hydrogen energy systems, and stationary, portable, and micro fuel cells.

(b) Educational efforts

The Secretary shall support educational efforts by organizations and agencies described in subsection (a) to share information, including information relating to best practices, among those organizations and agencies.

(c) Authorization of appropriations

There are authorized to be appropriated to carry out this section—

(1) \$4,000,000 for fiscal year 2006;
(2) \$7,000,000 for fiscal year 2007;
(3) \$8,000,000 for fiscal year 2008;
(4) \$10,000,000 for fiscal year 2009;
(5) \$9,000,000 for fiscal year 2010; and
(6) such sums as are necessary for each of fiscal years 2011 through 2020.


§ 16159. Disclosure

Section 13293 of this title shall apply to any project carried out through a grant, cooperative agreement, or contract under this subchapter.


§ 16160. Reports

(a) Secretary

Subject to subsection (c), not later than 2 years after August 8, 2005, and triennially thereafter, the Secretary shall submit to Congress a report describing—

(1) activities carried out by the Department under this subchapter,1 for hydrogen and fuel cell technology;
(2) measures the Secretary has taken during the preceding 3 years to support the transition of primary industry (or a related industry) to a fully commercialized hydrogen economy;
(3) any change made to the strategy relating to hydrogen and fuel cell technology to reflect the results of a learning demonstrations;
(4) progress, including progress in infrastructure, made toward achieving the goal of producing and deploying not less than—
(A) 100,000 hydrogen-fueled vehicles in the United States by 2010; and
(B) 2,500,000 hydrogen-fueled vehicles in the United States by 2020;
(5) progress made toward achieving the goal of supplying hydrogen at a sufficient number of fueling stations in the United States by 2010 including by integrating—
(A) hydrogen activities; and
(B) associated targets and timetables for the development of hydrogen technologies;
(6) any problem relating to the design, execution, or funding of a program under this subchapter;
(7) progress made toward and goals achieved in carrying out this subchapter and updates to the developmental roadmap, including the results of the reviews conducted by the National Academy of Sciences under subsection (b) for the fiscal years covered by the report; and
(8) any updates to strategic plans that are necessary to meet the goals described in paragraph (4).

(b) External review

The Secretary shall enter into an arrangement with the National Academy of Sciences under which the Academy will review the programs under sections 16154 and 16157 of this title every fourth year following August 8, 2005. The Academy’s review shall include the program priorities and technical milestones, and evaluate the progress toward achieving them. The first review shall be completed not later than 5 years after August 8, 2005. Not later than 45 days after receiving the review, the Secretary shall transmit the review to Congress along with a plan to implement the review’s recommendations or an explanation for the reasons that a recommendation will not be implemented.

(c) Authorization of appropriations

There is authorized to be appropriated to carry out this section \$1,500,000 for each of fiscal years 2006 through 2020.


§ 16161. Solar and wind technologies

(a) Solar energy technologies

The Secretary shall—

(1) prepare a detailed roadmap for carrying out the provisions in this subchapter related to solar energy technologies and for implementing the recommendations related to solar energy technologies that are included in the report transmitted under subsection (e);
(2) provide for the establishment of 5 projects in geographic areas that are regionally and climatically diverse to demonstrate the production of hydrogen at solar energy facilities, including one demonstration project at a National Laboratory or institution of higher education;

1 So in original. The comma probably should not appear.
(3) establish a program—
   (A) to develop optimized concentrating solar power devices that may be used for the production of both electricity and hydrogen; and
   (B) to evaluate the use of thermochemical cycles for hydrogen production at the temperatures attainable with concentrating solar power devices;

(4) coordinate with activities sponsored by the Department’s Office of Nuclear Energy, Science, and Technology on high-temperature materials, thermochemical cycles, and economic issues related to solar energy;

(5) provide for the construction and operation of new concentrating solar power devices or solar power cogeneration facilities that produce hydrogen either concurrently with, or independently of, the production of electricity;

(6) support existing facilities and programs of study related to concentrating solar power devices; and

(7) establish a program—
   (A) to develop methods that use electricity from photovoltaic devices for the onsite production of hydrogen, such that no intermediate transmission or distribution infrastructure is required or used and future demand growth may be accommodated;
   (B) to evaluate the economics of small-scale electrolysis for hydrogen production; and
   (C) to study the potential of modular photovoltaic devices for the development of a hydrogen infrastructure, and the benefits potentially derived from a hydrogen infrastructure.

(b) Wind energy technologies

The Secretary shall—

(1) prepare a detailed roadmap for carrying out the provisions in this subchapter related to wind energy technologies and for implementing the recommendations related to wind energy technologies that are included in the report transmitted under subsection (e); and

(2) provide for the establishment of 5 projects in geographic areas that are regionally and climatically diverse to demonstrate the production of hydrogen at existing wind energy facilities, including one demonstration project at a National Laboratory or institution of higher education.

(c) Program support

The Secretary shall support programs at institutions of higher education for the development of solar energy technologies and wind energy technologies for the production of hydrogen. The programs supported under this subsection shall—

(1) enhance fellowship and faculty assistance programs;

(2) provide support for fundamental research;

(3) encourage collaborative research among industry, National Laboratories, and institutions of higher education;

(4) support communication and outreach; and

(5) to the greatest extent possible—
   (A) be located in geographic areas that are regionally and climatically diverse; and
   (B) be located at part B Institutions, minority institutions, and institutions of higher education located in States participating in the Experimental Program to Stimulate Competitive Research of the Department.

(d) Institutions of higher education and National Laboratory interactions

In conjunction with the programs supported under this section, the Secretary shall develop sabbatical, fellowship, and visiting scientist programs to encourage National Laboratories and institutions of higher education to share and exchange personnel.

(e) Report

The Secretary shall transmit to the Congress not later than 120 days after August 8, 2005, a report containing detailed summaries of the roadmaps prepared under subsections (a)(1) and (b)(1), descriptions of the Secretary’s progress in establishing the projects and other programs required under this section, and recommendations for promoting the availability of advanced solar and wind energy technologies for the production of hydrogen.

(f) Definitions

For purposes of this section—

(1) the term “concentrating solar power devices” means devices that concentrate the power of the sun by reflection or refraction to improve the efficiency of a photovoltaic or thermal generation process;

(2) the term “minority institution” has the meaning given to that term in section 1067k of title 20;

(3) the term “part B institution” has the meaning given to that term in section 1061 of title 20; and

(4) the term “photovoltaic devices” means devices that convert light directly into electricity through a solid-state, semiconductor process.

(g) Authorization of appropriations

There is authorized to be appropriated such sums as are necessary for carrying out the activities under this section for each of fiscal years 2006 through 2020.


§16162. Technology transfer

In carrying out this subchapter, the Secretary shall carry out programs that—

(1) provide for the transfer of critical hydrogen and fuel cell technologies to the private sector;

(2) accelerate wider application of those technologies in the global market;

(3) foster the exchange of generic, nonproprietary information; and

(4) assess technical and commercial viability of technologies relating to the production, distribution, storage, and use of hydrogen energy and fuel cells.

§ 16163. Miscellaneous provisions

(a) Representation

The Secretary may represent the United States interests with respect to activities and programs under this subchapter, in coordination with the Department of Transportation, the National Institute of Standards and Technology, and other relevant Federal agencies, before governments and nongovernmental organizations including—

(1) other Federal, State, regional, and local governments and their representatives;
(2) industry and its representatives, including members of the energy and transportation industries; and
(3) in consultation with the Department of State, foreign governments and their representatives including international organizations.

(b) Regulatory authority

Nothing in this subchapter shall be construed to alter the regulatory authority of the Department.


§ 16164. Cost sharing

The costs of carrying out projects and activities under this subchapter shall be shared in accordance with section 16352 of this title.


§ 16165. Savings clause

Nothing in this subchapter shall be construed to affect the authority of the Secretary of Transportation that may exist prior to August 8, 2005, with respect to—

(1) research into, and regulation of, hydrogen-powered vehicles fuel systems integrity, standards, and safety under subtitle VI of title 49;
(2) regulation of hazardous materials transportation under chapter 51 of title 49;
(3) regulation of pipeline safety under chapter 601 of title 49;
(4) encouragement and promotion of research, development, and deployment activities relating to advanced vehicle technologies under section 5506 of title 49;
(5) regulation of motor vehicle safety under chapter 301 of title 49;
(6) automobile fuel economy under chapter 329 of title 49; or
(7) representation of the interests of the United States with respect to the activities and programs under the authority of title 49.


References in Text


1 See References in Text note below.

§ 16181. Goals

(a) In general

In order to achieve the purposes of this subchapter, the Secretary shall conduct a balanced set of programs of energy research, development, demonstration, and commercial application with the general goals of—

(1) increasing the efficiency of all energy intensive sectors through conservation and improved technologies;
(2) promoting diversity of energy supply;
(3) decreasing the dependence of the United States on foreign energy supplies;
(4) improving the energy security of the United States; and
(5) decreasing the environmental impact of energy-related activities.

(b) Goals

The Secretary shall publish measurable cost and performance-based goals, comparable over time, with each annual budget submission in at least the following areas:

(1) Energy efficiency for buildings, energy-consuming industries, and vehicles.
(2) Electric energy generation (including distributed generation), transmission, and storage.
(3) Renewable energy technologies, including wind power, photovoltaics, solar thermal systems, geothermal energy, hydrogen-fueled systems, biomass-based systems, biofuels, and hydropow.
(4) Fossil energy, including power generation, onshore and offshore oil and gas resource recovery, and transportation fuels.
(5) Nuclear energy, including programs for existing and advanced reactors, and education of future specialists.

(c) Public comment

The Secretary shall provide mechanisms for input on the annually published goals from industry, institutions of higher education, and other public sources.

(d) Effect of goals

Nothing in subsection (a) or the annually published goals creates any new authority for any Federal agency, or may be used by any Federal agency, to support the establishment of regulatory standards or regulatory requirements.


References in Text

This subchapter, referred to in subsec. (a), was in the original “this title”, meaning title IX of Pub. L. 109–58, Aug. 8, 2005, 119 Stat. 856, which enacted this subchapter, amended sections 8101 and 8102 of Title 7, Agriculture, and section 5523 of Title 15, Commerce and Trade, enacted provisions set out as notes under section 15801 of this title, section 8102 of Title 7, and section 2001 of Title 30, Mineral Lands and Mining, and amended provisions set out as notes under section 8101 of Title 7 and section 1902 of Title 30. For complete classification of title IX to the Code, see Short Title note set out under section 15801 of this title and Tables.

Short Title

For short title of title IX of Pub. L. 109–58, which enacted this subchapter, as the “Energy Research, Devel-
§ 16191. Energy efficiency

(a) In general

The Secretary shall conduct programs of energy efficiency research, development, demonstration, and commercial application, including activities described in this part. Such programs shall take into consideration the following objectives:

(A) Increasing the energy efficiency of vehicles, buildings, and industrial processes.
(B) Reducing the demand of the United States for energy, especially energy from foreign sources.
(C) Reducing the cost of energy and making the economy more efficient and competitive.
(D) Improving the energy security of the United States.
(E) Reducing the environmental impact of energy-related activities.

(2) Programs

Programs under this part shall include research, development, demonstration, and commercial application of—

(A) advanced, cost-effective technologies to improve the energy efficiency and environmental performance of vehicles, including—
   (i) hybrid and electric propulsion systems;
   (ii) plug-in hybrid systems;
   (iii) advanced combustion engines;
   (iv) weight and drag reduction technologies;
   (v) whole-vehicle design optimization; and
   (vi) advanced drive trains;

(B) cost-effective technologies, for new construction and retrofit, to improve the energy efficiency and environmental performance of buildings, using a whole-buildings approach, including onsite renewable energy generation;

(C) advanced technologies to improve the energy efficiency, environmental performance, and process efficiency of energy-intensive and waste-intensive industries;

(D) advanced control devices to improve the energy efficiency of electric motors, including those used in industrial processes, heating, ventilation, and cooling; and

(E) technologies to improve the energy efficiency of appliances and mechanical systems for buildings in cold climates, including combined heat and power units and increased use of renewable resources, including fuel.

(b) Authorization of appropriations

There are authorized to be appropriated to the Secretary to carry out energy efficiency and conservation research, development, demonstration, and commercial application activities, including activities authorized under this part—

(1) $783,000,000 for fiscal year 2007;
(2) $855,000,000 for fiscal year 2008; and
(3) $952,000,000 for fiscal year 2009.

(c) Allocations

From amounts authorized under subsection (b), the following sums are authorized:

(1) For activities under section 16192 of this title, $50,000,000 for each of fiscal years 2007 through 2009.
(2) For activities under section 16195 of this title, $7,000,000 for each of fiscal years 2007 through 2009.
(3) For activities under subsection (a)(2)(A)—
   (A) $200,000,000 for fiscal year 2007;
§ 16192. Next Generation Lighting Initiative

(a) Definitions

In this section:

(1) Advanced solid-state lighting

The term “advanced solid-state lighting” means a semiconducting device package and delivery system that produces white light using externally applied voltage.

(2) Industry Alliance

The term “Industry Alliance” means an entity selected by the Secretary under subsection (d).

(3) Initiative

The term “Initiative” means the Next Generation Lighting Initiative carried out under this section.

(4) Research

The term “research” includes research on the technologies, materials, and manufacturing processes required for light emitting diodes.

(b) Initiative

The Secretary shall carry out a Next Generation Lighting Initiative in accordance with this section to support research, development, demonstration, and commercial application activities related to advanced solid-state lighting technologies based on white light emitting diodes.

(c) Objectives

The objectives of the Initiative shall be to develop advanced solid-state organic and inorganic lighting technologies based on white light emitting diodes that, compared to incandescent and fluorescent lighting technologies, are longer lasting, are more energy-efficient and cost-competitive, and have less environmental impact.

(d) Industry Alliance

Not later than 90 days after August 8, 2005, the Secretary shall competitively select an Industry Alliance to represent participants who are private, for-profit firms, open to large and small businesses, that, as a group, are broadly representative of United States solid-state lighting businesses, that, as a group, are broadly representative of United States solid-state lighting research, development, infrastructure, and manufacturing expertise as a whole.

(e) Research

(1) Grants

The Secretary shall carry out the research activities of the Initiative through competitively awarded grants to—

(A) researchers, including Industry Alliance participants;

(B) small businesses;

(C) National Laboratories; and

(D) institutions of higher education.

(2) Industry Alliance

The Secretary shall annually solicit from the Industry Alliance—

(A) comments to identify solid-state lighting technology needs;

(B) an assessment of the progress of the research activities of the Initiative; and

(C) assistance in annually updating solid-state lighting technology roadmaps.

(3) Availability to public

The information and roadmaps under paragraph (2) shall be available to the public.
(f) Development, demonstration, and commercial application
(1) In general
The Secretary shall carry out a development, demonstration, and commercial application program for the Initiative through competitively selected awards.
(2) Preference
In making the awards, the Secretary may give preference to participants in the Industry Alliance.

(g) Cost sharing
In carrying out this section, the Secretary shall require cost sharing in accordance with section 16352 of this title.

(h) Intellectual property
The Secretary may require (in accordance with section 202(a)(ii) of title 35, section 2182 of this title, and section 5908 of this title) that for any new invention developed under subsection (e)—
(1) that the Industry Alliance participants who are active participants in research, development, and demonstration activities related to the advanced solid-state lighting technologies that are covered by this section shall be granted the first option to negotiate with the invention owner, at least in the field of solid-state lighting, nonexclusive licenses and royalties on terms that are reasonable under the circumstances;
(2)(A) that, for 1 year after a United States patent is issued for the invention, the patent holder shall not negotiate any license or royalty with any entity that is not a participant in the Industry Alliance described in paragraph (1); and
(B) that, during the year described in subparagraph (A), the patent holder shall negotiate nonexclusive licenses and royalties in good faith with any interested participant in the Industry Alliance described in paragraph (1); and
(3) such other terms as the Secretary determines are required to promote accelerated commercialization of inventions made under the Initiative.

(i) National Academy review
The Secretary shall enter into an arrangement with the National Academy of Sciences to conduct periodic reviews of the Initiative.


§ 16193. National Building Performance Initiative

(a) Interagency group
(1) In general
Not later than 90 days after August 8, 2005, the Director of the Office of Science and Technology Policy shall establish an interagency group to develop, in coordination with the advisory committee established under subsection (e), a National Building Performance Initiative (referred to in this section as the “Initiative”).

(2) Cochairs
The interagency group shall be co-chaired by appropriate officials of the Department and the Department of Commerce, who shall jointly arrange for the provision of necessary administrative support to the group.

(b) Integration of efforts
The Initiative shall integrate Federal, State, and voluntary private sector efforts to reduce the costs of construction, operation, maintenance, and renovation of commercial, industrial, institutional, and residential buildings.

(c) Plan
(1) In general
Not later than 1 year after August 8, 2005, the interagency group shall submit to Congress a plan for carrying out the appropriate Federal role in the Initiative.

(2) Inclusions
The plan shall include—
(A) research, development, demonstration, and commercial application of energy technology systems and materials for new construction and retrofit relating to the building envelope and building system components;
(B) research, development, demonstration, and commercial application of energy technology and infrastructure enabling the energy efficient, automated operation of buildings and building equipment; and
(C) the collection, analysis, and dissemination of research results and other pertinent information on enhancing building performance to industry, government entities, and the public.

(d) Department of Energy role
Within the Federal portion of the Initiative, the Department shall be the lead agency for all aspects of building performance related to use and conservation of energy.

(e) Advisory committee
The Director of the Office of Science and Technology Policy shall establish an advisory committee to—
(1) analyze and provide recommendations on potential private sector roles and participation in the Initiative; and
(2) review and provide recommendations on the plan described in subsection (c).

(f) Administration
Nothing in this section provides any Federal agency with new authority to regulate building performance.


§ 16194. Building standards

(a) Definition of high performance building
In this section, the term “high performance building” means a building that integrates and optimizes all major high-performance building attributes, including energy efficiency, durability, life-cycle performance, and occupant productivity.

(b) Assessment
Not later than 120 days after August 8, 2005, the Secretary shall enter into an agreement
with the National Institute of Building Sciences to—

(1) conduct an assessment (in cooperation with industry, standards development organizations, and other entities, as appropriate) of whether the current voluntary consensus standards and rating systems for high performance buildings are consistent with the current technological state of the art, including relevant results from the research, development and demonstration activities of the Department;

(2) determine if additional research is required, based on the findings of the assessment; and

(3) recommend steps for the Secretary to accelerate the development of voluntary consensus-based standards for high performance buildings that are based on the findings of the assessment.

c) Grant and technical assistance program

Consistent with subsection (b) and section 12(d) of the National Technology Transfer and Advancement Act of 1995 (15 U.S.C. 272 note), the Secretary shall establish a grant and technical assistance program to support the development of voluntary consensus-based standards for high performance buildings.


References in Text
Section 12(d) of the National Technology Transfer and Advancement Act of 1995, referred to in subsec. (c), is section 12(d) of Pub. L. 104–113, as amended, which is set out as a note under section 272 of Title 15, Commerce and Trade.

§ 16195. Secondary electric vehicle battery use program

(a) Definitions

In this section:

(1) Battery

The term “battery” means an energy storage device that previously has been used to provide motive power in a vehicle powered in whole or in part by electricity.

(2) Associated equipment

The term “associated equipment” means equipment located where the batteries will be used that is necessary to enable the use of the energy stored in the batteries.

(b) Program

(1) In general

The Secretary shall establish and conduct a program of research, development, demonstration, and commercial application of energy technology for the secondary use of batteries, if the Secretary finds that there are sufficient numbers of batteries to support the program.

(2) Administration

The program shall be—

(A) designed to demonstrate the use of batteries in secondary applications, including utility and commercial power storage and power quality;

(B) structured to evaluate the performance, including useful service life and costs, of such batteries in field operations, and the necessary supporting infrastructure, including reuse and disposal of batteries; and

(C) coordinated with ongoing secondary battery use programs at the National Laboratories and in industry.

c) Solicitation

(1) In general

Not later than 180 days after August 8, 2005, the Secretary shall solicit proposals to demonstrate the secondary use of batteries and associated equipment and supporting infrastructure in geographic locations throughout the United States.

(2) Additional solicitations

The Secretary may make additional solicitations for proposals if the Secretary determines that the solicitations are necessary to carry out this section.

d) Selection of proposals

(1) In general

Not later than 90 days after the closing date established by the Secretary for receipt of proposals under subsection (c), the Secretary shall select up to five proposals that may receive financial assistance under this section once the Department receives appropriated funds to carry out this section.

(2) Factors

In selecting proposals, the Secretary shall consider—

(A) the diversity of battery type;

(B) geographic and climatic diversity; and

(C) life-cycle environmental effects of the approaches.

(3) Limitation

No one project selected under this section shall receive more than 25 percent of the funds made available to carry out the program under this section.

(4) Non-Federal involvement

In selecting proposals, the Secretary shall consider the extent of involvement of State or local government and other persons in each demonstration project to optimize use of Federal resources.

(5) Other criteria

In selecting proposals, the Secretary may consider such other criteria as the Secretary considers appropriate.

e) Conditions

In carrying out this section, the Secretary shall require that—

(1) relevant information be provided to—

(A) the Department;

(B) the users of the batteries;

(C) the proposers of a project under this section; and

(D) the battery manufacturers; and

(2) the costs of carrying out projects and activities under this section are shared in accordance with section 16352 of this title.

§16196. Energy Efficiency Science Initiative

(a) Establishment

The Secretary shall establish an Energy Efficiency Science Initiative to be managed by the Assistant Secretary in the Department with responsibility for energy conservation under section 7133(a)(9) of this title, in consultation with the Director of the Office of Science, for grants to be competitively awarded and subject to peer review for research relating to energy efficiency.

(b) Report

The Secretary shall submit to Congress, along with the annual budget request of the President submitted to Congress, a report on the activities of the Energy Efficiency Science Initiative, including a description of the process used to award the funds and an explanation of how the research relates to energy efficiency.


§16197. Advanced Energy Technology Transfer Centers

(a) Grants

Not later than 18 months after May 8, 2008, the Secretary shall make grants to nonprofit institutions, State and local governments, cooperative extension services, or institutions of higher education (or consortia thereof), to establish a geographically dispersed network of Advanced Energy Technology Transfer Centers, to be located in areas the Secretary determines have the greatest need of the services of such Centers.

In making awards under this section, the Secretary shall—

(1) give priority to applicants already operating or partnered with an outreach program capable of transferring knowledge and information about advanced energy efficiency methods and technologies;

(2) ensure that, to the extent practicable, the program enables the transfer of knowledge and information—

(A) about a variety of technologies; and

(B) in a variety of geographic areas;

(3) give preference to applicants that would significantly expand on or fill a gap in existing programs in a geographical region; and

(4) consider the special needs and opportunities for increased energy efficiency for manufactured and site-built housing, including construction, renovation, and retrofit.

(b) Activities

Each Center shall operate a program to encourage demonstration and commercial application of advanced energy methods and technologies through education and outreach to building and industrial professionals, and to other individuals and organizations with an interest in efficient energy use. Funds awarded under this section may be used for the following activities:

(1) Developing and distributing informational materials on technologies that could use energy more efficiently.

(2) Carrying out demonstrations of advanced energy methods and technologies.

(3) Developing and conducting seminars, workshops, long-distance learning sessions, and other activities to aid in the dissemination of knowledge and information on technologies that could use energy more efficiently.

(4) Providing or coordinating onsite energy evaluations, including instruction on the commissioning of building heating and cooling systems, for a wide range of energy end-users.

(5) Examining the energy efficiency needs of energy end-users to develop recommended research projects for the Department.

(6) Hiring experts in energy efficient technologies to carry out activities described in paragraphs (1) through (5).

(c) Application

A person seeking a grant under this section shall submit to the Secretary an application in such form and containing such information as the Secretary may require. The Secretary may award a grant under this section to an entity already in existence if the entity is otherwise eligible under this section. The application shall include, at a minimum—

(1) a description of the applicant’s outreach program, and the geographic region it would serve, and of why the program would be capable of transferring knowledge and information about advanced energy technologies that increase efficiency of energy use;

(2) a description of the activities the applicant would carry out, of the technologies that would be transferred, and of any other organizations that will help facilitate a regional approach to carrying out those activities;

(3) a description of how the proposed activities would be appropriate to the specific energy needs of the geographic region to be served;

(4) an estimate of the number and types of energy end-users expected to be reached through such activities; and

(5) a description of how the applicant will assess the success of the program.

(d) Selection criteria

The Secretary shall award grants under this section on the basis of the following criteria, at a minimum:

(1) The ability of the applicant to carry out the proposed activities.

(2) The extent to which the applicant will coordinate the activities of the Center with other entities as appropriate, such as State and local governments, utilities, institutions of higher education, and National Laboratories.

(3) The appropriateness of the applicant’s outreach program for carrying out the program described in this section.

(4) The likelihood that proposed activities could be expanded or used as a model for other areas.

(e) Cost-sharing

In carrying out this section, the Secretary shall require cost-sharing in accordance with the requirements of section 16352 of this title for commercial application activities.
§ 16211. Distributed energy and electric energy systems

(a) In general

The Secretary shall carry out programs of research, development, demonstration, and commercial application on distributed energy resources and systems reliability and efficiency, to improve the reliability and efficiency of distributed energy resources and systems, integrating advanced energy technologies with grid connectivity, including activities described in this part. The programs shall address advanced energy technologies and systems and advanced grid reliability technologies.

(b) Authorization of appropriations

(1) Distributed energy and electric energy systems activities

There are authorized to be appropriated to the Secretary to carry out distributed energy and electric energy systems activities, including activities authorized under this part—

(A) $240,000,000 for fiscal year 2007;

(B) $255,000,000 for fiscal year 2008; and

(C) $273,000,000 for fiscal year 2009.

(2) Power delivery research initiative

There are authorized to be appropriated to the Secretary to carry out the Power Delivery
§ 16212. High power density industry program  
(a) In general  
The Secretary shall establish a comprehensive research, development, demonstration, and commercial application to improve the efficiency of high power density facilities, including data centers, server farms, and telecommunications facilities.

(b) Technologies  
The program shall consider technologies that provide significant improvement in thermal controls, metering, load management, peak load reduction, or the efficient cooling of electronics.

§ 16213. Micro-cogeneration energy technology  
(a) In general  
The Secretary shall make competitive, merit-based grants to consortia for the development of micro-cogeneration energy technology.

(b) Uses  
The consortia shall explore—  
(1) the use of small-scale combined heat and power in residential heating appliances;  
(2) the use of excess power to operate other appliances within the residence; and  
(3) the supply of excess generated power to the power grid.

§ 16214. Distributed energy technology demonstration programs  
(a) Coordinating consortia program  
The Secretary may provide financial assistance to coordinating consortia of interdisciplinary participants for demonstrations designed to accelerate the use of distributed energy technologies (such as fuel cells, microturbines, reciprocating engines, thermally activated technologies, and combined heat and power systems) in high-energy intensive commercial applications.

(b) Small-scale portable power program  
(1) In general  
The Secretary shall—

(A) establish a research, development, and demonstration program to develop working models of small scale portable power devices; and  
(B) to the fullest extent practicable, identify and utilize the resources of universities that have shown expertise with respect to advanced portable power devices for either civilian or military use.

(2) Organization  
The universities identified and utilized under paragraph (1)(B) are authorized to establish an organization to promote small scale portable power devices.

(3) Definition  
For purposes of this subsection, the term “small scale portable power device” means a field-deployable portable mechanical or electromechanical device that can be used for applications such as communications, computation, mobility enhancement, weapons systems, optical devices, cooling, sensors, medical devices, and active biological agent detection systems.

§ 16215. Electric transmission and distribution programs  
(a) Program  
The Secretary shall establish a comprehensive research, development, and demonstration program to ensure the reliability, efficiency, and environmental integrity of electrical transmission and distribution systems, which shall include—

(1) advanced energy delivery technologies, energy storage technologies, materials, and systems, giving priority to new transmission technologies, including composite conductor materials and other technologies that enhance reliability, operational flexibility, or power-carrying capability;  
(2) advanced grid reliability and efficiency technology development;  
(3) technologies contributing to significant load reductions;  
(4) advanced metering, load management, and control technologies;  
(5) technologies to enhance existing grid components;  
(6) the development and use of high-temperature superconductors to—  
(A) enhance the reliability, operational flexibility, or power-carrying capability of electric transmission or distribution systems; or  
(B) increase the efficiency of electric energy generation, transmission, distribution, or storage systems;  
(7) integration of power systems, including systems to deliver high-quality electric power, electric power reliability, and combined heat and power;  
(8) supply of electricity to the power grid by small scale, distributed and residential-based power generators;  
(9) the development and use of advanced grid design, operation, and planning tools;
(10) any other infrastructure technologies, as appropriate; and
(11) technology transfer and education.

(b) Program plan
(1) In general
Not later than 1 year after August 8, 2005, the Secretary, in consultation with other appropriate Federal agencies, shall prepare and submit to Congress a 5-year program plan to guide activities under this section.

(2) Consultation
In preparing the program plan, the Secretary shall consult with—
(A) utilities;
(B) energy service providers;
(C) manufacturers;
(D) institutions of higher education;
(E) other appropriate State and local agencies;
(F) environmental organizations;
(G) professional and technical societies; and
(H) any other persons the Secretary considers appropriate.

(c) Implementation
The Secretary shall consider implementing the program under this section using a consortium of participants from industry, institutions of higher education, and National Laboratories.

(d) Report
Not later than 2 years after the submission of the plan under subsection (b), the Secretary shall submit to Congress a report—
(1) describing the progress made under this section; and
(2) identifying any additional resources needed to continue the development and commercial application of transmission and distribution of infrastructure technologies.

(e) Power delivery research initiative
(1) In general
The Secretary shall establish a research, development, and demonstration initiative specifically focused on power delivery using components incorporating high temperature superconductivity.

(2) Goals
The goals of the Initiative shall be—
(A) to establish world-class facilities to develop high temperature superconductivity power applications in partnership with manufacturers and utilities;
(B) to provide technical leadership for establishing reliability for high temperature superconductivity power applications, including suitable modeling and analysis;
(C) to facilitate the commercial transition toward direct current power transmission, storage, and use for high power systems using high temperature superconductivity; and
(D) to facilitate the integration of very low impedance high temperature superconducting wires and cables in existing electric networks to improve system performance, power flow control, and reliability.

(3) Inclusions
The Initiative shall include—
(A) feasibility analysis, planning, research, and design to construct demonstrations of superconducting links in high power, direct current, and controllable alternating current transmission systems;
(B) public-private partnerships to demonstrate deployment of high temperature superconducting cable into testbeds simulating a realistic transmission grid and under varying transmission conditions, including actual grid insertions; and
(C) testbeds developed in cooperation with National Laboratories, industries, and institutions of higher education to—
(i) demonstrate those technologies;
(ii) prepare the technologies for commercial introduction; and
(iii) address cost or performance roadblocks to successful commercial use.

(f) Transmission and distribution grid planning and operations initiative
(1) In general
The Secretary shall establish a research, development, and demonstration initiative specifically focused on tools needed to plan, operate, and expand the transmission and distribution grids in the presence of competitive market mechanisms for energy, load demand, customer response, and ancillary services.

(2) Goals
The goals of the Initiative shall be—
(A) to develop and use a geographically distributed center, consisting of institutions of higher education, and National Laboratories, with expertise and facilities to develop the underlying theory and software for power system application; and
(B) to provide technical support and technology transfer to electric utilities and other participants in the domestic electric industry and marketplace.

(g) High-voltage transmission lines
As part of the program described in subsection (a), the Secretary shall award a grant to a university research program to design and test, in consultation with the Tennessee Valley Authority, state-of-the-art optimization techniques for power flow through existing high voltage transmission lines.

PART C—RENEWABLE ENERGY

§ 16231. Renewable energy

(a) In general

(1) Objectives

The Secretary shall conduct programs of renewable energy research, development, demonstration, and commercial application, including activities described in this part. Such programs shall take into consideration the following objectives:

(A) Increasing the conversion efficiency of all forms of renewable energy through improved technologies;

(B) Decreasing the cost of renewable energy generation and delivery;

(C) Promoting the diversity of the energy supply;

(D) Decreasing the dependence of the United States on foreign energy supplies;

(E) Improving United States energy security;

(F) Decreasing the environmental impact of energy-related activities;

(G) Increasing the export of renewable generation equipment from the United States.

(2) Programs

(A) Solar energy

The Secretary shall conduct a program of research, development, demonstration, and commercial application for solar energy, including—

(i) photovoltaics;

(ii) solar hot water and solar space heating;

(iii) concentrating solar power;

(iv) lighting systems that integrate sunlight and electrical lighting in complement to each other in common lighting fixtures for the purpose of improving energy efficiency;

(v) manufacturability of low cost, high quality solar systems; and

(vi) development of products that can be easily integrated into new and existing buildings.

(B) Wind energy

The Secretary shall conduct a program of research, development, demonstration, and commercial application for wind energy, including—

(i) low speed wind energy;

(ii) offshore wind energy;

(iii) testing and verification (including construction and operation of a research and testing facility capable of testing wind turbines); and

(iv) distributed wind energy generation.

(C) Geothermal

The Secretary shall conduct a program of research, development, demonstration, and commercial application for geothermal energy. The program shall focus on developing improved technologies for reducing the costs of geothermal energy installations, including technologies for—

(i) improving detection of geothermal resources;

(ii) decreasing drilling costs;

(iii) decreasing maintenance costs through improved materials;

(iv) increasing the potential for other revenue sources, such as mineral production; and

(v) increasing the understanding of reservoir life cycle and management.

(D) Hydropower

The Secretary shall conduct a program of research, development, demonstration, and commercial application for cost competitive technologies that enable the development of new and incremental hydropower capacity, adding to the diversity of the energy supply of the United States, including:

(i) Fish-friendly large turbines.

(ii) Advanced technologies to enhance environmental performance and yield greater energy efficiencies.

(E) Miscellaneous projects

The Secretary shall conduct research, development, demonstration, and commercial application programs for—

(i) ocean energy, including wave energy;

(ii) the combined use of renewable energy technologies with one another and with other energy technologies, including the combined use of wind power and coal gasification technologies;

(iii) renewable energy technologies for cogeneration of hydrogen and electricity; and

(iv) kinetic hydro turbines.

(b) Authorization of appropriations

There are authorized to be appropriated to the Secretary to carry out renewable energy research, development, demonstration, and commercial application activities, including activities authorized under this part—

(1) $632,000,000 for fiscal year 2007;

(2) $743,000,000 for fiscal year 2008;

(3) $852,000,000 for fiscal year 2009; and

(4) $963,000,000 for fiscal year 2010.

(c) Bioenergy

From the amounts authorized under subsection (b), there are authorized to be appropriated to carry out section 16232 of this title—

(1) $213,000,000 for fiscal year 2007, of which $100,000,000 shall be for section 16232(d) of this title;

(2) $377,000,000 for fiscal year 2008, of which $125,000,000 shall be for section 16232(d) of this title;

(3) $398,000,000 for fiscal year 2009, of which $150,000,000 shall be for section 16232(d) of this title; and

(4) $419,000,000 for fiscal year 2010, of which $150,000,000 shall be for section 16232(d) of this title.

(d) Solar power

From amounts authorized under subsection (b), there is authorized to be appropriated to carry out activities under subsection (a)(2)(A)—

(1) $140,000,000 for fiscal year 2007, of which $40,000,000 shall be for activities under section 16235 of this title;

(2) $200,000,000 for fiscal year 2008, of which $50,000,000 shall be for activities under section 16235 of this title; and
§ 16232. Bioenergy program

(a) Definitions

In this section:

(1) **Biomass**

The term “biomass” means—

- (A) any organic material grown for the purpose of being converted to energy;

- (B) any organic byproduct of agriculture (including wastes from food production and processing) that can be converted into energy;

- (C) any waste material that can be converted to energy, is segregated from other waste materials, and is derived from—
  
  (i) any of the following forest-related resources: mill residues, precommercial thinnings, slash, brush, or otherwise nonmerchantable material; or
  
  (ii) wood waste materials, including waste pallets, crates, dunnage, manufacturing and construction wood wastes (other than pressure-treated, chemically-treated, or painted wood wastes), and landscape or right-of-way tree trimmings, but not including municipal solid waste, gas derived from the biodegradation of municipal solid waste, or paper that is commonly recycled.

(2) **Lignocellulosic feedstock**

The term “lignocellulosic feedstock” means any portion of a plant or coproduct from conversion, including crops, trees, forest residues, and agricultural residues not specifically grown for food, including from barley grain, rapeseed, rice bran, rice hulls, rice straw, soybean matter, and sugarcane bagasse.

(b) **Program**

The Secretary shall conduct a program of research, development, demonstration, and commercial application for bioenergy, including—

- (1) biopower energy systems;

- (2) biofuels;

- (3) bioproducts;

- (4) integrated biorefineries that may produce biopower, biofuels, and bioproducts;

- (5) cross-cutting research and development in feedstocks; and

- (6) economic analysis.

(c) **Biofuels and bioproducts**

The goals of the biofuels and bioproducts programs shall be to develop, in partnership with industry and institutions of higher education—

- (1) advanced biochemical and thermochemical conversion technologies capable of making fuels from lignocellulosic feedstocks that are price-competitive with gasoline or diesel in either internal combustion engines or fuel cell-powered vehicles;

- (2) advanced biotechnology processes capable of making biofuels and bioproducts with emphasis on development of biorefinery technologies using enzyme-based processing systems;

- (3) advanced biotechnology processes capable of increasing energy production from lignocellulosic feedstocks, with emphasis on reducing the dependence of industry on fossil fuels in manufacturing facilities; and

- (4) other advanced processes that will enable the development of cost-effective bioproducts, including biofuels.

(d) **Integrated biorefinery demonstration projects**

(1) **In general**

The Secretary shall carry out a program to demonstrate the commercial application of in-
integrated biorefineries. The Secretary shall ensure geographical distribution of biorefinery demonstrations under this subsection. The Secretary shall not provide more than $100,000,000 under this subsection for any single biorefinery demonstration. In making awards under this subsection, the Secretary shall encourage—

(A) the demonstration of a wide variety of lignocellulosic feedstocks;
(B) the commercial application of biomass technologies for a variety of uses, including—

(i) liquid transportation fuels;
(ii) high-value biobased chemicals;
(iii) substitutes for petroleum-based feedstocks and products; and
(iv) energy in the form of electricity or useful heat; and

(C) the demonstration of the collection and treatment of a variety of biomass feedstocks.

(2) Proposals
Not later than 6 months after August 8, 2005, the Secretary shall solicit proposals for demonstration of advanced biorefineries. The Secretary shall select only proposals that—

(A) demonstrate that the project will be able to operate profitably without direct Federal subsidy after initial construction costs are paid; and

(B) enable the biorefinery to be easily replicated.

(e) University biodiesel program
The Secretary shall establish a demonstration program to determine the feasibility of the operation of diesel electric power generators, using biodiesel fuels with ratings as high as B100, at electric generation facilities owned by institutions of higher education. The program shall examine—

(1) heat rates of diesel fuels with large quantities of cellulosic content;
(2) the reliability of operation of various fuel blends;
(3) performance in cold or freezing weather;
(4) stability of fuel after extended storage; and
(5) other criteria, as determined by the Secretary.

(g) 1 Biorefinery energy efficiency
The Secretary shall establish a program of research, development, demonstration, and commercial application for increasing energy efficiency and reducing energy consumption in the operation of biorefinery facilities.

(h) Retrofit technologies for the development of ethanol from cellulosic materials
The Secretary shall establish a program of research, development, demonstration, and commercial application on technologies and processes to enable biorefineries that exclusively use corn grain or corn starch as a feedstock to produce ethanol to be retrofitted to accept a range of biomass, including lignocellulosic feedstocks.

1 So in original. No subsec. (f) has been enacted.
lished under part B of subchapter VI on high temperature materials, thermochemical cycles, and economic issues.

(c) Assessment
In carrying out the program under this section, the Secretary shall—

(1) assess conflicting guidance on the economic potential of concentrating solar power for electricity production received from the National Research Council in the report entitled ‘Renewable Power Pathways: A Review of the U.S. Department of Energy’s Renewable Energy Programs’ and dated 2000 and subsequent reviews of that report funded by the Department; and

(2) provide an assessment of the potential impact of technology used to concentrate solar power for electricity before, or concurrent with, submission of the budget for fiscal year 2008.

(d) Report
Not later than 5 years after August 8, 2005, the Secretary shall provide to Congress a report on the economic and technical potential for electricity or hydrogen production, with or without cogeneration, with concentrating solar power, including the economic and technical feasibility of potential construction of a pilot demonstration facility suitable for commercial production of electricity or hydrogen from concentrating solar power.


§ 16235. Renewable energy in public buildings

(a) Demonstration and technology transfer program
The Secretary shall establish a program for the demonstration of innovative technologies for solar and other renewable energy sources in buildings owned or operated by a State or local government, and for the dissemination of information resulting from such demonstration to interested parties.

(b) Limit on Federal funding
Notwithstanding section 16352 of this title, the Secretary shall provide under this section no more than 40 percent of the incremental costs of the solar or other renewable energy source project funded.

(c) Requirements
As part of the application for awards under this section, the Secretary shall require all applicants—

(1) to demonstrate a continuing commitment to the use of solar and other renewable energy sources in buildings they own or operate; and

(2) to state how they expect any award to further their transition to the significant use of renewable energy.


PART D—AGRICULTURAL BIOMASS RESEARCH AND DEVELOPMENT PROGRAMS

§ 16251. Production incentives for cellulosic biofuels

(a) Purpose
The purpose of this section is to—

(1) accelerate deployment and commercialization of biofuels;

(2) deliver the first 1,000,000,000 gallons in annual cellulosic biofuels production by 2015;

(3) ensure biofuels produced after 2015 are cost competitive with gasoline and diesel; and

(4) ensure that small feedstock producers and rural small businesses are full participants in the development of the cellulosic biofuels industry.

(b) Definitions
In this section:

(1) Cellulosic biofuels
The term “cellulosic biofuels” means any fuel that is produced from cellulosic feedstocks.

(2) Eligible entity
The term “eligible entity” means a producer of fuel from cellulosic biofuels the production facility of which—

(A) is located in the United States;

(B) meets all applicable Federal and State permitting requirements; and

(C) meets any financial criteria established by the Secretary.

(c) Program

(1) Establishment
The Secretary, in consultation with the Secretary of Agriculture, the Secretary of Defense, and the Administrator of the Environmental Protection Agency, shall establish an incentive program for the production of cellulosic biofuels.

(2) Basis of incentives
Under the program, the Secretary shall award production incentives on a per gallon basis of cellulosic biofuels from eligible entities, through—

(A) set payments per gallon of cellulosic biofuels produced in an amount determined by the Secretary, until initiation of the first reverse auction; and

(B) reverse auction thereafter.

(3) First reverse auction
The first reverse auction shall be held on the earlier of—

(A) not later than 1 year after the first year of annual production in the United States of 100,000,000 gallons of cellulosic biofuels, as determined by the Secretary; or

(B) not later than 3 years after August 8, 2005.

(4) Reverse auction procedure

(A) In general
On initiation of the first reverse auction, and each year thereafter until the earlier of the first year of annual production in the United States of 1,000,000,000 gallons of cel-
lulosic biofuels, as determined by the Secretary, or 10 years after August 8, 2005, the Secretary shall conduct a reverse auction at which—

(i) the Secretary shall solicit bids from eligible entities;

(ii) eligible entities shall submit—

(I) a desired level of production incentive on a per gallon basis; and

(II) an estimated annual production amount in gallons; and

(iii) the Secretary shall issue awards for the production amount submitted, beginning with the eligible entity submitting the bid for the lowest level of production incentive on a per gallon basis and meeting such other criteria as are established by the Secretary, until the amount of funds available for the reverse auction is committed.

(B) Amount of incentive received

An eligible entity selected by the Secretary through a reverse auction shall receive the amount of performance incentive requested in the auction for each gallon produced and sold by the entity during the first 6 years of operation.

(C) Commencement of production of cellulosic biofuels

As a condition of the receipt of an award under this section, an eligible entity shall enter into an agreement with the Secretary under which the eligible entity agrees to begin production of cellulosic biofuels not later than 3 years after the date of the reverse auction in which the eligible entity participates.

(d) Limitations

Awards under this section shall be limited to—

(1) a per gallon amount determined by the Secretary during the first 4 years of the program;

(2) a declining per gallon cap over the remaining lifetime of the program, to be established by the Secretary so that cellulosic biofuels produced after the first year of annual cellulosic biofuels production in the United States in excess of 1,000,000,000 gallons are cost competitive with gasoline and diesel;

(3) not more than 25 percent of the funds committed within each reverse auction to any 1 project;

(4) not more than $100,000,000 in any 1 year; and

(5) not more than $1,000,000,000 over the lifetime of the program.

(e) Priority

In selecting a project under the program, the Secretary shall give priority to projects that—

(1) demonstrate outstanding potential for local and regional economic development;

(2) include agricultural producers or cooperatives of agricultural producers as equity partners in the ventures; and

(3) have a strategic agreement in place to fairly reward feedstock suppliers.

(f) Authorizations of appropriations

There is authorized to be appropriated to carry out this section $250,000,000.
§ 16254. Regional bioeconomy development grants

(a) In general

Using amounts made available under subsection (g), the Secretary of Agriculture (referred to in this section as the “Secretary”) shall make available on a competitive basis grants to eligible entities described in subsection (b) for the purposes described in subsection (c).

(b) Eligible entities

An entity eligible for a grant under this section is any regional bioeconomy development association, agricultural or energy trade association, or Land Grant institution that—

(1) proposes to use the grant for the purposes described in subsection (c); and

(2) has not previously received a grant under this section.

(c) Regional bioeconomy development association grant purposes

A grant made under this section shall be used to support and promote the growth and development of the bioeconomy within the region served by the eligible entity, through coordination, education, outreach, and other endeavors by the eligible entity.

(d) Matching funds

(1) In general

Grant recipients shall provide matching non-Federal funds equal to the amount of the grant received.

(2) Expenditure

Matching funds shall be expended in advance of grant funding, so that for every dollar of grant that is advanced, an equal amount of matching funds shall have been funded prior to submitting the request for reimbursement.

(e) Administration

The Secretary shall establish such administrative requirements for grants under this section, including requirements for applications for the grants, as the Secretary considers appropriate.

(f) Amount

A grant made under this section shall not exceed $500,000.

(g) Authorizations of appropriations

There are authorized to be appropriated to make grants under this section—

(1) $1,000,000 for fiscal year 2006; and

(2) such sums as are necessary for each of fiscal years 2007 through 2015.


§ 16255. Preprocessing and harvesting demonstration grants

(a) In general

The Secretary of Agriculture (referred to in this section as the “Secretary”) shall make grants available on a competitive basis to enterprises owned by agricultural producers, for the purposes of demonstrating cost-effective, cellulosic biomass innovations in—

(1) preprocessing of feedstocks, including cleaning, separating and sorting, mixing or blending, and chemical or biochemical treatments, to add value and lower the cost of feedstock processing at a biorefinery; or

(2) 1-pass or other efficient, multiple crop harvesting techniques.

(b) Limitations on grants

(1) Number of grants

Not more than 5 demonstration projects per fiscal year shall be funded under this section.

(2) Non-Federal cost share

The non-Federal cost share of a project under this section shall be not less than 20 percent, as determined by the Secretary.

(c) Condition of grant

To be eligible for a grant for a project under this section, a recipient of a grant or a participating entity shall agree to use the material harvested under the project—

(1) to produce ethanol; or

(2) for another energy purpose, such as the generation of heat or electricity.

(d) Authorization for appropriations

There is authorized to be appropriated to carry out this section $5,000,000 for each of fiscal years 2006 through 2010.


§ 16256. Education and outreach

(a) In general

The Secretary of Agriculture shall establish, within the Department of Agriculture or through an independent contracting entity, a program of education and outreach on biobased fuels and biobased products consisting of—

(1) training and technical assistance programs for feedstock producers to promote producer ownership, investment, and participation in the operation of processing facilities; and
(2) public education and outreach to familiarize consumers with the biobased fuels and biobased products.

(b) Authorization of appropriations

There is authorized to be appropriated to carry out this section $1,000,000 for each of fiscal years 2006 through 2010.


PART E—NUCLEAR ENERGY

§ 16271. Nuclear energy

(a) Mission

(1) In general

The Secretary shall carry out programs of civilian nuclear research, development, demonstration, and commercial application, including activities under this part.

(2) Considerations

The programs carried out under paragraph (1) shall take into consideration the following objectives:

(A) Providing research infrastructure to promote scientific progress and enable users from academia, the National Laboratories, and the private sector to make scientific discoveries relevant for nuclear, chemical, and materials science engineering.

(B) Maintaining nuclear energy research and development programs at the National Laboratories and institutions of higher education, including infrastructure at the National Laboratories and institutions of higher education.

(C) Providing the technical means to reduce the likelihood of nuclear proliferation.

(D) Increasing confidence margins for public safety of nuclear energy systems.

(E) Reducing the environmental impact of activities relating to nuclear energy.

(F) Supporting technology transfer from the National Laboratories to the private sector.

(G) Enabling the private sector to partner with the National Laboratories to demonstrate novel reactor concepts for the purpose of resolving technical uncertainty associated with the objectives described in subparagraphs (A) through (F).

(b) Definitions

In this part:

(1) Advanced nuclear reactor

The term “advanced nuclear reactor” means—

(A) a nuclear fission reactor with significant improvements over the most recent generation of nuclear fission reactors, which may include—

(i) inherent safety features;

(ii) lower waste yields;

(iii) greater fuel utilization;

(iv) superior reliability;

(v) resistance to proliferation;

(vi) increased thermal efficiency; and

(vii) the ability to integrate into electric and nonelectric applications; or

(B) a nuclear fusion reactor.

(2) Commission

The term “Commission” means the Nuclear Regulatory Commission.

(3) Fast neutron

The term “fast neutron” means a neutron with kinetic energy above 100 kiloelectron volts.

(4) National Laboratory

(A) In general

Except as provided in subparagraph (B), the term “National Laboratory” has the meaning given the term in section 15801 of this title.

(B) Limitation

With respect to the Lawrence Livermore National Laboratory, the Los Alamos National Laboratory, and the Sandia National Laboratories, the term “National Laboratory” means only the civilian activities of the laboratory.

(5) Neutron flux

The term “neutron flux” means the intensity of neutron radiation measured as a rate of flow of neutrons applied over an area.

(6) Neutron source

The term “neutron source” means a research machine that provides neutron irradiation services for—

(A) research on materials sciences and nuclear physics; and

(B) testing of advanced materials, nuclear fuels, and other related components for reactor systems.


AMENDMENTS

2018—Pub. L. 115–248 amended section generally. Prior to amendment, section related to civilian nuclear energy research programs and authorizations of appropriations to carry out such programs.

§ 16272. Nuclear energy research programs

(a) Nuclear Energy Research Initiative

The Secretary shall carry out a Nuclear Energy Research Initiative for research and development related to nuclear energy.

(b) Nuclear Energy Systems Support Program

The Secretary shall carry out a Nuclear Energy Systems Support Program to support research and development activities addressing reliability, availability, productivity, component aging, safety, and security of existing nuclear power plants.

(c) Generation IV Nuclear Energy Systems Initiative

(1) In general

The Secretary shall carry out a Generation IV Nuclear Energy Systems Initiative to develop an overall technology plan for and to support research and development necessary to make an informed technical decision about
the most promising candidates for eventual commercial application.

(2) Administration
In conducting the Initiative, the Secretary shall examine advanced proliferation-resistant and passively safe reactor designs, including designs that—
(A) are economically competitive with other electric power generation plants;
(B) have higher efficiency, lower cost, and improved safety compared to reactors in operation on August 8, 2005;
(C) use fuels that are proliferation resistant and have substantially reduced production of high-level waste per unit of output; and
(D) use improved instrumentation.

(d) Reactor production of hydrogen
The Secretary shall carry out research to examine designs for high-temperature reactors capable of producing large-scale quantities of hydrogen.


AMENDMENTS
2018—Subsecs. (c) to (e). Pub. L. 115–248 redesignated subsecs. (d) and (e) as (c) and (d), respectively, and struck out former subsec. (c) which related to establishment and administration of a Nuclear Power 2010 Program.

§ 16274. University nuclear science and engineering support
(a) In general
The Secretary shall conduct a program to invest in human resources and infrastructure in the nuclear sciences and related fields, including health physics, nuclear engineering, and radiochemistry, consistent with missions of the Department related to civilian nuclear research, development, demonstration, and commercial application.

(b) Requirements
In carrying out the program under this section, the Secretary shall—
(1) conduct a graduate and undergraduate fellowship program to attract new and talented students, which may include fellowships for students to spend time at National Laboratories in the areas of nuclear science, engineering, and health physics with a member of the National Laboratory staff acting as a mentor;
(2) conduct a junior faculty research initiation grant program to assist universities in recruiting and retaining new faculty in the nuclear sciences and engineering by awarding grants to junior faculty for research on issues related to nuclear energy engineering and science;
(3) support fundamental nuclear sciences, engineering, and health physics research through a nuclear engineering education and research program;
(4) encourage collaborative nuclear research among industry, National Laboratories, and universities; and
(5) support communication and outreach related to nuclear science, engineering, and health physics.

(c) University-National Laboratory interactions
The Secretary shall conduct—
(1) a fellowship program for professors at universities to spend sabbaticals at National Laboratories in the areas of nuclear science and technology; and
(2) a visiting scientist program in which National Laboratory staff can spend time in academic nuclear science and engineering departments.

(d) Strengthening university research and training reactors and associated infrastructure
In carrying out the program under this section, the Secretary may support—
(1) converting research reactors from high-enrichment fuels to low-enrichment fuels and upgrading operational instrumentation;
(2) consortia of universities to broaden access to university research reactors;
(3) student training programs, in collaboration with the United States nuclear industry, in relicensing and upgrading reactors, including through the provision of technical assistance; and
(4) reactor improvements that emphasize research, training, and education, including through the Innovations in Nuclear Infrastructure and Education Program or any similar program.
(e) Operations and maintenance

Funding for a project provided under this section may be used for a portion of the operating and maintenance costs of a research reactor at a university used in the project.

(f) Definition

In this section, the term ‘‘junior faculty’’ means a faculty member who was awarded a doctorate less than 10 years before receipt of an award from the grant program described in subsection (b)(2).


AMENDMENTS

2018—Subsec. (d)(4). Pub. L. 115–248 substituted ‘‘that emphasize’’ for ‘‘as part of a taking into consideration effort that emphasizes’’.

§ 16274a. Integrated University Program

(a) The Secretary of Energy, along with the Administrator of the National Nuclear Security Administration and the Chairman of the Nuclear Regulatory Commission, shall establish an Integrated University Program.

(b) For the purposes of carrying out this section, $45,000,000 is authorized to be appropriated in each of fiscal years 2009 to 2019 as follows:

(1) $15,000,000 for the Department of Energy;
(2) $15,000,000 for the Nuclear Regulatory Commission; and
(3) $15,000,000 for the National Nuclear Security Administration.

(c) Of the amounts authorized to carry out this section, $10,000,000 shall be used by each organization to support university research and development in areas relevant to their respective organization’s mission, and $5,000,000 shall be used by each organization to support a jointly implemented Nuclear Science and Engineering Grant Program that will support multiyear research projects that do not align with programmatic missions but are critical to maintaining the discipline of nuclear science and engineering.


CODIFICATION

Section was enacted as part of the Energy and Water Development and Related Agencies Appropriations Act, 2009, and also as part of the Omnibus Appropriations Act, 2009, and not as part of the Energy Policy Act of 2005 which comprises this chapter.

§ 16275. Department of Energy civilian nuclear infrastructure and facilities

(a) In general

The Secretary shall operate and maintain infrastructure and facilities to support the nuclear energy research, development, demonstration, and commercial application programs, including radiological facilities management, isotope production, and facilities management.

(b) Duties

In carrying out this section, the Secretary shall—

(1) develop an inventory of nuclear science and engineering facilities, equipment, expertise, and other assets at all of the National Laboratories;
(2) develop a prioritized list of nuclear science and engineering plant and equipment improvements needed at each of the National Laboratories;
(3) consider the available facilities and expertise at all National Laboratories and emphasize investments which complement rather than duplicate capabilities; and
(4) develop a timeline and a proposed budget for the completion of deferred maintenance on plant and equipment, with the goal of ensuring that Department programs under this part will be generally recognized to be among the best in the world.

(c) Versatile neutron source

(1) Mission need

(A) In general

Not later than December 31, 2017, the Secretary shall determine the mission need for a versatile reactor-based fast neutron source, which shall operate as a national user facility.

(B) Consultations required

In carrying out subparagraph (A), the Secretary shall consult with the private sector, institutions of higher education, the National Laboratories, and relevant Federal agencies to ensure that the user facility described in subparagraph (A) will meet the research needs of the largest practicable majority of prospective users.

(2) Establishment

As soon as practicable after determining the mission need under paragraph (1)(A), the Secretary shall submit to the appropriate committees of Congress a detailed plan for the establishment of the user facility.

(3) Facility requirements

(A) Capabilities

The Secretary shall ensure that the user facility will provide, at a minimum, the following capabilities:

(i) Fast neutron spectrum irradiation capability.
(ii) Capacity for upgrades to accommodate new or expanded research needs.

(B) Considerations

In carrying out the plan submitted under paragraph (2), the Secretary shall consider the following:

(i) Capabilities that support experimental high-temperature testing.
(ii) Providing a source of fast neutrons at a neutron flux, higher than that at which current research facilities operate, sufficient to enable research for an optimal base of prospective users.
(iii) Maximizing irradiation flexibility and irradiation volume to accommodate as many concurrent users as possible.
(iv) Capabilities for irradiation with neutrons of a lower energy spectrum.
(v) Multiple loops for fuels and materials testing in different coolants.
§ 16277. High-performance computation and support research

(a) Modeling and simulation

The Secretary shall carry out a program to enhance the capabilities of the United States to develop new reactor technologies through high-performance computation modeling and simulation techniques.

(b) Coordination

In carrying out the program under subsection (a), the Secretary shall coordinate with relevant Federal agencies as described by the National Strategic Computing Initiative established by Executive Order 13702 (80 Fed. Reg. 46177 (July 29, 2015)), while taking into account the following objectives:

1. Using expertise from the private sector, institutions of higher education, and the National Laboratories to develop computational software and capabilities that prospective users may access to accelerate research and development of advanced nuclear reactor systems and reactor systems for space exploration.
2. Developing computational tools to simulate and predict nuclear phenomena that may be validated through physical experimentation.
3. Increasing the utility of the research infrastructure of the Department by coordinating with the Advanced Scientific Computing Research program within the Office of Science.
5. Ensuring that new experimental and computational tools are accessible to relevant research communities, including private sector entities engaged in nuclear energy technology development.

(c) Supportive research activities

The Secretary shall consider support for additional research activities to maximize the utility of the research facilities of the Department, including physical processes—

1. To simulate degradation of materials and behavior of fuel forms; and
2. For validation of computational tools.

§ 16278. Enabling nuclear energy innovation

(a) National Reactor Innovation Center

There is authorized a program to enable the testing and demonstration of reactor concepts to be proposed and funded, in whole or in part, by the private sector.

(b) Technical expertise

In carrying out the program under subsection (a), the Secretary shall leverage the technical expertise of relevant Federal agencies and the National Laboratories in order to minimize the time required to enable construction and operation of privately funded experimental reactors at National Laboratories or other Department-owned sites.

(c) Objectives

The reactors described in subsection (b) shall operate to meet the following objectives:

1. Enabling physical validation of advanced nuclear reactor concepts.
2. Resolving technical uncertainty and increasing practical knowledge relevant to safety, resilience, security, and functionality of advanced nuclear reactor concepts.
3. General research and development to improve nascent technologies.
(d) Sharing technical expertise

In carrying out the program under subsection (a), the Secretary may enter into a memorandum of understanding with the Chairman of the Commission in order to share technical expertise and knowledge through—

(1) enabling the testing and demonstration of advanced nuclear reactor concepts to be proposed and funded, in whole or in part, by the private sector;
(2) operating a database to store and share data and knowledge relevant to nuclear science and engineering between Federal agencies and the private sector;
(3) developing and testing electric and non-electric integration and energy conversion systems relevant to advanced nuclear reactors;
(4) leveraging expertise from the Commission with respect to safety analysis; and
(5) enabling technical staff of the Commission to actively observe and learn about technologies developed under the program.

(e) Agency coordination

The Chairman of the Commission and the Secretary shall enter into a memorandum of understanding regarding the following:

(1) Ensuring that—
(A) the Department has sufficient technical expertise to support the timely research, development, demonstration, and commercial application by the civilian nuclear industry of safe and innovative advanced nuclear reactor technology; and
(B) the Commission has sufficient technical expertise to support the evaluation of applications for licenses, permits, and design certifications and other requests for regulatory approval for advanced nuclear reactors.

(2) The use of computers and software codes to calculate the behavior and performance of advanced nuclear reactors based on mathematical models of the physical behavior of advanced nuclear reactors.

(3) Ensuring that—
(A) the Department maintains and develops the facilities necessary to enable the timely research, development, demonstration, and commercial application by the civilian nuclear industry of safe and innovative reactor technology; and
(B) the Commission has access to the facilities described in subparagraph (A), as needed.

(f) Reporting requirements

(1) In general

Not later than 180 days after September 28, 2018, the Secretary, in consultation with the National Laboratories, relevant Federal agencies, and other stakeholders, shall submit to the appropriate committees of Congress a report assessing the capabilities of the Department to authorize, host, and oversee privately funded experimental advanced nuclear reactors as described in subsection (b).

(2) Contents

The report submitted under paragraph (1) shall address—

(A) the safety review and oversight capabilities of the Department, including options to leverage expertise from the Commission and the National Laboratories;
(B) options to regulate privately proposed and funded experimental reactors hosted by the Department;
(C) potential sites capable of hosting privately funded experimental advanced nuclear reactors;
(D) the efficacy of the available contractual mechanisms of the Department to partner with the private sector and Federal agencies, including cooperative research and development agreements, strategic partnership projects, and agreements for commercializing technology;
(E) the liability of the Federal Government with respect to the disposal of low-level radioactive waste, spent nuclear fuel, or high-level radioactive waste (as those terms are defined in section 10101 of this title);
(F) the impact on the aggregate inventory in the United States of low-level radioactive waste, spent nuclear fuel, or high-level radioactive waste (as those terms are defined in section 10101 of this title);
(G) potential cost structures relating to physical security, decommissioning, liability, and other long-term project costs; and
(H) other challenges or considerations identified by the Secretary.

(3) Updates

Once every 2 years, the Secretary shall update relevant provisions of the report submitted under paragraph (1) and submit to the appropriate committees of Congress the update.

(g) Savings clauses

(1) Licensing requirement

Nothing in this section authorizes the Secretary or any person to construct or operate a nuclear reactor for the purpose of demonstrating the suitability for commercial application of the nuclear reactor unless licensed by the Commission in accordance with section 5842 of this title.

(2) Financial protection

Any activity carried out under this section that involves the risk of public liability shall be subject to the financial protection or indemnification requirements of section 2210 of this title (commonly known as the “Price-Anderson Act”).

§ 16279. Budget plan

(a) In general

Not later than 1 year after September 28, 2018, the Secretary shall submit to the Committee on Energy and Natural Resources of the Senate and the Committee on Science, Space, and Technology of the House of Representatives 2 alternative 10-year budget plans for civilian nuclear energy research and development by the Secretary, as described in subsections (b) through (d).
(b) Budget plan alternative 1

One of the budget plans submitted under subsection (a) shall assume constant annual funding for 10 years at the appropriated level for the civilian nuclear energy research and development of the Department for fiscal year 2016.

(c) Budget plan alternative 2

One of the budget plans submitted under subsection (a) shall be an unconstrained budget.

(d) Inclusions

Each alternative budget plan submitted under subsection (a) shall include—

(1) a prioritized list of the programs, projects, and activities of the Department to best support the development of advanced nuclear reactor technologies;

(2) realistic budget requirements for the Department to implement sections 16275(c), 16277, and 16278 of this title; and

(3) the justification of the Department for continuing or terminating existing civilian nuclear energy research and development programs.


§ 16280. Advanced Nuclear Energy Licensing Cost-Share Grant Program

(a) Definitions

In this section:

(1) Commission

The term “Commission” means the Nuclear Regulatory Commission.

(2) Program

The term “program” means the Advanced Nuclear Energy Cost-Share Grant Program established under subsection (b).

(3) Secretary

The term “Secretary” means the Secretary of Energy.

(b) Establishment

The Secretary shall establish a grant program, to be known as the “Advanced Nuclear Energy Cost-Share Grant Program”, under which the Secretary shall make cost-share grants to applicants for the purpose of funding a portion of the Commission fees of the applicant for pre-application review activities and application review activities.

(c) Requirement

The Secretary shall seek out technology diversity in making grants under the program.

(d) Cost-share amount

The Secretary shall determine the cost-share amount for each grant under the program in accordance with section 16352 of this title.

(e) Use of funds

A recipient of a grant under the program may use the grant funds to cover Commission fees, including those fees associated with—

(1) developing a licensing project plan;

(2) obtaining a statement of licensing feasibility;

(3) reviewing topical reports; and

(4) other—

(A) pre-application review activities;

(B) application review activities; and

(C) interactions with the Commission.


CONSIDERATION

Section was enacted as part of the Nuclear Energy Innovation Capabilities Act of 2017, and not as part of the Energy Policy Act of 2005 which comprises this chapter.

PART F—FOSSIL ENERGY

§ 16291. Fossil energy

(a) In general

The Secretary shall carry out research, development, demonstration, and commercial application programs in fossil energy, including activities under this part, with the goal of improving the efficiency, effectiveness, and environmental performance of fossil energy production, upgrading, conversion, and consumption. Such programs take into consideration the following objectives:

(1) Increasing the energy conversion efficiency of all forms of fossil energy through improved technologies.

(2) Decreasing the cost of all fossil energy production, generation, and delivery.

(3) Promoting diversity of energy supply.

(4) Decreasing the dependence of the United States on foreign energy supplies.

(5) Improving United States energy security.

(6) Decreasing the environmental impact of energy-related activities.

(7) Increasing the export of fossil energy-related equipment, technology, and services from the United States.

(b) Authorization of appropriations

There are authorized to be appropriated to the Secretary to carry out fossil energy research, development, demonstration, and commercial application activities, including activities authorized under this part—

(1) $611,000,000 for fiscal year 2007;

(2) $626,000,000 for fiscal year 2008; and

(3) $641,000,000 for fiscal year 2009.

(c) Allocations

From amounts authorized under subsection (a), the following sums are authorized:

(1) For activities under section 16292 of this title—

(A) $367,000,000 for fiscal year 2007;

(B) $376,000,000 for fiscal year 2008; and

(C) $394,000,000 for fiscal year 2009.

(2) For activities under section 16294 of this title—

(A) $20,000,000 for fiscal year 2007;

(B) $25,000,000 for fiscal year 2008; and

(C) $30,000,000 for fiscal year 2009.

(3) For activities under section 16296 of this title—

(A) $1,500,000 for fiscal year 2007; and

(B) $450,000 for each of fiscal years 2008 and 2009.

(4) For the Office of Arctic Energy under section 7144d of this title $25,000,000 for each of fiscal years 2007 through 2009.


(d) **Extended authorization**

There are authorized to be appropriated to the Secretary for the Office of Arctic Energy established under section 7144d of this title $25,000,000 for each of fiscal years 2010 through 2012.

(e) **Limitations**

(1) **Uses**

None of the funds authorized under this section may be used for Fossil Energy Environmental Restoration or Import/Export Authorization.

(2) **Institutions of higher education**

Of the funds authorized under subsection (c)(2), not less than 20 percent of the funds appropriated for each fiscal year shall be dedicated to research and development carried out at institutions of higher education.


**REFERENCES IN TEXT**

This part, referred to in subsecs. (a) and (b), was in the original “this subtitle”, meaning subtitle F (§§961–968) of title IX of Pub. L. 109–58, Aug. 8, 2005, 119 Stat. 889, which enacted this part and provisions set out as notes under section 2001 of Title 30, Mineral Lands and Mining, and amended provisions set out as a note under section 1902 of Title 30. For complete classification of subtitle F to the Code, see Tables.

§ 16291a. **Property interests**

That for all programs funded under Fossil Energy appropriations in this and subsequent Acts, the Secretary may vest fee title or other property interests acquired under projects in any entity, including the United States.


**CODIFICATION**

Section was enacted as part of the Energy and Water Development and Related Agencies Appropriations Act, 2014, and also as part of the Consolidated Appropriations Act, 2014, and not as part of the Energy Policy Act of 2005 which comprises this chapter.

**DEFINITIONS**

For definition of “this [Act]”, referred to in text, see section 3 of Pub. L. 113–76, set out as a note under section 1 of Title I, General Provisions.

§ 16292. **Coal and related technologies program**

(a) **In general**

In addition to the programs authorized under subchapter IV, the Secretary shall conduct a program of technology research, development, demonstration, and commercial application for coal and power systems, including programs to facilitate production and generation of coal-based power through:

(1) innovations for existing plants (including mercury removal);
(2) gasification systems;
(3) advanced combustion systems;
(4) turbines for synthesis gas derived from coal;
(5) carbon capture and sequestration research and development;
(6) coal-derived chemicals and transportation fuels;
(7) liquid fuels derived from low rank coal water slurry;
(8) solid fuels and feedstocks;
(9) advanced coal-related research;
(10) advanced separation technologies; and
(11) fuel cells for the operation of synthesis gas derived from coal.

(b) **Cost and performance goals**

(1) **In general**

In carrying out programs authorized by this section, during each of calendar years 2008, 2010, 2012, and 2016, and during each fiscal year beginning after September 30, 2021, the Secretary shall identify cost and performance goals for coal-based technologies that would permit the continued cost-competitive use of coal for the production of electricity, chemical feedstocks, and transportation fuels.

(2) **Administration**

In establishing the cost and performance goals, the Secretary shall—

(A) consider activities and studies undertaken as of August 8, 2005, by industry in cooperation with the Department in support of the identification of the goals;
(B) consult with interested entities, including—

(i) coal producers;
(ii) industries using coal;
(iii) organizations that promote coal and advanced coal technologies;
(iv) environmental organizations;
(v) organizations representing workers; and
(vi) organizations representing consumers;
(C) not later than 120 days after August 8, 2005, publish in the Federal Register proposed draft cost and performance goals for public comments; and
(D) not later than 180 days after August 8, 2005, and every 4 years thereafter, submit to Congress a report describing the final cost and performance goals for the technologies that includes—

(i) a list of technical milestones; and
(ii) an explanation of how programs authorized in this section will not duplicate the activities authorized under the Clean Coal Power Initiative authorized under subchapter IV.

(c) **Powder River Basin and Fort Union lignite coal mercury removal**

(1) **In general**

In addition to the programs authorized by subsection (a), the Secretary shall establish a program to test and develop technologies to control and remove mercury emissions from subbituminous coal mined in the Powder River Basin, and Fort Union lignite coals, that are used for the generation of electricity.

(2) **Efficacy of mercury removal technology**

In carrying out the program under paragraph (1), the Secretary shall examine the efficacy of mercury removal technologies on coals described in that paragraph that are blended with other types of coal.
(d) Fuel cells

(1) In general

The Secretary shall conduct a program of research, development, demonstration, and commercial application on fuel cells for low-cost, high-efficiency, fuel-flexible, modular power systems.

(2) Demonstrations

The demonstrations referred to in paragraph (1) shall include solid oxide fuel cell technology for commercial, residential, and transportation applications, and distributed generation systems, using improved manufacturing production and processes.


References in Text

Subchapter IV, referred to in subsecs. (a) and (b)(2)(D)(ii), was in the original “title IV”, meaning title IV of Pub. L. 109–58, Aug. 8, 2005, 119 Stat. 749, which enacted subchapter IV of this chapter and subchapter XIII ($3571 et seq.) of chapter 134 of this title, amended sections 301, 202a, 203, and 207 of Title 30, Mineral Lands and Mining, and enacted provisions set out as notes under section 15801 of this title and section 201 of Title 30. For complete classification of title IV to the Code, see Tables.

§ 16293. Carbon capture and sequestration research, development, and demonstration program

(a) In general

The Secretary shall carry out a 10-year carbon capture and sequestration research, development, and demonstration program to develop carbon dioxide capture and sequestration technologies related to industrial sources of carbon dioxide for use—

(1) in new coal utilization facilities; and
(2) on the fleet of coal-based units in existence on August 8, 2005.

(b) Objectives

The objectives of the program under subsection (a) shall be—

(1) to develop carbon dioxide capture technologies, including adsorption and absorption techniques and chemical processes, to remove the carbon dioxide from gas streams containing carbon dioxide potentially amenable to sequestration;
(2) to develop technologies that would directly produce concentrated streams of carbon dioxide potentially amenable to sequestration;
(3) to increase the efficiency of the overall system to reduce the quantity of carbon dioxide emissions released from the system per megawatt generated;
(4) in accordance with the carbon dioxide capture program, to promote a robust carbon sequestration program and continue the work of the Department, in conjunction with the private sector, through regional carbon sequestration partnerships; and
(5) to expedite and carry out large-scale testing of carbon sequestration systems in a range of geologic formations that will provide information on the cost and feasibility of deployment of sequestration technologies.

(c) Programmatic activities

(1) Fundamental science and engineering research and development and demonstration supporting carbon capture and sequestration technologies and carbon use activities

(A) In general

The Secretary shall carry out fundamental science and engineering research (including laboratory-scale experiments, numeric modeling, and simulations) to develop and document the performance of new approaches to capture and sequester, or use carbon dioxide to lead to an overall reduction of carbon dioxide emissions.

(B) Program integration

The Secretary shall ensure that fundamental research carried out under this paragraph is appropriately applied to energy technology development activities, the field testing of carbon sequestration, and carbon use activities, including—

(i) development of new or advanced technologies for the capture and sequestration of carbon dioxide;
(ii) development of new or advanced technologies that reduce the cost and increase the efficacy of advanced compression of carbon dioxide required for the sequestration of carbon dioxide;
(iii) modeling and simulation of geologic sequestration field demonstrations;
(iv) quantitative assessment of risks relating to specific field sites for testing of sequestration technologies;
(v) research and development of new and advanced technologies for carbon use, including recycling and reuse of carbon dioxide; and
(vi) research and development of new and advanced technologies for the separation of oxygen from air.

(2) Field validation testing activities

(A) In general

The Secretary shall promote, to the maximum extent practicable, regional carbon sequestration partnerships to conduct geologic sequestration tests involving carbon dioxide injection and monitoring, mitigation, and verification operations in a variety of candidate geologic settings, including—

(i) operating oil and gas fields;
(ii) depleted oil and gas fields;
(iii) unmineable coal seams;
(iv) deep saline formations;
(v) deep geologic systems that may be used as engineered reservoirs to extract economical quantities of heat from geothermal resources of low permeability or porosity; and
(vi) deep geologic systems containing basalt formations.

(B) Objectives

The objectives of tests conducted under this paragraph shall be—

(i) to develop and validate geophysical tools, analysis, and modeling to monitor, predict, and verify carbon dioxide containment;
(ii) to validate modeling of geologic formations;
(iii) to refine sequestration capacity estimated for particular geologic formations;
(iv) to determine the fate of carbon dioxide concurrent with and following injection into geologic formations;
(v) to develop and implement best practices for operations relating to, and monitoring of, carbon dioxide injection and sequestration in geologic formations;
(vi) to assess and ensure the safety of operations related to geologic sequestration of carbon dioxide;
(vii) to allow the Secretary to promulgate policies, procedures, requirements, and guidance to ensure that the objectives of this subparagraph are met in large-scale testing and deployment activities for carbon capture and sequestration that are funded by the Department of Energy; and
(viii) to provide information to States, the Environmental Protection Agency, and other appropriate entities to support development of a regulatory framework for commercial-scale sequestration operations that ensure the protection of human health and the environment.

(3) Large-scale carbon dioxide sequestration testing

(A) In general
The Secretary shall conduct not less than 7 initial large-scale sequestration tests, not including the FutureGen project, for geologic containment of carbon dioxide to collect and validate information on the cost and feasibility of commercial deployment of technologies for geologic containment of carbon dioxide. These 7 tests may include any Regional Partnership projects awarded as of December 19, 2007.

(B) Diversity of formations to be studied
In selecting formations for study under this paragraph, the Secretary shall consider a variety of geologic formations across the United States, and require characterization and modeling of candidate formations, as determined by the Secretary.

(C) Source of carbon dioxide for large-scale sequestration tests
In the process of any acquisition of carbon dioxide for sequestration tests under subparagraph (A), the Secretary shall require that the carbon dioxide be used as of December 19, 2007.

(D) Definition
For purposes of this paragraph, the term “large-scale” means the injection of more than 1,000,000 tons of carbon dioxide from industrial sources annually or a scale that demonstrates the ability to inject and sequester several million metric tons of industrial source carbon dioxide for a large number of years.

(4) Preference in project selection from meritorious proposals
In making competitive awards under this subsection, subject to the requirements of section 16333 of this title, the Secretary shall—
(A) give preference to proposals from partnerships among industrial, academic, and government entities; and
(B) require recipients to provide assurances that all laborers and mechanics employed by contractors and subcontractors in the construction, repair, or alteration of new or existing facilities performed in order to carry out a demonstration or commercial application activity authorized under this subsection shall be paid wages at rates not less than those prevailing on similar construction in the locality, as determined by the Secretary of Labor in accordance with subchapter IV of chapter 31 of title 40, and the Secretary of Labor shall, with respect to the labor standards in this paragraph, have the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 Fed. Reg. 3176; 5 U.S.C. Appendix) and section 3145 of title 40.

(5) Cost sharing
Activities under this subsection shall be considered research and development activities that are subject to the cost sharing requirements of section 16352(b) of this title.

(6) Program review and report
During fiscal year 2011, the Secretary shall—
(A) conduct a review of programmatic activities carried out under this subsection; and
(B) make recommendations with respect to continuation of the activities.

(d) Authorization of appropriations
There are authorized to be appropriated to carry out this section:
(1) $240,000,000 for fiscal year 2008;
(2) $240,000,000 for fiscal year 2009;
(3) $240,000,000 for fiscal year 2010;
(4) $240,000,000 for fiscal year 2011; and
(5) $240,000,000 for fiscal year 2012.

Amendments
Subsec. (a). Pub. L. 110–140, §702(a)(2), in introductory provisions, substituted “and sequestration research, development, and demonstration” for “research and development” and “capture and sequestration technologies related to industrial sources of carbon dioxide” for “capture technologies on combustion-based systems”.
Subsecs. (c), (d). Pub. L. 110–140, §702(a)(4), added subsecs. (c) and (d) and struck out former subsec. (c). Text
of former subsec. (c) read as follows: “From amounts authorized under section 16291(b) of this title, the following sums are authorized for activities described in subsection (a)(2):

(1) $25,000,000 for fiscal year 2006;
(2) $30,000,000 for fiscal year 2007; and
(3) $35,000,000 for fiscal year 2008.’’

**Effective Date of 2007 Amendment**

Amendment by Pub. L. 110–140 effective on the date that is 1 day after Dec. 19, 2007, see section 1601 of Pub. L. 110–140, set out as an Effective Date note under section 1824 of Title 2, The Congress.

§ 16294. Research and development for coal mining technologies

(a) Establishment

The Secretary shall carry out a program for research and development on coal mining technologies.

(b) Cooperation

In carrying out the program, the Secretary shall cooperate with appropriate Federal agencies, coal producers, trade associations, equipment manufacturers, institutions of higher education, mining engineering departments, and other relevant entities.

(c) Program

The research and development activities carried out under this section shall—

(1) be guided by the mining research and development priorities identified by the Mining Institute of the Future Program and in the recommendations from relevant reports of the National Academy of Sciences on mining technologies;

(2) include activities exploring minimization of contaminants in mined coal that contribute to environmental concerns including development and demonstration of electromagnetic wave imaging ahead of mining operations;

(3) develop and demonstrate coal bed electromagnetic wave imaging, spectroscopic reservoir analysis technology, and techniques for horizontal drilling in order to—

(A) identify areas of high coal gas content;

(B) increase methane recovery efficiency;

(C) prevent spoilage of domestic coal reserves; and

(D) minimize water disposal associated with methane extraction; and

(4) expand mining research capabilities at institutions of higher education.

§ 16295. Oil and gas research programs

(a) In general

The Secretary shall conduct a program of research, development, demonstration, and commercial application of oil and gas, including—

(1) exploration and production;

(2) gas hydrates;

(3) reservoir life and extension;

(4) transportation and distribution infrastructure;

(5) ultraclean fuels;

(6) heavy oil, oil shale, and tar sands; and

(7) related environmental research.

(b) Objectives

The objectives of this program shall include advancing the science and technology available to domestic petroleum producers, particularly independent operators, to minimize the economic dislocation caused by the decline of domestic supplies of oil and natural gas resources.

(c) Natural gas and oil deposits report

Not later than 2 years after August 8, 2005, and every 2 years thereafter, the Secretary of the Interior, in consultation with other appropriate Federal agencies, shall submit to Congress a report on the latest estimates of natural gas and oil reserves, reserves growth, and undiscovered resources in Federal and State waters off the coast of Louisiana, Texas, Alabama, and Mississippi.

(d) Integrated clean power and energy research

(1) Establishment of center

The Secretary shall establish a national center or consortium of excellence in clean energy and power generation, using the resources of the Clean Power and Energy Research Consortium in existence on August 8, 2005, to address the critical dependence of the United States on energy and the need to reduce emissions.

(2) Focus areas

The center or consortium shall conduct a program of research, development, demonstration, and commercial application on integrating the following 6 focus areas:

(A) Efficiency and reliability of gas turbines for power generation.

(B) Reduction in emissions from power generation.

(C) Promotion of energy conservation issues.

(D) Effectively using alternative fuels and renewable energy.

(E) Development of advanced materials technology for oil and gas exploration and use in harsh environments.

(F) Education on energy and power generation issues.

§ 16296. Low-volume oil and gas reservoir research program

(a) Definition of GIS

In this section, the term “GIS” means geographic information systems technology that facilitates the organization and management of data with a geographic component.

(b) Program

The Secretary shall establish a program of research, development, demonstration, and commercial application to maximize the productive capacity of marginal wells and reservoirs.

(c) Data collection

Under the program, the Secretary shall collect data on—

(1) the status and location of marginal wells and oil and gas reservoirs;

(2) the production capacity of marginal wells and oil and gas reservoirs;
(3) the location of low-pressure gathering facilities and pipelines; and
(4) the quantity of natural gas vented or flared in association with crude oil production.

(d) Analysis
Under the program, the Secretary shall—
(1) estimate the remaining producible reserves based on variable pipeline pressures; and
(2) recommend measures that will enable the continued production of those resources.

(e) Study
(1) In general
The Secretary may award a grant to an organization of States that contain significant numbers of marginal oil and natural gas wells to conduct an annual study of low-volume natural gas reservoirs.

(2) Organization with no GIS capabilities
If an organization receiving a grant under paragraph (1) does not have GIS capabilities, the organization shall contract with an institution of higher education with GIS capabilities.

(3) State geologists
The organization receiving a grant under paragraph (1) shall collaborate with the State geologist of each State being studied.

(f) Public information
The Secretary may use the data collected and analyzed under this section to produce maps and literature to disseminate to States to promote conservation of natural gas reserves.


§ 16297. Complex Well Technology Testing Facility

The Secretary, in coordination with industry leaders in extended research drilling technology, shall establish a Complex Well Technology Testing Facility at the Rocky Mountain Oilfield Testing Center to increase the range of extended drilling technologies.


PART G—SCIENCE

§ 16311. Science

(a) In general
The Secretary shall conduct, through the Office of Science, programs of research, development, demonstration, and commercial application in high energy physics, nuclear physics, biological and environmental research, basic energy sciences, advanced scientific computing research, and fusion energy sciences, including activities described in this part. The programs shall include support for facilities and infrastructure, education, outreach, information, analysis, and coordination activities.

(b) Authorization of appropriations
There are authorized to be appropriated to the Secretary to carry out research, development, demonstration, and commercial application activities of the Office of Science, including activities authorized under this part (including the amounts authorized under the amendment made by section 976(b) 1 and including basic energy sciences, advanced scientific and computing research, biological and environmental research, fusion energy sciences, high energy physics, nuclear physics, research analysis, and infrastructure support)—

1 See References in Text note below.

(1) $4,153,000,000 for fiscal year 2007;
(2) $4,586,000,000 for fiscal year 2008;
(3) $5,200,000,000 for fiscal year 2009;
(4) $5,814,000,000 for fiscal year 2010;
(5) $5,247,000,000 for fiscal year 2011;
(6) $5,614,000,000 for fiscal year 2012; and
(7) $6,007,000,000 for fiscal year 2013.

(c) Allocations
From amounts authorized under subsection (b), the following sums are authorized:

(1) For activities under the Fusion Energy Sciences program (including activities under section 16312 of this title)—
(A) $355,500,000 for fiscal year 2007;
(B) $369,500,000 for fiscal year 2008;
(C) $384,800,000 for fiscal year 2009; and
(D) in addition to the amounts authorized under subparagraphs (A), (B), and (C), such sums as may be necessary for ITER construction, consistent with the limitations of section 16312(c)(5) of this title.

(2) For activities under the catalysis research program under section 16313 of this title—
(A) $36,500,000 for fiscal year 2007;
(B) $38,200,000 for fiscal year 2008; and
(C) such sums as may be necessary for fiscal year 2009.

(3) For activities under the Systems Biology Program under section 16317 of this title such sums as may be necessary for each of fiscal years 2007 through 2009.

(4) For activities under the Energy and Water Supplies program under section 16319 of this title, $30,000,000 for each of fiscal years 2007 through 2009.

(5) For the energy research fellowships programs under section 16324 of this title, $40,000,000 for each of fiscal years 2007 through 2009.

(6) For the advanced scientific computing activities under section 976—
(A) $270,000,000 for fiscal year 2007;
(B) $350,000,000 for fiscal year 2008; and
(C) $375,000,000 for fiscal year 2009.

(7) For the science and engineering education pilot program under section 16323 of this title—
(A) $4,000,000 for each of fiscal years 2007 and 2008; and
(B) $8,000,000 for fiscal year 2009.

(d) Integrated bioenergy research and development
In addition to amounts otherwise authorized by this section, there are authorized to be appropriated to the Secretary for integrated bio-
energy research and development programs, projects, and activities, $49,000,000 for each of the fiscal years 2005 through 2009. Activities funded under this subsection shall be coordinated with ongoing related programs of other Federal agencies, including the Plant Genome Program of the National Science Foundation. Of the funds authorized under this subsection, at least $5,000,000 for each fiscal year shall be for training and education targeted to minority and socially disadvantaged farmers and ranchers.


REFERENCES IN TEXT
This part, referred to in subsecs. (a) and (b), was in the original ‘‘this subtitle’’, meaning subtitle G (§§ 971–984A) of title IX of Pub. L. 109–58, Aug. 8, 2005, 119 Stat. 898, which enacted this part and amended section 15, Commerce and Trade. For complete classification of subtitle G to the Code, see Tables.

Section 976, referred to in subsecs. (b) and (c)(6), is section 976 of Pub. L. 109–58. Subsection (a) of section 976 is classified to section 16316 of this title and subsection (b) of section 976 amended section 5523 of Title 15, Commerce and Trade.

AMENDMENTS

§ 16312. Fusion energy sciences program

(a) Declaration of policy
It shall be the policy of the United States to conduct research, development, demonstration, and commercial applications to provide for the scientific, engineering, and commercial infrastructure necessary to ensure that the United States is competitive with other countries in providing fusion energy for its own needs and the needs of other countries, including by demonstrating electric power or hydrogen production for the United States energy grid using fusion energy at the earliest date.

(b) Planning
(1) In general
Not later than 180 days after August 8, 2005, the Secretary shall submit to Congress a plan (with proposed cost estimates, budgets, and lists of potential international partners) for the implementation of the policy described in subsection (a) in a manner that ensures that—
(A) existing fusion research facilities are more fully used;
(B) fusion science, technology, theory, advanced computation, modeling, and simulation are strengthened;
(C) new magnetic and inertial fusion research and development facilities are selected based on scientific innovation and cost effectiveness, and the potential of the facilities to advance the goal of practical fusion energy at the earliest date practicable;
(D) facilities that are selected are funded at a cost-effective rate;
(E) communication of scientific results and methods between the fusion energy science community and the broader scientific and technology communities is improved;
(F) inertial confinement fusion facilities are used to the extent practicable for the purpose of inertial fusion energy research and development;
(G) attractive alternative inertial and magnetic fusion energy approaches are more fully explored; and
(H) to the extent practicable, the recommendations of the Fusion Energy Sciences Advisory Committee in the report on workforce planning, dated March 2004, are carried out, including periodic reassessment of program needs.

(2) Costs and schedules
The plan shall also address the status of and, to the extent practicable, costs and schedules for—
(A) the design and implementation of international or national facilities for the testing of fusion materials; and
(B) the design and implementation of international or national facilities for the testing and development of key fusion technologies.

(c) United States participation in ITER

(1) Definitions

(A) Construction
(1) In general
The term ‘‘construction’’ means—
(i) the physical construction of the ITER facility; and
(ii) the physical construction, purchase, or manufacture of equipment or components that are specifically designed for the ITER facility.

(B) ITER
The term ‘‘ITER’’ means the international burning plasma fusion research project in which the President announced United States participation on January 30, 2003, or any similar international project.

(2) Participation
The United States may participate in the ITER only in accordance with this subsection.

(3) Agreement

(A) In general
The Secretary may negotiate an agreement for United States participation in the ITER.

(B) Contents
Any agreement for United States participation in the ITER shall, at a minimum—
(i) clearly define the United States financial contribution to construction and operating costs, as well as any other costs associated with a project;
(ii) ensure that the share of high-technology components of the ITER manufac-
tured in the United States is at least proportionate to the United States financial contribution to the ITER;

(iii) ensure that the United States will not be financially responsible for cost overruns in components manufactured in other ITER participating countries;

(iv) guarantee the United States full access to all data generated by the ITER;

(v) enable United States researchers to propose and carry out an equitable share of the experiments at the ITER;

(vi) provide the United States with a role in all collective decisionmaking related to the ITER; and

(vii) describe the process for discontinuing or decommissioning the ITER and any United States role in that process.

(4) Plan

(A) Development

The Secretary, in consultation with the Fusion Energy Sciences Advisory Committee, shall develop a plan for the participation of United States scientists in the ITER that shall include—

(i) the United States research agenda for the ITER;

(ii) methods to evaluate whether the ITER is promoting progress toward making fusion a reliable and affordable source of power; and

(iii) a description of how work at the ITER will relate to other elements of the United States fusion program.

(B) Review

The Secretary shall request a review of the plan by the National Academy of Sciences.

(5) Limitation

No Federal funds shall be expended for the construction of the ITER until the Secretary has submitted to Congress—

(A) the agreement negotiated in accordance with paragraph (3) and 120 days have elapsed since that submission;

(B) a report describing the management structure of the ITER and providing a fixed dollar estimate of the cost of United States participation in the construction of the ITER, and 120 days have elapsed since that submission;

(C) a report describing how United States participation in the ITER will be funded without reducing funding for other programs in the Office of Science (including other fusion programs), and 60 days have elapsed since that submission; and

(D) the plan required by paragraph (4) (but not the National Academy of Sciences review of that plan), and 60 days have elapsed since that submission.

(6) Alternative to ITER

(A) In general

If at any time during the negotiations on the ITER, the Secretary determines that construction and operation of the ITER is unlikely or infeasible, the Secretary shall submit to Congress, along with the budget request of the President submitted to Congress for the following fiscal year, a plan for implementing a domestic burning plasma experiment such as the Fusion Ignition Research Experiment, including costs and schedules for the plan.

(B) Administration

The Secretary shall—

(i) refine the plan in full consultation with the Fusion Energy Sciences Advisory Committee; and

(ii) transmit the plan to the National Academy of Sciences for review.


§ 16313. Solar Fuels Research Initiative

(a) Initiative

(1) In general

The Secretary shall carry out a research initiative, to be known as the “Solar Fuels Research Initiative” (referred to in this section as the “Initiative”) to expand theoretical and fundamental knowledge of photochemistry, electrochemistry, biochemistry, and materials science useful for the practical development of experimental systems to convert solar energy to chemical energy.

(2) Leveraging

In carrying out programs and activities under the Initiative, the Secretary shall leverage expertise and resources from—

(A) the Basic Energy Sciences Program and the Biological and Environmental Research Program of the Office of Science; and

(B) the Office of Energy Efficiency and Renewable Energy.

(3) Teams

(A) In general

In carrying out the Initiative, the Secretary shall organize activities among multidisciplinary teams to leverage, to the maximum extent practicable, expertise from the National Laboratories, institutions of higher education, and the private sector.

(B) Goals

The multidisciplinary teams described in subparagraph (A) shall pursue aggressive, milestone-driven, basic research goals.

(C) Resources

The Secretary shall provide sufficient resources to the multidisciplinary teams described in subparagraph (A) to achieve the goals described in subparagraph (B) over a period of time to be determined by the Secretary.

(4) Additional activities

The Secretary may organize additional activities under this subsection through Energy Frontier Research Centers, Energy Innovation Hubs, or other organizational structures.

(b) Artificial photosynthesis

(1) In general

The Secretary shall carry out under the Initiative a program to support research needed
to bridge scientific barriers to, and discover knowledge relevant to, artificial photosynthetic systems.

(2) Activities

As part of the program described in paragraph (1)—

(A) the Director of the Office of Basic Energy Sciences shall support basic research to pursue distinct lines of scientific inquiry, including—
   (i) photoinduced production of hydrogen and oxygen from water; and
   (ii) the sustainable photoinduced reduction of carbon dioxide to fuel products including hydrocarbons, alcohols, carbon monoxide, and natural gas; and

(B) the Assistant Secretary for Energy Efficiency and Renewable Energy shall support translational research, development, and validation of physical concepts developed under the program.

(3) Standard of review

The Secretary shall review activities carried out under the program described in paragraph (1) to determine the achievement of technical milestones.

(4) Prohibition

No funds allocated to the program described in paragraph (1) may be obligated or expended for commercial application of energy technology.

(2018—Pub. L. 115–246 amended section generally. Prior to amendment, section related to catalysis research program.)

§ 16314. Hydrogen

(a) In general

The Secretary shall conduct a program of fundamental research and development in support of programs authorized under subchapter VIII.

(b) Methods

The program shall include support for methods of generating hydrogen without the use of natural gas.


§ 16315. Electricity Storage Research Initiative

(a) Initiative

(1) In general

The Secretary shall carry out a research initiative, to be known as the "Electricity Storage Research Initiative" (referred to in this section as the "Initiative")—

(A) to expand theoretical and fundamental knowledge to control, store, and convert—
   (i) electrical energy to chemical energy; and
   (ii) chemical energy to electrical energy; and

(B) to support scientific inquiry into the practical understanding of chemical and physical processes that occur within systems involving crystalline and amorphous solids, polymers, and organic and aqueous liquids.

(2) Leveraging

In carrying out programs and activities under the Initiative, the Secretary shall leverage expertise and resources from—

(A) the Basic Energy Sciences Program, the Advanced Scientific Computing Research Program, and the Biological and Environmental Research Program of the Office of Science; and

(B) the Office of Energy Efficiency and Renewable Energy.

(3) Teams

(A) In general

In carrying out the Initiative, the Secretary shall organize activities among multidisciplinary teams to leverage, to the
(b) Multivalent systems

(1) In general

The Secretary shall carry out under the Initiative a program to support research needed to bridge scientific barriers to, and discover knowledge relevant to, multivalent ion materials in electric energy storage systems.

(2) Activities

As part of the program described in paragraph (1)—

(A) the Director of the Office of Basic Energy Sciences shall investigate electrochemical properties and the dynamics of materials, including charge transfer phenomena and mass transport in materials; and

(B) the Assistant Secretary for Energy Efficiency and Renewable Energy shall support translational research, development, and validation of physical concepts developed under the program.

(3) Standard of review

The Secretary shall review activities carried out under the program described in paragraph (1) to determine the achievement of technical milestones.

(4) Prohibition

No funds allocated to the program described in paragraph (1) may be obligated or expended for commercial application of energy technology.

d) Mesoscale electrochemistry

(1) In general

The Secretary shall carry out under the Initiative a program to support research needed to reveal electrochemistry in confined mesoscale spaces, including scientific discoveries relevant to—

(A) bio-electrochemistry and electrochemical energy conversion and storage in confined spaces; and

(B) the dynamics of the phenomena described in subparagraph (A).

(2) Activities

As part of the program described in paragraph (1)—

(A) the Director of the Office of Basic Energy Sciences and the Associate Director of Biological and Environmental Research shall investigate phenomena of mesoscale electrochemical confinement for the purpose of replicating and controlling new electrochemical behavior; and

(B) the Assistant Secretary for Energy Efficiency and Renewable Energy shall support translational research, development, and validation of physical concepts developed under the program.

(3) Standard of review

The Secretary shall review activities carried out under the program described in paragraph (1) to determine the achievement of technical milestones.

(4) Prohibition

No funds allocated to the program described in paragraph (1) may be obligated or expended for commercial application of energy technology.

c) Electrochemistry modeling and simulation

(1) In general

The Secretary shall carry out under the Initiative a program to support research to model and simulate organic electrolytes, including the static and dynamic electrochemical behavior and phenomena of organic electrolytes at the molecular and atomic level in monovalent and multivalent systems.

(2) Activities

As part of the program described in paragraph (1)—

(A) the Director of the Office of Basic Energy Sciences, in coordination with the Associate Director of Advanced Scientific Computing Research, shall support the development of high performance computational tools through a joint development process to maximize the effectiveness of current and projected high performance computing systems; and

(B) the Assistant Secretary for Energy Efficiency and Renewable Energy shall support translational research, development, and validation of physical concepts developed under the program.

(3) Standard of review

The Secretary shall review activities carried out under the program described in paragraph (1) to determine the achievement of technical milestones.

(4) Prohibition

No funds allocated to the program described in paragraph (1) may be obligated or expended for commercial application of energy technology.
§ 16317. Systems biology program

(a) Program

(1) Establishment

The Secretary shall establish a research, development, and demonstration program in microbial and plant systems biology, protein science, computational biology, and environmental science to support the energy, national security, and environmental missions of the Department.

(2) Grants

The program shall support individual researchers and multidisciplinary teams of researchers through competitive, merit-reviewed grants.

(3) Consultation

In carrying out the program, the Secretary shall consult with other Federal agencies that conduct genetic and protein research.

(b) Goals

The program shall have the goal of developing technologies and methods based on the biological functions of genomes, microbes, and plants that—

(1) can facilitate the production of fuels, including hydrogen in sustainable production systems that reduce greenhouse gas emissions;

(2) convert carbon dioxide to organic carbon;

(3) detoxify soils and water, including at facilities of the Department, contaminated with heavy metals and radiological materials;

(4) develop cellulosic and other feedstocks that are less resource and land intensive and that promote sustainable use of resources, including soil, water, energy, forests, and land, and ensure protection of air, water, and soil quality; and

(5) address other Department missions as identified by the Secretary.

(c) Plan

(1) Development of plan

Not later than 1 year after August 8, 2005, the Secretary shall prepare and transmit to Congress a research plan describing how the program authorized pursuant to this section will be undertaken to accomplish the program goals established in subsection (b).

(2) Review of plan

The Secretary shall contract with the National Academy of Sciences to review the research plan developed under this subsection. The Secretary shall transmit the review to Congress not later than 18 months after transmittal of the research plan under paragraph (1), along with the Secretary's response to the recommendations contained in the review.

(d) User facilities and ancillary equipment

Within the funds authorized to be appropriated pursuant to this part, amounts shall be available for projects to develop, plan, construct, acquire, or operate special equipment, instrumentation, or facilities, including user facilities at National Laboratories, for researchers conducting research, development, demonstration, and commercial application in systems biology and proteomics and associated biological disciplines.

(e) Prohibition on biomedical and human cell and human subject research

(1) No biomedical research

In carrying out the program under this section, the Secretary shall not conduct biomedical research.

(2) Limitations

Nothing in this section shall authorize the Secretary to conduct any research or demonstrations—

(A) on human cells or human subjects; or

(B) designed to have direct application with respect to human cells or human subjects.

(f) Bioenergy research centers

(1) Establishment of centers

In carrying out the program under subsection (a), the Secretary shall establish at least 7 bioenergy research centers, which may be of varying size.

(2) Geographic distribution

The Secretary shall establish at least 1 bioenergy research center in each Petroleum Administration for Defense District or Subdistrict of a Petroleum Administration for Defense District.

(3) Goals

The goals of the centers established under this subsection shall be to accelerate basic
transformational research and development of biofuels, including biological processes.

(4) Selection and duration
(A) In general
A center under this subsection shall be selected on a competitive basis for a period of 5 years.

(B) Reapplication
After the end of the period described in subparagraph (A), a grantee may reapply for selection on a competitive basis.

(5) Inclusion
A center that is in existence on December 19, 2007—
(A) shall be counted towards the requirement for establishment of at least 7 bioenergy research centers; and
(B) may continue to receive support for a period of 5 years beginning on the date of establishment of the center.

References in Text
This part, referred to in subsec. (d), was in the original “this subtitle”, meaning subtitle G (§§ 971–984A) of title IX of Pub. L. 109–58, Aug. 8, 2005, 119 Stat. 898, which enacted this part and amended section 5523 of Title 15, Commerce and Trade. For complete classification of subtitle G to the Code, see Tables.

Amendments

Effective Date of 2007 Amendment
Amendment by Pub. L. 110–140 effective on the date that is 1 day after Dec. 19, 2007, see section 1601 of Pub. L. 110–140, set out as an Effective Date note under section 1824 of Title 2, The Congress.

§ 16319. Energy and water supplies
(a) In general
The Secretary shall carry out a program of research, development, demonstration, and commercial application to—
(1) address energy-related issues associated with provision of adequate water supplies, optimal management, and efficient use of water; (2) address water-related issues associated with the provision of adequate supplies, optimal management, and efficient use of energy; and
(3) assess the effectiveness of existing programs within the Department and other Federal agencies to address these energy and water related issues.

(b) Program elements
The program under this section shall include—
(1) arsenic treatment; (2) desalination; and (3) planning, analysis, and modeling of energy and water supply and demand.

(c) Collaboration
In carrying out this section, the Secretary shall consult with the Administrator of the Environmental Protection Agency, the Secretary of the Interior, the Chief Engineer of the Army Corps of Engineers, the Secretary of Commerce, the Secretary of Defense, and other Federal agencies as appropriate.

(d) Facilities
The Secretary may utilize all existing facilities within the Department and may design and construct additional facilities as needed to carry out the purposes of this program.

(e) Advisory committee
The Secretary shall establish or utilize an advisory committee to provide independent advice and review of the program.

(f) Reports
Not later than 2 years after August 8, 2005, the Secretary shall submit to Congress a report on the assessment described in subsection (b) and recommendations for future actions.

§ 16320. Spallation Neutron Source
(a) Definitions
In this section:
(1) SING
The term “SING” means the Spallation Neutron Source Instruments Next Generation major item of equipment.

(2) SNS power upgrade
The term “SNS power upgrade” means the Spallation Neutron Source power upgrade described in the 20-year facilities plan of the Office of Science of the Department.

(3) SNS second target station
The term “SNS second target station” means the Spallation Neutron Source second
target station described in the 20-year facilities plan of the Office of Science of the Department.

(4) Spallation Neutron Source Facility

The terms “Spallation Neutron Source Facility” and “Facility” mean the completed Spallation Neutron Source scientific user facility located at Oak Ridge National Laboratory, Oak Ridge, Tennessee.

(5) Spallation Neutron Source Project


(b) Spallation Neutron Source Project

(1) In general

The Secretary shall submit to Congress, as part of the annual budget request of the President submitted to Congress, a report on progress on the Spallation Neutron Source Project.

(2) Contents

The report shall include for the Project—

(A) a description of the achievement of milestones;

(B) a comparison of actual costs to estimated costs; and

(C) any changes in estimated Project costs or schedule.

(c) Spallation Neutron Source Facility plan

(1) In general

The Secretary shall develop an operational plan for the Spallation Neutron Source Facility that ensures that the Facility is employed to the full capability of the Facility in support of the study of advanced materials, nanoscience, and other missions of the Office of Science of the Department.

(2) Plan

The operational plan shall—

(A) include a plan for the operation of an effective scientific user program that—

(i) is based on peer review of proposals submitted for use of the Facility;

(ii) includes scientific and technical support to ensure that external users, including researchers based at institutions of higher education, are able to make full use of a variety of high quality scientific instruments; and

(iii) phases in systems upgrades to ensure that the Facility remains at the forefront of international scientific endeavors in the field of the Facility throughout the operating life of the Facility;

(B) include an ongoing program to develop new instruments that builds on the high performance neutron source and that allows neutron scattering techniques to be applied to a growing range of scientific problems and disciplines; and

(C) address the status of and, to the maximum extent practicable, costs and schedules for—

(i) full user mode operations of the Facility;

(ii) instrumentation built at the Facility during the operating phase through full use of the experimental hall, including the SING;

(iii) the SNS power upgrade; and

(iv) the SNS second target station.

(d) Authorization of appropriations

(1) Spallation Neutron Source Project

There is authorized to be appropriated to carry out the Spallation Neutron Source Project for the lifetime of the Project $1,411,700,000 for total project costs, of which—

(A) $1,192,700,000 shall be used for the costs of construction; and

(B) $219,000,000 shall be used for other Project costs.

(2) Spallation Neutron Source Facility

(A) In general

Except as provided in subparagraph (B), there is authorized to be appropriated for the Spallation Neutron Source Facility for—

(i) the SING, $75,000,000 for each of fiscal year 2007 through 2009; and

(ii) the SNS power upgrade, $160,000,000, to remain available until expended.

(B) Insufficient stockpiles of heavy water

If stockpiles of heavy water of the Department are insufficient to meet the needs of the Facility, there is authorized to be appropriated for the Facility $12,000,000 for fiscal year 2007.

§ 16321. Facility for Rare Isotope Beams

(a) Establishment

The Secretary shall construct and operate a Facility for Rare Isotope Beams. The Secretary shall commence construction no later than September 30, 2008.

(b) Authorization of appropriations

There are authorized to be appropriated to the Secretary such sums as may be necessary to carry out this section. The Secretary shall not spend more than $1,100,000,000 in Federal funds for all activities associated with the Facility for Rare Isotope Beams, prior to operation of the Accelerator.

§ 16322. Office of Scientific and Technical Information

The Secretary, through the Office of Scientific and Technical Information, shall maintain within the Department publicly available collections of scientific and technical information resulting from research, development, demonstration, and commercial applications activities supported by the Department.
§ 16324. Energy research fellowships

(a) Postdoctoral fellowship program
The Secretary shall establish a program under which the Secretary provides fellowships to allow outstanding senior researchers and their research groups in energy research and development to explore research and development topics of their choosing for a period of not less than 3 years, to be determined by the Secretary.

(b) Senior research fellowships
(1) In general
The Secretary shall establish a program under which the Secretary provides fellowships to outstanding young scientists and engineers to pursue postdoctoral research appointments in energy research and development at institutions of higher education of their choice.

§ 16325. Science and Technology Scholarship Program

(a) Program
The Secretary is authorized to establish a Science and Technology Scholarship Program to award scholarships to individuals that is designed to recruit and prepare students for careers in the Department and National Laboratories.

(b) Service requirement
Under the program, the Secretary shall fund activities to work with countries of the Western Hemisphere to—

(1) increase the production of energy supplies;
(2) improve energy efficiency; and
(3) assist in the development and transfer of energy supply and efficiency technologies that would have a beneficial impact on world energy markets.

(c) Participation by institutions of higher education
To the extent practicable, the Secretary shall carry out the program under this section with the participation of institutions of higher education so as to take advantage of the acceptance of institutions of higher education by countries of the Western Hemisphere as sources of unbiased technical and policy expertise when assisting the Secretary in—

(1) evaluating new technologies;
(2) resolving technical issues;
§ 16342. International energy training

(a) In general

The Secretary, in consultation with the Secretary of Commerce, the Secretary of the Interior, and Secretary of State, and the Federal Energy Regulatory Commission, shall coordinate training and outreach efforts for international commercial energy markets in countries with developing and restructuring economies.

(b) Components

The training and outreach efforts referred to in subsection (a) may include—

1. production-related fiscal regimes;
2. grid and network issues;
3. energy user and demand side response;
4. international trade of energy; and
5. international transportation of energy.

(c) Authorization of appropriations

There is authorized to be appropriated to carry out this section $1,500,000 for each of fiscal years 2007 through 2010.


PART I—RESEARCH ADMINISTRATION AND OPERATIONS

§ 16351. Availability of funds

Funds authorized to be appropriated to the Department under this Act or an amendment made by this Act shall remain available until expended.


REFERENCES IN TEXT

This Act, referred to in text, is Pub. L. 109–58, Aug. 8, 2005, 119 Stat. 594, as amended, known as the Energy Policy Act of 2005, which enacted this chapter and enacted, amended, and repealed numerous other sections and notes in the Code. For complete classification of this Act to the Code, see Short Title note set out under and notes in the Code. For complete classification of section 15801 of this title and Tables.

§ 16352. Cost sharing

(a) Applicability

Notwithstanding any other provision of law, in carrying out a research, development, demonstration, or commercial application program or activity that is initiated after August 8, 2005, the Secretary shall require cost-sharing in accordance with this section.

(b) Research and development

(1) In general

Except as provided in paragraphs (2), (3), and (4) and subsection (f), the Secretary shall require not less than 20 percent of the cost of a research or development activity described in subsection (a) to be provided by a non-Federal source.

(2) Exclusion

Paragraph (1) shall not apply to a research or development activity described in subsection (a) that is of a basic or fundamental nature, as determined by the appropriate officer of the Department.

(3) Reduction

The Secretary may reduce or eliminate the requirement of paragraph (1) for a research and development activity of an applied nature if the Secretary determines that the reduction is necessary and appropriate.

(4) Exemption for institutions of higher education and other nonprofit institutions

(A) In general

Paragraph (1) shall not apply to a research or development activity performed by an institution of higher education or nonprofit institution (as defined in section 4 of the Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 3703)).

(B) Termination date

The exemption under subparagraph (A) shall apply during the 2-year period beginning on September 28, 2018.

(c) Demonstration and commercial application

(1) In general

Except as provided in paragraph (2) and subsection (f), the Secretary shall require that not less than 50 percent of the cost of a demonstration or commercial application activity described in subsection (a) to be provided by a non-Federal source.

(2) Reduction of non-Federal share

The Secretary may reduce the non-Federal share required under paragraph (1) if the Secretary determines the reduction to be necessary and appropriate, taking into consideration any technological risk relating to the activity.

(d) Calculation of amount

In calculating the amount of a non-Federal contribution under this section, the Secretary—

1. may include allowable costs in accordance with the applicable cost principles, including—
   (A) cash;
   (B) personnel costs;
   (C) the value of a service, other resource, or third party in-kind contribution determined in accordance with the applicable circular of the Office of Management and Budget;

1 So in original. The word “to” probably should not appear.
§ 16353. Merit review of proposals

(a) Awards

Awards of funds authorized under this Act or an amendment made by this Act shall be made only after an impartial review of the scientific and technical merit of the proposals for the awards has been carried out by or for the Department.

(b) Competition

Competitive awards under this Act shall involve competitions open to all qualified entities within one or more of the following categories:

1. Institutions of higher education.
3. Nonprofit and for-profit private entities.
4. State and local governments.
5. Consortia of entities described in paragraphs (1) through (4).

(D) indirect costs or facilities and administrative costs; or

(E) any funds received under the power program of the Tennessee Valley Authority (except to the extent that such funds are made available under an annual appropriation Act); and

(2) shall not include—

(A) revenues or royalties from the prospective operation of an activity beyond the time considered in the award;

(B) proceeds from the prospective sale of an asset of an activity; or

(C) other appropriated Federal funds.

(e) Repayment of Federal share

The Secretary shall not require repayment of the Federal share of a cost-shared activity under this section as a condition of making an award.

(f) Exclusions

This section shall not apply to—

(1) a cooperative research and development agreement under the Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 3701 et seq.);

(2) a fee charged for the use of a Department facility; or

(3) an award under—

(A) the small business innovation research program under section 638 of title 15;

(B) the small business technology transfer program under section 638A of title 15;

(C) an award under—

(a) National energy research and development programs under title XV of this title;

(b) any program under section 15801 of this title and Tables.

REFERENCES IN TEXT


REFERENCES IN TEXT

The Secretary shall continue to use the scientific program advisory committees chartered under the Federal Advisory Committee Act (5 U.S.C. App.) by the Office of Science to oversee research and development programs under that Office.

(c) Membership

Each advisory board under this section shall consist of persons with appropriate expertise representing a diverse range of interests.

(d) Meetings and goals

(1) Meetings

Each advisory board under this section shall meet at least semiannually to review and advise on the progress made by the respective one or more research, development, demonstration, and commercial application programs.

(2) Goals

The advisory board shall review the measurable cost and performance-based goals for the programs as established under section 16181 of this title, and the progress on meeting the goals.

(e) Periodic reviews and assessments

(1) In general

The Secretary shall enter into appropriate arrangements with the National Academy of
Sciences to conduct periodic reviews and assessments of—
(A) the research, development, demonstration, and commercial application programs authorized by this Act and amendments made by this Act;
(B) the measurable cost and performance-based goals for the programs as established under section 16181 of this title, if any; and
(C) the progress on meeting the goals.

(2) Timing
The reviews and assessments shall be conducted every 5 years or more often as the Secretary considers necessary.

(3) Reports
The Secretary shall submit to Congress reports describing the results of all the reviews and assessments.


REFERENCES IN TEXT
The Federal Advisory Committee Act, referred to in subsec. (b), is Pub. L. 92–463, Oct. 6, 1972, 86 Stat. 770, as amended, which is set out in the Appendix to Title 5, Government Organization and Employees.

§ 16355. National Laboratory designation
After August 8, 2005, the Secretary shall not designate a facility that is not listed in section 15801(3) of this title as a National Laboratory.


§ 16356. Report on equal employment opportunity practices
Not later than 12 months after August 8, 2005, and biennially thereafter, the Secretary shall transmit to Congress a report on the equal employment opportunity practices at National Laboratories. Such report shall include—
(1) a thorough review of each National Laboratory contractor’s equal employment opportunity policies, including promotion to management and professional positions and pay increases;
(2) a statistical report on complaints and their disposition in the National Laboratories;
(3) a description of how equal employment opportunity practices at the National Laboratories are treated in the contract and in calculating award fees for each contractor;
(4) a summary of disciplinary actions and their disposition by either the Department or the relevant contractors for each National Laboratory;
(5) a summary of outreach efforts to attract women and minorities to the National Laboratories; and
(6) a summary of efforts to retain women and minorities in the National Laboratories; and

(7) a summary of collaboration efforts with the Office of Federal Contract Compliance Programs to improve equal employment opportunity practices at the National Laboratories.


§ 16357. Strategy for facilities and infrastructure

(a) Facility and infrastructure policy
(1) In general
The Secretary shall develop and implement a strategy for facilities and infrastructure supported primarily from the Office of Science, the Office of Energy Efficiency and Renewable Energy, the Office of Fossil Energy, or the Office of Nuclear Energy, Science and Technology Programs at all National Laboratories and single-purpose research facilities.

(2) Strategy
The strategy shall provide cost-effective means for—
(A) maintaining existing facilities and infrastructure;
(B) closing unneeded facilities;
(C) making facility modifications; and
(D) building new facilities.

(b) Report
(1) In general
The Secretary shall prepare and submit, along with the budget request of the President submitted to Congress for fiscal year 2018, a report describing the strategy developed under subsection (a).

(2) Contents
For each National Laboratory and single-purpose research facility that is primarily used for science and energy research, the report shall contain—
(A) the current priority list of proposed facilities and infrastructure projects, including cost and schedule requirements;
(B) a current 10-year plan that demonstrates the reconfiguration of its facilities and infrastructure to meet its missions and to address its long-term operational costs and return on investment;
(C) the total current budget for all facilities and infrastructure funding; and
(D) the current status of each facility and infrastructure project compared to the original baseline cost, schedule, and scope.


AMENDMENTS

§ 16358. Strategic research portfolio analysis and coordination plan

(a) In general
The Secretary shall periodically review all of the science and technology activities of the De-
department in a strategic framework that takes into account—

(1) the frontiers of science to which the Department can contribute;

(2) the national needs relevant to the statutory missions of the Department; and

(3) global energy dynamics.

(b) Coordination analysis and plan

(1) In general

As part of the review under subsection (a), the Secretary shall develop a plan to improve coordination and collaboration in research, development, demonstration, and commercial application activities across organizational boundaries of the Department.

(2) Plan contents

The plan developed under paragraph (1) shall describe—

(A) crosscutting scientific and technical issues and research questions that span more than one program or major office of the Department;

(B) ways in which the applied technology programs of the Department are coordinating activities and addressing the questions referred to in subparagraph (A);

(C) ways in which the technical interchange within the Department, particularly between the Office of Science and the applied technology programs, could be enhanced, including ways in which the research agendas of the Office of Science and the applied programs could better interact and assist each other;

(D) ways in which the Secretary would ensure that the overall research agenda of the Department includes, in addition to fundamental, curiosity-driven research, fundamental research related to topics of concern to the applied programs, and applications in Departmental technology programs of research results generated by fundamental, curiosity-driven research;

(E) critical assessments of any ongoing programs that have experienced subpar performance or cost overruns of 10 percent or more over 1 or more years;

(F) any activities that may be more effectively left to the States, industry, nongovernmental organizations, institutions of higher education, or other stakeholders; and

(G) detailed evaluations and proposals for innovation hubs, institutes, and research centers of the Department, including—

(i) an affirmation that the hubs, institutes, and research centers will—

(I) advance the mission of the Department; and

(II) prioritize research, development, and demonstration; and

(ii) an affirmation that any hubs, institutes, or research centers that are established or renewed within the Office of Science are consistent with the mission of the Office of Science described in subsection (c) of section 7139 of this title.

(c) Submission to Congress

Every 4 years, the Secretary shall submit to Congress—

(1) the results of the review under subsection (a); and

(2) the coordination plan under subsection (b).


Prior Provisions

A prior section 16358, Pub. L. 109–58, title IX, § 994, Aug. 8, 2005, 119 Stat. 914, which required the Secretary to periodically review Department of Energy science and technology activities taking into account the frontiers of science to which the Department can contribute and the national needs relevant to the Department’s statutory missions, was repealed by Pub. L. 115–246, title II, § 204, Sept. 28, 2018, 132 Stat. 3135.

§ 16359. Competitive award of management contracts

None of the funds authorized to be appropriated to the Secretary by this subchapter may be used to award a management and operating contract for a National Laboratory (excluding those named in subparagraphs (G), (H), (N), and (O) of section 15801(3) of this title), unless such contract is competitively awarded, or the Secretary grants, on a case-by-case basis, a waiver. The Secretary may not delegate the authority to grant such a waiver and shall submit to Congress a report notifying it of the waiver, and setting forth the reasons for the waiver, at least 60 days prior to the date of the award of such contract.


References in Text

This subchapter, referred to in text, was in the original “this title”, meaning title IX of Pub. L. 109–58, Aug. 8, 2005, 119 Stat. 856, which enacted this subchapter, amended sections 8101 and 8102 of Title 7, Agriculture, and section 5523 of Title 15, Commerce and Trade, enacted provisions set out as notes under section 15801 of this title, section 8102 of Title 7, and section 2001 of Title 30, Mineral Lands and Mining, and amended provisions set out as notes under section 8101 of Title 7 and section 1902 of Title 30. For complete classification of title IX to the Code, see Short Title note set out under title IX of Pub. L. 109–58, Aug. 8, 2005, 119 Stat. 856, which enacted this subchapter, amended sections 8101 and 8102 of Title 7, Agriculture, and section 5523 of Title 15, Commerce and Trade, enacted provisions set out as notes under section 15801 of this title, section 8102 of Title 7, and section 2001 of Title 30. For complete classification of this title to the Code, see Short Title note set out under section 15801 of this title and Tables.

§ 16360. Western Michigan demonstration project

The Administrator of the Environmental Protection Agency, in consultation with the State of Michigan and affected local officials, shall conduct a demonstration project to address the effect of transported ozone and ozone precursors in Southwestern Michigan. The demonstration program shall address projected nonattainment areas in Southwestern Michigan that include counties with design values for ozone of less than .095 based on years 2000 to 2002 or the most current 3-year period of air quality data. The Administrator shall assess any difficulties such areas may experience in meeting the 8-hour national ambient air quality standard for ozone due to the effect of transported ozone or ozone precursors into the areas. The Administrator shall work with State and local officials to determine the extent of ozone and ozone precursor transport, to assess alternatives to achieve compliance with the 8-hour standard apart from
local controls, and to determine the timeframe in which such compliance could take place. The Administrator shall complete this demonstration project no later than 2 years after August 8, 2005, and shall not impose any requirement or sanction under the Clean Air Act (42 U.S.C. 7401 et seq.) that might otherwise apply during the pendency of the demonstration project.


REFERENCES IN TEXT

The Clean Air Act, referred to in text, is act July 14, 1955, ch. 360, 69 Stat. 322, as amended, which is classified generally to chapter 85 (§7401 et seq.) of this title. For complete classification of this Act to the Code, see Short Title note set out under section 7401 of this title and Tables.

§ 16361. Arctic Engineering Research Center

(a) In general

The Secretary of Transportation, in consultation with the Secretary and the United States Arctic Research Commission, shall provide annual grants to a university located adjacent to the Arctic Energy Office of the Department of Energy, to establish and operate a university research center to be headquartered in Fairbanks and to be known as the “Arctic Engineering Research Center” (referred to in this section as the “Center”).

(b) Purpose

The purpose of the Center shall be to conduct research on, and develop improved methods of, construction and use of materials to improve the overall performance of roads, bridges, residential, commercial, and industrial structures, and other infrastructure in the Arctic region, with an emphasis on developing—

(1) new construction techniques for roads, bridges, rail, and related transportation infrastructure and residential, commercial, and industrial structures, and other infrastructure in the Arctic region, with an emphasis on developing—

(a) establishing a new construction techniques for roads, bridges, rail, and related transportation infrastructure and residential, commercial, and industrial structures, and other infrastructure in the Arctic region, with an emphasis on developing—

(b) new construction techniques for roads, bridges, rail, and related transportation infrastructure and residential, commercial, and industrial structures, and other infrastructure in the Arctic region, with an emphasis on developing—

(c) new construction techniques for roads, bridges, rail, and related transportation infrastructure and residential, commercial, and industrial structures, and other infrastructure in the Arctic region, with an emphasis on developing—

(d) new construction techniques for roads, bridges, rail, and related transportation infrastructure and residential, commercial, and industrial structures, and other infrastructure in the Arctic region, with an emphasis on developing—

(e) new construction techniques for roads, bridges, rail, and related transportation infrastructure and residential, commercial, and industrial structures, and other infrastructure in the Arctic region, with an emphasis on developing—

(f) new construction techniques for roads, bridges, rail, and related transportation infrastructure and residential, commercial, and industrial structures, and other infrastructure in the Arctic region, with an emphasis on developing—

(g) new construction techniques for roads, bridges, rail, and related transportation infrastructure and residential, commercial, and industrial structures, and other infrastructure in the Arctic region, with an emphasis on developing—

(h) new construction techniques for roads, bridges, rail, and related transportation infrastructure and residential, commercial, and industrial structures, and other infrastructure in the Arctic region, with an emphasis on developing—

(i) new construction techniques for roads, bridges, rail, and related transportation infrastructure and residential, commercial, and industrial structures, and other infrastructure in the Arctic region, with an emphasis on developing—

(j) new construction techniques for roads, bridges, rail, and related transportation infrastructure and residential, commercial, and industrial structures, and other infrastructure in the Arctic region, with an emphasis on developing—

(k) new construction techniques for roads, bridges, rail, and related transportation infrastructure and residential, commercial, and industrial structures, and other infrastructure in the Arctic region, with an emphasis on developing—

(l) new construction techniques for roads, bridges, rail, and related transportation infrastructure and residential, commercial, and industrial structures, and other infrastructure in the Arctic region, with an emphasis on developing—

(m) new construction techniques for roads, bridges, rail, and related transportation infrastructure and residential, commercial, and industrial structures, and other infrastructure in the Arctic region, with an emphasis on developing—

(n) new construction techniques for roads, bridges, rail, and related transportation infrastructure and residential, commercial, and industrial structures, and other infrastructure in the Arctic region, with an emphasis on developing—

(o) new construction techniques for roads, bridges, rail, and related transportation infrastructure and residential, commercial, and industrial structures, and other infrastructure in the Arctic region, with an emphasis on developing—

(p) new construction techniques for roads, bridges, rail, and related transportation infrastructure and residential, commercial, and industrial structures, and other infrastructure in the Arctic region, with an emphasis on developing—

(q) new construction techniques for roads, bridges, rail, and related transportation infrastructure and residential, commercial, and industrial structures, and other infrastructure in the Arctic region, with an emphasis on developing—

(r) new construction techniques for roads, bridges, rail, and related transportation infrastructure and residential, commercial, and industrial structures, and other infrastructure in the Arctic region, with an emphasis on developing—

(s) new construction techniques for roads, bridges, rail, and related transportation infrastructure and residential, commercial, and industrial structures, and other infrastructure in the Arctic region, with an emphasis on developing—

(t) new construction techniques for roads, bridges, rail, and related transportation infrastructure and residential, commercial, and industrial structures, and other infrastructure in the Arctic region, with an emphasis on developing—

(u) new construction techniques for roads, bridges, rail, and related transportation infrastructure and residential, commercial, and industrial structures, and other infrastructure in the Arctic region, with an emphasis on developing—

(v) new construction techniques for roads, bridges, rail, and related transportation infrastructure and residential, commercial, and industrial structures, and other infrastructure in the Arctic region, with an emphasis on developing—

(w) new construction techniques for roads, bridges, rail, and related transportation infrastructure and residential, commercial, and industrial structures, and other infrastructure in the Arctic region, with an emphasis on developing—

(x) new construction techniques for roads, bridges, rail, and related transportation infrastructure and residential, commercial, and industrial structures, and other infrastructure in the Arctic region, with an emphasis on developing—

(y) new construction techniques for roads, bridges, rail, and related transportation infrastructure and residential, commercial, and industrial structures, and other infrastructure in the Arctic region, with an emphasis on developing—

(z) new construction techniques for roads, bridges, rail, and related transportation infrastructure and residential, commercial, and industrial structures, and other infrastructure in the Arctic region, with an emphasis on developing—

(2) technologies and procedures for increasing road, bridge, rail, and related transportation infrastructure safety, reliability, and integrity in the Arctic region;

(3) new materials and improving the performance and energy efficiency of existing materials for the construction of roads, bridges, rail, and related transportation infrastructure and residential, commercial, and industrial infrastructure in the Arctic region; and

(4) recommendations for new local, regional, and State permitting and building codes to ensure transportation and building safety and efficient energy use when constructing, using, and occupying such infrastructure in the Arctic region.

(c) Objectives

The Center shall carry out—

(1) basic and applied research in the subjects described in subsection (b), the products of which shall be judged by peers or other experts in the field to advance the body of knowledge in road, bridge, rail, and infrastructure engineering in the Arctic region; and

(2) an ongoing program of technology transfer that makes research results available to potential users in a form that can be implemented.

(d) Amount of grant

For each of fiscal years 2006 through 2011, the Secretary shall provide a grant in the amount of $3,000,000 to the institution specified in subsection (a) to carry out this section.

(e) Authorization of appropriations

There are authorized to be appropriated to carry out this section $3,000,000 for each of fiscal years 2006 through 2011.


§ 16362. Barrow Geophysical Research Facility

(a) Establishment

The Secretary of Commerce, in consultation with the Secretaries of Energy and the Interior, the Director of the National Science Foundation, and the Administrator of the Environmental Protection Agency, shall establish a joint research facility in Barrow, Alaska, to be known as the “Barrow Geophysical Research Facility”, to support scientific research activities in the Arctic.

(b) Authorization of appropriations

There are authorized to be appropriated to the Secretaries of Commerce, Energy, and the Interior, the Director of the National Science Foundation, and the Administrator of the Environmental Protection Agency for the planning, design, construction, and support of the Barrow Geophysical Research Facility, $61,000,000.


PART J—ULTRA-DEEPWATER AND UNCONVENTIONAL NATURAL GAS AND OTHER PETROLEUM RESOURCES


Section 16371, Pub. L. 109–58, title IX, §999A, Aug. 8, 2005, 119 Stat. 916, authorized the Secretary of Energy to carry out a program under this part of research, development, demonstration, and commercial application of technologies for ultra-deepwater and unconventional natural gas and other petroleum resources.


Ex. Ord. No. 13605, Supporting Safe and Responsible Development of Unconventional Domestic Natural Gas Resources

Ex. Ord. No. 13605, Apr. 13, 2012, 77 F.R. 23107, provided:

By the authority vested in me as President by the Constitution and the laws of the United States of America, and in order to coordinate the efforts of Federal agencies responsible for overseeing the safe and responsible development of unconventional domestic natural gas resources and associated infrastructure and to help reduce our dependence on oil, it is hereby ordered as follows:

Section 1. Policy. In 2011, natural gas provided 25 percent of the energy consumed in the United States. Its production creates jobs and provides economic benefits to the entire domestic production supply chain, as well as to chemical and other manufacturers, who benefit from lower feedstock and energy costs. By helping to power our transportation system, greater use of natural gas can provide a cleaner source of energy than other fossil fuels.

For these reasons, it is vital that we take full advantage of our natural gas resources, while giving American families and communities confidence that natural and cultural resources, air and water quality, and public health and safety will not be compromised.

While natural gas production is carried out by private firms, and States are the primary regulators of onshore oil and gas activities, the Federal Government has an important role to play by regulating oil and gas activities on public and Indian trust lands, encouraging greater use of natural gas in transportation, supporting research and development aimed at improving the safety of natural gas development and transportation activities, and setting sensible, cost-effective public health and environmental standards to implement Federal law and augment State safeguards.

Because efforts to promote safe, responsible, and efficient development of unconventional domestic natural gas resources are underway at a number of executive departments and agencies (agencies), close interagency coordination is important for effective implementation of these programs and activities. To formalize and promote ongoing interagency coordination, this order establishes a high-level, interagency working group that will facilitate coordinated Administration policy efforts to support safe and responsible unconventional domestic natural gas development.

Section 2. Interagency Working Group to Support Safe and Responsible Development of Unconventional Domestic Natural Gas Resources. There is established an Interagency Working Group to Support Safe and Responsible Development of Unconventional Domestic Natural Gas Resources (Working Group), to be chaired by the Director of the Domestic Policy Council, or a designated representative.

(a) Membership. In addition to the Chair, the Working Group shall include deputy-level representatives or equivalent officials, designated by the head of the respective agency or office, from:

(i) the Department of Defense;
(ii) the Department of the Interior;
(iii) the Department of Agriculture;
(iv) the Department of Commerce;
(v) the Department of Health and Human Services;
(vi) the Department of Transportation;
(vii) the Department of Energy;
(viii) the Department of Homeland Security;
(ix) the Environmental Protection Agency;
(x) the Council on Environmental Quality;
(xi) the Office of Science and Technology Policy;
(xii) the Office of Management and Budget;
(xiii) the National Economic Council; and
(xiv) such other agencies or offices as the Chair may invite to participate.

(b) Functions. Consistent with the authorities and responsibilities of participating agencies and offices, the Working Group shall:

(i) coordinate agency policy activities, ensuring their efficient and effective operation and facilitating cooperation among agencies, as appropriate;
(ii) coordinate among agencies the sharing of scientific, environmental, and related technical and economic information;
(iii) engage in long-term planning and ensure coordination among the appropriate Federal entities with respect to such issues as research, natural resource assessment, and the development of infrastructure;
(iv) promote interagency communication with stakeholders; and
(v) consult with other agencies and offices as appropriate.

Section 3. General Provisions. (a) This order shall be implemented consistent with applicable law and subject to the availability of appropriations.

(b) Nothing in this order shall be construed to impair or otherwise affect:

(i) the authority granted by law to an executive department, agency, or the head thereof;
(ii) the functions of the Director of the Office of Management and Budget relating to budgetary, administrative, or legislative proposals.

(c) This order is not intended to, and does not, create any right or benefit, substantive or procedural, enforceable at law or in equity by any party against the United States, its departments, agencies, or entities, its officers, employees, or agents, or any other person.

BARACK OBAMA.
(2) exchange information about technology transfer practices, including alternative approaches to resolution of disputes involving intellectual property rights and other technology transfer matters; and
(3) develop and disseminate to the public and prospective technology partners information about opportunities and procedures for technology transfer with the Department, including opportunities and procedures related to alternative approaches to resolution of disputes involving intellectual property rights and other technology transfer matters.

(e) Technology Commercialization Fund

The Secretary shall establish an Energy Technology Commercialization Fund, using 0.9 percent of the amount made available to the Department for applied energy research, development, demonstration, and commercial application for each fiscal year based on future planned activities and the amount of the appropriations for the fiscal year, to be used to provide matching funds with private partners to promote promising energy technologies for commercial purposes.

(f) Technology transfer responsibility

Nothing in this section affects the technology transfer responsibilities of Federal employees under the Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 3701 et seq.).

(g) Early stage technology demonstration

The Secretary shall permit the directors of the National Laboratories to use funds authorized to support technology transfer within the Department to carry out early stage and precommercial technology demonstration activities to remove technology barriers that limit private sector interest and demonstrate potential commercial applications of any research and technologies arising from National Laboratory activities.

(h) Planning and reporting

(1) In general

Not later than 180 days after August 8, 2005, the Secretary shall submit to Congress a technology transfer execution plan.

(2) Updates

Each year after the submission of the plan under paragraph (1), the Secretary shall submit to Congress an updated technology transfer execution plan and reports that describe progress toward meeting goals set forth in the execution plan and the funds expended under subsection (e).

(2014—Subsec. (e). Pub. L. 113–291 inserted “based on future planned activities and the amount of the appropriations for the fiscal year” after “each fiscal year”.)

§ 16392. Technology Infrastructure Program

(a) Definitions

In this section:

(1) Program

The term “Program” means the Technology Infrastructure Program established under subsection (b).

(2) Technology cluster

The term “technology cluster” means a concentration of technology-related business concerns, institutions of higher education, or nonprofit institutions, that reinforce each other’s performance in the areas of technology development through formal or informal relationships.

(3) Technology-related business concern

The term “technology-related business concern” means a for-profit corporation, company, association, firm, partnership, or small business concern that—

(A) conducts scientific or engineering research;
(B) develops new technologies;
(C) manufactures products based on new technologies; or
(D) performs technological services.

(b) Establishment

The Secretary shall establish a Technology Infrastructure Program in accordance with this section.

(c) Purpose

The purpose of the Program shall be to improve the ability of National Laboratories and single-purpose research facilities to support departmental missions by—

(1) stimulating the development of technology clusters that can support departmental missions at the National Laboratories or single-purpose research facilities;
(2) improving the ability of National Laboratories and single-purpose research facilities to leverage and benefit from commercial research, technology, products, processes, and services; and
(3) encouraging the exchange of scientific and technological expertise between—

(A) National Laboratories or single-purpose research facilities; and
(B) entities that can support departmental missions at the National Laboratories or single-purpose research facilities, such as—

(i) institutions of higher education;
(ii) technology-related business concerns;
(iii) nonprofit institutions; and
(iv) agencies of State, tribal, or local governments.

(d) Projects

The Secretary shall authorize the director of each National Laboratory or single-purpose research facility to implement the Program at the National Laboratory or facility through one or more projects that meet the requirements of subsections (e) and (f).

REFERENCES IN TEXT

The Stevenson-Wydler Technology Innovation Act of 1980, referred to in subsection (f), is Pub. L. 96–480, Oct. 21, 1980, 94 Stat. 2311, as amended, which is classified generally to chapter 63 (§3701 et seq.) of Title 15, Commerce and Trade. For complete classification of this Act to the Code, see Short Title note set out under section 3701 of Title 15 and Tables.
(e) Program requirements

(1) In general

Each project funded under this section shall meet the requirements of this subsection.

(2) Entities

Each project shall include at least one of each of the following entities:

(A) A business.
(B) An institution of higher education.
(C) A nonprofit institution.
(D) An agency of a State, local, or tribal government.

(3) Cost-sharing

(A) In general

The costs of carrying out projects under this section shall be shared in accordance with section 16352 of this title.

(B) Sources

The calculation of costs paid by the non-Federal sources for a project shall include cash, personnel, services, equipment, and other resources expended on the project after the commencement of the project.

(C) Research and development expenses

Independent research and development expenses of Government contractors that qualify for reimbursement under section 31.205–18(e) of title 48, Code of Federal Regulations, issued pursuant to section 1303(a)(1) of title 41, may be credited towards costs paid by non-Federal sources to a project, if the expenses meet the other requirements of this section.

(4) Competitive selection

A project under this section shall be competitively selected using procedures determined by the Secretary.

(5) Accounting

Any participant that receives funds under this section may use generally accepted accounting principles for maintaining accounts, books, and records relating to the project.

(6) Duration

No Federal funds shall be made available under this section for a construction project or for any project with a duration of more than 5 years.

(f) Selection criteria

(1) Departmental missions

The Secretary shall allocate funds under this section only if the Director of the National Laboratory or single-purpose research facility managing the project determines that the project is likely to improve the ability of the National Laboratory or single-purpose research facility to achieve technical success in meeting departmental missions.

(2) Other criteria

In selecting a project to receive Federal funds, the Secretary shall consider—

(A) the potential of the project to promote the development of a commercially sustainable technology cluster following the period of investment by the Department, which will derive most of the demand for its products or services from the private sector, and which will support departmental missions at the participating National Laboratory or single-purpose research facility;

(B) the potential of the project to promote the use of commercial research, technology, products, processes, and services by the participating National Laboratory or single-purpose research facility to achieve its mission or the commercial development of technological innovations made at the participating National Laboratory or single-purpose research facility;

(C) the extent to which the project involves a wide variety and number of institutions of higher education, nonprofit institutions, and technology-related business concerns that can support the missions of the participating National Laboratory or single-purpose research facility and that will make substantive contributions to achieving the goals of the project;

(D) the extent to which the project focuses on promoting the development of technology-related business concerns that are small businesses or involves such small businesses substantively in the project; and

(E) such other criteria as the Secretary determines to be appropriate.

(g) Allocation

In allocating funds for projects approved under this section, the Secretary shall provide—

(1) the Federal share of the project costs; and

(2) additional funds to the National Laboratory or single-purpose research facility managing the project to permit the National Laboratory or single-purpose research facility to carry out activities relating to the project, and to coordinate the activities with the project.

(h) Report to Congress

Not later than July 1, 2008, the Secretary shall submit to Congress a report on whether the Program should be continued and, if so, how the program should be managed.

(i) Authorization of appropriations

There are authorized to be appropriated to the Secretary for activities under this section $10,000,000 for each of fiscal years 2006 through 2008.


Codification


§ 16393. Small business advocacy and assistance

(a) Small business advocate

The Secretary shall require the Director of each National Laboratory, and may require the Director of a single-purpose research facility, to designate a small business advocate to—
§ 16394. Outreach

The Secretary shall ensure that each program authorized by this Act or an amendment made by this Act includes an outreach component to provide information, as appropriate, to manufacturers, engineers, architects, builders, energy service companies, institutions of higher education, facility planners and managers, State and local governments, and other entities.


References in Text


§ 16395. Relationship to other laws

Except as otherwise provided in this Act or an amendment made by this Act, the Secretary shall carry out the research, development, demonstration, and commercial application programs, projects, and activities authorized by this Act or an amendment made by this Act in accordance with the applicable provisions of—

1. the Atomic Energy Act of 1954 (42 U.S.C. 2011 et seq.);
2. the Federal Nonnuclear Energy Research and Development Act of 1974 (42 U.S.C. 5901 et seq.);
5. chapter 18 of title 35 (commonly known as the “Bayh-Dole Act”); and
6. any other Act under which the Secretary is authorized to carry out the programs, projects, and activities.


References in Text


The Stevenson-Wydler Technology Innovation Act of 1980, referred to in par. (4), is Pub. L. 96–480, Oct. 21, 1980, 94 Stat. 2311, as amended, which is classified generally to chapter 63 (§3701 et seq.) of Title 15, Commerce and Trade. For complete classification of this Act to the Code, see Short Title note set out under section 3701 of Title 15 and Tables.
demonstration, and commercial application that have the potential for application to the performance of the mission of the Department.

(b) Competition requirements

The program under subsection (a) may include prizes for the achievement of goals articulated by the Secretary in a specific area through a widely advertised solicitation of submission of results for research, development, demonstration, or commercial application projects.

(c) Prizes for processes and technologies to reduce dependence on imported oil

The Secretary, in cooperation with the Freedom Prize Foundation, shall support a program of awarding prizes, to be known as Freedom Prizes, to encourage and recognize the development and deployment of processes and technologies that serve to reduce the dependence of the United States on imported oil.

(d) Relationship to other authority

The program under subsection (a) may be carried out in conjunction with or in addition to the exercise of any other authority of the Secretary to acquire, support, or stimulate research, development, demonstration, or commercial application projects.

(e) Authorization of appropriations

There are authorized to be appropriated—

1. $10,000,000 to carry out the program under subsection (a); and
2. $5,000,000 to carry out the program under subsection (c).

(f) H-prize

(1) Prize authority

(A) In general

As part of the program under this section, the Secretary shall carry out a program to competitively award cash prizes in conformity with this subsection to advance the research, development, demonstration, and commercial application of hydrogen energy technologies.

(B) Advertising and solicitation of competitors

(i) Advertising

The Secretary shall widely advertise prize competitions under this subsection to encourage broad participation, including by individuals, universities (including historically Black colleges and universities and other minority serving institutions), and large and small businesses (including businesses owned or controlled by socially and economically disadvantaged persons).

(ii) Announcement through Federal Register notice

The Secretary shall announce each prize competition under this subsection by publishing a notice in the Federal Register. This notice shall include essential elements of the competition such as the subject of the competition, the duration of the competition, the eligibility requirements for participation in the competition, the process for participants to register for the competition, the amount of the prize, and the criteria for awarding the prize.

(C) Administering the competitions

The Secretary shall enter into an agreement with a private, nonprofit entity to administer the prize competitions under this subsection, subject to the provisions of this subsection (in this subsection referred to as the ‘‘administering entity’’). The duties of the administering entity under the agreement shall include—

(i) advertising prize competitions under this subsection and their results;

(ii) raising funds from private entities and individuals to pay for administrative costs and to contribute to cash prizes, including funds provided in exchange for the right to name a prize awarded under this subsection;

(iii) developing, in consultation with and subject to the final approval of the Secretary, the criteria for selecting winners in prize competitions under this subsection, based on goals provided by the Secretary;

(iv) determining, in consultation with the Secretary, the appropriate amount and funding sources for each prize to be awarded under this subsection, subject to the final approval of the Secretary with respect to Federal funding;

(v) providing advice and consultation to the Secretary on the selection of judges in accordance with paragraph (2)(D), using criteria developed in consultation with and subject to the final approval of the Secretary; and

(vi) protecting against the administering entity’s unauthorized use or disclosure of a registered participant’s trade secrets and confidential business information. Any information properly identified as trade secrets or confidential business information that is submitted by a participant as part of a competitive program under this subsection may be withheld from public disclosure.

(D) Funding sources

Prizes under this subsection shall consist of Federal appropriated funds and any funds provided by the administering entity (including funds raised pursuant to subparagraph (C)(ii)) for such cash prize programs. The Secretary may accept funds from other Federal agencies for such cash prizes and, notwithstanding section 3302(b) of title 31, may use such funds for the cash prize program under this subsection. Other than publication of the names of prize sponsors, the Secretary may not give any special consideration to any private sector entity or individual in return for a donation to the Secretary or administering entity.

(E) Announcement of prizes

The Secretary may not issue a notice required by subparagraph (B)(ii) until all the funds needed to pay out the announced
amount of the prize have been appropriated or committed in writing by the administering entity. The Secretary may increase the amount of a prize after an initial announcement is made under subparagraph (B)(ii) if—

(i) notice of the increase is provided in the same manner as the initial notice of the prize; and

(ii) the funds needed to pay out the announced amount of the increase have been appropriated or committed in writing by the administering entity.

(F) Sunset

The authority to announce prize competitions under this subsection shall terminate on September 30, 2018.

(2) Prize categories

(A) Categories

The Secretary shall establish prizes under this subsection for—

(i) advancements in technologies, components, or systems related to—

(I) hydrogen production;

(II) hydrogen storage;

(III) hydrogen distribution; and

(IV) hydrogen utilization;

(ii) prototypes of hydrogen-powered vehicles or other hydrogen-based products that best meet or exceed objective performance criteria, such as completion of a race over a certain distance or terrain or generation of energy at certain levels of efficiency; and

(iii) transformational changes in technologies for the distribution or production of hydrogen that meet or exceed far-reaching objective criteria, which shall include minimal carbon emissions and which may include cost criteria designed to facilitate the eventual market success of a winning technology.

(B) Awards

(i) Advancements

To the extent permitted under paragraph (1)(E), the prizes authorized under subparagraph (A)(i) shall be awarded biennially to the most significant advance made in each of the four subcategories described in subclauses (I) through (IV) of subparagraph (A)(i) since the submission deadline of the previous prize competition in the same category under subparagraph (A)(i) or December 19, 2007, whichever is later, unless no such advance is significant enough to merit an award. No one such prize may exceed $1,000,000. If less than $4,000,000 is available for a prize competition under subparagraph (A)(i), the Secretary may omit one or more subcategories, reduce the amount of the prizes, or not hold a prize competition.

(ii) Prototypes

To the extent permitted under paragraph (1)(E), prizes authorized under subparagraph (A)(ii) shall be awarded biennially in alternate years from the prizes authorized under subparagraph (A)(i). The Secretary is authorized to award up to one prize in this category in each 2-year period. No such prize may exceed $1,000,000. If no registered participants meet the objective performance criteria established pursuant to subparagraph (C) for a competition under this clause, the Secretary shall not award a prize.

(iii) Transformational technologies

To the extent permitted under paragraph (1)(E), the Secretary shall announce one prize competition authorized under subparagraph (A)(iii) as soon after December 19, 2007, as is practicable. A prize offered under this clause shall be not less than $10,000,000, paid to the winner in a lump sum, and an additional amount paid to the winner as a match for each dollar of private funding raised by the winner for the hydrogen technology beginning on the date the winner was named. The match shall be provided for 3 years after the date the prize winner is named or until the full amount of the prize has been paid out, whichever occurs first. A prize winner may elect to have the match amount paid to another entity that is continuing the development of the winning technology. The Secretary shall announce the rules for receiving the match in the notice required by paragraph (1)(B)(ii). The Secretary shall award a prize under this clause only when a registered participant has met the objective criteria established for the prize pursuant to subparagraph (C) and announced pursuant to paragraph (1)(B)(ii). Not more than $10,000,000 in Federal funds may be used for the prize award under this clause. The administering entity shall seek to raise $10,000,000 toward the matching award under this clause.

(C) Criteria

In establishing the criteria required by this subsection, the Secretary—

(i) shall consult with the Department’s Hydrogen Technical and Fuel Cell Advisory Committee;

(ii) shall consult with other Federal agencies, including the National Science Foundation; and

(iii) may consult with other experts such as private organizations, including professional societies, industry associations, and the National Academy of Sciences and the National Academy of Engineering.

(D) Judges

For each prize competition under this subsection, the Secretary in consultation with the administering entity shall assemble a panel of qualified judges to select the winner or winners on the basis of the criteria established under subparagraph (C). Judges for each prize competition shall include individuals from outside the Department, including from the private sector. A judge, spouse, minor children, and members of the judge’s household may not—

(i) have personal or financial interests in, or be an employee, officer, director, or
agent of, any entity that is a registered participant in the prize competition for which he or she will serve as a judge; or
(ii) have a familial or financial relationship with an individual who is a registered participant in the prize competition for which he or she will serve as a judge.

(3) Eligibility
To be eligible to win a prize under this subsection, an individual or entity—
(A) shall have complied with all the requirements in accordance with the Federal Register notice required under paragraph (1)(B)(ii);
(B) in the case of a private entity, shall be incorporated in and maintain a primary place of business in the United States, and in the case of an individual, whether participating singly or in a group, shall be a citizen of, or an alien lawfully admitted for permanent residence in, the United States; and
(C) shall not be a Federal entity, a Federal employee acting within the scope of his employment, or an employee of a national laboratory acting within the scope of his employment.

(4) Intellectual property
The Federal Government shall not, by virtue of offering or awarding a prize under this subsection, be entitled to any intellectual property rights (except claims for willful misconduct) for any injury, death, damage, or loss of property, revenue, or profits arising from the registered participants’ participation in a competition authorized by this subsection. This paragraph shall not be construed to prevent the Federal Government from negotiating a license for the use of intellectual property developed for a prize competition under this subsection.

(5) Liability

(A) Waiver of liability
The Secretary may require registered participants to waive claims against the Federal Government and the administering entity (except claims for willful misconduct) for any injury, death, damage, or loss of property, revenue, or profits arising from the registered participants’ participation in a competition authorized by this subsection. The Secretary shall give notice of any waiver required under this subparagraph in the notice required by paragraph (1)(B)(ii). The Secretary may not require a registered participant to waive claims against the administering entity arising out of the unauthorized use or disclosure by the administering entity of the registered participant’s trade secrets or confidential business information.

(B) Liability insurance

(i) Requirements
Registered participants in a prize competition under this subsection shall be required to obtain liability insurance or demonstrate financial responsibility, in amounts determined by the Secretary, for claims by—
(I) a third party for death, bodily injury, or property damage or loss resulting from an activity carried out in connection with participation in a competition under this subsection; and
(II) the Federal Government for damage or loss to Government property resulting from such an activity.

(ii) Federal Government insured
The Federal Government shall be named as an additional insured under a registered participant’s insurance policy required under clause (i)(I), and registered participants shall be required to agree to indemnify the Federal Government against third party claims for damages arising from or related to competition activities under this subsection.

(6) Report to Congress
Not later than 60 days after the awarding of the first prize under this subsection, and annually thereafter, the Secretary shall transmit to the Congress a report that—
(A) identifies each award recipient;
(B) describes the technologies developed by each award recipient; and
(C) specifies actions being taken toward commercial application of all technologies with respect to which a prize has been awarded under this subsection.

(7) Authorization of appropriations

(A) In general
(i) Awards
There are authorized to be appropriated to the Secretary for the period encompassing fiscal years 2008 through 2017 for carrying out this subsection—
(I) $20,000,000 for awards described in paragraph (2)(A)(i);
(II) $20,000,000 for awards described in paragraph (2)(A)(ii); and
(III) $10,000,000 for the award described in paragraph (2)(A)(iii).

(ii) Administration
In addition to the amounts authorized in clause (i), there are authorized to be appropriated to the Secretary for each of fiscal years 2008 and 2009 $2,000,000 for the administrative costs of carrying out this subsection.

(B) Carryover of funds
Funds appropriated for prize awards under this subsection shall remain available until expended, and may be transferred, reprogrammed, or expended for other purposes only after the expiration of 10 fiscal years after the fiscal year for which the funds were originally appropriated. No provision in this subsection permits obligation or payment of funds in violation of section 1341 of title 31 (commonly referred to as the Anti-Deficiency Act).

(8) Nonsubstitution
The programs created under this subsection shall not be considered a substitute for Federal research and development programs.

§ 16411. Workforce trends and traineeship grants

(a) Definitions
In this section:

(1) Energy technology industry
The term “energy technology industry” includes—
(A) a renewable energy industry;
(B) a company that develops or commercializes a device to increase energy efficiency;
(C) the oil and gas industry;
(D) the nuclear power industry;
(E) the coal industry;
(F) the electric utility industry; and
(G) any other industrial sector, as the Secretary determines to be appropriate.

(2) Skilled technical personnel
The term “skilled technical personnel” means—
(A) journey- and apprentice-level workers who are enrolled in, or have completed, a federally-recognized or State-recognized apprenticeship program; and
(B) other skilled workers in energy technology industries, as determined by the Secretary.

(b) Workforce trends

(1) Monitoring
The Secretary, in consultation with, and using data collected by, the Secretary of Labor, shall monitor trends in the workforce of—
(A) skilled technical personnel that support energy technology industries; and
(B) electric power and transmission engineers.

(2) Report on trends
Not later than 1 year after August 8, 2005, the Secretary shall submit to Congress a report on current trends under paragraph (1), with recommendations (as appropriate) to meet the future labor requirements for the energy technology industries.

(3) Report on shortage
As soon as practicable after the date on which the Secretary identifies or predicts a significant national shortage of skilled technical personnel in one or more energy technology industries, the Secretary shall submit to Congress a report describing the shortage.

(c) Traineeship grants for skilled technical personnel
The Secretary, in consultation with the Secretary of Labor, may establish programs in the appropriate offices of the Department under which the Secretary provides grants to enhance training (including distance learning) for any workforce category for which a shortage is identified or predicted under subsection (b)(2).

(d) Authorization of appropriations
There is authorized to be appropriated to carry out this section $20,000,000 for each of fiscal years 2006 through 2008.

§ 16412. Training guidelines for nonnuclear electric energy industry personnel

(a) In general
The Secretary of Labor, in consultation with the Secretary and in conjunction with the electric industry and recognized employee representatives, shall develop model personnel training guidelines to support the reliability and safety of the nonnuclear electric system.

(b) Requirements
The training guidelines under subsection (a) shall, at a minimum—
(1) include training requirements for workers engaged in the construction, operation, inspection, or maintenance of nonnuclear electric generation, transmission, or distribution systems, including requirements relating to—
(A) competency;
(B) certification; and
(C) assessment, including—
(i) initial and continuous evaluation of workers;
(ii) recertification procedures; and
(iii) methods for examining or testing the qualification of an individual who performs a covered task; and
(2) consolidate training guidelines in existence on the date on which the guidelines under subsection (a) are developed relating to the construction, operation, maintenance, and inspection of nonnuclear electric generation, transmission, and distribution facilities, such as guidelines established by the National Electric Safety Code and other industry consensus standards.

§ 16413. National Center for Energy Management and Building Technologies

The Secretary shall support the ongoing activities of and explore opportunities for expansion of the National Center for Energy Management and Building Technologies to carry out research, education, and training activities to facilitate the improvement of energy efficiency, indoor environmental quality, and security of industrial, commercial, residential, and public buildings.

§ 16414. National Power Plant Operations Technology and Educational Center

(a) Establishment
The Secretary shall support the establishment of a National Power Plant Operations Tech-
nology and Education Center (referred to in this section as the “Center”), to address the need for training and educating certified operators and technicians for the electric power industry.

(b) Location of Center

The Secretary shall support the establishment of the Center at an institution of higher education that has—

(1) expertise in providing degree programs in electric power generation, transmission, and distribution technologies;
(2) expertise in providing onsite and Internet-based training; and
(3) demonstrated responsiveness to workforce and training requirements in the electric power industry.

(c) Training and continuing education

(1) In general

The Center shall provide training and continuing education in electric power generation, transmission, and distribution technologies and operations.

(2) Location

The Center shall carry out training and education activities under paragraph (1)—

(A) at the Center; and
(B) through Internet-based information technologies that allow for learning at remote sites.


SUBCHAPTER XII—ELECTRICITY

PART A—TRANSMISSION INFRASTRUCTURE MODERNIZATION

§ 16421. Third-party finance

(a) Existing facilities

The Secretary, acting through the Administrator of the Western Area Power Administration (hereinafter in this section referred to as “WAPA”), or through the Administrator of the Southwestern Power Administration (hereinafter in this section referred to as “SWPA”), or both, may design, develop, construct, operate, maintain, or own, or participate with other entities in designing, developing, constructing, operating, maintaining, or owning, an electric power transmission facility and related facilities (“Project”) needed to upgrade existing transmission facilities owned by SWPA or WAPA if the Secretary, in consultation with the applicable Administrator, determines that the proposed Project—

(1)(A) is located in an area designated under section 216(a) of the Federal Power Act [16 U.S.C. 824p(a)] and will reduce congestion of electric transmission in interstate commerce; or
(B) is necessary to accommodate an actual or projected increase in demand for electric transmission capacity;
(2) is consistent with—
(A) transmission needs identified, in a transmission expansion plan or otherwise, by the appropriate Transmission Organization (as defined in the Federal Power Act [16 U.S.C. 791a et seq.]), if any, or approved regional reliability organization; and
(B) efficient and reliable operation of the transmission grid;
(3) would be operated in conformance with prudent utility practice.

(b) New facilities

The Secretary, acting through WAPA or SWPA, or both, may design, develop, construct, operate, maintain, or own, or participate with other entities in designing, developing, constructing, operating, maintaining, or owning, a new electric power transmission facility and related facilities (“Project”) located within any State in which WAPA or SWPA operates if the Secretary, in consultation with the applicable Administrator, determines that the proposed Project—

(1)(A) is located in an area designated under section 216(a) of the Federal Power Act [16 U.S.C. 824p(a)] and will reduce congestion of electric transmission in interstate commerce; or
(B) is necessary to accommodate an actual or projected increase in demand for electric transmission capacity;
(2) is consistent with—
(A) transmission needs identified, in a transmission expansion plan or otherwise, by the appropriate Transmission Organization (as defined in the Federal Power Act [16 U.S.C. 791a et seq.]), if any, or approved regional reliability organization; and
(B) efficient and reliable operation of the transmission grid;
(3) will be operated in conformance with prudent utility practice;
(4) will be operated by, or in conformance with the rules of, the appropriate (A) Transmission Organization, if any, or (B) if such an organization does not exist, regional reliability organization; and
(5) will not duplicate the functions of existing transmission facilities or proposed facilities which are the subject of ongoing or approved siting and related permitting proceedings.

(c) Other funds

(1) In general

In carrying out a Project under subsection (a) or (b), the Secretary may accept and use funds contributed by another entity for the purpose of carrying out the Project.

(2) Availability

The contributed funds shall be available for expenditure for the purpose of carrying out the Project—

(A) without fiscal year limitation; and
(B) as if the funds had been appropriated specifically for that Project.

(3) Allocation of costs

In carrying out a Project under subsection (a) or (b), any costs of the Project not paid for by contributions from another entity shall be collected through rates charged to customers using the new transmission capability pro-
vided by the Project and allocated equitably among these project beneficiaries using the new transmission capability.

(d) Relationship to other laws

Nothing in this section affects any requirement of—

(1) any Federal environmental law, including the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.);

(2) any Federal or State law relating to the siting of energy facilities; or

(3) any existing authorizing statutes.

(e) Savings clause

Nothing in this section shall constrain or restrict an Administrator in the utilization of other authority delegated to the Administrator of WAPA or SWPA.

(f) Secretarial determinations

Any determination made pursuant to subsections (a) or (b) shall be based on findings by the Secretary using the best available data.

(g) Maximum funding amount

The Secretary shall not accept and use more than $100,000,000 under subsection (c)(1) for the period encompassing fiscal years 2006 through 2015.


REFERENCES IN TEXT

The Federal Power Act, referred to in subsecs. (a)(2)(A) and (b)(2)(A), is act June 10, 1920, ch. 285, 41 Stat. 1063, as amended, which is classified generally to chapter 55 (§4321 et seq.) of Title 16, Conservation. For classification of this Act to the Code, see section 4321 of Title 16 and Tables.


§16421a Western Area Power Administration

borrowing authority

(a) Definitions

In this section:

(1) Administrator

The term “Administrator” means the Administrator of the Western Area Power Administration.

(2) Secretary

The term “Secretary” means the Secretary of the Treasury.

(b) Authority

(1) In general

Notwithstanding any other provision of law, subject to paragraphs (2) through (5)—

(A) the Western Area Power Administration may borrow funds from the Treasury; and

(B) the Secretary shall, without further appropriation and without fiscal year limitation, loan to the Western Area Power Administration, on such terms as may be fixed by the Administrator and the Secretary, such sums (not to exceed, in the aggregate (including deferred interest), $3,250,000,000 in outstanding repayable balances at any one time) as, in the judgment of the Administrator, are from time to time required for the purpose of—

(i) constructing, financing, facilitating, planning, operating, maintaining, or studying construction of new or upgraded electric power transmission lines and related facilities with at least one terminus within the area served by the Western Area Power Administration; and

(ii) delivering or facilitating the delivery of power generated by renewable energy resources constructed or reasonably expected to be constructed after February 17, 2009.

(2) Interest

The rate of interest to be charged in connection with any loan made pursuant to this subsection shall be fixed by the Secretary, taking into consideration market yields on outstanding marketable obligations of the United States of comparable maturities as of the date of the loan.

(3) Refinancing

The Western Area Power Administration may refinance loans taken pursuant to this section within the Treasury.

(4) Participation

The Administrator may permit other entities to participate in the financing, construction and ownership projects financed under this section.

(5) Congressional review of disbursement

Effective upon February 17, 2009, the Administrator shall have the authority to have utilized $1,750,000,000 at any one time. If the Administrator seeks to borrow funds above $1,750,000,000, the funds will be disbursed unless there is enacted, within 90 calendar days of the first such request, a joint resolution that rescinds the remainder of the balance of the borrowing authority provided in this section.

(c) Transmission line and related facility projects

(1) In general

For repayment purposes, each transmission line and related facility project in which the Western Area Power Administration participates pursuant to this section shall be treated as separate and distinct from—

(A) each other such project; and

(B) all other Western Area Power Administration power and transmission facilities.

(2) Proceeds

The Western Area Power Administration shall apply the proceeds from the use of the transmission capacity from an individual project under this section to the repayment of the principal and interest of the loan from the
Treasury attributable to that project, after reserving such funds as the Western Area Power Administration determines are necessary—
(A) to pay for any ancillary services that are provided; and
(B) to meet the costs of operating and maintaining the new project from which the revenues are derived.

(3) Source of revenue
Revenue from the use of projects under this section shall be the only source of revenue for—
(A) repayment of the associated loan for the project; and
(B) payment of expenses for ancillary services and operation and maintenance.

(4) Limitation on authority
Nothing in this section confers on the Administrator any additional authority or obligation to provide ancillary services to users of transmission facilities developed under this section.

(5) Treatment of certain revenues
Revenue from ancillary services provided by existing Federal power systems to users of transmission projects funded pursuant to this section shall be treated as revenue to the existing power system that provided the ancillary services.

(d) Certification

(1) In general
For each project in which the Western Area Power Administration participates pursuant to this section, the Administrator shall certify, prior to committing funds for any such project, that—
(A) the project is in the public interest;
(B) the project will not adversely impact system reliability or operations, or other statutory obligations; and
(C) it is reasonable to expect that the proceeds from the project shall be adequate to make repayment of the loan.

(2) Forgiveness of balances

(A) In general
If, at the end of the useful life of a project, there is a remaining balance owed to the Treasury under this section, the balance shall be forgiven.

(B) Unconstructed projects
Funds expended to study projects that are considered pursuant to this section but that are not constructed shall be forgiven.

(C) Notification
The Administrator shall notify the Secretary of such amounts as are to be forgiven under this paragraph.

(e) Public processes

(1) Policies and practices
Prior to requesting any loans under this section, the Administrator shall use a public process to develop practices and policies that implement the authority granted by this section.

(2) Requests for interest
In the course of selecting potential projects to be funded under this section, the Administrator shall seek Requests For Interest from entities interested in identifying potential projects through one or more notices published in the Federal Register.


Codification
Section was enacted as part of the Hoover Power Plant Act of 1984, and not as part of the Electricity Modernization Act of 2005, which comprises this subchapter, or the Energy Policy Act of 2005, which comprises this chapter.

§ 16422. Advanced transmission technologies

(a) Definition of advanced transmission technology
In this section, the term “advanced transmission technology” means a technology that increases the capacity, efficiency, or reliability of an existing or new transmission facility, including—
(1) high-temperature lines (including superconducting cables);
(2) underground cables;
(3) advanced conductor technology (including advanced composite conductors, high-temperature low-sag conductors, and fiber optic temperature sensing conductors);
(4) high-capacity ceramic electric wire, connectors, and insulators;
(5) optimized transmission line configurations (including multiple phased transmission lines);
(6) modular equipment;
(7) wireless power transmission;
(8) ultra-high voltage lines;
(9) high-voltage DC technology;
(10) flexible AC transmission systems;
(11) energy storage devices (including pumped hydro, compressed air, superconducting magnetic energy storage, flywheels, and batteries);
(12) controllable load;
(13) distributed generation (including PV, fuel cells, and microturbines);
(14) enhanced power device monitoring;
(15) direct system state sensors;
(16) fiber optic technologies;
(17) power electronics and related software (including real time monitoring and analytical software);
(18) mobile transformers and mobile substations; and
(19) any other technologies the Commission considers appropriate.

(b) Authority
In carrying out the Federal Power Act (16 U.S.C. 791a et seq.) and the Public Utility Regulatory Policies Act of 1978 (16 U.S.C. 2601 et seq.), the Commission shall encourage, as appropriate, the deployment of advanced transmission technologies.


References in Text
The Federal Power Act, referred to in subsec. (b), is act June 10, 1920, ch. 285, 41 Stat. 1063, as amended,
which is classified generally to chapter 12 (§791a et seq.) of Title 16, Conservation. For complete classification of this Act to the Code, see section 791a of Title 16 and Tables.

§ 16423. Advanced Power System Technology Incentive Program

(a) Program

The Secretary is authorized to establish an Advanced Power System Technology Incentive Program to support the deployment of certain advanced power system technologies and to improve and protect certain critical governmental, industrial, and commercial processes. Funds provided under this section shall be used by the Secretary to make incentive payments to eligible owners or operators of advanced power system technologies to increase power generation through enhanced operational, economic, and environmental performance. Payments under this section may only be made upon receipt by the Secretary of an incentive payment application establishing an applicant as either—

(1) a qualifying advanced power system technology facility; or

(2) a qualifying security and assured power facility.

(b) Incentives

Subject to availability of funds, a payment of 1.8 cents per kilowatt-hour shall be paid to the owner or operator of a qualifying advanced power system technology facility under this section for each kilowatt-hour of electricity generated at such facility. An additional 0.7 cents per kilowatt-hour shall be paid to the owner or operator of a qualifying security and assured power facility for electricity generated at such facility. Any facility qualifying under this section shall be eligible for an incentive payment for up to, but not more than, the first 10,000,000 kilowatt-hours produced in any fiscal year.

(c) Eligibility

For purposes of this section:

(1) Qualifying advanced power system technology facility

The term “qualifying advanced power system technology facility” means a facility using an advanced fuel cell, turbine, or hybrid power system or power storage system to generate or store electric energy.

(2) Qualifying security and assured power facility

The term “qualifying security and assured power facility” means a qualifying advanced power system technology facility determined by the Secretary, in consultation with the Secretary of Homeland Security, to be in critical need of secure, reliable, rapidly available, high-quality power for critical governmental, industrial, or commercial applications.

(d) Authorization

There are authorized to be appropriated to the Secretary for the purposes of this section, $10,000,000 for each of the fiscal years 2006 through 2012.


PART B—TRANSMISSION OPERATION IMPROVEMENTS

§ 16431. Federal utility participation in transmission organizations

(a) Definitions

In this section:

(1) Appropriate Federal regulatory authority

The term “appropriate Federal regulatory authority” means—

(A) in the case of a Federal power marketing agency, the Secretary, except that the Secretary may designate the Administrator of a Federal power marketing agency to act as the appropriate Federal regulatory authority with respect to the transmission system of the Federal power marketing agency; and

(B) in the case of the Tennessee Valley Authority, the Board of Directors of the Tennessee Valley Authority.

(2) Federal power marketing agency

The term “Federal power marketing agency” has the meaning given the term in section 796 of title 16.

(3) Federal utility

The term “Federal utility” means—

(A) a Federal power marketing agency; or

(B) the Tennessee Valley Authority.

(4) Transmission Organization

The term “Transmission Organization” has the meaning given the term in section 796 of title 16.

(5) Transmission system

The term “transmission system” means an electric transmission facility owned, leased, or contracted for by the United States and operated by a Federal utility.

(b) Transfer

The appropriate Federal regulatory authority may enter into a contract, agreement, or other arrangement transferring control and use of all or part of the transmission system of a Federal utility to a Transmission Organization.

(c) Contents

The contract, agreement, or arrangement shall include—

(1) performance standards for operation and use of the transmission system that the head of the Federal utility determines are necessary or appropriate, including standards that ensure—

(A) recovery of all of the costs and expenses of the Federal utility related to the transmission facilities that are the subject of the contract, agreement, or other arrangement;

(B) consistency with existing contracts and third-party financing arrangements; and

(C) consistency with the statutory authorities, obligations, and limitations of the Federal utility;
(2) provisions for monitoring and oversight by the Federal utility of the Transmission Organization’s terms and conditions of the contract, agreement, or other arrangement, including a provision for the resolution of disputes through arbitration or other means with the Transmission Organization or with other participants, notwithstanding the obligations and limitations of any other law regarding arbitration; and

(3) a provision that allows the Federal utility to withdraw from the Transmission Organization and terminate the contract, agreement, or other arrangement in accordance with its terms.

d) Commission

Neither this section, actions taken pursuant to this section, nor any other transaction of a Federal utility participating in a Transmission Organization shall confer on the Commission jurisdiction or authority over—

(1) the electric generation assets, electric capacity, or energy of the Federal utility that the Federal utility is authorized by law to market; or

(2) the power sales activities of the Federal utility.

(e) Existing statutory and other obligations

(1) System operation requirements

No statutory provision requiring or authorizing a Federal utility to transmit electric power or to construct, operate, or maintain the transmission system of the Federal utility prohibits a transfer of control and use of the transmission system pursuant to, and subject to, the requirements of this section.

(2) Other obligations

This subsection does not—

(A) suspend, or exempt any Federal utility from, any provision of Federal law in effect on August 8, 2005, including any requirement or direction relating to the use of the transmission system of the Federal utility, environmental protection, fish and wildlife protection, flood control, navigation, water delivery, or recreation; or

(B) authorize abrogation of any contract or treaty obligation.

(3) the potential benefits to residential, commercial, and industrial electricity consumers nationally and in each State if economic dispatch procedures were revised to improve the ability of nonutility generation resources to offer their output for inclusion in economic dispatch.

(b) Definition

The term “economic dispatch” when used in this section means the operation of generation facilities to produce energy at the lowest cost to reliably serve consumers, recognizing any operational limits of generation and transmission facilities.

c) Report to Congress and the States

Not later than 90 days after August 8, 2005, and on a yearly basis following, the Secretary shall submit a report to Congress and the States on the results of the study conducted under subsection (a), including recommendations to Congress and the States for any suggested legislative or regulatory changes.


PART C—TRANSMISSION RATE REFORM

§16441. Funding new interconnection and transmission upgrades

The Commission may approve a participant funding plan that allocates costs related to transmission upgrades or new generator interconnection, without regard to whether an applicant is a member of a Commission-approved Transmission Organization, if the plan results in rates that—

(1) are just and reasonable;

(2) are not unduly discriminatory or preferential; and

(3) are otherwise consistent with sections 824d and 824e of title 16.


PART D—REPEAL OF PUBLIC UTILITY HOLDING COMPANY ACT OF 1935

§16451. Definitions

For purposes of this part:

(1) Affiliate

The term “affiliate” of a company means any company, 5 percent or more of the outstanding voting securities of which are owned, controlled, or held with power to vote, directly or indirectly, by such company.

(2) Associate company

The term “associate company” of a company means any company in the same holding company system with such company.

(3) Commission

The term “Commission” means the Federal Energy Regulatory Commission.

(4) Company

The term “company” means a corporation, partnership, association, joint stock company, business trust, or any organized group of per-
sons, whether incorporated or not, or a receiver, trustee, or other liquidating agent of any of the foregoing.

(5) Electric utility company

The term “electric utility company” means any company that owns or operates facilities used for the generation, transmission, or distribution of electric energy for sale.

(6) Exempt wholesale generator and foreign utility company

The terms “exempt wholesale generator” and “foreign utility company” have the same meanings as in sections 79z–5a and 79z–5b of title 15, as those sections existed on the day before the effective date of this part.

(7) Gas utility company

The term “gas utility company” means any company that owns or operates facilities used for distribution at retail (other than the distribution only in enclosed portable containers or distribution to tenants or employees of the company operating such facilities for their own use and not for resale) of natural or manufactured gas for heat, light, or power.

(8) Holding company

(A) In general

The term “holding company” means—

(i) any company that directly or indirectly owns, controls, or holds, with power to vote, 10 percent or more of the outstanding voting securities of a public-utility company or of a holding company of any public-utility company; and

(ii) any person, determined by the Commission, after notice and opportunity for hearing, to exercise directly or indirectly (either alone or pursuant to an arrangement or understanding with one or more persons) such a controlling influence over the management or policies of any public-utility company or holding company as to make it necessary or appropriate for the rate protection of utility customers with respect to rates that such person be subject to the obligations, duties, and liabilities imposed by this part upon holding companies.

(B) Exclusions

The term “holding company” shall not include—

(i) a bank, savings association, or trust company, or their operating subsidiaries that own, control, or hold, with the power to vote, public utility or public utility holding company securities so long as the securities are—

(I) held as collateral for a loan;

(II) held in the ordinary course of business as a fiduciary; or

(III) acquired solely for purposes of liquidation and in connection with a loan previously contracted for and owned beneficially for a period of not more than two years; or

(ii) a broker or dealer that owns, controls, or holds with the power to vote public utility or public utility holding company securities so long as the securities are—

(I) not beneficially owned by the broker or dealer and are subject to any voting instructions which may be given by customers or their assigns; or

(II) acquired within 12 months in the ordinary course of business as a broker, dealer, or underwriter with the bona fide intention of effecting distribution of the specific securities so acquired.

(9) Holding company system

The term “holding company system” means a holding company, together with its subsidiary companies.

(10) Jurisdictional rates

The term “jurisdictional rates” means rates accepted or established by the Commission for the transmission of electric energy in interstate commerce, the sale of electric energy at wholesale in interstate commerce, the transportation of natural gas in interstate commerce, and the sale in interstate commerce of natural gas for resale for ultimate public consumption for domestic, commercial, industrial, or any other use.

(11) Natural gas company

The term “natural gas company” means a person engaged in the transportation of natural gas in interstate commerce or the sale of such gas in interstate commerce for resale.

(12) Person

The term “person” means an individual or company.

(13) Public utility

The term “public utility” means any person who owns or operates facilities used for transmission of electric energy in interstate commerce or sales of electric energy at wholesale in interstate commerce.

(14) Public-utility company

The term “public-utility company” means an electric utility company or a gas utility company.

(15) State commission

The term “State commission” means any commission, board, agency, or officer, by whatever name designated, of a State, municipality, or other political subdivision of a State that, under the laws of such State, has jurisdiction to regulate public utility companies.

(16) Subsidiary company

The term “subsidiary company” of a holding company means—

(A) any company, 10 percent or more of the outstanding voting securities of which are directly or indirectly owned, controlled, or held with power to vote, by such holding company; and

(B) any person, the management or policies of which the Commission, after notice and opportunity for hearing, determines to be subject to a controlling influence, directly or indirectly, by such holding company (either alone or pursuant to an arrangement or understanding with one or
more other persons) so as to make it necessary for the rate protection of utility customers with respect to rates that such person be subject to the obligations, duties, and liabilities imposed by this part upon subsidiary companies of holding companies. (17) Voting security

The term "voting security" means any security presently entitling the owner or holder thereof to vote in the direction or management of the affairs of a company.


REFERENCES IN TEXT

This part, referred to in text, was in the original "this subtitle", meaning subtitle F (§§1261–1277) of title XII of Pub. L. 109–58, Aug. 8, 2005, 119 Stat. 972, which enacted this part, amended sections 824 and 824m of Title 15, Conservation, repealed chapter 2C (§79 et seq.) of Title 15, Commerce and Trade, and section 825q of Title 16, Conservation, and enacted provisions set out as notes under the section and section 15801 of this title. For complete classification to Title 15, Commerce and Trade, and section 825q of Title 16, and enacted provisions set out as notes under Title 16, Conservation, repealed chapter 2C (§79 et seq.) of Title 15, Commerce and Trade, and section 825q of Title 16, and enacted provisions set out as notes under section 15801 of this title. For complete classification of subtitle F to the Code, see Short Title note set out under section 15801 of this title and Tables.

For the effective date of this part, referred to in par. (6), see Effective Date note set out below.

EFFECTIVE DATE

Pub. L. 109–58, title XII, §1274, Aug. 8, 2005, 119 Stat. 977, provided that:

"(a) IN GENERAL.—Except for section 1272 (42 U.S.C. 16460) (relating to implementation), this subtitle [subsection (a) of this section] shall take effect 6 months after the date of enactment of this subtitle [Aug. 8, 2005].

"(b) COMPLIANCE WITH CERTAIN RULES.—If the [Federal Energy Regulatory] Commission approves and makes effective any final rulemaking modifying the standards of conduct governing entities that own, operate, or control facilities for transmission of electricity in interstate commerce or transportation of natural gas in interstate commerce prior to the effective date of this subtitle, any action taken by a public-utility company or utility holding company to comply with the requirements of such rulemaking shall not subject such public-utility company or utility holding company to any regulatory requirement applicable to a holding company under the Public Utility Holding Company Act of 1935 (15 U.S.C. 79 et seq.)."

SHORT TITLE

For short title of subtitle F of title XII of Pub. L. 109–58, which enacted this part, as the "Public Utility Holding Company Act of 2005", see section 1261 of Pub. L. 109–58, set out as a note under section 15801 of this title.

§16453. State access to books and records

(a) In general

Upon the written request of a State commission having jurisdiction to regulate a public-utility company in a holding company system, the holding company or any associate company or affiliate thereof, other than such public-utility company, wherever located, shall produce for inspection books, accounts, memoranda, and other records that—

(1) have been identified in reasonable detail in a proceeding before the State commission;
(2) the State commission determines are relevant to costs incurred by such public-utility company; and
(3) are necessary for the effective discharge of the responsibilities of the State commission with respect to such proceeding.

(b) Limitation

Subsection (a) does not apply to any person that is a holding company solely by reason of ownership of one or more qualifying facilities under the Public Utility Regulatory Policies Act of 1978 (16 U.S.C. 2601 et seq.).

(c) Confidentiality of information

The production of books, accounts, memoranda, and other records under subsection (a) shall be subject to such terms and conditions as may be necessary and appropriate to safeguard against unwarranted disclosure to the public of any trade secrets or sensitive commercial information.

(d) Effect on State law

Nothing in this section shall preempt applicable State law concerning the provision of books,
accounts, memoranda, and other records, or in any way limit the rights of any State to obtain books, accounts, memoranda, and other records under any other Federal law, contract, or otherwise.

(e) Court jurisdiction

Any United States district court located in the State in which the State commission referred to in subsection (a) is located shall have jurisdiction to enforce compliance with this section.


REFERENCES IN TEXT


§ 16454. Exemption authority

(a) Rulemaking

Not later than 90 days after the effective date of this part, the Commission shall issue a final rule to exempt from the requirements of section 16452 of this title (relating to Federal access to books and records) any person that is a holding company, solely with respect to one or more—

(1) qualifying facilities under the Public Utility Regulatory Policies Act of 1978 (16 U.S.C. 2601 et seq.);

(2) exempt wholesale generators; or

(3) foreign utility companies.

(b) Other authority

The Commission shall exempt a person or transaction from the requirements of section 16452 of this title (relating to Federal access to books and records) if, upon application or upon the motion of the Commission—

(1) the Commission finds that the books, accounts, memoranda, and other records of any person are not relevant to the jurisdictional rates of a public utility or natural gas company; or

(2) the Commission finds that any class of transactions is not relevant to the jurisdictional rates of a public utility or natural gas company.


REFERENCES IN TEXT

For the effective date of this part, referred to in subsec. (a), see Effective Date note set out under section 16451 of this title.


§ 16455. Affiliate transactions

(a) Commission authority unaffected

Nothing in this part shall limit the authority of the Commission under the Federal Power Act (16 U.S.C. 791a et seq.) to require that jurisdictional rates are just and reasonable, including the ability to deny or approve the pass through of costs, the prevention of cross-subsidization, and the issuance of such rules and regulations as are necessary or appropriate for the protection of utility consumers.

(b) Recovery of costs

Nothing in this part shall preclude the Commission or a State commission from exercising its jurisdiction under otherwise applicable law to determine whether a public-utility company, public utility, or natural gas company may recover in rates any costs of an activity performed by an associate company, or any costs of goods or services acquired by such public-utility company from an associate company.


REFERENCES IN TEXT

This part, referred to in text, was in the original "this subtitle", meaning subtitle F (§§1261–1277) of title XII of Pub. L. 109–58, Aug. 8, 2005, 119 Stat. 972, which enacted this part, amended sections 824 and 824m of Title 16, Conservation, repealed chapter 2C (§79 et seq.) of Title 15, Commerce and Trade, and section 825q of Title 16, and enacted provisions set out as notes under sections 15801 and 16451 of this title. For complete classification of subtitle F to the Code, see Short Title note set out under section 15801 of this title and Tables.

The Federal Power Act, referred to in subsec. (a), is Act June 10, 1920, ch. 285, 41 Stat. 1063, as amended, which is classified generally to chapter 12 (§791a et seq.) of Title 16, Conservation. For complete classification of this Act to the Code, see section 791a of Title 16 and Tables.

§ 16456. Applicability

Except as otherwise specifically provided in this part, no provision of this part shall apply to, or be deemed to include—

(1) the United States;

(2) a State or any political subdivision of a State;

(3) any foreign governmental authority not operating in the United States;

(4) any agency, authority, or instrumentality of any entity referred to in paragraph (1), (2), or (3); or

(5) any officer, agent, or employee of any entity referred to in paragraph (1), (2), (3), or (4) acting as such in the course of his or her official duty.


REFERENCES IN TEXT

This part, referred to in text, was in the original "this subtitle", meaning subtitle F (§§1261–1277) of title XII of Pub. L. 109–58, Aug. 8, 2005, 119 Stat. 972, which enacted this part, amended sections 824 and 824m of Title 16, Conservation, repealed chapter 2C (§79 et seq.) of Title 15, Commerce and Trade, and section 825q of Title 16, and enacted provisions set out as notes under sections 15801 and 16451 of this title. For complete classification of subtitle F to the Code, see Short Title note set out under section 15801 of this title and Tables.

§ 16457. Effect on other regulations

Nothing in this part precludes the Commission or a State commission from exercising its jurisdiction under otherwise applicable law to protect utility customers.
§ 16458. Enforcement

The Commission shall have the same powers as set forth in sections 825e through 825p of title 16 to enforce the provisions of this part.


REFERENCES IN TEXT

This part, referred to in text, was in the original "this subtitle", meaning subtitle F (§§1261–1277) of title XII of Pub. L. 109–58, Aug. 8, 2005, 119 Stat. 972, which enacted this part, amended sections 824 and 824m of Title 16, Conservation, repealed chapter 2C (§79 et seq.) of Title 15, Commerce and Trade, and section 825q of Title 16, and enacted provisions set out as notes under sections 15801 and 16451 of this title. For complete classification of subtitle F to the Code, see Short Title note set out under section 15801 of this title and Tables.

§ 16459. Savings provisions

(a) In general

Nothing in this part, or otherwise in the Public Utility Holding Company Act of 1935, or rules, regulations, or orders thereunder, prohibits a person from engaging in or continuing to engage in activities or transactions in which it is legally engaged or authorized to engage on August 8, 2005, if that person continues to comply with the terms (other than an expiration date or termination date) of any such authorization, whether by rule or by order.

(b) Effect on other Commission authority

Nothing in this part limits the authority of the Commission under the Federal Power Act (16 U.S.C. 791a et seq.) or the Natural Gas Act (15 U.S.C. 717 et seq.).

(c) Tax treatment

Tax treatment under section 1081 of title 26 as a result of transactions ordered in compliance with the Public Utility Holding Company Act of 1935 (15 U.S.C. 79 et seq.) shall not be affected in any manner due to the repeal of that Act and the enactment of the Public Utility Holding Company Act of 2005 (42 U.S.C. 16451 et seq.).


REFERENCES IN TEXT

This part, referred to in text, was in the original "this subtitle", meaning subtitle F (§§1261–1277) of title XII of Pub. L. 109–58, Aug. 8, 2005, 119 Stat. 972, known as the Public Utility Holding Company Act of 2005, which enacted this part, amended sections 824 and 824m of Title 16, Conservation, repealed chapter 2C (§79 et seq.) of Title 15, Commerce and Trade, and section 825q of Title 16, and enacted provisions set out as notes under sections 15801 and 16451 of this title. For complete classification of subtitle F to the Code, see Short Title note set out under section 15801 of this title and Tables.

§ 16460. Implementation

Not later than 4 months after August 8, 2005, the Commission shall—

(1) issue such regulations as may be necessary or appropriate to implement this part (other than section 16453 of this title, relating to State access to books and records); and

(2) submit to Congress detailed recommendations on technical and conforming amendments to Federal law necessary to carry out this part and the amendments made by this part.


REFERENCES IN TEXT

This part, referred to in text, was in the original "this subtitle", meaning subtitle F (§§1261–1277) of title XII of Pub. L. 109–58, Aug. 8, 2005, 119 Stat. 972, which enacted this part, amended sections 824 and 824m of Title 16, Conservation, repealed chapter 2C (§79 et seq.) of Title 15, Commerce and Trade, and section 825q of Title 16, and enacted provisions set out as notes under sections 15801 and 16451 of this title. For complete classification of subtitle F to the Code, see Short Title note set out under section 15801 of this title and Tables.

§ 16461. Transfer of resources

All books and records that relate primarily to the functions transferred to the Commission under this part shall be transferred from the Securities and Exchange Commission to the Commission.


REFERENCES IN TEXT

This part, referred to in text, was in the original "this subtitle", meaning subtitle F (§§1261–1277) of title XII of Pub. L. 109–58, Aug. 8, 2005, 119 Stat. 972, which enacted this part, amended sections 824 and 824m of Title 16, Conservation, repealed chapter 2C (§79 et seq.)
of Title 15, Commerce and Trade, and section 825q of Title 16, and enacted provisions set out as notes under sections 15801 and 16451 of this title. For complete classification of subtitle F to the Code, see Short Title note set out under section 15801 of this title and Tables.

§ 16462. Service allocation

(a) Definition of public utility

In this section, the term “public utility” has the meaning given the term in section 824(e) of title 16.

(b) FERC review

In the case of non-power goods or administrative or management services provided by an associate company organized specifically for the purpose of providing such goods or services to any public utility in the same holding company system, at the election of the system or a State commission having jurisdiction over the public utility, the Commission, after the effective date of this part, shall review and authorize the allocation of the costs for such goods or services to the extent relevant to that associate company.

(c) Effect on Federal and State law

Nothing in this section shall affect the authority of the Commission or a State commission under other applicable law.

(d) Rules

Not later than 4 months after August 8, 2005, the Commission shall issue rules (which rules shall be effective no earlier than the effective date of this part) to exempt from the requirements of this section any company in a holding company system whose public utility operations are confined substantially to a single State and any other class of transactions that the Commission finds is not relevant to the jurisdictional rates of a public utility.


REFERENCES IN TEXT

For the effective date of this part, referred to in subsecs. (b) and (d), see Effective Date note set out under section 16451 of this title.

§ 16463. Authorization of appropriations

There are authorized to be appropriated such funds as may be necessary to carry out this part.


REFERENCES IN TEXT

This part, referred to in text, was in the original “this subtitle”, meaning subtitle F (§§1261–1277) of title XII of Pub. L. 109–58, Aug. 8, 2005, 119 Stat. 972, which enacted this part, amended sections 824 and 824m of Title 16, Conservation, repealed chapter 2C (§79 et seq.) of Title 15, Commerce and Trade, and section 825q of Title 16, and enacted provisions set out as notes under sections 15801 and 16451 of this title. For complete classification of subtitle F to the Code, see Short Title note set out under section 15801 of this title and Tables.
sections 824b, 824o, 824q, and 2642 of Title 16. For complete classification of title XII to the Code, see Short Title note set out under section 15801 of this title and Tables.

SUBCHAPTER XIII—MISCELLANEOUS

§ 16491. Energy production incentives

(a) In general

A State may provide to any entity—

(1) a credit against any tax or fee owed to the State under a State law, or
(2) any other tax incentive,
determined by the State to be appropriate, in the amount calculated under and in accordance with a formula determined by the State, for production described in subsection (b) in the State by the entity that receives such credit or such incentive.

(b) Eligible entities

Subsection (a) shall apply with respect to the production in the State of electricity from coal mined in the State and used in a facility, if such production meets all applicable Federal and State laws and if such facility uses scrubbers or other forms of clean coal technology.

(c) Effect on interstate commerce

Any action taken by a State in accordance with this section with respect to a tax or fee payable, or incentive applicable, for any period beginning after August 8, 2005, shall—

(1) be considered to be a reasonable regulation of commerce; and
(2) not be considered to impose an undue burden on interstate commerce or to otherwise impair, restrain, or discriminate, against interstate commerce.


§ 16492. Regulation of certain oil used in transformers

Notwithstanding any other provision of law, or rule promulgated by the Environmental Protection Agency, vegetable oil made from soybeans and used in electric transformers as thermal insulation shall not be regulated as an oil identified under section 2729(a)(1)(B) of title 33.


§ 16493. National Priority Project Designation

(a) Designation of National Priority Projects

(1) In general

There is established the National Priority Project Designation (referred to in this section as the “Designation”), which shall be evidenced by a medal bearing the inscription “National Priority Project”.

(2) Design and materials

The medal shall be of such design and materials and bear such additional inscriptions as the President may prescribe.

(b) Making and presentation of Designation

(1) In general

The President, on the basis of recommendations made by the Secretary, shall annually designate organizations that have—

(A) advanced the field of renewable energy technology and contributed to North American energy independence; and
(B) been certified by the Secretary under subsection (e).

(2) Presentation

The President shall designate projects with such ceremonies as the President may prescribe.

(3) Use of Designation

An organization that receives a Designation under this section may publicize the Designation of the organization as a National Priority Project in advertising.

(4) Categories in which the Designation may be given

Separate Designations shall be made to qualifying projects in each of the following categories:

(A) Wind and biomass energy generation projects.
(B) Photovoltaic and fuel cell energy generation projects.
(C) Energy efficient building and renewable energy projects.
(D) First-in-Class projects.

(c) Selection criteria

(1) In general

Certification criteria established under paragraph (2) shall be based on criteria established under this subsection.

(2) Wind, biomass, and building projects

In the case of a wind, biomass, or building project, the project shall demonstrate that the project will install not less than 30 megawatts of renewable energy generation capacity.

(3) Solar photovoltaic and fuel cell projects

In the case of a solar photovoltaic or fuel cell project, the project shall demonstrate that the project will install not less than 3 megawatts of renewable energy generation capacity.

(4) Energy efficient building and renewable energy projects

In the case of an energy efficient building or renewable energy project, in addition to meeting the criteria established under paragraph (2), each building project shall demonstrate that the project will—

(A) comply with third-party certification standards for high-performance, sustainable buildings;
(B) use whole-building integration of energy efficiency and environmental performance design and technology, including advanced building controls;
(C) use renewable energy for at least 50 percent of the energy consumption of the project;
(D) comply with applicable Energy Star standards; and
(E) include at least 5,000,000 square feet of enclosed space.

(5) First-in-Class use

Notwithstanding paragraphs (2) through (4), a new building project may qualify under this
section if the Secretary determines that the project—
   (A) represents a First-In-Class use of renewable energy; or
   (B) otherwise establishes a new paradigm of building integrated renewable energy use or energy efficiency.

(d) Application
   (1) Initial applications
   No later than 120 days after August 8, 2005, and annually thereafter, the Secretary shall publish in the Federal Register an invitation and guidelines for submitting applications, consistent with this section.

(2) Contents
   The application shall describe the project, or planned project, and the plans to meet the criteria established under subsection (c).

(e) Certification
   (1) In general
   Not later than 60 days after the application period described in subsection (d), and annually thereafter, the Secretary shall certify projects that are reasonably expected to meet the criteria established under subsection (c).

   (2) Certified projects
   The Secretary shall designate personnel of the Department to work with persons carrying out each certified project and ensure that the personnel—
   (A) provide each certified project with guidance in meeting the criteria established under subsection (c);
   (B) identify programs of the Department, including National Laboratories and Technology Centers, that will assist each project in meeting the criteria established under subsection (c); and
   (C) ensure that knowledge and transfer of the most current technology between the applicable resources of the Federal Government (including the National Laboratories and Technology Centers, the Department, and the Environmental Protection Agency) and the certified projects is being facilitated to accelerate commercialization of work developed through those resources.

(f) Authorization of appropriations
   There are authorized to be appropriated such sums as are necessary to carry out this section for each of fiscal years 2006 through 2010.


§16501. Commercial byproducts from municipal solid waste and cellulosic biomass loan guarantee program

(a) Definition of municipal solid waste
   In this section, the term “municipal solid waste” has the meaning given the term “solid waste” in section 6903 of this title.

(b) Establishment of program
   The Secretary shall establish a program to provide guarantees of loans by private institutions for the construction of facilities for the processing and conversion of municipal solid waste and cellulosic biomass into fuel ethanol and other commercial byproducts.

(c) Requirements
   The Secretary may provide a loan guarantee under subsection (b) to an applicant if—
   (1) without a loan guarantee, credit is not available to the applicant under reasonable terms or conditions sufficient to finance the construction of a facility described in subsection (b);
   (2) the prospective earning power of the applicant and the character and value of the security pledged provide a reasonable assurance of repayment of the loan to be guaranteed in accordance with the terms of the loan; and
   (3) the loan bears interest at a rate determined by the Secretary to be reasonable, taking into account the current average yield on outstanding obligations of the United States with remaining periods of maturity comparable to the maturity of the loan.

(d) Criteria
   In selecting recipients of loan guarantees from among applicants, the Secretary shall give preference to proposals that—
   (1) meet all applicable Federal and State permitting requirements;
   (2) are most likely to be successful; and
   (3) are located in local markets that have the greatest need for the facility because of—
      (A) the limited availability of land for waste disposal;
(B) the availability of sufficient quantities of cellulosic biomass; or
(C) a high level of demand for fuel ethanol or other commercial byproducts of the facility.

(e) Maturity
A loan guaranteed under subsection (b) shall have a maturity of not more than 20 years.

(f) Terms and conditions
The loan agreement for a loan guaranteed under subsection (b) shall provide that no provision of the loan agreement may be amended or waived without the consent of the Secretary.

(g) Assurance of repayment
The Secretary shall require that an applicant for a loan guarantee under subsection (b) provide an assurance of repayment in the form of a performance bond, insurance, collateral, or other means acceptable to the Secretary in an amount equal to not less than 20 percent of the amount of the loan.

(h) Guarantee fee
The recipient of a loan guarantee under subsection (b) shall pay the Secretary an amount equal to not less than 20 percent of the amount of the loan.

(i) Full faith and credit
The full faith and credit of the United States is pledged to the payment of all guarantees made under this section. Any such guarantee made by the Secretary shall be conclusive evidence of the eligibility of the loan for the guarantee with respect to principal and interest. The validity of the guarantee shall be incontestable in the hands of a holder of the guaranteed loan.

(j) Reports
Until each guaranteed loan under this section has been repaid in full, the Secretary shall annually submit to Congress a report on the activities of the Secretary under this section.

(k) Authorization of appropriations
There are authorized to be appropriated such sums as are necessary to carry out this section.

(l) Termination of authority
The authority of the Secretary to issue a loan guarantee under subsection (b) terminates on the date that is 10 years after August 8, 2005.

§ 16502. Advanced Biofuel Technologies Program

(a) In general
Subject to the availability of appropriations under subsection (d), the Administrator of the Environmental Protection Agency shall, in consultation with the Secretary of Agriculture and the Biomass Research and Development Technical Advisory Committee established under section 8605 of title 7, establish a program, to be known as the “Advanced Biofuel Technologies Program”, to demonstrate advanced technologies for the production of alternative transportation fuels.

(b) Priority
In carrying out the program under subsection (a), the Administrator shall give priority to projects that enhance the geographical diversity of alternative fuels production and utilize feedstocks that represent 10 percent or less of ethanol or biodiesel fuel production in the United States during the previous fiscal year.

(c) Demonstration projects
(1) In general
As part of the program under subsection (a), the Administrator shall fund demonstration projects—
   (A) to develop not less than 4 different conversion technologies for producing cellulosic biomass ethanol; and
   (B) to develop not less than 5 technologies for coproducing value-added bioproducts (such as fertilizers, herbicides, and pesticides) resulting from the production of biodiesel fuel.

(2) Administration
Demonstration projects under this subsection shall be—
   (A) conducted based on a merit-reviewed, competitive process; and
   (B) subject to the cost-sharing requirements of section 16352 of this title.

(d) Authorization of appropriations
There are authorized to be appropriated to carry out this section $110,000,000 for each of fiscal years 2005 through 2009.

References in Text
Section 8605 of title 7, referred to in subsec. (a), was repealed by Pub. L. 110–246, title IX, § 9001(b), June 18, 2009, 122 Stat. 1404.

§ 16503. Sugar ethanol loan guarantee program

(a) In general
Funds may be provided for the cost (as defined in section 601a of title 2) of loan guarantees issued under title XIV to carry out commercial demonstration projects for ethanol derived from sugarcane, bagasse, and other sugarcane byproducts.

(b) Demonstration projects
The Secretary may issue loan guarantees under this section to projects to demonstrate commercially the feasibility and viability of producing ethanol using sugarcane, sugarcane bagasse, and other sugarcane byproducts as a feedstock.

(c) Requirements
An applicant for a loan guarantee under this section may provide assurances, satisfactory to the Secretary, that—

1 See References in Text note below.
§ 16511  

(1) the project design has been validated through the operation of a continuous process facility;
(2) the project has been subject to a full technical review;
(3) the project, with the loan guarantee, is economically viable; and
(4) there is a reasonable assurance of repayment of the guaranteed loan.

(d) Limitations

(1) Maximum guarantee

Except as provided in paragraph (2), a loan guarantee under this section—

(A) may be issued for up to 80 percent of the estimated cost of a project; but
(B) shall not exceed $30,000,000 for any 1 project.

(2) Additional guarantees

(A) In general

The Secretary may issue additional loan guarantees for a project to cover—

(i) up to 80 percent of the excess of actual project costs; but
(ii) not to exceed 15 percent of the amount of the original loan guarantee.

(B) Principal and interest

Subject to subparagraph (A), the Secretary shall guarantee 100 percent of the principal and interest of a loan guarantee made under subparagraph (A).


REFERENCES IN TEXT

Title XIV, referred to in subsec. (a), is title XIV of Pub. L. 109–58, Aug. 8, 2005, 119 Stat. 1061, which enacted subchapter XIII of this chapter and section 13557 of this title.

SUBCHAPTER XV—INCENTIVES FOR INNOVATIVE TECHNOLOGIES

§ 16512. Terms and conditions

(a) In general

Except for division C of Public Law 108–324 [15 U.S.C. 720 et seq.], the Secretary shall make guarantees under this or any other Act for projects on such terms and conditions as the Secretary determines, after consultation with the Secretary of the Treasury, only in accordance with this section.

(b) Specific appropriation or contribution

(1) In general

No guarantee shall be made unless—

(A) an appropriation for the cost of the guarantee has been made;
(B) the Secretary has received from the borrower a payment in full for the cost of the guarantee and deposited the payment into the Treasury; or
(C) a combination of one or more appropriations under subparagraph (A) and one or more payments from the borrower under subparagraph (B) has been made that is sufficient to cover the cost of the guarantee.

(c) Amount

Unless otherwise provided by law, a guarantee by the Secretary shall not exceed an amount equal to 80 percent of the project cost of the facility that is the subject of the guarantee, as estimated at the time at which the guarantee is issued.

(d) Repayment

(1) In general

No guarantee shall be made unless the Secretary determines that there is reasonable prospect of repayment of the principal and interest on the obligation by the borrower.

(2) Amount

No guarantee shall be made unless the Secretary determines that the amount of the obligation (when combined with amounts available to the borrower from other sources) will be sufficient to carry out the project.

(3) Subordination

The obligation shall be subject to the condition that the obligation is not subordinate to other financing.

(e) Interest rate

An obligation shall bear interest at a rate that does not exceed a level that the Secretary determines appropriate, taking into account the prevailing rate of interest in the private sector for similar loans and risks.

1 So in original. No par. (2) has been enacted.
(f) Term
The term of an obligation shall require full repayment over a period not to exceed the lesser of—

(1) 30 years; or
(2) 90 percent of the projected useful life of the physical asset to be financed by the obligation (as determined by the Secretary).

(g) Defaults

(1) Payment by Secretary

(A) In general
If a borrower defaults on the obligation (as defined in regulations promulgated by the Secretary and specified in the guarantee contract), the holder of the guarantee shall have the right to demand payment of the unpaid amount from the Secretary.

(B) Payment required
Within such period as may be specified in the guarantee or related agreements, the Secretary shall pay to the holder of the guarantee the unpaid interest on, and unpaid principal of the obligation as to which the borrower has defaulted, unless the Secretary finds that there was no default by the borrower in the payment of interest or principal or that the default has been remedied.

(C) Forbearance
Nothing in this subsection precludes any forbearance by the holder of the obligation for the benefit of the borrower which may be agreed upon by the parties to the obligation and approved by the Secretary.

(2) Subrogation

(A) In general
If the Secretary makes a payment under paragraph (1), the Secretary shall be subrogated to the rights of the recipient of the payment as specified in the guarantee or related agreements including, where appropriate, the authority (notwithstanding any other provision of law) to—

(i) complete, maintain, operate, lease, or otherwise dispose of any property acquired pursuant to such guarantee or related agreements; or
(ii) permit the borrower, pursuant to an agreement with the Secretary, to continue to pursue the purposes of the project if the Secretary determines this to be in the public interest.

(B) Superiority of rights
The rights of the Secretary, with respect to any property acquired pursuant to a guarantee or related agreements, shall be superior to the rights of any other person with respect to the property.

(C) Terms and conditions
A guarantee agreement shall include such detailed terms and conditions as the Secretary determines appropriate to—

(i) protect the interests of the United States in the case of default; and
(ii) have available all the patents and technology necessary for any person selected, including the Secretary, to complete and operate the project.

(3) Payment of principal and interest by Secretary
With respect to any obligation guaranteed under this section, the Secretary may enter into a contract to pay, and pay, holders of the obligation, for and on behalf of the borrower, from funds appropriated for that purpose, the principal and interest payments which become due and payable on the unpaid balance of the obligation if the Secretary finds that—

(A)(i) the borrower is unable to meet the payments and is not in default;
(ii) it is in the public interest to permit the borrower to continue to pursue the purposes of the project; and
(iii) the probable net benefit to the Federal Government in paying the principal and interest will be greater than that which would result in the event of a default;
(B) the amount of the payment that the Secretary is authorized to pay shall be no greater than the amount of principal and interest that the borrower is obligated to pay under the agreement being guaranteed; and
(C) the borrower agrees to reimburse the Secretary for the payment (including interest) on terms and conditions that are satisfactory to the Secretary.

(4) Action by Attorney General

(A) Notification
If the borrower defaults on an obligation, the Secretary shall notify the Attorney General of the default.

(B) Recovery
On notification, the Attorney General shall take such action as is appropriate to recover the unpaid principal and interest due from—

(i) such assets of the defaulting borrower as are associated with the obligation; or
(ii) any other security pledged to secure the obligation.

(h) Fees

(1) In general
The Secretary shall charge and collect fees for guarantees in amounts the Secretary determines are sufficient to cover applicable administrative expenses.

(2) Availability
Fees collected under this subsection shall—

(A) be deposited by the Secretary into the Treasury; and
(B) remain available until expended, subject to such other conditions as are contained in annual appropriations Acts.

(i) Records; audits

(1) In general
A recipient of a guarantee shall keep such records and other pertinent documents as the Secretary shall prescribe by regulation, including such records as the Secretary may require to facilitate an effective audit.

(2) Access
The Secretary and the Comptroller General of the United States, or their duly authorized representatives, shall have access, for the pur-
pose of audit, to the records and other pertinent documents.

(j) Full faith and credit

The full faith and credit of the United States is pledged to the payment of all guarantees issued under this section with respect to principal and interest.

(k) Wage rate requirements

All laborers and mechanics employed by contractors and subcontractors in the performance of construction work financed in whole or in part by a loan guaranteed under this subchapter shall be paid wages at rates not less than those prevailing on projects of a character similar in the locality as determined by the Secretary of Labor in accordance with subchapter IV of chapter 31 of title 40. With respect to the labor standards in this subsection, the Secretary of Labor shall have the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (64 Stat. 1267; 5 U.S.C. App.) and section 3145 of title 40.

The Secretary may make guarantees under

§ 16513. Eligible projects

(a) In general

The Secretary may make guarantees under this section only for projects that—

(1) avoid, reduce, or sequester air pollutants or anthropogenic emissions of greenhouse gases; and

(2) employ new or significantly improved technologies as compared to commercial technologies in service in the United States at the time the guarantee is issued.

(b) Categories

Projects from the following categories shall be eligible for a guarantee under this section:

(1) Renewable energy systems.

(2) Advanced fossil energy technology (including coal gasification meeting the criteria in subsection (d)).

(3) Hydrogen fuel cell technology for residential, industrial, or transportation applications.

(4) Advanced nuclear energy facilities.

(5) Carbon capture and sequestration practices and technologies, including agricultural and forestry practices that store and sequester carbon.

(6) Efficient electrical generation, transmission, and distribution technologies.

(7) Efficient end-use energy technologies.

(8) Production facilities for the manufacture of fuel efficient vehicles or parts of those vehicles, including electric drive vehicles and advanced diesel vehicles.

(9) Pollution control equipment.

(10) Refineries, meaning facilities at which crude oil is refined into gasoline.

(c) Gasification projects

The Secretary may make guarantees for the following gasification projects:

(1) Integrated gasification combined cycle projects

Integrated gasification combined cycle plants meeting the emission levels under subsection (d), including—

(A) projects for the generation of electricity—

(i) for which, during the term of the guarantee—

(I) coal, biomass, petroleum coke, or a combination of coal, biomass, and petroleum coke will account for at least 65 percent of annual heat input; and

(II) electricity will account for at least 65 percent of net useful annual energy output;

(ii) that have a design that is determined by the Secretary to be capable of accommodating the equipment likely to be necessary to capture the carbon dioxide that would otherwise be emitted in flue gas from the plant;

(iii) that have an assured revenue stream that covers project capital and operating costs (including servicing all debt obligations covered by the guarantee) that is approved by the Secretary and the relevant State public utility commission; and

(iv) on which construction commences not later than the date that is 3 years after the date of the issuance of the guarantee;

(B) a project to produce energy from coal (of not more than 13,000 Btu/lb and mined in the western United States) using appropriate advanced integrated gasification combined cycle technology that minimizes and offers the potential to sequester carbon dioxide emissions and that—

(i) may include repowering of existing facilities;

(ii) may be built in stages;

(iii) shall have a combined output of at least 100 megawatts;

(iv) shall be located in a western State at an altitude greater than 4,000 feet; and

(v) shall demonstrate the ability to use coal with an energy content of not more than 9,000 Btu/lb;

(C) a project located in a taconite-producing region of the United States that is enti-
tled under the law of the State in which the plant is located to enter into a long-term contract approved by a State public utility commission to sell at least 450 megawatts of output to a utility;

(D) facilities that—

(i) generate one or more hydrogen-rich and carbon monoxide-rich product streams from the gasification of coal or coal waste; and

(ii) use those streams to facilitate the production of ultra clean premium fuels through the Fischer-Tropsch process; and

(E) a project to produce energy and clean fuels, using appropriate coal liquefaction technology, from Western bituminous or subbituminous coal, that—

(i) is owned by a State government; and

(ii) may include tribal and private coal resources.

(2) Industrial gasification projects

Facilities that gasify coal, biomass, or petroleum coke in any combination to produce synthesis gas for use as a fuel or feedstock and for which electricity accounts for less than 65 percent of the useful energy output of the facility.

(3) Petroleum coke gasification projects

The Secretary is encouraged to make loan guarantees under this subchapter available for petroleum coke gasification projects.

(4) Liquefaction project

Notwithstanding any other provision of law, funds awarded under the Department of Energy’s Clean Coal Power Initiative for Fischer-Tropsch coal-to-oil liquefaction projects may be used to finance the cost of loan guarantees for projects awarded such funds.

(d) Emission levels

In addition to any other applicable Federal or State emission limitation requirements, a project shall attain at least—

(1) total sulfur dioxide emissions in flue gas from the project that do not exceed 0.05 lb/MMBtu;

(2) a 90-percent removal rate (including any fuel pretreatment) of mercury from the coal-derived gas, and any other fuel, combusted by the project;

(3) total nitrogen oxide emissions in the flue gas from the project that do not exceed 0.08 lb/MMBtu; and

(4) total particulate emissions in the flue gas from the project that do not exceed 0.01 lb/MMBtu.

(e) Qualification of facilities receiving tax credits

A project that receives tax credits for clean coal technology shall not be disqualified from receiving a guarantee under this subchapter.

REFERENCES IN TEXT

1 See References in Text note below.

2 So in original. Probably should be capitalized.

(e) Not later than 120 days after February 15, 2007, and annually thereafter, the Secretary of Energy shall transmit to the Committees on Appropriations of the House of Representatives and the Senate a report containing a summary of all activities under title XVII of the Energy Policy Act of 2005 [42 U.S.C. 16511 et seq.], beginning in fiscal year 2007, with a listing of responses to loan guarantee solicitations under such title, describing the technologies, amount of loan guarantee sought, and the applicants’ assessment of risk.


REFERENCES IN TEXT

§ 16516. Omitted

CODIFICATION
Section, Pub. L. 109–58, title XVII, § 1705, as added Pub. L. 111–5, div. A, title IV, § 406(a), Feb. 17, 2009, 123 Stat. 145, which related to temporary program for rapid deployment of renewable energy and electric power transmission projects, was omitted from the Code due to expiration of authority to enter into guarantees under this section on Sept. 30, 2011.

SUBCHAPTER XVI—STUDIES

§ 16521. Report on energy integration with Latin America

The Secretary shall submit an annual report to the Committee on Energy and Commerce of the United States House of Representatives and to the Committee on Energy and Natural Resources of the Senate concerning the status of energy export development in Latin America and efforts by the Secretary and other departments and agencies of the United States to promote energy integration with Latin America. The report shall contain a detailed analysis of the status of energy export development in Mexico and a description of all significant efforts by the Secretary and other departments and agencies to promote a constructive relationship with Mexico regarding the development of that nation’s energy capacity. In particular this report shall outline efforts the Secretary and other departments and agencies have made to ensure that regulatory approval and oversight of United States/Mexico border projects that result in the expansion of Mexican energy capacity are effectively coordinated across departments and with the Mexican government.


§ 16522. Low-volume gas reservoir study

(a) Study

The Secretary shall make a grant to an organization of oil and gas producing States, specifically those containing significant numbers of marginal oil and natural gas wells, for conducting an annual study of low-volume natural gas reservoirs. Such organization shall work with the State geologist of each State being studied.

(b) Contents

The studies under this section shall—

(1) determine the status and location of marginal wells and gas reservoirs;
(2) gather the production information of these marginal wells and reservoirs;
(3) estimate the remaining producible reserves based on variable pipeline pressures;
(4) locate low-pressure gathering facilities and pipelines;
(5) recommend incentives which will enable the continued production of these resources; and (6) produce maps and literature to disseminate to States to promote conservation of natural gas reserves.

(c) Data analysis

Data development and analysis under this section shall be performed by an institution of
higher education with GIS capabilities. If the organization receiving the grant under subsection (a) does not have GIS capabilities, such organization shall contract with one or more entities with—
(1) technological capabilities and resources to perform advanced image processing, GIS programming, and data analysis; and
(2) the ability to—
(A) process remotely sensed imagery with high spatial resolution;
(B) deploy global positioning systems;
(C) process and synthesize existing, variable-format gas well, pipeline, gathering facility, and reservoir data;
(D) create and query GIS databases with infrastructure location and attribute information;
(E) write computer programs to customize relevant GIS software;
(F) generate maps, charts, and graphs which summarize findings from data research for presentation to different audiences; and
(G) deliver data in a variety of formats, including Internet Map Server for query and display, desktop computer display, and access through handheld personal digital assistants.

(d) Authorization of appropriations
There are authorized to be appropriated to the Secretary for carrying out this section—
(1) $1,500,000 for fiscal year 2006; and
(2) $450,000 for each of the fiscal years 2007 through 2010.

(e) Definitions
For purposes of this section, the term “GIS” means geographic information systems technology that facilitates the organization and management of data with a geographic component.


§ 16523. Alaska natural gas pipeline
Not later than 180 days after August 8, 2005, and every 180 days thereafter until the Alaska natural gas pipeline commences operation, the Federal Energy Regulatory Commission shall submit to Congress a report describing—
(1) the progress made in licensing and constructing the pipeline; and
(2) any issue impeding that progress.


§ 16524. Study on the benefits of economic dispatch
(a) Study
The Secretary, in coordination and consultation with the States, shall conduct a study on—
(1) the procedures currently used by electric utilities to perform economic dispatch;
(2) identifying possible revisions to those procedures to improve the ability of nonutility generation resources to offer their output for sale for the purpose of inclusion in economic dispatch; and
(3) the potential benefits to residential, commercial, and industrial electricity consumers nationally and in each state 1 if economic dispatch procedures were revised to improve the ability of nonutility generation resources to offer their output for inclusion in economic dispatch.

(b) Definition
The term “economic dispatch” when used in this section means the operation of generation facilities to produce energy at the lowest cost to reliably serve consumers, recognizing any operational limits of generation and transmission facilities.

(c) Report to Congress and the States
Not later than 90 days after August 8, 2005, and on a yearly basis following, the Secretary shall submit a report to Congress and the States on the results of the study conducted under subsection (a), including recommendations to Congress and the States for any suggested legislative or regulatory changes.


SUBCHAPTER XVII—PROTECTING AMERICA’S COMPETITIVE EDGE THROUGH ENERGY

CODIFICATION
This subchapter was enacted as part of the America COMPETES Act, also known as the America Creating Opportunities to Meaningfully Promote Excellence in Technology, Education, and Science Act, and also as part of the Protecting America’s Competitive Edge Through Energy Act, also known as the PACE–Energy Act, and not as part of the Energy Policy Act of 2005, which enacted subchapters I to XVI of this chapter.

§ 16531. Definitions
In this subchapter:

(1) Department
The term “Department” means the Department of Energy.

(2) Institution of higher education
The term “institution of higher education” has the meaning given the term in section 1001(a) of title 20.

(3) National Laboratory
The term “National Laboratory” has the meaning given the term in section 15801 of this title.

(4) Secretary
The term “Secretary” means the Secretary of Energy.


REFERENCES IN TEXT
This subchapter, referred to in introductory provisions, was in the original “this title”, meaning title V of Pub. L. 110–69, Aug. 9, 2007, 121 Stat. 600, known as the Protecting America’s Competitive Edge Through Energy Act and also as the PACE–Energy Act, which is classified principally to this subchapter. For complete

1 So in original. Probably should be capitalized.
§ 16532. Nuclear science talent expansion program for institutions of higher education

(a) Purposes
The purposes of this section are—
(1) to address the decline in the number of and resources available to nuclear science programs at institutions of higher education; and
(2) to increase the number of graduates with degrees in nuclear science, an area of strategic importance to the economic competitiveness and energy security of the United States.

(b) Definition of nuclear science
In this section, the term “nuclear science” includes—
(1) nuclear science;
(2) nuclear engineering;
(3) nuclear chemistry;
(4) radio chemistry; and
(5) health physics.

(c) Establishment
The Secretary shall establish, in accordance with this section, a program to expand and enhance institution of higher education nuclear science educational capabilities.

(d) Nuclear science program expansion grants for institutions of higher education

(1) In general
The Secretary shall award up to 3 competitive grants for each fiscal year to institutions of higher education that establish new academic degree programs in nuclear science.

(2) Priority
In evaluating grants under this subsection, the Secretary shall give priority to proposals that involve partnerships with a National Laboratory or other eligible nuclear-related entity, as determined by the Secretary.

(3) Criteria
Criteria for a grant awarded under this subsection shall be based on—
(A) the potential to attract new students to the program;
(B) academic rigor; and
(C) the ability to offer hands-on learning opportunities.

(4) Duration and amount

(A) Duration
A grant under this subsection may be up to 5 years in duration.

(B) Amount
An institution of higher education that receives a grant under this subsection shall be eligible for up to $1,000,000 for each year of the grant period.

(5) Use of funds
An institution of higher education that receives a grant under this subsection may use the grant to—
(A) recruit and retain new faculty;
(B) develop core and specialized course content;
(C) encourage collaboration between faculty and researchers in the nuclear science field; and
(D) support outreach efforts to recruit students.

(e) Nuclear science competitiveness grants for institutions of higher education

(1) In general
The Secretary shall award up to 5 competitive grants for each fiscal year to institutions of higher education with existing academic degree programs that produce graduates in nuclear science.

(2) Criteria
Criteria for a grant awarded under this subsection shall be based on the potential for increasing the number and academic quality of graduates in the nuclear sciences who enter into careers in nuclear-related fields.

(3) Duration and amount

(A) Duration
A grant under this subsection may be up to 5 years in duration.

(B) Amount
An institution of higher education that receives a grant under this subsection shall be eligible for up to $500,000 for each year of the grant period.

(4) Use of funds
An institution of higher education that receives a grant under this subsection may use the grant to—
(A) increase the number of graduates in nuclear science that enter into careers in the nuclear science field;
(B) enhance the teaching of advanced nuclear technologies;
(C) aggressively pursue collaboration opportunities with industry and National Laboratories;
(D) bolster or sustain nuclear infrastructure and research facilities of the institution of higher education, such as research and training reactors or laboratories; and
(E) provide tuition assistance and stipends to undergraduate and graduate students.

(f) Authorization of appropriations

(1) Nuclear science program expansion grants for institutions of higher education
There are authorized to be appropriated to carry out subsection (d)—
(A) $3,500,000 for fiscal year 2008;
(B) $6,500,000 for fiscal year 2009;
(C) $9,500,000 for fiscal year 2010;
(D) $9,800,000 for fiscal year 2011;
(E) $10,100,000 for fiscal year 2012; and
(F) $10,400,000 for fiscal year 2013.

(2) Nuclear science competitiveness grants for institutions of higher education
There are authorized to be appropriated to carry out subsection (e)—
(A) $3,000,000 for fiscal year 2008;
§ 16533. Hydrocarbon systems science talent expansion program for institutions of higher education

(a) Purposes

The purposes of this section are—

(1) to address the decline in the number of and resources available to hydrocarbon systems science programs at institutions of higher education; and

(2) to increase the number of graduates with degrees in hydrocarbon systems science, an area of strategic importance to the economic competitiveness and energy security of the United States.

(b) Definition of hydrocarbon systems science

In this section:

(1) In general

The term “hydrocarbon systems science” means a science involving natural gas or other petroleum exploration, development, or production.

(2) Inclusions

The term “hydrocarbon systems science” includes—

(A) petroleum or reservoir engineering;

(B) environmental geoscience;

(C) petrophysics;

(D) geophysics;

(E) geochemistry;

(F) petroleum geology;

(G) ocean engineering;

(H) environmental engineering;

(I) computer science, as computer science relates to a science described in this subsection; and

(J) hydrocarbon spill response and remediation.

(c) Establishment

The Secretary shall establish, in accordance with this section, a program to expand and enhance institution of higher education hydrocarbon systems science educational capabilities.

(d) Hydrocarbon systems science program expansion grants for institutions of higher education

(1) In general

The Secretary shall award up to 3 competitive grants for each fiscal year to institutions of higher education that establish new academic degree programs in hydrocarbon systems science.

(2) Eligibility

In evaluating grants under this subsection, the Secretary shall give priority to proposals that involve partnerships with the National Laboratories, including the National Energy Technology Laboratory, or other hydrocarbon systems scientific entities, as determined by the Secretary.

(3) Criteria

Criteria for a grant awarded under this subsection shall be based on—

(A) the potential to attract new students to the program;

(B) academic rigor; and

(C) the ability to offer hands-on learning opportunities.

(4) Duration and amount

(A) Duration

A grant under this subsection may be up to 5 years in duration.

(B) Amount

An institution of higher education that receives a grant under this subsection shall be eligible for up to $1,000,000 for each year of the grant period.

(5) Use of funds

An institution of higher education that receives a grant under this subsection may use the grant to—

(A) recruit and retain new faculty;

(B) develop core and specialized course content;

(C) encourage collaboration between faculty and researchers in the hydrocarbon systems science field; and

(D) support outreach efforts to recruit students.

(e) Hydrocarbon systems science competitiveness grants for institutions of higher education

(1) In general

The Secretary shall award up to 5 competitive grants for each fiscal year to institutions of higher education with existing academic degree programs that produce graduates in hydrocarbon systems science.

(2) Criteria

Criteria for a grant awarded under this subsection shall be based on the potential for increasing the number and academic quality of graduates in hydrocarbon systems sciences who enter into careers in natural gas and other petroleum exploration, development, and production related fields.

(3) Duration and amount

(A) Duration

A grant under this subsection may be up to 5 years in duration.

(B) Amount

An institution of higher education that receives a grant under this subsection shall be eligible for up to $500,000 for each year of the grant period.

(4) Use of funds

An institution of higher education that receives a grant under this subsection may use the grant to—

(A) increase the number of graduates in the hydrocarbon systems sciences that enter...
into careers in the natural gas and other petroleum exploration, development, and production science fields;

(B) enhance the teaching of advanced natural gas and other petroleum exploration, development, and production technologies;

(C) aggressively pursue collaboration opportunities with industry and the National Laboratories, including the National Energy Technology Laboratory;

(D) bolster or sustain natural gas and other petroleum exploration, development, and production infrastructure and research facilities of the institution of higher education, such as research and training or laboratories; and

(E) provide tuition assistance and stipends to undergraduate and graduate students.

(f) Authorization of appropriations

(1) Hydrocarbon systems science program expansion grants for institutions of higher education

There are authorized to be appropriated to carry out subsection (d)—

(A) $3,500,000 for fiscal year 2008;

(B) $6,500,000 for fiscal year 2009;

(C) $9,500,000 for fiscal year 2010;

(D) $9,800,000 for fiscal year 2011;

(E) $10,000,000 for fiscal year 2012; and

(F) $10,400,000 for fiscal year 2013.

(2) Hydrocarbon systems science competitiveness grants for institutions of higher education

There are authorized to be appropriated to carry out subsection (e)—

(A) $3,000,000 for fiscal year 2008;

(B) $5,500,000 for fiscal year 2009; and

(C) $8,000,000 for fiscal year 2010.

(AMENDMENTS


Subsec. (f)(1)(D) to (F), Pub. L. 111–358, § 902(b)(2), added subpars. (D) to (F).

§ 16534. Department of Energy early career awards for science, engineering, and mathematics researchers

(a) Grant awards

The Director of the Office of Science of the Department (referred to in this section as the “Director”) shall carry out a program to award grants to scientists and engineers at an early career stage at institutions of higher education and organizations described in subsection (c) to conduct research in fields relevant to the missions of the Department.

(b) Amount and duration

(1) Amount

The amount of a grant awarded under this section shall be—

(A) not less than $80,000; and

(B) not more than $125,000.

(2) Duration

The term of a grant awarded under this section shall be not more than 5 years.

(c) Eligibility

(1) In general

To be eligible to receive a grant under this section, an individual shall, as determined by the Director—

(A) subject to paragraph (2), have completed a doctorate or other terminal degree not more than 10 years before the date on which the proposal for a grant is submitted under subsection (e)(1);

(B) have demonstrated promise in a science, engineering, or mathematics field relevant to the missions of the Department; and

(C) be employed—

(i) in a tenure track-position as an assistant professor or equivalent title at an institution of higher education in the United States;

(ii) at an organization in the United States that is a nonprofit, nondegree-granting research organization such as a museum, observatory, or research laboratory; or

(iii) as a scientist at a National Laboratory.

(2) Waiver

Notwithstanding paragraph (1)(A), the Director may determine that an individual who has completed a doctorate more than 10 years before the date of submission of a proposal under subsection (e)(1) is eligible to receive a grant under this section if the individual was unable to conduct research for a period of time because of extenuating circumstances, including military service or family responsibilities, as determined by the Director.

(d) Selection

Grant recipients shall be selected on a competitive, merit-reviewed basis.

(e) Selection process and criteria

(1) Proposal

To be eligible to receive a grant under this section, an individual shall submit to the Director a proposal at such time, in such manner, and containing such information as the Director may require.

(2) Evaluation

In evaluating the proposals submitted under paragraph (1), the Director shall take into consideration, at a minimum—

(A) the intellectual merit of the proposed project;

(B) the innovative or transformative nature of the proposed research;

(C) the extent to which the proposal integrates research and education, including undergraduate education in science and engineering disciplines; and

(D) the potential of the applicant for leadership at the frontiers of knowledge.

(f) Diversity requirement

(1) In general

In awarding grants under this section, the Director shall endeavor to ensure that the grant recipients represent a variety of types of
institutions of higher education and nonprofit, nondegree-granting research organizations.

(2) Requirement

In support of the goal described in paragraph (1), the Director shall broadly disseminate information regarding the deadlines applicable to, and manner in which to submit, proposals for grants under this section, including by conducting outreach activities for—

(A) part B institutions, as defined in section 1061 of title 20; and

(B) minority institutions, as defined in section 1067k of title 20.

(g) Report on recruiting and retaining early career science and engineering researchers at National Laboratories

(1) In general

Not later than 90 days after August 9, 2007, the Director shall submit to the Committee on Science and Technology of the House of Representatives and the Committee on Energy and Natural Resources of the Senate a report describing efforts of the Director to recruit and retain young scientists and engineers at early career stages at the National Laboratories.

(2) Inclusions

The report under paragraph (1) shall include—

(A) a description of applicable Department and National Laboratory policies and procedures, including policies and procedures relating to financial incentives, awards, promotions, time reserved for independent research, access to equipment or facilities, and other forms of recognition, designed to attract and retain young scientists and engineers;

(B) an evaluation of the impact of the incentives described in subparagraph (A) on—

(i) the careers of young scientists and engineers at the National Laboratories; and

(ii) the quality of the research at the National Laboratories and in Department programs;

(C) a description of barriers, if any, that exist with respect to efforts to recruit and retain young scientists and engineers, including the limited availability of full-time equivalent positions, legal and procedural requirements, and pay grading systems; and

(D) the amount of funding devoted to efforts to recruit and retain young researchers, and the source of the funds.

(h) Authorization of appropriations

There is authorized to be appropriated to the Secretary, acting through the Director, to carry out this section $25,000,000 for each of fiscal years 2008 through 2013.

(2) Merit-based selection

The selection of Institutes under paragraph (1) shall be—

(A) merit-based; and

(B) made through an open, competitive selection process.

(3) Term

An Institute shall receive a grant under this section for not more than 3 fiscal years.

(e) Review

The Secretary shall offer to enter into an agreement with the National Academy of Sciences under which the Academy shall, by not later than 3 years after August 9, 2007—

(1) review the performance of the Institutes under this section; and

(2) submit to Congress and the Secretary a report describing the results of the review.

(f) Authorization of appropriations

There is authorized to be appropriated to provide grants to each Institute selected under this
section $10,000,000 for each of fiscal years 2008 through 2010.


§ 16536. Protecting America’s Competitive Edge (PACE) graduate fellowship program

(a) Definition of eligible student

In this section, the term “eligible student” means a student who attends an institution of higher education that offers a doctoral degree in a field relevant to a mission area of the Department.

(b) Establishment

The Secretary shall establish a graduate fellowship program for eligible students pursuing a doctoral degree in a mission area of the Department.

(c) Selection

(1) In general

The Secretary shall award fellowships to eligible students under this section through a competitive merit review process, involving written and oral interviews, that will result in a wide distribution of awards throughout the United States, as determined by the Secretary.

(2) Criteria

The Secretary shall establish selection criteria for awarding fellowships under this section that require an eligible student—

(A) to pursue a field of science or engineering of importance to a mission area of the Department;

(B) to demonstrate to the Secretary—

(i) the capacity of the eligible student to understand technical topics relating to the fellowship that can be derived from the first principles of the technical topics;

(ii) imagination and creativity;

(iii) leadership skills in organizations or intellectual endeavors, demonstrated through awards and past experience; and

(iv) excellent verbal and communication skills to explain, defend, and demonstrate an understanding of technical subjects relating to the fellowship; and

(C) to be a citizen or legal permanent resident of the United States.

(d) Awards

(1) Amount

A fellowship awarded under this section shall—

(A) provide an annual living stipend; and

(B) cover—

(i) graduate tuition at an institution of higher education described in subsection (a); and

(ii) incidental expenses associated with curricula and research at the institution of higher education (including books, computers, and software).

(2) Duration

A fellowship awarded under this section shall be up to 3 years duration within a 5-year period.

(3) Portability

A fellowship awarded under this section shall be portable with the eligible student.

(e) Administration

The Secretary, acting through the Director of Science, Engineering, and Mathematics Education—

(1) shall administer the program established under this section; and

(2) may enter into a contract with a non-profit entity to administer the program, including the selection and award of fellowships.

(f) Authorization of appropriations

There are authorized to be appropriated to carry out this section—

(1) $7,500,000 for fiscal year 2008;

(2) $12,000,000 for fiscal year 2009, including nonexpiring fellowships for the preceding fiscal year;

(3) $20,000,000 for fiscal year 2010, including nonexpiring fellowships for preceding fiscal years;

(4) $20,600,000 for fiscal year 2011;

(5) $21,200,000 for fiscal year 2012; and

(6) $21,900,000 for fiscal year 2013.


AMENDMENTS


§ 16537. Distinguished scientist program

(a) Purpose

The purpose of this section is to promote scientific and academic excellence through collaborations between institutions of higher education and National Laboratories.

(b) Establishment

The Secretary shall establish a program to support the joint appointment of distinguished scientists by institutions of higher education and National Laboratories.

(c) Qualifications

To be eligible for appointment as a distinguished scientist under this section, an individual, by reason of professional background and experience, shall be able to bring international recognition to the appointing institution of higher education or National Laboratory in the field of scientific endeavor of the individual.

(d) Selection

A distinguished scientist appointed under this section shall be selected through an open, competitive process.

(e) Appointment

(1) Institution of higher education

An appointment by an institution of higher education under this section shall be filled within the tenure allotment of the institution of higher education, at a minimum rank of professor.

(2) National Laboratory

An appointment by a National Laboratory under this section shall be at the rank of the
highest grade of distinguished scientist or technical staff of the National Laboratory.

(f) Duration
An appointment under this section shall—
(1) be for a term of 6 years; and
(2) consist of 2 3-year funding allotments.

(g) Use of funds
Funds made available under this section may be used for—
(1) the salary of the distinguished scientist and support staff;
(2) undergraduate, graduate, and post-doctoral appointments;
(3) research-related equipment;
(4) professional travel; and
(5) such other requirements as the Secretary determines to be necessary to carry out the purpose of the program.

(h) Review
(1) In general
The appointment of a distinguished scientist under this section shall be reviewed at the end of the first 3-year allotment for the distinguished scientist through an open peer-review process to determine whether the appointment is meeting the purpose of this section under subsection (a).

(2) Funding
Funding of the appointment of the distinguished scientist for the second 3-year allotment shall be determined based on the review conducted under paragraph (1).

(i) Cost sharing
To be eligible for assistance under this section, an appointing institution of higher education shall pay at least 50 percent of the total costs of the appointment.

(j) Authorization of appropriations
There are authorized to be appropriated to carry out this section—
(1) $15,000,000 for fiscal year 2008;
(2) $20,000,000 for fiscal year 2009;
(3) $30,000,000 for fiscal year 2010;
(4) $31,000,000 for fiscal year 2011;
(5) $32,000,000 for fiscal year 2012; and
(6) $33,000,000 for fiscal year 2013.


AMENDMENTS

§ 16538. Advanced Research Projects Agency—Energy

(a) Definitions
In this section:

(1) ARPA-E
The term “ARPA-E” means the Advanced Research Projects Agency—Energy established by subsection (b).

(2) Director
The term “Director” means the Director of ARPA-E appointed under subsection (d).

(3) Fund
The term “Fund” means the Energy Transformation Acceleration Fund established under subsection (o)(1).

(b) Establishment
There is established the Advanced Research Projects Agency—Energy within the Department to overcome the long-term and high-risk technological barriers in the development of energy technologies.

(c) Goals
(1) In general
The goals of ARPA-E shall be—
(A) to enhance the economic and energy security of the United States through the development of energy technologies that result in—
(i) reductions of imports of energy from foreign sources;
(ii) reductions of energy-related emissions, including greenhouse gases; and
(iii) improvement in the energy efficiency of all economic sectors; and
(B) to ensure that the United States maintains a technological lead in developing and deploying advanced energy technologies.

(2) Means
ARPA-E shall achieve the goals established under paragraph (1) through energy technology projects by—
(A) identifying and promoting revolutionary advances in fundamental and applied sciences;
(B) translating scientific discoveries and cutting-edge inventions into technological innovations; and
(C) accelerating transformational technological advances in areas that industry by itself is not likely to undertake because of technical and financial uncertainty.

(d) Director
(1) Appointment
There shall be in the Department of Energy a Director of ARPA-E, who shall be appointed by the President, by and with the advice and consent of the Senate.

(2) Qualifications
The Director shall be an individual who, by reason of professional background and experience, is especially qualified to advise the Secretary on, and manage research programs addressing, matters pertaining to long-term and high-risk technological barriers to the development of energy technologies.

(3) Relationship to Secretary
The Director shall report to the Secretary.

(4) Relationship to other programs
No other programs within the Department shall report to the Director.

(e) Responsibilities
The responsibilities of the Director shall include—
(1) approving all new programs within ARPA-E;
(2) developing funding criteria and assessing the success of programs through the establishment of technical milestones;
(3) administering the Fund through awards to institutions of higher education, companies, research foundations, trade and industry research collaborations, or consortia of such entities, which may include federally-funded research and development centers, to achieve the goals described in subsection (c) through targeted acceleration of—
(A) novel early-stage energy research with possible technology applications;
(B) development of techniques, processes, and technologies, and related testing and evaluation;
(C) research and development of advanced manufacturing process and technologies for the domestic manufacturing of novel energy technologies; and
(D) coordination with nongovernmental entities for demonstration of technologies and research applications to facilitate technology transfer;
(4) terminating programs carried out under this section that are not achieving the goals of the programs; and
(5) pursuant to subsection (c)(2)(B)—
(A) ensuring that applications for funding disclose the extent of current and prior efforts, including monetary investments as appropriate, in pursuit of the technology area for which funding is being requested;
(B) adopting measures to ensure that, in making awards, program managers adhere to the purposes of subsection (c)(2)(C); and
(C) providing as part of the annual report required by subsection (b)(1) a summary of the instances of and reasons for ARPA–E funding projects in technology areas already being undertaken by industry.

(f) Awards

In carrying out this section, the Director may provide awards in the form of grants, contracts, cooperative agreements, cash prizes, and other transactions.

(g) Personnel

(1) In general

The Director shall establish and maintain within ARPA–E a staff with sufficient qualifications and expertise to enable ARPA–E to carry out the responsibilities of ARPA–E under this section in conjunction with other operations of the Department.

(2) Program directors

(A) In general

The Director shall designate employees to serve as program directors for the programs established pursuant to the responsibilities established for ARPA–E under subsection (e).

(B) Responsibilities

A program director of a program shall be responsible for—
(i) establishing research and development goals for the program, including through the convening of workshops and conferring with outside experts, and publicizing the goals of the program to the public and private sectors;
(ii) soliciting applications for specific areas of particular promise, especially areas that the private sector or the Federal Government are not likely to undertake alone;
(iii) building research collaborations for carrying out the program;
(iv) selecting on the basis of merit each of the projects to be supported under the program after considering—
(I) the novelty and scientific and technical merit of the proposed projects;
(II) the demonstrated capabilities of the applicants to successfully carry out the proposed project;
(III) the consideration by the applicant of future commercial applications of the project, including the feasibility of partnering with 1 or more commercial entities; and
(IV) such other criteria as are established by the Director;
(v) identifying innovative cost-sharing arrangements for ARPA–E projects, including through use of the authority provided under section 16352(b)(3) of this title;
(vi) monitoring the progress of projects supported under the program;
(vii) identifying mechanisms for commercial application of successful energy technology development projects, including through establishment of partnerships between awardees and commercial entities; and
(viii) recommending program restructure or termination of research partnerships or whole projects.

(C) Term

The term of a program manager shall be not more than 3 years and may be renewed.

(3) Hiring and management

(A) In general

The Director shall have the authority to—
(i) make appointments of scientific, engineering, and professional personnel without regard to the civil service laws;
(ii) fix the basic pay of such personnel at a rate to be determined by the Director at rates not in excess of Level II of the Executive Schedule (EX–II) without regard to the civil service laws; and
(iii) pay any employee appointed under this subpart payments in addition to basic pay, except that the total amount of additional payments paid to an employee under this subpart for any 12-month period shall not exceed the least of the following amounts:
(I) $25,000;
(II) The amount equal to 25 percent of the annual rate of basic pay of the employee;
(III) The amount of the limitation that is applicable for a calendar year under section 5307(a)(1) of title 5.

1 So in original.
(h) Reports and roadmaps

(i) Coordination and nonduplication

(1) In general

To the maximum extent practicable, the Director shall ensure that the activities of ARPA-E are coordinated with, and do not duplicate the efforts of, programs and laboratories within the Department and other relevant research agencies.

(2) Technology Transfer Coordinator

To the extent appropriate, the Director may coordinate technology transfer efforts with the Technology Transfer Coordinator appointed under section 16391 of this title.

(j) Federal demonstration of technologies

The Director shall seek opportunities to partner with purchasing and procurement programs of Federal agencies to demonstrate energy technologies resulting from activities funded through ARPA-E.

(k) Advice

(1) Advisory committees

The Director may seek advice on any aspect of ARPA-E from—

(A) an existing Department of Energy advisory committee; and

(B) a new advisory committee organized to support the programs of ARPA-E and to provide advice and assistance on—

(i) specific program tasks; or

(ii) overall direction of ARPA-E.

(2) Additional sources of advice

In carrying out this section, the Director may seek advice and review from—

(A) the President’s Committee of Advisors on Science and Technology; and

(B) any professional or scientific organization with expertise in specific processes or technologies under development by ARPA-E.

(l) ARPA-E evaluation

(1) In general

After ARPA-E has been in operation for 6 years, the Secretary shall offer to enter into a contract with the National Academy of Sciences under which the National Academy shall conduct an evaluation of how well ARPA-E is achieving the goals and mission of ARPA-E.

(2) Inclusions

The evaluation shall include—

(A) the recommendation of the National Academy of Sciences on whether ARPA-E should be continued or terminated; and

(B) a description of lessons learned from operation of ARPA-E, and the manner in which those lessons may apply to the operation of other programs of the Department.

(3) Availability

On completion of the evaluation, the evaluation shall be made available to Congress and the public.

(m) Existing authorities

The authorities granted by this section are—

(1) in addition to existing authorities granted to the Secretary; and

(2) are not intended to supersede or modify any existing authorities.

(n) Protection of information

The following types of information collected by ARPA-E from recipients of financial assistance awards shall be considered commercial and financial information obtained from a person and privileged or confidential and not subject to disclosure under section 552(b)(4) of title 5:

(1) Plans for commercialization of technologies developed under the award, including business plans, technology-to-market plans, market studies, and cost and performance models.

(2) Investments provided to an awardee from third parties (such as venture capital firms, hedge funds, and private equity firms), including amounts and the percentage of ownership of the awardee provided in return for the investments.

(3) Additional financial support that the awardee—

(A) plans to or has invested into the technology developed under the award; or

(B) is seeking from third parties.

(4) Revenue from the licensing or sale of new products or services resulting from research conducted under the award.

(o) Funding

(1) Fund

There is established in the Treasury of the United States a fund, to be known as the “Energy Transformation Acceleration Fund”, which shall be administered by the Director for the purposes of carrying out this section.
(2) Authorization of appropriations

Subject to paragraphs (4) and (5), there are authorized to be appropriated to the Director for deposit in the Fund, without fiscal year limitation—

(A) $300,000,000 for fiscal year 2008;

(B) such sums as are necessary for each of fiscal years 2009 and 2010;

(C) $300,000,000 for fiscal year 2011;

(D) $306,000,000 for fiscal year 2012; and

(E) $312,000,000 for fiscal year 2013.

(3) Separate budget and appropriation

(A) Budget request

The budget request for ARPA-E shall be separate from the rest of the budget of the Department.

(B) Appropriations

Appropriations to the Fund shall be separate and distinct from the rest of the budget for the Department.

(4) Allocation

Of the amounts appropriated for a fiscal year under paragraph (2)—

(A) not more than 50 percent of the amount shall be used to carry out subsection (e)(3)(D);

(B) at least 5 percent of the amount shall be used for technology transfer and outreach activities, consistent with the goal described in subsection (c)(2)(D) and within the responsibilities of program directors described in subsection (g)(2)(B)(vii); and

(C) no funds may be used for construction of new buildings or facilities during the 5-year period beginning on August 9, 2007.


REFERENCES IN TEXT

Level II of the Executive Schedule, referred to in subsec. (g)(3)(A)(ii), is set out in section 5313 of Title 5, Government Organization and Employees.

Par. (5), referred to in subsec. (o)(2), was redesignated par. (4) of this section and former par. (4) was struck out by Pub. L. 111–358, title IX, § 904(10)(B), (C), Jan. 4, 2011, 124 Stat. 4048.

AMENDMENTS


Subsec. (e)(3)(C). Pub. L. 111–358, § 904(3)(A)(i), added subpar. (C) and struck out former subpar. (C) which read as follows: “research and development of manufacturing processes for novel energy technologies; and’’.


Subsec. (g). Pub. L. 111–358, § 904(4), redesignated subsec. (f) as (g). Former subsec. (g) redesignated (h).


2See References in Text note below.
program, to be known as the “Department of Energy National Lab Jobs ACCESS Program”, under which the Secretary may award, on a competitive basis, 5-year grants to eligible entities described in subsection (c) for the Federal share of the costs of pre-apprenticeship programs and apprenticeship programs described in subsection (b).

(b) Pre-apprenticeship and apprenticeship programs described

A pre-apprenticeship program or apprenticeship program described in this subsection is a pre-apprenticeship program or apprenticeship program that—

(1) leads to recognized postsecondary credentials for secondary school and postsecondary students;

(2) is focused on skills and qualifications needed, as determined by the Secretary in consultation with the directors of the National Laboratories, to meet the immediate and ongoing needs of traditional and emerging technician positions (including machinists and cybersecurity technicians) at the National Laboratories and covered facilities of the National Nuclear Security Administration;

(3) is established in consultation with a National Laboratory or covered facility of the National Nuclear Security Administration;

(4) is registered with and approved by the Secretary of Labor or a State apprenticeship agency; and

(5) ensures that participants in the pre-apprenticeship program or apprenticeship program do not displace paid employees.

(c) Eligible entities described

An eligible entity described in this subsection is a workforce intermediary or an eligible sponsor of a pre-apprenticeship program or apprenticeship program that—

(1) demonstrates experience in implementing and providing career planning and career pathways toward pre-apprenticeship programs or apprenticeship programs;

(2)(A) has a relationship with a National Laboratory or covered facility of the National Nuclear Security Administration;

(B) has knowledge of the technician workforce needs of the laboratory or facility and the associated security requirements of the laboratory or facility; and

(C) is eligible to enter into an agreement with the laboratory or facility that would be paid for in part or entirely from grant funds received under this section;

(3) demonstrates the ability to recruit and support individuals who plan to work in relevant technician positions upon the successful completion of the pre-apprenticeship program or apprenticeship program;

(4) provides students who complete the pre-apprenticeship program or apprenticeship program with, or prepares such students for obtaining, a recognized postsecondary credential;

(5) uses related instruction that is specifically aligned with the needs of the laboratory or facility and utilizes workplace learning advisors and on-the-job training to the greatest extent possible; and

(6) demonstrates successful outcomes connecting graduates of the pre-apprenticeship program or apprenticeship program to careers relevant to the program.

(d) Applications

If the Secretary establishes the program described in subsection (a), an eligible entity described in subsection (c) seeking a grant under the program shall submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require.

(e) Priority

In selecting eligible entities described in subsection (c) to receive grants under this section, the Secretary may prioritize an eligible entity that—

(1) is a member of an industry or sector partnership;

(2) provides related instruction for a pre-apprenticeship program or apprenticeship program through—

(A) a local educational agency, a secondary school, a provider of adult education, an area career and technical education school, or an institution of higher education (such as a community college) that includes basic science, technology, and mathematics education in the related instruction; or

(B) an apprenticeship program that was registered with the Department of Labor or a State apprenticeship agency before the date on which the eligible entity applies for the grant under subsection (d);

(3) works with the Secretary of Defense, the Secretary of Veterans Affairs, or veterans organizations to transition members of the Armed Forces and veterans to pre-apprenticeship programs or apprenticeship programs in a relevant sector;

(4) plans to use the grant to carry out the pre-apprenticeship program or apprenticeship program with an entity that receives State funding or is operated by a State agency; and

(5) plans to use the grant to carry out the pre-apprenticeship program or apprenticeship program for—

(A) young adults ages 16 to 29, inclusive; or

(B) individuals with barriers to employment.

(f) Additional consideration

In making grants under this section, the Secretary may consider regional diversity.

(g) Limitation on applications

An eligible entity described in subsection (c) may not submit, either individually or as part of a joint application, more than one application for a grant under this section during any one fiscal year.

(h) Limitations on amount of grant

The amount of a grant provided under this section may not, for any 24-month period of the 5-year grant period, exceed $500,000.

(i) Non-Federal share

The non-Federal share of the cost of a pre-apprenticeship program or apprenticeship program carried out using a grant under this section
shall be not less than 25 percent of the total cost of the program.

(j) Technical assistance

The Secretary may provide technical assistance to eligible entities described in subsection (c) to leverage the existing job training and education programs of the Department of Labor and other relevant programs at appropriate Federal agencies.

(k) Report

(1) In general

If the Secretary establishes the program described in subsection (a), not less than once every 2 years thereafter, the Secretary shall submit to Congress, and make publicly available on the website of the Department of Energy, a report on the program, including—

(A) a description of—

(i) any entity that receives a grant under this section;

(ii) any activity carried out using a grant under this section; and

(iii) best practices used to leverage the investment of the Federal Government under this section; and

(B) an assessment of the results achieved by the program, including the rate of employment for participants after completing a pre-apprenticeship program or apprenticeship program carried out using a grant under this section.

(2) Performance reports

Not later than one year after the establishment of a pre-apprenticeship program or apprenticeship program using a grant awarded under this section, and annually thereafter, the entity carrying out the program shall submit to the Secretary and the Secretary of Labor a report on the effectiveness of the program based on the accountability measures described in clauses (i) and (ii) of section 3141(b)(2)(A) of title 29.

(f) Definitions

In this section:

(1) ESEA terms

The terms “local educational agency” and “secondary school” have the meanings given the terms in section 7801 of title 20.

(2) WIOA terms

The terms “career planning”, “community-based organization”, “customized training”, “economic development agency”, “individual with a barrier to employment”, “industry or sector partnership”, “on-the-job training”, “recognized postsecondary credential”, and “workplace learning advisor” have the meanings given such terms in section 1001 of this title.

(3) Apprenticeship program

The term “apprenticeship program” means a program registered under the Act of August 16, 1937 (commonly known as the “National Apprenticeship Act”; 50 Stat. 664, chapter 663; 29 U.S.C. 50 et seq.).

(4) Area career and technical education school

The term “area career and technical education school” has the meaning given the term in section 2302 of title 20.

(5) Community college

The term “community college” has the meaning given the term “junior or community college” in section 1058(f) of title 20.

(6) Covered facility of the national nuclear security administration

The term “covered facility of the National Nuclear Security Administration” means a national security laboratory or a nuclear weapons production facility as such terms are defined in section 2301 of title 20.

(7) Eligible sponsor

The term “eligible sponsor” means a public organization or nonprofit organization that—

(A) with respect to an apprenticeship program, administers the program through a partnership that may include—

(i) an industry or sector partnership;

(ii) an employer or industry association;

(iii) a labor-management organization;

(iv) a local workforce development board or State workforce development board;

(v) a 2- or 4-year institution of higher education that offers an educational program leading to an associate’s or bachelor’s degree in conjunction with a certificate of completion of apprenticeship;

(vi) the Armed Forces (including the National Guard and Reserves);

(vii) a community-based organization; or

(viii) an economic development agency; and

(B) with respect to a pre-apprenticeship program, is a local educational agency, a secondary school, an area career and technical education school, a provider of adult education, a State workforce development board, a local workforce development board, or a community-based organization, that administers the program with any required coordination and necessary approvals from the Secretary of Labor or a State department of labor.

(8) Institution of higher education

The term “institution of higher education” has the meaning given the term in section 1001 of title 20.

(9) Local workforce development board

The term “local workforce development board” has the meaning given the term “local board” in section 3102 of title 29.

(10) National Laboratory

The term “National Laboratory” has the meaning given the term in section 15801 of this title.

(11) Nonprofit organization

The term “nonprofit organization” means an organization that is described in section 501(c) of title 26 and exempt from tax under section 501(a) of such title.

(12) Pre-apprenticeship program

The term “pre-apprenticeship program” means a program—

(A) designed to prepare individuals to enter and succeed in an apprenticeship program; and
(13) Provider of adult education

The term “provider of adult education” has the meaning given the term “eligible provider” in section 3272 of title 29.

(14) Related instruction

The term “related instruction” means an organized and systematic form of instruction designed to provide an individual in a pre-apprenticeship program or apprenticeship program with the knowledge of the technical subjects related to the intended occupation of the individual after completion of the program.

(15) Secretary

The term “Secretary” means the Secretary of Energy, in consultation with the Secretary of Labor, except as otherwise specified in this section.

(16) Sponsor

The term “sponsor” means any person, association, committee, or organization operating a pre-apprenticeship program or apprenticeship program and in whose name the program is (or is to be) registered or approved.

(17) State apprenticeship agency

The term “State apprenticeship agency” has the meaning given that term in section 30103 of Title 51, Code of Federal Regulations (or any corresponding similar regulation or ruling).

(18) State workforce development board

The term “State workforce development board” has the meaning given the term “State board” in section 3102 of title 29.

(19) Workforce intermediary

The term “workforce intermediary”—
(A) means a nonprofit organization that—
(i) proactively addresses workforce needs using a dual customer approach, which considers the needs of both employees and employers; and

(ii) has partnered with a sponsor of a pre-apprenticeship program or apprenticeship program or is a sponsor of a pre-apprenticeship program or apprenticeship program; and

(B) may include a community organization, an employer organization, a community college, a temporary staffing agency, a State workforce development board, a local workforce development board, or a labor or labor-management organization.


CODIFICATION

Section was enacted as part of the National Defense Authorization Act for Fiscal Year 2020, and not as part of the America COMPETES Act, which comprises this subchapter.

CHAPTER 150—NATIONAL AERONAUTICS AND SPACE PROGRAMS, 2005

§ 16601. Transferred

CODIFICATION

Section, Pub. L. 109–155, § 2, Dec. 30, 2005, 119 Stat. 2897, which related to definitions, was transferred and is set out as a note under section 10101 of Title 51, National and Commercial Space Programs.
tros. See section 30104 of Title 51, National and Commercial Space Programs.


§§ 16616, 16617. Omitted

Codification


SUBCHAPTER II—AUTHORIZATION OF APPROPRIATIONS


§§ 16635, 16636. Omitted

Section 16635, Pub. L. 109–155, title II, §206, Dec. 30, 2005, 119 Stat. 296, which related to limitation on use of appropriated funds for official representation, was omitted from the Code following the enactment of Title 51, National and Commercial Space Programs, by Pub. L. 111–314.

Section 16636, Pub. L. 109–155, title II, §207, Dec. 30, 2005, 119 Stat. 296, which required Administrator to report ISS development costs and related matters to Congress and provided for repeal of section 202 of Pub. L. 106–391 thirty days after transmission of report, was omitted from the Code following the enactment of Title 51. See section 30503 of Title 51, National and Commercial Space Programs.

§§ 16652, 16653. Omitted


Section 16653, Pub. L. 109–155, title III, §303, Dec. 30, 2005, 119 Stat. 2917, which required independent assessment of Landsat-NPOESS integrated mission to be transmitted to Congress not later than 190 days after Dec. 30, 2005, was omitted from the Code following the enactment of Title 51.

§§ 16654, 16655. Repealed or Omitted

Codification

Section 16654, Pub. L. 109–155, title III, §304, Dec. 30, 2005, 119 Stat. 2918; Pub. L. 111–314, §4(e), Dec. 18, 2010, 124 Stat. 3443, which related to assessment of science mission extensions, was repealed in part and omitted in part. Introductory provisions of subsec. (a) were repealed and reenacted as subsec. (a) of section 30504 of Title 51, National and Commercial Space Programs, by Pub. L. 111–314, §§3, 6, Dec. 18, 2010, 124 Stat. 3328, 3444, which Act enacted Title 51. Subsec. (a)(1), requiring Administrator to carry out assessment for certain missions not later than 60 days after Dec. 30, 2005, was amended and redesignated subsec. (a) by Pub. L. 111–314, §4(e)(1), Dec. 18, 2010, 124 Stat. 3443, and was omitted from the Code following the enactment of Title 51. Subsec. (a)(2) was repealed and reenacted as subsec. (b) of section 30504 of Title 51. Subsec. (b), requiring Administrator to submit report on assessment to congressional committees not later than 30 days after completion of assessment, was amended by Pub. L. 111–314, §4(e)(2), Dec. 18, 2010, 124 Stat. 3443, and was omitted from the Code following the enactment of Title 51. See section 30503 of Title 51, which Act enacted Title 51.


§ 16657. Omitted

Codification


PART B—REMOTE SENSING


PART C—GEORGE E. BROWN, JR. NEAR-EARTH OBJECT SURVEY

§ 16691. Transferred

CODIFICATION


SUBCHAPTER IV—AERONAUTICS


PART A—GOVERNMENTAL INTEREST IN AERONAUTICS RESEARCH AND DEVELOPMENT


§ 16712. Repealed or Omitted

CODIFICATION

Section, Pub. L. 110–69, title II, § 2002, Aug. 9, 2007, 121 Stat. 582, which related to aeronautics research and development program, was repealed in part and omitted in part. Subsec. (b) was repealed and reenacted as section 40303 of Title 51, National and Commercial Space Programs, by Pub. L. 111–314, §§ 3, 6, Dec. 18, 2010, 124 Stat. 3328, 3444, which Act enacted Title 51. Subsec. (a), which provided a sense of Congress, was omitted from the Code following the enactment of Title 51.

PART B—HIGH PRIORITY AERONAUTICS RESEARCH AND DEVELOPMENT PROGRAMS


Section 16721, Pub. L. 109–155, title IV, § 421, Dec. 30, 2005, 119 Stat. 2924, related to long-term fundamental research program in aeronautics. Subsecs. (a) and (b) were reenacted as section 40111 of Title 51, National and Commercial Space Programs.


PART C—SCHOLARSHIPS


PART D—DATA REQUESTS


SUBCHAPTER V—HUMAN SPACE FLIGHT

§ 16761. Repealed or Omitted

CODIFICATION

Section, Pub. L. 109–155, title V, § 501, Dec. 30, 2005, 119 Stat. 2927; Pub. L. 110–422, title VI, § 611(a), Oct. 15, 2008, 122 Stat. 4796, which related to Space Shuttle follow-on, was repealed in part and omitted in part. Subsecs. (a) and (b) were repealed and reenacted as section 75601 of Title 51, National and Commercial Space Programs, by Pub. L. 111–314, § 3, Dec. 18, 2010, 124 Stat. 3328, 3444, which Act enacted Title 51. Subsec. (c), requiring Administrator’s report to congressional committees on lack of human space flight system to replace the Space Shuttle not later than 90 days after Oct. 15, 2008, was omitted from the Code following the enactment of Title 51.

§ 16762. Transferred

CODIFICATION

tle program to Crew Exploration Vehicle, Crew Launch Vehicle, and heavy-lift launch vehicle, was transferred and is set out as a note under section 70601 of Title 51, National and Commercial Space Programs.


$$\text{§§ 16766, 16767. Repealed or Omitted}$$

$\text{CODIFICATION}$

Section 16766, Pub. L. 109–155, title V, §506, Dec. 30, 2005, 119 Stat. 2930, which related to International Space Station research, was repealed in part and omitted in part. Pars. (1) and (2) were repealed and reenacted as section 70603 of Title 51, National and Commercial Space Programs.

Section 16767, Pub. L. 109–155, title V, §507, Dec. 30, 2005, 119 Stat. 2930, which related to national laboratory designation, was repealed in part and omitted in part. Subsecs. (a), (b), and (d) were repealed and reenacted as subsecs. (b), (c), and (a), respectively, of section 70605 of Title 51, National and Commercial Space Programs, by Pub. L. 111–314, §§ 3, 6, Dec. 18, 2010, 124 Stat. 3328, 3444, which Act enacted Title 51. Subsec. (c), which required Administrator’s report to congressional committees regarding operation plan for national laboratory (United States segment of the International Space Station) not later than one year after Dec. 30, 2005, was omitted from the Code following the enactment of Title 51.

$\text{SUBCHAPTER VI—OTHER PROGRAM AREAS}$

$\text{PART A—SPACE AND FLIGHT SUPPORT}$


Section, Pub. L. 109–155, title VI, §601, Dec. 30, 2005, 119 Stat. 2931, which related to secondary payload capability, was transferred and is set out as a note under section 70601 of Title 51, National and Commercial Space Programs.

$$\text{§ 16782. Transferred}$$

$\text{CODIFICATION}$


$\text{PART B—EDUCATION}$


$$\text{§ 16793. Omitted}$$

$\text{CODIFICATION}$


Section 16794, Pub. L. 109–155, title VI, §614, Dec. 30, 2005, 119 Stat. 2933, which related to review of precollege education programs and required results be transmitted to congressional committees not later than 18 months after Dec. 30, 2006, was omitted from the Code following the enactment of Title 51, National and Commercial Space Programs, by Pub. L. 111–314.

$\text{§ 16796. Transferred}$$

$\text{CODIFICATION}$


$$\text{§§ 16797, 16798. Repealed or Omitted}$$


$\text{PART C—TECHNOLOGY TRANSFER}$


SUBCHAPTER VII—MISCELLANEOUS PROVISIONS

PART A—NATIONAL AERONAUTICS AND SPACE ADMINISTRATION


§ 16824. Omitted

Codification


PART B—NATIONAL SCIENCE FOUNDATION

§ 16831. Transferred

Codification

Section, Pub. L. 119–314, title VII, § 711, Dec. 30, 2005, 119 Stat. 2938, which related to collection of data on specific fields of study, was transferred to section 16831 of this title following the enactment of Title 51, National and Commercial Space Programs, by Pub. L. 111–314.

§ 16832. Omitted

Section, Pub. L. 119–314, title VII, § 712, Dec. 30, 2005, 119 Stat. 2938, which related to National Science Foundation major research equipment and facilities and required review of facilities and development plan to be transmitted to congressional committees not later than June 30, 2006, was omitted from the Code following the enactment of Title 51, National and Commercial Space Programs, by Pub. L. 111–314.

SUBCHAPTER VIII—HUMAN SPACE FLIGHT INDEPENDENT INVESTIGATION COMMISSION


§ 16913. Transferred
CODIFICATION
Section 16913 was editorially reclassified as section 20913 of Title 34, Crime Control and Law Enforcement.

§ 16914. Transferred
CODIFICATION
Section 16914 was editorially reclassified as section 20914 of Title 34, Crime Control and Law Enforcement.

§ 16915. Transferred
CODIFICATION
Section 16915 was editorially reclassified as section 20915 of Title 34, Crime Control and Law Enforcement.

§ 16915a. Transferred
CODIFICATION
Section 16915a was editorially reclassified as section 20916 of Title 34, Crime Control and Law Enforcement.

§ 16915b. Transferred
CODIFICATION
Section 16915b was editorially reclassified as section 20917 of Title 34, Crime Control and Law Enforcement.

§ 16916. Transferred
CODIFICATION
Section 16916 was editorially reclassified as section 20918 of Title 34, Crime Control and Law Enforcement.

§ 16917. Transferred
CODIFICATION
Section 16917 was editorially reclassified as section 20919 of Title 34, Crime Control and Law Enforcement.

§ 16918. Transferred
CODIFICATION
Section 16918 was editorially reclassified as section 20920 of Title 34, Crime Control and Law Enforcement.

§ 16919. Transferred
CODIFICATION
Section 16919 was editorially reclassified as section 20921 of Title 34, Crime Control and Law Enforcement.

§ 16920. Transferred
CODIFICATION
Section 16920 was editorially reclassified as section 20922 of Title 34, Crime Control and Law Enforcement.

§ 16921. Transferred
CODIFICATION
Section 16921 was editorially reclassified as section 20923 of Title 34, Crime Control and Law Enforcement.

§ 16922. Transferred
CODIFICATION
Section 16922 was editorially reclassified as section 20924 of Title 34, Crime Control and Law Enforcement.

§ 16923. Transferred
CODIFICATION
Section 16923 was editorially reclassified as section 20925 of Title 34, Crime Control and Law Enforcement.

§ 16924. Transferred
CODIFICATION
Section 16924 was editorially reclassified as section 20926 of Title 34, Crime Control and Law Enforcement.

§ 16925. Transferred
CODIFICATION
Section 16925 was editorially reclassified as section 20927 of Title 34, Crime Control and Law Enforcement.

§ 16926. Transferred
CODIFICATION
Section 16926 was editorially reclassified as section 20928 of Title 34, Crime Control and Law Enforcement.

§ 16927. Transferred
CODIFICATION
Section 16927 was editorially reclassified as section 20929 of Title 34, Crime Control and Law Enforcement.

§ 16928. Transferred
CODIFICATION
Section 16928 was editorially reclassified as section 20930 of Title 34, Crime Control and Law Enforcement.

§ 16928a. Transferred
CODIFICATION
Section 16928a was editorially reclassified as section 20931 of Title 34, Crime Control and Law Enforcement.

§ 16929. Transferred
CODIFICATION
Section 16929 was editorially reclassified as section 20932 of Title 34, Crime Control and Law Enforcement.

PART A-1—Advanced Notification of Traveling Sex Offenders

§ 16935. Transferred
CODIFICATION
Section 16935 was editorially reclassified as section 21501 of Title 34, Crime Control and Law Enforcement.

§ 16935a. Transferred
CODIFICATION
Section 16935a was editorially reclassified as section 21502 of Title 34, Crime Control and Law Enforcement.

§ 16935b. Transferred
CODIFICATION
Section 16935b was editorially reclassified as section 21503 of Title 34, Crime Control and Law Enforcement.

§ 16935c. Transferred
CODIFICATION
Section 16935c was editorially reclassified as section 21504 of Title 34, Crime Control and Law Enforcement.

§ 16935d. Transferred
CODIFICATION
Section 16935d was editorially reclassified as section 21505 of Title 34, Crime Control and Law Enforcement.

§ 16935e. Transferred
CODIFICATION
Section 16935e was editorially reclassified as section 21506 of Title 34, Crime Control and Law Enforcement.
§ 16935f. Transferred
CODIFICATION
Section 16935f was editorially reclassified as section 21507 of Title 34, Crime Control and Law Enforcement.

§ 16935g. Transferred
CODIFICATION
Section 16935g was editorially reclassified as section 21508 of Title 34, Crime Control and Law Enforcement.

§ 16935h. Transferred
CODIFICATION
Section 16935h was editorially reclassified as section 21509 of Title 34, Crime Control and Law Enforcement.

§ 16935i. Transferred
CODIFICATION
Section 16935i was editorially reclassified as section 21510 of Title 34, Crime Control and Law Enforcement.

PART B—IMPROVING FEDERAL CRIMINAL LAW ENFORCEMENT TO ENSURE SEX OFFENDER COMPLIANCE WITH REGISTRATION AND NOTIFICATION REQUIREMENTS AND PROTECTION OF CHILDREN FROM VIOLENT PREDATORS

§ 16941. Transferred
CODIFICATION
Section 16941 was editorially reclassified as section 20941 of Title 34, Crime Control and Law Enforcement.

§ 16942. Transferred
CODIFICATION
Section 16942 was editorially reclassified as section 20942 of Title 34, Crime Control and Law Enforcement.

§ 16943. Transferred
CODIFICATION
Section 16943 was editorially reclassified as section 20943 of Title 34, Crime Control and Law Enforcement.

§ 16944. Transferred
CODIFICATION
Section 16944 was editorially reclassified as section 20944 of Title 34, Crime Control and Law Enforcement.

§ 16945. Transferred
CODIFICATION
Section 16945 was editorially reclassified as section 20945 of Title 34, Crime Control and Law Enforcement.

PART C—ACCESS TO INFORMATION AND RESOURCES NEEDED TO ENSURE THAT CHILDREN ARE NOT ATTACKED OR ABUSED

§ 16961. Transferred
CODIFICATION
Section 16961 was editorially reclassified as section 20961 of Title 34, Crime Control and Law Enforcement.

§ 16962. Transferred
CODIFICATION
Section 16962 was editorially reclassified as section 20962 of Title 34, Crime Control and Law Enforcement.

SUBCHAPTER II—CIVIL COMMITMENT OF DANGEROUS SEX OFFENDERS

§ 16971. Transferred
CODIFICATION
Section 16971 was editorially reclassified as section 20971 of Title 34, Crime Control and Law Enforcement.

SUBCHAPTER III—GRANTS AND OTHER PROVISIONS

§ 16981. Transferred
CODIFICATION
Section 16981 was editorially reclassified as section 20981 of Title 34, Crime Control and Law Enforcement.

§ 16982. Transferred
CODIFICATION
Section 16982 was editorially reclassified as section 20982 of Title 34, Crime Control and Law Enforcement.

§ 16983. Transferred
CODIFICATION
Section 16983 was editorially reclassified as section 20983 of Title 34, Crime Control and Law Enforcement.

§ 16984. Transferred
CODIFICATION
Section 16984 was editorially reclassified as section 20984 of Title 34, Crime Control and Law Enforcement.

§ 16985. Transferred
CODIFICATION
Section 16985 was editorially reclassified as section 20985 of Title 34, Crime Control and Law Enforcement.

§ 16986. Transferred
CODIFICATION
Section 16986 was editorially reclassified as section 20986 of Title 34, Crime Control and Law Enforcement.

§ 16987. Transferred
CODIFICATION
Section 16987 was editorially reclassified as section 20987 of Title 34, Crime Control and Law Enforcement.

§ 16988. Transferred
CODIFICATION
Section 16988 was editorially reclassified as section 20988 of Title 34, Crime Control and Law Enforcement.

§ 16989. Transferred
CODIFICATION
Section 16989 was editorially reclassified as section 20989 of Title 34, Crime Control and Law Enforcement.

§ 16990. Transferred
CODIFICATION
Section 16990 was editorially reclassified as section 20990 of Title 34, Crime Control and Law Enforcement.

§ 16991. Transferred
CODIFICATION
Section 16991 was editorially reclassified as section 20991 of Title 34, Crime Control and Law Enforcement.
CHAPTER 152—ENERGY INDEPENDENCE AND SECURITY

Sec. 17001. Definitions.
17002. Relationship to other law.

SUBCHAPTER I—IMPROVED VEHICLE TECHNOLOGY
17011. Transportation electrification.
17012. Advanced battery loan guarantee program.
17013. Advanced technology vehicles manufacturing incentive program.

SUBCHAPTER II—ENERGY SECURITY THROUGH INCREASED PRODUCTION OF BIOFUELS

PART A—RENEWABLE FUEL STANDARD
17021. Biomass-based diesel and biodiesel labeling.
17022. Grants for production of advanced biofuels.

PART B—BIOFUELS RESEARCH AND DEVELOPMENT
17031. Biodiesel.
17032. Grants for biofuel production research and development in certain States.
17033. Biofuels and biorefinery information center.
17034. Cellulosic ethanol and biofuels research.
17035. University based research and development grant program.

PART C—BIOFUELS INFRASTRUCTURE
17051. Renewable fuel dispenser requirements.
17052. Renewable fuel infrastructure grants.
17053. Federal fleet fueling centers.
17054. Biofuels distribution and advanced biofuels infrastructure.

SUBCHAPTER III—ENERGY SAVINGS IN BUILDINGS AND INDUSTRY
17061. Definitions.
17063. Energy information for commercial buildings.

PART A—RESIDENTIAL BUILDING EFFICIENCY
17071. Energy Code improvements applicable to manufactured housing.

PART B—HIGH-PERFORMANCE COMMERCIAL BUILDINGS
17083. Public outreach.
17084. Separate spaces with high-performance energy efficiency measures.
17085. Tenant Star program.

PART C—HIGH-PERFORMANCE FEDERAL BUILDINGS
17091. Leasing.
17094. Storm water runoff requirements for Federal development projects.
17095. Cost-effective technology acceleration program.
17096. Authorization of appropriations.

PART D—INDUSTRIAL ENERGY EFFICIENCY
17111. Energy-intensive industries program.
17112. Energy efficiency for data center buildings.

PART E—GENERAL PROVISIONS
17121. Demonstration project.
17122. Research and development.
17123. Green Building Advisory Committee.
17124. Advisory Committee on Energy Efficiency Finance.

Sec. SUBCHAPTER IV—ENERGY SAVINGS IN GOVERNMENT AND PUBLIC INSTITUTIONS

PART A—ENERGY SAVINGS PERFORMANCE CONTRACTING
17131. Training Federal contracting officers to negotiate energy efficiency contracts.

PART B—ENERGY EFFICIENCY IN FEDERAL AGENCIES
17141. Prohibition on incandescent lamps by Coast Guard.
17142. Procurement and acquisition of alternative fuels.
17143. Government efficiency status reports.
17144. OMB Government efficiency reports and scorecards.

PART C—ENERGY EFFICIENCY AND CONSERVATION BLOCK GRANTS
17151. Definitions.
17152. Energy Efficiency and Conservation Block Grant Program.
17153. Allocation of funds.
17154. Use of funds.
17155. Requirements for eligible entities.
17156. Competitive grants.
17157. Review and evaluation.
17158. Funding.

SUBCHAPTER V—ACCELERATED RESEARCH AND DEVELOPMENT

PART A—SOLAR ENERGY
17171. Thermal energy storage research and development program.
17172. Solar energy curriculum development and certification grants.
17173. Daylighting systems and direct solar light pipe technology.
17174. Solar air conditioning research and development program.
17175. Photovoltaic demonstration program.

PART B—GEOThermal ENERGY
17191. Definitions.
17192. Hydrothermal research and development.
17193. General geothermal systems research and development.
17194. Enhanced geothermal systems research and development.
17195. Geothermal energy production from oil and gas fields and recovery and production of geopressured gas resources.
17196. Cost sharing and proposal evaluation.
17197. Center for Geothermal Technology Transfer.
17198. GeoPowering America.
17199. Educational pilot program.
17200. Reports.
17201. Applicability of other laws.
17202. Authorization of appropriations.
17203. International geothermal energy development.
17204. High cost region geothermal energy grant program.

PART C—MARINE AND HYDROKINETIC RENEWABLE ENERGY TECHNOLOGIES
17211. Definition.
17212. Marine and hydrokinetic renewable energy research and development.
17214. Applicability of other laws.
17215. Authorization of appropriations.

PART D—ENERGY STORAGE FOR TRANSPORTATION AND ELECTRIC POWER
17231. Energy storage competitiveness.

PART E—MISCELLANEOUS PROVISIONS
17241. Lightweight materials research and development.
Title 42—The Public Health and Welfare

§17001. Definitions

In this Act:

(1) Department

The term “Department” means the Department of Energy.

(2) Institution of higher education

The term “institution of higher education” has the meaning given the term in section 1001(a) of title 20.

(3) Secretary

The term “Secretary” means the Secretary of Energy.

References in Text

This Act, referred to in text, is Pub. L. 110–140, Dec. 19, 2007, 121 Stat. 1492, known as the Energy Independence and Security Act of 2007, which enacted this chapter and enacted and amended numerous other sections and notes in the Code. For complete classification of this Act to the Code, see Short Title note below and Tables.

Effective Date

Section effective on the date that is 1 day after Dec. 19, 2007, see section 1601 of Pub. L. 110–140, set out as a note under section 1824 of Title 2, The Congress.

Short Title of 2015 Amendment

Pub. L. 114–11, §1(a), Apr. 30, 2015, 129 Stat. 182, provided that: “This Act [enacting sections 17062, 17063, 17084, and 17085 of this title, amending sections 6295, 6302 to 6304, and 17091 of this title, and enacting provisions set out as a note under this section] may be cited as the ‘Energy Efficiency Improvement Act of 2015.’”


Short Title


A (§17171 et seq.) of subchapter V of this chapter] may be cited as the ‘Solar Energy Research and Advance- 
ment Act of 2007’.

(§§611–625) of title VI of Pub. L. 110–140, enacting part
B (§17191 et seq.) of subchapter V of this chapter] may be cited as the ‘Advanced Geothermal Energy Research and Devel- 
opment Act of 2007’.

1666, provided that: “This subtitle [subtitle C (§§631–636)
of title VI of Pub. L. 110–140, enacting part C (§17211 et
seq.) of subchapter V of this chapter] may be cited as the
‘Marine and Hydrokinetic Renewable Energy Re-
search and Development Act’.

1704, provided that: “This subtitle [subtitle A
A (§17251 et seq.) of subchapter VI of this chapter and
amending section 16293 of this title] may be cited as the
‘Department of Energy Carbon Capture and Sequestra-

tion Research, Development, and Demonstration Act of
2007’.”

§ 17002. Relationship to other law
Except to the extent expressly provided in this Act or an amendment made by this Act, nothing
in this Act or an amendment made by this Act supersedes, limits the authority provided or re-
sponsibility conferred by, or authorizes any vio-
lation of any provision of law (including a regula-
tion), including any energy or environmental
law or regulation.


REFERENCES IN TEXT

This Act, referred to in text, is Pub. L. 110–140, Dec.
19, 2007, 121 Stat. 1492, known as the Energy Independ-
ence and Security Act of 2007, which enacted this chap-

ter and enacted and amended numerous other sections
and notes in the Code. For complete classification of
this Act to the Code, see Short Title note set out under
section 17001 of this title and Tables.

EFFECTIVE DATE

Section effective on the date that is 1 day after Dec.
19, 2007, see section 1823 of Title 2, The Congress.

SUBCHAPTER I—IMPROVED VEHICLE TECHNOLOGY

§ 17011. Transportation electrification

(a) Definitions

In this section:

(1) Administrator

The term “Administrator” means the Ad-

ministrator of the Environmental Protection
Agency.

(2) Battery

The term “battery” means an electro-
chemical energy storage system powered di-
rectly by electrical current.

(3) Electric transportation technology

The term “electric transportation tech-
nology” means—

(A) technology used in vehicles that use an
 electric motor for all or part of the motive
 power of the vehicles, including battery elec-

tric, hybrid electric, plug-in hybrid electric,

fuel cell, and plug-in fuel cell vehicles, or
rail transportation; or

(B) equipment relating to transportation
or mobile sources of air pollution that use
an electric motor to replace an internal
combustion engine for all or part of the
work of the equipment, including—

(i) corded electric equipment linked to
transportation or mobile sources of air
pollution; and

(ii) electrification technologies at air-
ports, ports, truck stops, and material-
handling facilities.

(4) Nonroad vehicle

The term “nonroad vehicle” means a vehi-
cle—

(A) powered—

(i) by a nonroad engine, as that term is
defined in section 7550 of this title; or

(ii) fully or partially by an electric
motor powered by a fuel cell, a battery,
or an off-board source of electricity; and

(B) that is not a motor vehicle or a vehicle
used solely for competition.

(5) Plug-in electric drive vehicle

The term “plug-in electric drive vehicle” means a vehicle that—

(A) draws motive power from a battery
with a capacity of at least 4 kilowatt-hours;

(B) can be recharged from an external
source of electricity for motive power; and

(C) is a light-, medium-, or heavy-duty
motor vehicle or nonroad vehicle (as those
terms are defined in section 7550 of this

(6) Qualified electric transportation project

The term “qualified electric transportation project” means an electric transportation

ology project that would significantly
reduce emissions of criteria pollutants, green-

house gas emissions, and petroleum, includ-
ging—

(A) shipside or shoreside electrification for
vessels;

(B) truck-stop electrification;

(C) electric truck refrigeration units;

(D) battery-powered auxiliary power units
for trucks;

(E) electric airport ground support equip-
ment;

(F) electric material and cargo handling
equipment;

(G) electric or dual-mode electric rail;

(H) any distribution upgrades needed to
supply electricity to the project; and

(I) any ancillary infrastructure, including
panel upgrades, battery chargers, in-situ
transformers, and trenching.

(b) Plug-in electric drive vehicle program

(1) Establishment

The Secretary shall establish a competitive
program to provide grants on a cost-shared
basis to State governments, local govern-
ments, metropolitan transportation authori-
ties, air pollution control districts, private or
nonprofit entities, or combinations of those
governments, authorities, districts, and enti-
ties, to carry out one or more projects to en-
courage the use of plug-in electric drive vehi-
cles or other emerging electric vehicle tech-
nologies, as determined by the Secretary.
(2) Administration

The Secretary shall, in consultation with the Secretary of Transportation and the Administrator, establish requirements for applications for grants under this section, including reporting of data to be summarized for dissemination to grantees and the public, including safety, vehicle, and component performance, and vehicle and component life cycle costs.

(3) Priority

In making awards under this subsection, the Secretary shall—
(A) give priority consideration to applications that—
(i) encourage early widespread use of vehicles described in paragraph (1); and
(ii) are likely to make a significant contribution to the advancement of the production of the vehicles in the United States; and
(B) ensure, to the maximum extent practicable, that the program established under this subsection includes a variety of applications, manufacturers, and end-uses.

(4) Reporting

The Secretary shall require a grant recipient under this subsection to submit to the Secretary, on an annual basis, data relating to safety, vehicle performance, life cycle costs, and emissions of vehicles demonstrated under the grant, including emissions of greenhouse gases.

(5) Cost sharing

Section 16352 of this title shall apply to a grant made under this subsection.

(6) Authorization of appropriations

There is authorized to be appropriated to carry out this subsection $90,000,000 for each of fiscal years 2008 through 2012, of which not less than ¼ of the total amount appropriated shall be available each fiscal year to make grants to local and municipal governments.

c) Near-term transportation sector electrification program

(1) In general

Not later than 1 year after December 19, 2007, the Secretary, in consultation with the Secretary of Transportation and the Administrator, shall establish a program to provide grants for the conduct of qualified electric transportation projects.

(2) Priority

In providing grants under this subsection, the Secretary shall give priority to large-scale projects and large-scale aggregators of projects.

(3) Cost sharing

Section 16352 of this title shall apply to a grant made under this subsection.

(4) Authorization of appropriations

There is authorized to be appropriated to carry out this subsection $95,000,000 for each of fiscal years 2008 through 2013.

d) Education program

(1) In general

The Secretary shall develop a nationwide electric drive transportation technology education program under which the Secretary shall provide—
(A) teaching materials to secondary schools and high schools; and
(B) assistance for programs relating to electric drive system and component engineering to institutions of higher education.

(2) Electric vehicle competition

The program established under paragraph (1) shall include a plug-in hybrid electric vehicle competition for institutions of higher education, which shall be known as the "Dr. Andrew Frank Plug-In Electric Vehicle Competition".

(3) Engineers

In carrying out the program established under paragraph (1), the Secretary shall provide financial assistance to institutions of higher education to create new, or support existing, degree programs to ensure the availability of trained electrical and mechanical engineers with the skills necessary for the advancement of—
(A) plug-in electric drive vehicles; and
(B) other forms of electric drive transportation technology vehicles.

(4) Authorization of appropriations

There are authorized to be appropriated such sums as may be necessary to carry out this subsection.


EFFECTIVE DATE

Section effective on the date that is 1 day after Dec. 19, 2007, see section 1601 of Pub. L. 110-140, set out as a note under section 1824 of Title 2, The Congress.

§ 17012. Advanced battery loan guarantee program

(a) Establishment of program

The Secretary shall establish a program to provide guarantees of loans by private institutions for the construction of facilities for the manufacture of advanced vehicle batteries and battery systems that are developed and produced in the United States, including advanced lithium ion batteries and hybrid electrical system and component manufacturers and software designers.

(b) Requirements

The Secretary may provide a loan guarantee under subsection (a) to an applicant if—
(1) without a loan guarantee, credit is not available to the applicant under reasonable terms or conditions sufficient to finance the construction of a facility described in subsection (a);
(2) the prospective earning power of the applicant and the character and value of the security pledged provide a reasonable assurance of repayment of the loan to be guaranteed in accordance with the terms of the loan; and
§ 17013. Advanced technology vehicles manufacturing incentive program

(a) Definitions

In this section:

(1) Advanced technology vehicle

The term “advanced technology vehicle” means an ultra efficient vehicle or a light duty vehicle that meets—

(A) the Bin 5 Tier II emission standard established in regulations issued by the Administrator of the Environmental Protection Agency under section 202(i) of the Clean Air Act (42 U.S.C. 7521(i)), or a lower-numbered Bin emission standard;

(B) any new emission standard in effect for fine particulate matter prescribed by the Administrator under that Act (42 U.S.C. 7401 et seq.); and

(C) at least 125 percent of the average base year combined fuel economy for vehicles with substantially similar attributes.

(2) Combined fuel economy

The term “combined fuel economy” means—

(A) the combined city/highway miles per gallon values, as reported in accordance with section 32904 of title 49; and

(B) in the case of an electric drive vehicle with the ability to recharge from an off-board source, the reported mileage, as determined in a manner consistent with the Society of Automotive Engineers recommended practice for that configuration or a similar practice recommended by the Secretary.

(3) Engineering integration costs

The term “engineering integration costs” includes the cost of engineering tasks relating to—

(A) incorporating qualifying components into the design of advanced technology vehicles; and

(B) designing tooling and equipment and developing manufacturing processes and material suppliers for production facilities that produce qualifying components or advanced technology vehicles.

(4) Qualifying components

The term “qualifying components” means components that the Secretary determines to be—

(A) designed for advanced technology vehicles; and

(B) installed for the purpose of meeting the performance requirements of advanced technology vehicles.

(5) Ultra efficient vehicle

The term “ultra efficient vehicle” means a fully closed compartment vehicle designed to carry at least 2 adult passengers that achieves—

(A) at least 75 miles per gallon while operating on gasoline or diesel fuel;

(B) at least 75 miles per gallon equivalent while operating as a hybrid electric–gasoline or electric–diesel vehicle; or

(C) at least 75 miles per gallon equivalent while operating as a fully electric vehicle.

(b) Advanced vehicles manufacturing facility

The Secretary shall provide facility funding awards under this section to automobile manu-

(3) the loan bears interest at a rate determined by the Secretary to be reasonable, taking into account the current average yield on outstanding obligations of the United States with remaining periods of maturity comparable to the maturity of the loan.

(c) Criteria

In selecting recipients of loan guarantees from among applicants, the Secretary shall give preference to proposals that—

(1) meet all applicable Federal and State permitting requirements;

(2) are most likely to be successful; and

(3) are located in local markets that have the greatest need for the facility.

(d) Maturity

A loan guaranteed under subsection (a) shall have a maturity of not more than 20 years.

(e) Terms and conditions

The loan agreement for a loan guaranteed under subsection (a) shall provide that no provision of the loan agreement may be amended or waived without the consent of the Secretary.

(f) Assurance of repayment

The Secretary shall require that an applicant for a loan guarantee under subsection (a) provide an assurance of repayment in the form of a performance bond, insurance, collateral, or other means acceptable to the Secretary in an amount equal to not less than 20 percent of the amount of the loan.

(g) Guarantee fee

The recipient of a loan guarantee under subsection (a) shall pay the Secretary an amount equal to not less than 20 percent of the amount of the loan.

(h) Full faith and credit

The full faith and credit of the United States is pledged to the payment of all guarantees made under this section. Any such guarantee made by the Secretary shall be conclusive evidence of the eligibility of the loan for the guarantee with respect to principal and interest. The validity of the guarantee shall be incontestable in the hands of a holder of the guaranteed loan.

(i) Reports

Until each guaranteed loan under this section has been repaid in full, the Secretary shall annually submit to Congress a report on the activities of the Secretary under this section.

(j) Authorization of appropriations

There are authorized to be appropriated such sums as are necessary to carry out this section.

(k) Termination of authority

The authority of the Secretary to issue a loan guarantee under subsection (a) terminates on the date that is 10 years after December 19, 2007.


**Effective Date**

Section effective on the date that is 1 day after Dec. 19, 2007, see section 1601 of Pub. L. 110–140, set out as a note under section 1824 of Title 2, The Congress.
facturers, ultra efficient vehicle manufacturers, and component suppliers to pay not more than 30 percent of the cost of—

(1) reequipping, expanding, or establishing a manufacturing facility in the United States to produce—

(A) qualifying advanced technology vehicles;

(B) qualifying components; or

(C) ultra efficient vehicles; and

(2) engineering integration performed in the United States of qualifying vehicles, ultra efficient vehicles, and qualifying components.

(c) Period of availability

An award under subsection (b) shall apply to—

(1) facilities and equipment placed in service before December 30, 2020; and

(2) engineering integration costs incurred during the period beginning on December 19, 2007, and ending on December 30, 2020.

(d) Direct loan program

(1) In general

Not later than 1 year after December 19, 2007, and subject to the availability of appropriated funds, the Secretary shall carry out a program to provide a total of not more than $25,000,000,000 in loans to eligible individuals and entities (as determined by the Secretary) for the costs of activities described in subsection (b). The loans shall be made through the Federal Financing Bank, with the full faith and credit of the United States Government on the principal and interest. The full credit subsidy shall be paid by the Secretary using appropriated funds.

(2) Application

An applicant for a loan under this subsection shall submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require, including a written assurance that—

(A) all laborers and mechanics employed by contractors or subcontractors during construction, alteration, or repair that is financed, in whole or in part, by a loan under this section shall be paid wages at rates not less than those prevailing on similar construction in the locality, as determined by the Secretary of Labor in accordance with sections 3141-3144, 3146, and 3147 of title 40; and

(B) the Secretary of Labor shall, with respect to the labor standards described in this paragraph, have the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (5 U.S.C. App.) and section 3145 of title 40.

(3) Selection of eligible projects

The Secretary shall select eligible projects to receive loans under this subsection in cases in which, as determined by the Secretary, the award recipient—

(A) is financially viable without the receipt of additional Federal funding associated with the proposed project;

(B) will provide sufficient information to the Secretary for the Secretary to ensure that the qualified investment is expended efficiently and effectively; and

(C) has met such other criteria as may be established and published by the Secretary.

(4) Rates, terms, and repayment of loans

A loan provided under this subsection—

(A) shall have an interest rate that, as of the date on which the loan is made, is equal to the cost of funds to the Department of the Treasury for obligations of comparable maturity;

(B) shall have a term equal to the lesser of—

(i) the projected life, in years, of the eligible project to be carried out using funds from the loan, as determined by the Secretary; and

(ii) 25 years;

(C) may be subject to a deferral in repayment for not more than 5 years after the date on which the eligible project carried out using funds from the loan first begins operations, as determined by the Secretary; and

(D) shall be made by the Federal Financing Bank.

(e) Improvement

Not later than 60 days after September 30, 2008, the Secretary shall promulgate an interim final rule establishing regulations that the Secretary deems necessary to administer this section and any loans made by the Secretary pursuant to this section. Such interim final rule shall require that, in order for an automobile manufacturer to be eligible for an award or loan under this section during a particular year, the adjusted average fuel economy of the manufacturer for light duty vehicles produced by the manufacturer during the most recent year for which data are available shall be not less than the average fuel economy for all light duty vehicles of the manufacturer for model year 2005. In order to determine fuel economy baselines for eligibility of a new manufacturer or a manufacturer that has not produced previously produced equivalent vehicles, the Secretary may substitute industry averages.

(f) Fees

Administrative costs shall be no more than $100,000 or 10 basis point of the loan.

(g) Priority

The Secretary shall, in making awards or loans to those manufacturers that have existing facilities, give priority to those facilities that are oldest or have been in existence for at least 20 years or are utilized primarily for the manufacture of ultra efficient vehicles. Such facilities can currently be sitting idle.

(h) Set aside for small automobile manufacturers and component suppliers

(1) Definition of covered firm

In this subsection, the term “covered firm” means a firm that—

(A) employs less than 500 individuals; and

(B) manufactures ultra efficient vehicles, automobiles, or components of automobiles.

---

1 So in original. Probably should be “or”.
2 So in original. Probably should be “points”.
§ 17021  TITLE 42—THE PUBLIC HEALTH AND WELFARE  Page 8206

(2) Set aside

Of the amount of funds that are used to provide awards for each fiscal year under subsection (b), the Secretary shall use not less than 10 percent to provide awards to covered firms or consortia led by a covered firm.

(i) Authorization of appropriations

There are authorized to be appropriated such sums as are necessary to carry out this section for each of fiscal years 2008 through 2012.

(j) Appointment and pay of personnel

(1) The Secretary may use direct hiring authority pursuant to section 3304(a)(3) of title 5 to appoint such professional and administrative personnel as the Secretary deems necessary to the discharge of the Secretary’s functions under this section.

(2) The rate of pay for a person appointed pursuant to paragraph (1) shall not exceed the maximum rate payable for GS-15 of the General Schedule under chapter 53 such title 5.

(3) The Secretary may retain such consultants as the Secretary deems necessary to the discharge of the functions required by this section, pursuant to section 1901 of title 41.


REFERENCES IN TEXT

The Clean Air Act, referred to in subsec. (a)(1)(B), is act July 14, 1955, ch. 360, 69 Stat. 322, which is classified generally to chapter 5 (§7401 et seq.) of this title. For complete classification of this Act to the Code, see Short Title note set out under section 7401 of this title and Tables.

Reorganization Plan Numbered 14 of 1950, referred to in subsec. (d)(2)(B), is set out in Appendix to Title 5, Government Organization and Employees.

AMENDMENTS


Subsec. (g). Pub. L. 111–85, §312(a)(3), inserted “or are utilized primarily for the manufacture of ultra efficient vehicles” after “20 years”.


2008—Subsec. (d)(1). Pub. L. 110–329, §129(c)(1), inserted at end “The loans shall be made through the Federal Financing Bank, with the full faith and credit of the United States Government on the principal and interest. The full credit subsidy shall be paid by the Secretary using appropriated funds.”

Subsec. (e). Pub. L. 110–329, §129(c)(2), substituted “Not later than 60 days after September 30, 2008, the Secretary shall promulgate an interim final rule establishing regulations that the Secretary deems necessary to administer this section and any loans made by the Secretary pursuant to this section. Such interim final rule shall require that,” for “The Secretary shall issue regulations that require that.”.


EFFECTIVE DATE

Section effective on the date that is 1 day after Dec. 19, 2007, see section 1601 of Pub. L. 110–140, set out as a note under section 1824 of Title 2, The Congress.

RECONSIDERATION OF PRIOR APPLICATIONS


“(1) timely filed under that section before January 1, 2009;

“(2) rejected on the basis that the vehicles to which the proposal related were not advanced technology vehicles; and

“(3) related to ultra efficient vehicles.”

SUBCHAPTER II—ENERGY SECURITY THROUGH INCREASED PRODUCTION OF BIOFUELS

PART A—RENEWABLE FUEL STANDARD

§ 17021. Biomass-based diesel and biodiesel labeling

(a) In general

Each retail diesel fuel pump shall be labeled in a manner that informs consumers of the percent of biomass-based diesel or biodiesel that is contained in the biomass-based diesel blend or biodiesel blend that is offered for sale, as determined by the Federal Trade Commission.

(b) Labeling requirements

Not later than 180 days after December 19, 2007, the Federal Trade Commission shall promulgate biodiesel labeling requirements as follows:

(1) Biomass-based diesel blends or biodiesel blends that contain less than or equal to 5 percent biomass-based diesel or biodiesel by volume and that meet ASTM D975 diesel specifications shall not require any additional labels.

(2) Biomass-based diesel blends or biodiesel blends that contain more than 5 percent biomass-based diesel or biodiesel by volume but not more than 20 percent by volume shall be labeled “contains biomass-based diesel or biodiesel in quantities between 5 percent and 20 percent”.

(3) Biomass-based diesel or biodiesel blends that contain more than 20 percent biomass based or biodiesel by volume shall be labeled “contains more than 20 percent biomass-based diesel or biodiesel”.

(c) Definitions

In this section:

(1) ASTM

The term “ASTM” means the American Society of Testing and Materials.

---

3So in original. Probably should be “of such”.}
(2) Biomass-based diesel
The term ‘‘biomass-based diesel’’ means bio-
diesel as defined in section 13229(f) of this
title.

(3) Biodiesel
The term ‘‘biodiesel’’ means the monoalkyl
esters of long chain fatty acids derived from
plant or animal matter that meet—
(A) the registration requirements for fuels
and fuel additives under this section; and
(B) the requirements of ASTM standard
D6751.

(4) Biomass-based diesel and biodiesel blends
The terms ‘‘biomass-based diesel blend’’ and
‘‘biodiesel blend’’ means a blend of ‘‘biomass-
based diesel’’ or ‘‘biodiesel’’ fuel that is blend-
ed with petroleum-based diesel fuel.

Stat. 1529.)

§17022. Grants for production of advanced
biofuels

(a) In general
The Secretary of Energy shall establish a
grant program to encourage the production of
advanced biofuels.

(b) Requirements and priority
In making grants under this section, the Sec-
retary—
(1) shall make awards to the proposals for
advanced biofuels with the greatest reduction
in lifecycle greenhouse gas emissions com-
pared to the comparable motor vehicle fuel
lifecycle emissions during calendar year 2005;
and
(2) shall not make an award to a project that
does not achieve at least an 80 percent reduc-
tion in such lifecycle greenhouse gas emis-
sions.

(c) Authorization of appropriations
There is authorized to be appropriated to
carry out this section $500,000,000 for the period
of fiscal years 2008 through 2015, except that the
amount authorized to be appropriated to carry
out this section not appropriated as of October 2,
2013, shall be reduced by $6,000,000.

Stat. 546.)

AMENDMENTS
2013—Subsec. (c). Pub. L. 113–40 inserted ‘‘, except
that the amount authorized to be appropriated to carry
out this section not appropriated as of October 2, 2013,
shall be reduced by $6,000,000’’ before period at end.

§17031. Biodiesel
(a) Biodiesel study
Not later than 180 days after December 19,
2007, the Secretary, in consultation with the Ad-
ministrator of the Environmental Protection
Agency, shall submit to Congress a report on
any research and development challenges inher-
ent in increasing the proportion of diesel fuel
sold in the United States that is biodiesel.

(b) Material for the establishment of standards
The Director of the National Institute of
Standards and Technology, in consultation with
the Secretary, shall make publicly available the
physical property data and characterization of
biodiesel and other biofuels as appropriate.

Stat. 1533.)

EFFECTIVE DATE
Section effective on the date that is 1 day after Dec.
19, 2007, see section 1601 of Pub. L. 110–140, set out as a
note under section 1824 of Title 2, The Congress.

§17032. Grants for biofuel production research
and development in certain States

(a) In general
The Secretary shall provide grants to eligible
entities for research, development, demonstra-
tion, and commercial application of biofuel pro-
duction technologies in States with low rates of
ethanol production, including low rates of pro-
duction of cellulosic biomass ethanol, as deter-
dined by the Secretary.

(b) Eligibility
To be eligible to receive a grant under this
section, an entity shall—
(1)(A) be an institution of higher education
(as defined in section 15801 of this title), in-
cluding tribally controlled colleges or univer-
sities, located in a State described in sub-
section (a); or
(B) be a consortium including at least 1 such
institution of higher education and industry,
State agencies, Indian tribal agencies, Na-
tional Laboratories, or local government agen-
cies located in the State; and
(2) have proven experience and capabilities
with relevant technologies.

(c) Authorization of appropriations
There are authorized to be appropriated to the
Secretary to carry out this section $25,000,000 for
each of fiscal years 2008 through 2010.

Stat. 1533.)

EFFECTIVE DATE
Section effective on the date that is 1 day after Dec.
19, 2007, see section 1601 of Pub. L. 110–140, set out as a
note under section 1824 of Title 2, The Congress.

§17033. Biofuels and biorefinery information
center
(a) In general
The Secretary, in cooperation with the Sec-
retary of Agriculture, shall establish a biofuels
and biorefinery information center to make available to interested parties information on—
(1) renewable fuel feedstocks, including the varieties of fuel capable of being produced from various feedstocks;
(2) biorefinery processing techniques related to various renewable fuel feedstocks;
(3) the distribution, blending, storage, and retail dispensing infrastructure necessary for the transport and use of renewable fuels;
(4) Federal and State laws and incentives related to renewable fuel production and use;
(5) renewable fuel development and research and development advancements;
(6) renewable fuel development and biorefinery processes and technologies;
(7) renewable fuel resources, including information on programs and incentives for renewable fuels;
(8) renewable fuel producers;
(9) renewable fuel users; and
(10) potential renewable fuel users.
(b) Administration
In administering the biofuels and biorefinery information center, the Secretary shall—
(1) continually update information provided by the center;
(2) make information available relating to processes and technologies for renewable fuel production;
(3) make information available to interested parties on the process for establishing a biorefinery; and
(4) make information and assistance provided by the center available through a toll-free telephone number and website.
(c) Coordination and nonduplication
To the maximum extent practicable, the Secretary shall ensure that the activities under this section are coordinated with, and do not duplicate the efforts of, centers at other government agencies.
(d) Authorization of appropriations
There are authorized to be appropriated such sums as are necessary to carry out this section.

§ 17034. Cellulosic ethanol and biofuels research
(a) Definition of eligible entity
In this section, the term “eligible entity” means—
(1) an 1890 Institution (as defined in section 7601 of title 7);
(2) a part B institution (as defined in section 1061 of title 20) (commonly referred to as “Historically Black Colleges and Universities”);
(3) a tribal college or university (as defined in section 1059c(b) of title 20); or
(4) a Hispanic-serving institution (as defined in section 1101a(a) of title 20).
(b) Grants
The Secretary shall make cellulosic ethanol and biofuels research and development grants to 10 eligible entities selected by the Secretary to receive a grant under this section through a peer-reviewed competitive process.
(c) Collaboration
An eligible entity that is selected to receive a grant under subsection (b) shall collaborate with 1 of the Bioenergy Research Centers of the Office of Science of the Department.
(d) Authorization of appropriations
There is authorized to be appropriated to the Secretary to make grants described in subsection (b) $50,000,000 for fiscal year 2008, to remain available until expended.

§ 17035. University based research and development grant program
(a) Establishment
The Secretary shall establish a competitive grant program, in a geographically diverse manner, for projects submitted for consideration by institutions of higher education to conduct research and development of renewable energy technologies. Each grant made shall not exceed $2,000,000.
(b) Eligibility
Priority shall be given to institutions of higher education with—
(1) established programs of research in renewable energy;
(2) locations that are low income or outside of an urbanized area;
(3) a joint venture with an Indian tribe; and
(4) proximity to trees dying of disease or insect infestation as a source of woody biomass.
(c) Authorization of appropriations
There are authorized to be appropriated to the Secretary $25,000,000 for carrying out this section.
(d) Definitions
In this section:
(1) Indian tribe
The term “Indian tribe” has the meaning as defined in section 15823(c) of this title.
(2) Renewable energy
The term “renewable energy” has the meaning as defined in section 16181 of this title.
(3) Urbanized area
The term “urbanized area” has the meaning as defined by the U.S. Bureau of the Census.

Effective Date
Section effective on the date that is 1 day after Dec. 19, 2007, see section 1601 of Pub. L. 110–140, set out as a note under section 1824 of Title 2, The Congress.
PART C—BIOFUELS INFRASTRUCTURE

§ 17051. Renewable fuel dispenser requirements

(a) Market penetration reports

The Secretary, in consultation with the Secretary of Transportation, shall determine and report to Congress annually on the market penetration for flexible-fuel vehicles in use within geographic regions to be established by the Secretary.

(b) Dispenser feasibility study

Not later than 24 months after December 19, 2007, the Secretary, in consultation with the Department of Transportation, shall report to the Congress on the feasibility of requiring motor fuel retailers to install E-85 compatible dispensers and related systems at retail fuel facilities in regions where flexible-fuel vehicle market penetration has reached 15 percent of motor vehicles. In conducting such study, the Secretary shall consider and report on the following factors:

(1) The commercial availability of E-85 fuel and the number of competing E-85 wholesale suppliers in a given region.

(2) The level of financial assistance provided on an annual basis by the Federal Government, State governments, and nonprofit entities for the installation of E-85 compatible infrastructure.

(3) The number of retailers whose retail locations are unable to support more than 2 underground storage tank dispensers.

(4) The expense incurred by retailers in the installation and sale of E-85 compatible dispensers and related systems and any potential effects on the price of motor vehicle fuel.


Effective date

Section effective on the date that is 1 day after Dec. 19, 2007, see section 1601 of Pub. L. 110–140, set out as a note under section 1624 of Title 2, The Congress.

§ 17052. Renewable fuel infrastructure grants

(a) Definition of renewable fuel blend

For purposes of this section, the term “renewable fuel blend” means a gasoline blend that contains not less than 11 percent, and not more than 85 percent, renewable fuel or diesel fuel that contains at least 10 percent renewable fuel.

(b) Infrastructure development grants

(1) Establishment

The Secretary shall establish a program for making grants for providing assistance to retail and wholesale motor fuel dealers or other entities for the installation, replacement, or conversion of motor fuel storage and dispensing infrastructure to be used exclusively to store and dispense renewable fuel blends.

(2) Selection criteria

Not later than 12 months after December 19, 2007, the Secretary shall establish criteria for evaluating applications for grants under this subsection that will maximize the availability and use of renewable fuel blends, and that will ensure that renewable fuel blends are available across the country. Such criteria shall provide for—

(A) consideration of the public demand for each renewable fuel blend in a particular geographic area based on State registration records showing the number of flexible-fuel vehicles;

(B) consideration of the opportunity to create or expand corridors of renewable fuel blend stations along interstate or State highways;

(C) consideration of the experience of each applicant with previous, similar projects;

(D) consideration of population, number of flexible-fuel vehicles, number of retail fuel outlets, and saturation of flexible-fuel vehicles; and

(E) priority consideration to applications that—

(i) are most likely to maximize displacement of petroleum consumption, measured as a total quantity and a percentage;

(ii) are best able to incorporate existing infrastructure while maximizing, to the extent practicable, the use of renewable fuel blends; and

(iii) demonstrate the greatest commitment on the part of the applicant to ensure funding for the proposed project and the greatest likelihood that the project will be maintained or expanded after Federal assistance under this subsection is completed.

(3) Limitations

Assistance provided under this subsection shall not exceed—

(A) 33 percent of the estimated cost of the installation, replacement, or conversion of motor fuel storage and dispensing infrastructure; or

(B) $180,000 for a combination of equipment at any one retail outlet location.

(4) Operation of renewable fuel blend stations

The Secretary shall establish rules that set forth requirements for grant recipients under this section that include providing to the public the renewable fuel blends, establishing a marketing plan that informs consumers of the price and availability of the renewable fuel blends, clearly labeling the dispensers and related equipment, and providing periodic reports on the status of the renewable fuel blend sales, the type and amount of the renewable fuel blends dispensed at each location, and the average price of such fuel.

(5) Notification requirements

Not later than the date on which each renewable fuel blend station begins to offer renewable fuel blends to the public, the grant recipient that used grant funds to construct or upgrade such station shall notify the Secretary of such opening. The Secretary shall add each new renewable fuel blend station to the renewable fuel blend station locator on its Website when it receives notification under this subsection.

(6) Double counting

No person that receives a credit under section 30C of title 26 may receive assistance under this section.
§ 17052

(7) Reservation of funds

The Secretary shall reserve funds appropriated for the renewable fuel blends infrastructure development grant program for technical and marketing assistance described in subsection (c).

(c) Retail technical and marketing assistance

The Secretary shall enter into contracts with entities with demonstrated experience in assisting retail fueling stations in installing refueling systems and marketing renewable fuel blends nationally, for the provision of technical and marketing assistance to recipients of grants under this section. Such assistance shall include—

(1) technical advice for compliance with applicable Federal and State environmental requirements;
(2) help in identifying supply sources and securing long-term contracts; and
(3) provision of public outreach, education, and labeling materials.

(d) Refueling infrastructure corridors

(1) In general

The Secretary shall establish a competitive grant pilot program (referred to in this subsection as the "pilot program"), to be administered through the Vehicle Technology Deployment Program of the Department, to provide not more than 10 geographically-dispersed project grants to State governments, Indian tribal governments, local governments, metropolitan transportation authorities, or partnerships of those entities to carry out 1 or more projects for the purposes described in paragraph (2).

(2) Grant purposes

A grant under this subsection shall be used for the establishment of refueling infrastructure corridors, as designated by the Secretary, for renewable fuel blends, including—

(A) installation of infrastructure and equipment necessary to ensure adequate distribution of renewable fuel blends within the corridor;
(B) installation of infrastructure and equipment necessary to directly support vehicles powered by renewable fuel blends; and
(C) operation and maintenance of infrastructure and equipment installed as part of a project funded by the grant.

(3) Applications

(A) Requirements

(i) In general

Subject to clause (ii), not later than 90 days after December 19, 2007, the Secretary shall issue requirements for use in applying for grants under the pilot program.

(ii) Minimum requirements

At a minimum, the Secretary shall require that an application for a grant under this subsection—

(I) be submitted by—

(aa) the head of a State, tribal, or local government or a metropolitan transportation authority, or any combination of those entities; and
(bb) a registered participant in the Vehicle Technology Deployment Program of the Department; and
(II) include—

(aa) a description of the project proposed in the application, including the ways in which the project meets the requirements of this subsection;
(bb) an estimate of the degree of use of the project, including the estimated size of fleet of vehicles operated with renewable fuels blend available within the geographic region of the corridor, measured as a total quantity and a percentage;
(cc) an estimate of the potential petroleum displaced as a result of the project (measured as a total quantity and a percentage), and a plan to collect and disperse petroleum displacement and other relevant data relating to the project to be funded under the grant, over the expected life of the project;
(dd) a description of the means by which the project will be sustainable without Federal assistance after the completion of the term of the grant;
(ee) a complete description of the costs of the project, including acquisition, construction, operation, and maintenance costs over the expected life of the project; and
(ff) a description of which costs of the project will be supported by Federal assistance under this subsection.

(B) Partners

An applicant under subparagraph (A) may carry out a project under the pilot program in partnership with public and private entities.

(4) Selection criteria

In evaluating applications under the pilot program, the Secretary shall—

(A) consider the experience of each applicant with previous, similar projects; and
(B) give priority consideration to applications that—

(i) are most likely to maximize displacement of petroleum consumption, measured as a total quantity and a percentage;
(ii) are best able to incorporate existing infrastructure while maximizing, to the extent practicable, the use of advanced biofuels;
(iii) demonstrate the greatest commitment on the part of the applicant to ensure funding for the proposed project and the greatest likelihood that the project will be maintained or expanded after Federal assistance under this subsection is completed;
(iv) represent a partnership of public and private entities; and
(v) exceed the minimum requirements of paragraph (3)(A)(ii).
(5) Pilot project requirements

(A) Maximum amount
The Secretary shall provide not more than $20,000,000 in Federal assistance under the pilot program to any applicant.

(B) Cost sharing
The non-Federal share of the cost of any activity relating to renewable fuel blend infrastructure development carried out using funds from a grant under this subsection shall be not less than 20 percent.

(C) Maximum period of grants
The Secretary shall not provide funds to any applicant under the pilot program for more than 2 years.

(D) Deployment and distribution
The Secretary shall seek, to the maximum extent practicable, to ensure a broad geographic distribution of project sites funded by grants under this subsection.

(E) Transfer of information and knowledge
The Secretary shall establish mechanisms to ensure that the information and knowledge gained by participants in the pilot program are transferred among the pilot program participants and to other interested parties, including other applicants that submitted applications.

(6) Schedule

(A) Initial grants

(i) In general
Not later than 90 days after December 19, 2007, the Secretary shall publish in the Federal Register, Commerce Business Daily, and such other publications as the Secretary considers to be appropriate, a notice and request for applications to carry out projects under the pilot program.

(ii) Deadline
An application described in clause (i) shall be submitted to the Secretary by not later than 180 days after the date of publication of the notice under that clause.

(iii) Initial selection
Not later than 90 days after the date by which applications for grants are due under clause (ii), the Secretary shall select by competitive, peer-reviewed proposal up to 5 applications for projects to be awarded a grant under the pilot program.

(B) Additional grants

(i) In general
Not later than 2 years after December 19, 2007, the Secretary shall publish in the Federal Register, Commerce Business Daily, and such other publications as the Secretary considers to be appropriate, a notice and request for additional applications to carry out projects under the pilot program that incorporate the information and knowledge obtained through the implementation of the first round of projects authorized under the pilot program.

(ii) Deadline
An application described in clause (i) shall be submitted to the Secretary by not later than 180 days after the date of publication of the notice under that clause.

(iii) Initial selection
Not later than 90 days after the date by which applications for grants are due under clause (ii), the Secretary shall select by competitive, peer-reviewed proposal such additional applications for projects to be awarded a grant under the pilot program as the Secretary determines to be appropriate.

(7) Reports to Congress

(A) Initial report
Not later than 60 days after the date on which grants are awarded under this subsection, the Secretary shall submit to Congress a report containing—

(i) an identification of the grant recipients and a description of the projects to be funded under the pilot program;

(ii) an identification of other applicants that submitted applications for the pilot program but to which funding was not provided; and

(iii) a description of the mechanisms used by the Secretary to ensure that the information and knowledge gained by participants in the pilot program are transferred among the pilot program participants and to other interested parties, including other applicants that submitted applications.

(B) Evaluation
Not later than 2 years after December 19, 2007, and annually thereafter until the termination of the pilot program, the Secretary shall submit to Congress a report containing an evaluation of the effectiveness of the pilot program, including an assessment of the petroleum displacement and benefits to the environment derived from the projects included in the pilot program.

(e) Restriction
No grant shall be provided under subsection (b) or (c) to a large, vertically integrated oil company.

(f) Authorization of appropriations
There are authorized to be appropriated to the Secretary for carrying out this section $200,000,000 for each of the fiscal years 2008 through 2014.


Effective date
Section effective on the date that is 1 day after Dec. 19, 2007, see section 1601 of Pub. L. 110–140, set out as a note under section 1824 of Title 2, The Congress.

§ 17053. Federal fleet fueling centers

(a) In general
Not later than January 1, 2010, the head of each Federal agency shall install at least 1 re-
§ 17054. Biofuels distribution and advanced biofuels infrastructure

(a) In general
The Secretary, in coordination with the Secretary of Transportation and in consultation with the Administrator of the Environmental Protection Agency, shall carry out a program of research, development, and demonstration relating to existing transportation fuel distribution infrastructure and new alternative distribution infrastructure.

(b) Focus
The program described in subsection (a) shall focus on the physical and chemical properties of biofuels and efforts to prevent or mitigate against adverse impacts of those properties in the areas of—

(1) corrosion of metal, plastic, rubber, cork, fiberglass, glues, or any other material used in pipes and storage tanks;
(2) dissolving of storage tank sediments;
(3) clogging of filters;
(4) contamination from water or other adulterants or pollutants;
(5) poor flow properties related to low temperatures;
(6) oxidative and thermal instability in long-term storage and uses;
(7) microbial contamination;
(8) problems associated with electrical conductivity; and
(9) such other areas as the Secretary considers appropriate.

(b) Report
Not later than October 31 of the first calendar year beginning after December 19, 2007, and each October 31 thereafter, the President shall submit to Congress a report that describes the progress toward complying with subsection (a), including identifying—

(1) the number of Federal fleet fueling centers that contain at least 1 renewable fuel pump; and
(2) the number of Federal fleet fueling centers that do not contain any renewable fuel pumps.

(c) Department of Defense facility
This section shall not apply to a Department of Defense fueling center with a fuel turnover rate of less than 100,000 gallons of fuel per year.

(d) Authorization of appropriations
There are authorized to be appropriated such sums as are necessary to carry out this section.


Effective Date
Section effective on the date that is 1 day after Dec. 19, 2007, see section 1601 of Pub. L. 110–140, set out as a note under section 1824 of Title 2, The Congress.

§ 17056. Biofuels distribution and advanced biofuels infrastructure

(a) In general
The term “cost-effective lighting technology” means a lighting technology that—

(i) will result in substantial operational cost savings by ensuring an installed consumption of not more than 1 watt per square foot; or
(ii) is contained in a list under—
(I) section 8259b of this title;
(II) Federal acquisition regulation 23–203; and
(III) is at least as energy-conserving as required by other provisions of this Act, including the requirements of this title and title III which shall be applicable to the extent that they would achieve greater energy savings than provided under clause (i) or this clause.

(B) Inclusions
The term “cost-effective lighting technology” includes—

(i) lamps;
(ii) ballasts;
(iii) luminaires;
(iv) lighting controls;
(v) daylighting; and
(vi) early use of other highly cost-effective lighting technologies.

(2) Advisory Committee
The term “Advisory Committee” means the High-Performance Green Building Partnership Consortium created in response to section 17092(c)(1) of this title to represent the private sector in a public-private partnership to promote high-performance green buildings and zero-net-energy commercial buildings.

(3) Commercial Director
The term “Commercial Director” means the individual appointed to the position established under section 17081 of this title.

(4) Consortium
The term “Consortium” means the High-Performance Green Building Partnership Consortium established under section 17092(c)(1) of this title to represent the private sector in a public-private partnership to promote high-performance green buildings and zero-net-energy commercial buildings.

(5) Cost-effective lighting technology
(A) In general
The term “cost-effective lighting technology” means a lighting technology that—

(i) will result in substantial operational cost savings by reducing electricity or fossil fuel consumption, water, or other utility costs, including use of geothermal heat pumps;

(ii) ballasts;
(iii) luminaires;
(iv) lighting controls;
(v) daylighting; and
(vi) early use of other highly cost-effective lighting technologies.

(E) Effective Date
Section effective on the date that is 1 day after Dec. 19, 2007, see section 1601 of Pub. L. 110–140, set out as a note under section 1824 of Title 2, The Congress.

1See References in Text note below.
2So in original. Does not fit with cl. (ii) introductory provi-
(B) complies with the provisions of section 8229b of this title and Federal acquisition regulation 23–203; and

(C) is at least as energy and water conserving as required under this title, including sections 431 through 435, and title V, including sections 511 through 525, which shall be applicable to the extent that they are more stringent or require greater energy or water savings than required by this section.

(7) Federal Director

The term “Federal Director” means the individual appointed to the position established under section 17092(a) of this title.

(8) Federal facility

The term “Federal facility” means any building that is constructed, renovated, leased, or purchased in part or in whole for use by the Federal Government.

(9) Operational cost savings

(A) In general

The term “operational cost savings” means a reduction in end-use operational costs through the application of cost-effective technologies and practices or geothermal heat pumps, including a reduction in electricity consumption relative to consumption by the same customer or at the same facility in a given year, as defined in guidelines promulgated by the Administrator pursuant to section 7628(b) of this title, that achieves cost savings sufficient to pay the incremental additional costs of using cost-effective technologies and practices including geothermal heat pumps by not later than the later of the date established under sections 431 through 434 or—

(i) for cost-effective technologies and practices, the date that is 5 years after the date of installation; and

(ii) for geothermal heat pumps, as soon as practical after the date of installation of the applicable geothermal heat pump.

(B) Inclusions

The term “operational cost savings” includes savings achieved at a facility as a result of—

(i) the installation or use of cost-effective technologies and practices; or

(ii) the planting of vegetation that shades the facility and reduces the heating, cooling, or lighting needs of the facility.

(C) Exclusion

The term “operational cost savings” does not include savings from measures that would likely be adopted in the absence of cost-effective technology and practices programs, as determined by the Administrator.

(10) Geothermal heat pump

The term “geothermal heat pump” means any heating or air conditioning technology that—

(A) uses the ground or ground water as a thermal energy source to heat, or as a thermal energy sink to cool, a building; and

(B) meets the requirements of the Energy Star program of the Environmental Protection Agency applicable to geothermal heat pumps on the date of purchase of the technology.

(11) GSA facility

(A) In general

The term “GSA facility” means any building, structure, or facility, in whole or in part (including the associated support systems of the building, structure, or facility) that—

(i) is constructed (including facilities constructed for lease), renovated, or purchased, in whole or in part, by the Administrator for use by the Federal Government; or

(ii) is leased, in whole or in part, by the Administrator for use by the Federal Government.

The term “GSA facility” does not include savings from measures that would likely be adopted in the absence of cost-effective technologies and practices; or

(B) Inclusion

The term “GSA facility” includes any group of buildings, structures, or facilities described in subparagraph (A) (including the associated energy-consuming support systems of the buildings, structures, and facilities).

(C) Exemption

The Administrator may exempt from the definition of “GSA facility” under this paragraph a building, structure, or facility that meets the requirements of section 8233(c) of this title.

(12) High-performance building

The term “high-performance building” means a building that integrates and optimizes on a life cycle basis all major high performance attributes, including energy conservation, environment, safety, security, durability, accessibility, cost-benefit, productivity, sustainability, functionality, and operational considerations.

(13) High-performance green building

The term “high-performance green building” means a high-performance building that, during its life-cycle, as compared with similar buildings (as measured by Commercial Buildings Energy Consumption Survey or Residential Energy Consumption Survey data from the Energy Information Agency)—

(A) reduces energy, water, and material resource use;

(B) improves indoor environmental quality, including reducing indoor pollution, improving thermal comfort, and improving lighting and acoustic environments that affect occupant health and productivity;

(C) reduces negative impacts on the environment throughout the life-cycle of the building, including air and water pollution and waste generation;

(D) increases the use of environmentally preferable products, including biobased, re-
cycled content, and nontoxic products with lower life-cycle impacts;
(E) increases reuse and recycling opportunities;
(F) integrates systems in the building;
(G) reduces the environmental and energy impacts of transportation through building location and site design that support a full range of transportation choices for users of the building; and
(H) considers indoor and outdoor effects of the building on human health and the environment, including—
   (i) improvements in worker productivity;
   (ii) the life-cycle impacts of building materials and operations; and
   (iii) other factors that the Federal Director or the Commercial Director consider to be appropriate.

(14) Life-cycle
The term “life-cycle”, with respect to a high-performance green building, means all stages of the useful life of the building (including components, equipment, systems, and controls of the building) beginning at conception of a high-performance green building project and continuing through site selection, design, construction, landscaping, commissioning, operation, maintenance, renovation, deconstruction or demolition, removal, and recycling of the high-performance green building.

(15) Life-cycle assessment
The term “life-cycle assessment” means a comprehensive system approach for measuring the environmental performance of a product or service over the life of the product or service, beginning at raw materials acquisition and continuing through manufacturing, transportation, installation, use, reuse, and end-of-life waste management.

(16) Life-cycle costing
The term “life-cycle costing”, with respect to a high-performance green building, means a technique of economic evaluation that—
(A) sums, over a given study period, the costs of initial investment (less resale value), replacements, operations (including energy use), and maintenance and repair of an investment decision; and
(B) is expressed—
   (i) in present value terms, in the case of a study period equivalent to the longest useful life of the building, determined by taking into consideration the typical life of such a building in the area in which the building is to be located; or
   (ii) in annual value terms, in the case of any other study period.

(17) Office of Commercial High-Performance Green Buildings
The term “Office of Commercial High-Performance Green Buildings” means the Office of Federal High-Performance Green Buildings established under section 17092(a) of this title.

(18) Office of Federal High-Performance Green Buildings
The term “Office of Federal High-Performance Green Buildings” means the Office of Federal High-Performance Green Buildings established under section 17092(a) of this title.

(19) Practices
The term “practices” means design, financing, permitting, construction, commissioning, operation and maintenance, and other practices that contribute to achieving zero-net-energy buildings or facilities.

(20) Zero-net-energy commercial building
The term “zero-net-energy commercial building” means a commercial building that is designed, constructed, and operated to—
   (A) require a greatly reduced quantity of energy to operate;
   (B) meet the balance of energy needs from sources of energy that do not produce greenhouse gases;
   (C) therefore result in no net emissions of greenhouse gases; and
   (D) be economically viable.


REFERENCES IN TEXT
This title, referred to in text, is title IV of Pub. L. 110–140, Dec. 19, 2007, 121 Stat. 1596, which enacted this subchapter, part C (§ 6341 et seq.) of subchapter III of chapter 77 of this title, sections 6371 et seq., and 6294, 6295, and 17092 of this title, and enacted provisions set out as notes under sections 6834 and 6872 of this title.

For complete classification of title IV to the Code, see Tables.

Section 844, referred to in par. (2), probably should be a reference to section 494 of Pub. L. 110–140, which is classified to section 17225 of this title.


Sections 431 through 435, referred to in pars. (6)(C) and (9A), are sections 431 to 435 of Pub. L. 110–110, subtitle C, amended sections 6321 to 6326, 6329, 6320, 6324, 6311, 6315 to 6316, 6321, and 6318 of this title and sections 3307, 3310, and 3314 to 3316 of Title 40, and 6319 of this title and enacted provisions set out as notes under sections 6291, 6294, 6295, and 6319 of this title. For complete classification of title III to the Code, see Tables.

Sections 431 through 435, referred to in pars. (6)(C) and (9A), are sections 431 to 435 of Pub. L. 110–110, subtitle C, amended sections 6321 to 6326, 6329, 6320, 6324, 6311, 6315 to 6316, 6321, and 6318 of this title and sections 3307, 3310, and 3314 to 3316 of Title 40, and 6319 of this title and enacted provisions set out as notes under sections 6291, 6294, 6295, and 6319 of this title. For complete classification of title III to the Code, see Tables.

Section 435 enacted section 17091 of this title.

Title V, referred to in par. (6)(C), is title V of Pub. L. 110–140, Dec. 19, 2007, 121 Stat. 1655, which enacted subchapter IV of this chapter, part D (¶ 8279) of subchapter III of chapter 91 of this title, and sections 1824, 2162a, and 2169 of Title 2, The Congress, amended sections 6293, 6294, 6256, 6258, 6259h, 6257, and 8276 of this title and enacted provisions set out as a note under section 6259h of this title. For complete classification of title V to the Code, see Tables.

Section 511 through 525, referred to in par. (6)(C), are sections 511 to 525 of Pub. L. 110–140, which enacted part A (¶ 17131) of subchapter IV of this chapter and section 17141 of this title, amended sections 6834, 8256, 8258,
§ 17062. Energy efficiency in Federal and other buildings

(a) Definitions
In this section:

(1) Administrator
The term “Administrator” means the Administrator of General Services.

(2) Cost-effective energy efficiency measure
The term “cost-effective energy efficiency measure” means any building product, material, equipment, or service, and the installing, implementing, or operating thereof, that provides energy savings in an amount that is not less than the cost of such installing, implementing, or operating.

(3) Cost-effective water efficiency measure
The term “cost-effective water efficiency measure” means any building product, material, equipment, or service, and the installing, implementing, or operating thereof, that provides water savings in an amount that is not less than the cost of such installing, implementing, or operating.

(b) Model provisions, policies, and best practices

(1) In general
Not later than 180 days after April 30, 2015, the Administrator, in consultation with the Secretary of Energy and after providing the public with an opportunity for notice and comment, shall develop model commercial leasing provisions and best practices in accordance with this subsection.

(2) Commercial leasing

(A) In general
The model commercial leasing provisions developed under this subsection shall, at a minimum, align the interests of building owners and tenants with regard to investments in cost-effective energy efficiency measures and cost-effective water efficiency measures to encourage building owners and tenants to collaborate to invest in such measures.

(B) Use of model provisions
The Administrator may use the model commercial leasing provisions developed under this subsection in any standard leasing document that designates a Federal agency (or other client of the Administrator) as a landlord or tenant.

(C) Publication
The Administrator shall periodically publish the model commercial leasing provisions developed under this subsection, along with explanatory materials, to encourage building owners and tenants in the private sector to use such provisions and materials.

(3) Realty services
The Administrator shall develop policies and practices to implement cost-effective energy efficiency measures and cost-effective water efficiency measures for the realty services provided by the Administrator to Federal agencies (or other clients of the Administrator), including periodic training of appropriate Federal employees and contractors on how to identify and evaluate those measures.

(4) State and local assistance
The Administrator, in consultation with the Secretary of Energy, shall make available model commercial leasing provisions and best practices developed under this subsection to State, county, and municipal governments for use in managing owned and leased building space in accordance with the goal of encouraging investment in all cost-effective energy efficiency measures and cost-effective water efficiency measures.

§ 17063. Energy information for commercial buildings

(a) Omitted

(b) Study

(1) In general
Not later than 2 years after April 30, 2015, the Secretary of Energy, in collaboration with the Administrator of the Environmental Protection Agency, shall complete a study—

(A) on the impact of—
(i) State and local performance benchmarking and disclosure policies, and any associated building efficiency policies, for commercial and multifamily buildings; and
(ii) programs and systems in which utilities provide aggregated information regarding whole building energy consumption and usage information to owners of multitenant commercial, residential, and mixed-use buildings;

(B) that identifies best practice policy approaches studied under subparagraph (A) that have resulted in the greatest improvements in building energy efficiency; and

(C) that considers—
(i) compliance rates and the benefits and costs of the policies and programs on building owners, utilities, tenants, and other parties;
(ii) utility practices, programs, and systems that provide aggregated energy consumption information to multitenant building owners, and the impact of public utility commissions and State privacy laws on those practices, programs, and systems;
§ 17071  TITLE 42—THE PUBLIC HEALTH AND WELFARE  Page 8216

(iii) exceptions to compliance in existing laws where building owners are not able to gather or access whole building energy information from tenants or utilities;
(iv) the treatment of buildings with—
   (I) multiple uses;
   (II) uses for which baseline information is not available; and
   (III) uses that require high levels of energy intensities, such as data centers, trading floors, and televisions; and
(v) implementation practices, including disclosure methods and phase-in of compliance;
(vi) the safety and security of benchmarking tools offered by government agencies, and the resiliency of those tools against cyber attacks; and
(vii) international experiences with regard to building benchmarking and disclosure laws and data aggregation for multi-tenant buildings.
(2) Submission to Congress
At the conclusion of the study, the Secretary shall submit to the Committee on Energy and Commerce of the House of Representatives and Committee on Energy and Natural Resources of the Senate a report on the results of the study.
(c) Creation and maintenance of database
(1) In general
Not later than 18 months after April 30, 2015, and following opportunity for public notice and comment, the Secretary of Energy, in coordination with other relevant agencies, shall maintain, and if necessary create, a database for the purpose of storing and making available public energy-related information on commercial and multifamily buildings, including—
(A) data provided under Federal, State, local, and other laws or programs regarding building benchmarking and energy information disclosure;
(B) information on buildings that have disclosed energy ratings and certifications; and
(C) energy-related information on buildings provided voluntarily by the owners of the buildings, only in an anonymous form unless the owner provides otherwise.
(2) Complementary programs
The database maintained pursuant to paragraph (1) shall complement and not duplicate the functions of the Environmental Protection Agency’s Energy Star Portfolio Manager tool.
(d) Input from stakeholders
The Secretary of Energy shall seek input from stakeholders to maximize the effectiveness of the actions taken under this section.
(e) Report
Not later than 2 years after April 30, 2015, and every 2 years thereafter, the Secretary of Energy shall submit to the Committee on Energy and Commerce of the House of Representatives and Committee on Energy and Natural Resources of the Senate a report on the progress made in complying with this section.


CODIFICATION
Section is comprised of section 301 of Pub. L. 114–11. Subsec. (a) of section 301 of Pub. L. 114–11 amended section 17091 of this title.
Section was enacted as part of the Energy Efficiency Improvement Act of 2015, and not as part of the Energy Independence and Security Act of 2007 which comprises this chapter.

PART A—RESIDENTIAL BUILDING EFFICIENCY
§ 170711. Energy Code improvements applicable to manufactured housing
(a) Establishment of standards
(1) In general
Not later than 4 years after December 19, 2007, the Secretary shall by regulation establish standards for energy efficiency in manufactured housing.
(2) Notice, comment, and consultation
Standards described in paragraph (1) shall be established after—
(A) notice and an opportunity for comment by manufacturers of manufactured housing and other interested parties; and
(B) consultation with the Secretary of Housing and Urban Development, who may seek further counsel from the Manufactured Housing Consensus Committee.
(b) Requirements
(1) International Energy Conservation Code
The energy conservation standards established under this section shall be based on the most recent version of the International Energy Conservation Code (including supplements), except in cases in which the Secretary finds that the code is not cost-effective, or a more stringent standard would be more cost-effective, based on the impact of the code on the purchase price of manufactured housing and on total life-cycle construction and operating costs.
(2) Considerations
The energy conservation standards established under this section may—
(A) take into consideration the design and factory construction techniques of manufactured homes;
(B) be based on the climate zones established by the Department of Housing and Urban Development rather than the climate zones under the International Energy Conservation Code; and
(C) provide for alternative practices that result in net estimated energy consumption equal to or less than the specified standards.
(3) Updating
The energy conservation standards established under this section shall be updated not later than—

1So in original. Probably should be “television”.

1So in original. Probably should be “Code”.

ART
A—R
E
FFICIENCY
UILTING
E
ODIFICATION
(A) 1 year after December 19, 2007; and
(B) 1 year after any revision to the International Energy Conservation Code.

(c) Enforcement

Any manufacturer of manufactured housing that violates a provision of the regulations under subsection (a) is liable to the United States for a civil penalty in an amount not exceeding 1 percent of the manufacturer’s retail list price of the manufactured housing.


Effective Date

Section effective on the date that is 1 day after Dec. 19, 2007, see section 1601 of Pub. L. 110–140, set out as a note under section 1824 of Title 2, The Congress.

PART B—HIGH-PERFORMANCE COMMERCIAL BUILDINGS

§17081. Commercial high-performance green buildings

(a) Director of Commercial High-Performance Green Buildings

Notwithstanding any other provision of law, the Secretary, acting through the Assistant Secretary of Energy Efficiency and Renewable Energy, shall appoint a Director of Commercial High-Performance Green Buildings to a position in the career-reserved Senior Executive service, with the principal responsibility to—

(1) establish and manage the Office of Commercial High-Performance Green Buildings; and
(2) carry out other duties as required under this part.

(b) Qualifications

The Commercial Director shall be an individual, who by reason of professional background and experience, is specifically qualified to carry out the duties required under this part.

(c) Duties

The Commercial Director shall, with respect to development of high-performance green buildings and zero-energy commercial buildings nationwide—

(1) coordinate the activities of the Office of Commercial High-Performance Green Buildings with the activities of the Office of Federal High-Performance Green Buildings;
(2) develop the legal predicates and agreements for, negotiate, and establish one or more public-private partnerships with the Consortium, members of the Consortium, and other capable parties meeting the qualifications of the Consortium, to further such development;
(3) represent the public and the Department in negotiating and performing in accord with such public-private partnerships;
(4) use appropriated funds in an effective manner to encourage the maximum investment of private funds to achieve such development;
(5) promote research and development of high-performance green buildings, consistent with section 17083 of this title; and
(6) jointly establish with the Federal Director a national high-performance green building clearinghouse in accordance with section 17083(1) of this title, which shall provide high-performance green building information and disseminate research results through—
(A) outreach;
(B) education; and
(C) the provision of technical assistance.

(d) Reporting

The Commercial Director shall report directly to the Assistant Secretary for Energy Efficiency and Renewable Energy, or to other senior officials in a way that facilitates the integrated program of this part for both energy efficiency and renewable energy and both technology development and technology deployment.

(e) Coordination

The Commercial Director shall ensure full coordination of high-performance green building information and activities, including activities under this part, within the Federal Government by working with the General Services Administration and all relevant agencies, including, at a minimum—

(1) the Environmental Protection Agency;
(2) the Office of the Federal Environmental Executive;
(3) the Office of Federal Procurement Policy;
(4) the Department of Energy, particularly the Federal Energy Management Program;
(5) the Department of Health and Human Services;
(6) the Department of Housing and Urban Development;
(7) the Department of Defense;
(8) the National Institute of Standards and Technology;
(9) the Department of Transportation;
(10) the Office of Science Technology and Policy; and
(11) such nonprofit high-performance green building rating and analysis entities as the Commercial Director determines can offer support, expertise, and review services.

(f) High-Performance Green Building Partnership Consortium

(1) Recognition

Not later than 90 days after December 19, 2007, the Commercial Director shall formally recognize one or more groups that qualify as a high-performance green building partnership consortium.

(2) Representation to qualify

To qualify under this section, any consortium shall include representation from—

(A) the design professions, including national associations of architects and of professional engineers;
(B) the development, construction, financial, and real estate industries;
(C) building owners and operators from the public and private sectors;
(D) academic and research organizations, including at least one national laboratory with extensive commercial building energy expertise;
(E) building code agencies and organizations, including a model energy code-setting organization;
§ 17082  Zero Net Energy Commercial Buildings Initiative

(a) Definitions

In this section:

(1) Consortium

The term "consortium" means a High-Performance Green Building Consortium selected by the Commercial Director.

(2) Initiative

The term "initiative" means the Zero-Net-Energy Commercial Buildings Initiative established under subsection (b)(1).

(3) Zero-net-energy commercial building

The term "zero-net-energy commercial building" means a high-performance commercial building that is designed, constructed, and operated—

(A) to require a greatly reduced quantity of energy to operate;

(B) to meet the balance of energy needs from sources of energy that do not produce greenhouse gases;

(C) in a manner that will result in no net emissions of greenhouse gases; and

(D) to be economically viable.

(b) Establishment

(1) In general

The Commercial Director shall establish an initiative, to be known as the "Zero-Net-Energy Commercial Buildings Initiative"—

(A) to reduce the quantity of energy consumed by commercial buildings located in the United States; and

(B) to achieve the development of zero net energy commercial buildings in the United States.

(2) Consortium

(A) In general

Not later than 180 days after December 19, 2007, the Commercial Director shall competitively select, and enter into an agreement with, a consortium to develop and carry out the initiative.

(B) Agreements

In entering into an agreement with a consortium under subparagraph (A), the Commercial Director shall use the authority described in section 7256(g) of this title, to the maximum extent practicable.

(c) Goal of initiative

The goal of the initiative shall be to develop and disseminate technologies, practices, and policies for the development and establishment of zero net energy commercial buildings for—

(1) any commercial building newly constructed in the United States by 2030; and

(2) 50 percent of the commercial building stock of the United States by 2040; and

(3) all commercial buildings in the United States by 2050.

(d) Components

In carrying out the initiative, the Commercial Director, in consultation with the consortium, may—

(1) conduct research and development on building science, design, materials, components, equipment and controls, operation and other practices, integration, energy use measurement, and benchmarking;

(2) conduct pilot programs and demonstration projects to evaluate replicable approaches to achieving energy efficient commercial buildings for a variety of building types in a variety of climate zones;

(3) conduct deployment, dissemination, and technical assistance activities to encourage widespread adoption of technologies, practices, and policies to achieve energy efficient commercial buildings;
(4) conduct other research, development, demonstration, and deployment activities necessary to achieve each goal of the initiative, as determined by the Commercial Director, in consultation with the Consortium;
(5) develop training materials and courses for building professionals and trades on achieving cost-effective high-performance energy efficient buildings;
(6) develop and disseminate public education materials to share information on the benefits and cost-effectiveness of high-performance energy efficient buildings;
(7) support code-setting organizations and State and local governments in developing minimum performance standards in building codes that recognize the ready availability of many technologies utilized in high-performance energy efficient buildings;
(8) develop strategies for overcoming the split incentives between builders and purchasers, and landlords and tenants, to ensure that energy efficiency and high-performance investments are made that are cost-effective on a lifecycle basis; and
(9) develop improved means of measurement and verification of energy savings and performance for public dissemination.

(e) Cost sharing
In carrying out this section, the Commercial Director shall require cost sharing in accordance with section 16352 of this title.

(f) Authorization of appropriations
There are authorized to be appropriated to carry out this section—
(1) $20,000,000 for fiscal year 2008;
(2) $50,000,000 for each of fiscal years 2009 and 2010;
(3) $100,000,000 for each of fiscal years 2011 and 2012; and
(4) $200,000,000 for each of fiscal years 2013 through 2018.


Effective Date
Section effective on the date that is 1 day after Dec. 19, 2007, see section 1601 of Pub. L. 110–140, set out as a note under section 1824 of Title 2, The Congress.

§ 17083. Public outreach
The Commercial Director and Federal Director, in coordination with the Consortium, shall carry out public outreach to inform individuals and entities of the information and services available governmentwide by—
(1) establishing and maintaining a national high-performance green building clearinghouse, including on the Internet, that—
(A) identifies existing similar efforts and coordinates activities of common interest; and
(B) provides information relating to high-performance green buildings, including hyperlinks to Internet sites that describe the activities, information, and resources of—
(i) the Federal Government;
(ii) State and local governments;
(iii) the private sector (including non-governmental and nonprofit entities and organizations); and
(iv) international organizations;
(2) identifying and recommending educational resources for implementing high-performance green building practices, including security and emergency benefits and practices;
(3) providing access to technical assistance, tools, and resources for constructing high-performance green buildings, particularly tools to conduct life-cycle costing and life-cycle assessment;
(4) providing information on application processes for certifying a high-performance green building, including certification and commissioning;
(5) providing to the public, through the Commercial Director, technical and research information or other forms of assistance or advice that would be useful in planning and constructing high-performance green buildings;
(6) using such additional methods as are determined by the Commercial Director to be appropriate to conduct public outreach;
(7) surveying existing research and studies relating to high-performance green buildings; and
(8) coordinating activities of common interest.


Effective Date
Section effective on the date that is 1 day after Dec. 19, 2007, see section 1601 of Pub. L. 110–140, set out as a note under section 1824 of Title 2, The Congress.

§ 17084. Separate spaces with high-performance energy efficiency measures

(a) Definitions
In this section:
(1) High-performance energy efficiency measure
The term “high-performance energy efficiency measure” means a technology, product, or practice that will result in substantial energy efficiency measures; and
(2) Separate spaces
The term “separate spaces” means areas within a commercial building that are leased or otherwise occupied by a tenant or other occupant for a period of time pursuant to the terms of a written agreement.

(b) Study
(1) In general
Not later than 1 year after April 30, 2015, the Secretary, acting through the Assistant Secretary of Energy Efficiency and Renewable Energy, shall complete a study on the feasibility of—
(A) significantly improving energy efficiency in commercial buildings through the design and construction, by owners and tenants, of separate spaces with high-performance energy efficiency measures; and
§ 17085 Tenant Star program

(a) Definitions

In this section:

(1) High-performance energy efficiency measure

The term “high-performance energy efficiency measure” has the meaning given the term in section 17084 of this title.

(2) Separate spaces

The term “separate spaces” has the meaning given the term in section 17084 of this title.

(b) Tenant Star

The Administrator of the Environmental Protection Agency, in consultation with the Secretary of Energy, shall develop a voluntary program within the Energy Star program established by section 6294a of this title, which may be known as “Tenant Star”, to promote energy efficiency in separate spaces leased by tenants or otherwise occupied within commercial buildings.

(c) Expanding survey data

The Secretary of Energy, acting through the Administrator of the Energy Information Administration, shall—

(1) collect, through each Commercial Buildings Energy Consumption Survey of the Energy Information Administration that is conducted after April 30, 2015, data on—

(A) categories of building occupancy that are known to consume significant quantities of energy, such as occupancy by data centers, trading floors, and restaurants; and

(B) other aspects of the property, building operation, or building occupancy determined by the Administrator of the Energy Information Administration, in consultation with the Administrator of the Environmental Protection Agency, to be relevant in lowering energy consumption;

(2) with respect to the first Commercial Buildings Energy Consumption Survey conducted after April 30, 2015, to the extent full compliance with the requirements of paragraph (1) is not feasible, conduct activities to develop the capability to collect such data and begin to collect such data; and

(3) make data collected under paragraphs (1) and (2) available to the public in aggregated form and provide such data, and any associated results, to the Administrator of the Environmental Protection Agency for use in accordance with subsection (d).

(d) Recognition of owners and tenants

(1) Occupancy-based recognition

Not later than 1 year after the date on which sufficient data is received pursuant to subsection (c), the Administrator of the Environmental Protection Agency shall, following an opportunity for public notice and comment—

(A) in a manner similar to the Energy Star rating system for commercial buildings, develop policies and procedures to recognize tenants in commercial buildings that voluntarily achieve high levels of energy efficiency in separate spaces;
(B) establish building occupancy categories eligible for Tenant Star recognition based on the data collected under subsection (c) and any other appropriate data sources; and

(C) consider other forms of recognition for commercial building tenants or other occupants that lower energy consumption in separate spaces.

(2) Design- and construction-based recognition

After the study required by section 17084(b) of this title is completed, the Administrator of the Environmental Protection Agency, in consultation with the Secretary and following an opportunity for public notice and comment, may develop a voluntary program to recognize commercial building owners and tenants that use high-performance energy efficiency measures in the design and construction of separate spaces.


PART C—HIGH-PERFORMANCE FEDERAL BUILDINGS

§ 17091. Leasing

(a) In general

Except as provided in subsection (b), effective beginning on the date that is 3 years after December 19, 2007, no Federal agency shall enter into a contract to lease space in a building that has not earned the Energy Star label in the most recent year.

(b) Exception

(1) Application

This subsection applies if—

(A) no space is available in a building described in subsection (a) that meets the functional requirements of an agency, including locational needs;

(B) the agency proposes to remain in a building that the agency has occupied previously;

(C) the agency proposes to lease a building of historical, architectural, or cultural significance (as defined in section 3306(a)(4) of title 40) or space in such a building; or

(D) the lease is for not more than 10,000 gross square feet of space.

(2) Buildings without Energy Star label

If one of the conditions described in paragraph (1) is met, the agency may enter into a contract to lease space in a building that has not earned the Energy Star label in the most recent year if the lease contract includes provisions requiring that, prior to occupancy or, in the case of a contract described in paragraph (1)(B), not later than 1 year after signing the contract, the following requirements are met:

(A) The space is renovated for all energy efficiency and conservation improvements that would be cost effective over the life of the lease, including improvements in lighting, windows, and heating, ventilation, and air conditioning systems.

(B)(i) Subject to clause (ii), the space is benchmarked under a nationally recognized, online, free benchmarking program, with public disclosure, unless the space is a space for which owners cannot access whole building utility consumption data, including spaces—

(I) that are located in States with privacy laws that provide that utilities shall not provide such aggregated information to multitenant building owners; and

(II) for which tenants do not provide energy consumption information to the commercial building owner in response to a request from the building owner.

(ii) A Federal agency that is a tenant of the space shall provide to the building owner, or authorize the owner to obtain from the utility, the energy consumption information of the space for the benchmarking and disclosure required by this subparagraph.

(c) Revision of Federal Acquisition Regulation

(1) In general

Not later than 3 years after December 19, 2007, the Federal Acquisition Regulation described in section 1121(b) and (c)(1) of title 41 shall be revised to require Federal officers and employees to comply with this section in leasing buildings.

(2) Consultation

The members of the Federal Acquisition Regulatory Council established under section 1902(a) of title 41 shall consult with the Federal Director and the Commercial Director before promulgating regulations to carry out this subsection.


Codification

In subsec. (c)(1), “‘section 1121(b) and (c)(1) of title 41’” substituted for “‘section 6(a) of the Office of Federal Procurement Policy Act (41 U.S.C. 405(a))’” on authority of Pub. L. 111–350, § 6(c), Jan. 4, 2011, 124 Stat. 3854, which Act enacted Title 41, Public Contracts.


Amendments

2015—Subsec. (b)(2). Pub. L. 114–11 substituted “paragraph (1) is met” for “paragraph (2) is met” and “signing the contract, the following requirements are met:” for “signing the contract, the space will be renovated for all energy efficiency and conservation improvements that would be cost effective over the life of the lease, including improvements in lighting, windows, and heating, ventilation, and air conditioning systems:” and added subparagraphs (A) and (B).

Effective Date

Section effective on the date that is 1 day after Dec. 19, 2007, see section 1601 of Pub. L. 110–140, set out as a note under section 1824 of Title 2, The Congress.

§ 17092. High-performance green Federal buildings

(a) Establishment of Office

Not later than 60 days after December 19, 2007, the Administrator shall establish within the
General Services Administration an Office of Federal High-Performance Green Buildings, and appoint an individual to serve as Federal Director in a position in the career-reserved Senior Executive service, to—
(1) establish and manage the Office of Federal High-Performance Green Buildings; and
(2) carry out other duties as required under this part.

(b) Compensation

The compensation of the Federal Director shall not exceed the maximum rate of basic pay for the Senior Executive Service under section 5304(h)(2)(C) of that title.

5382 of title 5, including any applicable locality-based comparability payment that may be authorized under section 5304(h)(2)(C) of that title.

(c) Duties

The Federal Director shall—
(1) coordinate the activities of the Office of Federal High-Performance Green Buildings with the activities of the Office of Commercial High-Performance Green Buildings, and the Secretary, in accordance with section 6834(a)(3)(D) of this title;
(2) ensure full coordination of high-performance green building information and activities within the General Services Administration and all relevant agencies, including, at a minimum—
(A) the Environmental Protection Agency;
(B) the Office of the Federal Environmental Executive;
(C) the Office of Federal Procurement Policy;
(D) the Department of Energy;
(E) the Department of Health and Human Services;
(F) the Department of Defense;
(G) the Department of Transportation;
(H) the National Institute of Standards and Technology; and
(I) the Office of Science and Technology Policy;
(3) establish a senior-level Federal Green Building Advisory Committee under section 474,1 which shall provide advice and recommendations in accordance with that section and subsection (d);
(4) identify and every 5 years reassess improved or higher rating standards recommended by the Advisory Committee;
(5) ensure full coordination, dissemination of information regarding, and promotion of the results of research and development information relating to Federal high-performance green building initiatives;
(6) identify and develop Federal high-performance green building standards for all types of Federal facilities, consistent with the requirements of this part and section 6834(a)(3)(D) of this title;
(7) establish green practices that can be used throughout the life of a Federal facility;
(8) review and analyze current Federal budget practices and life-cycle costing issues, and make recommendations to Congress, in accordance with subsection (d); and
(9) identify opportunities to demonstrate innovative and emerging green building technologies and concepts.

(d) Additional duties

The Federal Director, in consultation with the Commercial Director and the Advisory Committee, and consistent with the requirements of section 6834(a)(3)(D) of this title shall—
(1) identify, review, and analyze current budget and contracting practices that affect achievement of high-performance green buildings, including the identification of barriers to high-performance green building life-cycle costing and budgetary issues;
(2) develop guidance and conduct training sessions with budget specialists and contracting personnel from Federal agencies and budget examiners to apply life-cycle cost criteria to actual projects;
(3) identify tools to aid life-cycle cost decisionmaking; and
(4) explore the feasibility of incorporating the benefits of high-performance green buildings, such as security benefits, into a cost-benefit analysis to aid in life-cycle costing for budget and decisionmaking processes.

(e) Incentives

Within 90 days after December 19, 2007, the Federal Director shall identify incentives to encourage the expedited use of high-performance green buildings and related technology in the operations of the Federal Government, in accordance with the requirements of section 6834(a)(3)(D) of this title, including through—
(1) the provision of recognition awards; and
(2) the maximum feasible retention of financial savings in the annual budgets of Federal agencies for use in reinvesting in future high-performance green building initiatives.

(f) Report

Not later than 2 years after December 19, 2007, and biennially thereafter, the Federal Director, in consultation with the Secretary, shall submit to Congress a report that—
(1) describes the status of compliance with this part, the requirements of section 6834(a)(3)(D) of this title, and other Federal high-performance green building initiatives in effect as of the date of the report, including—
(A) the extent to which the programs are being carried out in accordance with this part and the requirements of section 6834(a)(3)(D) of this title; and
(B) the status of funding requests and appropriations for those programs;
(2) identifies within the planning, budgeting, and construction process all types of Federal facility procedures that may affect the certification of new and existing Federal facilities as high-performance green buildings under the provisions of section 6834(a)(3)(D) of this title and the criteria established in subsection (h);
(3) identifies inconsistencies, as reported to the Advisory Committee, in Federal law with respect to product acquisition guidelines and high-performance product guidelines;
(4) recommends language for uniform standards for use by Federal agencies in environmentally responsible acquisition;

1 See References in Text note below.
(5) in coordination with the Office of Management and Budget, reviews the budget process for capital programs with respect to alternatives for—

(A) restructuring of budgets to require the use of complete energy and environmental cost accounting;

(B) using operations expenditures in budget-related decisions while simultaneously incorporating productivity and health measures (as those measures can be quantified by the Office of Federal High-Performance Green Buildings, with the assistance of universities and national laboratories);

(C) streamlining measures for permitting Federal agencies to retain all identified savings accrued as a result of the use of lifecycle costing for future high-performance green building initiatives; and

(D) identifying short-term and long-term cost savings that accrue from high-performance green buildings, including those relating to health and productivity;

(6) identifies green, self-sustaining technologies to address the operational needs of Federal facilities in times of national security emergencies, natural disasters, or other dire emergencies;

(7) summarizes and highlights development, at the State and local level, of high-performance green building initiatives, including executive orders, policies, or laws adopted promoting high-performance green building (including the status of implementation of those initiatives); and

(8) includes, for the 2-year period covered by the report, recommendations to address each of the matters, and a plan for implementation of each recommendation, described in paragraphs (1) through (7).

(g) Implementation

The Office of Federal High-Performance Green Buildings shall carry out each plan for implementation of recommendations under subsection (f)(8).

(h) Identification of certification system

(1) In general

For the purpose of this section, not later than 60 days after December 19, 2007, the Federal Director shall identify and shall provide to the Secretary pursuant to section 6834(a)(3)(D) of this title, a certification system that the Director determines to be the most likely to encourage a comprehensive and environmentally-sound approach to certification of green buildings.

(2) Basis

The system identified under paragraph (1) shall be based on—

(A) a study completed every 5 years and provided to the Secretary pursuant to section 6834(a)(3)(D) of this title, which shall be carried out by the Federal Director to compare and evaluate standards;

(B) the ability and availability of assessors and auditors to independently verify the criteria and measurement of metrics at the scale necessary to implement this part;

(C) the ability of the applicable standard-setting organization to collect and reflect public comment;

(D) the ability of the standard to be developed and revised through a consensus-based process;

(E) an evaluation of the robustness of the criteria for a high-performance green building, which shall give credit for promoting—

(i) efficient and sustainable use of water, energy, and other natural resources;

(ii) use of renewable energy sources;

(iii) improved indoor environmental quality through enhanced indoor air quality, thermal comfort, acoustics, daylighting, pollutant source control, and use of low-emission materials and building system controls;

(iv) reduced impacts from transportation through building location and site design that promote access by public transportation; and

(v) such other criteria as the Federal Director determines to be appropriate; and

(F) national recognition within the building industry.


References in Text

This part, referred to in subsecs. (a)(2), (c)(6), (f)(1) and (h)(2)(B), was in the original “‘this subtitle’”, meaning subtitle C (§§ 431–441) of title IV of Pub. L. 110–140, Dec. 19, 2007, 121 Stat. 1607, which enacted this part, amended sections 6832, 6834, 8253, and 8254 of this title, and enacted provisions set out as a note under section 6834 of this title. For complete classification of subtitle C to the Code, see Tables.

Section 474, referred to in subsec. (c)(3), probably means section 494 of Pub. L. 110–140, which is classified to section 17123 of this title.

Change of Name


Effective Date

Section effective on the date that is 1 day after Dec. 19, 2007, see section 1601 of Pub. L. 110–140, set out as a note under section 1824 of Title 2, The Congress.

§ 17093. Federal green building performance

(a) In general

Not later than October 31 of each of the 2 fiscal years following the fiscal year in which this Act is enacted, and at such times thereafter as the Comptroller General of the United States determines to be appropriate, the Comptroller General of the United States shall, with respect to the fiscal years that have passed since the preceding report—

(1) conduct an audit of the implementation of this part, section 6834(a)(3)(D) of this title, and section 17091 of this title; and

(2) submit to the Federal Director, the Advisory Committee, the Administrator, and Congress a report describing the results of the audit.


§ 17094. Storm water runoff requirements for Federal development projects

The sponsor of any development or redevelopment project involving a Federal facility with a footprint that exceeds 5,000 square feet shall use site planning, design, construction, and maintenance strategies for the property to maintain or restore, to the maximum extent technically feasible, the predevelopment hydrology of the property with regard to the temperature, rate, volume, and duration of flow.


Effective Date

Section effective on the date that is 1 day after Dec. 19, 2007, see section 1601 of Pub. L. 110–140, set out as a note under section 1824 of Title 2, The Congress.

§ 17095. Cost-effective technology acceleration program

(a) Definition of Administrator

In this section, the term “Administrator” means the Administrator of General Services.

(b) Establishment

(1) In general

The Administrator shall establish a program to accelerate the use of more cost-effective technologies and practices at GSA facilities.

(2) Requirements

The program established under this subsection shall—

(A) ensure centralized responsibility for the coordination of cost reduction-related recommendations, practices, and activities of all relevant Federal agencies;

(B) provide technical assistance and operational guidance to applicable tenants to achieve the goal identified in subsection (c)(2)(B)(ii);

(C) establish methods to track the success of Federal departments and agencies with respect to that goal; and

(D) be fully coordinated with and no less stringent than other energy-conserving or water-conserving initiatives set forth under other provisions of this Act and other applicable law, including sections 321 through 324, 341 through 438, 461, 511 through 518, and 523 through 525 and amendments made by those sections.

(c) Accelerated use of technologies

(1) Review

(A) In general

As part of the program under this section, not later than 90 days after December 19, 2007, the Administrator shall conduct a review of—

(i) current use of cost-effective lighting technologies and geothermal heat pumps in GSA facilities; and

(ii) the availability to managers of GSA facilities of cost-effective lighting technologies and geothermal heat pumps.

(B) Requirements

The review under subparagraph (A) shall—

(i) examine the use of cost-effective lighting technologies, geothermal heat pumps, and other cost-effective technologies and practices by Federal agencies in GSA facilities; and

(ii) as prepared in consultation with the Administrator of the Environmental Protection Agency, identify cost-effective lighting technology and geothermal heat pump technology standards that could be used for all types of GSA facilities.

(2) Replacement

(A) In general

As part of the program under this section, not later than 180 days after December 19, 2007, the Administrator shall establish, using available appropriations and programs implementing sections 432 and 525, and

1See References in Text note below.
amendments made by those sections), a cost-effective lighting technology and geothermal heat pump technology acceleration program to achieve maximum feasible replacement of existing lighting, heating, cooling\textsuperscript{2} technologies with cost-effective lighting technologies and geothermal heat pump technologies in each GSA facility. Such program shall fully comply with the requirements of sections 321 through 324, 431 through 435, 461, 511 through 518, and 523 through 525\textsuperscript{1} and amendments made by those sections and any other provisions of law, which shall be applicable to the extent that they are more stringent or would achieve greater energy savings than required by this section.

(b) Acceleration plan timetable

(i) In general

To implement the program established under subparagraph (A), not later than 1 year after December 19, 2007, the Administrator shall establish a timetable of actions to comply with the requirements of this section and sections 431 through 435, whichever achieves greater energy savings most expeditiously, including milestones for specific activities needed to replace existing lighting, heating, cooling\textsuperscript{2} technologies with cost-effective lighting technologies and geothermal heat pump technologies, to the maximum extent feasible (including at the maximum rate feasible), at each GSA facility.

(ii) Goal

The goal of the timetable under clause (i) shall be to complete, using available appropriations and programs implementing sections 431 through 435\textsuperscript{1} (and amendments made by those sections), maximum feasible replacement of existing lighting, heating, and cooling technologies with cost-effective lighting technologies and geothermal heat pump technologies consistent with the requirements of this section and sections 431 through 435\textsuperscript{1} whichever achieves greater energy savings most expeditiously. Notwithstanding any provision of this section, such program shall fully comply with the requirements of the Act\textsuperscript{3} including sections 321 through 324, 431 through 435, 461, 511 through 518, and 523 through 525 and amendments made by those sections and other provisions of law, which shall be applicable to the extent that they are more stringent or would achieve greater energy or water savings than required by this section.

(d) GSA facility technologies and practices

(1) In general

Not later than 180 days after December 19, 2007, and annually thereafter, the Administrator shall—

(A) ensure that a manager responsible for implementing section 432\textsuperscript{1} and for accelerating the use of cost-effective technologies and practices is designated for each GSA facility; and

(B) submit to Congress a plan to comply with section 432,\textsuperscript{1} this section, and other applicable provisions of this Act and applicable law with respect to energy and water conservation at GSA facilities.

(2) Measures

The plan shall implement measures required by such other provisions of law in accordance with those provisions, and shall implement the measures required by this section to the maximum extent feasible (including at the maximum rate feasible) using available appropriations and programs implementing sections 431 through 435 and 525\textsuperscript{1} (and amendments made by those sections), by not later than the date that is 5 years after December 19, 2007.

(3) Contents of plan

The plan shall—

(A) with respect to cost-effective technologies and practices—

(i) identify the specific activities needed to comply with sections 431 through 435;\textsuperscript{1} (ii) identify the specific activities needed to achieve at least a 20-percent reduction in operational costs through the application of cost-effective technologies and practices from 2003 levels at GSA facilities by not later than 5 years after December 19, 2007;

(iii) describe activities required and carried out to estimate the funds necessary to achieve the reduction described in clauses (i) and (ii);

(B) include an estimate of the funds necessary to carry out this section; (C) describe the status of the implementation of cost-effective technologies and practices at GSA facilities, including—

(i) the extent to which programs, including the program established under subsection (b), are being carried out in accordance with this part; and

(ii) the status of funding requests and appropriations for those programs;

(D) identify within the planning, budgeting, and construction processes, all types of GSA facility-related procedures that inhibit new and existing GSA facilities from implementing cost-effective technologies;

(E) recommend language for uniform standards for use by Federal agencies in implementing cost-effective technologies and practices;

(F) in coordination with the Office of Management and Budget, review the budget process for capital programs with respect to alternatives for—

(i) implementing measures that will assure that Federal agencies retain all identified savings accrued as a result of the use of cost-effective technologies, consistent with section 8253(a)(1) of this title, and other applicable law; and

(ii) identifying short- and long-term cost savings that accrue from the use of cost-effective technologies and practices;
(G) with respect to cost-effective technologies and practices, achieve substantial operational cost savings through the application of the technologies; and

(H) include recommendations to address each of the matters, and a plan for implementation of each recommendation, described in subparagraphs (A) through (G).

(4) Administration

Notwithstanding any provision of this section, the program required under this section shall fully comply with the requirements of sections 321 through 324, 431 through 438, 461, 511 through 518, and 523 through 525 and amendments made by those sections, which shall be applicable to the extent that they are more stringent or would achieve greater energy or water savings than required by this section.

(e) Authorization of appropriations

There are authorized to be appropriated such sums as are necessary to carry out this section, to remain available until expended.


REFERENCES IN TEXT


Sections 321 through 324, 431 through 438, 461, 511 through 518, and 523 through 525, referred to in subsecs. (b)(2)(D), (c)(2)(A), (B)(ii), and (d)(4), are sections 321 to 324, 431 to 438, 461, 511 to 518, and 523 to 525, respectively, of Pub. L. 110–140, which enacted sections 17091 to 17094 of this title, part A (§ 17131) of subchapter IV of title IV of Pub. L. 110–140, which enacted section 17091 of this title, amended sections 17091 to 17096 of this title and amended section 8253 of this title. Section 482 is unidentifiable because Pub. L. 110–140 does not contain a section 482.


REFERENCES IN TEXT

Sections 434 through 439, referred to in text, are sections 434 to 439 of Pub. L. 110–140, which enacted sections 17091 to 17096 of this title and amended section 8253 of this title. Section 482 is unidentifiable because Pub. L. 110–140 does not contain a section 482.


$17111. Energy-intensive industries program

(a) Definitions

In this section:

(1) Eligible entity

The term “eligible entity” means—

(A) an energy-intensive industry;

(B) a national trade association representing an energy-intensive industry; or

(C) a person acting on behalf of 1 or more energy-intensive industries or sectors, as determined by the Secretary.

(2) Energy-intensive industry

The term “energy-intensive industry” means an industry that uses significant quantities of energy as part of its primary economic activities, including—

(A) information technology, including data centers containing electrical equipment used in processing, storing, and transmitting digital information;

(B) consumer product manufacturing;

(C) food processing;

(D) materials manufacturers, including—

(i) aluminum;

(ii) chemicals;

(iii) forest and paper products;

(iv) metal casting;

(v) glass;

(vi) petroleum refining;

(vii) mining; and

(viii) steel;

(E) other energy-intensive industries, as determined by the Secretary.

(3) Feedstock

The term “feedstock” means the raw material supplied for use in manufacturing, chemical, and biological processes.

1 See References in Text note below.
(4) Partnership
The term “partnership” means an energy efficiency partnership established under subsection (c)(1)(A).

(5) Program
The term “program” means the energy-intensive industries program established under subsection (b).

(b) Establishment of program
The Secretary shall establish a program under which the Secretary, in cooperation with energy-intensive industries and national industry trade associations representing the energy-intensive industries, shall support, research, develop, and promote the use of new materials processes, technologies, and techniques to optimize energy efficiency and the economic competitiveness of the United States’ industrial and commercial sectors.

(c) Partnerships
(1) In general
As part of the program, the Secretary shall establish energy efficiency partnerships between the Secretary and eligible entities to conduct research on, develop, and demonstrate new processes, technologies, and operating practices and techniques to significantly improve the energy efficiency of equipment and processes used by energy-intensive industries, including the conduct of activities to—

(A) increase the energy efficiency of industrial processes and facilities;

(B) research, develop, and demonstrate advanced technologies capable of energy intensity reductions and increased environmental performance; and

(C) promote the use of the processes, technologies, and techniques described in subparagraphs (A) and (B).

(2) Eligible activities
Partnership activities eligible for funding under this subsection include—

(A) feedstock and recycling research, development, and demonstration activities to identify and promote—

(i) opportunities for meeting industry feedstock requirements with more energy efficient and flexible sources of feedstock or energy supply;

(ii) strategies to develop and deploy technologies that improve the quality and quantity of feedstocks recovered from process and waste streams; and

(iii) other methods using recycling, reuse, and improved industrial materials;

(B) research to develop and demonstrate technologies and processes that utilize alternative energy sources to supply heat, power, and new feedstocks for energy-intensive industries;

(C) research to achieve energy efficiency in steam, power, control system, and process heat technologies, and in other manufacturing processes; and

(D) industrial and commercial energy efficiency and sustainability assessments to—

(i) assist individual industrial and commercial sectors in developing tools, techniques, and methodologies to assess—

(i) the unique processes and facilities of the sectors;

(ii) the energy utilization requirements of the sectors; and

(iii) the application of new, more energy efficient technologies; and

(E) conduct energy savings assessments;

(F) the incorporation of technologies and innovations that would significantly improve the energy efficiency and utilization of energy-intensive commercial applications; and

(G) any other activities that the Secretary determines to be appropriate.

(3) Proposals
(A) In general
To be eligible for funding under this subsection, a partnership shall submit to the Secretary a proposal that describes the proposed research, development, or demonstration activity to be conducted by the partnership.

(B) Review
After reviewing the scientific, technical, and commercial merit of a proposal submitted under subparagraph (A), the Secretary shall approve or disapprove the proposal.

(C) Competitive awards
The provision of funding under this subsection shall be on a competitive basis.

(4) Cost-sharing requirement
In carrying out this section, the Secretary shall require cost sharing in accordance with section 3150A of this title.

(d) Grants
The Secretary may award competitive grants for innovative technology research, development and demonstrations to universities, individual inventors, and small companies, based on energy savings potential, commercial viability, and technical merit.

(e) Institution of higher education-based industrial research and assessment centers
The Secretary shall provide funding to institution of higher education-based industrial research and assessment centers, whose purpose shall be—

(1) to identify opportunities for optimizing energy efficiency and environmental performance;

(2) to promote applications of emerging concepts and technologies in small- and medium-sized manufacturers;

(3) to conduct research and development for the use of alternative energy sources to supply heat, power, and new feedstocks for energy-intensive industries;

(4) to coordinate with appropriate Federal and State research offices, and provide a clearinghouse for industrial process and energy efficiency technical assistance resources; and

(5) to coordinate with State-accredited technical training centers and community col-
leges, while ensuring appropriate services to all regions of the United States.

(f) Authorization of appropriations

(1) In general
There are authorized to be appropriated to the Secretary to carry out this section—
(A) $184,000,000 for fiscal year 2008;
(B) $190,000,000 for fiscal year 2009;
(C) $196,000,000 for fiscal year 2010;
(D) $202,000,000 for fiscal year 2011;
(E) $208,000,000 for fiscal year 2012; and
(F) such sums as are necessary for fiscal year 2013 and each fiscal year thereafter.

(2) Partnership activities
Of the amounts made available under paragraph (1), not less than 50 percent shall be used to pay the Federal share of partnership activities under subsection (c).

(3) Coordination and nonduplication
The Secretary shall coordinate efforts under this section with other programs of the Department and other Federal agencies to avoid duplication of effort.

(Effective Date)
Section effective on the date that is 1 day after Dec. 19, 2007, see section 1801 of Pub. L. 110–140, set out as a note under section 1823 of Title 2, The Congress.

§ 17112. Energy efficiency for data center buildings

(a) Definitions
In this section:

(1) Data center
The term ‘‘data center’’ means any facility that primarily contains electronic equipment used to process, store, and transmit digital information, which may be—
(A) a free-standing structure; or
(B) a facility within a larger structure, that uses environmental control equipment to maintain the proper conditions for the operation of electronic equipment.

(2) Data center operator
The term ‘‘data center operator’’ means any person or government entity that builds or operates a data center or purchases data center services, equipment, and facilities.

(b) Voluntary national information program

(1) In general
Not later than 90 days after December 19, 2007, the Secretary and the Administrator of the Environmental Protection Agency shall, after consulting with information technology industry and other interested parties, initiate a voluntary national information program for those types of data centers and data center equipment and facilities that are widely used and for which there is a potential for significant data center energy savings as a result of the program.

(2) Requirements
The program described in paragraph (1) shall—
(A) address data center efficiency holistically, reflecting the total energy consumption of data centers as whole systems, including both equipment and facilities;
(B) consider prior work and studies undertaken in this area, including by the Environmental Protection Agency and the Department of Energy;
(C) consistent with the objectives described in paragraph (1), determine the type of data center and data center equipment and facilities to be covered under the program;
(D) produce specifications, measurements, best practices, and benchmarks that will enable data center operators to make more informed decisions about the energy efficiency and costs of data centers, and that take into account—
(i) the performance and use of servers, data storage devices, and other information technology equipment;
(ii) the efficiency of heating, ventilation, and air conditioning, cooling, and power conditioning systems, provided that no modification shall be required of a standard then in effect under the Energy Policy and Conservation Act (42 U.S.C. 6201 et seq.) for any covered heating, ventilation, air-conditioning, cooling or power-conditioning product; and
(iii) energy savings from the adoption of software and data management techniques; and
(iv) other factors determined by the organization described in subsection (c);
(E) allow for creation of separate specifications, measurements, and benchmarks based on data center size and function, as well as other appropriate characteristics;
(F) advance the design and implementation of efficiency technologies to the maximum extent economically practical;
(G) provide to data center operators in the private sector and the Federal Government information about best practices and purchasing decisions that reduce the energy consumption of data centers; and
(H) publish the information described in subparagraph (G), which may be disseminated through catalogs, trade publications, the Internet, or other mechanisms, that will allow data center operators to assess the energy consumption and potential cost savings of alternative data centers and data center equipment and facilities.

(3) Procedures
The program described in paragraph (1) shall be developed in consultation with and coordinated by the organization described in subsection (c) according to commonly accepted procedures for the development of specifications, measurements, and benchmarks.

(c) Data center efficiency organization

(1) In general
After the establishment of the program described in subsection (b), the Secretary and the Administrator shall jointly designate an information technology industry organization
to consult with and to coordinate the program.

(2) Requirements

The organization designated under paragraph (1), whether preexisting or formed specifically for the purposes of subsection (b), shall—

(A) consist of interested parties that have expertise in energy efficiency and in the development, operation, and functionality of computer data centers, information technology equipment, and software, as well as representatives of hardware manufacturers, data center operators, and facility managers;

(B) obtain and address input from Department of Energy National Laboratories or any college, university, research institution, industry association, company, or public interest group with applicable expertise in any of the areas listed in paragraph (1);

(C) follow commonly accepted procedures for the development of specifications and accredited standards development processes;

(D) have a mission to develop and promote energy efficiency for data centers and information technology; and

(E) have the primary responsibility to consult in the development and publishing of the information, measurements, and benchmarks described in subsection (b) and transmission of the information to the Secretary and the Administrator for consideration under subsection (d).

(d) Measurements and specifications

(1) In general

The Secretary and the Administrator shall consider the specifications, measurements, and benchmarks described in subsection (b) for use by the Federal Energy Management Program, the Energy Star Program, and other efficiency programs of the Department of Energy and Environmental Protection Agency, respectively.

(2) Rejections

If the Secretary or the Administrator rejects 1 or more specifications, measurements, or benchmarks described in subsection (b), the rejection shall be made consistent with section 12(d) of the National Technology Transfer and Advancement Act of 1995 (15 U.S.C. 272 note; Public Law 104–113).

(3) Determination of impracticability

A determination that a specification, measurement, or benchmark described in subsection (b) is impractical may include consideration of the maximum efficiency that is technologically feasible and economically justified.

(e) Monitoring

The Secretary and the Administrator shall—

(1) monitor and evaluate the efforts to develop the program described in subsection (b); and

(2) not later than 3 years after December 19, 2007, make a determination as to whether the program is consistent with the objectives of subsection (b).

(f) Alternative system

If the Secretary and the Administrator make a determination under subsection (e) that a voluntary national information program for data centers consistent with the objectives of subsection (b) has not been developed, the Secretary and the Administrator shall, after consultation with the National Institute of Standards and Technology and not later than 2 years after the determination, develop and implement the program under subsection (b).

(g) Protection of proprietary information

The Secretary, the Administrator, or the data center efficiency organization shall not disclose any proprietary information or trade secrets provided by any individual or company for the purposes of carrying out this section or the program established under this section.


REFERENCES IN TEXT


EFFECTIVE DATE

Section effective on the date that is 1 day after Dec. 19, 2007, see section 1601 of Pub. L. 110–140, set out as a note under section 1824 of Title 2, The Congress.

PART E—GENERAL PROVISIONS

§ 17121. Demonstration project

(a) In general

The Federal Director and the Commercial Director shall establish guidelines to implement a demonstration project to contribute to the research goals of the Office of Commercial High-Performance Green Buildings and the Office of Federal High-Performance Green Buildings.

(b) Projects

In accordance with guidelines established by the Federal Director and the Commercial Director under subsection (a) and the duties of the Federal Director and the Commercial Director described in this title,1 the Federal Director or the Commercial Director shall carry out—

(1) for each of fiscal years 2009 through 2014, 1 demonstration project per year of green features in a Federal building selected by the Federal Director in accordance with relevant agencies and described in subsection (c)(1), that—

(A) provides for instrumentation, monitoring, and data collection related to the green features, for study of the impact of the features on overall energy use and operational costs, and for the evaluation of the information obtained through the conduct of projects and activities under this title; and

(B) achieves the highest rating offered by the high performance green building system identified pursuant to section 17092(h) of this title;

1 See References in Text note below.
§ 17121

TITLE 42—THE PUBLIC HEALTH AND WELFARE

Page 8230

(2) no fewer than 4 demonstration projects at 4 universities, that, as competitively selected by the Commercial Director in accordance with subsection (c)(2), have—

(A) appropriate research resources and relevant projects to meet the goals of the demonstration project established by the Office of Commercial High-Performance Green Buildings; and

(B) the ability—

(i) to serve as a model for high-performance green building initiatives, including research and education 2 by achieving the highest rating offered by the high performance green building system identified pursuant to section 17092(h) of this title;

(ii) to identify the most effective ways to use high-performance green building and landscape technologies to engage and educate undergraduate and graduate students;

(iii) to effectively implement a high-performance green building education program for students and occupants;

(iv) to demonstrate the effectiveness of various high-performance technologies, including their impacts on energy use and operational costs, in each of the 4 climatic regions of the United States described in subsection (c)(2)(B); and

(v) to explore quantifiable and nonquantifiable beneficial impacts on public health and employee and student performance;

(3) demonstration projects to evaluate replicable approaches of achieving high performance in actual building operation in various types of commercial buildings in various climates; and

(4) deployment activities to disseminate information on and encourage widespread adoption of technologies, practices, and policies to achieve zero-net-energy commercial buildings or low energy use and effective monitoring of energy use in commercial buildings.

c) Criteria

(1) Federal facilities

With respect to the existing or proposed Federal facility at which a demonstration project under this section is conducted, the Federal facility shall—

(A) be an appropriate model for a project relating to—

(i) the effectiveness of high-performance technologies;

(ii) analysis of materials, components, systems, and emergency operations in the building, and the impact of those materials, components, and systems, including the impact on the health of building occupants;

(iii) life-cycle costing and life-cycle assessment of building materials and systems; and

(iv) location and design that promote access to the Federal facility through walking, biking, and mass transit; and

(B) possess sufficient technological and organizational adaptability.

2So in original. A comma probably should appear.

(2) Universities

With respect to the 4 universities at which a demonstration project under this section is conducted—

(A) the universities should be selected, after careful review of all applications received containing the required information, as determined by the Commercial Director, based on—

(i) successful and established public-private research and development partnerships;

(ii) demonstrated capabilities to construct or renovate buildings that meet high indoor environmental quality standards;

(iii) organizational flexibility;

(iv) technological adaptability;

(v) the demonstrated capacity of at least 1 university to replicate lessons learned among nearby or sister universities, preferably by participation in groups or consortia that promote sustainability;

(vi) the demonstrated capacity of at least 1 university to have officially-adopted, institution-wide “high-performance green building” guidelines for all campus building projects; and

(vii) the demonstrated capacity of at least 1 university to have been recognized by similar institutions as a national leader in sustainability education and curriculum for students of the university; and

(B) each university shall be located in a different climatic region of the United States, each of which regions shall have, as determined by the Office of Commercial High-Performance Green Buildings—

(i) a hot, dry climate;

(ii) a hot, humid climate;

(iii) a cold climate; or

(iv) a temperate climate (including a climate with cold winters and humid summers).

d) Applications

To receive a grant under subsection (b), an eligible applicant shall submit to the Federal Director or the Commercial Director an application at such time, in such manner, and containing such information as the Director may require, including a written assurance that all laborers and mechanics employed by contractors or subcontractors during construction, alteration, or repair that is financed, in whole or in part, by a grant under this section shall be paid wages at rates not less than those prevailing on similar construction in the locality, as determined by the Secretary of Labor in accordance with sections 3141 through 3144, 3146, and 3147 of title 40. The Secretary of Labor shall, with respect to the labor standards described in this subsection, have the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (5 U.S.C. App.) and section 3145 of title 40.

e) Report

Not later than 1 year after December 19, 2007, and annually thereafter through September 30, 2014—

(1) the Federal Director and the Commercial Director shall submit to the Secretary a re-
port that describes the status of the demonstration projects; and
(2) each University at which a demonstration project under this section is conducted shall submit to the Secretary a report that describes the status of the demonstration projects under this section.

(f) Authorization of appropriations

There is authorized to be appropriated to carry out the demonstration project described in section 3(b)(1), $10,000,000 for the period of fiscal years 2008 through 2012, and to carry out the demonstration project described in section 3(b)(2), $10,000,000 for the period of fiscal years 2008 through 2012, to remain available until expended.


REFERENCES IN TEXT

This title, referred to in subsec. (b), is title IV of Pub. L. 110–140, Dec. 19, 2007, 121 Stat. 1596, which enacted this subchapter, part C (§ 6341 et seq.) of subchapter III of chapter 77 of this title, sections 6371h–1 and 7626 of this title, and subchapter V (§ 6341 et seq.) of chapter 53 of Title 15, Commerce and Trade, amended sections 6832, 6834, 6862, 6872, 6233, 8254, and 12709 of this title, and enacted provisions set out as notes under sections 6834 and 6872 of this title. For complete classification of this title, see Tables.

Reorganization Plan Numbered 14 of 1950, referred to in subsec. (d), is set out in the Appendix to Title 5, Government Organization and Employees.

EFFECTIVE DATE

Section effective on the date that is 1 day after Dec. 19, 2007, see section 1601 of Pub. L. 110–140, set out as a note under section 1824 of Title 2, The Congress.

§ 17122. Research and development

(a) Establishment

The Federal Director and the Commercial Director, jointly and in coordination with the Advisory Committee, shall—

(1) (A) survey existing research and studies relating to high-performance green buildings; and

(B) coordinate activities of common interest;

(2) develop and recommend a high-performance green building research plan that—

(A) identifies information and research needs, including the relationships between human health, occupant productivity, safety, security, and accessibility and each of—

(i) emissions from materials and products in the building;

(ii) natural day lighting;

(iii) ventilation choices and technologies;

(iv) heating, cooling, and system control choices and technologies;

(v) moisture control and mold;

(vi) maintenance, cleaning, and pest control activities;

(vii) acoustics;

(viii) access to public transportation; and

(ix) other issues relating to the health, comfort, productivity, and performance of occupants of the building;

(B) promotes the development and dissemination of high-performance green building measurement tools that, at a minimum, may be used—

(i) to monitor and assess the life-cycle performance of facilities (including demonstration projects) built as high-performance green buildings; and

(ii) to perform life-cycle assessments; and

(C) identifies and tests new and emerging technologies for high-performance green buildings;

(3) assist the budget and life-cycle costing functions of the Directors' Offices under section 17092(d) of this title;

(4) study and identify potential benefits of green buildings relating to security, natural disaster, and emergency needs of the Federal Government; and

(5) support other research initiatives determined by the Directors' Offices.

(b) Indoor air quality

The Federal Director, in consultation with the Administrator of the Environmental Protection Agency and the Advisory Committee, shall develop and carry out a comprehensive indoor air quality program for all Federal facilities to ensure the safety of Federal workers and facility occupants—

(1) during new construction and renovation of facilities; and

(2) in existing facilities.


EFFECTIVE DATE

Section effective on the date that is 1 day after Dec. 19, 2007, see section 1601 of Pub. L. 110–140, set out as a note under section 1824 of Title 2, The Congress.

§ 17123. Green Building Advisory Committee

(a) Establishment

Not later than 180 days after December 19, 2007, the Federal Director, in coordination with the Commercial Director, shall establish an advisory committee, to be known as the "Green Building Advisory Committee".

(b) Membership

(1) In general

The Committee shall be composed of representatives of, at a minimum—

(A) each agency referred to in section 17061(e) of this title; and

(B) other relevant agencies and entities, as determined by the Federal Director, including at least 1 representative of each of—

(i) State and local governmental green building programs;

(ii) independent green building associations or councils;

(iii) building experts, including architects, material suppliers, and construction contractors;

(iv) security advisors focusing on national security needs, natural disasters, and other dire emergency situations;

(v) public transportation industry experts; and

(i) State and local governmental green building programs;

(ii) independent green building associations or councils;

(iii) building experts, including architects, material suppliers, and construction contractors;

(iv) security advisors focusing on national security needs, natural disasters, and other dire emergency situations;

(v) public transportation industry experts; and

So in original. Probably should be "subsection".

(vi) environmental health experts, including those with experience in children’s health.

(2) Non-Federal members

The total number of non-Federal members on the Committee at any time shall not exceed 15.

(c) Meetings

The Federal Director shall establish a regular schedule of meetings for the Committee.

(d) Duties

The Committee shall provide advice and expertise for use by the Federal Director in carrying out the duties under this part, including such recommendations relating to Federal activities carried out under sections 434 through 436 as are agreed to by a majority of the members of the Committee.

(e) FACA exemption

The Committee shall not be subject to section 14 of the Federal Advisory Committee Act (5 U.S.C. App.).


References in Text

This part, referred to in subsec. (d), was in the original “this subtitle”, meaning subtitle H (§§491–495) of title IV of Pub. L. 110–140, Dec. 19, 2007. 121 Stat. 1669, which enacted this part and section 7628 of this title. For complete classification of subtitle H to the Code, see Tables.

Sections 434 through 436, referred to in subsec. (d), are sections 434 to 436 of Pub. L. 110–140, which enacted sections 17091 and 17092 of this title and amended section 8253 of this title.

Section 14 of the Federal Advisory Committee Act, referred to in subsec. (e), is section 14 of Pub. L. 92–463, which is set out in the Appendix to Title 5, Government Organization and Employees.

Effective Date

Section effective on the date that is 1 day after Dec. 19, 2007, see section 1601 of Pub. L. 110–140, set out as a note under section 1824 of Title 2, The Congress.

SUBCHAPTER IV—ENERGY SAVINGS IN GOVERNMENT AND PUBLIC INSTITUTIONS

PART A—ENERGY SAVINGS PERFORMANCE CONTRACTING

§17131. Training Federal contracting officers to negotiate energy efficiency contracts

(a) Program

The Secretary shall create and administer in the Federal Energy Management Program a training program to educate Federal contract negotiation and contract management personnel so that the contract officers are prepared to—

(1) negotiate energy savings performance contracts;
(2) conclude effective and timely contracts for energy efficiency services with all companies offering energy efficiency services; and
(3) review Federal contracts for all products and services for the potential energy efficiency opportunities and implications of the contracts.

(b) Schedule

Not later than 1 year after December 19, 2007, the Secretary shall plan, staff, announce, and begin training under the Federal Energy Management Program.

(c) Personnel to be trained

Personnel appropriate to receive training under the Federal Energy Management Program shall be selected by and sent for the training from—

(1) the Department of Defense;
(2) the Department of Veterans Affairs;
(3) the Department;
(4) the General Services Administration;
(5) the Department of Housing and Urban Development;
(6) the United States Postal Service; and
(7) all other Federal agencies and departments that enter contracts for buildings,
building services, electricity and electricity services, natural gas and natural gas services, heating and air conditioning services, building fuel purchases, and other types of procurement or service contracts determined by the Secretary, in carrying out the Federal Energy Management Program, to offer the potential for energy savings and greenhouse gas emission reductions if negotiated with taking into account those goals.

(d) Trainers
Training under the Federal Energy Management Program may be conducted by—
(1) attorneys or contract officers with experience in negotiating and managing contracts described in subsection (c)(7) from any agency, except that the Secretary shall reimburse the related salaries and expenses of the attorneys or contract officers from amounts made available for carrying out this section to the extent the attorneys or contract officers are not employees of the Department; and
(2) private experts hired by the Secretary for the purposes of this section, except that the Secretary may not hire experts who are simultaneously employed by any company under contract to provide energy efficiency services to the Federal Government.

(e) Authorization of appropriations
There are authorized to be appropriated to the Secretary to carry out this section $750,000 for each of fiscal years 2008 through 2012.

§ 17143. Government efficiency status reports

(a) In general
Each Federal agency subject to any of the requirements of this title or the amendments made by this title shall compile and submit to the Director of the Office of Management and Budget an annual Government efficiency status report on—
(1) compliance by the agency with each of the requirements of this title and the amendments made by this title;
(2) the status of the implementation by the agency of initiatives to improve energy efficiency, reduce energy costs, and reduce emissions of greenhouse gases; and
(3) savings to the taxpayers of the United States resulting from mandated improvements under this title and the amendments made by this title.

(b) Submission
The report shall be submitted—
(1) to the Director at such time as the Director requires;

1 See References in Text note below.
in electronic, not paper, format; and
(3) consistent with related reporting requirements.


REFERENCES IN TEXT
This title, referred to in subsec. (a), is title V of Pub. L. 110–140, which enacted this subchapter, part D (§8279) of subchapter III of chapter 91 of this title, and sections 1824, 2162a, and 2169 of Title 2. The Congress, amended sections 6325, 6834, 8256, 8258, 8259b, 8267, and 8267c of this title, section 2162 of Title 2, section 2913 of Title 10, Armed Forces, section 3203 of Title 15, Commerce and Trade, and section 2621 of Title 16, Conservation, and enacted provisions set out as a note under section 8259b of this title. For complete classification of title V to this title, section 2162 of Title 2, section 2913 of Title 10, sections 6325, 6834, 8256, 8258, 8259b, 8267, and 8267c of this title, section 2162 of Title 2, section 2913 of Title 10, Armed Forces, section 3203 of Title 15, Commerce and Trade, and section 2621 of Title 16, Conservation, and enacted provisions set out as a note under section 8259b of this title. For complete classification of title V to the Code, see Tables.

EFFECTIVE DATE
Section effective on the date that is 1 day after Dec. 19, 2007, see section 1601 of Pub. L. 110–140, set out as a note under section 1824 of Title 2, The Congress.

§17151. Definitions
In this part:

(1) Eligible entity
The term "eligible entity" means—
(A) a State;
(B) an eligible unit of local government; and
(C) an Indian tribe.

(2) Eligible unit of local government
The term "eligible unit of local government" means—
(A) an eligible unit of local government-alternative 1; and
(B) an eligible unit of local government-alternative 2.

(3)(A) Eligible unit of local government-alternative 1
The term "eligible unit of local government-alternative 1" means—
(i) a city with a population—
(I) of at least 35,000; or
(II) that causes the city to be 1 of the 10 highest-populated cities of the State in which the city is located; and
(ii) a county with a population—
(I) of at least 200,000; or
(II) that causes the county to be 1 of the 10 highest-populated counties of the State in which the county is located.

(B) Eligible unit of local government-alternative 2
The term "eligible unit of local government-alternative 2" means—
(i) a city with a population of at least 50,000; or
(ii) a county with a population of at least 200,000.

(4) Indian tribe
The term "Indian tribe" has the meaning given the term in section 5304 of title 25.

(5) Program
The term "program" means the Energy Efficiency and Conservation Block Grant Program established under section 17152(a) of this title.

(6) State
The term "State" means—
(A) a State;
(B) the District of Columbia;
(C) the Commonwealth of Puerto Rico; and
(D) any other territory or possession of the United States.


EFFECTIVE DATE
Section effective on the date that is 1 day after Dec. 19, 2007, see section 1601 of Pub. L. 110–140, set out as a note under section 1824 of Title 2, The Congress.
§ 17152. Energy Efficiency and Conservation Block Grant Program

(a) Establishment

The Secretary shall establish a program, to be known as the “Energy Efficiency and Conservation Block Grant Program”, under which the Secretary shall provide grants to eligible entities in accordance with this part.

(b) Purpose

The purpose of the program shall be to assist eligible entities in implementing strategies—

1. to reduce fossil fuel emissions created as a result of activities within the jurisdictions of eligible entities in a manner that—
   (A) is environmentally sustainable; and
   (B) to the maximum extent practicable, maximizes benefits for local and regional communities;

2. to reduce the total energy use of the eligible entities; and

3. to improve energy efficiency in—
   (A) the transportation sector;
   (B) the building sector; and
   (C) other appropriate sectors.


Effective Date

Section effective on the date that is 1 day after Dec. 19, 2007, see section 1601 of Pub. L. 110–140, set out as a note under section 1824 of Title 2, The Congress.

§ 17153. Allocation of funds

(a) In general

Of amounts made available to provide grants under this part for each fiscal year, the Secretary shall allocate—

1. 34 percent to eligible units of local government—alternative 1, in accordance with subsection (b);

2. 34 percent to eligible units of local government—alternative 2, in accordance with subsection (b);

3. 28 percent to States in accordance with subsection (c);

4. 2 percent to Indian tribes in accordance with subsection (d); and

5. 2 percent for competitive grants under section 17156 of this title.

(b) Eligible units of local government

Of amounts available for distribution to eligible units of local government under subsection (a)(1) or (2), the Secretary shall provide grants to eligible units of local government under this section on a formula established by the Secretary according to—

1. the populations served by the eligible units of local government, according to the latest available decennial census; and

2. the daytime populations of the eligible units of local government and other similar factors (such as square footage of commercial, office, and industrial space), as determined by the Secretary.

(c) States

Of amounts available for distribution to States under subsection (a)(2), the Secretary shall provide—

1. not less than 1.25 percent to each State; and

2. the remainder among the States, based on a formula to be established by the Secretary that takes into account—
   (A) the population of each State; and
   (B) any other criteria that the Secretary determines to be appropriate.

(d) Indian tribes

Of amounts available for distribution to Indian tribes under subsection (a)(3), the Secretary shall establish a formula for allocation of the amounts to Indian tribes, taking into account any factors that the Secretary determines to be appropriate.

(e) Publication of allocation formulas

Not later than 90 days before the beginning of each fiscal year for which grants are provided under this part, the Secretary shall publish in the Federal Register the formulas for allocation established under this section.

(f) State and local advisory committee

The Secretary shall establish a State and local advisory committee to advise the Secretary regarding administration, implementation, and evaluation of the program.


Amendments

2009—Subsec. (a)(1). Pub. L. 111–5, § 404(a)(2), added par. (1) and struck out former par. (1) which read as follows: “68 percent to eligible units of local government in accordance with subsection (b);”.

Subsec. (a)(2) to (5). Pub. L. 111–5, § 404(a), added par. (2) and redesignated former pars. (2) to (4) as (3) to (5), respectively.

Subsec. (b). Pub. L. 111–5, § 404(b), substituted “subsection (a)(1) or (2)” for “subsection (a)(1)” in introductory provisions.

Effective Date

Section effective on the date that is 1 day after Dec. 19, 2007, see section 1601 of Pub. L. 110–140, set out as a note under section 1824 of Title 2, The Congress.

§ 17154. Use of funds

An eligible entity may use a grant received under this part to carry out activities to achieve the purposes of the program, including—

1. development and implementation of an energy efficiency and conservation strategy under section 17155(b) of this title;

2. retaining technical consultant services to assist the eligible entity in the development of such a strategy, including—
   (A) formulation of energy efficiency, energy conservation, and energy usage goals;
   (B) identification of strategies to achieve those goals—
      (i) through efforts to increase energy efficiency and reduce energy consumption; and
      (ii) by encouraging behavioral changes among the population served by the eligible entity;
   (C) development of methods to measure progress in achieving the goals;
(D) development and publication of annual reports to the population served by the eligible entity describing—
   (i) the strategies and goals; and
   (ii) the progress made in achieving the strategies and goals during the preceding calendar year; and

(E) other services to assist in the implementation of the energy efficiency and conservation strategy;

(3) conducting residential and commercial building energy audits;

(4) establishment of financial incentive programs for energy efficiency improvements;

(5) the provision of grants to nonprofit organizations and governmental agencies for the purpose of performing energy efficiency retrofits;

(6) development and implementation of energy efficiency and conservation programs for buildings and facilities within the jurisdiction of the eligible entity, including—
   (A) design and operation of the programs;
   (B) identifying the most effective methods for achieving maximum participation and efficiency rates;
   (C) public education;
   (D) measurement and verification protocols; and
   (E) identification of energy efficient technologies;

(7) development and implementation of programs to conserve energy used in transportation, including—
   (A) use of flex time by employers;
   (B) satellite work centers;
   (C) development and promotion of zoning guidelines or requirements that promote energy efficient development;
   (D) development of infrastructure, such as bike lanes and pathways and pedestrian walkways;
   (E) synchronization of traffic signals; and
   (F) other measures that increase energy efficiency and decrease energy consumption;

(8) development and implementation of building codes and inspection services to promote building energy efficiency;

(9) application and implementation of energy distribution technologies that significantly increase energy efficiency, including—
   (A) distributed resources; and
   (B) district heating and cooling systems;

(10) activities to increase participation and efficiency rates for material conservation programs, including source reduction, recycling, and recycled content procurement programs that lead to increases in energy efficiency;

(11) the purchase and implementation of technologies to reduce, capture, and, to the maximum extent practicable, use methane and other greenhouse gases generated by landfills or similar sources;

(12) replacement of traffic signals and street lighting with energy efficient lighting technologies, including—
   (A) light emitting diodes; and
   (B) any other technology of equal or greater energy efficiency;

(13) development, implementation, and installation on or in any government building of the eligible entity of onsite renewable energy technology that generates electricity from renewable resources, including—
   (A) solar energy;
   (B) wind energy;
   (C) fuel cells; and
   (D) biomass; and

(14) any other appropriate activity, as determined by the Secretary, in consultation with—
   (A) the Administrator of the Environmental Protection Agency;
   (B) the Secretary of Transportation; and
   (C) the Secretary of Housing and Urban Development.


EFFECTIVE DATE

Section effective on the date that is 1 day after Dec. 19, 2007, see section 1601 of Pub. L. 110–140, set out as a note under section 1824 of Title 2, The Congress.

§ 17155. Requirements for eligible entities

(a) Construction requirement

(1) In general

To be eligible to receive a grant under the program, each eligible applicant shall submit to the Secretary a written assurance that all laborers and mechanics employed by any contractor or subcontractor of the eligible entity during any construction, alteration, or repair activity funded, in whole or in part, by the grant shall be paid wages at rates not less than the prevailing wages for similar construction activities in the locality, as determined by the Secretary of Labor, in accordance with sections 3141 through 3144, 3146, and 3147 of title 40.

(2) Secretary of Labor

With respect to the labor standards referred to in paragraph (1), the Secretary of Labor shall have the authority and functions described in—

(A) Reorganization Plan Numbered 14 of 1950 (5 U.S.C. 903 note); 1 and

(B) section 3145 of title 40.

(b) Eligible units of local government and Indian tribes

(1) Proposed strategy

(A) In general

Not later than 1 year after the date on which an eligible unit of local government or Indian tribe receives a grant under this part, the eligible unit of local government or Indian tribe shall submit to the Secretary a proposed energy efficiency and conservation strategy in accordance with this paragraph.

(B) Inclusions

The proposed strategy under subparagraph (A) shall include—

(i) a description of the goals of the eligible unit of local government or Indian

1 See References in Text note below.
tribe, in accordance with the purposes of this part, for increased energy efficiency and conservation in the jurisdiction of the eligible unit of local government or Indian tribe; and
(ii) a plan for the use of the grant to assist the eligible unit of local government or Indian tribe in achieving those goals, in accordance with section 17154 of this title.

(C) Requirements for eligible units of local government

In developing the strategy under subparagraph (A), an eligible unit of local government shall—
(i) take into account any plans for the use of funds by adjacent eligible units of local governments that receive grants under the program; and
(ii) coordinate and share information with the State in which the eligible unit of local government is located regarding activities carried out using the grant to maximize the energy efficiency and conservation benefits under this part.

(2) Approval by Secretary

(A) In general

The Secretary shall approve or disapprove a proposed strategy under paragraph (1) by not later than 120 days after the date of submission of the proposed strategy.

(B) Disapproval

If the Secretary disapproves a proposed strategy under subparagraph (A)—
(i) the Secretary shall provide to the eligible unit of local government or Indian tribe the reasons for the disapproval; and
(ii) the eligible unit of local government or Indian tribe may revise and resubmit the proposed strategy as many times as necessary until the Secretary approves a proposed strategy.

(C) Requirement

The Secretary shall not provide to an eligible unit of local government or Indian tribe any grant under the program until a proposed strategy of the eligible unit of local government or Indian tribe is approved by the Secretary under this paragraph.

(3) Limitations on use of funds

Of amounts provided to an eligible unit of local government or Indian tribe under the program, an eligible unit of local government or Indian tribe may use—

(A) for administrative expenses, excluding the cost of meeting the reporting requirements of this part, an amount equal to the greater of—
(i) 10 percent; and 2
(ii) $75,000;

(B) for the establishment of revolving loan funds, an amount equal to the greater of—
(i) 20 percent; and 2
(ii) $250,000; and

(C) for the provision of subgrants to non-governmental organizations for the purpose of assisting in the implementation of the energy efficiency and conservation strategy of the eligible unit of local government or Indian tribe, an amount equal to the greater of—
(i) 20 percent; and 2
(ii) $250,000.

(4) Annual report

Not later than 2 years after the date on which funds are initially provided to an eligible unit of local government or Indian tribe under the program, and annually thereafter, the eligible unit of local government or Indian tribe shall submit to the Secretary a report describing—
(A) the status of development and implementation of the energy efficiency and conservation strategy of the eligible unit of local government or Indian tribe; and
(B) as practicable, an assessment of energy efficiency gains within the jurisdiction of the eligible unit of local government or Indian tribe.

(c) States

(1) Distribution of funds

(A) In general

A State that receives a grant under the program shall use not less than 60 percent of the amount received to provide subgrants to units of local government in the State that are not eligible units of local government.

(B) Deadline

The State shall provide the subgrants required under subparagraph (A) by not later than 180 days after the date on which the Secretary approves a proposed energy efficiency and conservation strategy of the State under paragraph (3).

(2) Revision of conservation plan; proposed strategy

Not later than 120 days after December 19, 2007, each State shall—
(A) modify the State energy conservation plan of the State under section 6322 of this title to establish additional goals for increased energy efficiency and conservation in the State; and
(B) submit to the Secretary a proposed energy efficiency and conservation strategy that—
(i) establishes a process for providing subgrants as required under paragraph (1); and
(ii) includes a plan of the State for the use of funds received under the program to assist the State in achieving the goals established under subparagraph (A), in accordance with sections 17152(b) and 17154 of this title.

(3) Approval by Secretary

(A) In general

The Secretary shall approve or disapprove a proposed strategy under paragraph (2)(B) by not later than 120 days after the date of submission of the proposed strategy.

(B) Disapproval

If the Secretary disapproves a proposed strategy under subparagraph (A)—
(i) the Secretary shall provide to the State the reasons for the disapproval; and
(ii) the State may revise and resubmit the proposed strategy as many times as necessary until the Secretary approves a proposed strategy.

(C) Requirement
The Secretary shall not provide to a State any grant under the program until a proposed strategy of the State is approved by the Secretary under this paragraph.

(4) Limitations on use of funds
A State may use not more than 10 percent of amounts provided under the program for administrative expenses.

(5) Annual reports
Each State that receives a grant under the program shall submit to the Secretary an annual report that describes—
(A) the status of development and implementation of the energy efficiency and conservation strategy of the State during the preceding calendar year;
(B) the status of the subgrant program of the State under paragraph (1);
(C) the energy efficiency gains achieved through the energy efficiency and conservation strategy of the State during the preceding calendar year; and
(D) specific energy efficiency and conservation goals of the State for subsequent calendar years.


Effective Date
Section effective on the date that is 1 day after Dec. 19, 2007, see section 1601 of Pub. L. 110–140, set out as a note under section 1824 of Title 2, The Congress.

§ 17157. Review and evaluation

(a) In general
The Secretary may review and evaluate the performance of any eligible entity that receives a grant under the program, including by conducting an audit, as the Secretary determines to be appropriate.

(b) Withholding of funds
The Secretary may withhold from an eligible entity any portion of a grant to be provided to the eligible entity under the program if the Secretary determines that the eligible entity has failed to achieve compliance with—
(1) any applicable guideline or regulation of the Secretary relating to the program, including the misuse or misappropriation of funds provided under the program; or
(2) the energy efficiency and conservation strategy of the eligible entity.


Effective Date
Section effective on the date that is 1 day after Dec. 19, 2007, see section 1601 of Pub. L. 110–140, set out as a note under section 1824 of Title 2, The Congress.

§ 17158. Funding

(a) Authorization of appropriations

(1) Grants
There is authorized to be appropriated to the Secretary for the provision of grants under the program $2,000,000,000 for each of fiscal years 2008 through 2012.

(2) Administrative costs
There are authorized to be appropriated to the Secretary for administrative expenses of the program—
(A) $20,000,000 for each of fiscal years 2008 and 2009;
(B) $25,000,000 for each of fiscal years 2010 and 2011; and
(C) $30,000,000 for fiscal year 2012.

(b) Maintenance of funding
The funding provided under this section shall supplement (and not supplant) other Federal funding provided under—
(1) a State energy conservation plan established under part D of title III of the Energy Policy and Conservation Act (42 U.S.C. 6321 et seq.); or
§ 17172. Solar energy curriculum development and certification grants

(a) Establishment

The Secretary shall establish in the Office of Solar Energy Technologies a competitive grant program to create and strengthen solar industry workforce training and internship programs in installation, operation, and maintenance of solar energy products. The goal of this program is to ensure a supply of well-trained individuals to support the expansion of the solar energy industry.

(b) Authorized activities

Grant funds may be used to support the following activities:

1. Creation and development of a solar energy curriculum appropriate for the local educational, entrepreneurial, and environmental conditions, including curriculum for community colleges.
2. Support of certification programs for individual solar energy system installers, instructors, and training programs.
3. Internship programs that provide hands-on participation by students in commercial applications.
4. Activities required to obtain certification of training programs and facilities by an industry-accepted quality-control certification program.
5. Incorporation of solar-specific learning modules into traditional occupational training and internship programs for construction-related trades.
6. The purchase of equipment necessary to carry out activities under this section.
7. Support of programs that provide guidance and updates to solar energy curriculum instructors.

(d) Administration of grants

Grants may be awarded under this section for up to 3 years. The Secretary shall award grants to ensure sufficient geographic distribution of training programs nationally. Grants shall only be awarded for programs certified by an industry-accepted quality-control certification institution, or for new and growing programs with a credible path to certification. Due consideration shall be given to women, underrepresented minorities, and persons with disabilities.

(d) Report

The Secretary shall make public, on the website of the Department or upon request, information on the name and institution for all grants awarded under this section, including a brief description of the project as well as the grant award amount.

(c) Authorization of appropriations

There are authorized to be appropriated to the Secretary for carrying out this section $10,000,000 for each of the fiscal years 2008 through 2012.

Section effective on the date that is 1 day after Dec. 19, 2007, see section 1601 of Pub. L. 110–140, set out as a note under section 1824 of Title 2, The Congress.
§ 17173. Daylighting systems and direct solar light pipe technology

(a) Establishment

The Secretary shall establish a program of research and development to provide assistance in the demonstration and commercial application of direct solar renewable energy sources to provide alternatives to traditional power generation for lighting and illumination, including light pipe technology, and to promote greater energy conservation and improved efficiency. All direct solar renewable energy devices supported under this program shall have the capability to provide measurable data on the amount of kilowatt-hours saved over the traditionally powered light sources they have replaced.

(b) Reporting

The Secretary shall transmit to Congress an annual report assessing the measurable data derived from each project in the direct solar renewable energy sources program and the energy savings resulting from its use.

(c) Definitions

For purposes of this section—

(1) the term “direct solar renewable energy” means energy from a device that converts sunlight into useable light within a building, tunnel, or other enclosed structure, replacing artificial light generated by a light fixture and doing so without the conversion of the sunlight into another form of energy; and

(2) the term “light pipe” means a device designed to transport visible solar radiation from its collection point to the interior of a building while excluding interior heat gain in the nonheating season.

(d) Authorization of appropriations

There are authorized to be appropriated to the Secretary for carrying out this section $3,500,000 for each of the fiscal years 2008 through 2012.


Effective Date

Section effective on the date that is 1 day after Dec. 19, 2007, see section 16332 of this title shall apply to a project carried out under this section.

§ 17174. Solar air conditioning research and development program

(a) Establishment

The Secretary shall establish a program of research, development, and demonstration program to promote less costly and more reliable decentralized distributed solar-powered air conditioning for individuals and businesses.

(b) Authorized activities

Grants made available under this section may be used to support the following activities:

(1) Advancing solar thermal collectors, including concentrating solar thermal and electric systems, flat plate and evacuated tube collector performance.

(2) Achieving technical and economic integration of solar-powered distributed air-conditioning systems with existing hot water and storage systems for residential applications.

(3) Designing and demonstrating mass manufacturing capability to reduce costs of modular standardized solar-powered distributed air conditioning systems and components.

(4) Improving the efficiency of solar-powered distributed air-conditioning to increase the effectiveness of solar-powered absorption chillers, solar-driven compressors and condensors, and cost-effective precooling approaches.

(5) Researching and comparing performance of solar-powered distributed air-conditioning systems in different regions of the country, including potential integration with other on-site systems, such as solar, biogas, geothermal heat pumps, and propane assist or combined propane fuel cells, with a goal to develop site-specific energy production and management systems that ease fuel and peak utility loading.

(c) Cost sharing

Section 16332 of this title shall apply to a project carried out under this section.

(d) Authorization of appropriations

There are authorized to be appropriated to the Secretary for carrying out this section $2,500,000 for each of the fiscal years 2008 through 2012.


Effective Date

Section effective on the date that is 1 day after Dec. 19, 2007, see section 16332 of Pub. L. 110–140, set out as a note under section 1824 of Title 2, The Congress.

§ 17175. Photovoltaic demonstration program

(a) In general

The Secretary shall establish a program of grants to States to demonstrate advanced photovoltaic technology.

(b) Requirements

(1) Ability to meet requirements

To receive funding under the program under this section, a State must submit a proposal that demonstrates, to the satisfaction of the Secretary, that the State will meet the requirements of subsection (f).

(2) Compliance with requirements

If a State has received funding under this section for the preceding year, the State must demonstrate, to the satisfaction of the Secretary, that it complied with the requirements of subsection (f) in carrying out the program during that preceding year, and that it will do so in the future, before it can receive further funding under this section.

(c) Competition

The Secretary shall award grants on a competitive basis to the States with the proposals the Secretary considers most likely to encourage the widespread adoption of photovoltaic technologies. The Secretary shall take into consideration the geographic distribution of awards.

1 So in original.
(d) Proposals
Not later than 6 months after December 19, 2007, and in each subsequent fiscal year for the life of the program, the Secretary shall solicit proposals from the States to participate in the program under this section.

(e) Competitive criteria
In awarding funds in a competitive allocation under subsection (c), the Secretary shall consider—

(1) the likelihood of a proposal to encourage the demonstration of, or lower the costs of, advanced photovoltaic technologies; and
(2) the extent to which a proposal is likely to—
   (A) maximize the amount of photovoltaics demonstrated;
   (B) maximize the proportion of non-Federal cost share; and
   (C) limit State administrative costs.

(f) State program
A program operated by a State with funding under this section shall provide competitive awards for the demonstration of advanced photovoltaic technologies. Each State program shall—

(1) require a contribution of at least 60 percent per award from non-Federal sources, which may include any combination of State, local, and private funds, except that at least 10 percent of the funding must be supplied by the State;
(2) endeavor to fund recipients in the commercial, industrial, institutional, governmental, and residential sectors;
(3) limit State administrative costs to no more than 10 percent of the grant;
(4) report annually to the Secretary on—
   (A) the amount of funds disbursed;
   (B) the amount of photovoltaics purchased; and
   (C) the results of the monitoring under paragraph (5);
(5) provide for measurement and verification of the output of a representative sample of the photovoltaics systems demonstrated throughout the average working life of the systems, or at least 20 years; and
(6) require that applicant buildings must have received an independent energy efficiency audit during the 6-month period preceding the filing of the application.

(g) Unexpended funds
If a State fails to expend any funds received under this section within 3 years of receipt, such remaining funds shall be returned to the Treasury.

(h) Reports
The Secretary shall report to Congress 5 years after funds are first distributed to the States under this section—

(1) the amount of photovoltaics demonstrated;
(2) the number of projects undertaken;
(3) the administrative costs of the program;
(4) the results of the monitoring under subsection (f)(5); and
(5) the total amount of funds distributed, including a breakdown by State.

(i) Authorization of appropriations
There are authorized to be appropriated to the Secretary for the purposes of carrying out this section—

(1) $15,000,000 for fiscal year 2008;
(2) $30,000,000 for fiscal year 2009;
(3) $45,000,000 for fiscal year 2010;
(4) $60,000,000 for fiscal year 2011; and
(5) $70,000,000 for fiscal year 2012.


PART B—GEOTHERMAL ENERGY

§ 17191. Definitions
For purposes of this part:

(1) Engineered
When referring to enhanced geothermal systems, the term “engineered” means subjected to intervention, including intervention to address one or more of the following issues:
   (A) Lack of effective permeability or porosity or open fracture connectivity within the reservoir.
   (B) Insufficient contained geofluid in the reservoir.
   (C) A low average geothermal gradient, which necessitates deeper drilling.

(2) Enhanced geothermal systems
The term “enhanced geothermal systems” means geothermal reservoir systems that are engineered, as opposed to occurring naturally.

(3) Geofluid
The term “geofluid” means any fluid used to extract thermal energy from the Earth which is transported to the surface for direct use or electric power generation, except that such term shall not include oil or natural gas.

(4) Geopressed resources
The term “geopressed resources” mean geothermal deposits found in sedimentary rocks under higher than normal pressure and saturated with gas or methane.

(5) Geothermal
The term “geothermal” refers to heat energy stored in the Earth’s crust that can be accessed for direct use or electric power generation.

(6) Hydrothermal
The term “hydrothermal” refers to naturally occurring subsurface reservoirs of hot water or steam.

(7) Systems approach
The term “systems approach” means an approach to solving problems or designing systems that attempts to optimize the performance of the overall system, rather than a particular component of the system.

§ 17192  TITLE 42—THE PUBLIC HEALTH AND WELFARE

§ 17192. Hydrothermal research and development

(a) In general

The Secretary shall support programs of research, development, demonstration, and commercial application to expand the use of geothermal energy production from hydrothermal systems, including the programs described in subsection (b).

(b) Programs

(1) Advanced hydrothermal resource tools

The Secretary, in consultation with other appropriate agencies, shall support a program to develop advanced geophysical, geochemical, and geologic tools to assist in locating hidden hydrothermal resources, and to increase the reliability of site characterization before, during, and after initial drilling. The program shall develop new prospecting techniques to assist in prioritization of targets for characterization. The program shall include a field component.

(2) Industry coupled exploratory drilling

The Secretary shall support a program of cost-shared field demonstration programs, to be pursued, simultaneously and independently, in collaboration with industry partners, for the demonstration of advanced technologies and techniques of siting and exploratory drilling for undiscovered resources in a variety of geologic settings. The program shall include incentives to encourage the use of advanced technologies and techniques.


§ 17193. General geothermal systems research and development

(a) Subsurface components and systems

The Secretary shall support a program of research, development, demonstration, and commercial application of components and systems capable of withstanding extreme geothermal environments and necessary to cost-effectively develop, produce, and monitor geothermal reservoirs and produce geothermal energy. These components and systems shall include advanced casing systems (expandable tubular casing, low-clearance casing designs, and others), high-temperature cements, high-temperature submersible pumps, and high-temperature packers, as well as technologies for under-reaming, multilateral completions, high-temperature and high-pressure logging, logging while drilling, deep fracture stimulation, and reservoir system diagnostics.

(b) Reservoir performance modeling

The Secretary shall support a program of research, development, demonstration, and commercial application of models of geothermal reservoir performance, with an emphasis on accurately modeling performance over time. Models shall be developed to assist both in the development of geothermal reservoirs and to more accurately account for stress-related effects in stimulated hydrothermal and enhanced geothermal systems production environments.

(c) Environmental impacts

The Secretary shall—

(1) support a program of research, development, demonstration, and commercial application of technologies and practices designed to mitigate or preclude potential adverse environmental impacts of geothermal energy development, production or use, and seek to ensure that geothermal energy development is consistent with the highest practicable standards of environmental stewardship;

(2) in conjunction with the Assistant Administrator for Research and Development at the Environmental Protection Agency, support a research program to identify potential environmental impacts of geothermal energy development, production, and use, and ensure that the program described in paragraph (1) addresses such impacts, including effects on groundwater and local hydrology; and

(3) support a program of research to compare the potential environmental impacts identified as part of the development, production, and use of geothermal energy with the potential emission reductions of greenhouse gases gained by geothermal energy development, production, and use.


§ 17194. Enhanced geothermal systems research and development

(a) In general

The Secretary shall support a program of research, development, demonstration, and commercial application for enhanced geothermal systems, including the programs described in subsection (b).

(b) Programs

(1) Enhanced geothermal systems technologies

The Secretary shall support a program of research, development, demonstration, and commercial application of the technologies and knowledge necessary for enhanced geothermal systems to advance to a state of commercial readiness, including advances in—

(A) reservoir stimulation;

(B) reservoir characterization, monitoring, and modeling;

(C) stress mapping;
(D) tracer development;  
(E) three-dimensional tomography; and  
(F) understanding seismic effects of reservoir engineering and stimulation.

(2) Enhanced geothermal systems reservoir stimulation

(A) Program

In collaboration with industry partners, the Secretary shall support a program of research, development, and demonstration of enhanced geothermal systems reservoir stimulation technologies and techniques. A minimum of 4 sites shall be selected in locations that show particular promise for enhanced geothermal systems development. Each site shall—  
(i) represent a different class of subsurface geologic environments; and  
(ii) take advantage of an existing site where subsurface characterization has been conducted or existing drill holes can be utilized, if possible.

(B) Consideration of existing site

The Desert Peak, Nevada, site, where a Department of Energy and industry cooperative enhanced geothermal systems project is already underway, may be considered for inclusion among the sites selected under subparagraph (A).


Effective Date
Section effective on the date that is 1 day after Dec. 19, 2007, see section 1601 of Pub. L. 110–140, set out as a note under section 1824 of Title 2, The Congress.

§ 17195. Geothermal energy production from oil and gas fields and recovery and production of geopressured gas resources

(a) In general

The Secretary shall establish a program of research, development, demonstration, and commercial application to support development of geothermal energy production from oil and gas fields and production and recovery of energy, including electricity, from geopressed resources. In addition, the Secretary shall conduct such supporting activities including research, resource characterization, and technology development as necessary.

(b) Geothermal energy production from oil and gas fields

The Secretary shall implement a grant program in support of geothermal energy production from oil and gas fields. The program shall include grants for a total of not less than three demonstration projects of the use of geothermal techniques such as advanced organic rankine cycle systems at marginal, unproductive, and productive oil and gas wells. The Secretary shall, to the extent practicable and in the public interest, make awards that—  
(1) include not less than five oil or gas well sites per project award;  
(2) use a range of oil or gas well hot water source temperatures from 150 degrees Fahrenheit to 300 degrees Fahrenheit;  
(3) cover a range of sizes up to one megawatt;  
(4) are located at a range of sites;  
(5) may be replicated at a wide range of sites;  
(6) facilitate identification of optimum techniques among competing alternatives;  
(7) include business commercialization plans that have the potential for production of equipment at high volumes and operation and support at a large number of sites; and  
(8) satisfy other criteria that the Secretary determines are necessary to carry out the program and collect necessary data and information.

The Secretary shall give preference to assessments that address multiple elements contained in paragraphs (1) through (8).

(c) Grant awards

Each grant award for demonstration of geothermal technology such as advanced organic rankine cycle systems at oil and gas wells made by the Secretary under subsection (b) shall include—  
(1) necessary and appropriate site engineering study;  
(2) detailed economic assessment of site specific conditions;  
(3) appropriate feasibility studies to determine whether the demonstration can be replicated;  
(4) design or adaptation of existing technology for site specific circumstances or conditions;  
(5) installation of equipment, service, and support;  
(6) operation for a minimum of 1 year and monitoring for the duration of the demonstration; and  
(7) validation of technical and economic assumptions and documentation of lessons learned.

(d) Geopressed gas resource recovery and production

(1) The Secretary shall implement a program to support the research, development, demonstration, and commercial application of cost-effective techniques to produce energy from geopressed resources.

(2) The Secretary shall solicit preliminary engineering designs for geopressed resources production and recovery facilities.

(3) Based upon a review of the preliminary designs, the Secretary shall award grants, which may be cost-shared, to support the detailed development and completion of engineering, architectural and technical plans needed to support construction of new designs.

(4) Based upon a review of the final design plans above, the Secretary shall award cost-shared development and construction grants for demonstration geopressed production facilities that show potential for economic recovery of the heat, kinetic energy and gas resources from geopressed resources.

(e) Competitive grant selection

Not less than 90 days after December 19, 2007, the Secretary shall conduct a national solicitation for applications for grants under the programs outlined in subsections (b) and (d). Grant
recipients shall be selected on a competitive basis based on criteria in the respective subsection.

(f) Well drilling

No funds may be used under this section for the purpose of drilling new wells.


Effective Date
Section effective on the date that is 1 day after Dec. 19, 2007, see section 1601 of Pub. L. 110–140, set out as a note under section 1824 of Title 2, The Congress.

§ 17196. Cost sharing and proposal evaluation

(a) Federal share

The Federal share of costs of projects funded under this part shall be in accordance with section 16352 of this title.

(b) Organization and administration of programs

Programs under this part shall incorporate the following elements:

1. The Secretary shall coordinate with, and where appropriate may provide funds in furtherance of the purposes of this part to, other Department of Energy research and development programs focused on drilling, subsurface characterization, and other related technologies.

2. In evaluating proposals, the Secretary shall give priority to proposals that demonstrate clear evidence of employing a systems approach.

3. The Secretary shall coordinate and consult with the appropriate Federal land management agencies in selecting proposals for funding under this part.

4. Nothing in this part shall be construed to alter or affect any law relating to the management or protection of Federal lands.


Effective Date
Section effective on the date that is 1 day after Dec. 19, 2007, see section 1601 of Pub. L. 110–140, set out as a note under section 1824 of Title 2, The Congress.

§ 17197. Center for Geothermal Technology Transfer

(a) In general

The Secretary shall award to an institution of higher education (or consortium thereof) a grant to establish a Center for Geothermal Technology Transfer (referred to in this section as the “Center”).

(b) Duties

The Center shall—

1. serve as an information clearinghouse for the geothermal industry by collecting and disseminating information on best practices in all areas relating to developing and utilizing geothermal resources;

2. make data collected by the Center available to the public; and

3. seek opportunities to coordinate efforts and share information with domestic and international partners engaged in research and development of geothermal systems and related technology.

(c) Selection criteria

In awarding the grant under subsection (a) the Secretary shall select an institution of higher education (or consortium thereof) best suited to provide national leadership on geothermal related issues and perform the duties enumerated under subsection (b).

(d) Duration of grant

A grant made under subsection (a)—

1. shall be for an initial period of 5 years; and

2. may be renewed for additional 5-year periods on the basis of—

(A) satisfactory performance in meeting the duties outlined in subsection (b); and

(B) any other requirements specified by the Secretary.


Effective Date
Section effective on the date that is 1 day after Dec. 19, 2007, see section 1601 of Pub. L. 110–140, set out as a note under section 1824 of Title 2, The Congress.

§ 17198. GeoPowering America

The Secretary shall expand the Department of Energy’s GeoPowering the West program to extend its geothermal technology transfer activities throughout the entire United States. The program shall be renamed “GeoPowering America”. The program shall continue to be based in the Department of Energy office in Golden, Colorado.


Effective Date
Section effective on the date that is 1 day after Dec. 19, 2007, see section 1601 of Pub. L. 110–140, set out as a note under section 1824 of Title 2, The Congress.

§ 17199. Educational pilot program

The Secretary shall seek to award grant funding, on a competitive basis, to an institution of higher education for a geothermal-powered energy generation facility on the institution’s campus. The purpose of the facility shall be to provide electricity and space heating. The facility shall also serve as an educational resource to students in relevant fields of study, and the data generated by the facility shall be available to students and the general public. The total funding award shall not exceed $2,000,000.


Effective Date
Section effective on the date that is 1 day after Dec. 19, 2007, see section 1601 of Pub. L. 110–140, set out as a note under section 1824 of Title 2, The Congress.

§ 17200. Reports

(a) Reports on advanced uses of geothermal energy

Not later than 3 years and 5 years after December 19, 2007, the Secretary shall report to the
§ 17202. Authorization of appropriations

There are authorized to be appropriated to the Secretary to carry out this part $90,000,000 for each of the fiscal years 2008 through 2012, of which $10,000,000 for each fiscal year shall be for carrying out section 17195 of this title. There are also authorized to be appropriated to the Secretary for the Intermountain West Geothermal Consortium $5,000,000, for each of the fiscal years 2008 through 2012.


Effective Date
Section effective on the date that is 1 day after Dec. 19, 2007, see section 1601 of Pub. L. 110–140, set out as a note under section 1824 of Title 2, The Congress.

§ 17203. International geothermal energy development

(a) In general

The Secretary of Energy, in coordination with other appropriate Federal and multilateral agencies (including the United States Agency for International Development) shall support international collaborative efforts to promote the research, development, and deployment of geothermal technologies used to develop hydrothermal and enhanced geothermal system resources, including as partners (as appropriate) the African Rift Geothermal Development Facility, Australia, China, France, the Republic of Iceland, India, Japan, and the United Kingdom.

(b) United States Trade and Development Agency

The Director of the United States Trade and Development Agency may—

(1) encourage participation by United States firms in actions taken to carry out subsection (a); and

(2) provide grants and other financial support for feasibility and resource assessment studies conducted in, or intended to benefit, less developed countries.

(c) Authorization of appropriations

There are authorized to be appropriated to carry out this section $5,000,000 for each of fiscal years 2008 through 2012.


Effective Date
Section effective on the date that is 1 day after Dec. 19, 2007, see section 1601 of Pub. L. 110–140, set out as a note under section 1824 of Title 2, The Congress.

§ 17204. High cost region geothermal energy grant program

(a) Definitions

In this section:

(1) Eligible entity

The term “eligible entity” means—

(A) a utility;

(B) an electric cooperative;

(C) a State;

(D) a political subdivision of a State;

(E) an Indian tribe; or
§ 17211

For purposes of this part, the term “marine and hydrokinetic renewable energy” means electrical energy from—

(1) waves, tides, and currents in oceans, estuaries, and tidal areas;
(2) free flowing water in rivers, lakes, and streams;
(3) free flowing water in man-made channels; and
(4) differentials in ocean temperature (ocean thermal energy conversion).

The term “marine and hydrokinetic renewable energy” does not include energy from any source that uses a dam, diversionary structure, or impoundment for electric power purposes.

(F) a Native corporation.

(2) High-cost region

The term “high-cost region” means a region in which the average cost of electrical power exceeds 150 percent of the national average retail cost, as determined by the Secretary.

(b) Program

The Secretary shall use amounts made available to carry out this section to make grants to eligible entities for activities described in subsection (c).

(c) Eligible activities

An eligible entity may use grant funds under this section, with respect to a geothermal energy project in a high-cost region, only—

(1) to conduct a feasibility study, including a study of exploration, geochemical testing, geomagnetic surveys, geologic information gathering, baseline environmental studies, well drilling, resource characterization, permitting, and economic analysis;
(2) for design and engineering costs, relating to the project; and
(3) to demonstrate and promote commercial application of technologies related to geothermal energy as part of the project.

(d) Cost sharing

The cost-sharing requirements of section 16332 of this title shall apply to any project carried out under this section.

(e) Authorization of appropriations

There are authorized to be appropriated such sums as are necessary to carry out this section.


Effective Date

Section effective on the date that is 1 day after Dec. 19, 2007, see section 1601 of Pub. L. 110–140, set out as a note under section 1824 of Title 2, The Congress.
scale between other renewable sources and marine and hydrokinetic renewable energy sources; and

(14) providing\(^2\) public information and opportunity for public comment concerning all technologies.

(b) Report

Not later than 18 months after December 19, 2007, the Secretary, in conjunction with the Secretary of Commerce, acting through the Under-secretary of Commerce for Oceans and Atmosphere, and the Secretary of the Interior, shall provide to the Congress a report that addresses—

(1) the potential environmental impacts, including impacts to fisheries and marine resources, of marine and hydrokinetic renewable energy technologies;

(2) options to prevent adverse environmental impacts;

(3) the potential role of monitoring and adaptive management in identifying and addressing any adverse environmental impacts; and

(4) the necessary components of such an adaptive management program.


**Effective Date**

Section effective on the date that is 1 day after Dec. 19, 2007, see section 1601 of Pub. L. 110–140, set out as a note under section 16231(a)(2)(E)(i) of this title.

§ 17231. Energy storage competitiveness

(a) Short title

This section may be cited as the “United States Energy Storage Competitiveness Act of 2007”.

(b) Definitions

In this section:

(1) Council

The term “Council” means the Energy Storage Advisory Council established under subsection (e).

---

\(^2\)So in original. Probably should be “provide”.
§ 17231

(2) Compressed air energy storage

The term "compressed air energy storage" means, in the case of an electricity grid application, the storage of energy through the compression of air.

(3) Electric drive vehicle

The term "electric drive vehicle" means—

(A) a vehicle that uses an electric motor for all or part of the motive power of the vehicle, including battery electric, hybrid electric, plug-in hybrid electric, fuel cell, and plug-in fuel cell vehicles and rail transportation vehicles; or

(B) mobile equipment that uses an electric motor to replace an internal combustion engine for all or part of the work of the equipment.

(4) Islanding

The term "islanding" means a distributed generator or energy storage device continuing to power a location in the absence of electric power from the primary source.

(5) Flywheel

The term "flywheel" means, in the case of an electricity grid application, a device used to store rotational kinetic energy.

(6) Microgrid

The term "microgrid" means an integrated energy system consisting of interconnected loads and distributed energy resources (including generators and energy storage devices), which as an integrated system can operate in parallel with the utility grid or in an intentional islanding mode.

(7) Self-healing grid

The term "self-healing grid" means a grid that is capable of automatically anticipating and responding to power system disturbances (including the isolation of failed sections and components), while optimizing the performance and service of the grid to customers.

(8) Spinning reserve services

The term "spinning reserve services" means a quantity of electric generating capacity in excess of the quantity needed to meet peak electric demand.

(9) Ultracapacitor

The term "ultracapacitor" means an energy storage device that has a power density comparable to a conventional capacitor but is capable of exceeding the energy density of a conventional capacitor by several orders of magnitude.

(c) Program

The Secretary shall carry out a research, development, and demonstration program to support the ability of the United States to remain globally competitive in energy storage systems for electric drive vehicles, stationary applications, and electricity transmission and distribution.

(d) Coordination

In carrying out the activities of this section, the Secretary shall coordinate relevant efforts with appropriate Federal agencies, including the Department of Transportation.

(e) Energy Storage Advisory Council

(1) Establishment

Not later than 90 days after December 19, 2007, the Secretary shall establish an Energy Storage Advisory Council.

(2) Composition

(A) In general

Subject to subparagraph (B), the Council shall consist of not less than 15 individuals appointed by the Secretary, based on recommendations of the National Academy of Sciences.

(B) Energy storage industry

The Council shall consist primarily of representatives of the energy storage industry of the United States.

(C) Chairperson

The Secretary shall select a Chairperson for the Council from among the members appointed under subparagraph (A).

(3) Meetings

(A) In general

The Council shall meet not less than once a year.

(B) Federal Advisory Committee Act

The Federal Advisory Committee Act (5 U.S.C. App.) shall apply to a meeting of the Council.

(4) Plans

No later than 1 year after December 19, 2007, and every 5 years thereafter, the Council, in conjunction with the Secretary, shall develop a 5-year plan for integrating basic and applied research so that the United States retains a globally competitive domestic energy storage industry for electric drive vehicles, stationary applications, and electricity transmission and distribution.

(5) Review

The Council shall—

(A) assess, every 2 years, the performance of the Department in meeting the goals of the plans developed under paragraph (4); and

(B) make specific recommendations to the Secretary on programs or activities that should be established or terminated to meet those goals.

(f) Basic research program

(1) Basic research

The Secretary shall conduct a basic research program on energy storage systems to support electric drive vehicles, stationary applications, and electricity transmission and distribution, including—

(A) materials design;

(B) materials synthesis and characterization;

(C) electrode-active materials, including electrolytes and bioelectrolytes;

(D) surface and interface dynamics;

(E) modeling and simulation; and

(F) thermal behavior and life degradation mechanisms.

(2) Nanoscience centers

The Secretary, in cooperation with the Council, shall coordinate the activities of the
nanoscience centers of the Department to help the energy storage research centers of the Department maintain a globally competitive posture in energy storage systems for electric drive vehicles, stationary applications, and electricity transmission and distribution.

(3) Funding
For activities carried out under this subsection, in addition to funding activities at National Laboratories, the Secretary shall award funds to, and coordinate activities with, a range of stakeholders including the public, private, and academic sectors.

(g) Applied research program
(1) In general
The Secretary shall conduct an applied research program on energy storage systems to support electric drive vehicles, stationary applications, and electricity transmission and distribution technologies, including—

(A) ultracapacitors;
(B) flywheels;
(C) batteries and battery systems (including flow batteries);
(D) compressed air energy systems;
(E) power conditioning electronics;
(F) manufacturing technologies for energy storage systems;
(G) thermal management systems; and
(H) hydrogen as an energy storage medium.

(2) Funding
For activities carried out under this subsection, in addition to funding activities at National Laboratories, the Secretary shall provide funds to, and coordinate activities with, a range of stakeholders, including the public, private, and academic sectors.

(h) Energy storage research centers
(1) In general
The Secretary shall establish, through competitive bids, not more than 4 energy storage research centers to translate basic research into applied technologies to advance the capability of the United States to maintain a globally competitive posture in energy storage systems for electric drive vehicles, stationary applications, and electricity transmission and distribution.

(2) Program management
The centers shall be managed by the Under Secretary for Science of the Department.

(3) Participation agreements
As a condition of participating in a center, a participant shall enter into a participation agreement with the center that requires that activities conducted by the participant for the center promote the goal of enabling the United States to compete successfully in global energy storage markets.

(4) Plans
A center shall conduct activities that promote the achievement of the goals of the plans of the Council under subsection (e)(4).

(5) National laboratories
A national laboratory (as defined in section 15801 of this title) may participate in a center established under this subsection, including a cooperative research and development agreement (as defined in section 3710a(d) of title 15).

(6) Disclosure
Section 13293 of this title may apply to any project carried out through a grant, contract, or cooperative agreement under this subsection.

(7) Intellectual property
In accordance with section 202(a)(ii) of title 35, section 212 of this title, and section 5908 of this title, the Secretary may require, for any new invention developed under this subsection, that—

(A) if an industrial participant is active in an energy storage research center established under this subsection relating to the advancement of energy storage technologies carried out, in whole or in part, with Federal funding, the industrial participant be granted the first option to negotiate with the invention owner, at least in the field of energy storage technologies, nonexclusive licenses, and royalties on terms that are reasonable, as determined by the Secretary;

(B) if 1 or more industry participants are active in a center, during a 2-year period beginning on the date on which an invention is made—

(i) the patent holder shall not negotiate any license or royalty agreement with any entity that is not an industrial participant under this subsection; and

(ii) the patent holder shall negotiate nonexclusive licenses and royalties in good faith with any interested industrial participant under this subsection; and

(C) the new invention be developed under such other terms as the Secretary determines to be necessary to promote the accelerated commercialization of inventions made under this subsection to advance the capability of the United States to successfully compete in global energy storage markets.

(i) Energy storage systems demonstrations
(1) In general
The Secretary shall carry out a program of new demonstrations of advanced energy storage systems.

(2) Scope
The demonstrations shall—

(A) be regionally diversified; and

(B) expand on the existing technology demonstration program of the Department.

(3) Stakeholders
In carrying out the demonstrations, the Secretary shall, to the maximum extent practicable, include the participation of a range of stakeholders, including—

(A) rural electric cooperatives;
(B) investor owned utilities;
(C) municipally owned electric utilities;
(D) energy storage systems manufacturers;
(E) electric drive vehicle manufacturers;

\[1\text{So in original. Probably should be “an”}.]
(F) the renewable energy production industry;
(G) State or local energy offices;
(H) the fuel cell industry; and
(I) institutions of higher education.

(4) Objectives

Each of the demonstrations shall include 1 or more of the following:

(A) Energy storage to improve the feasibility of microgrids or islanding, or transmission and distribution capability, to improve reliability in rural areas.
(B) Integration of an energy storage system with a self-healing grid.
(C) Use of energy storage to improve security to emergency response infrastructure and ensure availability of emergency backup power for consumers.
(D) Integration with a renewable energy production source, at the source or away from the source.
(E) Use of energy storage to provide ancillary services, such as spinning reserve services, for grid management.
(F) Advancement of power conversion systems to make the systems smarter, more efficient, able to communicate with other inverters, and able to control voltage.
(G) Use of energy storage to optimize transmission and distribution operation and power quality, which could address overloaded lines and maintenance of transformers and substations.
(H) Use of advanced energy storage for peak load management of homes, businesses, and the grid.
(I) Use of energy storage devices to store energy during nonpeak generation periods to make better use of existing grid assets.

(j) Vehicle energy storage demonstration

(1) In general

The Secretary shall carry out a program of electric drive vehicle energy storage technology demonstrations.

(2) Consortia

The technology demonstrations shall be conducted through consortia, which may include—

(A) energy storage systems manufacturers and suppliers of the manufacturers;
(B) electric drive vehicle manufacturers;
(C) rural electric cooperatives;
(D) investor owned utilities;
(E) municipal and rural electric utilities;
(F) State and local governments;
(G) metropolitan transportation authorities; and
(H) institutions of higher education.

(3) Objectives

The program shall demonstrate 1 or more of the following:

(A) Novel, high capacity, high efficiency energy storage, charging, and control systems, along with the collection of data on performance characteristics, such as battery life, energy storage capacity, and power delivery capacity.
(B) Advanced onboard energy management systems and highly efficient battery cooling systems.

(C) Integration of those systems on a prototype vehicular platform, including with drivetrain systems for passenger, commercial, and nonroad electric drive vehicles.
(D) New technologies and processes that reduce manufacturing costs.
(E) Integration of advanced vehicle technologies with electricity distribution system and smart metering technology.
(F) Control systems that minimize emissions profiles in cases in which clean diesel engines are part of a plug-in hybrid drive system.

(k) Secondary applications and disposal of electric drive vehicle batteries

The Secretary shall carry out a program of research, development, and demonstration of—

(1) secondary applications of energy storage devices following service in electric drive vehicles; and
(2) technologies and processes for final recycling and disposal of the devices.

(l) Cost sharing

The Secretary shall carry out the programs established under this section in accordance with section 16352 of this title.

(m) Merit review of proposals

The Secretary shall carry out the programs established under subsections (i), (j), and (k) in accordance with section 16353 of this title.

(n) Coordination and nonduplication

To the maximum extent practicable, the Secretary shall coordinate activities under this section with other programs and laboratories of the Department and other Federal research programs.

(o) Review by National Academy of Sciences

On the business day that is 5 years after December 19, 2007, the Secretary shall offer to enter into an arrangement with the National Academy of Sciences to assess the performance of the Department in carrying out this section.

(p) Authorization of appropriations

There are authorized to be appropriated to carry out—

(1) the basic research program under subsection (f) $50,000,000 for each of fiscal years 2009 through 2018;
(2) the applied research program under subsection (g) $80,000,000 for each of fiscal years 2009 through 2018; and;²
(3) the energy storage research center program under section (h) $100,000,000 for each of fiscal years 2009 through 2018;
(4) the energy storage systems demonstration program under subsection (i) $30,000,000 for each of fiscal years 2009 through 2018;
(5) the vehicle energy storage demonstration program under subsection (j) $30,000,000 for each of fiscal years 2009 through 2018; and
(6) the secondary applications and disposal of electric drive vehicle batteries program under subsection (k) $5,000,000 for each of fiscal years 2009 through 2018.

²So in original.
§ 17241. Lightweight materials research and development

(a) In general

As soon as practicable after December 19, 2007, the Secretary of Energy shall establish a program to determine ways in which the weight of motor vehicles could be reduced to improve fuel efficiency without compromising passenger safety by conducting research, development, and demonstration relating to—

(1) the development of new materials (including cast metal composite materials formed by autocombustion synthesis) and material processes that yield a higher strength-to-weight ratio or other properties that reduce vehicle weight; and

(2) reducing the cost of—

(A) lightweight materials (including high-strength steel alloys, aluminum, magnesium, metal composites, and carbon fiber reinforced polymer composites) with the properties required for construction of lightweight vehicles; and

(B) materials processing, automated manufacturing, joining, and recycling lightweight materials for high-volume applications.

(b) Authorization of appropriations

There is authorized to be appropriated to carry out this section $80,000,000 for the period of fiscal years 2008 through 2012.


Effective Date
Section effective on the date that is 1 day after Dec. 19, 2007, see section 1601 of Pub. L. 110–140, set out as a note under section 1824 of Title 2, The Congress.

PART E—MISCELLANEOUS PROVISIONS

§ 17242. Commercial insulation demonstration program

(a) Definitions

In this section:

(1) Advanced insulation

The term "advanced insulation" means insulation that has an R value of not less than R35 per inch.

(2) Covered refrigeration unit

The term "covered refrigeration unit" means any—

(A) commercial refrigerated truck;

(B) commercial refrigerated trailer; or

(C) commercial refrigerator, freezer, or refrigerator-freezer described in section 6313(c) of this title.

(b) Report

Not later than 90 days after December 19, 2007, the Secretary shall submit to Congress a report that includes an evaluation of—

(1) the state of technological advancement of advanced insulation; and

(2) the projected amount of cost savings that would be generated by implementing advanced insulation into covered refrigeration units.

(c) Demonstration program

(1) Establishment

If the Secretary determines in the report described in subsection (b) that the implementation of advanced insulation into covered refrigeration units would generate an economically justifiable amount of cost savings, the Secretary, in cooperation with manufacturers of covered refrigeration units, shall establish a demonstration program under which the Secretary shall demonstrate the cost-effectiveness of advanced insulation.

(2) Disclosure

The Secretary may, for a period of up to 5 years after an award is granted under the demonstration program, exempt from mandatory disclosure under section 552 of title 5 (popularly known as the Freedom of Information Act) information that the Secretary determines would be a privileged or confidential trade secret or commercial or financial information under subsection (b)(4) of such section if the information had been obtained from a non-Government party.

(3) Cost-sharing

Section 16352 of this title shall apply to any project carried out under this subsection.

(d) Authorization of appropriations

There is authorized to be appropriated to carry out this section $8,000,000 for the period of fiscal years 2009 through 2014.


Effective Date
Section effective on the date that is 1 day after Dec. 19, 2007, see section 1601 of Pub. L. 110–140, set out as a note under section 1824 of Title 2, The Congress.

§ 17243. Bright Tomorrow Lighting Prizes

(a) Establishment

Not later than 1 year after December 19, 2007, as part of the program carried out under section 16396 of this title, the Secretary shall establish and award Bright Tomorrow Lighting Prizes for solid state lighting in accordance with this section.

(b) Prize specifications

(1) 60-Watt Incandescent Replacement Lamp Prize

The Secretary shall award a 60-Watt Incandescent Replacement Lamp Prize to an entrant that produces a solid-state-light package simultaneously capable of—

(A) producing a luminous flux greater than 900 lumens;

(B) consuming less than or equal to 10 watts;
(C) having an efficiency greater than 90 lumens per watt;
(D) having a color rendering index greater than 90;
(E) having a correlated color temperature of not less than 2,750, and not more than 3,000, degrees Kelvin;
(F) having 70 percent of the lumen value under subparagraph (A) exceeding 25,000 hours under typical conditions expected in residential use;
(G) having a light distribution pattern similar to a soft 60-watt incandescent A19 bulb;
(H) having a size and shape that fits within the maximum dimensions of an A19 bulb in accordance with American National Standards Institute standard C78.20–2003, figure C78.20–211;
(I) using a single contact medium screw socket; and
(J) mass production for a competitive sales commercial market satisfied by producing commercially accepted quality control lots of such units equal to or exceeding the criteria described in subparagraphs (A) through (I).

(2) PAR Type 38 Halogen Replacement Lamp Prize
The Secretary shall award a Parabolic Aluminized Reflector Type 38 Halogen Replacement Lamp Prize (referred to in this section as the “PAR Type 38 Halogen Replacement Lamp Prize”) to an entrant that produces a solid-state-light package simultaneously capable of—
(A) producing a luminous flux greater than or equal to 1,350 lumens; 
(B) consuming less than or equal to 11 watts; 
(C) having an efficiency greater than 123 lumens per watt; 
(D) having a color rendering index greater than or equal to 90; 
(E) having a correlated color coordinate temperature of not less than 2,750, and not more than 3,000, degrees Kelvin; 
(F) having 70 percent of the lumen value under subparagraph (A) exceeding 25,000 hours under typical conditions expected in residential use; 
(G) having a light distribution pattern similar to a PAR 38 halogen lamp; 
(H) having a size and shape that fits within the maximum dimensions of a PAR 38 halogen lamp in accordance with American National Standards Institute standard C78–21–2003, figure C78.21–238; 
(I) using a single contact medium screw socket; and
(J) mass production for a competitive sales commercial market satisfied by producing commercially accepted quality control lots of such units equal to or exceeding the criteria described in subparagraphs (A) through (I).

(3) Twenty-First Century Lamp Prize
The Secretary shall award a Twenty-First Century Lamp Prize to an entrant that produces a solid-state-light-light capable of—
(A) producing a light output greater than 1,200 lumens;
(B) having an efficiency greater than 150 lumens per watt;
(C) having a color rendering index greater than 90;
(D) having a color coordinate temperature between 2,800 and 3,000 degrees Kelvin; and
(E) having a lifetime exceeding 25,000 hours.

(c) Private funds
(1) In general
Subject to paragraph (2), and notwithstanding section 3302 of title 31, the Secretary may accept, retain, and use funds contributed by any person, government entity, or organization for purposes of carrying out this subsection—
(A) without further appropriation; and
(B) without fiscal year limitation.

(2) Prize competition
A private source of funding may not participate in the competition for prizes awarded under this section.

(d) Technical review
The Secretary shall establish a technical review committee composed of non-Federal officers to review entrant data submitted under this section to determine whether the data meets the prize specifications described in subsection (b).

(e) Third party administration
The Secretary may competitively select a third party to administer awards under this section.

(f) Eligibility for prizes
To be eligible to be awarded a prize under this section—
(1) in the case of a private entity, the entity shall be incorporated in and maintain a primary place of business in the United States; and
(2) in the case of an individual (whether participating as a single individual or in a group), the individual shall be a citizen or lawful permanent resident of the United States.

(g) Award amounts
Subject to the availability of funds to carry out this section, the amount of—
(1) the 60-Watt Incandescent Replacement Lamp Prize described in subsection (b)(1) shall be $10,000,000; 
(2) the PAR Type 38 Halogen Replacement Lamp Prize described in subsection (b)(2) shall be $5,000,000; and
(3) the Twenty-First Century Lamp Prize described in subsection (b)(3) shall be $5,000,000.

(h) Federal procurement of solid-state-lights
(1) 60-watt incandescent replacement
Subject to paragraph (3), as soon as practicable after the successful award of the 60-Watt Incandescent Replacement Lamp Prize under subsection (b)(1), the Secretary (in consultation with the Administrator of General Services) shall develop governmentwide Federal purchase guidelines with a goal of replacing the use of 60-watt incandescent lamps in
Federal Government buildings with a solid-state-light package described in subsection (b)(1) by not later than the date that is 5 years after the date the award is made.

(2) PAR 38 halogen replacement lamp replacement

Subject to paragraph (3), as soon as practicable after the successful award of the PAR Type 38 Halogen Replacement Lamp Prize under subsection (b)(2), the Secretary (in consultation with the Administrator of General Services) shall develop governmentwide Federal purchase guidelines with the goal of replacing the use of PAR 38 halogen lamps in Federal Government buildings with a solid-state-light package described in subsection (b)(2) by not later than the date that is 5 years after the date the award is made.

(3) Waivers

(A) In general
The Secretary or the Administrator of General Services may waive the application of paragraph (1) or (2) if the Secretary or Administrator determines that the return on investment from the purchase of a solid-state-light package described in paragraph (1) or (2) of subsection (b), respectively, is cost prohibitive.

(B) Report of waiver
If the Secretary or Administrator waives the application of paragraph (1) or (2), the Secretary or Administrator, respectively, shall submit to Congress an annual report that describes the waiver and provides a detailed justification for the waiver.

(i) Report
Not later than 2 years after December 19, 2007, and annually thereafter, the Administrator of General Services shall submit to the Energy Information Agency a report describing the quantity, type, and cost of each lighting product purchased by the Federal Government.

(j) Bright Tomorrow Lighting Award Fund

(1) Establishment
There is established in the United States Treasury a Bright Tomorrow Lighting permanent fund without fiscal year limitation to award prizes under paragraphs (1), (2), and (3) of subsection (b).

(2) Sources of funding
The fund established under paragraph (1) shall accept—

(A) fiscal year appropriations; and

(B) private contributions authorized under subsection (c).

(k) Authorization of appropriations
There are authorized to be appropriated such sums as are necessary to carry out this section.


§ 17244. Renewable Energy Innovation Manufacturing Partnership

(a) Establishment
The Secretary shall carry out a program, to be known as the Renewable Energy Innovation Manufacturing Partnership Program (referred to in this section as the “Program”), to make assistance awards to eligible entities for use in carrying out research, development, and demonstration relating to the manufacturing of renewable energy technologies.

(b) Solicitation
To carry out the Program, the Secretary shall annually conduct a competitive solicitation for assistance awards for an eligible project described in subsection (e).

(c) Program purposes
The purposes of the Program are—

(1) to develop, or aid in the development of, advanced manufacturing processes, materials, and infrastructure;

(2) to increase the domestic production of renewable energy technology and components; and

(3) to better coordinate Federal, State, and private resources to meet regional and national renewable energy goals through advanced manufacturing partnerships.

(d) Eligible entities
An entity shall be eligible to receive an assistance award under the Program to carry out an eligible project described in subsection (e) if the entity is composed of—

(1) 1 or more public or private nonprofit institutions or national laboratories engaged in research, development, demonstration, or technology transfer, that would participate substantially in the project; and

(2) 1 or more private entities engaged in the manufacturing or development of renewable energy system components (including solar energy, wind energy, biomass, geothermal energy, energy storage, or fuel cells).

(e) Eligible projects
An eligible entity may use an assistance award provided under this section to carry out a project relating to—

(1) the conduct of studies of market opportunities for component manufacturing of renewable energy systems;

(2) the conduct of multiyear applied research, development, demonstration, and deployment projects for advanced manufacturing processes, materials, and infrastructure for renewable energy systems; and

(3) other similar ventures, as approved by the Secretary, that promote advanced manufacturing of renewable technologies.

(f) Criteria and guidelines
The Secretary shall establish criteria and guidelines for the submission, evaluation, and funding of proposed projects under the Program.

(g) Cost sharing
Section 16352 of this title shall apply to a project carried out under this section.

(h) Disclosure
The Secretary may, for a period of up to 5 years after an award is granted under this sec-
tion, exempt from mandatory disclosure under section 552 of title 5 (popularly known as the Freedom of Information Act) information that the Secretary determines would be a privileged or confidential trade secret or commercial or financial information under subsection (b)(4) of such section if the information had been obtained from a non-Government party.

(i) Sense of the Congress

It is the sense of the Congress that the Secretary should ensure that small businesses engaged in renewable manufacturing be given priority consideration for the assistance awards provided under this section.

(j) Authorization of appropriations

There is authorized to be appropriated out of funds appropriated to carry out this section $25,000,000 for each of fiscal years 2008 through 2013, to remain available until expended.


Effective Date

Section effective on the date that is 1 day after Dec. 19, 2007, see section 1601 of Pub. L. 110–140, set out as a note under section 1824 of Title 2, The Congress.

SUBCHAPTER VI—CARBON CAPTURE AND SEQUESTRATION

PART A—CARBON CAPTURE AND SEQUESTRATION RESEARCH, DEVELOPMENT, AND DEMONSTRATION

§ 17251. Carbon capture

(a) Program establishment

(1) In general

The Secretary shall carry out a program to demonstrate technologies for the large-scale capture of carbon dioxide from industrial sources. In making awards under this program, the Secretary shall select, as appropriate, a diversity of capture technologies to address the need to capture carbon dioxide from a range of industrial sources.

(2) Scope of award

Awards under this section shall be only for funds appropriated to carry out this section $200,000,000 per year for fiscal years 2009 through 2013.


Effective Date

Section effective on the date that is 1 day after Dec. 19, 2007, see section 1601 of Pub. L. 110–140, set out as a note under section 1824 of Title 2, The Congress.

Short Title

Subtitle A (§§ 701–708) of title VII of Pub. L. 110–140, which is classified principally to this part, is known as the “Department of Energy Carbon Capture and Sequestration Research, Development, and Demonstration Act of 2007”. See Short Title note set out under section 17001 of this title.

§ 17252. Review of large-scale programs

The Secretary shall enter into an arrangement with the National Academy of Sciences for an independent review and oversight, beginning in 2011, of the programs under section 16293(c)(3) of this title and under section 17251 of this title, to ensure that the benefits of such programs are maximized. Not later than January 1, 2012, the Secretary shall transmit to the Congress a report on the results of such review and oversight.


Effective Date

Section effective on the date that is 1 day after Dec. 19, 2007, see section 1601 of Pub. L. 110–140, set out as a note under section 1824 of Title 2, The Congress.

§ 17253. Geologic sequestration training and research

(a) Study

(1) In general

The Secretary shall enter into an arrangement with the National Academy of Sciences to undertake a study that—

(A) defines an interdisciplinary program in geology, engineering, hydrology, environ-
mental science, and related disciplines that will support the Nation’s capability to capture and sequester carbon dioxide from anthropogenic sources;

(B) addresses undergraduate and graduate education, especially to help develop graduate level programs of research and instruction that lead to advanced degrees with emphasis on geologic sequestration science;

(C) develops guidelines for proposals from colleges and universities with substantial capabilities in the required disciplines that seek to implement geologic sequestration science programs that advance the Nation’s capacity to address carbon management through geologic sequestration science; and

(D) outlines a budget and recommendations for how much funding will be necessary to establish and carry out the grant program under subsection (b).

(2) Report

Not later than 1 year after December 19, 2007, the Secretary shall transmit to the Congress a copy of the results of the study provided by the National Academy of Sciences under paragraph (1).

(3) Authorization of appropriations

There are authorized to be appropriated to the Secretary for carrying out this subsection $1,000,000 for fiscal year 2008.

(b) Grant program

(1) Establishment

The Secretary shall establish a competitive grant program through which colleges and universities may apply for and receive 4-year grants for—

(A) salary and startup costs for newly designated faculty positions in an integrated geologic carbon sequestration science program; and

(B) internships for graduate students in geologic sequestration science.

(2) Renewal

Grants under this subsection shall be renewable for up to 2 additional 3-year terms, based on performance criteria, established by the National Academy of Sciences study conducted under subsection (a), that include the number of graduates of such programs.

(3) Interface with regional geologic carbon sequestration partnerships

To the greatest extent possible, geologic carbon sequestration science programs supported under this subsection shall interface with the research of the Regional Carbon Sequestration Partnerships operated by the Department to provide internships and practical training in carbon capture and geologic sequestration.

(4) Authorization of appropriations

There are authorized to be appropriated to the Secretary for carrying out this subsection such sums as may be necessary.

§ 17254. Relation to Safe Drinking Water Act

The injection and geologic sequestration of carbon dioxide pursuant to this subtitle and the amendments made by this subtitle shall be subject to the requirements of the Safe Drinking Water Act (42 U.S.C. 300f et seq.), including the provisions of part C of such Act (42 U.S.C. 300h et seq.; relating to protection of underground sources of drinking water). Nothing in this subtitle and the amendments made by this subtitle imposes or authorizes the promulgation of any requirement that is inconsistent or in conflict with the requirements of the Safe Drinking Water Act (42 U.S.C. 300f et seq.) or regulations thereunder.


REFERENCES IN TEXT

This subtitle, referred to in text, is subtitle A (§§701–708) of title VII of Pub. L. 110–140, which enacted this part, amended section 16293 of this title, and enacted provisions set out as a note under section 17001 of this title. For complete classification of subtitle A to the Code, see Short Title note set out under section 17001 of this title and Tables.

The Safe Drinking Water Act, referred to in text, is title XIV of act July 1, 1944, as added Dec. 16, 1974, Pub. L. 93–523, §2(a), 88 Stat. 1660, which is classified generally to subchapter XII (§300f et seq.) of chapter 6A of this title. Part C of the Act is classified generally to part C (§300h et seq.) of subchapter XII of chapter 6A of this title. For complete classification of this Act to the Code, see Short Title note set out under section 201 of this title and Tables.

EFFECTIVE DATE

Section effective on the date that is 1 day after Dec. 19, 2007, see section 1601 of Pub. L. 110–140, set out as a note under section 1824 of Title 2, The Congress.

§ 17255. Safety research

(a) Program

The Administrator of the Environmental Protection Agency shall conduct a research program to address public health, safety, and environmental impacts that may be associated with capture, injection, and sequestration of greenhouse gases in geologic reservoirs.

(b) Authorization of appropriations

There are authorized to be appropriated for carrying out this section $5,000,000 for each fiscal year.


EFFECTIVE DATE

Section effective on the date that is 1 day after Dec. 19, 2007, see section 1601 of Pub. L. 110–140, set out as a note under section 1824 of Title 2, The Congress.

§ 17256. University based research and development grant program

(a) Establishment

The Secretary, in consultation with other appropriate agencies, shall establish a university based research and development program to study carbon capture and sequestration using the various types of coal.

(b) Rural and agricultural institutions

The Secretary shall give special consideration to rural or agricultural based institutions in
areas that have regional sources of coal and that offer interdisciplinary programs in the area of environmental science to study carbon capture and sequestration.

(c) Authorization of appropriations

There are to be authorized to be appropriated $10,000,000 to carry out this section.


**Effective Date**

Section effective on the date that is 1 day after Dec. 19, 2007, see section 1601 of Pub. L. 110–140, set out as a note under section 1824 of Title 2, The Congress.

**PART B—CARBON CAPTURE AND SEQUESTRATION ASSESSMENT AND FRAMEWORK**

§ 17271. Carbon dioxide sequestration capacity assessment

(a) Definitions

In this section—

(1) **Assessment**

The term “assessment” means the national assessment of onshore capacity for carbon dioxide completed under subsection (f).

(2) **Capacity**

The term “capacity” means the portion of a sequestration formation that can retain carbon dioxide in accordance with the requirements (including physical, geological, and economic requirements) established under the methodology developed under subsection (b).

(3) **Engineered hazard**

The term “engineered hazard” includes the location and completion history of any well that could affect potential sequestration.

(4) **Risk**

The term “risk” includes any risk posed by geomechanical, geochemical, hydrogeological, structural, and engineered hazards.

(5) **Secretary**

The term “Secretary” means the Secretary of the Interior, acting through the Director of the United States Geological Survey.

(6) **Sequestration formation**

The term “sequestration formation” means a deep saline formation, unmineable coal seam, or oil or gas reservoir that is capable of accommodating a volume of industrial carbon dioxide.

(b) Methodology

Not later than 1 year after December 19, 2007, the Secretary shall develop a methodology for conducting an assessment under subsection (f), taking into consideration—

(1) the geographical extent of all potential sequestration formations in all States;

(2) the capacity of the potential sequestration formations;

(3) the injectivity of the potential sequestration formations;

(4) an estimate of potential volumes of oil and gas recoverable by injection and sequestration of industrial carbon dioxide in potential sequestration formations;

(5) the risk associated with the potential sequestration formations; and

(6) the work done to develop the Carbon Sequestration Atlas of the United States and Canada that was completed by the Department.

(c) Coordination

(1) **Federal coordination**

(A) **Consultation**

The Secretary shall consult with the Secretary of Energy and the Administrator of the Environmental Protection Agency on issues of data sharing, format, development of the methodology, and content of the assessment required under this section to ensure the maximum usefulness and success of the assessment.

(B) **Cooperation**

The Secretary of Energy and the Administrator shall cooperate with the Secretary to ensure, to the maximum extent practicable, the usefulness and success of the assessment.

(2) **State coordination**

The Secretary shall consult with State geological surveys and other relevant entities to ensure, to the maximum extent practicable, the usefulness and success of the assessment.

(d) **External review and publication**

On completion of the methodology under subsection (b), the Secretary shall—

(1) publish the methodology and solicit comments from the public and the heads of affected Federal and State agencies;

(2) establish a panel of individuals with expertise in the matters described in paragraphs (1) through (5) of subsection (b) composed, as appropriate, of representatives of Federal agencies, institutions of higher education, nongovernmental organizations, State organizations, industry, and international geoscience organizations to review the methodology and comments received under paragraph (1); and

(3) on completion of the review under paragraph (2), publish in the Federal Register the revised final methodology.

(e) **Periodic updates**

The methodology developed under this section shall be updated periodically (including at least once every 5 years) to incorporate new data as the data becomes available.

(f) **National assessment**

(1) **In general**

Not later than 2 years after the date of publication of the methodology under subsection (d)(1), the Secretary, in consultation with the Secretary of Energy and State geological surveys, shall complete a national assessment of capacity for carbon dioxide in accordance with the methodology.

(2) **Geological verification**

As part of the assessment under this subsection, the Secretary shall carry out a drilling program to supplement the geological data relevant to determining sequestration capac-
ity of carbon dioxide in geological sequestration formations, including—
(A) well log data;
(B) core data; and
(C) fluid sample data.

(3) Partnership with other drilling programs
As part of the drilling program under paragraph (2), the Secretary shall enter, as appropriate, into partnerships with other entities to collect and integrate data from other drilling programs relevant to the sequestration of carbon dioxide in geological formations.

(4) Incorporation into NatCarb
(A) In general
On completion of the assessment, the Secretary of Energy and the Secretary of the Interior shall incorporate the results of the assessment using—
(i) the NatCarb database, to the maximum extent practicable; or
(ii) a new database developed by the Secretary of Energy, as the Secretary of Energy determines to be necessary.

(B) Ranking
The database shall include the data necessary to rank potential sequestration sites for capacity and risk, across the United States, within each State, by formation, and within each basin.

(5) Report
Not later than 180 days after the date on which the assessment is completed, the Secretary shall submit to the Committee on Energy and Natural Resources of the Senate and the Committee on Natural Resources of the House of Representatives a report describing the findings under the assessment.

(6) Periodic updates
The national assessment developed under this section shall be updated periodically (including at least once every 5 years) to support public and private sector decisionmaking.

(g) Authorization of appropriations
There is authorized to be appropriated to carry out this section $30,000,000 for the period of fiscal years 2008 through 2012.


Effective Date
Section effective on the date that is 1 day after Dec. 19, 2007, see section 1601 of Pub. L. 110–140, set out as a note under section 1824 of Title 2, The Congress.

§ 17272. Assessment of carbon sequestration and methane and nitrous oxide emissions from ecosystems
(a) Definitions
In this section:
(1) Adaptation strategy
The term “adaptation strategy” means a land use and management strategy that can be used—
(A) to increase the sequestration capabilities of covered greenhouse gases of any ecosystem; or
(B) to reduce the emissions of covered greenhouse gases from any ecosystem.

(2) Assessment
The term “assessment” means the national assessment authorized under subsection (b).

(3) Covered greenhouse gas
The term “covered greenhouse gas” means carbon dioxide, nitrous oxide, and methane gas.

(4) Ecosystem
The term “ecosystem” means any terrestrial, freshwater aquatic, or coastal ecosystem, including an estuary.

(5) Native plant species
The term “native plant species” means any noninvasive, naturally occurring plant species within an ecosystem.

(6) Secretary
The term “Secretary” means the Secretary of the Interior.

(b) Authorization of assessment
Not later than 2 years after the date on which the final methodology is published under subsection (f)(3)(D), the Secretary shall complete a national assessment of—
(1) the quantity of carbon stored in and released from ecosystems, including from man-caused and natural fires; and
(2) the annual flux of covered greenhouse gases in and out of ecosystems.

(c) Components
In conducting the assessment under subsection (b), the Secretary shall—
(1) determine the processes that control the flux of covered greenhouse gases in and out of each ecosystem;
(2) estimate the potential for increasing carbon sequestration in natural and managed ecosystems through management activities or restoration activities in each ecosystem;
(3) develop near-term and long-term adaptation strategies or mitigation strategies that can be employed—
(A) to enhance the sequestration of carbon in each ecosystem;
(B) to reduce emissions of covered greenhouse gases from ecosystems; and
(C) to adapt to climate change; and
(4) estimate the annual carbon sequestration capacity of ecosystems under a range of policies in support of management activities to optimize sequestration.

(d) Use of native plant species
In developing restoration activities under subsection (c)(2) and management strategies and adaptation strategies under subsection (c)(3), the Secretary shall emphasize the use of native plant species (including mixtures of many native plant species) for sequestering covered greenhouse gas in each ecosystem.

(e) Consultation
(1) In general
In conducting the assessment under subsection (b) and developing the methodology
under subsection (f), the Secretary shall consult with—
(A) the Secretary of Energy;
(B) the Secretary of Agriculture;
(C) the Administrator of the Environmental Protection Agency;
(D) the Secretary of Commerce, acting through the Under Secretary for Oceans and Atmosphere; and
(E) the heads of other relevant agencies.

(2) Ocean and coastal ecosystems
In carrying out this section with respect to ocean and coastal ecosystems (including estuaries), the Secretary shall work jointly with the Secretary of Commerce, acting through the Under Secretary for Oceans and Atmosphere.

(f) Methodology
(1) In general
Not later than 1 year after December 19, 2007, the Secretary shall develop a methodology for conducting the assessment.

(2) Requirements
The methodology developed under paragraph (1)—
(A) shall—
(i) determine the method for measuring, monitoring, and quantifying covered greenhouse gas emissions and reductions;
(ii) estimate the total capacity of each ecosystem to sequester carbon; and
(iii) estimate the ability of each ecosystem to reduce emissions of covered greenhouse gases through management practices; and
(B) may employ economic and other systems models, analyses, and estimates, to be developed in consultation with each of the individuals described in subsection (e).

(3) External review and publication
On completion of a proposed methodology, the Secretary shall—
(A) publish the proposed methodology;
(B) at least 60 days before the date on which the final methodology is published, solicit comments from—
(i) the public; and
(ii) heads of affected Federal and State agencies;
(C) establish a panel to review the proposed methodology published under subparagraph (A) and any comments received under subparagraph (B), to be composed of members—
(i) with expertise in the matters described in subsections (c) and (d); and
(ii) that are, as appropriate, representatives of Federal agencies, institutions of higher education, nongovernmental organizations, State organizations, industry, and international organizations; and
(D) on completion of the review under subparagraph (C), publish in the Federal Register the revised final methodology.

(g) Estimate; review
The Secretary shall—
(1) based on the assessment, prescribe the data, information, and analysis needed to establish a scientifically sound estimate of the carbon sequestration capacity of relevant ecosystems; and
(2) not later than 180 days after the date on which the assessment is completed, submit to the heads of applicable Federal agencies and the appropriate committees of Congress a report that describes the results of the assessment.

(h) Data and report availability
On completion of the assessment, the Secretary shall incorporate the results of the assessment into a web-accessible database for public use.

(i) Authorization
There is authorized to be appropriated to carry out this section $20,000,000 for the period of fiscal years 2008 through 2012.

Effective Date
Section effective on the date that is 1 day after Dec. 19, 2007, see section 1601 of Pub. L. 110–140, set out as a note under section 1824 of Title 2, The Congress.

Part A—Management Improvements

§ 17281. National media campaign

(a) In general
The Secretary, acting through the Assistant Secretary for Energy Efficiency and Renewable Energy (referred to in this section as the “Secretary”), shall develop and conduct a national media campaign—
(1) to increase energy efficiency throughout the economy of the United States during the 10-year period beginning on December 19, 2007;
(2) to promote the national security benefits associated with increased energy efficiency; and
(3) to decrease oil consumption in the United States during the 10-year period beginning on December 19, 2007.

(b) Contract with entity
The Secretary shall carry out subsection (a) directly or through—
(1) competitively bid contracts with 1 or more nationally recognized media firms for the development and distribution of monthly television, radio, and newspaper public service announcements; or
(2) collective agreements with 1 or more nationally recognized institutes, businesses, or nonprofit organizations for the funding, development, and distribution of monthly television, radio, and newspaper public service announcements.

(c) Use of funds
(1) In general
Amounts made available to carry out this section shall be used for—
(A) advertising costs, including—
(i) the purchase of media time and space;  
(ii) creative and talent costs;  
(iii) testing and evaluation of advertising; and  
(iv) evaluation of the effectiveness of the media campaign; and  
(B) administrative costs, including operational and management expenses.

(2) Limitations
In carrying out this section, the Secretary shall allocate not less than 85 percent of funds made available under subsection (e) for each fiscal year for the advertising functions specified under paragraph (1)(A).

(d) Reports
The Secretary shall annually submit to Congress a report that describes—  
(1) the strategy of the national media campaign and whether specific objectives of the campaign were accomplished, including—  
(A) determinations concerning the rate of change of energy consumption, in both absolute and per capita terms; and  
(B) an evaluation that enables consideration of whether the media campaign contributed to reduction of energy consumption;  
(2) steps taken to ensure that the national media campaign operates in an effective and efficient manner consistent with the overall strategy and focus of the campaign;  
(3) plans to purchase advertising time and space;  
(4) policies and practices implemented to ensure that Federal funds are used responsibly to purchase advertising time and space and eliminate the potential for waste, fraud, and abuse; and  
(5) all contracts or cooperative agreements entered into with a corporation, partnership, or individual working on behalf of the national media campaign.

(e) Authorization of appropriations
(1) In general
There is authorized to be appropriated to carry out this section $5,000,000 for each of fiscal years 2008 through 2012.

(2) Decreased oil consumption
The Secretary shall use not less than 50 percent of the amount that is made available under this section for each fiscal year to develop and conduct a national media campaign to decrease oil consumption in the United States over the next decade.  


§ 17282. Renewable energy deployment
(a) Definitions
In this section:

(1) Alaska small hydroelectric power
The term “Alaska small hydroelectric power” means power that—  
(A) is generated—  
(i) in the State of Alaska;  
(ii) without the use of a dam or impoundment of water; and  
(iii) through the use of—  
(I) a lake tap (but not a perched alpine lake); or  
(II) a run-of-river screened at the point of diversion; and  
(B) has a nameplate capacity rating of a wattage that is not more than 15 megawatts.

(2) Eligible applicant
The term “eligible applicant” means any—  
(A) governmental entity;  
(B) private utility;  
(C) public utility;  
(D) municipal utility;  
(E) cooperative utility;  
(F) Indian tribes; and  
(G) Regional Corporation (as defined in section 1602 of title 43).

(3) Ocean energy
(A) Inclusions
The term “ocean energy” includes current, wave, and tidal energy.

(B) Exclusion
The term “ocean energy” excludes thermal energy.

(4) Renewable energy project
The term “renewable energy project” means a project—  
(A) for the commercial generation of electricity; and  
(B) that generates electricity from—  
(i) solar, wind, or geothermal energy or ocean energy;  
(ii) biomass (as defined in section 15852(b) of this title);  
(iii) landfill gas; or  
(iv) Alaska small hydroelectric power.

(b) Renewable energy construction grants
(1) In general
The Secretary shall use amounts appropriated under this section to make grants for use in carrying out renewable energy projects.

(2) Criteria
Not later than 180 days after December 19, 2007, the Secretary shall set forth criteria for awarding grants under this section.

(3) Application
To receive a grant from the Secretary under paragraph (1), an eligible applicant shall submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require, including a written assurance that—  
(A) all laborers and mechanics employed by contractors or subcontractors during construction, alteration, or repair that is financed, in whole or in part, by a grant under this section shall be paid wages at rates not less than those prevailing on similar construction in the locality, as determined by the Secretary of Labor in accordance with sections 3141–3144, 3146, and 3147 of title 40; and
(B) the Secretary of Labor shall, with respect to the labor standards described in this paragraph, have the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (5 U.S.C. App.) and section 3145 of title 40.

(4) Non-Federal share
Each eligible applicant that receives a grant under this subsection shall contribute to the total cost of the renewable energy project constructed by the eligible applicant an amount not less than 50 percent of the total cost of the project.

(c) Authorization of appropriations
There are authorized to be appropriated to the Fund such sums as are necessary to carry out this section.


References in Text
Reorganization Plan Numbered 14 of 1950, referred to in subsec. (b)(3)(B), is set out in the Appendix to Title 5, Government Organization and Employees.

Effective Date
Section effective on the date that is 1 day after Dec. 19, 2007, see section 1601 of Pub. L. 110–140, set out as a note under section 1824 of Title 2, The Congress.


§ 17284. Assessment of resources
(a) 5-year plan
(1) Establishment
The Administrator of the Energy Information Administration (referred to in this section as the ‘‘Administrator’’) shall establish a 5-year plan to enhance the quality and scope of the data collection necessary to ensure the scope, accuracy, and timeliness of the information needed for efficient functioning of energy markets and related financial operations.

(2) Requirement
In establishing the plan under paragraph (1), the Administrator shall pay particular attention to—
(A) data series terminated because of budget constraints;
(B) data on demand response;
(C) timely data series of State-level information;
(D) improvements in the area of oil and gas data;
(E) improvements in data on solid byproducts from coal-based energy-producing facilities; and
(F) the ability to meet applicable deadlines under Federal law (including regulations) to provide data required by Congress.

(b) Submission to Congress
The Administrator shall submit to Congress the plan established under subsection (a), including a description of any improvements needed to enhance the ability of the Administrator to collect and process energy information in a manner consistent with the needs of energy markets.

(c) Guidelines
(1) In general
The Administrator shall—
(A) establish guidelines to ensure the quality, comparability, and scope of State energy data, including data on energy production and consumption by product and sector and renewable and alternative sources, required to provide a comprehensive, accurate energy profile at the State level;
(B) share company-level data collected at the State level with each State involved, in a manner consistent with the legal authorities, confidentiality protections, and stated uses in effect at the time the data were collected, subject to the condition that the State shall agree to reasonable requirements for use of the data, as the Administrator may require;
(C) assess any existing gaps in data obtained and compiled by the Energy Information Administration; and
(D) evaluate the most cost-effective ways to address any data quality and quantity issues in conjunction with State officials.

(2) Consultation
The Administrator shall consult with State officials and the Federal Energy Regulatory Commission on a regular basis in—
(A) establishing guidelines and determining the scope of State-level data under paragraph (1); and
(B) exploring ways to address data needs and serve data uses.

(d) Assessment of State data needs
Not later than 1 year after December 19, 2007, the Administrator shall submit to Congress an assessment of State-level data needs, including a plan to address the needs.

(e) Authorization of appropriations
In addition to any other amounts made available to the Administrator, there are authorized to be appropriated to the Administrator to carry out this section—
(1) $10,000,000 for fiscal year 2008;
(2) $10,000,000 for fiscal year 2009;
(3) $10,000,000 for fiscal year 2010;
(4) $15,000,000 for fiscal year 2011;
(5) $20,000,000 for fiscal year 2012; and
(6) such sums as are necessary for subsequent fiscal years.


Effective Date
Section effective on the date that is 1 day after Dec. 19, 2007, see section 1601 of Pub. L. 110–140, set out as a note under section 1824 of Title 2, The Congress.

§ 17285. Sense of Congress relating to the use of renewable resources to generate energy
(a) Findings
Congress finds that—
(1) the United States has a quantity of renewable energy resources that is sufficient to supply a significant portion of the energy needs of the United States;

(2) the agricultural, forestry, and working land of the United States can help ensure a sustainable domestic energy system;

(3) accelerated development and use of renewable energy technologies provide numerous benefits to the United States, including improved national security, improved balance of payments, healthier rural economies, improved environmental quality, and abundant, reliable, and affordable energy for all citizens of the United States;

(4) the production of transportation fuels from renewable energy would help the United States meet rapidly growing domestic and global energy demands, reduce the dependence of the United States on energy imported from volatile regions of the world that are politically unstable, stabilize the cost and availability of energy, and safeguard the economy and security of the United States;

(5) increased energy production from domestic renewable resources would attract substantial new investments in energy infrastructure, create economic growth, develop new jobs for the citizens of the United States, and increase the income for farm, ranch, and forestry jobs in the rural regions of the United States;

(6) increased use of renewable energy is practical and can be cost effective with the implementation of supportive policies and proper incentives to stimulate markets and infrastructure; and

(7) public policies aimed at enhancing renewable energy production and accelerating technological improvements will further reduce energy costs over time and increase market demand.

(b) Sense of Congress

It is the sense of Congress that it is the goal of the United States that, not later than January 1, 2025, the agricultural, forestry, and working land of the United States should—

(1) provide from renewable resources not less than 25 percent of the total energy consumed in the United States; and

(2) continue to produce safe, abundant, and affordable food, feed, and fiber.


§ 17301. Prohibition on market manipulation

It is unlawful for any person, directly or indirectly, to use or employ, in connection with the purchase or sale of crude oil, gasoline or petroleum distillates at wholesale, any manipulative or deceptive device or contrivance, in contravention of such rules and regulations as the Federal Trade Commission may prescribe as necessary or appropriate in the public interest or for the protection of United States citizens.


§ 17302. Prohibition on false information

It is unlawful for any person to report information related to the wholesale price of crude oil, gasoline or petroleum distillates to a Federal department or agency if—

(1) the person knew, or reasonably should have known, the information to be false or misleading;

(2) the information was required by law to be reported; and

(3) the person intended the false or misleading data to affect data compiled by the department or agency for statistical or analytical purposes with respect to the market for crude oil, gasoline, or petroleum distillates.

§ 17303. Enforcement by the Federal Trade Commission

(a) Enforcement

This part shall be enforced by the Federal Trade Commission in the same manner, by the same means, and with the same jurisdiction as though all applicable terms of the Federal Trade Commission Act (15 U.S.C. 41 et seq.) were incorporated into and made a part of this part.

(b) Violation is treated as unfair or deceptive act or practice

The violation of any provision of this part shall be treated as an unfair or deceptive act or practice proscribed under a rule issued under section 18(a)(1)(B) of the Federal Trade Commission Act (15 U.S.C. 57a(a)(1)(B)).


REFERENCES IN TEXT

The Federal Trade Commission Act, referred to in subsec. (a), is act Sept. 26, 1914, ch. 311, 38 Stat. 717, which is classified generally to subchapter I (§41 et seq.) of chapter 2 of Title 15, Commerce and Trade. For complete classification of this Act to the Code, see section 58 of Title 15 and Tables.

Effective Date

Section effective on the date that is 1 day after Dec. 19, 2007, see section 1601 of Pub. L. 110–140, set out as a note under section 1824 of Title 2, The Congress.

§ 17305. Effect on other laws

(a) Other authority of the Commission

Nothing in this part limits or affects the authority of the Federal Trade Commission to bring an enforcement action or take any other measure under the Federal Trade Commission Act (15 U.S.C. 41 et seq.) or any other provision of law.

(b) Antitrust law

Nothing in this part shall be construed to modify, impair, or supersede the operation of any of the antitrust laws. For purposes of this subsection, the term “antitrust laws” shall have the meaning given it in subsection (a) of the first section of the Clayton Act (15 U.S.C. 12), except that it includes section 5 of the Federal Trade Commission Act (15 U.S.C. 45) to the extent that such section 5 applies to unfair methods of competition.

(c) State law

Nothing in this part preempts any State law.


REFERENCES IN TEXT

The Federal Trade Commission Act, referred to in subsec. (a), is act Sept. 26, 1914, ch. 311, 38 Stat. 717, which is classified generally to subchapter I (§41 et seq.) of chapter 2 of Title 15, Commerce and Trade. For complete classification of this Act to the Code, see section 58 of Title 15 and Tables.

Effective Date

Section effective on the date that is 1 day after Dec. 19, 2007, see section 1601 of Pub. L. 110–140, set out as a note under section 1824 of Title 2, The Congress.

SUBCHAPTER VIII—INTERNATIONAL ENERGY PROGRAMS

§ 17321. Definitions

In this subchapter:

(1) Appropriate congressional committees

The term “appropriate congressional committees” means—

(A) the Committee on Foreign Affairs and the Committee on Energy and Commerce of the House of Representatives; and

(B) the Committee on Foreign Relations, the Committee on Energy and Natural Resources, the Committee on Environment and Public Works, and the Committee on Commerce, Science, and Transportation of the Senate.

(2) Clean and efficient energy technology

The term “clean and efficient energy technology” means an energy supply or end-use technology that, compared to a similar technology already in widespread commercial use in a recipient country, will—

(A) reduce emissions of greenhouse gases; or
§ 17331. United States assistance for developing countries

(a) Assistance authorized

The Administrator of the United States Agency for International Development shall support policies and programs in developing countries that promote clean and efficient energy technologies—

(1) to produce the necessary market conditions for the private sector delivery of energy and environmental management services; and

(2) to create an environment that is conducive to accepting clean and efficient energy technologies that support the overall purpose of reducing greenhouse gas emissions, including—

(A) improving policy, legal, and regulatory frameworks;

(B) increasing institutional abilities to provide energy and environmental management services; and

(C) increasing public awareness and participation in the decision-making of delivering energy and environmental management services; and

(3) to promote the use of American-made clean and efficient energy technologies, products, and energy and environmental management services.

(b) Report

The Administrator of the United States Agency for International Development shall submit to the appropriate congressional committees an annual report on the implementation of this section for each of the fiscal years 2008 through 2012.

(c) Authorization of appropriations

To carry out this section, there are authorized to be appropriated to the Administrator of the United States Agency for International Development $200,000,000 for each of the fiscal years 2008 through 2012.
United States private sector companies with opportunities in foreign markets so that clean and efficient energy technologies can help to combat increases in global greenhouse gas emissions; and
(2) by creating reverse trade missions in which the Department of Commerce facilitates the meeting of foreign private and public sector organizations with private sector companies in the United States for the purpose of showcasing clean and efficient energy technologies in use or in development that could be exported to other countries.

(b) Report
The Secretary of Commerce shall submit to the appropriate congressional committees an annual report on the implementation of this section for each of the fiscal years 2008 through 2012.

(c) Authorization of appropriations
To carry out this section, there are authorized to be appropriated to the Secretary of Commerce such sums as may be necessary for each of the fiscal years 2008 through 2012.


Effective Date
Section effective on the date that is 1 day after Dec. 19, 2007, see section 1601 of Pub. L. 110–140, set out as a note under section 1824 of Title 2, The Congress.

§ 17334. Actions by United States International Development Finance Corporation

(a) Sense of Congress
It is the sense of Congress that the United States International Development Finance Corporation should promote greater investment in clean and efficient energy technologies by—
(1) proactively reaching out to United States companies that are interested in investing in clean and efficient energy technologies in countries that are significant contributors to global greenhouse gas emissions;
(2) giving preferential treatment to the evaluation and awarding of projects that involve the investment or utilization of clean and efficient energy technologies; and
(3) providing greater flexibility in supporting projects that involve the investment or utilization of clean and efficient energy technologies, including financing, insurance, and other assistance.

(b) Report
The United States International Development Finance Corporation shall include in its annual report required under section 9653 of title 22—
(1) a description of the activities carried out to implement this section; or
(2) if the Corporation did not carry out any activities to implement this section, an explanation of the reasons therefor.


AMENDMENTS


Subsec. (b). Pub. L. 115–254, §1470(v)(1)(C), substituted "United States International Development Finance Corporation shall include in its annual report required under section 9653 of title 22" for "Overseas Private Investment Corporation shall include in its annual report required under section 2200a of title 22" in introductory provisions.

Effective Date of 2018 Amendment
Amendment by Pub. L. 115–254 effective at the end of the transition period, as defined in section 9681 of Title 22, Foreign Relations and Intercourse, see section 1470(w) of Pub. L. 115–254, set out as a note under section 909 of Title 2, The Congress.

Effective Date
Section effective on the date that is 1 day after Dec. 19, 2007, see section 1601 of Pub. L. 110–140, set out as a note under section 1824 of Title 2, The Congress.

§ 17335. Actions by United States Trade and Development Agency

(a) Assistance authorized
The Director of the Trade and Development Agency shall establish or support policies that—
(1) proactively seek opportunities to fund projects that involve the utilization of clean and efficient energy technologies, including in trade capacity building and capital investment projects;
(2) where appropriate, advance the utilization of clean and efficient energy technologies, particularly to countries that have the potential for significant reduction in greenhouse gas emissions; and
(3) recruit and retain individuals with appropriate expertise or experience in clean, renewable, and efficient energy technologies to identify and evaluate opportunities for projects that involve clean and efficient energy technologies and services.

(b) Report
The President shall include in the annual report on the activities of the Trade and Development Agency required under section 2421(d) of title 22 a description of the activities carried out to implement this section.


Effective Date
Section effective on the date that is 1 day after Dec. 19, 2007, see section 1601 of Pub. L. 110–140, set out as a note under section 1824 of Title 2, The Congress.

§ 17336. Deployment of international clean and efficient energy technologies and investment in global energy markets

(a) Task Force
(1) Establishment
Not later than 90 days after December 19, 2007, the President shall establish a Task Force on International Cooperation for Clean and Efficient Energy Technologies (in this section referred to as the "Task Force").
(2) Composition
The Task Force shall be composed of representatives, appointed by the head of the respective Federal department or agency, of—
(A) the Council on Environmental Quality; 
(B) the Department of Energy; 
(C) the Department of Commerce; 
(D) the Department of the Treasury; 
(E) the Department of State; 
(F) the Environmental Protection Agency; 
(G) the United States Agency for International Development; 
(H) the Export-Import Bank of the United States; 
(I) the United States International Development Finance Corporation; 
(J) the Trade and Development Agency; 
(K) the Small Business Administration; 
(L) the Office of the United States Trade Representative; and 
(M) other Federal departments and agencies, as determined by the President.

(3) Chairperson
The President shall designate a Chairperson or Co-Chairpersons of the Task Force.

(4) Duties
The Task Force—
(A) shall develop and assist in the implementation of the strategy required under subsection (c); and 
(B)(i) shall analyze technology, policy, and market opportunities for the development, demonstration, and deployment of clean and efficient energy technologies on an international basis; and 
(ii) shall examine relevant trade, tax, finance, international, and other policy issues to assess which policies, in the United States and in developing countries, would help open markets and improve the export of clean and efficient energy technologies from the United States.

(5) Termination
The Task Force, including any working group established by the Task Force pursuant to subsection (b), shall terminate 12 years after December 19, 2007.

(b) Working groups
(1) Establishment
The Task Force—
(A) shall establish an Interagency Working Group on the Export of Clean and Efficient Energy Technologies (in this section referred to as the “Interagency Working Group”); and 
(B) may establish other working groups as may be necessary to carry out this section.

(2) Composition
The Interagency Working Group shall be composed of—
(A) the Secretary of Energy, the Secretary of Commerce, and the Secretary of State, who shall serve as Co-Chairpersons of the Interagency Working Group; and 
(B) other members, as determined by the Chairperson or Co-Chairpersons of the Task Force.

(3) Duties
The Interagency Working Group shall coordinate the resources and relevant programs of the Department of Energy, the Department of Commerce, the Department of State, and other relevant Federal departments and agencies to support the export of clean and efficient energy technologies developed or demonstrated in the United States to other countries and the deployment of such clean and efficient energy technologies in such other countries.

(4) Interagency Center
The Interagency Working Group—
(A) shall establish an Interagency Center on the Export of Clean and Efficient Energy Technologies (in this section referred to as the “Interagency Center”); to assist the Interagency Working Group in carrying out its duties required under paragraph (3); and 
(B) shall locate the Interagency Center at a site agreed upon by the Co-Chairpersons of the Interagency Working Group, with the approval of the Chairperson or Co-Chairpersons of the Task Force.

(c) Strategy
(1) In general
Not later than 1 year after December 19, 2007, the Task Force shall develop and submit to the President and the appropriate congressional committees a strategy to—
(A) support the development and implementation of programs, policies, and initiatives in developing countries to promote the adoption and deployment of clean and efficient energy technologies, with an emphasis on those developing countries that are expected to experience the most significant growth in energy production and use over the next 20 years; 
(B) open and expand clean and efficient energy technology markets and facilitate the export of clean and efficient energy technologies to developing countries, in a manner consistent with United States obligations as a member of the World Trade Organization; 
(C) integrate into the foreign policy objectives of the United States the promotion of— 
(i) the deployment of clean and efficient energy technologies and the reduction of greenhouse gas emissions in developing countries; and 
(ii) the export of clean and efficient energy technologies; and 
(D) develop financial mechanisms and instruments, including securities that mitigate the political and foreign exchange risks of uses that are consistent with the foreign policy objectives of the United States by combining the private sector market and government enhancements, that— 
(i) are cost-effective; and 
(ii) facilitate private capital investment in clean and efficient energy technology projects in developing countries.

(2) Updates
Not later than 3 years after the date of submission of the strategy under paragraph (1),
§ 17337. United States-Israel energy cooperation

(a) Findings

Congress finds that—

(1) it is in the highest national security interests of the United States to develop covered energy sources;
(2) the State of Israel is a steadfast ally of the United States;
(3) the special relationship between the United States and Israel is manifested in a variety of cooperative scientific research and development programs, such as—

(A) the United States-Israel Binational Science Foundation; and

(B) the United States-Israel Binational Industrial Research and Development Foundation;

(4) those programs have made possible—

(A) many scientific, technological, and commercial breakthroughs in the fields of life sciences, medicine, biotechnology, agriculture, biotechnology, communications, and others; and

(B) significant contributions to the development of renewable energy and energy efficiency through the established programs of the United States-Israel Binational Industrial Research and Development Foundation and the United States-Israel Binational Science Foundation;

(5) on February 1, 1996, the Secretary of Energy (referred to in this section as the “Secretary”) and the Israeli Minister of Energy and Infrastructure signed an agreement to establish a framework for collaboration between the United States and Israel in energy research and development activities;

(6) Israeli scientists and engineers are at the forefront of research and development in the field of covered energy sources;

(7) enhanced cooperation between the United States and Israel for the purpose of research and development of covered energy sources would be in the national interests of both countries;

(8) United States-Israel energy cooperation and the development of natural resources by Israel are in the strategic interest of the United States;

(9) Israel is a strategic partner of the United States in water technology;

(10) the United States can play a role in assisting Israel with regional safety and security issues;

(11) the National Science Foundation of the United States, to the extent consistent with the National Science Foundation’s mission, should collaborate with the Israel Science Foundation and the United States-Israel Binational Science Foundation;

(12) the United States and Israel should strive to develop more robust academic cooperation in—

(A) energy innovation technology and engineering;
(2) Types of energy

In carrying out paragraph (1), the Secretary may make grants to promote—

(A) solar energy;
(B) biomass energy;
(C) energy efficiency;
(D) wind energy;
(E) geothermal energy;
(F) wave and tidal energy;
(G) advanced battery technology;
(H) natural gas energy, including conventional and unconventional natural gas technologies and other associated technologies, and natural gas projects conducted by or in conjunction with the United States-Israel Binational Science Foundation and the United States-Israel Binational Industrial Research and Development Foundation; and
(I) improvement of energy efficiency and the overall performance of water technologies through research and development in water desalination, wastewater treatment and reclamation, and other water treatment refiners.

(3) Eligible applicants

An applicant shall be eligible to receive a grant under this subsection if the project of the applicant—

(A) addresses a requirement in the area of improved covered energy sources, as determined by the Secretary; and
(B) is a joint venture between—

(i) a for-profit business entity, academic institution, National Laboratory (as defined in section 15801 of this title), or nonprofit entity in the United States; and
(ii) (I) a for-profit business entity, academic institution, or nonprofit entity in Israel; or
(II) the Federal Government; and
(II) the Government of Israel.

(4) Applications

To be eligible to receive a grant under this subsection, an applicant shall submit to the Secretary an application for the grant in accordance with procedures established by the Secretary, in consultation with the advisory board established under paragraph (5).

(5) Advisory board

(A) Establishment

The Secretary shall establish an advisory board—

(i) to monitor the method by which grants are awarded under this subsection; and
(ii) to provide to the Secretary periodic performance reviews of actions taken to carry out this subsection.

(B) Composition

The advisory board established under subparagraph (A) shall be composed of 3 mem-

(b) Grant program

(1) Establishment

In implementing the agreement entitled the "Agreement between the Department of Energy of the United States of America and the Ministry of Energy and Infrastructure of Israel Concerning Energy Cooperation", dated February 1, 1996, the Secretary shall establish a grant program in accordance with the requirements of sections 16332 and 16333 of this title to support research, development, and commercialization of covered energy.
ners, to be appointed by the Secretary, of whom—
  (i) 1 shall be a representative of the Federal Government;
  (ii) 1 shall be selected from a list of nominees provided by the United States-Israel Binational Science Foundation; and
  (iii) 1 shall be selected from a list of nominees provided by the United States-Israel Binational Industrial Research and Development Foundation.

(6) Contributed funds

Notwithstanding section 3302 of title 31, the Secretary may accept, retain, and use funds contributed by any person, government entity, or organization for purposes of carrying out this subsection—
  (A) without further appropriation; and
  (B) without fiscal year limitation.

(7) Report

Not later than 180 days after the date of completion of a project for which a grant is provided under this subsection, the grant recipient shall submit to the Secretary a report that contains—
  (A) a description of the method by which the recipient used the grant funds; and
  (B) an evaluation of the level of success of each project funded by the grant.

(8) Classification

Grants shall be awarded under this subsection only for projects that are considered to be unclassified by both the United States and Israel.

(c) International partnerships

(1) In general

The Secretary, subject to the availability of appropriations, may enter into cooperative agreements supporting and enhancing dialogue and planning involving international partnerships between the Department, including National Laboratories of the Department, and the Government of Israel and its ministries, offices, and institutions.

(2) Federal share

The Secretary may not pay more than 50 percent of Federal share of the costs of implementing cooperative agreements entered into pursuant to paragraph (1).

(3) Annual reports

If the Secretary enters into agreements authorized by paragraph (1), the Secretary shall submit an annual report to the Committee on Energy and Natural Resources of the Senate, the Committee on Foreign Relations of the Senate, the Committee on Appropriations of the Senate, the Committee on Energy and Commerce of the House of Representatives, the Committee on Science, Space, and Technology of the House of Representatives, the Committee on Foreign Affairs of the House of Representatives, and the Committee on Appropriations of the House of Representatives that describes—
  (A) actions taken to implement such agreements; and
  (B) any projects undertaken pursuant to such agreements.

(d) United States-Israel Energy Center

The Secretary may establish a joint United States-Israel Energy Center in the United States leveraging the experience, knowledge, and expertise of institutions of higher education and entities in the private sector, among others, in offshore energy development to further dialogue and collaboration to develop more robust academic cooperation in energy innovation technology and engineering, water science, technology transfer, and analysis of emerging geopolitical implications, crises and threats from foreign natural resource and energy acquisitions, and the development of domestic resources as a response.

(e) Termination

The grant program and the advisory committee established under this section terminate on September 30, 2024.


AMENDMENTS

Subsec. (b)(1). Pub. L. 113–296, §12(b)(1), substituted “covered energy” for “renewable energy or energy efficiency”.
Subsec. (c). Pub. L. 113–296, §12(c)(1)(C), added subsec. (c). Former subsec. (c) redesignated (e).
Subsec. (d). Pub. L. 113–296, §12(c)(1)(A), (C), added subsec. (d) and struck out former subsec. (d) which related to authorization of appropriations.
Subsec. (e). Pub. L. 113–296, §12(c)(1)(B), (D), redesignated subsec. (c) as (e) and substituted “September 30, 2024” for “the date that is 7 years after December 19, 2007”.

EFFECTIVE DATE

Section effective on the date that is 1 day after Dec. 19, 2007, see section 1601 of Pub. L. 110–140, set out as a note under section 1824 of Title 2, The Congress.

PART B—INTERNATIONAL CLEAN ENERGY FOUNDATION

§ 17351. Definitions

In this part:

(1) Board

The term “Board” means the Board of Directors of the Foundation established pursuant to section 17352(c) of this title.

(2) Chief Executive Officer

The term “Chief Executive Officer” means the chief executive officer of the Foundation appointed pursuant to section 17352(b) of this title.
§ 17352. Establishment and management of Foundation

(a) Establishment

(1) In general

There is established in the executive branch a foundation to be known as the "International Clean Energy Foundation" that shall be responsible for carrying out the provisions of this part. The Foundation shall be a government corporation, as defined in section 103 of title 5.

(2) Board of Directors

The Foundation shall be governed by a Board of Directors in accordance with subsection (c).

(3) Intent of Congress

It is the intent of Congress, in establishing the structure of the Foundation set forth in this subsection, to create an entity that serves the long-term foreign policy and energy security goals of reducing global greenhouse gas emissions.

(b) Chief Executive Officer

(1) In general

There shall be in the Foundation a Chief Executive Officer who shall be responsible for the management of the Foundation.

(2) Appointment

The Chief Executive Officer shall be appointed by the Board, with the advice and consent of the Senate, and shall be a recognized leader in clean and efficient energy technologies and climate change and shall have experience in energy security, business, or foreign policy, chosen on the basis of a rigorous search.

(3) Relationship to Board

The Chief Executive Officer shall report to, and be under the direct authority of, the Board.

(4) Compensation and rank

(A) In general

The Chief Executive Officer shall be compensated at the rate provided for level III of the Executive Schedule under section 5314 of title 5.

(B) Omitted

(C) Authorities and duties

The Chief Executive Officer shall be responsible for the management of the Foundation and shall exercise the powers and discharge the duties of the Foundation.

(D) Authority to appoint officers

In consultation and with approval of the Board, the Chief Executive Officer shall appoint all officers of the Foundation.

(c) Board of Directors

(1) Establishment

There shall be in the Foundation a Board of Directors.

(2) Duties

The Board shall perform the functions specified to be carried out by the Board in this part and may prescribe, amend, and repeal bylaws, rules, regulations, and procedures governing the manner in which the business of the Foundation may be conducted and in which the powers granted to it by law may be exercised.

(3) Membership

The Board shall consist of—

(A) the Secretary of State (or the Secretary’s designee), the Secretary of Energy (or the Secretary’s designee), and the Administrator of the United States Agency for International Development (or the Administrator’s designee); and

(B) four other individuals with relevant experience in matters relating to energy security (such as individuals who represent institutions of energy policy, business organizations, foreign policy organizations, or other relevant organizations) who shall be appointed by the President, by and with the advice and consent of the Senate, of whom—

(i) one individual shall be appointed from among a list of individuals submitted by the Majority Leader of the House of Representatives;

(ii) one individual shall be appointed from among a list of individuals submitted by the Minority Leader of the House of Representatives;

(iii) one individual shall be appointed from among a list of individuals submitted by the Majority Leader of the Senate;

(iv) one individual shall be appointed from among a list of individuals submitted by the Minority Leader of the Senate.

(4) Chief Executive Officer

The Chief Executive Officer of the Foundation shall serve as a nonvoting, ex officio member of the Board.

(5) Terms

(A) Officers of the Federal Government

Each member of the Board described in paragraph (3)(A) shall serve for a term that is concurrent with the term of service of the individual’s position as an officer within the other Federal department or agency.

(B) Other members

Each member of the Board described in paragraph (3)(B) shall be appointed for a term of 3 years and may be reappointed for a term of an additional 3 years.

(C) Vacancies

A vacancy in the Board shall be filled in the manner in which the original appointment was made.
§ 17353 Duties of Foundation

The Foundation shall—

(1) use the funds authorized by this part to make grants to promote projects outside of the United States that serve as models of how to significantly reduce the emissions of global greenhouse gases through clean and efficient energy technologies, processes, and services;

(2) seek contributions from foreign governments, especially those rich in energy resources such as member countries of the Organization of the Petroleum Exporting Countries, and private organizations to supplement funds made available under this part;

(3) harness global expertise through collaborative partnerships with foreign governments and domestic and foreign private actors, including nongovernmental organizations and private sector companies, by leveraging public and private capital, technology, expertise, and services towards innovative models that can be instituted to reduce global greenhouse gas emissions;

(4) create a repository of information on best practices and lessons learned on the utilization and implementation of clean and efficient energy technologies and processes to be used for future initiatives to tackle the climate change crisis;

(5) be committed to minimizing administrative costs and to maximizing the availability of funds for grants under this part; and

(6) promote the use of American-made clean and efficient energy technologies, processes, and services by giving preference to entities incorporated in the United States and whose technology will be substantially manufactured in the United States.


Effective Date
Section effective on the date that is 1 day after Dec. 19, 2007, see section 1601 of Pub. L. 110–140, set out as a note under section 1824 of Title 2, The Congress.

§ 17354 Annual report

(a) Report required

Not later than March 31, 2008, and each March 31 thereafter, the Foundation shall submit to the appropriate congressional committees a report on the implementation of this part during the prior fiscal year.

(b) Contents

The report required by subsection (a) shall include—

(1) the total financial resources available to the Foundation during the year, including appropriated funds, the value and source of any gifts or donations accepted pursuant to section 17355(a)(6) of this title, and any other resources;
§ 17355. Powers of the Foundation; related provisions

(a) Powers

The Foundation—

(1) shall have perpetual succession unless dissolved by a law enacted after December 19, 2007;

(2) may adopt, alter, and use a seal, which shall be judicially noticed;

(3) may make and perform such contracts, grants, and other agreements with any person or government however designated and wherever situated, as may be necessary for carrying out the functions of the Foundation;

(4) may determine and prescribe the manner in which its obligations shall be incurred and its expenses allowed and paid, including expenses for representation;

(5) may lease, purchase, or otherwise acquire, improve, and use such real property wherever situated, as may be necessary for carrying out the functions of the Foundation;

(6) may accept money, funds, services, or property (real, personal, or mixed), tangible or intangible, made available by gift, bequest, grant, or otherwise for the purpose of carrying out the provisions of this subchapter from domestic or foreign private individuals, charities, nongovernmental organizations, corporations, or governments;

(7) may use the United States mails in the same manner and on the same conditions as the executive departments;

(8) may contract with individuals for personal services, who shall not be considered Federal employees for any provision of law administered by the Office of Personnel Management;

(9) may hire or obtain passenger motor vehicles; and

(10) shall have such other powers as may be necessary and incident to carrying out this part.

(b) Principal office

The Foundation shall maintain its principal office in the metropolitan area of Washington, District of Columbia.

(c) Applicability of Government Corporation Control Act

(1) In general

The Foundation shall be subject to chapter 91 of subtitle VI of title 31, except that the Foundation shall not be authorized to issue obligations or offer obligations to the public.

(2) Omitted

(d) Inspector General

(1) In general

The Inspector General of the Department of State shall serve as Inspector General of the Foundation, and, in acting in such capacity, may conduct reviews, investigations, and inspections of all aspects of the operations and activities of the Foundation.

(2) Authority of the Board

In carrying out the responsibilities under this subsection, the Inspector General shall report to and be under the general supervision of the Board.

(3) Reimbursement and authorization of services

(A) Reimbursement

The Foundation shall reimburse the Department of State for all expenses incurred by the Inspector General in connection with the Inspector General’s responsibilities under this subsection.

(B) Authorization for services

Of the amount authorized to be appropriated under section 17357(a) of this title for a fiscal year, up to $500,000 is authorized to be made available to the Inspector General of the Department of State to conduct reviews, investigations, and inspections of operations and activities of the Foundation.


References in Text

This subchapter, referred to in subsec. (a)(6), was in the original “this title”, meaning title IX of Pub. L. 110–140, Dec. 19, 2007, 121 Stat. 1725, which enacted this subchapter and amended section 5314 of Title 5, Government Organization and Employees, section 9101 of Title 31, Money and Finance, and section 3021 of Title 50, War and National Defense. For complete classification of title IX to the Code, see Tables.

Codification

Section is comprised of section 925 of Pub. L. 110–140. Subsec. (c)(2) of section 925 of Pub. L. 110–140 amended section 9101 of Title 31, Money and Finance.

Effective Date

Section effective on the date that is 1 day after Dec. 19, 2007, see section 1601 of Pub. L. 110–140, set out as a note under section 1824 of Title 2, The Congress.

1 So in original. A comma probably should appear.
§ 17356. General personnel authorities

(a) Detail of personnel

Upon request of the Chief Executive Officer, the head of an agency may detail any employee of such agency to the Foundation on a reimbursable basis. Any employee so detailed remains, for the purpose of preserving such employee’s allowances, privileges, rights, seniority, and other benefits, an employee of the agency from which detailed.

(b) Reemployment rights

(1) In general

An employee of an agency who is serving under a career or career conditional appointment (or the equivalent), and who, with the consent of the head of such agency, transfers to the Foundation, is entitled to be reemployed in such employee’s former position or a position of like seniority, status, and pay in such agency, if such employee—

(A) is separated from the Foundation for any reason, other than misconduct, neglect of duty, or malfeasance; and

(B) applies for reemployment not later than 90 days after the date of separation from the Foundation.

(2) Specific rights

An employee who satisfies paragraph (1) is entitled to be reemployed (in accordance with such paragraph) within 30 days after applying for reemployment and, on reemployment, is entitled to at least the rate of basic pay to which such employee would have been entitled had such employee never transferred.

(c) Hiring authority

Of persons employed by the Foundation, no more than 30 persons may be appointed, compensated, or removed without regard to the civil service laws and regulations.

(d) Basic pay

The Chief Executive Officer may fix the rate of basic pay of employees of the Foundation without regard to the provisions of chapter 51 of title 5 (relating to the classification of positions), subchapter III of chapter 53 of such title (relating to General Schedule pay rates), except that no employee of the Foundation may receive a rate of basic pay that exceeds the rate for level IV of the Executive Schedule under section 5315 of such title.

(e) Definitions

In this section—

(1) the term “agency” means an executive agency, as defined by section 105 of title 5; and

(2) the term “detail” means the assignment or loan of an employee, without a change of position, from the agency by which such employee is employed to the Foundation.


Effective Date

Section effective on the date that is 1 day after Dec. 19, 2007, see section 1601 of Pub. L. 110–140, set out as a note under section 1824 of Title 2, The Congress.

§ 17357. Authorization of appropriations

(a) Authorization of appropriations

To carry out this part, there are authorized to be appropriated $20,000,000 for each of the fiscal years 2009 through 2013.

(b) Allocation of funds

(1) In general

The Foundation may allocate or transfer to any agency of the United States Government any of the funds available for carrying out this part. Such funds shall be available for obligation and expenditure for the purposes for which the funds were authorized, in accordance with authority granted in this part or under authority governing the activities of the United States Government agency to which such funds are allocated or transferred.

(2) Notification

The Foundation shall notify the appropriate congressional committees not less than 15 days prior to an allocation or transfer of funds pursuant to paragraph (1).


Effective Date

Section effective on the date that is 1 day after Dec. 19, 2007, see section 1601 of Pub. L. 110–140, set out as a note under section 1824 of Title 2, The Congress.

PART C—MISCELLANEOUS PROVISIONS

§ 17371. Energy diplomacy and security within the Department of State

(a) State Department Coordinator for International Energy Affairs

(1) In general

The Secretary of State should ensure that energy security is integrated into the core mission of the Department of State.

(2) Coordinator for International Energy Affairs

There is established within the Office of the Secretary of State a Coordinator for International Energy Affairs, who shall be responsible for—

(A) representing the Secretary of State in interagency efforts to develop the international energy policy of the United States;

(B) ensuring that analyses of the national security implications of global energy and environmental developments are reflected in the decision making process within the Department of State;

(C) incorporating energy security priorities into the activities of the Department of State;

(D) coordinating energy activities of the Department of State with relevant Federal agencies; and

(E) coordinating energy security and other relevant functions within the Department of State currently undertaken by offices within—

(i) the Bureau of Economic, Energy and Business Affairs;

(ii) the Bureau of Oceans and International Environmental and Scientific Affairs; and
(iii) other offices within the Department of State.

(3) Authorization of appropriations

There are authorized to be appropriated such sums as may be necessary to carry out this subsection.

(b) Energy experts in key embassies

Not later than 180 days after December 19, 2007, the Secretary of State shall submit a report to the Committee on Foreign Relations of the Senate and the Committee on Foreign Affairs of the House of Representatives that includes—

(1) a description of the Department of State personnel who are dedicated to energy matters and are stationed at embassies and consulates in countries that are major energy producers or consumers;

(2) an analysis of the need for Federal energy specialist personnel in United States embassies and other United States diplomatic missions; and

(3) recommendations for increasing energy expertise within United States embassies among foreign service officers and options for assigning to such embassies energy attaches from the National Laboratories or other agencies within the Department of Energy.

c) Energy advisors

The Secretary of Energy may make appropriate arrangements with the Secretary of State to assign personnel from the Department of Energy or the National Laboratories of the Department of Energy to serve as dedicated advisors on energy matters in embassies of the United States or other United States diplomatic missions.

d) Report

Not later than 180 days after December 19, 2007, and every 2 years thereafter for the following 20 years, the Secretary of State shall submit a report to the Committee on Foreign Relations of the Senate and the Committee on Foreign Affairs of the House of Representatives that describes—

(1) the energy-related activities being conducted by the Department of State, including activities within—

(A) the Bureau of Economic, Energy and Business Affairs;

(B) the Bureau of Oceans and Environmental and Scientific Affairs; and

(C) other offices within the Department of State;

(2) the amount of funds spent on each activity within each office described in paragraph (1); and

(3) the number and qualification of personnel in each embassy (or relevant foreign posting) of the United States whose work is dedicated exclusively to energy matters.


§ 17372. Annual national energy security strategy report

(a) Reports

(1) In general

Subject to paragraph (2), on the date on which the President submits to Congress the budget for the following fiscal year under section 1105 of title 31, the President shall submit to Congress a comprehensive report on the national energy security of the United States.

(2) New Presidents

In addition to the reports required under paragraph (1), the President shall submit a comprehensive report on the national energy security of the United States by not later than 150 days after the date on which the President assumes the office of President after a presidential election.

(b) Contents

Each report under this section shall describe the national energy security strategy of the United States, including a comprehensive description of—

(1) the worldwide interests, goals, and objectives of the United States that are vital to the national energy security of the United States;

(2) the foreign policy, worldwide commitments, and national defense capabilities of the United States necessary—

(A) to deter political manipulation of world energy resources; and

(B) to implement the national energy security strategy of the United States;

(3) the proposed short-term and long-term uses of the political, economic, military, and other authorities of the United States—

(A) to protect or promote energy security; and

(B) to achieve the goals and objectives described in paragraph (1);

(4) the adequacy of the capabilities of the United States to protect the national energy security of the United States, including an evaluation of the balance among the capabilities of all elements of the national authority of the United States to support the implementation of the national energy security strategy; and

(5) such other information as the President determines to be necessary to inform Congress on matters relating to the national energy security of the United States.

c) Classified and unclassified form

Each national energy security strategy report shall be submitted to Congress in—

(1) a classified form; and

(2) an unclassified form.


Effective Date

Section effective on the date that is 1 day after Dec. 19, 2007, see section 1601 of Pub. L. 110–140, set out as a note under section 1824 of Title 2, The Congress.
§ 17373. Convention on Supplementary Compensation for Nuclear Damage contingent cost allocation

(a) Findings and purpose

(1) Findings

Congress finds that—
(A) section 2210 of this title (commonly known as the “Price-Anderson Act”)—
(i) provides a predictable legal framework necessary for nuclear projects; and
(ii) ensures prompt and equitable compensation in the event of a nuclear incident in the United States;

(B) the Price-Anderson Act, in effect, provides operators of nuclear powerplants with insurance for damage arising out of a nuclear incident and funds the insurance primarily through the assessment of a retrospective premium from each operator after the occurrence of a nuclear incident;

(C) the Convention on Supplementary Compensation for Nuclear Damage, done at Vienna on September 12, 1997, will establish a global system—
(i) to provide a predictable legal framework necessary for nuclear energy projects; and
(ii) to ensure prompt and equitable compensation in the event of a nuclear incident;

(D) the Convention benefits United States nuclear suppliers that face potentially unlimited liability for nuclear incidents that are not covered by the Price-Anderson Act by replacing a potentially open-ended liability with a predictable liability regime that, in effect, provides nuclear suppliers with insurance for damage arising out of such an incident;

(E) the Convention also benefits United States nuclear facility operators that may be publicly liable for a Price-Anderson incident by providing an additional early source of funds to compensate damage arising out of the Price-Anderson incident;

(F) the combined operation of the Convention, the Price-Anderson Act, and this section will augment the quantity of assured contingent costs associated with participation in a request for funds pursuant to Article VII of the Convention.

(G) the cost of those benefits is the obligation of the United States to contribute to the supplementary compensation fund established by the Convention;

(H) any such contribution should be funded in a manner that does not—
(i) upset settled expectations based on the liability regime established under the Price-Anderson Act; or
(ii) shift to Federal taxpayers liability risks for nuclear incidents at foreign installations;

(I) with respect to a Price-Anderson incident, funds already available under the Price-Anderson Act should be used; and

(J) with respect to a nuclear incident outside the United States not covered by the Price-Anderson Act, a retrospective premium should be prorated among nuclear suppliers relieved from potential liability for which insurance is not available.

(2) Purpose

The purpose of this section is to allocate the contingent costs associated with participation by the United States in the international nuclear liability compensation system established by the Convention on Supplementary Compensation for Nuclear Damage, done at Vienna on September 12, 1997—

(A) with respect to a Price-Anderson incident, by using funds made available under section 2210 of this title to cover the contingent costs in a manner that neither increases the burdens nor decreases the benefits under section 2210 of this title; and

(B) with respect to a covered incident outside the United States that is not a Price-Anderson incident, by allocating the contingent costs equitably, on the basis of risk, among the class of nuclear suppliers relieved by the Convention from the risk of potential liability resulting from any covered incident outside the United States.

(b) Definitions

In this section:

(1) Commission

The term “Commission” means the Nuclear Regulatory Commission.

(2) Contingent cost

The term “contingent cost” means the cost to the United States in the event of a covered incident the amount of which is equal to the amount of funds the United States is obligated to make available under paragraph 1(b) of Article III of the Convention.

(3) Convention

The term “Convention” means the Convention on Supplementary Compensation for Nuclear Damage, done at Vienna on September 12, 1997.

(4) Covered incident

The term “covered incident” means a nuclear incident the occurrence of which results in a request for funds pursuant to Article VII of the Convention.

(5) Covered installation

The term “covered installation” means a nuclear installation at which the occurrence of a nuclear incident could result in a request for funds under Article VII of the Convention.

(6) Covered person

(A) In general

The term “covered person” means—
(i) a United States person; and
(ii) an individual or entity (including an agency or instrumentality of a foreign country) that—
(I) is located in the United States; or
(II) carries out an activity in the United States.
(B) Exclusions
The term “covered person” does not include—
(i) the United States; or
(ii) any agency or instrumentality of the United States.

(7) Nuclear supplier
The term “nuclear supplier” means a covered person (or a successor in interest of a covered person) that—
(A) supplies facilities, equipment, fuel, services, or technology pertaining to the design, construction, operation, or decommissioning of a covered installation; or
(B) transports nuclear materials that could result in a covered incident.

(8) Price-Anderson incident
The term “Price-Anderson incident” means a covered incident for which section 2210 of this title would make funds available to compensate for public liability (as defined in section 2014 of this title).

(9) Secretary
The term “Secretary” means the Secretary of Energy.

(10) United States
(A) In general
The term “United States” has the meaning given the term in section 2014 of this title.

(B) Inclusions
The term “United States” includes—
(i) the Commonwealth of Puerto Rico;
(ii) any other territory or possession of the United States;
(iii) the Canal Zone; and
(iv) the waters of the United States territorial sea under Presidential Proclamation Number 5928, dated December 27, 1968 (43 U.S.C. 1391 note).

(11) United States person
The term “United States person” means—
(A) any individual who is a resident, national, or citizen of the United States (other than an individual residing outside of the United States and employed by a person who is not a United States person); and
(B) any corporation, partnership, association, joint stock company, business trust, unincorporated organization, or sole proprietorship that is organized under the laws of the United States.

(c) Use of Price-Anderson funds
(1) In general
Funds made available under section 2210 of this title shall be used to cover the contingent cost resulting from any Price-Anderson incident.

(2) Effect
The use of funds pursuant to paragraph (1) shall not reduce the limitation on public liability established under section 2210(e) of this title.

(d) Effect on amount of public liability
(1) In general
Funds made available to the United States under Article VII of the Convention with respect to a Price-Anderson incident shall be used to satisfy public liability resulting from the Price-Anderson incident.

(2) Amount
The amount of public liability allowable under section 2210 of this title relating to a Price-Anderson incident under paragraph (1) shall be increased by an amount equal to the difference between—
(A) the amount of funds made available for the Price-Anderson incident under Article VII of the Convention; and
(B) the amount of funds used under subsection (c) to cover the contingent cost resulting from the Price-Anderson incident.

(e) Retrospective risk pooling program
(1) In general
Except as provided under paragraph (2), each nuclear supplier shall participate in a retrospective risk pooling program in accordance with this section to cover the contingent cost resulting from a covered incident outside the United States that is not a Price-Anderson incident.

(2) Deferred payment
(A) In general
The obligation of a nuclear supplier to participate in the retrospective risk pooling program shall be deferred until the United States is called on to provide funds pursuant to Article VII of the Convention with respect to a covered incident that is not a Price-Anderson incident.

(B) Amount of deferred payment
The amount of a deferred payment of a nuclear supplier under subparagraph (A) shall be based on the risk-informed assessment formula determined under subparagraph (C).

(C) Risk-informed assessment formula
(i) In general
Not later than 3 years after December 19, 2007, and every 5 years thereafter, the Secretary shall, by regulation, determine the risk-informed assessment formula for the allocation among nuclear suppliers of the contingent cost resulting from a covered incident that is not a Price-Anderson incident, taking into account risk factors such as—
(I) the nature and intended purpose of the goods and services supplied by each nuclear supplier to each covered installation outside the United States;
(II) the quantity of the goods and services supplied by each nuclear supplier to each covered installation outside the United States;
(III) the hazards associated with the supplied goods and services if the goods and services fail to achieve the intended purposes;
(IV) the hazards associated with the covered installation outside the United States to which the goods and services are supplied;
(V) the legal, regulatory, and financial infrastructure associated with the cov-
§ 17373  TITLE 42—THE PUBLIC HEALTH AND WELFARE  Page 276

afa installation outside the United States to which the goods and services are supplied; and
(VI) the hazards associated with particular forms of transportation.

(ii) Factors for consideration
In determining the formula, the Secretary may—
(I) exclude—
(aa) goods and services with negligible risk;
(bb) classes of goods and services not intended specifically for use in a nuclear installation;
(cc) a nuclear supplier with a de minimis share of the contingent cost; and
(dd) a nuclear supplier no longer in existence for which there is no identifiable successor; and
(II) establish the period on which the risk assessment is based.

(iii) Application
In applying the formula, the Secretary shall not consider any covered installation or transportation for which funds would be available under section 2210 of this title.

(iv) Report
Not later than 5 years after December 19, 2007, and every 5 years thereafter, the Secretary shall submit to the Committee on Environment and Public Works of the Senate and the Committee on Energy and Commerce of the House of Representatives, a report on whether there is a need for continuation or amendment of this section, taking into account the effects of the implementation of the Convention on the United States nuclear industry and suppliers.

(f) Reporting
(1) Collection of information
(A) In general
The Secretary may collect information necessary for developing and implementing the formula for calculating the deferred payment of a nuclear supplier under subsection (e)(2).

(B) Provision of information
Each nuclear supplier and other appropriate persons shall make available to the Secretary such information, reports, records, documents, and other data as the Secretary determines, by regulation, to be necessary or appropriate to develop and implement the formula under subsection (e)(2)(C).

(2) Private insurance
The Secretary shall make available to nuclear suppliers, and insurers of nuclear suppliers, information to support the voluntary establishment and maintenance of private insurance against any risk for which nuclear suppliers may be required to pay deferred payments under this section.

(g) Effect on liability
Nothing in any other law (including regulations) limits liability for a covered incident to an amount equal to less than the amount prescribed in paragraph 1(a) of Article IV of the Convention, unless the law—
(1) specifically refers to this section; and
(2) explicitly repeals, alters, amends, modifies, impairs, displaces, or supersedes the effect of this subsection.

(h) Payments to and by the United States
(1) Action by nuclear suppliers
(A) Notification
In the case of a request for funds under Article VII of the Convention resulting from a covered incident that is not a Price-Anderson incident, the Secretary shall notify each nuclear supplier of the amount of the deferred payment required to be made by the nuclear supplier.

(B) Payments
(i) In general
Except as provided under clause (ii), not later than 60 days after receipt of a notification under subparagraph (A), a nuclear supplier shall pay to the general fund of the Treasury the deferred payment of the nuclear supplier required under subparagraph (A).

(ii) Annual payments
A nuclear supplier may elect to prorate payment of the deferred payment required under subparagraph (A) in 5 equal annual payments (including interest on the unpaid balance at the prime rate prevailing at the time the first payment is due).

(C) Vouchers
A nuclear supplier shall submit payment certification vouchers to the Secretary of the Treasury in accordance with section 3325 of title 31.

(2) Use of funds
(A) In general
Amounts paid into the Treasury under paragraph (1) shall be available to the Secretary of the Treasury, without further appropriation and without fiscal year limitation, for the purpose of making the contributions of public funds required to be made by the United States under the Convention.

(B) Action by Secretary of Treasury
The Secretary of the Treasury shall pay the contribution required under the Convention to the court of competent jurisdiction under Article XIII of the Convention with respect to the applicable covered incident.

(3) Failure to pay
If a nuclear supplier fails to make a payment required under this subsection, the Secretary may take appropriate action to recover from the nuclear supplier—
(A) the amount of the payment due from the nuclear supplier;
(B) any applicable interest on the payment; and
(C) a penalty of not more than twice the amount of the deferred payment due from the nuclear supplier.
(i) Limitation on judicial review; cause of action

(1) Limitation on judicial review

(A) In general

In any civil action arising under the Convention over which Article XIII of the Convention grants jurisdiction to the courts of the United States, any appeal or review by writ of mandamus or otherwise with respect to a nuclear incident that is not a Price-Anderson incident shall be in accordance with chapter 83 of title 28, except that the appeal or review shall occur in the United States Court of Appeals for the District of Columbia Circuit.

(B) Supreme Court jurisdiction

Nothing in this paragraph affects the jurisdiction of the Supreme Court of the United States under chapter 81 of title 28.

(2) Cause of action

(A) In general

Subject to subparagraph (B), in any civil action arising under the Convention over which Article XIII of the Convention grants jurisdiction to the courts of the United States, in addition to any other cause of action that may exist, an individual or entity shall have a cause of action against the operator to recover for nuclear damage suffered by the individual or entity.

(B) Requirement

Subparagraph (A) shall apply only if the individual or entity seeks a remedy for nuclear damage (as defined in Article I of the Convention) that was caused by a nuclear incident (as defined in Article I of the Convention) that is not a Price-Anderson incident.

(1) any data that, at any time, was Restricted Data (as defined in section 2014 of this title);

(2) information relating to intelligence sources or methods protected by section 3024(i) of title 50; or

(3) national security information classified under Executive Order 12958 ([former] 50 U.S.C. 435 note; relating to classified national security information) (or a successor Executive Order or regulation).

(2) Requirement

Rules prescribed under this subsection shall ensure, to the maximum extent practicable, that—

(A) the implementation of section 2210 of this title and this section is consistent and equitable; and

(B) the financial and operational burden on a Commission licensee in complying with section 2210 of this title is not greater as a result of the enactment of this section.

(3) Applicability of provision

Section 553 of title 5 shall apply with respect to the promulgation of regulations under this subsection.

(4) Effect of subsection

The authority provided under this subsection is in addition to, and does not impair or otherwise affect, any other authority of the Secretary or the Commission to prescribe regulations.

(m) Effective date

This section shall take effect on December 19, 2007.


REFERENCES IN TEXT

Presidential Proclamation Number 5026, referred to in subsec. (b)(10)(B)(iv), is set out as a note under section 1331 of Title 43, Public Lands.

Executive Order 12958, referred to in subsec. (k)(3), which was formerly set out as a note under section 435 (now section 3161) of Title 50, War and National Defense, was revoked by Ex. Ord. No. 13526, § 6.2(g), Dec. 29, 2009, 75 F.R. 731.

EFFECTIVE DATE

Section effective on the date that is 1 day after Dec. 19, 2007, see section 1601 of Pub. L. 110–140, set out as a note under section 1824 of Title 2, The Congress.

§ 17374. Transparency in extractive industries resource payments

(a) Purpose

The purpose of this section is to—

(1) ensure greater United States energy security by combating corruption in the governments of foreign countries that receive revenues from the sale of their natural resources; and

(2) enhance the development of democracy and increase political and economic stability in such resource rich foreign countries.

(b) Statement of policy

It is the policy of the United States—

(1) to increase energy security by promoting anti-corruption initiatives in oil and natural gas rich countries; and

(2) to promote global energy security through promotion of programs such as the Extractive Industries Transparency Initiative (EITI) that seek to install transparency and accountability into extractive industries resource payments.

(c) Sense of Congress

It is the sense of Congress that the United States should further global energy security and
promote democratic development in resource-rich foreign countries by—
(1) encouraging further participation in the EITI by eligible countries and companies; and
(2) promoting the efficacy of the EITI program by ensuring a robust and candid review mechanism.

(d) Report

(1) Report required

Not later than 180 days after December 19, 2007, and annually thereafter, the Secretary of State, in consultation with the Secretary of Energy, shall submit to the appropriate congressional committees a report on progress made in promoting transparency in extractive industries resource payments.

(2) Matters to be included

The report required by paragraph (1) shall include a detailed description of United States participation in the EITI, bilateral and multilateral diplomatic efforts to further participation in the EITI, and other United States initiatives to strengthen energy security, deter energy kleptocracy, and promote transparency in the extractive industries.

(e) Authorization of appropriations

There is authorized to be appropriated $3,000,000 for the purposes of United States contributions to the Multi-Donor Trust Fund of the EITI.


Section effective on the date that is 1 day after Dec. 19, 2007, see section 1601 of Pub. L. 110–140, set out as a note under section 1824 of Title 2, The Congress.

SUBCHAPTER IX—SMART GRID

§ 17381. Statement of policy on modernization of electricity grid

It is the policy of the United States to support the modernization of the Nation’s electricity transmission and distribution system to maintain a reliable and secure electricity infrastructure that can meet future demand growth and to achieve each of the following, which together characterize a Smart Grid:

(1) Increased use of digital information and controls technology to improve reliability, security, and efficiency of the electric grid.
(2) Dynamic optimization of grid operations and resources, with full cyber-security.
(3) Deployment and integration of distributed resources and generation, including renewable resources.
(4) Development and incorporation of demand response, demand-side resources, and energy-efficiency resources.
(5) Deployment of “smart” technologies (real-time, automated, interactive technologies that optimize the physical operation of appliances and consumer devices) for metering, communications concerning grid operations and status, and distribution automation.
(6) Integration of “smart” appliances and consumer devices.
(7) Deployment and integration of advanced electricity storage and peak-shaving technologies, including plug-in electric and hybrid electric vehicles, and thermal-storage air conditioning.
(8) Provision to consumers of timely information and control options.
(9) Development of standards for communication and interoperability of appliances and equipment connected to the electric grid, including the infrastructure serving the grid.
(10) Identification and lowering of unreasonable or unnecessary barriers to adoption of smart grid technologies, practices, and services.


Effective Date

Section effective on the date that is 1 day after Dec. 19, 2007, see section 1601 of Pub. L. 110–140, set out as a note under section 1824 of Title 2, The Congress.

§ 17382. Smart grid system report

The Secretary, acting through the Assistant Secretary of the Office of Electricity Delivery and Energy Reliability (referred to in this section as the “OEDER”) and through the Smart Grid Task Force established in section 17383 of this title, shall, after consulting with any interested individual or entity as appropriate, no later than 1 year after December 19, 2007, and every 2 years thereafter, report to Congress concerning the status of smart grid deployments nationwide and any regulatory or government barriers to continued deployment. The report shall provide the current status and prospects of smart grid development, including information on technology penetration, communications network capabilities, costs, and obstacles. It may include recommendations for State and Federal policies or actions helpful to facilitate the transition to a smart grid. To the extent appropriate, it should take a regional perspective. In preparing this report, the Secretary shall solicit advice and contributions from the Smart Grid Advisory Committee created in section 17383 of this title; from other involved Federal agencies including but not limited to the Federal Energy Regulatory Commission (“Commission”), the National Institute of Standards and Technology (“Institute”), and the Department of Homeland Security; and from other stakeholder groups not already represented on the Smart Grid Advisory Committee.


Codification

December 19, 2007, referred to in text, was in the original “enactment” and was translated as meaning the date of enactment of Pub. L. 110–140 to reflect the probable intent of Congress.

Effective Date

Section effective on the date that is 1 day after Dec. 19, 2007, see section 1601 of Pub. L. 110–140, set out as a note under section 1824 of Title 2, The Congress.
§ 17383. Smart Grid Advisory Committee and Smart Grid Task Force

(a) Smart Grid Advisory Committee

(1) Establishment

The Secretary shall establish, within 90 days of December 19, 2007, a Smart Grid Advisory Committee (either as an independent entity or as a designated sub-part of a larger advisory committee on electricity matters). The Smart Grid Advisory Committee shall include eight or more members appointed by the Secretary who have sufficient experience and expertise to represent the full range of smart grid technologies and services, to represent both private and non-Federal public sector stakeholders. One member shall be appointed by the Secretary to Chair the Smart Grid Advisory Committee.

(2) Mission

The mission of the Smart Grid Advisory Committee shall be to advise the Secretary, the Assistant Secretary, and other relevant Federal officials concerning the development of smart grid technologies, the progress of a national transition to the use of smart-grid technologies and services, the evolution of widely-accepted technical and practical standards and protocols to allow interoperability and inter-communication among smart-grid capable devices, and the optimum means of using Federal incentive authority to encourage such progress.

(3) Applicability of Federal Advisory Committee Act

The Federal Advisory Committee Act (5 U.S.C. App.) shall apply to the Smart Grid Advisory Committee.

(b) Smart Grid Task Force

(1) Establishment

The Assistant Secretary of the Office of Electricity Delivery and Energy Reliability shall establish, within 90 days of December 19, 2007, a Smart Grid Task Force composed of designated employees from the various divisions of that office who have responsibilities related to the transition to smart-grid technologies and practices. The Assistant Secretary or his designee shall be identified as the Director of the Smart Grid Task Force. The Chairman of the Federal Energy Regulatory Commission and the Director of the National Institute of Standards and Technology shall each designate at least one employee to participate on the Smart Grid Task Force. Other members may come from other agencies at the invitation of the Assistant Secretary or the nomination of the head of such other agency. The Smart Grid Task Force shall, without disrupting the work of the Divisions or Offices from which its members are drawn, provide an identifiable Federal entity to embody the Federal role in the national transition toward development and use of smart grid technologies.

(2) Mission

The mission of the Smart Grid Task Force shall be to insure awareness, coordination and integration of the diverse activities of the Office and elsewhere in the Federal Government related to smart-grid technologies and practices, including but not limited to: smart grid research and development; development of widely accepted smart-grid standards and protocols; the relationship of smart-grid technologies and practices to electric utility regulation; the relationship of smart-grid technologies and practices to infrastructure development, system reliability and security; and the relationship of smart-grid technologies and practices to other facets of electricity supply, demand, transmission, distribution, and policy. The Smart Grid Task Force shall collaborate with the Smart Grid Advisory Committee and other Federal agencies and offices. The Smart Grid Task Force shall meet at the call of its Director as necessary to accomplish its mission.

(c) Authorization

There are authorized to be appropriated for the purposes of this section such sums as are necessary to the Secretary to support the operations of the Smart Grid Advisory Committee and Smart Grid Task Force for each of fiscal years 2008 through 2020.


References in Text


Effective Date

Section effective on the date that is 1 day after Dec. 19, 2007, see section 1601 of Pub. L. 110–140, set out as a note under section 1824 of Title 2, The Congress.

§ 17384. Smart grid technology research, development, and demonstration

(a) Power grid digital information technology

The Secretary, in consultation with the Federal Energy Regulatory Commission and other appropriate agencies, electric utilities, the States, and other stakeholders, shall carry out a program—

(1) to develop advanced techniques for measuring peak load reductions and energy-efficiency savings from smart metering, demand response, distributed generation, and electricity storage systems;

(2) to investigate means for demand response, distributed generation, and storage to provide ancillary services;

(3) to conduct research to advance the use of wide-area measurement and control networks, including data mining, visualization, advanced computing, and secure and dependable communications in a highly-distributed environment;

(4) to test new reliability technologies, including those concerning communications network capabilities, in a grid control room environment against a representative set of local outage and wide area blackout scenarios; and

(5) to identify communications network capacity needed to implement advanced technologies.\(^1\)

\(^1\) So in original. The period probably should be a semicolon.
§ 17384  TITLE 42—THE PUBLIC HEALTH AND WELFARE  Page 8280

(b) Smart grid regional demonstration initiative

(1) In general

The Secretary shall establish a smart grid regional demonstration initiative (referred to in this subsection as the “Initiative”) composed of demonstration projects specifically focused on advanced technologies for use in power grid sensing, communications, analysis, and power flow control. The Secretary shall seek to leverage existing smart grid deployments.

(2) Goals

The goals of the Initiative shall be—

(A) to demonstrate the potential benefits of concentrated investments in advanced grid technologies on a regional grid;

(B) to facilitate the commercial transition from the current power transmission and distribution system technologies to advanced technologies;

(C) to facilitate the integration of advanced technologies in existing electric networks to improve system performance, power flow control, and reliability;

(D) to demonstrate protocols and standards that allow for the measurement and validation of the energy savings and fossil fuel emission reductions associated with the installation and use of energy efficiency and demand response technologies and practices; and

(E) to investigate differences in each region and regulatory environment regarding best practices in implementing smart grid technologies.

(3) Demonstration projects

(A) In general

In carrying out the initiative,2 the Secretary shall provide financial support to smart grid demonstration projects in urban, suburban, tribal, and rural areas, including areas where electric system assets are controlled by nonprofit entities and areas where electric system assets are controlled by investor-owned utilities.

(B) Cooperation

A demonstration project under subparagraph (A) shall be carried out in cooperation with the electric utility that owns the grid facilities in the electricity control area in which the demonstration project is carried out.

(C) Federal share of cost of technology investments

The Secretary shall provide to an electric utility described in subparagraph (B) or to other parties financial assistance for use in paying an amount equal to not more than 50 percent of the cost of qualifying advanced grid technology investments made by the electric utility or other party to carry out a demonstration project.

(D) Ineligibility for grants

No person or entity participating in any demonstration project conducted under this subsection shall be eligible for grants under section 17386 of this title for otherwise qualifying investments made as part of that demonstration project.

(E) Availability of data

The Secretary shall establish and maintain a smart grid information clearinghouse in a timely manner which will make data from smart grid demonstration projects and other sources available to the public. As a condition of receiving financial assistance under this subsection, a utility or other participant in a smart grid demonstration project shall provide such information as the Secretary may require to become available through the smart grid information clearinghouse in the form and within the timeframes as directed by the Secretary. The Secretary shall assure that business proprietary information and individual customer information is not included in the information made available through the clearinghouse.

(F) Open protocols and standards

The Secretary shall require as a condition of receiving funding under this subsection that demonstration projects utilize open protocols and standards (including Internet-based protocols and standards) if available and appropriate.

(c) Authorization of appropriations

There are authorized to be appropriated—

(1) to carry out subsection (a), such sums as are necessary for each of fiscal years 2008 through 2012; and

(2) to carry out subsection (b), such sums as may be necessary.

2So in original. Probably should be “Initiative.”.
technology investments made by the electric utility to carry out a demonstration project.”
Subsec. (b)(3)(E), (F). Pub. L. 111–5, § 405(5), added paras. (E) and (F).
Subsec. (c)(2). Pub. L. 111–5, § 405(4), amended par. (2) generally. Prior to amendment, par. (2) read as follows: “to carry out subsection (b), $100,000,000 for each of fiscal years 2008 through 2012.”

Effective Date
Section effective on the date that is 1 day after Dec. 19, 2007, see section 1601 of Pub. L. 110–140, set out as a note under section 1824 of Title 2, The Congress.

§ 17385. Smart grid interoperability framework
(a) Interoperability framework
The Director of the National Institute of Standards and Technology shall have primary responsibility to coordinate the development of a framework that includes protocols and model standards for information management to achieve interoperability of smart grid devices and systems. Such protocols and standards shall further align policy, business, and technology approaches in a manner that would enable all electric resources, including demand-side resources, to contribute to an efficient, reliable electricity network. In developing such protocols and standards—
(1) the Director shall seek input and cooperation from the Commission, OEDER and its Smart Grid Task Force, the Smart Grid Advisory Committee, other relevant Federal and State agencies; and
(2) the Director shall also solicit input and cooperation from private entities interested in such protocols and standards, including but not limited to the Gridwise Architecture Council, the International Electrical and Electronics Engineers, the National Electric Reliability Organization recognized by the Federal Energy Regulatory Commission, and National Electrical Manufacturer’s Association.

(b) Scope of framework
The framework developed under subsection (a) shall be flexible, uniform and technology-neutral, including but not limited to technologies for managing smart grid information, and designed—
(1) to accommodate traditional, centralized generation and transmission resources and consumer distributed resources, including distributed generation, renewable generation, energy storage, energy efficiency, and demand response and enabling devices and systems;
(2) to be flexible to incorporate—
(A) regional and organizational differences; and
(B) technological innovations;
(3) to consider the use of voluntary uniform standards for certain classes of mass-produced electric appliances and equipment for homes and businesses that enable customers, at their election and consistent with applicable State and Federal laws, and are manufactured with the ability to respond to electric grid emergencies and demand response signals by curtailing all, or a portion of, the electrical power consumed by the appliances or equipment in response to an emergency or demand response signal, including through—
(A) load reduction to reduce total electrical demand;
(B) adjustment of load to provide grid ancillary services; and
(C) in the event of a reliability crisis that threatens an outage, short-term load shedding to help preserve the stability of the grid; and
(4) such voluntary standards should incorporate appropriate manufacturer lead time.

(c) Timing of framework development
The Institute shall begin work pursuant to this section within 60 days of December 19, 2007. The Institute shall provide and publish an initial report on progress toward recommended or consensus standards and protocols within 1 year after December 19, 2007, further reports at such times as developments warrant in the judgment of the Institute, and a final report when the Institute determines that the work is completed or that a Federal role is no longer necessary.

(d) Standards for interoperability in Federal jurisdiction
At any time after the Institute’s work has led to sufficient consensus in the Commission’s judgment, the Commission shall institute a rulemaking proceeding to adopt such standards and protocols as may be necessary to insure smart-grid functionality and interoperability in interstate transmission of electric power, and regional and wholesale electricity markets.

(e) Authorization
There are authorized to be appropriated for the purposes of this section $5,000,000 to the Institute to support the activities required by this subsection for each of fiscal years 2008 through 2012.


Codification
December 19, 2007, referred to in subsec. (c), was in the original “enactment” and was translated as meaning the date of enactment of Pub. L. 110–140, to reflect the probable intent of Congress.

Effective Date
Section effective on the date that is 1 day after Dec. 19, 2007, see section 1601 of Pub. L. 110–140, set out as a note under section 1824 of Title 2, The Congress.

§ 17386. Federal matching fund for smart grid investment costs
(a) Matching fund
The Secretary shall establish a Smart Grid Investment Matching Grant Program to provide grants of up to one-half (50 percent) of qualifying Smart Grid investments.

(b) Qualifying investments
Qualifying Smart Grid investments may include any of the following made on or after December 19, 2007:
(1) In the case of appliances covered for purposes of establishing energy conservation

1 So in original. Does not fit with subsec. (b) introductory provisions.
2 So in original. Probably should be “section".
standards under part B of title III of the Energy Policy and Conservation Act of 1975 (42 U.S.C. 6291 et seq.), the documented expenditures incurred by a manufacturer of such appliances associated with purchasing or designing, testing the ability to manufacture, and manufacturing and installing for one calendar year, internal devices that allow the appliance to engage in Smart Grid functions.

(2) In the case of specialized electricity-using equipment, including motors and drivers, installed in industrial or commercial applications, the documented expenditures incurred by its owner or its manufacturer of installing devices or modifying that equipment to engage in Smart Grid functions.

(3) In the case of transmission and distribution equipment fitted with monitoring and communications devices to enable smart grid functions, the documented expenditures incurred by the electric utility to purchase and install such monitoring and communications devices.

(4) In the case of metering devices, sensors, control devices, and other devices integrated with and attached to an electric utility system or retail distributor or marketer of electricity that are capable of engaging in Smart Grid functions, the documented expenditures incurred by the electric utility, distributor, or marketer and its customers to purchase and install such devices.

(5) In the case of software that enables devices or computers to engage in Smart Grid functions, the documented purchase costs of the software.

(6) In the case of entities that operate or coordinate operations of regional electric grids, the documented expenditures for purchasing and installing such equipment that allows Smart Grid functions to operate and be combined or coordinated among multiple electric utilities and between that region and other regions.

(7) In the case of persons or entities other than electric utilities owning and operating a distributed electricity generator, the documented expenditures of enabling that generator to be monitored, controlled, or otherwise integrated into grid operations and electricity flows on the grid utilizing Smart Grid functions.

(8) In the case of electric or hybrid-electric vehicles, the documented expenses for devices that allow the vehicle to engage in Smart Grid functions (but not the costs of electricity storage for the vehicle).

(9) The documented expenditures related to purchasing and implementing Smart Grid functions in such other cases as the Secretary shall identify.

c) Investments not included

Qualifying Smart Grid investments do not include any of the following:

(1) Investments or expenditures for Smart Grid technologies, devices, or equipment that utilize specific tax credits or deductions under the Internal Revenue Code, as amended.

(2) Expenditures for electricity generation, transmission, or distribution infrastructure or equipment not directly related to enabling Smart Grid functions.

(3) After the final date for State consideration of the Smart Grid Information Standard under section 2621(d)(17) of title 16, an investment that is not in compliance with such standard.

(4) After the development and publication by the Institute of protocols and model standards for interoperability of smart grid devices and technologies, an investment that fails to incorporate any of such protocols or model standards.

(5) Expenditures for physical interconnection of generators or other devices to the grid except those that are directly related to enabling Smart Grid functions.

(6) Expenditures for ongoing salaries, benefits, or personnel costs not incurred in the initial installation, training, or start up of smart grid functions.

(7) Expenditures for travel, lodging, meals or other personal costs.

(8) Ongoing or routine operation, billing, customer relations, security, and maintenance expenditures.

(9) Such other expenditures that the Secretary determines not to be Qualifying Smart Grid Investments by reason of the lack of the ability to perform Smart Grid functions or lack of direct relationship to Smart Grid functions.

d) Smart grid functions

The term ‘‘smart grid functions’’ means any of the following:

(1) The ability to develop, store and receive digital information concerning electricity use, costs, prices, time of use, nature of use, storage, or other information relevant to device, grid, or utility operations, to or from or by means of the electric utility system, through one or a combination of devices and technologies.

(2) The ability to develop, store, send and receive digital information concerning electricity use, costs, prices, time of use, nature of use, storage, or other information relevant to device, grid, or utility operations to or from a computer or other control device.

(3) The ability to measure or monitor electricity use as a function of time of day, power quality characteristics such as voltage level, current, cycles per second, or source or type of generation and to store, synthesize or report that information by digital means.

(4) The ability to sense and localize disruptions or changes in power flows on the grid and communicate such information instantaneously and automatically for purposes of enabling automatic protective responses to sustain reliability and security of grid operations.

(5) The ability to detect, prevent, communicate with regard to, respond to, or recover from system security threats, including cyber-security threats and terrorism, using digital information, media, and devices.

(6) The ability of any appliance or machine to respond to such signals, measurements, or

1 See References in Text note below.
communications automatically or in a manner programmed by its owner or operator without independent human intervention.

(7) The ability to use digital information to operate functionalities on the electric utility grid that were previously electro-mechanical or manual.

(8) The ability to use digital controls to manage and modify electricity demand, enable congestion management, assist in voltage control, provide operating reserves, and provide frequency regulation.

(9) Such other functions as the Secretary may identify as being necessary or useful to the operation of a Smart Grid.

(e) Procedures and rules

(1) The Secretary shall, within 60 days after February 17, 2009, by means of a notice of intent and subsequent solicitation of grant proposals—

(A) establish procedures by which applicants can obtain grants of not more than one-half of their documented costs;

(B) require as a condition of receiving funding under this subsection that demonstration projects utilize open protocols and standards (including Internet-based protocols and standards) if available and appropriate;

(C) establish procedures to ensure that there is no duplication or multiple payment for the same investment or costs, that the grant goes to the party making the actual expenditures for the qualifying Smart Grid investments, and that the grants made have a significant effect in encouraging and facilitating the development of a smart grid;

(D) establish procedures to ensure there will be public records of grants made, recipients, and qualifying Smart Grid investments which have received grants; and

(E) establish procedures to provide advance payment of moneys up to the full amount of the grant award.

(2) The Secretary shall have discretion and exercise reasonable judgment to deny grants for investments that do not qualify.

(f) Authorization of appropriations

There are authorized to be appropriated to the Secretary such sums as are necessary for the administration of this section and the grants to be made pursuant to this section for fiscal years 2008 through 2012.


REFERENCES IN TEXT


AMENDMENTS

2009—Subsec. (a). Pub. L. 111–5, §405(5), substituted “grants of up to one-half (50 percent)” for “reimbursement of one-fifth (20 percent)”.

Subsec. (b)(9). Pub. L. 111–5, §405(6), struck out last sentence which read as follows: “In making such grants, the Secretary shall seek to reward innovation and early adaptation, even if success is not complete, rather than deployment of proven and commercially viable technologies.”

Subsec. (c)(1). Pub. L. 111–5, §405(7), substituted “utilize” for “are eligible for”.

Subsec. (e). Pub. L. 111–5, §405(8), amended subsec. (e) generally. Prior to amendment, text related to establishment of procedures by which applicants who have made qualifying Smart Grid investments can seek and obtain reimbursement of one-fifth of documented expenditures.

EFFECTIVE DATE

Section effective on the date that is 1 day after Dec. 19, 2007, see section 1601 of Pub. L. 110–140, set out as a note under section 1824 of Title 2, The Congress.

CHAPTER 153—COMMUNITY SAFETY THROUGH RECIDIVISM PREVENTION

Sec. 17501 to 17504. Transferred.

SUBCHAPTER I—NEW AND INNOVATIVE PROGRAMS TO IMPROVE OFFENDER REENTRY SERVICES

17511. Transferred.

SUBCHAPTER II—ENHANCED DRUG TREATMENT AND MENTORING GRANT PROGRAMS

PART A—Drug Treatment

17521. Transferred.

PART B—Mentoring

17531 to 17534. Transferred.

PART C—ADMINISTRATION OF JUSTICE REFORMS

SUBPART 1—IMPROVING FEDERAL OFFENDER REENTRY

17541. Transferred.

SUBPART 2—REENTRY RESEARCH

17551 to 17555. Transferred.

§ 17501. Transferred

CODIFICATION

Section 17501 was editorially reclassified as section 60501 of Title 34, Crime Control and Law Enforcement.

§ 17502. Transferred

CODIFICATION

Section 17502 was editorially reclassified as section 60502 of Title 34, Crime Control and Law Enforcement.

§ 17503. Transferred

CODIFICATION

Section 17503 was editorially reclassified as section 60503 of Title 34, Crime Control and Law Enforcement.

§ 17504. Transferred

CODIFICATION

Section 17504 was editorially reclassified as section 60504 of Title 34, Crime Control and Law Enforcement.

SUBCHAPTER I—NEW AND INNOVATIVE PROGRAMS TO IMPROVE OFFENDER REENTRY SERVICES

§ 17511. Transferred

CODIFICATION

Section 17511 was editorially reclassified as section 60511 of Title 34, Crime Control and Law Enforcement.
§ 17521. Transferred

CODIFICATION

Section 17521 was editorially reclassified as section 60521 of Title 34, Crime Control and Law Enforcement.

PART A—DRUG TREATMENT

§ 17531. Transferred

CODIFICATION

Section 17531 was editorially reclassified as section 60531 of Title 34, Crime Control and Law Enforcement.

§ 17532. Transferred

CODIFICATION

Section 17532 was editorially reclassified as section 60532 of Title 34, Crime Control and Law Enforcement.

§ 17533. Transferred

CODIFICATION

Section 17533 was editorially reclassified as section 60533 of Title 34, Crime Control and Law Enforcement.

§ 17534. Transferred

CODIFICATION

Section 17534 was editorially reclassified as section 60534 of Title 34, Crime Control and Law Enforcement.

PART C—ADMINISTRATION OF JUSTICE REFORMS

SUBPART 1—IMPROVING FEDERAL OFFENDER REENTRY

§ 17541. Transferred

CODIFICATION

Section 17541 was editorially reclassified as section 60541 of Title 34, Crime Control and Law Enforcement.

SUBPART 2—REENTRY RESEARCH

§ 17551. Transferred

CODIFICATION

Section 17551 was editorially reclassified as section 60551 of Title 34, Crime Control and Law Enforcement.

§ 17552. Transferred

CODIFICATION

Section 17552 was editorially reclassified as section 60552 of Title 34, Crime Control and Law Enforcement.

§ 17553. Transferred

CODIFICATION

Section 17553 was editorially reclassified as section 60553 of Title 34, Crime Control and Law Enforcement.

§ 17554. Transferred

CODIFICATION

Section 17554 was editorially reclassified as section 60554 of Title 34, Crime Control and Law Enforcement.

§ 17555. Transferred

CODIFICATION

Section 17555 was editorially reclassified as section 60555 of Title 34, Crime Control and Law Enforcement.

CHAPTER 154—COMBATING CHILD EXPLOITATION

Sec. 17601. Transferred.

SUBCHAPTER I—NATIONAL STRATEGY FOR CHILD EXPLOITATION PREVENTION AND INTERDICTION

17611 to 17617. Transferred.

SUBCHAPTER II—ADDITIONAL MEASURES TO COMBAT CHILD EXPLOITATION

17631. Transferred.

§ 17601. Transferred

CODIFICATION

Section 17601 was editorially reclassified as section 21101 of Title 34, Crime Control and Law Enforcement.

SUBCHAPTER I—NATIONAL STRATEGY FOR CHILD EXPLOITATION PREVENTION AND INTERDICTION

§ 17611. Transferred

CODIFICATION

Section 17611 was editorially reclassified as section 21111 of Title 34, Crime Control and Law Enforcement.

§ 17612. Transferred

CODIFICATION

Section 17612 was editorially reclassified as section 21112 of Title 34, Crime Control and Law Enforcement.

§ 17613. Transferred

CODIFICATION

Section 17613 was editorially reclassified as section 21113 of Title 34, Crime Control and Law Enforcement.

§ 17614. Transferred

CODIFICATION

Section 17614 was editorially reclassified as section 21114 of Title 34, Crime Control and Law Enforcement.

§ 17615. Transferred

CODIFICATION

Section 17615 was editorially reclassified as section 21115 of Title 34, Crime Control and Law Enforcement.

§ 17616. Transferred

CODIFICATION

Section 17616 was editorially reclassified as section 21116 of Title 34, Crime Control and Law Enforcement.

§ 17617. Transferred

CODIFICATION

Section 17617 was editorially reclassified as section 21117 of Title 34, Crime Control and Law Enforcement.

SUBCHAPTER II—ADDITIONAL MEASURES TO COMBAT CHILD EXPLOITATION

§ 17631. Transferred

CODIFICATION

Section 17631 was editorially reclassified as section 21131 of Title 34, Crime Control and Law Enforcement.
CHAPTER 155—AERONAUTICS AND SPACE ACTIVITIES

§§ 17701, 17702. Transferred

Codification

Section 17701, Pub. L. 110–422, § 3, 122 Stat. 4781, which related to congressional findings on the 50th anniversary of the establishment of the National Aeronautics and Space Administration, was transferred and is set out as a note under section 9001 of Title 51.

§§ 17712, 17713. Repealed or Omitted

Codification

Section 17712, Pub. L. 110–422, title II, § 204, 122 Stat. 4785, which related to transitioning experimental research into operational services, was repealed in part and omitted in part. Subsecs. (b), (c), and (d) were repealed and reenacted as subsecs. (a), (b), and (c), respectively, of section 60502 of Title 51, National and Commercial Space Programs, by Pub. L. 111–314, §§ 3, 6, Dec. 18, 2010, 124 Stat. 3328, 3444, which Act enacted Title 51, National and Commercial Space Programs. Subsec. (a), which provided sense of Congress regarding such transitioning, was omitted from the Code following the enactment of Title 51.

§§ 17714, 17715. Repealed or Transferred

Codification

Section 17714, Pub. L. 110–422, title II, § 208, 122 Stat. 4786, related to cooperative activities with NOAA to study tornadoes and other severe storms. See section 60501 of Title 51, National and Commercial Space Programs.

SUBCHAPTER II—AERONAUTICS

§§ 17721, 17722. Repealed or Transferred

Codification


SUBCHAPTER III—EXPLORATION INITIATIVE

§§ 17731, 17732. Repealed or Transferred

Codification

Section 17731, Pub. L. 110–422, title IV, § 403, 122 Stat. 4789, related to stepping stone approach to exploration. See section 70504 of Title 51, National and Commercial Space Programs.

§§ 17733, 17734. Repealed or Transferred

Codification

Section 17733, Pub. L. 110–422, title IV, § 405, 122 Stat. 4790, related to discussions of common docking system standard among spacefaring nations to facilitate exploration crew rescue. See section 71301 of Title 51, National and Commercial Space Programs.

SUBCHAPTER IV—SPACE SCIENCE

§§ 17741, 17742. Repealed or Transferred

Codification

Section 17741, Pub. L. 110–422, title V, § 501, 122 Stat. 4791, related to discussions of common docking system standard among spacefaring nations to facilitate exploration crew rescue. See section 71301 of Title 51, National and Commercial Space Programs.

SUBCHAPTER V—SPACE SCIENCE
SUBCHAPTER V—SPACE OPERATIONS
   PART A—INTERNATIONAL SPACE STATION

§ 17751. Repealed or Omitted
CODIFICATION
Section, Pub. L. 110–422, title VI, §601, Oct. 15, 2008, 122 Stat. 4798, which related to plan to support operation and utilization of the International Space Station beyond fiscal year 2015, was repealed in part and omitted in part. Subsec. (a) was repealed and reenacted as section 70907 of Title 51, National and Commercial Space Programs, by Pub. L. 111–314, §§3, 6, Dec. 18, 2010, 124 Stat. 3328, 3444, which Act enacted Title 51. Subsec. (b), which required Administrator to submit a plan to congressional committees no later than nine months after Oct. 15, 2008, was omitted from the Code following the enactment of Title 51.


§ 17753. Omitted
CODIFICATION
Section, Pub. L. 110–422, title VI, §603, Oct. 15, 2008, 122 Stat. 4796, which related to contingency plan for cargo resupply of the International Space Station, and required contingency plan to be delivered to congressional committees no later than one year after Oct. 15, 2008, was omitted from the Code following the enactment of Title 51, National and Commercial Space Programs, by Pub. L. 111–314.

PART B—SPACE SHUTTLE

§ 17761. Transferred
CODIFICATION
Section, Pub. L. 110–422, title VI, §613, Oct. 15, 2008, 122 Stat. 4796, which related to Space Shuttle transition and disposition of program-related assets, and provided for Space Shuttle Transition Liaison Office, was transferred and is set out as a note under section 70601 of Title 51, National and Commercial Space Programs.

PART C—LAUNCH SERVICES

§ 17771. Transferred
CODIFICATION
Section, Pub. L. 110–422, title VI, §621, Oct. 15, 2008, 122 Stat. 4801, which related to Launch Services strategy, was transferred and is set out as a note under section 50903 of Title 51, National and Commercial Space Programs.

SUBCHAPTER VI—EDUCATION

§ 17781. Repealed or Omitted
CODIFICATION
Section, Pub. L. 110–422, title VII, §704, Oct. 15, 2008, 122 Stat. 4802, which related to enhancement of NASA’s educational role, was repealed in part and omitted in part. Subsec. (b) was repealed and reenacted as subsec. (d) of section 40903, and subsec. (c) was repealed and reenacted as section 40911, of Title 51, National and Commercial Space Programs, by Pub. L. 111–314, §§3, 6, Dec. 18, 2010, 124 Stat. 3328, 3444, which Act enacted Title 51. Subsec. (a), which provided sense of Congress regarding educational and agency use of the International Space Station National Laboratory, was omitted from the Code following the enactment of Title 51.

SUBCHAPTER VII—NEAR-EARTH OBJECTS

§ 17791. Repealed or Omitted
CODIFICATION
Section, Pub. L. 110–422, title VIII, §801, Oct. 15, 2008, 122 Stat. 4803, which reaffirmed policy on surveying near-Earth asteroids and comets, was repealed in part and omitted in part. Subsec. (a) was repealed and reenacted as section 71101 of Title 51, National and Commercial Space Programs, by Pub. L. 111–314, §§3, 6, Dec. 18, 2010, 124 Stat. 3328, 3444, which Act enacted Title 51. Subsec. (b), which provided sense of Congress regarding the policy and its benefits, was omitted from the Code following the enactment of Title 51.

§ 17792. Transferred
CODIFICATION
Section, Pub. L. 110–422, title VIII, §802, Oct. 15, 2008, 122 Stat. 4803, which related to Congressional findings regarding threat of collision of potentially hazardous near-Earth object with Earth, was transferred and is set out as a note under section 71101 of Title 51, National and Commercial Space Programs.


SUBCHAPTER VIII—COMMERCIAL INITIATIVES


Section, Pub. L. 110–422, title IX, §902, Oct. 15, 2008, 122 Stat. 4805, related to commercial crew transfer and crew rescue services for the International Space Station. See section 50111(b) of Title 51, National and Commercial Space Programs.

SUBCHAPTER IX—REVITALIZATION OF NASA INSTITUTIONAL CAPABILITIES

§§ 17811, 17812. Repealed or Omitted
CODIFICATION
Section 17811, Pub. L. 110–422, title X, §1002, Oct. 15, 2008, 122 Stat. 4806, which related to maintenance and upgrade of NASA Center facilities, was repealed in part and omitted in part. Subsec. (a) was repealed and reenacted as section 31502 of Title 51, National and Commercial Space Programs, by Pub. L. 111–314, §§3, 6, Dec. 18, 2010, 124 Stat. 3328, 3444, which Act enacted Title 51. Subsec. (b), which required determination of maintenance and upgrade backlog at NASA Centers and facilities, and subsec. (c), which required report to Congress to be delivered concurrently with fiscal 2011 budget request, were omitted from the Code following the enactment of Title 51.

Section 17812, Pub. L. 110–422, title X, §1003, Oct. 15, 2008, 122 Stat. 4807, which related to assessment of NASA laboratory capabilities, was repealed in part and omitted in part. Subsec. (a) was repealed and reenacted
as section 31503 of Title 51, National and Commercial Space Programs, by Pub. L. 111–314, §§5, 6, Dec. 18, 2010, 124 Stat. 3328, 3444, which Act enacted Title 51. Subsec. (b), which required independent external review of NASA laboratories and report to congressional committees no later than 18 months after Oct. 15, 2008, was omitted from the Code following the enactment of Title 51.

SUBCHAPTER X—OTHER PROVISIONS

§ 17821. Repealed or Transferred

CODIFICATION

Section, Pub. L. 110–422, title XI, §1102, Oct. 15, 2008, 122 Stat. 4808, which related to initiation of discussions on development of framework for space traffic management, was repealed in part and transferred in part. Subsec. (b) was repealed and reenacted as section 71302 of Title 51. National and Commercial Space Programs, by Pub. L. 111–314, §§5, 6, Dec. 18, 2010, 124 Stat. 3328, 3444, which Act enacted Title 51. Subsec. (a), which provided congressional finding of need for space traffic management, was transferred and is set out as a note under section 71302 of Title 51.


§ 17825. Repealed or Omitted

CODIFICATION

Section, Pub. L. 110–422, title XI, §1109, Oct. 15, 2008, 122 Stat. 4811, which related to protection of scientific credibility, integrity, and communication within NASA, was repealed in part and omitted in part. Subsec. (c) was repealed and reenacted as section 65506 of Title 51, National and Commercial Space Programs, by Pub. L. 111–314, §§5, 6, Dec. 18, 2010, 124 Stat. 3328, 3444, which Act enacted Title 51. Subsec. (a), which provided sense of Congress regarding NASA’s posture toward scientific research, and subsec. (b), which directed Comptroller General to initiate study within 60 days after Oct. 15, 2008, complete it within 270 days, and report to Congress, were omitted from the Code following the enactment of Title 51.

§ 17826. Omitted

CODIFICATION


CHAPTER 156—HEALTH INFORMATION TECHNOLOGY

SUBCHAPTER I—APPLICATION AND USE OF ADOPTED HEALTH INFORMATION TECHNOLOGY STANDARDS; REPORTS

Sec. 17901. Coordination of Federal activities with adopted standards and implementation specifications.

17902. Application to private entities.

17903. Study and reports.

SUBCHAPTER II—TESTING OF HEALTH INFORMATION TECHNOLOGY

17911. National Institute for Standards and Technology testing.

17912. Research and development programs.

SUBCHAPTER III—PRIVACY

17921. Definitions.

PART A—IMPROVED PRIVACY PROVISIONS AND SECURITY PROVISIONS

17931. Application of security provisions and penalties to business associates of covered entities; annual guidance on security provisions.

17932. Notification in the case of breach.

17933. Education on health information privacy.

17934. Application of privacy provisions and penalties to business associates of covered entities.

17935. Restrictions on certain disclosures and sales of health information; accounting of certain protected health information disclosures; access to certain information in electronic format.

17936. Conditions on certain contacts as part of health care operations.

17937. Temporary breach notification requirement for vendors of personal health records and other non-HIPAA covered entities.

17938. Business associate contracts required for certain entities.

17939. Improved enforcement.

17940. Audits.

PART B—RELATIONSHIP TO OTHER LAWS; REGULATORY REFERENCES; EFFECTIVE DATE; REPORTS

17951. Relationship to other laws.

17952. Regulatory references.

17953. Studies, reports, guidance.

SUBCHAPTER I—APPLICATION AND USE OF ADOPTED HEALTH INFORMATION TECHNOLOGY STANDARDS; REPORTS

§ 17901. Coordination of Federal activities with adopted standards and implementation specifications

(a) Spending on health information technology systems

As each agency (as defined by the Director of the Office of Management and Budget, in consultation with the Secretary of Health and Human Services) implements, acquires, or upgrades health information technology systems used for the direct exchange of individually identifiable health information between agencies and with non-Federal entities, it shall utilize, where available, health information tech-
(b) Federal information collection activities

With respect to a standard or implementation specification adopted under section 300jj–14 of this title, as added by section 13101, the President shall take measures to ensure that Federal activities involving the broad collection and submission of health information are consistent with such standard or implementation specification, respectively, within three years after the date of such adoption.

(c) Application of definitions

The definitions contained in section 300jj of this title, as added by section 13101, shall apply for purposes of this subchapter.

References in Text


§ 17902. Application to private entities

Each agency (as defined in such Executive Order issued on August 22, 2006, relating to promoting quality and efficient health care in Federal government administered or sponsored health care programs) shall require in contracts or agreements with health care providers, health plans, or health insurance issuers that as each provider, plan, or issuer implements, acquires, or upgrades health information technology systems, it shall utilize, where available, health information technology systems and products that meet standards and implementation specifications adopted under section 300jj–14 of this title, as added by section 13101.

References in Text

Executive Order issued on August 22, 2006, referred to in text, is Ex. Ord. No. 13410, Aug. 22, 2006, 71 F.R. 51089, which is set out as a note under section 300u of this title.

§ 17903. Study and reports

(a) Report on adoption of nationwide system

Not later than 2 years after February 17, 2009, and annually thereafter, the Secretary of Health and Human Services shall submit to the appropriate committees of jurisdiction of the House of Representatives and the Senate a report that—

(1) describes the specific actions that have been taken by the Federal Government and private entities to facilitate the adoption of a nationwide system for the electronic use and exchange of health information;

(2) describes barriers to the adoption of such a nationwide system; and

(3) contains recommendations to achieve full implementation of such a nationwide system.

(b) Reimbursement incentive study and report

(1) Study

The Secretary of Health and Human Services shall carry out, or contract with a private entity to carry out, a study that examines methods to create efficient reimbursement incentives for improving health care quality in Federally qualified health centers, rural health clinics, and free clinics.

(2) Report

Not later than 2 years after February 17, 2009, the Secretary of Health and Human Services shall submit to the appropriate committees of jurisdiction of the House of Representatives and the Senate a report on the study carried out under paragraph (1).

(c) Aging services technology study and report

(1) In general

The Secretary of Health and Human Services shall carry out, or contract with a private entity to carry out, a study of matters relating to the potential use of new aging services technology to assist seniors, individuals with disabilities, and their caregivers throughout the aging process.

(2) Matters to be studied

The study under paragraph (1) shall include—

(A) an evaluation of—

(i) methods for identifying current, emerging, and future health technology that can be used to meet the needs of seniors and individuals with disabilities and their caregivers across all aging services settings, as specified by the Secretary;

(ii) methods for fostering scientific innovation with respect to aging services technology within the business and academic communities; and

(iii) developments in aging services technology in other countries that may be applied in the United States; and

(B) identification of—

(i) barriers to innovation in aging services technology and devising strategies for removing such barriers; and

(ii) barriers to the adoption of aging services technology by health care providers and consumers and devising strategies to removing such barriers.

(3) Report

Not later than 24 months after February 17, 2009, the Secretary shall submit to the appropriate committees of jurisdiction of the House of Representatives and of the Senate a report on the study carried out under paragraph (1).

(4) Definitions

For purposes of this subsection:

(A) Aging services technology

The term “aging services technology” means health technology that meets the health care needs of seniors, individuals with disabilities, and the caregivers of such seniors and individuals.

(B) Senior

The term “senior” has such meaning as specified by the Secretary.

SUBCHAPTER II—TESTING OF HEALTH INFORMATION TECHNOLOGY

§17911. National Institute for Standards and Technology testing

(a) Pilot testing of standards and implementation specifications

In coordination with the HIT Standards Committee established under section 300jj–13 of this title, as added by section 13101, with respect to the development of standards and implementation specifications under such section, the Director of the National Institute for Standards and Technology shall test such standards and implementation specifications, as appropriate, in order to assure the efficient implementation and use of such standards and implementation specifications.

(b) Voluntary testing program

In coordination with the HIT Standards Committee established under section 300jj–13 of this title, as added by section 13101, with respect to the development of standards and implementation specifications under such section, the Director of the National Institute for Standards and Technology shall support the establishment of a conformance testing infrastructure, including the development of technical test beds. The development of this conformance testing infrastructure may include a program to accredit independent, non-Federal laboratories to perform testing.


REFERENCES IN TEXT

Section 300jj–13 of this title, referred to in text, which related to the establishment of the HIT Standards Committee, was repealed by Pub. L. 114–329, title I, §105(s), Jan. 6, 2017, 130 Stat. 2985.


§17912. Research and development programs

(a) Health Care Information Enterprise Integration Research Centers

(1) In general

The Director of the National Institute of Standards and Technology, in consultation with the Director of the National Science Foundation and other appropriate Federal agencies, shall establish a program of assistance to institutions of higher education (or consortia thereof which may include nonprofit entities and Federal Government laboratories) to establish multidisciplinary Centers for Health Care Information Enterprise Integration.

(2) Review; competition

Grants shall be awarded under this subsection on a merit-reviewed, competitive basis.

(3) Purpose

The purposes of the Centers described in paragraph (1) shall be—

(A) to generate innovative approaches to health care information enterprise integration by conducting cutting-edge, multidisciplinary research on the systems challenges to health care delivery; and

(B) the development and use of health information technologies and other complementary fields.

(4) Research areas

Research areas may include—

(A) interfaces between human information and communications technology systems;

(B) voice-recognition systems;

(C) software that improves interoperability and connectivity among health information systems;

(D) software dependability in systems critical to health care delivery;

(E) measurement of the impact of information technologies on the quality and productivity of health care;

(F) health information enterprise management;

(G) health information technology security and integrity; and

(H) relevant health information technology to reduce medical errors.

(5) Applications

An institution of higher education (or a consortium thereof) seeking funding under this subsection shall submit an application to the Director of the National Institute of Standards and Technology at such time, in such manner, and containing such information as the Director may require. The application shall include, at a minimum, a description of—

(A) the research projects that will be undertaken by the Center established pursuant to assistance under paragraph (1) and the respective contributions of the participating entities;

(B) how the Center will promote active collaboration among scientists and engineers from different disciplines, such as information technology, biologic sciences, management, social sciences, and other appropriate disciplines;

(C) technology transfer activities to demonstrate and diffuse the research results, technologies, and knowledge; and

(D) how the Center will contribute to the education and training of researchers and other professionals in fields relevant to health information enterprise integration.

(b) National information technology research and development program

The Networking and Information Technology Research and Development Program established by section 5511 of title 15 shall include Federal research and development programs related to health information technology.


AMENDMENTS


1 See References in Text note below.
§ 17921. Definitions

In this subchapter, except as specified otherwise:

(1) Breach

(A) In general

The term “breach” means the unauthorized acquisition, access, use, or disclosure of protected health information which compromises the security or privacy of such information, except where an unauthorized person to whom such information is disclosed would not reasonably have been able to retain such information.

(B) Exceptions

The term “breach” does not include—

(i) any unintentional acquisition, access, or use of protected health information by an employee or individual acting under the authority of a covered entity or business associate if—

(I) such acquisition, access, or use was made in good faith and within the course and scope of the employment or other professional relationship of such employee or individual, respectively, with the covered entity or business associate; and

(ii) such information is not further acquired, accessed, used, or disclosed by any person; or

(ii) any inadvertent disclosure from an individual who is otherwise authorized to access protected health information at a facility operated by a covered entity or business associate to another similarly situated individual at the same facility; and

(iii) any such information received as a result of such disclosure is not further acquired, accessed, used, or disclosed without authorization by any person.

(2) Business associate

The term “business associate” has the meaning given such term in section 160.103 of title 45, Code of Federal Regulations.

(3) Covered entity

The term “covered entity” has the meaning given such term in section 160.103 of title 45, Code of Federal Regulations.

(4) Disclose

The terms “disclose” and “disclosure” have the meaning given the term “disclosure” in section 160.103 of title 45, Code of Federal Regulations.

(5) Electronic health record

The term “electronic health record” means an electronic record of health-related information on an individual that is created, gathered, managed, and consulted by authorized health care clinicians and staff.

(6) Health care operations

The term “health care operation” has the meaning given such term in section 164.501 of title 45, Code of Federal Regulations.

(7) Health care provider

The term “health care provider” has the meaning given such term in section 160.103 of title 45, Code of Federal Regulations.

(8) Health plan

The term “health plan” has the meaning given such term in section 160.103 of title 45, Code of Federal Regulations.

(9) National Coordinator

The term “National Coordinator” means the head of the Office of the National Coordinator for Health Information Technology established under section 300jj–11(a) of this title, as added by section 13101.

(10) Payment

The term “payment” has the meaning given such term in section 164.501 of title 45, Code of Federal Regulations.

(11) Personal health record

The term “personal health record” means an electronic record of PHR identifiable health information (as defined in section 17937(f)(2) of this title) on an individual that can be drawn from multiple sources and that is managed, shared, and controlled by or primarily for the individual.

(12) Protected health information

The term “protected health information” has the meaning given such term in section 160.103 of title 45, Code of Federal Regulations.

(13) Secretary

The term “Secretary” means the Secretary of Health and Human Services.

(14) Security

The term “security” has the meaning given such term in section 164.304 of title 45, Code of Federal Regulations.

(15) State

The term “State” means each of the several States, the District of Columbia, Puerto Rico, the Virgin Islands, Guam, American Samoa, and the Northern Mariana Islands.

(16) Treatment

The term “treatment” has the meaning given such term in section 164.501 of title 45, Code of Federal Regulations.

(17) Use

The term “use” has the meaning given such term in section 160.103 of title 45, Code of Federal Regulations.

(18) Vendor of personal health records

The term “vendor of personal health records” means an entity, other than a covered entity (as defined in paragraph (3)), that offers or maintains a personal health record.


REFERENCES IN TEXT

This subchapter, referred to in text, was in the original “this subtitle”, meaning subtitle D (§13400 et seq.)

1So in original. Probably should be followed by “the”.

2See References in Text note below.
§ 17931. Application of security provisions and penalties to business associates of covered entities; annual guidance on security provisions

(a) Application of security provisions

Sections 164.308, 164.310, 164.312, and 164.316 of title 45, Code of Federal Regulations, shall apply to a business associate of a covered entity in the same manner that such sections apply to the covered entity. The additional requirements of this title that relate to security and that are made applicable with respect to covered entities shall also be applicable to such a business associate and shall be incorporated into the business associate agreement between the business associate and the covered entity.

(b) Application of civil and criminal penalties

In the case of a business associate that violates any security provision specified in subsection (a), sections 1320d-5 and 1320d-6 of this title shall apply to the business associate with respect to such violation in the same manner such sections apply to a covered entity that violates such security provision.

(c) Annual guidance

For the first year beginning after February 17, 2009, and annually thereafter, the Secretary of Health and Human Services shall, after consultation with stakeholders, annually issue guidance on the most effective and appropriate technical safeguards for use in carrying out the sections referred to in subsection (a) and the security standards in subpart C of part 164 of title 45, Code of Federal Regulations, including the use of standards developed under section 300jj–12(b)(2)(B)(vi) of this title, as added by section 13101 of this Act, as such provisions are in effect as of the date before February 17, 2009.

(See References in Text note below.)

References in Text

This section, except as specifically provided, is referred to in: Title XVIII of div. A of Pub. L. 111–5, which enacted this chapter and substituted section 17932 for section 13402 of this title. Pub. L. 114–255, amended this section.


Definitions

Section 17932 of this title, as added by Pub. L. 111–5, div. A, title XIII, § 13401, Feb. 17, 2009, 123 Stat. 270, provided that: ‘‘Except as otherwise specifically provided, the provisions of this part [probably means part 1 ([§ 17931–17936]) of subtitle D of title XIII of div. A of Pub. L. 111–5] enacting this part and amending sections 1320d–5 and 1320d–6 of this title] shall take effect on the date that is 12 months after the date of the enactment of this title [Feb. 17, 2009].’’

§ 17932. Notification in the case of breach

(a) In general

A covered entity that accesses, maintains, retains, modifies, records, stores, destroys, or otherwise holds, uses, or discloses unsecured protected health information (as defined in subsection (b)(1)) shall, in the case of a breach of such information that is discovered by the covered entity, notify each individual whose unsecured protected health information has been, or is reasonably believed by the covered entity to have been, accessed, acquired, or disclosed as a result of such breach.

(b) Notification of covered entity by business associate

A business associate of a covered entity that accesses, maintains, retains, modifies, records, stores, destroys, or otherwise holds, uses, or discloses unsecured protected health information shall, following the discovery of a breach of such information, notify the covered entity of such breach. Such notice shall include the identification of each individual whose unsecured protected health information has been, or is reasonably believed by the business associate to have been, accessed, acquired, or disclosed during such breach.

(c) Breaches treated as discovered

For purposes of this section, a breach shall be treated as discovered by a covered entity or by a business associate as of the first day on which such breach is known to such entity or associate, respectively, (including any person, other than the individual committing the breach, that is an employee, officer, or other agent of such entity or associate, respectively) or should reasonably have been known to such entity or associate (or person) to have occurred.

(d) Timeliness of notification

(1) In general

Subject to subsection (g), all notifications required under this section shall be made without unreasonable delay and in no case later than 60 calendar days after the discovery of a breach by the covered entity involved (or business associate involved in the case of a notification required under this section).

(2) Burden of proof

The burden of demonstrating that all notifications were made as required under this part, including evidence demonstrating the necessity of any delay.

(e) Methods of notice

(1) Individual notice

Notice required under this section to be provided to an individual, with respect to a
breach, shall be provided promptly and in the following form:

(A) Written notification by first-class mail to the individual (or the next of kin of the individual if the individual is deceased) at the last known address of the individual or the next of kin, respectively, or, if specified as a preference by the individual, by electronic mail. The notification may be provided in one or more mailings as information is available.

(B) In the case in which there is insufficient, or out-of-date contact information (including a phone number, email address, or any other form of appropriate communication) that precludes direct written (or, if specified by the individual under subparagraph (A), electronic) notification to the individual, a substitute form of notice shall be provided, including, in the case that there are 10 or more individuals for which there is insufficient or out-of-date contact information, a conspicuous posting for a period determined by the Secretary on the home page of the Web site of the covered entity involved or notice in major print or broadcast media, including major media in geographic areas where the individuals affected by the breach likely reside. Such a notice in media or web posting will include a toll-free phone number where an individual can learn whether or not the individual’s unsecured protected health information is possibly included in the breach.

(C) In any case deemed by the covered entity involved to require urgency because of possible imminent misuse of unsecured protected health information, the covered entity, in addition to notice provided under subparagraph (A), may provide information to individuals by telephone or other means, as appropriate.

(2) Media notice

Notice shall be provided to prominent media outlets serving a State or jurisdiction, following the discovery of a breach described in subsection (a), if the unsecured protected health information of more than 500 residents of such State or jurisdiction is, or is reasonably believed to have been, accessed, acquired, or disclosed during such breach.

(3) Notice to Secretary

Notice shall be provided to the Secretary by covered entities of unsecured protected health information that has been acquired or disclosed in a breach. If the breach was with respect to 500 or more individuals than 1 such notice must be provided immediately. If the breach was with respect to less than 500 individuals, the covered entity may maintain a log of any such breach occurring and annually submit such a log to the Secretary documenting such breaches occurring during the year involved.

(4) Posting on HHS public website

The Secretary shall make available to the public on the Internet website of the Department of Health and Human Services a list that identifies each covered entity involved in a breach described in subsection (a) in which the unsecured protected health information of more than 500 individuals is acquired or disclosed.

(f) Content of notification

Regardless of the method by which notice is provided to individuals under this section, notice of a breach shall include, to the extent possible, the following:

(1) A brief description of what happened, including the date of the breach and the date of the discovery of the breach, if known.

(2) A description of the types of unsecured protected health information that were involved in the breach (such as full name, Social Security number, date of birth, home address, account number, or disability code).

(3) The steps individuals should take to protect themselves from potential harm resulting from the breach.

(4) A brief description of what the covered entity involved is doing to investigate the breach, to mitigate losses, and to protect against any further breaches.

(5) Contact procedures for individuals to ask questions or learn additional information, which shall include a toll-free telephone number, an e-mail address, Web site, or postal address.

(g) Delay of notification authorized for law enforcement purposes

If a law enforcement official determines that a notification, notice, or posting required under this section would impede a criminal investigation or cause damage to national security, such notification, notice, or posting shall be delayed in the same manner as provided under section 164.528(a)(2) of title 45, Code of Federal Regulations, in the case of a disclosure covered under such section.

(h) Unsecured protected health information

(1) Definition

(A) In general

Subject to subparagraph (B), for purposes of this section, the term “unsecured protected health information” means protected health information that is not secured through the use of a technology or methodology specified by the Secretary in the guidance issued under paragraph (2).

(B) Exception in case timely guidance not issued

In the case that the Secretary does not issue guidance under paragraph (2) by the date specified in such paragraph, for purposes of this section, the term “unsecured protected health information” shall mean protected health information that is not secured by a technology standard that renders protected health information unusable, unreadable, or indecipherable to unauthorized individuals and is developed or endorsed by a standards developing organization that is accredited by the American National Standards Institute.

1 So in original. Probably should be "then".
(2) Guidance

For purposes of paragraph (1) and section 17937(f)(3) of this title, not later than the date that is 60 days after February 17, 2009, the Secretary shall, after consultation with stakeholders, issue (and annually update) guidance specifying the technologies and methodologies that render protected health information unrecognizable, unreadable, or indecipherable to unauthorized individuals, including the use of standards developed under section 300j–12(b)(2)(B)(v)(I) of this title, as added by section 13101 of this Act.

(i) Report to Congress on breaches

(1) In general

Not later than 12 months after February 17, 2009, and annually thereafter, the Secretary shall prepare and submit to the Committee on Finance and the Committee on Health, Education, Labor, and Pensions of the Senate and the Committee on Ways and Means and the Committee on Energy and Commerce of the House of Representatives a report containing the information described in paragraph (2) regarding breaches for which notice was provided to the Secretary under subsection (e)(3).

(2) Information

The information described in this paragraph regarding breaches specified in paragraph (1) shall include—

(A) the number and nature of such breaches; and

(B) actions taken in response to such breaches.

(j) Regulations; effective date

To carry out this section, the Secretary of Health and Human Services shall promulgate interim final regulations by not later than the date that is 180 days after February 17, 2009. The provisions of this section shall apply to breaches that are discovered on or after the date that is 30 days after the date of publication of such interim final regulations.


REFERENCES IN TEXT


EFFECTIVE DATE

Section effective 12 months after Feb. 17, 2009, except as otherwise specifically provided, see section 13423 of Pub. L. 111–5, set out as a note under section 17931 of this title.

§17934. Application of privacy provisions and penalties to business associates of covered entities

(a) Application of contract requirements

In the case of a business associate of a covered entity that obtains or creates protected health information pursuant to a written contract (or other written arrangement) described in section 164.502(e)(2) of title 45, Code of Federal Regulations, with such covered entity, the business associate may use and disclose such protected health information only if such use or disclosure, respectively, is in compliance with each applicable requirement of section 164.504(e) of such title. The additional requirements of this subchapter that relate to privacy and that are made applicable with respect to covered entities shall also be applicable to such a business associate and shall be incorporated into the business associate agreement between the business associate and the covered entity.

(b) Application of knowledge elements associated with contracts

Section 164.504(e)(1)(ii) of title 45, Code of Federal Regulations, shall apply to a business associate described in subsection (a), with respect to compliance with such subsection, in the same manner that such section applies to a covered entity, with respect to compliance with the standards in sections 164.502(e) and 164.504(e) of such title, except that in applying such section 164.504(e)(1)(ii) each reference to the business associate, with respect to a contract, shall be treated as a reference to the covered entity involved in such contract.

(c) Application of civil and criminal penalties

In the case of a business associate that violates any provision of subsection (a) or (b), the
provisions of sections 1176 and 1177 of the Social Security Act (42 U.S.C. 1320d–5, 1320d–6) shall apply to the business associate with respect to such violation in the same manner as such provisions apply to a person who violates a provision of part C of title XI of such Act (42 U.S.C. 1320d et seq.).


REFERENCES IN TEXT

This subchapter, referred to in subsec. (a), was in the original “this subtitle”, meaning subtitle D (§13400 et seq.) of title XIII of div. A of Pub. L. 111–5, Feb. 17, 2009, 123 Stat. 258, which is classified principally to this subchapter. For complete classification of subtitle D to the Code, see Tables.


EFFECTIVE DATE

Section effective 12 months after Feb. 17, 2009, except as otherwise specifically provided, see section 13423 of Pub. L. 111–5, set out as a note under section 17931 of this title.

§17935. Restrictions on certain disclosures and sales of health information; accounting of certain protected health information disclosures; access to certain information in electronic format

(a) Requested restrictions on certain disclosures of health information

In the case that an individual requests under paragraph (a)(1)(i)(A) of section 164.522 of title 45, Code of Federal Regulations, that a covered entity restrict the disclosure of the protected health information of the individual, notwithstanding paragraph (a)(1)(i) of such section, the covered entity must comply with the requested restriction if—

(1) except as otherwise required by law, the disclosure is to a health plan for purposes of carrying out payment or health care operations (and is not for purposes of carrying out treatment); and

(2) the protected health information pertains solely to a health care item or service for which the health care provider involved has been paid out of pocket in full.

(b) Disclosures required to be limited to the limited data set or the minimum necessary

(1) In general

(A) In general

Subject to subparagraph (B), a covered entity shall be treated as being in compliance with section 164.502(b)(1) of title 45, Code of Federal Regulations, with respect to the use, disclosure, or request of protected health information described in such section, only if the covered entity limits such protected health information, to the extent practicable, to the limited data set (as defined in section 164.514(e)(2) of such title) or, if needed by such entity, to the minimum necessary to accomplish the intended purpose of such use, disclosure, or request, respectively.

(B) Guidance

Not later than 18 months after February 17, 2009, the Secretary shall issue guidance on what constitutes “minimum necessary” for purposes of subpart E of part 164 of title 45, Code of Federal Regulation.1 In issuing such guidance the Secretary shall take into consideration the guidance under section 17953(c) of this title and the information necessary to improve patient outcomes and to detect, prevent, and manage chronic disease.

(C) Sunset

Subparagraph (A) shall not apply on and after the effective date on which the Secretary issues the guidance under subparagraph (B).

(2) Determination of minimum necessary

For purposes of paragraph (1), in the case of the disclosure of protected health information, the covered entity or business associate disclosing such information shall determine what constitutes the minimum necessary to accomplish the intended purpose of such disclosure.

(3) Application of exceptions

The exceptions described in section 164.502(b)(2) of title 45, Code of Federal Regulations, shall apply to the requirement under paragraph (1) as of the effective date described in section 13423 in the same manner that such exceptions apply to section 164.502(b)(1) of such title before such date.

(4) Rule of construction

Nothing in this subsection shall be construed as affecting the use, disclosure, or request of protected health information that has been de-identified.

(c) Accounting of certain protected health information disclosures required if covered entity uses electronic health record

(1) In general

In applying section 164.528 of title 45, Code of Federal Regulations, in the case that a covered entity uses an electronic health record

(A) the exception under paragraph (a)(1)(i) of such section shall not apply to disclosures through an electronic health record made by such entity of such information; and

(B) an individual shall have a right to receive an accounting of disclosures described in such paragraph of such information made by such covered entity during only the three years prior to the date on which the accounting is requested.

(2) Regulations

The Secretary shall promulgate regulations on what information shall be collected about each disclosure referred to in paragraph (1), not later than 6 months after the date on which the Secretary adopts standards on ac-

1See References in Text note below.

2So in original. Probably should be “Regulations.”
counting for disclosure described in the section 300jjj-12(b)(2)(B)(iv) of this title, as added by section 13101. Such regulations shall only require such information to be collected through an electronic health record in a manner that takes into account the interests of the individuals in learning the circumstances under which their protected health information is being disclosed and takes into account the administrative burden of accounting for such disclosures.

(3) Process

In response to an request from an individual for an accounting, a covered entity shall elect to provide either an—

(A) accounting, as specified under paragraph (1), for disclosures of protected health information that are made by such covered entity and by a business associate acting on behalf of the covered entity; or

(B) accounting, as specified under paragraph (1), for disclosures that are made by such covered entity and provide a list of all business associates acting on behalf of the covered entity, including contact information for such associates (such as mailing address, phone, and email address).

A business associate included on a list under subparagraph (B) shall provide an accounting of disclosures (as required under paragraph (1) for a covered entity) made by the business associate upon a request made by an individual directly to the business associate for such an accounting.

(4) Effective date

(A) Current users of electronic records

In the case of a covered entity insofar as it acquired an electronic health record as of January 1, 2009, paragraph (1) shall apply to disclosures, with respect to protected health information, made by the covered entity from such a record on and after January 1, 2014.

(B) Others

In the case of a covered entity insofar as it acquires an electronic health record after January 1, 2009, paragraph (1) shall apply to disclosures, with respect to protected health information, made by the covered entity from such record on and after the later of the following:

(i) January 1, 2011; or

(ii) the date that it acquires an electronic health record.

(C) Later date

The Secretary may set an effective date that is later than the date specified under—

(i) subparagraph (A) be later than 2016; or

(ii) subparagraph (B) be later than 2013.

(d) Prohibition on sale of electronic health records or protected health information

(1) In general

Except as provided in paragraph (2), a covered entity or business associate shall not directly or indirectly receive remuneration in exchange for any protected health information of an individual unless the covered entity obtained from the individual, in accordance with section 164.508 of title 45, Code of Federal Regulations, a valid authorization that includes, in accordance with such section, a specification of whether the protected health information can be further exchanged for remuneration by the entity receiving protected health information of that individual.

(2) Exceptions

Paragraph (1) shall not apply in the following cases:

(A) The purpose of the exchange is for public health activities (as described in section 164.512(b) of title 45, Code of Federal Regulations).

(B) The purpose of the exchange is for research (as described in sections 164.501 and 164.512(i) of title 45, Code of Federal Regulations) and the price charged reflects the costs of preparation and transmittal of the data for such purpose.

(C) The purpose of the exchange is for the treatment of the individual, subject to any regulation that the Secretary may promulgate to prevent protected health information from inappropriate access, use, or disclosure.

(D) The purpose of the exchange is the health care operation specifically described in subparagraph (iv) of paragraph (6) of the definition of healthcare operations in section 164.501 of title 45, Code of Federal Regulations.

(E) The purpose of the exchange is for remuneration that is provided by a covered entity to a business associate for activities involving the exchange of protected health information that the business associate undertakes on behalf of and at the specific request of the covered entity pursuant to a business associate agreement.

(F) The purpose of the exchange is to provide an individual with a copy of the individual’s protected health information pursuant to section 164.524 of title 45, Code of Federal Regulations.

(G) The purpose of the exchange is otherwise determined by the Secretary in regulations to be similarly necessary and appropriate as the exceptions provided in subparagraphs (A) through (F).

(3) Regulations

Not later than 18 months after February 17, 2009, the Secretary shall promulgate regulations to carry out this subsection. In promulgating such regulations, the Secretary—

(A) shall evaluate the impact of restricting the exception described in paragraph (2)(A) to require that the price charged for the purposes described in such paragraph reflects the costs of the preparation and transmittal of records.
of the data for such purpose, on research or public health activities, including those conducted by or for the use of the Food and Drug Administration; and

(B) may further restrict the exception described in paragraph (2)(A) to require that the price charged for the purposes described in such paragraph reflects the costs of the preparation and transmittal of the data for such purpose, if the Secretary finds that such further restriction will not impede such research or public health activities.

(4) Effective date

Paragraph (1) shall apply to exchanges occurring on or after the date that is 6 months after the date of the promulgation of final regulations implementing this subsection.

(e) Access to certain information in electronic format

In applying section 164.524 of title 45, Code of Federal Regulations, in the case that a covered entity uses or maintains an electronic health record with respect to protected health information of an individual—

(1) the individual shall have a right to obtain from such covered entity a copy of such information in an electronic format and, if the individual chooses, to direct the covered entity to transmit such copy directly to an entity or person designated by the individual, provided that any such choice is clear, conspicuous, and specific;

(2) if the individual makes a request to a business associate for access to, or a copy of, protected health information about the individual, or if an individual makes a request to a business associate to grant such access to, or transmit such copy directly to, a person or entity designated by the individual, a business associate may provide the individual with such access or copy, which may be in an electronic form, or grant or transmit such access or copy to such person or entity designated by the individual; and

(3) notwithstanding paragraph (c)(4) of such section, any fee that the covered entity may impose for providing such individual with a copy of such information (or a summary or explanation of such information) if such copy (or summary or explanation) is in an electronic form shall not be greater than the entity's labor costs in responding to the request for the copy (or summary or explanation).


REFERENCES IN TEXT

Section 13423, referred to in subsec. (b)(3), means section 13423 of div. A of Pub. L. 111–5, which is set out as an Effective Date note under section 17931 of this title.

Section 300jj–12(b)(2)(B)(iv) of this title, as added by section 13101, referred to in subsec. (c)(2), means section 300jj–12(b)(2)(B)(iv) of this title as added by section 13101 of div. A of Pub. L. 111–5, which is set out as a note under section 17931 of this title.

§ 17936. Conditions on certain contacts as part of health care operations

(a) Marketing

(1) In general

A communication by a covered entity or business associate that is about a product or service and that encourages recipients of the communication to purchase or use the product or service shall not be considered a health care operation for purposes of subpart E of part 164 of title 45, Code of Federal Regulations, unless the communication is made as described in subparagraph (i), (ii), or (iii) of paragraph (1) of the definition of marketing in section 164.501 of such title.

(2) Payment for certain communications

A communication by a covered entity or business associate that is about a product or service and that encourages recipients of the communication to purchase or use the product or service shall not be considered a health care operation for purposes of subpart E of part 164 of title 45, Code of Federal Regulations, unless the communication is made as described in subparagraph (i), (ii), or (iii) of paragraph (1) of the definition of marketing in section 164.501 of such title.

Amendments

2016—Subsec. (e)(2), (3). Pub. L. 114–255 added par. (2) and redesignated former par. (2) as (3).

Effective Date

Section effective 12 months after Feb. 17, 2009, except as otherwise specifically provided, see section 13423 of Pub. L. 111–5, set out as a note under section 17931 of this title.

§ 17936. Conditions on certain contacts as part of health care operations

(a) Marketing

(1) In general

A communication by a covered entity or business associate that is about a product or service and that encourages recipients of the communication to purchase or use the product or service shall not be considered a health care operation for purposes of subpart E of part 164 of title 45, Code of Federal Regulations, unless the communication is made as described in subparagraph (i), (ii), or (iii) of paragraph (1) of the definition of marketing in section 164.501 of such title.

(2) Payment for certain communications

A communication by a covered entity or business associate that is about a product or service and that encourages recipients of the communication to purchase or use the product or service shall not be considered a health care operation for purposes of subpart E of part 164 of title 45, Code of Federal Regulations, unless the communication is made as described in subparagraph (i), (ii), or (iii) of paragraph (1) of the definition of marketing in section 164.501 of such title.

Amendments

2016—Subsec. (e)(2), (3). Pub. L. 114–255 added par. (2) and redesignated former par. (2) as (3).

Effective Date

Section effective 12 months after Feb. 17, 2009, except as otherwise specifically provided, see section 13423 of Pub. L. 111–5, set out as a note under section 17931 of this title.

§ 17936. Conditions on certain contacts as part of health care operations

(a) Marketing

(1) In general

A communication by a covered entity or business associate that is about a product or service and that encourages recipients of the communication to purchase or use the product or service shall not be considered a health care operation for purposes of subpart E of part 164 of title 45, Code of Federal Regulations, unless the communication is made as described in subparagraph (i), (ii), or (iii) of paragraph (1) of the definition of marketing in section 164.501 of such title.
given such term by the Secretary by regulation.

(4) Direct or indirect payment
For purposes of paragraph (2), the term “direct or indirect payment” shall not include any payment for treatment (as defined in section 164.501 of title 45, Code of Federal Regulations) of an individual.

(b) Opportunity to opt out of fundraising
The Secretary shall by rule provide that any written fundraising communication that is a healthcare operation as defined under section 14323 of div. A of Pub. L. 111–5, Code of Federal Regulations, shall, in a clear and conspicuous manner, provide an opportunity for the recipient of the communications to elect not to receive any further such communication. When an individual elects not to receive any further such communication, such election shall be treated as a revocation of authorization under section 164.508 of title 45, Code of Federal Regulations.

(c) Effective date
This section shall apply to written communications occurring on or after the effective date specified under section 13423.¹


REFERENCES IN TEXT
Section 13423, referred to in subsec. (c), means section 13423 of div. A of Pub. L. 111–5, which is set out as an Effective Date note under section 17931 of this title.

§ 17937. Temporary breach notification requirement for vendors of personal health records and other non-HIPAA covered entities

(a) In general
In accordance with subsection (c), each vendor of personal health records, following the discovery of a breach of security of unsecured PHR identifiable health information that is in a personal health record maintained or offered by such vendor, and each entity described in clause (ii), (iii), or (iv) of section 17953(b)(1)(A) of this title, following the discovery of a breach of security of such information that is obtained through a product or service provided by such entity, shall—

(1) notify each individual who is a citizen or resident of the United States whose unsecured PHR identifiable health information was acquired by an unauthorized person as a result of such a breach of security; and

(2) notify the Federal Trade Commission.

(b) Notification by third party service providers
A third party service provider that provides services to a vendor of personal health records or to an entity described in clause (ii), (iii),¹ or (iv) of section 17953(b)(1)(A) of this title in connection with the offering or maintenance of a personal health record or a related product or service and that accesses, maintains, retains, modifies, records, stores, destroys, or otherwise holds, uses, or discloses unsecured PHR identifiable health information in such a record as a result of such services shall, following the discovery of a breach of security of such information, notify such vendor or entity, respectively, of such breach. Such notice shall include the identification of each individual whose unsecured PHR identifiable health information has been, or is reasonably believed to have been, accessed, acquired, or disclosed during such breach.

(c) Application of requirements for timeliness, method, and content of notifications
Subsections (c), (d), (e), and (f) of section 17932 of this title shall apply to a notification required under subsection (a) and a vendor of personal health records, an entity described in subsection (b), with respect to a breach of security under subsection (a) of unsecured PHR identifiable health information in such records maintained or offered by such vendor, in a manner specified by the Federal Trade Commission.

(d) Notification of the Secretary
Upon receipt of a notification of a breach of security under subsection (a)(2), the Federal Trade Commission shall notify the Secretary of such breach.

(e) Enforcement
A violation of subsection (a) or (b) shall be treated as an unfair and deceptive act or practice in violation of a regulation under section 57a(a)(1)(B) of title 15 regarding unfair or deceptive acts or practices.

(f) Definitions
For purposes of this section:

(1) Breach of security
The term “breach of security” means, with respect to unsecured PHR identifiable health information of an individual in a personal health record, acquisition of such information without the authorization of the individual.

(2) PHR identifiable health information
The term “PHR identifiable health information” means individually identifiable health information, as defined in section 1392d(6) of this title, and includes, with respect to an individual, information—

(A) that is provided by or on behalf of the individual; and

(B) that identifies the individual or with respect to which there is a reasonable basis to believe that the information can be used to identify the individual.

(3) Unsecured PHR identifiable health information

(A) In general
Subject to subparagraph (B), the term “unsecured PHR identifiable health information” means PHR identifiable health information that is not protected through the use of a technology or methodology specified by

¹ See References in Text note below.
² So in original. The period probably should be a comma.
the Secretary in the guidance issued under section 17932(h)(2) of this title.

(B) Exception in case timely guidance not issued

In the case that the Secretary does not issue guidance under section 17932(h)(2) of this title by the date specified in such section, for purposes of this section, the term "unsecured PHI identifiable health information" shall mean PHI identifiable health information that is not secured by a technology standard that renders protected health information unusable, unreadable, or indecipherable to unauthorized individuals and that is developed or endorsed by a standards developing organization that is accredited by the American National Standards Institute.

(g) Regulations; effective date; sunset

(1) Regulations; effective date

To carry out this section, the Federal Trade Commission shall promulgate interim final regulations by not later than the date that is 180 days after February 17, 2009. The provisions of this section shall apply to breaches of security that are discovered on or after the date that is 30 days after the date of publication of such interim final regulations.

(2) Sunset

If Congress enacts new legislation establishing requirements for notification in the case of a breach of security, that apply to entities that are not covered entities or business associates, the provisions of this section shall not apply to breaches of security discovered on or after the effective date of regulations implementing such legislation.

§ 17938. Business associate contracts required for certain entities

Each organization, with respect to a covered entity, that provides data transmission of protected health information to such entity (or its business associate) and that requires access on a routine basis to such protected health information, such as a Health Information Exchange Organization, Regional Health Information Organization, E-prescribing Gateway, or each vendor that contracts with a covered entity to allow that covered entity to offer a personal health record to patients as part of its electronic health record, is required to enter into a written contract (or other written arrangement) described in section 164.502(e)(2) of title 45, Code of Federal Regulations and a written contract (or other arrangement) described in section 164.308(b) of such title, with such entity and shall be treated as a business associate of the covered entity for purposes of the provisions of this subchapter and subparts C and E of part 164 of title 45, Code of Federal Regulations, as such provisions are in effect as of February 17, 2009.

§ 17939. Improved enforcement

(a) In general

(1) Omitted

(2) Enforcement under Social Security Act

Any violation by a covered entity under this subchapter is subject to enforcement and penalties under section 1176 and 1177 of the Social Security Act [42 U.S.C. 1320d–5, 1320d–6].

(b) Effective date; regulations

(1) The amendments made by subsection (a) shall apply to penalties imposed on or after the date that is 24 months after February 17, 2009.

(2) Not later than 18 months after February 17, 2009, the Secretary of Health and Human Services shall promulgate regulations to implement such amendments.

(c) Distribution of certain civil monetary penalties collected

(1) In general

Subject to the regulation promulgated pursuant to paragraph (3), any civil monetary penalty or monetary settlement collected with respect to an offense punishable under this subchapter or section 1176 of the Social Security Act (42 U.S.C. 1320d–5) insofar as such section relates to privacy or security shall be transferred to the Office for Civil Rights of the Department of Health and Human Services to be used for purposes of enforcing the provisions of this subchapter and subparts C and E of part 164 of title 45, Code of Federal Regulations, as such provisions are in effect as of February 17, 2009.

(2) GAO report

Not later than 18 months after February 17, 2009, the Comptroller General shall submit to the Secretary a report including recommendations for a methodology under which an individual who is harmed by an act that constitutes an offense referred to in paragraph (1) may receive a percentage of any civil monetary penalty or monetary settlement collected with respect to such offense.

References in Text

This subchapter, referred to in text, was in the original "this subtitle", meaning subtitle D (§ 13400 et seq.) of title XIII of div. A of Pub. L. 111–5, Feb. 17, 2009, 123 Stat. 258, which is classified principally to this subchapter. For complete classification of subtitle D to the Code, see Tables.

Effective Date

Section effective 12 months after Feb. 17, 2009, except as otherwise specifically provided, see section 13423 of Pub. L. 111–5, set out as a note under section 17931 of this title.
(3) Establishement of methodology to distribute percentage of CMPS collected to harmed individuals

Not later than 3 years after February 17, 2009, the Secretary shall establish by regulation and based on the recommendations submitted under paragraph (2), a methodology under which an individual who is harmed by an act that constitutes an offense referred to in paragraph (1) may receive a percentage of any civil monetary penalty or monetary settlement collected with respect to such offense.

(4) Application of methodology

The methodology under paragraph (3) shall be applied with respect to civil monetary penalties or monetary settlements imposed on or after the effective date of the regulation.

(d) Tiered increase in amount of civil monetary penalties

(1) to (3) Omitted

(4) Effective date

The amendments made by this subsection shall apply to violations occurring after February 17, 2009.

(e) Enforcement through State attorneys general

(1), (2) Omitted

(3) Effective date

The amendments made by this subsection shall apply to violations occurring after February 17, 2009.


REFERENCES IN TEXT

Section is comprised of section 13410 of Pub. L. 111–5. Subsecs. (a)(1), (d)(1)–(3), (e)(1), (2), and (f) of section 13410 of Pub. L. 111–5 amended section 1320d–4 of this title.

EFFECTIVE DATE

Section effective 12 months after Feb. 17, 2009, except as otherwise specifically provided, see section 13423 of Pub. L. 111–5, set out as a note under section 17931 of this title.

PART B—RELATIONSHIP TO OTHER LAWS; REGULATORY REFERENCES; EFFECTIVE DATE; REPORTS

§ 17951. Relationship to other laws

(a) Application of HIPAA State preemption

Section 1178 of the Social Security Act (42 U.S.C. 1320d–7) shall apply to a provision or requirement under this subchapter in the same manner that such section applies to a provision or requirement under part C of title XI of such Act (42 U.S.C. 1320d et seq.) or a standard or implementation specification adopted or established under sections 1172 through 1174 of such Act (42 U.S.C. 1320d–1 to 1320d–3).

(b) Health Insurance Portability and Accountability Act of 1996

The standards governing the privacy and security of individually identifiable health information promulgated by the Secretary under sections 262(a) and 264 of the Health Insurance Portability and Accountability Act of 1996 shall remain in effect to the extent that they are consistent with this subchapter. The Secretary shall by rule amend such Federal regulations as required to make such regulations consistent with this subchapter.

(c) Construction

Nothing in this subchapter shall constitute a waiver of any privilege otherwise applicable to an individual with respect to the protected health information of such individual.


REFERENCES IN TEXT

This subchapter, referred to in text, was in the original “this subtitle”, meaning subtitle D (§13400 et seq.) of title XIII of div. A of Pub. L. 111–5, Feb. 17, 2009, 123 Stat. 258, which is classified principally to this subchapter. For complete classification of subtitle D to the Code, see Tables.

EFFECTIVE DATE

Section effective 12 months after Feb. 17, 2009, except as otherwise specifically provided, see section 13423 of Pub. L. 111–5, set out as a note under section 17931 of this title.

PART B—RELATIONSHIP TO OTHER LAWS; REGULATORY REFERENCES; EFFECTIVE DATE; REPORTS

§ 17952. Regulatory references

Each reference in this subchapter to a provision of the Code of Federal Regulations refers to
such provision as in effect on February 17, 2009 (or to the most recent update of such provision).


REFERENCES IN TEXT
This subchapter, referred to in text, was in the original “this subtitle”, meaning subtitle D (§13400 et seq.) of title XIII of div. A of Pub. L. 111–5, Feb. 17, 2009, 123 Stat. 258, which is classified principally to this subchapter. For complete classification of subtitle D to the Code, see Tables.

§ 17953. Studies, reports, guidance

(a) Report on compliance

(1) In general
For the first year beginning after February 17, 2009, and annually thereafter, the Secretary shall prepare and submit to the Committee on Health, Education, Labor, and Pensions of the Senate and the Committee on Ways and Means and the Committee on Energy and Commerce of the House of Representatives a report concerning complaints of alleged violations of law, including the provisions of this subchapter as well as the provisions of subparts C and E of part 164 of title 45, Code of Federal Regulations, (as such provisions are in effect as of February 17, 2009) relating to privacy and security of health information that are received by the Secretary during the year for which the report is being prepared. Each such report shall include, with respect to such complaints received during the year—

(A) the number of such complaints;

(B) the number of such complaints resolved informally, a summary of the types of such complaints so resolved, and the number of covered entities that received technical assistance from the Secretary during such year in order to achieve compliance with such provisions and the types of such technical assistance provided;

(C) the number of such complaints that have resulted in the imposition of civil monetary penalties or have been resolved through monetary settlements, including the nature of the complaints involved and the amount paid in each penalty or settlement;

(D) the number of compliance reviews conducted and the outcome of each such review;

(E) the number of subpoenas or inquiries issued;

(F) the Secretary’s plan for improving compliance with and enforcement of such provisions for the following year; and

(G) the number of audits performed and a summary of audit findings pursuant to section 17940 of this title.

(2) Availability to public
Each report under paragraph (1) shall be made available to the public on the Internet website of the Department of Health and Human Services.

(b) Study and report on application of privacy and security requirements to non-HIPAA covered entities

(1) Study
Not later than one year after February 17, 2009, the Secretary, in consultation with the Federal Trade Commission, shall conduct a study, and submit a report under paragraph (2), on privacy and security requirements for entities that are not covered entities or business associates as of February 17, 2009, including—

(A) requirements relating to security, privacy, and notification in the case of a breach of security or privacy (including the applicability of an exemption to notification in the case of individually identifiable health information that has been rendered unusable, unreadable, or indecipherable through technologies or methodologies recognized by appropriate professional organization or standard setting bodies to provide effective security for the information) that should be applied to—

(i) vendors of personal health records;

(ii) entities that offer products or services through the website of a vendor of personal health records;

(iii) entities that are not covered entities and that offer products or services through the websites of covered entities that offer individuals personal health records;

(iv) entities that are not covered entities and that access information in a personal health record or send information to a personal health record; and

(v) third party service providers used by a vendor or entity described in clause (i), (ii), (iii), or (iv) to assist in providing personal health record products or services;

(B) a determination of which Federal government agency is best equipped to enforce such requirements recommended to be applied to such vendors, entities, and service providers under subparagraph (A); and

(C) a timeframe for implementing regulations based on such findings.

(2) Report
The Secretary shall submit to the Committee on Finance, the Committee on Health, Education, Labor, and Pensions, and the Committee on Commerce of the Senate and the Committee on Ways and Means and the Committee on Energy and Commerce of the House of Representatives a report on the findings of the study under paragraph (1) and shall include in such report recommendations on the privacy and security requirements described in such paragraph.

(c) Guidance on implementation specification to de-identify protected health information
Not later than 12 months after February 17, 2009, the Secretary shall, in consultation with stakeholders, issue guidance on how best to implement the requirements for the de-identification of protected health information under section 164.514(b) of title 45, Code of Federal Regulations.

(d) GAO report on treatment disclosures
Not later than one year after February 17, 2009, the Comptroller General of the United States shall submit to the Committee on Health, Education, Labor, and Pensions of the Senate and the Committee on Ways and Means
and the Committee on Energy and Commerce of the House of Representatives a report on the best practices related to the disclosure among health care providers of protected health information of an individual for purposes of treatment of such individual. Such report shall include an examination of the best practices implemented by States and by other entities, such as health information exchanges and regional health information organizations, an examination of the extent to which such best practices are successful with respect to the quality of the resulting health care provided to the individual and with respect to the ability of the health care provider to manage such best practices, and an examination of the use of electronic informed consent for disclosing protected health information for treatment, payment, and health care operations.

(e) Report required
Not later than 5 years after February 17, 2009, the Government Accountability Office shall submit to Congress and the Secretary of Health and Human Services a report on the impact of any of the provisions of this Act on health insurance premiums, overall health care costs, adoption of electronic health records by providers, and reduction in medical errors and other quality improvements.

(f) Study
The Secretary shall study the definition of “psychotherapy notes” in section 164.501 of title 45, Code of Federal Regulations, with regard to including test data that is related to direct responses, scores, items, forms, protocols, manuals, or other materials that are part of a mental health evaluation, as determined by the mental health professional providing treatment or evaluation in such definitions and may, based on such study, issue regulations to revise such definition.


REFERENCES IN TEXT
This subchapter, referred to in subsec. (a)(1), was in the original “this subtitle”, meaning subtitle D (§13900 et seq.) of title XIII of div. A of Pub. L. 111–5, Feb. 17, 2009, 123 Stat. 258, which is classified principally to this subchapter. For complete classification of subtitle D to the Code, see Tables.


CHAPTER 157—QUALITY, AFFORDABLE HEALTH CARE FOR ALL AMERICANS

SUBCHAPTER I—IMMEDIATE ACTIONS TO PRESERVE AND EXPAND COVERAGE

Sec.
18001. Immediate access to insurance for uninsured individuals with a preexisting condition.
18002. Reinsurance for early retirees.
18003. Immediate information that allows consumers to identify affordable coverage options.

SUBCHAPTER II—OTHER PROVISIONS
18011. Preservation of right to maintain existing coverage.

Sec.
18012. Rating reforms must apply uniformly to all health insurance issuers and group health plans.
18013. Annual report on self-insured plans.
18014. Treatment of expatriate health plans under ACA.

SUBCHAPTER III—AVAILABLE COVERAGE CHOICES FOR ALL AMERICANS

PART A—ESTABLISHMENT OF QUALIFIED HEALTH PLANS
18021. Qualified health plan defined.
18022. Essential health benefits requirements.
18023. Special rules.
18024. Related definitions.

PART B—CONSUMER CHOICES AND INSURANCE COMPETITION THROUGH HEALTH BENEFIT EXCHANGES
18031. Affordable choices of health benefit plans.
18032. Consumer choice.
18033. Financial integrity.

PART C—STATE FLEXIBILITY RELATING TO EXCHANGES
18041. State flexibility in operation and enforcement of Exchanges and related requirements.
18042. Federal program to assist establishment and operation of nonprofit, member-run health insurance issuers.
18043. Funding for the territories.
18044. Level playing field.

PART D—STATE FLEXIBILITY TO ESTABLISH ALTERNATIVE PROGRAMS
18051. State flexibility to establish basic health programs for low-income individuals not eligible for Medicaid.
18052. Waiver for State innovation.
18053. Provisions relating to offering of plans in more than one State.
18054. Multi-State plans.

PART E—REINSURANCE AND RISK ADJUSTMENT
18061. Transitional reinsurance program for individual market in each State.
18062. Establishment of risk corridors for plans in individual and small group markets.
18063. Risk adjustment.

SUBCHAPTER IV—AFFORDABLE COVERAGE CHOICES FOR ALL AMERICANS

PART A—PREMIUM TAX CREDITS AND COST-SHARING REDUCTIONS
18071. Reduced cost-sharing for individuals enrolling in qualified health plans.

PART B—ELIGIBILITY DETERMINATIONS
18081. Procedures for determining eligibility for Exchange participation, premium tax credits and reduced cost-sharing, and individual responsibility exemptions.
18082. Advance determination and payment of premium tax credits and cost-sharing reductions.
18083. Streamlining of procedures for enrollment through an Exchange and State Medicaid, CHIP, and health subsidy programs.
18084. Premium tax credit and cost-sharing reduction payments disregarded for Federal and federally-assisted programs.

SUBCHAPTER V—SHARED RESPONSIBILITY FOR HEALTH CARE

PART A—INDIVIDUAL RESPONSIBILITY
18091. Requirement to maintain minimum essential coverage; findings.
§ 18001. Immediate access to insurance for uninsured individuals with a preexisting condition

(a) In general
Not later than 90 days after March 23, 2010, the Secretary shall establish a temporary high risk health insurance pool program to provide health insurance coverage for eligible individuals during the period beginning on the date on which such program is established and ending on January 1, 2014.

(b) Administration
(1) In general
The Secretary may carry out the program under this section directly or through contracts to eligible entities.

(2) Eligible entities
To be eligible for a contract under paragraph (1), an entity shall—
(A) be a State or nonprofit private entity;
(B) submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require; and
(C) agree to utilize contract funding to establish and administer a qualified high risk pool for eligible individuals.

(3) Maintenance of effort
To be eligible to enter into a contract with the Secretary under this subsection, a State shall agree not to reduce the annual amount the State expended for the operation of one or more State high risk pools during the year preceding the year in which such contract is entered into.

(c) Qualified high risk pool
(1) In general
Amounts made available under this section shall be used to establish a qualified high risk pool that meets the requirements of paragraph (2).

(2) Requirements
A qualified high risk pool meets the requirements of this paragraph if such pool—

(A) provides to all eligible individuals health insurance coverage that does not impose any preexisting condition exclusion with respect to such coverage;

(B) provides health insurance coverage—
(i) in which the issuer’s share of the total allowed costs of benefits provided under such coverage is not less than 65 percent of such costs; and
(ii) that has an out of pocket limit not greater than the applicable amount described in section 223(c)(2) of title 26 for the year involved, except that the Secretary may modify such limit if necessary to ensure the pool meets the actuarial value limit under clause (i); and

(C) ensures that with respect to the premium rate charged for health insurance coverage offered to eligible individuals through the high risk pool, such rate shall—
(i) except as provided in clause (ii), vary only as provided for under section 300gg of this title (as amended by this Act and notwithstanding the date on which such amendments take effect);
(ii) vary on the basis of age by a factor of not greater than 4 to 1; and
(iii) be established at a standard rate for a standard population; and

(D) meets any other requirements determined appropriate by the Secretary.

(d) Eligible individual
An individual shall be deemed to be an eligible individual for purposes of this section if such individual—

(1) is a citizen or national of the United States or is lawfully present in the United States (as determined in accordance with section 18081 of this title);

(2) has not been covered under creditable coverage (as defined in section 300gg(c)(1) of this title as in effect on March 23, 2010) during the 6-month period prior to the date on which such individual is applying for coverage through the high risk pool; and

(3) has a pre-existing condition, as determined in a manner consistent with guidance issued by the Secretary.

(e) Protection against dumping risk by insurers
(1) In general
The Secretary shall establish criteria for determining whether health insurance issuers and employment-based health plans have discouraged an individual from remaining enrolled in prior coverage based on that individual’s health status.

(2) Sanctions
An issuer or employment-based health plan shall be responsible for reimbursing the program under this section for the medical expenses incurred by the program for an individual who, based on criteria established by the Secretary, the Secretary finds was encouraged by the issuer to dis enroll from health benefits coverage prior to enrolling in coverage through the program. The criteria shall include at least the following circumstances:

(A) In the case of prior coverage obtained through an employer, the provision by the
employer, group health plan, or the issuer of money or other financial consideration for disenrolling from the coverage.

(B) In the case of prior coverage obtained directly from an issuer or under an employment-based health plan:

(i) the provision by the issuer or plan of money or other financial consideration for disenrolling from the coverage; or

(ii) in the case of an individual whose premium for the prior coverage exceeded the premium required by the program (adjusted based on the age factors applied to the prior coverage)—

(I) the prior coverage is a policy that is no longer being actively marketed (as defined by the Secretary) by the issuer; or

(II) the prior coverage is a policy for which duration of coverage form issue or health status are factors that can be considered in determining premiums at renewal.

(3) Construction

Nothing in this subsection shall be construed as constituting exclusive remedies for violations of criteria established under paragraph (1) or as preventing States from applying or enforcing such paragraph or other provisions under law with respect to health insurance issuers.

(f) Oversight

The Secretary shall establish—

(1) an appeals process to enable individuals to appeal a determination under this section; and

(2) procedures to protect against waste, fraud, and abuse.

(g) Funding; termination of authority

(1) In general

There is appropriated to the Secretary, out of any moneys in the Treasury not otherwise appropriated, $5,000,000,000 to pay claims against (and the administrative costs of) the high risk pool under this section that are in excess of the amount of premiums collected from eligible individuals enrolled in the high risk pool. Such funds shall be available without fiscal year limitation.

(2) Insufficient funds

If the Secretary estimates for any fiscal year that the aggregate amounts available for the payment of the expenses of the high risk pool will be less than the actual amount of such expenses, the Secretary shall make such adjustments as are necessary to eliminate such deficit.

(3) Termination of authority

(A) In general

Except as provided in subparagraph (B), coverage of eligible individuals under a high risk pool in a State shall terminate on January 1, 2014.

(B) Transition to Exchange

The Secretary shall develop procedures to provide for the transition of eligible individ-
Section 4. To the maximum extent permitted by law, the head of each department or agency with responsibilities relating to healthcare or health insurance shall encourage the development of a free and open market in interstate commerce for the offering of healthcare services and health insurance, with the goal of achieving and preserving maximum options for patients and consumers.

Section 5. To the extent that carrying out the directives in this order would require revision of regulations issued through notice-and-comment rulemaking, the heads of agencies shall comply with the Administrative Procedure Act and other applicable statutes in considering whether to promulgate such regulatory revisions.

Section 6. (a) Nothing in this order shall be construed to impair or otherwise affect:

(i) the authority granted by law to an executive department or agency, or the head thereof, or

(ii) the functions of the Director of the Office of Management and Budget relating to budgetary, administrative, or legislative proposals.

(b) This order shall be implemented consistent with applicable law and subject to the availability of appropriations.

(c) This order is not intended to, and does not, create any right or benefit, substantive or procedural, enforceable at law or in equity by any party against the United States, its departments, agencies, or entities, its officers, employees, or agents, or any other person.

Donald J. Trump.

Ex. Ord. No. 13813, Promoting Healthcare Choice and Competition Across the United States

Ex. Ord. No. 13813, Oct. 12, 2017, 82 F.R. 48385, provides:

By the authority vested in me as President by the Constitution and the laws of the United States of America, it is hereby ordered as follows:

Section 1. Policy. (a) It shall be the policy of the executive branch, to the extent consistent with law, to facilitate the purchase of insurance across State lines and the development and operation of a healthcare system that provides high-quality care at affordable prices for the American people. The Patient Protection and Affordable Care Act (PPACA), however, has severely limited the choice of healthcare options available to many Americans and has produced large premium increases in many State individual markets for health insurance. The average exchange premium in the 39 States that are using www.healthcare.gov in 2017 is more than double the average overall individual market premium recorded in 2013. The PPACA has also largely failed to provide meaningful choice or competition between insurers, resulting in one-third of Americans selecting by the policyholder beyond 3 months of total coverage.

(b) Among the myriad areas where current regulations limit choice and competition, my Administration will prioritize three areas for improvement in the near term: association health plans (AHPs), short-term, limited-duration insurance (STLDI), and health reimbursement arrangements (HRAs). The employers often are able to obtain better terms on health insurance for their employees than small employers because of their larger pools of insured individuals across which they can spread risk and administrative costs. Expanding access to AHPs can help small businesses overcome this competitive disadvantage by allowing them to group together to self-insure or purchase large group health insurance. Expanding access to AHPs will also allow more small businesses to avoid many of the PPACA’s costly requirements. Expanding access to HRAs would provide more affordable health insurance options to many Americans, including hourly wage earners, farmers, and the employees of small businesses and entrepreneurs that fuel economic growth.

(ii) STLDI is exempt from the onerous and expensive insurance mandates and regulations included in title I of the PPACA. This can make it an appealing and affordable alternative to government-run exchanges for many people without coverage available to them through their workplaces. The previous administration took steps to restrict access to this market by reducing the allowable coverage period from less than 12 months to less than 3 months and by preventing any extensions selected by the policyholder beyond 3 months of total coverage.

(iii) HRAs are tax-advantaged, account-based arrangements that employers can establish for employees to give employees more flexibility and choices regarding their healthcare. Expanding the flexibility and use of HRAs would provide many Americans, including employees who work at small businesses, with more options for financing their healthcare.

(c) My Administration will also continue to focus on promoting competition in healthcare markets and limiting excessive consolidation throughout the healthcare system. To the extent consistent with law, government rules and guidelines affecting the United States healthcare system should:

(i) expand the availability of and access to alternatives to expensive, mandate-laden PPACA insurance, including AHPs, STLDI, and HRAs;

(ii) re-inject competition into healthcare markets by lowering barriers to entry, limiting excessive consolidation, and preventing abuses of market power; and

(iii) improve access to and the quality of information that Americans need to make informed healthcare decisions, including data about healthcare prices and outcomes, while minimizing reporting burdens on affected parties, providers, or payers.

Section 2. Expanded Access to Association Health Plans. Within 60 days of the date of this order, the Secretary of Labor shall consider proposing regulations or revising guidance, consistent with law, to expand access to health coverage by allowing more employers to form AHPs. To the extent permitted by law and supported by sound policy, the Secretary should also consider expanding the conditions that satisfy the commonality-of-interest requirements under current Department of Labor advisory opinions interpreting the definition of an “employer” under section 3(5) of the Employee Retirement Income Security Act of 1974. The Secretary of Labor should also consider ways to promote AHP formation on the basis of common geography or industry.

Section 3. Expanded Availability of Short-Term, Limited-Duration Insurance. Within 60 days of the date of this order, the Secretaries of the Treasury, Labor, and Health and Human Services shall consider proposing regulations or revising guidance, consistent with law, to expand the availability of STLDI. To the extent permitted by law and supported by sound policy, the Secretaries should consider allowing such insurance to cover longer periods and be renewed by the consumer. Within 60 days of the date of this order, the Secretary of Labor shall consider proposing regulations or revising guidance, consistent with law, to expand access to AHPs to their employees, and the employees of small businesses and entrepreneurs that fuel economic growth.

Section 4. Expanded Availability and Permitted Use of Health Reimbursement Arrangements. Within 120 days of the date of this order, the Secretaries of the Treasury, Labor, and Health and Human Services shall consider proposing regulations or revising guidance, consistent with law, to increase the usability of HRAs, to expand employers’ ability to offer HRAs to their employees, and the use of HRAs to be used in conjunction with nongroup coverage.
Sect. 5. Public Comment. The Secretaries shall consider and evaluate public comments on any regulations proposed under sections 2 through 4 of this order.

Sect. 6. Reports. Within 180 days of the date of this order, and every 2 years thereafter, the Secretary of Health and Human Services, in consultation with the Secretaries of the Treasury and Labor and the Federal Trade Commission, shall provide a report to the President that:

(a) details the extent to which existing State and Federal laws, regulations, guidance, requirements, and policies fail to conform to the policies set forth in section 1 of this order; and

(b) identifies actions that States or the Federal Government could take in furtherance of the policies set forth in section 1 of this order.

Sect. 7. General Provisions. (a) Nothing in this order shall be construed to impair or otherwise affect:

(i) the authority granted by law to an executive department or the President, or the Director of the Office of Management and Budget relating to budgetary, administrative, or legislative proposals.

(ii) the functions of the Director of the Office of Management and Budget relating to budgetary, administrative, or legislative proposals.

(b) This order shall be implemented consistent with applicable law and subject to the availability of appropriations.

(c) This order is not intended to, and does not, create any right or benefit, substantive or procedural, enforceable at law or in equity by any party against the United States, its departments, agencies, or entities, its officers, employees, or agents, or any other person.

Donald J. Trump.

Ex. Ord. No. 13877. Improving Price and Quality Transparency in American Healthcare to Put Patients First

Ex. Ord. No. 13877, June 24, 2019, 84 F.R. 30849, provided:

By the authority vested in me as President by the Constitution and the laws of the United States of America, it is hereby ordered as follows:

Section 1. Purpose. My Administration seeks to enhance the ability of patients to choose the healthcare that is best for them. To make fully informed decisions about their healthcare, patients must know the price and quality of a good or service in advance. With the predominant role that third-party payers and Government programs play in the American healthcare system, however, patients often lack both access to useful price and quality information and the incentives to find low-cost, high-quality care. Opaque pricing structures may benefit powerful special interest groups, such as hospital systems and insurance companies, but they generally leave patients and taxpayers worse off than would a more transparent system.

Pursuant to Executive Order 13813 of October 12, 2017 (Promoting Healthcare Choice and Competition Across the United States) [set out above], my Administration issued a report entitled ‘‘Reforming America’s Healthcare System Through Choice and Competition.’’ The report recommends developing price and quality transparency initiatives to ensure that healthcare patients can make well-informed decisions about their care. In particular, the report describes the characteristics of the most effective price transparency efforts: they distinguish between the charges that providers bill and the rates negotiated between payers and providers; they give patients proper incentives to seek information about the price of healthcare services; and they provide useful price comparisons for ‘‘shoppable’’ services (common services offered by multiple providers through the market, which patients can research and compare before making informed choices based on price and quality).

Shoppable services make up a significant share of the healthcare market, which means that increasing transparency among these services can have a broad effect on increasing competition in the healthcare system as a whole. One study, cited by the Council of Economic Advisers in its 2019 Annual Report, examined a sample of the highest-spending categories of medical cases requiring inpatient and outpatient care. Of the categories of medical cases requiring inpatient care, 73 percent of the 100 highest-spending categories were shopable. Among the categories of medical cases requiring outpatient care, 90 percent of the 300 highest-spending categories were shopable. Another study demonstrated that the ability of patients to price-shop imaging services, a particularly fungible and shopable set of healthcare services, was associated with a per-service savings of up to approximately 19 percent.

Improving transparency in healthcare will also further protect patients from harmful practices such as surprise billing, which occurs when patients receive unexpected bills at highly inflated prices from out-of-network providers they had no opportunity to select in advance. On May 9, 2019, I announced principles to guide efforts to address surprise billing. The principles outline how patients scheduling appointments to receive facility-based care should have access to pricing information related to the providers and services they may need, and the out-of-pocket formats they may incur by accessing this type of information in advance of care can help patients avoid excessive charges.

Making meaningful price and quality information more broadly available to more Americans will protect patients and increase competition, innovation, and value in the healthcare system.

Section 2. Policy. It is the policy of the Federal Government to ensure that patients are engaged with their healthcare decisions and have the information they need to optimize value in the healthcare system.

(a) The Federal Government aims to eliminate unnecessary barriers to price and quality transparency: to increase the availability of meaningful price and quality information for patients; to enhance patients’ control over their own healthcare resources, including through tax-preferred medical accounts; and to protect patients from surprise medical bills.

(b) Within 90 days of the date of this order, the Secretary to ensure compliance with the posting requirement, as needed.

(c) Within 180 days of the date of this order, the Federal Government or the private sector, as appropriate, shall issue a report describing the manners in which the Federal Government or the private sector are impeding healthcare price and quality transparency for patients, and providing recommendations for eliminating these impediments in a way that promotes competition. The report should describe why, under current conditions, lower-cost providers generally avoid healthcare advertising.

Section 4. Establishing a Health Quality Roadmap. Within 180 days of the date of this order, the Secretaries of...
Health and Human Services, Defense, and Veterans Affairs shall develop a Health Quality Roadmap (Roadmap) that aims to align and improve reporting on data and quality measures across Medicare, Medicaid, the Children’s Health Insurance Program, the Health Insurance Marketplace, the Military Health System, and the Veterans Affairs Health System. The Roadmap shall include a strategy for establishing, adopting, and publishing common quality measurements; aligning inpatient and outpatient measures; and eliminating low-value or counterproductive measures.

Sic. 5. Increasing Access to Data to Make Healthcare Information More Transparent and Useful to Patients. Within 180 days of the date of this order, the Secretary of Health and Human Services, in consultation with the Secretaries of the Treasury, Defense, Labor, and Veterans Affairs, and the Director of the Office of Personnel Management, shall increase access to de-identified claims data from taxpayer-funded healthcare programs and group health plans for researchers, innovators, providers, and entrepreneurs, in a manner that is consistent with applicable law and that ensures patient privacy and security. Providing access to this data will facilitate the development of tools that empower patients to be better informed as they make decisions related to healthcare goods and services. Access to this data will also enable researchers and entrepreneurs to locate inefficiencies and opportunities for improvement, such as patterns of performance of medical procedures that are outside the recommended standards of care. Such data may be derived from the Transformed Medicaid Statistical Information System (T-MSIS) and other sources. As part of this process, the Secretary of Health and Human Services shall make a list of priority datasets that, if de-identified, could advance the policies set forth by this order, and shall report to the President on proposed plans for future release of these priority datasets and on any barriers to their release.

Sic. 6. Empowering Patients by Enhancing Control Over Their Healthcare Resources. (a) Within 360 days of the date of this order, the Secretary of the Treasury, to the extent consistent with law, shall issue guidance to expand the ability of patients to select high-deductible health plans that can be used alongside a health savings account, and that cover low-cost preventive care, before the deductible, for medical care that helps maintain health status for individuals with chronic conditions.

(b) Within 180 days of the date of this order, the Secretary of the Treasury, to the extent consistent with law, shall propose regulations to treat expenses related to certain types of arrangements, potentially including direct primary care arrangements and healthcare sharing ministries, as eligible medical expenses under section 213(d) of title 26, United States Code. The term “early retirees” means individuals who are age 55 and older but are not eligible for coverage under title XVIII of the Social Security Act [42 U.S.C. 1395 et seq.], and who are not active employees of an employer maintaining, or currently contributing to, the employment-based plan or of any employer that has made substantial contributions to fund such plan.

Sic. 7. Addressing Surprise Medical Billing. Within 180 days of the date of this order, the Secretary of Health and Human Services shall submit a report to the President on additional steps my Administration may take to implement the principles on surprise medical billing announced on May 9, 2019.

Sic. 8. General Provisions. (a) Nothing in this order shall be construed to impair or otherwise affect:

(i) the authority granted by law to an executive department or agency, or the head thereof; or

(ii) the functions of the Director of the Office of Management and Budget relating to budgetary, administrative, or legislative proposals.

(b) This order shall be implemented consistent with applicable law and subject to the availability of appropriations.

(c) This order is not intended to, and does not, create any right or benefit, substantive or procedural, enforceable at law or in equity by any party against the United States, its departments, agencies, or entities, its officers, employees, or agents, or any other person.

Donald J. Trump.

§ 18002. Reinsurance for early retirees

(a) Administration

(1) In general

Not later than 90 days after March 23, 2010, the Secretary shall establish a temporary reinsurance program to provide reimbursement to participating employment-based plans for a portion of the cost of providing health insurance coverage to early retirees (and to the eligible spouses, surviving spouses, and dependents of such retirees) during the period beginning on the date on which such program is established and ending on January 1, 2014. (2) Reference

In this section:

(A) Health benefits

The term “health benefits” means medical, surgical, hospital, prescription drug, and such other benefits as shall be determined by the Secretary, whether self-funded, or delivered through the purchase of insurance or otherwise.

(B) Employment-based plan

The term “employment-based plan” means a group benefits plan providing health benefits that—

(i) is—

(I) maintained by one or more current or former employers (including without limitation any State or local government or political subdivision thereof or any agency or instrumentality of any of the foregoing), employee organization, a voluntary employees’ beneficiary association, or a committee or board of individuals appointed to administer such plan; or

(II) a multiemployer plan (as defined in section 1002(37) of title 29); and

(ii) provides health benefits to early retirees.

(C) Early retirees

The term “early retirees” means individuals who are age 55 and older but are not eligible for coverage under title XVIII of the Social Security Act [42 U.S.C. 1395 et seq.], and who are not active employees of an employer maintaining, or currently contributing to, the employment-based plan or of any employer that has made substantial contributions to fund such plan.

(b) Participation

(1) Employment-based plan eligibility

A participating employment-based plan is an employment-based plan that—

(A) meets the requirements of paragraph (2) with respect to health benefits provided under the plan; and

(B) submits to the Secretary an application for participation in the program, at such time, in such manner, and containing such information as the Secretary shall require.
(2) Employment-based health benefits

An employment-based plan meets the requirements of this paragraph if the plan—

(A) implements programs and procedures to generate cost-savings with respect to participants with chronic and high-cost conditions;
(B) provides documentation of the actual cost of medical claims involved; and
(C) is certified by the Secretary.

(c) Payments

(1) Submission of claims

(A) In general

A participating employment-based plan shall submit claims for reimbursement to the Secretary which shall contain documentation of the actual costs of the items and services for which each claim is being submitted.

(B) Basis for claims

Claims submitted under subparagraph (A) shall be based on the actual amount expended by the participating employment-based plan involved within the plan year for the health benefits provided to an early retiree or the spouse, surviving spouse, or dependent of such retiree. In determining the amount of a claim for purposes of this subsection, the participating employment-based plan shall take into account any negotiated price concessions (such as discounts, direct or indirect subsidies, rebates, and direct or indirect remunerations) obtained by such plan with respect to such health benefit. For purposes of determining the amount of any such claim, the costs paid by the early retiree or the retiree’s spouse, surviving spouse, or dependent in the form of deductibles, co-payments, or co-insurance shall be included in the amounts paid by the participating employment-based plan.

(2) Program payments

If the Secretary determines that a participating employment-based plan has submitted a valid claim under paragraph (1), the Secretary shall reimburse such plan for 80 percent of that portion of the costs attributable to such claim that exceed $15,000, subject to the limits contained in paragraph (3).

(3) Limit

To be eligible for reimbursement under the program, a claim submitted by a participating employment-based plan shall not be less than $15,000 nor greater than $90,000. Such amounts shall be adjusted each fiscal year based on the percentage increase in the Medical Care Component of the Consumer Price Index for all urban consumers (rounded to the nearest multiple of $1,000) for the year involved.

(4) Use of payments

Amounts paid to a participating employment-based plan under this subsection shall be used to lower costs for the plan. Such payments may be used to reduce premium costs for an entity described in subsection (a)(2)(B)(i) or to reduce premium contributions, co-payments, deductibles, co-insurance, or other out-of-pocket costs for plan participants. Such payments shall not be used as general revenues for an entity described in subsection (a)(2)(B)(i). The Secretary shall develop a mechanism to monitor the appropriate use of such payments by such entities.

(5) Payments not treated as income

Payments received under this subsection shall not be included in determining the gross income of an entity described in subsection (a)(2)(B)(i) that is maintaining or currently contributing to a participating employment-based plan.

(6) Appeals

The Secretary shall establish—

(A) an appeals process to permit participating employment-based plans to appeal a determination of the Secretary with respect to claims submitted under this section; and
(B) procedures to protect against fraud, waste, and abuse under the program.

(d) Audits

The Secretary shall conduct annual audits of claims data submitted by participating employment-based plans under this section to ensure that such plans are in compliance with the requirements of this section.

(e) Funding

There is appropriated to the Secretary, out of any moneys in the Treasury not otherwise appropriated, $5,000,000,000 to carry out the program under this section. Such funds shall be available without fiscal year limitation.

(f) Limitation

The Secretary has the authority to stop taking applications for participation in the program based on the availability of funding under subsection (e).

References in Text


Amendments


Online portal to affordable coverage options

(1) Immediate establishment

Not later than July 1, 2010, the Secretary, in consultation with the States, shall establish a mechanism, including an Internet website, through which a resident of, or small business in, any State may identify affordable health insurance coverage options in that State.
(2) Connecting to affordable coverage

An Internet website established under paragraph (1) shall, to the extent practicable, provide ways for residents of, and small businesses in, any State to receive information on at least the following coverage options:

(A) Health insurance coverage offered by health insurance issuers, other than coverage that provides reimbursement only for the treatment or mitigation of—
   (i) a single disease or condition; or
   (ii) an unreasonably limited set of diseases or conditions (as determined by the Secretary).

(B) Medicaid coverage under title XIX of the Social Security Act [42 U.S.C. 1396 et seq.].

(C) Coverage under title XXI of the Social Security Act [42 U.S.C. 1397aa et seq.].

(D) A State health benefits high risk pool, to the extent that such high risk pool is offered in such State; and

(E) Coverage under a high risk pool under section 18001 of this title.

(F) Coverage within the small group market for small businesses and their employees, including reinsurance for early retirees under section 18002 of this title, tax credits available under section 45R of title 26 (as added by section 1421), and other information specifically for small businesses regarding affordable health care options.

(b) Enhancing comparative purchasing options

(1) In general

Not later than 60 days after March 23, 2010, the Secretary shall develop a standardized format to be used for the presentation of information relating to the coverage options described in subsection (a)(2). Such format shall, at a minimum, require the inclusion of information on the percentage of total premium revenue expended on nonclinical costs (as reported under section 300gg–18(a) of this title), eligibility, availability, premium rates, and cost sharing with respect to such coverage options and be consistent with the standards adopted for the uniform explanation of coverage as provided for in section 300gg–15 of this title.

(2) Use of format

The Secretary shall utilize the format developed under paragraph (1) in compiling information concerning coverage options on the Internet website established under subsection (a).

(c) Authority to contract

The Secretary may carry out this section through contracts entered into with qualified entities.


REFERENCES IN TEXT

The Social Security Act, referred to in subsec. (a)(2)(B), (C), is act Aug. 14, 1935, ch. 531, 49 Stat. 620. Titles XIX and XXI of the Act are classified generally to subchapters XIX (§ 1396 et seq.) and XXI (§ 1397aa et seq.), respectively, of chapter 7 of this title. For complete classification of this Act to the Code, see section 1305 of this title and Tables.


AMENDMENTS

2010—Subsec. (a)(1). Pub. L. 111–148, § 10102(b)(1), which directed insertion of ‘‘, or small business in,’’ after ‘‘residents of any’’, was executed by making the insertion after ‘‘resident of’’ to reflect the probable intent of Congress.

Subsec. (a)(2). Pub. L. 111–148, § 10102(b)(2), added par. (2) and struck out former par. (2). Prior to amendment, text read as follows:

‘‘An Internet website established under paragraph (1) shall, to the extent practicable, provide ways for residents of any State to receive information on at least the following coverage options:

‘‘(A) Health insurance coverage offered by health insurance issuers, other than coverage that provides reimbursement only for the treatment or mitigation of—
   ‘‘(i) a single disease or condition; or
   ‘‘(ii) an unreasonably limited set of diseases or conditions (as determined by the Secretary);

‘‘(B) Medicaid coverage under title XIX of the Social Security Act.

‘‘(C) Coverage under title XXI of the Social Security Act.

‘‘(D) A State health benefits high risk pool, to the extent that such high risk pool is offered in such State; and

‘‘(E) Coverage under a high risk pool under section 18001 of this title.’’

SUBCHAPTER II—OTHER PROVISIONS

§ 18011. Preservation of right to maintain existing coverage

(a) No changes to existing coverage

(1) In general

Nothing in this Act (or an amendment made by this Act) shall be construed to require that an individual terminate coverage under a group health plan or health insurance coverage in which such individual was enrolled on March 23, 2010.

(2) Continuation of coverage

Except as provided in paragraph (3), with respect to a group health plan or health insurance coverage in which an individual was enrolled on March 23, 2010, this subtitle and subtitle A (and the amendments made by such subtitles) shall not apply to such plan or coverage, regardless of whether the individual receives such coverage after March 23, 2010.

(3) Application of certain provisions


(4) Application of certain provisions

(A) In general

The following provisions of the Public Health Service Act [42 U.S.C. 201 et seq.] (as added by this title) shall apply to grandfathered health plans for plan years begin-
ning with the first plan year to which such provisions would otherwise apply:

(i) Section 2708 [42 U.S.C. 300gg-7] (relating to excessive waiting periods).
(iii) Section 2712 [42 U.S.C. 300gg-12] (relating to rescissions).
(iv) Section 2714 [42 U.S.C. 300gg-14] (relating to extension of dependent coverage).

(b) Provisions applicable only to group health plans

(i) Provisions described

Those provisions of section 2711 [42 U.S.C. 300gg-11] relating to annual limits and the provisions of section 2704 [42 U.S.C. 300gg-3] (relating to pre-existing condition exclusions) of the Public Health Service Act (as added by this subtitle) shall apply to grandfathered health plans that are group health plans for plan years beginning with the first plan year to which such provisions otherwise apply.

(ii) Adult child coverage

For plan years beginning before January 1, 2014, the provisions of section 2714 of the Public Health Service Act [42 U.S.C. 300gg-14] (as added by this subtitle) shall apply in the case of an adult child with respect to a grandfathered health plan that is a group health plan only if such adult child is not eligible to enroll in an eligible employer-sponsored health plan (as defined in section 5000A(c)(2) of title 26) other than such grandfathered health plan.

(b) Allowance for family members to join current coverage

With respect to a group health plan or health insurance coverage in which an individual was enrolled on March 23, 2010, and which is renewed after such date, family members of such individual shall be permitted to enroll in such plan or coverage if such enrollment is permitted under the terms of the plan in effect as of March 23, 2010.

(c) Allowance for new employees to join current plan

A group health plan that provides coverage on March 23, 2010, may provide for the enrolling of new employees (and their families) in such plan, and this subtitle and subtitle A (and the amendments made by such subtitles) shall not apply with respect to such plan and such new employees (and their families).

(d) Effect on collective bargaining agreements

In the case of health insurance coverage maintained pursuant to one or more collective bargaining agreements between employee representatives and one or more employers that was ratified before March 23, 2010, the provisions of this subtitle and subtitle A (and the amendments made by such subtitles) shall not apply until the date on which the last of the collective bargaining agreements relating to the coverage terminates. Any coverage amendment made pursuant to a collective bargaining agreement relating to the coverage which amends the coverage solely to conform to any requirement added by this subtitle or subtitle A (or amendments) shall not be treated as a termination of such collective bargaining agreement.

(e) Definition

In this title, the term "grandfathered health plan" means any group health plan or health insurance coverage to which this section applies.

(1) grandfathered health plan: (2) section 300gg–7 of this title, (3) section 300gg–11 of this title, (4) section 300gg–12 of this title, (5) section 300gg–14 of this title, (6) section 300gg–15 of this title.

RECENT DATES

See References in Text note below.
§ 18013 TITLe 42—THE PUBLIC HEALTH AND WELFARE Page 8310

preceding sentence shall also apply to a State standard or requirement relating to the standard or requirement required by this title1 (or any such amendment) that is not the same as the standard or requirement but that is not preempted under section 18041(d) of this title.


REFERENCES IN TEXT

This title referred to in text, is title I of Pub. L. 111–148, Mar. 23, 2010, 124 Stat. 130, which enacted this chapter and enacted, amended, and transferred numerous sections and notes in the Code. For complete classification of title I to the Code, see Tables.

EFFECTIVE DATE

Section effective for plan years beginning on or after Jan. 1, 2014, see section 1255 of Pub. L. 111–148, set out as a note under section 300gg of this title.

§ 18013. Annual report on self-insured plans

Not later than 1 year after March 23, 2010, and annually thereafter, the Secretary of Labor shall prepare an aggregate annual report, using data collected from the Annual Return/Report of Employee Benefit Plan (Department of Labor Form 5500), that shall include general information on self-insured group health plans (including plan type, number of participants, benefits offered, funding arrangements, and benefit arrangements) as well as data from the financial filings of self-insured employers (including information on assets, liabilities, contributions, investments, and expenses). The Secretary shall submit such reports to the appropriate committees of Congress.


PRIOR PROVISIONS

A prior section 1253 of Pub. L. 111–148 was redesignated section 1255 and is set out as a note under section 300gg of this title.

EFFECTIVE DATE

Section effective for plan years beginning on or after Jan. 1, 2014, see section 1255 of Pub. L. 111–148, set out as a note under section 300gg of this title.

§ 18014. Treatment of expatriate health plans under ACA

(a) In general

Subject to subsection (b), the provisions of (including any amendment made by) the Patient Protection and Affordable Care Act (Public Law 111–148) and of title I and subtitle B of title II of the Health Care and Education Reconciliation Act of 2010 (Public Law 111–152) shall not apply with respect to—

(1) expatriate health plans;
(2) employers with respect to such plans, solely in their capacity as plan sponsors for such plans; or
(3) expatriate health insurance issuers with respect to coverage offered by such issuers under such plans.

(b) Minimum essential coverage and reporting requirements

(1) In general

For the purpose of section 5000A(f) of title 26, and any other section of title 26 that incorporates the definition of minimum essential coverage under such section 5000A(f) by reference:

(A) An expatriate health plan offered to primary enrollees who are described in subsections (d)(3)(A) and (d)(3)(B) of this section shall be treated as an eligible employer sponsored plan under 5000A(f)(2) of such title.

(B) An expatriate health plan offered to primary enrollees who are described in subsection (d)(3)(C) of this section shall be treated as a plan in the individual market under section 5000A(f)(1)(C) of such title. This subparagraph shall apply solely for the purposes of sections 36B, 5000A, and 6055 of such title.

(2) Exception

Subsection (a) shall not apply with respect to section 6055 of title 26, or sections 4980H and 6056 of such title in the case of an applicable large employer (as defined in section 4980H of such title), except that statements furnished to individuals may be provided through electronic media and the primary insured shall be deemed to have consented to receive the statements under such sections in electronic form, unless the individual explicitly refuses such consent. Notwithstanding subsection (a), section 4980I1 of title 26 shall continue to apply with respect to applicable employer-sponsored coverage (as defined in such section) of a qualified expatriate described in subsection (d)(3)(A)(i) who is assigned (rather than transferred) to work in the United States.

(c) Qualified expatriates, spouses, and dependents not United States health risk

(1) In general

For purposes of section 9010 of the Patient Protection and Affordable Care Act (26 U.S.C. 4001 note prec.), for calendar years after 2015, a qualified expatriate (and any spouse, dependent, or any other individual enrolled in the plan) enrolled in an expatriate health plan shall not be considered a United States health risk.

(2) Special rule

Notwithstanding paragraph (1), the fee under section 9010 of such Act for each of calendar years 2014 and 2015 with respect to any expatriate health insurance issuer shall be the amount which bears the same ratio to the fee amount determined by the Secretary of the Treasury with respect to such issuer under such section for each such year (determined without regard to this paragraph) as—

(A) the amount of premiums taken into account under such section with respect to such issuer for each such year, less the amount of premiums for expatriate health plans taken into account under such section

1 See References in Text note below.
with respect to such issuer for each such
year, bears to
(B) the amount of premiums taken into ac-
count under such section with respect to
such issuer for each such year.

(d) Definitions
In this section:
(1) Expatriate health insurance issuer
The term “expatriate health insurance is-
suer” means a health insurance issuer that is
health service, group health plan, or health insurance coverage
offered to a

(2) Expatriate health plan
The term “expatriate health plan” means a
group health plan, health insurance coverage
offered in connection with a group health
plan, or health insurance coverage offered to
a
group of individuals described in paragraph
(iii) which may include spouses, dependents,
and other individuals enrolled in the plan)
that meets each of the following standards:

(A) Substantially all of the primary enrol-
lees in such plan or coverage are qualified expat-
riates with respect to such plan or cov-
erage. In applying the previous sentence, an
individual shall not be considered a primary enrollee if the individual is not a national of
the United States and the individual resides
in the country of which the individual is a
citizen.

(B) Substantially all of the benefits pro-
vided under the plan or coverage are not ex-
cepted benefits described in section 9832(c) of
title 26.

(C) The plan or coverage provides coverage
for inpatient hospital services, outpatient
facility services, physician services, and
emergency services (comparable to such
emergency services coverage described in
and offered under section 8903(l) of title 5 for
plan year 2009) —

(i) in the case of individuals described in
paragraph (3)(A), both in the United States
and in the country or countries from
which the individual was transferred or as-
signed (accounting for flexibility needed
with existing coverage), and such other
country or countries as the Secretary of
Health and Human Services, in consulta-
tion with the Secretary of the Treasury and
the Secretary of Labor, may designate;

(ii) in the case of individuals described in
paragraph (3)(B), in the country or coun-
tries in which the individual is present in
connection with the individual’s employ-
ment, and such other country or countries
as the Secretary of Health and Human
Services, in consultation with the Sec-
retary of the Treasury and the Secretary
of Labor, may designate;

(iii) in the case of individuals described in
paragraph (3)(C), in the country or coun-
tries as the Secretary of Health and
Human Services, in consultation with the Sec-
retary of the Treasury and the Sec-
retary of Labor, may designate.

(D) The plan sponsor reasonably believes
that the benefits provided by the expatriate
health plan satisfy a standard at least actu-
arily equivalent to the level provided for

(E) If the plan or coverage provides de-
pendent coverage of children, the plan or
coverage makes such dependent coverage
available for adult children until the adult
child turns 26 years of age, unless such indi-
vidual is the child of a child receiving de-
pendent coverage.

(F) The plan or coverage—

(i) is issued by an expatriate health plan
issuer, or administered by an adminis-
trator, that together with any other per-
son in the expatriate health plan issuer’s
or administrator’s controlled group (as de-
scribed in section 9010 of the Patient Pro-
tection and Affordable Care Act (and the
regulations promulgated thereunder)), has
licenses to sell insurance in more than two
countries, and, with respect to such plan,
coverage, or company in the controlled
group—

(1) maintains network provider agree-
ments that provide for direct claims pay-
ments, directly or through third party
contracts, with health care providers in
eight or more countries;

(II) maintains call centers, directly or
through third party contracts, in three
or more countries and accepts calls from
customers in eight or more languages;

(III) processes (in the aggregate to-
gether with other plans or coverage it is-
issues or administers) at least $1,000,000 in
claims in foreign currency equivalents
each year;

IV) makes available (directly or
through third party contracts) global
evacuation/repatriation coverage; and

(V) maintains legal and compliance re-
sources in three or more countries; and

(ii) offers reimbursements for items or
services under such plan or coverage in
the local currency in eight or more countries.

(G) The plan or coverage, and the plan
sponsor or expatriate health insurance is-
suer with respect to such plan or coverage,
satisfies the provisions of title XXVII of the
Public Health Service Act (42 U.S.C. 300gg et
seq.), chapter 100 of title 26, and part 7 of
subtitle B of title I of the Employee Retire-
1181 et seq.), which would otherwise apply to
such a plan or coverage, and sponsor or is-
issuer, if not for the enactment of the Patient
Protection and Affordable Care Act and title
I and subtitle B of title II of the Health Care
and Education Reconciliation Act of 2010.

(3) Qualified expatriate
The term “qualified expatriate” means a
primary insured, or individual otherwise de-
scribed in subparagraph (C)—

(A)(i) whose skills, qualifications, job du-
ties, or expertise is of a type that has caused
his or her employer to transfer or assign him
or her to the United States for a specific and
temporary purpose or assignment tied to his
or her employment; and
§ 18021. Qualified health plan defined

(a) Qualified health plan

In this title: 1

(1) In general

The term “qualified health plan” means a health plan that—

(A) has in effect a certification (which may include a seal or other indication of approval) that such plan meets the criteria for certification described in section 18031(c) of this title issued or recognized by each Exchange through which such plan is offered;

(B) includes the essential health benefits package described in section 18022(a) of this title; and

(C) is offered by a health insurance issuer that—

(i) is licensed and in good standing to offer health insurance coverage in each

1 See References in Text note below.

REFERENCES IN TEXT

The Patient Protection and Affordable Care Act, referred to in subsecs. (a) and (d)(2)(G), is Pub. L. 111–148, Mar. 23, 2010, 124 Stat. 119. For complete classification of this Act to the Code, see Short Title note set out under section 18001 of this title and Tables.


The Public Health Service Act, referred to in subsec. (d)(2)(G), is act July 1, 1944, ch. 648, 58 Stat. 682, which is classified generally to chapter 6A (§ 201 et seq.) of this title. Title XXVII of the Act is classified generally to subchapter XXV (§ 300gg et seq.) of chapter 6A. For complete classification of this Act to the Code, see Short Title note set out under section 201 of this title and Tables.


CODIFICATION

Section was enacted as part of the Expatriate Health Coverage Clarification Act of 2014, and also as part of the Consolidated and Further Continuing Appropriations Act, 2015, and not as part of title I of the Patient Protection and Affordable Care Act which enacted this chapter.

SUBCHAPTER III—AVAILABLE COVERAGE CHOICES FOR ALL AMERICANS

PART A—ESTABLISHMENT OF QUALIFIED HEALTH PLANS

§ 18021. Qualified health plan defined

(a) Qualified health plan

In this title: 1

(1) In general

The term “qualified health plan” means a health plan that—

(A) has in effect a certification (which may include a seal or other indication of approval) that such plan meets the criteria for certification described in section 18031(c) of this title issued or recognized by each Exchange through which such plan is offered;

(B) includes the essential health benefits package described in section 18022(a) of this title; and

(C) is offered by a health insurance issuer that—

(i) is licensed and in good standing to offer health insurance coverage in each

1 See References in Text note below.
(b) Terms relating to health plans

(1) Health plan

(A) In general

The term “health plan” means health insurance coverage and a group health plan.

(B) Exception for self-insured plans and MEWs

Except to the extent specifically provided by this title, the term “health plan” shall not include a group health plan or multiple employer welfare arrangement to the extent the plan or arrangement is not subject to State insurance regulation under section 18031(d) of this title.

(2) Health insurance coverage and issuer

The terms “health insurance coverage” and “health insurance issuer” have the meanings given such terms by section 300gg–91(b) of this title.

(3) Group health plan

The term “group health plan” has the meaning given such term by section 300gg–91(a) of this title.

1 See References in Text note below.
(B) Certification

In defining the essential health benefits described in paragraph (1), and in revising the benefits under paragraph (4)(H), the Secretary shall submit a report to the appropriate committees of Congress containing a certification from the Chief Actuary of the Centers for Medicare & Medicaid Services that such essential health benefits meet the limitation described in paragraph (2).

(3) Notice and hearing

In defining the essential health benefits described in paragraph (1), and in revising the benefits under paragraph (4)(H), the Secretary shall provide notice and an opportunity for public comment.

(4) Required elements for consideration

In defining the essential health benefits under paragraph (1), the Secretary shall—

(A) ensure that such essential health benefits reflect an appropriate balance among the categories described in such subsection, so that benefits are not unduly weighted toward any category;

(B) not make coverage decisions, determine reimbursement rates, establish incentive programs, or design benefits in ways that discriminate against individuals because of their age, disability, or expected length of life;

(C) take into account the health care needs of diverse segments of the population, including women, children, persons with disabilities, and other groups;

(D) ensure that health benefits established as essential not be subject to denial to individuals against their wishes on the basis of the individuals’ age or expected length of life or of the individuals’ present or predicted disability, degree of medical dependency, or quality of life;

(E) provide that a qualified health plan shall not be treated as providing coverage for the essential health benefits described in paragraph (1) unless the plan provides that—

(i) coverage for emergency department services will be provided without imposing any requirement under the plan for prior authorization of services or any limitation on coverage where the provider of services does not have a contractual relationship with the plan for the providing of services that is more restrictive than the requirements or limitations that apply to emergency department services received from providers who do have such a contractual relationship with the plan; and

(ii) if such services are provided out-of-network, the cost-sharing requirement (expressed as a copayment amount or coinsurance rate) is the same requirement that would apply if such services were provided in-network;

(F) provide that if a plan described in section 18031(b)(2)(B)(ii) of this title (relating to stand-alone dental benefits plans) is offered through an Exchange, another health plan offered through such Exchange shall not fail to be treated as a qualified health plan solely because the plan does not offer coverage of benefits offered through the stand-alone plan that are otherwise required under paragraph (1)(J); and

(G) periodically review the essential health benefits under paragraph (1), and provide a report to Congress and the public that contains—

(i) an assessment of whether enrollees are facing any difficulty accessing needed services for reasons of coverage or cost;

(ii) an assessment of whether the essential health benefits needs to be modified or updated to account for changes in medical evidence or scientific advancement;

(iii) information on how the essential health benefits will be modified to address any such gaps in access or changes in the evidence base;

(iv) an assessment of the potential of additional or expanded benefits to increase costs and the interactions between the addition or expansion of benefits and reductions in existing benefits to meet actuarial limitations described in paragraph (2); and

(v) periodically update the essential health benefits under paragraph (1) to address any gaps in access to coverage or changes in the evidence base the Secretary identifies in the review conducted under subparagraph (G).

(5) Rule of construction

Nothing in this title shall be construed to prohibit a health plan from providing benefits in excess of the essential health benefits described in this subsection.

(c) Requirements relating to cost-sharing

(1) Annual limitation on cost-sharing

(A) 2014

The cost-sharing incurred under a health plan with respect to self-only coverage or coverage other than self-only coverage for a plan year beginning in 2014 shall not exceed the dollar amounts in effect under section 223(c)(2)(A)(ii) of title 26 for self-only and family coverage, respectively, for taxable years beginning in 2014.

(B) 2015 and later

In the case of any plan year beginning in a calendar year after 2014, the limitation under this paragraph shall—

(i) in the case of self-only coverage, be equal to the dollar amount under subparagraph (A) for self-only coverage for plan years beginning in 2014, increased by an amount equal to the product of that amount and the premium adjustment percentage under paragraph (4) for the calendar year; and

(ii) in the case of other coverage, twice the amount in effect under clause (i).

If the amount of any increase under clause (i) is not a multiple of $50, such increase

---

2So in original. Probably should be "paragraph."

3So in original. Probably should be "18031(b)(2)(B)(ii)".

4So in original. The word "and" probably should not appear.
shall be rounded to the next lowest multiple of $50.


(3) Cost-sharing

In this title—

(A) In general

The term “cost-sharing” includes—

(i) deductibles, coinsurance, copayments, or similar charges; and

(ii) any other expenditure required of an insured individual which is a qualified medical expense (within the meaning of section 223(d)(2) of title 26) with respect to essential health benefits covered under the plan.

(B) Exceptions

Such term does not include premiums, balance billing amounts for non-network providers, or spending for non-covered services.

(4) Premium adjustment percentage

For purposes of paragraph (1)(B)(i), the premium adjustment percentage for any calendar year is the percentage (if any) by which the average per capita premium for health insurance coverage in the United States for the preceding calendar year (as estimated by the Secretary no later than October 1 of such preceding calendar year) exceeds such average per capita premium for 2013 (as determined by the Secretary).

(d) Levels of coverage

(1) Levels of coverage defined

The levels of coverage described in this subsection are as follows:

(A) Bronze level

A plan in the bronze level shall provide a level of coverage that is designed to provide benefits that are actuarially equivalent to 60 percent of the full actuarial value of the benefits provided under the plan.

(B) Silver level

A plan in the silver level shall provide a level of coverage that is designed to provide benefits that are actuarially equivalent to 70 percent of the full actuarial value of the benefits provided under the plan.

(C) Gold level

A plan in the gold level shall provide a level of coverage that is designed to provide benefits that are actuarially equivalent to 80 percent of the full actuarial value of the benefits provided under the plan.

(D) Platinum level

A plan in the platinum level shall provide a level of coverage that is designed to provide benefits that are actuarially equivalent to 90 percent of the full actuarial value of the benefits provided under the plan.

(2) Actuarial value

(A) In general

Under regulations issued by the Secretary, the level of coverage of a plan shall be determined on the basis that the essential health benefits described in subsection (b) shall be provided to a standard population (and without regard to the population the plan may actually provide benefits to).

(B) Employer contributions

The Secretary shall issue regulations under which employer contributions to a health savings account (within the meaning of section 223 of title 26) may be taken into account in determining the level of coverage for a plan of the employer.

(C) Application

In determining under this title, any reference to a bronze, silver, gold, or platinum plan shall be treated as a reference to a qualified health plan providing a bronze, silver, gold, or platinum level of coverage, as the case may be.

(e) Catastrophic plan

(1) In general

A health plan not providing a bronze, silver, gold, or platinum level of coverage shall be treated as a catastrophic plan covering a bronze, silver, gold, or platinum level of coverage, as the case may be.

(2) Individuals eligible for enrollment

An individual is described in this paragraph for any plan year if the individual—

(A) has not attained the age of 30 before the beginning of the plan year; or

(B) has a certification in effect for any plan year under this title that the individual is exempt from the requirement under section 5000A of title 26 by reason of—

(i) section 5000A(e)(1) of such title (relating to individuals without affordable coverage); or

(ii) section 5000A(e)(5) of such title (relating to individuals with hardships).
§ 18023. Special rules

(a) State opt-out of abortion coverage

(1) In general

A State may elect to prohibit abortion coverage in qualified health plans offered through an Exchange in such State if such State enacts a law to provide for such prohibition.

(2) Termination of opt out

A State may repeal a law described in paragraph (1) and provide for the offering of such services through the Exchange.

(b) Special rules relating to coverage of abortion services

(1) Voluntary choice of coverage of abortion services

(A) In general

Notwithstanding any other provision of this title (or any amendment made by this title)—

(i) nothing in this title (or any amendment made by this title),¹ shall be construed to require a qualified health plan to provide coverage of services described in subparagraph (B)(i) or (B)(ii) as part of its essential health benefits for any plan year; and

(ii) subject to subsection (a), the issuer of a qualified health plan shall determine whether or not the plan provides coverage of services described in subparagraph (B)(i) or (B)(ii) as part of such benefits for the plan year.

(B) Abortion services

(i) Abortions for which public funding is prohibited

The services described in this clause are abortions for which the expenditure of Federal funds appropriated for the Department of Health and Human Services is not permitted, based on the law as in effect as of the date that is 6 months before the beginning of the plan year involved.

(ii) Abortions for which public funding is allowed

The services described in this clause are abortions for which the expenditure of Federal funds appropriated for the Department of Health and Human Services is permitted, based on the law as in effect as of the date that is 6 months before the beginning of the plan year involved.

(2) Prohibition on the use of Federal funds

(A) In general

If a qualified health plan provides coverage of services described in paragraph (1)(B)(i), the issuer of the plan shall not use any amount attributable to any of the following for purposes of paying for such services:

(i) The credit under section 36B of title 26 (and the amount (if any) of the advance payment of the credit under section 18082 of this title).

(ii) Any cost-sharing reduction under section 18071 of this title (and the amount (if any) of the advance payment of the reduction under section 18082 of this title).

(B) Establishment of allocation accounts

In the case of a plan to which subparagraph (A) applies, the issuer of the plan shall—

¹See References in Text note below.
(i) collect from each enrollee in the plan (without regard to the enrollee’s age, sex, or family status) a separate payment for each of the following:

(I) an amount equal to the portion of the premium to be paid directly by the enrollee for coverage under the plan of services other than services described in paragraph (1)(B)(i) (after reduction for credits and cost-sharing reductions described in subparagraph (A)); and

(II) an amount equal to the actuarial value of the coverage of services described in paragraph (1)(B)(i), and

(ii) shall deposit all such separate payments into separate allocation accounts as provided in subparagraph (C).

In the case of an enrollee whose premium for coverage under the plan is paid through employee payroll deposit, the separate payments required under this subparagraph shall each be paid by a separate deposit.

(C) Segregation of funds

(i) In general

The issuer of a plan to which subparagraph (A) applies shall establish allocation accounts described in clause (ii) for enrollees receiving amounts described in subparagraph (A).

(ii) Allocation accounts

The issuer of a plan to which subparagraph (A) applies shall deposit—

(I) all payments described in subparagraph (B)(i)(I) into a separate account that consists solely of such payments and that is used exclusively to pay for services other than services described in paragraph (1)(B)(i); and

(II) all payments described in subparagraph (B)(i)(II) into a separate account that consists solely of such payments and that is used exclusively to pay for services described in paragraph (1)(B)(i).

(D) Actuarial value

(i) In general

The issuer of a qualified health plan shall estimate the basic per enrollee, per month cost, determined on an average actuarial basis, for including coverage under the qualified health plan of the services described in paragraph (1)(B)(i).

(ii) Considerations

In making such estimate, the issuer—

(I) may take into account the impact on overall costs of the inclusion of such coverage, but may not take into account any cost reduction estimated to result from such services, including prenatal care, delivery, or postnatal care;

(II) shall estimate such costs as if such coverage were included for the entire population covered; and

(III) may not estimate such a cost at less than $1 per enrollee, per month.

(E) Ensuring compliance with segregation requirements

(i) In general

Subject to clause (ii), State health insurance commissioners shall ensure that health plans comply with the segregation requirements in this subsection through the segregation of plan funds in accordance with applicable provisions of generally accepted accounting requirements, circulars on funds management of the Office of Management and Budget, and guidance on accounting of the Government Accountability Office.

(ii) Clarification

Nothing in clause (i) shall prohibit the right of an individual or health plan to appeal such action in courts of competent jurisdiction.

(3) Rules relating to notice

(A) Notice

A qualified health plan that provides for coverage of the services described in paragraph (1)(B)(i) shall provide a notice to enrollees, only as part of the summary of benefits and coverage explanation, at the time of enrollment, of such coverage.

(B) Rules relating to payments

The notice described in subparagraph (A), any advertising used by the issuer with respect to the plan, any information provided by the Exchange, and any other information specified by the Secretary shall provide information only with respect to the total amount of the combined payments for services described in paragraph (1)(B)(i) and other services covered by the plan.

(4) No discrimination on basis of provision of abortion

No qualified health plan offered through an Exchange may discriminate against any individual health care provider or health care facility because of its unwillingness to provide, pay for, provide coverage of, or refer for abortions.

(c) Application of State and Federal laws regarding abortion

(1) No preemption of State laws regarding abortion

Nothing in this Act shall be construed to preempt or otherwise have any effect on State laws regarding the prohibition of (or requirement of) coverage, funding, or procedural requirements on abortions, including parental notification or consent for the performance of an abortion on a minor.

(2) No effect on Federal laws regarding abortion

(A) In general

Nothing in this Act shall be construed to have any effect on Federal laws regarding—

(i) conscience protection;
Nothing in this subsection shall alter the entitlements governing abortion policy and extends those restrictions to the newly created health insurance exchanges. Under the Act, longstanding Federal laws to protect conscience (such as the Church Amendment, 42 U.S.C. 300a-7, and the Weldon Amendment, 508(d)(1) of Public Law 111–8) remain intact and new protections prohibit discrimination against health care facilities and health care providers because of an unwillingness to provide, pay for, provide coverage of, or refer for abortions.

Numerous executive agencies have a role in ensuring that these restrictions are enforced, including the Department of Health and Human Services (HHS), the Office of Management and Budget (OMB), and the Office of Personnel Management.

**SISC. 2. Strict Compliance with Prohibitions on Abortion Funding in Health Insurance Exchanges.** The Act specifically prohibits the use of tax credits and cost-sharing reduction payments to pay for abortion services (except in cases of rape or incest, or when the life of the woman would be endangered) in the health insurance exchanges that will be operational in 2014. The Act also imposes strict payment and accounting requirements to ensure that Federal funds are not used for abortion services in exchange plans (except in cases of rape or incest, or when the life of the woman would be endangered) and requires State health insurance commissioners to ensure that exchange plan funds are segregated by insurance companies in accordance with generally accepted accounting principles, OMB funds management circulars, and accounting guidance provided by the Government Accountability Office. I hereby direct the Director of the OMB and the Secretary of HHS to develop, within 180 days of the date of this order, a model set of segregation guidelines for State health insurance commissioners to use when determining whether exchange plans are complying with the Act’s segregation requirements, established in section 1303 of the Act, for enrollees receiving Federal financial assistance. The guidelines shall also offer technical information that States should follow to conduct independent regular audits of insurance companies that participate in the health insurance exchanges. In developing these model guidelines, the Director of the OMB and the Secretary of HHS shall consult with executive agencies and offices that have relevant expertise in accounting principles, including, but not limited to, the Department of the Treasury, and with the Government Accountability Office. Upon completion of those model guidelines, the Secretary of HHS should promptly initiate a rulemaking to issue regulations, which will have the force of law, to interpret the Act’s segregation requirements, and shall provide guidance to State health insurance commissioners on how to comply with the model guidelines.

**AMENDMENTS**

2010—Pub. L. 111–148, §10104(c), amended section generally. Prior to amendment, section consisted of subsecs. (a) to (c) relating to special rules relating to coverage of abortion services, application of State and Federal laws regarding abortion, and application of emergency services laws.

*Ex. Ord. No. 13355. Ensuring Enforcement and Implementation of Abortion Restrictions in the Patient Protection and Affordable Care Act*

*Ex. Ord. No. 13355, Mar. 24, 2010, 75 F.R. 15599, provided:*

By the authority vested in me as President by the laws and the laws of the United States of America, including the “Patient Protection and Affordable Care Act” (Pub. Law 111–148), I hereby order as follows:

**SECTION 1. Policy.** Following the recent enactment of the Patient Protection and Affordable Care Act (the “Act”), it is necessary to establish an adequate enforcement mechanism to ensure that Federal funds are not used for abortion services (except in cases of rape or incest, or when the life of the woman would be endangered), consistent with a longstanding Federal statutory restriction that is commonly known as the Hyde Amendment. The purpose of this order is to establish a comprehensive, Government-wide set of policies and procedures to achieve this goal and to make certain that all relevant actors—Federal officials, State officials (including insurance regulators) and health care providers—are aware of their responsibilities, new and old.

The Act maintains current Hyde Amendment restrictions governing abortion policy and extends those restrictions to the newly created health insurance exchanges.
(b) This order shall be implemented consistent with applicable law and subject to the availability of appropriations.
(c) This order is not intended to, and does not, create any right or benefit, substantive or procedural, enforceable at law or in equity by any party against the United States, its departments, agencies, or entities, its officers, employees or agents, or any other person.

BARACK OBAMA.

§ 18024. Related definitions

(a) Definitions relating to markets

In this title:

(1) **Group market**

The term ‘‘group market’’ means the health insurance market under which individuals obtain health insurance coverage (directly or through any arrangement) on behalf of themselves (and their dependents) through a group health plan maintained by an employer.

(2) **Individual market**

The term ‘‘individual market’’ means the market for health insurance coverage offered to individuals other than in connection with a group health plan.

(3) **Large and small group markets**

The terms ‘‘large group market’’ and ‘‘small group market’’ mean the health insurance market under which individuals obtain health insurance coverage (directly or through any arrangement) on behalf of themselves (and their dependents) through a group health plan maintained by a large employer (as defined in subsection (b)(1)) or by a small employer (as defined in subsection (b)(2)), respectively.

(b) **Employers**

In this title:

(1) **Large employer**

The term ‘‘large employer’’ means, in connection with a group health plan with respect to a calendar year and a plan year, an employer who employed an average of at least 51 employees on business days during the preceding calendar year and who employs at least 1 employee on the first day of the plan year.

(2) **Small employer**

The term ‘‘small employer’’ means, in connection with a group health plan with respect to a calendar year and a plan year, an employer who employed an average of at least 1 but not more than 50 employees on business days during the preceding calendar year and who employs at least 1 employee on the first day of the plan year.

(3) **State option to extend definition of small employer**

Notwithstanding paragraphs (1) and (2), nothing in this section shall prevent a State from applying this subsection by treating as a small employer, with respect to a calendar year and a plan year, an employer who employed an average of at least 1 but not more than 100 employees on business days during the preceding calendar year and who employs at least 1 employee on the first day of the plan year.

(4) **Rules for determining employer size**

For purposes of this subsection—

(A) **Application of aggregation rule for employers**

All persons treated as a single employer under subsection (b), (c), (m), or (o) of section 414 of title 26 shall be treated as 1 employer.

(B) **Employers not in existence in preceding year**

In the case of an employer which was not in existence throughout the preceding calendar year, the determination of whether such employer is a small or large employer shall be based on the average number of employees that it is reasonably expected such employer will employ on business days in the current calendar year.

(C) **Predecessors**

Any reference in this subsection to an employer shall include a reference to any predecessor of such employer.

(D) **Continuation of participation for growing small employers**

If—

(i) a qualified employer that is a small employer makes enrollment in qualified health plans offered in the small group market available to its employees through an Exchange; and

(ii) the employer ceases to be a small employer by reason of an increase in the number of employees of such employer;

the employer shall continue to be treated as a small employer for purposes of this subchapter for the period beginning with the increase and ending with the first day on which the employer does not make such enrollment available to its employees.

(c) **Secretary**

In this title, the term ‘‘Secretary’’ means the Secretary of Health and Human Services.

(d) **State**

In this title, the term ‘‘State’’ means each of the 50 States and the District of Columbia.

(e) **Educated health care consumers**

The term ‘‘educated health care consumer’’ means an individual who is knowledgeable about the health care system, and has background or experience in making informed decisions regarding health, medical, and scientific matters.


References in Text

This title, referred to in subs. (a) to (d), is title I of Pub. L. 111–148, Mar. 23, 2010, 124 Stat. 130, which enacted this chapter and enacted, amended, and transferred numerous other sections and notes in the Code. For complete classification of title I to the Code, see Tables.

Amendments

PART B—CONSUMER CHOICES AND INSURANCE COMPETITION THROUGH HEALTH BENEFIT EXCHANGES

§ 18031. Affordable choices of health benefit plans

(a) Assistance to States to establish American Health Benefit Exchanges

(1) Planning and establishment grants

There shall be appropriated to the Secretary, out of any moneys in the Treasury not otherwise appropriated, an amount necessary to enable the Secretary to make awards, not later than 1 year after March 23, 2010, to States in the amount specified in paragraph (2) for the uses described in paragraph (3).

(2) Amount specified

For each fiscal year, the Secretary shall determine the total amount that the Secretary will make available to each State for grants under this subsection.

(3) Use of funds

A State shall use amounts awarded under this subsection for activities (including planning activities) related to establishing an American Health Benefit Exchange, as described in subsection (b).

(4) Renewability of grant

(A) In general

Subject to subsection (d)(4), the Secretary may renew a grant awarded under paragraph (1) if the State recipient of such grant—

(i) is making progress, as determined by the Secretary, toward—

(I) establishing an Exchange; and

(II) implementing the reforms described in subtitles A and C (and the amendments made by such subtitles); and

(ii) is meeting such other benchmarks as the Secretary may establish.

(B) Limitation

No grant shall be awarded under this subsection after January 1, 2015.

(5) Technical assistance to facilitate participation in SHOP Exchanges

The Secretary shall provide technical assistance to States to facilitate the participation of qualified small businesses in such States in SHOP Exchanges.

(b) American Health Benefit Exchanges

(1) In general

Each State shall, not later than January 1, 2014, establish an American Health Benefit Exchange (referred to in this title 1 as an "Exchange") for the State that—

(A) facilitates the purchase of qualified health plans;

(B) provides for the establishment of a Small Business Health Options Program (in this title 1 referred to as a "SHOP Exchange") that is designed to assist qualified employers in the State who are small employers in facilitating the enrollment of their employees in qualified health plans offered in the small group market in the State; and

(C) meets the requirements of subsection (d).

(2) Merger of individual and SHOP Exchanges

A State may elect to provide only one Exchange in the State for providing both Exchange and SHOP Exchange services to both qualified individuals and qualified small employers, but only if the Exchange has adequate resources to assist such individuals and employers.

(c) Responsibilities of the Secretary

(1) In general

The Secretary shall, by regulation, establish criteria for the certification of health plans as qualified health plans. Such criteria shall require that, to be certified, a plan shall, at a minimum—

(A) meet marketing requirements, and not employ marketing practices or benefit designs that have the effect of discouraging the enrollment in such plan by individuals with significant health needs;

(B) ensure a sufficient choice of providers (in a manner consistent with applicable network adequacy provisions under section 2702(c) of the Public Health Service Act [42 U.S.C. 300gg–1(c)]), and provide information to enrollees and prospective enrollees on the availability of in-network and out-of-network providers;

(C) include within health insurance plan networks those essential community providers, where available, that serve predominately low-income, medically-underserved individuals, such as health care providers defined in section 340B(a)(4) of the Public Health Service Act [42 U.S.C. 256b(a)(4)] and providers described in section 1927(c)(1)(D)(1)(IV) of the Social Security Act [42 U.S.C. 1396r–8(c)(1)(D)(1)(IV)] as set forth by section 221 of Public Law 111–8, except that nothing in this subparagraph shall be construed to require any health plan to provide coverage for any specific medical procedure;

(D) be accredited with respect to local performance on clinical quality measures such as the Healthcare Effectiveness Data and Information Set, patient experience ratings on a standardized Consumer Assessment of Healthcare Providers and Systems survey, as well as consumer access, utilization management, quality assurance, provider credentialing, complaints and appeals, network

1 See References in Text note below.
adequacy and access, and patient information programs by any entity recognized by the Secretary for the accreditation of health insurance issuers or plans (so long as any such entity has transparent and rigorous methodological and scoring criteria); or
(ii) receive such accreditation within a period established by an Exchange for such accreditation that is applicable to all qualified health plans;
(E) implement a quality improvement strategy described in subsection (g)(1);
(F) utilize a uniform enrollment form that qualified individuals and qualified employers may use (either electronically or on paper) in enrolling in qualified health plans offered through such Exchange, and that takes into account criteria that the National Association of Insurance Commissioners develops and submits to the Secretary;
(G) utilize the standard format established for presenting health benefits plan options;
(H) provide information to enrollees and prospective enrollees, and to each Exchange in which the plan is offered, on any quality measures for health plan performance endorsed under section 399JJ of the Public Health Service Act [42 U.S.C. 280j-2], as applicable; and
(I) report to the Secretary at least annually and in such manner as the Secretary shall require, pediatric quality reporting measures consistent with the pediatric quality reporting measures established under section 1139A of the Social Security Act [42 U.S.C. 1320b-9a].

(2) Rule of construction
Nothing in paragraph (1)(C) shall be construed to require a qualified health plan to contract with a provider described in such paragraph if such provider refuses to accept the generally applicable payment rates of such plan.

(3) Rating system
The Secretary shall develop a rating system that would rate qualified health plans offered through an Exchange in each benefits level on the basis of the relative quality and price. The Exchange shall include the quality rating in the information provided to individuals and employers through the Internet portal established under paragraph (4).

(4) Enrollee satisfaction system
The Secretary shall develop an enrollee satisfaction survey system that would evaluate the level of enrollee satisfaction with qualified health plans offered through an Exchange, for each such qualified health plan that had more than 500 enrollees in the previous year. The Exchange shall include enrollee satisfaction information in the information provided to individuals and employers through the Internet portal established under paragraph (5) in a manner that allows individuals to easily compare enrollee satisfaction levels between comparable plans.

(5) Internet portals
The Secretary shall—
(A) continue to operate, maintain, and update the Internet portal developed under section 18003(a) of this title and to assist States in developing and maintaining their own such portal; and
(B) make available for use by Exchanges a model template for an Internet portal that may be used to direct qualified individuals and qualified employers to qualified health plans, to assist such individuals and employers in determining whether they are eligible to participate in an Exchange or eligible for a premium tax credit or cost-sharing reduction, and to present standardized information (including quality ratings) regarding qualified health plans offered through an Exchange to assist consumers in making easy health insurance choices.

Such template shall include, with respect to each qualified health plan offered through the Exchange in each rating area, access to the uniform outline of coverage the plan is required to provide under section 2716 of the Public Health Service Act and to a copy of the plan’s written policy.

(6) Enrollment periods
The Secretary shall require an Exchange to provide for—
(A) an initial open enrollment, as determined by the Secretary (such determination to be made not later than July 1, 2012);
(B) annual open enrollment periods, as determined by the Secretary for calendar years after the initial enrollment period;
(C) special enrollment periods specified in section 9801 of title 26 and other special enrollment periods under circumstances similar to such periods under part D of title XVIII of the Social Security Act [42 U.S.C. 1395w–101 et seq.]; and
(D) special monthly enrollment periods for Indians (as defined in section 1903 of title 25).

(7) Reenrollment of certain individuals in qualified health plans in certain exchanges
(A) In general
In the case of an Exchange that the Secretary operates pursuant to section 18041(c)(1) of this title, the Secretary shall establish a process under which an individual described in subparagraph (B) is reenrolled for plan year 2021 in a qualified health plan offered through such Exchange.

Such qualified health plan under which such individual is so reenrolled shall be—
(i) if available for plan year 2021, the qualified health plan under which such individual is enrolled during the annual open enrollment period for such plan year; and
(ii) if such qualified health plan is not available for plan year 2021, a qualified health plan offered through such Exchange determined appropriate by the Secretary.

(B) Individual described
An individual described in this subsection is an individual who, with respect to plan year 2020—
(i) resides in a State with an Exchange described in subparagraph (A);
§ 18031

TITLES 42—THE PUBLIC HEALTH AND WELFARE

(ii) is enrolled in a qualified health plan during such plan year and does not enroll in a qualified health plan for plan year 2021 during the annual open enrollment period for such plan year 2021; and

(iii) does not elect to disenroll under a qualified health plan for plan year 2021 during such annual open enrollment period.

(d) Requirements

(1) In general

An Exchange shall be a governmental agency or nonprofit entity that is established by a State.

(2) Offering of coverage

(A) In general

An Exchange shall make available qualified health plans to qualified individuals and qualified employers.

(B) Limitation

(i) In general

An Exchange may not make available any health plan that is not a qualified health plan.

(ii) Offering of stand-alone dental benefits

Each Exchange within a State shall allow an issuer of a plan that only provides limited scope dental benefits meeting the requirements of section 9832(c)(2)(A) of title 26 to offer the plan through the Exchange (either separately or in conjunction with a qualified health plan) if the plan provides pediatric dental benefits meeting the requirements of section 18022(b)(1)(J) of this title.

(3) Rules relating to additional required benefits

(A) In general

Except as provided in subparagraph (B), an Exchange may make available a qualified health plan notwithstanding any provision of law that may require benefits other than the essential health benefits specified under section 18022(b) of this title.

(B) States may require additional benefits

(i) In general

Subject to the requirements of clause (ii), a State may require that a qualified health plan offered in such State offer benefits in addition to the essential health benefits specified under section 18022(b) of this title.

(ii) State must assume cost

A State shall make payments—

(I) to an individual enrolled in a qualified health plan offered in such State; or

(II) on behalf of an individual described in subclause (I) directly to the qualified health plan in which such individual is enrolled;

to defray the cost of any additional benefits described in clause (i).

(4) Functions

An Exchange shall, at a minimum—

(A) implement procedures for the certification, recertification, and decertification, consistent with guidelines developed by the Secretary under subsection (c), of health plans as qualified health plans;

(B) provide for the operation of a toll-free telephone hotline to respond to requests for assistance;

(C) maintain an Internet website through which enrollees and prospective enrollees of qualified health plans may obtain standardized comparative information on such plans;

(D) assign a rating to each qualified health plan offered through such Exchange in accordance with the criteria developed by the Secretary under subsection (c)(3);

(E) utilize a standardized format for presenting health benefits plan options in the Exchange, including the use of the uniform outline of coverage established under section 2715 of the Public Health Service Act [42 U.S.C. 300gg–15];

(F) in accordance with section 18083 of this title, inform individuals of eligibility requirements for the medicaid program under title XIX of the Social Security Act [42 U.S.C. 1396 et seq.], the CHIP program under title XXI of such Act [42 U.S.C. 1397fa et seq.], or any applicable State or local public program and if through screening of the application by the Exchange, the Exchange determines that such individuals are eligible for any such program, enroll such individuals in such program;

(G) establish and make available by electronic means a calculator to determine the actual cost of coverage after the application of any premium tax credit under section 36B of title 26 and any cost-sharing reduction under section 10071 of this title;

(H) subject to section 18081 of this title, grant a certification attesting that, for purposes of the individual responsibility penalty under section 5000A of title 26, an individual is exempt from the individual requirement or from the penalty imposed by such section because—

(i) there is no affordable qualified health plan available through the Exchange, or the individual’s employer, covering the individual; or

(ii) the individual meets the requirements for any other such exemption from the individual responsibility requirement or penalty;

(I) transfer to the Secretary of the Treasury—

(i) a list of the individuals who are issued a certification under subparagraph (H), including the name and taxpayer identification number of each individual;

(ii) the name and taxpayer identification number of each individual who was an employee of an employer but who was determined to be eligible for the premium tax credit under section 36B of title 26 because—

(I) the employer did not provide minimum essential coverage; or

(II) the employer provided such minimum essential coverage but it was deter-


mined under section 36B(c)(2)(C) of such title to either be unaffordable to the employee or not provide the required minimum actuarial value; and

(iii) the name and taxpayer identification number of each individual who notifies the Exchange under section 18081(b)(4) of this title that they have changed employers and of each individual who ceases coverage under a qualified health plan during a plan year (and the effective date of such cessation);

(J) provide to each employer the name of each employee of the employer described in subparagraph (I)(ii) who ceases coverage under a qualified health plan during a plan year (and the effective date of such cessation); and

(K) establish the Navigator program described in subsection (i).

(5) Funding limitations

(A) No Federal funds for continued operations

In establishing an Exchange under this section, the State shall ensure that such Exchange is self-sustaining beginning on January 1, 2015, including allowing the Exchange to charge assessments or user fees to participating health insurance issuers, or to otherwise generate funding, to support its operations.

(B) Prohibiting wasteful use of funds

In carrying out activities under this subsection, an Exchange shall not utilize any funds intended for the administrative and operational expenses of the Exchange for staff retreats, promotional giveaways, excessive executive compensation, or promotion of Federal or State legislative and regulatory modifications.

(6) Consultation

An Exchange shall consult with stakeholders relevant to carrying out the activities under this section, including—

(A) educated health care consumers who are enrollees in qualified health plans;

(B) individuals and entities with experience in facilitating enrollment in qualified health plans;

(C) representatives of small businesses and self-employed individuals;

(D) State Medicaid offices; and

(E) advocates for enrolling hard to reach populations.

(7) Publication of costs

An Exchange shall publish the average costs of licensing, regulatory fees, and any other payments required by the Exchange, and the administrative costs of such Exchange, on an Internet website to educate consumers on such costs. Such information shall also include monies lost to waste, fraud, and abuse.

(e) Certification

(1) In general

An Exchange may certify a health plan as a qualified health plan if—

(A) such health plan meets the requirements for certification as promulgated by the Secretary under subsection (c)(1); and

(B) the Exchange determines that making available such health plan through such Exchange is in the interests of qualified individuals and qualified employers in the State or States in which such Exchange operates, except that the Exchange may not exclude a health plan—

(i) on the basis that such plan is a fee-for-service plan;

(ii) through the imposition of premium price controls; or

(iii) on the basis that the plan provides treatments necessary to prevent patients’ deaths in circumstances the Exchange determines are inappropriate or too costly.

(2) Premium considerations

The Exchange shall require health plans seeking certification as qualified health plans to submit a justification for any premium increase prior to implementation of the increase. Such plans shall prominently post such information on their websites. The Exchange shall take this information, and the information and the recommendations provided to the Exchange by the State under section 2794(b)(1) of the Public Health Service Act [42 U.S.C. 300 gg-94(b)(1)] (relating to patterns or practices of excessive or unjustified premium increases), into consideration when determining whether to make such health plan available through the Exchange. The Exchange shall take into account any excess of premium growth outside the Exchange as compared to the rate of such growth inside the Exchange, including information reported by the States.

(3) Transparency in coverage

(A) In general

The Exchange shall require health plans seeking certification as qualified health plans to submit to the Exchange, the Secretary, the State insurance commissioner, and make available to the public, accurate and timely disclosure of the following information:

(i) Claims payment policies and practices.

(ii) Periodic financial disclosures.

(iii) Data on enrollment.

(iv) Data on disenrollment.

(v) Data on the number of claims that are denied.

(vi) Data on rating practices.

(vii) Information on cost-sharing and payments with respect to any out-of-network coverage.

(viii) Information on enrollee and participant rights under this title.

(ix) Other information as determined appropriate by the Secretary.

(B) Use of plain language

The information required to be submitted under subparagraph (A) shall be provided in plain language. The term “plain language” means language that the intended audience, including individuals with limited English proficiency, can readily understand and use
because that language is concise, well-organized, and follows other best practices of plain language writing. The Secretary and the Secretary of Labor shall jointly develop and issue guidance on best practices of plain language writing.

(C) Cost sharing transparency

The Exchange shall require health plans seeking certification as qualified health plans to permit individuals to learn the amount of cost-sharing (including deductibles, copayments, and coinsurance) under the individual’s plan or coverage that the individual would be responsible for paying with respect to the furnishing of a specific item or service by a participating provider in a timely manner upon the request of the individual. At a minimum, such information shall be made available to such individual through an Internet website and such other means for individuals without access to the Internet.

(D) Group health plans

The Secretary of Labor shall update and harmonize the Secretary’s rules concerning the accurate and timely disclosure to participants by group health plans of plan disclosure, plan terms and conditions, and periodic financial disclosure with the standards established by the Secretary under subparagraph (A).

(f) Flexibility

(1) Regional or other interstate exchanges

An Exchange may operate in more than one State if—

(A) each State in which such Exchange operates permits such operation; and

(B) the Secretary approves such regional or interstate Exchange.

(2) Subsidiary Exchanges

A State may establish one or more subsidiary Exchanges if—

(A) each such Exchange serves a geographically distinct area; and

(B) the area served by each such Exchange is at least as large as a rating area described in section 2701(a) of the Public Health Service Act [42 U.S.C. 300gg(a)].

(3) Authority to contract

(A) In general

A State may elect to authorize an Exchange established by the State under this section to enter into an agreement with an eligible entity to carry out 1 or more responsibilities of the Exchange.

(B) Eligible entity

In this paragraph, the term “eligible entity” means—

(i) a person—

(I) incorporated under, and subject to the laws of, 1 or more States; and

(II) that has demonstrated experience on a State or regional basis in the individual and small group health insurance markets and in benefits coverage; and

(III) that is not a health insurance issuer or that is treated under subsection (a) or (b) of section 52 of title 26 as a member of the same controlled group of corporations (or under common control with) as a health insurance issuer; or

(ii) the State medicaid agency under title XIX of the Social Security Act [42 U.S.C. 1396 et seq.].

(g) Rewarding quality through market-based incentives

(1) Strategy described

A strategy described in this paragraph is a payment structure that provides increased reimbursement or other incentives for—

(A) improving health outcomes through the implementation of activities that shall include quality reporting, effective case management, care coordination, chronic disease management, medication and care compliance initiatives, including through the use of the medical home model, for treatment or services under the plan or coverage;

(B) the implementation of activities to prevent hospital readmissions through a comprehensive program for hospital discharge that includes patient-centered education and counseling, comprehensive discharge planning, and post discharge reinforcement by an appropriate health care professional;

(C) the implementation of activities to improve patient safety and reduce medical errors through the appropriate use of best clinical practices, evidence based medicine, and health information technology under the plan or coverage;

(D) the implementation of wellness and health promotion activities; and

(E) the implementation of activities to reduce health and health care disparities, including through the use of language services, community outreach, and cultural competency trainings.

(2) Guidelines

The Secretary, in consultation with experts in health care quality and stakeholders, shall develop guidelines concerning the matters described in paragraph (1).

(3) Requirements

The guidelines developed under paragraph (2) shall require the periodic reporting to the applicable Exchange of the activities that a qualified health plan has conducted to implement a strategy described in paragraph (1).

(h) Quality improvement

(1) Enhancing patient safety

Beginning on January 1, 2015, a qualified health plan may contract with—

(A) a hospital with greater than 50 beds only if such hospital—

(i) utilizes a patient safety evaluation system as described in part C of title IX of the Public Health Service Act [42 U.S.C. 299b–21 et seq.]; and

(ii) implements a mechanism to ensure that each patient receives a comprehensive program for hospital discharge that includes patient-centered education and
counseling, comprehensive discharge planning, and post discharge reinforcement by an appropriate health care professional; or

(B) a health care provider only if such provider implements such mechanisms to improve health care quality as the Secretary may by regulation require.

(2) Exceptions

The Secretary may establish reasonable exceptions to the requirements described in paragraph (1).

(3) Adjustment

The Secretary may by regulation adjust the number of beds described in paragraph (1)(A).

(i) Navigators

(1) In general

An Exchange shall establish a program under which it awards grants to entities described in paragraph (2) to carry out the duties described in paragraph (3).

(2) Eligibility

(A) In general

To be eligible to receive a grant under paragraph (1), an entity shall demonstrate to the Exchange involved that the entity has existing relationships, or could readily establish relationships, with employers and employees, consumers (including uninsured and underinsured consumers), or self-employed individuals likely to be qualified to enroll in a qualified health plan.

(B) Types

Entities described in subparagraph (A) may include trade, industry, and professional associations, commercial fishing industry organizations, ranching and farming organizations, community and consumer-focused nonprofit groups, chambers of commerce, unions, resource partners of the Small Business Administration, other licensed insurance agents and brokers, and other entities that—

(i) are capable of carrying out the duties described in paragraph (3);

(ii) meet the standards described in paragraph (4); and

(iii) provide information consistent with the standards developed under paragraph (5).

(3) Duties

An entity that serves as a navigator under a grant under this subsection shall—

(A) conduct public education activities to raise awareness of the availability of qualified health plans;

(B) distribute fair and impartial information concerning enrollment in qualified health plans, and the availability of premium tax credits under section 36B of title 26 and cost-sharing reductions under section 18071 of this title;

(C) facilitate enrollment in qualified health plans;

(D) provide referrals to any applicable office of health insurance consumer assistance or health insurance ombudsman established under section 2793 of the Public Health Service Act [42 U.S.C. 300gg–93], or any other appropriate State agency or agencies, for any enrollee with a grievance, complaint, or question regarding their health plan, coverage, or a determination under such plan or coverage; and

(E) provide information in a manner that is culturally and linguistically appropriate to the needs of the population being served by the Exchange or Exchanges.

(4) Standards

(A) In general

The Secretary shall establish standards for navigators under this subsection, including provisions to ensure that any private or public entity that is selected as a navigator is qualified, and licensed if appropriate, to engage in the navigator activities described in this subsection and to avoid conflicts of interest. Under such standards, a navigator shall not—

(i) be a health insurance issuer; or

(ii) receive any consideration directly or indirectly from any health insurance issuer in connection with the enrollment of any qualified individuals or employees of a qualified employer in a qualified health plan.

(5) Fair and impartial information and services

The Secretary, in collaboration with States, shall develop standards to ensure that information made available by navigators is fair, accurate, and impartial.

(6) Funding

Grants under this subsection shall be made from the operational funds of the Exchange and not Federal funds received by the State to establish the Exchange.

(j) Applicability of mental health parity

Section 2726 of the Public Health Service Act [42 U.S.C. 300gg–26] shall apply to qualified health plans in the same manner and to the same extent as such section applies to health insurance issuers and group health plans.

(k) Conflict

An Exchange may not establish rules that conflict with or prevent the application of regulations promulgated by the Secretary under this subchapter.

References in Text

to 300gg–7 of this title, transferred section 300gg of this title to section 300gg–3 of this title, amended sections 300gg–1 and 300gg–4 of this title, and enacted provisions set out as a note under section 300gg of this title. For complete classification of subtitles A and C to the Code, see Tables.

This title, referred to in subsecs. (b)(1) and (e)(3)(A)(viii), is title I of Pub. L. 111–148, Mar. 23, 2010, 124 Stat. 130, which enacted this chapter and enacted, amended, and transferred numerous other sections and notes in the Code. For complete classification of title I to the Code, see Tables.

Section 2716 of the Public Health Service Act, referred to in subsec. (e)(5), probably should be section 2715 of the Public Health Service Act, act July 1, 1944, which is classified to section 300gg–15 of this title and requires the Secretary to develop a uniform explanation of coverage documents and standardized definitions. Section 2716 of act July 1, 1944, which is classified to section 300gg–16 of this title, relates to prohibition on discrimination in favor of highly compensated individuals.


Subsec. (i)(2)(B). Pub. L. 111–148, § 10104(h), substituted “resource partners of the Small Business Administration” for “small business development centers”.

§ 18032. Consumer choice

(a) Choice

(1) Qualified individuals

A qualified individual may enroll in any qualified health plan available to such individual and for which such individual is eligible.

(2) Qualified employers

(A) Employer may specify level

A qualified employer may provide support for coverage of employees under a qualified health plan by selecting any level of coverage under section 18022(d) of this title to be made available to employees through an Exchange.

(B) Employee may choose plans within a level

Each employee of a qualified employer that elects a level of coverage under subparagraph (A) may choose to enroll in a qualified health plan that offers coverage at that level.

(b) Payment of premiums by qualified individuals

A qualified individual enrolled in any qualified health plan may pay any applicable premium owed by such individual to the health insurance issuer issuing such qualified health plan.

(c) Single risk pool

(1) Individual market

A health insurance issuer shall consider all enrollees in all health plans (other than grandfathered health plans) offered by such issuer in the individual market, including those enrollees who do not enroll in such plans through the Exchange, to be members of a single risk pool.

(2) Small group market

A health insurance issuer shall consider all enrollees in all health plans (other than grandfathered health plans) offered by such issuer in the small group market, including those enrollees who do not enroll in such plans through the Exchange, to be members of a single risk pool.

(3) Merger of markets

A State may require the individual and small group insurance markets within a State to be merged if the State determines appropriate.

(4) State law

A State law requiring grandfathered health plans to be included in a pool described in paragraph (1) or (2) shall not apply.

(d) Empowering consumer choice

(1) Continued operation of market outside Exchanges

Nothing in this title shall be construed to prohibit—

1 See References in Text note below.
(A) a health insurance issuer from offering outside of an Exchange a health plan to a qualified individual or qualified employer; and

(B) a qualified individual from enrolling in, or a qualified employer from selecting for its employees, a health plan offered outside of an Exchange.

(2) Continued operation of State benefit requirements

Nothing in this title shall be construed to terminate, abridge, or limit the operation of any requirement under State law with respect to any policy or plan that is offered outside of an Exchange to offer benefits.

(3) Voluntary nature of an Exchange

(A) Choice to enroll or not to enroll

Nothing in this title shall be construed to restrict the choice of a qualified individual to enroll or not to enroll in a qualified health plan or to participate in an Exchange.

(B) Prohibition against compelled enrollment

Nothing in this title shall be construed to compel an individual to enroll in a qualified health plan or to participate in an Exchange.

(C) Individuals allowed to enroll in any plan

A qualified individual may enroll in any qualified health plan, except that in the case of a catastrophic plan described in section 18022(e) of this title, a qualified individual may enroll in the plan only if the individual is eligible to enroll in the plan under section 18022(e)(2) of this title.

(D) Members of Congress in the Exchange

(i) Requirement

Notwithstanding any other provision of law, after the effective date of this sub-title, the only health plans that the Federal Government may make available to Members of Congress and Congressional staff with respect to their service as a Member of Congress or Congressional staff shall be health plans that are—

(I) created under this Act (or an amendment made by this Act); or

(II) offered through an Exchange established under this Act (or an amendment made by this Act).

(ii) Definitions

In this section:

(I) Member of Congress

The term “Member of Congress” means any member of the House of Representatives or the Senate.

(II) Congressional staff

The term “congressional staff” means all full-time and part-time employees employed by the official office of a Member of Congress, whether in Washington, DC or outside of Washington, DC.

(4) No penalty for transferring to minimum essential coverage outside Exchange

An Exchange, or a qualified health plan offered through an Exchange, shall not impose any penalty or other fee on an individual who cancels enrollment in a plan because the individual becomes eligible for minimum essential coverage (as defined in section 5000A(f) of title 26 without regard to paragraph (1)(C) or (D) thereof) or such coverage becomes affordable (within the meaning of section 36B(c)(2)(C) of such title).

(e) Enrollment through agents or brokers

The Secretary shall establish procedures under which a State may allow agents or brokers—

(1) to enroll individuals and employers in any qualified health plans in the individual or small group market as soon as the plan is offered through an Exchange in the State; and

(2) to assist individuals in applying for premium tax credits and cost-sharing reductions for plans sold through an Exchange.

(f) Qualified individuals and employers; access limited to citizens and lawful residents

(1) Qualified individuals

In this title:

(A) In general

The term “qualified individual” means, with respect to an Exchange, an individual who—

(i) is seeking to enroll in a qualified health plan in the individual market offered through the Exchange; and

(ii) resides in the State that established the Exchange.

(B) Incarcerated individuals excluded

An individual shall not be treated as a qualified individual if, at the time of enrollment, the individual is incarcerated, other than incarceration pending the disposition of charges.

(2) Qualified employer

In this title:

(A) In general

The term “qualified employer” means a small employer that elects to make all full-time employees of such employer eligible for 1 or more qualified health plans offered in the small group market through an Exchange that offers qualified health plans.

(B) Extension to large groups

(i) In general

Beginning in 2017, each State may allow issuers of health insurance coverage in the large group market in the State to offer qualified health plans in such market through an Exchange. Nothing in this subparagraph shall be construed as requiring the issuer to offer such plans through an Exchange.

(ii) Large employers eligible

If a State under clause (i) allows issuers to offer qualified health plans in the large group market through an Exchange, the term “qualified employer” shall include a large employer that elects to make all full-time employees of such employer eligible for 1 or more qualified health plans.
offered in the large group market through the Exchange.

(3) Access limited to lawful residents
If an individual is not, or is not reasonably expected to be for the entire period for which enrollment is sought, a citizen or national of the United States or an alien lawfully present in the United States, the individual shall not be treated as a qualified individual and may not be covered under a qualified health plan in the individual market that is offered through an Exchange.


REFERENCES IN TEXT
This title, referred to in subsecs. (d)(1), (2), (3)(A), (B) and (f)(1), (2), is title I of Pub. L. 111–148, Mar. 23, 2010, 124 Stat. 130, which enacted this chapter and enacted, amended, and transferred numerous other sections and notes in the Code. For complete classification of title I to the Code, see Tables.


AMENDMENTS
2010—Subsec. (a)(1). Pub. L. 111–148, § 10104(1)(1), inserted “and for which such individual is eligible” before period at end.

Subsec. (e). Pub. L. 111–148, § 10104(1)(2)(B), struck out concluding provisions which read as follows: “Such procedures may include the establishment of rate schedules for broker commissions paid by health benefits plans offered through an exchange.”


§ 18033. Financial integrity
(a) Accounting for expenditures
(1) In general
An Exchange shall keep an accurate accounting of all activities, receipts, and expenditures and shall annually submit to the Secretary a report concerning such accountings.

(2) Investigations
The Secretary, in coordination with the Inspector General of the Department of Health and Human Services, may investigate the affairs of an Exchange, may examine the properties and records of an Exchange, and may require periodic reports in relation to activities undertaken by an Exchange. An Exchange shall fully cooperate in any investigation conducted under this paragraph.

(3) Audits
An Exchange shall be subject to annual audits by the Secretary.

(4) Pattern of abuse
If the Secretary determines that an Exchange or a State has engaged in serious mis-

conduct with respect to compliance with the requirements of, or carrying out of activities required under, this title, the Secretary may rescind from payments otherwise due to such State involved under this title or any other Act administered by the Secretary an amount not to exceed 1 percent of such payments per year until corrective actions are taken by the State that are determined to be adequate by the Secretary.

(5) Protections against fraud and abuse
With respect to activities carried out under this title, the Secretary shall provide for the efficient and non-discriminatory administration of Exchange activities and implement any measure or procedure that—

(A) the Secretary determines is appropriate to reduce fraud and abuse in the administration of this title; and

(B) the Secretary has authority to implement under this title or any other Act.

(6) Application of the False Claims Act
(A) In general
Payments made by, through, or in connection with an Exchange are subject to the False Claims Act (31 U.S.C. 3729 et seq.) if those payments include any Federal funds. Compliance with the requirements of this Act concerning eligibility for a health insurance issuer to participate in the Exchange shall be a material condition of an issuer’s entitlement to receive payments, including payments of premium tax credits and cost-sharing reductions, through the Exchange.

(B) Damages
Notwithstanding paragraph (1) of section 3729(a) of title 31, and subject to paragraph (2) of such section, the civil penalty assessed under the False Claims Act on any person found liable under such Act as described in subparagraph (A) shall be increased by not less than 3 times and not more than 6 times the amount of damages which the Government sustains because of the act of that person.

(b) GAO oversight
Not later than 5 years after the first date on which Exchanges are required to be operational under this title, the Comptroller General shall conduct an ongoing study of Exchange activities and the enrollees in qualified health plans offered through Exchanges. Such study shall review—

(1) the operations and administration of Exchanges, including surveys and reports of qualified health plans offered through Exchanges and on the experience of such plans (including data on enrollees in Exchanges and individuals purchasing health insurance coverage outside of Exchanges), the expenses of Exchanges, claims statistics relating to qualified health plans, complaints data relating to such plans, and the manner in which Exchanges meet their goals;

(2) any significant observations regarding the utilization and adoption of Exchanges;

1 See References in Text note below.
2 See Termination of Provision note below.
(3) where appropriate, recommendations for improvements in the operations or policies of Exchanges;

(4) a survey of the cost and affordability of health care insurance provided under the Exchanges for owners and employees of small business concerns (as defined under section 632 of title 15), including data on enrollees in Exchanges and individuals purchasing health insurance coverage outside of Exchanges; and

(5) how many physicians, by area and specialty, are accepting new patients or accepting new patients enrolled in Federal Government health care programs, and the adequacy of provider networks of Federal Government health care programs.


REFERENCES IN TEXT

This title, referred to in subsecs. (a)(4), (5) and (b), is title I of Pub. L. 111–148, Mar. 23, 2010, 124 Stat. 130, which enacted this chapter and amended, and transferred numerous other sections and notes in the Code. For complete classification of title I to the Code, see Tables.


The False Claims Act, referred to in subsec. (a)(6), was the popular name for sections 231, 232, 233, and 235 of former Title 31, Money and Finance. Sections 231, 232, 233, and 235 were repealed by Pub. L. 97–258, § 5(b), 96 Stat. 1084, and reenacted by the first section thereof as sections 3729 to 3731 of Title 31, Money and Finance.

AMENDMENTS

2010—Subsec. (b)(4), (5). Pub. L. 111–148, §10104(k), added par. (4) and redesignated former par. (4) as (5).

TERMINATION OF PROVISION


PART C—STATE FLEXIBILITY RELATING TO EXCHANGES

§18041. State flexibility in operation and enforcement of Exchanges and related requirements

(a) Establishment of standards

(1) In general

The Secretary shall, as soon as practicable after March 23, 2010, issue regulations setting standards for meeting the requirements under this title, and the amendments made by this title, with respect to—

(A) the establishment and operation of Exchanges (including SHOP Exchanges);

(B) the offering of qualified health plans through such Exchanges;

(C) the establishment of the reinsurance and risk adjustment programs under part E; and

(D) such other requirements as the Secretary determines appropriate.

(2) Consultation

In issuing the regulations under paragraph (1), the Secretary shall consult with the National Association of Insurance Commissioners and its members and with health insurance issuers, consumer organizations, and such other individuals as the Secretary selects in a manner designed to ensure balanced representation among interested parties.

(b) State action

Each State that elects, at such time and in such manner as the Secretary may prescribe, to apply the requirements described in subsection (a), shall, not later than January 1, 2014, adopt and have in effect—

(1) the federal standards established under subsection (a); or

(2) a State law or regulation that the Secretary determines implements the standards within the State.

(c) Failure to establish Exchange or implement requirements

(1) In general

If—

(A) a State is not an electing State under subsection (b); or

(B) the Secretary determines, on or before January 1, 2013, that an electing State—

(i) will not have any required Exchange operational by January 1, 2014; or

(ii) has not taken the actions the Secretary determines necessary to implement—

(I) the other requirements set forth in the standards under subsection (a); or

(II) the requirements set forth in subtitles A and C and the amendments made by such subtitles;

the Secretary shall (directly or through agreement with a not-for-profit entity) establish and operate such Exchange within the State and the Secretary shall take such actions as are necessary to implement such other requirements.

(2) Enforcement authority

The provisions of section 2736(b) of the Public Health Services Act [42 U.S.C. 300gg–22(b)] shall apply to the enforcement under paragraph (1) of requirements of subsection (a)(1) (without regard to any limitation on the application of those provisions to group health plans).

(d) No interference with State regulatory authority

Nothing in this title shall be construed to preempt any State law that does not prevent the application of the provisions of this title.

1 See Reference in Text note below.

2 So in original. Probably should be “Service”.
(e) Presumption for certain State-operated Exchanges

(1) In general

In the case of a State operating an Exchange before January 1, 2010, and which has insured a percentage of its population not less than the percentage of the population projected to be covered nationally after the implementation of this Act, that seeks to operate an Exchange under this section, the Secretary shall presume that such Exchange meets the standards under this section unless the Secretary determines, after completion of the process established under paragraph (2), that the Exchange does not comply with such standards.

(2) Process

The Secretary shall establish a process to work with a State described in paragraph (1) to provide assistance necessary to assist the State’s Exchange in coming into compliance with the standards for approval under this section.


REFERENCES IN TEXT

This title, referred to in subssecs. (a)(1) and (d), is title I of Pub. L. 111–148, Mar. 23, 2010, 124 Stat. 130, which enacted this chapter and enacted, amended, and transferred numerous other sections and notes in the Code. For complete classification of this title to the Code, see Tables.

Subtitles A and C, referred to in subssecs. (a)(1) and (c)(1)(B)(iii)(II), are subtitles A (§§1001–1004) and C (§§1201–1255), respectively, of title I of Pub. L. 111–148, which is classified generally to chapter 6A (§ 201 et seq.) of this title. For complete classification of this title to the Code, see Tables.

The Public Health Service Act, referred to in subsec. (a)(1), is act July 1, 1944, ch. 373, 58 Stat. 662, which is classified generally to chapter 6A (§ 201 et seq.) of this title. For complete classification of this Act to the Code, see Short Title note set out under section 201 of this title and Tables.

§ 18042. Federal program to assist establishment and operation of nonprofit, member-run health insurance issuers

(a) Establishment of program

(1) In general

The Secretary shall establish a program to carry out the purposes of this section to be known as the Consumer Operated and Oriented Plan (CO–OP) program.

(2) Purpose

It is the purpose of the CO–OP program to foster the creation of qualified nonprofit health insurance issuers to offer qualified health plans in the individual and small group markets in the States in which the issuers are licensed to offer such plans.

(b) Loans and grants under the CO–OP program

(1) In general

The Secretary shall provide through the CO–OP program for the awarding to persons applying to become qualified nonprofit health insurance issuers of—

(A) loans to provide assistance to such person in meeting its start-up costs; and

(B) grants to provide assistance to such person in meeting any solvency requirements of States in which the person seeks to be licensed to issue qualified health plans.

(2) Requirements for awarding loans and grants

(A) In general

In awarding loans and grants under the CO–OP program, the Secretary shall—

(i) take into account the recommendations of the advisory board established under paragraph (3);

(ii) give priority to applicants that will offer qualified health plans on a Statewide basis, will utilize integrated care models, and have significant private support; and

(iii) ensure that there is sufficient funding to establish at least 1 qualified nonprofit health insurance issuer in each State, except that nothing in this clause shall prohibit the Secretary from funding the establishment of multiple qualified nonprofit health insurance issuers in any State if the funding is sufficient to do so.

(B) States without issuers in program

If no health insurance issuer applies to be a qualified nonprofit health insurance issuer within a State, the Secretary may use amounts appropriated under this section for the awarding of grants to encourage the establishment of a qualified nonprofit health insurance issuer within the State or the expansion of a qualified nonprofit health insurance issuer from another State to the State.

(C) Agreement

(i) in general

The Secretary shall require any person receiving a loan or grant under the CO–OP program to enter into an agreement with the Secretary which requires such person to meet (and to continue to meet)—

(I) any requirement under this section for such person to be treated as a qualified nonprofit health insurance issuer; and

(II) any requirements contained in the agreement for such person to receive such loan or grant.

(ii) Restrictions on use of Federal funds

The agreement shall include a requirement that no portion of the funds made
available by any loan or grant under this section may be used—
(I) for carrying on propaganda, or otherwise attempting, to influence legislation; or
(II) for marketing.

Nothing in this clause shall be construed to allow a person to take any action prohibited by section 501(c)(29) of title 26.

(iii) Failure to meet requirements

If the Secretary determines that a person has failed to meet any requirement described in clause (i) or (ii) and has failed to correct such failure within a reasonable period of time of when the person first knows (or reasonably should have known) of such failure, such person shall repay to the Secretary an amount equal to the sum of—

(I) 110 percent of the aggregate amount of loans and grants received under this section; plus
(II) interest on the aggregate amount of loans and grants received under this section for the period the loans or grants were outstanding.

The Secretary shall notify the Secretary of the Treasury of any determination under this section of a failure that results in the termination of an issuer's tax-exempt status under section 501(c)(29) of such title.

(D) Time for awarding loans and grants

The Secretary shall not later than July 1, 2013, award the loans and grants under the CO–OP program and begin the distribution of amounts awarded under such loans and grants.

(3) Repayment of loans and grants

Not later than July 1, 2013, and prior to awarding loans and grants under the CO–OP program, the Secretary shall promulgate regulations with respect to the repayment of such loans and grants in a manner that is consistent with State solvency regulations and other similar State laws that may apply. In promulgating such regulations, the Secretary shall provide that such loans shall be repaid within 5 years and such grants shall be repaid within 15 years, taking into consideration any appropriate State reserve requirements, solvency regulations, and requisite surplus note arrangements that must be constructed in a State to provide for such repayment prior to awarding such loans and grants.

(4) Advisory board

(A) In general

The advisory board under this paragraph shall consist of 15 members appointed by the Comptroller General of the United States from among individuals with qualifications described in section 1395b–6(c)(2) of this title.

(B) Rules relating to appointments

(i) Standards

Any individual appointed under subparagraph (A) shall meet ethics and conflict of interest standards protecting against insurance industry involvement and interference.

(ii) Original appointments

The original appointment of board members under subparagraph (A)(ii) shall be made no later than 3 months after March 23, 2010.

(C) Vacancy

Any vacancy on the advisory board shall be filled in the same manner as the original appointment.

(D) Pay and reimbursement

(i) No compensation for members of advisory board

Except as provided in clause (ii), a member of the advisory board may not receive pay, allowances, or benefits by reason of their service on the board.

(ii) Travel expenses

Each member shall receive travel expenses, including per diem in lieu of subsistence under subchapter I of chapter 57 of title 5.

(E) Application of FACA

The Federal Advisory Committee Act (5 U.S.C. App.) shall apply to the advisory board, except that section 14 of such Act shall not apply.

(F) Termination

The advisory board shall terminate on the earlier of the date that it completes its duties under this section or December 31, 2015.

(c) Qualified nonprofit health insurance issuer

For purposes of this section—

(1) In general

The term “qualified nonprofit health insurance issuer” means a health insurance issuer that is an organization—

(A) that is organized under State law as a nonprofit, member corporation;

(B) substantially all of the activities of which consist of the issuance of qualified health plans in the individual and small group markets in each State in which it is licensed to issue such plans; and

(C) that meets the other requirements of this subsection.

(2) Certain organizations prohibited

An organization shall not be treated as a qualified nonprofit health insurance issuer if—

(A) the organization or a related entity (or any predecessor of either) was a health insurance issuer on July 16, 2009; or

(B) the organization is sponsored by a State or local government, any political subdivision thereof, or any instrumentality of such government or political subdivision.

(3) Governance requirements

An organization shall not be treated as a qualified nonprofit health insurance issuer unless—

(A) the governance of the organization is subject to a majority vote of its members;
(B) its governing documents incorporate ethics and conflict of interest standards protecting against insurance industry involvement and interference; and

(C) as provided in regulations promulgated by the Secretary, the organization is required to operate with a strong consumer focus, including timeliness, responsiveness, and accountability to members.

(4) Profits inure to benefit of members

An organization shall not be treated as a qualified nonprofit health insurance issuer unless any profits made by the organization are required to be used to lower premiums, to improve benefits, or for other programs intended to improve the quality of health care delivered to its members.

(5) Compliance with State insurance laws

An organization shall not be treated as a qualified nonprofit health insurance issuer unless the organization meets all the requirements that other issuers of qualified health plans are required to meet in any State where the issuer offers a qualified health plan, including solvency and licensure requirements, rules on payments to providers, and compliance with network adequacy rules, rate and form filing rules, any applicable State premium assessments and any other State law described in section 18044(b) of this title.

(6) Coordination with State insurance reforms

An organization shall not be treated as a qualified nonprofit health insurance issuer unless the organization does not offer a health plan in a State where the issuer offers a qualified health plan, including any drug manufacturer, pharmacy, or hospital; and

(d) Establishment of private purchasing council

(1) In general

Qualified nonprofit health insurance issuers participating in the CO–OP program under this section may establish a private purchasing council to enter into collective purchasing arrangements for items and services that increase administrative and other cost efficiencies, including claims administration, administrative services, health information technology, and actuarial services.

(2) Council may not set payment rates

The private purchasing council established under paragraph (1) shall not set payment rates for health care facilities or providers participating in health insurance coverage provided by qualified nonprofit health insurance issuers.

(3) Continued application of antitrust laws

(A) In general

Nothing in this section shall be construed to limit the application of the antitrust laws to any private purchasing council (whether or not established under this subsection) or to any qualified nonprofit health insurance issuer participating in such a council.

(B) Antitrust laws

For purposes of this subparagraph, the term “antitrust laws” has the meaning given the term in subsection (a) of section 12 of title 15. Such term also includes section 45 of title 15 to the extent that such section 45 applies to unfair methods of competition.

(e) Limitation on participation

No representative of any Federal, State, or local government (or of any political subdivision or instrumentality thereof), and no representative of a person described in subsection (c)(2)(A), may serve on the board of directors of a qualified nonprofit health insurance issuer or with a private purchasing council established under subsection (d).

(f) Limitations on Secretary

(1) In general

The Secretary shall not—

(A) participate in any negotiations between 1 or more qualified nonprofit health insurance issuers (or a private purchasing council established under subsection (d)) and any health care facilities or providers, including any drug manufacturer, pharmacy, or hospital; and

(B) establish or maintain a price structure for reimbursement of any health benefits covered by such issuers.

(2) Competition

Nothing in this section shall be construed as authorizing the Secretary to interfere with the competitive nature of providing health benefits through qualified nonprofit health insurance issuers.

(g) Appropriations

There are hereby appropriated, out of any funds in the Treasury not otherwise appropriated, $6,000,000,000 to carry out this section.

(h) Omitted

(i) GAO study and report

(1) Study

The Comptroller General of the General Accountability Office shall conduct an ongoing study on competition and market concentration in the health insurance market in the United States after the implementation of the reforms in such market under the provisions of, and the amendments made by, this Act. Such study shall include an analysis of new issuers of health insurance in such market.

(2) Report

The Comptroller General shall, not later than December 31 of each even-numbered year (beginning with 2014), report to the appropriate committees of the Congress the results of the study conducted under paragraph (1), including any recommendations for administrative or legislative changes the Comptroller General determines necessary or appropriate to increase competition in the health insurance market.

References in Text

§ 18043. Funding for the territories

(a) In general

A territory that—

(1) elects consistent with subsection (b) to establish an Exchange in accordance with part B of this subchapter and establishes such an Exchange in accordance with such part shall be treated as a State for purposes of such part and shall be entitled to payment from the amount allocated to the territory under subsection (c); or

(2) does not make such election shall be entitled to an increase in the dollar limitation applicable to the territory under subsections (f) and (g) of section 1108 of the Social Security Act (42 U.S.C. 1308) for such period in such amount for such territory and such increase shall not be taken into account in computing any other amount under such subsections.

(b) Terms and conditions

An election under subsection (a)(1) shall—

(1) not be effective unless the election is consistent with section 18041 of this title and is received not later than October 1, 2013; and

(2) be contingent upon entering into an agreement between the territory and the Secretary that requires that—

(A) funds provided under the agreement shall be used only to provide premium and cost-sharing assistance to residents of the territory obtaining health insurance coverage through the Exchange; and

(B) the premium and cost-sharing assistance provided under such agreement shall be structured in such a manner so as to prevent any gap in assistance for individuals between the income level at which medical assistance is available through the territory’s Medicaid plan under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.) and the income level at which premium and cost-sharing assistance is available under the agreement.

(c) Appropriation and allocation

(1) Appropriation

Out of any funds in the Treasury not otherwise appropriated, there is appropriated under paragraph (1) among the territories for purposes of carrying out this section as follows:

(A) For Puerto Rico, $925,000,000.

(B) For another territory, the portion of $75,000,000 specified by the Secretary.

(2) Allocation

The Secretary shall allocate the amount appropriated under paragraph (1) among the territories for purposes of carrying out this section as follows:

(A) For Puerto Rico, $925,000,000.

(B) For another territory, the portion of $75,000,000 specified by the Secretary.

§ 18044. Level playing field

(a) In general

Notwithstanding any other provision of law, any health insurance coverage offered by a pri-
vate health insurance issuer shall not be subject to any Federal or State law described in subsection (b) if a qualified health plan offered under the Consumer Operated and Oriented Plan program under section 18042 of this title, or a multi-State qualified health plan under section 18054 of this title, is not subject to such law.

(b) Laws described

The Federal and State laws described in this subsection are those Federal and State laws relating to—

(1) guaranteed renewal;
(2) rating;
(3) preexisting conditions;
(4) non-discrimination;
(5) quality improvement and reporting;
(6) fraud and abuse;
(7) solvency and financial requirements;
(8) market conduct;
(9) prompt payment;
(10) appeals and grievances;
(11) privacy and confidentiality;
(12) licensure; and
(13) benefit plan material or information.


AMENDMENTS

2010—Subsec. (a). Pub. L. 111–148, §10104(n), substituted “... or a multi-State qualified health plan under section 18054 of this title” for “... a community health insurance option under section 18043 of this title, or a nationwide qualified health plan under section 18053(b)” of this title.

PART D—STATE FLEXIBILITY TO ESTABLISH ALTERNATIVE PROGRAMS

§ 18051. State flexibility to establish basic health programs for low-income individuals not eligible for medicaid

(a) Establishment of program

(1) In general

The Secretary shall establish a basic health program meeting the requirements of this section under which a State may enter into contracts to offer 1 or more standard health plans providing at least the essential health benefits described in section 18022(b) of this title in lieu of offering such individuals coverage through an Exchange.

(2) Certifications as to benefit coverage and costs

Such program shall provide that a State may not establish a basic health program under this section unless the State establishes to the satisfaction of the Secretary, and the Secretary certifies, that—

(A) in the case of an eligible individual enrolled in a standard health plan offered through the program, the State provides—

(i) that the amount of the monthly premium an eligible individual is required to pay for coverage under the standard health plan for the individual and the individual’s dependents does not exceed the amount of the monthly premium that the eligible individual would have been required to pay (in the rating area in which the individual resides) if the individual had enrolled in the applicable second lowest cost silver plan (as defined in section 36B(b)(3)(B) of title 26) offered to the individual through an Exchange; and

(ii) that the cost-sharing an eligible individual is required to pay under the standard health plan does not exceed—

(I) the cost-sharing required under a platinum plan in the case of an eligible individual with household income not in excess of 150 percent of the poverty line for the size of the family involved; and

(II) the cost-sharing required under a gold plan in the case of an eligible individual not described in subclause (I); and

(B) the benefits provided under the standard health plans offered through the program cover at least the essential health benefits described in section 18022(b) of this title.

For purposes of subparagraph (A)(i), the amount of the monthly premium an individual is required to pay under either the standard health plan or the applicable second lowest cost silver plan shall be determined after reduction for any premium tax credits and cost-sharing reductions allowable with respect to either plan.

(b) Standard health plan

In this section, the term “standard health plan” means a health benefits plan that the State contracts with under this section—

(1) under which the only individuals eligible to enroll are eligible individuals;

(2) that provides at least the essential health benefits described in section 18022(b) of this title; and

(3) in the case of a plan that provides health insurance coverage offered by a health insurance issuer, that has a medical loss ratio of at least 85 percent.

(c) Contracting process

(1) In general

A State basic health program shall establish a competitive process for entering into contracts with standard health plans under subsection (a), including negotiation of premiums and cost-sharing and negotiation of benefits in addition to the essential health benefits described in section 18022(b) of this title.

(2) Specific items to be considered

A State shall, as part of its competitive process under paragraph (1), include at least the following:

(A) Innovation

Negotiation with offerors of a standard health plan for the inclusion of innovative features in the plan, including—

(i) care coordination and care management for enrollees, especially for those with chronic health conditions;

(ii) incentives for use of preventive services; and

(iii) the establishment of relationships between providers and patients that maxi-
mize patient involvement in health care decision-making, including providing incentives for appropriate utilization under the plan.

(B) Health and resource differences

Consideration of, and the making of suitable allowances for, differences in health care needs of enrollees and differences in local availability of, and access to, health care providers. Nothing in this subparagraph shall be construed as allowing discrimination on the basis of pre-existing conditions or other health status-related factors.

(C) Managed care

Contracting with managed care systems, or with systems that offer as many of the attributes of managed care as are feasible in the local health care market.

(D) Performance measures

Establishing specific performance measures and standards for issuers of standard health plans that focus on quality of care and improved health outcomes, requiring such plans to report to the State with respect to the measures and standards, and making the performance and quality information available to enrollees in a useful form.

(3) Enhanced availability

(A) Multiple plans

A State shall, to the maximum extent feasible, seek to make multiple standard health plans available to eligible individuals within a State to ensure individuals have a choice of such plans.

(B) Regional compacts

A State may negotiate a regional compact with other States to include coverage of eligible individuals in all such States in agreements with issuers of standard health plans.

(4) Coordination with other State programs

A State shall seek to coordinate the administration of, and provision of benefits under, its program under this section with the State medicaid program under title XIX of the Social Security Act [42 U.S.C. 1396 et seq.], the State child health plan under title XXI of such Act [42 U.S.C. 1397aa et seq.], and other State-administered health programs to maximize the efficiency of such programs and to improve the continuity of care.

(d) Transfer of funds to States

(1) In general

If the Secretary determines that a State electing the application of this section meets the requirements of the program established under subsection (a), the Secretary shall transfer to the State for each fiscal year for which 1 or more standard health plans are operating within the State the amount determined under paragraph (3).

(2) Use of funds

A State shall establish a trust for the deposit of the amounts received under paragraph (1) and amounts in the trust fund shall only be used to reduce the premiums and cost-sharing of, or to provide additional benefits for, eligible individuals enrolled in standard health plans within the State. Amounts in the trust fund, and expenditures of such amounts, shall not be included in determining the amount of any non-Federal funds for purposes of meeting any matching or expenditure requirement of any federally-funded program.

(3) Amount of payment

(A) Secretarial determination

(i) In general

The amount determined under this paragraph for any fiscal year is the amount the Secretary determines is equal to 95 percent of the premium tax credits under section 36B of title 26, and the cost-sharing reductions under section 18071 of this title, that would have been provided for the fiscal year to eligible individuals enrolled in standard health plans in the State if such eligible individuals were allowed to enroll in qualified health plans through an Exchange established under this subchapter.

(ii) Specific requirements

The Secretary shall make the determination under clause (i) on a per enrollee basis and shall take into account all relevant factors necessary to determine the value of the premium tax credits and cost-sharing reductions that would have been provided to eligible individuals described in clause (i), including the age and income of the enrollee, whether the enrollment is for self-only or family coverage, geographic differences in average spending for health care across rating areas, the health status of the enrollee for purposes of determining risk adjustment payments and reinsurance payments that would have been made if the enrollee had enrolled in a qualified health plan through an Exchange, and whether any reconciliation of the credit or cost-sharing reductions would have occurred if the enrollee had been so enrolled. This determination shall take into consideration the experience of other States with respect to participation in an Exchange and such credits and reductions provided to residents of the other States, with a special focus on enrollees with income below 200 percent of poverty.

(iii) Certification

The Chief Actuary of the Centers for Medicare & Medicaid Services, in consultation with the Office of Tax Analysis of the Department of the Treasury, shall certify whether the methodology used to make determinations under this subparagraph, and such determinations, meet the requirements of clause (ii). Such certifications shall be based on sufficient data from the State and from comparable States about their experience with programs created by this Act.

(B) Corrections

The Secretary shall adjust the payment for any fiscal year to reflect any error in the
determinations under subparagraph (A) for any preceding fiscal year.

(4) Application of special rules

The provisions of section 18023 of this title shall apply to a State basic health program, and to standard health plans offered through such program, in the same manner as such rules apply to qualified health plans.

(e) Eligible individual

(1) In general

In this section, the term “eligible individual” means, with respect to any State, an individual—

(A) who a resident of the State who is not eligible to enroll in the State’s Medicaid program under title XIX of the Social Security Act [42 U.S.C. 1396 et seq.] for benefits that at a minimum consist of the essential health benefits described in section 18022(b) of this title;

(B) whose household income exceeds 133 percent but does not exceed 200 percent of the poverty line for the size of the family involved, or, in the case of an alien lawfully present in the United States, whose income is not greater than 133 percent of the poverty line for the size of the family involved but who is not eligible for the Medicaid program under title XIX of the Social Security Act by reason of such alien status;

(C) who is not eligible for minimum essential coverage (as defined in section 5000A(f) of title 26) or is eligible for an employer-sponsored plan that is not affordable coverage (as determined under section 5000A(e)(2) of such title); and

(D) who has not attained age 65 as of the beginning of the plan year.

Such term shall not include any individual who is not a qualified individual under section 18032 of this title who is eligible to be covered by a qualified health plan offered through an Exchange.

(2) Eligible individuals may not use Exchange

An eligible individual shall not be treated as a qualified individual under section 18032 of this title eligible for enrollment in a qualified health plan offered through an Exchange.

(f) Secretarial oversight

The Secretary shall each year conduct a review of each State program to ensure compliance with the requirements of this section, including ensuring that the State program meets—

(1) eligibility verification requirements for participation in the program;

(2) the requirements for use of Federal funds received by the program; and

(3) the quality and performance standards under this section.

(g) Standard health plan offerors

A State may provide that persons eligible to offer standard health plans under a basic health program established under this section may include a licensed health maintenance organization, a licensed health insurance insurer, or a network of health care providers established to offer services under the program.

(h) Definitions

Any term used in this section which is also used in section 36B of title 26 shall have the meaning given such term by such section.


REFERENCES IN TEXT

The Social Security Act, referred to in subssec. (c)(4) and (e)(1)(A), (B), is act Aug. 14, 1935, ch. 531, 49 Stat. 620. Titles XIX and XXI of the Act are classified generally to subchapters XIX ($1396 et seq.) and XXI ($1397aa et seq.), respectively, of chapter 7 of this title. For complete classification of this Act to the Code, see section 1305 of this title and Tables.


AMENDMENTS


Subsec. (e)(1)(B). Pub. L. 111–148, §10104(o)(2), inserted “, or, in the case of an alien lawfully present in the United States, whose income is not greater than 133 percent of the poverty line for the size of the family involved but who is not eligible for the Medicaid program under title XIX of the Social Security Act by reason of such alien status” before semicolon at end.

§18052. Waiver for State innovation

(a) Application

(1) In general

A State may apply to the Secretary for the waiver of all or any requirements described in paragraph (2) with respect to health insurance coverage within that State for plan years beginning on or after January 1, 2017. Such application shall—

(A) be filed at such time and in such manner as the Secretary may require;

(B) contain such information as the Secretary may require, including—

(i) a comprehensive description of the State legislation and program to implement a plan meeting the requirements for a waiver under this section; and

(ii) a 10-year budget plan for such plan that is budget neutral for the Federal Government; and

(C) provide an assurance that the State has enacted the law described in subsection (b)(2).

(2) Requirements

The requirements described in this paragraph with respect to health insurance coverage within the State for plan years beginning on or after January 1, 2014, are as follows:

(A) Part A of this subchapter.

(B) Part B of this subchapter.

(C) Section 18071 of this title.

(D) Sections 36B, 4980H, and 5000A of title 26.

(3) Pass through of funding

With respect to a State waiver under paragraph (1), under which, due to the structure of
the State plan, individuals and small employers in the State would not qualify for the premium tax credits, cost-sharing reductions, or small business credits under sections 36B of title 26 or under part I of subtitle E for which they would otherwise be eligible, the Secretary shall provide for an alternative means by which the aggregate amount of such credits or reductions that would have been paid on behalf of participants in the Exchanges established under this title had the State not received such waiver, shall be paid to the State for purposes of implementing the State plan under the waiver. Such amount shall be determined annually by the Secretary, taking into consideration the experience of other States with respect to participation in an Exchange and credits and reductions provided under such provisions to residents of the other States.

(4) Waiver consideration and transparency

(A) In general
An application for a waiver under this section shall be considered by the Secretary in accordance with the regulations described in subparagraph (B).

(B) Regulations
Not later than 180 days after March 23, 2010, the Secretary shall promulgate regulations relating to waivers under this section that provide—

(i) a process for public notice and comment at the State level, including public hearings, sufficient to ensure a meaningful level of public input;

(ii) a process for the submission of an application that ensures the disclosure of—

(I) the provisions of law that the State involved seeks to waive; and

(II) the specific plans of the State to ensure that the waiver will be in compliance with subsection (b);

(iii) a process for providing public notice and comment after the application is received by the Secretary, that is sufficient to ensure a meaningful level of public input and that does not impose requirements that are in addition to, or duplicative of, requirements imposed under the Administrative Procedures Act, or requirements that are unreasonable or unnecessarily burdensome with respect to State compliance;

(iv) a process for the submission to the Secretary of periodic reports by the State concerning the implementation of the program under the waiver; and

(v) a process for the periodic evaluation by the Secretary of the program under the waiver.

(C) Report
The Secretary shall annually report to Congress concerning actions taken by the Secretary with respect to applications for waivers under this section.

(5) Coordinated waiver process
The Secretary shall develop a process for coordinating and consolidating the State waiver processes applicable under the provisions of this section, and the existing waiver processes applicable under titles XVIII, XIX, and XXI of the Social Security Act [42 U.S.C. 1395 et seq., 1396 et seq., 1397aa et seq.], and any other Federal law relating to the provision of health care items or services. Such process shall permit a State to submit a single application for a waiver under any or all of such provisions.

(6) Definition
In this section, the term “Secretary” means—

(A) the Secretary of Health and Human Services with respect to waivers relating to the provisions described in subparagraph (A) through (C) of paragraph (2); and

(B) the Secretary of the Treasury with respect to waivers relating to the provisions described in paragraph (2)(D).

(b) Granting of waivers

(1) In general
The Secretary may grant a request for a waiver under subsection (a)(1) only if the Secretary determines that the State plan—

(A) will provide coverage that is at least as comprehensive as the coverage defined in section 18022(b) of this title and offered through Exchanges established under this title as certified by Office of the Actuary of the Centers for Medicare & Medicaid Services based on sufficient data from the State and from comparable States about their experience with programs created by this Act and the provisions of this Act that would be waived;

(B) will provide coverage and cost sharing protections against excessive out-of-pocket spending that are at least as affordable as the provisions of this title would provide;

(C) will provide coverage to at least a comparable number of its residents as the provisions of this title would provide; and

(D) will not increase the Federal deficit.

(2) Requirement to enact a law

(A) In general
A law described in this paragraph is a State law that provides for State actions under a waiver under this section, including the implementation of the State plan under subsection (a)(1)(B).

(B) Termination of opt out
A State may repeal a law described in subparagraph (A) and terminate the authority provided under the waiver with respect to the State.

(c) Scope of waiver

(1) In general
The Secretary shall determine the scope of a waiver of a requirement described in subsection (a)(2) granted to a State under subsection (a)(1).

1 So in original. Probably should be “section”.

2 So in original. Probably should be preceded by “the”.

3 See References in Text note below.
(2) Limitation

The Secretary may not waive under this section any Federal law or requirement that is not within the authority of the Secretary.

(d) Determinations by Secretary

(1) Time for determination

The Secretary shall make a determination under subsection (a)(1) not later than 180 days after the receipt of an application from a State under such subsection.

(2) Effect of determination

(A) Granting of waivers

If the Secretary determines to grant a waiver under subsection (a)(1), the Secretary shall notify the State involved of such determination and the terms and effectiveness of such waiver.

(B) Denial of waiver

If the Secretary determines a waiver should not be granted under subsection (a)(1), the Secretary shall notify the State involved and the appropriate committees of Congress of such determination and the reasons therefore.\(^4\)

(e) Term of waiver

No waiver under this section may extend over a period of longer than 5 years unless the State requests continuation of such waiver, and such request shall be deemed granted unless the Secretary, within 90 days after the date of its submission to the Secretary, either denies such request in writing or informs the State in writing with respect to any additional information which is needed in order to make a final determination with respect to the request.


REPRESENTATIVE OF TEXT

Part I of subtitle E, referred to in subsec. (a)(3), is part I (§§1401–1415) of subtitle E of title I of Pub. L. 111–148, which enacted subchapter IV of this chapter and section 36B of Title 26, Internal Revenue Code, amended section 405 of this title, sections 280C, 280B, 6103, and 7213 of Title 26, and section 1324 of Title 31, Money and Finance, and enacted provisions set out as notes under section 36B of Title 26. For complete classification of part I to the Code, see Tables.

This title, where footnoted in subsecs. (a)(3) and (b)(1)(A) to (C), is title I of Pub. L. 111–148, Mar. 23, 2010, 124 Stat. 130, which enacted this chapter and transferred numerous other sections and titles to the Code, see section 1305 of this title and Tables.

§18053. Provisions relating to offering of plans in more than one State

(a) Health care choice compacts

(1) In general

Not later than July 1, 2013, the Secretary shall, in consultation with the National Association of Insurance Commissioners, issue regulations for the creation of health care choice compacts under which 2 or more States may enter into an agreement under which—

(A) 1 or more qualified health plans could be offered in the individual markets in all such States but, except as provided in subparagraph (B), only be subject to the laws and regulations of the State in which the plan was written or issued;

(B) the issuer of any qualified health plan to which the compact applies—

(i) would continue to be subject to market conduct, unfair trade practices, network adequacy, and consumer protection standards (including standards relating to rating), including addressing disputes as to the performance of the contract, of the State in which the purchaser resides;

(ii) would be required to be licensed in each State in which it offers the plan under the compact or to submit to the jurisdiction of each such State with regard to the standards described in clause (i) (including allowing access to records as if the insurer were licensed in the State); and

(iii) must clearly notify consumers that the policy may not be subject to all the laws and regulations of the State in which the purchaser resides.

(2) State authority

A State may not enter into an agreement under this subsection unless the State enacts a law after March 23, 2010, that specifically authorizes the State to enter into such agreements.

(3) Approval of compacts

The Secretary may approve interstate health care choice compacts under paragraph (1) only if the Secretary determines that such health care choice compact—

(A) will provide coverage that is at least as comprehensive as the coverage defined in section 18023(b) of this title and offered through Exchanges established under this title;\(^1\)

(B) will provide coverage and cost sharing protections against excessive out-of-pocket spending that are at least as affordable as the provisions of this title\(^1\) would provide;

(C) will provide coverage to at least a comparable number of its residents as the provisions of this title\(^1\) would provide;

\(^4\)So in original. Probably should be "therefor."

\(^1\)See References in Text note below.
(D) will not increase the Federal deficit; and

(E) will not weaken enforcement of laws and regulations described in paragraph (1)(B)(i) in any State that is included in such compact.

(4) Effective date

A health care choice compact described in paragraph (1) shall not take effect before January 1, 2016.


REFERENCES IN TEXT

This title, where footnoted in subsec. (a)(3)(A) to (C), is title I of Pub. L. 111–148, Mar. 23, 2010, 124 Stat. 130, which enacted this chapter and enacted, amended, and transferred numerous other sections and notes in the Code. For complete classification of title I to the Code, see Tables.

AMENDMENTS

2010—Subsec. (b). Pub. L. 111–148, §10104(p), struck out subsec. (b) which provided authority and requirements for health insurance issuers to offer nationwide qualified health plans.

§18054. Multi-State plans

(a) Oversight by the Office of Personnel Management

(1) In general

The Director of the Office of Personnel Management (referred to in this section as the "Director") shall enter into contracts with health insurance issuers (which may include a group of health insurance issuers affiliated either by common ownership and control or by the common use of a nationally licensed service mark) without regard to section 6101 of title 41 or other statutes requiring competitive bidding, to offer at least 2 multi-State qualified health plans through each Exchange in each State. Such plans shall provide individual, or in the case of small employers, group coverage.

(2) Terms

Each contract entered into under paragraph (1) shall be for a uniform term of at least 1 year, but may be made automatically renewable from term to term in the absence of notice of termination by either party. In entering into such contracts, the Director shall ensure that health benefits coverage is provided in accordance with the types of coverage provided for under section 18054(a)(1)(A)(i) of the Public Health Service Act [42 U.S.C. 300gg(a)(1)(A)(i)].

(3) Non-profit entities

In entering into contracts under paragraph (1), the Director shall ensure that at least one contract is entered into with a non-profit entity.

(4) Administration

The Director shall implement this subsection in a manner similar to the manner in which the Director implements the contract-

ing provisions with respect to carriers under the Federal employees health benefit program1 under chapter 89 of title 5, including (through negotiating with each multi-state2 plan)—

(A) a medical loss ratio;

(B) a profit margin;

(C) the premiums to be charged; and

(D) such other terms and conditions of coverage as are in the interests of enrollees in such plans.

(5) Authority to protect consumers

The Director may prohibit the offering of any multi-State health plan that does not meet the terms and conditions defined by the Director with respect to the elements described in subparagraphs (A) through (D) of paragraph (4).

(6) Assured availability of varied coverage

In entering into contracts under this subsection, the Director shall ensure that with respect to multi-State qualified health plans offered in an Exchange, there is at least one such plan that does not provide coverage of services described in section 18023(b)(1)(B)(i) of this title.

(7) Withdrawal

Approval of a contract under this subsection may be withdrawn by the Director only after notice and opportunity for hearing to the issuer concerned without regard to subchapter II of chapter 5 and chapter 7 of title 5.

(b) Eligibility

A health insurance issuer shall be eligible to enter into a contract under subsection (a)(1) if such issuer—

(1) agrees to offer a multi-State qualified health plan that meets the requirements of subsection (c) in each Exchange in each State;

(2) is licensed in each State and is subject to all requirements of State law not inconsistent with this section, including the standards and requirements that a State imposes that do not prevent the application of a requirement of part A of title XXVII of the Public Health Service Act [42 U.S.C. 300gg et seq.] or a requirement of this title;3

(3) otherwise complies with the minimum standards prescribed for carriers offering health benefits plans under section 8902(e) of title 5 to the extent that such standards do not conflict with a provision of this title;3 and

(4) meets such other requirements as determined appropriate by the Director, in consultation with the Secretary.

(c) Requirements for multi-State qualified health plan

(1) In general

A multi-State qualified health plan meets the requirements of this subsection if, in the determination of the Director—

(A) the plan offers a benefits package that is uniform in each State and consists of the

1See in original. The words "employees health benefit program" probably should be capitalized.
2So in original. Probably should be "multi-State.
3See References in Text note below.
§ 18054

TITLE 42—THE PUBLIC HEALTH AND WELFARE

Page 8340

essential benefits described in section 18022 of this title;
(B) the plan meets all requirements of this title with respect to a qualified health plan, including requirements relating to the offering of the bronze, silver, and gold levels of coverage and catastrophic coverage in each State Exchange;
(C) except as provided in paragraph (5), the issuer provides for determinations of premiums for coverage under the plan on the basis of the rating requirements of part A of title XXVII of the Public Health Service Act; and
(D) the issuer offers the plan in all geographic regions, and in all States that have adopted adjusted community rating before March 23, 2010.

(2) States may offer additional benefits

Nothing in paragraph (1)(A) shall preclude a State from requiring that benefits in addition to the essential health benefits required under such paragraph be provided to enrollees of a multi-State qualified health plan offered in such State.

(3) Credits

(A) In general

An individual enrolled in a multi-State qualified health plan under this section shall be eligible for credits under section 36B of title 26 and cost sharing assistance under section 18071 of this title in the same manner as an individual who is enrolled in a qualified health plan.

(B) No additional Federal cost

A requirement by a State under paragraph (2) that benefits in addition to the essential health benefits required under paragraph (1)(A) be provided to enrollees of a multi-State qualified health plan shall not affect the amount of a premium tax credit provided under section 36B of title 26 with respect to such plan.

(4) State must assume cost

A State shall make payments—
(A) to an individual enrolled in a multi-State qualified health plan offered in such State; or
(B) on behalf of an individual described in subparagraph (A) directly to the multi-State qualified health plan in which such individual is enrolled;

to defray the cost of any additional benefits described in paragraph (2).

(5) Application of certain State rating requirements

With respect to a multi-State qualified health plan that is offered in a State with age rating requirements that are lower than 3:1, the State may require that Exchanges operating in such State only permit the offering of such multi-State qualified health plans if such plans comply with the State’s more protective age rating requirements.

(d) Plans deemed to be certified

A multi-State qualified health plan that is offered under a contract under subsection (a) shall be deemed to be certified by an Exchange for purposes of section 18031(d)(4)(A) of this title.

(e) Phase-in

Notwithstanding paragraphs (1) and (2) of subsection (b), the Director shall enter into a contract with a health insurance issuer for the offering of a multi-State qualified health plan under substitution (a) if—
(1) with respect to the first year for which the issuer offers such plan, such issuer offers the plan in at least 60 percent of the States;
(2) with respect to the second such year, such issuer offers the plan in at least 70 percent of the States;
(3) with respect to the third such year, such issuer offers the plan in at least 85 percent of the States; and
(4) with respect to each subsequent year, such issuer offers the plan in all States.

(f) Applicability

The requirements under chapter 89 of title 5 applicable to health benefits plans under such chapter shall apply to multi-State qualified health plans provided for under this section to the extent that such requirements do not conflict with a provision of this title.

(g) Continued support for FEHBP

(1) Maintenance of effort

Nothing in this section shall be construed to permit the Director to allocate fewer financial or personnel resources to the functions of the Office of Personnel Management related to the administration of the Federal Employees Health Benefit Program under chapter 89 of title 5.

(2) Separate risk pool

Enrollees in multi-State qualified health plans under this section shall be treated as a separate risk pool apart from enrollees in the Federal Employees Health Benefit Program under chapter 89 of title 5.

(3) Authority to establish separate entities

The Director may establish such separate units or offices within the Office of Personnel Management as the Director determines to be appropriate to ensure that the administration of multi-State qualified health plans under this section does not interfere with the effective administration of the Federal Employees Health Benefit Program under chapter 89 of title 5.

(4) Effective oversight

The Director may appoint such additional personnel as may be necessary to enable the Director to carry out activities under this section.

(5) Assurance of separate program

In carrying out this section, the Director shall ensure that the program under this section is separate from the Federal Employees Health Benefit Program under chapter 89 of title 5. Premiums paid for coverage under a multi-State qualified health plan under this section shall not be considered to be Federal funds for any purposes.

(6) FEHBP plans not required to participate

Nothing in this section shall require that a carrier offering coverage under the Federal
Employees Health Benefit Program under chapter 89 of title 5 also offer a multi-State qualified health plan under this section.

(h) Advisory board

The Director shall establish an advisory board to provide recommendations on the activities described in this section. A significant percentage of the members of such board shall be comprised of enrollees in a multi-State qualified health plan, or representatives of such enrollees.

(i) Authorization of appropriations

There is authorized to be appropriated, such sums as may be necessary to carry out this section.


REFERENCES IN TEXT

The Public Health Service Act, referred to in subsecs. (b)(2) and (c)(1)(C), is act July 1, 1944, ch. 373, 58 Stat. 802. Part A of title XXVII of the Act is classified generally to part A (§300gg et seq.) of subchapter XXV of chapter 6A of this title. For complete classification of this Act to the Code, see Short Title note set out under section 201 of this title and Tables.

This title, referred to in subsecs. (b)(2), (3), (c)(1)(B), and (f), is title I of Pub. L. 111–148, Mar. 23, 2010, 124 Stat. 130, which enacted this chapter and enacted, amended, and transferred numerous other sections and notes in the Code. For complete classification of title I to the Code, see Tables.

CODIFICATION


PART E—REINSURANCE AND RISK ADJUSTMENT

§ 18061. Transitional reinsurance program for individual market in each State

(a) In general

Each State shall, not later than January 1, 2014—

(1) include in the Federal standards or State law or regulation the State adopts and has in effect under section 18041(b) of this title the provisions described in subsection (b); and

(2) establish (or enter into a contract with) 1 or more applicable reinsurance entities to carry out the reinsurance program under this section.

(b) Model regulation

(1) In general

In establishing the Federal standards under section 18041(a) of this title, the Secretary, in consultation with the National Association of Insurance Commissioners (the “NAIC”), shall include provisions that enable States to establish and maintain a program under which—

(A) health insurance issuers, and third party administrators on behalf of group health plans, are required to make payments to an applicable reinsurance entity for any plan year beginning in the 3-year period beginning January 1, 2014 (as specified in paragraph (3));

and

(B) the applicable reinsurance entity collects payments under subparagraph (A) and uses amounts so collected to make reinsurance payments to health insurance issuers described in subparagraph (A) that cover high risk individuals in the individual market (excluding grandfathered health plans) for any plan year beginning in such 3-year period.

(2) High-risk individual; payment amounts

The Secretary shall include the following in the provisions under paragraph (1):

(A) Determination of high-risk individuals

The method by which individuals will be identified as high risk individuals for purposes of the reinsurance program established under this section. Such method shall provide for identification of individuals as high-risk individuals on the basis of—

(i) a list of at least 50 but not more than 100 medical conditions that are identified as high-risk conditions and that may be based on the identification of diagnostic and procedure codes that are indicative of individuals with pre-existing, high-risk conditions; or

(ii) any other comparable objective method of identification recommended by the American Academy of Actuaries.

(B) Payment amount

The formula for determining the amount of payments that will be paid to health insurance issuers described in paragraph (1)(B) that insure high-risk individuals. Such formula shall provide for the equitable allocation of available funds through reconciliation and may be designed—

(i) to provide a schedule of payments that specifies the amount that will be paid for each of the conditions identified under subparagraph (A); or

(ii) to use any other comparable method for determining payment amounts that is recommended by the American Academy of Actuaries and that encourages the use of care coordination and care management programs for high risk conditions.

(3) Determination of required contributions

(A) In general

The Secretary shall include in the provisions under paragraph (1) the method for determining the amount each health insurance issuer and group health plan described in paragraph (1)(A) contributing to the reinsurance program under this section is required to contribute under such paragraph for each plan year beginning in the 36-month period beginning January 1, 2014. The contribution amount for any plan year may be based on the percentage of revenue of each issuer and the total costs of providing benefits to enrollees in self-insured plans or on a specified amount per enrollee and may be required to be paid in advance or periodically throughout the plan year.

(B) Specific requirements

The method under this paragraph shall be designed so that—

1 So in original. A second closing parenthesis probably should precede the semicolon.
§ 18062  TITLE 42—THE PUBLIC HEALTH AND WELFARE  Page 8342

(i) the contribution amount for each issuer proportionally reflects each issuer’s fully insured commercial book of business for all major medical products and the total value of all fees charged by the issuer and the costs of coverage administered by the issuer as a third party administrator;

(ii) the contribution amount can include an additional amount to fund the administrative expenses of the applicable reinsurance entity;

(iii) the aggregate contribution amounts for all States shall, based on the best estimates of the NAIC and without regard to amounts described in clause (ii), equal $10,000,000,000 for plan years beginning in 2014, $6,000,000,000 for plan years beginning in 2015, $4,000,000,000 for plan years beginning in 2016; and

(iv) in addition to the aggregate contribution amounts under clause (iii), each issuer’s contribution amount for any calendar year under clause (iii) reflects its proportionate share of an additional $2,000,000,000 for 2014, an additional $2,000,000,000 for 2015, and an additional $1,000,000,000 for 2016.

Nothing in this subparagraph shall be construed to preclude a State from collecting additional amounts from issuers on a voluntary basis.

(4) Expenditure of funds

The provisions under paragraph (1) shall provide that—

(A) the contribution amounts collected for any calendar year may be allocated and used in any of the three calendar years for which amounts are collected based on the reinsurance needs of a particular period or to reflect experience in a prior period; and

(B) amounts remaining unexpended as of December, 2016, may be used to make payments under any reinsurance program of a State in the individual market in effect in the 2-year period beginning on January 1, 2017.

Notwithstanding the preceding sentence, any contribution amounts described in paragraph (3)(B)(iv) shall be deposited into the general fund of the Treasury of the United States and may not be used for the program established under this section.

(c) Applicable reinsurance entity

For purposes of this section—

(1) In general

The term “applicable reinsurance entity” means a not-for-profit organization—

(A) the purpose of which is to help stabilize premiums for coverage in the individual market in a State during the first 3 years of operation of an Exchange for such markets within the State when the risk of adverse selection related to new rating rules and market changes is greatest; and

(B) the duties of which shall be to carry out the reinsurance program under this sec-

(2) State discretion

A State may have more than 1 applicable reinsurance entity to carry out the reinsurance program under this section within the State and 2 or more States may enter into agreements to provide for an applicable reinsurance entity to carry out such program in all such States.

(3) Entities are tax-exempt

An applicable reinsurance entity established under this section shall be exempt from taxation under chapter 1 of title 26. The preceding sentence shall not apply to the tax imposed by section 511 such title (relating to tax on unrelated business taxable income of an exempt organization).

(d) Coordination with State high-risk pools

The State shall eliminate or modify any State high-risk pool to the extent necessary to carry out the reinsurance program established under this section. The State may coordinate the State high-risk pool with such program to the extent not inconsistent with the provisions of this section.

(2) State discretion

A State may have more than 1 applicable reinsurance entity to carry out the reinsurance program under this section within the State and 2 or more States may enter into agreements to provide for an applicable reinsurance entity to carry out such program in all such States.

(3) Entities are tax-exempt

An applicable reinsurance entity established under this section shall be exempt from taxation under chapter 1 of title 26. The preceding sentence shall not apply to the tax imposed by section 511 such title (relating to tax on unrelated business taxable income of an exempt organization).

(d) Coordination with State high-risk pools

The State shall eliminate or modify any State high-risk pool to the extent necessary to carry out the reinsurance program established under this section. The State may coordinate the State high-risk pool with such program to the extent not inconsistent with the provisions of this section.

(2) State discretion

A State may have more than 1 applicable reinsurance entity to carry out the reinsurance program under this section within the State and 2 or more States may enter into agreements to provide for an applicable reinsurance entity to carry out such program in all such States.

(3) Entities are tax-exempt

An applicable reinsurance entity established under this section shall be exempt from taxation under chapter 1 of title 26. The preceding sentence shall not apply to the tax imposed by section 511 such title (relating to tax on unrelated business taxable income of an exempt organization).

(d) Coordination with State high-risk pools

The State shall eliminate or modify any State high-risk pool to the extent necessary to carry out the reinsurance program established under this section. The State may coordinate the State high-risk pool with such program to the extent not inconsistent with the provisions of this section.

(2) State discretion

A State may have more than 1 applicable reinsurance entity to carry out the reinsurance program under this section within the State and 2 or more States may enter into agreements to provide for an applicable reinsurance entity to carry out such program in all such States.

(3) Entities are tax-exempt

An applicable reinsurance entity established under this section shall be exempt from taxation under chapter 1 of title 26. The preceding sentence shall not apply to the tax imposed by section 511 such title (relating to tax on unrelated business taxable income of an exempt organization).

(d) Coordination with State high-risk pools

The State shall eliminate or modify any State high-risk pool to the extent necessary to carry out the reinsurance program established under this section. The State may coordinate the State high-risk pool with such program to the extent not inconsistent with the provisions of this section.

(2) State discretion

A State may have more than 1 applicable reinsurance entity to carry out the reinsurance program under this section within the State and 2 or more States may enter into agreements to provide for an applicable reinsurance entity to carry out such program in all such States.

(3) Entities are tax-exempt

An applicable reinsurance entity established under this section shall be exempt from taxation under chapter 1 of title 26. The preceding sentence shall not apply to the tax imposed by section 511 such title (relating to tax on unrelated business taxable income of an exempt organization).

(d) Coordination with State high-risk pools

The State shall eliminate or modify any State high-risk pool to the extent necessary to carry out the reinsurance program established under this section. The State may coordinate the State high-risk pool with such program to the extent not inconsistent with the provisions of this section.

(2) State discretion

A State may have more than 1 applicable reinsurance entity to carry out the reinsurance program under this section within the State and 2 or more States may enter into agreements to provide for an applicable reinsurance entity to carry out such program in all such States.

(3) Entities are tax-exempt

An applicable reinsurance entity established under this section shall be exempt from taxation under chapter 1 of title 26. The preceding sentence shall not apply to the tax imposed by section 511 such title (relating to tax on unrelated business taxable income of an exempt organization).
(B) a participating plan’s allowable costs for any plan year are more than 108 percent of the target amount, the Secretary shall pay to the plan an amount equal to the sum of 2.5 percent of the target amount plus 80 percent of allowable costs in excess of 108 percent of the target amount.

(2) Payments in

The Secretary shall provide under the program established under subsection (a) that if—

(A) a participating plan’s allowable costs for any plan year are less than 97 percent but not less than 92 percent of the target amount, the plan shall pay to the Secretary an amount equal to 50 percent of the excess of 97 percent of the target amount over the allowable costs; and

(B) a participating plan’s allowable costs for any plan year are less than 92 percent of the target amount, the plan shall pay to the Secretary an amount equal to the sum of 2.5 percent of the target amount plus 80 percent of the excess of 92 percent of the target amount over the allowable costs.

(c) Definitions

In this section:

(1) Allowable costs

(A) In general

The amount of allowable costs of a plan for any year is an amount equal to the total costs (other than administrative costs) of the plan in providing benefits covered by the plan.

(B) Reduction for risk adjustment and reinsurance payments

Allowable costs shall 2 reduced by any risk adjustment and reinsurance payments received under section 18061 and 18063 of this title.

(2) Target amount

The target amount of a plan for any year is an amount equal to the total premiums (including any premium subsidies under any governmental program), reduced by the administrative costs of the plan.


REFERENCES IN TEXT


§ 18063. Risk adjustment

(a) In general

(1) Low actuarial risk plans

Using the criteria and methods developed under subsection (b), each State shall assess a charge on health plans and health insurance issuers (with respect to health insurance coverage) described in subsection (c) if the actuarial risk of the enrollees of such plans or coverage for a year is less than the average actuarial risk of all enrollees in all plans or coverage in such State for such year that are not self-insured group health plans (which are subject to the provisions of the Employee Retirement Income Security Act of 1974 [29 U.S.C. 1001 et seq.]).

(2) High actuarial risk plans

Using the criteria and methods developed under subsection (b), each State shall provide a payment to health plans and health insurance issuers (with respect to health insurance coverage) described in subsection (c) if the actuarial risk of the enrollees of such plans or coverage for a year is greater than the average actuarial risk of all enrollees in all plans and coverage in such State for such year that are not self-insured group health plans (which are subject to the provisions of the Employee Retirement Income Security Act of 1974).

(b) Criteria and methods

The Secretary, in consultation with States, shall establish criteria and methods to be used in carrying out the risk adjustment activities under this section. The Secretary may utilize criteria and methods similar to the criteria and methods utilized under part C or D of title XVIII of the Social Security Act [29 U.S.C. 1395w–21 et seq., 1395w–101 et seq.]. Such criteria and methods shall be included in the standards and requirements the Secretary prescribes under section 18041 of this title.

(c) Scope

A health plan or a health insurance issuer is described in this subsection if such health plan or health insurance issuer provides coverage in the individual or small group market within the State. This subsection shall not apply to a grandfathered health plan or the issuer of a grandfathered health plan with respect to that plan.


REFERENCES IN TEXT

The Employee Retirement Income Security Act of 1974, referred to in subsec. (a), is Pub. L. 93–406, Sept. 2, 1974, 88 Stat. 829, which is classified principally to chapter 18 (§1001 et seq.) of Title 29, Labor. For complete classification of this Act to the Code, see Short Title note set out under section 1001 of Title 29 and Tables.

The Social Security Act, referred to in subsec. (b), is act Aug. 14, 1935, ch. 531, 49 Stat. 620. Parts C and D of title XVIII of the Act are classified generally to parts C (§1395w–21 et seq.) and D (§1395w–101 et seq.), respectively, of subchapter XVIII of chapter 7 of this title. For complete classification of this Act to the Code, see section 1305 of this title and Tables.

SUBCHAPTER IV—AFFORDABLE COVERAGE CHOICES FOR ALL AMERICANS

PART A—PREMIUM TAX CREDITS AND COST-SHARING REDUCTIONS

§ 18071. Reduced cost-sharing for individuals enrolling in qualified health plans

(a) In general

In the case of an eligible insured enrolled in a qualified health plan—

1 So in original. Probably should be followed by “be”.
2 So in original. Probably should be “sections”.

3 So in original. Probably should be followed by “be”. 
§ 18071

TITLE 42—THE PUBLIC HEALTH AND WELFARE

Page 8344

(1) the Secretary shall notify the issuer of the plan of such eligibility; and
(2) the issuer shall reduce the cost-sharing under the plan at the level and in the manner specified in subsection (c).

(b) Eligible insured

In this section, the term “eligible insured” means an individual—
(1) who enrolls in a qualified health plan in the silver level of coverage in the individual market offered through an Exchange; and
(2) whose household income exceeds 100 percent but does not exceed 400 percent of the poverty line for a family of the size involved.

In the case of an individual described in section 36B(c)(1)(B) of title 26, the individual shall be treated as having household income equal to 100 percent for purposes of applying this section.

(c) Determination of reduction in cost-sharing

(1) Reduction in out-of-pocket limit

The reduction in cost-sharing under this subsection shall first be achieved by reducing the applicable out-of-pocket limit under section 18022(c)(1) of this title in the case of—
(i) an eligible insured whose household income is more than 100 percent but not more than 200 percent of the poverty line for a family of the size involved, by two-thirds;
(ii) an eligible insured whose household income is more than 200 percent but not more than 300 percent of the poverty line for a family of the size involved, by one-half; and
(iii) an eligible insured whose household income is more than 300 percent but not more than 400 percent of the poverty line for a family of the size involved, by one-third.

(B) Coordination with actuarial value limits

(i) In general

The Secretary shall ensure the reduction under this paragraph shall not result in an increase in the plan’s share of the total allowed costs of benefits provided under the plan above—
(I) 94 percent in the case of an eligible insured described in paragraph (2)(A);
(II) 87 percent in the case of an eligible insured described in paragraph (2)(B);
(III) 73 percent in the case of an eligible insured whose household income is more than 200 percent but not more than 250 percent of the poverty line for a family of the size involved; and
(IV) 70 percent in the case of an eligible insured whose household income is more than 250 percent but not more than 400 percent of the poverty line for a family of the size involved.

(ii) Adjustment

The Secretary shall adjust the out-of-pocket limit under paragraph (1) if necessary to ensure that such limits do not cause the respective actuarial values to exceed the levels specified in clause (i).

(2) Additional reduction for lower income insureds

The Secretary shall establish procedures under which the issuer of a qualified health plan to which this section applies shall further reduce cost-sharing under the plan in a manner sufficient to—
(A) in the case of an eligible insured whose household income is not less than 100 percent but not more than 150 percent of the poverty line for a family of the size involved, increase the plan’s share of the total allowed costs of benefits provided under the plan to 94 percent of such costs;
(B) in the case of an eligible insured whose household income is more than 150 percent but not more than 200 percent of the poverty line for a family of the size involved, increase the plan’s share of the total allowed costs of benefits provided under the plan to 87 percent of such costs; and
(C) in the case of an eligible insured whose household income is more than 200 percent but not more than 250 percent of the poverty line for a family of the size involved, increase the plan’s share of the total allowed costs of benefits provided under the plan to 73 percent of such costs.

(3) Methods for reducing cost-sharing

(A) In general

An issuer of a qualified health plan making reductions under this subsection shall notify the Secretary of such reductions and the Secretary shall make periodic and timely payments to the issuer equal to the value of the reductions.

(B) Capitated payments

The Secretary may establish a capitated payment system to carry out the payment of cost-sharing reductions under this section. Any such system shall take into account the value of the reductions and make appropriate risk adjustments to such payments.

(4) Additional benefits

If a qualified health plan under section 18022(b)(5) of this title offers benefits in addition to the essential health benefits required to be provided by the plan, or a State requires a qualified health plan under section 18031(d)(3)(B) of this title to cover benefits in addition to the essential health benefits required to be provided by the plan, the reductions in cost-sharing under this section shall not apply to such additional benefits.

(5) Special rule for pediatric dental plans

If an individual enrolls in both a qualified health plan and a plan described in section 18031(d)(2)(B)(ii)(I) of this title for any plan year, subsection (a) shall not apply to that portion of any reduction in cost-sharing under subsection (c) that (under regulations prescribed by the Secretary) is properly allocable

1 So in original. Probably should be “out-of-pocket”.

2 So in original. Probably should be “18031(d)(3)(B)(ii)(I)”.

36B(c)(1)(B)
(d) Special rules for Indians

(1) Indians under 300 percent of poverty

If an individual enrolled in any qualified health plan in the individual market through an Exchange is an Indian (as defined in section 5304(d) of title 25) whose household income is not more than 300 percent of the poverty line for a family of the size involved, then, for purposes of this section—

(A) such individual shall be treated as an eligible insured; and

(B) the issuer of the plan shall eliminate any cost-sharing under the plan.

(2) Items or services furnished through Indian health providers

If an Indian (as so defined) enrolled in a qualified health plan is furnished an item or service directly by the Indian Health Service, an Indian Tribe, Tribal Organization, or Urban Indian Organization or through referral under contract health services—

(A) no cost-sharing under the plan shall be imposed under the plan for such item or service; and

(B) the issuer of the plan shall not reduce the payment to any such entity for such item or service by the amount of any cost-sharing that would be due from the Indian but for subparagraph (A).

(3) Payment

The Secretary shall pay to the issuer of a qualified health plan the amount necessary to cover any cost-sharing reduction under this section.

(f) Definitions and special rules

In this section:

(1) In general

Any term used in this section which is also used in section 36B of title 26 shall have the meaning given such term by such section.

(2) Lawfully present

For purposes of this section, an individual shall be treated as lawfully present only if the individual is, and is reasonably expected to be, in the United States.

(3) Secretarial authority

The Secretary, in consultation with the Secretary of the Treasury, shall prescribe rules setting forth the methods by which calculations of family size and household income are made for purposes of this subsection. Such rules shall be designed to ensure that the least burden is placed on individuals enrolling in qualified health plans through an Exchange and taxpayers eligible for the credit allowable under this section.

AMENDMENTS


Subsec. (c)(1)(B)(ii), (C), added subcl. (I), (II) and struck out former subcl. (III). Prior to amendment, subcl. (III) read as follows: "70 percent in the case of an eligible insured described in clause (ii) or (iii) of subsection (a)(2) and taxpayers eligible for the credit allowable under section 36B of title 26 are allowed.


§ 18081. Procedures for determining eligibility for Exchange participation, premium tax credits and reduced cost-sharing, and individual responsibility exemptions

(a) Establishment of program

The Secretary shall establish a program meeting the requirements of this section for determining—

(1) whether an individual who is to be covered in the individual market by a qualified health plan offered through an Exchange, or who is claiming a premium tax credit or reduced cost-sharing, meets the requirements of sections 18082(f)(3), 18071(e), and 18082(d) of this title and section 36B(e) of title 26 that the individual be a citizen or national of the United States or an alien lawfully present in the United States;

(2) in the case of an individual claiming a premium tax credit or reduced cost-sharing under section 36B of title 26 or section 18071 of this title—

(A) whether the individual meets the income and coverage requirements of such sections; and

(B) the amount of the tax credit or reduced cost-sharing;

(3) whether an individual's coverage under an employer-sponsored health benefits plan is treated as unaffordable under sections 36B(c)(2)(C) and 5000A(e)(2) of title 26; 

(4) whether to grant a certification under section 18081(d)(4)(H) of this title attesting that, for purposes of the individual responsibility exemptions provided in section 18031(d)(3), 18071(e), and 18082(d) of this title and section 36B(e) of title 26 that the individual be a citizen or national of the United States or an alien lawfully present in the United States; or

(b) Information required to be provided by applicants

(1) In general

An applicant for enrollment in a qualified health plan offered through an Exchange in the individual market shall provide—

(A) the name, address, and date of birth of each individual who is to be covered by the plan (in this subsection referred to as an “enrollee”); and

(B) the information required by any of the following paragraphs that is applicable to an enrollee.

(2) Citizenship or immigration status

The following information shall be provided with respect to every enrollee:

(A) In the case of an enrollee whose eligibility is based on an attestation of citizenship of the enrollee, the enrollee's social security number.

(B) In the case of an individual whose eligibility is based on an attestation of the enrollee's immigration status, the enrollee’s social security number (if applicable) and such identifying information with respect to the enrollee’s immigration status as the Secretary, after consultation with the Secretary of Homeland Security, determines appropriate.

(3) Eligibility and amount of tax credit or reduced cost-sharing

In the case of an enrollee with respect to whom a premium tax credit or reduced cost-sharing under section 36B of title 26 or section 18071 of this title is being claimed, the following information:

(A) Information regarding income and family size

The information described in section 6103(l)(21) of title 26 for the taxable year ending with or within the second calendar year preceding the calendar year in which the plan year begins.

(B) Certain individual health insurance policies obtained through small employers

The amount of the enrollee’s permitted benefit (as defined in section 36B(d)(3)(C) of title 26) under a qualified small employer health reimbursement arrangement (as defined in section 9831(d)(2) of such title).

(C) Changes in circumstances

The information described in section 18082(b)(2) of this title, including information with respect to individuals who were not required to file an income tax return for the taxable year described in subparagraph (A) or individuals who experienced changes in marital status or family size or significant reductions in income.

(4) Employer-sponsored coverage

In the case of an enrollee with respect to whom eligibility for a premium tax credit under section 36B of title 26 or cost-sharing reduction under section 18071 of this title is being established on the basis that the enrollee’s (or related individual’s) employer is not required to file an income tax return for the taxable year described in subparagraph (A) or individuals who were not required to file an income tax return for the taxable year described in subparagraph (A) or individuals who experienced changes in marital status or family size or significant reductions in income.

1 See References in Text note below.
election and provide the information described in this paragraph with respect to the new employer.

(5) Exemptions from individual responsibility requirements

In the case of an individual who is seeking an exemption certificate under section 18081(d)(4)(H) of this title from any requirement or penalty imposed by section 5000A of title 26, the following information:

(A) In the case of an individual seeking exemption based on the individual’s status as a member of an exempt religious sect or division, as a member of a health care sharing ministry, as an Indian, or as an individual eligible for a hardship exemption, such information as the Secretary shall prescribe.

(B) In the case of an individual seeking exemption based on the lack of affordable coverage or the individual’s status as a taxpayer with household income less than 100 percent of the poverty line, the information described in paragraphs (3) and (4), as applicable.

(c) Verification of information contained in records of specific Federal officials

(1) Information transferred to Secretary

An Exchange shall submit the information provided by an applicant under subsection (b) to the Secretary for verification in accordance with the requirements of this subsection and subsection (d).

(2) Citizenship or immigration status

(A) Commissioner of Social Security

The Secretary shall submit to the Commissioner of Social Security the following information for a determination as to whether the information provided is consistent with the information in the records of the Commissioner:

(i) The name, date of birth, and social security number of each individual for whom such information was provided under subsection (b)(2).

(ii) The attestation of an individual that the individual is a citizen.

(B) Secretary of Homeland Security

(i) In general

In the case of an individual—

(I) who attests that the individual is an alien lawfully present in the United States; or

(II) who attests that the individual is a citizen but with respect to whom the Commissioner of Social Security has notified the Secretary under subsection (e)(3) that the attestation is inconsistent with information in the records maintained by the Commissioner;

the Secretary shall submit to the Secretary of Homeland Security the information described in clause (ii) for a determination as to whether the information provided is consistent with the information in the records of the Secretary of Homeland Security.

(ii) Information

The information described in clause (ii) is the following:

(I) The name, date of birth, and any identifying information with respect to the individual’s immigration status provided under subsection (b)(2).

(II) The attestation that the individual is an alien lawfully present in the United States or in the case of an individual described in clause (i)(II), the attestation that the individual is a citizen.

(3) Eligibility for tax credit and cost-sharing reduction

The Secretary shall submit the information described in subsection (b)(3)(A) provided under paragraph (3), (4), or (5) of subsection (b) to the Secretary of the Treasury for verification of household income and family size for purposes of eligibility.

(4) Methods

(A) In general

The Secretary, in consultation with the Secretary of the Treasury, the Secretary of Homeland Security, and the Commissioner of Social Security, shall provide that verifications and determinations under this subsection shall be done—

(i) through use of an on-line system or otherwise for the electronic submission of, and response to, the information submitted under this subsection with respect to an applicant; or

(ii) by determining the consistency of the information submitted with the information maintained in the records of the Secretary of the Treasury, the Secretary of Homeland Security, or the Commissioner of Social Security through such other method as is approved by the Secretary.

(B) Flexibility

The Secretary may modify the methods used under the program established by this section for the Exchange and verification of information if the Secretary determines such modifications would reduce the administrative costs and burdens on the applicant, including allowing an applicant to request the Secretary of the Treasury to provide the information described in paragraph (3) directly to the Exchange or to the Secretary. The Secretary shall not make any such modification unless the Secretary determines that any applicable requirements under this section and section 6103 of title 26 with respect to the confidentiality, disclosure, maintenance, or use of information will be met.

(d) Verification by Secretary

In the case of information provided under subsection (b) that is not required under subsection (c) to be submitted to another person for verification, the Secretary shall verify the accuracy of such information in such manner as the Secretary determines appropriate, including delegating responsibility for verification to the Exchange.

20So in original. Probably should not be capitalized.
(e) Actions relating to verification

(1) In general
Each person to whom the Secretary provided information under subsection (c) shall report to the Secretary under the method established under subsection (c)(4) the results of its verification and the Secretary shall notify the Exchange of such results. Each person to whom the Secretary provided information under subsection (d) shall report to the Secretary in such manner as the Secretary determines appropriate.

(2) Verification
(A) Eligibility for enrollment and premium tax credits and cost-sharing reductions
If information provided by an applicant under paragraphs (1), (2), (3), and (4) of subsection (b) is verified under subsections (c) and (d)—
(i) the individual’s eligibility to enroll through the Exchange and to apply for premium tax credits and cost-sharing reductions shall be satisfied; and
(ii) the Secretary shall, if applicable, notify the Secretary of the Treasury under section 18082(c) of this title of the amount of any advance payment to be made.

(B) Exemption from individual responsibility
If information provided by an applicant under subsection (b)(5) is verified under subsections (c) and (d), the Secretary shall issue the certification of exemption described in section 18081(d)(4)(H) of this title.

(3) Inconsistencies involving attestation of citizenship or lawful presence
If the information provided by any applicant under subsection (b)(2) is inconsistent with information in the records maintained by the Commissioner of Social Security or Secretary of Homeland Security, whichever is applicable, the applicant’s eligibility will be determined in the same manner as an individual’s eligibility under the medicaid program is determined under section 1906(a)(e)(ii) of this title (as in effect on January 1, 2010).

(4) Inconsistencies involving other information
(A) In general
If the information provided by an applicant under subsection (b) (other than subsection (b)(2)) is inconsistent with information in the records maintained by persons under subsection (c) or is not verified under subsection (d), the Secretary shall notify the Exchange and the Exchange shall take the following actions:

(ii) Notice and opportunity to correct
In the case of the inconsistency or inability to verify is not resolved under subparagraph (A), the Exchange shall—
(I) notify the applicant of such fact;
(II) provide the applicant an opportunity to either present satisfactory documentary evidence or resolve the inconsistency with the person verifying the information under subsection (c) or (d) during the 90-day period beginning the date on which the notice required under subclause (I) is sent to the applicant.

The Secretary may extend the 90-day period under subsection (b) for enrollments occurring during 2014.

(B) Specific actions not involving citizenship or lawful presence
(i) In general
Except as provided in paragraph (3), the Exchange shall, during any period before the close of the period under subparagraph (A)(ii)(II), make any determination under paragraphs (2), (3), and (4) of subsection (a) on the basis of the information contained on the application.

(ii) Eligibility or amount of credit or reduction
If an inconsistency involving the eligibility for, or amount of, any premium tax credit or cost-sharing reduction is unresolved under this subsection as of the close of the period under subparagraph (A)(ii)(II), the Exchange shall notify the applicant of the amount (if any) of the credit or reduction that is determined on the basis of the records maintained by persons under subsection (c).

(iii) Employer affordability
If the Secretary notifies an Exchange that an enrollee is eligible for a premium tax credit under section 36B of title 26 or cost-sharing reduction under section 18071 of this title because the enrollee’s (or related individual’s) employer does not provide minimum essential coverage through an employer-sponsored plan or that the employer does provide that coverage but it is not affordable coverage, the Exchange shall notify the employer of such fact and that the employer may be liable for the payment assessed under section 4980H of title 26.

(iv) Exemption
In any case where the inconsistency involving, or inability to verify, information provided under subsection (b)(5) is not resolved as of the close of the period under subparagraph (A)(ii)(II), the Exchange shall notify an applicant that no certification of exemption from any requirement or payment under section 5000A of such title will be issued.

(C) Appeals process
The Exchange shall also notify each person receiving notice under this paragraph of the appeals processes established under subsection (f).
(f) Appeals and redeterminations

(1) In general

The Secretary, in consultation with the Secretary of the Treasury, the Secretary of Homeland Security, and the Commissioner of Social Security, shall establish procedures by which the Secretary or one of such other Federal officers—

(A) hears and makes decisions with respect to appeals of any determination under subsection (e); and

(B) redetermines eligibility on a periodic basis in appropriate circumstances.

(2) Employer liability

(A) In general

The Secretary shall establish a separate appeals process for employers who are notified under subsection (e)(4)(C) that the employer may be liable for a tax imposed by section 4980H of title 26 with respect to an employee because of a determination that the employer does not provide minimum essential coverage through an employer-sponsored plan or that the employer does provide that coverage but it is not affordable coverage with respect to an employee. Such process shall provide an employer the opportunity to—

(i) present information to the Exchange for review of the determination either by the Exchange or the person making the determination, including evidence of the employer-sponsored plan and employer contributions to the plan; and

(ii) have access to the data used to make the determination to the extent allowable by law.

Such process shall be in addition to any rights of appeal the employer may have under subtitle F of such title.

(B) Confidentiality

Notwithstanding any provision of this title or the amendments made by this title or section 6103 of title 26, an employer shall be entitled to any taxpayer return information with respect to an employee for purposes of determining whether the employer is subject to the penalty under section 4980H of title 26 with respect to the employee, except that—

(i) the employer may be notified as to the name of an employee and whether or not the employee’s income is above or below the threshold by which the affordability of an employer’s health insurance coverage is measured; and

(ii) this subparagraph shall not apply to an employee who provides a waiver (at such time and in such manner as the Secretary may prescribe) authorizing an employer to have access to the employee’s taxpayer return information.

(g) Confidentiality of applicant information

(1) In general

An applicant for insurance coverage or for a premium tax credit or cost-sharing reduction shall be required to provide only the informa-

(§ 18081 )

tion strictly necessary to authenticate identity, determine eligibility, and determine the amount of the credit or reduction.

(2) Receipt of information

Any person who receives information provided by an applicant under subsection (b) (whether directly or by another person at the request of the applicant), or receives information from a Federal agency under subsection (c), (d), or (e), shall—

(A) use the information only for the purposes of, and to the extent necessary in, ensuring the efficient operation of the Exchange, including verifying the eligibility of an individual to enroll through an Exchange or to claim a premium tax credit or cost-sharing reduction or the amount of the credit or reduction; and

(B) not disclose the information to any other person except as provided in this section.

(h) Penalties

(1) False or fraudulent information

(A) Civil penalty

(i) In general

If—

(I) any person fails to provide correct information under subsection (b); and

(II) such failure is attributable to negligence or disregard of any rules or regulations of the Secretary, such person shall be subject, in addition to any other penalties that may be prescribed by law, to a civil penalty of not more than $25,000 with respect to any failures involving an application for a plan year. For purposes of this subparagraph, the terms ‘negligence’ and ‘disregard’ shall have the same meanings as when used in section 6662 of title 26.

(ii) Reasonable cause exception

No penalty shall be imposed under clause (i) if the Secretary determines that there was a reasonable cause for the failure and that the person acted in good faith.

(B) Knowing and willful violations

Any person who knowingly and willfully provides false or fraudulent information under subsection (b) shall be subject, in addition to any other penalties that may be prescribed by law, to a civil penalty of not more than $250,000.

(2) Improper use or disclosure of information

Any person who knowingly and willfully uses or discloses information in violation of subsection (g) shall be subject, in addition to any other penalties that may be prescribed by law, to a civil penalty of not more than $25,000.

(3) Limitations on liens and levies

The Secretary (or, if applicable, the Attorney General of the United States) shall not—

(A) file notice of lien with respect to any property of a person by reason of any failure
§ 18082  TITLE 42—THE PUBLIC HEALTH AND WELFARE  Page 8330

to pay the penalty imposed by this subsection; or

(B) levy on any such property with respect to such failure.

(i) Study of administration of employer responsibility

(1) In general

The Secretary of Health and Human Services shall, in consultation with the Secretary of the Treasury, conduct a study of the procedures that are necessary to ensure that in the administration of this title and section 4980H of title 26 (as added by section 1513) that the following rights are protected:

(A) The rights of employees to preserve their right to confidentiality of their taxpayer return information and their right to enroll in a qualified health plan through an Exchange if an employer does not provide affordable coverage.

(B) The rights of employers to adequate due process and access to information necessary to accurately determine any payment assessed on employers.

(2) Report

Not later than January 1, 2013, the Secretary of Health and Human Services shall report the results of the study conducted under paragraph (1), including any recommendations for legislative changes, to the Committees on Finance and Health, Education, Labor and Pensions of the Senate and the Committees of Education and Labor and Ways and Means of the House of Representatives.


(a) In general

The Secretary, in consultation with the Secretary of the Treasury, shall establish a program under which—

(1) upon request of an Exchange, advance determinations are made under section 18081 of this title with respect to the income eligibility of individuals enrolling in a qualified health plan in the individual market through the Exchange for the premium tax credit allowable under section 36B of title 26 and the cost-sharing reductions under section 18071 of this title;

(2) the Secretary notifies—

(A) the Exchange and the Secretary of the Treasury of the advance determinations; and

(B) the Secretary of the Treasury of the Exchange for the premium tax credit under section 36B of title 26 and the cost-sharing reductions under section 18071 of this title because—

(I) the employer did not provide minimum essential coverage; or

(II) the employer provided such minimum essential coverage but it was determined under section 36B(c)(2)(C) of title 26 to either be unaffordable to the employee or not provide the required minimum actuarial value; and

(3) the Secretary of the Treasury makes advance payments of such credit or reductions to the issuers of the qualified health plans in order to reduce the premiums payable by individuals eligible for such credit.

“(a) In General.—Notwithstanding any other provision of law, the Secretary of Health and Human Services (referred to in this section as the ‘Secretary’) shall ensure that American Health Benefit Exchanges verify that individuals applying for premium tax credits under section 36B of the Internal Revenue Code of 1986 (26 U.S.C. 36B) and reductions in cost-sharing under section 1402 of the Patient Protection and Affordable Care Act (42 U.S.C. 18071) are eligible for such credits and cost sharing reductions consistent with the requirements of section 1411 of such Act (42 U.S.C. 18081), and, prior to making such credits and reductions available, the Secretary shall certify to the Congress that the Exchanges verify such eligibility consistent with the requirements of such Act (Pub. L. 111–148, see Tables for classification).

“(b) Report by Secretary.—Not later than January 1, 2014, the Secretary shall submit a report to the Congress that details the procedures employed by American Health Benefit Exchanges to verify eligibility for credits and cost-sharing reductions described in subsection (a).

“(c) Report by Inspector General.—Not later than July 1, 2014, the Inspector General of the Department of Health and Human Services shall submit to the Congress a report regarding the effectiveness of the procedures and safeguards provided under the Patient Protection and Affordable Care Act for preventing the submission of inaccurate or fraudulent information by applicants for enrollment in a qualified health plan offered through an American Health Benefit Exchange.”

§ 18082. Advance determination and payment of premium tax credits and cost-sharing reductions

(a) In general

The Secretary, in consultation with the Secretary of the Treasury, shall establish a program under which—

(1) upon request of an Exchange, advance determinations are made under section 18081 of this title with respect to the income eligibility of individuals enrolling in a qualified health plan in the individual market through the Exchange for the premium tax credit allowable under section 36B of title 26 and the cost-sharing reductions under section 18071 of this title;

(2) the Secretary notifies—

(A) the Exchange and the Secretary of the Treasury of the advance determinations; and

(B) the Secretary of the Treasury of the Exchange for the premium tax credit under section 36B of title 26 and the cost-sharing reductions under section 18071 of this title because—

(I) the employer did not provide minimum essential coverage; or

(II) the employer provided such minimum essential coverage but it was determined under section 36B(c)(2)(C) of title 26 to either be unaffordable to the employee or not provide the required minimum actuarial value; and

(3) the Secretary of the Treasury makes advance payments of such credit or reductions to the issuers of the qualified health plans in order to reduce the premiums payable by individuals eligible for such credit.

“(a) In General.—Notwithstanding any other provision of law, the Secretary of Health and Human Services (referred to in this section as the ‘Secretary’) shall ensure that American Health Benefit Exchanges verify that individuals applying for premium tax credits under section 36B of the Internal Revenue Code of 1986 (26 U.S.C. 36B) and reductions in cost-sharing under section 1402 of the Patient Protection and Affordable Care Act (42 U.S.C. 18071) are eligible for such credits and cost sharing reductions consistent with the requirements of section 1411 of such Act (42 U.S.C. 18081), and, prior to making such credits and reductions available, the Secretary shall certify to the Congress that the Exchanges verify such eligibility consistent with the requirements of such Act (Pub. L. 111–148, see Tables for classification).

“(b) Report by Secretary.—Not later than January 1, 2014, the Secretary shall submit a report to the Congress that details the procedures employed by American Health Benefit Exchanges to verify eligibility for credits and cost-sharing reductions described in subsection (a).

“(c) Report by Inspector General.—Not later than July 1, 2014, the Inspector General of the Department of Health and Human Services shall submit to the Congress a report regarding the effectiveness of the procedures and safeguards provided under the Patient Protection and Affordable Care Act for preventing the submission of inaccurate or fraudulent information by applicants for enrollment in a qualified health plan offered through an American Health Benefit Exchange.”
(b) **Advance determinations**

(1) **In general**

The Secretary shall provide under the program established under subsection (a) that advance determination of eligibility with respect to any individual shall be made—

(A) during the annual open enrollment period applicable to the individual (or such other enrollment period as may be specified by the Secretary); and

(B) on the basis of the individual’s household income for the most recent taxable year for which the Secretary, after consultation with the Secretary of the Treasury, determines information is available.

(2) **Changes in circumstances**

The Secretary shall provide procedures for making advance determinations on the basis of information other than that described in paragraph (1)(B) in cases where information included with an application form demonstrates substantial changes in income, changes in family size or other household circumstances, change in filing status, the filing of an application for unemployment benefits, or other significant changes affecting eligibility, including—

(A) allowing an individual claiming a decrease of 20 percent or more in income, or filing an application for unemployment benefits, to have eligibility for the credit determined on the basis of household income for a later period or on the basis of the individual’s estimate of such income for the taxable year; and

(B) the determination of household income in cases where the taxpayer was not required to file a return of tax imposed by this chapter for the second preceding taxable year.

(c) **Payment of premium tax credits and cost-sharing reductions**

(1) **In general**

The Secretary shall notify the Secretary of the Treasury and the Exchange through which the individual is enrolling of the advance determination with the Secretary of the Treasury, determines information is available.

(2) **Premium tax credit**

(A) **In general**

The Secretary of the Treasury shall make the advance payment under this section of any premium tax credit allowed under section 36B of title 26 to the issuer of a qualified health plan on a monthly basis (or such other periodic basis as the Secretary may provide).

(B) **Issuer responsibilities**

An issuer of a qualified health plan receiving an advance payment with respect to an individual enrolled in the plan shall—

(i) reduce the premium charged the insured for any period by the amount of the advance payment for the period;

(ii) notify the Exchange and the Secretary of such reduction;

(iii) include with each billing statement the amount by which the premium for the plan has been reduced by reason of the advance payment; and

(iv) in the case of any nonpayment of premiums by the insured—

(I) notify the Secretary of such nonpayment; and

(II) allow a 3-month grace period for nonpayment of premiums before discontinuing coverage.

(3) **Cost-sharing reductions**

The Secretary shall also notify the Secretary of the Treasury and the Exchange under paragraph (1) if an advance payment of the cost-sharing reductions under section 18071 of this title is to be made to the issuer of any qualified health plan with respect to any individual enrolled in the plan. The Secretary of the Treasury shall make such advance payment at such time and in such amount as the Secretary specifies in the notice.

(d) **No Federal payments for individuals not lawfully present**

Nothing in this subtitle or the amendments made by this subtitle allows Federal payments, credits, or cost-sharing reductions for individuals who are not lawfully present in the United States.

(e) **State flexibility**

Nothing in this subtitle or the amendments made by this subtitle shall be construed to prohibit a State from making payments to or on behalf of an individual for coverage under a qualified health plan offered through an Exchange that are in addition to any credits or cost-sharing reductions allowable to the individual under this subtitle and such amendments.


REFERENCES IN TEXT

This subtitle, referred to in subssecs. (d) and (e), is subtitle E (§§1401–1421) of title I of Pub. L. 111–148, which enacted this subchapter and sections 36B and 45R of Title 26, Internal Revenue Code, amended section 405 of this title, sections 39, 196, 280C, 6103, and 7213 of Title 26, and section 1324 of Title 31, Money and Finance, and enacted provisions set out as notes under sections 36B and 38 of Title 26. For complete classification of subtitle E to the Code, see Tables.

§18083. **Streamlining of procedures for enrollment through an Exchange and State medicaid, CHIP, and health subsidy programs**

(a) **In general**

The Secretary shall establish a system meeting the requirements of this section under which residents of each State may apply for enrollment in, receive a determination of eligibility for participation in, and continue participation in, applicable State health subsidy programs. Such system shall ensure that if an individual applying to an Exchange is found through screening to be eligible for medical assistance under the State medicaid plan under title XIX of this title; and CHIP under title XXI of such Act (42 U.S.C. 1396 et seq.), or eligible for enrollment under a State children’s health insurance program (CHIP) under title XXI of such Act [42 U.S.C. 2001 et seq.].
§ 18083

U.S.C. 1397aa et seq.), the individual is enrolled for assistance under such plan or program.

(b) Requirements relating to forms and notice

(1) Requirements relating to forms

(A) In general

The Secretary shall develop and provide to each State a single, streamlined form that—

(i) may be used to apply for all applicable State health subsidy programs within the State;

(ii) may be filed online, in person, by mail, or by telephone;

(iii) may be filed with an Exchange or with State officials operating one of the other applicable State health subsidy programs; and

(iv) is structured to maximize an applicant’s ability to complete the form satisfactorily, taking into account the characteristics of individuals who qualify for applicable State health subsidy programs.

(B) State authority to establish form

A State may develop and use its own single, streamlined form as an alternative to the form developed under subparagraph (A) if the alternative form is consistent with standards promulgated by the Secretary under this section.

(C) Supplemental eligibility forms

The Secretary may allow a State to use a supplemental or alternative form in the case of individuals who apply for eligibility that is not determined on the basis of the household income (as defined in section 36B of title 26).

(2) Notice

The Secretary shall provide that an applicant filing a form under paragraph (1) shall receive notice of eligibility for an applicable State health subsidy program without any need to provide additional information or paperwork unless such information or paperwork is specifically required by law when information provided on the form is inconsistent with data used for the electronic verification under paragraph (3) or is otherwise insufficient to determine eligibility.

(e) Requirements relating to eligibility based on data exchanges

(1) Development of secure interfaces

Each State shall develop for all applicable State health subsidy programs a secure, electronic interface allowing an exchange of data (including information contained in the application forms described in subsection (b)) that allows a determination of eligibility for all such programs based on a single application. Such interface shall be compatible with the method established for data verification under section 18081(c)(4) of this title.

(2) Data matching program

Each applicable State health subsidy program shall participate in a data matching arrangement for determining eligibility for participation in the program under paragraph (3) that—

(A) provides access to data described in paragraph (3);

(B) applies only to individuals who—

(i) receive assistance from an applicable State health subsidy program; or

(ii) apply for such assistance—

(I) by filing a form described in subsection (b); or

(II) by requesting a determination of eligibility and authorizing disclosure of the information described in paragraph (3) to applicable State health coverage subsidy programs for purposes of determining and establishing eligibility; and

(C) consistent with standards promulgated by the Secretary, including the privacy and data security safeguards described in section 1942 of the Social Security Act [42 U.S.C. 1396w–2(a)] or that are otherwise applicable to such programs.

(3) Determination of eligibility

(A) In general

Each applicable State health subsidy program shall, to the maximum extent practicable—

(i) establish, verify, and update eligibility for participation in the program using the data matching arrangement under paragraph (2); and

(ii) determine such eligibility on the basis of reliable, third party data, including information described in sections 1137, 453(i), and 1942(a) of the Social Security Act [42 U.S.C. 1320b–7, 653(i), 1396w–2(a)], obtained through such arrangement.

(B) Exception

This paragraph shall not apply in circumstances with respect to which the Secretary determines that the administrative and other costs of use of the data matching arrangement under paragraph (2) outweigh its expected gains in accuracy, efficiency, and program participation.

(4) Secretarial standards

The Secretary shall, after consultation with persons in possession of the data to be matched and representatives of applicable State health subsidy programs, promulgate standards governing the timing, contents, and procedures for data matching described in this subsection. Such standards shall take into account administrative and other costs and the value of data matching to the establishment, verification, and updating of eligibility for applicable State health subsidy programs.

(d) Administrative authority

(1) Agreements

Subject to section 18081 of this title and section 6103(l)(21) of title 26 and any other requirement providing safeguards of privacy and data integrity, the Secretary may establish model agreements, and enter into agreements, for the sharing of data under this section.

(2) Authority of exchange to contract out

Nothing in this section shall be construed to—

2So in original. Probably should be preceded by “is”.

The value of data matching to the establishment, verification, and updating of eligibility for applicable State health subsidy programs.
(A) prohibit contractual arrangements through which a State medicaid agency determines eligibility for all applicable State health subsidy programs, but only if such agency complies with the Secretary’s requirements ensuring reduced administrative costs, eligibility errors, and disruptions in coverage; or
(B) change any requirement under title XIX that eligibility for participation in a State’s medicaid program must be determined by a public agency.

(e) Applicable State health subsidy program
In this section, the term “applicable State health subsidy program” means—
(1) the program under this title for the enrollment in qualified health plans offered through an Exchange, including the premium tax credits under section 36B of title 26 and cost-sharing reductions under section 18071 of this title;
(2) a State medicaid program under title XIX of the Social Security Act [42 U.S.C. 1396 et seq.];
(3) a State children’s health insurance program (CHIP) under title XXI of such Act [42 U.S.C. 1397aa et seq.]; and
(4) a State program under section 18051 of this title establishing qualified basic health plans.


REFERENCES IN TEXT
The Social Security Act, referred to in subsecs. (a), (d)(2)(B), and (e)(2), (3), is act Aug. 14, 1935, ch. 531, 49 Stat. 650. Titles XIX and XXI of the Act are classified generally to subchapters XIX (§1396 et seq.) and XXI (§1397aa et seq.), respectively, of chapter 7 of this title. For complete classification of this Act to the Code, see section 1305 of this title and Tables.
This title, where footnoted in subsec. (e)(1), is title I of Pub. L. 111–148, Mar. 23, 2010, 124 Stat. 130, which enacted this chapter and enacted, amended, and transferred numerous other sections and notes in the Code. For complete classification of title I to the Code, see Tables.

§18084. Premium tax credit and cost-sharing reduction payments disregarded for Federal and federally-assisted programs

For purposes of determining the eligibility of any individual for benefits or assistance, or the amount or extent of benefits or assistance, under any Federal program or under any State or local program financed in whole or in part with Federal funds—
(1) any credit or refund allowed or made to any individual by reason of section 36B of title 26 (as added by section 1401) shall not be taken into account as income and shall not be taken into account as resources for the month of receipt and the following 2 months; and
(2) any cost-sharing reduction payment or advance payment of the credit allowed under such section 36B that is made under section 18071 or 18082 of this title shall be treated as made to the qualified health plan in which an individual is enrolled and not to that individual.


REFERENCES IN TEXT

SUBCHAPTER V—SHARED RESPONSIBILITY FOR HEALTH CARE

PART A—INDIVIDUAL RESPONSIBILITY

§18091. Requirement to maintain minimum essential coverage; findings
Congress makes the following findings:

(1) In general
The individual responsibility requirement provided for in this section (in this section referred to as the “requirement”) is commercial and economic in nature, and substantially affects interstate commerce, as a result of the effects described in paragraph (2).

(2) Effects on the national economy and interstate commerce
The effects described in this paragraph are the following:
(A) The requirement regulates activity that is commercial and economic in nature: economic and financial decisions about how and when health care is paid for, and when health insurance is purchased. In the absence of the requirement, some individuals would make an economic and financial decision to forego health insurance coverage and attempt to self-insure, which increases financial risks to households and medical providers.
(B) Health insurance and health care services are a significant part of the national economy. National health spending is projected to increase from $2,500,000,000,000, or 17.6 percent of the economy, in 2009 to $4,700,000,000,000 in 2019. Private health insurance spending is projected to be $854,000,000,000 in 2009, and pays for medical supplies, drugs, and equipment that are shipped in interstate commerce. Since most health insurance is sold by national or regional health insurance companies, health insurance is sold in interstate commerce and claims payments flow through interstate commerce.
(C) The requirement, together with the other provisions of this Act, will add millions of new consumers to the health insurance market, increasing the supply of, and demand for, health care services, and will increase the number and share of Americans who are insured.
(D) The requirement achieves near-universal coverage by building upon and strengthening the private employer-based health insurance system, which covers 176,000,000 Americans nationwide. In Massachusetts, a similar requirement has strengthened private employer-based coverage: despite the economic downturn, the number of workers offered employer-based coverage has actually increased.

3 See References in Text note below.
4 See References in Text note below.
§ 18092

TITLE 42—THE PUBLIC HEALTH AND WELFARE

Page 8334

(E) The economy losses up to $207,000,000,000 a year because of the poorer health and shorter lifespan of the uninsured. By significantly reducing the number of the uninsured, the requirement, together with the other provisions of this Act, will significantly reduce this economic cost.

(F) The cost of providing uncompensated care to the uninsured was $43,000,000,000 in 2008. To pay for this care, health care providers pass on the cost to private insurers, which pass on the cost to families. This cost-shifting increases family premiums by an average over $1,000 a year. By significantly reducing the number of the uninsured, the requirement, together with the other provisions of this Act, will lower health insurance premiums.

(G) 62 percent of all personal bankruptcies are caused in part by medical expenses. By significantly increasing health insurance coverage, the requirement, together with the other provisions of this Act, will improve financial security for families.

(H) Under the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1001 et seq.), the Public Health Service Act (42 U.S.C. 201 et seq.), and this Act, the Federal Government has a significant role in regulating health insurance. The requirement is an essential part of this larger regulation of economic activity, and the absence of the requirement would undercut Federal regulation of the health insurance market.

(I) Under sections 2704 and 2705 of the Public Health Service Act (42 U.S.C. 300gg–3, 300gg–4) (as added by section 1201 of this Act), if there were no requirement, many individuals would wait to purchase health insurance until they needed care. By significantly increasing health insurance coverage, the requirement, together with the other provisions of this Act, will minimize this adverse selection and broaden the health insurance risk pool to include healthy individuals, which will lower health insurance premiums. The requirement is essential to creating effective health insurance markets in which improved health insurance products that are guaranteed issue and do not exclude coverage of pre-existing conditions can be sold.

(J) Administrative costs for private health insurance, which were $90,000,000,000 in 2006, are 26 to 30 percent of premiums in the current individual and small group markets. By significantly increasing health insurance coverage and the size of purchasing pools, which will increase economies of scale, the requirement, together with the other provisions of this Act, will significantly reduce administrative costs and lower health insurance premiums. The requirement is essential to creating effective health insurance markets that do not require underwriting and eliminate its associated administrative costs.

(3) Supreme Court ruling

In United States v. South-Eastern Underwriters Association (322 U.S. 533 (1944)), the Supreme Court of the United States ruled that insurance is interstate commerce subject to Federal regulation.


REFERENCES IN TEXT

This Act, referred to in par. (2)(C), (E) to (J), is Pub. L. 111–148, Mar. 23, 2010, 124 Stat. 119, known as the Patient Protection and Affordable Care Act. For complete classification of this Act to the Code, see Short Title note set out under section 18001 of this title and Tables.


The Public Health Service Act, referred to in par. (2)(H), is act July 1, 1944, ch. 373, 58 Stat. 682, which is classified generally to chapter 6A (§201 et seq.) of this title. For complete classification of this Act to the Code, see Short Title note set out under section 201 of this title and Tables.

AMENDMENTS

2010—Par. (2). Pub. L. 111–148, §10106(a), amended par. (2) generally. Prior to amendment, par. (2) described effects of the individual responsibility requirement on the national economy and interstate commerce.

§ 18092. Notification of nonenrollment

Not later than June 30 of each year, the Secretary of the Treasury, acting through the Internal Revenue Service and in consultation with the Secretary of Health and Human Services, shall send a notification to each individual who files an individual income tax return and who is not enrolled in minimum essential coverage (as defined in section 5000A of title 26). Such notification shall contain information on the services available through the Exchange operating in the State in which such individual resides.


PART B—EMPLOYER RESPONSIBILITIES


EFFECTIVE DATE OF REPEAL

Repeal by Pub. L. 112–10 effective as if included in the provisions of, and the amendments made by, the provisions of Pub. L. 111–148 to which it relates, see section 1858(d) of Pub. L. 112–10, set out as an Effective Date of 2011 Amendment note under section 36B of Title 26, Internal Revenue Code.

SUBCHAPTER VI—MISCELLANEOUS PROVISIONS

§ 18111. Definitions

Unless specifically provided for otherwise, the definitions contained in section 300gg–91 of this title shall apply with respect to this title.¹


¹See References in Text note below.
§ 18112. Transparency in Government

Not later than 30 days after March 23, 2010, the Secretary of Health and Human Services shall publish on the Internet website of the Department of Health and Human Services, a list of all of the authorities provided to the Secretary under this Act (and the amendments made by this Act).


§ 18113. Prohibition against discrimination on assisted suicide

(a) In general

The Federal Government, and any State or local government or health care provider that receives Federal financial assistance under this Act (or an amendment made by this Act) or any health plan created under this Act (or under an amendment made by this Act), may not subject an individual or institutional health care entity to discrimination on the basis that the entity does not provide any health care item or service furnished for the purpose of causing, or for the purpose of assisting in causing, the death of any individual, such as by assisted suicide, euthanasia, or mercy killing.

(b) Definition

In this section, the term "health care entity" includes an individual physician or other health care professional, a hospital, a provider-sponsored organization, a health maintenance organization, a health insurance plan, or any other kind of health care facility, organization, or plan.

(c) Construction and treatment of certain services

Nothing in subsection (a) shall be construed to apply to, or to affect, any limitation relating to—

(1) the withholding or withdrawing of medical treatment or medical care;
(2) the withholding or withdrawing of nutrition or hydration;
(3) abortion; or
(4) the use of an item, good, benefit, or service furnished for the purpose of alleviating pain or discomfort, even if such use may increase the risk of death, so long as such item, good, benefit, or service is not also furnished for the purpose of causing, or the purpose of assisting in causing, death, for any reason.

(d) Administration

The Office for Civil Rights of the Department of Health and Human Services is designated to receive complaints of discrimination based on this section.


§ 18114. Access to therapies

Notwithstanding any other provision of this Act, the Secretary of Health and Human Services shall not promulgate any regulation that—

(1) creates any unreasonable barriers to the ability of individuals to obtain appropriate medical care;
(2) impedes timely access to health care services;
(3) interferes with communications regarding a full range of treatment options between the patient and the provider;
(4) restricts the ability of health care providers to provide full disclosure of all relevant information to patients making health care decisions;
(5) violates the principles of informed consent and the ethical standards of health care professionals; or
(6) limits the availability of health care treatment for the full duration of a patient’s medical needs.


§ 18115. Freedom not to participate in Federal health insurance programs

No individual, company, business, nonprofit entity, or health insurance issuer offering group or individual health insurance coverage shall be required to participate in any Federal health insurance program created under this Act (or any amendments made by this Act), or in any Federal health insurance program expanded by this Act (or any such amendments), and there shall be no penalty or fine imposed upon any such issuer for choosing not to participate in such programs.


§ 18116. Nondiscrimination

(a) In general

Except as otherwise provided for in this title1 (or an amendment made by this title),2 an indi-

1 See References in Text note below.
vidual shall not, on the ground prohibited under title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d et seq.), title IX of the Education Amendments of 1972 (20 U.S.C. 1681 et seq.), the Age Discrimination Act of 1975 (42 U.S.C. 6101 et seq.), or section 794 of title 29, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under, any health program or activity, any part of which is receiving Federal financial assistance, including credits, subsidies, or contracts of insurance, or under any program or activity that is administered by an Executive Agency or any entity established under this title\(^1\) (or amendments). The enforcement mechanisms provided for and available under such title VI, title IX, section 794, or such Age Discrimination Act shall apply for purposes of violations of this subsection.

(b) Continued application of laws

Nothing in this title\(^1\) (or an amendment made by this title\(^1\)) shall be construed to invalidate or limit the rights, remedies, procedures, or legal standards available to individuals aggrieved under title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d et seq.), title VII of the Civil Rights Act of 1964 (42 U.S.C. 2000e et seq.), title IX of the Education Amendments of 1972 (20 U.S.C. 1681 et seq.), section 794 of title 29, or the Age Discrimination Act of 1975 (42 U.S.C. 6101 et seq.), or to supersede State laws that provide additional protections against discrimination on any basis described in subsection (a).

(c) Regulations

The Secretary may promulgate regulations to implement this section.


REFERENCES IN TEXT

This title, referred to in subsecs. (a) and (b), is title I of Pub. L. 111–148, Mar. 23, 2010, 124 Stat. 130, which enacted this chapter and enacted, amended, and transferred numerous other sections and notes in the Code. For complete classification of title I to the Code, see Tables.


§ 18117. Oversight

The Inspector General of the Department of Health and Human Services shall have oversight authority with respect to the administration and implementation of this title\(^1\) as it relates to such Department.


REFERENCES IN TEXT

This title, referred to in text, is title I of Pub. L. 111–148, Mar. 23, 2010, 124 Stat. 130, which enacted this chapter and enacted, amended, and transferred numerous other sections and notes in the Code. For complete classification of title I to the Code, see Tables.

§ 18118. Rules of construction

(a) No effect on antitrust laws

Nothing in this title\(^1\) (or an amendment made by this title\(^1\)) shall be construed to modify, impair, or supersede the operation of any of the antitrust laws. For the purposes of this section, the term “antitrust laws” has the meaning given such term in subsection (a) of section 12 of title 15, except that such term includes section 45 of title 15 to the extent that such section 45 applies to unfair methods of competition.

(b) Rule of construction regarding Hawaii’s Prepaid Health Care Act

Nothing in this title\(^1\) (or an amendment made by this title\(^1\)) shall be construed to modify or limit the application of the exemption for Hawaii’s Prepaid Health Care Act (Haw. Rev. Stat. §§383–1 et seq.) as provided for under section 1144(b)(5) of title 29.

(c) Student health insurance plans

Nothing in this title\(^1\) (or an amendment made by this title\(^1\)) shall be construed to prohibit an institution of higher education (as such term is defined for purposes of the Higher Education Act of 1965 [20 U.S.C. 1001 et seq.]) from offering a student health insurance plan, to the extent that such requirement is otherwise permitted under applicable Federal, State or local law.

(d) No effect on existing requirements

Nothing in this title\(^1\) (or an amendment made by this title\(^1\)) unless specified by direct statutory reference) shall be construed to modify any existing Federal requirement concerning the State agency responsible for determining eligibility for programs identified in section 18083 of this title.


REFERENCES IN TEXT

This title, where footnoted in text, is title I of Pub. L. 111–148, Mar. 23, 2010, 124 Stat. 130, which enacted this chapter and enacted, amended, and transferred numerous other sections and notes in the Code. For complete classification of title I to the Code, see Tables.

The Higher Education Act of 1965, referred to in subsec. (c), is Pub. L. 89–329, Nov. 8, 1965, 79 Stat. 1219, which is classified generally to chapter 28 (§1001 et seq.) of title 20, Education. For complete classification of this Act to the Code, see Short Title note set out under section 1001 of Title 20 and Tables.

§ 18119. Small business procurement

Part 19 of the Federal Acquisition Regulation, section 644 of title 15, and any other applicable

\(^1\) See References in Text note below.
\(^2\) See References in Text note below.
laws or regulations establishing procurement requirements relating to small business concerns (as defined in section 632 of title 15) may not be waived with respect to any contract awarded under any program or other authority under this Act or an amendment made by this Act.


REFERENCES IN TEXT

This Act, referred to in text, is Pub. L. 111–148, Mar. 23, 2010, 124 Stat. 119, known as the Patient Protection and Affordable Care Act. For complete classification of this Act to the Code, see Short Title note set out under section 18001 of this title and Tables.

CODIFICATION


§ 18120. Application

Notwithstanding any other provision of the Patient Protection and Affordable Care Act, nothing in such Act (or an amendment made by such Act) shall be construed to—

(1) prohibit (or authorize the Secretary of Health and Human Services to promulgate regulations that prohibit) a group health plan or health insurance issuer from carrying out utilization management techniques that are commonly used as of March 23, 2010; or

(2) restrict the application of the amendments made by this subtitle.


REFERENCES IN TEXT


CODIFICATION

Another section 1563 of Pub. L. 111–148 is classified to section 18119 of this title.

§ 18121. Implementation funding

(a) In general

There is hereby established a Health Insurance Reform Implementation Fund (referred to in this section as the “Fund”) within the Department of Health and Human Services to carry out the Patient Protection and Affordable Care Act and this Act (and the amendments made by such Acts).

(b) Funding

There is appropriated to the Fund, out of any funds in the Treasury not otherwise appropriated, $1,000,000,000 for Federal administrative expenses to carry out such Act\(^1\) (and the amendments made by such Acts).


REFERENCES IN TEXT


CODIFICATION

Section was enacted as part of the Health Care and Education Reconciliation Act of 2010, and not as part of the Patient Protection and Affordable Care Act which comprises this chapter.

§ 18122. Rule of construction regarding health care providers

(1) In general

Subject to paragraph (3), the development, recognition, or implementation of any guideline or other standard under any Federal health care provision shall not be construed to establish the standard of care or duty of care owed by a health care provider to a patient in any medical malpractice or medical product liability action or claim.

(2) Definitions

For purposes of this section:

(A) Federal health care provision

The term “Federal health care provision” means any provision of the Patient Protection and Affordable Care Act (Public Law 111–148), title I or subtitle B of title II of the Health Care and Education Reconciliation Act of 2010 (Public Law 111–152), or title XVIII or XIX of the Social Security Act (42 U.S.C. 1395 et seq., 24 U.S.C. 1396 et seq.).

(B) Health care provider

The term “health care provider” means any individual, group practice, corporation of health care professionals, or hospital—

(i) licensed, registered, or certified under Federal or State laws or regulations to provide health care services; or

(ii) required to be so licensed, registered, or certified but that is exempted by other statute or regulation.

(C) Medical malpractice or medical product liability action or claim

The term “medical malpractice or medical product liability action or claim” means a medical malpractice action or claim (as defined in section 11151(7) of this title) and in-\(^1\)So in original. Probably should be “Acts”.
includes a liability action or claim relating to a health care provider’s prescription or provision of a drug, device, or biological product (as such terms are defined in section 321 of title 21 or section 202 of this title).

(D) State

The term “State” includes the District of Columbia, Puerto Rico, and any other commonwealth, possession, or territory of the United States.

(3) No preemption

Nothing in paragraph (1) or any provision of the Patient Protection and Affordable Care Act (Public Law 111–148), title I or subtitle B of title II of the Health Care and Education Reconciliation Act of 2010 (Public Law 111–152), or title XVIII or XIX of the Social Security Act (42 U.S.C. 1395 et seq., 42 U.S.C. 1396 et seq.) shall be construed to preempt any State or common law governing medical professional or medical product liability actions or claims.

(2) Eligible institution of higher education

The term “eligible institution of higher education” means an institution of higher education (as such term is defined in section 1001 of title 20) that has established and operates, or agrees to establish and operate upon the receipt of a grant under this chapter, a pregnant and parenting student services office.

(3) Community service center

The term “community service center” means a non-profit organization that provides social services to residents of a specific geographical area via direct service or by contract with a local governmental agency.

(4) High school

The term “high school” means any public or private school that operates grades 10 through 12, inclusive, grades 9 through 12, inclusive or grades 7 through 12, inclusive.

(5) Intervention services

The term “intervention services” means, with respect to domestic violence, sexual violence, sexual assault, or stalking, 24-hour telephone hotline services for police protection and referral to shelters.

(6) Secretary

The term “Secretary” means the Secretary of Health and Human Services.

(7) State

The term “State” includes the District of Columbia, any commonwealth, possession, or other territory of the United States, and any Indian tribe or reservation.

(8) Supportive social services

The term “supportive social services” means transitional and permanent housing, vocational counseling, and individual and group counseling aimed at preventing domestic violence, sexual violence, sexual assault, or stalking.

(9) Violence

The term “violence” means actual violence and the risk or threat of violence.

§ 18202. Establishment of Pregnancy Assistance Fund

(a) In general

The Secretary, in collaboration and coordination with the Secretary of Education (as appropriate), shall establish a Pregnancy Assistance Fund to be administered by the Secretary, for the purpose of awarding competitive grants to States to assist pregnant and parenting teens and women.

(b) Use of Fund

A State may apply for a grant under subsection (a) to carry out any activities provided for in section 18203 of this title.

(c) Applications

To be eligible to receive a grant under subsection (a), a State shall submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require, including a description of the purposes for which the grant is being re-
§ 18203. Permissible uses of Fund

(a) In general
A State shall use amounts received under a grant under section 18202 of this title for the purposes described in this section to assist pregnant and parenting teens and women.

(b) Institutions of higher education

(1) In general
A State may use amounts received under a grant under section 18202 of this title to make funding available to eligible institutions of higher education to enable the eligible institutions to establish, maintain, or operate pregnant and parenting student services. Such funding shall be used to supplement, not supplant, existing funding for such services.

(2) Application
An eligible institution of higher education that desires to receive funding under this subsection shall submit an application to the designated State agency at such time, in such manner, and containing such information as the State agency may require.

(3) Matching requirement
An eligible institution of higher education that receives funding under this subsection shall contribute to the conduct of the pregnant and parenting student services office supported by the funding an amount from non-Federal funds equal to 25 percent of the amount of the funding provided. The non-Federal share may be in cash or in-kind, fairly evaluated, including services, facilities, supplies, or equipment.

(4) Use of funds for assisting pregnant and parenting college students
An eligible institution of higher education that receives funding under this subsection shall use such funds to establish, maintain or operate pregnant and parenting student services and may use such funding for the following programs and activities:

(A) Conduct a needs assessment on campus and within the local community—

(i) to assess pregnancy and parenting resources, located on the campus or within the local community, that are available to meet the needs described in subparagraph (B); and

(ii) to set goals for—

(I) improving such resources for pregnant, parenting, and prospective parenting students; and

(II) improving access to such resources.

(B) Annually assess the performance of the eligible institution in meeting the following needs of students enrolled in the eligible institution who are pregnant or are parents:

(i) The inclusion of maternity coverage and the availability of riders for additional family members in student health care.

(ii) Family housing.

(iii) Child care.

(iv) Flexible or alternative academic scheduling, such as telecommuting programs, to enable pregnant or parenting students to continue their education or stay in school.

(v) Education to improve parenting skills for mothers and fathers and to strengthen marriages.

(vi) Maternity and baby clothing, baby food (including formula), baby furniture, and similar items to assist parents and prospective parents in meeting the material needs of their children.

(vii) Post-partum counseling.

(C) Identify public and private service providers, located on the campus of the eligible institution or within the local community, that are qualified to meet the needs described in subparagraph (B), and establishes programs with qualified providers to meet such needs.

(D) Assist pregnant and parenting students, fathers or spouses in locating and obtaining services that meet the needs described in subparagraph (B).

(E) If appropriate, provide referrals for prenatal care and delivery, infant or foster care, or adoption, to a student who requests such information. An office shall make such referrals only to service providers that serve the following types of individuals:

(i) Parents.

(ii) Prospective parents awaiting adoption.

(iii) Women who are pregnant and plan on parenting or placing the child for adoption.

(iv) Parenting or prospective parenting couples.

(5) Reporting

(A) Annual report by institutions

(i) In general
For each fiscal year that an eligible institution of higher education receives funds under this subsection, the eligible institution shall prepare and submit to the State, by the date determined by the State, a report that—

(I) itemizes the pregnant and parenting student services office’s expenditures for the fiscal year;

(II) contains a review and evaluation of the performance of the office in fulfilling the requirements of this section, using the specific performance criteria or standards established under subparagraph (B)(i); and

(III) describes the achievement of the office in meeting the needs listed in paragraph (4)(B) of the students served by the eligible institution, and the frequency of use of the office by such students.

(ii) Performance criteria
Not later than 180 days before the date the annual report described in clause (i) is submitted, the State—

1So in original. Probably should be “establish”.

...
§ 18204 TITLE 42—THE PUBLIC HEALTH AND WELFARE

(1) shall identify the specific performance criteria or standards that shall be used to prepare the report; and
(II) may establish the form or format of the report.

(B) Report by State

The State shall annually prepare and submit a report on the findings under this subsection, including the number of eligible institutions of higher education that were awarded funds and the number of students served by each pregnant and parenting student services office receiving funds under this section, to the Secretary.

(c) Support for pregnant and parenting teens

A State may use amounts received under a grant under section 18202 of this title to make funding available to eligible high schools and community service centers to establish, maintain, or operate pregnant and parenting services in the same general manner and in accordance with all conditions and requirements described in subsection (b), except that paragraph (3) of such subsection shall not apply for purposes of this subsection.

(d) Improving services for pregnant women who are victims of domestic violence, sexual violence, sexual assault, and stalking

(1) In general

A State may use amounts received under a grant under section 18202 of this title to make funding available to its State Attorney General to assist Statewide offices in providing—
(A) intervention services, accompaniment, and supportive social services for eligible pregnant women who are victims of domestic violence, sexual violence, sexual assault, or stalking;
(B) technical assistance and training (as described in subsection (c)) relating to violence against eligible pregnant women to be made available to the following:
(i) Federal, State, tribal, territorial, and local governments, law enforcement agencies, and courts.
(ii) Professionals working in legal, social service, and health care settings.
(iii) Nonprofit organizations.
(iv) Faith-based organizations.
(2) Eligibility

To be eligible for a grant under paragraph (1), a State Attorney General shall submit an application to the designated State agency at such time, in such manner, and containing such information, as specified by the State.

(3) Technical assistance and training described

For purposes of paragraph (1)(B), technical assistance and training is—
(A) the identification of eligible pregnant women experiencing domestic violence, sexual violence, sexual assault, or stalking;
(B) the assessment of the immediate and short-term safety of such a pregnant woman, the evaluation of the impact of the violence or stalking on the pregnant woman’s health, and the assistance of the pregnant woman in developing a plan aimed at preventing further domestic violence, sexual violence, sexual assault, or stalking, as appropriate;
(C) the maintenance of complete medical or forensic records that include the documentation of any examination, treatment given, and referrals made, recording the location and nature of the pregnant woman’s injuries, and the establishment of mechanisms to ensure the privacy and confidentiality of those medical records; and
(D) the identification and referral of the pregnant woman to appropriate public and private nonprofit entities that provide intervention services, accompaniment, and supportive social services.

(4) Eligible pregnant woman

In this subsection, the term “eligible pregnant woman” means any woman who is pregnant on the date on which such woman becomes a victim of domestic violence, sexual violence, sexual assault, or stalking or who was pregnant during the one-year period before such date.

(e) Public awareness and education

A State may use amounts received under a grant under section 18202 of this title to make funding available to increase public awareness and education concerning any services available to pregnant and parenting teens and women under this chapter, or any other resources available to pregnant and parenting women in keeping with the intent and purposes of this chapter. The State shall be responsible for setting guidelines or limits as to how much of funding may be utilized for public awareness and education in any funding award.


§ 18204. Appropriations

There is authorized to be appropriated, and there are appropriated, $25,000,000 for each of fiscal years 2010 through 2019, to carry out this chapter.


CHAPTER 159—SPACE EXPLORATION, TECHNOLOGY, AND SCIENCE

Sec.
18301. Findings.
18302. Definitions.
18303. United States human space flight policy.
18311. Findings.
18312. Goals and objectives.
18313. Assurance of core capabilities.
18321. Human space flight beyond the international space station and low-earth orbit.
18322. Space launch system as follow-on launch vehicle to the space shuttle.
18323. Multi-purpose crew vehicle.
18324. Utilization of existing workforce and assets in development of space launch system and multi-purpose crew vehicle.

2So in original. Probably should be "to".
18325. NASA launch support and infrastructure modernization program.

18326. Development of technologies and in-space capabilities for beyond near-Earth space missions.

18327. Report requirement.

SUBCHAPTER III—DEVELOPMENT AND USE OF COMMERCIAL CREW AND CARGO TRANSPORTATION CAPABILITIES

18341. Commercial Cargo Development program.

18342. Requirements applicable to development of commercial crew transportation capabilities and services.

SUBCHAPTER IV—CONTINUATION, SUPPORT, AND EVOLUTION OF THE INTERNATIONAL SPACE STATION

18351. Continuation of the International Space Station.


18353. Maintenance of the United States segment and assurance of continued operations of the International Space Station.

18354. Management of the ISS national laboratory.

SUBCHAPTER V—SPACE SHUTTLE RETIREMENT AND TRANSITION

18361. Sense of Congress on the Space Shuttle program.

18362. Retirement of Space Shuttle orbiters and transition of Space Shuttle program.

18363. Disposition of orbiter vehicles.

SUBCHAPTER VI—EARTH SCIENCE

18371. Interagency collaboration implementation approach.

18372. Transitioning experimental research to operational operations.

18373. Decadal Survey missions implementation for Earth observation.

18374. Instrument test-beds and venture class missions.

SUBCHAPTER VII—SPACE SCIENCE

18381. Technology development.

18382. Suborbital research activities.

18383. In-space servicing.

18384. Decadal results.

18385. On-going restoration of radiisotope thermoelectric generator material production.

18386. Collaboration with ESMD and SOMD on robotic missions.

18387. Near-Earth object survey and policy with respect to threats posed.

18388. Space weather.

SUBCHAPTER VIII—AERONAUTICS AND SPACE TECHNOLOGY

18401. Aeronautics research goals.

18402. Research collaboration.

18403. Goal for Agency space technology.

18404. National space technology policy.

18405. Commercial Reusable Suborbital Research Program.

SUBCHAPTER IX—EDUCATION

18421. Study of potential commercial orbital platform program impact on science, technology, engineering, and mathematics.

SUBCHAPTER X—RE-SCOPING AND REVITALIZING INSTITUTIONAL CAPABILITIES

18431. Workforce stabilization and critical skills preservation.

SUBCHAPTER XI—OTHER MATTERS

18441. National and international orbital debris mitigation.

18442. Reports on program and cost assessment and control assessment.

18443. Eligibility for service of individual currently serving as Administrator of NASA.

18444. Counterfeit parts.

18445. Information security.

§ 18301. Findings

Congress makes the following findings:

(1) The United States human space flight program has, since the first Mercury flight on May 5, 1961, been a source of pride and inspiration for the Nation.

(2) The establishment of and commitment to human exploration goals is essential for providing the necessary long term focus and programmatic consistency and robustness of the United States civilian space program.

(3) The National Aeronautics and Space Administration is and should remain a multi-agency business with a balanced and robust set of core missions in science, aeronautics, and human space flight and exploration.

(4) In the 50 years since the establishment of NASA, the arena of space has evolved substantially. As the uses and users of space continue to expand, the issues and operations in the regions closest to Earth have become increasingly complex, with a growing number of overlaps between civil, commercial and national security activities.

(5) The extraordinary challenges of achieving access to space both motivated and accelerated the development of technologies and industrial capabilities that have had widespread applications which have contributed to the technological excellence of the United States. It is essential to tie space activity to human challenges ranging from enhancing the influence, relationships, security, economic development, and commerce of the United States to improving the overall human condition.

(6) It is essential to the economic well-being of the United States that the aerospace industrial capacity, highly skilled workforce, and embedded expertise remain engaged in demanding, challenging, and exciting efforts that ensure United States leadership in space exploration and related activities.

(7) Crewmembers provide the essential component to ensure the return on investment from and the growth and safe operation of the ISS. The Russian Soyuz vehicle has allowed continued human presence on the ISS for United States crewmembers with its ability to serve as both a routine and backup capability for crew delivery, rescue, and return. With the impending retirement of the Space Shuttle, the United States will find itself with no national crew delivery and return system. Without any other system, the United States and all the ISS partners will have no redundant system for human access to and from the ISS. It is therefore essential that a United States capability be developed as soon as possible.

(8) Existing and emerging United States commercial launch capabilities and emerging launch capabilities offer the potential for pro-
viding crew support assets. New capabilities for human crew access to the ISS should be developed in a manner that ensures ISS mission assurance and safety. Commercial services offer the potential to broaden the availability and access to space at lower costs.

(9) While commercial transportation systems have the promise to contribute valuable services, it is in the United States national interest to maintain a government operated space transportation system for crew and cargo delivery to space.

(10) Congress restates its commitment, expressed in the National Aeronautics and Space Administration Authorization Act of 2005 (Public Law 109–155) and the National Aeronautics and Space Administration Authorization Act of 2008 (Public Law 110–342), to the development of commercially developed launch and delivery systems to the ISS for crew and cargo missions. Congress reaffirms that NASA shall make use of United States commercially provided ISS crew transfer and crew rescue services to the maximum extent practicable.

(11) It is critical to identify an appropriate combination of NASA and related United States Government programs, while providing a framework that allows partnering, leveraging and stimulation of the existing and emerging commercial and international efforts in both near Earth space and the regions beyond.

(12) The designation of the United States segment of the ISS as a National Laboratory, as provided by the National Aeronautics and Space Administration Authorization Act of 2005 and the National Aeronautics and Space Administration Authorization Act of 2008, provides an opportunity for the United States Government agencies, university-based researchers, research organizations, and others to utilize the unique environment of microgravity for fundamental scientific research and potential economic development.

(13) For some potential replacement elements necessary for ISS sustainability, the Space Shuttle may represent the only vehicle, existing or planned, capable of carrying those elements to the ISS in the near term. Additional or alternative transportation capabilities must be identified as contingency delivery options, and accompanied by an independent analysis of projected availability of such capabilities.

(14) The United States must develop, as rapidly as possible, replacement vehicles capable of providing both human and cargo launch capability to low-Earth orbit and to destinations beyond low-Earth orbit.

(15) There is a need for national space and export control policies that protect the national security of the United States while also enabling the United States and its aerospace industry to undertake cooperative programs in science and human space flight in an effective and efficient manner and to compete effectively in the global market place.

References in Text

The National Aeronautics and Space Administration Authorization Act of 2005, referred to in pars. (10) and (12), is Pub. L. 109–155, Dec. 30, 2005, 119 Stat. 2895, which was classified principally to chapter 150 (§ 16601 et seq.) of this title, and was substantially repealed and re-stated in chapters 305 (§ 30501 et seq.), 401 (§ 40101 et seq.), 603 (§ 60301 et seq.) and 707 (§ 70701 et seq.) and sections 20301, 20302, 30103(a), (b), 30104, 30306, 30702, 30704, 30902, 31301, 31501, 40101, 40903 to 40905, 50505, 51116, 60505, 70501 to 70503, and 70902 to 70905 of Title 51, National and Commercial Space Programs, by Pub. L. 111–314, §§ 3, 6, Dec. 18, 2010, 124 Stat. 3328, 3444. For complete classification of this Act to the Code, see Short Title of 2005 Act note set out under section 10101 of Title 51 and Tables.

The National Aeronautics and Space Administration Authorization Act of 2008, referred to in pars. (10) and (12), is Pub. L. 110–422, Oct. 15, 2008, 122 Stat. 4779, which was classified principally to chapter 155 (§ 17701 et seq.) of this title, and was substantially repealed and re-stated as chapters 711 (§ 71101 et seq.) and 713 (§ 71301 et seq.) and sections 20305, 30305, 30310, 31302, 31502 to 31505, 40104, 40311, 40702 to 40704, 40903(d), 50117(b), 60501 to 60504, 70504 to 70506, 70506, and 70907 of Title 51, National and Commercial Space Programs, by Pub. L. 111–314, §§ 3, 6, Dec. 18, 2010, 124 Stat. 3328, 3444. For complete classification of this Act to the Code, see Short Title of 2008 Act note set out under section 10101 of Title 51 and Tables.

Short Title


§ 18302. Definitions

In this chapter:

(1) Administrator

The term “Administrator” means the Administrator of the National Aeronautics and Space Administration.

(2) Appropriative committees of Congress

The term “appropriate committees of Congress” means—

(A) the Committee on Commerce, Science, and Transportation of the Senate; and

(B) the Committee on Science of the House of Representatives.

(3) Cis-lunar space

The term “cis-lunar space” means the region of space from the Earth out to and including the region around the surface of the Moon.

(4) Deep space

The term “deep space” means the region of space beyond cis-lunar space.

(5) ISS

The term “ISS” means the International Space Station.

(6) NASA

The term “NASA” means the National Aeronautics and Space Administration.

(7) Near-Earth space

The term “near-Earth space” means the region of space that includes low-Earth orbit

1 So in original. Probably should be followed by “and Technology”.

1 See References in Text note below.
and extends out to and includes geo-synchronous orbit.

(8) NOAA

The term “NOAA” means the National Oceanic and Atmospheric Administration.

(9) OSTP

The term “OSTP” means the Office of Science and Technology Policy.

(10) Space Launch System

The term “Space Launch System” means the follow-on government-owned civil launch system developed, managed, and operated by NASA to serve as a key component to expand human presence beyond low-Earth orbit.

§ 18311. United States human space flight policy

(a) Use of non-United States human space flight transportation services

(1) In general

The Federal Government may not acquire human space flight transportation services from a foreign entity unless:

(A) no United States Government-operated human space flight capability is available;

(B) no United States commercial provider is available; and

(C) it is a qualified foreign entity.

(2) Definitions

In this subsection:

(A) Commercial provider

The term “commercial provider” means any person providing human space flight transportation services, primary control of which is held by persons other than the Federal Government, a State or local government, or a foreign government.

(B) Qualified foreign entity

The term “qualified foreign entity” means a foreign entity that is in compliance with all applicable safety standards and is not prohibited from providing space transportation services under other law.

(C) United States commercial provider

The term “United States commercial provider” means a commercial provider, organized under the laws of the United States or of a State, that is more than 50 percent owned by United States nationals.

(3) Arrangements with foreign entities

Nothing in this subsection shall prevent the Administrator from negotiating or entering into human space flight transportation arrangements with foreign entities to ensure safety of flight and continued ISS operations.

(b) United States human space flight capabilities

Congress reaffirms the policy stated in section 70501(a) of title 51, that the United States shall maintain an uninterrupted capability for human space flight and operations in low-Earth orbit, and beyond, as an essential instrument of national security and of the capacity to ensure continued United States participation and leadership in the exploration and utilization of space.

The Federal Government may not acquire human space flight transportation services, primary control of which is held by persons other than the Federal Government, a State or local government, or a foreign government.

The term “commercial provider” means any person providing human space flight transportation services, primary control of which is held by persons other than the Federal Government, a State or local government, or a foreign government.

The term “qualified foreign entity” means a foreign entity that is in compliance with all applicable safety standards and is not prohibited from providing space transportation services under other law.

The term “United States commercial provider” means a commercial provider, organized under the laws of the United States or of a State, that is more than 50 percent owned by United States nationals.

Nothing in this subsection shall prevent the Administrator from negotiating or entering into human space flight transportation arrangements with foreign entities to ensure safety of flight and continued ISS operations.

Congress reaffirms the policy stated in section 70501(a) of title 51, that the United States shall maintain an uninterrupted capability for human space flight and operations in low-Earth orbit, and beyond, as an essential instrument of national security and of the capacity to ensure continued United States participation and leadership in the exploration and utilization of space.

AMENDMENTS

2017—Subsec. (a). Pub. L. 115–10 amended subsec. (a) generally. Prior to amendment, text read as follows: “It is the policy of the United States that reliance upon and use of non-United States human space flight capabilities shall be undertaken only as a contingency in circumstances where no United States-owned and operated human space flight capability is available, operational, and certified for flight by appropriate Federal agencies.”

§ 18312. Goals and objectives

(a) Long-term goals

The long-term goals of the human space flight and exploration efforts of NASA shall be—

(1) to expand permanent human presence beyond low-Earth orbit and to do so, where practical, in a manner involving international, academic, and industry partners;

(2) to determine if humans can live in an extended manner in space with decreasing reliance on Earth, starting with utilization of low-Earth orbit infrastructure; and

(3) to sustain the capability for long-duration presence in low-Earth orbit, initially through continuation of the ISS and full utilization of the United States segment of the ISS as a National Laboratory, and through assisting and enabling an expanded commercial presence in, and access to, low-Earth orbit, as elements of a low-Earth orbit infrastructure;

(2) to determine if humans can live in an extended manner in space with decreasing reliance on Earth, starting with utilization of low-Earth orbit infrastructure, to identify potential roles that space resources such as energy and materials may play, to meet national and global needs and challenges, such as potential cataclysmic threats, and to explore the viability of and lay the foundation for sustainable economic activities in space;

(3) to maximize the role that human exploration of space can play in advancing overall knowledge of the universe, supporting United
States national and economic security and the United States global competitive posture, and inspiring young people in their educational pursuits;

(4) to build upon the cooperative and mutually beneficial framework established by the ISS partnership agreements and experience in developing and undertaking programs and meeting objectives designed to realize the goal of human space flight set forth in subsection (a); and

(5) to achieve human exploration of Mars and beyond through the prioritization of those technologies and capabilities best suited for such a mission in accordance with the stepping stone approach to exploration under section 70504 of title 51.


AMENDMENTS

2017—Subsec. (a). Pub. L. 115–10, § 411, amended subsec. (a) generally. Prior to amendment, text read as follows: “The long term goal of the human space flight and exploration efforts of NASA shall be to expand permanently human presence beyond low-Earth orbit and to do so, where practical, in a manner involving international partners.”


§ 18313. Assurance of core capabilities

(a) Sense of Congress

It is the sense of Congress that—

(1) the ISS, technology developments, the current Space Shuttle program, and follow-on transportation systems authorized by this chapter form the foundation of initial capabilities for missions beyond low-Earth orbit to a variety of lunar and Lagrangian orbital locations; and

(2) these initial missions and related capabilities should be utilized to provide operational experience, technology development, and the placement and assured use of in-space infrastructure and in-space servicing of existing and future assets.

(b) Sense of Congress regarding human space flight capability assurance

It is the sense of Congress that the Administrator shall proceed with the utilization of the ISS, technology development, and follow-on transportation systems (including the Space Launch System, multi-purpose crew vehicle, and commercial crew and cargo transportation capabilities) under subchapters II and III of this chapter in a manner that ensures—

(1) that these capabilities remain inherently complementary and interrelated;

(2) a balance of the development, sustainment, and use of each of these capabilities, which are of critical importance to the viability and sustainability of the U.S. space program; and

(3) that resources required to support the timely and sustainable development of these capabilities authorized in either subchapter II or subchapter III of this chapter are not derived from a reduction in resources for the capabilities authorized in the other subchapter.

(c) Limitation

Nothing in subsection (b) shall apply to or affect any capability authorized by any other subchapter of this chapter.1


AMENDMENTS

2017—Subsec. (b). Pub. L. 115–10, § 416(a)(1), (3), redesignated subsec. (c) as (b) and struck out former subsec. (b). Prior to amendment, text of subsec. (b) read as follows:

“(1) DEVELOPMENT OF FOLLOW-ON SPACE TRANSPORTATION SYSTEMS.—The Administrator shall proceed with the development of follow-on space transportation systems in a manner that ensures that the national capability to restart and fly Space Shuttle missions can be initiated if required by the Congress, in an Act enacted after October 11, 2010, or by a Presidential determination transmitted to the Congress, before the last Space Shuttle mission authorized by this chapter is completed.

“(2) REQUIRED ACTIONS.—In carrying out the requirements in paragraph (1), the Administrator shall authorize refurbishment of the manufactured external tank of the Space Shuttle, designated as ET-94, and take all actions necessary to enable its readiness for use in the Space Launch System development as a critical skills and capability retention effort or for test purposes, while preserving the ability to use this tank if needed for an ISS contingency if deemed necessary under paragraph (1).”

Subsecs. (c), (d). Pub. L. 115–10, § 416(a)(2), (3), substituted “subsection (b)” for “subsection (c)” in subsec. (d) and redesignated subsec. (d) as (c). Former subsec. (c) redesignated (b).

2013—Subsecs. (c), (d). Pub. L. 112–273 added subsecs. (c) and (d).

REFERENCES IN TEXT

Any other subchapter of this chapter, referred to in subsec. (d), was in the original “any other title of this Act”, meaning any other title of Pub. L. 111–267, Oct. 11, 2010, 124 Stat. 2805. In addition to title II which is classified generally to this subchapter, Pub. L. 111–267 contains titles III to XII which are classified generally to subchapters II to XI, respectively, of this chapter and titles I and XIII, 126 Stat. 2809, 2846, which are not classified to the Code.

SUBCHAPTER II—EXPANSION OF HUMAN SPACE FLIGHT BEYOND THE INTERNATIONAL SPACE STATION AND LOW-EARTH ORBIT

§ 18321. Human space flight beyond low-Earth orbit

(a) Findings

Congress makes the following findings:

(1) The extension of the human presence from low-Earth orbit to other regions of space beyond low-Earth orbit will enable missions to the surface of the Moon and missions to deep space destinations such as near-Earth asteroids and Mars.

(2) The regions of cis-lunar space are accessible to other national and commercial launch capabilities, and such access raises a host of national security concerns and economic implications that international human space endeavors can help to address.

1So in original. Probably should be followed by a period.
(3) The ability to support human missions in regions beyond low-Earth orbit and on the surface of the Moon can also drive developments in emerging areas of space infrastructure and technology.

(4) Developments in space infrastructure and technology can stimulate and enable increased space applications, such as in-space servicing, propellant resupply and transfer, and in situ resource utilization, and open opportunities for additional users of space, whether national, commercial, or international.

(5) A long-term objective for human exploration of space should be the eventual international exploration of Mars.

(6) Future international missions beyond low-Earth orbit should be designed to incorporate capability development and availability, affordability, and international contributions.

(7) Human space flight and future exploration beyond low-Earth orbit should be based around a pay-as-you-go approach. Requirements in new launch and crew systems authorized in this chapter should be scaled to the minimum necessary to meet the core national mission capability needed to conduct cis-lunar missions. These initial missions, along with the development of new technologies and in-space capabilities, can form the foundation for missions to other destinations. These initial missions also should provide operational experience prior to the further human expansion into space.

(b) Report on international collaboration

(1) Report required

Not later than 120 days after October 11, 2010, the Administrator shall submit to the appropriate committees of Congress a report on the following assets and capabilities:

(A) Any effort by NASA to expand and ensure effective international collaboration on the ISS.

(B) The efforts of NASA, including its approach and progress, in defining near-term, cis-lunar space human missions.

(2) NASA contributions

In preparing the report required by paragraph (1), the Administrator shall assume that NASA will contribute to the efforts described in that paragraph the following:

(A) A Space Launch System.

(B) A multi-purpose crew vehicle.

(C) Such other technology elements the Administrator may consider appropriate, and which the Administrator shall specifically identify in the report.


§18322. Space Launch System as follow-on launch vehicle to the Space Shuttle

(a) United States policy

It is the policy of the United States that NASA develop a Space Launch System as a follow-on to the Space Shuttle that can access cis-lunar space and the regions of space beyond low-Earth orbit in order to enable the United States to participate in global efforts to access and develop this increasingly strategic region.

(b) Initiation of development

(1) In general

The Administrator shall, as soon as practicable after October 11, 2010, initiate development of a Space Launch System meeting the minimum capabilities requirements specified in subsection (c).

(2) Modification of current contracts

In order to limit NASA’s termination liability costs and support critical capabilities, the Administrator shall, to the extent practicable, extend or modify existing vehicle development and associated contracts necessary to meet the requirements in paragraph (1), including contracts for ground testing of solid rocket motors, if necessary, to ensure their availability for development of the Space Launch System.

(e) Minimum capability requirements

(1) In general.—The Space Launch System developed pursuant to subsection (b) shall be designed to have, at a minimum, the following:

(A) The initial capability of the core elements, without an upper stage, of lifting payloads weighing between 70 tons and 100 tons into low-Earth orbit in preparation for transit for missions beyond low-Earth orbit.

(B) The capability to carry an integrated upper Earth departure stage bringing the total lift capability of the Space Launch System to 130 tons or more.

(C) The capability to lift the multipurpose crew vehicle.

(D) The capability to serve as a backup system for supplying and supporting ISS cargo requirements or crew delivery requirements not otherwise met by available commercial or partner-supplied vehicles.

(2) Flexibility.—The Space Launch System shall be designed from inception as a fully-integrated vehicle capable of carrying a total payload of 130 tons or more into low-Earth orbit in preparation for transit for missions beyond low-Earth orbit. The Space Launch System shall, to the extent practicable, incorporate capabilities for evolutionary growth to carry heavier payloads. Developmental work and testing of the core elements and the upper stage should proceed in parallel subject to appropriations. Priority should be placed on the core elements with the goal for operational capability for the core elements not later than December 31, 2016.

(3) Transition needs.—The Administrator shall ensure critical skills and capabilities are retained, modified, and developed, as appropriate, in areas related to solid and liquid engines, large diameter fuel tanks, rocket propulsion, and other ground test capabilities for an effective transition to the follow-on Space Launch System.

(4) The capacity for efficient and timely evolution, including the incorporation of new technologies, competition of sub-elements, and commercial operations.
§ 18323. Multi-purpose crew vehicle

(a) Initiation of development

(1) In general

The Administrator shall continue the development of a multi-purpose crew vehicle to be available as soon as practicable, and no later than for use with the Space Launch System. The vehicle shall continue to advance development of the human safety features, designs, systems in the Orion project.

(2) Goal for operational capability

It shall be the goal to achieve full operational capability for the transportation vehicle developed pursuant to this subsection by not later than December 31, 2016. For purposes of meeting such goal, the Administrator may undertake a test of the transportation vehicle at the ISS before that date.

(b) Minimum capability requirements

The multi-purpose crew vehicle developed pursuant to subsection (a) shall be designed to have, at a minimum, the following:

1. The capability to serve as the primary crew vehicle for missions beyond low-Earth orbit.
2. The capability to conduct regular in-space operations, such as rendezvous, docking, and extra-vehicular activities, in conjunction with payloads delivered by the Space Launch System developed pursuant to section 18322 of this title, or other vehicles, in preparation for missions beyond low-Earth orbit or servicing of assets described in section 18383 of this title, or other assets in cis-lunar space.
3. The capability to provide an alternative means of delivery of crew and cargo to the ISS, in the event other vehicles, whether commercial vehicles or partner-supplied vehicles, are unable to perform that function.
4. The capacity for efficient and timely evolution, including the incorporation of new technologies, competition of sub-elements, and commercial operations.

§ 18324. Utilization of existing workforce and assets in development of Space Launch System and multi-purpose crew vehicle

(a) In general

In developing the Space Launch System pursuant to section 18322 of this title and the multi-purpose crew vehicle pursuant to section 18323 of this title, the Administrator shall, to the extent practicable utilize—

1. existing contracts, investments, workforce, industrial base, and capabilities from the Space Shuttle and Orion and Ares 1 projects, including—
   A. space-suit development activities for application to, and coordinated development of, a multi-purpose crew vehicle suit and associated life-support requirements with potential development of standard NASA-certified suit and life support systems for use in alternative commercially-developed crew transportation systems; and
   B. Space Shuttle-derived components and Ares 1 components that use existing United States propulsion systems, including liquid fuel engines, external tank or tank-related capability, and solid rocket motor engines; and

2. associated testing facilities, either in being or under construction as of October 11, 2010.

(b) Discharge of requirements

In meeting the requirements of subsection (a), the Administrator—

1. shall, to the extent practicable, utilize ground-based manufacturing capability, ground testing activities, launch and operations infrastructure, and workforce expertise;
2. shall, to the extent practicable, minimize the modification and development of ground infrastructure and maximize the utilization of existing software, vehicle, and mission operations processes;
3. shall complete construction and activation of the A-3 test stand with a completion goal of September 30, 2013;
4. may procure, develop, and flight test applicable components; and
5. shall take appropriate actions to ensure timely and cost-effective development of the Space Launch System and the multi-purpose crew vehicle, including the use of a procurement approach that incorporates adequate and effective oversight, the facilitation of contractor efficiencies, and the stream-lining of contract and procurement requirements.

§ 18325. NASA launch support and infrastructure modernization program

(a) In general

The Administrator shall carry out a program the primary purpose of which is to prepare infrastructure at the Kennedy Space Center that is needed to enable processing and launch of the Space Launch System. Vehicle interfaces and other ground processing and payload integration areas should be simplified to minimize overall costs, enhance safety, and complement the purpose of this section.

(b) Elements

The program required by this section shall include—

1. investments to improve civil and national security operations at the Kennedy Space Center, to enhance the overall capabilities of the Center, and to reduce the long term cost of operations and maintenance;
2. measures to provide multi-vehicle support, improvements in payload processing, and partnering at the Kennedy Space Center; and
3. such other measures, including investments to improve launch infrastructure at NASA flight facilities scheduled to launch cargo to the ISS under the commercial orbital transportation services program as the Administrator may consider appropriate.
(c) Report on NASA launch support and infrastructure modernization program

(1) Report required

Not later than 120 days after October 11, 2010, the Administrator shall submit to the appropriate committees of Congress a report on the plan for the implementation of the NASA launch support and infrastructure modernization program.

(2) Elements

The report required by this subsection shall include—

(A) a description of the ground infrastructure plan tied to the Space Launch System and potential ground investment activities at other NASA centers related to supporting the development of the Space Launch System;

(B) a description of proposed initiatives intended to be conducted jointly or in cooperation with Cape Canaveral Air Force Station, Florida, or other installations or components of the United States Government; and

(C) a description of plans to use funds authorized to be appropriated by this chapter to improve non-NASA facilities, which plans shall include a business plan outlining the nature and scope of investments planned by other parties.


§ 18326. Development of technologies and in-space capabilities for beyond near-Earth space missions

(a) Development authorized

The Administrator may initiate activities to develop the following:

(1) Technologies identified as necessary elements of missions beyond low-Earth orbit.

(2) In-space capabilities such as refueling and storage technology, orbital transfer stages, innovative in-space propulsion technology, communications, and data management that facilitate a broad range of users (including military and commercial) and applications defining the architecture and design of such missions.

(3) Spacesuit development and associated life support technology.

(4) Flagship missions.

(b) Investments

In developing technologies and capabilities under subsection (a), the Administrator may make investments—

(1) in space technologies such as advanced propulsion, propellant depositories, and robotic payloads or capabilities that enable human missions beyond low-Earth orbit ultimately leading to Mars;

(2) in a space-based transfer vehicle including these technologies with an ability to conduct space-based operations that provide capabilities—

(A) to integrate with the Space Launch System and other space-based systems;

(B) to provide opportunities for in-space servicing of and delivery to multiple space-based platforms; and

(C) to facilitate international efforts to expand human presence to deep space destinations;

(3) in advanced life support technologies and capabilities;

(4) in technologies and capabilities relating to in-space power, propulsion, and energy systems;

(5) in technologies and capabilities relating to in-space propellant transfer and storage;

(6) in technologies and capabilities relating to in situ resource utilization; and

(7) in expanded research to understand the greatest biological impediments to human deep space missions, especially the radiation challenge.

(c) Utilization of ISS as testbed

The Administrator may utilize the ISS as a testbed for any technology or capability developed under subsection (a) in a manner consistent with the provisions of this chapter.

(d) Coordination

The Administrator shall coordinate development of technologies and capabilities under this section through an overall agency technology approach, as authorized by section 905 of this Act.


REFERENCES IN TEXT

Section 905 of this Act, referred to in subsec. (d), is Pub. L. 111–267, title IX, §905, Oct. 11, 2010, 124 Stat. 2836, which is not classified to the Code.

§ 18327. Report requirement

Within 90 days after October 11, 2010, or upon completion of reference designs for the Space Launch System and Multi-purpose Crew Vehicle authorized by this chapter, whichever occurs first, the Administrator shall provide a detailed report to the appropriate committees of Congress that provides an overall description of the reference vehicle design, the assumptions, description, data, and analysis of the systems trades and resolution process, justification of trade decisions, the design factors which implement the essential system and vehicle capability requirements established by this chapter, the explanation and justification of any deviations from those requirements, the plan for utilization of existing contracts, civil service and contract workforce, supporting infrastructure utilization and modifications, and procurement strategy to expedite development activities through modification of existing contract vehicles, and the schedule of design and development milestones and related schedules leading to the accomplishment of operational goals established by this chapter. The Administrator shall provide an update of this report as part of the President’s annual Budget Request.

§ 18341. Commercial Cargo Development program

The Administrator shall continue to support the existing Commercial Resupply Services program, aimed at enabling the commercial space industry in support of NASA to develop reliable means of launching cargo and supplies to the ISS throughout the duration of the facility’s operation. The Administrator may apply funds towards the reduction of risk to the timely start of these services, specifically—

(1) efforts to conduct a flight test;
(2) accelerate development; and
(3) develop the ground infrastructure needed for commercial cargo capability.


AMENDMENTS


§ 18342. Requirements applicable to development of commercial crew transportation capabilities and services

(a) FY 2011 contracts and procurement agreements

(1) In general

Except as provided in paragraph (2), the Administrator may not execute a contract or procurement agreement with respect to follow-on commercial crew services during fiscal year 2011.

(2) Exception

Notwithstanding paragraph (1), the Administrator may execute a contract or procurement agreement with respect to follow-on commercial crew services during fiscal year 2011 if—

(A) the requirements of paragraphs (1), (2), and (3) of subsection (b) are met; and

(B) the total amount involved for all such contracts and procurement agreements executed during fiscal year 2011 does not exceed $50,000,000 for fiscal year 2011.

(b) Support

The Administrator may, beginning in fiscal year 2012 through the duration of the program, support follow-on commercially-developed crew transportation systems dependent upon the completion of each of the following:

(1) Human rating requirements

Not later than 60 days after October 11, 2010, the Administrator shall develop and make available to the public detailed human rating processes and requirements to guide the design of commercially-developed crew transportation capabilities, which requirements shall be at least equivalent to proven requirements for crew transportation in use as of October 11, 2010.

(2) Commercial market assessment

Not later than 180 days after October 11, 2010, the Administrator shall submit to the appropriate committees of Congress an assessment, conducted, in coordination with the Federal Aviation Administration’s Office of Commercial Space Transportation, for purposes of this paragraph, of the potential non-Government market for commercially-developed crew and cargo transportation systems and capabilities, including an assessment of the activities associated with potential private sector utilization of the ISS research and technology development capabilities and other potential activities in low-Earth orbit.

(3) Procurement system review

The Administrator shall review current Government procurement and acquisition practices and processes, including agreement authorities under the National Aeronautics and Space Act of 1958, to determine the most cost-effective means of procuring commercial crew transportation capabilities and related services in a manner that ensures appropriate accountability, transparency, and maximum efficiency in the procurement of such capabilities and services, which review shall include an identification of proposed measures to address risk management and means of indemnification of commercial providers of such capabilities and services, and measures for quality control, safety oversight, and the application of Federal oversight processes within the jurisdiction of other Federal agencies. A description of the proposed procurement process and justification of the proposed procurement for its selection shall be included in any proposed initiation of procurement activity for commercially-developed crew transportation capabilities and services and shall be subject to review by the appropriate committees of Congress before the initiation of any competitive process to procure such capabilities or services. In support of the review by such committees, the Comptroller General shall undertake an assessment of the proposed procurement process and provide a report to the appropriate committees of Congress within 90 days after the date on which the Administrator provides the description and justification to such committees.

(4) Use of government-supplied capabilities and infrastructure

In evaluating any proposed development activity for commercially-developed crew or cargo launch capabilities, the Administrator shall identify the anticipated contribution of government personnel, expertise, technologies, and infrastructure to be utilized in support of design, development, or operations of such capabilities. This assessment shall include a clear delineation of the full requirements for the commercial crew service (including the contingency for crew rescue). The Administrator shall include details and associated costs of such support as part of any proposed development initiative for the procurement of commercially-developed crew or cargo launch capabilities or services.

1 See References in Text note below.
(5) Flight demonstration and readiness requirements

The Administrator shall establish appropriate milestones and minimum performance objectives to be achieved before authority is granted to proceed to the procurement of commercially-developed crew transportation capabilities or systems. The guidelines shall include a procedure to provide independent assurance of flight safety and flight readiness before the authorization of United States government personnel to participate as crew onboard any commercial launch vehicle developed pursuant to this section.

(6) Commercial crew rescue capabilities

The provision of a commercial capability to provide ISS crew services shall include crew rescue requirements, and shall be undertaken through the procurement process initiated in this section. In the event such development is initiated, the Administrator shall make available any relevant government-owned intellectual property deriving from the development of a multi-purpose crew vehicle authorized by the chapter to commercial entities involved with such crew rescue capability development which shall be relevant to the design of a crew rescue capability. In addition, the Administrator shall seek to ensure that contracts for development of the multi-purpose crew vehicle contain provisions for the licensing of relevant intellectual property to participating commercial providers of any crew rescue capability development undertaken pursuant to this section. If one or more contractors involved with development of the multi-purpose crew vehicle seek to compete in development of a commercial crew service with crew rescue capability, separate legislative authority must be enacted to enable the Administrator to provide funding for any modifications of the multi-purpose crew vehicle necessary to fulfill the ISS crew rescue function.


AMENDMENTS

2017—Pub. L. 115–10 amended section generally. Prior to amendment, section read as follows:

“(a) Policy of the United States.—It shall be the policy of the United States, in consultation with its international partners in the ISS program, to support full and complete utilization of the ISS through at least 2024.

“(b) NASA Actions.—In furtherance of the policy set forth in subsection (a), NASA shall—

(1) pursue international, commercial, and intragovernmental means to maximize ISS logistics supply, maintenance, and operational capabilities, reduce risks to ISS systems sustainability, and offset and minimize United States operations costs relating to the ISS;

(2) utilize, to the extent practicable, the ISS for the development of capabilities and technologies needed for the future of human space exploration beyond low-Earth orbit; and

(3) utilize, if practical and cost effective, the ISS for Science Mission Directorate missions in low-Earth orbit.


§ 18352. Maximum utilization of the International Space Station

(a) In general

With assembly of the ISS complete, NASA shall take steps to maximize the productivity and use of the ISS with respect to scientific and technological research and development, advancement of space exploration, and international collaboration.

(b) NASA actions

In carrying out subsection (a), NASA shall, at a minimum, undertake the following:

(1) Innovative use of U.S. segment

The United States segment of the ISS, which has been designated as a National Laboratory, shall be developed, managed and utilized in a manner that enables the effective and innovative use of such facility, as provided in section 18354 of this title.

(2) International cooperation

The ISS shall continue to be utilized as a key component of international efforts to build missions and capabilities that further the development of a human presence beyond near-Earth space and advance United States security and economic goals. The Administrator shall actively seek ways to encourage and enable the use of ISS capabilities to support these efforts.
(3) Domestic collaboration

The operations, management, and utilization of the ISS shall be conducted in a manner that provides opportunities for collaboration with other research programs and objectives of the United States Government in cooperation with commercial suppliers, users, and developers.


§ 18353. Maintenance of the United States segment and assurance of continued operations of the International Space Station.

(a) In general

The Administrator shall take all actions necessary to ensure the safe and effective operation, maintenance, and maximum utilization of the United States segment of the ISS through at least September 30, 2024.

(b) Vehicle and component review

(1) In general

The Administrator shall, as soon as is practicable after October 11, 2010, carry out a comprehensive assessment of the essential modules, operational systems and components, structural elements, and permanent scientific equipment on board or planned for delivery and installation aboard the ISS, including both United States and international partner elements, for purposes of identifying the spare or replacement modules, systems and components, elements, and equipment that are required to ensure complete, effective, and safe functioning and full scientific utilization of the ISS through September 30, 2020.¹

(2) Data

In carrying out the assessment, the Administrator shall assemble any existing data, and provide for the development of any data or analysis not currently available, that is necessary for purposes of the assessment.

(c) Reports

(1) Report on assessment

(A) Report required

Not later than 90 days after October 11, 2010, the Administrator shall submit to the appropriate committees of Congress a report on the assessment required by subsection (b).

(B) Elements

The report required by this paragraph shall include, at minimum, the following:

(i) A description of the spare or replacement modules, systems and components, elements, and equipment identified pursuant to the assessment that are currently produced, in inventory, or on order, a description of the state of their readiness, and a schedule for their delivery to the ISS (including the planned transportation means for such delivery), including for each such module, system or component, element, or equipment a description of—

(I) its specifications, including size, weight, and necessary configuration for launch and delivery to the ISS;

(II) its function;

(III) its location; and

(IV) its criticality for ISS system integrity.

(ii) A description of the spare or replacement modules, systems and components, elements, and equipment identified pursuant to the assessment that are not currently produced, in inventory, or on order, including for each such module, system or component, element, or equipment a description of—

(I) its specifications, including size, weight, and necessary configuration for launch and delivery to the ISS;

(II) its function;

(III) its location; and

(IV) its criticality for ISS system integrity; and

(V) the anticipated cost and schedule for its design, procurement, manufacture, and delivery to the ISS.

(iii) A detailed summary of the delivery schedule and associated delivery vehicle requirements necessary to transport all spare and replacement elements considered essential for the ongoing and sustained functionality of all critical systems of the ISS, both in and of themselves and as an element of an integrated, mutually dependent essential capability, including an assessment of the current schedule for delivery, the availability of delivery vehicles to meet that schedule, and the likelihood of meeting that schedule through such vehicles.

(2) GAO report

(A) Report required

Not later than 90 days after the submittal to Congress under paragraph (1) of the assessment required by subsection (b), the Comptroller General of the United States shall submit to the appropriate committees of Congress a report on the assessment. The report shall set forth an evaluation of the assessment by the Comptroller General, including an evaluation of the accuracy and level of confidence in the findings of the assessment.

(B) Cooperation with GAO

The Administrator shall provide for the monitoring and participation of the Comptroller General in the assessment in a manner that permits the Comptroller General to prepare and submit the report required by subparagraph (A).

(d) Utilization of research facilities and capabilities

Utilization of research facilities and capabilities aboard the ISS (other than exploration-related research and technology development facilities and capabilities, and associated ground support and logistics), shall be planned, managed, and supported as provided in section 18334 of this title. Exploration-related research and

¹ See References in Text note below.
technology development facilities, capabilities, and associated ground support and logistics shall be planned, managed, and supported by the appropriate NASA organizations and officials in a manner that does not interfere with other activities under section 18354 of this title.

(e) Space Shuttle mission to ISS

(1) Space Shuttle mission

The Administrator shall fly the Launch-On-Need Shuttle mission currently designated in the Shuttle Flight Manifest dated February 28, 2010, to the ISS in fiscal year 2011, but no earlier than June 1, 2011, unless required earlier by an operations contingency, and pending the results of the assessment required by paragraph (2) and the determination under paragraph (3)(A).

(2) Assessment of safe means of return

The Administrator shall provide for an assessment by the NASA Engineering and Safety Center of the procedures and plans developed to ensure the safety of the Space Shuttle crew, and alternative means of return, in the event the Space Shuttle is damaged or otherwise unable to return safely to Earth.

(3) Schedule and payload

The determination of the schedule and payload for the mission authorized by paragraph (1) shall take into account the following:

(A) The supply and logistics delivery requirements of the ISS.

(B) The findings of the study required by paragraph (2).

(4) Funds

Amounts authorized to be appropriated by section 101(2)(B)\(^1\) shall be available for the mission authorized by paragraph (1).

(f) Space Shuttle manifest flight assurance

(1) In general

The Administrator shall take all actions necessary to preserve Space Shuttle launch capability through fiscal year 2011 in a manner that enables the launch, at a minimum, of missions and primary payloads in the Shuttle flight manifest as of February 28, 2010.

(2) Continuation of contractor support

The Administrator may not terminate any contract that provides the system transitions necessary for shuttle-derived hardware to be used on either the multi-purpose crew vehicle described in section 18323 of this title or the Space Launch System described in section 18322 of this title.

References in Text

Reference to September 30, 2020, referred to in subsec. (b)(1), was not amended by section 114(b)(2) of Pub. L. 114–90, which substituted references to “2024” for references to “2020” in other provisions throughout this subchapter. See also section 7909 of Title 51, National and Commercial Space Programs, as amended by section 114(b) of Pub. L. 114–90.

\(^1\) See References in Text note below.
(d) Research capacity allocation and integration by international agreement.

(1) Allocation of ISS research capacity

As soon as practicable after October 11, 2010, but not later than October 1, 2011, ISS national laboratory managed experiments shall be guaranteed access to, and utilization of, not less than 50 percent of the United States research capacity allocation, including power, cold stowage, and requisite crew time onboard the ISS through at least September 30, 2024. Access to the ISS research capacity includes provision for the adequate upmass and downmass capabilities to utilize the ISS research capacity, as available. The Administrator may allocate additional capacity to the ISS national laboratory should such capacity be in excess of NASA research requirements.

(2) Additional research capabilities

If any NASA research plan is determined to require research capacity onboard the ISS beyond the percentage allocated under paragraph (1), such research plan shall be prepared in the form of a requested research opportunity to be submitted to the process established under this section for the consideration of proposed research within the capacity allocated to the ISS national laboratory. A proposal for such a research plan may include the establishment of partnerships with non-NASA institutions eligible to propose research to be conducted within the ISS national laboratory capacity. Until at least September 30, 2024, the official or employee designated under subsection (b) may grant an exception to this requirement in the case of a proposed experiment considered essential for purposes of preparing for exploration beyond low-Earth orbit, as determined by joint agreement between the organization with which the Administrator enters into a cooperative agreement under subsection (a) and the official or employee designated under subsection (b).

(3) Research priorities and enhanced capacity

The organization with which the Administrator enters into the cooperative agreement shall consider recommendations of the National Academies Decadal Survey on Biological and Physical Sciences in Space in establishing research priorities and in developing proposed enhancements of research capacity and opportunities for the ISS national laboratory.

(4) Responsibility for research payload

NASA shall retain its roles and responsibilities in providing research payload physical, analytical, and operations integration during pre-flight, post-flight, transportation, and orbital phases essential to ensure safe and effective flight readiness and vehicle integration of research activities approved and prioritized by the organization with which the Administrator enters into the cooperative agreement and the official or employee designated under subsection (b).

(5) Cooperation with NASA, other departments and agencies of the United States Government, the States, and commercial entities

The Administrator shall cooperate with NASA, other departments and agencies of the United States Government, the States, and commercial entities in ensuring the enhancement and sustained operations of non-exploration-related research payload ground support facilities for the ISS, including the Space Life Sciences Laboratory, the Space Station Processing Facility and Payload Operations Integration Center.

(6) Development and implementation of scientific outreach and education activities

The Administrator may consider appropriate.

(d) Research capacity allocation and integration of research payloads

(1) Allocation of ISS research capacity

As soon as practicable after October 11, 2010, but not later than October 1, 2011, ISS national laboratory managed experiments shall be guaranteed access to, and utilization of, not less than 50 percent of the United States research capacity allocation, including power, cold stowage, and requisite crew time onboard the ISS through at least September 30, 2024. Access to the ISS research capacity includes provision for the adequate upmass and downmass capabilities to utilize the ISS research capacity, as available. The Administrator may allocate additional capacity to the ISS national laboratory should such capacity be in excess of NASA research requirements.

(CODIFICATION


Amendments


(2) Additional research capabilities

If any NASA research plan is determined to require research capacity onboard the ISS beyond the percentage allocated under paragraph (1), such research plan shall be prepared in the form of a requested research opportunity to be submitted to the process established under this section for the consideration of proposed research within the capacity allocated to the ISS national laboratory. A proposal for such a research plan may include the establishment of partnerships with non-NASA institutions eligible to propose research to be conducted within the ISS national laboratory capacity. Until at least September 30, 2024, the official or employee designated under subsection (b) may grant an exception to this requirement in the case of a proposed experiment considered essential for purposes of preparing for exploration beyond low-Earth orbit, as determined by joint agreement between the organization with which the Administrator enters into a cooperative agreement under subsection (a) and the official or employee designated under subsection (b).

(3) Research priorities and enhanced capacity

The organization with which the Administrator enters into the cooperative agreement shall consider recommendations of the National Academies Decadal Survey on Biological and Physical Sciences in Space in establishing research priorities and in developing proposed enhancements of research capacity and opportunities for the ISS national laboratory.

(4) Responsibility for research payload

NASA shall retain its roles and responsibilities in providing research payload physical, analytical, and operations integration during pre-flight, post-flight, transportation, and orbital phases essential to ensure safe and effective flight readiness and vehicle integration of research activities approved and prioritized by the organization with which the Administrator enters into the cooperative agreement and the official or employee designated under subsection (b).
§ 18361. Sense of Congress on the Space Shuttle program

(a) Findings

Congress makes the following findings:

(1) The Space Shuttle program represents a national asset consisting of critical skills and capabilities, including the ability to lift large payloads into space and return them to Earth.

(2) The Space Shuttle has carried more than 355 people from 16 nations into space.

(3) The Space Shuttle has projected the best of American values around the world, and Space Shuttle crews have sparked the imagination and dreams of the world’s youth and young at heart.

(b) Sense of Congress

It is the sense of Congress that—

(1) it is essential that the retirement of the Space Shuttle and the transition to new human space flight capabilities be done in a manner that builds upon the legacy of this national asset; and

(2) it is imperative for the United States to retain the skills and the industrial capability to provide a follow-on Space Launch System that is primarily designed for missions beyond near-Earth space, while offering some potential for supplanting shuttle delivery capabilities to low-Earth orbit, particularly in support of ISS requirements, if necessary.


§ 18362. Retirement of Space Shuttle orbiters and transition of Space Shuttle program

(a) In general

The Administrator shall retire the Space Shuttle orbiters pursuant to a schedule established by the Administrator and in a manner consistent with provisions of this chapter regarding potential requirements for contingency utilization of Space Shuttle orbiters for ISS requirements.

(b) Utilization of workforce and assets in follow-on Space Launch System

(1) Utilization of vehicle assets

In carrying out subsection (a), the Administrator shall, to the maximum extent practicable, utilize workforce, assets, and infrastructure of the Space Shuttle program in efforts relating to the initiation of a follow-on Space Launch System developed pursuant to section 18322 of this title.

(2) Other assets

With respect to the workforce, assets, and infrastructure not utilized as described in paragraph (1), the Administrator shall work closely with other departments and agencies of the Federal Government, and the private sector, to divest unneeded assets and to assist displaced workers with retraining and other placement efforts. Amounts authorized to be appropriated by section 101(2)(B) shall be available for activities pursuant to this paragraph.


REFERENCES IN TEXT


§ 18363. Disposition of orbiter vehicles

(a) In general

Upon the termination of the Space Shuttle program as provided in section 18362 of this title, the Administrator shall decommission any remaining Space Shuttle orbiter vehicles according to established safety and historic preservation procedures prior to their designation as surplus government property. The orbiter vehicles shall be made available and located for display and maintenance through a competitive procedure established pursuant to the disposition plan developed under section 613(a) of the National Aeronautics and Space Administration Authorization Act of 2008 (42 U.S.C. 17761(a)), with priority consideration given to eligible applicants meeting all conditions of that plan which would provide for the display and maintenance of orbiters at locations with the best potential value to the public, including where the location of the orbiters can advance educational opportunities in science, technology, engineering, and mathematics disciplines, and with an historical relationship with either the launch, flight operations, or processing of the Space Shuttle orbiters or the retrieval of NASA manned space vehicles, or significant contributions to human space flight. The Smithsonian Institution, which, as of October 11, 2001, houses the Space Shuttle Enterprise, shall determine any new location for the Enterprise.

(b) Display and maintenance

The orbiter vehicles made available under subsection (a) shall be displayed and maintained through agreements and procedures established pursuant to section 613(a) of the National Aeronautics and Space Administration Authorization Act of 2008 (42 U.S.C. 17761(a)).

(c) Authorization of appropriations

There are authorized to be appropriated to NASA such sums as may be necessary to carry out this section. The amounts authorized to be appropriated by this subsection shall be in addition to any amounts authorized to be appropriated by title I, and may be requested by the President, as supplemental requirements, if needed, in the appropriate fiscal years.


REFERENCES IN TEXT

Section 613(a) of the National Aeronautics and Space Administration Authorization Act of 2008, referred to in subsecs. (a) and (b), is section 613(a) of Pub. L. 110–422, formerly classified to section 17761(a) of this title, which was transferred and is set out as a note under section 70501 of Title 51, National and Commercial Space Programs.

1 See References in Text note below.
§ 18371. Interagency collaboration implementation approach

The Director of OSTP shall establish a mechanism to ensure greater coordination of the research, operations, and activities relating to civilian Earth observation of those Agencies, including NASA, that have active programs that either contribute directly or indirectly to these areas. This mechanism should include the development of a strategic implementation plan that is updated at least every 3 years, and includes a process for external independent advisory input. This plan should include a description of the responsibilities of the various Agency roles in Earth observations, recommended cost-sharing and procurement arrangements between Agencies and other entities, including international arrangements, and a plan for ensuring the provision of sustained, long term space-based climate observations. The Director shall provide a report to Congress within 90 days after October 11, 2010, on the implementation plan for this mechanism.


§ 18372. Transitioning experimental research to operations

The Administrator shall coordinate with the Administrator of NOAA and the Director of the United States Geological Survey to establish a formal mechanism that plans, coordinates, and supports the transitioning of NASA research findings, assets, and capabilities to NOAA operations and United States Geological Survey operations. In defining this mechanism, NASA should consider the establishment of a formal or informal Interagency Transition Office. The Administrator of NASA shall provide an implementation plan for this mechanism to Congress within 90 days after October 11, 2010.


§ 18373. Decadal Survey missions implementation for Earth observation

The Administrator shall undertake to implement, as appropriate, missions identified in the National Research Council’s Earth Science Decadal Survey within the scope of the funds authorized for the Earth Science Mission Directorate.


§ 18374. Instrument test-beds and venture class missions

The Administrator shall pursue innovative ways to fly instrument-level payloads for early demonstration or as co-manifested payloads. The Congress encourages the use of the ISS as an accessible platform for the conduct of such activities. Additionally, in order to address the cost and schedule challenges associated with large flight systems, NASA should pursue smaller systems where practicable and warranted.


References in Text

Section 905 of this Act, referred to in text, is Pub. L. 111–267, title IX, § 905, Oct. 11, 2010, 124 Stat. 2858, which is not classified to the Code.

§ 18382. Suborbital research activities

(a) In general

The report of the National Academy of Sciences, Revitalizing NASA’s Suborbital Program: Advancing Science, Driving Innovation and Developing Workforce, found that suborbital science missions were absolutely critical to building an aerospace workforce capable of meeting the needs of current and future human and robotic space exploration.

(b) Management

The Administrator shall designate an officer or employee of the Science Mission Directorate to act as the responsible official for all Suborbital Research in the Science Mission Directorate. The designee shall be responsible for the development of short- and long term strategic plans for maintaining, renewing and extending suborbital facilities and capabilities, monitoring progress towards goals in the plans, and be responsible for integration of suborbital activities and workforce development within the agency, thereby ensuring the long term recognition of their combined value to the directorate, to NASA, and to the Nation.

(c) Establishment of Suborbital Research Program

The Administrator shall establish a Suborbital Research Program within the Science Mission Directorate that shall include the use of sounding rockets, aircraft, high altitude balloons, suborbital reusable launch vehicles, and commercial launch vehicles to advance science and train the next generation of scientists and engineers in systems engineering and systems integration which are vital to maintaining critical skills in the aerospace workforce. The program shall integrate existing suborbital research programs with orbital missions at the discretion of the designated officer or employee and shall emphasize the participation of undergraduate and graduate students and post-doctoral researchers when formulating announcements of opportunity.
(d) Report

The Administrator shall report to the appropriate committees of Congress on the number and type of suborbital missions conducted in each fiscal year and the number of undergraduate and graduate students participating in the missions. The report shall be made annually for each fiscal year under this section.

(e) Authorization

There are authorized to be appropriated to the Administrator such sums as may be necessary to carry out this section.


§ 18383. In-space servicing

The Administrator shall continue to take all necessary steps to ensure that provisions are made for in-space or human servicing and repair of all future observatory-class scientific spacecraft intended to be deployed in Earth-orbit or at a Lagrangian point to the extent practicable and appropriate. The Administrator should ensure that agency investments and future capabilities for space technology, robotics, and human space flight take the ability to service and repair these spacecraft into account, where appropriate, and incorporate such capabilities into design and operational plans.


§ 18384. Decadal results

NASA shall take into account the current decadal surveys from the National Academies’ Space Studies Board when submitting the President’s budget request to the Congress.


§ 18385. On-going restoration of radioisotope thermoelectric generator material production

(a) Findings

The Congress finds the following:

(1) The United States has led the world in the scientific exploration of space for nearly 50 years.

(2) Missions such as Viking, Voyager, Cassini, and New Horizons have greatly expanded knowledge of our solar system and planetary characteristics and evolution.

(3) Radioisotope power systems are the only available power sources for deep space missions making it possible to travel to such distant destinations as Mars, Jupiter, Saturn, Pluto, and beyond and maintain operational control and systems viability for extended mission durations.

(4) Current radioisotope power systems supplies and production will not fully support NASA missions planned even in the next decade and, without a new domestic production capability, the United States will no longer have the means to explore the majority of the solar system by the end of this decade.

(5) Continuing to rely on Russia or other foreign sources for radioisotope power system fuel production is not a secure option.

(6) Reestablishing domestic production will require a long lead-time. Thus, meeting future space exploration mission needs requires that a restart project begin at the earliest opportunity.

(b) In general

The Administrator shall, in coordination with the Secretary of Energy, pursue a joint approach beginning in fiscal year 2011 towards re-starting and sustaining the domestic production of radioisotope thermoelectric generator material for deep space and other science and exploration missions. Funds authorized by this chapter for NASA shall be made available under a reimbursable agreement with the Department of Energy for the purpose of reestablishing facilities to produce fuel required for radioisotope thermoelectric generators to enable future missions.

(c) Report

Within 120 days after October 11, 2010, the Administrator and the Secretary of Energy shall submit a joint report to the appropriate committees of Congress on coordinated agreements, planned implementation, and anticipated schedule, production quantities, and mission applications under this section.


§ 18386. Collaboration with ESMD and SOMD on robotic missions

The Administrator shall ensure that the Exploration Systems Mission Directorate and the Space Operations Mission Directorate coordinate with the Science Mission Directorate on an overall approach and plan for interagency and international collaboration on robotic missions that are NASA or internationally developed, including lunar, Lagrangian, near-Earth orbit, and Mars spacecraft, such as the International Lunar Network. Within 90 days after October 11, 2010, the Administrator shall provide a plan to the appropriate committees of Congress for implementation of the collaborative approach required by this section. The Administrator may not cancel or initiate any Exploration Systems Mission Directorate or Science Mission Directorate robotic project before the plan is submitted to the appropriate committees of Congress.


§ 18387. Near-Earth object survey and policy with respect to threats posed

(a) Policy reaffirmation

Congress reaffirms the policy set forth in section 20102(g) of title 51 relating to surveying near-Earth asteroids and comets.

(b) Implementation

The Director of the OSTP shall implement, before September 30, 2012, a policy for notifying Federal agencies and relevant emergency response institutions of an impending near-Earth object threat if near-term public safety is at risk, and assign a Federal agency or agencies to be responsible for protecting the United States.
§ 18388  SPACE WEATHER

(a) Findings

The Congress finds the following:

(1) Space weather events pose a significant threat to modern technological systems.

(2) The effects of severe space weather events on the electric power grid, telecommunications and entertainment satellites, airline communications during polar routes, and space-based position, navigation and timing systems could have significant societal, economic, national security, and health impacts.

(3) Earth and Space Observing satellites, such as the Advanced Composition Explorer, Geostationary Operational Environmental Satellites, Polar Operational Environmental Satellites, and Defense Meteorological Satellites, provide crucial data necessary to predict space weather events.

(b) Action required

The Director of OSTP shall—

(1) improve the Nation’s ability to prepare, avoid, mitigate, respond to, and recover from potentially devastating impacts of space weather events;

(2) coordinate the operational activities of the National Space Weather Program Council members, including the NOAA Space Weather Prediction Center and the U.S. Air Force Weather Agency; and

(3) submit a report to the appropriate committee of Congress within 180 days after Oct 1, 2010, that—

(A) details the current data sources, both space- and ground-based, that are necessary for space weather forecasting; and

(B) details the space- and ground-based systems that will be required to gather data necessary for space weather forecasting for the next 10 years.

(b) The Secretary of the Interior shall support the research, development, deployment, and operation of capabilities that enhance the understanding of variations of the Earth’s magnetic field associated with solar-terrestrial interactions.

c. The Secretary of Commerce shall:
(i) provide timely and accurate operational space weather forecasts, watches, warnings, alerts, and real-time space weather monitoring for the government, civilian, and commercial sectors, exclusive of the responsibilities of the Secretary of Defense; and
(ii) ensure the continuous improvement of operational space weather services, utilizing partnerships, as appropriate, with the research community, including academia and the private sector, and relevant agencies to develop, validate, test, and transition space weather observation platforms and models from research to operations and from operations to research.

d. The Secretary of Energy shall facilitate the protection of the electrical power grid during a presidentially declared grid security emergency associated with a geomagnetic disturbance pursuant to 16 U.S.C. 824e–1.

e. The Secretary of Homeland Security shall:
(i) ensure the timely redistribution of space weather alerts and warnings that support national preparedness, continuity of government, and continuity of operations; and
(ii) coordinate response and recovery from the effects of space weather events on critical infrastructure and the broader community.

f. The Administrator of the National Aeronautics and Space Administration (NASA) shall:
(i) implement and support a national research program to understand the Sun and its interactions with Earth and the solar system to advance space weather modeling and prediction capabilities applicable to space weather forecasting;
(ii) develop and operate space-weather-related research missions, instrument capabilities, and models; and
(iii) support the transition of space weather models and technology from research to operations and from operations to research.

g. The Director of the National Science Foundation (NSF) shall support fundamental research linked to societal needs for space weather information through investments and partnerships, as appropriate.

h. The Secretary of State, in consultation with the heads of relevant agencies, shall carry out diplomatic and public diplomacy efforts to strengthen global capacity to respond to space weather events.

i. The Secretaries of Defense, the Interior, Commerce, Transportation, Energy, and Homeland Security, along with the Administrator of NASA and the Director of NSF, shall work together, consistent with their ongoing activities, to develop models, observation systems, and technologies that inform and enhance national preparedness for the effects of space weather events, including how space weather events may affect critical infrastructure and change the threat landscape with respect to other hazards.

j. The heads of all agencies that support National Essential Functions, defined by Presidential Policy Directive 40 (PPD–40) of July 15, 2016 (National Continuity Policy), shall ensure that space weather events are adequately addressed in their all-hazards preparedness planning, including mitigation, response, and recovery, as directed by PPD–8 of March 30, 2011 (National Preparedness).

k. NSTC member agencies shall coordinate through the NSTC to establish roles and responsibilities beyond those identified in section 4 of this order to enhance space weather preparedness, consistent with each agency’s legal authority.

Ssc. 5. Implementation. (a) Within 120 days of the date of this order, the Secretary of Energy, in consultation with the Secretary of Homeland Security, shall develop a plan to test and evaluate available devices that mitigate the effects of geomagnetic disturbances on the electrical power grid through the development of a pilot program that deploys such devices, in situ, in the electrical power grid. After the development of the plan, the Secretary shall implement the plan in collaboration with industry. In taking action pursuant to this subsection, the Secretaries of Energy and Homeland Security shall consult with the Chairman of the Federal Energy Regulatory Commission.

(b) Within 120 days of the date of this order, the heads of the sector-specific agencies that oversee the critical infrastructure functions as defined by the National Infrastructure Protection Plan of 2013—including communications, energy, transportation, and water and wastewater systems—as well as the Nuclear Reactors, Materials, and Waste Sector, shall convey their executive and statutory authority, and limits of that authority, to direct, suspend, or control critical infrastructure operations, functions, and services before, during, and after a space weather event. The heads of each sector-specific agency shall provide a summary of these assessments to the Subcommittee.

(c) Within 90 days of receipt of the assessments ordered in section 5(b) of this order, the Subcommittee shall provide a report on the findings of these assessments with recommendations to the Director of OSTP, the Assistant to the President for Homeland Security and Counterterrorism, and the Director of OMB. The assessments may be used to inform the development and implementation of policy establishing authorities and responsibilities for agencies in response to a space weather event.

(d) Within 60 days of the date of this order, the Secretaries of Defense and Commerce, the Administrator of NASA, and the Director of NSF, in collaboration with other agencies as appropriate, shall identify mechanisms for advancing space weather observations, models, and predictions, and for sustaining and transitioning appropriate capabilities from research to operations and operations to research, collaborating with industry and academia to the extent possible.

(e) Within 120 days of the date of this order, the Secretaries of Defense and Commerce shall make historical data from the GPS constellation and other U.S. Government satellites publicly available, in accordance with Executive Order 13662 of May 9, 2013 (Making Open and Machine Readable the New Default for Government Information), to enhance model validation and improvements in space weather forecasting and situational awareness.

(f) Within 120 days of the date of this order, the Secretary of Homeland Security, through the Administrator of the Federal Emergency Management Agency and in coordination with relevant agencies, shall lead the development of a coordinated Federal operating concept and associated checklist to coordinate Federal assets and activities to respond to notification of, and protect against, impending space weather events. Within 180 days of the publication of the operating concept and checklist, agencies shall develop operational plans documenting their procedures and responsibilities to prepare for, protect against, and mitigate the effects of impending space weather events, in support of the Federal operating concept and compatible with the National Preparedness System described in PPD–8.

Ssc. 6. Stakeholder Engagement. The agencies identified in this order shall seek public-private and international collaborations to enhance observation networks, conduct research, develop prediction models and mitigation approaches, enhance community resilience and preparedness, and supply the services necessary to protect life and property and promote economic prosperity, as consistent with law.

Ssc. 7. Definitions. As used in this order:
(a) “Prepare” and “preparedness” have the same meaning they have in PPD–8. They refer to the actions taken to plan, organize, equip, train, and exercise to build and sustain the capabilities necessary to prevent, protect against, mitigate the effects of, respond to, and recover from those threats that pose the greatest risk to the security of the Nation. This includes the prediction and notification of space weather events.
(b) “Space weather” means variations in the space environment between the Sun and Earth (and throughout the solar system) that can affect technologies in space and on Earth. The primary types of space weather events are solar flares, solar energetic particles, and geomagnetic disturbances.

(c) “Solar flare” means a brief eruption of intense energy on or near the Sun’s surface that is typically associated with sunspots.

(d) “Solar energetic particles” means ions and electrons ejected from the Sun that are typically associated with solar eruptions.

(e) “Geomagnetic disturbance” means a temporary disturbance of Earth’s magnetic field resulting from solar activity.

(f) “Critical infrastructure” has the meaning provided in section 1016(e) of the USA Patriot Act of 2001 (42 U.S.C. 5195c(e)), namely systems and assets, whether physical or virtual, so vital to the United States that the incapacity or destruction of such systems and assets would have a debilitating impact on security, national economic security, national public health or safety, or any combination of those matters.

(g) “Sector-Specific Agency” means the agencies designated under PPD–21 of February 12, 2013 (Critical Infrastructure Security and Resilience), or any successor directive, to be responsible for providing institutional knowledge and specialized expertise as well as leading, facilitating, or supporting the security and resilience programs and associated activities of its designated critical infrastructure sector in the all-hazards environment.

Subchapter VIII—Aeronautics and Space Technology

§ 18401. Aeronautics research goals

The Administrator should ensure that NASA maintains a strong aeronautics research portfolio ranging from fundamental research through systems research with specific research goals, including the following:

(1) **Airspace capacity**

NASA’s Aeronautics Research Mission Directorate shall address research needs of the Next Generation Air Transportation System, including the ability of the National Airspace System to handle up to 3 times the current travel demand by 2025.

(2) **Environmental sustainability**

The Directorate shall consider and pursue concepts to reduce noise, emissions, and fuel consumption while maintaining high safety standards and shall pursue research related to alternative fuels.

(3) **Aviation safety**

The Directorate shall proactively address safety challenges with new and current air vehicles and with operations in the Nation’s current and future air transportation system.
building an aerospace workforce capable of science missions were absolutely critical to developing Workforce, found that suborbital
ences, Revitalizing NASA's Suborbital Program: and robotic space exploration.

(1) Policy
Not later than 1 year after October 11, 2010, the President shall transmit a report setting forth national space technology policy to the appropriate committees of Congress and to the Senate Committee on Appropriations and the House of Representatives Committee on Appropriations.

(2) Implementation
Not later than 60 days after the President transmits the report required by paragraph (1) to the Congress, the Administrator shall transmit a report to the same committees describing how NASA will carry out the policy.

(3) Considerations.—In developing the national space technology development policy, the President or the President's designee shall consider, and include a discussion in the report required by subsection (c), of the following issues:

(A) The extent to which NASA should focus on long term, high-risk research or more incremental technology development, and the expected impact of that decision on the United States economy.
(B) The extent to which NASA should address military and commercial needs.
(C) How NASA will coordinate its technology program with other Federal agencies.
(D) The extent to which NASA will conduct research in-house, fund university research, and collaborate on industry research and the expected impact of that mix of funding on the supply of United States workers for industry.

(4) Consultation.—In the development of the national space technology development policy, the President or the President's designee shall consult widely with academic and industry experts and with other Federal agencies. The Administrator may enter into an arrangement with the National Academy of Sciences to help develop the policy.

(c) Establishment
The Administrator shall establish a Commercial Reusable Suborbital Research Program within the Space Technology Program that shall fund the development of payloads for scientific research, technology development, and education, and shall provide flight opportunities for those payloads to microgravity environments and suborbital altitudes. The Commercial Reusable Suborbital Research Program may fund engineering and integration demonstrations, proofs of concept, or educational experiments for commercial reusable vehicle flights. The program shall endeavor to work with NASA's Mission Directorates to help achieve NASA's research, technology, and education goals.

(d) Report
The Administrator shall submit a report annually to the appropriate committees of Congress describing progress in carrying out the Commercial Reusable Suborbital Research program, including the number and type of suborbital missions planned in each fiscal year.

(e) Authorization
There are authorized to be appropriated to the Administrator $15,000,000 for each of fiscal years 2011 through 2013 to carry out this section.

SUBCHAPTER IX—EDUCATION

§ 18421. Study of potential commercial orbital platform program impact on science, technology, engineering, and mathematics
A fundamental and unique capability of NASA is in stimulating science, technology, engineering, and mathematics education in the United States. In ensuring maximum use of that capability, the Administrator shall carry out a study to—

(1) identify the benefits of and lessons learned from ongoing and previous NASA orbital student programs including, at a minimum, the Get Away Special (GAS) and Earth Knowledge Acquired by Middle School Students (EarthKAM) programs, on science, technology, engineering, and mathematics education;
(2) assess the potential impacts on science, technology, engineering, and mathematics education of a program that would facilitate the development of scientific and educational payloads involving United States students and educators and the flights of those payloads on commercially available orbital platforms, when available and operational, with the goal
of providing frequent and regular payload launches;
(3) identify NASA expertise, such as NASA science, engineering, payload development, and payload operations, that could be made available to facilitate a science, technology, engineering, and mathematics program using commercial orbital platforms; and
(4) identify the issues that would need to be addressed before NASA could properly assess the merits and feasibility of the program described in paragraph (2).


AMENDMENTS
2011—Pub. L. 111–358 amended section generally. Prior to amendment, text read as follows: “A fundamental and unique capability of NASA is in stimulating science, technology, engineering, and mathematics education in the United States. In ensuring maximum use of that capability, NASA shall—

“(1) establish a program to annually sponsor scientific and educational payloads developed with United States student and educator involvement to be flown on commercially available orbital platforms, when available and operational, with the goal of launching at least 50 such payloads (with at least one from each of the 50 States) to orbit on at least one mission per year;

“(2) contract with providers of commercial orbital platform services for their use by the STEM-Commercial Orbital Platform program, preceded by the issuance of a request for proposal, not later than 90 days after October 11, 2010, to enter into at least one funded, competitively-awarded contract for commercial orbital platform services and make awards within 180 days after such date; and

“(3) engage with United States students and educators and make available NASA’s science, engineering, payload development, and payload operations expertise to student teams selected to participate in the STEM-Commercial Orbital Platform program.”

EFFECTIVE DATE OF 2011 AMENDMENT
Pub. L. 111–358, title II, §205(a), Jan. 4, 2011, 124 Stat. 3996, provided that: “The amendment made by subsection (a) [amending this section] shall take effect on October 12, 2010.”

SUBCHAPTER X—RE-SCOPING AND REVITALIZING INSTITUTIONAL CAPABILITIES
§ 18431. Workforce stabilization and critical skills preservation
Prior to receipt by the Congress of the study, recommendations, and implementation strategy developed pursuant to section 1103,1 none of the funds authorized for use under this Act may be used to transfer the functions, missions, or activities, and associated civil service and contractor positions, from any NASA facility without authorization by the Congress to implement the proposed strategy. The Administrator shall preserve the critical skills and competencies in place at NASA centers prior to October 11, 2010, in order to facilitate timely implementation of the requirements of this chapter and to minimize disruption to the workforce. The Administrator may not implement any reduction-in-force or other involuntary separations of permanent, non-Senior-Executive-Service, civil servant employees before September 30, 2013, except for cause on charges of misconduct, delinquency, or inefficiency.


REFERENCES IN TEXT

This Act, referred to in text, is Pub. L. 111–267, Oct. 11, 2010, 124 Stat. 2805, known as the National Aeronautics and Space Administration Authorization Act of 2010, which enacted this chapter (§18301 et seq.) and various other provisions, including provisions authorizing appropriations, which were not classified to the Code. For complete classification of this Act to the Code, see Short Title note set out under section 18301 of this title and Tables.

SUBCHAPTER XI—OTHER MATTERS
§ 18441. National and international orbital debris mitigation
(a) Findings
Congress makes the following findings:
(1) A national and international effort is needed to develop a coordinated approach towards the prevention, negation, and removal of orbital debris.

(2) The guidelines issued by the Inter-Agency Space Debris Coordination Committee provide a consensus understanding of 10 national space agencies (including NASA) plus the European Space Agency on the necessity of mitigating the creation of space debris and measures for doing so. NASA’s participation on the Committee should be robust, and NASA should urge other space-relevant Federal agencies (including the Departments of State, Defense, and Commerce) to work to ensure that their counterpart agencies in foreign governments are aware of these national commitments and the importance in which the United States holds them.

(3) Key components of such an approach should include—
(A) a process for debris prevention through agreements regarding spacecraft design, operations, and end-of-life disposition plans to minimize orbiting vehicles or elements which are nonfunctional;

(B) the development of a robust Space Situational Awareness network that can identify potential collisions and provide sufficient trajectory and orbital data to enable avoidance maneuvers;

(C) the interagency development of an overall strategy for review by the President, with recommendations for proposed international collaborative efforts to address this challenge.

(b) International discussion
(1) In general
The Administrator shall, in consultation with such other departments and agencies of the Federal Government as the Administrator considers appropriate, continue and strengthen discussions with the representatives of...

1 See References in Text note below.
other space-faring countries, within the Inter-Agency Space Debris Coordination Committee and elsewhere, to deal with this orbital debris mitigation.

(2) Interagency effort

For purposes of carrying out this subsection, the Director of OSTP, in coordination with the Director of the National Security Council and using the President’s Council of Advisors on Science and Technology coordinating mechanism, shall develop an overall strategy for review by the President, with recommendations for proposed international collaborative efforts to address this challenge.


§ 18442. Reports on program and cost assessment and control assessment

(a) Findings

Congress makes the following findings:

(1) The adherence of NASA to program cost and schedule targets and discipline across NASA programs remains a concern.

(2) The James Webb Space Telescope has exceeded its cost estimate.

(3) In 2007 the Government Accountability Office issued a report on NASA’s high risk acquisition performance.

(4) In response, NASA prepared a corrective action plan two years ago.

(b) Reports

(1) Reports required

Not later than 90 days after October 11, 2010, and not later than April 30 of each year thereafter, the Administrator shall submit to the appropriate committees of Congress a report on the implementation during the preceding year for the corrective action plan referred to in subsection (a)(4).

(2) Elements

Each report under this subsection shall set forth, for the year covered by such report, the following:

(A) A description of each NASA program that has exceeded its cost baseline by 15 percent or more or is more than 2 years behind its projected development schedule.

(B) For each program specified under subparagraph (A), a plan for such decrease in scope or requirements, or other measures, to be undertaken to control cost and schedule, including any cost monitoring or corrective actions undertaken pursuant to the National Aeronautics and Space Administration Authorization Act of 2005 (Public Law 109–155), and the amendments made by that Act.


REFERENCES IN TEXT


§ 18443. Eligibility for service of individual currently serving as Administrator of NASA

The individual serving in the position of Administrator of the National Aeronautics and Space Administration as of October 11, 2010, comes from civilian life and is therefore eligible to serve in such position, in conformance with section 20111 of title 51.


CROSS REFERENCE


§ 18444. Counterfeit parts

(a) In general

The Administrator shall plan, develop, and implement a program, in coordination with other Federal agencies, to detect, track, catalog, and reduce the number of counterfeit electronic parts in the NASA supply chain.

(b) Requirements

In carrying out the program, the Administrator shall establish—

(1) counterfeit part identification training for all employees that procure, process, distribute, and install electronic parts that will—

(A) teach employees how to identify counterfeit parts;

(B) educate employees on procedures to follow if they suspect a part is counterfeit;

(C) regularly update employees on new threats, identification techniques, and reporting requirements; and

(D) integrate industry associations, manufacturers, suppliers, and other Federal agencies, as appropriate;

(2) an internal database to track all suspected and confirmed counterfeit electronic parts that will maintain, at a minimum—

(A) companies and individuals known and suspected of selling counterfeit parts;

(B) parts known and suspected of being counterfeit, including lot and date codes, part numbers, and part images;

(C) countries of origin;

(D) sources of reporting;

(E) United States Customs seizures; and

(F) Government-Industry Data Exchange Program reports and other public or private sector database notifications; and

(3) a mechanism to report all information on suspected and confirmed counterfeit elec-
tronic parts to law enforcement agencies, industry associations, and other databases, and to issue bulletins to industry on counterfeit electronic parts and related counterfeit activity.

(c) Review of procurement and acquisition policy
(1) In general
In establishing the program, the Administrator shall amend existing acquisition and procurement policy to purchase electronic parts from trusted or approved manufacturers. To determine trusted or approved manufacturers, the Administrator shall establish a list, assessed and adjusted at least annually, and create criteria for manufacturers to meet in order to be placed onto the list.

(2) Criteria
The criteria may include—
(A) authentication or encryption codes;
(B) embedded security markings in parts;
(C) unique, harder to copy labels and markings;
(D) identifying distinct lot and serial codes on external packaging;
(E) radio frequency identification embedded into high-value parts;
(F) physical destruction of all defective, damaged, and sub-standard parts that are by-products of the manufacturing process;
(G) testing certifications;
(H) maintenance of procedures for handling any counterfeit parts that slip through;
(I) maintenance of secure facilities to prevent unauthorized access to proprietary information; and
(J) maintenance of product return, buy back, and inventory control practices that limit counterfeiting.

(d) Report to Congress
Within one year after October 11, 2010, the Administrator shall report on the progress of implementing this section to the appropriate committees of Congress.


§ 18445. Information security
(a) Monitoring risk
(1) Update on system implementation
Not later than 120 days after October 11, 2010, and on a biennial basis thereafter, the chief information officer of NASA, in coordination with other national security agencies, shall provide to the appropriate committees of Congress—
(A) an update on efforts to implement a system to provide dynamic, comprehensive, real-time information regarding risk of unauthorized remote, proximity, and insider use or access, for all information infrastructure under the responsibility of the chief information officer, and mission-related networks, including contractor networks;
(B) an assessment of whether the system has demonstrably and quantifiably reduced network risk compared to alternative methods of measuring security; and
(C) an assessment of the progress that each center and facility has made toward implementing the system.

(2) Existing assessments
The assessments required of the Inspector General under section 3545 of title 44 shall evaluate the effectiveness of the system described in this subsection.

(b) Information security awareness and education
(1) In general
In consultation with the Department of Education, other national security agencies, and other agency directorates, the chief information officer shall institute an information security awareness and education program for all operators and users of NASA information infrastructure, with the goal of reducing unauthorized remote, proximity, and insider use or access.

(2) Program requirements
(A) The program shall include, at a minimum, ongoing classified and unclassified threat-based briefings, and automated exercises and examinations that simulate common attack techniques.
(B) All agency employees and contractors engaged in the operation or use of agency information infrastructure shall participate in the program.
(C) Access to NASA information infrastructure shall only be granted to operators and users who regularly satisfy the requirements of the program.
(D) The chief human capital officer of NASA, in consultation with the chief information officer, shall create a system to reward operators and users of agency information infrastructure for continuous high achievement in the program.

(c) Information infrastructure defined
In this section, the term “information infrastructure” means the underlying framework that information systems and assets rely on to process, transmit, receive, or store information electronically, including programmable electronic devices and communications networks and any associated hardware, software, or data.


REFERENCES IN TEXT

CHAPTER 160—TREATMENT OF CERTAIN PAYMENTS IN EUGENICS COMPENSATION

Sec. 16501. Exclusion of payments from State eugenics compensation programs from consideration in determining eligibility for, or the amount of, Federal public benefits.

1 See References in Text note below.
§ 18601. Exclusion of payments from State eugenics compensation programs from consideration in determining eligibility for, or the amount of, Federal public benefits

(a) In general
Notwithstanding any other provision of law, payments made under a State eugenics compensation program shall not be considered as income or resources in determining eligibility for, or the amount of, any Federal public benefit.

(b) Definitions
For purposes of this section:

(1) Federal public benefit
The term “Federal public benefit” means—
(A) any grant, contract, loan, professional license, or commercial license provided by an agency of the United States or by appropriated funds of the United States; and
(B) any retirement, welfare, health, disability, public or assisted housing, post-secondary education, food assistance, unemployment benefit, or any other similar benefit for which payments or assistance are provided to an individual, household, or family eligibility unit by an agency of the United States or by appropriated funds of the United States.

(2) State eugenics compensation program
The term “State eugenics compensation program” means a program established by State law that is intended to compensate individuals who were sterilized under the authority of the State.


SHORT TITLE
Pub. L. 114–241, § 1, Oct. 7, 2016, 130 Stat. 976, provided that: “This Act [enacting subchapter I and amendments sections 16352 and 16381 of title 16, and amending sections 16358 of this title] may be cited as the ‘Laboratory Modernization and Technology Transfer Act’.”

§ 18611. Sense of Congress on accelerating energy innovation

It is the sense of Congress that—

(1) although important progress has been made in cost reduction and deployment of clean energy technologies, accelerating clean energy innovation will help meet critical competitiveness, energy security, and environmental goals;

(2) accelerating the pace of clean energy innovation in the United States calls for—

(A) supporting existing research and development programs at the Department and the world-class National Laboratories;

(B) exploring and developing new pathways for innovators, investors, and decision-mak-
ers to leverage the resources of the Department for addressing the challenges and comparative strengths of geographic regions; and

(C) recognizing the financial constraints of the Department, regularly reviewing clean energy programs to ensure that taxpayer investments are maximized;

(3) the energy supply, demand, policies, markets, and resource options of the United States vary by geographic region;

(4) a regional approach to innovation can bridge the gaps between local talent, institutions, and industries to identify opportunities and convert United States investment into domestic companies; and

(5) Congress, the Secretary, and energy industry participants should advance efforts that promote international, domestic, and regional cooperation on the research and development of energy innovations that—

(A) provide clean, affordable, and reliable energy for everyone;

(B) promote economic growth;

(C) are critical for energy security; and

(D) are sustainable without government support.


§ 18612. Restoration of laboratory directed research and development program

(a) In general

Except as provided in subsection (b), the Secretary shall ensure that laboratory operating contractors do not allocate costs of general and administrative overhead to laboratory directed research and development.

(b) Exception for national security laboratories

This section shall not apply to the national security laboratories with respect to which section 3119 of the National Defense Authorization Act for Fiscal Year 2017 (Public Law 114–328) applies.


REFERENCES IN TEXT

Section 3119 of the National Defense Authorization Act for Fiscal Year 2017, referred to in subsec. (b), is section 3119 of Pub. L. 114–328, which is set out as a note under section 2791 of Title 50, War and National Defense.

§ 18613. Research grants database

(a) In general

The Secretary shall establish and maintain a public database, accessible on the website of the Department, that contains a searchable listing of each unclassified research and development project contract, grant, cooperative agreement, task order for a federally funded research and development center, or other transaction administered by the Department.

(b) Requirements

Each listing described in subsection (a) shall include, at a minimum, for each listed project, the Department office carrying out the project, the project name, an abstract or summary of the project, funding levels, project duration, contractor or grantee name (including the names of any subcontractors), and expected objectives and milestones.

(c) Relevant literature and patents

The Secretary shall provide information through the public database established under subsection (a) on relevant literature and patents that are associated with each research and development project contract, grant, or cooperative agreement, or other transaction, of the Department.


§ 18614. Technology transfer and transitions assessment

Not later than 1 year after September 28, 2018, and as often as the Secretary determines to be necessary thereafter, the Secretary shall transmit to the appropriate committees of Congress a report that includes recommended changes to the policy of the Department and legislative changes to section 16391 of this title to improve the ability of the Department to successfully transfer new energy technologies to the private sector.


§ 18615. Agreements for commercializing technology pilot program

(a) In general

The Secretary shall carry out the Agreements for Commercializing Technology pilot program of the Department, as announced by the Secretary on December 8, 2011, in accordance with this section.

(b) Terms

Each agreement entered into pursuant to the pilot program referred to in subsection (a) shall provide to the contractor of the applicable National Laboratory, to the maximum extent determined to be appropriate by the Secretary, increased authority to negotiate contract terms, such as intellectual property rights, payment structures, performance guarantees, and multi-party collaborations.

(c) Eligibility

(1) In general

Any director of a National Laboratory may enter into an agreement pursuant to the pilot program referred to in subsection (a).

(2) Agreements with non-Federal entities

To carry out paragraph (1) and subject to paragraph (3), the Secretary shall permit the directors of the National Laboratories to execute agreements with a non-Federal entity, including a non-Federal entity already receiving Federal funding that will be used to support activities under agreements executed pursuant to paragraph (1), provided that such funding is solely used to carry out the purposes of the Federal award.
(3) Restriction
The requirements of chapter 18 of title 35 (commonly known as the “Bayh-Dole Act”) shall apply if—
(A) the agreement is a funding agreement (as that term is defined in section 201 of that title); and
(B) at least one of the parties to the funding agreement is eligible to receive rights under that chapter.

(d) Submission to Secretary
Each affected director of a National Laboratory shall submit to the Secretary, with respect to each agreement entered into under this section—
(1) a summary of information relating to the relevant project;
(2) the total estimated costs of the project;
(3) estimated commencement and completion dates of the project; and
(4) other documentation determined to be appropriate by the Secretary.

(e) Certification
The Secretary shall require the contractor of the affected National Laboratory to certify that each activity carried out under a project for which an agreement is entered into under this section—
(1) is not in direct competition with the private sector; and
(2) does not present, or minimizes, any apparent conflict of interest, and avoids or neutralizes any actual conflict of interest, as a result of the agreement under this section.

(f) Extension
The pilot program referred to in subsection (a) shall be extended until September 30, 2019.

(g) Reports
(1) Overall assessment
Not later than 60 days after the date described in subsection (f), the Secretary, in coordination with directors of the National Laboratories, shall submit to the appropriate committees of Congress a report that—
(A) assesses the overall effectiveness of the pilot program referred to in subsection (a);
(B) identifies opportunities to improve the effectiveness of the pilot program;
(C) assesses the potential for program activities to interfere with the responsibilities of the National Laboratories to the Department; and
(D) provides a recommendation regarding the future of the pilot program.

(2) Transparency
The Secretary, in coordination with directors of the National Laboratories, shall submit to the appropriate committees of Congress an annual report that accounts for all incidences of, and provides a justification for, non-Federal entities using funds derived from a Federal contract or award to carry out agreements pursuant to this section.

§ 18631. Crosscutting research and development
(a) In general
The Secretary shall use the capabilities of the Department to identify strategic opportunities for collaborative research, development, demonstration, and commercial application of innovative science and technologies.

(b) Existing programs; coordination of activities
To the maximum extent practicable, the Secretary shall seek—
(1) to leverage existing programs of the Department; and
(2) to consolidate and coordinate activities throughout the Department to promote collaboration and crosscutting approaches within programs of the Department.

(c) Additional actions
The Secretary shall—
(1) prioritize activities that use all affordable domestic resources;
(2) develop a planning, evaluation, and technical assessment framework for setting objective long-term strategic goals and evaluating progress that—
(A) ensures integrity and independence; and
(B) provides the flexibility to adapt to market dynamics;
(3) ensure that activities shall be undertaken in a manner that does not duplicate other activities within the Department or other Federal Government activities; and
(4) identify programs that may be more effectively left to the States, industry, nongovernmental organizations, institutions of higher education, or other stakeholders.

§ 18632. Energy Innovation Hubs
(a) Definitions
In this section:
(1) Advanced energy technology
The term “advanced energy technology” means—
(A) an innovative technology—
(i) that produces energy from solar, wind, geothermal, biomass, tidal, wave, ocean, or other renewable energy resources;
(ii) that produces nuclear energy;
(iii) for carbon capture and sequestration;
(iv) that enables advanced vehicles, vehicle components, and related technologies that result in significant energy savings;
(v) that generates, transmits, distributes, uses, or stores energy more efficiently than conventional technologies, including through Smart Grid technologies; or
(vi) that enhances the energy independence and security of the United States by enabling improved or expanded supply and
production of domestic energy resources, including coal, oil, and natural gas;

(B) a research, development, demonstration, or commercial application activity necessary to ensure the long-term, secure, and sustainable supply of an energy-critical element; or

(C) any other innovative energy technology area identified by the Secretary.

(2) Hub

(A) In general

The term “Hub” means an Energy Innovation Hub established under this section.

(B) Inclusion


(3) Qualifying entity

The term “qualifying entity” means—

(A) an institution of higher education;

(B) an appropriate State or Federal entity, including a federally funded research and development center of the Department;

(C) a nongovernmental organization with expertise in advanced energy technology research, development, demonstration, or commercial application; or

(D) any other relevant entity the Secretary determines appropriate.

(b) Authorization of program

(1) In general

The Secretary shall carry out a program to enhance the economic, environmental, and energy security of the United States by making awards to consortia for establishing and operating hubs, to be known as “Energy Innovation Hubs”, to conduct and support, at, if practicable, one centralized location, multidisciplinary, collaborative research, development, demonstration, and commercial application of advanced energy technologies.

(2) Technology development focus

The Secretary shall designate for each Hub a unique advanced energy technology or basic research focus.

(3) Coordination

The Secretary shall ensure the coordination of, and avoid unnecessary duplication of, the activities of each Hub with the activities of—

(A) other research entities of the Department, including the National Laboratories, the Advanced Research Projects Agency—Energy, and Energy Frontier Research Centers; and

(B) industry.

(c) Application process

(1) Eligibility

To be eligible to receive an award for the establishment and operation of a Hub under subsection (b)(1), a consortium shall—

(A) be composed of not fewer than two qualifying entities;

(B) operate subject to a binding agreement, entered into by each member of the consortium, that documents—

(i) the proposed partnership agreement, including the governance and management structure of the Hub;

(ii) measures the consortium will undertake to enable cost-effective implementation of activities under the program described in subsection (b)(1); and

(iii) a proposed budget, including financial contributions from non-Federal sources; and

(C) operate as a nonprofit organization.

(2) Application

(A) In general

A consortium seeking to establish and operate a Hub under subsection (b)(1) shall submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require, including a detailed description of each element of the consortium agreement required under paragraph (1)(B).

(B) Requirement

If the consortium members will not be located at one centralized location, the application under subparagraph (A) shall include a communications plan that ensures close coordination and integration of Hub activities.

(3) Selection

(A) In general

The Secretary shall select consortia for awards for the establishment and operation of Hubs through a competitive selection process.

(B) Considerations

In selecting consortia under subparagraph (A), the Secretary shall consider—

(i) the information disclosed by the consortium under this subsection; and

(ii) any existing facilities a consortium will provide for Hub activities.

(d) Term

(1) In general

An award made to a Hub under this section shall be for a period of not more than 5 years, subject to the availability of appropriations, after which the award may be renewed, subject to a rigorous merit review.

(2) Existing Hubs

A Hub already in existence on, or undergoing a renewal process on, September 28, 2018—

(A) may continue to receive support during the 5-year period beginning on the date of establishment of that Hub; and

(B) shall be eligible for renewal of that support at the end of that 5-year period.

(e) Hub operations

(1) In general

Each Hub shall conduct or provide for multidisciplinary, collaborative research, development, demonstration, and commercial application of advanced energy technologies within the technology development focus designated under subsection (b)(2).

(2) Activities

Each Hub shall—
(A) encourage collaboration and communication among the member qualifying entities of the consortium and awardees;
(B) develop and publish proposed plans and programs on a publicly accessible website;
(C) submit an annual report to the Department summarizing the activities of the Hub, including—
   (i) detailing organizational expenditures; and
   (ii) describing each project undertaken by the Hub; and
(D) monitor project implementation and coordination.

(3) Conflicts of interest
Each Hub shall maintain conflict of interest procedures, consistent with the conflict of interest procedures of the Department.

(4) Prohibition on construction

(A) In general
Except as provided in subparagraph (B)—
   (i) no funds provided under this section may be used for construction of new buildings or facilities for Hubs; and
   (ii) construction of new buildings or facilities shall not be considered as part of the non-Federal share of a Hub cost-sharing agreement.

(B) Test bed and renovation exception
Nothing in this paragraph prohibits the use of funds provided under this section or non-Federal cost share funds for the construction of a test bed or renovations to existing buildings or facilities for the purposes of research if the Secretary determines that the test bed or renovations are limited to a scope and scale necessary for the research to be conducted.


SUBCHAPTER III—DEPARTMENT OF ENERGY OFFICE OF SCIENCE POLICY

§ 18641. Basic energy sciences

(a) Energy Frontier Research Centers

(1) In general
The Director shall carry out a program to provide awards, on a competitive, merit-reviewed basis, to multi-institutional collaborations or other appropriate entities to conduct fundamental and use-inspired energy research to accelerate scientific breakthroughs.

(2) Collaborations
A collaboration receiving an award under this subsection may include multiple types of institutions and private sector entities.

(3) Selection and duration

(A) In general
A collaboration under this subsection shall be selected for a period of 4 years.

(B) Existing centers
An Energy Frontier Research Center in existence and supported by the Director on September 28, 2018, may continue to receive support for a period of 4 years beginning on the date of establishment of that center.

(C) Reapplication
After the end of the period described in subparagraph (A) or (B), as applicable, a recipient of an award may reapply for selection on a competitive, merit-reviewed basis.

(D) Termination
Consistent with the existing authorities of the Department, the Director may terminate an underperforming center for cause during the performance period.

(4) No funding for construction
No funding provided pursuant to this subsection may be used for the construction of new buildings or facilities.

(b) Basic energy sciences user facilities

(1) In general
The Director shall carry out a program for the development, construction, operation, and maintenance of national user facilities.

(2) Requirements
To the maximum extent practicable, the national user facilities developed, constructed, operated, or maintained under paragraph (1) shall serve the needs of the Department, industry, the academic community, and other relevant entities to create and examine materials and chemical processes for the purpose of improving the competitiveness of the United States.

(3) Included facilities
The national user facilities developed, constructed, operated, or maintained under paragraph (1) shall include—
   (A) x-ray light sources;
   (B) neutron sources;
   (C) nanoscale science research centers; and
   (D) such other facilities as the Director considers appropriate, consistent with section 7139 of this title.

(c) Accelerator research and development
The Director shall carry out research and development on advanced accelerator and storage ring technologies relevant to the development of basic energy sciences user facilities, in consultation with the High Energy Physics and Nuclear Physics programs of the Office of Science.

(Pub. L. 115–246, title III, § 303(a)–(c), Sept. 28, 2018, 132 Stat. 3140, 3141.)

§ 18642. Advanced scientific computing research

(a) Omitted

(b) High-performance computing and networking research
The Director shall support research in high-performance computing and networking relevant to energy applications, including modeling, simulation, and advanced data analytics for basic and applied energy research programs carried out by the Secretary.

(c) Applied mathematics and software development for high-end computing systems
The Director shall carry out activities to develop, test, and support—
(1) mathematics, models, and algorithms for complex systems and programming environments; and
(2) tools, languages, and operating systems for high-end computing systems (as defined in section 5541 of title 15).


CODIFICATION
Section is comprised of section 304 of Pub. L. 115–246.

Subsec. (a) of section 304 of Pub. L. 115–246 amended sections 16316 of this title, sections 5541 and 5542 of Title 15, Commerce and Trade, and provisions set out as a note under section 5501 of Title 15.

§ 18643. High-energy physics

(a) Sense of Congress

It is the sense of Congress that—

(1) the Director should incorporate the findings and recommendations of the report of the Particle Physics Project Prioritization Panel entitled “Building for Discovery: Strategic Plan for U.S. Particle Physics in the Global Context” into the planning process of the Department; and

(2) the nations that lead in particle physics by hosting international teams dedicated to a common scientific goal attract the world’s best talent and inspire future generations of physicists and technologists.

(b) International collaboration

The Director, as practicable and in coordination with other appropriate Federal agencies as necessary, shall ensure the access of United States researchers to the most advanced accelerator facilities and research capabilities in the world, including the Large Hadron Collider.

(c) Neutrino research

The Director shall carry out research activities on rare decay processes and the nature of the neutrino, which may include collaborations with the National Science Foundation or international collaborations.

(d) Dark energy and dark matter research

The Director shall carry out research activities on the nature of dark energy and dark matter, which may include collaborations with the National Aeronautics and Space Administration or the National Science Foundation; or international collaborations.


§ 18644. Biological and environmental research

(a) Biological systems

The Director shall carry out research and development activities in fundamental, structural, computational, and systems biology to increase systems-level understanding of the complex biological systems, which may include activities—

(1) to accelerate breakthroughs and new knowledge that would enable the cost-effective, sustainable production of—

(A) biomass-based liquid transportation fuels;

(B) bioenergy; and

(C) bio-based materials;

(2) to improve understanding of the global carbon cycle, including processes for removing carbon dioxide from the atmosphere, through photosynthesis and other biological processes, for sequestration and storage; and

(3) to understand the biological mechanisms used to transform, immobilize, or remove contaminants from subsurface environments.

(b) Limitation for research funds

The Director shall not approve new climate science-related initiatives without making a determination that such work is well-coordinated with any relevant work carried out by other Federal agencies.

(c) Low-dose radiation research program

(1) In general

The Director shall carry out a research program on low-dose radiation.

(2) Purpose

The purpose of the program is to enhance the scientific understanding of, and reduce uncertainties associated with, the effects of exposure to low-dose radiation to inform improved risk-management methods.


§ 18645. Fusion energy

(a) Fusion materials research and development

As part of the activities authorized in section 16318 of this title—

(1) the Director, in coordination with the Assistant Secretary for Nuclear Energy of the Department, shall carry out research and development activities to identify, characterize, and demonstrate materials that can endure the neutron, plasma, and heat fluxes expected in a fusion power system; and

(2) the Director shall provide an assessment of—

(A) the need for one or more facilities that can examine and test potential fusion and next generation fusion materials and other enabling technologies relevant to the development of fusion power; and

(B) whether a single new facility that substantially addresses magnetic fusion and next generation fission materials research needs is feasible, in conjunction with the expected capabilities of facilities operational as of September 28, 2018.

(b) Tokamak research and development

The Director shall support research and development activities and facility operations to optimize the tokamak approach to fusion energy.

(c) Inertial fusion energy research and development

The Director shall support research and development activities for inertial fusion for energy applications.

(d) Alternative and enabling concepts

The Director shall support research and development activities and facility operations at institutions of higher education, National Labora-
tories, and private facilities in the United States for a portfolio of alternative and enabling fusion energy concepts that may provide solutions to significant challenges to the establishment of a commercial magnetic fusion power plant, prioritized based on the ability of the United States to play a leadership role in the international fusion research community.

(e) Coordination with ARPA–E

The Director shall coordinate with the Director of the Advanced Research Projects Agency-Energy (referred to in this subsection as ‘‘ARPA–E’’) to—

(1) assess the potential for any fusion energy project supported by ARPA–E to represent a promising approach to a commercially viable fusion power plant;

(2) determine whether the results of any fusion energy project supported by ARPA–E merit the support of follow-on research activities carried out by the Office of Science; and

(3) avoid the unintentional duplication of activities.

(f) Omitted

(g) Identification of priorities

(1) Report

(A) In general

Not later than 2 years after September 28, 2018, the Secretary shall submit to Congress a report on the fusion energy research and development activities that the Department proposes to carry out over the 10-year period following the date of the report under not fewer than 3 realistic budget scenarios, including a scenario based on 3-percent annual growth in the non-ITER portion of the budget for fusion energy research and development activities.

(B) Inclusions

The report required under subparagraph (A) shall—

(i) identify specific areas of fusion energy research and enabling technology development in which the United States can and should establish or solidify a lead in the global fusion energy development effort;

(ii) identify priorities for initiation of facility construction and facility decommissioning under each of the three budget scenarios described in subparagraph (A); and

(iii) assess the ability of the fusion workforce of the United States to carry out the activities identified under clauses (i) and (ii), including the adequacy of programs at institutions of higher education in the United States to train the leaders and workers of the next generation of fusion energy researchers.

(2) Process

In order to develop the report required under paragraph (1)(A), the Secretary shall leverage best practices and lessons learned from the process used to develop the most recent report of the Particle Physics Project Prioritization Panel of the High Energy Physics Advisory Panel.

(3) Requirement

No member of the Fusion Energy Sciences Advisory Committee shall be excluded from participating in developing or voting on final approval of the report required under paragraph (1)(A).


CODIFICATION


§ 18646. Isotope development and production for research applications

The Director—

(1) may carry out a program for the production of isotopes, including the development of techniques to produce isotopes, that the Secretary determines are needed for research, medical, industrial, or related purposes; and

(2) shall ensure that isotope production activities carried out under the program under this paragraph do not compete with private industry unless the Director determines that critical national interests require the involvement of the Federal Government.

(Pub. L. 115–246, title III, § 308(a), Sept. 28, 2018, 132 Stat. 3150.)

§ 18647. Science laboratories infrastructure program

(a) In general

The Director shall carry out a program to improve the safety, efficiency, and mission readiness of infrastructure at laboratories of the Office of Science.

(b) Inclusions

The program under subsection (a) shall include projects—

(1) to renovate or replace space that does not meet research needs;

(2) to replace facilities that are no longer cost effective to renovate or operate;

(3) to modernize utility systems to prevent failures and ensure efficiency;

(4) to remove excess facilities to allow safe and efficient operations; and

(5) to construct modern facilities to conduct advanced research in controlled environmental conditions.